

Unaudited Financial Release (Consolidated) for the Third Quarter

The information below is an English translation of extracts from Unaudited Financial Release (Consolidated) for the third quarter that has been filed with the major Japanese stock exchanges (Tokyo) for public inspection. These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

January 29, 2021

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I. Performance over the Nine-Months ended December 31, 2020 and 2019

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Nine-Months</u> <u>ended December 31</u>		<u>Change</u>	
	2019	2020	19/18	20/19
Operating Revenues	2,361,308	2,184,240	-1.0%	-7.5%
Operating Income	168,800	142,997	31.5%	-15.3%
Ordinary Income *	187,548	161,140	38.3%	-14.1%
Net Income attributable to owners of the parent	135,912	115,158	60.4%	-15.3%
Net Income per Share	152.17yen	128.94yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

Comprehensive income

Nine-months ended December 31, 2020: 126,962 million yen

Nine-months ended December 31, 2019: 148,906 million yen

Notes: Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

2. Financial Position

	As of March 31, 2020	(Million yen) As of December 31, 2020
Total Assets	7,612,729	7,814,192
Net Assets	1,641,754	1,723,960
Equity Ratio	21.0%	21.5%

Notes: Equity capital

As of December 31, 2020: 1,683,362 million yen

As of March 31, 2020: 1,600,793 million yen

II. Dividends

	Interim dividend per share	Year-end dividend per share	Annual dividend per share
FY 3/2020	25.00 yen	25.00yen	50.00 yen
FY 3/2021	25.00 yen	25.00yen(Forecast)	50.00 yen(Forecast)

III. Financial Forecasts

	(Billion yen) FY 3/2021 (Forecasts)
Operating Revenues	2,980
Operating Income	120
Ordinary Income*	130
Net Income attributable to owners of the parent	90
Net Income per Share	100.56 yen

Notes: Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

IV. Other

1. Change in major consolidated subsidiaries: None
2. Difference in accounting methods from the latest consolidated financial year: None
3. Number of shares outstanding (included Treasury stock)
 - As of December 31, 2020: 938,733,028 shares
 - As of March 31, 2020: 938,733,028 shares
4. Number of Treasury stock
 - As of December 31, 2020: 45,608,006 shares
 - As of March 31, 2020: 45,589,484 shares
5. Number of Average stock
 - Nine-months ended December 31, 2020: 893,134,391 shares
 - Nine-months ended December 31, 2019: 893,166,532 shares

Notes: We have adopted BIP (Board Incentive Plan) Trust mechanism, and the number of treasury stock at year end includes our shares held by the said trust account (127,857 shares as of December 31, 2020). Additionally, our shares held by the said trust account are included in treasury stock that is deducted in the calculation of the number of average stock.

Notification

(Report of the decision of specific measures and the progress of the business improvement plan)

We offer our most sincere apologies for the inconveniences and concern placed upon our customers, shareholders, investors and other parties involved regarding issues such as company executives and employees receiving cash and gifts from external stakeholders.

In response to the Business Improvement Order issued against The Kansai Electric Power Co., Inc. (KEPCO) on March 29, 2020 under the Electricity Business Act in connection with this issue, KEPCO developed a business improvement plan for recurrence prevention on March 30, 2020 and reported the decision of specific measures to prevent reoccurrences and the progress of them to the Ministry of Economy, Trade and Industry on June 29 and October 13.

For the detail of the progress of the Business Improvement Plan, please refer to our website.

We will ensure the implementation of those measures. And then we will follow on the implementation in light of external objective perspectives and if we need, we will add the improvement measures. All officers and employees will make best efforts for recovery of trust, with an unwavering resolve to create completely new KEPCO.

< Reference >

Electricity Sales

			(GWh)
	Nine-months ended December 31, 2019	Nine-months ended December 31, 2020	Change (%)
Total electric sales	94,885	86,584	91.3
Retail electric sales	84,009	74,890	89.1
Residential	24,191	23,307	96.3
Commercial and Industrial	59,818	51,584	86.2
Electricity sales to other non- utility companies	10,876	11,693	107.5

Notes: Total electricity sales indicates those in power generation and sales business.

Figures in 3Q of FY 3/2021 are after adjusting of the impacts of spin-off the transmission and distribution business.

Some rounding errors may be observed.

