

FY2022 Q2 Financial Results (January-June)

EPCO Co., Ltd. Securities Code : 2311 August 10,2022

CHALLENGE TO EVOLUTION

DX Strategy × Carbon-Neutral

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

PURPOSE

HCDs

HOUSING

CARBON NEUTRALITY

DIGITAL SOLUTIONS



Challenge to Evolution

DX Strategy × Carbon-Neutral

01. FY2022 Q2 Results

02. Priorities of Business Portfolio

03. Appendix.

HCDs HOUSING
CARBON NEUTRALITY
DIGITAL SOLUTIONS

FY2022 Q2 Results

Failing to achieve the plan on consolidated ordinary profit due to unachieved the forecast on ordinary profit of design service. However, **net profit of Q2 exceeded the forecast** due to gain on sale of investment securities.
Ordinary Profit JPY 80mil. (YoY **-54.7%** vs Forecast **-41.8%**)

Design

Unachieved both sales and ordinary profit forecast due to following 3 factors.
① Decreased housing starts (Owner-occupied house) ② JPY depreciation
③ Delay in launching new business
Ordinary Profit JPY 110mil. (YoY **-56.6%** vs Forecast **-47.4%**)

Maintenance

Keep upfront investment to expand the business (App development, new location office). **Increased in sales for both residence and energy company, ordinary profit result was higher than the forecast.**
Ordinary Profit JPY 110mil. (YoY **-1.6%** vs Forecast **+18.2%**)

Energy Saving

Both company, TEPCO HomeTech and ENE's received more order of energy saving facilities than the forecast.
Increased in profit both YoY and vs. forecast to turned to black figure and expecting more growth.
Ordinary Profit JPY 20mil. (YoY **+50mil. JPY** vs Forecast **+303.7%**)

FY2022 Q2 Consolidated Results Summary (vs. Forecast)



Ordinary profit fell short of forecast, however net profit exceed forecast due to gain on sales of investment securities.

(JPY Million)	FY22 Q2 Forecast *1	FY22 Q2 Results	Changes	Ratio
Net Sales	2,449	2,378	-71	-2.9%
Ordinary Profit	145	84	-60	-41.8%
Quarter Net Profit	99	159 *2	+59	+59.8%

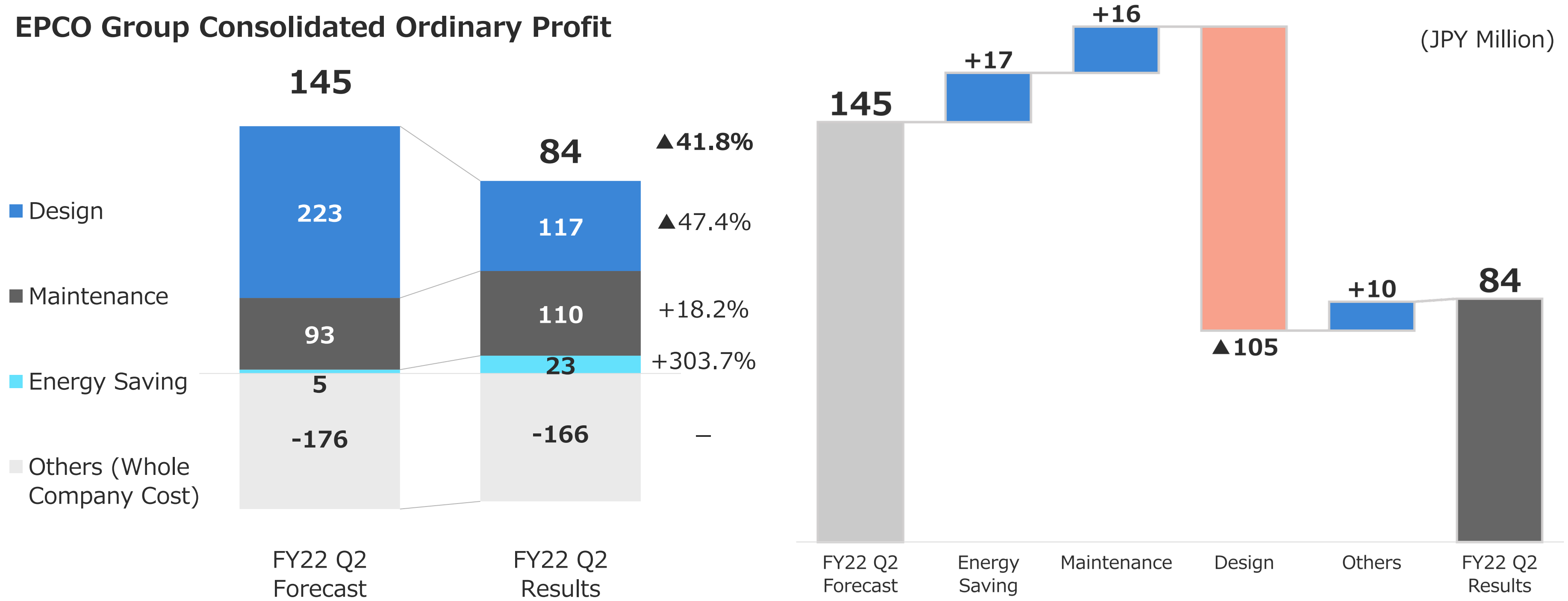
*1 Initial forecast announced on Feb. 14, 2022

*2 Extraordinary income of JPY 119mil. was recorded as gain on sales of investment securities.
(ENECHANGE shares)

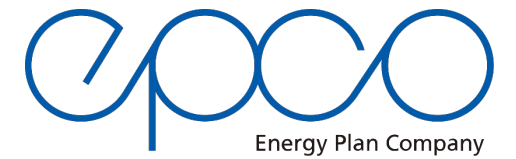
FY2022 Q2 Consolidated Ordinary Profit (vs. Forecast)

Although energy saving, maintenance service exceed the forecast, but decreased in profit due to unarchived plan on design service.

EPCO Group Consolidated Ordinary Profit



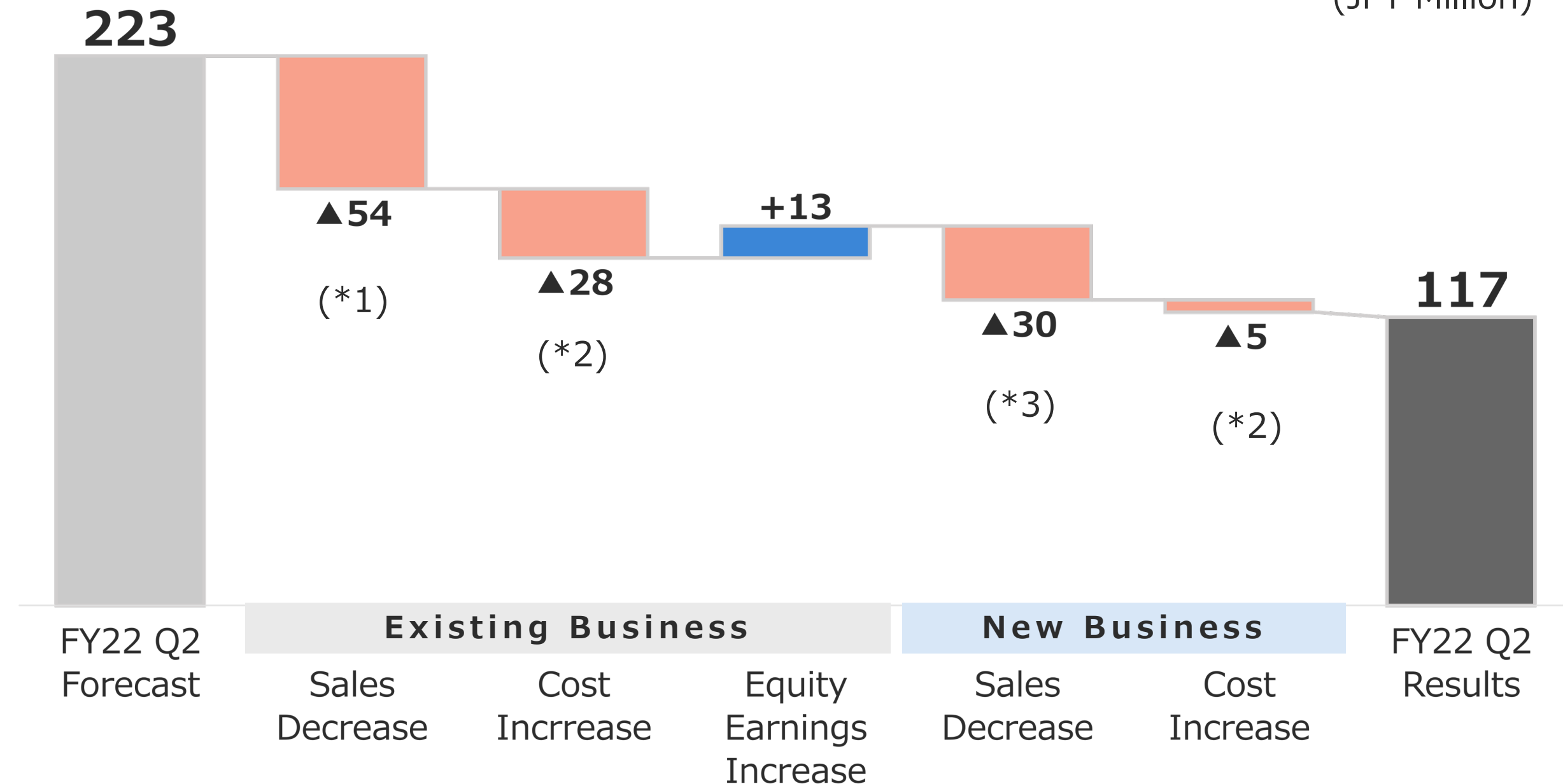
FY2022 Q2 Design Service Ordinary Profit (vs. Forecast)



Factors of decrease in profit are ① Decreased housing starts (Owner-occupied house)
 ② JPY depreciation ③ Delay of launching new business

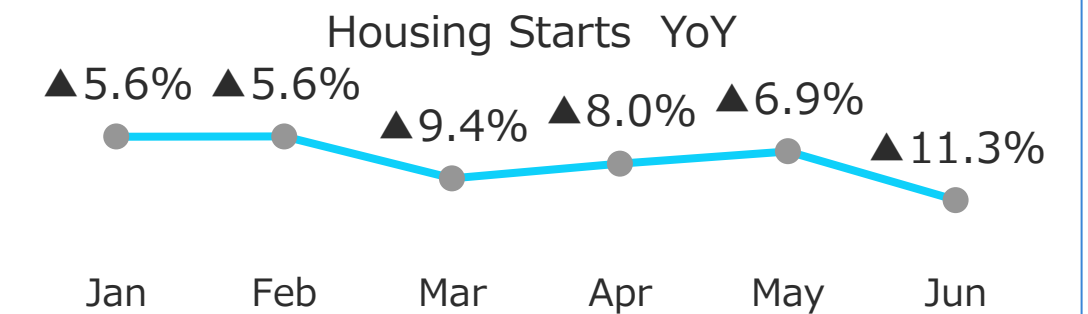
Design Service Ordinary Profit Fluctuation Analysis (vs. Forecast)

(JPY Million)



Factors of profit & loss

*1. Sales decrease in existing business
 Decrease the design order contract due to decline of housing starts.



*2. Cost increase
 (Existing/ New business)
 China cost increased 29 mil.

【Exchange Rate (RMB· AVE)】

Jan-Jun 2022

Actual JPY19.13/RMB

Forecast JPY17.50/RMB

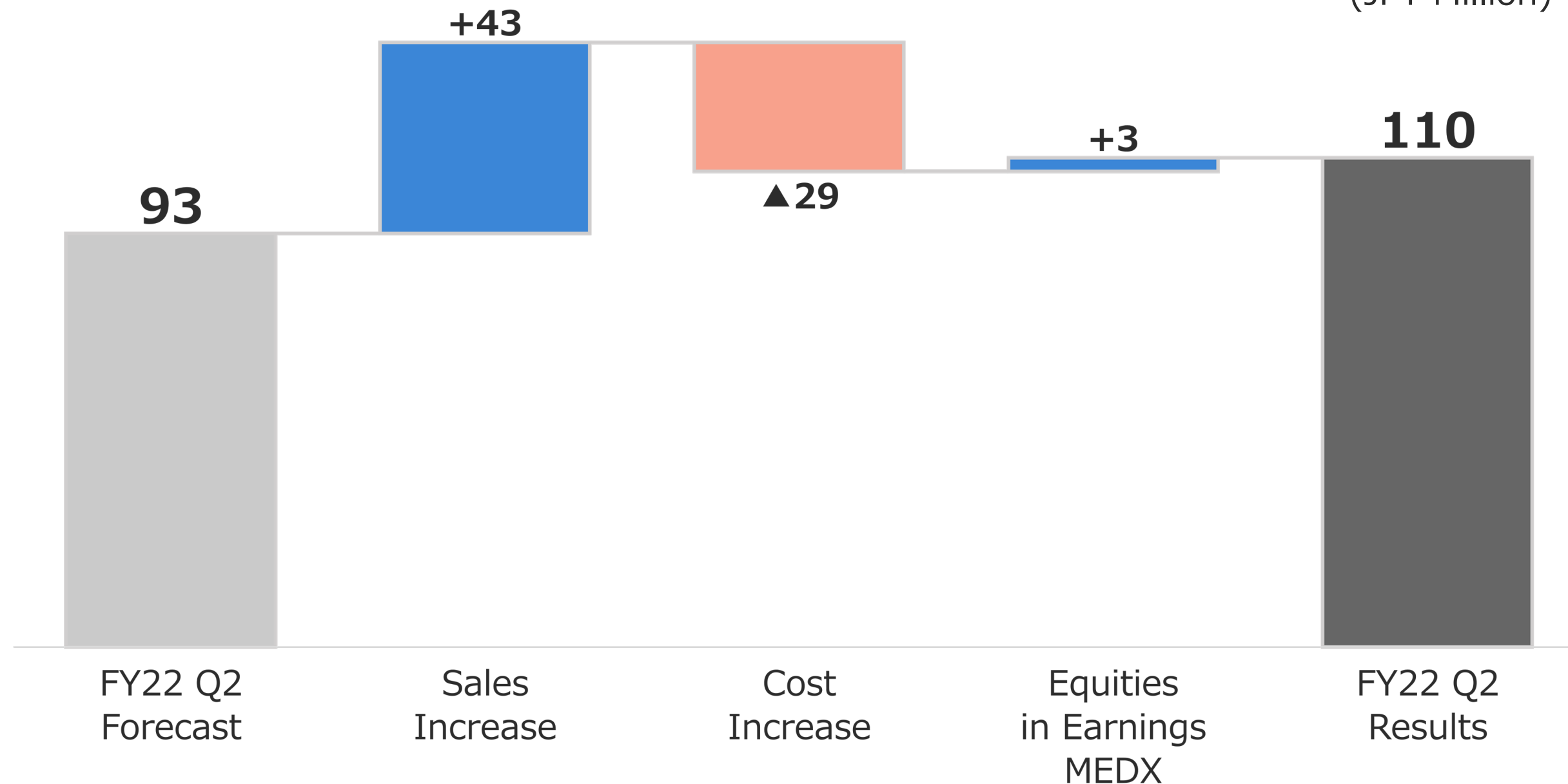
*3. Delay of launching new business
 Taking more time than expected to disseminate BIM business

FY2022 Q2 Maintenance Service Ordinary Profit (vs. Forecast)

Sales of maintenance for residence and energy companies exceed the forecast.

Maintenance Service Ordinary Profit Fluctuation Analysis (vs. Forecast)

(JPY Million)



Factors of profit & loss

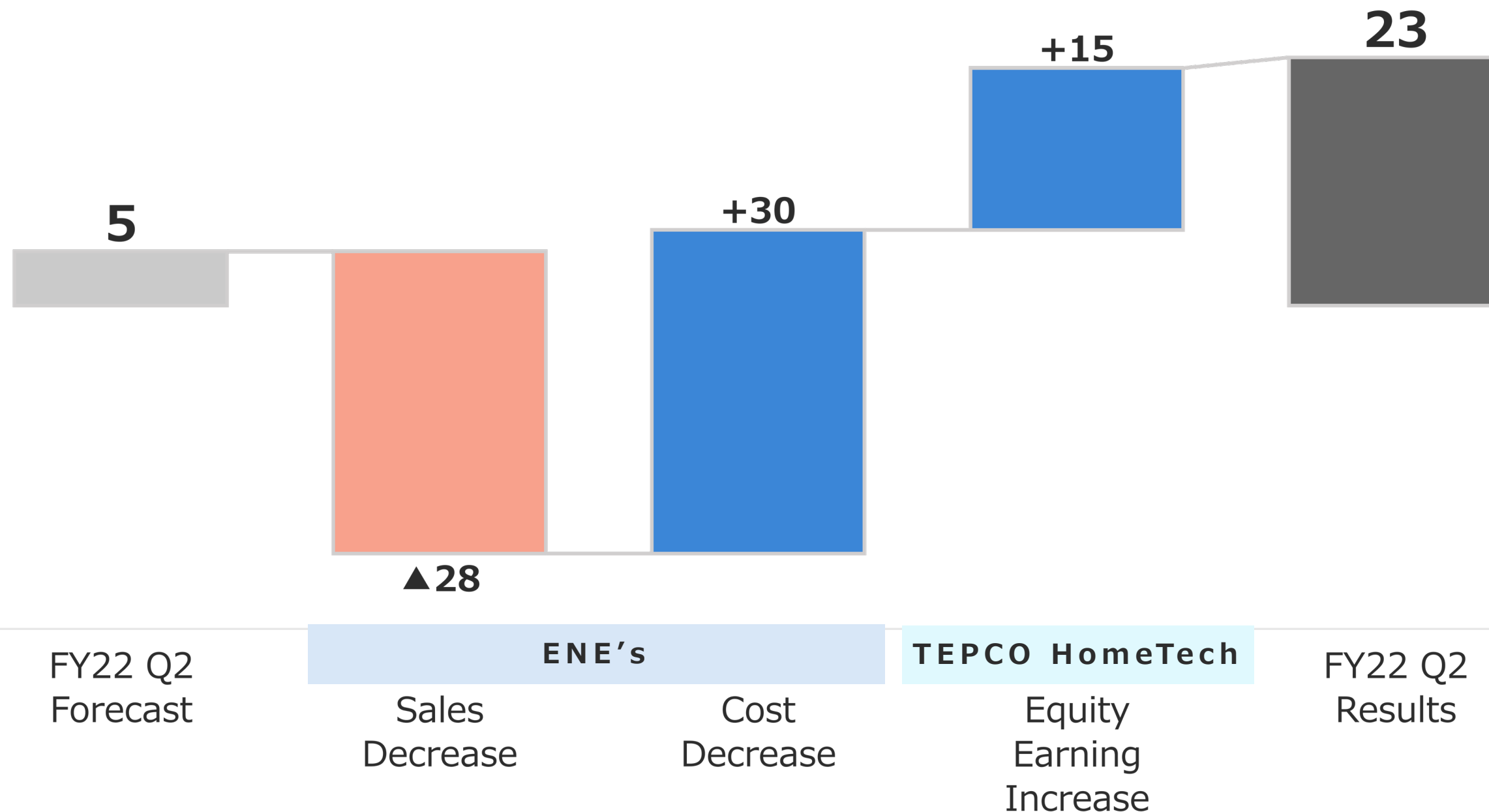
1. Maintenance sales exceed the forecast
 - ① Sales for residence +20M
Factor : Cross selling for existing major housing company
 - ② Sales for energy company +23M
Factor : Expand business for new electricity
2. Maintenance cost increased
Increase the number of employees in response to sales exceeding the plan

FY2022 Q2 Energy Saving Service Ordinary Profit (vs. Forecast)

Equity in earnings of affiliated company (TEPCO HomeTech) improved in profit to exceed the forecast.

