The Brand-new Deal

Machinery Company, Plant Project, Marine & Aerospace Division

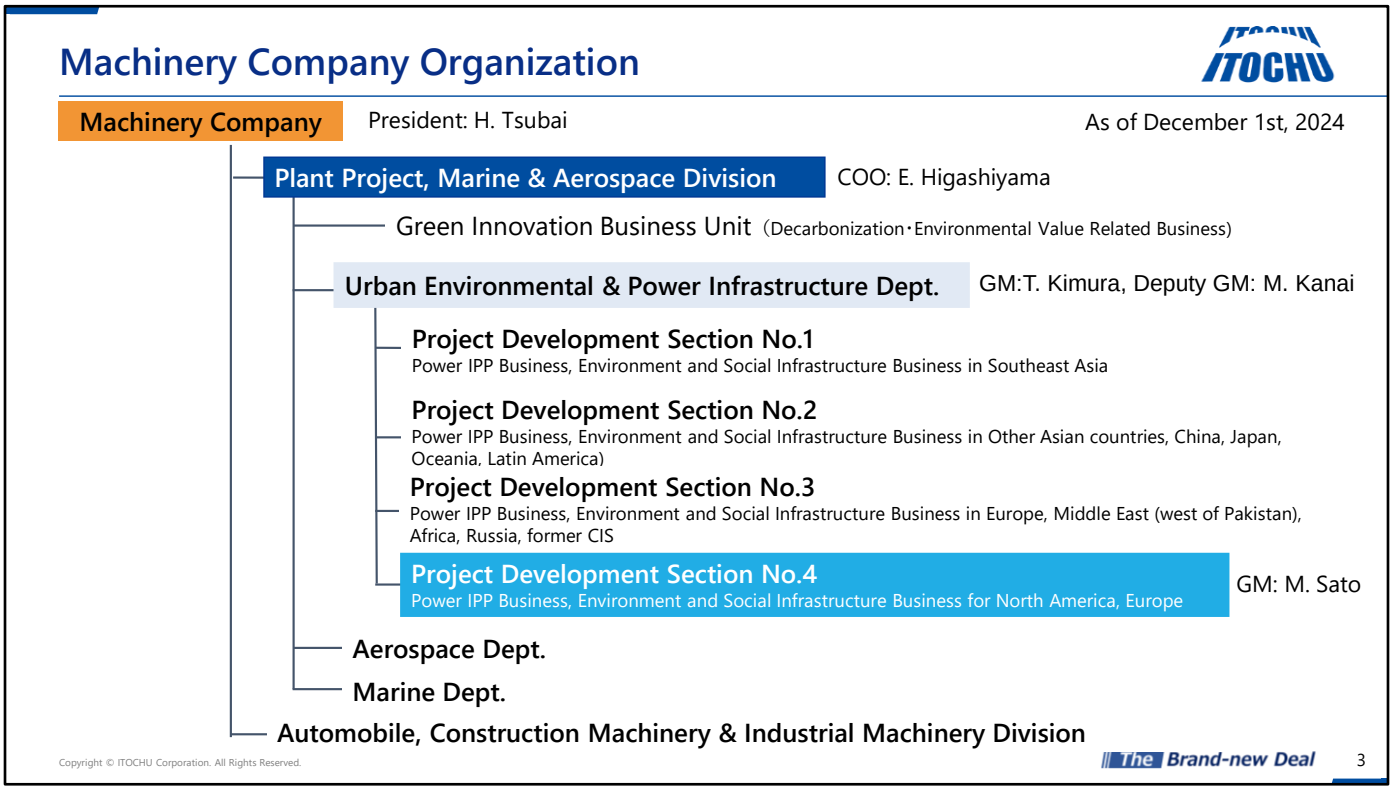
North American Power Business Briefing

December 4, 2024

ITOCHU Corporation (8001)

Overview of Plant Project, Marine & Aerospace Division

My name is Higashiyama from the Plant Project, Marine & Aerospace Division.
First, I would like to provide an overview of our division.



The Machinery Company consists of two divisions: the Plant Project, Marine & Aerospace Division and the Automobile, Construction Machinery & Industrial Machinery Division.
The Plant Project, Marine & Aerospace Division is composed of three business departments: the Urban Environment & Power Infrastructure Department, the Aerospace Department, and the Marine Department, as well as the Green Innovation business Unit, which promotes decarbonization-related initiatives across various sectors.
Among these, the initiatives related to North American power business, which we will explain later, are handled by the Project Development Section No. 4 within the Urban Environment & Power Infrastructure Department.
Our division has approximately 280 employees and manages 20 group companies.

