

Presentation Materials

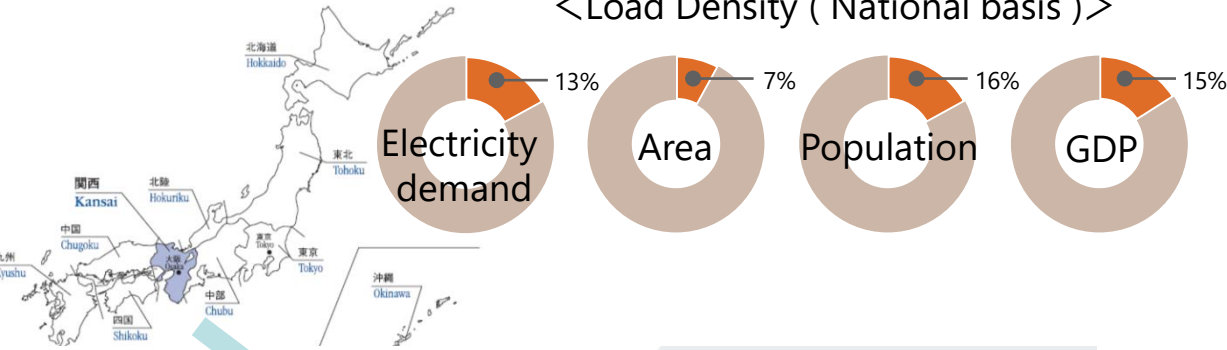
May 2021

The Kansai Electric Power Co., Inc.

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<Load Density (National basis)>



<Overview of Facilities>



<Company Data (FY 3/2021)>

Establishment	May 1, 1951
Paid-in capital	JPY 489.3 billion
Common shares issued	939 million
Total assets	JPY 8,075.7 billion (Consolidated)
Generation facilities	Hydropower 8.24 GW
	Thermal 14.57 GW
	Nuclear 6.58 GW
	Renewable energy 0.01 GW
	Total 29.39GW
Total electricity sales	117.6 TWh
Retail Electricity sales volume	112.3 TWh
	Electricity sales to other utility and non-utility companies 15.3 TWh
Sales volume of Gas & LNG	1.57 million tons
Operating revenues	JPY 3,092.3 billion (Consolidated)
	JPY 2,358.6 billion (Energy business)
	JPY 293.7 billion (IT/Communications business)
	JPY 176.1 billion (Life/business solutions business)
Ordinary income	JPY 153.8 billion (Consolidated)
Net income	JPY 108.9 billion (Consolidated)
Employees	31,933 (Consolidated)
	8,770 (Non-consolidated)

<FY 3/2021 results>

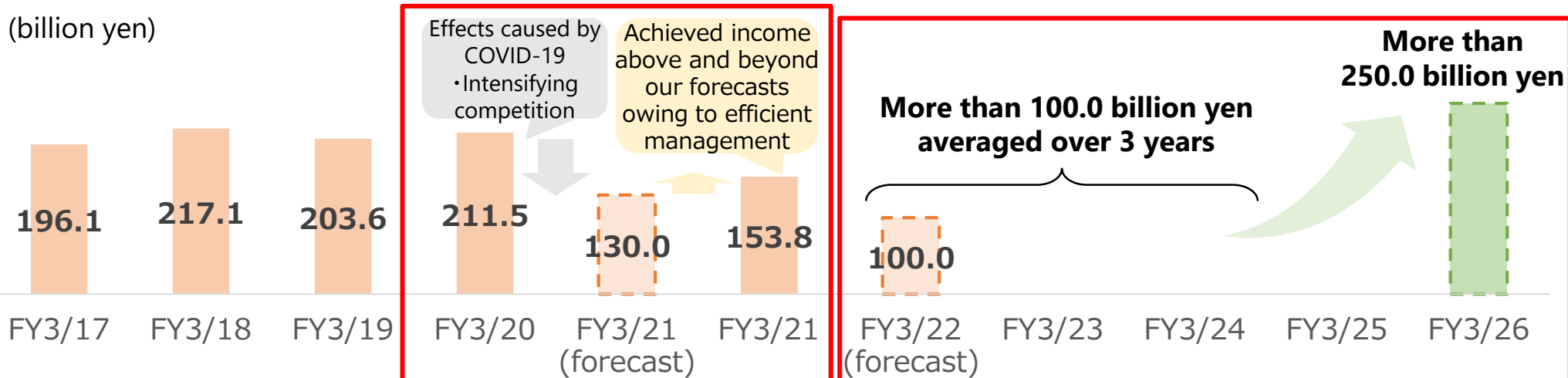
○ In FY 3/2021, our forecast of consolidated ordinary income was 130.0 billion yen in light of effects caused by COVID-19. However, actual income resulted in 153.8 billion yen due to our efforts to efficiency efforts in management, which enabled a certain levels of profit.

<FY 3/2022 and after forecasts>

○ While in intensifying competition with power producers and suppliers (PPSs), with the fall in electricity sales volume and unit selling prices, it will take us a reasonable time to reform cost structures accordingly, making it difficult to achieve our financial goals. For that reason, we have reviewed our medium-term management plan.

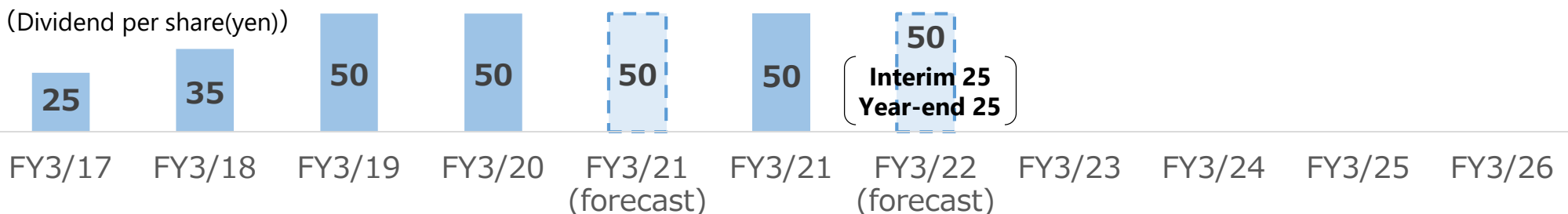
Ordinary profit/loss(consolidated)

(billion yen)



Dividend per share

(Dividend per share(yen))



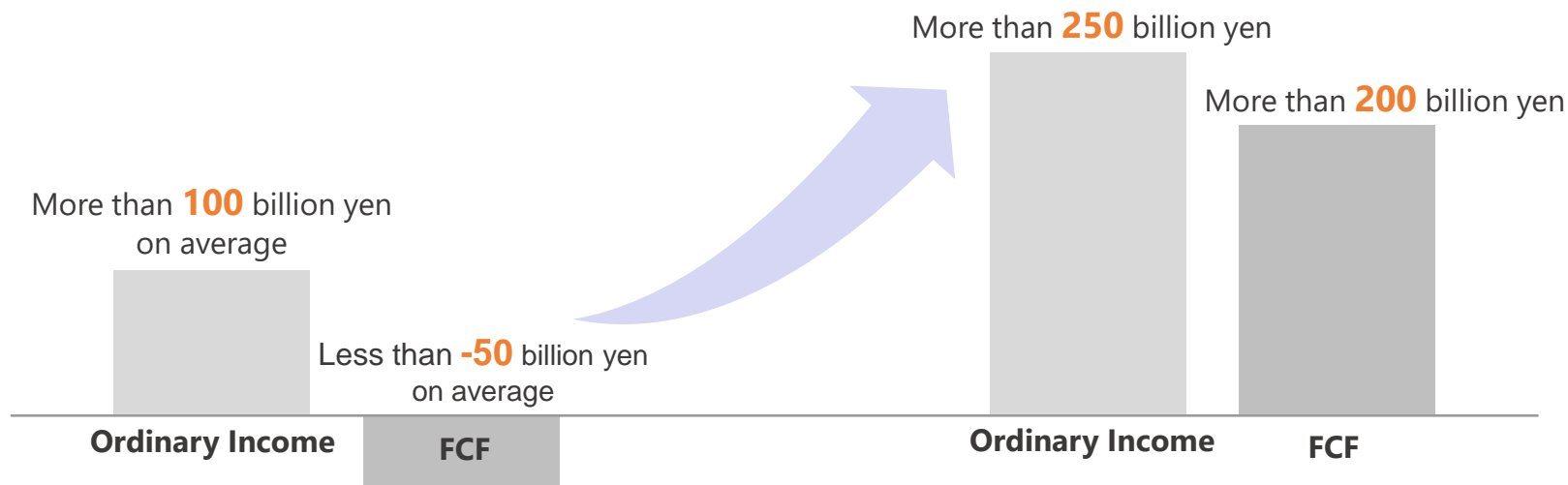
(3) Financial Goals

Over three fiscal years from 2021 to 2023, we will complete business structural reforms while anticipating a decline in profits. We will make investment in growth opportunities as well as construction work to ensure nuclear safety for the future.

In fiscal 2025, we will put our business on a growth track and take another leap forward.

	FY 3/2022 – FY 3/2024	FY 3/2026
Ordinary Income	More than 100 billion yen averaged over three years	More than 250 billion yen
FCF	Less than -50 billion yen averaged over three years	More than 200 billion yen
	Register a surplus across total income booked between FY 2021 and FY 2025	
Equity Ratio	More than 20%	More than 23%
ROA(*)	More than 1.5% averaged over three years	More than 3.5%

(*) ROA [Return on total assets] = Operating income [Ordinary income + Interest expense] / Total assets [Beginning and ending balance average]



[Reference] ROE (Return on equity = Net income / Shareholders' equity [Beginning and ending balance average]) when the above goals are achieved: about 4% for FY 2021-2023, about 10% for FY 2025

Comparison of financial goals between the old and the new medium-term management plans

200.0

① **the fall in electricity sales volume and unit selling prices**

In Energy business:

- Amid sluggish demand, massive introduction of renewable energy coupled with falling crude oil prices has led to a substantial decline in the electricity market price.
- Intensifying competition with PPSs, etc. and the novel coronavirus pandemic have pushed down our electricity sales volumes.

② **increase in fixed costs**

- Increase in depreciation and amortization cost with constructions for nuclear plants to ensure safety, etc.

**Improve
profitability by
the cost
reduction**

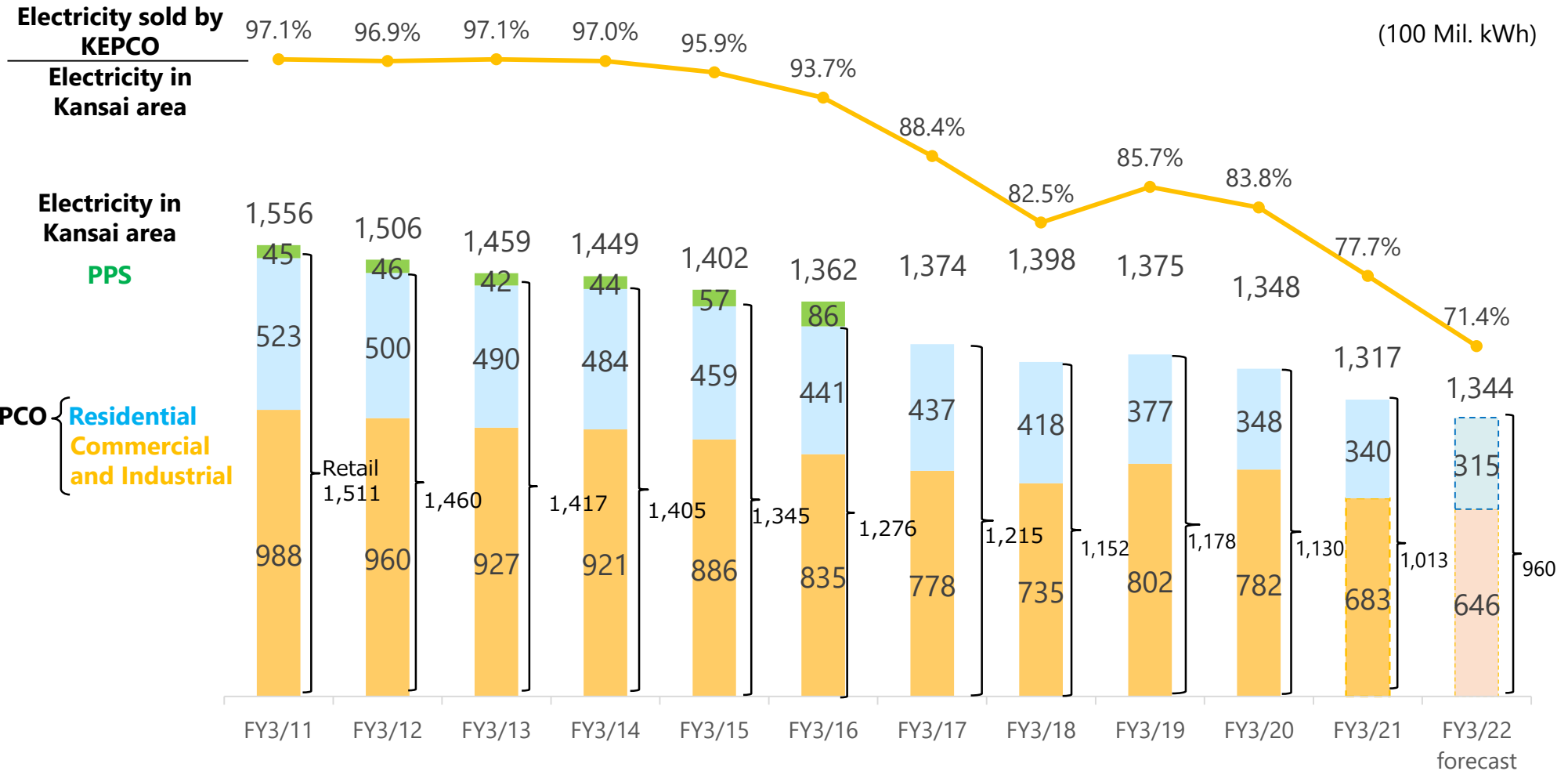
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**Old medium-term
management plan
(FY3/20~FY3/22)**

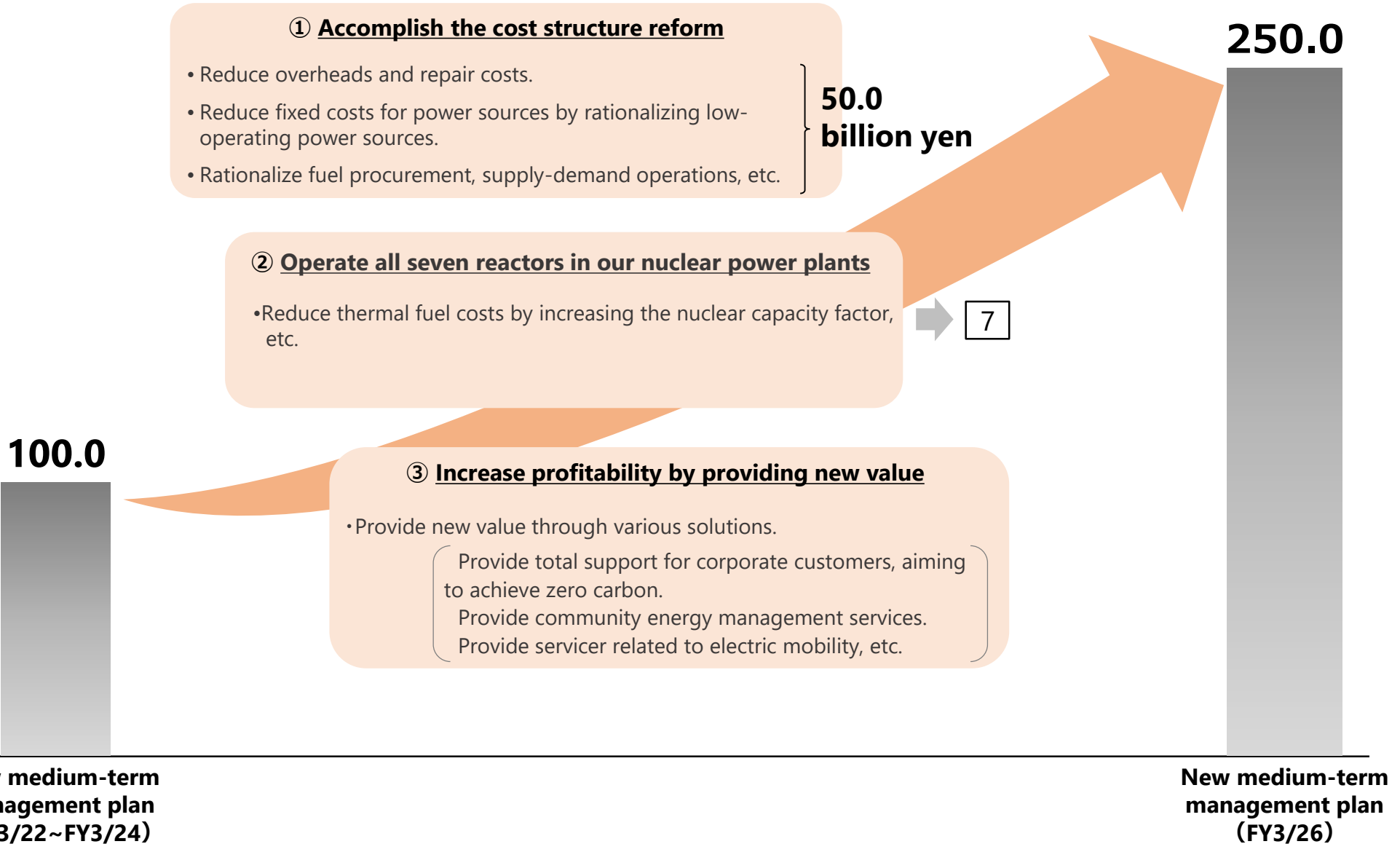
**New medium-term
management plan
(FY3/22~FY3/24)**

(Ref.) Trend of Electricity Sold

- In FY 3/2019, electricity sales volume temporarily increased as a result of sales activities that focused on ensuring hours, but then trended downward after the focus of sales activities was switched to profitability.
- We anticipate that the intensifying competition with PPSs and decreases in retail electricity sales volume due to the withdrawal of customers will continue in FY 3/2022.



* After full liberalization of retail sales in April 2016, our Retail Electricity sales volume including sales without the jurisdiction.





- ① The 4 plants that have resumed operation had undergone protracted periodical inspections due to equipment trouble, but most of those issues have been addressed and rectified.
- ② 3 plants that are undergoing construction to ensure safety have been approved to resume operation, and we have obtained the consent of local residents to restart them.
- ③ With regards to construction works for installing Specified Safety Facilities for severe accidents, Takahama 3 and 4 were initially anticipated to be kept offline for 1 year because construction would miss the deadline, but work was completed in about 8 months ahead of schedule. In regard to the other plants, the deadline for completion of such construction is approaching, and we aim to finish such construction and get back to a 7-plant supply base as quickly as possible in order to seek a swift improvement in our financial performance.

