NOTICE: For the convenience of capital market participants, RENOVA, Inc. makes efforts to provide English translations of the information disclosed in Japanese. However, in the event that any discrepancy is found between the documents, the Japanese original shall prevail over its English translation.

Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (Japanese GAAP, Non-Audited)

May 10, 2019

Company name:	RENOVA, Inc.	Stock exchange listing:	Tokyo
Securities code:	9519	URL:	http://www.renovainc.com/
Representative:	Yosuke Kiminami, Founding CEO		
Contact:	Aki Mori, CFO		Tel. +81-3-3516-6263

Scheduled date of annual shareholders meeting: June 21, 2019
Scheduled date of commencement of dividend payment: –
Scheduled date of annual securities report filing: June 21, 2019
Supplementary documents for financial results: Yes
Financial results briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (June 1, 2018 – March 31, 2019)

(1) Consolidated Results from Operations

(Percentages show year-on-year changes)

	Net sales		EBITDA*		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY ended Mar. 2019	14,098	–	7,893	–	5,025	–	3,460	–	1,659	–
FY ended May 2018	11,740	42.0	6,312	24.4	3,679	31.7	2,055	11.4	800	(60.4)

(Note) Comprehensive income: FY ended March 2019: 2,980 million yen, -% FY ended May 2018: 1,769 million yen, (31.5%)

	Earnings per share (basic)	Earnings per share (diluted)	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY ended Mar. 2019	22.25	21.08	19.5	4.7	35.6
FY ended May 2018	10.86	10.31	11.1	3.4	31.3

(Reference) Share of profit (loss) of entities accounted for using equity method: FY ended March 2019: - million yen FY ended May 2018: 23 million yen

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

(Note) 1. RENOVA conducted a 2-for-1 share split of its common shares with an effective date of May 1, 2018, and a 2-for-1 share split of its common shares with an effective date of Sep. 1, 2018. Accordingly, earnings per share are calculated on the assumption that both share splits were conducted at the beginning of the fiscal year ended May 2018.

2. As stated in the "Notice Regarding Change in Fiscal Year End (Last Day of Fiscal Year)" announced on July 5, 2018, the fiscal year ended March 2019 comprised the financial results for the 10 months from June 1, 2018 to March 31, 2019. Accordingly, year-on-year changes are not presented in the table above, as the relevant comparable period and corresponding figures are unavailable.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio*	Net assets per share
	Million yen	Million yen	%	Yen
FY ended Mar. 2019	81.499	12,886	11.5	124.22
FY ended May 2018	65,713	10,870	11.6	102.98

(Reference) Equity attributable to owner of parent: As of Mar. 31, 2019: 9,337 million yen As of May 31, 2018: 7,648 million yen
*Equity ratio = Equity attributable to owner of parent / Total assets

(Note) RENOVA conducted a 2-for-1 share split of its common shares with an effective date of Sep. 1, 2018. Accordingly, net assets per share are calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended May 2018.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY ended Mar. 2019	6,435	(4,007)	3,988	12,426
FY ended May 2018	3,941	(4,026)	(1,673)	6,009

2. Dividends

	Dividends per share					Total dividends	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total			
Fiscal year	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
ended Mar. 2019	–	0.00	–	0.00	0.00	–	–	–
ended May 2018	–	0.00	–	0.00	0.00	–	–	–
ending March 2020 (forecast)	–	0.00	–	0.00	0.00		–	

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2020 (April 1, 2019 – March 31, 2020)

(Percentages show year-on-year changes)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	17,500	–	9,400	–	5,700	–	3,300	–	2,100	–	27.83

(Notes) 1. As stated in the "Notice Regarding Change in Fiscal Year End (Last Day of Fiscal Year)" announced on July 5, 2018, the fiscal year ended March 2019 comprised the financial results for the 10 months from June 1, 2018 to March 31, 2019. Accordingly, year-on-year changes are not presented in the table above, as the relevant comparable period and corresponding figures are unavailable