Plant Project, Marine & Aerospace Division Overview

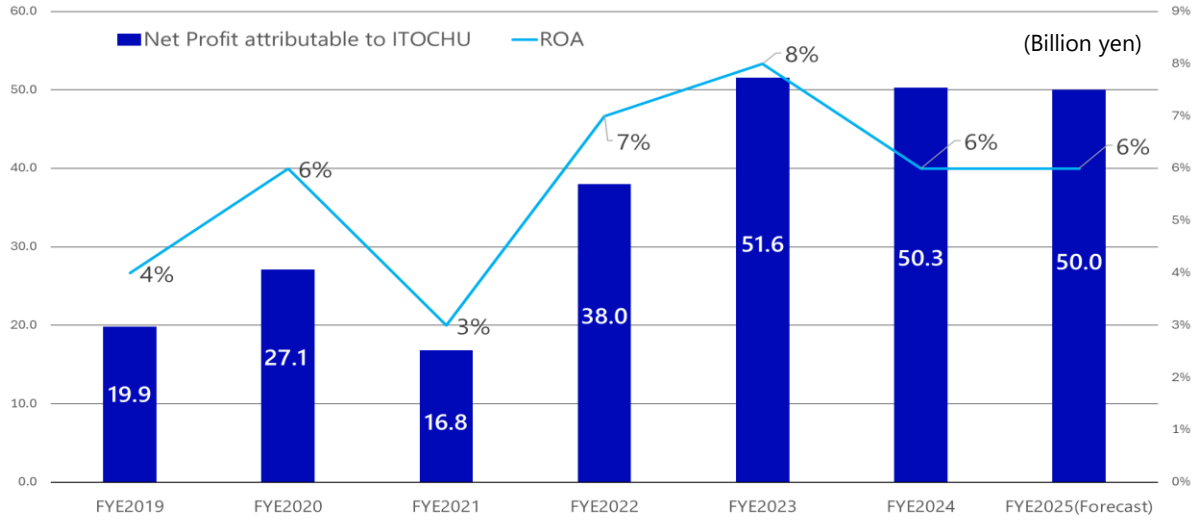
- **A global footprint to deal with the various business models e.g. trading, development, investment and O&M in the sectors of Power & Infrastructure, aerospace and marine.**
- **Leveraging the experience and global relationship with partners and customers, we continue to seek new business opportunities.**

Department・Unit	Business Overview
Aerospace Dept.	• Variety of businesses with public entities and domestic manufacturers underpinned by relationship with leading aerospace companies. • Aircraft leasing and business for commercial airlines. Satellite data services and other space-related businesses. • New business development to promote decarbonization in the aviation industry.
Marine Dept.	• Trading and agent work for new and used vessels. • Own and operate the large merchant vessels. • FPSO (Floating Production, Storage and Offloading system for Oil and Gas).
Urban Environmental & Power Dept.	• Investment and development of projects related to power, water, environment and transportation infrastructures. • Operation and maintenance, repairment, overhaul, engineering, construction, asset management and energy management services in power & infrastructure markets.
Green Innovation Business Unit	• Promotion of an "integrated project" to develop ammonia-fueled ships and improve the fuel supply system through the integrated way to reduce GHG emissions in a marine sectors.

Next, I will explain the overview of each department and unit.
The Aerospace Department conducts trade with government agencies and major domestic manufacturers based on strong relationships with leading aerospace companies in Europe and the U.S. Additionally, through the aircraft leasing business, we accurately capture the needs of the global aviation market, which is expected to continue expanding, and propose optimal business solutions to our customers. Recently, we are also promoting businesses in the aircraft aftermarket and aiming for decarbonization in the aviation industry, thereby diversifying our earnings base while expanding our business.
Next, the Marine Department operates newbuild and secondhand ship sales and charter brokerage based on strong partnerships with domestic and international shipyards and shipowners. Since the 1980s, we have been expanding the number of our owned ships and working on forming new projects daily. Additionally, we are involved in high-value-added solutions across various fields, such as participating in FPSO (Floating Production, Storage and Offloading) projects for oil and gas production, storage, and shipping.
The Urban Environment & Power Infrastructure Department leverages its long-accumulated information collection and development capabilities in international projects, financing capabilities, and business relationships with leading domestic and international partners to promote projects tailored to the characteristics and demands of countries and regions worldwide. In addition to the power projects that we will explain later, we are also engaged in water and environmental projects, such as seawater desalination and waste-to-energy power generation, as well as social infrastructure-related projects. Moreover, we are expanding into plant equipment operation, maintenance, and after-sales services in addition to project development and investment.
Lastly, the Green Innovation Business Unit is working on building an ammonia value chain centered on the development of ammonia-fueled ships as part of our initiatives for decarbonizing international maritime shipping. In addition to developing and implementing ammonia-fueled ships, we are also proactively working with industry stakeholders to establish an international framework, including setting up ammonia fuel supply systems.
In all business fields, we will expand our earnings base by pursuing new business models that look ahead to the next generation, in addition to the business foundation built on strong trust relationships with our customers.

