

WATT'S
NEXT 

Presentation Materials for IR Meeting

Kyushu Electric Power Co., Inc.

May 13, 2026

Section 1 Performance Highlights

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Section 1 Performance Highlights

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(Note) For further details regarding the latest financial results, please refer to the [“Financial Results for FY2025\(Presentation materials for investors\)”](#) released on April 30.

Sales: Decreased for the first time in two years
Ordinary Income / Net Income: Increased for the first time in two years

- Despite a decline in retail electricity sales volume, profit improved due to an increase in wheeling fee revenue and a decrease in fuel costs resulting from lower power generation costs by changes in the energy mix of the thermal power generation.
- Electricity sales volume for retail decreased by 9.3% YoY due to a decrease in contracted power within the Kyushu area. On the other hand, electricity sales volume for wholesale increased by 16.9% YoY, mainly due to an increase in transactions of electricity market.

Performance highlights (consolidated)

(Billion of Yen)

	FY2025	FY2024	Change	% YoY
Ordinary Revenues	2,289.1	2,396.3	-107.1	-4.5
[Sales : Figures are included above]	2,247.2	2,356.8	-109.6	-4.7
Ordinary Expenses	2,082.0	2,201.6	-119.5	-5.4
Ordinary Income	207.0	194.6	12.3	6.4
Net Income attributable to owners of the parent	154.5	128.7	25.7	20.0
(Ref) Ordinary Income excluding effect of time lag	199.0	182.6	16.4	9.0

Consolidated electricity sales volume

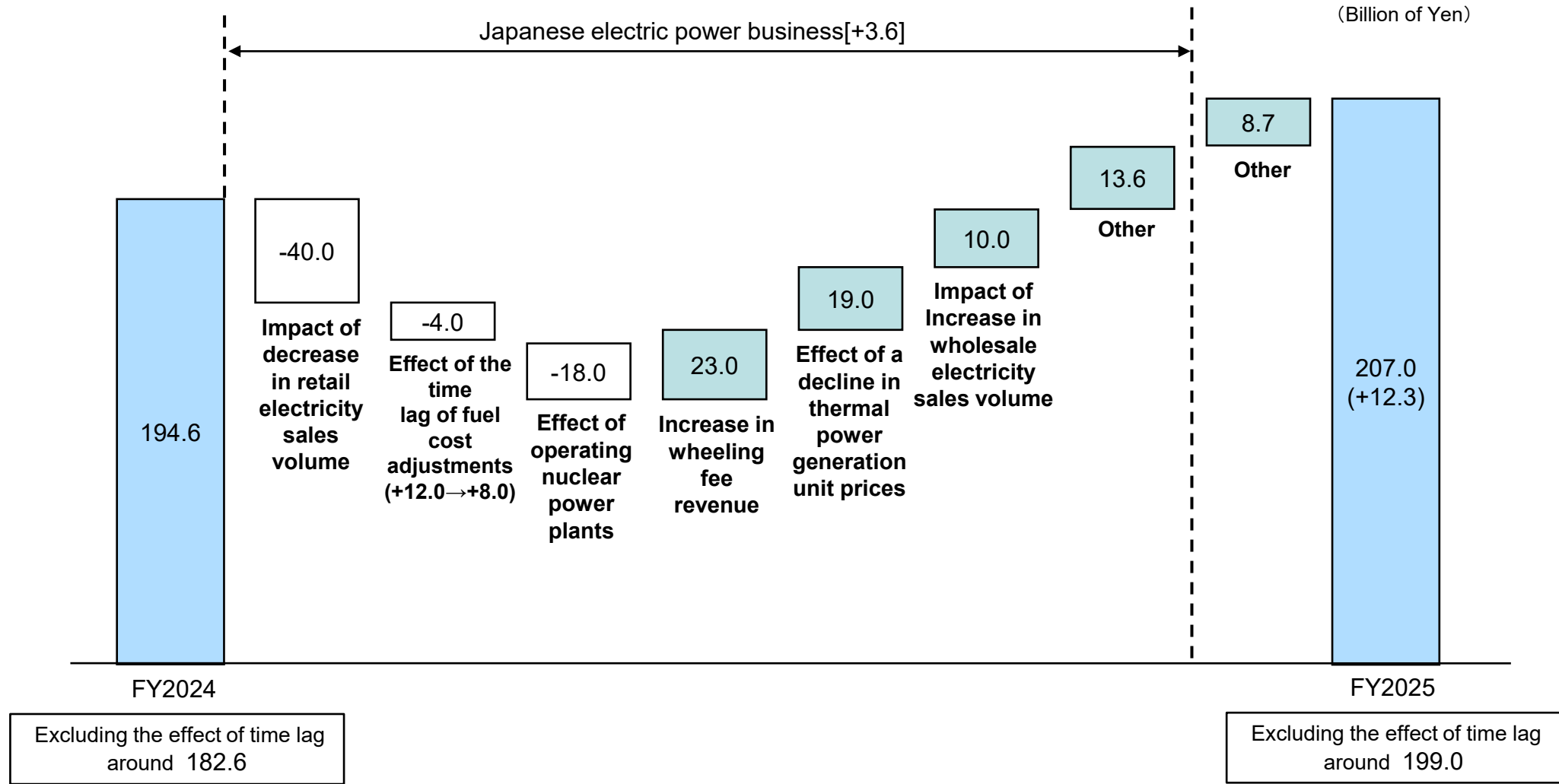
(Billion kWh)

	FY2025	FY2024	Change	% YoY
Retail	68.6	75.6	-7.0	-9.3
Lighting	24.7	25.6	-0.9	-3.5
Power	43.9	50.0	-6.1	-12.3
Wholesale	29.6	25.4	4.2	16.9
Total	98.3	101.0	-2.7	-2.7

Note: Includes also consolidated subsidiaries Kyushu Electric Power Transmission and Distribution Co., Inc. Kyuden Mirai Energy Co., Inc. and Kyuden Next Co., Inc. Intersegment transactions have been eliminated. Some rounding errors may be observed.

Key factors

	FY2025	FY2024	Change
Crude Oil CIF Price (\$/b)	71	82	-11
Exchange Rate (¥/\$)	151	153	-2
Nuclear transmission-end figure (Billion kWh)	28.6	30.8	-2.2
[Utilization rate (%)]	[82.3]	[88.6]	[-6.3]



[Reference] Main factors for the change of +¥17.0 billion from the previously announced forecast (in October)

Japanese electric power business - 3.0 (Decrease in total electricity sales volume, etc.)

Other + 20.0 (Increase in the profit of group companies, etc.)

- For the FY2026 earnings forecast, sales are expected to be ¥2,300.0 billion, due to an increase in wholesale electricity sales revenue caused by higher wholesale unit prices, despite a decrease in wheeling revenue caused by a decline as a reaction to temperature effects in the previous fiscal year.
- Ordinary income is expected to be ¥180.0 billion, due to the time lag effect of the fuel cost adjustment system turning from a positive impact in FY2025 to a negative impact, despite an increase in sales and an increase in the operation of nuclear power plants.

Forecast of consolidated financial results

(Billion of Yen)

	FY2026	FY2025	Change	% YoY
Sales	2,300.0	2,247.2	52.8	2.3
Operating Income	210.0	224.8	-14.8	-6.6
Ordinary Income	180.0	207.0	-27.0	-13.1
Net Income attributable to owners of the parent	130.0	154.5	-24.5	-15.9

(Reference) Key Factors

	FY2026	PFY2025	Change	Effect of fluctuations*
Crude Oil CIF Price (\$/b)	90	71	19	(Low crude oil price per 1\$/b) Around +0.3 billion of yen
Exchange Rate (¥/\$)	160	151	9	(Appreciation of the yen per 1¥/\$) Around +0.6 billion of yen
Nuclear transmission-end figure (Billion kWh) [Utilization rate (%)]	29.5 (84.7)	28.6 (82.3)	0.9 (2.4)	(Per +1%) Around +2.5 billion of yen

* The impact on financial results from changes in key assumptions for FY2026

(Reference) Forecast of electricity sales volume

(Billion kWh)

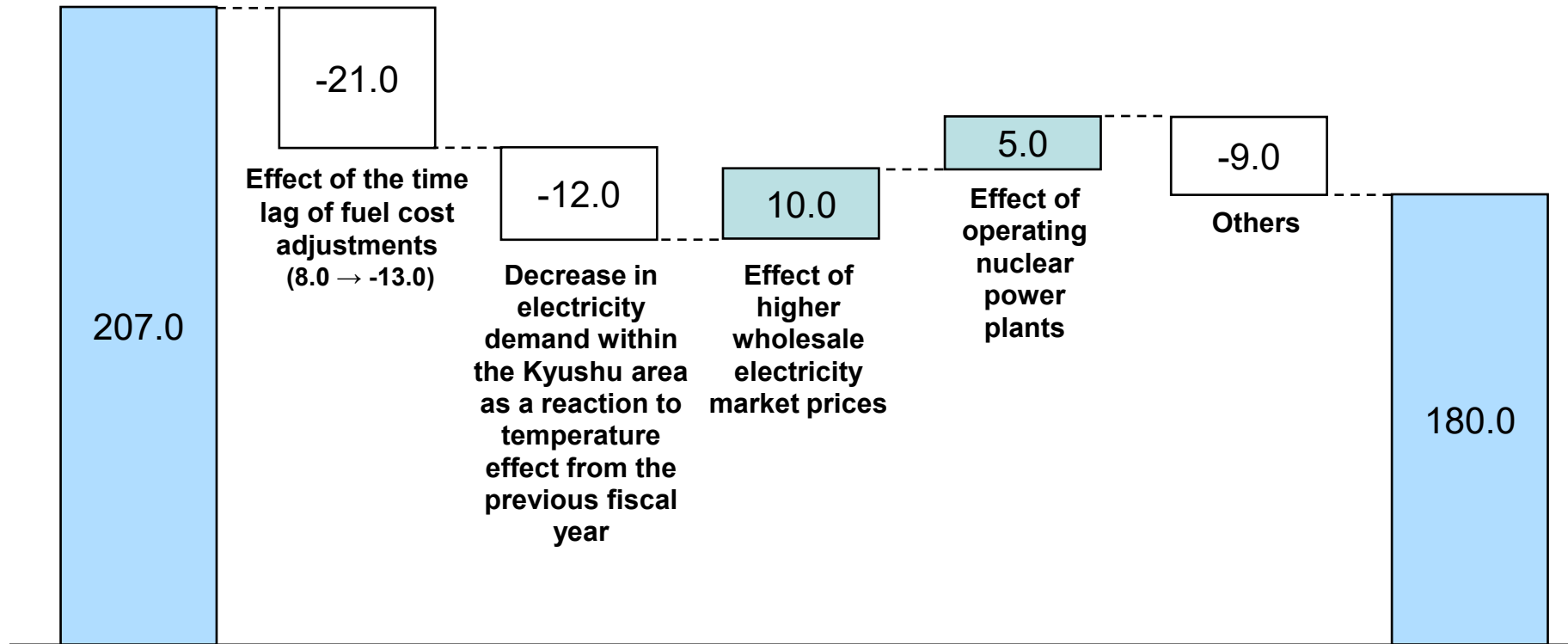
	FY2026	FY2025	Change
Retail	67.1	68.6	-1.5
Wholesale	30.4	29.6	0.8
Total Volume	97.5	98.3	-0.8

(Reference) Planned Periodic Inspection Schedule for Nuclear Power Plants

Genkai Unit 3	June 30 to October 29, 2026
Genkai Unit 4	November 12, 2026 to January 19, 2027
Sendai Unit 1	February 9 to May 23, 2027
Sendai Unit 2	No scheduled periodic operator inspections in FY2026

Note: Electricity sales volume includes also consolidated subsidiaries Kyushu Electric Power Transmission and Distribution Co., Inc. Kyuden Mirai Energy Co., Inc. and Kyuden Next Co., Inc. Intersegment transactions have been eliminated.

