FY 2025 Financial Results & State of Operating Activities

May 13, 2026

TOKYO ENERGY & SYSTEMS INC.

Q'd TOKYO ENERGY & SYSTEMS INC.

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

Contents

Overview of FY2025 Financial Results (Consolidated Financial Position)

(Units: millions of yen)	FY2024	**FY2025**	% change	Points
Total orders received	91,466	**106,593**	16.5%	• Driven by continued strong performance in the Nuclear power market, robust capital investment in the General industrial and other market aimed at decarbonization and energy conservation, and in the Renewable energy market, orders and projects carried forward to next period were both higher. • The amount of projects carried forward to the next period was a record high.
Amount of projects carried forward to next period	121,421	**144,931**	19.4%	
Net sales	67,722	**83,083**	22.7%	• Capital investment needs are rising in each market, particularly in the Electric power market, due to a significant rise in projected power demand.
Operating profit	2,665	**4,737**	77.8%	• Thanks to the steady penetration of our profit-centered order acceptance strategy, which we have pursued since the previous fiscal year, and initiatives to boost productivity, average profitability per project has greatly improved.
Ordinary profit	3,342	**5,518**	65.1%	• In addition to an increase in operating profit, we recorded foreign exchange gains due to exchange rate fluctuations.
Profit attributable to owners of parent company	2,900	**4,287**	47.9%	• We recorded an all-time high extraordinary income from the sale of rental real estate and cross-shareholdings to improve asset efficiency.

Overview of FY2025 Financial Results (Consolidated Financial Results)

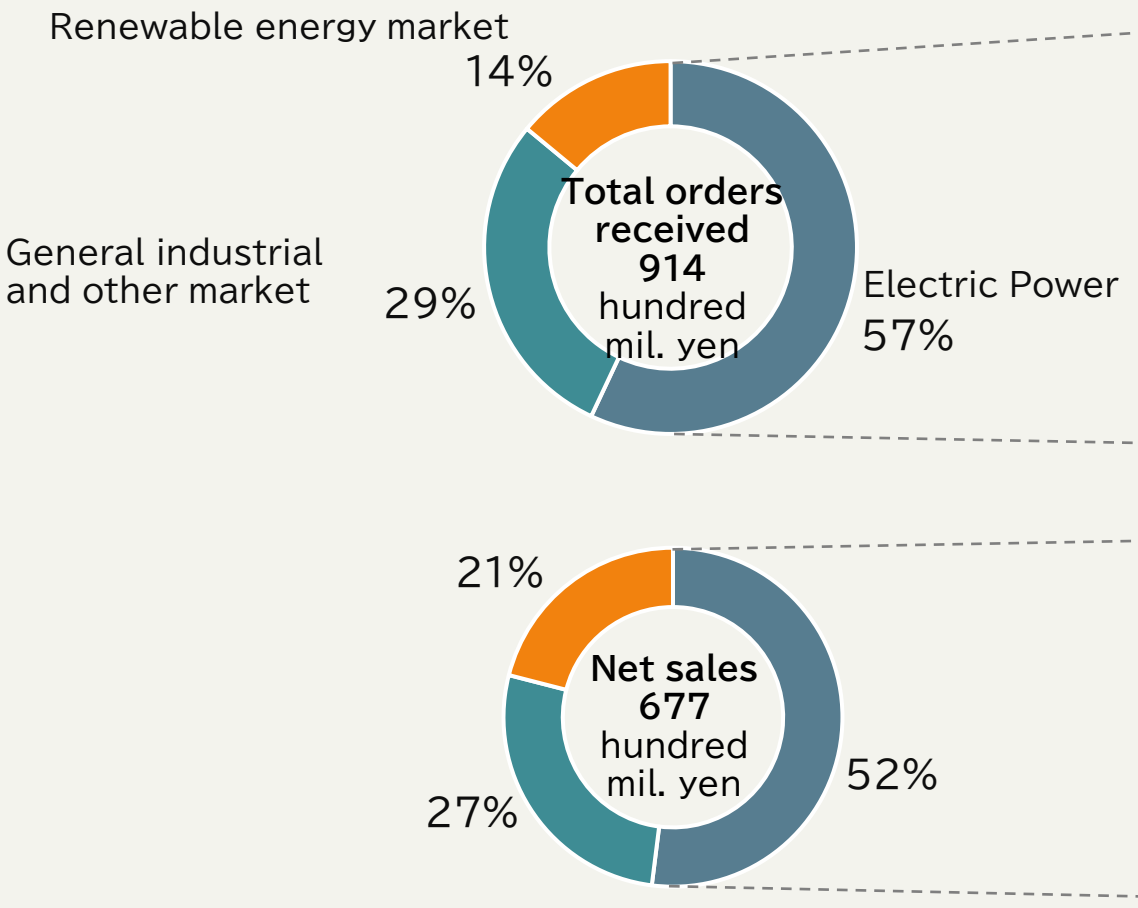
Total assets increased, and net assets rose due to the recognition of net income and the valuation difference on available-for-sale securities. As of the end of the fiscal year, equity ratio stood at 60.7% and current ratio at 215.5%, indicating that the Company maintains a high level of financial soundness.

(Units: millions of yen)	FY2024	FY2025	Factors behind change
Current assets	58,018	**66,994**	• Accounts receivable from completed construction projects and contract assets increased due to the completion and progress of construction projects.
Non-current assets	50,063	**52,301**	• Investment securities increased due to a rise in the stock prices of shares held.
Deferred assets	-	**33**	• Bond issuance costs increased.
Current liabilities	28,347	**31,093**	• Short-term borrowings decreased due to repayment of operating capital. • Income taxes payable, accrued consumption taxes, and advances received on uncompleted construction contracts, etc., all increased.
Non-current liabilities	11,306	**15,783**	• Non-current liabilities increased due to bond issuance. • Long-term borrowings decreased.
Net assets	68,427	**72,452**	• Retained earnings increased due to recording of profit. • Retained earnings decreased due to dividends paid to shareholders. • Retained earnings decreased due to purchase of treasury shares. • Other increases in valuation difference on available-for-sale securities.
Total assets	108,081	**119,329**	

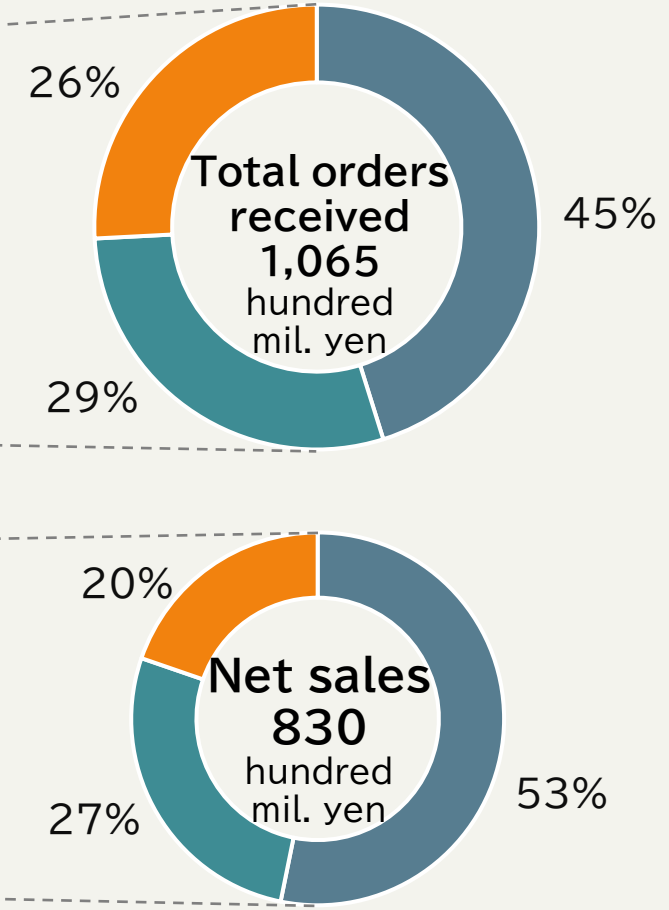
Total Orders Received and Net Sales by Market

[Total orders received] Orders grew significantly in the Renewable energy market on the back of long-term O&M contracts.
[Net sales] There was growth in all three markets year over year, with growth rates much the same as the previous year.

FY2024 results



FY2025 results



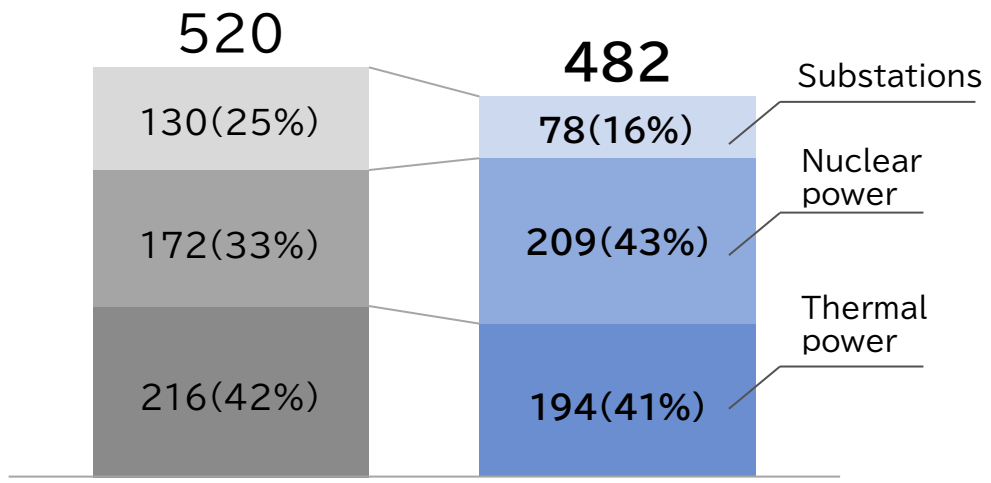
Total Orders Received and Net Sales by Market

Electric Power Market

[Total orders] In the Nuclear power market, orders received have increased for two consecutive fiscal years due to safety measures construction at nuclear facilities and work related to the decommissioning of the Fukushima Daiichi Nuclear Power Plant. Although orders in the substations field were down compared to FY2024, when we took on many large-scale projects, the amount of projects carried forward to the next period was a record high. Further growth is expected in both the nuclear power and substations fields.
[Net sales] Net sales in the nuclear power field increased due to work connected with the decommissioning of the Fukushima Daiichi Nuclear Power Plant and pre-startup inspection work on reactor no. 6 of the Kashiwazaki-Kariwa Nuclear Power Plant. Net sales in the substations field remained steady due to new construction and expansion projects. Net sales in the thermal power field grew due to an increase in maintenance and repair work. Overall, net sales in the Electric power market rose significantly year over year.

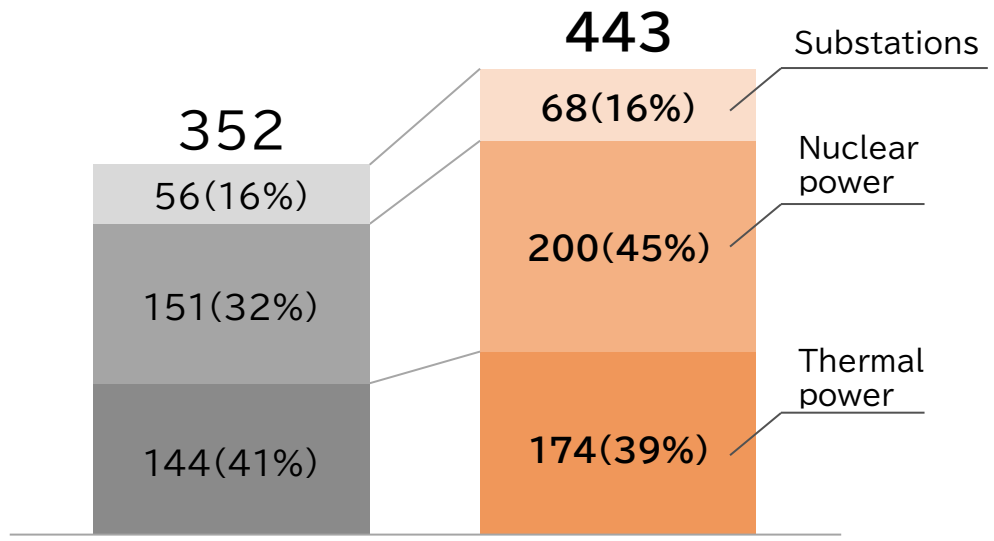
Total orders

(Units: hundred mil. yen)



Net sales

(Units: hundred mil. yen)



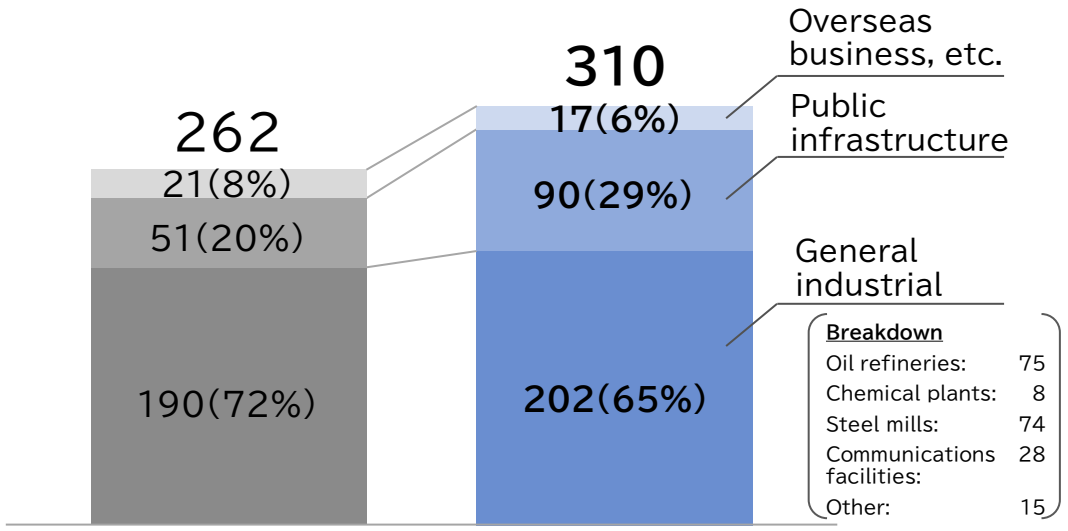
Total Orders Received and Net Sales by Market

General Industrial and Other Market

[Total orders] Orders remained robust across all the fields in this market segment including projects related to electric furnaces at steel mills for decarbonization, replacement projects for aging waste treatment plants all over Japan, and electrical facility work at public utilities. As a result, net sales in the General industrial and other market rose substantially, continuing the trend of the previous fiscal year. Both total orders received and the amount of projects carried forward to the next period work were approximately 2.8 times higher than in FY2023, helping to consolidate our market share.
[Net sales] Net sales grew significantly year over year, thanks to steady progress in construction of storage battery-related facilities and in maintenance and repair work at oil refineries, which expanded following our deployment of on-site personnel.

