

Financial results for 2Q of FY ending 3/2019
&
Financial forecasts for FY ending 3/2019

October 26, 2018

The Kansai Electric Power Co., Inc.

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

■ Financial highlights for 2Q of FY ending 3/2019

• Overview	-----	2
• Financial highlights (consolidated, non-consolidated)	-----	3

■ Financial highlights for 2Q of FY ending 3/2019

• Major factors (non-consolidated)	-----	4
• Non-consolidated statements of income	-----	5
• Consolidated statements of income	-----	6
• Segment information	-----	7
• Consolidated balance sheets	-----	8

■ Financial forecasts for FY ending 3/2019

• Financial forecasts (consolidated, non-consolidated)	-----	9
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■ Appendix

• Electricity sales	-----	11
• Non-consolidated balance sheets	-----	12
• Consolidated statements of cash flows	-----	13
• Profit and loss by business segment	-----	14
• Prospective profit and loss by business segment	-----	15
• Interest-bearing debt (non-consolidated)	-----	16
• Actual supply and demand (Sending end)	-----	17
• Maintenance costs and depreciation in comparison with the previous term	-----	18
• Time lag from the fuel cost adjustment system	-----	19
• Framework of feed-in tariff scheme for renewable energy	-----	20
• Outline of electricity rate reduction * Implemented on July 1, 2018	-----	21
• Electricity and gas sales efforts in the Kansai area	-----	23
• Outline of enriched Nattoku Pack by setting Nattoku Denki Biz	-----	24
• Outline of e-Otoku Plan revised	-----	26
• Electricity sales efforts made so far in the Tokyo metropolitan area	-----	27
• Outline of gas business	-----	28
• Outline of IT/Communications business	-----	29
• Outline of Real Estate business	-----	30
• Overseas investment projects	-----	31
• The KEPCO Group's introduction and development plan of renewable energy	-----	32
• KEPCO's power source composition	-----	33
• Initiatives on climate change issues and CO2 reduction	-----	34
• Fuel change plan and suspension of operation for thermal power plant	-----	35
• Digest of Medium-term Management Plan	-----	36
• Financial/corporate data	-----	38

【 2Q of FY ending 3/2019 Earnings Results 】

: Both consolidated and non-consolidated financial results showed increased revenues and decreased income.

- Income : Electricity sales revenues decreased, however, the increase of sold power to other suppliers as well as the increase of the operating revenues in the “Gas/Other Energies” and the “IT/communications” finally led to a rise in revenues.
- Expenses : We strived to thoroughly streamline business; the resumption of operation at nuclear power plants reduced costs, but ordinary expenses increased due to the rise in fuel prices, and increase in electricity sales and electricity sales to other utility and non-utility companies.
Additionally, restoration costs for equipment damaged by typhoon No. 21 were recorded as an extraordinary loss.

→ Decreased income due to the reduction of electricity rates, increase in expenses due to replacement of fuel, etc. due to suspension of thermal power plant, coupled with the recognition of extraordinary loss associated with typhoon No. 21 are the temporary negative factors that pushed down both ordinary income and net income below the levels of the same period last year.

We have achieved a certain result in turning around and going to the offensive, as exemplified by increased retail electricity sales and wholesale expansion, but we will continue to strive for thoroughgoing business efficiency, as well as safe and stable operation at our nuclear, thermal, hydraulic and other plants, and make our utmost efforts to secure the financial soundness and safe and stable electricity supply.

【 FY 2018 Interim-end Dividend 】

- We have determined to pay the interim dividend of 25.00 yen per share, equal to the date of publication on September 18, 2018.

【 FY 2018 Financial and Year-end Dividend Forecasts 】

- FY 2018 financial and year-end dividend forecasts announced September 18, 2018 has been unchanged.

Financial highlights

3

(billion yen)	Consolidated (a)			Non-consolidated (b)			(a)/(b)	
	4/17-9/17	4/18-9/18	Change	4/17-9/17	4/18-9/18	Change	4/17-9/17	4/18-9/18
Operating revenues	1,548.5	1,610.6	+62.0 (+4.0%)	1,342.9	1,385.4	+42.4 (+3.2%)	1.15	1.16
Operating income	161.3	108.6	-52.6 (-32.6%)	131.5	78.6	-52.8 (-40.2%)	1.23	1.38
Ordinary income (*2)	157.8	117.7	-40.0 (-25.4%)	127.7	82.5	-45.1 (-35.4%)	1.24	1.43
Net income (*3)	115.2	72.7	-42.4 (-36.9%)	93.7	53.3	-40.3 (-43.0%)	1.23	1.36

(billion yen)	Consolidated			Non-consolidated		
	Mar.31, 2018	Sep.30, 2018	Change	Mar.31, 2018	Sep.30, 2018	Change
Interest-bearing debt	3,708.2	3,852.1	+143.9 (+3.9%)	3,359.9	3,536.2	+176.2 (+5.2%)
Equity ratio	20.8%	21.3%	+0.5%	15.7%	16.0%	+0.3%

*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.

*3 The consolidated net income means the net income attributable to owners of the parent company.

【Dividend for FY 2018】

	Interim	Year-end	Annual
Dividend per share	25.00 yen	25.00 yen(Forecasts)	50.00 yen(Forecasts)

Major factors (non-consolidated)

4

<Major factors>

	4/17-9/17	4/18-9/18	Change
Electricity sales (TWh)	(92.7) 56.9	(103.3) 58.8	+ 1.9
Residential	(93.4) 19.4	(93.0) 18.0	-1.4
Commercial and Industrial	(92.3) 37.5	(108.6) 40.8	+ 3.2
Electricity sales to other utility and non-utility companies (TWh)	3.6	(*1) 6.3	+2.7
Nuclear capacity factor (%)	(*2) 18.3	47.5	+29.2
Water run-off ratio(%)	97.1	112.1	+15.0
All Japan CIF crude oil price (\$/barrel)	51.4	73.8	+22.4
Exchange rate [TTM] (yen/\$)	111	110	-1
Interest rate [long-term prime rate] (%)	0.97	1.00	+0.03

<Sensitivity of major factors>

(billion yen)	4/17-9/17	4/18-9/18
Nuclear capacity factor per 1%	(*3) 1.5	2.0
Water run-off ratio per 1%	0.6	0.7
All Japan CIF crude oil price per \$1/barrel	2.5	2.4
Exchange rate [TTM] per ¥1/\$	2.3	2.4
Interest rate [long-term prime rate] per 1%	3.1	3.6

*3 Calculated based on the outputs after Ohi Units 1 and 2 are decommissioned.
Sensitivity calculated based on the outputs before Ohi Units 1 and 2 are decommissioned—amount to 2.0 billion yen.

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

*1 Not including imbalance electric energy, which is not yet determined as at the end of the term.

*2 Nuclear capacity factor calculated based on the outputs before Ohi Units 1 and 2 are decommissioned—amount to 13.5%.

● () : Changes from the previous term, %

Non-consolidated statements of income

5

(billion yen)	4/17-9/17	4/18-9/18	Change	Breakdown
Ordinary revenues (Operating revenues)	1,357.1 (1,342.9)	1,405.0 (1,385.4)	+47.9 (+42.4)	
Electricity sales	1,117.5	1,098.9	-18.6	<ul style="list-style-type: none"> •Increase in electricity sales volume +33.0 •Decrease in revenue per kWh due to the effects of revision of electricity rates -56.0 •Increase in revenue per kWh due to renewable energy power promotion surcharge +19.2
Grant under act on purchase of renewable energy sourced electricity	88.5	98.3	+9.8	
Others	151.0	207.8	+56.7	<ul style="list-style-type: none"> •Cost of sold power (other utility companies, other non-utility companies) +30.6 •Non-electric business +14.6 •Wheeling revenues +5.4
Ordinary expenses	1,229.4	1,322.5	+93.1	
Personnel expenses	108.1	108.6	+0.4	
Fuel costs	240.7	256.0	+15.2	<ul style="list-style-type: none"> •Fossil-fuel costs +10.2 •Nuclear-fuel costs +4.9
Backend expenses of nuclear power	25.3	39.3	+14.0	<ul style="list-style-type: none"> •Increase in electricity sales volume +14.0 •Increase in electricity sales to other utility and non-utility companies +19.0 •Increase in nuclear capacity factor -58.0 •Increase in electricity purchases from other utility and non-utility companies -6.0 •Fluctuation of fossil-fuel prices +32.0 •Appreciation of yen -2.0 •Difference in composition of fuel types etc. +11.0
Maintenance costs	79.4	80.5	+1.0	
Taxes other than income taxes	71.8	73.4	+1.5	
Depreciation	124.4	119.7	-4.7	
Purchased power	251.2	279.7	+28.5	<ul style="list-style-type: none"> •From other utility companies +0.8 •From other non-utility companies +27.6
Interest expenses	17.5	14.2	-3.3	
Levy under act on purchase of renewable energy sourced electricity	126.5	145.7	+19.2	
Other	183.9	205.0	+21.0	•Non-electric business +16.6
Ordinary income	127.7	82.5	-45.1	
Provision for or reversal of reserve for fluctuation in water levels	-0.7	0.3	+1.1	
Extraordinary loss	-	10.2	+10.2	•Extraordinary loss caused by typhoon No.21 +10.2
Income taxes	34.8	18.5	-16.2	
Net income	93.7	53.3	-40.3	

Consolidated statements of income

6

(billion yen)	4/17-9/17	4/18-9/18	Change	Breakdown
Ordinary revenues	1,565.2	1,646.6	+ 81.3	
(Operating revenues)	(1,548.5)	(1,610.6)	(+ 62.0)	
Electric operating revenues	1,305.3	1,331.2	+ 25.9	
Other operating revenues	243.2	279.3	+ 36.1	<ul style="list-style-type: none"> • Sales of external transactions in non-electric business +21.5 • Sales of external transactions in subsidiaries +14.5
Non-operating revenues	16.6	35.9	+ 19.2	• Gain on sales of property +16.5
Ordinary expenses	1,407.4	1,528.8	+ 121.4	
Electric operating expenses	1,174.4	1,252.9	+ 78.5	
Other operating expenses	212.8	249.0	+ 36.1	<ul style="list-style-type: none"> • Costs for non-electric business +19.7 • Costs for subsidiaries +16.4
Non-operating expenses	20.1	26.8	+ 6.7	
Ordinary income	157.8	117.7	-40.0	
Provision for or reversal of reserve for fluctuation in water levels	-0.7	0.3	+ 1.1	
Extraordinary loss	-	12.8	+ 12.8	• Extraordinary loss caused by typhoon No.21 +12.8
Income taxes	43.0	31.7	-11.3	
Net income ※	115.2	72.7	-42.4	
Comprehensive income	128.7	85.3	-43.4	

* The consolidated net income means the net income attributable to owners of the parent.

Segment information

7

():Changes from the previous term

(billion yen)	Reportable segments				Other	Total	Eliminations/ Corporate	Consolidated
	Comprehensive Energy/Power Transmission and Distribution Business			IT/ Communi cations				
	Electric Power	Gas/ Other Energies	Subtotal					
Operating revenues	1,340.5 (+27.8)	123.3 (+47.0)	1,463.8 (+74.8)	126.9 (+12.2)	182.6 (+0.2)	1,773.5 (+87.3)	-162.8 (-25.2)	1,610.6 (+62.0)
Operating revenues (external transactions)	1,331.2 (+25.9)	89.0 (+28.6)	1,420.3 (+54.5)	105.7 (+8.0)	84.5 (-0.5)	1,610.6 (+62.0)	—	1,610.6 (+62.0)
Operating income	82.2 (-50.8)	-0.9 (-4.8)	81.2 (-55.6)	15.8 (+2.6)	10.7 (+1.1)	107.8 (-51.8)	0.8 (-0.8)	108.6 (-52.6)



Breakdown of changes in Gas/Other Energies
 Operating revenues(external transactions)
 : Increase in gas business revenues
 Operating income
 : Increase in income of subsidiaries



Breakdown of changes in IT/Communications
 Operating revenues(external transactions)
 Operating income
 : Increase in FTTH, MVNO, and retail electricity service customers

Consolidated balance sheets

(billion yen)	Mar.31, 2018	Sep.30, 2018	Change	Breakdown
Assets	6,985.0	7,150.0	+ 164.9	<ul style="list-style-type: none"> •Capital expenditures +146.8 •Depreciation and amortization -163.3 •Assets equal to asset retirement obligations +45.5 ※1 (Effect of revision in the ordinance of Decommissioning) •Accounts receivable +68.7
Liabilities	5,512.2	5,610.2	+ 97.9	<ul style="list-style-type: none"> •Interest bearing debt +143.9 •Accounts payable and accrued expenses -86.3 •Asset retirement obligations +45.5 ※1 (Effect of revision in the ordinance of Decommissioning)
Equity	1,472.7	1,539.8	+ 67.0	<ul style="list-style-type: none"> •Net income ※2 +72.7 •Dividend -17.8 (20.00yen per share for FY 3/18 year-end)

*1 On April 1, 2018, the "Ministry Order Relating to Reserves for Decommissioning of Nuclear Power Plants" was revised, following the enforcement of the "Ordinance to Partially Revise the Ordinance on Reserves for Scrapping Nuclear Power Plants". For the asset retirement obligations related to the decommissioning of a specific nuclear power unit, costs are accounted for in accordance with the Ordinance of Decommissioning. Although the accounting period was defined as throughout the expected safe storage period and the expected operating period in the past, the Revised Ordinance defines the accounting period as the expected operating period.

*2 The consolidated net income means the net income attributable to owners of the parent.

FY 2018 Financial forecasts

9

■ The figure announced September 18 has been unchanged

(billion yen)	Consolidated			Non-consolidated		
	4/17-3/18 (Results)	4/18-3/19 (Forecasts)	Change	4/17-3/18 (Results)	4/18-3/19 (Forecasts)	Change
Operating revenues	3,133.6	3,330.0	(+6.3%) +196.3	2,683.9	2,820.0	(+5.1%) +136.0
Operating income	227.5	200.0	(-12.1%) -27.5	165.4	140.0	(-15.4%) -25.4
Ordinary income	217.1	200.0	(-7.9%) -17.1	145.5	130.0	(-10.7%) -15.5
Net income (*)	151.8	140.0	(-7.8%) -11.8	103.0	90.0	(-12.6%) -13.0

* The consolidated net income means the net income attributable to owners of the parent.

