

**Consolidated Financial Statements**  
**Electric Power Development Co., Ltd.**  
**and Consolidated Subsidiaries**  
*For the year ended March 31, 2025*  
*with Independent Auditor's Report*

## Consolidated Balance Sheet

As of March 31	Millions of yen	
	2024	2025
<b>Assets</b>		
<b>Non-current assets</b>	<b>¥2,785,551</b>	<b>¥2,995,032</b>
Electric utility plant and equipment	1,092,687 <sup>1) 2)</sup>	1,085,212 <sup>1) 2)</sup>
Hydroelectric power production facilities	378,572	383,092
Thermal power production facilities	364,877	343,141
Renewable power production and related facilities	118,762	132,060
Transmission facilities	136,104	132,446
Transformation facilities	33,506	32,752
Communication facilities	6,523	6,594
General facilities	54,340	55,125
Overseas business facilities	463,421 <sup>2) 8)</sup>	529,667 <sup>2) 8)</sup>
Other non-current assets	89,664 <sup>1) 2)</sup>	89,404 <sup>1) 2)</sup>
Construction in progress	576,118 <sup>8)</sup>	693,372 <sup>2) 8)</sup>
Construction in progress	576,118	693,372
Nuclear fuel	77,101	77,556
Nuclear fuel in processing	77,101	77,556
Investments and other assets	486,557	519,818
Long-term investments	410,175 <sup>3) 8)</sup>	439,466 <sup>3) 8)</sup>
Retirement benefit asset	18,157	25,771
Deferred tax assets	41,766	32,939
Other	16,545 <sup>8)</sup>	21,713 <sup>8)</sup>
Allowance for doubtful accounts	(87)	(71)
<b>Current assets</b>	<b>690,254</b>	<b>673,708</b>
Cash and deposits	278,814 <sup>8)</sup>	308,995 <sup>8)</sup>
Notes and accounts receivable - trade, and contract assets	98,119 <sup>5) 8)</sup>	112,210 <sup>5) 8)</sup>
Short-term investments	153,146	107,464
Inventories	80,059 <sup>4) 8)</sup>	72,191 <sup>4) 8)</sup>
Other	80,118 <sup>8)</sup>	72,849 <sup>8)</sup>
Allowance for doubtful accounts	(3)	(3)
<b>Total assets</b>	<b>¥3,475,805</b>	<b>¥3,668,740</b>

As of March 31	Millions of yen	
	2024	2025
<b>Liabilities</b>		
<b>Non-current liabilities</b>	<b>¥1,793,412</b>	<b>¥1,791,881</b>
Bonds payable	729,086	652,987
Long-term borrowings	932,304 <sup>8)</sup>	998,134 <sup>8)</sup>
Lease liabilities	1,210	2,035
Other provisions	26 <sup>7)</sup>	126 <sup>7)</sup>
Retirement benefit liability	31,707	29,065
Asset retirement obligations	34,465	39,153
Deferred tax liabilities	27,677	28,575
Other	36,934	41,803
<b>Current liabilities</b>	<b>349,257</b>	<b>413,357</b>
Current portion of non-current liabilities	196,448 <sup>8)</sup>	221,532 <sup>8)</sup>
Short-term borrowings	8,031	8,133
Notes and accounts payable - trade	52,379	61,997
Accrued taxes	27,745	26,228
Other provisions	646 <sup>7)</sup>	848 <sup>7)</sup>
Asset retirement obligations	528	599
Other	63,478 <sup>6)</sup>	94,017 <sup>6)</sup>
<b>Total liabilities</b>	<b>2,142,670</b>	<b>2,205,238</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>	<b>1,038,258</b>	<b>1,111,520</b>
Share capital	180,502	180,502
Capital surplus	128,178	128,178
Retained earnings	729,940	803,189
Treasury shares	(362)	(349)
<b>Accumulated other comprehensive income</b>	<b>177,720</b>	<b>224,513</b>
Valuation difference on available-for-sale securities	26,855	30,817
Deferred gains or losses on hedges	15,434	16,408
Foreign currency translation adjustment	119,358	165,112
Remeasurements of defined benefit plans	16,072	12,174
<b>Non-controlling interests</b>	<b>117,156</b>	<b>127,467</b>
<b>Total net assets</b>	<b>1,333,135</b>	<b>1,463,502</b>
<b>Total liabilities and net assets</b>	<b>¥3,475,805</b>	<b>¥3,668,740</b>

## Consolidated Statement of Income

	Millions of yen	
Year ended March 31	2024	2025
<b>Operating revenue</b>	¥1,257,998 <sup>1)</sup>	¥1,316,674 <sup>1)</sup>
Electric utility operating revenue	899,476	988,687
Overseas business operating revenue	259,264	244,673
Other business operating revenue	99,256	83,313
<b>Operating expenses</b>	1,152,293 <sup>2) 3)</sup>	1,178,363 <sup>2) 3)</sup>
Electric utility operating expenses	861,021	906,850
Overseas business operating expenses	226,756	206,631
Other business operating expenses	64,515	64,882
<b>Operating profit</b>	105,704	138,310
<b>Non-operating income</b>	49,518	39,976
Dividend income	1,866	2,605
Interest income	7,447	9,424
Share of profit of entities accounted for using equity method	24,550	14,464
Gain on sale of non-current assets	4,636	7,518
Other	11,017	5,963
<b>Non-operating expenses</b>	36,687	38,192
Interest expenses	30,937	33,002
Other	5,749	5,189
<b>Total ordinary revenue</b>	1,307,516	1,356,651
<b>Total ordinary expenses</b>	1,188,981	1,216,555
<b>Ordinary profit</b>	118,535	140,095
<b>Profit before income taxes</b>	118,535	140,095
Income taxes-current	27,393	28,795
Income taxes-deferred	6,446	8,769
<b>Total income taxes</b>	33,839	37,564
<b>Profit</b>	84,695	102,530
<b>Profit attributable to non-controlling interests</b>	6,920	10,060
<b>Profit attributable to owners of parent</b>	¥77,774	¥92,469



## Consolidated Statement of Comprehensive Income

Year ended March 31	Millions of yen	
	2024	2025
<b>Profit</b>	¥84,695	<b>¥102,530</b>
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	12,480	<b>4,260</b>
Deferred gains or losses on hedges	5,044	<b>(4,566)</b>
Foreign currency translation adjustment	39,052	<b>44,344</b>
Remeasurements of defined benefit plans, net of tax	10,420	<b>(3,848)</b>
Share of other comprehensive income of entities accounted for using equity method	7,963	<b>14,312</b>
Total other comprehensive income	74,960 <sup>1)</sup>	<b>54,502 <sup>1)</sup></b>
<b>Comprehensive income</b>	<b>159,656</b>	<b>157,033</b>
(Comprehensive income attributable to)		
Owners of parent	148,617	<b>139,564</b>
Non-controlling interests	¥11,039	<b>¥17,468</b>

# Consolidated Statement of Changes in Net Assets

For the year ended March 31, 2024

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	¥180,502	¥128,178	¥669,498	¥(378)	¥977,800
Cumulative effects of changes in accounting policies			56		56
Restated balance	180,502	128,178	669,554	(378)	977,857
Changes during period					
Dividends of surplus			(17,389)		(17,389)
Profit attributable to owners of parent			77,774		77,774
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				16	16
Net changes in items other than shareholders' equity					
Total changes during period	—	—	60,385	15	60,401
Balance at end of period	¥180,502	¥128,178	¥729,940	¥(362)	¥1,038,258

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	¥14,372	¥7,948	¥78,928	¥5,629	¥106,878	¥108,064	¥1,192,743
Cumulative effects of changes in accounting policies						—	56
Restated balance	14,372	7,948	78,928	5,629	106,878	108,064	1,192,800
Changes during period							
Dividends of surplus							(17,389)
Profit attributable to owners of parent							77,774
Purchase of treasury shares							(0)
Disposal of treasury shares							16
Net changes in items other than shareholders' equity	12,482	7,485	40,430	10,443	70,842	9,092	79,934
Total changes during period	12,482	7,485	40,430	10,443	70,842	9,092	140,335
Balance at end of period	¥26,855	¥15,434	¥119,358	¥16,072	¥177,720	¥117,156	¥1,333,135

For the year ended March 31, 2025

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	¥180,502	¥128,178	¥729,940	¥(362)	¥1,038,258
Cumulative effects of changes in accounting policies					—
Restated balance	180,502	128,178	729,940	(362)	1,038,258
Changes during period					
Dividends of surplus			(19,219)		(19,219)
Profit attributable to owners of parent			92,469		92,469
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				13	13
Net changes in items other than shareholders' equity					
Total changes during period	—	—	73,249	13	73,262
Balance at end of period	¥180,502	¥128,178	¥803,189	¥(349)	¥1,111,520

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	¥26,855	¥15,434	¥119,358	¥16,072	¥177,720	¥117,156	¥1,333,135
Cumulative effects of changes in accounting policies							—
Restated balance	26,855	15,434	119,358	16,072	177,720	117,156	1,333,135
Changes during period							
Dividends of surplus							(19,219)
Profit attributable to owners of parent							92,469
Purchase of treasury shares							(0)
Disposal of treasury shares							13
Net changes in items other than shareholders' equity	3,962	974	45,754	(3,898)	46,792	10,311	57,104
Total changes during period	3,962	974	45,754	(3,898)	46,792	10,311	130,366
Balance at end of period	¥30,817	¥16,408	¥165,112	¥12,174	¥224,513	¥127,467	¥1,463,502

## Consolidated Statement of Cash Flows

Year ended March 31	Millions of yen	
	2024	2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	¥118,535	¥140,095
Depreciation and amortization	110,313	116,405
Loss on retirement of non-current assets	2,751	5,818
Increase (decrease) in retirement benefit liability	(3,352)	(3,248)
Interest and dividend income	(9,313)	(12,030)
Interest expenses	30,937	33,002
Decrease (increase) in trade receivables	37,012	(9,702)
Decrease (increase) in inventories	31,360	9,399
Increase (decrease) in trade payables	(13,524)	11,509
Share of loss (profit) of entities accounted for using equity method	(24,550)	(14,464)
Loss (gain) on sale of non-current assets	(4,621)	(6,940)
Other, net	5,689	3,808
Subtotal	281,237	273,652
Interest and dividends received	39,868	31,471
Interest paid	(34,294)	(32,878)
Income taxes paid	(32,790)	(21,910)
Net cash provided by (used in) operating activities	254,021	250,335
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	(115,840)	(123,920)
Proceeds from sale of non-current assets	5,842	8,059
Investments and loan advances	(9,357)	(12,352)
Proceeds from divestments and collection of loans receivable	7,619	5,231
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(28,762) <sup>2)</sup>
Net decrease (increase) in time deposits	(50,196)	18,116
Other, net	(21)	10,797
Net cash provided by (used in) investing activities	(161,954)	(122,830)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of bonds	44,840	17,736
Redemption of bonds	(70,000)	(90,000)
Proceeds from long-term borrowings	129,276	80,637
Repayments of long-term borrowings	(144,381)	(109,088)
Proceeds from short-term borrowings	33,363	34,598
Repayments of short-term borrowings	(36,176)	(34,522)
Dividends paid	(17,386)	(19,210)
Dividends paid to non-controlling interests	(4,064)	(12,155)
Other, net	(1,335)	(1,693)
Net cash provided by (used in) financing activities	(65,864)	(133,697)
<b>Effect of exchange rate change on cash and cash equivalents</b>	10,167	8,614
<b>Net increase (decrease) in cash and cash equivalents</b>	36,368	2,422
<b>Cash and cash equivalents at beginning of period</b>	334,294	370,663
<b>Cash and cash equivalents at end of period</b>	¥370,663 <sup>1)</sup>	¥373,085 <sup>1)</sup>

# Notes to Consolidated Financial Statements

For the years ended March 31, 2024 and 2025

## Summary of significant accounting policies

### 1. Scope of consolidation

Number of consolidated subsidiaries: 109

The accompanying consolidated financial statements include the accounts of Electric Power Development Co., Ltd. (the "Company") and its 109 subsidiaries controlled directly or indirectly by the Company.

In the current fiscal year, GENEX POWER LIMITED and 30 other companies, in which shares were acquired in July 2024, Air Indonesia Co.Ltd, which was established in October 2024, BULLI CREEK CAMP CO. PTY LTD and 1 other company, which were established in November 2024, and PT JPOWER GENERATION INDONESIA, which was established in January 2025, have been newly included in the scope of consolidation.

J-POWER Alaska Development, LLC has been excluded from the scope of consolidation due to completion of liquidation in June 2024. Additionally, in June 2024, the consolidated subsidiary J-POWER EnTech Co., Inc. absorbed and merged with PLANT-GIKEN Company Limited, which was formerly a consolidated subsidiary.

### 2. Application of equity method

Number of companies accounted for by the equity method: 91

In the current fiscal year, PT Mulya Energi Lestari and 13 other companies, in which shares were acquired in December 2024, have been included in the scope of affiliates accounted for by the equity method.

Tenaska Virginia Partners, L.P. and 4 other companies transferred all of the interests in August 2024, Pinelawn Power LLC and 6 other companies transferred all of the interests in December 2024, have been excluded from the scope of affiliates accounted for by the equity method.

Affiliated companies that were not accounted for by the equity method (Nishikyushu Kyodo Kowan Co., Ltd. and others) are not material in terms of consolidated net income and loss (proportional amount of equity) and retained earnings (proportional amount of equity), and their overall impact is immaterial, so they have been excluded from the scope of accounting by the equity method.

For the companies accounted for by the equity method and have reporting dates that differ from that of the Company, financial statements as of their respective reporting dates are used.

