

# **The Summary of Financial Results for FY 3/2026-1Q**

## **(April 1 through June 30, 2025)**

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The Chugoku Electric Power Co., Inc.

July 31, 2025

In this report, the term Fiscal Year 3/2026 refers to the period between April 1, 2025 and March 31, 2026.

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# I. Financial Results for FY 3/2026-1Q

- **Operating revenues fell** by ¥0.7 billion year on year to ¥329.5 billion due to the revisions in the standard electricity rate plan for high voltage and extra-high voltage, despite an increase in retail electricity sales volume.
- Operating profit increased by ¥4.7 billion year on year to ¥39.5 billion. This was mainly due to the profit improvement from the operation of Shimane Nuclear Power Station Unit 2 and an increase in the profit from the time lag of the fuel cost adjustment system, despite the effect of increased competition in wholesale and retail businesses.
- **Ordinary profit decreased** by ¥3.4 billion year on year to ¥33.9 billion due to factors such as an increase in interest expense.
- Profit attributable to owners of parent increased by ¥3.4 billion year on year to ¥26.8 billion, primarily due to the absence of the extraordinary loss recorded in the same period of the previous fiscal year.

# 1-2. Summary of Consolidated Financial Results

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(Billions of yen)

	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)	YoY growth (A-B)/B
Operating revenues	329.5	330.3	-0.7	-0.2%
Operating profit	39.5	34.8	4.7	13.5%
Ordinary profit	33.9	37.3	-3.4	-9.2%
Profit attributable to owners of parent	26.8	23.3	3.4	14.7%

## 2. Consolidated Statements of Operations

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(Billions of yen)

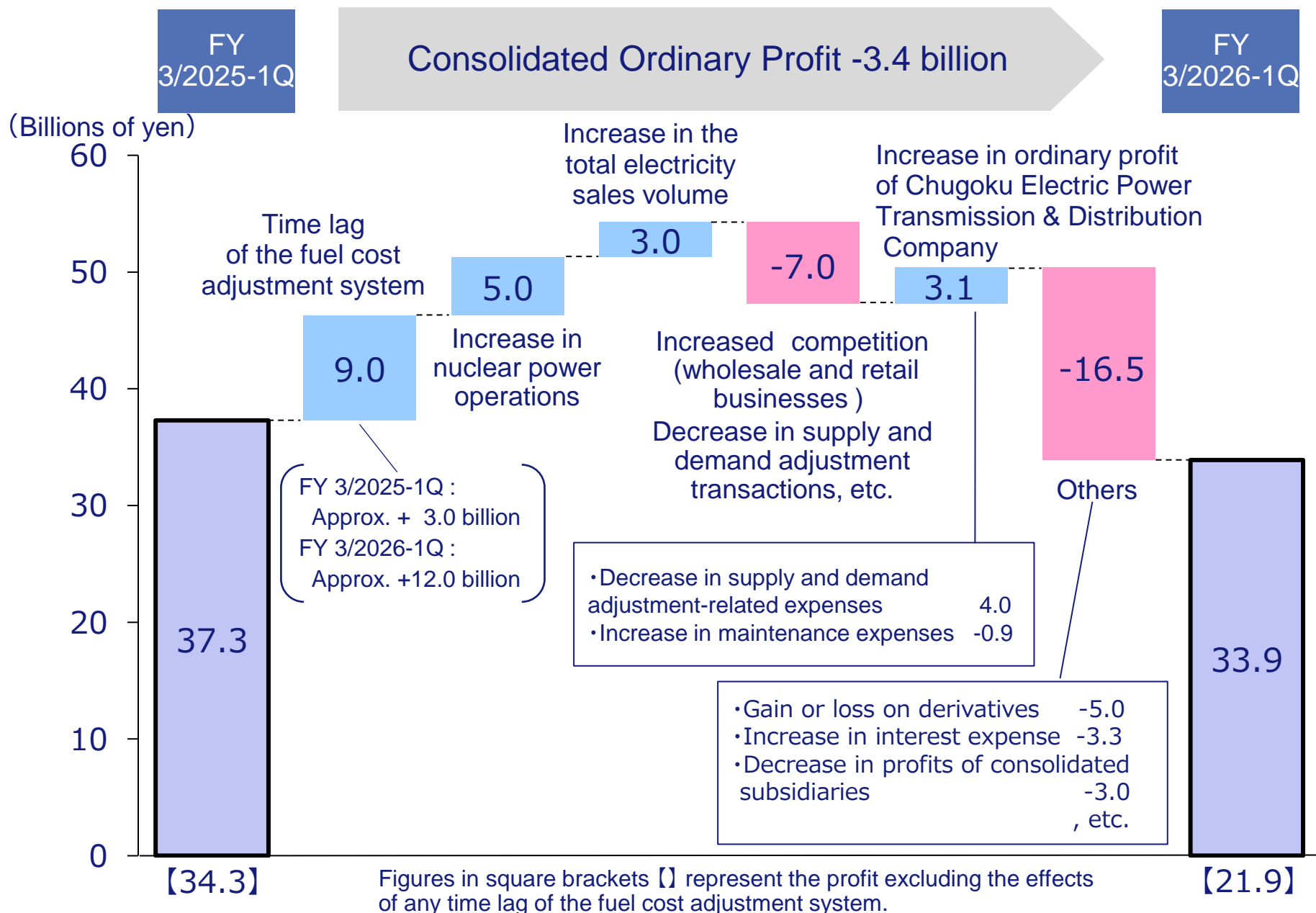
	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)
Ordinary revenues	336.9	338.2	-1.3
Operating revenues	329.5	330.3	-0.7
Non-operating income	7.3	7.9	-0.5
Ordinary expenses	302.9	300.9	2.0
Operating expenses	289.9	295.4	-5.5
Non-operating expenses	13.0	5.4	7.5
Operating profit	39.5	34.8	4.7
Ordinary profit	33.9	37.3	-3.4
Provision of reserve for water shortage	—	0.0	-0.0
Extraordinary income	4.3 <sup>(Note1)</sup>	5.1 <sup>(Note1)</sup>	-0.7
Extraordinary losses	—	7.0 <sup>(Note2)</sup>	-7.0
Income taxes	11.5	12.0	-0.4
Profit attributable to owners of parent	26.8	23.3	3.4

Note1: The Company recorded gains on sales of nuclear fuel.

