

Presentation Materials for Investors

1st Quarter FY2019

July, 2019

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01

Outline of Financial Results for Three-Months ended June 30, 2019

Note: The company's fiscal year (FY) is from April 1 to March 31 of the following year. FY2019 represents the fiscal year begun on April 1, 2019, and ending on March 31, 2020. 1st Quarter (1Q) represents three months period ended June 30, 2019. Monetary amounts are rounded down to the nearest whole number of the units being used, while principal figures like electrical energy sold or electric power supplied are rounded to the nearest unit.

<Points of Financial Results> (Consolidated)

- **Operating revenues: 754.4 billion yen**
Operating revenues increased by 69.9 billion yen compared with 2018/1Q, mainly due to an increase in surcharge and grant based on Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (+12.7 billion yen), in addition to an increase in fuel cost adjustment charge (+42.3 billion yen).
- **Ordinary income: 80.5 billion yen**
Ordinary income increased by 41.0 billion yen compared with 2018/1Q, mainly due to conversion of time lag loss incurred by fuel cost adjustment system time into income (+36.0 billion yen).
Further, consolidated ordinary income excluding the effect of time lag is approx. 59.0 billion yen (increased by 5.0 billion yen compared with 2018/1Q).
- **Extraordinary income: 19.0 billion yen**
Realized gain arising from consolidation accounting procedure due to integration of the existing thermal power generation businesses into JERA.

- [Consolidated]**
- Operating revenues increased for 3 consecutive years since 2017/1Q.
 - Ordinary income increased for 2 consecutive years since 2018/1Q.
 - We recorded increased sales and increased income for 2 consecutive years since 2018/1Q. (Billion yen,%)

	2019/1Q (A)	2018/1Q (B)	Change	
			(A-B)	(A-B)/B
Operating revenues	754.4	684.4	69.9	10.2
Operating income	34.0	36.4	(2.4)	(6.7)
Ordinary income	80.5	39.5	41.0	103.9
Extraordinary income	19.0	-	19.0	-
Net income attributable to owners of parent	88.2	28.0	60.1	214.2

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

2019/1Q: 37 subsidiaries (+3 companies), 34 affiliates accounted for under the equity method (+3 companies) (Billion yen,%)

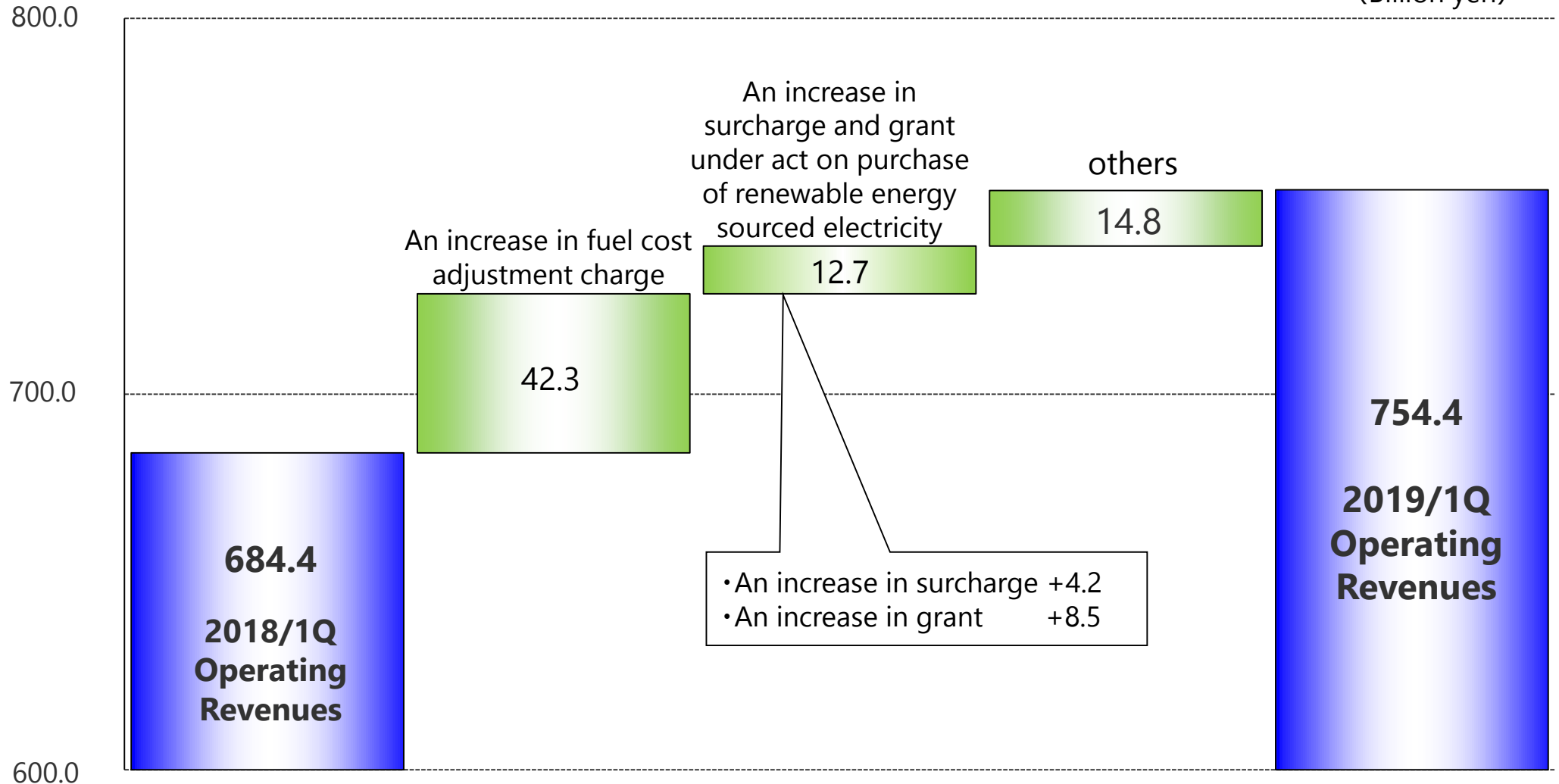
[Nonconsolidated]

	2019/1Q (A)	2018/1Q (B)	Change	
			(A-B)	(A-B)/B
Operating revenues	679.1	624.3	54.7	8.8
Operating income	29.9	33.6	(3.6)	(10.8)
Ordinary income	30.8	35.3	(4.4)	(12.6)
Net income	22.9	25.3	(2.4)	(9.7)

[Factors contributing to change in consolidated operating revenues]

(Operating revenues increased by 69.9 billion yen)

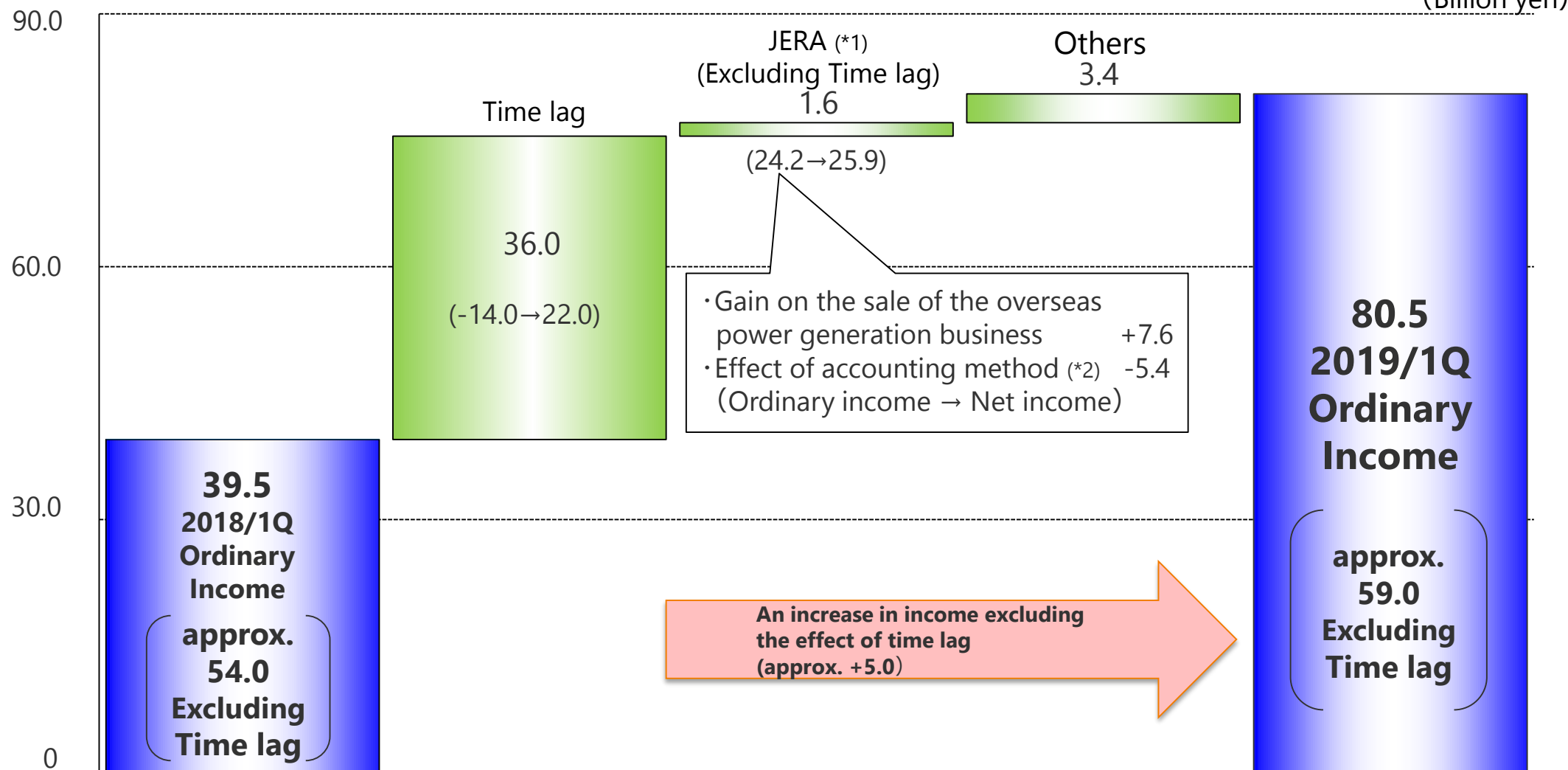
(Billion yen)



[Factors contributing to change in consolidated ordinary income]

(Ordinary income increased by 41.0 billion yen)

(Billion yen)



*1 Income of 2018/1Q includes the income from thermal power generation business of Chubu Electric Power.