### 3. Reporting dates of consolidated subsidiaries, etc.

All of the consolidated subsidiaries, except for J-POWER AUSTRALIA PTY. LTD. and 79 other overseas subsidiaries, share the same reporting date as that of the Company. The fiscal year end of each of J-POWER AUSTRALIA PTY. LTD. and 79 other overseas subsidiaries is the end of December. The financial statements of these subsidiaries as of this date are used for consolidation after necessary adjustments with regard to significant transactions incurred during the period between their fiscal year end and that of the Company.

### 4. Accounting policies

#### (1) Valuation policies for assets

##### a. Long-term investments (available-for-sale securities)

Securities other than those for which there are no quoted market prices are stated at market value on the balance sheet date. Cost of securities sold is determined by the moving average method. Unrealized gain (loss) on available-for-sale securities is included in net assets. Securities without quoted market prices are stated at cost determined by using the moving average method.

##### b. Money in trust for cash management purposes

Stated at market value.

**c. Derivatives**

Stated at fair value, and hedge accounting is applied to those instruments which fulfill hedge conditions.

**d. Inventories**

Valuation standard: cost method (carrying amounts on the balance sheet are written down on the basis of decline in profitability).

Valuation method: specialty goods are stated at cost determined by the identified cost method, and other inventories are stated at cost determined by the monthly average method.

**(2) Depreciation and amortization of non-current assets**

**a. Depreciation and amortization method**

(Tangible assets)

Straight-line method has mainly been applied.

(Intangible assets)

Straight-line method has been applied.

Software costs for internal use are amortized based on the internally available period (five years) using the straight-line method.

**b. Estimated useful lives**

The same as prescribed in the Corporation Tax Law of Japan has been applied.

**(3) Allowance and reserve policies**

**a. Allowance for doubtful accounts**

To provide for doubtful accounts of trade receivables through consideration of their recoverability based on the historical experience with bad debt for general receivables and based on the individual recoverability for specific receivables from companies in financial difficulty, the estimated irrecoverable amounts are posted.

**(4) Accounting for employee retirement benefits**

**a. Attribution of estimated retirement benefits**

In calculating retirement benefit obligations, estimated retirement benefits are attributed to each period through the end of current fiscal year by the benefit formula method.

**b. Recognition of actuarial differences and past service cost**

Actuarial differences are primarily recognized under the declining-balance method over two years from the fiscal year following the fiscal year in which they were incurred, and past service costs are mainly recognized under the straight-line method over two years from the year in which the expenses were incurred.

**(5) Standards for recognition of significant revenue and expenses**

The Group is mainly engaged in the sale and transmission of electricity in Japan and the sale of electricity overseas. When there is more than one performance obligation in a contract, the transaction price is allocated to each performance obligation by the ratio of the stand-alone selling price.

The stand-alone selling price is calculated based on the approach of adding a margin to the expected cost.

The consideration for transactions is generally received in stages in accordance with the performance obligation's progress pursuant to the terms of the contract and does not include a significant financing component.

**a. Electricity sales**

Revenue from electricity sales consist primarily of electricity sales, etc. generated by the Group's power generation facilities or procured from the wholesale electricity market and the Group has performance obligations

to supply electricity and to maintain the availability of its power generation facilities based on contracts with customers. The electricity sales are transactions in which the performance obligations are satisfied over a certain period of time, and revenue is recognized based on the degree of progress in satisfying the performance obligations. For meter rates, since the Group determines that it satisfies the relevant performance obligation in accordance with the amount of electricity supplied, progress is estimated using the amount of electricity supplied as an indicator. For basic rates, etc., since the Group determines that it satisfies the relevant performance obligation by maintaining operational facilities on a daily basis, progress is estimated using the elapsed time as an indicator.

**b. Electricity transmission**

Revenue related to electricity transmission is generated from the transmission of electricity by transmission and transformation facilities owned by consolidated subsidiary, and the Group has a performance obligation to maintain the availability of transmission and transformation facilities based on commissions from customers. The electricity transmission is a transaction in which the performance obligation is satisfied over a certain period of time, and revenue is recognized based on the degree of progress in satisfying the performance obligation. Since the Group determines that it satisfies the performance obligation by maintaining operational facilities on a daily basis, progress is estimated using the elapsed time as an indicator.

**(6) Hedge accounting**

**a. Method of hedge accounting**

Deferred hedge accounting is applied. For hedges of foreign exchange fluctuation risk, the allocation method is applied when the hedge satisfies the requirements. For interest rate swaps, the special method is applied when the swaps satisfy the requirements.

**b. Hedging instruments and hedge items**

Hedging instruments	Hedged items
Foreign exchange forward contracts and foreign currency swaps	Payments of principal and interest with respect to foreign-currency-denominated bonds and loans, some foreign-currency-denominated receivables and payables
Interest rate swaps and Interest rate collar transactions	Payments of principal and interest with respect to bonds and loans
Commodity-price-related swaps	Some transactions affected by fluctuations in commodity prices

**c. Hedging policies**

Based on the Company's internal regulations relating to derivatives transactions, derivatives are executed for the purpose of avoiding the risks caused by fluctuating exchange rates, interest rates, and commodity purchase prices, and the Company's policy is not to perform speculative transactions.

**d. Evaluation of hedge effectiveness**

The Company evaluates hedge effectiveness on a quarterly basis or a per transaction basis by comparing cumulative changes in cash flow of hedging instruments with cumulative changes in cash flow of hedged items. Evaluation of the effectiveness of foreign exchange forward contracts and foreign currency swaps to which the allocation method is applied and interest rate swaps to which the special method is applied has been omitted.

**(7) Amortization Method and Amortization Period for Goodwill**

Goodwill is amortized using the straight-line method over a reasonable amortization period not exceeding 20 years. Additionally, goodwill that is deemed immaterial is recognized as income or expense in the fiscal year in which it is incurred.

**(8) Cash and cash equivalents presented in the consolidated statement of cash flows**

Cash and cash equivalents consist of cash on hand, bank deposits which can be withdrawn on demand, and short-term investments with a maturity of three months or less when purchased which can easily be converted into cash and are subject to little risk of change in value.

### Significant accounting estimates

(Valuation of Construction in Progress)

(1) Amount recorded in the consolidated financial statements for the current fiscal year

	Millions of yen	
As of March 31	2024	2025
Construction in progress	¥576,118	¥693,372

(2) Information on the details of significant accounting estimates for identified items

Construction in progress in the amount of 693,372 million yen was recorded on the Company's consolidated balance sheet as of March 31, 2025 and included therein was construction in progress related to the Ohma Nuclear Power Plant Project.

As the construction process of the Ohma Nuclear Power Plant Project has been extended, the Company has therefore reviewed construction in progress related to the Ohma Nuclear Power Plant Project. As a result of the evaluation based on certain assumptions related to future sales revenue, additional construction costs, and operating costs of the power plant, etc., the total undiscounted future cash flows exceeded the carrying amount, and therefore, no loss was recognized.

The assumptions used in the valuation may change in the event of any unforeseen circumstances.

### (Changes in accounting policies)

From the beginning of the current fiscal year, the Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022), etc. Regarding the revisions related to the changes in the treatment in the consolidated financial statements of tax deferral of gains or losses arising from intragroup sales of shares of subsidiaries, the Company has applied the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022) from the beginning of the current fiscal year. This change in accounting policy has been retrospectively applied to the Company's consolidated financial statements for the previous fiscal year.

The impact of these changes on the consolidated financial statements is insignificant.

### (Accounting standards issued but not yet effective)

a. "Accounting Standard for Leases" (ASBJ Statement No. 34, September 13, 2024)

b. "Implementation Guidance on Accounting Standard for Leases" (ASBJ Guidance No. 33, September 13, 2024)

In addition, revisions to related Accounting Standards, Implementation Guidance, Practical Solutions and Transferred Guidance.

(1) Overview

The revised accounting standard and related implementation guidance provide the treatment, similar to international accounting standards, for recognizing assets and liabilities for all lessee leases.

(2) Scheduled date of adoption

The Company expects to adopt the accounting standard and related implementation guidance from the beginning of the fiscal year ending March 31, 2028.

(3) Impact of adoption of revised accounting standard and related implementation guidance

The Company is currently evaluating the effect of the adoption of the accounting standard and related implementation guidance on its consolidated financial statements.

**(Changes in Presentation)****(Consolidated Statement of Income)**

"Gain on sale of non-current assets," which was included in "Other" under "Non-operating income" in the previous fiscal year, is presented as a separate line item in the current fiscal year because it exceeds 10% of the total amount of non-operating income. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, the amounts previously reported as 15,654 million yen under "Other" in "Non-operating income" in the consolidated statement of income for the previous fiscal year have been reclassified as 4,636 million yen under "Gain on sale of non-current assets" and 11,017 million yen under "Other."

**(Consolidated Statement of Cash Flows)**

"Loss (gain) on sale of non-current assets," which was included in "Other, net" under "Cash flows from operating activities" in the previous fiscal year, has become significant in terms of amount and is therefore presented as a separate line item in the current fiscal year. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, the amount previously reported as 1,067 million yen under "Other, net" in "Cash flows from operating activities" in the consolidated statement of cash flows for the previous fiscal year has been reclassified as (4,621) million yen under "Loss (gain) on sale of non-current assets" and 5,689 million yen under "Other, net."

**(Additional Information)****(Stock-based Compensation System for Officers)**

The Company has implemented a stock-based compensation system (hereinafter referred to as the "System") for directors (excluding independent directors and those serving as audit and supervisory committee members, hereinafter referred to as "Directors") and executive officers (excluding those concurrently serving as Directors; including Directors, hereinafter referred to as "Directors, etc.") based on the resolution of the 70th Ordinary General Meeting of Shareholders held on June 28, 2022. The accounting treatment for the System is in accordance with the "Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts" (ASBJ PITF Report No. 30, March 26, 2015).

**(1) Summary of the transaction**

The System is a stock-based compensation program whereby a trust (hereinafter referred to as the "Trust"), established by the Company through monetary contributions, acquires the Company's shares and grants each of Directors, etc. a number of Company shares equivalent to the number of points they were awarded by the Company. Under the System, Company shares will be allocated to Directors, etc. who serve during the three fiscal years from the fiscal year ended on March 31, 2023 to the fiscal year ended on March 31, 2025, based on the points awarded. One point corresponds to one share of the Company's stock, and as a rule, the Directors, etc. will receive the Company shares upon their retirement.

**(2) Company shares remaining in the Trust**

The Company shares that remain in the Trust are recorded as treasury shares in the Net assets section based on their book value in the Trust (excluding associated expenses). As of the end of the current fiscal year, the book value of the treasury shares is 338 million yen, and the number of shares is 170 thousand.

**(Conclusion of an Equity Interest Transfer Agreement Involving a Change in an Affiliate Accounted for the Equity Method, Green Country Energy, LLC)**

On June 28, 2024, the Company decided to transfer its entire equity interest in Green Country Energy, LLC, a company in which it holds a 50% equity interest through its wholly owned subsidiary, J-POWER North America Holdings Co., Ltd., to Public Service Company of Oklahoma. In response to this, Green Country Holding LLC, in



which the Company holds a 50% equity interest and the direct parent company of Green Country Energy, LLC, entered into an equity interest transfer agreement on the same day.

Going forward, the Company will proceed with various procedures in the U.S., including obtaining the necessary permits and approvals, in preparation for the transfer. However, there may be changes to the transfer agreement, or the transfer may not be executed without approvals from the Federal and State governments of the United States, or other contractual conditions.

If this transfer is executed, Green Country Energy, LLC will be excluded from the Company's affiliates accounted for by the equity method.

(1) Reason for the transfer

To effectively utilize management resources and improve asset efficiency.

(2) Name of the company to which the transfer is made

Public Service Company of Oklahoma (a wholly owned subsidiary of American Electric Power Company, Inc.)

(3) Timing of the transfer

The transfer will be executed as soon as the procedures, including obtaining the necessary permits and approvals, are completed (scheduled for the next fiscal year).

(4) Overview of the equity-method affiliate

Company Name: Green Country Energy, LLC

Business: Gas-fired power generation business

(5) Transfer price, capital gain and equity interest after the transfer

Transfer Price: Approximately 365 million USD (equivalent to the Company's share)

Capital gain: We expect to record "Share of profit of entities accounted for using equity method" at the time of the transfer. The amount is currently under review.

