TAKAOKA TOKO Group

FY2025(Six Months Ended September 30, 2025) Supplementary Briefing Materials on Financial Results

SERA
Seamless Energy Relations & Activation

November 14, 2025

TSE Prime Market (6617)
Takashi Ichinose
President and Representative Director

株式会社 東光高岳
TAKAOKA TOKO CO., LTD.

Contents

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Financial Results Overview for the Six Months Ended September 30, 2025

1. Second Quarter of FY2025 Business Results <YoY Analysis>

We achieved a highest-ever operating income for the second quarter, following the strong performance in the first quarter of FY2025.

- Consolidated net sales amounted to **48,400 million yen, an increase of 1.7% YoY**, despite declines in the Metering Business segment, GX Solution Business segment and Applied Optics Inspection System Business Segment decreased, due to an increase in plant projects in sales across Electric Equipment Business segment.
- On the profit front, due primarily to an increase in plant projects, **operating income rose to 3,404 million yen (up 73.6% YoY)**, **ordinary income was 3,575 million yen (up 72.1% YoY)**, and **profit attributable to parent company shareholders was 2,188 million yen (up 100.0% YoY),** all resulting in overall profit growth.

(In millions of yen)

	FY2025 2nd quarter(A)	FY2024 2nd quarter(B)	Increase (Decrease) (A)-(B)	YoY %
Net sales*	**48,400**	47,606	+794	+1.7%
Operating income	**3,404**	1,961	+1,442	+73.6%
Ordinary income	**3,575**	2,077	+1,497	+72.1%
Profit attributable to owners of parent	**2,188**	1,094	+1,094	+100.0%
*Of which,net sales related to TEPCO Power Grid Inc.	**19,702**	19,611	+90	+0.5%
Net sales composition of TEPCO Power Grid Inc.	**40.7%**	41.2%	(0.5%)	(1.2%)
Order received	**56,203**	56,578	(374)	(0.7%)

1. Second Quarter of FY2025 Business Results/Segment Composition (Net sales)

Applied Optics Inspection System Business Segment

Applied optic inspection system (3D inspection systems)

1% (2%)

Other Businesses

1% (1%)

Real estate leasing

GX Solution Business Segment

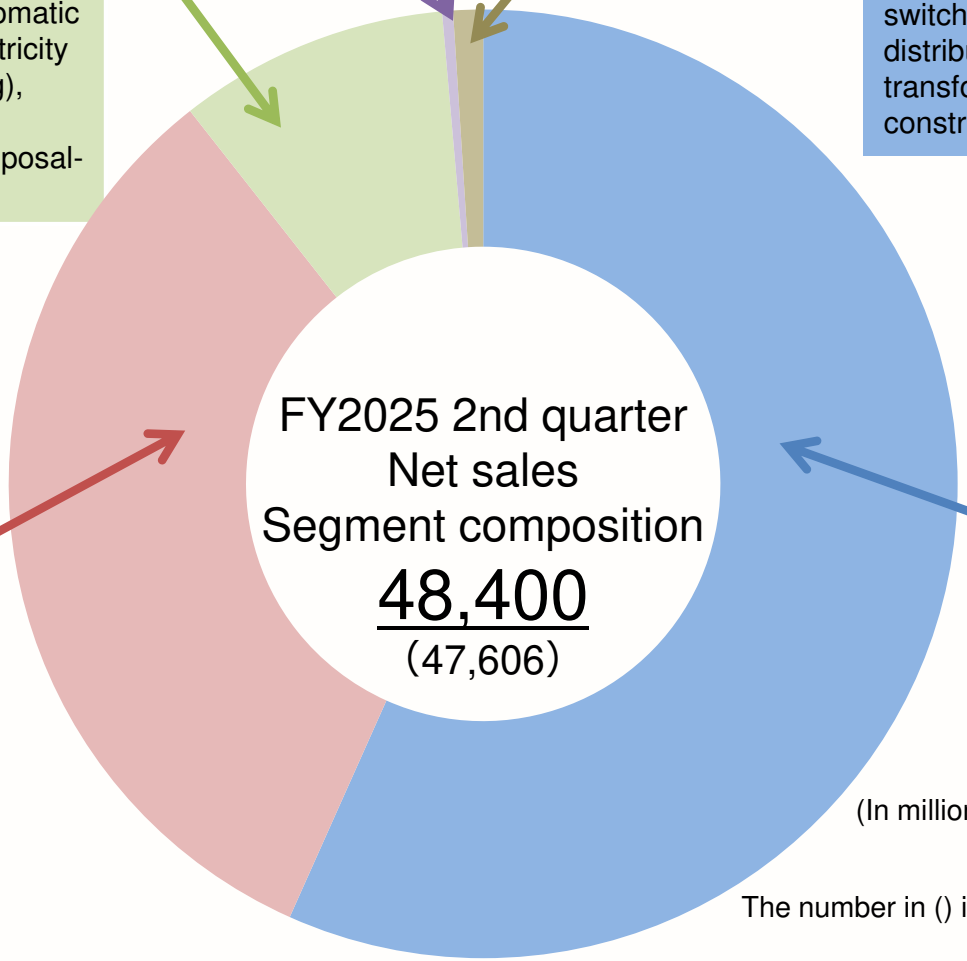
10% (10%)

EMS-related products (automated metering system for apartment houses/tenants, automatic environmental control system to save electricity and energy for lighting and air conditioning), charging infrastructure (quick charger for electronic vehicles, V2H), smart grid-& proposal-related business, etc.

[Consolidated subsidiary]
MintWave Co., Ltd.

Power plant equipment (high voltage transformer, switching equipment, control equipment), power distribution equipment (switches, pole-mounted transformers), power systems, disconnectors, construction for receiving substations, etc.

[Consolidated subsidiaries]
TAKAOKA ENGINEERING CO., LTD
TAKAOKA CHEMICAL CO., LTD.
Toko Kizai Corporation



Metering Business Segment

32% (35%)

Smart meters
Voltage transformers for metering
General-purpose transformers
Electricity meter replacement work etc.

[Consolidated subsidiaries]
WATT LINE SERVICE Co., Ltd.
Toko Electric (Suzhou) Co., Ltd.
Toshiba Toko Meter Systems Co., Ltd.

