

Unaudited Financial Release (Consolidated) for the Second Quarter

The information below is an English translation of extracts from Unaudited Financial Release (Consolidated) for the second quarter that has been filed with the major Japanese stock exchanges (Tokyo) for public inspection. These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

October 27, 2017

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I . Performance over the Six-months Ended September 30, 2017 and 2016

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Six-Months</u>		<u>(Million Yen)</u>	
	<u>Ended September 30</u>		<u>Change</u>	
	2017	2016	17/16	16/15
Operating Revenues	1,548,597	1,515,311	2.2%	-7.6%
Operating Income	161,354	168,346	-4.2%	-4.2%
Ordinary Income *	157,852	160,934	-1.9%	-3.7%
Net Income attributable to owners of the parent	115,219	119,349	-3.5%	6.1%
Net Income per Share	128.97yen	133.58yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

Comprehensive income

Six-months ended September 30, 2017: 128,794 million yen

Six-months ended September 30, 2016: 105,316 million yen

Notes:

1. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

2. Financial Position

	<u>(Million Yen)</u>	
	<u>As of September 30</u>	<u>As of March 31</u>
	2017	2017
Total Assets	6,906,449	6,853,182
Net Assets	1,446,619	1,344,696
Equity Ratio	20.7%	19.3%

Notes:

1. Equity capital

As of September 30, 2017: 1,428,030 million yen

As of March 31, 2017: 1,322,663 million yen

II. Dividends

	Interim dividend per share	Year-end dividend per share	Annual dividend per share
Fiscal 2016	0.00 yen	25.00yen	25.00 yen
Fiscal 2017	15.00 yen	Undetermined	Undetermined

Year-end dividends forecast for FY 2017 is not yet determined.

III. Financial Forecasts

	(Billion Yen) 4/17-3/18 (Forecasts)
Operating Revenues	—
Operating Income	—
Ordinary Income*	—
Net Income attributable to owners of the parent	—
Net Income per Share	—

Regarding earnings forecast for FY 2017, both operating revenues and income are still left undetermined because currently we cannot forecast our earnings based on certain assumptions due to Ohi Units 3 and 4 have not fully operated and for other reasons.

The forecasts for FY 2017 will be disclosed as soon as it becomes available.

Notes: Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

IV. Other

1. Number of shares outstanding (included Treasury stock)

As of September 30, 2017: 938,733,028 shares

As of March 31, 2017: 938,733,028 shares

2. Number of Treasury stock

As of September 30, 2017: 45,347,614 shares

As of March 31, 2017: 45,317,079 shares

3. Number of Average stock

Six-months ended September 30, 2017: 893,401,288 shares

Six-months ended September 30, 2016: 893,437,385 shares

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Financial Forecasts (Non-consolidated)

	(Billion Yen)
	4/17-3/18
	(Forecasts)
Operating Revenues	—
Operating Income	—
Ordinary Income*	—
Net Income	—
Net Income per Share	—

Notes: Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

Electricity sales

			(GWh)
	Six-months ended September 30, 2017	Six-months ended September 30, 2016	Change (%)
Residential	19,383	20,749	93.4
Commercial and Industrial	37,533	40,650	92.3
Total	56,916	61,399	92.7

Notes: Some rounding errors may be observed.

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2017	As of Sep. 30, 2017
(Assets)		
Property	6,081,116	6,102,929
Utility facilities	3,295,474	3,243,506
Hydroelectric power production facilities	290,593	286,888
Thermal power production facilities	452,947	433,977
Nuclear power production facilities	350,749	338,543
Transmission facilities	850,856	831,242
Transformation facilities	402,961	413,571
Distribution facilities	818,171	815,011
General facilities	106,287	102,033
Other utility facilities	22,905	22,239
Other plant and equipment	707,364	722,705
Construction in progress	485,449	492,938
Construction and retirement in progress	458,850	466,871
Special account related to nuclear power decommissioning	26,598	26,067
Nuclear fuel	481,371	488,513
Loaded nuclear fuel	90,556	86,114
Nuclear fuel in processing	390,815	402,398
Investments and other assets	1,111,457	1,155,265
Long-term investments	297,054	345,938
Investments in and advances to subsidiaries and associated companies	401,610	410,168
Deferred tax assets	375,101	356,700
Other	41,105	45,850
Allowance for doubtful accounts	-3,414	-3,391
Current assets	772,065	803,519
Cash and time deposits	133,133	139,334
Accounts receivable	233,169	282,504
Inventory assets	122,818	134,224
Deferred tax assets	72,009	70,206
Other	213,372	179,858
Allowance for doubtful accounts	-2,437	-2,609
Total assets	6,853,182	6,906,449