Equity interest after the transfer: -%

## Consolidated Balance Sheet

### 1) Construction grants, which were deducted from the cost of non-current assets (accumulated)

	Millions of yen	
As of March 31	2024	2025
	¥114,993	¥114,096

### 2) Accumulated depreciation of tangible assets

	Millions of yen	
As of March 31	2024	2025
	¥3,366,842	¥3,472,895

### 3) Long-term investments in non-consolidated subsidiaries and affiliated companies

	Millions of yen	
As of March 31	2024	2025
Stocks	¥296,861	¥328,861

**4) Inventories**

	Millions of yen	
As of March 31	2024	2025
Merchandise and finished goods	¥2,633	<b>¥2,056</b>
Work in process	2,009	<b>985</b>
Raw materials and supplies	¥75,416	<b>¥69,149</b>

**5) Receivables and contract assets arising from contracts with customers in notes and accounts receivable-trade, and contract assets**

	Millions of yen	
As of March 31	2024	2025
Notes receivable-trade	¥2	<b>¥57</b>
Accounts receivable-trade	93,528	<b>105,229</b>
Contract assets	¥4,556	<b>¥6,909</b>

**6) Contract liabilities in other**

	Millions of yen	
As of March 31	2024	2025
Contract liabilities	¥710	<b>¥153</b>

**7) Provisions**

As of March 31	2024	2025
Provisions for directors' bonuses stated by subsidiaries are included in other provisions		<b>Provisions for directors' bonuses stated by subsidiaries are included in other provisions</b>

**8) Pledged assets and secured liabilities****(1) Assets of the Company pledged for loans of other companies**

	Millions of yen	
As of March 31	2024	2025
Long-term investments	¥96,153	<b>¥121,562</b>

**(2) Assets of the Consolidated subsidiary for loans of other companies**

	Millions of yen	
As of March 31	2024	2025
Long-term investments	¥853	<b>¥989</b>

**(3) Assets of consolidated subsidiaries pledged to financial institutions for debts**

	Millions of yen	
As of March 31	2024	2025
Overseas business facilities	¥443,753	<b>¥497,915</b>
Construction in progress	9,728	<b>83,267</b>
Cash and deposits	56,375	<b>70,135</b>
Notes and accounts receivable-trade, and contract assets	7,454	<b>5,097</b>
Other (Investments and other assets)	490	<b>1,707</b>
Inventories	875	<b>1,073</b>
Other (Current assets)	¥422	<b>¥728</b>

**Liabilities related to pledged assets mentioned above**

	Millions of yen	
As of March 31	2024	2025
Long-term borrowings (including current portion)	¥299,555	<b>¥388,339</b>

**9) Contingent liabilities****(1) Guarantees**

	Millions of yen	
As of March 31	2024	2025
Guarantees given to certain financial institutions for loans of companies below:		
Oga Katagami Akita Offshore Green Energy LLC.	¥5,772	<b>¥19,013</b>
Yuzawa Geothermal Power Generation Corporation	1,875	<b>1,688</b>
Appi Geothermal Energy Corporation	495	<b>495</b>
SAHARA COOLING Ltd.	261	<b>278</b>
Guarantees given in connection with housing loans for employees	239	<b>198</b>
<b>Total</b>	<b>¥8,643</b>	<b>¥21,673</b>

**(2) Guarantees given for payment obligations on wind power generator purchase agreements of the companies below:**

	Millions of yen	
As of March 31	2024	2025
J-Wind Co., Ltd.	¥14,674	<b>¥16,742</b>
J-Wind KAMINOKUNI., Ltd.	¥90	<b>-</b>

**(3) Guarantees given to certain banks for letters of credit on grid connection construction cost of the company below:**

	Millions of yen	
As of March 31	2024	2025
AP Solar 4, LLC	¥3,119	<b>¥4,620</b>

The amount above shows the maximum amount of guarantee

**(4) Guarantees given for joint liability for performance guarantee insurance agreements of the company below:**

	Millions of yen	
As of March 31	2024	2025
Biocoal Kumamoto-South Co., Ltd.	¥28	¥43

(5) Guarantees given for contractual obligations to the transferee of the share transfer agreement of the company below:

	Millions of yen	
As of March 31	2024	2025
J-Power Investment Netherlands B.V.	¥472	¥483

The amount above shows the maximum amount of the guarantee.

(6) Guarantees given for performance guarantee of the order obligation below:

	Millions of yen	
As of March 31	2024	2025
Consulting services related to construction of the Turga Pumped Storage Project, India	¥240	¥238

(7) Guarantees given for payment liabilities under detailed design and related contracts of the company below:

	Millions of yen	
As of March 31	2024	2025
Oga Katagami Akita Offshore Green Energy LLC.	-	¥2,147

(8) Guarantees given to financial institutions for letters of credit on wind turbine purchase contracts of the company below:

	Millions of yen	
As of March 31	2024	2025
Oga Katagami Akita Offshore Green Energy LLC.	-	¥33,417

(9) Guarantees for bank guarantees issued by financial institutions regarding grid connection and usage contract fees of the company below:

	Millions of yen	
As of March 31	2024	2025
GENEX POWER LIMITED	-	¥10,994

## Consolidated Statement of Income

### 1) Revenue from contracts with customers

Regarding operating revenue, revenue from contracts with customers and other revenue are not stated separately. The amount of revenue from contracts with customers is stated in "Revenue Recognition" (1) Disaggregated revenue from contracts with customers in the consolidated financial statements.

### 2) A breakdown of electric utility operating expenses

		Millions of yen		
Year ended March 31			2024	2025
Category	Electric utility operating expenses	Selling, general and administrative expenses*	Electric utility operating expenses	Selling, general and administrative expenses*
Personnel expenses	¥30,004	¥18,796	¥25,735	¥14,121
Fuel cost	421,363	-	361,628	-
Repair expenses	44,923	1,639	54,027	1,597
Consignment cost	49,329	15,379	56,542	17,765
Taxes and duties	26,953	893	27,641	951
Depreciation and amortization cost	76,217	2,634	79,186	2,759
Other	212,229	15,160	302,089	16,592
<b>Total</b>	<b>¥861,021</b>	<b>¥54,503</b>	<b>¥906,850</b>	<b>¥53,788</b>

\*Included in electric utility operating expenses

(Changes in Presentation)

"Research expenses," which was presented as a separate line item in the previous fiscal year, is included in "Other" in the current fiscal year due to lack of materiality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, in the breakdown of the previous fiscal year, "Research expenses" of 5,642 million yen and "Other" of 206,586 million yen, which were previously presented under "Electric utility operating expenses," have been reclassified as "Other" totaling 212,229 million yen. Similarly, "Research expenses" of 5,642 million yen and "Other" of 9,517 million yen, which were presented under "Selling, general and administrative expenses" within "Electric utility operating expenses," have been reclassified as "Other" totaling 15,160 million yen, respectively.

### 3) Research and development costs included in operating expenses

		Millions of yen	
Year ended March 31		2024	2025
		¥7,710	¥7,040

## Consolidated Statement of Comprehensive Income

### 1) Reclassification adjustments, income taxes and tax effects relating to other comprehensive income

		Millions of yen	
Year ended March 31		2024	2025
Valuation difference on available-for-sale securities			
Amount accrued for the current year		¥19,261	¥7,204
Reclassification adjustment		(2,458)	(1,083)
Amount before income taxes and tax effect adjustments		16,802	6,121

Income taxes and tax effects	(4,322)	<b>(1,860)</b>
Valuation difference on available-for-sale securities	12,480	<b>4,260</b>
Deferred gains or losses on hedges		
Amount accrued for the current year	(12,276)	<b>(4,603)</b>
Reclassification adjustment	21,056	<b>(1,271)</b>
Adjusted acquisition cost of assets	(1,486)	<b>-</b>
Amount before income taxes and tax effect adjustments	7,293	<b>(5,875)</b>
Income taxes and tax effects	(2,249)	<b>1,308</b>
Deferred gains or losses on hedges	5,044	<b>(4,566)</b>
Foreign currency translation adjustment		
Amount accrued for the current year	39,052	<b>44,344</b>
Remeasurements of defined benefit plans, net of tax		
Amount accrued for the current year	19,102	<b>8,782</b>
Reclassification adjustment	(4,554)	<b>(13,882)</b>
Amount before income taxes and tax effect adjustments	14,547	<b>(5,099)</b>
Income taxes and tax effects	(4,126)	<b>1,251</b>
Remeasurements of defined benefit plans, net of tax	10,420	<b>(3,848)</b>
Share of other comprehensive income of entities accounted for using equity method		
Amount accrued for the current year	11,834	<b>20,986</b>
Reclassification adjustment	(3,686)	<b>(5,159)</b>
Adjusted acquisition cost of assets	(185)	<b>(1,514)</b>
Share of other comprehensive income of entities accounted for using equity method	7,963	<b>14,312</b>
Total other comprehensive income	¥74,960	<b>¥54,502</b>

**Consolidated Statement of Changes in Net Assets**

For the year ended March 31, 2024

**1. Shares issued**

				Shares
Type	As of April 1, 2023	Increase	Decrease	As of March 31, 2024
Common stock	183,051,100	-	-	183,051,100

**2. Treasury shares**

				Shares
Type	As of April 1, 2024	Increase	Decrease	As of March 31, 2024
Treasury shares	189,131	174	8,100	181,205

(Note)

The number of treasury shares at the end of the current fiscal year includes 177,700 shares of the Company's stock held by the Trust accounts related to the stock-based compensation trust for officers.

A breakdown of the increase and decrease are as follows:

Increase due to purchasing shares that are less than one voting unit: 174 shares

Decrease due to acquisition of shares of the Company's stock by the Trust accounts related to the stock-based compensation system for officers: 8,100 shares

**3. Dividends****(1) Dividends paid**

Resolution	Type of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Ordinary general shareholders' meeting (June 28, 2023)	Common stock	¥9,152	¥50	March 31, 2023	June 29, 2023
Board of Directors (October 31, 2023)	Common stock	¥8,237	¥45	September 30, 2023	November 30, 2023

(Note)

The total amount of dividends resolved by the Ordinary general shareholders' meeting on June 28, 2023 includes dividends of 9 million yen paid to the Company's shares held by the Trust accounts related to the stock-based compensation system for officers. In addition, the total amount of dividends resolved by the Board of Directors on October 31, 2023 includes 7 million yen of dividends for the Company's shares held by the Trust accounts related to the stock-based compensation system for officers.

**(2) Dividends with the cut-off date in the year ended March 31, 2024 and the effective date in the year ended March 31, 2025**

Resolution	Type of shares	Dividends paid from	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Ordinary general shareholders' meeting (June 26, 2024)	Common stock	Retained earnings	¥10,067	¥55	March 31, 2024	June 27, 2024

(Note)

The total amount of dividends resolved by the Ordinary general shareholders' meeting on June 26, 2024 includes dividends of 9 million yen paid to the Company's shares held by the Trust accounts related to the stock-based compensation system for officers.

For the year ended March 31, 2025

**1. Shares issued**

				Shares
Type	As of April 1, 2024	Increase	Decrease	As of March 31, 2025
Common stock	<b>183,051,100</b>	-	-	<b>183,051,100</b>

**2. Treasury shares**

				Shares
Type	As of April 1, 2024	Increase	Decrease	As of March 31, 2025
Treasury shares	<b>181,205</b>	<b>239</b>	<b>6,900</b>	<b>174,544</b>

(Note)

The number of treasury shares at the beginning and end of the current fiscal year includes the Company's stock held by the Trust accounts related to the stock-based compensation trust for officers, amounting to 177,700 shares and 170,800 shares, respectively.

A breakdown of the increase and decrease are as follows:

Increase due to purchasing shares that are less than one voting unit: 239 shares

Decrease due to acquisition of shares of the Company's stock by the Trust accounts related to the stock-based compensation system for officers: 6,900 shares

**3. Dividends****(1) Dividends paid**

Resolution	Type of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Ordinary general shareholders' meeting (June 26, 2024)	Common stock	<b>¥10,067</b>	<b>¥55</b>	<b>March 31, 2024</b>	<b>June 27, 2024</b>
Board of Directors (October 31, 2024)	Common stock	<b>¥9,152</b>	<b>¥50</b>	<b>September 30, 2024</b>	<b>November 29, 2024</b>

(Note)

The total amount of dividends resolved by the Ordinary general shareholders' meeting on June 26, 2024 includes dividends of 9 million yen paid to the Company's shares held by the Trust accounts related to the stock-based compensation system for officers. In addition, the total amount of dividends resolved by the Board of Directors on October 31, 2024 includes 8 million yen of dividends for the Company's shares held by the Trust accounts related to the stock-based compensation system for officers.

**(2) Dividends with the cut-off date in the year ended March 31, 2025 and the effective date in the year ending March 31, 2026**

Resolution	Type of shares	Dividends paid from	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Ordinary general shareholders' meeting (June 26, 2025)	Common stock	Retained earnings	<b>¥9,152</b>	<b>¥50</b>	<b>March 31, 2025</b>	<b>June 27, 2025</b>

(Note)

The total amount of dividends resolved by the Ordinary general shareholders' meeting on June 26, 2025 includes dividends of 8 million yen paid to the Company's shares held by the Trust accounts related to the stock-based compensation system for officers.



## 1) The reconciliation between the balance of cash and cash equivalents at the end of year and accounts on the consolidated balance sheet

Year ended March 31	Millions of yen	
	2024	2025
Cash and deposits account	¥278,814	¥308,995
Time deposits with a maturity of more than three months	(58,143)	(40,936)
Short-term investments (securities) with a maturity of less than three months from the date of acquisition	149,992	105,027
Cash and cash equivalents	¥370,663	¥373,085

## 2) Major breakdown of assets and liabilities of companies that have newly become consolidated subsidiaries through stock acquisition

The breakdown of assets and liabilities at the time of initial consolidation, as well as the relationship between the acquisition price of GENEX POWER LIMITED and 30 other companies (hereinafter referred to as "GENEX") and the expenditures (net) for the acquisition of GENEX shares, is as follows.

	Millions of yen
Non-current assets	¥111,814
Current assets	11,257
Goodwill	12,388
Non-current liabilities	(87,629)
Current liabilities	(7,071)
Acquisition cost of shares	40,758
Fair value of shares held immediately before the business combination as of the business combination date	(3,148)
Acquisition cost of shares	37,610
Cash and cash equivalents	(8,976)
Less: Expenditures for acquisition	¥28,634

## Financial Instruments

### 1. Status of financial instruments

#### (1) Policy for financial instruments

The Group formulates funds procurement plans based on demand for funding of capital expenditures related to the domestic electric power business, investment in the overseas power generation business, and other business. The requisite funds are then procured (mainly from the issue of bonds and loans from financial institutions). Funds temporarily in excess are invested in financial assets with a high degree of safety. The Company also procures funds for short-term working capital through borrowings and the issue of commercial papers. Derivatives are used to avoid the risks noted below and it is corporate policy not to engage in speculative transactions.

