

April 27, 2012

The Kansai Electric Power Co., Inc.

Revision of Our Policy on Distributing Profits to Shareholders

The Kansai Electric Power Co., Inc. (Code: 9503)

6-16 Nakanoshima 3-chome, Kita-ku, Osaka

(URL <http://www.kepco.co.jp>)

Company Representative: Makoto Yagi, President and Director

Contact: Momosuke Ozuku, General Manager, Office of Financing and Accounting

Tel: +81-6-6441-8821

The Company previously set dividends and share buybacks as methods for distribution to shareholders and intended to achieve a “rate of total distribution on net assets” of approximately 4% each year from the fiscal year ended March 31, 2008, to the fiscal year ending March 31, 2013 (as announced on March 26, 2008; http://www1.kepco.co.jp/english/index_img/20080326_e.pdf).

However, given that we cannot predict when we will be able to restart the nuclear power plants at which operations have been suspended, our operating environment is uncertain and we are unable to forecast business performance for the current fiscal year. Owing to these conditions, we are withdrawing from our policy on distributing profits to shareholders, which set a target for the “rate of total distribution on net assets.”

Amid a management environment that has been extremely difficult since the earthquake, for the foreseeable future we must prioritize measures to maintain our financial soundness. Therefore, although conducting share buybacks is now problematic, we aim to continue paying stable dividends.

On this basis, at a meeting of the Board of Directors on April 27, 2012, a resolution was passed regarding the Company’s future policy on distributing profits to shareholders, as outlined below.

The Company’s fundamental policy on distributing profits to shareholders is to properly allocate the results of management performance by maintaining stable dividends.

Given the recent decline in operating performance, for the foreseeable future we will endeavor to maintain dividend levels, premised on ensuring the Company’s financial soundness.