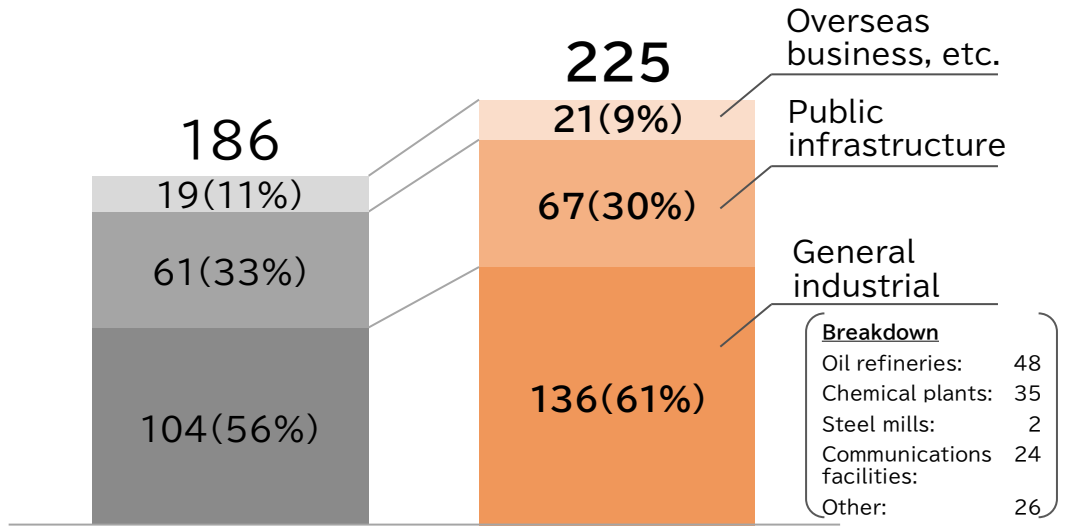
Total orders

(Units: hundred mil. yen)



Net sales

(Units: hundred mil. yen)



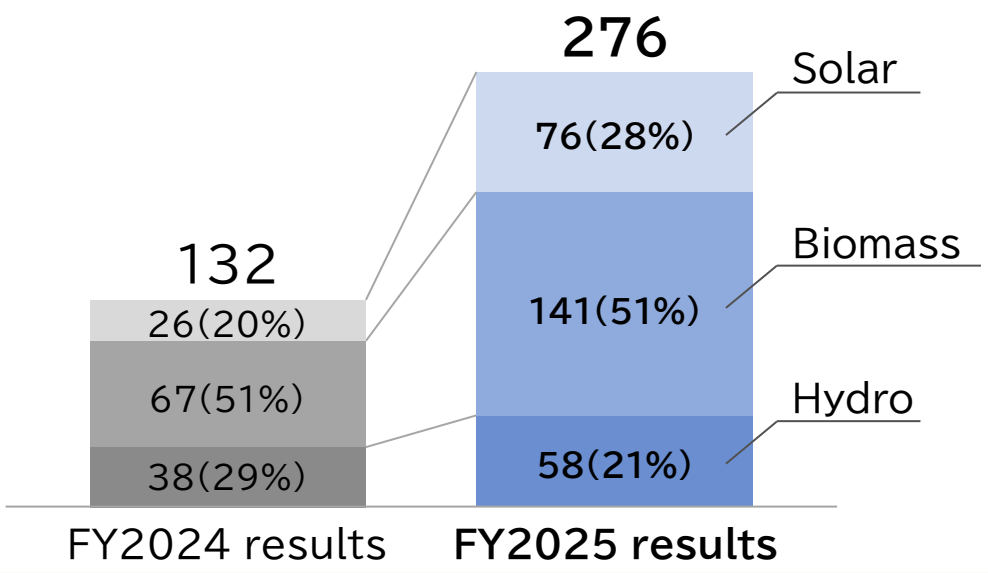
Total Orders Received and Net Sales by Market

Renewable Energy Market

[Total orders] In the hydroelectric power field, we secured contracts for the renovation of public hydro power generation facilities; in the biomass field, we won long-term O&M contracts for projects through long-term decarbonized power source auctions; and in the solar field, on-site PPA power supply facility work and construction of large-scale solar power plants requiring minimal development work helped to boost orders. The overall result was a significant growth in the Renewable energy market.
[Net sales] As a result of progress in the fuel sales business in the biomass field and construction projects in the solar field, total net sales in the Renewable energy market made a recovery since the interim period, resulting in a year-over-year increase.

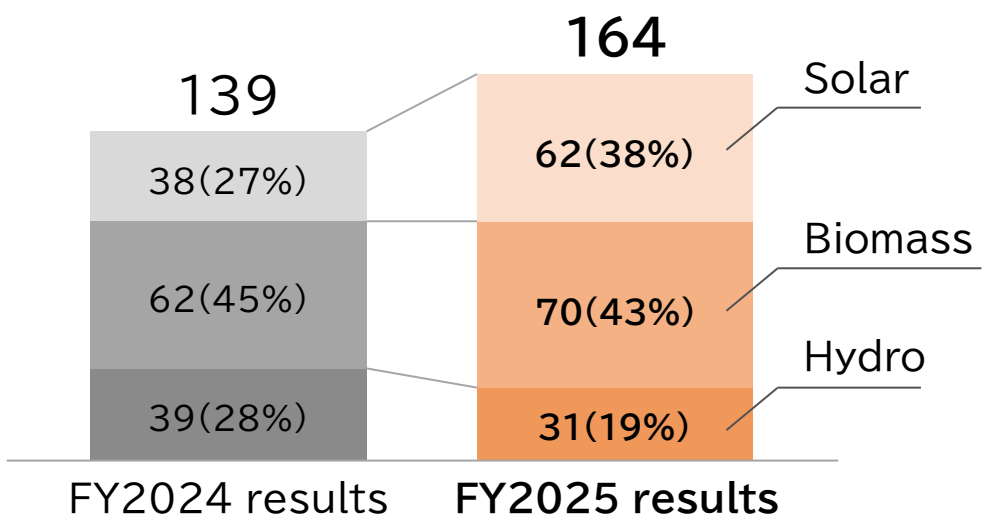
Total orders

(Units: hundred mil. yen)



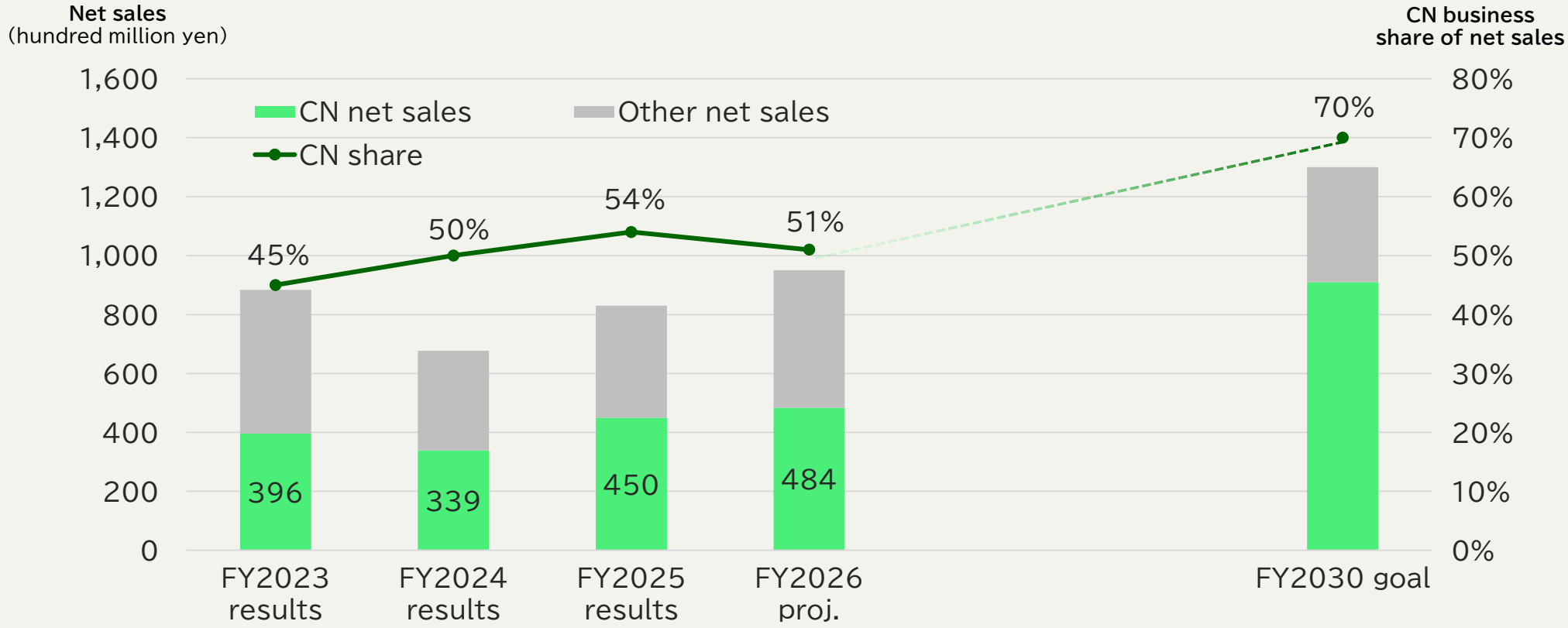
Net sales

(Units: hundred mil. yen)



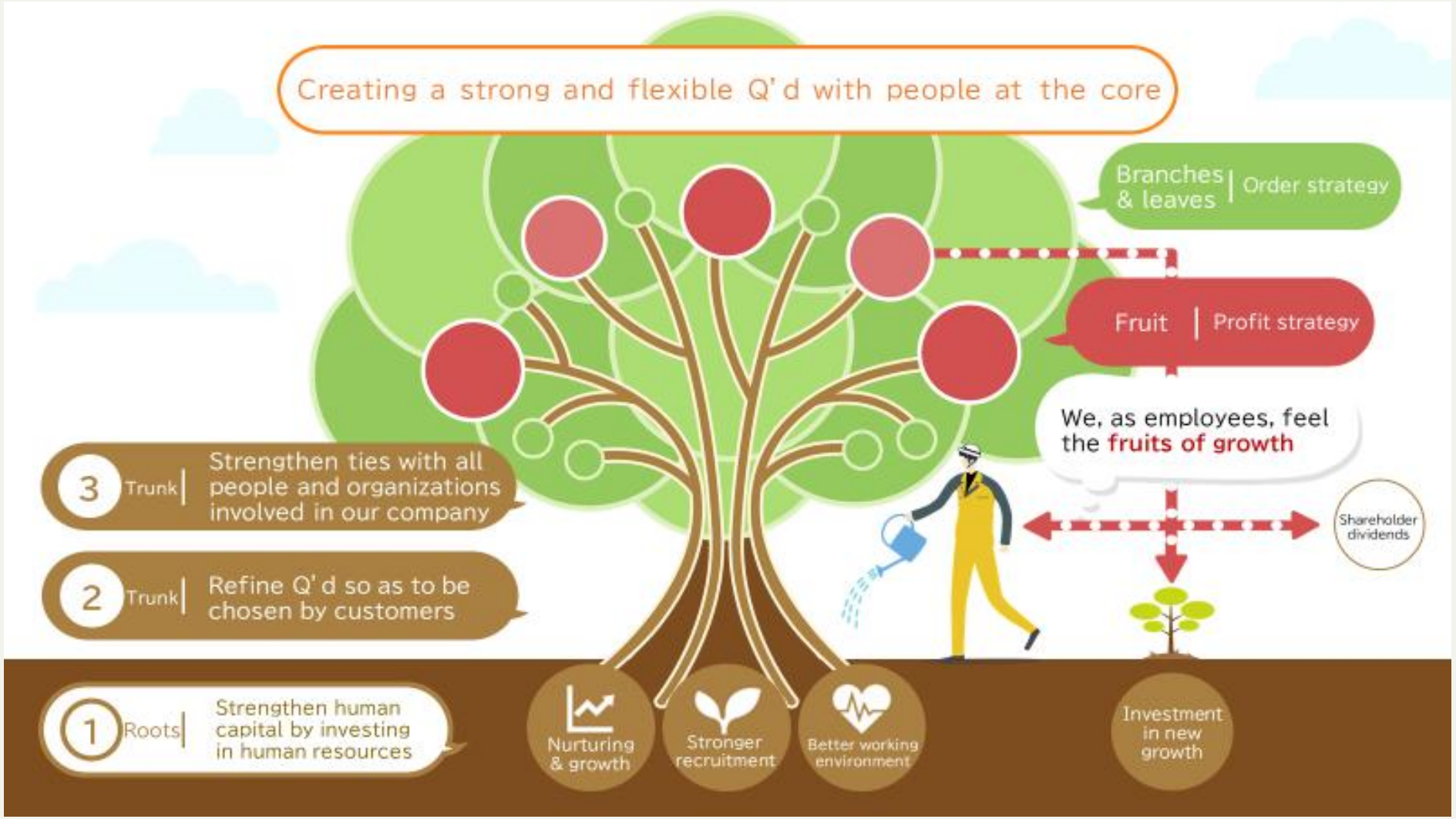
Carbon-Neutral (CN) Business: Share of Net Sales (Consolidated)

