

FY2020 1Q Financial Results Outline

(April 1, 2020 – June 30, 2020)

July 28, 2020

SHIKOKU ELECTRIC POWER CO.,INC.

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Overview of Consolidated Financial Results

【 Financial Results for FY 2020 1Q】

- ❑ Operating revenues decreased by ¥ 13.5 billion YoY, to ¥ 165.4 billion. The main factors were as follows;
 - ✓ Revenues from wholesale decreased, with drop of surplus capacity due to the suspension of Ikata Unit 3, etc.
 - ✓ Revenues from retail sales declined due to decrease in electricity sales of retail and the revenue based on the Fuel Adjustment System.

- ❑ Operating expenses decreased by ¥ 4.3 billion YoY, to ¥ 163.4 billion. The main factors were as follows;
 - ✓ Total amount of the fuel and power purchase cost decreased due to decline in total electricity sales and drop in fuel price, although Ikata Unit 3 was not in operation.

- ❑ As a result,
 - ✓ Operating profit decreased by ¥ 9.2 billion YoY, to ¥ 2.0 billion.
 - ✓ Ordinary profit decreased by ¥ 9.5 billion YoY, to ¥ 1.4 billion.
 - ✓ Profit attributable to owners of parent decreased by ¥ 6.8 billion YoY, to ¥ 0.8 billion.

【 Forecasts of Financial Results& Dividends for FY 2020 】

- ❑ The forecasts of consolidated financial results & Dividends is undecided because it is difficult to predict the time when the Ikata Nuclear Power Station Unit No. 3 resumes operations.

I . Consolidated Financial Results for FY2020 1Q (April 1, 2020 – June 30, 2020)

Summary of Financial Results (Refer to page 5 to 6 for details)

| | (100 million yen) | | | |
|---|-------------------|------------------|-------------|---------|
| | FY2020 1Q (a) | FY2019 1Q (b) | (c)=(a)-(b) | (c)/(b) |
| Operating Revenues | 1,654 | 1,789 | (135) | (7.5)% |
| Operating Expenses | 1,634 | 1,677 | (43) | (2.5)% |
| Operating Profit | 20 | 112 | (92) | (81.9)% |
| Interest Expenses, etc. | 5 | 2 | 3 | 120.6% |
| Ordinary Profit | 14 | 109 | (95) | (86.5)% |
| Income Taxes, etc. | 6 | 33 | (27) | (81.1)% |
| Profit attributable to owners of parent | 8 | 76 | (68) | (88.9)% |

(Note) Ordinary Profit is income before reserve for fluctuations in water level and income taxes, etc.

(million kWh)

| | FY2020 1Q (a) | FY2019 1Q (b) | (c)=(a)-(b) | (c)/(b) | Details |
|-----------|------------------|------------------|-------------|---------|---|
| Retail | 5,060 | 5,225 | (165) | (3.2)% | ·Decrease in electricity demand due to COVID-19, etc. |
| Lighting | 1,801 | 1,815 | (14) | (0.8)% | |
| Power | 3,259 | 3,411 | (152) | (4.4)% | |
| Wholesale | 873 | 2,132 | (1,259) | (59.1)% | ·Decrease in drop of surplus capacity due to the suspension of Ikata Unit 3, etc. |
| Total | 5,933 | 7,358 | (1,425) | (19.4)% | |

*The imbalances (the differences between the demand planned in advance by the electricity suppliers and the actual demand) which have not been confirmed as of the settlement day are not to be included.

