Supporting document of
FY 3/2027-2Q financial results

The Summary of Financial Results for FY 3/2027-2Q

(April 1 through September 30, 2026)

The Chugoku Electric Power Co., Inc.

October 30, 2026

In this report, the term Fiscal Year 3/2027 refers to the period between April 1, 2026 and March 31, 2027.

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I. Financial Results for FY 3/2027-2Q

1. Summary of Consolidated Financial Results

- **Operating revenues rose** by ¥65.6 billion year on year to ¥791.9 billion due to factors such as an increase in total electricity sales volume.
- Operating profit decreased by ¥95.7 billion year on year to a loss of ¥4.8 billion. This was mainly due to the impact of the loss from the time lag of the fuel cost, etc. adjustment system, as well as increased material costs associated with the operational suspension of Shimane Nuclear Power Station Unit 2 for a periodic operator inspection, despite an increase in the total electricity sales volume.
- **Ordinary profit** including non-operating profit/loss such as interest paid **decreased** by ¥89.4 billion year on year to a loss of ¥4.9 billion.
- Profit attributable to owners of parent after deducting income taxes decreased by ¥70.7 billion year on year to a loss of ¥5.9 billion.

(Billions of yen)

	FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)	YoY growth (A-B)/B
Operating revenues	791.9	726.2	65.6	9.0%
Operating profit	-4.8	90.9	-95.7	–
Ordinary profit	-4.9	84.5	-89.4	–
Profit attributable to owners of parent	-5.9	64.7	-70.7	–

2. Consolidated Statements of Operations

(Billions of yen)

	FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)
Ordinary revenues	816.3	741.6	74.6
Operating revenues	791.9	726.2	65.6
Non-operating income	24.4	15.4	9.0
Ordinary expenses	821.3	657.1	164.1
Operating expenses	796.7	635.3	161.4
Non-operating expenses	24.6	21.8	2.7
Operating profit	-4.8	90.9	-95.7
Ordinary profit	-4.9	84.5	-89.4
Extraordinary income	–	4.3 (Note)	-4.3
Income taxes, etc.	0.9	24.1	-23.1
Profit attributable to owners of parent	-5.9	64.7	-70.7

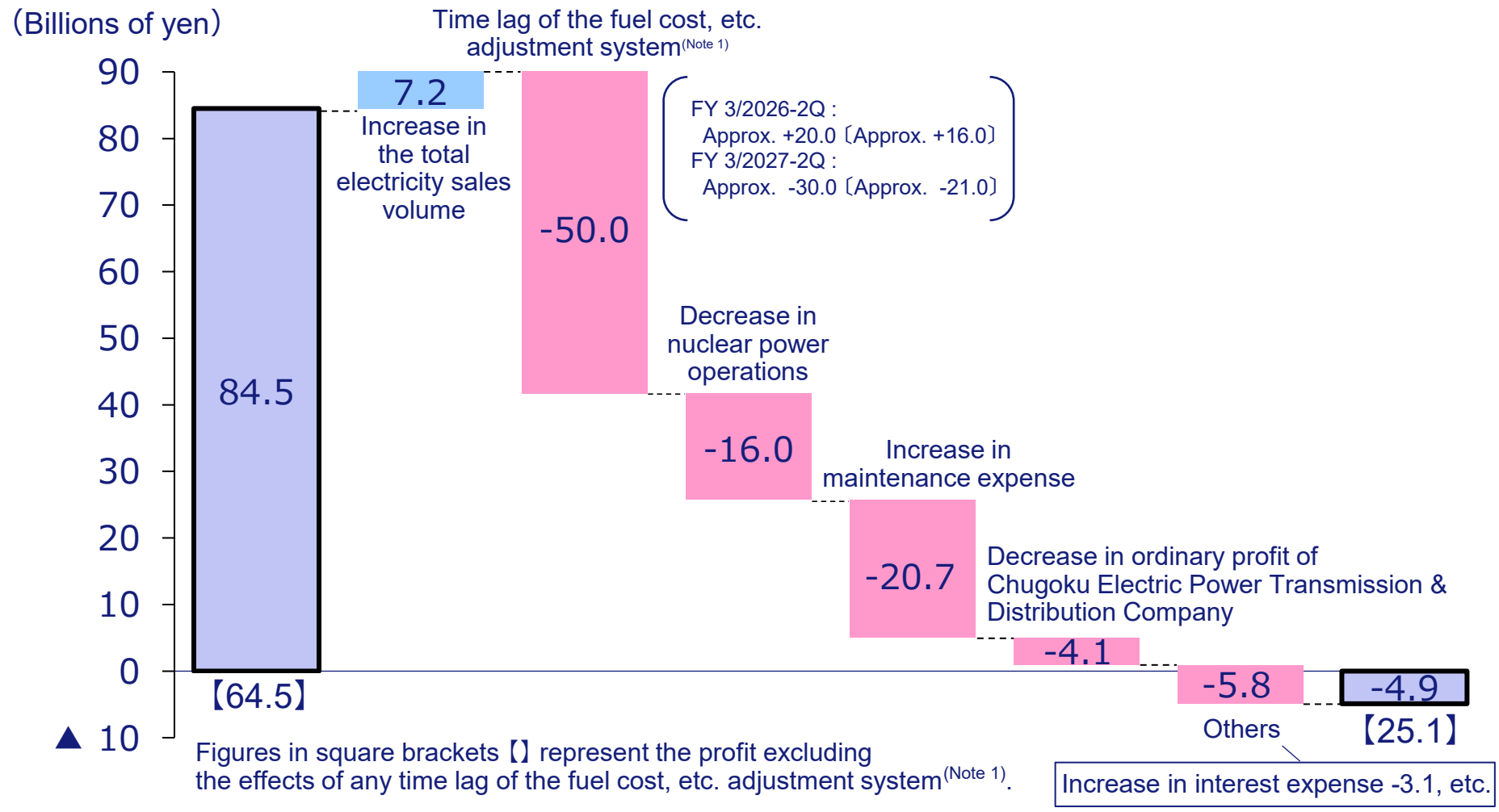
Note: The Company recorded gains on sales of nuclear fuel.

3. Factors Affecting Consolidated Ordinary Profit

FY 3/2026-2Q

Consolidated Ordinary Profit -89.4 billion

FY 3/2027-2Q



Note 1: This represents the total amount of the time lag of the fuel cost adjustment system and the time lag of the market price adjustment system(Note 2).
Figures in square brackets 〔〕represent the amount of the time lag of the fuel cost adjustment system.

Note 2: This system reflects fluctuations in wholesale electricity market prices in electricity rates for customers on high voltage and extra-high voltage plans.

4. Total Electricity Sales Volume

- Total electricity sales volume increased by 8.1% year on year to 30.85 billion kWh.
- Retail electricity sales volume increased by 2.8% year on year to 22.80 billion kWh.
- Electricity sales volume to other power companies increased by 26.5% year on year to 8.05 billion kWh.

(Billions of kWh)

		FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)	YoY growth (A-B)/B
Total electricity sales volume		30.85	28.55	2.31	8.1%
Retail electricity sales volume	Lighting	6.44	6.81	-0.37	-5.5%
	Power	16.37	15.37	0.99	6.5%
	Subtotal	22.80	22.19	0.62	2.8%
Electricity sales volume to other power companies		8.05	6.36	1.69	26.5%

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

- Generated and received electricity increased by 6.8% year on year to 32.83 billion kWh.
- Nuclear power generation decreased as a result of the operational suspension of Shimane Nuclear Power Station Unit 2 for a periodic operator inspection.
- Our own thermal power generation and power received from other companies increased due to factors such as an increase in the total electricity sales volume and a decrease in nuclear power generation.

(Billions of kWh)

	FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)	YoY growth (A-B)/B
Generated and received electricity	32.83	30.75	2.08	6.8%
Generated by Chugoku Electric Power	16.51	18.09	-1.58	-8.7%
(Water flow rate)	(79.6%)	(85.8%)	(-6.2%)	
Hydroelectric	1.89	1.91	-0.02	-1.1%
Thermal	13.64	12.41	1.23	9.9%
(Capacity factor)	(23.5%)	(102.0%)	(-78.5%)	
Nuclear	0.85	3.67	-2.83	-76.9%
New energy sources	0.13	0.10	0.03	33.0%
Received from other companies	17.31	13.66	3.65	26.7%
Power used for water pumping	-0.99	-1.00	0.01	-0.9%

Note 1: The amounts indicated are the power generated and received by Chugoku Electric Power.
Note 2: Shimane Nuclear Power Station Unit 2 had been suspended from operation since February 9, 2026, due to a periodic operator inspection. It restarted power generation after connecting its generator to the grid on August 19, 2026.
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 period.
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

- In the comprehensive energy business, operating profit decreased mainly due to the impact of the loss from the time lag of the fuel cost, etc. adjustment system, as well as increased material costs associated with the operational suspension of Shimane Nuclear Power Station Unit 2 for a periodic operator inspection, despite an increase in the total electricity sales volume.
- In the power transmission and distribution business, operating profit decreased primarily due to a decline in standard connection and wheeling revenue and an increase in operating expenses, such as depreciation.

