

Unaudited Financial Release (Consolidated) for the Year ended March 31, 2022

The information below is an English translation of extracts from Unaudited Financial Release (Consolidated) for the fiscal year 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.

April 27, 2022

The Kansai Electric Power Co., Inc. (Code: 9503)

6-16 Nakanoshima 3-chome, Kita-ku, Osaka

(URL <https://www.kepco.co.jp/>)

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I. Performance over the Year ended March 31, 2022 and 2021

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Year ended March 31</u>		(Million yen) <u>Change</u>	
	2021	2022	21/20	22/21
Operating Revenues	3,092,398	2,851,894	-2.9%	-7.8%
Operating Income	145,746	99,325	-29.6%	-31.9%
Ordinary Income *	153,850	135,955	-27.3%	-11.6%
Net Income attributable to owners of the parent	108,978	85,835	-16.2%	-21.2%
Net Income per Share	122.02 yen	96.14 yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

Comprehensive income

Year ended March 31, 2022: 23,061 million yen

Year ended March 31, 2021: 129,881 million yen

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

From FY 3/2022, we apply to “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc. and FY 3/2022 Results of Operations are also applied to them.

2. Financial Position

	<u>As of March 31</u>		(Million yen)
	2021	2022	
Total Assets	8,075,755	8,656,430	
Net Assets	1,725,557	1,705,557	
Equity Ratio	20.9%	19.2%	
Net Assets per Share	1,886.12 yen	1,859.50 yen	

Notes: Equity capital

As of March 31, 2022: 1,659,574 million yen

As of March 31, 2021: 1,684,528 million yen

Notes: From FY 3/2022, we apply to “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc. and FY 3/2022 Financial Position are also applied to them.

3. Statements of Cash Flows

	(Million yen)	
	Year ended March 31	
	2021	2022
Net cash provided by Operating Activities	369,215	410,315
Net cash used in Investing Activities	-660,755	-532,630
Net cash provided by Financing Activities	325,643	318,769
Cash and Cash Equivalents, End of year	291,266	490,491

II. Dividends

	Interim dividend per share	Year-end dividend per share	Annual dividend per share
FY 3/2021	25.00 yen	25.00 yen	50.00 yen
FY 3/2022	25.00 yen	25.00 yen	50.00 yen
FY 3/2023(Forecasts)	—	—	—

Notes: The dividend forecasts is undecided because it is difficult situation to forecast the business outlook.

III. Financial Forecasts

	(Billion yen)
	4/1/2022 – 3/31/2023 (Forecasts)
Operating Revenues	3,420
Operating Income	-110
Ordinary Income	-100
Net Income attributable to owners of the parent	-75
Net Income per Share	-84.04 yen

IV. Other

1. Change in major consolidated subsidiaries: None
2. Difference in major accounting methods from the latest consolidated financial year: Adopted
Note: From FY 3/2022, we apply to “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc.
3. Number of shares outstanding (included Treasury stock)

As of March 31, 2022:	938,733,028 shares
As of March 31, 2021:	938,733,028 shares
4. Number of Treasury stock

As of March 31, 2022:	46,248,567 shares
As of March 31, 2021:	45,616,692 shares
5. Number of Average stock

As of March 31, 2022:	892,826,254 shares
As of March 31, 2021:	893,130,560 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 said trust account (515,236 shares as of March 31, 2022). Additionally, our shares held by said trust account are included in treasury stock that is deducted in the calculation of the number of average stock.

Notification

(Report 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 stakeholder.

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, October 13, 2020 and March 2, December 27, 2021.

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

We will ensure the implementation of those measures. And then we will follow up 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.

(The inspection by the Japan Fair Trade Commission)

We were inspected by the Japan Fair Trade Commission (hereafter the “JFTC”) based on the Antimonopoly Act, on suspicion of the restricting to acquire customers in extra-high voltage and high voltage power service on April 13 and July 13, 2021. On this occasion, we accept the fact that the inspection was conducted in a solemn manner, and we will fully cooperate with the inspection of the JFTC.

Depending on the progress of this matter, this could affect our consolidated financial results. However, it is difficult to estimate the impacts rationally at present, and we do not reflect the impacts to our consolidated financial statements and forecasts.

