

Financial Report

The information shown below is an English translation of "Financial Report for the Fiscal Year Ended March 31, 2019", which was filed with stock exchanges (Tokyo and Nagoya) on the date shown below pursuant to their regulations, for your convenience. Be advised that the Japanese version (the original) shall prevail if in any case a discrepancy arises between the original and the English translation.

CHUBU ELECTRIC POWER COMPANY, INCORPORATED (April 26, 2019) Financial Report for the Fiscal Year Ended March 31, 2019 (FY 2018)

(In accordance with provisions of regulations in Japan, and accounting standards generally accepted in Japan)
Stock code: 9502 URL: <http://www.chuden.co.jp/english/ir/index.html> Stock listed on: Tokyo SE, Nagoya SE
Representative: Mr. Satoru Katsuno, President
Contact: Hideki Hayakawa, General Manager, Head of Investor Relations Section. Tel: +81-52-951-8211
Shareholders' Meeting: June 26, 2019
Commencement of payment of dividend: June 27, 2019
Projected date for submitting annual security report: June 27, 2019
Preparation of supplementary materials for financial results: Yes
Information meeting for financial results: Yes (for analysts and institutional investors)

(Figures are rounded down to the nearest million yen)
(Figures in parentheses are negative numbers)

1. Performance over the Fiscal Year Ended March 31, 2019 (Consolidated) (April 1, 2018 - March 31, 2019)

(1) Consolidated Operating Results

%: change from the previous year

	Operating Revenues		Operating Income		Ordinary Income		Net income attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2018	3,035,082	6.4	125,924	(7.8)	112,929	(12.1)	79,422	6.8
FY2017	2,853,309	9.6	136,505	0.0	128,532	5.8	74,372	(35.1)

(Note) Comprehensive income

(FY2018: 84,509 million yen (YoY: 18.2%), FY2017: 71,523 million yen (YoY: -35.6%))

	Net income per Share (Primary)	Net income per Share (Fully diluted)	ROE (Return [Net income] on Equity)	ROA (Return [Ordinary income] on Assets)	Operating Income / Operating Revenues
	yen	yen	%	%	%
FY2018	104.96	-	4.5	2.0	4.1
FY2017	98.24	-	4.4	2.3	4.8

(Reference) Equity in earnings of affiliates (FY 2018: 9,560 million yen, FY 2017: 18,836 million yen)

(2) Consolidated Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	million yen	million yen	%	yen
Mar 31/2019	5,987,526	1,844,362	29.7	2,350.52
Mar 31/2018	5,529,408	1,791,942	31.3	2,285.87

(Reference) Shareholders' Equity (Mar 31/2019: 1,778,495 million yen, Mar 31/2018: 1,729,742 million yen)

(Note) The "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No.28, dated February 16, 2018) etc. has been applied since the start of this first quarterly consolidated accounting period. Please show the (Change in presentation) of attachment p.11 for the details.

(3) Outline of Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	million yen	million yen	million yen	million yen
FY2018	296,406	(368,361)	337,260	550,060
FY2017	424,159	(344,467)	(88,670)	284,888

2. Dividends

	Annual Dividends per Share					Total Dividends paid (fully-year)	Payout Ratio (Consolidated)	Dividends on net assets (Consolidated)
	1Q end	2Q end	3Q end	4Q end	Annual			
	yen	yen	yen	yen	yen	million yen	%	%
FY2017	-	15.00	-	20.00	35.00	26,494	35.6	1.6
FY2018	-	20.00	-	25.00	45.00	34,053	42.9	1.9
FY2019 (Forecasts)	-	25.00	-	25.00	50.00		22.9	

3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2020 (approximate estimate)

#: change from the previous year

	Operating Revenues		Ordinary Income		Net Income attributable to owners of parent		Net Income per Share (Primary)
	million yen	%	million yen	%	million yen	%	yen
FY2019	3,050,000	0.5	185,000	63.8	165,000	107.8	218.07

<Notes>

(1) Changes in important subsidiaries during the fiscal year under review

(accompanying changes in the extent of consolidated companies): None

New: - Company name:

Excluded: - Company name:

(2) Changes in accounting policies, changes in accounting estimates, restatements:

- i) Changes in accounting policies to comply with the revised accounting standards : None
- ii) Changes in accounting policies, other than under i) : None
- iii) Changes in accounting estimates : None
- iv) Restatements : None

(3) Number of shares issued (common stock)

(shares)

i) Number of shares issued at the end of period	March 31, 2019	758,000,000	March 31, 2018	758,000,000
ii) Number of treasury shares at the end of period	March 31, 2019	1,360,581	March 31, 2018	1,289,738
iii) Weighted average number of shares outstanding during the period	FY2018	756,662,463	FY2017	757,050,316

