Consolidated Financial Results for the Six Months Ended September 30, 2026 (1st Half of FY March 2027, IFRS)

* Please note this document is a translation of the original Japanese document "Consolidated Financial Results for the Six Months Ended September 30, 2026 (Kessan Tanshin)" and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

November 10, 2026

Company Name	erex Co., Ltd.			Listing Market: Tokyo Stock Exchange
Stock Code	9517	URL: https://www.erex.co.jp/en/ir/		
Representative Director	(Title)	Representative Director and President	(Name) Hitoshi Honna	
Contact	(Title)	Executive Director	(Name) Tomoki Kakuta	TEL +81-3-3243-1167
Scheduled Date to File Securities Report	Nov 11, 2026		Scheduled Date to Start Dividend Payment	-

Preparation of Supplementary Material on Financial Results: Yes
Holding of Financial Results Meeting: Yes (for institutional investors and analysts)

(Rounded down to the nearest million Japanese Yen)

1. Consolidated Financial Results for the Six Months Ended September 30, 2026 (April 1, 2026 – September 30, 2026)

(1) Consolidated Operating Results (Cumulative) (% shows year-over-year changes)

	Net Sales		Operating Income		Pre-Tax Income		Interim Net Income	
Six Months Ended	JPY million	%	JPY million	%	JPY million	%	JPY million	%
September 30, 2026	112,893	30.4	572	△84.2	108	△96.6	△433	-
September 30, 2025	86,544	4.0	3,621	△29.6	3,212	△26.2	2,067	△29.7

	Interim Net Income Attributable to the Owners of the Parent Company		Interim Comprehensive Income		Interim Net Income per Share (EPS, Basic)	Interim Net Income per Share (EPS, Diluted)
Six Months Ended	JPY million	%	JPY million	%	JPY	JPY
September 30, 2026	△380	-	1,325	△60.2	△4.87	△4.87
September 30, 2025	1,587	△5.9	3,333	52.1	20.36	20.36

(2) Consolidated Financial Position

	Total Assets	Total Equity	Equity Attributable to Owners of the Parent Company	Ratio of Equity Attributable to Owners of the Parent Company to Total Assets
	JPY million	JPY million	JPY million	%
September 30, 2026	179,854	72,972	68,154	37.9
March 31, 2026	170,095	77,663	70,388	41.4

2. Dividend

	Annual Dividend				
	1Q	2Q	3Q	4Q	Total
	JPY	JPY	JPY	JPY	JPY
Fiscal Year Ended March 31, 2026	-	0.00	—	22.00	22.00
Fiscal Year Ending March 31, 2027	-	0.00			
Fiscal Year Ending March 31, 2027 (Forecasts)			—	22.00	22.00

(*Note) Changes from the most recently announced dividend forecasts: No

3. Financial Forecasts for the Fiscal Year Ending March 31, 2027 (April 1, 2026 – March 31, 2027)

(% shows year-over-year changes)

	Net Sales		Operating Income		Pre-Tax Income		Net Income Attributable to the Owners of the Parent Company		Basic Net Income per Share
	JPY million	%	JPY million	%	JPY million	%	JPY million	%	JPY
Full Year	240,693	42.3	7,807	3.8	9,286	3.5	5,409	1.4	69.32

(*Note 1) Changes from the most recently announced financial forecasts: No

(*Notes)

(1) Important changes in the scope of consolidation during the six months ended September 30, 2026: No

(2) Changes in accounting policies and changes in accounting estimates

① Changes in accounting policies as required by IFRS: No

② Changes in accounting policies other than ① above: No

③ Changes in accounting estimates: No

(3) The Number of Issued and Outstanding Shares (Common Shares)

① Number of Issued and Outstanding Shares (Including Treasury Stocks) at the End of the Period	As of September 30, 2026	78,317,658 shares	As of March 31, 2026	78,161,608 shares
② Number of Treasury Stocks at the End of the Period	As of September 30, 2026	135,680 shares	As of March 31, 2026	134,930 shares
③ Average Number of Shares during the Period	6 Months ended September 30, 2026	78,104,328 shares	6 Months ended September 30, 2025	77,975,392 shares

(*) This document (Interim Kessan Tanshin) is not subject to the audit procedures by certified public accountants or audit firms.

