

POWER BOOK 2018

The Kansai Electric Power Co., Inc.
Company Profile

power with heart

We wish to be a source of power for our
customers and communities by serving
them with sincerity and passion.

Message from the President

Following the full liberalization of the retail market for electricity and gas, we have been faced with more intensifying competition in the energy business sector.

Even in this age of intensifying competition, we still firmly believe the foundation of our business is the trust we receive from all the people in our communities including our customers.

All of our group companies are fully committed to being the choice of our customers now and forever and to becoming what we aim to be in the future, “a leading company in the energy sector in Japan” while earning the trust mentioned above. In order to achieve this commitment, we will take on challenges to create new value through encouraging innovation and continue to supply electricity safely and stably.

We will continue to promote reform of working style and diversity in our workplaces. Each member of our group companies makes every effort to offer services with sincerity and passion, keeping our brand statement “power with heart” in mind by approaching the views and feedback of our customers.

We ask all of you to continue to provide your unchanging support and encouragement in the future.



Shigeki Iwane
Shigeki Iwane
President and Director

Brand Statement

The Kansai Electric Power Group’s promise to its customers and communities

power with heart

Meaning in the brand statement

The brand statement “power with heart” expresses our wish to be a source of power for our customers and communities by serving them with sincerity and passion.

The Kansai Electric Power Group Philosophy System



Management Philosophy

By giving top priority to safety and fulfilling social responsibilities as the axis of business management and upholding our mission of “continuing to serve our customers and communities,” we at the Kansai Electric Power Group will realize a bright, affluent future and keep close relationships with our customers and communities into the future.

Kansai Electric Power Group Vision

What we aim to be in the future
We will provide a wide range of safe, comfortable and convenient services from a viewpoint of our customers and business partners, and gain their trust to be selected as the best partner in everyday life and business so we keep growing at home and abroad while fulfilling our resolve to play expected role as Japan’s leading company in the energy sector.

- Our policies**
We will work to do the following based on our Guidelines for Action.
- Delivering services from the customer’s perspective
 - Being selected as the best partner and continuing to grow
 - Fulfilling expected role as Japan’s leading company

Guidelines for Action

Based on the concept of valuing people, the Kansai Electric Power Group will contribute to sustainable development of communities through fair business activities.
Each one of our directors and employees will demonstrate a “sense of mission” and “spirit of challenge” which have been cultivated so far and give our best in our duties as a good member of society and also fulfill the following fundamental responsibilities.

- Fundamental Responsibilities**
- Give top priority to ensuring safety.
 - Surely implement CSR.
 - Keep changing to accomplish our abiding mission.

Health Management Declaration

The Kansai Electric Power Company, in order to fulfill our mission, “continuing to serve our customers and communities,” will promote the maintenance and enhancement of our employees’ physical and mental health as well as the improvement of the quality of their lives by making employees’ health one of the pillars on our corporate management.

We will also implement working practices which place an emphasis more on value creation than the amount of work time, boost productivity, eliminate longer working hours, promote workplace diversity, and realize dynamic innovation through human-capacity reform to further improve effectiveness of our health management.

Based on our belief that we value people, we will continue to promote the advancement of employees’ health and contribute to “the realization of a bright and affluent future.”



We were given the highest level Eruboshi certification based on the Act on Promotion of Women’s Participation and Advancement in the Workplace.



Comprehensive energy / Power transmission and distribution business



Procurement

In order to procure fossil fuels stably, economically and flexibly, our company is involved in every stage of fuel procurement from production to receiving. We are also working to decentralize procurement sources and diversify price indices.



Power Generation

Using a well-balanced combination of energy sources, including power from nuclear, thermal and renewable energy sources, we seek to realize "S+3E" by making the assurance of safety (S) our top priority and simultaneously achieving energy security, economy and environmental conservation (3E).



Transmission and Distribution

We are endeavoring to power transmission, distribution facilities in provide the electricity to all our customers.



Retail

In addition to providing new electricity rate options, we are providing services that support daily life. We are conducting electric power sales not only in the Kansai region but also in the capital region. Moreover, since the full liberalization of the gas retail market in April 2017, we have offered gas to our customers in 6 prefectures in the Kansai region.