*2 The recognition of JERA profit was changed from pre-tax basis to post-tax basis under consolidation, as the existing thermal power generation businesses was integrated to JERA which is affiliates accounted for under the equity method.

<Electrical Energy Sold> (Nonconsolidated)

- Increased by 0.6TWh to 27.9TWh compared with 2018/1Q, mainly due to sales increase outside Chubu region, in spite of effect of switches made to other operators with the intensified competition.

		(TWh,%)			
		2019/1Q	2018/1Q	Change	
		(A)	(B)	(A-B)	(A-B)/B
Electrical Energy Sold	Low voltage	7.8	7.8	0.0	0.6
	High voltage ▪ Extra-high voltage	20.0	19.5	0.5	2.6
	Total	27.9	27.3	0.6	2.0

[Reference (1)]

Electrical Energy Sold including group companies (*)	29.1	28.4	0.7	2.7
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* The sum of the company, consolidated subsidiaries, and affiliates accounted for under the equity method.

[Reference (2)]

Electrical Energy Sold to other companies (*)	0.7	1.9	(1.1)	(61.1)
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* Electrical Energy Sold to other companies represents power output excluding the electric power transmitted by Power Network Company from "Wholesale" of Externally generated power output.

<Electric Power Supplied> (Nonconsolidated)

- **Hydro:** The flow rate was lower than 2018/1Q; thus hydroelectric power output decreased by 0.9 TWh.
- **Thermal:** Thermal power plants have been succeeded to JERA in April 2019.
- **Purchased power:** Increased by 24.3 TWh, mainly due to the start of purchasing electric power from JERA.

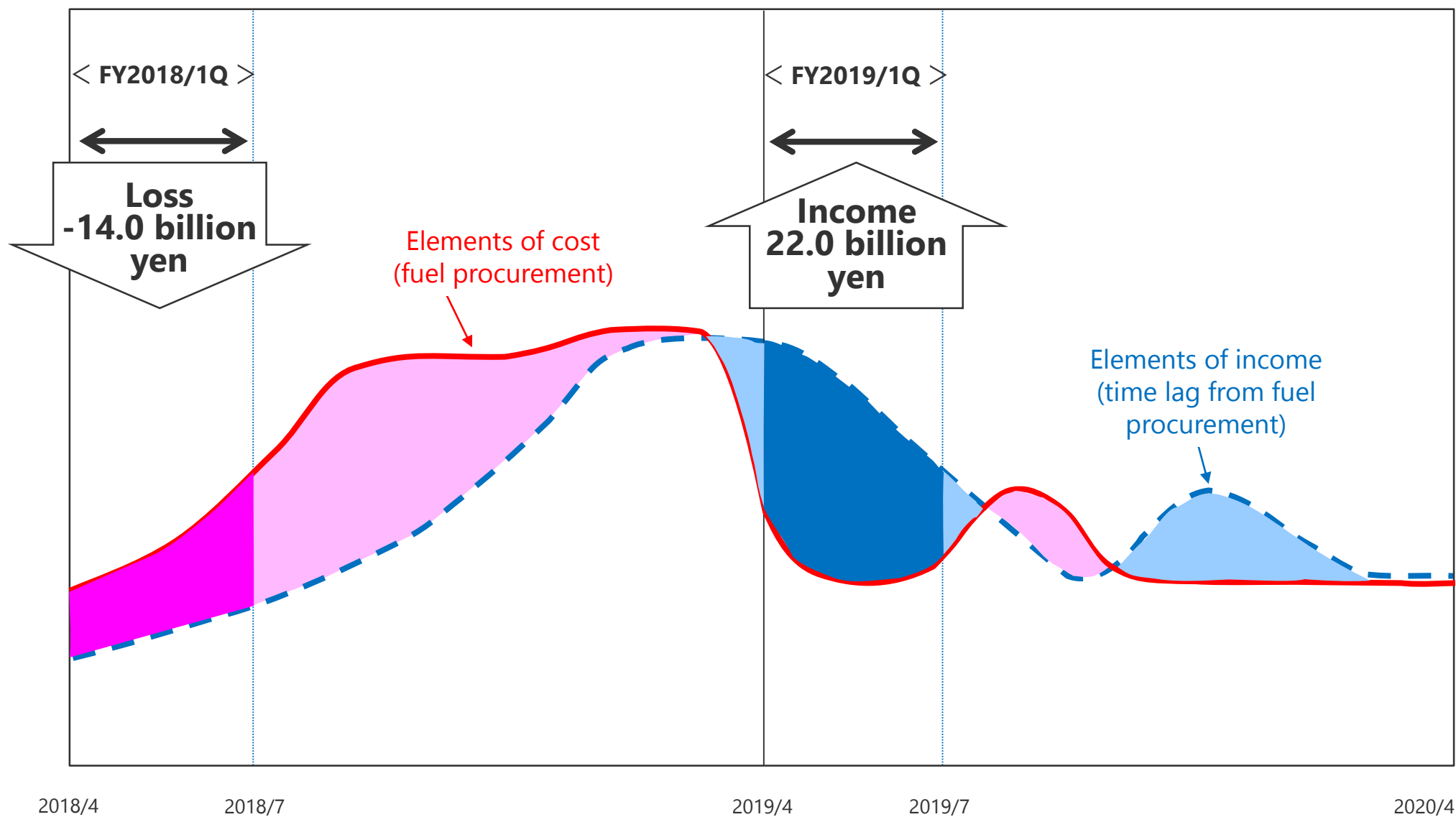
		2019/1Q (A)	2018/1Q (B)	Change (TWh,%) (A-B) (A-B)/B		
Electric Power Supplied	Internally generated	Hydro	2.0	2.9	(0.9)	(32.2)
		<flow rate>	<74.5>	<108.9>	<(34.4)>	
		Thermal	-	22.6	(22.6)	-
		Nuclear	(0.1)	(0.1)	0.0	(7.0)
		<utilization rate>	<->	<->	<->	
	Renewable energy, etc	0.0	0.0	0.0	2.7	
	Externally generated(*)	Wholesale	(2.8)	(2.5)	(0.4)	14.2
		Purchased power	29.6	5.3	24.3	462.8
Power used for pumped storage		(0.2)	(0.2)	0.0	(22.7)	
Total		28.5	28.1	0.5	1.7	

* Externally generated represents power output that we grasped at the end of 2019/1Q. It includes -2.1TWh (2019/1Q) and -0.6TWh (2018/1Q) as the transmitted power and 2.0TWh (2019/1Q) and 0.6TWh (2018/1Q) as the purchased power by Power Network Company.

[Others]

		2019/1Q (A)	2018/1Q (B)	Change (A-B)	
CIF price: crude oil	(\$/b)	71.5	70.6	0.9	*CIF crude oil price for 2019/1Q is tentative.
FX rate (interbank)	(yen/\$)	109.9	109.1	0.8	

06 | (Reference) Impact of Accrued Income (Result)



<Forecast>

Forecasts of financial results have not been revised from the previous announcement made in April 26, 2019.

- Consolidated operating revenues: 3,050.0 billion yen (forecast)
 - Consolidated ordinary income: 185.0 billion yen (forecast)
- Consolidated ordinary income excluding the effect of time lag is expected to be approx.150.0 billion yen.

[Consolidated]

	Current (A)	April 26 (B)	(Billion yen,%)	
			Change (A-B)	(A-B)/B
Operating revenues	3,050.0	3,050.0	-	-
Ordinary income	185.0	185.0	-	-
Net income attributable to owners of parent	165.0	165.0	-	-

[(Reference) Nonconsolidated]

	Current (A)	April 26 (B)	(Billion yen,%)	
			Change (A-B)	(A-B)/B
Operating revenues	2,720.0	2,720.0	-	-
Ordinary income	75.0	75.0	-	-
Net income	45.0	45.0	-	-

[Principal Figures]

<Electrical energy sold>	Current (A)	April 26 (B)	(TWh,%) Change	
			(A-B)	(A-B)/B
Electrical energy sold	118.7	118.7	-	-
[Reference]				
Electrical energy sold including group companies *	124.2	124.2	-	-

* The sum of the company, consolidated subsidiaries, and affiliates accounted for under the equity method.

<Others>		Current	April 26
CIF price: crude oil	(\$/b)	approx. 65	approx. 65
FX rate	(yen/\$)	approx. 110	approx. 110
Nuclear power utilization rate	(%)	-	-

02

Reference Data

09 | Consolidated Statements of Income



	(Billion yen,%)			
	2019/1Q (A)	2018/1Q (B)	Change (A-B)	(A-B)/B
Operating revenues	754.4	684.4	69.9	10.2
Share of profit of entities accounted for using equity method	48.9	5.9	43.0	729.3
Other	4.1	3.9	0.1	4.0
Non-operating revenues	53.0	9.8	43.2	436.9
Ordinary revenues	807.5	694.3	113.1	16.3
Operating expenses	720.4	648.0	72.3	11.2
Non-operating expenses	6.5	6.8	(0.3)	(4.5)
Ordinary expenses	726.9	654.8	72.0	11.0
<Operating income>	<34.0>	<36.4>	<(2.4)>	<(6.7)>
Ordinary income	80.5	39.5	41.0	103.9
Reserve for fluctuation in water levels	(0.6)	-	(0.6)	-
Extraordinary income	19.0	-	19.0	-
Income taxes	10.8	11.2	(0.4)	(3.7)
Net income attributable to non-controlling interests	1.2	0.1	1.0	768.2
Net income attributable to owners of parent	88.2	28.0	60.1	214.2

10 | Nonconsolidated Statements of Income <1>: Operating revenues

	(Billion yen,%)				<Major factors for change>
	2019/1Q (A)	2018/1Q (B)	Change (A-B)	(A-B)/B	
Electricity sales revenues	528.3	486.5	41.7	8.6	An increase in fuel cost adjustment charge +42.3
Sold power to other electric utilities(*1)	16.4	21.9	(5.4)	(24.8)	
Transmission revenue, etc. (*2)	21.5	17.5	3.9	22.6	An increase in purchase of renewable energy sourced electricity
Grant under act on purchase of renewable energy sourced electricity	85.0	76.5	8.5	11.1	
Other	9.0	6.7	2.2	33.8	
Electricity business operating revenues	660.4	609.3	51.0	8.4	
Incidental business operating revenues	18.7	15.0	3.6	24.4	Gas supply business +3.6 <Gas/LNG sold> 217 thousand tons → 222 thousand tons
Total operating revenues	679.1	624.3	54.7	8.8	

