

Unaudited Financial Release (Consolidated) for the Year ended March 31, 2017

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

April 28, 2017

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I . Performance for the Years ended March 31, 2017 and 2016

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	Year ended March 31		(Million Yen) Change	
	2017	2016	17/16	16/15
Operating Revenues	3,011,337	3,245,906	-7.2%	-4.7%
Operating Income	217,747	256,702	-15.2%	—
Ordinary Income *	196,125	241,651	-18.8%	—
Net Income attributable to owners of the parent	140,789	140,800	-0.0%	—
Net Income per Share	157.58yen	157.59yen	—	—
Fully Diluted Net Income per Share	—	—	—	—
Net Income/ Net Assets	11.3%	12.7%		
Ordinary Income * / Total Assets	2.7%	3.2%		
Operating Income / Operating Revenues	7.2%	7.9%		

Comprehensive income

Year ended March 31, 2017: 143,177 million yen (0.8%)

Year ended March 31, 2016: 142,033 million yen (—)

Equity in earnings of associated companies

Year ended March 31, 2017: 11,397 million yen

Year ended March 31, 2016: 11,318 million yen

Notes: 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)	
	2017	<u>As of March 31</u> 2016
Total Assets	6,853,182	7,412,472
Net Assets	1,344,696	1,201,831
Equity Ratio	19.3%	15.9%
Net Assets per Share	1,480.46 yen	1,319.33yen

Notes: Equity capital

As of March 31, 2017: 1,322,663 million yen

As of March 31, 2016: 1,178,665 million yen

3. Statements of Cash Flows

	(Million Yen)	
	2017	<u>As of March 31</u> 2016
Net cash provided by Operating Activities	485,669	595,154
Net cash used in Investing Activities	-345,749	-390,899
Net cash provided by Financing Activities	-130,359	-382,402
Cash and Cash Equivalents, End of year	130,820	123,025

II. Dividends

	Interim dividend per share	Year-end dividend per share	Annual dividend per share
Fiscal 2015	0.00 yen	0.00yen	0.00 yen
Fiscal 2016	0.00 yen	25.00yen	25.00 yen
Fiscal 2017 (Forecast)	—	—	—

Payment of dividends for FY2017 is not yet determined.

III. Financial Forecasts

	4/17-3/18	4/16-3/17	(Billion Yen)
	(Forecasts)	(Results)	<u>Change</u>
Operating Revenues	—	3,011	—
Operating Income	—	217	—
Ordinary Income*	—	196	—
Net Income attributable to owners of the parent	—	140	—
Net Income per Share	—	157.58 yen	—

Regarding earnings forecast for FY 2017, both operating revenues and income are left undetermined since currently we cannot forecast our earnings based on certain assumptions, mainly because our nuclear power plants have not resumed operation yet.

The forecasts for FY 2017 will be disclosed as soon as it becomes available.

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

IV. Other

1. Change in major consolidated subsidiaries: None
2. Difference in accounting methods from the latest consolidated financial year: None

3. Number of shares outstanding (included Treasury stock)

As of March 31, 2017: 938,733,028 shares

As of March 31, 2016: 938,733,028 shares

4. Number of Treasury stock

As of March 31, 2017: 45,317,079 shares

As of March 31, 2016: 45,348,298 shares

5. Number of Average stock

Year ended March 31, 2017: 893,430,169 shares

Year ended March 31, 2016: 893,467,556 shares

< **Reference : Non-consolidated** >

Performance for the Years ended March 31, 2017 and 2016

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	(Million Yen)			
	<u>Year ended March 31</u>		<u>Change</u>	
	2017	2016	17/16	16/15
Operating Revenues	2,614,440	2,868,293	-8.9%	-5.4%
Operating Income	164,524	208,566	-21.1%	—
Ordinary Income *	143,720	200,142	-28.2%	—
Net Income	103,064	118,540	-13.1%	—
Net Income per Share	115.32yen	132.63yen		
Fully Diluted Net Income per Share	—	—		

Notes: 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)	
	<u>As of March 31</u>	
	2017	2016
Total Assets	5,834,912	6,433,093
Net Assets	858,486	742,044
Equity Ratio	14.7%	11.5%
Net Assets per Share	960.60yen	830.28 yen