(Billion of Yen)

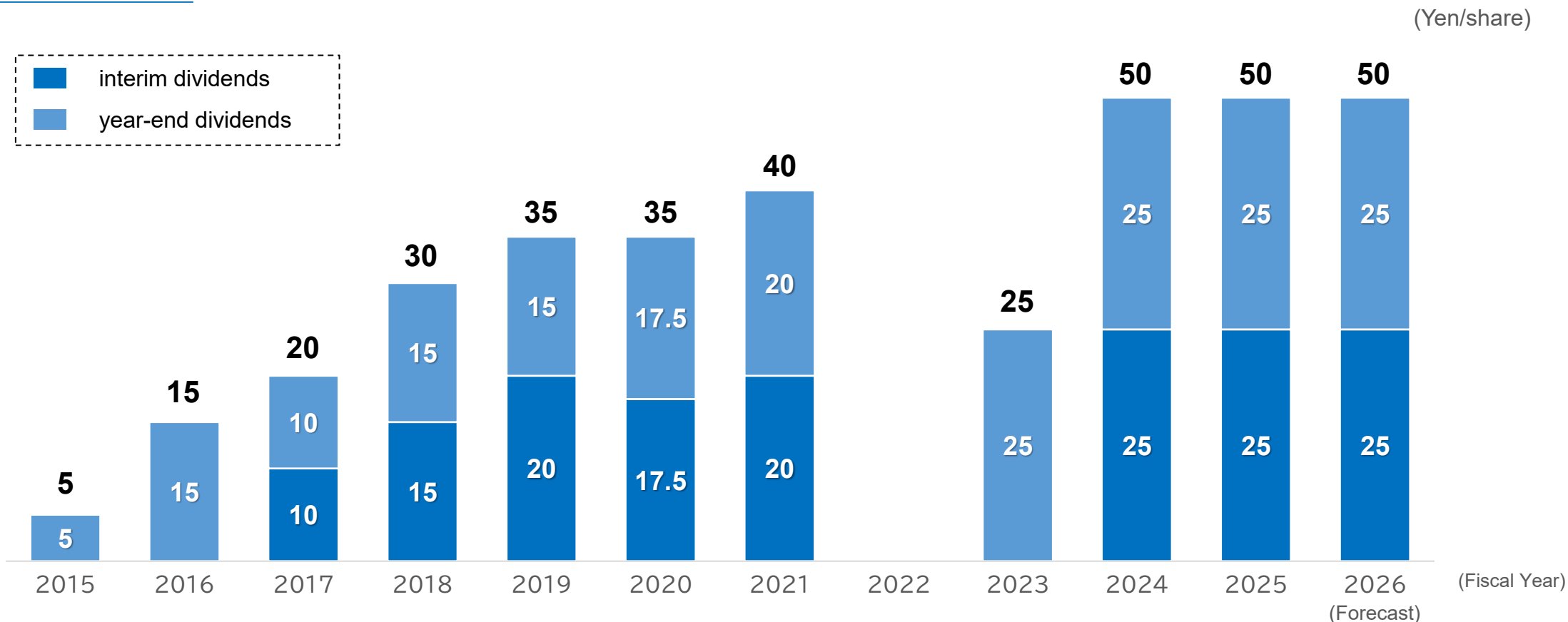


Excluding the effect of time lag around 199.0

Excluding the effect of time lag around 193.0

- Regarding forecasts of dividends for FY2026, based on a comprehensive analysis of financial forecasts for FY2026 and medium to long-term balance situation and financial and other factors, we plan to pay the dividend of ¥50 per common share (¥25 for both interim and year-end dividend).
- As for Class B preferred shares, we plan to pay dividend of ¥2,900,000 per share (¥1,450,000 for both interim and year end dividend).

Dividend trends



(Note) The year-end dividend for FY 2025 is scheduled to be formally determined and paid following approval at the 102nd Ordinary General Meeting of Shareholders to be held on June 25, 2026.

Section 2 Progress of Kyuden Group Strategic Vision 2035

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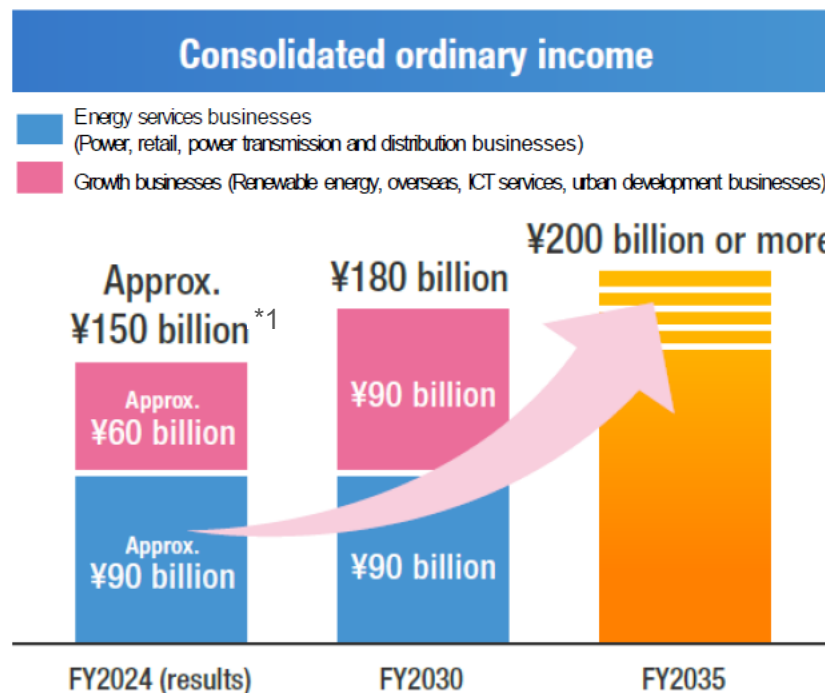
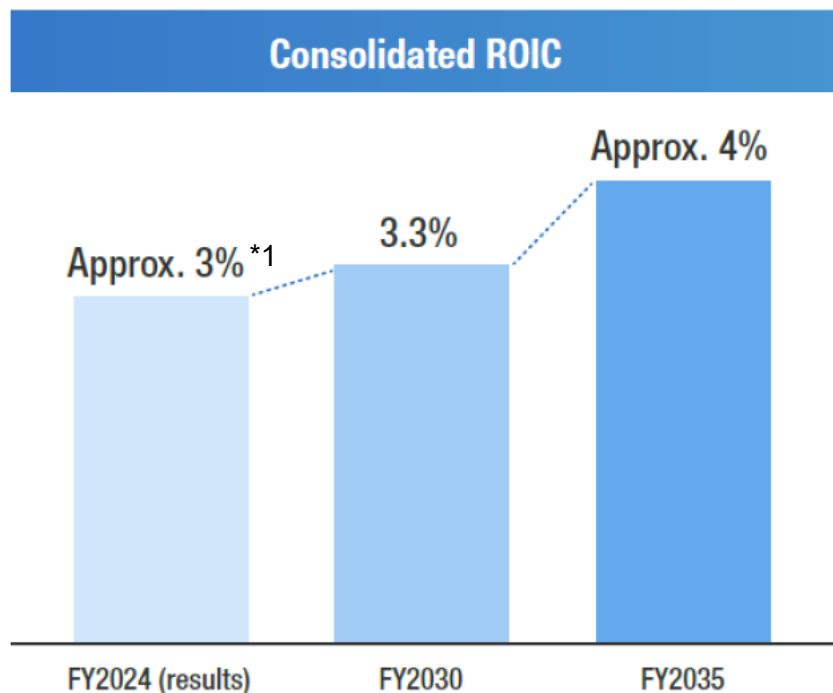
- Under our philosophy of Enlighten our Future, which is the mission of the Kyuden Group, we have reaffirmed the long-term value we seek to contribute to society and have formulated our vision for 2035 as well as strategies to achieve it. (Announced on May 19, 2025)

Our Vision for 2035

Creating Tomorrow through Energy Rooted in Kyushu, Reaching New Heights



- We 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.
- Additionally, to drive sustainable growth and enhance corporate value, we will focus on increasing our ability to generate free cash flow (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.



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.

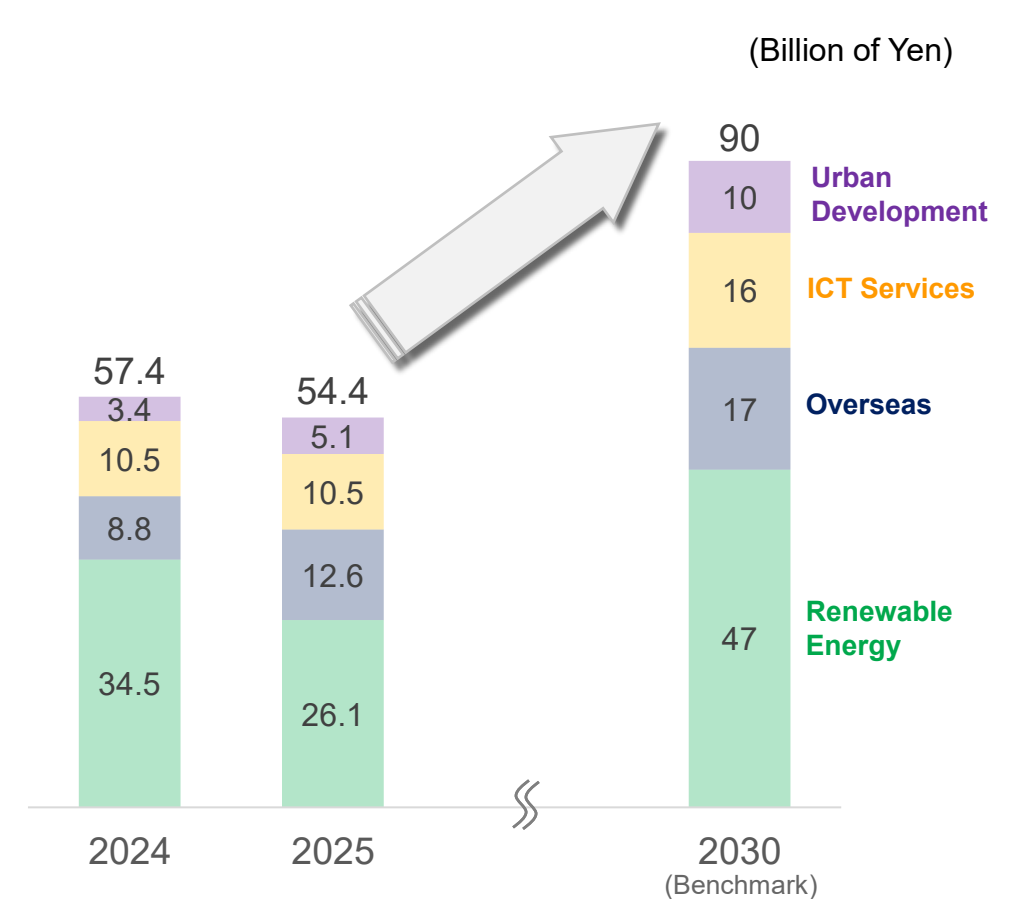
- Out of the consolidated ordinary income of ¥207.0 billion for FY2025, the energy services businesses accounted for ¥154 billion, while the growth businesses accounted for ¥54 billion.
- The consolidated ROIC at the end of FY2025 is 3.7%.

