



エネルギーを新しい時代へ

FY2020 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 13, 2020

Outline of Financial Results

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Consolidated Statement of Income

(Unit: Billion Yen)

	2020/2Q(A)	2019/2Q(B)	Change(A-B)	Rate of Change(%)
Operating revenue (Net sales)	1,252.5	1,624.1	(371.6)	(22.9)
Operating income	158.5	140.6	17.8	12.7
Ordinary income	162.9	151.1	11.8	7.8
Quarterly net income attributable to owners of parent	108.9	137.8	(28.9)	(21.0)

Consolidated Balance Sheet

(Unit: Billion Yen)

	2020/1Q(A)	FY2019(B)	Change(A-B)	Rate of Change(%)
Assets	3,928.3	4,035.3	(106.9)	(2.7)
Liabilities	2,271.8	2,434.0	(162.2)	(6.7)
Net assets	1,656.5	1,601.2	55.2	3.5
Outstanding interest- bearing debt	1,543.5	1,505.9	37.5	2.5
Equity ratio (%)	40.4	38.2	2.2	

Key Points of Financial Results

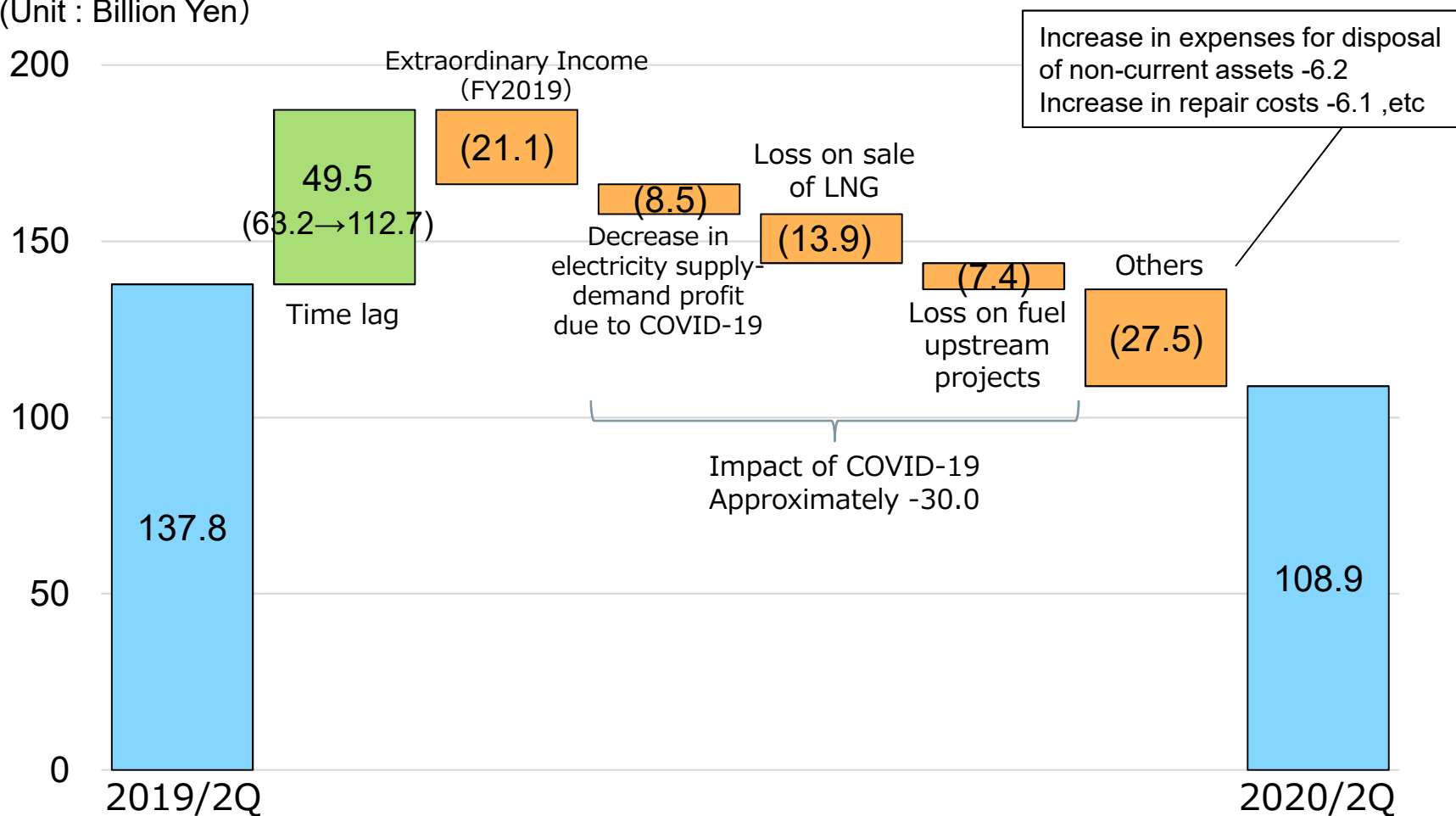
■ Key points of FY2020 2Q Financial Results