Average Temperatures in Prefectural Capitals in Shikoku

(°C)

| | Mar | Apr | May | Jun | 4-month AVG. |
|------------------------------------|------|-------|------|------|--------------|
| FY2020 1Q | 11.5 | 13.8 | 20.4 | 24.2 | 17.5 |
| Differences from the average year | 1.8 | (1.1) | 1.1 | 1.4 | 0.8 |
| Differences from the previous year | 0.6 | (1.0) | 0.1 | 1.0 | 0.2 |

Electricity Supplied

(million kWh)

| | | FY2020 1Q (a) | FY2019 1Q (b) | (c)=(a)-(b) | (c)/(b) | Details |
|---------------------|------------------|------------------|------------------|-------------|---------|--|
| Own Generated Power | Hydro | 754 | 506 | 248 | 49.0% | · Flow Rate 74.3% → 101.7% |
| | Nuclear | - | 2,002 | (2,002) | - | · Capacity factor of Ikata Unit No.3: 103.0%→0% |
| | Renewable Energy | 1 | 2 | (1) | (36.6)% | |
| | Thermal | 2,093 | 2,820 | (727) | (25.8)% | |
| Purchased Power | | 3,642 | 2,571 | 1,071 | 41.6% | · Hydropower 214 → 314 · Renewable Energy 1,155 → 1,264 |

(Note) The imbalances (the differences between the demand planned in advance by the electricity suppliers and the actual demand) which have not been confirmed as of the settlement day are not to be included.

Details of Consolidated Financial Results ; year-on-year basis

(100 million yen)

| | FY2020 1Q (a) | FY2019 1Q (b) | Change | |
|---|------------------|------------------|-------------|---------|
| | | | (c)=(a)-(b) | (c)/(b) |
| Electricity Sales(Retail) | 981 | 1,045 | (64) | (6.1)% |
| Electricity Sales(Wholesale) | 57 | 166 | (109) | (65.2)% |
| Others | 397 | 361 | 36 | 10.1% |
| Electric Operating Revenues | 1,437 | 1,573 | (136) | (8.6)% |
| Other Operating Revenues | 217 | 216 | 1 | 0.6% |
| Operating Revenues | 1,654 | 1,789 | (135) | (7.5)% |
| Personnel | 145 | 138 | 7 | 4.7% |
| Fuel | 98 | 179 | (81) | (45.1)% |
| Power Purchase | 563 | 524 | 39 | 7.5% |
| Depreciation | 120 | 122 | (2) | (1.2)% |
| Maintenance | 133 | 105 | 28 | 27.2% |
| Nuclear Back-end | 6 | 46 | (40) | (85.2)% |
| Others | 374 | 369 | 5 | 1.3% |
| Electric Operating Expenses | 1,442 | 1,485 | (43) | (2.9)% |
| Other Operating Expenses | 192 | 191 | 1 | 0.2% |
| Operating Expenses | 1,634 | 1,677 | (43) | (2.5)% |
| Operating Profit | 20 | 112 | (92) | (81.9)% |
| Interest Expenses, etc. | 5 | 2 | 3 | 120.6% |
| Ordinary Profit | 14 | 109 | (95) | (86.5)% |
| Income Taxes, etc. | 6 | 33 | (27) | (81.1)% |
| Profit attributable to owners of parent | 8 | 76 | (68) | (88.9)% |

【Electricity Sales(Retail)】

- Decrease in electricity sales (23)
- Decrease in revenues based on the Fuel Cost Adjustment System (36)
- Decrease in the surcharge from the FIT (5) etc.

【Other Electric Operating Revenues】

- Increase in grants for the purchase cost from Surcharge Adjustment Organization based on FIT +38, etc.

【Fuel, Power Purchase】 (42)

- Decrease in the operating rate of the nuclear power +80
- Decrease in Total Electricity Sales (66)
- Increase in electricity volume generated by hydro power plants (16)
- Increase in purchase of renewable energy sourced electricity +22
- Decrease in the thermal power generation cost per kWh (60), etc.

| | | FY2020 1Q (a) | FY2019 1Q (b) | (a-b) |
|--------------------------|------------------|------------------|------------------|-------|
| CIF Price (all Japan) | Coal (\$/t) | 83 | 114 | (31) |
| | Crude Oil (\$/b) | 32 | 72 | (40) |
| | LNG (\$/t) | 469 | 493 | (24) |
| Exchange Rate (¥/\$) | | 108 | 110 | (2) |

【Maintenance】

- Increase in construction associated with thermal power plants +38, etc.

