

# Presentation Materials for Three-Months ended June 30, 2020

July 31, 2020

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# I Outline of Financial Results for Three-Months ended June 30, 2020

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Note: The company's fiscal year (FY) is from April 1 to March 31 of the following year.  
FY2020 represents the fiscal year begun on April 1, 2020, and ending on March 31, 2021.  
1st Quarter (1Q) represents three months period ended June 30, 2020.  
Monetary amounts are rounded down to the nearest whole number of the units being used, while  
principal figures like electrical energy sold or electric energy output are rounded to the nearest unit.

# Summary of Financial Results <1>

## <Points of Financial Results> (Consolidated)

### ■ Operating revenues: 682.3 billion yen

Operating revenues decreased by 72.1 billion yen compared with 2019/1Q, mainly due to a decrease in electrical energy sold caused by the impact of COVID-19 (-50.4 billion yen) and a decrease in fuel cost adjustment charge (-27.8 billion yen).

### ■ Ordinary income: 48.1 billion yen

Ordinary income decreased by 32.3 billion yen compared with 2019/1Q, mainly due to a decrease in electrical energy sold caused by the impact of COVID-19, in addition to a decrease in time lag income incurred by fuel cost adjustment system (-17.0 billion yen [22.0 billion yen → 5.0 billion yen]) and a downturn of JERA's gain on divestiture of the overseas power generation projects in the previous year (-10.4 billion yen).

(Reference) Consolidated ordinary income excluding the effect of time lag: Approx. 43.0 billion yen

- Operating revenues decreased following 2016/1Q, for the first time in 4 years.
- Ordinary income decreased following 2017/1Q, for the first time in 3 years.
- We recorded decreased sales and decreased income following 2016/1Q, for the first time in 4 years.

	(Billion yen, %)			
	2020/1Q (A)	2019/1Q (B)	Change (A-B)	(A-B)/B
Operating revenues	682.3	754.4	(72.1)	(9.6)
Operating income	38.4	34.0	4.4	13.1
Ordinary income	48.1	80.5	(32.3)	(40.2)
Extraordinary income	-	19.0	(19.0)	-
Net income attributable to owners of parent	33.7	88.2	(54.4)	(61.7)

(note) The number of consolidated subsidiaries [change from the previous year in parenthesis]

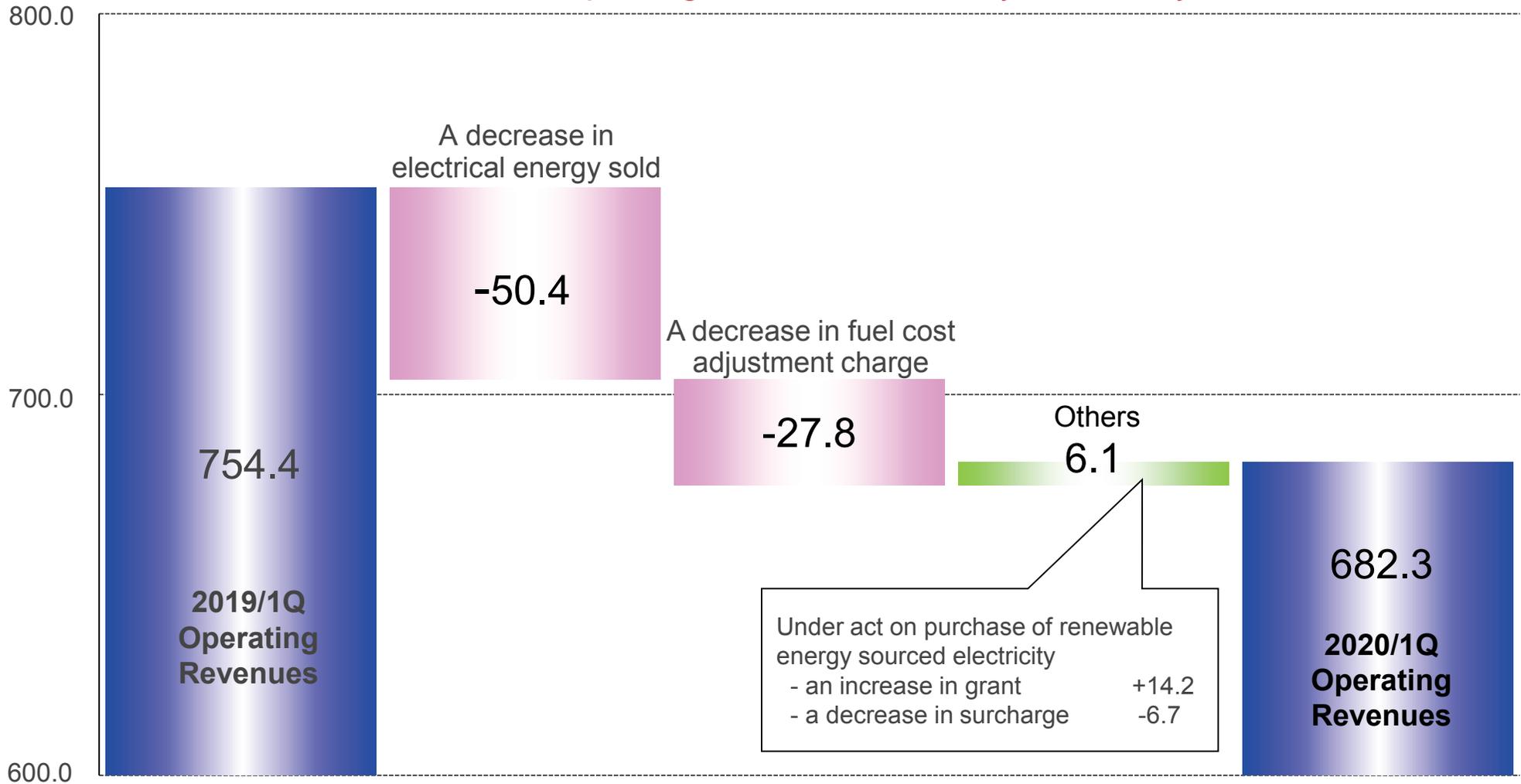
2020/1Q: 35 subsidiaries (-2 companies), 47 affiliates accounted for under the equity method (+13 companies)