Note2: The Company recorded a loss on sales of property due to the transfer of the land, buildings, and equipment of the former Shimonoseki Power Station.

# 3. Factors Affecting Consolidated Ordinary Profit

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## 4. Total Electricity Sales Volume

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- Total electricity sales volume increased by 12.5% year on year to 12.58 billion kWh.
- Retail electricity sales volume increased by 7.5% year on year to 9.97 billion kWh.
- Electricity sales volume to other power companies increased by 36.6% year on year to 2.62 billion kWh.

(Billions of kWh)

		FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A - B)	YoY growth (A - B)/B
Total electricity sales volume		12.58	11.18	1.40	12.5%
Retail electricity sales volume	Lighting	3.04	3.12	-0.08	-2.5%
	Power	6.92	6.15	0.77	12.6%
	Subtotal	9.97	9.27	0.70	7.5%
Electricity sales volume to other power companies		2.62	1.92	0.70	36.6%

Note 1: The amounts indicated are the total electricity sales volume by Chugoku Electric Power.

Note 2: Amounts do not include the amount of retail power used in-house or the amount of electricity sales volume to other power companies in relation to imbalances/adjusted power supply, etc.

Note 3: There may be discrepancies in totals due to rounding.



# 5. Power Generated and Received

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- Generated and received electricity increased by 16.2% year on year to 13.51 billion kWh.
- Our own thermal power generation increased due to the rise in total electricity sales volume and a decrease in electricity received from other companies.
- Nuclear power generation increased as a result of the operation of Shimane Nuclear Power Station Unit 2.

(Billions of kWh)

	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)	YoY growth (A-B)/B
Generated and received electricity	13.51	11.63	1.88	16.2%
Generated by Chugoku Electric Power	8.27	5.50	2.77	50.4%
(Water flow rate)	(93.7%)	(104.9%)	(-11.2%)	
Hydroelectric	1.00	0.92	0.07	8.1%
Thermal	5.39	4.55	0.84	18.4%
(Capacity factor)	(102.7%)	( - )	(102.7%)	
Nuclear	1.84	—	1.84	—
New energy sources	0.04	0.02	0.02	91.0%
Received from other companies	5.76	6.35	-0.58	-9.2%
Power used for water pumping	-0.53	-0.22	-0.30	138.0%

Note 1: The amounts indicated are the power generated and received by Chugoku Electric Power.

Note 2: Shimane Nuclear Power Station Unit 2 has restarted power generation, connected to the grid since December 23, 2024.

Note 3: Power received from other companies includes power pertaining to imbalances/adjusted power supply, etc. The power amounts indicated are those identified as of the end of the fiscal year.

Note 4: The difference between the total amount of power generated and received and the total electricity sales volume is the amount of power loss, etc.

Note 5: There may be discrepancies in totals due to rounding.

## 6. Summary of Segment Information

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- In the comprehensive energy business, revenues decreased mainly due to the revisions in the standard electricity rate plan for high voltage and extra-high voltage. Operating profit increased mainly due to the profit improvement from the operation of Shimane Nuclear Power Station Unit 2 and an increase in the profit from the time lag of the fuel cost adjustment system.
- In the power transmission and distribution business, the profit increased mainly due to a decrease in expenses related to supply and demand adjustments, despite an increase in maintenance expenses.

(Billions of yen)

		FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)
Comprehensive energy	Operating revenues	304.9	312.0	-7.1
	Operating profit	36.2	34.0	2.2
Power transmission and distribution	Operating revenues	107.4	107.2	0.1
	Operating profit	3.5	0.0	3.5
Information and tele-communications	Operating revenues	11.0	10.2	0.7
	Operating profit	0.8	1.1	-0.2
Others	Operating revenues	19.6	22.6	-2.9
	Operating profit	-0.6	0.1	-0.8
Adjustment	Operating revenues	(-113.4)	(-121.8)	(8.3)
	Operating profit	(-0.5)	(-0.5)	(0.0)
Total	Operating revenues	329.5	330.3	-0.7
	Operating profit	39.5	34.8	4.7

## 7. Key Factors

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### ■ Key factors

	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)
Exchange rate (¥/\$)	145	156	-11
All Japan CIF crude oil price (\$/b)	75.1	87.5	-12.4
All Japan CIF imported coal price (\$/t)	120.3	157.4	-37.1
Nuclear capacity factor (%)	102.7	—	102.7

Note: Crude oil and imported coal CIF prices are preliminary figures for FY 3/2026-1Q.

## II. Forecasts of Financial Results and Dividends for FY 3/2026

# Forecasts of Financial Results and Dividends for FY 3/2026

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■ Forecasts of financial results and dividends have not changed of the announcement on April 30, 2025.

Announcement (April 30, 2025) : <https://www.energia.co.jp/e/ir/info/pdf/ir10-c2025b15.pdf>

## «Financial Results»

(Billions of yen)

	FY 3/2026
Operating revenues	1,400.0
Operating profit	95.0
Ordinary profit	85.0
Profit attributable to owners of parent	65.0

Shareholders' equity ratio	Approx. 16.5% (Approx. 18.8%*)
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## «Dividends per share»

	FY 3/2026
Interim	¥10 (Forecasts)
Year-end	¥11 (Forecasts)
Total	¥21 (Forecasts)

## «Key Factors»

	FY 3/2026
Total electricity sales volume (billions of kWh)	57.4
Exchange rate (¥/\$)	145
All Japan CIF crude oil price (\$ / b)	75
Nuclear capacity factor (%)	86

## «Segment Information»

(Billions of yen)

		FY 3/2026
Comprehensive energy	Operating revenues	Approx. 1,320.0
	Operating profit	Approx. 80.0
Power transmission and distribution	Operating revenues	Approx. 410.0
	Operating profit	Approx. 10.0
Information and tele-communications	Operating revenues	Approx. 47.0
	Operating profit	Approx. 4.0
Others	Operating revenues	Approx. 105.0
	Operating profit	Approx. 3.0
Adjustment	Operating revenues	(Approx. -482.0)
	Operating profit	(Approx. -2.0)
Total	Operating revenues	Approx. 1,400.0
	Operating profit	Approx. 95.0

## «Financial Impacts (Sensitivity)»

(Billions of yen)

	FY 3/2026
Exchange rate (¥1/\$)	2.0
All Japan CIF crude oil price (\$1/b)	1.3
Water flow rate (1%)	0.3
Nuclear capacity factor (1%)	0.7

\* This indicates the shareholders' equity ratio if the ¥50.0 billion of the hybrid corporate bonds already raised (announced on December 3, 2021) and ¥50.0 billion of transition-linked hybrid loans already raised (announced on September 29, 2022) are both treated as equity capital.