Energy Saving Service Ordinary Profit Fluctuation Analysis

(JPY Million)



Factors of profit & loss

Equity in earnings of affiliated company (TEPCO HomeTech)

Energy saving facility related order (Solar power, storage battery) has increased to exceed the forecast

FY2022 Revision of Full-year Forecast

Revised full-year forecast of FY2022 in sales and profits.

(JPY Million)	Net Sales	Operating Profit	Ordinary Profit	Net Profit attribute to parent company shareholder	Net profit per share (JPY)
Initial Forecast(A)	5,105	460	501	366	41.17
Revised Forecast (B)	4,848	125	204	276	31.07
Changes (B-A)	-257	-335	-297	-89	—
Ratio	-5.0%	-72.9%	-59.3%	-24.5%	—

*Announcement of revised forecast on July 20 and partial amendment on July 21 2022.

Revision of Full-year Forecast by Business Segment



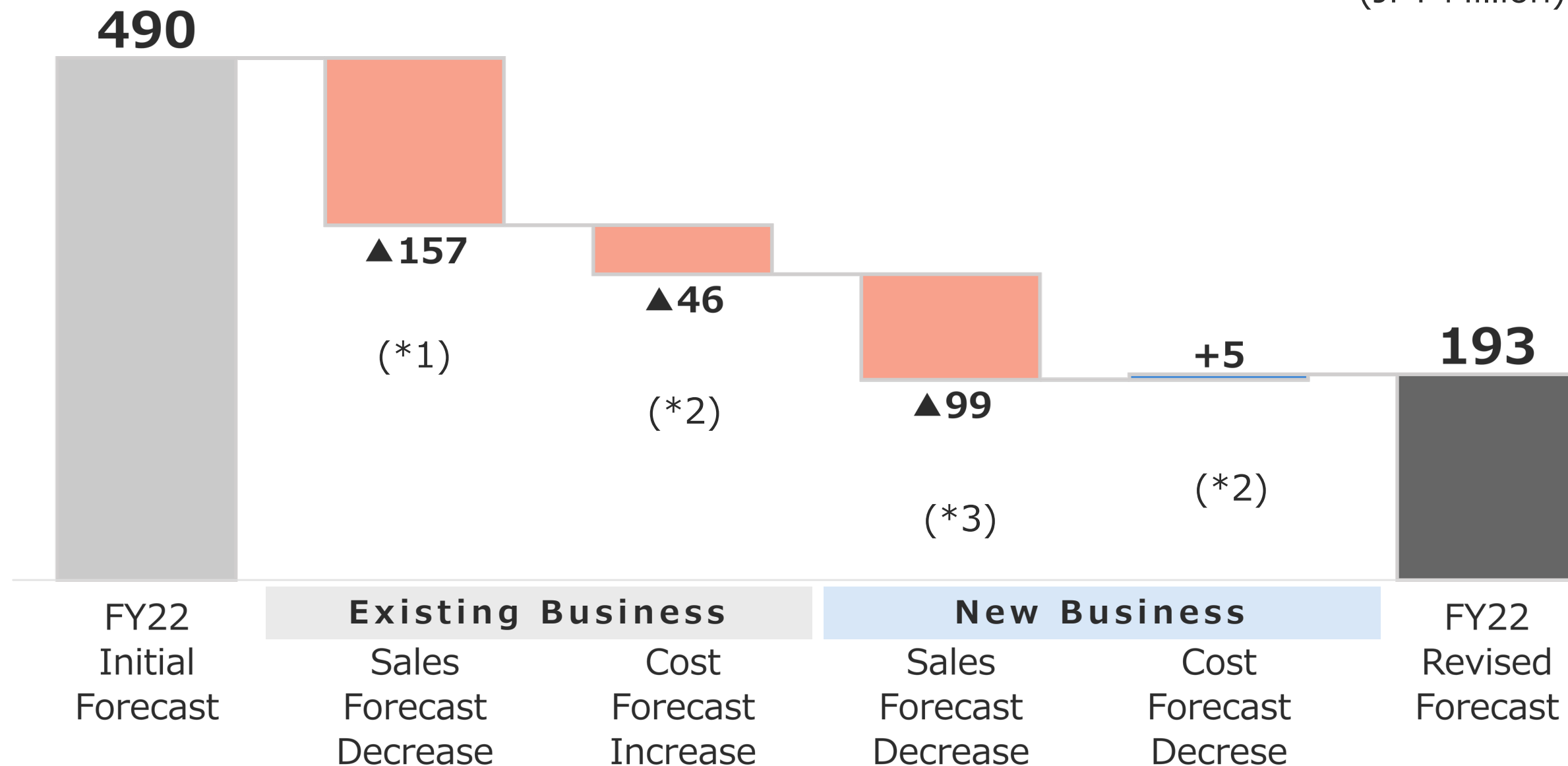
Revised only design service sales and profit considering the external environment.

(JPY Million)	FY22 (Initial)	FY22 (Rev.)	Changes	Ratio
Net Sales (Consolidated)	5,105	4,848	-257	-5.0%
Energy Saving (ENE's)	965	965	—	—
Maintenance	1,750	1,750	—	—
Design	2,389	2,132	-257	-10.8%
Ordinary Profit (Consolidated)	501	204	-297	-59.3%
Energy Saving	84	84	—	—
Maintenance	268	268	—	—
Design	490	193	-297	-60.5%
Others (Whole Company cost etc.)	-342	-342	—	—

The factors of revision of performance in Q2 of design service reflect to the figure of revised full-year forecast.

Design Service Ordinary Profit Revised Forecast Fluctuation

(JPY Million)



Factor of profit & loss

*1 Sales decrease in existing business
JPY -157mil.

Expecting less order by decreasing housing starts in 2nd half year

*2. Cost increase (Existing/new business) by JPY depreciation +75mil.
(Expecting rate : JPY20/RMB)

*3. Delay launching new business JPY-99mil.
Decrease sales forecast in BIM business

FY22 Rev. forecast	Existing	New	Total
Sales	2,068	64	2,132
Expenses	1,721	250	1,971
Equity Earnings	31	—	31
Ordinary Profit	379	-186	193

Our Policy on the Reorganization of the TSE Market

We have selected **The Prime Market** and we announced “Plan for compliance with listing maintenance criteria” in Nov. 2021. The progress of the plan is as follows.

Measures through the first half of FY2022

Current Situation

Implementation of measures to improve liquidity

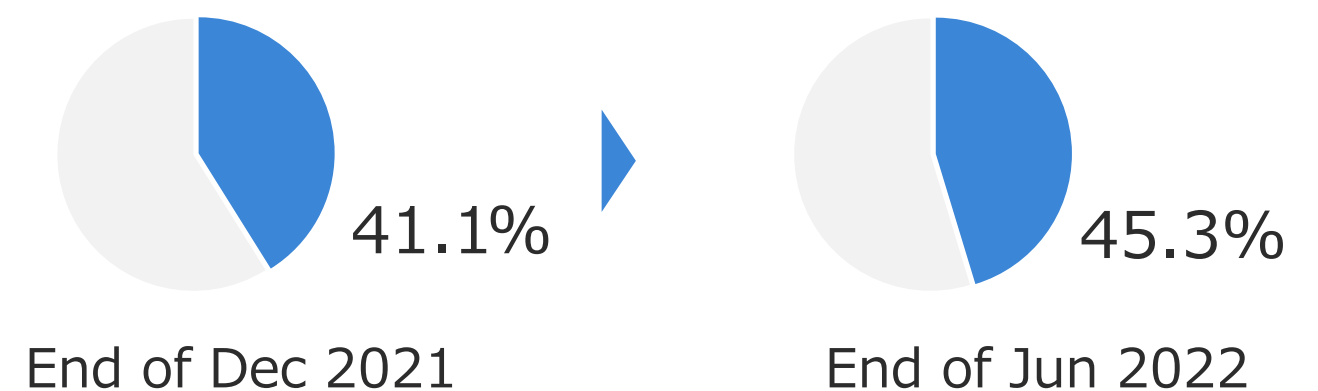
Implemented **Off-floor sales** in Dec2021

Date	Number of shares	Patio of total numbers of issued share
Dec 22, 2021	384,000 shares	4.1%

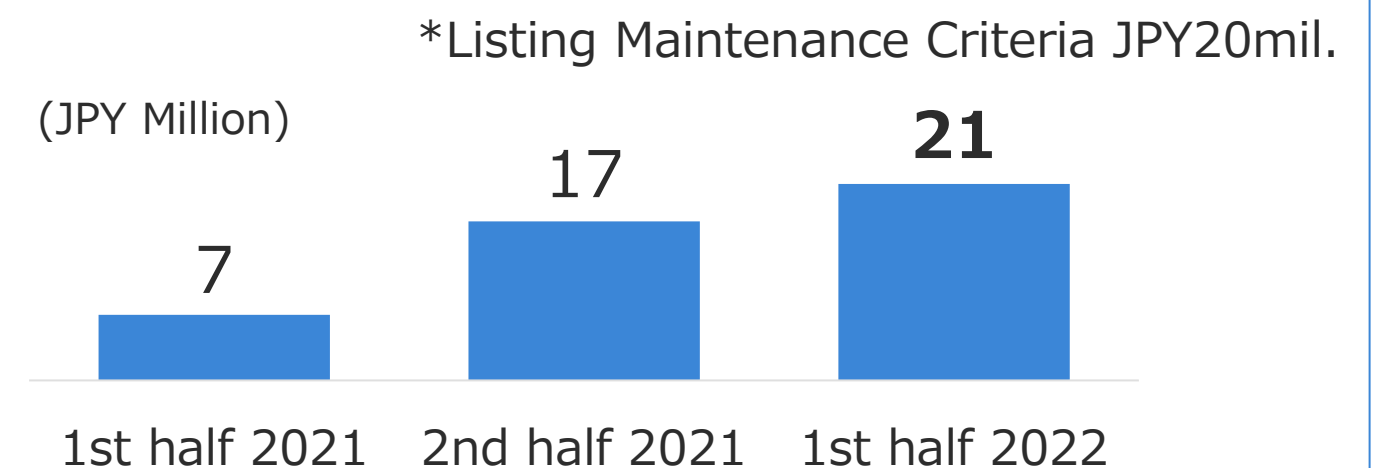
Strengthen IR measures

- ① Investor briefing will be held **4 times a year**
 - May 2022 Online IR seminar (TOKYO IPO)
 - Aug 2022 Management plan briefing (EPCO)
 - Sep 2022 IR seminar for women (Nikkei CNBC)
- ② **Disclose analyst report**
(Shared Research Inc. in Japanese and English)

Improvement of Trading share ratio



Improvement in average daily trading value



* Mid-term management plan (2025) is scheduled to revise in Feb 2023

Summary of Balance Sheet (and Cross-shareholdings)

Our policy to verify optimal asset allocation and capital structure from time to time with the aim of improving ROE.

(JPY Million)

Subject	As of end of Jun 2022		Cross-shareholdings (As of end of Jun 2022)	
	Amount	Structure		
Current Asset (Cash and Savings)	2,656 (1,749)	46.8% (30.8%)		
Fixed Asset (*)	3,023	53.2%	Investment in securities	1,391
Total Asset	5,680	100.0%	• ENECHANGE	1,291 (Unrealized Profit 1,277)
			• Cellid	100
Total Liability	892	15.7%	Deferred Tax	439
Total Net Asset	4,787	84.3%	Valuation Difference on Securities	837
Total Liability and Net Asset	5,680	100.0%		

(Ref.) Net Asset per Share

JPY536.44

PBR1.3 times (Value JPY 680 on the end of Jul,2022)

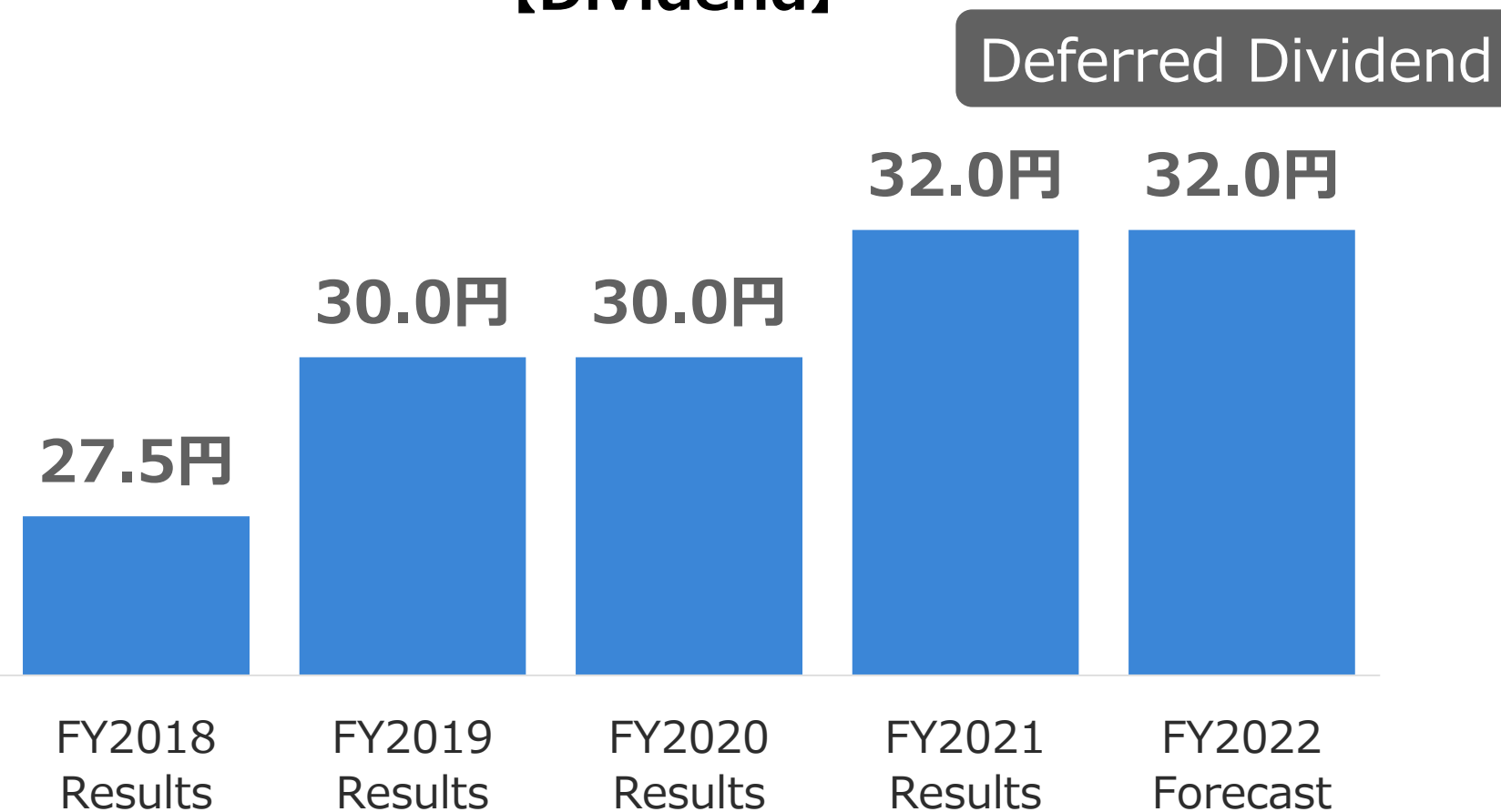
Shareholder Returns | ① Dividend Policy

The Company regards the return of profits to shareholders through dividends as an important management policy.

