

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

- Q1: What is the major factor for the ¥23.7 billion increase in ordinary profit for FY2021 from the forecast at the time of the 3Q results?
- A1: In electric power, there was a decrease in profit (-¥0.9 billion) due to factors such as an increase in procurement from JEPX, where the prices were soaring, in order to meet the rise in demand due to low temperatures during the peak demand period between January and March. On the other hand, city gas saw an increase in profit (+¥13.0 billion) due mainly to a rise in sales volume owing to low temperatures and a rise in unit sales prices due to resource cost adjustment. Non-operating profit increased (+¥10.9 billion) due to factors including foreign exchange gains for dollar-denominated assets.
- Q2: When formulating your next medium-term management plan amid drastic changes in the business environment, in which area or business under the new segment classification do you expect to grow profits and improve capital efficiency? Please tell us what points you will focus on.
- A2: We will focus on the following two points in order to increase profits. The first point is to increase the number of customer accounts as well as profit per customer. The second point is to achieve profit growth through our overseas business, centered around renewable energy, and a build-up of stock in new areas. After doing so, we will strive to control profits by making sure that we hold options which we can execute to respond to the rapidly changing business environment without letting the stock we built become a risk.
- Q3: Following your transition to a company with a nominating committee, etc., I believe you have become more flexible in your investment capabilities. Please tell us your direction--whether you will expand the scale of investments in the overseas business further in your FY2022, enabling a boost to profits?
- A3: In FY2020, we made large-scale investments such as renewable energy investments in North America and the investment in Octopus Energy. Going forward, we might make investments of a greater scale than those investments, but the probability is not high at the moment, and we have not been able to incorporate all of them in our plan. We will strive to achieve profit growth in our overseas business also by implementing the shuffling of our asset portfolio, which we have mentioned in our Compass Action, in accordance with the expansion of investment.