- Although the proportion of net sales from CN-related business has remained flat since FY2024, CN-related net sales increased year over year.
- With the goal of earning 70% of net sales from CN-related business in FY2030, we will continue to pursue preparatory work for restarting nuclear power plants, sale and buyout (S&B) of public hydroelectric power plants, and biofuel and small-scale hydro power generation. We will also incorporate decarbonization and energy-saving elements into general renovation and maintenance projects.



Contents

Initiatives to Enhance Corporate Value (a Virtuous Investment Cycle Centered on People)



Initiatives to Enhance Corporate Value (Strengthen Human Capital: Roots and Trunk)

1 Roots | Strengthen human capital by investing in people

2 Trunk | Improve Q'd so that clients choose us

3 Trunk | Strengthen ties with all people and organizations involved in our company

Initiatives and achievements so far

- To help the roots of our human resources grow bigger and stronger, we are implementing quantitative enhancements (such as **improving employee compensation and internal communication**), as well as qualitative enhancements (such as **skills training and support for acquiring qualifications**).
- To strengthen our trunk, we are **improving Q'd through investments in digital transformation (DX) and R&D.** We are also **building stronger ties with clients** through our six-branch nationwide network and **improving our relationship with shareholders** through progressive dividends and proactive IR activities.

- Investment in human capital FY2024–2025: Approx. 21 hundred mil. yen
- Results of human capital improvement (FY2025/FY2024)
  - Engagement score: 72.9 points (up 2.1 points)
  - New graduate hires: 64 in FY2026, 65 in FY2025 (up 25 from FY2024)
  - Proportion of employees with construction management engineer qualification: 56.6% (up 2.0%)

Focus on enhancing human capital to increase added value

Challenges and future initiatives

- <**Qualitative enhancements**>
  As we increase the number of young employees through intensified recruitment, we are also focusing on **early-stage training** to improve technical skills.
- <**Quantitative enhancements**>
  While the amount of projects carried forward to the next period is growing, we are **securing mobilization capacity** in the face of labor shortages caused by a decline in partner companies and other factors.

- Planned human capital investment FY2026: Approx. 38 hundred mil. yen
- Human capital enhancement targets
  - Engagement score: 73.0 points
  - New graduate hires: 70
  - Construction manager engineer retention: 60%
- Launch two internal projects (see next page)

Initiatives to Enhance Corporate Value (Strengthen Human Capital; Roots and Trunk)

Internal projects set up to strengthen human capital development

Career platform building project

- We completely redesigned our assessment criteria, career paths, and training curriculum from the ground up, based on our vision of the ideal employee that we are aiming for. We are working to improve employee engagement by clearly defining the goals that each employee should strive for and building systems that allow them to feel their personal growth.

- Specific initiative goals
  - Career path design: By end of FY2026
  - Organization and development of training curriculum: By end of FY2026

Growth partnership project

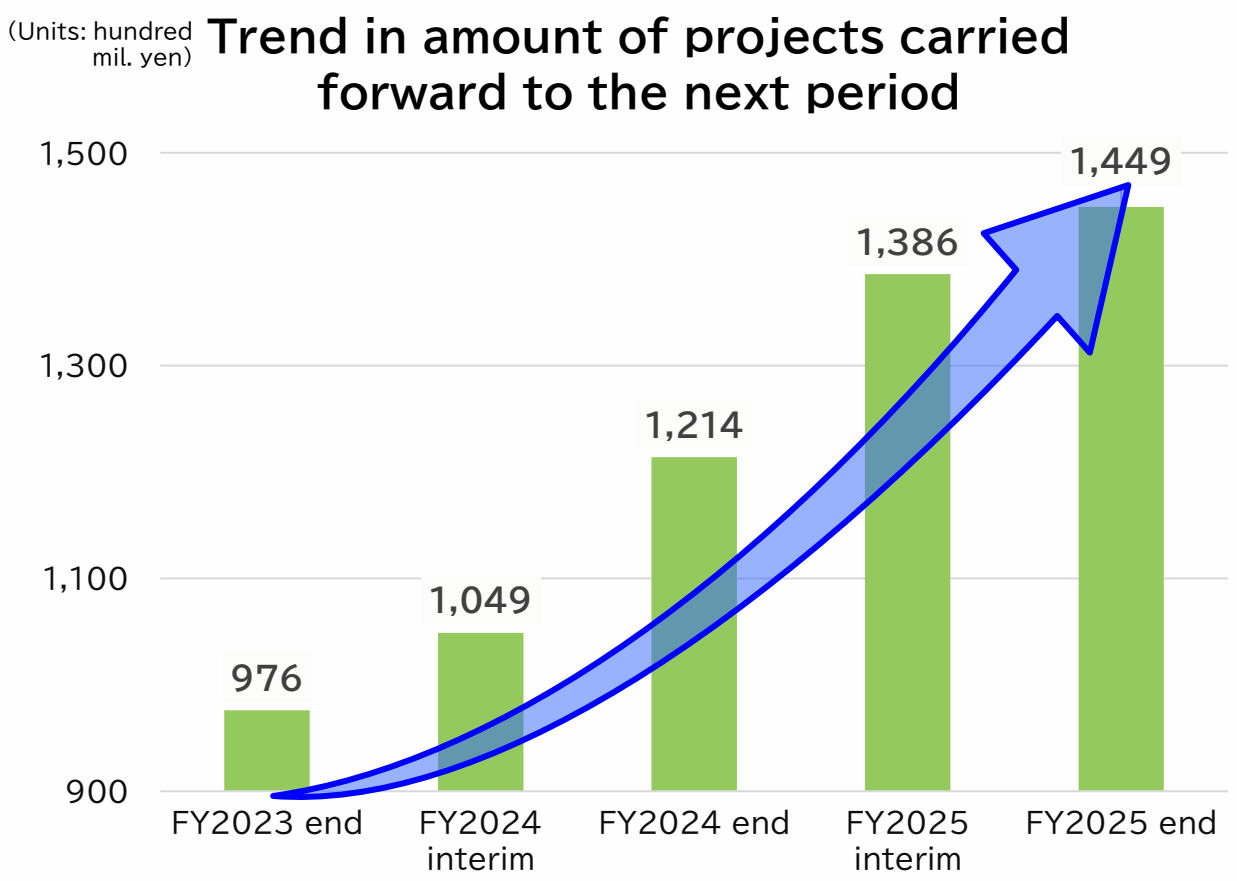
- We are working to secure greater workforce mobilization capacity to build a sustainable construction system through alliances with partner companies by jointly finding solutions to management challenges common to SMEs in the construction industry, such as succession issues and worker shortages that could lead to the closure or downsizing of partner companies.

- Specific goals of these initiatives
  - Conduct a survey on management challenges: Over 200 companies
  - Conduct interviews with partner companies: Over 50 companies

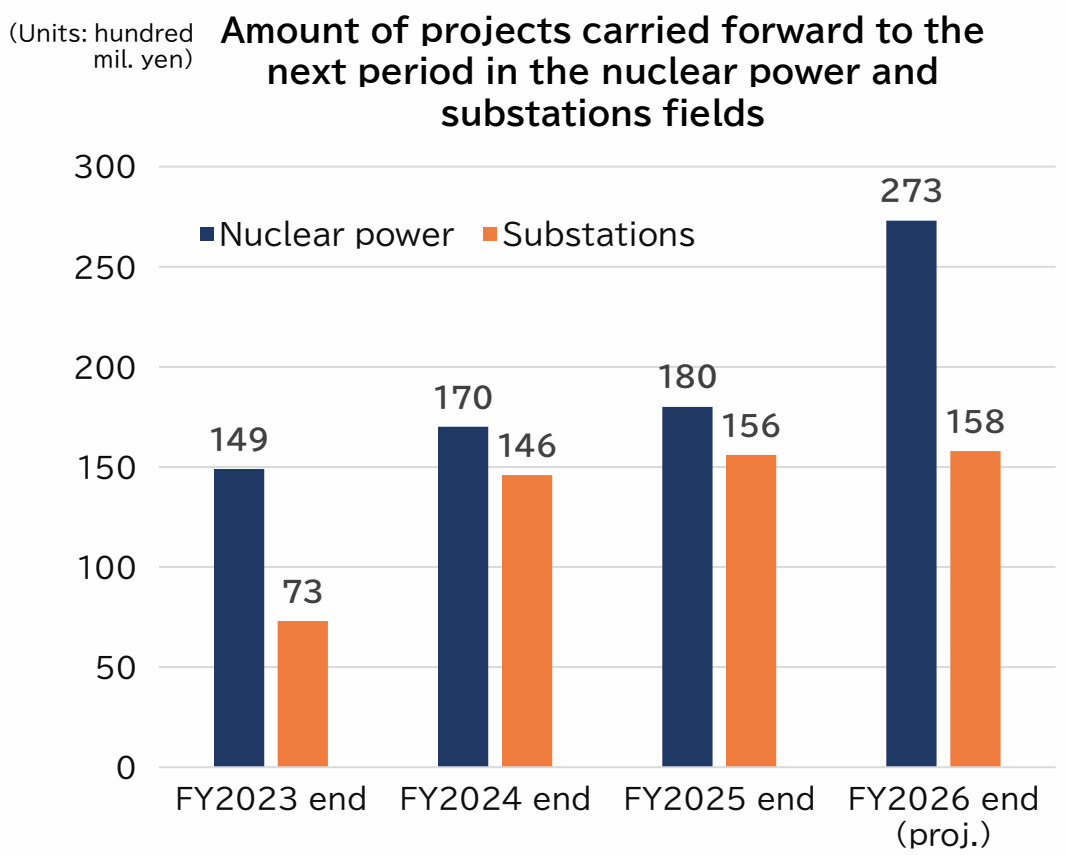
Initiatives to Enhance Corporate Value (Strengthen Human Capital: Branches & Leaves)

The amount of projects carried forward to the next period has risen steadily from 976 hundred mil. yen at the end of FY2023, hitting a record high of 1,449 hundred mil. yen (an increase of approx. 50%) by the end of FY2025. By continuing to focus on securing contracts in the fields of nuclear power and substations in FY2026, the amount of projects carried forward to the next period in these two fields is expected to rise to double the value at the end of FY2023.

Trend in amount of projects carried forward to the next period



Amount of projects carried forward to the next period in the nuclear power and substations fields



Trends by Market (Next Three Years)

To optimize our business portfolio, we are changing course from our strategy of treating all three markets equally, as outlined in our current medium-term plan, to a strategy of trying to secure 50% to 60% of our net sales from the Electric power market, with the remainder split evenly between the General industrial and other and Renewable energy markets. Our strengths are our construction management personnel, construction tools, and key partner companies, based on a proven track record of consistently meeting stringent laws and regulations, high safety and quality standards, and demands for shorter construction periods.

