

Summary of Q&As at Investors Meeting for FY2025 2Q

Date and Time: 14:00 - 15:00 (JST) on Friday, November 14, 2025
Format: Hybrid meeting (In-Person and Online)
Presenter: **Kazuo Sakairi**, Corporate Vice President, Managing Executive Officer, Director, and Chief Financial Officer (CFO)
Junya Tawa, Corporate Vice President, Managing Executive Officer, and Chief Strategy Officer (CSO)

[Result for the 2Q of FY2025]

Question	Answer
Given the large amount of invested capital, the capital efficiency seems to be low. How does the management team evaluate the current situation?	<ul style="list-style-type: none">• Due to the increased upfront investments, the investment cash flow has exceeded the initial plans, and the returns expected to contribute to profits only at a later stage.• The management team continually recognizes challenges and will improve capital efficiency by implementing various measures including executing strategies such as selling North American IPPs as realizing project value
With respect to LNG procurement, are you aiming to outperform the 'Japan Liquefied Natural Gas Cocktail' (JLC) prices?	<ul style="list-style-type: none">• Not doing single-year JLC comparisons, we believe that evaluations should be done in the medium- to long-term and we recognize our mission achieved to supply electricity at an affordable price. It is also important for us to consider our role of supply and demand balancing across Japan.

[Forecasts for FY2025 and Beyond]

Question	Answer
What was the reason for raising the fuel business outlook in the FY2025 annual forecast?	<ul style="list-style-type: none">• The availability of Freeport has been high since the beginning of the term, and with expectations of increasing profits into the second half of the year, the fuel business outlook has been raised by 20 billion yen.
In the domestic thermal power generation and gas business segment, it appears that revenue has consistently underperformed due to	<ul style="list-style-type: none">• It is difficult to ascertain whether one-off factors will not occur again in the future. The expansion of renewable energy has led to more operational adjustments in thermal power generation than before. We are advancing measures for equipment maintenance and operational management for the

one-off factors since FY2023. How do you assess the risk of future downturns?	second half of 2025 under the assumption of no major outage.
To what extent have you currently been able to outline the forecast for the upcoming FY2026?	<ul style="list-style-type: none"> Currently, we prefer not to disclose specific earnings targets for FY2026. We aim to clearly present them once the forecast is fully prepared.
How do you envisage the pathway to achieving the 2035 profit target of 350 billion yen?	<ul style="list-style-type: none"> The profit target is susceptible to fluctuations from fuel costs and transient factors, making consistently stable annual growth realistically challenging. In actuality, there are phases where profits rise from investments and recoveries, and phases where they fluctuate due to external conditions. However, overall, we aim to steadily advance towards 350 billion yen.

[Progress of growth strategy]

Question	Answer
Can you share your views on capital raising?	<ul style="list-style-type: none"> In the 5 trillion yen investment plan towards 2035, the investments are funded by operating cash flow. We also recognize that capital increase is necessary to strengthen the balance sheet for maintaining credit ratings. However, it's crucial to prevent any decline in ROE.
What is the status of the PPA for FY2026 and beyond?	<ul style="list-style-type: none"> We recognize that we have achieved our sales target level while conducting non-discriminatory electricity wholesale.
You announced participation in US shale gas development and production. Can you tell us about the purpose of the investments (profit contribution and risk hedging)?	<ul style="list-style-type: none"> Our decision regarding this deal was made with consideration for its natural hedging function, anticipating a phase of rising LNG procurement costs linked to the Henry Hub in North America. The investment target is an asset already producing gas, with a system allowing the operations team to continue, thus we believe that this project risk is relatively low.
JERA Nex bp has been launched. Can you evaluate the progress so far and provide future prospects? Will JERA lead the domestic offshore	<ul style="list-style-type: none"> Since the establishment of JERA Nex bp just over three months ago, it is too soon for an evaluation. We seek to gradually demonstrate our capabilities, rather than changing dramatically all at once. For offshore wind power in Japan, "JERA NEX bp Japan" was established under JERA Nex bp. Our domestic team handles regional issues and project

wind power project as a domestic initiative?	promotion, collaborating with the global head for joint operations.
What are the management's expectations for JERA Cross?	<ul style="list-style-type: none"> • JERA Cross aims to offer consulting functions for customers' energy transition strategies and energy management services all under one company. In the future, we see the company as a key platform for expanding our green power sales channels and supporting customer decarbonization, considered of great importance.
How does JERA assess the impact of the retail electricity providers' obligation to secure quantitative supply capacity and the new medium- to long-term trading market on its Domestic Power Generation business?	<ul style="list-style-type: none"> • The obligation for retail electricity providers to secure quantitative supply capacity is ultimately regarded as a system reform that protects consumers in Japan. • Regarding the long-term decarbonization power source auction, due to the differing risk-reward profiles of each power source type, meticulous attentions for each are necessary.
What are your thoughts on the impact of the GX-ETS (Emissions Trading System) on LNG-fired power generation?	<ul style="list-style-type: none"> • Our LNG thermal power plants have a relatively low emission coefficient and maintains competitiveness within the thermal power generation. However, from 2033 onward, the competition between power sources, like thermal power, nuclear, and renewable energy, will enter a full-scale phase, making competitiveness maintenance strategies crucial.

Forward-Looking Statements

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