January 31, 2025

The 3rd Quarter of the Fiscal Year Ending March 31, 2025 Financial Results Overview [Japan GAAP] (Consolidated)

Kyushu Electric Power Co., Inc.

Stock code: 9508 URL: https://www.kyuden.co.jp/english_index.html Stock listed on: Tokyo SE, Fukuoka SE
Representative: Mr. Kazuhiro Ikebe, President & Chief Executive Officer
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Date to start dividend payments: –
Preparation of supplementary materials for financial results: Yes
Information meeting for financial results: No

(Rounded down to the nearest million yen)

1. Consolidated Financial Results for the Nine Months (April 1, 2024 to December 31, 2024)

(1) Consolidated Operational Results (% shows the changes from the same quarter period of the previous FY)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
April 1, 2024 - December 31, 2024	1,715,349	8.3	148,959	-42.7	153,716	-38.6	108,857	-41.8
April 1, 2023 - December 31, 2023	1,583,391	1.0	260,042	—	250,556	—	187,037	—

(Note) Comprehensive income : FY2024 3Q 114,694 million yen (-47.6%) FY2023 3Q 218,801 million yen (—%)

	EPS	Fully-diluted EPS
	(Unit: yen)	(Unit: yen)
April 1, 2024 - December 31, 2024	221.07	—
April 1, 2023 - December 31, 2023	388.92	—

(Note) Fully-diluted EPS for FY2024 3Q and FY2023 3Q are not indicated because there are no delutive potential shares

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	(Unit: million yen)	(Unit: million yen)	(%)
As of December 31, 2024	5,722,782	1,003,988	17.0
As of March 31, 2024	5,727,240	921,043	15.5

(Reference) Shareholders' equity: As of December 31, 2024 973,104 million yen As of March 31, 2024 890,529 million yen

2. Dividends

	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2023 ended March 31, 2024	—	0.00	—	25.00	25.00
FY2024 ended March 31, 2025	—	25.00	—		
FY2024 ending March 31, 2025(forecast)				25.00	50.00

(Note) Revision of the dividend forecast : No
Dividends mentioned the above are regarding common shares. See 'Dividends for Class Shares' regarding dividends for class shares which differ in shareholders' right from common shares.

3. Forecast of Financial result for FY2024 (April 1, 2024 to March 31, 2025)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net earnings per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Full-year	2,300,000	7.5	150,000	-41.2	130,000	-45.4	100,000	-39.9	199.21

(Note) Revision of the consolidated financial results forecast : No

※ Note

(1)Significant changes in scope of consolidation : No

Newly added:- Excluded:-

(2) Adoption of methods specific in preparing quarterly consolidated financial statements in accounting practice : No

(3) Changes in accounting principles, changes in accounting estimates, restatement

① Changes in accounting principles in line with revised accounting standards : No
② Changes in accounting principles other than ① : Yes
③ Changes in accounting estimates : No
④ Restatement : No

(4) Number of common stocks issued and outstanding

① Total stocks including treasury stocks at the end of period

FY2024 3Q	474,183,951 shares	FY2023	474,183,951 shares

② Treasury stocks at the end of period

FY2024 3Q	1,634,959 shares	FY2023	1,307,901 shares

③ Average number of stocks during the period

FY2024 3Q	472,742,090 shares	FY2023 3Q	472,830,106 shares

(Note) The number of our shares regarding "Board Benefit Trust (BBT)" held by the Trust was included in the number of treasury stocks at the end of period (1,040,000 shares as of FY2024 3Q and 723,000 shares as of FY2023) . In addition, the number of our shares held by the Trust was included in the number of treasury stocks, which was to be deducated from the calculation of the average number of stocks during the period. (852,000 shares for FY2024 3Q and 776,000 shares for FY2023 3Q)

*Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm : No

*Notes on the proper use of the forecasts

Looking-forward statements are based on information available at the date of the release of this document. Due to various factors, the actual result may differ from these statements.

