

Unaudited Financial Release (Consolidated) for the Third Quarter

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.

January 31, 2019

The Kansai Electric Power Co., Inc. (Code: 9503)
 6-16 Nakanoshima 3-chome, Kita-ku, Osaka
 (URL <https://www.kepco.co.jp>)
 Company Representative: Shigeki Iwane, President and Director
 Contact: Michiya Sakata, General Manager, Office of Accounting and Finance
 Tel: +81-6-6441-8821

I. Performance over the Nine-months Ended December 31, 2018 and 2017

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	(Million Yen)			
	<u>Nine-Months</u>		<u>Change</u>	
	<u>Ended December 31</u>			
	2017	2018	17/16	18/17
Operating Revenues	2,258,661	2,384,214	2.3%	5.6%
Operating Income	193,220	128,413	-7.6%	-33.5%
Ordinary Income *	190,049	135,642	-3.1%	-28.6%
Net Income attributable to owners of the parent	138,426	84,743	-3.7%	-38.8%
Net Income per Share	154.94yen	94.87yen	—	—
Fully Diluted Net Income per Share	—	—	—	—

Comprehensive income

Nine-months ended December 31, 2018: 61,811 million yen
 Nine-months ended December 31, 2017: 166,936 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)	
	As of March 31, 2018	As of December 31, 2018
Total Assets	6,985,088	7,138,273
Net Assets	1,472,797	1,493,805
Equity Ratio	20.8%	20.7%

Notes: Equity capital

As of December 31, 2018: 1,475,514 million yen
 As of March 31, 2018: 1,454,087 million yen

II. Dividends

	Interim dividend per share	Year-end dividend per share	Annual dividend per share
FY 2017	15.00 yen	20.00yen	35.00 yen
FY 2018	25.00 yen	25.00 yen (Forecast)	50.00 yen (Forecast)

III. Financial Forecasts

	(Billion Yen) 4/18-3/19 (Forecasts)
Operating Revenues	3,330
Operating Income	200
Ordinary Income*	200
Net Income attributable to owners of the parent	140
Net Income per Share	156.73yen

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 December 31, 2018: 938,733,028 shares
 - As of March 31, 2018: 938,733,028 shares
4. Number of Treasury stock
 - As of December 31, 2018: 45,551,954 shares
 - As of March 31, 2018: 45,372,355 shares
5. Number of Average stock
 - Nine-months ended December 31, 2018: 893,262,630 shares
 - Nine-months ended December 31, 2017: 893,392,972 shares

Notes: We have adopted BIP (Board Incentive Plan) Trust mechanism, and the number of treasury stock at year end includes our shares held by said trust account (147,800 shares as of December 31, 2018). Additionally, our shares held by said trust account are included in treasury stock that is deducted in the calculation of the number of average stock.

< **Reference : Non-consolidated** >

Financial Forecasts (Non-consolidated)

	(Billion Yen)
	4/18-3/19 (Forecasts)
Operating Revenues	2,820
Operating Income	140
Ordinary Income *	130
Net Income	90
Net Income per Share	100.71yen

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

Electricity sales

	(GWh)		
	Nine-months ended December 31, 2017	Nine-months ended December 31, 2018	Change (%)
Residential	28,597	26,037	91.0
Commercial and Industrial	55,159	60,168	109.1
Total	83,756	86,204	102.9

Notes: Some rounding errors may be observed.

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2018	As of Dec. 31, 2018
(Assets)		
Property	6,252,072	6,332,169
Utility facilities	3,222,279	3,174,953
Hydroelectric power production facilities	294,175	287,824
Thermal power production facilities	414,312	384,009
Nuclear power production facilities	344,032	373,756
Transmission facilities	819,294	797,229
Transformation facilities	416,948	408,922
Distribution facilities	811,479	805,132
General facilities	100,412	97,250
Other utility facilities	21,624	20,829
Other plant and equipment	753,323	779,170
Construction in progress	560,944	641,224
Construction and retirement in progress	457,442	535,236
Special account related to nuclear power decommissioning	78,332	75,021
Special account related to reprocessing of spent nuclear fuel	25,168	30,966
Nuclear fuel	494,124	507,840
Loaded nuclear fuel	64,688	76,663
Nuclear fuel in processing	429,435	431,177
Investments and other assets	1,221,401	1,228,979
Long-term investments	345,422	334,406
Investments in and advances to subsidiaries and associated companies	431,764	464,526
Deferred tax assets	402,874	385,790
Other	44,394	46,722
Allowance for doubtful accounts	-3,054	-2,465
Current assets	733,015	806,104
Cash and time deposits	159,685	141,909
Accounts receivable	270,648	294,957
Inventory assets	129,127	152,524
Other	176,413	219,174
Allowance for doubtful accounts	-2,859	-2,462
Total assets	6,985,088	7,138,273

