

## Unaudited Financial Release (Consolidated) for the Third Quarter

The information below is an English translation of extracts from Unaudited Financial Release (Consolidated) for the third quarter that has been filed with the major Japanese stock exchanges (Tokyo) for public inspection. These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

January 28, 2022

The Kansai Electric Power Co., Inc. (Code: 9503)

6-16 Nakanoshima 3-chome, Kita-ku, Osaka

(URL <https://www.kepco.co.jp>)

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### I. Performance over the Nine-Months ended December 31, 2021 and 2020

(Figures are rounded down to the nearest million yen)

#### 1. Results of Operations

	(Million yen)			
	<u>Nine-Months</u>		<u>Change</u>	
	<u>ended December 31</u>		20/19	21/20
	2020	2021		
Operating Revenues	2,184,240	1,949,771	-7.5%	-10.7%
Operating Income	142,997	88,331	-15.3%	-38.2%
Ordinary Income *	161,140	114,703	-14.1%	-28.8%
Net Income attributable to owners of the parent	115,158	73,588	-15.3%	-36.1%
Net Income per Share	128.94yen	82.42yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

#### Comprehensive income

Nine-months ended December 31, 2021: 28,667 million yen

Nine-months ended December 31, 2020: 126,962 million yen

Notes: Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

#### 2. Financial Position

	(Million yen)	
	As of March 31, 2021	As of December 31, 2021
Total Assets	8,075,755	8,368,178
Net Assets	1,725,557	1,712,771
Equity Ratio	20.9%	19.9%

#### Notes: Equity capital

As of December 31, 2021: 1,667,053 million yen

As of March 31, 2021: 1,684,528 million yen

## II. Dividends

	Interim dividend per share	Year-end dividend per share	Annual dividend per share
FY 3/2021	25.00 yen	25.00yen	50.00 yen
FY 3/2022	25.00 yen	25.00yen(Forecast)	50.00 yen(Forecast)

## III. Financial Forecasts

	(Billion yen) FY 3/2022 (Forecasts)
Operating Revenues	2,800
Operating Income	70
Ordinary Income*	100
Net Income attributable to owners of the parent	65
Net Income per Share	72.80 yen

Notes: Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

## IV. Other

1. Change in major consolidated subsidiaries: None
2. Difference in accounting methods from the latest consolidated financial year: None
3. Number of shares outstanding (included Treasury stock)
  - As of December 31, 2021: 938,733,028 shares
  - As of March 31, 2021: 938,733,028 shares
4. Number of Treasury stock
  - As of December 31, 2021: 46,025,771 shares
  - As of March 31, 2021: 45,616,692 shares
5. Number of Average stock
  - Nine-months ended December 31, 2021: 892,891,402 shares
  - Nine-months ended December 31, 2020: 893,134,391 shares

Notes: We have adopted BIP (Board Incentive Plan) Trust mechanism, and the number of treasury stock at year end includes our shares held by the said trust account (515,236 shares as of December 31, 2021). Additionally, our shares held by the said trust account are included in treasury stock that is deducted in the calculation of the number of average stock.

## Notification

### **(Report of the decision of specific measures and the progress of the business improvement plan)**

We offer our most sincere apologies for the inconveniences and concern placed upon our customers, shareholders, investors and other parties involved regarding issues such as company executives and employees receiving cash and gifts from external stakeholders.

In response to the Business Improvement Order issued against The Kansai Electric Power Co., Inc. (KEPCO) on March 29, 2020 under the Electricity Business Act in connection with this issue, KEPCO developed a business improvement plan for recurrence prevention on March 30, 2020 and reported the decision of specific measures to prevent reoccurrences and the progress of them to the Ministry of Economy, Trade and Industry on June 29, October 13, 2020, March 2 and December 27, 2021.

For the detail of the progress of the Business Improvement Plan, please refer to our website.

We will ensure the implementation of those measures. And then we will follow on the implementation in light of external objective perspectives and if we need, we will add the improvement measures. All officers and employees will make best efforts for recovery of trust, with an unwavering resolve to create completely new KEPCO.

### **(The inspection by the Japan Fair Trade Commission)**

We were inspected by the Japan Fair Trade Commission (hereafter the “JFTC”) based on the Antimonopoly Act, on suspicion of the restricting to acquire customers in extra-high voltage and high voltage power service on April 13 and July 13, 2021. On this occasion, we accept the fact that the inspection was conducted in a solemn manner, and we will fully cooperate with the inspection of the JFTC.

Depending on the progress of this matter, this could affect our consolidated financial results. However, it is difficult to estimate the impacts rationally at present, and we do not reflect the impacts to our consolidated financial statements and forecasts.

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Electricity Sales

	(GWh)		
	Nine-months ended December 31, 2020	Nine-months ended December 31, 2021	Change (%)
Total electric sales	86,382	88,021	101.9
Retail electric sales	74,890	72,462	96.8
Residential	23,307	21,560	92.5
Commercial and Industrial	51,584	50,902	98.7
Electricity sales to other non- utility companies	11,492	15,558	135.4

Notes: Total electricity sales indicates those in energy business attributable to the parent company.  
 Some rounding errors may be observed.

