

The JERA logo is displayed in a white, stylized font against a blue background. The letters are bold and modern, with the 'J' and 'R' having a distinctive shape.

Energy for a New Era

# Regular Press Conference Briefing Materials First Half of FY 2026

June 24th, 2026

JERA Co., Inc.

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**Part 1:**

**Navigating a Changing Business Environment:  
Delivering JERA's Growth Strategy**



Energy for a New Era

## JERA's Journey in Numbers

- Over the past decade, JERA has established one of Japan's largest power generation platforms, underpinning a stable electricity supply.

- JERA has built one of the world's largest LNG value chains, integrating from fuel procurement to power generation.

- Today, JERA is building a new growth platform for a low-carbon future, centered on ammonia and renewable energy.

### Supporting Reliable Electricity Supply Through One of Japan's Largest Power Generation Platforms

Generating approx.

# 30%

of Japan's Electricity Consumption



Approx. **11.3GW**

of New Capacity Development in Japan (including approx. 4GW under development)

Maintaining Ageing Thermal Power Assets Through Advanced Maintenance

### Built One of the World's Largest LNG Value Chains

Annual LNG Handling Volume

Approx.

# 35~40 MTPA

LNG Sourced from

# 16 Countries

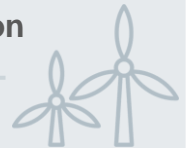


### Building a New Growth Platform for a Low-Carbon Future

JERA Nex bp

Top **5**

Global Player in Offshore Wind Development, Ownership, and Operation



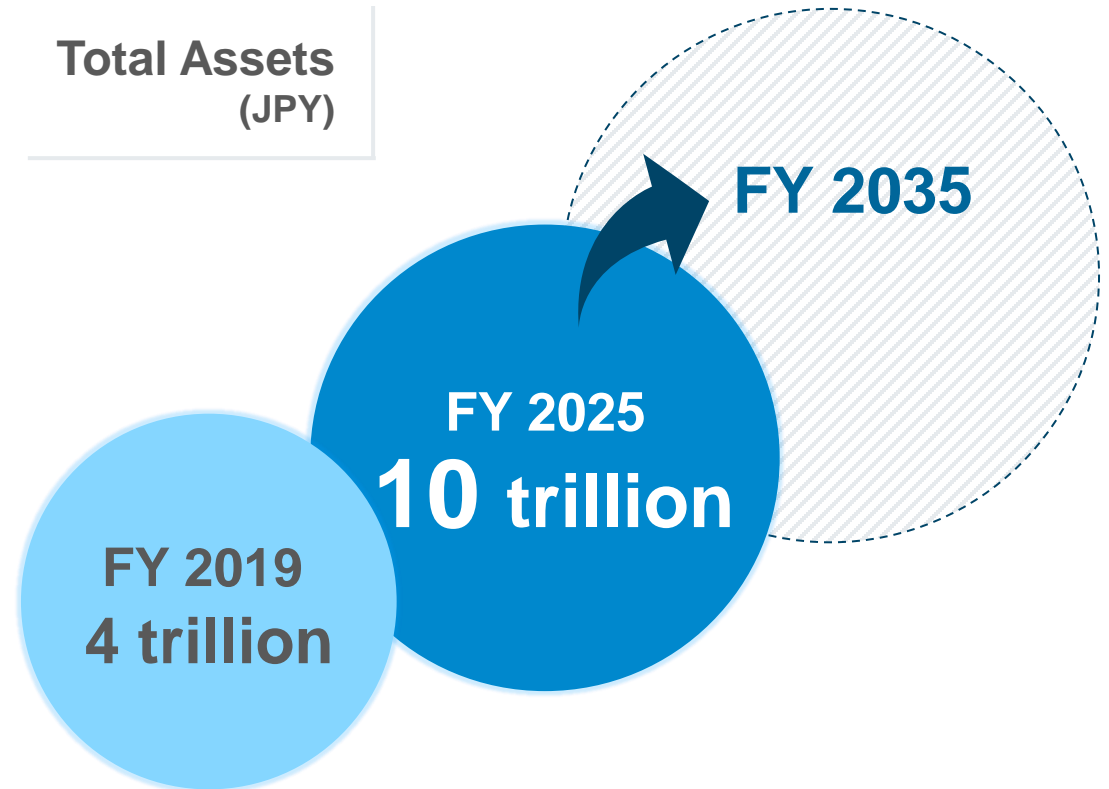
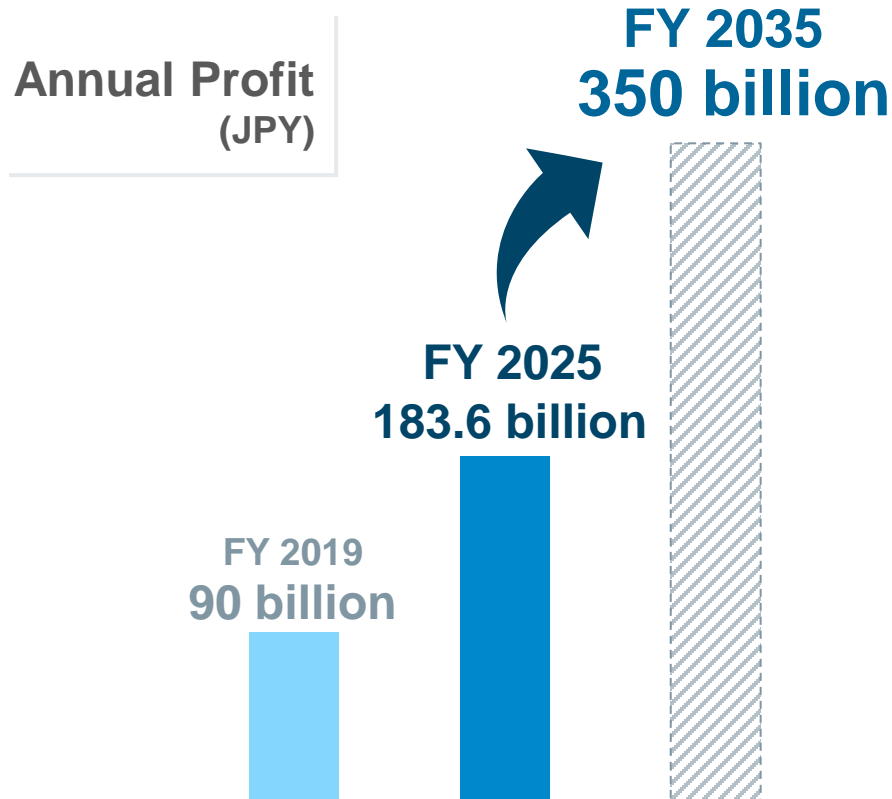
Achieved **20%**

Fuel Ammonia Substitution at a Commercial Scale Coal-fired Power Plant

## Navigating a Changing Business Environment: Delivering JERA's Growth Strategy

# Diversifying and Strengthening the Business Portfolio to Deliver JERA's Mission

- Established JERA in 2015.
- Completed the integration of TEPCO's and Chubu Electric's overseas power generation, fuel, and thermal power businesses in 2019 through a three-step process.
- Established LNG, renewable energy, and hydrogen/ammonia as three strategic pillars, while expanding into new thermal power generation, LNG trading, offshore wind, and LNG upstream investments.
- Plans to invest 5 trillion JPY between FY2024 and 2035, with investment allocation flexibly adjusted in response to changes in the business environment.



# Expanding Growth Opportunities in an Era of Uncertainty

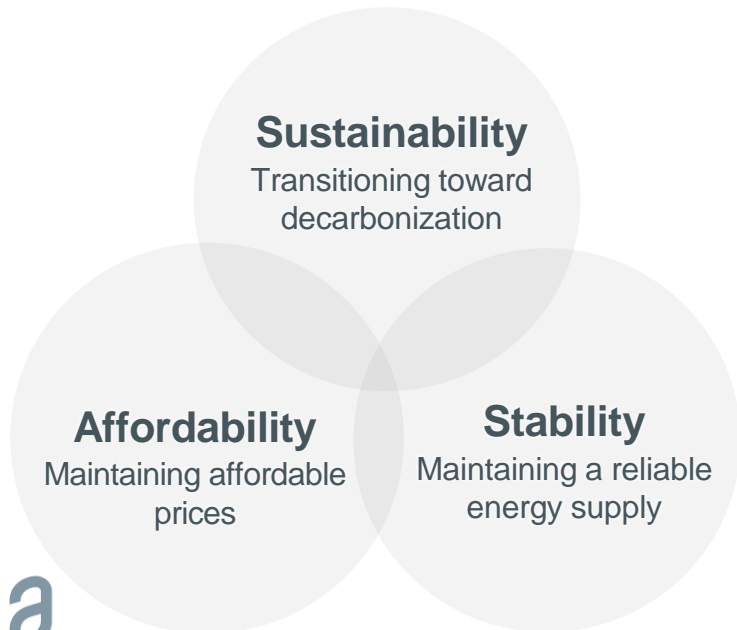
- Addressing uncertainty while delivering and implementing practical solutions to the energy trilemma is both JERA's mission and a key growth opportunity.

