

This is an English translation of the Financial Results (*Kessan Tanshin*) filed with the Tokyo Stock Exchange on May 10, 2023. Please note that if there is any discrepancy, the original Japanese version will take priority.



(English Translation)

Financial Results (Unaudited) (for the Year Ended March 31, 2023)

May 10, 2023

Electric Power Development Co., Ltd. (J-POWER)

Listed exchange: Tokyo Stock Exchange (Code: 9513)

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Scheduled date of the Ordinary General Meeting of Shareholders:	June 28, 2023
Scheduled date of dividend payment commencement:	June 29, 2023
Scheduled date for filing of annual securities report:	June 29, 2023
Preparation of supplementary explanations of financial results:	Yes
Financial results presentation held:	Yes (for institutional investors and securities analysts)

(Note) All monetary values are rounded down to the nearest units as indicated in each table.

1. Consolidated Financial Results (From April 1, 2022 to March 31, 2023)

(1) Consolidated Operating Results

(Percentages (%) represent changes from the same period of the previous year)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2023	1,841,922	69.8	183,867	111.4	170,792	134.5	113,689	63.1
Year ended March 31, 2022	1,084,621	19.3	86,979	11.8	72,846	19.6	69,687	212.4

(Note) Comprehensive income:	Year ended March 31, 2023	194,719 million yen	50.5 %
	Year ended March 31, 2022	129,418 million yen	559.3 %

	Earnings per share	Fully diluted earnings per share
	yen	yen
Year ended March 31, 2023	621.50	—
Year ended March 31, 2022	380.70	—

	Ratio of earnings to shareholders' equity	Ratio of ordinary profit to total assets	Ratio of operating profit to operating revenue
	%	%	%
Year ended March 31, 2023	11.4	5.3	10.0
Year ended March 31, 2022	8.1	2.5	8.0

(Reference) Share of profit of entities accounted for using equity method:

Year ended March 31, 2023	9,128 million yen
Year ended March 31, 2022	14,228 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2023	3,362,685	1,192,743	32.3	5,931.68
As of March 31, 2022	3,066,176	964,105	29.9	5,004.31

(Reference) Shareholders' equity: As of March 31, 2023 1,084,679 million yen
As of March 31, 2022 916,029 million yen

(3) Consolidated Statement of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	million yen	million yen	million yen	million yen
Year ended March 31, 2023	155,832	(150,839)	96,021	334,294
Year ended March 31, 2022	128,380	(178,846)	84,070	222,551

2. Dividends

	Cash dividends per share					Total amount of dividends	Dividend pay-out ratio	Ratio of dividends to net assets
	Record date				Annual			
	Jun. 30	Sep. 30	Dec. 31	Mar. 31				
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2022	—	35.00	—	40.00	75.00	13,728	19.7	1.6
Year ended March 31, 2023	—	40.00	—	50.00	90.00	16,474	14.5	1.6
Year ending March 31, 2024 (forecasts)	—	45.00	—	45.00	90.00		21.7	

3. Consolidated Earnings Forecasts for the Year Ending March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Percentages (%) represent changes from the same period of the previous year)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2024	1,513,000	(17.9)	111,000	(39.6)	110,000	(35.6)	76,000	(33.2)	415.61

4. Other Information

- (1) Principal subsidiaries subject to changes (Changes in specified subsidiaries resulting in change in scope of consolidation): None
- (2) Changes in accounting policies, accounting estimates and restatement of corrections
 - 1) Changes in accounting policies due to revisions of accounting standards etc.: None
 - 2) Changes in accounting policies except 1): None
 - 3) Changes in accounting estimates: None
 - 4) Restatement of corrections: None

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)

Year ended March 31, 2023:	183,051,100
Year ended March 31, 2022:	183,051,100

2) Treasury stock at the end of the period

Year ended March 31, 2023:	189,131
Year ended March 31, 2022:	2,971

3) Average number of shares outstanding during the period

Year ended March 31, 2023:	182,928,821
Year ended March 31, 2022:	183,048,285

*The Company has introduced a stock compensation system for directors, and the number of treasury stock at the end of the period includes the Company shares held by the Trust Account for the Trust for Stock Delivery to Directors (185,800 shares year ended March 31, 2023, - shares as year ended March 31, 2022). The Company shares held by the trust account are included in the number of treasury stock deducted in calculating the average number of shares during the period (119,116 shares year ended March 31, 2023, - shares year ended March 31, 2022).