Plant Project, Marine & Aerospace Division Business Performance

- After 2022, the Division established portfolio which can deliver the base net profit of around 50.0 billion yen
- Continue to drive initiatives to a profit increase through the combination of orgic and in-organic growth



Next, I will explain the performance trends of our division.
In FYE 2019, our consolidated net profit was around 20 billion yen. Since then, we have steadily increased our core profit, including the sale of developed renewable energy assets and asset replacement in the ship-owning business, despite the COVID-19 pandemic.
In the aviation sector, demand for air transport has recovered to pre-pandemic levels, and continuous growth is expected in the future. Currently, our division has grown into an organization that can stably earn around 50 billion yen in net profit.
For this fiscal year, we expect consolidated net profit of 50 billion yen for the division, with a progress rate of 46% for the first half, indicating smooth progress.
We will continue to grow our existing businesses and further expand our earnings base through active strategic investments.

Business Overview – Power Business (Overseas)

- 22 projects with 8.5GW worth power assets owned, mainly in North America and Asia (1.4GW of renewable energy).
- In North America, 5.4GW (15 projects) are owned as an Independent Power Producer (IPP), and through NAES, the world's largest independent O&M provider, a full range of related business including O&M services are developed.

North America
Renewable Energy 630MW

Tyr Energy
Investment platform for our US assets.
Total Capacity: 5,400MW (Renewables: 630MW)

NAES Corporation
World's largest power plant O&M service provider.
Servicing more than 50GW.

Bay4 Energy
A NAES subsidiary specializing in O&M services to solar power. Servicing more than 2GW.

TED Renewables
A Tyr subsidiary specializing in renewable energy development, mainly for solar power. Currently developing 5.0GW worth of assets.

Renewable Energy Fund
Asset size 1GW / Investment size USD 2 bil

Europe・Middle East
Renewable Energy 728MW

Germany/Butendiek (Offshore Wind)
Total Capacity: 288MW

Spain/Solaben (Solar Power)
Total Capacity: 100MW

United Kingdom/ (Waste to Energy)
Total Capacity: 65MW (for 3 projects)

Serbia/Belgrade (Waste to Energy)
Total Capacity: 33MW

UAE/Dubai (Waste to Energy)
Total Capacity: 200MW

Asia
Renewable Energy 351MW

Indonesia/Sarulla (Thermal Power)
Total Capacity: 330MW

Indonesia/Central Java (fired Thermal Power)
Total Capacity: 2,000MW

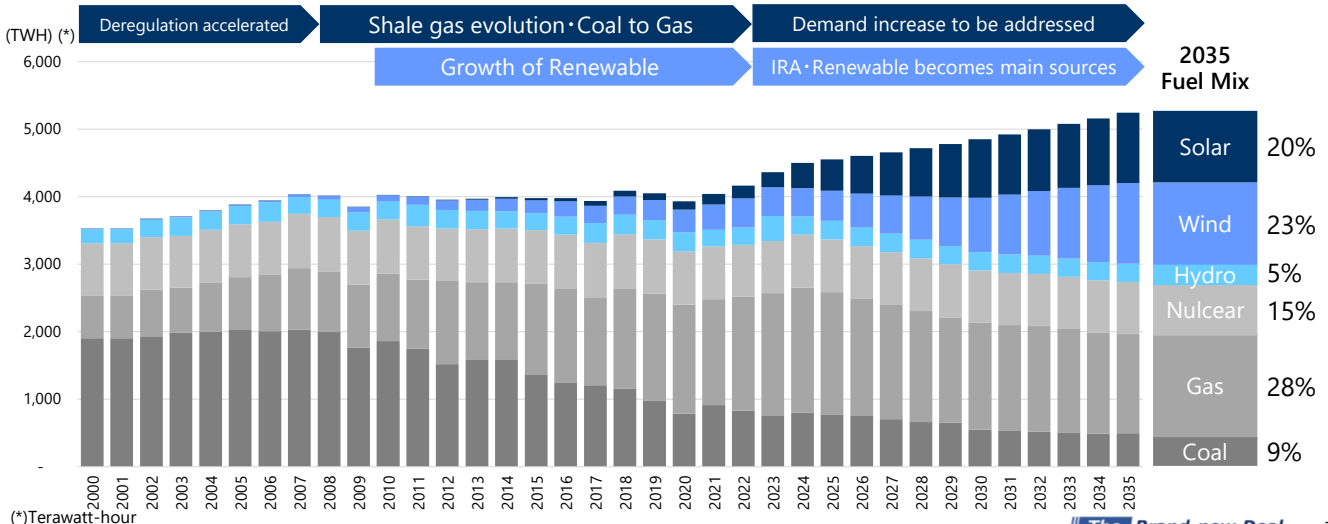
Philippines/Biogas for Dole
Total Capacity: 6MW