# (Reference) Summary of Financial Results for FY 3/2026-1Q

# Statements of Operations and Balance Sheets (Consolidated) 10

## ■ Consolidated Statements of Operations

(Billions of yen)

	FY 3/2026-1Q	FY 3/2025-1Q
Overview of financial results	Decrease in revenue (-0.7) Decrease in profit (-3.4) for 2 consecutive years	Decrease in revenue (-70.7) Decrease in profit (-45.2) for the first time in 3 years
Operating revenues	329.5 (Note 1)	330.3 (Note 1)
Operating profit	39.5 (2nd)	34.8
Ordinary profit	33.9 (3rd)	37.3
Profit attributable to owners of parent	26.8 (2nd)	23.3

## ■ Consolidated Balance Sheets

(Billions of yen)

	FY 3/2026-1Q	FY 3/2025
Total assets	4,382.7	4,360.9
Net assets	712.8	705.8
Shareholders' equity ratio	16.3% (18.6% <sup>(Note 4)</sup> )	16.2% (18.5% <sup>(Note 4)</sup> )
Interest-bearing debts	3,244.9	3,181.3

Note 1: The operating revenues ranking is not indicated because the application of the Accounting Standard for Revenue Recognition since FY 3/2022-1Q has invalidated comparisons to past operating revenues.

Note 2: Increases/decreases in profit in the overview of financial results are based on ordinary profit.

Note 3: Rankings indicate ranking since FY 3/2004.

Note 4: This indicates the shareholders' equity ratio if the ¥50.0 billion of the hybrid corporate bonds already raised (announced on December 3, 2021) and ¥50.0 billion of transition-linked hybrid loans already raised (announced on September 29, 2022) are both treated as equity capital.

# (Reference) Supplemental Data



# 1-1. Income Statement <Non-Consolidated>

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(Billions of yen)

	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)
Ordinary revenues	306.1	320.0	-13.8
Operating revenues	291.7	297.1	-5.3
Electricity sales revenue	219.4	207.0	12.4
Others	72.2	90.1	-17.8
Non-operating income	14.3	22.8	-8.5
Ordinary expenses	267.2	271.2	-3.9
Operating expenses	257.2	266.2	-8.9
Personnel	11.1	11.2	-0.1
Retirement allowances	0.0	0.2	-0.1
Material	119.0	137.7	-18.7
Fuel	49.1	50.8	-1.6
Purchased power	69.8	86.9	-17.0
Maintenance	9.3	8.4	0.8
Depreciation	19.9	12.9	6.9
Back-end of nuclear power	4.3	—	4.3
Transmission fees of connected supply	60.7	61.0	-0.2
Others	32.7	34.7	-1.9
Non-operating expenses	9.9	4.9	4.9
Ordinary profit (Operating profit)	38.9 (34.4)	48.8 (30.9)	-9.8 (3.5)
Provision or reversal of reserve for water shortage	—	0.0	-0.0
Extraordinary income	4.3	5.1	-0.7
Extraordinary losses	—	7.0	-7.0
Income taxes, etc.	10.8	11.9	-1.0
Profit	32.4	34.8	-2.4

# 1-2. Income Statement <Chugoku Electric Power Transmission & Distribution Company, Incorporated.>

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(Billions of yen)

	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)
Ordinary revenues	107.5	107.5	0.0
Operating revenues	107.0	106.7	0.3
Transmission revenue	76.6	79.2	-2.6
Others	30.4	27.5	2.9
Non-operating income	0.4	0.7	-0.3
Ordinary expenses	105.4	108.5	-3.1
Operating expenses	103.5	106.9	-3.3
Personnel	11.6	11.6	0.0
Retirement allowances	0.1	0.2	-0.1
Material	38.3	42.3	-4.0
Fuel	0.5	0.7	-0.1
Purchased power, etc.	37.7	41.6	-3.8
Maintenance	14.3	13.4	0.9
Depreciation	10.7	10.3	0.4
Others	28.4	29.0	-0.6
Non-operating expenses	1.8	1.6	0.2
Ordinary profit (Operating profit)	2.1 (3.5)	-1.0 (-0.1)	3.1 (3.6)
Income taxes, etc.	0.5	-0.4	1.0
Profit	1.5	-0.5	2.1

<Reference> Electricity demand in the Chugoku region

(Billions of kWh)

