

July 29, 2022

**The 1st Quarter of the Fiscal Year Ending March 31, 2023 Financial Results Overview [Japan GAAP] (Consolidated)
Kyushu Electric Power Co., Inc.**

Stock code: 9508 URL: https://www.kyuden.co.jp/english_index.html

Stock listed on: Tokyo SE, Fukuoka SE

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Quarterly financial report submission date (plan): August 10, 2022

Date to start dividend payments: –

Preparation of supplementary materials for quarterly financial results: Yes

Information meeting for quarterly financial results: No

(Rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months (April 1, 2022 to June 30, 2022)

(1) Consolidated Operational Results

(% shows the changes from the same quarter period of the previous FY)

	Sales		Operating profit		Ordinary profit	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
April 1, 2022 - June 30, 2022	436,719	24.8	-46,638	—	-47,288	—
April 1, 2021 - June 30, 2021	349,994	4.7	30,457	-2.3	24,067	-9.9

(Note) Comprehensive income : FY2022 1Q -12,555 million yen (- %) FY2021 1Q 21,514 million yen (44.7%)

	Profit attributable to owners of parent		EPS	Fully-diluted EPS
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)
April 1, 2022 - June 30, 2022	-34,811	—	-74.75	—
April 1, 2021 - June 30, 2021	15,813	-13.7	32.32	28.93

(Note) Fully-diluted EPS for FY2022 1Q is not indicated because there are no delutive potential shares

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	(Unit: million yen)	(Unit: million yen)	(%)
As of June 30, 2022	5,428,835	654,655	11.5
As of March 31, 2022	5,342,350	676,337	12.1

(Reference) Shareholders' equity : As of June 30, 2022 : 621,882 million yen As of March 31, 2022: 645,497 million yen

2. Dividends

	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2021 ended March 31, 2022	—	20.00	—	20.00	40.00
FY2022 ended March 31, 2023	—	—	—	—	—
FY2022 ending March 31, 2023 (forecast)	—	—	—	—	—

(Note) Revision of the dividend forecast : No

The dividends for FY2022 have not been decided yet. We will provide an update as soon as it is possible to make a sufficiently reliable forecast of the dividends for FY2022.

Dividends mentioned the above are regarding common shares. See 'Dividends for Class Shares' regarding dividends for class shares which differ in shareholders' right from common shares.

3. Consolidated Financial Results Forecasts for FY2021 (April 1, 2021 to March 31, 2022)

Both Sales and Ordinary Income have not been decided yet because it is difficult to reasonably calculate the forecast values due to the extremely uncertain situation in Russia and Ukraine, which impacts fuel prices and other factors. We will provide an update as soon as it is possible to make a sufficiently reliable forecast of Financial Results for FY2022.

※ Note

(1) Changes in significant subsidiaries : No

(changes in scope of specified subsidiaries)

Newly added: — Excluded: —

(2) Adoption of methods specific in preparing quarterly consolidated financial statements in accounting practice : No

(3) Changes in accounting principles, changes in accounting estimates, restatement

① Changes in accounting principles in line with revised accounting standards : Yes

② Changes in accounting principles other than ① : No

③ Changes in accounting estimates : No

④ Restatement : No

(Note) For details, see "(3) Notes on Quarterly Consolidated Financial Statements :Changes in accounting policies on Page 6.

(4) Number of common stocks issued and outstanding

① Total stocks including treasury stocks at the end of period

FY2022 1Q	474,183,951 shares	FY2021	474,183,951 shares
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② Treasury stocks at the end of period

FY2022 1Q	1,465,222 shares	FY2021	1,463,267 shares
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③ Average number of stocks during the period (Quarter Total)

FY2022 1Q	472,719,403 shares	FY2021 1Q	473,023,193 shares
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(Note) The number of our shares regarding "Board Benefit Trust (BBT)" held by the Trust was included in the number of treasury stocks at the end of period (897,000 shares as of FY2022 1Q and 897,000 shares as of FY2021) . In addition, the number of our shares held by the Trust was included in the number of treasury stocks, which was to be deducted from the calculation of the average number of stocks during the period. (897,000 shares for FY2022 1Q and 603,000 share for FY2021 1Q)

*Quarterly financial results is not the object of quarterly review.

*Notes on the proper use of the forecasts

Looking-forward statements are based on information available at the date of the release of this document. Due to various factors, the actual result may differ from these statements.

We will post supplementary materials for quarterly financial results on our website.

(Reference) Dividends for Class Shares

The breakdown of dividend for class shares which differ in shareholders' rights from common shares is as follows.

Class A preferred shares	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
FY2021 ended March 31, 2022	(Unit: yen) —	(Unit: yen) 1,050,000.00	(Unit: yen) —	(Unit: yen) 1,050,000.00	(Unit: yen) 2,100,000.00
FY2022 ended March 31, 2023	—				
FY2022 ending March 31, 2023 (forecast)	—	—	—	—	—

(Note 1) Revision of the dividend forecast : No

(Note 2) The dividends for FY2022 have not been decided yet. We will provide an update as soon as it is possible to make a sufficiently reliable forecast of the dividends for FY2022.