Vietnam/iREV (Rooftop Solar Business)
Total Capacity: 15MW
(As of Nov, 2024)

Now, I will explain the power business of the Urban Environment & Power Infrastructure Department using the slides.
Currently, our department owns 22 power assets totaling 8.5 GW, primarily in North America and Asia, of which 1.4 GW are renewable energy assets.
First, in the Europe and Middle East regions indicated in the center of the slide, we are actively promoting waste-to-energy power generation projects in addition to renewable energy.
In addition to the UK, where projects are already completed and operational, the first waste-to-energy power generation project in Serbia was completed in July this year, and one of the world's largest waste-to-energy projects in Dubai was completed and began commercial operations in August. We plan to continue expanding waste-to-energy projects in this region actively.
Next, regarding the power business in the Asia region indicated on the right side of the slide, in Indonesia, we own two IPP (Independent Power Producer) projects that involve constructing and operating power plants based on power purchase agreements with state-owned utilities.
Recently, we have been engaged in a decentralized power business in Vietnam, where we install solar panels on the roofs of factories owned by Japanese and Vietnamese companies and supply electricity to those factories.
Lastly, regarding the power business in North America indicated on the left side of the slide, the characteristic of North America is that we develop a seamless business centered around Tyr Energy Inc. as a power generation platform and NAES Corporation as an operations and maintenance service provider.
Both companies are our 100% subsidiaries and have grown together with us over the past 20 years. Initially, they have expanded our business primarily through conventional thermal power generation, but in recent years, they have been focusing on renewable energy development, particularly after establishing TED Renewables, LLC, promoting project development centered on solar power generation.
Now, Sato from the responsible business section will explain the details of our North American power business.

US Power Market Overview

- The US power market has seen core power sources shifting from Coal, Gas, and to Renewables aligned with political supports, Shale Gas Revolution and market needs.
- While Renewables would be grown to around 50% share of supply sources through 2035, Gas fired assets continue to be core because of its reliability to meet the expected demand growth driven by AI/data center.



(Source: Bloomberg)

I will explain our initiatives in our North American power business in five points: 1) Overview of the North American power market (characteristics, outlook, reasons for focus), 2) History of ITOCHU's initiatives, 3) Strategy, 4) Overview of group companies, and 5) Future quantitative target.
First, regarding the overview of the U.S. power market, significant power deregulation has progressed since the early 2000s. It opened broad business opportunities for us. Looking at the fuel transition used for power generation, coal was the main fuel in the early 2000s, but with the rise in environmental awareness and the shale gas revolution, the share of gas has increased. This is because gas can operate stably and emits only about half of the CO2 compared to coal. Currently, the share of renewable energy is rapidly increasing.
In terms of power demand, while the U.S. population and GDP have been increasing, power demand had remained flat due to the evolution of energy-saving technologies. However, we are now in an era where power demand is increasing significantly due to the growth of AI and data centers.
Our actions are aligned with these market trends, so in the next page, I will explain our history in the US power market.

History of US Power Business and ITOCHU's Strength

- **ITOCHU's strategy and long-term commitment realize value at each of development, construction and operational phase with firm hands-on management structure.**
- **To secure strong local human resources, ITOCHU manages a seamless structure by sharing strategies and carrying out fair employment evaluation aligned with market standard.**

2001 – 2005 Beginning	✓ Establishing local platform (NAES、Tyr), securing profits from O&M, asset management and investment capacities. ✓ Starting small from service business, and minority investments, to create track record in the market.
2006 – 2010 Expansion of Scale and function	✓ Steered to scale expansion. Strengthened investment capability to enable large-scale investments, and fostered development activities as core function. Expanded into competitive gas fired assets in response to Shale Gas Revolution. Built relationship with strategic partners. ✓ NAES expanded its scale taking opportunity of the power market liberalization.
2011 – 2018 Evolving function and taking initiative	✓ Given strong supports from Obama administration, made full-scale entry into Renewables with GE under strategic partnership. ✓ Taking lead on investments and receiving fees from partners. Initiating development on its own. ✓ NAES expanded its function and scale through roll-up M&As.
2019 – 2022 Enhance Renewables business	✓ Enhancing functions such as, energy management by reinforcing power, gas sector talents, development activities expanded to Renewables through establishing TED, and initiating fund business to accelerate Renewables business. ✓ NAES made full-scale entry into Solar PV O&M business.
2023 – Monetization in Renewables	✓ Renewable functions, such as Renewable fund and TED, starting to sprout value and profit. ✓ Initiating large scale investment utilizing existing function.