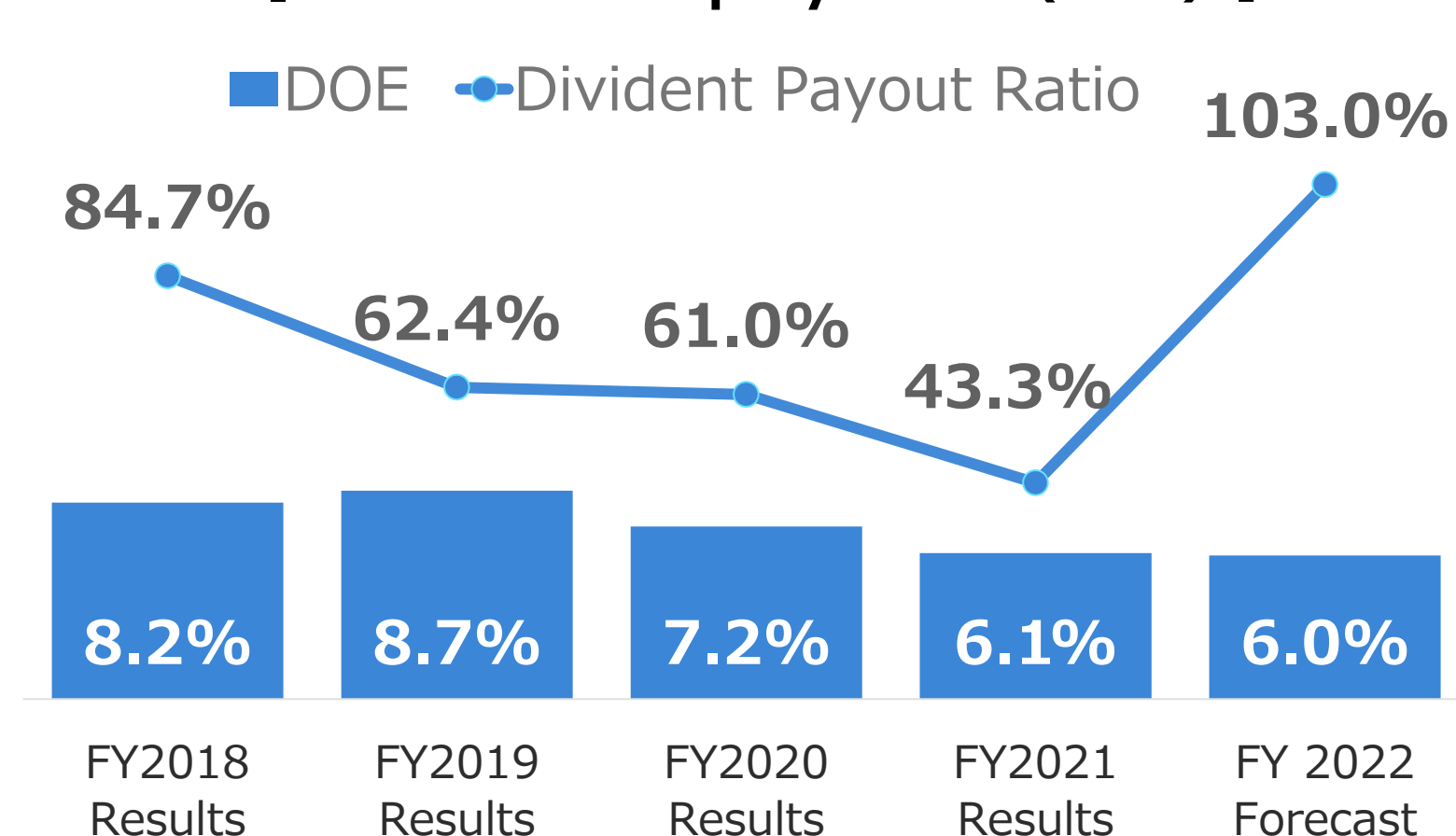
Our policy is to **provide a stable return of profits** to shareholders, **with a target consolidated dividend payout ratio of 50% and a dividend on equity (DOE) ratio of 8%**, based on a comprehensive consideration of all relevant factors, such as retained earnings to respond to future business development and changes in the business environment.

The Company considers the fiscal year ending Dec 31, 2022, to be a temporary period of decrease in profits as it rebuilds its business portfolio. According to our dividend policy, we plan to maintain the dividend forecast per share at the end of Q2 and at the end of the fiscal year (JPY14 at the end of Q2 and JPY18 at the end of the fiscal year, JPY32 in total) to ensure stable dividends.

【Dividend】



【Dividend on Equity Ratio (DOE)】



* Dividend per share after stock split adjustment

3 winners on the draw at end of Jun 2022 due to more application than expected.

Details of lottery-type shareholder benefits

- The right to install “ Solar power generation system (worth 1 mil. JPY) ” for free.
- 6 winners (FY2022)
3 winners in 1st half and another 3 in 2nd half in FY2022
(Changed numbers of winner on Aug 10, 2022 (Before) 1st half : 1 winner, 2nd half : 4 winners)



Eligible Shareholder for Draws

- ① Shareholder who own **more than 1unit (100 shares)**
As of end of June (First half year), and end of Dec (second half year) on shareholder registry.
- ② Shareholders who **have completed the procedures to apply** the lottery.

Schedule

Jul 28,2022	Mail to the eligible shareholder about lottery
Aug 26,2022	Application deadline
Aug 31,2022	Draw at 19th management plan briefing
Sep 1,2022	Notice to winners
Sep 2022	Site checking, installation of solar panel
Within 2022	Hand Over (Scheduled)



(Reference) FY2022 Q2 Consolidated Net Sales (YoY)

(JPY Million)	FY21 Q2	FY22 Q2	Changes	Ratio
Net Sales (Consolidated)	2,271	2,378	+107	+4.7%
Design	1,123	1,068	-55	-4.9%
Existing	1,111	1,036	-75	-6.8%
New Business	12	32	+19	+162.5%
Maintenance	779	863	+84	+10.8%
Residence	609	658	+48	+8.0%
Energy Company	169	205	+35	+20.8%
Energy Saving (ENE's)	368	446	+78	+21.3%

(Reference) FY2022 Q2 Consolidated Ordinary Profit (YoY)



(JPY Million)	FY21 Q2	FY22 Q2	Changes	Ratio
Ordinary Profit (Consolidated)	186	84	-102	-54.7%
Design	270	117	-153	-56.6%
Operating Profit (Consolidated)	257	97	-160	-62.2%
Equity in Earnings of Affiliated Company (China)	13	19	+6	+53.0%
Maintenance	112	110	-1	-1.6%
Operation Profit (Consolidated)	112	117	+5	+4.9%
Equity in Earnings of Affiliated Company MEDX	-	-7	-7	-
Energy Saving	-31	23	+54	-
Operating Profit (Consolidated)	6	17	+11	+176.7%
Equity in Earnings of Affiliated Company TEPCO HomeTech	-37	5	+43	-
Others (Whole company cost/Non-operating profit/loss)	-164	-166	-2	-

Challenge to Evolution

DX Strategy × Carbon-Neutral

01. FY2022 Q2 Results

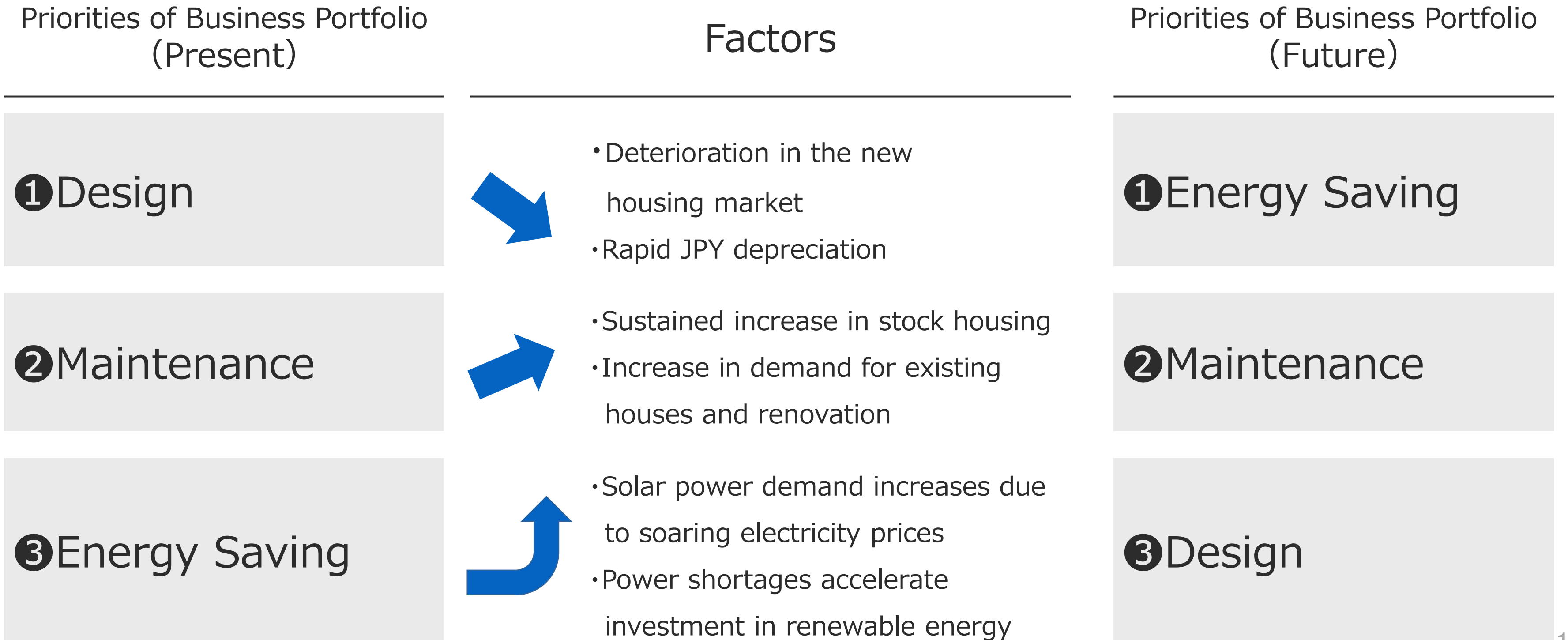
02. Priorities of Business Portfolio

03. Appendix.

HCDs HOUSING
CARBON NEUTRALITY
DIGITAL SOLUTIONS

Priorities of Business Portfolio

Considering recent changes in the business environment, we will prioritize the investment of management resources in the energy saving service and aim for business growth on the service.



① Reason #1 for Prioritizing Energy Saving Service : External Environment

The following 3 external factors to increase adoption of Enecari by housing companies.

① Various policy support for the realization of carbon-neutral society

- (Government) Aim to install solar panel on 60% of new housing
- (Tokyo) Considering mandatory installation of solar panels
- (Municipality) Enhancement of subsidy programs for the installation of energy-saving facilities for residences

② Electricity shortages and soaring electricity prices

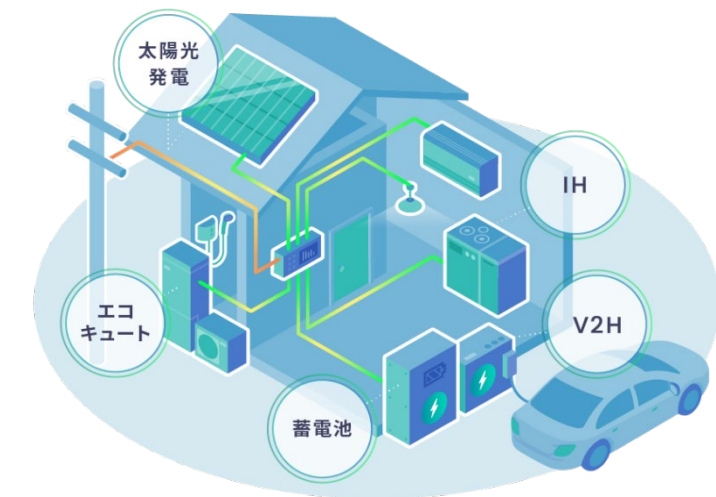
Energy supply and demand have tightened world-wide and energy prices have skyrocketed these days.
In Japan, power shortages and soaring electricity prices have become a social problem.

③ Increased willingness to install energy-saving facilities and devices

- (Housing Company) In response to social demands (SDGs, TCFD, etc.), increasing number of companies willing to rise the installation rate of energy-saving facilities.
- (General Consumer) Improved cost-effectiveness of energy-saving facilities and increased awareness of disaster prevention and energy saving

What is Enecari?

Subscription service of energy saving facilities
(Zero initial cost, flat rate charge)



Companies adopted Enecari



① Reason #2 for Prioritizing Energy Saving Service : Synergy Effect

The following synergistic effects are expected for each segment by TEPCO HomeTech's business expansion.

① Energy Saving

- Solar panel installation contract etc. (ENE's)



For TEPCO HomeTech
FY2022 1st half result JPY 19mil.
(YoY +57.0%)

② Maintenance

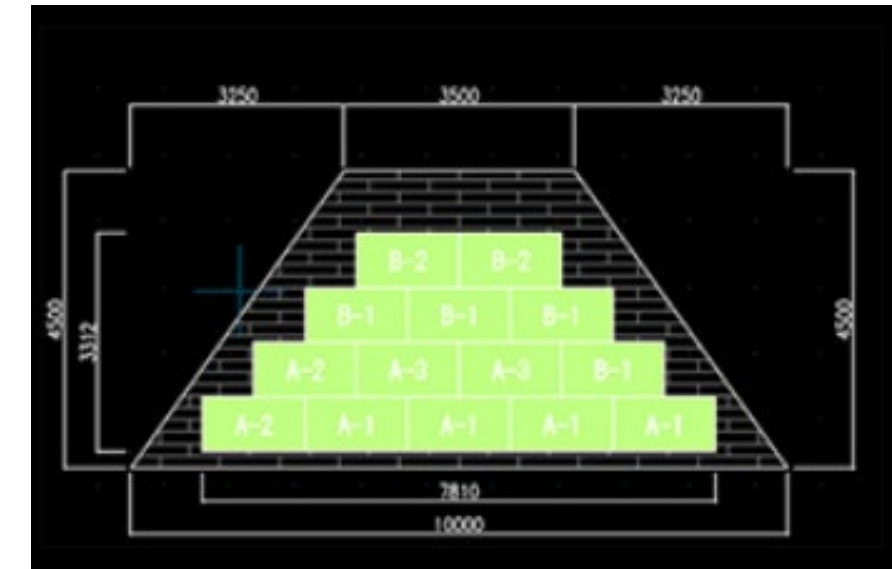
- Contract BPO business for the flow of inquiry to contract
- Provide maintenance



For TEPCO HomeTech
FY2022 1st half results JPY 31mil.
(YoY +45.3%)

③ Design

- Solar panel design contract etc.

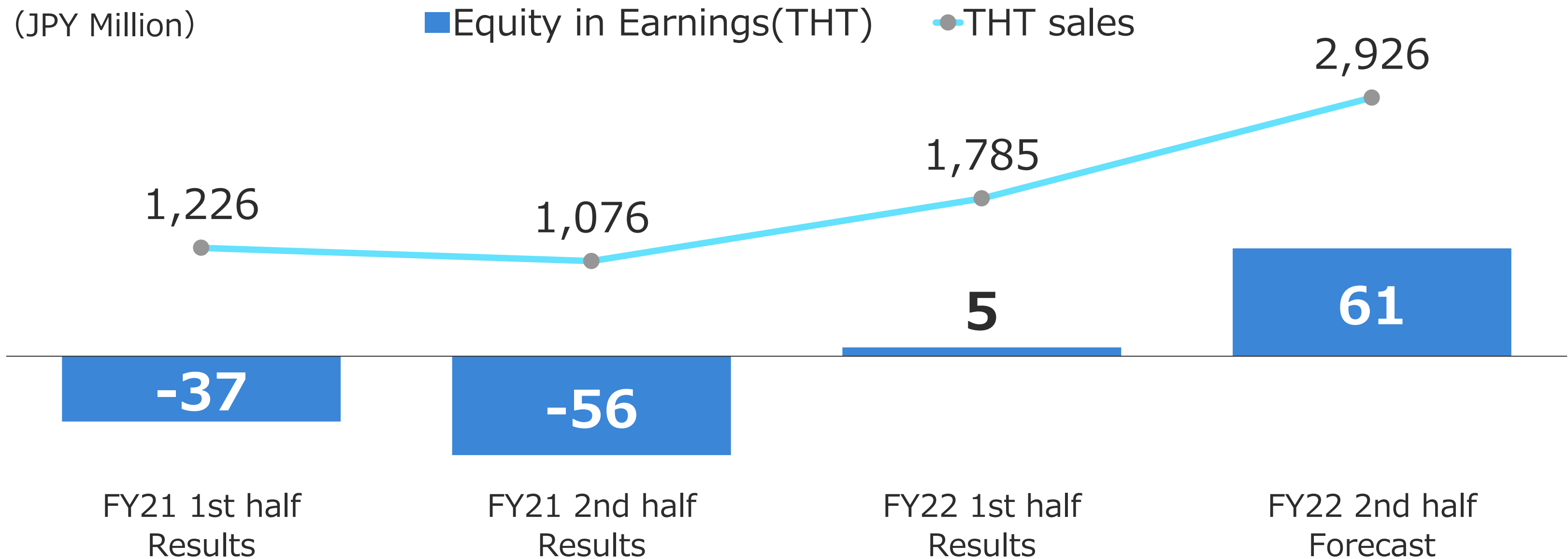


For TEPCO HomeTech
FY2022 1st half results N/A
(Expecting to increase)

① Energy Saving Service | Current Performance Trend




Rapid improvement in equity in earnings of affiliate of TEPCO HomeTech (THT) due to an increase in energy-saving construction contracts



① Energy Saving Service | For Further Increase Contract

1. Facility subscription service (Enecari) adoption increase in major real estate companies
2. Implement sales promotion measures with various alliance partners

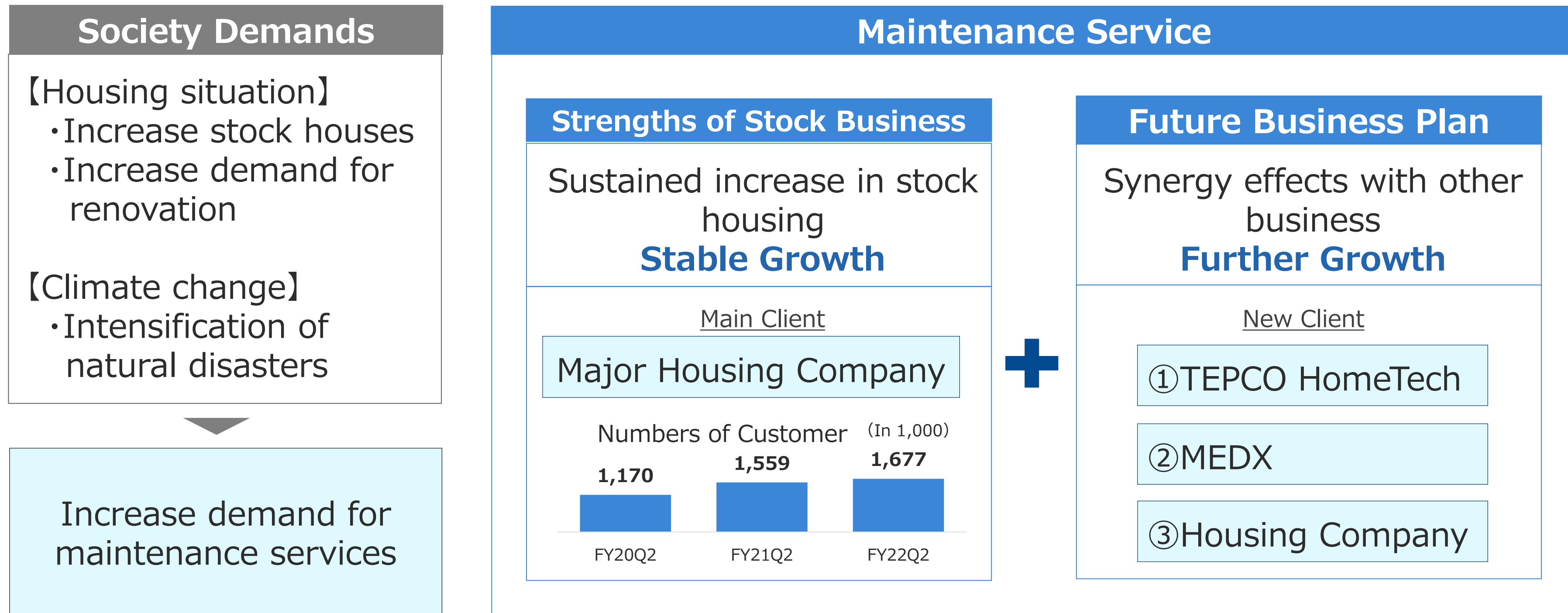
 <p>すまいとくらしの未来へ 三井不動産レジデンシャル</p>	Enecari
<p><Jul 2022> Mitsui Fudosan Residential Co., Ltd have adopted “Enecari” –zero initial cost solar photovoltaic flat-rate usage service for their detached house</p>	

