

Kyushu Electric Power Investor Presentation

Creating Tomorrow through Energy
Rooted in Kyushu, Reaching New Heights



February 2026

This presentation has been prepared by KYUSHU ELECTRIC POWER CO., INC. (“Kyushu EPCO” or “the Company”) solely for informational purposes and does not constitute, and should not be construed as, an offer or solicitation to purchase or sell any securities, financial instruments, or related rights. This presentation is intended to provide reference information to help investors understand the Company’s business and financial position; it does not include any request to purchase securities, nor does it present specific terms such as price or quantity for any transaction. Furthermore, this presentation does not constitute an offer or solicitation in any jurisdiction where such actions would be unlawful.

This presentation is not directed to any person in any jurisdiction where, by reason of that person’s nationality, residence, or otherwise, the publication or availability of this presentation is prohibited.

This presentation contains forward-looking statements regarding forecasts, targets, and plans of Kyushu EPCO and its group companies (collectively, the “Group”). These statements are based on information currently available to the Group and on certain assumptions. Such statements and assumptions are inherently subject to risks and uncertainties and may differ materially from actual results. The Group makes no warranty as to the accuracy or completeness of the information contained herein, and the contents are subject to change without notice due to changes in the business environment or other factors.

Information on companies and other entities outside the Group included in this presentation has been obtained from publicly available sources. The accuracy and appropriateness of such information have not been verified by the Group and cannot be guaranteed.

This presentation may not be reproduced, redistributed, or transmitted to any other person, in whole or in part, for any purpose without the Company’s prior written consent.

1 Introduction of the Kyuden Group

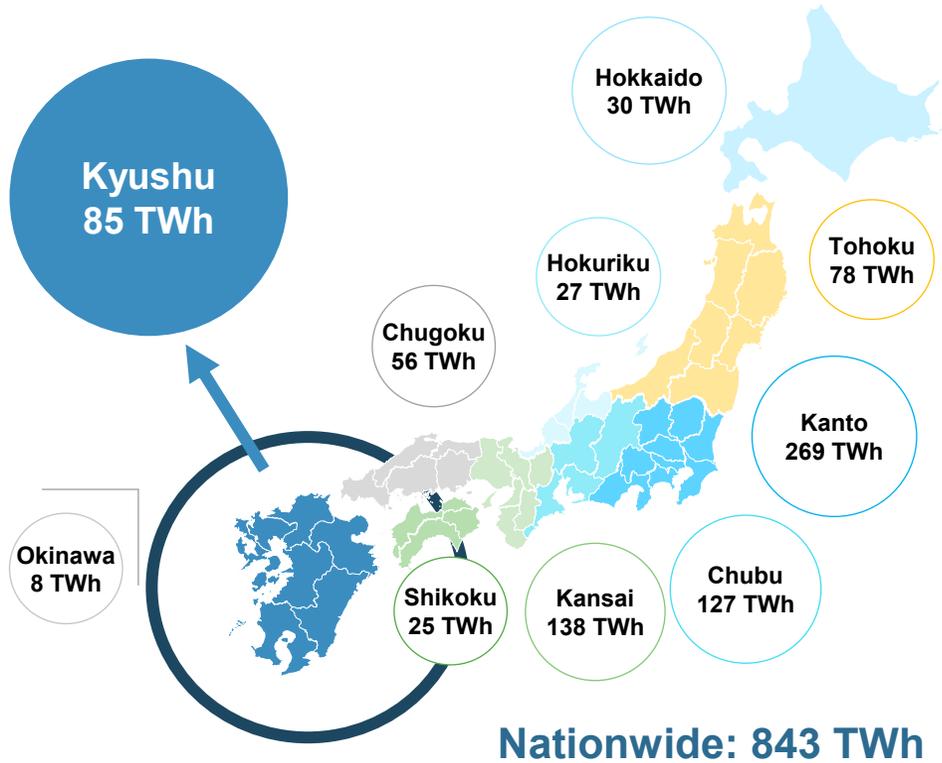
2 Energy services businesses

3 Growth businesses

4 Kyuden Group Strategic Vision 2035

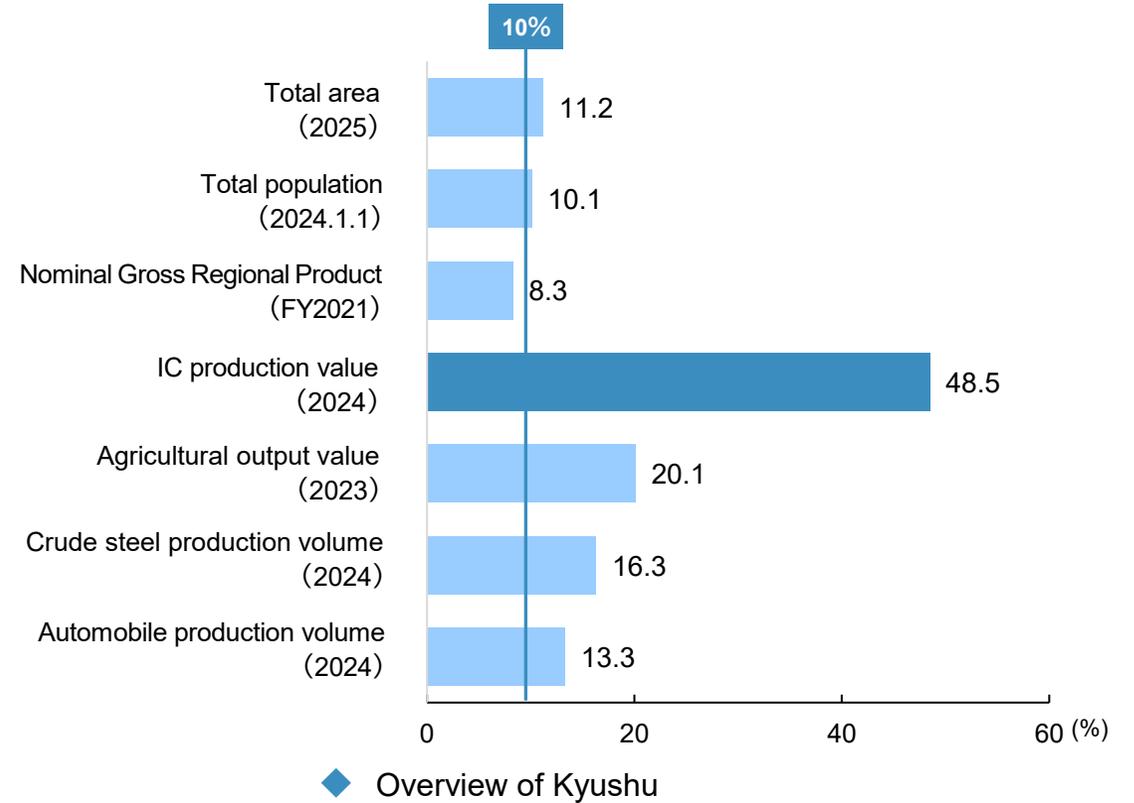
- Main service area is Kyushu area, located in the southwest of Japan.
- While Kyushu contributes about 10% to Japan's overall economy, it excels as the country's leader in the semiconductor industry.

Electricity demand per region in Japan (FY2025)



Source: "Demand assumptions for the entire country and by supply area in FY2026" by Organization for Cross-regional Coordination of Transmission Operators, JAPAN (OCCTO)
Each figure are transmission-level estimates.

Kyushu's share compared to Japan overall



Source: Kyushu Bureau of Economy, Trade and Industry, Ministry of Economy
"Current Status of the Kyushu Economy (2024 Edition)" and "Profile of Kyushu (2025 Edition)"

- As a group, we function as a vertically integrated energy company that generates, transmits, distributes and sells electricity.
- In addition to the energy services businesses, we are promoting growth businesses.

	Energy Services Businesses		Growth Businesses			
Ordinary income for FY2024	¥ 90 bn (60%)		¥ 60 bn (40%)			
	Power Generation & Retail	Power Transmission & Distribution	Renewable Energy	Overseas	Urban Development	ICT Service
						
Activities	<p>Kyushu Electric creates electricity at its nuclear and thermal power generation facilities.</p> <p>Its retail section sell electricity to its customers together with other services that address the needs of customers.</p>	<p>Responsible for the logistics by using transmission and distribution facilities to deliver the electricity to the customers.</p> <p>In 2020 it became a separate company to ensure fairness.</p>	<p>Expanding the 5 types of renewable energy.</p> <p>Kyuden Mirai Energy is one of the leading renewable companies in Japan.</p>	<p>Focus on decarbonizing by investments in renewable energy and low-carbon T&D projects.</p> <p>Promote high-efficiency gas-fired power and distributed energy solutions.</p>	<p>Development projects in Japan and overseas.</p>	<p>Offering a wide range of services from network solutions to digital transformation services.</p>
	Ensures diversified income from various sectors					
Companies						

Note: The ordinary income for FY2024 is calculated by excluding one-time factors, such as the time lag effect of fuel cost adjustments and temperature effects, from the consolidated ordinary income of 194.6 billion yen reported in the financial results.



1

High growth potential of electricity demand driven by semiconductor investments and datacenter plans

Semiconductor-related investments

¥ 4.8 trillion

in Kyushu

(from April 2021 to September 2025)

2

Steady operation of 4 nuclear reactors

Utilization rate of

88.6 %

vs nationwide average 32.3%

(as of FY2024)

3

Generating low carbon electricity with nuclear & renewables

Non-fossil energy in our power mix

56 %

vs nationwide average 33%

(as of FY2024)

4

Consistent expansion of growth businesses

Compound Annual Growth Rate (CAGR)

30 %

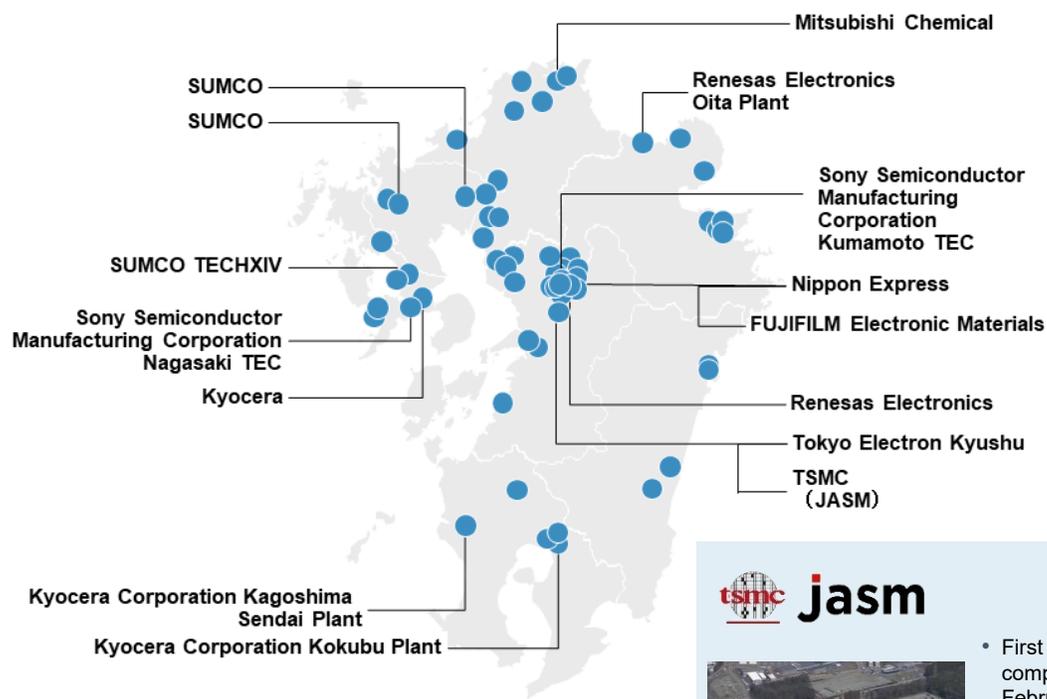
(FY2021-FY2024)

in ordinary income by growth businesses overall

- Due to the expansion of semiconductor-related companies across Kyushu, the region's electricity demand is projected to be **1.2 to 1.3 times the FY2025 level by FY2034**.

Major capital investment plans and location agreements in Kyushu

162 of projects, amounting to **over ¥4.81 trillion** *1



tsmc jasm

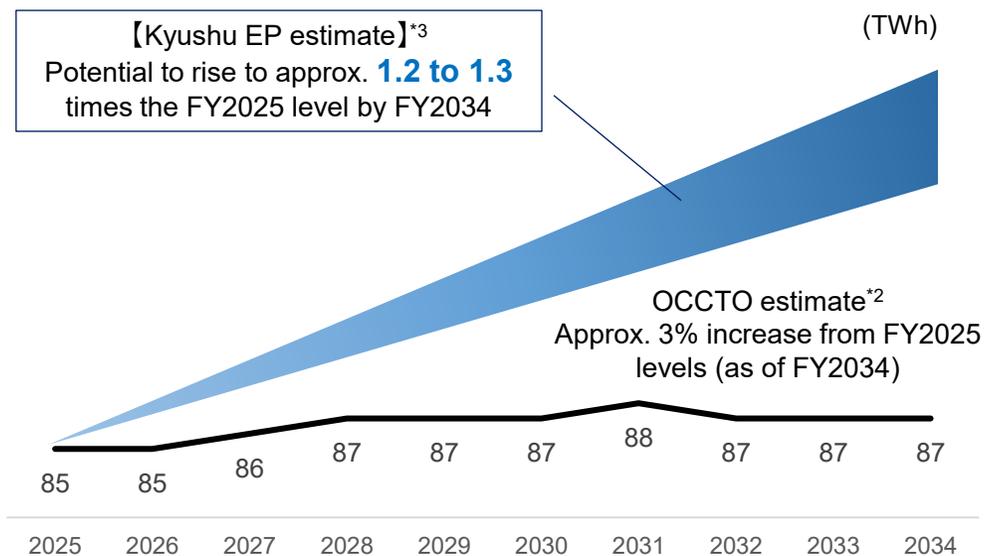
- First plant completed in February 2024.
- Second plant construction has also been decided.