(Billions of yen)

		FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)
Comprehensive energy	Operating revenues	714.2	675.4	38.7
	Operating profit	-19.1	74.8	-93.9
Power transmission and distribution	Operating revenues	266.9	240.1	26.7
	Operating profit	11.0	15.1	-4.1
Information and tele-communications	Operating revenues	22.8	22.9	-0.0
	Operating profit	0.9	1.9	-1.0
Others	Operating revenues	14.0	13.6	0.3
	Operating profit	-0.3	-0.0	-0.2
Adjustment	Operating revenues	(-226.2)	(-226.0)	(-0.1)
	Operating profit	(2.6)	(-0.9)	(3.5)
Total	Operating revenues	791.9	726.2	65.6
	Operating profit	-4.8	90.9	-95.7

Note: Due to a change in the segment classification of certain consolidated subsidiaries effective from the first quarter of FY 3/2027, the results for the same period of the previous year are presented based on the revised segment classification.

7. Key Factors

		FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)
Exchange rate	(¥/$)	159	146	13
All Japan CIF crude oil price	($/b)	108.1	73.7	34.4
All Japan CIF imported coal price	($/t)	144.0	120.2	23.8
Nuclear capacity factor	(%)	23.5	102.0	-78.5

Note: Crude oil and imported coal CIF prices are preliminary figures for FY 3/2027-2Q.

Reference (Statements of Operations and Balance Sheets (Consolidated))

■ Consolidated Statements of Operations

(Billions of yen)

	FY 3/2027-2Q	FY 3/2026-2Q
Overview of financial results	Increase in revenue (65.6) Decrease in profit (-89.4) for the first time in 4 years	Decrease in revenue (-15.6) Increase in profit (19.1) for the first time in 5 years
Operating revenues	791.9	726.2
Operating profit	-4.8	90.9
Ordinary profit	-4.9	84.5
Profit attributable to owners of parent	-5.9	64.7

■ Consolidated Balance Sheets

(Billions of yen)

	FY 3/2027-2Q	FY 3/2026
Total assets	4,651.8	4,620.5
Net assets	771.5	775.2
Shareholders' equity ratio	16.6% (18.8%(Note 2))	16.8% (19.0%(Note 2))
Interest-bearing debts	3,416.9	3,332.5

Note 1: Increases/decreases in profit in the overview of financial results are based on ordinary profit.

Note 2: 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.

II. Financial Results Forecast and Dividend Policy for FY 3/2027

1. Summary of Consolidated Financial Results Forecast

- While an improvement in profit is expected from a revision to transmission fees, consolidated ordinary profit is expected to decrease compared with the previous forecast due to an increase in loss from the time lag of the fuel cost, etc. adjustment system associated with rising fuel prices, as well as a deterioration in supply and demand-related profit.
- On the other hand, profit attributable to owners of parent is expected to increase due to gains on the sale of securities.

(Billions of yen)

	FY 3/2027 (Revised forecast) (A)	FY 3/2027 (Previous forecast / April 2026) (B)	Difference (A-B)	【Reference】 FY 3/2026
Operating revenues	1,630.0	1,490.0	140.0	1,442.3
Operating profit	43.0	52.0	-9.0	90.2
Ordinary profit	38.0	40.0	-2.0	80.2
Profit attributable to owners of parent	35.0	31.0	4.0	68.5
Shareholders' equity ratio	Approx.17.3% (Approx.19.5%(Note))	16.9% (19.1%(Note))		16.8% (19.0%(Note))
Capital expenditure	Approx. 400.0	Approx. 430.0	-30.0	280.6

Note: 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.

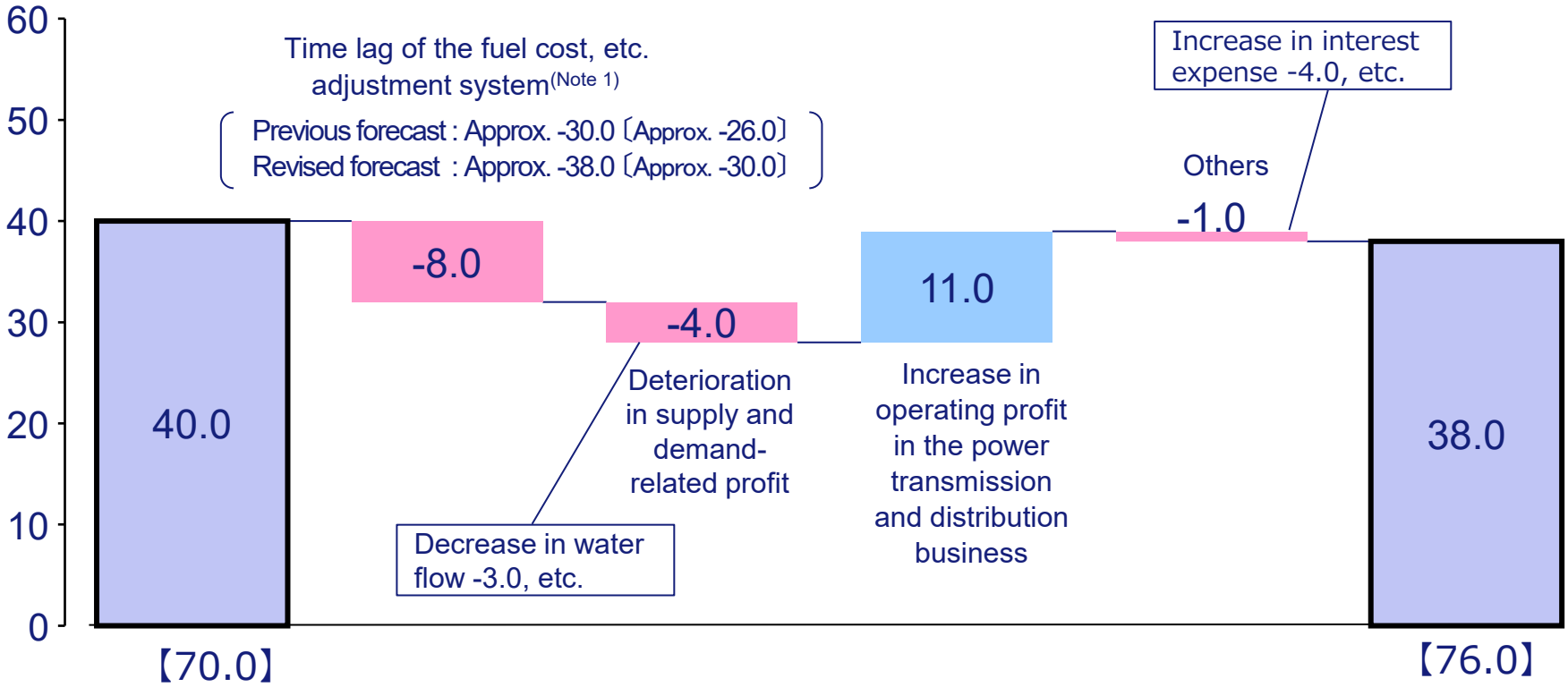
2. Factors Affecting Consolidated Ordinary Profit (Compared with previous forecast)

Previous forecast

Consolidated Ordinary Profit -2.0 billion

Revised forecast

(Billions of yen)



Figures in square brackets【】represent the profit excluding the effects of any time lag of the fuel cost, etc. adjustment system(Note 1).

Note 1: This represents the total amount of the time lag of the fuel cost adjustment system and the time lag of the market price adjustment system(Note 2). Figures in square brackets〔〕represent the amount of the time lag of the fuel cost adjustment system.

Note 2: This system reflects fluctuations in wholesale electricity market prices in electricity rates for customers on high voltage and extra-high voltage plans.

3. Financial Results Forecast by Segment (Compared with previous forecast)

- In the comprehensive energy business, profit is expected to decrease compared with the previous forecast due to factors such as an increase in loss from the time lag of the fuel cost, etc. adjustment system associated with rising fuel prices and a deterioration in supply and demand-related profit.
- In the power transmission and distribution business, profit is expected to increase compared with the previous forecast due to a revision to transmission fees.