(Reference) Nonconsolidated Results

1. Performance over the Fiscal Year Ended March 31, 2019 (Nonconsolidated) (April 1, 2018 - March 31, 2019)

(1) Operating Results

?: change from the previous year

	Operating Revenues		Operating Income		Ordinary Income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2018	2,743,024	5.6	105,556	(8.0)	89,033	(3.1)	66,024	36.0
FY2017	2,597,164	8.7	114,708	(2.2)	91,899	(7.3)	48,535	(32.6)

	Net income per Share (Primary)	Net income per Share (Fully diluted)
	yen	yen
FY2018	87.25	-
FY2017	64.10	-

(2) Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	million yen	million yen	%	yen
Mar 31/2019	5,402,856	1,480,006	27.4	1,955.81
Mar 31/2018	5,001,216	1,445,047	28.9	1,909.43

(Reference) Shareholders' Equity Mar 31/2019: 1,480,006 million yen Mar 31/2018: 1,445,047 million yen

2. Forecasts of Nonconsolidated Results for the Fiscal Year Ending March 31, 2020 (approximate estimate)

?: change from the previous year

	Operating Revenues		Ordinary Income		Net Income		Net Income per Share (Primary)
	million yen	%	million yen	%	million yen	%	yen
FY2019	2,720,000	(0.8)	75,000	(15.8)	45,000	(31.8)	59.47

<This report is not reviewed by Certified Public Accountants nor Auditors.>

<Explanations Regarding Appropriate Use of the Forecasts, and Other Special Remarks>

1. The forecasts are based on information available as of the date of this announcement is made, and also, assumptions as of the date of this announcement is made on uncertain factors that would affect future results.
Actual results may materially differ by various causes in the future.
Information concerning the forecasts is mentioned on page No.04 "Outlook for the Next Period" in attached document.
2. We also disclosed Supplementary materials "Presentation Materials for Fiscal Year ended March 31, 2019" through TD net at the same date. We are planning to hold Information meeting for financial results for analysts and institutional investors. We disclosed the material for this Information meeting on the website.

The Attached Document

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Summary of Operating Results and Other

1. Summary of Operating Results

For business performance, on the revenue side, consolidated operating revenue increased by 6.4% from the previous consolidated fiscal year to 3,035.0 billion yen, mainly due to an increase in fuel cost adjustment charge in spite of a decrease in electrical energy sold. Consolidated ordinary revenue was 3,057.3 billion yen, a year-on-year increase by 6.1%. Meanwhile, on the expense side, in particular, since fuel expenses increase following a rise in fuel prices, in spite of improvement of management efficiency across the group, consolidated ordinary expenses increased to 2,944.4 billion yen, up 7.0% over the previous consolidated fiscal year.

Consequently, we recorded consolidated ordinary income of 112.9 billion yen, 12.1% decreased compared with the previous consolidated fiscal year. Moreover, the net income attributable to owners of parent increased by 6.8% to 79.4 billion yen.

As a result, we recorded consolidated ordinary income excluding the effect of time lag of approx. 163.0 billion yen, we achieved the mid-term target (consolidated ordinary income of 150.0 billion yen or more).

Provided below is the performance by segment (prior to deleting internal transactions) of this consolidated fiscal year.

<Power Generation Company>

Operating revenue from power supply with thermal and renewable energy increased by 5.0% to 1,152.9 billion yen compared with the previous fiscal year, because of an increase in unit price of revenue due to an increase in fuel price.

On the other hand, operating expenses increased by 8.1% to 1,145.4 billion yen because of an increase in fuel cost due to an increase in fuel price.

As a result of the above, operating income decreased by 80.5% to 7.4 billion yen.

<Power Network Company>

Operating revenue from provision of power network services increased by 0.2% to 746.4 billion yen compared with the previous fiscal year, mainly due to an increase in grant based on Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities, in spite of a decrease in electricity demand in Chubu region.

On the other hand, operating expenses increased by 0.6% to 693.3 billion yen mainly due to an increase in the purchase costs based on Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities, in addition to the natural disaster recovery expenditure in equipment damage caused by Typhoon No.21 and NO.24, in spite of improvement of the efficiency related to the basic costs.

As a result of the above, operating income decreased by 4.0% to 53.0 billion yen.

<Customer Service & Sales Company>

Operating revenue from a total energy service centered on gas & electric power increased by 4.4% to 2,749.5 billion yen compared with the previous fiscal year, mainly due to an increase in fuel cost adjustment charge in

spite of a decrease in electrical energy sold.

On the other hand, operating expenses increased by 3.4% to 2,684.5 billion yen mainly due to an increase in expenses of purchased power because of an increase in fuel price.

As a result of the above, operating income increased by 70.5% to 65.0 billion yen.

2. Summary of Financial Standing

(1) Assets

Non-current assets increased by 101.5 billion yen to 4,893.7 billion yen from the end of the previous consolidated fiscal year, mainly due to an increase in non-current assets because of capital investment, in spite of the progress of the depreciation.

