

Supplementary Material on Financial Results for 1Q the Fiscal Year Ending March 2021

Creating our future with renewable energy.



August 11, 2020

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As a general rule and unless indicated otherwise, consolidated figures are used for the monetary amounts listed in this document. As amounts less than one million yen are rounded down, totals in each column may not match.

In this document, current(quarterly) profit is listed as net(quarterly) income attributable to owners of the parent.

For inquiries about this document:

IR Office, RENOVA, Inc.

Telephone: +81-3-3516-6263

Email: ir@renovainc.com

IR website: <https://www.renovainc.com/en/>

Creating our future with renewable energy.



Key Highlights for 1Q, FY3/2021 and Recent Updates

- 1** **Net sales and profit in line with the full-year plan**
- 2** **In July 2020, acquired an additional equity stake (51.0%→100%) in Karumai West Solar (48.0 MW)
Construction of the Quang Tri Onshore Wind Projects (144.0 MW) in Vietnam is progressing smoothly**
- 3** **In July 2020, the waters off of Yurihonjo City, Akita Prefecture, were designated as an offshore wind “Promotion Zone”^{*1}^{*2}**

^{*1} Promotion zones where offshore wind power generation facilities can be constructed preferentially based on the provisions of Promoting Utilization of Sea Areas in Development of Power Generation Facilities Using Maritime Renewable Energy Resources.

^{*2} Ministry of Economy, Trade and Industry website news release dated July 21, 2020 (<https://www.meti.go.jp/press/2020/07/20200721005/20200721005.html>)

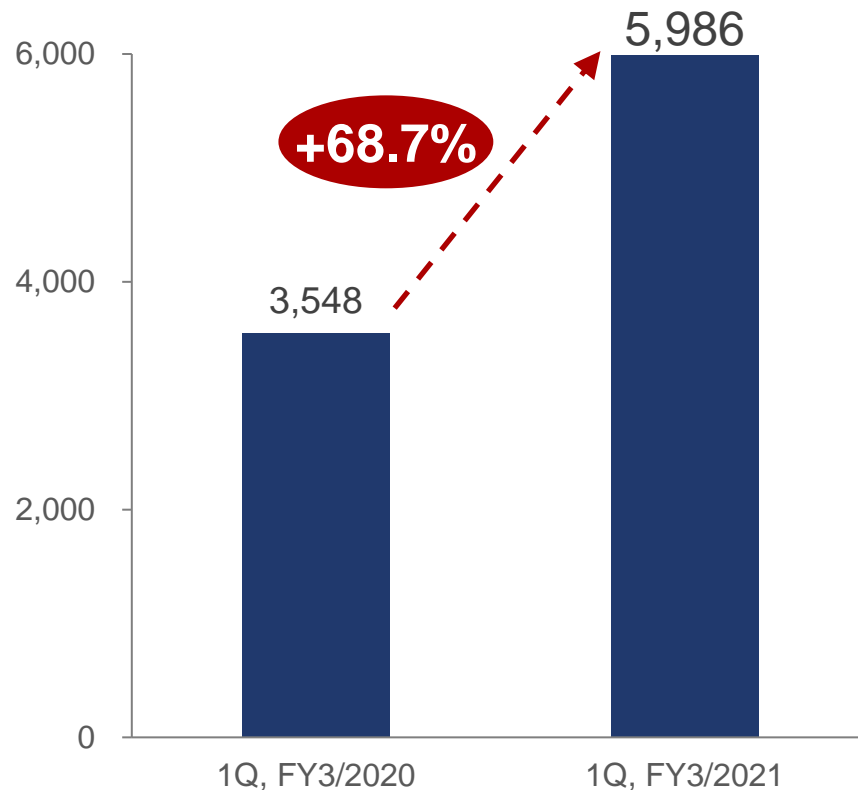
I. Financial Results for 1Q, the Fiscal Year Ending March 2021
(J-GAPP)

Trend in Net Sales and EBITDA (J-GAAP)

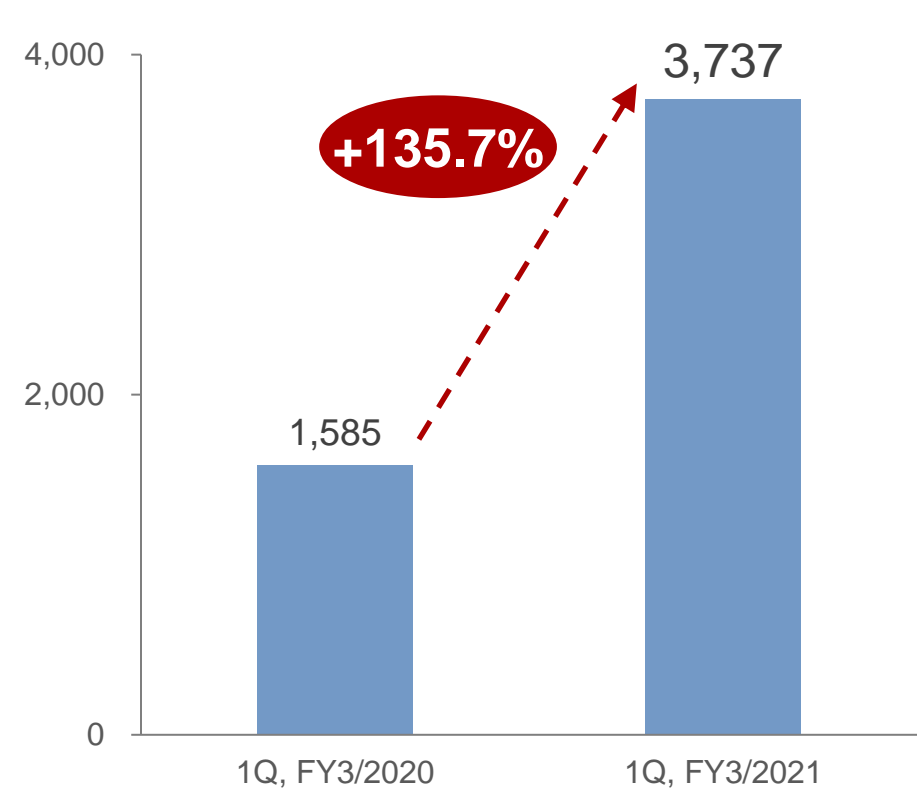
(Million yen)

- Net sales and EBITDA increased significantly from the same period of the previous year.
 - Full-year contribution from 3 large-scale solar PV projects (Nasukarasuyama Solar, Karumai West Solar and Karumai East Solar).
 - Recorded a business development fee for Omaezakikou Biomass.

Net Sales



EBITDA*1



*1 EBITDA = ordinary profit + net interest expenses + depreciation + amortization of long-term prepaid expenses (grid connection costs and deferred consumption tax) + amortization of goodwill + amortization of deferred assets (business commencement expenses). EBITDA is neither subject to audit nor quarterly review.

Financial Highlights (J-GAAP)

(Million yen)

- In addition to operating income, net income increased significantly from the same period of the previous fiscal year due to an increase in sales.

	FY3/2020 1Q YTD (J-GAAP)	FY3/2021 1Q YTD (J-GAAP)	FY3/2021 (Full-year plan)		Ratio to full-year plan (J-GAAP)
			(J-GAAP)	(IFRS)	
Net sales	3,548	5,986	20,500	20,500	29.2%
EBITDA*1	1,585	3,737	10,000	10,800	37.4%
<i>EBITDA margin</i>	44.7%	62.4%	49.0%	53.0%	-
Operating profit	934	2,418	4,900	5,400	49.3%
Ordinary profit	361	1,674	-	-	N.A.
Extraordinary income	236	—	-	-	-
Extraordinary losses	—	—	-	-	-
Profit*2	119	678	200	800	339.4%
EPS (yen)*3	1.59	8.88	2.62	10.57	-
LTM ROE*4	17.6%	28.2%	1.1%	4.3%	-
Number of power plants in operation (The figures in parentheses () represents the number of power plants to which equity method investment is applied.)	10(0)	12 (0)	12 (0)		-
Capacity (MW)*5	204.5	333.3	333.3		-

*1 EBITDA = ordinary profit + net interest expenses + depreciation + amortization of long-term prepaid expenses (grid connection costs and deferred consumption tax) + amortization of goodwill + amortization of deferred assets (business commencement expenses). EBITDA is neither subject to audit nor quarterly review. *2 Profit attributable to owners of parent.

