

Financial Results & State of Operating Activities

May 13, 2025

TOKYO ENERGY & SYSTEMS INC.



TOKYO ENERGY & SYSTEMS INC.

* The content of these materials is identical to the financial results briefing materials announced on May 12.

I Overview of FY2024 Financial Results

II Initiatives to Enhance Corporate Value

III FY2025 Management Plan

- Topics in Past Year
- Reference Data

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Overview of FY2024 Financial Results (Consolidated Operating Results)

(Units: millions of yen)	FY2023	FY2024	% change	Points (YoY comparison)
Total orders received	64,168	91,466	42.5%	- Orders rose substantially, driven by the General industrial and other and Electric power markets - There was a significant overall increase year over year, but revenues are expected to be concentrated in the second half of FY2025, as per the trend with construction orders.
Net sales	88,467	67,722	▲23.5%	Net sales fell due to the conclusion of nuclear power plant safety work and thermal and biomass power plant construction, and to the completion of work relating to treated water at Fukushima Daiichi Nuclear Power Plant.
Operating profit	3,959	2,665	▲32.7%	- Operating profit fell due to the decline in net sales. - Actuarial differences in retirement benefit accounting were recorded.
Ordinary profit	5,212	3,342	▲35.9%	- Ordinary profit fell year over year. - Foreign exchange gains due to exchange rate fluctuations were recorded.
Profit attributable to owners of parent	2,960	2,900	▲2.0%	- There was a slight decline year over year. - Recorded extraordinary income from sale of cross-shareholdings to improve asset efficiency.

Overview of FY2024 Financial Results (Consolidated Financial Position)

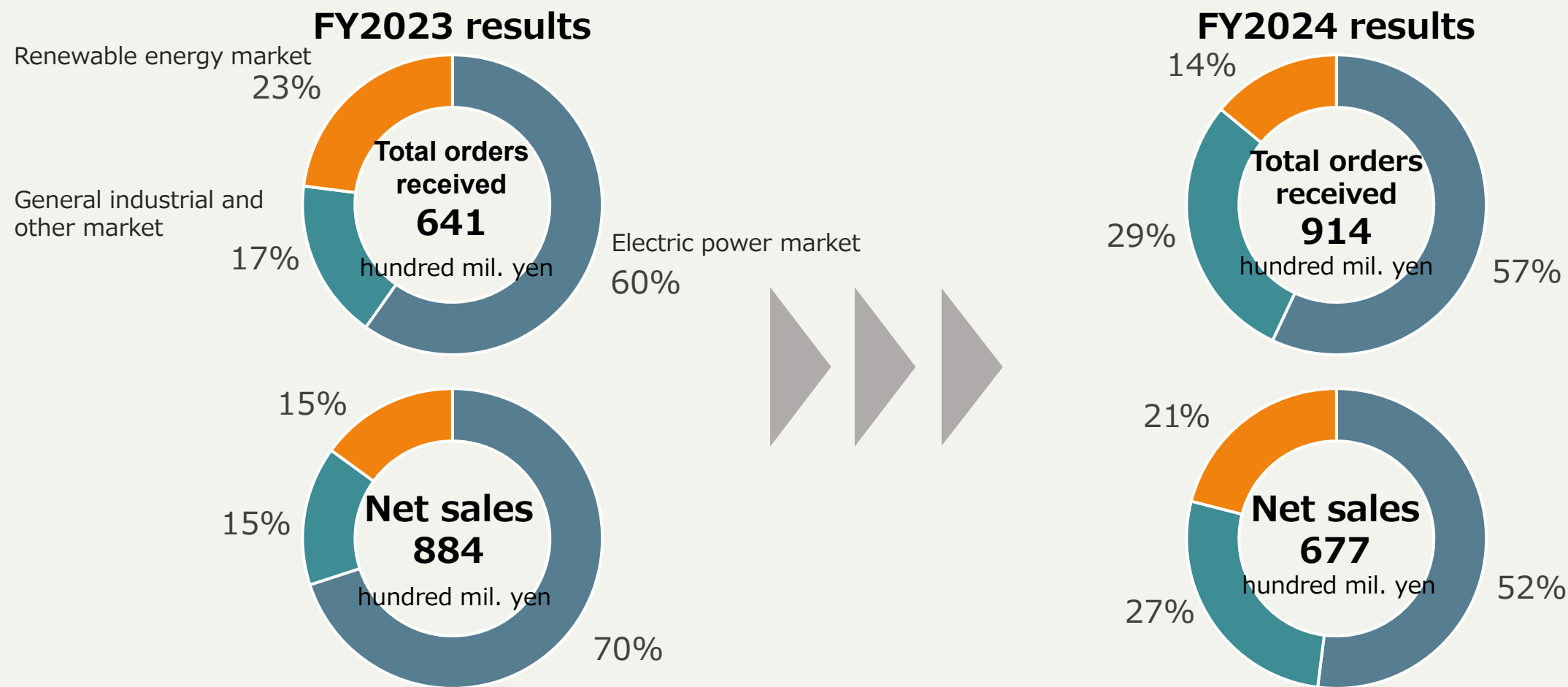
Total assets rose slightly, while net assets were held to the same level as the previous year through shareholder returns and sales of cross-shareholdings. At the end of the period, the equity ratio was 63.3% and current ratio was 204.7%, reflecting a high level of financial soundness.

(Units: millions of yen)	FY2023	FY2024	Points (YoY comparison)
Current assets	55,719	58,018	- Accounts receivable from completed construction contracts and contract assets rose due to completion and progress of construction. - Securities fell due to redemption of CP.
Non-current assets	51,752	50,063	Investment securities fell due to sales of cross-shareholdings, etc.
Current liabilities	26,256	28,347	- Short-term borrowings increased due to borrowing for working capital. - Accrued consumption taxes, electronically recorded obligations – operating, and provision for loss on construction contracts, etc., fell.
Non-current liabilities	12,666	11,306	- Long-term borrowings due to repayment of loans fell. - Liabilities for retirement benefits due to change in discount rate for calculation of Retirement benefit liability fell.
Net assets	68,548	68,427	- Retained earnings due to recording of profit rose. - Retained earnings due to shareholder dividends fell. - Retained earnings due to purchase of treasury shares fell. - Valuation difference on available-for-sale securities fell.
Total assets	107,471	108,081	

FY2024 Total Orders Received and Net Sales by Market

[Total orders received] Electric power market (▲3P), General industrial and other market (+12P), Renewable energy market (▲9P). Orders grew 42.5% year over year after the causes of the earnings forecast revision in the interim results were analyzed and corrective measures were taken.

[Net sales] Electric power market (▲18P), General industrial and other market (+12P), Renewable energy market (+6P)

