

FY2024 Q1 Financial Results (January-March)

EPCO Co., Ltd. Securities Code : 2311 May 13, 2024

CHALLENGE TO EVOLUTION

Carbon-Neutral × DX Strategy

**We support Housing, Living and Global Environment
by adopting Digital Transformation**

PURPOSE

HCDs

HOUSING

CARBON NEUTRALITY

DIGITAL SOLUTIONS



01. FY2024 Q1 Results





02. FY2024 Q1 Topics

03. Shareholder Returns

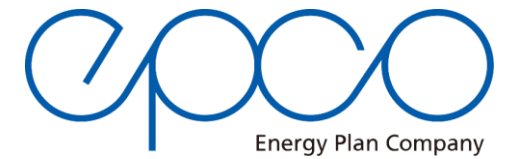
04. Appendix.

Ordinary profit increased (+108.6%) due to revenue growth in all segments

(JPY Million)	FY23 Q1 Results	FY24 Q1 Results	Changes	Ratio
Net Sales	1,177	1,354	+176	+15.0%
Ordinary Profit	20	42	+22	+108.6%
Net Profit	55	18	-36	-66.5%
*Factor of net profit increase/decrease Gain on sales of investment in affiliates	62	-		

<h2>FY2024 Q1 Results</h2>	<p>Ordinary Profit YoY</p>	<p>JPY42mil. +108.6%</p>	<p>Design and maintenance service led to increase in profit</p>	
<h2>Renewable Energy Solutions</h2>	<p>Ordinary Profit YoY</p>	<p>JPY-16mil. JPY-23mil.</p>	<p>Decrease in profit due to investments for future expansion on overseas(LESSO) and Japan(TEPCO HomeTech)</p>	
<h2>Maintenance</h2>	<p>Ordinary Profit YoY</p>	<p>JPY77mil. +21.9%</p>	<p>Achieved profit increase by increasing in energy-related sales</p>	
<h2>Design</h2>	<p>Ordinary Profit YoY</p>	<p>JPY81mil. +79.9%</p>	<p>Significant increase in profit owing to increase in EV charger and BIM-related sales</p>	

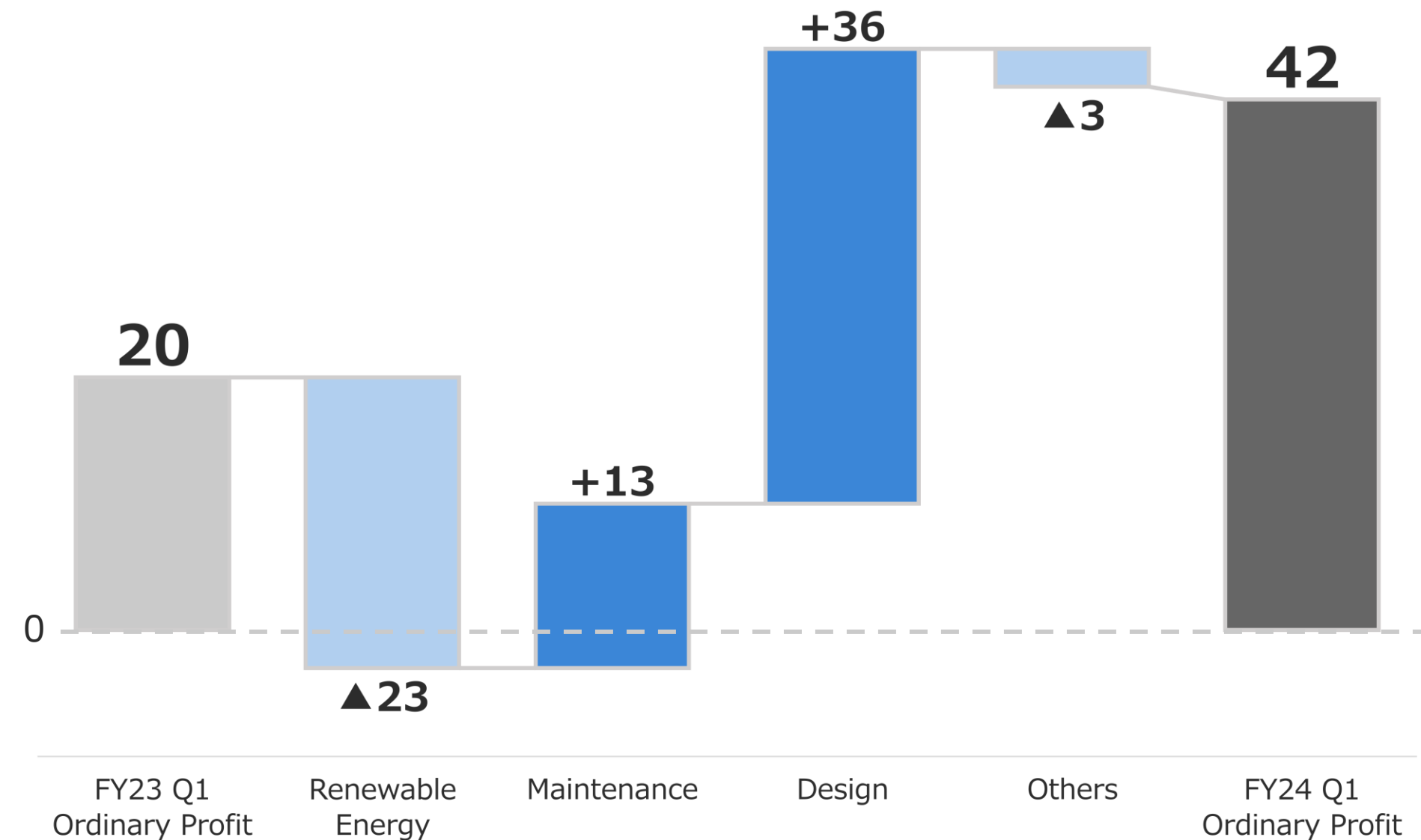
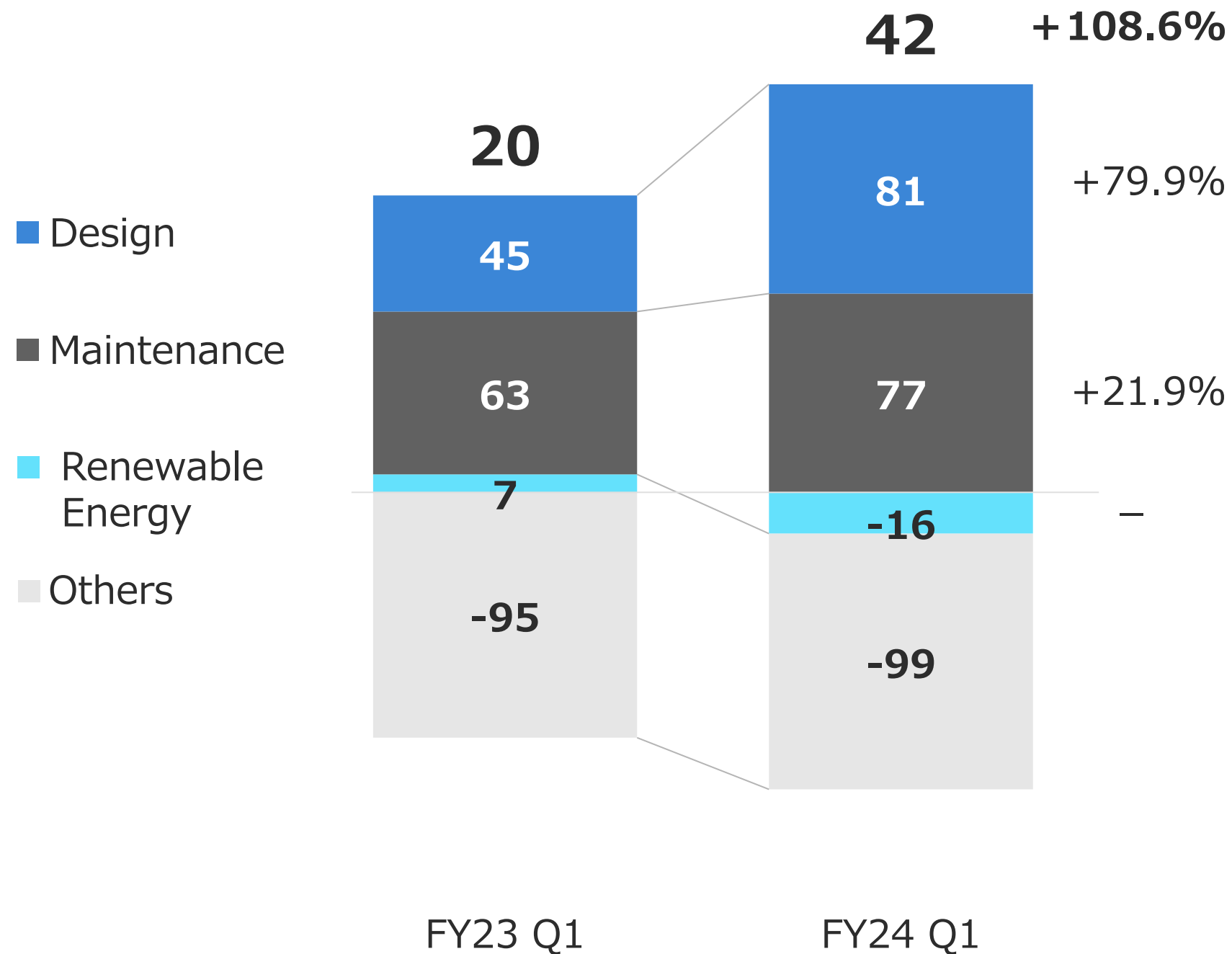
FY2024 Q1 | Consolidated Ordinary Profit by Segment



Secured profit increase by improving profitability of existing businesses
(Design and Maintenance)

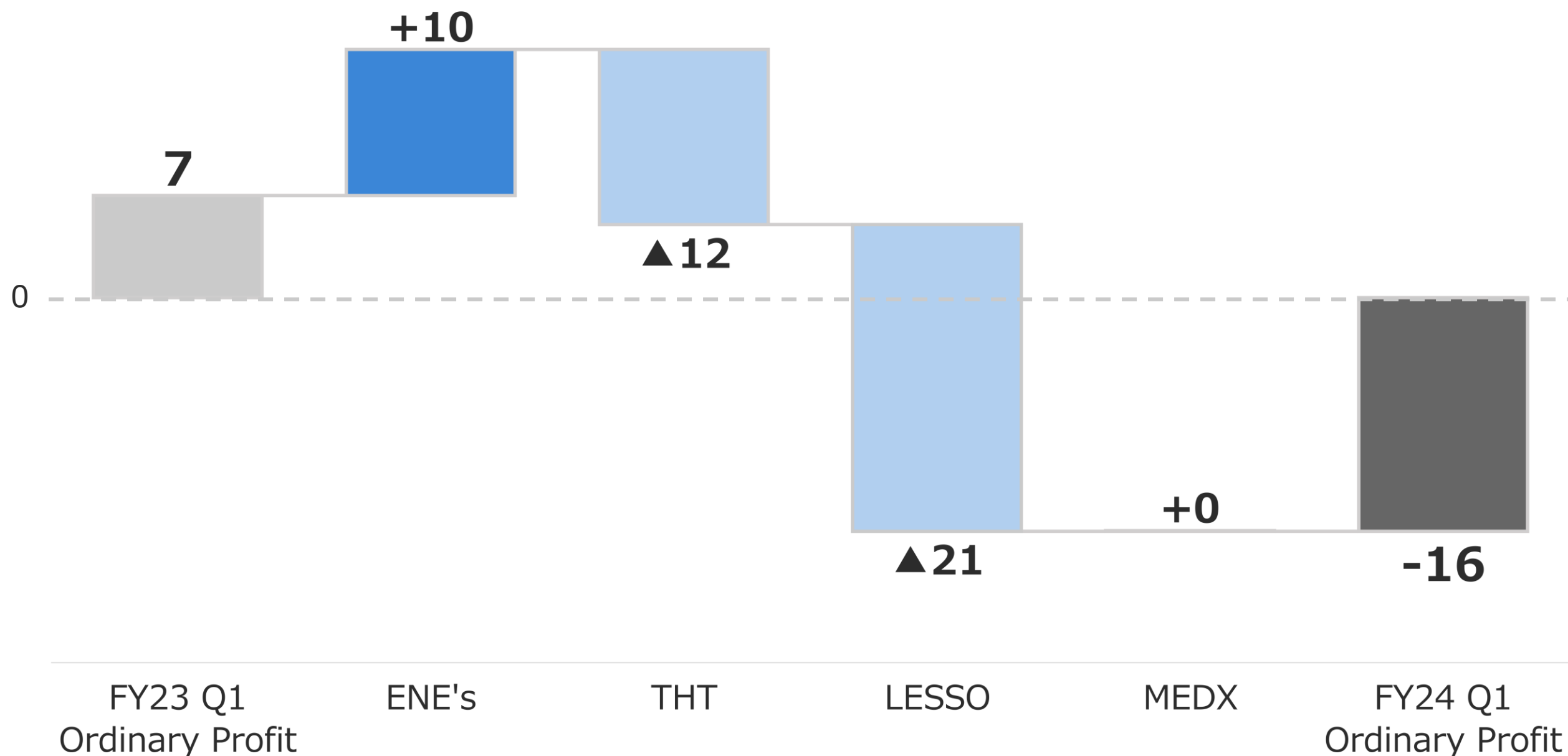
EPCO Group Consolidated Ordinary Profit

(JPY Million)



Profit decreased due to investments for future business expansion on THT (TEPCO HomeTech) and LESSO. On the other hand, secured profit increase in ENE's as sales increase in renewable energy related facility installation.

Renewable Energy Solution Ordinary Profit Fluctuation Analysis (JPY Million)



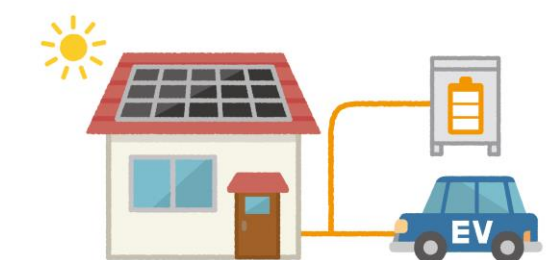
■ LESSO·THT

Decrease due to investment for business expansion (Ref) P.13-15



■ ENE's

Solar power, storage battery, and EV charger installation increase due to the demands (Ref) P.16

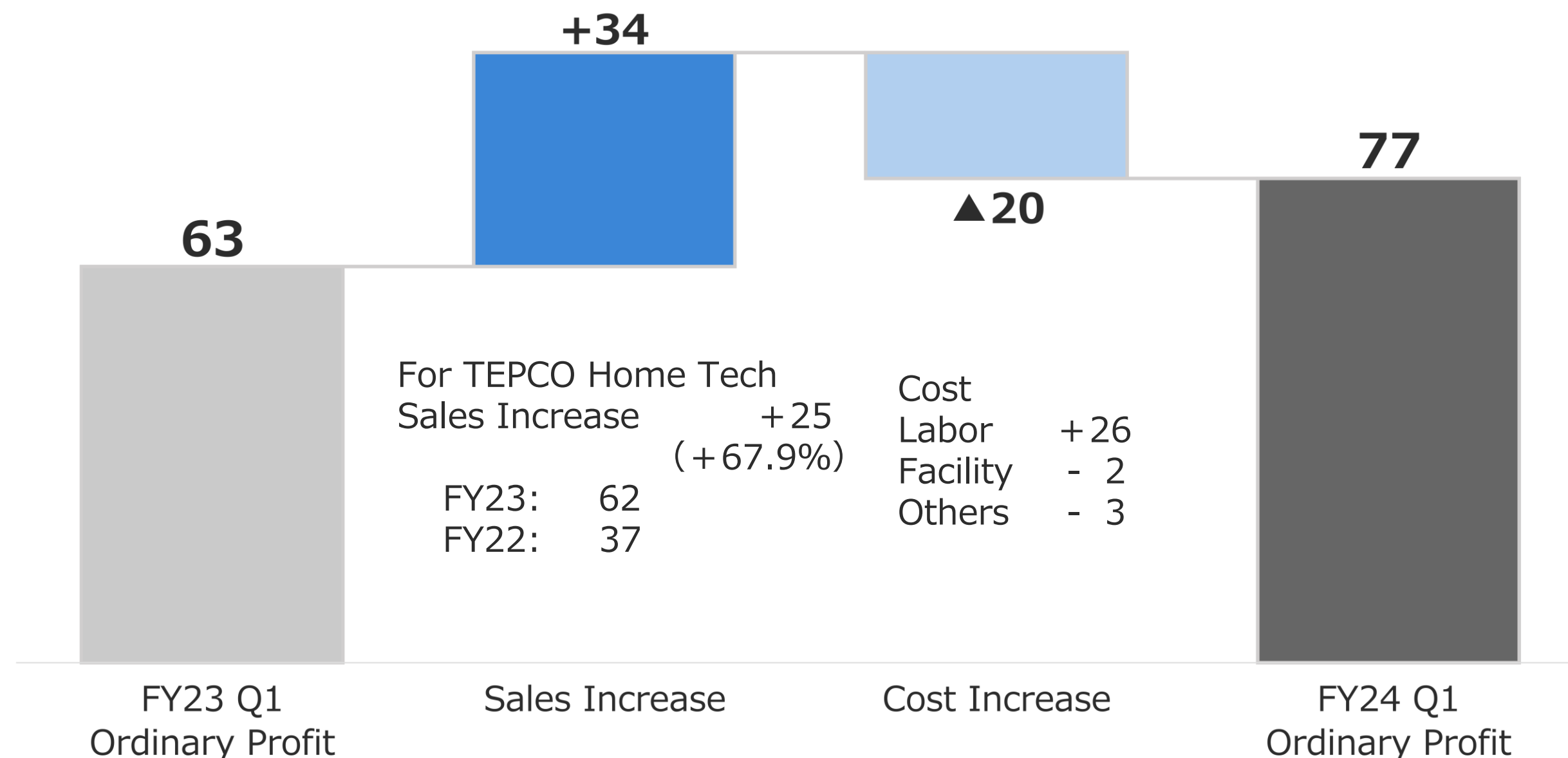


FY2024 Q1 | Maintenance Service Ordinary Profit

While increasing the number of personnel at the new location to build a disaster-resilient maintenance center, the Company secured profit increase by sales increase in contracts for TEPCO Hometech.

