

Financial results for 1 Q of FY ending 3/2012
&
Financial forecasts for FY ending 3/2012

July 28, 2011

The Kansai Electric Power Co., Inc.

Financial forecasts are subject to change depending upon the changes of business environments and other conditions.

Contents

	(Page)
■ Financial highlights for 1Q of FY ending 3/2012	
Financial highlights (consolidated, non-consolidated) -----	2
Major factors (non-consolidated) -----	3
Electricity sales -----	4
■ Financial results for 1Q of FY ending 3/2012	
Financial results (non-consolidated) -----	5
Financial results (consolidated) -----	7
■ Financial forecasts for FY ending 3/2012	
Financial forecasts (consolidated, non-consolidated) -----	9
■ Financial results and forecasts of non-electric business	
Financial highlights of non-electric business -----	11
Financial forecasts of non-electric business -----	12
■ Appendix -----	13

Financial highlights

(consolidated, non-consolidated)

2

(billion yen)

	Consolidated (a)			Non-consolidated (b)			(a)/(b)	
	4/11-6/11	4/10-6/10	Change	4/11-6/11	4/10-6/10	Change	4/11-6/11	4/10-6/10
Operating revenues	647.4	618.5	+28.9 (+4.7%)	578.1	553.2	+24.9 (+4.5%)	1.12	1.12
Operating income	57.3	31.1	+26.2 (+84.3%)	46.9	21.7	+25.1 (+115.6%)	1.22	1.43
Ordinary income	55.1	23.8	+31.3 (+131.2%)	41.9	17.9	+23.9 (+133.3%)	1.32	1.33
Net income or loss	34.4	-9.9	+44.4 (—)	27.0	-13.0	+40.1 (—)	1.27	—

	Consolidated			Non-consolidated		
	Jun. 30, 2011	Mar. 31, 2011	Change	Jun. 30, 2011	Mar. 31, 2011	Change
Total assets	7,288.9	7,310.1	-21.1 (-0.3%)	6,447.4	6,457.5	-10.1 (-0.2%)
Interest-bearing debt	3,521.2	3,409.8	+111.3 (+3.3%)	3,064.3	2,943.6	+120.6 (+4.1%)
Equity ratio	24.9%	24.8%	+0.1%	23.2%	23.1%	+0.1%

*1. (): Changes from the previous term, %

*2. Ordinary income means Income before Provision for (reversal of) Reserve for Fluctuation in Water Level, special items and Income taxes and Minority interests.

Major factors (non-consolidated)

	4/11-6/11	4/10-6/10	Change
Electricity sales (TWh)	34.6(99.7)	34.7(106.9)	-0.1
<div> <div>Residential</div> <div>Commercial and industrial</div> <div>(*2)</div> </div>	<div>11.3 (98.7)</div> <div>23.2 (100.2)</div>	<div>11.5 (105.0)</div> <div>23.2 (107.9)</div>	<div>-0.1</div> <div>+0</div>
Nuclear capacity factor (%)	73.9	68.1	+5.8
Water run-off ratio (%)	108.7	113.7	-5.0
All Japan CIF crude oil price (\$/barrel)	115.0	81.3	+33.7
Exchange rate [TTM] (yen/\$)	82	92	-10
Interest rate [long-term prime rate] (%)	1.60	1.58	+0.02

*1. (): Changes from the previous term, %

*2. Including the liberalized segment

Electricity sales

<Electricity sales volume> (million kWh, %)