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1. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

	(Unit: million yen)	
	As of March 31, 2022	As of June 30, 2022
Assets		
Non-current assets	4,610,160	4,653,844
Electric utility plant and equipment	2,692,039	2,814,305
Hydroelectric power production facilities	260,131	273,711
Thermal power production facilities	250,797	244,135
Nuclear power production facilities	547,791	541,802
Internal combustion engine power production facilities	21,203	21,021
Renewable power production facilities	22,537	22,024
Transmission facilities	568,024	680,751
Transformation facilities	226,268	234,829
Distribution facilities	655,095	656,374
General facilities	130,080	129,561
Other electric utility plant and equipment	10,110	10,091
Other non-current assets	416,994	418,912
Construction in progress	673,257	563,502
Construction and retirement in progress	538,837	423,065
Special account related to nuclear power decommissioning	39,544	38,419
Special account related to reprocessing of spent nuclear fuel	94,874	102,017
Nuclear fuel	222,399	220,104
Loaded nuclear fuel	36,262	51,658
Nuclear fuel in processing	186,136	168,446
Investments and other assets	605,469	637,019
Long-term investments	246,352	259,134
Retirement benefit asset	26,623	27,152
Deferred tax assets	140,727	152,898
Other	193,114	199,233
Allowance for doubtful accounts	△1,348	△1,400
Current assets	732,189	774,990
Cash and deposits	261,660	239,332
Notes and accounts receivable - trade, and contract assets	177,827	168,172
Inventories	101,699	133,235
Other	195,979	237,774
Allowance for doubtful accounts	△4,977	△3,522
Total assets	5,342,350	5,428,835

	(Unit: million yen)	
	As of March 31, 2022	As of June 30, 2022
Liabilities		
Non-current liabilities	3,582,972	3,663,696
Bonds payable	1,399,999	1,475,000
Long-term borrowings	1,737,265	1,741,419
Retirement benefit liability	85,946	83,356
Asset retirement obligations	289,103	291,352
Deferred tax liabilities	12,899	17,554
Other	57,758	55,013
Current liabilities	1,075,425	1,102,955
Current portion of non-current liabilities	399,638	440,962
Short-term borrowings	120,810	122,630
Commercial papers	—	150,000
Notes and accounts payable - trade	142,614	113,348
Accrued taxes	19,798	10,541
Other	392,564	265,473
Reserves under special laws	7,613	7,528
Reserve for water shortage	7,613	7,528
Total liabilities	4,666,012	4,774,180
Net assets		
Shareholders' equity	632,987	587,646
Share capital	237,304	237,304
Capital surplus	120,006	120,006
Retained earnings	277,382	232,042
Treasury shares	△1,706	△1,707
Accumulated other comprehensive income	12,509	34,236
Valuation difference on available-for-sale securities	4,104	4,900
Deferred gains or losses on hedges	4,723	19,912
Foreign currency translation adjustment	△1,383	4,543
Remeasurements of defined benefit plans	5,066	4,880
Non-controlling interests	30,840	32,773
Total net assets	676,337	654,655
Total liabilities and net assets	5,342,350	5,428,835

(2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements
(Quarterly Consolidated Income Statements)

	(Unit: million yen)	
	April 1,2021- June 30, 2021	April 1,2022- June 30, 2022
Operating revenue	349,994	436,719
Electric utility operating revenue	288,543	381,621
Other business operating revenue	61,451	55,097
Operating expenses	319,536	483,358
Electric utility operating expenses	261,896	432,205
Other business operating expenses	57,640	51,152
Operating profit (loss)	<u>30,457</u>	<u>△46,638</u>
Non-operating income	2,707	6,908
Dividend income	145	199
Interest income	227	274
Gain on sale of goods	282	2,490
Foreign exchange gains	—	1,527
Share of profit of entities accounted for using equity method	644	1,037
Other	1,408	1,378
Non-operating expenses	9,098	7,557
Interest expenses	6,169	6,179
Foreign exchange losses	52	—
Other	2,876	1,378
Total ordinary revenue	352,702	443,627
Total ordinary expenses	328,634	490,916
Ordinary profit (loss)	<u>24,067</u>	<u>△47,288</u>
Provision or reversal of reserve for water shortage	△31	△85
Reversal of reserve for water shortage	△31	△85
Profit (loss) before income taxes	<u>24,098</u>	<u>△47,202</u>
Income taxes - current	1,036	821
Income taxes - deferred	6,798	△13,587
Total income taxes	<u>7,835</u>	<u>△12,766</u>
Profit (loss)	<u>16,262</u>	<u>△34,436</u>
Profit attributable to non-controlling interests	449	374
Profit (loss) attributable to owners of parent	<u>15,813</u>	<u>△34,811</u>

(Quarterly Consolidated Comprehensive Income Statements)

	(Unit: million yen)	
	April 1,2021- June 30, 2021	April 1,2022- June 30, 2022
Profit (loss)	16,262	△34,436
Other comprehensive income		
Valuation difference on available-for-sale securities	140	748
Deferred gains or losses on hedges	1,015	12,969
Foreign currency translation adjustment	2,725	4,161
Remeasurements of defined benefit plans, net of tax	△26	△219
Share of other comprehensive income of entities accounted for using equity method	1,395	4,221
Total other comprehensive income	5,251	21,881
Comprehensive income	21,514	△12,555
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	21,195	△13,084
Comprehensive income attributable to non-controlling interests	319	529

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on the premise of going concern)

N/A

(Notes in case of drastic changes in the amount of equity)

N/A

(Changes in accounting policies)

We have applied "ASBJ Guidance No. 31 Implementation Guidance on Accounting Standard for Fair Value Measurement" as of the start of the first quarter of the current fiscal year, beginning April 1st, 2022.

The new accounting policy is applied prospectively in accordance with the transitional treatment as described in Paragraph 27-2 of the Standard.

The impact of this change is minimal.