Total potential	Related aims	
Electric Power Expand	Thermal power	Although there has been a move to make use of long-term decarbonized power source auctions, the construction of large thermal power plants to replace aging plants or address supply-demand imbalances has largely run its course, resulting in a general downward trend.
	Nuclear power	The number of reactors undergoing full-scale safety measures construction in preparation for restarting BWR nuclear power plants is increasing; plants that have resumed operation are gradually reaching the time of periodic inspections; and safety work aimed at starting operation of spent fuel reprocessing plants is peaking.
	Substations	Construction of new and expanded substation facilities, largely in the Kanto region, is proceeding vigorously, in response to growing power demand associated with digital transformation (DX) and green transformation (GX) initiatives.
General Industrial and Other Expand	General industrial	Capital investment in oil refineries, chemical plants, and steel mills aimed at decarbonization and energy conservation remains robust. The market is likely to grow further with the construction of new data centers, but there are emerging risks stemming from unstable international conditions.
	Public infrastructure	Capital investment in public infrastructure relating to disaster prevention and mitigation, measures to address infrastructure aging/deterioration, and decarbonization remains strong.
	Overseas business (Thailand manufacturing)	Growth is likely to continue with an expected rise in orders for Thailand manufacturing as a means of diversifying risks amid unstable international conditions.
Renewable Energy Consolidate	Hydroelectric power	Business with both electric power companies and public hydroelectric power companies remains robust due to sale and buyout (S&B) and continuing renewal of existing plants.
	Biomass	Although no new projects utilize the FIT scheme, commercialization through long-term decarbonized power source auctions is emerging as a new trend.
	Solar and storage batteries	There is a shift in solar power installation from fields to rooftops, with the power selling shifting from a feed-in tariff (FIT) to a feed-in premium (FIP) scheme and self-consumption. With the development of combinations with storage batteries and perovskites, the overall trend in this market segment is upward.

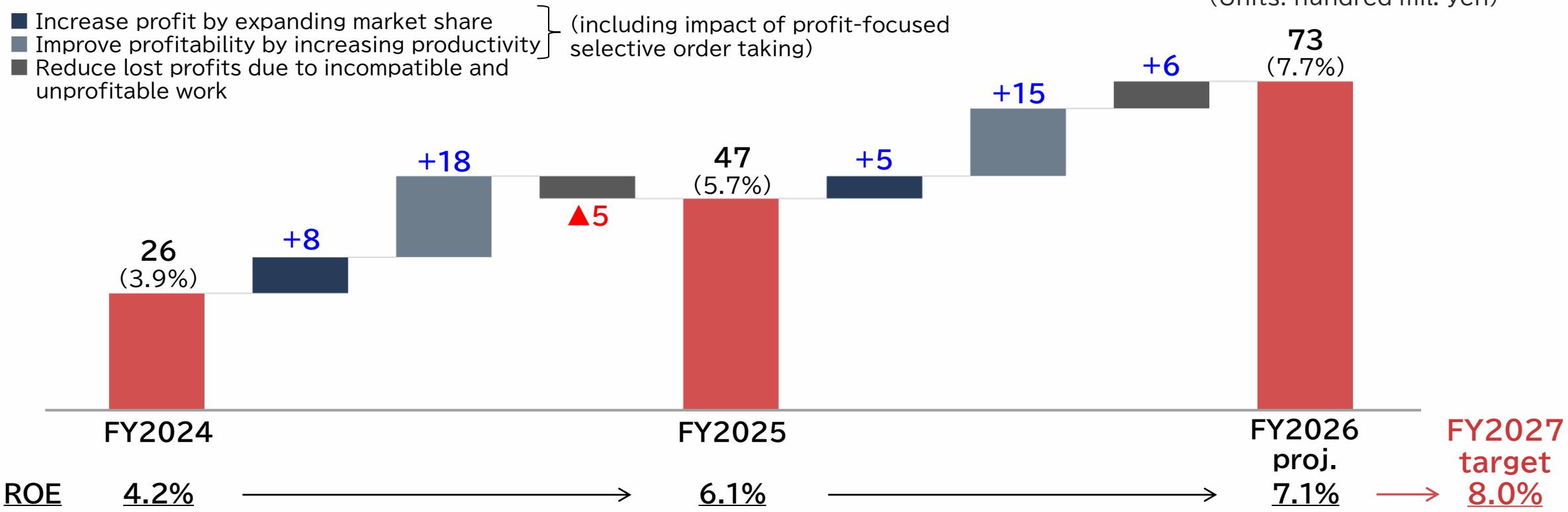
Initiatives to Enhance Corporate Value (Strengthening Human Capital; Fruit)

Fruit | Profit

- As we aim to hit an ROE of 8.0% by FY2027 by increasing added value per person by 50% (compared to FY2024), our profit-focused approach to winning orders is steadily taking root. In FY2025, operating profit is projected to be 47 hundred mil. yen, up 20 hundred mil. yen from FY2024, as a result of improved profitability due to higher market share, higher productivity and other factors.
- In FY2026, we will continue to promote our existing measures to increase operating profit even further (target: 73 hundred mil. yen).

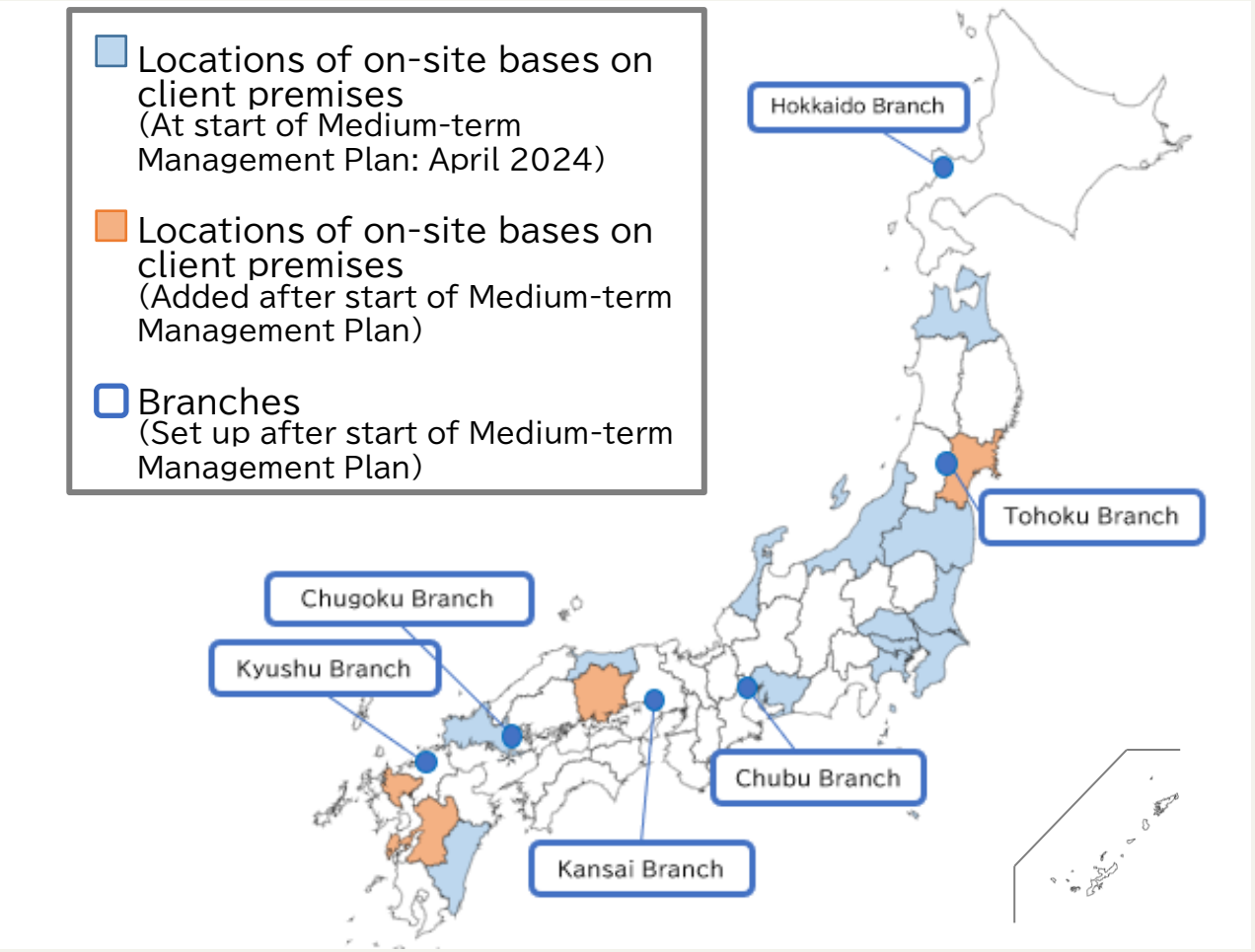
Trend in Operating Profit (Operating Profit Margin)

(Units: hundred mil. yen)

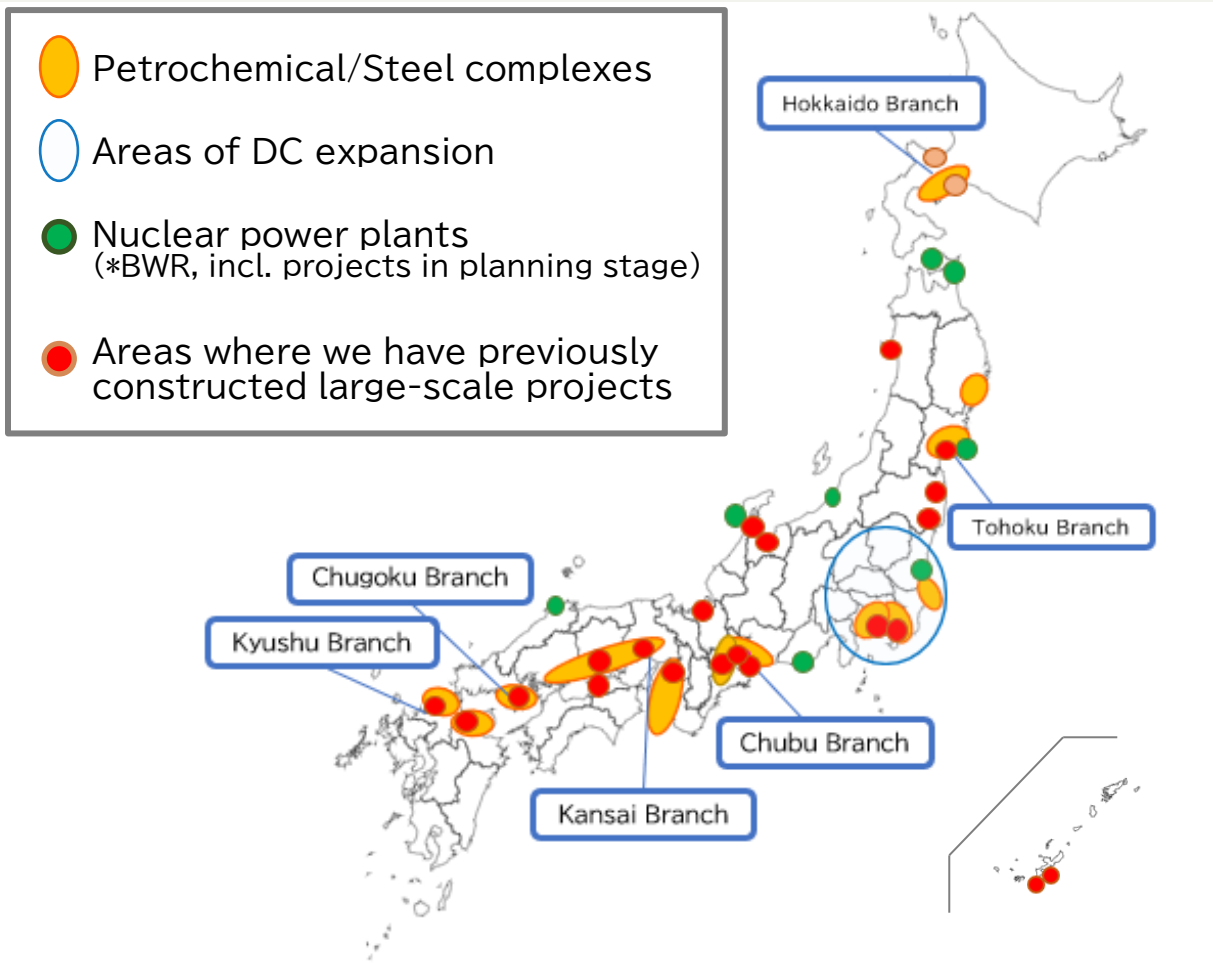


Increasing profit by expanding market share

Locations of on-site bases on client premises (as of April 2026)



Map of sales activities aimed at expanding market share and setting up on-site bases on client premises



