

Spreading renewable energy solutions with the advantage of deep financial knowledge and expertise

Renewable Japan provides end-to-end services for renewable energy development, from EPC to financing, asset management, and O&M, which is a unique business model in Japan.



Socovos power plant in Spain

It is not often that a success story begins with a disaster, but in the case of Renewable Japan, that is exactly what happened. Founded the year after the devastating 2011 earthquake and subsequent tsunami which led to the Fukushima nuclear disaster, the company is growing at home as well as internationally, and the man responsible for this tells its story.

"I wanted to spread renewable energy by leveraging the expertise I had cultivated through my long experience in the financial industry," explains Katsuhito Manabe, President of Renewable Japan, who goes on to provide more details of how he got to where he is today.

"My background is in investment banking. I joined Lehman Brothers in Tokyo as a new graduate and have been engaged in the investment banking business for a total of 18 years, becoming the founder of the securitization business in Lehman Tokyo.

"The day after the tsunami hit Fukushima," Mr. Manabe recalls, "I received an email from my U.S. business partner, with an offer to provide solar-powered water purifiers to those affected by the earthquakes in both Fukushima and Tohoku. I accepted and drove to the locations myself to deliver them.

"It was so shocking to actually see the damage with my own eyes. The entire city had been destroyed and I wanted to do something for them. I believe most people, especially Japanese people, felt the same way.

"Ever since the nuclear power plant meltdown, a great number of people have been pushing for more renewable energy, such as

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Katsuhito Manabe,
President,
Renewable Japan Co., Ltd.



Solar power plants and hydro power plant in Japan

solar and wind power. I wanted to do something to help in this effort, but I needed funds. As most of the rich institutions were in the financial industry, I thought I could bring money from there into the renewable energy industry through securitization. Using my experience and expertise, I believed I could make this happen and contribute to the reconstruction of Tohoku."

With a company name chosen with a clear and unambiguous purpose, Renewable Japan's business provides end-to-end services for renewable energy development, from EPC to financing, asset management, and O&M (operations and maintenance). This is a unique model in the Japanese renewable energy market and something that has aided the company's growth and international reach.

"When we started our business, we picked up some successful overseas developers in the United States, Europe and in other countries," says Mr. Manabe. "We then tried to imitate their business models.

"Successful companies do everything from land development to obtaining permits, EPC and equity investment," he continues. "And how the financial background contributes is through the approach to financing so as to create the highest equity return. In addition, they conduct O&M, making them more cost competitive and generating higher returns. They implement financial engineering and do asset management in-house. What all global developers have in common is that they are strong in finance."

Despite only a decade of existence, much has been achieved already, including the acquisition of a solar power plant in Spain.

"Renewable Japan has been in business for 10 years and in that time has developed/acquired 185 renewable energy power plants with a total capacity of 887 MW so far," says the president proudly. "In addition, the company has been entrusted with 238 O&M proj-



Socovos power plant whole view

ects totaling 1,140 MW, and has an overwhelming number one share, at approximately 33%, of the Japanese project bond market. This provides it with a significant presence in the Japanese renewable energy market.

"In order to expand the business, not only in Japan but also overseas, Renewable Japan has created a branch in Spain, where we have already hired six Spanish employees, something that is rather rare for a Japanese company. As our first major overseas project, we acquired the Socovos power plant (21.6 MW) in Spain in September 2022."

Although there are issues related to the grid, financing, permitting and off takers, with the Japanese government targeting carbon neutrality by 2050, Mr. Manabe believes the market potential to be huge, and his ambitions to grow further for the benefit of many is clear. This belief also applies to his positive outlook when considering what lies ahead and what his company is striving for.

"Going forward, we will continue to accelerate our efforts to find and acquire projects abroad by leveraging the knowledge and expertise we have accumulated as a renewable energy company and through our local subsidiaries across our local network," he says. "Three years from now, I hope I can tell you that I was right in believing in renewable energy in Japan, and that we will have further solutions for the challenges being faced in the industry."