Electric power demand outlook

【Comparison of future demand: Nationwide vs. Kyushu】



【Comparison of Kyushu demand projections: Kyushu EP vs. OCCTO】



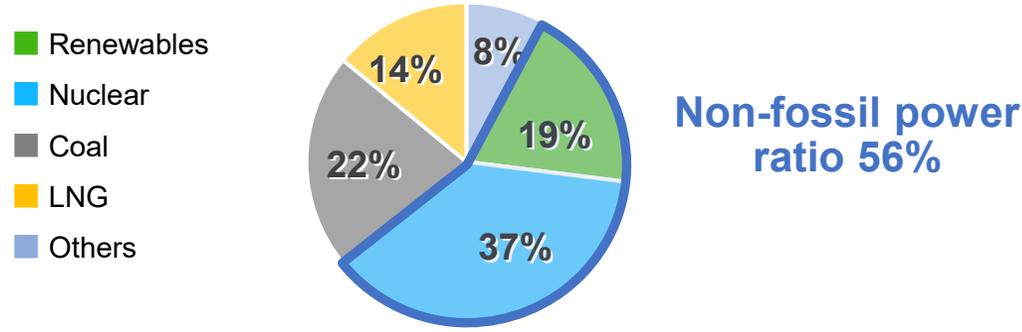
*1: Source is Kyushu Bureau of Economy, Trade and Industry, Ministry of Economy, Trade and Industry, Kyushu Semiconductor & Digital Innovation Association (from April 2021 to September 2025)

*2: Compiled based on OCCTO's Nationwide and Regional Demand Projections (FY2026)

*3: Calculated based on both OCCTO projections and Kyushu EP's independent analysis. Please note that these projections are based on currently available information and do not guarantee future results.

- We aim to further expand profits by actively promoting electricity sales that leverage power sources with strong non-fossil value and competitive pricing, in response to the growing electricity demand.

Composition of power sources (FY2024, kWh basis)



Note: Based on Kyushu Electric Power's FY2024 electricity generated and received

840 MW is currently under construction

- LNG-fired and offshore wind power plants are currently under construction, with operations scheduled to begin at the end of FY2025.



Hibiki LNG Power Plant
620 MW

Our equity share: 80%



Hibikinada Offshore Wind Farm
220 MW

Our equity share: 30%

Stable operations at our 4 nuclear power reactors

- All four nuclear reactors are operating stably
- We aim to further improve the utilization rate



■ Our 4 nuclear power reactors

Reactors		Capacity (MW)	Start of operation	End of life-span	Type	
Genkai	Unit 3	2,360	1,180	1994	2034	PWR
	Unit 4		1,180	1997	2037	
Sendai	Unit 1	1,780	890	1984	2044*	PWR
	Unit 2		890	1985	2045*	

*The operational lifespan has been extended from 40 to 60 years.

- Further improvement of nuclear power utilization rate by:
 - ✓ replace aging steam turbines with newly designed models
 - ✓ shorten inspection periods through optimized maintenance procedures
 - ✓ extend the operation period, currently up to 13 months

Estimate
FY2025
82%

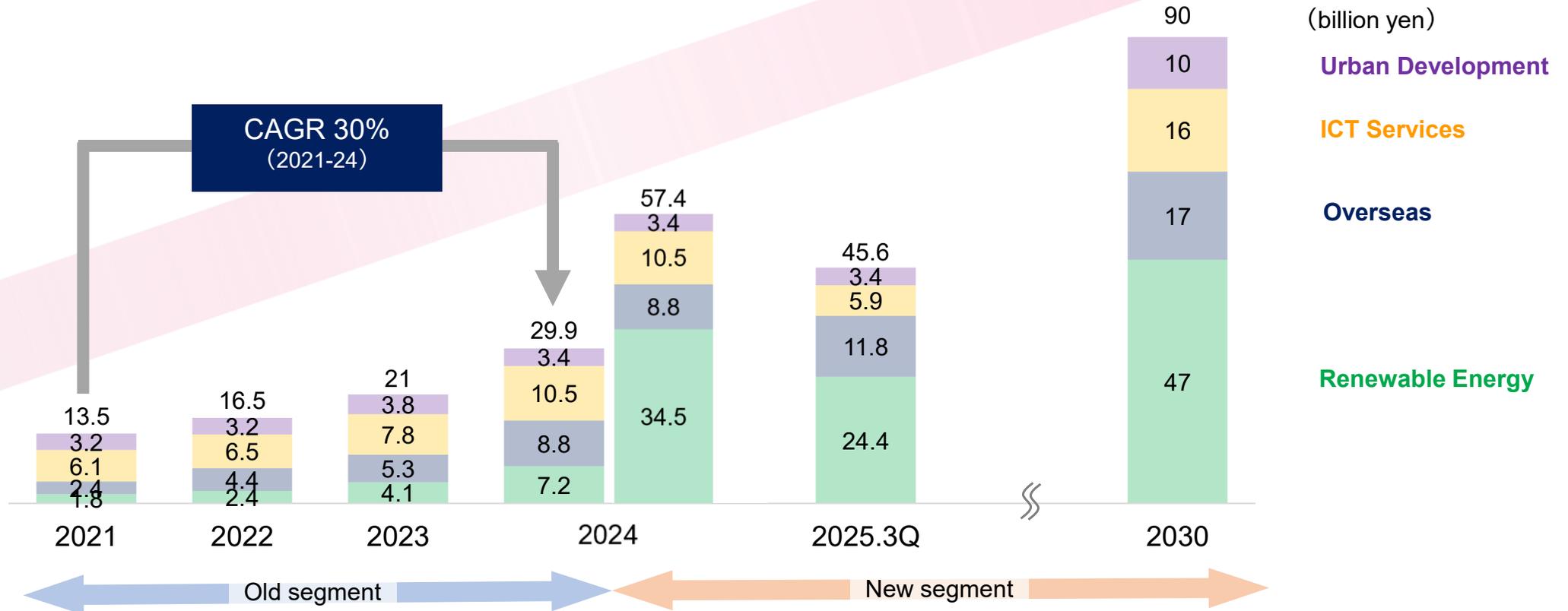


Estimated average
FY2031-2035
90%

Note: the photo of Hibikinada Offshore Wind Farm was provided by Hibiki Wind Energy

- From FY2021 to FY2024, our growth businesses achieved a CAGR of 30% in ordinary income.
- Looking ahead, we aim to steadily grow each business area and target ordinary income of ¥90 billion for FY2030—about twice the current level.

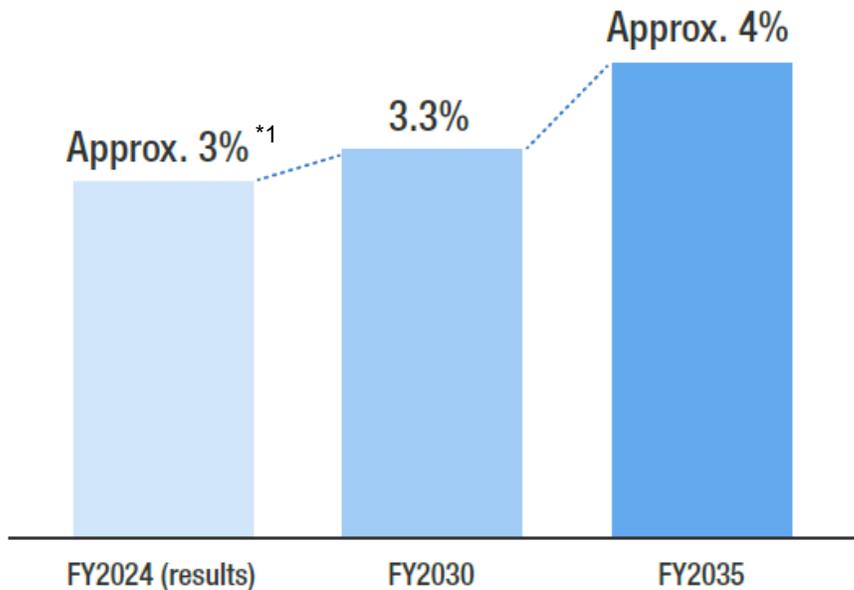
【Trends in Ordinary Income from Growth Businesses】



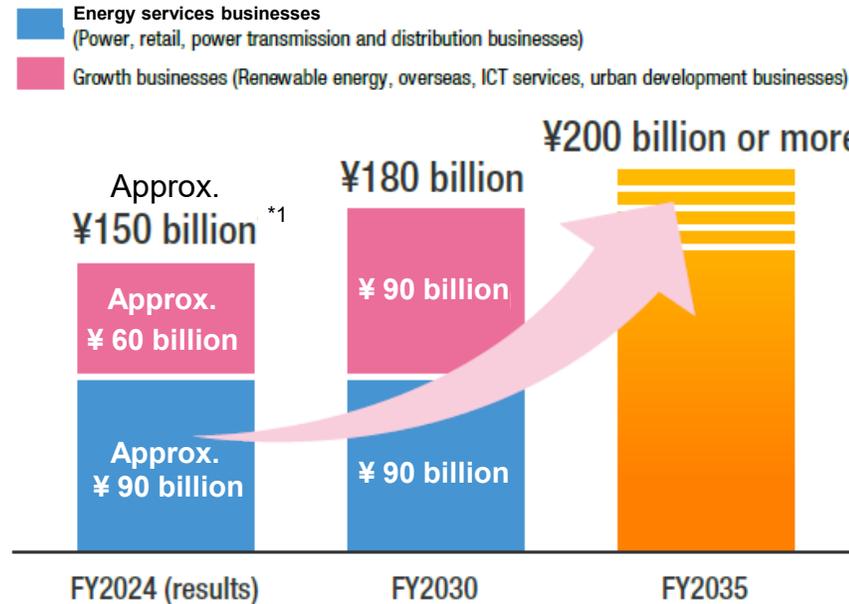
Portfolio Review:
Partial profit shift from domestic electric power to renewable energy.

- In May 2025, we formulated a new strategic vision.
- We have set consolidated ROIC and consolidated ordinary income as our financial targets with an aim to improve capital efficiency and profit growth through enhanced business portfolio management.
- To drive sustainable growth and enhance corporate value, we will focus on increasing our ability to generate FCF. With the dual goals of strengthening our financial foundation and enhancing shareholder value, we have established FCF, equity ratio, and ROE for fiscal 2030 as reference indicators.

Consolidated ROIC



Consolidated ordinary income



Reference indicators

Indicators	FY2030
FCF	¥50 billion
Equity ratio	Secure a stable equity ratio of 20% or higher ^{*2}
ROE	Approx. 10% ^{*3}

*1: For FY2024 (actual results), the figures shown exclude the impact of the time lag in fuel cost adjustment as well as other one-off factors (such as increased demand for heating and cooling due to extreme summer and winter conditions), from the financial results (consolidated ordinary income: ¥194.6 billion, consolidated ROIC: 3.6%).

*2: The reference indicator is set from the perspective of strengthening the financial foundation to ensure a stable equity ratio of 20% or more, even in the event that capital funds such as preferred shares are redeemed (for details, see page 27).

*3: Excluding preferred shares.

1 Introduction of the Kyuden Group

2 Energy services businesses

3 Growth businesses

4 Kyuden Group Strategic Vision 2035

A clean energy supplier leading Japan's decarbonization



Striving to be our customers' most reliable partner, who effectively responds to changing needs and consistently delivers value

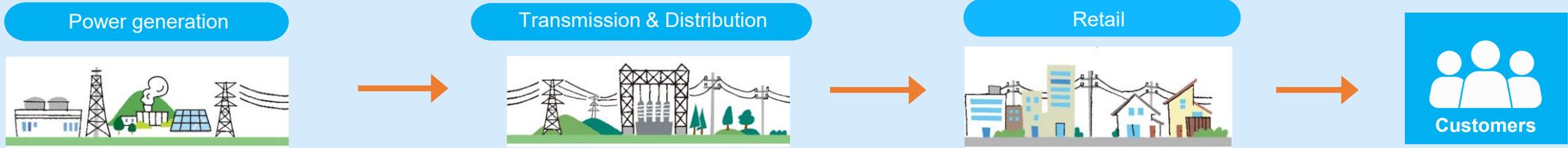
Energy Services Businesses



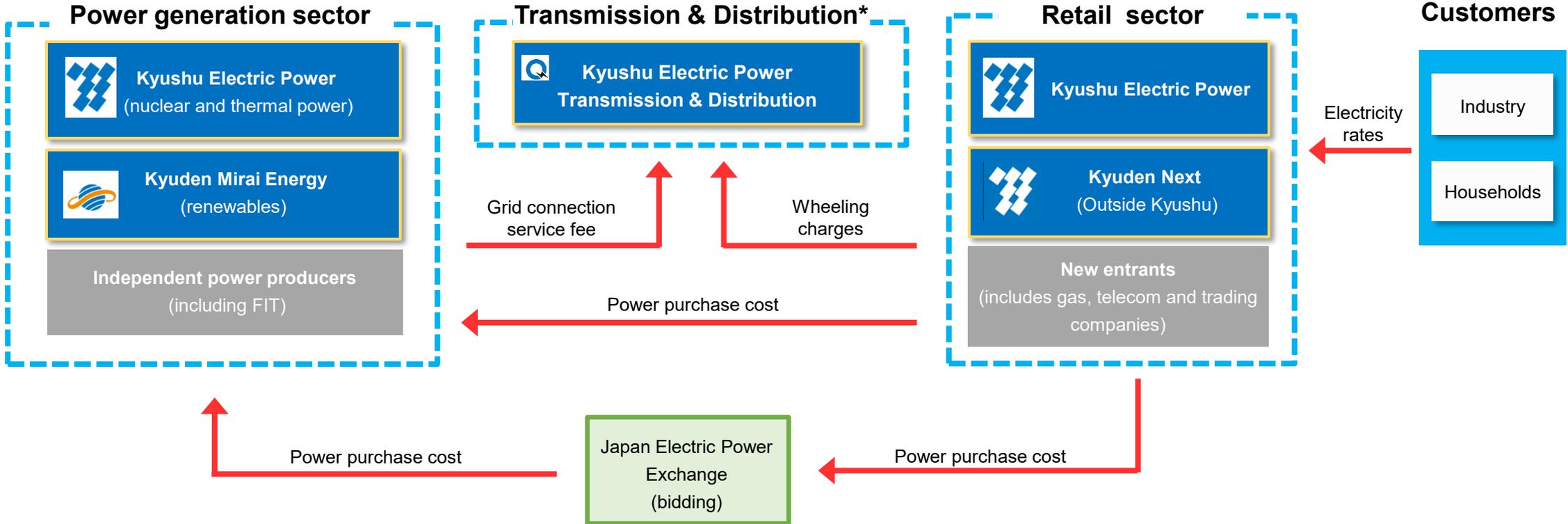
To become one of Japan's leading advanced infrastructure companies via technological excellence and digital transformation



Flow of electricity



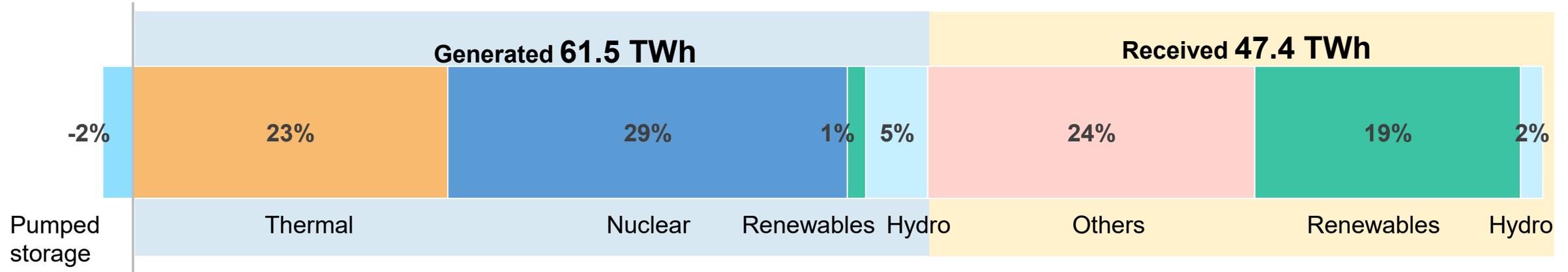
Flow of payments



Note: The government has implemented structural reforms requiring electric utilities to separate their transmission and distribution operations from generation and retail businesses. Transmission & Distribution operators are granted regional monopolies based on authorization by the government.

