

Management Reference Materials

May 2026



The Okinawa Electric Power Company, Inc.

Characteristics of the Business Bases

Item	Overview	Reference Page
Demand for Energy	<ul style="list-style-type: none"> ■ Increasing demand for energy, supported by Okinawa's advantages and potential. ■ As the proportion of energy for consumer use is high, effects of economic fluctuations are low for demand for Electric power. ■ Potential demand due to large-scale urban development projects 	2 - 16
Competition Electricity rate	<ul style="list-style-type: none"> ■ OEPC is outside the framework of wide-area power interchange because that is not connected with the transmission lines of other power companies. ■ OEPC has voluntarily released power of 10,000kW supplied by J-Power in April 2016. ■ Competition in the Okinawa area is evolving, similar to that in other regions. ■ Price regulations on transitional regulated tariffs for the high-voltage segment were lifted from April 2026.. 	17 - 22
Power Generation Facilities	<ul style="list-style-type: none"> ■ A high reserve supply capacity is required since the systems of Okinawa area are small and independent. ■ Reliant on fossil fuels only due to difficulties to develop nuclear or hydraulic power generation. ■ Coal-fired thermal power generation is indispensable not only for stable supply but also for maintaining electricity rates. 	23 - 25
Global Warming Countermeasures	<ul style="list-style-type: none"> ■ Currently, possible measures are limited due to reasons including the region's geographic characteristics and constraints on the scale of demand. ■ The introduction of renewable energies contributes to reducing fuel consumption and cost on remote islands, where fuel unit price is high. ■ Since the systems of Okinawa area are small and independent, the limit of connection volume is likely to occur when using renewable energies. 	26 - 31
Remote Islands	<ul style="list-style-type: none"> ■ OEPC supplies power to 11 isolated systems including those in the main island. ■ The region has a high cost structure because it has small islands and also because the scale of the economy is small. This leads to constant loss recording. ■ Need to go carbon neutral in independent remote island grids. 	32 - 34
System	<ul style="list-style-type: none"> ■ Situation differs from other areas, such as the application of exception to restrictions on concurrent business and means of electricity trading ■ Special tax measures and Special Tax Measures Concerning the Securing of Funds(including low-interest-rate financing provided by the Okinawa Development Finance Corporation) are provided based on the Act on Special Measures for the Promotion and Development of Okinawa and other laws 	35 - 36



(i) Demand for Energy

(ii) Competition · Electricity rate

(iii) Power Generation Facilities

(iv) Global Warming Countermeasures

(v) Remote Islands

(vi) System

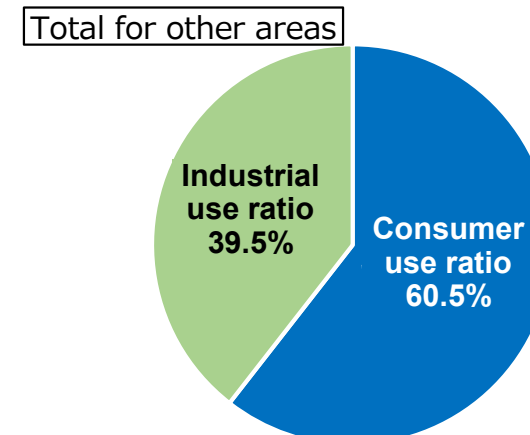
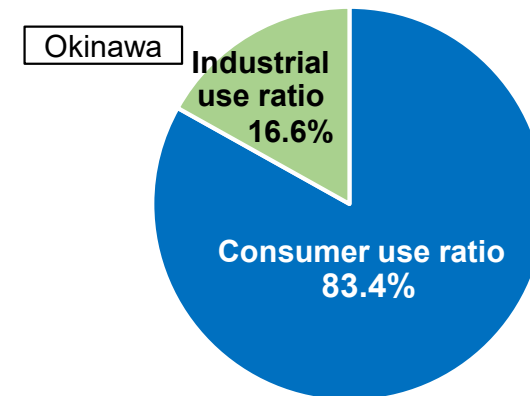
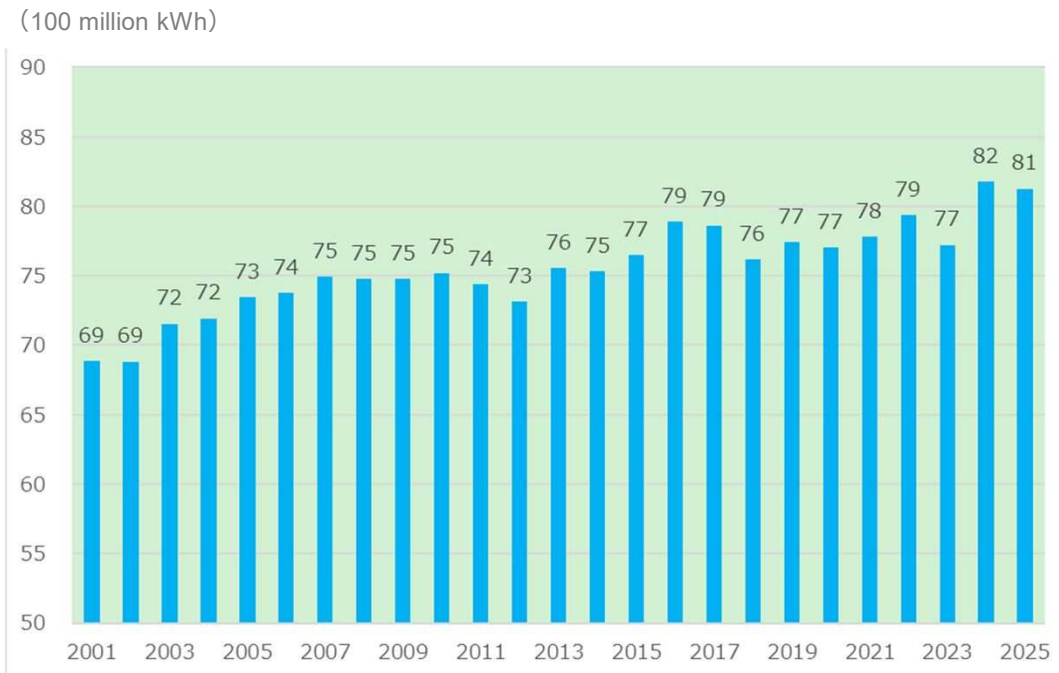
1. Trends in service area demand

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- Electricity demand in the Okinawa area in FY2025 declined year on year due to cooler temperatures compared with the previous year; however, electricity demand has remained broadly flat in recent years(Average growth rate over the past decade: 0.6%)
- Electricity demand in the Okinawa area is not easily affected by economic fluctuations, as about 80% of demand is for residential use, wholesale and retail businesses, schools, and other civilian uses. Meanwhile, residential demand tends to be influenced significantly by temperature conditions.

[Residential and industrial demand ratios in the service area]

[Trends in service area demand]



(FY) Source: Organization for Cross-Regional Coordination of Transmission Operators, Japan
 * FY2024 Results
 * Consumer Use: (Household and Other) + Commercial, Industrial Use = Industrial and Other

2. Characteristics of quarterly results

(i) Demand

(ii) Competition

(iii) Power

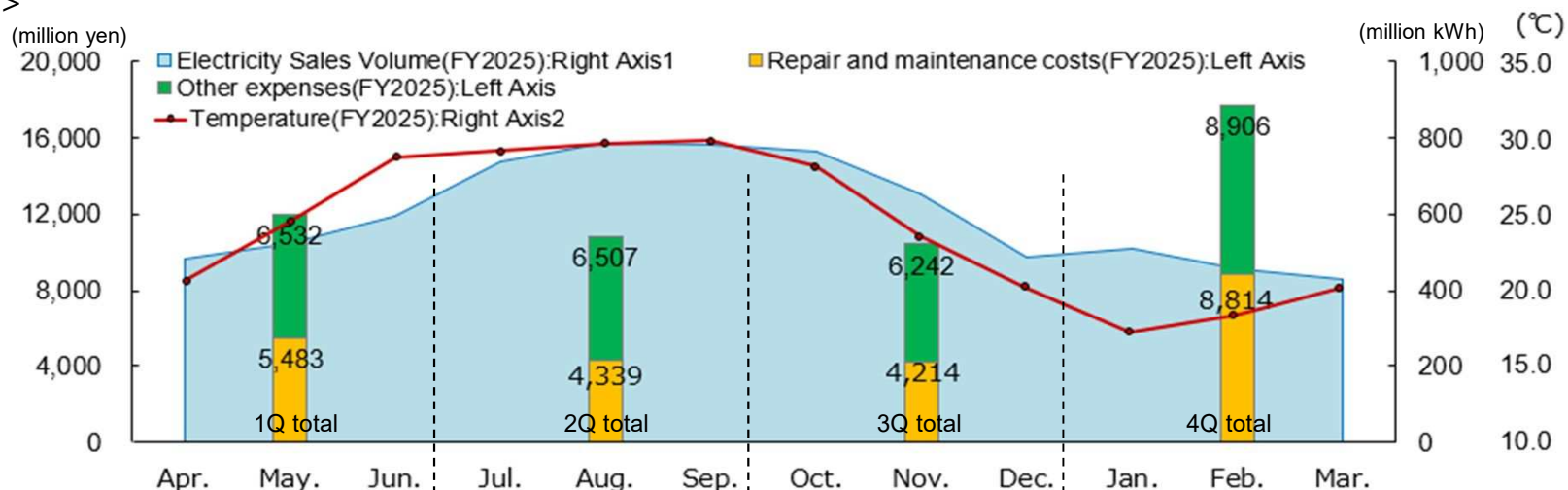
(iv) Global warming

(v) Remote Islands

(vi) System

- Our business has seasonal fluctuations in performance from quarter to quarter, and electricity demand and revenues tend to be particularly concentrated in the summer months.
- **1Q:** Costs are rising ahead of revenues, resulting in a deficit trend.
- **2Q:** Balance tends to be in the black as electricity demand increases due to peak demand for cooling in summer.
- **3Q:** Despite a drop in temperatures, the balance remains in the black as cooling demand will continue through September and October.
- **4Q:** Electricity demand is at its lowest throughout the year. A reduction in revenue, combined with increased costs from maintenance and inspections during the low-load period, leads to a deficit trend.

<Reference>



	1 Q		2 Q		3 Q		4 Q		Full year	
Temperature (FY2025, quarterly average)	24.5	°C	29.4	°C	23.8	°C	18.4	°C	24.0	°C
Electricity Sales Volume (FY2025, quarterly average)	1,604	million kWh	2,305	million kWh	1,905	million kWh	1,392	million kWh	7,206	million kWh
Ordinary revenues (Non-consolidated:2003-2025 average)	39,613	million yen	53,999	million yen	42,776	million yen	37,876	million yen	174,265	million yen
Ordinary expenses (Non-consolidated:2003-2025 average)	40,689	million yen	46,041	million yen	40,508	million yen	42,629	million yen	169,868	million yen
Ordinary Profit [Quarterly] (Non-consolidated:2003-2025 average)	-1,076	million yen	7,958	million yen	2,267	million yen	-4,753	million yen	4,397	million yen
Ordinary Profit [Cumulative] (Non-consolidated:2003-2025 average)	-1,076	million yen	6,882	million yen	9,149	million yen	4,397	million yen	4,397	million yen

3. Current Status and Future Forecast of Okinawa's Economy

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- The current state: The regional economy remains on an expansionary trend, underpinned by strong tourism demand, even as consumers maintain a cautious stance due to higher prices.
- Prospect: The outlook for the prefecture's economy is expected to continue to expand.

Trends in Main Economic Indicators of Okinawa Prefecture (Year-on-Year Comparison)

(Unit: %, X)

	FY2024			FY2025		
	1st Half	2nd Half	FY	1st Half	2nd Half	FY
Sales by large-scale retailers	6.4	6.7	6.5	6.1	5.9	6.0
No. of new car sold	-5.7	17.2	4.7	7.6	-3.6	1.9
No. of incoming tourists	18.2	15.1	16.6	11.6	8.2	9.9
Value of public works contracts	-13.3	3.1	-4.3	13.9	25.8	21.0
New residential Construction starts	-3.8	2.9	-0.7	-7.6	17.2	4.4
Total unemployment rate	3.3	2.9	3.0	3.2	3.2	3.1
Job Opening Ratio	1.07	1.15	1.11	1.06	1.12	1.09

Note 1: The figures for 'Sales by large-scale retailers' are calculated on an all-store base. Figures for March 2026 are preliminary estimates.
 Note 2: The figures for 'Total unemployment rates' and 'Job Opening Ratio' are raw data. The number of job openings by place of employment is used.
 Sources: Ministry of Economy, Trade and Industry (METI), Okinawa Prefecture, Ryugin Research Institute,

Personal consumption

Despite continued cost-conscious behavior amid rising prices, the recovery is gaining momentum.

Tourism

The number of incoming tourists, both domestic and international, continues to perform strongly and is expanding robustly.

Construction

Public investment is at a higher level. Residential investment is picking up.

Employment

The effective job opening ratio has remained at a high level of 1x for 44 consecutive months.

Overview of the Prefectural Economy

The business conditions DI in the BOJ's Tankan survey remained high compared to the nation as a whole, and has been positive for 15 consecutive quarters.

The outlook forecast is 33, down 8-point from March 2026, but still higher than the nation as a whole.

Business conditions DI (all industries)

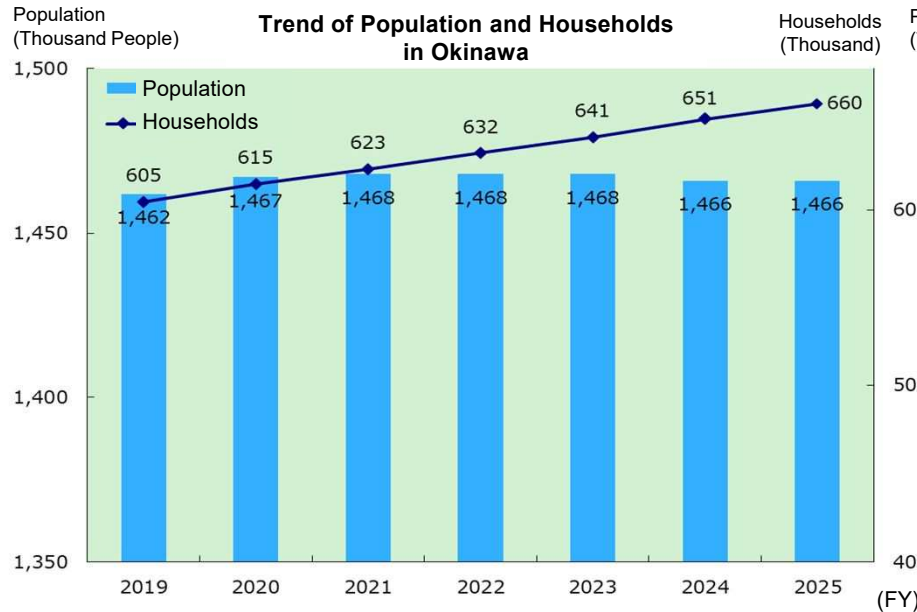


Source: Naha Branch, Bank of Japan

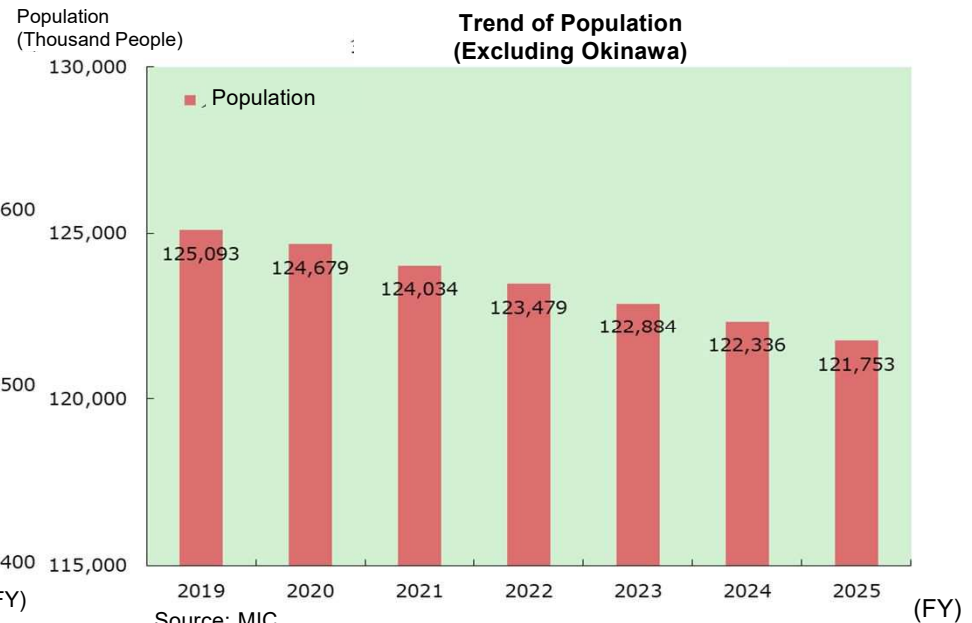
4. Okinawa Prefecture Demographics (1/2)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- In FY2025, the population of Okinawa Prefecture decreased by 611 (0.04%) from the previous year. Although the population has declined for four consecutive years since FY2022, the first decline since Okinawa's return to Japan, the National Institute of Population and Social Security Research forecasts that the rate of decline through 2050 will be the second lowest after Tokyo.
- The number of households has been on the rise, and was higher than in the previous year in FY2025.