Notes: Equity capital

As of March 31, 2017: 858,486 million yen

As of March 31, 2016: 742,044 million yen

Financial Forecasts

	(Billion Yen)		
	4/17-3/18 (Forecasts)	4/16-3/17 (Results)	<u>Change</u>
Operating Revenues	—	2,614	—
Operating Income	—	164	—
Ordinary Income*	—	143	—
Net Income	—	103	—
Net Income per Share	—	115.32 yen	—

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

Sales and power generation

[Electricity sales]

	(GWh)		
	Year-ended Mar. 31, 2017	Year-ended Mar. 31, 2016	Change (%)
Residential	43,689	44,053	99.2
Commercial and Industrial	77,811	83,463	93.2
Total	121,500	127,516	95.3

[Power generation] (Sending end)

	(GWh)		
	Year ended Mar. 31, 2017	Year ended Mar. 31, 2016	Change (%)
Kansai Electric			
Hydroelectric	13,362	14,780	90.4
Fossil Fuel	81,523	83,705	97.4
Nuclear	-440	310	—
Renewable energies	93	88	105.7
Purchased (sold) power from other companies	34,839	36,821	94.6
Power used for pumped storage	-1,653	-1,063	155.5
Total	127,724	134,641	94.9
Water run-off ratio (%)	99.1	112.9	—

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2016	As of Mar. 31, 2017
(Assets)		
Property	6,699,739	6,081,116
Utility facilities	3,423,038	3,295,474
Hydroelectric power production facilities	295,301	290,593
Thermal power production facilities	497,723	452,947
Nuclear power production facilities	383,658	350,749
Transmission facilities	889,742	850,856
Transformation facilities	394,946	402,961
Distribution facilities	826,299	818,171
General facilities	110,966	106,287
Other utility facilities	24,400	22,905
Other plant and equipment	663,429	707,364
Construction in progress	462,445	485,449
Construction and retirement in progress	435,098	458,850
Special account related to nuclear power decommissioning	27,346	26,598
Nuclear fuel	526,291	481,371
Loaded nuclear fuel	90,556	90,556
Nuclear fuel in processing	435,735	390,815
Investments and other assets	1,624,535	1,111,457
Long-term investments	310,457	297,054
Investments in and advances to subsidiaries and associated companies	321,176	401,610
Reserve fund for reprocessing of irradiated nuclear fuel	526,080	—
Deferred tax assets	429,961	375,101
Other	40,430	41,105
Allowance for doubtful accounts	-3,572	-3,414
Current assets	712,732	772,065
Cash and time deposits	128,123	133,133
Accounts receivable	223,031	223,169
Inventory assets	115,014	122,818
Deferred tax assets	61,560	72,009
Other	187,698	213,372
Allowance for doubtful accounts	-2,695	-2,437
Total assets	7,412,472	6,853,182

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2016	As of Mar. 31, 2017
(Liabilities)		
Long-term liabilities and reserves	4,800,629	3,927,280
Bonds	1,140,875	989,790
Long-term loans	1,991,020	1,843,524
Reserve for reprocessing of irradiated nuclear fuel	558,266	—
Reserve for reprocessing of irradiated nuclear fuel without definite plans	53,174	—
Liability for retirement benefits	357,480	360,362
Asset retirement obligations	426,449	436,483
Deferred tax liabilities	5,263	1,632
Other	268,099	295,487
Current liabilities	1,381,524	1,553,753
Current maturities of long-term debt and other	679,726	752,164
Short-term borrowings	146,526	152,231
Commercial paper	—	114,000
Accounts payable	120,527	122,716
Accrued income taxes	86,289	34,353
Other current liabilities	348,454	378,287
Reserves under the special laws	28,487	27,452
Reserve for fluctuation in water levels	28,487	27,452
Total liabilities	6,210,641	5,508,485
(Net Assets)		
Shareholders' Equity	1,107,617	1,248,297
Paid in capital	489,320	489,320
Capital surplus	66,634	66,726
Retained earnings	648,154	788,674
Treasury stock	-96,492	-96,424
Accumulated other comprehensive income	71,047	74,366
Unrealized gain on available-for-sale securities	85,930	81,037
Deferred gain on derivatives under hedge accounting	-8,244	-3,894
Foreign currency translation adjustments	17,726	13,433
Defined retirement benefit plans	-24,365	-16,209
Non-controlling interests	23,165	22,032
Total net assets	1,201,831	1,344,696
Total liabilities and net assets	7,412,472	6,853,182