Maintenance Ordinary Profit Fluctuation Analysis

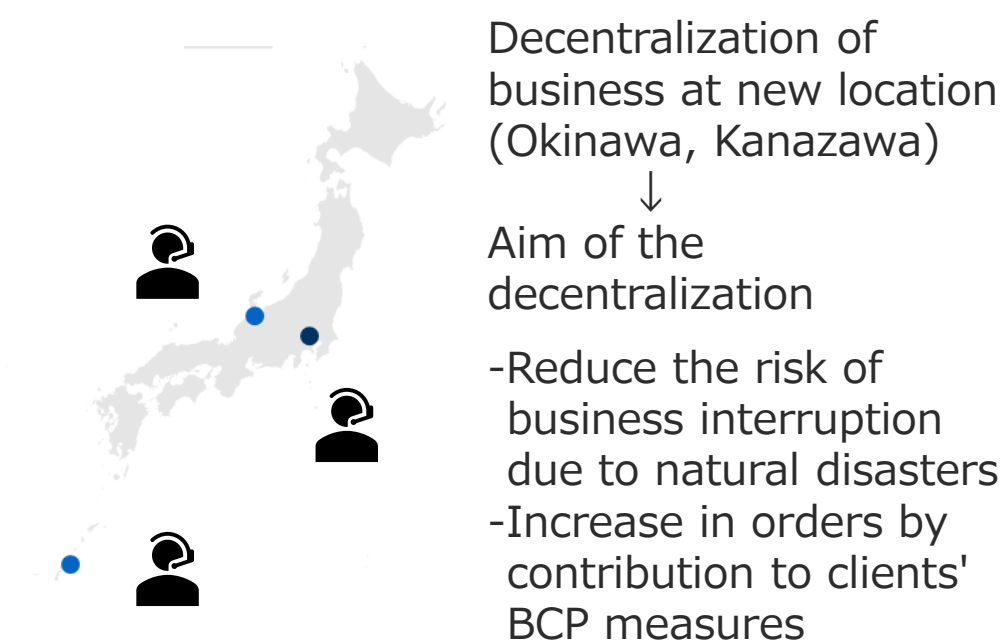
(JPY Million)



Maintenance Service No. of employees

Location	FY23 Q1	FY24 Q1	YoY
Okinawa	235	227	-8
Tokyo	22	34	+12
Kanazawa	16	34	+18
Total	273	295	+22

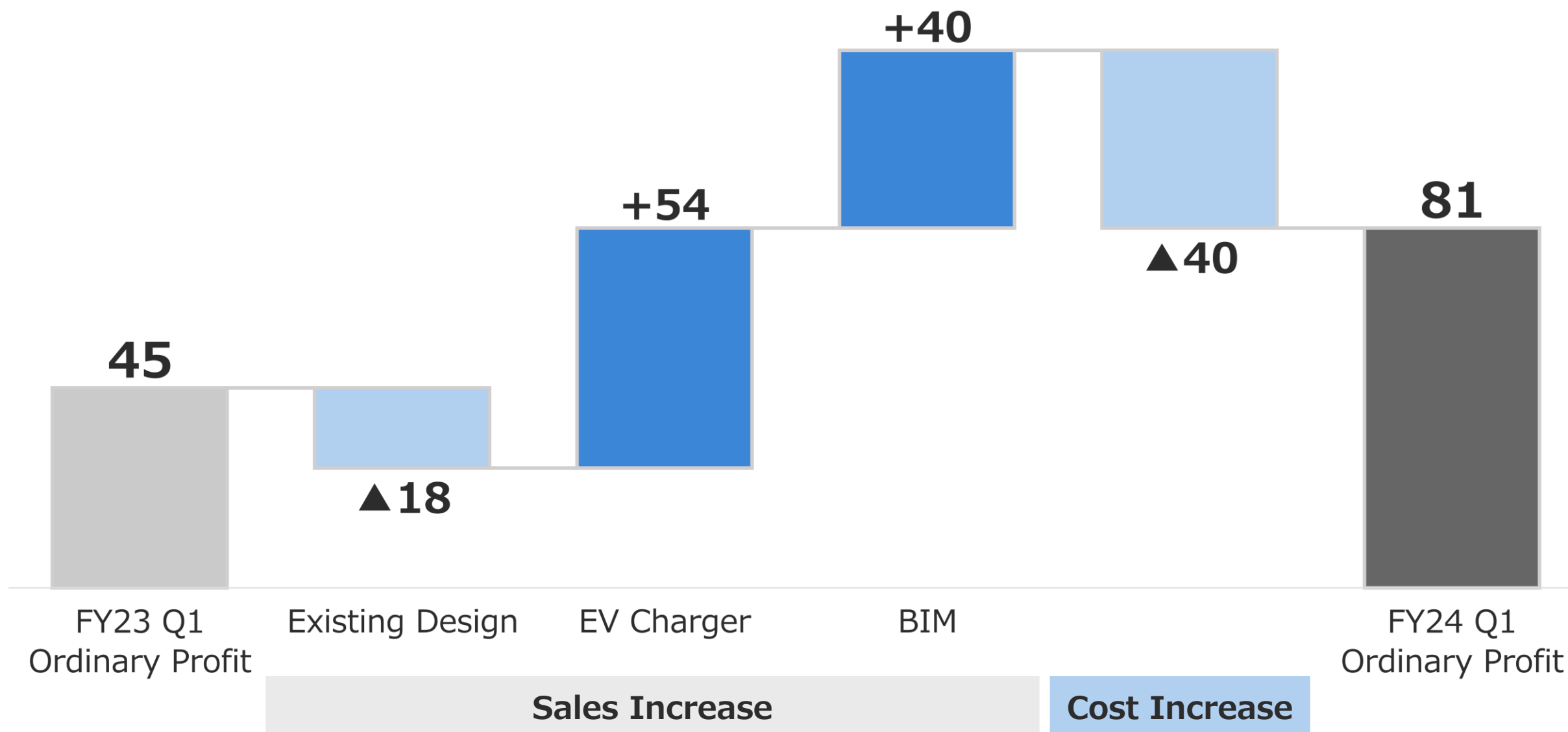
Goal : Building a Disaster-Resilient Maintenance Center



FY2024 Q1 | Design Service Ordinary Profit

Despite a decline in the number of housing starts, secured an increase in profit owing to an increase in orders for services related to the preparation of application drawings for EV charger. In addition, the Company will work to further improve in profits in the future as BIM-related sales on the rise

Design Service Ordinary Profit Fluctuation Analysis (JPY Million)



■ Existing Design

Decrease due to macroeconomic environment
Housing starts (owner-occupied)
YoY -9.0%

■ EV Charger

Increase in sales to the companies related to EV charger (Refer P.17)

■ BIM

BIM-related consulting sales increase and the deficit decreased

(Ref.) Details of profit/loss by service

	FY24 Q1	Existing Design ,EV Charger	BIM	Total
Sales		481	58	539
Cost		398	60	458
Ordinary Profit		83	-1	81

FY2024 Q1 | (Reference) Consolidated Net Sales Breakdown



(JPY Million)	FY23 Q1 Results	FY24 Q1 Results	Changes	Ratio
Net Sales (Consolidated)	1,177	1,354	+176	+15.0%
Renewable Energy Solutions	252	318	+65	+26.1%
Maintenance	461	495	+34	+7.4%
Design	462	539	+76	+16.6%

FY2024 Q1 | (Reference) Consolidated Ordinary Profit Breakdown

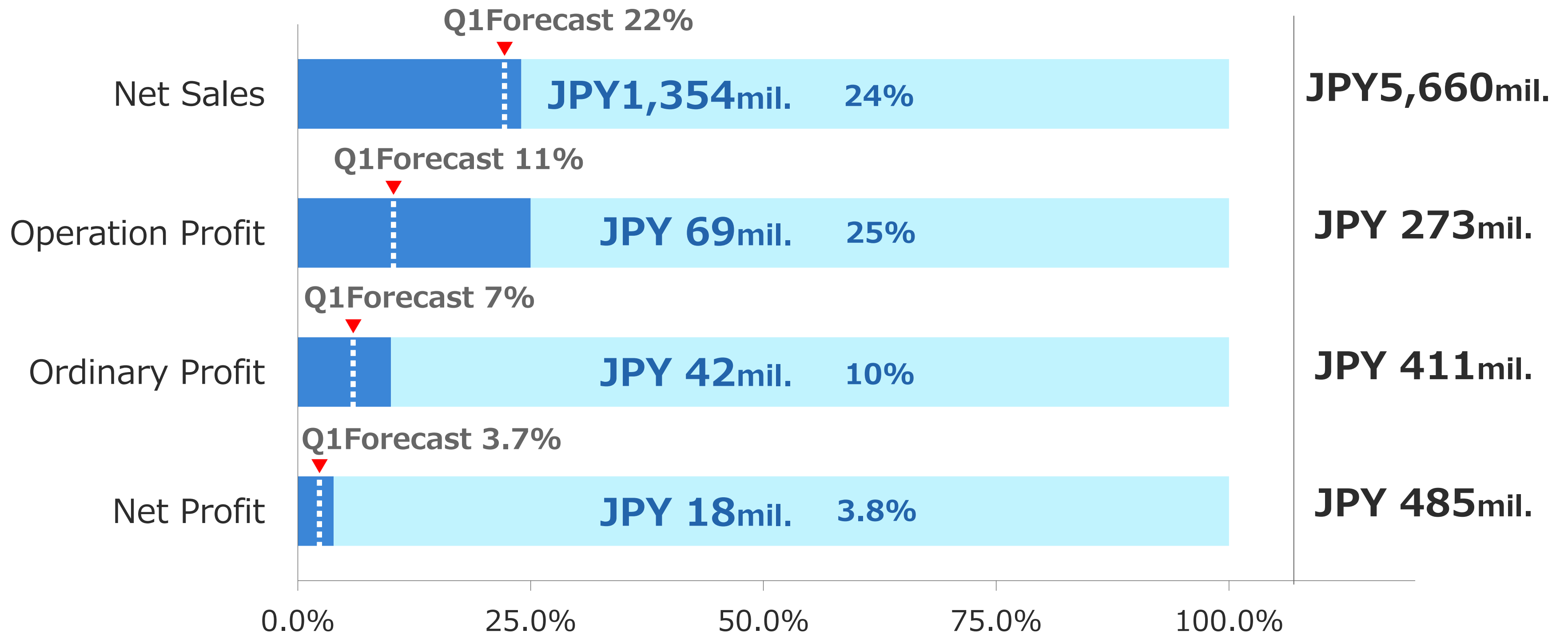


(JPY Million)	FY23 Q1 Results	FY24 Q1 Results	Changes	Ratio
Ordinary Profit (Consolidated)	20	42	+22	+108.6%
Renewable Energy Solutions	7	-16	-23	-
ENE' s	1	11	+10	+709.1%
TEPCO HomeTech	41	28	-12	-31.3%
LESSO	-27	-48	-21	-
MEDX	-7	-7	+0	-
Maintenance	63	77	+13	+21.9%
Design	45	81	+36	+79.9%
Others (Corporate expenses·Non-operating profit/loss)	-95	-99	-3	-

FY2024 Q1 | Progress Toward The Full-year Forecast



Both net sales and profits in Q1 exceeded the forecast



01. FY2024 Q1 Results

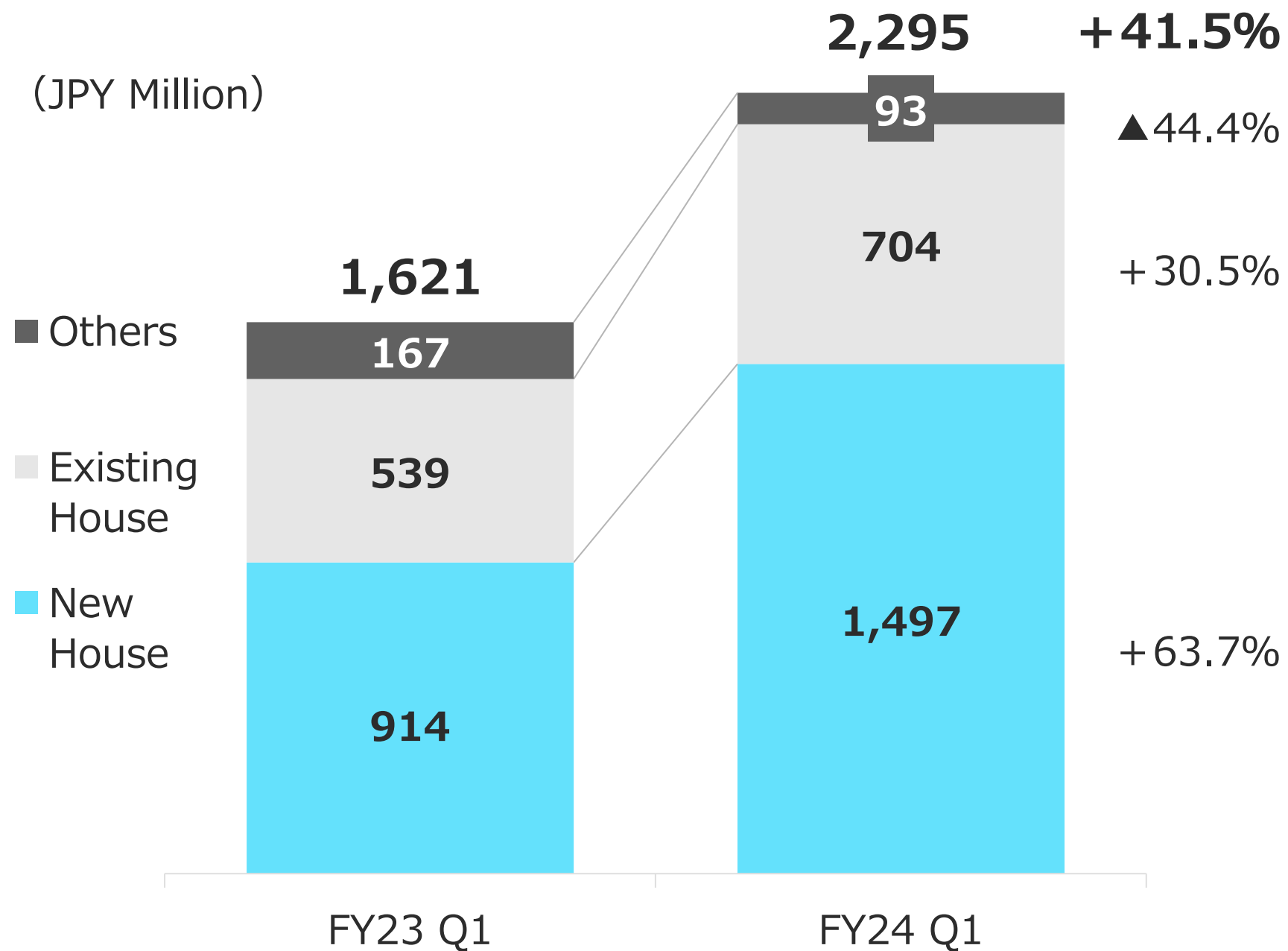
02. FY2024 Q1 Topics

03. Shareholder Returns

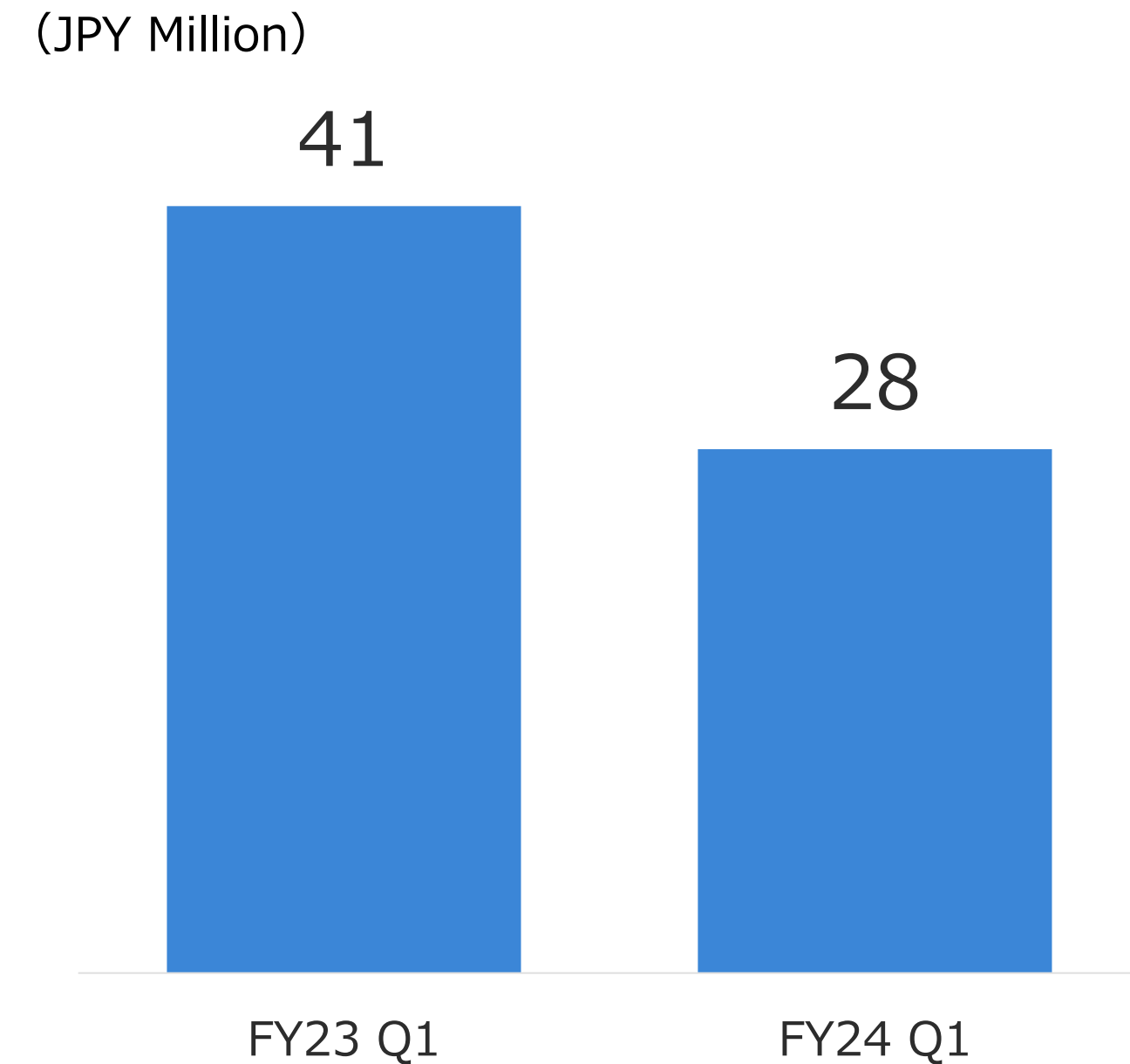
04. Appendix.

Net sales have continued to grow at a high rate (+41.5%), however investments were made in anticipation of business expansion, so that Equity in earnings of affiliates decreased.

