

November 12, 2019
Shikoku Electric Power Company, Incorporated

Main questions and answers at FY2019-2Q Financial Results Briefing

Q: It is stated that normalization of business management through safe and stable operation of the Ikata Unit No.3 is the precondition for a 50-yen dividend payout per share. If there is a delay in establishing the specialized safety facility (hereinafter referred to as the Facility), will the delay affect the 50-yen dividend payout per share?

A. Compared to when the current Medium-Term Management Plan was made, severe competition in electric power retailing as well as growing costs for nuclear safety measures are pressuring the business environment. Under such circumstances, the delay establishing the Facility has a large impact on the income and expenditure, however, it appears that the impact will last for about one year at maximum. Going forward, we will work to achieve the 50-yen dividend payout per share as soon as possible by enhancing our efforts to expand mid-to-long term profits along with our activities for early completion of the Facility.

Q: How are activities progressing in areas other than the electricity business?

A. Currently, more than one third of the gross profit on a group consolidated basis comes from areas other than electricity business. We feel positive about steady growth in areas other than the electricity business, however, there is also the aspect that our earning power is declining due to intensified competition in the electricity business. Going forward, we would like to advance our efforts in both our electricity business and non-electricity business.

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