

We will meet your expectations with sincerity and passion.

We wish to express our deep gratitude to all of you for the exceptional consideration.

In fiscal 2018, as the ferocity of competition increased in our primary business of comprehensive energy supply, our corporate group reduced the electricity rate for another year. As a result of this reduction and other factors, our electricity sales volume increased for the first time in eight years, and we also surpassed the major benchmark of 1 million "Kanden Gas" subscribers.

Moreover, we achieved most of the financial targets set in our Medium-term Management Plan (2016-2018) as a result of actively advancing efforts in international, information and telecommunications, and real estate business fields.

This is truly thanks to the support we have received from all of you, and we once again would like to express our gratitude.

We recently formulated a new Medium-term Management Plan (2019-2021) for our corporate group. In the execution of this plan, we will continue to focus on our key guidelines of "safety as our top priority" and "fulfilling corporate social responsibilities" as we continue to steadily fulfill our duty to provide a safe and stable power supply. In particular, serious natural disasters occurred one after another in fiscal 2018, and we caused inconvenience and trouble to numerous stakeholders. Taking this responsibility sincerely, we will strive to establish the foundations for a rock-solid safe and stable power supply by putting into practice various measures that we have investigated extensively.

In addition to providing electricity and gas, by expanding our group products and services and delivering a wide range of "safe, comfortable and convenient" energy services, we want to be trusted and chosen by customers so that we can come out on top of fierce competition.

Furthermore, peering into the future, we predict that the global energy market will face a new "3D+D" trend of "Decarbonization," "Decentralization" and "Digitalization" as well as "*Denka* (electrification)." By responding to these changes and maximizing the comprehensive strengths of our group to create new value, we aim to maintain our position solid as a Japan's leading company in the energy sector.

Specifically, we will continue to respond to the issue of climate change and otherwise lead in the reduction of environmental impacts with nuclear power generation and renewable energy sources as our "two wheels." In addition, we will work to create new businesses and services in business fields outside the energy sector. As a driving force for such efforts, we will realize digital transformation, which transforms enterprise through the application of digital technologies, in the entire company. We will continue to fulfill roles in solving various problems of our customers and society as a major player of a "shared infrastructure supporting the realization of a sustainable society in the future."

We will keep advancing diligently as a corporate group that can provide new value to our customers and society, taking to heart the motto of this plan, "Going a step ahead, looking to the future. FORWARD!!!"

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



Makoto Yagi
Chairman and Director

Shigeki Iwane
President and Director

We seek to establish a solid position as a Japan's leading company in the energy sector.

By expanding our reach from existing electricity and gas businesses to encompass new energy businesses with utilizing the technological expertise and other assets we have cultivated, and by accelerating efforts toward overall optimization as a comprehensive energy business, we seek to establish a solid position as a leading company in the energy sector in Japan.

Comprehensive energy business



Electricity supply

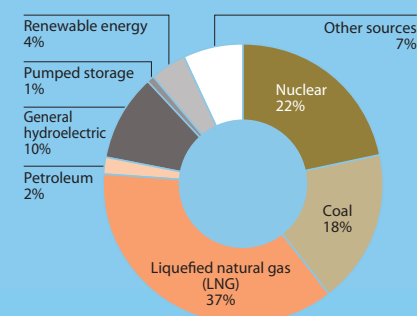
Through the flexible and steady procurement of fuel and power generation using a well-balanced combination of diverse power supplies, we are stably delivering electricity to customers and providing, for example, services that are helpful in their lives.



Gas supply

In addition to serving our factory and commercial facility customers, we have been selling city gas to households, shops and other customers since April 2017.

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



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

(as of the end of May 2019)

Thermal power	16,966 MW	(11 facilities)
Hydroelectric power	8,230 MW	(152 facilities)
Nuclear power	6,578 MW	(3 facilities)
Renewable energy	11 MW	(3 facilities)

While assuring stable power supply, we will keep creating new services and advancing together with local communities.