TEPCO HomeTech Net Sales (YoY)

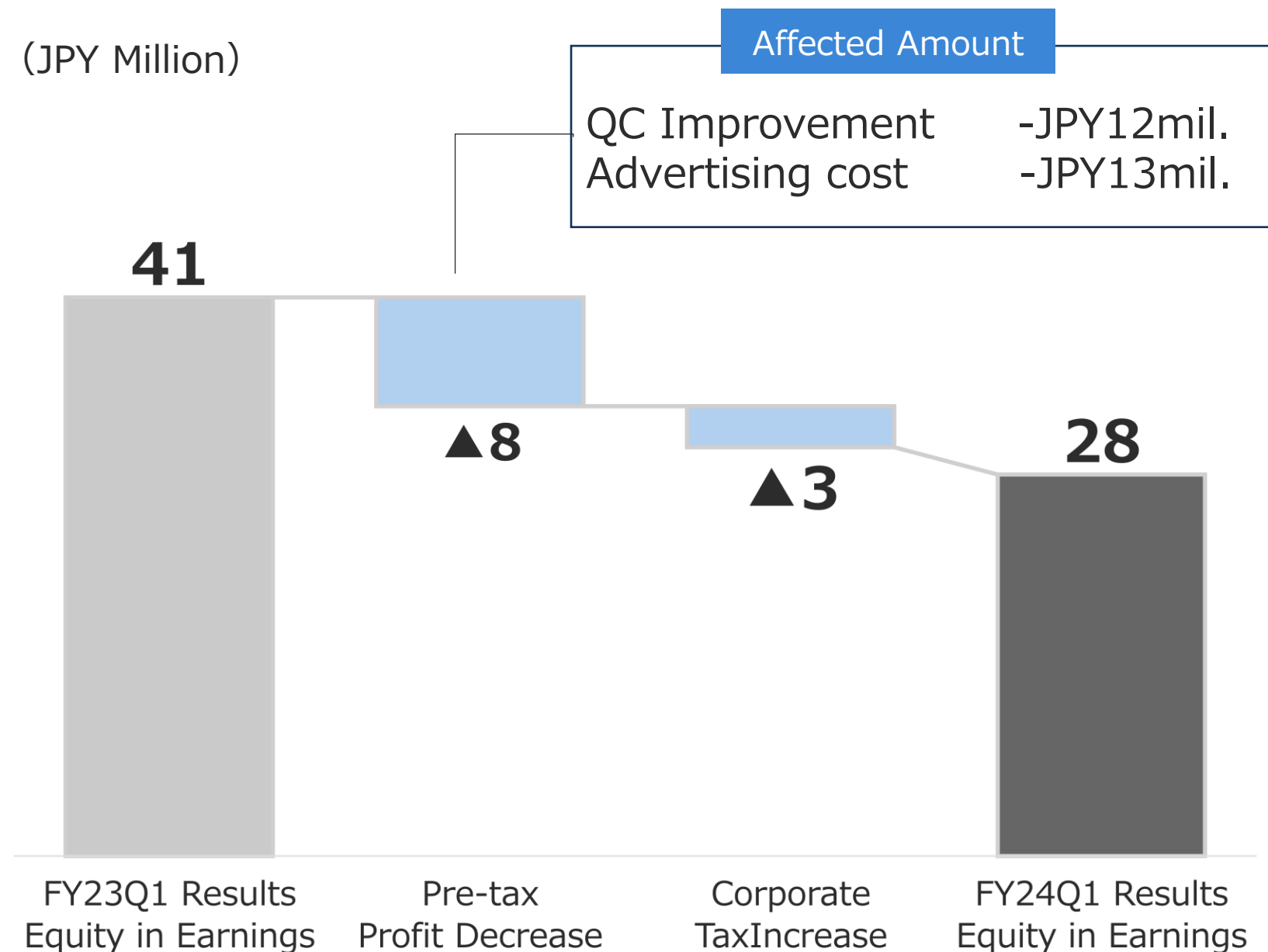


TEPCO HomeTech Equity in Earnings (YoY)



In the period from January to March 2024, profit decreased due to temporary expenses, related to the opening of a training facility to improve construction quality, the development of operational manuals, and advertising mainly for web-based media.

THT Equity in Earnings Gain/Loss Factors



Established a "training facility for installation" of residential-use energy-saving equipment

■ Facility Information

- Name : **エネカリ テック スクエア**
- Address : 2-31-12 Daikokuyu Building, Kaminakazato, Kita-ku, Tokyo
- Total Floor Area : Approx. 337.76㎡
- Date of open : April 2024

■ Goal

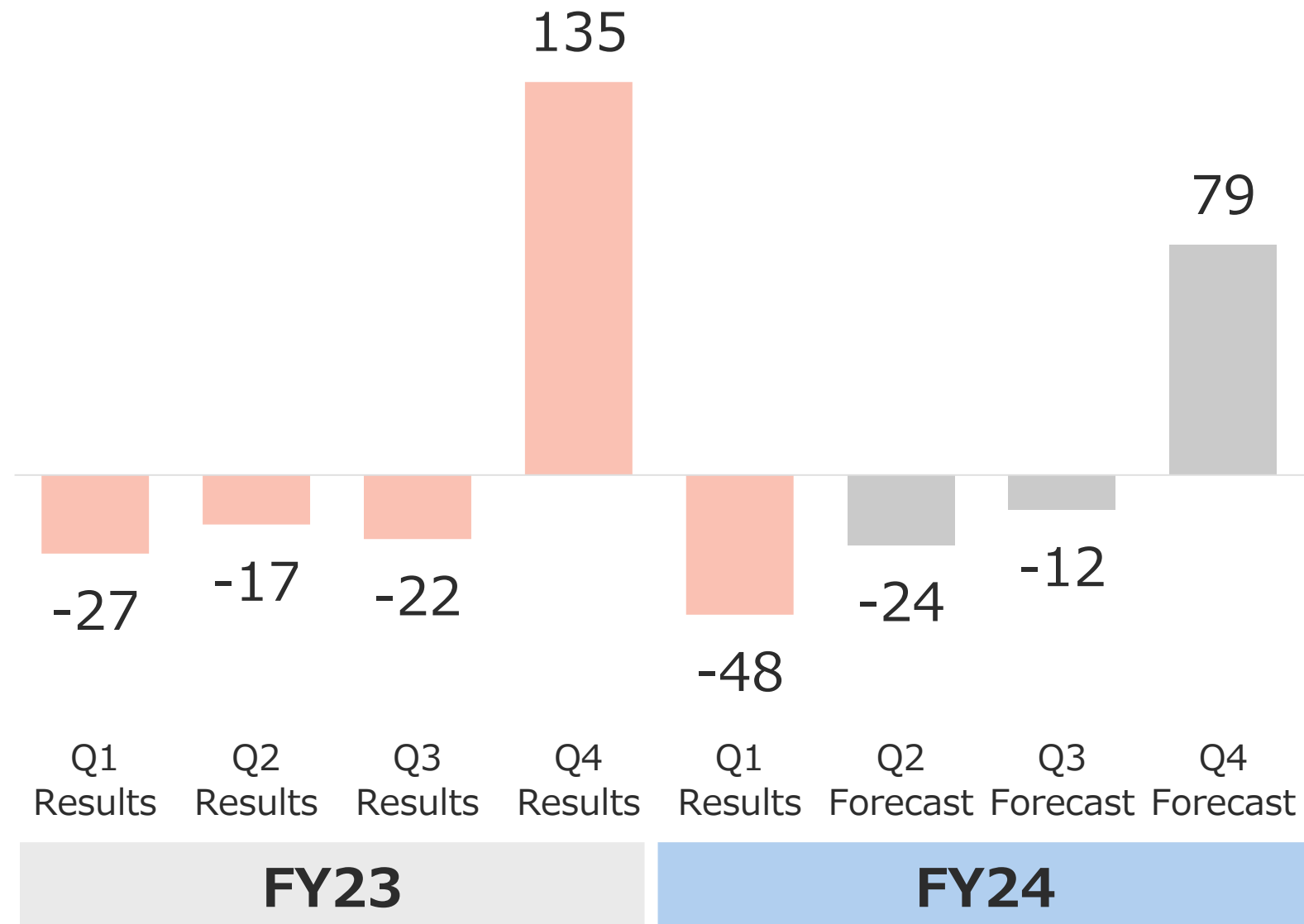
- HR development to cover the shortage of manpower in construction work
- Practical training with mock-up construction site to



Profit decreased due to increased costs associated with increasing the number of solar power design staff. As in the previous year, we expect to improve profit in Q4 based on the joint venture agreement.

LESSO Transition of Equity in Earnings

(JPY Million)



LESSO Business Summary

■ Operation Status

Focused on designing solar panel installation on factory roofs of LESSO factory, etc.
(Backlog RMB1.38mil. as of end Mar. 2024)

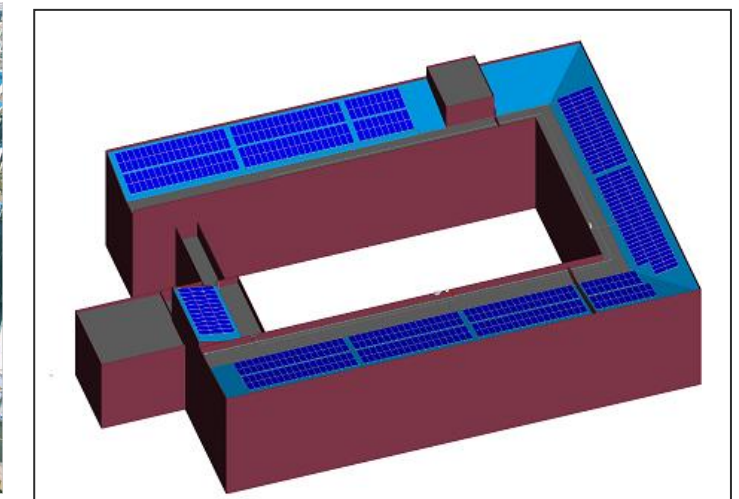
■ Future Prospects

- Since the pace of expansion of design sales is slower than expected for the current design structure (approximately 100 employees), considering reviewing the number of design employees.
- As in the previous year, LESSO sales are expected to be recorded in Q4 based on the joint venture agreement.

Solar Panel Installation Example



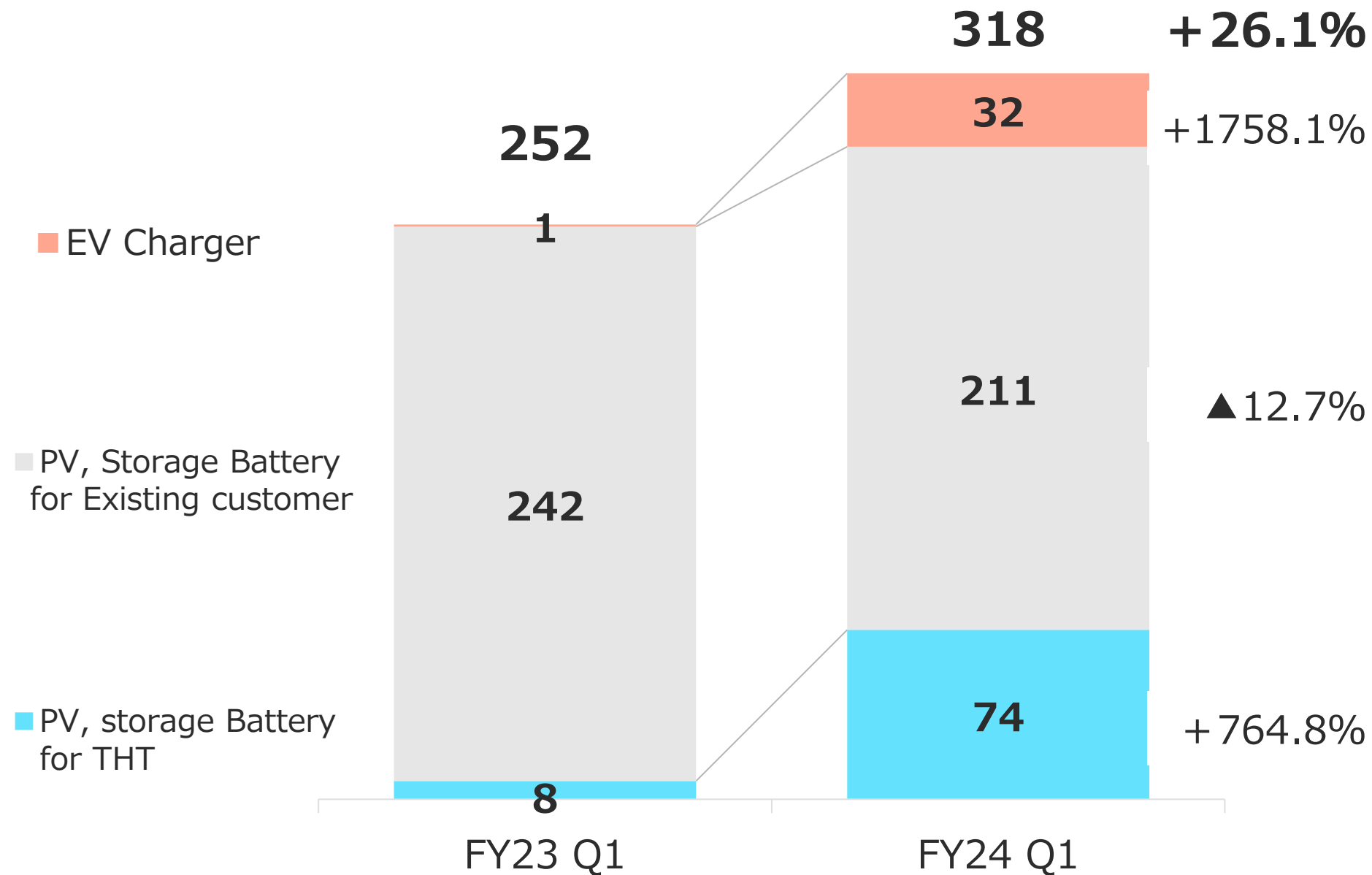
Drawing Sample



Sales of PV and storage battery (for THT) installation work increased as a strategic install agents worked well, and sales of installation of EV charger increased as well. Ordinary profit also maintained an upward trend.

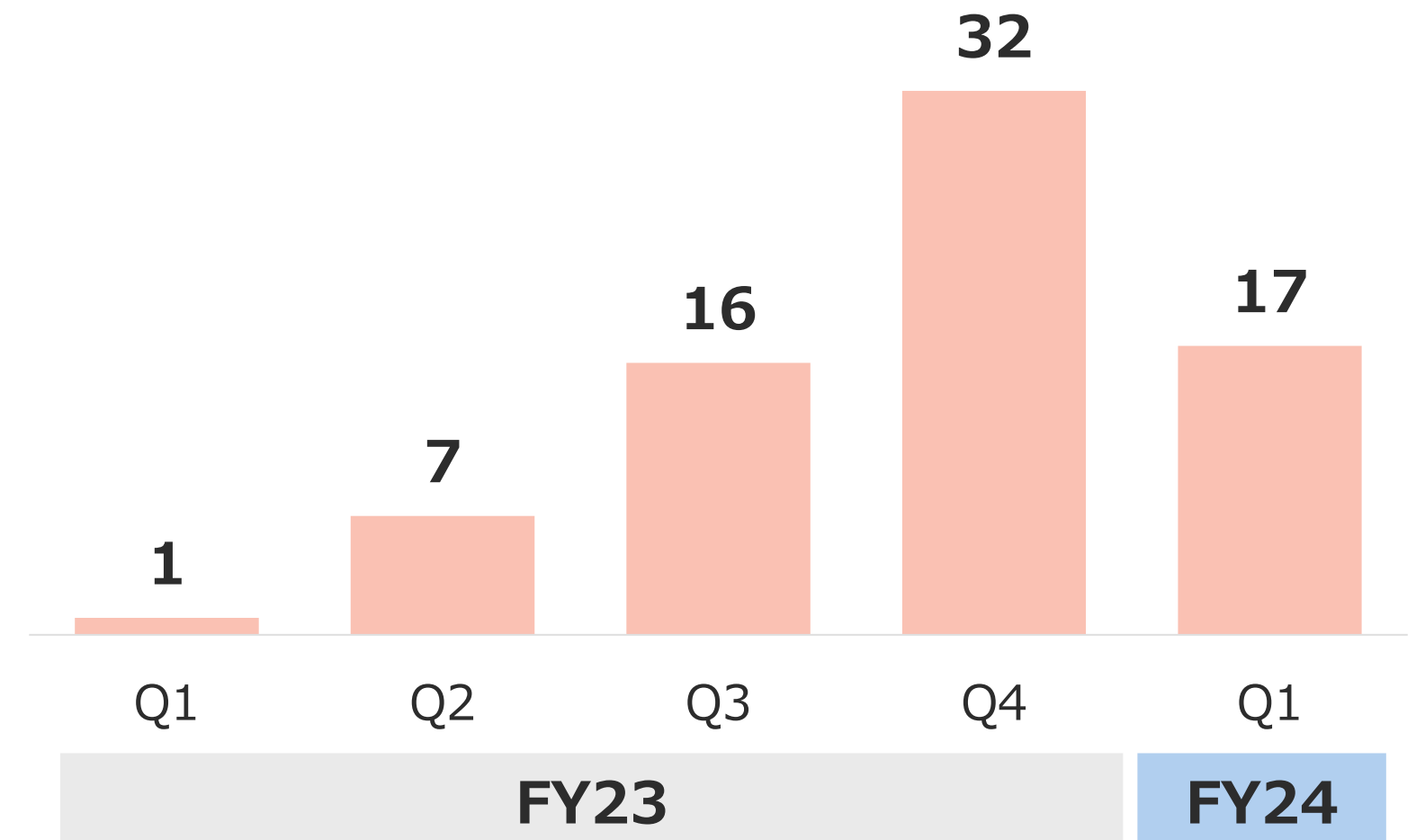
ENE's Net Sales (YoY)

(JPY Million)



ENE's Transition of Ordinary Profit

(JPY Million)



FY2024 Q1 | EV Charger Related Service

EPCO group provide variety of services related EV charger such as installation, maintenance etc. Sales of each service are growing with the increasing demand for installation of EV charging infrastructure.

EV Charger Install Agent

Commission → **Design Application Drawing**
 [Design]



Commission → **Installation**
 [Renewable Energy Solutions]



Commission → **Maintenance**
 [Maintenance]



Net Sales of EV Charger related Service

(JPY Million)	Net Sales of EV Charger related Service		
	0	0	54
	FY22Q1 Results	FY23Q1 Results	FY24Q1 Results
	1	1	32
	FY22Q1 Results	FY23Q1 Results	FY24Q1 Results
	0	5	16
	FY22Q1 Results	FY23Q1 Results	FY24Q1 Forecast

01. FY2024 Q1 Results

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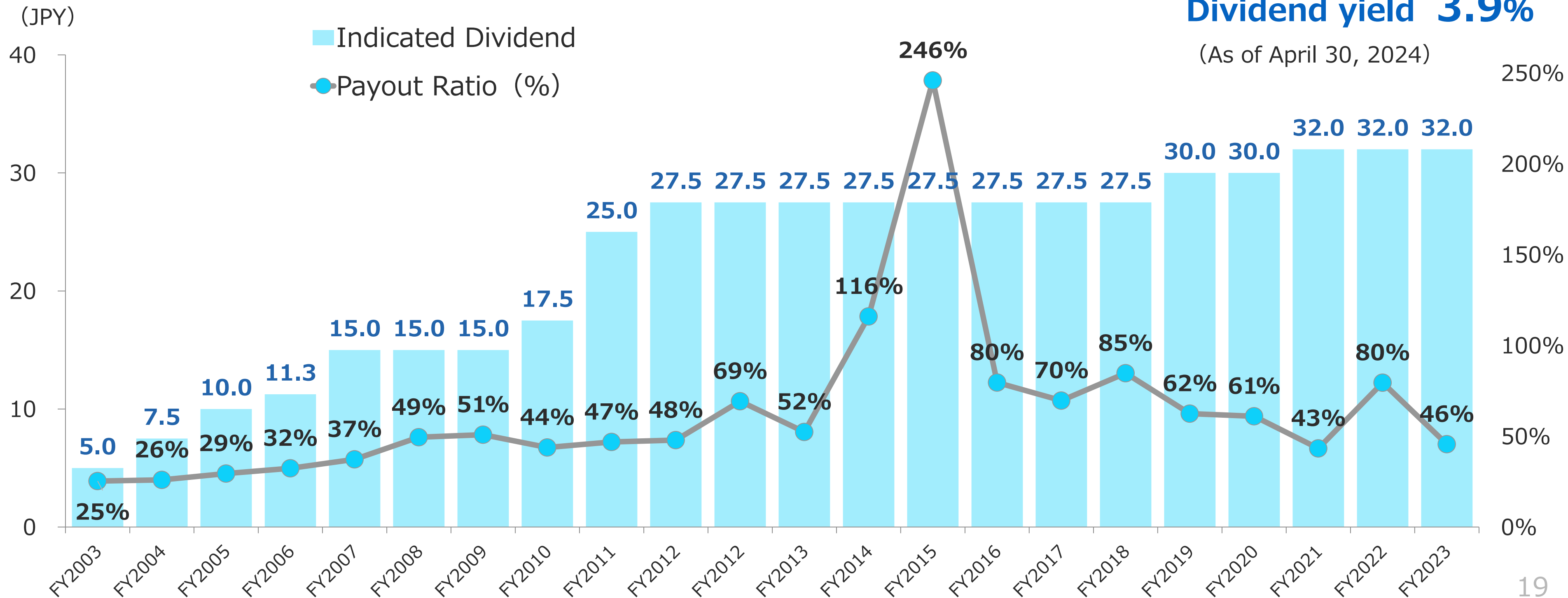
04. Appendix.

