ASA GROUP

NewsLetter

～Latest Trends in Alternative Investments: 5-Minute Overview～

Vol. 60 2026.10.30

Chairman's Column

AI Era Vulnerability and Japanese Companies: No Company is Safe Anymore

Looking at recent news coverage reports on corporate data leaks, I cannot help but feel that this is no longer an issue affecting only individual companies, but that our entire society is being quietly eroded. Following the customer data leaks from RIZAP, Yakiniku King, Times (operated by Park24), and Daiwa Securities, a spate of similar incidents have followed one after another, with driver's license information, financial information, and even medical information being leaked. If misused, all of this information is highly likely to lead to irreparable harm, including identity theft, financial fraud, and trading on the black market. A fake version of myself going to borrow money. Just thinking about it makes me feel wired. While ransomware attacks continue to rage, there have also been cases in which attacks are suspected of being automated using AI such as Claude Code. Because AI requires neither rest nor food and can operate 24 hours a day, we have to acknowledge that we have entered an era in which the conventional labor-intensive defense can no longer keep pace.



What is even more serious is that many leaks occur not only at head offices but also through contractors. No matter how many measures a company takes, a single security hole at an external contractor can lead to a massive leak of personal information. Looking at a recent series of reports, I believe that this kind of structural vulnerability has been exposed.
Once a leak occurs, extra costs are incurred and an enormous amount of time is lost, a company's reputation declines rapidly, and employee morale is also severely damaged. Above all, is there now even a single company that can confidently declare, "We alone are safe"?

Before discussing countermeasures, I strongly feel that we must first face this reality. Data leaks in the AI era are so serious that they cannot be discussed as an extension of the past, and even as we speak, obedient AI is roaming around in search of security holes. Companies now find themselves in an environment more vulnerable than ever before. I believe that what will really lead to the next step is being concerned about this danger and sharing a sense of crisis.

by Kazuhiro Matsuzawa, Chairman

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ASA Practical Guide

Renewable Energy Business and Administrative Procedures: Part 1

Introduction

ASA GLOBAL Administrative Scrivener Corporation supports its clients' business activities through administrative procedures such as various permissions or other approvals, applications for certification, and notifications. Over three times beginning with this one, we will introduce administrative procedures from business commencement to operation and business succession, together with practical key points, under the theme of renewable energy business, which in recent years have attracted more interest from investors and business operators in Japan and overseas. We hope that this series will help everyone involved in a renewable energy business reaffirm the importance of administrative procedures and proceed with smooth business operations.

Obtaining Certification is not the Goal for Renewable Energy Business

— The FIT and FIP Systems and Administrative Procedures to Understand when to Start the Business —

In recent years, energy businesses using solar power generation and wind power generation have attracted more interest toward the realization of a decarbonized society. The renewable energy business is receiving more attention not only as its contribution to the environment but also as a long-term investment target, resulting in further participation by investors and funds in Japan and overseas. On the other hand, in order to proceed with the renewable energy business smoothly, it is indispensable not only to build facilities and raise funds but also to properly carry out administrative procedures such as various permissions or other approvals and application for certifications.

What are the FIT and FIP Systems?

The FIT(Feed-in Tariff) and FIP (Feed-in Premium) systems are important in understanding the renewable energy business. The FIT system is a mechanism under which electricity generated from renewable energy is purchased by electricity utilities for a certain period (procurement period) at a procurement price determined by the national government. On the other hand, the FIP system is a system under which, when a power generation business operator sells electricity in the market or elsewhere, a premium (subsidy amount) calculated on the basis of the difference between the reference between the standard price and the reference price (a price calculated in consideration of market prices and other factors) is added. Particularly under the FIP system, since business operations are required to take account of market prices and methods of selling electricity, it is important to manage the business with a different perspective from the conventional FIT system. Individual storage batteries are not covered by the FIT or FIP system. If they are installed together with solar power generation or similar facilities, or if they are used as grid-scale storage batteries to conduct business (a notification for a power generation business under the Electricity Business Act may be required), separate consideration is necessary.

Continues on next p.3



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ASA GROUP
NewsLetter
～Latest Trends in Alternative Investments: 5-Minute Overview～
Vol. 60 2026.10.30

ASA Practical Guide

(continued from p.2)

Administrative Procedures to be Confirmed Before Starting the Business

When using the FIT or FIP system, as a general rule, it is necessary to apply to the Ministry of Economy, Trade and Industry (Agency for Natural Resources and Energy) under the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (Renewable Energy Special Measures Act) and obtain the certification for a renewable energy power generation business plan. For certification, various matters must be confirmed, including the location and output of the facilities, facility specifications, rights to the land, the prospect of grid connection, the reserve plan for maintenance, inspection and disposal costs, and the status of compliance with relevant laws and regulations. In addition, discussions on grid-interconnection, connection agreements with electric power companies (general electricity transmission and distribution utilities), and, depending on the type and scale of the facilities, notification of construction plan under the Electricity Business Act, pre-use self-check, appointment of a chief electrical engineer, and notification of safety regulations are also required. Furthermore, depending on the business details and location conditions, procedures based on laws and regulations concerning conversion of agricultural land, forest land development, development permission, and environment may also be required. Under the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities, certain businesses are required to hold advance briefing sessions for local residents and other interested parties, and there are also cases in which coordination with relevant local governments is necessary; therefore, it is important to confirm these matters from the initial stage of the business plan.