We entered the market during the early 2000s power deregulation wave and have been steadily building up our achievements and functions over more than 20 years. These efforts have organically connected and grown to become what we now call our strengths. Our long-term commitment to the sector and the evolution of each organization have laid the foundation for our business expansion. One of our efforts has been to ensure we secure excellent local talent. We have maintained close communication to share strategies and visions. While mutual trust is crucial, we have also governed to maintain an appropriate sense of tension, including fair personnel evaluations. Our focus has been on how we can create a strong local organization capable of self-sustained growth while being directly involved in the business hands-on.

In the initial entry phase from 2001 to 2005, we focused on establishing a local operational base, as infrastructure is a local business. To this end, we acquired NAES Corporation, which operates and maintains power plants, in 2001, and Tyr Energy Inc., which primarily handles investment and development, known as IPP, in 2003, securing core functions and revenue sources. From these starting points, we have expanded our business over more than 20 years.

We started with relatively small minority investments and built up our track record, then shifted towards scaling up and expanding functions from 2006 onwards. Following the shale gas revolution, which increased the competitiveness of gas-fired power generation, our asset portfolio also centered on gas. We not only increased assets but also strengthened peripheral functions such as development, maintenance, and operation. Particularly, the expansion of the maintenance and operation business contributed to our scale growth as power deregulation took hold.

By 2011, the U.S. was still recovering from the 2008 Lehman shock, and economic recovery was being driven by renewable energy. We seized this opportunity and partnered with GE to invest in two large wind power assets. Since then, we have invested in eleven large renewable energy assets. In addition to GE, we have collaborated extensively with Japanese investors and companies from Europe and the U.S. At this stage, unlike the initial minority investments, we began to lead projects and receive fees, gradually shifting from being a buyer to a seller.

From 2019 onwards, while it is unclear to what extent COVID-19 was a direct trigger, the era of SDGs arrived, and the move towards renewable energy and decarbonization became inevitable. Based on our past experience, we have accelerated our efforts in the renewable energy sector. Additionally, as we engaged in discussions with many companies, we sensed the need for investment in renewable energy assets and started preparing to establish a renewable energy fund with Tyr Energy Inc. as the GP. Although NAES Corporation was the largest independent power plant maintenance and operation service provider in the U.S., we strengthened its maintenance and operation business in the solar field to respond to the global expansion of the renewable energy market.
What we had been preparing for in the renewable energy field began to materialize as revenue from FYE 2024 onwards. In FYE 2024, North American power business profits reached 16.8 billion yen, especially contributed by the development business. We also realized the establishment of the fund and confirmed three investments within a year. For the time being, we will focus on executing what we have prepared and closing each project. However, we aim to develop a balanced portfolio that includes thermal power to respond to increasing power demand driven by AI and data centers and strengthen the digital field.

US Power Business Strategy

- Taking initiative on each of development, construction, operational phase and creating value throughout the value chain.
  - Development : Ability to source and create opportunities. Enhance this function more in the growing Renewable market.
  - Investment： Taking lead and diversifying revenue sources (incl. fee income) and improving ROA.
    Taking advantage of US tax incentive and expanding Renewables business
  - O&M： Strengthen existing organization and execute roll-up M&As to evolve in adjacent service functions.

Phase	Development	Construction	Operation (Investment、O&M、Overhaul)	
	TED RENEWABLES / TYR ENERGY	TYR ENERGY / NAES	TYR ENERGY / ITOCHU	TYR ENERGY / NAES / INDUSTRIOUS GROUP
Business	• Secure land, permits, grid connection, PPA, and EPC • Project Development	• Project Management • Construction works (e.g. semiconductor factory, data center)	• Investment (Own equity, Fund Capital + Tax equity) • Utilise capital for stable investment income	• O&M for Renewables, Gas-fired assets • Asset/Energy Management • O&M、Overhaul works
Main Track Record	• 100MW Biomass × 2 • 1GW Gas-fired asset • 13 Solar assets divested • 5GW(29 assets) of Solar assets ongoing	• Multiple track records	• Investment: Renewables (11 asset), Conventional (22 assets)	• Asset Management: 19 assets • O&M: Conventional(57GW/250 assets)、Solar PV (2GW/1,500 assets)
Revenue Source	• Capital Gain	• Construction Management fees	• Stable investment income • Other fee incomes (incl. fund related fees)	• Fee incomes such as O&M, Asset Management fees

Next, I will explain the overall strategy for North American power business. Our strategy is to take the initiative by focusing on investment (leading as a decision-maker) and development functions (evaluating and forming projects) and strengthen our position as a seller. We aim to diversify revenue sources through investment returns and fee income, improve asset efficiency, enhance existing organizations, and evolve and deepen functions such as operations, maintenance, and asset management through roll-up M&A. In the rapidly growing renewable energy sector, we will develop solar power (29 assets/5GW), invest (tax equity and renewable energy fund), and provide operation and maintenance services, aiming to establish a system that earns across the value chain by offering functions at each stage of development, construction, and operation.

