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<th>Section</th>
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<tr>
<td>(2) : Management Information</td>
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</tbody>
</table>

<table>
<thead>
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<th>Section</th>
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</thead>
<tbody>
<tr>
<td>(2) : Management Information</td>
<td>38</td>
</tr>
</tbody>
</table>
Outline of Financial Results for Fiscal Year ended March 31, 2018

Note: The Company’s fiscal year (FY) is from April 1 to March 31 of the following year. FY2017 represents the fiscal year begun on April 1, 2017, and ended on March 31, 2018.
Operating revenues (consolidated) increased following FY2014, for the first time in 3 years.
Ordinary income (consolidated) increased following FY2015, for the first time in 2 years.
[Consolidated] We recorded increased sales and profit following FY2014, for the first time in 3 years.

### [Consolidated]

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>2,853.3</td>
<td>2,603.5</td>
<td>249.7</td>
<td>9.6</td>
</tr>
<tr>
<td>Operating income</td>
<td>136.5</td>
<td>136.4</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>128.5</td>
<td>121.4</td>
<td>7.0</td>
<td>5.8</td>
</tr>
<tr>
<td>Extraordinary income (loss)*1</td>
<td>(23.3)</td>
<td>30.2</td>
<td>(53.6)</td>
<td>-</td>
</tr>
<tr>
<td>Net income attributable to owners of parent</td>
<td>74.3</td>
<td>114.6</td>
<td>(40.2)</td>
<td>(35.1)</td>
</tr>
</tbody>
</table>

*1 FY2017 : Impairment loss
   FY2016 : Gain on change in equity

*2 The number of consolidated subsidiaries [change from the previous year in parenthesis]
   FY2017 : 32 subsidiaries (+3 companies), 27 affiliates accounted for under the equity method (+3 companies)

### [Non-Consolidated]

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>2,597.1</td>
<td>2,389.7</td>
<td>207.4</td>
<td>8.7</td>
</tr>
<tr>
<td>Operating income</td>
<td>114.7</td>
<td>117.2</td>
<td>(2.5)</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>91.8</td>
<td>99.1</td>
<td>(7.2)</td>
<td>(7.3)</td>
</tr>
<tr>
<td>Extraordinary income (loss)*</td>
<td>(22.3)</td>
<td>-</td>
<td>(22.3)</td>
<td>-</td>
</tr>
<tr>
<td>Net income</td>
<td>48.5</td>
<td>72.0</td>
<td>(23.4)</td>
<td>(32.6)</td>
</tr>
</tbody>
</table>

* FY2017 : Impairment loss
<Consolidated operating revenues>

- Operating revenues increased by 249.7 billion yen compared with FY2016, mainly due to an increase in fuel cost adjustment charge, and an increase in surcharge and grant based on Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities.

[Factors contributing to change in consolidated operating revenues]

<table>
<thead>
<tr>
<th>(Billion yen)</th>
<th>FY2017 Operating Revenues</th>
<th>FY2016 Operating Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>An increase in surcharge and grant under Act on purchase of renewable energy sourced electricity</td>
<td>67.1</td>
<td>64.1</td>
</tr>
<tr>
<td>An increase in surcharge</td>
<td>43.2</td>
<td></td>
</tr>
<tr>
<td>An increase in grant</td>
<td>23.9</td>
<td></td>
</tr>
<tr>
<td>An increase in fuel cost adjustment charge</td>
<td>118.4</td>
<td></td>
</tr>
<tr>
<td>An Increase in revenues of affiliates, etc.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
<Consolidated ordinary income>

- Consolidated ordinary income increased by 7.0 billion yen compared with FY2016, mainly due to improvement of the efficiency and an increase in income of affiliates, in spite of an effect of conversion of income incurred by fuel cost adjustment system time lag into loss.

[Factors contributing to change in consolidated ordinary income]

<table>
<thead>
<tr>
<th>FY2016 Ordinary Income</th>
<th>FY2017 Ordinary Income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>121.4</strong></td>
<td><strong>128.5</strong></td>
</tr>
<tr>
<td><strong>115.0</strong></td>
<td><strong>147.0</strong></td>
</tr>
<tr>
<td><strong>approx.</strong></td>
<td><strong>approx.</strong></td>
</tr>
</tbody>
</table>

- **Time lag** -25.0
  - Electricity -23.0
  - Gas -2.0

- **Improvement of the efficiency** 25.0
  - Improvement of the efficiency of fuel procurement +10.0
  - Reduction of the maintenance cost and other expenses +15.0

- **Others** 7.0
  - An Increase in income of affiliates, etc.

An increase in income excluding the effect of time lag (approx. +32.0)
Electrical Energy Sold

- **Dropped by 0.3% to 121.4TWh**, compared with FY2016, mainly due to an effect of switches made to other operators with the intensified competition, in spite of an increase in air conditioning demand by lower temperature in this winter compared with FY2016, in addition to a sales increase in the Tokyo metropolitan area and an increase of production in the automobile and semiconductor industry.

<table>
<thead>
<tr>
<th>Electrical Energy Sold</th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low voltage</td>
<td>38.8</td>
<td>38.8</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>High voltage · Extra-high voltage</td>
<td>82.6</td>
<td>83.0</td>
<td>(0.4)</td>
<td>(0.5)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>121.4</strong></td>
<td><strong>121.8</strong></td>
<td><strong>(0.4)</strong></td>
<td><strong>(0.3)</strong></td>
</tr>
</tbody>
</table>

[Reference]
Electrical Energy Sold including group companies (*)

125.3 | 124.2 | 1.1 | 0.9

* The sum of the company and consolidated subsidiaries.
Electric Power Supplied and Principal Figures

**<Electric Power Supplied>**

- **Hydro**: The flow rate fell short of the previous fiscal year; thus hydroelectric power output decreased by **0.1TWh**.
- **Wholesale**: Increased by **1.6TWh**, mainly due to an increase in wholesale volume.
- **Purchased Power**: Increased by **2.6TWh**, mainly due to an increase in purchase of renewable energy.
- **Thermal**: As a result of decrease in electrical energy sold and above, thermal power output decreased by **2.2TWh**.

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internally generated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hydro</td>
<td>8.5</td>
<td>8.6</td>
<td>(0.1)</td>
<td>(0.3)</td>
</tr>
<tr>
<td>&lt;flow rate&gt;</td>
<td>&lt;98.7&gt;</td>
<td>&lt;99.8&gt;</td>
<td>&lt;(1.1)&gt;</td>
<td></td>
</tr>
<tr>
<td>Thermal</td>
<td>108.0</td>
<td>110.2</td>
<td>(2.2)</td>
<td>(2.0)</td>
</tr>
<tr>
<td>Nuclear</td>
<td>(0.2)</td>
<td>(0.2)</td>
<td>(0.0)</td>
<td>1.6</td>
</tr>
<tr>
<td>&lt;utilization rate&gt;</td>
<td>&lt;↓&gt;</td>
<td>&lt;↓&gt;</td>
<td>&lt;↓&gt;</td>
<td></td>
</tr>
<tr>
<td>Renewable energy</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>6.8</td>
</tr>
<tr>
<td>Wholesale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interchanged,</td>
<td>(7.8)</td>
<td>(6.2)</td>
<td>(1.6)</td>
<td>(25.3)</td>
</tr>
<tr>
<td>purchased power(*)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased power</td>
<td>18.6</td>
<td>16.0</td>
<td>2.6</td>
<td>16.0</td>
</tr>
<tr>
<td>Power used for</td>
<td>(1.2)</td>
<td>(1.1)</td>
<td>(0.1)</td>
<td>16.9</td>
</tr>
<tr>
<td>pumped storage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>125.9</td>
<td>127.3</td>
<td>(1.4)</td>
<td>(1.1)</td>
</tr>
</tbody>
</table>

* Interchanged, purchased power represent power output that we grasp at the end of the FY2017.

**[Principal Figures]**

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIF price: crude oil</td>
<td>57.0</td>
<td>47.5</td>
<td>9.5</td>
</tr>
<tr>
<td>FX rate (interbank)</td>
<td>110.9</td>
<td>108.4</td>
<td>2.5</td>
</tr>
</tbody>
</table>

*CIF crude oil price for FY2017 is tentative.
Impact of Accrued Income Incurred by Fuel Cost Adjustment System (Result)

* Accrued income include the effect of time lag of gas supply business.
Summary of Forecast for FY2018 <1>

<Forecast>
- Consolidated operating revenues will increase mainly due to an increase of fuel cost adjustment charge in spite of a decrease in electrical energy sold.
- Consolidated ordinary income will increase mainly due to further management efficiency in spite of a decrease in electrical energy sold.
Further, consolidated ordinary income excluding the effect of time lag is expected to be approx.150.0 billion yen.

[Consolidated]
- Operating revenues will increase for 2 consecutive years since FY2017.
- Ordinary income will increase for 2 consecutive years since FY2017.