Source: Population: MIC, Households: Okinawa Prefecture



Source: MIC

Estimated future population
[Index of population in 2050 when the population in 2020 is 100]

	2050
Nationwide	83.0
No. 1	102.5
	Tokyo
No. 2	94.8
	Okinawa
No. 3	92.3
	Kanagawa

[Portion of under-15 in population

(Unit: %)

	2020	2035	2050
Nationwide	11.9%	10.0%	9.9%
No. 1	16.6%	14.1%	13.8%
	Okinawa	Okinawa	Okinawa
No. 2	13.6%	11.4%	11.6%
	Shiga	Kumamoto	Kumamoto
No. 3	13.5%	11.2%	11.3%
	Saga	Fukuoka	Fukuoka

Source: National Institute of Population and Social Security Research

4. Okinawa Prefecture Demographics (2/2)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- The total fertility rate of Okinawa Prefecture in FY2024 was 1.54, the highest among all prefectures in Japan (nationwide:1.15)
- The population change in Okinawa Prefecture for FY2025 was -0.4 persons per thousand, marking the fourth consecutive year of decline (nationwide: -4.7)

Okinawa Prefecture Demographics

(People)

		2021	2022	2023	2024	2025
The total fertility rate	Nationwide	1.30	1.26	1.20	1.15	—
	Okinawa	1.80	1.70	1.60	1.54	—
	Ranking	(1)	(1)	(1)	(1)	—
The Increase of population (Per Thousand people)	Nationwide	-5.1	-4.4	-4.8	-4.4	-4.7
	Okinawa	0.7	-0.1	-0.2	-1.1	-0.4
	Ranking	(1)	(2)	(2)	(6)	—
The Natural Increase of population (Per Thousand people)	Nationwide	-4.8	-5.8	-6.7	-7.2	-7.5
	Okinawa	0.9	-0.5	-1.4	-2.3	-2.5
	Ranking	(1)	(1)	(1)	(1)	—
The Social Increase of population (Per Thousand people)	Nationwide	-0.3	1.4	1.9	2.7	2.7
	Okinawa	-0.2	0.4	1.2	1.1	2.1
	Ranking	(11)	(17)	(13)	(15)	—

Source: "Vital Statistics" by Ministry of Health, Labour and Welfare
 "Population Estimates" by Statistics Bureau, Ministry of Internal Affairs and Communications
 "FY2025 Annual Report on Population Migration". Okinawa Prefectural Government. FY2025 figures are company estimates based on published data.

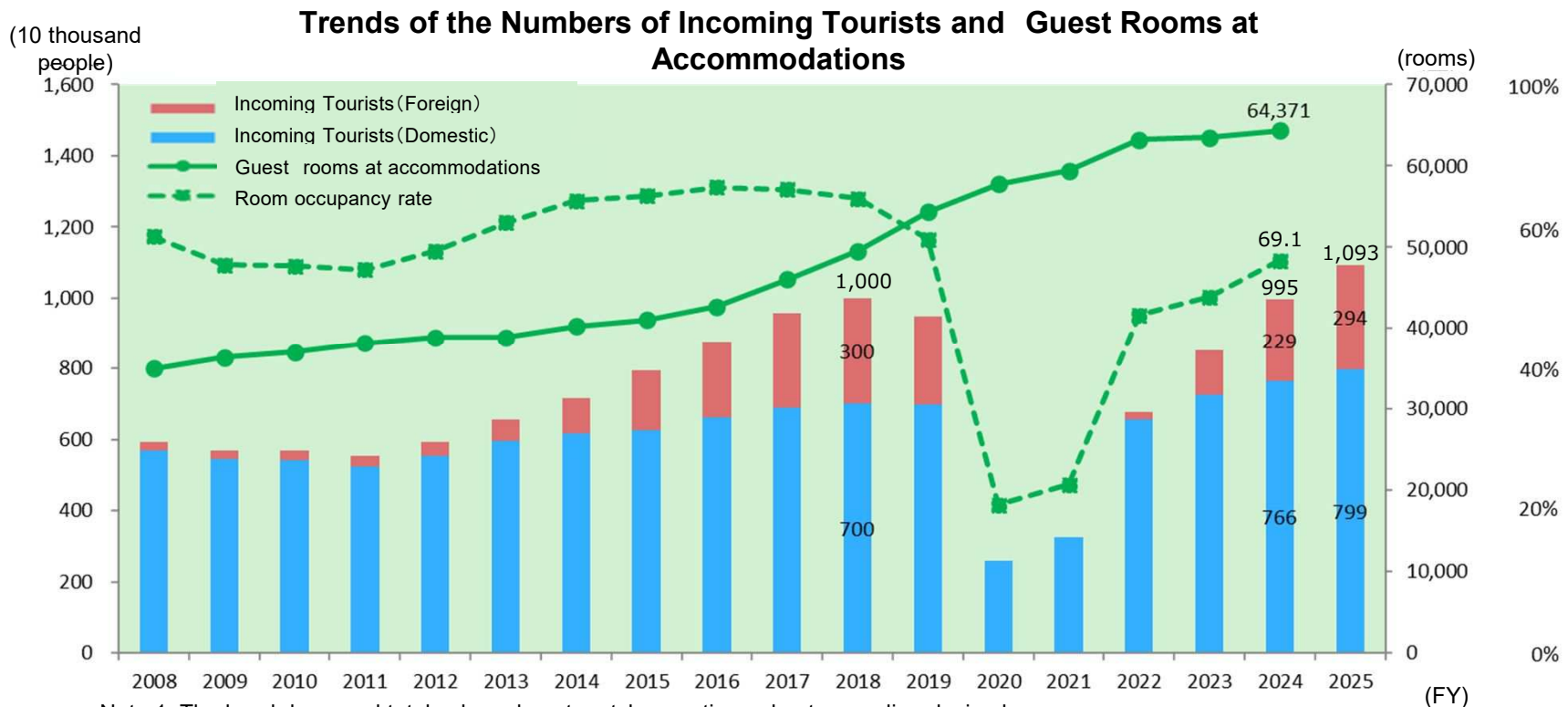
The figures in brackets in the chart show Okinawa Prefecture's national ranking

5. Number of incoming tourists (1/2)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- The number of incoming tourists in FY2025 was 10.93 million(9.9% growth over the previous year), and the highest ever.
 - Domestic visitor numbers exceeded the previous peak recorded in FY2024, reaching an all-time high. International visitor numbers have been increasing for 42 consecutive months, supported by the resumption and launch of international air routes and cruise ship services, and have broadly recovered to pre-pandemic levels.
 - Both the number of hotel guest rooms and the hotel room occupancy rate are also on an upward trend.
 - The reconstruction of the Seiden (Main Hall) of Shuri Castle is scheduled for completion in the fall of 2026, after which further growth in tourist arrivals is expected.
- *Compared to FY2018: 109.3% (domestic tourists 114.2% foreign tourists: 98.0%)

Reference: The electricity demand of hotels and inns accounts for about 6% of the total in the first half of FY2025, which is about 30% more than FY2018 before COVID-19.



Note 1: The breakdown and total values do not match sometimes due to rounding decimals.

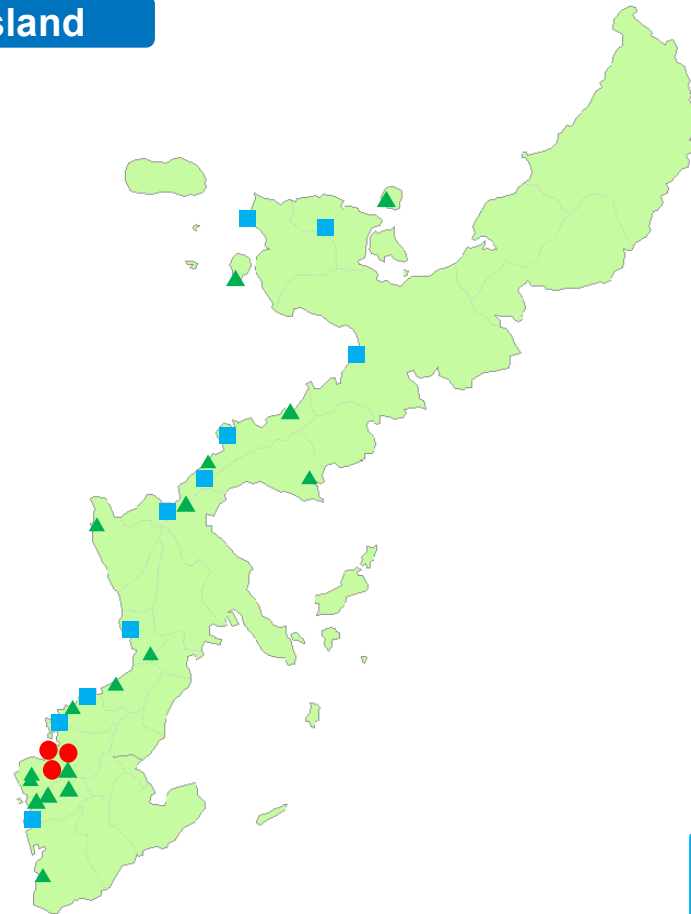
Note 2: Figures for the number of rooms and occupancy rates at accommodation facilities are available through FY2024

Source: "Tourism Guidebook", "Summary Statistics on Incoming Tourists to Okinawa", "2024 Accommodations Fact-finding Survey Result", published by Okinawa Prefectural Government, "Regional Economic Report" by Bank of Japan, Naha Branch,

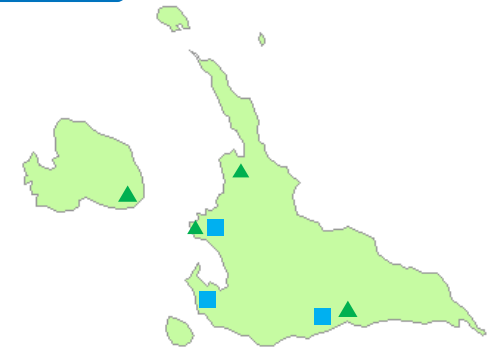
7. Major Plans for Opening Accommodations

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

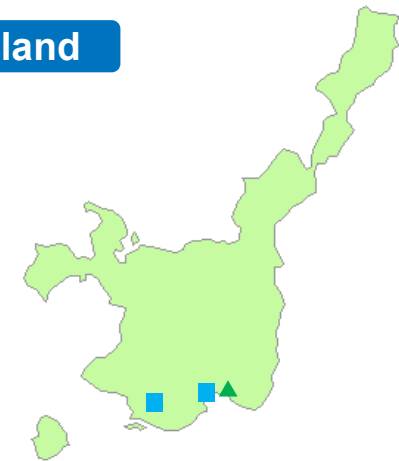
Okinawa Main Island



Miyako Island



Ishigaki Island



[Opening Timing]
 ▲ 2021~2024
 ● 2025
 ■ After 2026

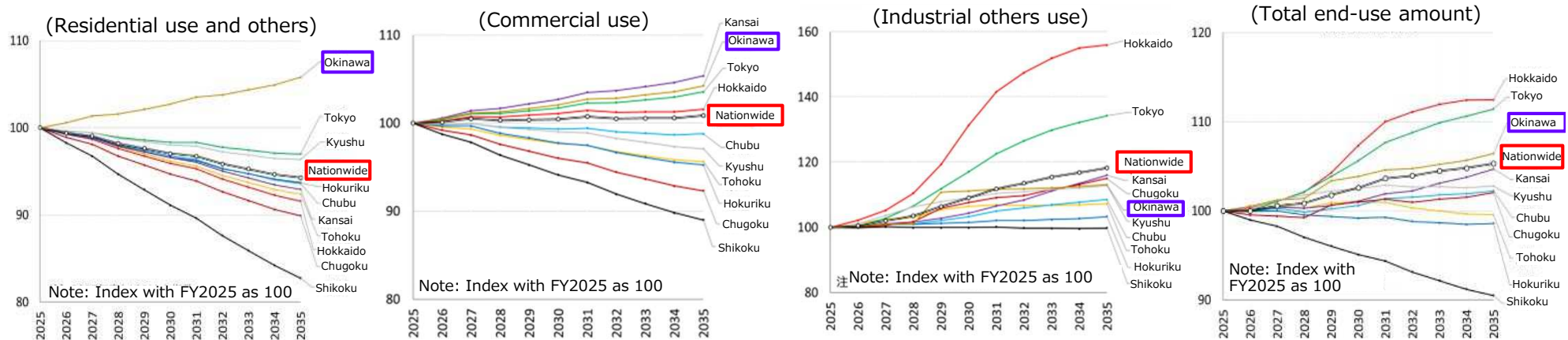
Opening Accommodations	
2021	: 10
2022	: 9
2023	: 4
2024	: 3
2025	: 3
After2026	: 25

Source: Compiled by OEPC based on newspaper reports, etc.

8. Trends in Electricity Demand in Okinawa Area

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- Electricity demand for “Residential use and others” in the Okinawa area is expected to increase as **the number of households (number of units) will continue to increase**, although the population has turned to a declining trend. (Average annual growth rate of 0.6% after adjusting for temperature for FY2025-2035)
- In the “Commercial use” category, demand growth is expected to be driven by **commercial facilities and an increase in the number of lodging facilities due to the rise in the number of tourists**. (Average annual growth rate of 0.4%)
- In the “Industrial use” category, demand growth is expected to be driven by **an increase in demand for facilities and services supporting daily life, resulting from the rising number of households and tourists**. (Average annual growth rate of 1.2%)
- Overall, the annual average growth rate of electricity demand in the Okinawa area for FY2025-2035 is 0.6%. (0.5% nationwide)
- In the mainland area, new data centers and semiconductor factories are the main drivers of demand growth, while in Okinawa, the expansion of the local economy, especially in the tourism and service sectors, is driving electricity demand.



Comparison of electricity demand by service area
 (Residential use and others, industrial use, and total end-use amount: index with FY 2025 as 100)
 *FY2025 figures are estimated actual results

Source: Organization for Cross-regional Coordination of Transmission Operators, Japan, FY2026 Demand Projections for Nationwide and by Service Area (released in January 2026)

9. Current State of U.S. Military Bases

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

Outline of the U.S. military Forces in Okinawa

No. of Facilities	33
Area	186.682km ²

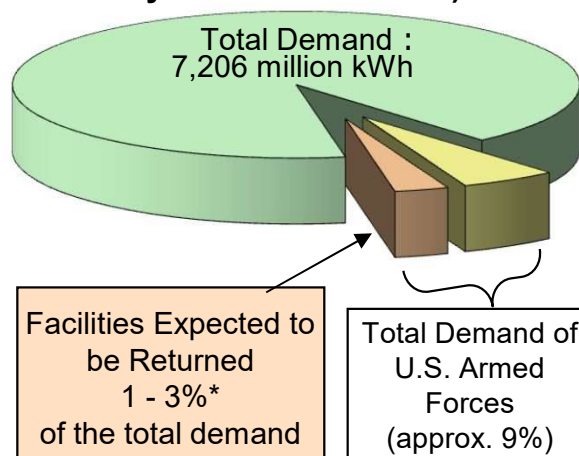
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No. of employees working for the U.S. Armed Forces in Okinawa: 8,922

*As of the end of March 2024.

Sources : Japan Ministry of Defense “US Forces and SDF Bases in Okinawa July 2025”, Military Base Affairs Division, Executive Office of the Governor, Okinawa Prefecture

The U.S. Armed Forces’ share of total electricity demand (FY2025)



* Range in figures due to planned return of facilities includes partial return.