 <p>東京電力エナジーパートナー</p>	Solar Power Debut Support Campaign	Sales Promotion
<p><Jul 2022> Give away max JPY50,000 JCB gift card for the first 1,000 customer who order solar power facilities</p>		

 <p>—信用と創造— 住友不動産</p>	Enecari
<p><Apr 2022> Start providing “Sumifu x Enecari” service on “Shinchiku Sokkuri-san”(means: just like a new house) by Sumitomo Realty & Development Co., Ltd.</p>	

 <p>住信SBIネット銀行</p>	Preferential mortgage rates	Sales Promotion
<p><Jul 2022> Start offering special preferential interest rates on mortgage loans (Discount 0.05%/year on applicable rate on mortgage loan)</p>		

Steady growth based on a stable contracting environment



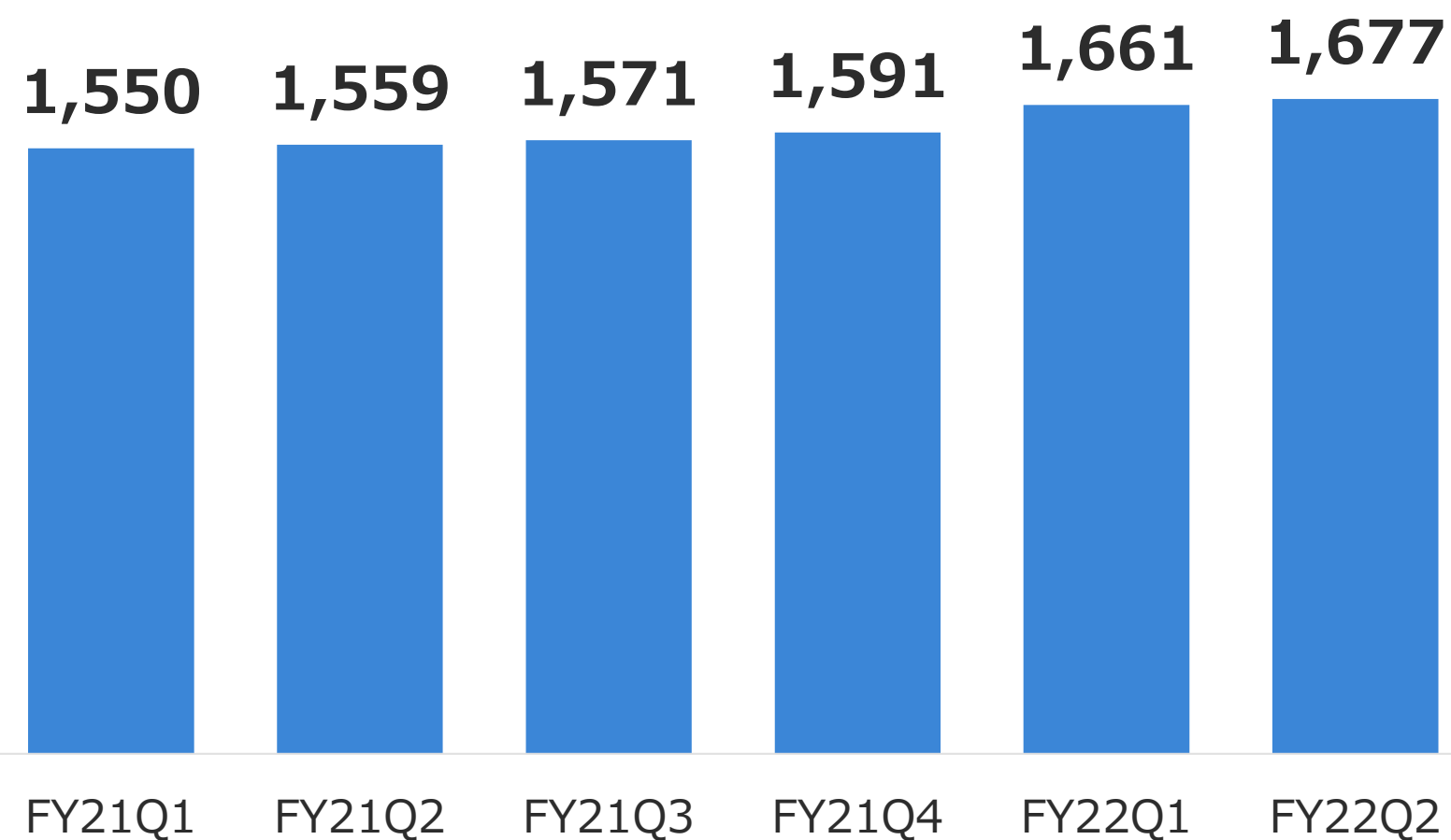
② Maintenance Service Current Results

Residence : Aiming stable growth to build up numbers of customer managed steadily
Energy Company : Aiming stable growth to increase the orders by sales expanding of **TEPCO HomeTech**

Numbers of Customer Managed

(In 1,000)

1.67mil household



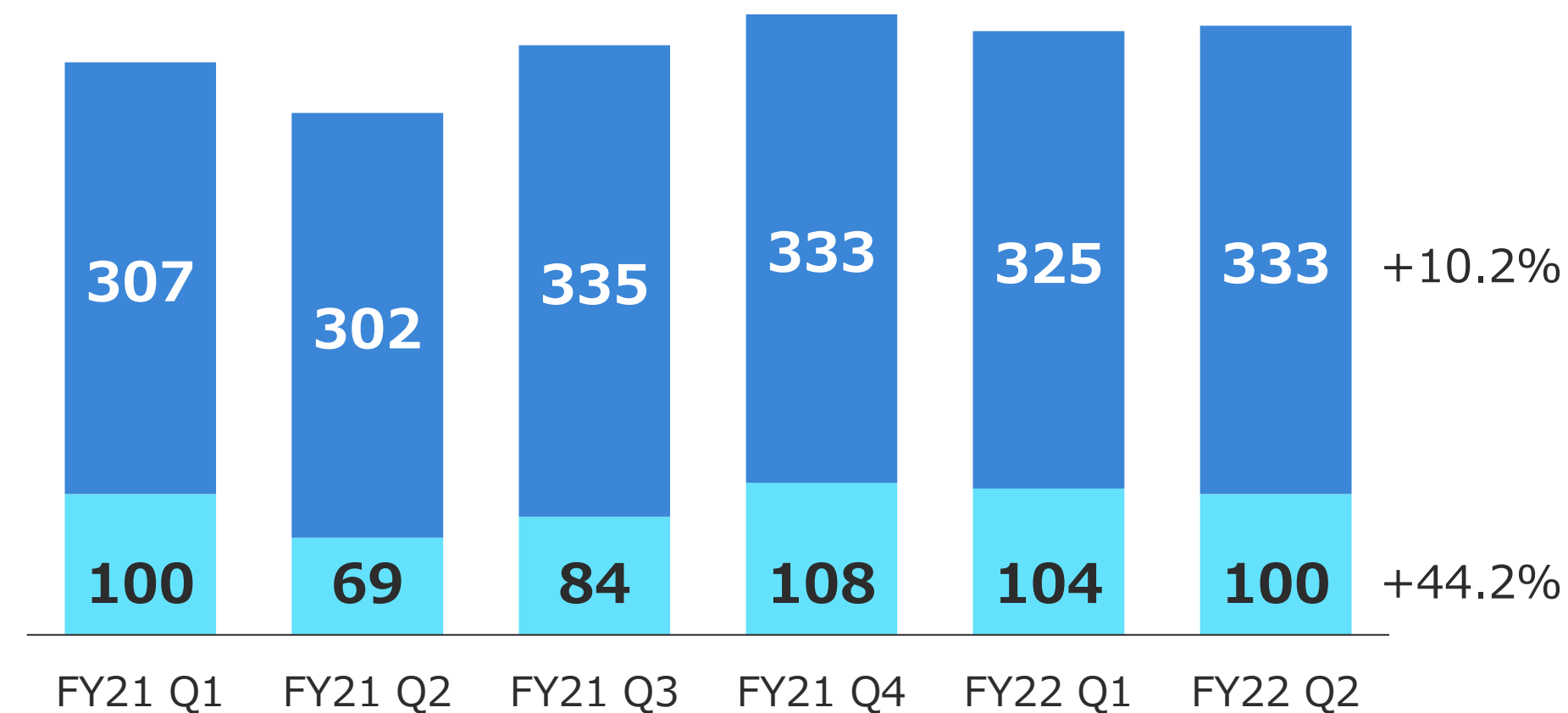
Sales

(JPY Million)

Energy Company

Housing Company

YoY
FY22 Q2



③ Challenges and Countermeasures in Design Service

Make sure to execute counter measures for challenges.

Challenges

① Decreasing housing starts
(Owner-occupied house)

② Rapid JPY depreciation

③ Delay launching
new business

Countermeasures



【Sales Expand】

Expand energy saving related service
(Energy saving calculation etc.)



【Cost Reduction】

Re-evaluate the roll of China design office



【Sales Expand in Long Term】

Keep upfront investment on BIM
with faith

Challenge to Evolution

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01. FY2022 Q2 Results

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HCDs HOUSING
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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.

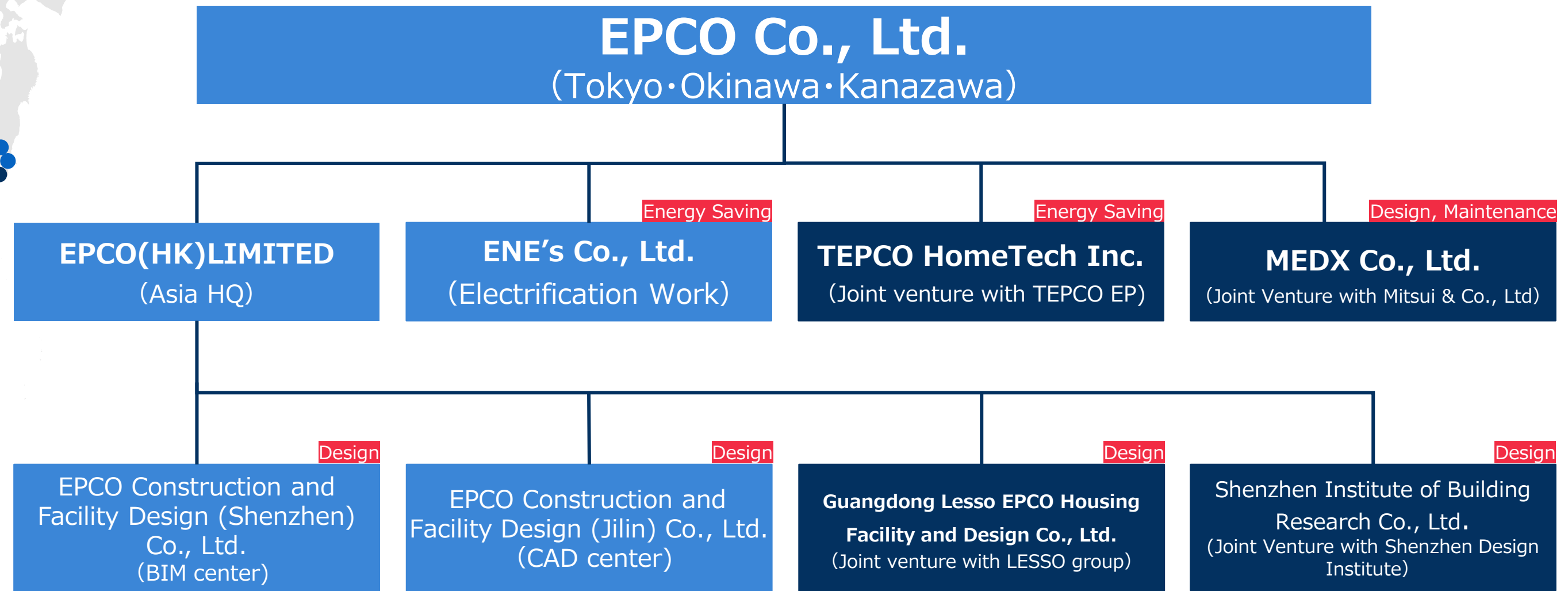
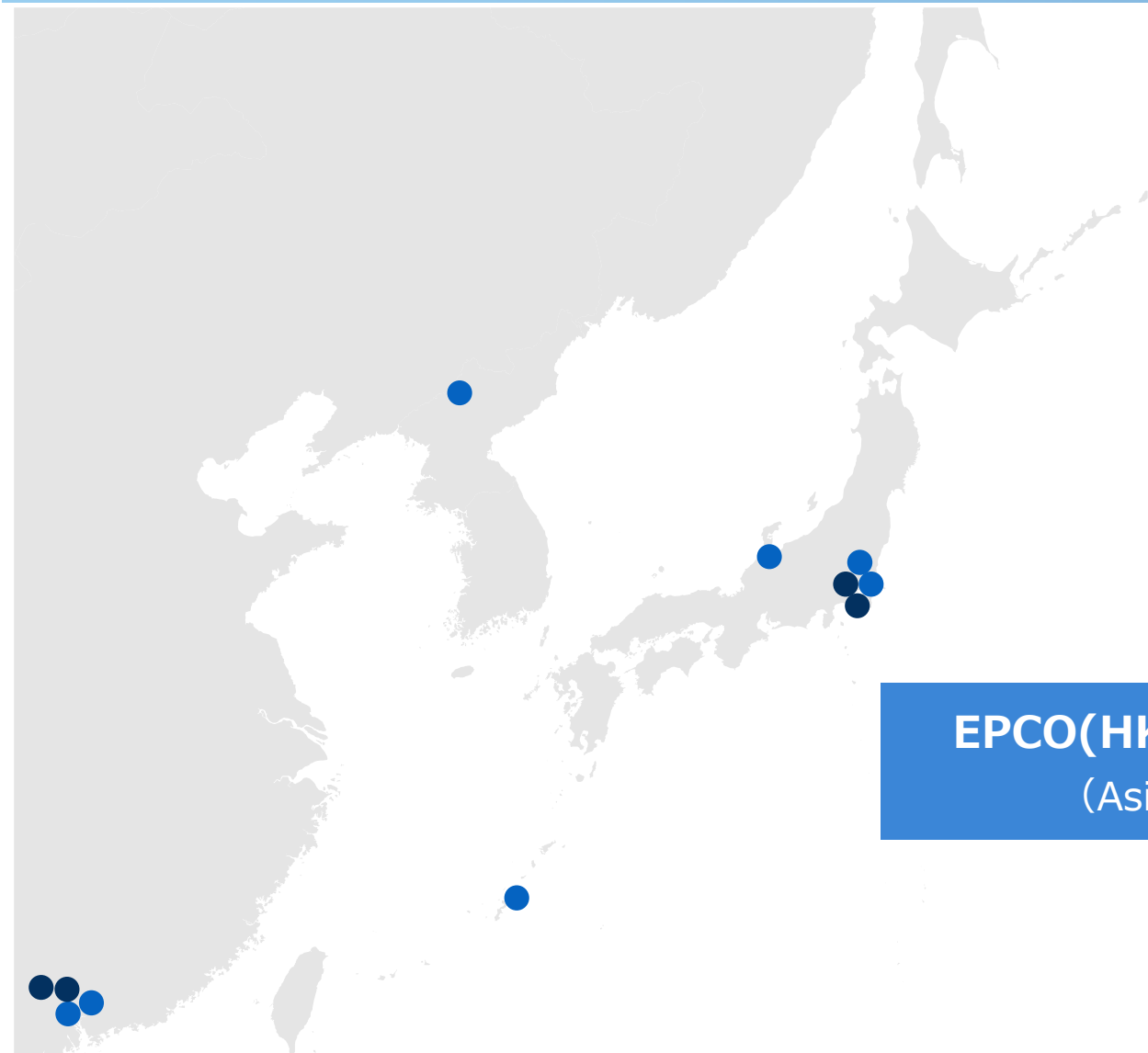
We aim to be infrastructure company to support the homes and lifestyles of people around the world.