FY 3/2026-1Q	FY 3/2025-1Q	Difference
12.13	12.29	-0.16

## 13

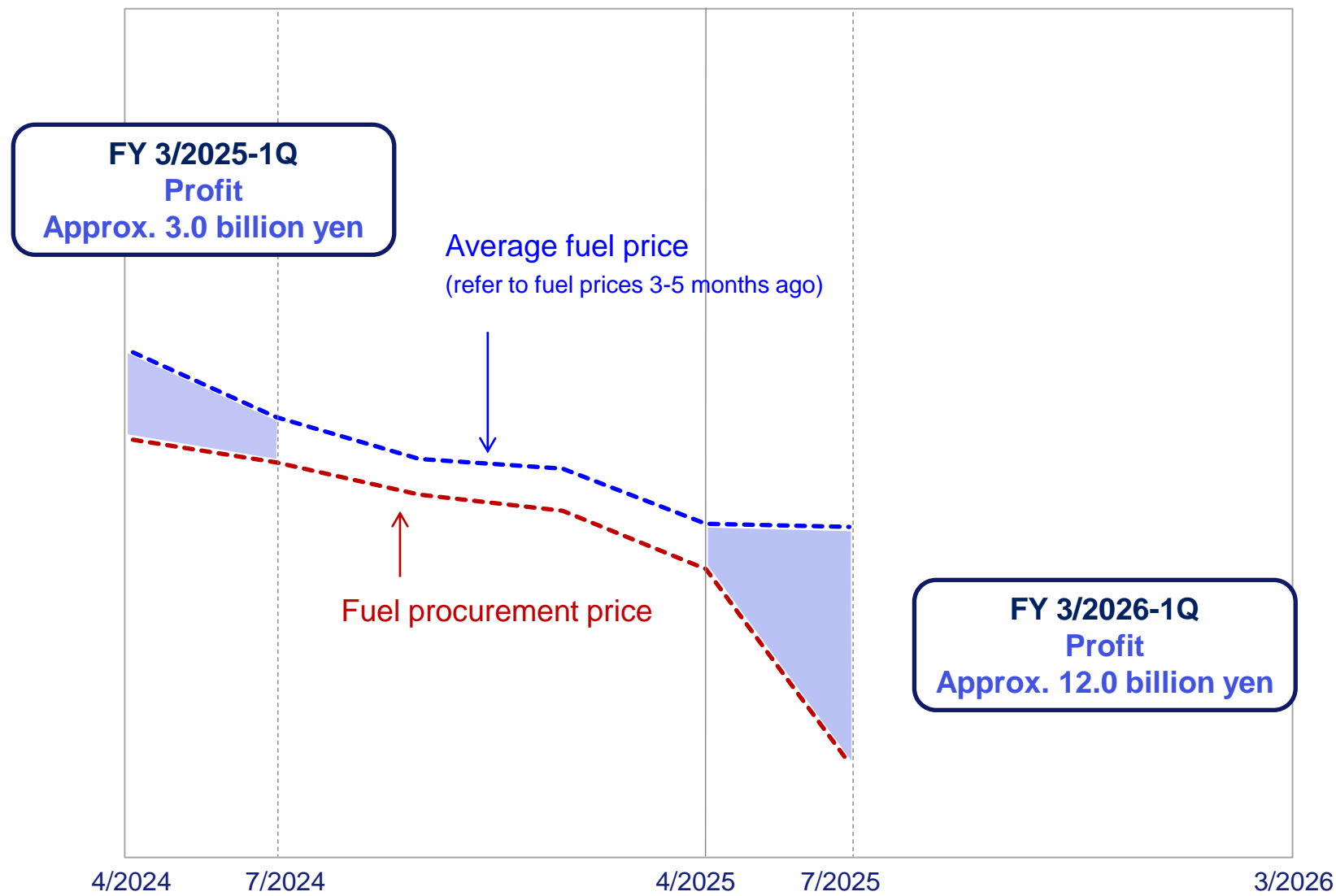
(Billions of kWh)

Note 1: The amounts indicated are the total electricity sales volume by Chugoku Electric Power.  
 Note 2: Amounts do not include the amount of retail power used in-house or the amount of electricity sales volume to other power companies in relation to imbalances/adjusted power supply, etc.  
 Note3: Figures in parentheses indicate the percentage change from the previous fiscal year.  
 Note4: There may be discrepancies in totals due to rounding.

<Reference> Average monthly temperature (Hiroshima city) (°C)

[illegible]

### 3. Time Lag of the Fuel Cost Adjustment System (Image Diagram)



Note: Time lag of the fuel cost adjustment system is caused by the time lag of reflecting fuel prices in electricity rates (average fuel price).

## (1) Procurement volume (Note 1)

	Unit	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)
Fuel oil	million liters	20	30	-10
Coal (Note 2)	thousand tons	1,360	1,150	210
LNG (Note 2)	thousand tons	330	390	-50

Note 1: The impact of inventories included

Note 2 :Sales included

## (2) Consumption volume

	Unit	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)
Fuel oil	million liters	10	10	10
Coal	thousand tons	1,170	850	320
LNG	thousand tons	220	250	-30

# 5. Capital Expenditure

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(Billions of yen)

	Non-Consolidated			Chugoku Electric Power Transmission & Distribution Co., Inc.		
	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)	FY 3/2026-1Q (A)	FY 3/2025-1Q (B)	Difference (A-B)
Capital expenditure	26.9 (23.5)	47.7 (46.7)	-20.7 (-23.2)	15.9	14.9	0.9

Note: Figures in ( ) reiterate costs related to power sources.

## 6. Interest-bearing Debts, etc.

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### (1) Breakdown of Interest-bearing debts <Consolidated>

(Billions of yen)

	End of FY 3/2026-1Q (A)	End of FY 3/2025 (B)	Difference (A-B)
Interest-bearing debts	3,244.9	3,181.3	63.6
Bonds	1,346.2	1,326.2	20.0
Long-term borrowings	1,789.2	1,752.5	36.6
Short-term borrowings	84.3	78.8	5.5
Commercial paper	—	—	—
Lease obligations	25.0	23.6	1.4

### (2) Interest rate <Non-Consolidated>

	FY 3/2026-1Q	FY 3/2025
Average	0.89%	0.72%

### (3) Interest expense <Non-Consolidated>

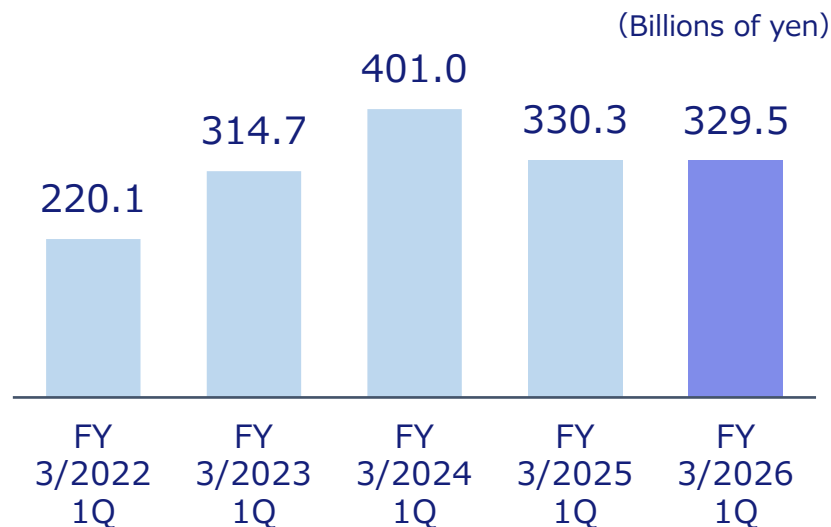
(Billions of yen)