< **Reference : Non-consolidated** >

Performance for the Years ended March 31, 2022 and 2021

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Year ended March 31</u>		<u>Change</u>	
	2021	2022	21/20	22/21
Operating Revenues	2,332,608	2,177,650	—	-6.6%
Operating Income	-5,768	23,568	—	—
Ordinary Income *	36,117	113,478	—	214.2%
Net Income	39,503	104,536	—	164.6%
Net Income per Share	44.22 yen	117.05 yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

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

From FY 3/2022, we apply to “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc. and FY 3/2022 Results of Operations are also applied to them.

On April 1, 2020, The Kansai Electric Power Co., Inc. transferred its general power transmission and distribution business through company split to Kansai Transmission and Distribution, Inc. and that caused some gaps between FY 3/2021 and FY 3/2020 financial results. We omit to describe the change of 21/20 because we cannot draw a comparison between FY 3/2021 financial results and FY 3/2020 financial results appropriately.

2. Financial Position

	<u>As of March 31</u>	
	2021	2022
Total Assets	6,858,406	7,396,364
Net Assets	1,017,500	972,577
Equity Ratio	14.8%	13.1%
Net Assets per Share	1,138.88 yen	1,089.37 yen

Notes: Equity capital

As of March 31, 2022: 972,577 million yen

As of March 31, 2021: 1,017,500 million yen

From FY 3/2022, we apply to “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc. and FY 3/2022 Financial Position are also applied to them.

Electricity Sales

	(GWh)		
	Year-ended March 31, 2021	Year-ended March 31, 2022	Change (%)
Total electric sales	117,733	121,409	103.1
Retail electric sales	102,331	100,657	98.4
Residential	34,014	32,326	95.0
Commercial and Industrial	68,317	68,331	100.0
Electricity sales to other non-utility companies	15,402	20,752	134.7

Notes: Total electricity sales indicates those in energy business attributable to the parent company.
Some rounding errors may be observed.

[Power generation] (Sending end)

	(GWh)		
	Year-ended March 31, 2021	Year-ended March 31, 2022	Change (%)
Kansai Electric			
Hydroelectric	12,775	13,531	105.9
Fossil Fuel	61,437	46,961	76.4
Nuclear	15,335	33,553	218.8
Renewable energies	28	26	91.2
Purchased (sold) power from other companies	19,626	13,257	67.5
Power used for pumped storage	-2,216	-1,915	86.4
Total	106,986	105,414	98.5
Retail electric sales	102,331	100,657	98.4
Water run-off ratio (%)	96.5	100.7	—

Notes: Actual supply and demand indicates those in energy business attributable to the parent company.
Some rounding errors may be observed.

Consolidated Balance Sheets

(Million yen)

Account	As of March 31, 2021	As of March 31, 2022
(Assets)		
Non-current assets	7,071,768	7,317,298
Electric utility plant and equipment	3,492,389	3,467,992
Hydroelectric power production facilities	299,140	299,252
Thermal power production facilities	325,142	298,890
Nuclear power production facilities	747,453	742,950
Transmission facilities	773,564	760,726
Transformation facilities	416,558	421,617
Distribution facilities	804,741	813,428
General facilities	106,529	112,556
Other electric utility plant and equipment	19,257	18,569
Other non-current assets	834,888	904,567
Construction in progress	862,783	952,357
Construction and retirement in progress	684,652	751,744
Special account related to nuclear power decommissioning	59,074	53,110
Special account related to reprocessing of spent nuclear fuel	119,057	147,502
Nuclear fuel	528,442	510,571
Loaded nuclear fuel	72,593	51,036
Nuclear fuel in processing	455,848	459,535
Investments and other assets	1,353,264	1,481,810
Long-term investments	384,756	440,072
Long-term investments in subsidiaries and associates	550,897	602,006
Deferred tax assets	326,785	351,619
Other	97,237	115,098
Allowance for doubtful accounts	-6,411	-26,987
Current assets	1,003,987	1,339,131
Cash and deposits	249,281	469,052
Accounts receivable	327,142	—
Notes and accounts receivable and contract assets	—	307,904
Inventories	182,899	199,920
Other	266,219	365,049
Allowance for doubtful accounts	-21,556	-2,795
Total assets	8,075,755	8,656,430