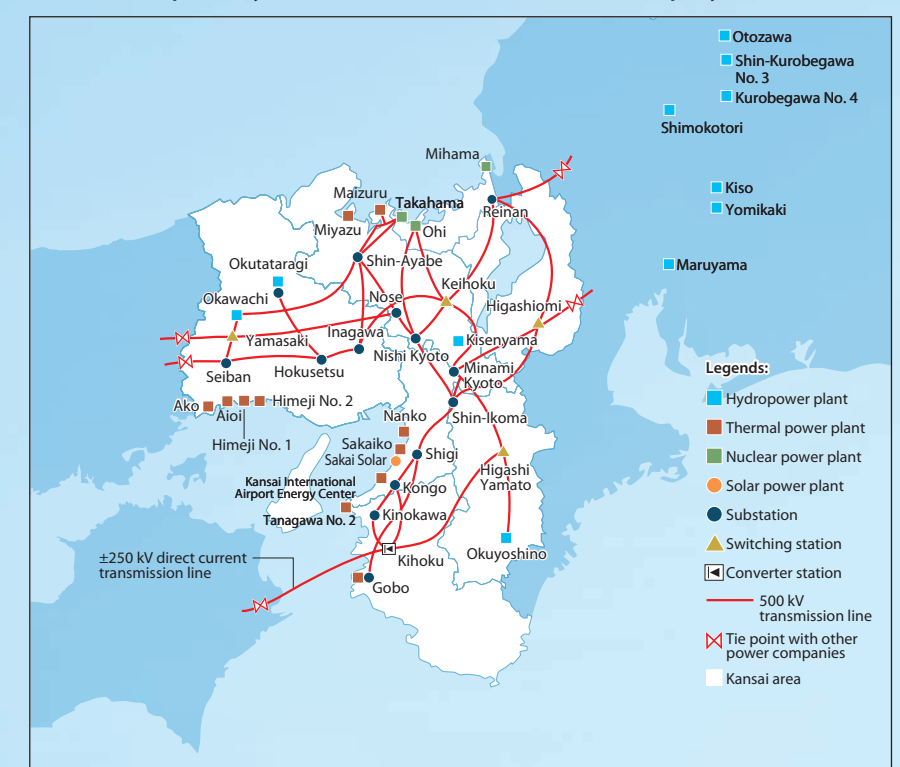
In addition to continuing to guarantee neutral and fair transmission and distribution businesses and provide customers with safe and stable power at low cost, offering appealing power system utilization services that can be used securely as the foundation, we will create new services for a future in order to pursue the growth, and advance together with local communities.

Transmission & Distribution business



In order to assure stable supply from a neutral and fair stance, we are maintaining the balance of supply and demand in the Kansai area, constructing and maintaining transmission and distribution facilities.