<table>
<thead>
<tr>
<th></th>
<th>FY2018 (Forecast)(A)</th>
<th>FY2017 (Result)(B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>2,950.0</td>
<td>2,853.3</td>
<td>approx. 97.0</td>
<td>3.4</td>
</tr>
<tr>
<td>Operating income</td>
<td>145.0</td>
<td>136.5</td>
<td>approx. 8.5</td>
<td>6.2</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>135.0</td>
<td>128.5</td>
<td>approx. 6.5</td>
<td>5.0</td>
</tr>
<tr>
<td>Extraordinary income (loss) (*)</td>
<td>-</td>
<td>(23.3)</td>
<td>approx. 23.0</td>
<td>-</td>
</tr>
<tr>
<td>Net income attributable to owners of parent</td>
<td>100.0</td>
<td>74.3</td>
<td>approx. 26.0</td>
<td>34.5</td>
</tr>
</tbody>
</table>

* FY2017 : Impairment loss

[(Reference)Non-Consolidated]

<table>
<thead>
<tr>
<th></th>
<th>FY2018 (Forecast)(A)</th>
<th>FY2017 (Result)(B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>2,640.0</td>
<td>2,597.1</td>
<td>approx. 43.0</td>
<td>1.6</td>
</tr>
<tr>
<td>Operating income</td>
<td>125.0</td>
<td>114.7</td>
<td>approx. 10.0</td>
<td>9.0</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>115.0</td>
<td>91.8</td>
<td>approx. 23.0</td>
<td>25.1</td>
</tr>
<tr>
<td>Extraordinary income (loss) (*)</td>
<td>-</td>
<td>(22.3)</td>
<td>approx. 22.0</td>
<td>-</td>
</tr>
<tr>
<td>Net income</td>
<td>85.0</td>
<td>48.5</td>
<td>approx. 37.0</td>
<td>75.1</td>
</tr>
</tbody>
</table>

* FY2017 : Impairment loss
### Summary of Forecast for FY2018 <2>

#### Principal Figures

<table>
<thead>
<tr>
<th>(Electrical energy sold)</th>
<th>FY2018 (Forecast)(A)</th>
<th>FY2017 (Result)(B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low voltage (TWh)</td>
<td>36.0</td>
<td>38.8</td>
<td>(2.8)</td>
<td>(7.2)</td>
</tr>
<tr>
<td>High voltage Extra-high voltage (TWh,%)(*)</td>
<td>81.3</td>
<td>82.6</td>
<td>(1.3)</td>
<td>(1.6)</td>
</tr>
<tr>
<td>Total</td>
<td>117.3</td>
<td>121.4</td>
<td>(4.1)</td>
<td>(3.4)</td>
</tr>
</tbody>
</table>

**Reference**

- Electrical energy sold including group companies (**1**)
  - FY2018: 123.0
  - FY2017: 125.3
  - Change: (2.3) (1.8)

#### Other principal figures

<table>
<thead>
<tr>
<th>CIF price: crude oil ($/b)</th>
<th>FY2018 (Forecast)</th>
<th>FY2017 (Result)</th>
</tr>
</thead>
<tbody>
<tr>
<td>approx. 65</td>
<td>57.0</td>
<td></td>
</tr>
</tbody>
</table>

- FX rate (yen/$)
  - approx. 110
  - 110.9

- Nuclear power utilization rate (%)
  - FY2018: -
  - FY2017: -

#### Income sensitivity

<table>
<thead>
<tr>
<th>CIF price: crude oil (1$/b)</th>
<th>FY2018 (Forecast)</th>
<th>FY2017 (Result)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.0</td>
<td>8.0</td>
<td></td>
</tr>
</tbody>
</table>

- FX rate (1yen/$)  
  - 5.5

- Flow rate (1%)
  - 0.8
  - 0.7

- Interest rate (1%)
  - 4.5
  - 4.5

---

**Notes:**

- **1** The sum of the company, consolidated subsidiaries, and equity method companies.
- **2** These figures represent income sensitivity for fuel expenses. Fluctuation of CIF price (crude oil) and FX rate will be reflected in sales revenue, in cases where average fuel price fluctuates and fuel cost adjustment system will be applied.
- **3** The impact value of crude oil price includes the impact of LNG price because LNG price is subject to crude oil price.
Impact of Accrued Income Incurred by Fuel Cost Adjustment System in FY2018 (Forecast)

Average Fuel price (basis of fuel cost adjustment charge)

Fuel procurement price (basis of fuel cost)

Standard fuel price

*(Reference)*

Accrued income include the effect of time lag of gas supply business.
Policy of Return to Shareholders and Dividends for the Fiscal Year under Review, and the Fiscal Year to Come

**Policy of Return to Shareholders**
- The Company will work to maintain stable dividends after taking account of financial condition and other factors, while continuously investing in building and operating facilities that are essential for a safe and stable supply of electricity.

**Dividends for the fiscal year under review (FY2017)**
- For FY2017, the year-end dividends per share is expected to be 20 yen in comprehensive consideration of mid-to-long financial position, management environment, etc., in addition to the improvement of the fiscal balance due to continuous our management efficiency.

<table>
<thead>
<tr>
<th>Year</th>
<th>Interim Dividends per share (yen)</th>
<th>Year-end Dividends per share (yen)</th>
<th>Annual Dividends per share (yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2017</td>
<td>15</td>
<td>20</td>
<td>35</td>
</tr>
<tr>
<td>FY 2016</td>
<td>15</td>
<td>15</td>
<td>30</td>
</tr>
</tbody>
</table>

**Dividends for the fiscal year to come (FY2018)**
- For FY2018, on the assumption that we will work to expand revenue sources and further increase our management efficiency, annual dividends per share is expected to be 40 yen in comprehensive consideration of mid-to-long financial position, management environment, etc.
02 Management Situation
**Initiatives to Address Management Challenges and Toward Realization of Our “Vision”**

### Changing social structure

- Shrinking energy market
- Diversifying customer needs
- Growing importance of working style reform

### Changing business systems

- Intensifying competition among business operators
- Tightening nuclear regulations
- Business operation/structure changes

### Changing technology

- Spread of smart grids
- Progressing storage battery technology
- Progressive digital technology (blockchains, etc.)

### Changing environmental awareness

- Growing interest in ESG initiatives
- Introduction/expansion of renewable energy
- Formation of international frameworks for reducing greenhouse gases

#### “Initiatives to Address Management Challenges” (four priority measures)

1. Improving safety further at Hamaoka Nuclear Power Plant
2. Stable power supply for a new age
3. Strengthening our business base for growth and achieving sustainable growth
4. Establishing a business structure/management base that can respond instantly to environmental changes

#### Business goal

- Consolidated ordinary profit of 150 billion yen or more by FY2018

#### Strengthen business base for growth

- FY2019 – FY2022 (outlook)
  - Consolidated ordinary profit of 150 billion yen or more

#### Achieve goal

- Consolidated ordinary profit of 128.5 billion yen (FY2017)

#### Achieve continued growth

- Second half of 2020s (vision)
  - Consolidated ordinary profit of 250 billion yen or more

#### Management vision “Vision”

- A total energy service corporate group that is one step ahead

- New growth fields
  - Overseas energy business, etc.
  - Domestic energy business

- Deepen efforts to increase management efficiency
  - Increase revenue in the energy business
  - Open/commercialize new growth fields

- Thorough efforts to increase management efficiency

- Build a balanced business portfolio

- Build a total energy service corporate group that is one step ahead
Transition to a Business Model with Unbundling of Each Sector

- With the changes in the system, including full liberalization of the electricity retail market and the legal unbundling of the power transmission/distribution division, that made power generation, power transmission/distribution, and sales into different businesses, the operators of these businesses came to face their different markets (business activities area, business partners, customers).
- That is why we will make a transition by integration of the thermal power generation businesses into JERA and spinning off the power transmission/distribution and sales business to create a “business model with unbundling each sector”. This is different from our traditional “vertical integration business model,” in which operations from power generation to sales are conducted in an integrated system.
- By having each business entity facing its own market and carrying out autonomous initiatives, we will provide new services in addition to delivering a stable supply of high-quality energy in a safe and reasonable form.

**JERA** (complete integration of the thermal power generation business by Apr. 2019)
- Expand wholesale sales to a national scale utilizing the wholesale electricity market
- Accelerate collaboration with other business operators, expand equipment scale, and increase revenue
  
  Implement large-scale business expansion, beyond our traditional supply area
  
  Leverage economies of scale to deliver a stable supply of energy at a reasonable price

**Power Network Company** (spin off by Apr. 2020)
- Deliver a stable supply of high-quality energy in a safe and reasonable form
- Realize advanced power network services

**Sales Company** (details such as timing of spin off are under consideration)
- Strengthen competitiveness through procurement utilizing the wholesale electricity market
- Expand sales area
- Accelerate collaboration with wide-ranging business operators to flexibly meet customers’ needs
  
  In addition to flexible procurement that goes beyond just JERA, also achieve agile collaboration with a wide range of business operators
  
  In addition to reasonable energy, provide more customers with customer-focused service

---

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Under a strong determination to “not allow another accident like that at the Fukushima Daiichi Nuclear Power Plant,” the Hamaoka Nuclear Power Plant has strengthened its equipment measures to improve safety and is going through an inspection of conformity with new regulatory standards by the Nuclear Regulation Authority.