Every infrastructure asset, not just power plants, inevitably goes through stages of development, construction, and operation. Our goal, which we have pursued and will continue to pursue, is to have core functions that can contribute at each stage and ensure scale overall by linking these functions together.

The development function identifies what will be needed in the future and shapes it. The areas of focus vary with the times, and it is considered an important function for a trading company to contribute to the industry, beyond mere investment. The development model is also part of the shift from being a buyer to a seller.

Regarding the investment function, there are not many investors who can not only provide capital but also are well-versed in the industry and region, have management capabilities, and can enhance asset and corporate value. We believe it is important to continue refining the investment function as decision-makers in the business. As part of strengthening our investment capabilities, we established a renewable energy fund with Tyr Energy Inc. as the GP.

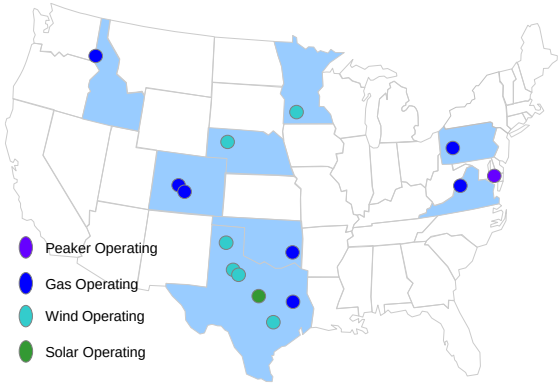
The operation and maintenance business in the operation stage of power plants require daily operation and care once they are built. This business captures that need, involving daily on-site presence, power generation, and maintenance. Currently, we have over 4,000 employees engaged in maintaining and operating power plants across the U.S.

While many companies specialize in specific fields, there are not many companies in the U.S. that simultaneously develop, construct, invest, and operate and maintain. The knowledge, information, and business opportunities gained from this comprehensive approach are one of our strengths. Moving forward, it will also be important to connect this field with digital and build a revenue model.

Core US Subsidiary - Tyr Energy

- Wholly owned by ITOCHU. Hold and manages power generation in the United States.
  Carries out the entire value chain from development, construction, asset management, and energy management of Renewables and Gas-fired assets.
- Since foundation in 2002, invested in 33 assets (12.6GW) and developed 16 assets. Currently owns 15 assets (5.4 GW), contributing to power supply for approximately 4 million households in the US.
- Tyr Energy Development Renewables (TED) was established in Jan, 2022 to focus on development of Renewables.

＜Asset Portfolio＞



＜Example＞

Prairie Switch Wind （160MW）

Investment in a new wind farm

- Mar, 2024, construction complete
- Long-term corporate PPA with Meta.
- Energy management services provided by Tyr/NAES.

Hickory Run Project（1,000MW）

Development of large gas-fired asset

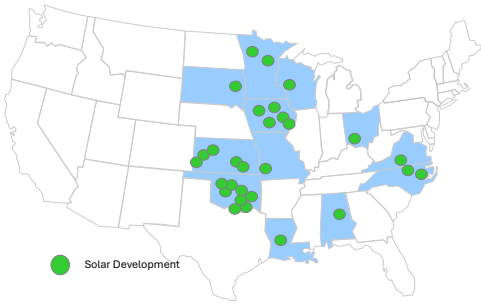
- May, 2020, commercial operation
- Joint investment with Kansai Electric
- Tyr led development and financing. Managed by Tyr/NAES

Now, I will explain the overview of the group companies responsible for each field. Tyr Energy Inc. is a core group company responsible for investment and development, commonly known as an IPP. Since acquiring Tyr Energy Inc. in 2003, we have invested in 33 assets. This track record and organization form the foundation for the renewable energy fund's management capability. A notable feature is that we internalize necessary functions such as project discovery, market analysis, valuation, legal, finance, accounting, tax due diligence, and negotiations with counterparties.
In addition to investment and development, we have also internalized energy management, which involves the procurement and sale of electricity and fuel, enabling us to grasp market conditions in real-time and utilize this for risk management.