Progressive dividend stock with no dividend cuts for 22 years since listing

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

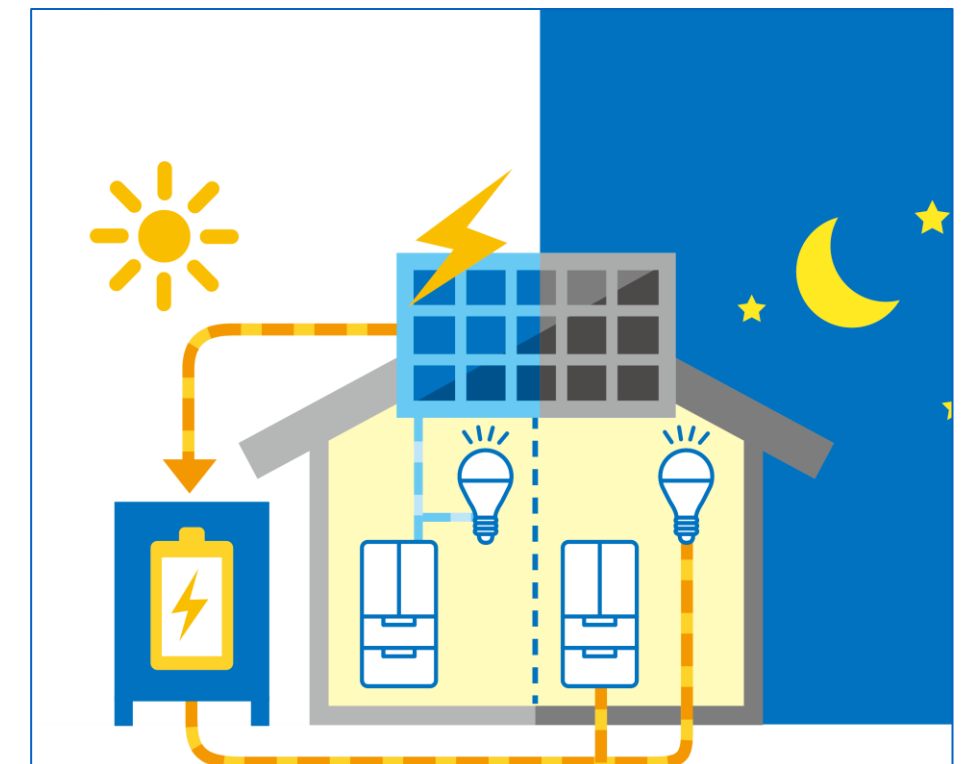
Dividend yield 3.9%

(As of April 30, 2024)



Win-win shareholder benefit plan for not only shareholders, but also the company and the environment

<p>Details of Benefit Plan</p>	<ul style="list-style-type: none"> ➤ Free installation of solar power generation system or storage battery (equivalent to JPY 1 mil.) ➤ The lottery is two times a year.(End of June and End of December for eligible shareholders) ➤ The probability of winning increases proportionally with the number of shares held (Up to 1,000 shares, max 10 units)
<p>Eligible Shareholder for the lottery</p>	<ol style="list-style-type: none"> 1. Shareholder who own more than 1unit (100 shares) and on the shareholder list on the end of June 2024 for the 1st half year of lottery 2. Shareholder who have completed the procedures to apply the lottery.
<p>Condition</p>	<ul style="list-style-type: none"> ➤ Winner can pick any place for installation of solar panel (For family or friends is ok) ➤ Detached house in Japan
<p>Schedule</p>	<ul style="list-style-type: none"> ➤ Winner will be 5 for the 1st half year ➤ Lottery date will be late August 2024



Winner
5

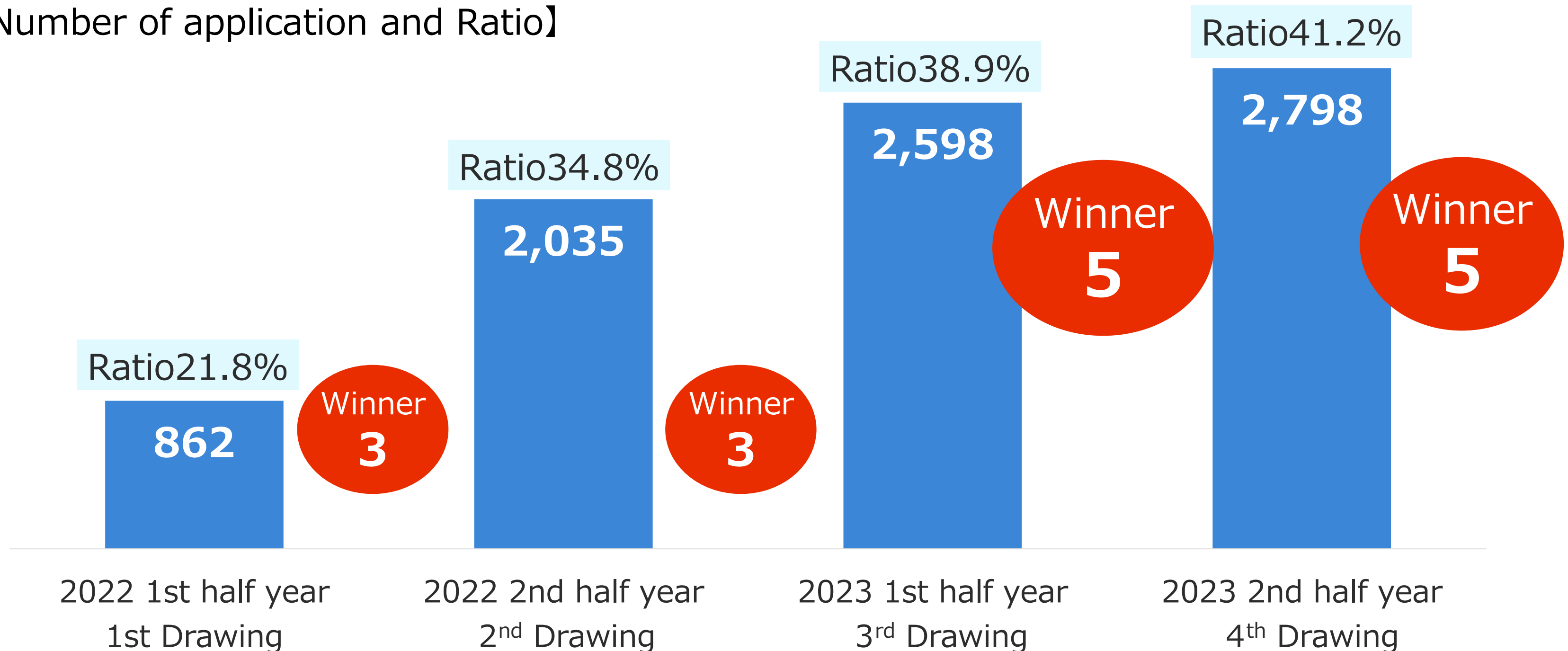
* Please refer our website for more details

<https://www.epco.co.jp/ir/yutai.html>



For the 4th drawing, we received 2,798 shareholder applications (application rate: 41.2%). In response to the increasing number of applications and application rate, the number of winners has been increased to five since the third drawing.

【Number of application and Ratio】



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04. Appendix.

Company Overview

Management Philosophy

We pursue the happiness of our passionate employees and their family. Purpose of our existence is to reduce social problems and contribute human's lives.

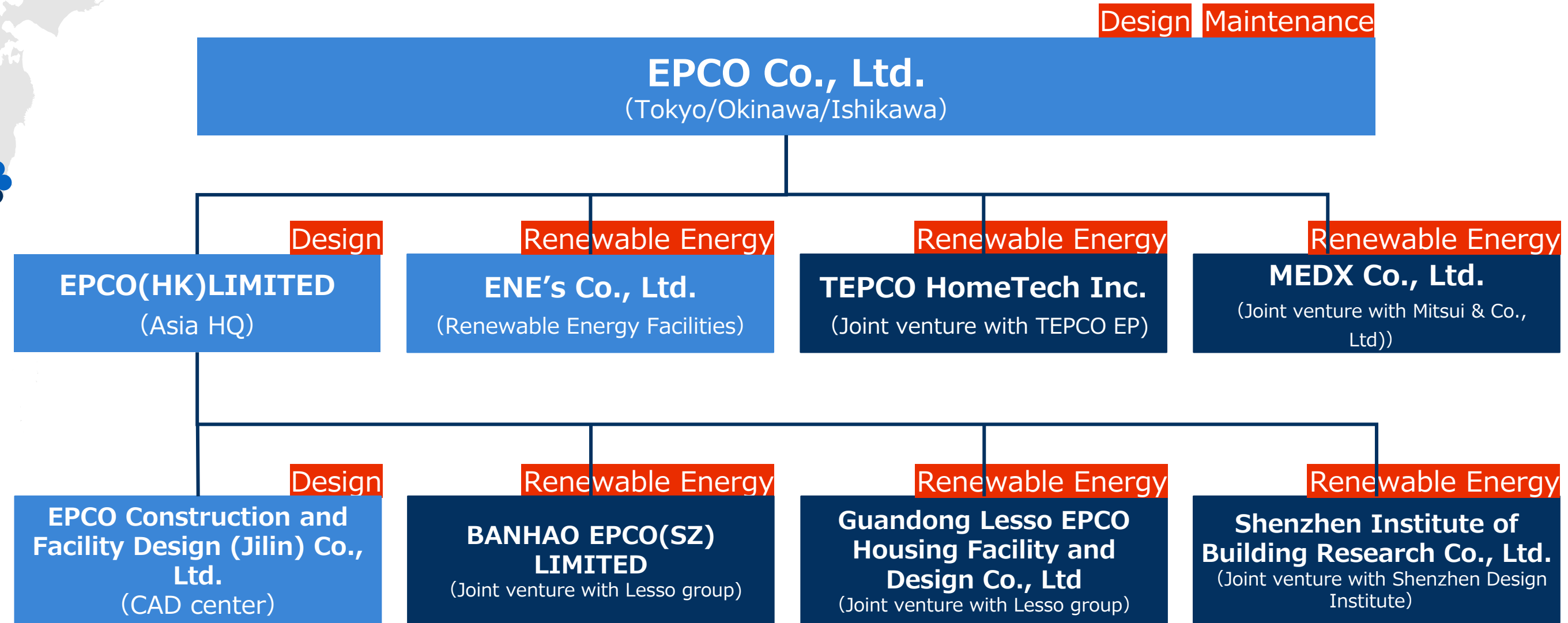
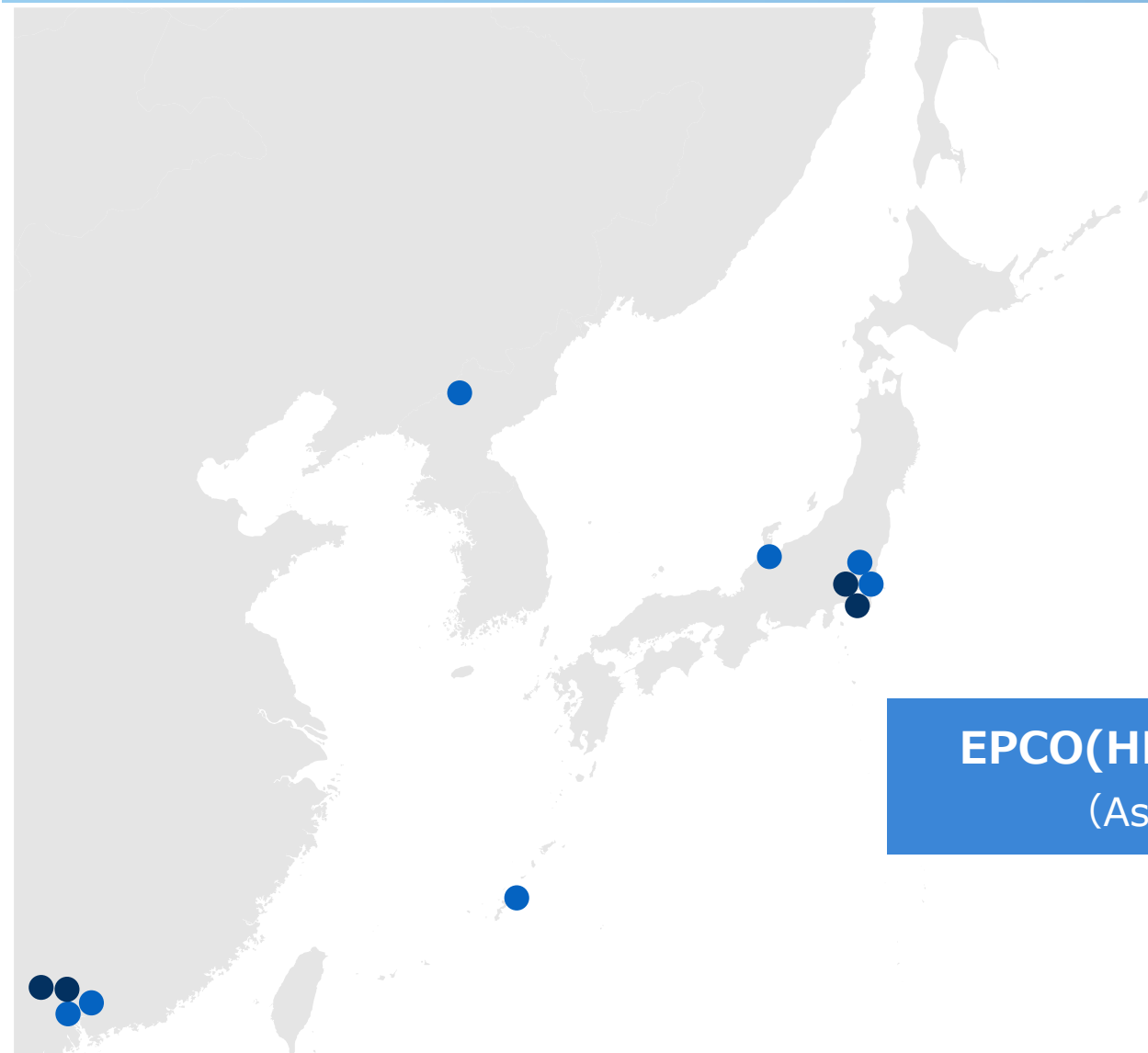
We aim to be infrastructure company to support the homes and lifestyles of people around the world.



Representative Director
Group CEO

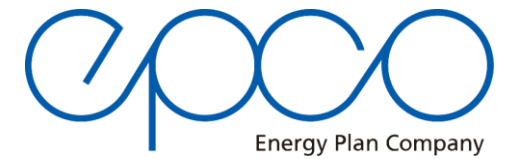
岩崎 辰之

Company Name	EPCO Co., Ltd.	
Head Office	12/F, OLINAS tower, 4-1-3 Taihei, Sumida-ku, Tokyo, 130-0012 JAPAN	
Securities Code	2311 (Standard of the Tokyo Stock Exchange)	
Establishment	April 12, 1990	
Capital	JPY 87 mil.	
Numbers of employee	575 (Consolidated total 793) Including temporary employees and dispatched workers *As of Dec. 31, 2023	
Directors	Representative Director and Group CEO Representative Director and CFO Outside Director (Audit & Supervisory Committee) Outside Director (Audit & Supervisory Committee) Outside Director (Audit & Supervisory Committee)	Yoshiyuki Iwasaki Shinichiro Yoshihara Masashi Watanabe Takuo Akino Tadashi Tamura
Executive Officer	In charge of Business Development In charge of Design Services and Information Systems In charge of Maintenance Service In charge of Group Management	Kim Jungheon Yang Chao Takatsugu Urayama Tomohisa Hirakawa