【Actual Results for Ordinary Income and ROIC】

		2024 [Result]	2025 [Result]	2026 [Forecast]	2030 [Benchmark]	
Ordinary income	Energy Services Businesses (excluding time lag effect)	140.2 (128.2)	153.8 (145.8)	135.0 (148.0)	90	
	Total Growth Businesses	57.4	54.4	45.0	90	
	Included above	Renewable energy*	34.5	26.1	—	47
		Overseas	8.8	12.6	—	17
		ICT services	10.5	10.5	—	16
		Urban development	3.4	5.1	—	10
	Inter-segment transactions eliminated	-3.0	-1.3	—	—	
	Total (excluding time lag effect)	194.6 (182.6)	207.0 (199.0)	180.0 (193.0)	180	
ROIC (excluding time lag effect)		3.6% (3.4%)	3.7% (3.6%)	3.6%	3.3%	

(Billion of Yen)

【Trends in Ordinary Income from Growth Businesses】

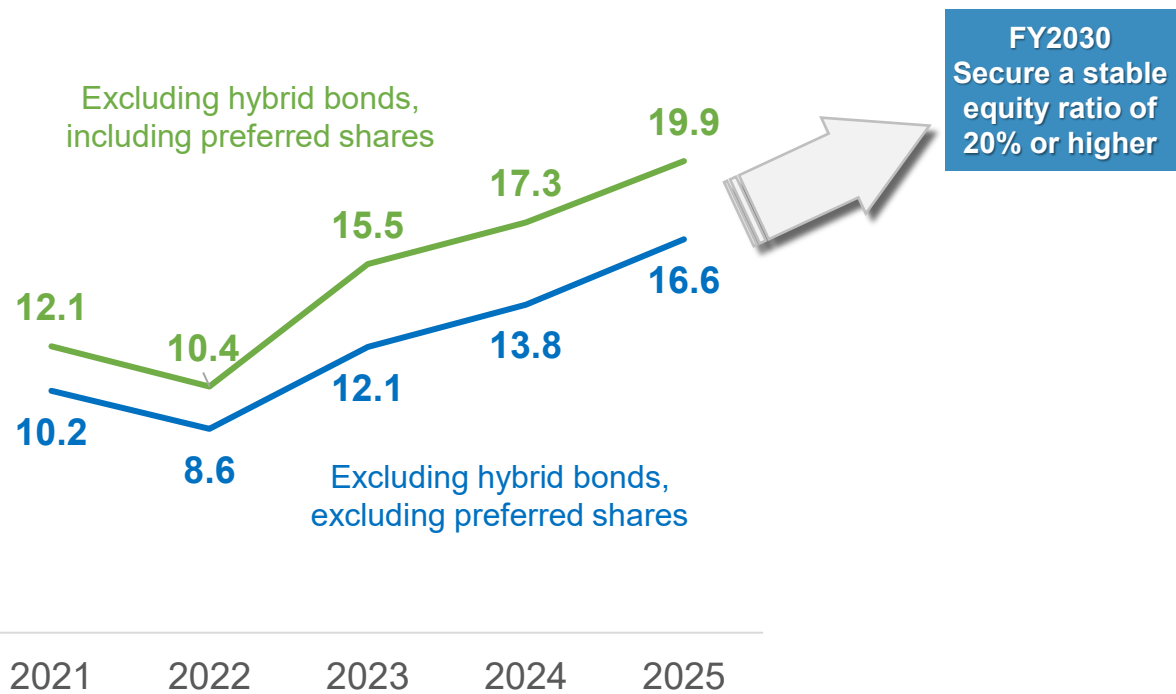


* In Vision 2035, business segments have been revised. A portion of profits has been reallocated from the domestic electricity business to the renewable energy business [see details on page 23].

- The equity ratio as of the end of FY2025 was 16.6% (excluding preferred shares). Toward FY2030, we will continue to reinforce our financial foundation to ensure an equity ratio of 20% or higher on a stable basis, even assuming the redemption of capital-equivalent funds such as preferred shares.
- ROE for FY2025 was 16.6% (excluding preferred shares), exceeding the cost of equity. Going forward, while strengthening equity capital, we will strive to maintain an ROE of around 10% toward FY2030.

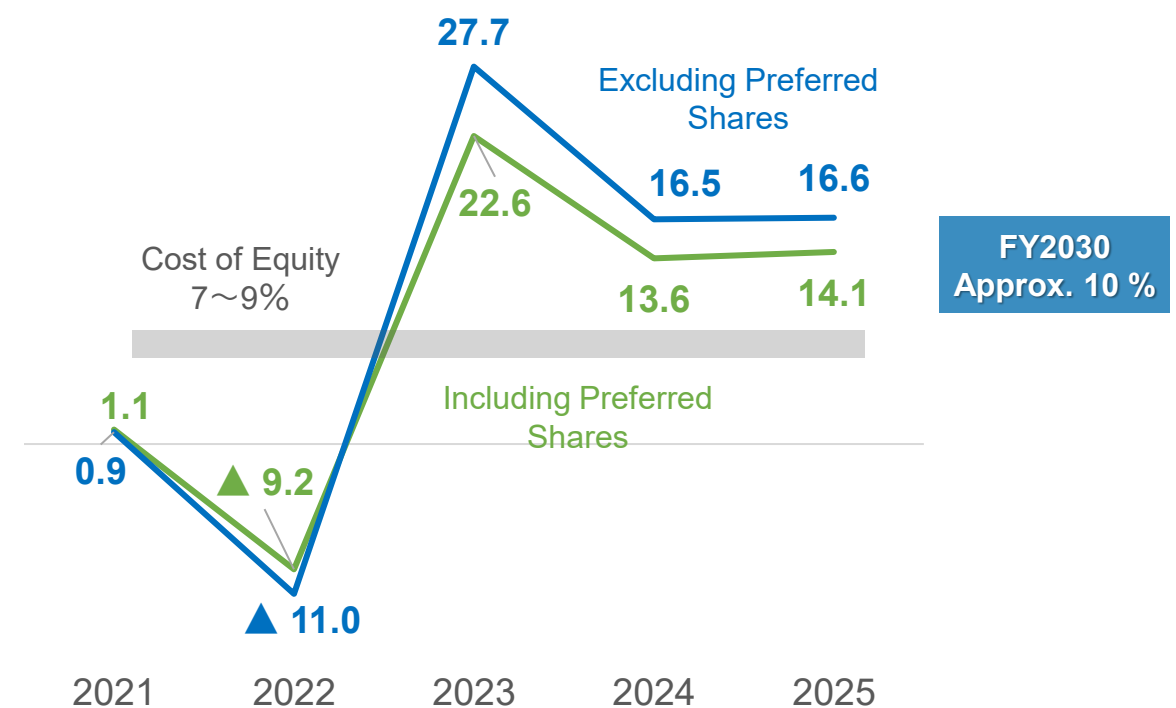
【Trend of Equity Ratio】

(%)

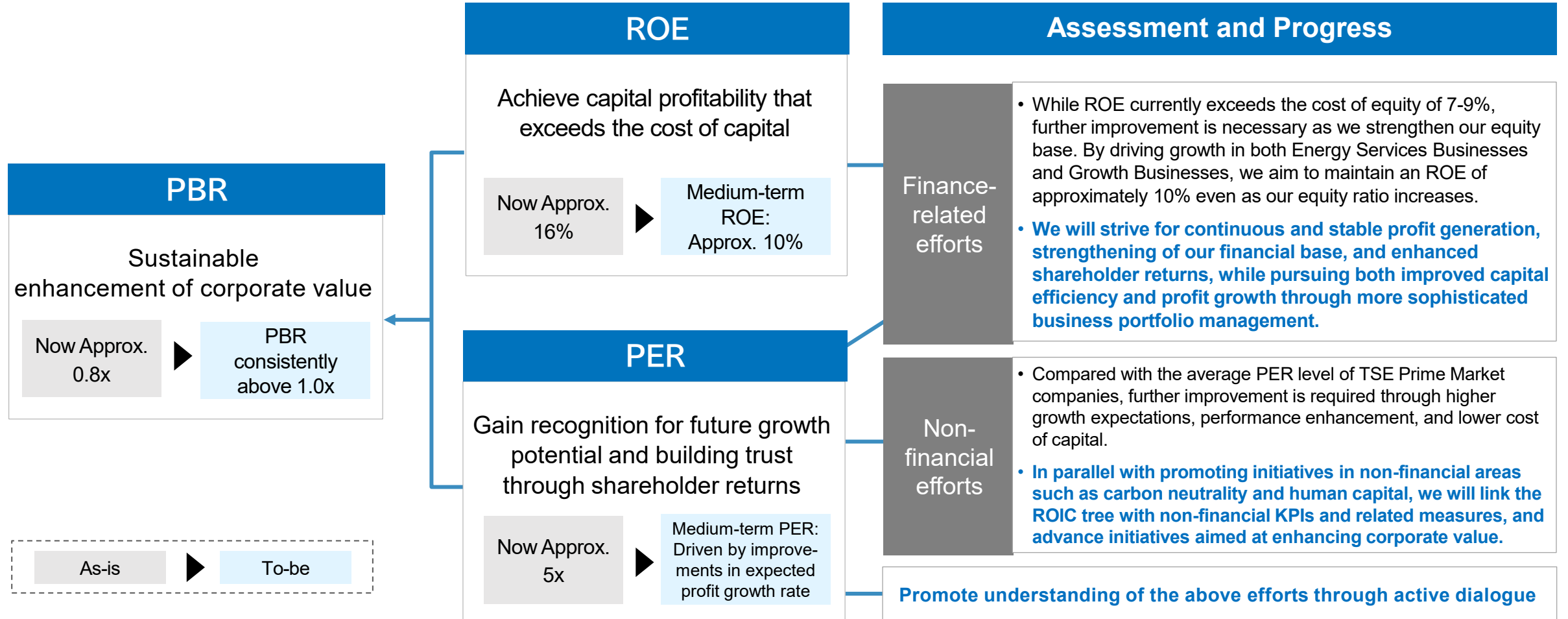


【Trend of ROE】

(%)