Furthermore, we have strengthened our ability to respond on-site to ensure equipment functions effectively in an emergency and our coordination with national and local governments, etc., in case of an accident or problem.

We will strive to improve safety further and provide careful explanations, aiming to be a power plant that earns more trust from the public.

### Main inspection items and progress of application for approval of nuclear reactor establishment/change

#### Earthquake/tsunami-related inspection
- Site vicinity
- On the site
- Underground structures
  - Oceanic intraplate earthquake
- Interplate earthquake
- Inland crustal earthquake
- Tsunami
  - Volcanic event/ground

#### Plant-related inspection
- Aseismic/anti-tsunami design policy
- Tornado
- Volcano
- External fire
- Other natural phenomenon
- Internal fire
- Internal inundation
- Effectiveness assessment
- Equipment/technical capabilities

### Strengthen ability to respond on-site in an emergency

- Participation in nuclear emergency response drills organized by Shizuoka Prefecture
- Education/training of personnel involved in activities to control an accident

### Strengthen coordination with nation/local governments, etc.

- Implementation of combined exercises with the Omaezaki Coast Guard Station

Legend: Mostly complete, Under deliberation, To be deliberation complete

As of Mar. 2018
In order for the business operator itself to squarely reconsider the safety of nuclear power and make efforts to continuously improve safety in the wake of the Fukushima Daiichi accident, the top management at Chubu Electric Power are taking responsibility for improving nuclear power safety and strengthening governance, risk management, and risk communication.

We will push ahead with responses to the new inspection system that stresses independent safety using risk information, which will be introduced in fiscal 2020.

**Strengthen governance**

Top management will listen to opinions/assessment from in and outside the company about risk and will establish systems for risk management.

- Internal information/risk assessment
- Management top
- Nuclear safety improvement meetings
- Opinions/assessment from outside
- Appropriate management decisions that contribute to improving nuclear safety
- Continual safety improvement at Hamaoka

**Strengthen risk management**

Establish/risk management (respond to new regulatory system)

- Consider means to use risk information
- Establish risk quantification model
- Improve/develop risk quantification methods
- Operate new risk management system; verify and improve it continually

**Strengthen risk communication**

Visit dialogues

- Meetings to exchange ideas
- Touring educational campaigns in the community
- Power plant tours

---

**Roadmap to strengthen risk management (new regulatory system compliance)**

<table>
<thead>
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</tbody>
</table>

▼ Introduction of new regulatory system
In response to output fluctuations in renewable energy (distributed energy resources), we will improve the accuracy of output prediction and conduct optimal operation of distribution system using IoT, etc.

On top of that, we will combine large-scale energy sources from the bulk electric system in an effort to provide a stable supply of power to the entire Chubu region.

Source: Japan Weather Association

FY2017: Start verification toward establishment of next-generation distribution system (Toyota City Verification Project)

Improving accuracy of output prediction (solar power generation)

Stable supply and demand adjustment for the entire Chubu region

Distribution system supply and demand balance coordination

Optimizing operations of distribution system using IoT, etc.

Upgraded power network

Stable power supply for the entire Chubu region

Timely, detailed prediction by area

Source: Japan Weather Association

<Prediction of intensity of solar radiation from satellite images>

Output prediction

Power supply for the home

Wind power

Hydro power

Industrial storage batteries

Household storage batteries
Aiming to strengthen our business base through improved management efficiency, we will continually work at reducing repair costs and will streamline equipment in light of changes in the supply-demand structure caused by the introduction/expansion of renewable energy.

[Specific initiative example: equipment rationalization using smart meters]

We will increase the capacity factor and reduce device costs by installing equipment according to customers’ actual power usage, based on the use of measurements from smart meters introduced.

<Decision method for equipment capacity/size>

Before smart meter introduction

After smart meter introduction

Choose equipment capacity/size based on customers’ contract capacity

Revise decision technique

Choose equipment capacity/size **according to customers’ actual usage**, based on the smart meters’ measurements

Optimize low-tension line size when making deterioration updates

Control replacement work when demand increases

Replacement work not needed

Control replacement work when demand increases

Replacement work not needed
Strengthening Our Business Base for Growth and Achieving Sustainable Growth

17 | Improve management efficiency to strengthen business base <2>

*[Specific initiative example: improving thermal efficiency of LNG combined cycle generation plants]*

We are working on cutting fuel costs by improving the efficiency of existing LNG combined cycle generation plants. The following construction projects are being planned or implemented to further improve thermal efficiency, restore summer output capacity, and extend intervals between inspections.

- Replacement of Kawagoe Thermal Power Station Unit No. 3’s gas turbine into a newer model (completed)
- Replacement of Joetsu Thermal Power Station’s hot gas turbine parts into a newer model (replacement underway)
- Replacement of Nishi-Nagoya Thermal Power Station Unit No. 7’s gas turbine into a newer model (replacement underway)

Harnessing the performance of latest gas turbine models, we are taking steps to further improve output change rates and shorten the time for starting up LNG combined cycle generation plants, in an effort to address significant supply-demand fluctuations stemming from an increase in solar power generation.
Strengthening Our Business Base for Growth and Achieving Sustainable Growth

18 | Improve management efficiency to strengthen business base <3>

**Specific initiative example: improving thermal efficiency of LNG combined cycle generation plants**

Based on past hazard results and process of failure development, we categorize periodic inspection items for distribution substation transformation equipment that undergo periodic inspection from preventive maintenance aspects into groups with “large” and “small”*1 impact that are caused during failure. We save costs by doing so and carefully examining necessary inspection items and cycles.

By evaluating hazards after previous inspection cycle extensions and by evaluating accelerated aging through the use of removed items, we extend the cycle for replacing parts during periodic inspections and save costs accordingly.

*1 Matters challenging energy supply or involving public safety issues are categorized as “large” impact. Issues that constrain operation are grouped into the “small” impact category.

**Review of periodic inspection (items and cycles)**

<table>
<thead>
<tr>
<th>Target: distribution substation</th>
</tr>
</thead>
</table>

**Before**

Inspections are conducted under a constant cycle and on a per-item basis

- Inspection of circuit breaker bushing
- Inspection of transformer pressure relay
- Inspection of disconnecting switch body

*All of these are preventive maintenance initiatives*

**After**

Inspection approaches (e.g. extension of preventive maintenance cycle, corrective maintenance) are streamlined on a per-item basis

- **Large influence**
  - Status monitoring*2 + preventive maintenance (cycle extension)
  - Inspection of circuit breaker bushing

- **Small influence**
  - Status monitoring*2 + corrective maintenance
  - Inspection of disconnecting switch body

**Damage in bushing**

⇒ Influence on public safety

<example>

- Inspection: once in 6 years

⇒ Status monitoring + Inspection: once/12 years

**Relay device malfunction caused power outage**

⇒ Risk of power loss

<example>

- Inspection: once in 6 years

⇒ Status monitoring + Inspection: once/12 years

**Malfunctioning of disconnecting switch**

⇒ Risk of constraining operation

<example>

- Inspection: once in 24 years

⇒ Status monitoring + corrective maintenance

*2 Rounds, equipment performance tests, temperature measurement of energized cables, transformer anomaly diagnoses (e.g. in-oil gas analysis)

**Cycle extension for replacing parts during periodic inspections**

<table>
<thead>
<tr>
<th>Target: all substation</th>
</tr>
</thead>
</table>

<example of cycle extension>

Replacement of circuit breaker’s magnetic contactor

- **Before**: 18 years

- **After**: 24 years

<example>

- Inspection: once in 6 years

⇒ Status monitoring + Inspection: once/12 years

- Inspection: once in 24 years

⇒ Status monitoring + corrective maintenance

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Strengthening Our Business Base for Growth and Achieving Sustainable Growth

Accelerate growth after completion of value chain in JERA

- We will complete a whole value chain from upstream investments and fuel procurement through power generation to power and gas wholesale sales by integrating our existing thermal power generation business, etc., with JERA in April 2019.
- We will aim to become a global energy corporate group by producing synergistic effects with the already integrated fuel/overseas power generation business and energy infrastructure business and by accelerating growth in each business field.