Main electric power systems of the Kansai Electric Power Company

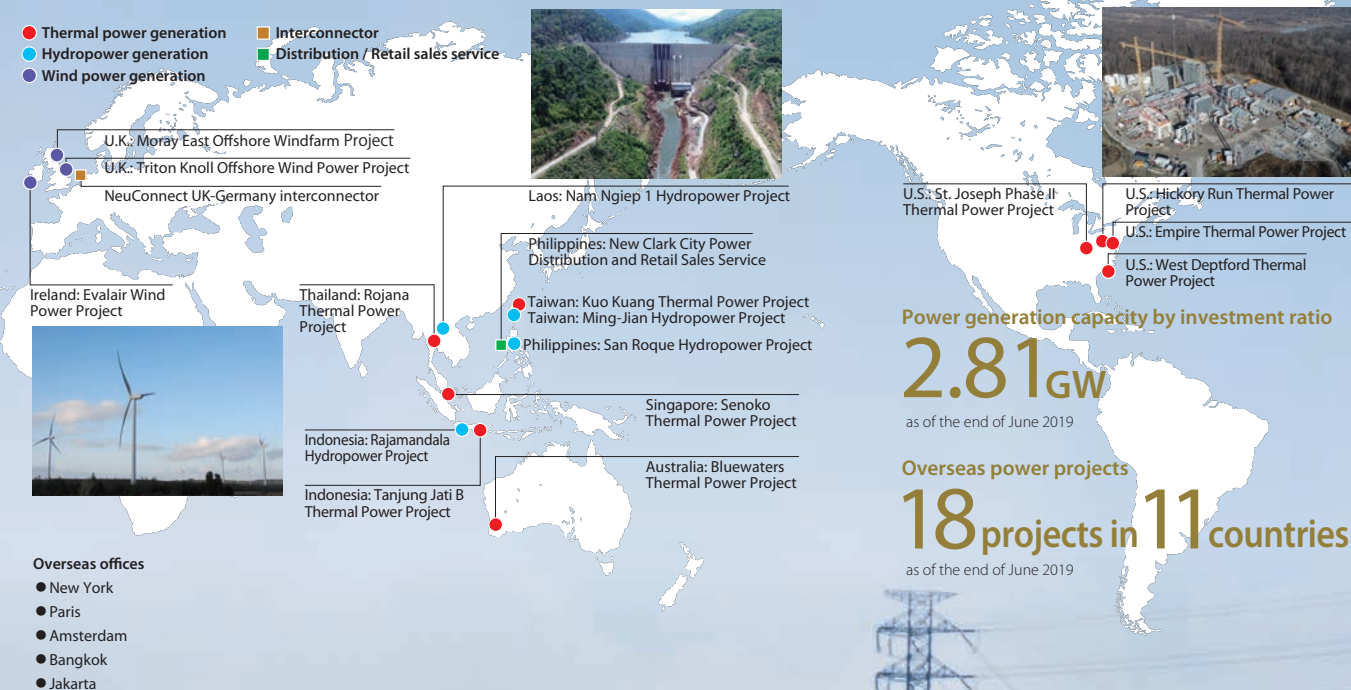


We will create highly-added value globally in developing and operating power business in the regions where our projects are implemented and firmly rooted like trees.

Utility business models are now in a perpetual transformation due to global megatrends such as SDGs, ESG and decarbonization. By getting a quick and accurate grasp of such changes in the energy business, we are committed to expanding into new fields of business and exploring new business opportunities.

Overseas power business and international contribution

We have participated in power generation and transmission projects across 11 countries worldwide including Asia, Europe and the U.S. by utilizing the experience and expertise cultivated in our international business for more than 20 years. In developing countries, we have been undertaking international cooperation and contribution activities through consulting and workshops with regard to their power infrastructure improvement and development. Utilizing our overseas bases established in Europe, the U.S. and Asia, we are also exploring to create new business opportunities.



Indonesia: Rajamandala Hydropower Project

We will pursue further growth through businesses in information and telecommunications (IT) and life/business solution fields.

We will seek to become an IT business that is chosen by customers throughout the country by strengthening our customer base and creating added-value services.

With our life/business solutions business, we will contribute to reinforcing trust in our Group and increasing group earnings by providing a variety of services that are useful in life and business. In the real estate business, we aim to become a comprehensive real estate business group that can respond to every kind of real estate need, using a well-balanced combination of rental, condominium and fee businesses.

Information & Telecommunications business



Arranging an extensive menu of options properly that respond to customer needs, we are providing comprehensive IT services for households and business firms utilizing AI, IoT and other digital technologies.



Number of eo Optical Fiber FTTH contracts

About **1.64 million**

As of the end of March 2019

Number of mineo cell phone service contracts

About **1.1 million**

As of the end of March 2019

Life/Business solution business



We provide services related to real estate that is familiar to customers as residences, places of business and daily life, including the development of condominiums and other buildings that consider energy conservation.



Number of "Cielia" brand residences supplied

1,758 units

Total of condominium units and detached houses with residential land development completed since starting to supply Cielia brand residences (fiscal 2016) until fiscal 2018

Participation in overseas projects

7 projects

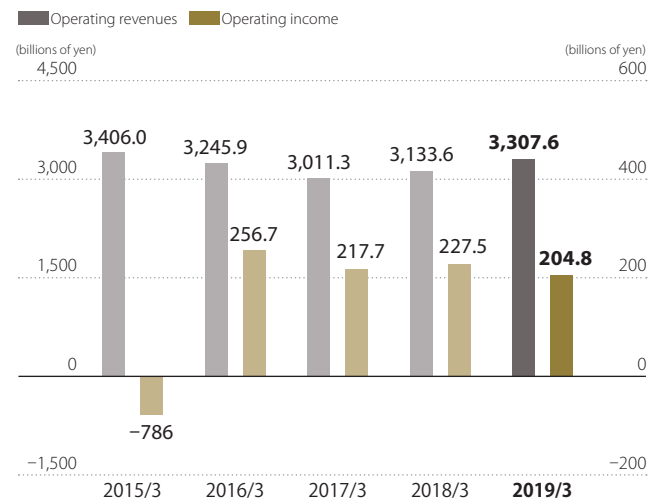
Number of projects invested in since the first overseas real estate business (fiscal 2017) until fiscal 2018