【Nuclear Back-end Cost】

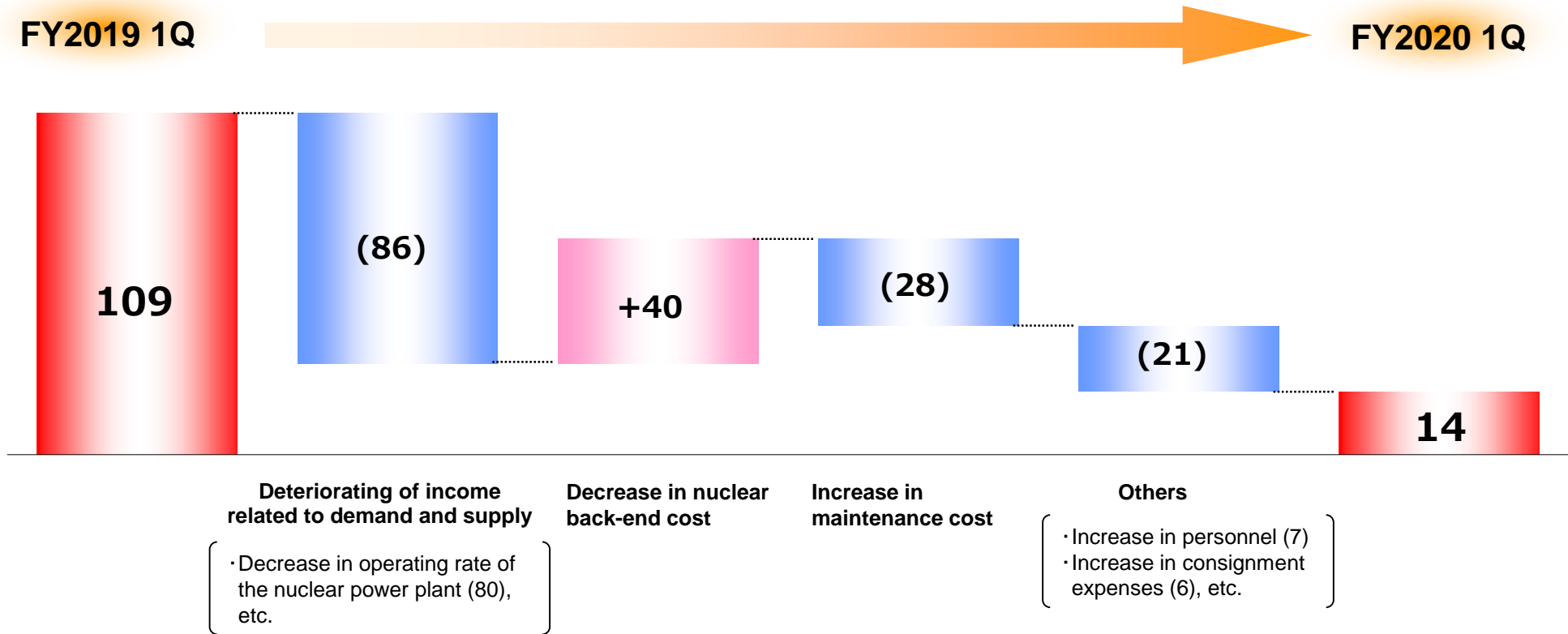
- Decrease in the reprocessing cost and the high level radioactive waste associate with the operating rate of the nuclear power plant

Ordinary Profit

(100 million yen)

