

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

January 31, 2012

The Kansai Electric Power Co., Inc.

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

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Financial highlights

(consolidated, non-consolidated)

2

(billion yen)

	Consolidated (a)			Non-consolidated (b)			(a)/(b)	
	4/11-12/11	4/10-12/10	Change	4/11-12/11	4/10-12/10	Change	4/11-12/11	4/10-12/10
Operating revenues	2,046.5	2,037.5	+8.9 (+0.4%)	1,826.7	1,825.3	+1.3 (+0.1%)	1.12	1.12
Operating income or loss	-68.0	240.1	-308.2 (—)	-102.5	208.2	-310.7 (—)	—	1.15
Ordinary income or loss	-95.7	216.2	-311.9 (—)	-122.5	193.3	-315.9 (—)	—	1.12
Net income or loss	-118.1	107.7	-225.8 (—)	-126.1	96.0	-222.1 (—)	—	1.12

	Consolidated			Non-consolidated		
	Dec. 31, 2011	Mar. 31, 2011	Change	Dec. 31, 2011	Mar. 31, 2011	Change
Total assets	7,379.0	7,310.1	+68.8 (+0.9%)	6,540.6	6,457.5	+83.0 (+1.3%)
Interest-bearing debt	3,701.6	3,409.8	+291.8 (+8.6%)	3,269.9	2,943.6	+326.2 (+11.1%)
Equity ratio	22.0%	24.8%	-2.8%	20.0%	23.1%	-3.1%

*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)

	4/11-12/11	4/10-12/10	Change
Electricity sales (TWh)	107.5(96.2)	111.7 (107.5)	-4.3
<div> <div>Residential</div> <div>Commercial and industrial</div> <div>(*2)</div> </div>	<div>34.7 (94.1)</div> <div>72.7(97.2)</div>	<div>36.9(107.8)</div> <div>74.9(107.3)</div>	<div>-2.2</div> <div>-2.1</div>
Nuclear capacity factor (%)	48.3	77.6	-29.3
Water run-off ratio (%)	109.4	112.4	-3.0
All Japan CIF crude oil price (\$/barrel)	113.1	79.7	+33.4
Exchange rate [TTM] (yen/\$)	79	87	-8
Interest rate [long-term prime rate] (%)	1.47	1.48	-0.01

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

*2. Including the liberalized segment

Electricity sales

<Electricity sales volume>

(million kWh, %)

		2Q	Oct.	Nov.	Dec.	4/11-12/11
Regulated segment	Lightning	24,000 (94.1)	3,501 (94.4)	3,291 (92.7)	3,915 (95.8)	34,707 (94.1)
	Power	Low voltage	2,886 (91.8)	418 (88.9)	311 (94.2)	347 (96.1)
		Others	388 (94.2)	51 (97.6)	56 (91.4)	67 (92.8)
		Sub total	3,275 (92.1)	469 (89.8)	367 (93.8)	414 (95.5)
	Sub total	27,274 (93.8)	3,970 (93.8)	3,658 (92.8)	4,329 (95.8)	4,524 (92.3)
Liberalized segment		46,629 (97.6)	7,455 (95.8)	7,063 (98.2)	7,076 (98.0)	68,223 (97.5)
Total		73,904 (96.2)	11,425 (95.1)	10,720 (96.3)	11,405 (97.1)	107,454 (96.2)

