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August 14, 2024

Consolidated Financial Results for the Second Quarter Ended June 30, 2024 (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, Director, Executive Managing Officer, and Senior General Manager of Corporate Business Management Division
 Telephone: +81-3-6670-6644
 Scheduled date to commence dividend payments: -
 Scheduled date to file quarterly financial report: August 14, 2024
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (For institutional investors and analysts)

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

1. Consolidated financial results for the six months ended June 30, 2024

(from January 1, 2024, to June 30, 2024)

(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	%
Six months ended								
June 30, 2024	8,720	(7.9)	1,515	(14.8)	464	(65.5)	213	(75.3)
June 30, 2023	9,468	17.4	1,778	401.0	1,344	-	864	-

Note: Comprehensive income For the six months ended June 30, 2024: 792 million yen (37.9%)
 For the six months ended June 30, 2023: 1,276 million yen [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2024	7.14	7.03
June 30, 2023	29.43	28.72

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2024	161,971	14,955	7.2
December 31, 2023	159,105	14,129	6.7

Reference: Equity

As of June 30, 2024: 11,602 million yen
 As of December 31, 2023: 10,732 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, 2023	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2024	-	0.00			
Fiscal year ending December 31, 2024 (Forecast)			-	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, 2024

(From January 1, 2024, to December 31, 2024)

(% 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	%	Yen
Full year	20,540	(38.9)	5,100	42.0	2,520	24.2	1,500	37.8	50.23

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): Yes

Exclusion of one company from the group, RJ Investment Co., Ltd.

- (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: None
- (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 June 30, 2024	29,914,610 shares
As of December 31, 2023	29,754,092 shares

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

As of June 30, 2024	88 shares
As of December 31, 2023	88 shares

- (iii) Average number of shares outstanding during the period

As of June 30, 2024	29,865,174 shares
As of June 30, 2023	29,368,671 shares

*Quarterly financial results reports are exempt from review by certified public accountants or audit corporations.

* 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. For information on the conditions on which earnings forecasts are based and precautions to be taken when using earnings forecasts, please refer to Appendix P.3 "1. Overview of Operating Results (4) Future Outlook." (*Japanese Version*)

Quarterly Consolidated financial statements.

(1) Quarterly Consolidated balance sheet

(Millions of yen)

	As of December 31, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	13,404	10,126
Accounts receivable-trade and contract assets	1,457	2,624
Investment securities	5,012	6,269
Power plants for sale	27,304	26,653
Other	2,816	4,835
Total current assets	49,996	50,509
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,634	3,633
Machinery, equipment and vehicles	85,104	86,945
Land	4,823	5,789
Construction in progress	11,481	12,334
Other	359	388
Accumulated depreciation	(8,390)	(11,222)
Total tangible assets	97,013	97,868
Intangible non-current assets	3,524	3,413
Investments and other assets		
Investment securities	2,099	3,225
Deferred tax assets	2,123	2,139
Long-term prepaid expenses	3,876	3,698
Other	470	1,116
Total investments and other assets	8,570	10,180
Total non-current assets	109,108	111,462
Total assets	159,105	161,971
Liabilities		
Current liabilities		
Accounts payable-trade	392	225
Short-term borrowings	7,406	11,458
Corporate bonds redeemable within one year	1,196	1,196
Long-term borrowings to be repaid within one year	10,313	9,948
Non-recourse long-term borrowings to be repaid within one year	4,446	4,340
Accounts payable	1,633	1,187
Income taxes payable	1,208	807
Other	2,581	2,060
Total current liabilities	29,178	31,226
Non-current liabilities		
Bonds		
Long-term borrowings	40,920	42,246
Non-recourse long-term borrowings	66,051	64,500
Long-term accounts payable	32	387
Deferred tax liabilities	4,351	4,246
Allowance for repairs	134	146
Asset retirement obligations	2,943	3,019
Other	659	637
Total non-current liabilities	115,797	115,789
Total liabilities	144,975	147,016

(Millions of yen)

	As of December 31, 2023	As of June 30, 2024
Net Assets		
Shareholders' equity		
Capital	4,649	4,669
Capital surplus	4,473	4,525
Retained earnings	1,300	1,513
Treasury stock	(0)	(0)
Total shareholders' equity	10,424	10,708
Other accumulated comprehensive income		
Foreign currency translation adjustment	307	894
Total other accumulated comprehensive income	307	894
Share acquisition rights	7	12
Non-controlling interests	3,389	3,339
Total net assets	14,129	14,955
Total liabilities and net assets	159,105	161,971

Note: All amounts are rounded down to the nearest million Japanese yen.

(2) Quarterly Consolidated statement of income and Quarterly Consolidated statement of comprehensive income
(Consolidated statement of income)

(Millions of yen)

	Six months ended June 30, 2023	Six months ended June 30, 2024
Sales	9,468	8,720
Cost of sales	5,621	5,073
Gross profit	3,846	3,646
Selling, general and administrative expenses	2,067	2,131
Operating profit	1,778	1,515
Non-operating profit		
Interest income	1	9
Dividend Income	0	11
Insurance receipts	549	43
Gain on investments in silent partnership	64	3
Other	49	36
Total non-operating profit	664	104
Non-operating expenses		
Interest expenses	1,006	1,007
Commission expenses	92	122
Other	0	25
Total non-operating expenses	1,099	1,155
Ordinary profit	1,344	464
Extraordinary Gains		
Gain on Sale of Affiliate Stock	-	249
Other	-	0
Total Extraordinary Gains	-	249
Extraordinary losses		
Impairment losses	0	-
Loss on Sale of Fixed Assets	30	5
Other	-	0
Total extraordinary losses	31	5
Profit before income taxes	1,312	708
Income taxes – current	1,802	674
Income taxes – deferred	(1,422)	(172)
Total income taxes	380	502
Profit	932	206
Net profit attributable to non-controlling interests	68	(7)
Net profit attributable to owners of parent	864	213

Note: All Yen amounts are rounded down to the nearest million Japanese yen.

(Consolidated statement of comprehensive income)
(For the six months ended June 30, 2024)

(Millions of yen)

	Six months ended June 30, 2023	Six months ended June 30, 2024
Net profit	932	206
Other comprehensive income		
Equity in earnings of affiliated companies	-	0
Foreign currency translation adjustment	343	586
Total other comprehensive income	343	586
Comprehensive income	1,276	792
Comprehensive income attributable to owners of parent	1,208	799
Comprehensive income attributable to non-controlling interests	68	(7)

Note: All Yen amounts are rounded down to the nearest million Japanese yen.