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 (Prime of the Tokyo Stock Exchange)
Establishment	April 12, 1990
Capital	JPY 87 mil.
Numbers of employee	493 (Consolidated 793) Including temporary employees and dispatched workers *As of Dec. 31, 2021
Directors	Yoshiyuki Iwasaki, Representative Director and Group CEO Shinichiro Yoshihara, Representative Director and CFO Tohru Miyano, Director Tadashi Tamura, Outside Director Satomi Katsumata, Outside Director (Audit and supervisory Board Member) Takuo Akino, Outside Director (Audit and supervisory Board Member) Masashi Watanabe, Outside Director (Audit and supervisory Board Member)
Executive Officer	Kim Jungheon Chief Director of D-TECH Business Takatsugu Urayama Chief Director of H-M Business Yang Chao Chief Director of Information Systems Division



Consolidated Subsidiary Affiliated Company

Challenge to Evolution

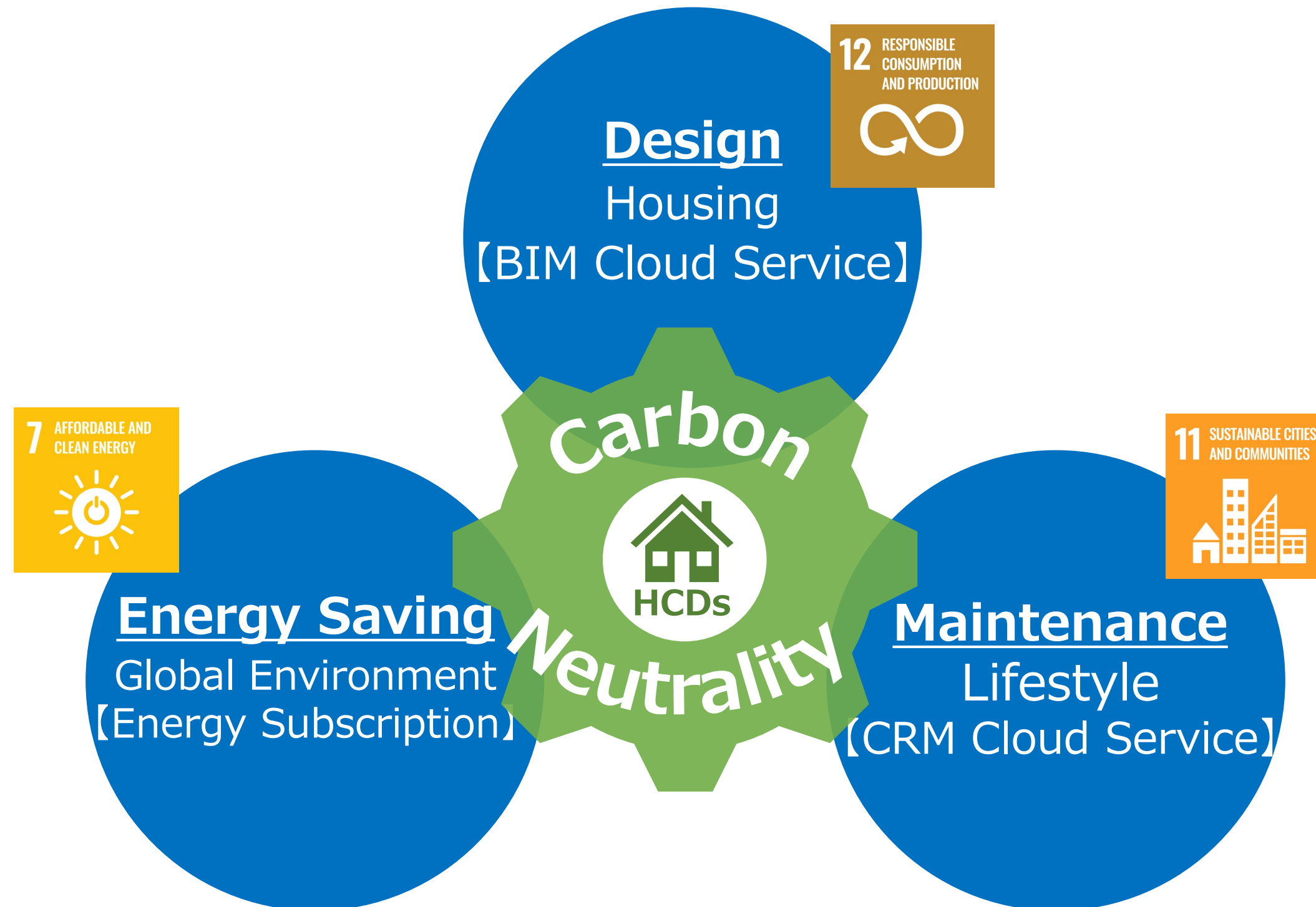
DX Strategy × Carbon-Neutral

- 2022** • Established Kanazawa Operation Center
• Established MEDX Co., Ltd.
- 2020** • Acquired in System Engineering Co., Ltd. (Current :ENE's Co., Ltd.) and made it 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** • Establishes TEPCO HomeTech Inc.
- 2016** • Established EPCO Construction and Facility Design (Jilin) Co., Ltd.
- 2014** • Relocated Tokyo office
- 2011** • Established EPCO (HK) LIMITED
• Established Guangdong Lesso EPCO Housing Facility and Design Co., Ltd.
- 2008** • Launched the Software Development Business related to photovoltaic power generation
- 2005** • Opened Okinawa office
- 2004** • Established a subsidiary EPCO Construction and Facility Design (Shenzhen) Co., Ltd.
- 2003** • Started a contact for inquiries on existing house
- 2002** • Head office relocated to Adachi-ku, Tokyo
• Listed on JASDAQ
- 2001** • Launched service to provide processing information for parts and materials for equipment industrialization
- 1996** • Planning, development, and consulting for labor-saving piping systems started
- 1992** • Reorganized into EPCO Co., Ltd.
- 1990** • Establishment of EPCO limited company

HCDs HOUSING
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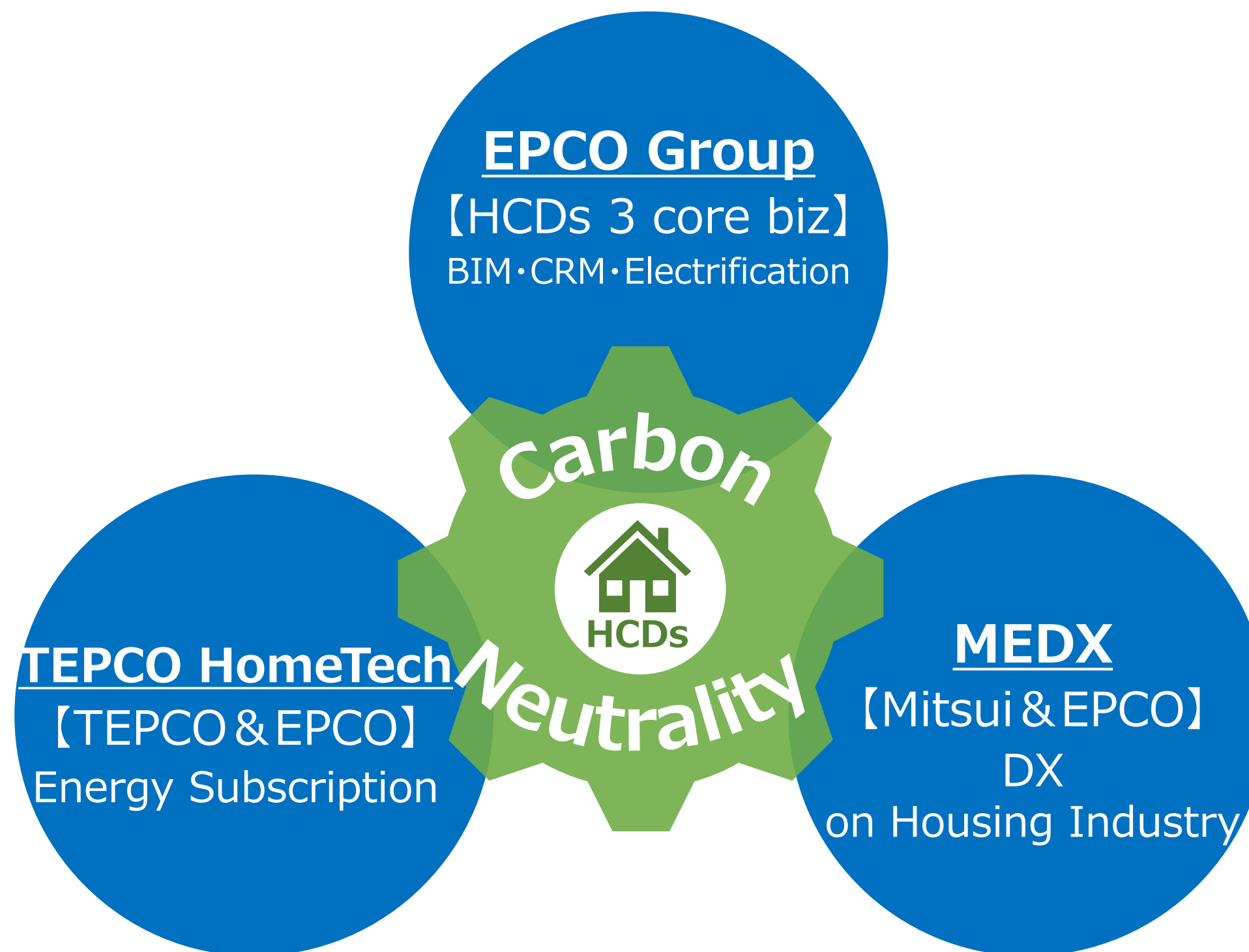
HCDS : Housing Carbon Neutrality Digital Solutions

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



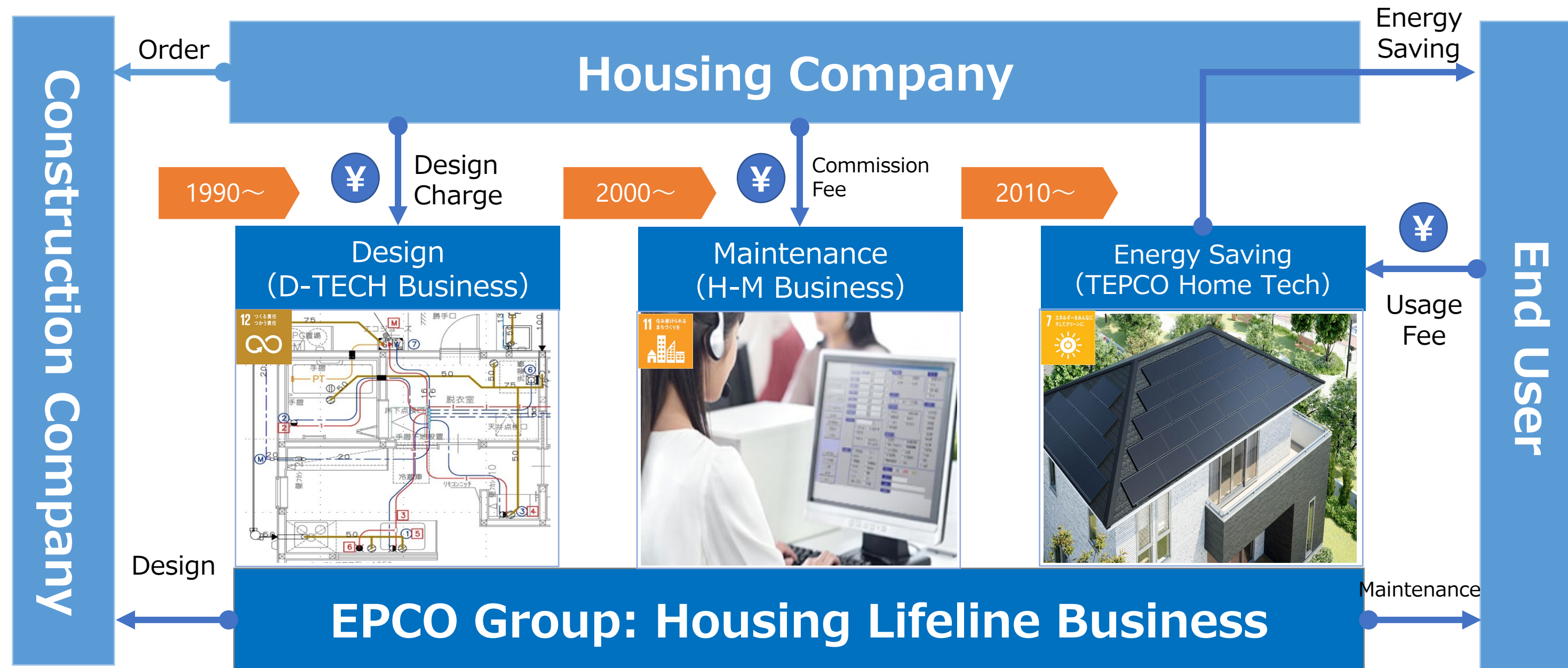
Partnership Strategy

EPCO Group is committed to working with its partners to achieve lasting growth.



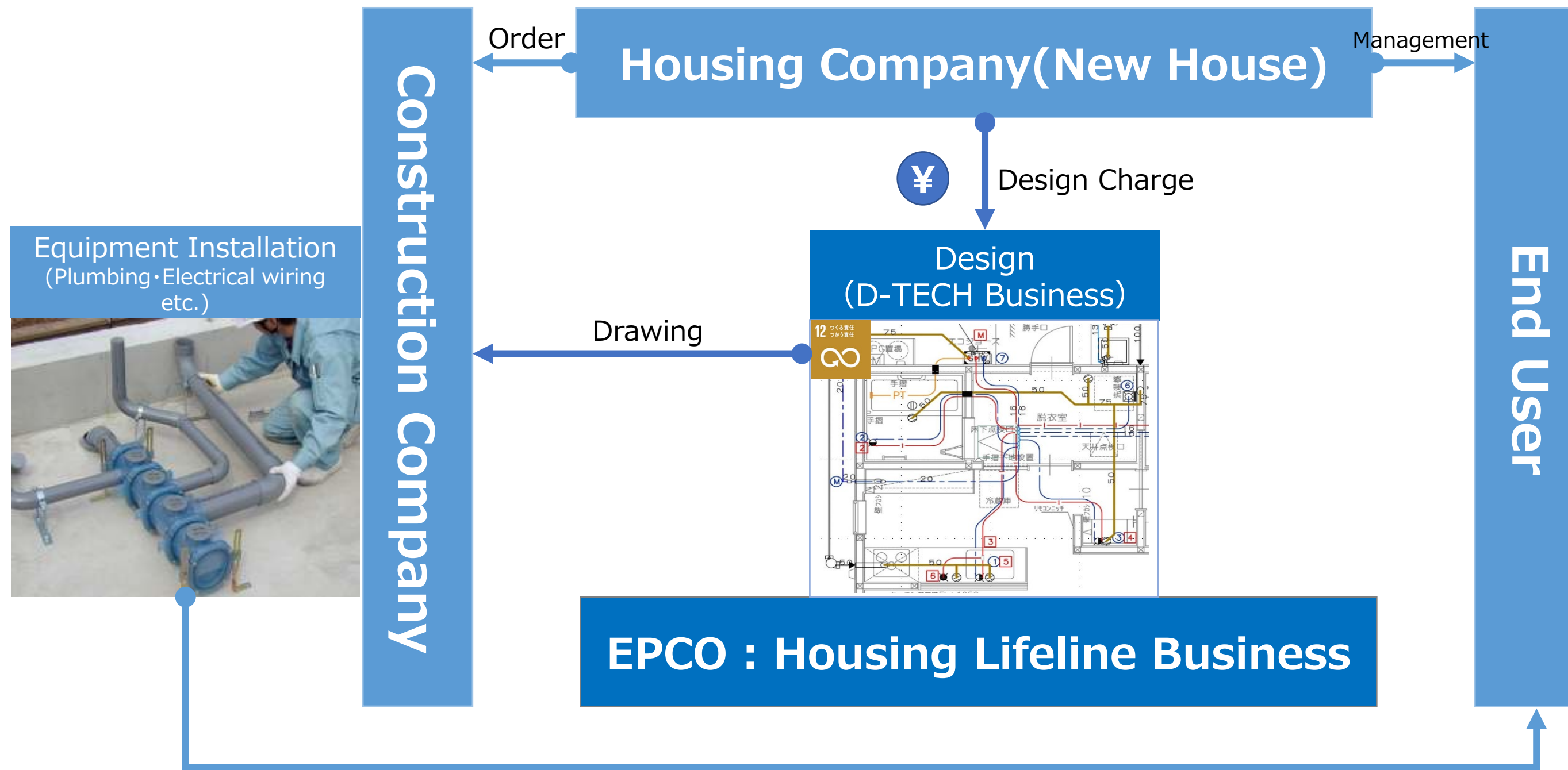
Core Business of EPCO Group : General View

- Three core business to support housing lifeline (Design, Maintenance, Energy Saving) are stable revenue base.