	FY 3/2026-1Q	FY 3/2025-1Q
Interest expense	6.3	2.9

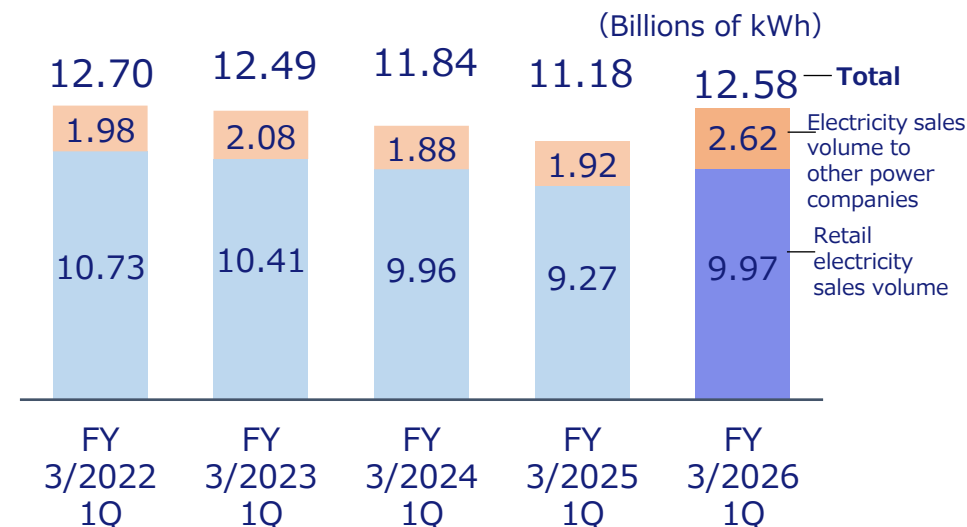
# 7. Operating Revenues and Profit Trends

18

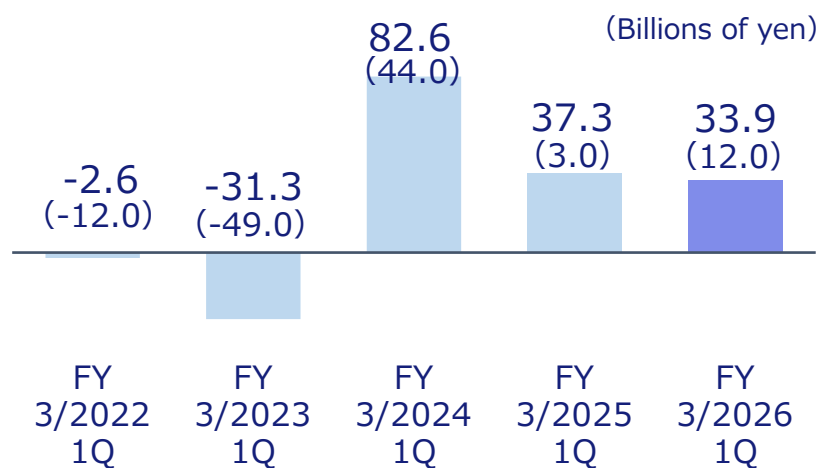
## Operating revenues (Consolidated)



