

1. Date & time: Tuesday, December 17, 2024 (14:00-15:10)
 2. Attendees: 95
 3. Principal questions: Please find below
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—This document contains forward-looking statements. A cautionary statement appears in the endnote.—

- Q. While working capital ROIC is currently in a slight downtrend, what is the background for it turning into an upward trend in the medium- to long-term forecast? For example, as for the offshore wind power project, among large-scale projects for 2030, there are inevitably concerns about the profitability of the investment, among others, from the viewpoint of external parties. Please tell us about the projects that will contribute to profits and the background to growth.
- A. Although there is a risk of delay with individual projects, we are confident that we will be able to achieve our profit estimate for FY2030, given that onshore wind power projects will start up sequentially. ROIC has fallen in the FY2024 forecast, but this is attributable to irregular weather, which is a common condition to competitors in the industry. In addition, in our case, there were failures in some of our facilities.
- Q. Recently, there have been cases of other companies launching joint ventures in the renewable energy business. What do you think of collaborating with other companies through M&A or joint ventures for further growth?
- A. This is a general answer, but we do not rule out such a possibility. We are willing to consider joint ventures that can lead to win-win relationships with us and acquisitions that can bring benefit as a result.
- Q. Please tell us about the profit potential of storage batteries when combined with renewable energy.
- A. Although output suppression is currently occurring in Kyushu and other areas, we aim to actively engage in the highly profitable business of generating electricity during the day when prices are low and selling it after sunset when prices are high, while utilizing storage batteries at the power plant side. The government is positive about introducing storage batteries and we do not mean to expect government's support. We believe that this market will remain for the time being and profitability will increase.
- Q. I understand that particularly local governments maintain their cautious stance toward mega-solar projects. Can you give us ideas for a development scheme that can convince local municipalities?
Can similar problems arise with wind power generation? If so, do you have any ideas on how to solve them?
- A. As is common with both solar and wind power projects, we closely communicate with local governments from the initial stages of development. If there is strong opposition in the early stages, we determine that development is not feasible. We've been explaining that we do not engage in such overdevelopment, which is often covered in the media, like installing solar panels by cutting into and destroying a mountainside. We will proceed with development while obtaining the understanding of residents by holding explanatory meetings with them, even in small units.
We also believe it is important to give back to the community as we are allowed to use local resources. We have set up a dedicated department for community development activities, such as subsidizing the purchase of school backpacks and utilizing Furusato Nozei (Hometown Tax donation program), as a part of efforts to ensure a win-win relationship with each other.

This document contains forward-looking statements. Actual results may differ materially from those expressed or implied by forward-looking statements due to various factors, including but not limited to the following:

- (1) macroeconomic conditions and changes in the competitive environment in the energy, resources, or materials industries
- (2) revision of laws and tightening of regulations
- (3) risk of lawsuits and other legal risks