



* Updated the underlined sentence, on July 26, 2019.

Press Release

July 12, 2019
Shizen Energy Inc.

Shizen Energy Completes Construction of First Solar Power Plant in Brazil

On July 12, 2019, Shizen Energia do Brasil Ltda (Location: Santos, Brazil/Representative hereinafter Shizen Brazil), the local joint venture of Japanese Shizen Energy Inc. (Headquarters: Arato, Chuo-Ku, Fukuoka-Shi, Fukuoka/Representative Directors: Ken Isono, Kenji Kawado, Masaya Hasegawa, hereinafter Shizen Energy) and MS Consultoria e Suporte (Headquarters: Feira de Santana, Brazil/represented by Bruno Suzart), and Espaço Y (Headquarters: Brasilia, Brazil/Representative Directors: Daltro Noronha, Flávio Barros, hereinafter Espaço Y), a Real Estate development company in Brazil, held the groundbreaking ceremony of the 1.1 MW solar power plant “CAPÃO SECO” located in Brasilia, Brazil. The construction of the plant began on January 29, 2019, and its interconnection was completed on July 12th, 2019. Shizen Energy plans to start commercial operation in August 2019.

The project uses part of the land from a local farm that produces organic chili pepper and tomatoes to operate its 1.1 MW (DC) mega-solar power plant. Off-takers of this project will be registered on a government-sponsored remote net-metering system (*), benefiting from discounted rates for cleaner energy.

Kenji Kawado, Representative Director of Shizen Energy, participated in the ceremony and noted: “We are very happy to have completed the construction of our very first overseas power plant. It is important to promote the use of renewable energy, especially in places such as Brazil, where demand for electricity is expected to grow significantly. Starting from this project, we will make further efforts for development and communication of renewable power generation in a way that influences people’s way of using energy.”

Shizen Energy looks forward to working on further projects in Brazil.

*: “Net-metering” is a utility billing mechanism for distributed energy system owners. With net-metering, consumers are only billed for the difference between the energy purchased and consumed from the grid, and the energy generated by their own facilities. When the amount of generated power surpasses that of consumption, the surplus can be carried forward to the following month. In the U.S., net-metering is adopted in 43 out of 50 states and in Washington

D.C. In November 2015, the Brazilian government revised its laws regarding net-metering and is facilitating the introduction of renewable energy.

* Corrected “commercial operation, on July 12 th, 2019” to “interconnection on July 12 th, 2019. Shizen Energy plans to start the commercial operation in August 2019.”

[Project Outline]

Name of facility	CAPÃO SECO
Location of PV Power Plant	Brasilia, Distrito Federal, Brazil
PV power plant owner	Espaço Y and Shizen Brazil
Output of PV Power Plant	1.1MW (DC)
Start of construction	29th January, 2019
<u>Completion Date</u>	<u>12th July, 2019</u>

* Corrected “COD (Commercial Operation Date): 8th July, 2019” in the table to “Completion Date: 12th July, 2019”

[Picture of the CAPÃO SECO solar power plant]





[About Espaço Y]

Founded 25 years ago, Espaço Y operates multiple businesses, including Real Estate development, construction, call center, and others. Espaço Y is a local reference in the construction, property, and telco industries. The company joined the renewable energy segment in 2018 after announcing a partnership with Japanese Shizen Brazil. Espaço Y's stalwart is to develop great places to live, and to do so with a commitment to social responsibility and sustainable development.

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- Business: Property, Real Estate, Call Center.

[About Shizen Energy Inc.]

Founded in June 2011 with the mission of "Changing the World with Energy," Shizen Energy contributes to the generation of approximately 1 gigawatt (as of the end of February 2019) worth of renewable energy across Japan. It is engaged in all services required for the installation and operation of solar, wind power, small hydroelectric and other renewable energy power plants, such as development and EPC (engineering, procurement, construction), O&M (operation and maintenance), and asset management. The company has begun the constructions of the photovoltaic power plants around the world since 2018 starting from Asia and South American Region such as Indonesia and Brazil.

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- Representative Directors: Ken Isono, Kenji Kawado, Masaya Hasegawa
- Tel: 092-753-9834
- URL: <http://www.shizenenergy.net/en/>
- Business: Electricity generation (IPP) with solar, wind power, small hydroelectric and other renewable energy power plants, business development, funding procurement, asset management, electricity retail for individuals and businesses

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