Consolidated Balance Sheets

(Million yen)

Account	As of March 31, 2021	As of March 31, 2022
(Liabilities)		
Non-current liabilities	4,575,034	5,025,325
Bonds payable	1,214,020	1,613,921
Long-term borrowings	2,230,511	2,277,475
Provision for loss on guarantees	—	1,893
Liability for retirement benefits	368,047	365,853
Asset retirement obligations	517,672	522,990
Deferred tax liabilities	4,924	6,674
Other	239,858	236,516
Current liabilities	1,749,177	1,899,697
Current portion of non-current liabilities	585,827	490,880
Short-term borrowings	147,092	150,635
Commercial papers	300,000	310,000
Notes and accounts payable	145,407	198,065
Accrued taxes	69,381	51,291
Provision for loss on guarantees	1,738	—
Other current liabilities	499,730	698,823
Reserves under special laws	25,985	25,850
Reserve for water shortage	25,985	25,850
Total liabilities	6,350,197	6,950,873
(Net Assets)		
Shareholders' equity	1,587,016	1,634,021
Share capital	489,320	489,320
Capital surplus	66,726	66,728
Retained earnings	1,127,814	1,175,509
Treasury shares	-96,845	-97,536
Accumulated other comprehensive income	97,511	25,552
Valuation difference on available-for-sale securities	85,163	89,057
Deferred gains or losses on hedges	11,179	-86,307
Foreign currency translation adjustments	4,134	24,439
Remeasurements of defined benefit plans	-2,966	-1,636
Non-controlling interests	41,029	45,983
Total net assets	1,725,557	1,705,557
Total liabilities and net assets	8,075,755	8,656,430

Consolidated Statements of Operations

(Million yen)

Account	Year ended March 31, 2021	Year ended March 31, 2022
Ordinary revenues and expenses		
Operating revenue and expenses		
Operating revenue	3,092,398	2,851,894
Electric	2,387,836	2,109,511
Other	704,562	742,383
Operating expenses	2,946,652	2,752,569
Electric	2,338,607	2,083,958
Other	608,044	668,610
Operating income	145,746	99,325
Non-Operating revenues and expenses		
Non-operating revenues	51,358	75,531
Dividend received	11,589	13,193
Interest revenue	742	1,148
Gain on sale of non-current assets	4,400	11,533
Foreign exchange gains	4,704	9,751
Share of profit of entities accounted for using equity method	13,703	10,312
Other	16,216	29,592
Non-operating expenses	43,254	38,901
Interest expenses	22,462	20,168
Other	20,792	18,733
Total ordinary revenue	3,143,757	2,927,426
Total ordinary expenses	2,989,906	2,791,471
Ordinary income	153,850	135,955
Provision or reversal of reserve for water shortage	-1,446	-134
Reversal of reserve for water shortage	-1,446	-134
Extraordinary losses	—	10,773
Remeasurements of imbalance balance	—	10,773
Income before income taxes and minority interests	155,296	125,316
Income taxes-current	27,181	23,575
Income taxes-deferred	17,077	12,053
Income taxes	44,258	35,628
Net income	111,038	89,688
Net income attributable to non-controlling interests	2,060	3,852
Net income attributable to owners of parent	108,978	85,835

Consolidated Statements of Comprehensive Income

(Million yen)

Account	Year ended March 31, 2021	Year ended March 31, 2022
Net income	111,038	89,688
Other comprehensive income		
Valuation difference on available-for-sale securities	20,496	3,985
Deferred gains or losses on hedges	-4,288	-91,820
Foreign currency translation adjustments	-2,583	9,995
Remeasurements of defined benefit plans	-730	1,002
Share of other comprehensive income of entities accounted for using equity method	5,948	10,210
Total other comprehensive income	18,842	-66,626
Comprehensive income	129,881	23,061
(Breakdown)		
Attributable to owners of parent	128,383	14,675
Attributable to non-controlling interests	1,498	8,386