

FY2025 Financial Results (January-June)

Challenge for Change

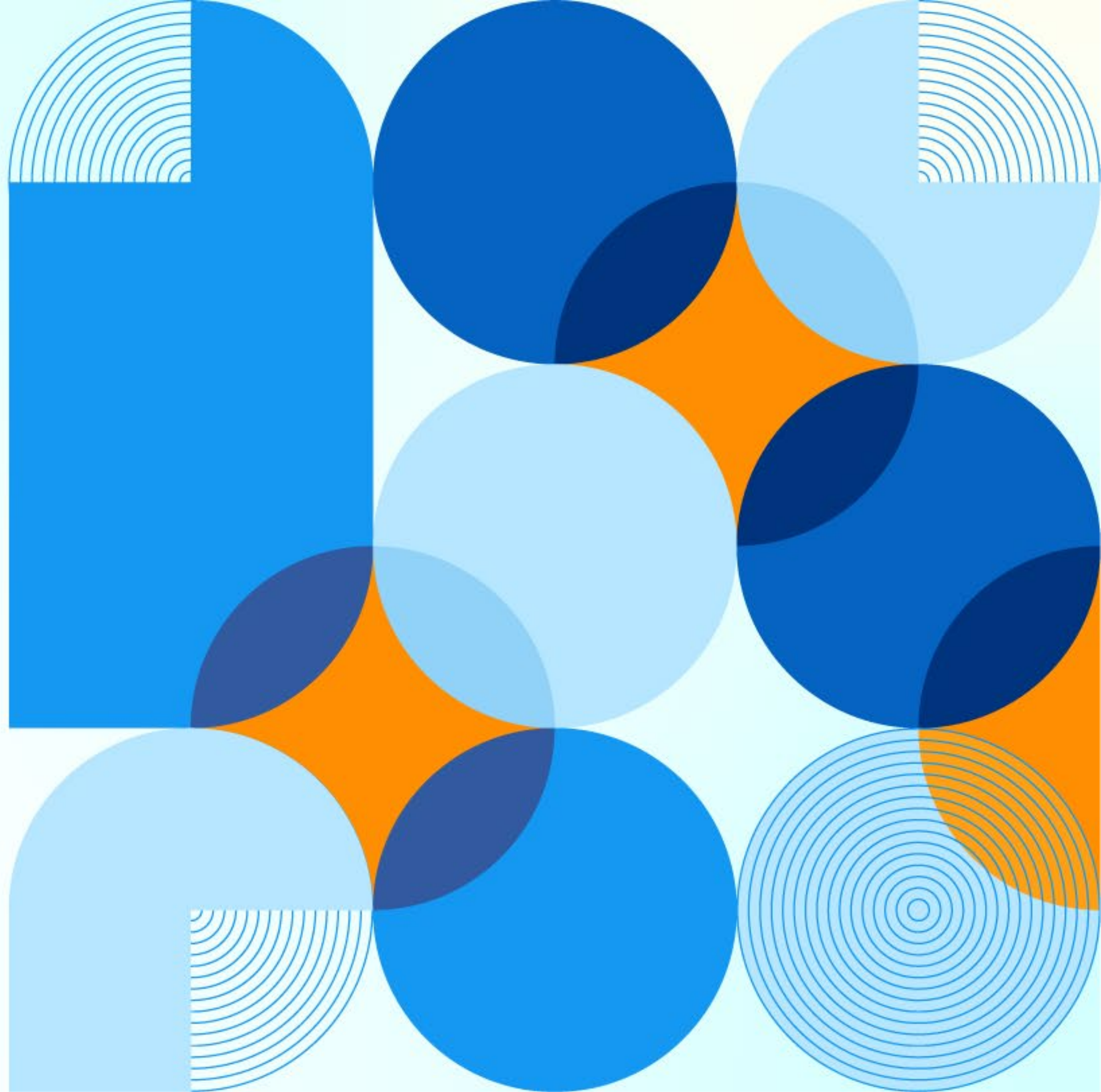
Carbon Neutral×DX Strategy

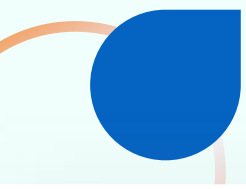
HCDs

HOUSING
CARBON NEUTRALITY
DIGITAL SOLUTIONS

EPCO Co., Ltd. Securities Code : 2311

Aug 7, 2025





Consolidated
Results(YoY)

Sales and profit increase

Progress
Toward
Forecast

All kind of profit exceed the forecast

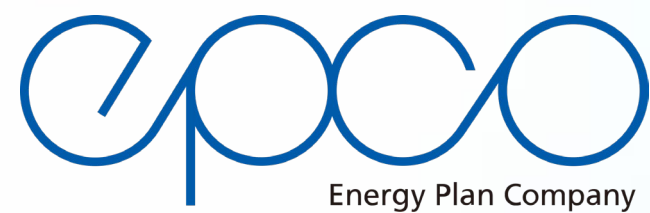
Business
Topics

TEPCO HomeTech

Sales and profit both grow steady with high market demand

ENE's

Significant increase of construction sales exceed the forecast leads sales and profit increase



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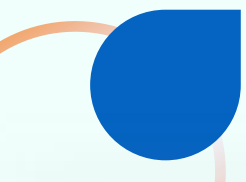


01. FY2025 Q2 Results

02. FY2025 Q2 Topics

03. Shareholder Returns

04. Appendix.




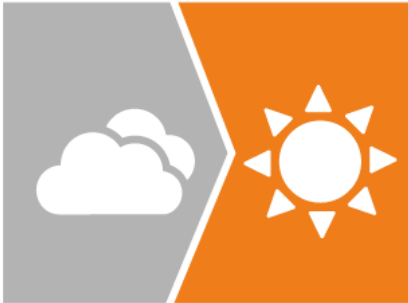


Strong performance in renewable energy solutions resulted in a significant increase in profit at each category.

(JPY Million)	FY24 Q2 Results	FY25 Q2 Results	Changes	Ratio
Net Sales	2,794	3,351	+557	+19.9%
Ordinary Profit	123	235	+111	+90.3%
Nest Profit	60	201	+140	+233.5%
*Factor of net profit increase				
Gain on sales of investment securities	-	62 * 1		
Gain on sales of subsidiaries and affiliates' stocks	-	9 * 2		

* 1 Gain on sales of policy stock

* 2 Gain on sales of part of equity interest in “Banhao EPCO (SZ) Ltd share to China LESSO Group

	Net Sales (YoY)	Ordinary Profit (YoY)		(JPY Million)
FY2025 Q2 Results	3,351 +19.9%	235 + 90.3%	Sales of renewable energy solutions drive revenue growth of the whole company	
Renewable Energy Solutions	1,313 +96.6%	163 –	Sales and profit increased as the results of ENE’s construction sales exceed the forecast significantly and THT turned profitable	
Maintenance	921 ▲ 10.1%	106 ▲ 39.5%	Sales and profit decrease as some service contract with energy companies came to the end in Aug 2024	
Design	1,116 +1.4%	188 +8.3%	Working on the project D-TECH 2.0 to increase profit margin by productivity improvement	



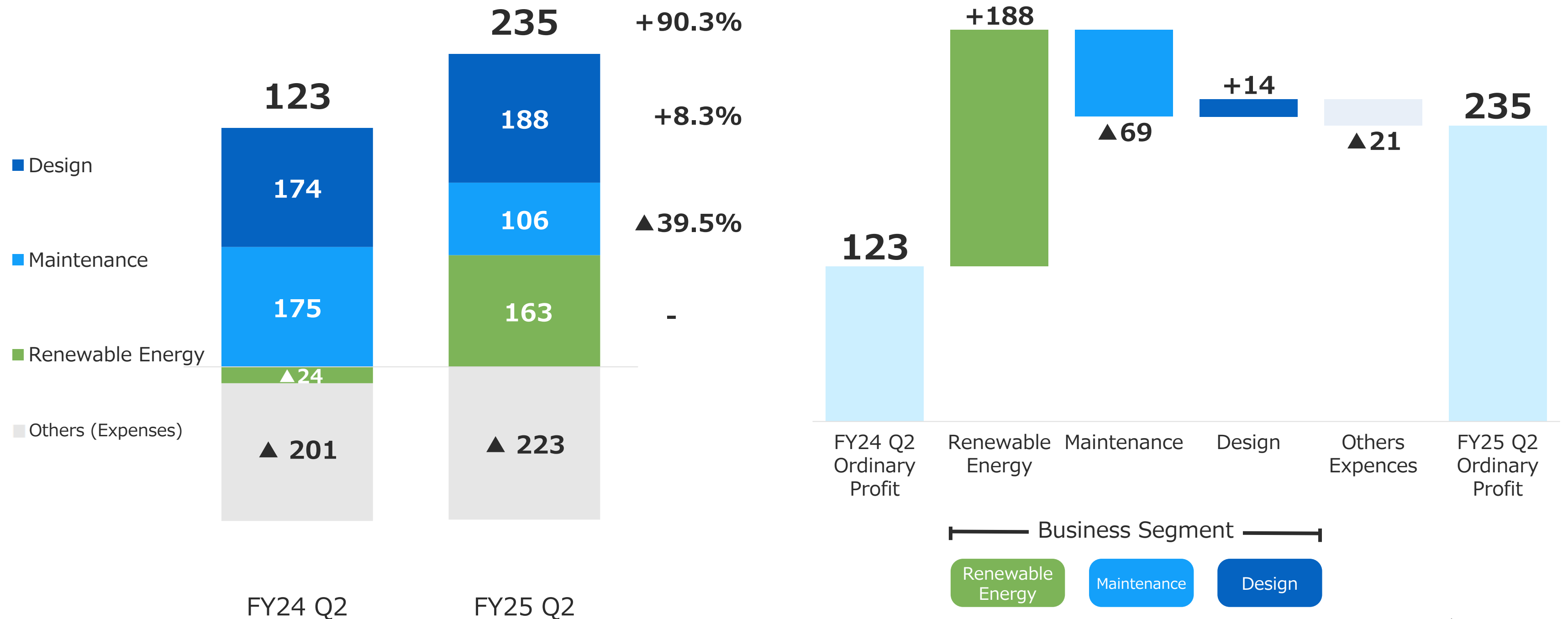
FY2025 Q2 | Consolidated Ordinary Profit by Segments



Renewable energy solution and design service increased in profit and maintenance service decreased in profit resulted whole company achieved the increased profit significantly as +90.3%.

EPCO Group Consolidated Ordinary Profit

(JPY Million)





2025/12 Q2

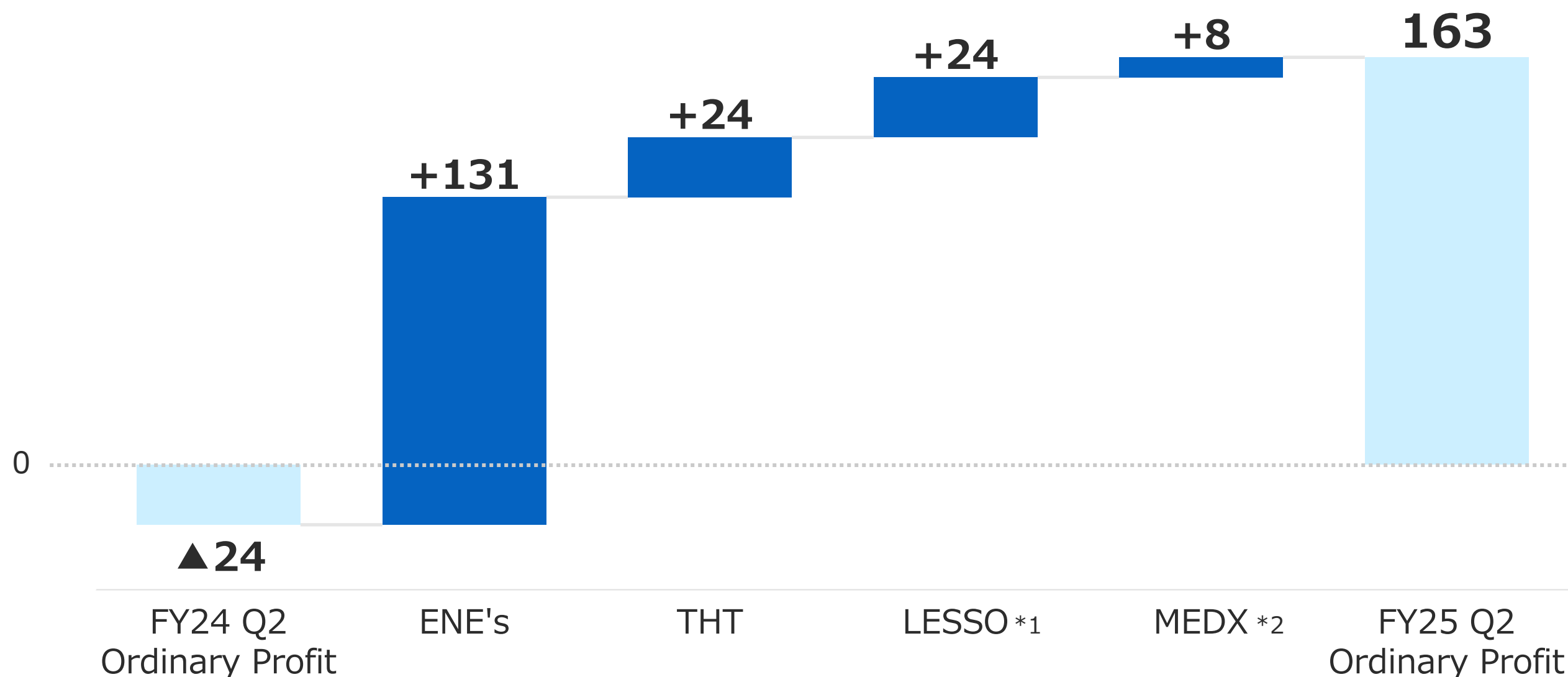
Renewable Energy Solutions Ordinary Profit



ENE's achieved a significant increase in profit due to growth in orders from TEPCO HomeTech (THT) and major housebuilders. The upfront investments to improve its management foundation have settled, and the profit of THT is gradually moving into an earnings growth phase.

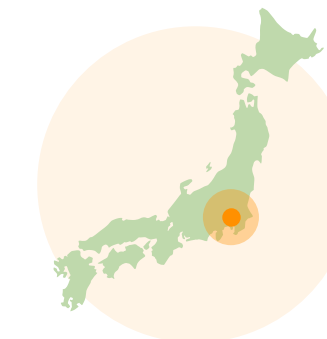
Renewable Energy Solutions Ordinary Profit Fluctuation Analysis by Affiliate Company

(JPY Million)



■ THT

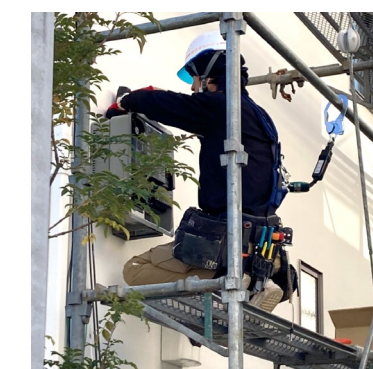
The sum of installations exceeds 12,000. Preparing for further demand growth, especially in Tokyo. (Refer P.15,16)



Demand expansion in Tokyo by mandatory to install solar panel

■ ENE's

Since becoming a subsidiary in 2020, we have achieved steady growth and will further expand our business. (Refer P.17,18)

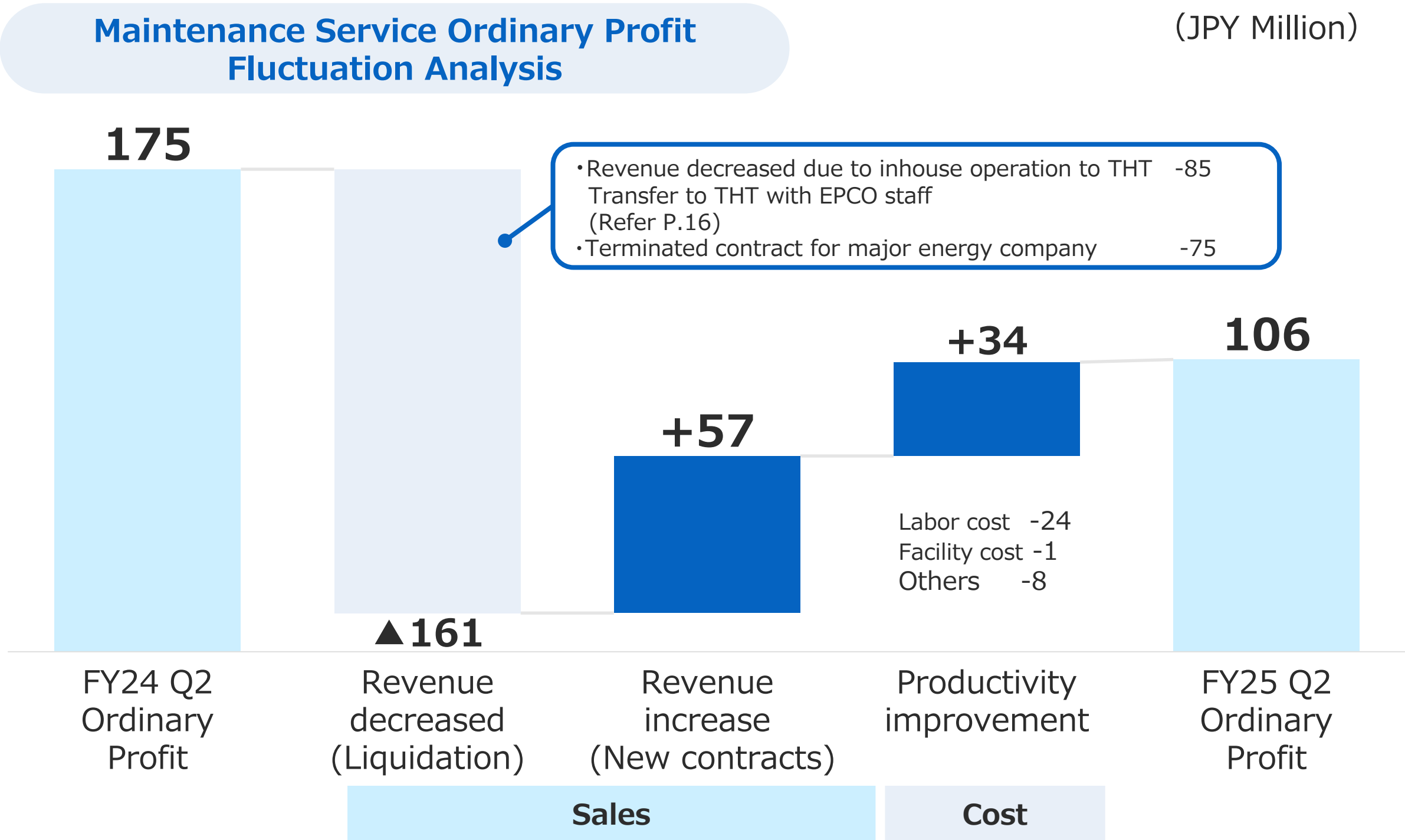


*1 Banhao EPCO has been excluded from equity-method affiliates in April due to partial transfer of shares

*2 Business activities have terminated in Mar due to liquidation of the company



Continued revenue decrease due to the termination of some business for THT and other energy companies in August last year. Despite increased revenues from sales activities to existing and new customers and efforts to improve productivity, profit decreased from the same period of the previous fiscal year.