- Operating revenue decreased by 22.9% year-on-year to 1,252.5 billion yen primarily due to a decrease of fuel cost adjustment charge.
- Ordinary income increased by 7.8% year-on-year to 162.9 billion yen due to an increase of a gain incurred by fuel cost adjustment system time lag into income (68.9 billion yen [87.7 billion yen → 156.6 billion yen]), despite the negative impact of COVID-19.
- Net income decreased by 21.0% year-on-year to 108.9 billion yen due to the negative impact of COVID-19 and extraordinary income associated with the gain on divestiture of the overseas power generation project in last year, despite an increase of a gain incurred by fuel cost adjustment system time lag into income (49.5 billion yen [63.2 billion yen → 112.7 billion yen])

Consolidated Net Income

【Various factors of Consolidated net income】

(Unit : Billion Yen)



Note: Figures are after-tax amounts.

Consolidated Income/Expenditure Comparison

(Unit: Billion Yen)

	2020/2Q(A)	2019/2Q(B)	Change(A-B)	Main Factors of Changes
Operating revenue (Net sales)	1,252.5	1,624.1	(371.6)	•Decrease of fuel cost adjustment charge
Operating expenses	1,093.9	1,483.5	(389.5)	
Operating income	158.5	140.6	17.8	•Increase of a gain incurred by fuel cost adjustment system time lag into income (68.9 billion yen [87.7 billion yen → 156.6 billion yen]) •The negative impact of COVID-19
Non-operating income	10.0	19.1	(9.1)	•Decrease of equity in earnings of affiliates due to loss on fuel upstream projects
Non-operating expenses	5.6	8.7	(3.0)	
Ordinary income	162.9	151.1	11.8	
Extraordinary income	-	21.1	(21.1)	(2019/2Q) Gain on divestiture of the overseas power generation projects
Extraordinary loss	5.7	-	5.7	Loss on fuel upstream projects
Income taxes, etc.	40.6	26.7	13.8	
Quarterly net income attributable to non-controlling Interests	7.6	7.6	0.0	
Quarterly net income attributable to owners of parent	108.9	137.8	(28.9)	

Key Data of Income and Expenditure

	2020/2Q(A)	2019/2Q(B)	Change(A-B)
Electrical Energy Sold(TWh)	109.9	131.3	(21.4)
Crude Oil Prices(JCC) (dollar/barrel)	36.5	68.9	(32.4)
Foreign Exchange Rate (yen/dollar)	106.9	108.6	(1.7)

Note: Crude Oil Prices(JCC) for 2020/2Q is tentative.

Consolidated Balance Sheet

(Unit: Billion Yen)

	Sep 30, 2020(A)	Mar 31, 2020(B)	Change(A-B)	Main Factors of Changes
Cash and deposits	557.3	459.1	98.2	
Property, plant and equipment	1,987.2	1,989.6	(2.3)	
Investment securities	586.8	613.3	(26.5)	
Others	796.8	973.1	(176.2)	• Decrease of inventories -69.6, etc
Assets	3,928.3	4,035.3	(106.9)	
Outstanding interest-bearing debt	1,543.5	1,505.9	37.5	• JERA+30.0, Subsidiaries + 67.6
Others	728.3	928.0	(199.7)	• Decrease of income tax payable -42.2 • Decrease of account of receivable -41.4, etc
Liabilities	2,271.8	2,434.0	(162.2)	
Shareholders' equity	1,648.0	1,566.0	81.9	• Dividends paid-27.0 • Quarterly net income+ 108.9
Others	8.5	35.1	(26.6)	
Net Assets	1,656.5	1,601.2	55.2	

Consolidated Cash Flows

(Unit: Billion Yen)

		2020/2Q(A)	2019/2Q(B)	Change(A-B)
Cash flows from operating activities		196.6	291.3	(94.7)
Cash flows from investing activities	Purchase of non-current assets	(116.0)	(128.0)	11.9
	Purchase of investment securities	(2.6)	(27.1)	24.4
	Other	(4.3)	(8.5)	4.1
		(123.1)	(163.6)	40.5
Free Cash Flows		73.4	127.6	(54.1)
Cash flows from financing activities	Net increase/decrease in loans payable	34.9	(377.9)	412.9
	Dividends paid※1	(27.0)	-	(27.0)
	Other	16.6	1.7	14.9
		24.6	(376.1)	400.8
Net increase/decrease in cash and cash equivalents※2		93.5	93.4	0.1

※1 Excluding Dividends paid to non-controlling interests

※2 Including Increase in cash and cash equivalents due to absorption-type demerger (335.0 billion yen) and Increase in cash and cash equivalents due to change in scope of consolidation (11.7 billion yen) in 2019/2Q.

