

Jera

エネルギーを新しい時代へ

FY2018 Second Quarter Consolidated Financial Results

(Note) The company's fiscal year (FY) is from April 1 to March 31 of the following year in this material.

"2Q" refers to the period from April 1 to September 30.

JERA Co., Inc.

November 6, 2018

Outline of Financial Results

Consolidated Statement of Income

(Unit: Billion Yen)

	2018/2Q (A)	2017/2Q (B)	Change (A-B)	Rate of Change (%)
Operating Revenue (Net Sales)	1,299.5	1,006.4	293.1	29.1
Operating Income	3.9	4.6	(0.7)	(15.1)
Ordinary Income	20.4	11.5	8.9	77.2
Net Income	15.2	7.9	7.2	91.3

Consolidated Balance Sheet

(Unit: Billion Yen)

	2018/2Q (A)	FY2017 (B)	Change (A-B)	Rate of Change (%)
Assets	1,189.3	1,089.1	100.1	9.2
Liabilities	581.8	508.9	72.8	14.3
Net Assets	607.4	580.1	27.2	4.7
Outstanding Interest-bearing Debt	300.2	217.3	82.9	38.2
Equity Ratio (%)	47.2	49.8	(2.6)	

Key Points of Financial Results

■ Key points of FY2018 2Q Financial Results

- Consolidated operating revenue increased by 29.1% year-on-year to 1,299.5 billion yen primarily due to an increase in fuel sales revenue resulting from an escalating fuel price.
- Ordinary income increased by 77.2% year-on-year to 20.4 billion yen primarily due to an increase in equity in earnings of affiliates resulting from a temporary factor including the profit generated from partial divestiture of the overseas power generation business.
- Net income increased by 91.3% year-on-year to 15.2 billion yen.

[Reference: FY2018 Full-year Net Income]

“JERA to Succeed to Parent Companies’ Existing Thermal Power Generation Businesses(*1)” in the second half of 2018. For this event, preparation cost is incorporated in the estimation. Accordingly, FY2018 Full-Year Net Income is forecasted to stand at 10 billion yen, which is the same level as shown in “JERA’s Financial Position Reflecting the “Step3” Integration of Shareholders’ Existing Domestic Thermal Power Generation Business(*2)”.

(*1: Press release issued on June 27, 2018) (*2: Press release issued on March 27, 2018)