Electricity generated and received (FY2024)

106.5TWh



Total electricity sales (FY2024)

101.0TWh

Decrease due to transmission losses, etc.

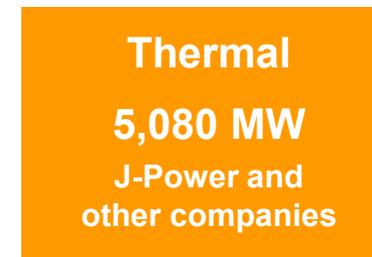


Note: Based on total electricity generated/received and sales (kWh) by Kyushu Electric Power, Kyushu Electric Power Transmission and Distribution, and Kyuden Mirai Energy in FY2024.

Kyuden Group's total capacity 16,870 MW*1 of which



Ref. Other companies' capacity in Kyushu*2



 **840 MW is currently under construction in Hibikinada area**



Hibiki LNG Power Plant
(the end of FY2025)

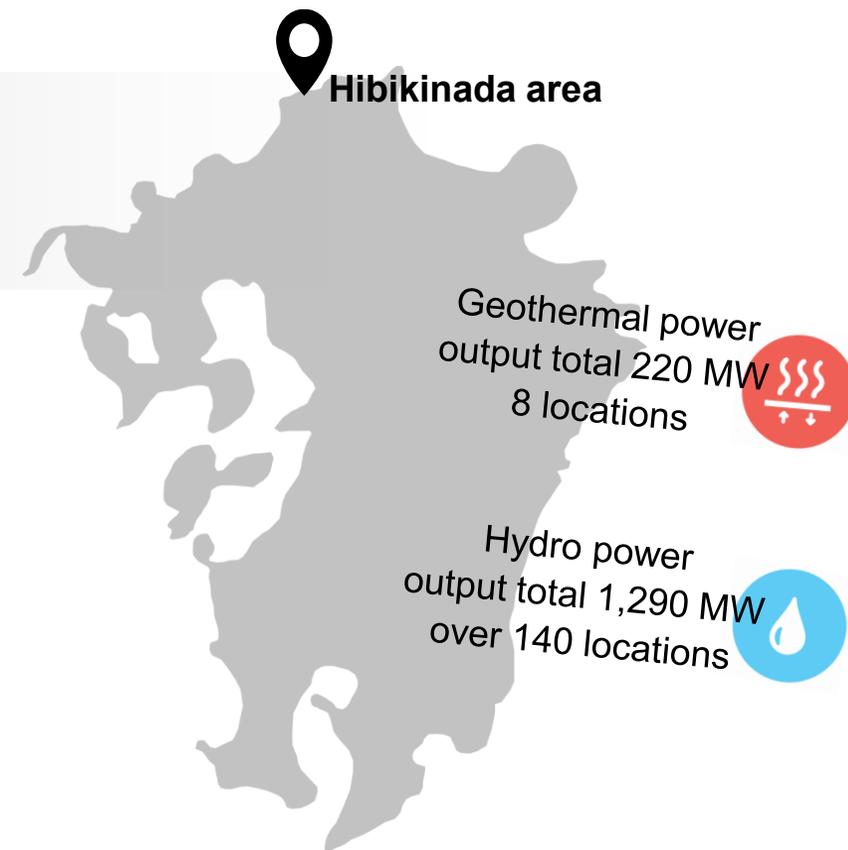
620 MW
Our equity share: 80%



Hibikinada Offshore Wind Farm
(the end of FY2025)

220 MW
Our equity share: 30%

- Additionally, we are developing geothermal and renovating hydro power
- Inefficient thermal power plants are being decommissioned
 - Oil-fired: FY2025
 - Coal-fired: FY2026
 - Total capacity to be retired: 860 MW



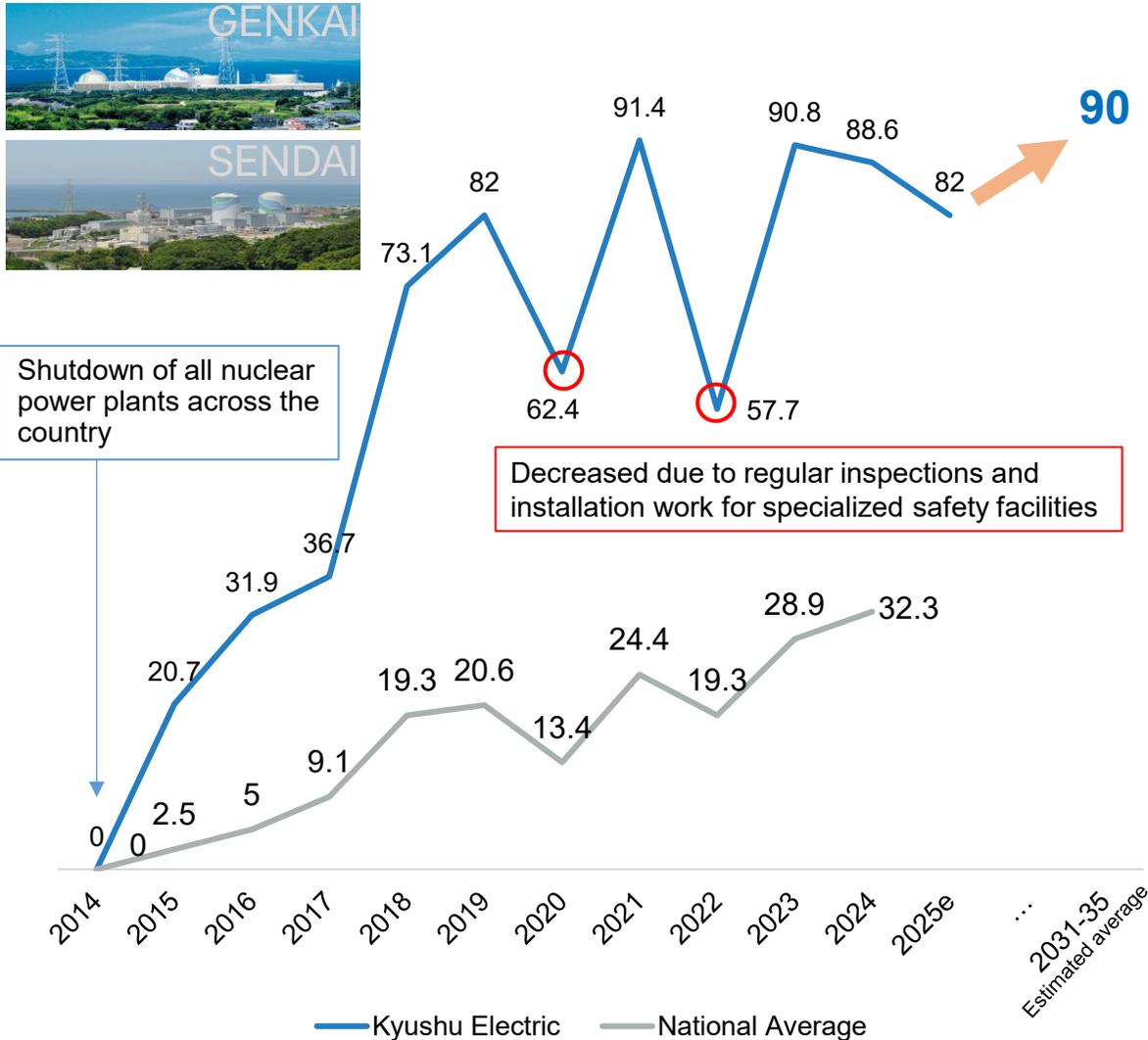
*1: the figures are represent the equity-based generating capacity of Kyushu Electric Power, Kyushu Electric Power Transmission and Distribution, and Kyuden Mirai Energy as of the end of FY2024.

*2: the figure is calculated by us based on the JEPX generation information disclosure system.

Note: the photo of Hibikinada Offshore Wind Farm is provided by Hibiki Wind Energy

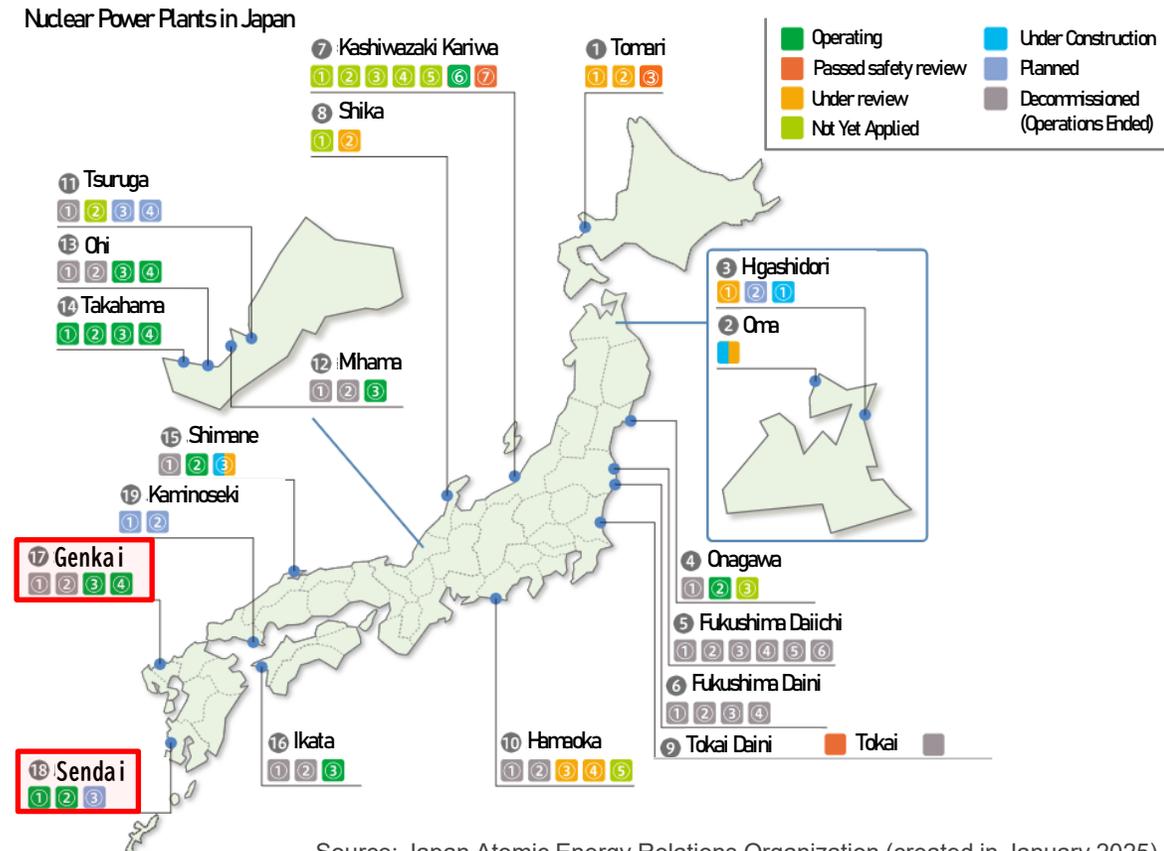
- Our all four nuclear reactors are back in operation. All major safety works have been finished, including specialized safety facilities.

Our nuclear power plant utilization rate (%)



Ref. Operational status of nuclear power plants in Japan

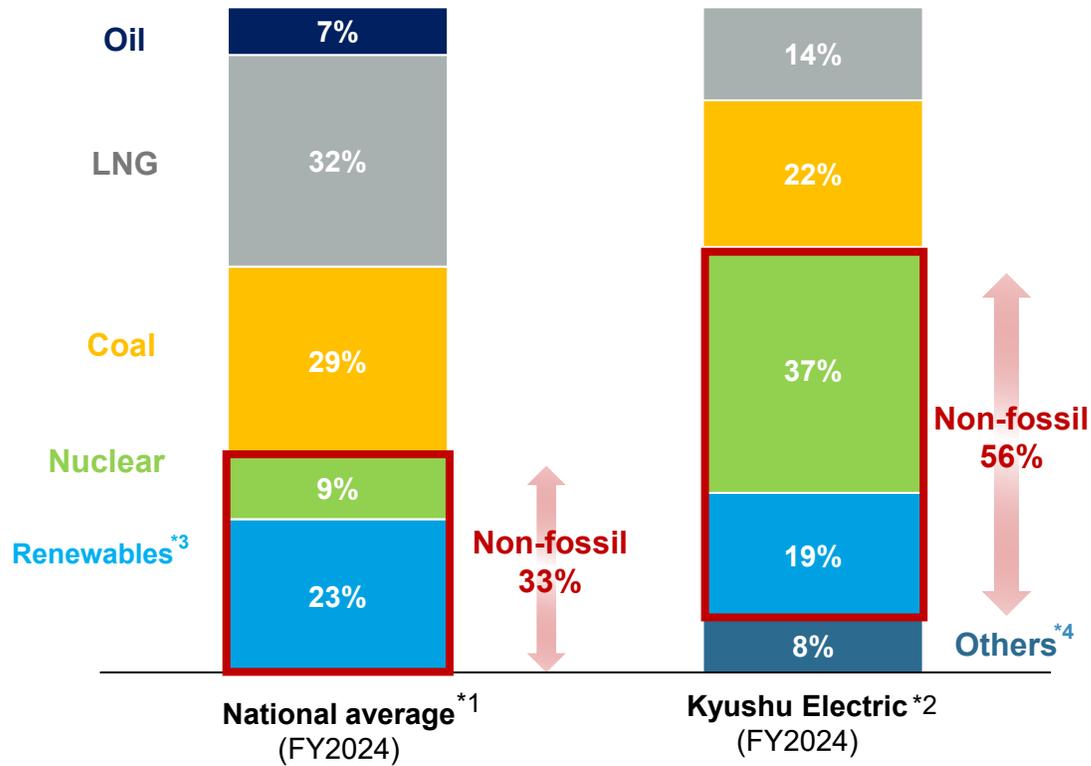
- As of February 2026, Japan has 33 nuclear reactors. Of these, 15 reactors, including 4 operated by Kyushu Electric, have been restarted.