* Notes

(1) Changes in the state of material subsidiaries during the period (changes in the state of specific subsidiaries with changes in scope of consolidation): Yes
Newly added: One company (Yokkaichi Solar TK)
Excluded: –

(2) Changes in accounting policies, changes in accounting estimates, and restatements
(i) Changes in accounting policies caused by revision of accounting standards: None
(ii) Changes in accounting policies other than (i): Yes
(iii) Changes in accounting estimates: Yes
(iv) Restatements: None

(Note) From the first quarter of the fiscal year ended March 31, 2019, RENOVA changed its accounting policy concerning the depreciation method of fixed assets. This change qualifies as a "change of accounting policy that cannot be distinguished from a change in accounting estimates". Please see page 12, "Consolidated Financial Statements and Key Notes (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies and others)" for details.

(4) Number of issued shares (common shares):
(i) Number of issued shares at end of period (including treasury shares)
As of Mar. 31, 2019: 75,470,000 shares As of May 31, 2018: 74,268,400 shares
(ii) Number of treasury shares at end of period
As of Mar. 31, 2019: 393,600 shares As of May 31, 2018: – shares
(iii) Average number of shares outstanding during the period
FY ended Mar. 31, 2019: 74,558,819 shares
FY ended May 31, 2018: 73,680,446 shares

(Note) RENOVA conducted a 2-for-1 share split of its common shares with an effective date of May 1, 2018, and a 2-for-1 share split of its common shares with an effective date of September 1, 2018. Accordingly, the number of issued shares (common shares) are calculated on the assumption that both share splits were conducted at the beginning of the fiscal year ended May 2018.

* This report is not subject to audits by independent auditors.

* Explanations and other special notes concerning the appropriate use of forecasts
(Cautionary statement with respect to forward-looking statements and other information)
The forward-looking statements discussed in this material, including financial forecasts, are based on the information currently available to RENOVA and certain assumptions that are judged to be rational at the current time. These statements do not constitute a promise by RENOVA to achieve such results. Please note that the actual results may differ significantly from forecast figures. RENOVA plans to hold a briefing session for institutional investors and analysts on May 13, 2019. The materials for the briefing session to be used on the day will be published on RENOVA's website.

Basic Rationale for the Selection of Accounting Standards

RENOVA currently prepares consolidated financial statements based on Japanese Generally Accepted Accounting Principles (J-GAAP). To provide internationally comparable financial information for capital market participants, RENOVA is considering adopting International Financial Reporting Standards (IFRS) to its consolidated financial statements from the fiscal year ending March 2021 at the earliest.

Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheet (Non-Audited)

(Million yen)

	FY ended May 2018	FY ended Mar. 2019
Assets		
Current assets		
Cash and deposits	14,118	21,249
Accounts receivable – trade	1,665	2,221
Work in process	45	3
Raw materials and supplies	162	156
Advances paid to subsidiaries and associates	3,043	3,307
Other	393	833
Allowance for doubtful accounts	(243)	(147)
Total current assets	19,185	27,623
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,732	9,318
Accumulated depreciation	(500)	(670)
Buildings and structures, net	5,232	8,647
Machinery, equipment and vehicles	40,209	43,543
Accumulated depreciation	(6,632)	(9,047)
Machinery, equipment and vehicles, net	33,577	34,495
Land	1,738	2,372
Construction in progress	87	1
Other	120	241
Accumulated depreciation	(72)	(68)
Other, net	48	172
Total property, plant and equipment	40,684	45,690
Intangible assets		
Goodwill	564	553
Other	724	729
Total intangible assets	1,289	1,283
Investments and other assets		
Shares of subsidiaries and associates	358	2,390
Investments in other securities of subsidiaries and associates	1,077	1,005
Deferred tax assets	1,145	1,348
Other	1,152	1,272
Allowance for investment loss	(9)	(13)
Total investments and other assets	3,723	6,004
Total non-current assets	45,697	52,977
Deferred assets		
Deferred organization expenses	0	–
Business commencement expenses	830	898
Total deferred assets	830	898
Total assets	65,713	81,499

