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May 12, 2022

Consolidated Financial Results for the First Quarter Ended March 31, 2022 (Under Japanese GAAP)

Company name: Renewable Japan Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9522
 URL: <https://www.rn-j.com/en/>
 Representative: Katsuhito Manabe, President and representative director
 Inquiries: Eishin Ikeda, Corporate Officer and General Manager of Finance and Accounting Division
 Telephone: +81-3-6670-6644
 Scheduled date to commence dividend payments: -
 Scheduled date to file quarterly financial report: May 13, 2022
 Preparation of supplementary material on quarterly financial results: Yes (Japanese only)
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended March 31, 2022 (from January 1, 2022 to March 31, 2022)

(1) Consolidated operating results (cumulative)

(% indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
March 31, 2022	3,171	-	(504)	-	(883)	-	(609)	-
March 31, 2021	-	-	-	-	-	-	-	-

Note: Comprehensive income For the three months ended March 31, 2022: (716) million yen [-%]
 For the three months ended March 31, 2021: -million yen [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
March 31, 2022	(21.19)	-
March 31, 2021	-	-

Notes: 1. As the Company has not prepared consolidated financial statements for the three months ended March 31, 2021, the financial figures for the three months ended March 31, 2021 and the percentage indicating year-on-year changes for the three months ended March 31, 2022 are not indicated.

2. Diluted earnings per share for the three months ended March 31, 2022 is not indicated even though the Company has issued potential shares, because basic earnings per share was net loss.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
March 31, 2022	117,395	13,926	9.0
December 31, 2021	119,766	14,097	8.9

Reference: Shareholders' equity
 As of March 31, 2022: 10,559 million yen
 As of December 31, 2021: 10,630 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2021	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2022	-				
Fiscal year ending December 31, 2022 (Forecast)		0.00	-	0.00	0.00

Note: Changes from the latest released dividend forecasts: None

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2022 (from January 1, 2022 to December 31, 2022)

(% indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Full year	18,800	17.9	2,900	30.1	1,400	41.3	600	13.2	Yen 20.81

Note: Changes from the latest released performance forecasts: None

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: - companies

Excluded: - companies

(2) Application of specific accounting for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	28,856,840 shares
As of December 31, 2021	28,420,910 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2022	38 shares
As of December 31, 2021	- shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2022	28,739,717 shares
Three months ended March 31, 2021	- shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements)

Any statement on the future such as an outlook for financial results included in this material is based on information the Company presently has and certain assumptions the Company considers reasonable, and the Company does not promise such will be achieved. In addition, actual financial results may significantly differ due to various factors.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	December 31,2021	March 31,2022
Assets		
Current assets		
Cash and deposits	18,162,485	13,607,300
Accounts receivable-trade and contract assets	1,878,153	2,297,679
Investment securities	3,287,487	2,931,781
Power plant for sale	56,156,088	57,655,432
Power plant for sale (in progress)	19,192,658	20,481,095
Prepaid expenses	4,026,295	4,097,305
Other current assets	4,896,072	3,814,759
Total current assets	107,599,241	104,885,355
Non-current assets		
Tangible non-current assets	6,677,729	6,631,545
Intangible non-current assets		
Goodwill	1,247,164	1,230,856
Other intangible non-current assets	657,969	662,238
Total intangible assets	1,905,133	1,893,095
Investment and other assets	3,583,906	3,985,554
Total non-current assets	12,166,769	12,510,195
Total assets	119,766,011	117,395,550
Liabilities		
Current liabilities		
Accounts payable-trade	1,612,415	847,368
Short-term borrowings	3,969,250	2,711,000
Corporate bonds redeemable within one year	194,000	142,000
Long-term borrowings to be repaid within one year	11,376,850	18,724,160
Non-recourse long-term borrowings to be repaid within one year	4,596,236	3,997,641
Accounts payable	1,392,006	1,453,431
Income taxes payable	364,445	305,472
Allowance for employees' bonuses	-	77,161
Allowance for construction cost loss compensation	26,462	18,000
Other current liabilities	765,240	487,357
Total current liabilities	24,296,907	28,763,594
Non-current liabilities		
Bonds	2,288,000	1,248,000
Long-term borrowings	28,482,816	20,866,021
Non- recourse long-term borrowings	48,497,810	50,573,437
Reserve for repairs	145,404	78,774
Other non-current liabilities	1,957,256	1,939,202
Total non-current liabilities	81,371,287	74,705,435
Total liabilities	105,668,195	103,469,029
Net Assets		
Shareholders' equity		
Capital	4,273,310	4,617,429
Capital surplus	4,586,753	4,779,872
Retained earnings	1,744,518	1,143,351
Treasury stock	-	(59)
Total shareholders' equity	10,604,582	10,540,594
Accumulated other comprehensive income		
Unrealized gains on securities	25,763	18,969
Total accumulated other comprehensive income	25,763	18,969

Non-controlling interests	3,467,469	3,366,956
Total net assets	14,097,815	13,926,520
Total liabilities and net assets	119,766,011	117,395,550

Note: All Yen amounts are rounded down to the nearest 1,000 Japanese yen.

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
(Quarterly consolidated statement of income)
(For the three months ended March 31, 2022)

(Thousands of yen)

	Three months ended March 31, 2022
Net sales	3,171,628
Cost of sales	2,751,064
Gross profit	420,563
Selling, general and administrative expenses	925,306
Operating loss	(504,742)
Non-operating profit	
Interest income	833
Insurance claim income	54,722
Gain on investments in silent partnership	5,163
Share of profit of entities accounted for using equity method	363
Other	7,299
Total non-operating profit	68,382
Non-operating expenses	
Interest expenses	338,182
Commission expenses	108,559
Other	57
Total non-operating expenses	446,799
Ordinary loss	(883,159)
Loss before income taxes	(883,159)
Income taxes – current	254,984
Income taxes – deferred	(428,617)
Income taxes	(173,632)
Net loss	(709,526)
Net loss attributable to non-controlling interests	(100,513)
Net loss attributable to owners of parent	(609,013)

Note: All Yen amounts are rounded down to the nearest 1,000 Japanese yen.

(Quarterly consolidated statement of comprehensive income)
(For the three months ended March 31, 2022)

(Thousands of yen)

	Three months ended March 31, 2022
Net loss	(709,526)
Other comprehensive income	
Valuation difference on available-for-sale securities	(6,793)
Total other comprehensive income	(6,793)
Comprehensive income	(716,320)
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	(615,807)
Comprehensive income attributable to non-controlling interests	(100,513)

Note: All Yen amounts are rounded down to the nearest 1,000 Japanese yen.

