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Summary of Consolidated Financial Statements for the Second Quarter of Fiscal 2021 Ending March 31, 2022 (Japan GAAP)

October 29, 2021

Company name: Shikoku Electric Power Company, Incorporated
 Listed on: First section of TSE
 Securities code: 9507
 URL: <https://www.yonden.co.jp/>
 Representative: Keisuke Nagai Director and President
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 Scheduled date of filing quarterly securities report: November 11, 2021
 Scheduled date of commencing dividend payments: November 30, 2021
 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 2021 Ending March 31, 2022 (April 01, 2021 to September 30, 2021)

(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 2021	270,241	(23.0)	1,198	(93.8)	1,372	(92.2)	851	(92.7)
2Q Fiscal 2020	351,083	(5.9)	19,208	(42.9)	17,531	(45.9)	11,696	(49.8)

(Note) Comprehensive income: 2Q Fiscal:2021 ¥ 792 million [(92.4)%]
 2Q Fiscal 2020: ¥ 10,422 million [(51.7)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
2Q Fiscal 2021	4.14	-
2Q Fiscal 2020	56.86	-

(2) Consolidated Financial Position

	Total assets	Net assets	shareholders'equity ratio
	Million yen	Million yen	%
2Q Fiscal 2021	1,464,786	325,449	22.1
Fiscal 2020	1,430,424	327,953	22.8

(Reference) Equity: 2Q Fiscal 2021: ¥ 323,108 million
 Fiscal 2020: ¥ 325,678 million

[Change of the accounting standard]

Accounting standards on revenue recognition (Accounting Standard No. 29, March 31, 2020; "revenues recognition accounting standard"), etc. is applied from the beginning of the first quarter of fiscal 2021.

At the time of the promised goods or control of the service are transferred to the customer, it is recognized at the amount expected to be received in exchange for the goods or services as revenue.

In addition, the "Electricity Business Accounting Regulations" revised by the enforcement of the "Ministry Ordinance for Partial Revision of Electric Utility Accounting Regulations, (Ministry of Economy, Trade and Industry Ordinance No22, March 31, 2021) etc." is applied from the beginning of the first quarter of fiscal 2021.

The renewable energy special measures law levy related to FIT is not recorded as the electric power business operating revenues, and the renewable energy special measures law grant is deducted from the electric power business operating expenses.

As a result, operating revenues for the Second quarter of fiscal 2021 decreased by 94.6 billion yen and operating expenses decreased by 95.0 billion yen.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2020	-	15.00	-	15.00	30.00
Fiscal 2021	-	15.00			
Fiscal 2021 (Forecast)			-	15.00	30.00

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

3. Consolidated Financial Results Forecast for the Fiscal 2021 Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal 2021	580,000	(19.4)	6,500	0.7	6,000	15.7	4,500	50.1	22.00

(Note) Revision to the financial results forecast announced most recently: Yes

[The reason of changing forecast]

Due to the rise in fuel prices, there was an increase in supply and demand-related costs that far exceeded the increase in fuel cost adjustments, so we make the above corrections.

The year-end dividend forecast (15 yen per share) has not changed since it was announced in April.

(The annual dividend is 30 yen including the interim dividend.)

* 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: Yes

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 2021: 223,086,202 shares

Fiscal 2020: 223,086,202 shares

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

2Q Fiscal 2021: 17,358,436 shares

Fiscal 2020: 17,363,621 shares

3) Average number of shares during the period:

2Q Fiscal 2021: 205,724,704 shares

2Q Fiscal 2020: 205,725,565 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 (177,034 shares (2Q Fiscal 2021), 183,634 shares (Fiscal 2020)).

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. (180,805 shares (2Q Fiscal 2021), 184,863 shares (2Q Fiscal 2020))

- 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, 2021.

Quarterly Consolidated Financial Statements

1. Quarterly Consolidated Balance Sheets

(Million yen)

	FY 2020 (As of March 31, 2021)	Second quarter of FY 2021 (As of September 30, 2021)
Assets		
Non-current assets	1,190,689	1,213,719
Plant and equipment, and intangible assets	940,873	952,474
Hydroelectric power production facilities	58,593	57,261
Thermal power production facilities	68,868	65,818
Nuclear power production facilities	119,799	113,455
Transmission facilities	118,678	116,314
Transformation facilities	80,192	81,446
Distribution facilities	202,067	202,097
Other non-current assets	100,758	98,786
Construction and retirement in progress	123,491	149,064
Special account related to nuclear power decommissioning	43,168	42,974
Special account related to reprocessing of spent nuclear fuel	25,254	25,254
Nuclear fuel	93,869	94,344
Loaded nuclear fuel	-	13,990
Nuclear fuel in processing	93,869	80,353
Investments and other assets	155,947	166,900
Long-term investments	52,968	51,703
Deferred tax assets	31,728	32,895
Retirement benefit asset	8,150	8,831
Other	63,131	73,594
Allowance for doubtful accounts	(30)	(124)
Current assets	239,734	251,067
Cash and deposits	65,494	58,657
Notes and accounts receivable - trade	101,558	-
Notes and accounts receivable - trade, and contract assets	-	73,289
Lease receivables and investments in leases	15,440	15,611
Inventories	27,991	37,100
Other	30,080	67,056
Allowance for doubtful accounts	(829)	(648)
Total assets	1,430,424	1,464,786

(Million yen)