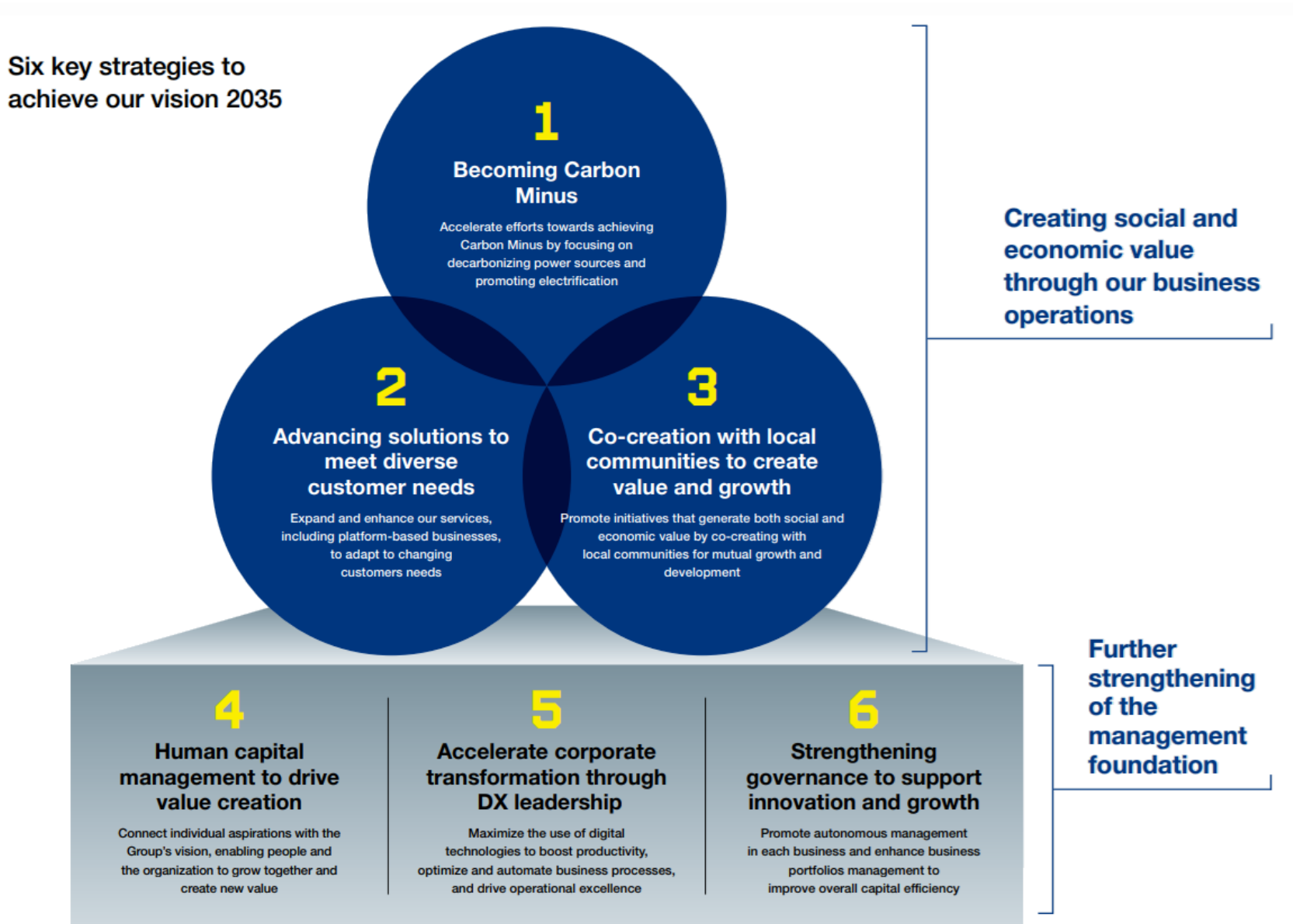


- Our PBR (P/B ratio) is hovering around 0.8x.
- We aim to consistently achieve a PBR above 1x as we work toward realizing our vision for 2035.



(Note) The share price is based on the closing price as of March 31, 2026; net income reflects actual FY2025 results; and net assets are based on FY2025 year-end figures for PBR and the FY2025 average for ROE.

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



- Subject to obtaining the necessary approvals at the 102nd Annual General Meeting of Shareholders held on June 25, 2026, we will establish a Holding Company, KYUDEN Holdings Inc. on October 1, 2026, and transition to a Holding Company structure on April 1, 2027.

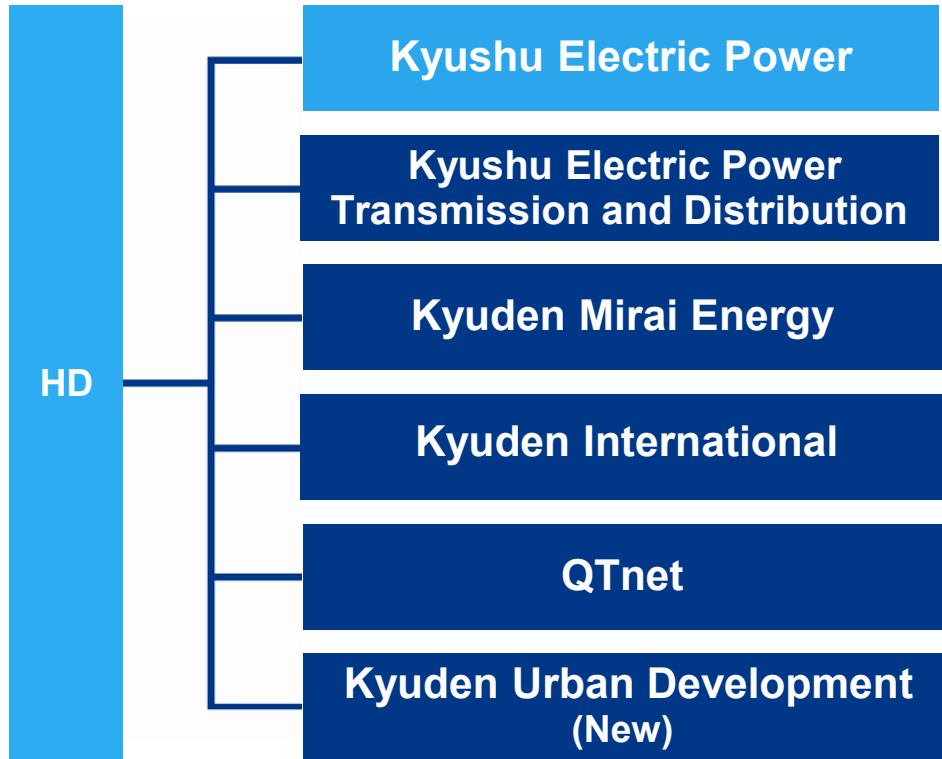
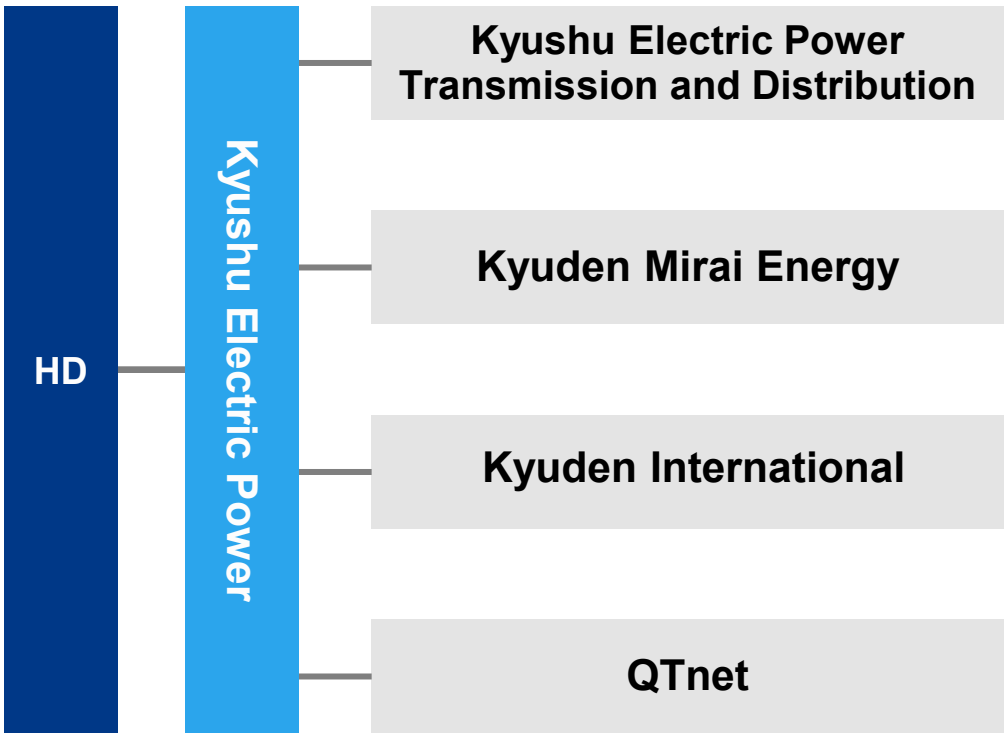
【Transition Schedule】

(1) Establishment of a Holding Company (October 1, 2026)

A Holding Company will be established as the parent company of Kyushu Electric Power.

(2) Reorganization of Group Companies(April 1, 2027)

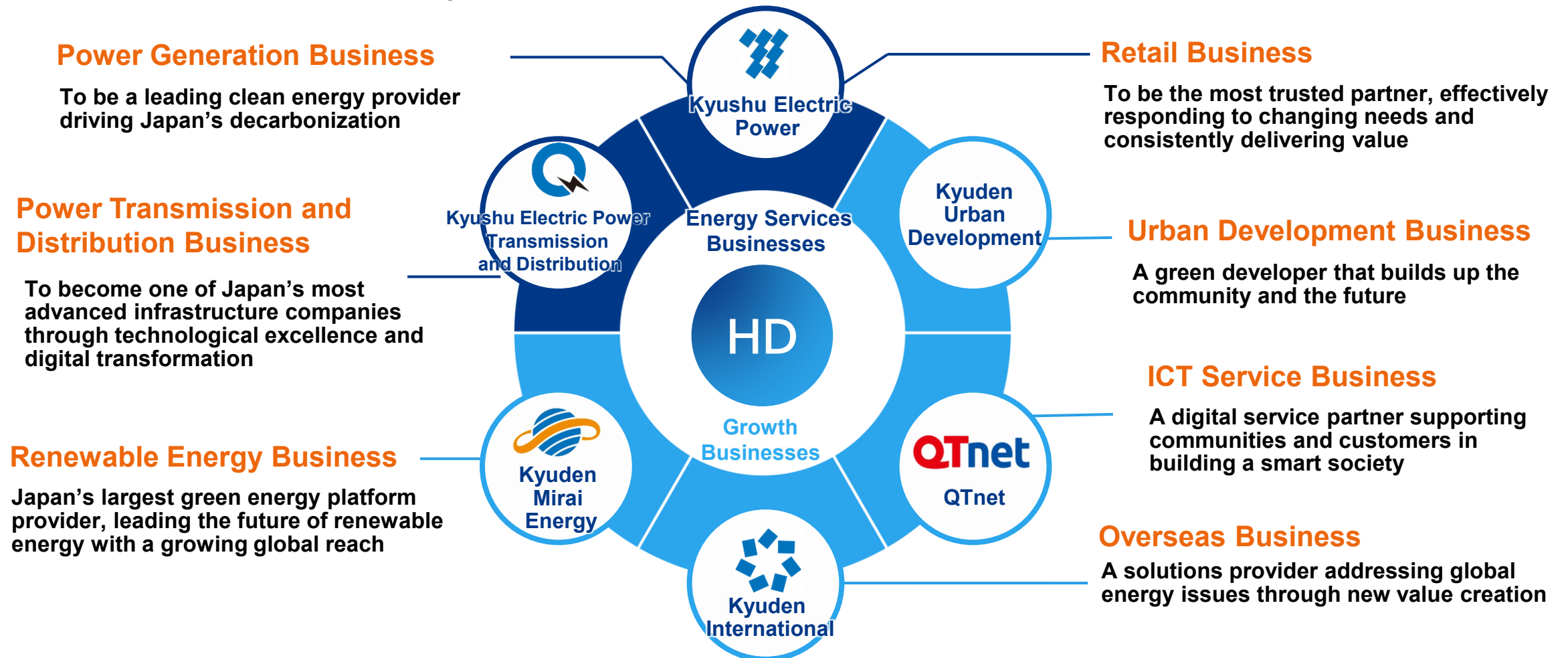
A structure will be established in which six operating companies each take the lead in their respective business domains.