Core Business of EPCO Group: Design (D-TECH Business)

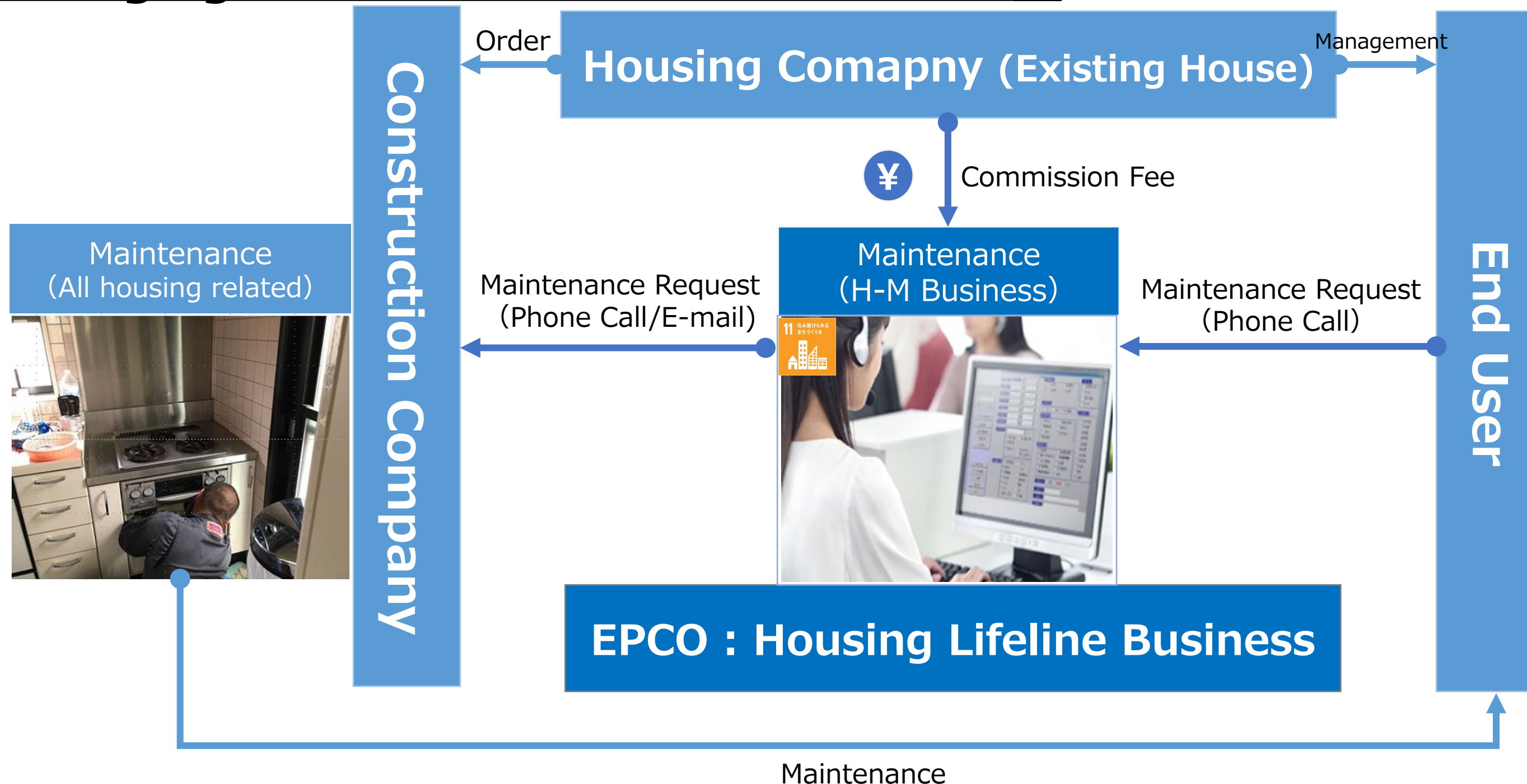
- One of the largest design organization to support the supply chain of housing company. (Total 460 designer in Japan and China)
- Design performance is approx. 100,000 unit/year in residential field. (Market share of new low-rise residence is 14%)



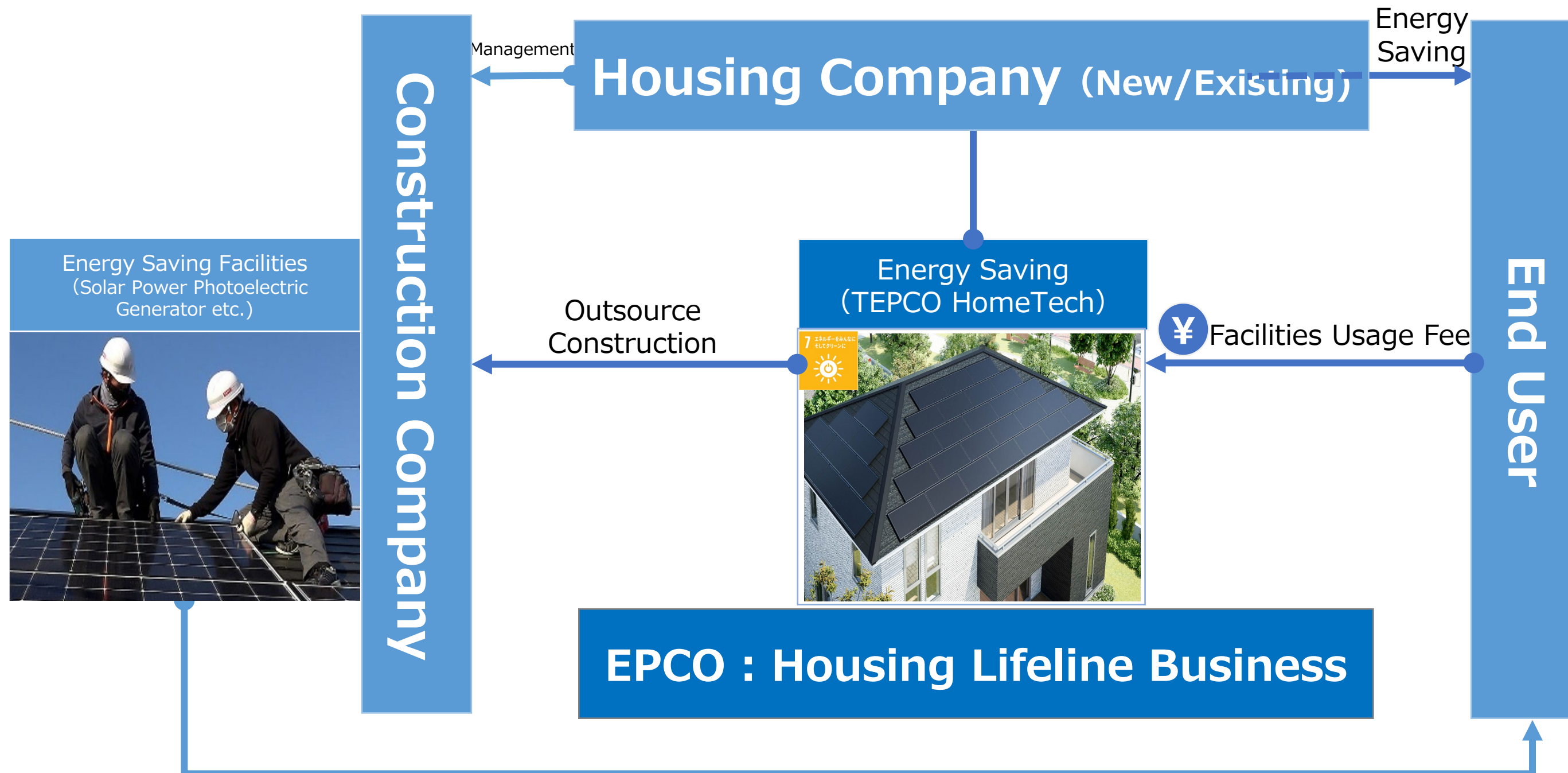
Building Equipment Installation

Core Business of EPCO Group: Maintenance (H-M Business)

- 24/7 call center network to support maintenance service of house builder.
(200 operators in Okinawa and Kanazawa)
- 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 energy-saving facilities (Flat-rate usage with zero initial cost) has been adopted and increased in major housing companies.



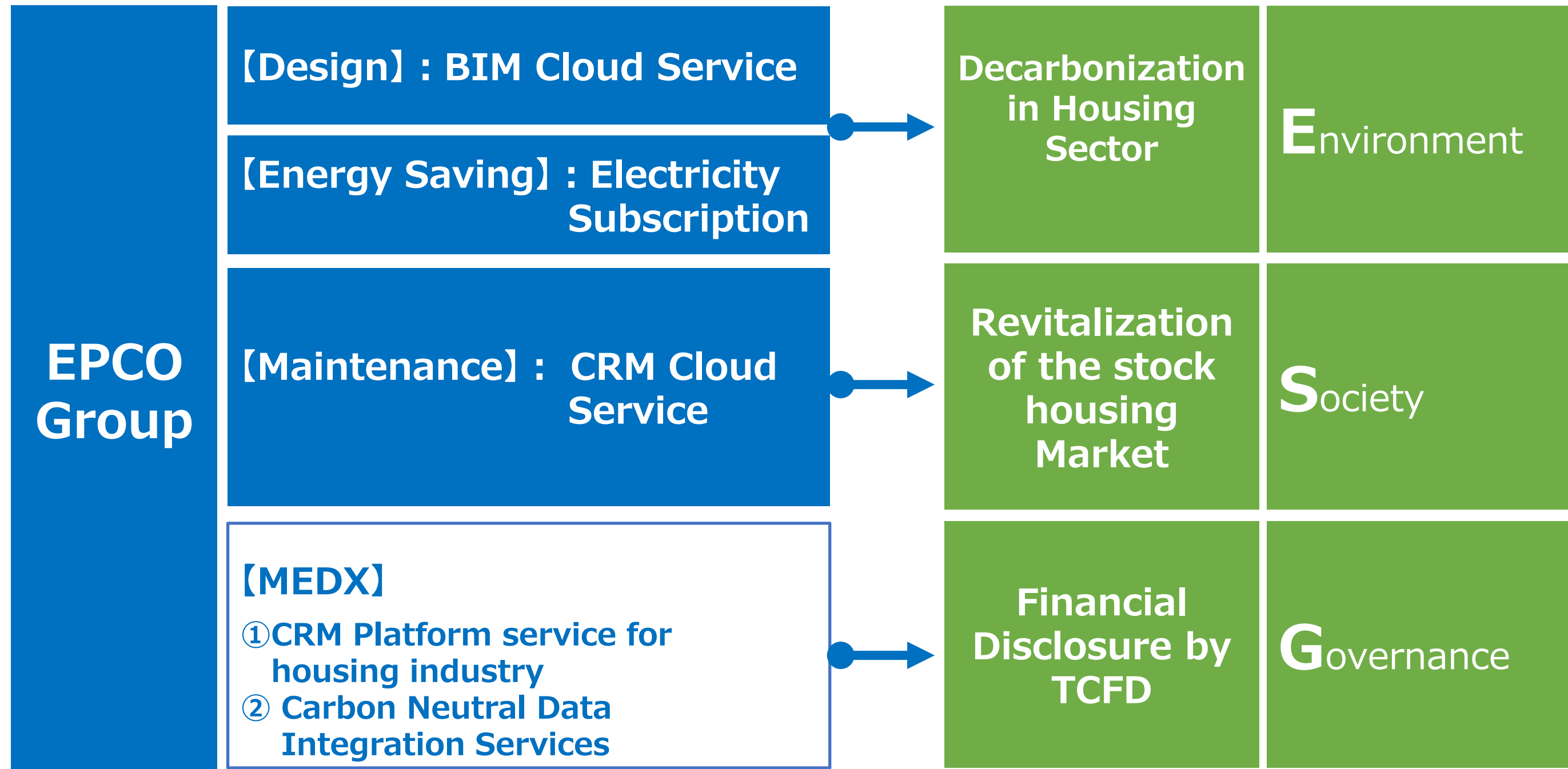
Acceleration of decarbonization and digitalization are tailwinds for each of EPCO's businesses

Service	External Factors
<div style="background-color: #0070C0; color: white; padding: 10px; text-align: center;"> Design [New House] </div>	<ul style="list-style-type: none"> ● Aging population, labor shortages, and high resource prices grow the needs of on-site efficiency and cost containment. ● Household sector's share of domestic CO2 emissions is as high as 16%.*
<div style="background-color: #0070C0; color: white; padding: 10px; text-align: center;"> Maintenance [Existing House] </div>	<ul style="list-style-type: none"> ● Decrease in new housing construction and increase in stock housing grow the needs for more efficient maintenance. ● Growing the needs for sales support for renovation and purchase and resale of stock housing total of 54 million unit.
<div style="background-color: #0070C0; color: white; padding: 10px; text-align: center;"> Energy Saving [New/Existing House] </div>	<ul style="list-style-type: none"> ● Accelerated decarbonization and growing the needs for renewable energy (PV) especially among major companies. ● Growing the needs to secure construction capacity due to labor and material shortages.
<div style="border: 1px solid #0070C0; padding: 10px; text-align: center;"> MEDX </div>	<ul style="list-style-type: none"> ● Productivity improvement through digitalization and high demands for stock housing business ● Growing the needs to comply for TCFD/Scope 3 (supply chain CO2 emissions calculation)*

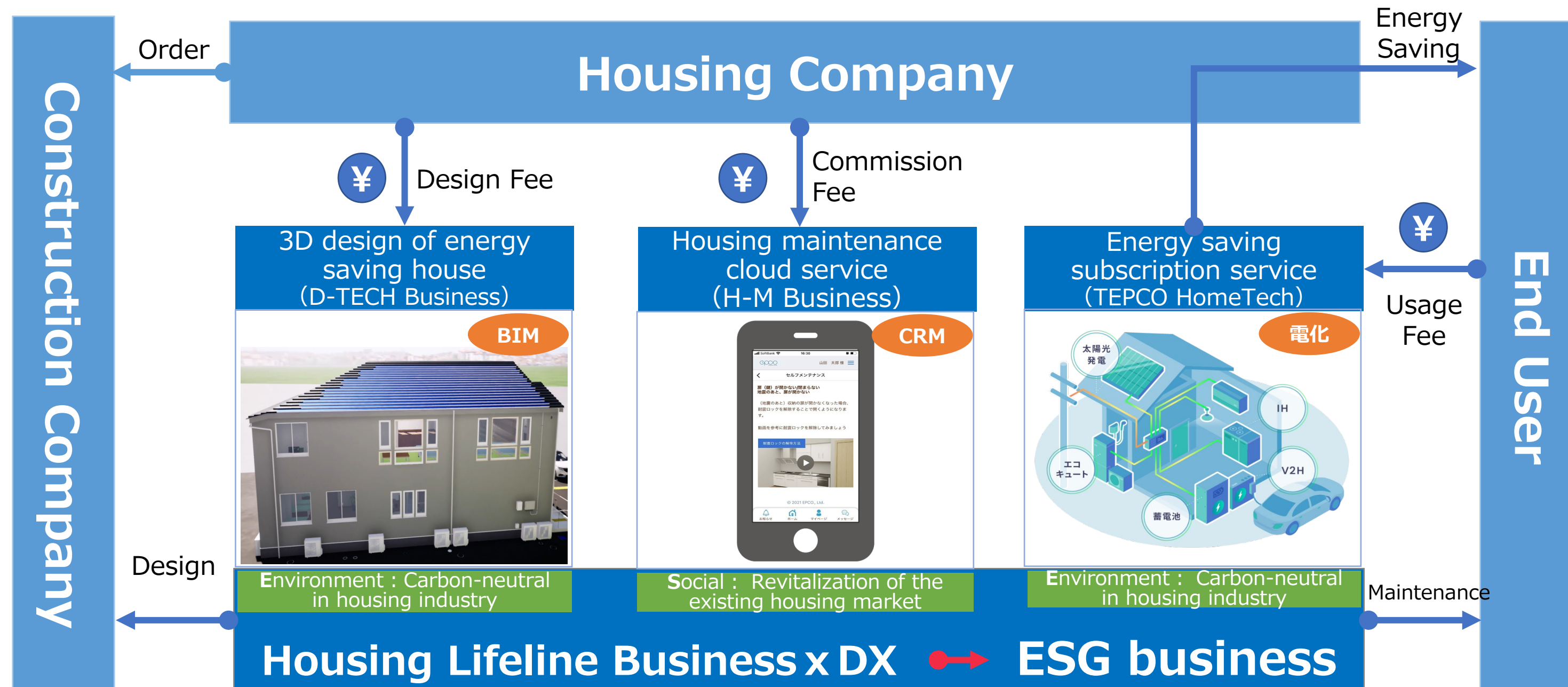
*National Institute for Environmental Studies, Japan "The GHG Emission Data of Japan (1990~2020) Estimation"

*TCFD – Task Force on Climate-related Financial Disclosure

Supporting decarbonization of the housing sector and revitalization of the stock housing market with digital technology



- Mid-term business plan is promoting digital transformation on our core business which is supporting housing lifeline and enhance the value along with ESG in housing industry.



ESG Business : 3D Design Service for Energy Saving House

- Value-adding from 2D design services such as plumbing to 3D design services for energy-efficient homes
- Cloud sharing of design data to improve operational efficiency of supply chain, and visualize CO2 emission rate.



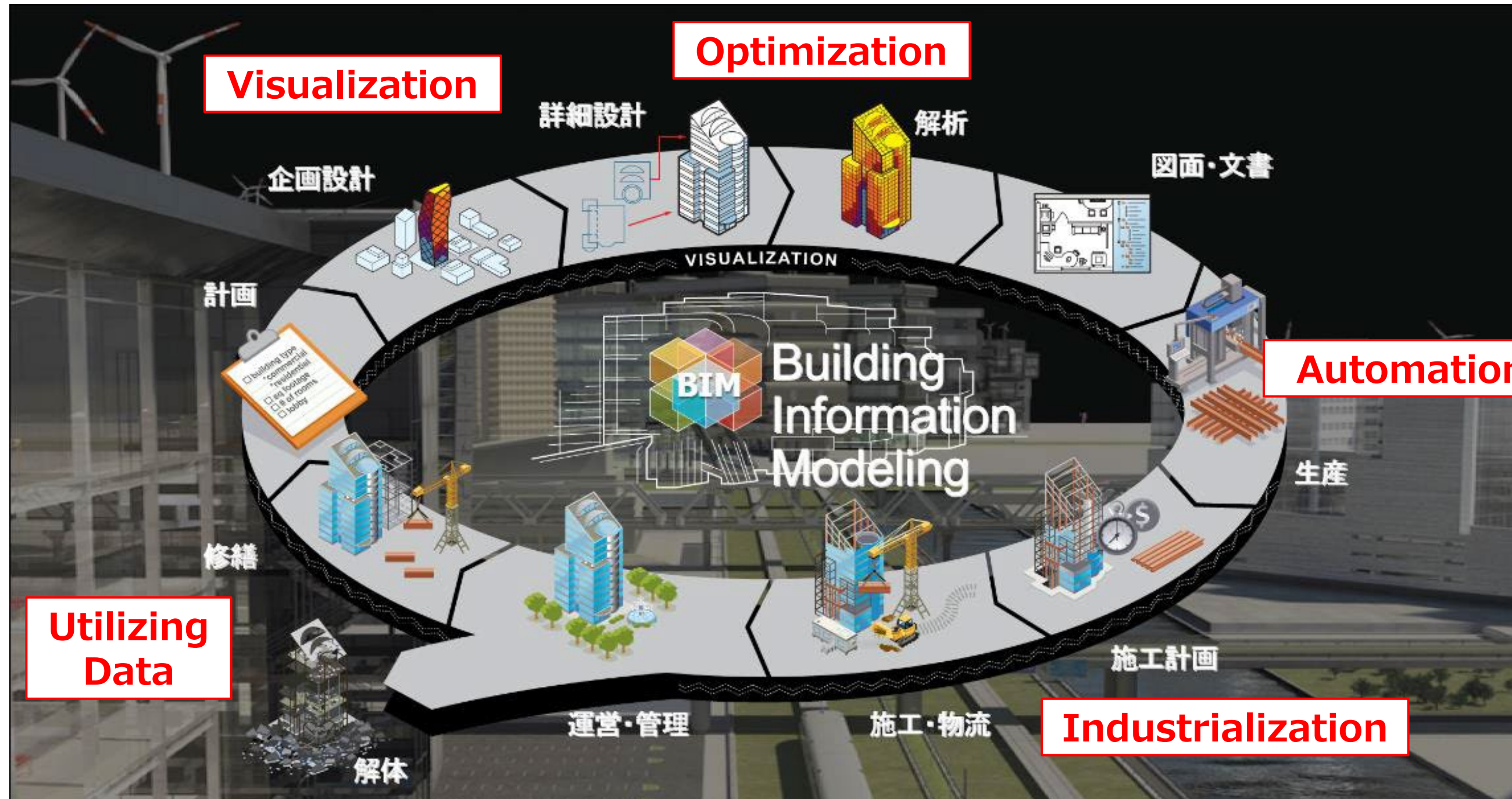
Build energy saving house

Reference : What is BIM? It's Building Information Modeling

BIM : 3D CAD+ Attribute Data = Building Digital Twin

The system which builds a building information model to contain the attribute information of the building - a name, rooms, specifications, performance, the materials and 3D shape information on the computer.