FY2019 1Q

FY2020 1Q



Results by Segment

(100 million yen)

| | | | FY2020 1Q (a) | FY2019 1Q (b) | (a-b) | Main Factors | |
|--------------|---------------------------|-----------------------------|------------------|------------------|-------|---|---|
| Consolidated | | Revenues | 1,654 | 1,789 | (135) | | |
| | | Operating Profit | 20 | 112 | (92) | - | |
| Segment | Electric Utility* | Power Generation & Sales | 1,374 | 1,562 | (188) | -Decrease in wholesales electricity sales, etc. | |
| | | Segment Profit(Loss) | (23) | 74 | (97) | -Deteriorating of income related to demand and supply, etc. | |
| | | Transmission & Distribution | 440 | 435 | 5 | | |
| | | Segment Profit | 15 | 12 | 3 | | |
| | IT/Communications* | | Revenues | 108 | 102 | 6 | - Increase in FTTH business, etc. |
| | | | Segment Profit | 18 | 19 | (1) | |
| | Construction/Engineering* | | Revenues | 94 | 94 | (0) | |
| | | | Segment Loss | (1) | (0) | (1) | |
| | Energy* | | Revenues | 49 | 52 | (3) | - Decrease in LNG sales business, etc. |
| | | | Segment Profit | 6 | 4 | 2 | - Decrease in cost of LNG sales due to drop price in fuel price, etc. |
| Others* | | Revenues | 113 | 105 | 8 | | |
| | | Segment Profit | 3 | 2 | 1 | | |

* Internal transactions are not eliminated

Capital Investment

(100 million yen)

| | FY2020 1Q |
|---|------------|
| Electric Utility (Power generation & sales) | 110 |
| <Safety measures at Ikata nuclear power station> | <26> |
| <Replacement of unit no.1 of Saijo thermal power station> | <40> |
| Electric Utility (Transmission & Distribution) | 54 |
| IT/Communications | 7 |
| Construction/Engineering, Energy, Others | 7 |
| Total | 181 |

(100 million yen)

| | Jun 30, 2020 (a) | Mar 31, 2020 (b) | (a-b) | Details |
|---|---------------------|---------------------|---------|---|
| Total assets | 13,841 | 13,736 | 105 | |
| <Plant and equipment, and intangible assets (except Special account related to nuclear power decommissioning, Special account related to reprocessing of spent nuclear fuel)> | <8,437> | <8,430> | <7> | <ul style="list-style-type: none"> • Capital investment +165 • Advance of depreciation (142), etc. |
| <Accounts receivable, Inventories> | <1,323> | <1,247> | <76> | |
| Liabilities | 10,595 | 10,469 | 126 | |
| <Bonds and loans> | <7,590> | <7,170> | <420> | <ul style="list-style-type: none"> • Increase in bonds +200 • Increase in long-term loan payable +220 |
| <Accounts payable, Accrued expenses, etc.> | <1,029> | <1,325> | <(296)> | |
| Total net assets | 3,245 | 3,266 | (21) | |
| <Retained earnings> | <1,799> | <1,821> | <(22)> | <ul style="list-style-type: none"> • Net income +8 • Dividend payment (30) |

| | | | |
|-----------------------------------|-------|-------|--------|
| Shareholders' equity ratio | 23.3% | 23.6% | (0.3)% |
|-----------------------------------|-------|-------|--------|

