

Financial results for 1 Q of FY ending 3/2014  
&  
Financial forecasts for FY ending 3/2014

July 31, 2013

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)	
	4/13-6/13	4/12-6/12	Change	4/13-6/13	4/12-6/12	Change	4/13-6/13	4/12-6/12
Operating revenues	717.5	648.3	+69.2 (+10.7%)	634.5	577.2	+57.2 (+9.9%)	1.13	1.12
Operating loss	-27.8	-140.5	+112.6 (—)	-35.7	-149.8	+114.0 (—)	—	—
Ordinary loss (*2)	-42.5	-147.4	+104.9 (—)	-17.0	-153.2	+136.2 (—)	—	—
Net loss	-33.4	-99.5	+66.0 (—)	-4.7	-103.7	+98.9 (—)	—	—

	Consolidated			Non-consolidated		
	Jun. 30, 2013	Mar. 31, 2013	Change	Jun. 30, 2013	Mar. 31, 2013	Change
Total assets	7,657.3	7,635.1	+22.2 (+0.3%)	6,791.7	6,757.6	+34.1 (+0.5%)
Interest-bearing debt	4,337.9	4,210.2	+127.6 (+3.0%)	3,905.3	3,774.1	+131.1 (+3.5%)
Equity ratio	16.1%	16.5%	-0.4%	13.2%	13.2%	—

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

\*2. Ordinary loss 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)

	4/13-6/13	4/12-6/12	Change
<b>Electricity sales (TWh)</b>	32.4(97.3)	33.3(96.4)	-0.9
<div> <div>Residential</div> <div>Commercial and industrial</div> <div>(*2)</div> </div>	10.5 (97.2)	10.8 (95.6)	-0.3
	21.9 (97.3)	22.5 (96.9)	-0.6
<b>Nuclear capacity factor (%)</b>	24.8	0.0	+24.8
<b>Water run-off ratio (%)</b>	85.9	94.3	-8.4
<b>All Japan CIF crude oil price (\$/barrel)</b>	107.7	122.6	-14.9
<b>Exchange rate [TTM] (yen/\$)</b>	99	80	+19
<b>Interest rate [long-term prime rate] (%)</b>	1.23	1.32	-0.09

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

\*2. Including the liberalized segment

# Electricity sales

## <Electricity sales volume>

(GWh, %)

		April	May	June	1Q
Regulated segment	Lightning	3,730 (87.6)	3,867 (105.9)	2,924 (100.5)	10,522 (97.2)
	Power	Low voltage	320 (83.7)	341 (101.7)	1,000 (97.2)
		Others	69 (86.0)	82 (110.7)	208 (97.5)
		Sub total	389 (84.1)	423 (103.3)	1,208 (97.3)
	Sub total	4,119 (87.2)	4,290 (105.6)	3,320 (101.2)	11,730 (97.2)
Liberalized segment		6,768 (95.4)	6,734 (97.4)	7,200 (99.1)	20,703 (97.3)
Total		10,888 (92.2)	11,024 (100.4)	10,521 (99.8)	32,432 (97.3)

### 【Breakdown of liberalized segment】

Commercial	2,438 (96.1)	2,397 (99.2)	2,656 (103.3)	7,491 (99.5)
Industrial and other	4,330 (95.1)	4,338 (96.4)	4,545 (96.9)	13,212 (96.1)

