

This is an English translation of the Financial Results (*Kessan Tanshin*) filed with the Tokyo Stock Exchange on October 29, 2021. Please note that if there is any discrepancy, the original Japanese version will take priority.



(English Translation)

## Quarterly Financial Results (Unaudited) (for the Six Months Ended September 30, 2021)

October 29, 2021

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

Listed exchange: Tokyo Stock Exchange (Code: 9513)

Representative: Toshifumi Watanabe, President

Contact: Kazuo Hosoda, IR Chief Manager

Tel.: +81-3-3546-2211

URL: <https://www.jpowers.co.jp/english/>

Scheduled date for filing of a quarterly report:

November 1, 2021

Scheduled date of dividend payment commencement:

November 30, 2021

Preparation of supplementary explanations material:

Yes

Quarterly 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, 2021 to September 30, 2021)

##### (1) Consolidated Operating Results

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

|                                | Operating revenue |        | Operating income |        | Ordinary income |        | Profit attributable to owners of parent |        |
|--------------------------------|-------------------|--------|------------------|--------|-----------------|--------|---|--------|
|                                | million yen       | %      | million yen      | %      | million yen     | %      | million yen                             | %      |
| Six months ended Sep. 30, 2021 | 431,811           | 5.7    | 34,839           | (35.8) | 26,629          | (44.9) | 18,184                                  | (46.2) |
| Six months ended Sep. 30, 2020 | 408,555           | (11.6) | 54,308           | 9.7    | 48,286          | (6.2)  | 33,779                                  | 19.8   |

(Note) Comprehensive income: Six months ended Sep. 30, 2021 50,462 million yen - %  
Six months ended Sep. 30, 2020 (260) million yen - %

|                                | Earnings per share | Fully diluted earnings per share |
|--------------------------------|--------------------|----------------------------------|
|                                | yen                | yen                              |
| Six months ended Sep. 30, 2021 | 99.34              | —                                |
| Six months ended Sep. 30, 2020 | 184.54             | —                                |

##### (2) Consolidated Financial Position

|                                | Total assets | Net assets  | Equity ratio |
|--------------------------------|--------------|-------------|--------------|
|                                | million yen  | million yen | %            |
| Six months ended Sep. 30, 2021 | 2,897,541    | 894,093     | 29.3         |
| Year ended March 31, 2021      | 2,841,960    | 853,685     | 28.5         |

(Reference) Shareholders' equity: Six months ended Sep. 30, 2021 847,770 million yen  
Year ended March 31, 2021 809,145 million yen

#### 2. Dividends

|  | Cash dividends per share |         |         |         |        |
|--|--------------------------|---------|---------|---------|--------|
|  | Record date              |         |         |         | Annual |
|  | Jun. 30                  | Sep. 30 | Dec. 31 | Mar. 31 |        |
|  | yen                      | yen     | yen     | yen     | yen    |
| Year ended March 31, 2021              | —                        | 35.00   | —       | 40.00   | 75.00  |
| Year ending March 31, 2022             | —                        | 35.00   |         |         |        |
| Year ending March 31, 2022 (forecasts) |                          |         | —       | 40.00   | 75.00  |

(Note) Revisions to dividends forecasts in the current quarter: None

### 3. Consolidated Earnings Forecasts for the Year Ending March 31, 2022 (From April 1, 2021 to March 31, 2022)

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

|                            | Operating revenue |     | Operating income |        | Ordinary income |        | Profit attributable to owners of parent |      | Earnings per share |
|----------------------------|-------------------|-----|------------------|--------|-----------------|--------|---|------|--------------------|
|                            | million yen       | %   | million yen      | %      | million yen     | %      | million yen                             | %    | yen                |
| Year ending March 31, 2022 | 990,000           | 8.9 | 44,000           | (43.4) | 41,000          | (32.7) | 30,000                                  | 34.5 | 163.89             |

