



NEWS RELEASE

Nov 01, 2017

[R&I Green Bond Assessment]

Toda Corporation Green Bond : GA1 (Preliminary)

Rating and Investment Information, Inc. (R&I) has announced the following R&I Green Bond Assessment. This is a preliminary assessment and will be reassessed after the final confirmation of bond issuance details.

[DESCRIPTION OF RATED INSTRUMENT]

INSTRUMENT NAME	TODA CORPORATION GREEN BOND
ISSUER	TODA CORPORATION
ISSUE AMOUNT (mn)	JPY 10,000
R&I GREEN BOND ASSESSMENT	GA1
ISSUE DATE	December 2017 (scheduled)
MATURITY DATE	December 2022 (scheduled)

[RATIONALE]

TODA CORPORATION (TC) is one of Japan's second-tier general contractors. TC has strength in the construction of various types of buildings ranging from medical and educational facilities to offices and production facilities, and has also recently been engaging in the construction of solar power facilities and floating offshore wind power facilities. The bond mentioned above (TC Green Bond) is a green bond issued in Japan in line with the Green Bond Principles.

In accordance with the R&I Green Bond Assessment Methodology, R&I has judged that the proceeds from the issuance of TC Green Bonds will be used to invest in projects with significant environmental benefits and has assigned GA1 to the bond. The main rationale is as follows:

- The net proceeds of the TC Green Bond will be used to construct floating offshore wind power facilities with a maximum capacity of 22MW off the coast of Goto City, Nagasaki Prefecture (the "Project"). A offshore wind power generation business is part of renewable energy generation businesses and is also considered to be a business contributing to the mitigation of global warming.
- While there are not many areas in Japan where onshore wind power generation facilities can be installed, great potential is considered to exist for the installation of offshore wind power facilities as Japan is an island country surrounded by sea. Floating offshore wind power facilities can be installed even in deepwater areas and are anticipated to greatly contribute to the promotion of the installation of renewable energy generation facilities in Japan. As this is Japan's first full-scale commercialization of such wind power facilities, this Project is very significant.
- Environmental assessment procedures under the Environmental Impact Assessment Act and other preparations for the realization of the Project are currently underway.
- The process for selecting this Project as the destination of the proceeds from TC Green Bonds, the approach to managing the proceeds until their allocation to the Project, and TC's reporting policy regarding the allocation of the proceeds and the environmental impacts of the Project have been set in accordance with the Green Bond Principles. In addition, TC has established its companywide environmental framework and conducted leading-edge environmental contribution activities through its business operations.

Comprehensively considering the above, R&I is confident that the TC Green Bond is in line with the Green Bond Principles.

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This is a preliminary assessment. Assessment details are scheduled to be announced after the completion of the assessment.

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[Japanese is the official language of this material and if there are any inconsistencies or discrepancies between the information written in Japanese and the information written in languages other than Japanese the information written in Japanese will take precedence.]

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