

July 31, 2023

The 1st Quarter of the Fiscal Year Ending March 31, 2024 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, 2023

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, 2023 to June 30, 2023)

(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, 2023 - June 30, 2023	496,524	13.7	100,218	—	100,688	—
April 1, 2022 - June 30, 2022	436,719	24.8	-46,638	—	-47,288	—

(Note) Comprehensive income : FY2023 1Q 78,461 million yen (- %) FY2022 1Q -12,555 million yen (- %)

	Profit attributable to owners of parent		EPS	Fully-diluted EPS
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)
April 1, 2023 - June 30, 2023	71,457	—	150.02	—
April 1, 2022 - June 30, 2022	-34,811	—	-74.75	—

(Note) Fully-diluted EPS for FY2023 1Q is not indicated because there are no delutive potential shares

Fully-diluted EPS for FY2022 1Q is not indicated because EPS for FY2022 was minus and 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, 2023	5,522,197	693,492	12.0
As of March 31, 2023	5,603,678	617,230	10.4

(Reference) Shareholders' equity : As of June 30, 2023 : 660,257 million yen As of March 31, 2023: 582,064 million yen

2. Dividends

	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2022 ended March 31, 2023	—	0.00	—	0.00	0.00
FY2023 ended March 31, 2024	—				
FY2023 ending March 31, 2024 (forecast)		0.00	—	20.00	20.00

(Note) Revision of the dividend forecast : No

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 FY2023 (April 1, 2023 to March 31, 2024)

	Sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		EPS
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Full-year	2,250,000	1.3	140,000	—	120,000	—	90,000	—	180.66

(Note) Revision of the consolidated financial results forecast : No

※ 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 : No

② Changes in accounting principles other than ① : No

③ Changes in accounting estimates : No

④ Restatement : No

(4) Number of common stocks issued and outstanding

① Total stocks including treasury stocks at the end of period

FY2023 1Q	474,183,951 shares	FY2022	474,183,951 shares
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② Treasury stocks at the end of period

FY2023 1Q	1,418,121 shares	FY2022	1,416,422 shares
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③ Average number of stocks during the period (Quarter Total)

FY2023 1Q	472,766,566 shares	FY2022 1Q	472,719,403 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 (842,000 shares as of FY2023 1Q and 842,000 shares as of FY2022) . 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. (842,000 shares for FY2023 1Q and 897,000 share for FY2022 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
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2022 ended March 31, 2023	—	0.00	—	0.00	0.00

(Note) At the Board of Directors meeting held on April 28, 2023, the Company resolved to acquire and cancel the Class A preferred shares on August 1, 2023, subject to the issue of Class B preferred shares and other conditions. Accordingly, the dividend for FY2023 ended March 31, 2024 and dividend forecast for FY2023 on Class A preferred shares has been omitted.

Class B preferred shares	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2023 ended March 31, 2024	—				
FY2023 ending March 31, 2024(forecast)		0.00	—	1,933,333.00	1,933,333.00

(Note) At the Board of Directors meeting held on April 28, 2023, the Company resolved to submit a proposal for the issue of Class B preferred shares by way of third-party allotment to the Annual General Meeting of Stockholders and it was approved and adopted at the meeting.

The dividend forecast for FY2023 ending March 31, 2024 for Class B preferred shares is assumed to become effective as of the date of issuance which is August 1, 2023.

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1. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

	(Unit : million yen)	
	As of March 31, 2023	As of June 30, 2023
Assets		
Non-current assets	4,741,917	4,748,478
Electric utility plant and equipment	3,034,210	3,031,485
Hydroelectric power production facilities	273,970	272,133
Thermal power production facilities	224,632	218,894
Nuclear power production facilities	769,301	758,092
Internal combustion engine power production facilities	21,708	21,318
Renewable power production facilities	21,406	—
Renewable power production and related facilities	—	21,972
Transmission facilities	678,862	680,644
Transformation facilities	239,681	241,069
Distribution facilities	663,456	663,761
General facilities	131,155	143,590
Other electric utility plant and equipment	10,036	10,007
Other non-current assets	418,165	413,990
Construction in progress	399,521	421,901
Construction and retirement in progress	248,184	267,417
Special account related to nuclear power decommissioning	35,041	33,915
Special account related to reprocessing of spent nuclear fuel	116,295	120,568
Nuclear fuel	224,372	221,538
Loaded nuclear fuel	50,122	58,088
Nuclear fuel in processing	174,249	163,450
Investments and other assets	665,647	659,562
Long-term investments	263,961	270,454
Retirement benefit asset	12,537	13,036
Deferred tax assets	172,337	155,305
Other	218,252	222,177
Allowance for doubtful accounts	-1,441	-1,412
Current assets	861,761	773,719
Cash and deposits	295,450	193,987
Notes and accounts receivable - trade, and contract assets	196,439	164,893
Inventories	159,420	167,272
Other	214,031	251,033
Allowance for doubtful accounts	-3,581	-3,467
Total assets	5,603,678	5,522,197

