



February 25, 2026
Cosmo Energy Holdings Co., Ltd.
Cosmo Oil Marketing Co., Ltd.
COSMO ENERGY SOLUTIONS CO., LTD.

**Cosmo Commences Construction of High-Voltage, Grid-Scale BESS
at Former Service Station Sites**

**~Operations to Begin in Matsuura and Sendai from FY2027,
with a Combined Capacity of Approx. 4 MW~**

Cosmo Energy Holdings Co., Ltd. (hereafter, “the Company”) is pleased to announce that it has commenced construction of grid-scale battery energy storage systems (BESS) at two former service station sites managed by Cosmo Oil Marketing Co., Ltd.—Matsuura City, Nagasaki Prefecture, and Sendai City, Miyagi Prefecture. The systems will be connected to the grid at high voltage and are scheduled to come online in stages from FY2027.

The BESS to be constructed in Matsuura City, Nagasaki Prefecture, was selected on December 25, 2025, as a recipient of the “FY2025 Subsidy for Projects Supporting the Expanded Introduction of Renewable Energy and the Deployment of Grid-Scale Battery and Other Energy Storage Systems,”¹ administered by the Ministry of Economy, Trade and Industry’s Agency for Natural Resources and Energy.



Figure: Rendering of the completed BESS in Matsuura City, Nagasaki Prefecture

As the adoption of renewable energy has grown in recent years, congestion in the electric power grid and frequent output curtailment have become a significant issue. In particular, in the Kyushu and Tohoku regions, government experts expect that the rate of renewable curtailment will increase, highlighting the need to secure sufficient capacity to balance electricity supply and demand.²

Against this backdrop, the Company has been working to validate BESS in Yokkaichi City, Mie Prefecture; Satte City, Saitama Prefecture; Nagakute City, Aichi Prefecture; and Higashi-Osaka City, Osaka Prefecture, as announced in the press release dated January 30, 2024, titled “Cosmo Energy Commences Validation of its Power Storage Business.”³

Through these validation projects, the Company has established a framework that enables everything from construction to operation of BESS to be handled within the Cosmo Energy Group. At the same time, it has built up expertise in the operation of grid-scale storage batteries, including developing an in-house Energy Management System (EMS) to optimize battery charge-discharge control, as well as improving electricity market trading efficiency leveraging this system.

These efforts also demonstrated that high-voltage, grid-scale BESS—due to their scale and potential for nationwide deployment—can be easily deployed at former service station sites, allowing them to be transformed into infrastructure that contributes to realizing a low-carbon society by leveraging existing assets. Furthermore, the Company believes that redefining and repurposing service stations, which historically served as hubs for petroleum supply, into grid balancing assets that support the stable provision of renewable energy will contribute to strengthening the Cosmo Energy Group’s green electricity supply chain.

With the newly constructed BESS, the Company plans to trade not only on the wholesale electricity market, but also on the supply-demand balancing and capacity markets. These trading operations will be carried out by Cosmo Energy Group company COSMO ENERGY SOLUTIONS CO., LTD. By leveraging the knowledge and expertise gained through the validation projects and operating BESS efficiently on a group-wide basis, the Company aims to mitigate grid fluctuations and contribute to the stabilization of regional power systems.

Going forward, the Cosmo Energy Group will continue to explore the development and operation of grid-scale BESS and co-located renewables and storage systems, beyond the two aforementioned sites. In addition, the Group is committed to expanding its power storage business, taking into consideration the efficient use of its existing assets, including former SS sites and other idle land. Through these initiatives, it will contribute to the realization of net zero carbon emissions by 2050.

■Reference

1. Overview of Grid-Scale BESS

1) Overview of the Matsuura City BESS

Location	Matsuura City, Nagasaki Prefecture
Planned operations start date	Second half of FY2027
Adopted storage battery	Manufactured by PowerX, Inc.
Power output	Approx. 2 MW

Storage battery capacity	Approx. 8 MWh
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2) Overview of the Sendai City BESS

Location	Sendai City, Miyagi Prefecture
Planned operations start date	Second half of FY2027
Adopted storage battery	To be determined
Power output	Approx. 2 MW
Storage battery capacity	Approx. 8 MWh

1. [Announcement of Recipients of “FY2025 Subsidy for Projects Supporting the Expanded Introduction of Renewable Energy and the Deployment of Grid-Scale Battery and Other Energy Storage Systems” \(Sustainable open Innovation Initiative\)](#) (Available in Japanese only)
2. [The Sixth Working Group on Next-Generation Power Grids, Agency for Natural Resources and Energy Materials 1 “Short-Term Outlook for Renewable Energy Output Curtailment, Etc.”](#) (Available in Japanese only)
3. [Press release issued on January 30, 2024](#)

(End)

(The official language for Cosmo Energy Group's filings with the Tokyo Stock Exchange and Japanese authorities, and for communications with our shareholders, is Japanese. We have posted English versions of some of this information on this website. While these English versions have been prepared in good faith, Cosmo Energy Group does not accept responsibility for the accuracy of the translations, and reference should be made to the original Japanese language materials.)