Segment Information

(Unit: Billion Yen)

		Fuel-related※	Overseas power generation	Domestic thermal power generation and gas supply	Adjustments	Consolidated
2020/2Q(A)	Operating Revenue	365.5	1.0	1,167.4	(281.5)	1,252.5
	Net Income	15.9	0.1	108.2	(15.5)	108.9
2019/2Q(B)	Operating Revenue	375.1	0.5	1,479.8	(231.4)	1,624.1
	Net Income	17.5	30.3	99.0	(9.0)	137.8
Change(A-B)	Operating Revenue	(9.6)	0.5	(312.4)	(50.0)	(371.6)
	Net Income	(1.5)	(30.1)	9.2	(6.4)	(28.9)

※Fuel upstream, Transportation, Fuel trading

(2019/2Q) Gain on divestiture of the overseas power generation projects -21.1

Time Lag +49.5
Decrease income due to COVID-19 -22.4
(Loss on sale of LNG, Decrease in electricity supply-demand profit)

Forecast for FY2020

【Consolidated forecast】

Net income is expected to be 120.0 billion yen.

(Net income excluding a gain incurred by fuel cost adjustment system time lag is expected to be 50.0 billion yen.)

(Unit: Billion Yen)

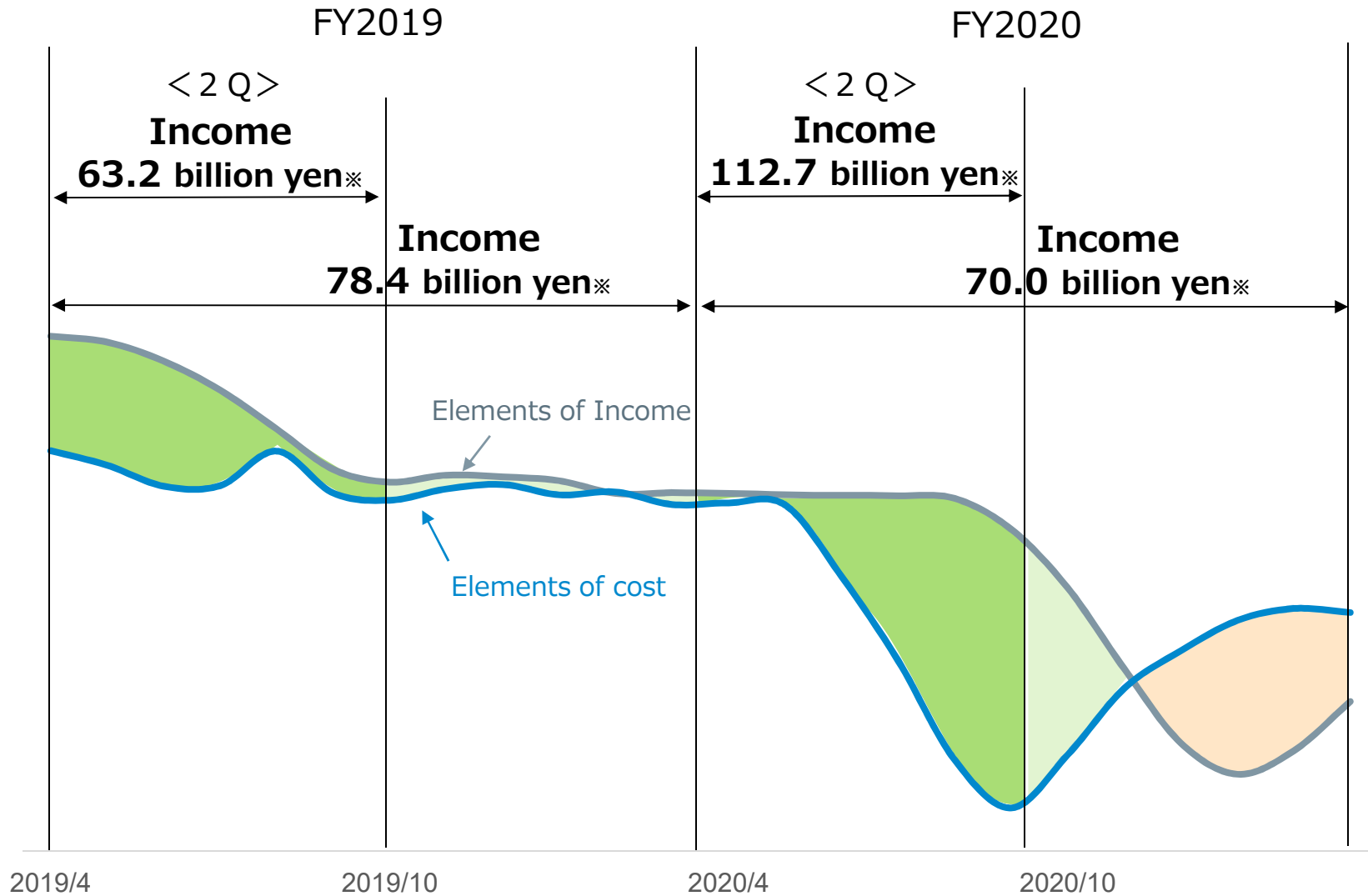
	FY2020 (Forecast) (A)	FY2019 (Result) (B)	Change(A-B)	Rate of Change(%)
Net Income attributable to owners of parent	120.0	168.5	(approx.48.5)	(28.8)