[Initiatives after value chain completion]

- Fuel upstream
  - Accelerate renewable energy development
  - Develop global-level O&M business

- Fuel procurement
  - World’s largest fuel trading scale
    - [Investment projects]
      - [At present] 5 projects
      - [FY2025] Approx. 10 projects
  - [Developed output]
    - [At present] 8 million kW
    - [FY2025] Approx. 15 million kW

- Fuel trading/sales
  - Return trading knowhow to domestic thermal power business
  - Expand gas/LNG wholesale sales

- Fuel transportation
  - Expand JERA-owned carrier fleet
  - [Developed output]
    - [At present] 16 vessels
    - [FY2025] Approx. 25 vessels

- Domestic power generation
  - Electricity/gas market trading; expand third-party sales
  - Optimize power source portfolio to balance strengthening of cost competitiveness and achievement of low-carbon
  - Rationalization through joint procurement of equipment and materials
  - Improve efficiency through competitive O&M model in the global market

Optimization through integrated operation of the entire value chain

Income/expenditure standard: net income of around 200 billion yen in FY2025

Synergy from JERA integration

- At least 100 billion yen/year (within 5 years after integration)
  - Efficiency effect: 60 billion yen / income growth: 40 billion yen

Stably deliver energy that is internationally competitive / Increase the corporate value of the Chubu Electric Power Group

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Provide energy services that continue to be chosen by customers

- In order to continue to be chosen by customers in a liberalized retailing market, we will deliver new services that meet customers’ needs using IoT, etc., not just stable, affordable energy.
- Also, aiming for sustainable growth, we will work at business expansion centered on the Tokyo metropolitan area.

**Intensifying competition following electricity/gas liberalization**

**Aiming for sustainable growth**

**Services focused on daily life**

- Online services with rich content
- Life support services, etc.

**Active gas & power development**

- Optimal energy procurement
- Optimal electricity/gas projects according to customer needs

**[Sales alliance with KDDI]**
- Alliance in gas sales and point linkage (to start in June 2018)
- Electricity sales (to start around this summer)

**[Target for FY2018]**

- Gas applications in the Chubu region: 125.3 thousand (as of Apr. 2018)
- Acquire 200 thousand customers by FY2018

**[Target for FY2030]**

- Electric power sold: 125.3 billion kWh (FY2017 result)
  - Second half of 2020s
  - Maintain 130 billion kWh/year

**[Gas/LNG sold]**

- 863,000 tons (FY2017 result)
  - Second half of 2020s
  - Increase to 3 million tons/year

**Expand sales through collaboration with partner companies and other business operators**

- Started discussions on sales partnership with Premium Water (Jan. 2018)
- Started discussions on sales partnership with Kikuya (Jan. 2018)
- Establish sales business company for energy (Joint venture with Osaka Gas: Apr. 2018)
- Electricity sales in Kansai area (Apr. 2018), etc.

**Diversification of services**

**[Energy Direct]**

- Optimal energy procurement
- Optimal electricity/gas projects according to customer needs

- Acquire 200 thousand customers by FY2018

- Acquire 300 thousand customers by FY2018
The Chubu Electric Power Group has contributed to regional development through the energy business. In order to help resolve social issues faced by communities, we will establish growth fields by working at providing “new forms of community.”

Services to raise the quality of life of individuals by using various data

Approach of attempting to maintain and raise quality of life by making use of our customer base and various data, focusing on the inconveniences of each customer’s life

Combine two approaches in various ways

Establish new growth fields

Provide new forms of community

Community services based on connecting and evolving several kinds of social infrastructure

Approach of making customers’ lives convenient and comfortable by evolving energy infrastructure into community support infrastructure that can meet social issues, working on community units of a certain scope

We have cultivated in the energy business

- connections and relationships of trust with customers in the community,
- knowhow building and operating electricity infrastructure, and
- energy saving and CO2 reduction proposals based on optimal use of energy that leverage our technical capabilities, proposal capabilities, and relationships of trust with customers.
We carry out business activities with awareness of ESG (environment, society, and governance), in order to fulfill our corporate social responsibility (CSR), increase our medium- to long-term corporate value, and contribute to the sustainable development of society.

(E) Environment

In line with the Chubu Electric Power Group Basic Environmental Policy, we establish action plans as specific goals and practice environmental management.

### Reduce CO2 emissions
- Develop, introduce, and expand renewable energy
  - Actively develop power sources
  - Increase connection volume to transmission lines
- Increase thermal efficiency of thermal power generation
  - World-class high efficiency power generators
  - Optimize power plant operation using IoT
- Use nuclear power generation

### Help customers/communities reduce CO2
- Energy solutions & energy saving support
  1. Current situation survey
  2. Analysis/assessment
  3. Planning/proposal
  4. Cooperation (implementation)
- Energy management
  - HEMS
  - Storage batteries
  - Solar power generation
  - EcoCute
  - EV

### Practice environmental management
- Harmony with nature
- Achieve recycling society
- Local and global cooperation

[Image of our reduction of CO2 emission intensity]
Establishing a Business Structure/Management Base that can Respond Instantly to Environmental Changes

23 | Carrying out ESG management (S・G)

S (Social)
So that employees will work with vitality, we will promote work-life balance, based on the idea that life (physical and mental health and a fulfilling life) is the foundation. Also, we will contribute to sustainable development of communities by valuing communication with members of the community.

G (Governance)
Aiming for sustainable growth, we will strive to further enhance our corporate governance, taking fairness and transparency as the core of management. In April 2018, we will establish a Risk Management Meeting and make a structure for integrated management of risks that would have a material effect on the company’s management.

For employees

Work style reform (increase productivity)
- Expand flextime system company-wide (from April 2018)
- Introduce telework (from April 2018)

Promote diversity
- Provide continual training to double, at least, the number of women in managerial positions compared to FY2014 (FY2020)

Health management
- Complete medical check-ups for all employees (from April 2019)

For the community

Communication with community members
- Cooperation with universities (Mie University, etc.)
- Women monitors (tours of energy facilities, etc.)

Social contribution activities
- PR for safe electricity use
- Guest classes / workplace experience

Risk management system

Conventional

Board of Directors
Executive Officers’ Meeting
Risk management
Risk reporting
Companies and offices/divisions

From April 2018

Board of Directors
Risk Management Meeting
Company-wide risk management
Risk reporting
Risk coping policy, etc.
Brining up/reporting important issues
Coordination
Directions

Companies and offices/divisions
Individual risk management / business execution

Natural disaster risk  
Cyber risk  
Market risk  
Compliance risk  
...
Reference Data (1) : Financial Contents
<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
<th>Change (A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td>2,853.3</td>
<td>2,603.5</td>
<td>249.7</td>
<td>9.6</td>
</tr>
<tr>
<td>Non-operating revenues</td>
<td>27.8</td>
<td>18.4</td>
<td>9.4</td>
<td>51.2</td>
</tr>
<tr>
<td>Ordinary revenues</td>
<td>2,881.2</td>
<td>2,621.9</td>
<td>259.2</td>
<td>9.9</td>
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<tr>
<td>Operating expenses</td>
<td>2,716.8</td>
<td>2,467.0</td>
<td>249.7</td>
<td>10.1</td>
</tr>
<tr>
<td>Non-operating expenses</td>
<td>35.8</td>
<td>33.4</td>
<td>2.4</td>
<td>7.3</td>
</tr>
<tr>
<td>Ordinary expenses</td>
<td>2,752.6</td>
<td>2,500.5</td>
<td>252.1</td>
<td>10.1</td>
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<tr>
<td>&lt;Operating income&gt;</td>
<td>&lt;136.5&gt;</td>
<td>&lt;136.4&gt;</td>
<td>&lt;0.0&gt;</td>
<td>&lt;0.0&gt;</td>
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<tr>
<td>Ordinary income</td>
<td>128.5</td>
<td>121.4</td>
<td>7.0</td>
<td>5.8</td>
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<tr>
<td>Reserve for fluctuation in water levels</td>
<td>(0.0)</td>
<td>(0.3)</td>
<td>0.3</td>
<td>-</td>
</tr>
<tr>
<td>Extraordinary income (loss)(*)</td>
<td>(23.3)</td>
<td>30.2</td>
<td>(53.6)</td>
<td>-</td>
</tr>
<tr>
<td>Income taxes</td>
<td>28.4</td>
<td>35.2</td>
<td>(6.7)</td>
<td>(19.3)</td>
</tr>
<tr>
<td>Net income attributable to non-controlling interests</td>
<td>2.3</td>
<td>2.2</td>
<td>0.1</td>
<td>5.2</td>
</tr>
<tr>
<td>Net income attributable to owners of parent</td>
<td>74.3</td>
<td>114.6</td>
<td>(40.2)</td>
<td>(35.1)</td>
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</tbody>
</table>

* FY2017 : Impairment loss  
FY2016 : Gain on change in equity
## Non-consolidated Statements of Income <1>: Operating revenues

(Rounded down to nearest 100 million yen.) (Billion yen,%)