(Note) For details, please refer to [press release dated March 26, 2026](#)

- The Holding Company will set its mission as promoting growth strategies based on group-wide optimization to achieve the targeted business portfolio, with six core operating companies serving as the key drivers of further growth.

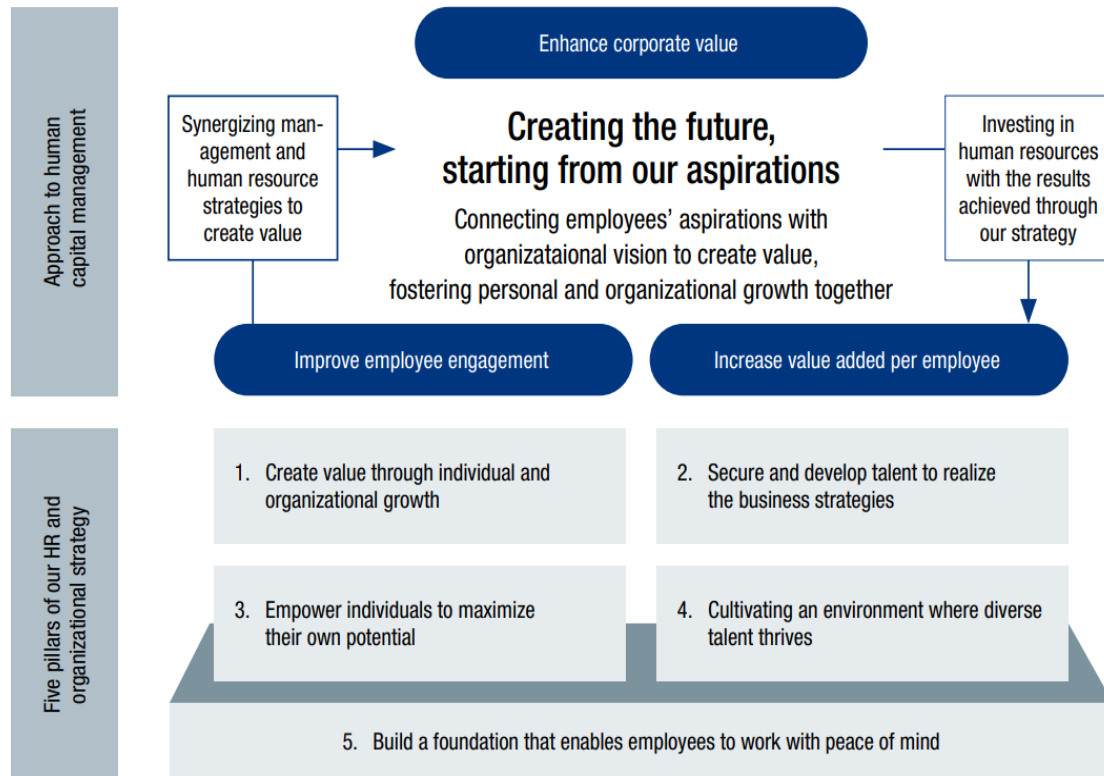
【New Group Structure and Target State】



(Note) For details, please refer to [press release dated March 26, 2026](#)

- As one of our key strategies, we are steadily advancing initiatives in human capital management.
- Most recently, we received the Grand Prix in the “Organization and Team” category at the WELLBEING AWARDS 2026, as well as “Human Capital Management Excellence 2025 Gold Award” and “Thought Leaders of Human Capital 2025”.

【Overview of Human Capital Management Initiatives】



TOPICS

Recent Achievements in Human Capital-Related Awards


Human Capital Management
Excellence 2025 Gold Award


Thought Leaders of
Human Capital 2025


WELLBEING
AWARDS 2026
GRAND PRIX

Award Overview

- Following an analysis of responses to the survey and evaluations by external experts, companies with exceptional human capital management practices are selected.

- Recognizing initiatives that contribute to a society where people can live authentically, in good health and happiness, and that promote overall societal well-being.

Key Evaluation Points

- By combining multiple initiatives, Kyuden Group promotes the effective utilization of diverse talent.
- The group is deploying data-driven and advanced human capital initiatives, including QX* initiatives, the Women's Council, and employee health programs.
- **Among 160 responding companies, we were one of only six selected as “Human Capital Leaders.”**

- Defined priority investment areas to enhance employee well-being, and systematically designed and implemented learning, challenge, and co-creation opportunities as strategic investments in people.
- **We received the Grand Prize for the first time ever in the power industry.**

*QX: Qden Transformation. Initiatives to foster an organizational culture where people and the organization grow together.

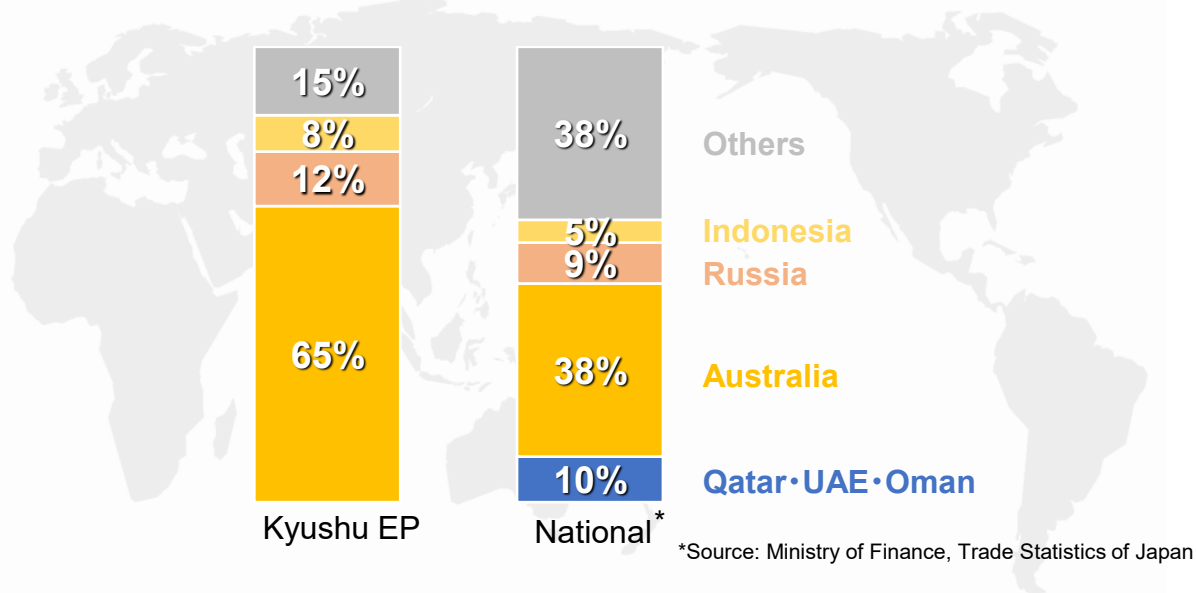
Section 3 Business Topics

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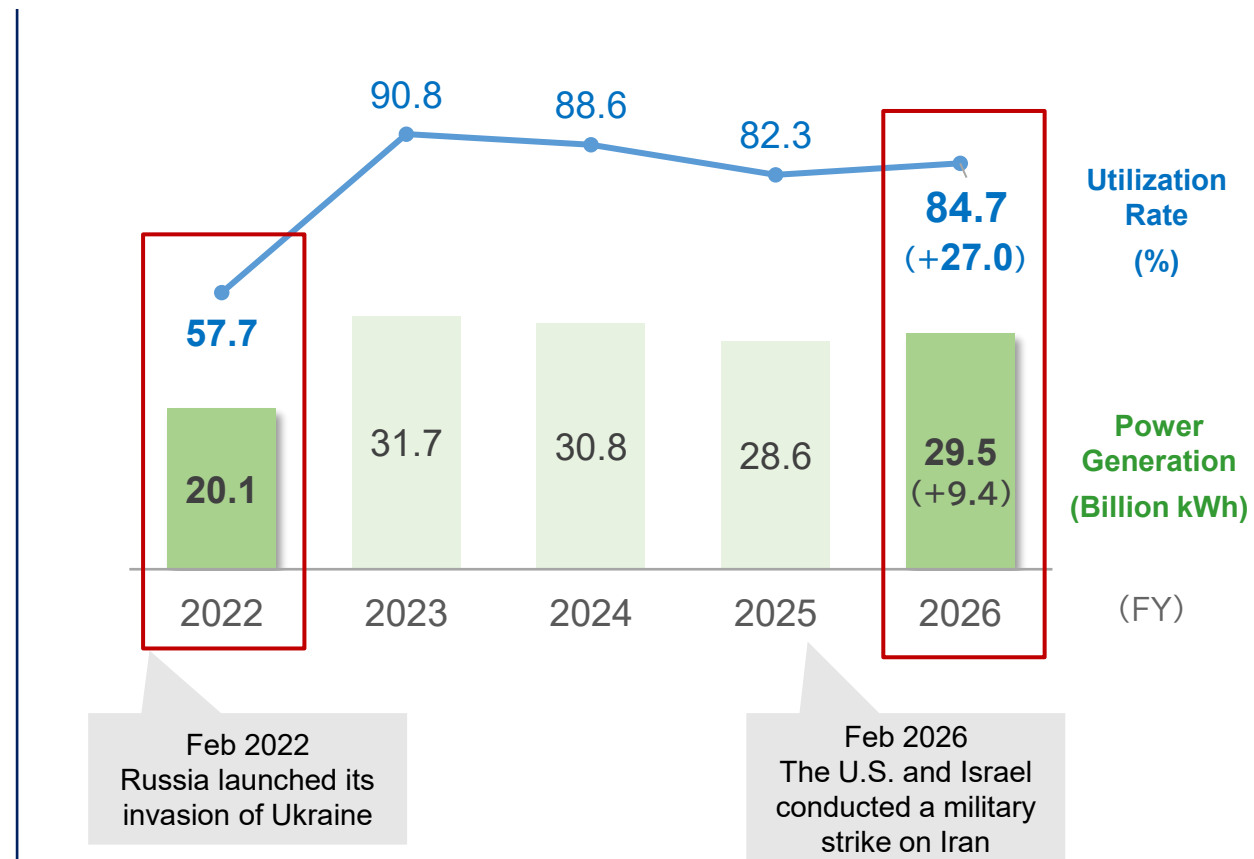
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- As our company does not procure LNG from the Middle East, we do not expect any direct risk of supply disruption.
- At present, all four nuclear power units are operating stably. Compared with FY 2022, when fuel prices surged amid heightened tensions between Russia and Ukraine, our resilience to fluctuations in fuel prices and electricity market prices has improved.