Consolidated Statements of Operations

(million yen)

Account	Year ended Mar.31,2016	Year ended Mar.31,2017
Ordinary revenues and expenses		
Operating revenues and expenses		
Operating revenues	3,245,906	3,011,337
Electric	2,795,781	2,556,591
Other	450,125	454,745
Operating expenses	2,989,204	2,793,589
Electric	2,598,144	2,394,719
Other	391,059	398,870
Operating Income	256,702	217,747
Non-Operating revenues and expenses		
Non-operating revenues	49,574	56,823
Dividends received	8,323	8,567
Interest revenue	9,167	5,688
Gain on sales of non-current assets	11,189	15,311
Equity in earnings of associated companies	11,318	11,397
Other	9,575	15,858
Non-operating expenses	64,624	78,446
Interest expense	51,322	48,391
Other	13,302	30,054
Total ordinary revenues	3,295,480	3,068,161
Total ordinary expenses	3,053,829	2,872,035
Ordinary income	241,651	196,125
Provision for or reversal of reserve for fluctuation in water levels	19,796	-1,034
Provision for reserve for fluctuation in water levels	19,796	—
Reversal of reserve for fluctuation in water levels	—	-1,034
Income before income taxes and minority interests	221,855	197,160
Income taxes-current	24,094	17,832
Income taxes-deferred	56,263	38,519
Income taxes	80,357	56,351
Net Income	141,497	140,808
Net Income attributable to non-controlling interests	697	18
Net Income attributable to owners of the parent	140,800	140,789

Consolidated Statements of Comprehensive Income

(million yen)

Account	Year ended Mar. 31, 2016	Year ended Mar. 31, 2017
Income before minority interests	141,497	140,808
Other comprehensive income		
Unrealized gain on available-for-sale securities	17,131	-5,256
Deferred gain on derivatives under hedge accounting	-11,207	4,265
Foreign currency translation adjustments	1,535	-5,124
Defined retirement benefit plans	70	7,541
Share of other comprehensive income of associates	-6,993	943
Total other comprehensive income	535	2,369
Comprehensive income	142,033	143,177
(Breakdown)		
Attributable to owners of the parent	142,996	144,108
Attributable to non-controlling interests	-963	-930

Consolidated Statements of Changes in Shareholders' Equity and other Net Assets (1)

[Year ended March 31, 2016]

(million yen)

Account	Shareholders' Equity				
	Paid in capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at Mar.31, 2015	489,320	66,634	507,562	-96,330	967,187
Change during the period					
Net Income attributable to owners of the parent			140,800		140,800
Change of scope of consolidation			-207		-207
Changes in the parent's ownership interest due to transactions with non-controlling interests		—			—
Purchase of treasury stock				-163	-163
Disposal of treasury stock		—		2	1
Transfer to capital surplus from retained earnings		—	—		—
Changes in fiscal 2015 other than shareholders' equity					
Total	—	—	140,592	-161	140,430
Balance at Mar. 31, 2016	489,320	66,634	648,154	-96,492	1,107,617

[Year ended March 31, 2016]

(million yen)

Account	Accumulated other comprehensive income					Minority interests	Total net assets
	Unrealized gain on available-for-sale securities	Deferred gain on derivatives Under hedge accounting	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulate other comprehensive income		
Balance at Mar.31, 2015	71,293	1,696	16,393	-20,531	68,851	24,181	1,060,219
Change during the period							
Net Income attributable to owners of the parent							140,800
Change of scope of consolidation							-207
Changes in the parent's ownership interest due to transactions with non-controlling interests							—
Purchase of treasury stock							-163
Disposal of treasury stock							1
Transfer to capital surplus from retained earnings							—
Changes in fiscal 2015 other than shareholders' equity	14,637	-9,940	1,333	-3,833	2,196	-1,015	1,180
Total	14,637	-9,940	1,333	-3,833	2,196	-1,015	141,611
Balance at Mar. 31, 2016	85,930	-8,244	17,726	-24,365	71,047	23,165	1,201,831

Consolidated Statements of Changes in Shareholders' Equity and other Net Assets (2)

[Year ended March 31, 2017]

(million yen)