(*) Explanations regarding the appropriate use of financial forecasts and other special instructions

(Cautions regarding forward looking statements)

Forward looking statements included in this document, including financial forecasts, are based on information that is currently available to management of erex Co., Ltd. and certain assumptions that are judged to be reasonable, and are not intended to guarantee the achievement of these financial forecasts. Actual results may be significantly different from these financial forecasts due to various factors.

(Supplementary Materials)

Supplementary materials will be posted on the website of erex (https://www.erex.co.jp/ir/) on the same day.

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1. Summary of Operating Results, etc.

(1) Summary of Operating Results for the Current 1st Half (Interim Period)

During the current interim consolidated accounting period, energy prices fluctuated significantly due to the impact of geopolitical risks, including the situation in the Middle East, and other factors, leading to changes in the procurement environment in the electric power market in Japan. Meanwhile, the trend toward decarbonization continues both in Japan and internationally, and the importance of expanding the adoption of renewable energy and enhancing electric power supply-demand balancing functions is increasing.

Under these circumstances, consolidated operating results for the current interim consolidated accounting period showed net sales of 112,893 million yen (up 30.4% year-on-year), driven by higher average electric power sales unit prices resulting from rising electric power market prices, an increase in fuel sales to third parties, and improved operating rates in overseas operations. However, due to rising procurement costs in the electric power retail business, a decrease in electric power sales volume during the summer, and soaring fuel and raw material prices in overseas operations, gross profit was 5,971 million yen (down 38.5% year-on-year), and operating income was 572 million yen (down 84.2% year-on-year). In addition, due to factors such as fluctuations in exchange rates, interim pre-tax income was 108 million yen (down 96.6% year-on-year), and interim net loss attributable to the owners of the parent company was 380 million yen (compared to interim net income of 1,587 million yen attributable to the owners of the parent company in the same period of the previous fiscal year).

The following is an explanation of the situation by business.

In the power retail business, erex Group's sales subsidiaries, Evergreen Marketing Co., Ltd. and Evergreen Retailing Co., Ltd., play a central role, while Okinawa Gas New Power Co., Ltd. and e-cell Co., Ltd. are also engaged in sales activities.

In the high-voltage sector, power sales volume was 1,417 million kWh (down 3.7% year-on-year), due to factors such as the temporary suspension of accepting new customers for fixed-rate plans utilizing futures contracts in response to significant fluctuations in electric power market prices, as well as the impact of relatively low summer temperatures. On the other hand, due to an increase in the sales unit price of electric power, net sales were 33,565 million yen (up 12.2% year-on-year). In the low-voltage sector, as a result of continuing efforts from the previous fiscal year to acquire new customers through the real estate channel and other means, the number of power supply contracts increased by 9.0% compared to the end of the same period last year, reaching 280,000. Power sales volume was 556 million kWh (down 3.8% year-on-year), due to a decrease in the power sales volume per customer and the impact of relatively low summer temperatures. Net sales were 19,814 million yen (up 9.2% year-on-year) due to an increase in the sales unit price of electric power.

Profitability fell below the same period of the previous year due to increased procurement costs resulting from rising electric power market prices and the revision of sales terms aimed at retaining customers.

Regarding the trading business, erex Group continued to adopt a strategy of procuring power based on reasonable volume and price in relation to fixed retail sales volume each time as it did last year. Meanwhile, as erex Group had planned as of the previous fiscal year to accelerate plan changes for high-voltage customers in the second half of fiscal year 2026, a certain volume of procurement to meet existing demands had been secured. During the current interim consolidated accounting period, against the backdrop of fluctuations in electric power market prices, erex Group engaged in transactions through the Japan Electric Power Exchange (JEPX) and in PPA transactions with third party companies. Furthermore, erex Group is leveraging the trading expertise cultivated through JEPX transactions, PPA transactions, and electric power derivative transactions in its retail business, and continues to work on providing sales plans tailored to market conditions and customer needs, as well as optimizing electric power procurement.