■ Maintenance No. of staffs

Location	FY24Q2	FY25Q2	YoY
Okinawa	226	226	0
Tokyo	36	17	-19
Kanazawa	34	46	+12
Total	296	289	-7

【Goal : Disaster-Resilient Maintenance Centre】

Decentralization of business at new locations (Tokyo, Kanazawa)

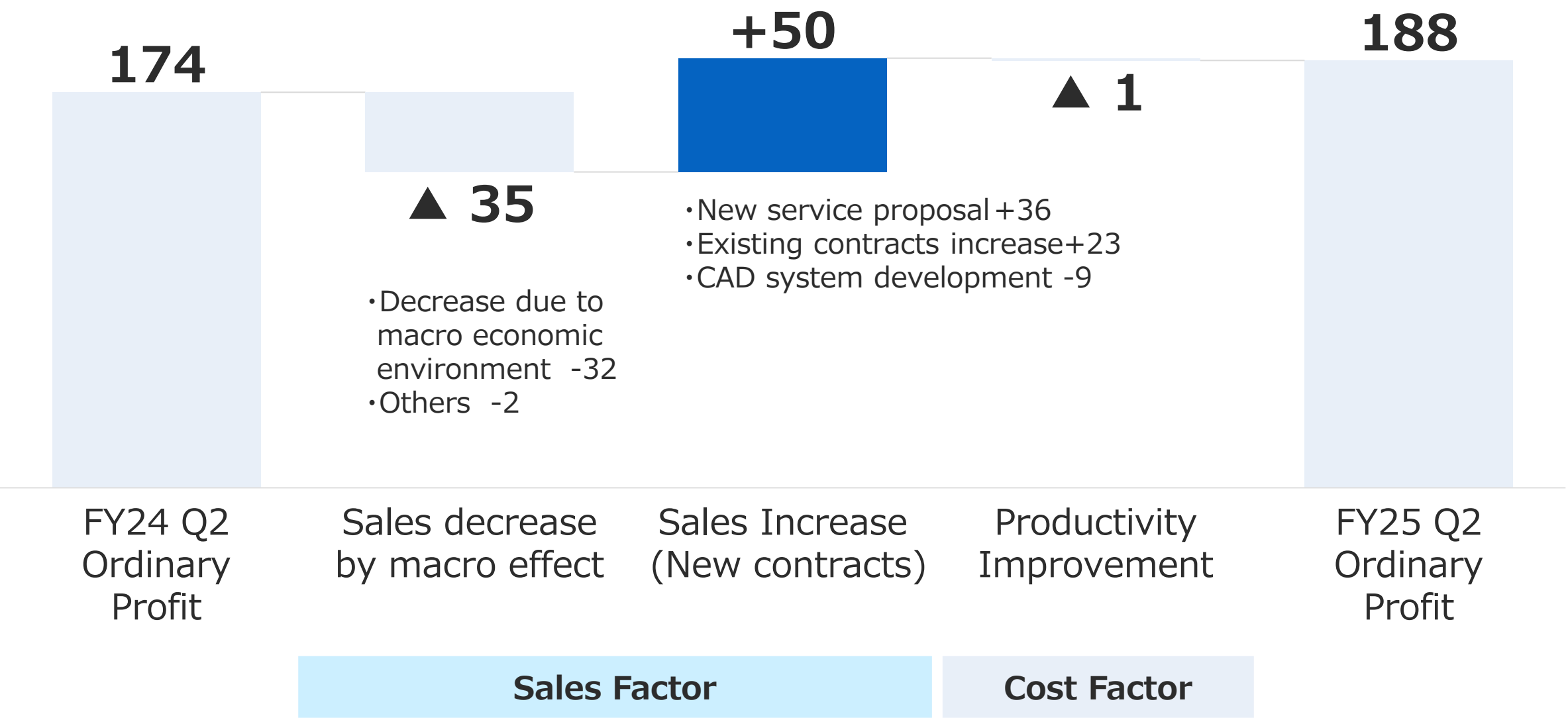
(Aim of decentralization)

- Reduce the risk of business interruption due to natural disasters
- Increase in orders by contribution to client's BCP measures

Achieved sales growth through new contracts and service expansion in response to deteriorating macro environment such as decline in housing starts. Promote "D-TECH 2.0 Project" which is a DX-based productivity improvement measure, to further improve profitability from the second half year.

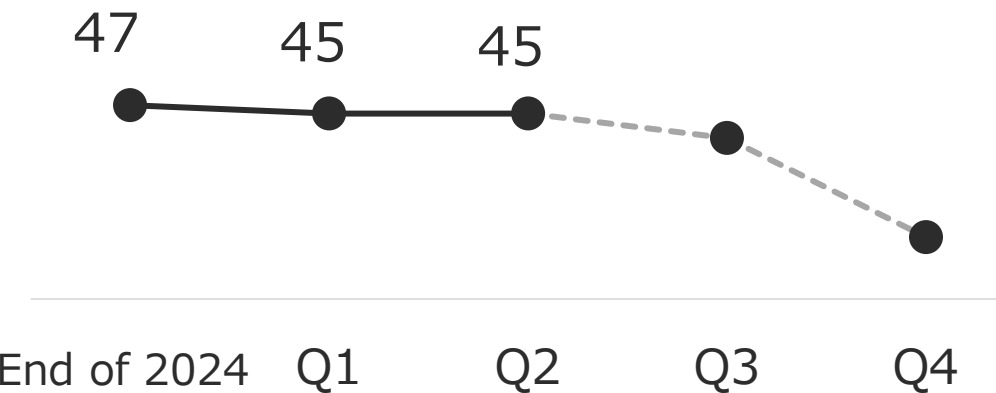
Design Ordinary Profit Fluctuation Analysis

(JPY Million)

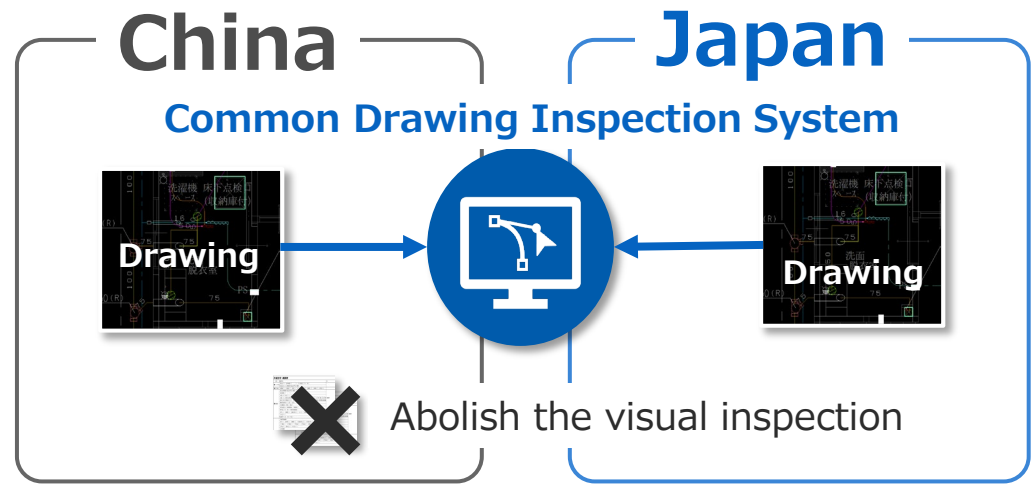


D-TECH2.0 project drawing inspection improvement summary

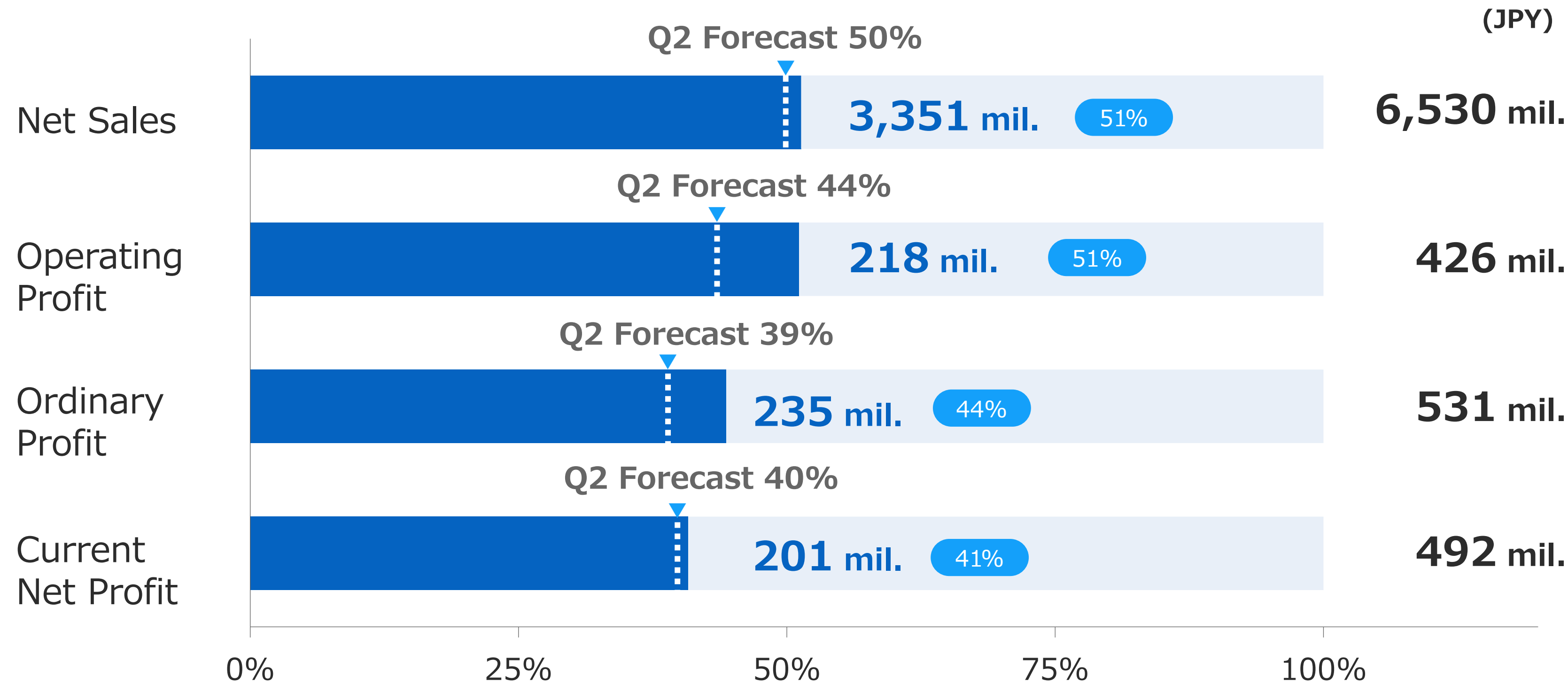
Personnel allocation plan by reviewing duplicated work between Japan and China

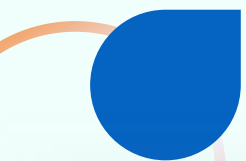


Development of a common drawing inspection system to automate drawing inspections

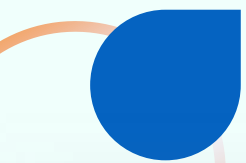


Q2 sales and profits were all in line with the forecast.

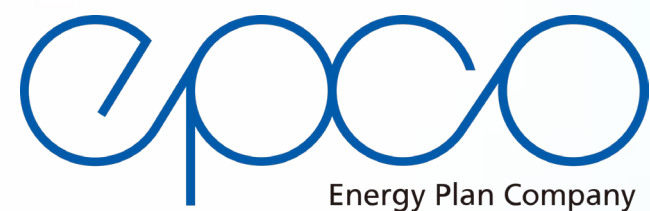




(JPY Million)	FY24 Q2 Results	FY25 Q2 Results	Changes	Ratio
Net Sales (Consolidated)	2,794	3,351	+557	+19.9%
Renewable Energy	668	1,313	+645	+96.6%
Maintenance	1,025	921	▲103	▲10.1%
Design	1,100	1,116	+15	+1.4%



(JPY Million)	FY24 Q2 Results	FY25 Q2 Results	Changes	Ratio
Ordinary Profit (Consolidated)	123	235	+111	+90.3%
Renewable Energy	▲ 24	163	+188	-
ENE' s	34	166	+131	+377.6%
TEPCO HomeTech	26	51	+24	+91.9%
LESSO	▲ 72	▲ 48	+24	-
MEDX	▲ 13	▲ 5	+8	-
Maintenance	175	106	▲ 69	▲ 39.5%
Design	174	188	+14	+8.3%
Others (Expenses・Non-operating profit/loss)	▲ 201	▲ 223	▲ 21	-