Current assets increased by 356.5 billion yen to 1093.7 billion yen from the end of the previous consolidated fiscal year, mainly due to securing cash and deposits for having JERA succeeded the Company's existing thermal power generation businesses, etc.

As a result of the above, total assets increased by 458.1 billion yen to 5,987.5 billion yen compared with the end of the previous consolidated fiscal year.

(2) Liabilities

Total liabilities increased by 405.6 billion yen to 4,143.1 billion yen from the end of the previous consolidated fiscal year, mainly due to an increase in interest-bearing liabilities.

(3) Net assets

Total net assets increased by 52.4 billion yen to 1,844.3 billion yen from the end of the previous consolidated fiscal year, mainly due to allocating net income attributable to owners of parent, in spite of paying cash dividends.

As a result, the shareholders' equity ratio was 29.7%.

3. Summary of Cash Flow

(1) Cash Flows from operating activities

Cash inflow from operating activities decreased by 127.7 billion yen to 296.4 billion yen from the previous consolidated fiscal year, because of an increase in fuel cost due to an increase in fuel price.

(2) Cash Flows from investing activities

Cash outflow from investment activities increased by 23.8 billion yen to 368.3 billion yen from the previous consolidated fiscal year, mainly due to an increase in payments for acquiring non-current assets.

As a result, free cash flow decreased by 151.6 billion yen to -71.9 billion yen from the previous consolidated fiscal year.

(3) Cash Flows from financing activities

Cash inflow from financing activities increased by 425.9 billion yen to 337.2 billion yen over the previous consolidated fiscal year due to an increase in demand for funds.

Consequently, the amount of cash and cash equivalents at end of consolidated fiscal year under review

increased by 265.1 billion yen from the end of previous consolidated fiscal year.

Furthermore, total outstanding interest-bearing debt at end of consolidated fiscal year under review increased by 385.5 billion yen to 2,981.1 billion yen from the end of previous consolidated fiscal year.

4. Outlook for the Next Period

Regarding the performance outlook for FY2019, consolidated operating revenues are expected to be 3,050.0 billion yen.

Consolidated ordinary income is expected to increase to 185.0 billion yen from the previous fiscal year, mainly due to a conversion of loss incurred by fuel cost adjustment system time lag into income because of a decrease in fuel price.

Further, consolidated ordinary income excluding the effect of time lag is expected to be approx. 150.0 billion yen.

[Consolidated]	(Billion yen, %)		
	FY2019 Forecast (A)	FY2018 Result (B)	Change (A-B)
Operating Revenues	3,050.0	3,035.0	approx. 15.0 <0.5>
Ordinary Income	185.0	112.9	approx. 72.0 <63.8>
Net income attributable to owners of parent	165.0	79.4	approx. 86.0 <107.8>

Notes: Rate of change from the previous fiscal year is in angle brackets.

[(Notes) Nonconsolidated]	(Billion yen, %)		
	FY2019 Forecast (A)	FY2018 Result (B)	Change (A-B)
Operating Revenues	2,720.0	2,743.0	approx. (23.0) <(0.8)>
Ordinary Income	75.0	89.0	approx. (14.0) <(15.8)>
Net income	45.0	66.0	approx. (21.0) <(31.8)>

Notes: Rate of change from previous fiscal year is in angle brackets.

[Principal Figures]		
Item	FY2019 Forecast	FY2018 Result
Electrical energy sold (TWh)	118.7	118.3
Crude oil CIF price (\$/b)	approx. 65.0	72.0
FX rate (yen/\$)	approx. 110.0	111.0
Nuclear power utilization rate (%)	-	-

[Reference]

Electrical energy sold including group companies (TWh)	124.2	123.6
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(Note) The sum of the company, consolidated subsidiaries, and equity method companies.

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

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

Basic Policy for Selection of Accounting Standards

Since our group's business consists mainly of the electricity business, our consolidated financial statements are based on the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 28, October 30, 1976) and are prepared in accordance with the Ordinance on Accounting at Electricity Utilities (Ordinance of the Ministry of International Trade and Industry No. 57, June 15, 1965).

We have not decided yet whether we will apply the International Financial Reporting Standards (IFRS) to our financial statements in the future.