Source: Japan Atomic Energy Relations Organization (created in January 2025)
Partially modified by our company (February 2026)

- 56% of our power mix consists of non-fossil power sources such as renewable energy and nuclear power.

Composition of power mix (kWh basis)



Power mix strategy

Renewable energy plays a central role
Accelerate development of renewables and interconnection of FIT electricity

Maximize the usage of nuclear power
Operate current 4 nuclear reactors at a high utilization rate

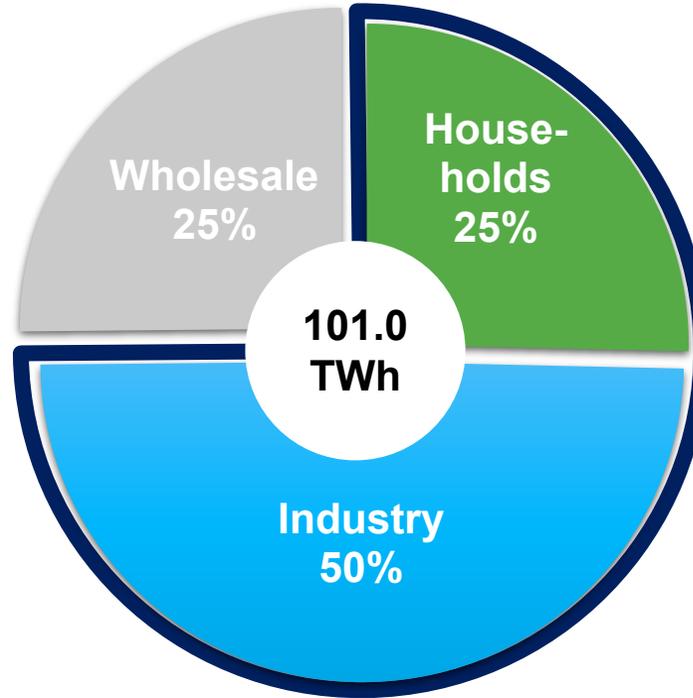
Lower the carbon footprint of thermal power
Currently fading out inefficient coal-fired power plants by 2030 and introduce hydrogen, ammonia and other carbon-free fuels into thermal power plants

*1:Based on the "FY2024 Energy Supply and Demand Report (Preliminary) Reference Material" by METI.
Due to rounding, the number of the non-fossil power ratio and the total number of its components may not match.
*2: The total power generated and received by the Kyushu Electric for FY2024.
*3: Includes hydro, geothermal, solar, wind and biomass. If a non-fossil certificate is not applicable, these shall not have the value of renewable energy or zero CO2 emissions, and shall be treated as having the same CO2 emissions as the national average for electricity, including thermal power generation.
*4: Includes electricity procured from the wholesale electricity market and other companies.

Wholesale

Wholesale market provides opportunities to sell electricity on spot market, futures market and other markets, including to competing retailers.

Sales volume FY2024



Retail

Households

Industry

Forecast households

Stable trend or slight decrease in demand is expected.

Forecast industry

An increase is expected because of the influx of the semiconductor industry and potential new datacenters.

Outside the Kyushu region

- We are expanding sales outside Kyushu, such as Tokyo area.
- Our sales are mainly industrial customers.
- Around 5% of retail electricity sales volume comes from outside Kyushu.

Regulated

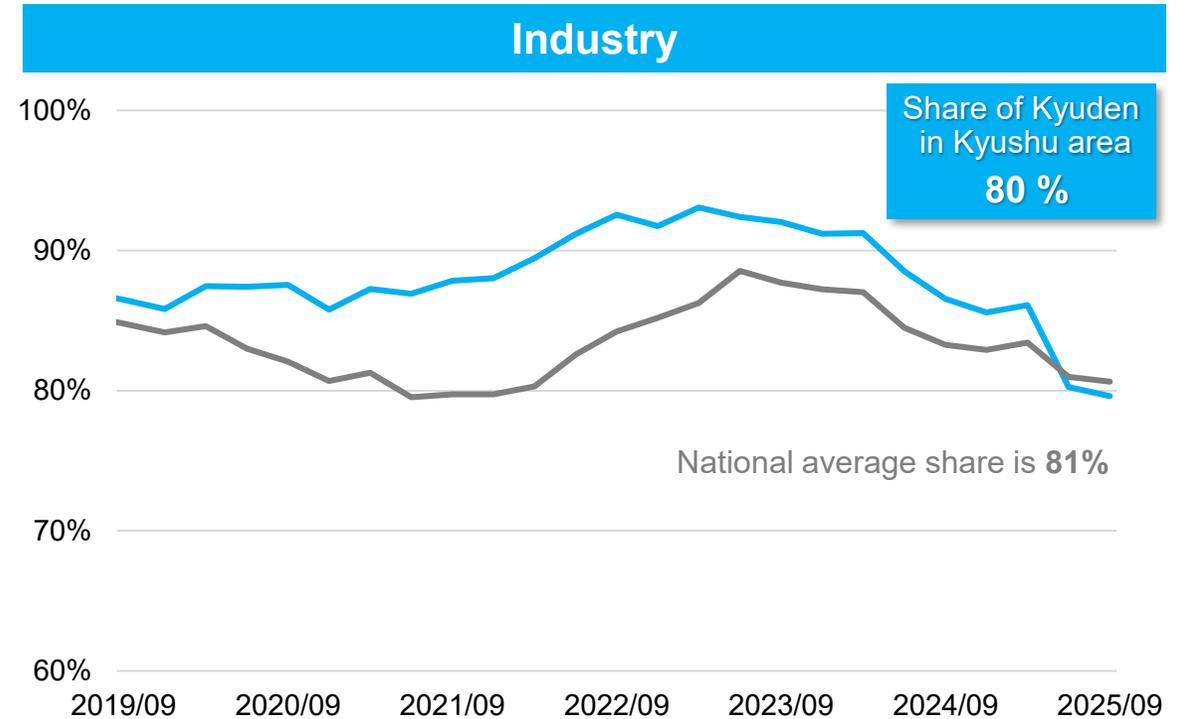
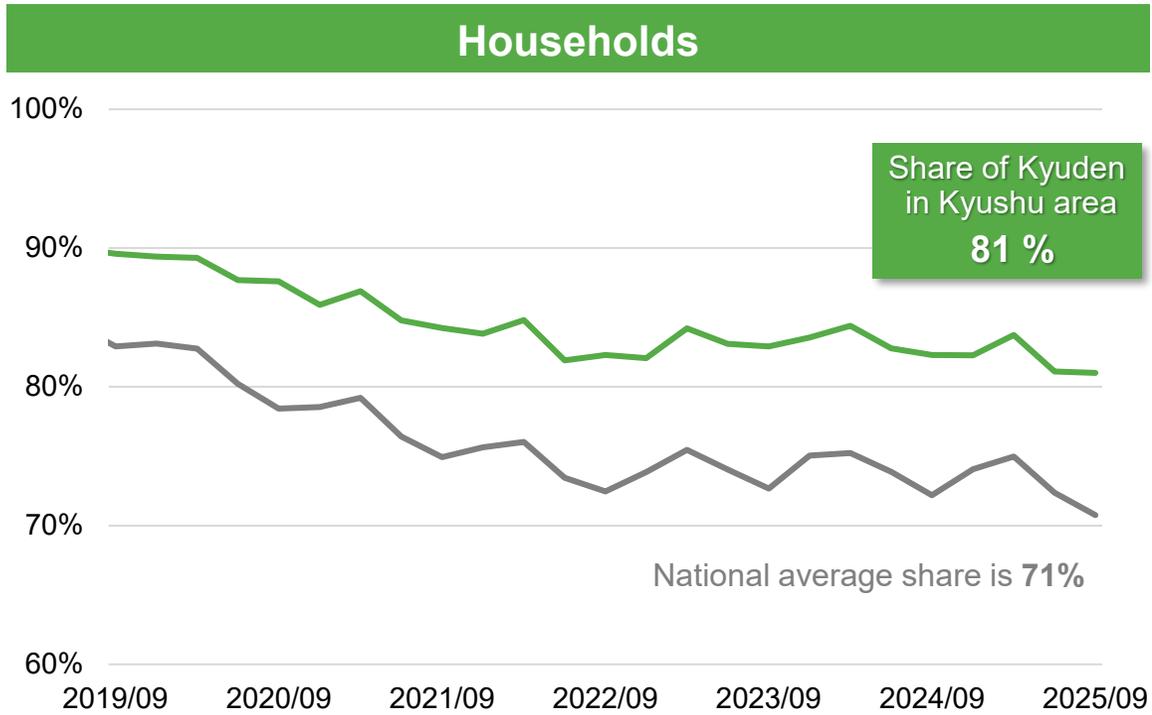
Around 16%* of retail electricity sales volume was under regulated rates.

Note: Based on the published numbers from the Electricity and Gas Market Surveillance Commission, we calculated the numbers

Sales volume FY2021 - FY2025 (TWh)

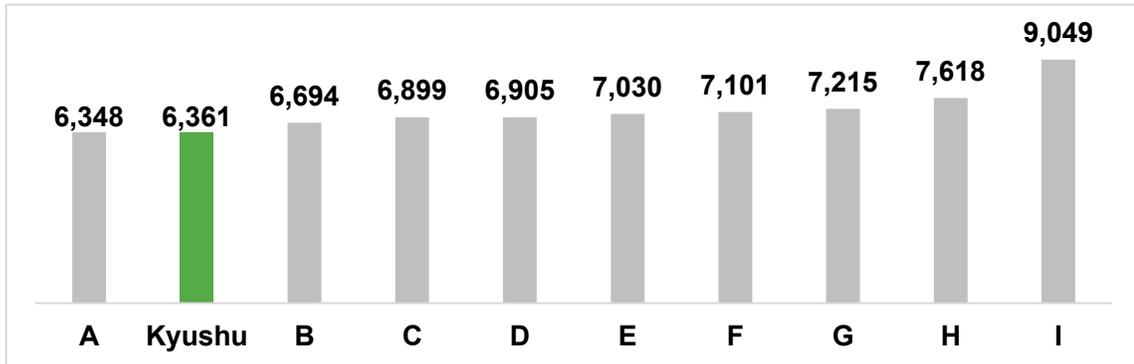
	FY2021	FY2022	FY2023	FY2024	FY2025 Q3	FY2025e
Retail	79.4	76.5	73.5	75.6	51.0	68.9
Wholesale	17.8	19.4	16.7	25.4	21.8	30.0
Total	97.3	96.0	90.2	101.0	72.8	98.9

- Our market share in Kyushu is approximately 80% in both Households and Industry.



Comparison of electricity rates in Japan *2

JPY / Month



*1: Each share value (September 2019 – September 2025) is calculated by our company based on “Electricity Trading Report” by Electricity and Gas Market Surveillance Commission

*2: Household consumers rates (30A, 250kWh) for March 2026

- In April 2025, we started a phased revision of customer electricity rates, reflecting changes in power procurement costs driven by shifts in supply-demand dynamics.

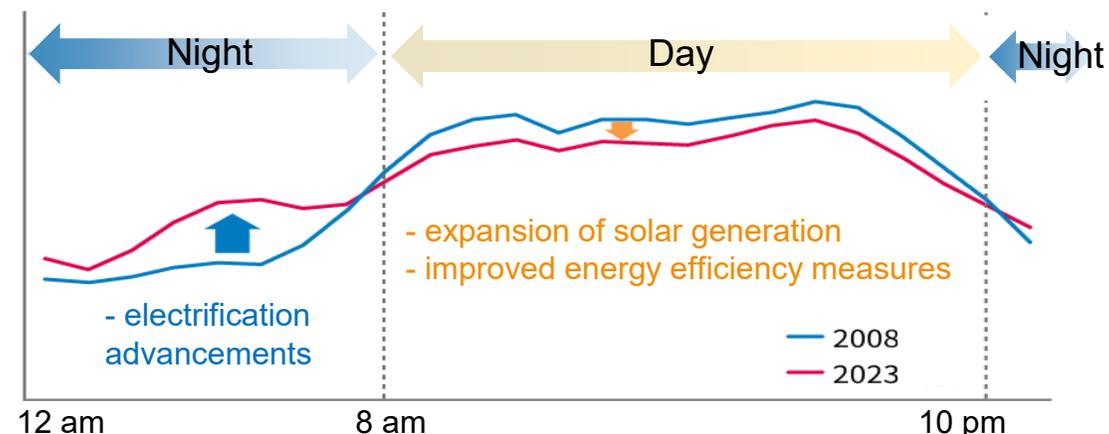
Overview of rate revisions

Sector	Segment	Detail
Households	Subset of customers*	Revision of unit prices for old all-electricity plans and some other plans
Industry	All customers	Revision of unit prices
		Revision of the adjustment mechanism in market price adjustment system

*For customers not included in this revision, the changes in the supply-demand structure mentioned above have already been reflected.