#### (2) Types of financial instruments and related risk

Notes and accounts receivable-trade are operating receivables exposed to client credit risk. Securities held as long-term investments are shares, etc. related to business or capital ties with the partner companies to the transactions and are exposed to the risk of market price fluctuations. Additionally, short-term investments consist of domestic CD (certificate of deposit) and others, which are exposed to the credit risk of banks.

Notes and accounts payable-trade are operating liabilities and nearly all have a payment term of one year or less. Some of these are foreign currency transactions that are exposed to currency fluctuation risk; however, part of this is hedged through the use of foreign exchange forward contracts. Loans and bonds are used mainly for the procurement of funds required for capital investment. The redemption term is a maximum of 24 years after the fiscal year date. Some of these have variable interest rates and are thus exposed to interest rate fluctuation risk; however,

this risk is hedged through the use of derivatives transactions (interest rate swaps).

Derivatives transactions consist mainly of transactions involving foreign exchange forward contracts to hedge the risk of currency fluctuation accompanying operating receivables and payables denominated in foreign currencies, interest rate swaps designed to hedge the risk of interest rate fluctuations for loans, and commodity swaps and commodity options designed to hedge the risk of fluctuation in commodity prices. Please see section “4. Accounting policies – (6) Hedge accounting” under “Summary of Significant Accounting Policies” mentioned above for the hedging instruments, hedged items, hedging policies and evaluation of hedge effectiveness, etc.

### **(3) Risk management for financial instruments**

#### **a. Monitoring of credit risk (the risk that customers or counterparties may default, etc.)**

In accordance with the Rules on Management of Sales, etc., each division of the Company monitors the due dates and balances of operating receivables for each transacting partner. Additionally, each division continuously tracks any changes in the status of management and related aspects of these companies. Consolidated subsidiaries also follow the Rules on Management of Sales, etc. and manage business affairs in the same manner. Please note that credit risk is minimal for the domestic electric power business since transactions are conducted mainly with 10 former electric power companies (EPCOs), which have high credit ratings. The same applies to overseas business since transactions are conducted mainly with the Electricity Generating Authority of Thailand (EGAT).

When derivatives transactions are used, they are conducted only with financial and other institutions bearing high credit ratings to mitigate counterparty risk.

The largest amount of credit risk as of the fiscal year-end is shown in the value of financial assets exposed to credit risk on the consolidated balance sheet.

#### **b. Monitoring of market risks (the risks arising from fluctuations in foreign exchange rates, interest rates and others)**

The Company and some of its consolidated subsidiaries generally employ foreign exchange forward contracts to hedge the risk of currency fluctuations for foreign-denominated operating receivables and payables, as determined on a monthly basis, by currency. The Company and some of its consolidated subsidiaries also employ interest rate swaps to avoid the risk of fluctuation in interest rates on loans. The Company and some of its consolidated subsidiaries engage in commodity swaps and commodity options to hedge the risk of fluctuation in commodity prices as well.

Regarding securities, fair values and financial conditions of issuers (partner companies) and other components are periodically monitored.

Derivatives transactions are executed and managed based on the Company's internal rules which determine the maximum limits for derivatives transactions by purpose, methods of monitoring and reporting, and others. Consolidated subsidiaries also adhere to these rules of the Company in managing derivatives.

#### **c. Monitoring of liquidity risk (the risk that the Company may not be able to meet obligations on scheduled due dates)**

The Accounting & Finance Department formulates and updates financing plans in a timely manner based on reports from the various departments and manages liquidity risk through the issuance of commercial papers and other means.

### **(4) Supplemental explanation of the estimated fair value of financial instruments**

The calculation of the fair value of financial instruments incorporates factors that fluctuate so values may fluctuate with the employment of different underlying assumptions and other factors. Moreover, contract value, etc. of derivatives transactions in “Derivatives Transactions” do not indicate the market risk related to the derivatives transactions, in and of themselves.

### **(5) Concentration of credit risk**

As of March 31, 2025, 61% of the operating receivables are from 10 former EPCOs and EGAT.

## 2. Fair value of financial instruments

The carrying values recorded on the consolidated balance sheet, fair value and differences between them are as follows:

As of March 31, 2024	Millions of yen		
	Carrying value	Fair value	Difference
(1) Investment securities			
Available-for-sale securities *2*3	¥46,428	¥46,428	-
Total assets	46,428	46,428	-
(2) Bonds payable *4	819,086	800,818	¥18,267
(3) Long-term borrowings *4	1,037,691	1,031,072	6,619
Total liabilities	1,856,778	1,831,890	¥24,887
(4) Derivatives transactions *5			
Transactions not subject to hedge accounting	490	490	-
Transactions subject to hedge accounting	5,765	5,765	-
Total derivatives transactions	¥6,255	¥6,255	-

\*1 "Cash and deposits," "Notes and accounts receivable-trade, and contract assets," "Short-term investments," "Short-term borrowings," and "Notes and accounts payable-trade," are omitted because these are cash items and their fair values approximate their carrying values due to their short maturities.

\*2 Amounts on the consolidated balance sheet for securities without quoted market prices

As of March 31, 2024	Millions of yen
Category	
Unlisted shares (excluding shares sold on the OTC market)	¥7,958
Unlisted foreign shares	192
Capital contribution	854
Foreign capital contribution	¥15,186

The above items are not included in "(1) Investment securities, Available-for-sale securities." Shares of non-consolidated subsidiaries and affiliates are not stated since they are included in "Consolidated Balance Sheet" under "Notes to Consolidated Financial Statements."

\*3 Included in long-term investments on the consolidated balance sheet.

\*4 Includes current portion of bonds and long-term borrowings.

\*5 Indicates the net amount of receivables and payables derived from derivatives transactions.

As of March 31, 2025	Millions of yen		
	Carrying value	Fair value	Difference
(1) Investment securities			
Available-for-sale securities *2*3	¥49,292	¥49,292	-
Total assets	49,292	49,292	-
(2) Bonds payable *4	746,887	696,119	¥50,767
(3) Long-term borrowings *4	1,120,973	1,087,174	33,799
Total liabilities	1,867,860	1,783,293	¥84,567
(4) Derivatives transactions *5			

Transactions not subject to hedge accounting	1,408	1,408	-
Transactions subject to hedge accounting	2,766	2,766	-
<b>Total derivatives transactions</b>	<b>¥4,174</b>	<b>¥4,174</b>	<b>-</b>

\*1 "Cash and deposits," "Notes and accounts receivable-trade, and contract assets," "Short-term investments," "Short-term borrowings," and "Notes and accounts payable-trade," are omitted because these are cash items and their fair values approximate their carrying values due to their short maturities.

\*2 Amounts on the consolidated balance sheet for securities without quoted market prices

As of March 31, 2025

Category

Millions of yen

Unlisted shares (excluding share sold on the OTC market)	<b>¥7,971</b>
Unlisted foreign shares	<b>707</b>
Capital contribution	<b>873</b>
Foreign capital contribution	<b>¥15,354</b>

The above items are not included in "(1) Investment securities, Available-for-sale securities." Shares of non-consolidated subsidiaries and affiliates are not stated since they are included in "Consolidated Balance Sheet" under "Notes to Consolidated Financial Statements."

\*3 Included in long-term investments on the consolidated balance sheet.

\*4 Includes current portion of bonds and long-term borrowings .

\*5 Indicates the net amount of receivables and payables derived from derivatives transactions.

## (Note 1) Redemption schedule for receivables and securities with maturities after the end of the fiscal year

As of March 31, 2024

Millions of yen

	Investment securities Available- for-sale securities with maturities	Cash and deposits *	Notes and accounts receivable- Trade, and contract assets	Short-term investments	Total
Due in one year or less	-	¥278,814	¥98,119	¥153,146	¥530,080
Due after one year through five years	¥180	-	-	-	¥180
Due after five years through 10 years	-	-	-	-	-
Due after 10 years	-	-	-	-	-

\* Amounts in cash and deposits to be redeemed within one year or less include cash.

As of March 31, 2025

Millions of yen

	Investment securities Available- for-sale securities with maturities	Cash and deposits *	Notes and accounts receivable- Trade, and contract assets	Short-term investments	Total
Due in one year or less	¥110	¥308,995	¥112,210	¥107,464	¥528,780
Due after one year through five years	¥70	-	-	-	¥70
Due after five years through 10 years	-	-	-	-	-
Due after 10 years	-	-	-	-	-

\* Amounts in cash and deposits to be redeemed within one year or less include cash.

(Note 2) Bonds, long-term borrowings, and other interest-bearing debt scheduled for repayment after the end of fiscal year

As of March 31, 2024

Millions of yen

	Bonds payable	Long-term borrowings	Short-term borrowings	Total
Due in one year or less	¥90,000	¥105,387	¥8,031	¥203,419
Due after one year through two years	93,900	118,792	-	212,692
Due after two years through three years	55,000	128,782	-	183,782
Due after three years through four years	100,000	179,157	-	279,157
Due after four years through five years	75,000	65,435	-	140,435
Due after five years	¥405,190	¥440,136	-	¥845,326

As of March 31, 2025

Millions of yen

	Bonds payable	Long-term borrowings	Short-term borrowings	Total
Due in one year or less	<b>¥93,900</b>	<b>¥122,839</b>	<b>¥8,133</b>	<b>¥224,872</b>
Due after one year through two years	<b>55,000</b>	<b>132,839</b>	-	<b>187,839</b>
Due after two years through three years	<b>100,000</b>	<b>214,344</b>	-	<b>314,344</b>
Due after three years through four years	<b>75,000</b>	<b>70,558</b>	-	<b>145,558</b>
Due after four years through five years	<b>48,000</b>	<b>123,340</b>	-	<b>171,340</b>
Due after five years	<b>¥374,990</b>	<b>¥457,738</b>	-	<b>¥832,728</b>

### 3. Breakdown of fair value of financial instruments by level

Fair values of financial instruments are categorized into three levels as described below on the basis of the observability and the materiality of the inputs used in the fair value measurement.

Level 1: Fair values measured using quoted prices of identical assets or liabilities in active markets among observable valuation inputs

Level 2: Fair values measured using inputs other than inputs included within Level 1 among observable valuation inputs

Level 3: Fair values measured using unobservable valuation inputs

When several inputs that have significant impact on fair value measurement are used and those inputs are categorized into different levels, the fair value is categorized into the lowest hierarchy level for fair value measurement among those in which each of the inputs belongs.

#### (1) Financial instruments measured at fair value

As of March 31, 2024				Millions of yen
Category	Fair value			Total
	Level 1	Level 2	Level 3	
a. Investment securities				
Available-for-sale securities				
Stock	¥46,248	-	-	¥46,248
Bonds	-	¥180	-	180
Total assets	¥46,248	180	-	46,428
b. Derivatives transactions				
Transactions not subject to hedge accounting	-	-	¥490	490
Transactions subject to hedge accounting	-	5,765	-	5,765
Total derivatives transactions	-	¥5,765	¥490	¥6,255

  

As of March 31, 2025				Millions of yen
Category	Fair value			Total
	Level 1	Level 2	Level 3	
a. Investment securities				
Available-for-sale securities				
Stock	¥49,112	-	-	¥49,112
Bonds	-	¥180	-	180
Total assets	¥49,112	180	-	49,292
b. Derivatives transactions				
Transactions not subject to hedge accounting	-	-	¥1,408	1,408
Transactions subject to hedge accounting	-	2,766	-	2,766
Total derivatives transactions	-	¥2,766	¥1,408	¥4,174

#### (2) Financial instruments other than those measured at fair value

As of March 31, 2024				Millions of yen
Category	Fair value			Total
	Level 1	Level 2	Level 3	
c. Bonds payable	-	¥800,818	-	¥800,818
d. Long-term borrowings	-	1,031,072	-	1,031,072
Total liabilities	-	¥1,831,890	-	¥1,831,890

As of March 31, 2025

Millions of yen

Category	Fair value			Total
	Level 1	Level 2	Level 3	
c. Bonds payable	-	<b>¥696,119</b>	-	<b>¥696,119</b>
d. Long-term borrowings	-	<b>1,087,174</b>	-	<b>1,087,174</b>
Total liabilities	-	<b>¥1,783,293</b>	-	<b>¥1,783,293</b>

(Note 1) Description of valuation techniques used to measure fair value and inputs related to fair value measurement

## a. Investment securities

Fair values of listed stocks are determined by using quoted prices. Fair values of listed stocks are categorized as Level 1 since they are traded in active markets. On the other hand, the fair values of bonds held by the Company are calculated using the discounted present value method based on the total amount of principal and interest, remaining maturity, and interest rates taking into account credit risk, and are categorized as Level 2.

## b. Derivatives transactions

The fair values of interest rate swaps, forward foreign exchange contracts and commodity swaps are based on observable inputs such as exchange rates and prices quoted by counterparty financial institutions and are categorized as Level 2. When significant unobservable inputs are used, the fair value is categorized as Level 3, commodity options and commodity swaps fall under this category. The fair values of transactions subject to special accounting treatment of interest rate swaps are included in the fair value of long-term borrowings, as they are accounted for as an integral part of the hedged long-term borrowings.

## c. Bonds payable

The fair values of bonds payable issued by the Group are calculated using the discounted present value method based on the total amount of principal and interest, remaining maturity, and interest rates taking into account credit risk, and are categorized as Level 2.

## d. Long-term borrowings

The fair values of long-term borrowings are calculated by discounting the total amount of principal and interest, or for transactions subject to special accounting treatment of interest rate swaps, the total amount of principal and interest accounted for together with the interest rate swaps, by the interest rate assumed when a new similar borrowing is made, and are categorized as Level 2.