*3 The EPS value does not consider adjustment for dilutive shares. *4 For the purpose of calculating LTM ROE, the profit figure for the most recent 12-month period is used, and the equity figure used is the simple average of the values at the beginning of the most recent 12-month period and at the end of the most recent month. *5 The capacity figures represent gross generation capacity.

Quarterly Results by Segment (J-GAAP)

(Million yen)

- The renewable energy power generation business grew year on year due to contribution from the three large-scale solar power projects that were consolidated in the previous fiscal year, as well as steady power generation in existing power plants.
- Quarterly sales in the renewable energy development and operation business increased year on year due to a business development fee relating to the Omaezakikou Biomass Project.

		FY3/20 1Q YTD	FY3/2021 1Q YTD	Change
Renewable Energy Power Generation Business (A)	Net sales	3,460	4,959	43.3%
	EBITDA	2,404	3,642	51.5%
	Operating income	1,640	2,296	40.0%
Renewable Energy Development and Operation Business + Elimination (B)*1	Net sales	88	1,026	1,056.9%
	EBITDA	-818	94	N.A.
	Operating income	-706	121	N.A.
Total*1 (A + B)	Net sales	3,548	5,986	68.7%
	EBITDA	1,585	3,737	135.7%
	Operating income	934	2,418	158.8%

*1 When receiving development fees from affiliated companies, RENOVA records such development fees in its consolidated financial results after deducting amounts that correspond to RENOVA's ownership stake in those affiliated companies.

Composition of EBITDA (J-GAAP)

(Million yen)

- EBITDA increased from the same period of the previous fiscal year due to the contribution of the 3 large-scale solar PV projects (Nasukarasuyama Solar, Karumai West Solar, Karumai East Solar) that were consolidated in the previous fiscal year, as well as a business development fee relating to the Omaezakikou Biomass Project.

	FY3/2020 1Q YTD	FY3/2021 1Q YTD	Change
Ordinary profit	361	1,674	1,312
Net interest expense(+)	344	512	167
Interest income	0	1	0
Interest expense + interest on asset retirement obligations	345	513	168
Depreciation (+)	755	1,304	548
Amortization of long-term prepaid expenses*1 (+)	7	16	9
Amortization of goodwill(+)	8	17	8
Amortization of deferred assets*2 (+)	108	212	104
EBITDA	1,585	3,737	2,151

- Full-year contribution of the 3 large-scale solar PV projects.
- Recording of a business development fee for Omaezakikou Biomass.

- Increased due to the consolidation of 3 large-scale solar PV projects.

*1 Amortization of long-term prepaid expenses = Amortization of grid connection costs + Amortization of deferred consumption taxes.

*2 Amortization of business commencement expenses.

Balance Sheet (J-GAAP)

(Million yen)

- Investment and other assets increased due to development investment in the Quang Tri Onshore Wind Projects (144.0 MW) and new projects under development.

	As of FY3/2020	End of 1Q of FY3/2021	Change	Major Factors of Increase/Decrease
Current assets	36,473	36,673	163	
Non-current assets	108,714	111,197	2,483	
Property, plant and equipment	88,222	87,060	-1,162	
Intangible assets	3,123	3,079	-44	
Investments and other assets	17,368	21,057	3,689	Increased investment in biomass and Quang Tri Onshore Wind Projects.
Deferred assets	2,963	2,750	-212	
Total assets	148,151	150,585	2,434	
Interest-bearing debt^{*1}	110,090	110,656	565	
Other liabilities	13,746	13,380	-365	
Total liabilities	123,837	124,037	200	
Shareholders' equity	12,877	13,553	676	Increase in retained earnings.
Accumulated other comprehensive income	5,605	6,861	1,256	Market value evaluation of FX hedge contracts signed at the time of fuel procurement contracts for biomass projects.
Subscription rights to shares	34	53	18	
Non-controlling interests	5,797	6,079	282	Increased due to consolidation of solar projects (Karumai West Solar and Karumai East Solar).
Total net assets	24,313	246,548	2,234	

*1 Interest-bearing debt = short-term loans payable + current portion of long-term loans payable + long-term loans payable + lease obligations

Key Balance Sheet Items and Credit Metrics (J-GAAP)

(Million yen)

- Credit metrics improved due to the contribution of EBITDA from SPCs that were consolidated in the previous fiscal year.

		As of FY 3/2020	End 1Q of FY 3/2021	Change	Major Factors of Increase/Decrease
Key balance sheet items	Total assets	148,151	150,585	2,434	
	Net assets	24,313	26,548	2,234	Increase in retained earnings and non-controlling interests. Fair value evaluation of long-term foreign exchange contracts for biomass fuel procurement.
	Equity capital	18,482	20,415	1,932	Increase in retained earnings. Fair value evaluation of long-term foreign exchange contracts for biomass fuel procurement.
	Net interest-bearing debt	85,145	83,020	-2,125	
	Cash and deposits	24,945	27,636	2,690	
	Interest-bearing debt ^{*2}	110,090	110,656	565	
Credit metrics	Equity ratio	12.5%	13.6%	1.0%	
	Net asset ratio	16.4%	17.6%	0.6%	
	Net D/E ratio ^{*3}	3.5x	3.1x	-0.4x	
	Net Debt / LTM EBITDA ^{*1}	7.6x	6.2x	-1.4x	

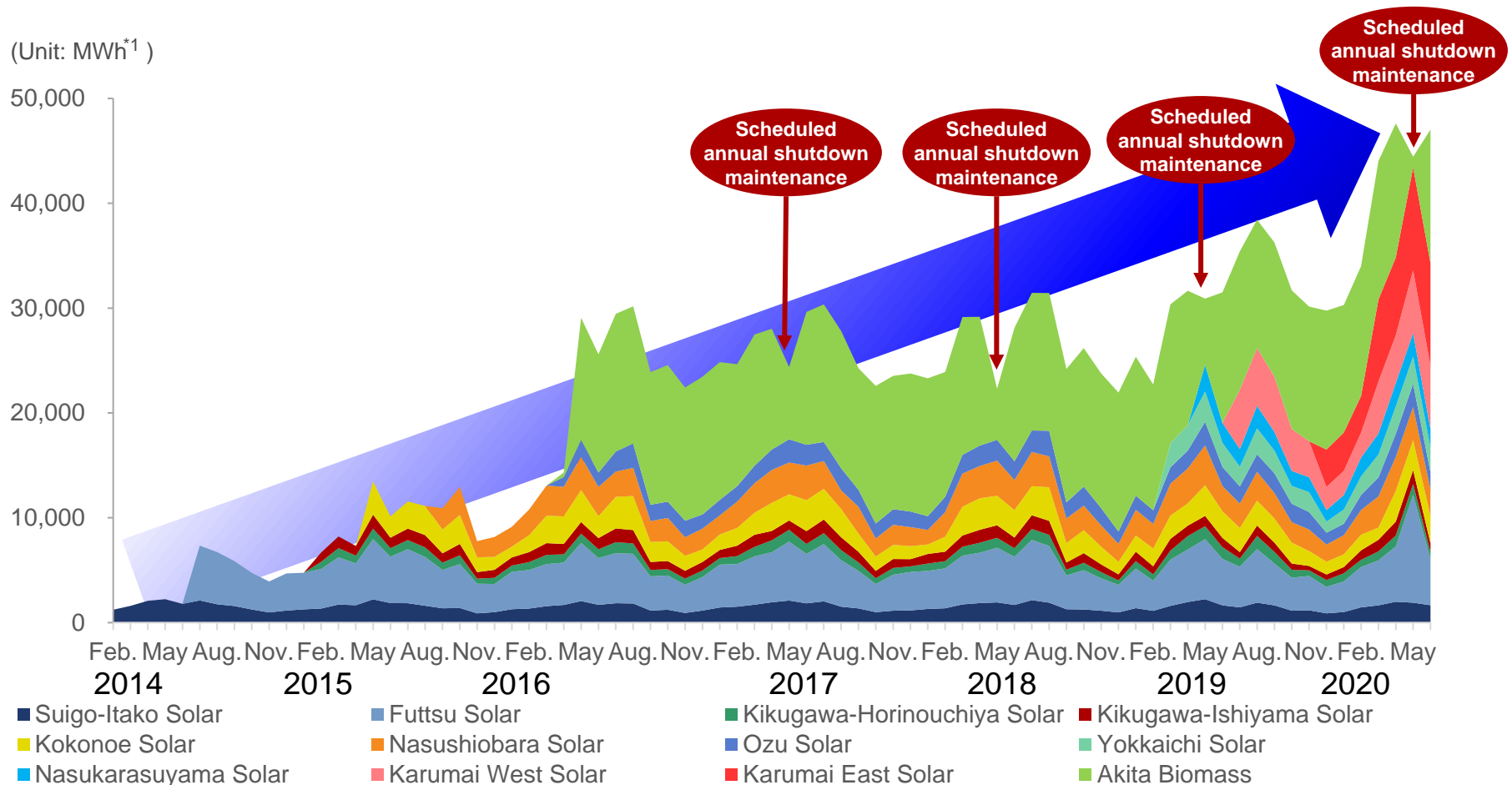
*1 EBITDA amounted 11,225 million yen for FY March 2020 and to 13,377 million yen for FY March 2021 1Q.