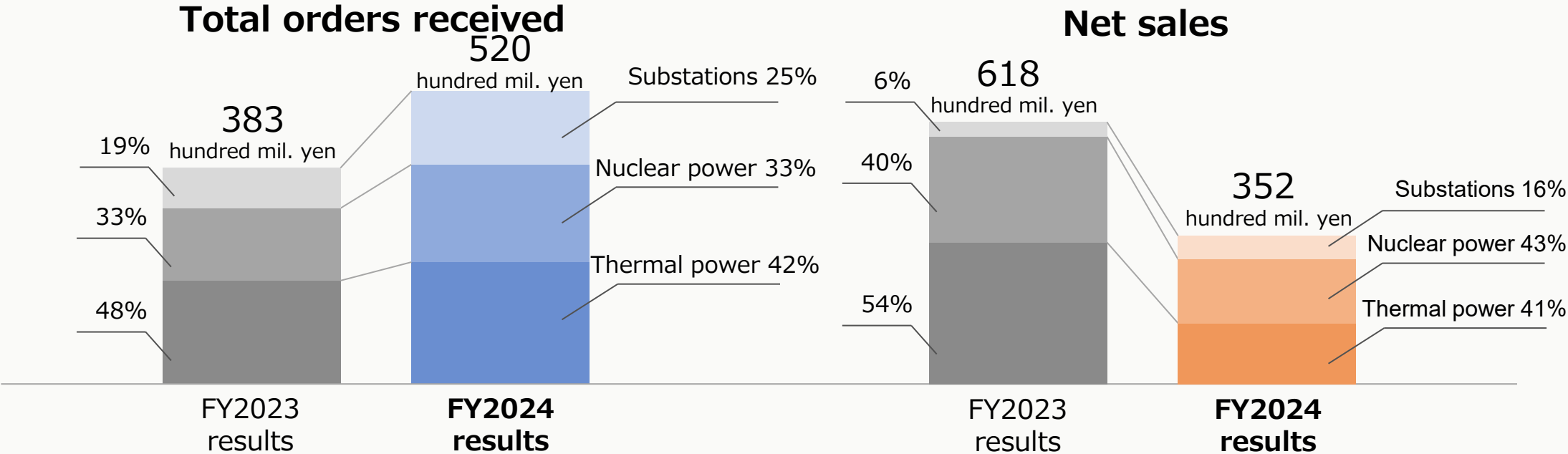


FY2024 Total orders received and Net sales by Market

Electric Power Market

[Total orders received] The reversal of the electric power demand forecast led to an overall increase in capital investment needs. Orders rose due to large-scale projects for the decarbonization and restructuring of thermal power plants through synergies with the parts manufacturing businesses of overseas subsidiaries, maintenance work for thermal power plants, preparatory work for the restart of nuclear power plants, and new construction and expansion of substation facilities to meet growing electricity demand from data centers.

[Net sales] In the thermal power field, maintenance work declined due to the conclusion of construction work and the ending of periodic inspections, while in the nuclear power field, work declined due to the conclusion of safety construction work and the completion of work related to treated water at the Fukushima Daiichi Nuclear Power Plant. However, in the substation field, sales were favorable due to the construction of new facilities and expansion work, and the development of new clients.

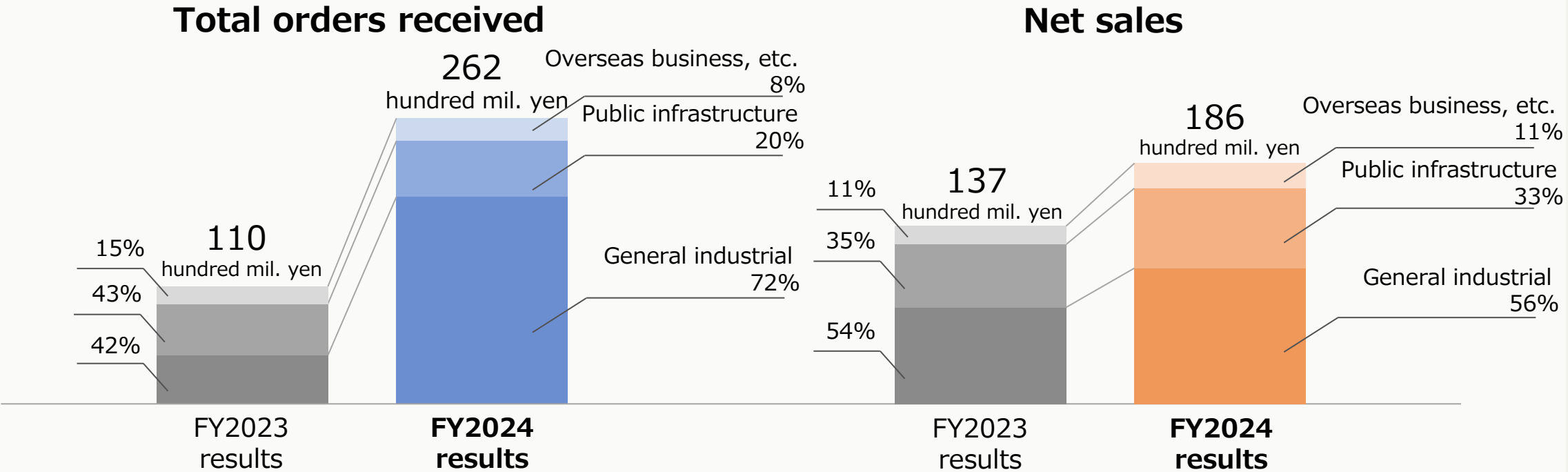


FY2024 Total Orders Received and Net Sales by Market

General Industrial and Other market

[Total orders received] Our experience and expertise in the electric power market is highly appreciated by clients. Orders rose by 2.4times year over year due to the expansion and renewal of plant facilities for chemical and electrical manufacturers, oil refinery maintenance work, air conditioning and electrical work for public facilities, and new construction and renewal work on waste disposal plants.

[Net sales] Net sales grew year over year in every field due to progress in the expansion of chemical plant facilities, refinery maintenance work, air conditioning and electrical work for public facilities, and renewal work on waste disposal plants. In FY2025, we plan to increase the number of our on-site bases on the premises of clients.