■ Current Status of KEPCO Nuclear Power Plants

■ : Not in operation (periodical inspection) ■ : Not in operation (In construction to ensure safety)

Unit		FY 3/2021	FY 3/2022	FY 3/2023	...	FY 3/2026	Constructions to install Specified Safety Facility for severe accidents		
							Deadline	Expected date to completion (mentioned in applications)	Date to completion
Restarted	Takahama 3 (36y, 870MW)	3/10					2020/8	2021/8	2020/12 (Shortened 8 months)
	Takahama 4 (35y, 870MW)	10/7	4/15				2020/10	2021/10	2021/3 (Shortened 7 months)
	Ohi 3 (29y, 1,180MW)	7/20	early July				2022/8	2023/8	Make the most effort to shorten the construction period
	Ohi 4 (28y, 1,180MW)	11/3	1/17				2022/8	2023/8	
Not in operation	Takahama 1 (46y, 826MW)	9/18					2021/6	2023/12	Make the most effort to shorten the construction period
	Takahama 2 (45y, 826MW)		undecided				2021/6	2023/12	
	Mihama 3 (44y, 826MW)	9/18					2021/10	2023/4	

① In operation

Improving profitability by 7 units in operation

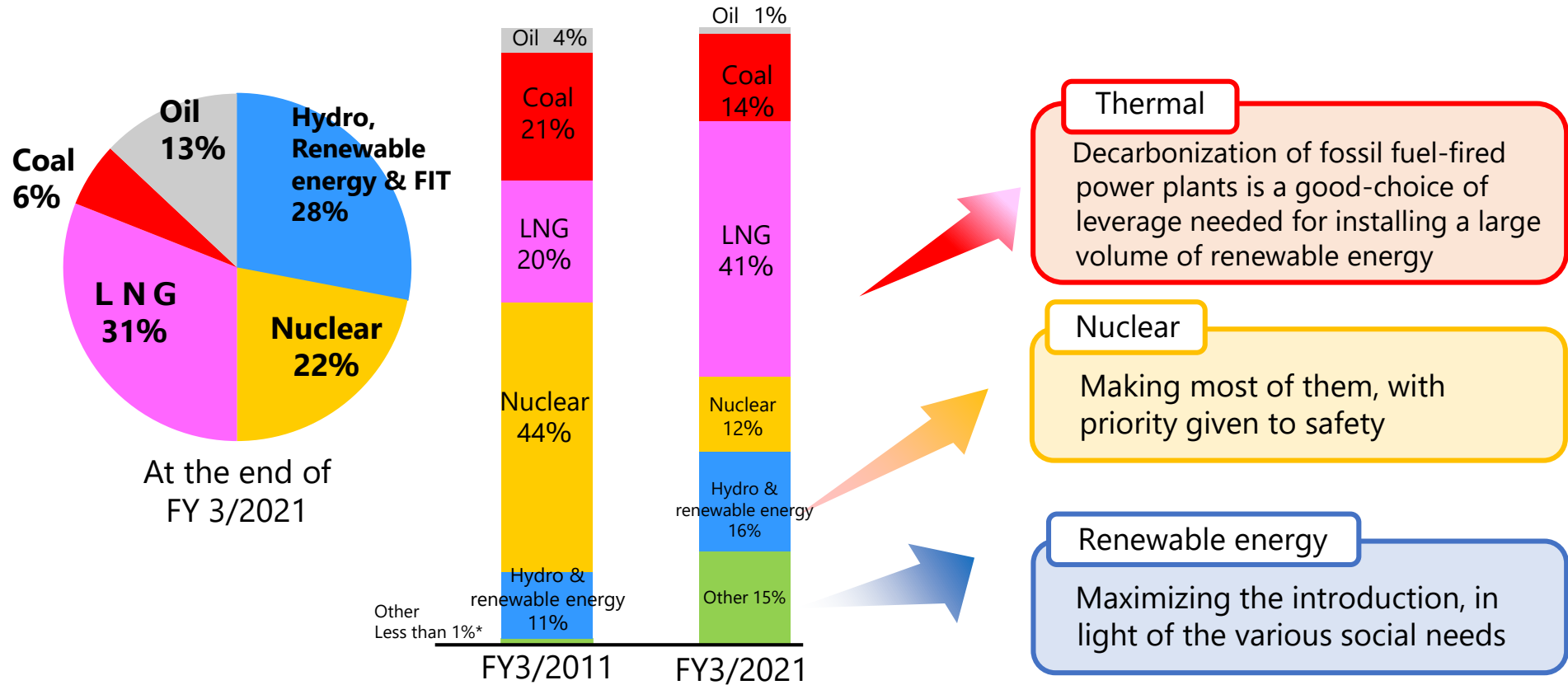
Stop operations due to the coming deadline for installing Specified Safety Facility for severe accidents

②

③

○ Regarding our power mix, our stance is to maintain a diversity of energy sources because it is important to achieve all elements of "S + 3E" at the same time. We aim to build a power source portfolio for realizing a carbon-neutral society by 2050, by maximizing the use of non-fossil electric power sources such as renewable energies and nuclear power, and decarbonizing our thermal power plants that remain our best option for leveraging supply and demand.

<Total power generation capacity> (Only our company) <Total power source composition> (Including from other electric company)



Thermal
Decarbonization of fossil fuel-fired power plants is a good-choice of leverage needed for installing a large volume of renewable energy

Nuclear
Making most of them, with priority given to safety

Renewable energy
Maximizing the introduction, in light of the various social needs

* Includes electricity whose suppliers cannot be specified, and which are procured in the wholesale power market or from other companies.
* Some rounding errors may be observed.

Appendix1

■ Outline of Financial Closing

(Sales)

Affected by the intensifying competition and COVID-19, the decrease of electricity sales with the reduction of retail electric sales volume in Power generating/Sales Business led to **decrease in revenue**, in spite of the increased income of wheeling service in Transmission and Distribution business and the increased revenue in Gas/Other Energies business affected by the tight supply/demand situations in this winter.

(Ordinary income / Net income)

Ordinary expenses decreased because we strived for efficient management thoroughly and fossil fuel cost decreased with the changes in exchange rate/fuel prices and the decrease of retail sales volume in Power Generating/Sales Business despite the decrease of the nuclear capacity factor, while the cost of adjusting demand/supply situation in Transmission and Distribution business and the cost with the increased sales in Gas/Other energies. Ordinary income decreased because the decrease in revenue exceeded the decrease in costs.

Ordinary income decreased because the decrease in revenue exceeded the decrease in costs.

■ Factors of increase in electricity sales

- ✓ Influence of the meter reading ▲0 billion kWh
- ✓ Influence of the leap day ▲0.2 billion kWh
- ✓ Influence of the ambient temperature +1.5 billion kWh
- ✓ Increase in the Demand ▲7.9 billion kWh
- ✓ Influence of other factors ▲4.0 billion kWh

Influence of the economic climate in the Kansai area and customers leaving KEPCO are included here.

(Unit:¥ billion)	FY 3/2021			FY 3/2020
		Change	Percentage	
Operating revenues	3,092.3	△91.8	△2.9%	3,184.2
Operating income	145.7	△61.2	△29.6%	206.9
Ordinary income	153.8	△57.6	△27.3%	211.5
Net income	108.9	△21.0	△16.2%	130.0

Total electricity sales (TWh)	117.6	▲9.7	▲7.6%	127.3
Retail Electricity sales volume	102.3	▲10.7	▲9.4%	113.0
Residential	34.0	▲0.8	▲2.3%	34.8
Commercial and Industrial	68.3	▲9.8	▲12.6%	78.2
Electricity sales to other utility and non-utility companies	15.3	+1.0	-	14.3
Nuclear capacity factor (%)	28.0	▲20.4	-	48.4
Japan Crude Oil Price (\$/b)	43.4	▲24.4	-	67.8
Exchange rate (¥/\$)	106	▲3	-	109

(Unit:¥ billion)	Mar. 31, 2021			Mar.31, 2020
		Change	Percentage	
Net assets	17,255	+838	+5.1%	16,417
Equity ratio	20.9%	▲0.1%	-	21.0%

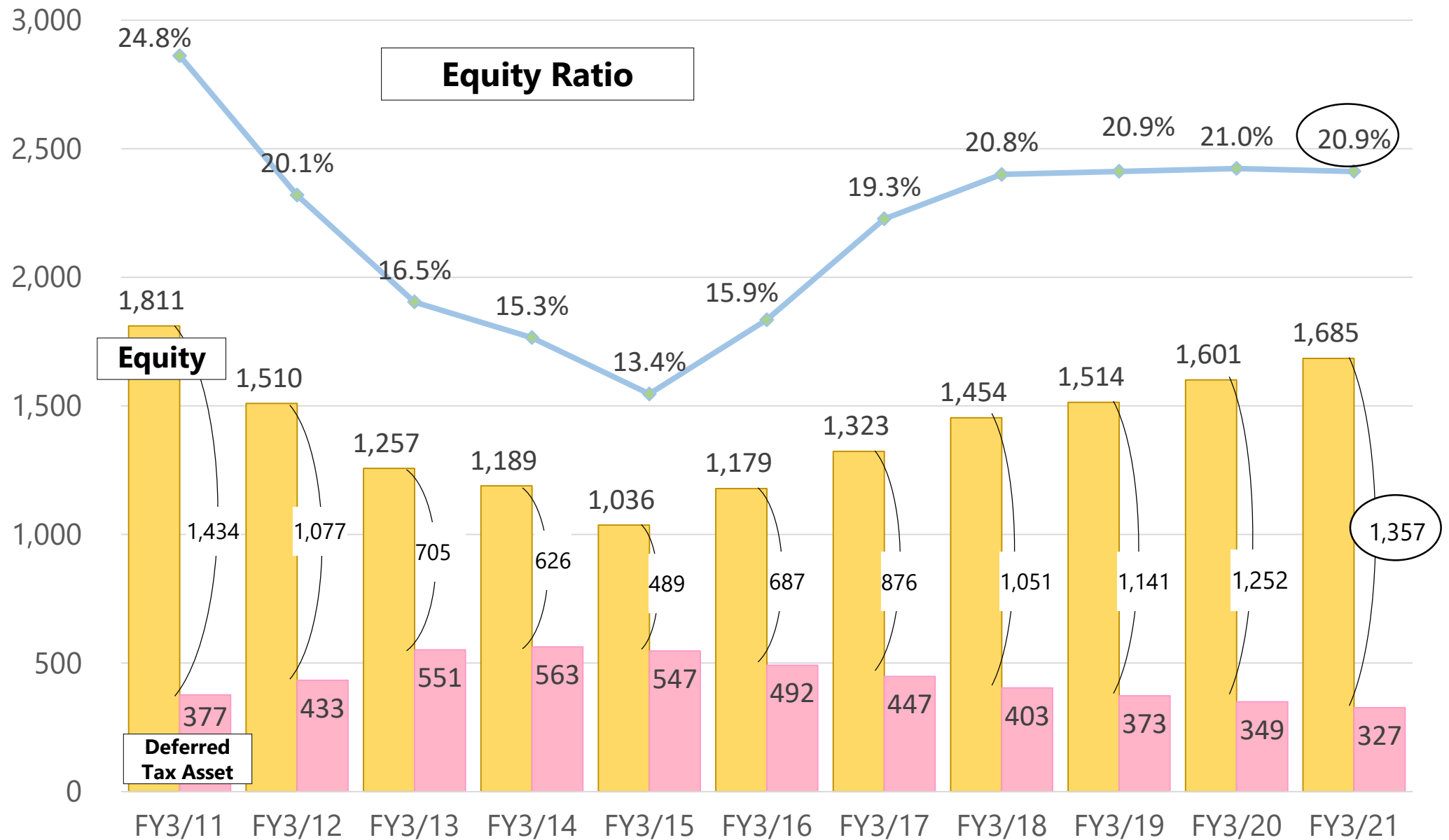
(Unit:¥ billion)	FY 3/2022 forecasts			FY 3/2021
		Change	Percentage	
Operating revenues	25,000	▲5,923	▲19.2%	30,923
Operating income	900	▲557	▲38.2%	1,457
Ordinary income	1,000	▲538	▲35.0%	1,538
Net income	700	▲389	▲35.8%	1,089
Total electricity sales (TWh)	109.5	▲8.1	▲9.5%	117.6
Nuclear capacity factor (%)	Approx. 50	Approx. +22.0	-	28.0
Japan Crude Oil Price (\$/b)	Approx. 60	Approx. +16.6	-	43.4
Exchange rate (¥/\$)	Approx. 110	-	-	106

■ Overview of financial forecasts (Ordinary income)

For FY 3/2022, we forecast tough consolidated ordinary income of 100 billion yen, decreasing 53.8 billion yen because the impact of the decrease in total electricity sales volume and the change of exchange rate/fuel prices exceeds the impact of the increase in nuclear capacity factor and the decrease in sundry expenses and maintenance costs.

Trends in Consolidated Net Assets and Equity Ratio (Consolidated)

(Unit: ¥ billion)



※Not including the non-controlling interest in net asset

<Major Factors>

	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Nuclear capacity factor (%) ^(*1)	78.2	37.6	17.7	10.9	0.0	1.0	0.0	23.9	54.6	48.4	28.0
Water run-off ratio(%)	109.1	110.5	95.3	100.1	104.2	112.9	99.1	107.2	103.1	98.6	96.5
All Japan CIF crude oil price (\$/barrel)	84.1	114.2	113.9	110.0	90.4	48.8	47.5	57.0	72.1	67.8	43.4
Exchange rate [TTM] (yen/\$)	86	79	83	100	110	120	108	111	111	109	106

*1 Nuclear capacity factor for 2014 and before was calculated based on the capacity before decommissioning of Mihama Nuclear P/S Units 1 and 2.

<Sensitivity of major factors>

(billion yen)	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Nuclear capacity factor per 1%	5.0	9.4	9.5	11.3	11.9	6.2	4.6	3.3	4.1	3.7	2.5
Water run-off ratio per 1%	0.9	1.5	1.6	1.9	1.9	1.2	0.9	1.1	1.2	1.1	0.9
All Japan CIF crude oil price per \$1/barrel	3.3	6.9	7.9	9.6	10.6	9.8	6.8	5.4	4.9	4.3	3.6
Exchange rate [TTM] per ¥1/\$	5.2	12.4	13.4	13.0	12.2	6.6	5.5	4.8	5.0	4.3	3.8

<Impacts from resume operation of FY 3/2021>

Name of power plant	Nuclear capacity factor per 1 month	Sensitivity of Nuclear capacity factor per 1%	Impacts from operation for one month of FY 3/2021	
				Per 1 Unit
Takahama Units 3, 4	2.20%	2.5 billion yen	Approx.6.0 billion yen	Approx.3.0 billion yen
Ohi Units 3,4	2.99%		Approx.7.0 billion yen	Approx.3.5 billion yen

Operation Schedule of Takahama 3,4 and Ohi 3,4

	FY 3/2021		FY 3/2022		FY 3/2023	
Takahama 3			▼3/10 (4/5)		▽mid-April (Around Early May)	
	Periodical inspection		Operation		Periodical inspection	Operation
Takahama 4	▼10/7		▼4/15 (Around mid-May)		▽Late May	
	Operation	Periodical inspection	Operation		Periodical inspection	Operation
Ohi 3	7/20 ▼		Undecided ※1		▽Early Dec.	
	Operation	Periodical inspection	Operation	Periodical inspection	Early Mar. (Around late Apr.)	
Ohi 4	11/3 ▼		▼1/17 (2/12)		mid-March ▽	
	Operation	Periodical inspection	Operation		Periodical inspection	Operation

※ 1 : Responding to significant signals of piping welding joint

() indicates the preferred date that the reactor will undergo its final inspection, the General Load Performance Inspection administered by the government.

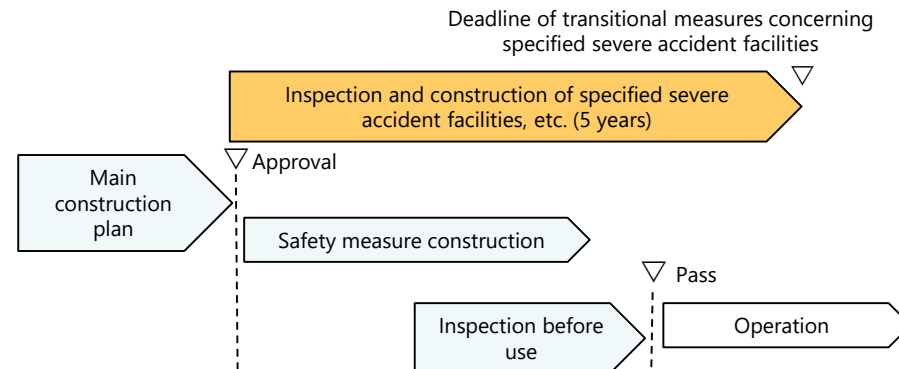
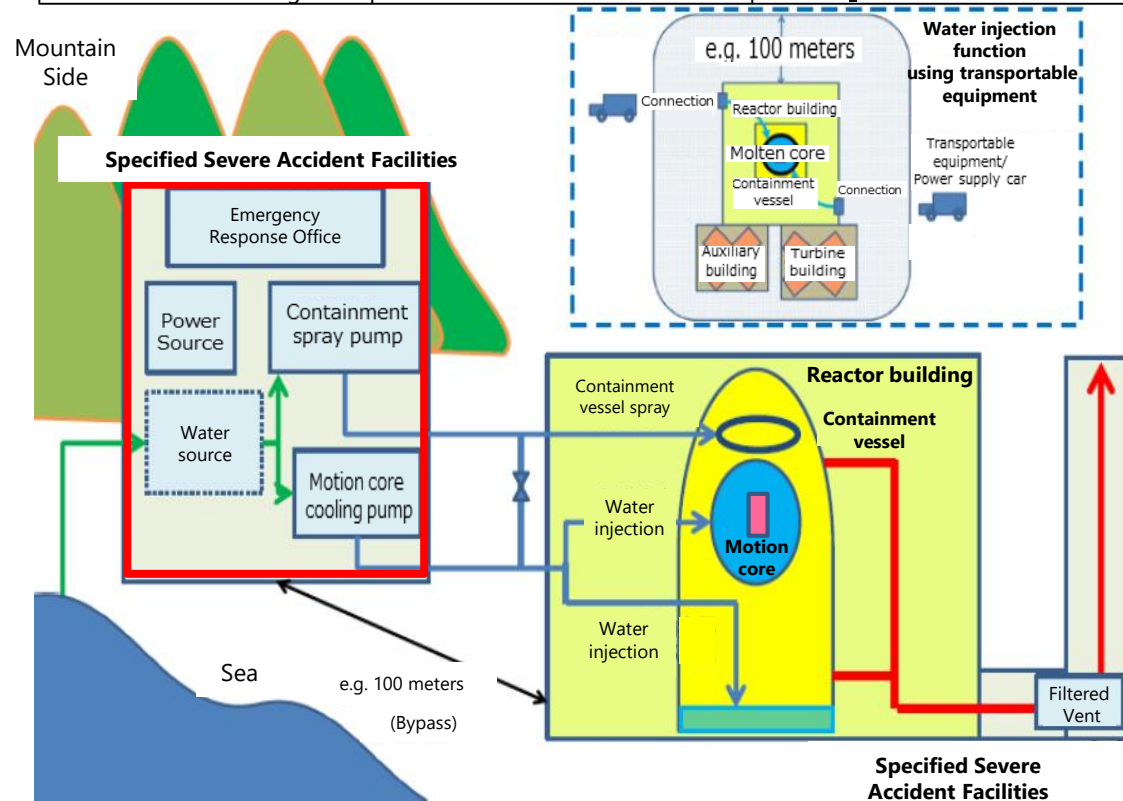
- Nuclear power plants in Japan are required to build facilities called “Specified Severe Accident Facilities” to deal with specified severe accidents, including aircraft crashes and terrorists attacks. Construction must be completed within five years of the approval of the date of construction plan by the Nuclear Regulation Authority.
- We will continue to do our best to achieve early completion.
- We have started to operate the specified severe accident facilities of Takahama No.3 since December 11, 2020 and Takahama No.4 since March 25, 2021. Those of other plants are under construction.

Measures against deliberate aircraft crashes, etc.