Regarding the aggregation business, erex Group commenced commercial operations of its first grid-scale BESS (battery energy storage system) project and successfully entered the supply-demand balancing market through this project. Furthermore, erex Group is advancing initiatives to expand the scale of its operations, including completing trial operations for its second grid-scale BESS project and deciding to invest in its third grid-scale BESS project.

Furthermore, in September 2026, erex Group launched an aggregation service to manage the operation and market trading of grid-scale BESS owned by third party companies. In addition to operating its own BESS, erex Group is working to expand earnings opportunities by managing BESS owned by third party companies.

Regarding the power generation business, although an equipment malfunction occurred at the Saiki Power Plant, the Buzen, Ofunato, and Nakagusuku Biomass Power Plants operated generally stably. Furthermore, erex Group

reviewed fixed costs at its power plants in Japan, resulting in improved profitability compared to the same period last year. The Itoigawa Power Plant remains suspended, taking into account the electric power market prices and other factors.

Regarding the fuel business, net sales exceeded those of the same period of the previous year due to increased sales to third party biomass power plants, in addition to fuel sales to its in-house Saiki, Buzen, Ofunato, and Nakagusuku Biomass Power Plants. erex Group remains committed to ensuring a stable fuel supply and expanding sales to third parties.

Regarding the overseas business, operating rates at the Hau Giang Biomass Power Plant (*1) and the Tuyen Quang Pellet Factory in Vietnam improved, leading to a significant increase in sales compared to the same period last year. On the other hand, profitability remained under pressure due to soaring fuel and raw material prices, as well as increases in selling, general, and administrative expenses. To improve profitability, erex Group is engaged in negotiations to revise the electric power sales price at the Hau Giang Biomass Power Plant and is implementing cost-reduction measures at the pellet factory.

Furthermore, in Vietnam, erex Group is proceeding with the construction of the Yen Bai and Tuyen Quang Biomass Power Plants (*2), while also advancing efforts to commercialize biomass co-firing at coal-fired power plants. In October 2026, erex Group completed co-firing tests at the Nong Son Coal-Fired Power Plant, owned by Vietnam's Vinacomin Power, marking its third such test. Following the first and second tests, this project utilized the Ministry of Economy, Trade and Industry's 2025 "Subsidy Program for Decarbonization and Energy Transition Technologies in Resource-Rich Countries".

In Cambodia, the construction of a hydroelectric power plant and the impoundment of the dam have reached their final stages, and preparations for the start of operations in January 2027 are proceeding steadily. Furthermore, erex Group is advancing preparations to start construction of biomass and solar power plants, while also initiating a feasibility study for a data center business, thereby pursuing business expansion in the country.

Through these initiatives, erex Group will strengthen the earnings base of its domestic operations and lay the groundwork for the mid-to-long-term growth of its overseas and new businesses.

(*1,2) These power plants have been selected as the Ministry of the Environment's "Financing Programme for Joint Crediting Mechanism (JCM) Model Projects" (Ministry of the Environment, Japan has been implementing the "JCM Model Projects," which provides financial supports covering up to half of the initial investment costs. The purpose of this model project is to financially support the implementation of projects which reduce GHG emissions by utilizing leading decarbonizing technologies in developing countries, and in return, to acquire JCM credits for achievement of Japan's GHG emission reduction and the partner countries' emission reduction target. This project is being implemented with the cooperation of the Vietnamese and Japanese governments). For the Hau Giang Biomass Power Plant, the announcement was made on July 1, 2022. For the two biomass power plants in Northern Vietnam, the announcement was made on March 22, 2024.

(2) Summary of Financial Position for the Current 1st Half (Interim Period)

(Assets)

Current assets at the end of the current interim consolidated accounting period were 71,349 million yen, an increase of 7,525 million yen as compared to the end of the previous consolidated fiscal year. This was primarily due to increases in cash and cash equivalents, and trade and other receivables, despite a decrease in other financial assets (current). Noncurrent assets were 108,504 million yen, an increase of 2,233 million yen as compared to the end of the previous fiscal year. This was primarily due to increases in property, plant, and equipment and other noncurrent assets.

As a result, total assets were 179,854 million yen, an increase of 9,759 million yen as compared to the end of the previous consolidated fiscal year.