*2 Interest-bearing debt = Short-term loans payable + current portion of long-term loans payable + long-term loans payable + lease obligations + outstanding payments on interest-bearing debt *3 Net D/E ratio = Net interest-bearing debt / net assets

Trend in Monthly Electricity Sales Volume by Power Plant

As of June 30, 2020

- Stable operation has been maintained since the start of operation of each power plant.
- Akita Biomass decreases every May due to scheduled maintenance.



*1 Units express power generation volume (1 MWh = 1,000 kWh)

(Reference) Consolidated Subsidiaries of the Power Generation Business

(Million yen, Cumulative 1Q figures from April to June)

		Net sales	EBITDA	EBITDA margin	Ordinary Income	Profit ^{*4}	Ownership Interest
Suigo-Itako Solar ^{*1}	FY3/2021	227	179	79.0%	109	77	68.0%
	FY3/2020	240	191	79.8%	120	87	68.0%
Futtsu Solar ^{*1}	FY3/2021	596	513	86.1%	312	220	51.0%
	FY3/2020	622	541	87.0%	324	233	51.0%
Kikugawa-Ishiyama Solar ^{*1}	FY3/2021	141	111	78.3%	65	46	63.0%
	FY3/2020	148	116	78.3%	59	43	63.0%
Kikugawa-Horinouchiya Solar ^{*1}	FY3/2021	111	84	75.6%	48	34	61.0%
	FY3/2020	116	89	76.2%	43	31	61.0%
Kokonoe Solar ^{*2 *3}	FY3/2021	342	278	81.4%	123	123	100.0%
	FY3/2020	308	241	78.3%	78	78	100.0%
Nasushiobara Solar ^{*2 *3}	FY3/2021	363	303	83.6%	148	148	100.0%
	FY3/2020	388	325	83.9%	168	168	100.0%

^{*1} K.K. (Corporation)

^{*2} T.K. (Silent Partnership)

^{*3} Taxable income from a T.K. belongs to the T.K. investors in proportion to their investment ratios, resulting in no taxation at the T.K. level.

^{*4} Profit at the SPC level. For silent partnerships, ordinary income and net income are the same because they are taxed at the parent company level.

(Reference) Consolidated Subsidiaries of the Power Generation Business

(Million yen, Cumulative 1Q figures from April to June)

		Net sales	EBITDA	EBITDA margin	Ordinary Income	Profit ^{*9}	Ownership Interest
Ozu Solar ^{*1 *2}	FY3/2021	220	166	75.5%	46	46	100.0%
	FY3/2020	211	159	75.3%	38	38	100.0%
Yokkaichi Solar ^{*1 *2 *6}	FY3/2021	274	224	82.0%	99	99	100.0%
	FY3/2020	274	219	80.1%	94	94	100.0%
Nasukarasuyama Solar ^{*1 *2 *3 *6}	FY3/2021	221	166	75.2%	52	52	100.0%
	FY3/2020	-	-	-	-	-	-
Karumai West Solar ^{*1 *2 *4 *6}	FY3/2021	598	479	80.0%	166	166	51.0% ^{*10}
	FY3/2020	-	-	-	-	-	-
Karumai East Solar ^{*1 *2 *5 *6}	FY3/2021	971	799	82.3%	361	361	69.3%
	FY3/2020	-	-	-	-	-	-
Akita Biomass (URE) ^{*7 *8}	FY3/2021	890	316	35.5%	97	83	35.3%
	FY3/2020	1,033	405	39.2%	180	130	35.3%

*1 T.K. (Silent Partnership) *2 Taxable income from a T.K. belongs to the T.K. investors in proportion to their investment ratios, resulting in no taxation at the T.K. level.

*3 COD on May 1, 2019 and consolidated June 28, 2019. *4 COD and consolidation occurred on July 1, 2019.

*5 COD on December 1, 2019 and consolidated December 2, 2019.

*6 Figures for FY3/2020 are not included in the table, as they were equity method affiliates during the previous consolidated fiscal year (FY3/2020). The businesses are recorded as consolidated subsidiaries in FY3/2020.

*7 United Renewable Energy Co., Ltd. *8 K.K. (Corporation)

*9 Profit at the SPC level. For Silent Partnerships, ordinary income and net income are the same because they are taxed at the parent company level.

*10 July 1, 2020: As a result of the additional acquisition of equity interest, our company's equity ratio was 100%.

II. Outlook for the Fiscal Year Ending March 2021

Outlook for FY3/2021

(Million yen, %)

**Forecasts for financial results
remain unchanged**

- In the FY3/2021, RENOVA will elect to apply International Financial Reporting Standards (IFRS) from 4Q.
- Profit level is expected to be lower due to the expansion of the Operations Division (newly established in FY3/2020) for projects under construction and in operation, as well as continued upfront investment for development of new businesses, including overseas projects.

	FY3/2020 (Actual)	FY3/2021 (Outlook)		
		JGAAP (Reference)	IFRS (Outlook*1)	Change
Net sales	19,449	20,500	20,500	+5%
EBITDA*2	11,225	10,000	10,800	-4%
EBITDA margin	57%	49%	53%	-
Operating profit	7,153	4,900	5,400	-25%
Profit before income taxes	6,600	2,050	3,100	-53%
Profit	3,674	200	800	-78%
EPS (yen)*3	48.58	2.62	10.47	-
ROE*4	26.4%	1.1%	4.3%	-

- Net sales include the impact of consolidation of [Nasukarasuyama Solar, Karumai West Solar and Karumai East Solar](#)
- Business development fees for [the Omaezakikou Biomass Project and Sendai Biomass Project](#) were recorded in [FY3/2021](#).
- Due to accelerated development, [the business development fee from the Ishinomaki Hibarino Biomass Project](#) was recorded in [FY3/2020](#).
- [Decrease in development business fees](#)
- Increased upfront investment such as personnel expenses
- In FY3/2020, [gains on step acquisitions were recorded](#) following the consolidation of Nasukarasuyama Solar, Karumai West Solar and Karumai East Solar and [a gain on negative goodwill was recorded](#) following the consolidation of Nasukarasuyama Solar. No similar transactions are expected to be recorded this year.
- Increase in profit attributable to non-controlling interests

*1 Anticipated sales and EBITDA for the FY3/2021 are based on the voluntary application of International Financial Reporting Standards (IFRS). These figures are based on the accounting method currently under consideration and have not been reviewed or audited by an auditing firm. The contents of this report are subject to change in the future.