[Reference]

1. Non-consolidated Financial Results (From April 1, 2022 to March 31, 2023)

(1) Non-consolidated Operating Results

(Percentages (%) represent changes from the same period of the previous year)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2023	1,370,724	73.5	46,561	160.1	75,333	29.2	60,097	(18.5)
Year ended March 31, 2022	790,055	33.9	17,899	(77.0)	58,287	(48.9)	73,696	374.5

	Profit per share	Fully diluted profit per share
	yen	yen
Year ended March 31, 2023	328.53	—
Year ended March 31, 2022	402.61	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2023	2,488,443	772,441	31.0	4,224.18
As of March 31, 2022	2,420,061	742,867	30.7	4,058.32

(Reference) Shareholders' equity: As of March 31, 2023 772,441 million yen
As of March 31, 2022 742,867 million yen

2. Non-consolidated Earnings Forecasts for the Year Ending March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Percentages (%) represent changes from the same period of the previous year)

	Operating revenue		Operating profit		Ordinary profit		Profit		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2024	1,048,000	(23.5)	32,000	(31.3)	62,000	(17.7)	55,000	(8.5)	300.77

* These financial results are out of the scope of review procedures by CPA or an audit firm

* Forward-looking statements and other special notes

- The earnings forecasts are forward-looking statements made on the basis of available information current at the time forecasts are made and contain uncertain elements. Therefore, actual earnings may differ from forecast figures as a result of changes in business performance and other factors. For the details of earnings forecasts for the year ending March 2024, please refer to page 4.
- The supplementary materials are available on our website at <https://www.jpowers.co.jp/english/> under the Investor Relations section.

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1. Operating Results and Financial Position (Consolidated)

(1) Operating Results

1) Electricity Sales Volume

In the electric power business, electricity sales volume from hydroelectric power plants for the current fiscal year decreased by 4.3% from the previous fiscal year to 8.8TWh due to the decrease in water supply rate compared to the previous fiscal year (99%→94%). As for the thermal power business, sales volume decreased by 4.8% from the previous fiscal year to 45.6TWh due to the decrease in load factor of thermal power plants of the Company (non-consolidated: 67%→65%) . As for the sale of electricity procured from the electricity wholesale market decreased by 21.2% from the previous fiscal year to 12.8TWh. The total electricity sales volume of the electric power business decreased by 8.5% from the same period of the previous fiscal year to 68.4TWh.

The electricity sales volume in the overseas business increased by 29.0% from the same period of the previous fiscal year to 14.2TWh, due to the start of commercial operation of the Jackson Generation Power Plant in the USA, despite a decrease in electricity sales in Thailand.

2) Overview of Incomes and Expenditures

As for incomes, though the sales volume of electricity fell, the sales (operating revenues) increased by 69.8% from the previous fiscal year to 1,841.9 billion yen mainly due to the electricity sale price rise etc. Total ordinary revenue increased by 68.6% from the previous fiscal year to 1,866.6 billion yen.

In terms of costs, operating expenses increased by 66.2% from the previous fiscal year to 1,658.0 billion yen mainly due to increases in thermal power fuel costs, and purchased power from other suppliers. Accordingly, ordinary expenses rose by 64.0% year on year to 1,695.8 billion yen.

As a result, ordinary profit increased 134.5% from the previous fiscal year to 170.7 billion yen, mainly due to an increase in profit from a consolidated subsidiary in Australia that owns coal mining interests as results of soaring coal prices. Profit attributable to owners of parent after corporate income taxes increased 63.1% from the previous fiscal year to 113.6 billion yen.

Operating results by segment for the current fiscal year are as follows.

(Electric Power Business)

Sales (electric utility operating revenue) increased 61.6% from the previous fiscal year to 1,420.2 billion yen mainly due to higher electricity sales prices.

Segment income increased 104.6% from the previous fiscal year to 54.5 billion yen, thanks to increase sales, despite the increases in thermal power fuel costs, costs of purchased power from other suppliers due to higher electricity transaction prices.

(Electric Power Related Business)

Sales (other business operating revenue) increased 31.9% from the previous fiscal year to 321.7 billion yen due to an increase in sales prices in sales of coal by an Australian consolidated subsidiary.

Segment income increased 259.3% from the previous fiscal year to 92.8 billion yen mainly due to increases in sales.

(Overseas Business)

Sales (overseas business operating revenue) increased 91.3% from the previous fiscal year to 277.5 billion yen due to the start of commercial operation of the Jackson Generation Power Plant in the USA and the increase in electricity sales prices.

Segment income increased 3.1% from the previous fiscal year to 22.6 billion yen mainly due to the start of commercial operation of the Jackson Generation Power Plant in the USA and foreign exchange fluctuations, despite the decrease in profit due to equipment trouble caused by cold weather in the USA in December 2022.