# Summary of Financial Results <2>

[Factors contributing to change in consolidated operating revenues]

(Operating revenues decreased by 72.1 billion yen)

(Billion yen)

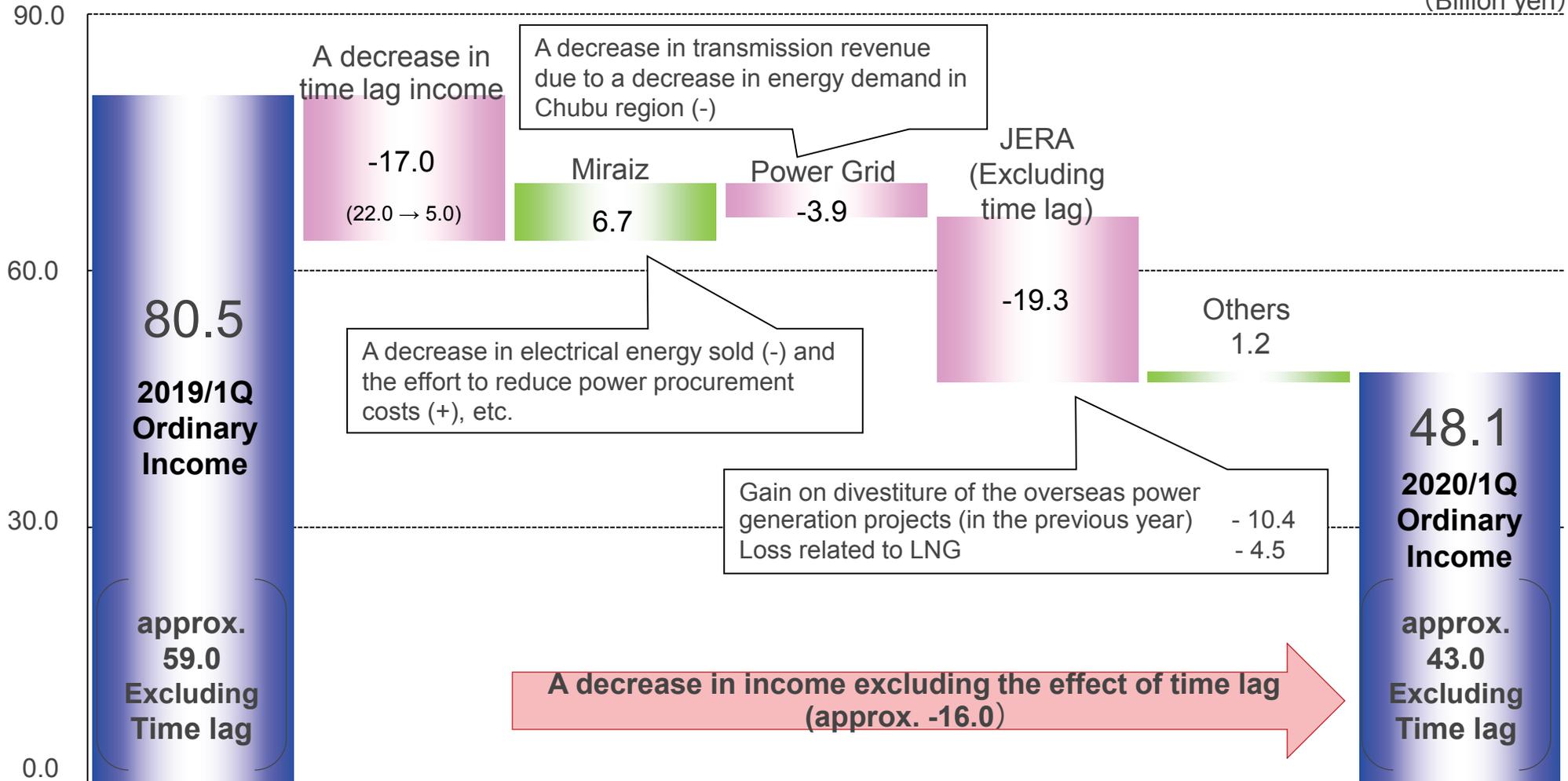


# Summary of Financial Results <3>

[Factors contributing to change in consolidated ordinary income]