(Note) Revisions to consolidated earnings forecasts in the current quarter: Yes

### 4. Other Information

- (1) Principal subsidiaries subject to changes: None
- (2) Application of accounting methods which are exceptional for quarterly consolidated financial statements: None
- (3) Changes in accounting policies, accounting estimates and restatement of corrections
  - 1) Changes in accounting policies due to revisions of accounting standards etc.: Yes
  - 2) Changes in accounting policies except 1): None
  - 3) Changes in accounting estimates: None
  - 4) Restatement of corrections: None
- (4) Number of shares issued (common stock)
  - 1) Number of shares issued at the end of the period (including treasury stock)

|                                 |             |
|---------------------------------|-------------|
| Six months ended Sep. 30, 2021: | 183,051,100 |
| Year ended March 31, 2021:      | 183,051,100 |
  - 2) Treasury stock at the end of the period

|                                 |       |
|---------------------------------|-------|
| Six months ended Sep. 30, 2021: | 2,781 |
| Year ended March 31, 2021:      | 2,741 |
  - 3) Average number of shares outstanding during the period

|                                 |             |
|---------------------------------|-------------|
| Six months ended Sep. 30, 2021: | 183,048,342 |
| Six months ended Sep. 30, 2020: | 183,048,629 |

\* This quarterly financial results is out of the scope of quarterly review procedures by CPA or an audit firm

\* Forward-looking statements and other special notes

- The Company has revised its earnings forecasts for the year ending March 31, 2022 announced on April 30, 2021. The Company has also revised its non-consolidated earnings forecasts announced on June 22, 2021. For the details, please refer to "Qualitative Information on Consolidated Earnings Forecasts" on page 3 and "Notice Regarding Revisions to the Earnings Forecasts" announced today, October 29, 2021.
- 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.
- The supplementary explanation material is available on our website at <https://www.jpowers.co.jp/english/> under the investor relations section.

### [Reference]

### Non-consolidated Earnings Forecasts for the Year Ending March 31, 2022 (From April 1, 2021 to March 31, 2022)

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

|                            | Operating revenue |      | Operating income |   | Ordinary income |        | Profit      |      | Profit per share |
|----------------------------|-------------------|------|------------------|---|-----------------|--------|-------------|------|------------------|
|                            | million yen       | %    | million yen      | % | million yen     | %      | million yen | %    | yen              |
| Year ending March 31, 2022 | 706,000           | 19.7 | (22,000)         | — | 18,000          | (84.2) | 26,000      | 67.4 | 142.04           |

(Note) Revisions to non-consolidated earnings forecasts in the current quarter: Yes

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# 1. Qualitative Information on Consolidated Financial Results

## (1) Qualitative Information on Consolidated Operating Results

### 1) Electricity Sales Volume

In the electric power business, electricity sales volume from hydroelectric power plants for the six months ended September 30, 2021 showed 12.7% increase from the same period of the previous fiscal year to 5.9TWh, due mainly to the increase in water supply rate from 93% to 105%. The sales volume of electricity procured from wholesale electricity market, etc. and sold to retailers showed 65.0% increase from the same period of the previous fiscal year to 8.2TWh. In thermal power, the decrease in the load factor of thermal power plants of J-POWER (non-consolidated) from 76% to 57% mainly due to equipment troubles resulted in 21.2% decrease in electricity sales volume from the same period of the previous fiscal year to 20.5TWh. Total electricity sales volume of the electric power business decreased 4.4% from the same period of the previous fiscal year to 35.2TWh.

Electricity sales volume in the overseas business increased 18.1% from the same period of the previous fiscal year to 7.3TWh.

### 2) Overview of Income and Expenditures

Sales (operating revenues) increased 5.7% from the same period of the previous fiscal year to 431.8 billion yen, mainly due to the increase in sales volume of electricity procured from wholesale electricity market, etc. and rising electricity sales price while electricity sales volume in the thermal power decreased drastically due to the decrease in the load factor of thermal power plants in electric power business. Total ordinary revenue including non-operating revenue increased 5.7% from the same period of the previous fiscal year to 443.1 billion yen.

Operating expenses increased 12.1% from the same period of the previous fiscal year to 396.9 billion yen, mainly due to the increase in purchased power from other suppliers, increase in fuel costs for thermal power plants and increase in repair and expense including periodic inspection costs in the electric power business. Non-operating expenses increased 17.2% from the same period of the previous fiscal year to 19.5 billion yen, mainly due to the increase in foreign exchange losses. Total ordinary expenses increased 12.3% from the same period of the previous fiscal year to 416.5 billion yen.

As a result, ordinary income decreased 44.9% from the same period of the previous fiscal year to 26.6 billion yen and profit attributable to owners of parent after corporate income tax decreased 46.2% from the same period of the previous fiscal year to 18.1 billion yen.

The effect of the application of the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. on the quarterly consolidated financial statements is immaterial.