*2 EBITDA (JGAAP) = Ordinary profit + Net interest expenses + Depreciation + Amortization of long-term prepaid expenses (Amortization of grid connection costs and amortization of deferred consumption tax) + Amortization of goodwill + Amortization of deferred assets (amortization of business commencement expenses and amortization of deferred organization expenses).

EBITDA (IFRS) = Operating profit + Depreciation + Amortization of long-term prepaid expenses (Amortization of grid connection costs and amortization of deferred consumption tax) + Amortization of goodwill + Amortization of deferred assets (amortization of business commencement expenses and amortization of deferred organization expenses).

*3 EPS figures represents basic EPS. EPS for FY3/2021 has been calculated assuming that the total number of issued shares will remain unchanged from the total number of issued shares at the end of FY3/2020.

*4 For the purpose of calculating ROE, the profit figure for the most recent 12-month period is used, and the equity figure used is the simple average of the values at the beginning of the most recent 12-month period and at the end of the most recent month period.

Differences in Major Assumptions for FY3/2021 Forecasts

Forecasts for financial results
remain unchanged

FY3/2020 (Actual)

FY3/2021 (Forecast)

**Renewable
Energy
Power
Generation
Business**

Consolidated Subsidiaries

- 11 Solar PV plants 312.8 MW
 - 12-month contribution from Yokkaichi Solar
 - 9-month contribution from Nasukarasuyama Solar
 - 9-month contribution from Karumai West Solar
 - 3-month contribution from Karumai East Solar

- 1 Biomass power plant 20.5 MW

Consolidated Subsidiaries

- 11 Solar PV plants 312.8 MW
 - 12-month contributions from 3 large-scale solar PV plants (Nasukarasuyama Solar, Karumai West Solar and Karumai East Solar) which reached COD in the previous fiscal year.
 - No new projects expected to start operation.
 - Forecasts for some existing solar PV plants incorporate additional output curtailment

- 1 Biomass power plant 20.5 MW
 - Includes allowance for unplanned operational downtime

**Renewable
Energy
Development
and
Operation
Business
+ Elimination**

Profit from distribution of the Silent Partnership

- 2 Solar PV plants
 - 2 months of results from Nasukarasuyama Solar
 - 1 months of results from Karumai East Solar

Business Development Fees

- 4.5 bn yen*1
 - 1 Solar PV project (the Hitoyoshi Solar Project)
 - 3 Biomass projects (Tokushima-Tsuda Biomass Project*2, Omaezakikou Biomass Project, and Ishinomaki Hibarino Biomass Project)

Business Development Fees

- Approx. 2.6 bn yen*1
 - 2 Biomass projects (the Omaezakikou Biomass Project*2 and the Sendai Biomass Project)

*1 Figures for business development fees are after elimination of intra-company transactions.

*2 Additional business development fee is expected from one of the project's co-sponsors, upon achieving a previously agreed upon development milestone

Business Outlook by Segment

(Million yen)

**Forecasts for financial results
remain unchanged**

- Renewable Energy Power Generation Business is expected to grow due to full-year consolidated contributions from Nasukarasuyama Solar, Karumai West Solar and Karumai East Solar.
- Business development fees for Sendai Biomass are expected, while upfront investments such as personnel costs are expected to increase.

		FY3/2020 JGAAP (Actual)	FY3/2021 IFRS (Outlook*3)	Change	
Renewable Energy Power Generation Business (A)	Net sales	14,605	17,500	2,894	<ul style="list-style-type: none"> ■ Increase in revenue and profit due to full-year consolidated contributions from Nasukarasuyama Solar, Karumai West Solar, and Karumai East Solar.
	EBITDA*2	9,825	11,500	1,674	
	Operating profit	5,632	6,700	1,067	
Renewable Energy Development and Operation Business + Elimination (B)*1	Net sales	4,844	3,000	-1,844	<ul style="list-style-type: none"> ■ Business development fees for the Sendai Biomass Project are expected to be recorded in the current fiscal year, but the total amount of business development fees will decrease from the previous fiscal year. ■ Expect an increase in upfront costs such as personnel expenses.
	EBITDA*2	1,400	-700	-2,100	
	Operating profit	1,520	-1,300	-2,820	
Total*1 (A + B)	Net sales	19,449	20,500	1,050	
	EBITDA*2	11,225	10,800	-425	
	Operating profit	7,153	5,400	-1,753	

*1 When receiving Business development fees from affiliated companies, RENOVA records such development fees in its consolidated financial results after deducting amounts that correspond to RENOVA's ownership stake in those affiliated companies.

*2 EBITDA (JGAAP) = Ordinary profit + Net interest expenses + Depreciation + Amortization of long-term prepaid expenses (Amortization of grid connection costs and amortization of deferred consumption tax) + Amortization of goodwill + Amortization of deferred assets (amortization of business commencement expenses and amortization of deferred organization expenses).

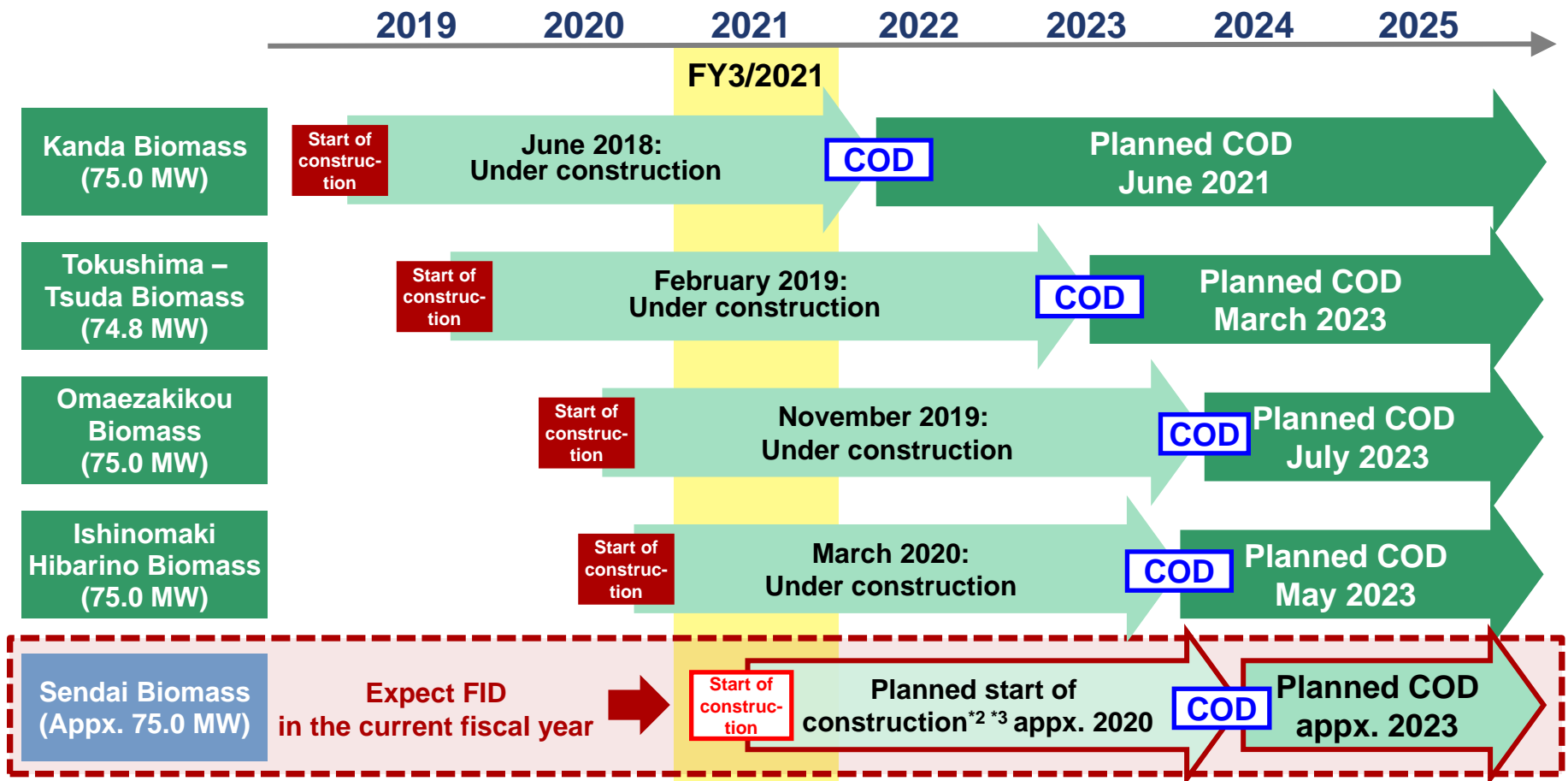
EBITDA (IFRS) = Operating profit + Depreciation + Amortization of long-term prepaid expenses (Amortization of grid connection costs and amortization of deferred consumption tax) + Amortization of goodwill + Amortization of deferred assets (amortization of business commencement expenses and amortization of deferred organization expenses).