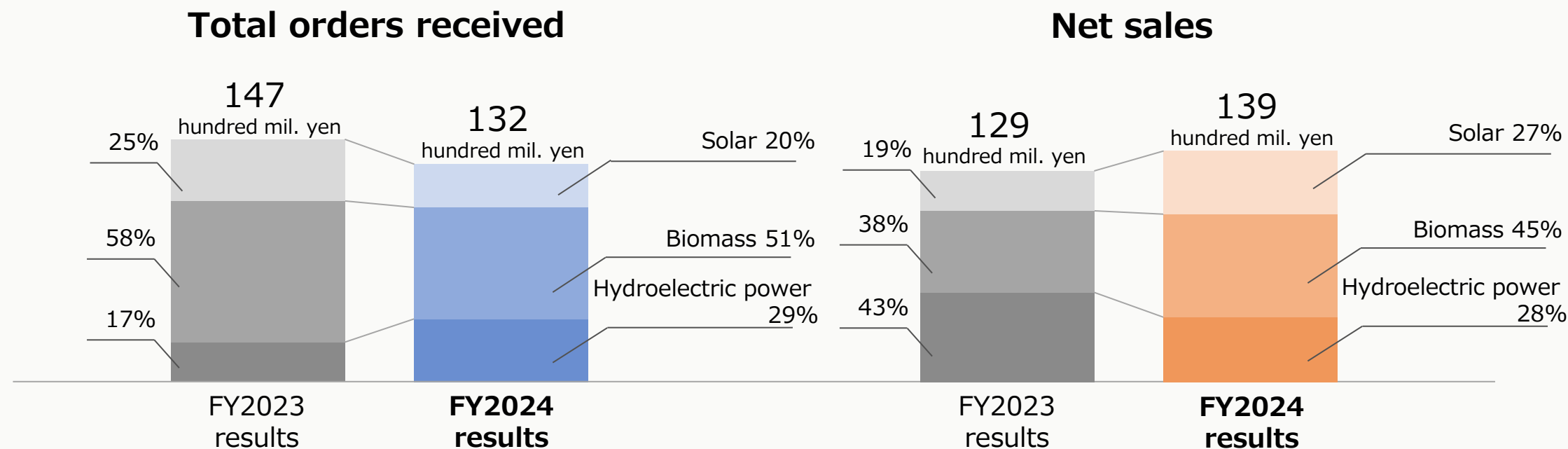


FY2024 Total Orders Received and Net Sales by Market

Renewable Energy market

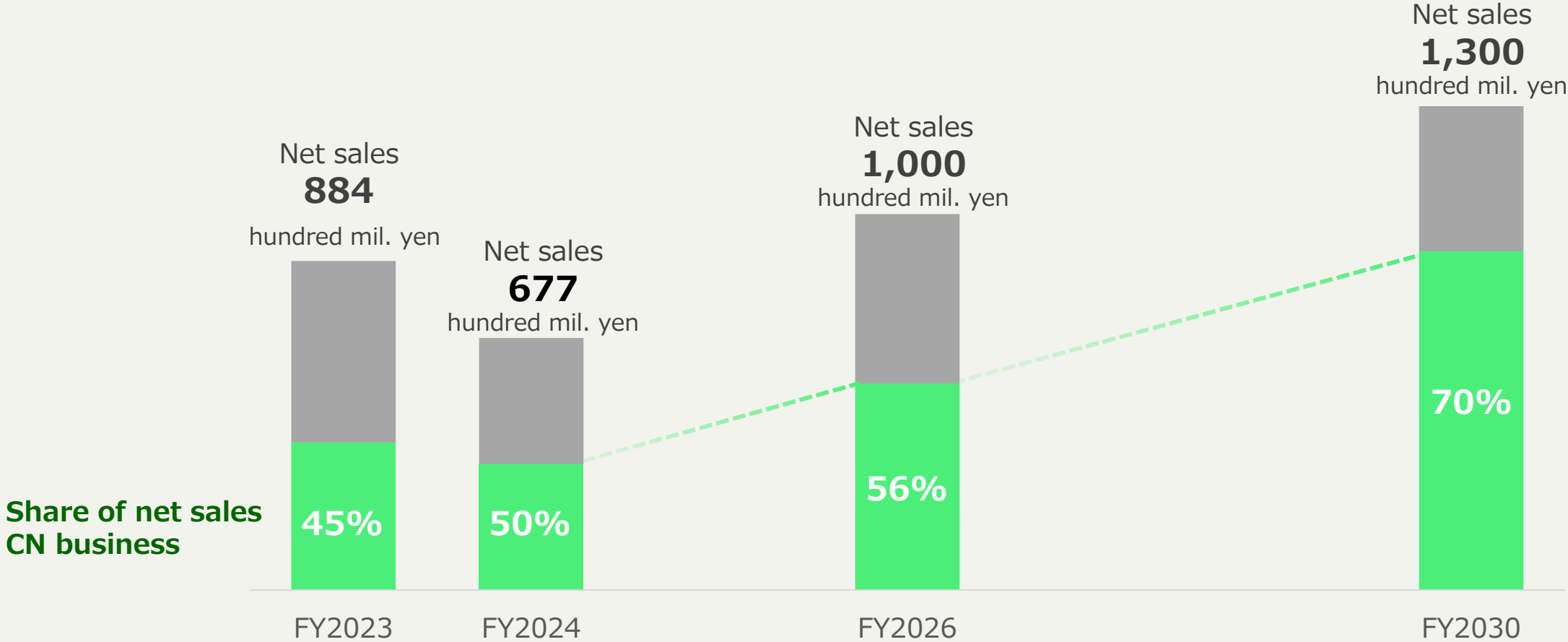
[Total orders received] Orders in the hydroelectric power field grew for renovation of public hydro power generation facilities, but orders fell in the biomass and solar fields due to the selective acceptance of orders for work with the promise of future profitability and process delays caused by local conditions and price hikes. Overall, orders fell approximately 10% for the year.

[Net sales] Although net sales fell in the hydroelectric power field due to the completion of a large S&B project, overall they increased due to on-site PPA power supply facility work and work to decarbonize municipalities in the solar power field, and to the start of O&M operation of a biomass power plant in the biomass field.



Carbon-Neutral (CN) Business: Share of Net Sales (Consolidated)

- Due to the year-on-year decline in revenue from FY2023 to FY2024, the absolute value of CN-related business sales fell. However, the proportion of CN-related business sales (to total business sales) grew.
- Both to help shape a CN society and to pursue secure profits, we will continue to pursue preparatory work for restarting nuclear power plants, S&B of public hydroelectric power plants, and biogas and small hydroelectric power generation projects.



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Initiatives to Enhance Corporate Value

Analysis of current situation

FY2024 ROE 4.2%
Cost of equity 5.7% to 6.7%

- When we formulated the latest medium-term management plan, cost of equity was estimated at 5.0%–6.0%, but this was revised to 5.7%–6.7% in the light of more recent calculation results by multiple financial institutions and opinions from institutional investors.
- We attempted to increase orders, mainly in the General industrial and other market, to diversify revenue sources, but few construction projects contributed to sales in FY2024. Profit declined in line with sales and ROE remains below the cost of equity.
- In IR interviews, it was pointed out that profit level is below cost of equity, so the management plan needs to be reviewed.
- Market capitalization has declined since the end of the previous period due to the downward revision of financial results and the general decline of the Nikkei Stock Average.
- We recognize that we need to urgently increase profit margins and profits as well as grow orders and sales.

**Meet market expectations based
on a revised cost of equity**

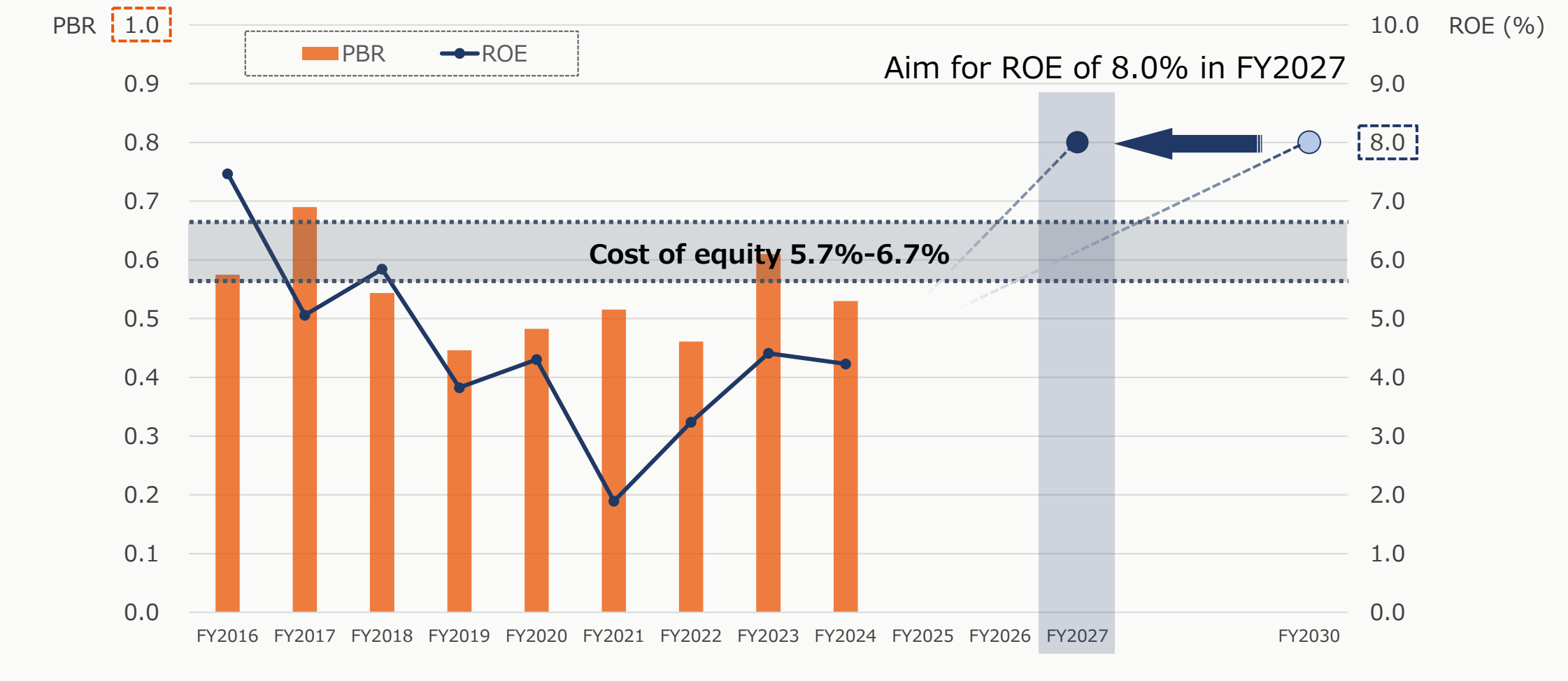
Accelerate earning power growth

Strengthen human capital to achieve necessary profits and optimize equity capital:

Aim for a **ROE of 8.0% in FY2027** (Move toward FY2030 ideal goal)

Current Analysis and Assessment of Profitability

PBR and ROE trends



Trends by Market (Next Three Years)

To update our market analysis and optimize our business portfolio, we are focusing more than ever on the fields of **nuclear power**, with expected growth in construction work related to the restart of nuclear power plants, **substations**, where we expect new construction and expansion work due to rising electricity demand, and **hydroelectric power**, where S&B demand is strong. Our strengths are our construction management personnel, construction tools, and key partner companies, on top of a proven track record of dealing with stringent laws and regulations, safety and quality requirements, and demands for shorter construction periods.

Total potential	Aims	
Electric Power 	Thermal power	Although there has been a move to take advantage of decarbonization auctions, the construction of large thermal power plants to replace aging plants and supply/demand has run its course, resulting in a general downward trend
	Nuclear power	An increasing number of units are undergoing full-scale safety work aimed at restarting BWR nuclear power plants, with periodic plant inspections expected to gradually eventuate, and safety work aimed at starting operation of spent fuel reprocessing plants is peaking.
	Substations	Construction of new and expanded substation facilities, mainly in the Kanto region, is proceeding actively in response to growing power demand associated with DX and GX development.
General Industrial and Other 	General industrial	Capital investment in steel mills, oil refineries, chemical plants, etc., to decarbonize and save energy remains steady, and the market is likely to grow with the construction of new data centers.
	Public infrastructure	Capital investment in public infrastructure relating to disaster prevention/mitigation measures, aging/deterioration, and decarbonization remains strong.
	Overseas business (Thailand manufacturing)	Despite concerns over the U.S. government's tariff policies, Thailand continues to grow as investment in the country's manufacturing sector recovers.
Renewable Energy 	Hydroelectric power	Business with both electric power companies and public hydroelectric power companies is steady, due to S&B and continued renewal of existing plants.
	Biomass	A succession of biomass power plants is commencing operation, resulting in a significant rise in operational units that promises substantial operation and maintenance work.
	Solar and storage batteries	There is a shift in solar power installations from fields to rooftops, and in power selling method shifting from FIT to FIP and self-consumption. With the development of combinations with storage batteries and perovskites, the overall trend is upward.

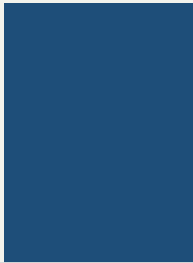
Aiming for an ROE of 8.0%

Initiatives to secure needed profits

FY2024 ▶ FY2027
Double profit

- Electric power market
- General industrial and other market
- Renewable energy market
- * Profit contribution of each market

Profit
29
hundred mil. yen



FY2024 results

• No. of employees: Approx. 1,400

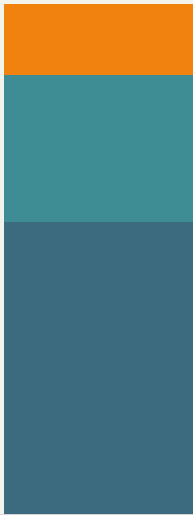
Grow market share (nuclear, substations, hydroelectric power)

More onsite bases (thermal, nuclear, general industrial)

Eliminate incompatible and unprofitable work (all fields)



Enhance human capital



FY2027 projection

• No. of employees: **1,500 (min.)**
• Added value per person: **1.5**

Optimization of equity capital

Limit increase in equity capital as much as possible

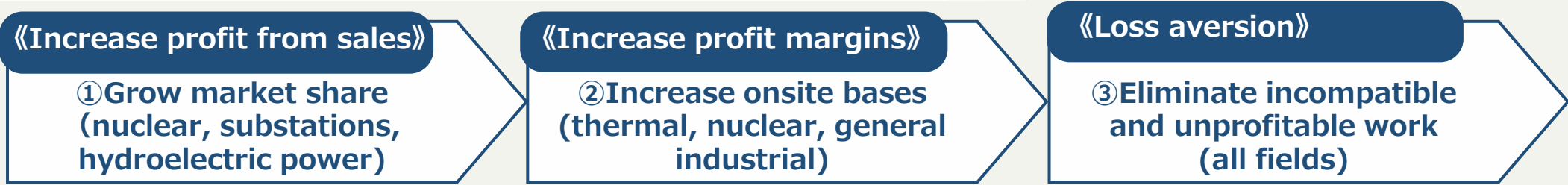
- Continue with graduated dividends
- Flexible share buybacks, etc.

Equity capital (Units: millions of yen)

FY2023	FY2024
68,548	68,427

Profit for FY2024 was 29 hundred mil. yen, but graduated dividends, share buybacks, and sales of cross-shareholdings limited the increase in equity capital.

Initiatives to secure needed profits



“Strengthen human capital” to double profits

(Measures to strengthen human capital will be given priority in growth investments)

Increase quantity

- Improve engagement (improve turnover) ①②
- Improve employee compensation, including base increases
- Increase allowances for relocation from family
- Hold “town hall” meetings
- Hold company-wide sports events
- Offer cancer screenings for all employees
- Improve recruitment ①②
- Reassign personnel to more profitable areas ①②
- Secure and expand experienced partner companies ①②③

- Hire experienced people with knowledge of local conditions and clients ①②③
- Make necessary environment improvements for establishing onsite bases ②
- Use DX to increase efficiency and save labor in on-site construction ②
- Propose technological solutions to clients to save labor in on-site construction ②

- Make use of external bodies and set up company-wide tasks to promote the acquisition of necessary qualifications ③
- Facilitate early development of young employees by standardizing OJT notes ①②③
- Expand newly established welding skill certification scheme ③
- Develop educational facilities for the use of in-house power plants ③
- Transfer personnel to manufacturers, etc., to acquire skills ②
- Promote advanced seismic analysis technology ①
- Support the development of employees of partner companies ①②③