## (2) Qualitative Information on Consolidated Financial Position

### 1) Condition of Assets, Liabilities and Net Assets

Total assets increased 55.5 billion yen from the end of the previous fiscal year to 2.8975 trillion yen. This is mainly due to the progress of construction works of Central Java Coal-fired Thermal Power Plant in Indonesia and Jackson Gas-fired Thermal Power Plant in the US, in addition to the depreciation of the yen.

Total liabilities increased 15.1 billion yen from the end of the previous fiscal year to 2.0034 trillion yen. Of this amount, interest-bearing debt increased 54.2 billion yen from the end of the previous fiscal year to 1.7189 trillion yen, and it included 290.5 billion yen of non-recourse loans in overseas business.

Total net assets increased 40.4 billion yen to 894.0 billion yen, mainly due to the increase in foreign currency translation adjustment and deferred gains or losses on hedges, in addition to the accounting of profit attributable to owners of parent.

As a result, shareholders' equity ratio increased from 28.5% at the end of the previous fiscal year to 29.3%.

## 2) Condition of Cash Flows

### (Cash flows from operating activities)

Cash flows from operating activities reversed from inflow of 78.0 billion yen in the same period of the previous fiscal year to outflow of 8.4 billion yen. This is mainly due to the increase in accounts receivable and the increase in the payment of corporate taxes, in addition to the decrease in profit before income taxes.

### (Cash flows from investing activities)

Cash outflows from investing activities increased 23.0 billion yen from the same period of the previous fiscal year to 101.1 billion yen. This is mainly due to the increase in investments and loans related to Central Java Coal-fired Thermal Power Plant Project and the increase in the capital expenditure related to construction of Jackson Gas-fired Thermal Power Plant in US.

### (Cash flows from financing activities)

Cash inflows from financing activities increased 23.1 billion yen from the same period of the previous fiscal year to 32.2 billion yen, due mainly to the increase in proceeds from issuance of commercial papers.

As a result of these activities, the balance of cash and cash equivalents as of September 30, 2021 decreased 74.1 billion yen from the end of the previous fiscal year to 111.0 billion yen.

## **(3) Qualitative Information on Consolidated Earnings Forecasts**

Its earnings forecasts for the year ending March 31, 2022, J-POWER forecasts the increase in operating revenue, decrease in ordinary income and decrease in profit attributable to owners of parent over the previously announced figures (announced on April 30, 2021).

Operating revenue is estimated to increase mainly due to rising fuel price of thermal power and wholesale electricity market price in the electric power business after October 2021 and the increase in coal sales revenue at a consolidated subsidiary due to soaring coal price. On the other hand, ordinary income is estimated to decrease mainly due to the increase in fuel cost for thermal power plants, the impact due to equipment troubles at some thermal power plants and rising price of electricity procurement from wholesale electricity market for electricity sales to retailers.

Consolidated earnings forecasts (Year ending March 31, 2022)

(Unit: billion yen)

|  | Revised forecasts | Previous forecasts | Year ended<br>Mar. 31, 2021<br>(Result) |
|--|-------------------|--------------------|---|
| Operating Revenue                          | 990.0             | 842.0              | 909.1                                   |
| Operating Income                           | 44.0              | 59.0               | 77.7                                    |
| Ordinary Income                            | 41.0              | 50.0               | 60.9                                    |
| Profit attributable to<br>owners of parent | 30.0              | 34.0               | 22.3                                    |

Electricity sales volume and other factors (Year ending March 31, 2022)

|                               |                                   | Revised forecasts                 | Previous forecasts | Year ended<br>Mar. 31, 2021<br>(Result) |      |
|-------------------------------|-----------------------------------|-----------------------------------|--------------------|---|------|
| Electric<br>Power<br>Business | Hydroelectric                     | Electricity sales volume<br>(TWh) | 9.8                | 9.1                                     | 8.9  |
|                               |                                   | Water supply rate<br>(%)          | 103                | 100                                     | 96   |
|                               | Thermal                           | Electricity sales volume<br>(TWh) | 46.7               | 46.0                                    | 52.1 |
|                               |                                   | Load factor* <sup>1</sup><br>(%)  | 65                 | 65                                      | 75   |
|                               | Wind                              | Electricity sales volume<br>(TWh) | 1.1                | 1.1                                     | 1.2  |
|                               | Other* <sup>2</sup>               | Electricity sales volume<br>(TWh) | 15.0               | 15.4                                    | 12.3 |
| Overseas Business             | Electricity sales volume<br>(TWh) | 12.1                              | 10.8               | 11.0                                    |      |

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

\*2 Electricity procured from wholesale electricity market, etc.