We will post supplementary materials for financial results on our website.

(Reference) Dividends for Class Shares

The breakdown of dividend for class shares which differ in shareholders' rights from common shares is as follows.

Class B preferred shares	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2023 ended March 31, 2024	—	0.00	—	1,933,333.00	1,933,333.00
FY2024 ended March 31, 2025	—	1,450,000.00	—		
FY2024 ending March 31, 2025(forecast)				1,450,000.00	2,900,000.00

(Note) Revision of the dividend forecast : No

○ **Table of Contents of Attached Material**

1. Summary of Business Results ・・・

1. Summary of Business Results

This information is included in the “Financial Results for FY2024 3Q (Presentation materials for investors)” disclosed on the company's website today.

URL：https://www.kyuden.co.jp/english_ir_library_index.html

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Non-current assets	4,799,251	4,823,523
Electric utility plant and equipment	3,055,350	3,067,647
Hydroelectric power production facilities	270,935	265,563
Thermal power production facilities	203,932	192,895
Nuclear power production facilities	758,883	773,859
Internal combustion engine power production facilities	25,657	28,161
Renewable power production and related facilities	42,260	40,416
Transmission facilities	682,793	681,212
Transformation facilities	243,593	247,775
Distribution facilities	669,537	673,685
General facilities	147,833	149,798
Other electric utility plant and equipment	9,923	14,279
Other non-current assets	387,658	381,812
Construction in progress	456,893	467,302
Construction and retirement in progress	291,509	296,070
Special account related to nuclear power decommissioning	30,537	29,117
Special account related to reprocessing of spent nuclear fuel	134,846	142,114
Nuclear fuel	233,961	239,585
Loaded nuclear fuel	45,277	51,254
Nuclear fuel in processing	188,683	188,331
Investments and other assets	665,386	667,175
Long-term investments	259,435	255,399
Retirement benefit asset	19,991	21,289
Deferred tax assets	148,191	127,448
Other	238,903	264,204
Allowance for doubtful accounts	-1,134	-1,167
Current assets	927,988	899,258
Cash and deposits	392,761	290,872
Notes and accounts receivable - trade, and contract assets	182,421	250,831
Inventories	130,018	110,127
Other	225,339	249,857
Allowance for doubtful accounts	-2,552	-2,431
Total assets	5,727,240	5,722,782

(Unit: million yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Non-current liabilities	3,684,914	3,706,367
Bonds payable	1,405,000	1,517,275
Long-term borrowings	1,819,197	1,747,613
Contribution payable for nuclear reactor decommissioning	—	264,742
Retirement benefit liability	60,154	60,841
Asset retirement obligations	300,002	9,840
Deferred tax liabilities	16,675	17,750
Other	83,883	88,304
Current liabilities	1,119,049	1,009,643
Current portion of non-current liabilities	426,273	363,490
Short-term borrowings	123,410	122,470
Notes and accounts payable - trade	127,846	150,211
Accrued taxes	63,496	25,787
Other	378,021	347,683
Reserves under special laws	2,232	2,782
Reserve for water shortage	2,232	2,782
Total liabilities	4,806,196	4,718,793
Net assets		
Shareholders' equity	827,098	904,914
Share capital	237,304	237,304
Capital surplus	193,520	193,520
Retained earnings	397,802	476,198
Treasury shares	-1,529	-2,109
Accumulated other comprehensive income	63,431	68,189
Valuation difference on available-for-sale securities	10,052	11,808
Deferred gains or losses on hedges	24,781	26,165
Foreign currency translation adjustment	13,325	17,002
Remeasurements of defined benefit plans	15,271	13,213
Non-controlling interests	30,513	30,884
Total net assets	921,043	1,003,988
Total liabilities and net assets	5,727,240	5,722,782

(2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements
(Quarterly Consolidated Income Statements (For the nine months))

(Unit : million yen)