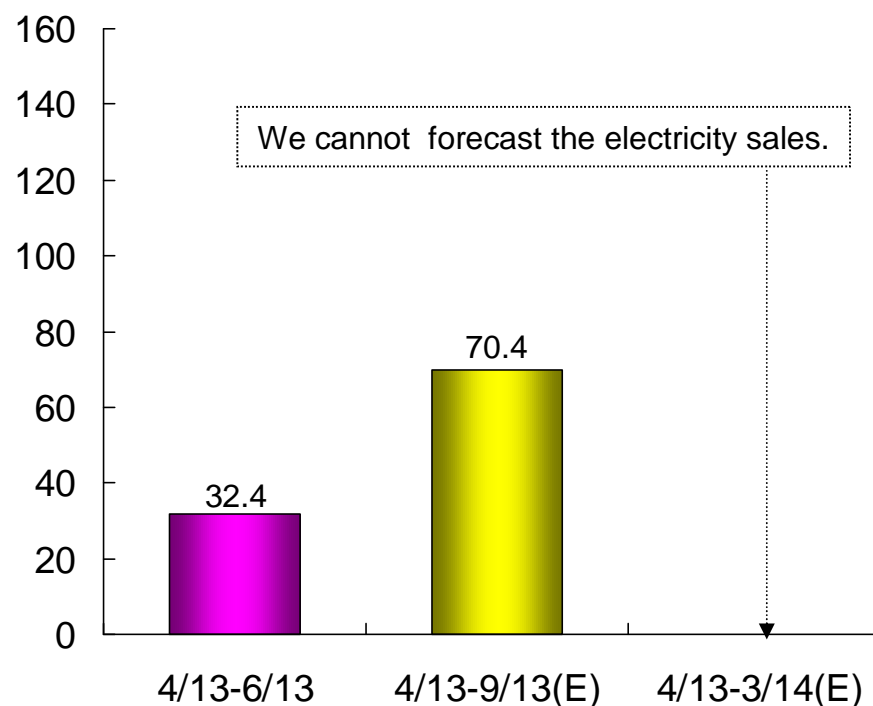
\* ( ) : Changes from the previous term, %

Total electricity sales for 1Q of FY ending 3/2014 decreased to 32,432 GWh(-2.7%) from the previous year for the following reasons.

- Decrease in electricity demand due to the effects produced by the cooperation of saving energy.
- Decrease in industry demand due to downturn in industrial production activities.

## <Electricity sales results and forecasts>

(TWh)



We cannot forecast the electricity sales volume for FY ending 3/2014 for the following reason.

- It is difficult to expect electricity sales volume(10/13-3/14) because the effect of saving energy is uncertain.

(billion yen)

	4/13-6/13	4/12-6/12	Change	Breakdown
<b>Ordinary revenues</b> (Operating revenues)	667.4 (634.5)	586.3 (577.2)	+81.1 (+57.2)	
Electricity sales	588.2	540.1	+48.1	<ul style="list-style-type: none"> <li>• Decrease in electricity sales volume -15.0</li> <li>• Increase in revenue per kWh due to the effects of rate revisions +47.0</li> <li>• Increase in revenue per kWh mainly due to renewable energy power promotion surcharge +16.0</li> </ul>
Others	79.2	46.2	+32.9	• Grant under act on purchase of renewable energy sourced electricity +10.5
<b>Ordinary expenses</b>	684.5	739.6	-55.1	
Personnel	56.4	58.7	-2.2	
Fuel	251.6	249.0	+2.6	<ul style="list-style-type: none"> <li>• Fossil-fuel costs -0.1</li> <li>• Nuclear fuel costs +2.8</li> </ul>
Backend expenses of nuclear power	12.1	10.4	+1.6	
Maintenance	30.4	57.6	-27.2	• Nuclear power -16.6 • Distribution -7.2
Taxes other than income taxes	35.7	35.0	+0.6	
Depreciation	69.7	70.0	-0.2	
Purchased power	120.2	160.1	-39.8	• From other utility companies -40.0
Interest expenses	13.0	12.2	+0.8	
Other	95.0	86.3	+8.6	• Levy under act on purchase of renewable energy sourced electricity +8.8
<b>Ordinary loss</b>	-17.0	-153.2	+136.2	
<b>Net loss</b>	-4.7	-103.7	+98.9	

## Non-consolidated balance sheets

(billion yen)

