

July 27, 2018

The Kansai Electric Power Co., Inc.

Notice Regarding Absorption-Type Merger
(Simplified Merger and Short Form Merger) with Consolidated Subsidiary
(Kanden Business Support Corp.)

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

6-16 Nakanoshima 3-chome, Kita-ku, Osaka

(URL <http://www.kepco.co.jp>)

Company Representative: Shigeki Iwane, President and Director

Contact: Michiya Sakata, General Manager, Office of Accounting and Finance

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We hereby announce that a meeting of the board of directors held on July 27, 2018 resolved to absorb and merge Kanden Business Support Corp. (hereinafter, KBS), a wholly-owned subsidiary of us.

As this is an absorption-type merger of a wholly-owned subsidiary, some of the matters and information are omitted from the disclosure.

1. Purpose and details of the Merger

KBS has effectively utilized management resources through the intergroup financial accommodation services provided by the Kansai Electric Power Group. With the aim to further concentrate management resources and raise efficiency in business operations, we have decided to absorb and merge KBS.

2. Summary of the Merger

(1) Schedule

Date of resolution by the board of directors	July 27, 2018
Date of execution of the merger agreement	July 27, 2018
Date of the merger (scheduled effective date)	October 1, 2018

Notes : This merger is a simplified merger pursuant to Paragraph 2, Article 796 of the Companies Act from the perspective of us and a short form merger pursuant to Paragraph 1, Article 784 of the Companies Act from the perspective of KBS.

Accordingly, neither we nor KBS will hold a general meeting of shareholders for the approval of the merger agreement.

(2) Merger method

The method of the merger is absorption-type merger with us as the surviving company. KBS will be dissolved.

(3) Allocations for the Merger

No stock will be issued or money delivered upon merger because KBS is a wholly owned subsidiary of us.

(4) Treatment of stock warrants and convertible bonds

KBS has not issued any stock warrants or convertible bonds.

3. Outline of the companies involved in the merger (As of March 31, 2018)

	Surviving Company	Company to be Dissolved
(1) Company name	Kansai Electric Power Co., Inc.	Kanden Business Support Corp.
(2) Location	3-6-16 Nakanoshima, Kita-Ku, Osaka City	3-6-16 Nakanoshima, Kita-Ku, Osaka City
(3) Title and name of authorized representative	Shigeki Iwane, President and Director	Nobuhiro Nishizawa, President and Director
(4) Description of business	Electricity business, heat supply business, telecommunication business, gas supply business, etc.	Loan of money, payment procedure agency service
(5) Capital	489,320 million yen	10 million yen
(6) Date of establishment	May 1, 1951	February 22, 1995
(7) Total number of issued shares	938,733,028 shares	200 shares
(8) End of accounting period	March 31	March 31
(9) Major shareholders and ratio of shareholding	Osaka City 9.37% Japan Trustee Services Bank, Ltd. (Trust Account) 3.72% The Master Trust Bank of Japan, Ltd. (Trust Account) 3.71% Nippon Life Insurance Company 3.65% Kobe City 3.06%	Kansai Electric Power Co., Inc. 100%
(10) Financial condition and operating results of last fiscal period		
End of accounting period	Kansai Electric Power Co., Inc. (consolidated)	Kanden Business Support Corp. (non-consolidated)
	Fiscal year ended March 2018	Fiscal year ended March 2018
Net assets	1,472,797 million yen	299 million yen
Total assets	6,985,088 million yen	196,495 million yen
Net assets per share	1,627.66 yen	1,498,701.09 yen
Sales	3,133,632 million yen	268 million yen
Operating income	227,551 million yen	117 million yen
Ordinary income	217,104 million yen	117 million yen
Net income attributable to owners of the parent	151,880 million yen	76 million yen
Net income per share	170.01 yen	382,666.96 yen

4. State of affairs after the merger

The merger will not cause any change in company name, location, name or title of authorized representative, business description, capital or accounting period.

5. Future forecast

Influence of the merger on consolidated operating results will be negligible.