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2017	As of Sep. 30, 2017
(Liabilities)		
Long-term liabilities and reserves	3,927,280	3,938,827
Bonds	989,790	969,198
Long-term loans	1,843,524	1,887,098
Liability for retirement benefits	360,362	359,485
Asset retirement obligations	436,483	440,505
Deferred tax liabilities	1,632	5,811
Other	295,487	276,728
Current liabilities	1,553,753	1,494,349
Current maturities of long-term debt and other	752,164	649,325
Short-term borrowings	152,231	146,971
Commercial paper	114,000	140,000
Accounts payable	122,716	92,437
Accrued income taxes	34,353	81,434
Deferred tax liabilities	—	589
Other current liabilities	378,287	383,591
Reserves under the special laws	27,452	26,652
Reserve for fluctuation in water levels	27,452	26,652
Total liabilities	5,508,485	5,459,830
(Net Assets)		
Shareholders' Equity	1,248,297	1,341,127
Paid in capital	489,320	489,320
Capital surplus	66,726	66,726
Retained earnings	788,674	881,550
Treasury stock	-96,424	-96,470
Accumulated other comprehensive income	74,366	86,903
Unrealized loss on available-for-sale securities	81,037	89,343
Deferred loss on derivatives under hedge accounting	-3,894	-2,010
Foreign currency translation adjustments	13,433	10,467
Defined retirement benefit plans	-16,209	-10,897
Noncontrolling interests	22,032	18,588
Total net assets	1,344,696	1,446,619
Total liabilities and net assets	6,853,182	6,906,449

Consolidated Statements of Income

(million yen)

Account	Six-months ended Sep.30, 2016	Six-months ended Sep.30, 2017
Ordinary revenues and expenses		
Operating revenues and expenses		
Operating revenues	1,515,311	1,548,597
Electric	1,303,552	1,305,338
Other	211,758	243,259
Operating expenses	1,346,965	1,387,242
Electric	1,164,785	1,174,410
Other	182,179	212,832
Operating Income	168,346	161,354
Non-Operating revenues and expenses		
Non-operating revenues	21,519	16,671
Dividends received	4,357	5,248
Interest revenue	4,130	800
Equity in earnings of associated companies	6,491	5,540
Other	6,539	5,082
Non-operating expenses	28,931	20,173
Interest expense	26,132	19,470
Other	2,798	702
Total ordinary revenues	1,536,830	1,565,268
Total ordinary expenses	1,375,896	1,407,416
Ordinary Income	160,934	157,852
Provision for or reversal of reserve for fluctuation in water levels	-2,993	-799
Reversal of reserve for fluctuation in water levels	-2,993	-799
Income before income taxes and minority interests	163,927	158,651
Income taxes-current	18,095	23,951
Income taxes-deferred	26,189	19,126
Income taxes	44,285	43,078
Net Income	119,642	115,573
Net Income attributable to noncontrolling interests	293	354
Net Income attributable to owners of the parent	119,349	115,219

Consolidated Statements of Comprehensive Income

(million yen)

Account	Six-months ended Sep.30, 2016	Six-months ended Sep.30, 2017
Net Income	119,642	115,573
Other comprehensive income		
Unrealized gain on available-for-sale securities	-3,269	6,659
Deferred gain on derivatives under hedge accounting	299	1,921
Foreign currency translation adjustments	-13,886	-2,396
Defined retirement benefit plans	4,249	5,123
Share of other comprehensive income of associates	-1,719	1,912
Total other comprehensive income	-14,325	13,220
Comprehensive income	105,316	128,794
(Breakdown)		
Attributable to owners of the parent	106,744	127,755
Attributable to noncontrolling interests	-1,427	1,038

Revenues and Expenses (Non-Consolidated)

	Six-months ended September 30		(B) - (A)	(B)/(A)	Percentage of total	
	2016 (A)	2017 (B)			(A)	(B)
	¥ million	¥ million	¥ million	%	%	%
Ordinary revenues (Operating revenues)	1,348,720 (1,331,562)	1,357,185 (1,342,928)	8,465 (11,366)	100.6 (100.9)	100.0 (98.7)	100.0 (98.9)
Residential	480,830	468,956	-11,873	97.5	35.7	34.6
Commercial and industrial	686,929	648,579	-38,350	94.4	50.9	47.7
Sub total	1,167,759	1,117,535	-50,224	95.7	86.6	82.3
Other	180,960	239,649	58,689	132.4	13.4	17.7
Ordinary expenses	1,212,146	1,229,443	17,297	101.4	100.0	100.0
Personnel expenses	108,940	108,192	-748	99.3	9.0	8.8
Fuel costs	238,347	240,771	2,423	101.0	19.7	19.6
Backend expenses of nuclear power	17,323	25,301	7,977	146.1	1.4	2.1
Maintenance costs	86,845	79,482	-7,362	91.5	7.2	6.5
Taxes other than income Taxes	76,787	71,870	-4,916	93.6	6.3	5.8
Depreciation	134,552	124,492	-10,059	92.5	11.1	10.1
Purchased power	243,183	251,234	8,050	103.3	20.1	20.4
Interest expenses	24,038	17,547	-6,491	73.0	2.0	1.4
Other	282,126	310,550	28,424	110.1	23.2	25.3
Ordinary Income (Operating Income)	136,574 (144,326)	127,742 (131,532)	-8,831 (-12,793)	93.5 (91.1)	/	
Provision for or reversal of reserve for fluctuation in water levels	-2,993	-799	2,194	26.7		
Income before income taxes	139,567	128,541	-11,025	92.1		
Income taxes	37,897	34,833	-3,063	91.9		
Net Income	101,670	93,707	-7,962	92.2		

Net Income per share	113.76yen	104.86yen
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