【LNG Procurement Sources: Our Company and Japan (FY2024)】



【Operational Status of Nuclear Power Plants】



【Estimated Impact of Rising Fuel Prices on Our Financial Results】

- Although increases in fuel prices and electricity market prices may have a negative impact on our financial results—such as higher purchased power costs—positive effects are also expected, including increased wholesale electricity sales revenue, higher gains from LNG resales, and enhanced competitiveness resulting from the stable operation of our four nuclear power units.

(Note) Figures in parentheses indicate the difference between FY2022 and FY2026.

- In Kyushu area, growth in the semiconductor-related industry is accelerating, with an increasing number of investment plans.
- Multiple data center projects are currently progressing across Kyushu, and electricity demand is expected to continue growing.

Location Trends of Semiconductor Plants and Data Centers

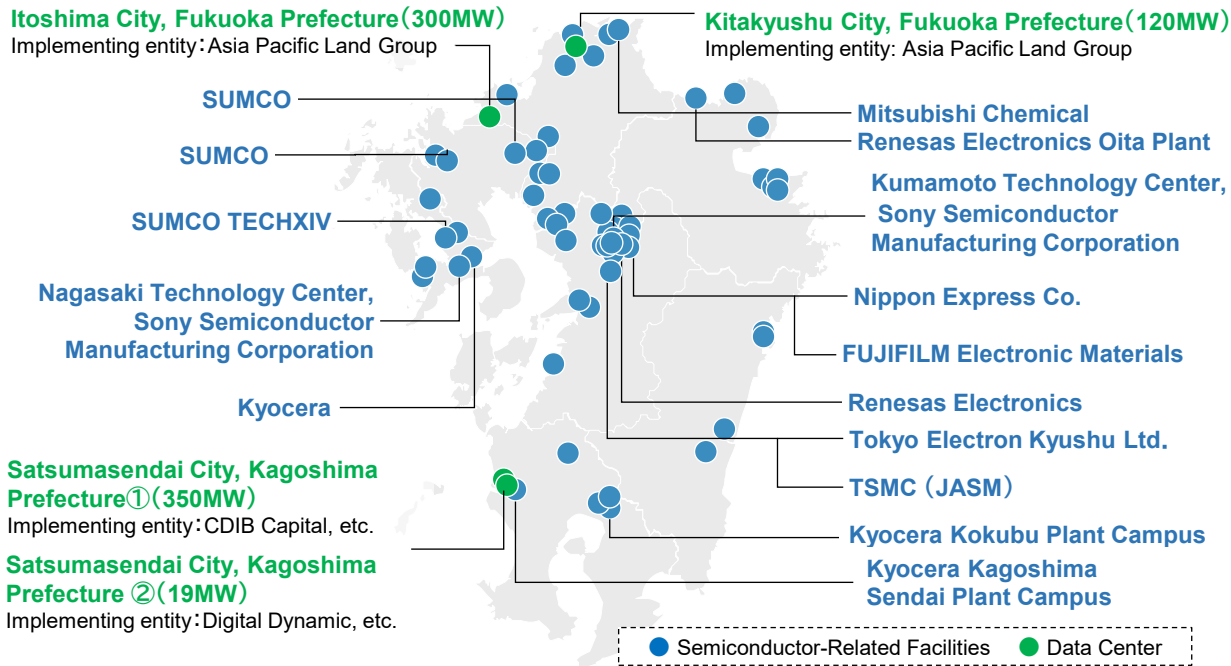
Semiconductor Plants

Number of investment projects : **162**

Total investment: Over **4.81** trillion yen *1

Data Centers

Total Installed Capacity: Approx. **800** MW *2

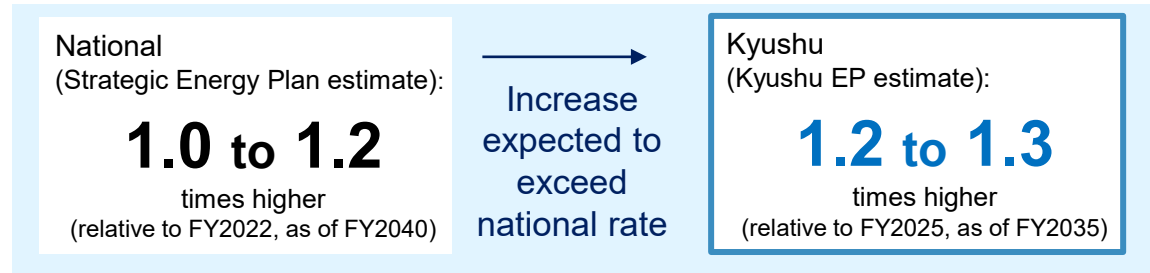


*1 Source: Ministry of Economy, Trade and Industry (METI), Kyushu Bureau of Economy, Trade and Industry; Kyushu Semiconductor & Digital Innovation Association (As of the period from April 2021 to September 2025)

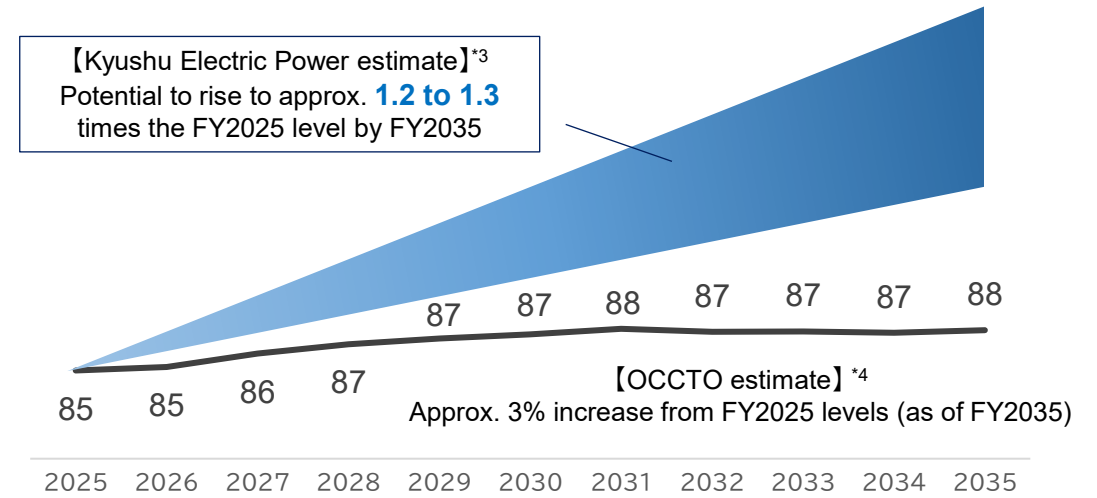
*2 Prepared based on publicly available information, including press releases. Projects with extra-high voltage and above are included.

Electric power demand outlook

【Future Electricity Demand Comparison: Nationwide and Kyushu】



【Comparison of Demand Forecasts: Kyuden and the OCCTO】 (Billion kWh)

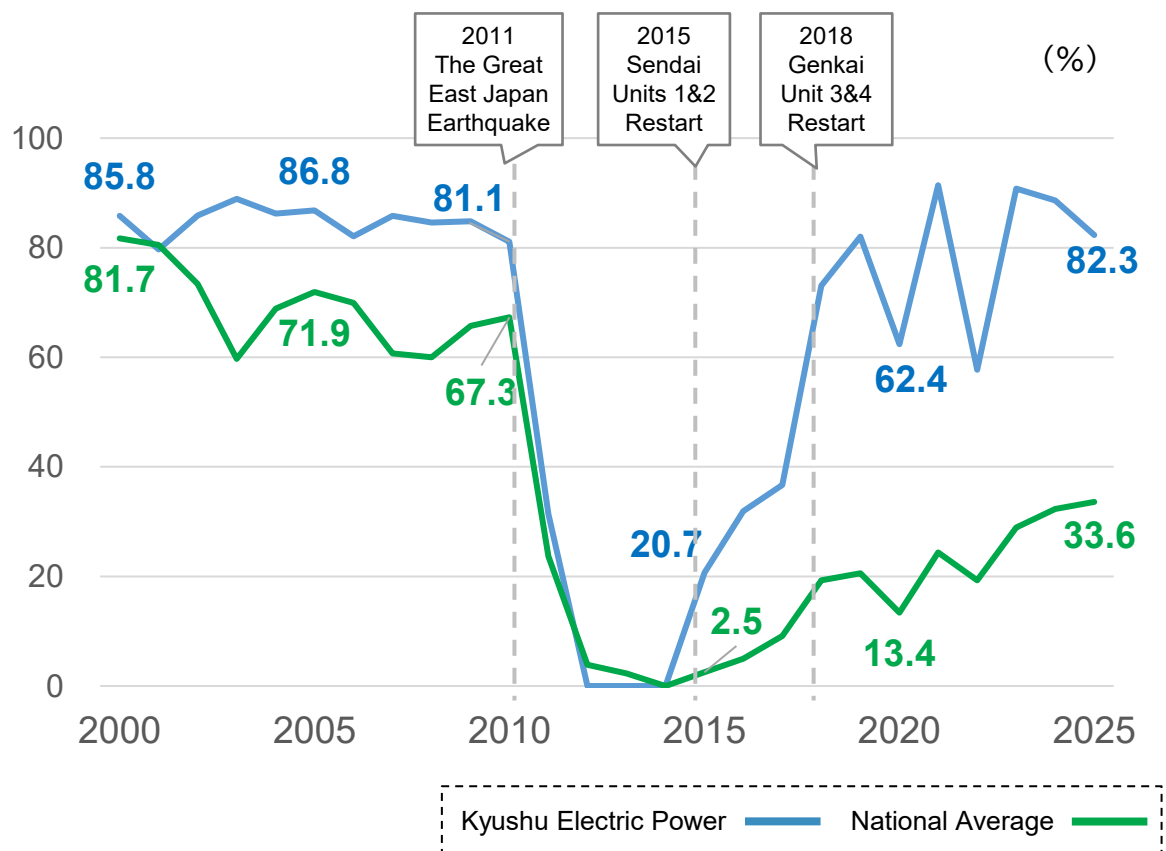


*3 Calculated based on both OCCTO projections and Kyushu EP's independent analysis. Please note that these projections are based on currently available information and do not guarantee future results.