Principal electricity supply destination facilities *1

Camp Gonsalves	[US Marine Corps]	Kunigamison, Higashison	36.590km ²
Okuma Rest Center	[US Air Forces]	Kunigamison	0.546km ²
Iejima Auxiliary Air Base	[US Marine Corps]	Ieson	8.015km ²
Yaedake Communication Site	[US Air Forces]	Motobucho, Nago-shi	0.037km ²
Camp Schwab	[US Marine Corps]	Nago-shi, Ginozason	20.626km ²
Camp Hansen	[US Marine Corps]	Nago-shi, Ginozason, Onnason, Kincho	48.748km ²
Kadena Ammunitions Storage Area	[shared use]	Onnason, Uruma-shi, Okinawa-shi, Kadenacho, Yomitanson	26.276km ²
Camp Courtney	[US Marine Corps]	Uruma-shi	1.339km ²
Camp Mc Tureous	[shared use]	Uruma-shi	0.379km ²
Camp Shields	[shared use]	Okinawa-shi	0.700km ²
Torii Station	[US Army]	Yomitanson	1.895km ²
Kadena Airbase	[US Air Forces]	Okinawa-shi, Kadenacho, Chatancho, Naha-shi	19.856km ²
White Beach Naval Facility	[shared use]	Uruma-shi	1.568km ²
Camp Kuwae	[US Marine Corps]	Chatancho	0.676km ²
Camp Zukeran	[US Marine Corps]	Uruma-shi, Okinawa-shi, Kitanakagusukuson, Chatancho, Ginowan-shi	5.342km ²
Futenma Airport	[US Marine Corps]	Ginowan-shi	4.758km ²
Makiminato Service Areas	[US Marine Corps]	Urasoe-shi	2.675km ²
Naha port facilities	[US Army]	Naha-shi	0.559km ²

*3

*1 Professional use and large-demand customers

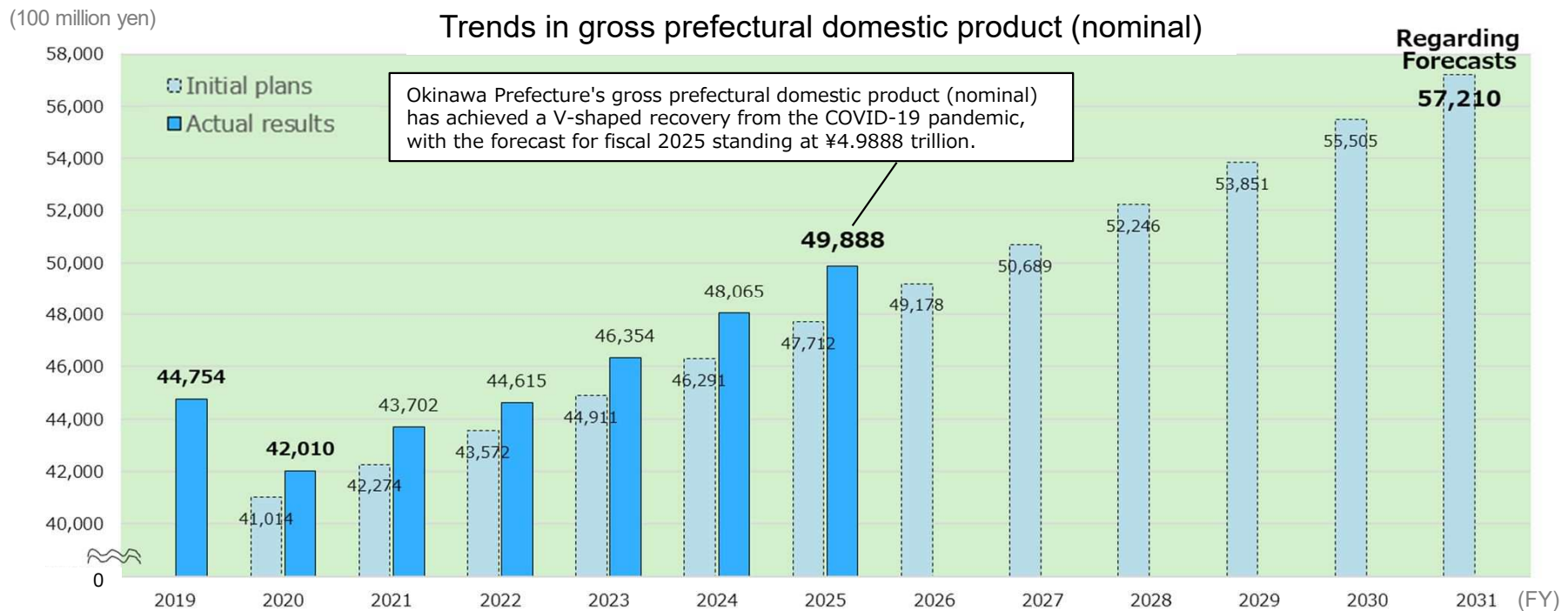
*2 Areas where facilities exist on a cross-area basis

*3 Facilities south of Kadenacho are scheduled to be returned (Partial return applies to Camp Zukeran)

10. Gross prefectural domestic product (nominal)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- The "New Basic Plan for 21st Century Vision of Okinawa (released in May 2022)," a basic concept by Okinawa Prefecture, shows a projected nominal gross prefectural product of 5,721 billion yen in FY2031, and the implementation of various measures* based on this plan is expected to help develop the Okinawa economy.
 - *The New Basic Plan for 21st Century Vision of Okinawa includes 36 basic measures, including "the formation of sustainable tourist destinations and the transformation of tourism in Okinawa," "the advancement and high value-added development of information and communication related industries," and "the formation of an international logistics base and the concentration of air- and port-based industries."
- In addition, the "GW2050 PROJECTS Promotion Council" (hereinafter referred to as the "Promotion Council"), established under the leadership of the private sector in cooperation with various economic organizations and related local governments in the prefecture, aims to promote the integrated use of the former base return site and the functional enhancement of Naha Airport, with the goal of driving the economic development of Okinawa, positioning it as an "Open Gateway to the World" that will truly lead Japan's progress.



Sources: "New Basic Plan for 21st Century Vision of Okinawa," Okinawa Prefecture "Prefectural Accounts for FY2022," "Prefectural Economic Outlook for FY2025 (released in September 2025)"

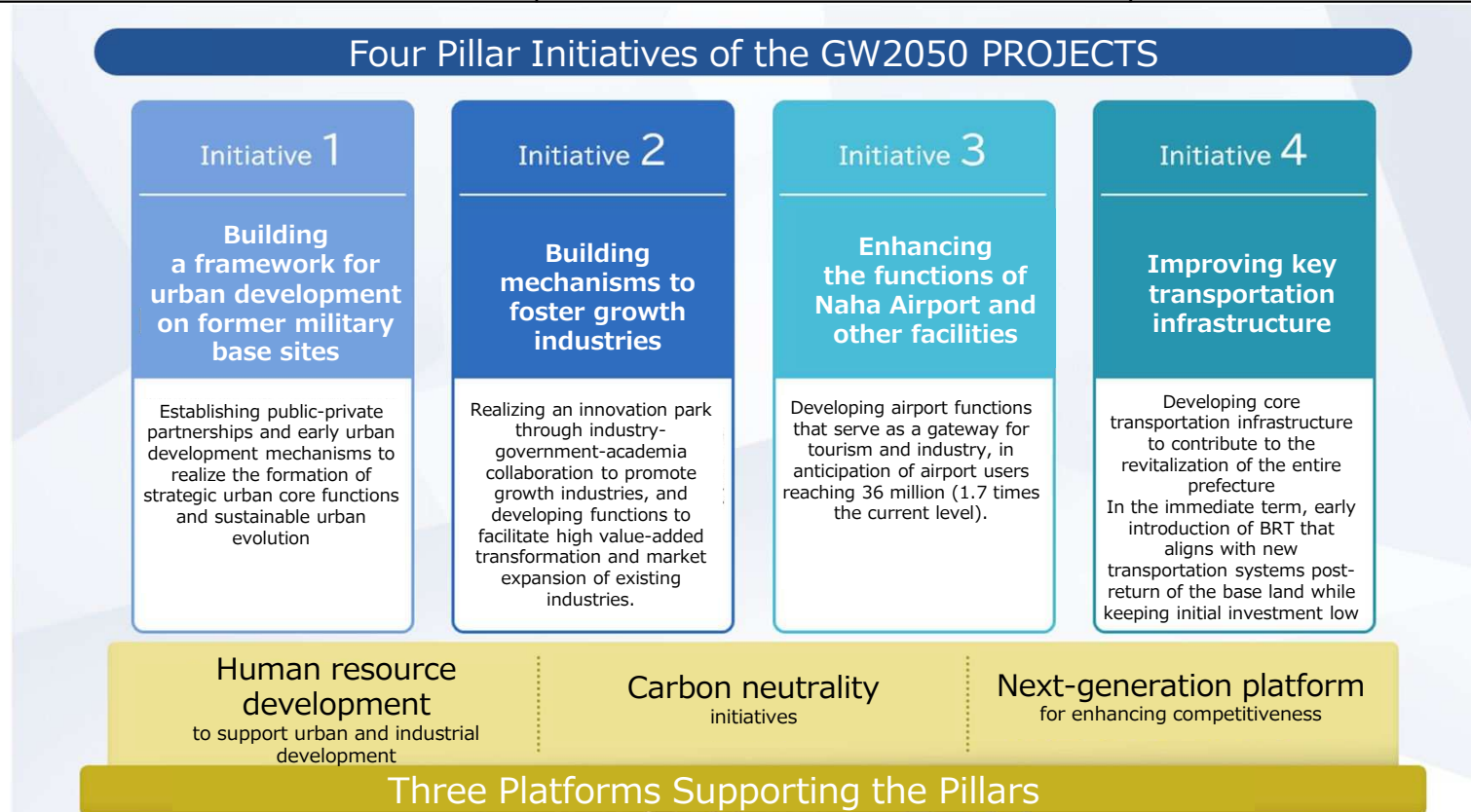
Notes: The initial plan for FY2031 is the projected value in the "New Basic Plan for 21st Century Vision of Okinawa" (The initial plan for FY2020 is the estimated actual results for FY2020 as of May 2022)
 Initial plan for FY2021-FY2030 is our estimate based on the average annual growth rate up to the projected value for FY2031
 FY2019 to FY2022 are actual values, FY2023 and FY2024 are estimated actual values, and FY2025 is a forecast value, all of which are released by Okinawa Prefecture

11. GW2050 PROJECTS (1/4)

(i) Demand	(ii) Competition	(iii) Power sources
(iv) Global warming	(v) Remote islands	(vi) Program

- Established in August 2024, the "GW2050 PROJECTS Promotion Council" has identified four key value-creation hubs for Okinawa's growth: Naha Port facilities, the Makiminato Supply District, Futenma Airfield, and Naha Airport, which serves as the gateway to both industry and daily life. The council has promoted exploring strategic functional divisions and the integrated redevelopment of these sites to establish them as a world-class gateway.
- In FY2024, the council established a "Grand Design" that outlined strategies to enhance productivity, shift towards a high-value-added industrial framework, and cultivate human resources as the foundation of urban development to achieve a "self-sustaining economy," while preserving Okinawa's unique characteristics.
- In FY2025, the council compiled a 28-measure action plan in the "Growth Strategy" based on four pillars and three platforms to bring the Grand Design to fruition.*

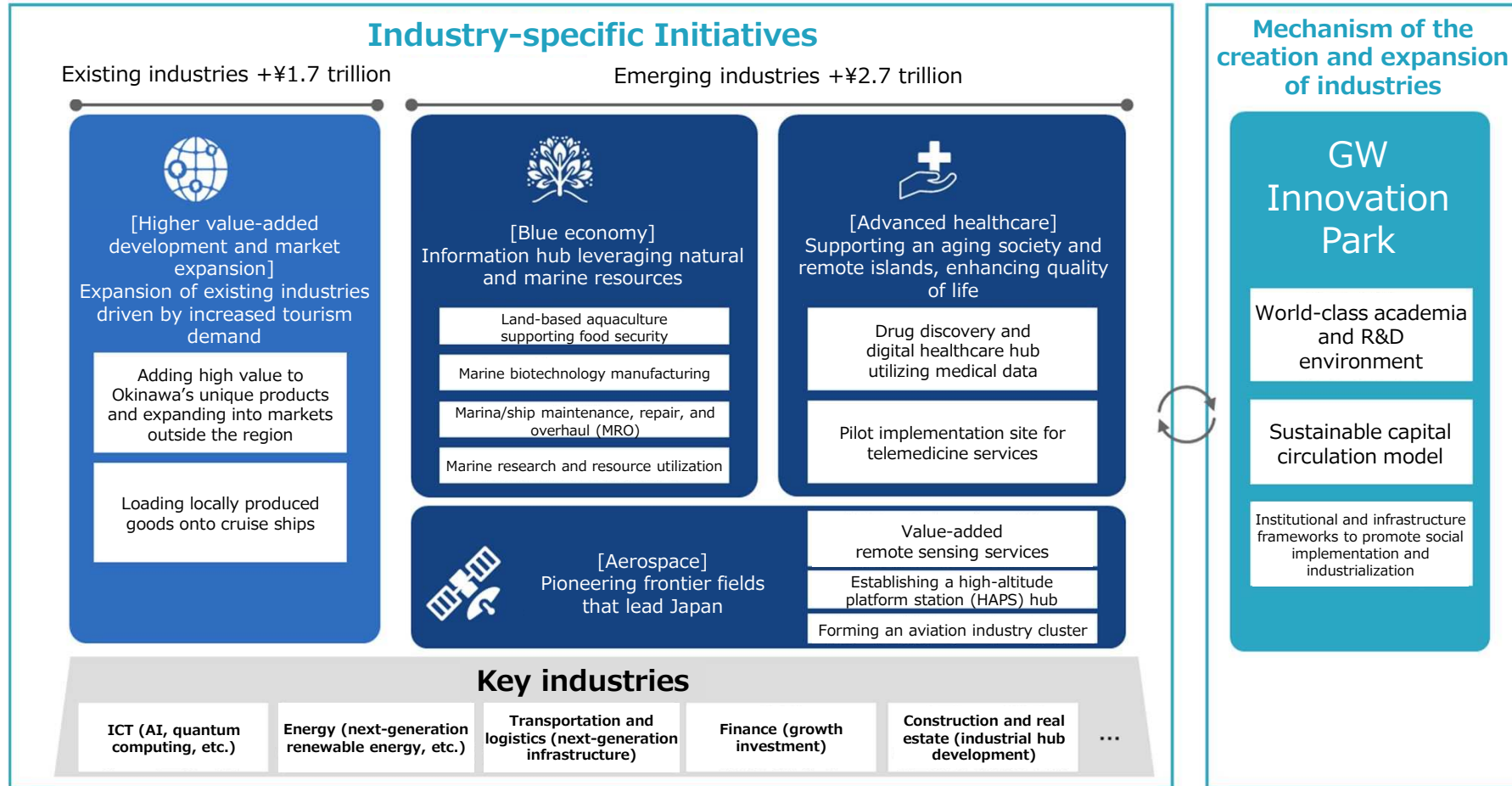
*The GW2050 PROJECTS Promotion Council plans to announce new details in late May.



11. GW2050 PROJECTS (2/4)

(i) Demand	(ii) Competition	(iii) Power sources
(iv) Global warming	(v) Remote islands	(vi) Program

- To promote the creation of growth industries, mechanisms are being established from two perspectives: industrial sectors and the creation and expansion of industries.