(Note 2) Information on Level 3 fair values of financial instruments that are recorded at fair value on the consolidated balance sheets

## (1) Quantitative information on significant unobservable inputs

As of March 31, 2024

Category	Valuation technique	Significant unobservable inputs	Range of Inputs
Derivatives transactions			
Commodity options	Discounted cash flow (DCF) method	Volatility	16.3(%)

As of March 31, 2025

Category	Valuation technique	Significant unobservable inputs	Range of Inputs
Derivatives transactions			
Commodity options	Discounted cash flow (DCF) method	Volatility	<b>26.9(%)</b>
Commodity swaps	Discounted cash flow (DCF) method	Forecasted power generation	<b>1,548,177MWh</b>



## (2) Reconciliation of opening and closing balance; valuation gains and losses recognized in profit or loss for the period

Category	Millions of yen	
	Derivatives transactions	
	Commodity options	
Balance at the beginning of the year		¥1,908
Profit or loss or other comprehensive income for the period		
Recognized in profit or loss (*)		(1,549)
Recognized in other comprehensive income		-
Purchase, sale, issuance, and settlement		-
Transfer to Level 3 of fair value hierarchy		-
Transfer from Level 3 of fair value hierarchy		-
Others		131
Balance at the end of the year		490
Unrealized gains (losses) on financial assets and liabilities held at the end of the period recognized in profit or loss for the period*		¥(1,549)

\*Consists of "Others" in "Non-operating expenses" on the consolidated statement of income

Category	Millions of yen	
	Derivatives transactions	
	Commodity options	Commodity swaps
Balance at the beginning of the year	¥490	-
Profit or loss or other comprehensive income for the period		
Recognized in profit or loss (*1)	(196)	¥209
Recognized in other comprehensive income (*2)	56	-
Purchase, sale, issuance, and settlement	-	-
Transfer to Level 3 of fair value hierarchy	-	-
Transfer from Level 3 of fair value hierarchy	-	-
Others	-	848
Balance at the end of the year	350	1,058
Unrealized gains (losses) on financial assets and liabilities held at the end of the period recognized in profit or loss for the period*	¥(196)	¥209

\*1 Consists of "Others" in "Non-operating expenses" or "Others" in "Non-operating income" on the consolidated statement of income

\*2 Consists of "Foreign currency translation adjustment" in "Other comprehensive income" on the consolidated statement of comprehensive income

## (3) Description of the fair value valuation process

The Risk Management Division has established policies and procedures for the calculation of fair values of financial instruments and calculates them accordingly. The calculated fair values are compared to quoted market prices obtained from third parties to ensure the appropriateness of valuation techniques, inputs, and financial instruments. The fair values are calculated using valuation models that most appropriately reflect the nature, characteristics, and risks of each underlying financial instrument, and are regularly reviewed and verified by a third-party institution. The valuation of financial instruments is calculated, verified, and reported every quarter by the Risk Management Division to ensure the appropriateness of the policies and procedures

for calculating fair value.

In cases where quoted market prices obtained from third parties are used, the appropriateness of the prices is verified through appropriate methods such as confirmation of the valuation techniques and inputs used and comparison with the fair values of similar financial instruments.

(4) Description of the effect of changes in significant unobservable inputs on fair value

The key unobservable input used in the fair value measurement of commodity options is primarily volatility, and a significant increase (decrease) in volatility would result in a significant increase (decrease) in fair value. The key unobservable input used in the fair value measurement of commodity swaps is primarily forecasted power generation, and a significant increase (decrease) in forecasted power generation would result in a significant increase (decrease) in fair value.

## Securities

### 1. Available-for-sale securities

As of March 31, 2024		Millions of yen		
Category	Items	Amount recorded on the consolidated balance sheet	Acquisition cost	Difference
Securities for which the amount recorded on the consolidated balance sheet exceeds the acquisition cost	Stock	¥44,381	¥13,177	¥31,204
Subtotal		44,381	13,177	31,204
Securities for which the amount recorded on the consolidated balance sheet does not exceed the acquisition cost	Stock	1,866	2,426	(559)
	Bonds	180	180	-
Subtotal		2,046	2,606	(559)
Total		¥46,428	¥15,783	¥30,645

As of March 31, 2025		Millions of yen		
Category	Items	Amount recorded on the consolidated balance sheet	Acquisition cost	Difference
Securities for which the amount recorded on the consolidated balance sheet exceeds the acquisition cost	Stock	¥49,112	¥12,902	¥36,209
Subtotal		49,112	12,902	36,209
Securities for which the amount recorded on the consolidated balance sheet does not exceed the acquisition cost	Stock	-	-	-
	Bonds	180	180	-
Subtotal		180	180	-
Total		¥49,292	¥13,082	¥36,209

### 2. Available-for-sale securities sold in the fiscal year

Year ended March 31, 2024		Millions of yen	
	Proceeds from sales	Gain on sales	Loss on sales

Stock	¥4,453	¥2,458	-
Year ended March 31, 2025			
	Proceeds from sales	Gain on sales	Loss on sales
Stock	<b>¥1,010</b>	<b>¥735</b>	-

## Derivatives Transactions

### 1. Derivatives transactions not subject to hedge accounting

#### (1) Currencies

As of March 31, 2024

Not applicable.

As of March 31, 2025		Millions of yen			
		Contract value, etc.		Fair value	Valuation gain/loss
Category	Instrument	Total value	Portion over one year		
Transactions other than market transactions	Foreign exchange forward contracts	<b>¥3</b>	-	<b>¥0</b>	<b>¥0</b>

#### (2) Commodities

As of March 31, 2024		Millions of yen			
		Contract value, etc.		Fair value	Valuation gain/loss
Category	Instrument	Total value	Portion over one year		
Transactions other than market transactions	Options, short positions	<b>¥8,878</b>	<b>¥8,878</b>	<b>¥490</b>	<b>¥(8,388)</b>

As of March 31, 2025		Millions of yen			
		Contract value, etc.		Fair value	Valuation gain/loss
Category	Instrument	Total value	Portion over one year		
Transactions other than market transactions	Options, short positions	<b>¥9,902</b>	<b>¥9,902</b>	<b>¥350</b>	<b>¥(9,552)</b>
	Commodity swaps pay/fixed receive/floating	<b>¥7,664</b>	<b>¥7,040</b>	<b>¥1,058</b>	<b>¥209</b>

### 2. Derivatives transactions subject to hedge accounting

As of March 31, 2024			Millions of yen		
Hedging method	Instrument	Target	Contract value, etc.		Fair value
			Total value	Portion over one	

		year		
General settlement method	Foreign exchange forward contracts	Foreign-currency-denominated receivables and payables	¥7,643	¥5,716
	Interest rate swaps pay/fixed receive/floating	Loans	323,394	248,877
	Commodity swaps pay/fixed receive/floating	Commodity	22,697	-
				1,278
Special interest rate swaps	Interest rate swaps pay/fixed receive/floating	Loans	72,202	30,813
Total			¥425,937	¥285,406
				¥5,765

\* Transactions subject to special interest rate swaps are settled as a combined sum with the hedged long-term borrowings so the fair value is included in the fair value of the corresponding long-term borrowings.

As of March 31, 2025

			Millions of yen		
Hedging method	Instrument	Target	Contract value, etc.		Fair value
			Total value	Portion over one year	
General settlement method	Foreign exchange forward contracts	Foreign-currency-denominated receivables and payables	¥9,267	¥7,115	¥(723)
	Interest rate swaps pay/fixed receive/floating	Loans	292,832	259,074	6,189
	Commodity swaps pay/fixed receive/floating	Commodity	32,188	-	(2,698)
Special interest rate swaps	Interest rate swaps pay/fixed receive/floating	Loans	30,813	19,456	*
Total			¥365,101	¥285,647	¥2,766

\* Transactions subject to special interest rate swaps are settled as a combined sum with the hedged long-term borrowings so the fair value is included in the fair value of the corresponding long-term borrowings.

## Employee Retirement Benefit Plans

### 1. Summary of employee retirement benefit plans adopted

The Company and some of its domestic consolidated subsidiaries have adopted funded type defined benefit corporate pension plans and unfunded lump-sum retirement benefit plans and both use a point system where

retirement allowance points, which become the basis for calculating payment amounts, are accumulated.

Defined benefit corporate pension plans (which are all funded types) provide annuities and lump sums based on calculations using accumulated points and the number of years served, etc. The Company has adopted a quasi-cash balance plan for its defined benefit corporate pension plan and annuity amounts fluctuate depending on the market interest rate.

Lump-sum retirement benefit plans (which are unfunded, but some have become a funded type plan as a result of setting a retirement benefit trust) pay lump sums based on accumulated points and length of employment. Also, when an employee retires, there are cases when premium severance payments are made that are not in the scope of retirement benefit obligations calculated in accordance with retirement benefit accounting.

## 2. Defined benefit plans (excluding plans using a simplified method)

### (1) The changes in the retirement benefit obligations during the year

Year ended March 31	Millions of yen	
	2024	2025
Balance at the beginning of the year	¥135,967	¥131,281
Service cost	5,681	5,237
Interest cost	1,336	1,786
Incurred actuarial gain or loss	(6,413)	(11,741)
Retirement benefit payments	(5,308)	(6,525)
Other	18	33
Balance at the end of the year	¥131,281	¥120,071

### (2) The changes in the plan assets during the year

Year ended March 31	Millions of yen	
	2024	2025
Balance at the beginning of the year	¥104,138	¥117,730
Expected return on plan assets	2,990	3,340
Incurred actuarial gain or loss	12,688	(2,958)
Funding by the Company and its subsidiaries	2,308	2,280
Retirement benefit payments	(4,396)	(3,614)
Balance at the end of the year	¥117,730	¥116,777

### (3) The table sets forth the funding status of the plans and the amounts recognized in the consolidated balance sheet for the Company's and the consolidated subsidiaries' defined benefit plans

As of March 31	Millions of yen	
	2024	2025
Retirement benefit obligations of funded type plans	¥122,437	¥112,179
Plan assets	(117,730)	(116,777)
	4,706	(4,597)
Retirement benefit obligations of unfunded type plans	8,844	7,892
Net amount of liabilities and assets on the consolidated balance sheet	13,550	3,294
Retirement benefit liability	31,707	29,065
Retirement benefit asset	(18,157)	(25,771)
Net amount of liabilities and assets on the consolidated balance sheet	¥13,550	¥3,294

**(4) Retirement benefit expenses**

	Millions of yen	
Year ended March 31	2024	2025
Service cost	¥5,252	<b>¥4,634</b>
Interest cost	1,329	<b>1,768</b>
Expected return on plan assets	(2,963)	<b>(3,327)</b>
Amortization of actuarial gain or loss	(4,543)	<b>(13,848)</b>
Amortization of past service cost	(5)	<b>(5)</b>
Other	38	<b>46</b>
Retirement benefit expenses regarding defined benefit plans	¥(890)	<b>¥(10,730)</b>

**(5) Remeasurements of defined benefit plans, net of tax**

A breakdown of remeasurements of defined benefit plans, net of tax (before tax effect) is as follows:

	Millions of yen	
Year ended March 31	2024	2025
Past service cost	¥(5)	<b>¥(5)</b>
Actuarial gain or loss	14,552	<b>5,094</b>
Total	¥14,547	<b>¥(5,099)</b>

**(6) Remeasurements of defined benefit plans**

A breakdown of remeasurements of defined benefit plans in accumulated other comprehensive income (before tax effect) is as follows:

	Millions of yen	
As of March 31	2024	2025
Unrecognized past service cost	¥(35)	<b>¥(30)</b>
Unrecognized actuarial gain or loss	(22,470)	<b>(17,376)</b>
Total	¥(22,505)	<b>¥(17,406)</b>

**(7) Plan assets****a. A breakdown of plan assets**

Proportion of each type of asset is as follows:

As of March 31	2024	2025
Bonds	20%	<b>23%</b>
Stocks	37%	<b>31%</b>
General accounts	31%	<b>32%</b>
Other	12%	<b>14%</b>
Total	100%	<b>100%</b>

**b. Long-term expected rate of return**

In order to set long-term expected rate of return for plan assets, the current and expected allocation of plan assets and the current and future expected long-term return ratios for the various assets that compose the plan assets are taken into consideration.

**(8) The actuarial assumptions**

Main actuarial assumptions at the end of the fiscal year (presented in weighted average)

Year ended March 31	2024	2025
Discount rate	1.4%	<b>2.0%</b>
Long-term expected rate of return on plan assets	2.9%	<b>2.8%</b>
Expected rate of increase in salary	3.7%	<b>6.6%</b>

## Income Taxes

### 1. The significant components of deferred tax assets and liabilities

As of March 31	Millions of yen	
	2024	2025
Deferred tax assets		
Unrealized gain on non-current assets	¥16,471	<b>¥16,799</b>
Excess of depreciation of non-current assets	6,223	<b>7,483</b>
Net operating loss carryforwards for tax purposes (Note3)	11,250	<b>6,420</b>
Amount assigned for bonuses, etc. but not yet paid	2,319	<b>3,142</b>
Retirement benefit liability	5,689	<b>2,885</b>
Excess of amortization of deferred assets for tax purposes	1,142	<b>1,441</b>
Other	39,850	<b>45,780</b>
Subtotal of deferred tax assets	82,946	<b>83,953</b>
Valuation allowance for net operating loss carryforwards for tax purposes (Note3)	(1,224)	<b>(5,048)</b>
Valuation allowance for deductible temporary difference and others	(11,482)	<b>(11,274)</b>
Subtotal of valuation allowance (Note2)	(12,706)	<b>(16,322)</b>
Total deferred tax assets	70,239	<b>67,630</b>
Deferred tax liabilities		
Retained earnings of foreign subsidiaries	(10,294)	<b>(11,499)</b>
Valuation difference on available-for-sale securities	(9,249)	<b>(10,978)</b>
Other	(36,607)	<b>(40,788)</b>
Total deferred tax liabilities	(56,151)	<b>(63,267)</b>
Net deferred tax assets	¥14,088	<b>¥4,363</b>

(Note)

1. As stated in the "Notes (Changes in Accounting Policies)," the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022) has been applied from the beginning of the current fiscal year. This change in accounting policy has been retrospectively applied, and the figures for the previous fiscal year have been restated to reflect this retrospective application.
2. The valuation allowance increased by 3,615 million yen. The primary reason for this increase is the recognition of a 3,259 million yen Valuation allowance for net operating loss carryforwards for tax purposes, which arose from the consolidation of GENEX POWER LIMITED and 30 other companies during the current fiscal year.
3. The amounts of net operating loss carryforwards for tax purposes and associated deferred tax assets by expiry date are as follows:

As of March 31, 2024

Millions of yen

	Net operating loss carryforwards for tax purposes (a)	Valuation allowance	Deferred tax assets
One year or less	¥44	¥(44)	¥0
Over one year to two years	77	(77)	-
Over two years to three years	117	(116)	0
Over three years to four years	103	(103)	-
Over four years to five years	86	(86)	-
Over five years	10,821	(796)	10,025
<b>Total</b>	<b>¥11,250</b>	<b>¥(1,224)</b>	<b>(b) ¥10,026</b>

(a) The amounts of net operating loss carryforwards for tax purposes represent the amounts multiplied by the statutory tax rate.