(Million yen)

	FY ended May 2018	FY ended Mar. 2019
Liabilities		
Current liabilities		
Accounts payable – trade	111	279
Current portion of long-term loans payable	3,945	4,225
Income taxes payable	551	637
Provision for bonuses	136	174
Provision for special repairs	83	108
Other	581	1,011
Total current liabilities	5,410	6,437
Non-current liabilities		
Long-term loans payable	45,196	57,490
Deferred tax liabilities	71	36
Asset retirement obligations	2,445	2,968
Provision for stocks payment	–	8
Provision for special repairs	222	227
Other	1,497	1,444
Total non-current liabilities	49,433	62,175
Total liabilities	54,843	68,613
Net assets		
Shareholders' equity		
Capital stock	1,986	2,080
Deposit for subscriptions to shares	–	11
Capital surplus	1,973	2,067
Retained earnings	3,713	5,369
Treasury shares	–	(504)
Total shareholders' equity	7,673	9,025
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(4)	312
Foreign currency translation adjustment	(20)	–
Total accumulated other comprehensive income	(25)	312
Share options	5	9
Non-controlling interests	3,216	3,539
Total net assets	10,870	12,886
Total liabilities and net assets	65,713	81,499

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income (Non-Audited)

(Million yen)

	FY ended May 2018	FY ended Mar. 2019
Net sales	11,740	14,098
Cost of sales	5,780	6,477
Gross profit	5,959	7,621
Selling, general and administrative expenses	2,279	2,596
Operating profit	3,679	5,025
Non-operating income		
Interest income	0	2
Share of profit of entities accounted for using equity method	23	–
Insurance income	15	5
Subsidy income	26	–
Foreign exchange gains	4	–
Reversal of allowance for doubtful accounts	–	142
Other	11	9
Total non-operating income	80	160
Non-operating expenses		
Interest expenses	1,265	1,275
Commission fee	61	45
Amortization of business commencement expenses	363	372
Foreign exchange losses	–	20
Other	14	10
Total non-operating expenses	1,705	1,725
Ordinary profit	2,055	3,460
Extraordinary income		
Gain on extinguishment of debt	86	–
Gain on step acquisitions	–	268
Total extraordinary income	86	268
Extraordinary losses		
Loss on retirement of non-current assets	1	5
Loss on step acquisitions	19	–
Total extraordinary losses	20	5
Profit before income taxes	2,120	3,722
Income taxes - current	1,064	1,355
Income taxes - deferred	(577)	(255)
Total income taxes	487	1,100
Profit	1,633	2,622
Profit attributable to non-controlling interests	832	963
Profit attributable to owners of parent	800	1,659

Consolidated Statement of Comprehensive Income (Non-Audited)

(Million yen)

	FY ended May 2018	FY ended Mar. 2019
Profit	1,633	2,622
Other comprehensive income		
Deferred gains or losses on hedges	134	41
Foreign currency translation adjustment	(4)	20
Share of other comprehensive income of entities accounted for using equity method	5	296
Total other comprehensive income	135	357
Comprehensive income	1,769	2,980
Comprehensive income attributable to		
Owners of parent	868	1,996
Non-controlling interests	900	983

(3) Consolidated Statement of Changes in Equity (Non-Audited)
FY ended May 2018 (June 1, 2017 – May 31, 2018)

(Million yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
Balance at the beginning of the period	1,953	1,940	2,912	6,807
Changes of items during the period				
Issuance of new shares	32	32		65
Profit attributable to owners of parent			800	800
Net changes of items other than shareholders' equity				
Total changes of items during the period	32	32	800	866
Balance at the end of the period	1,986	1,973	3,713	7,673

	Accumulated other comprehensive income			Share options	Non-controlling interests	Total net assets
	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of the period	(77)	(15)	(93)	–	770	7,484
Changes of items during the period						
Issuance of new shares						65
Profit attributable to owners of parent						800
Net changes of items other than shareholders' equity	73	(4)	68	5	2,445	2,519
Total changes of items during the period	73	(4)	68	5	2,445	3,385
Balance at the end of the period	(4)	(20)	(25)	5	3,216	10,870