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01. FY2025 Q2 Results

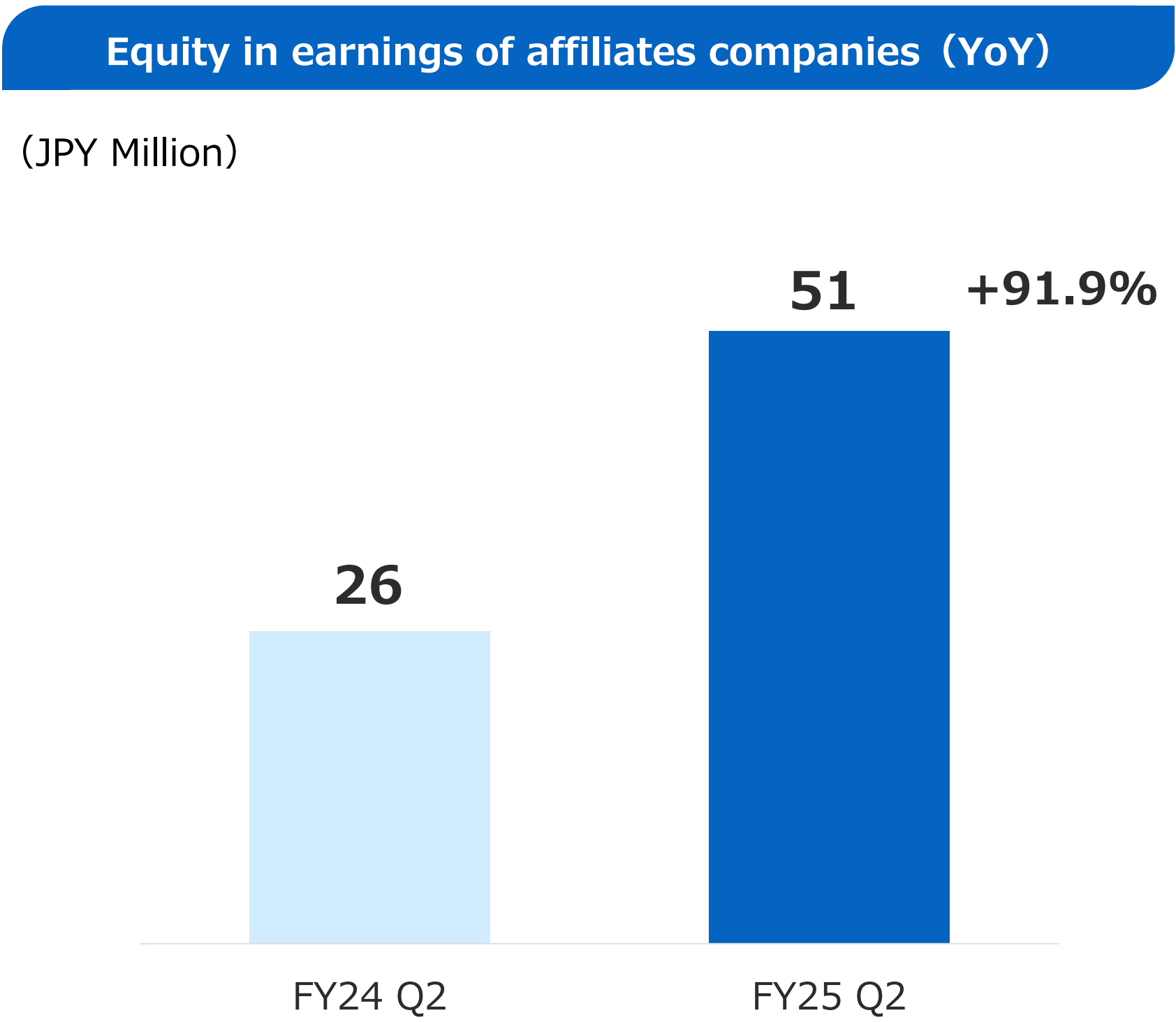
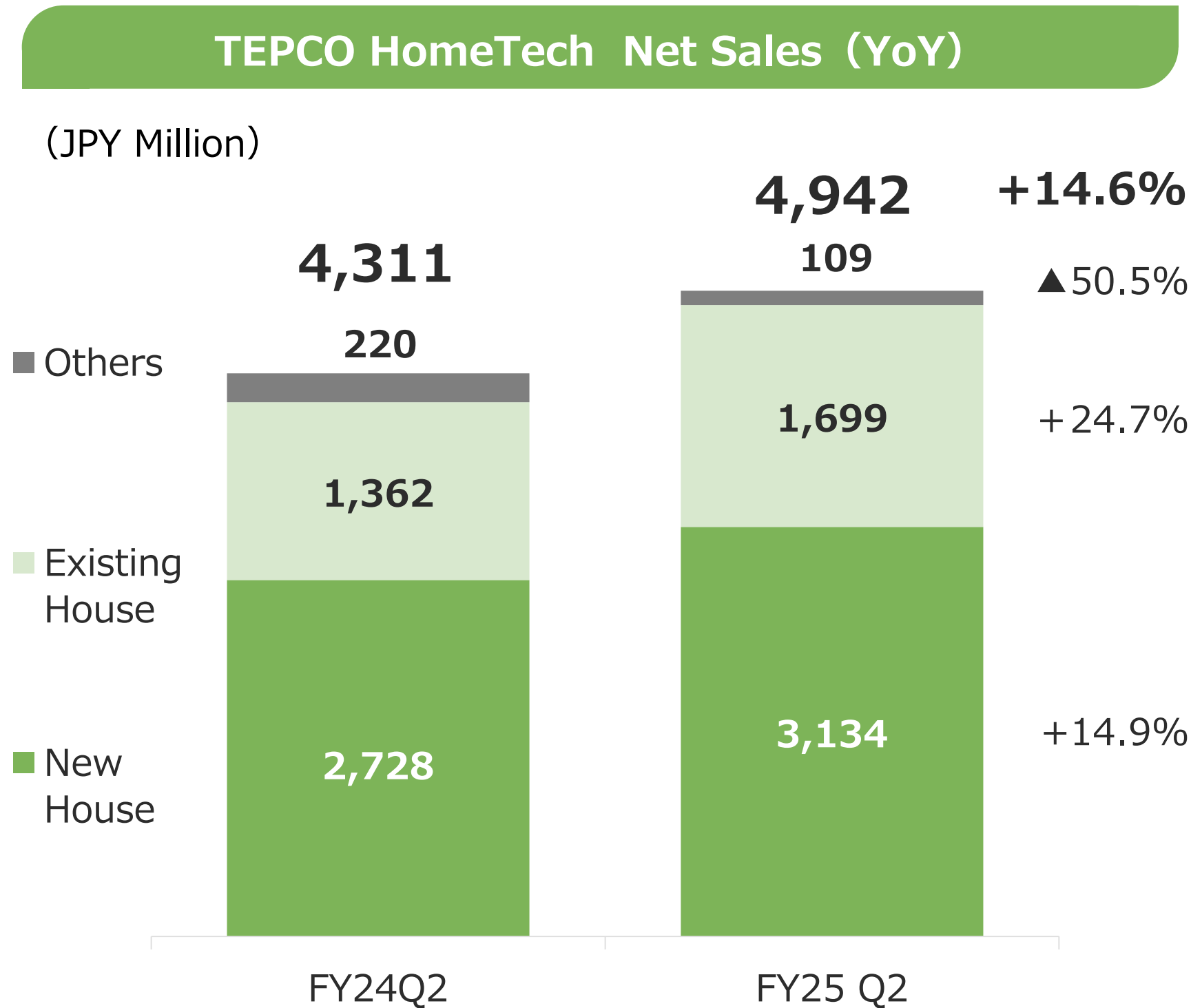


02. FY2025 Q2 Topics

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Sales of both new and existing houses increased steadily.
Profitability gradually recovered as upfront investment for infrastructure development slowed down.

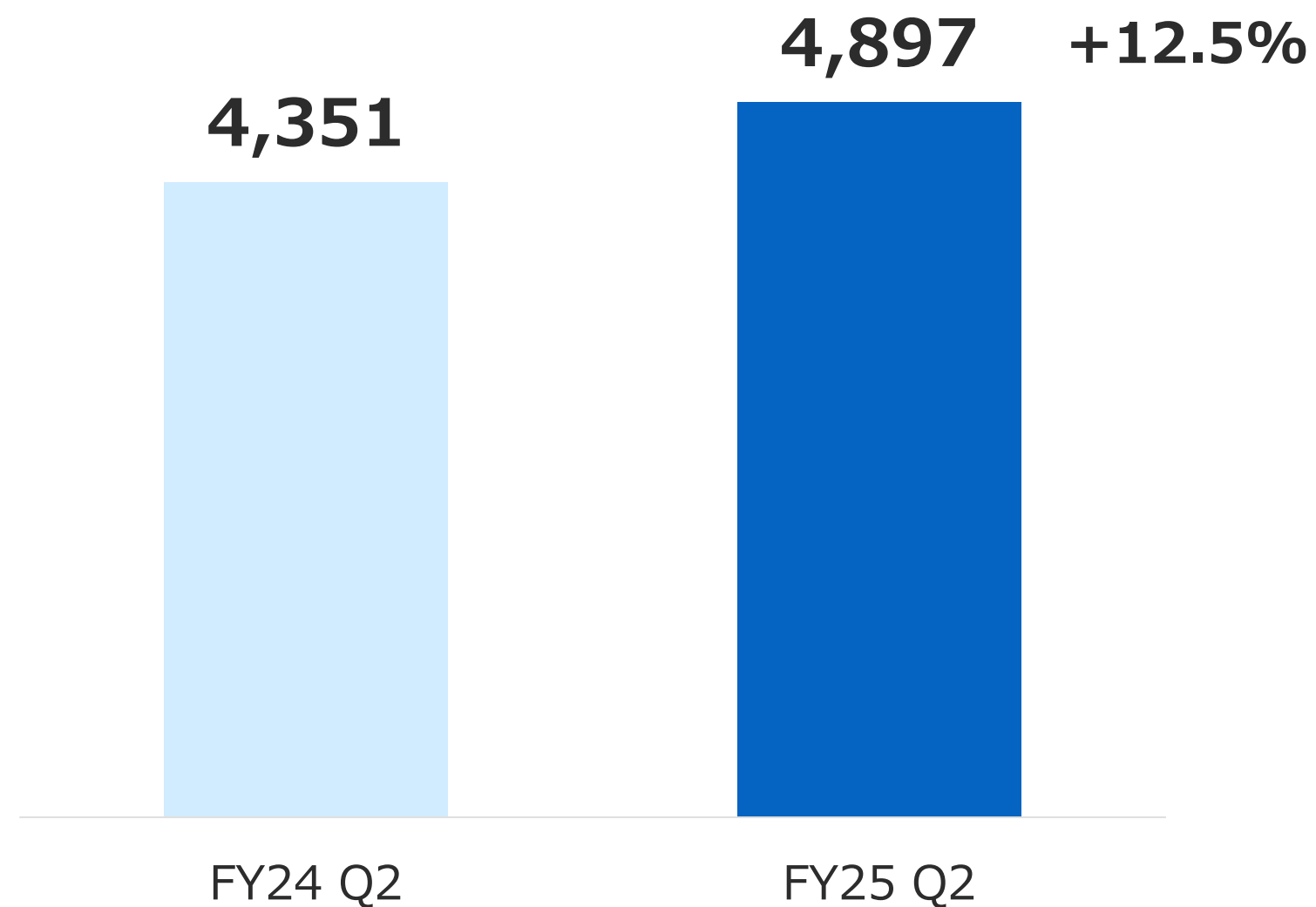




Contract value which is a leading indicator of sales also increased steadily as plus 12.5% YoY. Preparing for increased demand in the second half year due to the Tokyo Metropolitan Government's mandatory installation of solar panel, which went into effect in April of this year.

TEPCO HomeTech Contract Value (YoY)

(JPY Million)



Expanding use of "Enecari" in housing for sale in Tokyo

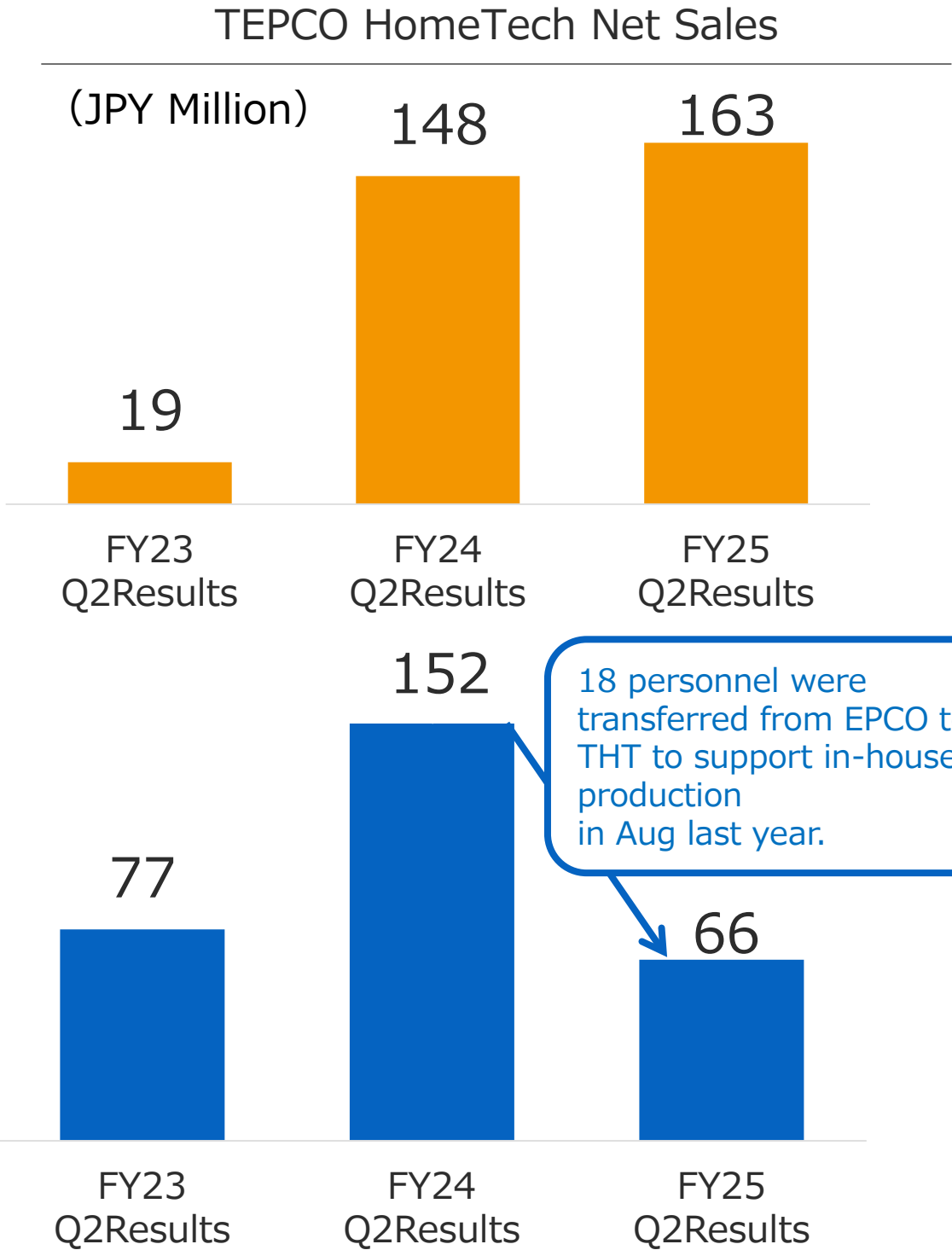
Expanding the number of partners for the use of "Enecari" in new houses for sale in Tokyo. Promoting sales activities to increase orders for both existing and new housing.



Asteeq Inc. Smile Town Tamagawa-josui Phase 12 All 43 houses



Establish a profitable model for the entire group through a series of processes related to the installation of solar power generation system.
Optimize group operations which EPCO established by insourcing with THT for application process.

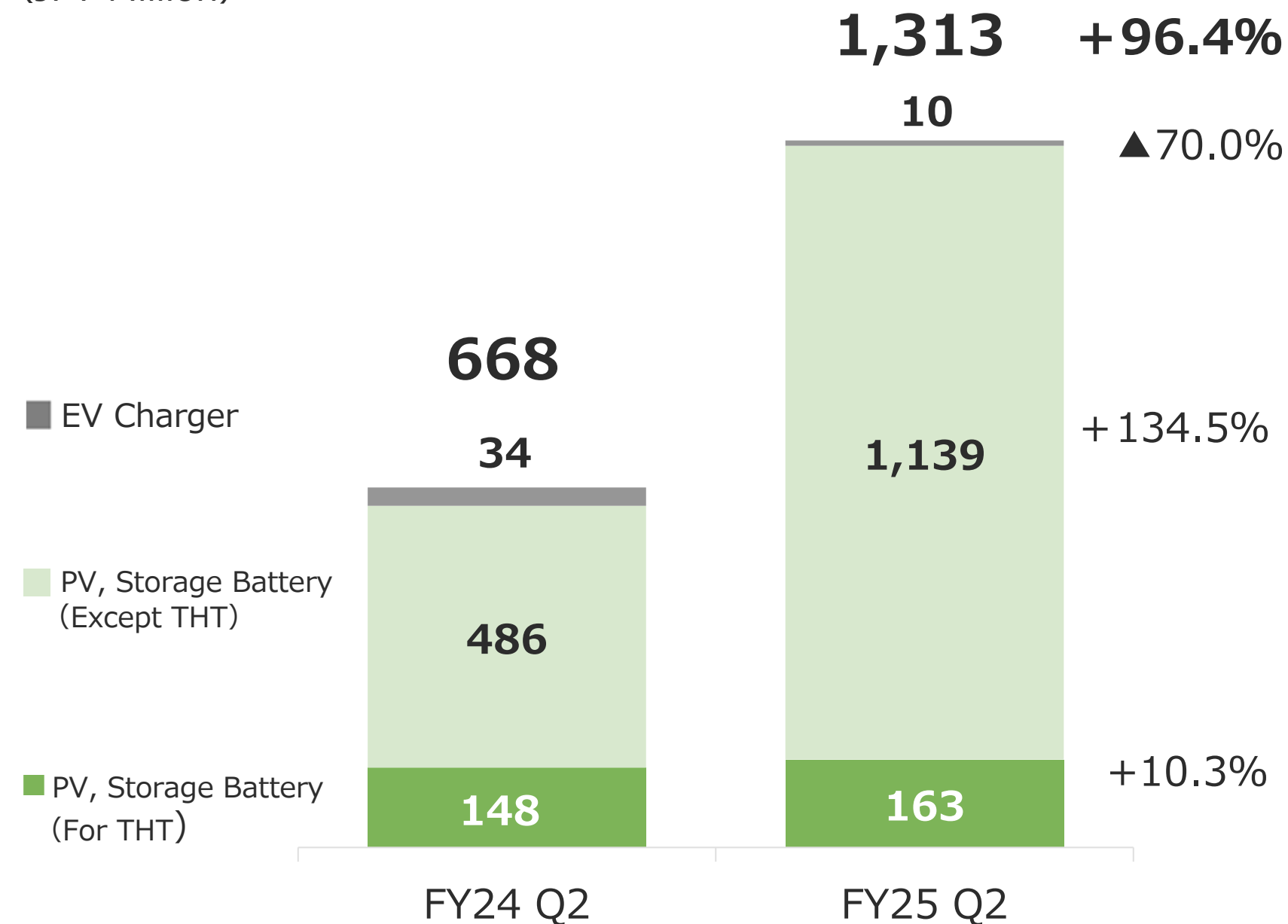




Synergy effects from cross-selling of design, maintenance, and construction within the EPCO Group were successful, and construction contracts from major housebuilders increased.
Significant increase in ordinary profit.