Safety measures construction for Restarting of Nuclear Power Plants

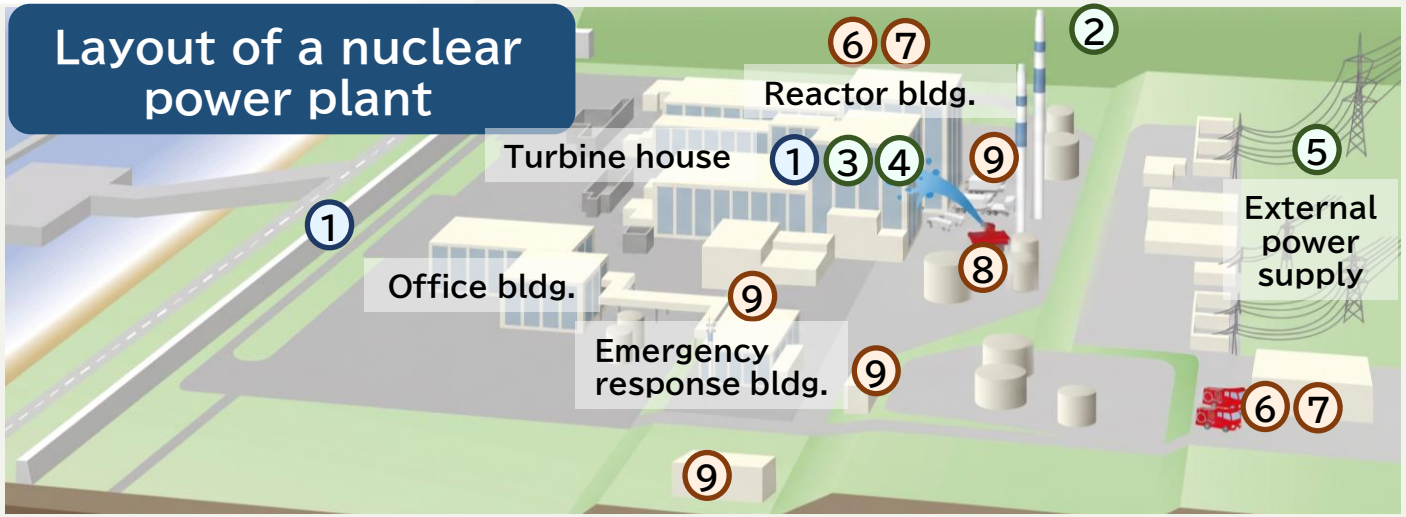
Fruit | Profit

New standards for nuclear power plants

<New standard>			Construction by us
Stricter		(1) Earthquake and tsunami resistance	○
Stricter or newly added	Design criteria / accident measures	(2) Natural disaster considerations (addition of volcanoes, tornadoes, and wildfires)	○
		(3) Fire safety considerations	◎
		(4) Internal water leak considerations	○
		(5) Power supply reliability	—
		Performance of other equipment	—
Newly added	Serious accident countermeasures	(6) Core damage prevention measures (assuming multiple equipment failures)	○
		(7) Measures to prevent containment vessel failure	○
		(8) Measures to limit the spread of radioactive substances	—
		(9) Performance of other equipment	○
		Measures against intentional aircraft collisions	—

*Created based on the document “Application for Confirmation of Compliance of Shika Nuclear Power Plant Reactor No. 2 with New Regulatory Standards” on the website of Hokuriku Electric Power Company

Layout of a nuclear power plant



Our initiatives related to nuclear safety measures construction

[Safety improvement project achievements]

- Completed safety improvement projects on 4 reactors across 3 power plants (total net sales: over 500 hundred mil. yen)
- Scope of work done for compliance with new regulatory standards (see table on left)
  This was mainly projects related to item “(3) Fire safety considerations” (approx. 90% of total), but we also did work related to items (1), (2), (4), (6), (7), and (9).

[Safety improvement projects in progress and further business development]

- We are currently doing safety improvement work on 3 reactors across 3 power plants
- We are planning to take part in safety improvement on 5 reactors across 4 power plants

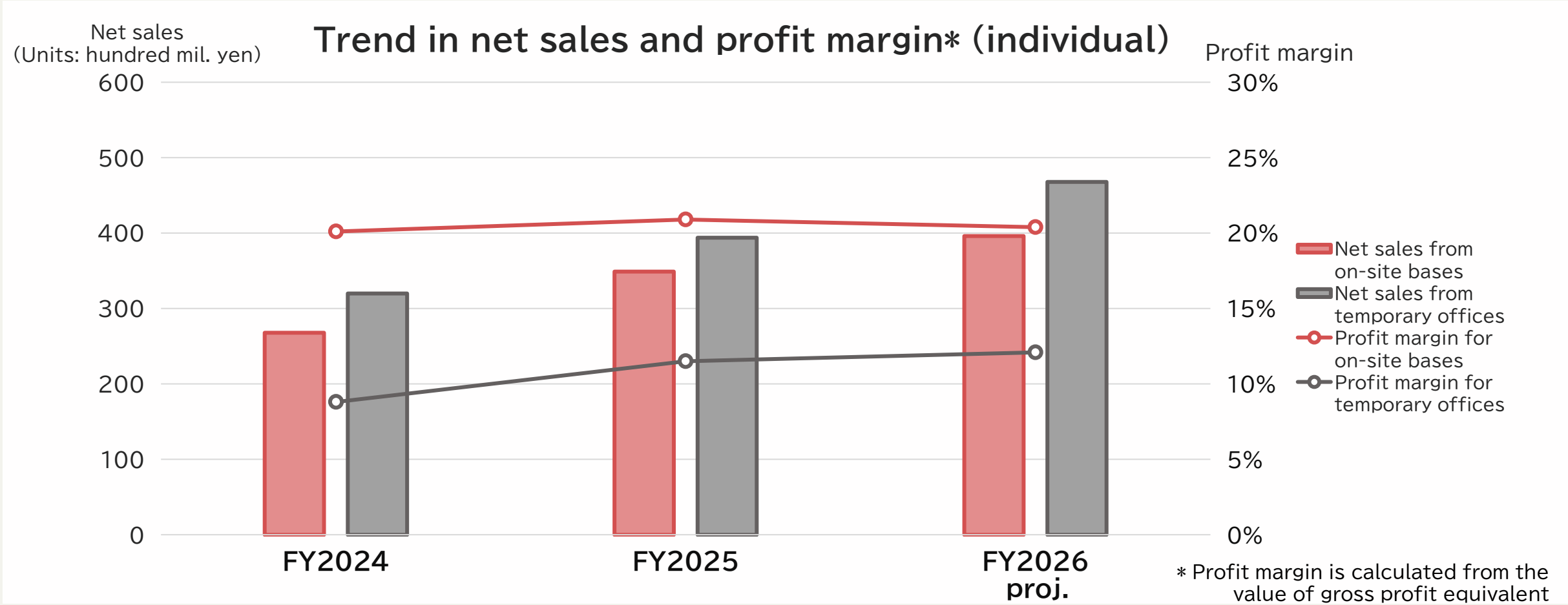
★ After completing safety improvement, we try to win maintenance contracts and set up an on-site base on the premises.

Initiatives to Enhance Corporate Value (Strengthening Human Capital; Fruit)

Fruit | Profit

Improving profitability by increasing productivity: Status and initiatives at on-site bases (deepen and evolve)

- Since the Great East Japan Earthquake (2011), our operating profit margin has declined due to a reduction in on-site bases on the premises of clients in the thermal power field and other fields. To improve our profit margin, we aim to acquire new clients, building trust through repeated projects, and then expand our on-site presence by setting up more offices on the premises of clients.



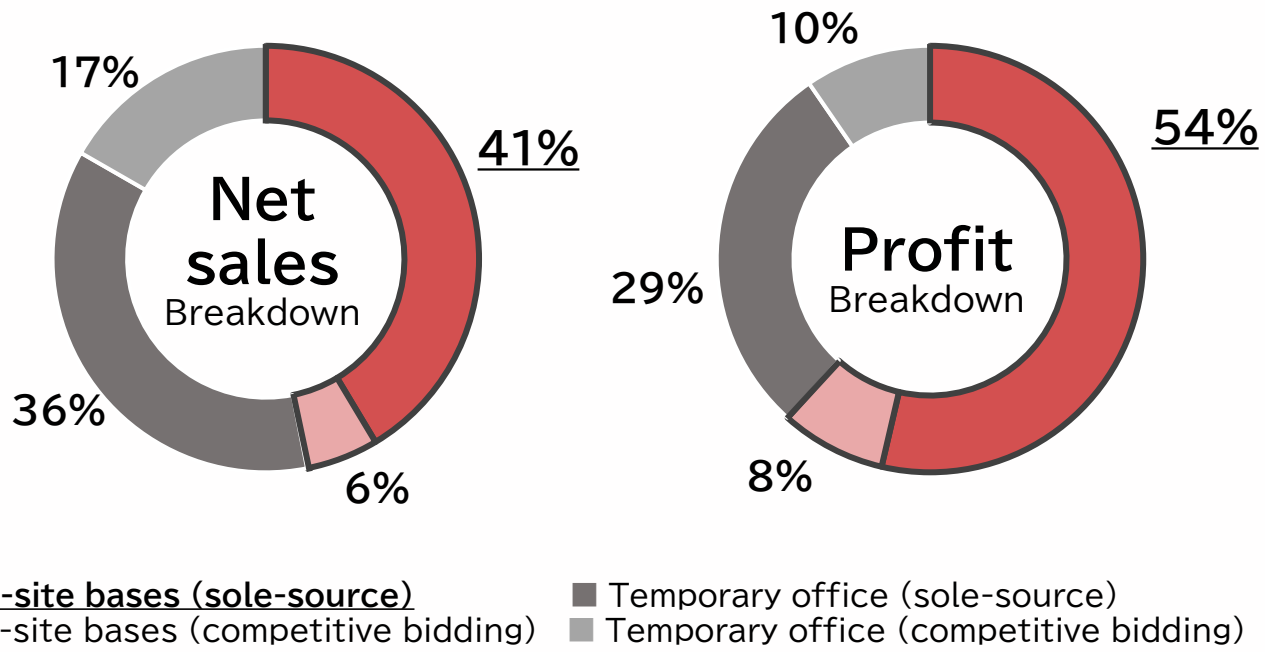
Initiatives to Enhance Corporate Value (Strengthening Human Capital; Fruit)

Fruit | Profit

Improving profitability by increasing productivity: Status and initiatives at on-site bases (deepen and evolve)

Profitability of on-site bases

FY2025 results (individual)



Increase orders by proposing technical solutions

- To address the equipment issues of clients, we offer detailed visualizations of proposed improvements utilizing the latest 3D scanning technology. Quickly proposing high-value-added solutions that exceed expectations allows us to effectively attract new clients and win more sole-source orders.

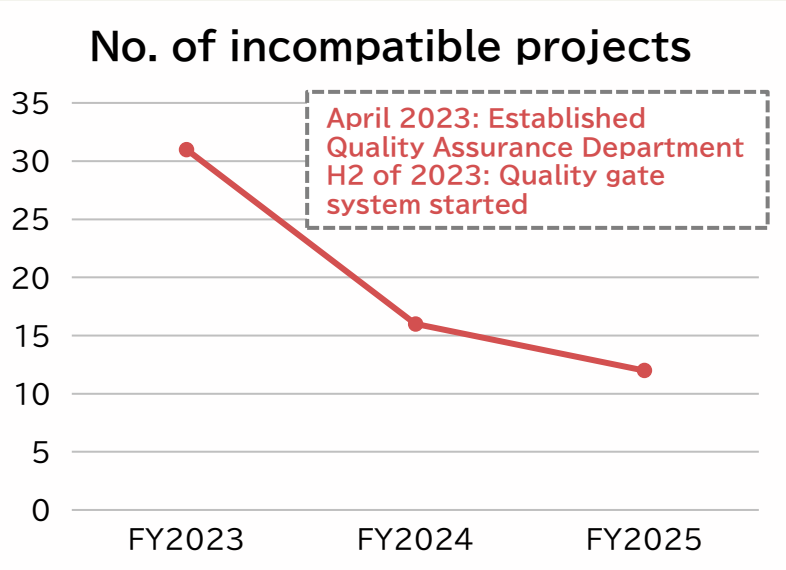
Creating synergies by collaborating with overseas group companies

- For the framework construction project for the fuel ammonia system at the Hekinan Thermal Power Station, we manufactured the main equipment at the Group's production plant in Thailand. By fully leveraging the synergies of the Group, we achieved significant cost reductions.

Reducing lost profits due to incompatible and unprofitable work

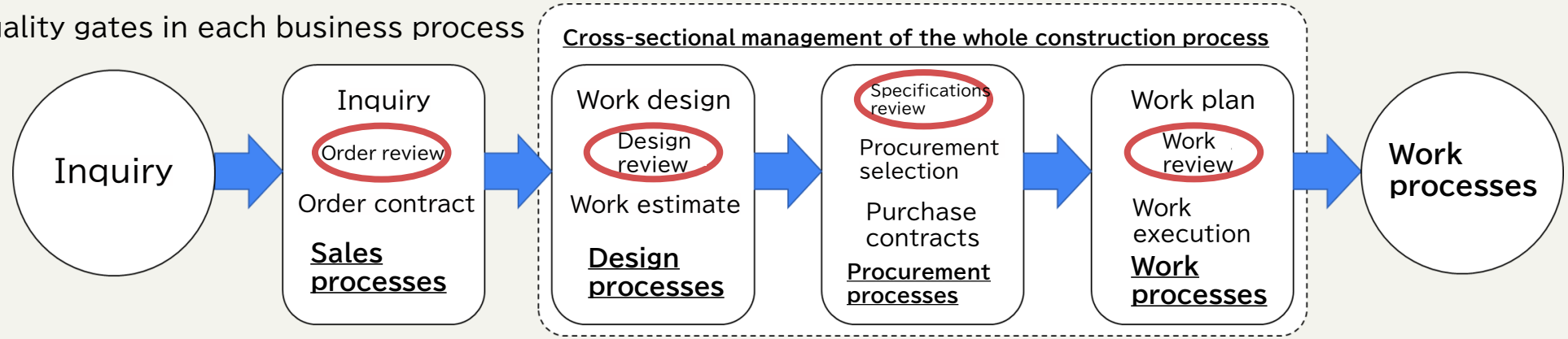
Quality gate

- Quality gates are "**checkpoints**" designed to prevent incompatible and specified unprofitable projects in each business process before they arise. They play a very important role in ensuring that outputs can be confidently passed on to the next process.
- **Incompatibilities in the design and construction processes are trending downward**, and **through internal audits we have verified that these processes are becoming normalized**. The **Quality Assurance Department is focusing its interventions to reduce risks on quality gates in sales and procurement processes,** where inadequate planning can have severe impacts.
- We are planning to eliminate incompatible and specified unprofitable projects by introducing cross-sectional management over the entire construction (work) process after orders are received.