(b) 10,026 million yen of deferred tax assets is recognized associated with 11,250 million yen of net operating loss carryforwards for tax purposes which is multiplied by the statutory tax rate. 10,026 million yen of deferred tax assets is recognized at the Company and consolidated subsidiaries as a part of 11,250 million yen of the balance of net operating loss carryforwards for tax purposes which is multiplied by the statutory tax rate. The net operating loss carryforwards for tax purposes which was recognized as deferred tax assets has been determined to be recoverable based on expected future taxable income.

As of March 31, 2025

Millions of yen

	Net operating loss carryforwards for tax purposes (c)	Valuation allowance	Deferred tax assets
One year or less	¥86	¥(86)	-
Over one year to two years	114	(113)	¥0
Over two years to three years	236	(236)	-
Over three years to four years	97	(97)	-
Over four years to five years	76	(75)	0
Over five years	5,782	(4,412)	1,370
<b>Total</b>	<b>¥6,393</b>	<b>¥(5,021)</b>	<b>¥1,371</b>

(c) The amounts of net operating loss carryforwards for tax purposes represent the amounts multiplied by statutory tax rate.



## 2. The reconciliation between the effective tax rates reflected in the consolidated statement of income and the statutory tax rate

(Note)

Notes have been omitted because the difference between the statutory tax rate and the effective tax rate is less than 5% of the statutory tax rate for the fiscal years ended March 31, 2024 and 2025.

## 3. Adjustments to the amounts of deferred tax assets and deferred tax liabilities due to changes in corporate tax rates

The "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 13 of Reiwa 7) was enacted by the Japanese National Diet on March 31, 2025, and the "Special Defense Corporation Tax" will be imposed starting from fiscal years beginning on or after April 1, 2026.

Accordingly, for deferred tax assets and deferred tax liabilities related to temporary differences expected to reverse in fiscal years beginning on or after April 1, 2026, the statutory effective tax rate has been changed from 28.00% to 28.93% for calculation purposes.

As a result of this change, the deferred tax assets (net of deferred tax liabilities) for the current fiscal year increased by 328 million yen. Additionally, "Income taxes-deferred" decreased by 841 million yen, "Valuation difference on available-for-sale securities" decreased by 349 million yen, "Remeasurements of defined benefit plans" decreased by 160 million yen, and "Deferred gains or losses on hedges" decreased by 3 million yen.

## 4. Accounting for income taxes and local income taxes or tax effect accounting related to these taxes

The Company and some of its domestic consolidated subsidiaries have adopted the group tax sharing system effective. In addition, in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ PITF Report No. 42, August 12, 2021), the Company has accounted for and disclosed income taxes and local income taxes or tax effect accounting related to these taxes.

## Matters Related to Business Combinations, etc.

### Combination through Acquisition

The Company has been proceeding with the process of acquiring 100% of the issued shares of GENEX POWER LIMITED (hereinafter referred to as "GENEX"), which operates renewable energy and battery storage development, construction, and operation businesses in Australia, through JPGA Partners Pty. Ltd. (investment ratio: 100%). Genex became a subsidiary of the Company as of July 31, 2024, following the approval at Genex's shareholders' meeting and by the Supreme Court of New South Wales, Australia.

#### (1) Overview of business combination

##### 1. Name and business description of the acquired company

Name:

GENEX POWER LIMITED

Business description:

Development, construction, and operation of renewable energy and energy storage facilities

##### 2. Reasons for the share acquisition

In line with the Company's corporate philosophy, which states, "We will meet people's needs for energy without fail, and play our part in the sustainable development of Japan and the rest of the world," the Company has strived for over 70 years to efficiently supply stable sources of electricity and has expanded business operations globally. Today, balancing a stable energy supply with a response to climate change is the most critical issue for the sustainability of human civilization. Given this situation, the Company formulated J-POWER BLUE MISSION 2050 in February 2021 and is accelerating initiatives to achieve a carbon-neutral and hydrogen-based world by 2050.

In Australia, the federal government submitted a target to the United Nations in June 2022 to reduce greenhouse gas emissions by 43% from 2005 levels by 2030 and to achieve net zero emissions for the entire country by

2050. Australia is expected to introduce approximately 40 GW of renewable energy and approximately 30 GW of energy storage facilities by 2035. Genex is developing a “clean energy hub” consisting of solar, pumped hydro, and wind power generation at the Kidston site in Queensland. The Company has built a deep relationship of trust with Genex since 2020 through the joint development of renewable energy projects. By accelerating the development of renewable energy and energy storage facilities together with Genex through the share acquisition, the Company is confident of significantly contributing to achieving the Australian government’s greenhouse gas emission reduction targets and goals of J-POWER’s BLUE MISSION 2050.

3. Schedule of Business Combination Date  
July 31, 2024 (Deemed acquisition date: June 30, 2024)
  4. Legal Form of Business Combination  
Share acquisition with cash consideration
  5. Name of the Combined Company  
There is no change in the name of the combined company
  6. Percentage of Voting Rights Acquired  
Percentage of Voting Rights Held Prior to Acquisition: 7.72%  
Percentage of Voting Rights Acquired on the Business Combination Date: 92.28%  
Percentage of Voting Rights After Acquisition: 100.00%
  7. Main Basis for Determining the Acquiring Company  
This is based on the fact that JPGA Partners Pty. Ltd., a wholly owned subsidiary of the Company, acquired the shares of Genex in exchange for cash consideration.
- (2) Period of the acquired company's performance included in the consolidated financial statements**  
From July 1, 2024, to December 31, 2024
- (3) Acquisition cost of the acquired company and breakdown by type of consideration**  
Consideration for Acquisition:  
Fair value of shares held immediately prior to the business combination as of the business combination date: 3,148 million yen  
Cash: 37,610 million yen
- 
- Acquisition Cost: 40,758 million yen  
(Note) Calculations are based on the exchange rate as of the deemed acquisition date.
- (4) Breakdown and amount of major acquisition-related costs**  
Advisory fees and stamp duties: 2,542 million yen
- (5) Difference between the acquisition cost of the acquired company and the total acquisition cost of each transaction leading to the acquisition**  
432 million yen
- (6) Amount, cause, amortization method, and amortization period of goodwill recognized**
1. Amount of Goodwill Recognized  
12,388 million yen  
The above amount is calculated using the exchange rate as of the deemed acquisition date.  
In addition, as of the end of the current fiscal year, the identification of identifiable assets and liabilities as of the acquisition date, as well as the estimation of their fair value, has not yet been completed. Therefore, provisional accounting treatment has been applied based on reasonable information and other relevant data available as of the fiscal year-end.
  2. Cause of Goodwill Recognized  
This arises from the future excess earning potential expected from the Company's future business development.
  3. Amortization Method, and Amortization Period of Goodwill Recognized  
Amortized on a straight-line basis over 20 years.
- (7) Amounts and main breakdown of assets acquired and liabilities assumed as of the business combination date**  
Non-current assets: 111,814 million yen  
Current assets: 11,257 million yen

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Total assets: 123,071 million yen

Non-current liabilities: 87,629 million yen

Current liabilities: 7,071 million yen

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Total liabilities: 94,700 million yen

(Note) Calculations are based on the exchange rate as of the deemed acquisition date.

## Asset Retirement Obligations

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Asset retirement obligations recorded on the consolidated balance sheet

### (1) Overview of the asset retirement obligations

This represents restoration obligations due to real estate lease agreements, mine closure and power purchase agreements in overseas business.

### (2) Method of calculating amount of asset retirement obligations

The amount of asset retirement obligations is calculated by using an expected period of use of 0 to 31 years from the acquisition and discounting using discount rates between (0.1)% and 5.6%.

### (3) Increase/decrease of the asset retirement obligations

Year ended March 31	Millions of yen	
	2024	2025
Balance at the beginning of the year	¥34,563	<b>¥34,993</b>
Increase due to estimate change	67	<b>4,267</b>
Liabilities incurred due to the acquisition of property, plant and equipment	1,228	<b>756</b>
Accretion expense	381	<b>441</b>
Liabilities settled	(1,659)	<b>(2,439)</b>
Other	412	<b>1,733</b>
Balance at the end of the year	¥34,993	<b>¥39,752</b>

### (4) Changes in the estimated amount of the asset retirement obligations

In the current fiscal year, changes have been made to the estimates of asset retirement obligations, primarily related to restoration obligations recorded for coal mine closures, based on newly obtained information.

## Revenue Recognition

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### (1) Disaggregated revenue from contracts with customers

The disaggregated revenue from contracts with customers is as stated in the "Notes (Segment Information, etc.)."

### (2) Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows generated from those contracts, and the amount and timing of revenue expected to be recognized in subsequent fiscal years from contracts with customers that existed at the end of the current fiscal year

Transaction price allocated to remaining performance obligations

The aggregate transaction price allocated to the remaining performance obligations and the expected period of revenue recognition are as follows.

The Group applies a practical expedient and does not include the transaction price related to remaining performance obligations for which revenue is recognized at the amount that the Group has the right to charge, such as in contracts with an initial expected term of one year or less and contracts that allow the Group to charge a fixed amount based on the time of services rendered.

Millions of yen		
Year ended March 31	2024	2025
Less than 1 year	¥120,984	<b>¥40,156</b>
More than 1 year but less than 3 years	114,218	<b>179,403</b>
More than 3 years	107,993	<b>158,079</b>
Total	¥343,196	<b>¥377,639</b>

## Segment Information, etc.

### (Segment Information)

#### 1. Overview of reportable segments

The Company's reportable segments consist of structural units for which separate financial information is available and are subject to be regularly reviewed by the Board of Directors to determine the distribution of management resources and evaluate performance.

The Group is comprised of the Company (parent company), 109 subsidiaries and 107 affiliates (as of March 31, 2025), which is engaged in the power generation business utilizing power plants owned by the Group companies including hydroelectric, thermal and wind, and the sale of electricity procured from the wholesale power trading market. The Group is also engaged in the transmission business through a subsidiary that owns power transmission and transformation facilities. This subsidiary provides transmission services to nine transmission and distribution companies, excluding The Okinawa Electric Power Company.

The business activities of the J-POWER group include the "Power Generation Business" conducted by the Company and affiliated companies, the "Transmission and Transformation Business" conducted by affiliated companies, the "Electric Power-Related Business" that complements and contributes to the smooth and efficient execution of the Power Generation Business, and Transmission and Transformation Business, the "Overseas Business" that involves power generation and related activities abroad, and "Other Business" that utilize the management resources and expertise held by the group.

#### (Power Generation Business)

Engages in the power generation business, utilizing power plants owned by J-POWER Group companies including hydro, thermal, and wind facilities, as well as the maintenance and operation of these facilities. Additionally, the Group sells electricity procured from the wholesale electricity markets.

#### (Transmission and Transformation Business)

Engages in the transmission business through a subsidiary-owned power transmission and transformation facilities. This subsidiary provides transmission services to nine transmission and distribution companies, excluding The Okinawa Electric Power Company.

#### (Electric Power-Related Business)

Engages in complementing and contributing to the smooth and efficient execution of the Power Generation Business, and Transmission and Transformation Business.

#### (Overseas Business)

Engages in overseas power generation business and related businesses.

#### (Other Business)

Engages in activities, including the sale of coal, that fully utilize J-POWER Group's management resources and expertise.

#### [Change in segment classification, etc.]

From the current fiscal year, the Company decided to change the reportable segments in line with the J-POWER Group Medium-Term Management Plan for 2024-2026, which covers the three-year period from FY2024. The Company has changed the reportable segments from conventional "Electric Power Business," "Electric Power-Related Business," "Overseas Business," and "Other Businesses" to "Power Generation Business," "Transmission and Transformation Business," "Electric Power-Related Business," "Overseas Business," and "Other Businesses." This is intended to encourage autonomous business operations within the new segments and increase business value by appropriately representing the business segments and actual business activities based on the characteristics of each of the businesses operated by the Company.

The segment information for the previous fiscal year has been prepared based on the revised classification method

and is presented in " 3. Information pertaining to sales, income (loss), assets and other items for each reportable segments" for the previous fiscal year.

**2. Method of calculating sales, income (loss), assets and other items for each reportable segments**

The method of accounting for the reportable segments is the same as that stated in "Summary of Significant Accounting Policies." The income of reportable segments is calculated on the basis of ordinary profit. Intersegment internal revenue and transferred amounts are based on current market prices.