Electric Equipment Business Segment

56% (52%)

(In millions of yen)

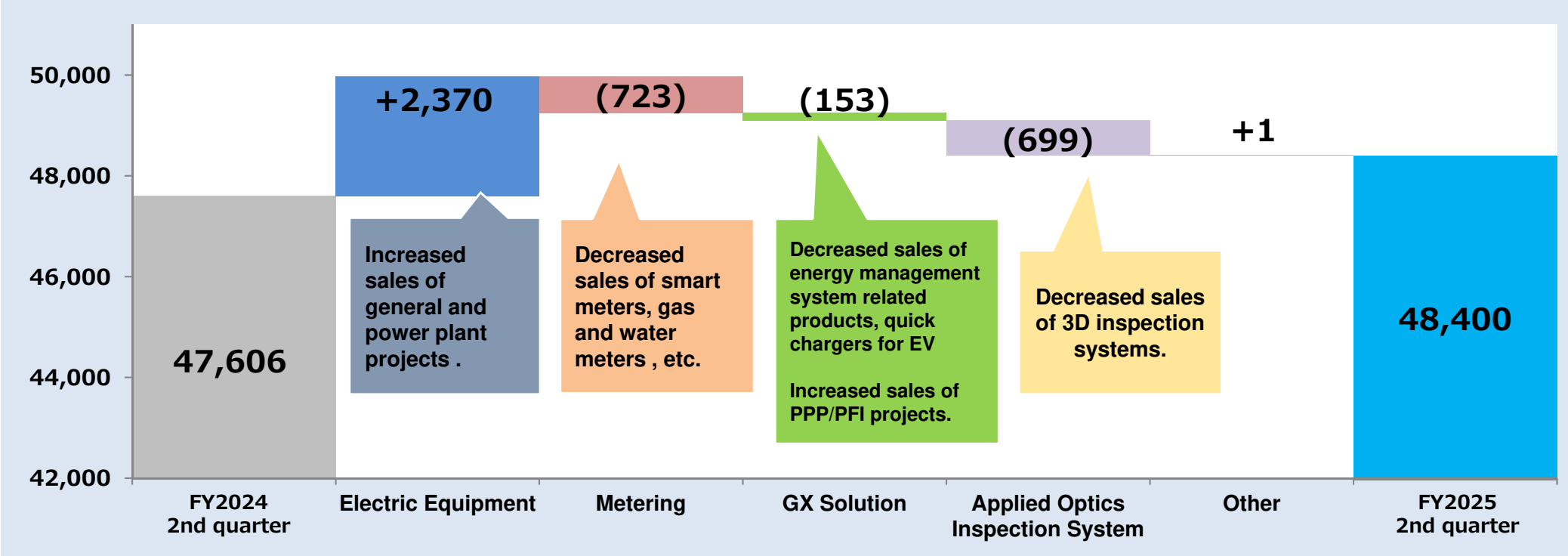
The number in () is FY2024 2nd quarter sales and composition ratio.

1. Second Quarter of FY2025 Business Results: Net sales <YoY Analysis>

【Net sales by segment】

(In millions of yen)

Segment		FY2025 2nd quarter		FY2024 2nd quarter		YoY	
		Amount(A)	Ratio	Amount(B)	Ratio	Increase (Decrease) (A)-(B)	Rate of change (%)
	Electric Equipment Business	**27,434**	56.7%	25,064	52.6%	+2,370	+9.5%
	Metering Business	**15,832**	32.7%	16,555	34.8%	(723)	(4.4%)
	GX Solution Business	**4,462**	9.2%	4,616	9.7%	(153)	(3.3%)
	Applied Optics Inspection System Business	**180**	0.4%	879	1.8%	(699)	(79.5%)
	Other (real estate leasing)	**490**	1.0%	489	1.0%	+1	+0.2%
Net sales by segment : Total		**48,400**	–	47,606	–	+794	+1.7%

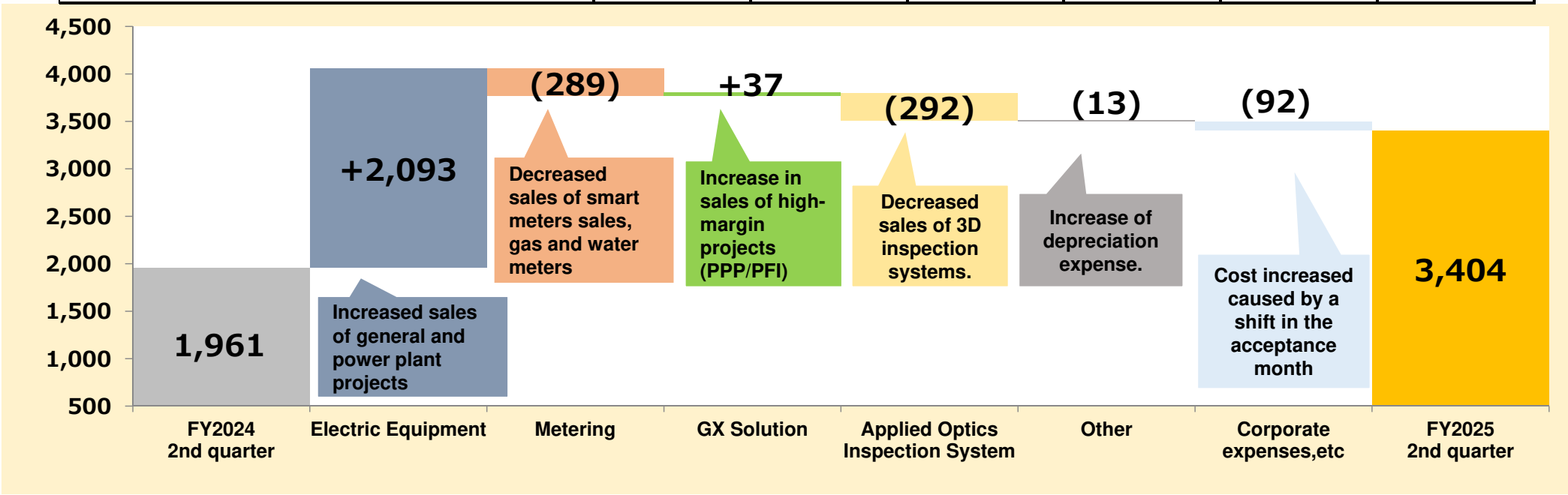


1. Second Quarter of FY2025 Business Results : Operating income <YoY Analysis>

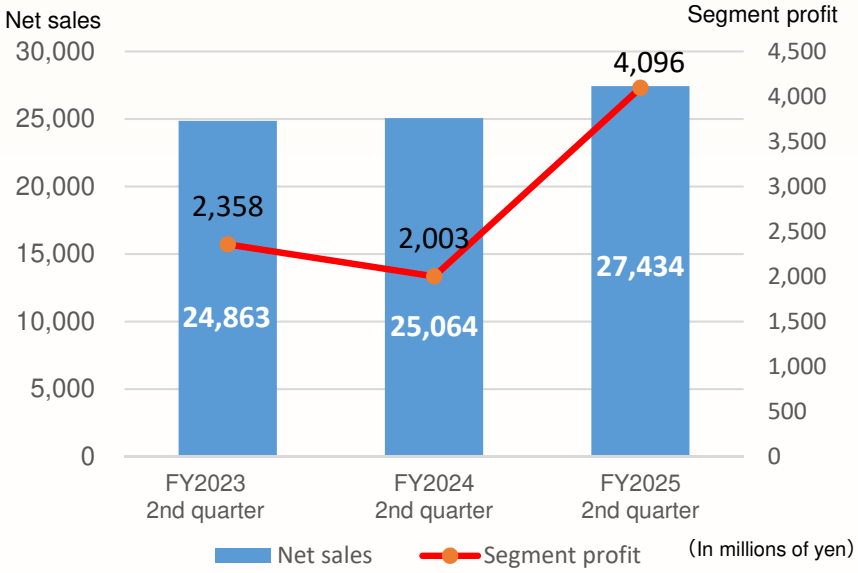
【Operating income by segment】

(In millions of yen)