- [1] Measures centered on transportable facilities to deal with deliberate aircraft crashes and other accidents (distributed arrangement of transportable facilities and connection ports)
- [2] Making requests to establish the above facilities as permanent backup measures (organizing facilities for dealing with specified severe accidents and other problems)

Measures to shorten the on-site construction period

- Increasing construction work efficacy by transporting excavated earth and sand with both dump trucks and boats, securing a place to put earth and sand within the premises, and other measures
- Increasing construction work efficacy by unitizing multiple tower cranes, reinforcing bars, and forms before they are carried in and taking other measures. Securing working yards in locations with limited space by newly installing gantries on slopes
- Introducing multiple large and mobile special machines to increase lining work efficacy and enable transition to lining work
- Increasing construction work efficacy by installing a concrete batcher plant on the premises of the power plant to provide stably supply large volumes of concrete
- Introducing continuous 24-hour work and two-shift systems where possible



The deadline for measures is 5 years from approval of the main plan

[Civil suit]

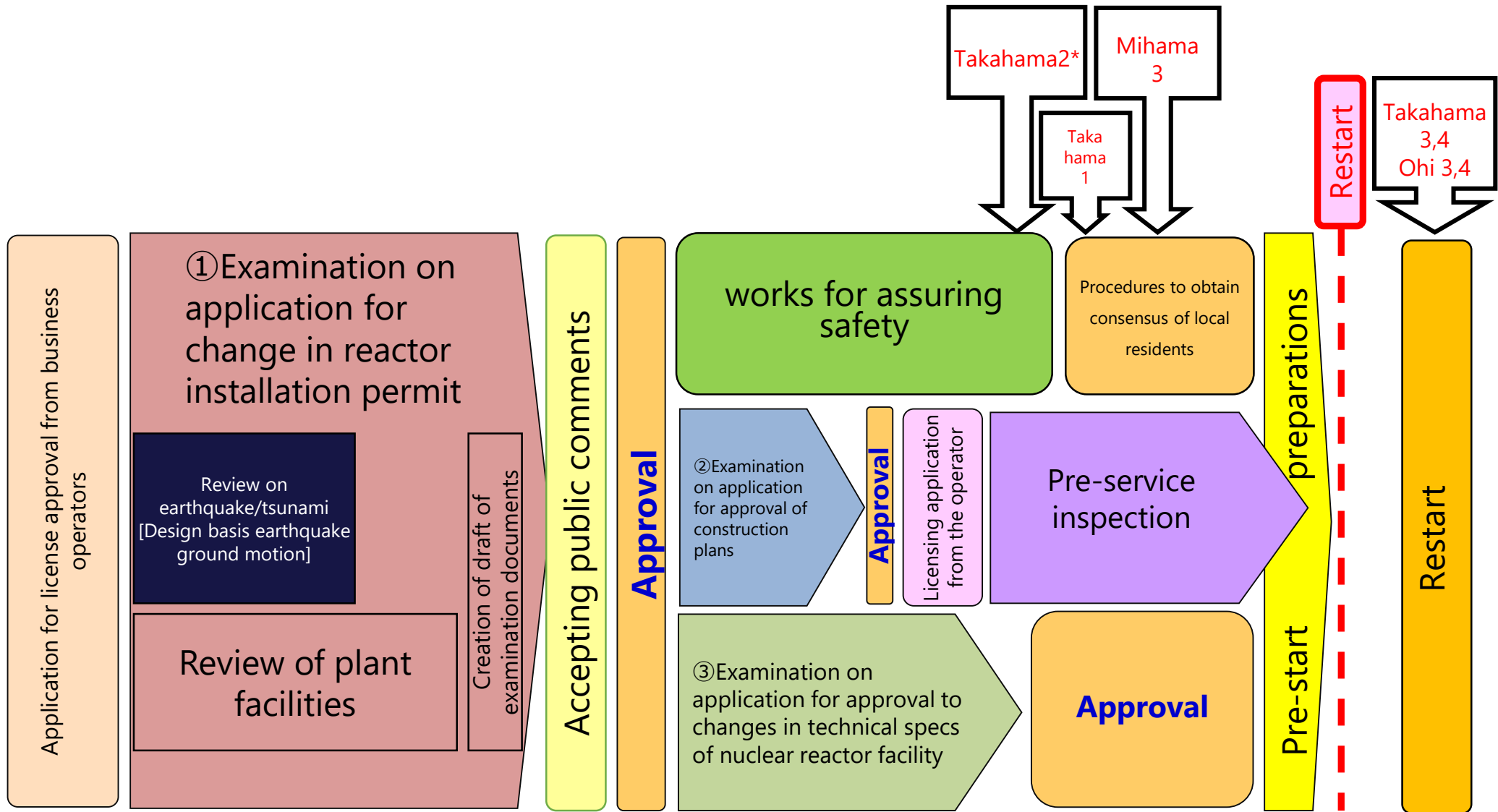
As of May 10, 2021

	Court	Case Title	Filing Date	Progress	
				Last result	Next
Merit trial	Osaka District Court	Action for prohibiting operations at all units of Mihama, Takahama and Ohi	May 18, 2020	Decision () March 17, 2021	/
	Otsu District Court	Action for prohibiting operations at all units of Mihama, Takahama and Ohi	December 24, 2013	The 28 th hearing March 11, 2021	
	Kyoto District Court	Action for prohibiting operations at Ohi Units 1 thru 4	November 29, 2012	The 28 th hearing February 25, 2021	The 29 th hearing May 27, 2021

[Administrative suit]

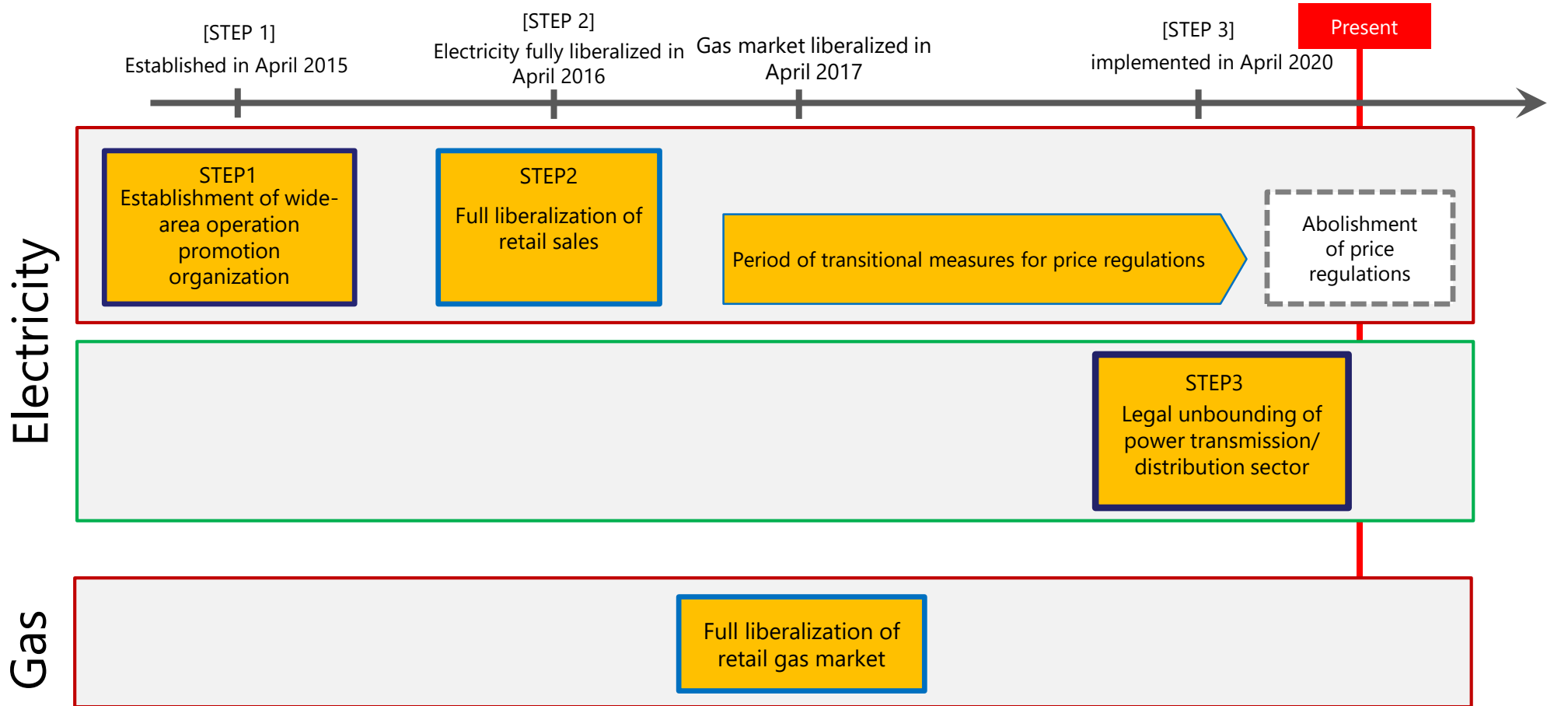
	Court	Case Title	Filing Date	Progress	
				Last result	Next
Intervention	Osaka District Court	Ohi Units 3 and 4 Action for reversing nuclear reactor installation and upgrading permit	December 17, 2020 Government appealed	The first sentence (Osaka District Court) December 4, 2020 Judgment for plaintiff December 17, 2020 Government appealed	The 1 st hearing June 8, 2021
		Motion for stay of execution	January 14, 2021	/	Undecided
	Nagoya District Court	Takahama Units 1 and 2 Action for reversing extension of the operating period	April 14, 2016	The 18 th hearing January 28, 2021	The 19 th hearing August 4, 2021
	Nagoya District Court	Mihama Unit 3 Action for reversing extension of the operating period	December 9, 2016	The 16 th hearing January 28, 2021	The 17 th hearing August 4, 2021
Nagoya District Court	Takahama Unit 3 and 4 Mandamus action for prohibiting operations	October 5, 2020	The 1 st hearing January 27, 2021	The 2 nd hearing May 19, 2021	

Procedures for Restarting of Nuclear Power Plants and Current Status



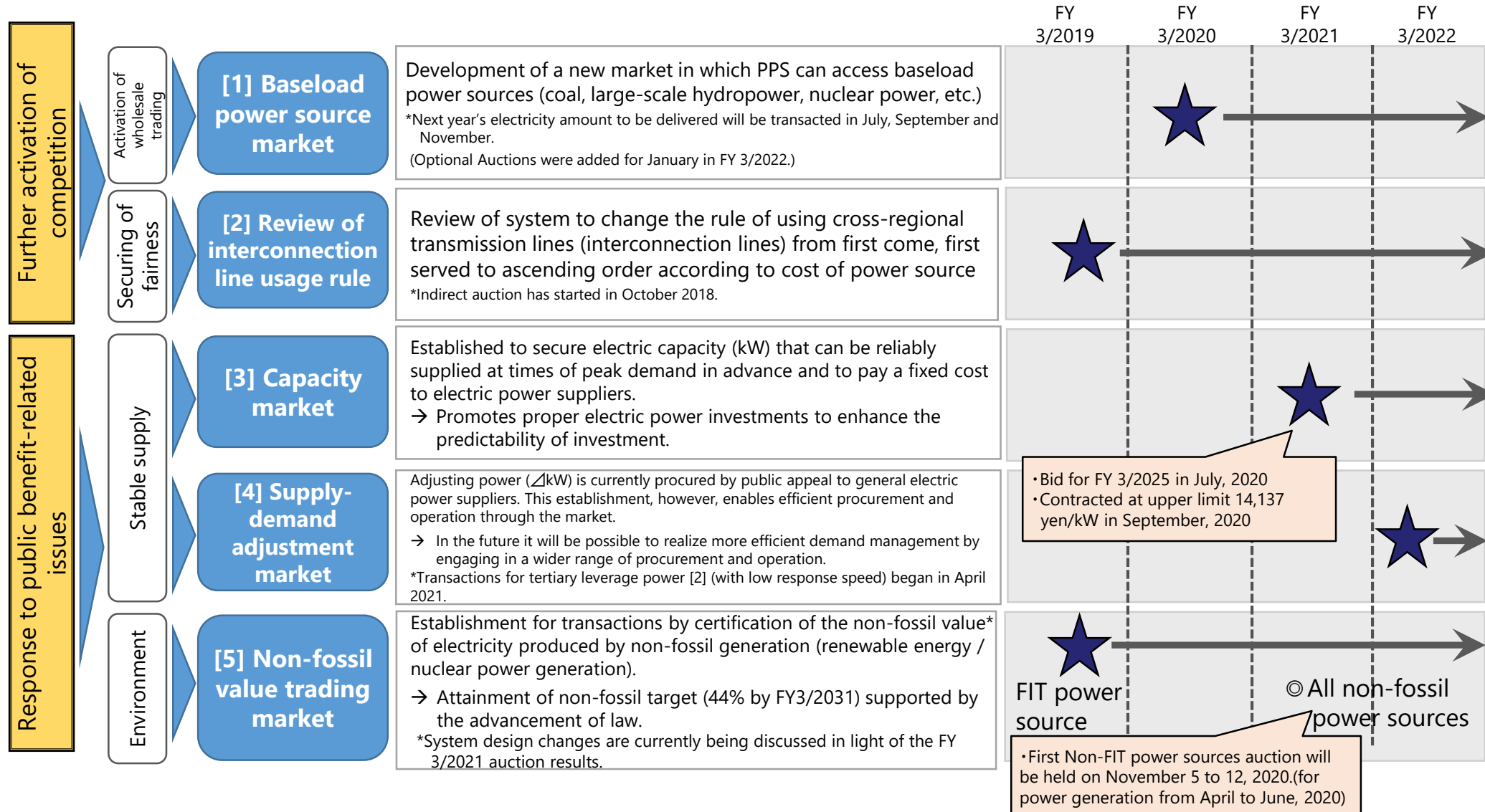
※ We have obtained approval from local residents to restart Mihama 3 and Takahama 1 and 2.

- Electric power system reform is scheduled to implement in separate three steps toward [1] Extended operation of wide-area power transmission lines, [2] Full liberalization of retail sales, and [3] Further ensuring of neutrality of power transmission/distribution sector following legal unbounding.
 - While various obligations are to be imposed on power transmission/distribution companies after legal unbounding, systems and measures have been implemented so the price regulations and dominant position in the region will be maintained as in the past. This is expected to make the power transmission/distribution business remain to be a stable source of revenue.
 - 1 year after full liberalization of electricity sales, full liberalization about gas has started in April 2017 .
- *The transitional measures on retail pricing rules were to be "abolished at the end of March 2020" under the Electricity Business Act, but a proposal to continue the measures beyond April 2020 was made at the April 26, 2019 meeting of the Basic Policy Subcommittee on Electricity and Gas, taking into consideration the state of competition.



Overview and estimated introduction timing of new market/system

○ As measures to achieve public interest issues such as maintaining competition environment under retail electric sales liberalization, stable supply and adaption to environment, etc., new markets, such as Baseload power source market, Capacity market, Supply-demand adjustment market and Non-fossil value trading market, were established and trades were started.

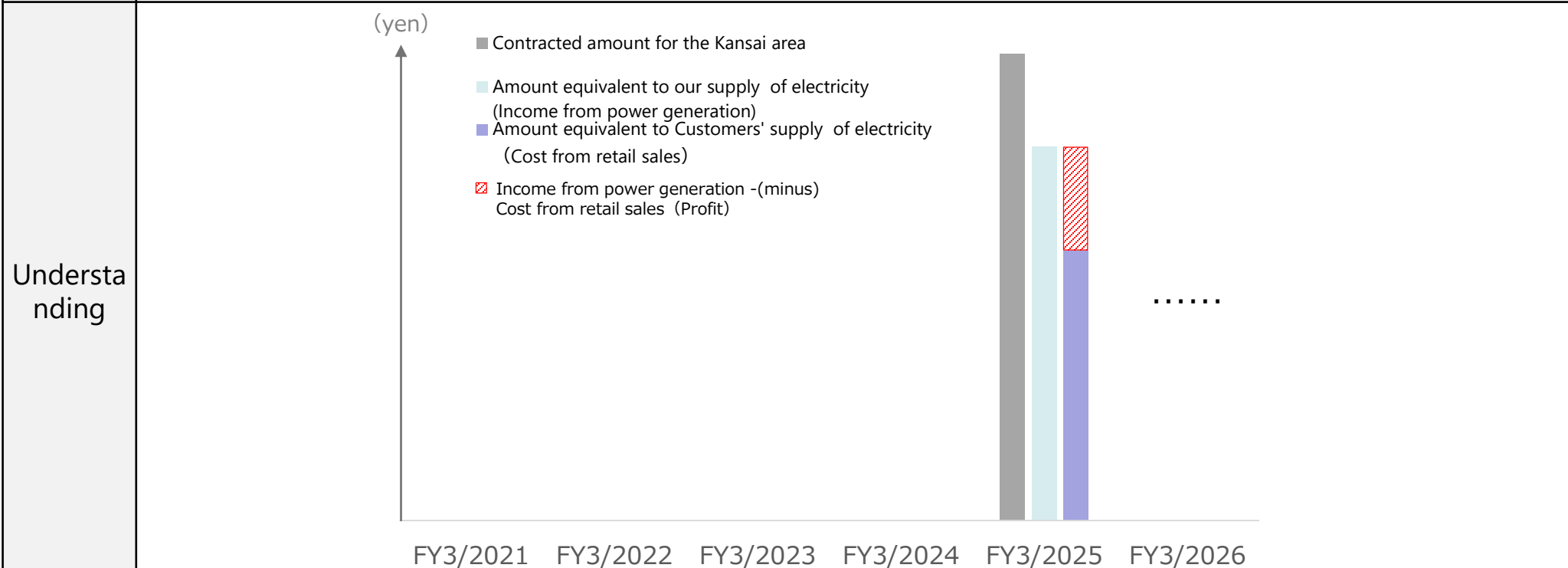


Overview

- A system was created whereby power generators earn profits in proportion to the supply capacity that they ensure from their own power plants and power retailers bear costs in proportion to the demand scale of their customer base.
- Auctions are held 4 years ahead of time in consideration of the lead time needed to make investments. The first auction, which was for capacity in FY 3/2025, was held in FY 3/2021.

Effects to KEPCO

- The main auction for the capacity market in FY 3/2025 was held in 09/2020, and the total contracted amount for the Kansai area was approx. 2.6 trillion yen.
- Of the above, the amount equivalent to the electricity that we generate is projected as revenue, while the amount equivalent to the retailers' customer base is projected as costs.
- As we possess facilities that generate an amount of electric power that exceed our company's demand, retail costs are less than our electric generation income, and the difference contributes to a gain in profits.
- We project similar profit trends in FY 3/2026 and beyond, although the amount of profit may vary by contract.