(Other Business)

Sales (other business operating revenue) increased 39.2% from the previous fiscal year to 29.3 billion yen.

Segment income increased 46.3% from the previous fiscal year to 1.8 billion yen.

(2) Financial Position

Assets increased by 296.5 billion yen from the end of the previous fiscal year end to 3,362.6 billion yen mainly due to the impact of yen depreciation, and an increase in current assets.

Meanwhile, liabilities increased by 67.8 billion yen from the end of the previous fiscal year to 2,169.9 billion yen, of which interest-bearing debts increased by 99.3 billion yen from the previous fiscal year end level to 1,885.8 billion yen. Of those interest-bearing debts, 305.0 billion yen are non-recourse loans in overseas businesses.

Net assets increased by 228.6 billion yen to 1,192.7 billion yen due to the increase in the foreign currency translation adjustment and deferred gains or losses on hedges, in addition to the recording of net profit attributable to owners of the parent.

As a result of the above, equity ratio increased to 32.3% from 29.9% at the end of the previous fiscal year.

(3) Cash Flow

(Cash flows from operating activities)

Cash inflow from operating activities increased 27.4 billion yen from the previous fiscal year to 155.8 billion yen mainly due to an increase in profit before income taxes, despite an increase in notes and accounts receivable and inventories.

(Cash flows from investing activities)

Cash outflow from investing activities decreased 28.0 billion yen from the previous fiscal year to 150.8 billion yen mainly due to a reactionary decline in investments and loans for Batang power plant projects, Indonesia.

(Cash flows from financing activities)

Cash inflow from financing activities increased 11.9 billion yen from the previous fiscal

year to 96.0 billion yen mainly due to an increase in proceeds from corporate bonds and borrowings, as well as proceeds from the partial transfer of interests in Jackson Generation Power Plant, despite an increase in expenditures due to the redemption of commercial paper.

As a result of these activities, cash and cash equivalents as of March 31, 2023 increased 111.7 billion yen from the end of the previous fiscal year to 334.2 billion yen.

(4) Earning Forecast

In the earnings forecasts for the fiscal year ending March 31, 2024, electricity sales volume in electric power business is estimated taking into account of water supply rate for normal year in hydroelectric power, periodic inspection schedule. Electricity sales volume in overseas business is estimated based on power generating plans in Thailand and the USA. As a result, operating revenue is expected to decrease 17.9% from the fiscal year ended March 31, 2023 to 1,513.0 billion yen due to the decline in electricity sales prices, etc.

Operating profit is expected to decrease 39.6% to 111.0 billion yen mainly due to a decrease in profit from coal sales at an Australian consolidated subsidiary, reflecting the decline in coal sales prices in electric power related businesses, and ordinary profit is expected to decrease 35.6% to 110.0 billion yen. Profit attributable to owners of parent is expected to decrease 33.2% to 76.0 billion yen.

Electricity sales volume and other factors

			Year ended Mar. 31, 2023	Year ending Mar. 31, 2024
Electric Power Business	Hydroelectric	Electricity sales volume (TWh)	8.8	9.1
		Water supply rate (%)	94	100
	Thermal	Electricity sales volume (TWh)	45.6	48.5
		Load factor* ¹ (%)	65	68
	Wind	Electricity sales volume (TWh)	1.0	1.2
	Other* ²	Electricity sales volume (TWh)	12.8	12.4
Overseas Business		Electricity sales volume (TWh)	14.2	19.0

*1 Load factor of thermal power of J-POWER (non-consolidated)

*2 Electricity procured from electricity wholesale market, etc.

Foreign exchange rate

	Year ended Mar. 31, 2023	Year ending Mar. 31, 2024
Yen/US\$ (Foreign exchange rate at the end of Dec.)	132.70	130.00
Yen/THB (Foreign exchange rate at the end of Dec.)	3.80	3.80

(5) Basic Policy Regarding Distribution of Profits; Current and Following Period Dividends

Taking into account of factors such as the level of profit, earnings forecasts, and financial condition, we strive to enhance stable and continuous returns to shareholders in line with a consolidated pay-out ratio of around 30% excluding short-term profit fluctuation factors.