FY ended Mar. 2019 (June 1, 2018 – Mar. 31, 2019)

(Million yen)

	Shareholders' equity					
	Capital stock	Deposit for subscriptions to shares	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	1,986	–	1,973	3,713	–	7,673
Changes of items during the period						
Issuance of new shares	94	11	94			199
Profit attributable to owners of parent				1,659		1,659
Purchase of treasury shares					(513)	(513)
Disposal of treasury shares				(0)	9	9
Change of scope of consolidation				(2)		(2)
Net changes of items other than shareholders' equity						
Total changes of items during the period	94	11	94	1,656	(504)	1,352
Balance at the end of the period	2,080	11	2,067	5,369	(504)	9,025

	Accumulated other comprehensive income			Share options	Non-controlling interests	Total net assets
	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of the period	(4)	(20)	(25)	5	3,216	10,870
Changes of items during the period						
Issuance of new shares						199
Profit attributable to owners of parent						1,659
Purchase of treasury shares						(513)
Disposal of treasury shares						9
Change of scope of consolidation						(2)
Net changes of items other than shareholders' equity	317	20	337	3	322	663
Total changes of items during the period	317	20	337	3	322	2,015
Balance at the end of the period	312	–	312	9	3,539	12,886

(4) Consolidated Statement of Cash Flows (Non-Audited)

(Million yen)

	FY ended May 2018	FY ended Mar. 2019
Cash flows from operating activities		
Profit before income taxes	2,120	3,722
Depreciation	2,542	2,707
Amortization of goodwill	31	26
Amortization of business commencement expenses	363	372
Increase (decrease) in allowance for doubtful accounts	32	(95)
Increase (decrease) in allowance for investment loss	(25)	3
Increase (decrease) in provision for bonuses	41	38
Increase (decrease) in provision for stock payment	–	8
Increase (decrease) in provision for special repairs	74	27
Interest and dividend income	(0)	(2)
Interest expenses	1,265	1,275
Commission fee	61	45
Share of (profit) loss of entities accounted for using equity method	(23)	–
Subsidy income	(26)	–
Insurance income	(15)	(5)
Gain on extinguishment of debt	(86)	–
Loss on retirement of non-current assets	1	5
Loss (gain) on step acquisitions	19	(268)
Decrease (increase) in accounts receivable - trade	(296)	(466)
Decrease (increase) in inventories	39	47
Increase (decrease) in accounts payable - trade	(138)	167
Decrease/increase in consumption taxes receivable/payable	(87)	(7)
Other, net	984	1,170
Subtotal	6,880	8,773
Interest and dividend income received	0	0
Interest expenses paid	(1,227)	(1,221)
Income taxes paid	(1,753)	(1,122)
Proceeds from subsidy income	26	–
Proceeds from insurance income	15	5
Net cash provided by (used in) operating activities	3,941	6,435
Cash flows from investing activities		
Payments for construction advances	(2,994)	(2,552)
Collection of construction advances	536	2,424
Purchase of property, plant and equipment	(114)	(589)
Purchase of investment securities	(1,328)	(2,855)
Payments of loans receivable	–	(154)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(408)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	60	–
Other, net	(185)	128
Net cash provided by (used in) investing activities	(4,026)	(4,007)

(Million yen)

	FY ended May 2018	FY ended Mar. 2019
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(300)	–
Proceeds from long-term loans payable	3,933	9,282
Repayments of long-term loans payable	(4,317)	(4,172)
Proceeds from issuance of common shares	65	188
Purchase of treasury shares	–	(513)
Dividends paid to non-controlling interests	(577)	(661)
Repayments of lease obligations	(17)	(13)
Net decrease (increase) in restricted deposits	(458)	(133)
Other, net	(1)	11
Net cash provided by (used in) financing activities	(1,673)	3,988
Effect of exchange rate change on cash and cash equivalents	(0)	(0)
Net increase (decrease) in cash and cash equivalents	(1,758)	6,416
Cash and cash equivalents at beginning of period	7,768	6,009
Cash and cash equivalents at end of period	6,009	12,426

(5) Notes to Consolidated Financial Statements

Notes Relating to Going Concern Assumptions

Not applicable.