<Major factors>

	4/17-3/18 (Results)	4/18-3/19 (Forecasts)
Electricity sales (TWh)	115.2	117.5
Residential	41.8	38.0
Commercial and Industrial	73.5	79.5
Electricity sales to other utility and non-utility companies (TWh)	7.3	15.6
Nuclear capacity factor (%)	(*1) 23.9	Approx. 54
Water run-off ratio (%)	107.2	Approx. 103
All Japan CIF crude oil price (\$/barrel)	57.0	Approx. 74
Exchange rate [TTM] (yen/\$)	111	Approx. 110
Interest rate [long-term prime rate] (%)	0.99	Approx. 1.0

<Sensitivity of major factors>

(billion yen)	4/17-3/18 (Results)	4/18-3/19 (Forecasts)
Nuclear capacity factor per 1%	(*2) 3.3	4.2
Water run-off ratio per 1%	1.1	1.2
All Japan CIF crude oil price per \$1/barrel	5.4	4.9
Exchange rate [TTM] per ¥1/\$	4.8	5.3
Interest rate [long-term prime rate] per 1%	7.6	8.9

*2 Calculated based on the outputs after Ohi Units 1 and 2 are decommissioned. Sensitivity calculated based on the outputs before Ohi Units 1 and 2 are decommissioned—amount to 4.4 billion yen.

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

*1 Nuclear capacity factor calculated based on the outputs after the electric facilities modification application (in response to the decision on when Ohi Units 1 and 2 are decommissioned) as of March 1, 2018—amount to 18.0%.

[Dividend forecast for FY ending 3/19]

	Interim	Year-end	Annual
Dividend per share	25.00 yen	25.00 yen(Forecasts)	50.00 yen(Forecasts)

Appendix

[Electricity sales for 2Q of FY2018]

(GWh)	4/18-6/18	7/18-9/18	4/18-9/18
Residential	8,018 (88.1)	10,013 (97.4)	18,031 (93.0)
Commercial and Industrial	18,486 (104.8)	22,287 (112.0)	40,773 (108.6)
Total	26,505 (99.1)	32,300 (107.0)	58,804 (103.3)

* Figures in () are year-on-year %.

[Average monthly temperature]

(℃)	Apr.	May.	Jun.	Jul.	Aug.	Sept.
Actual	16.9	20.1	23.4	29.5	29.7	24.1
Year-on-year change	+1.2	-1.0	+0.7	+0.7	+0.5	-0.3
Anomaly	+1.8	+0.4	-0.1	+2.1	+0.9	-0.9

Non-consolidated balance sheets

12

(billion yen)	Mar. 31, 2018	Sep. 30, 2018	Change	Breakdown
Assets	5,946.1	6,116.9	+ 170.7	<ul style="list-style-type: none"> •Capital expenditures + 107.7 •Depreciation and amortization -120.5 •Assets equal to asset retirement obligations +45.5 ※ (Effect of revision in the ordinance of Decommissioning) •Accounts receivable + 70.9
Liabilities	5,012.1	5,139.9	+ 127.7	<ul style="list-style-type: none"> •Interest bearing debt +176.2 •Accounts payable and accrued expenses -92.6 •Asset retirement obligations +45.5 ※ (Effect of revision in the ordinance of Decommissioning)
Equity	933.9	976.9	+ 43.0	<ul style="list-style-type: none"> •Net income + 53.3 •Dividend -17.8 (20.00yen per share for FY 3/18 year-end)

* On April 1, 2018, the "Ministry Order Relating to Reserves for Decommissioning of Nuclear Power Plants" was revised, following the enforcement of the "Ordinance to Partially Revise the Ordinance on Reserves for Scrapping Nuclear Power Plants". For the asset retirement obligations related to the decommissioning of a specific nuclear power unit, costs are accounted for in accordance with the Ordinance of Decommissioning. Although the accounting period was defined as throughout the expected safe storage period and the expected operating period in the past, the Revised Ordinance defines the accounting period as the expected operating period.

Consolidated statements of cash flows

13

(billion yen)	4/17-9/17	4/18-9/18	Change	Breakdown
Operating activities	247.7	99.7	-147.9	<ul style="list-style-type: none"> • Decrease in electricity sales revenues -29.4 • Increase in payments of reprocessing of irradiated nuclear fuel -37.0 • Increase in payments of consumption taxes -65.1
Investing activities	-164.6	-216.3	-51.7	<ul style="list-style-type: none"> • Increase in expenses purchase of property -8.4 • Increase in revenues sales of property +22.4 • Increase in expenditures for investment and lending -34.1 • Increase in expenditures for business acquisition -22.0
(Free cash flows)	(83.1)	(-116.6)	(-199.7)	
Financing activities	-89.9	121.6	+211.6	<ul style="list-style-type: none"> • Increase in interest bearing debt +143.9

Profit and loss by business segment

14

(billion yen)			4/17-9/17	4/18-9/18	Change	Breakdown
Comprehensive Energy / Power Transmission and Distribution	Electric Power	Operating revenues (external transactions)	1,305.3	1,331.2	+ 25.9	
		Ordinary income	129.2	86.0	-43.1	
	Gas/ Other Energies	Operating revenues (external transactions)	60.4	89.0	+ 28.6	• Increase in gas business revenues
		Ordinary income	8.1	3.9	-4.2	• Decrease in income of subsidiaries
	Total	Operating revenues (external transactions)	1,365.8	1,420.3	+ 54.5	
		Ordinary income	137.4	90.0	-47.4	
IT/Communications		Operating revenues (external transactions)	97.7	105.7	+ 8.0	• Increase in FTTH, MVNO, and retail electricity service customers
		Ordinary income	12.6	15.7	+ 3.1	
Real Estate/Life		Operating revenues (external transactions)	47.6	44.7	-2.8	• Decrease in sales of housing business
		Ordinary income	6.5	7.4	+ 0.9	• Increase in sales of building business
Other		Operating revenues (external transactions)	37.3	39.7	+ 2.3	• Increase in orders for construction works
		Ordinary income	8.5	9.0	+ 0.5	

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

<Reference>

(billion yen)		4/17-9/17	4/18-9/18	Change	Breakdown
International Business	Profit and loss	-0.5	-7.6	-7.1	• Recording investment loss, etc.

Prospective profit and loss by business segment

15

(billion yen)			4/17-3/18 (Results)	4/18-3/19 (Forecasts)	Change	Breakdown
Comprehensive Energy / Power Transmission and Distribution	Electric Power	Operating revenues (external transactions)	2,596.1	2,690.0	+ 93.9	
		Ordinary income	150.4	135.0	-15.4	
	Gas/ Other Energies	Operating revenues (external transactions)	141.2	207.0	+ 65.8	• Increase in gas business revenues
		Ordinary income	7.1	1.0	-6.1	• Decrease in income of subsidiaries
	Total	Operating revenues (external transactions)	2,737.3	2,897.0	+ 159.7	
		Ordinary income	157.5	136.0	-21.5	
IT/Communications		Operating revenues (external transactions)	203.1	220.0	+ 16.9	• Increase in FTTH, MVNO, and retail electricity service customers
		Ordinary income	25.1	26.0	+ 0.9	
Real Estate/Life		Operating revenues (external transactions)	111.7	120.0	+ 8.3	• Increase in sales of housing and building business
		Ordinary income	14.5	18.0	+ 3.5	
Other		Operating revenues (external transactions)	81.3	85.0	+ 3.7	• Increase in orders for construction works
		Ordinary income	28.8	22.0	-6.8	• Decrease in orders from Kepco

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

<Reference>

(billion yen)		4/17-3/18 (Results)	4/18-3/19 (Forecasts)	Change	Breakdown
International Business	Profit and loss	-2.0	-8.0	-6.0	• Recording investment loss, etc.

Interest-bearing debt (non-consolidated)

16

(billion yen)	Mar. 31, 2018	Sep. 30, 2018	Change *
Bonds	1,240.9	1,279.9	+39.0 (+210.0、-171.0)
Borrowings	1,964.9	2,041.2	+76.2 (+359.5、-283.2)
Long-term	1,834.9	1,911.2	+76.2 (+229.5、-153.2)
Short-term	130.0	130.0	— (+130.0、-130.0)
Commercial paper	154.0	215.0	+61.0 (+255.0、-194.0)
Interest-bearing debt	3,359.9	3,536.2	+176.2
Interest rate (%) (as of fiscal year-end)	0.89	0.74	-0.15

* +(plus) in the bracket means financing, -(minus) in the bracket means repayment.

Actual supply and demand (Sending end)

17

(GWh)		4/17-9/17	Composition ratio	4/18-9/18	Composition ratio	Change
K E P C O	Hydro	7,741	17%	8,532	17%	+791
	Thermal	32,940	72%	29,159	57%	△3,782
	Nuclear	4,882	11%	13,064	26%	+8,182
	New energy sources	45	0%	14	0%	△31
	KEPCO Total	45,608	100%	50,769	100%	+5,161
Other-utility companies		14,032		12,126		△1,906
Captive use by hydropower		△795		△1,312		△518
Total		58,845		61,583		+2,737

* Some rounding errors may be observed.

* "Other-utility companies" does not include imbalance electric energy, which is not yet determined as at the end of the term.

[Maintenance Costs]

* Some rounding errors may be observed.

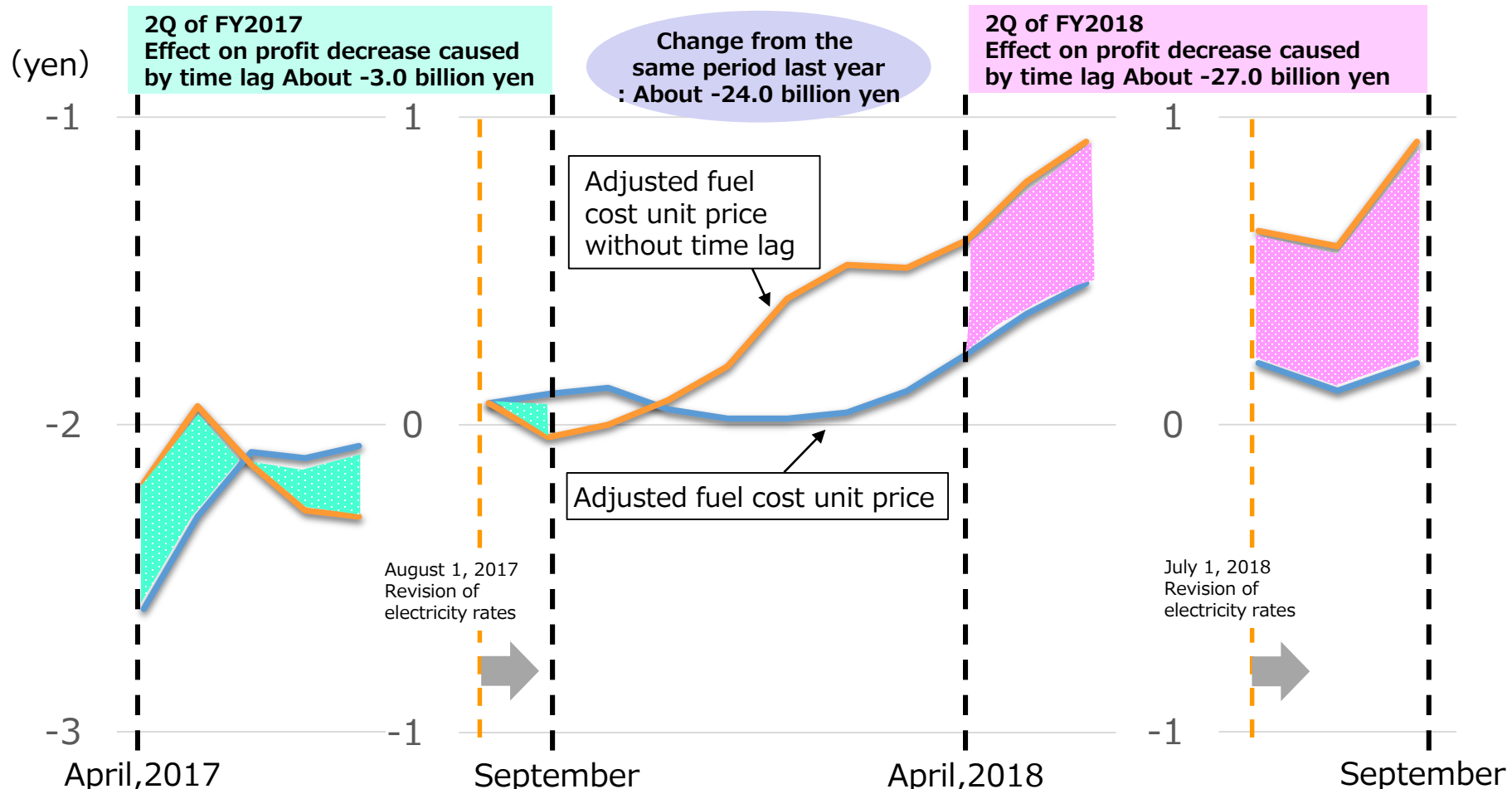
(Billion yen)		4/17-9/17	4/18-9/18	Change	Breakdown
	Power sources	26.6	31.1	+4.5	Nuclear +6.0 Thermal -1.9
	Distribution	52.1	48.5	-3.6	Power distribution -2.4 Power transmission -1.1
	Other	0.6	0.7	—	
	Total	79.4	80.5	+1.0	

[Depreciation]