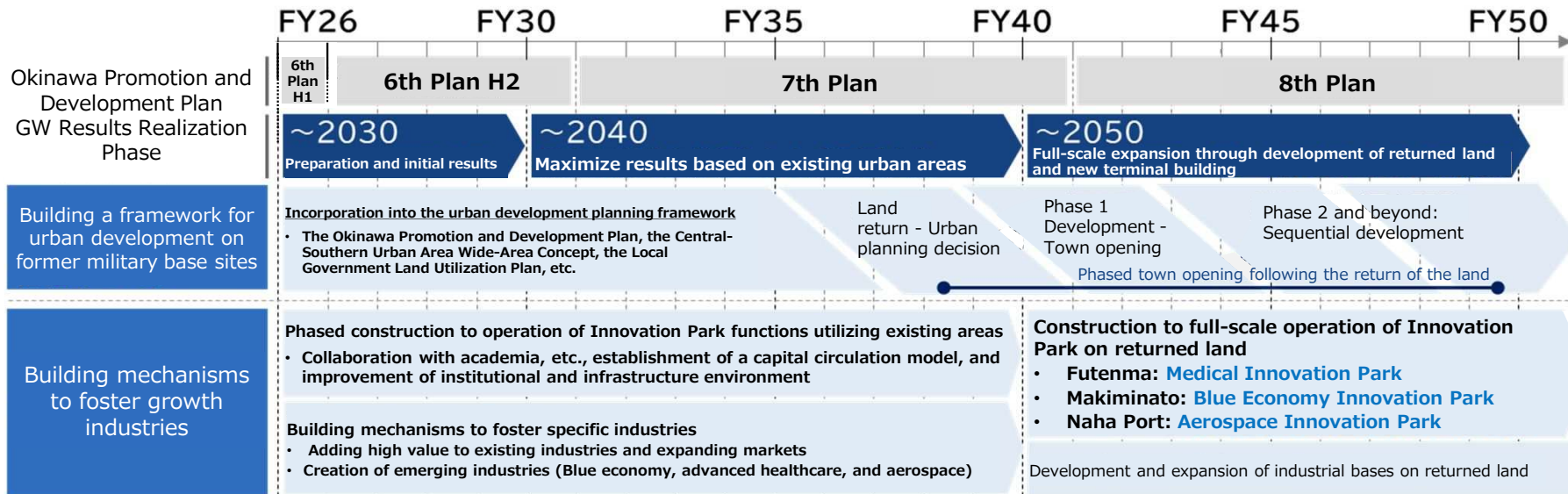
[Growth Targets for 2050]

	2024	2050		2024	2050
Nominal prefectural GDP	¥4.9 trillion	¥11 trillion	Workforce	770,000 people	930,000 people
Per capita prefectural income	¥2.54 million	¥5.52 million	Total population	1,470,000 people	1,670,000 people

11. GW2050 PROJECTS (3/4)

(i) Demand	(ii) Competition	(iii) Power sources
(iv) Global warming	(v) Remote islands	(vi) Program

- A roadmap for realizing the urban development and GW Innovation Park, based on the timeline for the return of the military base sites



[Approach to the Roles of Three Bases]

	Naha Port Facilities	Makiminato Supply District	Futenma Airfield
Role of each base	Serving as a gateway to showcase the growth industries of these three hubs to the world, they will leverage their proximity to the airport and port to function as a hub for global business hospitality (a stage for international exchange), while also serving as a center for research, development, and industrialization in the aerospace segment and as a regional strategic base for multinational corporations.	The District is a transportation hub connecting Naha and Futenma. It boasts transportation access, logistical convenience, and scenic beauty, which will be used to accommodate tourism, business, and research, as well as diverse forms of global tourism. It will serve as an international-standard urban residential resort while also functioning as a hub for marine industries and international logistics.	The expansive former site will be repurposed to serve as a hub for research and development and industrialization in the field of advanced healthcare. It will also serve as a hub for global human resource development and international exchange. Furthermore, given its strategic location within the central and southern metropolitan area, it will serve as a transportation hub, supporting urban and transportation strategies in all directions: north, south, east, and west.
Concept diagram			

11. GW2050 PROJECTS (4/4)

(i) Demand	(ii) Competition	(iii) Power sources
(iv) Global warming	(v) Remote islands	(vi) Program

■ GW Innovation Park image





(i) Demand for Energy

(ii) Competition • Electricity rate

(iii) Power Generation Facilities

(iv) Global Warming Countermeasures

(v) Remote Islands

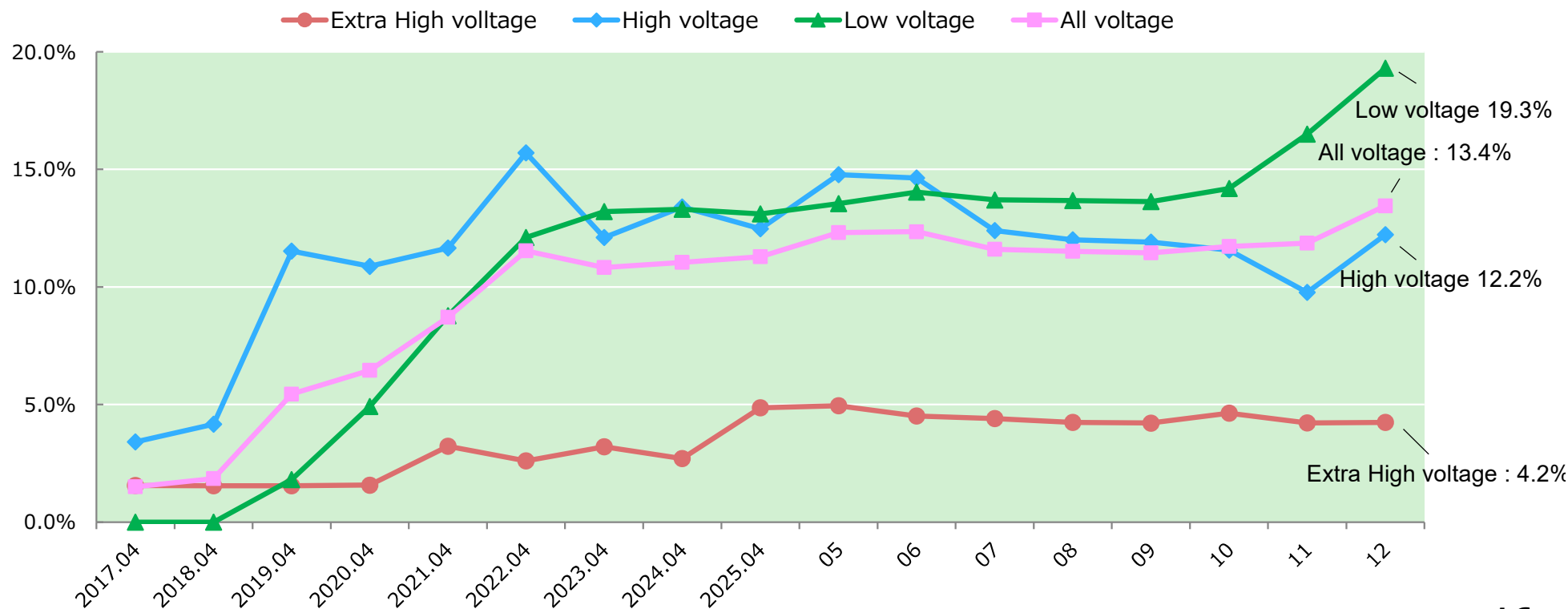
(vi) System

1. Full liberalization of the Electricity Market

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- As part of a voluntary initiative to enhance the competitive environment in the Okinawa area, which functions as an independent power system, in April 2016, a segment of the Ishikawa Coal-Fired Power Plant, managed by Electric Power Development Co., Ltd., was divested. In April 2018, the Company initiated the provision of a “wholesale electricity menu for supply and demand adjustment.”
- In July 2021, a biomass power plant by a power producer and supplier (PPS) started operation, and further competition has been in progress.
- While currently, the share of electricity sold by PPS is 13.4% of the total for all voltages (as of December 2025), and competition is also steadily increasing in the Okinawa area, we will continue to strive to be the company of choice by developing comprehensive energy services through the concerted efforts of the entire group.

Trend of PPS’s Share in Electricity Sales Volume (By voltage)



Source : “Electricity Trading Report”.

2. Status of Transitional Measures for Retail Charges

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- With the elimination of regional monopolies due to the complete liberalization of entry into the electricity retail sector, rate regulations will become unnecessary in principle.
- On the other hand, it has been decided with the liberalization that rate regulations will be abolished after a transitional period so as not to interfere with the stable supply of electricity or cause confusion among consumers.
- The decision was made to terminate the transitional changes in the high-voltage field, which had been in effect only in the Okinawa area, in April 2026.

	OEPC		< Reference > Nine electric power companies in the mainland	
	Retail department	Transmission and distribution department	Retail company	Transmission and distribution company
Extra-high voltage ⇒ Large factories, large shopping centers, etc.	Free rate 【20%】 (18%)		Free rate	Last resort supply rate
High voltage ⇒ Supermarkets, office buildings, etc.	Transitional treatment fee (Regulated rate) 【14%】 (17%) ⇒ Regulated tariffs were abolished from April 2026	Free rate 【22%】 (20%)	Free rate	Last resort supply rate
Low voltage ⇒ For household use, small stores, etc.	Transitional treatment fee (Regulated rate) 【27%】 (30%)	Free rate 【17%】 (15%)	Transitional treatment fee (Regulated rate)	Free rate

- The percentage of retail electricity sales to total electricity sales in FY2025 is shown in [], and the percentage when remote islands are included is shown in ().
- Areas for which transitional measures have been lifted may receive last resort supply from the general electricity transmission and distribution utility.
※ Last resort supply rate will apply starting April 2026.

3. The Fuel Cost Adjustment System

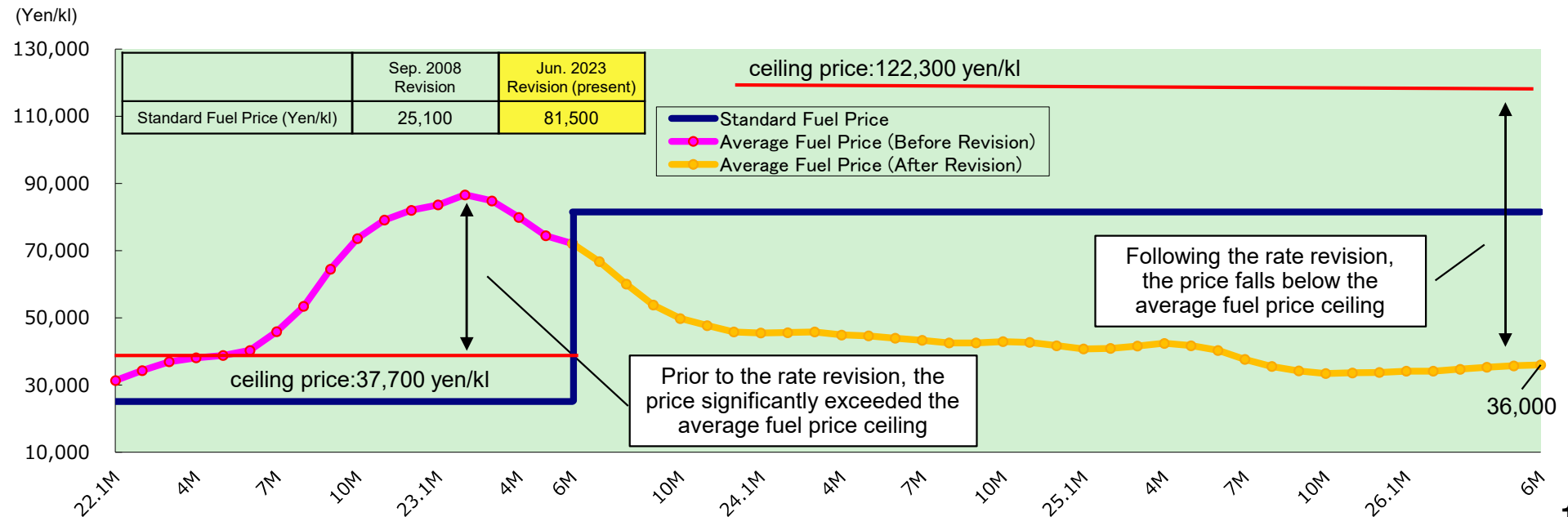
(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- The fuel cost adjustment system was introduced for the purpose of clarifying the “internal factors” such as the results of efforts to promote management efficiency at electric power companies and reflecting “external factors” onto electricity rates such as exchange rates and oil and coal and LNG prices that alter the economic situation.
- The average fuel price is calculated using trade statistics for crude oil, coal, and LNG from the three-month period before the five-month period prior to adjustment. It is then compared with the benchmark fuel price at the time of the rate revision. As a result of this comparison, automatic monthly adjustments are made to electricity rates.

[Fuel price ceiling under the fuel cost adjustment system]

- The fuel price ceiling under the fuel cost adjustment system is established with consumer protection in mind, as it has the effect of suppressing the increase in electricity prices that often accompanies a rise in fuel prices.
- Regulated rates are subject to a cap on the fuel cost adjustment. However, since the June 2023 rate revision, which saw the revision of the fuel adjustment cap (from 37,700 yen to 122,300 yen,) fuel prices have continued to decline, reaching 36,000 yen/kl in June. Therefore, at present, the likelihood of exceeding the limit is minimal.

[Trend of Average Fuel Price and Standard Fuel Price





(i) Demand for Energy

(ii) Competition · Electricity rate

(iii) Power Generation Facilities

(iv) Global Warming Countermeasures

(v) Remote Islands

(vi) System

1. Demand - Supply balance

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- Not being connected to the mainland power system (power grid) and being outside the scope of wide-area power pooling necessitates high reserve capacity to ensure stable supply. To ensure a reliable power supply, even in the event of an accident involving the largest unit, reserve capacity is maintained at a level that exceeds the maximum single unit capacity.
- We would ensure long-term and stable supply.

Demand-supply balance of maximum electric power (August)

(Unit : Thousand kW, %)

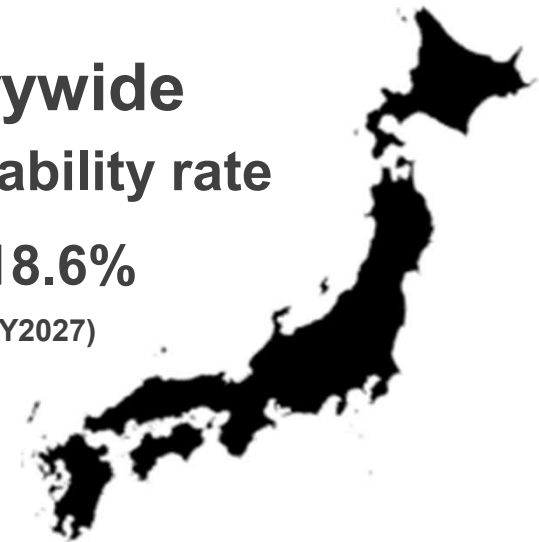
		2025 [Reference]	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Demand-supply balance	Supply capacity	2,046	2,073	2,112	2,247	2,284	2,287	2,289	2,290	2,300	2,184	2,187
	Peak load	1,601	1,623	1,630	1,637	1,669	1,677	1,684	1,691	1,699	1,706	1,714
	Reserve capability	445	450	482	610	615	610	605	599	601	478	473
	Reserve capability rate	27.8	27.7	29.5	37.2	36.8	36.4	35.9	35.4	35.4	28.0	27.6

Note: Based on FY2026 Supply Plan Notification. (general transmission / distribution business)

Okinawa
Reserve capability rate
27.7%-29.5%
(FY2026-FY2027)



Countrywide
Reserve capability rate
17.4%-18.6%
(FY2026~FY2027)



* The mainland's reserve capability rate is the median value for each company in August.

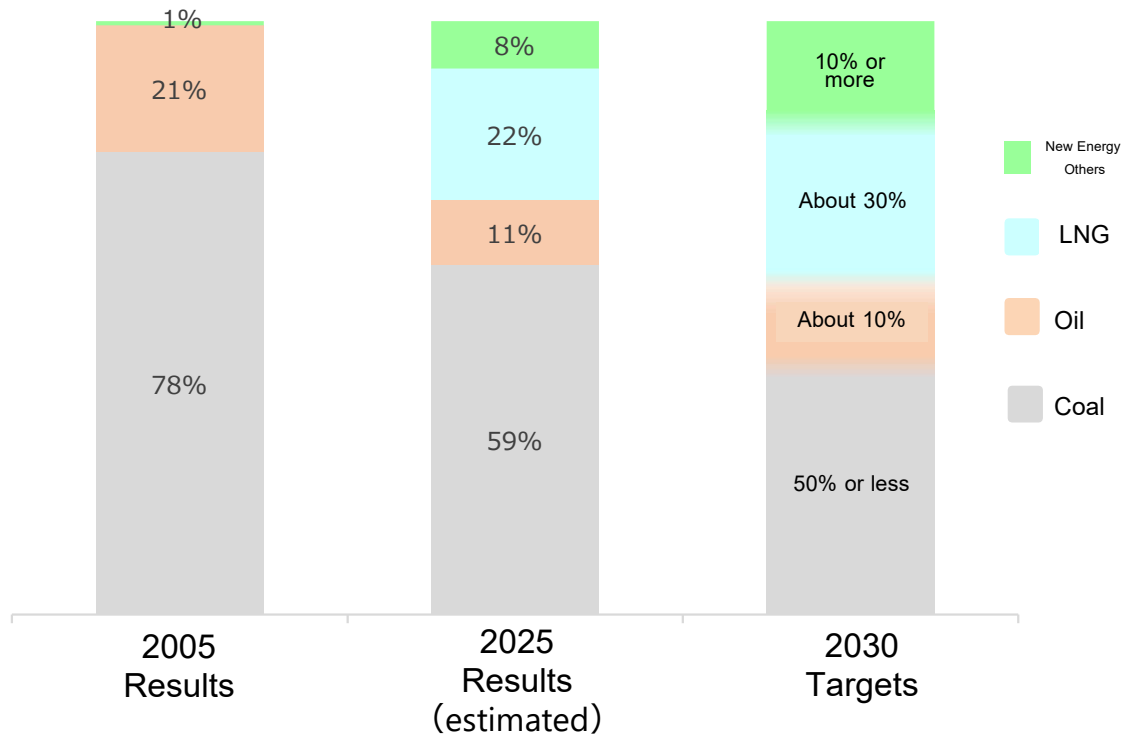
2. Power Generation Facilities (Power Supply Composition)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- The composition of electric power source centered on fossil fuel such as oil, coal and LNG. The developing nuclear or hydroelectric power generation is difficult in Okinawa due to the reasons of geographic condition and the small scale of demand.
- Through the operation start (from 2012) of the Yoshinoura Thermal Power Plant whose energy source is LNG, the first of its kind in the Company, the Company has secured long-term supply capacity and effective tools for enhancing energy security and global warming preventive measures.
- To realize the Company's FY2030 ambitious target of "a 30% reduction of CO2 emissions (compared to FY2005)," the Company will steadily push forward with "Making renewable energy the mainstream" and "Reduction of CO2 emissions from thermal power sources."