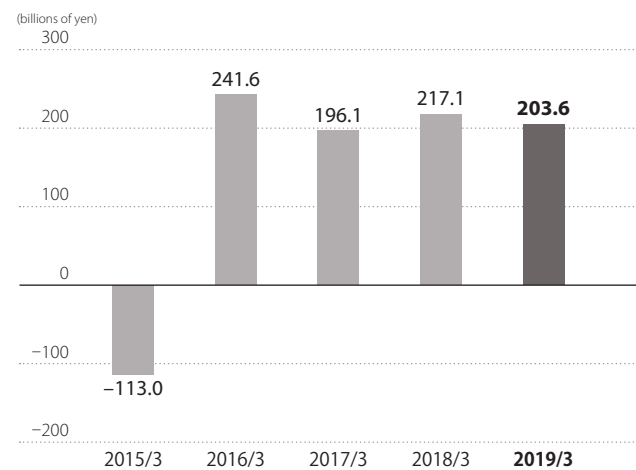
We provide services that support the security, comfort and convenience of our customers in a variety of situations in daily and business life, such as home security, health care and temporary employee placement.

Financial

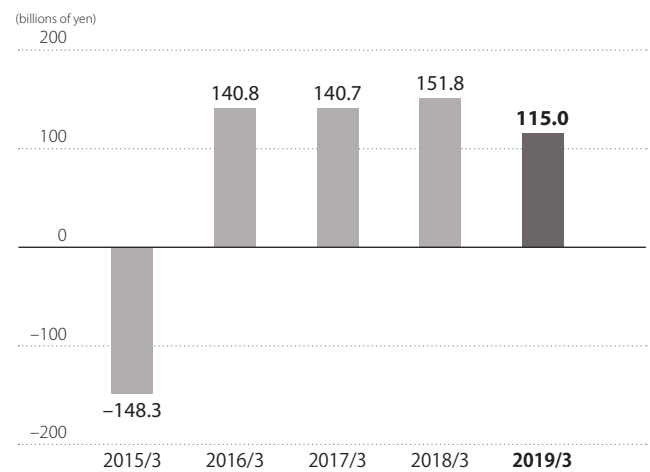
Operating revenues / Operating income



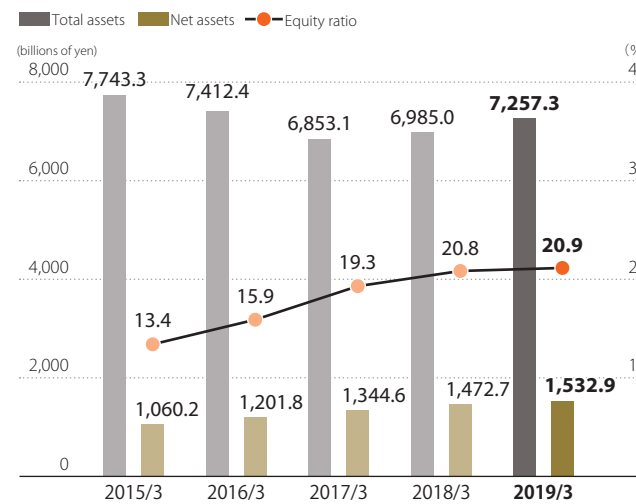
Ordinary income



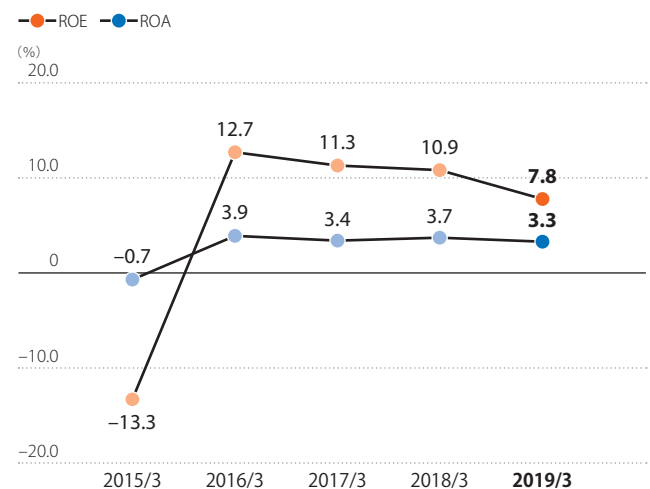
Net income attributable to shareholders of the parent for this fiscal year