Foreign exchange rate (Year ending March 31, 2022)

|   | Revised forecasts | Previous forecasts | Year ended<br>Mar. 31, 2021<br>(Result) |
|---|-------------------|--------------------|---|
| Yen/US\$ (Foreign exchange rate at the end of Dec.) | 105.00            | 105.00             | 103.50                                  |
| Yen/THB (Foreign exchange rate at the end of Dec.)  | 3.60              | 3.60               | 3.44                                    |

[Reference]

Non-consolidated earnings forecasts (Year ending March 31, 2022)

(Unit: billion yen)

|                   | Revised forecasts | Previous forecasts | Year ended<br>Mar. 31, 2021<br>(Result) |
|-------------------|-------------------|--------------------|---|
| Operating Revenue | 706.0             | 575.0              | 589.9                                   |
| Operating Income  | (22.0)            | (1.0)              | 77.8                                    |
| Ordinary Income   | 18.0              | 37.0               | 114.0                                   |
| Profit            | 26.0              | 39.0               | 15.5                                    |

## 2. Consolidated Financial Statements and Major Notes

### (1) Consolidated Balance Sheet

(Unit: million yen)

|  | As of Mar. 31, 2021 | As of Sep. 30, 2021 |
|--|---------------------|---------------------|
| <b>Assets</b>  |                     |                     |
| Non-current assets   | 2,475,202           | 2,543,004           |
| Electric utility plant and equipment                       | 1,107,399           | 1,085,025           |
| Hydroelectric power production facilities                  | 356,513             | 355,579             |
| Thermal power production facilities                        | 422,645             | 408,906             |
| Internal combustion engine power production facilities     | 1,460               | 1,438               |
| Renewable power production facilities                      | 84,040              | 80,231              |
| Transmission facilities                                    | 145,989             | 144,254             |
| Transformation facilities                                  | 31,743              | 31,071              |
| Communication facilities                                   | 7,054               | 6,537               |
| General facilities   | 57,952              | 57,006              |
| Overseas business facilities                               | 286,958             | 279,915             |
| Other non-current assets                                   | 91,106              | 93,662              |
| Construction in progress                                   | 588,222             | 627,595             |
| Construction in progress                                   | 588,222             | 627,595             |
| Nuclear fuel   | 75,359              | 75,467              |
| Nuclear fuel in processing                                 | 75,359              | 75,467              |
| Investments and other assets                               | 326,156             | 381,338             |
| Long-term investments                                      | 252,425             | 313,850             |
| Retirement benefit asset                                   | 87                  | 180                 |
| Deferred tax assets  | 54,221              | 51,421              |
| Other  | 19,521              | 15,973              |
| Allowance for doubtful accounts                            | (99)                | (87)                |
| Current assets   | 366,757             | 354,536             |
| Cash and deposits  | 189,842             | 117,199             |
| Notes and accounts receivable - trade                      | 66,140              | -                   |
| Notes and accounts receivable - trade, and contract assets | -                   | 87,201              |
| Inventories  | 46,085              | 56,525              |
| Other  | 65,042              | 93,660              |
| Allowance for doubtful accounts                            | (352)               | (51)                |
| <b>Total assets</b>  | <b>2,841,960</b>    | <b>2,897,541</b>    |