*1 Sold power to other utilities, and Sold power to other suppliers

*2 Transmission revenue, and Settlement revenue among utilities

11 | Nonconsolidated Statements of Income <2>: Operating expenses



(Billion yen,%)

<Major factors for change>

	2019/1Q (A)	2018/1Q (B)	Change (A-B)	(A-B)/B	
Salaries and employee benefits	41.9	45.5	(3.6)	(8.0)	
Fuel	-	156.3	(156.3)	-	Integration of the existing thermal power generation businesses into JERA
Nuclear back-end expenses (*1)	4.1	4.0	0.0	2.3	Start of purchasing electric power from JERA
Purchased power etc. (*2)	381.5	124.3	257.1	206.7	Sales increase outside Chubu region
Transmission charges etc. (*3)	8.2	4.8	3.4	72.0	
Maintenance	27.0	40.0	(12.9)	(32.5)	Integration of the existing thermal power generation businesses into JERA -8.6
Depreciation	38.6	57.5	(18.9)	(33.0)	
Taxes other than income taxes	24.2	29.2	(5.0)	(17.2)	Integration of the existing thermal power generation businesses into JERA -18.5
Levy under act on purchase of renewable energy sourced electricity	70.6	66.4	4.2	6.3	
Other	35.0	47.2	(12.1)	(25.8)	
Electricity business operating expenses	631.3	575.7	55.6	9.7	
Incidental business operating expenses	17.8	15.0	2.7	18.2	
Total operating expenses	649.1	590.7	58.4	9.9	Gas supply business +2.8

*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

12 | Nonconsolidated Statements of Income <3>: Net income



(Billion yen,%)

	2019/1Q (A)	2018/1Q (B)	Change	
			(A-B)	(A-B)/B
Operating income	29.9	33.6	(3.6)	(10.8)
Non-operating revenues	6.5	8.1	(1.6)	(19.8)
Non-operating expenses	5.6	6.4	(0.7)	(12.3)
Ordinary revenues	685.7	632.5	53.1	8.4
Ordinary expenses	654.8	597.1	57.6	9.6
Ordinary income	30.8	35.3	(4.4)	(12.6)
Reserve for fluctuation in water levels	(0.6)	-	(0.6)	-
Income taxes	8.6	9.9	(1.3)	(13.3)
Net income	22.9	25.3	(2.4)	(9.7)

13 | Consolidated and Nonconsolidated Financial Standing

		(Billion yen)			
		Jun. 30, 2019 (A)	Mar. 31, 2019 (B)	Change (A-B)	<Major factors for change>
Assets	Consolidated	5,401.2	5,987.5	(586.2)	Succeeded to JERA -1,188.9 Acquisition of JERA's stock by succeeding + 578.8
	Nonconsolidated	4,735.2	5,402.8	(667.6)	
Liabilities	Consolidated	3,488.1	4,143.1	(655.0)	Succeeded to JERA -610.1
	Nonconsolidated	3,250.8	3,922.8	(672.0)	
Net assets	Consolidated	1,913.1	1,844.3	68.7	
	Nonconsolidated	1,484.4	1,480.0	4.4	
Shareholders' equity ratio (%)	Consolidated	34.2	29.7	4.5	
	Nonconsolidated	31.3	27.4	3.9	
Outstanding interest-bearing debt	Consolidated	2,393.2	2,981.1	(587.9)	Succeeded to JERA -599.2
	Nonconsolidated	2,318.7	2,921.3	(602.6)	

14 | Segment Information

[Operating revenues]	(Billion yen)		
	2019/1Q (A)	2018/1Q (B)	Change (A-B)
Customer Service & Sales	670.7	628.7	41.9
Power Network	178.9	169.3	9.6
JERA (*1)	-	224.5	(224.5)
Others (*2)	171.0	170.7	0.3

[Ordinary income and loss]	(Billion yen)		
	2019/1Q (A)	2018/1Q (B)	Change (A-B)
Customer Service & Sales	9.9	17.9	(7.9)
Power Network	9.7	0.1	9.5
JERA (*1)	47.9	10.2	37.6
Others (*2)	19.2	22.2	(2.9)

(Note) Each segment is stated before eliminating internal transaction.

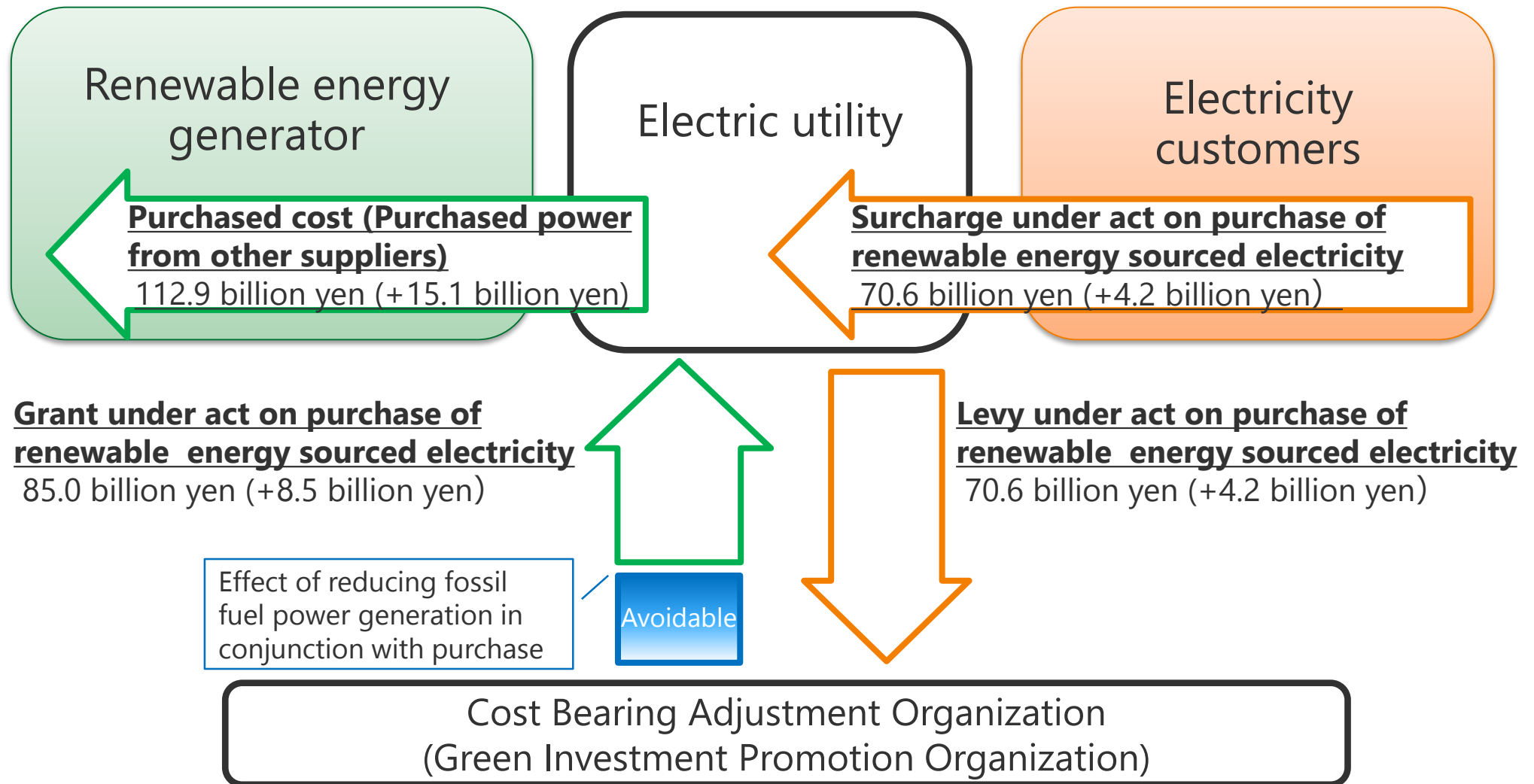
*1 "JERA" segment in 2018/1Q includes JERA and thermal power generation business of Chubu Electric Power.

*2 "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.

[Consolidated]