(Ordinary income decreased by 32.3 billion yen)

(Billion yen)



# Summary of Financial Results by Segments <1>

## [Operating revenues]

(Billion yen, %)

	2020/1Q (A)	2019/1Q (B)	Change	
			(A-B)	(A-B)/B
Miraiz	584.5	670.7	(86.1)	(12.8)
Power Grid	170.3	179.2	(8.8)	(4.9)
Others (*1)	162.3	169.3	(6.9)	(4.1)
Adjustment charge	(235.0)	(264.8)	29.8	(11.3)
Total	682.3	754.4	(72.1)	(9.6)

## [Ordinary income and loss]

(Billion yen, %)

	2020/1Q (A)	2019/1Q (B)	Change	
			(A-B)	(A-B)/B
Miraiz	16.7	10.0	6.7	67.3
Power Grid	5.9	9.9	(3.9)	(40.0)
JERA (*2)	11.5	47.9	(36.3)	(75.9)
Others (*1)	36.1	19.0	17.1	90.2
Adjustment charge	(22.3)	(6.3)	(15.9)	253.2
Total	48.1	80.5	(32.3)	(40.2)

(Note) Each segment is stated before eliminating internal transaction. Further, 2019/1Q results are reclassified due to the change of segment division of group companies.

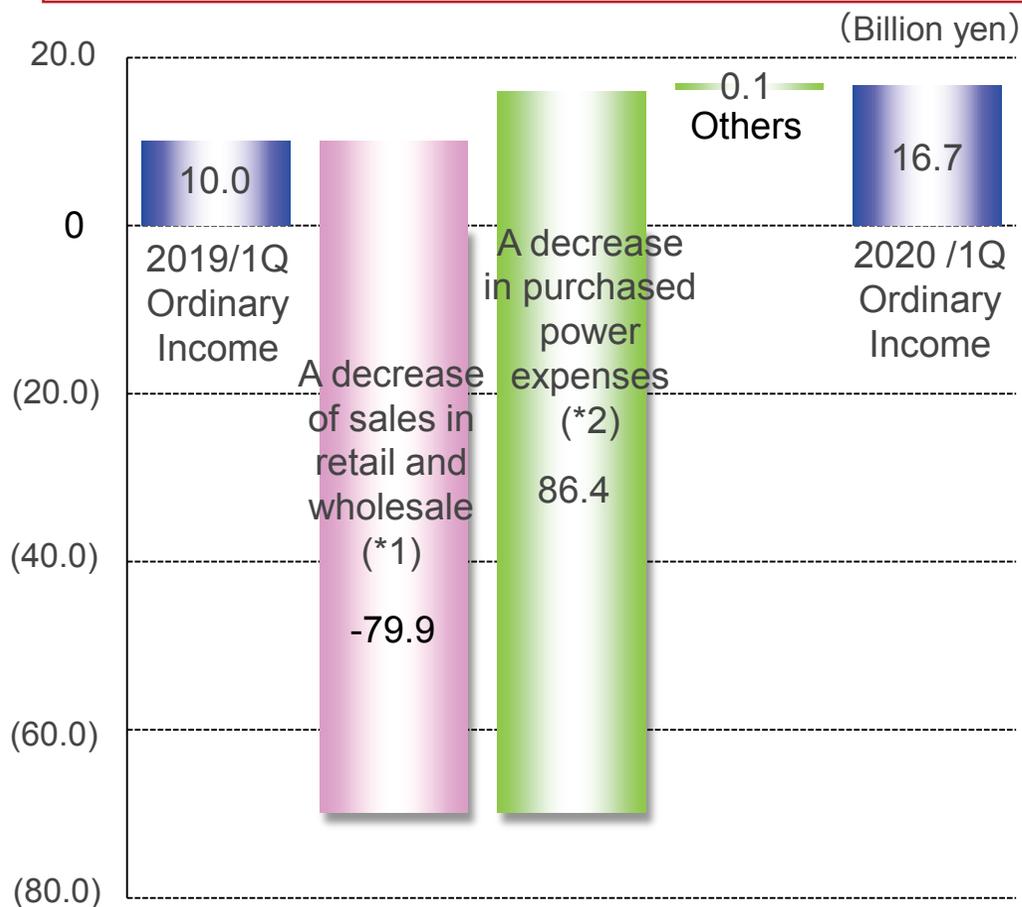
\*1 "Others" segment is business segment that is not reporting segments and includes renewable energy company, nuclear power division, administrative division and other affiliated companies, etc.

\*2 JERA is the affiliate accounted for under the equity method so that operating revenues aren't recorded.

# Summary of Financial Results by Segments <2>: Miraiz

## <Factors contributing to change in Ordinary income >

- Ordinary income increased by 6.7 billion yen compared with 2019/1Q, mainly due to the effort to reduce power procurement costs in spite of a decrease in electrical energy sold caused by the impact of COVID-19 and competitive impacts in sales.