Changes in Accounting Policies and Others

(Changes in Accounting Policies that Cannot Be Distinguished from Changes in Accounting Estimates)

(Change in the depreciation method of non-current assets)

RENOVA and its subsidiaries and affiliates have generally adopted the straight-line method when accounting for non-current assets. The “Renewable Energy Development and Operation Business” segment, however, had previously adopted the declining-balance method. Beginning from the first quarter of the current consolidated fiscal year, the segment also adopted the straight-line method to unify the accounting policies of RENOVA with those of its subsidiaries and affiliates.

This change in accounting policy is timed to coincide with RENOVA’s head office relocation, which resulted in a significant replacement of depreciable assets within the “Renewable Energy Development and Operation Business” segment.

The impact of this change on the profit and loss for the third quarter of the consolidated fiscal year ended March 31, 2019 is minor.

Change in Presentation Method

(Non-recourse loans)

In the previous consolidated fiscal year, RENOVA’s consolidated subsidiaries’ long-term non-recourse loans payable had been presented as “Current portion of long-term non-recourse loans payable” and “Long-term non-recourse loans payable”. This is because these loans are non-recourse to RENOVA as the parent company. However, as these subsidiaries comprise a part of the consolidated RENOVA Group, the subsidiaries’ loans would not be considered non-recourse for RENOVA Group as a whole. Therefore, beginning from the first quarter of current fiscal year ended March 31, 2019, RENOVA presents these subsidiaries’ loans as a part of “Current portion of long-term loans payable” and “Long-term loans payable”. Figures for the previous consolidated fiscal year are reclassified to reflect this change in presentation method.

As a result, 2,020 million yen presented in “Current portion of long-term non-recourse loans payable” under “Current liabilities”, and 30,465 million yen presented in “Long-term non-recourse loans payable” under “Non-current liabilities” in the consolidated balance sheet of the previous consolidated fiscal year has been reclassified as “Current portion of long-term loans payable” under “Current liabilities” and “Long-term loans payable” under “Non-current liabilities” respectively. In accordance with this change, (2,010) million yen presented as “Repayments of long-term non-recourse loans payable” under “Cash flows from financing activities” in the fiscal year ended May 31, 2018 has been reclassified as “Repayments of long-term loans payable”.

(Adoption of “Partial Amendments to Accounting Standard for Tax Effect Accounting, etc.”)

Effective from the beginning of the first quarter of the fiscal year ended March 31, 2019, RENOVA has adopted “Partial Amendments to Accounting Standard for Tax Effect Accounting, etc.” (ASBJ Statement No. 28, February 16, 2018) and other standards, whereby deferred tax assets are presented under investments and other assets, while deferred tax liabilities are presented under long-term liabilities.

Additional Information

(Change in Fiscal Year End)

RENOVA resolved to change its fiscal year end (last day of fiscal year) from May 31 to March 31at the meeting of the Board of Directors held on July 5, 2018 and the 19th Annual General Meeting of Shareholders held on August 29, 2018.

1. Details of the Change

Previous fiscal period twelve-month period ending May 31 of each year

Current fiscal period twelve-month period ending March 31 of each year

As a result of this change, the fiscal year ended March 2019 is the ten-month period from June 1, 2018 to

March 31, 2019. Renova Asset Management, Inc., a 100% consolidated subsidiary of RENOVA in the “Renewable Energy Development and Operation Business” segment, also changed its fiscal year from the twelve- month period ending May 31 to the twelve-month period ended March 31 of each year.