|   | (Unit: million yen) |                     |
|---|---------------------|---------------------|
|   | As of Mar. 31, 2021 | As of Sep. 30, 2021 |
| <b>Liabilities</b>                                    |                     |                     |
| Non-current liabilities                               | 1,713,159           | 1,714,174           |
| Bonds payable   | 654,994             | 694,994             |
| Long-term loans payable                               | 892,350             | 858,133             |
| Lease obligations                                     | 2,484               | 2,302               |
| Other provision                                       | 26                  | 22                  |
| Net defined benefit liability                         | 45,647              | 45,827              |
| Asset retirement obligations                          | 35,378              | 36,674              |
| Deferred tax liabilities                              | 15,403              | 16,330              |
| Other   | 66,874              | 59,890              |
| Current liabilities                                   | 275,115             | 289,273             |
| Current portion of non-current liabilities            | 87,332              | 104,775             |
| Short-term loans payable                              | 8,947               | 10,097              |
| Commercial papers                                     | 20,005              | 50,007              |
| Notes and accounts payable-trade                      | 23,625              | 21,790              |
| Accrued taxes   | 43,865              | 16,658              |
| Other provision                                       | 661                 | 614                 |
| Asset retirement obligations                          | 493                 | 409                 |
| Other   | 90,185              | 84,919              |
| Total liabilities                                     | 1,988,274           | 2,003,448           |
| <b>Net assets</b>                                     |                     |                     |
| Shareholders' equity                                  | 814,772             | 825,730             |
| Capital stock   | 180,502             | 180,502             |
| Capital surplus                                       | 119,877             | 119,881             |
| Retained earnings                                     | 514,401             | 525,356             |
| Treasury shares                                       | (8)                 | (8)                 |
| Accumulated other comprehensive income                | (5,627)             | 22,039              |
| Valuation difference on available-for-sale securities | 11,156              | 12,264              |
| Deferred gains or losses on hedges                    | (33,968)            | (20,686)            |
| Foreign currency translation adjustment               | 9,096               | 24,898              |
| Remeasurements of defined benefit plans               | 8,088               | 5,562               |
| Non-controlling interests                             | 44,540              | 46,322              |
| Total net assets                                      | 853,685             | 894,093             |
| Total liabilities and net assets                      | 2,841,960           | 2,897,541           |



## (2) Consolidated Statement of Income and Comprehensive Income

Consolidated statement of income

|   | (Unit: million yen)               |                                   |
|---|-----------------------------------|-----------------------------------|
|   | Six months ended<br>Sep. 30, 2020 | Six months ended<br>Sep. 30, 2021 |
| Operating revenue   | 408,555                           | 431,811                           |
| Electric utility operating revenue                            | 311,658                           | 333,934                           |
| Overseas business operating revenue                           | 76,416                            | 75,275                            |
| Other business operating revenue                              | 20,480                            | 22,601                            |
| Operating expenses  | 354,246                           | 396,971                           |
| Electric utility operating expenses                           | 269,539                           | 312,958                           |
| Overseas business operating expenses                          | 61,769                            | 60,748                            |
| Other business operating expenses                             | 22,936                            | 23,264                            |
| Operating income  | 54,308                            | 34,839                            |
| Non-operating income  | 10,667                            | 11,353                            |
| Dividend income   | 781                               | 898                               |
| Interest income   | 296                               | 638                               |
| Share of profit of entities accounted for using equity method | 8,916                             | 8,850                             |
| Other   | 673                               | 965                               |
| Non-operating expenses  | 16,689                            | 19,563                            |
| Interest expenses   | 12,167                            | 11,253                            |
| Foreign exchange losses                                       | 2,404                             | 5,809                             |
| Other   | 2,117                             | 2,500                             |
| Total ordinary revenue  | 419,222                           | 443,164                           |
| Total ordinary expenses                                       | 370,935                           | 416,535                           |
| Ordinary income   | 48,286                            | 26,629                            |
| Profit before income taxes                                    | 48,286                            | 26,629                            |
| Income taxes-current  | 10,128                            | 4,773                             |
| Income taxes-deferred   | 820                               | 1,357                             |
| Total income taxes  | 10,948                            | 6,130                             |
| Profit  | 37,338                            | 20,499                            |
| Profit attributable to non-controlling interests              | 3,559                             | 2,314                             |
| Profit attributable to owners of parent                       | 33,779                            | 18,184                            |

Consolidated statement of comprehensive income

|  | (Unit: million yen)               |                                   |
|--|-----------------------------------|-----------------------------------|
|  | Six months ended<br>Sep. 30, 2020 | Six months ended<br>Sep. 30, 2021 |
| Profit   | 37,338                            | 20,499                            |
| Other comprehensive income   |                                   |                                   |
| Valuation difference on available-for-sale securities                                | (153)                             | 1,196                             |
| Deferred gains or losses on hedges   | (11,423)                          | 10,250                            |
| Foreign currency translation adjustment  | (12,475)                          | 13,481                            |
| Remeasurements of defined benefit plans, net of tax                                  | 1,178                             | (2,526)                           |
| Share of other comprehensive income of entities<br>accounted for using equity method | (14,725)                          | 7,561                             |
| Total other comprehensive income   | (37,599)                          | 29,963                            |
| Comprehensive income   | (260)                             | 50,462                            |
| (Comprehensive income attributable to abstract)                                      |                                   |                                   |
| Comprehensive income attributable to owners of<br>parent                             | 2,171                             | 45,850                            |
| Comprehensive income attributable to non-controlling<br>interests                    | (2,432)                           | 4,611                             |

