

**SANYO and Nippon Oil Look at Combining Efforts on Thin Film Solar Cells**  
A joint-project possibility for two energy leaders



Tokyo, September 30, 2008 – Nippon Oil Corporation (Nippon Oil) and SANYO Electric Co., Ltd. (SANYO) announce today that they have reached a basic agreement to explore the possibility of establishing a joint company to handle the expected expansion and development of the thin-film solar cell market and will move forward with more specific negotiations.

Within the rapidly expanding marketplace for solar power, thin-film solar cells are forecast to be the lowest costing solar cells available, and as such, many companies from varying industries are rapidly becoming involved, making a departure from standard solar manufacturers.

SANYO manufactures and sells HIT\* solar cells, currently the world's highest conversion efficiency level for mass-produced panels available. However, in order to further expand the solar business, SANYO has been ever-developing thin-film silicon solar cell technology. While SANYO will continue to expand and develop its HIT Solar Panel products hereafter, in order to quickly build the thin-film solar business into a mainstay business, consideration has been given to how to raise the necessary funds and engineering skills. As such, Nippon Oil, which has also been considering the various options to make thin-film solar cells a part of its core businesses in the future, and SANYO have decided to further pursue the possibility of establishing a joint company.

Nippon Oil, as a generalized energy provider, desires to make new energy-related products, such as fuel cells, solar power, and other battery-related storage, a pillar of its business in the future. In order to securely procure the low-cost power generating thin-film silicon solar cells to fulfill its goals to pioneer the technology on a large-scale for power generation for the Japanese market and public industry, as well as investing in the technology's benefits for home-use, Nippon Oil made the determination that it would be necessary to consider a cooperative business opportunity with a company that had already begun development of the thin-film solar cells and was already a well-recognized name in the solar industry. Based on these various factors, Nippon Oil decided to formally consider establishing a joint company with SANYO.

Both Nippon Oil and SANYO share similar interests in securing the resources and the technology, and as such, aim to commercialize highly efficient, low-cost thin-film solar cells by Fiscal Year 2010. Therefore the two companies will enter more detailed negotiations with the intention of establishing a joint company by April 2009.

\*HIT stands for Heterojunction with Intrinsic Thin-layer. HIT solar cells developed by SANYO are hybrid solar cells composed of single crystalline silicon wafers surrounded by ultra-thin amorphous silicon layers.

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