	April 1,2023- December 31, 2023	April 1,2024- December 31, 2024
Operating revenue	1,583,391	1,715,349
Electric utility operating revenue	1,420,331	1,533,950
Other business operating revenue	163,060	181,398
Operating expenses	1,323,349	1,566,389
Electric utility operating expenses	1,173,662	1,399,955
Other business operating expenses	149,687	166,433
Operating profit	260,042	148,959
Non-operating income	21,521	33,578
Dividend income	651	897
Interest income	1,820	6,149
Share of profit of entities accounted for using equity method	11,652	16,367
Other	7,396	10,163
Non-operating expenses	31,007	28,820
Interest expenses	21,035	22,022
Other	9,972	6,798
Total ordinary revenue	1,604,913	1,748,927
Total ordinary expenses	1,354,357	1,595,210
Ordinary profit	250,556	153,716
Provision or reversal of reserve for water shortage	-318	549
Provision of reserve for water shortage	—	549
Reversal of reserve for water shortage	-318	—
Profit before income taxes	250,875	153,166
Income taxes - current	41,114	22,275
Income taxes - deferred	21,830	21,067
Total income taxes	62,945	43,342
Profit	187,929	109,824
Profit attributable to non-controlling interests	891	967
Profit attributable to owners of parent	187,037	108,857

(Quarterly Consolidated Comprehensive Income Statements (For the nine months))

（Unit：million yen）

	April 1,2023- December 31, 2023	April 1,2024- December 31, 2024
Profit	187,929	109,824
Other comprehensive income		
Valuation difference on available-for-sale securities	1,747	1,692
Deferred gains or losses on hedges	10,617	2,430
Foreign currency translation adjustment	9,472	565
Remeasurements of defined benefit plans, net of tax	1,653	-2,070
Share of other comprehensive income of entities accounted for using equity method	7,381	2,252
Total other comprehensive income	30,872	4,870
Comprehensive income	218,801	114,694
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	217,732	113,615
Comprehensive income attributable to non-controlling interests	1,069	1,078

(3) Notes on Quarterly Consolidated Financial Statements

(Change in accounting policy)

Due to the transfer of our geothermal business to our consolidated subsidiary, Kyuden Mirai Energy Co., Ltd., on April 1, 2024, Kyuden Mirai Energy Co., Ltd. has adopted the “Electric Utility Accounting Regulations” from the start of the first quarter consolidated. Regarding the accounting treatment of lighting and power charges, the method of recording the charges calculated based on the usage measured by monthly meter readings as sales (operating revenue) for the month (hereinafter referred to as the “meter reading date basis”) has been adopted, and the account titles are displayed in accordance with the “Electric Utility Accounting Regulations”.

To reflect this change in accounting policy, the ¥23,860 million that was included in “Other non-current assets” under “Non-current assets” in the consolidated balance sheet of the previous consolidated fiscal year has been reclassified as “Electric utility plant and equipment.” Additionally, in the consolidated statement of income for the third quarter of the previous consolidated fiscal year, the ¥45,697 million that was included in “Other business operating revenue” under “Operating revenue” has been reclassified as “Electric utility operating revenue” and the ¥40,301 million that was included in “Other business operating expenses” under “Operating expenses” has been reclassified as “Electric utility operating expenses”. The impact of the change to the meter reading date basis is minimal.