## <Electrical Energy Sold>

(TWh,%)

	2020/1Q (A)	2019/1Q (B)	Change	
			(A-B)	(A-B)/B
Low voltage	7.5	7.8	(0.3)	(3.5)
High voltage Extra-high voltage	17.5	20.0	(2.5)	(12.6)
Total	25.1	27.9	(2.8)	(10.0)
Electrical Energy Sold including group companies	26.1	29.1	(3.1)	(10.5)
Electrical Energy Sold to other companies	1.4	2.4	(0.9)	(39.5)

\* Electrical Energy Sold in 2019/1Q is the result of Customer Service & Sales Company.

\* Electrical Energy Sold including group companies is the sum of Chubu Electric Power Miraiz Company, its consolidated subsidiaries, and affiliates accounted for under the equity method.

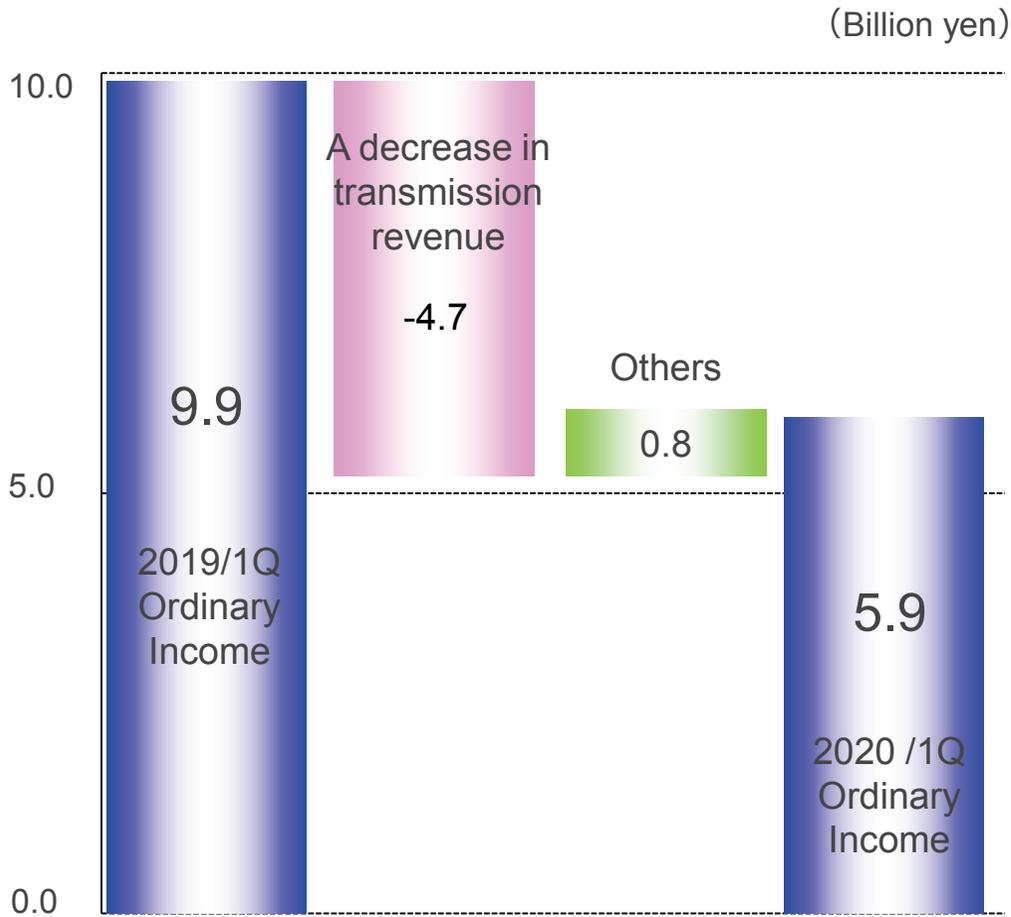
\*1 Electricity sales revenues, Sold power to other electric utilities, Grant under act on purchase of renewable energy sourced electricity

\*2 Purchased power, Supply connection transmission charges, Levy under act on purchase of renewable energy sourced electricity

# Summary of Financial Results by Segments <3>: Power Grid

## <Factors contributing to change in Ordinary income >

- Ordinary income decreased by 3.9 billion yen compared with 2019/1Q, mainly due to a decrease in energy demand in Chubu region caused by the impact of COVID-19.