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
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</thead>
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<tr>
<td>Electricity sales revenues</td>
<td>2,145.3</td>
<td>2,027.6</td>
<td>117.6</td>
<td>5.8</td>
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<tr>
<td>Sold power to other electric utilities(*1)</td>
<td>79.9</td>
<td>55.4</td>
<td>24.5</td>
<td>44.3</td>
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<tr>
<td>transmission revenue, etc. (*2)</td>
<td>61.6</td>
<td>30.5</td>
<td>31.1</td>
<td>102.1</td>
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<tr>
<td>Grant under act on purchase of renewable energy sourced electricity</td>
<td>227.3</td>
<td>203.4</td>
<td>23.9</td>
<td>11.7</td>
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<tr>
<td>Other</td>
<td>28.6</td>
<td>26.5</td>
<td>2.0</td>
<td>7.8</td>
</tr>
<tr>
<td><strong>Electricity business operating revenues</strong></td>
<td><strong>2,542.9</strong></td>
<td><strong>2,343.5</strong></td>
<td><strong>199.3</strong></td>
<td><strong>8.5</strong></td>
</tr>
<tr>
<td><strong>Incidental businesses operating revenues</strong></td>
<td><strong>54.1</strong></td>
<td><strong>46.1</strong></td>
<td><strong>8.0</strong></td>
<td><strong>17.5</strong></td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td><strong>2,597.1</strong></td>
<td><strong>2,389.7</strong></td>
<td><strong>207.4</strong></td>
<td><strong>8.7</strong></td>
</tr>
</tbody>
</table>

*1 Sold power to other utilities, and Sold power to other suppliers  
*2 Transmission revenue and Settlement revenue among utilities

**Major factors for change**

- An increase in fuel cost adjustment charge : +118.4  
- An increase in surcharge under act on purchase of renewable energy sourced electricity : +43.2  
- An increase in market transaction sales  
- An increase in purchase of renewable energy sourced electricity  
- Gas supply business : +9.2  
  (rise in unit price of revenues)  
  <Gas/LNG sold>  
  846 thousand tons → 863 thousand tons
## Non-consolidated Statements of Income <2>: Operating expenses

(Rounded down to nearest 100 million yen.) (Billion yen, %)

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
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</thead>
<tbody>
<tr>
<td>Salaries and employee benefits</td>
<td>181.0</td>
<td>176.2</td>
<td>4.8</td>
<td>2.8</td>
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<tr>
<td>Fuel</td>
<td>713.6</td>
<td>614.5</td>
<td>99.0</td>
<td>16.1</td>
</tr>
<tr>
<td>Nuclear back-end expenses (*1)</td>
<td>12.8</td>
<td>13.3</td>
<td>(0.5)</td>
<td>(3.8)</td>
</tr>
<tr>
<td>Purchased power etc. (*2)</td>
<td>405.3</td>
<td>346.8</td>
<td>58.5</td>
<td>16.9</td>
</tr>
<tr>
<td>Transmission charges etc. (*3)</td>
<td>17.5</td>
<td>10.0</td>
<td>7.5</td>
<td>74.6</td>
</tr>
<tr>
<td>Maintenance</td>
<td>184.9</td>
<td>204.6</td>
<td>(19.7)</td>
<td>(9.6)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>247.4</td>
<td>236.2</td>
<td>11.1</td>
<td>4.7</td>
</tr>
<tr>
<td>Taxes other than income taxes</td>
<td>123.4</td>
<td>123.8</td>
<td>(0.3)</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Levy under act on purchase of renewable energy sourced electricity</td>
<td>276.7</td>
<td>233.4</td>
<td>43.2</td>
<td>18.5</td>
</tr>
<tr>
<td>Other</td>
<td>266.7</td>
<td>272.4</td>
<td>(5.7)</td>
<td>(2.1)</td>
</tr>
<tr>
<td><strong>Electricity business operating expenses</strong></td>
<td>2,429.8</td>
<td>2,231.7</td>
<td>198.0</td>
<td>8.9</td>
</tr>
<tr>
<td><strong>Incidental business operating expenses</strong></td>
<td>52.6</td>
<td>40.6</td>
<td>11.9</td>
<td>29.3</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>2,482.4</td>
<td>2,272.4</td>
<td>209.9</td>
<td>9.2</td>
</tr>
</tbody>
</table>

### Major factors for change

- Operational deterioration of pension assets
- Differences in power generated: -23.4
  - Improvement of thermal Efficiency: -11.0
  - A decrease in thermal power generated: -12.4
- Differences in unit price: +122.4
- An increase in purchase of renewable energy sourced electricity
- An increase in extra-regional supply
- A decrease in thermal (Inspectional construction cost)
- Depreciation of Nishi-Nagoya Thermal Power Plant Unit No.7
- Gas supply business: +12.2

---

*1 Contributions for reprocessing of irradiated nuclear fuel, Designated radioactive waste disposal expenses, Decommissioning nuclear power plants

*2 Purchased power from other utilities, Purchased power from other suppliers, Portion of the existing power generation expenses such as spent fuel reprocessing for which contracts have been signed

*3 Transmission charges, supply connection transmission charges, Settlement revenue among utilities

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## Non-consolidated Statements of Income <3>: Net income

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
<th>(A-B)/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>114.7</td>
<td>117.2</td>
<td>(2.5)</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Non-operating revenues</td>
<td>10.8</td>
<td>13.0</td>
<td>(2.2)</td>
<td>(17.3)</td>
</tr>
<tr>
<td>Non-operating expenses</td>
<td>33.6</td>
<td>31.1</td>
<td>2.4</td>
<td>7.8</td>
</tr>
<tr>
<td>Ordinary revenues</td>
<td>2,607.9</td>
<td>2,402.7</td>
<td>205.1</td>
<td>8.5</td>
</tr>
<tr>
<td>Ordinary expenses</td>
<td>2,516.0</td>
<td>2,303.6</td>
<td>212.4</td>
<td>9.2</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>91.8</td>
<td>99.1</td>
<td>(7.2)</td>
<td>(7.3)</td>
</tr>
<tr>
<td>Reserve for fluctuation in water levels</td>
<td>(0.0)</td>
<td>(0.3)</td>
<td>0.3</td>
<td>-</td>
</tr>
<tr>
<td>Extraordinary loss</td>
<td>22.3</td>
<td>-</td>
<td>22.3</td>
<td>-</td>
</tr>
<tr>
<td>Income taxes</td>
<td>21.0</td>
<td>27.4</td>
<td>(6.4)</td>
<td>(23.3)</td>
</tr>
<tr>
<td>Net income</td>
<td>48.5</td>
<td>72.0</td>
<td>(23.4)</td>
<td>(32.6)</td>
</tr>
</tbody>
</table>

(Rounded down to nearest 100 million yen.) (Billion yen,%)

【Major factors for change】
- Electricity business : +1.3 (111.8 → 113.1)
- Incidental business : -3.8 (5.4 → 1.5)
- Impairment loss relating thermal power plants etc.
## Consolidated and Non-consolidated Financial Standing

<table>
<thead>
<tr>
<th></th>
<th>2018.3 (A)</th>
<th>2017.3 (B)</th>
<th>Change (A-B)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>5,530.1</td>
<td>5,412.3</td>
<td>117.8</td>
</tr>
<tr>
<td>Non-consolidated</td>
<td>5,001.2</td>
<td>4,956.5</td>
<td>44.6</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>3,738.2</td>
<td>3,687.5</td>
<td>50.6</td>
</tr>
<tr>
<td>Non-consolidated</td>
<td>3,556.1</td>
<td>3,535.9</td>
<td>20.2</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>1,791.9</td>
<td>1,724.7</td>
<td>67.2</td>
</tr>
<tr>
<td>Non-consolidated</td>
<td>1,445.0</td>
<td>1,420.5</td>
<td>24.4</td>
</tr>
<tr>
<td><strong>Shareholders' equity ratio (%)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>31.3</td>
<td>31.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Non-consolidated</td>
<td>28.9</td>
<td>28.7</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Outstanding interest-bearing debt</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>2,595.6</td>
<td>2,674.7</td>
<td>(79.1)</td>
</tr>
<tr>
<td>Non-consolidated</td>
<td>2,569.4</td>
<td>2,662.8</td>
<td>(93.3)</td>
</tr>
</tbody>
</table>

(Rounded down to nearest 100 million yen.)
### Segment Information

#### Operating revenues

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>external customers</td>
<td>external customers</td>
<td>external customers</td>
</tr>
<tr>
<td>Power Generation</td>
<td>1,097.6</td>
<td>986.2</td>
<td>111.3</td>
</tr>
<tr>
<td>Power Network</td>
<td>744.6</td>
<td>732.9</td>
<td>11.7</td>
</tr>
<tr>
<td>Customer Service &amp; Sales</td>
<td>2,633.8</td>
<td>2,452.6</td>
<td>181.2</td>
</tr>
<tr>
<td>Others (*)</td>
<td>706.1</td>
<td>710.1</td>
<td>(4.0)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,853.3</td>
<td>2,603.5</td>
<td>249.7</td>
</tr>
</tbody>
</table>

*(Rounded down to nearest 100 million yen.)*

#### Operating income and loss

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Generation</td>
<td>38.2</td>
<td>61.2</td>
<td>(23.0)</td>
</tr>
<tr>
<td>Power Network</td>
<td>55.2</td>
<td>35.0</td>
<td>20.1</td>
</tr>
<tr>
<td>Customer Service &amp; Sales</td>
<td>38.1</td>
<td>51.1</td>
<td>(12.9)</td>
</tr>
<tr>
<td>Others (*)</td>
<td>7.1</td>
<td>(8.5)</td>
<td>15.6</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>138.8</td>
<td>138.9</td>
<td>(0.1)</td>
</tr>
</tbody>
</table>

