

## Unaudited Financial Release (Consolidated) for the Second Quarter

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

October 30, 2023

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

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

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

Company Representative: Nozomu Mori, Director, Representative Executive Officer, President

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### I. Performance over the Six -Months ended September 30, 2023 and 2022

(Figures are rounded down to the nearest million yen)

#### 1. Results of Operations

|                                                 | Six -Months<br>ended September 30 |            | (Million yen)<br>Change |       |
|-------------------------------------------------|-----------------------------------|------------|-------------------------|-------|
|                                                 | 2022                              | 2023       | 22/21                   | 23/22 |
| Operating Revenues                              | 1,784,207                         | 2,073,046  | 41.7%                   | 16.2% |
| Operating Income                                | -151,916                          | 488,226    | —                       | —     |
| Ordinary Income *                               | -111,855                          | 511,152    | —                       | —     |
| Net Income attributable to owners of the parent | -76,382                           | 371,059    | —                       | —     |
| Net Income per Share                            | -85.58 yen                        | 415.75 yen | —                       | —     |
| Fully Diluted Net Income per Share              | —                                 | —          | —                       | —     |

#### Comprehensive income

Six-months ended September 30, 2023: 449,628 million yen

Six-months ended September 30, 2022: -14,318 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<br>March 31, 2023 | (Million yen)<br>As of<br>September 30, 2023 |
|--------------|-------------------------|----------------------------------------------|
| Total Assets | 8,774,425               | 8,892,391                                    |
| Net Assets   | 1,839,782               | 2,264,412                                    |
| Equity Ratio | 20.4%                   | 24.8%                                        |

#### Notes: Equity capital

As of September 30, 2023: 2,208,387 million yen

As of March 31, 2023: 1,788,781 million yen

## II. Dividends

|           | Interim dividend<br>per share | Year-end dividend<br>per share | Annual dividend<br>per share |
|-----------|-------------------------------|--------------------------------|------------------------------|
| FY 3/2023 | 25.00 yen                     | 25.00 yen                      | 50.00 yen                    |
| FY 3/2024 | 25.00 yen                     | 25.00 yen (Forecast)           | 50.00 yen (Forecast)         |

## III. Financial Forecasts

|                                                 | (Billion yen)<br>4/1/2023 – 3/31/2024 (Forecasts) |
|-------------------------------------------------|---------------------------------------------------|
| Operating Revenues                              | 4,050                                             |
| Operating Income                                | 530                                               |
| Ordinary Income                                 | 570                                               |
| Net Income attributable to owners of the parent | 405                                               |
| Net Income per Share                            | 453.77 yen                                        |

## IV. Other

1. Change in major consolidated subsidiaries: None
2. Difference in major accounting methods from the latest consolidated financial year: None
3. Number of shares outstanding (included Treasury stock)
 

|                           |                    |
|---------------------------|--------------------|
| As of September 30, 2023: | 938,733,028 shares |
| As of March 31, 2023:     | 938,733,028 shares |
4. Number of Treasury stock
 

|                           |                   |
|---------------------------|-------------------|
| As of September 30, 2023: | 46,196,962 shares |
| As of March 31, 2023:     | 46,236,287 shares |
5. Number of Average stock
 

|                           |                    |
|---------------------------|--------------------|
| As of September 30, 2023: | 892,518,145 shares |
| As of September 30, 2022: | 892,499,308 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 (413,849 shares as of September 30, 2023). 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

**(Response to a Business Improvement Order chiefly concerning the fact that our officers and employees received a large amount of money and kind from the former deputy mayor at Takahama Town, Fukui Prefecture)**

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.

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.

**(Response to a Business Improvement Order concerning the Antimonopoly Law in connection with transactions of special high-voltage and high-voltage electric power)**

In connection with transactions of special high-voltage and high-voltage electric power, we was acknowledged that it had conducted acts against Article 3 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, which prohibits unreasonable restriction of trade (March 30, 2023). We had received neither the cease and desist order nor the payment order for a surcharge.

As for this case, we sincerely apologize to our customers, shareholders, investors and relevant persons for great concern and trouble.

In response to the Business Improvement Order (July 14, 2023) issued under the Electricity Business Act regarding this incident, we formulated a business improvement plan to prevent recurrence and reported the plan to the Minister of Economy, Trade and Industry (August 10, 2023).

In the future, we will throughout adhere to measures to prevent recurrence and work to nurture corporate culture with an emphasis on compliance, so as not to bring about these situations again. Through these initiatives, we will devote ourselves to recover trust from the general public.

**(Response to a Business Improvement Order concerning the Electricity Business Act Law, etc. concerning the inappropriate handling of information on Customers of New Electric Power)**

With respect to issues that The Kansai Electric Power Co., Inc. (KEPCO) browsed and used information on customers of other power producers and suppliers and that Kansai Transmission and Distribution, Inc. leaked the information on the customers, we sincerely apologize because we inappropriately handled the information on the customers and brought about situations shaking fair competitions among power producers and suppliers.

