

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, 2015

The Kansai Electric Power Co., Inc. (Code: 9503)
 6-16 Nakanoshima 3-chome, Kita-ku, Osaka
 (URL <http://www.kepcoco.jp>)
 Company Representative: Makoto Yagi, President and Director
 Contact: Yoshikazu Matsuda, General Manager, Office of Accounting and Finance
 Tel: +81-6-6441-8821

I . Performance over the Six-months Ended September 30, 2015 and 2014

(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>	
	2015	2014	15/14	14/13
Operating Revenues	1,640,744	1,677,699	-2.2%	4.1%
Operating Income	175,796	4,277	—	-92.1%
Ordinary Income *	167,144	1,838	—	-94.2%
Income attributable to owners of the parent	112,502	2,648	—	-82.4%
Net Income per Share	125.91yen	2.96yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

Comprehensive income

Six-months ended September 30, 2015: 130,368 million yen

Six-months ended September 30, 2014: 1,799 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 September 30 2015	As of March 31 2015
Total Assets	7,477,828	7,743,378
Net Assets	1,190,302	1,060,219
Equity Ratio	15.6%	13.4%

Notes:

1. Equity capital

As of September 30, 2015: 1,165,853 million yen

As of March 31, 2015: 1,036,038 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

	4/15-3/16 (Forecasts)	4/14-3/15 (Results)	(Billion Yen) Change
Operating Revenues	3,360	3,406	-1.4%
Operating Income	—	-78	—
Ordinary Income*	—	-113	—
Income attributable to owners of the parent	—	-148	—
Net Income per Share	—	-166.06yen	—

We were unable to project annual revenues and incomes for the year ending March 31, 2016 on set premises because the outlook on supply capacity still remains uncertain and it is difficult to estimate the impact that power conservation requests made to customers in the second half would have on the amount of electricity sales. We are thus announcing our revenues forecast based on recent supply and demand, etc.

As for our annual incomes forecast, we are still unable to project numbers on set premises because the outlook on supply capacity still remains uncertain. We will promptly announce forecasts as soon as they can be projected.

As incomes for the full year still cannot be forecast, the forecast for the year-end dividend also remains undetermined at this point.

Notes:

1. Major Factors for Financial Forecasts

	4/15-3/16 (Forecasts)	4/14-3/15 (Results)
Electricity Sales (TWh)	133.2	134.5
Nuclear capacity factor (%)	—	0.0%
Water run-off ratio (%)	—	104.2%
All Japan CIF Crude Oil Price (\$/barrel)	Approx.56	90.4
Exchange rate [TTM] (yen/\$)	Approx.121	110

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, 2015: 938,733,028 shares
 - As of March 31, 2015: 938,733,028 shares

2. Number of Treasury stock
 - As of September 30, 2015: 45,250,239 shares
 - As of March 31, 2015: 45,230,608 shares

3. Number of Average stock
 - Six-months ended September 30, 2015: 893,490,739 shares
 - Six-months ended September 30, 2014: 893,531,419 shares

< Reference >

Financial Forecasts (Non-consolidated)

	4/15-3/16 (Forecasts)	4/15-3/16 (Results)	(Billion Yen) <u>Change</u>
Operating Revenues	2,980	3,032	-1.7%
Operating Income	—	-130	—
Ordinary Income*	—	-159	—
Income attributable to owners of the parent	—	-176	—
Net Income per Share	—	-197.72yen	—

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 30,2015	Six-months Ended September 30,2014	(GWh) Change (%)
Regulated Segment	23,637	23,865	99.0
Residential	20,881	21,066	99.1
Commercial and Industrial	2,756	2,799	98.5
Low Voltage	2,453	2,471	99.3
Other	302	328	92.3
Liberalized Segment	41,028	42,936	95.6
Total	64,665	66,801	96.8

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2015	As of Sep. 30, 2015
(Assets)		
Property	6,829,544	6,734,594
Utility facilities	3,499,414	3,422,806
Hydroelectric power production facilities	299,325	298,692
Thermal power production facilities	547,514	525,043
Nuclear power production facilities	360,433	347,450
Transmission facilities	913,419	889,723
Transformation facilities	402,550	394,592
Distribution facilities	833,306	830,326
General facilities	117,117	111,905
Other utility facilities	25,747	25,071
Other plant and equipment	666,886	657,040
Construction in progress	433,918	483,076
Construction and retirement in progress	405,822	455,354
Special account related to nuclear power decommissioning	28,095	27,721
Nuclear fuel	530,065	527,887
Loaded nuclear fuel	74,774	70,367
Nuclear fuel in processing	455,290	457,520
Investments and other assets	1,699,258	1,643,783
Long-term investments	274,665	310,716
Reserve fund for reprocessing of irradiated nuclear fuel	551,395	535,008
Deferred tax assets	496,791	442,627
Other	378,908	357,850
Allowance for doubtful accounts	-2,501	-2,419
Current assets	913,834	743,233
Cash and time deposits	158,278	116,117
Accounts receivable	230,692	246,743
Inventory assets	148,614	134,558
Deferred tax assets	50,353	68,248
Other	327,983	179,811
Allowance for doubtful accounts	-2,087	-2,245
Total assets	7,743,378	7,477,828