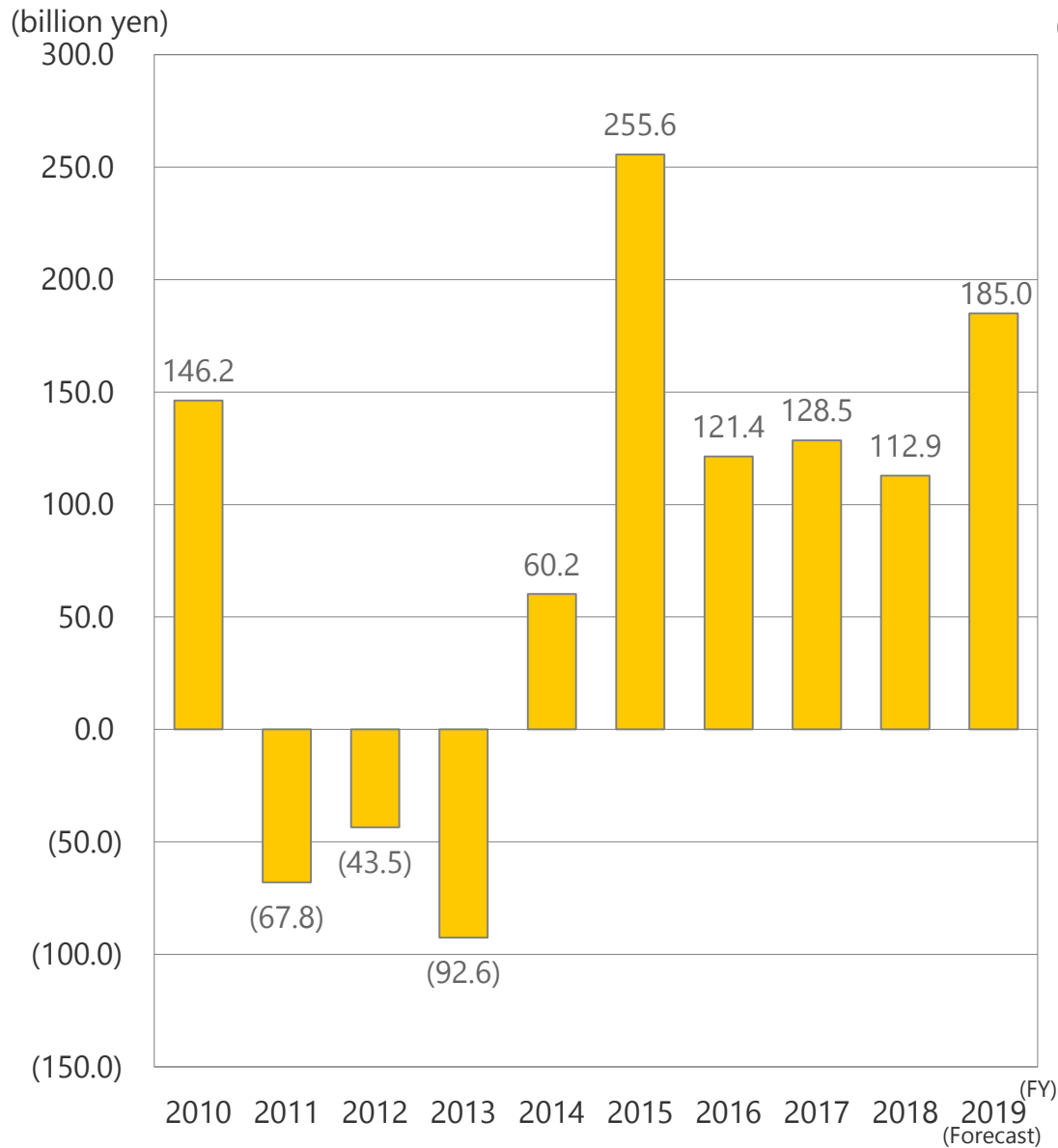
	(Billion yen, %)			
	2019/1Q (A)	2018/1Q (B)	Change	
			(A-B)	(A-B)/B
Operating revenues	795.3	535.4	259.9	48.5
Operating income	96.1	1.5	94.5	5,933.7
Ordinary income	106.6	15.0	91.6	610.4
Net income attributable to owners of parent	102.5	12.0	90.5	753.8

<Result of 2019/1Q (change from the previous year in parenthesis)>

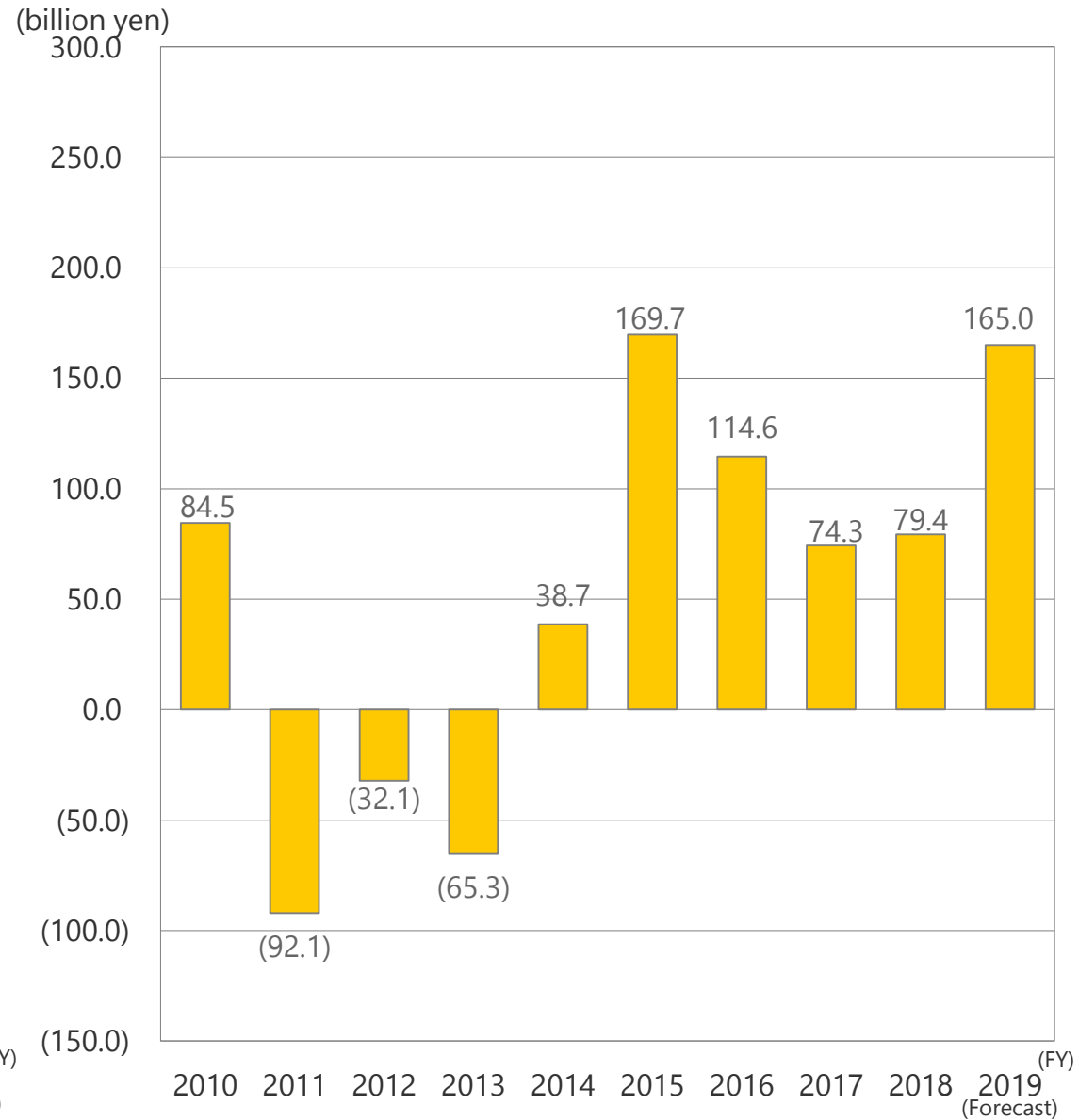


17 | Ordinary Income (Loss) and Net Income (Loss)

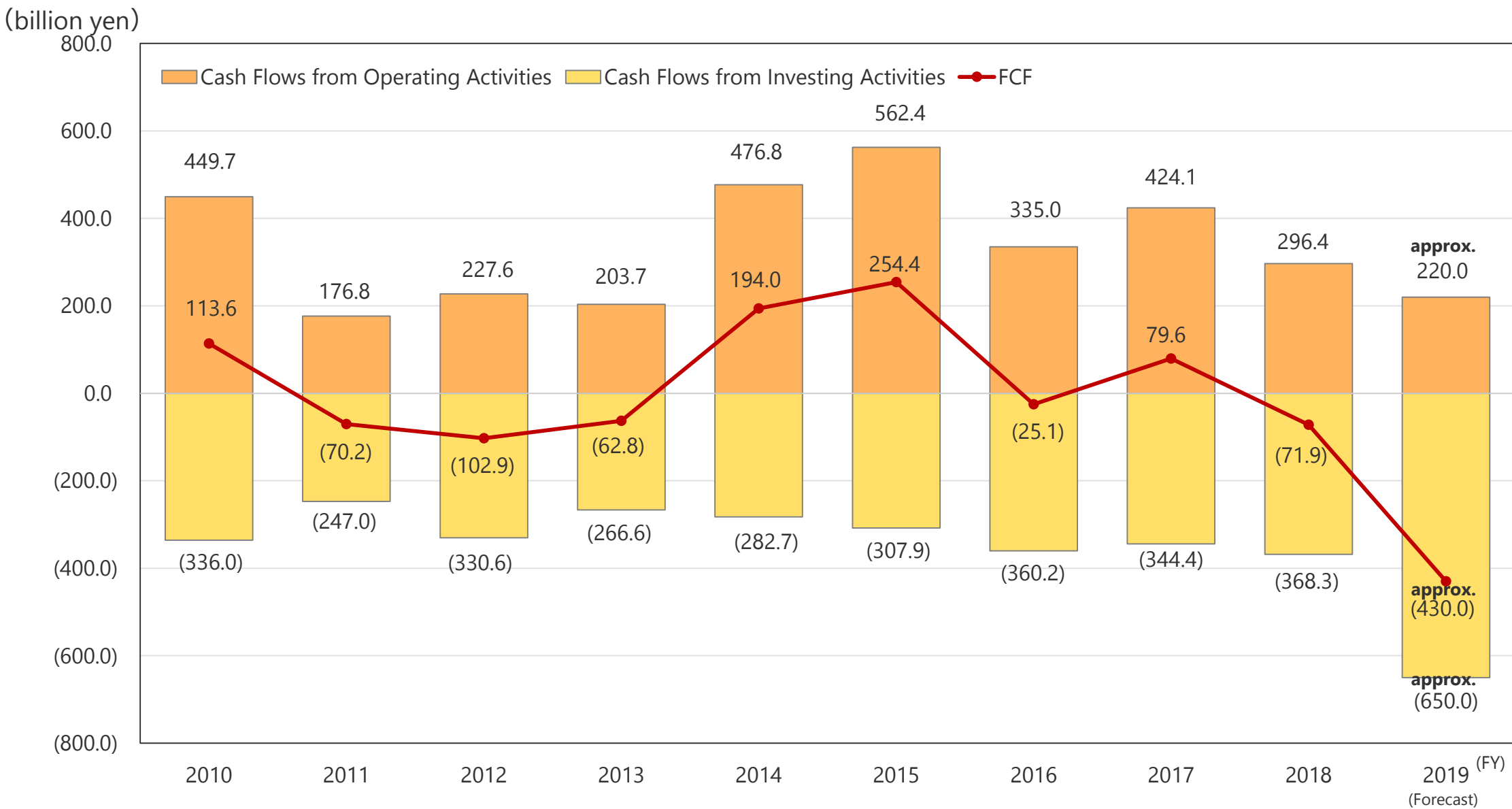
[Consolidated Ordinary Income (Loss)]