Consolidated Financial Statements and Principal Notes

1. Consolidated Balance Sheets

(Millions of yen)

	As of Mar 31, 2018	As of Mar 31, 2019
Assets		
Non-current assets	4,792,185	4,893,772
Electric utility plant and equipment	3,137,080	3,091,207
Hydroelectric power production facilities	311,907	303,909
Thermal power production facilities	684,665	655,081
Nuclear power production facilities	142,248	174,894
Transmission facilities	680,244	646,341
Transformation facilities	414,949	414,419
Distribution facilities	780,857	776,905
General facilities	108,150	105,797
Other electric utility plant and equipment	14,057	13,860
Other non-current assets	276,469	292,534
Construction in progress	344,469	451,643
Construction and retirement in progress	334,025	430,755
Special account related to reprocessing of spent nuclear fuel	10,444	20,888
Nuclear fuel	179,755	184,613
Loaded nuclear fuel	40,040	40,040
Nuclear fuel in processing	139,715	144,573
Investments and other assets	854,410	873,773
Long-term investments	206,723	196,966
Long-term investments in subsidiaries and associates	416,861	451,274
Retirement benefit asset	18,656	15,265
Deferred tax assets	198,842	197,035
Other	14,175	14,009
Allowance for doubtful accounts	(849)	(778)
Current assets	737,222	1,093,754
Cash and deposits	181,631	546,082
Notes and accounts receivable - trade	291,341	343,850
Inventories	75,056	91,056
Other	190,857	114,653
Allowance for doubtful accounts	(1,663)	(1,888)
Total	5,529,408	5,987,526
Liabilities and net assets		
Non-current liabilities	2,549,995	2,386,924
Bonds payable	619,259	553,260
Long-term borrowings	1,361,767	1,227,751
Provision for loss in conjunction with discontinued operations of nuclear power plants	9,211	8,174
Retirement benefit liability	182,130	170,818
Asset retirement obligations	209,178	249,067
Other	168,448	177,853
Current liabilities	1,165,023	1,733,792
Current portion of non-current liabilities	257,315	285,130
Short-term borrowings	370,945	925,612
Notes and accounts payable - trade	133,057	133,584
Accrued taxes	82,179	67,297
Other	321,526	322,167
Reserves under special laws	22,446	22,446
Reserve for water shortage	22,446	22,446
Total liabilities	3,737,465	4,143,163
Shareholders' equity	1,688,145	1,737,172
Share capital	430,777	430,777
Capital surplus	70,805	70,798
Retained earnings	1,188,453	1,237,605
Treasury shares	(1,891)	(2,008)
Accumulated other comprehensive income	41,597	41,322
Valuation difference on available-for-sale securities	38,649	35,232
Deferred gains or losses on hedges	(6,182)	(2,273)
Foreign currency translation adjustment	19,964	16,428
Remeasurements of defined benefit plans	(10,833)	(8,064)
Non-controlling interests	62,199	65,867
Total net assets	1,791,942	1,844,362
Total	5,529,408	5,987,526

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	Full fiscal year ended Mar 31, 2018	Full fiscal year ended Mar 31, 2019
Operating revenue	2,853,309	3,035,082
Electricity	2,538,239	2,651,685
Other	315,070	383,397
Operating expenses	2,716,804	2,909,158
Electricity	2,415,115	2,539,625
Other	301,689	369,532
Operating income	136,505	125,924
Non-operating revenue	27,894	22,259
Dividend income	2,303	2,947
Interest income	299	223
Share of profit of entities accounted for using equity method	18,836	9,560
Other	6,455	9,527
Non-operating expenses	35,867	35,254
Interest expenses	26,464	24,024
Impairment loss	—	3,739
Other	9,403	7,490
Ordinary revenue	2,881,204	3,057,342
Ordinary expenses	2,752,672	2,944,412
Ordinary income	128,532	112,929
Provision or reversal of reserve for fluctuation in water levels	(19)	—
Reversal of reserve for water shortage	(19)	—
Extraordinary loss	23,356	—
Impairment loss	23,356	—
Income before income taxes	105,195	112,929
Income taxes - current	33,255	29,350
Income taxes - deferred	(4,813)	651
Total income taxes	28,441	30,002
Net income	76,753	82,926
Net income attributable to non-controlling interests	2,380	3,504
Net income attributable to owners of parent	74,372	79,422

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Full fiscal year ended Mar 31, 2018	Full fiscal year ended Mar 31, 2019
Net income	76,753	82,926
Other comprehensive income		
Valuation difference on available-for-sale securities	(682)	(3,315)
Deferred gains or losses on hedges	481	1,679
Foreign currency translation adjustment	1,456	(168)
Remeasurements of defined benefit plans, net of tax	(2,229)	4,909
Share of other comprehensive income of entities accounted for using equity method	(4,256)	(1,522)
Total other comprehensive income	(5,229)	1,582
Comprehensive income	71,523	84,509
Comprehensive income attributable to		
owners of parent	67,868	79,147
non-controlling interests	3,654	5,361

3. Consolidated Statements of Changes in Net Assets

Full fiscal year ended Mar. 31, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	430,777	70,794	1,136,801	(1,206)	1,637,166
Changes of items during period					
Dividends of surplus			(22,717)		(22,717)
Net income attributable to owners of parent			74,372		74,372
Purchase of treasury shares				(707)	(707)
Disposal of treasury shares			(2)	23	21
Change in equity of parent on transactions with non-controlling interests		10			10
Net changes of items other than shareholders' equity					
Total changes of items during period	—	10	51,652	(684)	50,978
Balance at the end of current period	430,777	70,805	1,188,453	(1,891)	1,688,145