Security

In order to have households, small-scale factories, buildings and other sites use electricity safely, we regularly conduct interior safety checks of electrical wiring and equipment once every four years as a rule. Moreover, to promote the safe use of gas, we conduct periodic inspections of gas equipment once every four years as a rule and educate users about precautions related to gas use once every two years.



Overseas power business

Overseas power business

Twenty years ago, Kansai Electric Power took part in the San Roque Hydropower Project in the Philippines. With this participation, Kansai Electric became the first power utility in Japan to join an overseas IPP project. Since then, our overseas power business has expanded to 14 projects across 11 countries including thermal power, wind power and an interconnector.

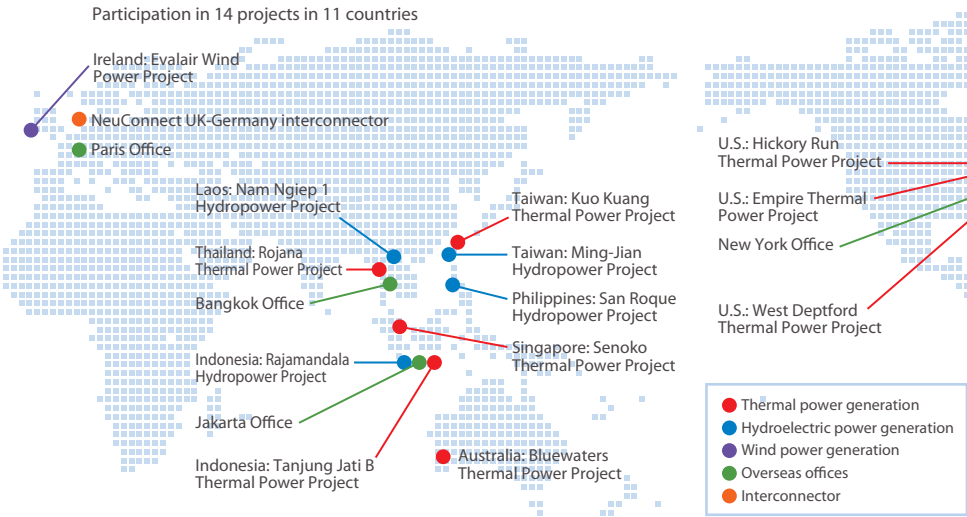
Utilizing the technical expertise and know-how cultivated in our domestic electric power business, we have been committed to overseas power generation and transmission projects, power consulting, and international cooperation and contribution activities.

Overseas consulting

With the intention of participating in future power projects overseas, we have been undertaking consulting activities, such as energy master plan development and power infrastructure advisory by utilizing our technical expertise and advantages. Our consulting has expanded to almost 30 countries in Asia, Africa, South America, and elsewhere.

International cooperation and contribution activities

Inside and outside of Japan, we are conducting a wide range of international cooperation and contribution activities to support sustainable development, mostly in developing nations. They cover programs such as capacity-building for power engineers, information exchange with overseas electric utilities, personnel dispatching, and training courses for foreign power engineers.



Group business

Information and telecommunications (IT)

We offer a range of attractive services such as the “eo Hikari” FTTH service and the “mineo” mobile phone service.



We seek to be “the best partner in daily life and in business” by offering a wide range of services that provide security, comfort and convenience from the customer perspective.

Real estate / Lifestyle-related business

Our services related to real estate include the development of buildings that consider energy conservation and CO₂ reduction, as well as the operation and management of buildings and hotels. We also offer home security, health care, caregiving and other lifestyle-related services.



Group support business

We are supporting the foundations of safe and stable electricity supplies. In addition, in a variety of situations in Japan and abroad, we are providing services that utilize the quality and expertise cultivated in the electric power business, along with our group management resources and knowledge.

New business

We are striving to boldly expand our business fields in search of new growth potential rather than being limited by our traditional businesses.

Drone business advancement

We established a business partnership with the Drone Pictures and Creators Association in November 2017 for the promotion of drone utilization. Drones are expected to be given a role in important social infrastructure in the future. We at the Kansai Electric are advancing the trial utilization of drones for the inspection of transmission towers and other facilities.

