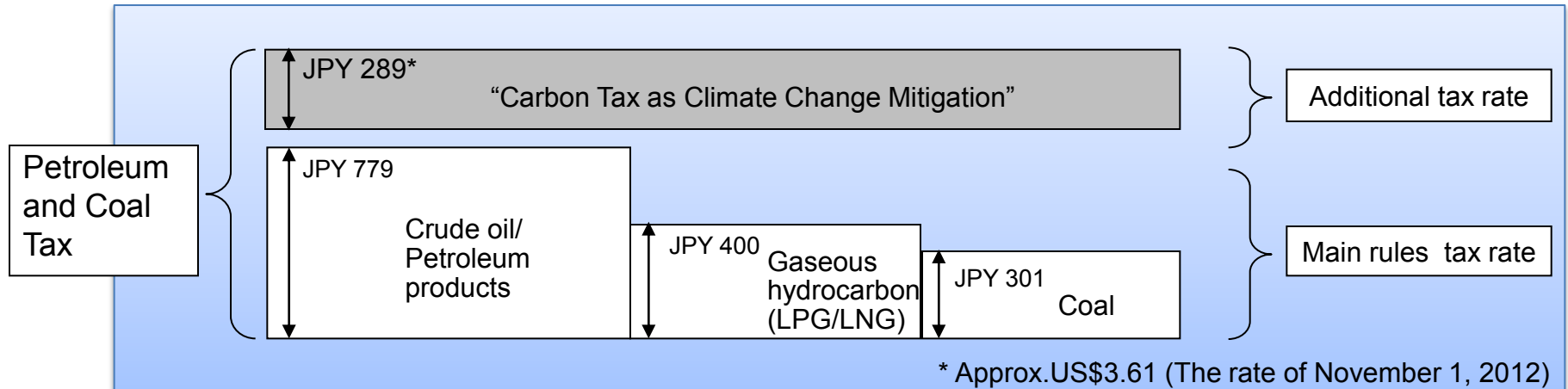


Carbon Tax (Tax for Climate Change Mitigation)

- Tax rate corresponding to the amount of CO2 emissions for all fossil fuels (JPY 289/t-CO2)
- Enforced from Oct. 2012 and increases in the tax rate gradually over 3 and a half years
- All the tax revenue will be allocated for curbing energy-oriented CO2 emissions

Tax Rate

Tax Rate per t-CO2 of “Carbon Tax as Climate Change Mitigation”



Enforcement Stage

Object of Taxation	Main rules Tax Rate	From Oct. 1, 2012	From Apr. 1, 2014	From Apr. 1, 2016
Crude oil/Petroleum products [per kl]	JPY 2,040	+ JPY 250	+ JPY 250	+ JPY 260
		(JPY 2,290)	(JPY 2,540)	(JPY 2,800)
Gaseous hydrocarbon [per t]	JPY 1,080	+ JPY 260	+ JPY 260	+ JPY 260
		(JPY 1,340)	(JPY 1,600)	(JPY 1,860)
Coal [per t]	JPY 700	+ JPY 220	+ JPY 220	+ JPY 230
		(JPY 920)	(JPY 1,140)	(JPY 1,370)

Tax Revenue

[1st year] **JPY 39.1 billion** ; [Normal year] **JPY 262.3 billion** (about US\$3.27 billion)

➔ To be used for introduction of renewable energy and enhancement of energy-saving measures, etc.