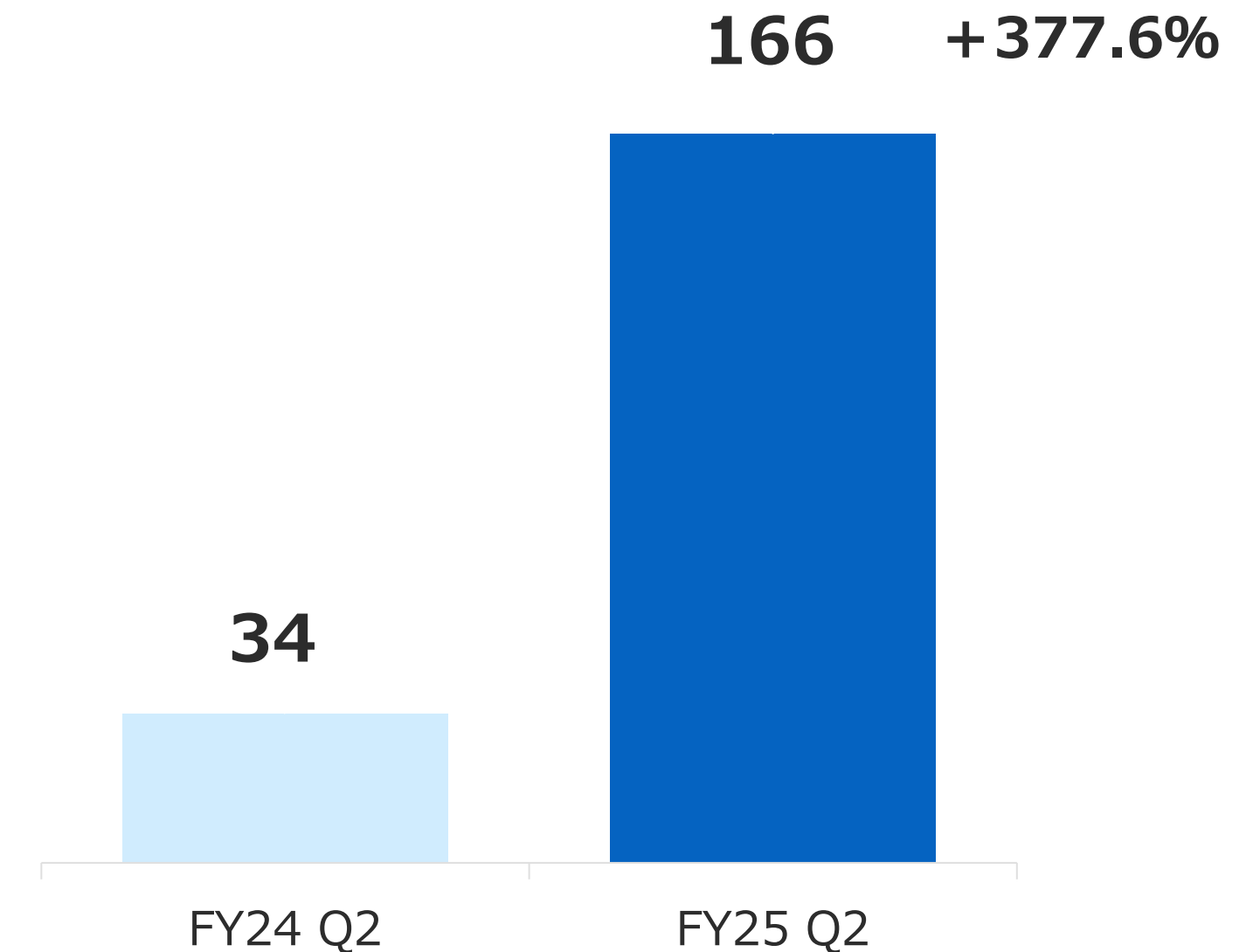
ENE's Net Sales (YoY)

(JPY Million)



ENE's Ordinary Profit (YoY)

(JPY Million)



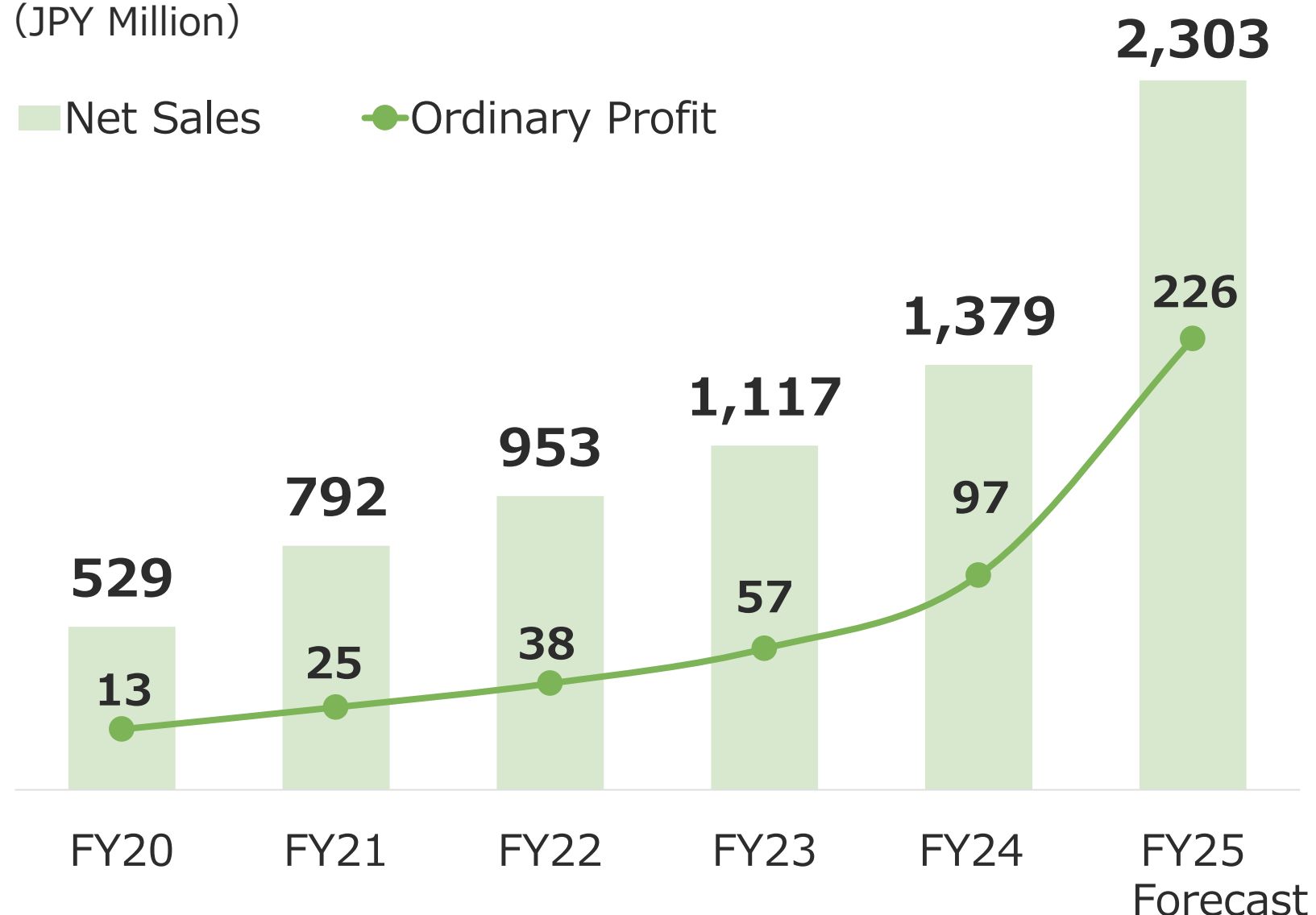


Since became the part of EPCO group in Mar 2020, Steady growth through group synergies as a strategic construction base of THT.

Aiming to further expand business in the future, increase contracts for renewable energy related work in the residential and nonresidential sectors and strengthen the construction system.

Net sales and ordinary profit since 2020

(JPY Million)



*FY20 is the total after April when the company became a subsidiary.

ENE's Management Policy in the Future

1.Acquire more contract for residential solar panel and storage battery

Expansion of order routes through group collaboration with EPCO and THT

2.Active approach and proposals for non-residential (stores and factories) sectors

Strengthening the system to handle the needs for installation at business sites where market expansion is expected

3.Challenges in new technological fields

Started construction demonstration of thin-film type panel represented by perovskite

4.Reinforcement of construction system

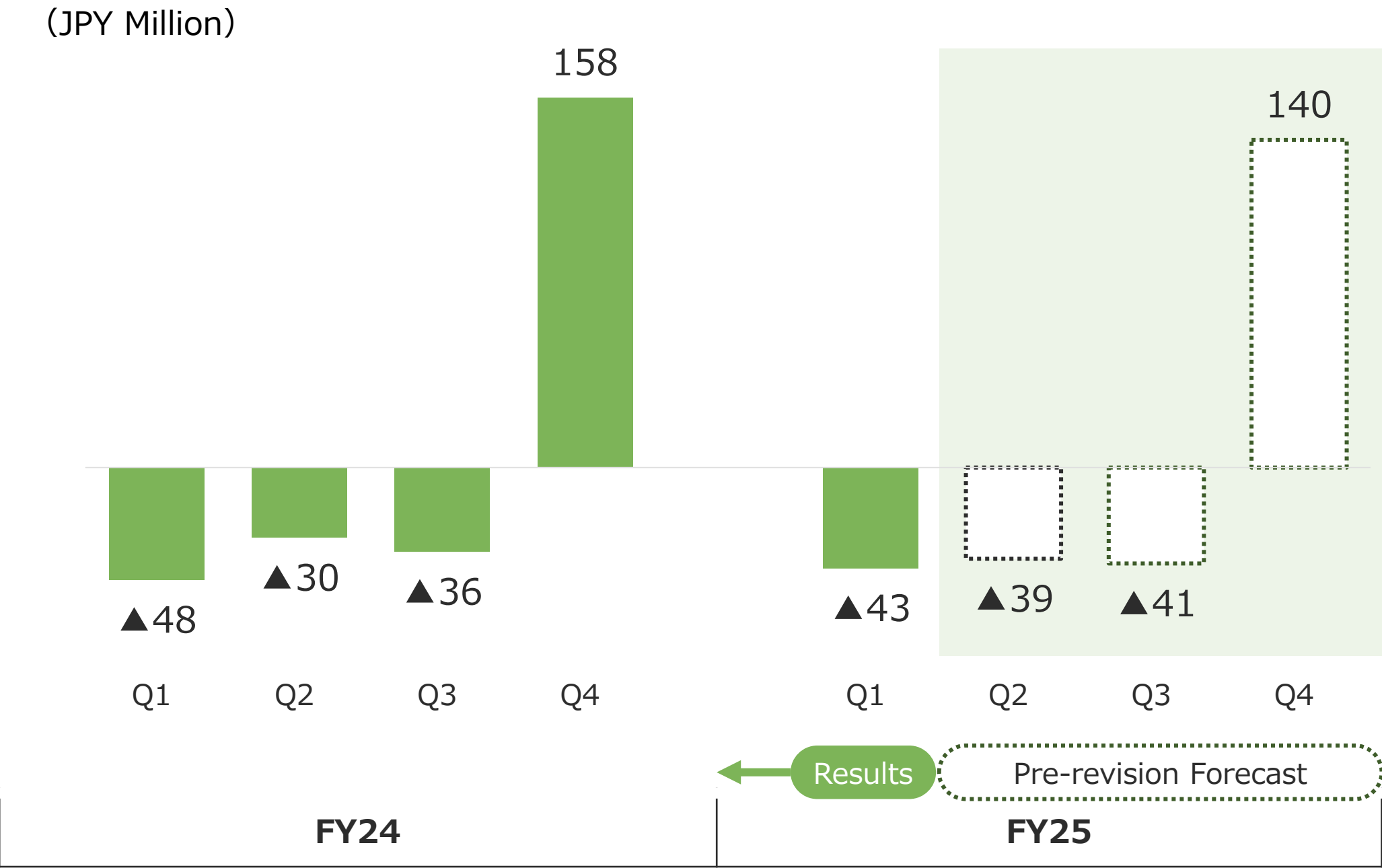
Recruit new subcontractors, active recruitment of domestic and foreign personnel

5. Expansion of construction area through M&A

Consideration and implementation of M&A to expand the scope of possible construction

Regarding Banhao EPCO – one of the joint venture with LESSO.
 Transferred a part of its equity (30.5%) and excluded from equity-method affiliates since April of this year.

Banhao EPCO Equity in earnings of affiliate results



Impact of the transfer to the business performance

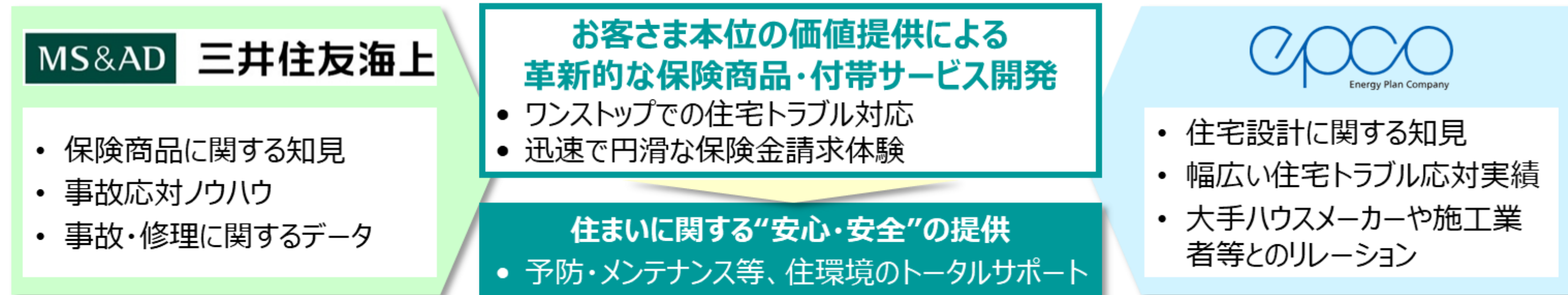
As the results of the transfer, recorded JPY 9 mil.
 As extra ordinary profit on Q2 book, and impact
 of the business performance due to excluded
 from equity-method affiliates is as follows;

(JPY Million)

Period	Forecast	Pre-revision Forecast	Changes	FY24 Results	Changes
Q1	-43	-43	-	-48	+5
Q2	—	-39	+39	-30	+30
Q3	—	-41	+41	-36	+36
Q4	—	140	-140	158	-158
FY2025	-43	22	-66	44	-87

EPCO starts cooperation with Mitsui Sumitomo Insurance Co. Ltd to utilize EPCO's unique design and operation center know-how and establishing a new business model that is a win-win situation for insurance carriers and EPCO, which aims to solve issues in the fire insurance industry.

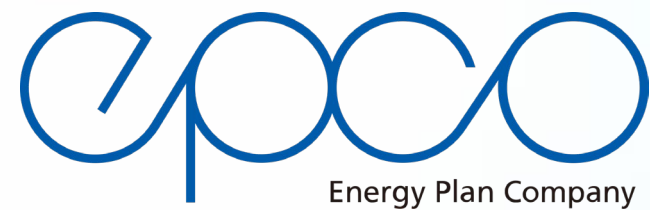
Model of cooperation of Mitsui Sumitomo Insurance Co., Ltd and EPCO



Themes to be addressed in this project

- One-stop service for various housing-related problems
- Establish the system for arranging appropriate and prompt repair contractors
- Developing systematic repair price standards and improving expertise to further optimize insurance claim payments

Abstract from news release on Apr. 30, 2025 by Mitsui Sumitomo Insurance Co., Ltd (https://www.ms-ins.com/news/fy2025/pdf/0430_1.pdf) partially edited by EPCO



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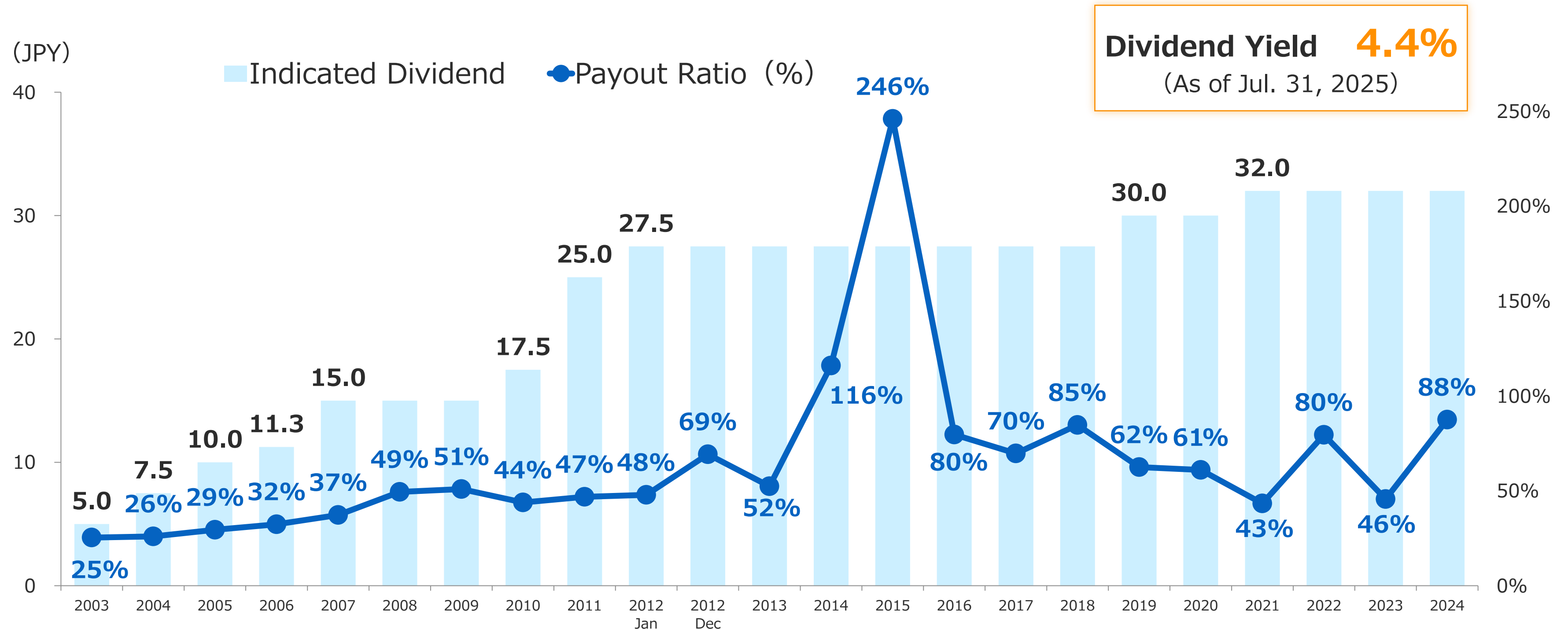
04. Appendix.