Overview of quality gates

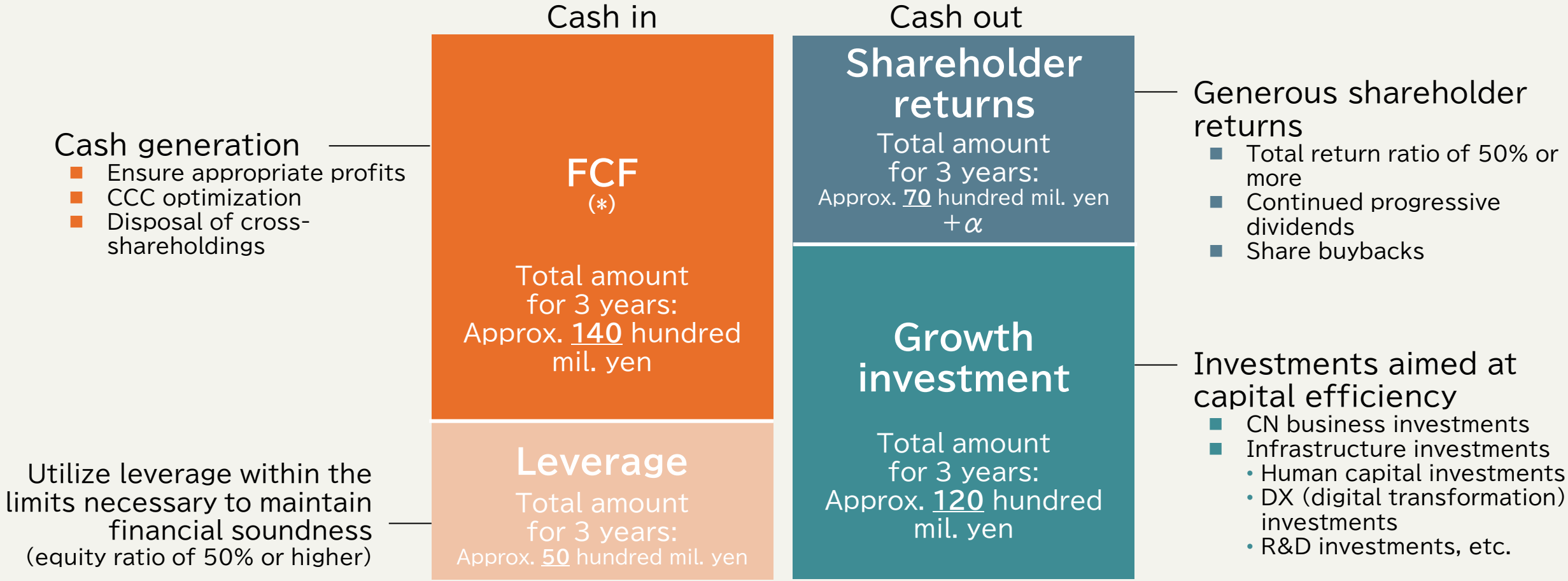
○ ･･ Quality gates in each business process



FY2024 Medium-term Management Plan: Improving Capital Efficiency

Generate cash from business operations and utilize leverage
Make growth investments and shareholder returns to enhance corporate value

Total amount for 3 years
Roughly 200 hundred mil. yen



*Excluding investment cash outflows from FCF

Growth Investment

FY2024–FY2025 results: Approx. 51 hundred mil. yen

- **CN business investment: Approx. 26 hundred mil. yen**
  - Biomass power generation
  - Setting up overseas subsidiaries for renewable energy business

- **Fundamental investment: Approx. 25 hundred mil. yen**

  Human capital investment
  - Improve employee skills through training and support for acquiring qualifications
  - Improve compensation and internal communication activities
  - Expand recruitment channels to increase employees, etc.

  DX (digital transformation) investment

  Invest in DX to reform business processes and digitalize work sites

  Creation of approx. 23,522 work hours up to FY2025
  - Increase operational efficiency by automating work with RPA and making use of generative AI, etc.
  - Expand the use of DX tools, by promoting use of “GEMBA Note” and utilizing drones for inspection and maintenance, etc., to increase on-site work efficiency

  R&D investment

  Strategic technology development based on a technology roadmap
  - Develop and improve work robots for areas of high radioactivity
  - Do research on CCUS technology
  - Do research on improving on-site construction methods, etc.

FY2026 plan: Approx. 68 hundred mil. yen

- **CN business investment: Approx. 21 hundred mil. yen**
  - Biofuel power generation business, etc.

- **Fundamental investment: Approx. 47 hundred mil. yen**

  Human capital investment
  - Projects to strengthen human capital investment (see Slide #13)
  - Continue to implement selective training to develop next-generation leaders, improve employee compensation, promote internal communication, etc.

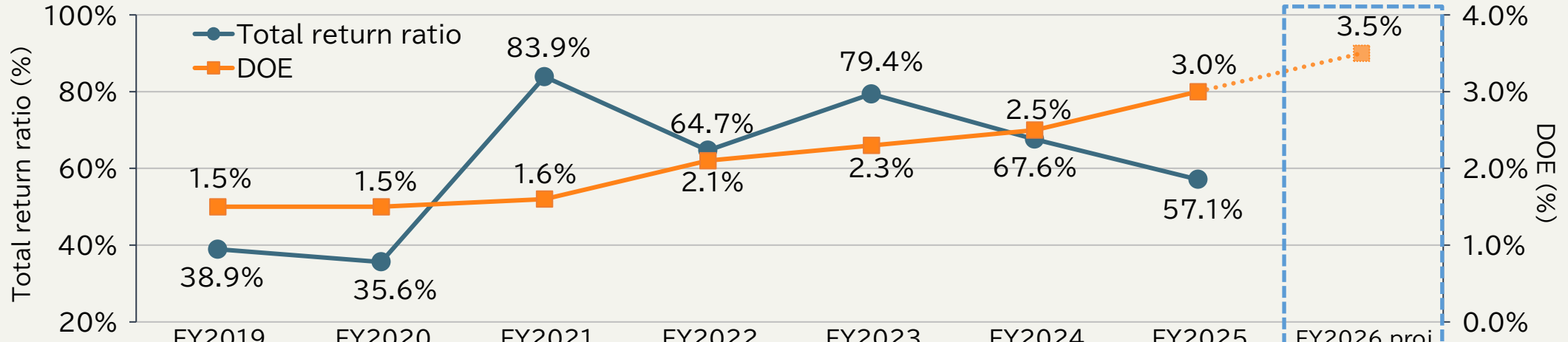
  DX (digital transformation) investment
  - Expand the use of DX tools to increase on-site work efficiency
  - Implement a safety AI solution to help anticipate and mitigate on-site work risks
  - Increase work efficiency by implementing a new ERP system
  - Implement an AI solution to support document creation to increase desk work efficiency

  R&D investment

  Continue strategic technology development in accordance with a technology roadmap (including an initial study on physical AI).

Shareholder Returns

- Through progressive dividends and flexible share buybacks, we achieved a DOE of 3.0% and a total payout ratio of 57.1% in FY2025. **For five straight years, DOE has increased and total payout ratio has remained above 50%.**
- Returning profits to shareholders is one of our top management priorities. **We will continue to try and increase DOE** and implement progressive dividends in line with profit growth, **aiming for a total payout ratio of 50% or more.**
- For FY2026, we plan to pay an annual dividend of **77 yen** per share and conduct flexible share buybacks.



	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026 proj.
Dividend per share (yen)	27	28.5	30	40	45	52	**63**	**77**
Dividend payout ratio (%)	38.6	35.4	83.7	64.6	51.9	60.0	48.9	49.1
Dividend yield (%)	3.3	3.1	3.1	4.5	3.6	4.8	3.6	4.0※
Stock price at end of period (yen)	822	916	973	892	1,250	1,090	1,737	1,915※
Total dividends (millions of yen)	923	975	1,027	1,370	1,522	1,737	2,093	2,551
Total share buybacks (millions of yen)	—	—	—	—	827	223	371	Unknown

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

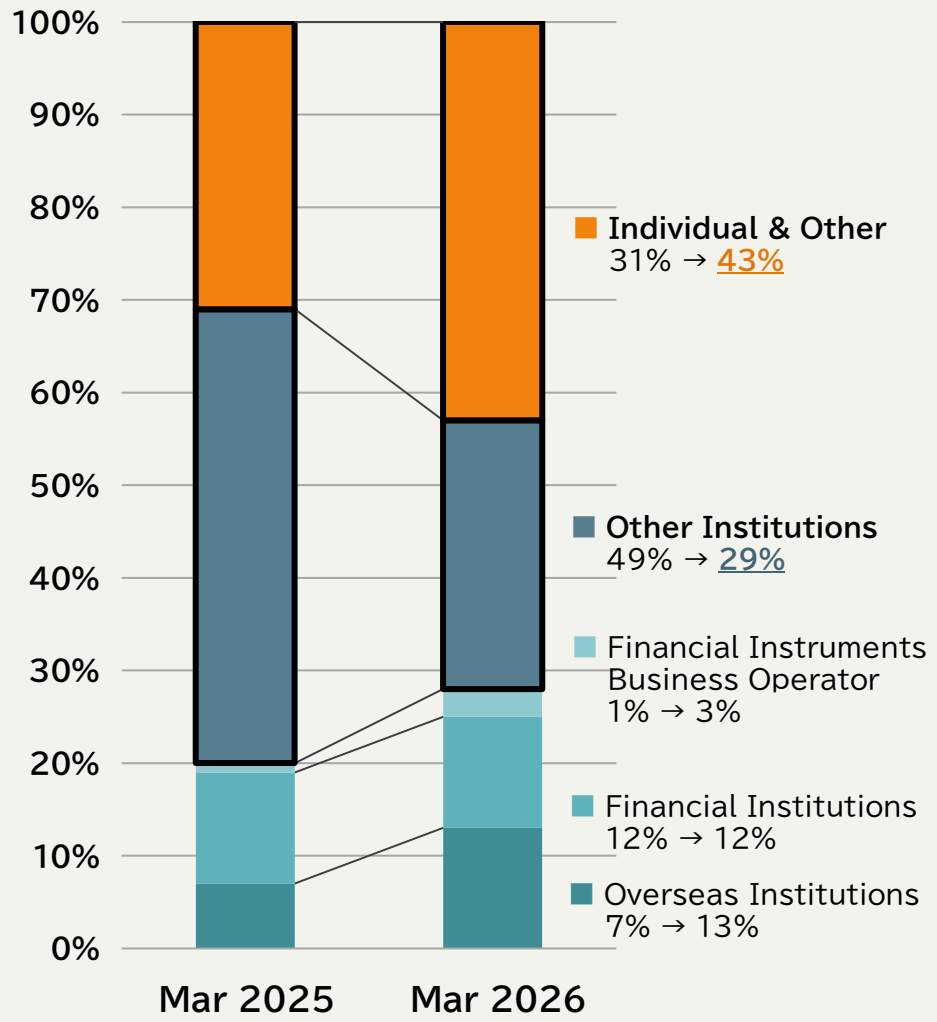
* (Closing) stock price on May 1

Our Capital Strategy (Optimization of Shareholding Structure)

Optimization of shareholding structure

- We have been reviewing our capital policy to increase corporate value over the medium to long term and achieve sustainable growth. Given the high shareholding ratios of our major shareholder, **we may not be eligible for inclusion in the TOPIX with our current market capitalization (calculated on a free-float basis). We recognize this would harm shareholder value.**
- We engaged in extensive dialogue and coordination with Tokyo Electric Power Company Holdings, Incorporated (TEPCO), our principal shareholder, and secured their understanding of our corporate vision and the capital policy for achieving it. **We determined that it was possible to improve market liquidity and actively reform our shareholding structure while offering an uninterrupted opportunity to trade in our shares, so in February 2026, we announced a secondary offering of our shares.** Even after the completion of this secondary offering, we will **remain an equity method affiliate of TEPCO** and continue to work closely with the TEPCO Group to fulfill our responsibility for delivering reliable supplies of electricity and to enhance our sustainable corporate value.