### 3. Information pertaining to sales, income (loss), assets and other items for each reportable segments

For the year ended March 31, 2024

Millions of yen

	Power Generation Business	Transmissi on and Transform ation Business	Electric Power Related Business	Overseas Business	Other Business	Subtotal	Adjust- ments *1	Consolida ted *2
<b>Sales</b>								
Sales to external customers	855,652	48,928	77,879	259,264	16,273	1,257,998	—	1,257,998
Revenue from contracts with customers	853,283	48,734	77,597	259,216	16,201	1,255,033	-	1,255,033
Electricity sales	845,624	-	--	257,049	-	1,102,674	-	1,102,674
Electricity transmission	-	48,586	-	-	-	48,586	-	48,586
Others	7,658	148	77,597	2,166	16,201	103,772	-	103,772
Other revenue	2,368	193	281	48	71	2,964	-	2,964
Intersegment sales and transfer	19,867	643	41,766	—	992	63,270	(63,270)	—
<b>Total sales</b>	<b>875,519</b>	<b>49,572</b>	<b>119,646</b>	<b>259,264</b>	<b>17,265</b>	<b>1,321,268</b>	<b>(63,270)</b>	<b>1,257,998</b>
<b>Segment income</b>	<b>20,374</b>	<b>7,306</b>	<b>47,174</b>	<b>44,305</b>	<b>160</b>	<b>119,323</b>	<b>(787)</b>	<b>118,535</b>
<b>Segment assets</b>	<b>2,284,578</b>	<b>259,013</b>	<b>219,708</b>	<b>947,012</b>	<b>15,006</b>	<b>3,725,320</b>	<b>(249,514)</b>	<b>3,475,805</b>
<b>Other items</b>								
Depreciation and amortization	68,031	11,073	8,216	23,422	335	111,079	(766)	110,313
Amortization of goodwill	—	—	—	—	—	—	—	—
Interest income	1,848	0	3,705	3,687	46	9,288	(1,841)	7,447
Interest expenses	12,246	1,825	162	18,469	75	32,779	(1,841)	30,937
Equity income (loss) of affiliates	(1,313)	—	—	25,863	—	24,550	—	24,550
Investment in affiliates	27,225	—	—	268,585	—	295,810	—	295,810
Increase in tangible and intangible non-current assets	93,880	18,825	4,689	3,842	87	121,325	(1,516)	119,808

(Notes)

1. The adjustment amounts for segment income, segment assets, depreciation and amortization, interest income, interest expenses, and increase in tangible and intangible non-current assets are amounts eliminated as transactions between segments.
2. Segment income is adjusted with ordinary profit within the consolidated financial statements.

For the year ended March 31, 2025

Millions of yen

	Power Generation Business	Transmissi on and Transform ation Business	Electric Power Related Business	Overseas Business	Other Business	Subtotal	Adjust- Ments *1	Consolida ted *2
Sales								
Sales to external customers	945,700	49,851	59,206	244,673	17,241	1,316,674	—	1,316,674
Revenue from contracts with customers	944,645	49,643	58,890	244,231	17,171	1,314,582	—	1,314,582
Electricity sales	935,273	-	-	240,776	-	1,176,049	—	1,176,049
Electricity transmission	-	49,494	-	-	-	49,494	—	49,494
Others	9,372	148	58,890	3,454	17,171	89,037	—	89,037
Other revenue	1,055	208	315	442	70	2,091	—	2,091
Intersegment sales and transfer	21,674	606	43,470	—	911	66,662	(66,662)	—
Total sales	967,375	50,458	102,676	244,673	18,153	1,383,337	(66,662)	1,316,674
Segment income	68,547	2,835	34,088	34,503	623	140,598	(502)	140,095
Segment assets	2,274,509	275,954	233,533	1,131,468	16,015	3,931,480	(262,740)	3,668,740
Other items								
Depreciation and amortization	71,328	10,758	7,735	27,037	348	117,208	(803)	116,405
Amortization of goodwill	—	—	—	285	—	285	—	285
Interest income	2,311	1	4,729	4,399	45	11,488	(2,063)	9,424
Interest expenses	12,655	2,011	196	20,127	74	35,066	(2,063)	33,002
Equity income (loss) of affiliates	2,441	—	—	12,023	—	14,464	—	14,464
Investment in affiliates	34,705	—	—	292,915	—	327,620	—	327,620
Increase in tangible and intangible non-current assets	77,995	28,837	4,545	22,243	544	134,165	(1,690)	132,475

(Notes)

1. The adjustment amounts for segment income, segment assets, depreciation and amortization, interest income, interest expenses, and increase in tangible and intangible non-current assets are amounts eliminated as transactions between segments.
2. Segment income is adjusted with ordinary profit within the consolidated financial statements.



**(Related Information)**

For the year ended March 31, 2024

**1. Information by products and services**

This information is omitted as similar information is disclosed in segment information.

**2. Geographical information****(1) Operating revenue**

			Millions of yen
Japan	Thailand	Other	Total
¥921,877	¥227,905	¥108,215	¥1,257,998

(Note) Sales are classified by countries or regions based on locations of customers.

**(2) Tangible non-current assets**

			Millions of yen
Japan	Thailand	Other	Total
¥1,654,819	¥285,855	¥178,702	¥2,119,377

**3. Sales to main customers**

		Millions of yen	
		Amount of sales	Related segment
Electricity Generating Authority of Thailand (EGAT)		¥ 205,016	Overseas business
Japan Electric Power Exchange (JEPX)		188,195	Electric power business
The Chugoku Electric Power Company, Incorporated		¥ 144,034	Electric power business

For the year ended March 31, 2025

**1. Information by products and services**

This information is omitted as similar information is disclosed in segment information.

**2. Geographical information****(1) Operating revenue**

			Millions of yen
Japan	Thailand	Other	Total
<b>¥1,013,954</b>	<b>¥203,533</b>	<b>¥99,185</b>	<b>¥1,316,674</b>

(Note) Sales are classified by countries or regions based on locations of customers.

**(2) Tangible non-current assets**

			Millions of yen
Japan	Thailand	Other	Total
<b>¥1,676,505</b>	<b>¥302,036</b>	<b>¥304,917</b>	<b>¥2,283,459</b>

**3. Sales to main customers**

		Millions of yen	
		Amount of sales	Related segment
Japan Electric Power Exchange (JEPX)		<b>¥220,376</b>	Electric power business

Electricity Generating Authority of Thailand (EGAT)	¥ 180,695	Overseas business
The Chugoku Electric Power Company, Incorporated	¥ 149,995	Electric power business

**(Impairment loss on non-current assets by reportable segments)**

For the year ended March 31, 2024

This information is omitted due to lack of materiality.

For the year ended March 31, 2025

This information is omitted due to lack of materiality.

**(Information about amortization and balance of goodwill by reportable segments)**

For the year ended March 31, 2024

Not applicable.

For the year ended March 31, 2025

Millions of yen

	Reporting segments					
	Power Generation Business	Transmission and Transformation Business	Electric Power Related Business	Overseas Business	Other Business	Total
Balance as of March 31, 2025	-	-	-	¥11,118	-	¥11,118

(Note) Regarding the amount of amortization of goodwill, descriptions are omitted as similar information are disclosed in the segment information.

**(Information about gain on negative goodwill by reportable segments)**

For the year ended March 31, 2024

Not applicable.

For the year ended March 31, 2025

Not applicable.

**(Related Party Information)**

**Summary of financial information of important affiliates**

For the year ended March 31, 2024

Not applicable.

For the year ended March 31, 2025

Type	Affiliated Company
Company Name or Individual Name	Oga Katagami Akita Offshore Green Energy LLC.
Location	Akita City, Akita Prefecture
Capital or Investment (Millions of yen)	¥1
Business Activities or Profession	Wind Power Generation Business
Ownership (or Owned) Voting Rights Ratio (%)	(Ownership) Direct 37.0

Relationship with Related Parties	Debt Guarantee
Transaction Details	Debt Guarantee (Note)
Transaction Amount (Millions of yen)	<b>¥54,800</b>
Account Title	-
Balance as of March 31, 2025 (Millions of yen)	-

(Note) Transaction terms and policy for determining transaction terms, etc.

Debt guarantees are provided for letters of credit and other instruments issued by financial institutions.

## Per Share Information

Year ended March 31	Yen	
	2024	2025
Net assets per share	¥6,649.11	<b>¥7,305.66</b>
Earnings per share	¥425.31	<b>¥505.64</b>

(Notes) 1. Since there were no potential shares such as bonds with subscription right to shares, diluted earnings per share is not indicated.

2. In the calculation of net assets per share, Company shares held by the Trust accounts related to the stock-based compensation system for officers are included in treasury shares which is deducted from the calculation of the total number of issued shares at the end of the period (177 thousand shares for the previous fiscal year, 170 thousand shares for the current fiscal year). In addition, for the calculation of earnings per share, Company shares held by the same Trust accounts are included in treasury shares, which is deducted from the calculation of the average number of shares outstanding during the fiscal year (179 thousand shares for the previous fiscal year, 172 thousand shares for the current fiscal year).

3. As stated in "Changes in Accounting Policies," the changes in accounting policies for the current fiscal year have been retrospectively applied, and the financial statements for the previous fiscal year have been restated to reflect these retrospective applications. The impact on net assets per share and earnings per share for the previous fiscal year is insignificant.

4. The basis of calculation of earnings per share is shown below.

Year ended March 31		2024	2025
Profit attributable to owners of parent	Millions of yen	¥77,774	<b>¥92,469</b>
Amount not attributable to ordinary shareholders	Millions of yen	-	-
Profit attributable to owners of parent related to common stock	Millions of yen	77,774	<b>92,469</b>
Weighted average number of common stock outstanding during the year	Thousands of shares	¥182,868	<b>¥182,874</b>

5. The basis of calculation of net assets per share is shown below.

As of March 31		2024	2025
Total net assets	Millions of yen	¥1,333,078	<b>¥1,463,502</b>
Amount deducted from total net assets	Millions of yen	117,156	<b>127,467</b>
(non-controlling interests included in the above)	Millions of yen	(117,156)	<b>(127,467)</b>
Year-end net assets related to common stock	Millions of yen	1,215,978	<b>1,336,034</b>
The number of common stock used in the calculation of net assets per share	Thousands of shares	¥182,869	<b>¥182,876</b>

## Significant subsequent events

### (Conclusion of an equity interest transfer agreement involving a change in an affiliate accounted for the equity method, including J-POWER Frontier Consolidation, L.P. and nine other companies)

On August 30, 2024, the Company decided to transfer its entire equity interest in J-POWER Frontier Consolidation, L.P. and J-POWER Frontier Consolidation GP, LLC (the two Frontier companies), in which the Company has a 50% equity interest through its wholly owned subsidiary, J-POWER North America Holdings Co., Ltd., to ACR IV FRONTIER HOLDINGS LLC. After completing the necessary procedures, J-POWER USA Generation Capital, LLC, in which the Company holds a 50% equity interest and the direct parent company of the two Frontier companies, transferred all of its equity interest in the two Frontier companies as of April 21, 2025.

In conjunction with this transfer of equity interest, during the first quarter of the fiscal year ending March 2026, the two Frontier companies and 8 subsidiaries or affiliates of the two Frontier companies are scheduled to be excluded from the Company's affiliates accounted for by the equity method.

1) Reason for the transfer

To effectively utilize management resources and improve asset efficiency.

- 2) Name of the company to which the transfer is made  
ACR IV FRONTIER HOLDINGS LLC (A portfolio company of an investment fund managed by Atlas Holdings LLC)
- 3) Timing of the transfer  
April 21, 2025 (U.S. time)
- 4) Overview of the equity-method affiliate  
Company Name: J-POWER Frontier Consolidation, L.P., J-POWER Frontier Consolidation GP, LLC, and 8 subsidiaries or affiliates of the two companies  
Business: Gas-fired power generation business
- 5) Transfer price, capital gain and equity interest after the transfer  
Transfer Price: Approximately 155 million USD (equivalent to the Company's share)  
Capital Gain: An estimated gain of approximately 93 million USD (equivalent to the Company's share) is expected to be recorded as "Share of profit of entities accounted for using equity method" at the time of transfer.  
Equity interest after the transfer: -%

### **(Purchase of treasury shares)**

The Company decided resolved at its board of directors meeting held on May 9, 2025, to purchase treasury stocks pursuant to Article 156 of the Companies Act of Japan (the "Companies Act") as modified and applied in accordance with Article 165.3 of the Companies Act.

- 1) Purpose for purchasing treasury stocks  
Improvement in capital efficiency and enhancement of shareholder return
- 2) Details of purchase
  1. Type of shares to be purchased  
Common shares
  2. Total number of shares to be purchased  
9 million (maximum)  
(Rate to number of shares outstanding (excluding treasury shares) 4.9%)
  3. Total value of shares to be purchased  
20,000 million yen (maximum)
  4. Purchase period  
From September 1, 2025, to March 31, 2026
  5. Method of purchase  
Market purchases on the Tokyo Stock Exchange(including off-hour own share repurchase transactions by Tokyo Stock Exchange Trading Network System (ToSTNeT-3))
- 3) Others  
The purchased shares are scheduled to be cancelled.