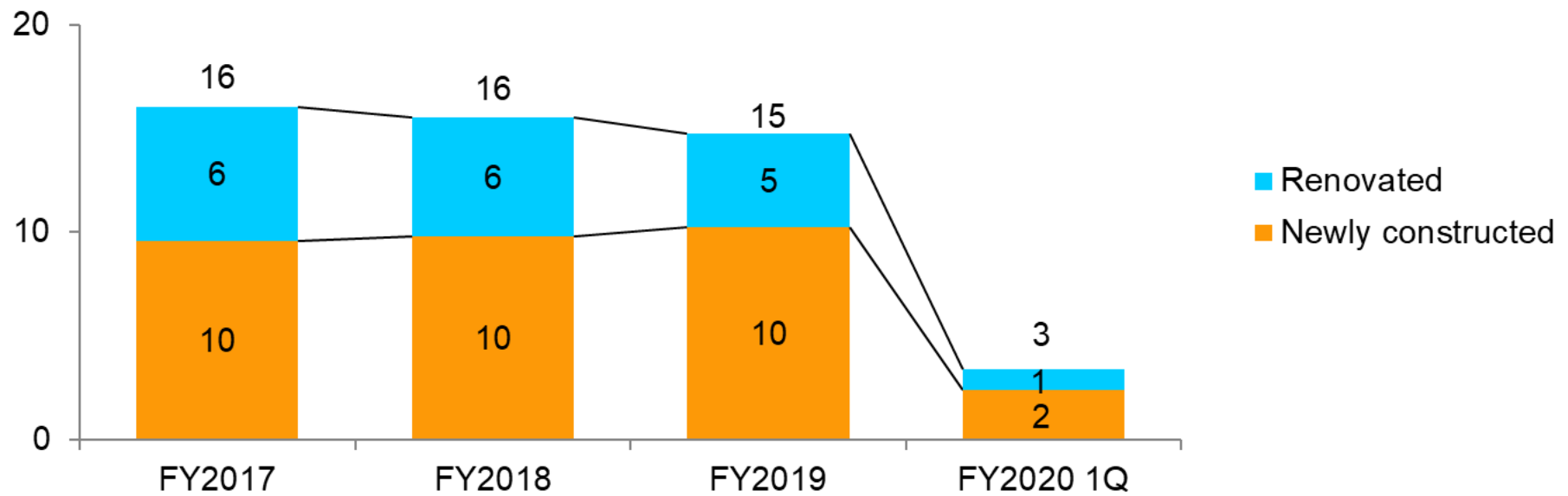
II . Forecasts of Consolidated Financial Results & Dividends for FY2020

- ❑ The forecasts of consolidated financial results and dividends for FY 2020 are undecided because it is difficult to predict the time when the Ikata Nuclear Power Station Unit No. 3 resumes operations.
- ❑ These financial forecasts will be promptly released as soon as they are determined.

Supplemental Material for FY2020 1Q

- Number of All-electric Housing Construction
- Consumption of Fossil Fuels
- Flow Rate, Financial Sensitivity for Key Factors
- Time Lag Effect of Fuel Cost Adjustment System
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(thousand)