	Jun. 30, 2013	Mar. 31, 2013	Change	Breakdown
<b>Assets</b>	6,791.7	6,757.6	+34.1	<ul style="list-style-type: none"> <li>• Capital expenditures +54.7</li> <li>• Depreciation and amortization -70.4</li> <li>• Accounts receivable +34.5</li> </ul>
<b>Liabilities</b>	5,896.8	5,862.6	+34.1	<ul style="list-style-type: none"> <li>• Interest bearing debt +131.1</li> <li>• Accounts payable and accrued expenses -104.7</li> </ul>
<b>Net assets</b>	894.9	894.9	—	<ul style="list-style-type: none"> <li>• Net loss -4.7</li> <li>• Valuation and translation adjustments +4.7</li> </ul>

# Consolidated statements of operations

(billion yen)

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	4/13-6/13	4/12-6/12	Change	Breakdown
<b>Ordinary revenues</b> (Operating revenues)	725.0 (717.5)	656.7 (648.3)	+68.3 (+69.2)	
Electric operating revenues	615.3	556.3	+58.9	• Increase in electricity sales revenues +48.1
Other operating revenues	102.2	91.9	+10.3	• Increase in Lifecycle-related business revenues +5.0
Non-operating revenues	7.4	8.4	-0.9	
<b>Ordinary expenses</b>	767.5	804.2	-36.6	
Electric operating expenses	650.7	707.0	-56.2	• Maintenance -27.2    • Purchased power -39.8
Other operating expenses	94.6	81.8	+12.8	• Increase in Lifecycle-related business costs +2.8
Non-operating expenses	22.2	15.3	+6.8	
<b>Ordinary loss</b>	-42.5	-147.4	+104.9	
<b>Net loss</b>	-33.4	-99.5	+66.0	
<b>Comprehensive loss</b>	-22.8	-106.1	+83.2	

## Consolidated balance sheets

(billion yen)

	Jun. 30, 2013	Mar. 31, 2013	Change	Breakdown
<b>Assets</b>	7,657.3	7,635.1	+22.2	• Capital expenditures +77.1    • Depreciation and amortization -90.1 • Notes and accounts receivable-trade -26.9
<b>Liabilities</b>	6,401.9	6,357.0	+44.9	• Interest bearing debt +127.6 • Notes and accounts payable-trade -107.8
<b>Net assets</b>	1,255.4	1,278.1	-22.6	• Net loss -33.4 • Valuation and translation adjustments +9.8



# Segment information

(billion yen)

	Reportable segments		Other	Total	Eliminations/ Corporate	Consolidated
	Electric power	IT/communications				
<b>Operating revenues</b>	618.0 (+58.7)	48.0 (-2.1)	112.7 (+4.7)	778.8 (+61.3)	-61.2 (+7.8)	717.5 (+69.2)
<b>Sales to external customers</b>	615.3 (+58.9)	39.5 (+1.7)	62.6 (+8.5)	717.5 (+69.2)	—	717.5 (+69.2)
<b>Operating income or loss</b>	-34.4 (+116.2)	4.3 (-2.3)	1.5 (-1.4)	-28.6 (+112.5)	0.7 (+0.1)	-27.8 (+112.6)

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

## <financial forecasts>

Based on our recent business results, we announce our financial forecasts for the half-year ending 9/2013 (consolidated, non-consolidated), which were not announced on April 30, 2013.

A reasonable forecast for FY2014 (Year ending Mar. 31, 2014) cannot be made at this point continuously for the following reasons.

- Supply capacity is uncertain.
- It is difficult to expect electricity sales volume(10/13-3/14) because the effect of saving energy is uncertain.

The forecast for FY2014 will be disclosed as soon as it becomes available.

## <Dividend Forecast>

We plan not to pay our interim dividend of FY2014, because our financial forecasts for the half-year ending 9/2013 (consolidated, non-consolidated) are painful and the future outlook of its business environment remains uncertain.