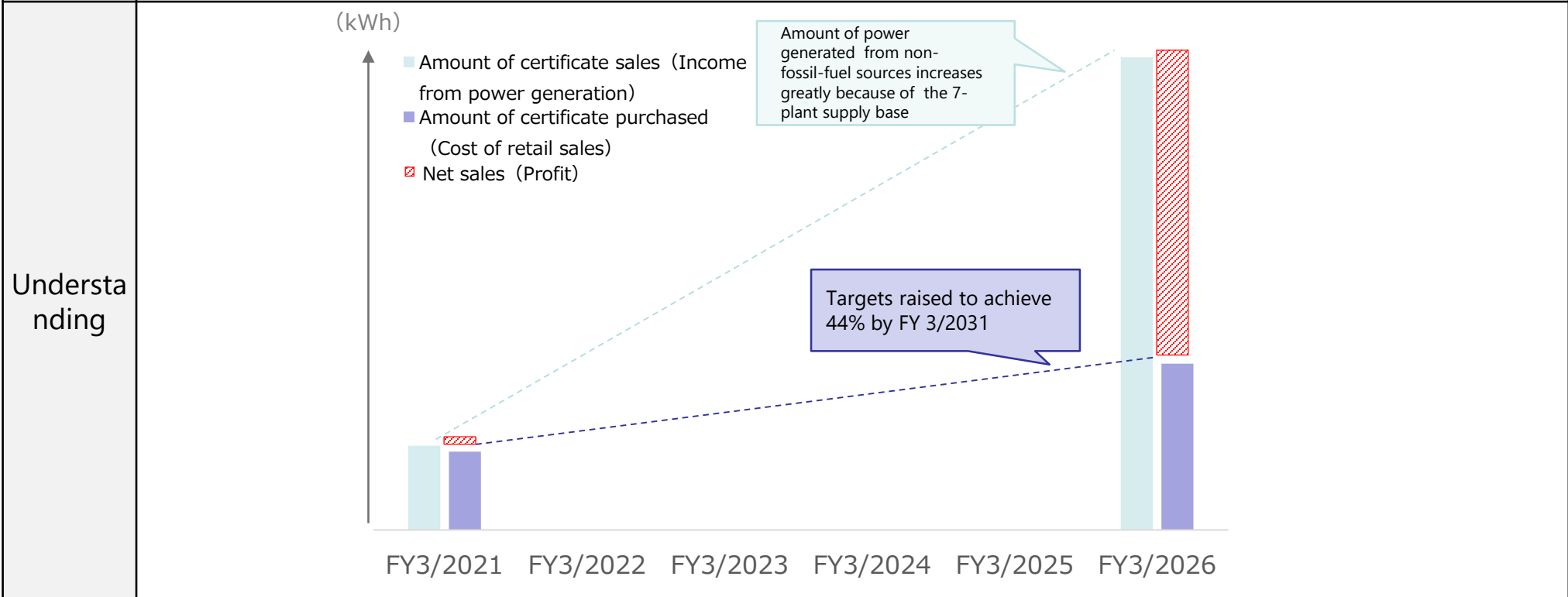


Overview

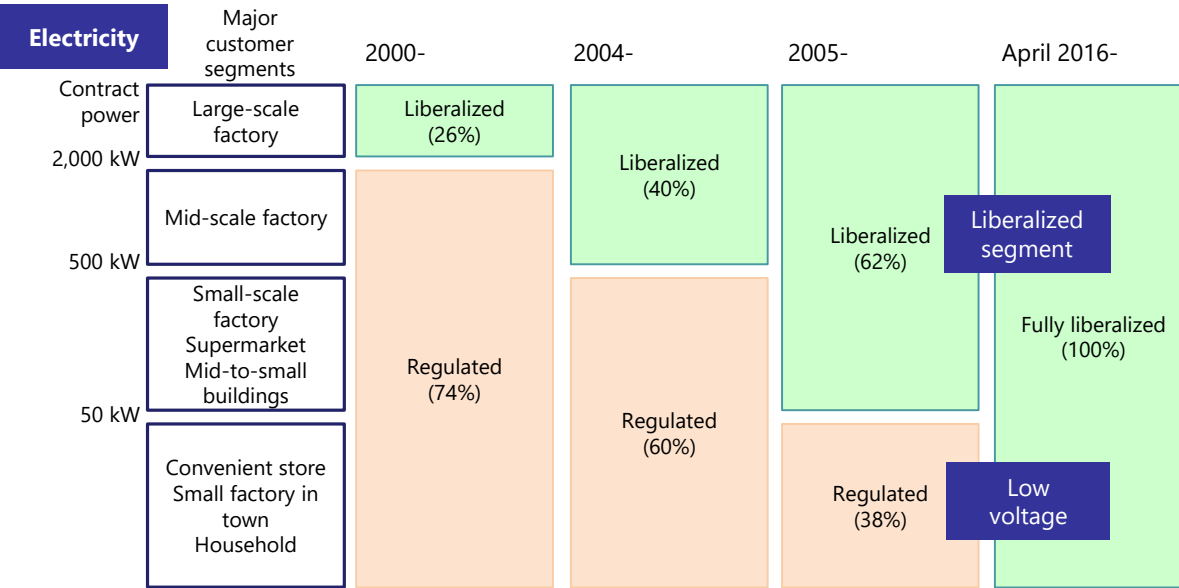
- Establishment for transactions by certification of the non-fossil value of electricity produced by non-fossil generation (renewable energy / nuclear power generation).
- Retailers set targets every year in order to gradually achieve the goal of basing 44% of their electricity sales from non-fossil-fuel power supplies by FY 3/2031. (The target in FY 3/2021 was 23.2%.)
- Electricity generation companies newly earn revenue from the non-fossil-fuel market in proportion to the electricity that they generate from their non-fossil-fuel power sources.

Effects to KEPCO

- In FY 3/2021, despite the drop in usage rate of nuclear power, the amount of certificate sales by the Power Generation Sector exceeded the amount of certificate purchased by the Retail Sector.
- Going forward, the amount of certificate sales is expected to increase beyond the increase in certificate purchases, due to factors such as the establishment of the 7-plant supply base, etc.



○ In the electric power and city gas businesses, the scope of retail sales liberalization has been extended in a phased manner since before.

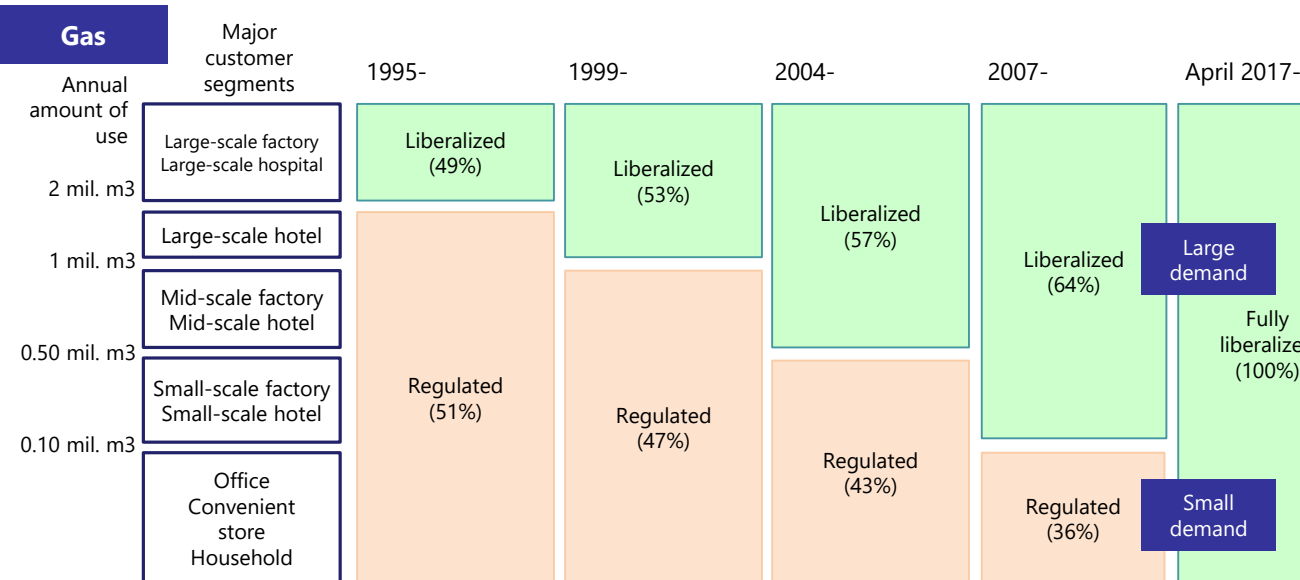


Sales strategy for corporate customers

- <Demand expansion>
- Develop total energy proposal activities that combine gas and group services.
- <Customer churn constraint/Customer enclosure >
- Propose prices in accordance with the importance of customers (profitability and scale).

Sales strategy for residential customers

- <Demand expansion>
- Promote complete residential electrification.
- <Customer churn constraint/Customer enclosure>
- Start combined sale with gas and utilize alliance.
 - Diversify price menu and provide value added services.



Sales strategy for gas business

- <For residential customers>
- Set up a new company jointly with Iwatani Corp. To reinforce sales and security systems.
 - Promote sales activities through alliance. (Mobile phone): Partnership with KDDI (au) (Fixed line): K-OPT (FTTH service), etc.
- ⇒ **We have achieved the aim of acquiring 800,000 applications on November 2018.**
- ⇒ **Now, we have achieved 1 million contracts and contracts grows steadily. (Number of contracts for Kanden gas as of Mar. 31, 2021: approx. 1.45 million)**
- <For large demand>
- Capture demand for business use taking advantage of security deregulation.
 - Promote sales by developing independent pipeline, etc.

- In April 2016, retail electricity sales was liberated in the low-voltage area focused on general households.
- Despite our impaired price competitiveness, we have kept defection at low levels through efforts in retaining customers with all-electric system proposals, setting a new price menu, providing value added services that help people's everyday lives, combined electricity sales with gas and so on.
- In order for customers to continue to choose us in the future, we will provide a stable supply of low-cost energy and provide price menus and services that accurately meet the customers' needs based on high-quality customer service.

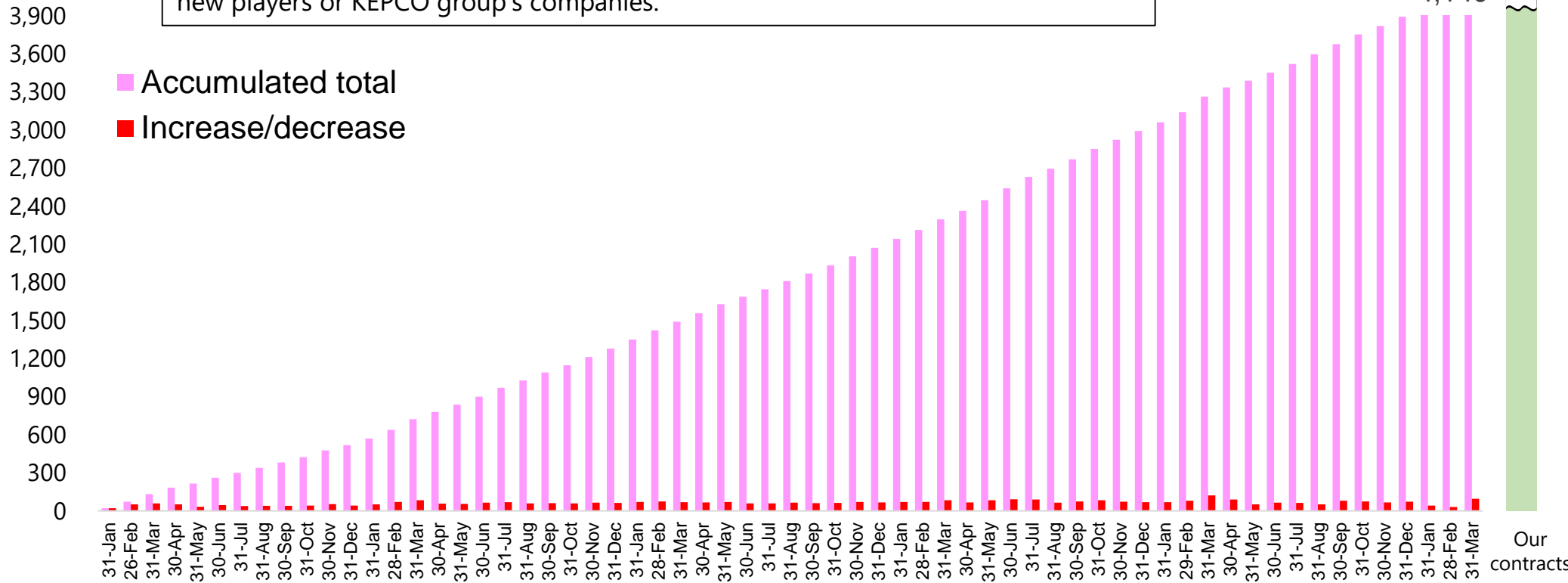
<Number of contracts concluded by new players in the low-voltage (household) segment>
(thousand contracts)

The real figures of switching supplier from us are fewer than these figures because these figures were announced by Organization for Cross-regional Coordination of Transmission Operators, Japan and contain number of switching supplier between new players or KEPCO group's companies.

Approx. **35%** of the number of contracts that we have

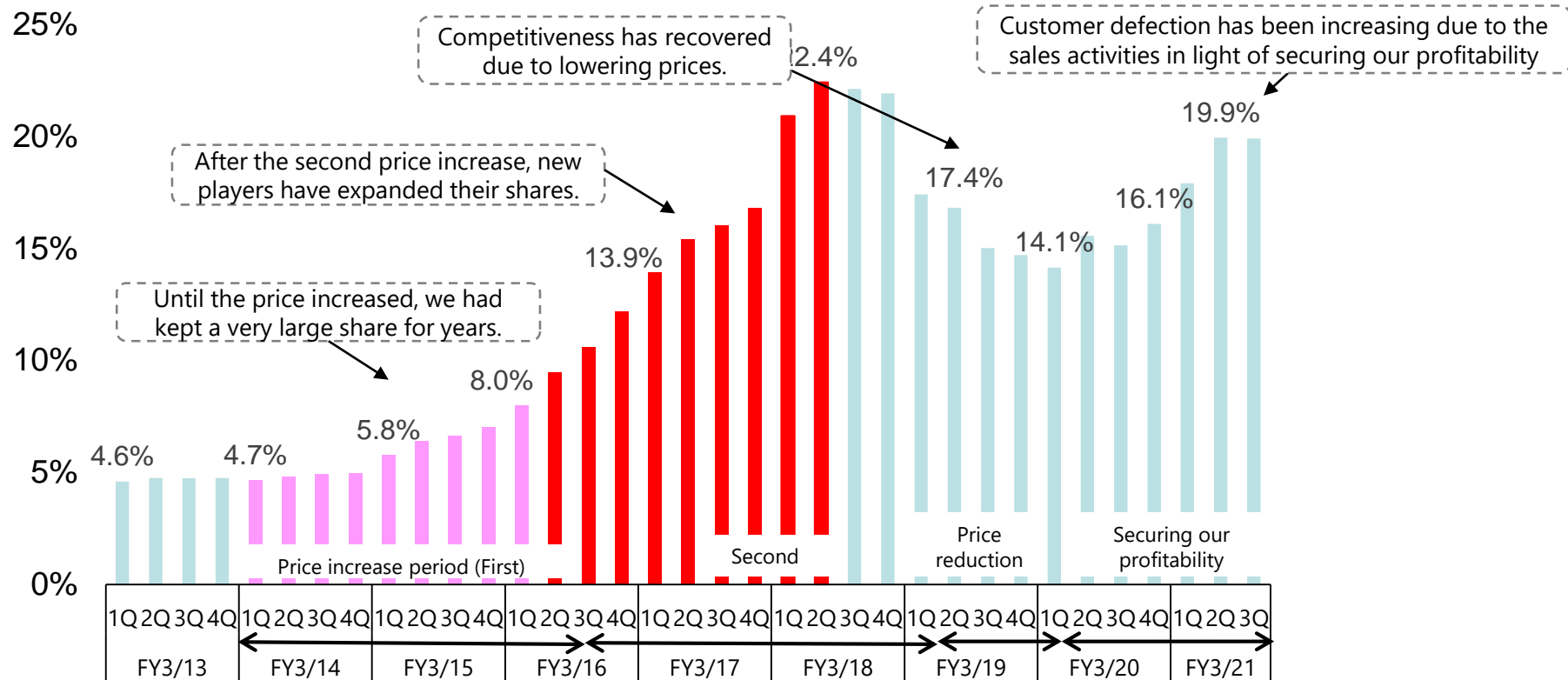
Contract
Approx. **12,000**

4,140



- Since the start of partial liberalization in 2000, even after the 10-year-long competition, we have kept a market share of over 95%.
- Customer defection has been increasing due to our impaired price competitiveness resulted from price increase carried out twice after the Earthquake. The price reduction following the restart of Ohi PS and the additional price reduction accompanying the restart of Takahama PS, however, helped us recover price competitiveness, hence we have achieved a certain result in turning around and going to the offensive, as exemplified by increased retail electricity sales in FY 3/2019.
- Though customer defection has been currently increasing, this is a result that we strive to conduct sales activities in light of securing our profitability . We recognize that balance impacts are limited.

<New players' share of sales in high and extra-high voltage segments (kWh)>



* 2012/1Q-2015/4Q: Prepared by us based on data published by METI, Kansai.
2016/1Q~ : Prepared by us based on data published by Electricity and Gas Market Surveillance Commission

- We address our response to global warming as one of our important management issues, and as a leading company of “low carbon initiatives”, have striven to reduce the environmental load of our business operations using both nuclear power and renewable energy, and have contributed to shape a low carbon society through measures such as maintaining and improving the thermal efficiency of our thermal power plants.
- On top of that, amidst the growing public outcry over climate change, as can be seen from the Japanese government’s declaration to commit to a carbon neutral society by 2050, we felt it necessary to take further positive actions of our own, and adopted a “Zero-Carbon Vision 2050” for the KEPCO Group on February 26, 2021.

The Kansai Electric Power Group Zero Carbon Vision 2050

【Commitments Toward 2050】

In an effort to create a sustainable society, the Kansai Electric Power Group, as **a leading company of zero-carbon energy**, is **aiming for activities including power generation by 2050** in order to combat global warming, while striving to increase energy independence to secure energy supply, with priority given to safety.

In addition, our group will mobilize its resources to support **decarbonization not only in the economic activities of our customers, but also across society as a whole.**

These efforts will be made through active cooperation with various parties, such as customers, business partners, the government, municipalities and research institutes.

【The Kansai Electric Power Group Zero Carbon Vision 2050 Three key approaches】

[1]Zero-carbon emissions on the demand side

As a zero-carbon solution provider, we are pleased to provide customers with the best available solution toward zero-carbon emissions along with supporting its implementation across all sectors such as residential, commercial, industry and transportation.

- Renewal of service menu leading to decarbonization
- System solutions combining distributed renewable energy and battery storage
- Electrification of energy consuming equipment in all sectors (through use of heat pump technology, etc.)
 - *The residential and commercial sectors will be fully electrified.
- Promoting the use of hydrogen, etc., targeting customers who need to meet heat demand etc.
- Promotion of smart cities contributing to zero-carbon etc.

[2]Zero-carbon emission on the supply side

With priority given to safety, our group will seek to achieve the best energy mix which can lead to full decarbonization, ensure secure stable supply with an increasing energy self-sufficiency ratio, and enhance economic efficiency.

- Promotion of renewable energy sources to the fullest degree such as offshore wind power at home and abroad
 - Advanced operational protocols introduced to improve the operation rate, with priority given to safety, and installation, expansion or replacement of facilities, with options including next-generation light-water reactors, high-temperature gas-cooled reactors and SMRs *1
 - Shift to power generation using zero-carbon fuels (hydrogen, ammonia, etc.) and Introduction of CCUS technologies
- *1. SMR : Small Modular Reactor etc.

[3]Seeking to create a hydrogen based society

As hydrogen is indispensable for a zero-carbon society, our group, as a key player working toward realizing a hydrogen-based society, will tackle the challenges to produce, transport and supply zero-carbon hydrogen with non-fossil fuels, in addition to using hydrogen for power generation.

- Hydrogen production using electricity produced from renewable and nuclear energy
- Hydrogen production using heat source of nuclear energy
- Use of hydrogen as a fuel for thermal power
- Establishment of a hydrogen supply chain as an energy supplier etc.

○The Kansai Electric Group aims not only at growing sustainably as a business group by stably and safely supplying clean energy, solving social issues through new business endeavors and building solid foundations to support those businesses, but also at contributing to the sustainable development of society as a whole by solving global issues via SDGs, etc.

Environment

Understanding the magnitude of impact that the power sector has on the global environment, the Kansai Electric Group will continue to contribute to decarbonization by expanding use of renewable energies, effectively using nuclear power and increasing the efficiency of thermal power plants.

Low Carbon

- Continue as the top producer of CO2-free power in Japan.
- Reduce CO2 emissions from the Group's power business in Japan by half of 2013 levels in FY 3/2031.
- Renewable energy in the 2030s
Installed capacity: 6 million kW
Newly developed: 2 million kW or more



Governance

Build solid business foundations to support growth.