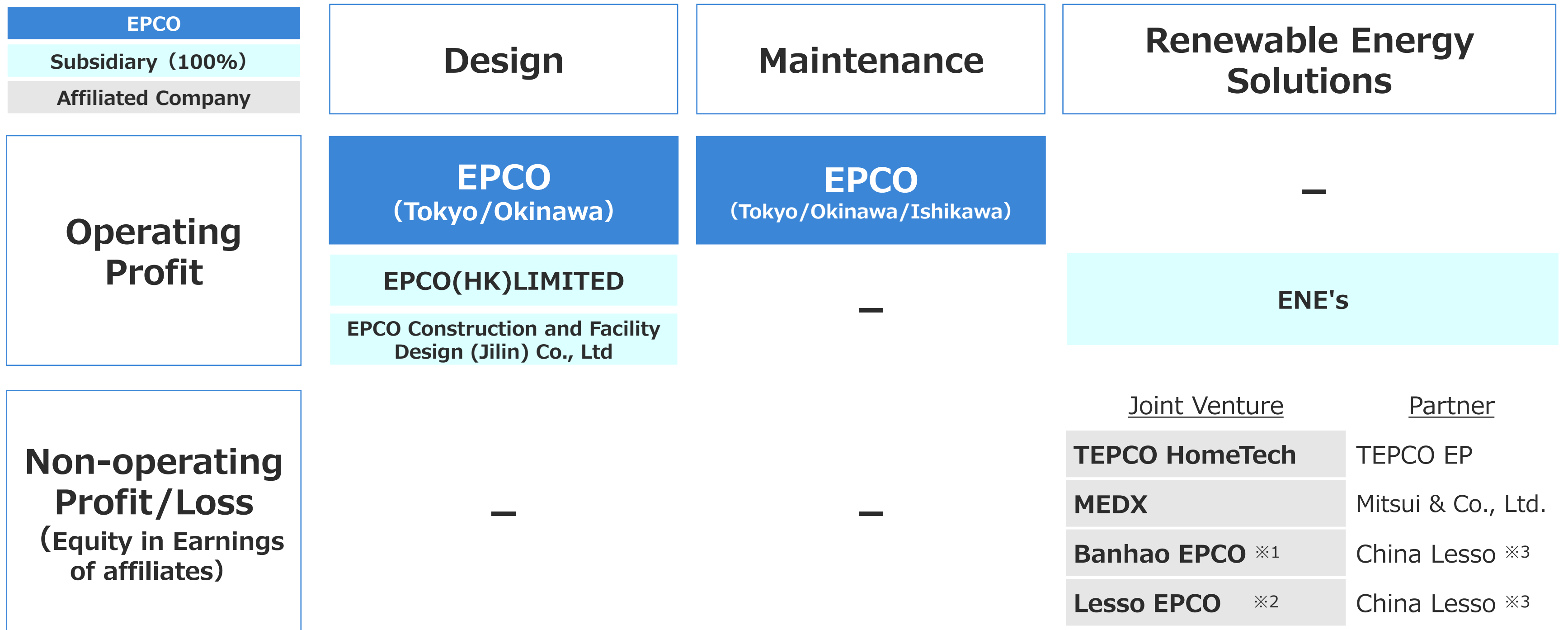


Subsidiary Affiliated

(Reference) EPCO Group Profit and Loss Structure



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



*1 Banhao EPCO : 班皓艾博科新能源設計 (深圳) 有限公司

*2 Lesso EPCO : 廣東聯塑艾博科住宅設備設計服務有限公司

*3 China Lesso : 中国聯塑集团控股有限公司

Company Information

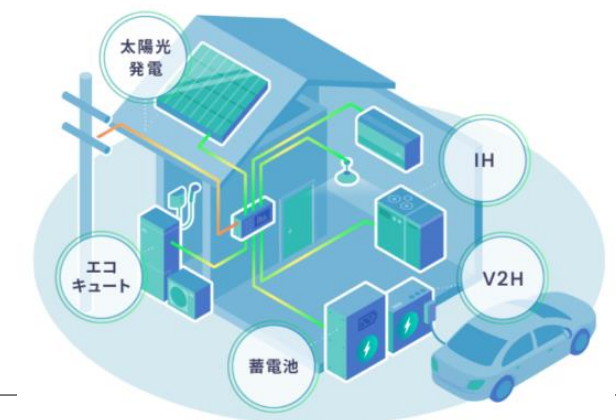
Name	TEPCO HomTech, Inc.
Establishment	August 9, 2017
Representative	President and Representative Director Tomoo Geshi
Capital	JPY 475 million
Equity	TEPCO Energy Partner, Inc. 51% EPCO Co., Ltd. 49%
Location	Tokyo, Kyoto
No. of Employee	61 ※As of Dec 2023 (Including 16 temporary staffs)

Main Business

- Residence facility fixed-rate subscription service "Enecari"
- Sales and installation of home equipment such as solar power, storage batteries, EV charger, Eco-Cute, IH, etc.
- We provide above services to
 - Standard installation of solar power and storage batteries, Enecari, in new homes in partnership with housing providers
 - Installation of solar power and storage batteries for existing homeowners, and replacement of equipment due to age-related deterioration of home facilities.
 - Charging facilities at your home with widespread of EV
 - Providing back-office operation of "Enecari Plus" to TEPCO EP.


初期費用 0 円
節約も。万が一の備えも。
円で始めよう

おうちの省エネ設備 定額利用サービス
エネカリ



(Reference) ENE's General Information

Company Information

Name	ENE's Co., Ltd.	
Establishment	November 22, 2001	
Representative	President and Representative Director Yoshihiro Sugai	
Capital	JPY 20 million	
Equity	EPCO Co., Ltd. 100%	
Location	Saitama, Gunma, Kanagawa	
No. of employee	48 *As of Dec 2023 (Including 6 temporary staffs)	

Main Business

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



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

Installed **4,000** cases/year of solar power system, storage battery and all-electric house in all Kanto area in 2022.
(Solar Power 1,900 unit, Storage Battery 900 units)

(Reference) LESSO Group General Information

【Name】 中国联塑集团控股有限公司 (China Liansu Group Holdings Limited)

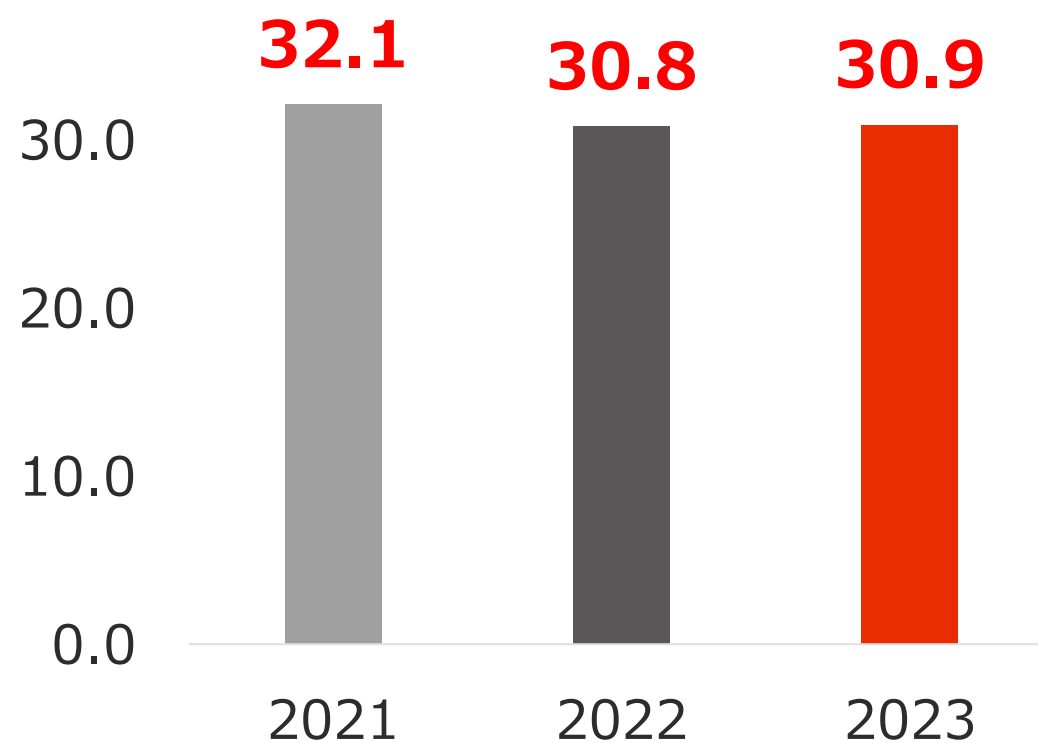
【Location】 Foshan city, Guangdong province, China

【Information】 • Established in 1986

- China's largest manufacturer of plastic pipes and fittings:
China's top 500 companies (375th in ranking)
- Listed in HK market (Security code 2128 : H K)
- Factory : 30 location in China, 7 location in overseas
- Sales distributor : Over 30,000 shops in all over China

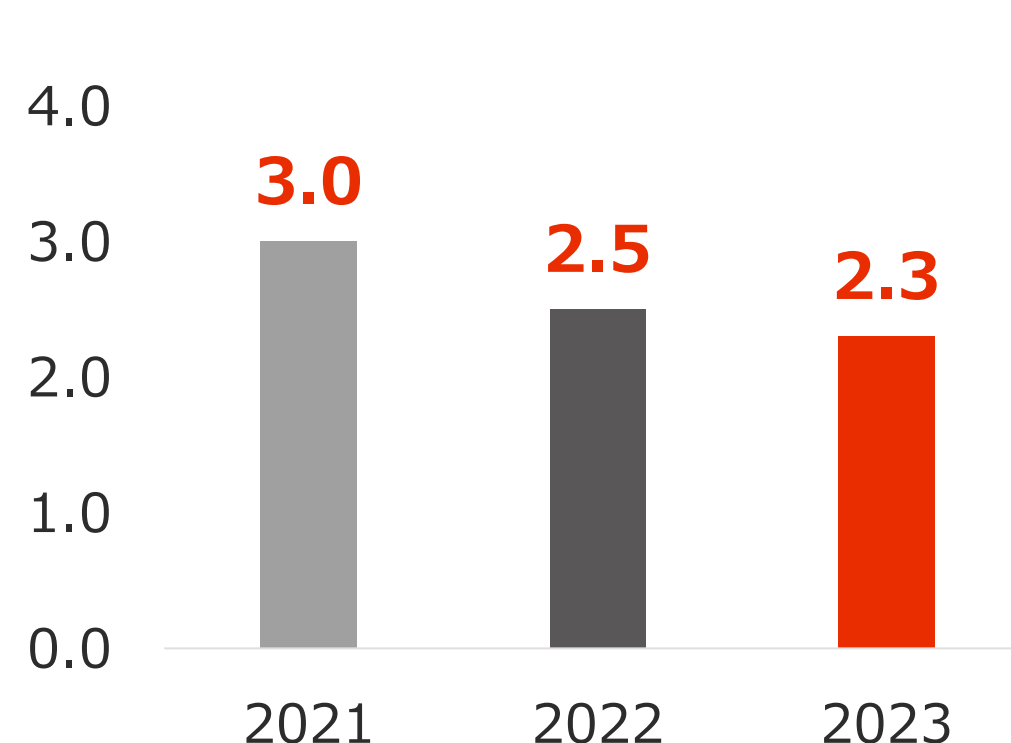
Net Sales of last 3yrs

(1 bln. RMB)



Net Profit of last 3yrs

(1 bln. RMB)



LESSO HQ



(Reference) MEDX Summary

Company Information

Name	MEDX Inc.	
Date of Founding	February 1, 2022	
Representative	Representative Director and President Toshihiro Matsuka	
Capital	JPY 200mil. (Total JPY400mil.)	
Stake	Mitsui & Co., Ltd. 51% EPCO Co., Ltd. 49%	
Location	Tokyo	
Employee	5 *As of December 2023 (Including 1 temporary staff)	

Main Business

■ MEDX-CRM service

- 「Seek・Buy・Live・Sell」 – CRM services to meet needs at all stages of the housing life cycle
- Support after-sales service of housing businesses by utilizing apps and home history data, expanding stock business and contribute maximizing LTV



■ Carbon Neutral Data Integration Service

- 3D design service for energy-efficient homes
- Calculate and visualize CO₂ emissions over the entire life cycle using 3D design data
- Building a platform for centralized data management and providing services to popularize energy-efficient housing.

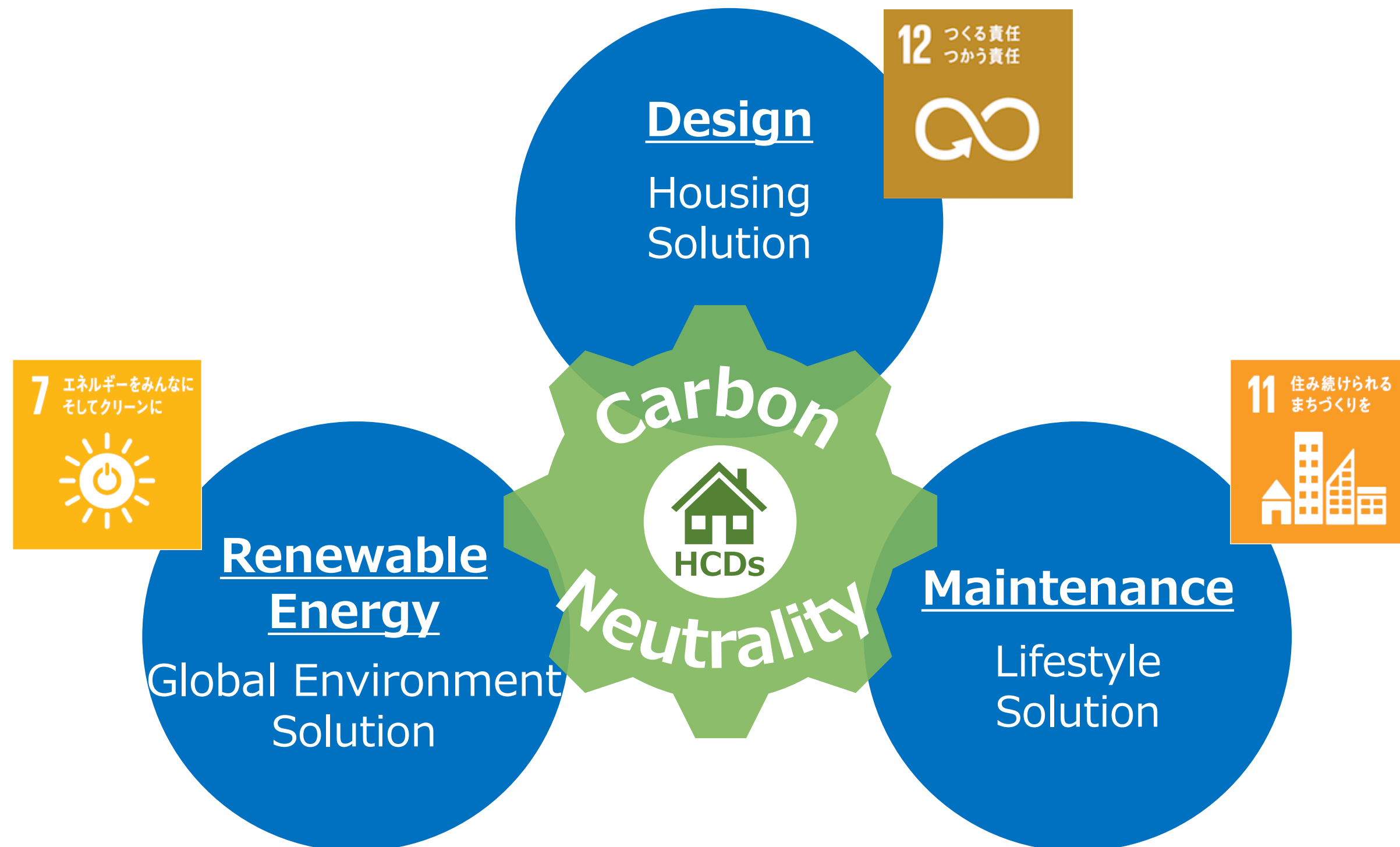


- 2023** Transferred to the Tokyo Stock Exchange Standard Market.
Established BANHAO EPCO (SZ)LIMITED (Reform joint venture with CHINA LESSO group and EPCO SZ)
- 2022** Transferred from the First Section of the Tokyo Stock Exchange to the Prime Market
Opened Kanazawa Operation center
Established MEDX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

HCDs HOUSING
CARBON NEUTRALITY
DIGITAL SOLUTIONS

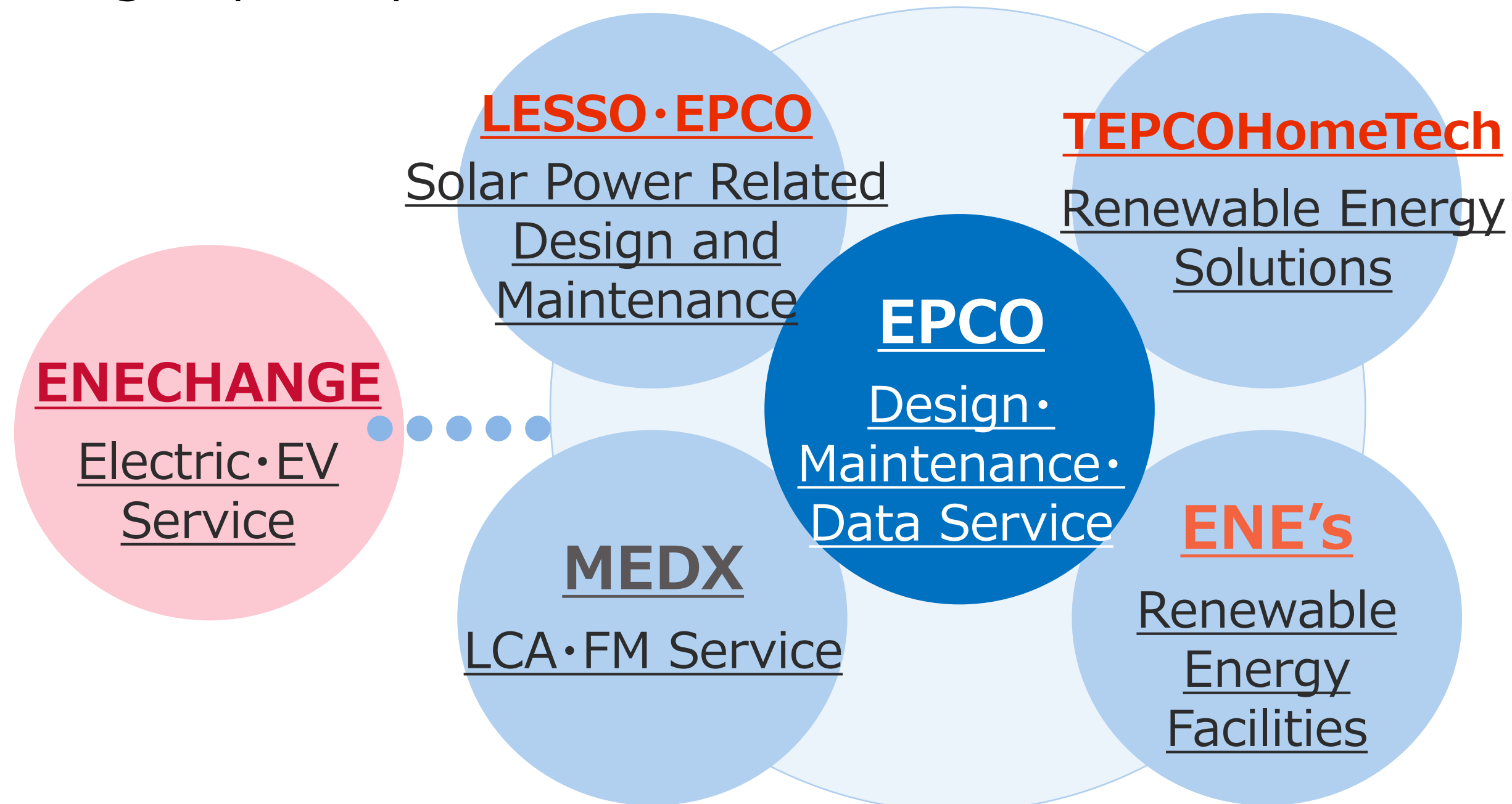
HCDs : Housing Carbon Neutrality Digital Solutions

EPCO Group support housing, living, and the global environment with digital technology