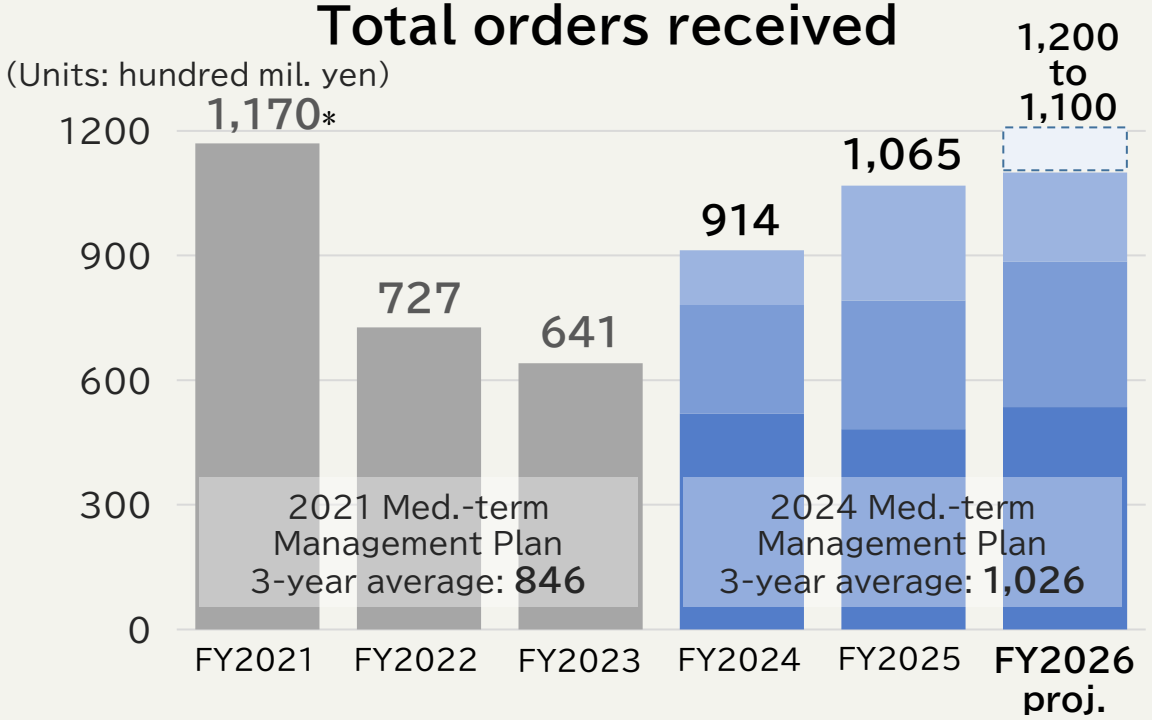
Distribution by shareholder type



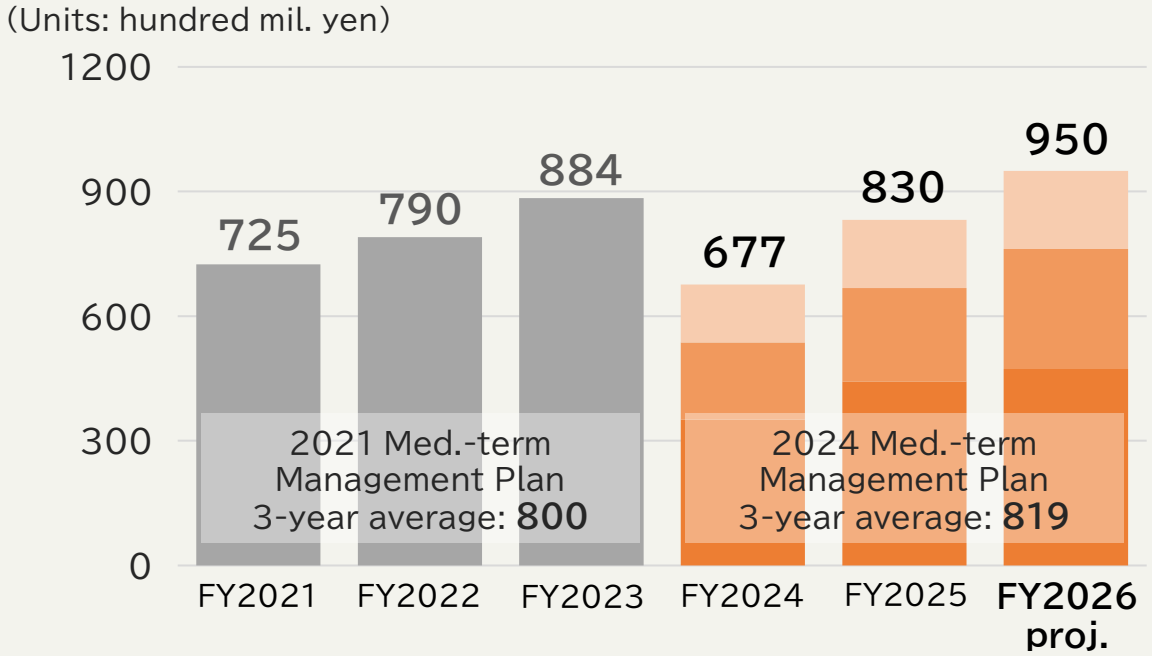
FY2026 Forecast (Consolidated)

Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent company
hundred mil. yen	hundred mil. yen	hundred mil. yen	hundred mil. yen
950	73	75	52

Total orders received



Net sales



* FY2021 total orders received include O&M (approx. 20 years), etc.

Contents

Key Topics

[Nuclear power] Orders for safety measures construction at BWR nuclear power plants: Leveraging our track record, experience, and technology

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[Public welfare] “Hataraku-Yell 2026” awards and certifications: Continuing to create a supportive work environment

[Nuclear power] Orders for safety measures construction at BWR nuclear power plants: Leveraging our track record, experience, and technology

- We are participating in safety improvement projects (related to fire protection) under the new regulatory standards on reactors nos. 6 and 7 of the Tokyo Electric Power Company (EPC) Kashiwazaki-Kariwa Nuclear Power Plant (NPP), we completed work on reactor no. 2 of Tohoku EPC's Onagawa NPP, and we are working on reactor no. 2 of Chugoku EPC's Shimane NPP and reactor no. 2 of Hokuriku EPC's Shika NPP, as well as other projects.
- We are currently expanding our business to BWR-type NPPs, with safety improvement projects now being planned.
- After completing safety improvement work, we aim to set up an on-site base at the NPP to facilitate the inspection of both safety equipment and power plant equipment.

[Tokyo EPC] Kashiwazaki-Kariwa NPP, reactors nos. 6 & 7: Safety improvement work (completed) <On-site personnel: 39>
[Tohoku EPC] Onagawa NPP, reactor no. 2: Safety improvement work (completed) <On-site personnel: 6>
[Hokuriku EPC] Shika NPP: Preparatory work for safety improvement (in progress) and equipment inspections <On-site personnel: 8>
[Chugoku EPC] Shimane NPP, reactor no. 2: Safety equipment design work (in progress)
[Japan Atomic Power Company] Tokai NPP no. 2: Equipment inspection (in progress) <On-site personnel: 59>
[Japan Nuclear Fuel Limited] Rokkasho Reprocessing Plant: Safety measures work (in progress) <On-site personnel: 56>

We currently have eight on-site bases (offices) at nuclear power facilities* and continue striving to increase this number by leveraging our on-site experience.
*** Fukushima Reconstruction Field Office No. 1, Fukushima Reconstruction Field Office No. 2, Tokai Office, Niigata Branch, Shika Construction Office, Aomori Branch, Mutsu Construction Office, Onagawa Construction Office**

Gas fire-fighting equipment

Tokyo EPC
Kashiwazaki-Kariwa NPP reactors nos. 6 & 7

Gas fire-fighting equipment

Tohoku EPC
Onagawa NPP reactor no. 2

Equipment inspection

Japan Atomic Power Company
Tokai No. 2 NPP reactor no. 2

Photos provided by Tokyo Electric Power Company Holdings, Inc., Tohoku Electric Power Co., Inc., and Japan Atomic Power Company

[Nuclear power] Decommissioning work at the Fukushima Daiichi Nuclear Power Plant (on-site base): Working with other companies to support plant decommissioning

- We are participating in a Tokyo Electric Power Company decommissioning project as a member of ONE TEAM. From our on-site base at the Fukushima Daiichi Nuclear Power Plant, we are making use of all our experience, knowledge, and technical capabilities. We are involved in the installation of equipment (see photo of pumps and piping) for the dilution and discharge of the ALPS (Advanced Liquid Processing System for removing multi-nuclides) water treatment system. We are currently working on equipment maintenance and management and disposal of decommissioning waste.

*The dismantling and removal of nuclear power plants is generally referred to as “decommissioning.” The process at the Fukushima Daiichi Nuclear Power Plant is somewhat special because it requires the dismantling and removal of facilities that were destroyed in a serious accident. For this reason, advanced technology and safety measures are needed. This process is therefore referred to as “reactor decommissioning” to distinguish it from regular nuclear plant decommissioning.

Video: “OneTeam Tackles Decommissioning the Fukushima Daiichi Nuclear Power Plant,” produced and provided by TEPCO: “The Eyes that Supports Decommissioning” (1 min 4 sec): https://www.youtube.com/watch?v=GRXtAX5aKUI

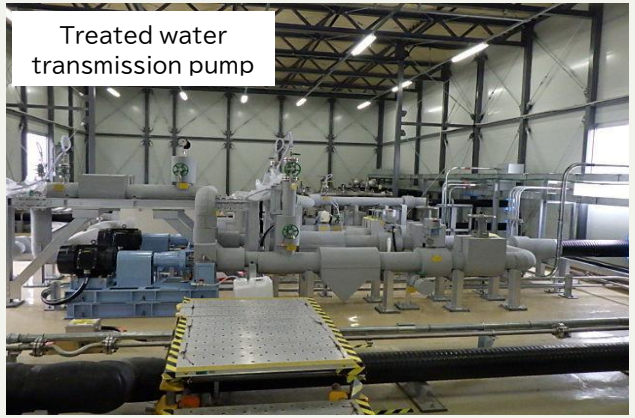
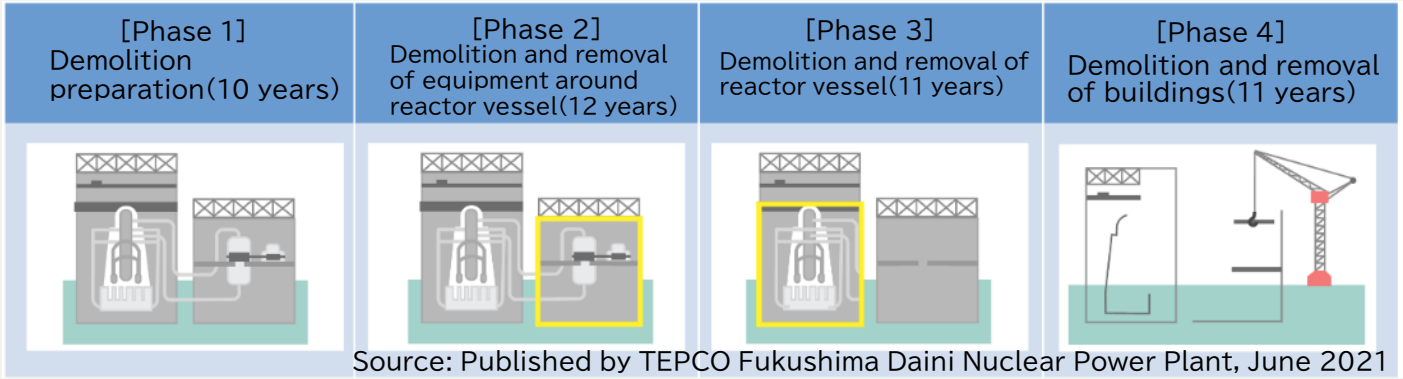


Photo provided by Tokyo Electric Power Company Holdings, Inc.

[Nuclear power] Winning orders for decommissioning (and related) work at BWR nuclear power plants: Leveraging our track record, experience, and technology

- Authorities have decided to decommission 15 BWR reactors at 6 nuclear power plants (NPPs) in Japan (including 6 reactors at TEPCO's Fukushima Daiichi plant).
- We are performing decommissioning (and related) work at TEPCO's Fukushima Daini NPP.
- The Fukushima Daini NPP went into cold shutdown four days after the Great East Japan Earthquake (on March 15, 2011). Decommissioning work began on June 23, 2021. Decommissioning is expected to last 44 years (see the figure below). Given that the spent fuel is stored in the spent fuel pool, located above the reactor building, and that reactors remain in cold shutdown, maintenance on the cooling system pumps has been going on for a long time and is scheduled to continue. Decommissioning work currently involves demolition and removal operations outside the controlled area.