- By addressing geopolitical risks, demand volatility and rising costs, JERA is pursuing both stable energy supply and growth through LNG procurement diversification, value chain strengthening, data center power solutions and decarbonization businesses.

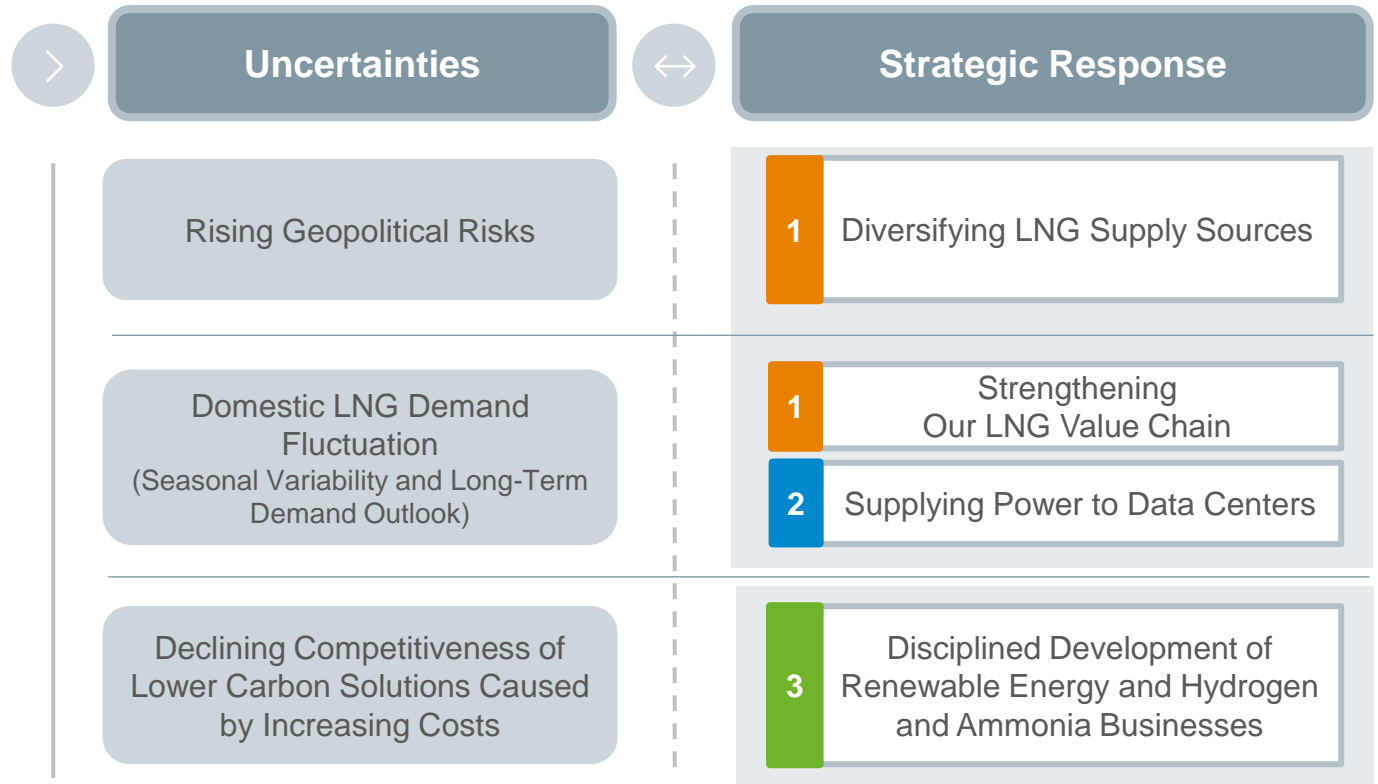
## JERA's Mission

To Provide Cutting-edge Solutions to the World's Energy Issues

## The Energy Trilemma



## Key Uncertainties Facing JERA and Our Strategic Responses



# Navigating a Changing Business Environment: Delivering JERA's Growth Strategy

## Characteristics of LNG and JERA's Strategic Response

- LNG markets are highly sensitive to regional supply-demand imbalances and price differentials, with market conditions significantly affected by geopolitical events, operational disruptions and weather conditions.

- To manage this uncertainty, while ensuring stable supply based on long-term contracts, we will strengthen our integrated optimization across the entire value chain of procurement, transportation, inventory, terminal operations and sales.
- Responding with flexibility to changes in demand and prices while balancing security of supply and economic efficiency.

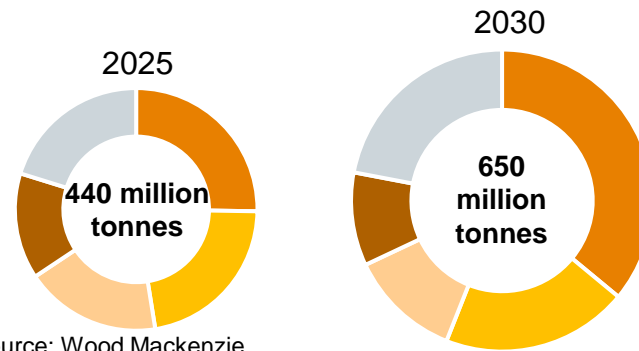
### Characteristics of LNG

LNG prices are highly volatile, with **geopolitical disruptions often triggering sharp increases in spot prices**. This reflects both the global dispersion of major production and consumption centers and LNG-specific constraints, including limited storage flexibility.

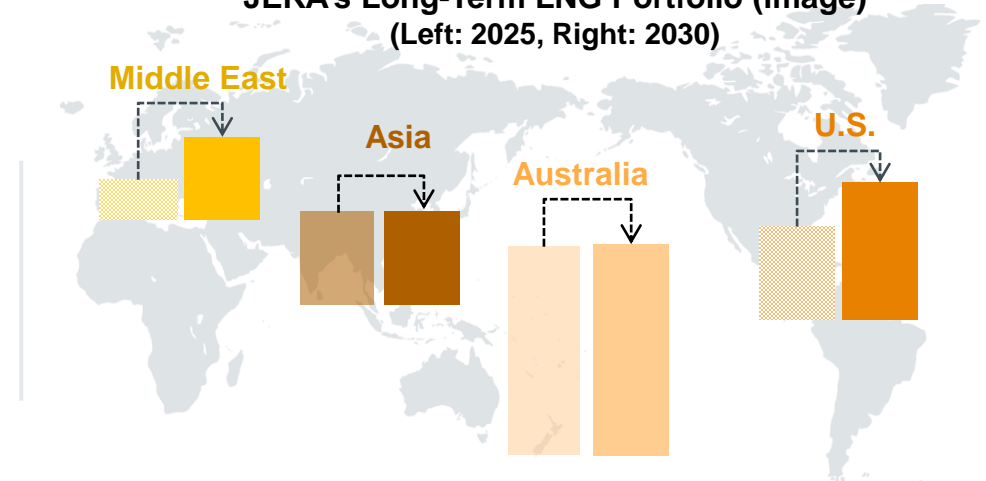
Approx. 80% of LNG transaction falls under long-term contracts with fixed monthly delivery every for 15-20 years. (Take-or-Pay obligation) Given seasonal demand swings and uncertainty in long-term demand outlooks, **strong capabilities in procurement, sales and inventory management** are essential.

### Strategic Response: Diversifying our Procurement Portfolio

#### Global LNG Supply Volume



#### JERA's Long-Term LNG Portfolio (image) (Left: 2025, Right: 2030)



### Strategic Response: Strengthening the LNG Value Chain and Increasing Optionality



Stable procurement anchored by long-term contracts, supported by FOB agreements and a fleet of 28 LNG vessels (incl. under construction), enabling flexible redirection of cargoes.