*(Rounded down to nearest 100 million yen.)*

* "Others" is business segment that is excluded from reporting segments and includes nuclear power division, administrative division and other consolidated subsidiaries.*
### Consolidated Statements of Cash Flows

<table>
<thead>
<tr>
<th></th>
<th>FY2017 (A)</th>
<th>FY2016 (B)</th>
<th>Change (A-B)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities (a)</strong></td>
<td>424.1</td>
<td>335.0</td>
<td>89.0</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities (b)</strong></td>
<td>(344.4)</td>
<td>(360.2)</td>
<td>15.7</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities (c)</strong></td>
<td>(88.6)</td>
<td>21.0</td>
<td>(109.7)</td>
</tr>
<tr>
<td><strong>Net decrease in cash and cash equivalents (a)+(b)+(c)</strong></td>
<td>(9.0)</td>
<td>(4.0)</td>
<td>(4.9)</td>
</tr>
<tr>
<td><strong>Free cash flows (a)+(b)</strong></td>
<td>79.6</td>
<td>(25.1)</td>
<td>(104.8)</td>
</tr>
</tbody>
</table>

*(Rounded down to nearest 100 million yen.)* *(Billion yen)*
Impact of the Feed-in-Tariff Scheme for Renewable Energy

<Result of FY2017 (change from the previous year in parenthesis)>

Renewable energy generator

Purchased cost (Purchased power from other suppliers)
292.2 billion yen (+45.3 billion yen)

Electric utility

Surcharge under act on purchase of renewable energy sourced electricity
276.7 billion yen (+43.2 billion yen)

Cost Bearing Adjustment Organization
(Green Investment Promotion Organization)

Levy under act on purchase of renewable energy sourced electricity
276.7 billion yen (+43.2 billion yen)

Avoidable

Effect of reducing fossil fuel power generation in conjunction with purchase

Grant under act on purchase of renewable energy sourced electricity
227.3 billion yen (+23.9 billion yen)

Electric customers

Purchased cost (Purchased power from other suppliers)
292.2 billion yen (+45.3 billion yen)
[Ordinary Income(Loss)]

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-Consolidated</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>135.0 billion yen</td>
<td>100.0 billion yen</td>
</tr>
<tr>
<td>2010</td>
<td>115.0 billion yen</td>
<td>85.0 billion yen</td>
</tr>
</tbody>
</table>

[Net Income(Loss)]

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-consolidated</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td></td>
<td>100.0 billion yen</td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td>85.0 billion yen</td>
</tr>
</tbody>
</table>

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Cash Flow (Consolidated)

(billion yen)

- Cash Flows from Operating Activities
- Cash Flows from Investing Activities
- FCF

2009: 539.1 (billion yen)  
2010: 449.7 (billion yen)  
2011: 176.8 (billion yen)  
2012: 227.6 (billion yen)  
2013: 203.7 (billion yen)  
2014: 476.8 (billion yen)  
2015: 562.4 (billion yen)  
2016: 335.0 (billion yen)  
2017: 424.1 (billion yen)  
2018 (FY): 320.0 (billion yen) (Forecast)

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We raised total approx. 1,500.0 billion yen in long-term funding for 3 years since the shutdown of Hamaoka Nuclear Power Station.

We forecast to raise approx. 70.0 billion yen in long-term funding in FY2018.

We forecast outstanding Interest-bearing debt to become approx. 3,000.0 billion yen on consolidated base in FY2018, and approx. 2,900.0 billion yen based on non-consolidated in FY2018.

* Forecast after integration of existing thermal power generation businesses into JERA
### Financial Ratio, Credit Ratings

#### Shareholders’ equity ratio

- **Approx. 33% as of Apr. 2019** (Consolidated)
- **Approx. 31% as of Apr. 2019** (Non-Consolidated)
- **Approx. 30% at the end of FY2018** (Consolidated)

#### Debt-Equity ratio

- **Approx. 1.7 times at the end of FY2018** (Consolidated)
- **Approx. 2.0 times at the end of FY2018** (Non-Consolidated)
- **Approx. 1.6 times as of Apr. 2019** (Non-Consolidated)
- **Approx. 1.4 times as of Apr. 2019** (Consolidated)

#### Credit ratings (long-term)

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>A3</th>
<th>A+</th>
<th>AA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody's</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R&amp;I</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JCR</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Forecast after integration of existing thermal power generation businesses into JERA*
ROA and ROE

[ROA]

Non-Consolidated
Consolidated

Approx. 3%
(Non-Consolidated, Consolidated)


[ROE]

Non-Consolidated
Consolidated

Approx. 6%
(Non-Consolidated, Consolidated)

### Sales Figures

<table>
<thead>
<tr>
<th>Region</th>
<th>Description</th>
<th>FY2017</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chubu region</strong></td>
<td>The number of applications; New electric tariff menu</td>
<td>1.41 million</td>
<td>—</td>
</tr>
<tr>
<td><strong>Outside of Chubu region</strong></td>
<td>Electrical energy sold in the Tokyo metropolitan area</td>
<td>5.2 billion kWh</td>
<td>Increase to 30.0 billion kWh/year (second half of 2020s)</td>
</tr>
<tr>
<td></td>
<td>The number of applications; Electricity in the Tokyo metropolitan area</td>
<td>210 thousand</td>
<td>Acquire 300 thousand customers by FY2018</td>
</tr>
<tr>
<td><strong>Gas</strong></td>
<td>Gas and LNG sold</td>
<td>863 thousand tons</td>
<td>Increase to 3,000 thousand tons/year (second half of 2020s)</td>
</tr>
<tr>
<td></td>
<td>The number of applications; Gas (for household, etc.)</td>
<td>117 thousand</td>
<td>Acquire 200 thousand customers by FY2018</td>
</tr>
<tr>
<td></td>
<td>KatEne members</td>
<td>1.95 million</td>
<td>—</td>
</tr>
</tbody>
</table>
Reference Data (2) : Management Information
In cooperation with Toyota Motor Corporation, we will start new verification aimed at establishing a high-capacity storage battery system that reuses storage batteries for EVs, in order to use it in various distribution system issues caused by the introduction/expansion of renewable energy.

FY2018: Start verification of storage battery system
FY2020: Plan to introduce approx. 10,000 kW generation output / equivalent to 10,000 batteries

Even batteries whose performance has dropped on an individual basis can be reused in combination.

Example use of storage battery system

[1: Use for supply and demand adjustment]
- Daylight hours when solar power generation is sufficient ⇒ Charge supply surplus
- Night time hours, etc. ⇒ Use charged batteries

[2: Use for responding to frequency fluctuations]
- Control frequency fluctuations by using storage battery charging/discharging to absorb output fluctuations caused by renewable energy.
**Strengthening Our Business Base for Growth and Achieving Sustainable Growth**

**Initiatives of JERA <1>**

### Domestic power generation business (New establishment and replacement)

Bring together the knowledge and technology of both companies to establish and replace thermal power stations, and thereby seek a balance between achieving improved competitiveness and addressing global warming issues. We will develop fair competitive activities and realize sound market development in the newly established domestic electric power market etc.

#### Place (Fuel) | Output | Start of operation
--- | --- | ---
Hitachinaka (Coal) | 650 MW | FY 2020
Goi (LNG) | Approx. 2,340 MW | FY 2022 - FY 2023
Anegasaki (LNG) | Approx. 1,950 MW | FY 2022 - FY 2023
Yokosuka (Coal) | Approx. 1,300 MW | FY 2023

### Assets subjected to integration of existing thermal power generation businesses into JERA

<table>
<thead>
<tr>
<th>Assets subjected to integration</th>
<th>Chubu</th>
<th>TEPCO FP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thermal power generation business</td>
<td>Existing thermal power generation</td>
<td>10 locations*1</td>
</tr>
<tr>
<td>Generation capacity*3 (MW)</td>
<td>2,341</td>
<td>4,296</td>
</tr>
<tr>
<td>Electricity generated*4 (billion kWh)</td>
<td>1,102</td>
<td>1,902</td>
</tr>
<tr>
<td>Fuel acceptance/storage/gas transmission business</td>
<td>LNG terminals</td>
<td>Owned terminals: 3 locations<em>5 Joint terminal: 1 location</em>6</td>
</tr>
<tr>
<td>Tank capacity (million kL)</td>
<td>1.93</td>
<td>2.98</td>
</tr>
<tr>
<td>Payout amount*4 (million tons)</td>
<td>12.77</td>
<td>22.57</td>
</tr>
<tr>
<td>Related companies</td>
<td>Subsidiaries</td>
<td>2 companies*9</td>
</tr>
<tr>
<td></td>
<td>Affiliated companies</td>
<td>2 companies*11</td>
</tr>
</tbody>
</table>

---

*1 Shin-Nagoya, Yokkaichi, Chita, Taketoyo, Nishi-Nagoya, Atsumi, Chita Daini, Kawagoe, Hekinan, Joetsu
*2 Futtsu, Chiba, Goi, Anegasaki, Sodegaura, Yokohama, Yokosuka, Kawasaki, Minami-Yokohama, Higashi-Ogishima, Oi, Shinagawa, Hitachinaka, Hirono
*3 As of 1 January 2018
*4 Results for FY2016
*5 Kawagoe LNG Terminal, Yokkaichi LNG Center, Joetsu LNG Terminal
*6 Chita LNG Joint Terminal
*7 Futtsu LNG Terminal, Higashi-Ogishima LNG Terminal
*8 Sodegaura LNG Joint Terminal, Negishi LNG Joint Terminal
*9 Chita LNG Co., Ltd., Chita Berth Co., Inc.