Segment		FY2025 2nd quarter		FY2024 2nd quarter		YoY	
		Amount(A)	Profit margin	Amount(B)	Profit margin	Increase (Decrease) (A)-(B)	Rate of change (%)
	Electric Equipment Business	**4,096**	+14.9%	2,003	+8.0%	+2,093	+104.5%
	Metering Business	**2,267**	+14.3%	2,556	+15.4%	(289)	(11.3%)
	GX Solution Business	**(380)**	(8.5%)	(417)	(9.0%)	+37	+8.9%
	Applied Optics Inspection System Business	**(193)**	(107.4%)	99	+11.3%	(292)	–
	Other (real estate leasing)	**321**	+65.6%	334	+68.4%	(13)	(3.9%)
Profit by segment: Total		**6,111**	+12.6%	4,576	+9.6%	+1,535	+33.5%
Corporate expenses, etc. (incl. consolidated adjustments)		**(2,707)**	–	(2,615)	–	(92)	–
Operating income		**3,404**	+7.0%	1,961	+4.1%	+1,442	+73.6%



2. Second Quarter of FY2025 Performance of Business Segments <YoY Analysis>



Electric Equipment Business Segment

(In millions of yen)

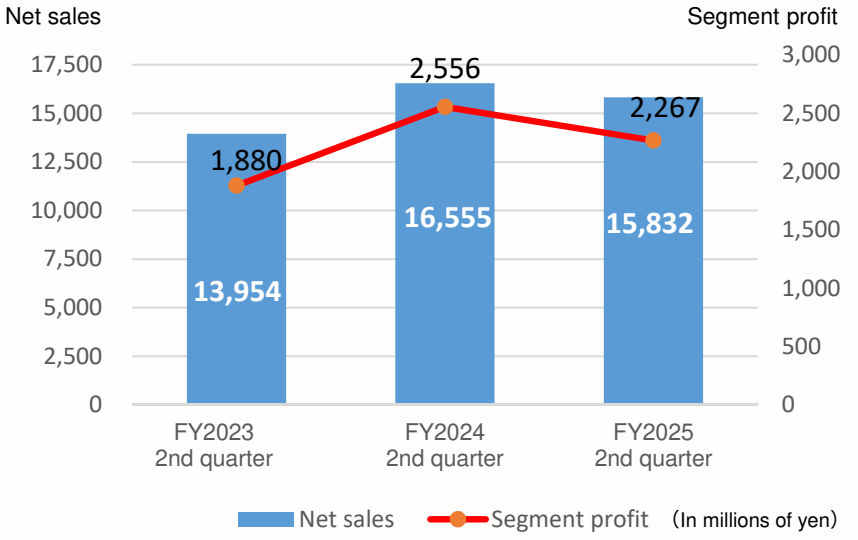
	FY2025 2nd quarter(A)	FY2024 2nd quarter(B)	Increase(Decrease) (A)-(B)	YoY %
Net sales	**27,434**	25,064	+2,370	+9.5%
Segment profit	**4,096**	2,003	+2,093	+104.5%

Net sales

[Cause of the increase] General and power plant projects
[Cause of the decrease] Pole-mounted transformer, Overseas construction projects

Profit

[Cause of the increase] Increased sales of high-margin projects, including general and power plant projects..



Metering Business Segment

(In millions of yen)

	FY2025 2nd quarter(A)	FY2024 2nd quarter(B)	Increase(Decrease) (A)-(B)	YoY %
Net sales	**15,832**	16,555	(723)	(4.4%)
Segment profit	**2,267**	2,556	(289)	(11.3%)

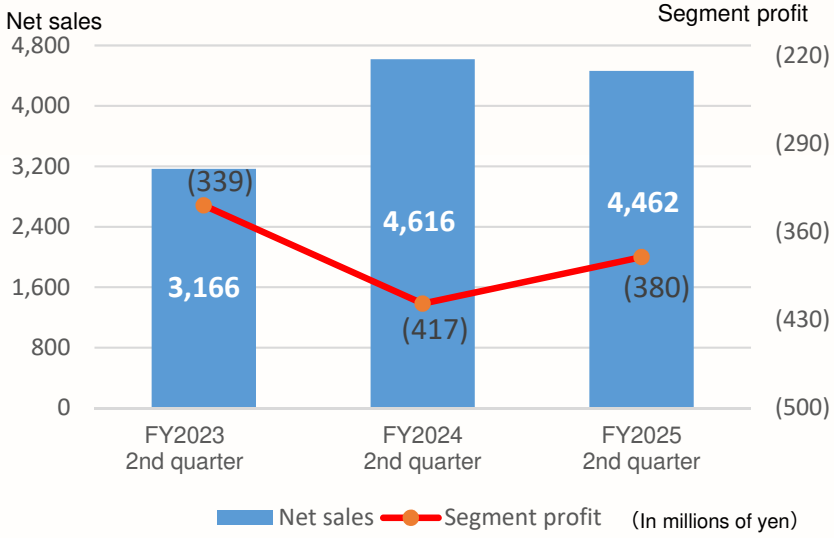
Net sales

[Cause of the increase] Voltage transformers, Electricity meter replacement work
[Cause of the decrease] Smart meters sales, gas and water meters

Profit

[Cause of the increase] Increased sales of Voltage transformers, Electricity meter replacement work
[Cause of the decrease] Decreased sales of smart meters, gas, water meters
An increase in SG&A expenses

2. Second Quarter of FY2025 Performance of Business Segments <YoY Analysis>



GX Solution Business Segment

(In millions of yen)

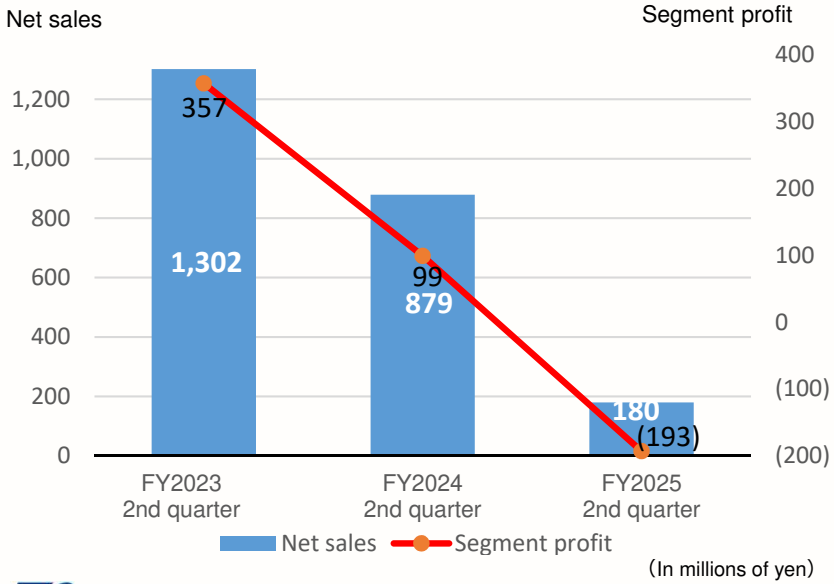
	FY2025 2nd quarter(A)	FY2024 2nd quarter(B)	Increase(Decrease) (A)-(B)	YoY %
Net sales	**4,462**	4,616	(153)	(3.3%)
Segment profit	**(380)**	(417)	+37	+8.9%

Net sales

[Cause of the increase] PPP/PFI projects.
[Cause of the decrease] Energy management systems, Quick chargers for EV