(Billion yen)		4/17-9/17	4/18-9/18	Change	Breakdown
	Power sources	54.1	51.2	-2.8	Thermal -2.8
	Distribution	63.7	62.1	-1.5	Power transmission -1.0 Power distribution -0.3
	Other	6.6	6.3	-0.3	
	Total	124.4	119.7	-4.7	

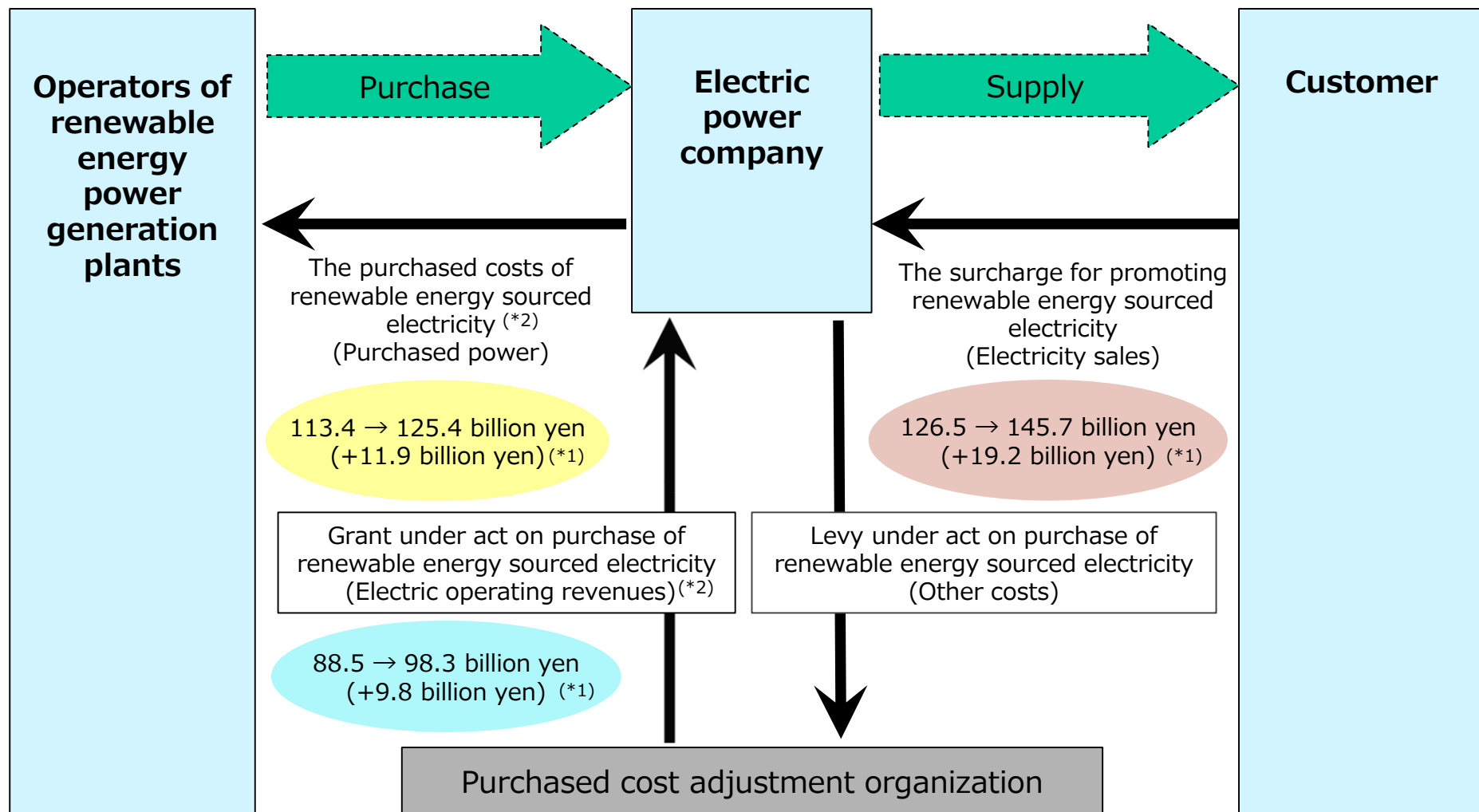
Time lag from the fuel cost adjustment system

- The fuel cost adjustment system is a mechanism utilized to reflect, in the electricity rates, the impact of fluctuations in the exchange rate and the market price of fuel on thermal fuel costs.
- Fluctuations in fuel prices of each month is reflected in fuel cost adjustment unit price 3–5 months later. This generates a gap (time lag) between the fluctuations in fuel prices and the timing of reflecting them in fuel cost adjustment unit price.



*The above-mentioned time lag indicates time gap on the income front in each accounting period, and differs from the income and expenditure effect calculated based on actual thermal power fuel cost etc.

*Presupposed elements of fuel cost adjustments are being reviewed following electricity rates revision conducted on August 1, 2017, and July 1, 2018 due to the changes in generation mix and fuel prices.



*1 2Q of FY ending 3/2018 → 2Q of FY ending 3/2019 (changes from the previous term)

*2 Difference between purchased costs of renewable energy sourced electricity and grant under act on purchase of renewable energy sourced electricity is subtracting avoidable costs.

● "Law for partial amendment to the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (Feed-in Tariff) and other laws" (enforced April 1, 2017) stipulates that, regarding contracts of purchase on and after April 1, 2017, the definition of businesses obliged to purchase electricity will be changed to general electricity transmission and distribution businesses and others.

Outline of electricity rate reduction [1] * Implemented on July 1, 2018

21

- Saving of fuel costs for thermal power generation due to the resumption of operation of Units 3 and 4 of Ohi Nuclear Power Station, and deepened streamlining of management, etc. result in the cost of 1,795.1 billion yen after this rate reduction which represents reduction by -5.36% (-101.7 billion yen) on average as compared with 1,896.7 billion yen that is the electricity income before the rate reduction.

◆ Comparison of the cost this time and the electricity income before the rate reduction (income at the current rate)

(Unit: billion yen)

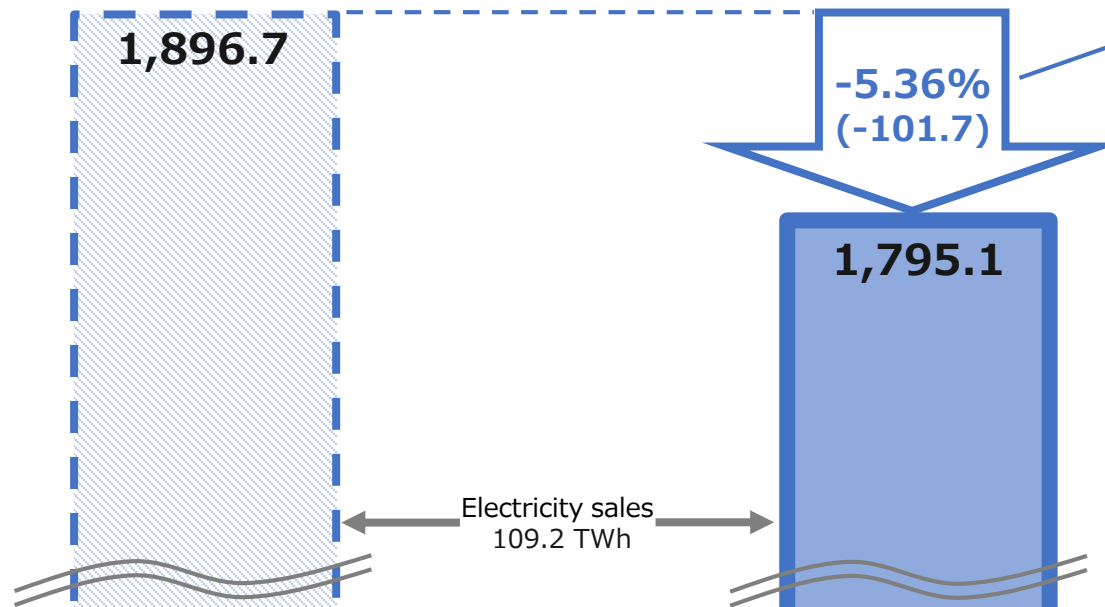
Rate reduction due to resumption of operation of Ohi Units 3 and 4, deepened streamlining of management, etc.

Regulated field ^{*1}	-4.03%
Liberalized field ^{*2}	-5.94%

* Cost calculation period for this analysis is the three years from 2018 to 2020.

* Electricity income before the rate reduction is calculated based on electric sales that is the precondition of cost calculation this time and unit electricity rate (Excluding renewable energy promotion surcharge, and amount equivalent to consumption tax)

* Revenue from intra-area wheeling service is excluded.



**Income from the rate before the reduction this time
(17.37 yen/kWh)**

**Cost this time
(16.44 yen/kWh)**

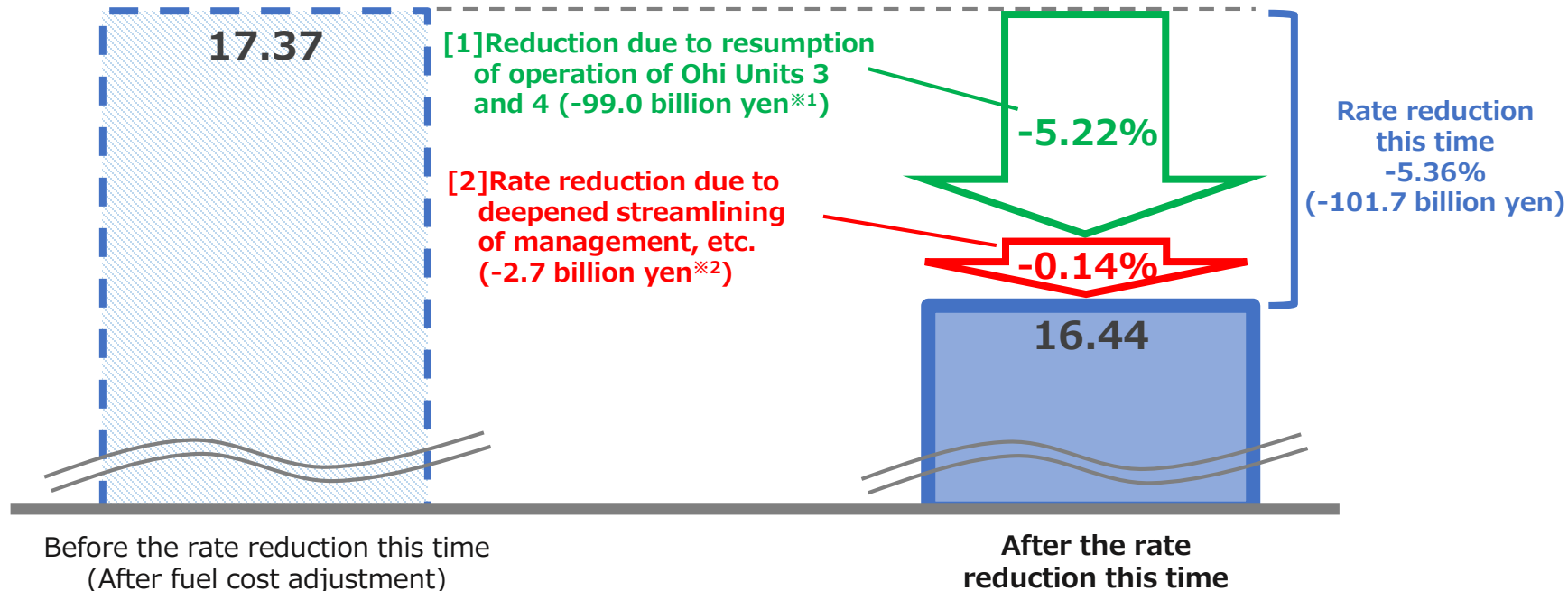
*1 Regulated field includes the following plans: "Meter rate lighting A", "Meter rate lighting B", and "Low-voltage power".

*2 Liberalized field includes the plans that provide the rate menu for the special high-voltage and high-voltage field and "Time of use", "Hapi e-time", "Season/time-variable lighting PS", "e-Smart 10", "e-Otoku plan", "Nattoku Denki", and "Low-voltage use contracts" in the low-voltage field.

- Electricity rate reduction this time is -5.36% on average.
- A breakdown is as follows: The reduction gained from the savings of fuel costs for thermal power generation resulting from the resumption of operation of Ohi Units 3 and 4 is approx. -5.22% (-99.0 billion yen), while the reduction gained from deepened streamlining of management, etc. is approx. -0.14% (-2.7 billion yen).

