



Courtesy of Freeport LNG Development, L.P.

International Energy Business

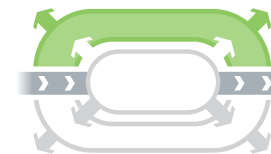
FY2026
Results

Net sales **143.7** billion yen
Segment profit* **88.3** billion yen

FY2027
Forecast

Net sales **140.0** billion yen
Segment profit* **85.5** billion yen

* Operating profit + share of profit of entities accounted for using equity method



What We Aim To Be

In our International Energy business, we have expanded and diversified our business domain from upstream to mid- & downstream businesses, making use of the experience and knowledge we have accumulated over many years of operating in various countries, while also utilizing the O&M and engineering capabilities of the energy value chain we have built in Japan, as well as our ability to propose solution services.

The International Energy business has now grown into one of our business pillars, contributing to the profits of the Daigas Group as a stable earnings base that is not dependent solely on the Domestic Energy business.

We will continue to efficiently expand our profit scale, and aim to provide stable, low-cost energy supplies and convenient services that contribute to the sustainability of the carbon neutral ("CN") society by developing e-methane projects and taking other measures.

Business Environment Awareness

Strengths

- Developing business across the value chain from upstream to mid- & downstream
- Operational expertise in the energy business, leveraging knowledge gained in Japan

Issues

- Safe and stable operations for stable procurement and profit
- Acquiring know-how in new fields through business participation

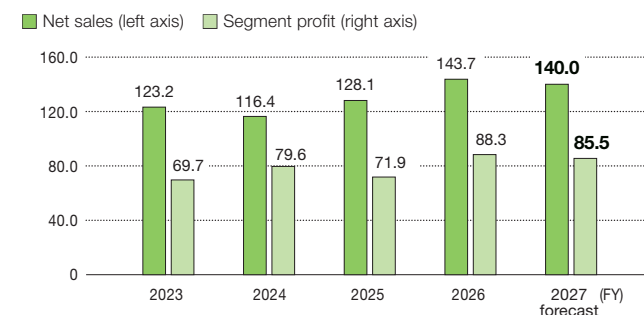
Opportunities

- Increasing demand for low-carbon and decarbonized energy
- Increasing energy demand in emerging markets

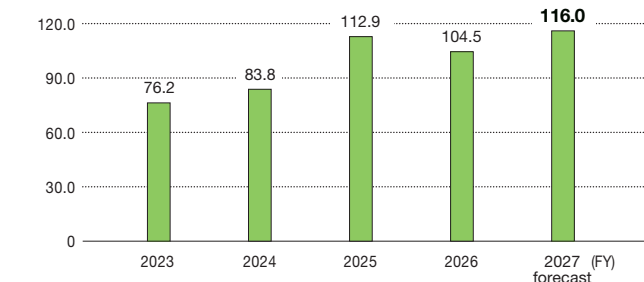
Risks

- Implementation or change of policies and regulations, deterioration of economic or social conditions, etc. in the countries in which the Group operates
- Market fluctuation in areas including crude oil prices and gas prices, technical issues

Net Sales (billion yen) Segment Profit (billion yen)



Growth Investment Amount for Each Fiscal Year in International Energy Business (billion yen)



INPUT

- Segment assets **1,083.9** billion yen
- Segment growth investment **104.5** billion yen
- Developing business across the value chain from upstream to mid- & downstream
- Operational know-how for the energy business, leveraging knowledge gained in Japan

OUTPUT

- Net sales **143.7** billion yen
- Segment profit **88.3** billion yen
- Steady profit growth through price hedging, development expansion, and stable operations at Sabine Oil & Gas Corporation in the U.S.
- Expanding city gas business in the growing market of India

OUTCOME

- Stabilizing global energy supply
- Contribution to CN society
- Contribution to national and regional economic development

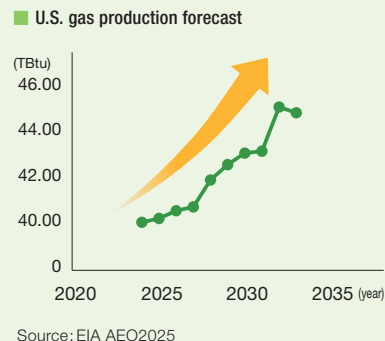


Shale Gas in the U.S.

Market environment

Production of natural gas, primarily shale gas in the U.S., is expected to continue growing, supported by strong domestic demand and expanding LNG exports. The current increase in demand for power driven by the expansion of data centers is one factor underpinning the market.