*3 These figures are based on the accounting method currently under consideration and have not been reviewed or audited by an auditing firm. The contents of this report are subject to change in the future.

Development of Biomass Projects*1

As of August 2020

- Development of the Sendai Biomass Project is progressing towards FID in the current fiscal year.
 - Completed the environmental impact assessment in July 2020.



The business development fee for Sendai Biomass will be recorded upon FID.

*1 Pipeline projects may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as “under construction”.

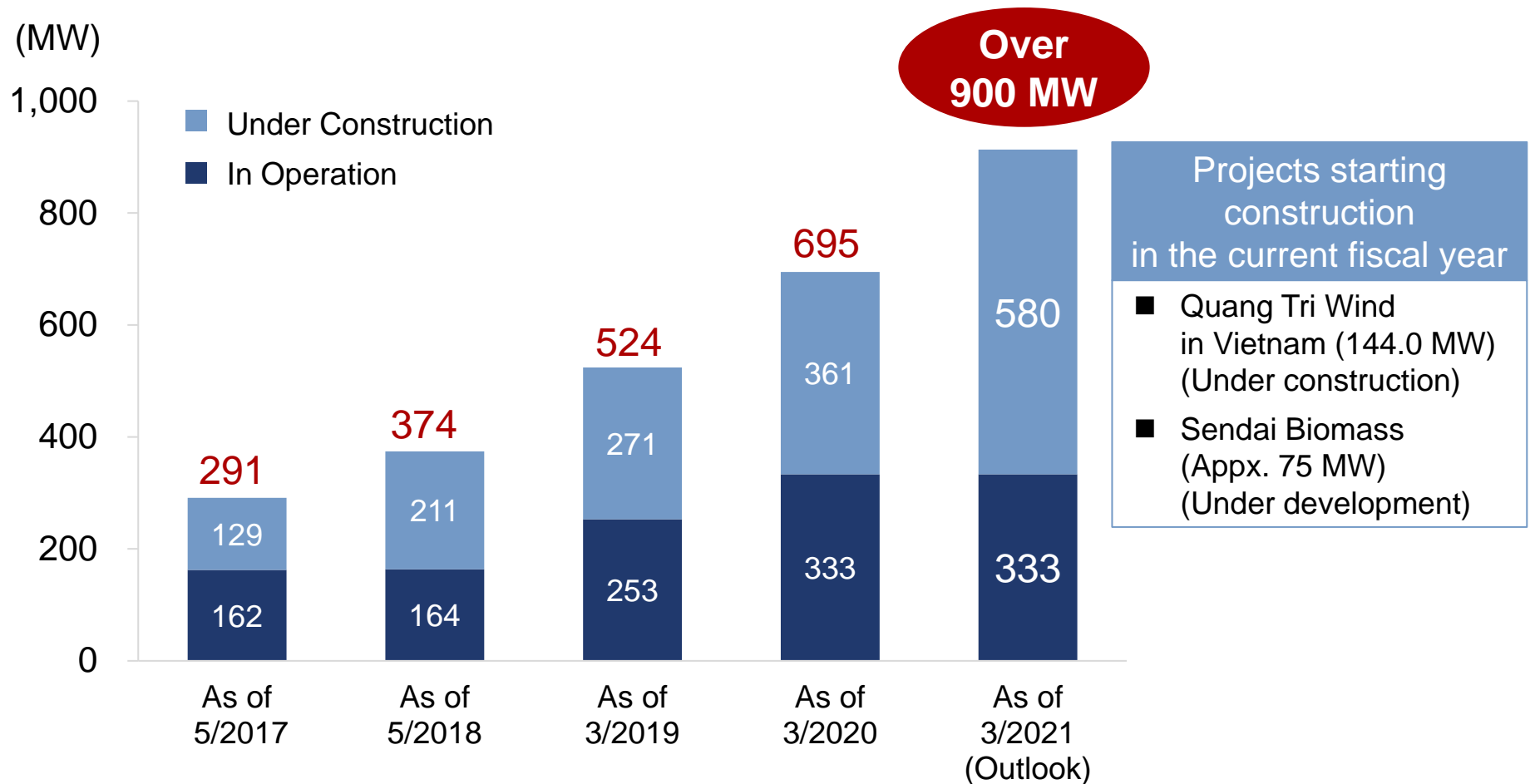
*2 Including the period of preparation for construction after the financing contract. Development projects may be altered, delayed or cancelled due to development status, progress and comments reflecting environmental impact assessments.

*3 Construction commencement presented in accordance with RENOVA’s expected schedule, and not construction commencement dates indicated in the preliminary environmental impact assessments materials.

Projects in Operation and Under Construction*1

As of August 2020

■ Total capacity of projects in operation and under construction are expected to exceed 900 MW at the end of the current fiscal year.



*1 Projects for which work has commenced in accordance with the EPC contract are shown as “under construction”.

Shelf Registration for the Issuance of Green Bonds

As of July 21, 2020

- Submitted a shelf registration statement and an amended shelf registration statement for the issuance of green bonds.
- Awarded a green finance framework rating of “Green 1 (F)^{*1}”

Overview

Term	7-year or 5-year bond
Amount	TBD
Date of issuance	Late August 2020 (scheduled)
Use of proceeds	Akita Yurihonjo Offshore Wind Project Reihoku Onshore Wind Project. Quang Tri Onshore Wind Projects in Vietnam

Background Information

- Our mission:
“To create green and sustainable energy systems for a better world”
- Our commitment to SDGs:
“Reduce CO₂ emissions by 10 million tons by 2030”
“Contribute to increasing renewable energy in Japan’s generation mix”
- Further growth target:
Continue to develop projects domestically and overseas, with a medium-term capacity target of over 3.0 GW

Aiming to diversify financing through direct access to debt capital markets

^{*1} RENOVA has acquired a preliminary green bond rating of “Green 1”, the highest rating from Japan Credit Rating Agency, Ltd. (JCR), a third-party credit and ESG rating agency.

Impact of Heavy Rainfall on Power Generation Business in July 2020

- No significant damage from July's heavy rains in the Kyushu region.
 - Kokonoe Solar (Kokonoe-machi, Kusu-gun, Oita, 25.4 MW^{*1}) experienced temporary impacts due to damage sustained by the local grid (operated by Kyushu Electric Power Transmission and Distribution Co., Inc.). However, the impact on business performance was minor.