Shareholder Returns | 1. Dividend Policy

Progressive dividend stock with no dividend cuts for 23 years since listing.

(Dividend Policy : Stable profit sharing based on a consolidated dividend payout ratio of 50% and dividend on equity ratio (DOE) of 8%)





Free installation of solar power generation system or storage battery (equivalent to JPY 1 mil.).

Details of Benefit Plan	<ul style="list-style-type: none">Free installation of solar power generation system or storage battery (equivalent to JPY 1 mil.)The lottery is two times a year.(End of June and December for eligible shareholders)The probability of winning increases proportionally with the number of shares held (Up to 1,000 shares, max 10 units)
Eligible Shareholder for the lottery	<ol style="list-style-type: none">Shareholder who own more than 1unit (100 shares) and on the shareholder list on the end of June 2025 for the 1st half year of lotteryShareholder who have completed the procedures to apply the lottery
Installable Places	<ul style="list-style-type: none">Winner can pick any place for installation of solar panel (For family or friends is ok)Detached house in Japan



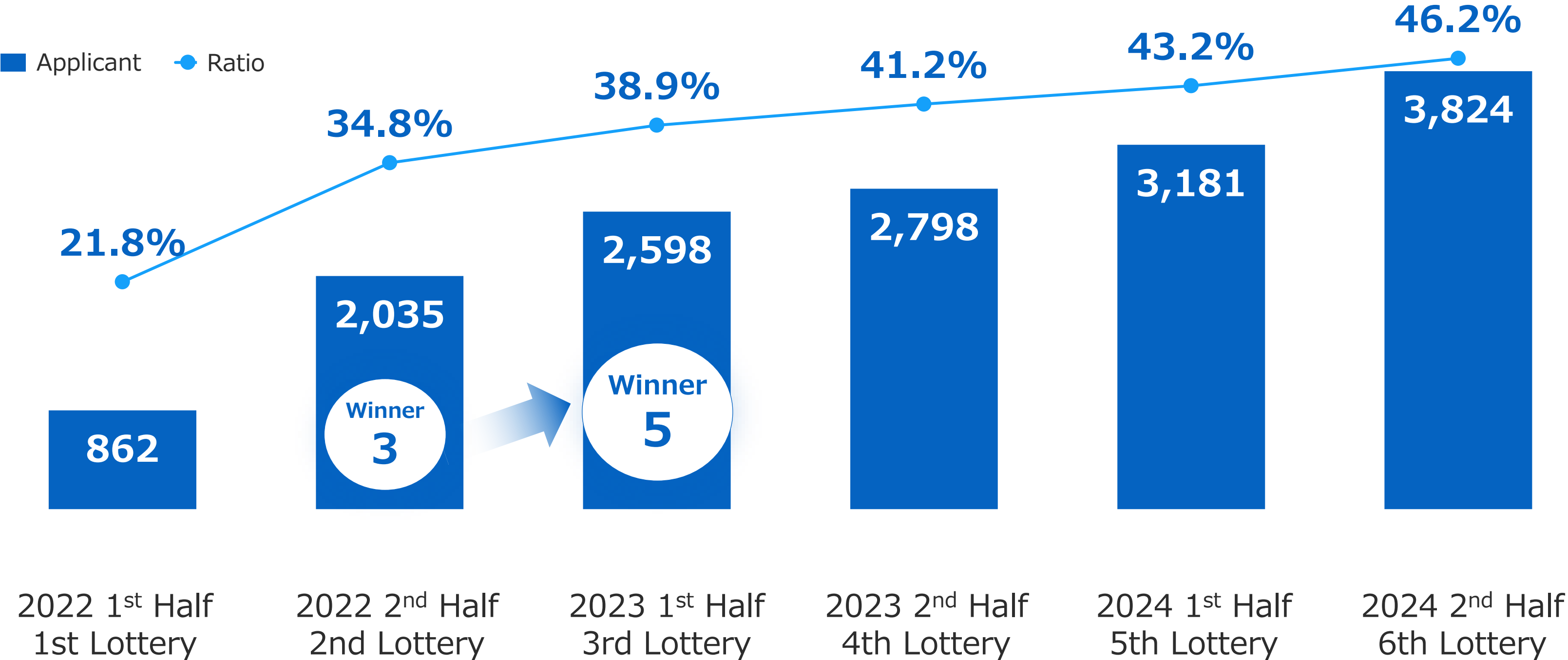
Winner will be 5 for the 1st half year
Drawing Date was Aug.29, 2025

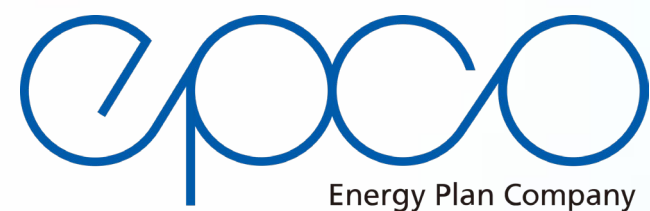
※Please refer our website for more details

https://www.epco.co.jp/ir/shareholder_benefits



Both the number of applications and the application rate have increased, reaching a record high for the second half of 2024.





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04. Appendix.

Management Philosophy

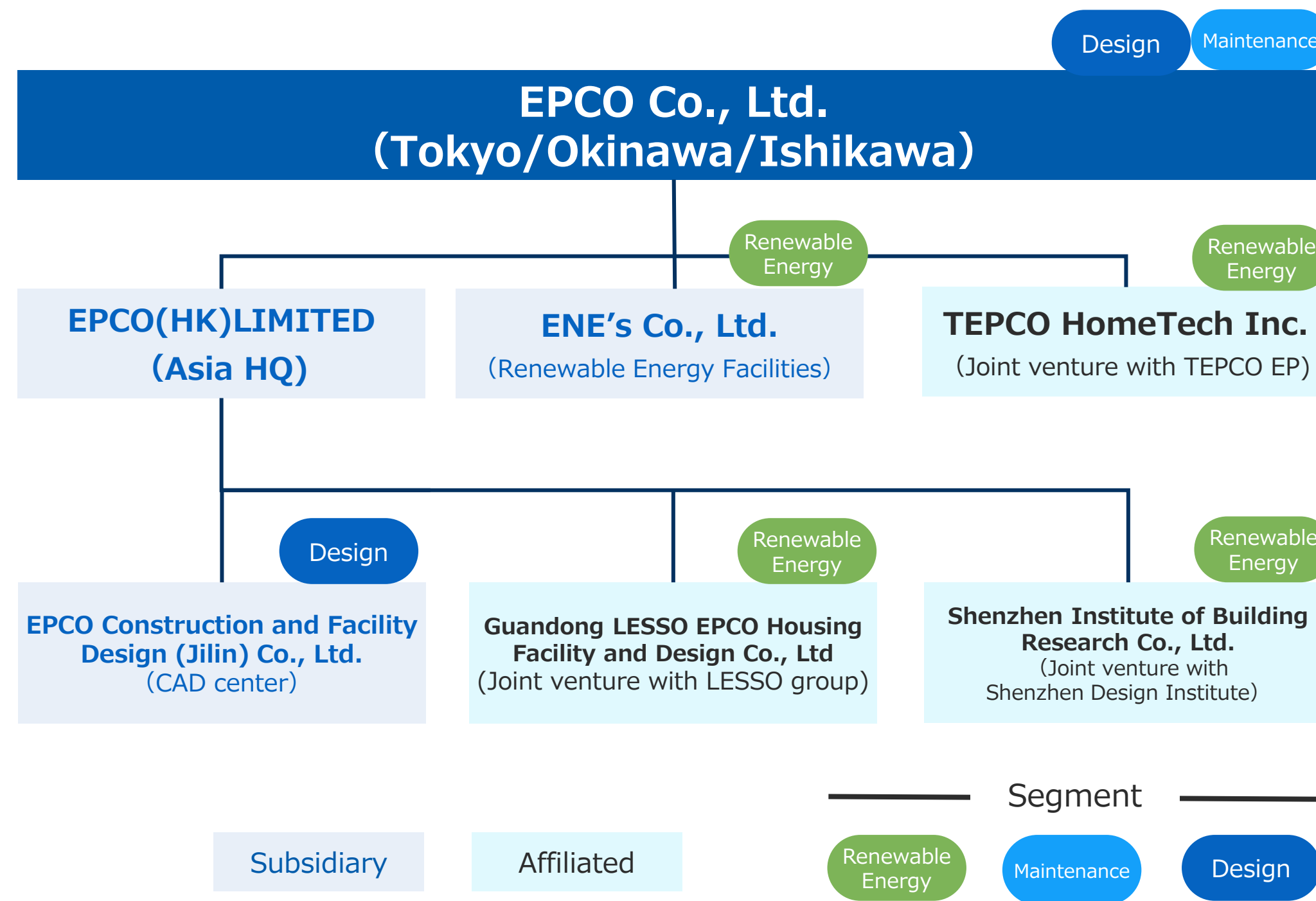
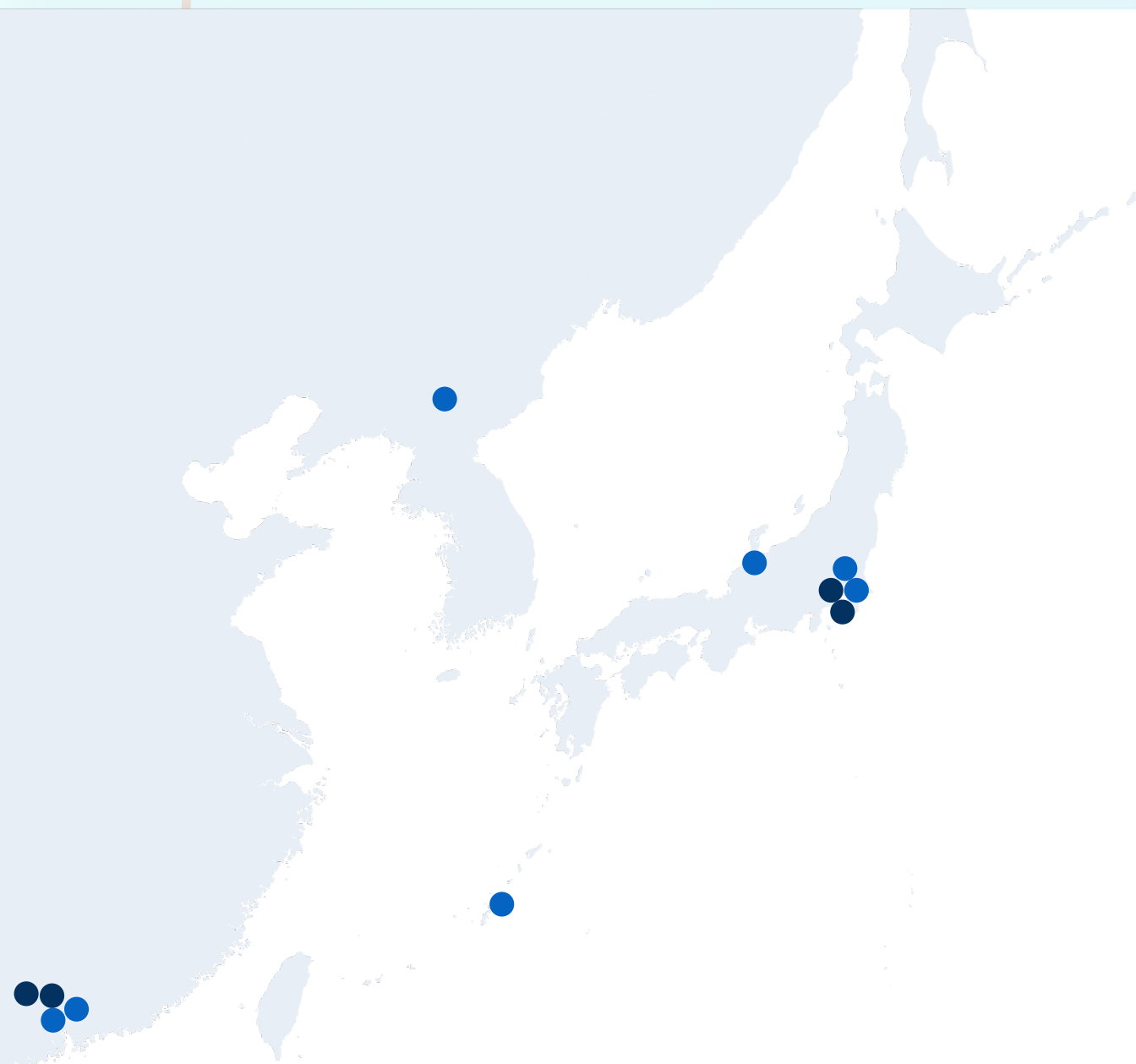
We pursue the happiness of our passionate employees and their family.
Purpose of our existence is to reduce social problems and contribute human’s lives.
We aim to be infrastructure company to support the homes and lifestyles of people around the world.

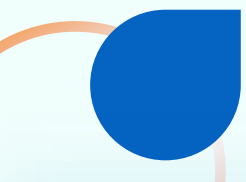


Representative Director Group CEO

岩崎 辰之

Company Name	EPCO Co., Ltd. （Energy Plan Company）	
Head Office	12/F, OLINAS tower, 4-1-3 Taihei, Sumida-ku, Tokyo, 130-0012 JAPAN	
Securities Code	2311 （Tokyo Stock Exchange Standard ）	
Establishment	April 12, 1990	
Capital	JPY 87 mil.	
No. of Employee	578 （Consolidated Total 790） *As of Dec. 31. 2024 Including temporary and dispatched workers	
Directors	Representative Director and Group CEO Director Outside Director Outside Director Outside Director Outside Director	Yoshiyuki Iwasaki Shinichiro Yoshihara Masashi Watanabe Takuo Akino Tadashi Tamura Yuka Ichiki
Managing Executive Officer	Head of Design and Information Service Head of Maintenance Service Chief Financial Officer and Head of Corporate Head of Renewable Energy Service And Chief of CEO’s office	Yang Chao Takatsugu Urayama Tomohisa Hirakawa Tomoo Geshi





(Reference) EPCO Group Profit and Loss Structure



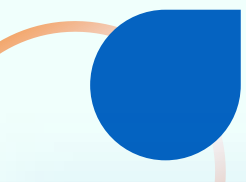
The EPCO Group management style is a group structure (group management) that actively utilizes joint ventures. All equity in earnings of joint ventures is included in ordinary profit of "Renewable Energy Services".