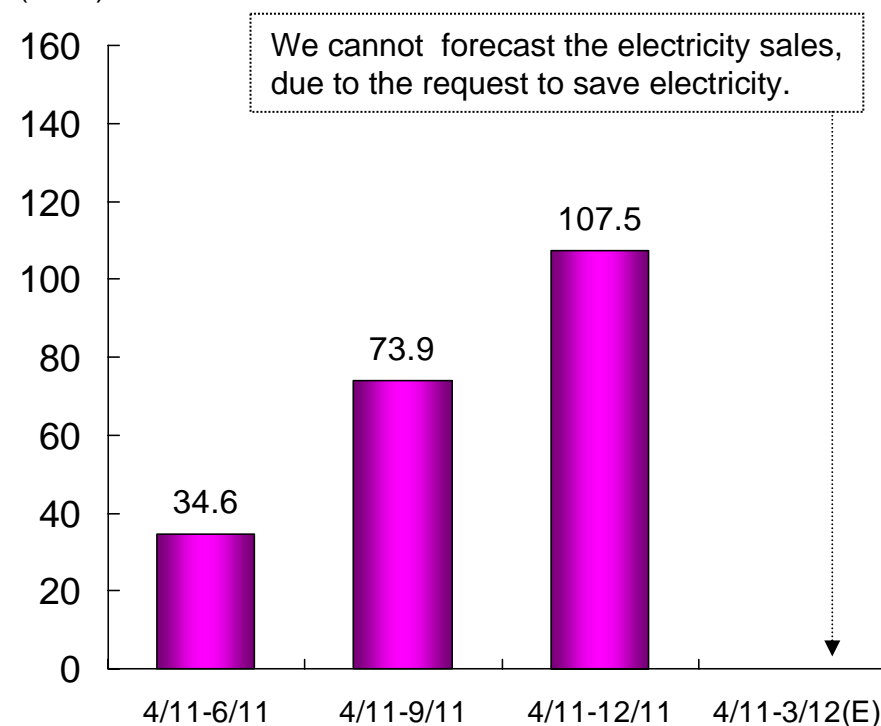
【Breakdown liberalized segment】

Commercial	17,259 (95.0)	2,682 (93.0)	2,445 (96.6)	2,491 (96.8)	24,877 (95.1)
Industrial and other	29,370 (99.3)	4,773 (97.4)	4,618 (99.1)	4,585 (98.6)	43,346 (99.0)

* () : Changes from the previous term, %

<Electricity sales results and forecasts>

(TWh)



Total electricity sales for 3Q of FY 3/2012 decreased to 107,454 million kWh (-3.8%) from the same period in the previous year due to the effects produced by temperature and the effects of saving energy. .

	4/11-12/11	4/10-12/10	Change	Breakdown
Ordinary revenues (Operating revenues)	1,850.0 (1,826.7)	1,848.6 (1,825.3)	+1.4 (+1.3)	<ul style="list-style-type: none"> Decrease in electricity sales volume -66.0
Electricity sales	1,708.5	1,730.8	-22.3	<ul style="list-style-type: none"> Increase in revenue per kWh due to change of fuel price +56.0 Decrease in average revenue per kWh mainly due to changes in components of electricity sales volume -12.0
Others	141.5	117.7	+23.7	<ul style="list-style-type: none"> For other utility companies +13.4 Non-electric business revenues +8.9
Ordinary expenses	1,972.6	1,655.2	+317.3	
Personnel	179.5	180.2	-0.7	
Fuel	502.3	271.1	+231.1	<ul style="list-style-type: none"> Fossil-fuel costs +242.9 <ul style="list-style-type: none"> Decline in nuclear capacity factor +131.0 Decrease in water flow +2.0 Decrease in electricity sales volume -32.0 Rise of oil, LNG and coal prices +123.0 Appreciation of the yen -34.0 Changes in component of fossil-fuel sources +45.0 Nuclear fuel costs -11.7
Backend expenses of nuclear power	57.4	73.2	-15.7	<ul style="list-style-type: none"> Reprocessing cost of irradiated nuclear fuel -8.1 Decommissioning cost -3.9
Maintenance	195.0	194.1	+0.9	
Taxes other than income taxes	110.3	113.4	-3.1	<ul style="list-style-type: none"> Promotion of power-resources development tax -1.5
Depreciation	236.7	254.3	-17.6	<ul style="list-style-type: none"> Fossil-fired power -14.1
Purchased power	377.8	281.6	+96.2	<ul style="list-style-type: none"> From other non-utility companies +49.3 From other utility companies +46.8
Interest expenses	34.2	35.4	-1.2	
Other	279.0	251.6	+27.4	<ul style="list-style-type: none"> Non-electric business expenses +14.4
Ordinary income or loss	-122.5	193.3	-315.9	
Net income or loss	-126.1	96.0	-222.1	