(Liabilities)

Current liabilities at the end of the current interim consolidated accounting period were 57,020 million yen, an increase of 12,677 million yen as compared to the end of the previous consolidated fiscal year. This was primarily due to increases in trade and other payables, as well as bonds and borrowings (current), despite decreases in income taxes payable and other financial liabilities (current). Noncurrent liabilities were 49,860 million yen, an increase of 1,772 million yen as compared to the end of the previous consolidated fiscal year. This was primarily due to an increase in bonds and borrowings (noncurrent), despite a decrease in allowances (noncurrent).

As a result, total liabilities were 106,881 million yen, an increase of 14,450 million yen as compared to the end of the previous consolidated fiscal year.

(Equity)
Total equity at the end of the current interim consolidated accounting period was 72,972 million yen, a decrease of 4,690 million yen as compared to the end of the previous consolidated fiscal year. This was primarily due to a decrease in retained earnings resulting from dividend payments and a decrease in non-controlling interests.

As a result, the ratio of equity attributable to the owners of the parent company was 37.9%.

(3) Forward-Looking Statements Including Consolidated Financial Forecasts
There is no change to the financial forecasts that were announced in the “Notice Regarding Revision of Full-Year Consolidated Financial Forecasts for the Fiscal Year Ending March 2027 and Consolidated Financial Outlook for the First Quarter of the Fiscal Year Ending March 2027” dated July 15, 2026. The financial forecasts that were announced on July 15, 2026 are based on the information available to erex Group at the time of the announcement, and include uncertainties. Actual results may be different from these financial forecasts due to various factors.

2. Condensed Interim Consolidated Financial Statements and Important Notes
(1) Condensed Interim Consolidated Statement of Financial Position

	Previous Consolidated Fiscal Year (Mar 31, 2026)	Current Interim Consolidated Accounting Period (Sep 30, 2026)
	JPY million	JPY million
Assets		
Current Assets		
Cash and Cash Equivalents	27,569	34,226
Trade and Other Receivables	27,647	29,444
Inventory	2,545	2,678
Other Financial Assets	3,635	2,096
Income Taxes Receivable	102	34
Other Current Assets	2,322	2,868
Total Current Assets	63,824	71,349
Noncurrent Assets		
Property, Plant and Equipment	43,551	44,794
Right-of-Use Assets	1,197	1,014
Goodwill	708	708
Intangible Assets	1,486	1,599
Investments Accounted for Using the Equity Method	9,750	9,928
Other Financial Assets	46,633	47,003
Deferred Tax Assets	67	73
Other Noncurrent Assets	2,876	3,381
Total Noncurrent Assets	106,271	108,504
Total Assets	170,095	179,854

(Continued on the following page.)

	Previous Consolidated Fiscal Year (Mar 31, 2026)	Current Interim Consolidated Accounting Period (Sep 30, 2026)
	JPY million	JPY million
Liabilities and Equity		
Liabilities		
Current Liabilities		
Trade and Other Payables	14,093	23,187
Bonds and Borrowings	19,996	25,981
Lease Liabilities	358	247
Other Financial Liabilities	1,848	898
Income Taxes Payable	2,405	505
Allowances	93	424
Other Current Liabilities	5,548	5,775
Total Current Liabilities	44,342	57,020
Noncurrent Liabilities		
Bonds and Borrowings	34,462	37,154
Lease Liabilities	1,022	940
Other Financial Liabilities	716	497
Retirement Benefit Liabilities	949	969
Allowances	3,919	3,396
Deferred Tax Liabilities	5,786	5,696
Other Noncurrent Liabilities	1,231	1,206
Total Noncurrent Liabilities	48,088	49,860
Total Liabilities	92,431	106,881
Equity		
Common Stock	18,381	18,439
Capital Surplus	18,119	18,053
Retained Earnings	20,517	18,400
Treasury Stock	△113	△113
Other Components of Equity	13,483	13,374
Equity Attributable to the Owners of the Parent Company	70,388	68,154
Non-Controlling Interests	7,274	4,818
Total Equity	77,663	72,972
Total Liabilities and Equity	170,095	179,854

(2) Condensed Interim Consolidated Statement of Income and Condensed Interim Consolidated Statement of Comprehensive Income