Increase quality

Increase engagement score of employees: 100 or more

Increase no. of onsite bases by at least 10

Increase added value per employee by 1.5times

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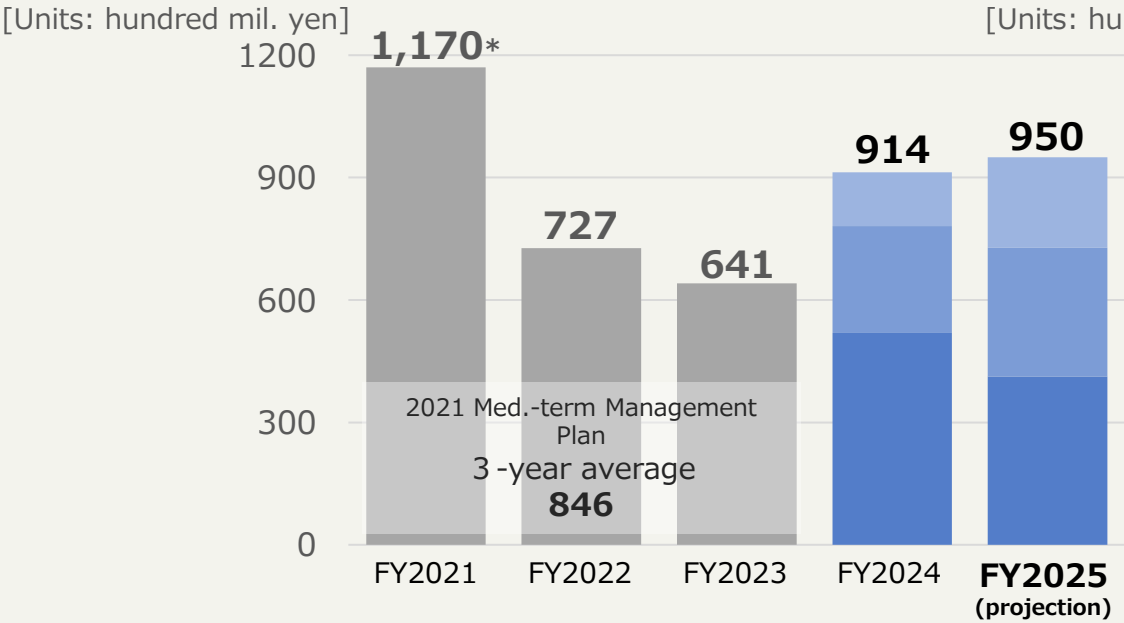
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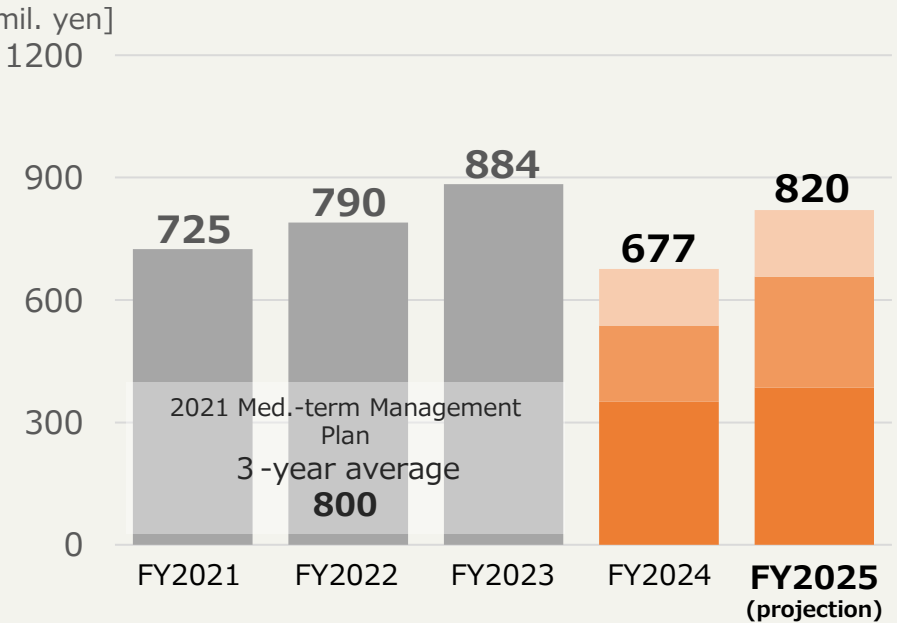
FY2025 Forecast (Consolidated)

Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
hundred mil. yen	hundred mil. yen	hundred mil. yen	hundred mil. yen
820	39	41	34

Total orders received

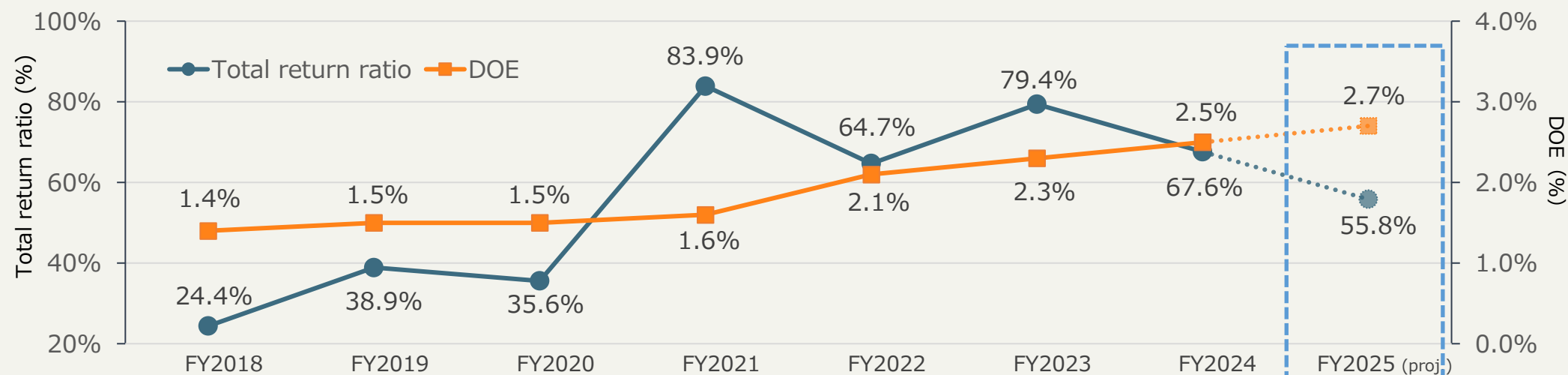


Net sales



Shareholder Returns

- With the goal of achieving a DOE of 2.5% and a total return ratio of at least 50% in FY2026, we are implementing graduated dividends and flexible share buybacks. In FY2024, we achieved a DOE of 2.5% and a total return ratio of 67.6%. For four straight years, we have maintained **a total return ratio of 50% or more**.
- Taking into account the results of previous years, we plan in FY2025 to pay an annual progressive dividend of **57 yen**.
- We are aiming to achieve a Prime Market average of **3.0% DOE** as soon as possible.



Dividend per share (yen)	25	27	28.5	30	40	45	52	57
Dividend payout ratio (%)	24.1	38.6	35.4	83.7	64.6	51.9	60.0	55.8
Dividend yield (%)	2.5	3.3	3.1	3.1	4.5	3.6	4.8	5.2*
Stock price at end of period (yen)	985	822	916	973	892	1,250	1,090	1,101*
Total dividends (millions of yen)	855	923	975	1,027	1,370	1,522	1,737	1,898
Total share buybacks (millions of yen)	—	—	—	—	—	827	223	Unknown

* Calculated based on (closing) stock price on May 1

* (Closing) stock price on May 1

Growth Investment

FY2024 Results: Approx. 23 hundred mil. yen

- **CN business investment: Approx. 13 hundred mil. yen**
 - Biomass power generation
 - Setting up overseas subsidiaries for renewable energy-related business

- **Fundamental investment: Approx. 10 hundred mil. yen**
Human capital investment

- Improve employee skills through training and support for acquiring qualifications
- Improve compensation and internal communication activities, etc.

DX (digital transformation) investment

Invest in DX to reform business processes and digitalize work sites

Creation of approx. 7,600 work hours in FY2024

- Increase operational efficiency by promoting the use of “GEMBA Note,” automating work with RPA, utilizing generative AI, etc.
- Expand the use of DX tools on work sites, such as access control with QR codes and heat stroke prevention watches

R&D investment

Strategic technology development based on a technology roadmap

- Develop and improve work robots in areas of high radioactivity
- Develop new businesses through industry-academia collaboration
- Do research on CCUS technology

FY2025 Plan: Approx. 37 hundred mil. yen

- **CN business investment: Approx. 22 hundred mil. yen**
 - Biomass power generation business
 - Biogas power generation business

- **Fundamental investment: Approx. 15 hundred mil. yen**
Human capital investment

Continue and expand measures to strengthen human capital to increase earning power
(see Slide 16)

DX (digital transformation) investment

- Use simulators to train biomass power plant operators
- Expand use of 3D scanners to increase design efficiency and save labor
- Use drones for maintenance and surveys
- Improve communication environments to take full advantage of IT technology

R&D investment

Continue strategic technology development from FY2024 based on technology roadmap

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Topics

- Biomass power plant starts commercial operation
- Completion of hydroelectric power plant redevelopment project in Tottori
- Reducing CO₂ emissions by renovating public facilities (Komazawa Olympic Park General Sports Ground Gymnasium)
- Installation of air conditioning systems in gyms of 50 public elementary and junior high schools
- Growing demand for substations: superior technology to handle a wide range of facilities
- FY2025 company entrance ceremony with 65 new employees
- Promoting diversity and inclusion: Supporting three para-athletes
- 9th Creative Robot Contest for Decommissioning is held
- 2nd Tokyo Enesys Cup national soccer tournament for technical college students
- Six-branch national office network enables the flexibility to cultivate new clients
- ABTS Enesys Engineering Ltd. was set up one year ago
- Emergency food supplies are donated to NPO for second time this fiscal year



TOKYO ENERGY & SYSTEMS INC.