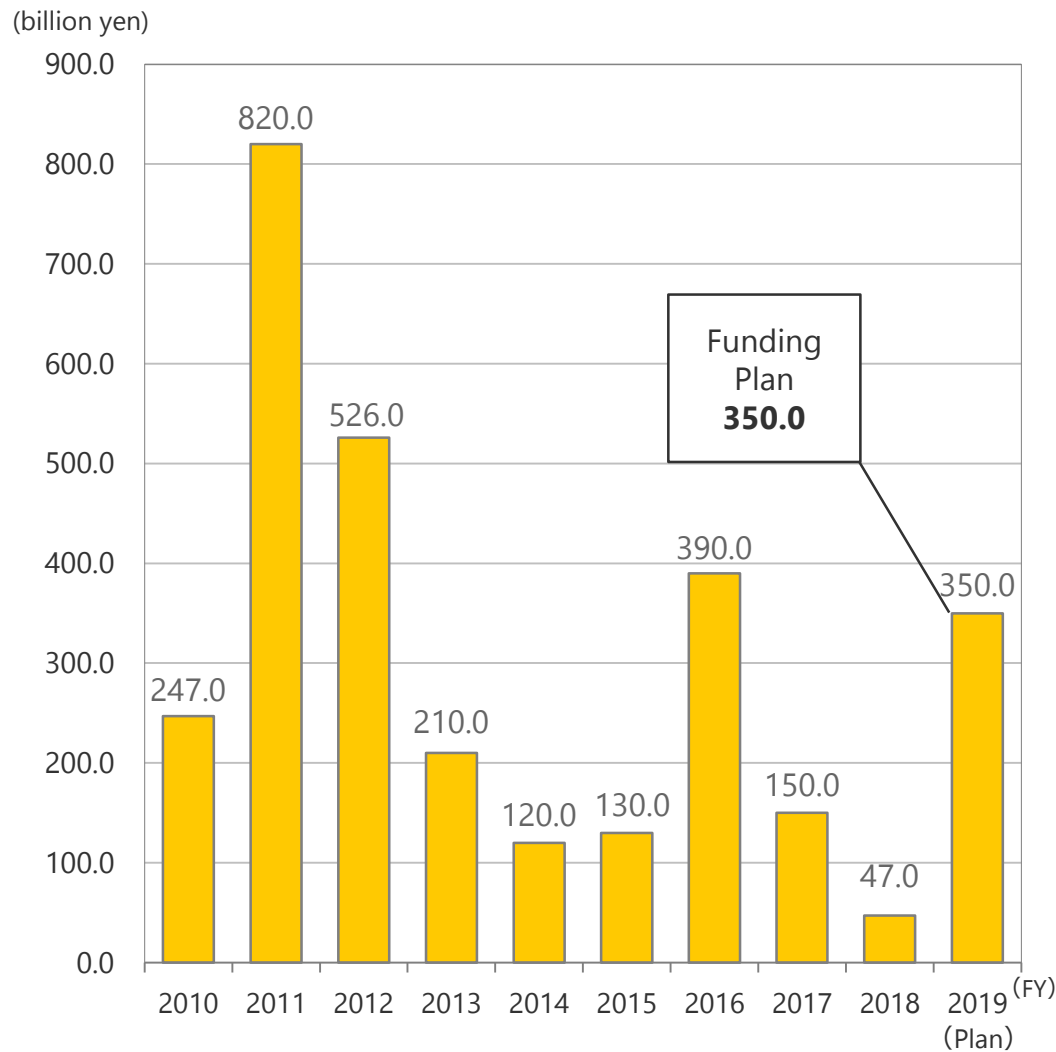
[Consolidated Net Income (Loss)]



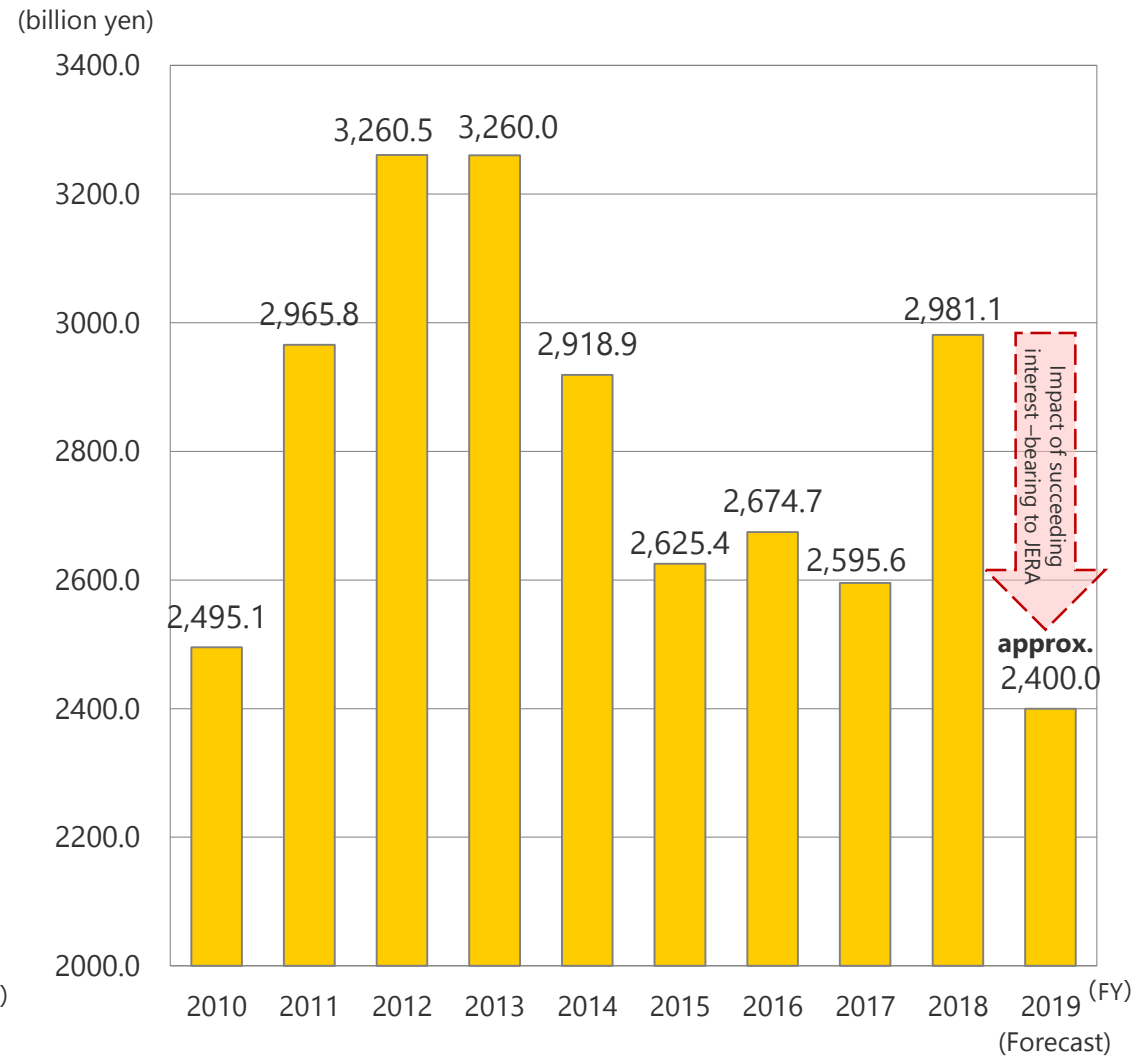
18 | Cash Flow (Consolidated)