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
Balance at the beginning of current period	39,485	(7,817)	24,682	(8,248)	48,101	39,445	1,724,713
Changes of items during period							
Dividends of surplus							(22,717)
Net income attributable to owners of parent							74,372
Purchase of treasury shares							(707)
Disposal of treasury shares							21
Change in equity of parent on transactions with non-controlling interests							10
Net changes of items other than shareholders' equity	(836)	1,634	(4,718)	(2,584)	(6,503)	22,754	16,250
Total changes of items during period	(836)	1,634	(4,718)	(2,584)	(6,503)	22,754	67,229
Balance at the end of current period	38,649	(6,182)	19,964	(10,833)	41,597	62,199	1,791,942

Full fiscal year ended Mar. 31, 2019

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	430,777	70,805	1,188,453	(1,891)	1,688,145
Changes of items during period					
Dividends of surplus			(30,270)		(30,270)
Net income attributable to owners of parent			79,422		79,422
Purchase of treasury shares				(121)	(121)
Disposal of treasury shares		0		3	3
Change in equity of parent on transactions with non-controlling interests		(6)			(6)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(6)	49,151	(117)	49,027
Balance at the end of current period	430,777	70,798	1,237,605	(2,008)	1,737,172

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
Balance at the beginning of current period	38,649	(6,182)	19,964	(10,833)	41,597	62,199	1,791,942
Changes of items during period							
Dividends of surplus							(30,270)
Net income attributable to owners of parent							79,422
Purchase of treasury shares							(121)
Disposal of treasury shares							3
Change in equity of parent on transactions with non-controlling interests							(6)
Net changes of items other than shareholders' equity	(3,416)	3,909	(3,535)	2,768	(274)	3,667	3,393
Total changes of items during period	(3,416)	3,909	(3,535)	2,768	(274)	3,667	52,420
Balance at the end of current period	35,232	(2,273)	16,428	(8,064)	41,322	65,867	1,844,362

4. Consolidated Statements of Cash Flows

(Millions of yen)

	Full fiscal year ended Mar 31, 2018	Full fiscal year ended Mar 31, 2019
Cash flows from operating activities		
Income before income taxes	105,195	112,929
Depreciation	267,828	256,465
Impairment loss	23,356	3,739
Decommissioning costs of nuclear power units	4,600	8,371
Loss on retirement of non-current assets	16,181	10,447
Decrease in provision for net defined benefit liability and assets	(7,804)	(878)
Decrease in provision for loss in conjunction with discontinued operations of nuclear power plants	(364)	(1,036)
Decrease in reserve for water shortage	(19)	—
Interest and dividend income	(2,602)	(3,171)
Interest expenses	26,464	24,024
Increase in notes and accounts receivable - trade	(51,199)	(50,312)
Increase in inventories	(6,055)	(16,002)
Increase in notes and accounts payable - trade	23,685	615
Other, net	58,828	7,945
Subtotal	458,095	353,138
Interest and dividends received	5,722	10,502
Interest expenses paid	(26,909)	(24,551)
Income taxes paid	(12,749)	(42,682)
Cash flows from operating activities	424,159	296,406
Cash flows from investing activities		
Purchase of non-current assets	(324,582)	(350,624)
Payments of investment and loans receivable	(48,723)	(39,434)
Collection of investment and loans receivable	12,201	9,699
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(2,653)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	50	185
Other, net	16,586	14,466
Cash flows from investing activities	(344,467)	(368,361)
Cash flows from financing activities		
Proceeds from issuance of bonds	79,718	33,940
Redemption of bonds	(40,000)	(60,000)
Proceeds from long-term loans payable	83,700	59,625
Repayments of long-term loans payable	(218,217)	(212,402)
Proceeds from short-term loans payable	400,149	946,160
Repayments from short-term loans payable	(384,769)	(391,555)
Proceeds from issuance of commercial papers	—	434,000
Redemption of commercial papers	—	(434,000)
Purchase of treasury shares	(696)	(122)
Cash dividends paid	(22,681)	(30,193)
Dividends paid to non-controlling interests	(848)	(3,936)
Other, net	14,975	(4,254)
Cash flows from financing activities	(88,670)	337,260
Effect of exchange rate change on cash and cash equivalents	(87)	(133)
Net (decrease) increase in cash and cash equivalents	(9,065)	265,171
Cash and cash equivalents at beginning of this period	293,953	284,888
Cash and cash equivalents at end of this period	284,888	550,060

5. Notes on Consolidated Financial Statements

(Note on the premise of going concern)

Not applicable

(Change in presentation)

The “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No.28, dated February 16, 2018) etc. has been applied since the start of this consolidated accounting period. Accordingly, deferred tax assets are shown under “Investments and other assets” and deferred tax liabilities are shown under “Non-current liabilities.” As a result, in the consolidated balance sheet for the previous consolidated accounting year, deferred tax assets of 25,247 million yen under “Current assets” have been replaced with deferred tax assets under “Investments and other assets”, and deferred tax liabilities of 6 million yen under “Current liabilities” have been replaced with deferred tax liabilities under “Non-current liabilities.”