Non-consolidated balance sheets

(billion yen)

	Dec. 31, 2011	Mar. 31, 2011	Change	Breakdown
Assets	6,540.6	6,457.5	+83.0	<ul style="list-style-type: none"> • Capital expenditures +213.8 • Depreciation and amortization -239.4 • Cash and time deposits +40.0 • Reserve fund for reprocessing of irradiated nuclear fuel +30.0
Liabilities	5,229.9	4,962.7	+267.1	<ul style="list-style-type: none"> • Interest bearing debt +326.2 • Accounts payable and accrued expenses -52.5
Net assets	1,310.7	1,494.8	-184.1	<ul style="list-style-type: none"> • Net loss -126.1 • Dividend -53.6 <div> ¥30 per share for FY3/11 year-end ¥30 per share for FY3/12 interim </div>

(billion yen)

	4/11-12/11	4/10-12/10	Change	Breakdown
Ordinary revenues (Operating revenues)	2,074.6 (2,046.5)	2,064.7 (2,037.5)	+9.8 (+8.9)	
Electric operating revenues	1,767.5	1,775.1	-7.5	▪Decrease in electricity sales revenues -22.3 ▪Increase in electricity sales revenues for other utility companies +13.4
Other operating revenues	278.9	262.4	+16.5	▪Increase in integrated energy supply revenues +9.9 ▪Increase in information and telecommunications revenues +9.6
Non-operating revenues	28.1	27.2	+0.8	
Ordinary expenses	2,170.3	1,848.5	+321.8	
Electric operating expenses	1,869.6	1,570.6	+298.9	▪Fuel costs +231.1 ▪ Purchased power +96.2
Other operating expenses	244.9	226.6	+18.2	▪Increase in integrated energy supply costs +13.9
Non-operating expenses	55.8	51.2	+4.5	
Ordinary income or loss	-95.7	216.2	-311.9	
Net income or loss	-118.1	107.7	-225.8	
Comprehensive income	-135.1	97.0	-232.2	

Consolidated balance sheets

(billion yen)

	Dec. 31, 2011	Mar. 31, 2011	Change	Breakdown
Assets	7,379.0	7,310.1	+68.8	<ul style="list-style-type: none"> • Capital expenditures +281.8 • Depreciation and amortization -299.8 • Cash and time deposits +54.8 • Reserve fund for reprocessing of irradiated nuclear fuel +30.0
Liabilities	5,737.2	5,477.7	+259.4	<ul style="list-style-type: none"> • Interest bearing debt +291.8 • Accounts payable and accrued expenses -64.8
Net assets	1,641.7	1,832.4	-190.6	<ul style="list-style-type: none"> • Net income -118.1 • Dividend -53.6 ¥30 per share for FY3/11 year-end ¥30.per share for FY3/12 interim

Consolidated statements of cash flows

(billion yen)

	4/11-12/11	4/10-12/10	Change	Breakdown
Operating activities	118.4	427.8	-309.4	<ul style="list-style-type: none"> ▪ Increase in fossil-fuel costs -189.3 ▪ Increase in purchased power -65.4 ▪ Decrease in electricity sales revenues -18.7
Investing activities	-298.8	-411.1	+112.3	<ul style="list-style-type: none"> ▪ Decrease in investments and advances +81.9
(Free cash flows)	(-180.4)	(16.6)	(-197.0)	
Financing activities	237.3	-1.9	+239.3	<ul style="list-style-type: none"> ▪ Increase in net financing of bonds and borrowings +234.0 (04/10-12/10: +59.2 ⇒ 04/11-12/11: +293.3)