Expand procurement options through terminal operations capable of handling a wide range of LNG specifications

Strengthen the ability to market surplus LNG flexibly through a diversified customer portfolio

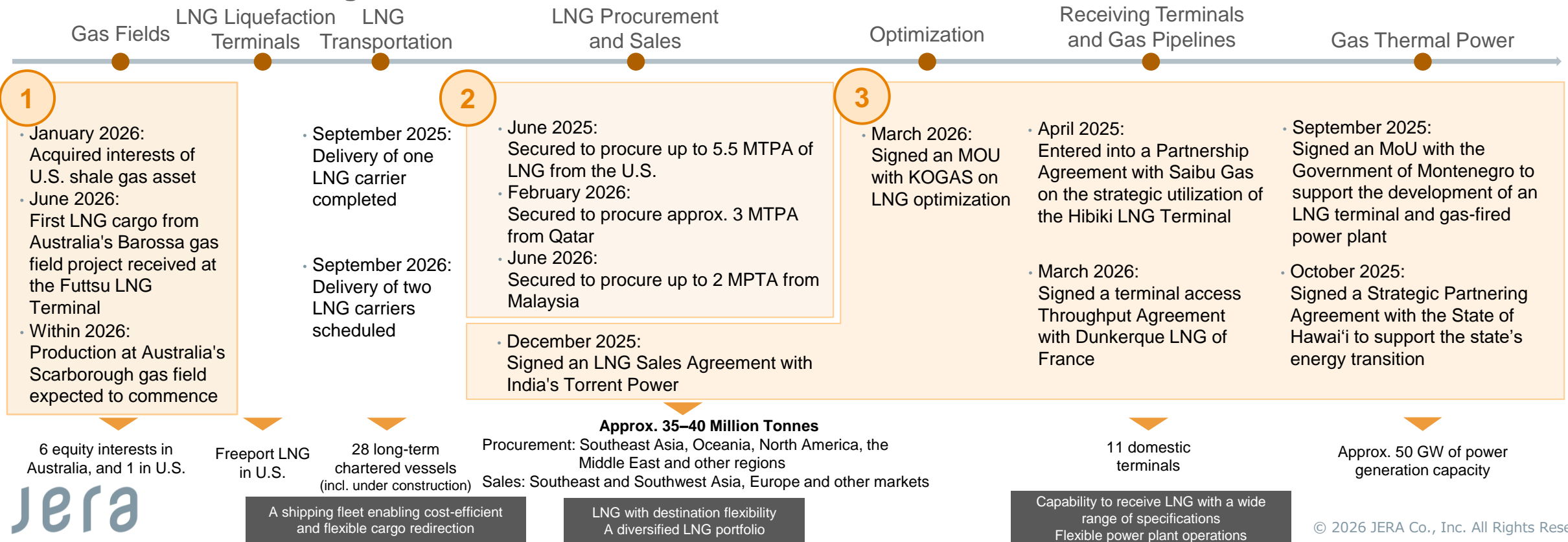
**Ensuring Stable Supply while Optimizing LNG Flows in Response to Supply-demand and Price Fluctuations Through Trading Capabilities**



# Initiatives to Strengthen the LNG Value Chain

- 1 Upstream Investments**
  - Strengthening resilience across the LNG value chain through the acquisition of U.S. shale gas asset interests
- 2 Securing Long-Term Contracts**
  - Following the U.S. agreements last year, JERA has secured long-term LNG supplies from Qatar and Malaysia
  - Building a diversified LNG portfolio that enables stable and cost-effective procurement, even during periods of market disruption
- 3 Portfolio Diversification**
  - Enhancing flexibility to respond to demand fluctuations by expanding LNG flows across the portfolio
  - Optimizing LNG globally to ensure stable delivery of the right volumes to Japan, when and where they are needed

## Recent Initiatives to Strengthen the LNG Value Chain



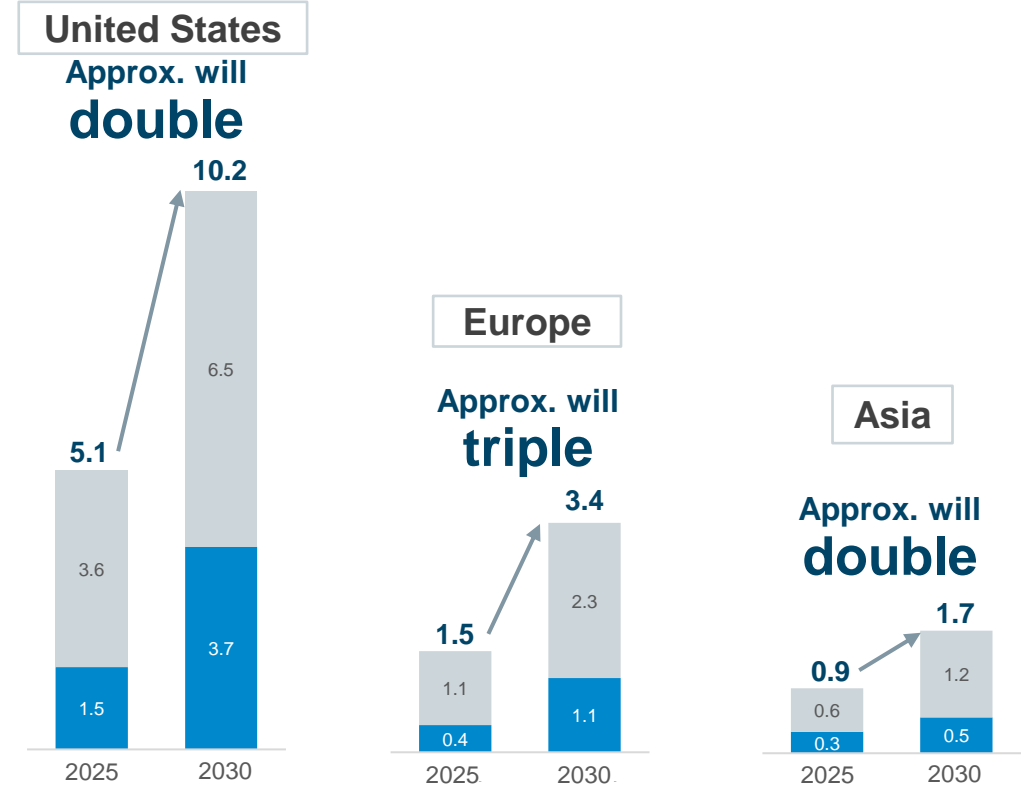
# Data Centers: Market Trends and JERA's Approach

- AI training and inference are the primary drivers of data center(DC) demand growth, increasing the need for large-scale facilities capable of hosting power-intensive AI servers.

- Leveraging sites adjacent to its power plants and its network of local governments and business partners, JERA is advancing a power-adjacent data center cluster model.

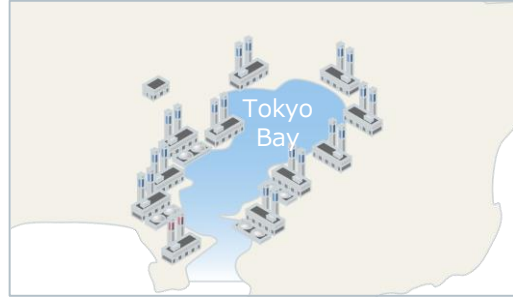
## DC Demand Expected to Grow Globally (DC Demand Trends: GW)

AI Workloads Non-AI Workloads



## JERA is Advancing Collaboration with Multiple Players

JERA's Thermal Power Plants Along Tokyo Bay



Our Thermal Power Plant (Aerial View)



- In October 2025, **JERA signed an MoU with the City of Yokohama** to advance the development of data centers within its thermal power plant site in the Port of Yokohama waterfront area. JERA is also engaging with the government to align with policy objectives, eligibility for investment tax incentives, and application requirements and timelines.
- Amid lengthy grid connection lead times, **multiple companies have expressed strong interest in long-term power purchases through a direct supply model**, including:
  - Exploring the development of a new on-site data center with a domestic IT infrastructure company
  - Discussing power supply arrangements for data centers with a global cloud service provider
- In the **United States, Europe and Asia**, as a power producer, JERA is **exploring solutions to meet hyperscale's' near-term power demand.**



# Renewable Energy: Building Decarbonization Solutions for the Long Term

- While current market conditions remain challenging, renewable energy is increasingly recognized as a critical power source not only for decarbonization, but also for energy security and stable supply.

- With a long-term perspective, JERA will position renewable energy as a core decarbonization solution and build organizational capabilities through disciplined execution and collaboration both within and beyond the JERA Group.