[Biomass] Biomass power plant starts commercial operation

- We invested and participated in the construction of Hyuga Biomass Power Plant (Miyazaki Prefecture), Aizu Komorebi Biomass Power Plant (Fukushima Prefecture), Chofu Biomass Power Plant (Yamaguchi Prefecture), and Tahara Biomass Power Plant (Aichi Prefecture). All four recently completed plants have commenced commercial operation smoothly.
- Now that commercial operation has commenced, we will take charge of long-term operation and maintenance (O&M) utilizing the experience and technical capabilities cultivated at our Sakaiminato Biomass Power Plant (Sakaiminato City, Tottori Prefecture) to ensure the safe and stable operation of the power plants.
- We will also be handling long-term maintenance (LTSA) at the Imari Biomass Power Plant (Saga Prefecture), which began commercial operation on April 19, 2025, as well as long-term operation and maintenance (O&M) at the Tahara Green Biomass Power Plant (Aichi Prefecture), which will start commercial operation in the future, contributing to the safe and stable operation of both power plants.



Hyuga Biomass Power Plant
Start of operation: Oct. 16, 2024
Output capacity: 50 MW
Orders: O&M, LTSA, etc.



Aizu Komorebi Biomass Power Plant
Start of operation: Dec. 1, 2024
Output capacity: 7.1 MW
Orders: LTSA



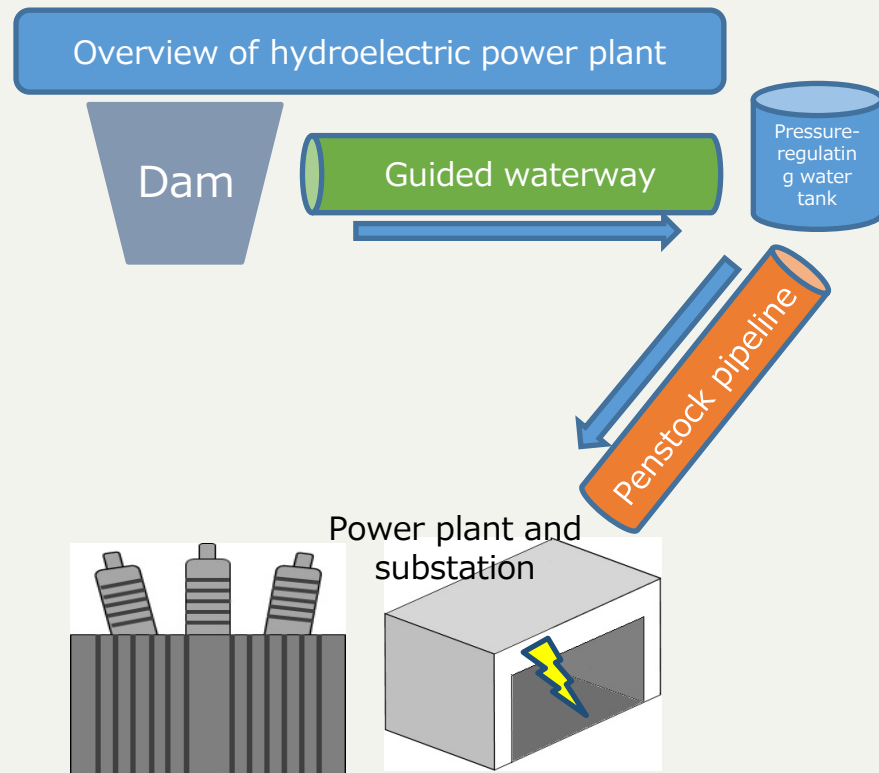
Chofu Biomass Power Plant
Start of operation: Dec. 30, 2024
Output capacity: 74.95 MW
Orders: O&M, LTSA, etc.



Tahara Biomass Power Plant
Start of operation: April 1, 2025
Output capacity: 50 MW
Orders: O&M, LTSA, etc.

[Hydro] Hydroelectric power plant redevelopment project in Tottori is complete

- Redevelopment work on a hydroelectric power plant in Tottori Prefecture, which began in September 2020, was completed by November 2024, after which it began operation.
- At Oshika No. 1, Oshika No. 2, and Hinogawa No. 1 power plants, we carried out civil engineering and construction work (Nakatsu Dam, water intake facilities, water pipelines), installation of power plants (water turbines and generators) and substations (equipment), and renovation or new construction of power plant buildings.
- Leveraging the technical and on-site management capabilities we have cultivated over the more than 70 years since the company was founded, we will continue to engage in renewal work.



[Oshika No. 1 Power Plant]



Start of generation: Oct. 1957
Start of operation: Aug. 2024
Rated output: 3.7 MW
Net head: 217.13 m
Max. water usage: 2.0 m³/s

[Main work]

- Water intake facilities, water pipelines, power plants (installation of water turbines and generators), substation (installation of equipment), Nakatsu Dam (construction of new administration building, etc.)

[Oshika No. 2 Power Plant]



Start of generation: Apr. 1958
Start of operation: Sep. 2023
Rated output: 4.99 MW
Net head: 248.55 m
Max. water usage: 2.6 m³/s

[Main work]

- Water intake facilities, water pipelines, power plants (installation of water turbines and generators), substations (installation of equipment)

[Hinogawa No. 1 Power Plant]



Start of generation: Jan. 1968
Start of operation: Nov. 2024
Rated output: 4.3 MW
Net head: 126.13 m
Max. water usage: 4.0 m³/s

[Main work]

- Water intake facilities, water pipelines, power plants (installation of water turbines and generators), substations (installation of equipment), construction of new power plant buildings

[Decarbonization] Reducing CO2 emissions by renovating public facilities

- We are participating in the Tokyo Metropolitan Government's "Carbon Half" initiative to reduce GHG emissions by 50% by 2030 (relative to 2000 levels).
- We have been working to reduce CO₂ emissions by renovating equipment and utilizing renewable energy at public facilities. We will continue to help shape a more sustainable society and contribute to the reduction of CO₂ emissions.



Komazawa Olympic Park General Sports Ground Gymnasium
(exterior)



Komazawa Olympic Park General Sports Ground Gymnasium
(arena)

[Improving educational environments and evacuation shelters] Installation of air conditioning systems in gyms of 50 public elementary and junior high schools

- We were contracted to install air conditioning systems in the gymnasiums of the primary and junior high schools of Hachioji City. In FY2024, we installed 257 AC systems at 50 schools (5 or 6 per school) over a period of about 6 months, including construction for related equipment.
- We will continue to help improve the educational environment and disaster evacuation functions of local governments.



