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Summary of Consolidated Financial Statements for the Second Quarter of Fiscal 2020 Ending March 31, 2021 (Japan GAAP)

October 29, 2020

Company name: Shikoku Electric Power Company, Incorporated
 Stock exchange listing: First section of TSE
 Securities code: 9507
 URL: <https://www.yonden.co.jp/>
 Representative: Keisuke Nagai Director and President
 Contact: Takahiro Hosoi Manager of the Consolidated Accounting Team, Accounting & Finance Dept.
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 Scheduled date of filing quarterly securities report: November 11, 2020
 Scheduled date of commencing dividend payments: November 30, 2020
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: Yes (for institutional investors and financial analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Second Quarter of Fiscal 2020 Ending March 31, 2021 (April 01, 2020 to September 30, 2020)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2Q Fiscal 2020	351,083	(5.9)	19,208	(42.9)	17,531	(45.9)	11,696	(49.8)
2Q Fiscal 2019	373,234	4.1	33,612	191.3	32,404	165.9	23,304	198.8

(Note) Comprehensive income: 2Q Fiscal 2020: ¥ 10,422 million [(51.7)%]
 2Q Fiscal 2019: ¥ 21,594 million [192.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
2Q Fiscal 2020	56.86	-
2Q Fiscal 2019	113.20	-

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
2Q Fiscal 2020	1,412,884	333,957	23.5
Fiscal 2019	1,373,640	326,648	23.6

(Reference) Equity: 2Q Fiscal 2020: ¥ 331,775 million
 Fiscal 2019: ¥ 324,540 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2019	-	15.00	-	15.00	30.00
Fiscal 2020	-	15.00			
Fiscal 2020 (Forecast)			-	-	-

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal 2020 Ending March 31, 2021(April 01, 2020 to March 31, 2021)

The forecasts of consolidated financial results for FY2020 had been undecided because it is difficult to predict when the Ikata Unit 3 will resume operation. Under these circumstances, at the meeting on the date for scheduling conference, the judgement of the objection to the injunction against the operation of Ikata Unit 3 at Hiroshima High Court is expected to be issued in next March. We will scrutinize the income and expenditure state on this, and notify you of the forecasts of financial results promptly.

* Notes:

(1) Changes in significant subsidiaries during the period under review

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

2Q Fiscal 2020: 223,086,202 shares

Fiscal 2019: 223,086,202 shares

2) Total number of treasury shares at the end of the period:

2Q Fiscal 2020: 17,360,435 shares

Fiscal 2019: 17,364,063 shares

3) Average number of shares during the period:

2Q Fiscal 2020: 205,725,565 shares

2Q Fiscal 2019: 205,862,562 shares

(Note) We have introduced the Board Benefit Trust, and the total number of treasury shares at the end of the period includes our shares held by the trust account relating to the Board Benefit Trust. (183,634 shares (2Q Fiscal 2020), 188,934 shares (Fiscal 2019))
In addition, our shares held by the trust account are included in the total number of treasury shares which are deducted in the calculation of the average number of shares. (184,863 shares (2Q Fiscal 2020), 54,286 shares (2Q Fiscal 2019))

- This document is exempt from quarterly review procedure based upon a certified public accountant or audit corporation.
- This document contains projections that were made based on information currently available and certain assumptions judged to be reasonable. There is a possibility that diverse factors may cause actual performance, etc., to differ materially from the projections.
- Supplementary materials will be posted on our web site on October 29, 2020.

Quarterly Consolidated Financial Statements

1. Quarterly Consolidated Balance Sheets

(Million yen)

	FY2019 (As of March 31, 2020)	Second quarter of FY2020 (As of September 30, 2020)
Assets		
Non-current assets	1,158,444	1,162,169
Plant and equipment, and intangible assets	921,722	922,573
Hydroelectric power production facilities	63,935	58,672
Thermal power production facilities	76,038	71,080
Nuclear power production facilities	104,053	98,664
Transmission facilities	122,267	120,991
Transformation facilities	75,130	79,871
Distribution facilities	202,960	202,489
Other non-current assets	103,295	101,084
Construction and retirement in progress	111,375	126,134
Special account related to nuclear power decommissioning	43,633	43,373
Special account related to reprocessing of spent nuclear fuel	19,032	20,211
Nuclear fuel	93,461	93,679
Nuclear fuel in processing	93,461	93,679
Investments and other assets	143,261	145,917
Long-term investments	57,203	54,577
Deferred tax assets	33,452	32,675
Retirement benefit asset	2,476	3,122
Other	50,148	55,562
Allowance for doubtful accounts	(19)	(20)
Current assets	215,195	250,714
Cash and deposits	55,461	73,354
Notes and accounts receivable - trade	96,067	105,816
Inventories	28,658	31,012
Other	35,117	40,638
Allowance for doubtful accounts	(109)	(106)
Total assets	1,373,640	1,412,884

(Million yen)