For the fiscal year ended March 31, 2023, in addition to efforts to improve profit levels,

such as the decrease in unplanned outages in Japan and the start of operation of large power plants overseas, higher-than-expected profits from a consolidated subsidiary that owns coal mining interests in Australia due to the continued rise in coal prices have steadily produced results. The annual dividend for the current fiscal year was planned to be 80 yen per share (including an interim dividend of 40 yen per share) at the beginning of the fiscal year, but the Company plans to pay a year-end dividend of 50 yen per share, which, together with the interim dividend, will bring the annual dividend to 90 yen per share.

For the fiscal year ending March 31, 2024, we expect to exceed the consolidated ordinary income target of 90 billion yen set in our mid-term management plan through continued efforts to improve profit levels in Japan and overseas. Taking into consideration the scale of investment in the expansion of CO2-free power sources and zero emission power sources based on the J-POWER "BLUE MISSION 2050", we have obtained the prospect that we can continue to pay the same level of dividend, and we plan to continue to pay a dividend of 90 yen per share (including an interim dividend of 45 yen per share).

2. Basic Approach Related to the Selection of Accounting Standards

J-POWER Group mainly operates in electric power business and its accounting documents are created following the Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 28 of 1976) and the Electric Utility Accounting Regulations (Ordinance of the Ministry of International Trade and Industry No. 57 of 1965).

We will examine the application of IFRS with consideration to future business developments.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

	(Unit: million yen)	
	As of Mar. 31, 2022	As of Mar. 31, 2023
Assets		
Non-current assets	2,594,819	2,701,385
Electric utility plant and equipment	1,076,948	1,065,522
Hydroelectric power production facilities	360,084	374,454
Thermal power production facilities	401,071	379,750
Internal combustion engine power production facilities	1,198	-
Renewable power production facilities	76,556	77,783
Transmission facilities	144,458	140,248
Transformation facilities	30,236	32,954
Communication facilities	6,600	6,303
General facilities	56,742	54,028
Overseas business facilities	271,356	447,201
Other non-current assets	92,297	89,219
Construction in progress	676,596	572,165
Construction in progress	676,596	572,165
Nuclear fuel	75,806	76,226
Nuclear fuel in processing	75,806	76,226
Investments and other assets	401,813	451,048
Long-term investments	323,770	371,914
Retirement benefit asset	241	1,473
Deferred tax assets	64,277	56,896
Other	13,642	20,867
Allowance for doubtful accounts	(118)	(102)
Current assets	471,357	661,300
Cash and deposits	223,072	342,018
Notes and accounts receivable - trade, and contract assets	80,439	129,901
Inventories	62,173	110,315
Other	105,674	79,067
Allowance for doubtful accounts	(3)	(3)
Total assets	3,066,176	3,362,685

(Unit: million yen)

	As of Mar. 31, 2022	As of Mar. 31, 2023
Liabilities		
Non-current liabilities	1,686,575	1,797,923
Bonds payable	706,484	774,085
Long-term borrowings	839,645	893,363
Lease liabilities	2,239	1,695
Other provisions	20	11
Retirement benefit liability	37,976	33,301
Asset retirement obligations	35,240	34,087
Deferred tax liabilities	16,808	25,098
Other	48,158	36,279
Current liabilities	415,496	372,019
Current portion of non-current liabilities	145,467	207,374
Short-term borrowings	8,149	10,715
Commercial papers	90,016	-
Notes and accounts payable - trade	44,651	53,774
Accrued taxes	18,276	27,884
Other provisions	691	698
Asset retirement obligations	426	476
Other	107,817	71,096
Total liabilities	2,102,071	2,169,942
Net assets		
Shareholders' equity	870,826	977,800
Share capital	180,502	180,502
Capital surplus	119,881	128,178
Retained earnings	570,452	669,498
Treasury shares	(9)	(378)
Accumulated other comprehensive income	45,203	106,878
Valuation difference on available-for-sale securities	14,014	14,372
Deferred gains or losses on hedges	(9,359)	7,948
Foreign currency translation adjustment	32,136	78,928
Remeasurements of defined benefit plans	8,411	5,629
Non-controlling interests	48,075	108,064
Total net assets	964,105	1,192,743
Total liabilities and net assets	3,066,176	3,362,685