Profit

[Cause of the increase] Increased sales of PPP/PFI projects
[Cause of the decrease] Decreased sales of energy management systems, An increase in SG&A expenses



Applied Optics Inspection System Business Segment

(In millions of yen)

	FY2025 2nd quarter(A)	FY2024 2nd quarter(B)	Increase(Decrease) (A)-(B)	YoY %
Net sales	**180**	879	(699)	(79.5%)
Segment profit	**(193)**	99	(292)	–

Net sales

[Cause of the increase] –
[Cause of the decrease] 3D inspection systems

Profit

[Cause of the increase] –
[Cause of the decrease] Decreased sales of 3D inspection systems

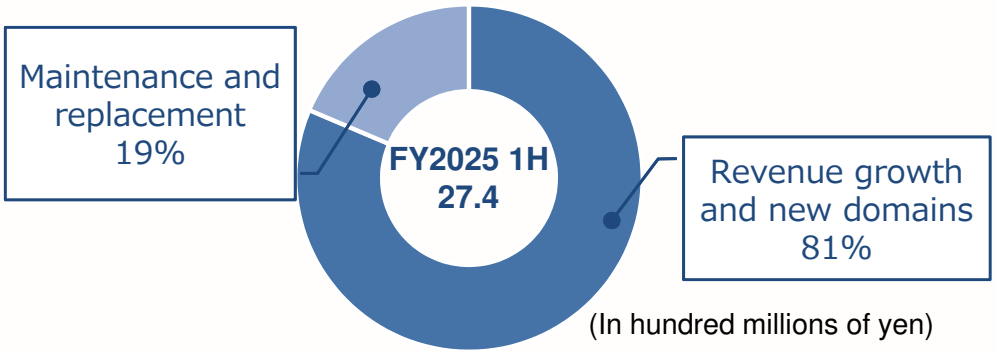
3. First Half Investment Performance (Capital Investments, Research & Development)

Capital Investments

(In hundred millions of yen)

	FY2025 Plan	**FY2025 1H Actual (A)**	FY2024 1H Actual (B)	Increase (A-B)
Revenue growth and new domains	64.6	**22.3**	12.6	+9.7
Maintenance and replacement	42.2	**5.1**	7.1	(2.0)
Total	106.8	**27.4**	19.7	+7.7

Type	Details
Revenue growth and new domains	• Smart meter assembly & delivery center
〃	• Production Equipment of second-generation smart meters
〃	• Production Equipment of ITAS
Maintenance and replacement	• Security Systems of Oyama Plant



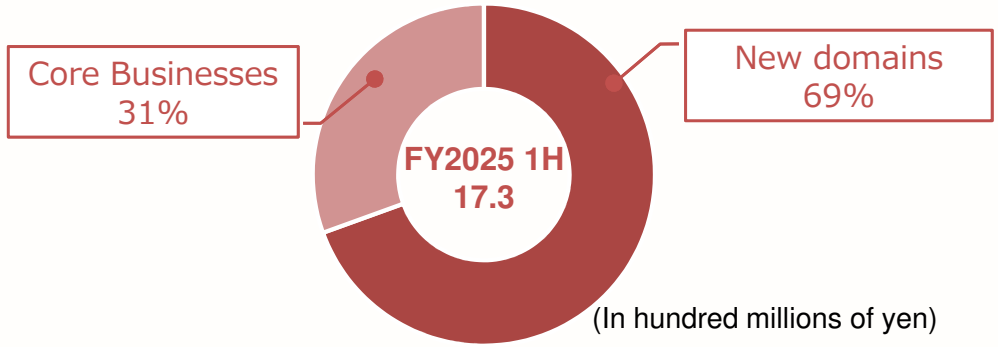
(In hundred millions of yen)

Research & Development

(In hundred millions of yen)

	FY2025 Plan	**FY2025 1H Actual (A)**	FY2024 1H Actual (B)	Increase (A-B)
New domains	32.9	**12.0**	13.4	(1.4)
Core Businesses	10.5	**5.3**	4.8	+0.5
Total	43.4	**17.3**	18.2	(0.9)

Type	Details
New domains	• Development of 400 kW EV Quick Charger
〃	• Development of second-generation smart meters
〃	• Development of Controllers for IT-SVR
〃	• Development of Wafer Bump Inspection System



(In hundred millions of yen)

4. Consolidated Financial Results of FY2025 Forecast <Comparison with Previous Forecast>

In light of the anticipated increase in sales of high-margin maintenance and service projects, as well as small transformers, we expect our performance to improve beyond the initial assumptions. Therefore, we have revised upward our previously announced consolidated earnings forecast for the fiscal year ending March 2026, including net sales and all profit categories.

(In millions of yen)

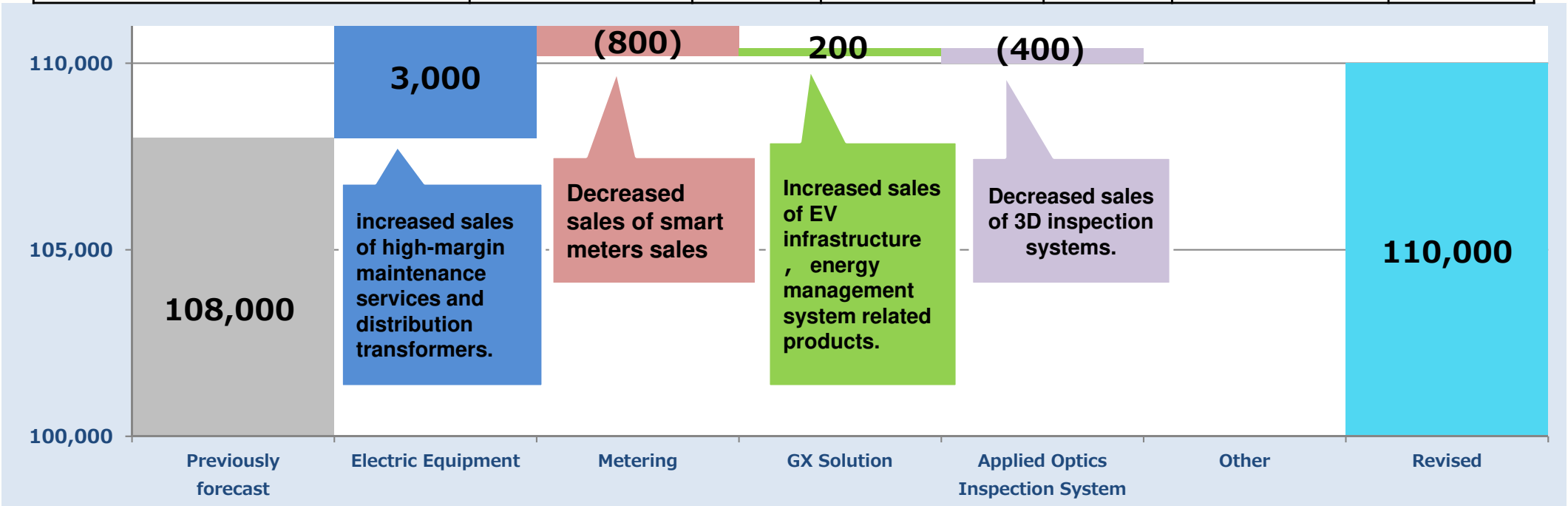
	Previously forecast(A)	**Revised** forecast(B)	Increase (Decrease) (A)-(B)	Increase/ Decrease ratio
Net sales*	**110,000**	**108,000**	+2,000	+1.9%
Operating income	**7,000**	**6,200**	+800	+12.9%
Ordinary income	**7,200**	**6,300**	+900	+14.3%
Profit attributable to owners of parent	**4,600**	**3,900**	+700	+17.9%
*Of which,net sales related to TEPCO Power Grid Inc.	**43,400**	**43,500**	(100)	(0.2%)
Net sales composition of TEPCO Power Grid Inc.	**39.5%**	**40.3%**	(0.8%)	(2.0%)
Orders received	**115,200**	**109,700**	+5,500	+5.0%