	FY2019 (As of March 31, 2020)	Second quarter of FY2020 (As of September 30, 2020)
Liabilities		
Non-current liabilities	832,570	897,615
Bonds payable	319,987	339,988
Long-term loans payable	326,160	369,300
Retirement benefit liability	24,318	24,202
Asset retirement obligations	124,731	125,230
Other	37,372	38,894
Current liabilities	206,609	173,499
Current portion of non-current liabilities	74,037	60,351
Notes and accounts payable - trade	37,894	29,527
Accrued taxes	14,942	12,442
Other	79,734	71,179
Reserves under special laws	7,811	7,811
Reserve for fluctuation in water levels	7,811	7,811
Total liabilities	1,046,992	1,078,927
Net assets		
Shareholders' equity	321,240	329,844
Capital stock	145,551	145,551
Capital surplus	35,198	35,198
Retained earnings	182,178	190,777
Treasury shares	(41,687)	(41,682)
Accumulated other comprehensive income	3,300	1,931
Valuation difference on available-for-sale securities	1,729	2,016
Deferred gains or losses on hedges	3,333	128
Foreign currency translation adjustment	1,426	1,488
Remeasurements of defined benefit plans	(3,190)	(1,702)
Non-controlling interests	2,107	2,181
Total net assets	326,648	333,957
Total liabilities and net assets	1,373,640	1,412,884

2. Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Million yen)

	Second quarter of FY2019 (April 1, 2019 to September 30, 2019)	Second quarter of FY2020 (April 1, 2020 to September 30, 2020)
Operating revenue	373,234	351,083
Electric utility operating revenue	328,210	304,956
Other business operating revenue	45,024	46,127
Operating expenses	339,622	331,875
Electric utility operating expenses	299,462	290,645
Other business operating expenses	40,160	41,229
Cost of sales	33,398	34,343
Selling, general and administrative expenses	6,761	6,886
Operating profit	33,612	19,208
Non-operating income	2,444	2,091
Dividend income	833	860
Interest income	314	268
Gain on sales of securities	2	-
Foreign exchange gains	951	471
Share of profit of entities accounted for using equity method	50	173
Other	291	317
Non-operating expenses	3,652	3,768
Interest expenses	3,221	2,894
Loss on valuation of securities	0	450
Other	430	423
Ordinary profit	32,404	17,531
Profit before income taxes	32,404	17,531
Total income taxes	9,048	5,740
Profit	23,356	11,790
Profit attributable to non-controlling interests	52	94
Profit attributable to owners of parent	23,304	11,696

Quarterly Consolidated Statements of Comprehensive Income

(Million yen)

	Second quarter of FY2019 (April 1, 2019 to September 30, 2019)	Second quarter of FY2020 (April 1, 2020 to September 30, 2020)
Profit	23,356	11,790
Other comprehensive income		
Valuation difference on available-for-sale securities	(866)	156
Deferred gains or losses on hedges	(659)	(647)
Foreign currency translation adjustment	(404)	(263)
Remeasurements of defined benefit plans, net of tax	107	1,416
Share of other comprehensive income of entities accounted for using equity method	61	(2,030)
Total other comprehensive income	(1,761)	(1,368)
Comprehensive income	21,594	10,422
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	21,542	10,327
Comprehensive income attributable to non-controlling interests	52	94

3. Quarterly Consolidated Statements of Cash Flows

(Million yen)

	Second quarter of FY2019 (April 1, 2019 to September 30, 2019)	Second quarter of FY2020 (April 1, 2020 to September 30, 2020)
Cash flows from operating activities		
Profit before income taxes	32,404	17,531
Depreciation	29,415	28,731
Decommissioning costs of nuclear power units	1,387	1,383
Amortization of special account related to nuclear power decommissioning	260	260
Amortization of nuclear fuel	2,799	-
Loss on retirement of non-current assets	771	1,261
Increase (decrease) in retirement benefit liability	(347)	16
Increase (decrease) in allowance for doubtful accounts	(15)	(2)
Decrease (increase) in retirement benefit asset	(283)	1,195
Decrease (increase) in trade receivables	1,862	(9,930)
Decrease (increase) in inventories	2,534	(2,138)
Increase (decrease) in trade payables	(12,673)	(8,367)
Decrease/increase in consumption taxes receivable/payable	1,190	(2,093)
Share of loss (profit) of entities accounted for using equity method	(50)	(173)
Interest expenses	3,221	2,894
Other, net	(12,920)	(12,258)
Subtotal	49,556	18,309
Interest and dividends received	1,439	1,291
Interest paid	(3,320)	(2,911)
Income taxes (paid) refund	1,072	(5,691)
Net cash provided by (used in) operating activities	48,748	10,997
Cash flows from investing activities		
Purchase of non-current assets	(39,687)	(35,927)
Proceeds from sales of non-current assets	29	136
Payments for asset retirement obligations	(136)	(22)
Investments and loan advances	(10,070)	(5,223)
Proceeds from divestments and collection of loans receivable	2,612	1,676
Payments into time deposits	(1,152)	-
Proceeds from withdrawal of time deposits	1,562	1,152
Net cash provided by (used in) investing activities	(46,843)	(38,207)
Cash flows from financing activities		
Proceeds from issuance of bonds	32,500	42,500
Redemption of bonds	(40,000)	(10,000)
Proceeds from long-term loans payable	47,800	44,500
Repayments of long-term loans payable	(42,946)	(27,500)
Purchase of treasury shares	(192)	(1)
Dividends paid	(3,097)	(3,097)
Dividends paid to non-controlling interests	(19)	(20)
Other, net	(62)	(60)
Net cash provided by (used in) financing activities	(6,018)	46,320
Effect of exchange rate change on cash and cash equivalents	(216)	(44)
Net increase (decrease) in cash and cash equivalents	(4,329)	19,065
Cash and cash equivalents at beginning of period	40,681	54,289
Cash and cash equivalents at end of period	36,352	73,354