In response to the Business Improvement Order (April 17, 2023) issued under the Electricity Business Act regarding this incident, we formulated a business improvement plan to prevent recurrence and reported the plan to the Minister of Economy, Trade and Industry (May 12, 2023).

We will work hard on strengthening internal control and reforming corporate culture as stated in our business improvement plans, while making evaluations from an outside viewpoint by the further involvement of the Board of Directors and the Audit Committee. Through these efforts, we will steadily promote the business improvement plans.

The Group will make utmost efforts across the Group in order to be transformed into a corporate group which will be able to throughout adhere to compliance in fact.

< **Reference** >

**Electricity Sales**

|                                                     | Six-months<br>ended Sep. 30, 2022 | Six-months<br>ended Sep. 30, 2023 | (GWh)<br>Change (%) |
|-----------------------------------------------------|-----------------------------------|-----------------------------------|---------------------|
| Total electric sales                                | 63,681                            | 67,300                            | 105.7               |
| Retail electric sales                               | 55,398                            | 58,697                            | 106.0               |
| Residential                                         | 14,423                            | 14,462                            | 100.3               |
| Commercial and<br>Industrial                        | 40,975                            | 44,235                            | 108.0               |
| Electricity sales to other<br>non-utility companies | 8,283                             | 8,603                             | 103.9               |

Notes: Total electricity sales to KEPCO in Energy Business. Some rounding errors may be observed.  
The amount of electricity sales to other non-utility companies and total electric sales represent the amount of electricity known as of the date of submission (October 30, 2023).

## Consolidated Balance Sheets

(Million yen)

| Account                                                       | As of<br>Mar. 31, 2023 | As of<br>Sep. 30, 2023 |
|---------------------------------------------------------------|------------------------|------------------------|
| <b>(Assets)</b>                                               |                        |                        |
| Non-current assets                                            | 7,509,794              | 7,527,481              |
| Electric utility plant and equipment                          | 3,591,167              | 3,850,593              |
| Hydroelectric power production facilities                     | 300,579                | 298,715                |
| Thermal power production facilities                           | 260,956                | 279,372                |
| Nuclear power production facilities                           | 903,806                | 1,138,568              |
| Transmission facilities                                       | 750,850                | 772,572                |
| Transformation facilities                                     | 425,872                | 428,278                |
| Distribution facilities                                       | 817,989                | 816,426                |
| General facilities                                            | 113,216                | 113,542                |
| Other electric utility plant and equipment                    | 17,896                 | 3,116                  |
| Other non-current assets                                      | 959,936                | 935,666                |
| Construction in progress                                      | 850,237                | 598,390                |
| Construction and retirement in progress                       | 625,078                | 371,543                |
| Special account related to nuclear power decommissioning      | 45,123                 | 41,130                 |
| Special account related to reprocessing of spent nuclear fuel | 180,035                | 185,716                |
| Nuclear fuel                                                  | 494,026                | 481,417                |
| Loaded nuclear fuel                                           | 72,327                 | 61,989                 |
| Nuclear fuel in processing                                    | 421,698                | 419,427                |
| Investments and other assets                                  | 1,614,426              | 1,661,413              |
| Long-term investments                                         | 510,004                | 562,100                |
| Long-term investments in subsidiaries and associates          | 663,358                | 696,937                |
| Deferred tax assets                                           | 347,250                | 290,645                |
| Other                                                         | 120,232                | 139,618                |
| Allowance for doubtful accounts                               | -26,421                | -27,888                |
| Current assets                                                | 1,264,630              | 1,364,910              |
| Cash and deposits                                             | 266,961                | 396,594                |
| Notes and accounts receivable and contract assets             | 404,623                | 412,949                |
| Inventories                                                   | 251,514                | 231,294                |
| Other                                                         | 344,811                | 327,820                |
| Allowance for doubtful accounts                               | -3,281                 | -3,749                 |
| <b>Total assets</b>                                           | <b>8,774,425</b>       | <b>8,892,391</b>       |

## Consolidated Balance Sheets

(Million yen)