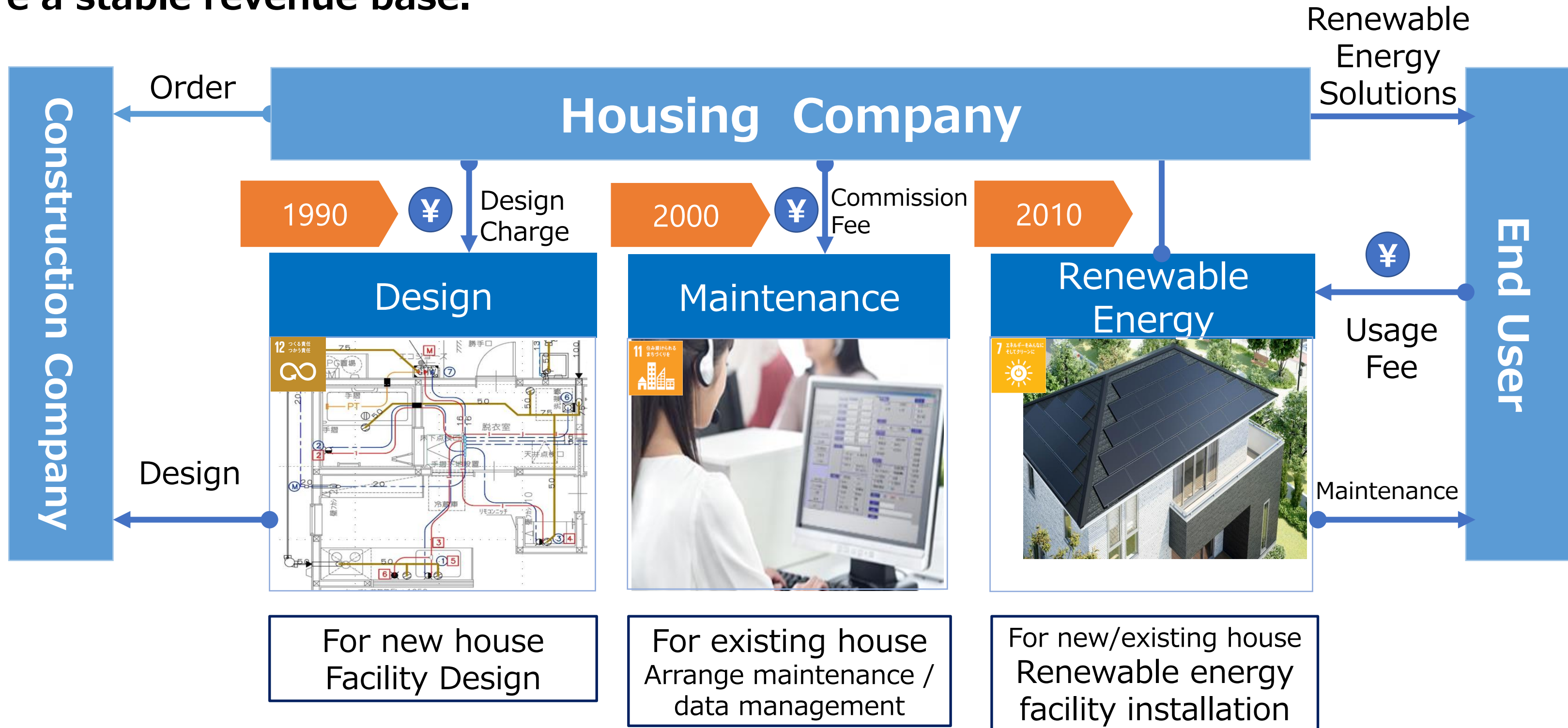
Group Management

EPCO collaborate with group companies and aim for business growth by providing value to group companies



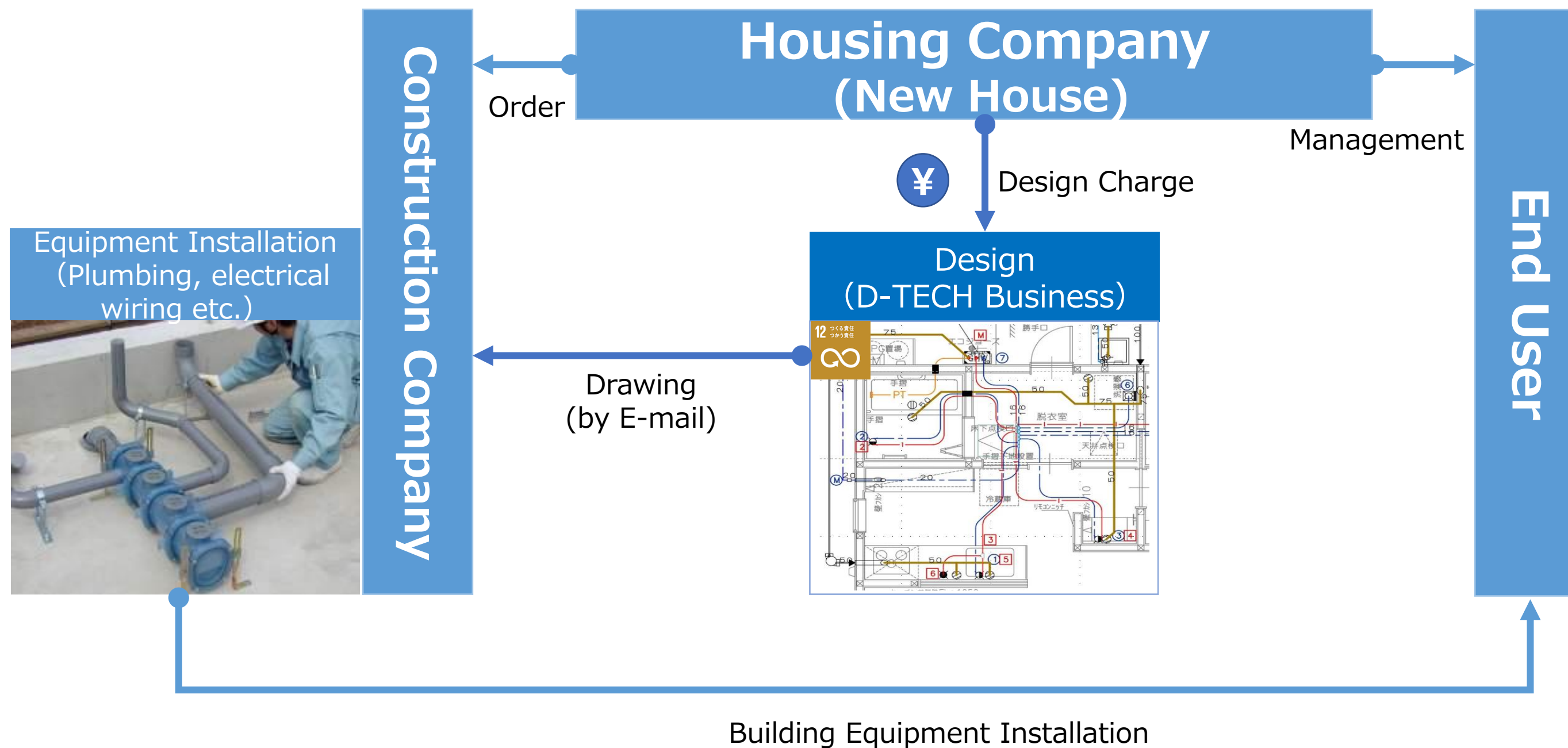
Core Business of EPCO Group | General View

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

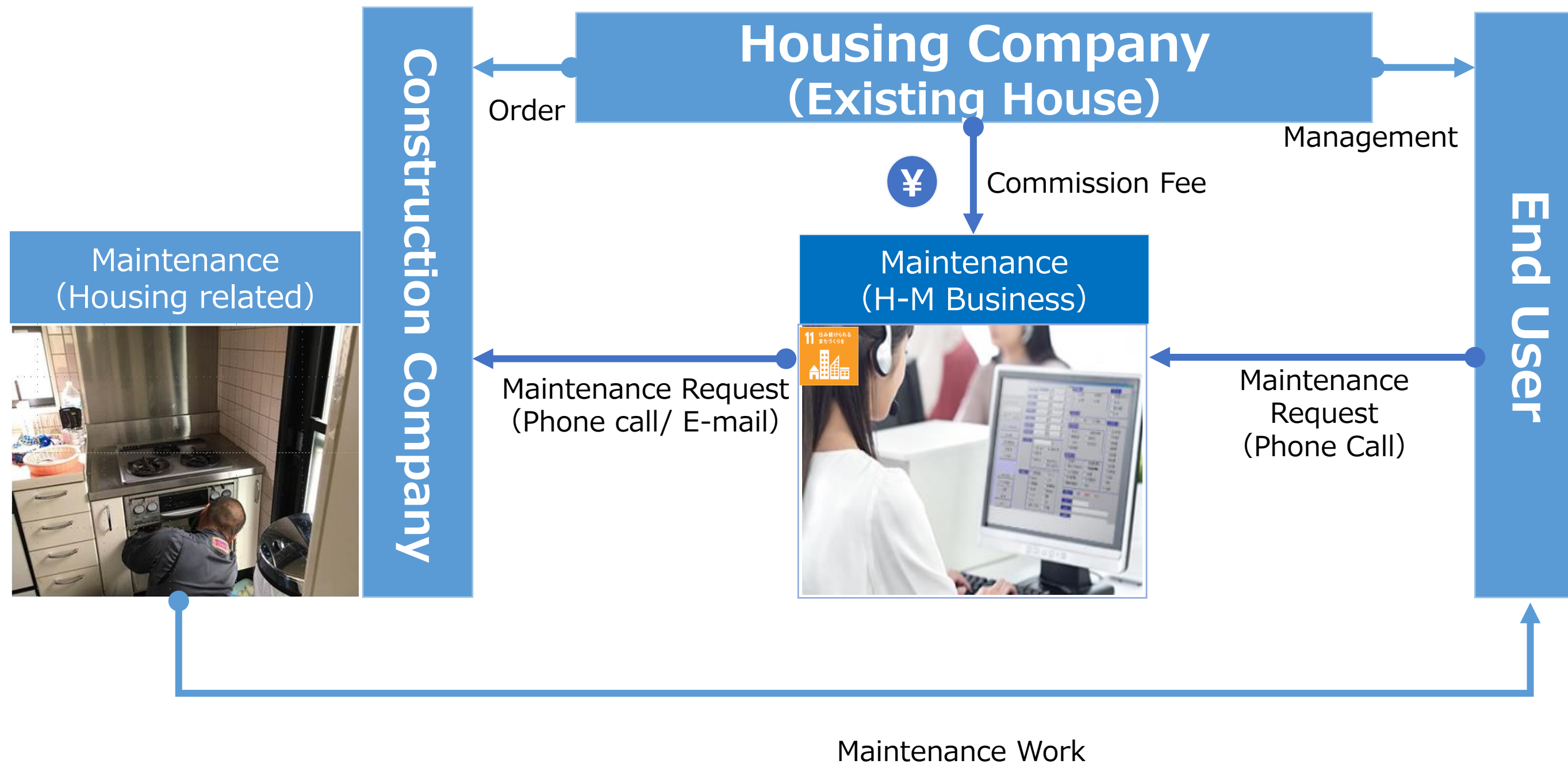


Core Business of EPCO Group | Design

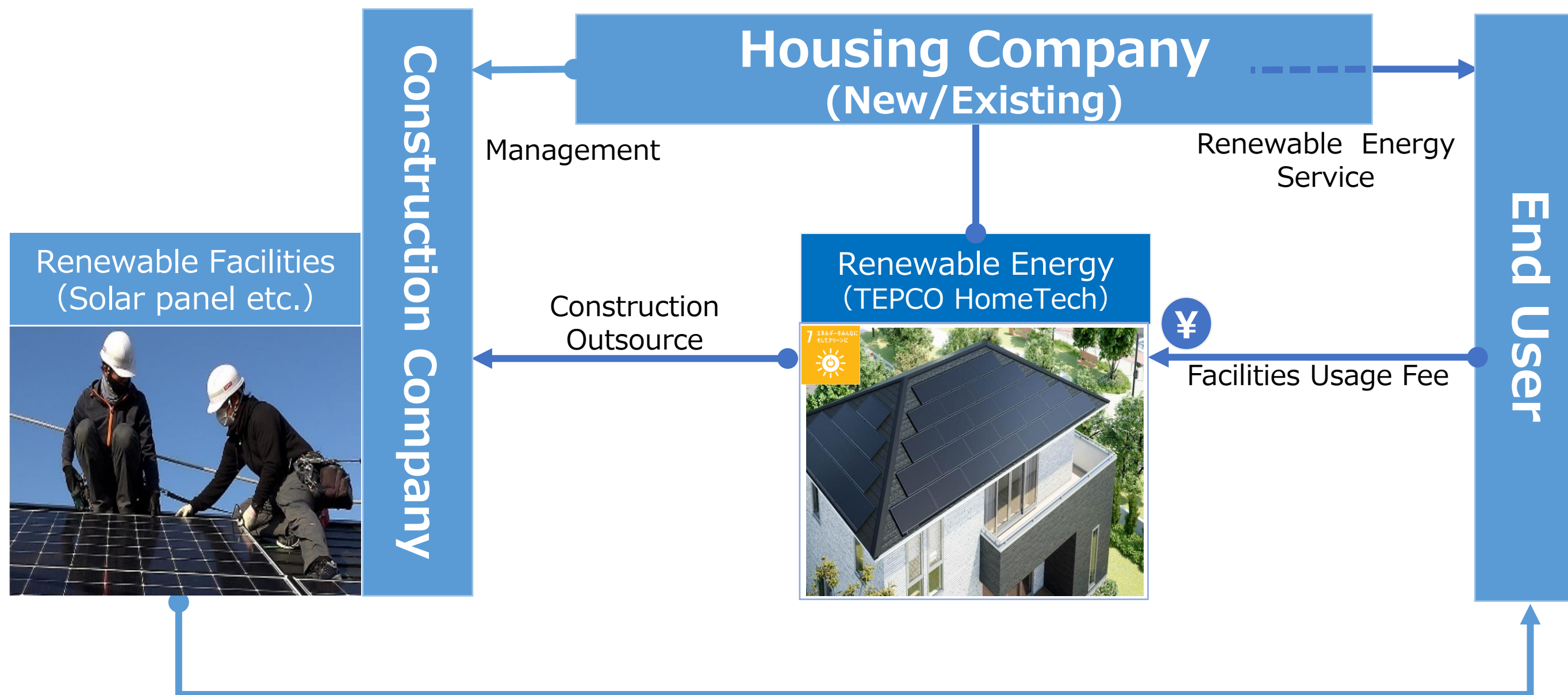
- One of the largest design organization to support the supply chain of housing company.
- Design performance is approx. 100,000 unit/year in residential field.
(Market share of new low-rise residence is 14%)



- 24/7 call center network to support maintenance service of house builder.
- Approx. 600,000 cases of maintenance request received annually.
(Managing 1.6 mil. household nationwide)

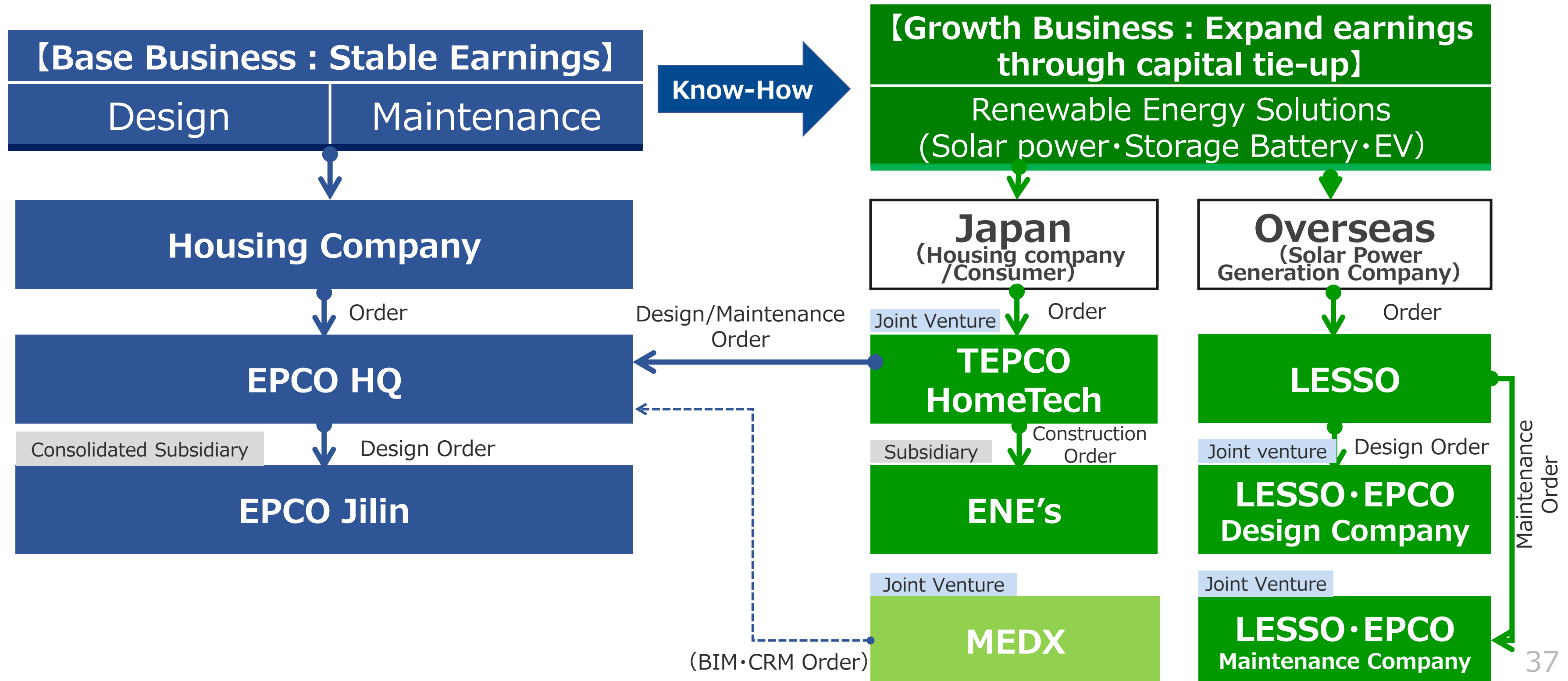


- TEPCO HomeTech is joint venture with TEPCO Energy Partner, Inc.
- Subscription service of renewable energy facilities (Flat-rate usage with zero initial cost) has been adopted and increased in major housing companies



Renewable Energy Facilities Installation

The EPCO Group is currently in the phase of reviewing its business portfolio for achieving sustainable growth. We aim to maximize earnings by focusing on the growing business of renewable energy solutions while earning stable earnings in the base business.



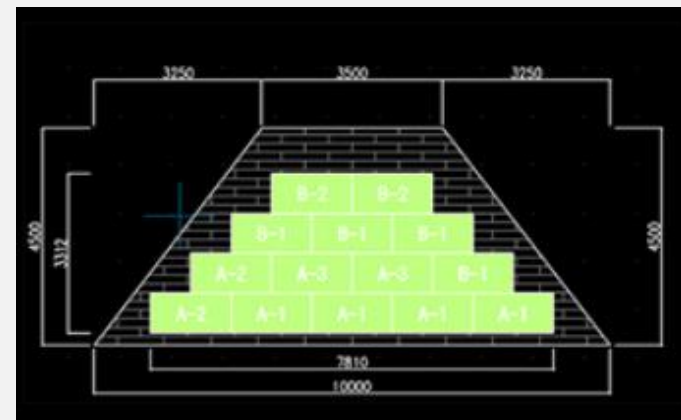
“Renewable Energy Solutions” provides services for the entire life cycle of renewable energy facilities. We aim to speedy expansion of the business in Japan and overseas market through group management utilizing capital tie-up with major companies.