Account	Shareholders' Equity				
	Paid in capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at Mar.31, 2016	489,320	66,634	648,154	-96,492	1,107,617
Change during the period					
Net Income attributable to owners of the parent			140,789		140,789
Change of scope of consolidation			-269		-269
Changes in the parent's ownership interest due to transactions with non-controlling interests		92			92
Purchase of treasury stock				-41	-41
Disposal of treasury stock		—		109	108
Transfer to capital surplus from retained earnings		—	—		—
Changes in fiscal 2016 other than shareholders' equity					
Total	—	92	140,519	67	140,679
Balance at Mar. 31, 2017	489,320	66,726	788,674	-96,424	1,248,297

[Year ended March 31, 2017]

(million yen)

Account	Accumulated other comprehensive income					Minority interests	Total net assets
	Unrealized gain on available-for-sale securities	Deferred gain on derivatives Under hedge accounting	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulate other comprehensive income		
Balance at Mar.31, 2016	85,930	-8,244	17,726	-24,365	71,047	23,165	1,201,831
Change during the period							
Net Income attributable to owners of the parent							140,789
Change of scope of consolidation							-269
Changes in the parent's ownership interest due to transactions with non-controlling interests							92
Purchase of treasury stock							-41
Disposal of treasury stock							108
Transfer to capital surplus from retained earnings							—
Changes in fiscal 2016 other than shareholders' equity	-4,893	4,349	-4,292	8,155	3,319	-1,133	2,186
Total	-4,893	4,349	-4,292	8,155	3,319	-1,133	142,865
Balance at Mar. 31, 2017	81,037	-3,894	13,433	-16,209	74,366	22,032	1,344,696

Consolidated Statements of Cash Flows

(million yen)

Account	Year ended Mar. 31, 2016	Year ended Mar. 31, 2017
Operating Activities		
Income before income taxes and minority interests	221,855	197,160
Depreciation and amortization	370,421	368,768
Decommissioning cost of nuclear power units	10,287	10,120
Amortization of special account related to nuclear power decommissioning	748	748
Amortization of nuclear fuel	840	—
Loss on disposal of property, plant and equipment	9,905	10,719
Nuclear fuel transferred to reprocessing costs	18,388	6,781
Provision for reprocessing of irradiated nuclear fuel	-34,752	-17,446
Provision for reprocessing of irradiated nuclear fuel without definite plans	2,207	1,063
Increase (decrease) net defined benefit liability	-54,636	13,405
Increase (decrease) in reserve for fluctuation in water levels	19,796	-1,034
Interest revenue and dividends received	-17,490	-14,255
Interest expense	51,322	48,391
Reserve fund for reprocessing of irradiated nuclear fuel	25,314	29,009
Increase (decrease) in notes and accounts receivable-trade	7,525	-10,691
Increase (decrease) in notes and accounts payable-trade	-55,146	2,293
Increase(decrease) in consumption taxes receivable/ payable	10,730	-56,151
Other	42,201	-43,755
Sub total	629,521	545,125
Receipt of interest and cash dividends	23,984	21,257
Interest paid	-53,220	-49,534
Income tax paid (returned)	-5,130	-31,179
Net cash provided by operating activities	595,154	485,669
Investing Activities		
Purchases of property, plant and equipment	-393,398	-338,126
Payment for investments and advances	-17,934	-37,630
Proceeds from sales or collections of investments and advances	2,135	8,437
Other	18,298	21,569
Net cash used in investing activities	-390,899	-345,749
Financing Activities		
Proceeds from issuance of bonds	99,695	179,436
Redemption of bonds	-230,009	-259,700
Proceeds from long-term debt	163,431	237,010
Repayments of long-term debt	-348,346	-401,861
Proceeds from short-term borrowings	313,962	303,512
Repayments of short-term borrowings	-375,886	-297,435
Proceeds from issuance of commercial papers	269,000	380,000
Redemption of commercial papers	-269,000	-266,000
Other	-5,249	-5,322
Net cash provided by financing activities	-382,402	-130,359
Foreign currency translation adjustments on cash and cash equivalents	-2,225	-1,765
Net increase (decrease) in cash and cash equivalents	-180,373	7,795
Cash and cash equivalents, beginning of year	303,399	123,025
Cash and cash equivalents	123,025	130,820

(Segment information)

[Year ended March 31, 2016]

(million yen)