	(Unit : million yen)	
	As of March 31, 2023	As of June 30, 2023
Liabilities		
Non-current liabilities	3,845,921	3,819,464
Bonds payable	1,485,000	1,475,000
Long-term borrowings	1,908,852	1,888,628
Retirement benefit liability	80,761	80,424
Asset retirement obligations	297,367	299,128
Deferred tax liabilities	16,437	18,347
Other	57,501	57,934
Current liabilities	1,138,006	1,006,509
Current portion of non-current liabilities	443,506	392,311
Short-term borrowings	124,530	126,130
Commercial papers	40,000	110,000
Notes and accounts payable - trade	141,658	84,291
Accrued taxes	21,407	19,668
Provision for the levies related to Antimonopoly act	2,762	2,762
Other	364,140	271,345
Reserves under special laws	2,519	2,730
Reserve for water shortage	2,519	2,730
Total liabilities	4,986,448	4,828,705
Net assets		
Shareholders' equity	565,393	636,850
Share capital	237,304	237,304
Capital surplus	120,006	98,382
Retained earnings	209,734	302,815
Treasury shares	-1,651	-1,652
Accumulated other comprehensive income	16,670	23,407
Valuation difference on available-for-sale securities	5,828	7,377
Deferred gains or losses on hedges	11,150	15,090
Foreign currency translation adjustment	6,455	7,125
Remeasurements of defined benefit plans	-6,765	-6,186
Non-controlling interests	35,166	33,234
Total net assets	617,230	693,492
Total liabilities and net assets	5,603,678	5,522,197

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

(Unit: million yen)

	April 1,2022- June 30, 2022	April 1,2023- June 30, 2023
Operating revenue	436,719	496,524
Electric utility operating revenue	381,621	428,115
Other business operating revenue	55,097	68,408
Operating expenses	483,358	396,305
Electric utility operating expenses	432,205	335,804
Other business operating expenses	51,152	60,501
Operating profit (loss)	-46,638	100,218
Non-operating income	6,908	8,557
Dividend income	199	249
Interest income	274	557
Foreign exchange gains	1,527	2,265
Share of profit of entities accounted for using equity method	1,037	3,719
Other	3,869	1,766
Non-operating expenses	7,557	8,087
Interest expenses	6,179	6,881
Other	1,378	1,205
Total ordinary revenue	443,627	505,082
Total ordinary expenses	490,916	404,393
Ordinary profit (loss)	-47,288	100,688
Provision or reversal of reserve for water shortage	-85	211
Provision of reserve for water shortage	—	211
Reversal of reserve for water shortage	-85	—
Profit (loss) before income taxes	-47,202	100,477
Income taxes - current	821	11,884
Income taxes - deferred	-13,587	16,915
Total income taxes	-12,766	28,799
Profit (loss)	-34,436	71,678
Profit attributable to non-controlling interests	374	220
Profit (loss) attributable to owners of parent	-34,811	71,457

(Quarterly Consolidated Comprehensive Income Statements)

(Unit : million yen)

	April 1,2022- June 30, 2022	April 1,2023- June 30, 2023
Profit (loss)	-34,436	71,678
Other comprehensive income		
Valuation difference on available-for-sale securities	748	1,241
Deferred gains or losses on hedges	12,969	3,603
Foreign currency translation adjustment	4,161	412
Remeasurements of defined benefit plans, net of tax	-219	550
Share of other comprehensive income of entities accounted for using equity method	4,221	975
Total other comprehensive income	<u>21,881</u>	<u>6,783</u>
Comprehensive income	<u>-12,555</u>	<u>78,461</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-13,084	78,195
Comprehensive income attributable to non-controlling interests	529	266

(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