◆ The electricity rate after the reduction this time

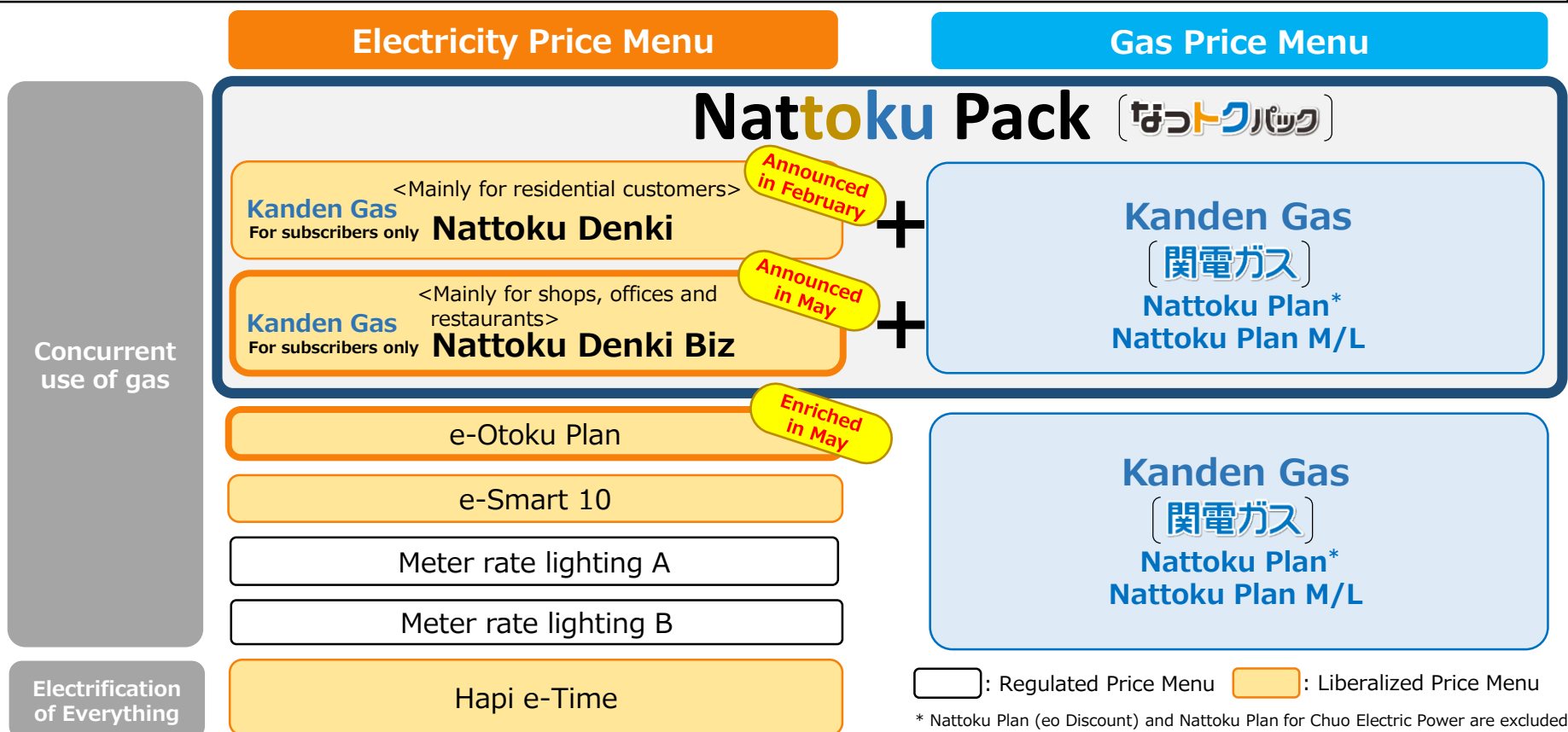
(Unit: yen/kWh)



^{*1} Saving of fuel costs for thermal power generation, etc.: Improvement of nuclear power capacity factor + 26.8% × Amount affected by change in nuclear power capacity factor by 1% - 3.7 billion yen ≈ -99.0 billion yen

^{*2} -2.7 billion yen is accredited to deepened streamlining of management, etc. implemented after management efficiency efforts that were reflected in the cost reduction of August 2017.

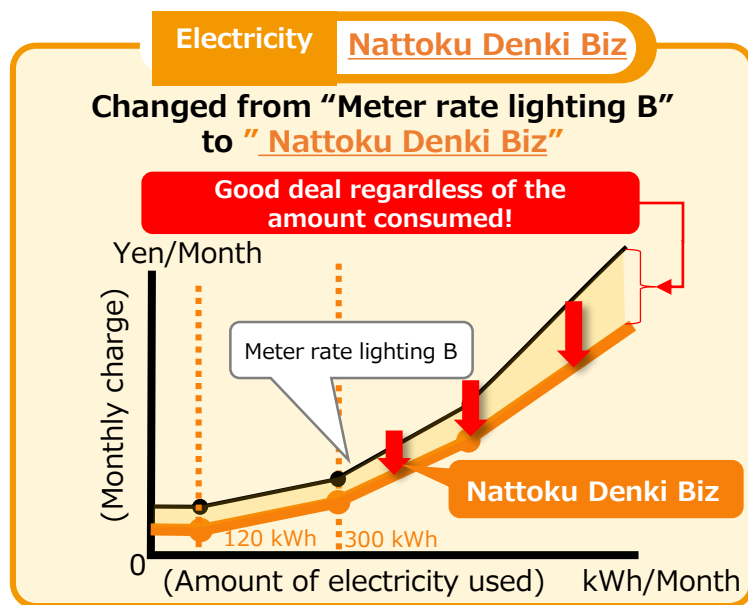
- Kepco has made efforts so our “electricity” will be chosen by customers in terms of both price and service through proposals of Electrification of Everything, “Kanden Gas” and liberalized price menu. Additionally, **in line with the full liberalization of gas retail market of April last year, we have stepped up efforts so our electricity and gas will be chosen by as many customers as possible, by launching Kanden Gas “Nattoku Plan.”**
- And, in May 2018, **“Nattoku Denki Biz,” an adjusted electricity rate menu mainly for shops, offices and restaurants was added to “Nattoku Denki,” an electricity rate menu mainly for residential customers, as an option for the enriched “Nattoku Pack.”** The **“e-Otoku Plan”** was also adjusted to offer a better deal to a broader range of customers.



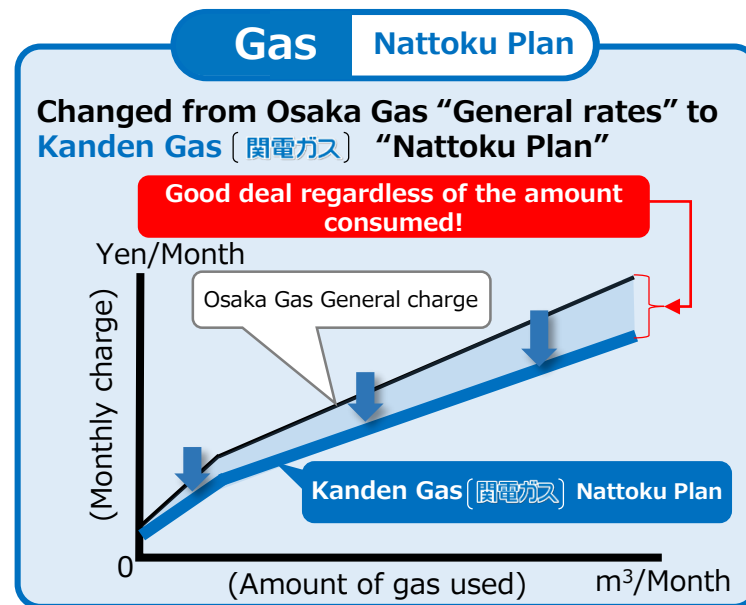
Outline of enriched **Nattoku Pack** (なっとくパック) by setting Nattoku Denki Biz [1]

- As an option for the Nattoku Pack, **in May 2018, we publicly announced "Nattoku Denki Biz," an electricity rate menu only for Kanden Gas subscribers that gives a discount on electricity rates to all Meter-Rate Lighting B customers who switch their plan to this new one.**
- Specifically, if a customer subscribing to Meter-Rate Lighting B and Osaka Gas General Rates*¹ chooses the **"Nattoku Pack,"** regardless of the electricity/gas amount used*², both electricity and gas rates will be discounted.

Nattoku Pack (なっとくパック)



+



Good-deal electricity and gas rates, regardless of amount used!!

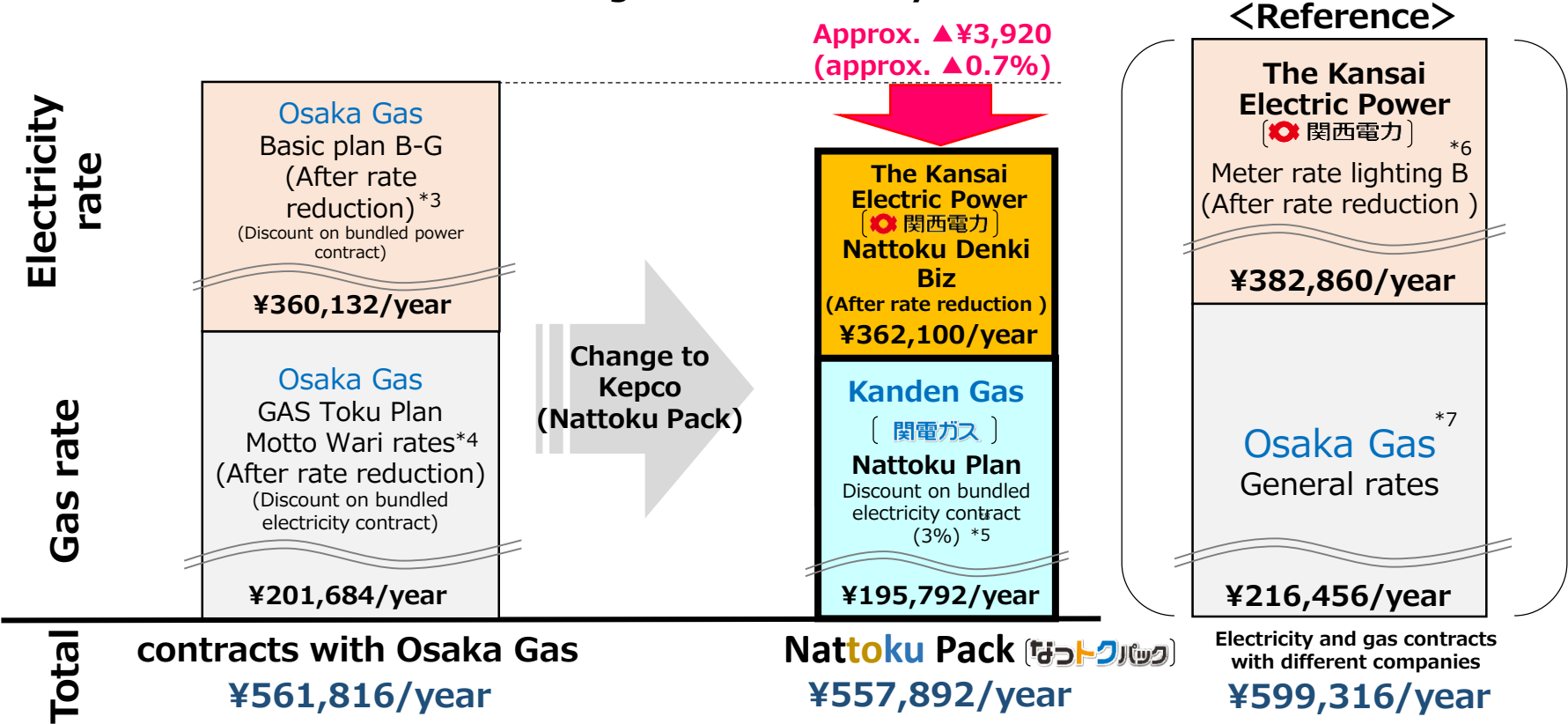
*1 "General rates" refers to the General Gas Supply Provisions of Osaka Gas. (Effective June 16, 2017)

*2 Excluding consumption amount of 0 m³

■ Discounted electricity and gas rates for shops, offices, restaurants, etc.

Customer with **average consumption of electricity and gas**
(Monthly consumption: Electricity 1,080 kWh, Gas 125 m³)*¹

Compared to a contract with Osaka Gas for both electricity and gas
Approx. 3,920 yen (approx. 0.7%)*² discount on electricity and gas rates annually!



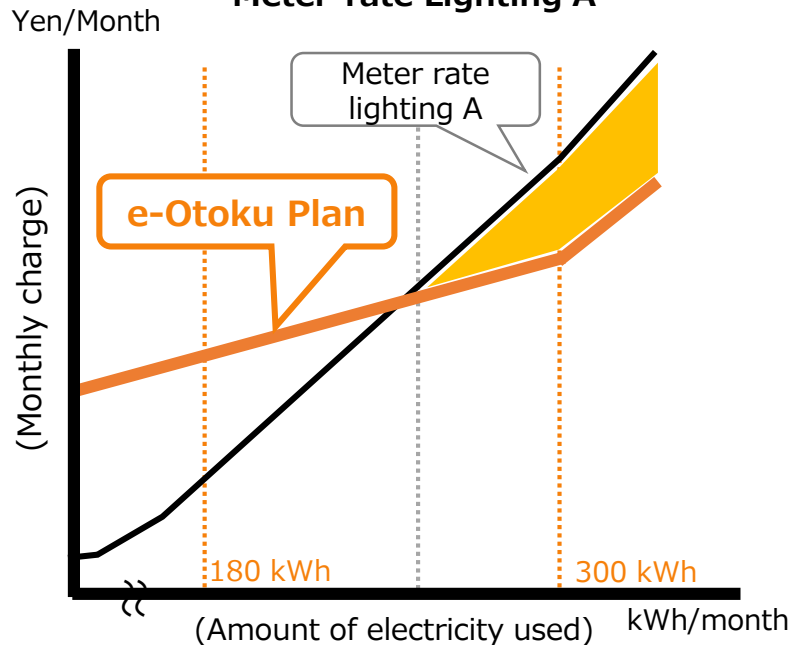
*1: (Computational condition) Monthly electricity consumption (1,080kWh), contract capacity (10kVA) and monthly gas consumption (125m³) refer to a model case publicly announced by Osaka Gas on June 5, 2018. *2: Electricity rate includes consumption tax, fuel cost adjustment calculated with the unit price of fuel cost adjustment based on the prices of trade statistics during June and August 2018, and renewable energy surcharges (applicable between May 2018 and April 2019). Gas rate includes consumption tax and raw material cost adjustment calculated with the unit price of raw material cost adjustment based on the prices of trade statistics during June and August 2018. Actual amount of price reduction varies depending on electricity/gas usage, timing of contract signing, fuel and raw material cost adjustments and other factors. *3: Rates of Basic Plan B-G are based on the Electricity Supply Provisions of Osaka Gas (implemented on August 1, 2018). *4: Rates of GAS Toku Plan Motto Wari rates are based on the individual provisions of Osaka Gas (Motto Wari rates contract, implemented on April 1, 2017). *5: Discount on bundled electricity contract is applied to a gas rate, not electricity rate. Discount is applied to the sum of basic rate and metered rate (excluding any raw material cost adjustments). *6: Bank transfer discount is applied to Meter-Rate Lighting B. *7: General Rates are based on the General Gas Supply Provisions of Osaka Gas (implemented on June 16, 2017).