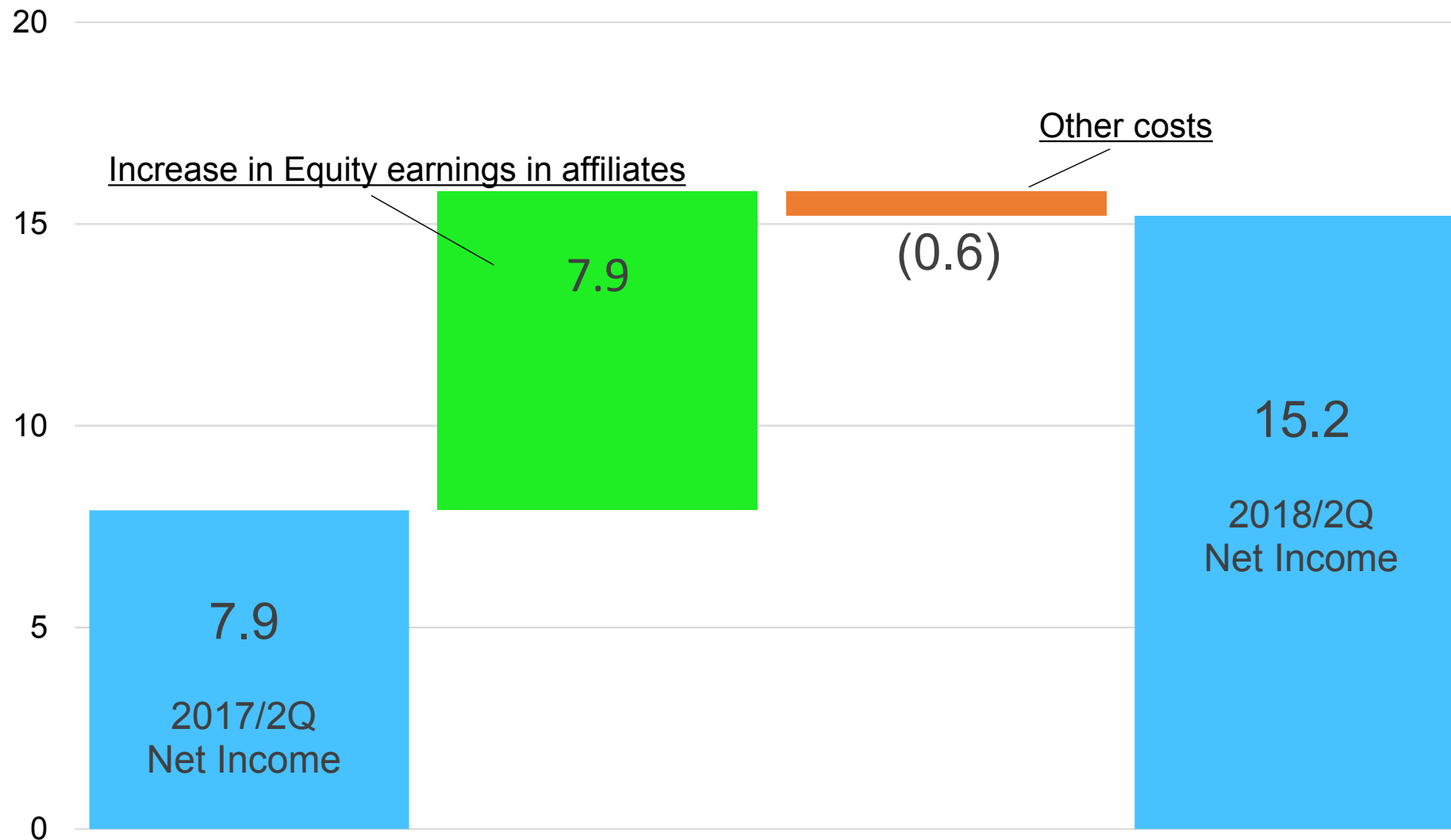
Consolidated Income/Expenditure Comparison

(Unit: Billion Yen)

	2018/2Q (A)	2017/2Q (B)	Change (A-B)	Main Factors of Changes
Operating Revenue (Net Sales)	1,299.5	1,006.4	293.1	Increase in fuel sales revenue.
Operating Expenses	1,295.6	1,001.8	293.8	Increase in cost of sales. (Expenses for fuel purchase.)
Operating Income	3.9	4.6	(0.7)	
Non-operating Income	18.5	8.9	9.6	Increase in equity in earnings of affiliates.
Non-operating expenses	2.0	2.0	0	
Ordinary Income	20.4	11.5	8.9	
Income Taxes, etc.	2.8	1.3	1.4	
Quarterly net income attributable to non-controlling interests	2.3	2.1	0.1	
Quarterly Net Income	15.2	7.9	7.2	

Quarterly Net Income

(Unit: Billion Yen)