Timeline of Events

July 7, 2020	<ul style="list-style-type: none"> ● Power outage due to power transmission system damage ● Stopped power generation
July 10, 2020	<ul style="list-style-type: none"> ● Completed safety survey ● Commenced re-start
July 12, 2020	<ul style="list-style-type: none"> ● Restarted all inverters ● Resumed operations

**Resumed operations six days after power transmission was suspended.
Limited impact to business performance.**

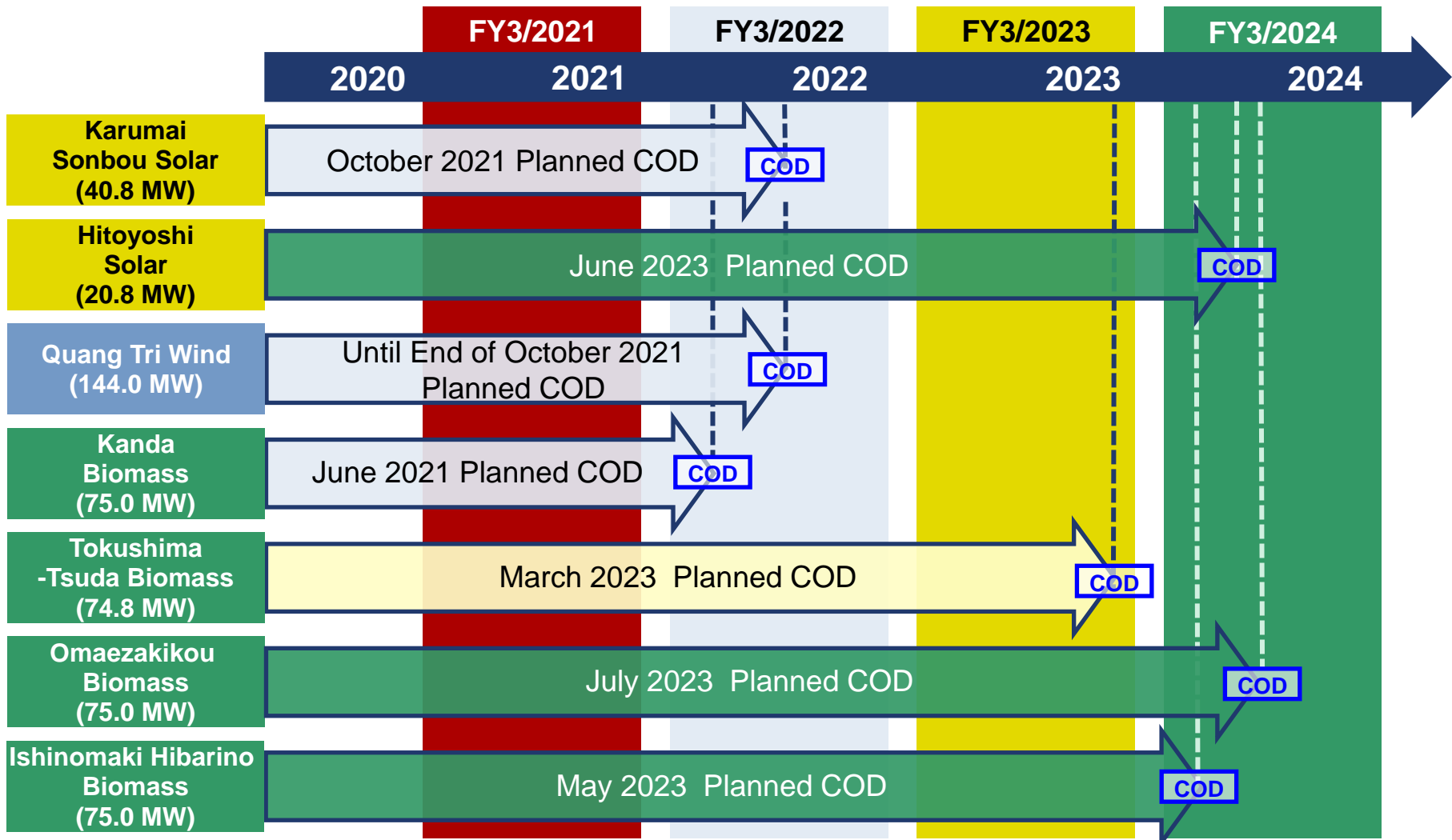
^{*1} The generation capacity for solar power plants is on a module capacity basis.

III. Project Development Updates

List of Projects Under Construction*1

As of August 2020

■ No construction delays from COVID-19.



*1 Projects under construction may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

Progress of Projects Under Construction*1

As of August 11, 2020

- Steady progress of projects under construction*1.
 - Construction of Karumai Sonbo Solar, Kanda Biomass and Tokushima-Tsuda Biomass are on schedule.
 - The Omaezakikou Biomass Project (75.0 MW) and Ishinomaki Hibarino Biomass (75.0 MW) are in the process of boiler design preparation.

Karumai Sonbou Solar (Karumai-machi, Kunohe-District, Iwate Prefecture)		Kanda Biomass (Kanda-machi, Miyako-District, Fukuoka Prefecture)		Tokushima-Tsuda Biomass (Tokushima-city, Tokushima Prefecture)	
Capacity*2	40.8 MW	Capacity*2	75.0 MW	Capacity*2	74.8 MW
FIT price	¥36 / kWh	FIT price	¥24 / kWh (Use of imported wood pellets and PKS)	FIT price	¥24 / kWh (Use of imported wood pellets and PKS)
Net sales*3	Appx. ¥1.7 billion / year	Net sales*3	Appx. ¥13 billion/year	Net sales*3	Appx. ¥13 billion/year
COD (expected)	October 2021	COD (expected)	June 2021	COD (expected)	March 2023

*1 Projects for which work has commenced in accordance with the EPC contract are shown as “under construction”. Hitoyoshi Solar (20.8 MW) is under preparation for construction.

*2 The generation capacity for solar power plants is on a module capacity basis. The generation capacity for biomass power plants is based upon the generator output.

*3 Figures are as currently planned and may be subject to change.

Progress in the Quang Tri Onshore Wind Projects (Quang Tri, Vietnam 144.0 MW) As of August 11, 2020

- Steady progress toward starting operation by the end of October 2021.

Overview



Capacity	Total 144.0 MW
COD	By the end of October 2021
FIT Price*1	8.5 cents (US\$) / kWh

Progress

Construction

- Turbine supply agreement concluded with Vestas*2 for wind turbine supply.
- Construction is progressing smoothly

Financing

- Currently in advanced discussions with financial institutions.

Permitting

- Procedures for obtaining necessary permits and approvals are progressing smoothly.