(Notes to Segment Information)

1 Previous quarterly consolidated fiscal year (April 1, 2023 to December 31, 2023)

Information regarding sales and profits by Reportable segment

(Unit: millions of Yen)

	Reportable segment							Other*1	Total	Reconciliation*2	Quarterly consolidated financial statements*3
	Energy services				ICT services businesses	Urban Development Businesses	Total				
	Japanese electric power		Overseas Businesses	Other energy services businesses							
	Power and Retail businesses	Transmission and Distribution businesses									
Sales											
Revenue from contracts with customers	1,096,096	143,432	1,573	83,093	63,085	2,838	1,390,121	2,983	1,393,104	—	1,393,104
Other revenue*4	152,998	27,793	2,650	854	834	5,155	190,287	—	190,287	—	190,287
Sales to outside customers	1,249,095	171,226	4,223	83,948	63,920	7,994	1,580,408	2,983	1,583,391	–	1,583,391
Inter-segment sales	107,011	341,894	–	122,460	23,320	8,299	602,986	3,860	606,847	-606,847	–
Total	1,356,106	513,120	4,223	206,409	87,241	16,293	2,183,395	6,844	2,190,239	-606,847	1,583,391
Segment income	169,944	44,930	7,551	22,382	2,828	2,658	250,296	401	250,698	-142	250,556

*1 The "Other" segment refers to a business segment that is not included in the reportable segments and includes businesses such as fee-based nursing homes, outsourcing office work and temporary staffing.

*2 Reconciliations of Segment income (¥-142 million) are intersegment transaction eliminations.

*3 Segment income is adjusted to reflect ordinary income in the quarterly consolidated statements of incomes.

*4 In the ‘Other Revenues’ of the ‘Power and Retail businesses’, ‘Transmission and Distribution businesses’, ‘Other energy services businesses’, and ‘ICT services businesses’, subsidies received from ‘the national government based on their measures to mitigate sharp fluctuations in electricity and gas rates’, a measure based on ‘the Comprehensive Economic Measures for Overcoming Price Increases and Revitalizing the Economy’, are included, amounting to ¥152,632 million, ¥3,931 million, ¥774 million, and ¥93 million respectively.

2 Current quarterly consolidated fiscal year (April 1, 2024 to December 31, 2024)

Information regarding sales and profits by Reportable segment

(Unit: millions of Yen)

	Reportable segment							Other*1	Total	Reconciliation*2	Quarterly consolidated financial statements*3
	Energy services				ICT services businesses	Urban Development Businesses	Total				
	Japanese electric power		Overseas Businesses	Other energy services businesses							
	Power and Retail businesses	Transmission and Distribution businesses									
Sales											
Revenue from contracts with customers	1,289,917	174,457	704	98,138	64,948	6,045	1,634,210	3,062	1,637,272	—	1,637,272
Other revenue*4	57,661	11,899	1,955	411	699	5,449	78,076	—	78,076	—	78,076
Sales to outside customers	1,347,578	186,356	2,659	98,549	65,647	11,494	1,712,286	3,062	1,715,349	–	1,715,349
Inter-segment sales	115,680	356,114	–	130,863	23,621	8,300	634,580	4,185	638,766	-638,766	–
Total	1,463,259	542,471	2,659	229,413	89,269	19,794	2,346,867	7,247	2,354,115	-638,766	1,715,349
Segment income	84,927	28,735	11,209	21,933	4,165	3,451	154,423	411	154,835	-1,118	153,716

*1 The "Other" segment refers to a business segment that is not included in the reportable segments and includes businesses such as fee-based nursing homes, outsourcing office work and temporary staffing.

*2 Reconciliations of Segment income (¥-1,118 million) are intersegment transaction eliminations.

*3 Segment income is adjusted to reflect ordinary income in the quarterly consolidated statements of income.

*4 In the 'Other Revenues' of the 'Power and Retail businesses', 'Transmission and Distribution businesses', 'Other energy services businesses', and 'ICT services businesses', subsidies received from 'the national government based on their measures to mitigate sharp fluctuations in electricity and gas rates' and 'emergency assistance for overcoming extreme heat', a measure based on the 'Comprehensive Economic Measures to End Deflation Completely' are included, amounting to ¥56,714 million, ¥1,132 million, ¥255 million, and ¥36 million respectively.

