



エネルギーを新しい時代へ

# FY2020 Third 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.  
"3Q" refers to the period from April 1 to December 31.

**JERA Co., Inc.**

February 12, 2021

# Outline of Financial Results

1

## Consolidated Statement of Income

(Unit: Billion Yen)

	2020/3Q(A)	2019/3Q(B)	Change(A-B)	Rate of Change(%)
Operating revenue (Net sales)	1,953.1	2,446.4	(493.3)	(20.2)
Operating income	272.0	167.6	104.4	62.3
Ordinary income	284.6	179.3	105.3	58.7
Quarterly net income attributable to owners of parent	196.5	157.8	38.7	24.5

## Consolidated Balance Sheet

(Unit: Billion Yen)

	2020/3Q(A)	FY2019(B)	Change(A-B)	Rate of Change(%)
Assets	4,305.5	4,035.3	270.1	6.7
Liabilities	2,555.9	2,434.0	121.8	5.0
Net assets	1,749.5	1,601.2	148.2	9.3
Outstanding interest- bearing debt	1,626.0	1,505.9	120.1	8.0
Equity ratio (%)	39.0	38.2	0.8	

# Key Points of Financial Results

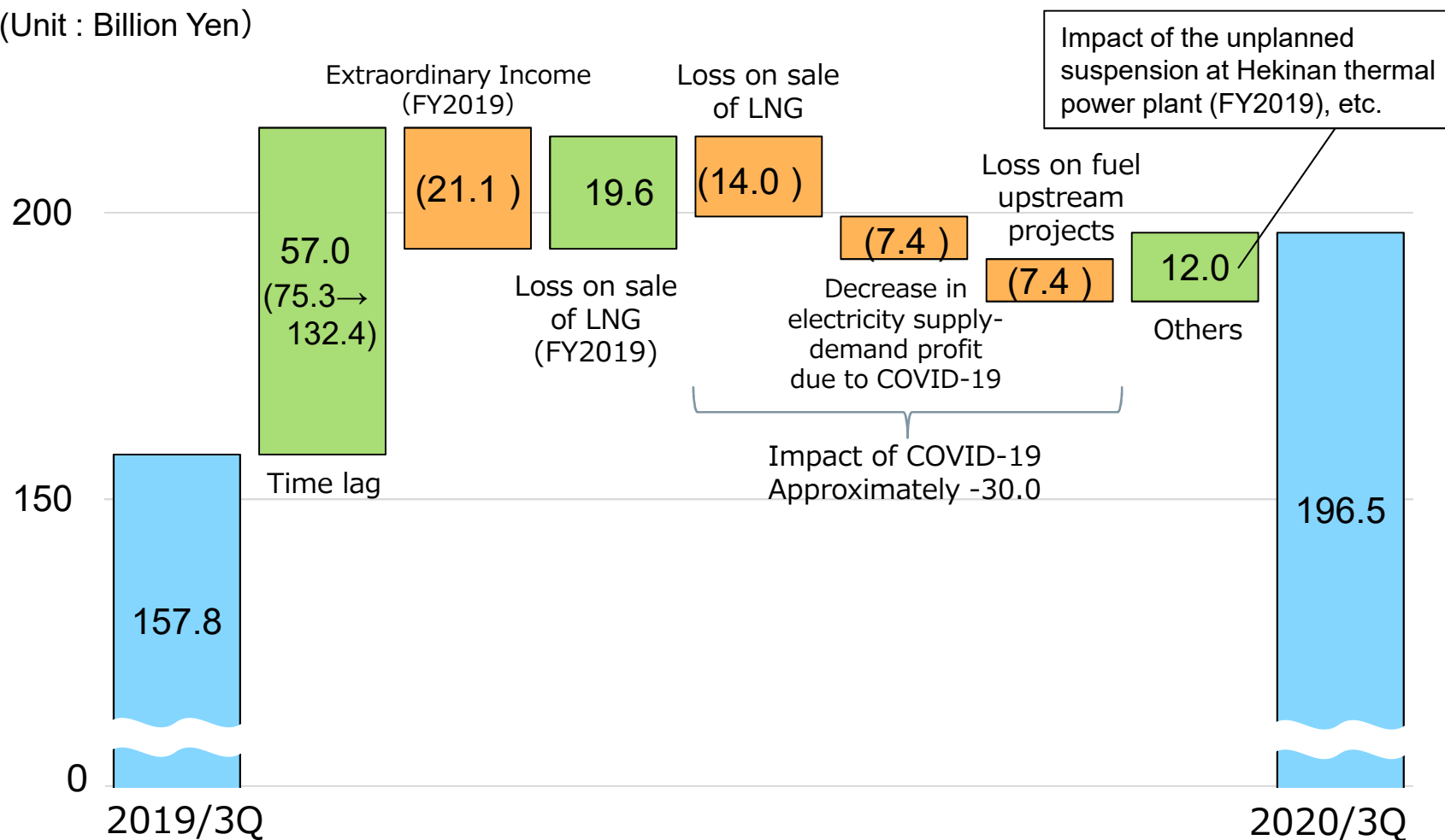
## ■ Key points of FY2020 3Q Financial Results