## <Energy demand in Chubu region>

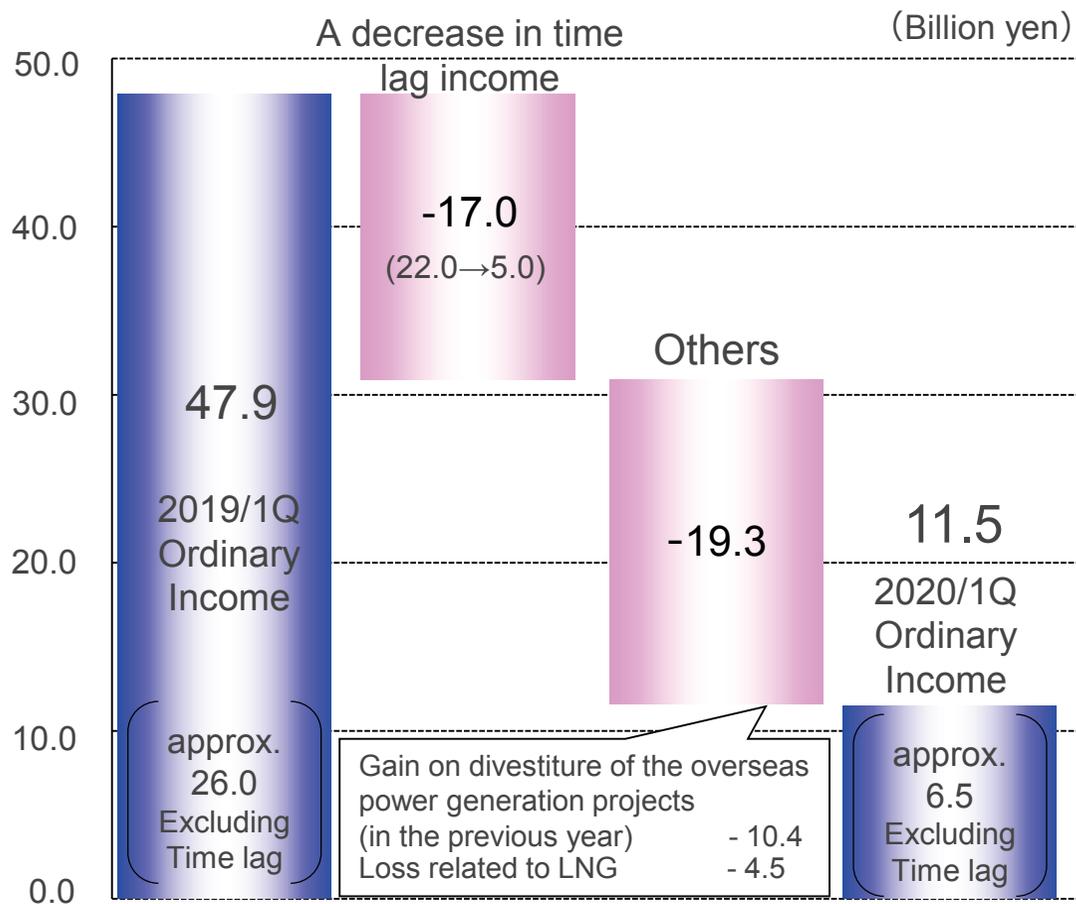
(TWh,%)

	2020/1Q (A)	2019/1Q (B)	Change	
			(A-B)	(A-B)/B
Energy demand in Chubu region	27.3	30.0	(2.7)	(9.1)

# Summary of Financial Results by Segments <4>: JERA

## <Factors contributing to change in Ordinary income >

- Ordinary income decreased by 36.3 billion yen compared with 2019/1Q, mainly due to LNG related loss by a decrease in electrical energy sold in addition to a decrease in time lag income incurred by fuel cost adjustment system and gain on divestiture of the overseas power generation projects in the previous year.



## <CIF price, FX rate>

	2020/1Q	2019/1Q	Change
	(A)	(B)	(A-B)
CIF price: crude oil (\$/b)	32.2	71.5	(39.3)
FX rate (interbank) (yen/\$)	107.6	109.9	(2.3)

\*CIF crude oil price for 2020/1Q is tentative.

# Electric Energy Output

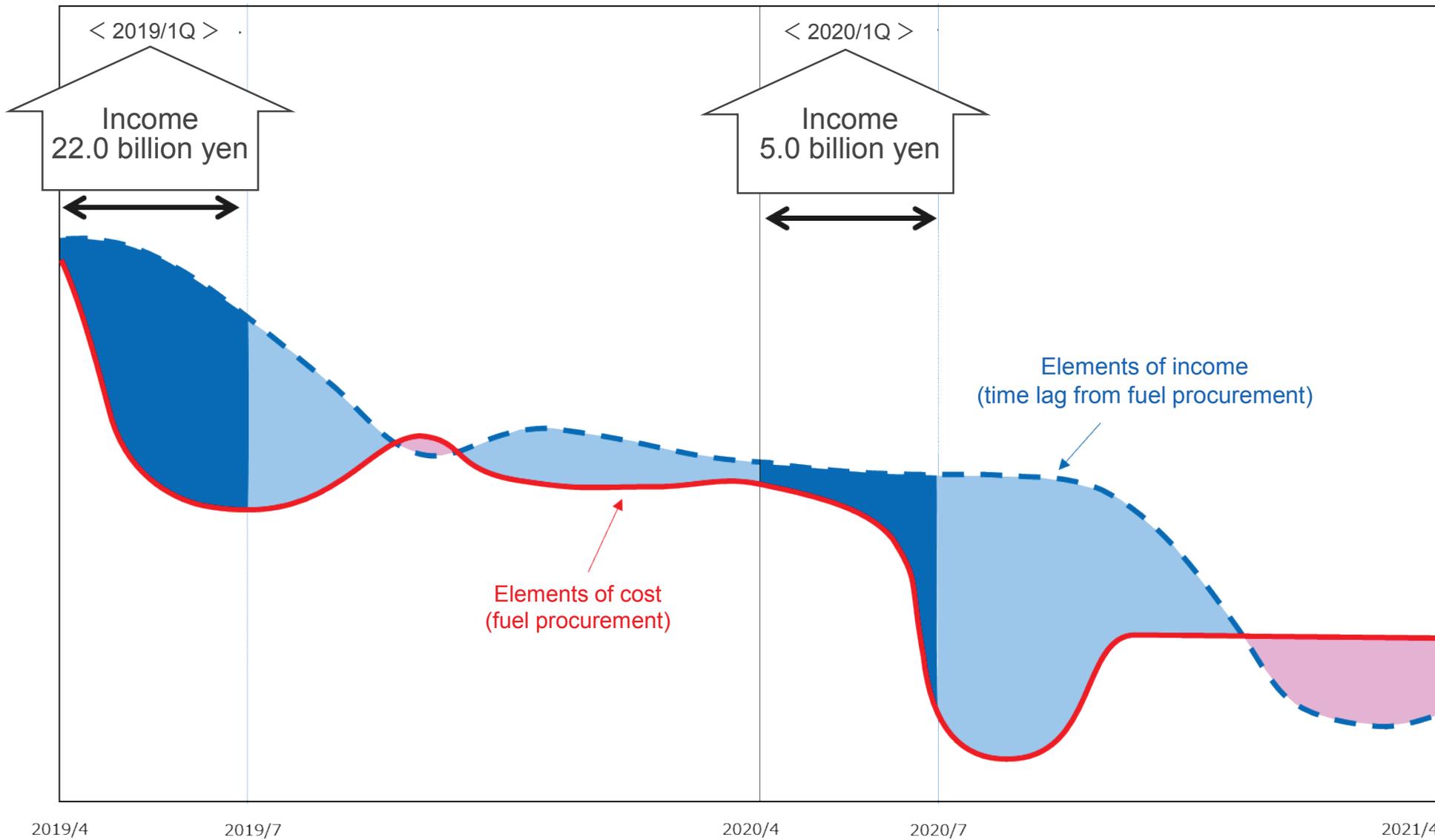
## < Power generation > (Chubu Electric Power)

