

## Unaudited Financial Release (Consolidated) for the Second Quarter

The information below is an English translation of extracts from Unaudited Financial Release (Consolidated) for the second 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.

October 29, 2014

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

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### I . Performance over the Six-months Ended September 30, 2014 and 2013

(Figures are rounded down to the nearest million yen)

#### 1. Results of Operations

	<u>Six-Months</u>		(Million Yen)	
	<u>Ended September 30</u>		<u>Change</u>	
	2014	2013	14/13	13/12
Operating Revenues	1,677,699	1,611,449	4.1%	14.6%
Operating Income	4,277	53,930	-92.1%	—
Ordinary Income *	1,838	31,560	-94.2%	—
Net Income	2,648	15,081	-82.4%	—
Net Income per Share	2.96yen	16.88yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

#### Comprehensive income

Six-months ended September 30, 2014: 1,799 million yen

Six-months ended September 30, 2013: 34,114 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

	As of September 30	(Million Yen)
	2014	As of March 31 2014
Total Assets	7,671,141	7,777,519
Net Assets	1,213,988	1,213,158
Equity Ratio	15.5%	15.3%

Notes:

#### 1. Equity capital

As of September 30, 2014: 1,189,371 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

	4/14-3/15 (Forecasts)	4/13-3/14 (Results)	(Billion Yen) Change
Operating Revenues	3,450	3,327	3.7%
Operating Income	—	-71	—
Ordinary Income*	—	-111	—
Net Income	—	-97	—
Net Income per Share	—	-109.01yen	—

Total electricity sales for this fiscal year are expected to decrease 2.4% year on year to 137.0 billion kWh due to a cool summer that translated into decreased use of air conditioning. On the up side, revenue from residential as well as commercial and industrial electricity sales is expected to rise as a result of the increase in fuel cost adjustment charges, etc. Besides the electricity business, our information and telecommunications business segment expects to see an increase in the number of FTTH service customers. These factors combined will bring consolidated net sales up 122.5 billion yen year on year to total 3,450 billion yen.

Reasonable forecasts of operating, ordinary, and net income for FY2015 cannot be made at this point continuously because supply capacity is uncertain. The forecasts for FY2015 will be disclosed as soon as it becomes available.

Notes:

### 1. Major Factors for Financial Forecasts

	4/14-3/15 (Forecasts)	4/13-3/14 (Results)
Electricity Sales (TWh)	137.0	140.4
All Japan CIF Crude Oil Price (\$/barrel)	Approx. 104.0	110.0
Exchange rate [TTM] (yen/\$)	Approx. 106	100

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 September 30, 2014: 938,733,028 shares

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

2. Number of Treasury stock

As of September 30, 2014: 45,210,662 shares

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

3. Number of Average stock

Six-months ended September 30, 2014: 893,531,419 shares

Six-months ended September 30, 2013: 893,570,607 shares

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**Financial Forecasts (Non-consolidated)**

	4/14-3/15 (Forecasts)	4/13-3/14 (Results)	(Billion Yen) <u>Change</u>
Operating Revenues	3,080	2,958	4.1%
Operating Income	—	-116	—
Ordinary Income*	—	-122	—
Net Income	—	-93	—
Net Income per Share	—	-104.15yen	—

Notes:

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

**Electricity sales**

	Six-months Ended September 30,2014	Six-months Ended September 30,2013	(GWh) Change (%)
Regulated Segment	23,865	25,739	92.7
Lightning	21,066	22,693	92.8
Power	2,799	3,046	91.9
Low Voltage	2,471	2,690	91.9
Other	328	356	92.0
Liberalized Segment	42,936	44,407	96.7
Total	66,801	70,146	95.2

## Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2014	As of Sep. 30, 2014
<b>(Assets)</b>		
Property	6,819,828	6,725,187
Utility facilities	3,496,232	3,496,296
Hydroelectric power production facilities	307,627	301,163
Thermal power production facilities	507,988	541,607
Nuclear power production facilities	334,775	339,727
Transmission facilities	956,098	932,900
Transformation facilities	404,546	402,781
Distribution facilities	841,050	835,924
General facilities	116,750	115,764
Other utility facilities	27,395	26,427
Other plant and equipment	640,979	625,757
Construction in progress	457,784	408,619
Nuclear fuel	528,955	531,346
Loaded nuclear fuel	81,470	81,470
Nuclear fuel in processing	447,484	449,875
Investments and other assets	1,695,875	1,663,167
Long-term investments	262,621	254,946
Reserve fund for reprocessing of irradiated nuclear fuel	574,553	555,803
Deferred tax assets	514,509	503,861
Other	346,274	350,690
Allowance for doubtful accounts	-2,082	-2,134
Current assets	957,691	945,953
Cash and time deposits	109,508	103,052
Accounts receivable	232,295	255,698
Short-term investments	234,294	196,213
Inventory assets	159,000	150,264
Deferred tax assets	48,178	59,354
Other	176,740	184,086
Allowance for doubtful accounts	-2,326	-2,715
<b>Total assets</b>	<b>7,777,519</b>	<b>7,671,141</b>

## Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2014	As of Sep. 30, 2014
<b>(Liabilities)</b>		
Long-term liabilities and reserves	5,358,236	5,282,973
Bonds	1,430,943	1,350,851
Long-term loans	2,324,607	2,334,576
Reserve for reprocessing of irradiated nuclear fuel	616,756	605,157
Reserve for reprocessing of irradiated nuclear fuel without definite plans	48,097	49,059
Liability for retirement benefits	360,292	364,524
Asset retirement obligations	402,803	407,062
Deferred tax liabilities	225	346
Other	174,509	171,395
Current liabilities	1,199,193	1,171,532
Current maturities of long-term debt and other	432,311	487,055
Short-term borrowings	208,862	206,904
Accounts payable	199,538	150,867
Accrued income taxes	37,069	49,215
Other current liabilities	321,411	277,489
Reserves under the special laws	6,930	2,646
Reserve for fluctuation in water levels	6,930	2,646
Total liabilities	6,564,361	6,457,152
<b>(Net Assets)</b>		
Shareholders' Equity	1,116,572	1,118,233
Paid in capital	489,320	489,320
Capital surplus	66,634	66,634
Retained earnings	656,909	658,587
Treasury stock	-96,292	-96,308
Accumulated other comprehensive income	72,263	71,137
Unrealized gain on available-for-sale securities	50,301	57,129
Deferred gain on derivatives under hedge accounting	5,031	4,753
Foreign currency translation adjustments	9,434	4,609
Defined retirement benefit plans	7,495	4,644
Minority interests	24,322	24,617
Total net assets	1,213,158	1,213,988
<b>Total liabilities and net assets</b>	<b>7,777,519</b>	<b>7,671,141</b>

## Consolidated Statements of Operations

(million yen)

Account	Six-months ended Sep.30,2013	Six-months ended Sep.30,2014
Ordinary revenues and expenses		
Operating revenues and expenses		
Operating revenues	1,611,449	1,677,669
Electric	1,394,280	1,459,165
Other	217,168	218,504
Operating expenses	1,557,518	1,673,391
Electric	1,362,293	1,479,203
Other	195,225	194,188
(Operating Income)	53,930	4,277
Non-Operating revenues and expenses		
Non-operating revenues	15,325	30,394
Dividends received	1,782	2,305
Interest revenue	4,547	4,667
Equity in earnings of associated companies	4,995	5,904
Other	3,999	17,516
Non-operating expenses	37,695	32,834
Interest expense	28,752	28,015
Other	8,943	4,818
Total ordinary revenues	1,626,774	1,708,064
Total ordinary expenses	1,595,214	1,706,225
Ordinary Income	31,560	1,838
Provision for or reversal of reserve for fluctuation in water levels	-4,626	-4,283
Reversal of reserve for fluctuation in water levels	-4,626	-4,283
Income before income taxes and minority interests	36,186	6,121
Income taxes-current	7,892	4,620
Income taxes-deferred	13,356	-1,165
Income taxes	21,248	3,454
Income before minority interests	14,938	2,667
Minority interests in net Income	-142	18
Net Income	15,081	2,648

## Consolidated Statements of Comprehensive Income

(million yen)

Account	Six-months ended Sep.30,2013	Six-months ended Sep.30,2014
Net income before minority interests	14,938	2,667
Other comprehensive income		
Unrealized gain on available-for-sale securities	7,571	5,619
Deferred gain on derivatives under hedge accounting	-648	273
Foreign currency translation adjustments	10,640	-5,972
Defined retirement benefit plans	-	-3,024
Share of other comprehensive income of associates	1,612	2,236
Total other comprehensive income	19,175	-867
Comprehensive income	34,114	1,799
(Breakdown)		
Attributable to owner of the parent	32,914	1,522
Attributable to Minority interests	1,199	277