(Billions of yen)

		FY 3/2027 (Revised forecast) (A)	FY 3/2027 (Previous forecast / April 2026) (B)	Difference (A-B)	【Reference】 FY 3/2026
Comprehensive energy	Operating revenues	Approx. 1,520.0	Approx. 1,414.0	106.0	1,332.4
	Operating profit	Approx. 20.0	Approx. 44.0	-24.0	72.4
Power transmission and distribution	Operating revenues	Approx. 467.0	Approx. 417.0	50.0	479.8
	Operating profit	Approx. 20.0	Approx. 9.0	11.0	12.9
Information and tele-communications	Operating revenues	Approx. 49.0	Approx. 49.0	—	49.8
	Operating profit	Approx. 2.0	Approx. 2.0	—	4.8
Others	Operating revenues	Approx. 40.0	Approx. 40.0	—	38.0
	Operating profit	Approx. 2.0	Approx. 2.0	—	2.9
Adjustment	Operating revenues	(Approx. -446.0)	(Approx. -430.0)	(-16.0)	(-457.7)
	Operating profit	(Approx. -1.0)	(Approx. -5.0)	(4.0)	(-3.0)
Total	Operating revenues	Approx. 1,630.0	Approx. 1,490.0	140.0	1,442.3
	Operating profit	Approx. 43.0	Approx. 52.0	-9.0	90.2

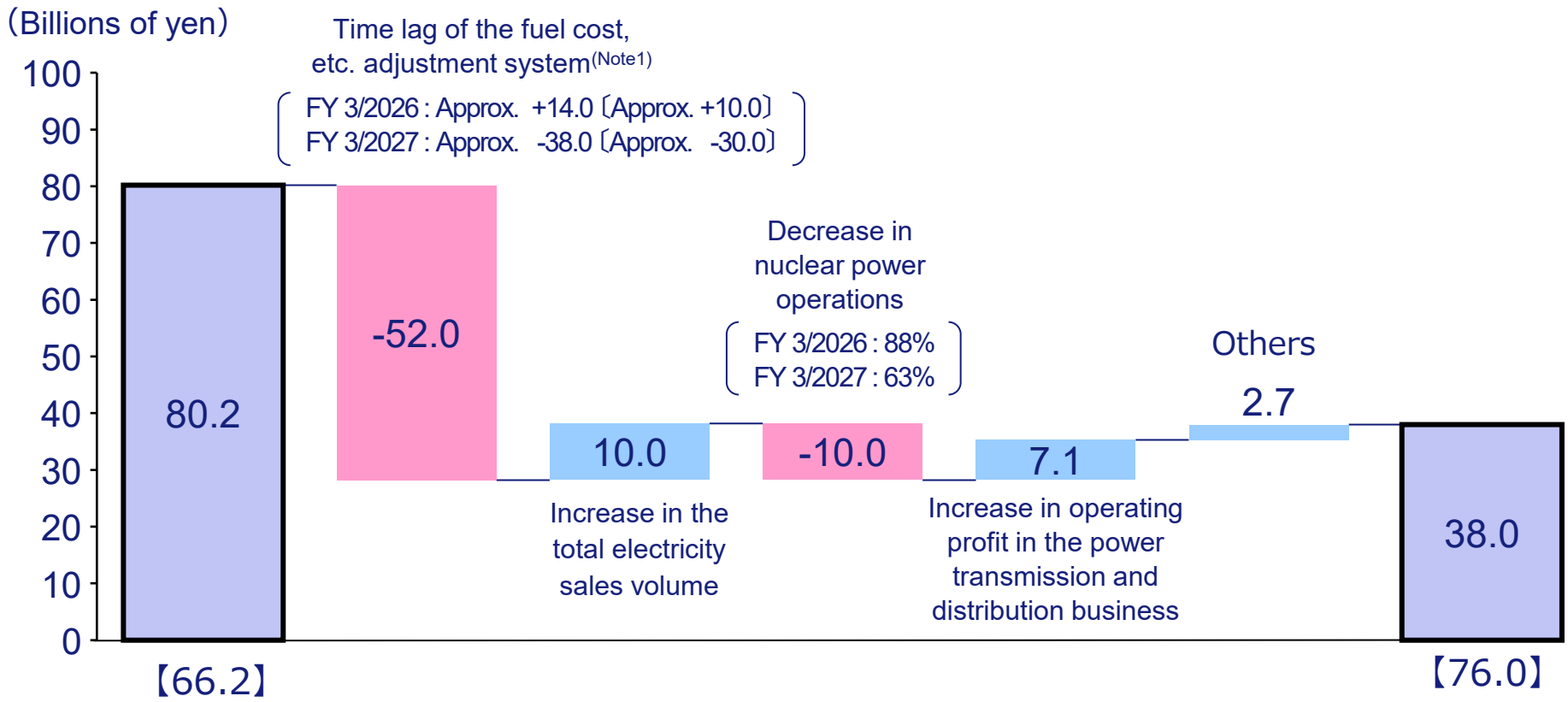
Note: Due to a change in the segment classification of certain consolidated subsidiaries effective from the first quarter of FY 3/2027, the results for the previous fiscal year are presented based on the revised segment classification.

Reference (Factors Affecting Consolidated Ordinary Profit (Compared with FY 3/2026))

FY 3/2026

Consolidated Ordinary Profit -42.2 billion

FY 3/2027 Forecast



Figures in square brackets【】represent the profit excluding the effects of any time lag of the fuel cost, etc. adjustment system(Note 1).

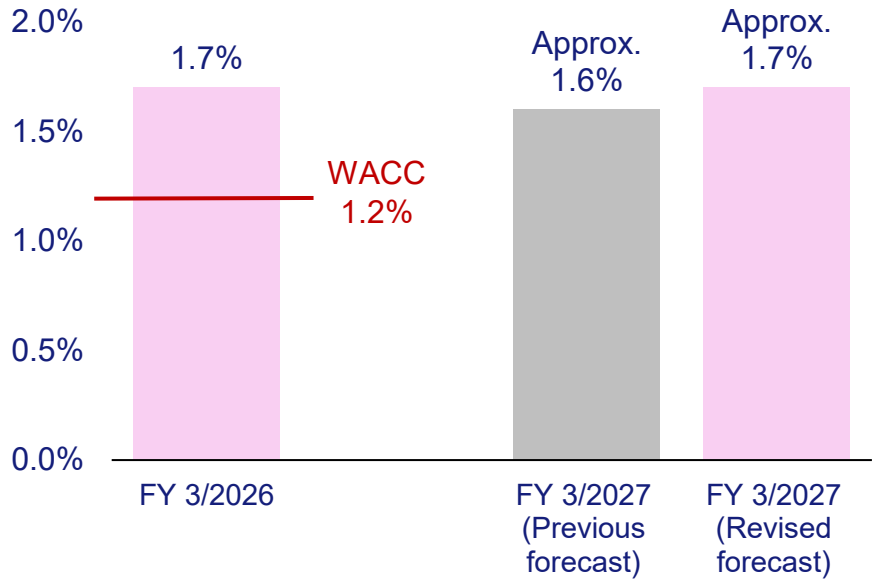
Note 1: This represents the total amount of the time lag of the fuel cost adjustment system and the time lag of the market price adjustment system(Note 2). Figures in square brackets〔〕represent the amount of the time lag of the fuel cost adjustment system.

Note 2: This system reflects fluctuations in wholesale electricity market prices in electricity rates for customers on high voltage and extra-high voltage plans.

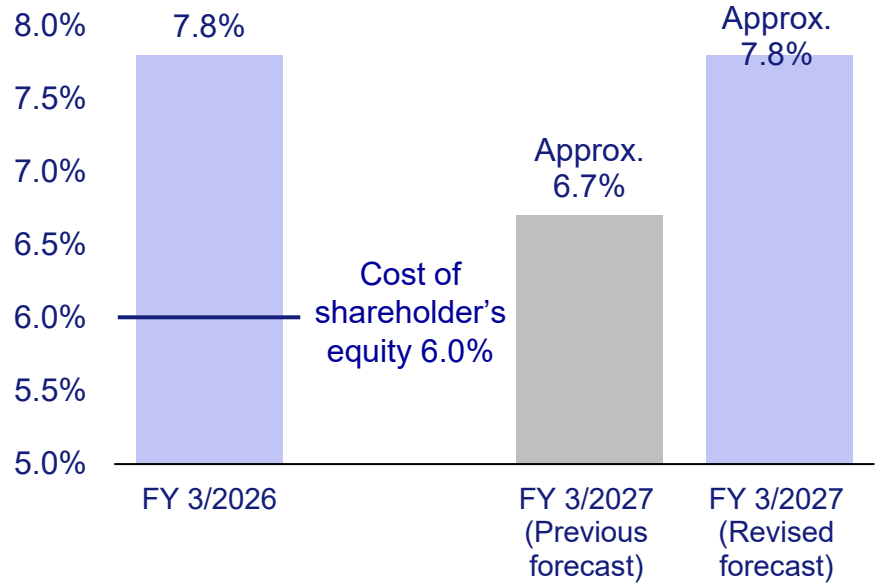
4-1. Capital Efficiency (ROIC・ROE)

■ Profit excluding the effects of any time lag of the fuel cost, etc. adjustment system is expected to increase, and both ROIC and ROE are expected to improve from the previous forecast.

