July 26, 2018

For Immediate Release

SPARX Group Co., Ltd.
President and Group CEO Shuhei Abe
(TSE JASDAQ Standard: 8739)

Launching a Large Private Placement Fund for Operational Renewable Energy Power Generation Facilities

ESG investment aiming to improve Japan's energy self-sufficiency
About ¥47 Billion Brownfield Fund

SPARX Asset Trust & Management Co., Ltd., a subsidiary of SPARX Group, today announced the final closing for investment offers for its renewable energy brownfield fund ("Brown Fund No. 1"; an investment fund for operational renewable energy facilities), which was started in November 2017.

Thanks to contributions from many institutional investors, approximately ¥47 billion in capital was raised by the Brown Fund No. 1. Through the future acquisition of additional facilities, SPARX aims to increase the total assets under management to approximately ¥150 billion.

The Brown Fund No. 1 will ensure that it has stable cash flow over the long term by adopting a feed-in tariff scheme. Because the plan for the Fund is to invest in only operational power generating facilities, it will produce dividends from the start, without any developmental risks. Under current ultra-low interest rates, the Fund is a new alternative in the Japanese market that offers stable yields, raising expectations from numerous institutional investors.

SPARX believes that investing in facilities that generate renewable energy—clean energy that does not rely on fossil fuels—properly meets the aim of environmental, social, and governance (ESG) investing, in which concern is rising worldwide. Having become a signatory institution to the UN's Principles for Responsible Investment (PRI) in 2018, SPARX hopes to continue its efforts as a leader in ESG investing and to contribute to improving Japan's energy self-sufficiency.

Among growing global demand, the need for high-quality infrastructure is rising, so that countries around the world can achieve sustainable economic growth. In such an environment, SPARX intends to use fund-based mechanisms to become increasingly active in reputably funding high-quality infrastructure, so as to contribute to sustainable development worldwide.

Fund Outline

Fund name:	SPARX Renewable Energy Brown Fund No. 1 Investment Limited Partnership
Capital to be raised:	About ¥47 billion
Investors:	GP: SPARX Group Co., Ltd.
	LP: AEON Bank, Bank of NAGOYA, NEC Capital Solutions, Nippon Life Insurance Company, Ricoh Leasing Company, Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Finance and Leasing, Sumitomo Mitsui Trust Bank,Taiyo Life Insurance Company,The Tochigi Bank, Toda Corporation (alphabetical order), among others.

Fund period:	20 years from the day the fund was formed
Investment period:	Until October 31, 2020

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