4. Consolidated Financial Results of FY2025 Forecast : Net sales

【Net sales by segment】

(In millions of yen)

Segment	Revised		Previously forecast		Increase (Decrease) Ratio	
	Amount(A)	Ratio	Amount(B)	Ratio	Increase (Decrease) (A)-(B)	Rate of change (%)
Electric Equipment Business	**62,100**	56.5%	59,100	54.8%	+3,000	+5.1%
Metering Business	**32,800**	29.8%	33,600	31.1%	(800)	(2.4%)
GX Solution Business	**12,400**	11.3%	12,200	11.3%	+200	+1.6%
Applied Optics Inspection System Business	**1,800**	1.6%	2,200	2.0%	(400)	(18.2%)
Other (real estate leasing)	**900**	0.8%	900	0.8%	–	–
Net sales by segment:Total	**110,000**	–	108,000	–	+2,000	+1.9%

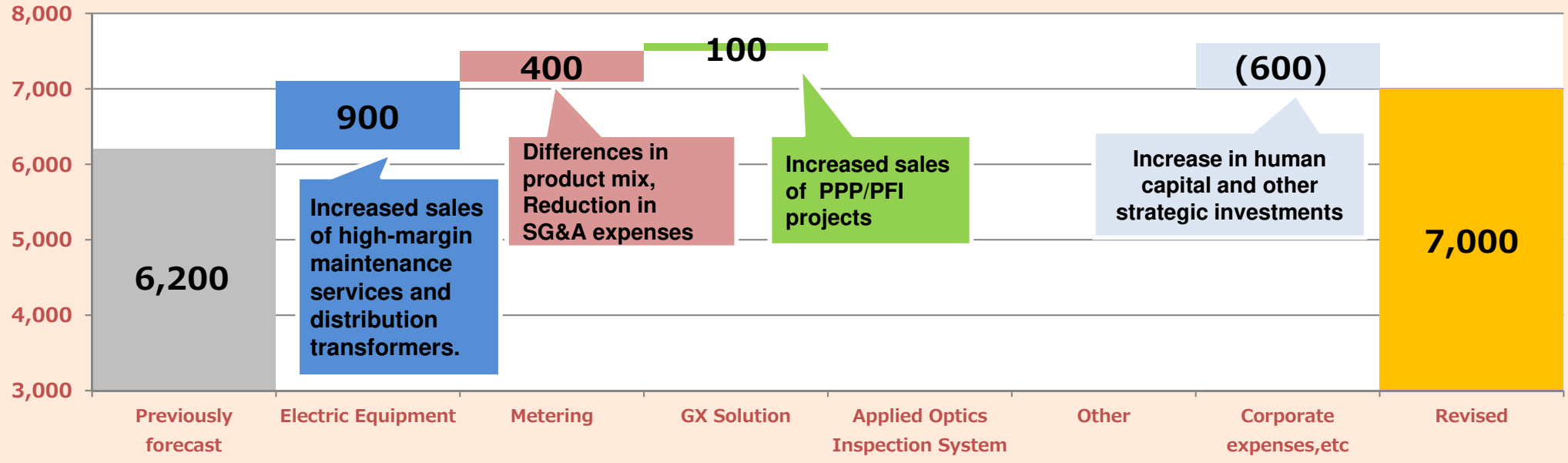


4. Consolidated Financial Results of FY2025 Forecast : Op profit

【Operating income by segment】

(In millions of yen)

Segment	Revised		Previously forecast		Increase (Decrease) Ratio	
	Amount (A)	Profit margin	Amount (B)	Profit margin	Increase (Decrease) (A)-(B)	Rate of change (%)
Electric Equipment Business	**7,800**	+12.6%	6,900	+11.7%	+900	+13.0%
Metering Business	**4,000**	+12.2%	3,600	+10.7%	+400	+11.1%
GX Solution Business	**400**	+3.2%	300	+2.5%	+100	+33.3%
Applied Optics Inspection System Business	**200**	+11.1%	200	+9.1%	–	–
Other(real estate leasing)	**600**	+66.7%	600	+66.7%	–	–
Profit by segment: Total	**13,000**	+11.8%	11,600	+10.7%	+1,400	+12.1%
Corporate expenses, etc. (incl. consolidated adjustments)	**(6,000)**	–	(5,400)	–	(600)	–
Operating profit	**7,000**	+6.4%	6,200	+5.7%	+800	+12.9%



5. Dividends

- Regarding dividends, we will determine them based on our newly established dividend policy, which adopts a performance-linked approach, with a target consolidated payout ratio of around 30%.
- With respect to the year-end dividend, reflecting the upward revision of the earnings forecast for the fiscal year, we have revised the previously announced dividend forecast (released on April 25, 2025), increasing it by 12 yen to 49 yen per share. As a result, the annual dividend for the fiscal year will be 86 yen per share.

	Amount of dividend per share		
	Interim	Year-End	Full-Year
Previous Forecasts	37.00 yen	37.00 yen	74.00 yen
Revised Forecasts	—	49.00 yen	86.00 yen
Results of the Fiscal Year Ending March 31, 2026	37.00 yen		
Reference: Results of the Fiscal Year Ended March 31, 2025	25.00 yen	25.00 yen	50.00 yen

6. Orders Received

- Electric Equipment Business: Orders for substation equipment for social infrastructure remain strong, and we have secured a large order for gas-insulated switchgear from an electric power company other than TEPCO.
- Metering Business: Orders decreased due to an expected decline in demand for second-generation smart meters following the extension of investment plans.
- GX Solution Business: Plans remain largely unchanged from the initial forecast at the beginning of the year.
- Applied Optics Inspection System Business: Although current orders are under pressure, we are responding to multiple inquiries for projects both in Japan and overseas.