## Offshore Wind

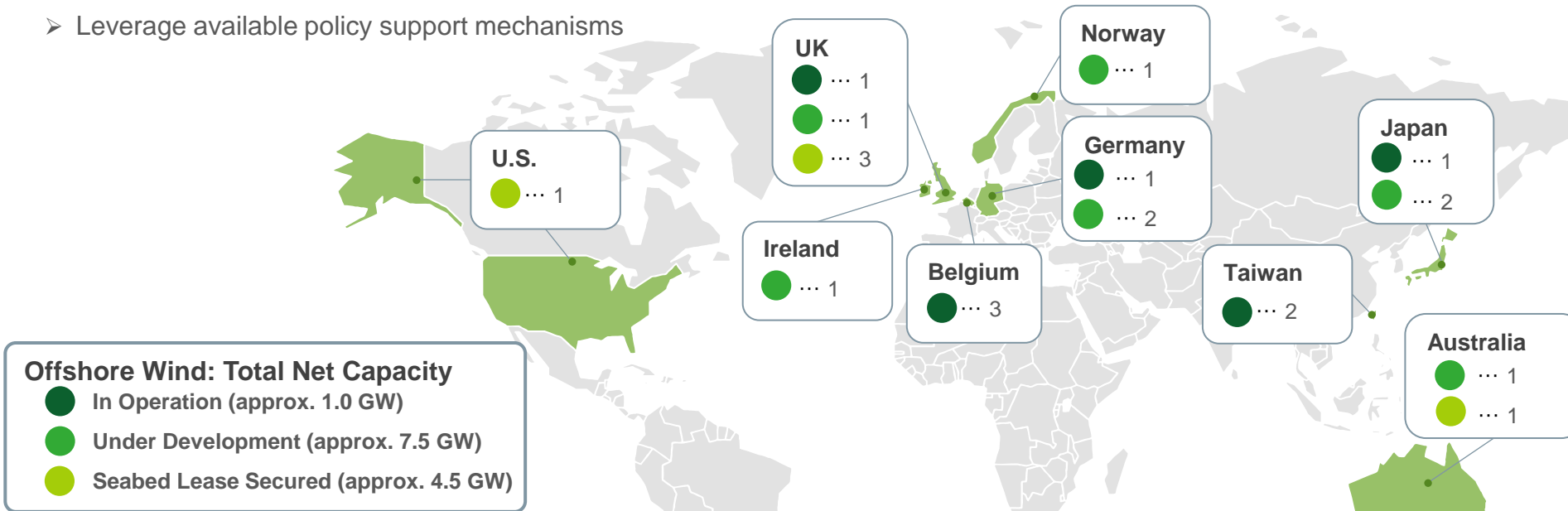
**Position JERA Nex bp as the core offshore wind business while ensuring a diversified range of solutions**

- Maintain disciplined investment practices
- Deliver projects reliably across domestic and international markets
- Combine the development and operational expertise of both JERA and bp
- Leverage available policy support mechanisms

## Solar and Battery Storage

**Creating new business opportunities and demand through Group-wide collaboration**

- JERA Cross × Solar & battery storage = Supporting partners' GX initiatives
- Japan thermal power operations × Battery storage = More efficient utilization and extended life of existing thermal assets



# Initiatives to Strengthen the Hydrogen and Ammonia Chain

1

## Ammonia Production

- Securing upstream interests in fuel ammonia through investments in a blue ammonia production project
- Building a stable and competitive supply base by participating in value chain development from the production stage, in anticipation of growing future demand.

2

## Transportation

- Securing long-term vessel charter agreements to support the stable, long-term procurement of fuel ammonia
- Developing an ammonia transportation network linking production centers with demand markets

3

## Multi-Purpose Offtake Strategy

- Aggregating demand across multiple applications, including power generation, marine fuel and manufacturing, to accelerate fuel ammonia market development and strengthen the supply chain
- Contributing to improved economics, operational efficiency and security of supply for fuel ammonia

Hydrogen and Ammonia Production

Ammonia Transportation

Ammonia Storage Tank

Utilization of Hydrogen and Ammonia

(to the users around the world)

1

- April 2025  
Final investment decision made for one the of the world's largest blue ammonia production project in Louisiana, U.S. (Blue Point)



Digital rendering of the Blue Point Project for illustrative purposes only (Credits: CF Industries)

Upstream Investments: 4 projects

2

- June 2026  
Time charter agreement in place for 4 ammonia transportation vessels.



Credits: NYK

Credits: MOL

Image of Fuel Ammonia Carriers

Building an ammonia transportation fleet: 4 vessels

3

- June 2024  
Success of 20% fuel ammonia substitution demonstration test at Hekinan Thermal Power Station. Construction of the ammonia receiving terminal for the commercial operation on track.
- July 2024  
World's first Truck to Ship fuel ammonia loading to an ammonia fueled tug-boat
- October 2023  
Started discussions to supply ammonia to hard to abate industrial users

Certified for the Hub Development Support Scheme



December 2025: Certified as a Low-Carbon Hydrogen and Derivatives Supplier under Japan's Price-Gas Support Scheme

# **Part 2:**

# **Organizational Transformation to Strengthen Competitiveness and Deliver JERA's Growth Strategy**

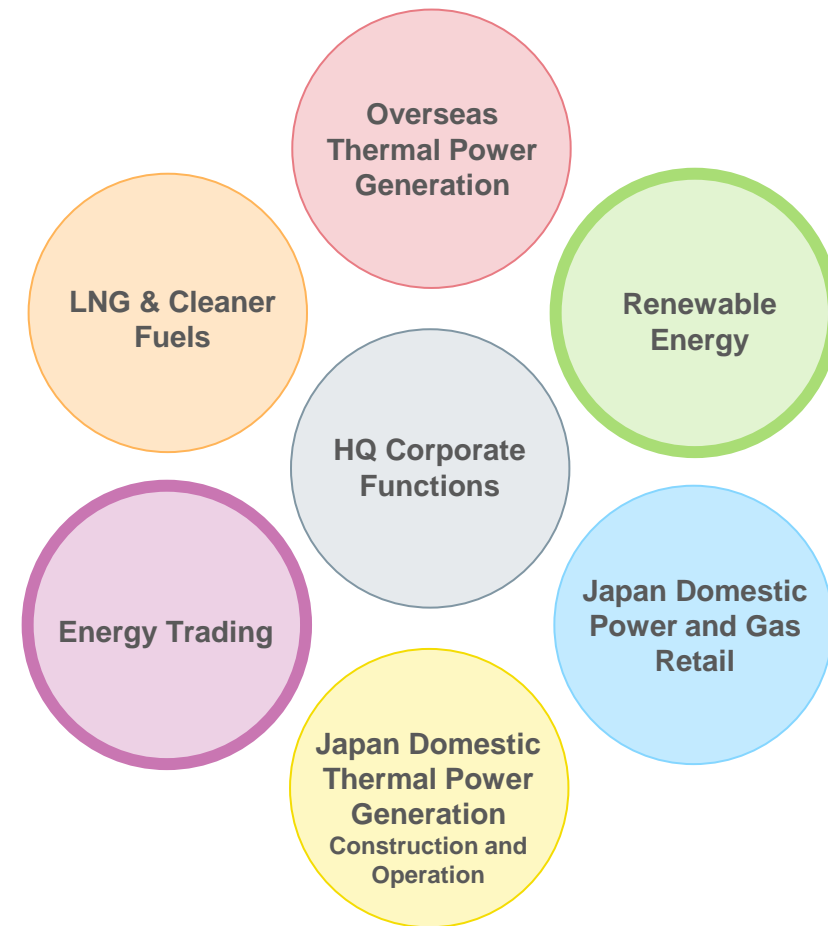
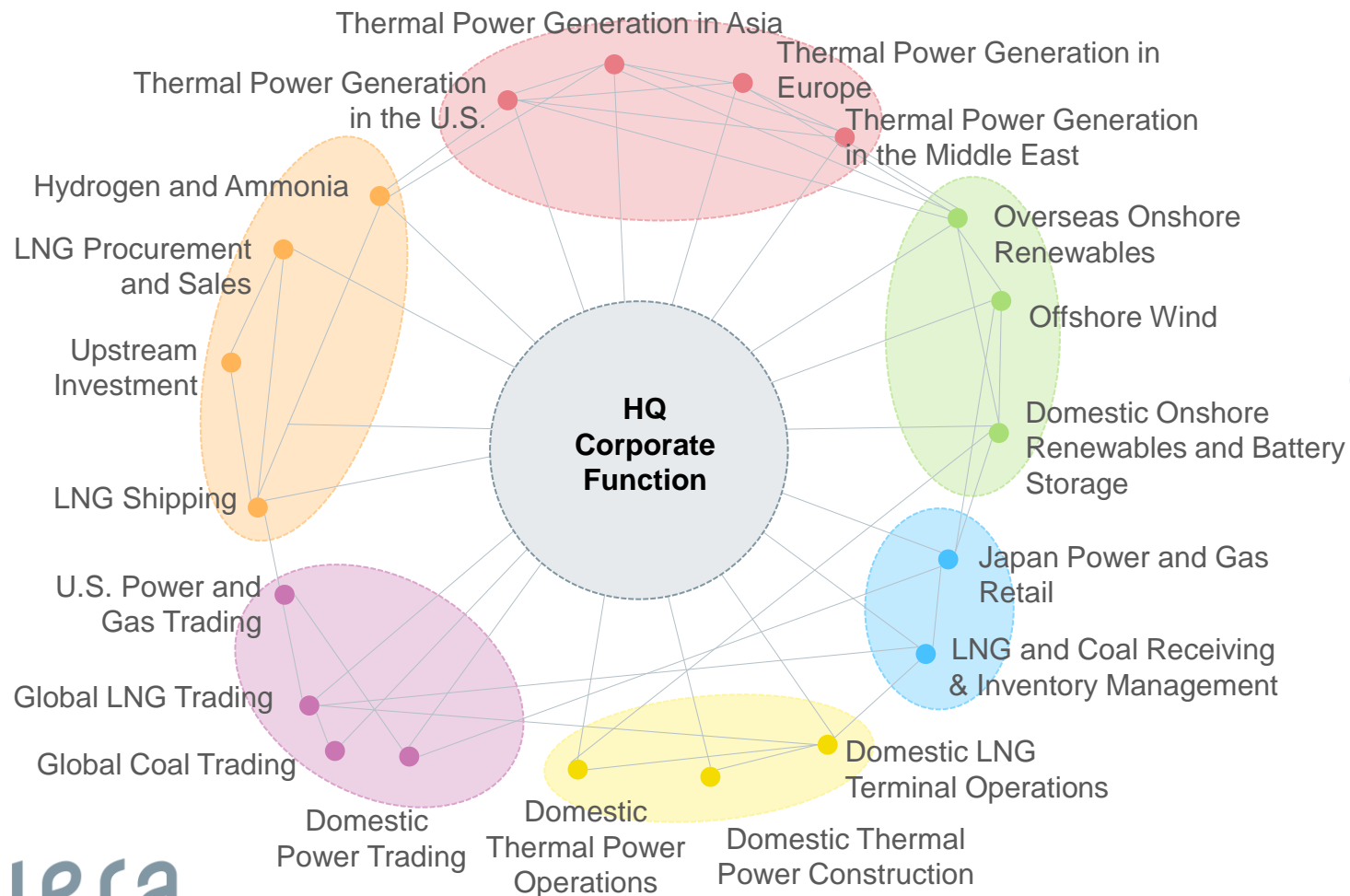
Organizational Transformation to Strengthen Competitiveness and Deliver JERA's Growth Strategy