### (3) Consolidated Statement of Cash Flows

|  | (Unit: million yen)               |                                   |
|--|-----------------------------------|-----------------------------------|
|  | Six months ended<br>Sep. 30, 2020 | Six months ended<br>Sep. 30, 2021 |
| <b>Cash flows from operating activities</b>                          |                                   |                                   |
| Profit before income taxes   | 48,286                            | 26,629                            |
| Depreciation and amortization  | 46,713                            | 48,328                            |
| Loss on retirement of non-current assets                             | 1,128                             | 1,203                             |
| Increase (decrease) in net defined benefit liability                 | 947                               | (3,416)                           |
| Interest and dividend income   | (1,078)                           | (1,536)                           |
| Interest expenses  | 12,167                            | 11,253                            |
| Decrease (increase) in notes and accounts receivable-trade           | 13,035                            | (16,999)                          |
| Decrease (increase) in inventories                                   | 933                               | (10,495)                          |
| Increase (decrease) in notes and accounts payable-trade              | (20,788)                          | (9,916)                           |
| Share of (profit) loss of entities accounted for using equity method | (8,916)                           | (8,850)                           |
| Other, net   | (4,284)                           | (13,579)                          |
| <b>Subtotal</b>  | <b>88,146</b>                     | <b>22,620</b>                     |
| Interest and dividend income received                                | 9,886                             | 9,059                             |
| Interest expenses paid   | (11,901)                          | (10,827)                          |
| Income taxes paid  | (8,113)                           | (29,344)                          |
| <b>Net cash provided by (used in) operating activities</b>           | <b>78,019</b>                     | <b>(8,492)</b>                    |
| <b>Cash flows from investing activities</b>                          |                                   |                                   |
| Purchase of non-current assets                                       | (69,974)                          | (54,811)                          |
| Payments of investment and loans receivable                          | (1,496)                           | (42,583)                          |
| Collection of investment and loans receivable                        | 265                               | 73                                |
| Other, net   | (6,874)                           | (3,795)                           |
| <b>Net cash provided by (used in) investing activities</b>           | <b>(78,079)</b>                   | <b>(101,117)</b>                  |

|   | (Unit: million yen)               |                                   |
|---|-----------------------------------|-----------------------------------|
|   | Six months ended<br>Sep. 30, 2020 | Six months ended<br>Sep. 30, 2021 |
| <b>Cash flows from financing activities</b>                 |                                   |                                   |
| Proceeds from issuance of bonds                             | 49,850                            | 39,858                            |
| Redemption of bonds   | (40,000)                          | (20,000)                          |
| Proceeds from long-term loans payable                       | 59,557                            | 34,334                            |
| Repayments of long-term loans payable                       | (48,974)                          | (42,261)                          |
| Increase in short-term loans payable                        | 30,265                            | 18,654                            |
| Decrease in short-term loans payable                        | (30,027)                          | (17,506)                          |
| Proceeds from issuance of commercial papers                 | -                                 | 50,013                            |
| Redemption of commercial papers                             | -                                 | (20,000)                          |
| Cash dividends paid   | (7,320)                           | (7,319)                           |
| Dividends paid to non-controlling interests                 | (3,714)                           | (3,431)                           |
| Other, net  | (551)                             | (126)                             |
| <b>Net cash provided by (used in) financing activities</b>  | <b>9,085</b>                      | <b>32,215</b>                     |
| Effect of exchange rate change on cash and cash equivalents | (2,922)                           | 3,203                             |
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>6,103</b>                      | <b>(74,190)</b>                   |
| Cash and cash equivalents at beginning of period            | 157,212                           | 185,260                           |
| <b>Cash and cash equivalents at end of period</b>           | <b>163,315</b>                    | <b>111,069</b>                    |

#### **(4) Notes on Premise of Going Concern**

Not applicable.

#### **(5) Notes on Significant Changes in Shareholders' Equity**

Not applicable.