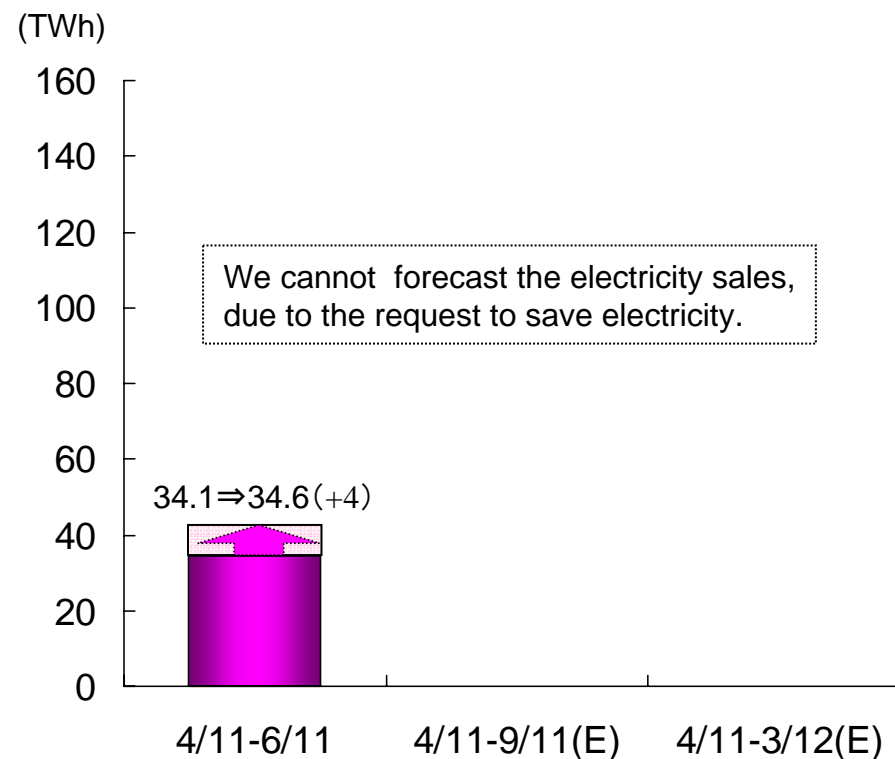
		April	May	June	1Q
Regulated segment	Lightning	4,572 (101.4)	3,721 (96.4)	3,025 (97.6)	11,319 (98.7)
	Power	Low voltage	413 (99.8)	334 (95.9)	1,062 (97.2)
		Others	90 (97.7)	79 (92.7)	227 (93.9)
		Sub total	503 (99.4)	413 (95.2)	1,289 (96.6)
	Sub total	5,075 (101.2)	4,135 (96.3)	3,399 (97.3)	12,608 (98.5)
Liberalized segment		7,238 (101.4)	7,096 (100.1)	7,617 (99.6)	21,952 (100.4)
Total		12,313 (101.4)	11,231 (98.7)	11,016 (98.9)	34,560 (99.7)

【Breakdown of liberalized segment】

Commercial	2,562 (98.4)	2,455 (98.5)	2,673 (98.0)	7,689 (98.3)
Industrial and other	4,677 (103.2)	4,642 (101.0)	4,944 (100.5)	14,262 (101.5)

* () : Changes from the previous term, %

<Electricity sales results and forecasts>



Total electricity sales for 1Q of FY 3/2012 decreased to 34,560 million kWh (-0.3%) from the same period in the previous year due to the effects produced by temperature.

	4/11-6/11	4/10-6/10	Change	Breakdown
Ordinary revenues (Operating revenues)	586.4 (578.1)	562.9 (553.2)	+23.4 (+24.9)	
Electricity sales	532.7	524.4	+8.2	<ul style="list-style-type: none"> ▪ Decrease in electricity sales volume -2.0 ▪ Increase in revenue per kWh due to change of fuel price +9.0
Others	53.7	38.4	+15.2	<ul style="list-style-type: none"> ▪ Sales for other utilities +14.1
Ordinary expenses	544.5	544.9	-0.4	
Personnel	60.1	60.4	-0.2	
Fuel	107.9	90.8	+17.0	<ul style="list-style-type: none"> ▪ Fossil-fuel costs +16.7 <ul style="list-style-type: none"> ▪ Decrease in purchased power +12.0 ▪ Decrease in water flow +2.0 ▪ Improvement of nuclear capacity factor -9.0 ▪ Decrease in electricity sales volume -1.0 ▪ Rise of oil, LNG and coal prices +27.0 ▪ Appreciation of the yen -9.0 ▪ Nuclear fuel costs +0.2
Backend expenses of nuclear power	24.3	24.2	+0.1	
Maintenance	49.5	64.6	-15.1	<ul style="list-style-type: none"> ▪ Nuclear power -19.6 ▪ Fossil-fired power +4.3
Taxes other than income taxes	36.7	36.5	+0.2	
Depreciation	78.1	87.1	-9.0	<ul style="list-style-type: none"> ▪ Fossil-fired power -8.2
Purchased power	92.0	88.3	+3.6	<ul style="list-style-type: none"> ▪ From other non-utility companies +4.5, ▪ From other utilities -0.9
Interest expenses	11.2	11.8	-0.5	
Other	84.2	80.7	+3.5	<ul style="list-style-type: none"> ▪ Non-electric business expenses +2.8
Ordinary income	41.9	17.9	+23.9	
Net income	27.0	-13.0	+40.1	The effect of accounting standards for "Asset Retirement Obligations" (Extraordinary loss: FY ended 2011) +36.2

Non-consolidated balance sheets

(billion yen)

	Jun. 30, 2011	Mar. 31, 2011	Change	Breakdown
Assets	6,447.4	6,457.5	-10.1	<ul style="list-style-type: none"> ▪ Capital expenditures +73.5 ▪ Depreciation and amortization -78.9 ▪ Reserve fund for reprocessing of irradiated nuclear fuel -13.6
Liabilities	4,953.4	4,962.7	-9.2	<ul style="list-style-type: none"> ▪ Interest-bearing debt +120.6 ▪ Accounts payable-trade , Accrued expenses etc -144.9
Net assets	1,493.9	1,494.8	-0.9	<ul style="list-style-type: none"> ▪ Net income +27.0 ▪ Dividend (¥30 per share for FY3/11 year-end) -26.8

