

Unaudited Financial Release (Consolidated) for the First Quarter

The information below is an English translation of extracts from Unaudited Financial Release (Consolidated) for the first quarter that has been filed with the major Japanese stock exchanges (Tokyo) for public inspection. These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

July 30, 2014

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

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I. Performance over the Three-months Ended June 30, 2014 and 2013

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Three-Months</u>		(Million Yen)	
	<u>Ended June 30</u>		<u>Change</u>	
	2014	2013	14/13	13/12
Operating Revenues	791,279	717,543	10.3%	10.7%
Operating Income	-39,805	-27,838	—	—
Ordinary Income *	-32,281	-42,554	—	—
Net Income	-29,041	-33,472	—	—
Net Income per Share	-32.50yen	-37.46yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

Comprehensive income

Three-months ended June 30, 2014: -28,091 million yen

Three-months ended June 30, 2013: -22,819 million yen

Notes:

1. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

2. Financial Position

	(Million Yen)	
	As of June 30	As of March 31
	2014	2014
Total Assets	7,657,040	7,777,519
Net Assets	1,184,091	1,213,158
Equity Ratio	15.2%	15.3%

Notes:

1. Equity capital

As of June 30, 2014: 1,160,279 million yen

As of March 31, 2014: 1,188,835 million yen

II. Dividends

	Interim dividend per share	Year-end dividend per share	Annual dividend per share
Fiscal 2014	0.00 yen	0.00yen	0.00 yen
Fiscal 2015 (Forecast)	0.00 yen	—	—

III. Financial Forecasts

	(Billion Yen)	
	<u>Six months ending Sep. 30</u>	<u>Year ending Mar. 31</u>
	2014	2015
Operating Revenues	1,700	—
Operating Income	-40	—
Ordinary Income*	-40	—
Net Income	-29	—
Net Income per Share	-32.46yen	—

Based on our recent business results, we has announced our financial forecasts for the half - year ending 9/2014 (consolidated, non-consolidated), which were not announced on April 30, 2014.

A reasonable forecast for FY2015 (Year ending Mar. 31, 2015) cannot be made at this point continuously for the following reasons.

- Supply capacity is uncertain.
- It is difficult to expect electricity sales volume(10/14-3/15) because the effect of saving energy is uncertain.

The forecast for FY2015 will be disclosed as soon as it becomes available.

Notes:

1.Major Factors for Financial Forecasts (for the half-year)

	Previous Forecast	Revised Forecast
Electricity Sales (TWh)	69.6	68.7
Nuclear Capacity Factor (%)	—	0.0
Water Run-off Ratio (%)	—	91.9
All Japan CIF Crude Oil Price (\$/barrel)	Approx. 110	Approx. 110
Exchange rate [TTM] (yen/\$)	Approx. 105	Approx. 105

2. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

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

IV. Other

1. Number of shares outstanding (included Treasury stock)

As of June 30, 2014: 938,733,028 shares

As of March 31, 2014: 938,733,028 shares

2. Number of Treasury stock

As of June 30, 2014: 45,198,195 shares

As of March 31, 2014: 45,193,049 shares

3. Number of Average stock

Three-months ended June 30, 2014: 893,536,713 shares

Three-months ended June 30, 2013: 893,575,314 shares

< Reference >

Financial Forecasts (Non-consolidated)

	<u>Six months ending Sep. 30</u>	<u>Year ending Mar. 31</u>
	2014	2015
Operating Revenues	1,530	—
Operating Income	-55	—
Ordinary Income*	-50	—
Net Income	-30	—
Net Income per Share	-33.56yen	—

Notes:

1. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

Electricity sales

	Three-months Ended Jun 30,2014	Three-months Ended Jun 30,2013	Change (%)
Regulated Segment	11,188	11,730	95.4
Lightning	10,043	10,522	95.4
Power	1,145	1,208	94.8
Low Voltage	957	1,000	95.7
Other	188	208	90.7
Liberalized Segment	20,392	20,703	98.5
Total	31,580	32,432	97.4

