



June 5, 2013

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## Notice of Amendment concerning the Application of Funds from the Exercise of Warrants Issued for Private Placement

This is to give notice that the meeting of the board of directors of the Company convened on June 5, 2013, resolved as follows with regard to an amendment concerning the application of funds from the exercise of warrants issued on January 31, 2013, for private placement.

### 1. Reason for amendment concerning the application of funds

Pursuant to the approval by the Extraordinary General Meeting of the Company convened on January 25, 2013, the Company issued on January 30 of the same year 2,136,000 shares of stock and 4,843 Series-4 warrants (1,000 shares per warrant) (in the following, "Warrants") for a private placement in order to raise capital for investments in solar energy power generation operations (that private placement, the "2013 Private Placement"). Also in the wider market for renewable energy, the Company positions the market for solar energy power generation, which is expected to display continued stable growth, as a market of central importance to the Company's operations, and as part of its expansion strategy has been working to identify investment propositions.

The Group has been working to accelerate the development of large-scale solar energy power generation facilities that have close relations to their localities. In this context, as announced by public notice dated November 27, 2012, entitled "Notice concerning Property Lease for the Procurement of Land for Large Scale Solar Energy Power Generation Facilities," the Company assigned its property leasehold rights for a site at 507 Hamacho, Goto City, Nagasaki Prefecture and as announced by public notice dated May 29, 2013, entitled "Notice concerning a Property Lease for the Procurement of Land for Large Scale Solar Energy Power Generation Facilities," finalized a decision to build at 3-660-1, Aza, Yoshikugi-cho, Goto City, Nagasaki Prefecture (commonly referred to as Goto City, Koujindake) solar energy power facilities with a total capacity of 6.0 megawatts (6,000 kw), which will be the Group's largest, in a cooperation for special high voltage power supply with the support of various parties including the Goto City Fukue Chamber of Commerce and Industry, and the Goto City Commerce and Industry Association, both in Nagasaki Prefecture. As set out in the foregoing, the Company decided to assign the property leasehold rights for a site at 507 Hamacho, Goto City, Nagasaki Prefecture, and to promote the construction of a large-scale solar energy power generation facility at Goto City, Koujindake (the "Amendment") for the following reasons.

- (1) The Company aims to develop large-scale solar energy power generation facilities with close relations to their localities. Following the approval for the project as "Eco Island Goto" which Goto City aspires to realize, and based on the support from Nagasaki Prefecture and Goto City, the Company has come to the judgment that an environment is in place that enables the development at Goto City, Koujindake.

- (2) In order to realize a 6.0 megawatt power plant at Goto City, Koujindake, the Group must concentrate its management resources.
- (3) Irrespective of the Amendment, the Group has determined, with administrative support, to implement at an early stage the solar energy power generation facilities with close relations to their localities projected by the Group, and in so doing contribute to local communities through the creation of local jobs, and to advance the development of the Group's power generation operations.

In order to realize the project described above, the Company judged it imperative to amend the application of funds (investee) raised through the capital offering.

## 2. Details of the amendment

The details of the amendment of the application of funds raised through the exercise of the Warrants are as described below. Changes are marked by underlining. Notably, unchanged are the application of the capital amount paid in pursuant to the issuance of shares dated January 30, 2013, and the amount paid in pursuant to the issuance of warrants on the same date.

Before the amendment

	Specific application of funds	Net funds available	Prospective payment dates
Issuance of stock	Large-scale solar energy power generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw) Investment capital (¥120 million) - Modules/Mounts - Electrical facilities - Construction work - Other operating expenses, etc.	¥120 million	From January 2013 to March 2013
Issuance of Warrants	Large-scale solar energy power generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw) Investment capital (¥35 million) - Modules/Mounts - Electrical facilities - Construction work - Other operating expenses, etc.	¥35 million	From January 2013 to March 2013
Exercise of Warrants	Large-scale solar energy power generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw) Investment capital (¥106 million) - Modules/Mounts - Electrical facilities - Construction work - Other operating expenses, etc.	¥720 million	From January 2013 to January 2015