# Restructure the Diverse Business Portfolio for Greater Visibility into Roles and Contributions

Business Diversification and Increasing Complexity Have Made Timely, Expert Decision-Making More Challenging

Reorganize Businesses by Function to Clarify Responsibilities and Decision-making Authority

## Overview of our Business



# Organizational Transformation to Strengthen Competitiveness and Deliver JERA's Growth Strategy

## Reshaping the Business Structure to Clarify Accountability and Define Growth Ambitions

- Building on its foundation of stable domestic thermal power operations, JERA has expanded into LNG and cleaner fuels, overseas power generation, renewable energy and other business areas.

- By deepening expertise within each business, JERA aims to grow each business into a globally competitive company in its respective field.

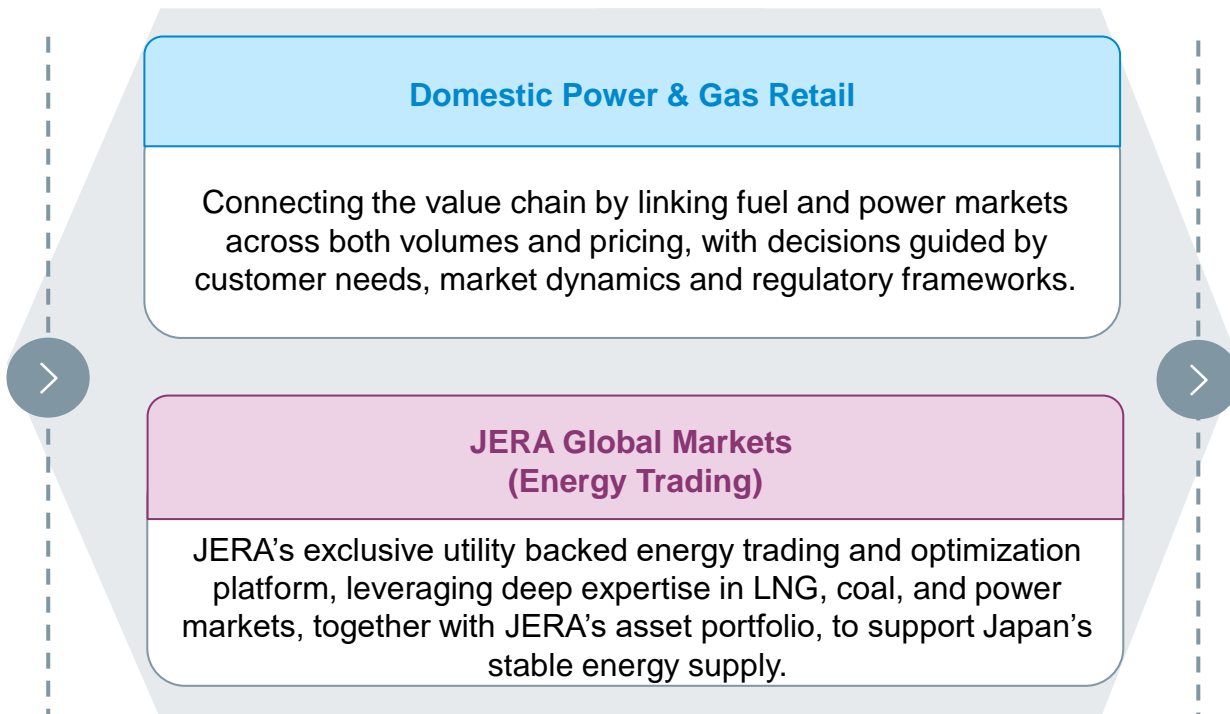
- At the same time, rather than remaining focused on optimizing individual businesses, we integrate fuel procurement, power generation, renewable energy and energy trading across the Group, enabling JERA Group to deliver both its societal mission and financial targets.
- In doing so, we deliver JERA's mission of providing cutting-edge solutions.