(In millions of yen)

		2025/3	Revised FY2025 Forecast		2026/3	FY2024 Results	
		Order Backlog	Orders Received (A)	Net sales	Order Backlog	Orders Received (B)	Increase (Decrease) (A-B)
Segment	Electric Equipment	63,442	67,400	62,100	68,742	58,274	+9,126
	Metering	4,649	32,800	32,800	4,649	34,377	(1,577)
	GX Solution	4,354	12,300	12,400	4,254	11,397	+903
	Applied Optics Inspection System	1,330	1,800	1,800	1,330	1,283	+517
	Other (real estate leasing)	0	900	900	0	978	(78)
Total		73,776	115,200	110,000	78,976	106,311	+8,889
Comparisonwith Original Forecast		+0	+5,500	+2,000	+3,500	–	–

Progress of SQC First Reform(1)

- TAKAOKA TOKO Group has been thoroughly investigating the root causes behind a series of inappropriate incidents, including their background, and formulating measures to prevent recurrence. At the same time, we have taken into account the recommendations provided in the reports (Interim Report, Supplementary Report, and Final Report) received from the Investigation and Verification Committee. Based on these, we established on October 28, 2024, a reform plan called the “SQC First Reform,” aimed at rebuilding the company with Safety, Quality, and Compliance (hereinafter “SQC”) as our top priority. We are now promoting this initiative across the entire group.
- For Reforms (1)–(4), we have formulated specific action plans and are actively implementing them. Regarding the progress of the SQC First Reform, the executive side reviews the status of initiatives in monthly progress meetings, and reports to the Board of Directors semi-annually, enabling monitoring by the supervisory side.

SQC First Reform	
Reform (1)	Foster a culture of Kodo (thinking and acting) “SQC First” in an integrated manner from management to work sites
Reform (2)	Advance on-site capabilities and create people and organizations to support these
Reform (3)	Secure “SQC First” in the structure and environment
Reform (4)	Concentrate Resources (People, Money, Technology) Through Business Structure Reforms

	Reform (1)	Reform (2)	Reform (3)	Reform (4)
Action Plans	10	9	14	3
On Schedule	9	3	7	3
Nearly on Schedule	1	6	7	0
Difficult to Achieve	0	0	0	0

7. FY2025 2nd Quarter Initiatives

Progress of SQC First Reform(2)　All action plans are progressing mostly as planned.

Reform(1)　Formulate the TAKAOKA TOKO Group Management Philosophy and continuously implement activities to embed and instill it. In addition, various initiatives are being promoted to enhance communication between management and frontline workplaces.
Reform(2)　Promote initiatives such as formulating and executing plans for securing and developing human resources, as well as strengthening organizational capabilities.
Reform(3) Review the division of responsibilities and prepare necessary manuals so that the design, manufacturing, and inspection departments can fully function. In addition, promote automation and improve the workplace environment.
Reform(4)　Promote initiatives aimed at selection and concentration of product segments within the business headquarters and transformation of the business structure.

	All action plans
Reform(1)	①Review and promote understanding of corporate philosophy, vision, and credo ②Deliver proactive messages from top management ③Relocate corporate functions ④Hold town hall meetings ⑤Communicate SQC First messages from executives and organizational leaders ⑥Drive awareness reform initiatives within each division　⑦Incorporate SQC First elements into Top Kaizen activities ⑧Evaluate actions based on SQC First principles ⑨Reassess and execute investments ⑩Accelerate responses to recommendations from the Management Reform Task Force and re-establish the Task Force.
Reform(2)	①Strengthen recruitment　②utilize development records　③Establish job descriptions and talent management systems ④Introduce talent development rotation programs　⑤Enhance support for self-directed learning ⑥Expand group-wide Kaizen activities ⑦Promote study sessions and mutual learning practices ⑧Improve and transform open workplace communication ⑨Eliminate oversized production teams and optimize management span
Reform(3)	①Comprehensive review and restructuring of internal manuals ②Streamlining design technologies and implementing training programs ③Identifying over-specifications and presenting optimized proposals to customers ④Clarifying roles and responsibilities ⑤Establishing standard lead times and visualizing progress status ⑥Ensuring integrity of test circuits through regular inspections ⑦Conducting periodic checks on the validity of test methods and records ⑧Defining accountability for timely and accurate responses to potential risks and customer requests ⑨Strengthening corporate ethics initiatives ⑩Launching operations of the Sustainability Committee ⑪Enhancing group-wide management capabilities　⑫Digitalizing manufacturing and inspection check sheets ⑬Promoting digitalization and automation of production and inspection lines ⑭Preventing silo mentality and executing PMI (Post-Merger Integration)
Reform(4)	①Shift away from in-house exclusivity and move toward consolidated purchasing ②Secure resources for high-margin areas through design alliances and ODM for low-share models ③Shorten component lead times through joint procurement

Launch of Sales for EV Quick Charger SERA-150 (Maximum Output: 150 kW)

・On April 1,2025,we added a new 150kM model, SERA-150, to the SERA series of EV Quick Chargers and launched sales.
・Achieved one of the most compact designs in its class while delivering 150 kW output.

[Overview]

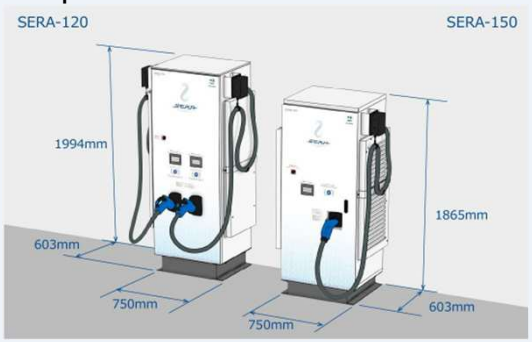
[Features of SERA-150]

- Boost function enables maximum output of 150 kW, and even under restrictions, 90 kW output allows quick charging.
- Achieves one of the smallest footprints in the industry for a 150 kW charger, installable in the same space as our 120 kW model (SERA-120).
- Equipped with a built-in connector holder, saving space and providing effective protection against rain and snow.
- Adopts the commonly used three-phase, three-wire power supply system in Japan.

[Planned Installation Locations] Car dealerships, municipalities, and public roads.

[Rated Specifications]

Model:	HFR1-150B12
Rated Output:	150 kW
CHAdeMO:	Ver. 2.0
Input Voltage:	Three-phase, 3-wire AC 400 V
Input Frequency:	50 Hz / 60 Hz
Output Voltage:	DC 150 – 450 V
Maximum Output Current:	334 A
Efficiency:	92% or higher
Protection Rating:	IP44
Dimensions:	W 750 mm × H 2074 mm × D 642 mm
Weight:	600 kg
Operating Temperature:	–10°C to +40°C
Operating Humidity:	30% – 90% (non-condensing, no freezing)
Billing Certification Compliance:	Yes



[Comparison with SERA-120]


[Built-in connector holder]

[Product Image]

7. FY2025 2nd Quarter Initiatives

Held a New Product Launch and Unveiling Ceremony for the next-generation ultra-fast EV charger SERA-400 for the press.

・On May 15,2025 (Thursday), at the Hasuda Plant, we held a press launch and unveiling ceremony for the next-generation ultra-fast EV charger SERA-400, currently under joint development with e-Mobility Power. The charger delivers up to 350 kW per connector and a total output of 400 kW (maximum current 400 A × maximum voltage 1,000 V). Presentations were given by Toko Electrical, e-Mobility Power, Sumitomo Electric Industries (developer of the new charging connector and cable), and Professor Yamanaka of the University of Tokyo, who designed the product.
・Despite the remote location, the event attracted 42 participants, including representatives from the media, automakers, the CHAdeMO Association, and electric power companies.
・The venue saw highly active Q&A sessions, reflecting strong interest in the world's first 400 kW ultra-fast charger compliant with the CHAdeMO standard.