Renewable Energy Solutions (Solar Power·Storage Battery·EV)

【Manufacturing】 ▶



【Design】 ▶



【Installation】 ▶



【Maintenance】



Japan

Various
Manufacturers



東京電力グループ
TEPCO ホームテック株式会社



Overseas

LESSO 联塑

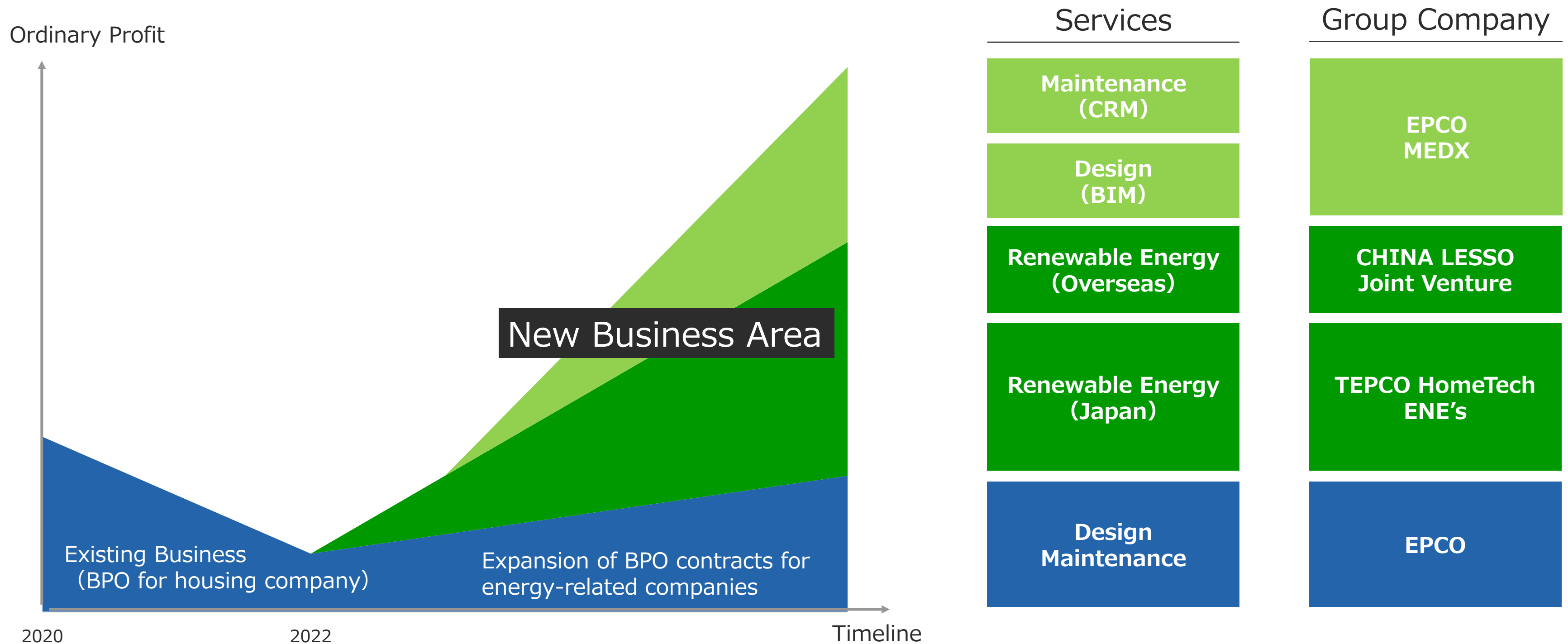


LESSO 联塑



Although profit have been on a downward in the recent years, we will enter a period of profit growth from 2023 owing to profit contributions from new businesses.

While EPCO has been developing its business independently in the past, we aim to maximize consolidated ordinary profit in the future through synergy effects among group companies through expansion of business of each company.

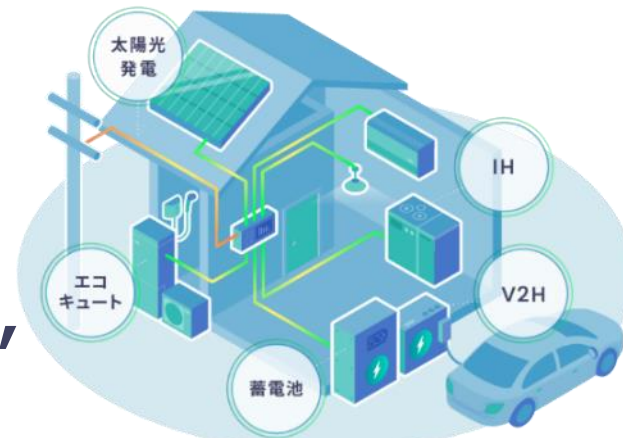


TEPCO HomeTech aim to be a “Comprehensive Equipment Company”, as essential for carbon neutrality in the household

TEPCO

東京電力エナジーパートナー

Provide Name-value, Human Resources,
Electricity Know-How
Conversion to electric power
asset business



Housing all over Japan
(New・Existing)



Renewable Energy Asset Service



Energy Plan Company

Provide know-how of
Resources (manpower, goods
capital, and clients)
THT and EPCO form energy
community with a common destiny

TEPCO HomeTech

TEPCO

東京電力エナジーパートナー



Energy Plan Company

Value Trade

Finance

Capital

marketing

Procurement

Paperwork

Design

O&M

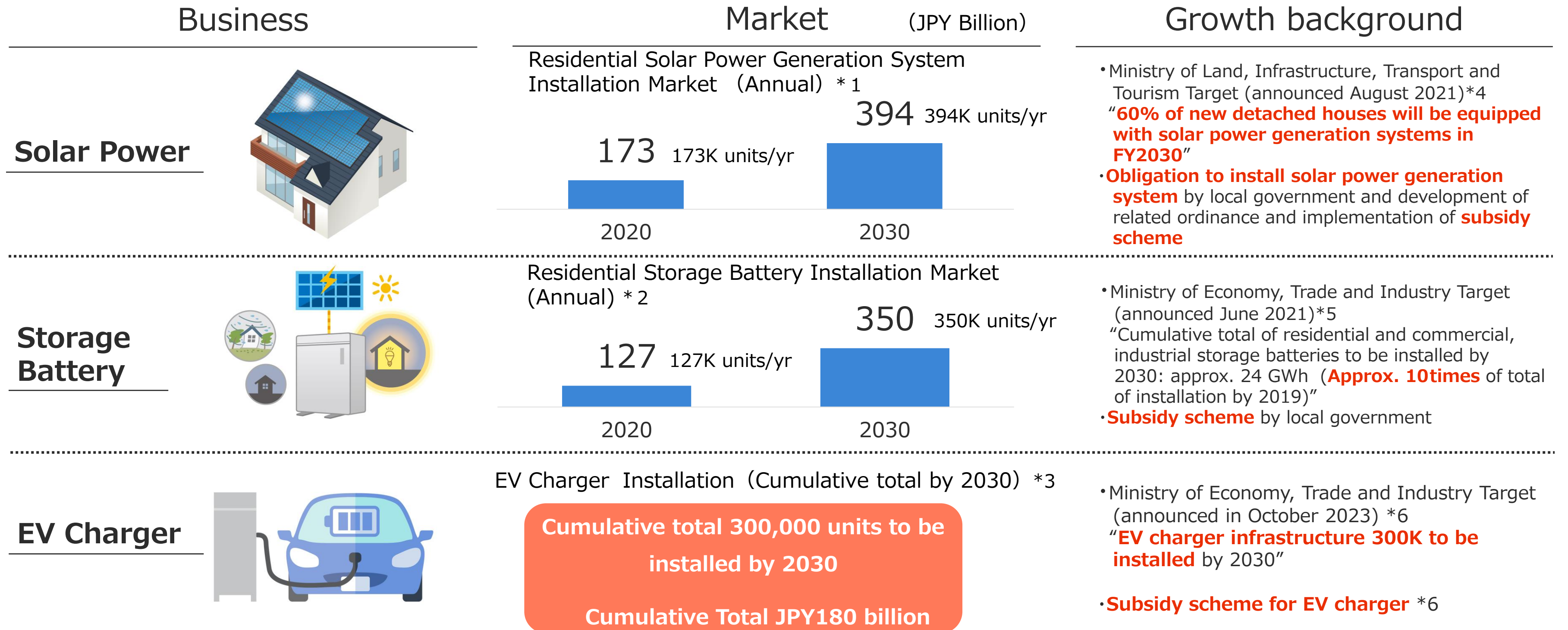
ENE'S
Energy Engineering Group
Construction

M&A
[Construction]

Capital

Utilize know-how from results of Design 100k case/yr, Maintenance 1.6mil. case/yr

Further growth is expected in the installation market for solar power generation, storage battery, and EV charger.



*1: Inhouse trial calculation based on RTS Corporation "Current Status and Outlook of the Residential Solar Power Generation System Market (2021)"
 *2: Inhouse trial calculation based on JEMA "JEMA Storage Battery Vision (Ver.7)"
 *3: Inhouse calculation based on Ministry of Economy, trade and industry "Guidelines for Promoting the Development of Charging Infrastructure"

*4: "How energy-saving measures in housing and buildings should be and should be promoted toward a decarbonized society"
 *5: "Green Growth Strategies Associated with Carbon Neutrality in 2050"
 *6: Refer P.20

Sales to new housing are showing steady growth owing to an increase in the number of companies adopting Enecari by real estate and detached house companies.



Decarbonization project with TEPCO as "SUMIFUXENECARI"

すみふ × エネカリ



Adopted for detached houses for sale 75 houses in Yokohama and Kashiwa



Adopted for "Almost new" renovated house project



Adopted for "ZEH" project



2021.9

2021.10

2021.11

2022.1

2022.4

2023.3

2023.4

2023.8



Adopted for all detached house for sale in Tokyo/Kanagawa area



ファイブイズホーム Fiveishome Co.,Ltd.

Adopted on detached house for sale



Adopted for "Midorigaoka Bright Garden" estate.



Adopted for detached house "Leafia Komae" 10 houses



LESSO & EPCO develop solar power generation market in China

LESSO 联塑

Provide name value, manufacturing technology, sales network
Renewable energy business will be 2nd core business



Provide design and maintenance system
To form energy community with a common destiny in China renewable business

For solar power plants
One-stop service

LESSO · EPCO Joint Venture*

LESSO 联塑

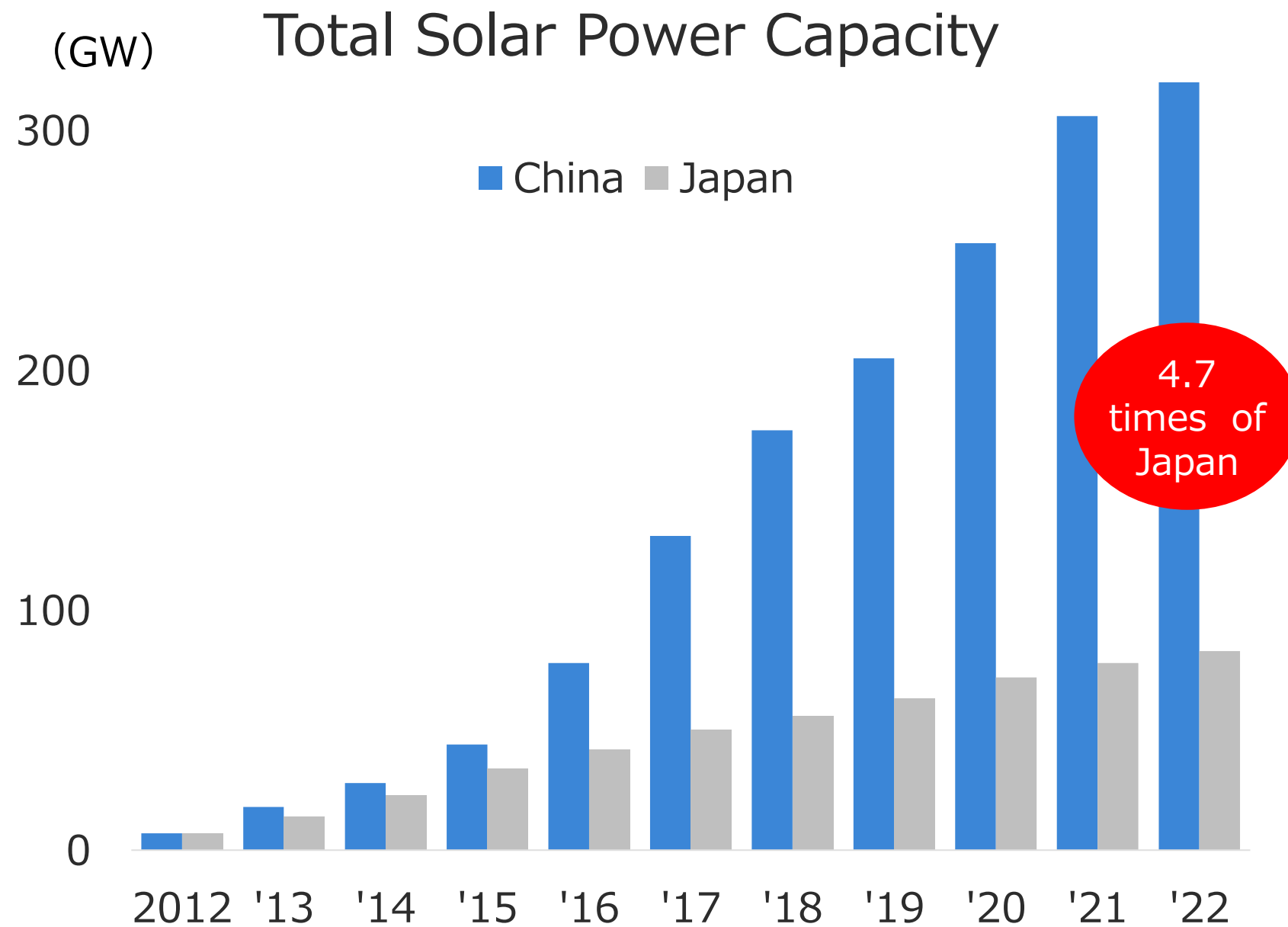
- Product Development
- Sales
- Panel
- Logistics
- Construction

- IT Development
- Design
- Integration
- Confirmation
- Monitoring
- Maintenance

Utilize the know-how of solar system development and design

* New company name is BANHAO EPCO (SZ)LIMITED : LESSO50%、EPCO50%

Planning to develop business in solar power generation market in China which is the largest in the world



The Source : IRENA 「RENEWABLE CAPACITY STATISTICS 2023」

China is the world's largest to install solar power generation equipment

China has the world's largest cumulative capacity of solar power generation facilities(392.4GW)
It's 1/3 of total solar power generation capacity of the world
(Ref. : IEA「Snapshot 2023」)

Plans to further promote solar power generation facilities as a national policy

National Goal Based on "3060 Goal", plan to promote more expansion of solar power generation
Solar power generation capacity in 2025 : 150GW/yr (Estimate)
(3times more than 2020)

LESSO entered full-scale into solar power generation market

Jan 2022 LESSO group established subsidiary company for solar power generation business
Solar panel production capacity will be 7GW/yr in 2023

China Lesso Group is making rapid and huge investment in the start-up of our solar power generation business.

Vigorous sales activities in China and overseas

Apr 2023 PV Distributor Briefing



Mar 2023 Exhibited in Italy

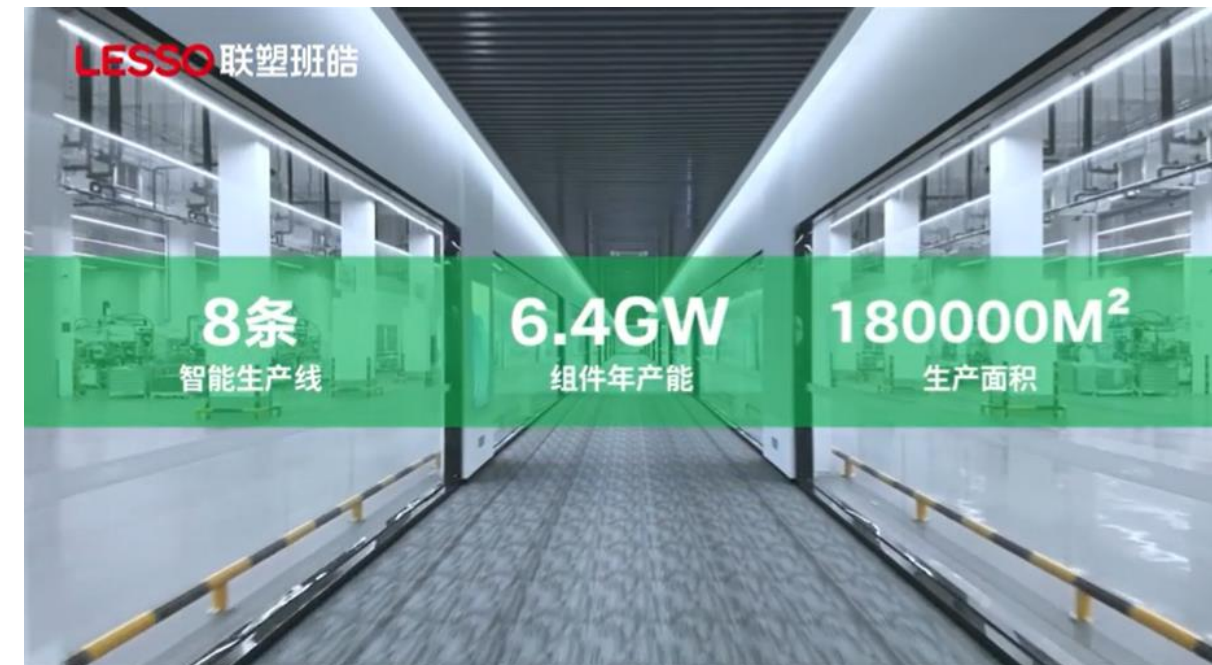


Increase production capacity through factory investment

Mar 2023 Shunde Daliang new factory completed



Production capacity will increase to approximately 7 GW per year after the new plant started



In design and maintenance services, the Company continues to develop new businesses for sustainable growth. We plan to expand alliances with various businesses in cooperation with MEDX, our joint venture with Mitsui & Co.

New Business in Design

Concept 3D design tools and information technology
Improvement of work efficiency throughout the entire building lifecycle
(**CAD to BIM** (Building Information Modeling))

Status **BIM consulting contact is expanding gradually** with major companies, thus alliance is expanding as well

Target Aiming to **profitability** with this model own
Net Sales JPY200mil. (YoY+112mil.)
Ordinary Profit JPY7mil. (YoY+47mil.)