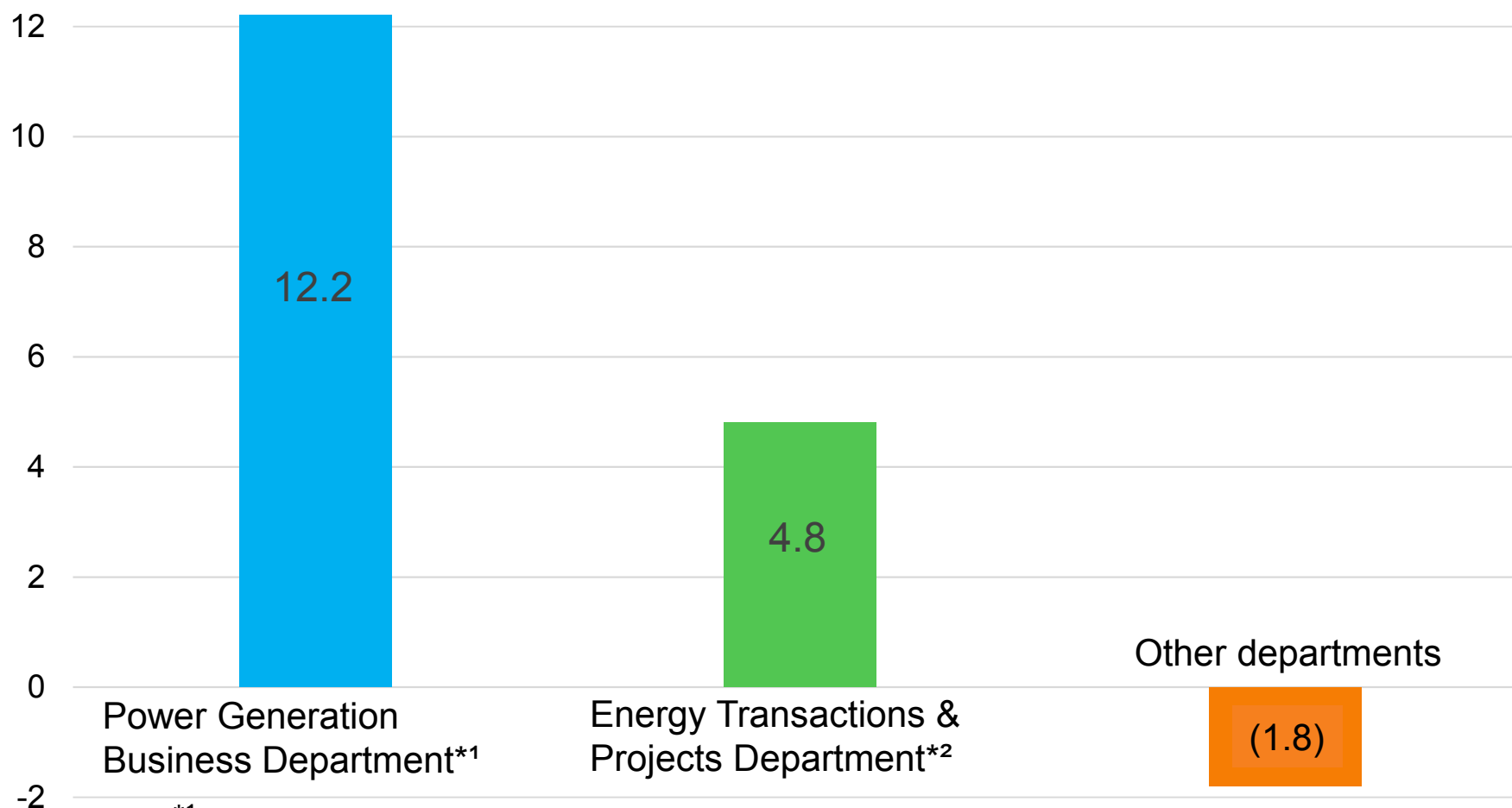


Key Data of Income and Expenditure

	2018/2Q (A)	2017/2Q (B)	Change (A-B)
Crude Oil Prices (JCC) (dollar/barrel)	73.8	51.4	22.4
LNG Prices (JLC) (dollar/barrel)	57.5	47.9	9.6
Foreign Exchange Rate (yen/dollar)	110.3	111.1	(0.8)

Segment Information

(Unit: Billion Yen)



*1 : Overseas & domestic power generation businesses.

*2 : Sales & procurement, upstream investment, trading, and transportation businesses.

Consolidated Financial Standings

- Total assets balance saw an increase of 100.1 billion yen due to valuation gain on investment securities and construction in progress.
- Total liabilities balance increased 72.8 billion yen due to a rise in interesting-bearing debt, etc.
- Total net assets balance increased by 27.2 billion yen due to an increase in retained earnings and non-controlling interests.
- Shareholders' Equity Ratio maintained at the latter half of 40%.

