

NIPPON LIFE FINANCES DESALINATION PROJECT IN AUSTRALIA

Nippon Life Insurance Company (President: Yoshinobu Tsutsui, hereinafter “Nippon Life”) made a loan of 176 million Australian dollar (approximately 15.6 billion yen, hereinafter “the loan”) to finance a desalination plant (hereinafter “the plant”) in a plant management PPP project (hereinafter “the project”) for the City of Melbourne, Australia. This loan is the first project finance transaction in Australia for Nippon Life.

The project has been undertaken to serve as a drought control measure in a Public Private Partnership (PPP) project in Australia, which has experienced a number of severe droughts in its history. As one of the largest desalination facilities in the world, the plant is capable of serving the annual water supply needs of a third of the total population of Melbourne which has approximately 4.6 million residents.

Furthermore, the environmentally friendly and energy efficient plant is being operated with the renewable energy created by wind power plants in the State of Victoria

Securing a long term income opportunity for the life insurer’s investment portfolio that is designed to finance socially significant projects, Nippon Life is honored to provide a loan to refinance existing debt to support the stable operation of the plant which has been serving for the critical needs of the water supply of the people in the State of Victoria since 2012. Joining the loan syndication process from the primary phase, Nippon Life is covering more than 20% of the loan facility.

Nippon Life signed the United Nations Principles for Responsible Investment (PRI) in March 2017. In our mid-term management plan (FY2017-FY2020), we also announced our plan to invest 1.5 trillion yen in various growing fields, including 200 billion yen in ESG bonds and suchlike. This project finance in social infrastructure represents another step in our commitment to invest in growing fields.

By promoting our investments that are characterized by both social responsibility and profitability, in growing fields such as overseas project finance, Nippon Life continues to strive to further expand both customer profit and industrial development all over the world.

< Finance Overview >

Borrower	AquaSure Finance Pty Ltd
Signing Date	October 10, 2017
Nippon Life Loan Amount	176 million Australian dollars (Approximately 15.6 billion yen)

< Facility Overview >

Location	Wonthaggi, Victoria, Australia
Plant Area	32 Hectare
Main Facilities	Desalination plant, water pipeline, seawater intake
Desalination Capacity	150 billion liters/year (400 thousand tons/day)
Completion Date	December, 2012
Project End	September, 2039 (Planned)

【Desalination Plant Aerial View】



(Source: AquaSure Pty Ltd)