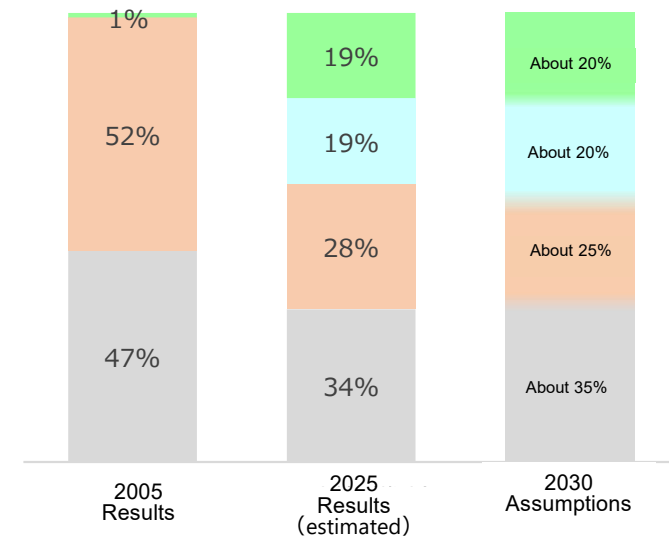
Power Supply Composition Ratio(kWh)

(Electricity sold by the company the figures include other companies. Excludes wholesale sales.)



Reference : Amount of facilities in Okinawa area(kW)

Composition of the installed capacity (kW) for the entire Okinawa area by power source type (assumed values based on the FY2026 supply plan), which is the premise for calculating the power source composition (electric energy) shown on the left.



3. Response to the Fade-out of Inefficient Coal-fired Thermal Power Generation

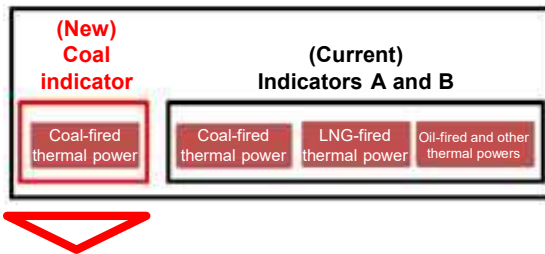
(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

■ For Okinawa, where thermal power generation has to be the mainstay, coal-fired thermal power generation is indispensable for stable supply, etc. On the other hand, it is necessary to respond appropriately in light of the direction of the national government, such as the 2050 Carbon Neutral Declaration.

< The policy package for the Fade-out of Inefficient Coal-Fired Thermal Power Generation >

① Regulatory measures (Energy Saving Act)

New thermal power indicator (Conceptual diagram)



Target level: Power generation efficiency of 43%

- * Corrective measures for calculation of power generation efficiency
 - ✓ Correction of biomass co-firing, etc.
 - ✓ Correction of ammonia/hydrogen co-firing
 - ✓ Correction of reduction in power generation efficiency due to adjusting operation

② Guidance by the capacity market

⇒ Not applicable to Okinawa

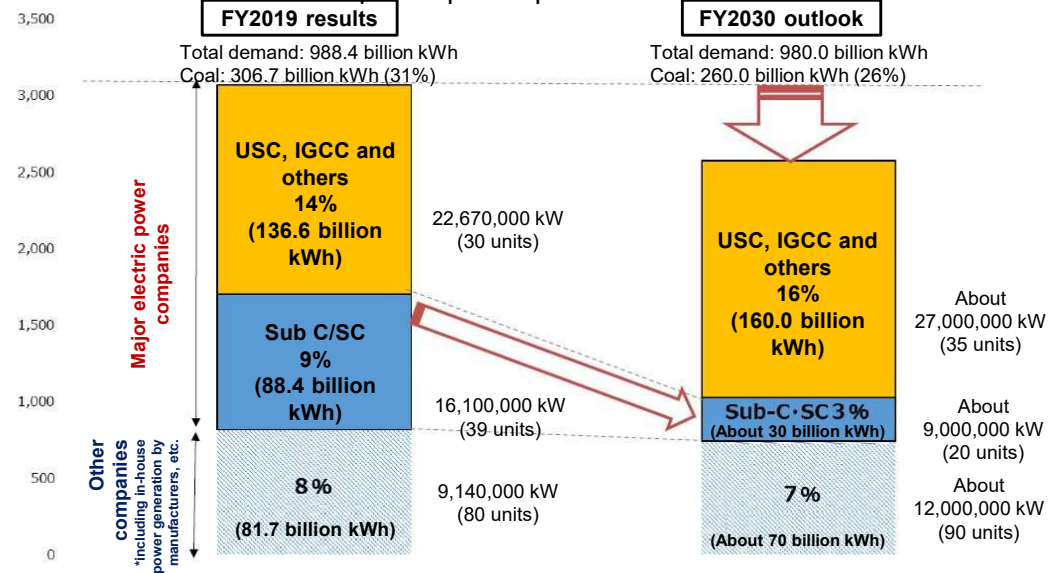
(Reference) The requirement is that the annual facility utilization ratio for the subject coal-fired power units must be reduced to 50% or less, and a penalty of 20% of the contract amount will be collected for power sources that exceed this ratio.

* "As coal-fired thermal power generation plays a role in supporting local employment, the local economy, and the stable supply of electric power, it is important to continue making efforts while listening to the opinions of relevant parties, in light of concerns expressed about the impact of its suspension and abolition."

Source: Interim Report of Coal-fired Power Study WG (April 23, 2021)

③ Fade-out plan (Annual submission)

(Diagram) Outlook of the inefficient coal-fired thermal power generation fade-out
*Estimated results based on the fade-out plans submitted by specific coal-fired power plant operators



*Estimation are based on transmission end power generation.
*The remaining SCs and Sub-Cs in FY2030 will be important facilities for stable supply and local employment, for which it is also necessary to take measures such as reduction of the operating rate and co-firing.

<Reference: Coal-fired thermal power stations owned by the Company>

Power station/unit		Maximum output	Power generation system	Start of operation
Gushikawa Thermal Power Plant	No. 1 Unit	156,000 kW	Sub-C	1994.3
	No. 2 Unit	156,000 kW		1995.3
Kin Thermal Power Plant	No. 1 Unit	220,000 kW		2002.2
	No. 2 Unit	220,000 kW		2003.5



(i) Demand for Energy

(ii) Competition · Electricity rate

(iii) Power Generation Facilities

(iv) Global Warming Countermeasures

(v) Remote Islands

(vi) System

1. Introduction status of renewable energy Facilities

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- The OEPC Group has introduced various forms of renewable energy such as wind power, solar power, biomass, and small hydroelectric power, maintaining and operating facilities for 44,013 kW in total.

【 OEPC 】

(As of March 31, 2026)

	Name	No. of Units	Output	Remark
Wind Power	Ogimi Wind Power	2	4,000 kW	
	Aguni Tilttable Wind Power	1	245 kW	
	Minamidaito Tilttable Wind Power	2	490 kW	
	Tarama Tilttable Wind Power	2	490 kW	
	Hateruma Tilttable Wind Power	2	490 kW	
	subtotal (5)	9	5,715 kW	
Solar Power	Abu Mega Solar Power	—	1,000 kW	
	Kitadaito Daini Solar Power	—	100 kW	
	Tarama Solar Power	—	250 kW	
	Hateruma Solar Power	—	10 kW	
	Yonaguni Solar Power	—	135 kW	
	subtotal (5)	—	1,495 kW	
Others	Mix combustion of coal and wood biomass (at Gushikawa Thermal Power Plant)	2	—	*2
	Mix combustion of coal and wood biomass (at Kin Thermal Power Plant)	2	—	*2
	Miyako Small Hydroelectric Power	1	65 kW	
	subtotal (3)	5	65 kW	

【 Group company 】

(As of March 31, 2026)

	Name	No. of Units	Output	Remark
Wind Power	Sosu Wind Power	2	3,600 kW	
	Nakijin Wind Power	1	1,995 kW	
	Sashiki Wind Power	2	1,980 kW	
	Iejima wind Power	2	1,200 kW	
	Iejima Daini wind Power	2	1,490 kW	
	Karimata Wind Power	2	1,800 kW	
	Sadefune Wind Power	2	1,800 kW	
	subtotal (7)	13	13,865 kW	
Solar Power	Iejima Solar Power	—	10 kW	
	Tokashiki Solar Power	—	198 kW	
	Nago Mega Solar Power No.1	—	1,990 kW	*1
	Nago Mega Solar Power No.2	—	1,200 kW	*1
	Itoman Mega Solar Power	—	1,500 kW	*1
	KarE-roof business	—	7,759 kW	*1,3
	Other businesses (PPA, etc)	—	10,216 kW	*1,3
subtotal (5) *3	—	22,873 kW		

Total : 44,013 kW

*1 Renewable energy facilities installed in FY2020 or later: 22,665 kW

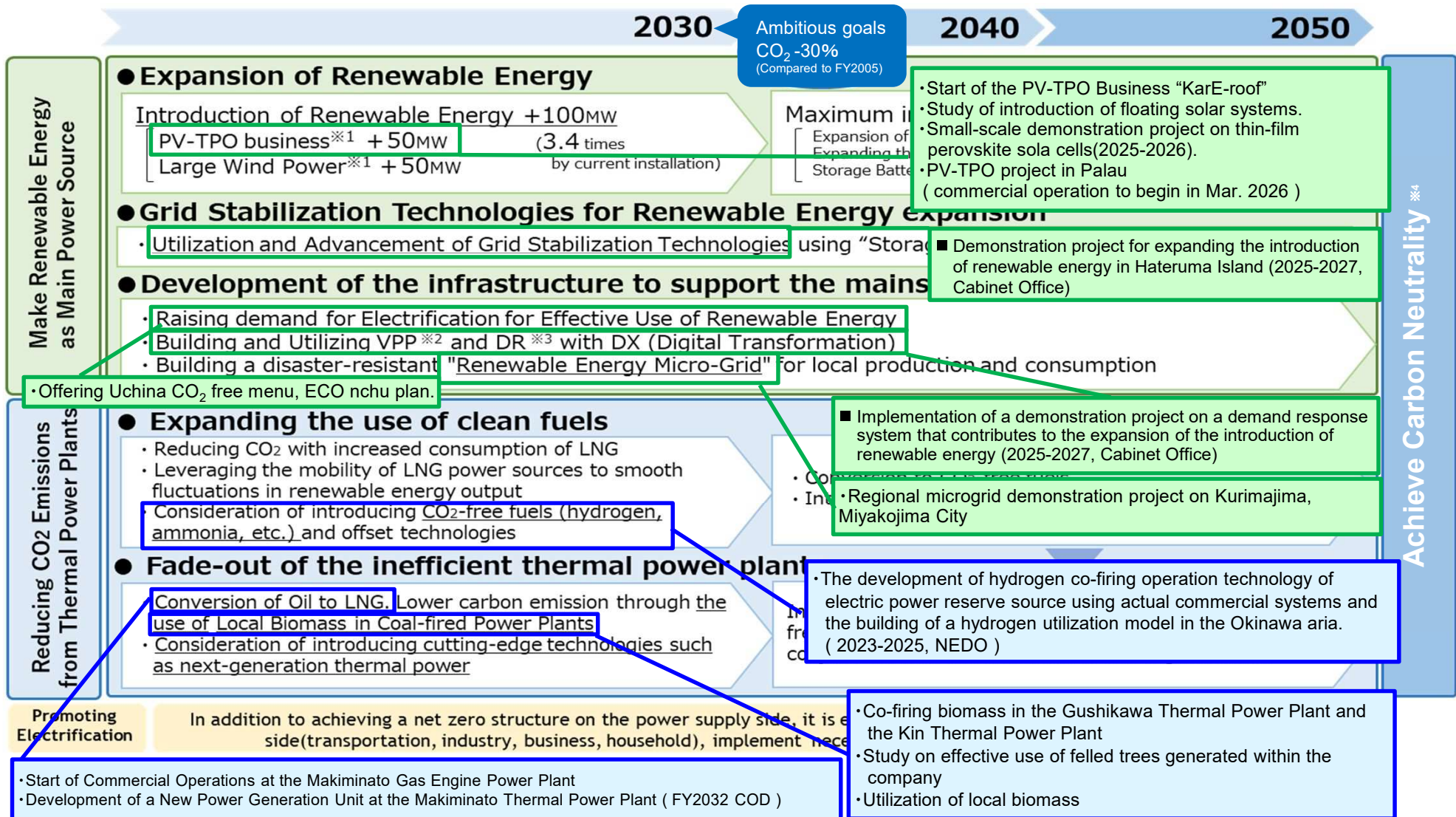
*2 Mix combustion of coal and wood biomass (The total output of the Gushikawa Thermal Power Plant is 312 thousand kW, Kin Thermal Power Plant is 440 thousand kW).

*3 KarE-roof business, other businesses, and off-region business are not included in the number of location in the solar power subtotal.

2. Initiatives to Achieve Carbon Neutrality

- Initiatives to Achieve Carbon Neutrality: Roadmap

■ In order to achieve zero emissions, we will work on the “Make Renewable Energy as Main Power Source,” “Reducing CO₂ Emissions from Thermal Power Plants,” which are the two directions in the roadmap toward 2050, and “Promoting Electrification”.



*Projects adopted in FY2025 and later are marked with ■

3.Issues to Achieve Carbon Neutrality(1/5)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- We are diligently taking various measures and initiatives, while there are issues specific to the Okinawa area due to structural disadvantages, and those to achieve “Mainstreaming of renewable energy” and “Reducing CO2 emissions from thermal power plants.”

Structural disadvantages in the Okinawa area

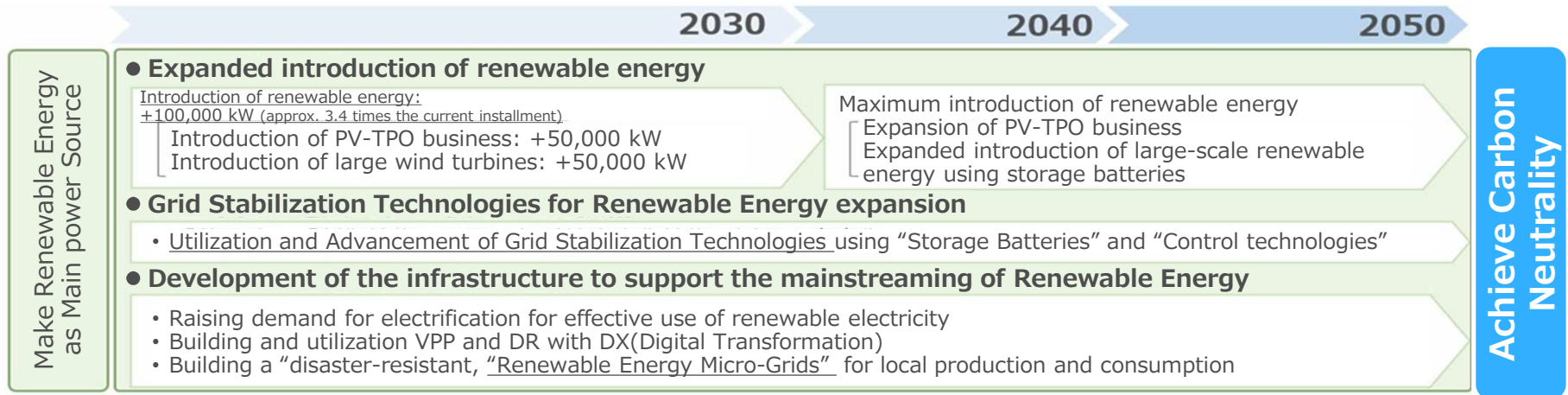
- Geographical, topographical, and **demand scale constraints** compel reliance on fossil fuels
☞ Management Reference Materials p.20
- It is necessary to have **a high supply reserve capacity** because it is not connected to the mainland power system and is outside the framework of wide-area grid interconnection
☞ Management Reference Materials p.19
- Large area of ocean dotted with islands and **a large percentage of demand is from remote islands**
☞ Management Reference Materials p.30

Issues to achieve carbon neutrality

- **Limited options for decarbonized power sources** that can be introduced at the moment
- **To achieve both stable supply and decarbonization with the resources of the Okinawa region alone, thermal power sources that can ensure supply, coordination, and inertia are also needed, requiring investment in decarbonizing more thermal power** than on the mainland
- **Decarbonization needs to be aimed for through a fair transition based on regional characteristics, as it is necessary to take into account economic feasibility to avoid significant impacts on the local economy (which has different time horizon from the mainland)**

3. Issues to Achieve Carbon Neutrality(2/5)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System



Issues for “Make Renewable Energy as Main Power Source ”