Administrative Procedures Lead to Business Risk Management

If deficiencies or delays arise in administrative procedures, it may affect business revenue and expenditure through such matters as a change in the business commencement date or the incurrence of additional costs. Progress management and information sharing concerning administrative procedures are important particularly since many parties including investors, financial institutions, EPC contractors, and asset managers are involved in renewable energy investments using SPCs.

Our corporation supports the smooth operations of business operators through administrative procedures such as permissions or other approvals, applications for certification, and notifications. In addition, in cooperation with ASA GROUP's SPC management and accounting and tax service functions (each service is provided by the respective group company that performs such work), we aim to support all aspects of clients' businesses through administrative procedures. In a renewable energy business, obtaining certification is not the goal but the start of long-term business operations.

[Coming up Next] Procedures Continue Even After Certification

We will explain the administrative procedures indispensable for business operations, such as amendment of certification, notification of changes and periodic reports required after obtaining FIT or FIP certification.

by Jun Murata, Secretary General of ASA GLOBAL Administrative Scrivener Corporation

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J-REIT Monthly Data

Trends in September (September 1 - 30, 2026)

■ **15 REITs announced earnings in September (all for the fiscal period ending July 2026).**

<Property Transactions During September 1 - 30, 2026 **>**

Number of REITs Acquiring Properties	Total Acquisition Amount	Number of Properties Acquired
14 REITs	171.6 billion yen	27 properties
Number of REITs Disposing of Properties	**Total Disposition Amount**	**Number of Properties Disposed**
13 REITs	101.9 billion yen	20 properties

<Property Transactions by Asset Type>

		Office	Residential	Retail	Hotel	Logistics	Other Real Estate	Equity Interests, etc.	Total
Acquisitions	Amount (JPY)	41.7 billion	27.7 billion	39 billion	27.5 billion	35.6 billion	–	–	171.6 billion
	Composition (%)	24%	16%	23%	16%	21%	–	–	100%
	Number of Properties	6	12	2	4	3	–	–	27
	Composition (%)	22%	44%	7%	15%	11%	–	–	100%
Dispositions	Amount (JPY)	35.5 billion	3.0 billion	9.4 billion	3.0 billion	41.4 billion	9.3 billion	–	101.9 billion
	Composition (%)	35%	3%	9%	3%	41%	9%	–	100%
	Number of Properties	6	2	2	1	6	3	–	20
	Composition (%)	30%	10%	10%	5%	30%	15%	–	100%

■ **15 REITs announced their earnings in October.**

■ **2 REITs are expected to announce their earnings in November.**

Nov 16 (Mon)	8952	Japan Real Estate Investment Corporation
Nov 19 (Thu)	8986	Daiwa Securities Living Investment Corporation

■ **Last Day with Rights:** 11/26 (Thu)

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J-REIT Monthly Topic

J-REIT and TOBs

In September 2026, the investment units of Sankei Real Estate Inc. became subject to a tender offer (TOB) by City Index Fifth Co., Ltd. Following the TOB by Tiger Limited Partnership and Lion Limited Partnership in January of this year (unsuccessful), this is the second case. Past TOBs for investments units of J-REIT are as follows:

Investment corporation / Date	Result / Status
Invesco Office J-REIT, Inc. 2021	Successful due to A TOB conducted by its sponsor who challenged the hostile TOB was successful (automatically the hostile TOB was unsuccessful.)
Hankyu Hanshin REIT, Inc. 2025	Unsuccessful
NTT UD REIT Investment Corporation 2025	Unsuccessful
Sankei Real Estate Inc. January 2026	Unsuccessful
Sankei Real Estate Inc. September 2026	With the investment corporation also supporting the offer, investors' response remains to be seen.

Then, why is a TOB conducted to acquire the investment units of an investment corporation? As presented above, the successful TOB for the investment units of Invesco Office J-REIT, Inc. was a countermeasure by the sponsor against the hostile acquisition. After the TOB was completed, Invesco Office J-REIT was delisted, and its properties bought back by its sponsor were sold by its sponsor to another company.

As shown by this case, if an investment corporation's NAV multiple is below 1.0x and a TOB is completed at an investment unit price lower than its NAV per unit, it becomes possible to acquire the properties held by the investment corporation at an advantageous price. However, theoretically, when the Tender offer price is 110% of the investment unit price, the benchmark for NAV multiple is around 0.9x; when 130%, around 0.77x, creating the possibility that a TOB will be conducted.

In fact, as of the end of September 2026, only a very small number of issues have a NAV multiple of 1.0 or higher, which means that a TOB could potentially be conducted for almost all issues. Twenty-five years have passed since the birth of J-REITs, and the market may now be at a historic turning point.



by Yoshimi Nishibeppu, ASA REIT Partners

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