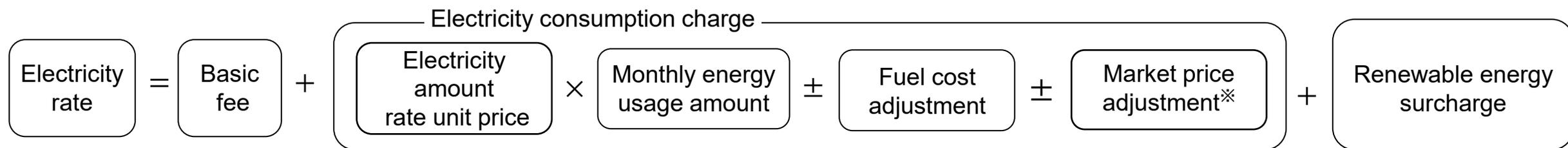
High-level image of daily electricity demand

(usage patterns have changed between 2008 and 2023)



illustrates the proportion of electricity demand at different time periods, with the total 24 hour electricity demand set at 100%

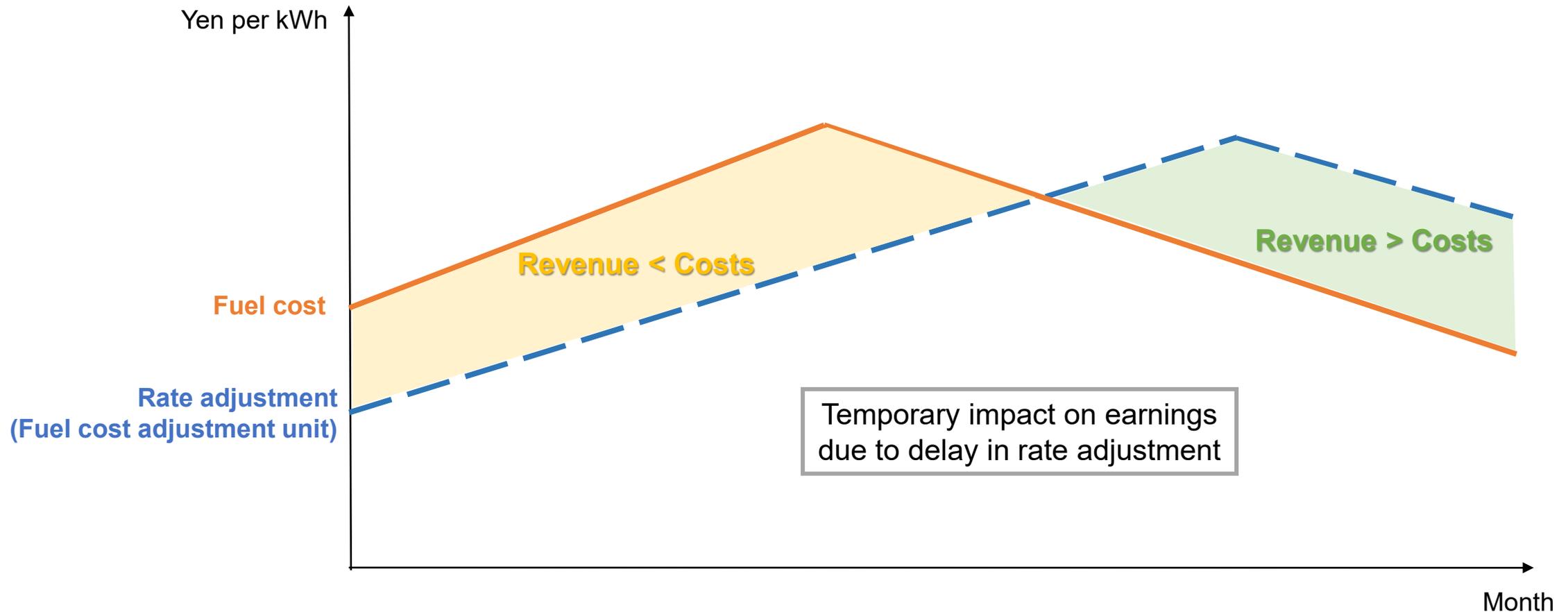
Elements that determine the electricity rate



* Only to the industry sector

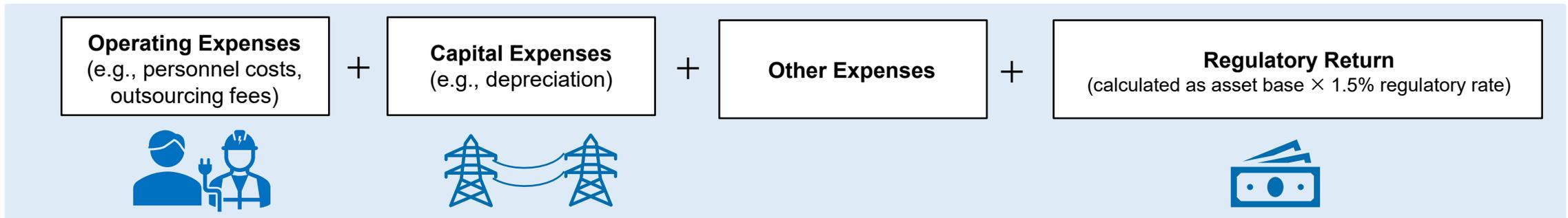
- The fuel cost adjustment system is a mechanism that allows fluctuations in fuel prices and exchange rates to be reflected in electricity rates.
- Under this system, changes in fuel costs are reflected in electricity rates with a delay of approximately 3 to 5 months. As a result, there is a time lag between when fuel costs are incurred and when they are recovered through electricity rates.

High level image of the time lag and its impact on profit

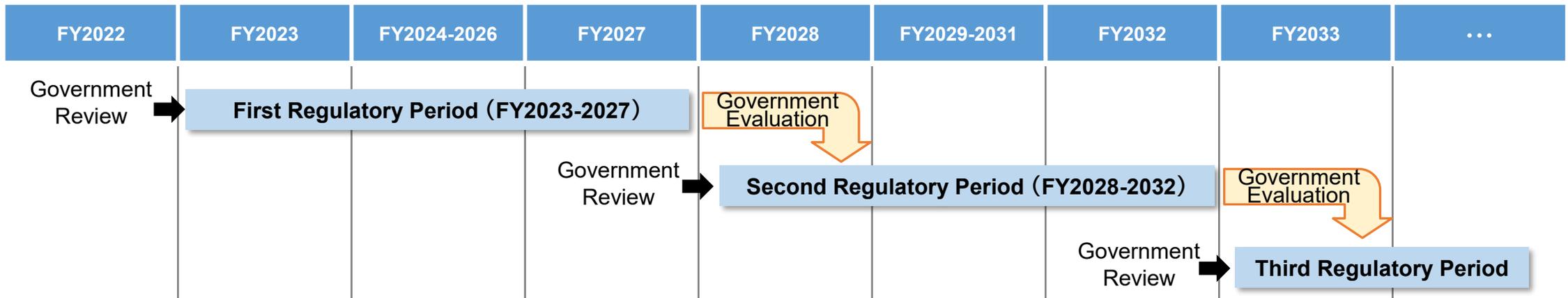


- To promote efficient and planned investment in transmission and distribution networks, the government has introduced a **Revenue Cap System** as part of the nationwide wheeling charge framework.
- Under this system, utilities submit five-year investment plans. These plans are then reviewed by the government to encourage cost efficiency. At the end of each regulatory period, performance is evaluated and reflected in the next term's plan.

The investment plan includes the following cost components



Timeline



1 Introduction of the Kyuden Group

2 Eenergy services businesses

3 Growth businesses

4 Kyuden Group Strategic Vision 2035

Japan's largest green energy platform provider, leading the future of renewable energy with a growing global reach



A solutions provider addressing global energy issues through new value creation



A green developer that builds up the community and the future



A partner for a smart society that closely supports regions and customers through digital services



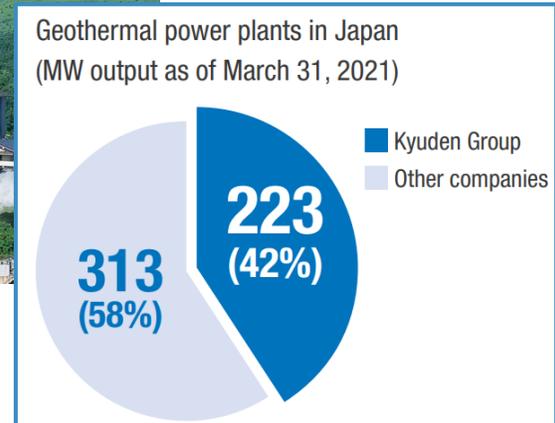
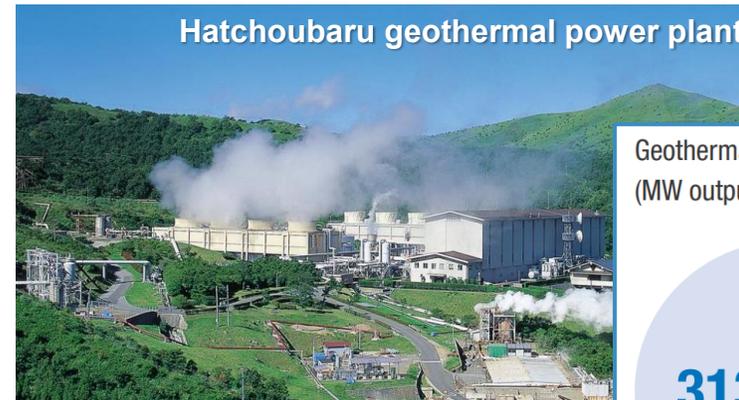


- Since 1951, the Kyuden Group has developed hydro, geothermal, and other renewables using Kyushu's natural resources.

The Group's renewable power sources

	Solar	60MW	[3%]
	Wind	120MW	[6%]
	Biomass	160MW	[9%]
	Geothermal	220MW	[12%]
	Hydro	1,290MW	[69%]
	Total	1,860MW	[100%]

Note: Based on equity ownership and domestic assets only as of March 2025.



Source: Compiled based on "The Current State and Trends of Geothermal Power Generation" published by the Thermal and Nuclear Power Engineering Society



- The group company Kyuden Mirai Energy plays a central role in the renewable energy business.
- Kyuden Mirai Energy carries out the entire process of surveying, developing, and operating the five renewable energy sources.

Our Strengths

- Leveraging five key renewable energy sources through end-to-end capabilities built on a century of technical expertise



Our Opportunity

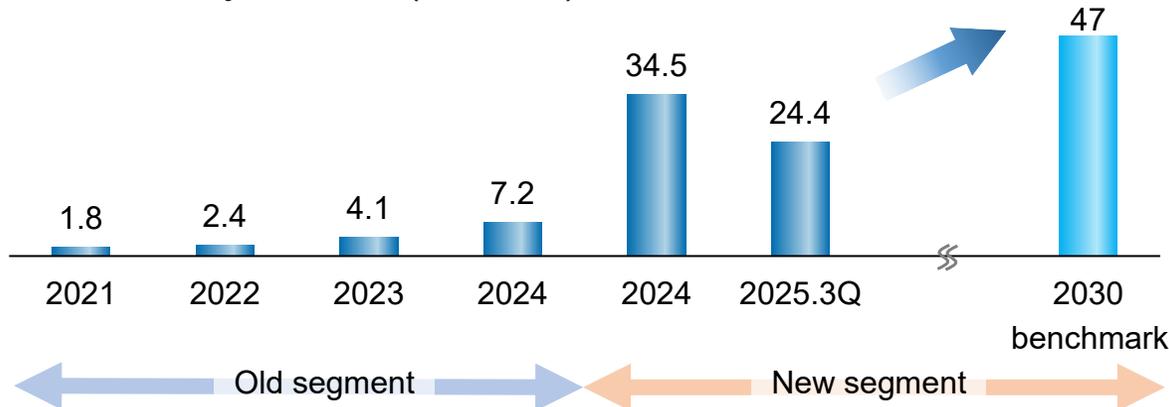
- Growing demand for low-carbon and decarbonized power driven by semiconductor and data center clusters
- Strengthening government support for renewable energy development is expected



Our Strategy

- Accelerating renewable energy development by leveraging diverse power sources and operational expertise, supported by growing demand and favorable policies
- Expediting investment recovery through capital recycling
- Enhancing value through commercialization of O&M service offerings

■ Ordinary income (¥ billion)



[Topic]

Largest offshore wind park in Japan to come online

Hibikinada Offshore Wind

- Start of operation: March 2026
- Total capacity: 220 MW
- Our equity share: 66 MW (30%)



provided by Hibiki Wind Energy

Renewable energy (status of development projects)

Renewable energy development plan (as of December 2025)

Domestic	Power station, etc.	Location	Total output (kW)	Remarks
Wind	Kitakyushu Hibikinada Offshore Wind	Fukuoka	220,000	Due to go operational end of FY2025
Hydro	Jikumaru	Oita	13,600 (+1,100)	Due to go operational in June 2026 [12,500kW→13,600kW]
	Chinda	Oita	9,900 (+1,600)	Due to go operational in March 2026 [8,300kW→9,900kW]
	Yoake	Oita	12,500 (+500)	Due to go operational in June 2027 [12,000kW→12,500kW]
Geothermal	Mt. Eboshi site, Kirishima	Kagoshima	4,990	Due to go operational in FY2026
Biomass	【Outside Kyushu】 Tahara Biomass	Aichi	50,000	Due to go operational in FY2025
		Total	278,190	The increase in hydropower output has been factored in
Overseas	Solar Projects • Philippines: 3 • Egypt: 1 • United States: 1 Wind Projects • Philippines: 1	Philippines Egypt United States	1,098,200	

Verification test / Open project

	Power station, etc.	Location	Total output (kW)	Remarks
Tidal power	Project to build a local decarbonization model with tidal power generation (Open tender project by the Environment Ministry)	Nagasaki	1,100	Project period: FY2022~2025

Tidal Power Unit (image)



provided by Kyuden Mirai Energy



- We are engaged in high-efficiency gas-fired power generation, transmission and distribution, and renewable energy businesses, contributing to the realization of a low-carbon society.

UK
 Invested in subsea transmission projects for offshore wind farms, in collaboration with infrastructure fund Equitix.



US
 Invested in a venture company (Enernet Global Inc) that builds local power supply networks utilizing renewable energy in Asia, Oceania and other area.



UAE
 Invested by Kyuden International and Kyushu Electric Power Transmission and Distribution in an undersea HVDC transmission project.



Mexico
 Tuxpan II & V
 Generation type: Gas
 Total output : 495 MW × 2
 Equity output : 248 MW × 2



Africa
 Invested in Persistent Energy Capital LLC, a venture builder supporting renewable electricity in off-grid areas and electric mobility solutions.



Tiwan
 Hsin Tao Project
 Generation type: Gas
 Total output : 630 MW
 Equity output : 209 MW

Note: The equity output includes projects participated prior to commercial operation.

- Focusing on promising sectors from the early stages of development, we aim to enhance profitability by providing optimal solutions tailored to each country and region.