### Upstream Investments and Transportation

**LNG & Cleaner Fuels**

A Global Leader in LNG and Cleaner Fuels

### Connecting the Value Chain Market Participation & Supply-Demand Optimization



### Power Generation

**Domestic Thermal Power Generation**

Among the world's most efficient and reliable power generation operators

**Overseas Thermal Power Generation**

A competitive and reliable thermal power generation operator in global markets

**JERA Nex (Renewable Energy)**

A global player leading the energy transition with renewable energy

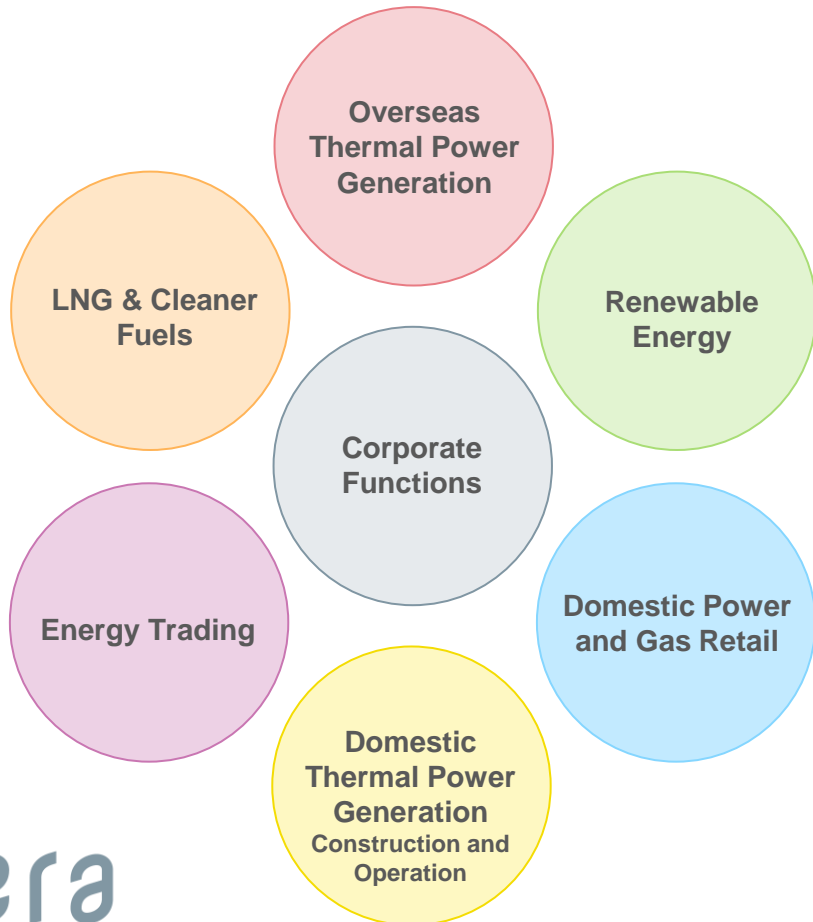


# JERA Core Value

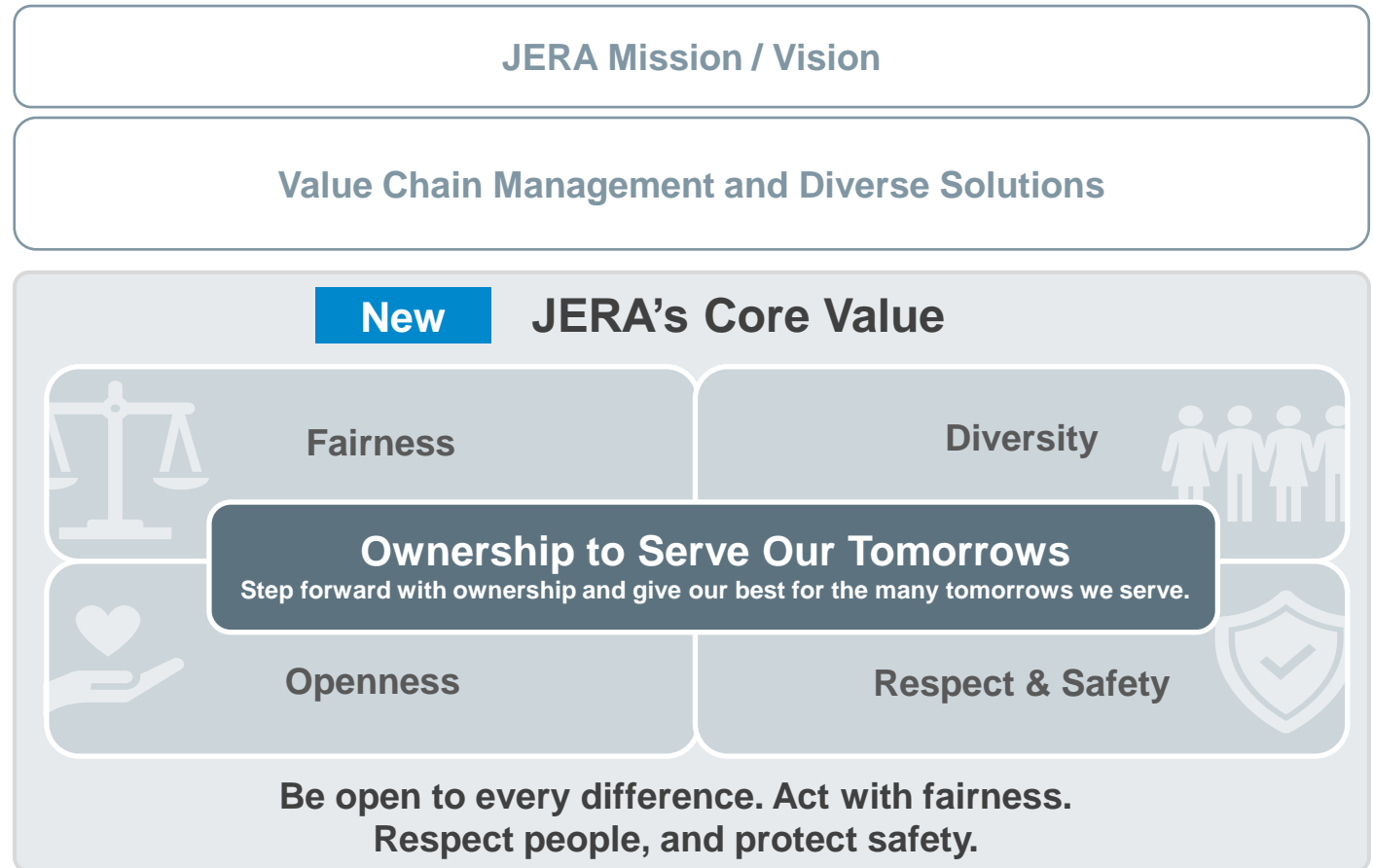
- At JERA, we aspire to help solve the world's energy issues, one by one, and contribute to sustainable growth and development.

- As the Group management continues to evolve, we have established the JERA Core Value—the four principles that every JERA Group employee holds most important.

## JERA's 6 Businesses



## A Common Foundation Across JERA's 6 Businesses



## **Part 3:**

# **Establishing a Resilient Power Supply-Demand Framework for an Era of Uncertainty**

# Establishing a Resilient Power Supply-Demand Framework for an Era of Uncertainty

## Diversification of the Power Generation Mix and Fuel Procurement Sources Has Reduced Dependence on the Middle East

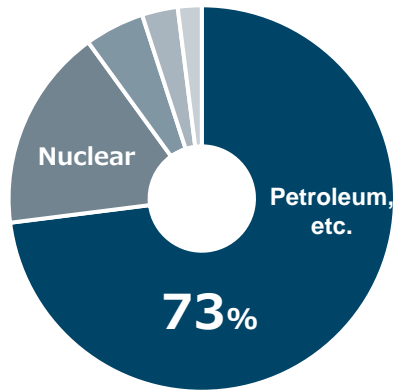
- Following the First Oil Crisis in 1973, Japan significantly diversified its power generation mix and fuel procurement sources. Through the expansion and geographic diversification of LNG and coal supply chains, the country has systematically reduced geopolitical risks.
- As a result, dependence on the Middle East for domestic power generation is now extremely low.

- Following the U.S. and Israeli strikes on Iran, alternative LNG procurement measures were implemented to maintain adequate inventory levels.
- No disruptions to stable electricity supply are expected this summer.

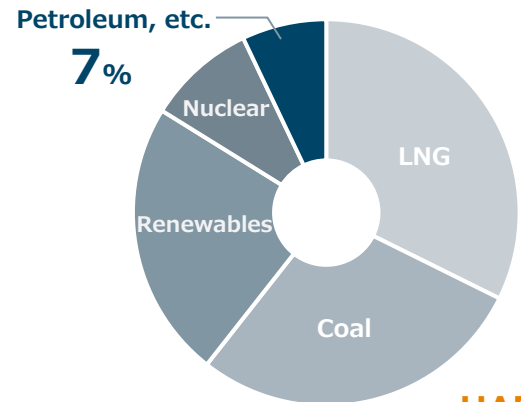
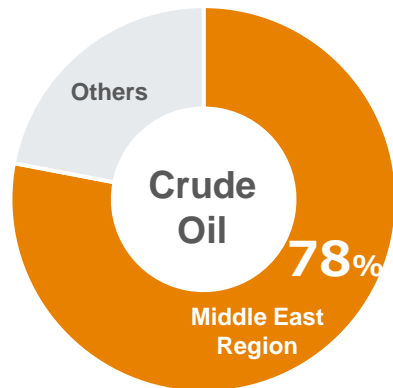
### 1973 (First Oil Crisis)

### Now (Note 1)

Japan's Power Generation Mix (kWh basis)

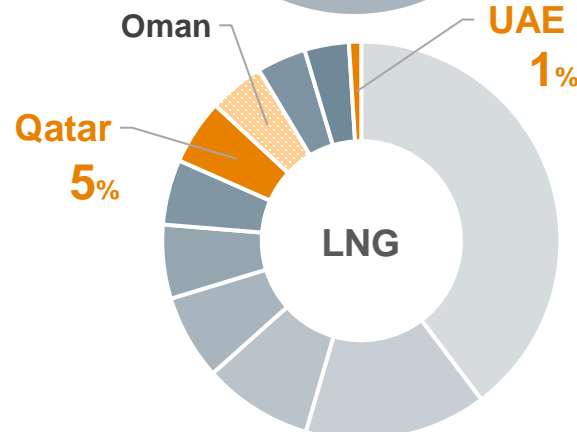


Middle East Share of Japan's Fuel Supply



- LNG 32%
- Coal 28%
- Renewables 23%
- Nuclear 9%
- Petroleum, etc. 7%

**(Note 1)** Power generation mix based on electricity generated (kWh) in FY2024 & LNG import volumes for 2025. Prepared by JERA based on materials published by Agency for Natural Resources and Energy (ANRE), METI

