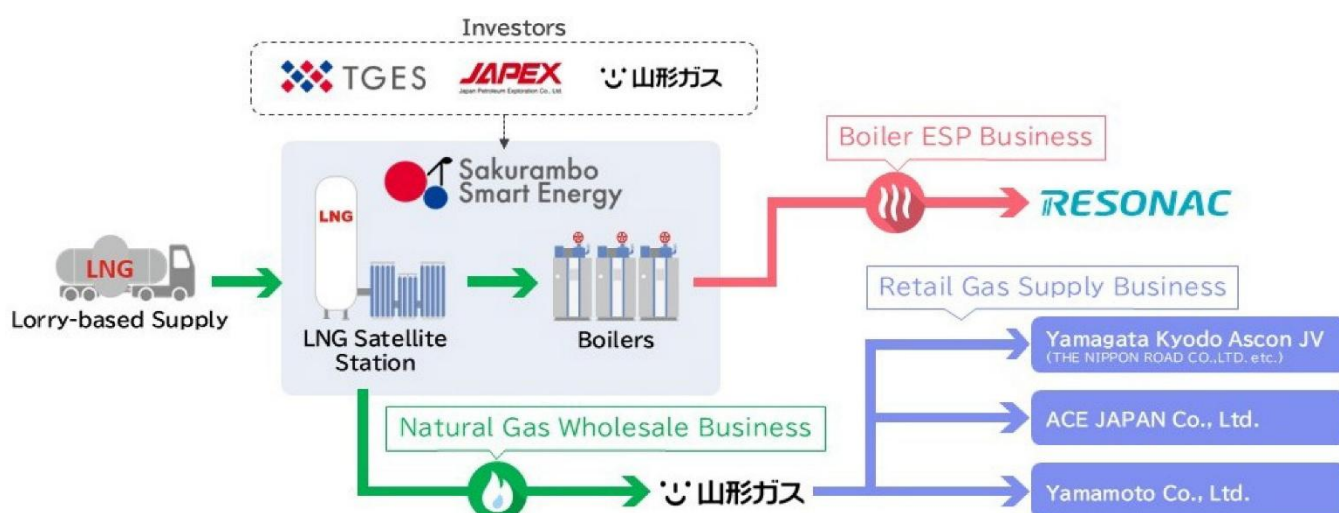


Achieve Fuel Conversion to Natural Gas through Collaboration
between Multiple Businesses in Higashine Omori Industrial Park, Yamagata Prefecture
~ Expected to Reduce CO₂ Emissions by Approximately 1,600 tons Annually ~

Sakurambo Smart Energy LLC
Tokyo Gas Engineering Solutions Corporation
Japan Petroleum Exploration Co., Ltd.
YAMAGATA GAS Co., Ltd.
Resonac Hard Disk Corporation
THE NIPPON ROAD CO., LTD.
ACE JAPAN Co., Ltd.
Yamamoto Co., Ltd.
Yamagata Prefectural Government
Higashine City

Sakurambo Smart Energy LLC (Sakurambo SE), Tokyo Gas Engineering Solutions Corporation (TGES), Japan Petroleum Exploration Co., Ltd. (JAPEX), YAMAGATA GAS Co., Ltd. (Yamagata Gas), Resonac Hard Disk Corporation (Resonac Hard Disk), THE NIPPON ROAD CO., LTD. (The Nippon Road), ACE JAPAN Co., Ltd. (Ace Japan), and Yamamoto Co., Ltd. (Yamamoto) have launched a joint initiative*¹ to convert fuel*² to natural gas (hereinafter the “Initiative”) at the Higashine Oomori Industrial Park (hereinafter the “Industrial Park”) in Higashine City, Yamagata Prefecture.

Initiative Scheme



As part of the initiative, Sakurambo SE has installed an LNG satellite station^{*3} and boilers, and supplies steam to Resonac Hard Disk through its boiler ESP business^{*4}. Yamagata Gas receives wholesale gas supplies from Sakurambo SE via its LNG satellite station and retails it to the Yamagata Kyodo Ascon Joint Venture^{*5}, operated by Nippon Road and others, as well as to Ace Japan and Yamamoto. As a result, multiple businesses within the industrial park—which lies outside the city gas supply area— have joined forces to switch from conventional fuels, primarily kerosene, heavy oil, and LPG, and are expected to reduce CO₂ emissions by 1,600 tons annually.



Sakurambo Smart Energy LNG Satellite Station



Held the completion ceremony on July 23

The initiative was submitted to the Ministry of the Environment's "SHIFT Project"^{*6} and was selected as the first project involving multiple businesses as a joint initiative. This is a model case that demonstrates how inter-company collaboration can enable the shared use of facilities and efficient energy supply to reduce CO₂ emissions in industrial parks where energy demand is concentrated.

This initiative has been commercialized based on a survey^{*7} conducted by Yamagata Prefecture to promote low carbonization and decarbonization of energy in the industrial sector toward the realization of a carbon-neutral society, and with the support of Yamagata Prefecture and Higashine City^{*8}. Sakurambo SE, TGES, JAPEX, Yamagata Gas, Resonac Hard Disk, Nippon Road, Ace Japan, and Yamamoto promote energy conservation and CO₂ reduction through the Initiative and contribute to the realization of Yamagata Prefecture's "Zero Carbon Yamagata 2050"^{*9}.

Note)

*1: Yamagata Gas plans to begin supplying natural gas to Yamamoto and Ace Japan by the end of the year

*2: Boiler ESP business^{*4} and wholesale gas supply to Yamagata Gas; retail supply within the industrial complex by Yamagata Gas

*3: Gas supply facilities consisting of LNG storage tanks and vaporizers. The LNG handled by the LNG satellite station is delivered by lorry.

*4: Sakurambo SE has newly installed an LNG satellite station and boilers within the Resonac Hard Disk Yamagata Plant to provide energy services. Note that the "energy services" refer to a service in which the provider handles everything—from the design and installation of the energy system to its ownership and maintenance—on a one-stop basis, while users pay a service

fee in exchange for the energy services without the need for initial investment.

*5: KIKAWA DORO LTD., KURODAGUMI Co., Ltd., TOKAIRIN KENSETSU CO., LTD, YAMAGATADORO LTD., TAKAKO KENSETSU CO., LTD., TOA ROAD CORPORATION, and THE NIPPON ROAD CO., LTD.

*6: The subsidy for the “Fiscal Year 2024 Supplementary Budget and Fiscal Year 2025 Supplementary Budget Subsidy for Measures to Reduce Carbon Dioxide Emissions (Support for the Conversion to CO₂-Reducing Systems)” has been approved.

*7: The Survey on Heat Demand and Other Related Matters for the Introduction of Regional Heat Supply Projects in Fiscal Year 2022

*8: Study session on the commercialization of district heating and other projects in the Higashine Omori Industrial Park in Fiscal Year 2024

*9: Declaration and targets set by Yamagata Prefecture aiming to achieve net-zero emissions of greenhouse gases (such as carbon dioxide) by 2050

【Sakurambo SE Overview】

Company	Sakurambo Smart Energy LLC
Head Office	3-1-31 Hakusan, Yamagata City, Yamagata Prefecture
Established	May 2, 2025
Representative	Naoki Inoue (TGES)
Capital	10 million yen
Equity Ratio	TGES 39.99% JAPEX 39.99% Yamagata Gas 20.02%
Business	Boiler ESP business for Resonac Hard Disk Natural gas wholesale business for Yamagata Gas

###