#### **(6) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements**

(Changes in accounting policies)

(Application of the Revenue Recognition Accounting Standard, etc.)

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020, hereinafter referred to as the "Revenue Recognition Accounting Standard") and other related standards have been applied since the beginning of the first quarter of the current fiscal year, and the Company recognizes revenue when control of promised goods or services has been transferred to customers at the amount expected to be received in exchange for those goods or services. For some transactions, the Company previously recognized the total amount of consideration received from customers as revenue. As a result of the said change, however, for transactions in which the J-POWER Group's role in providing goods or services to customers is that of an agent, the Company has changed to a method of recognizing revenue at the net amount, which is the amount received from customers less the amount paid to suppliers.

For the application of the Revenue Recognition Accounting Standard, etc., the Company has followed the transitional treatment prescribed in the proviso of paragraph 84 of the Revenue Recognition Accounting Standard, and the cumulative effect of retroactively applying the new accounting policy to the periods prior to the beginning of the first quarter of the current fiscal year has been added to or subtracted from retained earnings at the beginning of the first quarter of the current fiscal year, and the new accounting policy has been applied starting from the balance at the beginning of the first quarter of the current fiscal year.

The effect of this on the quarterly consolidated financial statements is immaterial.

Due to the application of the Revenue Recognition Accounting Standard, etc., "Notes and accounts receivable-trade," which was presented under "Current assets" in the consolidated balance sheet for the previous fiscal year, is now included in "Notes and accounts receivable-trade, and contract assets" from the first quarter of the current fiscal year. In accordance with the transitional treatment prescribed in paragraph 89-2 of the Revenue Recognition Accounting Standard, the previous consolidated fiscal year is not restated by using the new presentation method.

(Application of Accounting Standard for Fair Value Measurement, etc.)

The "Accounting Standard for Measurement of Fair Value" (ASBJ Statement No. 30, July 4, 2019, hereinafter referred to as the "Fair Value Accounting Standard"), etc. have been applied since the beginning of the first quarter of the current fiscal year and in accordance with the transitional treatment prescribed in paragraph 19 of the Fair Value Accounting Standard and paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019), the Company will henceforth apply the new accounting policy set forth by

the Fair Value Accounting Standard, etc. The effect of this on the quarterly consolidated financial statements is immaterial.

**(7) Additional Information**

(Spread of COVID-19 infection)

The J-POWER Group is promoting power plant construction projects in the US, UK and Indonesia. Though COVID-19 infection is affecting power plant construction projects in each country, the impact is limited and there has occurred no significant events which affect financial position. There are no significant changes from the contents described in the securities report filed on June 25, 2021.

### 3. Appendixes

[Appendix 1]

#### Revenues and Expenses (Consolidated)

(Unit: million yen)

