Business Strategy by Headquarters



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Chief of Environmental Energy Business Headquarters

Environmental Energy Business Headquarters

Establish our position as an integrated renewable energy provider, building on our foundation of 1GW of renewable energy generation capacity

Utilize our 1GW of renewable energy generation capacity to drive business domain expansion and revenue opportunities

Build a renewable energy power supply infrastructure business

Pursue new areas such as co-located battery storage, in addition to transitioning from FIT to FIP and providing environmental value

Key initiatives

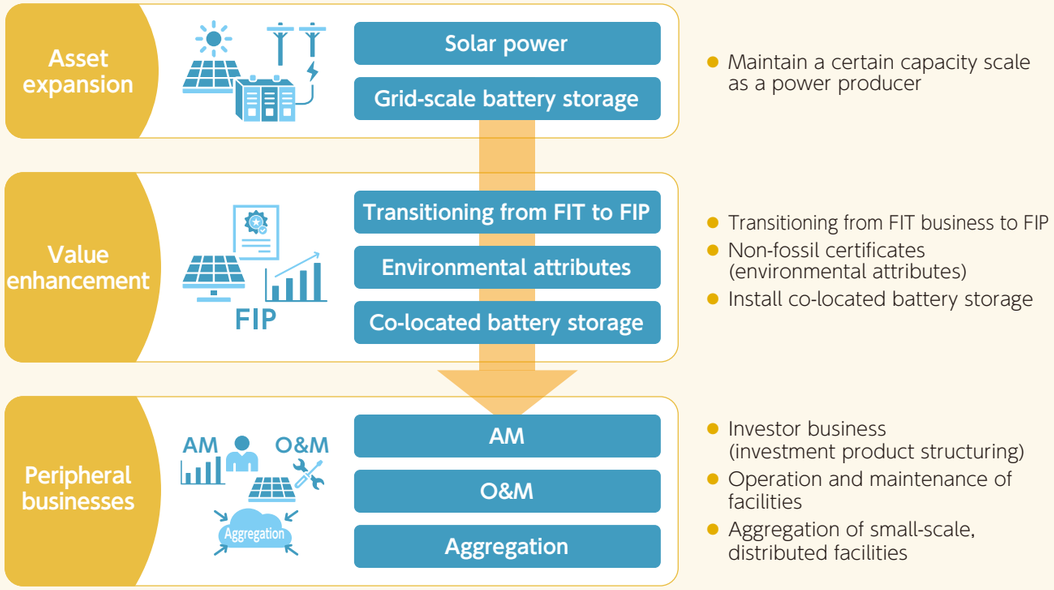
1 Accumulate assets (operating assets): Maintain solar & storage battery capacity while recycling assets

2 Value enhancement: Increase the value of assets held and maximize cash flow

3 Peripheral business: Develop new functions (AM, O&M*1, aggregation*2)

*1 O&M: Operation & maintenance
*2 Aggregation: Consolidating small-scale and distributed renewable energy power plants for management and electricity trading

Direction of value chain expansion



Risk Recognition and Response

- Power plants are suffering increasing damage due to natural disasters and theft of power cables in recent years. We will continue to diversify our power plant portfolio, and appropriately assess risks when committing to projects.
- As the number of variable renewable energy power plants increases, the risk of reduced revenue owing to output curtailment has also grown. We will appropriately address these risks by converting existing power plants approved under the FIT scheme to the FIP scheme, as well as providing customers with environmental attributes and promoting storage battery projects that can help avoid output curtailment.
- Moreover, we see the environmental changes arising from the need to secure energy as a business opportunity, and aim to expand our business domains and create value for society.

Business Topics

Achieving 1GW of renewable energy generation capacity and enhancing value of owned assets

We reached 1.2GW, exceeding Plan 2025 target of 1GW of renewable energy generation capacity. In addition to expanding our assets, we will focus on raising profitability by enhancing the value of our owned power plants. As part of these efforts, we have signed a memorandum of understanding with AT TOKYO Corporation regarding a virtual PPA utilizing the FIP scheme, and are accelerating initiatives to meet customers' decarbonization needs, including promoting the supply of renewable energy to data centers.

Tender offer for Japan Infrastructure Fund Investment Corporation (JIF)

We acquired Japan Infrastructure Fund Investment Corporation (JIF) through a tender offer and also acquired 49% of the voting rights in its asset management company, Japan Infrastructure Advisors (JIA), through separate negotiations.
We aim to leverage our existing assets, client base, and partnerships with EPC contractors and other related operators to build a stable electricity sales business model and expand peripheral businesses through initiatives such as repowering, as well as the integrated management and operation of renewable energy generation facilities.



Development of grid-scale battery storage business through partnerships

We are promoting our grid-scale battery storage business to help address electricity supply-demand challenges arising from the growing adoption of renewable energy. Since last fiscal year, jointly developed battery storage facilities in the Kanto and Kyushu regions have progressively commenced commercial operations, while we have also launched new projects with a diverse range of partners across Japan. We will continue to accelerate our initiatives in renewable energy and battery storage-related businesses through collaboration with partner companies, thereby contributing to the realization of a sustainable society.