- In July 2018, we revised our e-Otoku Plan so we can **offer better electricity rates to a broader range of customers including those consuming an average or relatively smaller volume of electricity**, let alone those consuming a relatively larger volume of electricity who have already been given a discount, compared with Meter-rate Lighting A.

■ Image of e-Otoku Plan adjustments

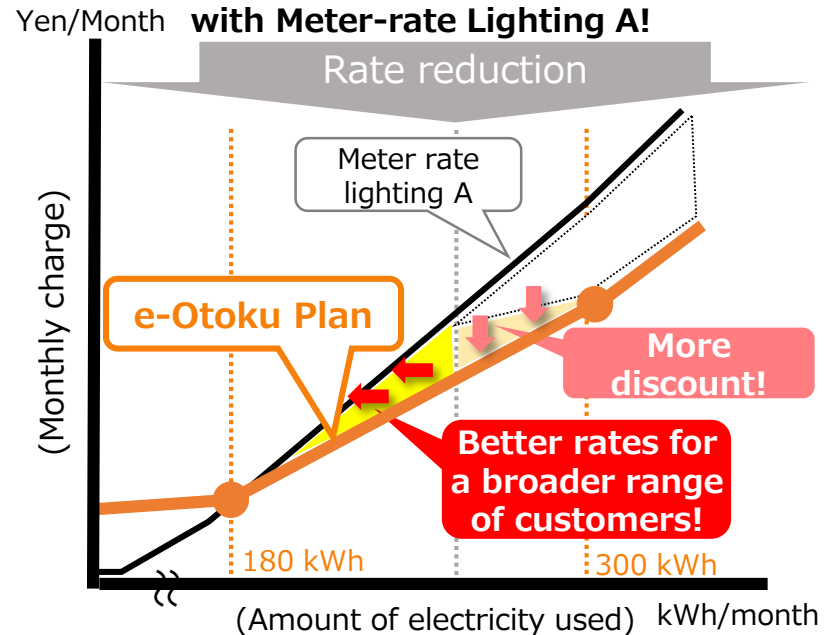
Before Revised

Good offer to customers consuming a relatively larger volume of electricity, compared with Meter-rate Lighting A



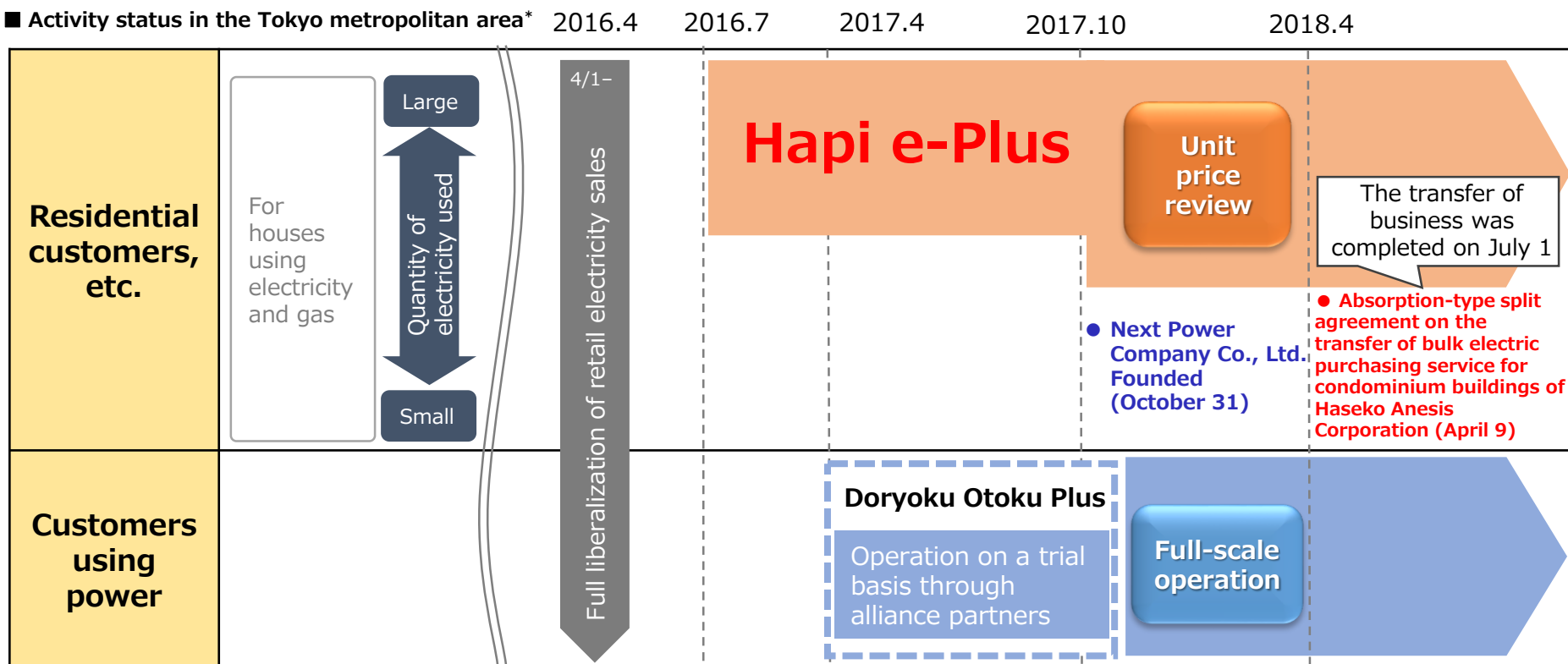
After Revised

Good offer to a broad range of customers from those consuming a relatively smaller volume to a relatively larger volume of electricity, compared with Meter-rate Lighting A!



- In July 2016, Kepco started electricity sales to low-voltage supply customers, including residential customers, in the Tokyo metropolitan area*, and since then has been offering its electricity rate menu “Hapi e-Plus”. For our electricity to be chosen by more customers in the future, we reviewed unit prices of “Hapi e-Plus” and have been officially proposing “Doryoku (power supply) Otoku Plus”, which had been offered on a trial basis, since October 1, 2017.
- In September 11, 2017 Kepco has also decided the “acquisition of ORIX Electric Power Corporation’s bulk electric purchasing service for condominium buildings and founded a new company **“Next Power Company” on October 31, 2017. In April 2018, Next Power concluded an absorption-type split agreement with Haseko Anesis Corporation on transfer of the bulk electric purchasing service for condominium buildings, and the transfer of business was completed on July 1.**
- We will continuously strive to achieve the goal of **selling 10 billion kWh of electricity outside the KEPCO district, particularly in the Tokyo metropolitan area,** by the end of FY2025.

■ Activity status in the Tokyo metropolitan area*



* Tochigi, Gunma, Ibaraki, Saitama, Chiba, Tokyo (excluding islands), Kanagawa, Yamanashi and Shizuoka (east of Fujigawa River)

Outline of gas business

28

- We started LNG and gas sales businesses in 2000 and 2002, respectively, in order to develop total energy proposal activities that combine electricity and gas services. Both of two sales businesses have expanded consistently.
- We will continue to work towards achieving the goal established in our Medium-term Management Plan which is a target sales volume of 1.7 million tons in FY2025.

2000- Sale of LNG (Sale by tank lorry)

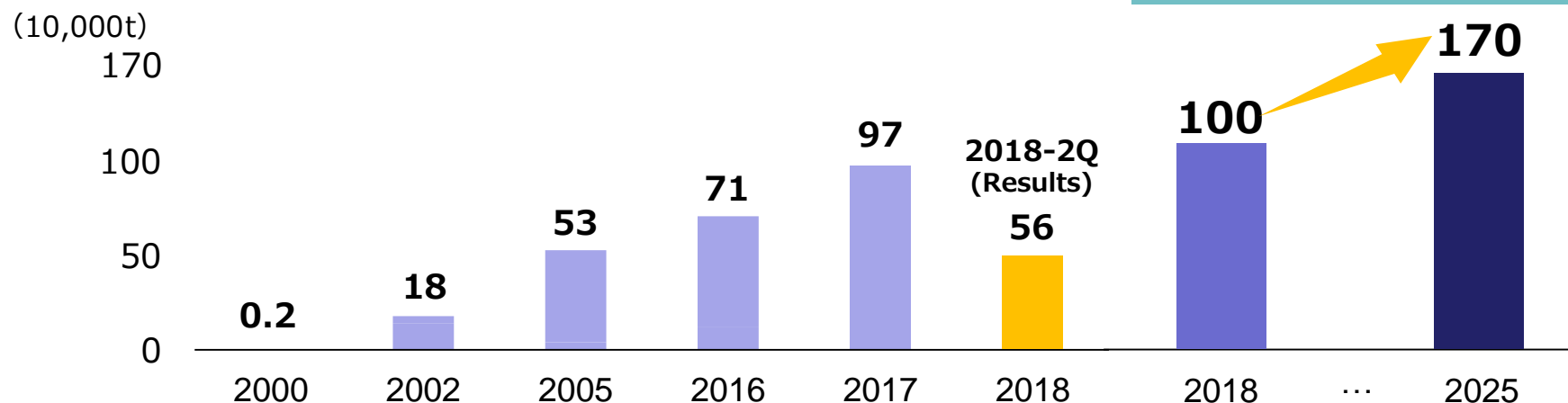
2002- Sales of gas (wheeling service)

2005- Sales of gas (Independent pipeline)

2017- Full liberalization of retail gas sales

Trends of actual gas sales volume

Sales target in the Medium-term Management Plan



Profit and loss for gas business, gas sales, etc. in the 2Q of FY 2018

(billion yen)	4/17-9/17	4/18-9/18	Change
Operating revenues	27.0	41.6	+14.5
Operating expenses	29.8	46.4	+16.6
Operating income	-2.7	-4.8	-2.0

(million tons)	4/17-9/17	4/18-9/18	Change
gas sales volume	0.45	0.56	+0.11

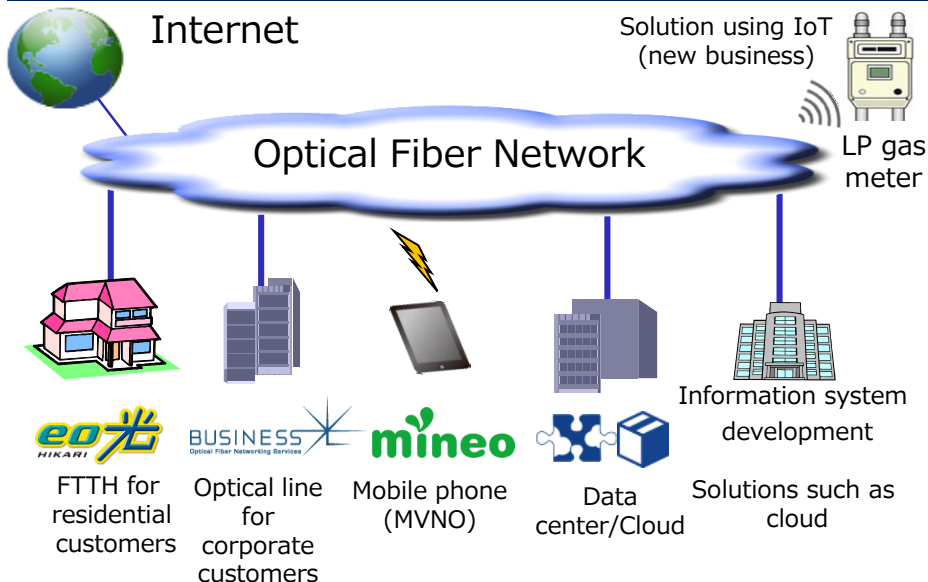
- Number of applicants for KEPCO gas (as of September 30)
:approx. 740,000.

Outline of IT/Communications business

29

- Working mainly with K-Opticom Corporation, a core company, and Kanden System Solutions Co., Inc. , we are actively promoting new services including IoT, in addition to fixed-line services using optical fiber networks, mobile phone services, and information system development, aiming to achieve 30 billion yen of ordinary income for FY2025.

Key Businesses and Accomplishments of IT/Communications Business



FTTH Business

- Having been providing the optical fiber-based network, telephone and TV by the set in step with the diffusion of broadband. **Acquired more than 1.6 million contracts** and stable profits secured.
- Started to offer privileges for long-term subscribers and sell electricity and gas by the set in addition to providing high-quality support, **with the result of high commendation from customers.**

[Privileges for long-term subscribers]

[External evaluation of customer satisfaction]

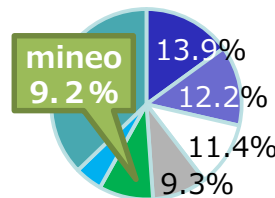


MVNO Business (mineo)

- Achieve **1 million lines** in April.
- In addition to au's and Docomo's lines, **provision of services using Softbank's lines starts in September.**
- **Co-creation of services with customers** such as **line services compatible with au and docomo lines** and the community site, "mineo", and enhancement of support in real shops, **with resulting high customer satisfaction.**

[MVNO share (March 2018)]

[Community site] [External evaluation of customer satisfaction]



Community that "co-creates" services with "fans" online



Source: Mobile Marketing Data Lab., "Survey of low-cost SIM services satisfaction for March 2017"

[Results and target of Medium-term Management Plan]

(billion yen)	2016 (Results)	2017 (Results)	2018 (Forecasts)	2018 (Target)	2025 (Target)	2018-2Q (Results)
Operating revenues (external transactions)	185.6	203.1	220.0	220.0	270.0	105.7
Ordinary income	18.3	25.1	26.0	16.0	30.0	15.7

In view of steady expansion of the customer base, we believe our 2018 target will be achieved.