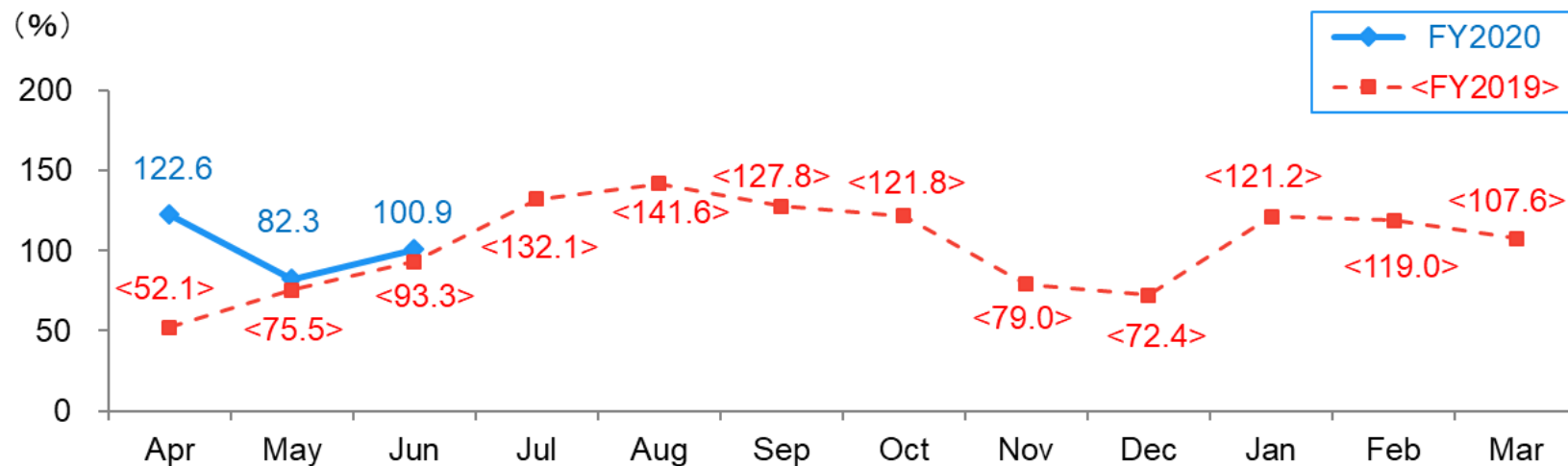


| | FY2020 1Q (A) | FY2019 1Q (B) | (A-B) |
|----------------------|------------------|------------------|--------|
| Coal (10,000t) | 47.9 | 70.9 | (23.0) |
| Heavy Oil (10,000kl) | 0.3 | 0.5 | (0.2) |
| Crude Oil (10,000kl) | 0.0 | 0.1 | (0.1) |
| LNG (10,000t) | 6.5 | 6.0 | 0.5 |

【Fuel Prices】

| | FY2020 1Q (A) | FY2019 1Q (B) | (A-B) |
|-----------------------------|------------------|------------------|-------|
| CIF price: Coal (\$/t) | 83 | 114 | (31) |
| CIF price: Crude Oil (\$/b) | 32 | 72 | (40) |
| CIF price: LNG (\$/t) | 469 | 493 | (24) |
| Exchange rate (¥/\$) | 108 | 110 | (2) |