ROIC
(excluding the effects of any time lag of the fuel cost, etc. adjustment system)



ROE
(excluding the effects of any time lag of the fuel cost, etc. adjustment system)



Note 1: Invested capital for ROIC and shareholder's equity for ROE are calculated based on averages at the beginning and end of the period.
Note 2: The profit used for ROIC calculation is business profit (after tax), which is operating profit plus dividend income, etc.
Note 3: WACC and cost of shareholder's equity have been calculated based on CAPM.
Note 4: In calculating WACC, shareholder's equity is performed a mark-to-market. Assuming a PBR of 1x, WACC is 1.7%.
Note 5: Beta value of 0.66 (for Chugoku Electric Power in FY 3/2026), market risk premium of 6.5%.
Note 6: We have revised our calculation methodology to exclude the effects of the time lag of the market price adjustment in addition to any time lag of the fuel cost adjustment system, and have accordingly revised the FY 3/2026 actual results and the previous forecast.

4-2. Capital Efficiency (ROIC by Segment)

	FY 3/2027 Forecast		FY 3/2026	
	Operating profit (Billions of yen)	ROIC	Operating profit (Billions of yen)	ROIC
Comprehensive energy	Approx. 20.0 [Approx. 44.0]	Approx. 1.7% [Approx. 2.1%]	72.4	1.9%
Power transmission and distribution	Approx. 20.0 [Approx. 9.0]	Approx. 1.3% [Approx. 0.6%]	12.9	0.9%
Information and tele-communications	Approx. 2.0 [Approx. 2.0]	Approx. 2.5% [Approx. 2.5%]	4.8	6.1%

Note 1: ROIC of comprehensive energy is calculated excluding the effects of any time lag of the fuel cost, etc. adjustment system.
Note 2: Figures in [ ] are previous forecasts announced on April 28, 2026 (recalculated excluding the effects of any time lag of the fuel cost, etc. adjustment).
Note 3: Invested capital for ROIC is calculated based on averages at the beginning and end of the period.
Note 4: The profit used for ROIC calculation is business profit (after tax), which is operating profit plus dividend income, etc.
Note 5: Due to a change in the segment classification of certain consolidated subsidiaries effective from the first quarter of FY 3/2027, the results for the previous fiscal year are presented based on the revised segment classification.

5. Stance Regarding Financial Results Forecast

- Despite expecting improvement in profit due to a revision to transmission fees in the power transmission and distribution business, consolidated ordinary profit is expected to decrease compared with the previous forecast due to an increase in loss from the time lag of the fuel cost, etc. adjustment system associated with rising fuel prices, as well as a deterioration in supply and demand-related profit.
- On the other hand, profit attributable to owners of parent is expected to increase compared with the previous forecast due to gains on the sale of securities.
- In addition to the protracted impact of soaring fuel prices and other costs resulting from the deteriorating situation in the Middle East, rising prices and interest rates are making the business environment increasingly challenging. However, we will work to improve our performance primarily by ensuring the stable operation of Shimane Nuclear Power Station Unit 2, which resumed commercial operation in September, and by improving efficiency across our overall business.

6. Key Factors

		FY 3/2027 (Revised forecast) (A)	FY 3/2027 (Previous forecast / April 2026) (B)	Difference (A-B)	【Reference】 FY 3/2026
Total electricity sales volume (Billions of kWh)		62.1	60.4	1.7	56.81
Exchange rate	(¥/$)	157	160	-3	151
All Japan CIF crude oil price	($/b)	104	100	4	71.4
Nuclear capacity factor	(%)	63	64	-1	87.9

Note 1: The total electricity sales volume is the sum of the retail electricity sales volume and the electricity sales volume to other power companies by Chugoku Electric Power.
Note 2: The total electricity sales volume does 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.

■ Impact of fluctuations in factors on cost of raw materials

(Billions of yen)

		FY 3/2027 (Revised forecast) (A)	FY 3/2027 (Previous forecast / April 2026) (B)	Difference (A-B)	【Reference】 FY 3/2026
Exchange rate	(¥1/$)	2.2	2.1	0.1	1.8
All Japan CIF crude oil price	($1/b)	1.5	1.4	0.1	1.4
Water flow rate	(1%)	0.3	0.3	—	0.3
Nuclear capacity factor	(1%)	0.7	0.7	—	0.7

7. Dividend Policy

- In order to provide shareholders with stable dividends even during the process of rebuilding our financial base, we have introduced the concept of dividend on equity (DOE) in deciding dividends starting from FY 3/2027.
  Until the start of commercial operation at Shimane Nuclear Power Station Unit 3, we will determine dividends by comprehensively considering the progress in rebuilding our financial base and other factors, while aiming for a DOE of 2%.
- Based on this dividend policy, through our engagement with the capital markets, we have come to recognize that the understanding and support of our shareholders and investors are increasingly important for steadily pursuing our medium- to long-term growth.
  After comprehensively considering factors including the progress of the inspections for Shimane Nuclear Power Station Unit 3, the progress in rebuilding our financial base, we have revised our dividend forecast for FY 3/2027 to ¥40 per share annually, which corresponds to a DOE of approximately 2.0%.
- The Board of Directors resolved at a meeting held today to pay an interim dividend of ¥20 per share, while the year-end dividend forecast has been revised to ¥20 per share.

《Dividends》

(Dividends per share)

	FY 3/2027	FY 3/2026
Interim	¥20	¥10
Year-end	¥20 (Forecast)	¥17
Total	¥40 (Forecast)	¥27

(Reference) Supplemental Data

1. Summary of Cash Flows <Consolidated>

(Billions of yen)

	FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)
Cash flows from operating activities	-13.4	133.2	-146.7
Cash flows from investing activities	-145.4	-103.5	-41.9
Free Cash Flow	-158.9	29.6	-188.6
Cash flows from financing activities	76.2	172.0	-95.8
Cash and cash equivalents (increase and decrease)	-87.0	201.1	

2-1. Income Statement <Non-Consolidated>

(Billions of yen)

	FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)
Ordinary revenues	723.3	662.6	60.6
Operating revenues	691.7	641.2	50.4
Electricity sales revenue	463.7	471.8	-8.1
Others	228.0	169.4	58.5
Non-operating income	31.5	21.4	10.1
Ordinary expenses	738.2	588.1	150.0
Operating expenses	714.1	569.8	144.2
Personnel	23.2	21.4	1.7
Retirement allowances	0.9	0.1	0.8
Material	394.4	279.3	115.1
Fuel	139.0	114.0	24.9
Purchased power	255.4	165.2	90.1
Maintenance	44.1	23.4	20.7
Depreciation	39.7	39.9	-0.2
Back-end of nuclear power	2.6	8.7	-6.1
Transmission fees of connected supply	128.7	130.7	-1.9
Others	81.1	66.1	14.9
Non-operating expenses	24.1	18.2	5.8
Ordinary profit (Operating profit)	-14.9 (-22.3)	74.5 (71.3)	-89.4 (-93.7)
Provision or reversal of reserve for water shortage	–	–	–
Extraordinary income	–	4.3	-4.3
Extraordinary losses	–	–	–
Income taxes, etc.	-2.9	19.7	-22.6
Profit	-12.0	59.2	-71.2

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

(Billions of yen)

	FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)
Ordinary revenues	264.9	237.3	27.5
Operating revenues	263.0	236.6	26.4
Transmission revenue	164.3	163.6	0.6
Others	98.6	72.9	25.7
Non-operating income	1.8	0.7	1.1
Ordinary expenses	257.1	225.3	31.7
Operating expenses	252.6	221.6	31.0
Personnel	23.4	22.6	0.8
Retirement allowances	0.8	0.3	0.5
Material	116.5	89.2	27.2
Fuel	2.0	1.3	0.6
Purchased power, etc.	114.5	87.8	26.6
Maintenance	30.9	31.1	-0.2
Depreciation	22.8	21.6	1.2
Others	58.8	57.0	1.8
Non-operating expenses	4.4	3.7	0.6
Ordinary profit (Operating profit)	7.8 (10.3)	11.9 (15.0)	-4.1 (-4.6)
Income taxes, etc.	1.9	2.9	-0.9
Profit	5.8	9.0	-3.2

＜Reference＞ Electricity demand in the Chugoku region

(Billions of kWh)

FY 3/2027-2Q	FY 3/2026-2Q	Difference
26.69	27.09	-0.40

3.Monthly Change in Total Electricity Sales Volume

FY 3/2027-2Q

(Billions of kWh)

		Apr.	May	Jun.	Jul.	Aug.	Sep.	Total	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total electricity sales volume		4.79 (14.0%)	4.43 (12.4%)	4.71 (6.2%)	5.27 (2.6%)	5.94 (7.9%)	5.71 (7.2%)	30.85 (8.1%)	–	–	–	–	–	–
Retail electricity sales volume	Lighting	1.16 (-2.5%)	0.92 (-3.1%)	0.82 (-8.9%)	0.98 (-11.4%)	1.39 (0.7%)	1.16 (-9.2%)	6.44 (-5.5%)	–	–	–	–	–	–
	Power	2.50 (10.0%)	2.39 (6.7%)	2.61 (8.3%)	2.89 (3.5%)	3.03 (7.3%)	2.95 (3.9%)	16.37 (6.5%)	–	–	–	–	–	–
	Subtotal	3.67 (5.7%)	3.31 (3.8%)	3.43 (3.6%)	3.87 (-0.8%)	4.43 (5.1%)	4.11 (-0.1%)	22.80 (2.8%)	–	–	–	–	–	–
Electricity sales volume to other power companies		1.13 (53.0%)	1.12 (49.1%)	1.28 (13.7%)	1.40 (13.3%)	1.51 (17.0%)	1.61 (32.0%)	8.05 (26.5%)	–	–	–	–	–	–

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: Figures in parentheses indicate the percentage change from the previous fiscal year.
Note 4: There may be discrepancies in totals due to rounding.