Monitoring services that utilize IoT technologies

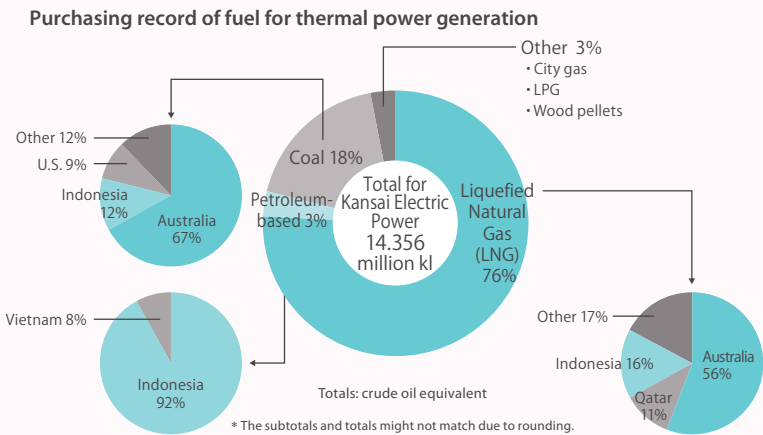
As a public test, we started the Kanden Monitoring Team OTTADe! school commute monitoring service in May 2018. This service enables guardians to use smart phones and other devices to check location information for monitoring terminals carried by children. The public testing is advancing smoothly, and we are seeking to develop a real business with it.



The Business of Kansai Electric Power (KEPCO) in Figures

Comprehensive energy / Power transmission and distribution business

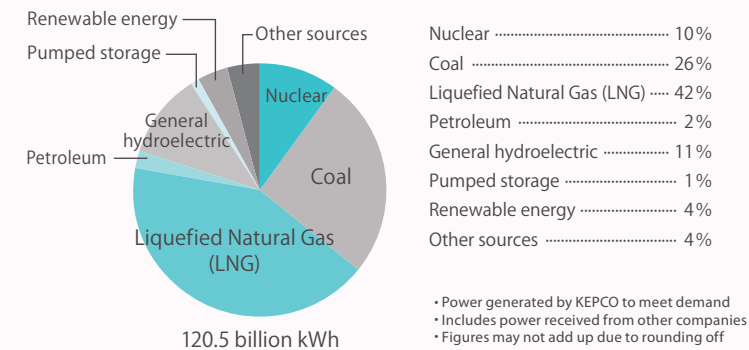
Fuel procurement



Power generation



Composition of power sources (supply and demand record by source)

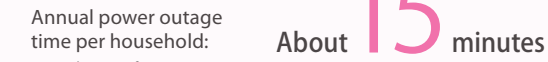


Capacity of power-generating facilities (breakdown by power source)

Thermal power	19.430 GW	(12 facilities)
Hydroelectric power	8.226 GW	(152 facilities)
Nuclear power	6.578 GW	(3 facilities)
Renewable energy	0.011 GW	(3 facilities)

• KEPCO power-generating facilities only
• Figures may not add up due to rounding off

Transmission and distribution



Sales



International business



Capacity of overseas power-generating facilities (KEPCO investment ratio):
• As of June 30, 2018



Group businesses



Corporate Information

Outline

(As of March 31, 2018)

Company name:	The Kansai Electric Power Company, Incorporated
Head office:	3-6-16 Nakanoshima, Kita-ku, Osaka 530-8270, Japan
Date of establishment:	May 1, 1951
Paid-in capital:	¥489.3 billion
Total assets:	¥5,946.1 billion (non-consolidated), ¥6,985.0 billion (consolidated)
Number of common shares issued:	938,730 thousand
Number of shareholders:	293,635
Operating revenues:	¥2,683.9 billion (non-consolidated), ¥3,133.6 billion (consolidated)
Electricity sales:	115.2 billion kWh
Number of employees:	19,243 (working employees, excluding employees on temporary transfers and leaves)

Directors and Auditors

(As of June 27, 2018)