- **Hydro** Increased by 0.6TWh since the flow rate was higher than 2019/1Q.
- **Renewable energy** Increased by 0.1TWh, mainly due to the commencement of operation of Yokkaichi Biomass Power Generation.

(TWh,%)

	2020/1Q (A)	2019/1Q (B)	Change	
			(A-B)	(A-B)/B
Hydro <flow rate>	2.6 <95.4>	2.0 <74.5>	0.6 <20.9>	31.7
Nuclear <utilization rate>	- <->	(0.1) <->	0.1 <->	-
Renewable energy	0.1	0.0	0.1	409.3
Total	2.7	1.9	0.8	39.1

# (Reference) Impact of Accrued Income (Result)



# Summary of Forecast for FY2020 <1>

## <Forecast> (Consolidated)

The forecasts for the fiscal year ending March 31, 2021 were not determined so far, since it was difficult to reasonably estimate the impact of the COVID-19. We have just announced our business forecasts based on information and prediction available as of the date of this announcement.

The decline in energy demand in the Chubu region bottomed out in May and has been recovering moderately since June. Although it is uncertain whether the recent re-spread of the virus and changes in the social structure, etc. caused by COVID-19 will affect demand of electricity going forward, based on information available at this time such as results for the first quarter and information gathered from customers, we assume that energy demand in the Chubu region will continue to recover moderately, however, it will not recover up within FY2020 and it will decrease by 6.0% compared with the FY2019.

- Consolidated operating revenues: 2,750.0 billion yen (forecast)
- Consolidated ordinary income: 125.0 billion yen (forecast)

We estimate consolidated ordinary income will decrease compared with previous year mainly due to a decrease in electrical energy sold by spreading COVID-19, in spite of an increase in time lag income by decline of fuel price. Consolidated ordinary income excluding the effect of time lag is expected to be approx. 75.0 billion yen.

- Operating revenues will decrease following FY2016, for the first time in 4 years.
- Ordinary income will decrease following FY2018, for the first time in 2 years.
- We will record decreased sales and income following FY2016, for the first time in 4 years.

(Billion yen, %)

	FY2020 (Forecast) (A)	FY2019 (Result) (B)	Change	
			(A-B)	(A-B)/B
Operating revenues	2,750.0	3,065.9	(approx. 315.0)	(10.3)
Ordinary income	125.0	191.8	(approx. 67.0)	(34.8)
Net income attributable to owners of parent	105.0	163.4	(approx. 58.0)	(35.8)

# Summary of Forecast for FY2020 <2>

## 【Principal Figures】

### <Electrical Energy Sold>

(TWh,%)

	FY2020 (Forecast) (A)	FY2019 (Result) (B)	Change	
			(A-B)	(A-B)/B
Electrical Energy Sold	106.3	117.2	(10.9)	(9.4)
Electrical Energy Sold including group companies (*)	111.8	122.5	(10.7)	(8.8)