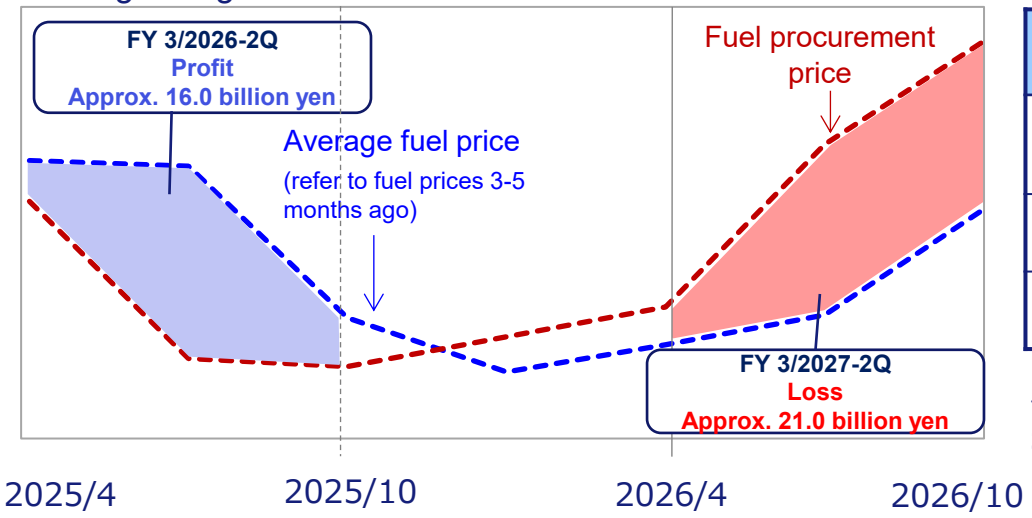
<Reference> Average monthly temperature (Hiroshima city)

(℃)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY 3/2027	16.4	21.1	23.1	29.3	30.5	25.6	–	–	–	–	–	–
Difference from average year	1.6	1.5	-0.1	2.1	2.0	0.9	–	–	–	–	–	–
Difference from previous year	0.9	1.5	-1.6	-0.5	0.8	-1.4	–	–	–	–	–	–

4. Time Lag of the Fuel Cost, etc. Adjustment System (Image Diagram)

(1)Time Lag of the Fuel Cost Adjustment System (Note 1) (Image Diagram)

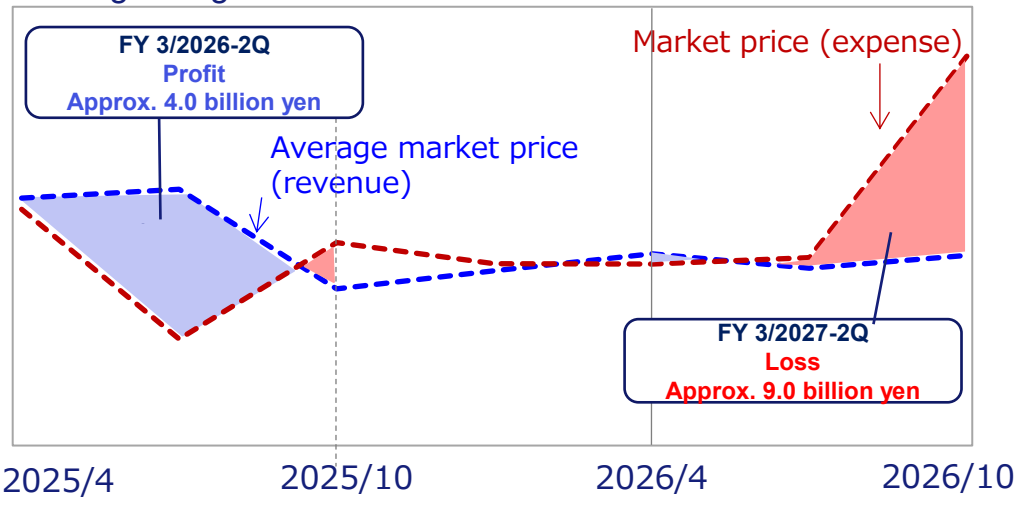


(Reference) Fuel Prices

	FY 3/2026		FY 3/2027	
	1Q	2Q	1Q	2Q
Fuel oil	75$/b (10,000 kL)	72$/b (40,000 kL)	113$/b (10,000 kL)	106$/b (50,000 kL)
Coal	121$/t (1,170 kt)	120$/t (1,550 kt)	139$/t (1,320 kt)	147$/t (1,740 kt)
LNG	597$/t (220 kt)	571$/t (280 kt)	586$/t (220 kt)	730$/t (300 kt)

Figures in parentheses indicate Chugoku Electric Power's fuel consumption.
Source: Trade Statistics of Japan, Ministry of Finance

(2) Time Lag of the Market Price Adjustment System (Note 2) (Image Diagram)



(Reference) Market Prices

(¥/kWh)

	FY 3/2026		FY 3/2027	
	1Q	2Q	1Q	2Q
Market price	9.9	12.1	14.6	18.7

Source: Japan Electric Power Exchange

Note 1: Time lag of the fuel cost adjustment system is caused by the time lag of reflecting fuel prices in electricity rates (average fuel price).
Note 2: Time lag of the market price adjustment system is caused by the time lag of reflecting market prices in electricity rates (average market price).

5. Capital Expenditure

(Billions of yen)

	Non-Consolidated			Chugoku Electric Power Transmission & Distribution Co., Inc.		
	FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)	FY 3/2027-2Q (A)	FY 3/2026-2Q (B)	Difference (A-B)
Capital expenditure	80.7 (75.6)	60.3 (54.0)	20.4 (21.6)	52.1	34.3	17.8

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

6. Interest-bearing Debts, etc.

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

(Billions of yen)

	End of FY 3/2027-2Q (A)	End of FY 3/2026 (B)	Difference (A-B)
Interest-bearing debts	3,416.9	3,332.5	84.3
Bonds	1,276.6	1,281.6	-5.0
Long-term borrowings	2,104.8	2,016.5	88.3
Short-term borrowings	11.7	10.3	1.3
Commercial paper	–	–	–
Lease obligations	23.6	24.0	-0.3

(2) Interest rate <Non-Consolidated>

	FY 3/2027-2Q	FY 3/2026-2Q	【Reference】 FY 3/2025
Average	1.12%	0.90%	0.94%

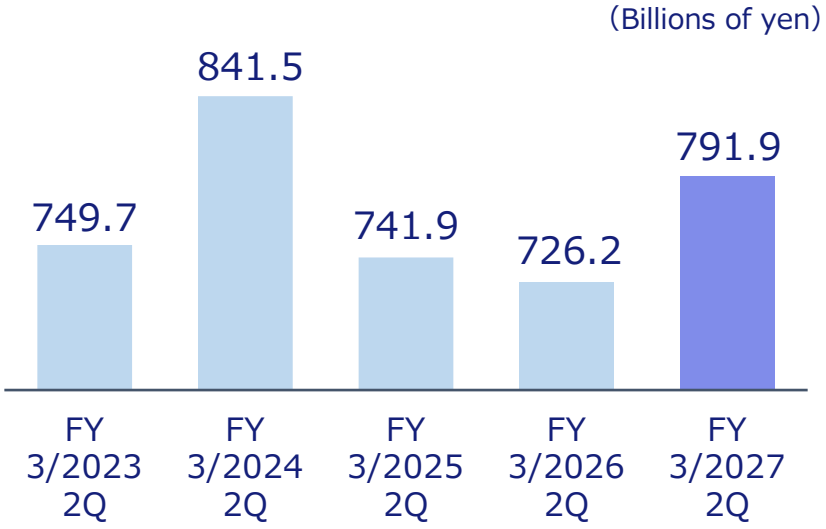
(3) Interest expense <Non-Consolidated>

(Billions of yen)