Consolidated statements of operations

7

(billion yen)

	4/11-6/11	4/10-6/10	Change	Breakdown
Ordinary revenues (Operating revenues)	660.6 (647.4)	628.7 (618.5)	+31.9 (+28.9)	
Electric operating revenues	561.4	538.1	+23.3	•Increase in electricity sales revenues +8.2
Other operating revenues	85.9	80.3	+5.5	•Increase in IT/communications sales revenues +3.4
Non-operating revenues	13.1	10.1	+2.9	
Ordinary expenses	605.4	604.8	+0.5	
Electric operating expenses	514.2	517.1	-2.8	
Other operating expenses	75.8	70.2	+5.5	
Non-operating expenses	15.3	17.4	-2.0	
Ordinary income	55.1	23.8	+31.3	
Net income	34.4	-9.9	+44.4	The effect of accounting standards for "Asset Retirement Obligations" (Extraordinary loss: FY ended 2011) +37.1
Comprehensive income	34.6	-19.9	+54.5	

Consolidated balance sheets

(billion yen)

	Jun. 30, 2011	Mar. 31, 2011	Change	Breakdown
Assets	7,288.9	7,310.1	-21.1	• Capital expenditures +98.1 •Depreciation and amortization -98.8 • Reserve fund for Reprocessing of Irradiated Nuclear Fuel -13.6
Liabilities	5,449.1	5,477.7	-28.6	• Interest-bearing debt +111.3 • Accounts payable-trade , Accrued expenses etc -143.0
Net assets	1,839.8	1,832.4	+7.4	•Net income +34.4 •Dividend (¥30 per share for FY3/11 year-end) -26.8

Segment information

(billion yen)

	Reportable segments		Other	Total	Eliminations/ corporate	Consolidated
	Electric power	IT/communications				
Operating revenues	564.3 (+23.3)	48.4 (+3.1)	106.7 (+3.6)	719.5 (+30.1)	-72.1 (-1.2)	647.4 (+28.9)
Sales to external customers	561.4 (+23.3)	35.8 (+3.4)	50.0 (+2.1)	647.4 (+28.9)	—	647.4 (+28.9)
Operating income	46.9 (+26.4)	5.7 (+0.8)	4.0 (-0.7)	56.7 (+26.4)	0.6 (-0.2)	57.3 (+26.2)

*() : Changes from the previous term, billion yen

Financial forecasts

(consolidated, non-consolidated)

A reasonable forecast for FY2012 (Year ended Mar. 31, 2012) cannot be made at this point because we cannot forecast electrical power demand and the schedule for the resumption of the operations of our nuclear power plants due to the impact of the Great East Japan Earthquake disaster and its accompanying accidents at the Fukushima Daiichi Nuclear Power Plants. The forecast for FY2012 will be disclosed as soon as it becomes available.

(billion yen)	Consolidated		Non- consolidated	
	Revised (E)	Previous (E)	Revised (E)	Previous (E)
Operating revenues	—	2,890.0	—	2,580.0
Operating income	—	190.0	—	140.0
Ordinary income	—	160.0	—	120.0
Net income	—	100.0	—	78.0

<Major factors>

	Revised (E)	Previous (E)
Electricity sales (TWh)	—	148.5
Residential	—	50.8
Commercial and industrial	—	97.7
Nuclear capacity factor (%)	—	Approx. 80
Water run-off ratio (%)	—	100
All Japan CIF crude oil price (\$/barrel)	—	Approx. 110
Exchange rate [TTM] (yen/\$)	—	Approx. 85
Interest rate [long-term prime rate] (%)	—	Approx. 1.5

<Sensitivity of major factors>

(billion yen)	Revised (E)	Previous (E)
Nuclear capacity factor per 1%	—	6.6
Water run-off ratio per 1%	—	1.1
All Japan CIF crude oil price per \$1/barrel	—	3.5
Exchange rate [TTM] per ¥1/\$	—	6.9
Interest rate [long-term prime rate] per 1%	—	4.8

•Sensitivity of major factors are subject to change if the rapid and drastic changes of major factors happen.