2. Reasons for the Change

RENOVA’s subsidiaries and affiliates, which own renewable energy power plants, have fiscal years ending on March 31, whereas RENOVA had a fiscal year ending on May 31. Aligning RENOVA’s fiscal year end with those of its subsidiaries and affiliates eliminates a two-month time lag for incorporating its subsidiaries and affiliates’ business results in RENOVA’s consolidated financial results. This change aims to ensure timely disclosure and to provide easy-to-understand information concerning RENOVA’s financial results.

(Share-based Compensation Plan)

In accordance with the resolution of the 19th annual shareholders meeting held on August 29, 2018, RENOVA introduced a share-based compensation plan (hereinafter referred to as the “Plan”) for directors (including external directors) and operating officers .The Plan aims to increase the commitment of our directors (including external directors) and executive officers to RENOVA’s medium to long-term business performance by creating an incentive structure for RENOVA’s directors (including external directors) and executive officers.

(1) Overview

The Plan is a share-based compensation plan whereby RENOVA delivers and grants shares that are acquired through the share delivery trust and money equivalent to the converted value of RENOVA’s shares (hereinafter referred to as the “Shares and Cash”) to its directors (excluding external directors) and executive officers, in accordance with their official positions and degree of achievement of their performance targets. RENOVA will also deliver and grant certain fixed amounts of Shares and Cash to its external directors to ensure appropriate management supervision functions of RENOVA’s businesses.

(2) Acquired shares

The book value of the Shares held by the trustee bank are recorded as treasury shares in the “Net assets” section on RENOVA’s balance sheet. As of March 31, 2019, the book value and total number of treasury shares held by the trustee bank are 504 million yen and 393,600 shares respectively.

Segment Information

1. Overview of Reportable Segments

RENOVA's reportable segments are comprised of its business units that have separate reportable financial information available. They are subject to periodic examinations by the Board of Directors and Management Committee, to determine the optimal allocation of management resources and performance evaluation.

The Renewable Energy Power Generation Business is involved in the generation and sale of electricity from renewable energy power plants that RENOVA owns and operates. The Renewable Energy Development and Operation Business is involved in the development of, and assists in the operation of RENOVA's renewable energy power plants.

2. Basis for Calculating Results by Reportable Segment

The accounting treatment for the reported business segments is the same as that used for the preparation of consolidated financial statements.

Segment profit represents EBITDA (Ordinary profit + Net interest expenses + Depreciation + Amortization of long-term prepaid expenses (amortization of grid connection costs and amortization of deferred consumption taxes) + Amortization of goodwill + Amortization of deferred assets (amortization of business commencement expenses and amortization of deferred organization expenses)).

Inter-segment sales and transfers are based on current market prices.

3. Results by Reportable Segment

FY ended May 2018 (June 1, 2017 – May 31, 2018)

(Million yen)

	Reportable segments			Adjustments (Note 1)	Amount on consolidated statement of income
	Renewable Energy Power Generation Business	Renewable Energy Development and Operation Business	Subtotal		
Net sales					
Sales – outside customers	10,448	1,291	11,740	–	11,740
Sales and transfer – inter-segment	–	1,536	1,536	(1,536)	–
Total	10,448	2,828	13,276	(1,536)	11,740
Segment profit (Note 2)	6,847	1,238	8,085	(6,030)	2,055
Segment assets	51,132	17,190	68,323	(2,610)	65,713
Other items					
Share of profit (loss) of entities accounted for using equity method	23	–	23	–	23
Investments in entities accounted for using equity method	–	1,007	1,007	–	1,007
Increase in property, plant and equipment, and intangible assets	9,772	(6)	9,766	5	9,772

(Notes) 1. The adjustment of (6,030) million yen to the segment profits includes interest expenses of (1,265) million yen, interest expenses on asset retirement obligations of (28) million yen, interest income of 0 million yen, depreciation of (2,542) million yen, amortization of long-term prepaid expenses of (24) million yen, amortization of goodwill of (31) million yen, amortization of deferred assets of (363) million yen, and elimination of intersegment transactions of (1,773) million yen.