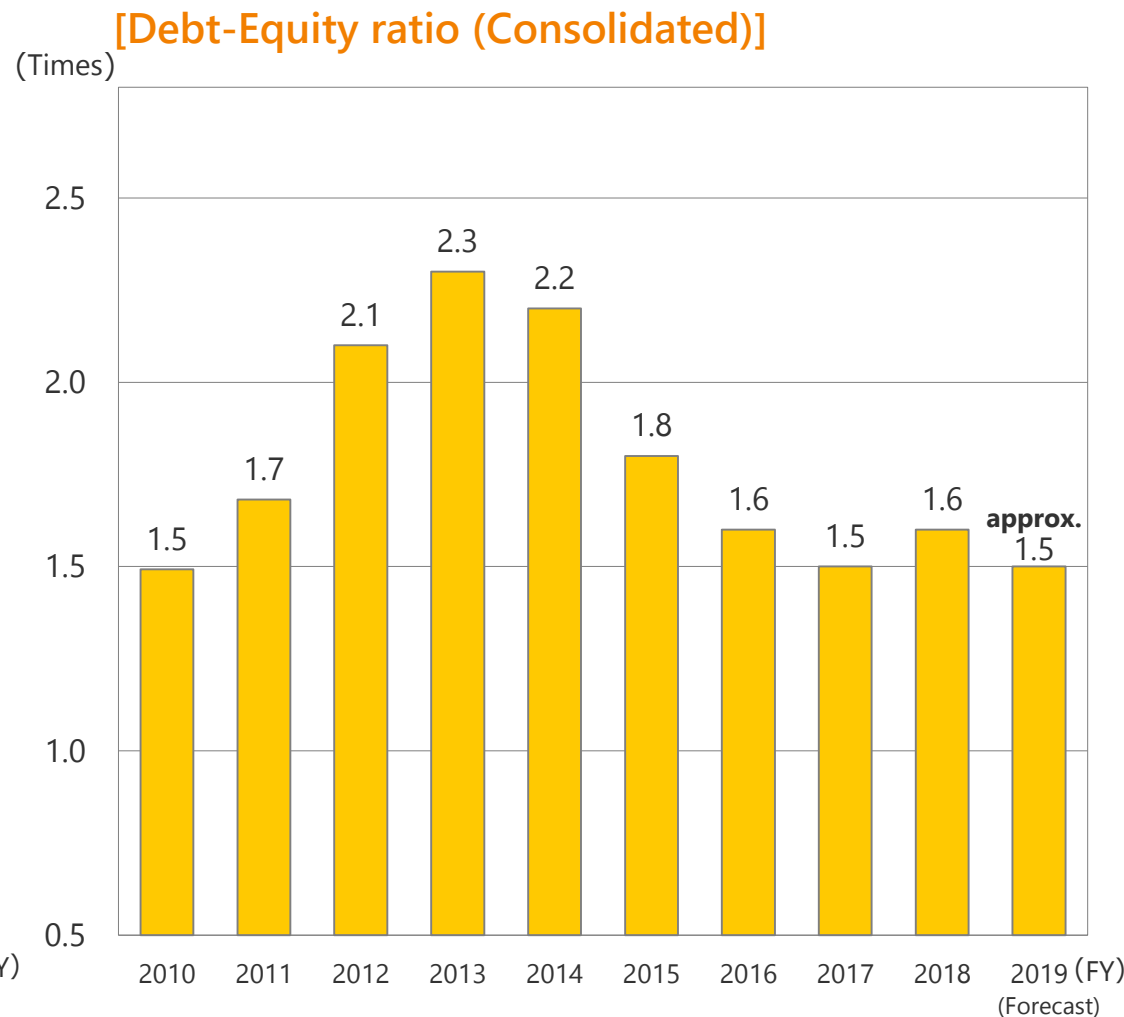
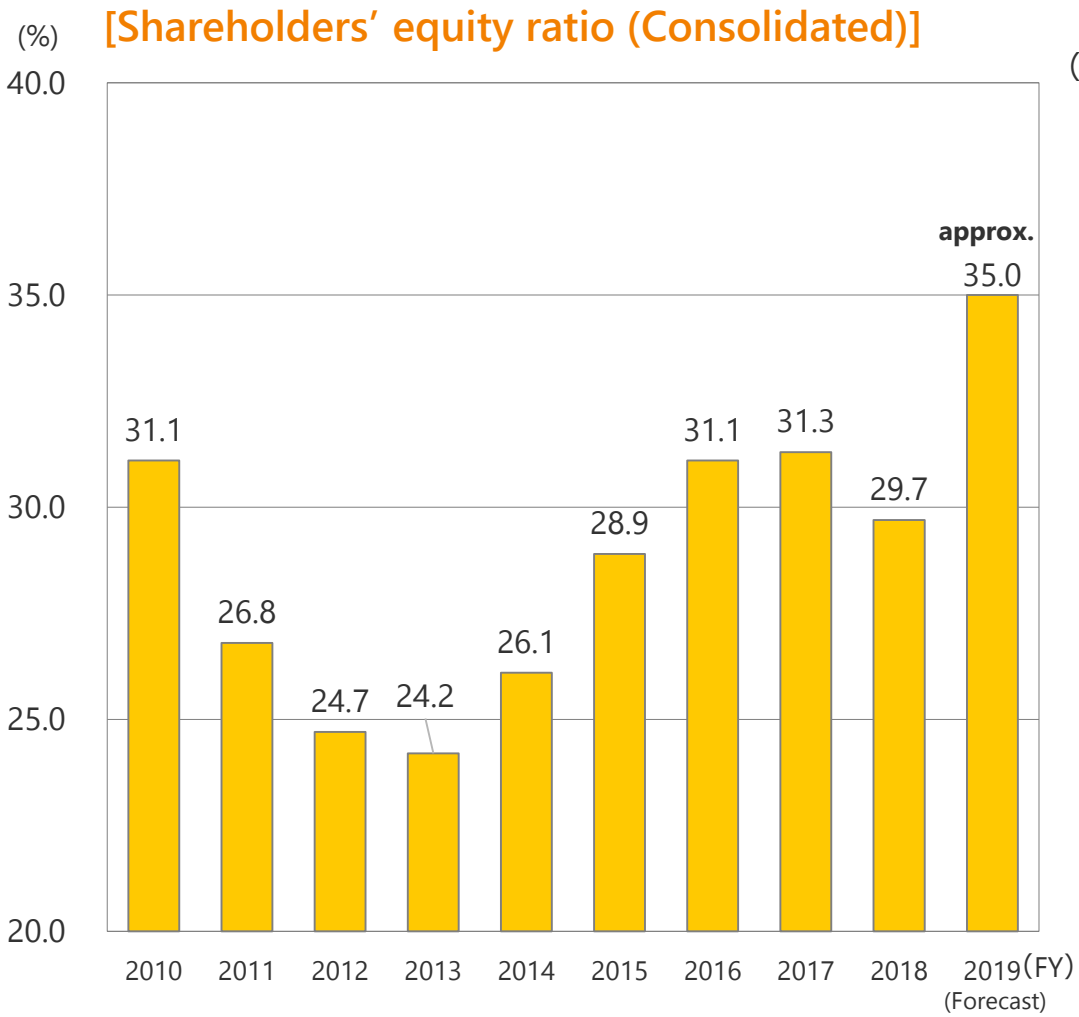


[Fund raising (Nonconsolidated)]



[Outstanding Interest-bearing debt (Consolidated)]