(2) Consolidated Statement of Income and Comprehensive Income

Consolidated statement of income

	(Unit: million yen)	
	Year ended Mar. 31, 2022	Year ended Mar. 31, 2023
Operating revenue	1,084,621	1,841,922
Electric utility operating revenue	876,431	1,417,902
Overseas business operating revenue	145,106	277,555
Other business operating revenue	63,083	146,464
Operating expenses	997,642	1,658,055
Electric utility operating expenses	824,491	1,340,611
Overseas business operating expenses	118,290	248,592
Other business operating expenses	54,860	68,850
Operating profit	86,979	183,867
Non-operating income	22,508	24,764
Dividend income	1,862	1,927
Interest income	1,811	3,472
Share of profit of entities accounted for using equity method	14,228	9,128
Gain on sale of non-current assets	63	3,936
Other	4,543	6,299
Non-operating expenses	36,641	37,839
Interest expenses	22,442	27,368
Loss on retirement of non-current assets	1,780	4,667
Other	12,418	5,803
Total ordinary revenue	1,107,130	1,866,686
Total ordinary expenses	1,034,283	1,695,894
Ordinary profit	72,846	170,792
Profit before income taxes	72,846	170,792
Income taxes - current	14,581	37,935
Income taxes - deferred	(16,519)	13,864
Total income taxes	(1,938)	51,799
Profit	74,784	118,993
Profit attributable to non-controlling interests	5,097	5,303
Profit attributable to owners of parent	69,687	113,689

Consolidated statement of comprehensive income

(Unit: million yen)

	Year ended Mar. 31, 2022	Year ended Mar. 31, 2023
Profit	74,784	118,993
Other comprehensive income		
Valuation difference on available-for-sale securities	2,946	357
Deferred gains or losses on hedges	20,655	4,390
Foreign currency translation adjustment	18,550	40,921
Remeasurements of defined benefit plans, net of tax	324	(2,782)
Share of other comprehensive income of entities accounted for using equity method	12,156	32,839
Total other comprehensive income	54,633	75,726
Comprehensive income	129,418	194,719
(Comprehensive income attributable to abstract)		
Comprehensive income attributable to owners of parent	120,517	176,979
Comprehensive income attributable to non-controlling interests	8,900	17,740

(3) Consolidated Statement of Changes in Equity

Year ended Mar. 31, 2022

(Unit: million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	180,502	119,877	514,401	(8)	814,772
Cumulative effects of changes in accounting policies			92		92
Restated balance	180,502	119,877	514,493	(8)	814,865
Changes during period					
Dividends of surplus			(13,728)		(13,728)
Profit attributable to owners of parent			69,687		69,687
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		3			3
Net changes in items other than shareholders' equity					
Total changes during period	-	3	55,958	(0)	55,961
Balance at the end of current period	180,502	119,881	570,452	(9)	870,826

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	11,156	(33,968)	9,096	8,088	(5,627)	44,540	853,685
Cumulative effects of changes in accounting policies						61	154
Restated balance	11,156	(33,968)	9,096	8,088	(5,627)	44,602	853,840
Changes during period							
Dividends of surplus							(13,728)
Profit attributable to owners of parent							69,687
Purchase of treasury shares							(0)
Change in ownership interest of parent due to transactions with non-controlling interests							3
Net changes in items other than shareholders' equity	2,858	24,608	23,040	323	50,830	3,473	54,303
Total changes during period	2,858	24,608	23,040	323	50,830	3,473	110,265
Balance at the end of current period	14,014	(9,359)	32,136	8,411	45,203	48,075	964,105

Year ended Mar. 31, 2023

(Unit: million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	180,502	119,881	570,452	(9)	870,826
Cumulative effects of changes in accounting policies					-
Restated balance	180,502	119,881	570,452	(9)	870,826
Changes during period					
Dividends of surplus			(14,643)		(14,643)
Profit attributable to owners of parent			113,689		113,689
Purchase of treasury shares				(368)	(368)
Change in ownership interest of parent due to transactions with non-controlling interests		8,297			8,297
Net changes in items other than shareholders' equity					
Total changes during period	-	8,297	99,045	(368)	106,973
Balance at the end of current period	180,502	128,178	669,498	(378)	977,800

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	14,014	(9,359)	32,136	8,411	45,203	48,075	964,105
Cumulative effects of changes in accounting policies							-
Restated balance	14,014	(9,359)	32,136	8,411	45,203	48,075	964,105
Changes during period							
Dividends of surplus							(14,643)
Profit attributable to owners of parent							113,689
Purchase of treasury shares							(368)
Change in ownership interest of parent due to transactions with non-controlling interests							8,297
Net changes in items other than shareholders' equity	357	17,308	46,791	(2,782)	61,675	59,988	121,664
Total changes during period	357	17,308	46,791	(2,782)	61,675	59,988	228,638
Balance at the end of current period	14,372	7,948	78,928	5,629	106,878	108,064	1,192,743

(4) Consolidated Statement of Cash Flows

(Unit: million yen)