| Account                                               | As of<br>Mar. 31, 2023 | As of<br>Sep. 30, 2023 |
|-------------------------------------------------------|------------------------|------------------------|
| <b>(Liabilities)</b>                                  |                        |                        |
| Non-current liabilities                               | 5,317,416              | 5,101,429              |
| Bonds payable                                         | 1,600,020              | 1,526,200              |
| Long-term borrowings                                  | 2,577,807              | 2,420,037              |
| Provision for loss on guarantees                      | 1,844                  | 1,921                  |
| Liability for retirement benefits                     | 362,293                | 358,288                |
| Asset retirement obligations                          | 534,566                | 537,196                |
| Deferred tax liabilities                              | 7,547                  | 15,101                 |
| Other                                                 | 233,336                | 242,683                |
| Current liabilities                                   | 1,592,212              | 1,502,471              |
| Current maturities of long-term debt                  | 518,324                | 525,881                |
| Short-term borrowings                                 | 155,520                | 157,652                |
| Commercial papers                                     | 162,000                | 60,000                 |
| Notes and accounts payable                            | 189,699                | 159,635                |
| Accrued income taxes                                  | 40,461                 | 151,991                |
| Other current liabilities                             | 526,206                | 447,309                |
| Reserves under special laws                           | 25,013                 | 24,078                 |
| Reserve for water shortage                            | 25,013                 | 24,078                 |
| Total liabilities                                     | 6,934,642              | 6,627,979              |
| <b>(Net Assets)</b>                                   |                        |                        |
| Shareholders' equity                                  | 1,617,548              | 1,966,451              |
| Share capital                                         | 489,320                | 489,320                |
| Capital surplus                                       | 66,854                 | 66,992                 |
| Retained earnings                                     | 1,158,895              | 1,507,623              |
| Treasury shares                                       | -97,522                | -97,484                |
| Accumulated other comprehensive income                | 171,233                | 241,935                |
| Valuation difference on available-for-sale securities | 88,867                 | 112,669                |
| Deferred gains or losses on hedges                    | 34,276                 | 51,010                 |
| Foreign currency translation adjustments              | 48,811                 | 78,418                 |
| Defined retirement benefit plans                      | -722                   | -163                   |
| Non-controlling interests                             | 51,001                 | 56,024                 |
| Total net assets                                      | 1,839,782              | 2,264,412              |
| <b>Total liabilities and net assets</b>               | <b>8,774,425</b>       | <b>8,892,391</b>       |

## Consolidated Statements of Operations

(Million yen)

| Account                                                       | Six-months<br>ended<br>Sep. 30, 2022 | Six-months<br>ended<br>Sep. 30, 2023 |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Ordinary revenues and expenses                                |                                      |                                      |
| Operating revenue and expenses                                |                                      |                                      |
| Operating revenue                                             | 1,784,207                            | 2,073,046                            |
| Electric                                                      | 1,357,929                            | 1,631,229                            |
| Other                                                         | 426,278                              | 441,817                              |
| Operating expenses                                            | 1,936,124                            | 1,584,820                            |
| Electric                                                      | 1,555,444                            | 1,225,654                            |
| Other                                                         | 380,679                              | 359,165                              |
| Operating income or loss                                      | -151,916                             | 488,226                              |
| Non-Operating revenues and expenses                           |                                      |                                      |
| Non-operating revenues                                        | 58,726                               | 47,248                               |
| Dividend received                                             | 8,892                                | 13,753                               |
| Interest revenue                                              | 429                                  | 2,746                                |
| Foreign exchange gains                                        | 11,171                               | 9,685                                |
| Share of profit of entities accounted for using equity method | 17,118                               | 9,904                                |
| Other                                                         | 21,114                               | 11,158                               |
| Non-operating expenses                                        | 18,665                               | 24,322                               |
| Interest expenses                                             | 11,468                               | 14,146                               |
| Other                                                         | 7,197                                | 10,176                               |
| Total ordinary revenue                                        | 1,842,934                            | 2,120,295                            |
| Total ordinary expenses                                       | 1,954,789                            | 1,609,143                            |
| Ordinary income or loss                                       | -111,855                             | 511,152                              |
| Provision or reversal of reserve for water shortage           | -254                                 | -935                                 |
| Reversal of reserve for water shortage                        | -254                                 | -935                                 |
| Income or loss before income taxes and minority interests     | -111,600                             | 512,087                              |
| Income taxes-current                                          | 3,872                                | 87,061                               |
| Income taxes-deferred                                         | -40,769                              | 50,864                               |
| Income taxes                                                  | -36,896                              | 137,926                              |
| Net income or loss                                            | -74,704                              | 374,160                              |
| Net income attributable to non-controlling interests          | 1,678                                | 3,100                                |
| Net income or loss attributable to owners of parent           | -76,382                              | 371,059                              |

## Consolidated Statements of Comprehensive Income

(Million yen)

| Account                                               | Six-months<br>ended<br>Sep. 30, 2022 | Six-months<br>ended<br>Sep. 30, 2023 |
|-------------------------------------------------------|--------------------------------------|--------------------------------------|
| Net income or loss                                    | -74,704                              | 374,160                              |
| Other comprehensive income                            |                                      |                                      |
| Valuation difference on available-for-sale securities | 522                                  | 19,916                               |
| Deferred gains or losses on hedges                    | 17,093                               | 14,136                               |
| Foreign currency translation adjustments              | 19,736                               | 14,293                               |
| Defined retirement benefit plans                      | 611                                  | 572                                  |
| Share of other comprehensive income in associates     | 22,421                               | 26,548                               |
| Total other comprehensive income                      | 60,385                               | 75,467                               |
| Comprehensive income                                  | -14,318                              | 449,628                              |
| (Breakdown)                                           |                                      |                                      |
| Attributable to owners of parent                      | -20,745                              | 441,762                              |
| Attributable to non-controlling interests             | 6,427                                | 7,866                                |