Source: Published by TEPCO Fukushima Daini Nuclear Power Plant, June 2021

Tokyo Electric Power Company Holdings, Inc.
Fukushima Daini Nuclear Power Plant

[Reference]

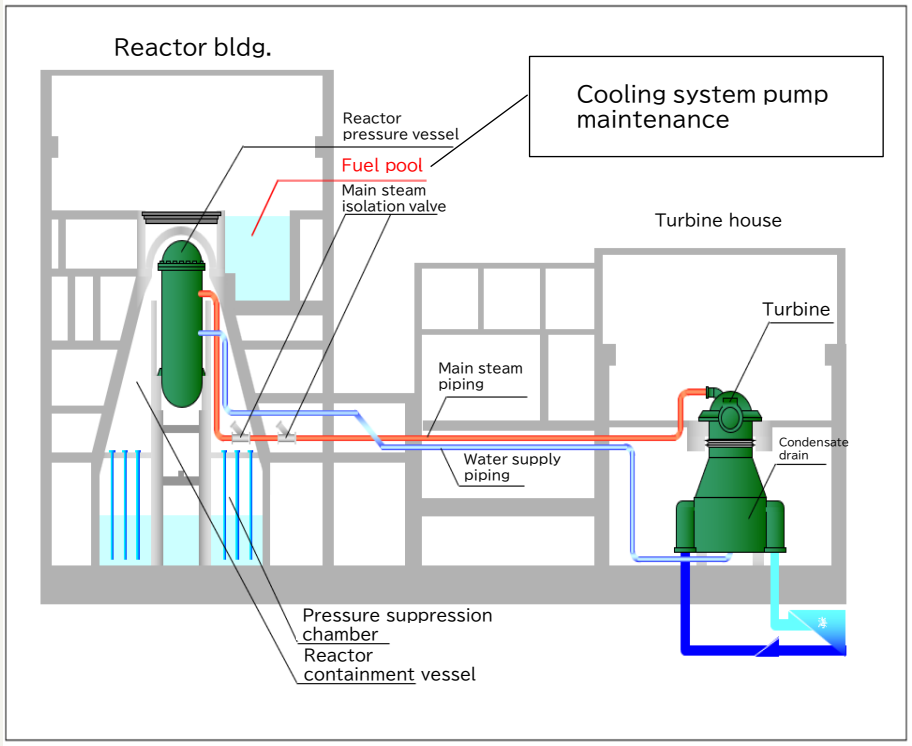
Number of reactors scheduled or designated for decommissioning (as of April 2026)

Reactor type	No. of units
BWR (boiling water reactor)	15*
PWR (pressurized water reactor)	9
Total	**24**

*** Including 6 reactors at Fukushima Daiichi**

Source: Materials by the Federation of Electric Power Companies of Japan

[Tokyo Electric Power Company]
Decommissioning (and related) work at Fukushima Daini NPP (in progress)
<On-site personnel: 11>



Tokyo Electric Power Company Holdings, Inc.
Overview of equipment of Fukushima Daini NPP reactor No. 3

Photo provided by Tokyo Electric Power Company Holdings, Inc.

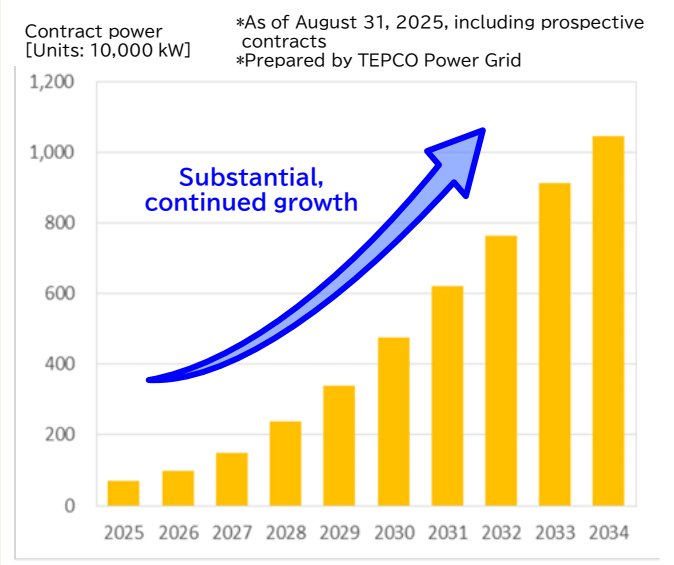
[Substations] Growing demand for substation facilities: Contributing to power supply stability to address rising electric power demand

- The number of projects for new construction or expansion of substation facilities aimed at making the power grid more robust to address the growing demand for electric power driven by the advancement of DX and GX (digital and green transformation), is increasing, particularly in the Kanto region. Demand for data centers has risen significantly, with major clients including hyperscalers* (e.g., Google, AWS, Microsoft) and other Japanese and international data center developers.
- We have won orders for expanding ultra-high-voltage substations, which serve as the starting points for power transmission, for the new construction and expansion of substations that act as hubs for transmission to surrounding areas, and for special high-voltage substation equipment at private production facilities and other sites. Although orders in FY2025 were down compared to FY2024, when we took on numerous large-scale projects, the amount of projects carried forward to the next period remains high, with strong growth expected to continue.
- The amount of projects carried forward to the next period is expected to double from FY2024 onward compared to FY2023 and remain at a high level.

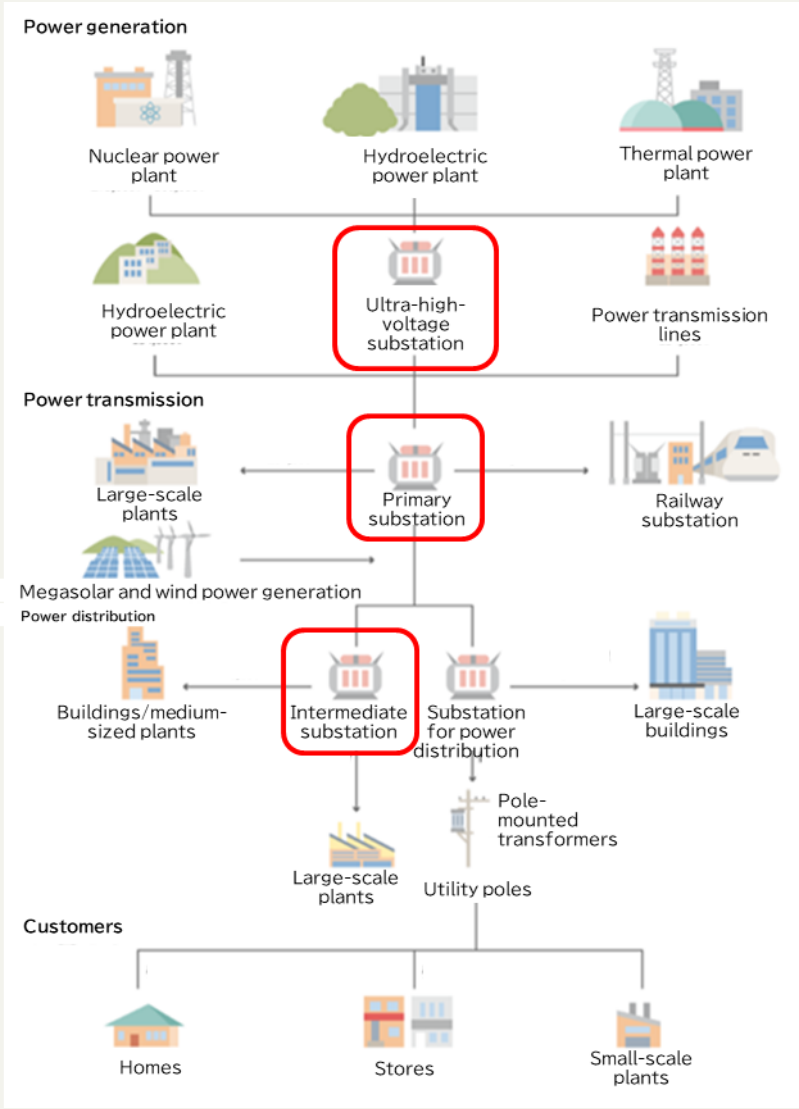
[Orders received: FY2024: 130 hundred mil. yen, FY2025: 78 hundred mil. yen
Net sales: FY2024: 56 hundred mil. yen, FY2025: 68 hundred mil. yen]

*Hyperscaler:
A major cloud service provider that operates large-scale data centers

Data center electric power demand trend



Ultra-high-voltage substation (image)



Source: TEPCO Power Grid

*Based on materials by TEPCO Power Grid

[Solar power] Solar power generation facility at Chiba City Nanbu Sewage Treatment Plant starts operation: Decarbonization Leading Areas

- The solar power generation facility at the Chiba City Nanbu Sewage Treatment Plant, which is an area designated a “Decarbonization Leading Area,”* began operating on April 15, 2026.
- We collaborated on this project with Chiba City, and TNcross Corp., the company behind the “Decarbonization Leading Areas” initiative. Construction has been in progress since September 2024.
- This solar power generation facility represents TNcross’ s first attempt at building an on-site PPA at a sewage treatment facility. It is also the company’ s largest-scale solar power installation to date.
- To effectively utilize the space available for the facility and to maximize power generation capacity, solar panels are mounted on the ground, on flat roofs, and on carports. Total power generation capacity is 1,690 kW.

*Decarbonization Leading Areas: These are areas of Japan that are seriously pursuing the goal of net-zero CO_2 emissions from residential and commercial electric power consumption by FY2030, as a step to total carbon neutrality by 2050. In collaboration with local governments and businesses, the Ministry of the Environment selects and supports these areas as models for simultaneously addressing regional challenges and promoting decarbonization. A total of 102 areas all over Japan have been designated.

Solar power generation facility at the Chiba City Nanbu Sewage Treatment Plant

Photo provided by TNcross Corp.

[Human resource development] Young employees at our Welding and Inspection Engineering Center are installing solar panels themselves

- We are participating in the GX League. With the goal of realizing a carbon-neutral society by 2050, we are installing our own private renewable-energy power generation plant at our Welding and Inspection Engineering Center as part of the effort to establish model carbon-neutral facilities.
- As part of this initiative, we are trying to promote greater understanding of equipment, practical skills, and safety and quality capabilities among young employees, including new hires. With this aim, young employees installed solar panels on the office building of the Welding and Inspection Engineering Center themselves.

[Scene of the installation work]

[Human resources] A total of 64 new hires in FY2026: Implementing systematic recruitment

- In FY2026, 64 new graduates (including international hires) joined the company.
- The new hires include 16 administrative and 46 technical employees, and an additional 2 (technical) employees from Vietnam.
- After initial group training at head office, the new hires will move on to further training at their assigned workplaces, with administrative employees starting in mid-May and technical employees in early August.
- As we did last year, we invited the families of new employees to attend the company entrance ceremony to promote understanding of our business.
- Through systematic recruitment efforts, we secured substantial talent while tripling the number of new hires compared to FY2023. (FY2023: 21 new graduates → FY2025: 65 and FY2026: 64)

Trend in hiring (new graduates, including international hires)

	2023	2024	2025	2026
New graduates (including international hires)	21	40	65	64

＊Keiko Onidani
Paris 2024 Paralympian
Silver medalist in the discus throw

New hires receive words of encouragement from a senior (Onidani) at the company entrance ceremony

[Social contribution] JFA-approved 3rd Tokyo Enesys Cup national football tournament for technical college students is held

- The “2026 Tokyo Enesys Cup: The 3rd All Japan KOSEN Regional Football Tournament” was held on March 17 and 18, 2026, in Susono City, Shizuoka Prefecture. [KOSEN means technical colleges.]
- Starting from this tournament, nine teams of selected players from different regions across Japan participate in a competition. The tournament is now officially recognized by the JFA (Japan Football Association).
- The nine teams, representing the regions of Kyushu/Okinawa, Shikoku, Chugoku, Kansai, Tokai, Hokushin’etsu, Kanto, Tohoku, and Hokkaido, were divided into three groups to compete in a league format. Playoff matches were then held based on the league standings. A total of approximately 180 players participated.
- The teams competed fiercely over two days. Chugoku once again won the tournament, meaning they have now achieved back-to-back titles.
- The next tournament is scheduled to be held in the Kanto region.
- The “Biogen Cup/OriHime Football Exchange Match,” a robot football event, was also held during the tournament. This event allowed KOSEN students, who will drive the future of Japan’s manufacturing industry, to use “OriHime robot avatars” to play and interact with people who find it difficult to go outside due to an intractable disease, disability, or other reason.
- Through this football initiative, we are supporting the development of technical college students who will become the next generation of leaders in this technologically driven nation.

Scene from the league round

The team representing Chugoku won the tournament, successfully defending their title

A scene from the Biogen Cup robot football match © OryLab Inc.

[Public welfare] “Hataraku-eru 2026” awards and certifications: Continuing to create a supportive work environment

- “Hataraku-Yell” is a scheme for assessing and certifying companies that invest special effort in promoting employee welfare. **It is operated by the Employee Welfare Awards and Certification Scheme Executive Committee with the backing of the Ministry of Health, Labour and Welfare**. (Official website: https://fukurikosei-hyosyo.com/)

- This program was established in 2019 and the first round of certifications were made in 2020. Now in its seventh year, the scheme aims to further promote and develop employee welfare benefits by recognizing and certifying companies that offer outstanding employee benefits, as well as companies eager to improve their benefit programs. We applied for the “Hataraku-Yell 2026” program and received recognition and certification.

- In 2026, an additional 323 organizations were recognized and certified, bringing the total number of such organizations to 877.
  (Round 1: 2020 (40 organizations), Round 2: 2021 (48 organizations), Round 3: 2022 (76 organizations), Round 4: 2023 (88 organizations), Round 5: 2024 (100 organizations), Round 6: 2025 (202 organizations), Round 7: 2026 (323 organizations))

- We will continue to enhance our employee benefits and work to create a supportive work environment for all our employees, with the aim of increasing engagement and then making use of the positive work environment to improve our recruitment strategy.

The “Hataraku-Yell 2026” logo

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. 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