(Only equity method affiliated companies)
**Strengthening Our Business Base for Growth and Achieving Sustainable Growth**

### Initiatives of JERA<2>

#### [Fuel business (upstream, procurement, transportation, trading)]

Optimum portfolio is created using the world's largest procurement scale and trading, and fuel procurement that can flexibly respond to change of business environment in the future is realized.

- **Creation of optimum portfolio of LNG**
  - **Procurement with short-term and spot contract**
    - 5 MTPA
  - **Procurement with long-term contract**
    - 35 MTPA
  - **Long-term contract (Existing contract)**
    - 15 MTPA
  - **Long-term contract (Existing contract)**
    - FY 2030

Factors contributing to change in handling scale:
- Expansion of external sales
- Improvement of power generation efficiency
- Energy Policy

#### Factors contributing to change in handling scale:

- **Creation of optimum portfolio of LNG**
  - Combine various contracts to form the optimum portfolio*
- Procurement with long-term contract
- Examination of acquisition of upstream concession at the same time

* Procurement by combining short-term and spot contract which has exceptional elasticity of procurement amount and long-term contract which has exceptional economy and stability

<table>
<thead>
<tr>
<th>Date</th>
<th>Initiative</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec, 2016</td>
<td>(Coal) Signing of binding agreements for the acquisition of EDF Trading’s coal and freight business</td>
<td>Following completion of the transaction, JERA Trading (“JERAT”) will become one of the largest coal traders globally, with a major presence in both the Atlantic and Pacific basins and total physical coal sales of approximately 60 million tonnes per annum.</td>
</tr>
<tr>
<td>Oct, 2017</td>
<td>(LNG) Conclusion of LNG Sales and Purchase HOA with Malaysia LNG</td>
<td>JERA will continue to focus on building and maintaining an optimal LNG procurement portfolio that enables economical and competitive procurement, as well as flexibility to respond to changes in the business environment.</td>
</tr>
<tr>
<td>Dec, 2017</td>
<td>(LNG) Signing of a non-binding agreement for an LNG optimization joint venture through JERAT with EDF Trading.</td>
<td>JERAT would become the exclusive LNG optimizer for JERA and the EDF Group, managing their collective short-term optimization activity in the LNG markets.</td>
</tr>
</tbody>
</table>

#### Overseas power generation business

By expanding power generation and energy infrastructure business overseas, economic growth and reduction of environmental load in developing countries are supported and new revenue source is acquired.

<table>
<thead>
<tr>
<th>Date</th>
<th>Initiative</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan, 2017</td>
<td>(US) Participation in Cricket Valley Gas Thermal IPP</td>
<td>The first new power generation project outside of Japan in which JERA will take part, after succession of overseas power generation business</td>
</tr>
<tr>
<td>Feb, 2017</td>
<td>(India) Participation in Renewable Energy Business</td>
<td>Acquisition of a part of shares from ReNew in India. Aim to construct the power generation portfolio that includes renewable energy.</td>
</tr>
<tr>
<td>Oct, 2017</td>
<td>(US) Participation in Linden Gas Thermal IPP</td>
<td>Actively participate in energy projects situated in its portfolio regions to ultimately become a key player in energy markets in those regions. JERA will also seek to benefit from gaining knowledge of NYISO, one of the most advanced US power markets.</td>
</tr>
</tbody>
</table>
Strengthening Our Business Base for Growth and Achieving Sustainable Growth

Provide energy services that continue to be chosen by customers (expand business in the Tokyo metropolitan area)

- We will jointly establish a new company with Osaka Gas to conduct sales of services related to electric power/gas, lifestyle, and business.
- By combining management resources and business knowhow cultivated by both companies in the electricity and gas businesses and making the most of them in the Tokyo metropolitan area, we will contribute to society by maximizing the value provided to household and corporate customers.

<table>
<thead>
<tr>
<th>Company name</th>
<th>CD Energy Direct Co., Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned date of establishment</td>
<td>Apr. 2, 2018</td>
</tr>
<tr>
<td>Capital</td>
<td>1.75 billion yen (Chubu Electric Power: 50% Osaka Gas: 50%)</td>
</tr>
<tr>
<td>Business</td>
<td>Business selling services related to electricity and gas as well as lifestyle and business in the Tokyo metropolitan area</td>
</tr>
</tbody>
</table>

Characteristic of electricity business
Stably deliver electricity widely to every corner of an area, regardless of demand density
- Integrated development solutions for building production equipment with customers
- Online services with rich content
- Electric power sales performance and knowhow in the Tokyo metropolitan area
- Visualization and improvement proposals using IoT technology

Characteristic of gas business
Ensure safety by providing equipment and services through close contact with customers
- Solutions to improve productivity through custom development, including industrial burners
- Energy saving through cogeneration and remote control
- Gas safety knowhow delivering safety and peace of mind
- New services and preventive maintenance using big data analysis for gas equipment
- Gas safety knowhow delivering safety and peace of mind

Household customers
Provide comfortable and convenient living through optimal use of electricity and gas

Corporate customers
Provide business solutions with excellent economic and environmental performance by leveraging electrification technology and combustion technology

Furthermore, we will create “new value” useful in living and business through services using IoT technology with the aim of establishing a new business model and providing services that go beyond the framework of the energy business operator.
Strengthening Our Business Base for Growth and Achieving Sustainable Growth

Establish new growth fields (provide new forms of community)

Provide various “new forms of community”

- **For new community development in urban areas:** Development of safe communities where children and senior citizens can live with a sense of security
- **For provincial cities with declining populations:** Revitalization of the local economy through local production for local consumption of renewable energy

- Economical and low-carbon local transportation using movement data and renewable energy
- Development of attractive communities through establishment of community support infrastructure

- **For local communities such as schools:** Watching over children as they go to and from school through coordination of movement data
- Broadcasting of safe transit routes in real time and guiding of children

- **For households attempting to balance work and parenting:**
- Care of and watching over children through utilization of household data and remote control of household devices

- **For families living far away**
- Sharing of electricity between families living far away
- Watching over the health of parents living in far removed communities by coordinating household data and medical data

- **For far removed individuals**
- Easy trading of surplus solar power-generated electricity between individuals by matching the needs of far removed individuals

**Services to improve the quality of life of individuals by utilizing various data**

- **Data platform**
- **Data use and service provision by companies besides us**

**Expand data through service provision**

**Services to improve quality of life**

- **Data platform**
- **Data use and service provision by companies besides us**

**Provide various “new forms of community”**

- **For new community development in urban areas:** Development of safe communities where children and senior citizens can live with a sense of security

- **For provincial cities with declining populations:** Revitalization of the local economy through local production for local consumption of renewable energy

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- **For far removed individuals**
- Easy trading of surplus solar power-generated electricity between individuals by matching the needs of far removed individuals

**Community services based on connecting and evolving multiple kinds of social infrastructure**

- **Household data**
- **Electricity/gas sales data**
- **Weather data**
- **Movement data**
- **Healthcare-related data**
- **Other companies’ data**

**Expand data through service provision**

**Services that lead to solutions to community issues**

**Evolving energy infrastructure into two-way “community support infrastructure” connected to multiple kinds of social infrastructure and customers’ equipment**

- **Next-generation utility poles equipped with sensors and cameras, etc. (smart poles)**
- **Joint development of public facilities at important transportation points; energy management**
- **Effective use of renewable energy**

**IoT services for the home**

- **Services that make life rich and comfortable**

**Energy management service**

- **Enable efficient use of energy by using IoT technology to connect** the energy resources of multiple customers.

**Smart poles**

- **Provide new community services by installing ICT devices such as sensors and communications equipment on utility poles** and using the data obtained.

**Strengthening relationships with local governments**

- **Working with local governments such as Toyota City in Aichi Prefecture and Iida City in Nagano Prefecture, we will work at creating community services that lead to higher quality of life for various communities and residents.**

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Based on energy mix of Japan, aim for optimum composition of power sources by combining various types of power source, such as nuclear power, thermal power and renewable energy, in a well-balanced manner from the standpoint of “S+3E” while taking aging of equipment into account.