Accordingly, since the deferred tax assets and deferred tax liabilities of the same taxable entity should be offset against each other based on the Accounting Standard for Tax Effect Accounting (Business Accounting Council), the “Deferred tax assets” under “Investments and other assets” and the “Deferred tax liabilities” under “Non-current liabilities” are offset against each other by 780 million yen.

As a result, in the consolidated balance sheet for the previous consolidated accounting year, compared with before change, deferred tax assets under the “Current assets” decreased 25,247 million yen, deferred tax assets under “Investments and other assets” increased 24,467 million yen, deferred tax liabilities under “Current liabilities” decreased 6 million yen, and deferred tax liabilities under “Non-current liabilities” decreased 773 million yen.

(Additional information)

Change in Account Method of The Asset Retirement Cost Corresponding to the Asset Retirement Obligations in Relation to the Decommissioning of Specified Nuclear Power Plants

The asset retirement cost corresponding to the asset retirement obligations in relation to the decommissioning of specified nuclear power plants is recorded in tangible fixed assets based on the estimated total cost of decommissioning the nuclear power plants and is expensed based on the straight-line method over the period (the operational period plus the safe storage period) in accordance with “Ministerial Ordinance for the Setting of Reserve for the Decommissioning of Nuclear Power Plants” (Ordinance of the Ministry of International Trade and Industry No. 30 of May 25, 1989). However, on April 1, 2018, “Ordinance for Partial Revision of the Ministerial Ordinance for the Setting of Reserve for the Decommissioning of Nuclear Power Plants” (Ordinance of the Ministry of Economy, Trade and Industry No. 17 of March 30, 2018) came into effect, and “Ministerial Ordinance for the Setting of Reserve for the Decommissioning of Nuclear Power Plants” (Ordinance of the of the Ministry of International trade and Industry No. 30 of May 25, 1989) was revised. As a result, from the date of enforcement, the cost expensed based on the straight-line method over the operational period.

Consequently, there is a reduction of 3,195 million yen for the operating income, ordinary income and quarterly income before income taxes for this consolidated fiscal year. Incidentally, for the calculation of asset retirement obligations in relation to the decommissioning of Specified Reactor Facilities, reactor facilities’ operational period as well as safe storage period were used as the estimated service period. However, it has been changed, since the effectuation of the Amendments, to use reactor facilities’ operational period alone as the estimated service period. This change has increased the amount of asset retirement obligations and assets equivalent to asset retirement obligations included in reactor facilities by 32,979 million yen respectively.

(Segment information)

1 Summary of reporting segments

The reporting segments are constituent business units of the Chubu Electric Power Group for which separate financial information is obtained and examined regularly by the Board of Directors of the Company to evaluate business performance. The Group's core operations are based on the twin pillars of the Electric power business and the Energy business, which mainly entails the supply of gas and on-site energy. Our business activities also include the application of our know-how (developed in the domestic sector) to energy projects overseas,

construction for the development and maintenance of electric utilities-related facilities, and the manufacturing of materials and machinery for these facilities.

Moreover, with the business environment changing drastically, we launched an internal company system from April 2016 and established “Power Generation”, “Power Network”, and “Customer Service & Sales” Companies to construct an independent business framework to make flexible and swift responses among business fields such as power generation, power transmission and distribution, and retail.

Under the above system, “Power Generation”, “Power Network”, and “Customer Service & Sales” were arranged as report segments.

<Power Generation>

Power supply with thermal and renewable energy

<Power Network>

Provision of power network services

<Customer Service & Sales>

Expansion of total energy services centered on gas & electric power

2 Method for calculating operating revenues, income and loss, assets and other amounts for each reporting segment

The accounting treatment and methods for the reporting segments is the same as that used in developing the financial report. Segment income or loss for each reporting segment is presented on an operating income basis. Inter-segment sales or transfers are, in principle, calculated from internal transaction prices that were set based on costs.