【Key data】

	FY2020 (Forecast)	FY2019 (Result)
Crude Oil Prices(JCC) (dollar/barrel)	Approx.42	67.8
Foreign Exchange Rate (yen/dollar)	Approx.108	108.7

Appendix

Image of Time Lag



*Figures are after-tax amounts.

Electrical Energy Sold and Electrical Power Generated

【Electrical Energy Sold(TWh)】

	Apr 1 to Jun 30	Jul 1 to Sep 30	2Q (Apr 1 to Sep 30)
FY2020	47.5	62.4	109.9
FY2019	59.9	71.4	131.3

【Electrical Power Generated(TWh)】

	Apr 1 to Jun 30	Jul 1 to Sep 30	2Q (Apr 1 to Sep 30)
FY2020	47.0	61.7	108.7
LNG	38.4 (82%)	52.9 (86%)	91.3 (84%)
Coal	8.7 (18%)	8.8 (14%)	17.4 (16%)
Others	0.0 (0%)	0.0 (0%)	0.0 (0%)
FY2019	59.9	71.2	131.2
LNG	48.6 (81%)	57.9 (81%)	106.5 (81%)
Coal	11.1 (19%)	12.6 (18%)	23.8 (18%)
Others	0.1 (0%)	0.7 (1%)	0.8 (1%)

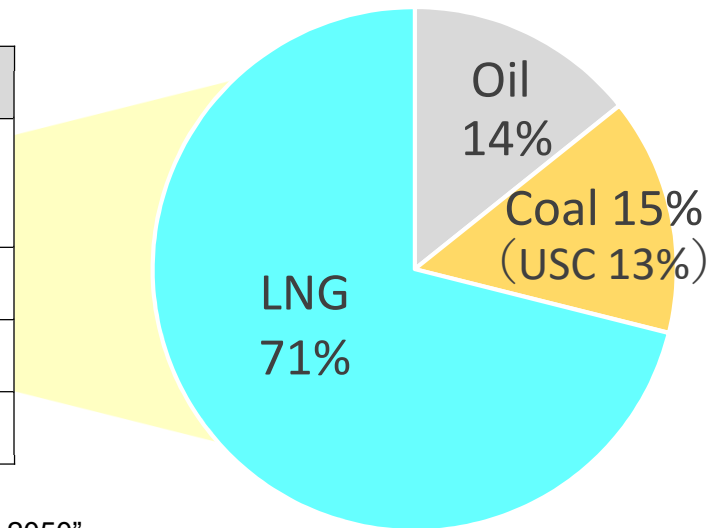
*The total may not match due to rounding

Composition of Power Sources

- ✓ Our power generation composition is characterized by a large share of LNG, which emits less CO₂.
- ✓ In coal, ultra super critical power generation system(USC), which emits comparatively small CO₂, accounts for a large proportion. We will shut down all inefficient (supercritical or less) coal power plants by 2030*1.

Composition of Power sources*2

Fuel	Capacity
Coal (USC)	10.32GW (8.92GW)
LNG (Liquefied Natural Gas) *3	50.07GW
Oil	10.05GW
Total	70.44GW



*1 Press release on October 13,2020 "Towards Zero CO₂ Emissions in 2050"

https://www.jera.co.jp/english/information/20201013_539

*2 As of March 31,2020. Includes capacity under construction.
Excludes capacity of affiliates.

*3 Includes LPG and City Gas.

Credit Ratings

【Credit Ratings(long-term)】

S&P	R&I	JCR
A-	A+	AA-