Meanwhile, Henry Hub futures prices—a benchmark for natural gas prices in the U.S.—may fluctuate in response to temporary changes in the supply-demand balance caused by seasonal weather patterns and inventory levels. However, they are expected to remain stable within a certain range over the medium to long term.



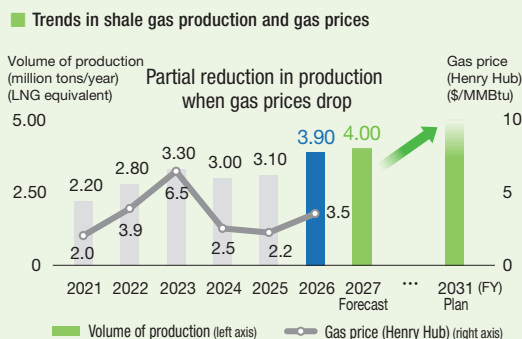
Main initiatives

Stable profit contributions through price hedging and medium- to long-term production expansion

At the beginning of each fiscal year, we hedge the sales price of 70–80% of the expected sales volume for the year. This helps stabilize earnings, while enabling us to pursue upside profit potential by flexibly increasing production when gas prices rise. We plan to produce four million tons in FY2027 and will aim for further profit growth while increasing production through the acquisition of additional mining areas in the future. Development is projected to continue for approximately the next 10 years. Moreover, rather than simply benefiting from positive market conditions, our profit growth has also benefited from cost reduction initiatives, including the optimization of excavation work through the accumulation of operational expertise, and flexible contract negotiations in line with market trends. Furthermore, by leveraging the Group's expertise in safety management, we have achieved safe and stable operations, including recording zero occupational accidents among local employees.



Well drilling site



City Gas Distribution and Renewable Energy in India

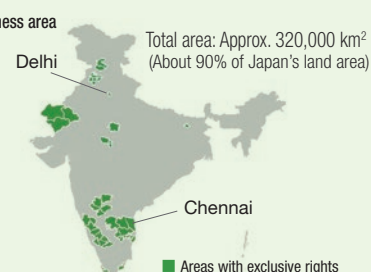
Main initiatives

City gas

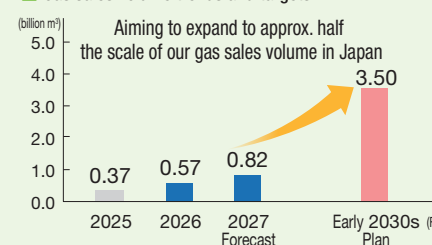
Developing city gas businesses in 19 areas where we hold exclusive rights, leveraging expertise developed in Japan

Since investing¹ in a city gas business in 2021, we have developed businesses in 19 areas (equivalent to approximately 10% of India's land area) where we have obtained exclusive infrastructure rights² from the Indian government, leveraging expertise developed in Japan, including supply infrastructure construction and maintenance and demand development. Supported by a national policy that prioritizes the allocation of low-cost domestic natural gas to the transportation and residential sectors, we have built approximately 11,000 km of pipelines and more than 500 CNG stations. As a result, the number of residential customers has reached approximately 150,000 (as of March 31, 2026).

Business area



Gas sales volume trends and targets



¹ Invested in AG&P LNG Marketing Pte. Ltd. through a Japanese consortium comprising Osaka Gas Singapore Pte. Ltd., SUMITOMO CORPORATION, and Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development
² Exclusive infrastructure rights for 25 years and exclusive gas sales rights for eight years

Main initiatives

Renewable energy

Collaboration with a leading local company

In collaboration with CleanMax, we have acquired approximately 280 MW* of renewable energy assets. We will continue to develop new projects moving forward and aim to own around 400 MW* of renewable energy assets by FY2029.

*Figures from a Japanese consortium in which we have invested. Including power plants under development.

Electricity in the U.S. (Thermal Power)

Main initiatives

By contributing to business operations through expertise accumulated in our domestic businesses, and enhancing value through refinancing and operational improvements, we strive to secure stable earnings. On the other hand, without clinging to asset holdings, we will sell assets that have reached their maximum value and assets with low profitability, and examine new investments in projects with outstanding potential. In doing so, we will flexibly replace our assets and strive for maximum investment efficiency.

List of owned power assets (as of March 31, 2026)

- Approximately 1,300 MW across five power plants
- Enhancing capital efficiency through selection and concentration

Status	Sold in	Name of power plant (region)	Equity capacity (MW)
Owned	—	Fairview (PJM)	525
		Three Rivers (PJM)	188
		St. Charles Energy Center (PJM)	186
		Towantic (ISO-NE)	389
		Saranac (NY-ISO)	48
Divested	FY2024	Whitewater	69
	FY2026	Michigan Power, Lakewood, Klean Energy, Shore	474