Source: MM Research Institute, "Fluctuations in the domestic MVNO market (end of March 2018)"

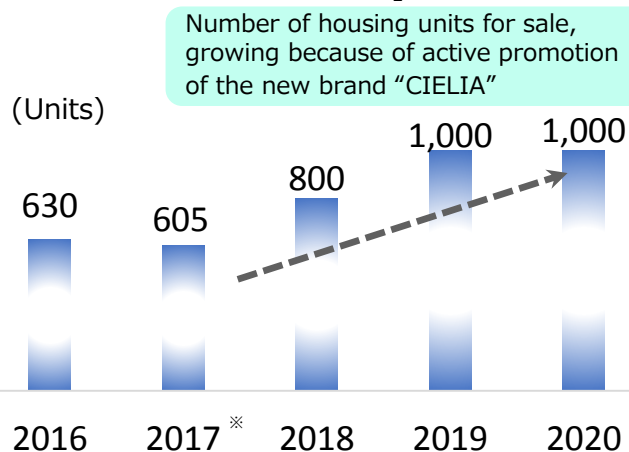
Outline of Real Estate business

30

We have established a consolidated real estate business group centered on the core company, Kanden Realty & Development Co., Ltd., a group which works on real estate leasing, sales, management, and leisure. Targeting 30 billion yen of ordinary income for FY2025, we will accelerate growth and diversify risks by **expanding business areas and business domains (diversifying revenue sources)**.

[Results/planned number of units for sale]

- Medium-term Management Plan formulated.
- Business foundation was reinforced by restructuring of real estate business.



* 469 units separately sold wholesale to other operators

<Strength in the KEPCO group real estate business>

Strength in brand power and credit-worthiness long cultivated in the Kansai area, and total capacity as a group that is expected to produce synergetic effects.

<Flagship Project>

[Condominium in Kansai]
"CIELIA TOWER Senrichuo"

* To be completed in February 2019 (552 units)



[Condominium in the Tokyo metropolitan area]
"CIELIA Shonantsujido"

* To be completed in February 2018 (352 units)



<Expansion of business areas and business domains>

Expanding to the solid Tokyo Metropolitan market, core cities nationwide, and overseas including South East Asia and North America with Kansai as the axis.

Business centering on the Kansai area

Proactive expansion to the Tokyo Metropolitan area

Expansion to overseas and other areas in Japan as well

[Results and target of Medium-term Management Plan*]

* Including Life business

(billion yen)	2016 (Results)	2017 (Results)	2018 (Forecasts)	2018 (Target)	2025 (Target)	2018-2Q (Results)
Operating revenues (external transactions)	95.5	111.7	120.0	100.0	150.0	44.7
Ordinary income	12.8	14.5	18.0	15.0	30.0	7.4



Acquisition of Shiba-Park Building



Investment in the US office building fund



Participation in the condominium development project in Vietnam.

Expected to achieve the 2018 target because of growing sales of condominiums and other factors.

Overseas investment projects

31





- Total output by KEPCO's investment: Approx. 2.712 million kW.
- Of which, total investment amount to 9 projects in operation is approx. 90 billion yen. (50% collected by dividends, etc.)

Project Title			Start of operation, etc.(schedule)	Total output (MW)	KEPCO's investment (%)	Output by KEPCO's investment (MW-equivalent)
In operation	Philippines	San Roque Hydropower	2003/05	436	50	218
	Thailand	Rojana Electricity and Heat Supply	1999/05	505	39	197
	Taiwan	Ming Jian Hydropower	2007/09	17	24	4
		Kuo Kuang Thermal Power	2003/11	480	20	96
	Singapore	Senoko Thermal Power	Established 1995/10	3,300	15	495
	Australia	Bluewaters Thermal power	2009/12	459	50	229
	USA	West Deptford Thermal power generation business	2014/11	768	17.5	134
		Empire Thermal power generation business	2010/9	635	25	159
	Ireland	Evalair Limited	2013/12 Other	223	24	54
Under development	Indonesia	Rajamandala Hydropower	Scheduled in 2019	47	49	23
		Tanjung Jati B Thermal Power	Scheduled in 2021	2,140	25	535
	Laos	Nam Ngiep Hydropower	Scheduled in 2019	290	45	131
	USA	Hickory-Run Thermal power generation business	Scheduled in 2020	1,000	30	300
	UK・Germany	NeuConnect Interconnector	Scheduled in 2022	—	18.3	—
	UK	Triton Knoll Offshore Wind Power Project	Scheduled in 2022	857	16	137

Domestic power stations

- From the view of S+3E, we aim to **develop renewable energy sources** as a whole group **so that around 500MW can be generated in 2030.**

Power stations in operation (completed): approx. 110MW; power stations before operation: approx. 220MW; Total: approx. 330MW (as of October 4, 2018)

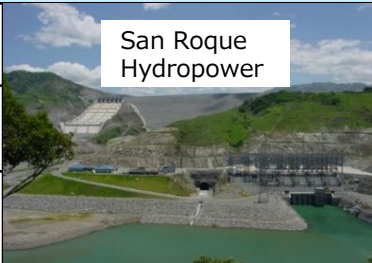

	Solar Power	Wind	Biomass	Hydropower
Power source capacity of power stations in operation	Approx. 82MW	Approx. 18MW	Approx. 6MW	Approx. 6MW※2
CO2 emission*1 reduction	Approx. 26,000 t/year	Approx. 18,000 t/year	Approx. 19,000 t/year	Approx. 16,000 t/year
Main power stations in operation	<ul style="list-style-type: none"> Sakai solar power station (KEPCO) Arida solar power station (Kenes) etc. 	<ul style="list-style-type: none"> Awaji wind power station (Kenes) Tahara No.4 wind power station (Kenes) 	<ul style="list-style-type: none"> Asago-shi biomass power station (Kenes) 	<ul style="list-style-type: none"> Dashidaira power station (KEPCO)
Power stations before operation	<ul style="list-style-type: none"> Keihanna No.2 solar power station (Kenes) etc. 	<ul style="list-style-type: none"> Akita Noshiro offshore wind power station (unclear which company will operate) 	<ul style="list-style-type: none"> Change in Aioi No.2 biomass power station (Aioi Bioenergy Corporation) Fukuoka Kanda-machi biomass (Bio-power Kanda) etc. 	<ul style="list-style-type: none"> Upgraded Maruyama power station facility (KEPCO) Upgraded New Maruyama power station facility (KEPCO) etc.
				

*1 CO2 emissions are calculated from our CO2 emission coefficient 0.418kg-CO2/kWh in FY2017 and the national average coefficient 0.518kg-CO2/kWh in FY2016.

*2 As to hydropower, power stations after November 2012 when we set the renewable energy introduction targets for the first time are listed.

Overseas power stations

- Overseas power stations: Utilizing the experience of the development of the Kurobegawa power station unit 4 and others, we are working on the development of hydropower generation in Southeast Asia. Furthermore, we aim to engage in the investment in renewable energy as represented by our first-ever participation in the wind power generation business.

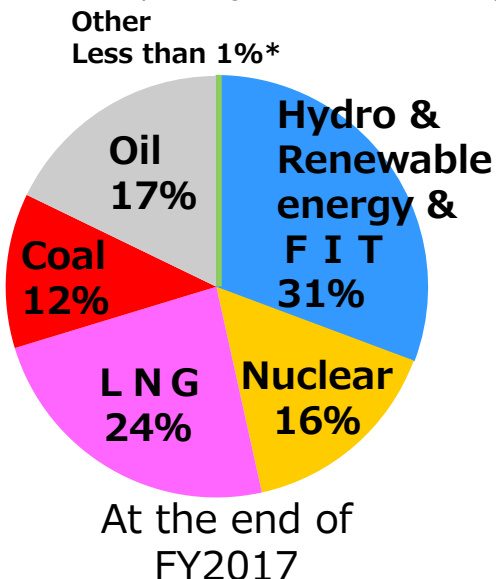
	Hydropower	Wind
Power source capacity of power stations in operation	Approx. 222MW	Approx. 54MW
Main power stations in operation	<ul style="list-style-type: none"> San Roque Hydropower(Philippines) Ming Jian Hydropower(Taiwan) 	<ul style="list-style-type: none"> Evalair Limited(Ireland)
Power stations before operation	<ul style="list-style-type: none"> Rajamandala Hydropower (Indonesia) Nam Ngiep Hydropower(Laos) 	<ul style="list-style-type: none"> Triton Knoll Offshore Wind Power Project
		

KEPCO's power source composition

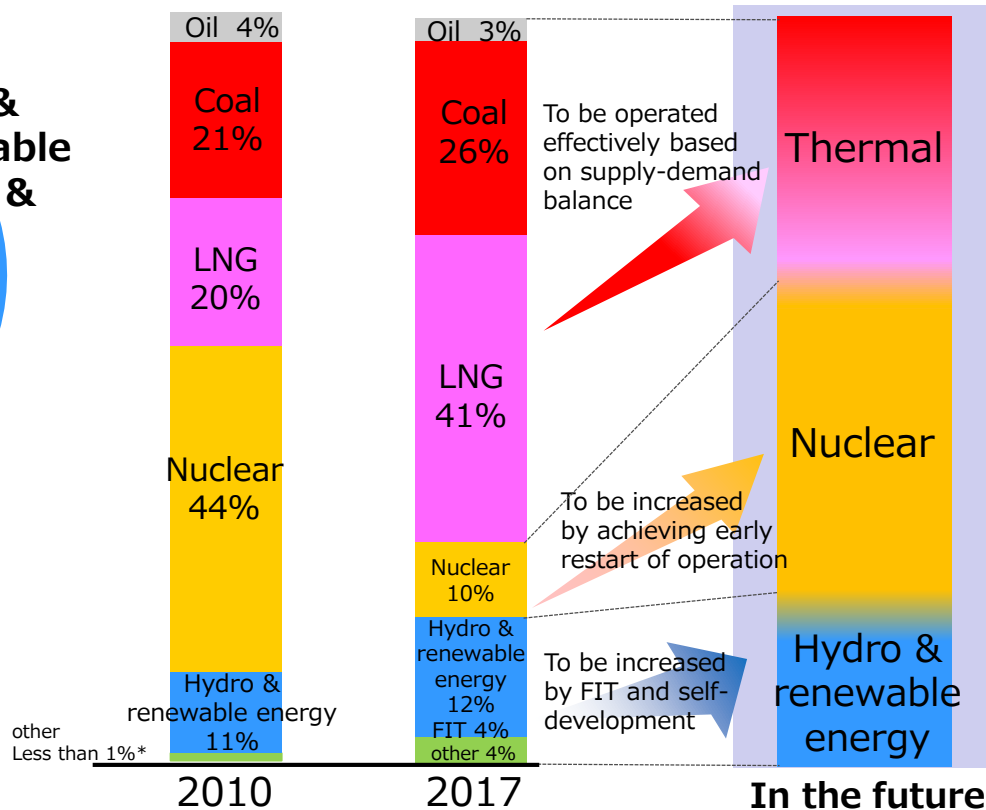
33

○ From the view of "S+3E", we will deal with use of nuclear power and development of hydropower and renewable energy in a balanced manner, and make efforts for cost reduction of fuel etc. and CO2 emission control.

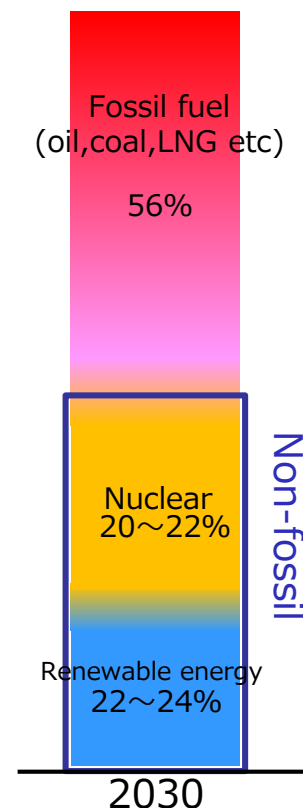
【Total power generation capacity】
(Including from other electric company)



【Total power source composition】
(Including from other electric company)



【Fifth Basic Energy Plan】



- * Includes electricity whose suppliers cannot be specified. Procured in the wholesale power market or from other companies.
- Some rounding errors may be observed.
- includes imbalance electric energy, which is not yet determined as at the end of the term.

	2010	2016	2017
Fuel and purchased electricity cost (billion yen)	765.6	985.1	975.0
CO2 emission factor (kg-CO2/kWh) ^{*1}	0.281	0.493	0.418 ^{*2}



Reduction of fuel cost etc.