【Dividend forecasts for FY ending 3/12】

	Interim	Year-end	Annual
Dividend per share	¥ 30 (E)	¥30 (E)	¥ 60 (E)

Non-electric business

Financial highlights of non-electric business

(billion yen)

		4/11-6/11	4/10-6/10	Change	Breakdown	
Non-electric business (*1)	Sales to non-group companies	84.3	78.8	+5.5		
	Ordinary income	11.9	9.7	+2.1		
	Integrated energy supply (*2)	Sales to non-group companies	18.1	16.2	+1.8	▪Increase in sales volume (gas) ▪Increase in sales price (gas) ▪Rise of material price (gas)
		Ordinary income	-0.0	0.9	-1.0	
	Information and telecommunications	Sales to non-group companies	35.8	32.4	+3.4	▪Increase in FTTH subscribers
		Ordinary income	4.9	4.0	+0.8	
	Lifecycle-related business	Sales to non-group companies	18.2	18.8	-0.5	
		Ordinary income	2.5	2.2	+0.3	
	Other business	Sales to non-group companies	12.1	11.3	+0.8	▪Increase in consolidated subsidiaries
		Ordinary income	4.5	2.4	+2.0	

*1. Figures in this page are before eliminations, and excluding exchange gain or loss unrealized.

*2. 'Integrated energy supply' includes 'Gas supply business', 'Fuel supply business' and a part of 'Steam supply business' booked as 'non-electric business' in non-consolidated financial statement.

Financial forecasts of non-electric business

(billion yen)

		Revised (E)	Previous (E)	Change	Breakdown
Non-electric business (*1)	Sales to non-group companies	— (*3)	390.0	—	
	Ordinary income	— (*3)	50.0	—	
	Integrated energy supply (*2)	Sales to non-group companies	87.0	87.0	±0
		Ordinary income	1.5	1.5	±0
	Information and telecommunications	Sales to non-group companies	150.0	150.0	±0
		Ordinary income	17.5	17.5	±0
	Lifecycle-related business	Sales to non-group companies	88.0	88.0	±0
		Ordinary income	7.0	7.0	±0
	Other business	Sales to non-group companies	— (*3)	65.0	—
		Ordinary income	— (*3)	24.0	—

*1. Figures in this page are before eliminations, and excluding exchange gain or loss unrealized.

*2. 'Integrated energy supply' includes 'Gas supply business', 'Fuel supply business' and a part of 'Steam supply business' booked as 'non-electric business' in non-consolidated financial statement.

*3. The reasonable forecast for FY2012 (Year ended Mar. 31, 2012) cannot be made at this point.

Appendix

Financial forecasts for the half-year ending 9/2011

(consolidated, non-consolidated)

14

A reasonable forecast for FY2012 (Year ended Mar. 31, 2012) cannot be made at this point because we cannot forecast electrical power demand and the schedule for the resumption of the operations of our nuclear power plants due to the impact of the Great East Japan Earthquake disaster and its accompanying accidents at the Fukushima Daiichi Nuclear Power Plants. The forecast for FY2012 will be disclosed as soon as it becomes available.

(billion yen)	Consolidated		Non-consolidated	
	Revised (E)	Previous (E)	Revised (E)	Previous (E)
Operating revenues	—	1,400.0	—	1,260.0
Operating income	—	115.0	—	100.0
Ordinary income	—	105.0	—	90.0
Net income	—	68.0	—	59.0

<Major factors>

	Revised (E)	Previous (E)
Electricity sales (TWh)	—	73.8
Residential	—	23.6
Commercial and industrial	—	50.2
Nuclear capacity factor (%)	—	Approx. 78
Water run-off ratio (%)	—	100
All Japan CIF crude oil price (\$/barrel)	—	Approx. 110
Exchange rate [TTM] (yen/\$)	—	Approx. 85
Interest rate [long-term prime rate] (%)	—	Approx. 1.5

<Sensitivity of major factors>

(billion yen)	Revised (E)	Previous (E)
Nuclear capacity factor per 1%	—	3.3
Water run-off ratio per 1%	—	0.7
All Japan CIF crude oil price per \$1/barrel	—	1.7
Exchange rate [TTM] per ¥1/\$	—	3.3
Interest rate [long-term prime rate] per 1%	—	2.0

•Sensitivity of major factors are subject to change if the rapid and drastic changes of major factors happen.

Sales performance and objectives

		4/10-6/10	4/11-6/11	Objective
Electric business	Increase of all-electric-houses	24 thousand	21 thousand	380 thousand (FY ending 3/2012 ~ FY ending 3/2014)

(appendix)		Jun. 30, 2011
Electric business	Number of all-electric-houses	889 thousand

		4/10-6/10	4/11-6/11	Forecast
Integrated energy supply	Sales volume of gas and heavy oil [equivalent to LNG] (tons)	180 thousand	190 thousand	860 thousand (FY ending 3/2012)

		Mar. 31, 2011	Jun. 30, 2011	Objective
Information and telecommunications	Number of FTTH subscribers	1,182 thousand	1,231 thousand	1,340 thousand (as of 3/2012)
	Number of corporate customers	36 thousand	36 thousand	38 thousand (as of 3/2012)

For further information

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