Year-end dividend forecast of FY 2014 cannot be made at this point because a reasonable forecast for FY2014 (Year ending Mar. 31, 2014) cannot be made at this point continuously.

(The change from previous term)

(billion yen)	Consolidated			Non-consolidated		
	4/13-9/13(E)	4/12-9/12	Change	4/13-9/13(E)	4/12-9/12	Change
Operating revenues	1,580.0	1,405.9	+174.0 (+12.4%)	1,420.0	1,254.1	+165.8 (+13.2%)
Operating loss	-20.0	-155.4	+135.4 (-)	-30.0	-178.4	+148.4 (-)
Ordinary loss	-40.0	-171.9	+131.9 (-)	-20.0	-191.1	+171.1 (-)
Net loss	-32.0	-116.7	+84.7 (-)	-7.0	-129.9	+122.9 (-)

## <Major factors>

	4/13-9/13(E)	4/12-9/12
Electricity sales (TWh)	70.4	71.2
Residential	22.2	23.1
Commercial and industrial	48.2	48.1
Nuclear capacity factor (%)	21.2	10.5
Water run-off ratio (%)	92.7	92.6
All Japan CIF crude oil price (\$/barrel)	Approx. 110	114.0
Exchange rate [TTM] (yen/\$)	Approx. 100	79
Interest rate [long-term prime rate] (%)	Approx. 1.2	1.29

## <Sensitivity of major factors>

(billion yen)	4/13-9/13(E)	4/12-9/12
Nuclear capacity factor per 1%	5.8	4.8
Water run-off ratio per 1%	1.1	1.0
All Japan CIF crude oil price per \$1/barrel	4.1	4.0
Exchange rate [TTM] per ¥1/\$	5.9	7.3
Interest rate [long-term prime rate] per 1%	2.1	2.4

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

## 【Dividend for FY ending 3/14】

	Interim	Year-end	Annual
Dividend per share	¥ 0	—	—

## Non-electric business

## Financial highlights of non-electric business

(billion yen)

		4/13-6/13	4/12-6/12	Change	Breakdown	
Non-electric business (*1)	Sales to non-group companies	101.2	90.7	+10.4		
	Ordinary income or Loss	7.0	10.8	-3.7		
	Integrated energy supply (*2)	Sales to non-group companies	21.9	22.9	-0.9	• Decrease in sales volume (gas)
		Ordinary income or loss	-0.5	1.9	-2.4	• Increase in material price (gas)
	Information and telecommunications	Sales to non-group companies	39.5	37.8	+1.7	• Increase in FTTH subscribers • Increase in selling expenses (FTTH) • Decrease in revenue by down of sales price for corporation • Decrease in intragroup service
		Ordinary income or loss	3.6	6.0	-2.4	
	Lifecycle-related business	Sales to non-group companies	22.2	17.2	+5.0	• Increase in sales volume on real estate business
		Ordinary income or loss	3.4	2.0	+1.3	
	Other	Sales to non-group companies	17.3	12.7	+4.5	• Increase in sales of LNG project company • Increase in order amount
		Ordinary income or loss	0.5	0.7	-0.1	

\*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)	—	—		
	Ordinary income	— (*3)	—	—		
	Integrated energy supply (*2)	Sales to non-group companies	111.0	108.0	+3.0	・ Increase in sales price (gas)
		Ordinary income	4.0	5.0	-1.0	・ Increase of material price (gas)
	Information and telecommunications	Sales to non-group companies	162.0	162.0	—	
		Ordinary income	13.0	13.0	—	
	Lifecycle-related business	Sales to non-group companies	101.0	101.0	—	
		Ordinary income	9.0	9.0	—	
	Other	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 FY2014 ( Year ending Mar. 31, 2014 ) cannot be made at this point.