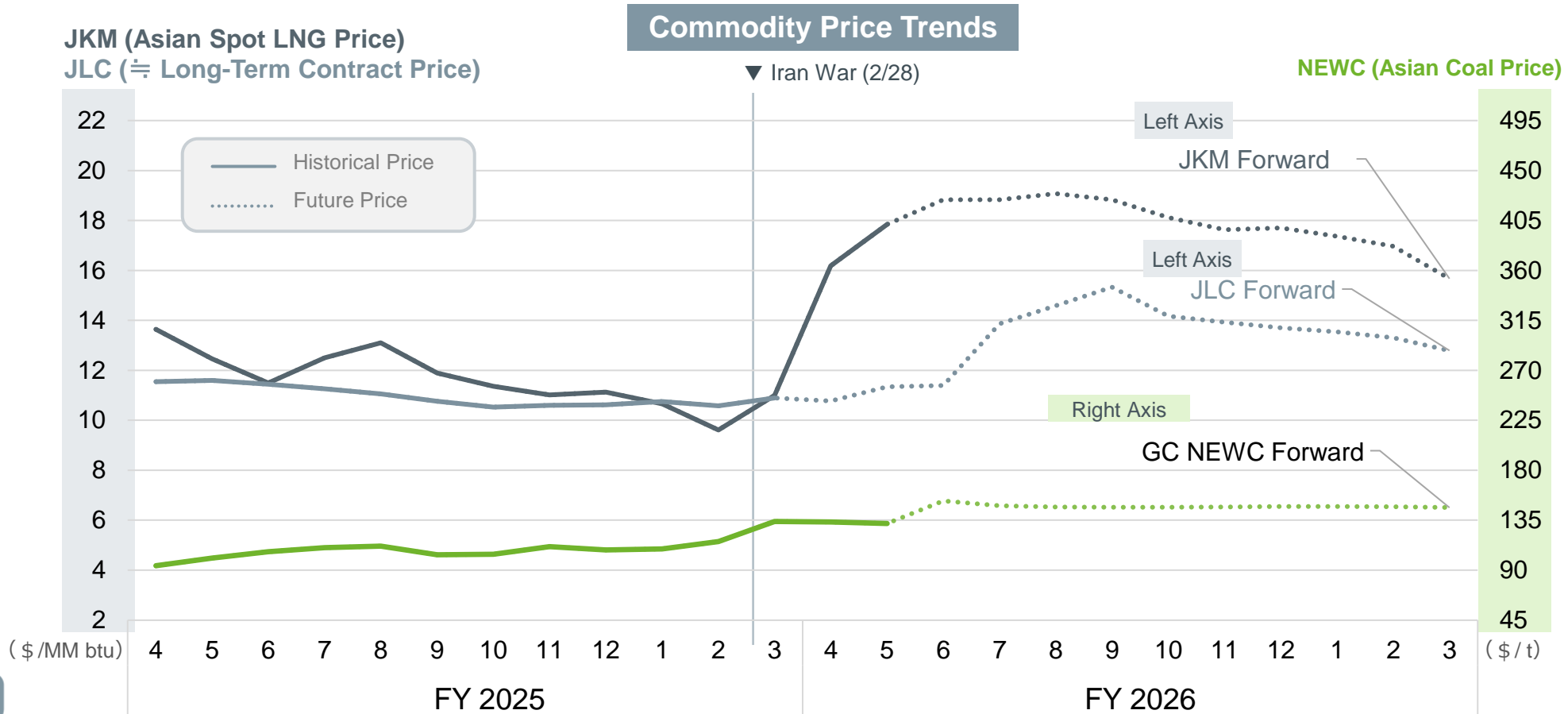


- **In 1973, approx. 78% of Japan's crude oil supply depended on the Middle East.**
- As Japan diversified its power generation mix and fuel procurement, now, only **approx. 6% of LNG imports used for thermal power generation transit the Strait of Hormuz (approx. 5% for JERA).**
- **Dependence on the Middle East for coal supply is 0%.**

# Need for Strategic Responses to Address Persistently High Commodity Prices

- While no near-term disruption to electricity supply and demand is expected, rising LNG prices are expected to be reflected in electricity and gas tariffs from this summer onward.

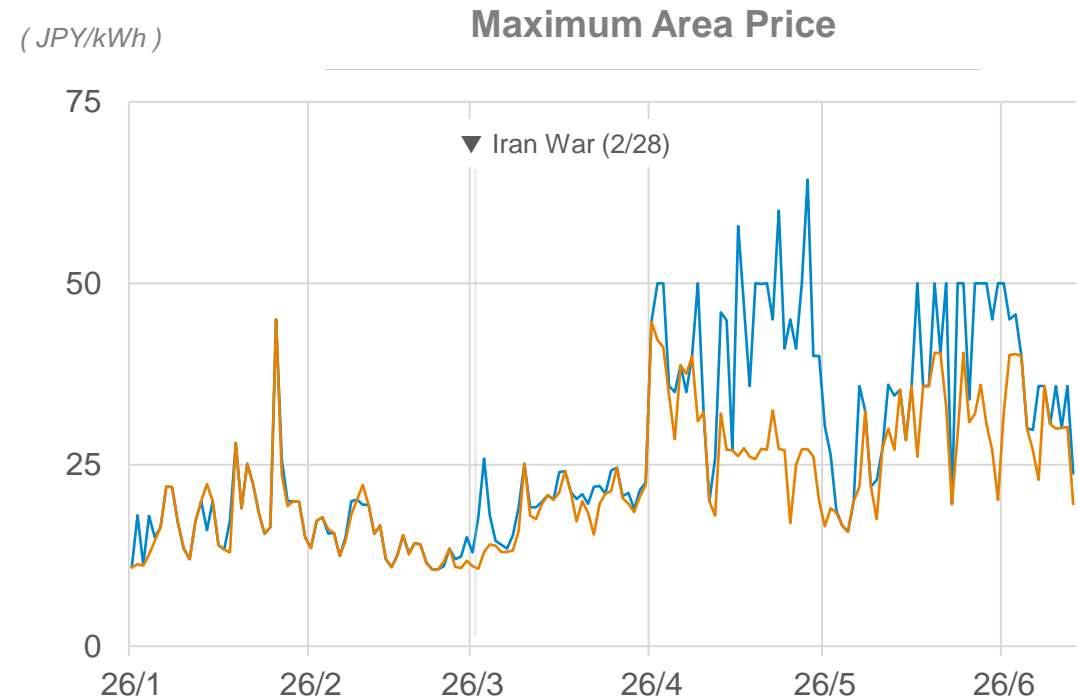
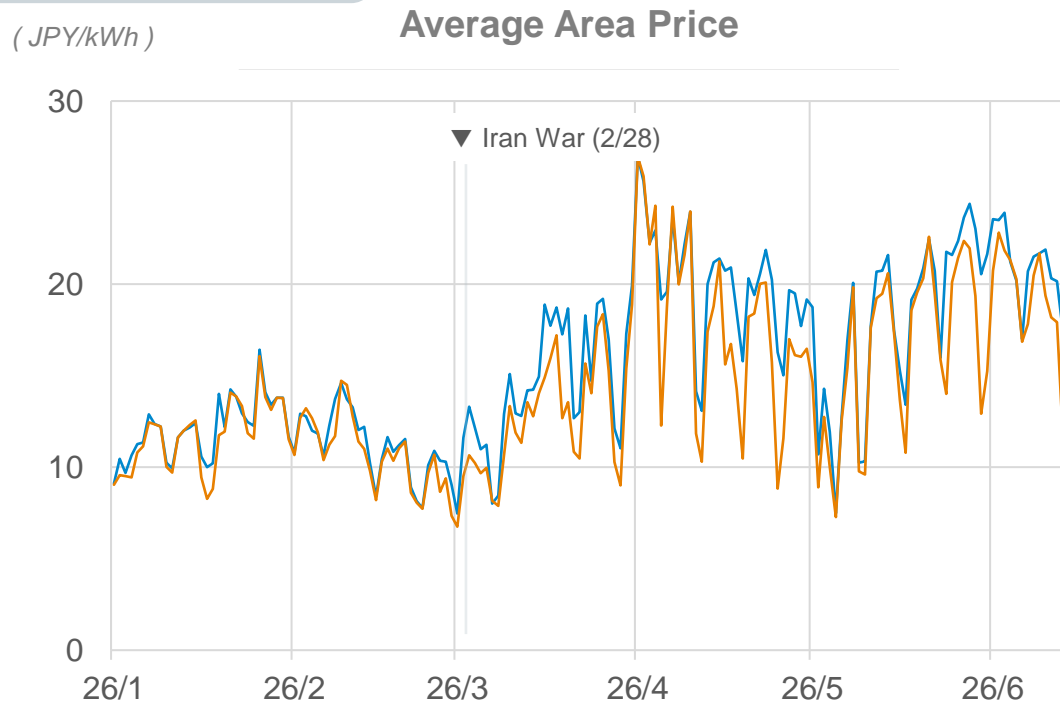
- Even after the ceasefire agreement, restoration of damaged LNG supply infrastructure is expected to take several years, keeping LNG markets tight and increasing the likelihood of elevated spot prices.
- In addition to maintaining a stable energy supply, the public and private sectors must work together on measures that prioritize reducing the cost burden on customers.