3 Information of operating revenues, income and loss, assets and other amounts for each reporting segment

As of Mar 31, 2019

(Millions of yen)

	Reporting segments				Others *1	Total	Adjustment *2	Consolidated *3
	Power Generation	Power Network	Customer Service & Sales	Subtotal				
Operating revenues								
External customers	51,038	123,078	2,646,016	2,820,132	214,950	3,035,082	—	3,035,082
Intersegment	1,101,938	623,343	103,534	1,828,815	485,515	2,314,331	(2,314,331)	—
Total	1,152,976	746,421	2,749,550	4,648,948	700,465	5,349,414	(2,314,331)	3,035,082
Operating income	7,480	53,038	65,020	125,539	5,899	131,438	(5,514)	125,924
Total assets	1,187,408	2,118,020	359,164	3,664,593	2,589,136	6,253,730	(266,203)	5,987,526
Other amounts								
Depreciation and amortization	93,363	124,630	6,235	224,229	36,554	260,783	(4,317)	256,465
Increase in tangible and intangible fixed assets	116,925	114,686	17,257	248,870	84,673	333,543	(6,422)	327,120

Notes:

*1 “Others” is business segment that is excluded from reporting segments and includes nuclear power division, administrative division and other consolidated subsidiaries.

*2 “Adjustment” represents as below.

(1) Operating income of (5,514) million yen includes intersegment eliminations of (4,894) million yen.

- (2) Total assets of (266,203) million yen is due to intersegment eliminations.
 (3) Depreciation and amortization of (4,317) million yen is due to intersegment eliminations.
 (4) Increase in tangible and intangible fixed assets of (6,422) million yen is due to intersegment eliminations.
 *3 Operating income is adjusted to operating income in consolidated financial statements.

(Per share information)

Item	As of Mar 31. 2019
Net assets per share	2,350.52
Net income per share	104.96

Notes:

*1 Net income per share fully diluted is not described because dilutive shares is non-existent.

*2 Calculation base of net assets per share represents as below.

	As of Mar 31. 2019
Total net assets	1,844,362
The amount excluded from total net assets	65,867
(Non-controlling interests)	(65,867)
Net assets of common share at the end of the fiscal year	1,778,495
Number of common share	756,639 (thousand shares)

*3 Calculation base of net income per share represents as below.

	As of Mar 31. 2019
Net income attributable to owners of parent	79,422
Not attributable to owners of parent	-
Net income attributable to owners of parent of common share	79,422
Weighted average number of common share	756,662 (thousand shares)

(Subsequent events)

I Transactions under shared control

The June 2015 amendment of the Electricity Business Act stipulates that electric utilities be legally split into power generation and retail business, and transmission and distribution business by April 2020 in order to secure greater neutrality of the power transmission and distribution sector. Retail electricity operators will accelerate collaboration with a broader range of businesses to achieve autonomous business expansion and improvement in their standard of services.

To this end, at the Board of Directors' meeting held on April 26, 2019, the Company resolved that it would enter into an absorption-type company split agreement with Chubu Electric Power Transmission and Distribution Business Split Preparation Company and Chubu Electric Power Retail Electricity Business Split Preparation Company to the effect that each successor company would succeed Company's general transmission and distribution business and a electricity retail businesses by way of company split.

The Absorption-Type Split requires the acquisition of the approval, etc. of government authorities in charge. The Absorption-Type Split involving the general transmission and distribution business must also be approved by resolution at the ordinary session of the General Shareholders' Meeting to be convened on June 26, 2019.

(1) Outline of transactions

i) Name of the target business and details of the relevant business

Successor company	Business to be divided
Chubu Electric Power Transmission and Distribution Business Split Preparation Company	General transmission and distribution business, Telecommunications business and any associated businesses
Chubu Electric Power Retail Electricity Business Split Preparation Company	Electricity retail business, Gas business and any associated businesses

ii) Date of business combination

April 1, 2020 (scheduled)

iii) Legal form of business combination

In this absorption-type split, the Company is to be the splitting company, and the Company's wholly-owned subsidiary, Chubu Electric Power Transmission and Distribution Business Split Preparation Company and Chubu Electric Power Retail Electricity Business Split Preparation Company is to be the successor company.

iv) Company name after business combination

Chubu Electric Power Transmission and Distribution Business Split Preparation Company

Chubu Electric Power Retail Electricity Business Split Preparation Company

(Note) The tradenames of the successor companies are due to be changed as of April 1, 2020.

v) Other matters concerning the outline of transactions

a. Operating results of sectors to be divided for the fiscal year ended March 31, 2019

(Millions of yen, %)

Business to be divided	Sales of business subject to division (a)	Sales of the Company on its own (b)	Ratio (a/b)
General transmission and distribution business, Telecommunications business and any associated businesses	127,820 million yen	2,743,024 million yen	4.66%
Electricity retail business, Gas business and any associated businesses	2,555,482 million yen	2,743,024 million yen	93.16%

(Note) External sales figures are listed.

b. Assets and liabilities' items and amount to be divided (as of the end of March 31, 2019)

(a) Assets and liabilities' items and amount to be divided into Chubu Electric Power Transmission and Distribution Business Split Preparation Company

(Millions of yen)

Assets		Liabilities	
Item	Book value	Item	Book value
Non-current Assets	2,107,505 million yen	Non-current Liabilities	106,161 million yen
Current assets	27,936 million yen	Current Liabilities	115,202 million yen
Total	2,135,441 million yen	Total	221,364 million yen

