

Working to Achieve Our Management Vision 2030

The Kyuden Group has set financial objectives for FY2025 and compiled a concrete action plan in the form of an annual rolling Medium-term Management Plan to help us achieve the Management Vision 2030 as well as the Carbon Neutral Vision 2050. We are moving forward with steadfast efforts based on this plan.

Medium-term Management Plan (Annual 5-year rolling plan) Financial Objectives (FY2025)

Financial Objectives to Achieve Our Management Vision 2030

We have set interim financial objectives for FY2025 to guide us as we work toward achieving our management vision from the following perspectives:

- ◆ Secure and expand income in the Domestic Electricity Business and growth businesses
- ◆ Prioritize balance between improving our financial position, enhancing shareholder returns, and investing for growth

Perspective	Financial Objectives (FY2025)
Profitability	Consolidated ordinary income: Over ¥125 billion · Domestic Electricity Business: ¥75 billion · Growth businesses: ¥50 billion
Financial soundness	Equity ratio: approx. 20%

Perspective	Reference Indices ^{*1} (FY2025)
Profitability	ROE: approx. 8% Total electric power sales: 105 billion kWh
Growth potential	Growth investments: ¥500 billion ^{*2} · Renewable energy (restated): ¥250 billion ^{*2}
	FCF: ¥70 billion (Secure five-year cumulative profitability)
Power output	· Renewable energy developed: 4,000 MW · Overseas equity output: 4,000 MW

*1: Give a sense of where certain indicators prioritized by management will be when our financial objectives are achieved *2: FY2021-FY2025 cumulative

ROIC Targets Aimed at Further Enhancing Corporate Value of the Kyuden Group (Refer to P25)

From the viewpoint of aiming to further enhance corporate value through improving capital efficiency, we have introduced return on invested capital (ROIC) as a new management indicator and have set ROIC targets for FY2025 and FY2030

FY	Target
FY2025	Consolidated 2.5% or more
FY2030	Consolidated 3.0% or more

Note: ROIC=Ordinary income (earnings before interest after taxes (EBIAT)) / Invested capital (interest-bearing debt + shareholders' equity)

Management Vision 2030 Management Targets (FY2030)

Carbon Neutral Vision 2050 Achieve Carbon Negativity as Early as Possible Before 2050

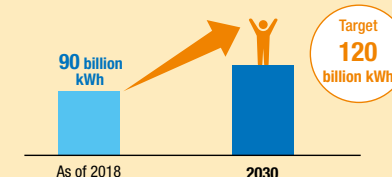
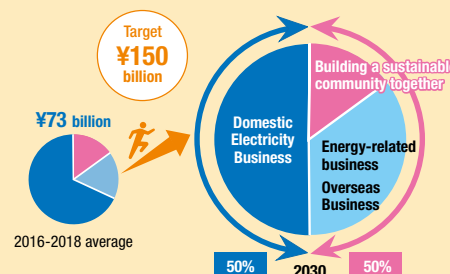
Management Targets to Achieve Our 2030 Vision

We have set the following management targets to guide us in steadily promoting strategies to achieve our 2030 management vision of "Creating the future, starting from Kyushu. Providing more prosperous, comfortable living to become our customers' No. 1 choice"

Management Targets

Consolidated ordinary income	¥150 billion (50% from Domestic Electricity Business, 50% from other businesses)
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Total electric power sales (retail, wholesale, overseas)	120 billion kWh
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Permanent pursuit of a reasonable price for electricity

Management Targets (Environmental Targets)

Supply	Reduce supply chain GHG emissions by 60% (compared to FY2013)
	Reduce by 65% for domestic business (compared to FY2013)

Demand	Contribute to the electrification of Kyushu (Household: 70%; Commercial: 60%)
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