	Reportable segments					Other	Total	Eliminat ions/ Corporat e	Consolidat ed
	Comprehensive Energy/Power transmission and distribution business			IT/ Commu nications	Subtotal				
	Electric Power	Gas/ Other energies	Subtotal						
Sales and operating Income									
Sales									
(1) Sales to external customers	2,795,781	104,245	2,900,026	174,842	3,074,869	171,037	3,245,906	—	3,245,906
(2) Intersegment sales or transfers	10,673	19,482	30,155	43,452	73,607	242,164	315,772	-315,772	—
Total	2,806,454	123,727	2,930,182	218,294	3,148,477	413,201	3,561,678	-315,772	3,245,906
Income by business segment	198,660	15,312	213,972	17,352	231,325	23,824	255,149	1,552	256,702
Identifiable assets by business segment	6,096,697	491,368	6,588,066	377,412	6,965,479	983,702	7,949,181	-536,708	7,412,472
Other items									
Depreciation	281,846	17,974	299,821	62,598	362,419	14,191	376,611	-6,190	370,421
Increase of property, plant, equipment and intangible assets	253,416	61,411	314,828	45,175	360,004	15,173	375,177	-5,874	369,302

[Year ended March 31, 2017]

(million yen)

	Reportable segments					Other	Total	Eliminat ions/ Corporat e	Consolidat ed
	Comprehensive Energy/Power transmission and distribution business			IT/ Commu nications	Subtotal				
	Electric Power	Gas/ Other energies	Subtotal						
Sales and operating Income									
Sales									
(1) Sales to external customers	2,556,591	93,220	2,649,811	185,660	2,835,472	175,864	3,011,337	—	3,011,337
(2) Intersegment sales or transfers	12,895	24,218	37,114	41,196	78,310	230,046	308,357	-308,357	—
Total	2,569,487	117,438	2,686,925	226,857	2,913,783	405,910	3,319,694	-308,357	3,011,337
Income by business segment	165,279	6,014	171,293	19,484	190,778	25,395	216,173	1,573	217,747
Identifiable assets by business segment	5,441,042	496,295	5,937,337	357,621	6,294,959	1,068,598	7,363,557	-510,375	6,853,182
Other items									
Depreciation	277,553	21,565	299,119	63,856	362,975	11,863	374,839	-6,071	368,768
Increase of property, plant, equipment and intangible assets	227,956	28,417	256,373	43,535	299,908	48,981	348,890	-4,791	344,098

Revenues and Expenses (Non-Consolidated)

	Year ended March 31		(B) - (A)	(B)/(A)	Percentage of total	
	2016 (A)	2017 (B)			(A)	(B)
	¥ million	¥ million	¥ million	%	%	%
Ordinary revenues (Operating revenues)	2,913,347 (2,868,293)	2,653,410 (2,614,440)	-259,937 (-253,852)	91.1 (91.1)	100.0 (98.5)	100.0 (98.5)
Residential	1,063,806	999,811	-63,995	94.0	36.5	37.7
Commercial and industrial	1,530,231	1,296,832	-233,399	84.7	52.5	48.9
Sub total	2,594,038	2,296,643	-297,394	88.5	89.0	86.6
Other	319,309	356,766	37,457	111.7	11.0	13.4
Ordinary expenses	2,713,205	2,509,690	-203,515	92.5	100.0	100.0
Personnel expenses	196,724	204,685	7,960	104.0	7.3	8.2
Fuel	710,326	523,544	-186,781	73.7	26.2	20.9
Backend expenses of nuclear power	37,669	32,203	-5,466	85.5	1.4	1.3
Maintenance	185,351	189,583	4,232	102.3	6.8	7.6
Taxes other than income Taxes	148,032	148,428	395	100.3	5.5	5.9
Depreciation	281,790	277,485	-4,305	98.5	10.4	11.1
Purchased power	493,577	461,657	-31,919	93.5	18.2	18.4
Interest expenses	46,790	42,956	-3,834	91.8	1.7	1.7
Other	612,940	629,144	16,204	102.6	22.5	24.9
Ordinary Income (Operating Income)	200,142 (208,566)	143,720 (164,524)	-56,421 (-44,041)	71.8 (78.9)	/	
Provision for or reversal of reserve for fluctuation in water levels	19,796	-1,034	-20,831	-		
Income before income taxes	180,345	144,755	-35,590	80.3		
Income taxes	61,805	41,690	-20,115	67.5		
Net Income	118,540	103,064	-15,475	86.9		

Net Income per share	132.63yen	115.32yen
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