Consolidated Balance Sheets

(Million yen)

Account	As of Mar. 31, 2020	As of Dec.31, 2020
(Assets)		
Property	6,692,993	6,851,997
Utility facilities	3,149,339	3,337,883
Hydroelectric power production facilities	302,006	298,059
Thermal power production facilities	345,217	332,014
Nuclear power production facilities	387,506	584,949
Transmission facilities	779,561	778,920
Transformation facilities	407,537	416,195
Distribution facilities	806,399	805,014
General facilities	101,170	103,294
Other utility facilities	19,939	19,434
Other plant and equipment	835,160	848,390
Construction in progress	925,344	856,274
Construction and retirement in progress	772,345	702,326
Special account related to nuclear power decommissioning	65,038	60,059
Special account related to reprocessing of spent nuclear fuel	87,960	93,888
Nuclear fuel	509,313	511,472
Loaded nuclear fuel	65,873	69,243
Nuclear fuel in processing	443,439	442,229
Investments and other assets	1,273,835	1,297,976
Long-term investments	339,759	378,862
Investments in and advances to subsidiaries and associated companies	511,136	529,838
Deferred tax assets	348,883	322,223
Other	79,547	72,941
Allowance for doubtful accounts	-5,491	-5,889
Current assets	919,736	962,194
Cash and time deposits	279,542	255,942
Accounts receivable	286,481	267,001
Inventory assets	172,764	180,595
Other	183,096	272,924
Allowance for doubtful accounts	-2,148	-14,269
Total assets	7,612,729	7,814,192

Consolidated Balance Sheets

(Million yen)

Account	As of Mar. 31, 2020	As of Dec. 31, 2020
(Liabilities)		
Long-term liabilities and reserves	4,257,078	4,483,604
Bonds	1,114,147	1,144,120
Long-term loans	2,014,195	2,224,576
Liability for retirement benefits	367,095	364,352
Asset retirement obligations	508,279	511,615
Deferred tax liabilities	3,440	1,555
Other	249,920	237,383
Current liabilities	1,686,464	1,580,215
Current maturities of long-term debt and other	544,846	553,777
Short-term borrowings	144,521	147,354
Commercial paper	296,000	262,000
Accounts payable	129,739	125,779
Accrued income taxes	65,546	68,793
Provision for loss on guarantees	14,876	1,627
Other current liabilities	490,933	420,883
Reserves under the special laws	27,431	26,412
Reserve for fluctuation in water levels	27,431	26,412
Total liabilities	5,970,974	6,090,231
(Net Assets)		
Shareholders' Equity	1,522,687	1,593,207
Paid in capital	489,320	489,320
Capital surplus	66,678	66,726
Retained earnings	1,063,517	1,133,995
Treasury stock	-96,828	-96,835
Accumulated other comprehensive income	78,106	90,155
Unrealized gain on available-for-sale securities	59,615	78,118
Deferred gain on derivatives under hedge accounting	14,173	9,649
Foreign currency translation adjustments	7,309	3,827
Defined retirement benefit plans	-2,992	-1,439
Non-controlling interests	40,960	40,597
Total net assets	1,641,754	1,723,960
Total liabilities and net assets	7,612,729	7,814,192

Consolidated Statements of Operations

(Million yen)

Account	Nine-months ended Dec.31, 2019	Nine-months ended Dec.31, 2020
Ordinary revenues and expenses		
Operating revenues and expenses		
Operating revenues	2,361,308	2,184,240
Electric	1,872,433	1,700,350
Other	488,875	483,889
Operating expenses	2,192,508	2,041,242
Electric	1,769,907	1,626,583
Other	422,601	414,659
Operating Income	168,800	142,997
Non-Operating revenues and expenses		
Non-operating revenues	42,619	39,552
Dividends received	11,096	9,675
Interest revenue	1,414	455
Equity in earnings of associated companies	12,826	13,396
Other	17,282	16,024
Non-operating expenses	23,871	21,409
Interest expense	19,666	17,078
Other	4,205	4,330
Total ordinary revenues	2,403,928	2,223,792
Total ordinary expenses	2,216,379	2,062,652
Ordinary income	187,548	161,140
Provision for or reversal of reserve for fluctuation in water levels	-1,179	-1,019
Reversal of reserve for fluctuation in water levels	-1,179	-1,019
Income before income taxes and minority interests	188,728	162,159
Income taxes-current	29,256	24,411
Income taxes-deferred	22,498	21,301
Income taxes	51,755	45,712
Net Income	136,973	116,447
Net Income attributable to non-controlling interests	1,061	1,289
Net Income attributable to owners of the parent	135,912	115,158

Consolidated Statements of Comprehensive Income

(Million yen)

Account	Nine-months ended Dec.31, 2019	Nine-months ended Dec.31, 2020
Net income before minority interests	136,973	116,447
Other comprehensive income		
Unrealized gain on available-for-sale securities	-1,809	14,815
Deferred gain on derivatives under hedge accounting	11,116	-6,585
Foreign currency translation adjustments	-2,567	-2,606
Defined retirement benefit plans	1,627	1,447
Share of other comprehensive income of associates	3,564	3,444
Total other comprehensive income	11,932	10,515
Comprehensive income	148,906	126,962
(Breakdown)		
Attributable to owners of the parent	149,334	127,207
Attributable to non-controlling interests	-427	-244