Our Strengths

- Deploying technical expertise and talent across diverse segments of the energy value chain



Our Opportunity

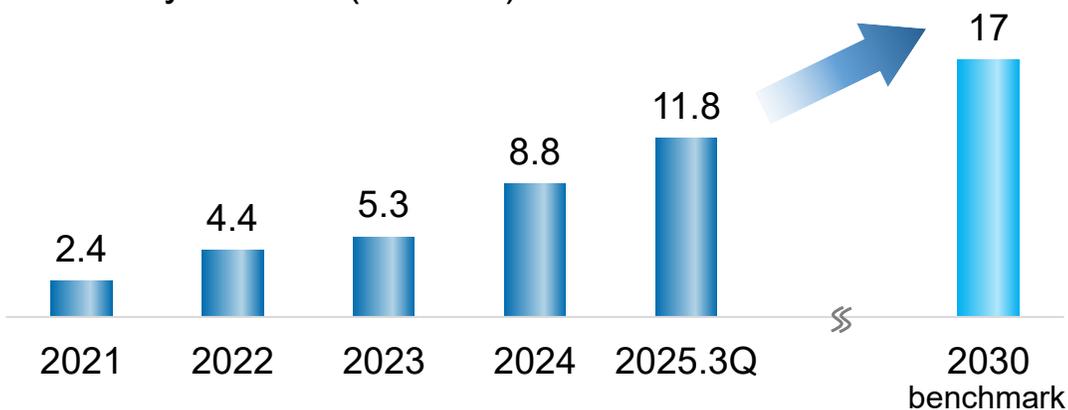
- Growing energy demand driven by emerging market growth and data center expansion
- Growing business opportunities in transition power sources and renewables, supported by rising energy security awareness and sustained decarbonization needs



Our Strategy

- Focusing participating from early development stages to drive high-value creation
- Driving business growth centered on gas-fired power, transmission and distribution, renewable energy, and emerging fields
- Improving capital efficiency through asset sales and replacement (asset recycling)

■ Ordinary income (¥ billion)



Status of Asset Recycling Initiatives

Completed sale of the following projects in FY2025:

Senoko Energy

- Investment: September 2008
- Total capacity: 2,382 MW
- Our equity share: 357 MW (15%)

Clean Energy Gas

- Investment: May 2018
- Total capacity: 620 MW
- Our equity share: 126 MW (20.3%)



Business development overseas (As of December 2025)

	Generation type	Start of Operation /Investment	Output	Ownership	Equity output
Mexico : Tuxpan II	Gas	2001/12	495 MW	50.0%	248 MW
Mexico : Tuxpan V	Gas	2006/9	495 MW	50.0%	248 MW
China : Inner Mongolia	Wind	2009/9	49.5 MW	29.0%	14 MW
Taiwan : Hsin Tao	Gas	[Investment] 2010/10	630 MW	33.2%	209 MW
Indonesia : Sarulla I~III	Geothermal	2018/5	330 MW	25.0%	83 MW
USA : Birdsboro	Gas	[Investment] 2018/1	488 MW	8.3%	41 MW
USA : South Field Energy	Gas	2021/10	1,182 MW	18.1%	214 MW
Thailand : EGCO	Gas , Renewable , others	[Investment] 2019/5	6,608 MW	6.1%	406 MW
USA : Westmoreland	Gas	[Investment] 2019/11	940 MW	12.5%	118 MW
UAE : Taweelah B	Gas	[Investment] 2020/3	2,000 MW	6.0%	120 MW
Bahrain : Al Dur I	Gas	[Investment] 2021/8	1,234 MW	19.8%	244 MW
Uzbekistan : Syrdarya	Gas	[Investment] 2022/3	Approx. 1,600 MW	14.3%	Approx.230 MW
Philippines : PetroGreen	Renewable	[Investment] 2022/10	163 MW	25.0%	41 MW
USA : Enfinity	Solar power	[Investment] 2024/3	400 MW	40.0%	160 MW
UK : Viridor Energy	Waste	[Investment] 2024/1	239 MW	-	-
Egypt : Abydos II	Solar	[Investment] 2025/12	1,000 MW	40%	400 MW
US : Abes Run	Solar	[Investment] 2025/12	Approx. 20 MW	50%	Approx.10 MW

Note: The list includes projects participated prior to commercial operation.

Transmission and distribution projects (As of December 2025)

	Business overview
UAE : HVDC subsea transmission project	Supplying clean energy from the mainland to offshore oil / gas production facilities
UK : Offshore transmission link	Supplying clean energy from offshore wind to the mainland



- Through its electric power business, the Kyuden Group has built infrastructure, technological capabilities, and trust with local communities. These strengths are now being leveraged to expand its ICT services business.

Fiber-optic network service

- Kyuden Group has built its own telecom system to ensure stable and efficient power grid management across Kyushu.
- This infrastructure has enabled the launch of broadband services using fiber-optic networks.



Smartphone service

- Group company QTnet provides smartphone services as a mobile virtual network operator (MVNO)
- Operates physical stores in Kyushu—rare among MVNOs—to deliver high-quality, face-to-face customer support.



Security measures

- Kyuden Group has developed robust security measures through years of stable power supply operations.
- These measures are now offered as solutions and services to external clients.





- Providing reliable communication infrastructure and offering a wide range of ICT services and solutions, including broadband, cybersecurity, and mobile technologies.

Our Strengths

- Proven track record in supporting stable power supply through communication and IoT technologies
- Diverse business capabilities including drones and generative AI



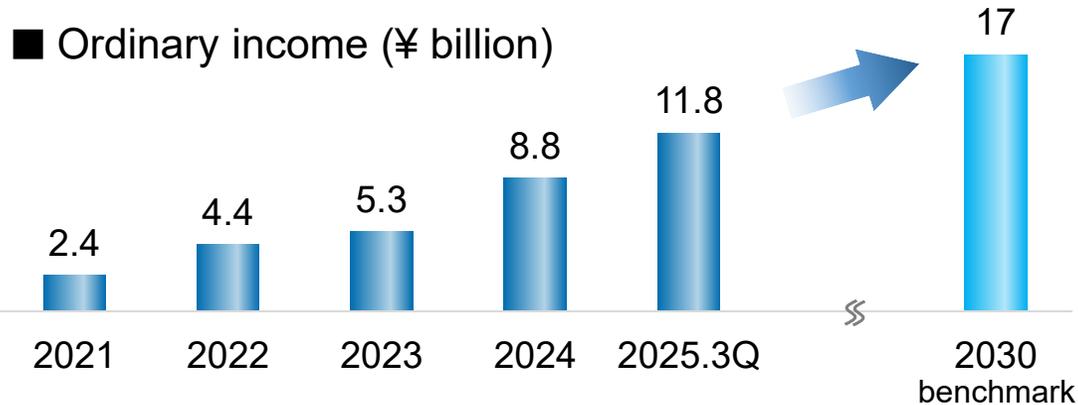
Our Opportunity

- Advancements in digital technologies such as AI and mobile communications
- Growing demand for digital transformation across various operations



Our Strategy

- Providing high-value services by supporting digital transformation across sectors and integrating cutting-edge AI technologies
- Addressing diverse cybersecurity needs, including threat monitoring and resilience



【Topic】 Expanding ICT services through QTnet's "QT PRO"



- QTnet, a Kyuden Group company, leads our ICT services—delivering secure, user-friendly network and telecom solutions
- Under the "QT PRO" brand, QTnet offers a wide range of solutions tailored to business needs, including cybersecurity, generative AI platforms



- The Kyuden Group has long been involved in real estate businesses, including leasing unused land, managing office buildings, and developing residential properties.
- Today, we are advancing initiatives such as selling all-electric condominiums and operating office buildings that utilize electricity from renewable sources.
- Furthermore, we are expanding into new business domains, including airport facilities and logistics hubs, to diversify and strengthen our real estate portfolio.

Office



Fukuoka Maizuru Square

- Jointly developed and operated in Kyushu's key business district
- Facilities and operations designed with environmental considerations, including renewable energy use

Condominiums



GROUNDI OHORI

- All-electric condominiums sold across Kyushu
- Equipped with EV chargers and energy-efficient systems

Airport



Kumamoto Airport

- Participating in airport operations to help revitalize regional communities through increased visitor traffic
- Currently involved in the operations of Fukuoka, Kumamoto, and Hiroshima airports

Logistics



Logiport Fukuoka Kasuya

- Strong demand expected due to e-commerce growth; logistics facilities offer stable long-term potential
- As critical infrastructure requiring reliable power, they align well with our strengths

- Driving urban development by leveraging expertise gained through energy, real estate, and public-private partnership projects, while creating synergies with the electric power business.



Our Strengths

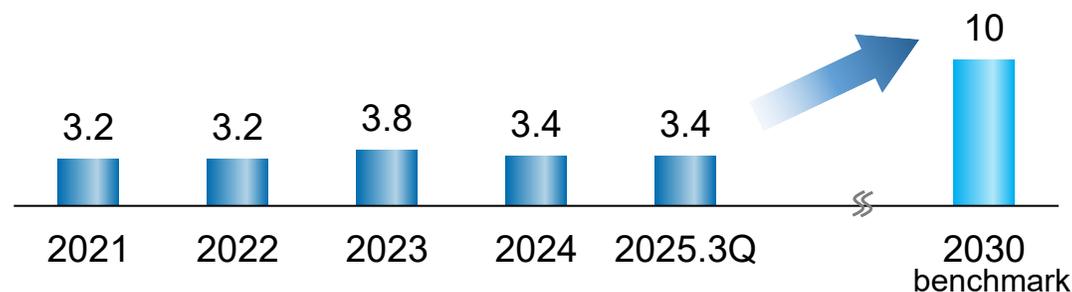
- Extensive experience and know-how in development and operations
- Strong regional networks and trusted partnerships with companies, municipalities, universities, and economic organizations throughout Kyushu



Our Opportunity

- Rising demand for regional revitalization in local cities
- Growing demand for the adoption of decarbonization, AI, and robotics technologies as they continue to advance

■ Ordinary income (¥ billion)



Our Strategy

- Promoting attractive urban development through asset creation in collaboration with local communities and partners
- Enhancing facility management and maintenance using energy and DX-related technologies and expertise
- Accelerating investment, recovery, and reinvestment in real estate asset management

【Topic】

Logistics Facility Development in Northern Kyushu

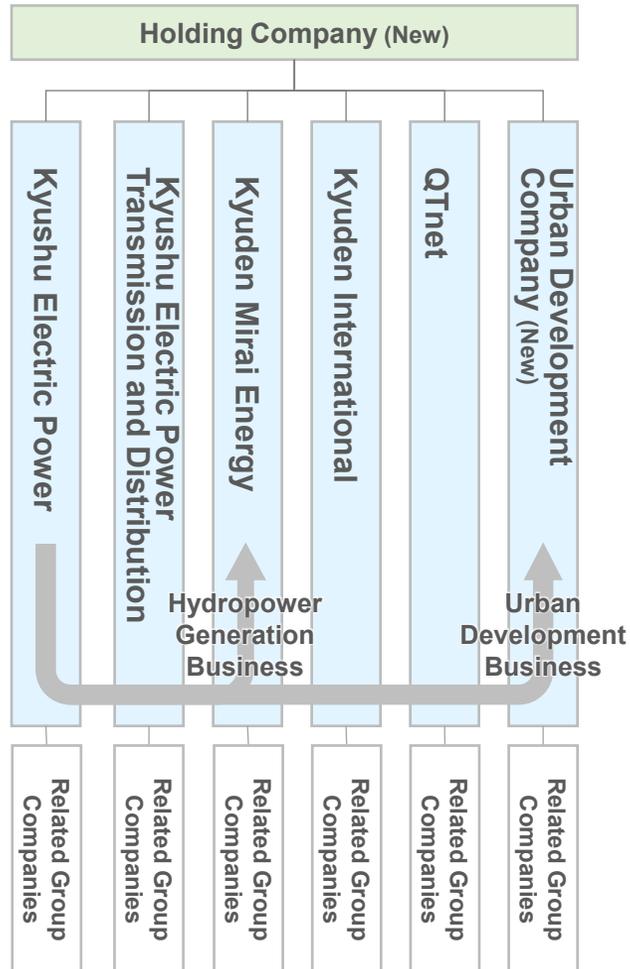
- Following previous joint developments, we have now started our first logistics facility project in Fukuoka led solely by our company.
- The site offers strategic access to major transport infrastructure and supports regional growth as a future logistics hub.



Image of a logistics facility in Fukuoka

- In October 2025, we decided to continue preparations for transitioning to a pure holding company structure, after defining the direction of the desired group structure. (details of the reorganization and schedule will be announced once finalized)
- Through “group management from an overall optimization perspective” and “autonomous and prompt business operations”, we aim to promote portfolio management.

【The Direction of the Group Structure We Aim to Achieve】



① Establishment of a Holding Company

(as previously announced on July 31, 2024)

The Company plans to establish a new holding company that will become the sole parent company.

② Transfer of Related Businesses

The Company plans to transfer its hydropower generation businesses (conventional hydropower and pumped storage) and urban development businesses to Kyuden Mirai Energy Company, Inc. and Urban Development Company (tentative name).

③ Reorganization of Major Business Companies

The Company plans to position major business companies directly under the holding company.