- Operating revenue decreased by 20.2% year-on-year to 1,953.1 billion yen primarily due to a decline in income unit price resulting from a decline in natural resource prices, in addition to a decrease of electrical energy sold in domestic thermal power generation and gas supply business.
- Ordinary income increased by 58.7% year-on-year to 284.6 billion yen due to an increase of a gain incurred by fuel cost adjustment system time lag into income (79.1 billion yen [104.7 billion yen → 183.9 billion yen]), despite the negative impact of COVID-19.
- Net income increased by 24.5% year-on-year to 196.5 billion yen due to an increase of a gain incurred by fuel cost adjustment system time lag into income (57.0 billion yen [75.3 billion yen → 132.4 billion yen]), despite the negative impact of COVID-19.

# 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)

	2020/3Q(A)	2019/3Q(B)	Change(A-B)	Main Factors of Changes
Operating revenue (Net sales)	1,953.1	2,446.4	(493.3)	•Decrease of electrical energy sold •Decline in income unit price resulting from a decline in natural resource prices, etc.
Operating expenses	1,681.0	2,278.8	(597.7)	•Decrease of fuel costs, etc.
Operating income	272.0	167.6	104.4	•Increase of a gain incurred by fuel cost adjustment system time lag into income (79.1 billion yen [104.7 billion yen → 183.9 billion yen])
Non-operating income	20.3	23.3	(2.9)	•Decrease of equity in earnings of affiliates due to loss on fuel upstream projects
Non-operating expenses	7.8	11.6	(3.8)	
Ordinary income	284.6	179.3	105.3	
Extraordinary income	-	21.1	(21.1)	(2019/3Q) Gain on divestiture of the overseas power generation projects
Extraordinary loss	5.7	-	5.7	•Loss on fuel upstream projects
Income taxes, etc.	72.5	30.8	41.6	
Quarterly net income attributable to non-controlling Interests	9.8	11.7	(1.9)	
Quarterly net income attributable to owners of parent	196.5	157.8	38.7	

## Key Data of Income and Expenditure

	2020/3Q(A)	2019/3Q(B)	Change(A-B)
Electrical Energy Sold(TWh)	176.4	197.7	(21.3)
Crude Oil Prices(JCC) (dollar/barrel)	39.0	67.8	(28.8)
Foreign Exchange Rate (yen/dollar)	106.1	108.7	(2.6)

Note: Crude Oil Prices(JCC) for 2020/3Q is tentative.

# Consolidated Balance Sheet

(Unit: Billion Yen)

	Dec 31, 2020(A)	Mar 31, 2020(B)	Change(A-B)	Main Factors of Changes
Cash and deposits	630.0	459.1	170.9	
Property, plant and equipment	2,018.5	1,989.6	28.8	
Investment securities	582.0	613.3	(31.2)	
Others	1,074.8	973.1	101.6	•Increase of accounts receivable +54.8,etc
<b>Assets</b>	<b>4,305.5</b>	<b>4,035.3</b>	<b>270.1</b>	
Outstanding interest-bearing debt	1,626.0	1,505.9	120.1	•Borrowings +80.1 (Subsidiaries+120.9) •Corporate bond +40.0
Others	929.8	928.0	1.7	
<b>Liabilities</b>	<b>2,555.9</b>	<b>2,434.0</b>	<b>121.8</b>	
Shareholders' equity	1,735.6	1,566.0	169.5	•Dividends paid-27.0 •Quarterly net income+196.5
Others	13.8	35.1	(21.2)	
<b>Net Assets</b>	<b>1,749.5</b>	<b>1,601.2</b>	<b>148.2</b>	