2. Segment profit represents EBITDA (Ordinary profit + Net interest expenses + Depreciation + Amortization of long-term prepaid expenses (amortization of grid connection costs) + Amortization of goodwill + Amortization of deferred assets (amortization of business commencement expenses)). The segment profit figure of 2,055 million yen corresponds to Ordinary Profit on RENOVA's consolidated financial statements.

FY ended Mar. 2019 (June 1, 2018 – March 31, 2019)

(Million yen)

	Reportable segments			Adjustments (Note 1)	Amount on consolidated statement of income
	Renewable Energy Power Generation Business	Renewable Energy Development and Operation Business	Subtotal		
Net sales					
Sales – outside customers	11,622	2,476	14,098	–	14,098
Sales and transfer – inter-segment	–	2,092	2,092	(2,092)	–
Total	11,622	4,568	16,191	(2,092)	14,098
Segment profit (Note 2)	7,484	2,837	10,321	(6,860)	3,460
Segment assets	57,897	27,416	85,313	(3,814)	81,499
Other items					
Share of profit (loss) of entities accounted for using equity method	–	–	–	–	–
Investments in entities accounted for using equity method	–	1,570	1,570	–	1,570
Increase in property, plant and equipment, and intangible assets	7,369	258	7,627	–	7,627

(Notes) 1. The adjustment of (6,860) million yen to the segment profits includes interest expenses of (1,275) million yen, interest expenses on asset retirement obligations of (26) million yen, interest income of 2 million yen, depreciation of (2,707) million yen, amortization of long-term prepaid expenses of (26) million yen, amortization of goodwill of (26) million yen, amortization of deferred assets of (372) million yen, and elimination of intersegment transactions of (2,427) million yen.

2. Segment profit represents EBITDA (Ordinary profit + Net interest expenses + Depreciation + Amortization of long-term prepaid expenses (amortization of grid connection costs and amortization of deferred consumption taxes) + Amortization of goodwill + Amortization of deferred assets (amortization of business commencement expenses and amortization of deferred organization expenses)). The segment profit figure of 3,460 million yen corresponds to Ordinary Profit on RENOVA's consolidated financial statements.

Per Share Information

(Yen)

	FY ended May 2018	FY ended Mar. 2019
Net assets per share	102.98	124.22
Basic earnings per share	10.86	22.25
Diluted earnings per share	10.31	21.08

(Notes) 1. RENOVA conducted a 2-for-1 share split of its common shares with an effective date of May 1, 2018, and a 2-for-1 share split of its common shares with an effective date of September 1, 2018. Accordingly, net assets per share, basic earnings per share and diluted earnings per share are calculated on the assumption that the both share splits were conducted at the beginning of the fiscal year ended May 2018.

2. For the calculation of net assets per share, the number of treasury shares at the end of the period was subtracted from the number shares issued at the end of the period. For the calculation of basic earnings per share and diluted earnings per share, the average number of treasury shares during the period was subtracted from the average number of shares outstanding during the period. For all calculations, treasury shares include shares held by Japan Trustee Services Bank, Ltd. (Trust Accounts) as part of the share-based compensation plan and totaled 393,600 shares at the end of the period. The average number of treasury shares during the period was 188,823 shares. Japan Trustee Services Bank, Ltd. (Trust Accounts) held no shares during the previous fiscal year.

3. The basis for calculating basic earnings per share and diluted earnings per share are as follows.

	FY ended May 2018	FY ended Mar. 2019
Basic earnings per share		
Profit attributable to owners of parent (million yen)	800	1,659
Amount not allocable to common shareholders (million yen)	–	–
Profit attributable to owners of parent available for common shares (million yen)	800	1,659
Weighted average number of common shares outstanding during each period (thousand shares)	73,680	74,558
Diluted earnings per share		
Adjustment to the profit attributable to owners of parent (million yen)	–	–
Number of common shares increased (thousand shares)	3,952	4,157
(of which, share options (thousand shares))	(3,952)	(4,157)
An overview of diluted shares not included in the calculation of diluted earnings per share due to the absence of the dilutive effect.	–	–

Significant Subsequent Events

Not applicable.