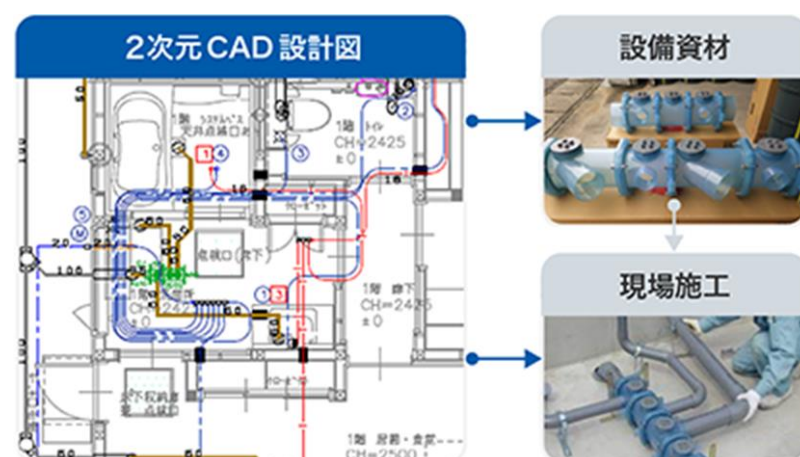
New Business in Maintenance

Concept Utilizing housing history data and BIM data.
Improvement of business efficiency in the maintenance industry in general and **maximize sales** for housing business groups

Status Examination of examples of housing history and BIM data utilization
Proposal of data utilization projects for housing companies

Target New business development for both EPCO and MEDX is at a **loss-making stage** yet
Aim to **establish a business model** that can be expected to expand over the medium to long term.

Current Business Model



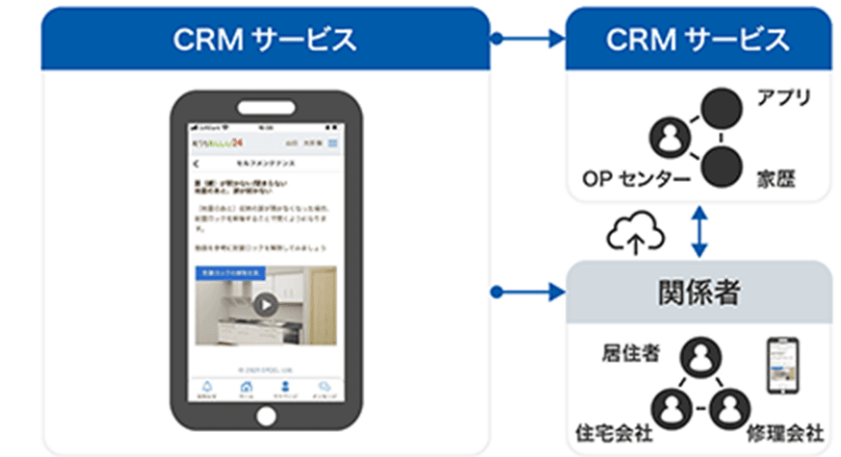
Future Business Model




Current Business Model



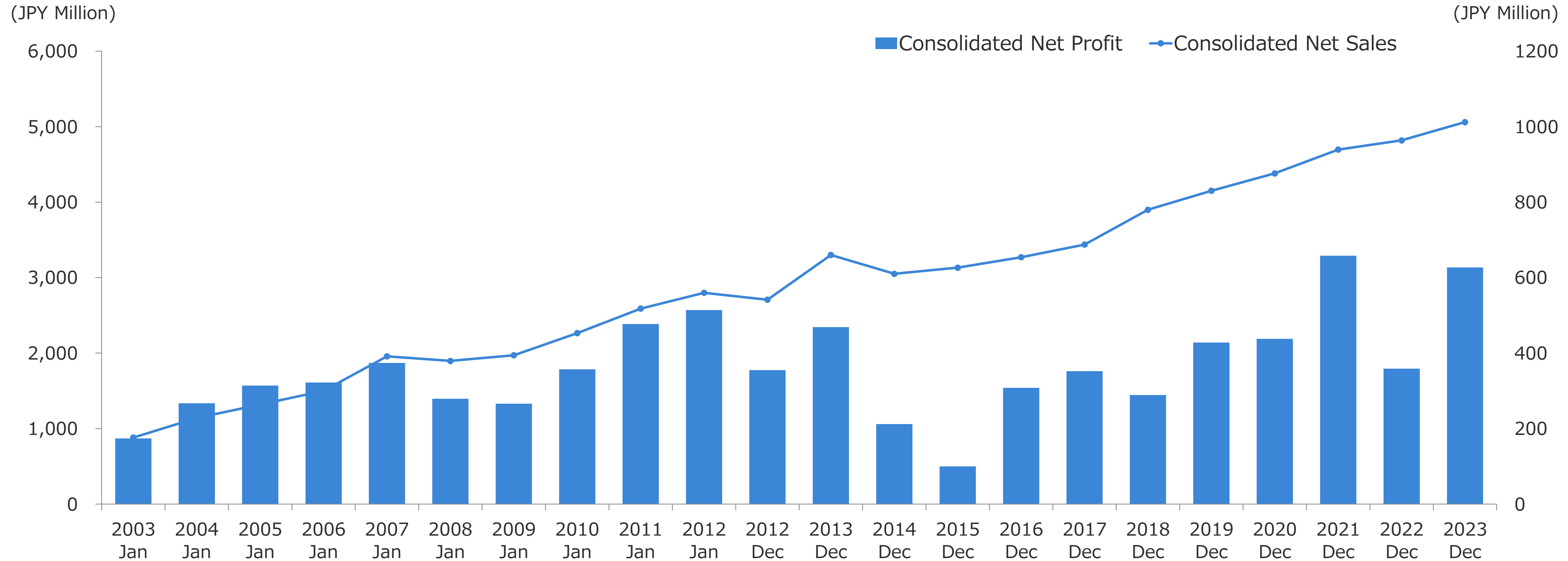
Future Business Model



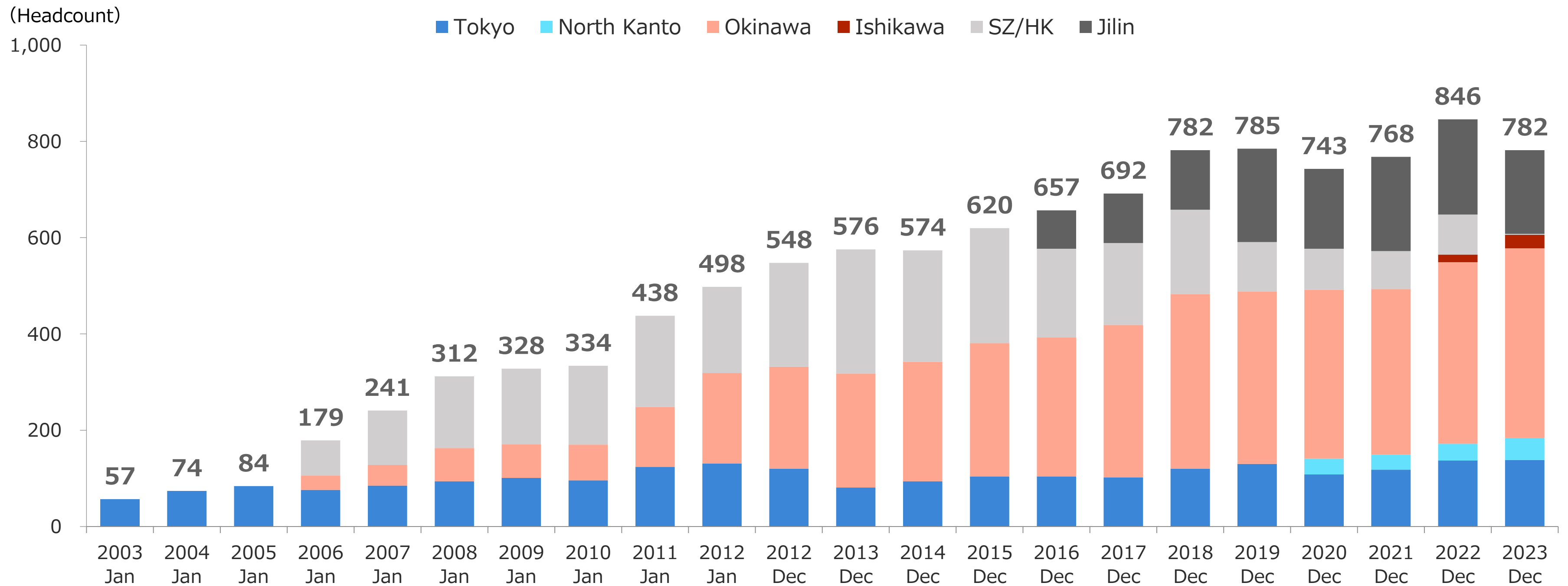
EPCO Group's ESG Initiative

	Theme	Summary	Our Major Initiative	SDGs
Environment E	Environmental preservation through business activities	Reduction of industrial waste by pre-fabrication Visualization of CO2 emissions with BIM	Reduction of industrial waste through optimal design and pre-fabrication of housing facilities. Calculation of CO2 emissions in the building phase by BIM design.	12 つくる責任 つかう責任 
		Reduction of CO2 emissions by installation of renewable energy facility	Reduction of CO2 emissions by installing renewable energy facility such as solar panels and storage batteries. Contributing to the spread of energy-efficient equipment through a flat-rate usage service without an initial cost.	7 エネルギーをみんなにそしてクリーンに 
	Reduction of environmental impact	Reduction of printed materials by using IT	Reduction of printed materials for checking design drawings using IT.	
Society S	Residents	Relationship with residents	Corresponding 24/7 for various problems in all aspects of housing. Quick problem resolution through efficient maintenance arrangements	11 住み続けられるまちづくりを 
	Customers	Relationship with customers	Improve customer satisfaction by realizing low cost, high quality, and quick delivery	
	Shareholders	Relationship with shareholders	Timely and appropriate disclosure of information https://www.epco.co.jp/ir/ Policy on constructive dialogue with shareholders https://www.epco.co.jp/ir/dialogue.html	
	Employees	Promotion of diversity	The ratio of female employees is 48.9%, and foreign employees is 23.0% in EPCO group. (As of end of Dec. 2023)	
		Creating safety and healthy workplace	Promotion of health management (employee health management in collaboration with industrial physicians and external organizations)	
Governance G	Corporate Governance	Corporate Governance Structure	Company with an Audit Committee and 60% is outside directors (3 out of 5) Corporate Governance report https://ssl4.eir-parts.net/doc/2311/ir_material6/226695/00.pdf	
	Compliance	Compliance Structure	Establishment of a code of conduct in EPCO group and compliance education for employees, and an internal reporting system	
	Securities	Information Security Management	Establishment of Information Security Management System (ISO 27001 certification)	
		Protection of Personal Data	Establishment of a personal information protection management system (Acquisition of Privacy Mark)	

Transition of Consolidated Results



Consolidated Numbers of Employee

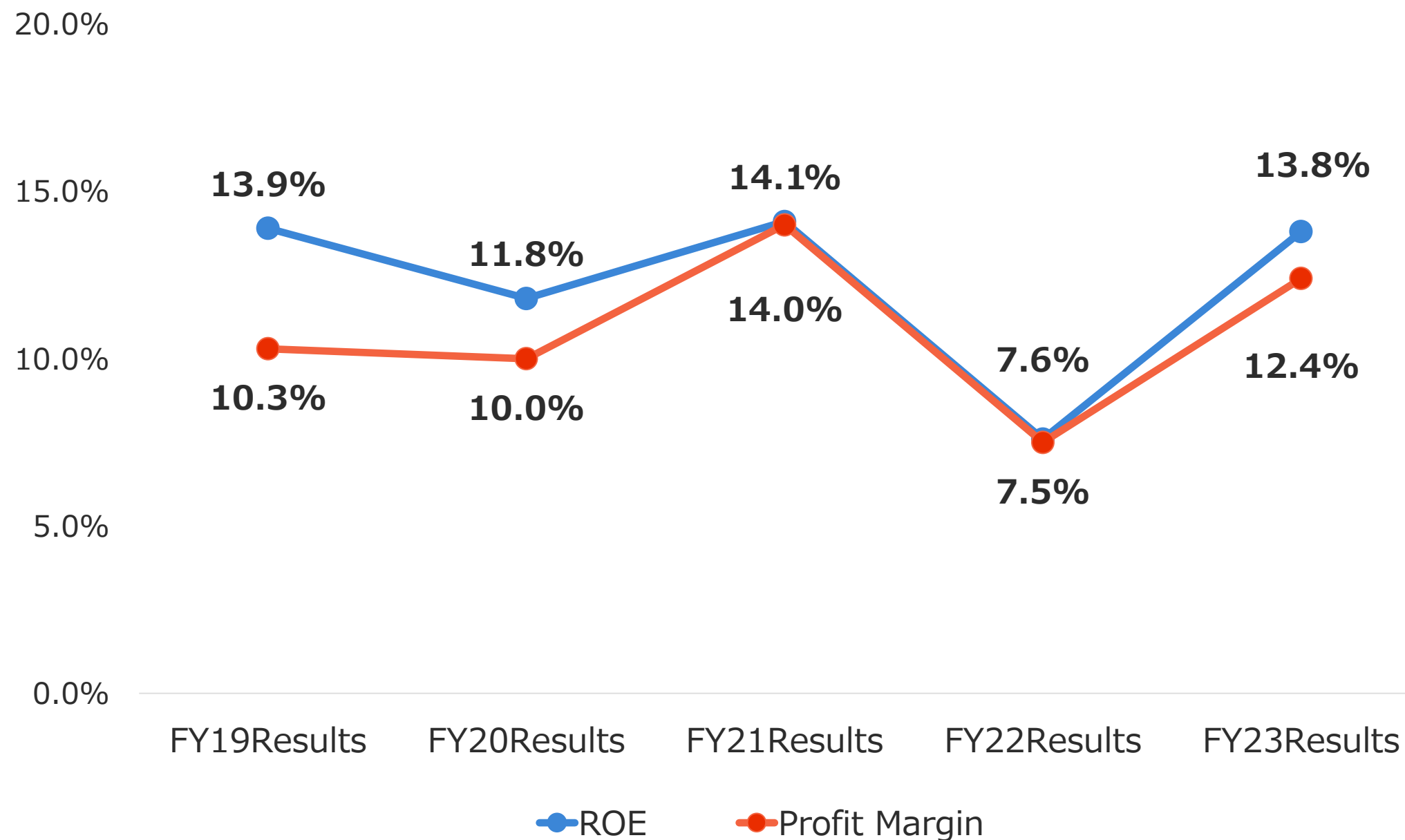


*Including temporary employees (Counted temporary employee as average during the period)

Important Management Index (ROE)

Past 5 years (average) ROE 12.2% → Aiming higher ROE by profit improvement

【Transition of ROE and profit margin】



Views on ROE

【Further improvement measures of ROE】

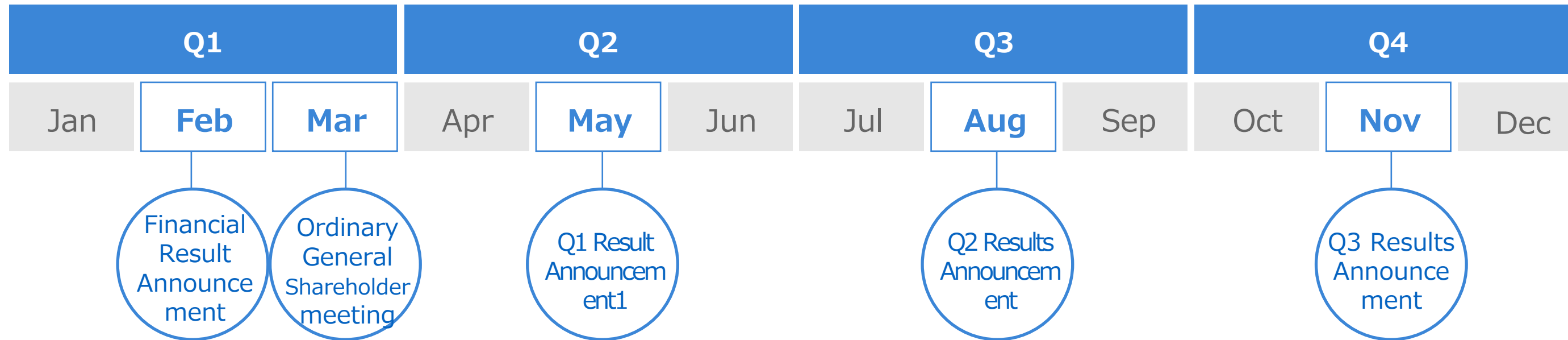
① Improve profit margin by promoting the medium term business plan.

We will increase sales in each business, operation profit, equity in earning of affiliates by promoting medium term business plan and improve profit margin.

② Appropriate management of surplus assets

To improve total asset turnover and financial leverage through proactive shareholder returns in line with business expansion.







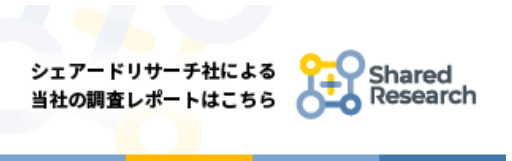



IR Schedule 2024 (Planned)

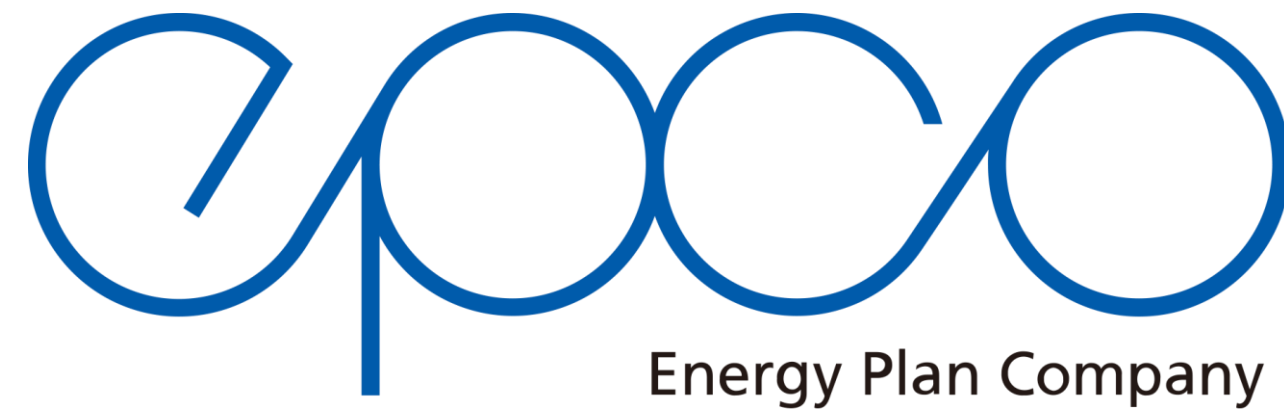


2024

Feb. 13 Tue	FY2023 Financial results announcement
Feb. 28 Wed	FY2023 Business plan briefing (Full-year)
Mar. 26 Tue	34 th Ordinary general shareholder meeting
May 13 Mon	FY2024 Q1 Results announcement
Jun. 26 Wed	Final date of Q2 dividend rights acquisition
Jun. 27 Thu	EX-rights date

Aug. 8 Thu	FY2024 Q2 results announcement
Aug. 28 Wed	FY2024 Business plan briefing (Q2 results)
Nov. 11 Mon	FY2024 Q3 Results announcement
Dec. 26 Thu	Final date of year-end dividend rights acquisition
Dec. 27 Fri	EX-rights date

	IR Website	https://www.epco.co.jp/ir/	
	IR information E-mail distribution service	https://www.epco.co.jp/ir/mail.html	
	ENGLISH (IR)	https://www.irstreet.com/new/en/brand/index.php?brand=159	
	Analyst Report	https://sharedresearch.jp/ja/companies/2311	
	Contact Us	https://www.epco.co.jp/contact/contact.php	



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