Segment information

(billion yen)

	Reportable segments		Other	Total	Eliminations/ corporate	Consolidated
	Electric power	IT/communications				
Operating revenues	1,776.2 (-7.5)	149.0 (+10.6)	351.7 (+7.9)	2,276.9 (+11.0)	-230.4 (-2.0)	2,046.5 (+8.9)
Sales to external customers	1,767.5 (-7.5)	110.1 (+9.6)	168.8 (+6.9)	2,046.5 (+8.9)	—	2,046.5 (+8.9)
Operating income or loss	-103.1 (-305.2)	19.5 (+4.7)	13.8 (-7.7)	-69.7 (-308.2)	1.7 (+0)	-68.0 (-308.2)

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

Financial forecasts

(consolidated, non-consolidated)

A reasonable forecast for FY2012 (Year ending Mar. 31, 2012) cannot be made at this point because we cannot forecast the schedule for the resumption of the operations of our nuclear power plants and the electrical power demand . 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.

*Previous forecasts were announced on April 27, 2011

【Dividend forecasts for FY ending 3/12】

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

Non-electric business

Financial highlights of non-electric business

(billion yen)

		4/11-12/11	4/10-12/10	Change	Breakdown	
Non-electric business (*1)	Sales to non-group companies	275.1	257.9	+17.1		
	Ordinary income	36.7	36.8	-0.1		
	Integrated energy supply (*2)	Sales to non-group companies	64.1	54.1	+9.9	▪ Increase in sales volume (gas) ▪ Increase in sales price (gas)
		Ordinary income	1.2	5.5	-4.2	
	Information and telecommunications	Sales to non-group companies	110.1	100.4	+9.6	▪ Increase in FTTH subscribers
		Ordinary income	17.1	12.3	+4.7	
	Lifecycle-related business	Sales to non-group companies	58.5	58.5	-0	
		Ordinary income	6.7	6.0	+0.7	
	Other business	Sales to non-group companies	42.2	44.7	-2.4	▪ Decrease in order amount
		Ordinary income	11.6	12.9	-1.3	

*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.

(billion yen)

		Revised (E)	Previous (E)	Change	Breakdown	
Non-electric business (*1)	Sales to non-group companies	— (*3)	—	—		
	Ordinary income	— (*3)	—	—		
	Integrated energy supply (*2)	Sales to non-group companies	90.5	89.5	+1.0	•Increase in sales volume (gas)
		Ordinary income	1.0	1.5	-0.5	
	Information and telecommunications	Sales to non-group companies	148.5	148.5	±0	
		Ordinary income	19.5	19.5	±0	
	Lifecycle-related business	Sales to non-group companies	86.0	86.0	±0	
		Ordinary income	7.0	7.0	±0	
	Other business	Sales to non-group companies	— (*3)	—	—	
		Ordinary income	— (*3)	—	—	

*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 ending Mar. 31, 2012) cannot be made at this point.

Appendix

Sales performance and objectives

		4/10-12/10	4/11-12/11	Objective
Electric business	Increase of all-electric-houses	77 thousand	64 thousand	380 thousand (FY ending 3/2012 ~ FY ending 3/2014)

(appendix)		Dec. 31, 2011
Electric business	Number of all-electric-houses	926 thousand

		4/10-12/10	4/11-12/11	4/11-3/12 (Forecast)
Integrated energy supply	Sales volume of gas and heavy oil [equivalent to LNG] (tons)	61 thousand	67 thousand	93 thousand (FY ending 3/2012)

		Mar. 31, 2011	Dec. 31, 2011	Mar.31,2012 (Forecast)
Information and telecommunications	Number of FTTH subscribers	1,182 thousand	1,279 thousand	1,310 thousand (as of 3/2012)
	Number of corporate customers	36 thousand	38 thousand	38 thousand (as of 3/2012)

For further information

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