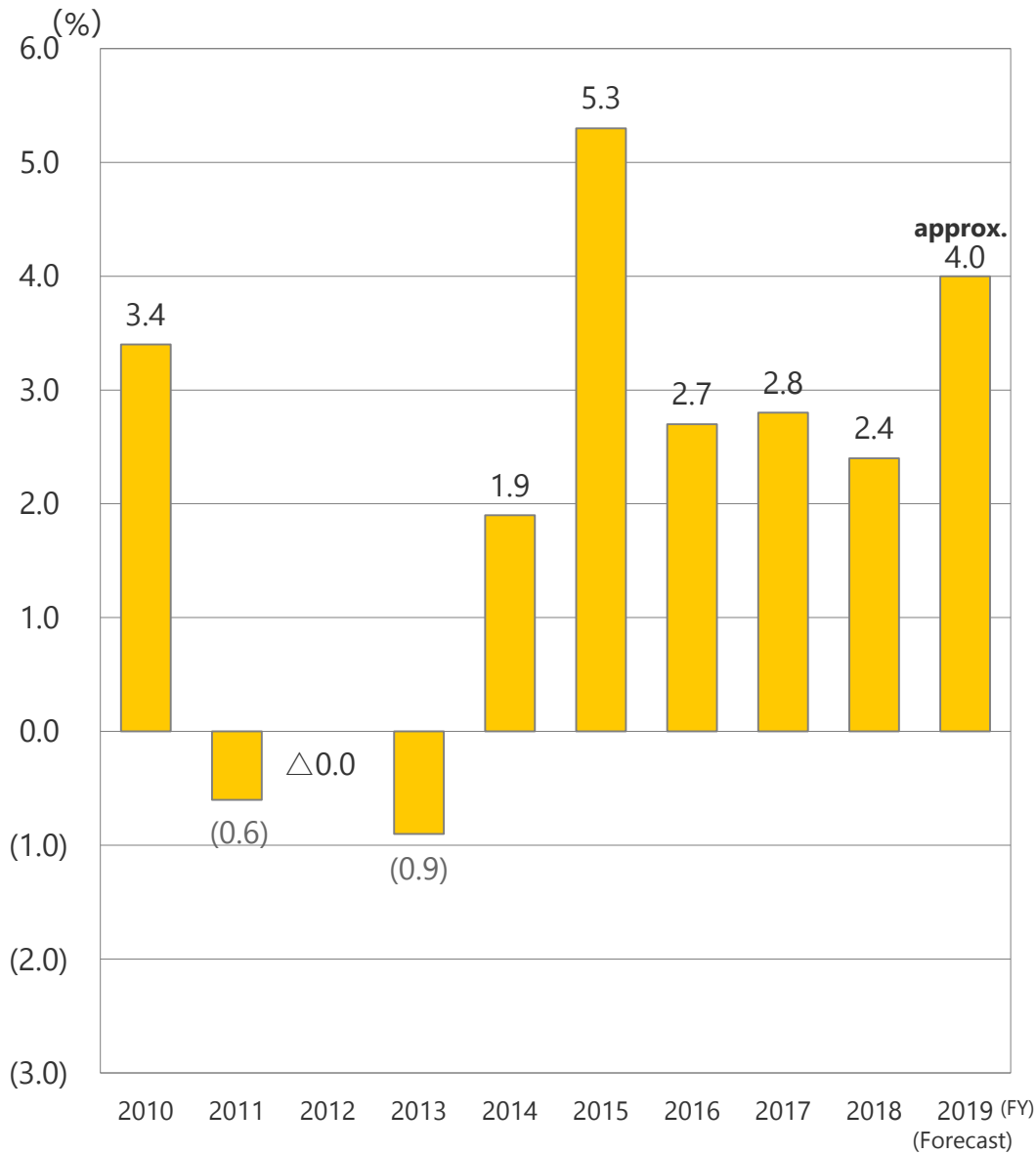




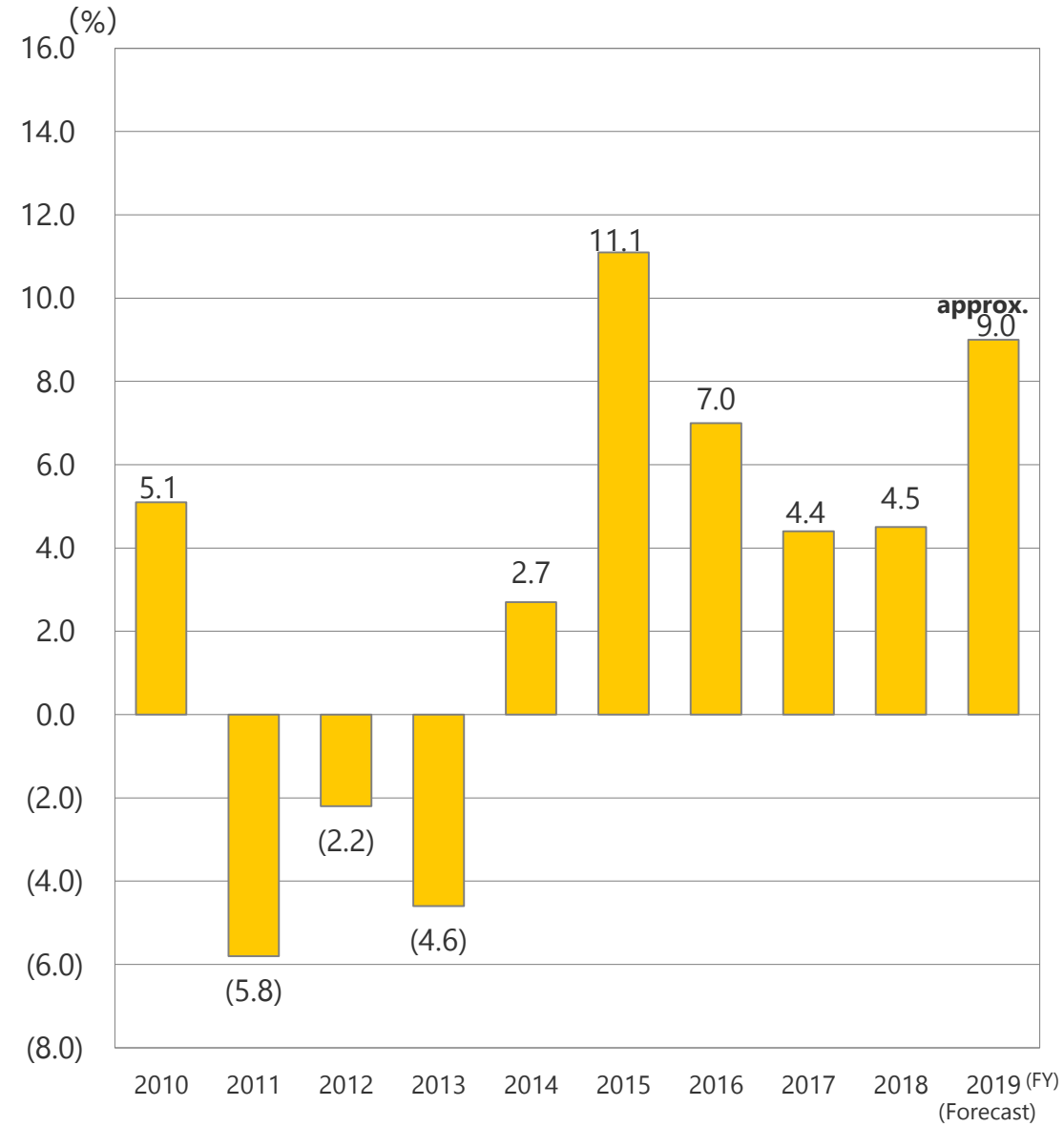
[Credit ratings (long-term)]

Moody's	R&I	JCR
A3	A+	AA

[ROA (Consolidated)]



[ROE (Consolidated)]



		2019/1Q	Target
Chubu region	The number of entry ; New electric tariff menu	Approx.1.92 million	-
Outside of Chubu region	Electrical energy sold outside of Chubu region	2.6 billion kWh	Increase to approx. 30.0 billion kWh/year (second half of 2020) in the Tokyo metropolitan area
	The number of applications ; Electricity in the Tokyo metropolitan area	Approx. 250 thousand	-
Gas	Gas and LNG sold	239 thousand tons	Increase to 3,000 thousand tons/year (second half of 2020s)
	The number of applications ; Gas (for household, etc.)	Approx. 265 thousand	-

23 | Monthly Breakdown of Electrical Energy Sold

(TWh)

	FY2019			
	Apr.	May	June	Apr.-June
Low voltage	3.0	2.8	2.1	7.8
High voltage Extra-high voltage	6.5	6.5	7.0	20.0
Total	9.5	9.3	9.1	27.9

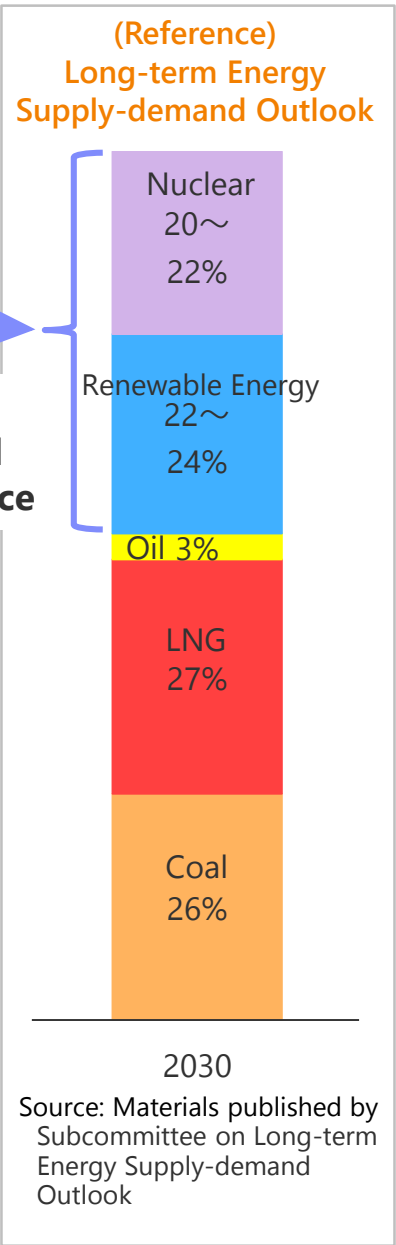
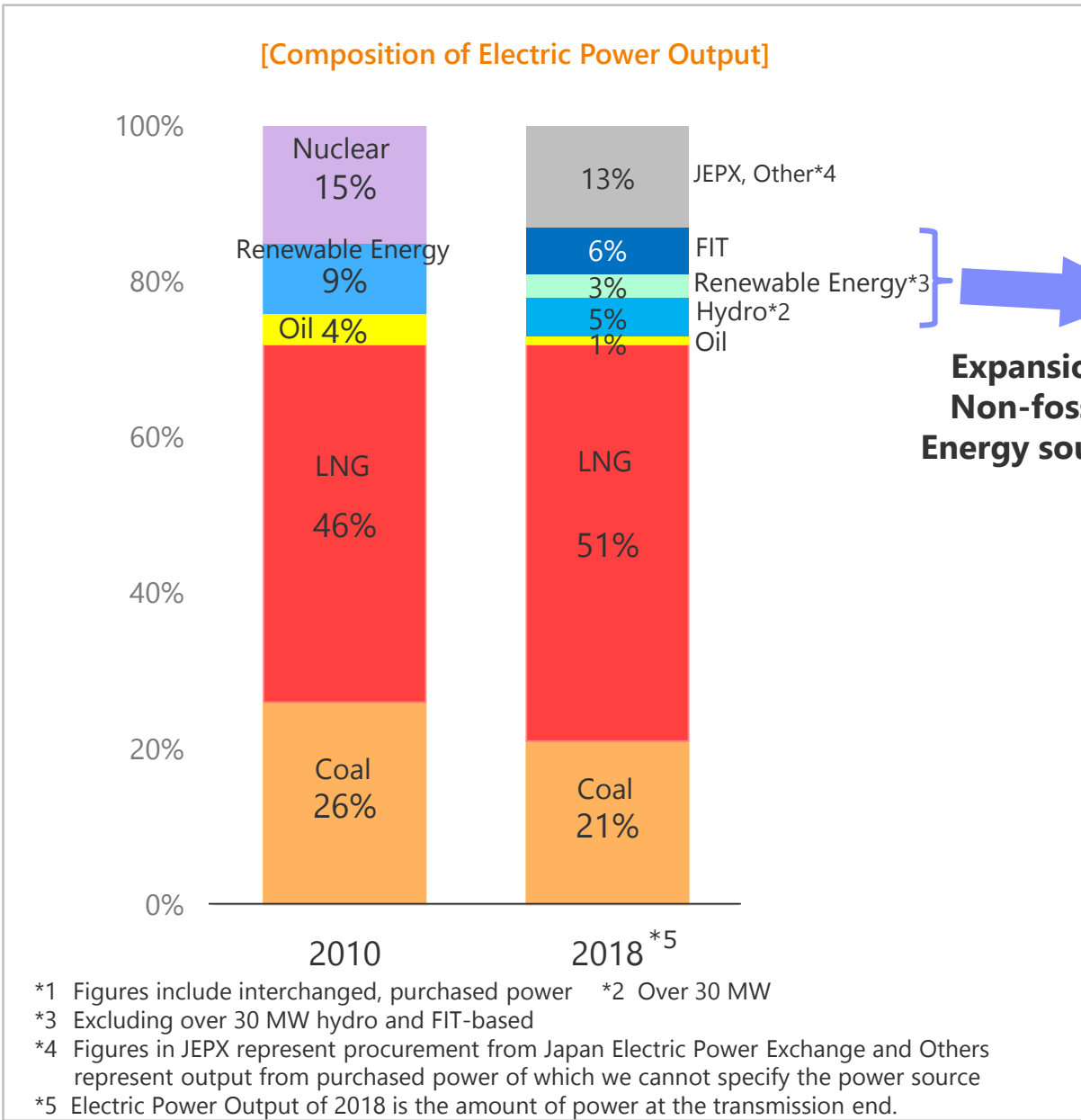
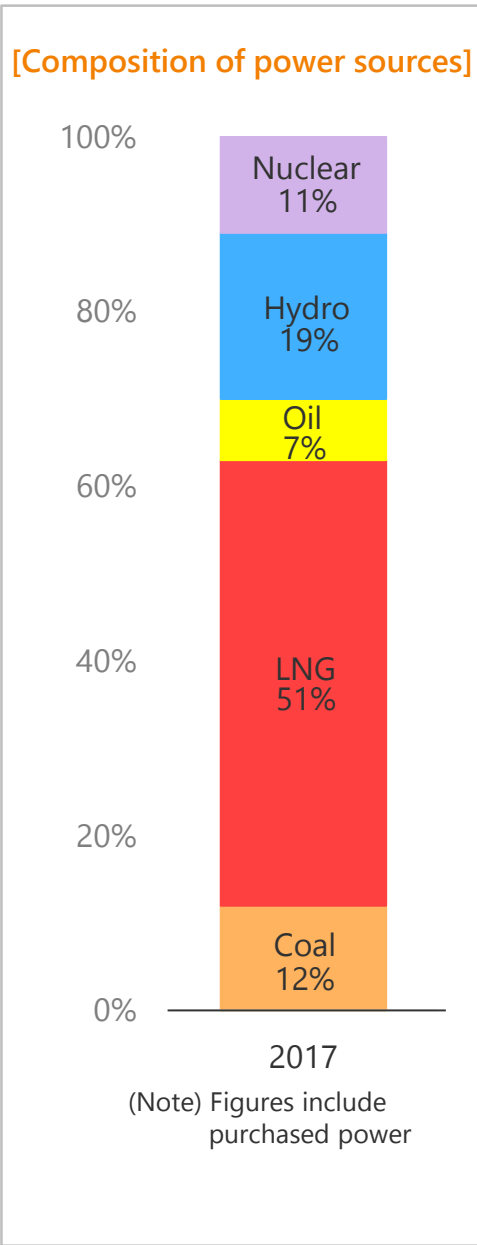
* The total may not match due to rounding.