Chairman and Director	Makoto Yagi*
President and Director	Shigeki Iwane*
Directors, Executive Vice Presidents	Hideki Toyomatsu* Yoshihiro Doi* Takashi Morimoto* Tomio Inoue* Toyokazu Misono*
Directors, Managing Executive Officers	Yasushi Sugimoto Tomihiko Oishi Yasuji Shimamoto Koji Inada
Directors	Noriyuki Inoue** Takamune Okihara** Tetsuya Kobayashi**
Audit & Supervisory Board Members	Yasuhiro Yashima Yasunari Tamura Yukishige Higuchi
Outside Audit & Supervisory Board Members	Takaharu Dohj*** Hisako Makimura*** Tsutomu Toichi*** Fumio Otsubo***

* Indicates status as representative director

** Outside director

***Outside auditor

Executive Officers

(As of June 27, 2018)

Managing Executive Officers	Ikuo Morinaka Takao Matsumura Masanori Kataoka Susumu Yamaji Nozomu Ushiro Yukio Tokimasa Takashi Fukuda Susumu Tsukiyama Yoshihide Hirota Hiroshi Nakajima Yukio Kawasaki
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Note: Excludes those serving concurrently as directors and executive officers

Capacity of power-generating facilities

(As of March 31, 2018)

Thermal power	12 facilities	19,430 GW
Hydropower	152 facilities	8,226 GW
Nuclear power	3 facilities	6,578 GW
Renewable energy	3 facilities	0.011 GW
Total	170 facilities	34.245 GW

* KEPCO power-generating facilities only

* Figures may not add up due to rounding off

Group companies

(Consolidated subsidiaries and affiliates accounted for by the equity method)

(As of May 31, 2018)

Consolidated subsidiaries 72 companies	
Comprehensive energy business (Gas and other energy)	International business
Kanden Energy Solution Co., Inc.	KPIC Netherlands, B.V.
SAKAI LNG Corp.	KPIC USA, LLC
ECHIZEN ENELINE CO., INC.	One other company
Aioi Bioenergy Corporation	Group support business, etc.
Next Power Company	Kanden Engineering Corp.
Osaka Bioenergy Co., Ltd.	NIHON NETWORK SUPPORT CO., LTD.
KANDEN GAS SUPPORT CO., INC.	Kanden Plant Corp.
KE Fuel International Co., Ltd.	The Kurobe Gorge Railway Co., Ltd.
LNG EBISU Shipping Corporation	Institute of Nuclear Safety System, Inc.
LNG FUKUROKUJU Shipping Corporation	NEWJEC INC.
LNG JUROJIN Shipping Corporation	Kanden L-Heart Co., Inc.
LNG SAKURA Shipping Corporation	Kanden Power-Tech Corp.
Kansai Electric Power Holdings Australia Pty. Ltd.	Kansai Electron Beam Co., Ltd.
Kansai Electric Power Australia Pty. Ltd.	Kansai Power Venture Management Corporation
KE Fuel Trading Singapore Pte. Ltd.	Nuclear Engineering, Ltd.
Kansai Sojitz Enrichment Investing S.A.S.	THE GENERAL ENVIRONMENTAL TECHNOS CO., LTD.
Six other companies	The Kanden Services Co., Inc.
Information and telecommunications (IT)	Kanden CS Forum Inc.
K-Opticom Corp.	Kanden Office Work Co., Inc.
Kanden System Solutions Co., Inc.	The Kanden L & A Co., Ltd.
Six other companies	Kanden Business Support Corp.
Real estate / Lifestyle-related business	Six other companies
Kanden Realty & Development Co., Ltd.	Affiliates accounted for by the equity method Four companies
Kanden Joy Life Co., Ltd.	Comprehensive energy business (Gas and other energy)
Clearpass Co., Ltd.	JAPAN NUCLEAR FUEL LIMITED
KANDEN Security of Society, Inc.	International business
Kanden E House Co., Ltd.	San Roque Power Corporation
KANSAI Medical Net Co., Inc.	Kanden Life Support Co., Ltd.
Kanden Life Support Co., Ltd.	Kanden Facilities Co., Ltd.
Kanden Facilities Co., Ltd.	Group support business, etc.
KANDEN AMENIX Corp.	KINDEN CORPORATION
Seven other companies	ENEGATE Co., Ltd.