	Year ended Mar. 31, 2022	Year ended Mar. 31, 2023
Cash flows from operating activities		
Profit before income taxes	72,846	170,792
Depreciation	96,997	107,642
Loss on retirement of non-current assets	4,828	6,821
Increase (decrease) in retirement benefit liability	(7,372)	(9,685)
Interest and dividend income	(3,673)	(5,400)
Interest expenses	22,442	27,368
Decrease (increase) in trade receivables	(10,283)	(47,335)
Decrease (increase) in inventories	(15,958)	(44,357)
Increase (decrease) in trade payables	12,182	18,316
Share of loss (profit) of entities accounted for using equity method	(14,228)	(9,128)
Loss (gain) on sale of non-current assets	23	(3,251)
Other, net	21,889	(27,055)
Subtotal	179,694	184,727
Interest and dividends received	15,576	18,989
Interest paid	(21,537)	(26,220)
Income taxes paid	(45,353)	(21,663)
Net cash provided by (used in) operating activities	128,380	155,832
Cash flows from investing activities		
Purchase of non-current assets	(135,282)	(144,862)
Proceeds from sale of non-current assets	392	5,008
Investments and loan advances	(49,740)	(7,828)
Proceeds from divestments and collection of loans receivable	4,744	3,140
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	156
Other, net	1,039	(6,454)
Net cash provided by (used in) investing activities	(178,846)	(150,839)

(Unit: million yen)

	Year ended Mar. 31, 2022	Year ended Mar. 31, 2023
Cash flows from financing activities		
Proceeds from issuance of bonds	71,242	137,192
Redemption of bonds	(20,000)	(20,000)
Proceeds from long-term borrowings	49,155	157,684
Repayments of long-term borrowings	(65,311)	(126,468)
Proceeds from short-term borrowings	37,154	122,626
Repayments of short-term borrowings	(37,924)	(120,061)
Proceeds from issuance of commercial papers	140,033	219,999
Redemption of commercial papers	(70,000)	(310,000)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	-	55,821
Dividends paid	(13,725)	(14,647)
Dividends paid to non-controlling interests	(5,918)	(4,673)
Other, net	(636)	(1,453)
Net cash provided by (used in) financing activities	84,070	96,021
Effect of exchange rate change on cash and cash equivalents	3,686	10,729
Net increase (decrease) in cash and cash equivalents	37,290	111,743
Cash and cash equivalents at beginning of period	185,260	222,551
Cash and cash equivalents at end of period	222,551	334,294

(5) Notes on Premise of Going Concern

Not applicable

(6) Notes to Consolidated Financial Statements

(Segment Information)

1. Overview of reportable segments

The J-POWER Group's reportable segments are internal structural units for which separate financial information is available and are subject to regular review by the Board of Directors to determine the distribution of management resources and evaluate performance.

The J-POWER Group is comprised of J-POWER (parent company), 72 subsidiaries and 107 affiliates (as of March 31, 2023), which is engaged in the power generation business utilizing power plants owned by J-POWER group companies including hydroelectric, thermal and wind, and the sale of electricity procured from the wholesale power trading market. The group is also engaged in transmission business with power transmission and transforming facilities owned by a subsidiary, providing transmission services to nine transmission and distribution companies excluding The Okinawa Electric Power Company.

The J-POWER Group's business is separated into 4 reportable segments of "Electric Power Business" conducted by the parent company, subsidiaries and affiliates; "Electric Power Related Business" that complements and contributes to the smooth and efficient implementation of our electric power business; "Overseas Business" that engages in overseas power generation business and businesses related to this; and "Other Business" which consists of various business activities including the sale of coal that fully utilize the Group's management resources and know-how.

2. Method of calculating amounts in sales, income or loss, assets and other items for each reportable segment

The method of accounting for reportable segments is the same as that applied to consolidated financial statements. The income of reportable segments is calculated on the basis of ordinary profit. Intersegment internal revenues are based on third-party transaction prices.

3.Information concerning amounts in sales, income or loss, assets and other items for each reportable segment

•Year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Unit: million yen)

	Electric Power	Electric Power Related	Overseas	Other	Subtotal	Adjustments	Consolidated
Sales							
Sales to external customers	876,431	44,659	145,106	18,424	1,084,621	-	1,084,621
Intersegment sales and transfer	2,447	199,267	-	2,639	204,353	(204,353)	-
Total sales	878,879	243,926	145,106	21,063	1,288,975	(204,353)	1,084,621
Segment income	26,685	25,834	22,017	1,234	75,772	(2,925)	72,846
Segment assets	2,199,238	252,821	773,037	17,946	3,243,044	(176,868)	3,066,176
Other items							
Depreciation and amortization	75,081	8,181	15,663	370	99,295	(2,297)	96,997
Interest income	712	27	1,726	53	2,520	(709)	1,811
Interest expenses	11,595	127	11,350	78	23,152	(709)	22,442
Equity income of affiliates	(438)	-	14,666	-	14,228	-	14,228
Investment in affiliates	23,600	-	214,583	-	238,184	-	238,184
Increase in the tangible and intangible non-current assets	89,958	5,450	39,301	361	135,072	(2,955)	132,116

