



[Translation]

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Announcement concerning the business progress

Progress (preliminary report) of condominium sales business and renewable energy business as of the end of March 2020 are as follows.

Note

1. Condominium sales business

- (1) Contracted 45 units, JPY 2,015 million (April 2019 – March 2020)
- (2) Project goes on sale Gro-bel Yokohama Isezaki-Chō
(Naka Ward, Yokohama City, Kanagawa Prefecture
3-minute walk from Yokohama Municipal Subway
Blue Line " Bandōbashi" Station / Sales starts late
May 2020)

2. Solar business

- (1) Projects in operation 6 Projects - Approx. 32.4 MW (company equity basis)
*The Sanbu Minami Project (our equity interest of about 1.6MW) started electricity sales during the fourth quarter. In the fourth quarter, the sale of total five projects (total equity interest of the Company: approximately 10.2 MW) was completed.

April 2019 – March-end 2020 electricity sales (ex. Tax) JPY 1,207 million.

*Includes revenue from the 5 sold projects during the holding period

- (2) Projects Under Development (Total: 2 projects, approx. 12.5 MW • company equity basis)

① Namegata Project

Address	Ishigami, Namegata City, Ibaraki Prefecture
Site Area	Approx. 32,000 m ²
Installed capacity	Approx. 1.4 MW (Panel Output)
Operation start	May 2020 (Planned)
Power selling price	JPY 32/kWh (excluding tax • 20 year fixed)

Construction started (February 2020)

② Okayama Aida Hikari Project

Address	Nakagouchi, Mimasaka-shi , Okayama Prefecture
Site Area	Approx. 606,000 m ²
Installed capacity	Approx. 36.97 MW (Panel Output)
Operation start	July 2021 (Planned)
Power selling price	JPY 32/kWh (excluding tax • 20 year fixed)

Construction started (August 2019)

3. Biomass power generation related business in Russia (wood pellet production project)

This project is being carried out in Amursk, Khabarovsk region, Russia. As announced on February 28, 2020 “Notice regarding biomass power generation related business”, the main facilities of the pellet manufacturing plant have been completed. In addition, as announced on March 9, 2020 “The Company’s equity subsidiary (RFP Wood Pellets, LLC), enters into long-term offtake contract with Engie Energy Management SCRL”, the Company has concluded a long-term wood pellets supply contract.

The Company considers this project to be extremely important for the future supply of fuel for biomass power generation in Japan. Demand for industrial wood pellets is expected to drastically increase due to efforts to protect the environment and combat global warming by eliminating coal usage and reducing CO2 emissions. The Company continue to actively promote plans to realize sustainability (Sustainable Society) not only in Japan but also worldwide.

4. Asset management business

The Company has resolved to dissolve and liquidate an overseas consolidated subsidiary and withdrew from the asset management business as announced on May 15, 2019, “Notice Concerning Dissolution and Liquidation of an Overseas Consolidated Subsidiary”.

In addition, as announced on September 13, 2019, “Regarding the transfer of stock acquisition rights held by a subsidiary and the transfer of shares”, all transfers

of securities (stocks and stock acquisition rights) held by the subsidiary (The Prospect Japan Fund Limited) have been completed.

The liquidation procedure has been started, and completed on December 31, 2019. And liquidation is expected to be completed by April 2020.

(note) Electricity sales are preliminary figures. Please refer to the financial statements to be disclosed on Friday, May 15, 2020 for finalized figures.

- End of News Release -