1 Introduction of the Kyuden Group

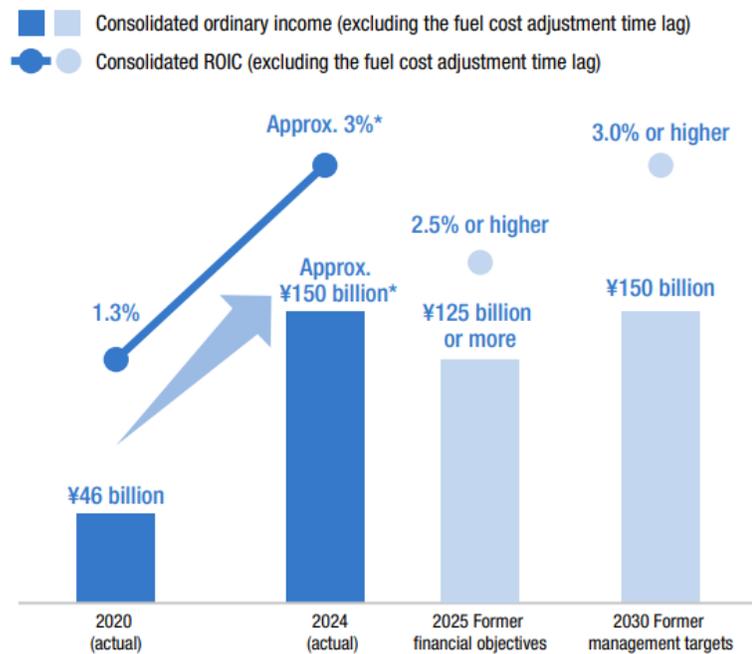
2 Energy services businesses

3 Growth businesses

4 Kyuden Group Strategic Vision 2035

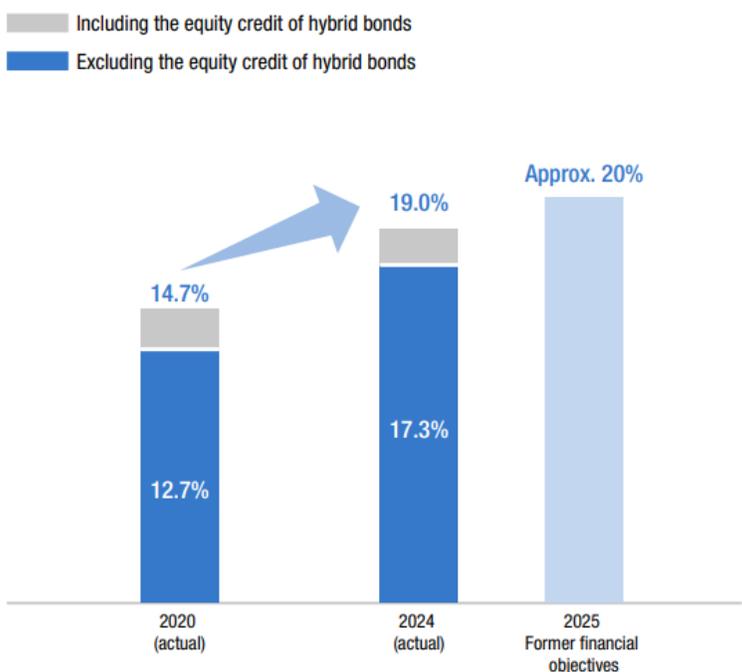
- Ahead of schedule, we have achieved the FY2025 targets for consolidated ordinary income and consolidated ROIC, which were originally set as part of our former financial objectives aimed at realizing the Management Vision 2030.
- While our equity ratio is still in the process of recovery, it has improved significantly and is now approaching the approximately 20% target.
- For dividends, we paid 50 yen per share in FY2024, taking into account profit growth and equity ratio recovery.

Consolidated ordinary income and consolidated ROIC

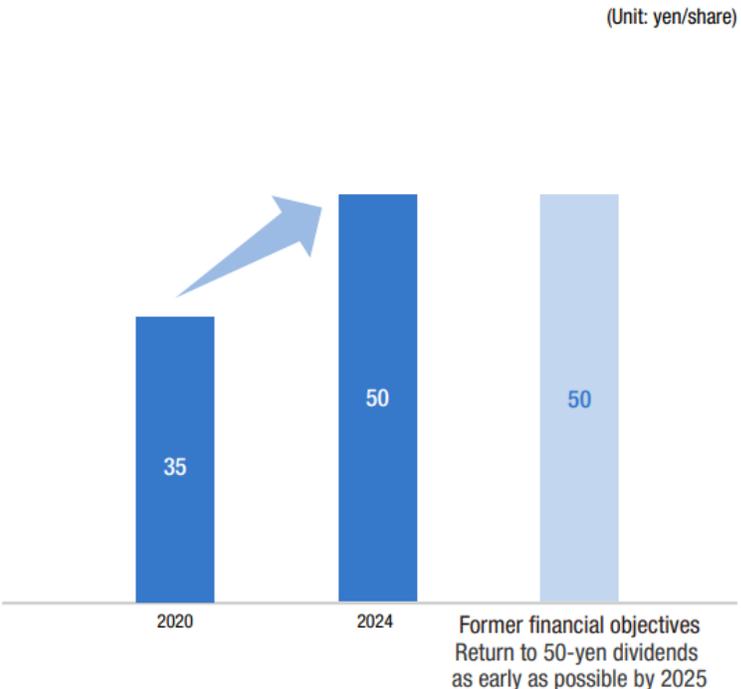


*The FY2024 results (originally: consolidated ordinary income of ¥194.6 billion and consolidated ROIC of 3.6%) have been adjusted to exclude the impact of the fuel cost adjustment time lag, as well as other one-off factors such as increased demand for heating and cooling due to extreme weather conditions (e.g., heatwaves and severe cold)

Equity ratio



Dividends



- Under our philosophy of Enlighten our Future, which is the mission of the Kyuden Group, we have reaffirmed the long-term value we seek to contribute to society and have formulated our vision for 2035 as well as strategies to achieve it.

Vision for 2035

Creating Tomorrow through Energy Rooted in Kyushu, Reaching New Heights



- We have established six key strategies to achieve our vision for 2035.

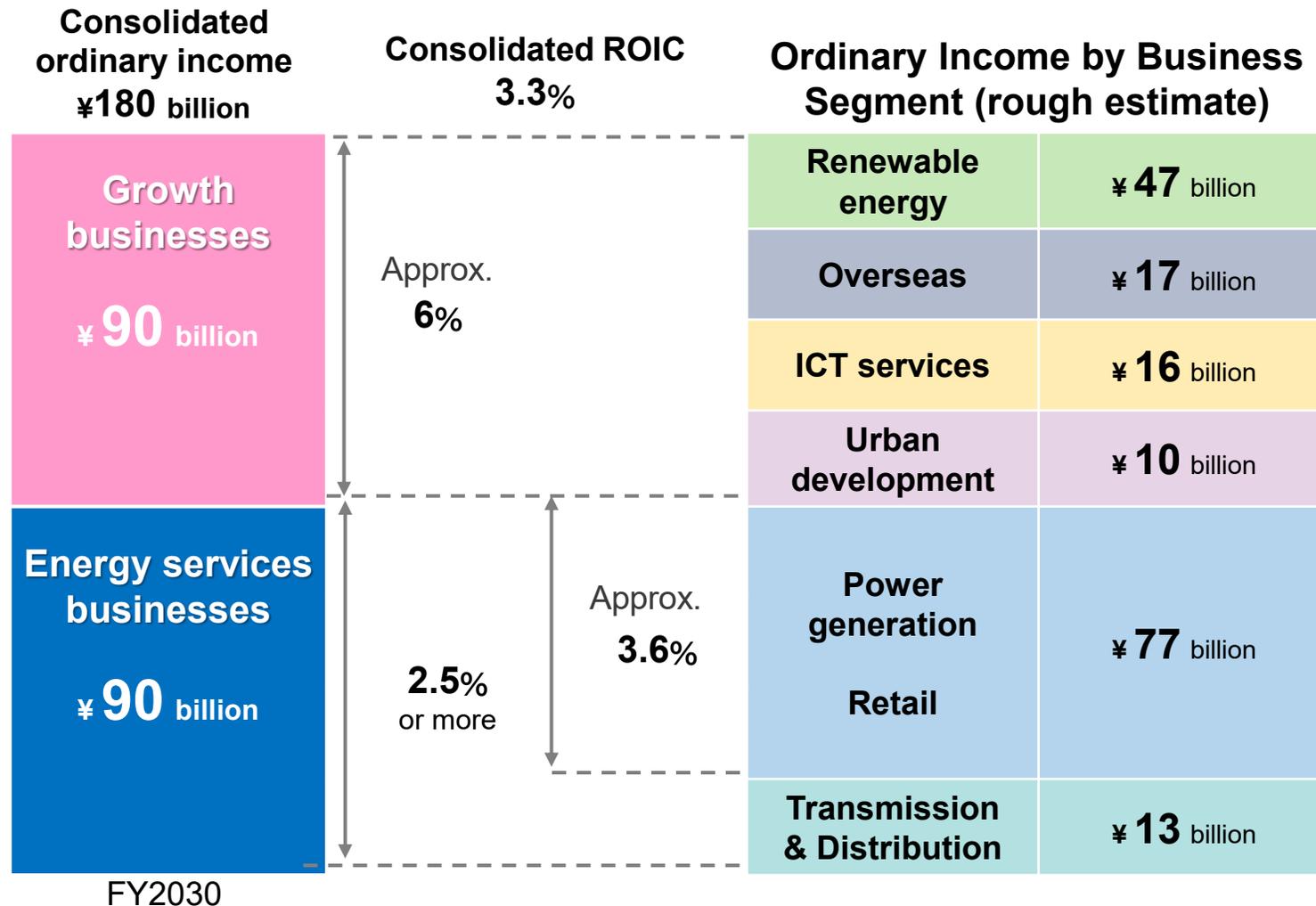


- To realize our vision for 2035, we established management targets for each indicator in the areas of finance, environment, and human resources.

	Indicator	FY2030	FY2035
I. Financial Targets	Consolidated ROIC	3.3%	Approx. 4%
	Consolidated ordinary income	¥180 billion	¥200 billion or more
II. Environmental Targets	Supply chain GHG emission intensity	0.36 kg - CO₂/kWh <small>(50% decrease compared to FY2013)</small>	0.29 kg - CO₂/kWh <small>(60% decrease compared to FY2013)</small>
	Electrification rate in Kyushu	Residential: 70% / Commercial: 60%	Residential: 75% / Commercial: 65%
III. Human Resources Targets	Employee engagement rating <small>*Rating from the engagement survey provided by Link and Motivation Inc.</small>	AA	AA
	Value added per employee <small>*Compared to FY2021</small>	1.5x	2x

- Of the 3.3% consolidated ROIC for FY2030, 2.5% or more has been set for the energy services businesses and about 6% for the growth businesses.

ROIC and Ordinary Income by Business Segment (rough estimate)



- The consolidated ROIC target is set based on the assumption that the WACC level will be achieved, while taking into account the need to both strengthen the medium- to long-term financial base and increase shareholder value.

	FY2024 ^{*1}		FY2030 Target		FY2035 Target
Consolidated ROIC targets	Approx. 3%	▶	3.3% ^{*2}		Approx. 4% ^{*2}
			Medium-to-long-term WACC level		Approx. 3% ^{*2}

Reference: Business forecasts in view of target attainment	Energy services businesses ROIC	▶	2.5% or more
	Growth businesses ROIC	▶	Approx. 6%

Aim to further improve ROIC in each business by further deepening business portfolio management and promoting selection and concentration of businesses/investments toward FY2035.

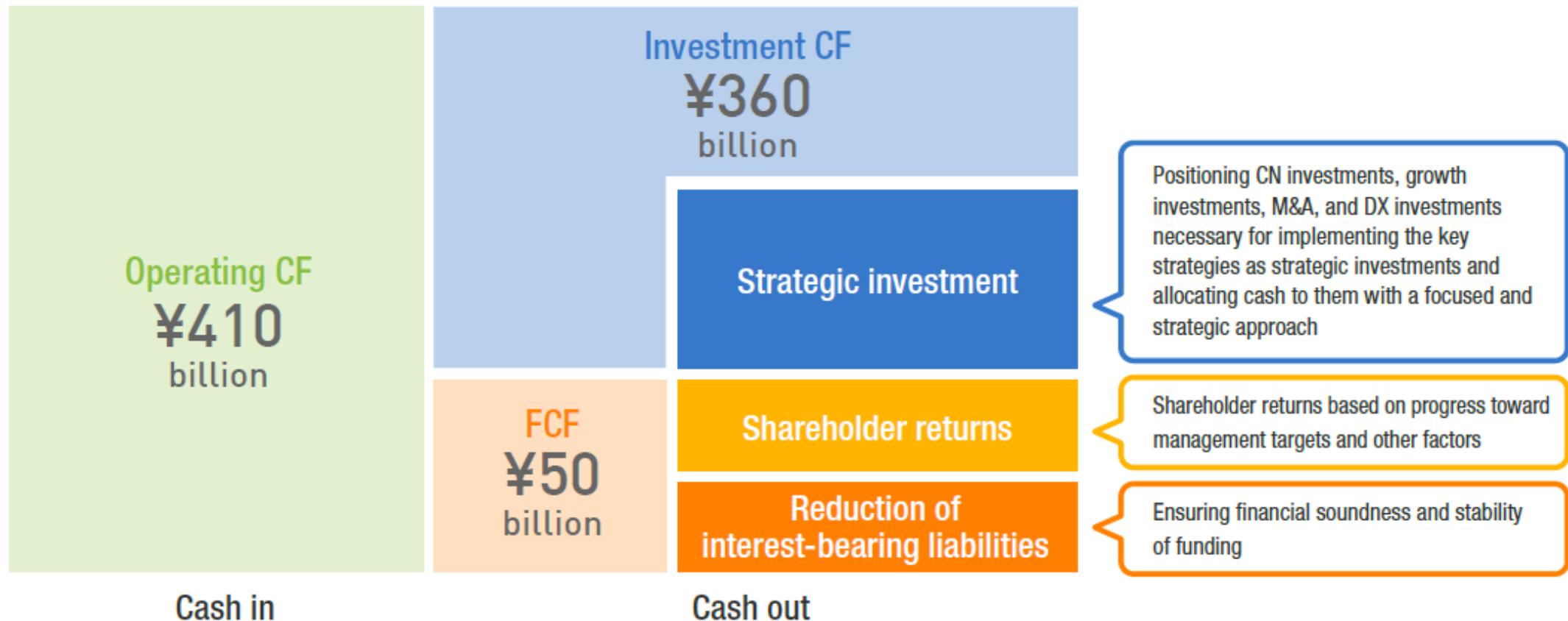
Rationale	Shareholder value	ROE of around 10%
	Financial base	Equity ratio of 20% or more