- The area is a regular site of typhoons, and from the viewpoint of extreme wind speeds, there are issues for introducing new large wind turbines (500 kW or more) ☞ Management Reference Materials p.26
- Offshore wind has economic and other issues compared to onshore wind, and environmental aspects such as the impact on coral reefs must also be considered
- Land is limited due to the prefecture’s narrow land area, and sunshine conditions are less favorable compared with the national average, resulting in significant site constraints for solar power generation. ☞ Management Reference Materials p.27
- In the PV-TPO business, the number of roofs that meet the installation conditions (roof shape, age, etc.) is limited
- Given that it is a small independent system, it is necessary to secure adjustment power against output fluctuations and to deal with inertia in the power system

Progress in addressing issues

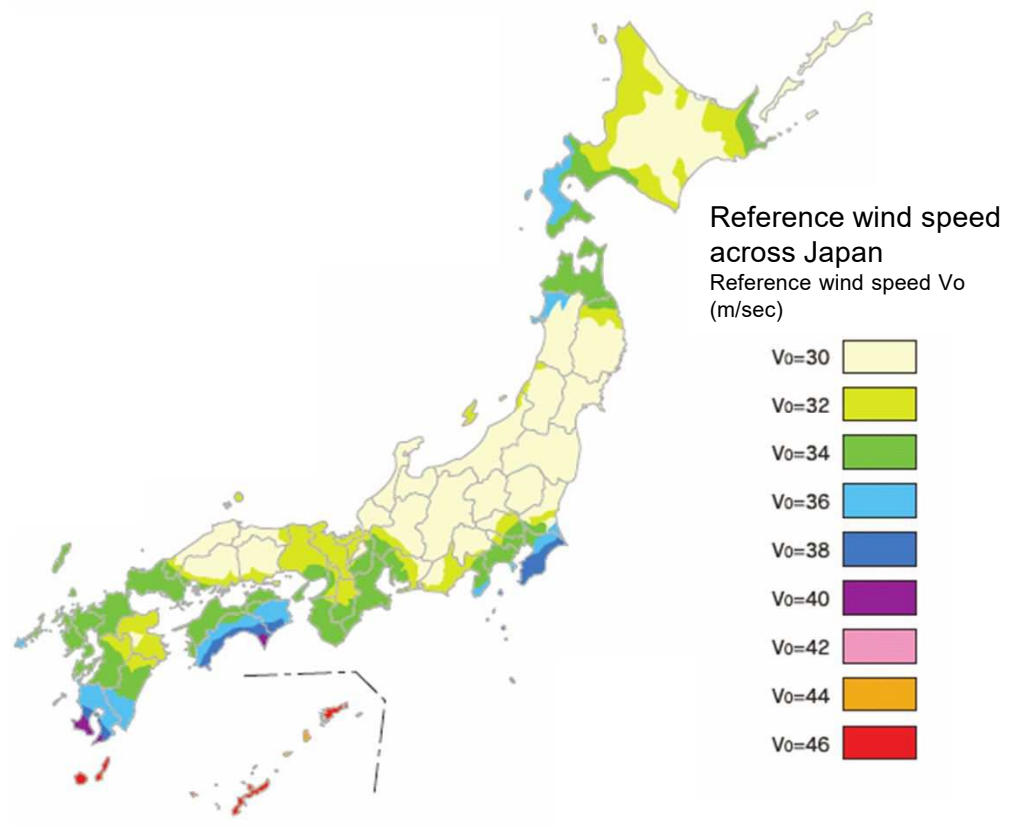
- ✓ Concurrently, we are conducting wind condition surveys on Miyako Island and other sites, leveraging subsidies from the Okinawa Prefectural Government as part of a feasibility study for the introduction of large-scale wind power.
- ✓ We are also exploring the potential for solar power in new locations, including on water, and are working to expand the use of renewable energy through off-site power purchase agreement (PPA) schemes.
- ✓ The PV-TPO business is currently underway. We will continue to promote electrification by combining “KarE-roof” and “All-Electric” systems for general households. In addition, for business operators, we will work to expand the lineup to include carport types and ground mounted types. In addition, for business customers, we will continue efforts to expand our product lineup, including carport-type installations and hybrid on-site/ off-site solutions.
- ✓ Makiminato gas engine is being operated as an adjusting power source.
- ✓ We will continue working on grid stabilization and aim to advance grid stabilization technology using storage batteries and other means.

3.Issues to Achieve Carbon Neutrality(3/5)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

Wind power generation

- Wind power generation has tended to move toward larger scale for the purpose of reduce costs through economies of scale, the capacity of the mainstream in recent years is 3,000 to 4,000 kW.
- Examination criteria tightened for construction of wind power generation facilities more than 500kW in Japan (2016).
- “Extreme wind speed”*, which is the construction standards in Okinawa, is or more “90 m/s “equivalent.
- At present, we have not been able to identify any wind turbine manufacturers around the world that are producing large-scale wind power generation facilities that meet these standards. As a result, it is challenges in introducing new facilities.
- To solve the issue, we are conducting wind condition surveys to select possible installation sites, and examining the feasibility of introducing wind power generation.



* Extreme wind speed
Extreme mean wind speed that may be experienced in the next 50 years

Extreme wind speed (90 m/s)
= Reference wind speed (46 m/s) × a × b × c

a: Coefficient corresponding to the terrain
b: Coefficient corresponding to the hub height, etc.
c: Coefficient corresponding to the maximum instantaneous wind speed

[Design reference wind speed distribution]

*Image of "Building Standards Act Notice No.1454" categories

Source: Japan Exterior Industry Association website

3. Issues to Achieve Carbon Neutrality(4/5)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

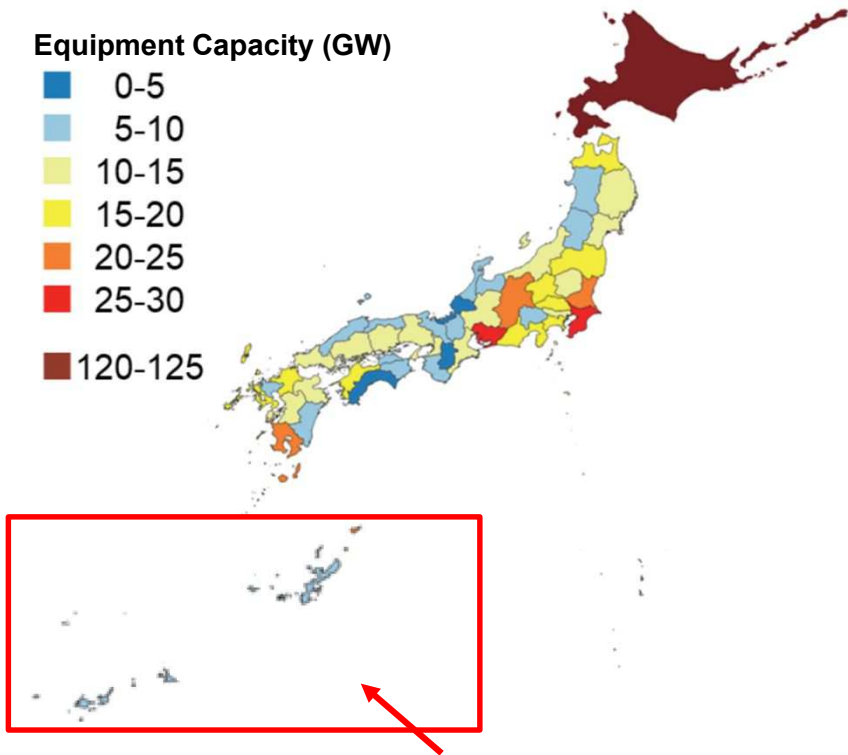
Solar power generation

- In Okinawa Prefecture, which has a limited land area, the availability of usable land is constrained.
- Okinawa Prefecture is surrounded by sea, resulting in frequent cloud cover and fewer sunshine duration compared to the national average.

< Potential for Solar Power Generation in 2050 >
(Japan Science and Technology Agency)

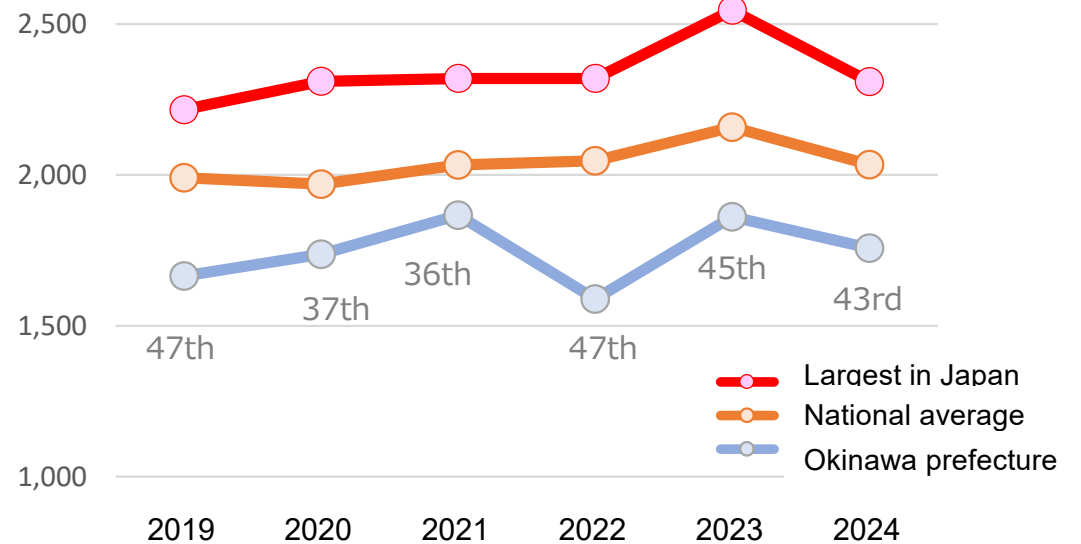
Equipment Capacity (GW)

- 0-5
- 5-10
- 10-15
- 15-20
- 20-25
- 25-30
- 120-125



While the potential for 700 GW is indicated nationwide, Okinawa Prefecture is relatively small, with an estimated 10 GW.

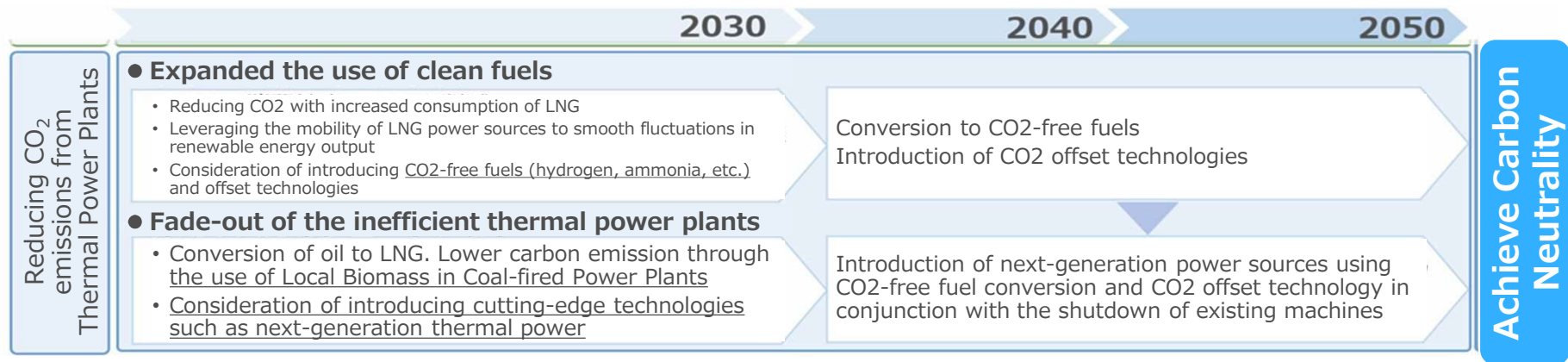
< Annual Sunshine Hours Comparison by Prefecture >
(Source: Portal Site of Official Statistics of Japan(e-Stat))



In 2019 and 2022, Okinawa Prefecture had the lowest ranking nationwide.

3. Issues to Achieve Carbon Neutrality(5/5)

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System



Issues for “Reducing CO2 emissions from Thermal Power Plants”

- Introducing high-efficiency coal-fired power generation (SC/USC) is challenging due to constraints such as demand scale
☞ Management Reference Materials p.21
- In the face of output fluctuations resulting from expanding the integration of renewable energy, thermal power sources emerge as a pivotal asset, playing a crucial role in ensuring system balance (The Gushikawa coal-fired power plant experiences more than 100 start-ups & shutdowns per year)
- At present, there are no institutional measures for investment recovery applicable to the Company (Okinawa is excluded from the “Long-Term Decarbonized Power Source Auction” and the “Price Differential Support and Base Development Support” for hydrogen and ammonia require demand from consumers other than our company. However, demand within the prefecture remains unclear)
☞ Management Reference Materials p.21, 32
- Hydrogen and ammonia, promising decarbonization technologies, face significant future uncertainty regarding technology, price, and procurement (Island regions generally have higher costs due to the challenges associated with leveraging economies of scale)

Progress in addressing issues

- ✓ We will continue our efforts to expand the use of LNG, and to use and expand prefectural biomass co-firing for coal-fired power generation.
- ✓ To expand the use of biomass, we will begin the effective utilization of felled trees generated within power plant sites from fiscal year 2025. We will steadily work toward company-wide deployment through a phased approach.
- ✓ The hydrogen co-firing verification tests have been underway at the Yoshinoura Multi-Gas Turbine Power Plant as part of a NEDO program since March 2024..
- ✓ We will work diligently to establish the necessary technology for the transition to thermal zero emission and to achieve economic feasibility.
- ✓ While keeping a close eye on local demand for hydrogen and ammonia, we will utilize subsidies and lobby the government and other entities, as policy and financial support is important.

3. Treatment of the Okinawa Area under the CO2 Emissions Trading System

(i) Demand	(ii) Competition	(iii) Power sources
(iv) Global warming	(v) Remote islands	(vi) Program

- The emissions trading system (GX-ETS Phase 2) began in April 2026 under the amended GX Promotion Act.
- Businesses with annual direct CO2 emissions of 100,000 tons or more must apply for an allocation of emission allowances, which are calculated based on government guidelines. Businesses that exceed their allocation must procure additional allowances through purchases from the market or other means.
- Emission allowance allocations for power generators are calculated using the benchmark (BM) method. The BM starts at the top 50% level for each fuel type (coal, LNG, oil, etc.) and is raised annually until it reaches the average for thermal power generation.
- In the Okinawa area, suitable sites for renewable energy and nuclear power are limited due to geographical and topographical constraints, making thermal power generation necessary. After careful consideration of the operational nuances that distinguish the Okinawa area from the nationwide standard, a BM has been established based on the area's power generation.

< Formula for calculating allocation volume in the power generation sector >

Allocation volume = Reference activity level × Target emission intensity (Power generation BM level)

Power generation BM level = Total thermal power BM level * α% + Fuel-specific BM level * (100-α)%

FY	2026	2027	2028	2029	2030
α (%)	0	0	0	20	40



(i) Demand for Energy

(ii) Competition · Electricity rate

(iii) Power Generation Facilities

(iv) Global Warming Countermeasures

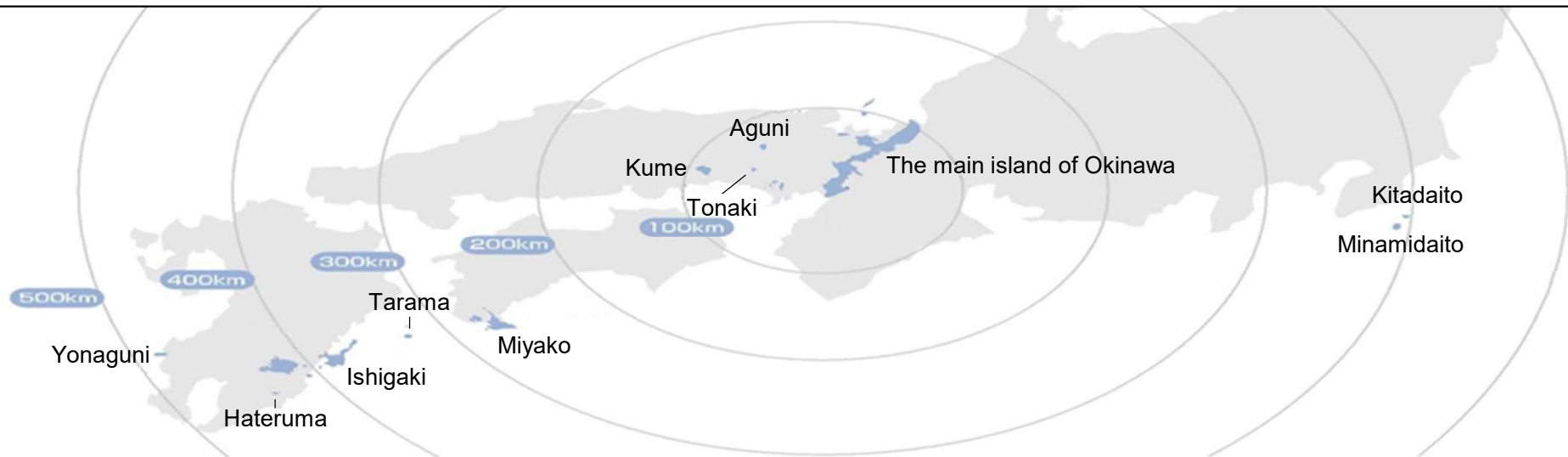
(v) Remote Islands

(vi) System

1. Efforts to Improve Income and Expenditure on Remote Islands in the Prefecture

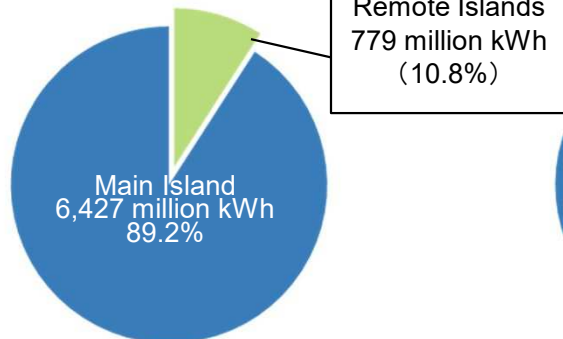
(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- We supply power to 38 remote islands, including the main island of Okinawa, and operate 10 isolated power systems outside the main island.
- The region has a high cost structure because of such reasons as having small islands scattered about a vast sea area and the narrow scale of the economy.
- Remote island business occupies about 10% of electricity sales and residential, commercial and industrial use charges.