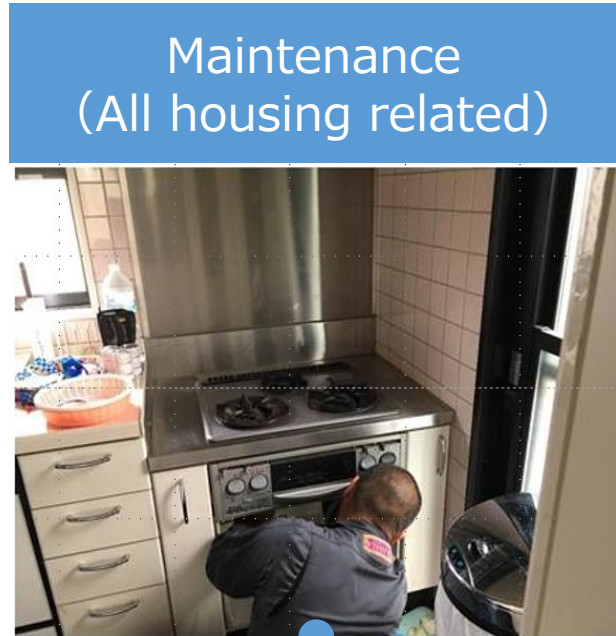
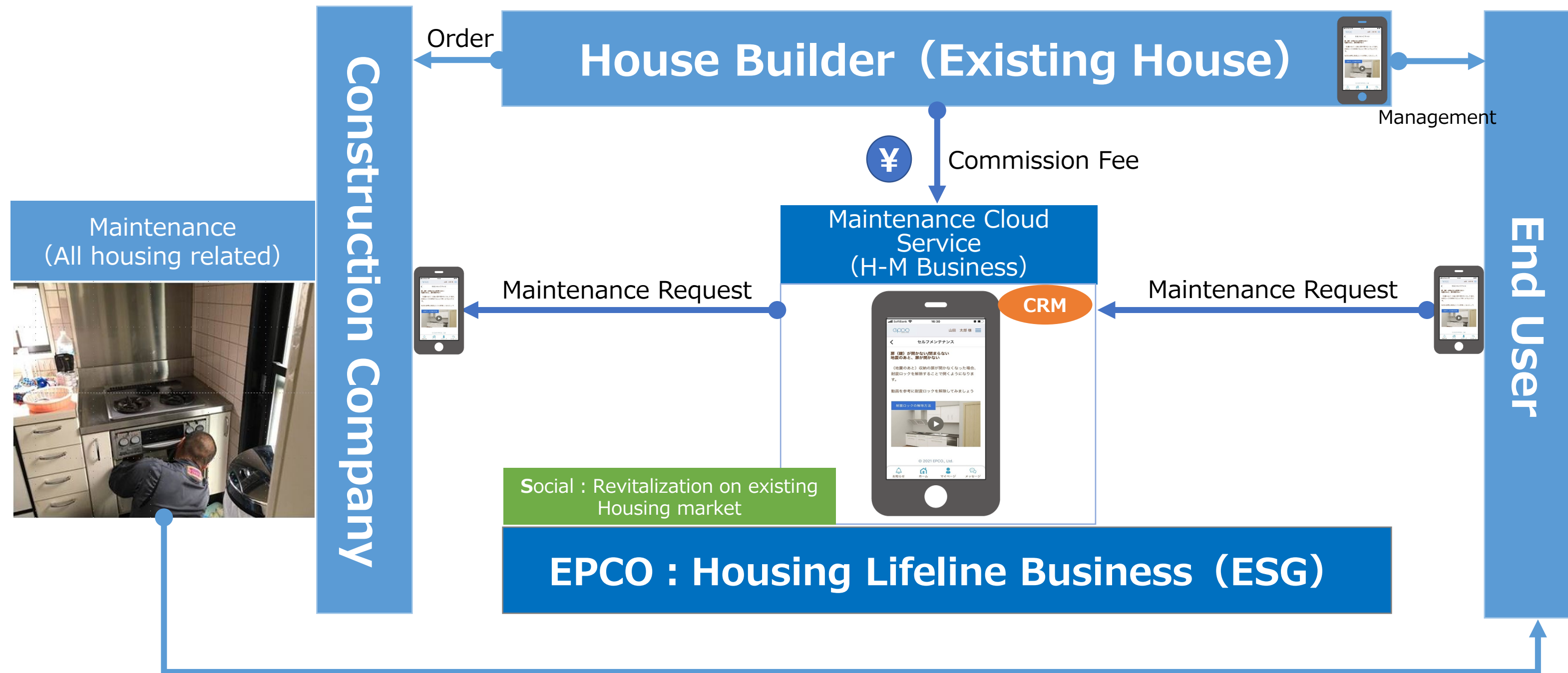
The source : MLIT



The Source : AUTODESK

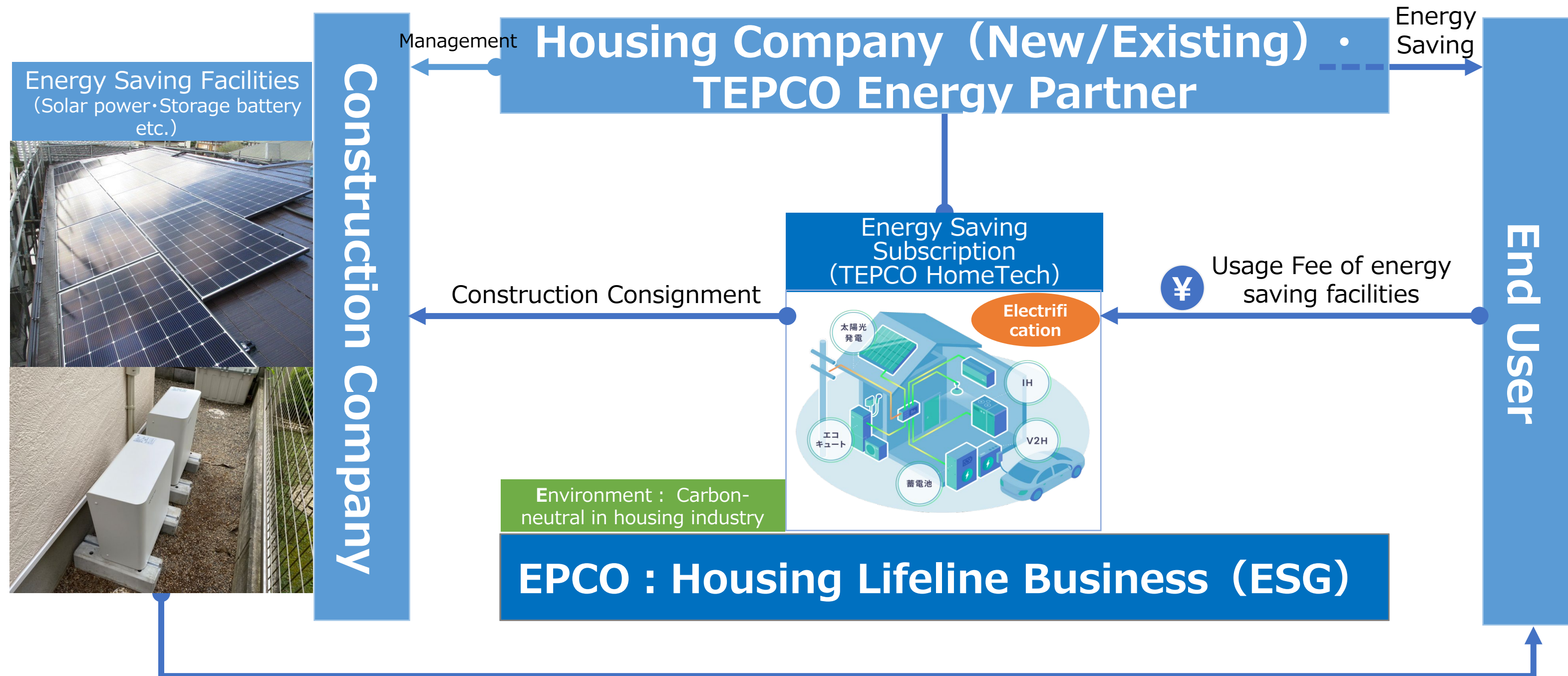
ESG Business : House Maintenance Cloud Service

- Value-adding from a maintenance call center service to a residential maintenance cloud service.
- Cloud sharing of house history data to improve operational efficiency of supply chain and achieve revitalization of renovation etc.



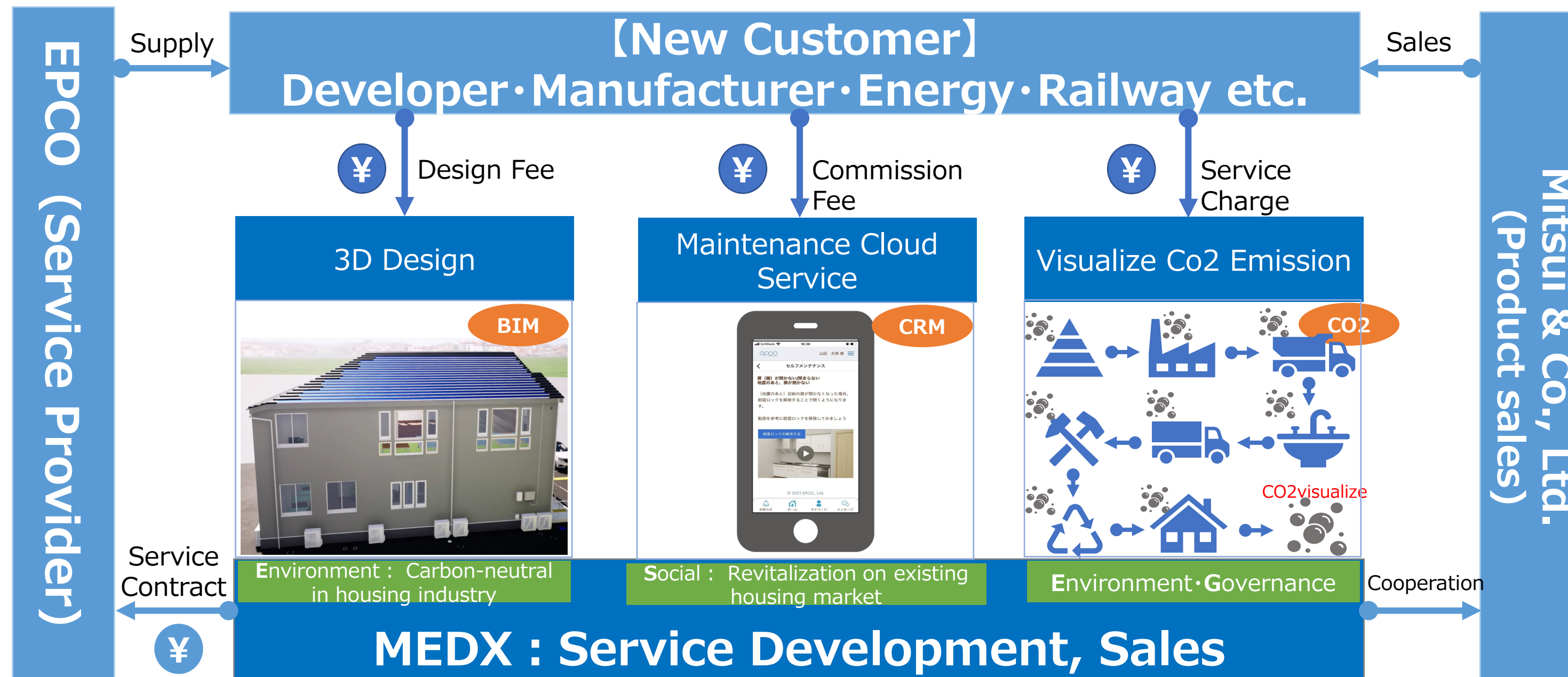
ESG Business : Subscription Service of Energy Saving Facilities.

- TEPCO Energy Partner start providing subscription service of energy saving facilities package (Enecari).
- TEPCO HomeTech expecting increase sales by expansion of sales channels.



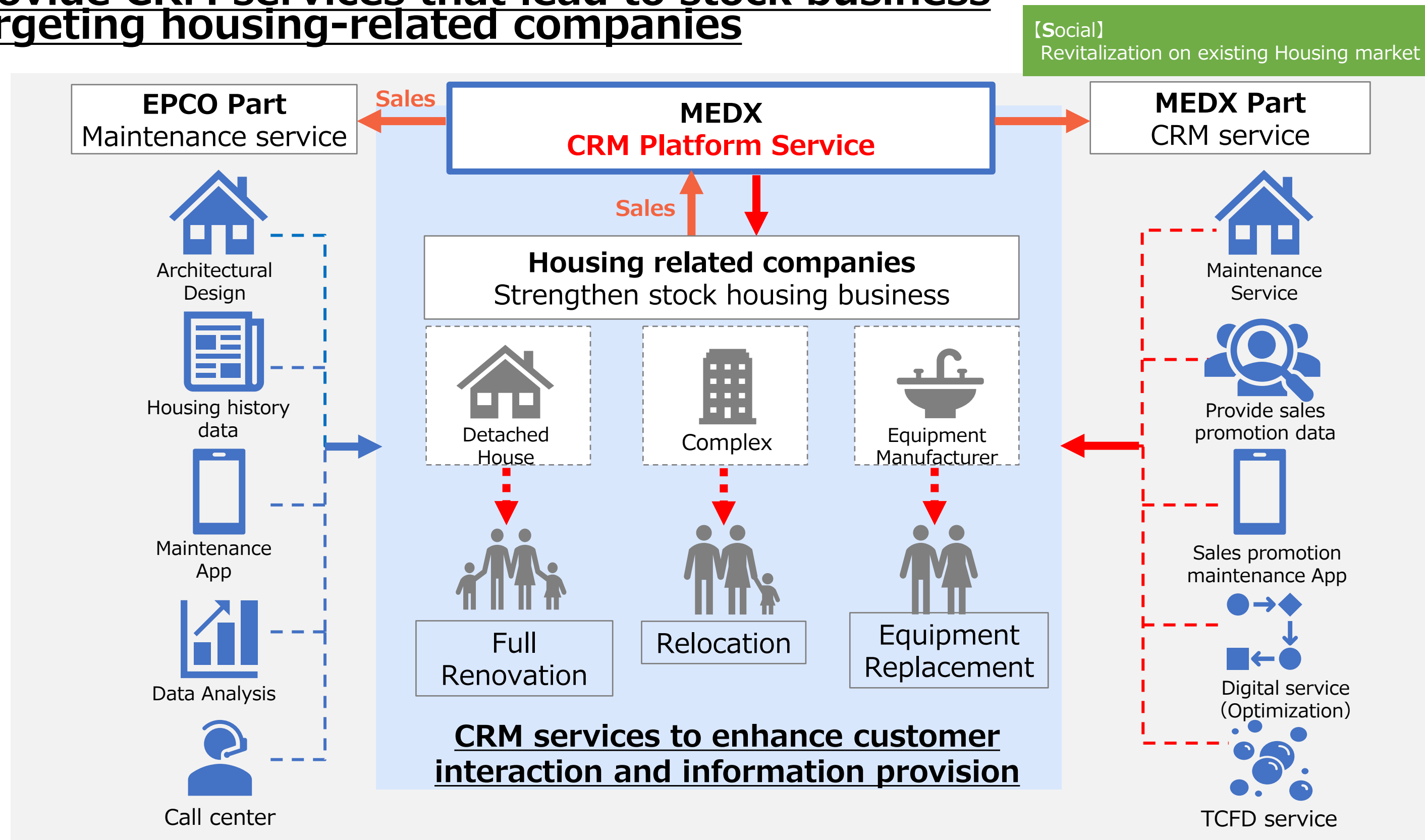
ESG business : Establish MEDX Co., Ltd.

- EPCO's mid-term business growth accelerated by cooperating with Mitsui & Co., Ltd to incorporate MEDX.
- To expand ESG business in housing industry by Mitsui's market network and know-how.