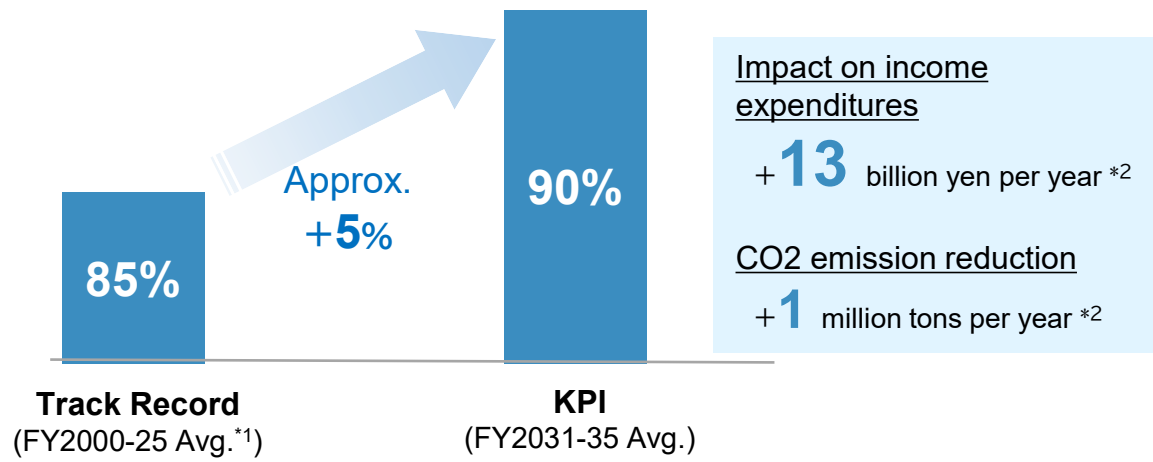
*4 Compiled based on OCCTO's Nationwide and Regional Demand Projections (FY2026)

- Our four nuclear power units are operating stably. The utilization rate in FY2025 was 82.3%.
- Going forward, we aim to further improve the utilization rate through measures such as upgrading to latest-generation steam turbine designs and shortening periodic inspection outages.

Trend in Utilization Rate



Further Improvement in Utilization Rate



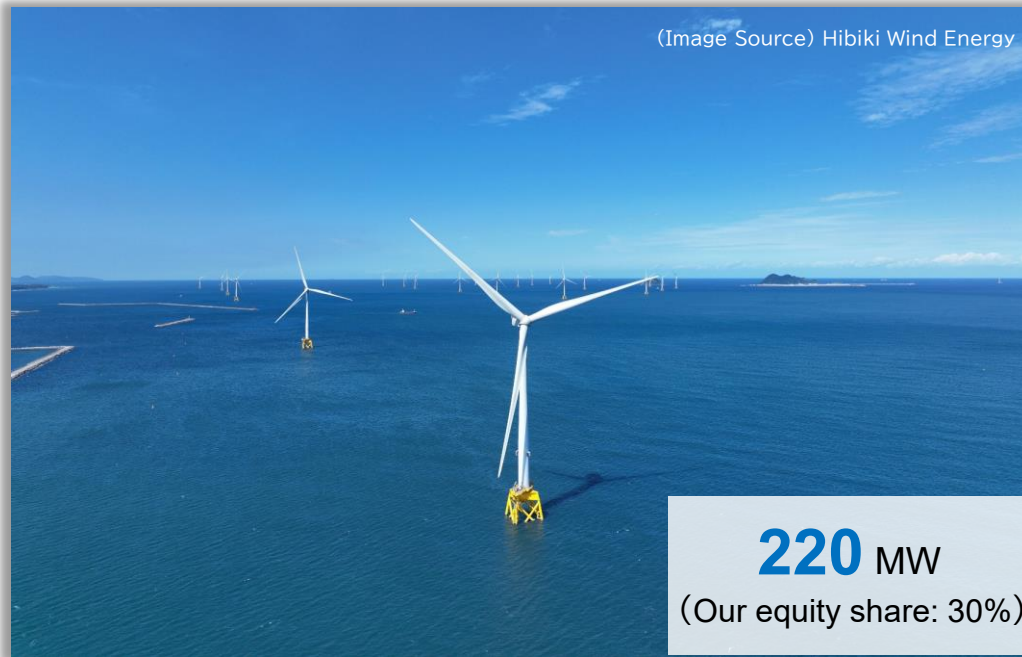
- [Key initiatives]
- ✓ Upgrading to the latest steam turbine design
 - ✓ Streamlining maintenance operations
 - ✓ Extending regular inspection intervals



^{*1} The utilization rate is calculated on a sending-end basis. In calculating the actual average, FY2011–2017, FY2020, and FY2022 were excluded because they involved prolonged outages caused by earthquakes and the installation of specialized safety facilities.
^{*2} The impact on improving income/expenditures and reducing CO2 emissions was estimated based on parameters such as fuel prices and power source composition in the FY2026 performance outlook. The impact on financial results reflects the reduction in fuel costs resulting from the shift from thermal power generation to nuclear power generation.

- In March 2026, the Kitakyushu Hibiki Offshore Wind Farm and the Hibiki LNG Power Plant commenced commercial operation. (with a combined capacity of 840 MW)

Kitakyushu Hibikinada Offshore Wind Farm



- Commencement Date of Operation: March 2, 2026
- The maximum output is 220MW (9,600 kW × 25 units). Upon completion, it will be the largest offshore wind power facility in Japan, accounting for about 40% of Japan's offshore wind capacity (based on output).
- Annual power generation is approximately 500 million kWh, equivalent to the electricity consumption of 170,000 households. It is expected to reduce CO₂ emissions by about 270,000 tons per year. The generated electricity will be sold under the Feed-in Tariff (FIT) system at 36 yen/kWh for 20 years.

Hibiki LNG Power Plant



- Commencement Date of Operation: March 31, 2026
- The Hibiki Power Plant is an LNG-fired thermal power plant featuring a state-of-the-art combined-cycle generation system*, which significantly reduces CO₂ emissions and achieves world-class thermal efficiency.
- The facility is expected to play a key role both in securing supply capacity to meet future increases in electricity demand and in providing balancing power to compensate for output fluctuations from expanding renewable energy sources.

* The combined-cycle system integrates gas turbines and steam turbines to deliver highly efficient power generation.

- Kyuden International has entered into a share purchase agreement to acquire all outstanding shares of IHI Power Services Corp. (IPSC) through its U.S. subsidiary, Kyuden International Americas, Inc.
- We are focusing on asset recycling to improve capital efficiency. For overseas business, the number of asset recycling transactions is set as one of our KPIs, aiming to optimize the portfolio through asset replacement.

Acquisition of U.S. Operations & Maintenance Business

【Overview of IPSC】

Company Name	IHI Power Services Corp.
Established	2012
Number of Employees	550
Business Description	O&M services for power generation facilities

Note1: The above information is as of the end of December 2025.

Note2: Subject to the completion of approvals from the relevant authorities, IPSC is expected to commence its business operations as a member of the Kyuden Group.

Strategic Objective



- By creating synergies between the experience and expertise cultivated by our company and IPSC, we aim to further enhance the corporate value.
- In addition, by incorporating IPSC’s O&M capabilities, we seek to diversify and add depth to the earnings structure of our power generation business in the United States.

Initiatives for Asset Recycling

【Divestment projects as of the end of April 2026】

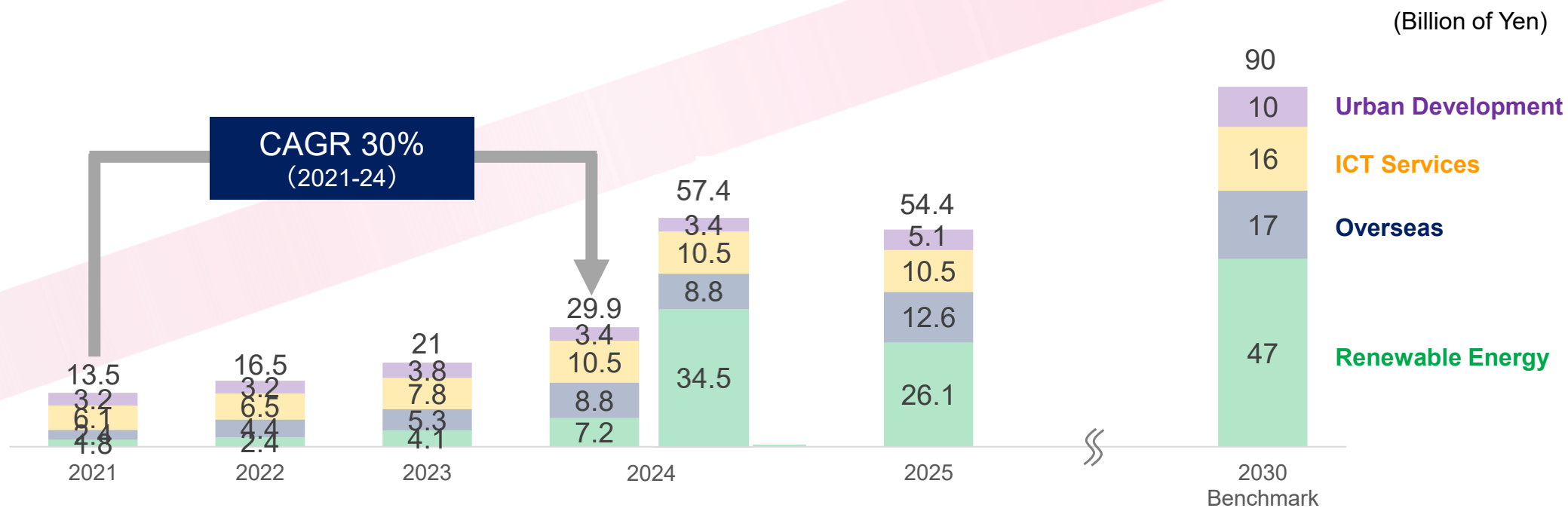
Senoko Energy Project	<ul style="list-style-type: none"> • Location : Singapore • Business : Power Generation & Supply • Capacity : 2,382MW 	
Kleen Energy Gas-Fired Project	<ul style="list-style-type: none"> • Location : USA • Business : Power Generation • Capacity : 620MW 	
Bildor Energy	<ul style="list-style-type: none"> • Location : UK • Business : Industrial Waste & Power Generation • Capacity : 239MW 	

We will continue to focus on achieving the KPI of “10 Asset Recycling Transactions”*

* Cumulative total from FY2025 to FY2035 (including partial equity sales)

- The CAGR* of the growth businesses from FY2021 to FY2024 recorded 30% on an ordinary income basis.
- 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】



Review of Business Segments

(Incorporating part of the profit from domestic electricity business into the renewable energy business [see details on page 23])

* Compound annual growth rate

Supplementary Materials



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

82.3%

vs. Nationwide average 33.6%
(as of FY2025)

3

Generating low carbon electricity with nuclear & renewables

Non-fossil energy in our power mix

56%

vs. nationwide average 33%
(as of FY2024)