# Segment Information

(Unit: Billion Yen)

		Fuel-related※	Overseas power generation	Domestic thermal power generation and gas supply	Adjustments	Consolidated
2020/3Q(A)	Operating Revenue	613.7	1.6	1,775.8	(438.0)	1,953.1
	Net Income	30.7	5.1	190.1	(29.5)	196.5
2019/3Q(B)	Operating Revenue	631.9	1.6	2,186.1	(373.2)	2,446.4
	Net Income	25.0	32.6	117.0	(16.9)	157.8
Change(A-B)	Operating Revenue	(18.2)	(0.0)	(410.2)	(64.8)	(493.3)
	Net Income	5.7	(27.5)	73.1	(12.6)	38.7

※Fuel upstream, Transportation, Fuel trading

- Increased profits due to the operating commencement of Freeport LNG project
- Loss on fuel upstream projects -7.4

(2019/3Q) Gain on divestiture of the overseas power generation projects -21.1

- Time Lag +57.0
- (2019/3Q) Loss on sale of LNG +19.6
- Decrease income due to COVID-19 -21.4
- (2019/3Q) Unplanned suspension at Hekinan thermal power plant



# 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.)

Forecast has not been revised from the previous announcement made in FY2020/2Q.

(Unit: Billion Yen)

	Current Forecast (A)	Previous (2020/2Q) Forecast (B)	Change(A-B)	Rate of Change(%)
Net Income attributable to owners of parent	120.0	120.0	-	-

## 【Reference】

(Unit: Billion Yen)

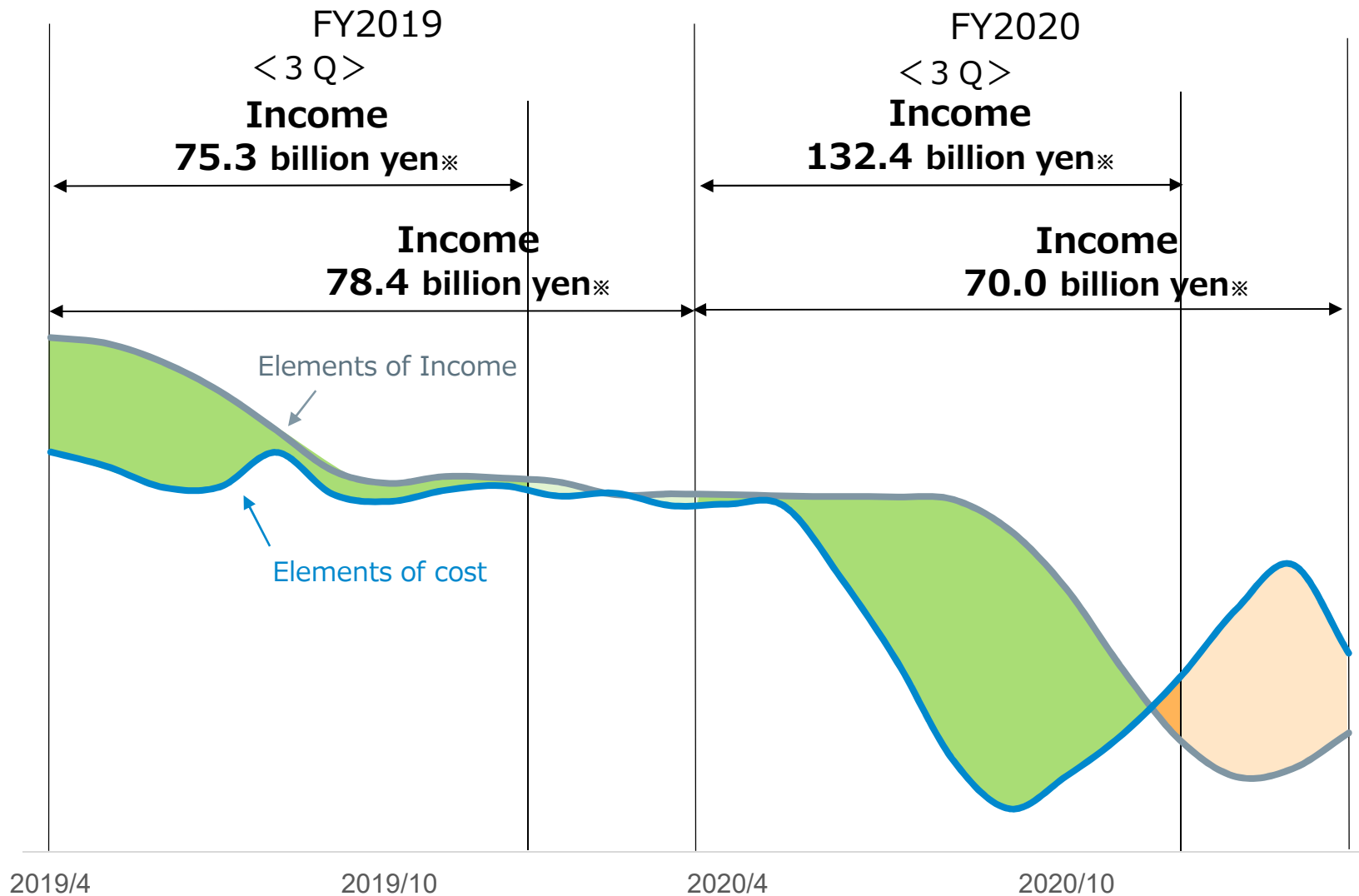
	Current Forecast (A)	FY2019(Result) (B)	Change(A-B)	Rate of Change(%)
Net Income attributable to owners of parent	120.0	168.5	(approx.48.5)	(28.8)