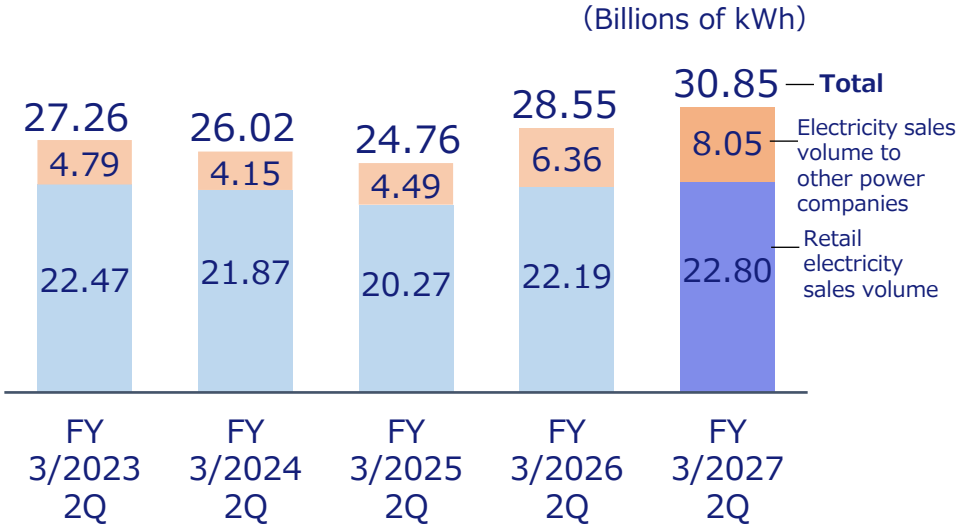
	FY 3/2027-2Q	FY 3/2026-2Q
Interest expense	16.3	13.0

7. Operating Revenues and Profit Trends

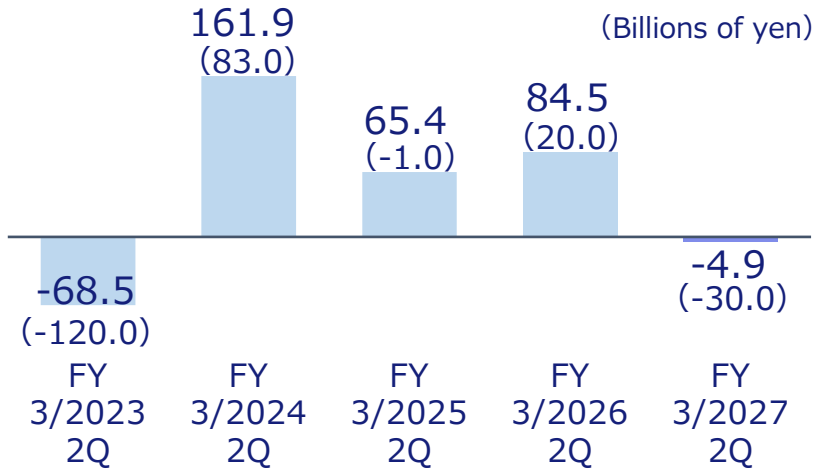
Operating revenues (Consolidated)



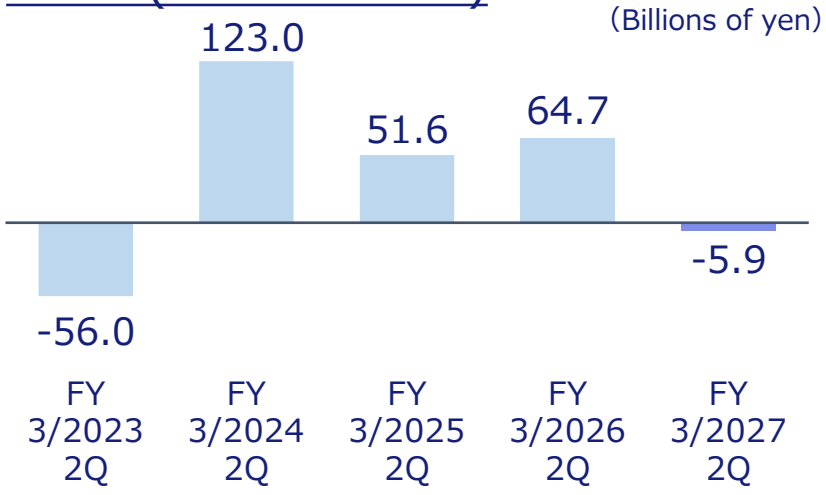
Electricity sales volume



Ordinary profit (Consolidated)

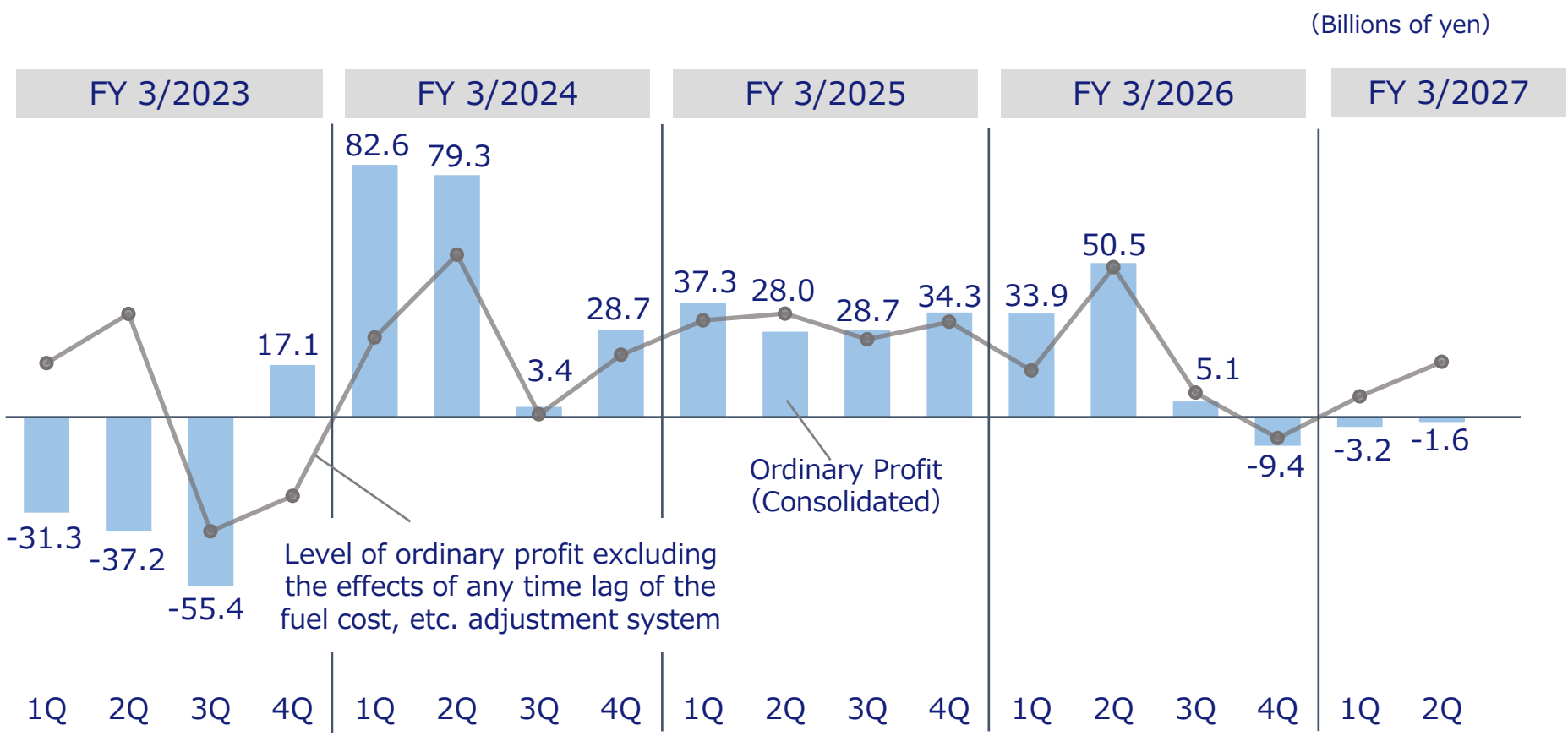


Profit (Consolidated)