Notes:

1. The breakdown of adjustments is as follows.
 - (1) The adjustment amount of (2,925) million yen in segment income includes elimination of transaction amounts between segments of (2,950) million yen.
 - (2) The adjustment amount of (176,868) million yen in segment assets includes elimination of (171,912) million yen for the offsetting of receivables.
 - (3) The adjustment amount of (2,297) million yen in depreciation and amortization includes elimination of transaction amounts between segments of (2,252) million yen.
 - (4) The adjustment amounts for interest income, interest expenses, and increase in the tangible and intangible non-current assets are amounts eliminated as transactions between segments.
2. Segment income is adjusted with ordinary profit within consolidated financial statements.

• Year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Unit: million yen)

	Electric Power	Electric Power Related	Overseas	Other	Subtotal	Adjustments	Consolidated
Sales							
Sales to external customers	1,417,902	119,203	277,555	27,260	1,841,922	-	1,841,922
Intersegment sales and transfer	2,394	202,534	-	2,062	206,992	(206,992)	-
Total sales	1,420,297	321,738	277,555	29,323	2,048,914	(206,992)	1,841,922
Segment income	54,591	92,831	22,692	1,805	171,921	(1,128)	170,792
Segment assets	2,299,090	308,661	918,385	15,853	3,541,990	(179,304)	3,362,685
Other items							
Depreciation and amortization	77,749	11,932	20,075	342	110,100	(2,458)	107,642
Interest income	96	741	2,678	50	3,566	(94)	3,472
Interest expenses	11,349	274	15,761	76	27,462	(94)	27,368
Equity income of affiliates	(433)	-	9,562	-	9,128	-	9,128
Investment in affiliates	22,476	-	258,811	-	281,288	-	281,288
Increase in the tangible and intangible non-current assets	107,280	4,694	12,964	481	125,420	(3,613)	121,806

Notes:

1. The breakdown of adjustments is as follows.

- (1) The adjustment amount of (1,128) million yen in segment income includes elimination of transaction amounts between segments of (1,152) million yen.
- (2) The adjustment amount of (179,304) million yen in segment assets includes elimination of (177,836) million yen for the offsetting of receivables.
- (3) The adjustment amount of (2,458) million yen in depreciation and amortization includes elimination of transaction amounts between segments of (2,413) million yen.
- (4) The adjustment amounts for interest income, interest expenses, and increase in the tangible and intangible non-current assets are amounts eliminated as transactions between segments.

2. Segment income is adjusted with ordinary profit within consolidated financial statements.

(Per Share Information)

	Year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)	Year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)
	yen	yen
Net assets per share	5,004.31	5,931.68
Earnings per share	380.70	621.50

Notes:

1. Since there were no potential shares such as bonds with subscription right to shares, diluted earnings per share is not indicated.
2. In the calculation of net assets per share, the Company's shares held by the Trust Account for the Stock Delivery Trust for Directors are included in treasury stock as a deduction in the calculation of the total number of shares issued and outstanding at the end of the fiscal year (- shares for the previous fiscal year, 185 thousand shares for the current fiscal year). In addition, for the calculation of net income per share, Company shares held by the Trust Account are included in treasury stock as a deduction in the calculation of the average number of shares outstanding during the period (- shares for the previous consolidated fiscal year, 119 thousand shares for the current consolidated fiscal year).
3. The basis of calculation of earnings per share is shown below.

	Year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)	Year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)
Profit attributable to owners of parent	69,687 million yen	113,689 million yen
Amount not attributable to ordinary shareholders	-	-
Profit attributable to shareholders of common stock of parent	69,687 million yen	113,689 million yen
Average number of common stock outstanding during the year	183,048 thousand	182,928 thousand

4. The basis of calculation of net assets per share is shown below.

	Year ended March 31, 2022 (as of March 31, 2022)	Year ended March 31, 2023 (as of March 31, 2023)
Total net assets	964,105 million yen	1,192,743 million yen
Elimination from total net assets	48,075 million yen	108,064 million yen
【Non-controlling interests included in the above】	【48,075 million yen】	【108,064 million yen】
Year-end net assets related to common stock	916,029 million yen	1,084,679 million yen
Number of shares of common stock at the year-end used in the calculation of net assets per share	183,048 thousand	182,861 thousand

(Significant subsequent events)

Not applicable.