## Reference: Electricity Spot Price Trends

- Rising spot LNG prices put upward pressure on electricity spot prices.
- Price spikes have been particularly pronounced during peak demand periods, as heightened buyer concerns have further driven up area prices.
- To help hedge the risk of spot price spikes during peak and evening demand periods, JERA has developed an emergency option product, scheduled for launch on July 1 this year.

— Tokyo  
— Chubu Region



## Establishing a Resilient Power Supply-Demand Framework for an Era of Uncertainty

# Reducing Reliance on Spot LNG Procurement Is Key to Minimizing the Burden on Customers

- At the 4th Public-Private Liaison Meeting on Power and Gas Supply-Demand and LNG Procurement held on March 10, recommendations were presented on strengthening public-private and industry-wide coordination during emergencies to ensure the stable supply of electricity.
- All three recommendations are designed to reduce reliance on spot LNG procurement.

- Reducing spot LNG purchases during peak demand periods (summer and winter) can help mitigate customer costs by limiting exposure to highly volatile LNG prices.

## Key Recommendations from the Public-Private Liaison Meeting

### ① Sharing Inventory Information and Cooperation Among Industry Participants

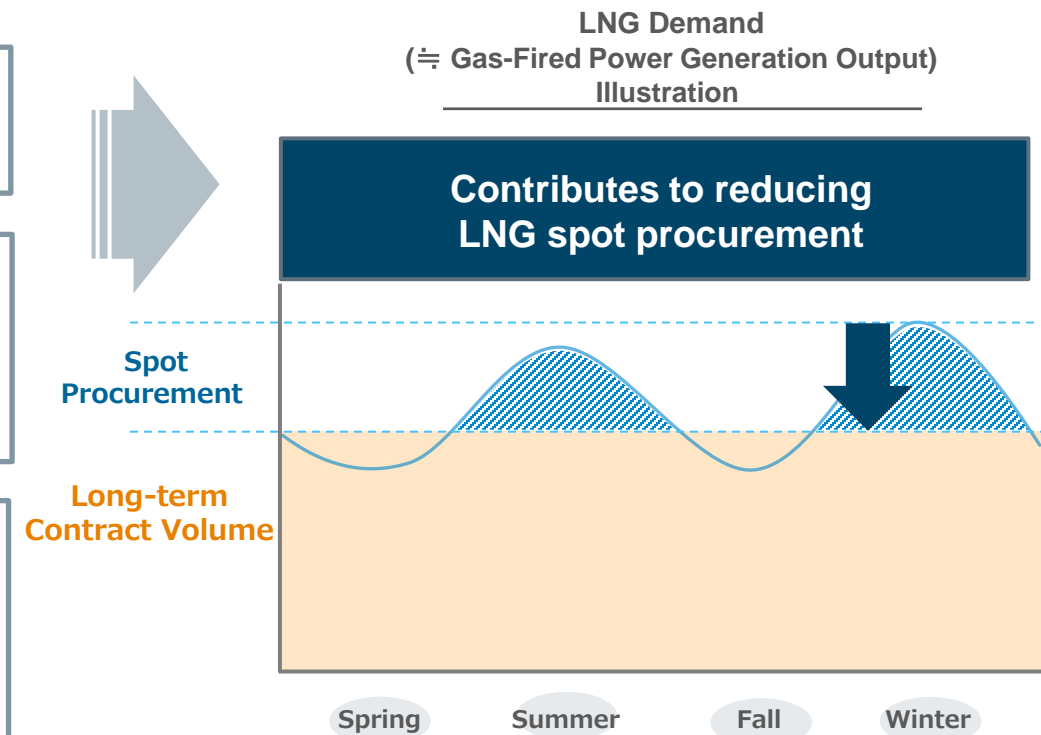
- Share fuel procurement and inventory information among industry participants and cooperate to secure fuel supplies.

### ② Maximizing the Use of Coal-Fired Power Generation in Emergencies

- Flexibly review power plant operations in response to increasingly challenging LNG procurement conditions.  
(On April 3, it was decided that output curtailment measures for coal-fired power plants in the capacity market would not be applied for FY2026.)

### ③ Promoting Behavioral Change Through Market Signals

- Improve the reflection of fuel market developments in electricity market prices to provide customers with a clear signal of the severity of current market conditions.
- Encourage reasonable energy-saving measures and other behavioral changes to help mitigate customers' cost burden



## Establishing a Reliable Power Supply-Demand Framework in an Era of Uncertainty

# Reducing Customer Costs Through Strategic Use of Coal-Fired Generation in Response to Energy Market Conditions

- Strategic deployment of coal-fired generation, which is less exposed to geopolitical risks, across both normal and emergency conditions can enhance national energy resilience during crises.
- At the same time, efforts to decarbonize coal-fired generation will continue steadily through fuel switching from coal to ammonia and the deployment of CCS technologies.

- To pass on the cost benefits of coal-fired generation during emergencies to customers, coal-fired PPAs must be secured with retailers in advance. (These benefits are unlikely to reach customers through wholesale market sales.)
- Considering the resale of long-term PPAs, that includes coal-fired power, as early as this summer.

### Flexible Utilization of Coal-fired Generation

Normal  
Conditions

#### Reduce Output to Lower CO<sub>2</sub> Emissions

Reduce coal-fired generation, particularly during periods of lower power demand (spring and fall), to lower CO<sub>2</sub> emissions.

Emergency  
Conditions

#### Increase Utilization of Coal-fired Generation to Reduce Customer Costs

Increase the use of coal-fired generation, which is more cost competitive than LNG-fired generation, to reduce spot LNG procurement and help alleviate customer costs.

### Estimated Impact on Japan's Energy Costs

With LNG-fired generation alone during the emergency condition, the total generation cost would be 16 trillion JPY.

**To maintain and steadily decarbonize the geopolitical resilient coal-fired generation will continue to reduce the customer cost.**

Only LNG-fired Generation

16 trillion JPY

Reduction of  
3 trillion JPY

LNG and Coal-fired Generation

13 trillion JPY

(Conditions for estimation)

Normal Conditions: LNG long-term contract price 16 JPY/kWh, LNG spot price 15 JPY/kWh, Coal 7 JPY/kWh

Emergency Conditions: LNG long-term contract price 25 JPY/kWh, LNG spot price 53 JPY/kWh, Coal 17 JPY/kWh

Generation: 519TWh with Coal-fired generation 237.3TWh)

(Reference) "Only LNG-fired generation" for Normal Condition is 8 trillion JPY/year and "LNG and Coal-fired Generation" is 6 trillion JPY/year.

## Establishing a Resilient Power Supply-Demand Framework for an Era of Uncertainty

# Leading the Development of an Energy System Resilient to Geopolitical Risks, Guided by the Spirit of “Ownership to Serve Our Tomorrows”

- Geopolitical instability is likely to remain a defining feature of the global landscape for the foreseeable future.
- Additional PPA and power supply product offerings will be urgently developed to mitigate future price surge risks, with sales planned to start on July 1.

### Power Generators

#### ( ● indicates key focus areas for JERA)

- Re-optimize the generation mix across nuclear, LNG, coal, hydro, renewables and battery storage<sup>1</sup>
- **Diversify fuel procurement sources and build an LNG portfolio with exposure to different pricing benchmarks**
- **Optimize global LNG and coal trading through JERA Global Markets**
- **Operate power plants flexibly, including curtailing coal-fired generation under normal conditions and increasing utilization during emergencies**
- **Develop and operate offshore wind and battery storage projects**
- **Develop and offer PPAs and power supply products that protect customers from market price volatility during emergencies<sup>2</sup>**
- Restart and develop nuclear power generation<sup>1</sup>

- JERA aims to take a leading role in building an energy system capable of sustaining industrial competitiveness and quality of life, even in the face of sharp increases in fossil fuel prices such as oil and LNG.

### Retailers

- Expand the procurement and deployment of term PPAs, with due consideration given to reducing customer costs during periods of geopolitical disruption
- Hedge market price volatility during peak and evening demand periods

### Customers

- Promote energy-efficiency investments to strengthen national resilience and competitiveness.
- Accelerate replacement of household and commercial equipment with LED lightning\* and energy-efficient air conditioners

\* Accelerating LED adoption could cut annual electricity consumption by approximately 12 TWh, equivalent to around 30 LNG cargoes.