## Consolidated Balance Sheets

(Million yen)

Account	As of Mar. 31, 2021	As of Dec. 31, 2021
<b>(Assets)</b>		
Property	7,071,768	7,199,050
Utility facilities	3,492,389	3,481,613
Hydroelectric power production facilities	299,140	305,231
Thermal power production facilities	325,142	305,976
Nuclear power production facilities	747,453	745,352
Transmission facilities	773,564	767,442
Transformation facilities	416,558	419,409
Distribution facilities	804,741	813,000
General facilities	106,529	106,459
Other utility facilities	19,257	18,741
Other plant and equipment	834,888	857,322
Construction in progress	862,783	894,461
Construction and retirement in progress	684,652	717,021
Special account related to nuclear power decommissioning	59,074	55,106
Special account related to reprocessing of spent nuclear fuel	119,057	122,333
Nuclear fuel	528,442	511,643
Loaded nuclear fuel	72,593	56,585
Nuclear fuel in processing	455,848	455,058
Investments and other assets	1,353,264	1,454,009
Long-term investments	384,756	423,334
Investments in and advances to subsidiaries and associated companies	550,897	588,579
Deferred tax assets	326,785	346,253
Other	97,237	115,052
Allowance for doubtful accounts	-6,411	-19,210
Current assets	1,003,987	1,169,127
Cash and time deposits	249,281	276,223
Accounts receivable	327,142	-
Notes and accounts receivable - trade and contract assets	-	275,553
Inventory assets	182,899	204,146
Other	266,219	419,260
Allowance for doubtful accounts	-21,556	-6,055
<b>Total assets</b>	<b>8,075,755</b>	<b>8,368,178</b>

## Consolidated Balance Sheets

(Million yen)

Account	As of Mar. 31, 2021	As of Dec. 31, 2021
<b>(Liabilities)</b>		
Long-term liabilities and reserves	4,575,034	4,703,713
Bonds	1,214,020	1,423,921
Long-term loans	2,230,511	2,120,245
Provision for loss on guarantees	-	1,718
Liability for retirement benefits	368,047	365,469
Asset retirement obligations	517,672	521,588
Deferred tax liabilities	4,924	6,229
Other	239,858	264,541
Current liabilities	1,749,177	1,925,708
Current maturities of long-term debt and other	585,827	488,867
Short-term borrowings	147,092	150,580
Commercial paper	300,000	520,000
Accounts payable	145,407	149,329
Accrued income taxes	69,381	52,603
Provision for loss on guarantees	1,738	-
Other	499,730	564,328
Reserves under the special laws	25,985	25,985
Reserve for fluctuation in water levels	25,985	25,985
<b>Total liabilities</b>	<b>6,350,197</b>	<b>6,655,407</b>
<b>(Net Assets)</b>		
Shareholders' Equity	1,587,016	1,622,036
Paid in capital	489,320	489,320
Capital surplus	66,726	66,726
Retained earnings	1,127,814	1,163,267
Treasury stock	-96,845	-97,278
Accumulated other comprehensive income	97,511	45,017
Unrealized gain on available-for-sale securities	85,163	91,992
Deferred gain on derivatives under hedge accounting	11,179	-62,590
Foreign currency translation adjustments	4,134	17,392
Defined retirement benefit plans	-2,966	-1,777
Non-controlling interests	41,029	45,717
<b>Total net assets</b>	<b>1,725,557</b>	<b>1,712,771</b>
<b>Total liabilities and net assets</b>	<b>8,075,755</b>	<b>8,368,178</b>

## Consolidated Statements of Operations

(Million yen)

Account	Nine-months ended Dec.31, 2020	Nine-months ended Dec.31, 2021
Ordinary revenues and expenses		
Operating revenues and expenses		
Operating revenues	2,184,240	1,949,771
Electric	1,700,350	1,447,554
Other	483,889	502,217
Operating expenses	2,041,242	1,861,439
Electric	1,626,583	1,404,037
Other	414,659	457,401
Operating Income	142,997	88,331
Non-Operating revenues and expenses		
Non-operating revenues	39,552	46,843
Dividends received	9,675	10,414
Interest revenue	455	782
Gain on sale of non-current assets	717	10,653
Equity in earnings of associated companies	13,396	6,927
Other	15,306	18,066
Non-operating expenses	21,409	20,472
Interest expense	17,078	15,337
Other	4,330	5,134
Total ordinary revenues	2,223,792	1,996,614
Total ordinary expenses	2,062,652	1,881,911
Ordinary income	161,140	114,703
Provision for or reversal of reserve for fluctuation in water levels	-1,019	-
Reversal of reserve for fluctuation in water levels	-1,019	-
Extraordinary losses	-	10,880
Remeasurements of imbalance balance	-	10,880
Income before income taxes and minority interests	162,159	103,822
Income taxes-current	24,411	20,979
Income taxes-deferred	21,301	5,848
Income taxes	45,712	26,827
Net Income	116,447	76,995
Net Income attributable to non-controlling interests	1,289	3,406
Net Income attributable to owners of the parent	115,158	73,588

## Consolidated Statements of Comprehensive Income

(Million yen)

Account	Nine-months ended Dec.31, 2020	Nine-months ended Dec.31, 2021
Net income	116,447	76,995
Other comprehensive income		
Unrealized gain on available-for-sale securities	14,815	7,185
Deferred gain on derivatives under hedge accounting	-6,585	-68,477
Foreign currency translation adjustments	-2,606	5,770
Defined retirement benefit plans	1,447	1,110
Share of other comprehensive income of associates	3,444	6,083
Total other comprehensive income	10,515	-48,327
Comprehensive income	126,962	28,667
(Breakdown)		
Attributable to owners of the parent	127,207	21,893
Attributable to non-controlling interests	-244	6,774