Consolidated Balance Sheets

(million yen)

Account	As of Mar. 31, 2018	As of Dec. 31, 2018
(Liabilities)		
Long-term liabilities and reserves	3,852,076	4,135,621
Bonds	949,500	1,070,282
Long-term loans	1,825,525	1,926,871
Liability for retirement benefits	367,875	366,629
Asset retirement obligations	444,302	495,967
Deferred tax liabilities	1,346	1,462
Other	263,526	274,407
Current liabilities	1,631,266	1,479,626
Current maturities of long-term debt and other	664,395	504,065
Short-term borrowings	143,208	147,185
Commercial paper	154,000	255,000
Accounts payable	126,414	109,080
Accrued income taxes	92,214	50,186
Reserve for restoration costs of natural disaster	-	6,485
Other current liabilities	451,034	407,622
Reserves under the special laws	28,948	29,220
Reserve for fluctuation in water levels	28,948	29,220
Total liabilities	5,512,290	5,644,468
(Net Assets)		
Shareholders' Equity	1,364,347	1,408,521
Paid in capital	489,320	489,320
Capital surplus	66,725	66,656
Retained earnings	904,806	949,335
Treasury stock	-96,504	-96,791
Accumulated other comprehensive income	89,740	66,992
Unrealized gain on available-for-sale securities	91,135	77,175
Deferred gain on derivatives under hedge accounting	-3,369	-15,211
Foreign currency translation adjustments	11,016	11,286
Defined retirement benefit plans	-9,041	-6,257
Non-controlling interests	18,709	18,291
Total net assets	1,472,797	1,493,805
Total liabilities and net assets	6,985,088	7,138,273

Consolidated Statements of Operations

(million yen)

Account	Nine-months ended Dec.31, 2017	Nine-months ended Dec.31, 2018
Ordinary revenues and expenses		
Operating revenues and expenses		
Operating revenues	2,258,661	2,384,214
Electric	1,889,854	1,945,752
Other	368,807	438,462
Operating expenses	2,065,441	2,255,801
Electric	1,740,288	1,861,947
Other	325,153	393,853
Operating Income	193,220	128,413
Non-Operating revenues and expenses		
Non-operating revenues	28,544	43,030
Dividends received	6,477	8,375
Interest revenue	1,138	1,570
Gain on sales of property, plant, and equipment	1,094	17,437
Equity in earnings of associated companies	10,098	8,811
Other	9,736	6,834
Non-operating expenses	31,715	35,800
Interest expense	28,881	23,612
Other	2,834	12,188
Total ordinary revenues	2,287,206	2,427,244
Total ordinary expenses	2,097,157	2,291,602
Ordinary income	190,049	135,642
Provision for or reversal of reserve for fluctuation in water levels	819	271
Provision for reserve for fluctuation in water levels	819	271
Extraordinary loss	—	13,008
Loss on disaster	—	13,008
Income before income taxes and minority interests	189,230	122,362
Income taxes-current	25,709	15,962
Income taxes-deferred	24,144	21,608
Income taxes	49,853	37,570
Net Income	139,376	84,791
Net Income attributable to non-controlling interests	950	47
Net Income attributable to owners of the parent	138,426	84,743

Consolidated Statements of Comprehensive Income

(million yen)

Account	Nine-months ended Dec.31, 2017	Nine-months ended Dec.31, 2018
Income before minority interests	139,376	84,791
Other comprehensive income		
Unrealized gain on available-for-sale securities	15,585	-11,462
Deferred gain on derivatives under hedge accounting	2,062	-11,845
Foreign currency translation adjustments	-1,613	-322
Defined retirement benefit plans	7,525	2,625
Share of other comprehensive income of associates	3,999	-1,974
Total other comprehensive income	27,559	-22,979
Comprehensive income	166,936	61,811
(Breakdown)		
Attributable to owners of the parent	165,138	61,995
Attributable to non-controlling interests	1,797	-183