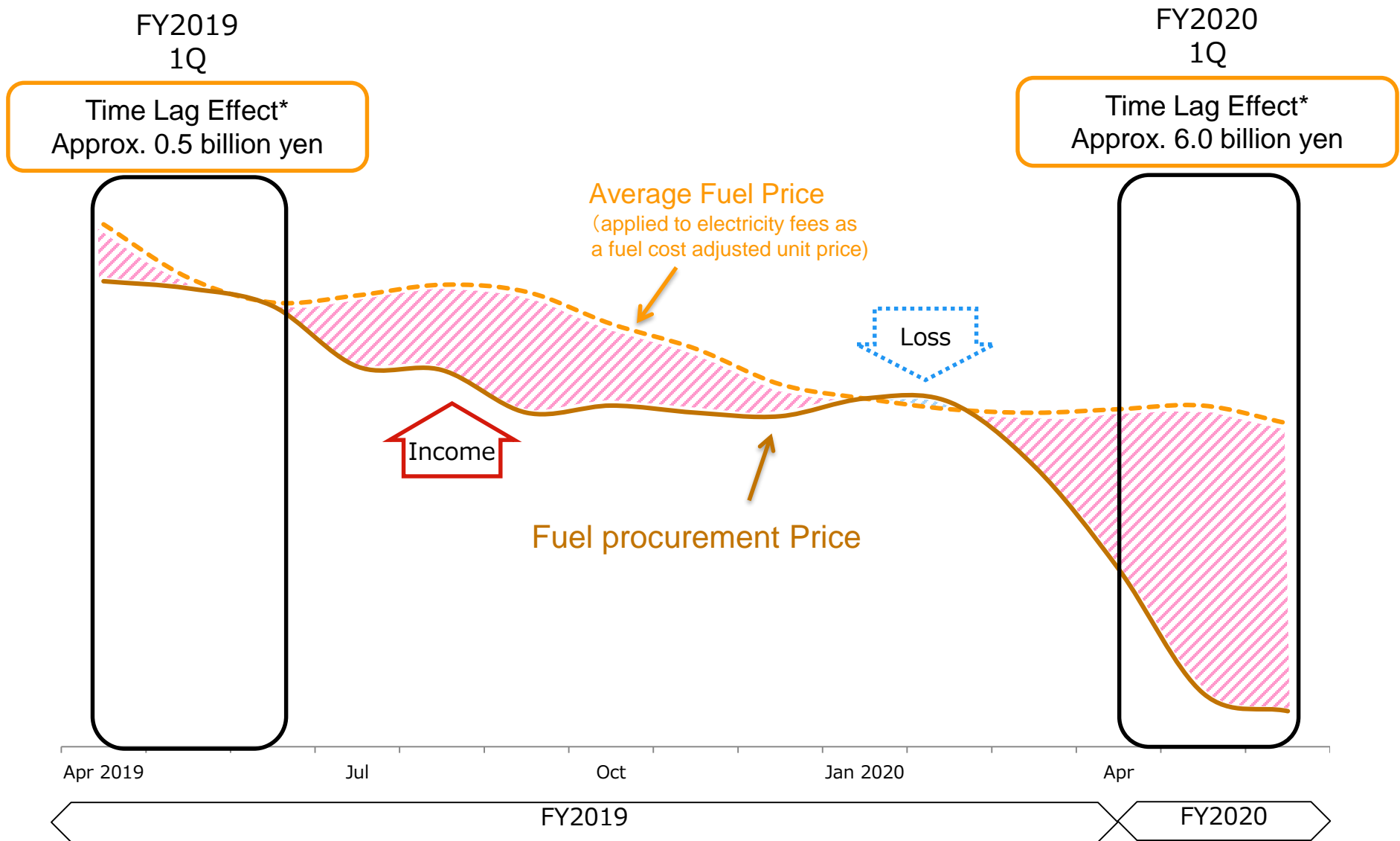
Flow Rate



Financial Sensitivity for Key Factors

(100 million yen)

| | FY2020 1Q |
|------------------------------------|--------------|
| CIF price: coal (1\$/t) | 1 |
| CIF price: crude oil (1\$/b) | 0.1 |
| Exchange rate (¥1/\$) | 1 |
| Nuclear power capacity factor (1%) | 1 |
| Flow Rate (1%) | 0.5 |



*Fluctuation in fuel prices causes time lag between payment of fuel cost and reception of fuel cost adjustment charges, resulting in temporary increase or decrease in profits. Time Lag Effect above is this temporary increase or decrease, assuming that time lag does not take place.

(100 million yen)

| | FY2020 1Q | <ref> FY2019 |
|-----------------------------|------------|-----------------|
| Power Generation & Sales | 110 | 576 |
| Renewable energy | 1 | 50 |
| Thermal | 54 | 253 |
| Nuclear | 38 | 190 |
| Nuclear fuel | 13 | 75 |
| Transmission & Distribution | 54 | 197 |
| Transmission | 10 | 53 |
| Transformation | 17 | 53 |
| Distribution | 22 | 77 |
| Electric power business | 165 | 773 |
| Other business | 15 | 119 |
| Total* | 181 | 893 |

