

Main Q&As
At the Results Presentation for 3Q FY2021 (FY ending March 2022)

- Q1: Was the sharp rise in JEPX prices the main factor for the ¥3.2 billion decrease year on year in the electric power segment profit and the ¥8.0 billion downward revision to the forecast? If there are other factors, please describe.
- A1: The ¥3.2 billion decrease year on year was due to the sharp rise in JEPX prices in 3Q amid increased procurement from JEPX due to the rise in the number of retail customers, as well as to the deterioration of the sliding time lag effect as in city gas. The ¥8.0 billion downward revision was also mainly due to the sharp rise in JEPX prices.
- Q2: In the “Uses of Cash Flow,” investment and financing have decreased significantly from the previous forecast. Please explain the specific factors for the decrease, such as certain projects fell through.
- A2: We had assumed a certain amount of overseas investments and investments in renewable energy, which are growth investments, during this fiscal year in view of the large-scale investments (renewable energy in North America) that were made in the previous year. However, as a result of an investment evaluation based on investment efficiency, it was confirmed that they will not be executed this year. This is why they have decreased. There are no changes to the size of investments in our medium-term management plan.
- Q3: At the time of the 2Q results, you said that the medium-term management plan’s final year target of ¥140 billion could be achieved at a certain probability. Please tell us if senior management thinks the target can be achieved based on the “adjusted” segment profit of your forecast in 3Q.
- A3: Our current perception of our earning power is approx. ¥120 billion, which is the segment profit forecast of ¥109.9 billion plus an approx. ¥6 billion temporary profit decline (p.16). We are currently discussing whether we can add more profit over the next fiscal year, which is the final year of the medium-term management plan. We believe ¥140 billion is a figure worth taking on the challenge for.