(TWh)

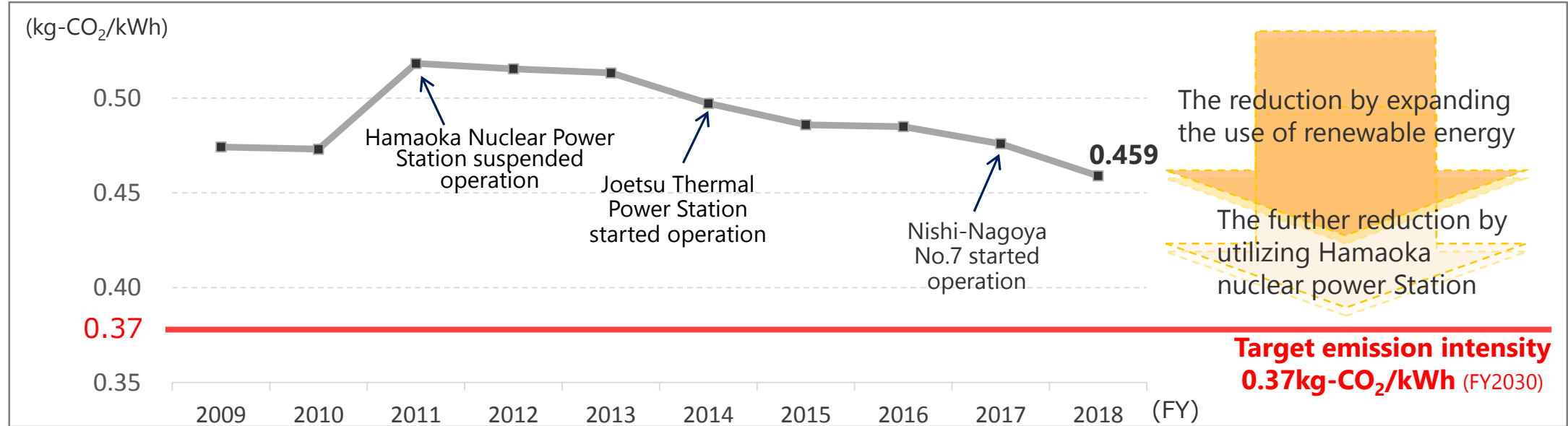
	FY2018												
	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total
Low voltage	2.9	2.5	2.3	2.7	3.6	3.3	2.3	2.5	3.0	4.2	3.9	3.1	36.4
High voltage Extra-high voltage	6.4	6.3	6.9	7.6	7.6	7.3	7.0	6.6	6.5	6.6	6.6	6.7	81.9
Total	9.3	8.9	9.1	10.3	11.2	10.5	9.3	9.1	9.5	10.7	10.5	9.8	118.3

* The total may not match due to rounding.

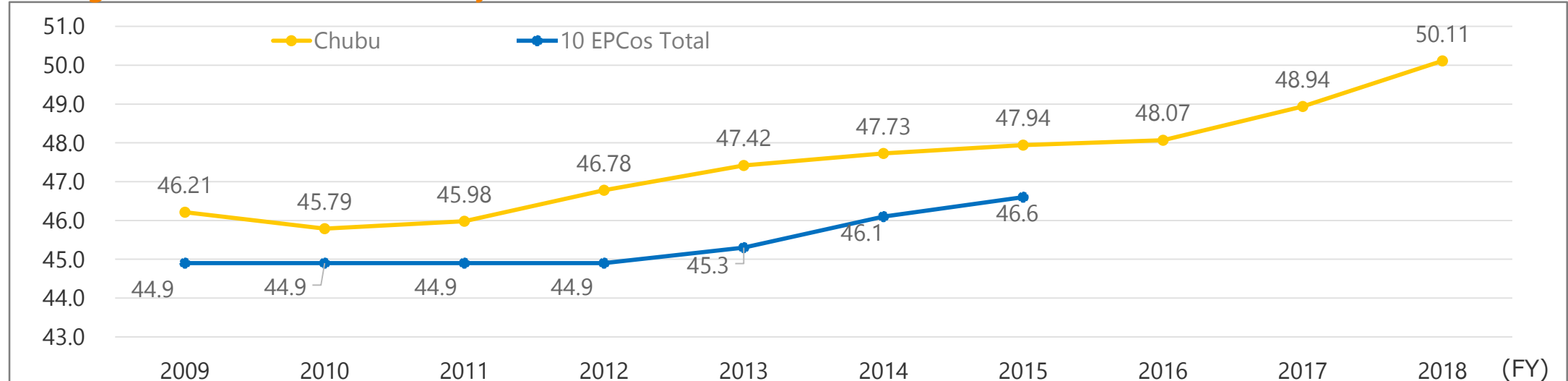
24 | Composition of Electric Power Output



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



[Change of total thermal efficiency (LHV basis)]



(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). No announcement after FY2016.

26 | Overview of Renewable Energy Business

(As of the end of June, 2019)

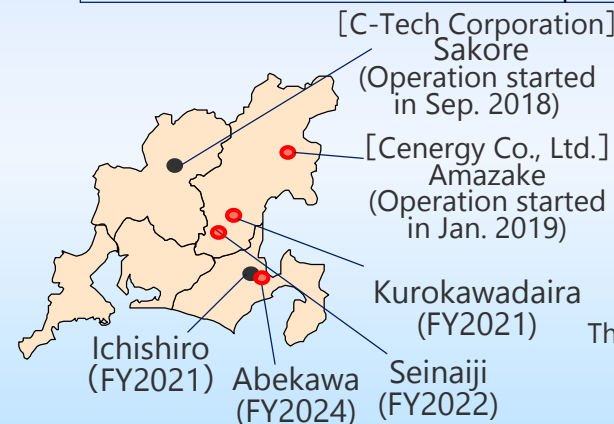
		Chubu Electric	(Reference) Chubu Electric Group	
Hydro	operating	197 Site : 5,459MW	Akigami : 0.29MW(FY2016) Sakore : 0.38MW(FY2018) Amazake : 0.53MW(FY2018)	
	plan	Kurokawadaira : 0.17 MW (FY2021) Ichishiro : 0.16 MW (FY2021) Seinaiji : 5.6 MW (FY2022) Abekawa : 7.5 MW (FY2024)	Hidasunouchi : 0.82MW(FY2020)	
Wind	Operating	Omaezaki : 22MW	150MW	
	Plan	Atsumi : 7.4 MW (FY2021)	—	
Solar	Operating	Mega Solar Iida : 1.0 MW Mega Solar Shimizu : 8.0 MW Mega Solar Kawagoe : 7.5 MW Miyako Kuzakai Solar Park : 9.0 MW	237MW	
	plan	—	9 Site : 135MW (FY2019)	
Biomass	operating	Mixture of wooden chip Mixture of fuel from carbonized sewage sludge	Taki bio power : 6.75 MW (FY2016)	
	Plan	Yokkaichi : 49MW(FY2020) Yonago : 16.35MW(FY2021)	CEPO Handa biomass : 45 MW (FY2019)	
Total*	Operating	5,506.5MW	Grand Total	5,901.45MW
	Plan	86.18MW		551.28MW

(Note) Joint businesses are recorded by equity interest.

* Joint businesses are included.

Development locations of hydroelectric power station

- Conventional hydro
 - Generation with minimum water level
- Parentheses denote the commercial operation start year.



The situation of the construction of Ogurogawa dam of Seinaiji Hydroelectric Power Station

Biomass Power Generation

The situation of the construction of Yokkaichi Biomass Power Generation

【Summary of Project】

Site: Yokkaichi City, Mie Prefecture
Power output: 49MW

[Full view of the construction area]



Power generation:

Approx. 380 million kWh/year

Type of fuel:

Wooden pellet, Palm coconut shell

Annual use of fuel: Approx. 220,000 tons

CO₂ reduction effect :

Approx. 160,000 tons per year

Scheduled start of commercial operation:

April, 2020

New development of 2 million kW or more as to renewable energy (up to around 2030)

[Submarine power transmission business in Germany]

Overview of the business				
Project overview	Operating and maintaining following four submarine transmission cables which run from a wind power plant located in an offshore area of the North Sea			
	BorWin1	BorWin2	DolWin2	HelWin2
Transmission Capacity	400MW	800MW	920MW	690MW
Transmission Line Length	200 km 〔 On land 75km Submarine 125km 〕	200 km 〔 On land 75km Submarine 125km 〕	135 km 〔 On Land 90km Submarine 45km 〕	130 km 〔 On Land 45km Submarine 85km 〕
Sponsor	Chubu Electric Power, Mitsubishi Corporation, Mitsubishi UFJ Lease & Finance Co., Ltd., TenneT Holding B.V.			



(Reference: TenneT Holding's web site)



[Global training, Incubation, Investment business in Singapore]

Overview of the business	
Company name	Greenway Grid Global Pte. Ltd.
Project overview	(1)Project Investment and Operation Invest in and commercialize promising business opportunities such as electricity transmission and distribution projects, and next-generation infrastructure (2)Incubation of new business Helping to accelerate the commercialization of customer's new business ideas (3)Global training for personnel Nurturing globally capable leaders skilled in new business development
Sponsor	Chubu Electric Power, TEPCO Power Grid Inc., ICMG Co.,Ltd.

[Power distribution and retail sales business in Philippines]

Overview of the business	
Project overview	Power Distribution and Retail Sales business for New Clark City* in Philippines
Project period	25 years
Sponsor	Chubu Electric Power, Manila Electric Company (MERALCO), Marubeni Corporation, The Kansai Electric Power, and the Bases Conversion and Development Authority in Philippines

※New Clark City (NCC) is a large scale new city which BCDA is planning to develop at the vacant land of former Clark US Air Force Bases(9,450ha). NCC is nominated as one of the national projects, which seeks solutions of issue that Manila, capital city of the Philippines, is suffering from, such as traffic jam and high population density, aiming to increase number of residents to 1.2M and create 0.8M employments by 2065 through relocation of government facilities, construction of highways, etc.

DISCLAIMER

This presentation contains assumptions and forward-looking statements with respect to the financial conditions, and forecasts of the company, which are based on information currently available.

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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