



May 14, 2024

To Whom It May Concern

Company name: HAZAMA ANDO CORPORATION
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(Update on disclosed matter) Additional Costs Arising for Construction Work Underway

HAZAMA ANDO CORPORATION (the “Company”) hereby announces that it expects additional costs to arise in regard to the incident (the “incident”) disclosed in its November 9, 2023 release “Occurrence of an Incident in Construction Work Underway” and occurring during foundation work for the steel guard wall (south side foundation and north side foundation) for construction works being undertaken by a joint venture with the Company as the representative and outlined at the end of this release.

The Company deeply apologizes to the contractee and all other concerned parties for any concern and inconvenience caused by the incident. The Company will continue to take appropriate measures responsibly as a constructor.

1. Additional costs

In cooperation with concerned parties to the construction work, including the contractee, the Company instituted an investigation of the south side foundation and north side foundation to determine the cause of the incident and after examining repair/reinforcement plans based on the results of this investigation, it is presently preparing for repair/reinforcement work.

As of the end of the fiscal year ended March 31, 2024, the Company expected additional costs of approximately 6.2 billion yen arising from repair and other expenses as determined by our reasonable estimate of the impact on profits/losses arising from this incident and in light of examinations to date.

Please note that these additional costs will be recognized over a certain period of time based on progress with the performance of obligations under this construction work contract.

2. Impact on the Company’s consolidated financial results

The Company’s consolidated financial results for the fiscal year ended March 31, 2024, which factor in these additional costs, are as reported in “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [Japanese GAAP]” disclosed today.

After determining repair/reinforcement plans and other matters, should it become clear that there will be a significant impact on the Company’s consolidated financial results forecast for the fiscal year ending March 31, 2025, the Company will disclose it in a timely and appropriate manner.

[Outline of construction work]

Name of construction work: Installation of a seawall (seawater pump room area section) and other construction works at Tokai No.2 Power Plant

Contractee: The Japan Atomic Power Company

Constructor: Joint venture between HAZAMA ANDO CORPORATION, PENTA-OCEAN CONSTRUCTION CO., LTD., and WAKACHIKU CONSTRUCTION CO., LTD.

Construction site: Tokai-mura, Naka-gun, Ibaraki Prefecture