Core US Subsidiary
- Tyr Energy – TED（Renewable Developer）

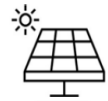
- Tyr's Renewable development subsidiary. Track record of selling 13 development assets.
  Currently developing 29 Solar PV assets (approx. 5 GW) in 12 states in the United States.
- Develop and sell business model, starting from site screening, increasing its value through securing permits, grid connection, contract management, etc.

<Development asset portfolio>



＜Site selection＞

All development tasks managed in-house
Sell down after increasing asset value



＜Completion＞

Major milestone	Site identified	Early stage	Mid Stage	Late stage	Construction Start/Complete
Site Acquisition	→	→	→		
Permit		→	→	→	
PPA			→	→	
Grid connection		→	→	→	
EPC Contract				→	

TED Renewables, under Tyr Energy Inc., is a development organization specializing in renewable energy, and it has sold 13 projects so far while continuing to develop 29 projects, becoming a new pillar of profit. Instead of acquiring a development company, we utilized our development experience in thermal and biomass energy and recruited new personnel from scratch. The most important aspect of development is to secure suitable land for the business quickly, and by incorporating our development knowledge into mapping information and developing a unique mapping information system, we have made development work smoother.
Development work involves securing the necessary permits and approvals, grid connection procedures, community relations, power purchase agreements, and construction contracts after securing land. The more milestones are achieved, the higher the asset value as a development, and the asset value remains low when many risks still exist. Therefore, our business model aims to advance development as much as possible in-house, sell it when the value has increased, and target high returns.

Core US Subsidiary - NAES Corporation

- Wholly owned by ITOCHU. Provides third party O&M services to power plants of approx. 250 gas-fired assets (approx. 57GW) across Americas and others including renewables such as Solar (2GW), Wind, Biomass and energy from waste.
- Continue to seek growth through organic efforts and Roll-up M&A.

Power Service	O&M Service	Core business since its foundation. Performs O&M work on behalf of power plant owners.
	Asset Management Service	Maintain and improve asset value (profitability, contracts, finance, grid connection, permit management, etc.) on behalf of the owner.
	Energy Solution	Remote O&M for power plants and grids. Technical consulting for plant owners and lenders. Regulatory compliance services including cybersecurity.
MROC* *Maintenance, Repair, Overhaul, Construction	Electrical Services	Design, procure, and repair industrial infrastructure and IT industries such as large hydroelectric power plants and data centers.
	Mechanical Services	Process, manufacture and assemble steel structures for semiconductor manufacturing factories, bridges, and other industrial infrastructure facilities. Large power plant renovation and maintenance work, etc.

Companies acquired through roll-up M&A

- BAY4 ENERGY — Renewable O&M
- PURENERGY (A NAES Company) — Asset Management
- GRIDFORCE — Grid O&M, Energy Management
- E3 Consulting — Engineering Consulting
- OLSSON INDUSTRIAL ELECTRIC — Electrical Services
- GARRETT ELECTRIC — Electrical Services
- GREENBERRY — Mechanical Services
- NAES Power Contractors — Mechanical Services

NAES Corporation, founded in 1980, is a company specializing in power plant operation and maintenance. We acquired NAES Corporation in 2001, and at that time, they operated about 30 power plants totaling 5GW. Currently, they operate over 250 thermal power plants and 1,000 solar power plants, totaling approximately 59GW, making them the largest independent operator in North America. We call acquisitions that expand and strengthen existing functions roll-up M&A, and since acquiring NAES Corporation, we have executed additional capital investments and conducted eight roll-up M&As over more than 20 years. Currently, we are diversifying and growing our business, including electrical equipment construction for data centers owned by Amazon and the latest semiconductor factories constructed in the U.S. by Taiwan Semiconductor and Samsung.

Core US Subsidiary - Industrious Group

- Founded in 1984. Provides equipment maintenance and spare parts for hydroelectric assets, steel mills, etc.
- In 2023, acquired American Hydro, which designs, manufactures and installs hydro turbines and parts.
- Aim to capture demand for maintenance related to aging hydroelectric power plants and other infrastructure assets in North America and create synergies with existing businesses.

INDUSTRIOUS GROUP

enprotech　AMERICAN HYDRO

	Enprotech	American Hydro
Business Model	Equipment maintenance and repair services, manufacture replacement parts and new equipment	
Equipment	Press machine  Metal production machine 	Hydro electric Turbine 

Under Industrious Group, there is American Hydro Corporation, a major U.S. manufacturer of hydroelectric turbines. Hydroelectric power plants are valuable renewable energy resources, but new plant construction is difficult, so it is important to maintain existing plants for long-term operation. In the U.S., there is increasing demand for turbine renovations as many hydroelectric plants have been in operation for 40-50 years. To meet this demand, we acquired this group company about two years ago and have been strengthening our efforts as part of the roll-up M&A of the operation and maintenance business.

