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 Representative: Yosuke Kiminami, Founding CEO
 (Stock code: 9519
 Tokyo Stock Exchange 1st)
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RENOVA Acquires a New Subsidiary (Change in Scope of Consolidation) by Acquiring Equity Interest in One TK (Progress in a Disclosure Item)

RENOVA, Inc. (hereinafter “RENOVA”) announces that it today decided to proceed with the acquisition of additional equity interests in the proprietors of the business under Karumai West Solar T.K. (hereinafter “Karumai West Solar”), an equity-method affiliate of RENOVA, as described in “RENOVA Acquires New Subsidiaries (Change in Scope of Consolidation) by Acquiring Equity Interest in Two TK” announced on May 10, 2019. The acquisition was also carried out today.

RENOVA’s equity ownership in Karumai West Solar will increase to 51.0% with the acquisition, and Karumai West Solar will become a consolidated subsidiary of RENOVA.

1. Overview of subsidiary subject to share transfer (as of March 31, 2019)

(1) Title	Karumai West Solar T.K.	
(2) Location	Operator: 26 Aza-Shimoniida, Dai-32-Chiwari, Oaza-Sannai, Karumai-machi, Kunohe-gun, Iwate Prefecture Silent partner: 2-2-1 Kyobashi, Chuo-ku, Tokyo, Japan	
(3) Title and name of operator	Operator: Karumai West Solar G.K. Masakazu Hongo, Executor Silent partner: RENOVA, Inc. Yosuke Kiminami, Founding CEO	
(4) Business	Solar PV business	
(5) Total capital contribution	1,920 million yen	
(6) Date of establishment	November 24, 2015	
(7) Investment ratios	RENOVA, Inc. 38.0% Sumitomo Mitsui Finance and Leasing Company, Limited 31.0% Mitsubishi UFJ Lease & Finance Company Limited 31.0%	
(8) Relationships between the listed company and the silent partnership business	Capital relationship	The Company has invested 729 million yen (38.0%) in the silent partnership business.
	Personal relationship	There is no personal relationship that is required to be stated between RENOVA and the silent partnership business. In addition, no related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of the silent partnership.
	Business relationship	There is no business relationship that is required to be stated between RENOVA and the silent partnership business. Renova Asset Management, Inc., a subsidiary of RENOVA, and Karumai West Solar, the operator of the silent partnership business, have signed an agreement for operational support and outsourcing.

(9) Business results and financial position of silent partnership business over the last three years			
Fiscal Year	FY Ended March 2017	FY Ended March 2018	FY Ended March 2019
Net assets	-0 million yen	-0 million yen	-0 million yen
Total assets	9,703 million yen	12,284 million yen	15,725 million yen
Net sales	- million yen	- million yen	- million yen
Operating profit	-0 million yen	-0 million yen	-0 million yen
Ordinary profit	0 million yen	-0 million yen	-0 million yen
Profit	0 million yen	-0 million yen	-0 million yen

2. Outline of party from which equity interest is acquired (as of March 31, 2019)

Sumitomo Mitsui Finance and Leasing Company, Limited

(1) Title	Sumitomo Mitsui Finance and Leasing Company, Limited	
(2) Location	1-3-2 Marunouchi, Chiyoda-ku, Tokyo	
(3) Title and name of representative	Masaki Tachibana, President	
(4) Business	Leasing and installment sales of a variety of equipment and machinery. Loans and factoring. Other. Services relating to above-mentioned businesses	
(5) Capital stock	15,000 million yen	
(6) Date of establishment	February 4, 1963	
(7) Net assets	734,041 million yen	
(8) Total assets	5,812,698 million yen	
(9) Major shareholders and shareholding ratios	Sumitomo Mitsui Financial Group, Inc. 50.0% Sumitomo Corporation 50.0%	
(10) Relationships between the listed company and the relevant company	Capital relationship	There is no capital relationship that is required to be stated between RENOVA and Sumitomo Mitsui Finance and Leasing Company, Limited (hereinafter "SMFL"). In addition, no related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of SMFL.
	Personal relationship	There is no personal relationship that is required to be stated between RENOVA and SMFL. In addition, no related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of SMFL.
	Business relationship	RENOVA is conducting equipment leasing transactions with SMFL. The two companies have jointly set up and operate Karumai East Solar T.K., affiliates of RENOVA. Kanda Biomass Energy Co., Ltd., an affiliate of RENOVA, is arranging a mezzanine loan from SMFL. No related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of SMFL.
	Status as related party	SMFL is not considered to be a related party of RENOVA. In addition, no related parties or affiliates of SMFL are considered to be related parties of RENOVA.

Mitsubishi UFJ Lease & Finance Company Limited

(1) Title	Mitsubishi UFJ Lease & Finance Company Limited
(2) Location	1-5-1 Marunouchi, Chiyoda-ku, Tokyo
(3) Title and name of representative	Takahiro Yanai, President & CEO
(4) Business	Leasing of properties, installment sales of properties, finance

	operations and international operations.	
(5) Capital stock	33,196 million yen	
(6) Date of establishment	April 12, 1971	
(7) Net assets	778,582 million yen	
(8) Total assets	5,790,929 million yen	
(9) Major shareholders and shareholding ratios	Mitsubishi Corporation 20.00% Mitsubishi UFJ Financial Group, Inc. 13.43%	
(10) Relationships between the listed company and the relevant company	Capital relationship	There is no capital relationship that is required to be stated between RENOVA and Mitsubishi UFJ Lease & Finance Company Limited (hereinafter "MUFJLF"). In addition, no related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of MUFJLF.
	Personal relationship	There is no personal relationship that is required to be stated between RENOVA and MUFJLF. In addition, no related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of MUFJLF.
	Business relationship	There is no business relationship that is required to be stated between RENOVA and MUFJLF. Kokonoe Solar T.K., a consolidated subsidiary of RENOVA, is arranging a senior loan from MUFJLF. Tokushima Tsuda Biomass Power Plant G.K., an affiliate of RENOVA, is arranging a mezzanine loan from MUFJLF. No related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of MUFJLF.
	Status as related party	MUFJLF is not considered to be a related party of RENOVA. In addition, no related parties or affiliates of MUFJLF are considered to be related parties of RENOVA.

3. Status of equity interests before and after the transfer

- (1) Ownership interest before transfer: 38.0%
- (2) Equity interest to be acquired: 13.0%
- (3) Ownership interest after transfer: 51.0%

(Note) The acquisition value is 329 million yen.

4. Schedule

- July 1, 2019 Conclusion of an agreement on transfer of equity interest
- July 1, 2019 Transfer of equity interest

5. Future outlook

The effects of the acquisition of equity interests on the results for the fiscal year ending March 31, 2020 are reflected in the consolidated forecasts in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (Japanese GAAP) announced on May 10, 2019. We will promptly make further announcements if and when it becomes necessary.

[For inquiries about this release, please contact]

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