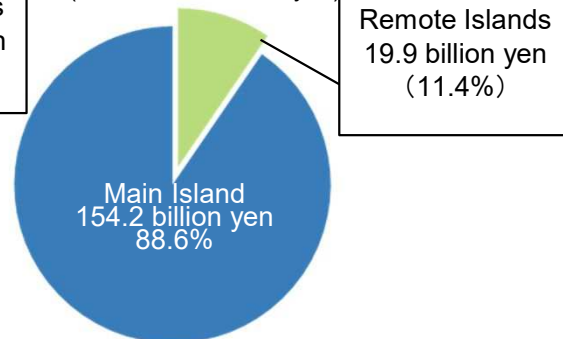
Electricity Sales Volume
(FY2025 Results)

(Total : 7,206 million kWh)



Electricity Sales
(FY2025 Results)

(Total : 174.1 billion yen)



(Efforts to improve remote island income and expenditure)

- Reducing fuel consumption by introducing renewable energies (Tilttable wind power generators, etc.)
- Effective utilization of waste oil
- Reduce fuel and replacement parts costs through the introduction of highly economical units
- Reduction of fuel cost and regular inspection cost by enhancing the power generation facility utilization rate
- Reduce repair costs by extending the periodic inspection cycle of power generation facilities

2. Initiatives to Expanding the Introduction of Renewable Energy on Remote Islands in the Prefecture

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- Remote islands have a high cost structure due to their small size and geographic remoteness. As an initiative to reduce costs, we are promoting the reduction of burning fuels through the utilization of renewable energy.
- When introducing a high percentage of renewable energy to a small power system such as a remote island, the stable supply of electricity is an issue due to the variability and instability of the renewable energy output.
- Along with the introduction of renewable energy, we have been working on the development of grid stabilization technology using storage batteries, etc.
- Based on the idea to avoid strong winds, such as typhoons, we have introduced a tiltable wind power generation equipment, whose tower can be tilted nearly 90 degrees to the ground, to four remote islands (Haterumajima, Minamidaitojima, Taramajima, and Agunijima).

[Examples of initiatives on remote islands in the prefecture]

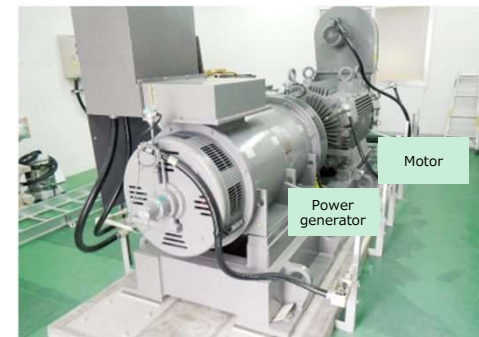
- Tiltable wind power generation equipment



- Solar demonstration facility



- MG set demonstration



Achieved 100% renewable energy operation for about consecutive 10 days by using MG sets driven by surplus electricity generated by wind power on Haterumajima.



(i) Demand for Energy

(ii) Competition · Electricity rate

(iii) Power Generation Facilities

(iv) Global Warming Countermeasures

(v) Remote Islands

(vi) System

1. Differences from other areas based on the uniqueness of the Okinawa area

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

■ The Okinawa area has distinct circumstances regarding the application of exception to restrictions on concurrent business and the means of electricity transactions, given its small and independent power grid.

Exception to Restrictions on Concurrent Business

- To maintain the neutrality of the power transmission and distribution division, it is standard practice to spin off the division into a separate company in the nine areas, with the exception of Okinawa (**Restrictions on concurrent business**)
- On the other hand, the Company continues to maintain an integrated power transmission and distribution framework as an “**approved general power transmission and distribution business operator.**” This encompasses power transmission and distribution, retail, and power generation divisions under a single company as an exception to the restrictions on concurrent business.

1 Due to the limited capacity of the independent power system, it is imperative that the power source operations be highly flexible

2 It is imperative that the power transmission and distribution, retail, and power generation divisions collaborate on integrated activities in the context of disaster response

Means of trading electricity

- The Okinawa area is not covered by various markets except for non-fossil value transaction markets because it is physically difficult to transfer electricity outside the wide-area interconnection system. Therefore, various power source values are traded mainly through the following means:

Value of power supply, etc.	Value traded	Various trading markets *Except for Okinawa	The primary means of transactions in the Okinawa area
Electric power kWh value	Electricity actually generated	Wholesale power market (spot and baseload markets, etc.)	→ Transactions through negotiated wholesale contracts (between power generators and retailers)
Capacity (supply power) kW value	Capacity to generate electricity	Capacity market (including long-term decarbonized power auctions)	→ Transactions through negotiated wholesale contracts (between power generators and retailers)
Adjustability Negative kW value	Capacity to adjust supply and demand in a short period of time	Supply-demand adjustment market	→ Request for proposal issued publicly by a general power transmission and distribution business operator
Environmental value	Environmental value associated with non-fossil power sources	Non-fossil value trading market	→ Non-fossil value trading market

2. Special Tax Measures

(i) Demand	(ii) Competition	(iii) Power
(iv) Global warming	(v) Remote Islands	(vi) System

- OEPC has received "Preferential Measure for Standard Taxable Values Relating to Fixed Property Tax" and "Exemption from the Oil and Coal Tax Relating to Specific Coal, etc. (Coal and LNG) Used for Power Generation in Okinawa" based on the Special Measures Law for the Promotion of Okinawa.
- We consider that special taxation measures are necessary for promoting business in Okinawa Prefecture and improving the lives of Okinawa residents on the grounds that disadvantages inherent in Okinawa's electricity business have remained unchanged. For example, there are many small and isolated systems and Okinawa is dependent on thermal power.
- The amount of tax exemption based on the special taxation measures is deducted electricity costs, and the benefit is returned to residents through lower electricity rates.

Currently Applied Special Tax Measures

	Preferential Measure for Standard Taxable Values Relating to Fixed Property Tax	Exemption from the Oil and Coal Tax Relating to Specific Coal, etc. (Coal and LNG) Used for Power Generation in Okinawa
Details	Alleviation to 2/3 of Standard Taxable Values	(1) Exemption from the Oil and Coal Tax for coal (2) Exemption from the Oil and Coal Tax for LNG
Period	April 1, 1982 - March 31, 2027 * Extended for 3 years from April 1, 2024	(1) October 1, 2003 – March 31, 2027 * Extended for 3 years from April 1, 2024 (2) April 1, 2012 – March 31, 2027 * Extended for 3 years from April 1, 2024
Basic Law	Supplementary Provisions of the Local Tax Law (Article 15.4)	Special Measures Law for the Promotion of Okinawa (Article 64) Special Taxation Measures Law (Article 90.4.3.1)

Value of Tax Alleviation Due to the Special Measures

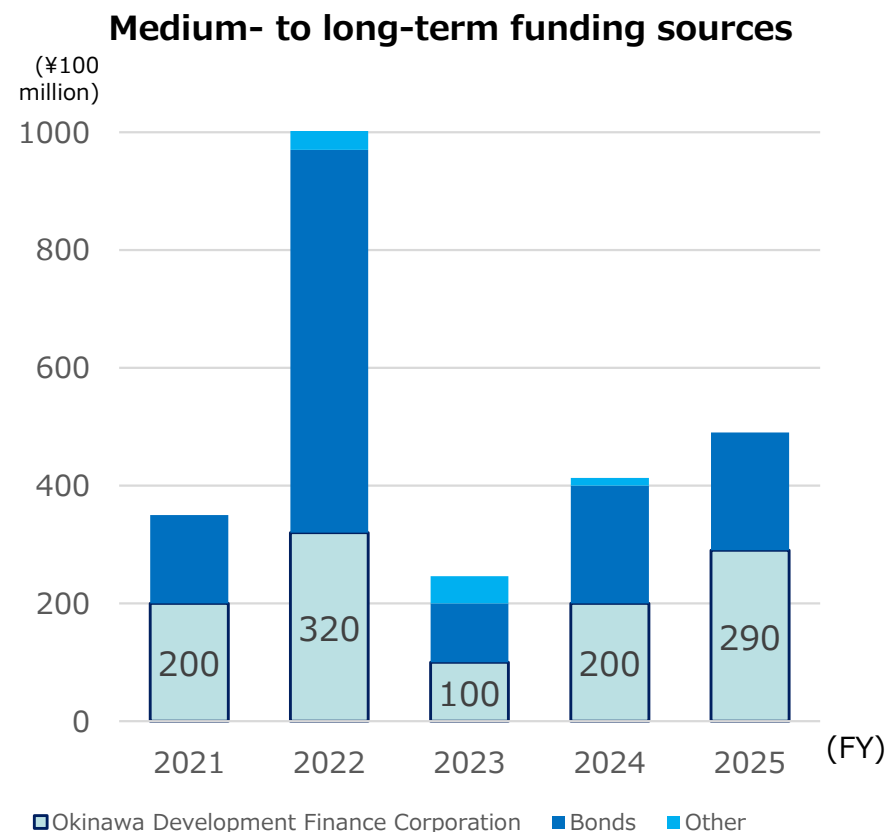
■ FY2023 : about 3.1 billion yen. ■ FY2024 : about 3.5 billion yen. ■ FY2025 : about 3.4 billion yen.

3. Financing from the Okinawa Development Finance Corporation

(i) Demand	(ii) Competition	(iii) Power sources
(iv) Global warming	(v) Remote islands	(vi) Program

- Our company is eligible for special measures regarding the securing of funds and other matters to ensure a stable and appropriate supply of electricity in Okinawa, as outlined in the Act on Special Measures for the Promotion and Development of Okinawa. We also receive low-interest loans from the Okinawa Development Finance Corporation.
- Securing long-term, stable, and low-interest funding is essential for supporting Okinawa Prefecture’s infrastructure. It is also highly valued in our credit ratings and supports our creditworthiness.

	Description
Adopted financing	Industrial Development Fund (Electricity) * Funds required for the acquisition or improvement of power generation, transmission, substation, and distribution facilities, or telecommunications facilities
Loan limit	80% of the required funds
Financing period	Up to 15 years
Governing law	Act on Special Measures for the Promotion and Development of Okinawa (Article 63) *To ensure a stable and adequate supply of electricity



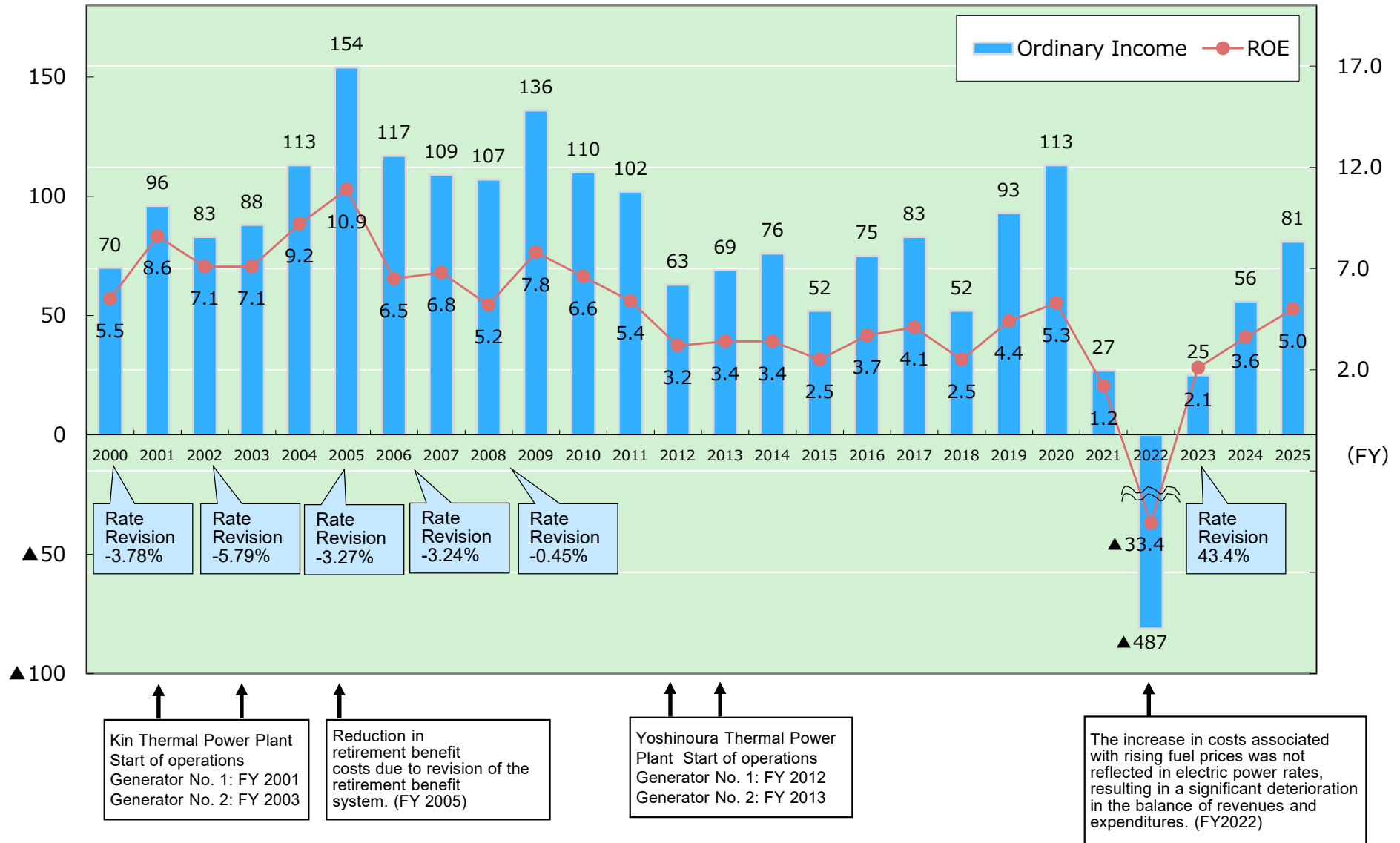
Data Collection

1. Trends of Ordinary Income and ROE

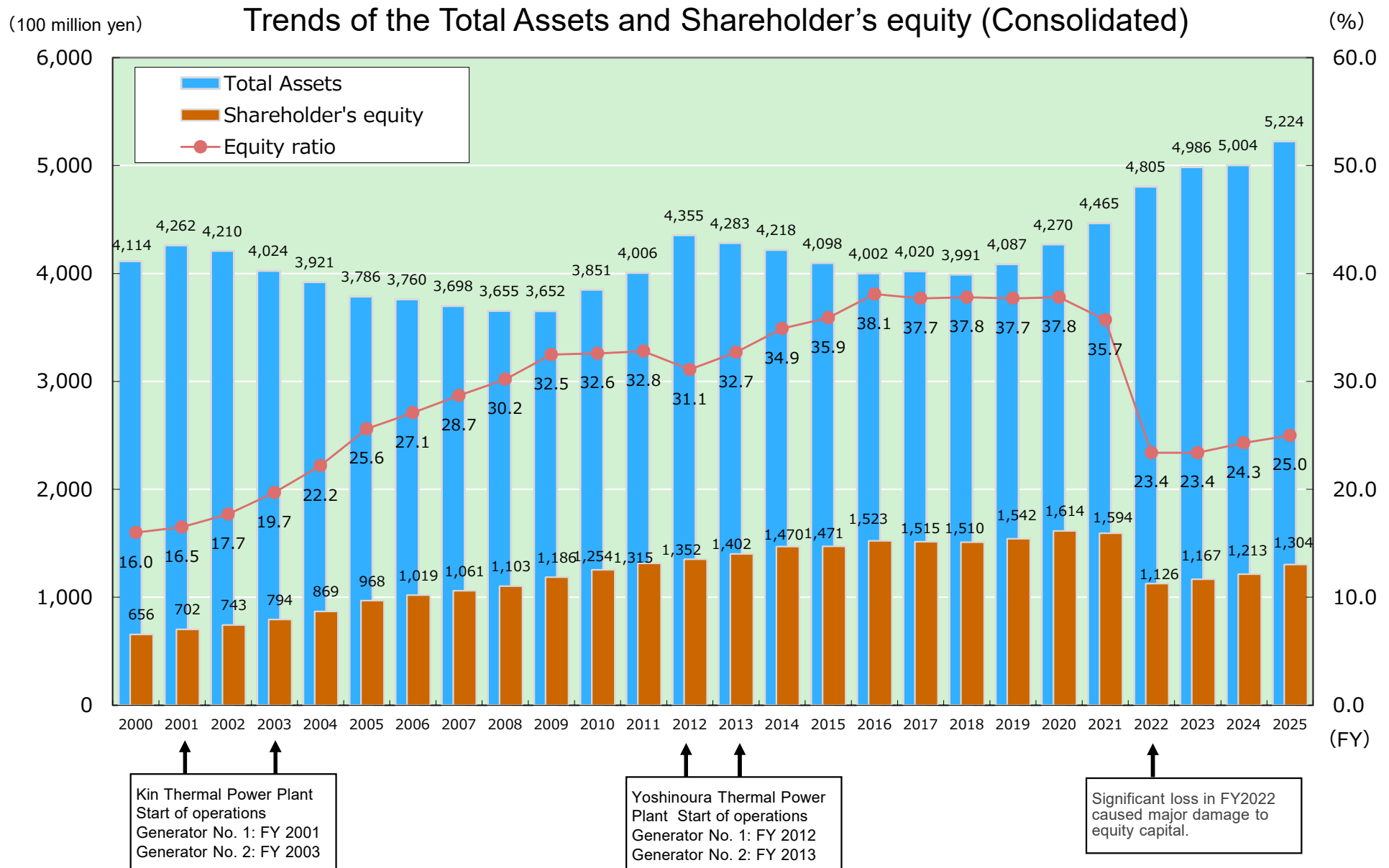
(100 million yen)