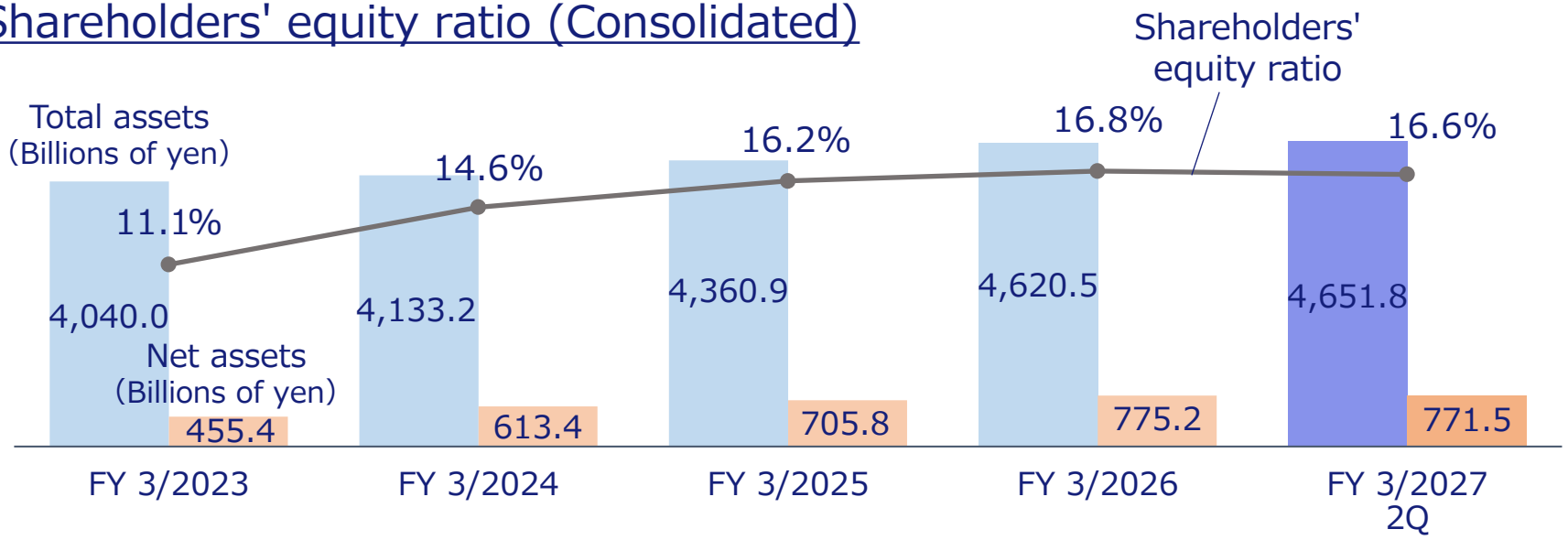
*Values in parentheses ( ) denote the impact of the time lag of the fuel cost, etc. adjustment system.

8. Trends in Ordinary Profit by Quarter<Consolidated>

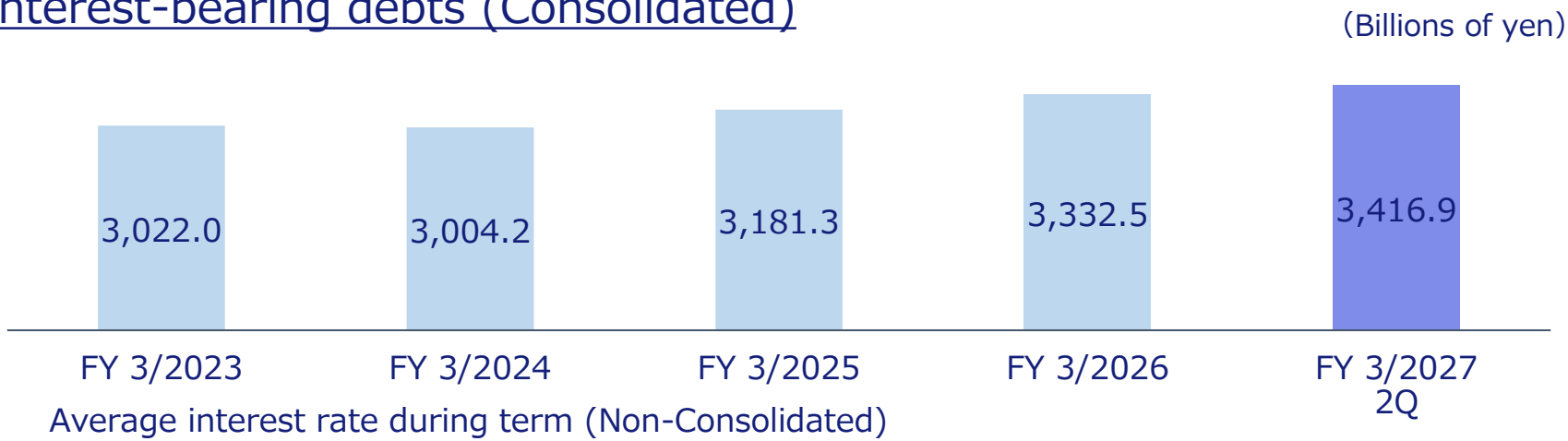


9-1. Financial Indicator Trends (1)

Shareholders' equity ratio (Consolidated)



Interest-bearing debts (Consolidated)

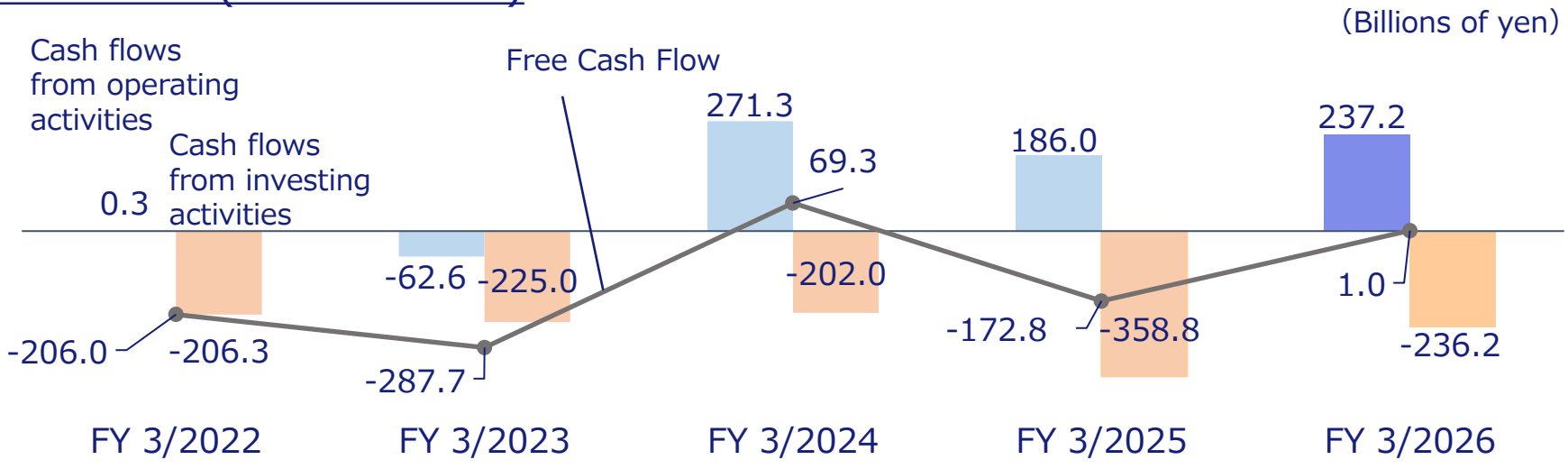


Average interest rate during term (Non-Consolidated)

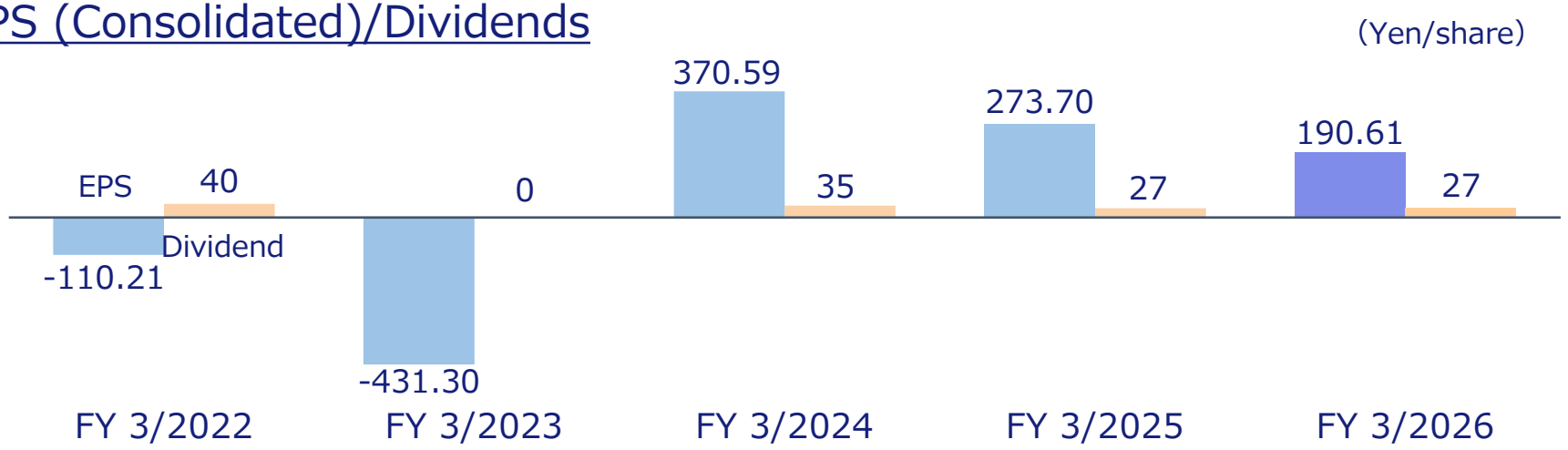
0.49%	0.59%	0.72%	0.94%	1.12%

9-2. Financial Indicator Trends (2)

