

The information shown below is an English translation of the "Kessan Tanshin", the Consolidated Financial Report for the year ended March 31, 2020.

(Note) The "Kessan Tanshin" in Japanese is the official document. This English translation is prepared for convenience.

Consolidated Financial Report [Japanese Standard] (Financial Report for the year ended March 31, 2020)

April 28, 2020

Name of Listed Company : THE CHUGOKU ELECTRIC POWER CO., INC.

Stock Exchange Listed : Tokyo

Code : 9504 (URL : <http://www.energia.co.jp>)

Representative : Mareshige Shimizu, Representative Director President & Chief Executive Officer

Contact : Junya Tokunaga, Manager, Accounting Section, Corporate Finance and Procurement Division

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Annual general meeting of shareholders : June 25, 2020

Date to start dividend payments (Scheduled) : June 26, 2020

Scheduled submission date of financial report (Only Japanese) : Undecided

Investors meeting for FY2020 financial results : None

1. Consolidated Financial Results for the year ended March 31, 2020

(Figures are rounded down to the million)

(1) Consolidated Operating Results

(% : the rate of change from of the same period of the previous year)

	Operating Revenues		Operating Income		Ordinary Income		Net income attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2020	1,347,352	-2.2	48,170	146.6	39,848	214.1	90,056	686.8
Year ended March 31, 2019	1,376,979	4.7	19,530	-50.7	12,685	-58.7	11,446	-44.7

(Note) Comprehensive Income 03/20 ... 83,927 million yen (- %) 03/19 ... -4,922 million yen (- %)

	Earnings per Share	EPS after adjusting residual	Return on Equity	Ordinary Income on Total Assets	Operating Income on Sales
	yen	yen	%	%	%
Year ended March 31, 2020	258.59	206.72	15.0	1.2	3.6
Year ended March 31, 2019	33.25	25.74	2.0	0.4	1.4

(Reference) Equity in losses (earnings) of affiliated companies 03/20 ... (2,534) million yen 03/19 ... (2,724) million yen

(2) Consolidated Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio	Book-value per Share
	million yen	million yen	%	yen
Year ended March 31, 2020	3,265,374	646,698	19.7	1,785.36
Year ended March 31, 2019	3,261,665	558,655	17.0	1,613.71

(Reference) Shareholders' Equity 03/20 ... 643,317 million yen 03/19 ... 555,507 million yen

(3) Application of Consolidated Cash Flow

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash or Cash Equivalent at the end of the period
	million yen	million yen	million yen	million yen
Year ended March 31, 2020	129,654	-172,111	-1,451	47,341
Year ended March 31, 2019	81,635	-168,744	97,510	91,399

2. Dividends

	Dividends per Share					Total Dividends Paid for the year	Dividend Payout Ratio	Dividend on Equity
	1st period	2nd period	3rd period	End of Year	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2019	—	25.00	—	25.00	50.00	17,225	150.4	3.0
Year ended March 31, 2020	—	25.00	—	25.00	50.00	17,627	19.3	2.9
Year ending March 31, 2021 (Forecasts)	—	—	—	—	—	—	—	—

(Note) Dividend forecasts for FY 2021 have yet to be decided.

3. Forecasts of Consolidated Financial Results for the year ending March 31, 2021

As we cannot foresee an impact of Coronavirus Disease (COVID-19), the forecasts of financial results cannot be announced at this time.

We shall provide prompt notification as soon as it is possible to announce our earnings forecast.

* Others

- (1) Changes in range of consolidated subsidiaries : None
- (2) Changes in accounting principles, changes in accounting estimates and restatements
- ① Changes in accounting principles associated with amendment of accounting rule etc : None
- ② Changes of other than those above : Yes
- ③ Changes in accounting estimates : Yes
- ④ Restatements : None

Note : We changed depreciation method for tangible fixed assets from the declining balance method to the straight line method from FY2020.□

As a result of this change, operation income increased by 21,480 million yen and ordinary income and profit before income taxes increased by 21,372 million yen compared to the conventional method.

(3) Number of shares issued (Common stock)

- ① Number of shares issued (including treasury shares)

- ② Number of treasury shares

- ③ Average number of shares outstanding

End of March, 2020	387,154,692	End of March, 2019	371,055,259
End of March, 2020	26,825,139	End of March, 2019	26,813,562
End of March, 2020	348,260,771	End of March, 2019	344,248,584

(Reference) Non-consolidated Financial Report

Performance over the year ended March 31, 2020

(Figures are rounded down to the million)

(1) Operating Results

(% : the rate of change from of the same period of the previous year)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2020	1,243,742	-2.9	40,468	258.6	35,103	408.1	87,707	930.5
Year ended March 31, 2019	1,280,501	4.3	11,284	-65.3	6,908	-71.3	8,510	-48.2

	Earnings per Share	EPS after adjusting residual securities
	yen	yen
Year ended March 31, 2020	251.65	201.20
Year ended March 31, 2019	24.70	19.06

(2) Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio	Book-value per Share
	million yen	million yen	%	yen
Year ended March 31, 2020	3,092,832	494,496	16.0	1,371.34
Year ended March 31, 2019	3,085,124	403,735	13.1	1,171.93

(Reference) Shareholders' Equity 03/20 ... 494,496 million yen 03/19 ... 403,735 million yen

* This financial Report is not under coverage of audit by certified public accountants or audit corporations.

* Explanation concerning appropriate use of forecasts, Other special note

1. As we cannot foresee an impact of Coronavirus Disease (COVID-19), the forecasts of financial results cannot be announced at this time.
We shall provide prompt notification as soon as it is possible to announce our earnings forecast.
2. All non-empirical information above is projected based on facts available to company management at the time of the release of this document.
A number of factors may cause differences on actual performance from our projections.

* Additional information

Reversal of a provision for depreciation of nuclear power plants according to proclamation of partial amendment of the Ministerial Ordinance concerning Provision for Depreciation of Nuclear Power Plants

1. Content

The Ministerial Ordinance concerning Provision for Depreciation of Nuclear Power Plants (Ministry of Economy, Trade and Industry Ordinance No.20 of 2007, "the Ministerial Ordinance") was amended on August 2, 2019 ("the Amended Ministerial Ordinance").

According to the Amended Ministerial Ordinance, electricity generation utilities subject to the Ministerial Ordinance shall be utilities that apply the declining balance method to tangible fixed assets.

Therefore, we are no longer an electricity generation utility subject to the Ministerial Ordinance as the Company changed the depreciation method for tangible fixed assets from the declining balance method to the straight-line method from April 1, 2019.

As a result, we reversed the balance of provision for depreciation of nuclear power plants as of September 30, 2019.

2. Reversal amount

86,739 million yen

*Of this amount, ¥457 million was recorded in the six months (April 1, 2019 – September 30, 2019).

3. Amount of effect to the consolidated profit (loss)

Following this reversal, profit before income taxes for the six months ending September 30, 2019 increased by ¥86,739 million.