

December 4, 2017

The Dai-ichi Life Insurance Company

Dai-ichi Life to Expand Overseas Project Finance Investment - Its First Participation in a Tender for Acquisition Finance Deal -

The Dai-ichi Life Insurance Company, Limited (the "Company;" President and representative director: Seiji Inagaki) has been proactively engaging in project finance in Japan and abroad since 2013 as part of its efforts to enhance asset management skills and strategies. The Company hereby announces that it has invested approximately ¥4.5 billion in the "High Speed 1" high-speed railway line concession^{*1} project in England, which is the first time for the Company to participate in a tender for acquisition finance deal in project finance sector. Concurrently, as its first project in Australia, the Company has also decided an investment worth approximately ¥4.4 billion in the Victorian Desalination Project (VDP), with concessionaire, AquaSure.

High Speed 1 is a concession for the operation and maintenance of a high-speed railway line (with a route length of 109 km between London and the English Channel), together with stations and related facilities. The Company participated in a tender for acquisition finance deal for the project and provided debt financing subordinated^{*2} to the project's debt. We leveraged our accumulated know-how in project finance and careful risk assessment was conducted in coordination between the execution and credit departments. These factors enable us to gain relatively high investment return.

The Victorian Desalination Project, built at Wonthaggi, in the Australian state of Victoria, ranks among the world's largest desalination projects with an annual water desalination capacity of 150 billion liters. The Victorian Government entered into a 30-year contract with AquaSure for the company to finance, design, build, operate and maintain the VDP. The VDP provides a rainfall independent water supply, taking pressure off water storages during times of drought, and in the face of continued population growth. This first Australian project financing by the Company is aimed to further pursue the geographic diversification of the Company's portfolio.

The Company continues to improve its investment returns through enhancement and diversification of its investment methods, while proactively expanding ESG investment^{*3} in an effort to contribute to creating a sustainable society as a responsible institutional investor.

*1: Concession is a type of public-private partnership where private business operators run public utilities under an operating license obtained from a government.

*2: In this transaction, the Company invested in the senior debt of an intermediate holding company that has acquired and holds the equity of High Speed 1. Due to the repayment relying on dividend income from High Speed 1, the investment portion of the Company is subordinated to High Speed 1's debt.

*3: "ESG" stands for Environment, Society and Governance. Dai-ichi Life follows investment principles that combine safety and profitability with sociality and public interest (environmental protection, social contributions, promoting diversity, and corporate governance).

Outline of High Speed 1

Project name	High Speed 1
Investment scheme	Long-term loan to a consortium for the acquisition of the shares of High Speed 1 from its shareholder
Project overview	Based on a concession agreement with the UK Department for Transport, maintenance and operation of the high-speed rail line (route length of approximately 109 km) between London St. Pancras Station and the entrance to the English Channel Tunnel, together with four stations in the section and related operations (retail / parking lot business)
Sponsors	Funds managed by InfraRed Capital Partner and funds managed by Equitix Investment Management
Operators	Domestic Line: London & South Eastern Railway International Line: Eurostar

Outline of Victorian Desalination Project

Project name	Victorian Desalination Project - AquaSure
Investment scheme	Tranche of AU\$ 766 million on a syndicated loan for the refinancing of debt
Project overview	Maintenance and operation of a seawater desalination plant (reverse osmosis membrane type) constructed in Wonthaggi, Victoria, Australia with an annual seawater desalination capacity of 150 billion liters (equivalent to one-third of the state's annual demand)
Sponsors	UniSuper, Suez Environment, Itochu Corporation, etc.
Operator	Joint venture between Suez Environment and Ventia

Photographs

Left: High Speed 1, right: Victorian Desalination Project