(Condensed Interim Consolidated Statement of Income)

	Previous Interim Consolidated Accounting Period (Apr 1, 2025 – Sep 30, 2025)	Current Interim Consolidated Accounting Period (Apr 1, 2026 – Sep 30, 2026)
	JPY million	JPY million
Net Sales	86,544	112,893
Cost of Sales	76,827	106,921
Gross Profit	9,717	5,971
Selling, General, and Administrative Expenses	6,445	6,008
Other Revenues	1,007	711
Other Expenses	657	102
Operating Income	3,621	572
Financial Income	427	406
Financial Expenses	819	964
Share of Profit/Loss(△) of Investments Accounted for Using the Equity Method	△15	93
Interim Pre-Tax Income	3,212	108
Income Taxes	1,144	542
Interim Net Income/Loss(△)	2,067	△433
Interim Net Income/Loss(△) Attributable to		
Owners of the Parent Company	1,587	△380
Non-Controlling Interests	480	△53
Interim Net Income/Loss(△)	2,067	△433
Interim Net Income/Loss(△) Per Share (yen)		
Basic Interim Net Income/Loss(△) Per Share (yen)	20.36	△4.87
Diluted Interim Net Income/Loss(△) Per Share (yen)	20.36	△4.87

(Condensed Interim Consolidated Statement of Comprehensive Income)

	Previous Interim Consolidated Accounting Period (Apr 1, 2025 – Sep 30, 2025)	Current Interim Consolidated Accounting Period (Apr 1, 2026 – Sep 30, 2026)
	JPY million	JPY million
Interim Net Income/Loss(△)	2,067	△433
Other Comprehensive Income		
Items That Will Not be Reclassified to Profit or Loss		
Financial Assets Measured at Fair Value through Other Comprehensive Income	918	1,297
Total of Items That Will Not be Reclassified to Profit or Loss	918	1,297
Items That May be Reclassified Subsequently to Profit or Loss		
Cash Flow Hedges	651	148
Exchange Differences on Translating Foreign Operations	△475	225
Share of Other Comprehensive Income of Investments Accounted for Using the Equity Method	171	87
Total of Items That May be Reclassified Subsequently to Profit or Loss	347	462
Total Other Comprehensive Income, Net of Tax	1,265	1,759
Interim Comprehensive Income	3,333	1,325
Interim Comprehensive Income Attributable to		
Owners of the Parent Company	2,886	1,376
Non-Controlling Interests	447	△50
Interim Comprehensive Income	3,333	1,325

(3) Condensed Interim Consolidated Statement of Changes in Equity

Previous Interim Consolidated Accounting Period (from April 1, 2025 to September 30, 2025)

	Equity Attributable to the Owners of the Parent Company					
					Other Components of Equity	
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Exchange Differences on Translating Foreign Operations	Cash Flow Hedges
	(million yen)	(million yen)	(million yen)	(million yen)	(million yen)	(million yen)
Balance as of Apr 1, 2025	18,346	18,009	15,381	△124	197	10,307
Interim Net Income/Loss (△)	-	-	1,587	-	-	-
Other Comprehensive Income	-	-	-	-	△279	660
Interim Comprehensive Income	-	-	1,587	-	△279	660
Dividend	-	-	△858	-	-	-
Share-Based Compensation Transaction	35	△45	-	-	-	-
Transfer to Non-Financial Assets, etc.	-	-	-	-	-	△1,251
Changes in Equity Interest in Subsidiaries that Continue to be Controlled	-	-	-	-	-	-
Disposal of Treasury Stock	-	-	－	10	-	-
Others	-	-	－	-	-	-
Total Amount of Transactions with Owners	35	△45	△858	10	-	△1,251
Balance as of Sep 30, 2025	18,381	17,963	16,109	△113	△82	9,716