## Schedule of Consolidated Financial Statements

### Schedule of Bonds Payable

Electric Power Development Co., Ltd. straight bond

No.	Issued date	Balance as of April 1, 2024	Balance as of March 31, 2025	Interest rate	Secured /Unsecured	Term of redemption (lump-sum)
		Millions of yen	Millions of yen	%		
5	Nov. 2, 2004	10,000	-	2.240	Unsecured	Sep. 20, 2024
8	Feb. 24, 2005	20,000	-	2.110	Unsecured	Dec. 20, 2024
11	Jun. 7, 2005	20,000	-	2.050	Unsecured	Mar. 19, 2025
13	Jul. 22, 2005	20,000	20,000	2.040	Unsecured	Jun. 20, 2025
15	Oct. 20, 2005	20,000	20,000	2.110	Unsecured	Sep. 19, 2025
26	Mar. 12, 2009	14,996	14,997	2.220	Unsecured	Dec. 20, 2028
40	Jun. 11, 2014	20,000	-	0.889	Unsecured	Jun. 20, 2024
41	Sep. 2, 2014	20,000	-	0.782	Unsecured	Aug. 20, 2024
42	Apr. 18, 2016	10,000	10,000	0.310	Unsecured	Apr. 20, 2026
43	Jun. 7, 2016	20,000	20,000	0.290	Unsecured	Jun. 19, 2026
44	Oct. 20, 2016	10,000	10,000	0.688	Unsecured	Oct. 20, 2036
45	Nov. 29, 2016	10,000	10,000	0.260	Unsecured	Nov. 20, 2026
47	Feb. 22, 2017	10,000	10,000	0.919	Unsecured	Feb. 20, 2037
48	Apr. 13, 2017	10,000	10,000	0.569	Unsecured	Apr. 20, 2032
49	May 18, 2017	20,000	20,000	0.400	Unsecured	May 20, 2027
50	Jul. 19, 2017	10,000	10,000	0.415	Unsecured	Jul. 20, 2027
51	Jul. 19, 2017	10,000	10,000	0.858	Unsecured	Jul. 17, 2037
52	Sep. 12, 2017	10,000	10,000	0.748	Unsecured	Sep. 18, 2037
53	Oct. 13, 2017	10,000	10,000	0.380	Unsecured	Oct. 20, 2027
54	Nov. 15, 2017	30,000	30,000	0.380	Unsecured	Nov. 19, 2027
55	May 23, 2018	20,000	20,000	0.375	Unsecured	May 19, 2028
56	May 23, 2018	10,000	10,000	0.540	Unsecured	May 20, 2033
57	Jul. 11, 2018	20,000	20,000	0.355	Unsecured	Jul. 20, 2028
58	Jul. 11, 2018	10,000	10,000	0.705	Unsecured	Jul. 20, 2038
59	Sep. 19, 2018	20,000	20,000	0.414	Unsecured	Sep. 20, 2028
60	Sep. 19, 2018	10,000	10,000	0.804	Unsecured	Sep. 20, 2038
61	Oct. 12, 2018	10,000	10,000	0.682	Unsecured	Oct. 20, 2033
62	Oct. 23, 2018	10,000	10,000	0.805	Unsecured	Oct. 20, 2036
63	Nov. 29, 2018	10,000	10,000	0.250	Unsecured	Nov. 20, 2025
64	Apr. 10, 2019	10,000	10,000	0.450	Unsecured	Apr. 20, 2029
65	Apr. 10, 2019	10,000	10,000	0.739	Unsecured	Apr. 20, 2039
66	Apr. 23, 2019	10,000	10,000	1.146	Unsecured	Apr. 20, 2049
67	Sep. 5, 2019	10,000	10,000	0.240	Unsecured	Sep. 20, 2029
68	Sep. 5, 2019	10,000	10,000	0.480	Unsecured	Sep. 20, 2039
69	Oct. 10, 2019	20,000	20,000	0.500	Unsecured	Oct. 20, 2039
70	Jun. 4, 2020	20,000	20,000	0.140	Unsecured	Jun. 20, 2025
71	Jun. 4, 2020	30,000	30,000	0.420	Unsecured	Jun. 20, 2030
72	Jan. 21, 2021	20,000	20,000	0.350	Unsecured	Jan. 20, 2031
73	May 20, 2021	30,000	30,000	0.310	Unsecured	May 20, 2031
74	May 20, 2021	10,000	10,000	0.620	Unsecured	May 20, 2041

75	Oct. 21, 2021	20,000	20,000	0.350	Unsecured	Oct. 20, 2031
76	Jan. 20, 2022	10,000	10,000	0.310	Unsecured	Jan. 20, 2032
77	May 26, 2022	10,000	10,000	0.400	Unsecured	May 20, 2027
78	May 26, 2022	10,000	10,000	0.624	Unsecured	May 20, 2032
79	Jul. 12, 2022	23,900	23,900	0.350	Unsecured	Jul. 18, 2025
80	Aug. 24, 2022	18,000	18,000	0.615	Unsecured	Aug. 20, 2029
81	Aug. 24, 2022	13,700	13,700	1.200	Unsecured	Aug. 20, 2042
82	Nov. 17, 2022	17,000	17,000	1.000	Unsecured	Nov. 19, 2032
83	Dec. 7, 2022	15,000	15,000	0.450	Unsecured	Apr. 26, 2026
84	Feb. 16, 2023	20,000	20,000	0.754	Unsecured	Feb. 18, 2028
85	Mar. 15, 2023	10,000	10,000	0.872	Unsecured	Oct. 31, 2029
86	May 30, 2023	20,000	20,000	0.930	Unsecured	May 20, 2033
87	Feb. 16, 2024	20,000	20,000	1.106	Unsecured	Feb. 20, 2034
88	Feb. 16, 2024	5,000	5,000	1.754	Unsecured	Feb. 20, 2043
89	Apr. 10, 2024	-	10,000	1.121	Unsecured	Feb. 16, 2034
90	Aug. 16, 2024	-	7,800	1.386	Unsecured	Aug. 20, 2034
Esashi Green Energy Co., Ltd. straight bond						
1	Feb. 14, 2022	770	770	2.700	Unsecured	Feb. 16, 2032
Ishikari Green Energy Co., Ltd. straight bond						
1	Mar. 18, 2022	720	720	2.700	Unsecured	Mar. 18, 2032
Total		¥819,086	¥746,887	-	-	-

(Notes) 1. The balance as of March 31, 2025 regarding bonds No.13, No.15, No.63, No.70, No.79 are redeemable within one year.

2. The amounts redeemable within five years after March 31, 2025 are as follows;

	Millions of yen
Due in one year or less	<b>¥93,900</b>
Due after one year through two years	<b>55,000</b>
Due after two years through three years	<b>100,000</b>
Due after three years through four years	<b>75,000</b>
Due after four years through five years	<b>¥48,000</b>

### Schedule of borrowings, etc.

	Balance as of April 1, 2024	Balance as of March 31, 2025	Average rate of interest	Repayment date
Category	Millions of yen	Millions of yen	%	
Long-term borrowings (excluding current portion)	¥932,304	<b>¥998,134</b>	2.642	From Apr. 1, 2026 To Sep. 30, 2043
Lease liabilities (excluding current portion)	1,210	<b>2,035</b>	-	From Apr. 1, 2026 To Dec. 17, 2049
Current portion of long-term borrowings	105,387	<b>122,839</b>	1.750	-
Current portion of lease liabilities	1,044	<b>1,034</b>	-	-
Short-term borrowings	8,031	<b>8,133</b>	0.905	-
Total	¥1,047,978	<b>¥1,132,176</b>	-	-

(Notes) 1. The average rate of interest is the weighted average rate of interest for loans as of March 31, 2025.

2. The average rate of interest for "Lease liabilities (excluding current portion)" and "Current portion of lease liabilities" is not presented as the amounts of lease liabilities on the consolidated balance sheets include

the interest portion.

3. The scheduled redemption amount of repayment of “Long-term borrowings (excluding current portion)” and “Lease liabilities (excluding current portion)” within five years after March 31, 2025 are as follows;

Category	Millions of yen	
	Long-term borrowings	Lease liabilities
Due after one year through two years	¥132,152	¥493
Due after two years through three years	214,344	179
Due after three years through four years	70,558	88
Due after four years through five years	¥123,340	¥75

### Schedule of Asset Retirement Obligations

Category	Millions of yen			
	Balance as of April 1, 2024	Increase	Decrease	Balance as of March 31, 2025
Restoration obligations due to real estate lease agreement	¥18,081	¥828	¥2,281	¥16,628
Restoration obligation due to original condition upon mine closure	4,122	4,478	265	8,335
Restoration obligation due to the electric power sales contract in overseas business	6,187	1,401	-	7,589
Other	¥6,601	¥833	¥236	¥7,199



## Independent Auditor's Report

The Board of Directors  
Electric Power Development Co., Ltd.

### *The Audit of the Consolidated Financial Statements*

#### **Opinion**

We have audited the accompanying consolidated financial statements of Electric Power Development Co., Ltd. (the Company) and its consolidated subsidiaries (the Group), which comprise the consolidated balance sheet as at March 31, 2025, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of construction in progress related to the Ohma Nuclear Power Plant project	
Description of Key Audit Matter	Auditor's Response
<p>The Company recorded construction in progress of ¥693,372 million on its consolidated balance sheet as of March 31, 2025, which represents 19% of total assets. This includes construction in progress related to the Ohma Nuclear Power Plant project.</p> <p>The Ohma Nuclear Power Plant project, a construction project for a nuclear power plant using uranium-plutonium mixed oxide ("MOX") fuel for the entire core, was approved by the municipality of Ohma as well as Aomori Prefecture and was included in the national Electric Power Development Master Plan in August 1999. Construction began in May 2008 upon the initial approval of the construction work plan by the Minister of Economy, Trade and Industry based on the Electricity Business Act.</p> <p>The Company submitted an application for permission for alteration of a reactor installment license and an application for construction plan approval to the Nuclear Regulation Authority ("NRA") in December 2014, and a review of compliance with the New Safety Standards concerning nuclear power plants promulgated by the NRA is currently being performed. The Company has determined that it must reconsider the start date of the safety enhancement construction, which was initially planned in the second half of 2024, based on the review status up to September 2024. The Company announced that it would begin the safety enhancement construction as early as possible and aim for the completion of the construction in the second half of 2029.</p>	<p>In considering the reasonableness of the evaluation of the construction in progress related to the Ohma Nuclear Power Plant project, we performed the following audit procedures, among others.</p> <ol style="list-style-type: none"> <li>To assess the necessity of the Ohma Nuclear Power Plant project, we: <ul style="list-style-type: none"> <li>reviewed the Seventh Strategic Energy Plan, which was decided by the Cabinet in February 2025 in light of the changes in the energy situation surrounding our country subsequent to the Sixth Strategic Energy Plan, in order to understand the future national nuclear energy policy;</li> <li>inspected the latest Plans for the Utilization of Plutonium (February 2025), which was formulated by Federation of Electric Power Companies of Japan, to review the utilization of plutonium as MOX fuel, taking into account the Basic Principles for the Utilization of Plutonium in Japan (July 2018; Atomic Energy Commission); and</li> <li>reviewed materials and minutes regarding the review of compliance released by the NRA, made a site visit to the location of the Ohma Nuclear Power Plant, and made inquiries of management regarding the status of the review of compliance by the NRA and the effect on upcoming construction of the Ohma Nuclear Power Plant,</li> </ul> </li> <li>To evaluate the reasonableness of estimates of undiscounted future cash flows, we:</li> </ol>

<p>As described in Significant Accounting Estimates in Notes to Consolidated Financial Statements, since the construction process for the Ohma Nuclear Power Plant project was extended, the Company evaluated construction in progress related to the project and, as a result, no loss was recognized since the total undiscounted future cash flows exceeded the carrying amount.</p> <p>As described in Significant Accounting Estimates in Notes to Consolidated Financial Statements, the key assumptions used in estimating the undiscounted future cash flows are future sales revenue, additional construction costs, and operating costs of the power plant. Given that these assumptions involve subjectivity and uncertainty and require significant management judgment, and that the total amount of undiscounted future cash flows is significantly affected by the assessment and judgment of management, we determined that valuation of construction in progress is a key audit matter.</p>	<ul style="list-style-type: none"> <li>discussed the contents of undiscounted future cash flows with management, and compared them with the latest plan for the recoverability of carrying amounts formulated by the responsible department, which was based on a process approved by the board of directors;</li> <li>reviewed documents such as the basic agreement with nine former General Electricity Utilities regarding the Ohma Nuclear Power Plant to assess future sales revenue and made inquiries of management regarding the agreement requiring that the nine former General Electricity Utilities purchase the total amount of electricity generated at a fair cost and the status of discussions with the nine former General Electricity Utilities in light of the progress of electricity system reform;</li> <li>compared the construction costs used to estimate undiscounted future cash flows, which had been calculated in the past, with the actual amounts up to and including the current fiscal year to assess the assumptions for the estimates;</li> <li>compared the additional construction costs used to estimate undiscounted future cash flows with the construction costs approved by the board of directors;</li> <li>compared the construction costs and the future operating costs of the power plant with the trial calculation for a model plant released by the Agency for Natural Resources and Energy in February 2025 and made inquiries of management regarding the effect of changes in the future economic conditions; and</li> <li>involved valuation specialists from our network firm to assess the valuation methodologies used in calculating undiscounted future cash flows.</li> </ul>
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## **Other Information**

Other information comprises the information included in disclosure documents that contain audited consolidated financial statements, but does not include the consolidated financial statements and our auditor's report thereon.

We have concluded that other information does not exist. Accordingly, we have not performed any work related to other information.

## **Responsibilities of Management, the Audit & Supervisory Committee for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit & Supervisory Committee is responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit & Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

From the matters communicated with the Audit & Supervisory Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### ***Fee-related Information***

The fees for the audits of the financial statements of Electric Power Development Co., Ltd. and its subsidiaries and other services provided by us and other EY member firms for the year ended March 31, 2025 are 391 million yen and 160 million yen, respectively.



## **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC  
Tokyo, Japan

July 30, 2025

Morio Sato

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Designated Engagement Partner  
Certified Public Accountant

Yasuo Maeda

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Designated Engagement Partner  
Certified Public Accountant