## 【Key data】

	Current Forecast	Previous (2020/2Q) Forecast	[reference] FY2019 (Result)
Crude Oil Prices(JCC) (dollar/barrel)	Approx.42	Approx.42	67.8
Foreign Exchange Rate (yen/dollar)	Approx.106	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	Oct 1 to Dec 31	3Q (Apr 1 to Dec 31)
<b>FY2020</b>	47.5	62.4	66.5	176.4
<b>FY2019</b>	59.9	71.4	66.4	197.7

## 【Electrical Power Generated(TWh)】

	Apr 1 to Jun 30	Jul 1 to Sep 30	Oct 1 to Dec 31	3Q (Apr 1 to Dec 31)
<b>FY2020</b>	47.0	61.7	66.0	174.7
<b>LNG</b>	38.4 (82%)	52.9 (86%)	54.5 (83%)	145.7 (83%)
<b>Coal</b>	8.7 (18%)	8.8 (14%)	11.5 (17%)	28.9 (17%)
<b>Others</b>	0.0 (0%)	0.0 (0%)	0 (0%)	0 (0%)
<b>FY2019</b>	59.9	71.3	66.3	197.4
<b>LNG</b>	48.6 (81%)	57.9 (81%)	53.9 (81%)	160.5 (81%)
<b>Coal</b>	11.1 (19%)	12.6 (18%)	12.0 (18%)	35.8 (18%)
<b>Others</b>	0.1 (0%)	0.7 (1%)	0.3 (1%)	1.2 (1%)

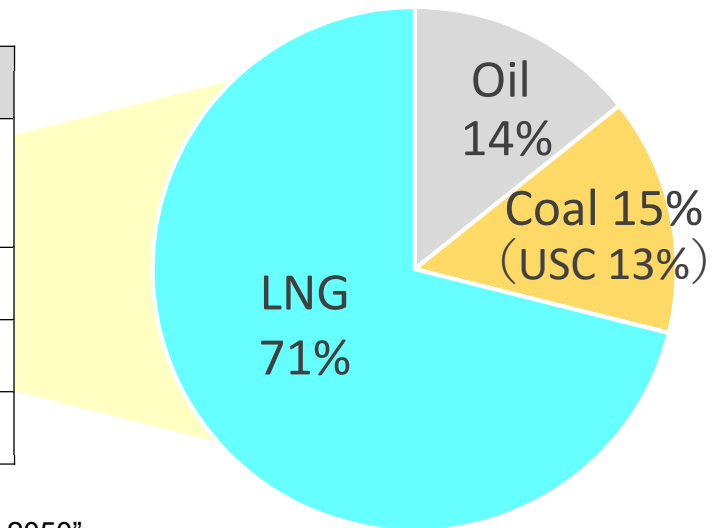
\*The total may not match due to rounding

# Composition of Power Sources

- ✓ Our power generation composition is characterized by a large share of LNG, which emits less CO<sub>2</sub>.
- ✓ In coal, ultra super critical power generation system(USC), which emits comparatively small CO<sub>2</sub>, 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 CO<sub>2</sub> Emissions in 2050"

[https://www.jera.co.jp/english/information/20201013\\_539](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-