Cash flows (Consolidated)

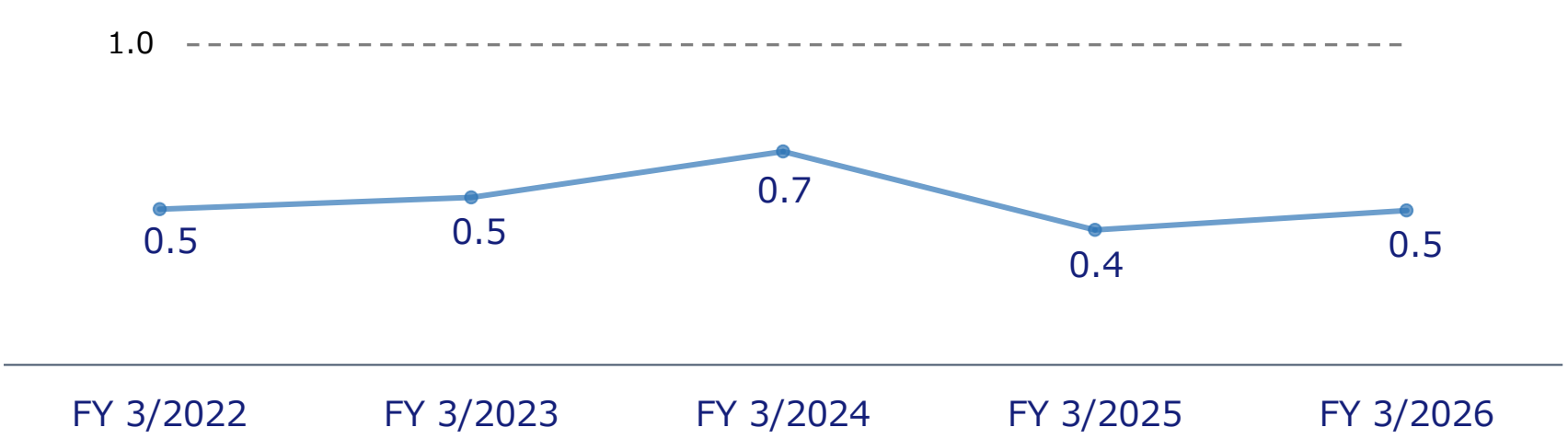


EPS (Consolidated)/Dividends



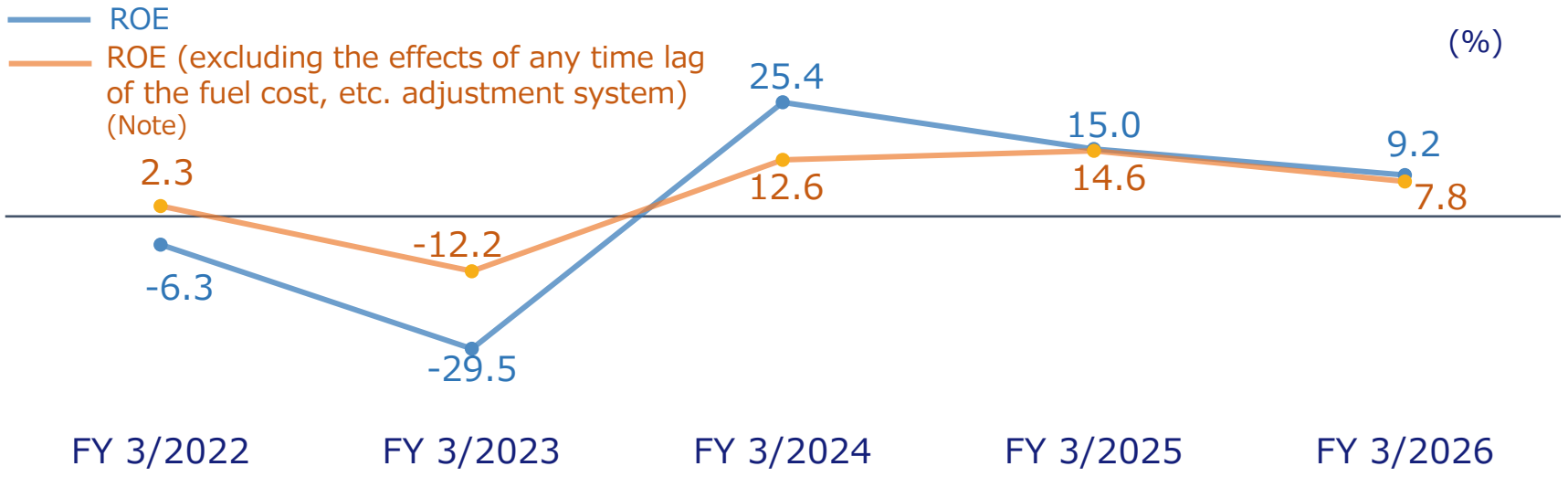
9-3. Financial Indicator Trends (3)

PBR (Price book-value ratio)



Note: Figures are as of the end of the fiscal year (as of the end of March).

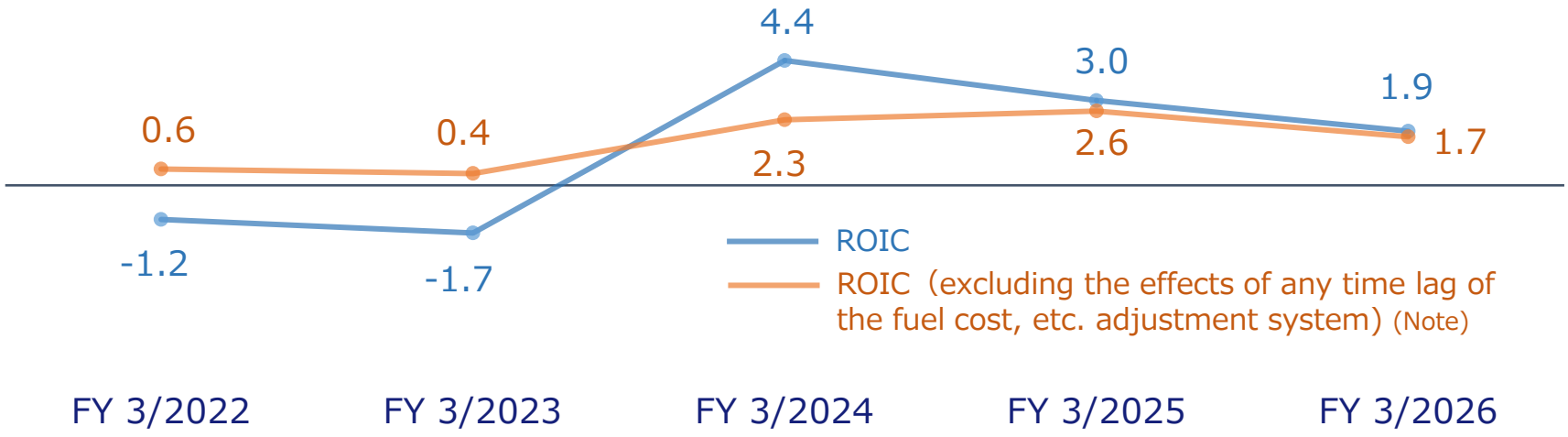
ROE (Return on equity)



Note :The calculation method was revised to exclude the effects of time lag of both the fuel cost and market price adjustment systems, and FY 3/2024–FY 3/2026 results were revised accordingly.

9-4. Financial Indicator Trends (4)

ROIC (Return on invested capital)



Note : The calculation method was revised to exclude the effects of time lag of both the fuel cost and market price adjustment systems, and FY 3/2024–FY 3/2026 results were revised accordingly.

- We announced the Chugoku Electric Power Group Corporate Vision 2040 on September 30, 2025.
- 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.
  - ✓ Chugoku Electric Power Group Corporate Vision 2040
    https://www.energia.co.jp/e/ir/info/corporate_vision.html
  - ✓ Action Plan (summary of the management plan)
    https://www.energia.co.jp/e/ir/info/action_plan.html
  - ✓ Chugoku Electric Power Group's initiatives for carbon neutrality by 2050
    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)

- 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)

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For Questions or Comments,

Please Contact the Investor Relations Section

at the Address Below：

4-33 , Komachi, Naka-ku,

Hiroshima 730-8701

Japan

The Chugoku Electric Power Co., Inc.

Corporate Management Division

E-mail： info.ir.cg@hd.energia.co.jp