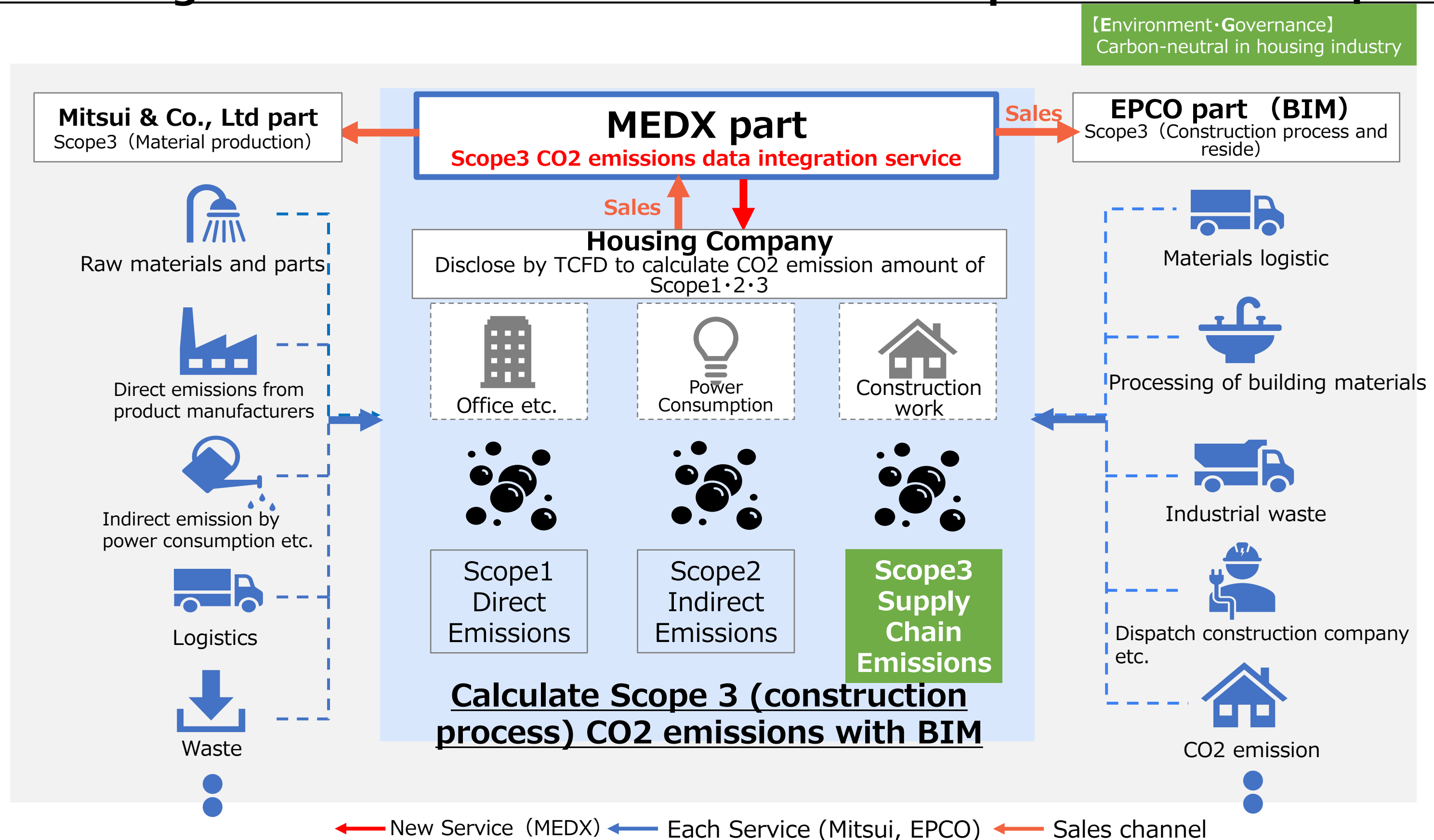
Reference : Idea of CRM Platform Service

Provide CRM services that lead to stock business targeting housing-related companies





← New Service (MEDX)
 ← Existing service (EPCO)
 ← Sales channel

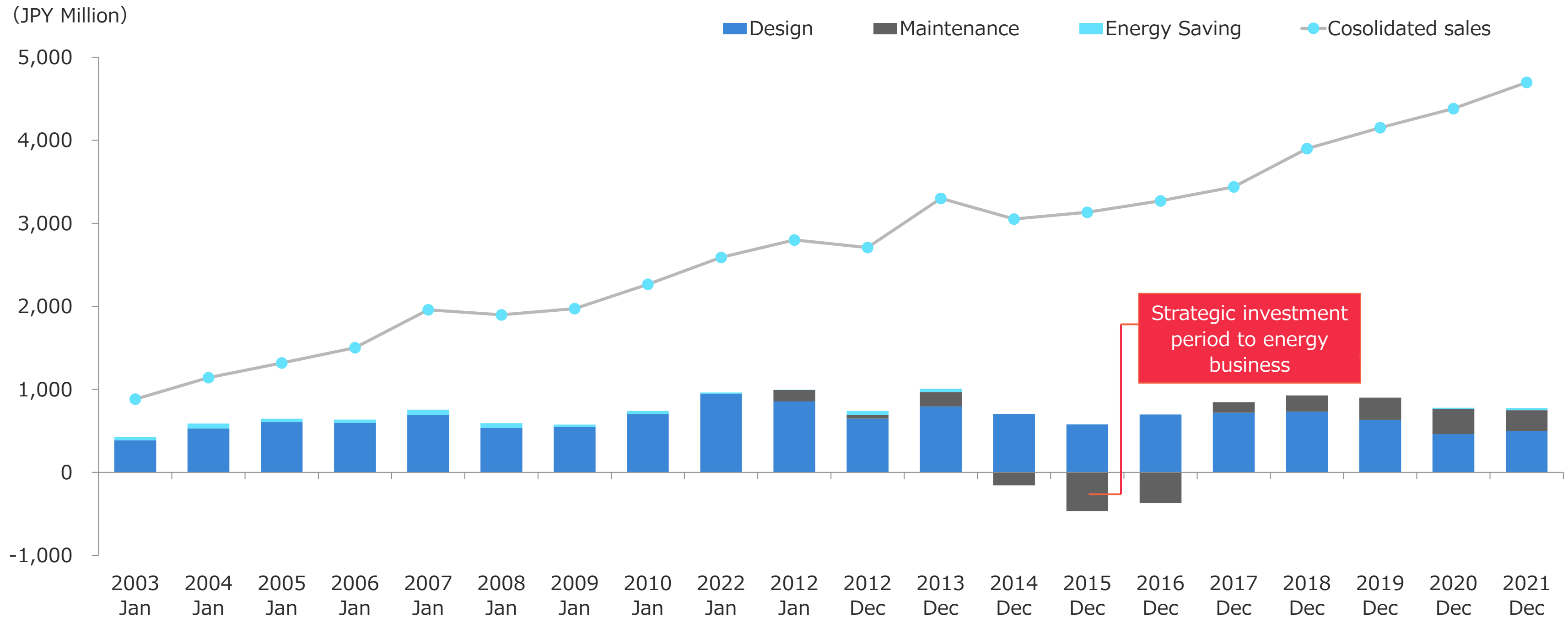
Providing data services on CO2 emissions for prime listed companies



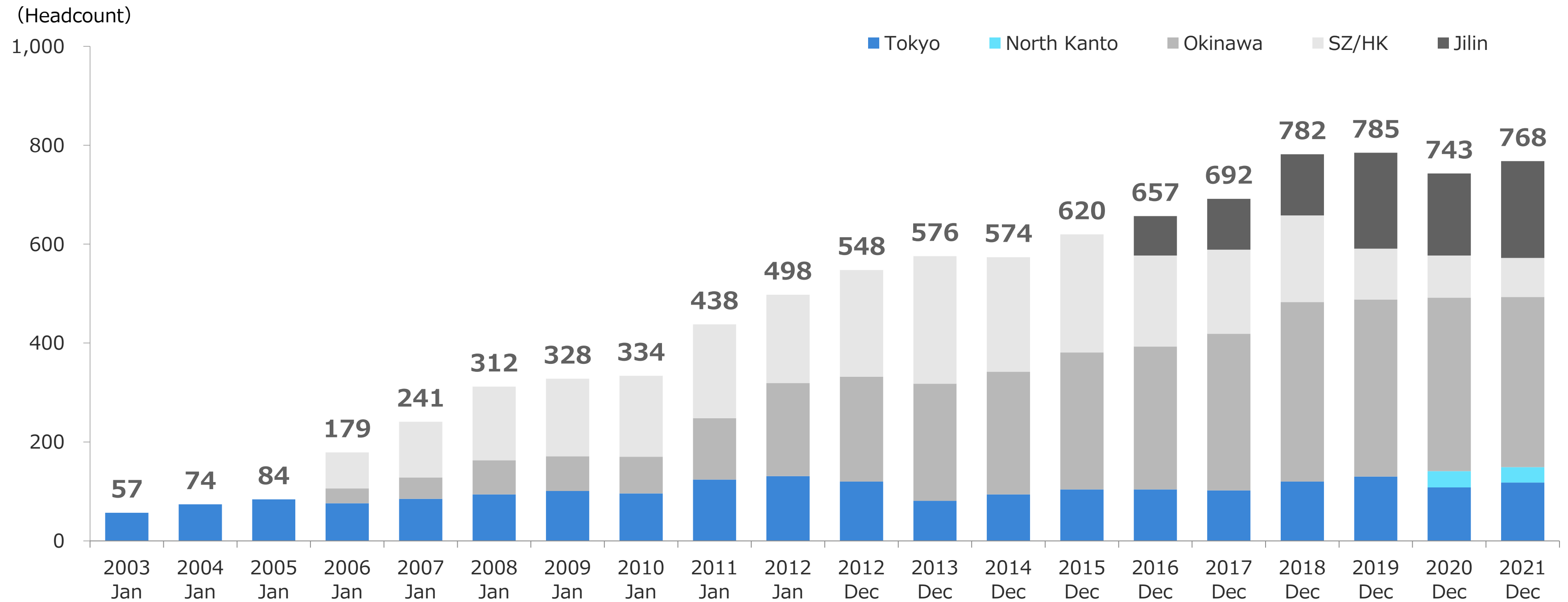
EPCO Group's ESG initiative

	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.	
		Reduction of CO2 emissions by installation of energy-saving equipment	Reduction of CO2 emissions by installing energy-saving equipment 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.	
	Reduction of environmental impact	Reduction of printed materials by using IT	Reduction of printed materials for checking design drawings using IT.	
Society : S	Residence	Relationship with residences	Corresponding 24/7 for various problems in all aspects of housing. Quick problem resolution through efficient maintenance arrangements	
	Customer	Relationship with customers (e.g. Housing company)	Improve customer satisfaction by realizing low cost, high quality, and quick delivery	
	Shareholder	Relationship with shareholder	Timely and appropriate disclosure of information https://www.epco.co.jp/ir/ Proactive and stable shareholder returns https://www.epco.co.jp/ir/highlight.html	
	Employee	Promotion of diversity	The ratio of female employees is 46%, and foreign employees is 37% in EPCO group. (As of end of Dec. 2021)	
		Creating a safe 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 50% is outside directors (3 out of 6) Corporate Governance report https://ssl4.eir-parts.net/doc/2311/ir_material6/174682/00.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

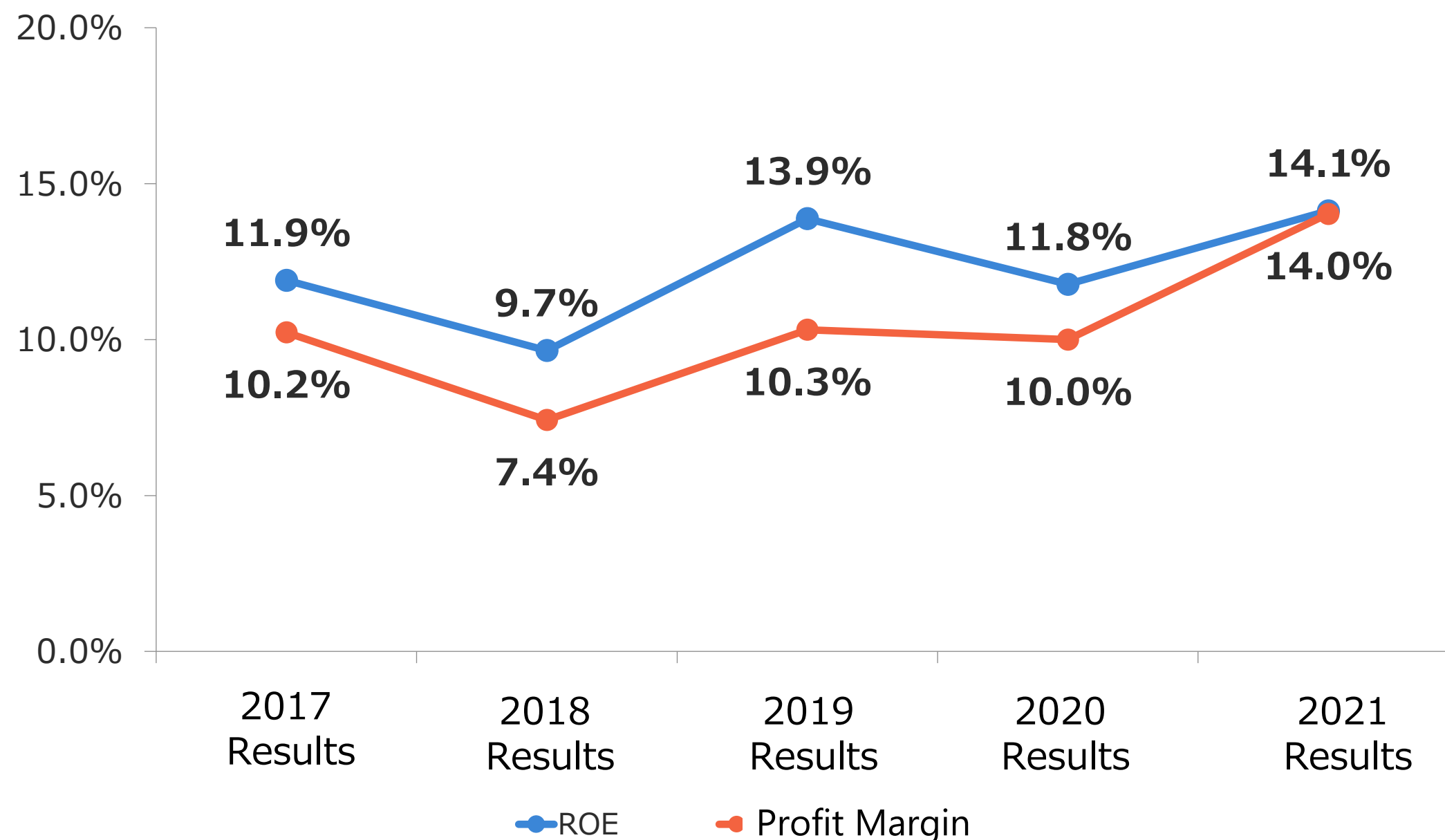


*Including temporary employees (Counted temporary employee as average during the period)

Target Management Index (ROE)

Past 5 years (average) ROE 12.3% → Aim for ROE20% by promoting mid-term business plan

【Transition of ROE and profit margin】



Views on ROE

【Further improvement measures of ROE】

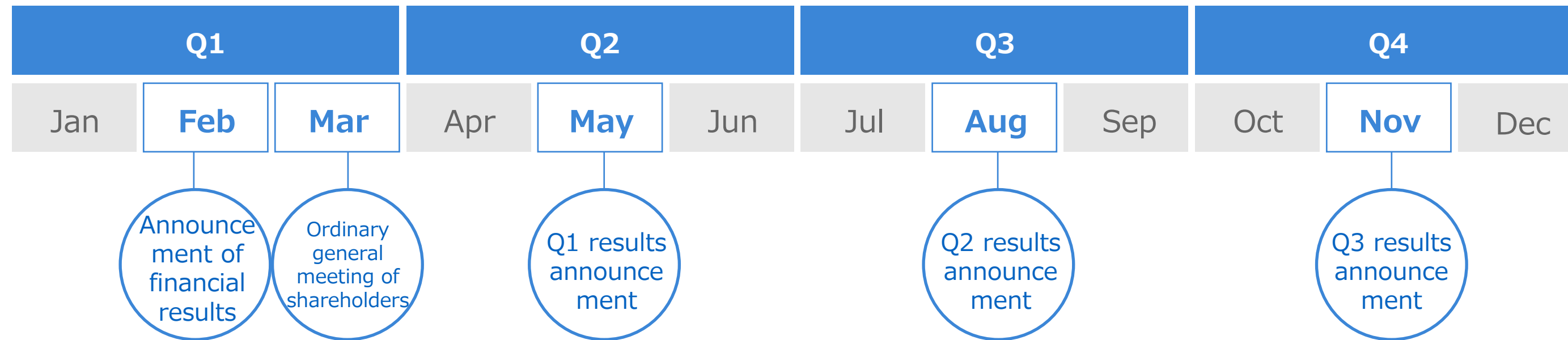
① Improve profit margin by promoting the mid-term business plan.

We will increase sales in each business, operation profit, equity in earning of affiliates by promoting mid-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 2022 (Planned)



2022

Feb. 14	Mon.	Announcement of FY2021 financial results
Feb. 21	Mon.	FY2021 business plan briefing session (full-year results)
Mar. 25	Fri.	32nd ordinary general meeting of shareholders
May 11	Wed.	FY2022 Q1 results announcement
Jun. 28	Tue.	Final date of Q2 dividend rights acquisition
Jun. 29	Wed.	Ex-rights date

Aug. 10	Wed.	FY2022 Q2 results announcement
Aug. 31	Wed.	FY2022 business plan briefing session (Q2 results)
Nov. 10	Thu.	FY2022 Q3 results announcement
Dec. 28	Wed.	Final date of year-end dividend Rights acquisition
Dec. 29	Thu.	Ex-rights date



IR Website

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



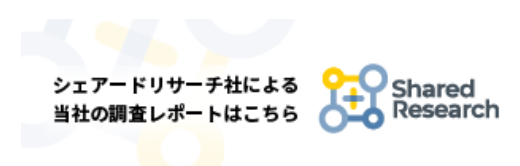
IR information E-mail distribution service

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<https://www.irstreet.com/new/en/brand/index.php?brand=159>



Analyst Report

<https://sharedresearch.jp/ja/companies/2311>



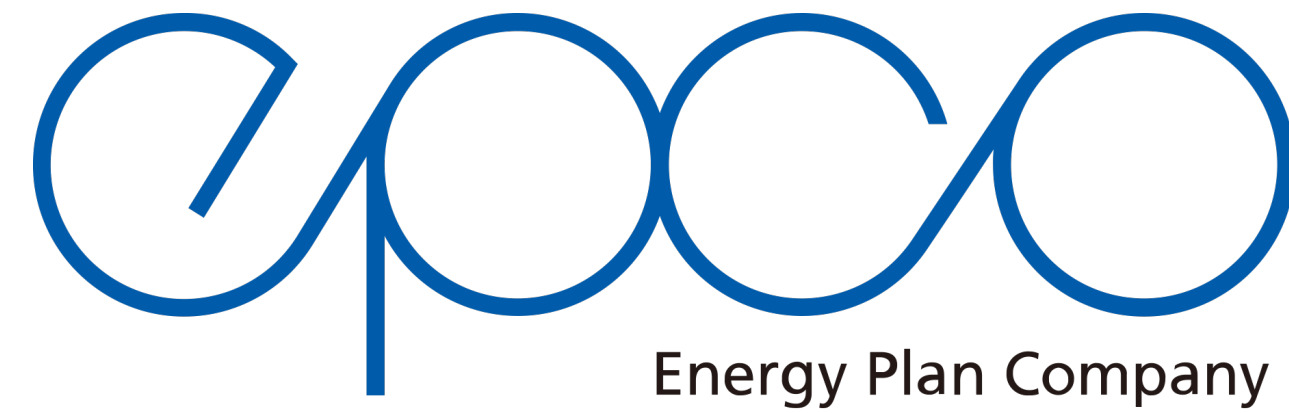
CEO Blog

<https://www.epco.co.jp/aroute/>



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Disclaimer

The performance outlook on the materials are based on the information available and certain assumption that are considered reasonable. Actual results may differ significantly from the forecast due to various factors. Therefore, the Company does not guarantee its certainty.