Scheduled to start operation by the end of October 2021

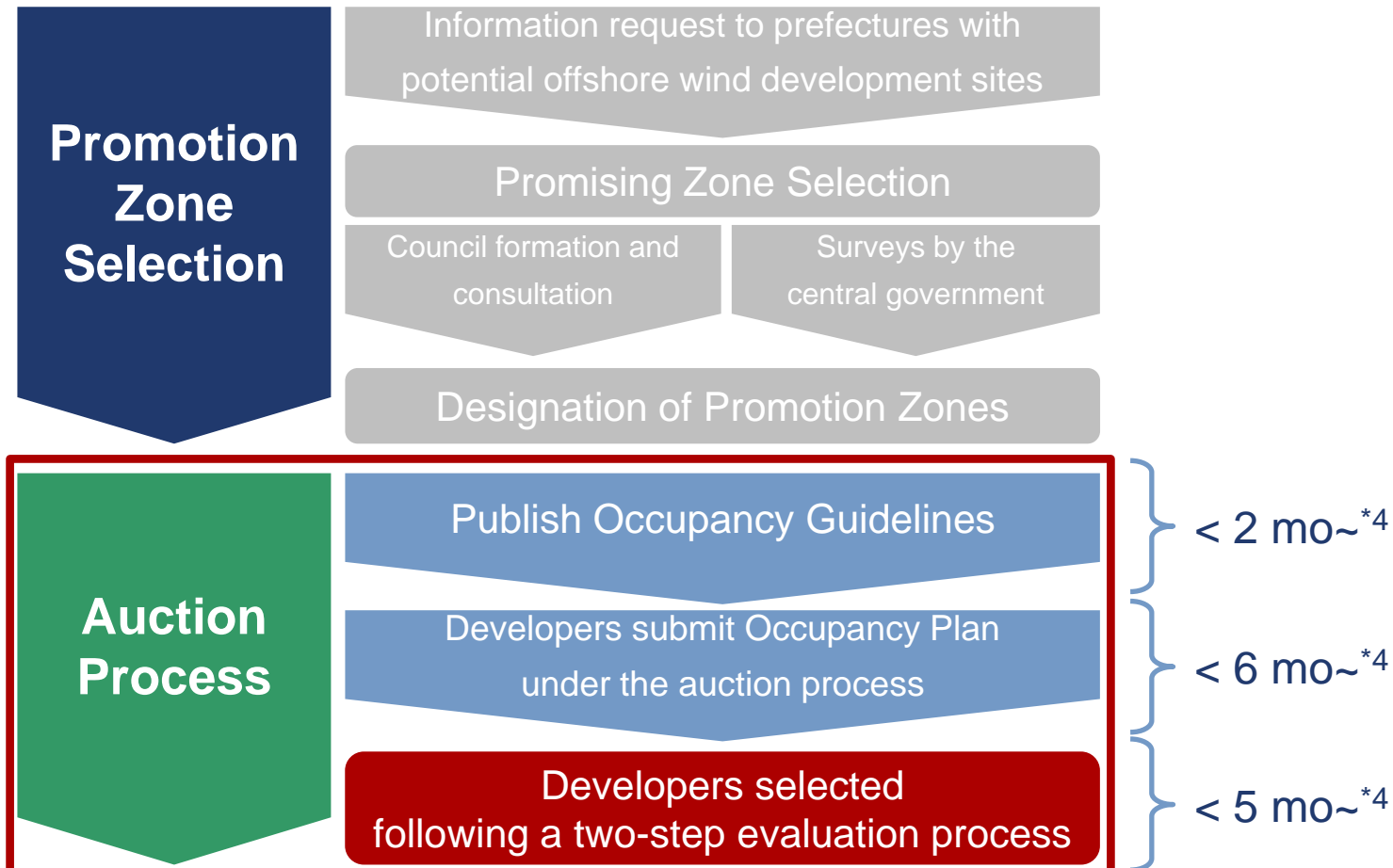
*1 Offtake under Vietnam's FIT scheme. The tariff will apply to projects reaching COD by the end of October, 2021.

*2 Vestas Wind Systems A/S

Progress of the Yurihonjo Offshore Wind Project

As of August 11, 2020

- Completed the Draft EIA^{*1} process for the Yurihonjo Offshore Wind Project (Appx. [700] MW) in June 2020.
- On July 21, 2020, the waters off of Yurihonjo City, Akita Prefecture, were designated as an offshore wind “Promotion Zone^{*2}”^{*3}. A developer will be selected via a public auction process.



(Source) Interim report published by the joint committee between Agency for Natural Resources and Energy (METI) and Ports and Harbors Bureau (MLIT) on April 22, 2019

^{*1} “Procedure for the Draft EIA” describes the environmental impact assessment results as well as the company’s own approach to addressing environment protection.

^{*2} Waters where offshore wind power generation facilities can be constructed preferentially based on the Offshore Wind Promotion Law

^{*3} Ministry of Economy, Trade and Industry website news release dated July 21, 2020 (<https://www.meti.go.jp/press/2020/07/20200721005/20200721005.html>)

^{*4} Guidelines for Designating Marine Renewable Energy Power Generation Facilities Promotion Areas (https://www.enecho.meti.go.jp/category/saving_and_new/new/information/190611a/pdf/guideline.pdf)

IV. Appendix (Other Project Information)

RENOVA's Generation Portfolio and Pipeline (1/3)

List of plants in operation, under construction and pipeline projects*1 (as of August 11, 2020)

- Acquired an additional equity stake in Karumai West Solar (48.0 MW), increasing ownership to 100.0%.
- Total generation capacity of solar PV plants either in operation or under construction is over 370 MW.

Energy Source	Project Name	Location	Power Generating Capacity (MW)	Purchase Price ^{*2} (/kWh)	Current Status	Ownership Interest	COD (Target) ^{*3}	FIT end Year
Solar	Suigo-Itako	Ibaraki	15.3	¥40	In operation	68.0%	2014	2034
	Futtsu	Chiba	40.4	¥40	In operation	51.0%	2014	2034
	Kikugawa-Ishiyama	Shizuoka	9.4	¥40	In operation	63.0%	2015	2035
	Kikugawa-Horinouchiya	Shizuoka	7.5	¥40	In operation	61.0%	2015	2035
	Kokonoe	Oita	25.4	¥40	In operation	100%	2015	2035
	Nasushiobara	Tochigi	26.2	¥40	In operation	100%	2015	2035
	Ozu	Kumamoto	19.0	¥36	In operation	100%	2016	2036
	Yokkaichi	Mie	21.6	¥36	In operation	100%	2019	2039
	Nasukarasuyama	Tochigi	19.2	¥36	In operation	100%	2019	2039
	Karumai West	Iwate	48.0	¥36	In operation	100%	2019	2039
	Karumai East	Iwate	80.8	¥36	In operation	69.3% ^{*4}	2019	2039
	Karumai Sonbou	Iwate	40.8	¥36	Under construction	46.0% ^{*5}	(October 2021)	(Appx. 2041)
	Hitoyoshi	Kumamoto	20.8	¥36	Under construction	38.0% ^{*4}	(June 2023)	(Appx 2042) ^{*6}

*1 Pipeline projects may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

*2 Purchase price is not the actual contractual price agreed to with the party that purchases the electricity, but the fixed purchase price (displayed without consumption tax) applied based on the FIT Scheme for each power generation facility.

*3 Expected COD of the business under development may be subject to change.

*4 RENOVA holds the right to sequentially acquire all equity in the silent partnership currently owned by co-sponsors.

*5 RENOVA holds the right to additionally acquire 9% equity in the silent partnership currently owned by a co-sponsor, on or after the date of completion of the power plant.

*6 Hitoyoshi Solar is expected to reach COD in the middle of 2023, due to prolonged construction of a power transmission line by Kyushu Electric Power Co. The period of electricity sales under the FIT scheme is expected to be 18 years and 8 months, as a grid connection contract has been concluded since August 1, 2016, which resulted in a three-year COD time limit to receive a full 20 year FIT period.

RENOVA's Generation Portfolio and Pipeline (2/3)

List of plants in operation, under construction and pipeline projects*1 (as of August 11, 2020)

- The Sendai Biomass Project (Appx. 75.0 MW) completed its environmental impact assessment in July 2020.
- Final Investment Decision (FID) for the Sendai Biomass Project expected in the current fiscal year.
- Total biomass generation capacity for projects either in operation or under construction is over 320 MW .

Energy Source	Project Name	Location	Power Generating Capacity (MW)	Purchase Price*2 (/kWh)	Current Status	Ownership Interest	EIA Status	COD (Target)*3	FIT end Year
Biomass	Akita (URE)	Akita	20.5	¥32/¥24	In operation	35.3%*4	-	2016	2036
	Kanda	Fukuoka	75.0	¥24/¥32	Under construction	43.1%*5	-	(June 2021)	(Appx. 2041)
	Tokushima-Tsuda	Tokushima	74.8	¥24/¥32	Under construction	41.8%*6 *7	-	(March 2023)	(Appx. 2043)
	Omaezakikou	Shizuoka	75.0	¥24/¥32	Under construction	57.0%*8 *9	-	(July 2023)	(Appx. 2043)
	Ishinomaki Hibarino	Miyagi	75.0	¥24/¥32	Under construction	49.9%*10 *11	-	(May 2023)	(Appx. 2043)
	Sendai	Miyagi	Appx. 75	¥24/¥32	Under development	-	Done	(Appx. 2023)	-

*1 Pipeline projects may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

*2 Purchase price is not the actual contractual price agreed to with the party that purchases the electricity, but the fixed purchase price (displayed without consumption tax) applied based on the FIT Scheme for each power generation facility.

*3 Expected COD of businesses under development may be subject to change.