	Equity Attributable to the Owners of the Parent Company			Non-Controlling Interests	Total Equity
	Other Components of Equity		Total		
	Financial Assets Measured at Fair Value through Other Comprehensive Income	Total			
	(million yen)	(million yen)	(million yen)	(million yen)	(million yen)
Balance as of Apr 1, 2025	2,027	12,531	64,144	8,335	72,480
Interim Net Income/Loss (△)	-	-	1,587	480	2,067
Other Comprehensive Income	918	1,298	1,298	△33	1,265
Interim Comprehensive Income	918	1,298	2,886	447	3,333
Dividend	-	-	△858	△909	△1,768
Share-Based Compensation Transaction	-	-	△10	-	△10
Transfer to Non-Financial Assets, etc.	-	△1,251	△1,251	-	△1,251
Changes in Equity Interest in Subsidiaries that Continue to be Controlled	-	-	-	-	-
Disposal of Treasury Stock	-	-	10	-	10
Others	-	-	-	△6	△6
Total Amount of Transactions with Owners	-	△1,251	△2,109	△916	△3,025
Balance as of Sep 30, 2025	2,946	12,579	64,921	7,867	72,788

Current Interim Consolidated Accounting Period (from April 1, 2026 to September 30, 2026)

	Equity Attributable to the Owners of the Parent Company					
					Other Components of Equity	
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Exchange Differences on Translating Foreign Operations	Cash Flow Hedges
	(million yen)	(million yen)	(million yen)	(million yen)	(million yen)	(million yen)
Balance as of Apr 1, 2026	18,381	18,119	20,517	△113	174	11,182
Interim Net Income/Loss (△)	-	-	△380	-	-	-
Other Comprehensive Income	-	-	-	-	286	173
Interim Comprehensive Income	-	-	△380	-	286	173
Dividend	-	-	△1,719	-	-	-
Share-Based Compensation Transaction	58	△112	-	-	-	-
Transfer to Non-Financial Assets, etc.	-	-	-	-	-	△1,866
Changes in Equity Interest in Subsidiaries that Continue to be Controlled	-	47	-	-	-	-
Disposal of Treasury Stock	-	-	-	-	-	-
Others	-	-	△17	-	-	-
Total Amount of Transactions with Owners	58	△65	△1,736	-	-	△1,866
Balance as of Sep 30, 2026	18,439	18,053	18,400	△113	461	9,489

	Equity Attributable to the Owners of the Parent Company				
	Other Components of Equity				
	Financial Assets Measured at Fair Value through Other Comprehensive Income	Total	Total	Non-Controlling Interests	Total Equity
	(million yen)	(million yen)	(million yen)	(million yen)	(million yen)
Balance as of Apr 1, 2026	2,126	13,483	70,388	7,274	77,663
Interim Net Income/Loss (△)	-	-	△380	△53	△433
Other Comprehensive Income	1,297	1,756	1,756	2	1,759
Interim Comprehensive Income	1,297	1,756	1,376	△50	1,325
Dividend	-	-	△1,719	△970	△2,689
Share-Based Compensation Transaction	-	-	△54	-	△54
Transfer to Non-Financial Assets, etc.	-	△1,866	△1,866	-	△1,866
Changes in Equity Interest in Subsidiaries that Continue to be Controlled	-	-	47	△1,436	△1,389
Disposal of Treasury Stock	-	-	-	-	-
Others	-	-	△17-	0	△16
Total Amount of Transactions with Owners	-	△1,866	△3,610	△2,406	△6,016
Balance as of Sep 30, 2026	3,424	13,374	68,154	4,818	72,972