(b) Assets and liabilities' items and amount to be divided into Chubu Electric Power Retail Electricity Business Split Preparation Company

(Millions of yen)

Assets		Liabilities	
Item	Book value	Item	Book value
Non-current Assets	39,622 million yen	Non-current Liabilities	9,717 million yen
Current assets	248,456 million yen	Current Liabilities	112,867 million yen
		Reserves under the special laws	22,446 million yen
Total	288,079 million yen	Total	145,031 million yen

(note) The assets and liabilities to be actually divided shall be the amounts that have any increase / decrease, to be incurred up to the day before the effectuation date, reflected to the above-mentioned figures.

c. The Company's status after the absorption-type split (April 1, 2020 (scheduled))

	Split company
Corporate name	Chubu Electric Power Co., Inc.
Headquarters	1 Higashi-shincho, Higashi-ku, Nagoya, Aichi
Representative	Satoru Katsuno, President & Director
Business	Management of associated companies, nuclear power and renewable energy businesses, etc.
Capital	430,777 million yen
Fiscal year end	March 31

d. Successor company's status after the absorption-type split (April 1, 2020 (scheduled))

	Successor company
Corporate name	Chubu Electric Power Transmission and Distribution Business Split Preparation Company
Headquarters	1 Higashi-shincho, Higashi-ku, Nagoya, Aichi
Representative	Yaoji Ichikawa, President & Director
Business	General transmission and distribution business, Telecommunication business, etc.
Capital	40,000 million yen
Fiscal year end	March 31

	Successor company
Corporate name	Chubu Electric Power Retail Electricity Business Split Preparation Company
Headquarters	1 Higashi-shincho, Higashi-ku, Nagoya, Aichi
Representative	Kingo Hayashi, President & Director
Business	Electricity retail business, Gas business, etc.
Capital	4,000 million yen
Fiscal year end	March 31

(note) The tradenames of the successor companies are due to be changed as of April 1, 2020.

(2) Outline of Accounting Treatment Applied

Following the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, issued on January 16, 2019), and “Guidance on Accounting Standard for Business Combinations and business separations” (ASBJ Guidance No. 10, issued on January 16, 2019), this business combination will be accounted for as a formation of a jointly controlled entity.

II Formation of a jointly controlled entity

At the Board of Directors’ meeting held on May 9, 2018, the Company resolved that it would enter into an absorption-type company split agreement with JERA Co., Inc. (hereinafter, “JERA”) to the effect that JERA would integrate the Company’s fuel acceptance/storage/gas transmission businesses and the existing thermal power generation businesses (hereinafter “the Business”) by way of company split. The General Shareholders’ Meeting, convened on June 27, 2018, approved the agreement for the Absorption-Type Split. Accordingly, the Company had JERA succeed this business as of April 1, 2019.

Concurrently, JERA concluded a separate absorption-type company split agreement with TEPCO Fuel & Power, Inc. (hereinafter, “TEPCO FP”) so that JERA succeeded the TEPCO FP’s fuel acceptance/storage/gas transmission businesses and the existing thermal power generation businesses in April 1, 2019.

(1) Outline of transactions

- 1) Name of the target business and details of the relevant business
Gas/LNG sales business, LNG acceptance/storage/gas transmission business, the existing thermal power generation business, replacement and new establishment of the existing thermal power generation plants, and related businesses.
- 2) Date of business combination
April 1, 2019
- 3) Legal form of business combination
Absorption-type company split to be implemented by the Company as a split company and JERA as a successor company.
- 4) Company name after business combination
JERA Co., Inc.
- 5) Other matters concerning the outline of transactions
On June 8, 2017, the Company concluded a Joint-Venture Agreement with TEPCO FP with the aim of integrating their fuel acceptance/storage/gas transmission businesses and the existing thermal power generation businesses, etc., into JERA (hereinafter “the integration”). In addition, on February 27, 2018, the Company reached a related agreement with TEPCO (hereinafter “Related Agreement”) which determined terms and conditions and procedural matters concerning the integration. Based on the agreement, it was decided that JERA would integrate the businesses.
- 6) Reason for judging it a jointly controlled entity
In establishing this jointly controlled entity, the Company and TEPCO concluded a joint venture agreement under which both companies would jointly control JERA and other related agreements and have decided to pay for the business combination entirely with shares with voting rights. There exists no other circumstances indicating controlling relationships. Accordingly, in our opinion, this business combination was formed as a jointly controlled entity.

(2) Outline of Accounting Treatment Applied

Following the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, issued on January 16, 2019), and “Guidance on Accounting Standard for Business Combinations and business separations” (ASBJ Guidance No. 10, issued on January 16, 2019), this business combination will be accounted for as a formation of a jointly controlled entity.