EPCO		Design	Maintenance	Renewable Energy
Subsidiary (100%)				
Affiliated Company				
Operating Profit	EPCO (Tokyo/Okinawa)	EPCO (Tokyo/Okinawa/Ishikawa)	—	
	EPCO Construction and Facility Design (Jilin) Co., Ltd	—	ENE's	
Non-operating Profit/Loss (Equity in Earnings of affiliates)	—	—	Joint Venture	Partner
			TEPCO HomeTech	TEPCO EP
			LESSO EPCO ※1	China Lesso ※2

※1 Lesso EPCO : 廣東聯塑艾博科住宅設備設計服務有限公司

※2 China Lesso : 中国聯塑集团控股有限公司

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(Reference) TEPCO HomeTech General Information



Company Information

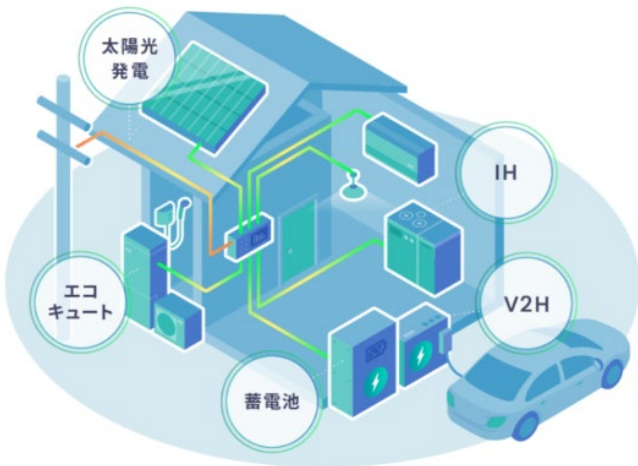
Name	TEPCO HomeTech, Inc.	
Establishment	August 9, 2017	
Representative	Chairman President	Yoshiyuki Iwasaki Takahiro Aoki
Capital	JPY 475 million	
Shareholder Composition	TEPCO Energy Partner, Inc 51% EPCO Co., Ltd 49%	
Location	Tokyo, Kyoto	
No. Of Employee	106 *As of Dec. 2024 (Including 34 temporary staff)	

Main Business

- Residence facility fixed-rate subscription service “Enecari”
- Sales and installation of home equipment such as solar power, storage batteries, EV charger, Eco-Cute, etc.
- New House : Partner with housing companies. Standarize the istallation of solar panel and storage batteries
- Existing House : Direct sales of solar panel to endusers
- Construction Structure : Organized affiated stores

初期費用 0 節約も。万が一の備えも。
円で始めよう

おうちの省エネ設備 定額利用サービス
エネカリ

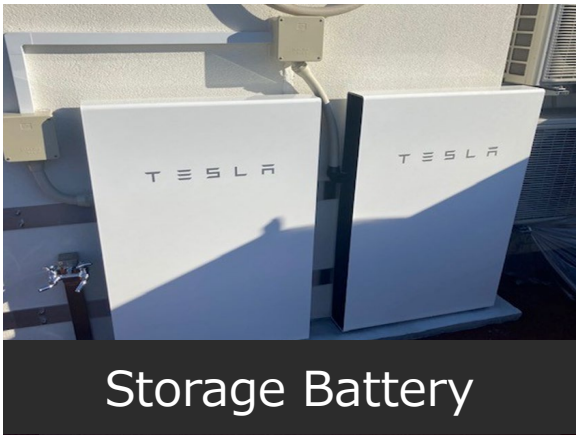


Company Information

Name	ENE's Co., Ltd.	
Establishment	November 22, 2001	
Representative	President	Atsushi Tsuchiya
Capital	JPY 20 million	
Shareholder Composition	EPCO Co., Ltd. 100%	
Location	Saitama, Gunma, Kanagawa	
No. of employee	45 *As of Dec 2024	

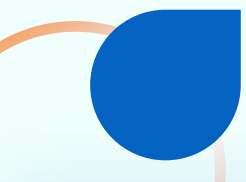
Main Business

- Installation of solar power system
- Equipment work of all-electric housing
- Installation of storage battery system



Advantage of EPCO's housing facilities and design and ENE's experience and knowledge for energy saving facilities plus TEPCO's name value

Installed 4,000cases/year of solar power system, storage battery and all-electric house in all Kanto area in 2024.
(Solar Power 2,100-unit, Storage Battery 900-unit)



(Reference) LESSO Group General Information

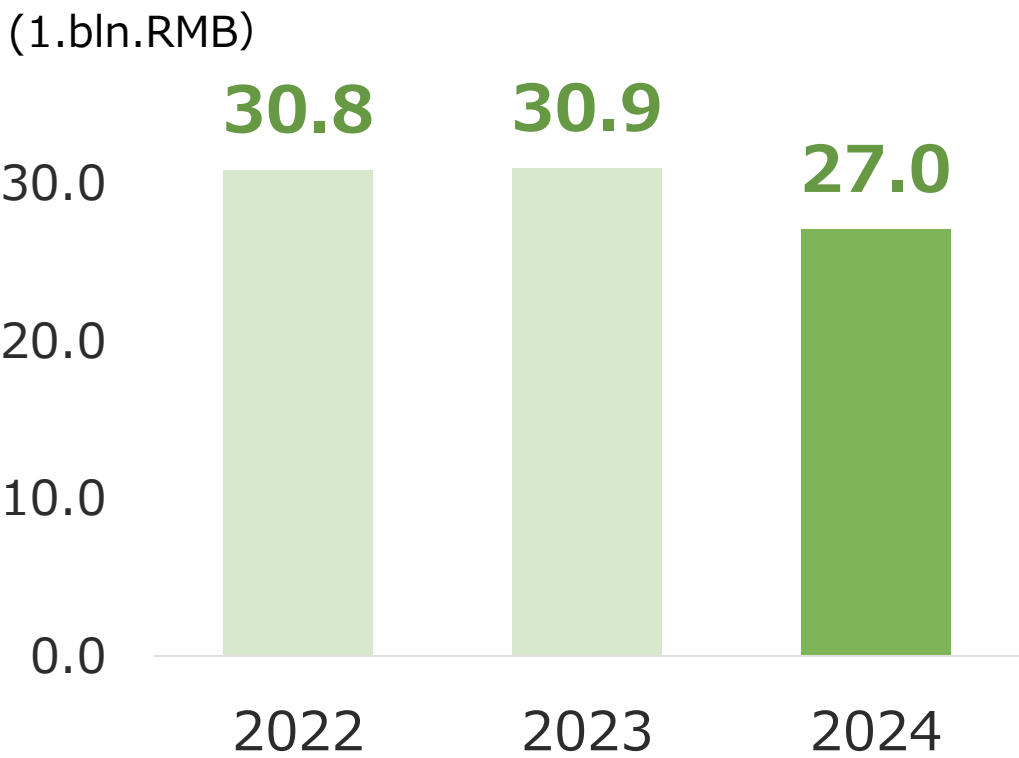
- 【Name】 中国聯塑集团控股有限公司
- 【Location】 Foshan city, Guangdong province, China
- 【Information】
- Established in 1986
 - China's largest manufacturer of plastic pipes and fittings:
China's top 500 companies (450th in ranking)
 - Listed in HK market (Security code 2128 : H K)
 - Factory : 30 location in China, 7 location in overseas
 - Sales distributor : Over 30,000 shops in all over China

LESSO 联塑
新能源项目中心

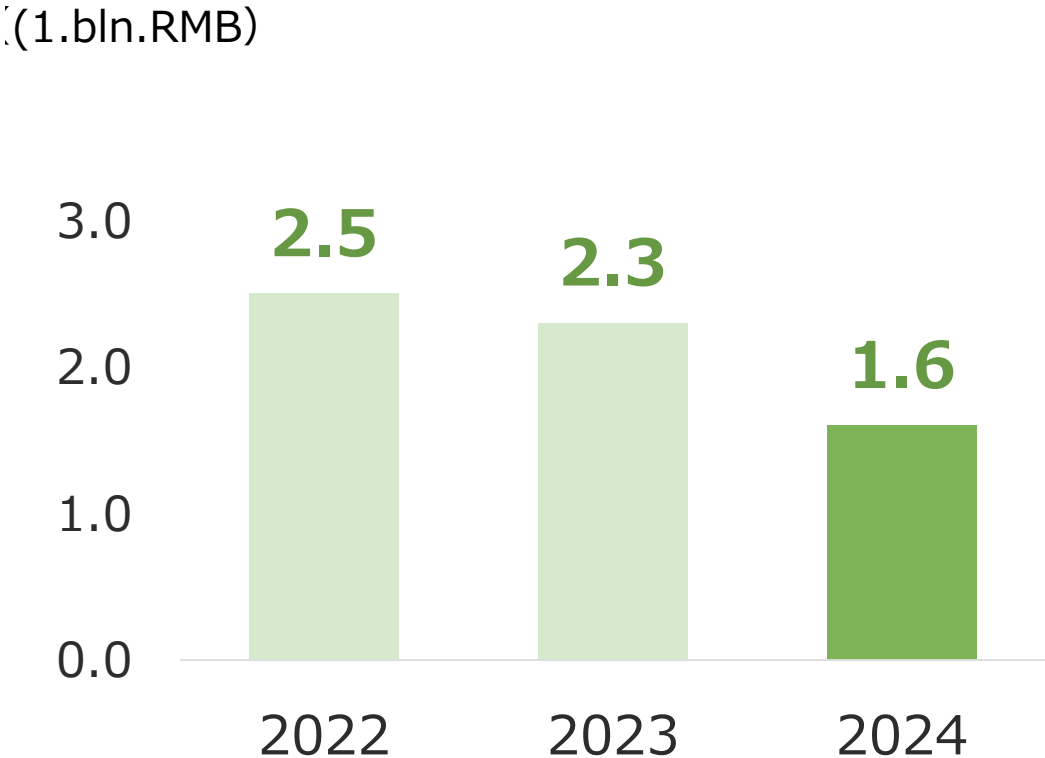
LESSO HQ

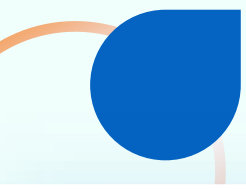


Net Sales of last 3 years



Net Profit of last 3 years





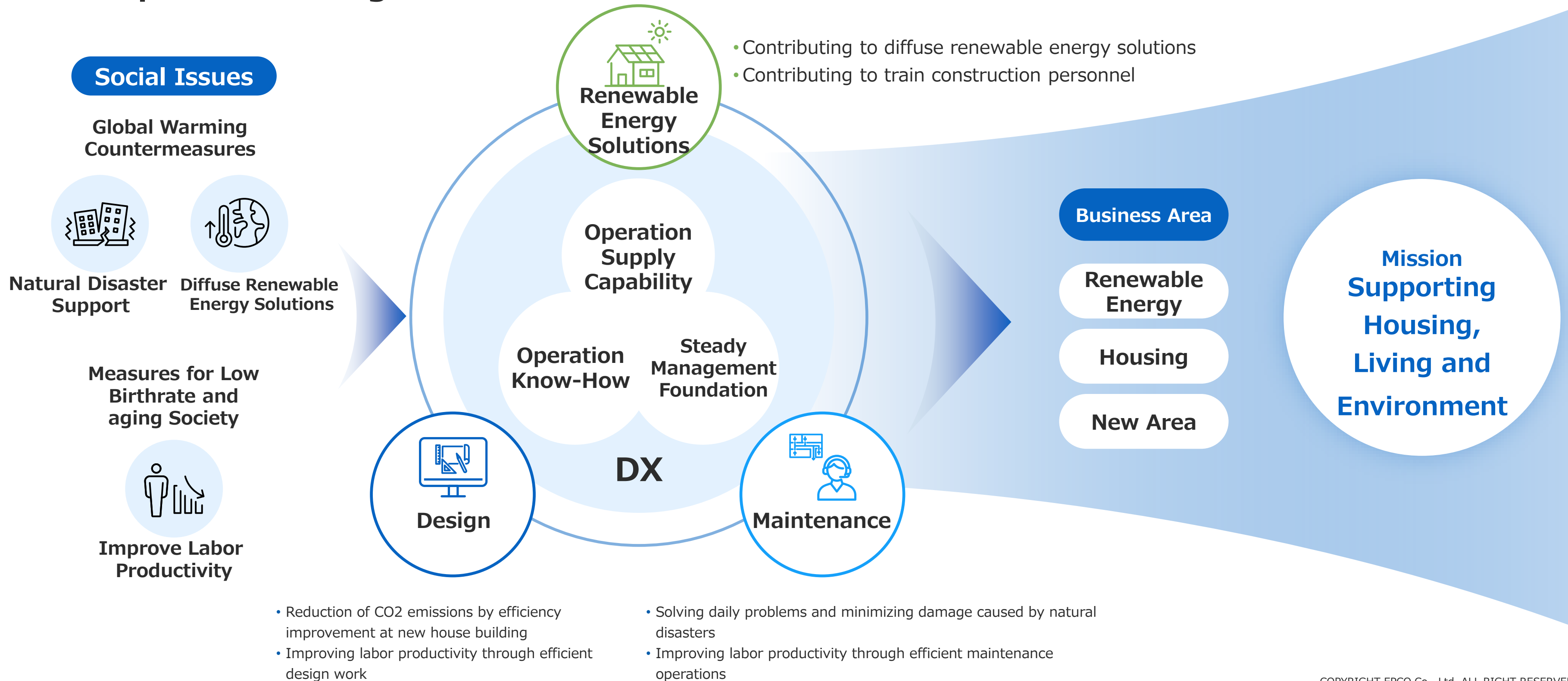
- 2023** Transferred to the Tokyo Stock Exchange Standard Market.
Established BANHAO EPCO (SZ)LIMITED (Reform joint venture with CHINA LESSO group and EPCO SZ)
- 2022** Transferred from the First Section of the Tokyo Stock Exchange to the Prime Market
Opened Kanazawa Operation center
Established MEDX Co., Ltd.
- 2020** Acquired in System Engineering Co., Ltd. (Current ENE's Co., Ltd.) and made it as a subsidiary
- 2019** Listed on the first section of the Tokyo Stock Exchange
Market change to the second section of the Tokyo Stock Exchange
- 2018** Relocated Okinawa call center
- 2017** Established TEPCO HomeTech Inc.
- 2016** Established EPCO Construction and Facility Design (Jilin) Co., Ltd.
- 2014** Relocated Tokyo Office
- 2011** Established EPCO (HK) LIMITED
Established Guandong LESSO EPCO Housing Facility and Design Co., Ltd.
- 2005** Opened Okinawa office
- 2004** Established a subsidialy EPCO Construction and Facility Design (Shenzhen) Co., Ltd.
- 2002** Relocated head office to Adachi-ku, Tokyo
Listed on JASDAQ
- 1992** Reorganized into EPCO Co., Ltd.
- 1990** Established EPCO Limited Company

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Future State of EPCO Group (2030)

We are committed to solving social issues through our business and contributing to the protection of global environment and a secure life.



Renewable Energy Solution

Providing solutions to increase the energy efficiency of housing to contribute a decarbonized society.

Net Sales JPY1.38 billion
Ordinary Profit JPY180 million

ENE's

Renewal Energy Solutions include the following joint ventures with large enterprises.

Joint Venture	Partnership
TEPCO HomeTech	TEPCO
MEDX ※1	Mitsui & Co., Ltd
Banhao EPCO ※2	China Lesso
Lesso EPCO	China Lesso

Design

A total design service to provide housing and renewable energy facility design related to utilities of house

Net Sales JPY 2.21 billion
Ordinary Profit JPY360 million

EPCO

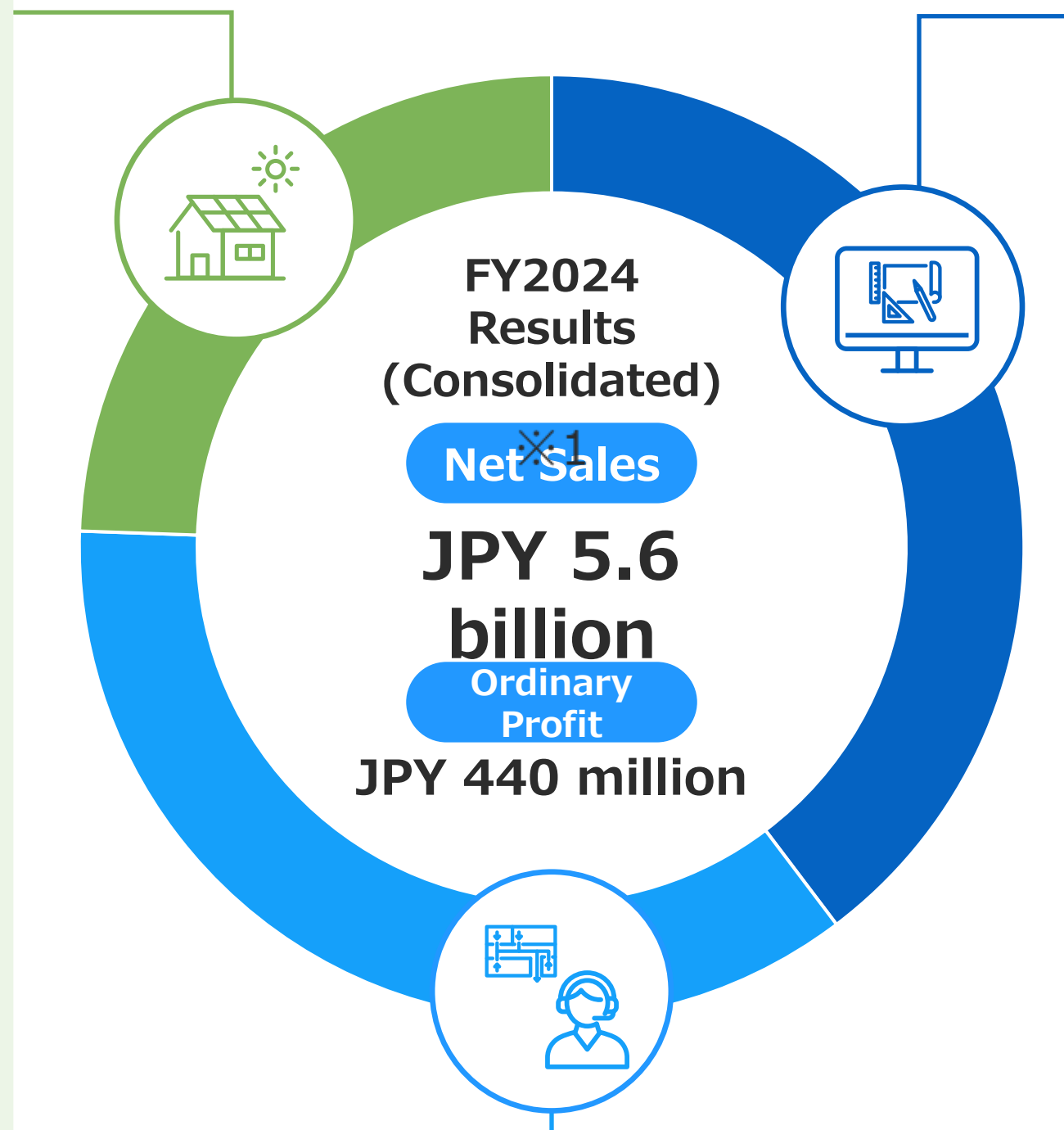
EPCO Construction and Facility Design (Jilin) Co., Ltd

Maintenance

An operation center to handle all aspects of initial contact of customer from home maintenance to inside sales.