(Notes in case of drastic changes in the amount of equity)

N/A

(Note on the premise of going concern)

N/A

(Notes to Statements of Cash Flows)

The consolidated cash flow statement for the third quarter of the fiscal year has not been prepared. Depreciation (including amortization related to intangible assets excluding goodwill) and Amortization of nuclear fuel impairment for the third quarter are as follows.

	Previous quarterly consolidated fiscal year (April 1, 2023 to December 31, 2023)	Current quarterly consolidated fiscal year (April 1, 2024 to December 31, 2024)
Depreciation	¥166,065 million	¥167,592 million
Amortization of nuclear fuel	¥20,368 million	¥18,817 million

(Additional Information)

(The revision of the Electric Utility Accounting Regulations due to the enforcement of "Act for Partial Revision of the Electricity Business Act and Other Acts for Establishing Electricity Supply Systems for Realizing a Decarbonized Society")

On April 1, 2024, the "Act for Partial Revision of the Electricity Business Act and Other Acts for Establishing Electricity Supply Systems for Realizing a Decarbonized Society" (Act No. 44 of 2023, hereinafter referred to as the "Revised Act") and the "Ordinance for the Arrangement of Related Ministerial Ordinances, etc. due to the Enforcement of the Act for Partial Revision of the Electricity Business Act and Other Acts for Establishing Electricity Supply Systems for Realizing a Decarbonized Society" (Ordinance No. 21 of the Ministry of Economy, Trade and Industry of 2024, hereinafter referred to as the "Revised Ordinance") were enforced. As a result, the "Ordinance on the Reserve Fund for the Reserve for Decommissioning of Nuclear Power Generation Facilities" (Ordinance No. 30 of the Ministry of International Trade and Industry of 1989, hereinafter referred to as the "Decommissioning Ordinance") was abolished, and the Electric Utility Accounting Regulations were revised.

The costs necessary for the decommissioning of commercial nuclear power reactors were traditionally recorded as Asset Retirement Obligations. For assets corresponding to these obligations, the "Guidance on Accounting Standard for Asset Retirement Obligations" (Implementation Guidance No. 21, March 25, 2011) Section 8 was applied. Based on Decommissioning Ordinance, the total estimated cost of decommissioning nuclear power generation facilities was calculated annually using the formula specified in the Guidelines for Handling Reserve Funds for the Decommissioning of Nuclear Power Generation Facilities (a method for estimating costs based on the types and quantities of waste generated by decommissioning). This amount was then recorded using the straight-line method over the expected operational period of the power generation facilities. However, from the enforcement date of the Revised Ordinance, the decommissioning contributions stipulated in Article 11, Paragraph 2 of the "Act on the Implementation of Reprocessing of Spent Fuel and Promotion of Decommissioning in Nuclear Power Generation" as amended by Article 3 of the Revised Act be recorded as electricity business operating expenses.

Nuclear operators have traditionally been responsible for securing funds for the decommissioning of their own commercial power reactors. Under the Revised Act, they will fulfill their cost burden responsibility by paying decommissioning contributions to the Nuclear Reprocessing Organization of Japan (hereinafter referred to as the "Organization") annually. The Organization will then bear the economic responsibility for securing, managing, and disbursing the funds necessary for decommissioning.

As a result, in the first quarter consolidated accounting period, Asset retirement obligation-related assets of ¥18,995 million and Asset retirement obligations of ¥291,011 million have been reversed. In accordance with Article 10, Paragraph 1 of the Supplementary Provisions of the Revised Act, the amount of ¥274,782 million that must be paid to the Organization for the costs of decommissioning promotion operations has been recorded as Contribution payable for nuclear reactor decommissioning in accordance with Article 7 of the Supplementary Provisions of the Revised Ordinance. This has no impact on profit and loss. Of this amount, ¥10,039 million has been reclassified as Current portion of non-current liabilities. Additionally, ¥2,765 million has been recorded in Special account related to nuclear power decommissioning account in accordance with Article 8 of the Supplementary Provisions of the Revised Ordinance.