**Carrying out ESG management (E: Composition of Electric Power Output)**

- **Composition of power sources**
  - Nuclear: 11%
  - Hydro: 19%
  - Oil: 7%
  - LNG: 51%
  - Coal: 12%

- **Composition of Electric Power Output**
  - Nuclear: 15%
  - Renewable Energy: 9%
  - Oil: 4%
  - LNG: 46%
  - Coal: 26%
  - LNG: 57%
  - Oil: 6%
  - Hydro: 3%
  - Renewable Energy: 5%

- **Expansion Non-fossil Energy source**
  - Nuclear
  - Renewable Energy

- **Well-balanced use**
  - LNG

- **Environmentally friendly use**
  - Coal

**Future**
- 2030

**Reference**
- Long-term Energy Supply-demand Outlook

*Note* Figures include purchased power

*1 Figures include interchanged, purchased power

*2 Over 30 MW

*3 Excluding over 30 MW hydro and FIT-based

*4 Figures in JEPX represent procurement from Japan Electric Power Exchange and Others represent output from purchased power of which we cannot specify the power source.
Carrying out ESG management (E: Reduction of CO₂ emissions)

- Japanese government set up the target of reducing greenhouse gas emissions (26% reduced by FY2030) as Japan’s goal of the Paris Agreements, and decide the proportion of nuclear power generation and renewable energy (Non-fossil energy sources ratio is more than 44% by FY2030) to achieve the target.
- The entire electric utility industry set the target emission intensity 0.37kg-CO2/kWh (FY2030).
- In order to achieve the target, we take various actions such as making thermal power facilities highly efficient and continuously utilizing nuclear power generation which largely contributes to reduction of CO2 emission.

[Trends and outlook of CO₂ emission intensity (before reflecting CO₂ credits)]

Target emission intensity 0.37kg-CO₂/kWh (FY2030)
Carrying out ESG management (E: Improvement of thermal efficiency)

**Establishing a Business Structure/Management Base that can Respond Instantly to Environmental Changes**

<table>
<thead>
<tr>
<th>[Outline of development of Taketoyo Thermal Power Plant Unit No.5]</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Output (at the generation end)</strong></td>
</tr>
<tr>
<td><strong>Thermal efficiency (LHV basis)</strong></td>
</tr>
<tr>
<td><strong>Fuel</strong></td>
</tr>
<tr>
<td><strong>Wood biomass</strong></td>
</tr>
<tr>
<td><strong>Mixed fuel burning ratio</strong></td>
</tr>
<tr>
<td><strong>Annual use of fuel</strong></td>
</tr>
<tr>
<td><strong>Electricity generated by Biomass power</strong></td>
</tr>
</tbody>
</table>

One of Japan's largest biomass generation output (*)

* A single unit's generation output including both single- and co-firing

**[Outline of development of Nishi-Nagoya Thermal Power Plant Unit No.7]**

| Output (at the generation end) | 2,376 MW (1,188MW×2) |
| Thermal efficiency | Approx. 62% (LHV basis) |
| Fuel | LNG |
| operation started | Sep, 2017 (Unit7-1), Mar, 2018 (Unit7-2) |

**Effect due to start of operation**
- Secure the stable and reasonably priced base load power source
- CO₂ emissions Reduce 0.9 million tons per year

**TOPICS**
- LNG consumptions Reduce 0.5 million tons per year
- CO₂ emissions Reduce 1.4 million tons per year

Unit 7-1 having been granted with recognition as the world's most efficient combined cycle power plant.

**Construction progress of Taketoyo Thermal Power Plant**

<table>
<thead>
<tr>
<th>Unit No.5 (1,070MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY2017</strong></td>
</tr>
</tbody>
</table>

(Note)"10 EPCos Total" values are based on "Environmental Action Plan by the Japanese Electric Utility Industry" published by The Federation of Electric Power Companies of Japan (FEPC)
### Development locations of hydroelectric power station

- Conventional hydro
- Generation with minimum water level

Parentheses denote the commercial operation start year.

### Wind Power Generation

Akita Port and Noshiro Port survey of development possibility of offshore wind power generation business in Akita Pref. (joint survey)

#### Site map

- Offshore wind power generation
- Site: Akita port area and Noshiro port area in Akita Pref. (Total: Approx. 730ha)

#### Summary of Project

- Offshore wind generation
- Site: Akita port area and Noshiro port area in Akita Pref. (Total: Approx. 730ha)

#### Output

- Supposition total output 145 MW
  - (Akita port 65 MW,
    Noshiro port 80 MW)

#### Project Period

- 20 years (planned)

### Table: Wind Power Generation

<table>
<thead>
<tr>
<th>Operating</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akita Port and Noshiro Port survey of development possibility of offshore wind power generation business in Akita Pref. (joint survey)</td>
<td></td>
</tr>
</tbody>
</table>

### Table: Hydro Power

<table>
<thead>
<tr>
<th>Hydro</th>
<th>Chubu Electric</th>
<th>(Reference) Chubu Electric Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>operating</td>
<td>196 Site : 5,459MW</td>
<td>Akigami : 0.29MW(FY2016)</td>
</tr>
<tr>
<td>plan</td>
<td>Shin-Okuizumi : 0.29 MW (FY2017)</td>
<td>Sakore : 0.38MW(FY2018)</td>
</tr>
<tr>
<td></td>
<td>Seinaiji : 5.6 MW (FY2022)</td>
<td>Amazake : 0.53MW(FY2018)</td>
</tr>
<tr>
<td></td>
<td>Abeekawa : 7.1 MW (FY2022)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 Site : 1.9MW(FY2023)</td>
<td></td>
</tr>
</tbody>
</table>

### Table: Wind Power

<table>
<thead>
<tr>
<th>Wind</th>
<th>Operating</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Omaezaki : 22MW</td>
<td>150MW</td>
<td></td>
</tr>
</tbody>
</table>

### Table: Solar Power

<table>
<thead>
<tr>
<th>Solar</th>
<th>Operating</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mega Solar Iida : 1.0 MW</td>
<td>223MW</td>
<td></td>
</tr>
<tr>
<td>Mega Solar Shimizu : 8.0 MW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mega Solar Kawagoe : 7.5 MW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Site : 20 MW (FY2018)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Site : 131 MW (FY2019)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Table: Biomass Power

<table>
<thead>
<tr>
<th>Biomass</th>
<th>Operating</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mixture of wooden chip</td>
<td>Taki bio power : 6.7 MW (FY2016)</td>
<td></td>
</tr>
<tr>
<td>Mixture of fuel from carbonized sewage sludge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biomass power generation facility at Yokkaichi Thermal Power Station : 49MW</td>
<td>CEPO Handa biomass : 45 MW (FY2019)</td>
<td></td>
</tr>
</tbody>
</table>

### Table: Total

<table>
<thead>
<tr>
<th>Total</th>
<th>Operating</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,497.5MW</td>
<td>63.6MW</td>
<td></td>
</tr>
<tr>
<td>5,877.49MW</td>
<td>240.51MW</td>
<td></td>
</tr>
</tbody>
</table>

* Joint businesses are recorded by equity interest.
Chubu Electric Power has begun an initiative (N-1 power control) to use capacity that is set aside for an emergency in case of failure, based on the anticipated flow of electricity in check with power generator operation (anticipated current), so that more sources of power, including renewable energy, can be connected to transmission lines.

In the future, we will look at an initiative (non-firm connection) to use transmission lines when there is available capacity, as even more effective utilization.

**What is connect & manage?**
A system that makes maximal use of existing transmission lines and allows the connection of renewable energy, etc., with certain conditions, enabling the connection of lots of power sources while attempting to reduce the costs of connection.

**N-1 power control**
Increase the amount of electricity that can flow through transmission lines (operation capacity), on the premise that generator output will be limited instantly during a failure, such as on a transmission line.

**Non-firm connection**
Allow use of transmission lines when there is available capacity, on the premise that generator output will be limited when operation capacity is exceeded.

---

**Image of increased connection amount, including renewable energy**

**[Introduction of renewable energy in Chubu region]**

**Solar Power Generation**

<table>
<thead>
<tr>
<th>Year</th>
<th>Solar Power (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014.3</td>
<td>2206</td>
</tr>
<tr>
<td>2015.3</td>
<td>3668</td>
</tr>
<tr>
<td>2016.3</td>
<td>5048</td>
</tr>
<tr>
<td>2017.3</td>
<td>6083</td>
</tr>
<tr>
<td>2018.3</td>
<td>6867</td>
</tr>
</tbody>
</table>

**Wind Power Generation**

<table>
<thead>
<tr>
<th>Year</th>
<th>Wind Power (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014.3</td>
<td>208</td>
</tr>
<tr>
<td>2015.3</td>
<td>212</td>
</tr>
<tr>
<td>2016.3</td>
<td>238</td>
</tr>
<tr>
<td>2017.3</td>
<td>310.0</td>
</tr>
<tr>
<td>2018.3</td>
<td>308</td>
</tr>
</tbody>
</table>
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These assumptions involve certain risks and uncertainties, and may cause actual results materially differ from them, by changes in the managerial environment such as economic activities and market trends.

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