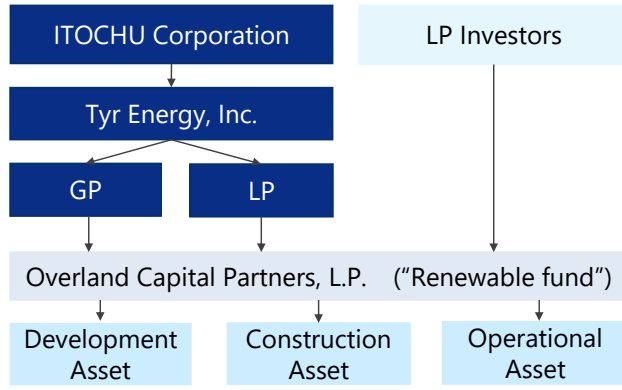
North American Renewable Fund

- Established Overland Capital Partners, L.P. (“Renewable fund”) in June 2023, a fund managed by Tyr Energy, as the GP. Targets are Renewable assets in North America, such as Solar PV, Wind, and Hydro.

＜Fund overview＞

Investment Target	North American Renewables (Solar PV、Wind 、Hydro etc.)
Asset size	Approx. US$2 Bil
Fund Period	10 yrs (with 3 yrs extension option)
Fund GP	Tyr Energy, Inc.
LP Investors	Tyr, SMTB、Fuyo Lease, Tokyu Land, Tokyo Century, Chiba bank, Nishimatsu construction etc

＜Investment image＞

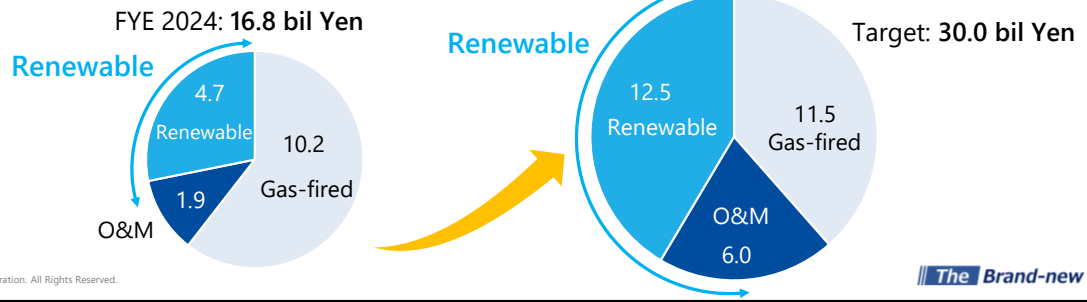


The renewable energy fund was established in June 2023 with Tyr Energy Inc. as the GP. As we accelerate our renewable energy investments, we began considering creating a joint investment mechanism that would keep pace with the global speed, and we received widespread support from various industries, leading to its establishment. Within a year of its establishment, we confirmed investments in one wind power asset, one solar power asset, and one energy storage asset, totaling three investments. In addition to expanding renewable energy investments, we also aim to play the role of growing Japanese capital globally and bringing it back to Japan as a trading company.

North American Power Business Target

▶▶ **Targeting PAT of 30 Bil Yen, by accelerating Renewables businesses including development and investment and strengthening services businesses such as O&M, asset management and energy management.**

Sector	Action Plan
Renewable	• Double portfolio size for Renewable development (currently 5 GW → future 10 GW). • Accelerate Renewable investment through US tax equity and Renewable fund. Establish 2nd, 3rd fund and expand its scale.
O&M, Service	• Strengthen adjacent service functions to enhance and supplement business development capabilities ✓ Create synergies with existing business and reinforce maintenance activities in power and industrial sector. ✓ Capture demand for renewal of aging power plants and infrastructure equipment.
Gas-fired asset	• Optimizing existing asset values (contract renewal, maintenance cost improvement, refinancing, asset replacement, etc.) • Investment in highly competitive gas-fired assets, which is essential for stable regional power supply.



Finally, I will explain the quantitative targets for North American power business. By growing the businesses we have explained so far, we aim to raise the current level of approximately 17 billion yen in consolidated net profit to 30 billion yen.
Given the tight power supply-demand balance, the U.S. will continue to need gas-fueled power plants as a stable power source for the foreseeable future, contributing to certain profit. However, we believe the growth center will be renewable energy. By accelerating growth through development projects, investment businesses such as renewable energy funds, and operation and maintenance, and maintenance businesses through roll-up M&A, we aim to achieve our quantitative targets.