	FY 2020 (As of March 31, 2021)	Second quarter of FY 2021 (As of September 30, 2021)
Liabilities		
Non-current liabilities	906,992	871,965
Bonds payable	349,988	329,989
Long-term loans payable	370,300	355,400
Retirement benefit liability	23,909	23,837
Asset retirement obligations	126,885	126,921
Other	35,908	35,816
Current liabilities	187,666	259,560
Current portion of non-current liabilities	44,602	103,107
Commercial papers	10,000	40,000
Notes and accounts payable - trade	42,371	40,429
Accrued taxes	11,900	4,634
Other	78,792	71,388
Reserves under special laws	7,811	7,811
Reserve for fluctuation in water levels	7,811	7,811
Liabilities	1,102,470	1,139,337
Net assets		
Shareholders' equity	318,381	315,966
Capital stock	145,551	145,551
Capital surplus	35,198	35,198
Retained earnings	179,315	176,894
Treasury shares	(41,684)	(41,678)
Valuation and translation adjustments	7,297	7,142
Valuation difference on available-for-sale securities	1,779	1,444
Deferred gains or losses on hedges	1,526	1,942
Foreign currency translation adjustment	730	2,091
Remeasurements of defined benefit plans	3,260	1,663
Non-controlling interests	2,275	2,340
Total net assets	327,953	325,449
Total liabilities and net assets	1,430,424	1,464,786

2. Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Million yen)

	Second quarter of FY2020 (April 1, 2020 to September 30, 2020)	Second quarter of FY2021 (April 1, 2021 to September 30, 2021)
Operating revenue	351,083	270,241
Electric utility operating revenue	304,956	225,308
Other business operating revenue	46,127	44,933
Operating expenses	331,875	269,043
Electric utility operating expenses	290,645	229,003
Other business operating expenses	41,229	40,039
Cost of sales	34,343	33,832
Selling, general and administrative expenses	6,886	6,207
Operating profit	19,208	1,198
Non-operating income	2,091	3,525
Dividend income	860	797
Interest income	268	302
Gain on sale of securities	-	274
Foreign exchange gains	471	822
Share of profit of entities accounted for using equity method	173	852
Other	317	475
Non-operating expenses	3,768	3,352
Interest expenses	2,894	2,782
Loss on valuation of securities	450	288
Other	423	281
Ordinary profit	17,531	1,372
Profit before income taxes	17,531	1,372
Total income taxes	5,740	425
Profit	11,790	946
Profit attributable to non-controlling interests	94	95
Profit attributable to owners of parent	11,696	851

Quarterly Consolidated Statements of Comprehensive Income

(Million yen)

	Second quarter of FY2020 (April 1, 2020 to September 30, 2020)	Second quarter of FY2021 (April 1, 2021 to September 30, 2021)
Profit	11,790	946
Other comprehensive income		
Valuation difference on available-for-sale securities	156	(348)
Deferred gains or losses on hedges	(647)	(347)
Foreign currency translation adjustment	(263)	1,097
Remeasurements of defined benefit plans, net of tax	1,416	(1,618)
Share of other comprehensive income of entities accounted for using equity method	(2,030)	1,061
Total other comprehensive income	(1,368)	(154)
Comprehensive income	10,422	792
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,327	696
Comprehensive income attributable to non-controlling interests	94	95

3. Quarterly Consolidated Statements of Cash Flows

(Million yen)

	Second quarter of FY2020 (April 1, 2020 to September 30, 2020)	Second quarter of FY2021 (April 1, 2021 to September 30, 2021)
Cash flows from operating activities		
Profit (loss) before income taxes	17,531	1,372
Depreciation	28,731	28,974
Decommissioning costs of nuclear power units	1,383	1,413
Amortization of special account related to nuclear power decommissioning	260	193
Loss on retirement of non-current assets	1,261	1,096
Increase (decrease) in retirement benefit liability	16	(301)
Increase (decrease) in allowance for doubtful accounts	(2)	(86)
Decrease (increase) in retirement benefit asset	1,195	(2,701)
Decrease (increase) in trade receivables	(9,930)	28,173
Decrease (increase) in inventories	(2,138)	(9,048)
Increase (decrease) in trade payables	(8,367)	(1,941)
Decrease/increase in consumption taxes receivable/payable	(2,093)	(3,366)
Share of loss (profit) of entities accounted for using equity method	(173)	(852)
Interest and dividend income	(1,129)	(1,100)
Interest expenses	2,894	2,782
Other, net	(11,128)	(43,663)
Subtotal	18,309	943
Interest and dividends received	1,291	1,273
Interest paid	(2,911)	(2,805)
Income taxes refund (paid)	(5,691)	(1,094)
Net cash provided by (used in) operating activities	10,997	(1,682)
Cash flows from investing activities		
Purchase of non-current assets	(35,927)	(48,679)
Proceeds from sale of non-current assets	136	201
Payments for asset retirement obligations	(22)	(504)
Investments and loan advances	(5,223)	(7,706)
Proceeds from divestments and collection of loans receivable	1,676	979
Proceeds from withdrawal of time deposits	1,152	-
Net cash provided by (used in) investing activities	(38,207)	(55,708)
Cash flows from financing activities		
Proceeds from issuance of bonds	42,500	32,500
Redemption of bonds	(10,000)	(22,500)
Proceeds from long-term loans payable	44,500	15,000
Repayments of long-term loans payable	(27,500)	(1,379)
Net increase (decrease) in commercial papers	-	30,000
Purchase of treasury shares	(1)	(1)
Dividends paid	(3,097)	(3,097)
Dividends paid to non-controlling interests	(20)	(30)
Other, net	(60)	(74)
Net cash provided by (used in) financing activities	46,320	50,416
Effect of exchange rate change on cash and cash equivalents	(44)	137
Net increase (decrease) in cash and cash equivalents	19,065	(6,836)
Cash and cash equivalents at beginning of period	54,289	65,444
Cash and cash equivalents at end of period	73,354	58,607