Reduction of emission basic units

“The Fifth Basic Energy Plan” defined by the government

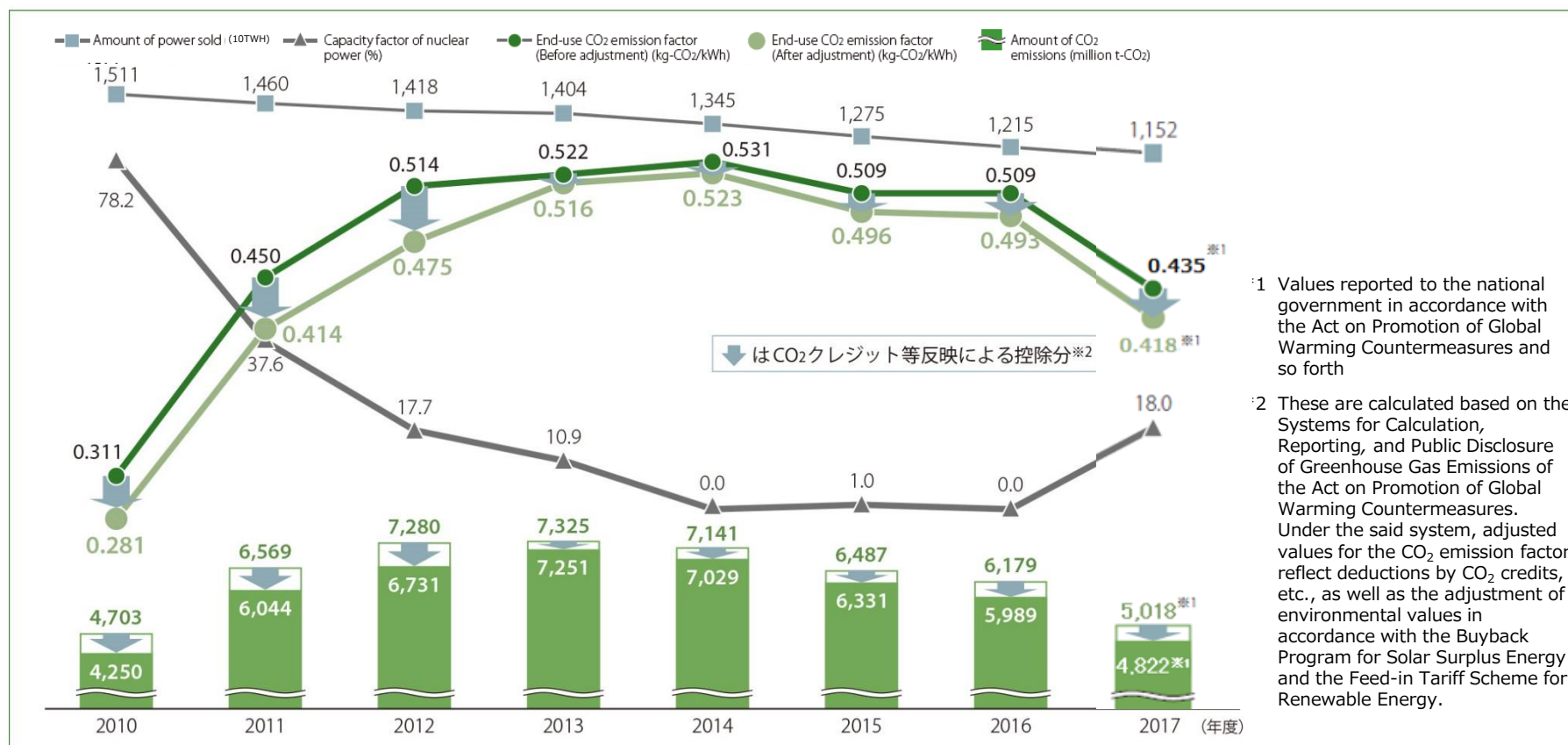
→ The goal is stable supply, economical efficiency and environmentally balanced mix on the premise of safety.

*1 After deduction reflecting CO2 credit

*2 Values reported to the national government in accordance with the Act on Promotion of Global Warming Countermeasures and so forth

- Our company joined the Electric Power Council for a Low Carbon Society, and the industry as a whole is seeking to achieve an emission factor of about 0.37kg-CO₂/kWh(user-end) by FY 2030.
- We will continue working to reduce CO₂ emissions, through utilization of nuclear power generation with top priority given to safety, maintenance and improvement of heat efficiency at thermal power stations, development of renewable energies and so on. Moreover, from a long-term viewpoint, we will improve electrification rate of the society at large, thereby taking the lead in initiatives toward low carbonization of the energy field.
- Our CO₂ emission factor for FY2017 has improved substantially compared to the previous year. The main reason for the improvement is increased capacity factor of nuclear, hydraulic power, renewable energy and high-efficiency natural gas power generation facilities at our Himeji No. 2 Thermal Power Station.

Change in CO2 emission factor, etc.



Fuel change plan and suspension of operation for thermal power plant

35

<Regarding establishment of new company involved in the plan for change to biomass fuel in Unit 2 of Aioi Power Plant>
(Announced on April 5, 2017)

<Suspension of operation at Unit 2 of Aioi Power Station> (Announced on April 2, 2018) [] : Contents after fuel change under consideration

	Unit 1	Unit 2	Unit 3
Capacity	375MW	375MW ⇒ About 200 MW	375MW
Fuel	Natural gas, Heavy oil and Crude oil	Heavy oil and Crude oil ⇒ Woody biomass	Natural gas, Heavy oil and Crude oil
Commencement of operation	1982/9	1982/11 ⇒ Scheduled in 2023	1983/1
Period of suspension of operation	-	2018/4/1	-

<Reason for review of fuel change>

Actively promoting the development of renewable energy sources in light of S + 3E, we have decided to establish "Aioi Bioenergy Corporation" jointly with Mitsubishi Corporation Power Ltd., and to proceed with the review of fuel change in Unit 2 of Aioi Power Plant, in order to contribute to the diffusion and expansion of renewable energy and increase the rate of renewable energy.

<Reason for suspension of operation>

We have decided to suspend operation of Unit 2 due to preparations for a fuel switchover to wood biomass.

<Regarding suspension of operation at Units 1, 2 and 3 of Kainan Power Plant (Announced on March 16, 2017)>

	Unit 1	Unit 2	Unit 3	Unit 4
Capacity	450MW		600MW	
Fuel	Heavy oil and Crude oil			
Commencement of operation	1970/5	1970/9	1974/4	1973/6
Period of suspension of operation	2017/4/1		2017/6/9	—

<Reason for suspension of operation>

In consideration of the recent situations of falling power demand in the Kansai area, as seen in the established practice of power saving and progress of energy saving, we have decided to halt operation of Units 1-3, periodical inspection of which was drawing near, as part of our streamlining efforts.

Digest of Medium-term Management Plan

("Management Direction" and "What We Aspire to Become in 10 Years")

36

Management Direction

1. Become a highly profitable business group



2. Expand business fields

3. Build a robust management base

Pillars of Approach and Prioritized Measures

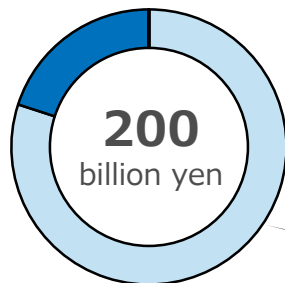
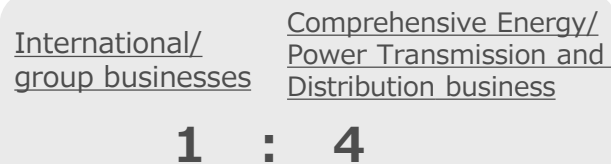
(1) Enhancement of competitiveness in comprehensive energy business

(2) Establishment of new pillars for growth

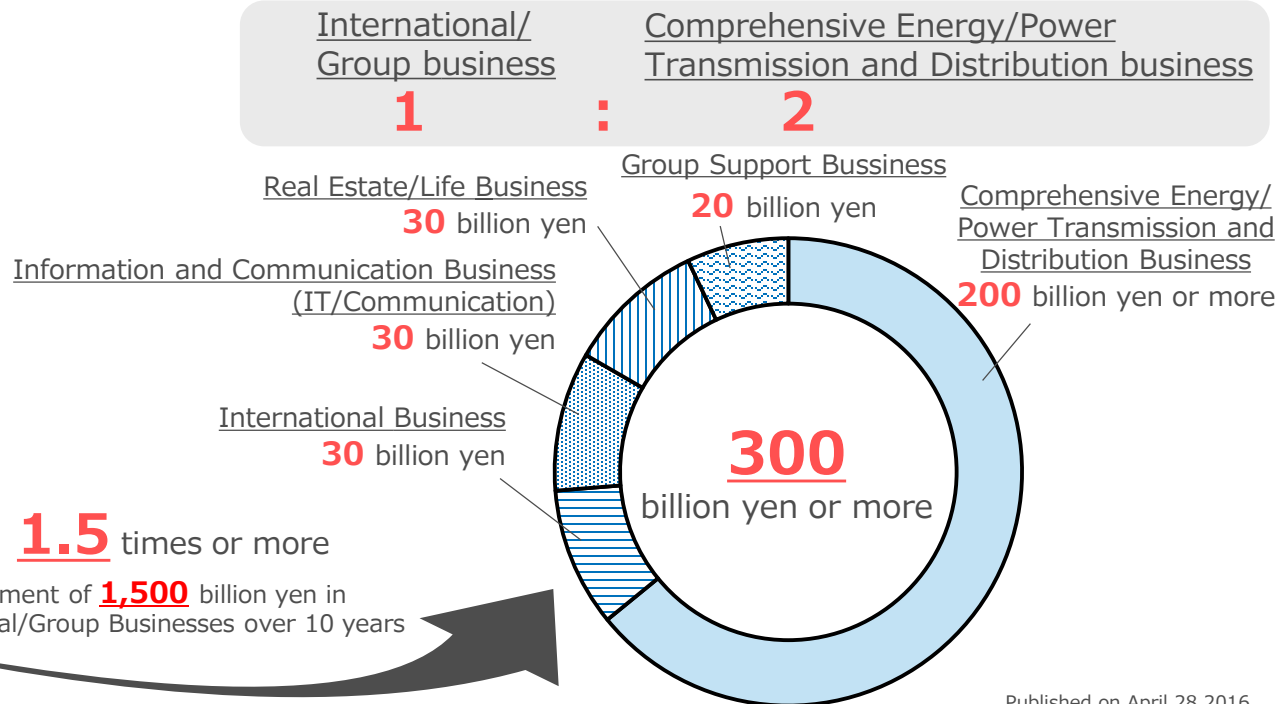
(3) Strengthening group management foundation

【Business Portfolio after 10 Years】

Before the Earthquake



After 10 years (2025)



□ Financial goals〔Consolidated base〕

Item	2018 fiscal year	2025 fiscal year
Ordinary income	200 billion Yen	300 billion Yen
Equity ratio	Approx. 20%	Approx. 30%
ROA ^(※)	Approx. 3.5%	Approx. 4%

(※) Business Profit [Ordinary income+interest expense] ÷ Total Assets [Average of beginning and end of term]

□ Policy of return to shareholders

Our Policy of return to shareholders is to secure sound financial strength and maintain stable dividends in order to distribute surplus to all shareholders appropriately as the Kansai Electric Power group.

<Consolidated>

		3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18	3/19 Forecasts	3/19 Forecasts (Sep.2018)	9/17	9/18
Statement of operations													
Operating revenues	billion yen	2,769.7	2,811.4	2,859.0	3,327.4	3,406.0	3,245.9	3,011.3	3,133.6	3,330.0	3,330.0	1,548.5	1,610.6
Operating income or loss	billion yen	273.8	-229.3	-314.0	-71.7	-78.6	256.7	217.7	227.5	200.0	200.0	161.3	108.6
Ordinary income or loss	billion yen	237.9	-265.5	-353.1	-111.3	-113.0	241.6	196.1	217.1	200.0	200.0	157.8	117.7
Extraordinary profit	billion yen	-	-	-	-	-	-	-	-	-	-	-	-
Extraordinary loss	billion yen	37.1	-	-	-	-	-	-	-	-	-	-	12.8
Net income or loss(※)	billion yen	123.1	-242.2	-243.4	-97.4	-148.3	140.8	140.7	151.8	140.0	140.0	115.2	72.7
Net income/loss per share (EPS)	yen	137.66	-271.12	-272.43	-109.01	-166.06	157.59	157.58	170.01	156.71	156.71	128.97	81.45

(※)The consolidated net income or loss means the net income or loss attributable to owners of the parent company.

Balance sheets

Total assets	billion yen	7,310.1	7,521.3	7,635.1	7,777.5	7,743.3	7,412.4	6,853.1	6,985.0			6,906.4	7,150.0
Net assets	billion yen	1,832.4	1,529.8	1,278.1	1,213.1	1,060.2	1,201.8	1,344.6	1,472.7			1,446.6	1,539.8
Interest-bearing debt	billion yen	3,409.8	3,864.9	4,210.2	4,396.8	4,315.2	3,938.2	3,821.5	3,708.2			3,763.4	3,852.1
Equity ratio	%	24.8	20.1	16.5	15.3	13.4	15.9	19.3	20.8			20.7	21.3

Capital expenditures

Capital expenditures	billion yen	455.5	420.6	435.2	418.9	420.6	369.3	344.0	407.0			153.4	146.8
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Financial data

ROA (※)	%	4.0	-2.9	-3.9	-0.7	-0.7	3.9	3.4	3.7			-	3.3
Operating cash flow	billion yen	610.5	43.8	142.6	347.7	447.6	595.1	485.6	623.2			247.7	99.7
Free cash flow	billion yen	62.5	-364.4	-287.9	-3.2	59.0	204.2	139.9	176.0			83.1	-116.6

(※) The rate of business profit on total assets = business profit (ordinary income + interest expense) / total assets (average of beginning and end of term)

Profit distribution to shareholders

Total amount of dividend	billion yen	53.6	53.6	-	-	-	-	22.3	35.7			-	22.3
Share-buyback	billion yen	15.9	-	-	-	-	-	-	-			-	-
Total distribution (※)	billion yen	53.6	53.6	-	-	-	-	22.3	-			-	-
The rate of total distribution on net assets	%	3.0	3.2	-	-	-	-	1.8	-			-	-

(※) (total amount of dividend for Fiscal year (N)) + (share-buyback for Fiscal year (N+1))

Employees

Employees		32,418	32,961	33,537	33,657	33,539	33,089	32,666	32,527			32,978	32,930
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<Non-consolidated>