4

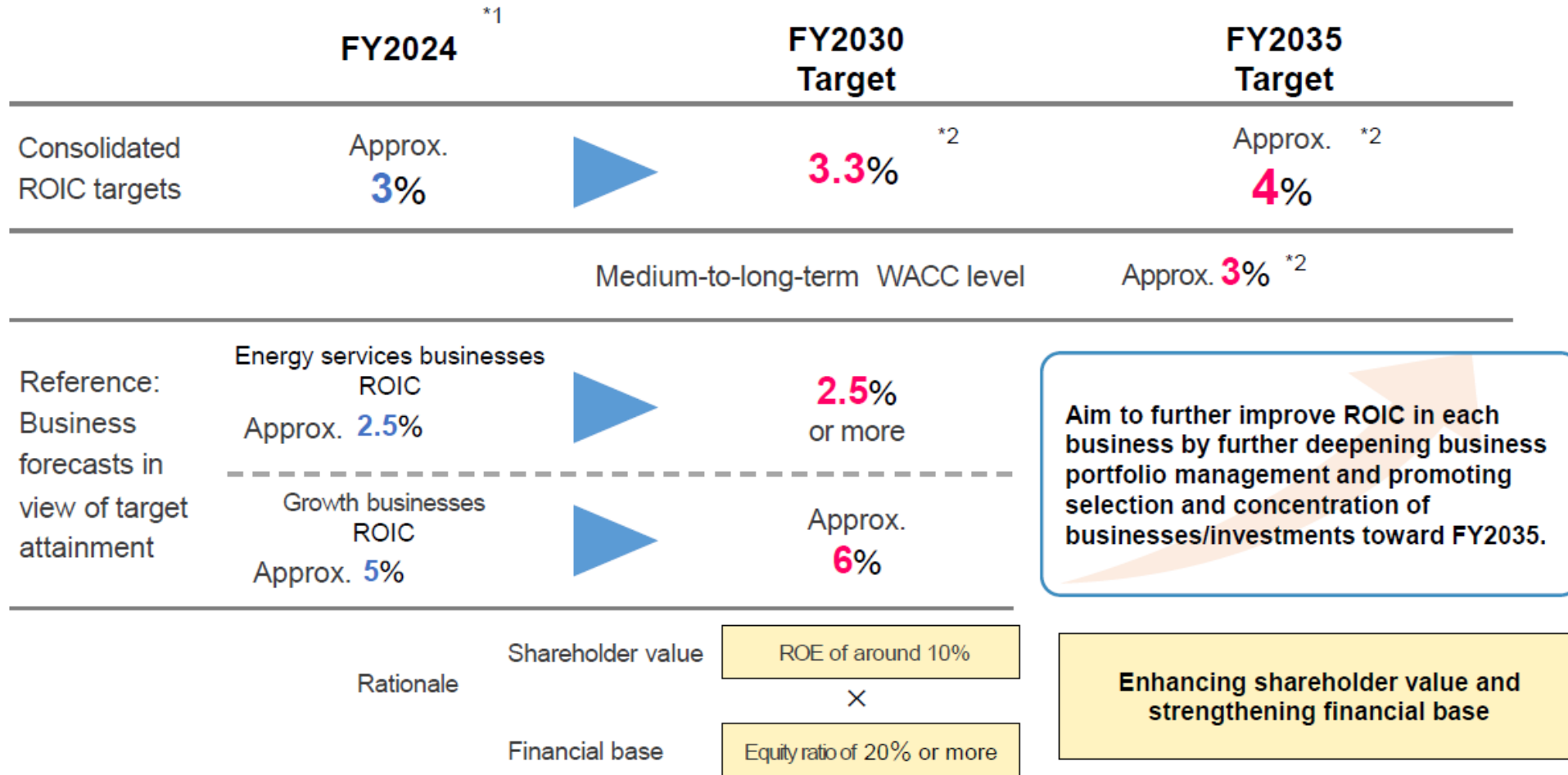
Consistent expansion of Growth Businesses

Compound Annual Growth Rate (CAGR)

30%

(FY2021-FY2024)
in ordinary income by growth businesses overall

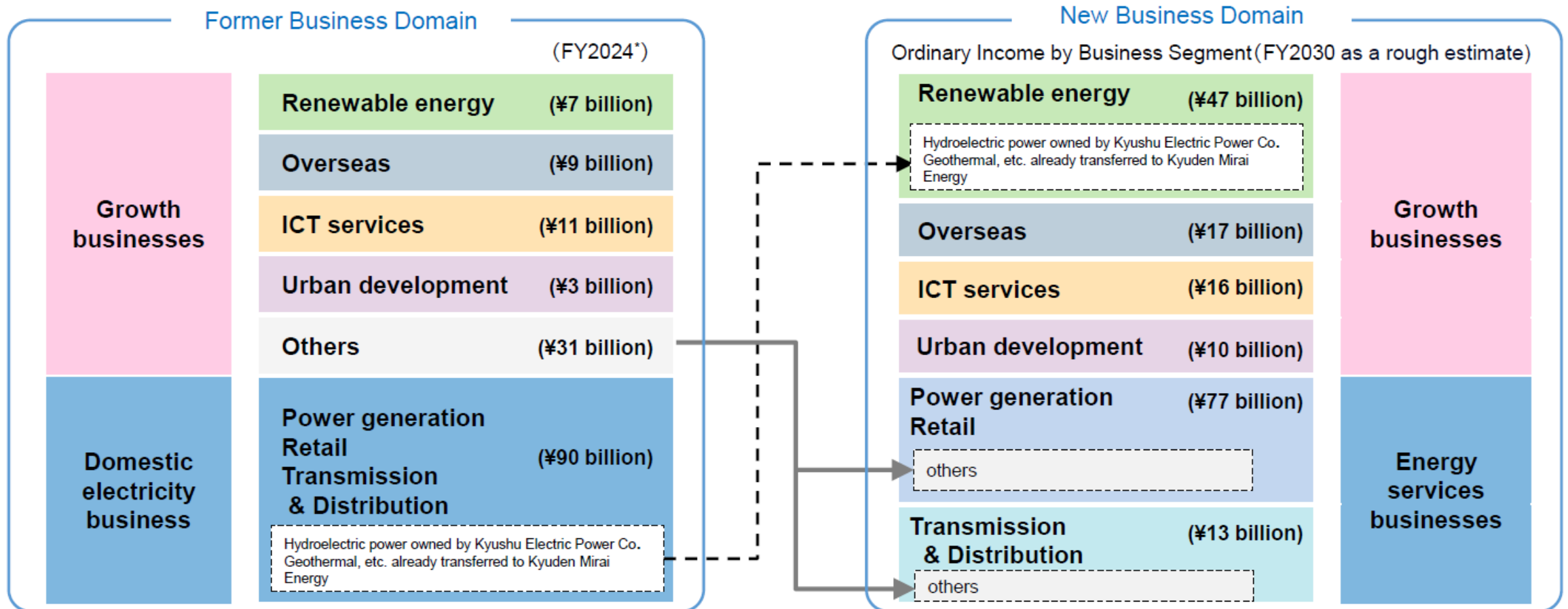
- The consolidated ROIC target is set based on the assumption that the WACC level will be achieved, while taking into account the need to both strengthen the medium- to long-term financial base and increase shareholder value.



*1 Excluding the impact of fuel cost adjustment time lag and one-off factors

*2 Based on current and medium-term interest rate outlook

- In conjunction with the announcement of “Kyuden Group Strategic Vision 2035”, the business categories “Energy Services Businesses” and “Growth Businesses” have been revised.
 - ✓ The renewable energy business is being reorganized in anticipation of the transfer of hydroelectric power generation business from Kyushu Electric Power to Kyuden Mirai Energy.
 - ✓ “Others” is reclassified from growth business to energy services businesses, as it mainly consists of fuel-related and electric power support business.



*Excluding the effect of fuel cost adjustment and one-off factors

【Class B Preferred Shares】

Issue date	August 1, 2023
Issue price/number of share	200 billion yen/2,000 shares
Ownership	Mizuho Bank, Ltd.: 80 billion yen (800 shares) / Development Bank of Japan Inc.: 80 billion yen (800 shares) / MUFG Bank, Ltd.: 40 billion yen (400 shares)
Right to conversion to common share	No
Right to vote	No
Coupon	2.9%
Acquisition request right	In case of meeting requirements (Ex: 8 years after date of issue date)
Our acquisition	At any time since the next day of issue date

【Hybrid Corporate Bonds】


Corporate Bond Name	#1 Unsecured corporate bonds with interest deferrable clause and early redeemable option (no collateral and subordinated corporate bonds)	#2 Unsecured corporate bonds with interest deferrable clause and early redeemable option (no collateral and subordinated corporate bonds)	#3 Unsecured corporate bonds with interest deferrable clause and early redeemable option (no collateral and subordinated corporate bonds)
Total amount of issue	70 billion yen	30 billion yen	100 billion yen
Initial interest rate	0.99% p.a.	1.09% p.a.	1.30% p.a.
Closing date	October 15, 2020		
Maturity date	October 15, 2080		
Early redemption	We may, at its discretion, redeem the Hybrid Bonds on any interest payment date on or after October 15, 2025*	We may, at its discretion, redeem the Hybrid Bonds on any interest payment date on or after October 15, 2027	We may, at its discretion, redeem the Hybrid Bonds on any interest payment date on or after October 15, 2030
Subordination	As to the payment of debt in the company's liquidation or other bankruptcy proceedings, the Hybrid Bonds shall be subordinated to the company's indebtedness and senior to common stock of the company		
Eligibility for equity treatment	The Hybrid Bonds are recognized as eligible for 50% equity treatment of the total issued amount by Rating and Investment Information, Inc. and Japan Credit Rating Agency, Ltd.		

*Redeemed early on October 15, 2025

- For historical trends in capital investment, cash flow, and power development plans, please refer to the “Financial Data Book 2025”.

Financial Data Book 2025

For the fiscal year ended March 31, 2025



Date of issue June 2025

Capital Expenditure (Consolidated)
 (Billions of Yen)

2023	2024
22.1	27.3
6.7	8.7
49.8	53.6
2.8	3.8
11.2	5.5
46.2	60.6
139	160
0.09	0.05
6.5	9.7
—	0.4
45.5	48.3
22.4	28.6
25.2	27.6
24.4	17.8
124	133
0.05	0.02
26.7	31
31	27.4
5.3	5.5
0.2	0.05
-6.4	-6.7
3,202	3,503


2023, but starting in 2024, they are presented separately as a new category.

Free Cash Flow (Consolidated)
 (Billions of Yen)

2022	2023	2024
3.4	257.8	30.5
0.5)	(320.8)	(328.8)
7.1)	(63.0)	(298.3)
		241.7
		73.0

2023, but starting in 2024, they are presented separately as a new category.

ROE, ROA and ROIC (Consolidated)



	2022	2023	2024
ROE	-9.2	22.6	13.6
ROA	-0.9	4.2	3.6
ROIC	-1.0	2.9	2.2

2022, but starting in 2024, they are presented separately as a new category.

For more information, please contact:

Investor Relations Group Corporate Strategy Division
KYUSHU ELECTRIC POWER CO.,INC.

TEL : +81 92 726 1575

Email: ir@kyuden.co.jp

URL : https://www.kyuden.co.jp/english_ir_index.html

Statements made in this overview of operations regarding Kyushu Electric Power's strategies and forecasts and other statements that are not historical facts are forward-looking statements based on management's assumptions and beliefs in light of information currently available, and should not be interpreted as promises or guarantees. Owing to various uncertainties, actual results may differ materially from these statements. Investors are hereby cautioned against making investment decisions solely on the basis of forward-looking statements contained herein.