|   | Six months ended<br>Sep. 30, 2020<br>(A) | Six months ended<br>Sep. 30, 2021<br>(B) | Year-on-year change |         |
|---|--|--|---------------------|---------|
|   |  |  | (B-A)               | (B-A)/A |
| Operating revenue   | 408,555                                  | 431,811                                  | 23,256              | 5.7%    |
| Electric utility operating revenue                            | 311,658                                  | 333,934                                  | 22,276              | 7.1%    |
| Sold power to other suppliers                                 | 279,046                                  | 308,599                                  | 29,553              | 10.6%   |
| Transmission revenue  | 24,544                                   | 24,119                                   | (425)               | (1.7)%  |
| Other electricity revenue                                     | 8,066                                    | 1,215                                    | (6,851)             | (84.9)% |
| Overseas business operating revenue                           | 76,416                                   | 75,275                                   | (1,140)             | (1.5)%  |
| Other business operating revenue                              | 20,480                                   | 22,601                                   | 2,120               | 10.4%   |
| Operating expenses  | 354,246                                  | 396,971                                  | 42,725              | 12.1%   |
| Electric utility operating expenses                           | 269,539                                  | 312,958                                  | 43,418              | 16.1%   |
| Personnel expense   | 17,420                                   | 12,063                                   | (5,356)             | (30.7)% |
| Fuel cost   | 100,108                                  | 106,995                                  | 6,886               | 6.9%    |
| Repair expense  | 19,275                                   | 28,495                                   | 9,220               | 47.8%   |
| Consignment cost  | 19,863                                   | 22,023                                   | 2,159               | 10.9%   |
| Taxes and duties  | 11,900                                   | 12,671                                   | 771                 | 6.5%    |
| Depreciation and amortization cost                            | 34,662                                   | 36,472                                   | 1,809               | 5.2%    |
| Other   | 66,309                                   | 94,236                                   | 27,926              | 42.1%   |
| Overseas business operating expenses                          | 61,769                                   | 60,748                                   | (1,021)             | (1.7)%  |
| Other business operating expenses                             | 22,936                                   | 23,264                                   | 327                 | 1.4%    |
| Operating income  | 54,308                                   | 34,839                                   | (19,468)            | (35.8)% |
| Non-operating income  | 10,667                                   | 11,353                                   | 685                 | 6.4%    |
| Dividend income   | 781                                      | 898                                      | 116                 | 14.9%   |
| Interest income   | 296                                      | 638                                      | 342                 | 115.6%  |
| Share of profit of entities accounted for using equity method | 8,916                                    | 8,850                                    | (66)                | (0.7)%  |
| Other   | 673                                      | 965                                      | 292                 | 43.5%   |
| Non-operating expenses  | 16,689                                   | 19,563                                   | 2,874               | 17.2%   |
| Interest expenses   | 12,167                                   | 11,253                                   | (913)               | (7.5)%  |
| Foreign exchange losses                                       | 2,404                                    | 5,809                                    | 3,405               | 141.6%  |
| Other   | 2,117                                    | 2,500                                    | 382                 | 18.1%   |
| Total ordinary revenue  | 419,222                                  | 443,164                                  | 23,941              | 5.7%    |
| Total ordinary expenses                                       | 370,935                                  | 416,535                                  | 45,599              | 12.3%   |
| Ordinary income   | 48,286                                   | 26,629                                   | (21,657)            | (44.9)% |
| Profit before income taxes                                    | 48,286                                   | 26,629                                   | (21,657)            | (44.9)% |
| Income taxes-current  | 10,128                                   | 4,773                                    | (5,354)             | (52.9)% |
| Income taxes-deferred   | 820                                      | 1,357                                    | 537                 | 65.5%   |
| Profit  | 37,338                                   | 20,499                                   | (16,839)            | (45.1)% |
| Profit attributable to non-controlling interests              | 3,559                                    | 2,314                                    | (1,244)             | (35.0)% |
| Profit attributable to owners of parent                       | 33,779                                   | 18,184                                   | (15,594)            | (46.2)% |

[Appendix 2]

(1) Generation capacity

(Unit: kW)

|                         | As of Sep. 30, 2020<br>(A) | As of Sep. 30, 2021<br>(B) | Year-on-year<br>change<br>(B-A) |
|-------------------------|----------------------------|----------------------------|---------------------------------|
| Electric power business | 17,868,849                 | 17,913,449                 | 44,600                          |
| Hydroelectric power     | 8,560,369                  | 8,560,369                  | -                               |
| Thermal power           | 8,773,420                  | 8,773,420                  | -                               |
| Wind power              | 535,060                    | 579,660                    | 44,600                          |
| Overseas business       | 3,990,000                  | 3,990,000                  | -                               |
| Total                   | 21,858,849                 | 21,903,449                 | 44,600                          |

(2) Electricity sales volume

(Unit: GWh)

|                         | Six months ended<br>Sep. 30, 2020<br>(A) | Six months ended<br>Sep. 30, 2021<br>(B) | Year-on-year<br>change<br>(B-A) |
|-------------------------|--|--|---------------------------------|
| Electric power business | 36,842                                   | 35,213                                   | (1,629)                         |
| Hydroelectric power     | 5,264                                    | 5,931                                    | 667                             |
| Thermal power           | 26,150                                   | 20,596                                   | (5,553)                         |
| Wind power              | 450                                      | 472                                      | 22                              |
| Other                   | 4,977                                    | 8,212                                    | 3,234                           |
| Overseas business       | 6,204                                    | 7,325                                    | 1,121                           |
| Total                   | 43,046                                   | 42,538                                   | (507)                           |

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

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

(Unit: %)

|                   | Six months ended<br>Sep. 30, 2020<br>(A) | Six months ended<br>Sep. 30, 2021<br>(B) | Year-on-year<br>change<br>(B-A) |
|-------------------|--|--|---------------------------------|
| Water supply rate | 93                                       | 105                                      | 12                              |
| Load factor       | 76                                       | 57                                       | (19)                            |