		3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18	3/19 Forecasts	3/19 Forecasts (Sep.2018)	9/17	9/18
Statement of operations													
Operating revenues	billion yen	2,475.9	2,503.1	2,520.7	2,958.2	3,032.4	2,868.2	2,614.4	2,683.9	2,820.0	2,820.0	1,342.9	1,385.4
Operating income or loss	billion yen	225.1	-276.6	-363.3	-116.8	-130.8	208.5	164.5	165.4	140.0	140.0	131.5	78.6
Ordinary income or loss	billion yen	202.4	-302.0	-392.5	-122.9	-159.6	200.1	143.7	145.5	130.0	130.0	127.7	82.5
Extraordinary profit	billion yen	-	-	-	-	-	-	-	-	-	-	-	-
Extraordinary loss	billion yen	36.2	-	-	-	-	-	-	-	-	-	-	10.2
Net income or loss	billion yen	103.3	-257.6	-272.9	-93.0	-176.7	118.5	103.0	103.0	90.0	90.0	93.7	53.3
Net income/loss per share (EPS)	yen	115.47	-288.25	-305.35	-104.15	-197.72	132.63	115.32	115.30	100.71	100.71	104.86	59.75
Balance sheets													
Total assets	billion yen	6,457.5	6,660.4	6,757.6	6,916.2	6,768.9	6,433.0	5,834.9	5,946.1			5,855.7	6,116.9
Net assets	billion yen	1,494.8	1,183.5	894.9	806.6	638.8	742.0	858.4	933.9			938.1	976.9
Interest-bearing debt	billion yen	2,943.6	3,430.1	3,774.1	3,954.7	3,875.2	3,496.5	3,401.0	3,359.9			3,377.4	3,536.2
Equity ratio	%	23.1	17.8	13.2	11.7	9.4	11.5	14.7	15.7			16.0	16.0
Interest rate as of fiscal year-end	%	1.55	1.45	1.38	1.30	1.27	1.23	1.09	0.89			0.97	0.74
Interest rate during fiscal year	%	1.57	1.47	1.37	1.34	1.29	1.25	1.14	0.97			1.01	0.80
Major factors													
All japan CIF crude oil price	\$/b	84.2	114.2	113.9	110.0	90.4	48.8	47.5	57.0	Approx.74	Approx.74	51.4	73.8
Exchange rate [TTM]	yen/\$	86	79	83	100	110	120	108	111	Approx.110	Approx.110	111	110
Nuclear capacity factor	%	78.2	37.6	17.7	10.9	0.0	1.0	0.0	18.0	Approx.54	Approx.54	18.3	47.5
Water run-off ratio	%	109.1	110.5	95.3	100.1	104.2	112.9	99.1	107.2	Approx.103	Approx.103	97.1	112.1
Interest rate [long-term prime rate]	%	1.50	1.45	1.24	1.24	1.15	1.11	0.95	0.99	Approx.1.0	Approx.1.0	0.97	1.00
Sensitivity of Major factors													
All japan CIF crude oil price (\$1/b)	billion yen	3.3	6.9	7.9	9.6	10.6	9.8	6.8	5.4	4.9	4.9	2.5	2.4
Exchange rate [TTM] (1yen/\$)	billion yen	5.2	12.4	13.4	13.0	12.2	6.6	5.5	4.8	5.3	5.3	2.3	2.4
Nuclear capacity factor (1%)(※)	billion yen	5.0	9.4	9.5	11.3	11.9	6.2	4.6	3.3	4.2	4.2	1.5	2.0
Water run-off ratio (1%)	billion yen	0.9	1.5	1.6	1.9	1.9	1.2	0.9	1.1	1.2	1.2	0.6	0.7
Interest rate [long-term prime rate] (1%)	billion yen	4.4	5.6	6.3	5.3	5.7	5.3	6.7	7.6	8.9	8.9	3.1	3.6
(※)The sensitivity of nuclear capacity factor per 1% for FY2014 and before was calculated based on the capacity before decommissioning of Mihama Nuclear Power Station Units 1 and 2.													
(※)The sensitivity of nuclear capacity factor per 1% from FY2014 to FY2016 was calculated based on the capacity before decommissioning of Ohi Nuclear Power Station Units 1 and 2.													
Employees													
Employees		20,277	20,484	20,714	20,813	20,628	19,914	19,533	19,243			19,444	19,183

<Non-Consolidated(Billion yen)>

Revenues and Expenses	3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18	9/17	9/18
Ordinary revenues	2,505.5	2,532.2	2,546.7	3,008.0	3,074.7	2,913.3	2,653.4	2,704.9	1,357.1	1,405.0
(Operating revenues)	(2,475.9)	(2,503.1)	(2,520.7)	(2,958.2)	(3,032.4)	(2,868.2)	(2,614.4)	(2,683.9)	(1,342.9)	(1,385.4)
Electricity sales	2,347.6	2,338.6	2,354.2	2,751.6	2,784.1	2,594.0	2,296.6	2,236.6	1,117.5	1,098.9
Grant under act on purchase of renewable energy sourced electricity	—	—	11.4	40.8	68.6	102.5	130.5	148.6	88.5	98.3
Others	157.9	193.5	181.0	215.5	221.9	216.7	226.1	319.6	151.0	207.8
Ordinary expenses	2,303.1	2,834.2	2,939.3	3,130.9	3,234.3	2,713.2	2,509.6	2,559.4	1,229.4	1,322.5
Personnel expenses	238.7	236.0	231.2	198.1	195.9	196.7	204.6	217.2	108.1	108.6
Fuel costs	387.4	776.8	919.8	1,159.2	1,186.5	710.3	523.5	520.1	240.7	256.0
Backend expenses of nuclear power	93.9	73.4	57.7	52.8	42.9	37.6	32.2	59.9	25.3	39.3
Maintenance costs	275.8	272.5	202.6	178.5	184.6	185.3	189.5	184.1	79.4	80.5
Taxes other than income taxes	152.8	148.8	145.6	149.8	148.4	148.0	148.4	144.7	71.8	73.4
Depreciation	339.6	316.9	294.7	298.3	298.1	281.7	277.4	250.7	124.4	119.7
Purchased power	378.2	530.3	567.9	554.9	571.1	493.5	461.6	466.7	251.2	279.7
Interest expenses	46.9	46.3	49.9	51.5	50.6	46.7	42.9	33.3	17.5	14.2
Levy under act on purchase of renewable energy sourced electricity	—	—	19.2	43.0	84.2	167.0	230.6	260.0	126.5	145.7
Others	389.3	432.9	450.3	444.4	471.5	445.9	398.5	422.3	183.9	205.0
Ordinary income or loss	202.4	-302.0	-392.5	-122.9	-159.6	200.1	143.7	145.5	127.7	82.5

<Electricity sales (TWh)>

	3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18	3/19 Forecasts	3/19 Forecasts (Sep.2018)	9/17	9/18
Residential	52.3	50.0	49.0	48.4	45.9	44.1	43.7	41.8	38.0	38.0	19.4	18.0
Commercial and Industrial	98.8	96.0	92.7	92.1	88.6	83.5	77.8	73.5	79.5	79.5	37.5	40.8
Total	151.1	146.0	141.8	140.4	134.5	127.5	121.5	115.2	117.5	117.5	56.9	58.8

*1 Some rounding errors may be observed.

<Electricity sales to other utility and non-utility companies (TWh) >

	3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18	3/19 Forecasts	3/19 Forecasts (Sep.2018)	9/17	9/18
	2.4	3.3	2.3	2.4	3.3	3.1	3.9	7.3	15.6	15.6	3.6	6.3

*2 Not including imbalance electric energy, which is not yet determined as at the end of the term.

<Non-consolidated CAPEX (billion yen)>

	3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18	3/19 Forecasts	3/19 Forecasts (Sep.2018)	9/17	9/18
Power generating facilities	165.2	129.4	157.2	184.7	145.8	116.2	99.6	127.1	-	-	33.7	46.9
Transmission	40.9	37.7	40.4	36.6	40.3	41.0	40.4	44.5	-	-	17.7	16.4
Transformation	40.2	37.6	34.3	33.1	36.1	34.5	35.6	32.8	-	-	14.4	12.1
Distribution	30.1	29.9	28.9	25.4	26.0	28.3	24.5	24.3	-	-	10.9	11.0
Others	26.4	29.5	35.8	22.4	22.6	16.8	13.1	12.4	-	-	2.7	11.7
Subtotal	302.8	264.1	296.6	302.2	270.8	237.0	213.5	241.4	-	-	79.5	98.3
Nuclear fuel	58.2	55.0	37.8	22.8	29.0	16.4	14.3	53.0	-	-	11.0	9.0
Total	361.0	319.1	334.4	325.0	299.8	253.4	227.9	294.5	-	-	90.6	107.4
Non-electric business	1.1	0.8	0.1	-	0.2	0.7	4.5	0.9	-	-	0.5	0.3
Grand total	362.1	319.9	334.5	325.0	300.0	254.1	232.4	295.4	Approx.425.0	Approx.425.0	91.2	107.7

<Total Power Generation(TWh)>

		(): composition ratio, %			
		3/17	3/18	9/17	9/18
KEPCO	Hydro	13.4(14)	13.8(15)	7.7(17)	8.5(17)
	Oil/others	6.6(7)	1.9(2)	0.5(1)	1.1(2)
	LNG	61.9(65)	52.7(56)	25.7(56)	24.0(47)
	Coal	13.1(14)	13.1(14)	6.7(15)	4.0(8)
	Total	81.5(86)	67.8(72)	32.9(72)	29.2(57)
	Nuclear	-0.4(0)	12.9(14)	4.9(11)	13.1(26)
	New energy sources	0.1(0)	0.1(0)	0.0(0)	0.0(0)
Total		94.5(100)	94.5(100)	45.6(100)	50.8(100)
Other-non-utility companies		34.9	27.5	14.0	12.1
Captive use by hydropower		-1.7	-1.5	-0.8	-1.3
Total		127.8	120.5	58.8	61.6

* Kepco's FY 2016 figures represent sending end.

* Some rounding errors may be observed.

* "Other-non-utility companies" does not include imbalance electric energy, which is not yet determined as at the end of the term.

<Total Power Generation(TWh)>

		(): composition ratio, %					
		3/11	3/12	3/13	3/14	3/15	3/16
KEPCO	Hydro	15.1(11)	15.0(12)	13.0(11)	13.3(12)	13.6(12)	14.8(15)
	Oil/others	5.6(4)	19.1(16)	23.6(20)	27.0(23)	19.5(18)	15.2(15)
	LNG	31.5(24)	43.7(36)	49.3(43)	52.5(46)	62.3(57)	58.4(57)
	Coal	12.3(9)	12.4(10)	14.0(12)	12.8(11)	13.4(12)	12.9(13)
	Total	49.4(38)	75.2(61)	86.9(75)	92.2(80)	95.2(87)	86.5(85)
	Nuclear	67.0(51)	32.3(26)	15.2(13)	9.3(8)	0(0)	0.8(1)
	New energy sources	0.1(0)	0.1(0)	0.1(0)	0.1(0)	0.1(0)	0.1(0)
Total		131.5(100)	122.6(100)	115.1(100)	114.9(100)	108.8(100)	102.3(100)
Other-non-utility companies		30.4	33.0	33.9	36.0	35.7	35.5
Other-utility companies		5.5	5.0	6.0	2.9	2.8	1.3
Captive use by hydropower		-2.8	-2.1	-1.7	-1.6	-1.4	-1.1
Total		164.6	158.6	153.3	152.2	145.9	138.1

* Kepco's figures of FY 2015 and older represent generating end.

* Some rounding errors may be observed.

* Regarding generated and purchased electric power, Kepco-generated electric power represents generating-end figures, while purchase from Other-non-utility companies and Other-utility companies represents receiving-end figures.

* Electricity of PPS is included in purchased electricity from other companies.

<Power source combination (10MW)>

		(): composition ratio, %							
		3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18
Hydro		891(22)	891(22)	892(22)	892(21)	894(21)	897(19)	897(19)	897(20)
Fossil-firec Oil/others		864(21)	864(21)	864(21)	853(20)	857(20)	874(19)	788(17)	788(18)
LNG		776(19)	779(19)	786(19)	872(21)	1,018(24)	1,018(22)	1,093(23)	1,055(24)
Coal		512(13)	499(12)	499(12)	499(12)	499(12)	507(11)	507(11)	512(12)
Total		2,153(53)	2,142(53)	2,149(53)	2,224(53)	2,374(55)	2,399(52)	2,388(51)	2,355(53)
Nuclear		1,033(25)	1,033(25)	1,033(25)	1,033(25)	1,015(23)	966(21)	966(21)	731(16)
New energy sources		—	—	7(0)	25(1)	49(1)	375(8)	408(9)	468(11)
Total		4,077(100)	4,066(100)	4,081(100)	4,174(100)	4,332(100)	4,637(100)	4,659(100)	4,452(100)

* Purchased electricity from other companies is included in the above table.

* Some rounding errors may be observed.

* Solar power generation is included in new energy sources from 3/13.

<Profit and loss by business segment (billion yen) >

		3/17 ^{*2}	3/18	3/19 Forecasts	3/19 Forecasts (Sep.2018)	9/17	9/18
Gas/ Other Energies	Operating revenues(external transactions)	93.2	141.2	207.0	209.0	60.4	89.0
	Ordinary income	6.2	7.1	1.0	1.0	8.1	3.9
IT/Communications	Operating revenues(external transactions)	185.6	203.1	220.0	225.0	97.7	105.7
	Ordinary income	18.3	25.1	26.0	26.0	12.6	15.7
Real Estate/Life	Operating revenues(external transactions)	95.5	111.7	120.0	120.0	47.6	44.7
	Ordinary income	12.8	14.5	18.0	15.0	6.5	7.4
Other	Operating revenues(external transactions)	80.7	81.3	85.0	85.0	37.3	39.7
	Ordinary income	23.5	28.8	22.0	21.0	8.5	9.0
*1 Figures in this page are before eliminations, and excluding exchange gain or loss unrealized.							
International Business Profit (Reference)		-1.0	-2.0	-8.0	0.0	-0.5	-7.6

*2 Described from the FY 2016 after setting the medium-term management plan

<Sales volume of gas(million tons)>^{*3}

	3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18	3/19 Forecasts	3/19 Forecasts (Sep.2018)	9/17	9/18
	0.69	0.88	0.88	0.86	0.74	0.72	0.71	0.97	Approx.1.20	Approx.1.20	0.45	0.56

*3 equivalent to LNG(Total sum of Gas and LNG)

<Number of FTTH subscribers (million subscribers) >^{*4}

	3/10	3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18 Forecasts	3/18 Forecasts (Sep.2018)	9/17	9/18
	11.82	12.98	13.96	14.84	15.28	15.90	16.25	16.30	16.42	16.42	16.27	16.35

*4 Following a change to the definition of recording the number of services, the aggregation method has been changed since April 2018

<Number of houses sold (units)>

	3/11	3/12	3/13	3/14	3/15	3/16	3/17	3/18	3/19 Forecasts	3/19 Forecasts (Sep.2018)	9/17	9/18
	533	729	1,022	1,156	777	712	630	605	800	800	154	77

For further information

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