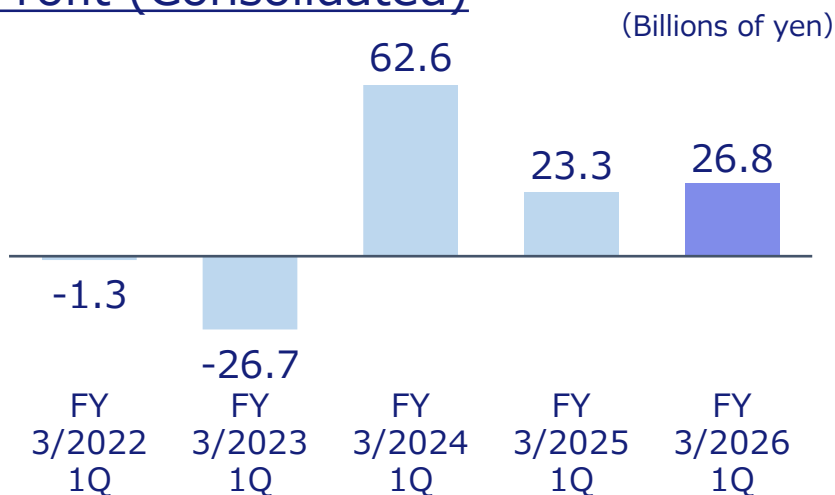
## Electricity sales volume



## Ordinary profit (Consolidated)



## Profit (Consolidated)



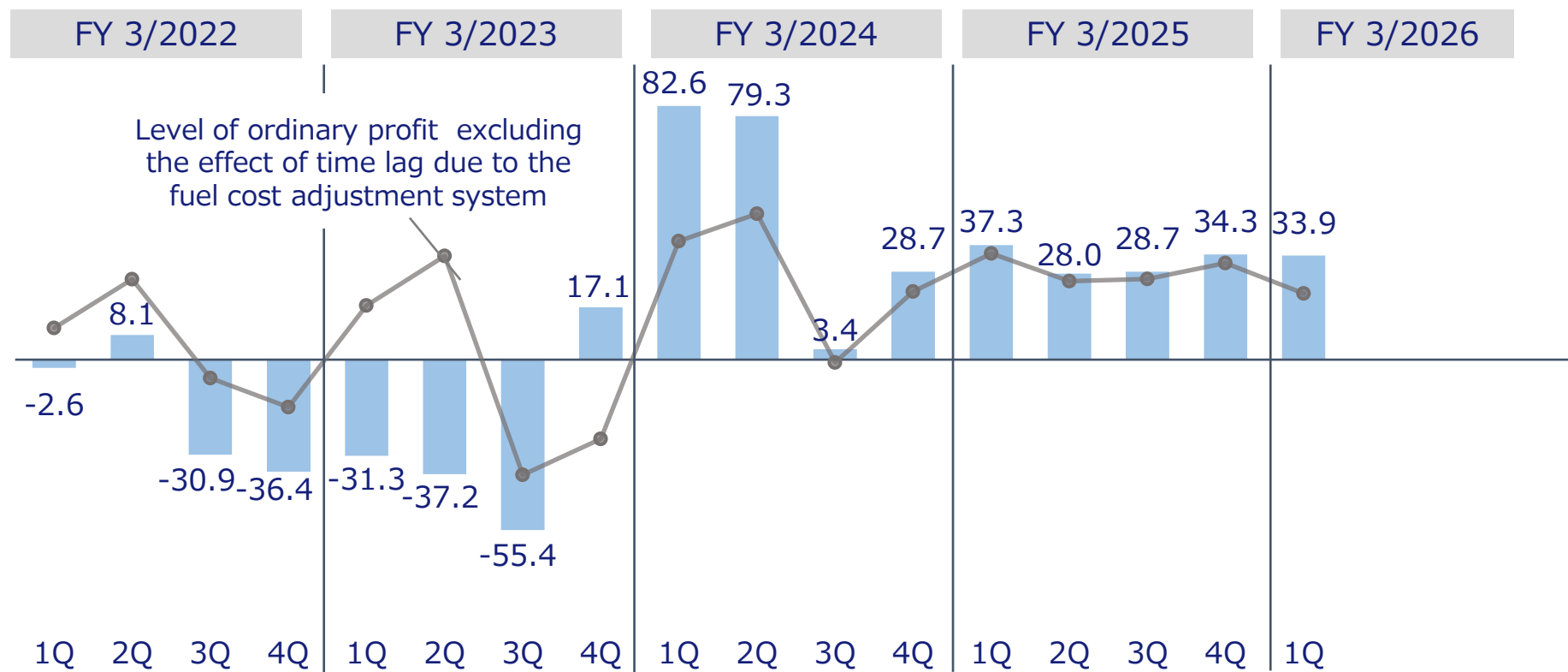
\*Values in parentheses ( ) denote the impact of the time lag due to the fuel cost adjustment amounts.



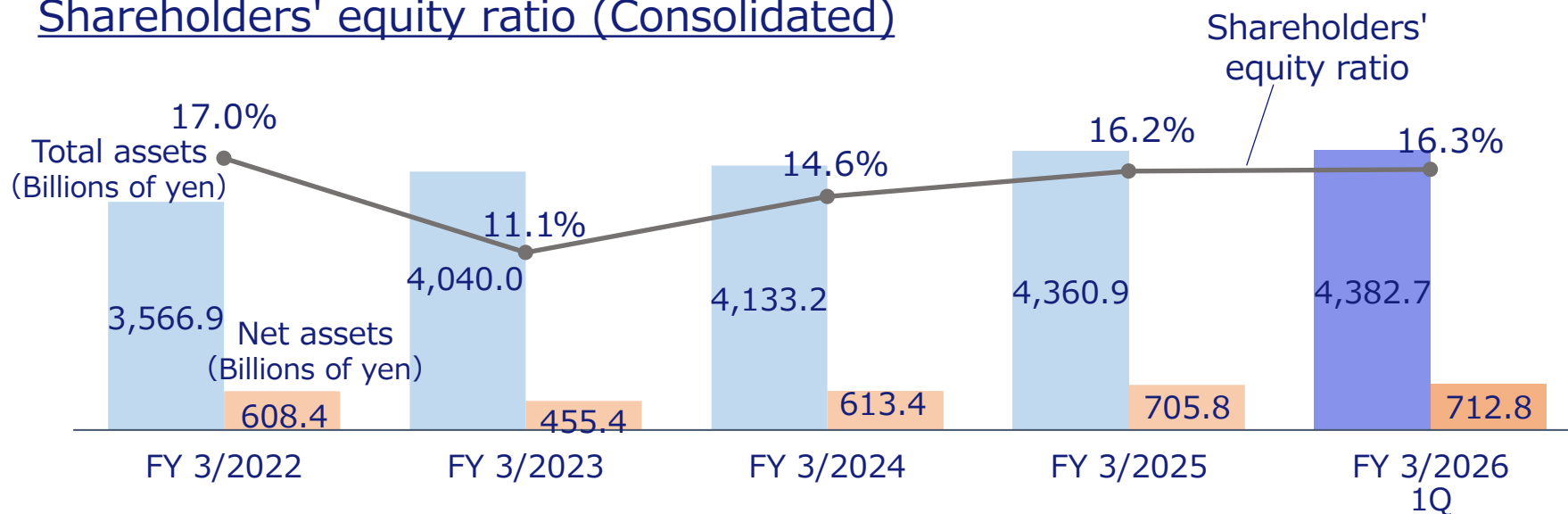
# 8. Trends in Ordinary Profit by Quarter<Consolidated>