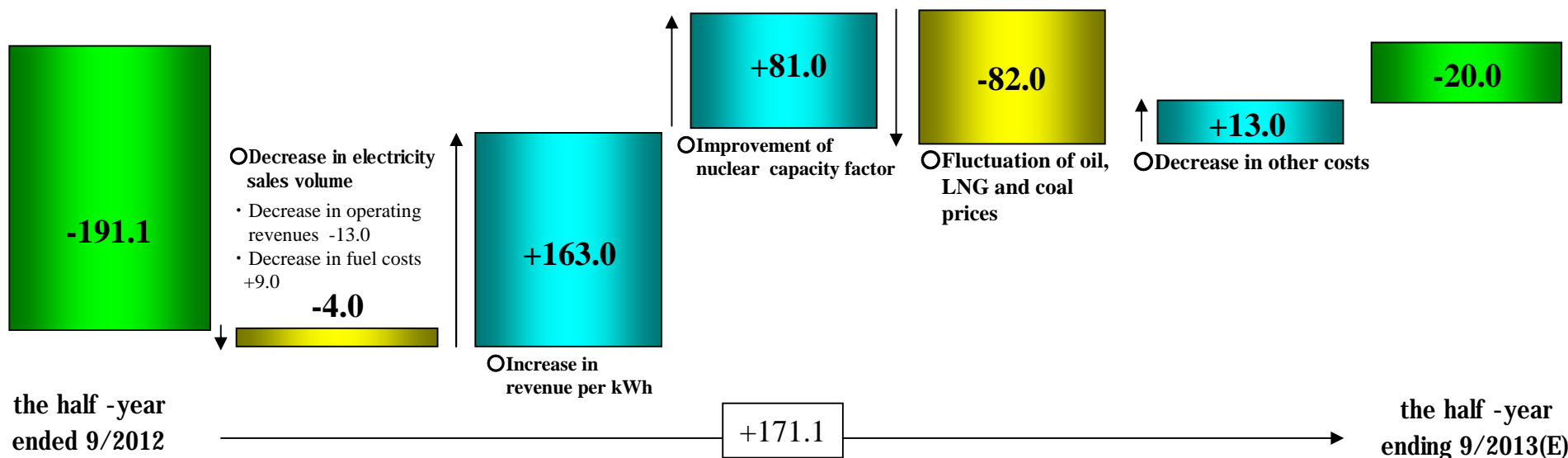
# Appendix

# Details of financial forecasts for the half-year ending 9/2013 (non-consolidated, The change from previous term) (billion yen)

	4/13-9/13(E)	4/12-9/12	Change	Breakdown
Operating revenues	1,420.0	1,254.1	+165.8	<ul style="list-style-type: none"> <li>• Decrease in electricity sales volume -13.0</li> <li>• Increase in revenue per kWh +163.0</li> </ul>
Ordinary loss	△20.0	△191.1	+171.1	<ul style="list-style-type: none"> <li>• Decrease in electricity sales volume -4.0</li> <li>• Increase in revenue per kWh +163.0</li> <li>• Improvement of nuclear capacity factor +81.0</li> <li>• Fluctuation of oil, LNG and coal prices -82.0</li> <li>• Decrease in other costs +13.0</li> </ul>
Net loss	△7.0	△129.9	+122.9	

## Breakdown of ordinary loss change

(billion yen)





		4/12-6/12	4/13-6/13	4/13-3/14 (Forecast)
Integrated energy supply	Sales volume of gas and heavy oil [equivalent to LNG] (tons)	210 thousand	190 thousand	960 thousand

		Mar. 31, 2013	Jun. 30, 2013	Mar. 31, 2014 (Forecast)
Information and telecommunications	Number of FTTH subscribers	1,396 thousand	1,425 thousand	1,489 thousand

## For further information

Planning Group (Investor Relations)  
Office of Accounting and Finance  
The Kansai Electric Power Co., Inc.

Telephone	:+81 6 6441 8821 (operator)
Facsimile	:+81 6 6441 0569
Website	: <a href="http://www.kepcoco.jp">http://www.kepcoco.jp</a>