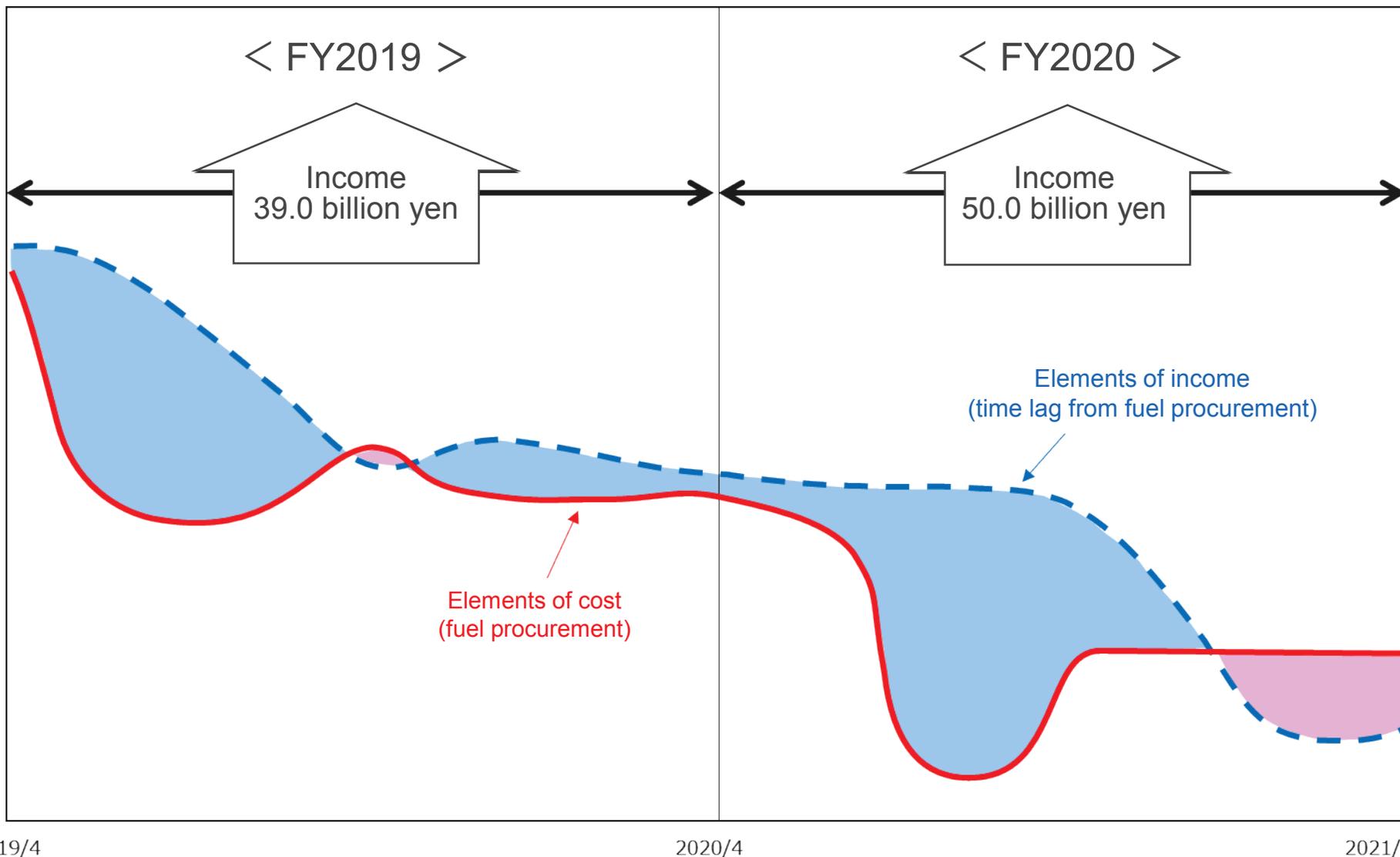
\* Electrical Energy Sold in FY2020 is the figure of Miraiz and FY2019 is the figure of Customer Service & Sales.

\* The sum of Chubu Electric Power Miraiz Company, its consolidated subsidiaries, and affiliates accounted for under the equity method.

### <Others>

		FY2020 (Forecast)	FY2019 (Result)
CIF price: crude oil	(\$/b)	approx. 38	68
FX rate (interbank)	(yen/\$)	approx. 109	109
Nuclear power utilization rate	(%)	-	-

# (Reference) Impact of Accrued Income (Forecast)



# II

## Reference Data : Financial Results

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# Consolidated Statements of Income