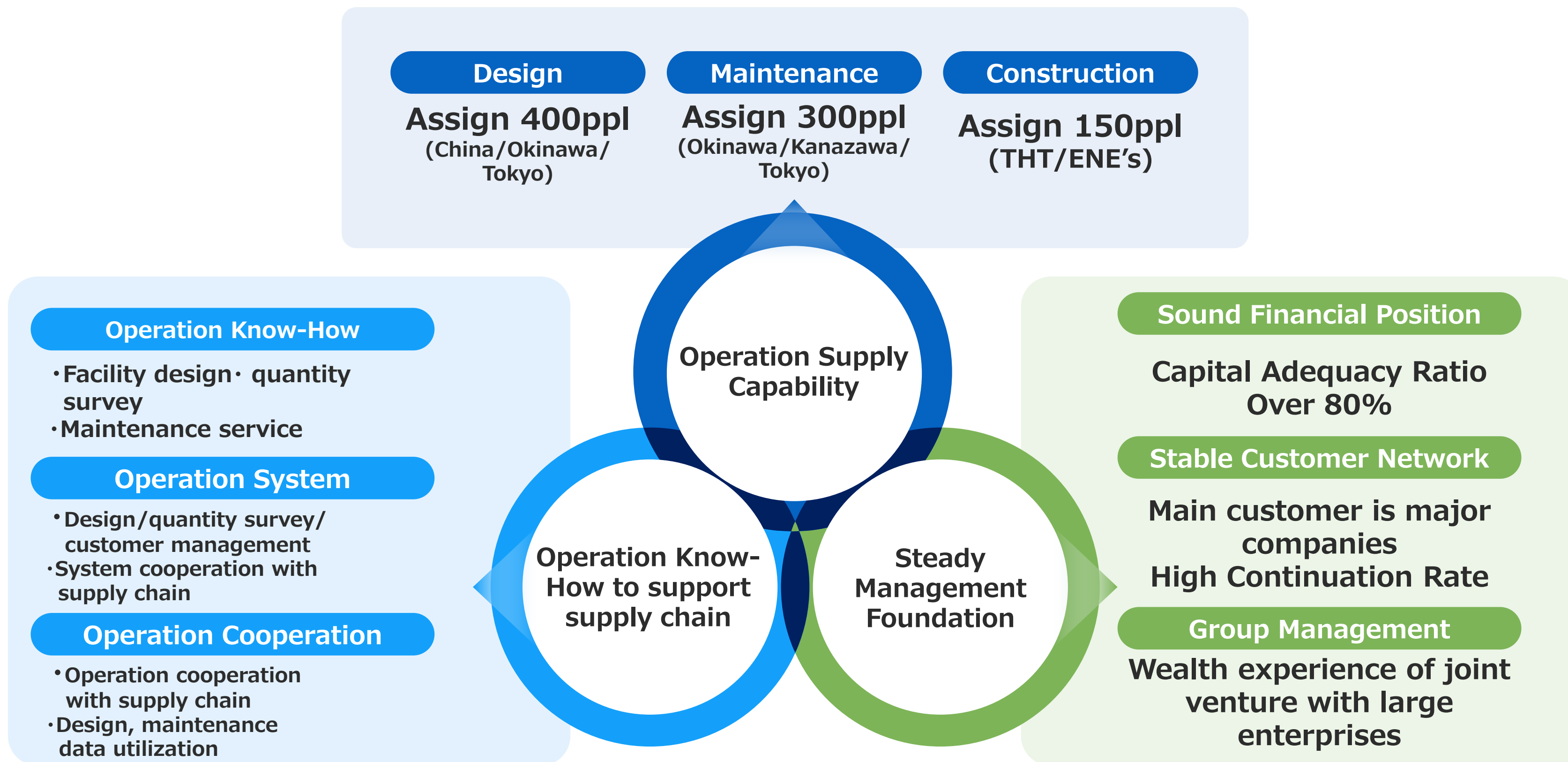
Net Sales JPY2.01 billion
Ordinary Profit JPY 310 million

EPCO

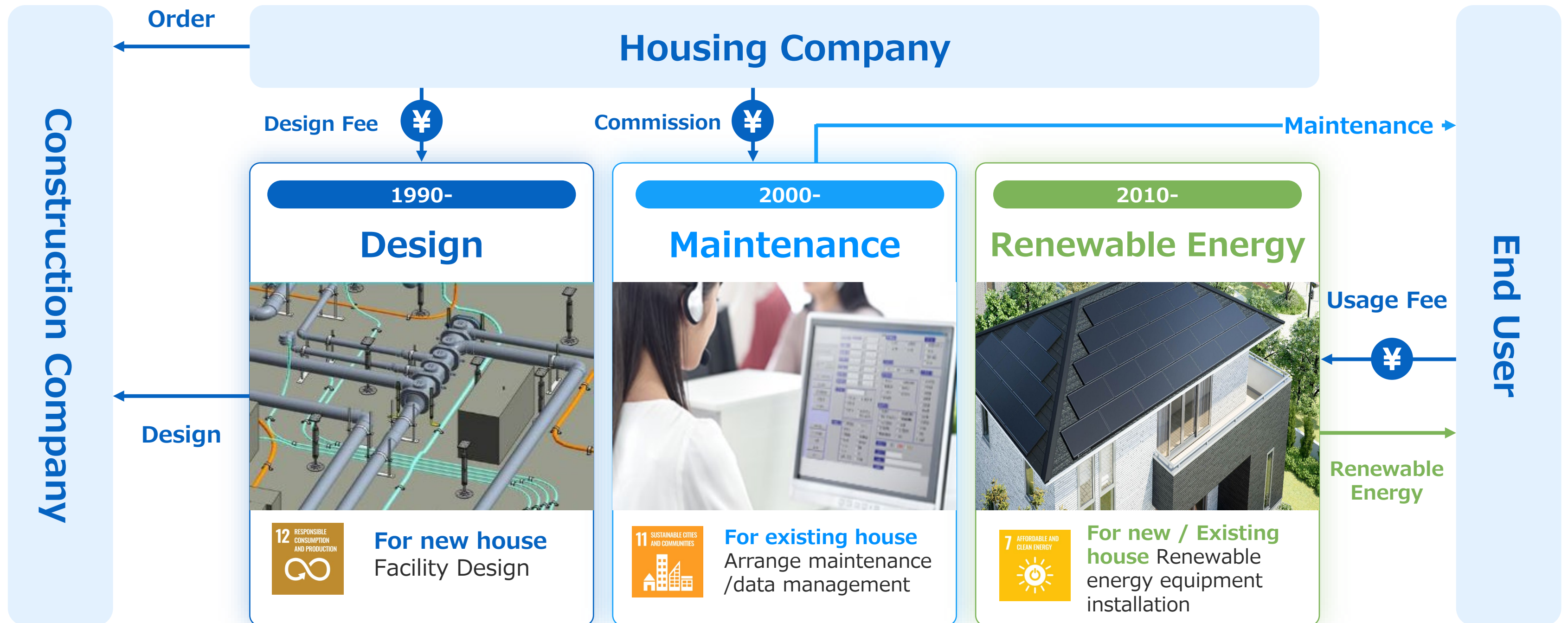


※1 Due to company liquidation, business operations has ceased as of March 2025.

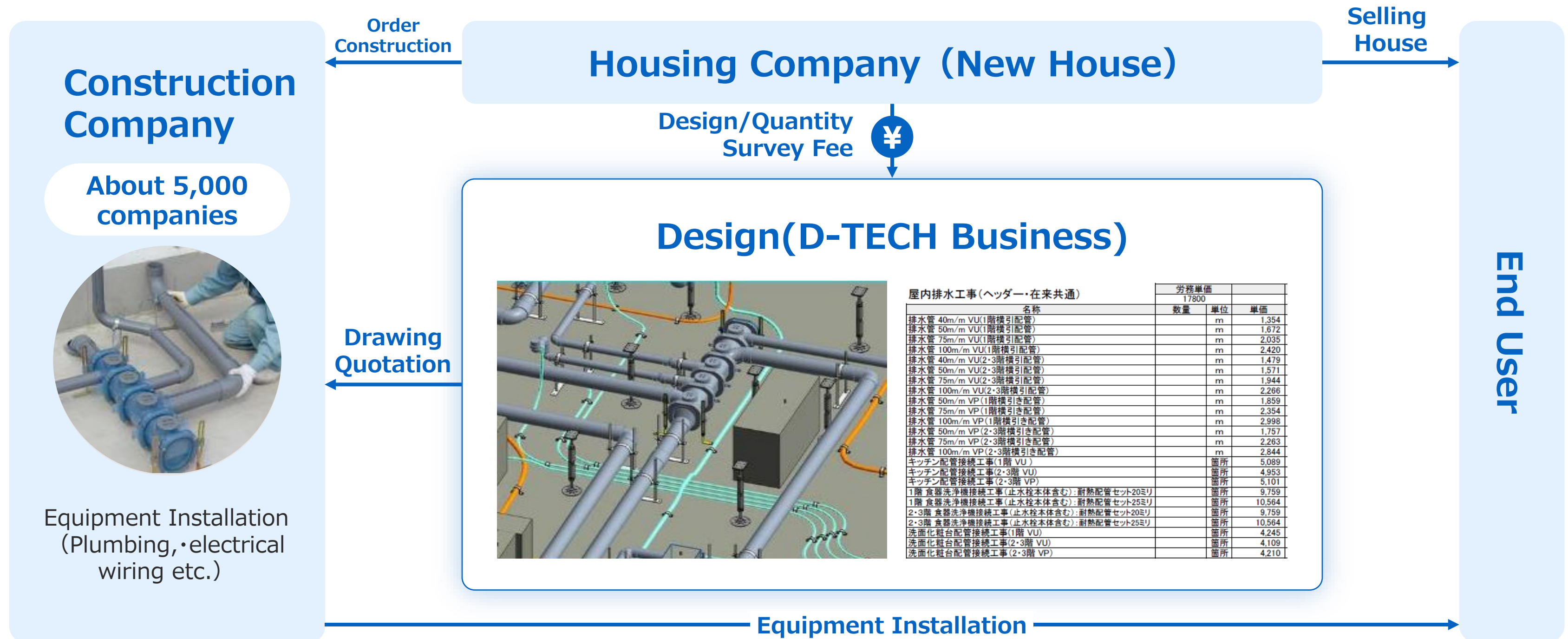
※2 Due to the partial transfer of shares, it has been excluded from the scope of equity method affiliates starting April 2025.



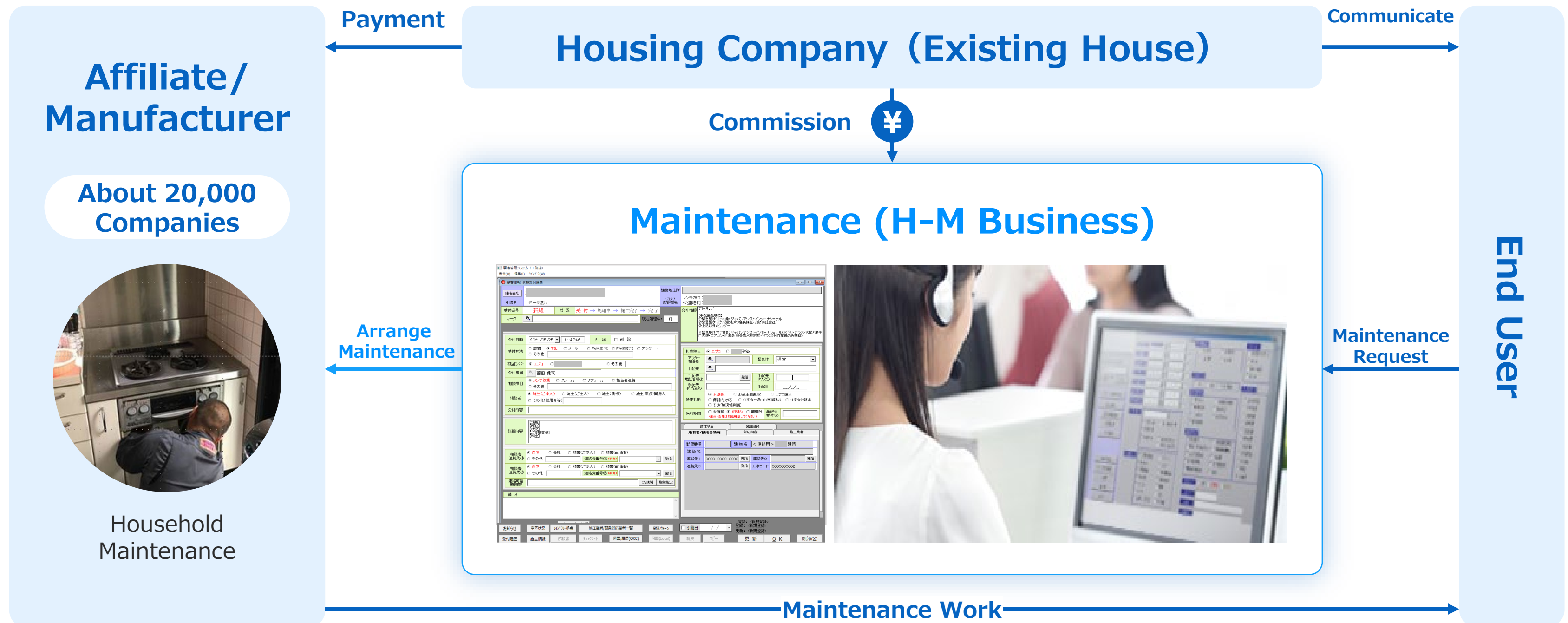
Since its founding in 1990, the EPCO Group has established three core businesses (design, maintenance, and renewable energy solutions) and these become a stable revenue base.



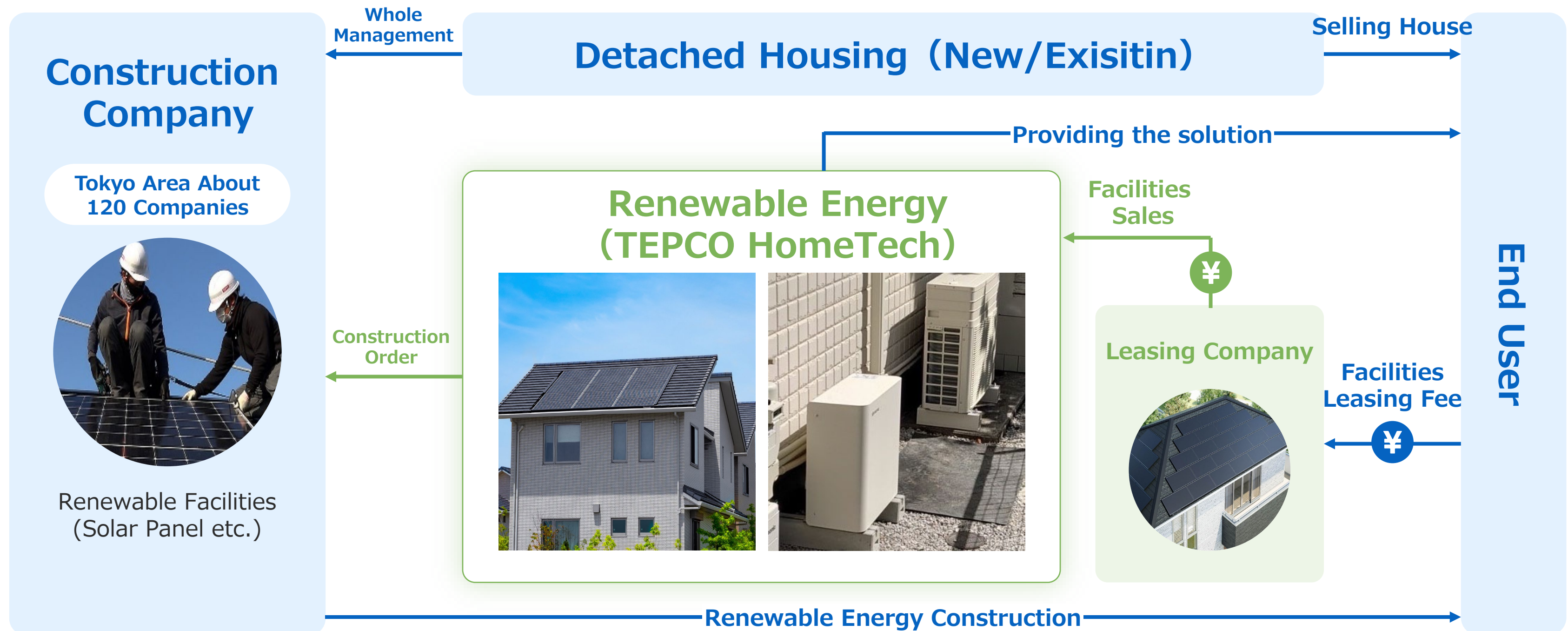
- One of Japan's largest design organization to support the supply chain of house builder (About 400 designer)
- Design performance is approx. 100,000 unit/year in residential field.
(Market share of new low-rise residence is 14%)

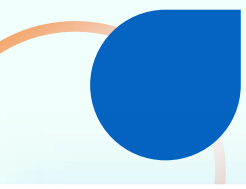


- 24/7 call center network to support maintenance service of house builder (About 300 operators)
- Approx. 667,000 cases of maintenance request received annually. (Managing 1.75mil. household nationwide)



- TEPCO HomeTech is joint venture with TEPCO Energy Partner, Inc.
- Subscription service of renewable energy facilities leasing (Flat-rate usage with zero initial cost) has been adopted and increased in major housing companies