- Information disclosure**
 - Proactively disclose ESG information.
 - Promote dialogs with stakeholders.
- Corporate governance**
 - Further strengthen the functions of the BOD.
 - Promote positive reforms within our organization and culture.
- Compliance**
 - Zero serious violations



Social

Grow sustainably by “strengthening the resilience of our unchanging mission to safely and stably supply electric power”, “create new values by welcoming diverse ideas and innovating “human capital” and “helping to solve social issues through new business endeavors, etc.”

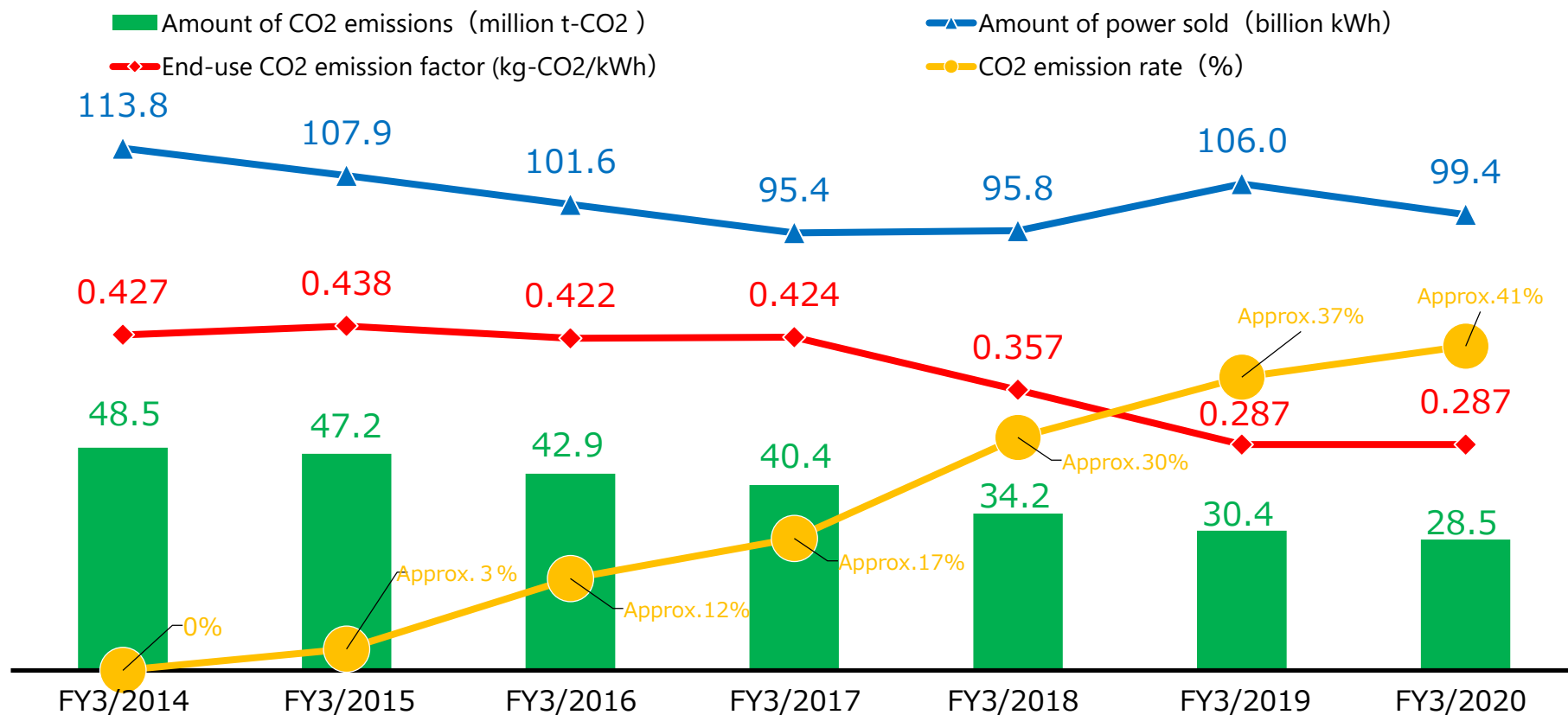
- Resilience**
- Diversity**
- Community development**

- Strengthen our foundations and coordination with related organizations to weather large-scale disasters.
- Strengthen our cybersecurity measures.
- The ratio of women officers: Triple the number of women managers existing in FY 3/2018 by FY12/2030 at a minimum
- Women employment rate Clerical positions: 40% or more, Technical positions: 10% or more
- Contribute to area activation by developing sustainable communities.
- Contribute to community Yumeshima development concept and the Expo 2025 Osaka, Kansai.

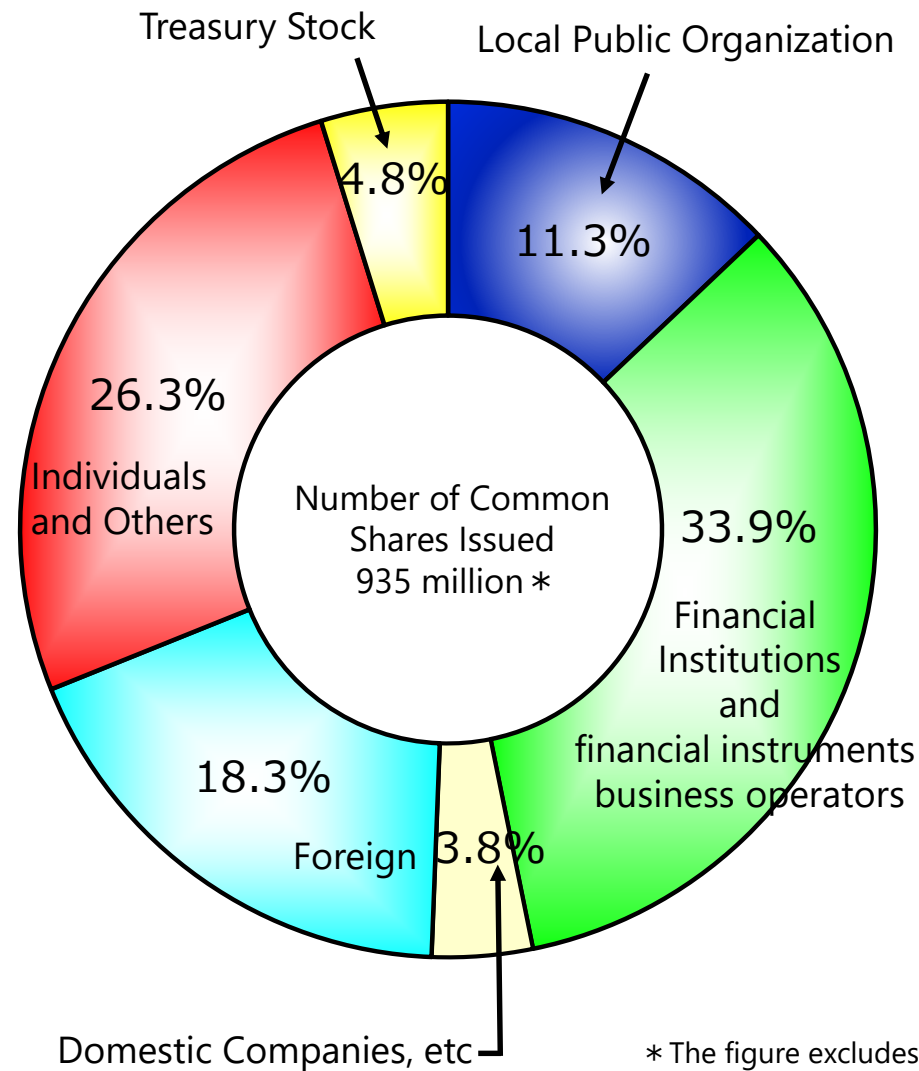


- In the KEPCO Group's medium-term management plan, we, as the leading company of "low carbon initiatives", set a goal of keeping the number-one position as a CO2-free electric power producer in Japan and reducing CO2 emissions from our power generating business in Japan in FY 3/2031 to half that of FY 3/2014.
- In FY 3/2020, we finished No.1 in Japan in zero-carbon electricity generation, and we reduced CO2 emissions from the power generating business by approximate 40% compared to our performance level in FY 3/2014.

Change of KEPCO Group's power generating business in Japan in CO2 emission factor, etc.



<Distribution of Shares>



【Major Shareholders】

As of March 31, 2021	Number of Shares Held (million)	Percentage of Share Held (%)
Osaka City	68.3	7.3
The Master Trust Bank of Japan, Ltd (Trust Account)	64.4	6.9
Japan Trustee Services Bank, Ltd (Trust Account)	36.5	3.9
Nippon Life Insurance Company	27.5	2.9
Kobe City	27.4	2.9
Kansai Electric Power Employee Stockholder Program	20.4	2.2
Mizuho Bank, Ltd	17.4	1.9
Osaka Metro	15.5	1.7
Japan Trustee Services Bank, Ltd (Trust Account 5)	15.4	1.7
STATE STREET BANK WEST CLIENT - TREATY 505234	10.8	1.2

* The figure excludes shares less than one unit. (3,189,328 shares)

* Some rounding errors may be observed.

- After submission of Business Improvement Plan in Mar. 2020, we have implemented all of it.
- We will ensure the implementation of those measures in light of the external and objective view, and if we need, we will take additional improvement measures. We will make best efforts for the creation of complementally new KEPCO.

<Overview of business improvement plan>

item		content
1	Drastic enhancement of a Compliance regime toward sound and appropriate corporate management, and creation of a Compliance-oriented and sound organizational climate	(1) Re-establishment of a Compliance regime utilizing external human resources
		(2) Creation and maintenance of Compliance awareness
2	Establishment of an operation system for ensuring reasonableness and transparency in procedures relating to issuance of work orders and execution of work contracts	(1) Revision of procedures relating to issuance of work orders and execution of work contracts
		(2) Prohibition of deviating procedures for issuance of work orders and execution of work contracts
		(3) Ensuring of transparency in KEPCO's subsidiaries' work order issuance [by making rules and so on stricter]
		(4) Strict punishment against business partners whose malpractice has been detected
3	Development of a new corporate management regime	(1) Development of an effective corporate governance regime attaching greater importance to external objective perspective
		(2) Development of a system for effective governance over Nuclear Power Division
4	Others	(1) Our efforts for new case of unreported receipt of cash and gifts by KEPCO's Group Company

1	Clarification of executives and employees' liability	<ul style="list-style-type: none"> (1) Management responsibility (2) Appointing a new president (3) major responsibilities by each action mode (4) Remuneration paid to former executives working as a post-retired staff (5) Reduction in remuneration
2	Drastic enhancement of a Compliance regime and creation of a Compliance-oriented and sound organizational climate	<ul style="list-style-type: none"> (1) Re-establishment of a Compliance regime utilizing external human resources <ul style="list-style-type: none"> ① Creation of a Compliance Committee and Compliance Promotion Division ② Establishment of an Incident Reporting System (2) Creation and maintenance of Compliance awareness <ul style="list-style-type: none"> ① Officers' initiatives, and establishment of a code of conduct to be observed by officers and employees ② Comprehensive revision of basic policies and internal regulations relating to promotion of Compliance ③ Enhancement of Compliance training
3	Establishment of an operation system for ensuring reasonableness and transparency in procedures relating to issuance of work orders and execution of work contracts	<ul style="list-style-type: none"> (1) Revision of procedures relating to issuance of work orders and execution of work contracts <ul style="list-style-type: none"> ① Separation of an implementation authority and a contracting authority ② Creation of the Procurement Review Committee (2) Prohibition of deviating procedures for issuance of work orders and execution of work contracts <ul style="list-style-type: none"> ① Prohibition of advance provision to particular individuals or entities of information relating to work order or contract ② Prohibition of disclosure of prices of particular orders or contracts leading to advance commitments to issue work orders ③ Prohibition of inappropriate involvement in prime contractors' order issuance to subcontractors or contracts with subcontracts ④ Prohibition of unreasonable sole-source procurement with particular individuals or entities ⑤ Prohibition of non-transparent payment of donations and cooperative contributions (3) Ensuring of transparency in KEPCO's subsidiaries' work order issuance (4) Strict punishment against business partners whose malpractice has been detected
4	Development of a new corporate management regime to implement above	<ul style="list-style-type: none"> (1) Development of an effective corporate governance regime attaching greater importance to external objective perspective <ul style="list-style-type: none"> ① Revision of a corporate governance framework ② Enhancement of supervisory functions attaching importance to external objective perspectives ③ Enhancement of audit functions (2) Development of a system for effective governance over Nuclear Power Division <ul style="list-style-type: none"> ① Enhancement of control over and support to Nuclear Power Division ② Measures for creation of an open organization



2.-(1) Re-establishment of a Compliance regime utilizing external human resources

① Creation of a Compliance Committee and Compliance Promotion Division

- In order to enhance Compliance-related supervisory functions, a "Compliance Committee" will be created, which should be independent of President and other executives and we have held meetings of the committee 9 times.
- In order to enhance Compliance promotion functions, "Compliance Promotion Division" will be created as an executive side organization.

◆ 「Compliance Committee」 (Established on April 28,2020)

○ Members

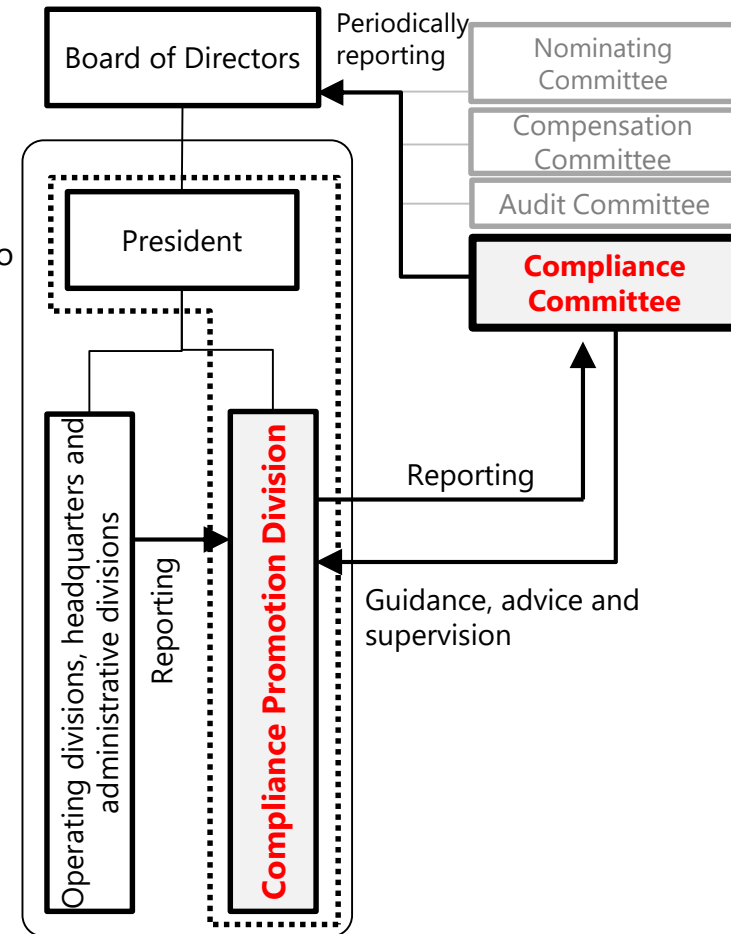
- Chairperson (external) : Naoto Nakamura, attorney
- external members : Haruka Matsuyama, attorney
: Joji Nakaya, Professor of Kindai University
- Internal members : KEPCO Director and President Takashi Morimoto
: Kansai TD Director and President Yoshihiro Doi

[Implementation status]

- 1st: May 18 [Matters to be addressed and how to proceed in order to strengthen the compliance system and raise awareness]
- 2nd: June 12 [Direction of the Review of the Basic Policy on Compliance Promotion]
- 3rd: July 22 [Additional investigation of new case of unreported receipt of cash and gifts by Group Company]
- 4th: August 17 [Report of investigation of remuneration paid to former executives working as a post-retired staff]
- 5th: October 6 [Results of the additional investigation in light of new case of receipt of cash and gifts by Group Companies]
- 6th: October 12 [Current status of efforts to promote compliance and business improvement plan in Nuclear Power Division]
- 7th: December 21 [Future direction of the compliance promoting plan for FY 3/2022]
- 8th: February 22 [Progress of business improvement plan]
- 9th: March 23 [Compliance promotion plan for FY 3/2022]

◆ 「Compliance Promotion Division」 (Established on April 10, 2020)

○ Compliance Promotion Division will be composed of members having legal knowledge and also members having diversified professional backgrounds. As an executive side organization, Compliance Promotion Division will be responsible for developing and implementing KEPCO Group's Compliance promotion plans.





① Officers' initiatives, and establishment of a code of conduct to be observed by officers and employees

- As President's declaration to all stakeholders, President covenants 4 points as below, and executives have implemented communications with employees in order to tell in their own words and let the covenants sink in.
- Moreover, the intent of said declaration by President as well as more strict regulation on offering and acceptance of gifts and hospitalities will be expressly set forth in KEPCO Group CSR Charter as a code of conduct to be observed by KEPCO Group's officers and employees.

◆ President's declaration to all stakeholders (March 30, 2020)

1. I covenant to bear in mind as a President of KEPCO's Group that "priority should not be given to KEPCO Group's business performance and business activities over Compliance", to always behave himself in a user-oriented way, thinking what are present social norms.
2. I covenant not to hesitate to amend any of KEPCO's corporate practices and rules, organizations and systems if they should be amended.
3. I covenant to let my strong will to reform sink in the every company of KEPCO Group by implementing these thoroughly, and to ensure that KEPCO Group, as a whole, will continue to operate in an honest, transparent and open manner.
4. I covenant to promptly determine a cause or causes of the incident, strive for recurrence prevention, and responsibility for that, upon occurrence of an incident which damages KEPCO's credibility.



② Comprehensive revision of basic policies and internal regulations relating to promotion of Compliance

- To create compliance awareness with the user-orientedness, we decided to review the basic policy on compliance promotion and internal rules to organize the matters, “ easy to understand for every employee to prevail and act” and “ placement of compliance in rules, etc.” including whether or not to establish a new compliance rules/charter.
- We established 「Rules on gifts, reception and entertainment」 in December 2019, rules regarding “cases we give gifts or reception” in April 2021, and we enforce them properly.

◆ Rules on gifts, reception and entertainment

- not to receive gifts
- not to receive reception
- if received gifts/ reception inevitably, they need to report to KEPCO and take corrective actions such as the return gifts, etc.