×

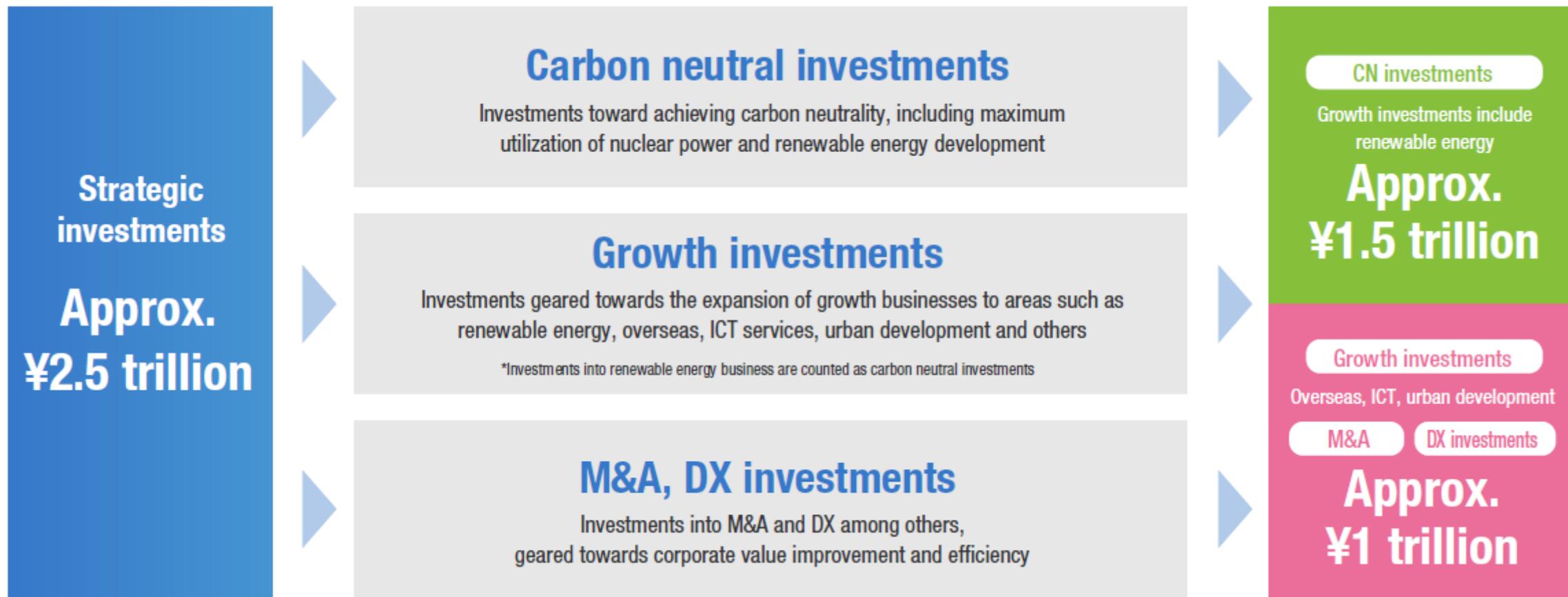
Enhancing shareholder value and strengthening financial base

*1 Excluding the impact of fuel cost adjustment and one-off factors
 *2 Based on current and medium-term interest rate outlook

- To enhance our ability to generate free cash flow, we will seize opportunities such as increased electricity demand from semiconductor factories and data centers to expand operating cash flow.
- At the same time, we will thoroughly manage investment cash flow, carefully balancing it with operating cash flow.
- The free cash flow generated will be used to enhance shareholder returns and reduce interest-bearing liabilities, as well as to strengthen equity capital. Through this, we will reinforce the balance sheet to address increasingly diverse and growing business risks and strategic investments.

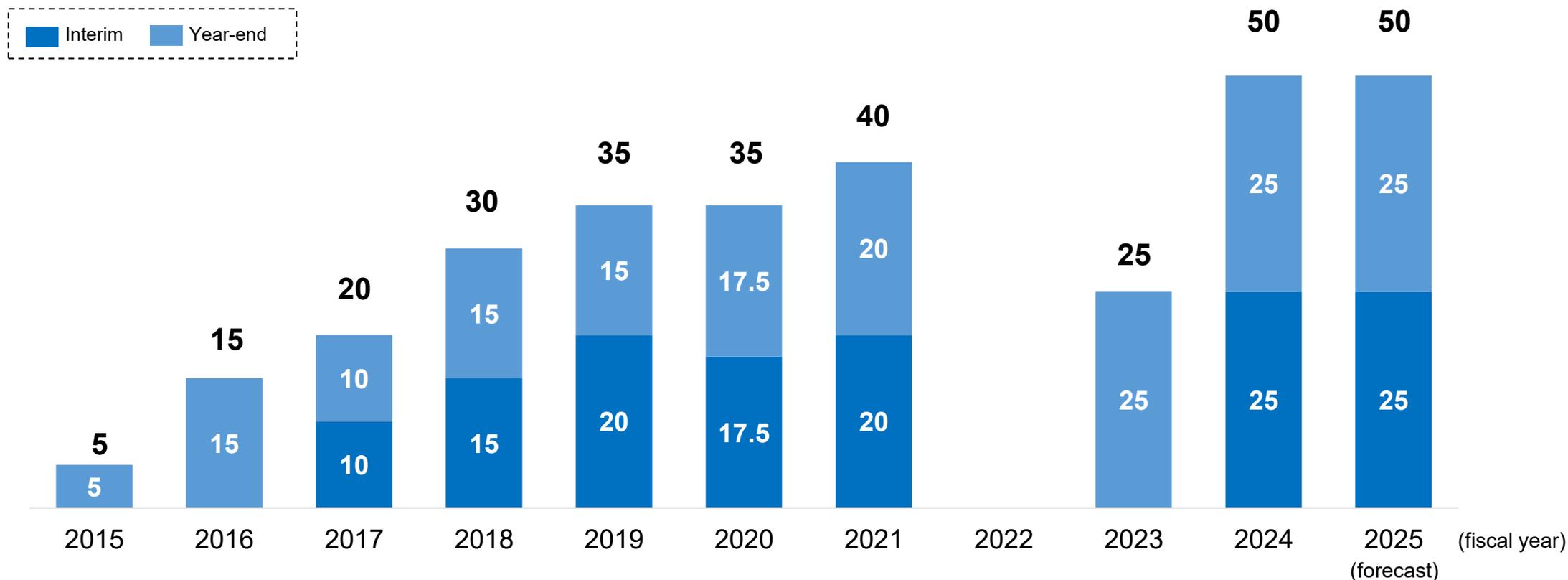


- We define investments to execute our key strategies as strategic investments, and will allocate cash with a focused and strategic approach. By doing so, we aim to achieve sustainable profit growth in both our energy services and growth businesses.



- We will maintain stable dividends as a fundamental principle. Decisions will be made based on the fiscal year’s performance, while comprehensively considering medium- to long-term income and financial conditions.
- In the near term, decisions will be made with a focus on balancing the strengthening of our financial foundation. Based on the progress of our Management Targets for FY2030, we will implement an increase in dividends from ¥50 per share. Looking ahead, we aim to enhance shareholder returns by further increasing dividends, taking into account the performance of our energy services businesses and growth businesses.

Dividend trends (yen/share)



Appendix

- Despite a decline in retail electricity sales volume, profit improved year-on-year mainly due to:
 - the time-lag effect of the fuel cost adjustment system
 - an increase in wheeling fee revenue
 - a decrease in fuel costs resulting from lower power generation costs by changes in the energy mix of the thermal power generation

Financial highlights (consolidated)

(Billion of Yen)

	FY2025 3Q	FY2024 3Q	Change*2
Sales	1,649.3	1,715.3	-66.0 (-3.8%)
Operating Income	216.3	148.9	+67.3 (+45.2%)
Ordinary Income	215.4	153.7	+61.7 (+40.1%)
Net Income attributable to owners of the parent	161.0	108.8	+52.2 (+48.0%)

Electricity sales volume

(TWh)

	FY2025 3Q	FY2024 3Q	Change*2
Retail (Lighting) *1	51.0	55.3	-4.3 (-7.7%)
Lighting	17.2	17.3	-0.1 (-0.6%)
Power	33.8	38.0	-4.2 (-11.0%)
Wholesale	21.8	18.6	+3.2 (+17.0%)
Total*1	72.8	73.9	-1.1 (-1.5%)

*1: Some rounding errors may be observed.

*2: Some rounding errors may be observed. Figures in brackets are y-o-y changes in %

- Ordinary income is expected to be approximately ¥190.0 billion, roughly the same as the previous fiscal year, despite a decrease in sales and reduced operation of nuclear power stations. This forecast is mainly supported by lower fuel costs driven by a decline in thermal power generation unit prices.

Forecast of consolidated financial results

(Billion of Yen)

	FY2025	FY2024	Change*2
Sales	2,250.0	2,356.8	-106.8 (-4.5%)
Operating Income	210.0	199.5	+10.5 (+5.2%)
Ordinary Income	190.0	194.6	-4.6 (-2.4%)
Net Income attributable to owners of the parent	140.0	128.7	+11.3 (+8.7%)

(Reference) Forecast of electricity sales volume

(TWh)

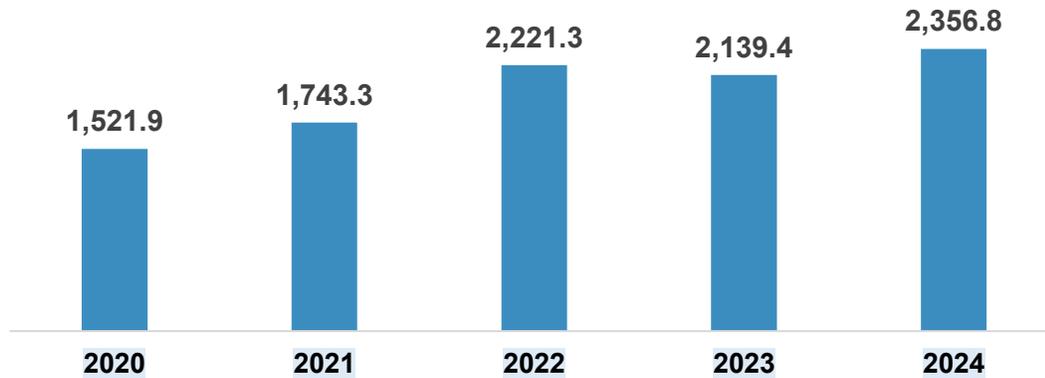
	FY2025	FY2024	Change
Retail	68.9	75.6	-6.7
Wholesale	30.0	25.4	+4.6
Total*1	98.9	101.0	-2.1

*1: Some rounding errors may be observed.

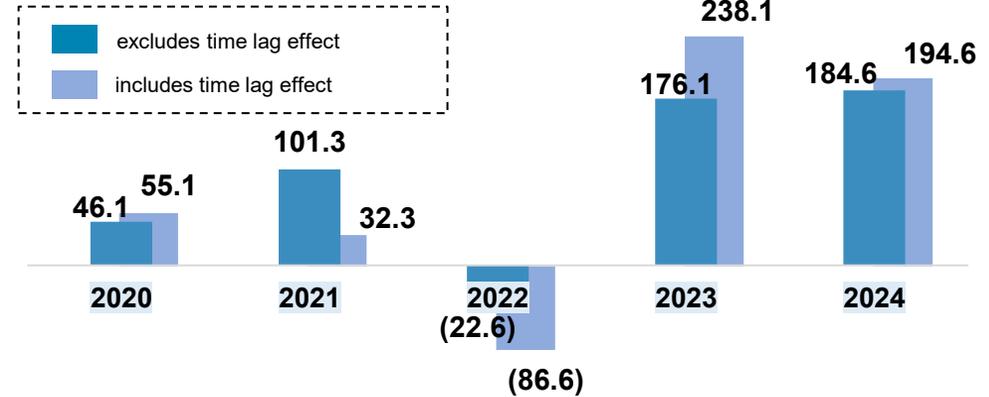
*2: Some rounding errors may be observed. Figures in brackets are y-o-y changes in %

- Kyuden Group is witnessing a positive trend in profits and financial stability.
- This improvement is driven by the stable operation of four nuclear power reactors, the revision of retail electricity unit prices to appropriate levels, and advancements in growth businesses.

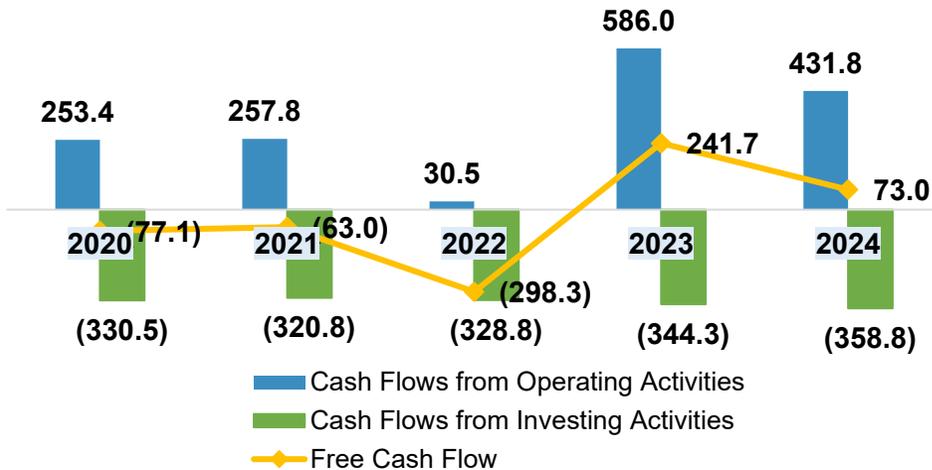
Operating Revenues (Billions of yen)*1



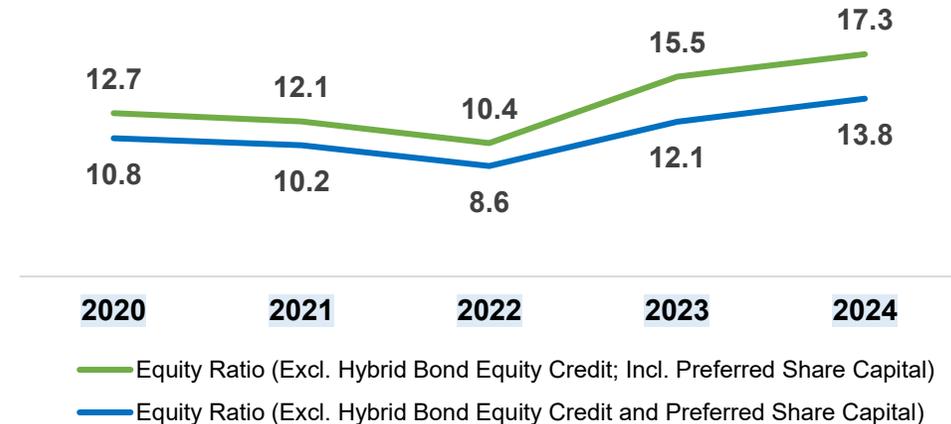
Ordinary Income or Loss (Billions of yen) *1



Cash Flow (Billions of yen)



Equity Ratio (%)



Please note that years being mentioned refer to fiscal years

* The Group has applied Accounting Standard for Revenue Recognition and the revised Electricity Business Accounting Regulations from the beginning of the fiscal year ended March 31, 2022.

As a result, the consolidated financial statements for the previous fiscal year (FY2020) are calculated retrospectively.

Discover more about the Kyuden Group

Financial Results

Every quarter an overview of our financial performance



Financial Data Book

More detailed info on our financial situation and major financial indicators.



Integrated Report

Read more about our efforts to create both social and economic value



Contacts

Investor Relations Group
Corporate Strategy Division
TEL : +81 92 726 1575
EMAIL: ir@kyuden.co.jp