*4 RENOVA has invested in the Akita Biomass Project through Sensyu Holdings Co., Ltd., a subsidiary of RENOVA. RENOVA's ownership interest in the Akita Biomass Project, calculated as the product of RENOVA's ownership interest in Sensyu Holdings Co., Ltd., and Sensyu Holdings Co., Ltd.'s ownership in the Akita Biomass Project, is 35.3%.

*5 The Kanda Biomass Project is a joint developed project that is led by RENOVA, which holds 43.1% of the shares of the SPC and is the largest shareholder. Note: We do not have the right to acquire additional equity in the SPC, which is held by four joint investors.

*6 The figure indicates RENOVA's economic interest in the project. RENOVA's investment ratio is 36.1%. *7 RENOVA holds the right to additionally acquire a 24.7% stake (economic interest: 28.6%) at COD from the project's co-sponsors. Following the acquisition, RENOVA's economic interest in the project will be 70.4% (RENOVA's investment ratio will be 60.8%).

*8 The figure indicates RENOVA's economic interest in the project. RENOVA's investment ratio is 38.0%. *9 RENOVA holds the right to additionally acquire a 18.0% stake (economic interest: 18.0%) at COD from Mitsubishi Electric Credit Corporation. Following the acquisition, RENOVA's economic interest in the project will be 75.0% (RENOVA's investment ratio will be 56.0%).

*10 The figure indicates RENOVA's economic interest in the project. RENOVA's investment ratio is 38.0%. *11 RENOVA holds the right to additionally acquire a 13.0% stake (economic interest: 13.0%) at COD from Mizuho Leasing Co., Ltd. Following the acquisition, RENOVA's economic interest in the project will be 62.93% (RENOVA's investment ratio will be 51.0%).

RENOVA's Generation Portfolio and Pipeline (3/3)

List of plants in operation, under construction and pipeline projects*1 (as of August 11, 2020)

- Completed the Draft EIA*2 process for the Yurihonjo Offshore Wind Project (Appx. [700] MW) in June 2020.
- On July 21, 2020, the waters off of Yurihonjo City, Akita Prefecture, were designated as an offshore wind power "Promotion Zone"*3*4.
- In July 2020, signed an EPC contract for the Quang Tri Onshore Wind Projects (144.0 MW) in Vietnam. Steady progress in construction to start operation by the end of October 2021.

Energy Source	Project Name	Location	Power Generating Capacity (MW)	Purchase Price*5 (/kWh)	Current Status	Ownership Interest	EIA Status	COD (Target)*6	FIT end Year
Offshore Wind	Yurihonjo*7	Akita	Appx. [700]	TBD	EIA ongoing (Grid tendering /Developer selection process)	-	Draft EIA*2 process Done	TBD	-
Onshore Wind	Abukuma*8	Fukushima	Appx. 150	¥22	Under development	-	Done	TBD	-
	Reihoku	Kumamoto	Appx. 50	¥21	EIA ongoing	-	Onsite survey Done	(Appx. 2024)	(Appx. 2044)
	Quang Tri	Vietnam	144.0	\$8.5 cent*9	Under construction	40.0%		(By the end of October 2021)	(Appx. 2041)
Geothermal	Minami Aso	Kumamoto	TBD	TBD	Upfront investment (Joint)*10	-	-	(Appx. 2021)	-
	Esan	Hokkaido	TBD	TBD	Upfront investment	-	-	TBD	-

*1 Pipeline projects may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

*2 "Procedure for the Draft EIA" describes the environmental impact assessment results as well as the company's own approach to addressing environment protection.

*3 Waters where offshore wind power generation facilities can be constructed preferentially based on the Offshore Wind Promotion Law

*4 Ministry of Economy, Trade and Industry website news release dated July 21, 2020 (<https://www.meti.go.jp/press/2020/07/20200721005/20200721005.html>)

*5 Purchase price is not the actual contractual price agreed to with the party that purchases the electricity, but the fixed purchase price (displayed without consumption tax) applied based on the FIT Scheme for each power generation facility.

*6 Expected COD of businesses under development may be subject to change.

*7 Power generation capacity and COD target will be disclosed at a later time when there is further visibility.

*8 RENOVA participates in the project as a minority investor. RENOVA's ownership in the project is less than 10%.

*9 The FIT price represents the figure on the assumption that operation will commence on or before October 31, 2021.

*10 (Joint) indicates a jointly developed project where another company leads the project's development.

(Reference) Status of Share Options etc. with Dilutive Effects

As of June 30, 2020

Name	Strike price	Number of shares corresponding to the remaining number of share options ^{*1} (shares)	Capital incorporation (thousand yen)
16 th Share options	78 yen	36,800	1,435
18 th Share options	78 yen	100,800	3,931
19 th Share options	78 yen	30,400	1,185
20 th Share options	97 yen	68,800	3,336
21 st Share options	97 yen	139,200	6,751
22 nd Share options	97 yen	121,600	5,897
23 rd Share options	97 yen	22,400	1,086
24 th Share options	97 yen	51,200	2,483
25 th Share options	97 yen	584,000	28,324
26 th Share options	188 yen	606,400	57,001
27 th Share options	188 yen	683,200	64,220
1 st Share remuneration-type Share options	293 yen	60,000	8,790
2 nd Share remuneration-type Share options	987 yen	48,500	23,934
3 rd Share remuneration-type Share options	1,071 yen	59,950	32,103
Subtotal	-	2,613,250	240,481
Share-based compensation plan (Treasury shares)	-	387,700	-
Total	-	3,000,950	-
Dilution ratio^{*2}	-	3.9%	-

*1 The total number of shares issued shows the number of shares reflecting the share split implemented on September 1, 2018.

*2 Based on the total number of shares issued, net of treasury shares, which were 76,548,300 shares as of June 30, 2020.

*3 The third share remuneration-type Share options (Out of 239,800 shares, 179,850 shares), for which the issuance was resolved at the Board of Directors Meeting held on February 5, 2020, have no dilutive effect.

(Reference) Corporate Overview

As of June 30, 2020

Corporate Information		Key History	
Name:	RENOVA, Inc.	May 2000	Established Recycle One, Inc. (currently RENOVA, Inc.)
Location of Head Office	2-2-1 Kyobashi Chuo-ku, Tokyo	October 2012	Entered renewable energy business
Representatives	Sachio Semmoto, Executive Chairman & Director Yosuke Kiminami, Founding CEO	December 2013	Company renamed RENOVA, Inc.
Established	May 2000	February 2014	COD for Suigo-Itako Solar Co., Ltd.
Capital Stock	2,175 million yen	July 2014	COD for Futtsu Solar Co., Ltd.
Stock Exchange	First section of Tokyo Stock Exchange	February 2015	COD for Kikugawa-Ishiyama Solar Co., Ltd. and Kikugawa-Horinouchiya Solar Co., Ltd.
Securities code	9519	May 2015	COD for Kokonoe Solar GK
Business	Renewable energy business	September 2015	COD for Nasushiobara Solar GK
Employees (consolidated)	225	April 2016	COD for Ozu Solar GK
Corporate Governance		May 2016	Entered the biomass power generation business (United Renewable Energy Co., Ltd.(Akita Biomass Project: URE) reaches COD)
Board of Directors	9 directors, including 5 external directors	August 2016	Divestment of plastic recycling business
Audit & Supervisory Board	4 auditors, including 3 external auditors	February 2017	Listed on the Tokyo Stock Exchange Mothers Section
Total Number of Authorized Shares	280,800,000	July 2017	Consolidated United Renewable Energy Co., Ltd.
Total Number of Shares Issued	76,807,600	February 2018	Changed listing venue to the First Section of the Tokyo Stock Exchange
Number of Shareholders	8,516	March 2019	COD for Yokkaichi Solar GK
		May 2019	COD for Nasukarasuyama Solar GK
		July 2019	COD for Karumai West Solar GK
		December 2019	COD for Karumai East Solar GK
		July 2020	Participation in Quang Tri Onshore Wind Projects in Vietnam