Example of air conditioning installation (indoor units)



Example of air conditioning installation (outdoor units)

[Substations] Growing demand for substations: superior technology to handle a wide range of facilities

- When it was founded, the company performed construction and maintenance of substations and hydroelectric power plants. Since then, as power sources have diversified (e.g., thermal, nuclear, and renewable energy), we have expanded our services to include design and construction management of substation equipment, as well as protection and control technology, and comprehensive testing technology for substation equipment.
- In particular, we undertake the construction of ultra-high-voltage substations, which require reliable technology and know-how. Our technical capabilities in this area are the best in the industry. We are also actively engaged in adopting new technologies, such as the renewal of battery facilities for storing large quantities of electricity. We also have a large team of engineers who specialize in protection and control. One of our key strengths is that we can handle tests of individual items of equipment as well as perform combination tests with other companies.
- Substation facilities are considered pivotal elements of power infrastructure. There is increasing demand to build new substations and expand power supply networks in response to the growing need for electricity to power AI computing and data centers.
- To address the increase in demand for construction by the Substation Department, a new "Substation Construction Division" was established to expand market share and improve construction responsiveness. (It was set up on April 1, 2025.)
- Sales of the Substation Department are expected to continue growing steadily, having reached 3.4 billion yen in FY2023 and 5.3 billion yen in FY2024.
- Applying all the experience and technological capabilities that we have cultivated since our founding, we will steadily respond to future growth in demand for substation equipment.



Ultra-high-voltage substation

[Human resources] FY2025 company entrance ceremony with 65 new employees

- A total of 65 new employees were hired in FY2025, including both new graduates and experienced employees.
- To promote diversity, we are strengthening our personnel recruitment, including the hiring of people from overseas.
- The new hires consisted of 12 administrative and 51 technical employees, plus 2 (technical) people from Vietnam.
- After initial group training at head office, the administrative staff and technical staff will receive further training from mid-May and mid-July, respectively.
- To help promote understanding of our business, we invited the families of new employees to attend the ceremony, as we also did the previous year.



President Toshiaki Majima giving a congratulatory address



Company entrance ceremony (April 1)

[Promoting diversity and inclusion] Supporting three para-athletes

- We are striving to foster a corporate culture that enables every employee to tackle new challenges with enthusiasm.
- In FY2024, three para-athletes were hired as employees. We are planning to hold in-house performance events focused on know-how for improving goal management and motivation.
- Through our support of the three para-athletes, we will work to promote greater diversity and inclusion.



Ryota Hirai

- ISFC Paraclimbing World Championships (L) Bern (Switzerland) 2023, 5th place
- 2024 Para Climbing Japan Series Round 1 (Japan Championship) 2nd place



Keiko Onidani

- Paris 2024 Paralympic Games Discus Throw, Silver Medal, new Asia record
- Kobe 2024 World Para Athletics Championships Discus Throw, Silver Medal, new Asia record

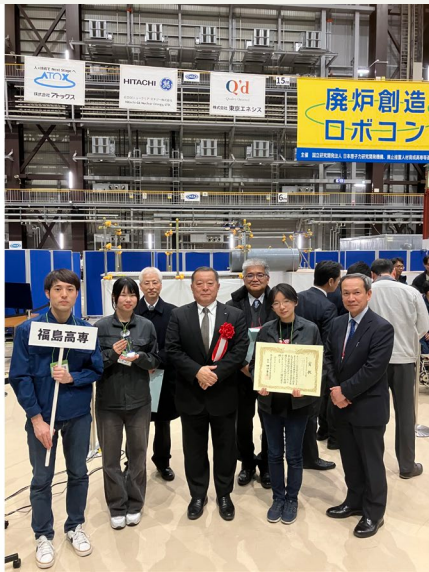


Atsuko Kanawaku

Wheelchair racing class T34
Former 800 m Asia record holder, former Japan record holder
35th Japan Para Athletics Championships, 800 m, 1st place
2024 Designated Athlete (Japan Para Athletics Federation)

[Decommissioning technology] 9th Creative Robot Contest for Decommissioning

- On December 21, 2024, the 9th Creative Robot Contest for Decommissioning was held in the town of Naraha, Fukushima Prefecture. A total of 17 teams participated, from 14 technical colleges across Japan and from Universiti Teknologi Malaysia (three teams). (Organizers: Japan Atomic Energy Agency, Council of Technical Colleges for Human Resource Development for Decommissioning)
- This competition for students has been held since 2016 with the aim of fostering interest in the decommissioning of the Fukushima Daiichi Nuclear Power Station, as well as creativity and the ability to identify and solve problems, through robot fabrication. We as a sponsor of the contest have established a special prize, the “TOKYO ENERGY & SYSTEMS Prize.”
- The Grand Prize was awarded to the National Institute of Technology, Oyama College, which won the contest for the fourth straight year.
- The “TOKYO ENERGY & SYSTEMS Prize” was awarded to the Fukushima Decommissioning Study Group team from the National Institute of Technology, Fukushima College.
- We have been developing robots to support the decommissioning of the Fukushima Daiichi Nuclear Power Station. To accelerate future development and improvement, we established a Robot Development Promotion Group within our Nuclear Energy Division. We will go on working to strengthen technological development and contribute to the safe and reliable execution of work in areas with high radioactivity levels during decommissioning work.



Awarding “TOKYO ENERGY & SYSTEMS Prize” to Fukushima Decommissioning Study Group team from National Institute of Technology, Fukushima College
(Minoru Sakikawa, Managing Executive Officer)

Robot of National Institute of Technology, Fukushima College

[Social contribution] 2nd TOKYO ENERGY & SYSTEMS Cup national soccer tournament for technical college students

- On March 18 and 19, 2025, the 2nd TOKYO ENERGY & SYSTEMS Cup National Soccer Tournament for Technical Colleges was held in Sakai City, Osaka Prefecture. (Organizer: All Japan Technical College Football Federation; Sponsors: Mizuno Corporation, Molten Corporation; Supporters: Kansai Football Association, Osaka Football Association; Special Sponsor: TOKYO ENERGY & SYSTEMS INC.)
- In this tournament, one team of selected players from each of the Kyushu/Okinawa, Chugoku, Kansai, Hokushinetsu, Tokai, and Hokkaido regions were divided into two blocks to play a series of league matches. Matches were selected based on rankings in each league. Approximately 120 players participated.
- After two days of heated competition, the team from the Chugoku region won the tournament.
- The next tournament will be held in the Tokai region.
- Through technical college football, we support the development of technical college students from which the next generation of Japan's technology creators will come.



Winning team from Chugoku region



Scene from tournament final
(red: Chugoku, orange: Hokushinetsu)

[Stronger sales force] Six-branch national office network enables the flexibility to cultivate new clients

- To cultivate new clients, we rolled out in July 2024 a six-branch national network of offices, with locations in Hokkaido, Tohoku, Chubu, Kansai, Chugoku, and Kyushu.
- We also launched activities in each area to improve the name recognition of the company.
- We will promote the appeal of the experience, technical capabilities, and on-site management capabilities that we have cultivated and strive to expand orders.