③ Enhancement of Compliance training

- Training offered to officers should be enhanced. For example, training courses such as regular discussions with external experts, etc. In light of the indication by Compliance Committee, and so on, they will assign approximately 5% of their expected working hours [approx. 100 hours*] to the training for compliance or governance.
*including the advance preparation and post-reports such as literature surveys for the day of training
- For employees, training programs will be strengthened by the training for staffs promoting compliance and new training referred to the other companies and public service ethics is enhanced for continuous improvement of KEPCO Group’s Compliance awareness

◆ track records of discussion with officers and external experts

- December, 2019 : Crisis communication
- February, 2020 : Mechanisms of the cause of incidents
- September, 2020 : Mechanism of the occurrence of the incident receiving cash and gifts

◆ 100 hours Compliance training for officers

- December, 2020: Thinking KEPCO’s correctness from the view of ethics
- April, 2021: Whether the compliance of company with nominating committee, etc. is outperforming or not



3.-(1) Revision of procedures relating to issuance of work orders and execution of work contracts

① Separation of an implementation authority and a contracting authority

○ In order to strengthen control functions relating to issuance of work orders and execution of work contracts, a contracting authority now held by work implementing departments was transferred to procurement departments, except for purchase of office supplies and outsourcing of highly professional services such as system development services. (On June 25)

② Creation of the Procurement Review Committee

○ "Procurement Review Committee" was created in order to ensure reasonableness and transparency in business procedures relating to issuance of work orders and execution of work contracts or relating to payment of donations and cooperative contributions: the external experts will review said order issuance, contract execution and payment after the transaction is done. (On April 28)

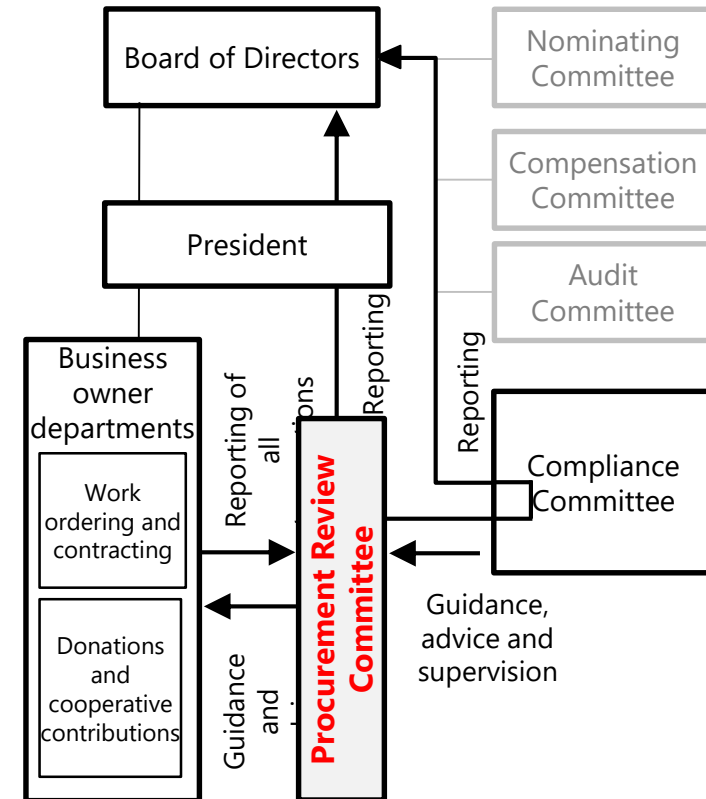
◆ 「the Procurement Review Committee」 (Established on April 28)

○ Members

- Chairperson (external) : Yojiro Taki, attorney
- external members : Atsushi Takada, accountant
: Atsushi Ishigame, Professor of Osaka Prefecture University
- Internal members : Toyokazu Misono, Vice president and director, in charge of the Office of Compliance Promotion

[Implementation status]

- 1st:May 26 「Appropriateness of internal standards and future screening methods for construction orders, donations and other procedures」
- 2nd:June 19 「Appropriateness of internal standards and future screening methods for construction orders, donations and other procedures」
- 3rd:July 30 「Examination results of individual projects (orders, donations)」
- 4th:October 8 「Examination results of individual projects (orders, donations) and creation of system of strengthening departmental contractual traction」
- 5th:December 14 「Examination results of individual projects (orders, donations) including associated companies」
- 6th:March 16 「 Examination results of individual projects (orders, donations) including associated companies 」





- KEPCO makes clear separation between execution and supervision, and develops an effective corporate governance regime attaching importance to external objective perspectives, for the purpose of enhancing supervisory functions of the Board of Directors. KEPCO's shift to a "Company with Nominating Committees, etc." was commenced.(on June 25)
- External directors have more opportunities to participate the decision making process like participating the Board of Directors as observers and the objectivity of decision making has got better.

① Revision of a corporate governance framework

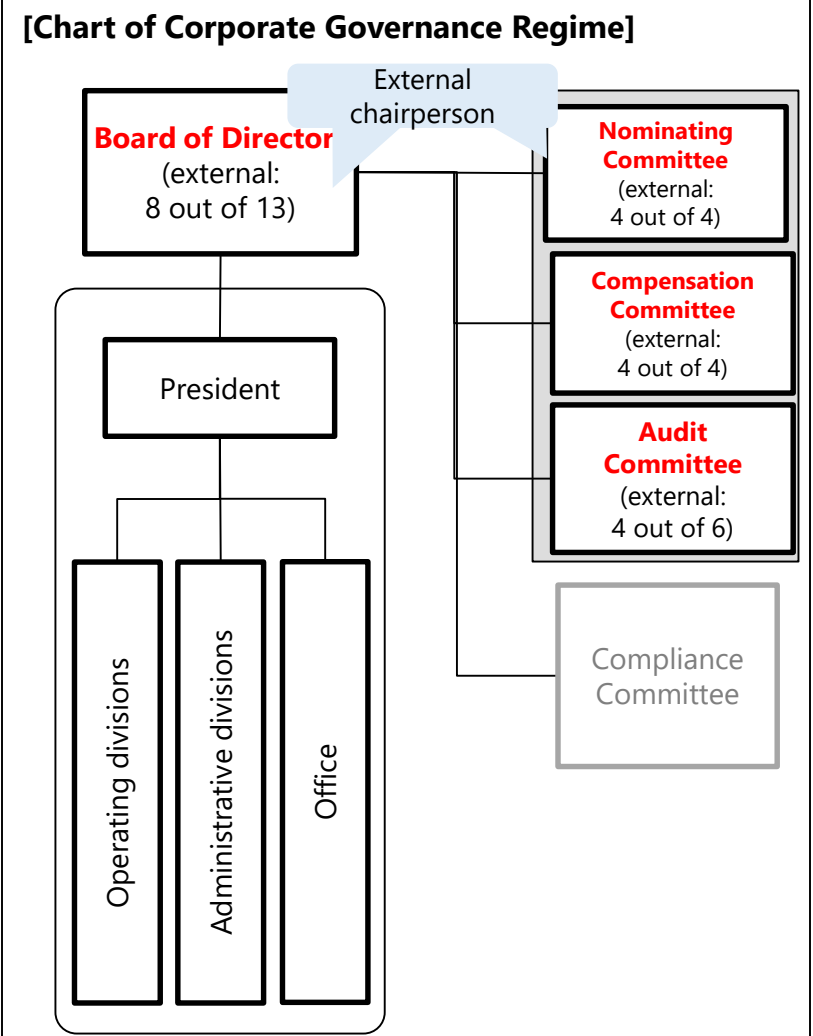
- shift to a "Company with Nominating Committees, etc." was commenced
- Corporate governance guidelines was developed

② Enhancement of supervisory functions attaching importance to external objective perspectives

- Chairperson from external member fills the role of chairperson of Board of Directors
- External directors fill the roles of the chairpersons of Nominating Committee, Compensation Committee and Audit Committee
- Personnel actions against officers is determined by the Board of Directors after discussions in the Nominating Committee and the Compensation Committee
- If, after any officer's retirement, KEPCO engages him/her as a corporate advisor, a consultant or post-retirement staff, the necessity of such continued engagement and remuneration payable to him/her is determined by the Board of Directors after discussions in the Nominating Committee and the Compensation Committee.

③ Enhancement of audit functions

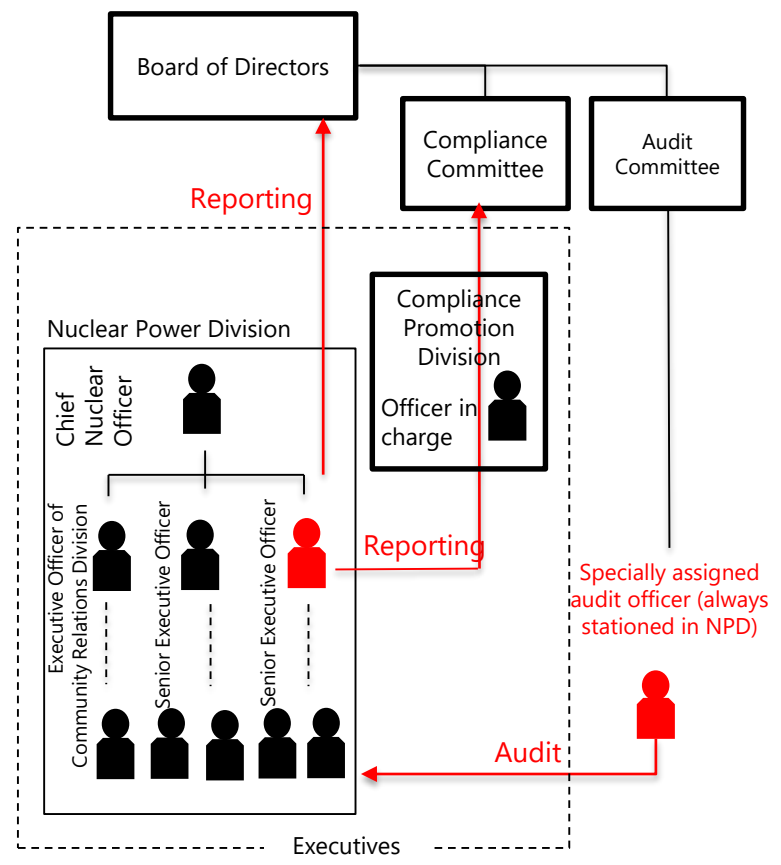
- Review toward and preparatory tasks for the following revision of audit functions was commenced: the Audit Committee, majority members of which should be external directors and Chairman of which should be also an external director, must have power to conduct audits on its own initiatives.
- A secretariat is created which support the Audit Committee so that the Committee can timely and comprehensively collect information based upon which the Committee conduct audits. Members of the secretariat consist of individuals having diversified professional Backgrounds.



○ KEPCO develops a system for effective governance over NPD so that NPD will become a well-governed and open organization. KEPCO created the position of Senior Executive Officer of NPD, which supervise Compliance and administrative departments and should be always stationed in NPD. Audit functions over NPD is enhanced to a specially assigned audit officer who serves the Audit Committee and will be always stationed in NPD to monitor it effectively. (on June 25, 2020)

① Enhancement of control over and support to Nuclear Power Division

- We created the position of Senior Executive Officer of NPD, which supervise Compliance and administrative departments and should be always stationed in NPD. (always stationed in NPD)
Senior Executive Officer of NPD reports the status of promoting compliance to the executive in charge of office of compliance promotion, Compliance Committee and Chairperson of Board of Directors.
- Audit functions over NPD is enhanced to a specially assigned audit officer who serves the Audit Committee and will be always stationed in NPD to monitor it effectively.
- “the Group of Compliance Promoting” was established in order to strengthen the compliance promoting system in the Nuclear Power Division.
- In order to enhance control over and support to NPD’s business activities in general, officers in other divisions (including corporate planning, accounting, and human resources & safety divisions) participate in NPD’s major meetings.



4.-(2) Development of a system for effective governance over Nuclear Power Division

○ In order to shorten geographic distance between officers/employees in NPD and officers in other divisions including external officers, meetings of the Board of Directors should be held in NPD's premises located in Mihama Town, on a periodical basis.

② Measures for creation of an open organization

- Meetings of the Board of Directors, the Compliance Committee, and so on should be held in NPD's premises located in Mihama Town of Fukui Prefecture, on a periodical basis.
- In order to wipe away NPD's self-enclosedness, opportunities should be offered for officers in divisions other than NPD including Chairman of the Board of Directors, President, and external officers to periodically hold discussions and dialogues with a wide range of NPD members.
- NPD members are provided with experiences to work in KEPCO's divisions not relating to nuclear business and/or in other companies and more personnel is transferred from such divisions to NPD.

[Meeting of the Board of Directors in NPD, discussions with external directors and managements, and dialogues with employees] on September 28, 2020



the Board of Directors



discussions with managements



dialogues with employees

[Observation of Power Plants by external directors] on September 29, 2020



Observation of Power Plants



Instructions to employees

Appendix2

Financial results for FY ending 3/2021 (detail)

Financial highlights (Consolidated)

(billion yen)	FY 3/2020	FY 3/2021	Change	Ratio
Operating revenues	3,184.2	3,092.3	△91.8	△2.9%
Operating income	206.9	145.7	△61.2	△29.6%
Ordinary income	211.5	153.8	△57.6	△27.3%
The net income attributable to owners of the parent company	130.0	108.9	△21.0	△16.2%

(billion yen)	Mar. 31, 2020	Mar. 31, 2021	Change
Interest-bearing debt	4,096.6	4,471.6	+374.9
Equity ratio	21.0%	20.9%	△0.1%



Major factors

Major factors	FY 3/2020	FY 3/2021	Change
Total electric sales(TWh) *1*2*3	127.3	117.6 (92.4)	△9.7
Retail electric sales	113.0(95.9)	102.3 (90.6)	△10.7
Residential	34.8(92.5)	34.0 (97.7)	△0.8
Commercial and Industrial	78.2(97.5)	68.3 (87.4)	△9.8
Electricity sales to other non-utility companies	14.3	15.3	+1.0
Electricity demand in Kansai area(TWh)	134.8	131.7	△3.1
Gas sales volume (10,000t)	139	157	+18
Nuclear capacity factor(%)	48.4	28.0	△20.4
Water run-off ratio(%)	98.6	96.5	△2.1
All Japan CIF crude oil price(\$/barrel)	67.8	43.4	△24.4
Exchange rate [TTM](yen/ \$)	109	106	△3

*1 () : Changes from the previous term, %

*2 Total electricity sales in power generation and sales business

*3 Figures in FY 3/2020 are after adjusting of the impacts of spin-off the transmission and distribution business.

Sensitivity of expenses by major factors (billion yen)	FY 3/2020	FY 3/2021
Nuclear capacity factor per1%	3.7	2.5
Water run-off ratio per1%	1.1	0.9
All Japan CIF crude oil price per1 \$/b	4.3	3.6
Exchange rate [TTM] per1yen/ \$	4.3	3.8

- Sensitivity of expenses by major factors denotes sensitivity of ordinary expenses.
- Sensitivity of expenses by major factors are subject to change if the rapid and drastic changes of major factors happen.



Consolidated statements of income

(billion yen)	FY 3/2020	FY 3/2021	Change
Ordinary revenues (Operating revenues)	3,235.9 (3,184.2)	3,143.7 (3,092.3)	△92.2 (△91.8)
Electric operating revenues	2,505.4	2,387.8	△117.6
Other operating revenues	678.8	704.5	+25.7
Non-operating revenues	51.7	51.3	△0.3
Ordinary expenses	3,024.4	2,989.9	△34.5
Electric operating expenses	2,384.5	2,338.6	△45.9
Other operating expenses	592.7	608.0	+15.2
Non-operating expenses	47.1	43.2	△3.8
Ordinary income	211.5	153.8	△57.6
Provision for or reversal of reserve for fluctuation in water level	△0.9	△1.4	△0.4
Extraordinary loss	24.1	—	△24.1
Income taxes	57.1	44.2	△12.8
Net income*	130.0	108.9	△21.0
Comprehensive income	136.0	129.8	△6.1

- Sales of external transactions in KEPCO
△252.6
- Sales of external transactions in Kansai-TD
+135.0

- Sales of external transactions in subsidiaries
+24.8
- Sales of external transactions in non-electric business
+0.9

- Costs for subsidiaries
+19.1
- Costs for non-electric business
△3.8

* The consolidated net income means the net income attributable to owners of the parent company.



Segment information

(billion yen)	FY 3/2020			FY 3/2021			Change		
	Operating revenues	Operating revenues (external transactions)	Ordinary income	Operating revenues	Operating revenues (external transactions)	Ordinary income	Operating revenues	Operating revenues (external transactions)	Ordinary income
Comprehensive Energy/Power Transmission and Distribution Business	3,801.7	2,839.2	167.8	3,752.4	2,745.0	152.7	△49.2	△94.1	△15.1
Power Generating and Sales	2,436.4	2,287.1	59.0	2,202.8	2,034.4	31.4	△233.6	△252.6	△27.6
Transmission and Distribution	868.2	248.7	71.7	1,003.0	386.4	68.3	+134.7	+137.6	△3.4
Gas/Other Energies	497.0	303.3	37.0	546.6	324.1	52.9	+49.6	+20.8	+15.8
IT/ Communications	290.6	220.3	34.1	293.7	219.3	38.6	+3.0	△0.9	+4.5
Life/Business Solutions	173.3	124.7	20.5	176.1	127.9	17.3	+2.8	+3.2	△3.2
Total	4,265.8	3,184.2	222.6	4,222.4	3,092.3	208.7	△43.3	△91.8	△13.8
Eliminations/Corporate	△1,081.5	—	△11.0	△1,130.0	—	△54.9	△48.5	—	△43.8
Consolidated	3,184.2	3,184.2	211.5	3,092.3	3,092.3	153.8	△91.8	△91.8	△57.6

*1 We rearranged reporting segments due to the spin-off of the power transmission and distribution business on April 1, 2020.

*2 Results for FY 3/2020 have been rearranged due to revision of reporting segments.

*3 Power generating and sales business includes operating holding company.

*4 Eliminations/Corporate includes Eliminations of dividend income from subsidiaries, and so on.

<References>

*reshown Gas/Other Energies business and Power Generating and Sales business (Some cases do not match the ordinary income by business segment because it includes the extraordinary gain/loss.)

(billion yen)	FY 3/2020	FY 3/2021	Change
International Business	△25.2	3.1	+28.4

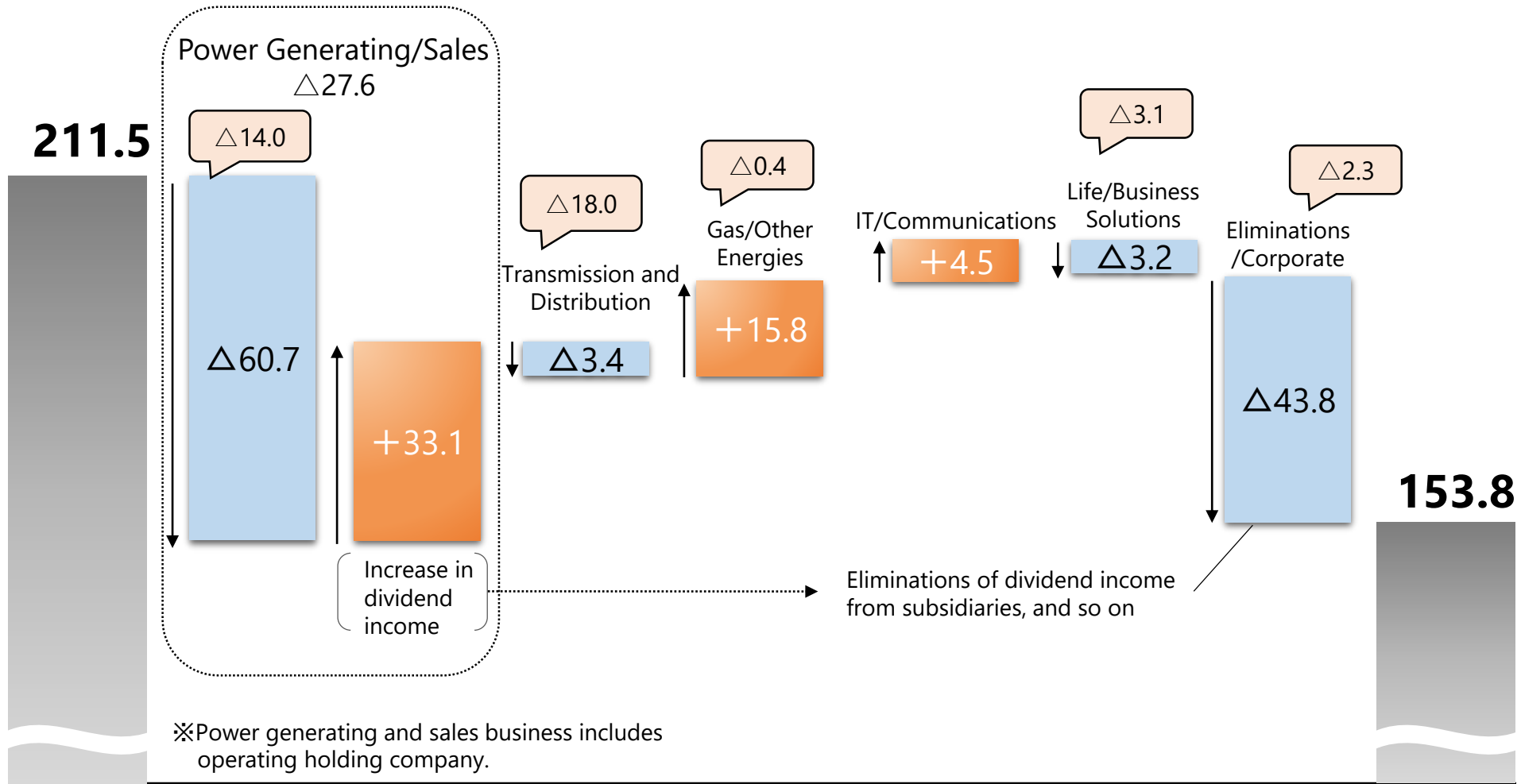
Breakdown of changes in International Business : Increase due to the reactionary decrease due to temporary loss recorded in the previous fiscal year

Factors affecting consolidated ordinary income

Consolidated Ordinary Income : 57.6 Billion Yen Decrease (billion yen)

Comprehensive Energy/Power Transmission and Distribution Business : 15.1 Billion Yen Decrease

Markup balloons indicate the effects caused by COVID-19 (total: 37.8 decrease)



※Power generating and sales business includes operating holding company.