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2015	As of Sep. 30, 2015
(Liabilities)		
Long-term liabilities and reserves	5,215,173	4,841,139
Bonds	1,300,759	1,180,869
Long-term loans	2,225,950	2,028,608
Reserve for reprocessing of irradiated nuclear fuel	593,018	578,183
Reserve for reprocessing of irradiated nuclear fuel without definite plans	50,966	51,986
Liability for retirement benefits	412,507	344,614
Asset retirement obligations	414,425	419,847
Deferred tax liabilities	380	1,180
Other	217,165	235,849
Current liabilities	1,459,294	1,429,175
Current maturities of long-term debt and other	578,989	788,587
Short-term borrowings	208,762	144,693
Accounts payable	175,532	126,478
Accrued income taxes	60,757	67,524
Other current liabilities	435,251	301,892
Reserves under the special laws	8,690	17,211
Reserve for fluctuation in water levels	8,690	17,211
Total liabilities	6,683,158	6,287,526
(Net Assets)		
Shareholders' Equity	967,187	1,079,454
Paid in capital	489,320	489,320
Capital surplus	66,634	66,634
Retained earnings	507,562	619,857
Treasury stock	-96,330	-96,357
Accumulated other comprehensive income	68,851	86,398
Unrealized gain on available-for-sale securities	71,293	87,681
Deferred gain on derivatives under hedge accounting	1,696	-2,373
Foreign currency translation adjustments	16,393	18,306
Defined retirement benefit plans	-20,531	-17,216
Non-controlling interests	24,181	24,448
Total net assets	1,060,219	1,190,302
Total liabilities and net assets	7,743,378	7,477,828

Consolidated Statements of Operations

(million yen)

Account	Six-months ended Sep.30,2014	Six-months ended Sep.30,2015
Ordinary revenues and expenses		
Operating revenues and expenses		
Operating revenues	1,677,669	1,640,744
Electric	1,459,165	1,422,758
Other	218,504	217,985
Operating expenses	1,673,391	1,464,948
Electric	1,479,203	1,278,051
Other	194,188	186,896
(Operating Income)	4,277	175,796
Non-Operating revenues and expenses		
Non-operating revenues	30,394	19,218
Dividends received	2,305	2,477
Interest revenue	4,667	4,548
Equity in earnings of associated companies	5,904	6,195
Other	17,516	5,997
Non-operating expenses	32,834	27,869
Interest expense	28,015	26,220
Other	4,818	1,648
Total ordinary revenues	1,708,064	1,659,962
Total ordinary expenses	1,706,225	1,492,817
Ordinary income	1,838	167,144
Provision for or reversal of reserve for fluctuation in water levels	-4,283	8,520
Provision for reserve for fluctuation in water levels	—	8,520
Reversal of reserve for fluctuation in water levels	-4,283	—
Income before income taxes and minority interests	6,121	158,624
Income taxes-current	4,620	16,503
Income taxes-deferred	-1,165	29,534
Income taxes	3,454	46,038
Net Income	2,667	112,586
Income attributable to non-controlling interests	18	83
Income attributable to owners of the parent	2,648	112,502

Consolidated Statements of Comprehensive Income

(million yen)

Account	Six-months ended Sep.30,2014	Six-months ended Sep.30,2015
Income before minority interests	2,667	112,586
Other comprehensive income		
Unrealized gain on available-for-sale securities	5,619	17,778
Deferred gain on derivatives under hedge accounting	273	-4,392
Foreign currency translation adjustments	-5,972	2,470
Defined retirement benefit plans	-3,024	3,169
Share of other comprehensive income of associates	2,236	-1,242
Total other comprehensive income	-867	17,782
Comprehensive income	1,799	130,368
(Breakdown)		
Attributable to owners of the parent	1,522	130,049
Attributable to non-controlling interests	277	319