Hokkaido Branch (2F)



Tohoku Branch (11F)



Chubu Branch (5F)



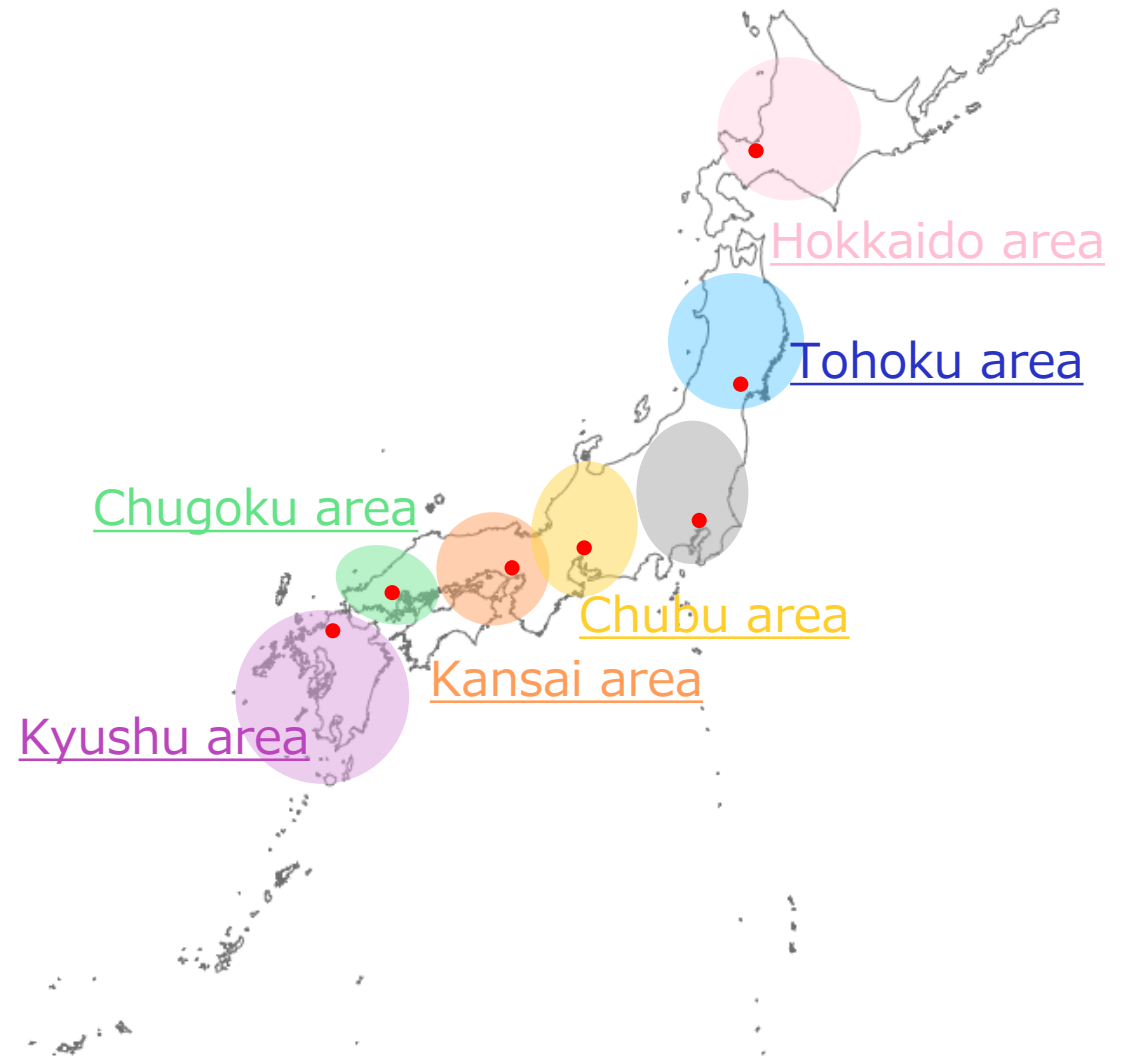
Kansai Branch (4F)



Chugoku Branch (5F)



Kyushu Branch
(12F)



[Stronger engineering] ABTS Enesys Engineering Ltd. was set up one year ago

- In April 2024, ABTS Enesys Engineering Ltd. (hereinafter “AEE”) was formed for joint ventures by three companies: Tokyo Energy & Systems Inc., Asa Bhanu Technical Services Ltd., which boasts a strong track record in power equipment EPC in India and Bangladesh, and Kanto Shizai Co., Ltd., a trading company that supplies construction materials for the energy sector. The aim is to strengthen engineering and EPC functions to expand participation in domestic and overseas projects.
- In addition to designing thermal power generation, renewable energy (hydroelectric, solar, geothermal) facilities, and other electric power-related facilities and waste treatment facilities in Japan, Sri Lanka, Honduras, Kenya, Taiwan, etc., the new company has also started to take on consulting and construction supervision since it began operating.
- AEE will continue to participate in power plant projects, not just in Asian countries but around the world, providing high-value-added services by utilizing its comprehensive strengths, such as making use of outstanding engineers in India, flexibly responding to English specifications, which are essential for overseas operations, and ensuring smooth coordination from design to material procurement.



Office of ABTS Enesys Engineering Ltd. (AEE)



Office of Asa Bhanu Technical Services Ltd.

[Social contribution] Emergency food supplies were donated to NPO

- For the second time in FY2024, we donated food supplies that we had stockpiled for emergency use to Second Harvest Japan, a certified NPO, because the foods were approaching their “use by” date.
- We will continue our efforts to tackle social issues with the aim of helping to shape a sustainable society.



Donating food supplies stockpiled for emergencies

[Donated food]

Magic rice (350 meals)

Dried bread (900 meals)

* Total donations (total of 1st and 2nd) were:

Magic rice (900 meals) and dried bread (1,380 meals)

[Donation recipient]

Name: Second Harvest Japan (certified NPO)

Outline: An organization that operates Japan's first food bank and pursues initiatives to collect surplus food from food manufacturers, producers, companies, and individuals for secure distribution to orphanages, domestic violence shelters, food pantry organizations, etc.

REFERENCE DATA



TOKYO ENERGY & SYSTEMS INC.

[Net sales and profit]

Units : millions of yen

	FY2023	FY2024	% change
Net sales	88,467	67,722	▲23.5%
Operating profit	3,959	2,665	▲32.7%
Ordinary profit	5,212	3,342	▲35.9%
Profit attributable to owners of parent	2,960	2,900	▲2.0%

[Total orders received and amount carried forward to the next period]

	FY2023	FY2024	% change
Total orders received	64,168	91,466	42.5%
Amount carried forward to the next period	97,677	121,421	24.3%

[Balance sheet]

Units: millions of yen

Assets	FY2023	FY2024	% change
Current assets	55,719	58,018	4.1%
Fixed assets	51,752	50,063	▲3.3%
Tangible fixed assets	28,343	27,739	▲2.1%
Intangible fixed assets	2,444	2,072	▲15.2%
Investments and other assets	20,965	20,252	▲3.4%
Total assets	107,471	108,081	0.6%
Liabilities and net assets	FY2023	FY2024	% change
Current liabilities	26,256	28,347	8.0%
Fixed liabilities	12,666	11,306	▲10.7%
Total liabilities	38,923	39,654	1.9%
Total shareholder equity	64,736	65,741	1.6%
Total net assets	68,546	68,427	▲0.2%
Total liabilities and net assets	107,471	108,081	0.6%

[Consolidated management indexes]

Accounting term		FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Net sales	(millions of yen)	66,520	59,514	72,578	79,055	88,467	67,722
Ordinary profit	(millions of yen)	3,899	3,920	3,257	2,770	5,212	3,342
Profit attributable to owners of parent	(millions of yen)	2,376	2,747	1,226	2,120	2,960	2,900
Net assets	(millions of yen)	62,758	64,859	64,472	65,938	68,548	68,427
Total assets	(millions of yen)	85,401	89,616	102,982	108,513	107,471	108,081
Net assets per share	(yen)	1,841.82	1,897.94	1,887.85	1,934.43	2,047.26	2,054.31
Net profit per share	(yen)	69.94	80.50	35.85	61.91	86.70	86.65
Ratio of operating profit to net sales	(%)	5.9	6.9	4.4	4.4	4.5	3.9
Equity-to-asset ratio	(%)	73.4	72.4	62.8	61.1	63.8	63.3
Return on equity	(%)	3.8	4.3	1.9	3.2	4.4	4.2
Price-earnings ratio		11.8	11.4	27.1	14.4	14.4	12.6
No. of employees		1,480	1,464	1,618	1,558	1,563	1,632

Disclaimer:

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, but they are not intended to be a commitment by the Company.

Actual results may differ significantly due to various factors.

This document is intended to provide information to help investors make decisions. It is not an invitation to buy or sell shares in the Company.



Building a More Reliable
Foundation for Living

ENERGY×SYSTEM

Shaping Communities,
Society and the Future