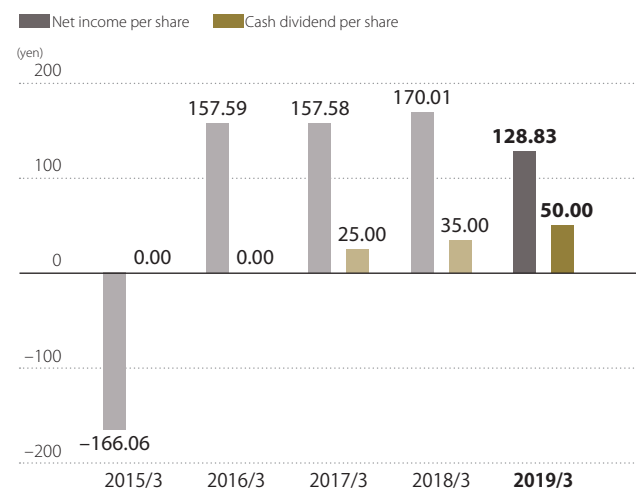
Total assets, Net assets, Equity ratio



ROE, ROA

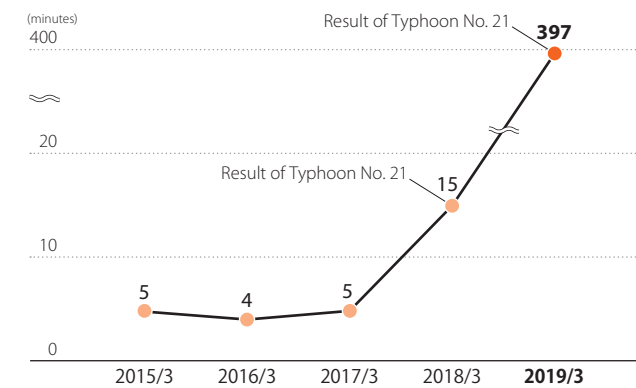


Net income per share / Cash dividend per share



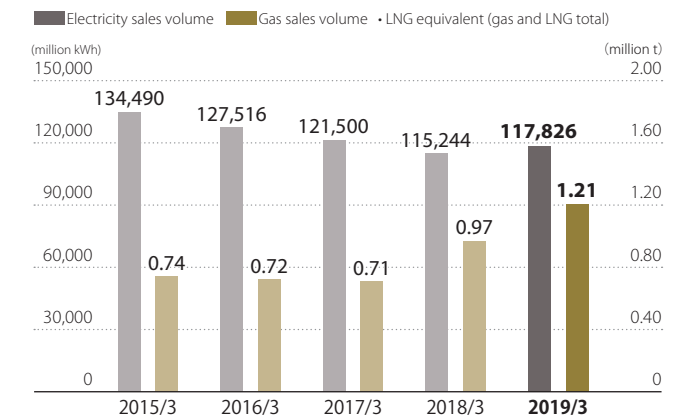
Nonfinancial

Annual duration of power outage per household



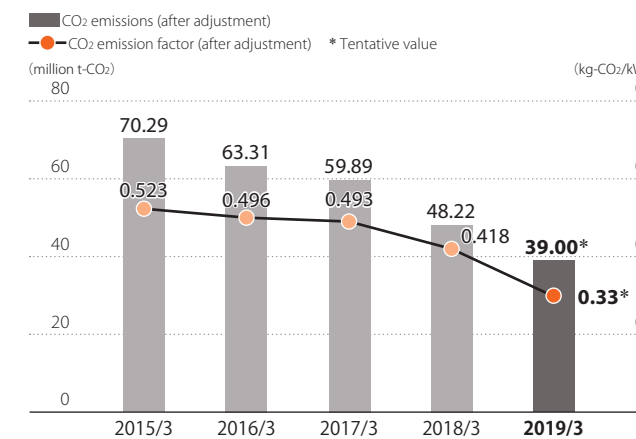
We are working diligently to run power grids reliably, arrange facilities optimally and prevent the recurrence of accidents. As a result of these efforts, with the exception of major natural disasters, we are maintaining one of the world's highest power quality levels in the transmission and distribution business.