(4) Condensed Interim Consolidated Statement of Cash Flows

	Previous Interim Consolidated Accounting Period (Apr 1, 2025 – Sep 30, 2025)	Current Interim Consolidated Accounting Period (Apr 1, 2026 – Sep 30, 2026)
	(million yen)	(million yen)
Cashflow from Operating Activities		
Interim Pre-Tax Income (△Loss)	3,212	108
Depreciation and Amortization	1,905	1,977
Financial Income	△427	△406
Financial Expenses	784	942
Share of Loss (△Profit) of Investments Accounted for Using the Equity Method	15	△93
Decrease (△Increase) in Trade and Other Receivables	△8,594	△1,793
Decrease (△Increase) in Inventory	△1,036	△122
Increase (△Decrease) in Trade and Other Payables	354	9,090
Decrease (△Increase) in Consumption Tax Receivable	326	57
Changes in Derivative Assets and Liabilities	771	2,256
Others	△1,588	△2,460
Sub-Total	△4,275	9,557
Interests Received	70	105
Dividends Received	56	54
Interests Paid	△324	△378
Income Taxes Refunded	14	70
Income Taxes Paid	△1,528	△1,926
Cashflow from Operating Activities	△5,987	7,482
Cashflow from Investing Activities		
Proceeds from Withdrawal of Time Deposits	1,259	299
Payments into Time Deposits	△262	△451
Payments for Purchase of Property, Plant and Equipment	△281	△2,717
Payments for Purchase of Intangible Assets	△125	△182
Payments for Purchase of Investment Securities	△496	-
Payments for Purchase of Investments	△424	△129
Payments of Loan Receivables	△4,310	△1,525
Others	2	△24
Cashflow from Investing Activities	△4,639	△4,730
Cashflow from Financing Activities		
Net Increase (△Decrease) in Short Term Borrowings	103	△27
Increase in Short Term Borrowings (Over 3 Months)	2,812	1,134
Decrease in Short Term Borrowings (Over 3 Months)	△313	-
Proceeds from Long Term Borrowings	3,500	1,500
Repayments of Long Term Borrowings	△4,323	△2,393
Proceeds from Issuance of Bonds	-	8,351
Repayments of Lease Obligations	△206	△202
Dividends Paid	△858	△1,719
Dividends Paid to Non-Controlling Interests	△909	△970
Proceeds from Equity Issuance to Non-Controlling Interests	-	△1,458
Others	△0	△94
Cashflow from Financing Activities	△197	4,120
Effect of Exchange Rate Changes on Cash and Cash Equivalents	△496	△214
Increase (△Decrease) in Cash and Cash Equivalents	△11,320	6,657
Cash and Cash Equivalents at the Beginning of the Period	33,613	27,569
Cash and Cash Equivalents at the End of the Interim Period	22,292	34,226

(5) Notes to Condensed Interim Consolidated Financial Statements

(Segment Information)

Previous Interim Consolidated Accounting Period (April 1, 2025 – September 30, 2025) and Current Interim Consolidated Accounting Period (April 1, 2026 – September 30, 2026)

erex Group's reportable segments are components of erex Group for which separate financial information is available and are subject to periodic review by the board of directors for the purpose of determining the allocation of management resources and evaluating business performance.

Since erex Group consists of a single segment, primarily engaged in the power business, the statement by reportable segment has been omitted.

(Impairment of Financial Assets)

Previous Interim Consolidated Accounting Period (April 1, 2025 – September 30, 2025)

In response to ENETRADE Inc., one of erex Group’s business partners, filing a petition for the commencement of civil rehabilitation proceedings on October 9, 2025, erex Group determined that a credit impairment had occurred as of the end of the previous interim consolidated accounting period with respect to trade and other receivables from ENETRADE Inc. Consequently, as of the end of the previous interim consolidated accounting period, erex Group classified 533 million yen - the amount obtained by subtracting trade and other payables to ENETRADE Inc. totaling 470 million yen from trade and other receivables totaling 1,003 million yen - as impaired financial assets and recorded a valuation allowance against this amount. In addition, erex Group reversed 566 million yen in derivative assets (other financial assets) and 6 million yen in derivative liabilities (other financial liabilities), which had been recorded as the valuation of the unfulfilled portion of the electric power contract for difference entered into with ENETRADE Inc., as of the end of the previous interim consolidated accounting period.

There were no other material transactions.

Current Interim Consolidated Accounting Period (April 1, 2026 – September 30, 2026)

There were no material transactions.

(Notes Related to Going Concern Assumptions)

Not applicable.

(Notes Related to Changes in Accounting Estimates)

Previous Interim Consolidated Accounting Period (April 1, 2025 – September 30, 2025)

erex Group revised the estimate for the asset retirement obligation that had been recorded as a restoration obligation associated with real estate lease agreements, based on newly obtained information.

As a result, compared to the previous method, operating income and pre-tax income for the previous interim consolidated accounting period have each increased by 576 million yen.

Current Interim Consolidated Accounting Period (April 1, 2026 – September 30, 2026)

Not applicable.