Next-Generation Ultra-Fast Charger SERA-400 Press Launch & Unveiling Ceremony

Date May 15, 2025 (Thursday), 14:00–15:30
Venue Hasuda Plant (Area 1 & Area 2)
Product briefing (Training Building) → Unveiling & showcase (Area 2)
Speakers TAKAOKA TOKO: President Ichinose,
EV Infrastructure Office General Manager Ishimura
e-Mobility Power：Director Iwahori
Sumitomo Electric Industries：Head of EVC Section, Power Equipment Division Ideta
Shunji Yamanaka (Design Engineer, Specially Appointed Professor, University of Tokyo)
Participants Total 42
Media 16 companies/17 attendees(Nikkei,Nikkan Kogyo,Nikkan Jidosha,Nikkei BP,Denki,etc)
Automakers 7 companies / 15 attendees (Porsche, Hyundai, Volkswagen, BYD, Nissan, Mitsubishi)
Others 5 companies / 10 attendees (TEPCO Research Institute, Hitachi, Dentsu, CHAdeMO, JAIA)
Key Questions Challenges faced in design and product development
Sales channels, planned sales volume, and expected pricing
Detailed specifications and maintenance support

◆Media Coverage: : Denki, Nikkei, Nikkan Kogyo, Saitama, CarWatch, EVsmart Blog, Economic News, and others (10 articles in total)
◆Our Press Release(Japanese):https://www.tktk.co.jp/news/entry/000522.html


[SERA-400]


[Unveiling Ceremony]


[Scene from the Press Conference]


[Photo Session]


[Media Q&A Session]

Cumulative shipments of SERA-50 exceeded 2,000 units.

・In October 2025, cumulative shipments of our EV quick charger SERA-50 exceeded 2,000
・Since its initial launch in October 2020, SERA-50 has played a key role in supporting the development and expansion of EV infrastructure. This milestone was achieved through a broad range of installations at expressway service areas and parking areas, automotive dealerships, convenience stores, public facilities, commercial complexes, and corporate fleets. SERA-50 continues to serve as one of our core products driving EV infrastructure deployment.

[Overview]

[Features of SERA-50]

・Most popular standard output capacity of 50 kW with a compact design
・Color display with on-screen operation guidance for easy use, even for first-time users
・Modular inverter units allow continued charging with remaining units in the event of a failure

[Installation Locations]

automotive dealerships,
expressway service areas and parking areas,
roadside stations, and convenience stores

[Design]

[Commemorative group photo taken upon reaching the milestone of 2,000 units shipped]

7. FY2025 2nd Quarter Initiatives

DX Initiatives: Full-scale implementation of electronic check sheets on the inspection line for EV quick charger SERA.

- As part of the SQC First factory DX initiative, we began full-scale use of electronic check sheets with “i-Reporter” (by CIMTOPS) on February 25, 2025, at the EV quick charger inspection line in Hasuda.
- This supports increased shipments following the expansion of our EV quick charger lineup to five series (SERA-15/50/120/150/400).
- Building on successful applications at Mintwave, T2MS, and other divisions, this system will be extended to assembly check sheets and automated linkage of traceability data with shipping records, aiming to reduce quality assurance workloads.

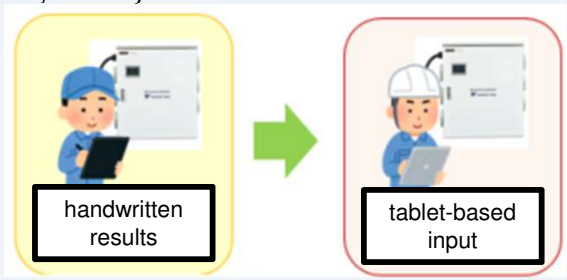
【Overview】

Smart Factory Implementation of Inspection Check Sheets through “i-Reporter

(EV Quick Charger SERA Inspection Line – From February 25, 2025)

<Key Benefits>

- Paperless operation through on-site tablet input
- Zero missed entries and automatic pass/fail judgment
- Electronic workflow approval
- Elimination of PDF scanning of paper forms
- Future Plans
  - : Expansion to assembly check sheets in manufacturing
  - : Automatic linkage of traceability data (e.g., serial numbers) to shipping records
  - : Reduction of quality assurance workload by 20 minutes per unit
    [Current] 30 min/unit → [Future] 10 min/unit



[Import of Measurement Data via QR Code]

[Operational Image]

[Approval of Shipping Test Check Sheet]

Smart Meter Business

Performance of Toshiba Toko Meter Systemsin the First Half of FY2025

- In the first half of FY2025, sales decreased by 8% year-on-year, mainly due to fewer smart meter replacement works at TEPCO Power Grid and lower demand following model changes in gas-related products.
- Despite continued yen depreciation and rising material costs, the impact on earnings was minimized through VA development for electric smart meters, cost reduction activities such as component CD, and foreign exchange hedging. Operating profit declined by 17% year-on-year, primarily due to higher fixed costs from capital investment in second-generation smart meters.

Status of Development and Production Facilities for Second-Generation Smart Meters

- Development of the second-generation power smart meter has been completed, and we are advancing the construction of production lines. A pilot line was launched in July, and shipments have begun. To meet growing demand in the second half of the fiscal year, we are building production lines targeting 100% process automation.
- Preparations by electric utilities for orders of second-generation smart meters are nearly complete, and at the initial launch, we expect to secure a market share equal to or greater than that of current smart meters.

7. FY2025 2nd Quarter Initiatives

Completion Ceremony for New Building of Smart meter assembly & delivery Center at Hasuda Area Office

・On July 18, 2025 (Friday), a completion ceremony for the New Building of Smart meter assembly & delivery center was held at the Hasuda Area Office (Third Area).
・ The new Smart meter assembly & delivery center building will serve as the core facility for the “Smart meter assembly & delivery center Business,” performing final assembly and pairing of the measurement unit, communication unit, and casing for next-generation smart meters. Full-scale mass production is scheduled to begin in January 2026.
・The ceremony, attended by 55 participants under the direction of the chief priest of Washinomiya Shrine, expressed gratitude to those involved in the construction and prayed for the success of Smart meter assembly & delivery center Project.

【Overview】

Date July 18, 2025 (Friday)
Venue Hasuda Plant (Area3)
New Building of Smart meter assembly & delivery center
Attendees ・Under the direction of the chief priest of Washinomiya Shrine, 55 participants attended the completion ceremony (Tokyo Electric Power Grid: 5, TEPCO Logistics: 4, Contractors: 15,T2MS: 7, WLS: 7, Toko Kizai: 2, TAKAOKA TOKO: 15)
・The ceremony included a ribbon-cutting by President Ichinose and others.The event marked the safe completion of the building, expressed gratitude to those involved in the construction, and prayed for the success of the project.

Ribbon-cutting Ceremony (President Ichinose and Guests)

Smart meter assembly & delivery center Business: Core to High-Quality Product Delivery

Building Next-Generation Power Infrastructure as a Core Player in the Smart Meter Supply Chain

- Full smart meter assembly operations
- Pairing process between measurement and communication modules

Exterior View of Instrument Center

PoC for Residential Support Services Utilizing Electricity Usage Data

・To address the social issue of elderly and other vulnerable individuals facing difficulties in renting housing, the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) approved amendments to the Housing Safety Net Act in May 2024. The revised law introduced new measures, including the establishment of “Residential Support Housing,” which came into effect in October 2025.
・As part of a proof-of-concept (PoC), we collected electricity usage data at one-minute intervals and applied AI-driven analysis to verify methods for detecting changes in residents’ health conditions, reduce labor for monitoring and daily support, and improve service quality. This PoC was conducted at Hoboku’s “Monitored Support Housing” and similar facilities.
・Key outcomes included early detection of health deterioration, understanding residents’ activities outside monitoring hours, and deeper communication during visits.
・Going forward, we will provide services under MLIT’s “Model Project for Creating a Safe Housing Environment,” launched in October, to promote the adoption of Residential Support Housing and contribute to addressing social challenges.