	<p>Large-scale solar energy power generation facility at <u>Hamacho</u>, Goto City, Nagasaki Prefecture (1.9 Mw)</p> <p>Investment capital (¥570 million)</p> <ul style="list-style-type: none"> <li>- Modules/Mounts</li> <li>- Construction work</li> <li>- Electrical facilities</li> <li>- Structures</li> <li>- Other operating expenses, etc.</li> </ul> <p><u>Other investments in solar energy power generation operations</u> (¥44 million)</p>		
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After the amendment

	Specific application of funds	Net funds available	Prospective payment dates
Issuance of stock	<p>Large-scale solar energy power generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw)</p> <p>Investment capital (¥120 million)</p> <ul style="list-style-type: none"> <li>- Modules/Mounts</li> <li>- Electrical facilities</li> <li>- Construction work</li> <li>- Other operating expenses, etc.</li> </ul>	¥120 million	From January, 2013 to March, 2013
Issuance of Warrants	<p>Large-scale solar energy power generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw)</p> <p>Investment capital (¥35 million)</p> <ul style="list-style-type: none"> <li>- Modules/Mounts</li> <li>- Electrical facilities</li> <li>- Construction work</li> <li>- Other operating expenses, etc.</li> </ul>	¥35 million	From January, 2013 to March, 2013
Exercise of Warrants	<p>Large-scale solar energy power generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw)</p> <p>Investment capital (¥106 million)</p> <ul style="list-style-type: none"> <li>- Modules/Mounts</li> </ul>	¥720 million	From January, 2013 to January, 2015

	<ul style="list-style-type: none"> <li>- Electrical facilities</li> <li>- Construction work</li> <li>- Other operating expenses, etc.</li> </ul> <p>Large-scale solar energy power generation facility in <u>Yoshikugi cho</u>, Goto City, Nagasaki (<u>approximately 6.0 Mw</u>)</p> <p style="padding-left: 40px;">Investment capital (<u>614 million yen</u>)</p> <ul style="list-style-type: none"> <li>- Modules/Mounts</li> <li>- Construction work</li> <li>- Electrical facilities</li> <li>- Structures</li> <li>- Other operating expenses, etc.</li> </ul>		
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Notably, with respect to the allocation of funds from the 2013 Private Placement and the exercise of the Warrants, the status as of May 31, 2013, was as described below.

Status of allocation of funds from the 2013 Private Placement

	Specific application	Application amount	Time of application
Issuance of stock	<p>Large-scale solar energy power generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw)</p> <p style="padding-left: 40px;">Investment capital (¥120 million)</p> <ul style="list-style-type: none"> <li>- Modules/Mounts</li> <li>- Electrical facilities</li> <li>- Construction work</li> <li>- Other operating expenses, etc.</li> </ul>	¥120 million	From January 2013 to March 2015
Issuance of Warrants	<p>Large-scale solar energy power generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw)</p> <p style="padding-left: 40px;">Investment capital (¥35 million)</p> <ul style="list-style-type: none"> <li>- Modules/Mounts</li> <li>- Electrical facilities</li> <li>- Construction work</li> <li>- Other operating expenses, etc.</li> </ul>	¥35 million	From January 2013 to March 2013
Exercise	Large-scale solar energy power	¥106 million	From March 2013 to May

of Warrants	generation facility at Shimonoseki City, Yamaguchi Prefecture (1.5 Mw) Investment capital (¥106 million) - Modules/Mounts - Electrical facilities - Construction work - Other operating expenses, etc.		2013
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Status of exercise of Warrants

Exercise date	Number of warrants exercised (warrants)	Number of shares delivered (shares)	Exercise price (yen)
January 31, 2013	198	198,000	29,700,000
February 1, 2013	266	266,000	39,900,000
February 4, 2013	113	113,000	16,950,000
February 5, 2013	266	266,000	39,900,000
February 6, 2013	1,000	1,000,000	150,000,000
May 2, 2013	430	430,000	64,500,000
Total	2,273	2,273,000	340,950,000