

Featuring integrated in-house provision of services relating to power plant development, operation, and power selling

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【 9522 Renewable Japan Sector : Electric Power & Gas 】

Fiscal Year	Net sales (mn yen)	YoY (%)	Op. profit (mn yen)	YoY (%)	Ord. profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Dec. 2019	20,600	-	997	-	315	-	250	-	12.2	177.4	0.0
Dec. 2020	22,276	8.1	1,673	67.8	731	131.7	462	85.0	19.2	227.7	0.0
Dec. 2021 f	15,394	-30.9	2,072	23.9	906	23.9	506	9.5	19.6	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending Dec. 2021 are the company's forecast.

Mainly Pursuing Solar Power Station Development and Operation/Power Selling Businesses

Renewable Japan Group is comprised primarily of 21 consolidated subsidiaries and four equity method affiliates. It provides integrated services relating to renewable energy power plants, especially solar power stations, including development, EPC (engineering, procurement and construction), financing and selling of power generation equipment (including equity interest), power generation, asset management (AM), operation and maintenance (O&M), and power retailing.

After developing a renewable energy power plant, the company either owns it and generates revenue from power selling or generates revenue from selling the plant to a buyer such as the publicly listed Renewable Japan Energy Infrastructure Fund (RJEIF), for which Renewable Japan is the main sponsor and Tokyu Land Corporation is the co-sponsor, or a private fund set up by Renewable Japan, for which it has recruited investors.

For renewable energy power plants sold by the Group, Renewable Japan is commissioned by the publicly listed infrastructure fund or private fund to handle AM and O&M operations. Furthermore, the company's subsidiary RJ Investment is commissioned to handle asset management by the publicly listed infrastructure fund. Power retailing is handled by Renewable Japan's subsidiary Mirai Electric Power.

The Group's net sales/gross profit are divided into two categories: the development business (flow-type revenue) and the power generation/operation business (stock-type revenue). For the cumulative third quarter of the fiscal period ended December 2021, the development business represented 18.4% of net sales and 38.9% of gross profit, while the power generation/operation business represented 81.6% and 61.1% , respectively.

In the case of selling silent partnership equity interest in power plant equipment, amount of net sales is the difference between the sale price and book value, and since the cost of sales is not recorded, it is important to note that net sales and gross profit (gain on sale) are the same.

Renewable Japan (9522 TSE Mothers) ----- January 6,2022

Financial Statements

Statement of income	Fiscal Year		Dec. 2019		Dec. 2020		Nine months to Sep. 2021	
			(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales			20,600	100.0	22,276	100.0	11,418	100.0
Cost of sales			16,776	81.4	17,507	78.6	7,097	62.2
Gross profit			3,824	18.6	4,768	21.4	4,320	37.8
Selling, general and administrative expenses			2,827	13.7	3,094	13.9	2,611	22.9
Operating profit			997	4.8	1,673	7.5	1,708	15.0
Non-operating income			193	-	93	-	166	1.5
Non-operating expenses			874	4.2	1,035	4.6	990	8.7
Ordinary profit			315	1.5	731	3.3	884	7.7
Profit before income taxes			367	1.8	754	3.4	897	7.9
Profit			250	1.2	462	2.1	566	5.0

Balance sheet	Dec. 2019		Dec. 2020		Sep. 2021	
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets	52,508	94.8	58,023	91.5	96,947	88.5
Cash and deposits	12,209	22.1	12,060	19.0	12,696	11.6
Accounts receivable	1,596	2.9	1,114	1.8	1,699	1.6
Investment securities	2,771	5.0	3,987	6.3	4,258	3.9
Power plants for sale	16,152	29.2	16,511	26.0	34,648	31.6
Power plants for in-process sales	15,929	28.8	22,345	35.2	35,455	32.4
Non-current assets	2,859	5.2	5,369	8.5	12,601	11.5
Property, plant and equipment	378	0.7	1,553	2.5	6,706	6.1
Intangible assets	61	0.1	42	0.1	1,920	1.8
Investments and other assets	2,419	4.4	3,772	6.0	3,974	3.6
Total assets	55,368	100.0	63,392	100.0	109,548	100.0
Current liabilities	14,709	26.6	12,642	19.9	21,100	19.3
Accounts payable	1,609	2.9	255	0.4	1,048	1.0
Short-term borrowings	4,137	7.5	4,398	6.9	4,146	3.8
Current portion of bonds payable	552	1.0	494	0.8	206	0.2
Current portion of long-term borrowings	4,993	9.0	4,131	6.5	10,136	9.3
Current portion of non-recourse long-term borrowings	1,599	2.9	983	1.6	3,586	3.3
Non-current liabilities	36,097	65.2	44,434	70.1	78,606	71.8
Bonds payable	2,876	5.2	2,437	3.8	1,321	1.2
Long-term borrowings	8,545	15.4	15,961	25.2	25,121	22.9
Non-recourse long-term borrowings	24,019	43.4	25,423	40.1	49,121	44.8
Net assets	4,561	8.2	6,315	10.0	9,832	9.0
Shareholders' equity	4,099	7.4	5,876	9.3	6,343	5.8

Statement of cash flows	Dec. 2019		Dec. 2020	
	(mn yen)	(%)	(mn yen)	(%)
Cash flows from operating activities	-12,609		-6,729	
Depreciation	380		1,308	
Cash flows from investing activities	-389		-1,323	
Cash flows from financing activities	20,189		7,972	
Dividends paid	-		-	
Net increase in cash and cash equivalents	7,189		-80	
Cash and cash equivalents	12,205		12,056	

Note: Consolidated basis

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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