【Overview】

Verification Site
Kitakyushu City, Fukuoka Prefecture

Number of Units
40 units (including supported housing operated by Hoboku)

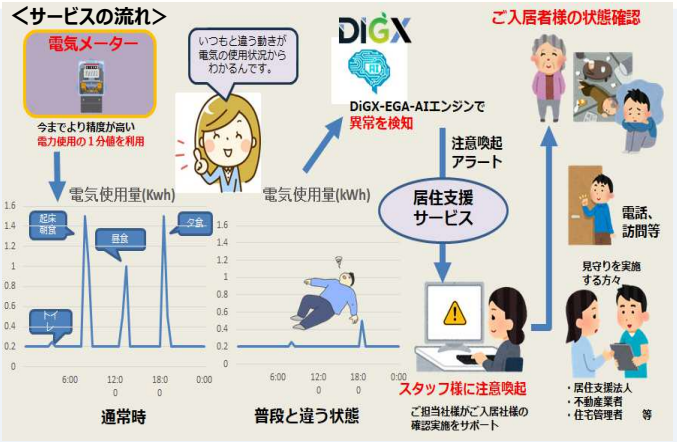
Verification Period
October 15, 2024 – September 30, 2025

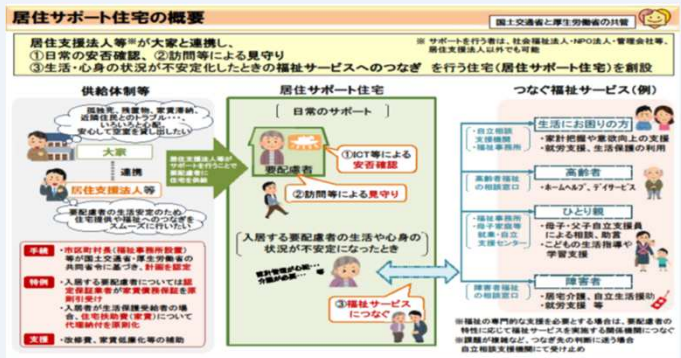
Purpose of Verification
- Confirm the accuracy of detecting health issues by analyzing residents’ daily living patterns
- Assess the degree of reduction in operational workload for routine monitoring and life-support services for single occupants
- Evaluate the usability of the user interface screen

** The supported housing operated by Hoboku, where the DiGX-EGA service has been introduced, became the first certified facility. This milestone was featured in news coverage of the Kitakyushu City Mayor’s visit.Media coverage included five TV stations (NHK, FBS, KBC, RKB, TeleQ) and four major newspapers (Mainichi, Asahi, Yomiuri, Nishinippon).*

RKB Mainichi Broadcasting

Kyushu Asahi Broadcasting





出典元：国土交通省

Demonstration Project for 100% Renewable Energy Power Supply Launched on Hahajima, Ogasawara Village, Tokyo

・In August 2025, a demonstration project aimed at achieving 100% renewable energy power supply commenced on Hahajima, Ogasawara Village, Tokyo.
To enable RE100 operation—where all electricity within the grid is supplied from renewable sources—our company developed and delivered a newly designed off-grid Energy Management System (EMS) that controls multiple assets, including: Photovoltaic (PV) systems, Battery storage systems (including VSG),Diesel generators ,Demand-side equipment
・This EMS maximizes the utilization of PV-generated power and significantly reduces both the operating time and power output of diesel generators. By adjusting to PV generation levels, the system enables RE100 operation with zero fossil fuel generation, thereby achieving substantial CO_2 emission reductions. Furthermore, it performs fully automated supply-demand and frequency control across the entire grid.
・The EMS is designed to support the anticipated acceleration of renewable energy adoption, contributing to the realization of a carbon-neutral society.

【Overview】

Delivery Location

TEPCO Power Grid – Hahajima Internal Combustion Power Plant

Delivered Product

Complete off-grid EMS system

EMS Operation Start Date

Tuesday, July 29, 2025

Key Functions

- Unit Commitment (UC) for generator start/stop scheduling
- Economic Dispatch Control
- (EDC) for generator output planning
- Load Frequency Control (LFC)
- Grid voltage control
- Black start capability
- Control during distribution line faults

[EMS Exterior View]

[Opening Ceremony]

[EMS Control Screen]

7. FY2025 2nd Quarter Initiatives

Development and Delivery of EMS for the Demonstration Project on Energy Demand Conversion Using a P2G System for Introducing Green Hydrogen at Suntory Natural Mineral Water Minami-Alps Hakushu Plant and Suntory Hakushu Distillery

- In October 2025, Yamanashi Prefecture and ten participating technology development companies installed a large-scale Power-to-Gas (P2G)* system to introduce green hydrogen at the Suntory Natural Mineral Water Minami-Alps Hakushu Plant and the Suntory Hakushu Distillery, launching a demonstration project for energy demand conversion and utilization technology development.
- Our company received an order from TEPCO Holdings to develop an Energy Management System (EMS) that converts renewable energy-derived electricity into hydrogen based on energy demand plans.
- This EMS enables both manual and automatic start/stop of various devices, scheduled operation from on-site or remote locations, monitoring and control of the entire hydrogen production and supply system, and allocation control of utilization ratios among multiple hydrogen production units. It is also scalable to accommodate an increasing number of monitored sites.

【Overview】

＊P2G: Abbreviation for Power-to-Gas system. A technology that uses renewable energy-derived electricity to produce hydrogen and oxygen through water electrolysis.

Delivery Location

Green Hydrogen Park – Hakushu(Hakushu-cho, Hokuto City, Yamanashi Prefecture)

Delivered Product

Complete P2G-type Energy Management System (EMS)

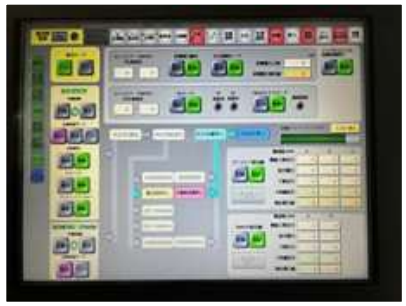
Scheduled Operation Start Date

February 2026

Key Functions

- Manual/automatic start and stop
- Scheduled start and stop
- Planned operation function
- Primary frequency control operation function
- Grid voltage control
- Data measurement, collection, storage, and display functions
- Remote monitoring capability

[EMS Exterior View]



[Operation Screen]

[EMS Control Screen]

SERA

Seamless Energy Relations
& Activation

Cautionary statement regarding the performance forecast

Performance forecasts in this document have been made based on information available as of its publication date, and actual operating results may differ from such forecasts due to various factors.

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TAKAOKA TOKO CO., LTD.