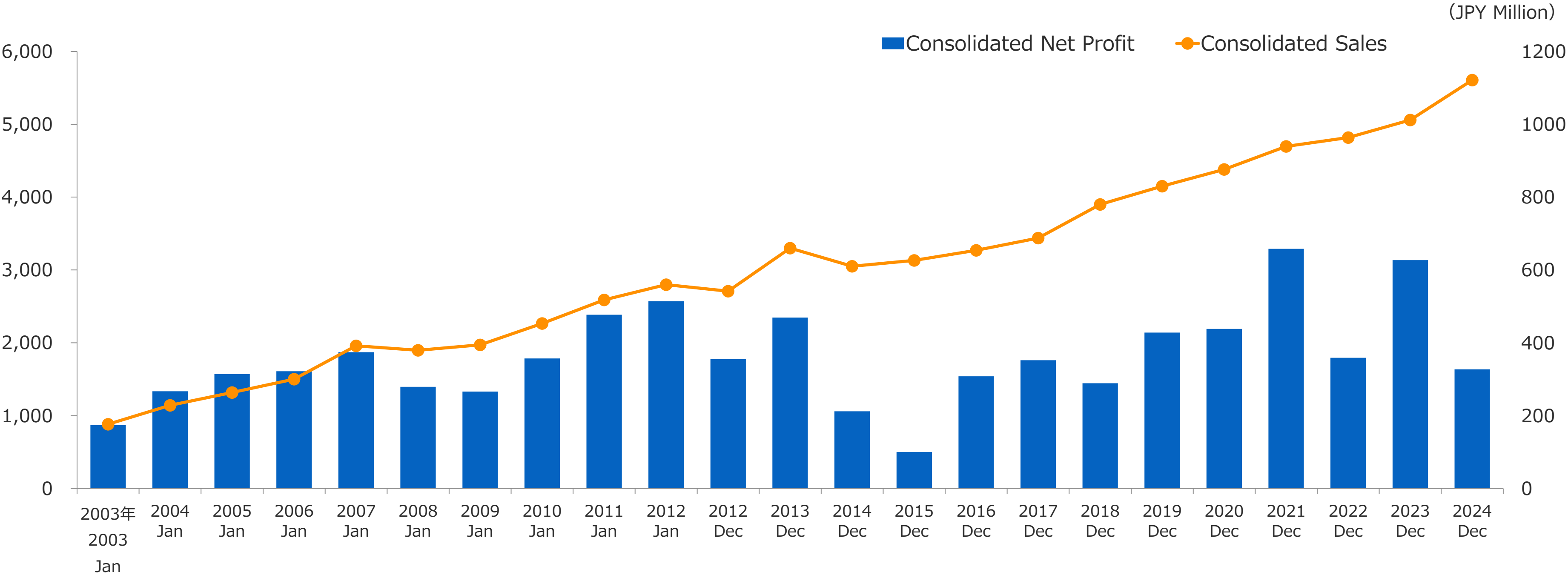




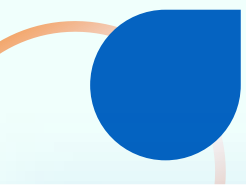
	Theme	Summary	Our Major Initiative	SDGs
Environment E	Environmental preservation through business activities	Reduction of industrial waste by pre-fabrication Visualization of CO2 emissions with BIM	Reduction of industrial waste through optimal design and pre-fabrication of housing facilities. Calculation of CO2 emissions in the building phase by BIM design.	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES
		Reduction of CO2 emissions by installation of renewable energy facility	Reduction of CO2 emissions by installing renewable energy facility such as solar panels and storage batteries. Contributing to the spread of energy-efficient equipment through a flat-rate usage service without an initial cost.	
	Reduction of environmental impact	Reduction of printed materials by using IT	Reduction of printed materials for checking design drawings using IT.	
Social S	Residents	Relationship with residents	Corresponding 24/7 for various problems in all aspects of housing. Quick problem resolution through efficient maintenance arrangements	
	Customers	Relationship with customers	Improve customer satisfaction by realizing low cost, high quality, and quick delivery	
	Shareholders	Relationship with shareholders	Timely and appropriate disclosure of information Policy on constructive dialogue with shareholders https://www.epco.co.jp/ir/ https://www.epco.co.jp/ir/dialogue	
	Employees	Promotion of diversity	The ratio of female employees is 49%, and foreign employees is 27.0% in EPCO group. (As of end of Dec. 2024)	
		Creating safety and healthy workplace	Promotion of health management (employee health management in collaboration with industrial physicians and external organizations)	
Governance G	Corporate Governance	Corporate Governance Structure	Company with an Audit Committee and 66.6% is outside directors (4 out of 6) Corporate Governance report https://ssl4.eir-parts.net/doc/2311/ir_material6/247540/00.pdf	
	Compliance	Compliance Structure	Establishment of a code of conduct in EPCO group and compliance education for employees, and an internal reporting system	
	Securities	Information Security Management	Establishment of Information Security Management System (ISO 27001 certification)	
		Protection of Personal Data	Establishment of a personal information protection management system (Acquisition of Privacy Mark)	



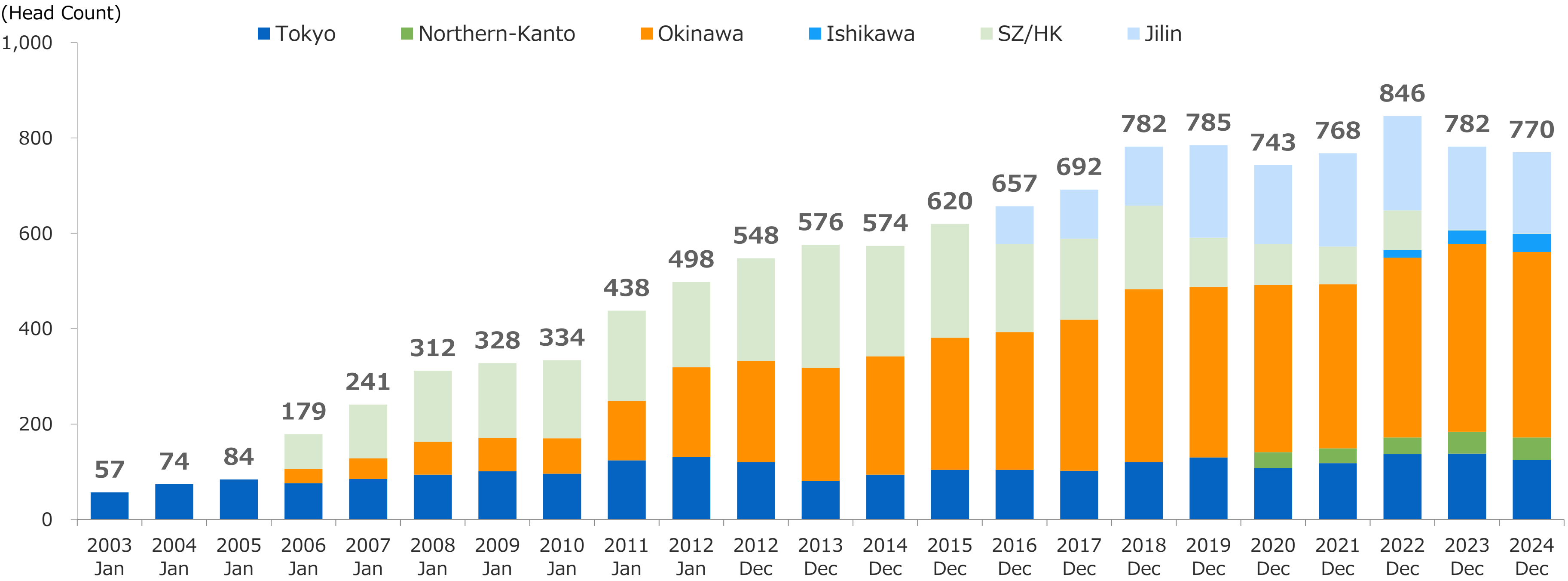
Transition of Cpnsolidated Results



Strategic
Investment Period
to Energy Business



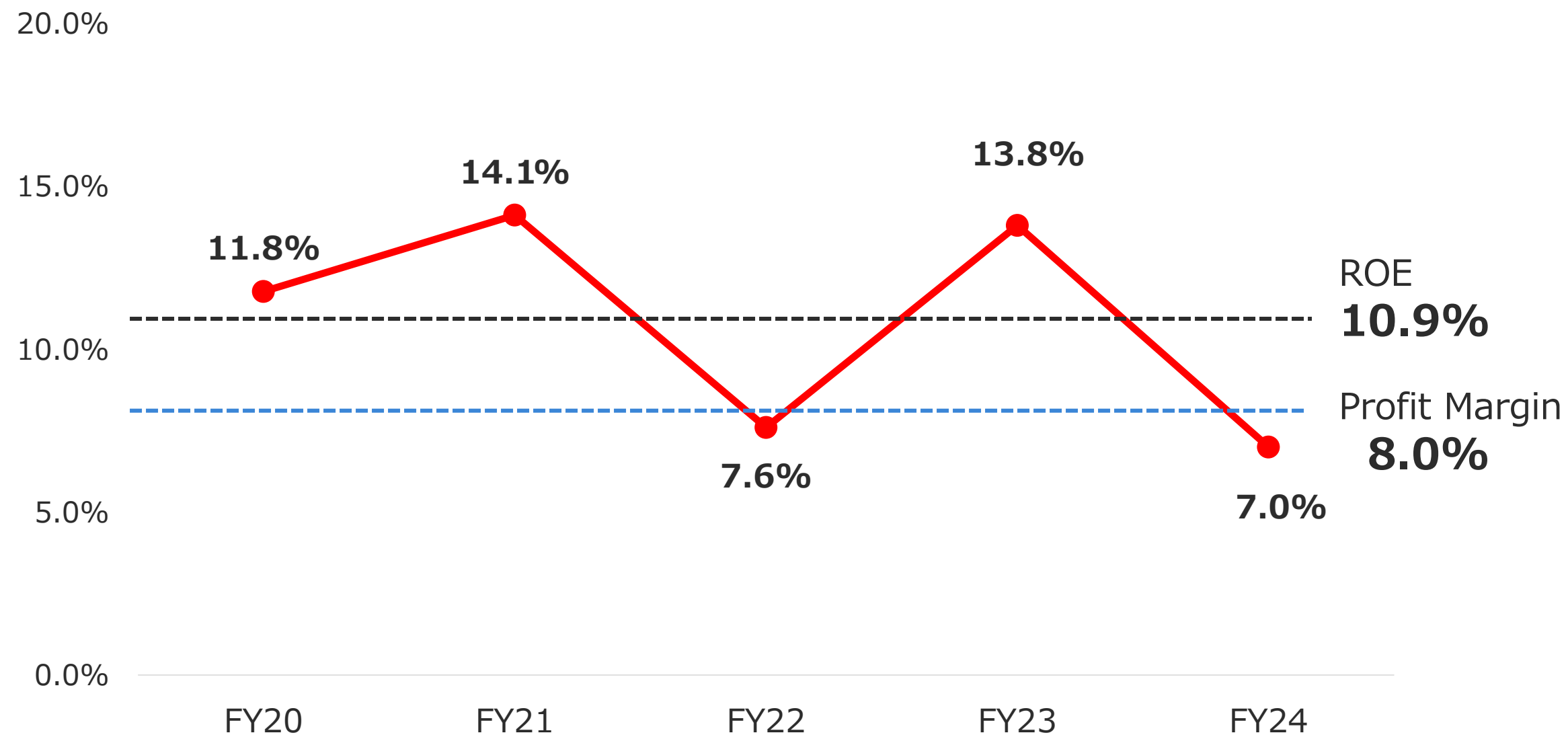
Consolidated Numbers of Employee



*Including temporary employees (Counted temporary employee as average during the period)

Past 5 years (average) ROE 10.9% → Aiming higher ROE by profit improvement.

【Transition of ROE and profit margin】



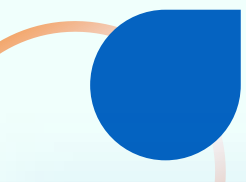
Views on ROE

① Improvement of profit margin

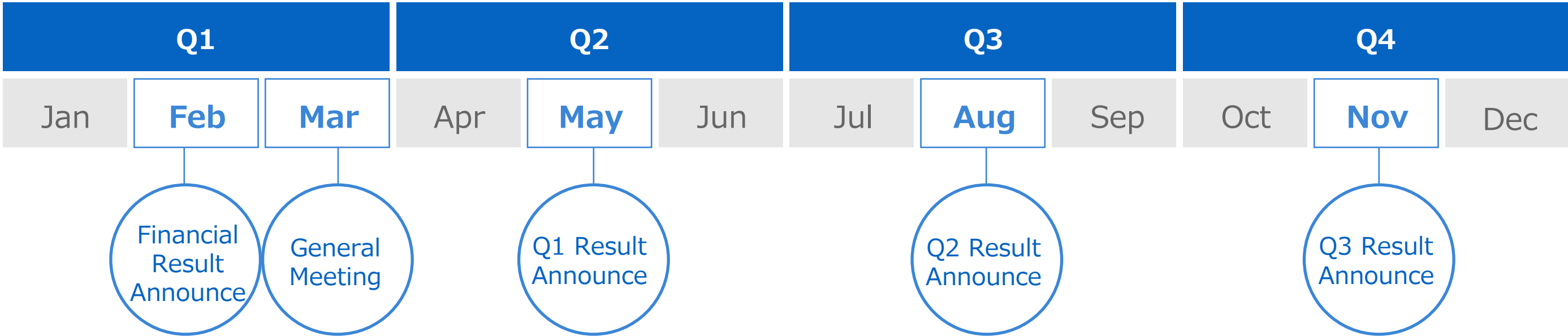
To improve the ratio of net income to net sales by increasing the ratio of operating income to net sales and equity in earnings of affiliates.

② Improvement of capital efficiency

To improve capital efficiency by actively returning profits to shareholders based on a dividend payout ratio of 50%

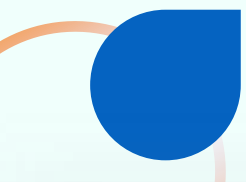






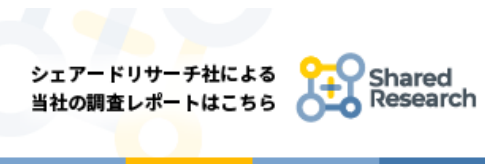


IR Schedule 2025 (Planned)

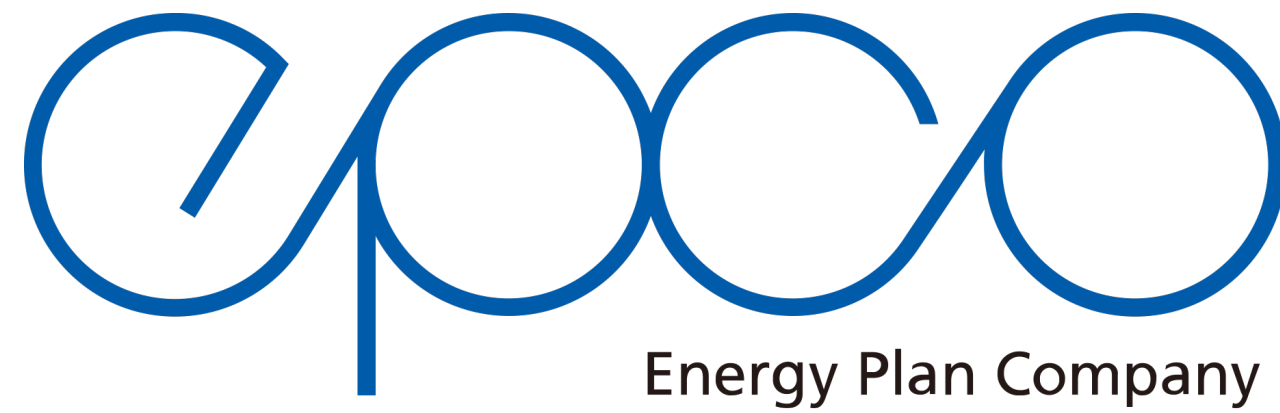


2025

Feb.13 Thu	FY2024 Financial results announcement	Aug.7 Thu	FY2025 Q2 results announcement
Feb. 28 Fri	FY2024 Business plan briefing (Full-year)	Aug.29 Fri	FY2025 Business plan briefing (Q2 results)
Mar. 25 Tue	35 th Ordinary general shareholder meeting	Nov.13 Thu	FY2025 Q3 Results announcement
May.14 Wed	FY2025 Q1 Results announcement	Dec. 26 Fri	Final date of year-end dividend rights acquisition
June. 26 Thu	Final date of Q2 dividend rights acquisition	Dec. 29 Mon	EX-rights date
June. 27 Fri	EX-rights date		



<div>IR INFORMATION IR情報</div>	IR Website	https://www.epco.co.jp/ir/	
<div> 企業と投資家をツナグ RIMSNET IR情報 メール配信 配信のご登録はこちら</div>	IR information E-mail distribution service	https://www.epco.co.jp/ir/mail	
<div>ENGLISH (IR)</div>	ENGLISH (IR)	https://www.irstreet.com/new/en/brand/index.php?brand=159	
<div> シェアードリサーチ社による 当社の調査レポートはこちら Shared Research</div>	Analyst Report	https://sharedresearch.jp/ja/companies/2311	
<div>CONTACT お問い合わせ</div>	Contact Us	https://www.epco.co.jp/contact	

**Disclaimer**

The performance outlook on the materials are based on the information available and certain assumption that are considered reasonable. Actual results may differ significantly from the forecast due to various factors. Therefore, the Company does not guarantee its certainty.