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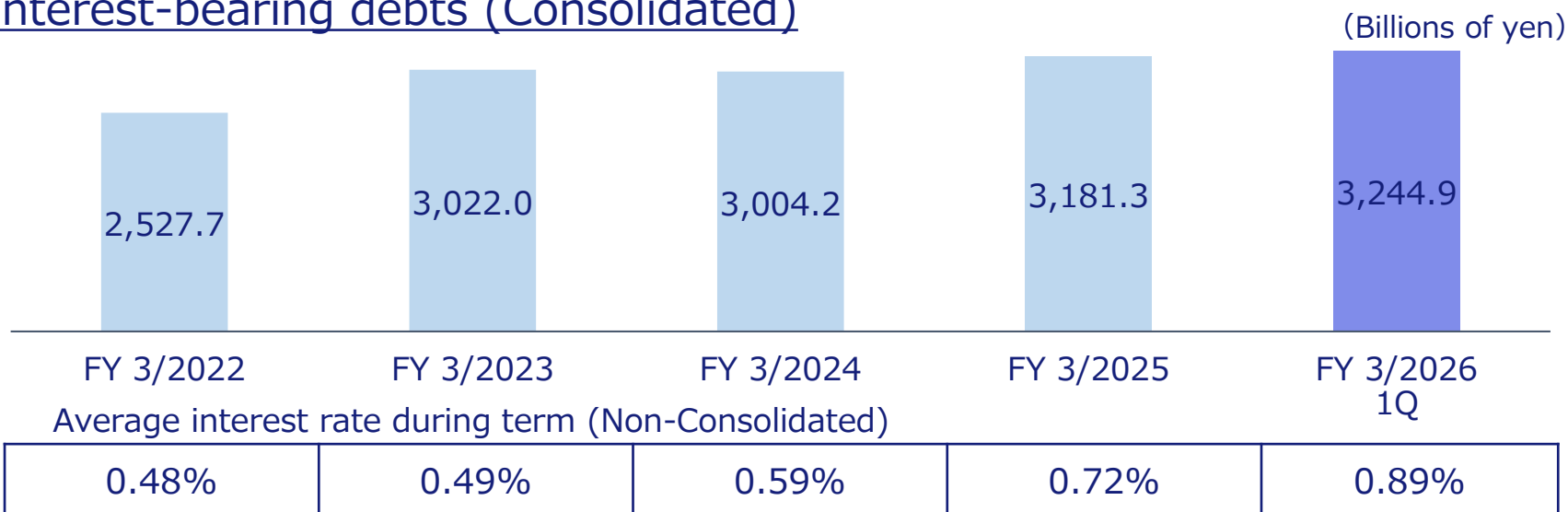
(Billions of yen)



## Shareholders' equity ratio (Consolidated)



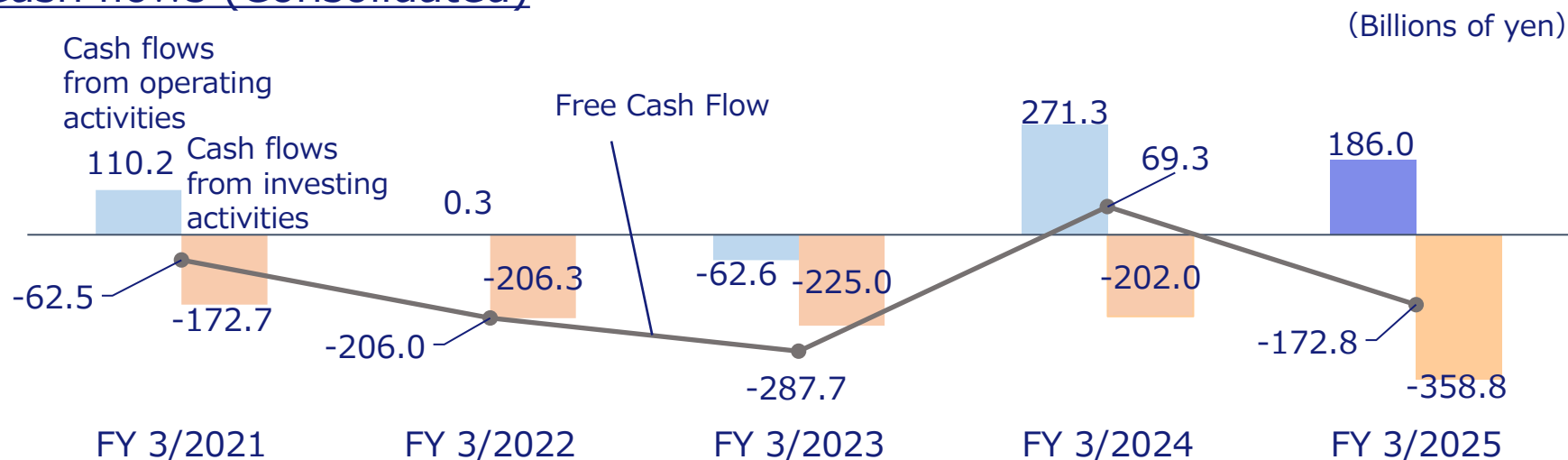
## Interest-bearing debts (Consolidated)



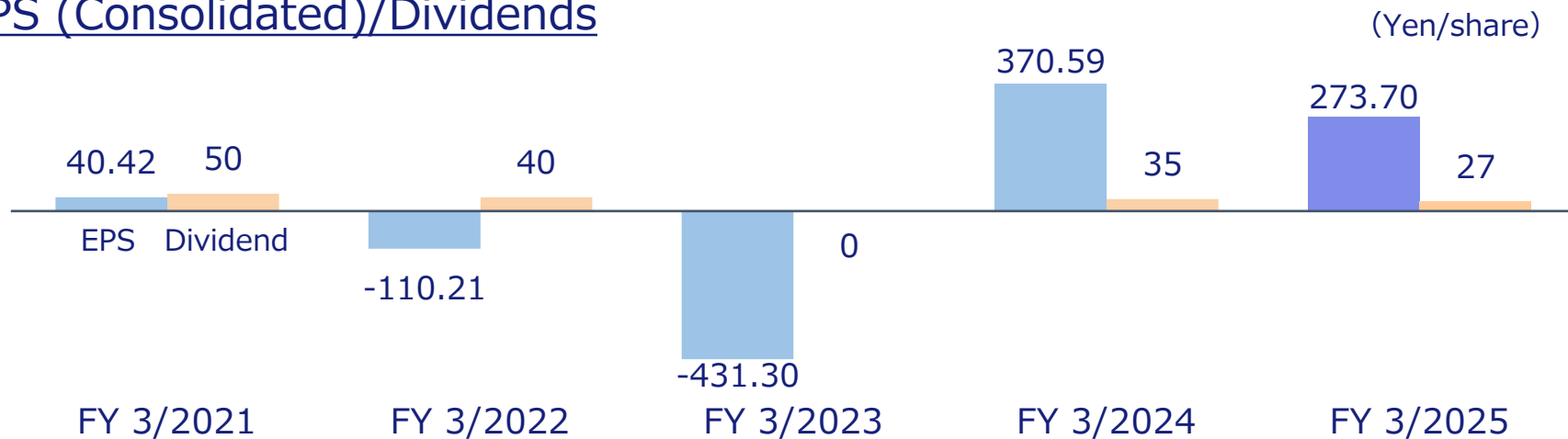
## 9-2. Financial Indicator Trends (2)