Trends of Ordinary Income and ROE (Consolidated)

(%)



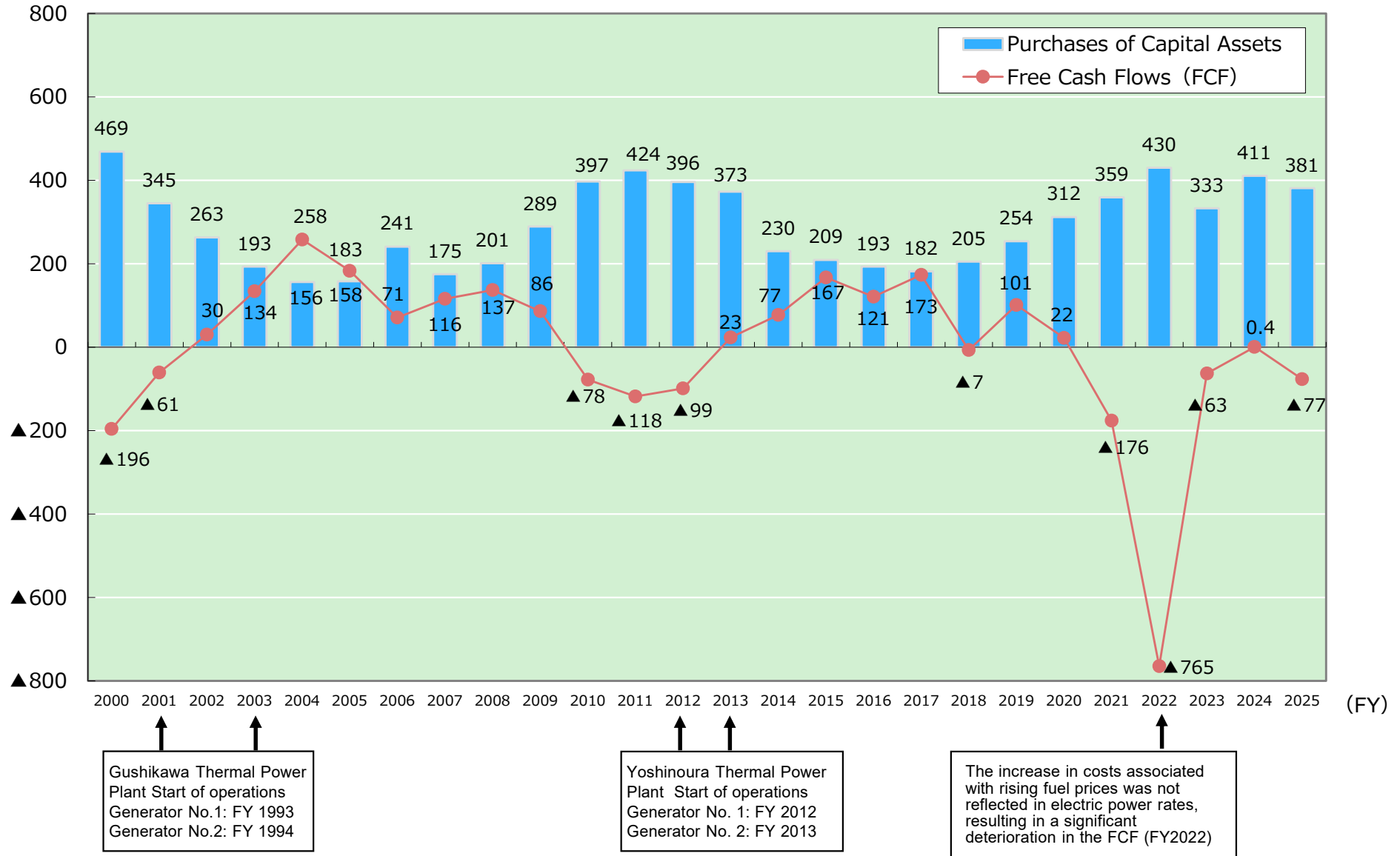
2. Trends of the Total Assets and Shareholder's equity



3: Trends of the Capital Expenditure and Free Cash Flows

(100 million yen)

Trends of the Capital Expenditure and Free Cash Flows (Consolidated)



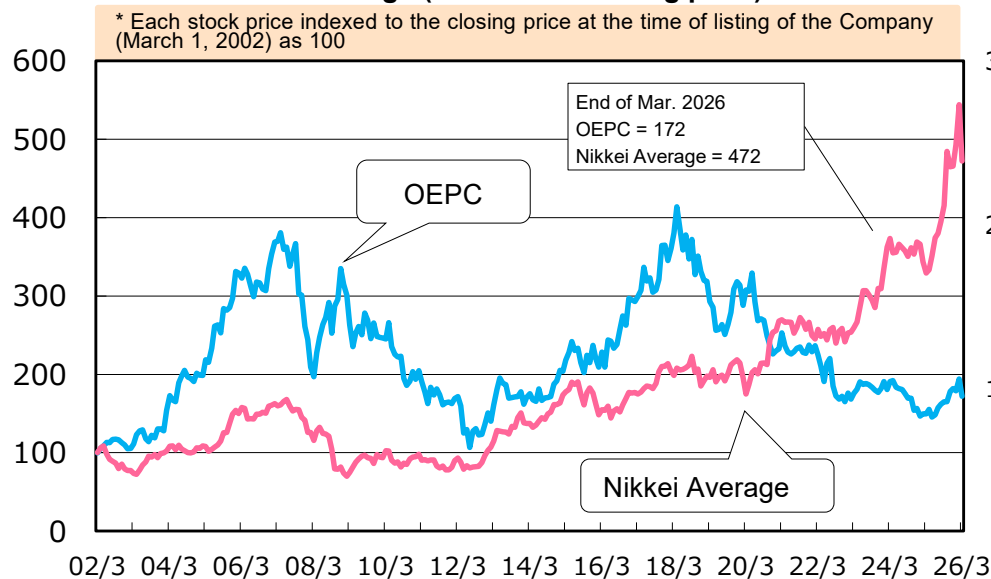
4. Change in Okinawa Electric Power's Stock Price

Recent stock price changes: from January 6, 2025 to March 31, 2026

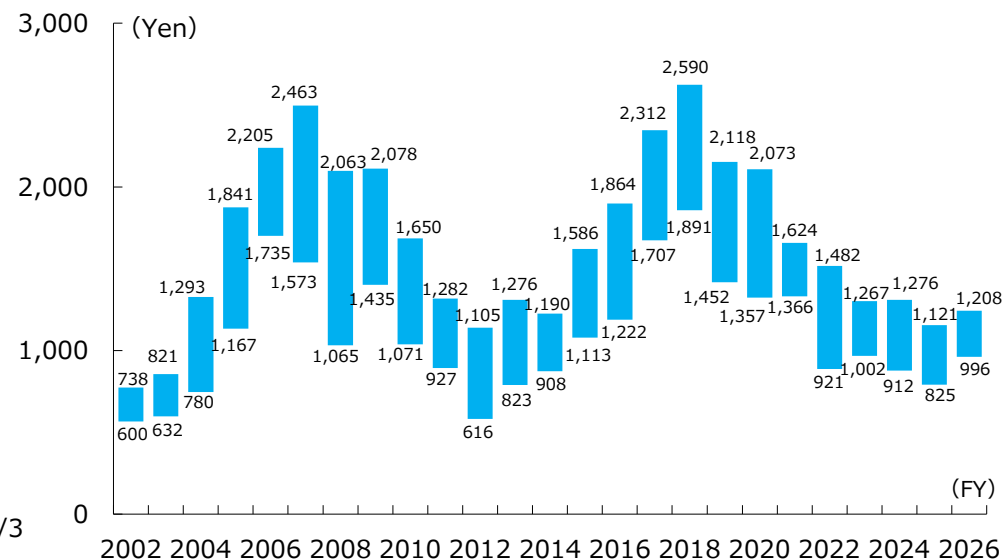
	Okinawa Electric Power Company, Inc.	Nikkei Average
Stock price as of Jan. 6, 2025 (closing price)	961 yen	39,307 yen
All-time high (closing price)	1,204 yen (+25.3%) as of Feb.18, 2026	58,850 yen (+49.7%) as of Feb. 27, 2026
All-time low (closing price)	856 yen (-10.9%) as of Apr. 7, 2025	31,137 yen (-20.8%) as of Apr. 7, 2025
Stock price as of Mar. 31, 2026 (closing price)	1,054 yen (+9.7%)	51,064 yen (+29.9%)

(Note) Figures in bracket indicate percentage change in the stock price from its closing price on January 6, 2025.

Changes in the Stock Price of the Company and the Nikkei Stock Average (month-end closing price)



Changes in the Highest and Lowest Prices of the Stock of the Company



(Note) The stock split was implemented seven times in the indicated period (Record date :End of March 2005, End of March 2007, End of May 2015 ,End of May 2016, End of May 2017, End of May 2018 and End of May 2020), and adjustment has been made for the figures before the end of May 2020.

5. Earnings Per Share and Payout Ratio

Earnings per Share and Payout Ratio

	FY	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net income ^{*1}	Million yen	5,517	6,273	3,751	6,705	8,341	1,959	-45,457	2,391	4,322	6,234
Earnings per Share ^{*1}	yen	140.41	147.00	72.38	129.39	153.29	36.05	-836.98	44.02	79.59	114.78
(Post-adjustment after stock split) ^{*2}		(97.25)	(112.00)	(68.94)	(123.22)						
Dividend per Share	yen	60	60	60	60	60	60	0	10	20	30
(Post-adjustment after stock split) ^{*2}		(42)	(46)	(57)	(57)						
Payout Ratio ^{*1}	%	42.7	40.8	82.9	46.4	39.1	166.4	–	22.7	25.1	26.1
Dividend Yield	%	2.27	1.96	3.18	3.03	3.87	4.35	0	0.86	2.18	2.85
Price Book-value Ratio ^{*1}	x	0.68	0.84	0.65	0.67	0.52	0.47	0.52	0.54	0.41	0.44
Price Earning Ratio ^{*1}	x	18.8	20.8	26.0	15.3	10.1	38.2	-1.3	26.6	11.5	9.2

*1 Net Income, EPS, Payout Ratio, PBR, PER are on a consolidated basis

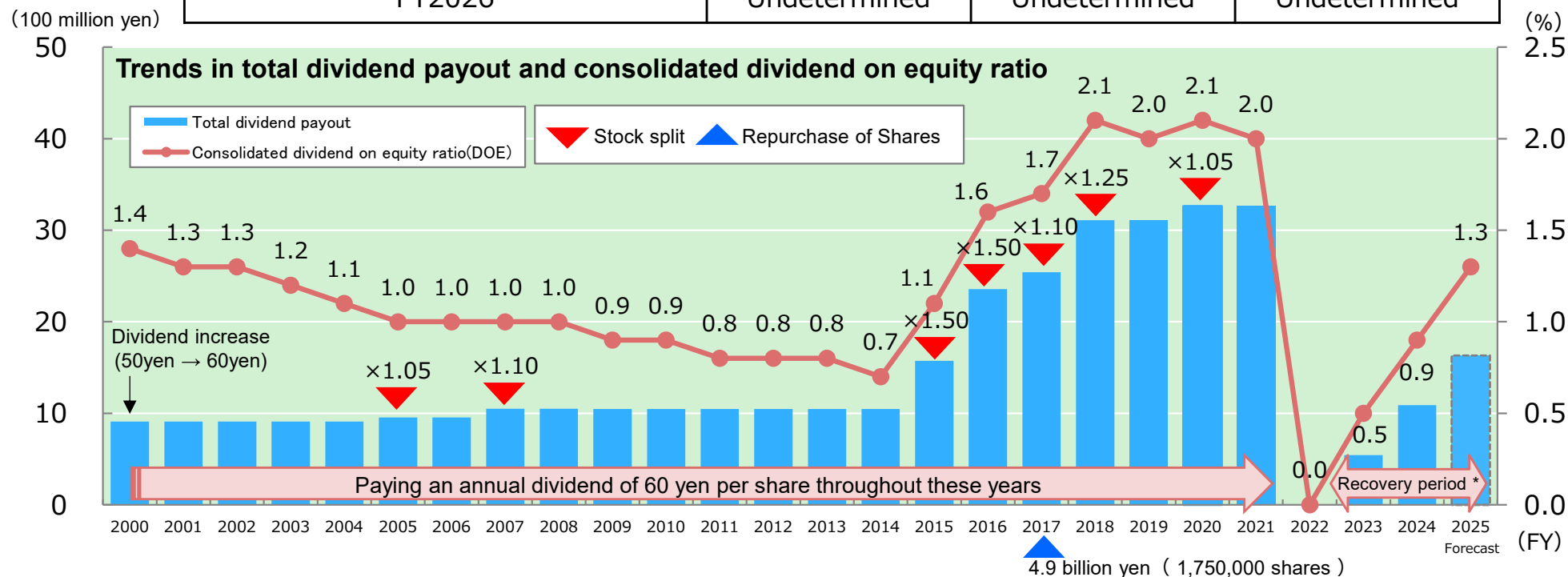
*2 Shown in the brackets are numbers adjusted for the effects of past stock splits.

5. Shareholder Return Policy


Basic policy on shareholder return

- With regard to profit distribution, the Company's policy has been based on providing stable and continuous dividends, while maintaining a consolidated dividend on equity (DOE) of at least 2.0%. However, due to the significant deterioration of the Company's financial base resulting from the substantial net loss recorded in fiscal year 2022, the Company was unable to follow this policy.
- Regarding dividends for the next fiscal year ending March 31, 2027, following the end of the recovery period, the Company intends to distribute dividends in accordance with its basic policy on profit allocation. However, as it is currently difficult to forecast the profit level for the next fiscal year, the dividend forecast has been left undetermined.

Dividend per share	Interim	Year-end	Annual
FY2025	15 yen	15 yen	30 yen
FY2026	Undetermined	Undetermined	Undetermined



* Since the financial base has seriously deteriorated in the wake of the large deficit for FY2022, we have set the three years through FY2025 as a recovery period in which we will focus on restoring our financial base. During the period, we raised the dividend level in stages, aiming to return it to the previous dividend level after the end of the recovery period. The amount of dividends for each fiscal year was determined in consideration of the balance between the recovery of the damaged financial base and returns to shareholders.



Statements regarding future performance included in this document is based on calculations and predictions, and contain potential risks and uncertainties.

Please be aware that future results may change in accordance with changes in assumptions related to the management environment and the like.

【Enquiries regarding this document】

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