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2014	As of Jun. 30, 2014
(Assets)		
Property	6,819,828	6,770,521
Utility facilities	3,496,232	3,476,886
Hydroelectric power production facilities	307,627	304,765
Thermal power production facilities	507,988	496,879
Nuclear power production facilities	334,775	338,056
Transmission facilities	956,098	947,137
Transformation facilities	404,546	409,489
Distribution facilities	841,050	838,993
General facilities	116,750	114,638
Other utility facilities	27,395	26,926
Other plant and equipment	640,979	636,626
Construction in progress	457,784	452,006
Nuclear fuel	528,955	529,555
Loaded nuclear fuel	81,470	81,470
Nuclear fuel in processing	447,484	448,085
Investments and other assets	1,695,875	1,675,446
Long-term investments	262,621	254,568
Reserve fund for reprocessing of irradiated nuclear fuel	574,553	561,579
Deferred tax assets	514,509	510,420
Other	346,274	350,970
Allowance for doubtful accounts	-2,082	-2,091
Current assets	957,691	886,518
Cash and time deposits	109,508	68,451
Accounts receivable	232,295	245,402
Short-term investments	234,294	171,923
Inventory assets	159,000	154,413
Deferred tax assets	48,178	50,197
Other	176,740	198,527
Allowance for doubtful accounts	-2,326	-2,398
Total assets	7,777,519	7,657,040

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2014	As of Jun. 30, 2014
(Liabilities)		
Long-term liabilities and reserves	5,358,236	5,317,333
Bonds	1,430,943	1,360,947
Long-term loans	2,324,607	2,355,334
Reserve for reprocessing of irradiated nuclear fuel	616,756	610,973
Reserve for reprocessing of irradiated nuclear fuel without definite plans	48,097	48,578
Liability for retirement benefits	360,292	364,692
Asset retirement obligations	402,803	404,920
Deferred tax liabilities	225	219
Other	174,509	171,667
Current liabilities	1,199,193	1,155,193
Current maturities of long-term debt and other	432,311	483,708
Short-term borrowings	208,862	207,667
Accounts payable	199,538	163,683
Accrued income taxes	37,069	25,789
Other current liabilities	321,411	274,345
Reserves under the special laws	6,930	421
Reserve for fluctuation in water levels	6,930	421
Total liabilities	6,564,361	6,472,948
(Net Assets)		
Shareholders' Equity	1,116,572	1,086,555
Paid in capital	489,320	489,320
Capital surplus	66,634	66,634
Retained earnings	656,909	626,897
Treasury stock	-96,292	-96,297
Accumulated other comprehensive income	72,263	73,724
Unrealized gain on available-for-sale securities	50,301	55,337
Deferred gain on derivatives under hedge accounting	5,031	4,697
Foreign currency translation adjustments	9,434	7,652
Defined retirement benefit plans	7,495	6,035
Minority interests	24,322	23,811
Total net assets	1,213,158	1,184,091
Total liabilities and net assets	7,777,519	7,657,040

Consolidated Statements of Operations

(million yen)

Account	Three-months ended Jun.30,2013	Three-months ended Jun.30,2014
Ordinary revenues and expenses		
Operating revenues and expenses		
Operating revenues	717,543	791,279
Electric	615,309	682,959
Other	102,234	108,320
Operating expenses	745,382	831,085
Electric	650,720	735,085
Other	94,661	95,999
(Operating Income)	-27,838	-39,805
Non-Operating revenues and expenses		
Non-operating revenues	7,496	22,765
Dividends received	1,092	1,637
Interest revenue	2,283	2,293
Equity in earnings of associated companies	2,037	2,878
Other	2,083	15,956
Non-operating expenses	22,212	15,241
Interest expense	14,791	14,484
Other	7,420	756
Total ordinary revenues	725,040	814,044
Total ordinary expenses	767,594	846,326
Ordinary Income	-42,554	-32,281
Provision for or reversal of reserve for fluctuation in water levels	-6,674	-6,509
Reversal of reserve for fluctuation in water levels	-6,674	-6,509
Income before income taxes and minority interests	-35,879	-25,772
Income taxes-current	1,674	2,408
Income taxes-deferred	-3,915	886
Income taxes	-2,241	3,295
Income before minority interests	-33,638	-29,067
Minority interests in net Income	-165	-25
Net Income	-33,472	-29,041

Consolidated Statements of Comprehensive Income

(million yen)

Account	Three-months ended Jun.30,2013	Three-months ended Jun.30,2014
Net income before minority interests	-33,638	-29,067
Other comprehensive income		
Unrealized gain on available-for-sale securities	5,077	4,141
Deferred gain on derivatives under hedge accounting	-328	-440
Foreign currency translation adjustments	5,768	-1,962
Defined retirement benefit plans	—	-1,547
Share of other comprehensive income of associates	301	785
Total other comprehensive income	10,819	976
Comprehensive income	-22,819	-28,091
(Breakdown)		
Attributable to owner of the parent	-23,576	-27,580
Attributable to Minority interests	756	-510