4. Appendixes

[Appendix 1]

Revenues and Expenses (Consolidated)

(Unit: million yen)

	Year ended Mar. 31, 2022 (A)	Year ended Mar. 31, 2023 (B)	Year-on-year change	
			(B-A)	(B-A)/A
Operating revenue	1,084,621	1,841,922	757,300	69.8%
<u>Electric utility operating revenue</u>	876,431	1,417,902	541,470	61.8%
Sold power to other suppliers	822,946	1,362,461	539,515	65.6%
Transmission revenue	48,776	49,599	823	1.7%
Other electricity revenue	4,709	5,841	1,131	24.0%
<u>Overseas business operating revenue</u>	145,106	277,555	132,448	91.3%
<u>Other business operating revenue</u>	63,083	146,464	83,381	132.2%
Operating expenses	997,642	1,658,055	660,412	66.2%
<u>Electric utility operating expenses</u>	824,491	1,340,611	516,120	62.6%
Personnel expense	25,114	25,544	430	1.7%
Fuel cost	303,761	764,509	460,747	151.7%
Repair expense	57,788	47,298	(10,490)	(18.2)%
Consignment cost	50,069	52,211	2,141	4.3%
Taxes and duties	27,100	31,302	4,202	15.5%
Depreciation	72,829	75,335	2,506	3.4%
Other	287,827	344,409	56,582	19.7%
<u>Overseas business operating expenses</u>	118,290	248,592	130,302	110.2%
<u>Other business operating expenses</u>	54,860	68,850	13,990	25.5%
Operating profit	86,979	183,867	96,888	111.4%
Non-operating income	22,508	24,764	2,256	10.0%
Dividend income	1,862	1,927	65	3.5%
Interest income	1,811	3,472	1,661	91.7%
Share of profit of entities accounted for using equity method	14,228	9,128	(5,099)	(35.8)%
Gain on sale of non-current assets	63	3,936	3,872	-
Other	4,543	6,299	1,756	38.7%
Non-operating expenses	36,641	37,839	1,197	3.3%
Interest expenses	22,442	27,368	4,925	21.9%
Loss on retirement of non-current assets	1,780	4,667	2,887	162.2%
Other	12,418	5,803	(6,614)	(53.3)%
Total ordinary revenue	1,107,130	1,866,686	759,556	68.6%
Total ordinary expenses	1,034,283	1,695,894	661,610	64.0%
Ordinary profit	72,846	170,792	97,946	134.5%
Profit before income taxes	72,846	170,792	97,946	134.5%
Income taxes-current	14,581	37,935	23,353	160.2%
Income taxes-deferred	(16,519)	13,864	30,383	-
Profit	74,784	118,993	44,208	59.1%
Profit attributable to non-controlling interests	5,097	5,303	206	4.0%
Profit attributable to owners of parent	69,687	113,689	44,002	63.1%

[Appendix 2]

(1) Generation capacity

(Unit: kW)

	Year ended Mar. 31, 2022 (A)	Year ended Mar. 31, 2023 (B)	Year-on-year change (B-A)
Electric power business	17,878,349	17,544,379	(333,970)
Hydroelectric power	8,560,369	8,577,369	17,000
Thermal power	8,773,420	8,412,000	(361,420)
Wind power	544,560	555,010	10,450
Overseas business	3,990,800	5,190,800	1,200,000
Total	21,869,149	22,735,179	866,030

(2) Electricity sales volume

(Unit: GWh)

	Year ended Mar. 31, 2022 (A)	Year ended Mar. 31, 2023 (B)	Year-on-year change (B-A)
Electric power business	74,792	68,467	(6,324)
Hydroelectric power	9,291	8,888	(402)
Thermal power	47,994	45,673	(2,321)
Wind power	1,190	1,047	(142)
Other	16,316	12,857	(3,458)
Overseas business	11,061	14,271	3,210
Total	85,853	82,738	(3,114)

* Other shows sales volume of electricity procured from wholesale electricity market, etc.

(3) Water supply rate and Load factor (J-POWER non-consolidated)

(Unit: %)

	Year ended Mar. 31, 2022 (A)	Year ended Mar. 31, 2023 (B)	Year-on-year change (B-A)
Water supply rate	99	94	(5)
Load factor	67	65	(2)