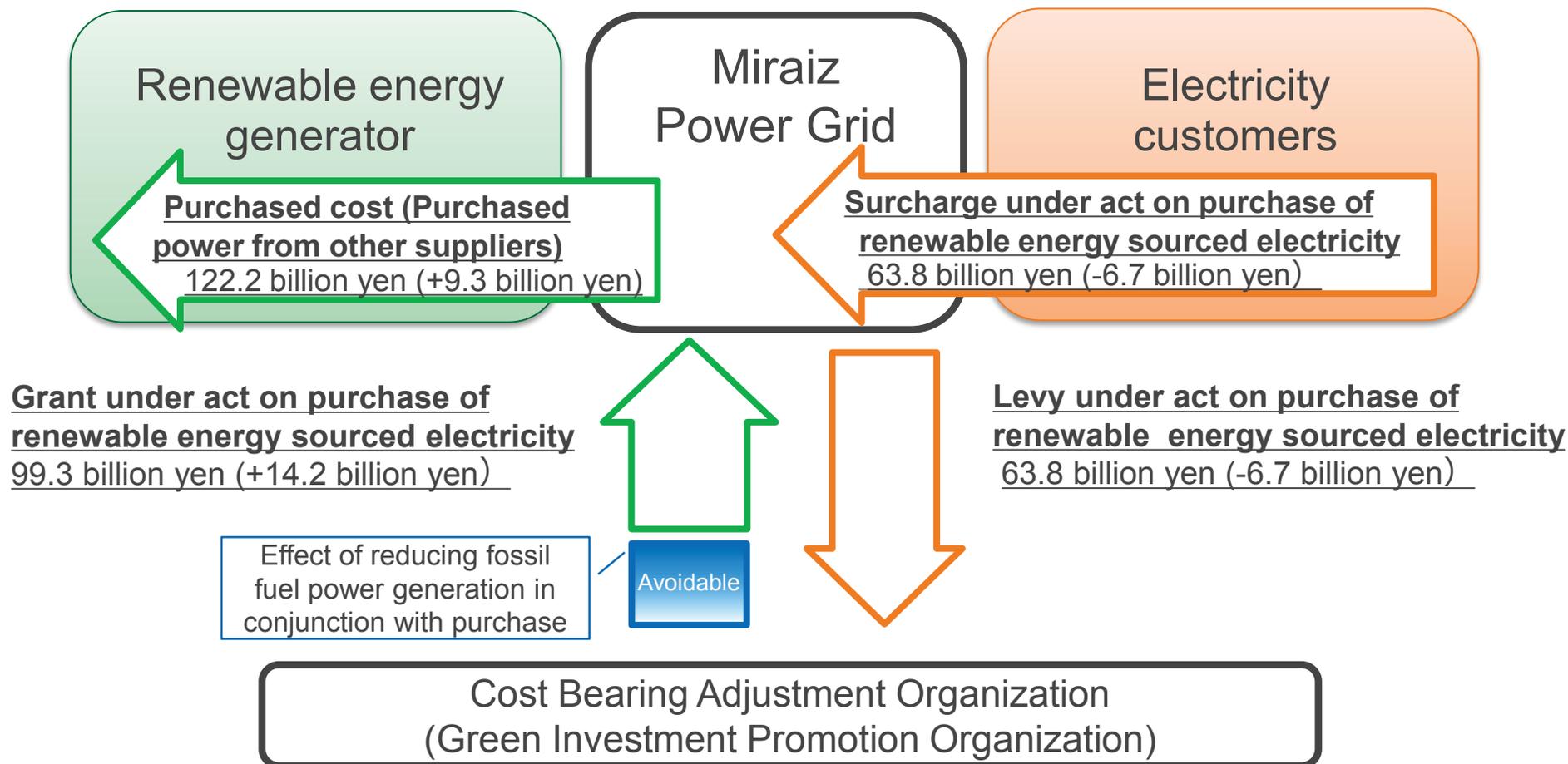
	(Billion yen,%)			
	2020/1Q (A)	2019/1Q (B)	Change (A-B) (A-B)/B	
Operating revenues	682.3	754.4	(72.1)	(9.6)
Share of profit of entities accounted for using equity method	13.2	48.9	(35.7)	(73.0)
Other	1.8	4.1	(2.2)	(54.8)
Non-operating revenues	15.1	53.0	(37.9)	(71.5)
Ordinary revenues	697.4	807.5	(110.0)	(13.6)
Operating expenses	643.8	720.4	(76.5)	(10.6)
Non-operating expenses	5.4	6.5	(1.1)	(17.1)
Ordinary expenses	649.2	726.9	(77.6)	(10.7)
<Operating income>	<38.4>	<34.0>	<4.4>	<13.1>
Ordinary income	48.1	80.5	(32.3)	(40.2)
Reserve for fluctuation in water levels	(0.0)	(0.6)	0.6	(89.6)
Extraordinary income	-	19.0	(19.0)	-
Income taxes	13.6	10.8	2.7	25.8
Net income attributable to non-controlling interests	0.7	1.2	(0.4)	(34.8)
Net income attributable to owners of parent	33.7	88.2	(54.4)	(61.7)

# Consolidated Financial Standing

	(Billion yen)			
	Jun. 30, 2020 (A)	Mar. 31, 2020 (B)	Change (A-B)	<Major factors for change>
Assets	5,514.5	5,500.8	13.6	Increase in accounts receivable +33.8
Liabilities	3,540.4	3,538.7	1.7	
Net assets	1,974.0	1,962.0	11.9	
Shareholders' equity ratio (%)	34.5	34.4	0.1	
Outstanding interest-bearing debt	2,505.4	2,425.0	80.3	Increase in commercial papers +48.0

# Impact of the Feed-in-Tariff Scheme for Renewable Energy

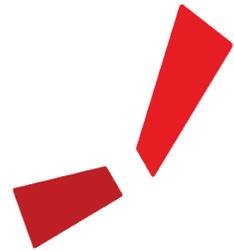
<Result of 2020/1Q > \*change from the previous year in parenthesis



## DISCLAIMER

The forecasts in this presentation are based on information available as of the date of this announcement is made, and also, assumptions as of the date of this announcement are made on uncertain factors that would affect future results.

Actual results may materially differ by various causes in the future.



**CHUBU**  
Electric Power