Electricity sales volume / Gas sales volume



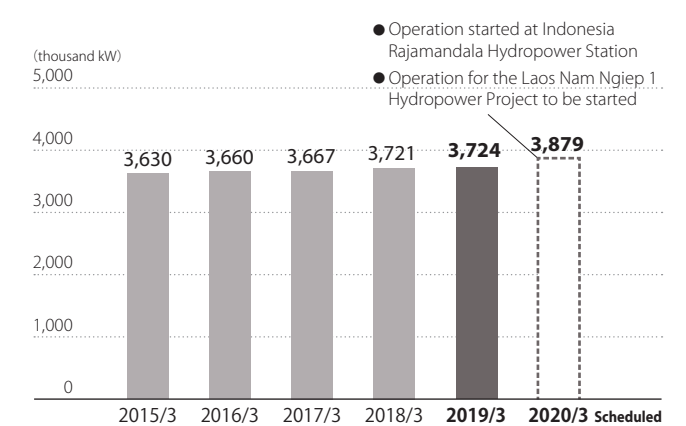
In order to have customers choose our company, we are providing products and services as a comprehensive energy business that supplies not only electricity but also gas.

CO₂ emissions / CO₂ emission factor



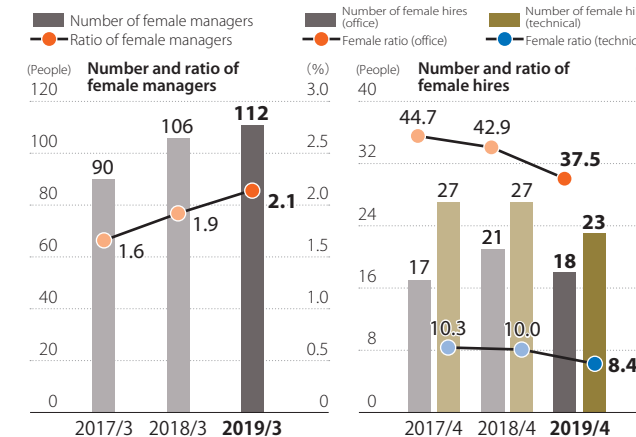
We are working to reduce the carbon impacts of electricity that we provide to customers, starting with efforts for the operation of nuclear power plants with safety as the first priority. Our efforts also include the development and popularization of renewable energies as well as the maintenance and improvement of the thermal efficiency of thermal power plants.

Accumulated capacity of renewable energy source facilities



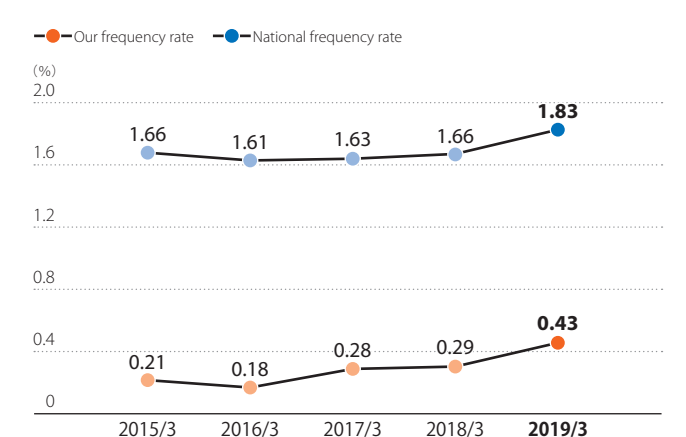
With the set target of 6 million kW capacity of renewable energy source facilities in Japan and overseas by the 2030s, we will work to newly develop more than 2 million kW as a leading "low carbon" company.

Number of female managers and Number of female hires



To further promote the active participation of female employees, we have set female employment target ratios for management staff as well as those for office and technical staff, and we are working to achieve them.

Accident frequency rate



When accidents occur, we formulate recurrence prevention measures based on the results of investigations and analyses. By rolling these out consistently throughout the company, we are striving to achieve "zero accidents."