(billion yen)	Effects on ^{*1} Ordinary income	Breakdown
Comprehensive Energy/ Power Transmission and Distribution Business	△32.4	
Power Generating and Sales	△14.0	<ul style="list-style-type: none"> ▪ Decrease in retail electricity sales △4.0 TWh^{*2} <li style="padding-left: 20px;">Decrease in total electricity sales △33.0 <li style="padding-left: 20px;">Decrease in revenue of wheeling service + 19.0
Transmission and Distribution	△18.0	▪ Decrease in the electricity demand in Kansai area △3.7 TWh ^{*2}
Gas/Other Energies	△0.4	▪ Decrease in the passengers in Kurobe Gorge Railway, etc.
IT/ Communications	—	—
Life/Business Solutions	△3.1	▪ Decrease in revenues of hotel business, administrative fee of commercial facilities and so on
Eliminations ^{*3}	△2.3	▪ Impairment loss in fixed assets in the hotel business, etc.
Total	△37.8	

*1 Including the figures calculated on the certain assumptions.

*2 Decreases in retail electricity sales volume and electricity demand in Kansai area are calculated by assuming that COVID-19 effects are what excludes the effects that can be calculated such as temperature effects.

*3 Impairment loss is the extraordinary loss [impairment loss] of the company which is in Life/Business Solutions Business, and it is included to "Other expenses" in the consolidated balance sheet and "Eliminations" in the segment information.

(billion yen)	Effects on Ordinary income	Breakdown
KEPCO	△19.0	<ul style="list-style-type: none"> ▪ Effects from fluctuations in supply/demand operations (such as additional LNG procurement in the spot market, effects from trouble at KEPCO's thermal power plants and those of other operators, etc.) △17.0 ▪ Others △2.0 (Settlement amount for shortage imbalance, Collection of settlement amounts from provision of leveraged power)
Kansai Transmission and Distribution, Inc.	+13.0	<ul style="list-style-type: none"> ▪ ↑ Increase in imbalance income, ↓ increase in cost for adjusting power, ↓ doubtful accounts for imbalance charge, etc.
Subtotal	△6.0	
Other associated companies	+6.0	<ul style="list-style-type: none"> ▪ ↑ Increase in electric sales in Kanden energy solution Co., Inc. ▪ ↓ Increase in purchased power in OPTAGE
Consolidated	±0.0	

*1 The figures are calculated on the certain assumptions.

*2 ↑ indicates the impacts of increased income, ↓ indicates the impacts of decreased income.

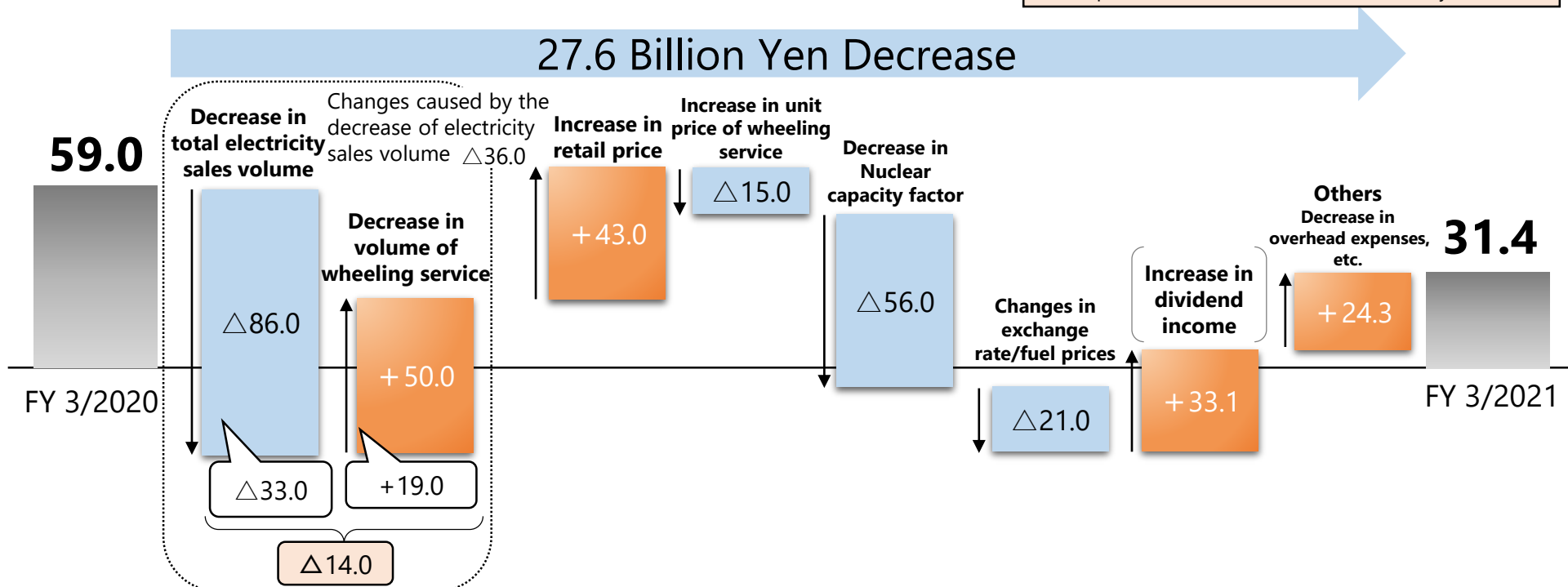


Segment results : Power Generating/Sales

(billion yen)	FY 3/2020	FY 3/2021	Change
Operating revenues	2,436.4	2,202.8	△233.6
Operating revenues (external transactions)	2,287.1	2,034.4	△252.6
Ordinary income	59.0	31.4	△27.6
Excluding dividend income	(46.4)	(△14.3)	(△60.7)

<Factors affecting ordinary income (in comparison with the previous term) >

Markup balloons indicate the effects caused by COVID-19



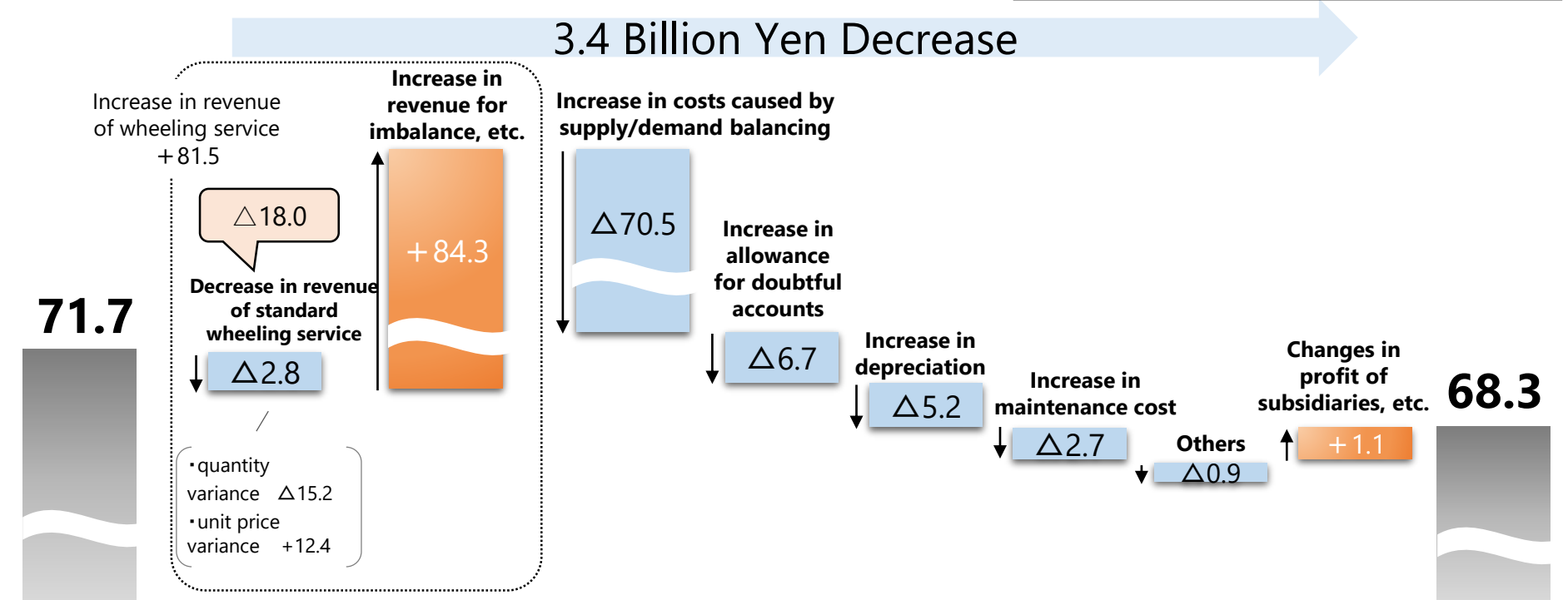


<Results>

(billion yen)	FY 3/2020	FY 3/2021	Change
Operating revenues	868.2	1,003.0	+134.7
Operating revenues (external transactions)	248.7	386.4	+137.6
Ordinary income	71.7	68.3	△3.4

<Factors affecting ordinary income (in comparison with the previous term) >

Markup balloons indicate the effects caused by COVID-19



FY 3/2020

FY 3/2021

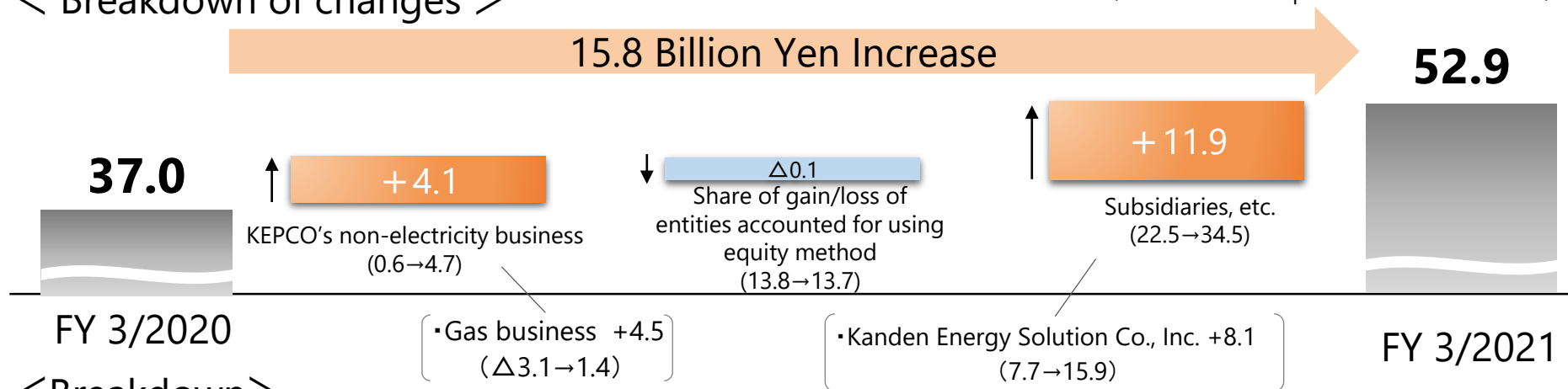


Segment results : Gas/Other Energies

(billion yen)	FY 3/2020	FY 3/2021	Change
Operating revenues	497.0	546.6	+49.6
Operating revenues (external transactions)	303.3	324.1	+20.8
Ordinary income	37.0	52.9	+15.8

< Breakdown of changes >

(brackets indicate previous → current results)



<Breakdown>

Operating revenues	Increased revenue because of the increase in electric sales in PPS business and constructions for KEPCO, etc.	
Operating revenues (external transactions)	Increased revenue because of the increase in electric sales in PPS business , etc.	
Ordinary income	KEPCO's non-electricity business	Increased income because of the increase in gas sales volume and the decrease in fuel cost by the fall in crude oil price in Gas business, etc.
	Share of gain/loss of entities accounted for using equity method	Decreased income because of the decreased income of affiliated companies accounted for using the equity method
	Subsidiaries, etc.	Increased income due to the increase in electric sales in PPS business and the increase in constructions for KEPCO, etc.

<Results>

(billion yen)	FY 3/2020	FY 3/2021	Change
Operating revenues	290.6	293.7	+3.0
Operating revenues (external transactions)	220.3	219.3	△0.9
Ordinary income	34.1	38.6	+4.5
OPTAGE Inc.	(33.8)	(37.5)	(+3.6)

<Breakdown of changes >

Operating revenues	Increased revenue owing to an increase in subscribers of consumer service and an increase in building systems for the KEPCO Group, etc.
Operating revenues (external transactions)	Decreased revenue because of the exclusion of a subsidiary from consolidation in spite of the increased income with the increased subscribers of consumer service
Ordinary income	Increased income because of the increase in subscribers of consumer service, the decrease in expenses due to the cost reduction and decrease in depreciation* *decrease in depreciation: mainly caused by completion of the depreciation to the end of the durable years of the facilities of FTTH business

<Results>

(billion yen)	FY 3/2020	FY 3/2021	Change
Operating revenues	173.3	176.1	+2.8
Operating revenues (external transactions)	124.7	127.9	+3.2
Ordinary income	20.5	17.3	△3.2
Kanden Realty & Development Co., Ltd.	(17.3)	(16.1)	(△1.2)

<Breakdown of changes >

Operating revenues	Increased revenue owing to an increase in operating revenue from increased home sales in the housing business and increased rent revenue by acquiring new property, in spite of reduced operation due to impacts of COVID-19 in the hotel business, etc.
Operating revenues (external transactions)	
Ordinary income	Decreased income because of the reactional decrease in revenue by selling specific large-scaled properties in the previous term in the housing business and reduced operation due to impacts of COVID-19 in the hotel business, etc.

(billion yen)	Mar. 31, 2020	Mar. 31, 2021	Change	
Assets	7,612.7	8,075.7	+463.0	<div style="border: 1px solid orange; padding: 5px;"> Capital expenditures +655.8 Depreciation and amortization Δ284.6 </div>
Liabilities	5,970.9	6,350.1	+379.2	<div style="border: 1px solid orange; padding: 5px;"> Interest bearing debt +374.9 </div>
Equity	1,641.7	1,725.5	+83.8	<div style="border: 1px solid orange; padding: 5px;"> Net income* +108.9 Dividend Δ44.6 (25.00yen per share for FY 3/20 year-end 25.00yen per share for FY 3/21 interim) </div>

* The consolidated net income means the net income attributable to owners of the parent company.



< Financial forecasts >

(billion yen)	FY 3/2021 (results)	FY 3/2022 (forecasts)	Change	Ratio
Operating revenues	3,092.3	2,500.0	△592.3	△19.2%
Operating income	145.7	90.0	△55.7	△38.2%
Ordinary income	153.8	100.0	△53.8	△35.0%
The net income attributable to owners of the parent ^{*1}	108.9	70.0	△38.9	△35.8%

*1 The consolidated net income means the net income attributable to owners of the parent company.

*2 FY 3/2022 financial forecasts are applied to "Accounting Standard for Revenue Recognition" etc., FY 3/2021 financial results are not applied the accounting standard.

< Financial indicators forecasts >

	FY 3/2021 (results)	FY 3/2022 (forecasts)
FCF (billion yen)	△291.5	Approx. △110.0
Equity Ratio (%)	20.9	Approx. 20
ROA (%)	2.2	Approx. 1.5
(Ref.) ROE (%)	6.6	Approx. 4.1

< Major factors >

	FY3/2021 (results)	FY 3/2022 (forecasts)	Change
Total Electricity sales (TWh)*	117.6	109.5	△8.1
Retail electric sales	102.3	96.0	△6.3
Residential	34.0	31.5	△2.5
Commercial and Industrial	68.3	64.6	△3.8
Electricity sales to other companies	15.3	13.5	△1.8
Electricity demand in Kansai area (TWh)	131.7	134.4	+2.7
Gas sales volume (10,000t)	157	130	△27
Nuclear capacity factor (%)	28.0	Approx. 50	Approx. +22.0
Water run-off ratio (%)	96.5	Approx. 100	Approx. +3.5
All Japan CIF crude oil price (\$/barrel)	43.4	Approx. 60	Approx. +16.6
Exchange rate [TTM] (yen/\$)	106	Approx. 110	Approx. +4

* Amount of total electric sales in the energy business provided by KEPCO

< Sensitivity of expenses by major factors >

(billion yen)	FY 3/2021 (results)	FY 3/2022 (forecasts)
Nuclear capacity factor per 1%	2.5	2.3
Water run-off ratio per 1%	0.9	0.9
All Japan CIF crude oil price per \$1/barrel	3.6	2.2
Exchange rate [TTM] per ¥1/\$	3.8	3.0

- Sensitivity of expenses by major factors denotes sensitivity of expenses.
- Sensitivity of expenses by major factors are subject to change if the rapid and drastic changes of major factors happen.

< Dividend forecast for FY ending 3/2022 >

	Interim	Year-end	Annual
Dividend per share	25.00yen	25.00yen	50.00yen



Ordinary Income by business segment

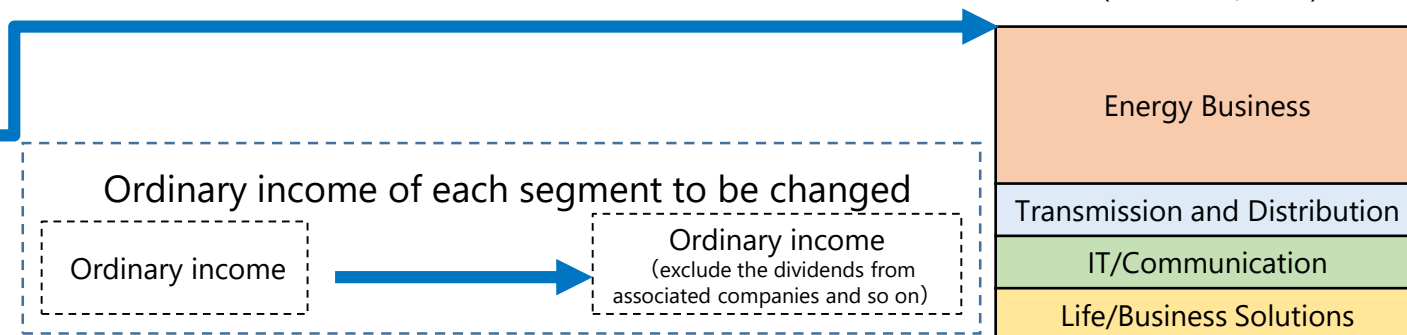
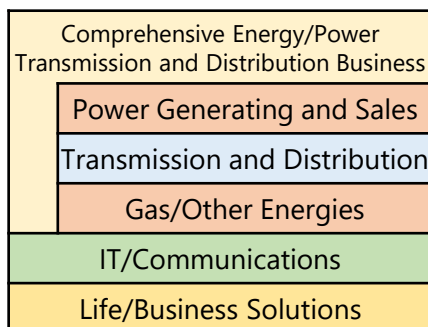
(billion yen)	FY 3/2021 (results)		FY 3/2022 (forecasts)		Change	
	Operating revenues (external transactions)	Ordinary income	Operating revenues (external transactions)	Ordinary income	Operating revenues (external transactions)	Ordinary income
Energy	2,358.6	33.5	1,818.0	1.0	△540.6	△32.5
Transmission and Distribution	386.4	68.3	328.0	50.0	△58.4	△18.3
IT/ Communications	219.3	38.6	212.0	36.0	△7.3	△2.6
Life/Business Solutions	127.9	16.5	142.0	9.0	+14.1	△7.5
Total	3,092.3	157.0	2,500.0	96.0	△592.3	△61.0
Eliminations/Corporate	—	△3.2	—	4.0	—	+7.2
Consolidated	3,092.3	153.8	2,500.0	100.0	△592.3	△53.8

* Due to revision of reporting segments, FY 2020 performance results have been simply rearranged and are presented for reference purposes only.