21

### Cash flows (Consolidated)



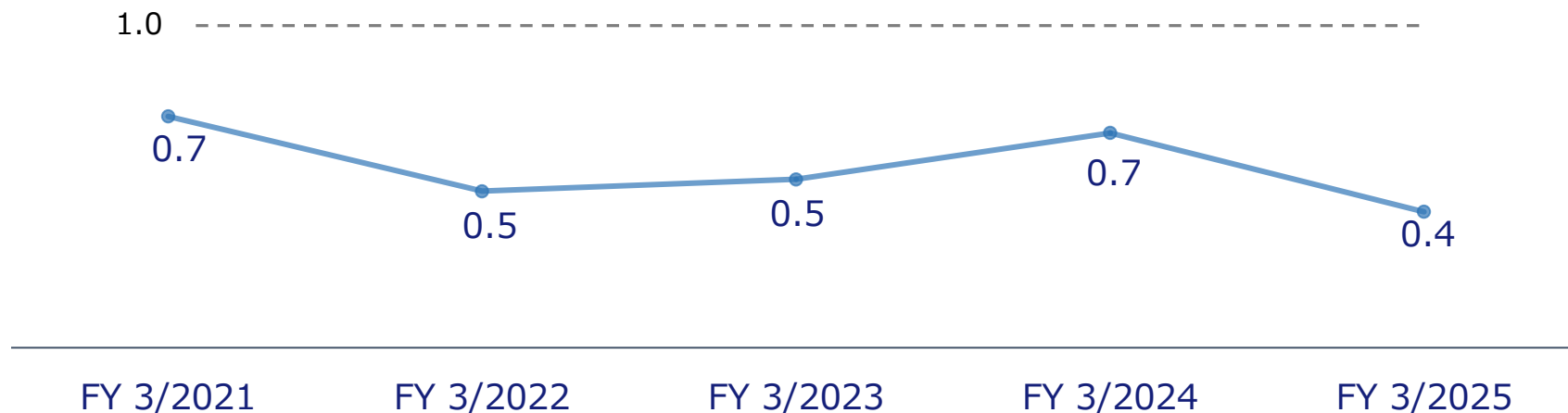
### EPS (Consolidated)/Dividends



# 9-3. Financial Indicator Trends (3)

## PBR (Price book-value ratio)

(Multiple)

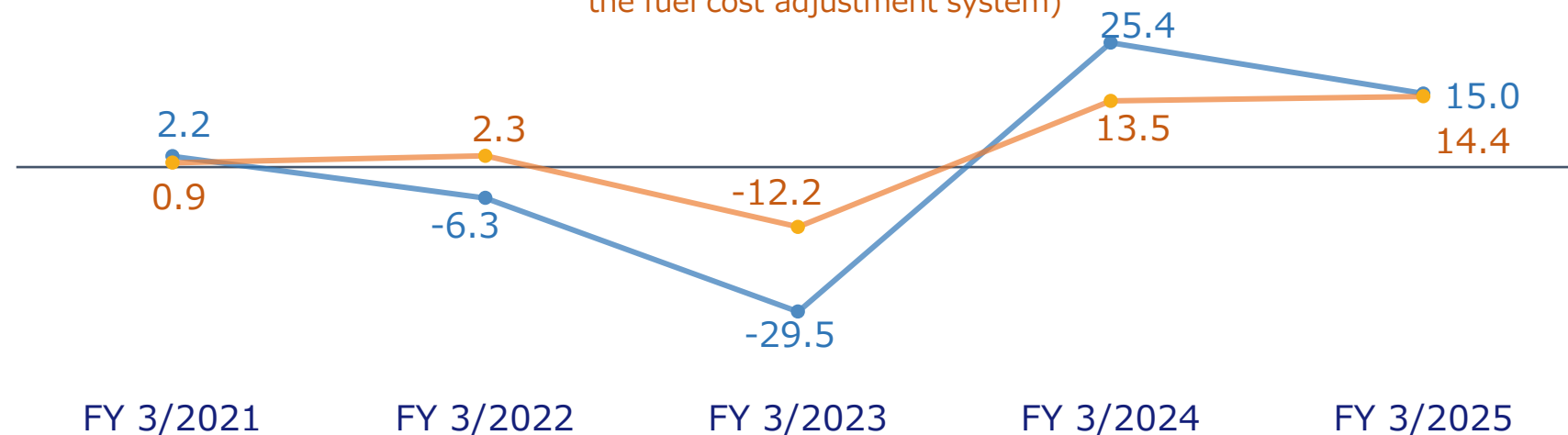


## ROE (Return on equity)

— ROE

— ROE (Excluding the effect of the time lag of the fuel cost adjustment system)

(%)



# Reference: The Group's Initiatives

- We have announced the status of efforts to regain trust lost due to certain incidents.
  - ✓ Status of incident reoccurrence measures  
<https://www.energia.co.jp/corp/active/preventive/index.html> (Japanese only)
- Each year we create and publish an Action Plan (summary of the management plan) as an effort toward achieving the Group Corporate Vision.
- In light of the Japanese government's declaration to achieve carbon neutrality by 2050, the Group has announced its initiatives for carbon neutrality by 2050.
  - ✓ Action Plan (summary of the management plan)  
<https://www.energia.co.jp/ir/irkeiei/gaiyou.html> (Japanese only)
  - ✓ Chugoku Electric Power Group's initiatives for carbon neutrality by 2050  
[https://www.energia.co.jp/tokusetu\\_site/carbon-neutral/index.html?topbnr=cn2050](https://www.energia.co.jp/tokusetu_site/carbon-neutral/index.html?topbnr=cn2050) (Japanese only)
  - ✓ Chugoku Electric Power Group Integrated Report  
<https://www.energia.co.jp/e/ir/report/annual.html>
  - ✓ Chugoku Electric Power Group promotion of sustainability management  
<https://www.energia.co.jp/corp/esg/index.html> (Japanese only)

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