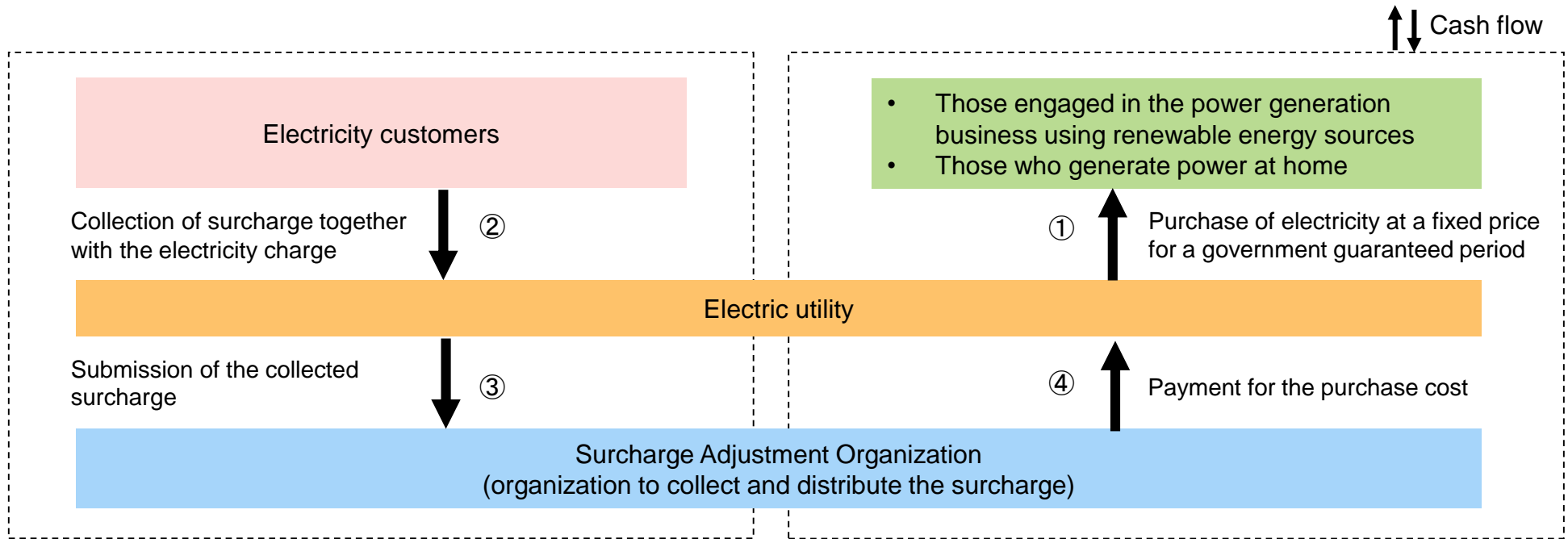
* before the elimination of unrealized profits

(100 million yen)

| | | Total (forecasts) | FY2011 ~ FY2019 (results) | | FY2020 1Q (results) |
|--------------------------|----------------|----------------------|---------------------------|--------|---------------------------|
| | | | | FY2019 | |
| Facility Construction | Short term | Approx. 720 | 717 | — | — |
| | Medium term | Approx. 940 | 722 | 156 | 26 |
| Analysis and Evaluation | | Approx. 240 | 240 | 0 | — |
| Total | | Approx. 1,900 | 1,680 | 156 | 26 |

*Total amounts of costs for safety measures are based on our assumptions and judgments in consideration of the information available at this time, and are therefore subject to change due to future situation.

Results of FY2020 1Q



| | |
|---|------------|
| ② Surcharge | 129 |
| We collect surcharge from customers with the electricity charge. | |
| ③ Submission of the collected surcharge | 129 |
| We submit the collected surcharge to surcharge adjustment organization. | |

| | |
|---|------------|
| ① Purchase of electricity | 391 |
| We purchase electricity at a fixed price from those engaged in the power generation business using renewable energy sources and those who generate power at home. | |
| ④ Payment for the purchase cost | 334 |
| Surcharge adjustment organization pay grants corresponding to the actual purchase costs. | |

(100 million yen)



SHIKOKU ELECTRIC POWER CO., INC.

Caution Regarding Business Forecasts and Forward-Looking Statements

In addition to historical facts regarding Shikoku Electric Power Company and its subsidiaries and affiliated companies, this presentation contains business forecasts and other forward-looking statements.

These statements are based on our assumptions and judgments in consideration of the information available at the time and are subject to risks and uncertainties.

It is also possible that such forecasts will be revised at a later date in light of changes in the operating environment or other underlying assumptions for the forecasts. We ask that readers please take these factors into consideration.