[Ref. : Reporting of reporting segments, etc. in association with the announcement of the medium-term management plan(2021-2025)]

- Integration of the “electric power generation and sales business” and “gas and other energy sources business” as part of our planned “conversion to a service provider” that provides customers with a diversity of solutions
- Segment income to be changed to ordinary income less dividends from consolidated subsidiaries and affiliated companies accounted for by the equity method, in order to report performance results of individual businesses more clearly

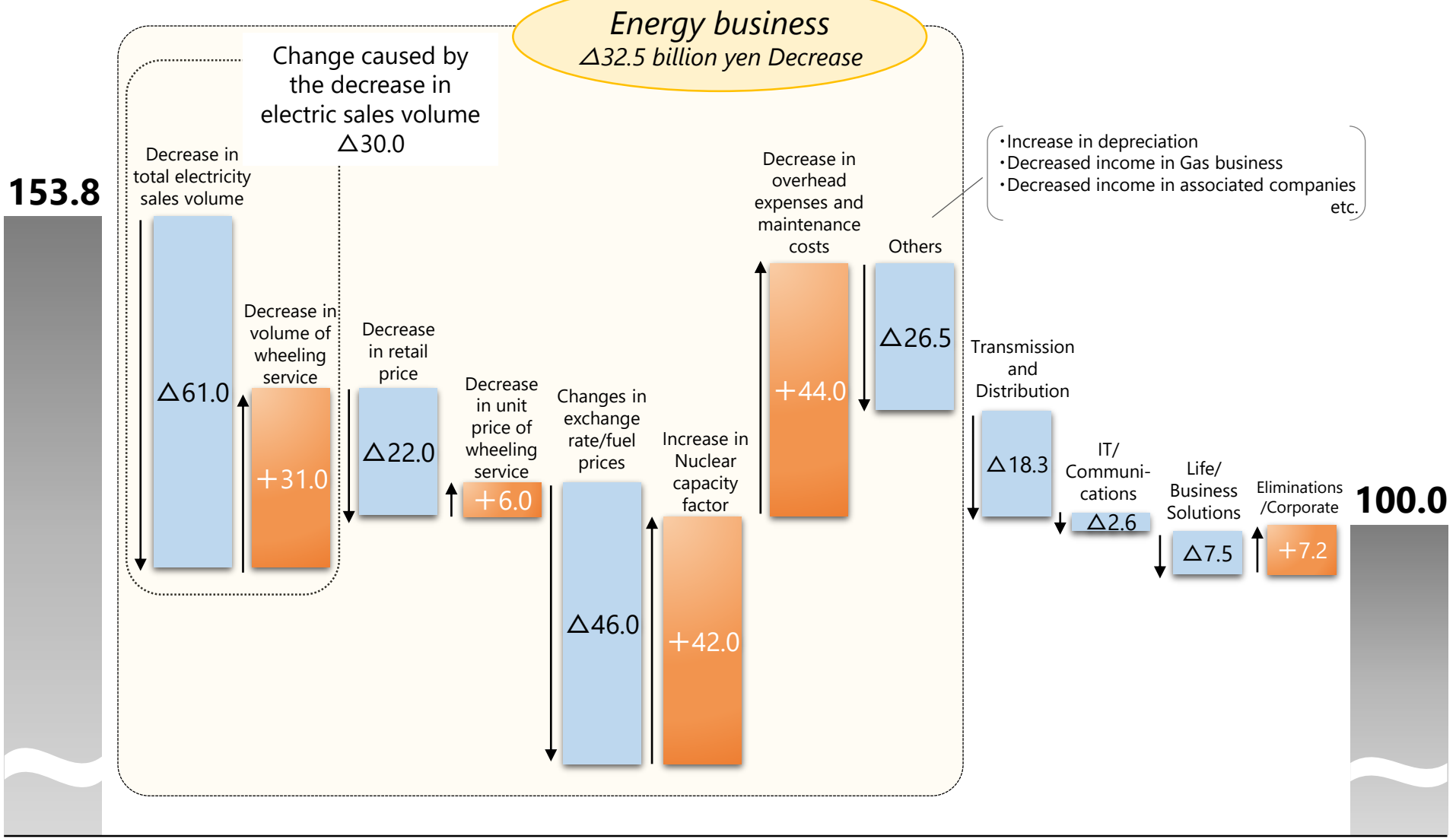
(FY 3/2021)



Factors affecting consolidated ordinary income

Consolidated Ordinary Income: 53.8 Billion Yen Decrease

(billion yen)



Breakdown of financial forecasts

(billion yen)		FY 3/2021 results	FY 3/2022 forecasts	Change	Breakdown
Energy	Operating revenues (external transactions)	2,358.6	1,818.0	△540.6	<ul style="list-style-type: none"> • Effects caused by Accounting Standard for Revenue Recognition • Decrease in total electric sales volume and retail unit price
	Ordinary income	33.5	1.0	△32.5	<ul style="list-style-type: none"> • Decrease in total electric sales volume and retail unit price • Decrease due to change exchange rate/ fuel prices
Transmission and Distribution	Operating revenues (external transactions)	386.4	328.0	△58.4	<ul style="list-style-type: none"> • Effects caused by Accounting Standard for Revenue Recognition • Decrease in imbalance income • Increase in due to the increase in electricity demand in Kansai area (increase in demand / decrease in unit price)
	Ordinary income	68.3	50.0	△18.3	<ul style="list-style-type: none"> • Reactional decrease due to the tight supply/demand situation in FY 3/2021 • Increase in due to the increase in electricity demand in Kansai area (increase in demand / decrease in unit price) • Increase in maintenance cost
IT/ Communications	Operating revenues (external transactions)	219.3	212.0	△7.3	<ul style="list-style-type: none"> • Effects caused by Accounting Standard for Revenue Recognition
	Ordinary income	38.6	36.0	△2.6	<ul style="list-style-type: none"> • Increase in costs for support the new technology for Kansai Electric Power Group
Life/Business Solutions	Operating revenues (external transactions)	127.9	142.0	+14.1	<ul style="list-style-type: none"> • Increase in dwellings for sales • Increase in the rent by acquiring new property
	Ordinary income	16.5	9.0	△7.5	<ul style="list-style-type: none"> • Increase in sales cost in the dwellings for sale • Increase in maintenance cost of the letting

* Due to revision of reporting segments, FY 3/2021 performance results have been simply rearranged and are presented for reference purposes only.



Non-consolidated results compared with last year (KEPCO)

(billion yen)	FY 3/2020	FY 3/2021	Change
Ordinary revenues (Operating revenues)	2,599.1 (2,565.7)	2,400.9 (2,332.6)	△198.2 (△233.1)
Electricity sales	2,089.3	1,827.1	△262.2
Grant under act on purchase of renewable energy sourced electricity	149.9	149.4	△0.5
Others	359.8	424.3	+64.4
Ordinary expenses	2,539.5	2,364.7	△174.7
Personnel expenses	109.7	103.8	△5.8
Fuel costs	456.9	393.4	△63.5
Backend expenses of nuclear power	83.5	43.7	△39.8
Maintenance costs	86.6	104.3	+17.7
Taxes other than income taxes	50.5	44.8	△5.7
Depreciation	84.9	92.7	+7.8
Purchased power	423.7	389.7	△33.9
Interest expenses	22.8	20.8	△1.9
Levy under act on purchase of renewable energy sourced electricity	289.5	263.5	△26.0
Expenses for wheeling service	552.2	539.1	△13.1
Others	378.8	368.5	△10.3
Ordinary income (Operating income or loss)	59.6 (54.2)	36.1 (△5.7)	△23.5 (△59.9)
Provision for or reversal of reserve for fluctuation in water level	△0.9	△1.4	△0.4
Extraordinary loss	14.8	-	△14.8
Income taxes	9.9	△1.9	△11.8
Net income	35.7	39.5	+3.7

- Decrease in retail electricity sales volume △170.0
- Decrease in adjusted fuel cost △109.0
- Decrease in the surcharge for promoting renewable energy sourced electricity △26.0
- Increase in retail unit price +43.0

- Dividend income +33.1

- Thermal △54.4
- Nuclear △9.0

- Decrease in retail electricity sales volume △84.0
- Increase in sold electricity to non-utility companies +7.0
- Decrease in purchased electricity to non-utility companies +17.0
- Decrease in Nuclear capacity factor +86.0
- Change of exchange rate and fuel costs △76.0

- Quantity variance △50.0
- Unit price variance, etc. +15.0
- Increase in the shortage imbalance, etc. +21.9

- Extraordinary loss on guarantees △14.8

*Results for FY 3/2020 have been rearranged as the transmission and distribution business was split off from KEPCO.



(billion yen)	FY 3/2020	FY 3/2021	Change
Ordinary revenues (Operating revenues)	813.5 (808.1)	939.9 (934.4)	+126.3 (+126.3)
Wheeling service	689.1	770.6	+81.5
Grant under act on purchase of renewable energy sourced electricity	28.0	41.6	+13.6
Others	96.3	127.5	+31.2
Ordinary expenses	748.1	879.1	+130.9
Personnel expenses	99.7	99.8	+0.1
Maintenance costs	107.5	110.3	+2.7
Taxes other than income taxes	88.7	89.6	+0.9
Depreciation	102.7	107.9	+5.2
Purchased power	149.0	258.1	+109.1
Interest expenses	10.7	10.0	△0.7
Others	189.5	203.0	+13.4
Ordinary income (Operating income)	65.3 (71.4)	60.8 (65.9)	△4.5 (△5.5)
Income taxes	22.0	20.4	△1.5
Net income	43.3	40.3	△2.9

•Quantity variance (Decrease in demand in Kansai area) △15.2
•Unit price variance +12.4
•Increase in revenue for Imbalance, etc. +84.3

•Increase in expense of purchase of renewable energy +25.3
•Increase in expenses for dispatchable generators +68.4

*Results for FY 3/2020 have been rearranged as the transmission and distribution business was split off from KEPCO.



<Retail Electricity sales for FY ending 3/2021>

(TWh)	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Residential	2.8 (94.2)	2.6 (94.8)	2.1 (95.1)	2.4 (103.2)	3.3 (96.7)	3.0 (102.5)	2.2 (92.2)	2.4 (95.9)	2.6 (92.4)	4.4 (109.2)	3.3 (98.4)	3.0 (92.3)
Commercial and Industrial	5.5 (85.8)	5.0 (79.1)	5.5 (84.2)	6.1 (86.3)	6.5 (86.8)	6.6 (90.2)	5.8 (85.9)	5.3 (88.5)	5.4 (88.8)	5.7 (93.0)	5.5 (88.6)	5.5 (92.1)
Retail Electricity sales*2	8.4 (88.4)	7.6 (83.8)	7.5 (86.9)	8.4 (90.5)	9.7 (89.9)	9.6 (93.7)	8.0 (87.6)	7.7 (90.7)	8.0 (89.9)	10.1 (99.4)	8.9 (92.1)	8.5 (92.2)

*1 Figures in () are year-on-year %

*2 Retail electricity sales in Power generation/Sales business

<Breakdown of retail electricity sales>

(TWh)	FY 3/2020	FY 3/2021	Change	Meter reading	Leap day	Temperature	Demand	Others
Residential	34.8	34.0	△0.8	+0.0	△0.1	+1.2	△1.5	△0.5
Commercial and Industrial	78.2	68.3	△9.8	△0.1	△0.1	+0.3	△6.4	△3.6
Retail Electricity sales	113.0	102.3	△10.7	△0.0	△0.2	+1.5	△7.9	△4.0

<Average monthly temperature>

"Others" includes the effects caused by COVID-19.

(°C)	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Actual	13.7	20.8	24.9	26.0	30.7	25.8	18.7	14.7	8.7	6.2	8.7	12.2
Year-on year change	△0.4	△0.2	+2.0	△0.5	+1.6	+0.1	△2.0	+1.0	△0.8	△2.4	+1.3	+0.8
Anomaly	△1.4	+1.1	+1.4	△1.4	+1.9	+0.8	△0.3	+1.1	+0.1	+0.2	+2.4	+2.8

<Breakdown of retail electricity sales in FY3/2022 forecasts>

(TWh)	FY 3/2021	FY 3/2022	Change	Meter reading	Temperature	Demand	Others
Residential	34.0	31.5	△2.5	+0.1	+0.1	△2.5	△0.3
Commercial and Industrial	68.3	64.6	△3.8	+0.0	△0.3	△6.6	+3.1
Retail Electricity sales*	102.3	96.0	△6.3	+0.1	△0.1	△9.0	+2.7

*Amount of total electric sales in the energy business provided by KEPCO

Consolidated statements of cash flows

(billion yen)	FY 3/2020	FY 3/2021	Change	
Operating activities	463.4	369.2	△94.1	Decrease in net income before income taxes △33.0
Investing activities	△577.3	△ 660.7	△83.3	Increase in expenses from purchase of property △109.6
(Free cash flows)	(△113.9)	(△291.5)	(△177.5)	
Financing activities	211.2	325.6	+114.4	Increase in interest-bearing debt +131.8 (FY 3/2020 : +243.1 → FY 3/2021 : +374.9)

Interest-bearing debt (Consolidated)

(billion yen)	Mar. 31, 2020	Mar. 31, 2021	Change
Bonds	1,314.0	1,284.0	△30.0 (+170.0、△199.9)
Borrowings	2,486.6	2,887.6	+401.0 (+994.5、△590.4)
Long-term	2,342.0	2,740.5	+398.4 (+729.0、△328.2)
Short-term	144.5	147.0	+2.5 (+265.5、△262.1)
Commercial paper	296.0	300.0	△4.0 (+612.0、△608.0)
Interest-bearing debt	4,096.6	4,471.6	+374.9
Interest rate (%) (as of fiscal year-end)	0.57	0.49	△0.08

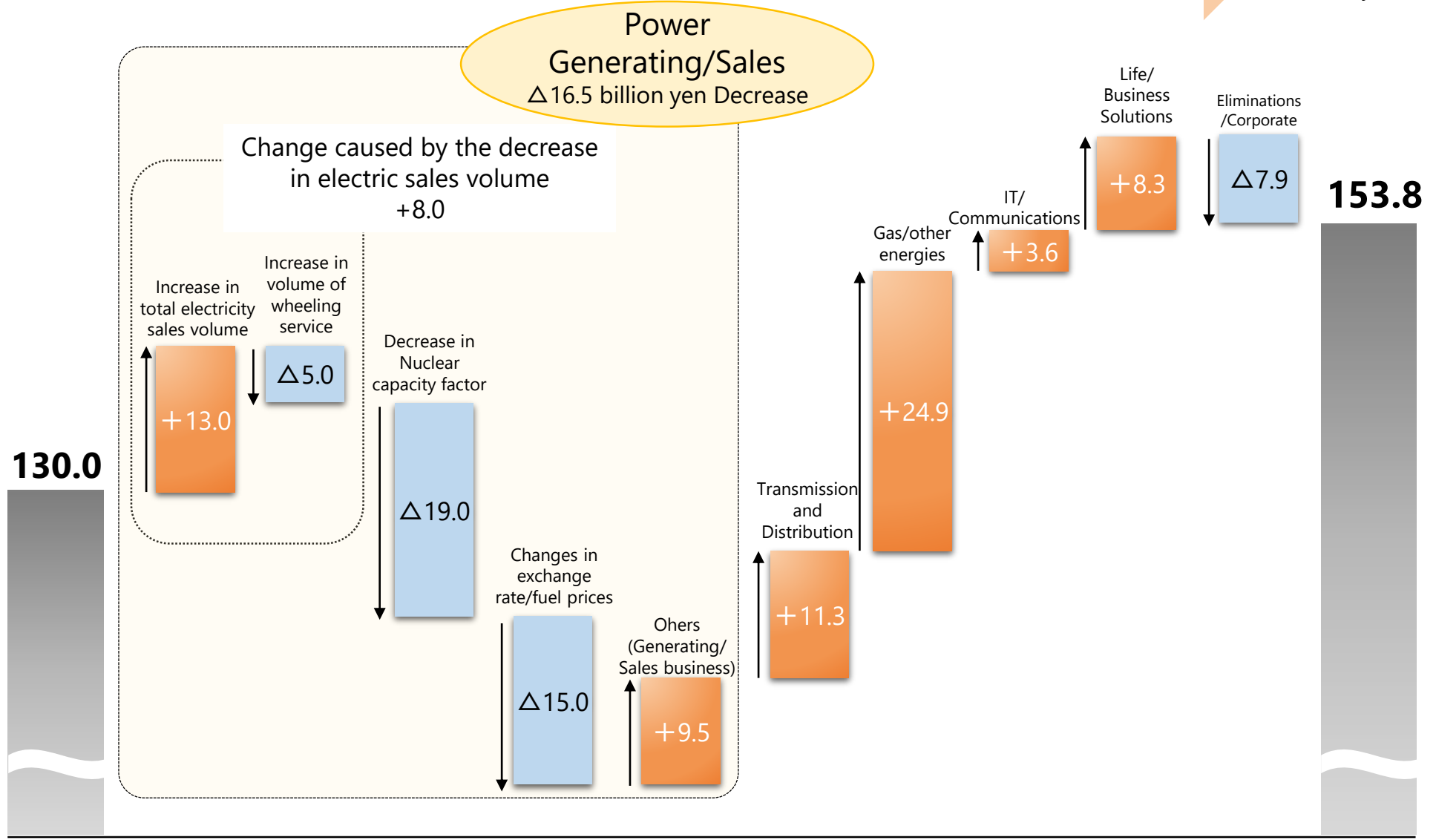
*1 +(plus) in the bracket means financing, △(minus) in the bracket means repayment.

*2 Change includes foreign exchange loss/gain, and total in the bracket may not be congruent.



Factors affecting consolidated ordinary income (in comparison with the financial forecasts)

Consolidated Ordinary Income: 23.8 Billion Yen Increase (billion yen)



FY 3/2021 forecasts

FY 3/2021 results

(GWh)	FY 3/2020	Composition ratio	FY 3/2021	Composition ratio	Change
Hydro	13,523	14%	12,775	14%	△748
Thermal	57,916	59%	61,437	69%	+3,521
Nuclear	26,717	27%	15,335	17%	△11,382
Renewable energy	13	0%	28	0%	+16
KEPCO Total	98,169	100%	89,576	100%	△8,593
Other-utility companies	22,985		19,664		△3,321
Captive use by hydropower	△2,570		△2,216		+354
Total	118,585		107,024		△11,561

*1 Some rounding errors may be observed.

*2 Figures in FY 3/2020 are after adjusting of the impacts of spin-off the transmission and distribution business.

*3 Actual supply and demand in Power generating/sales business

For further information

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