

Generating the Future

with Customers and Society



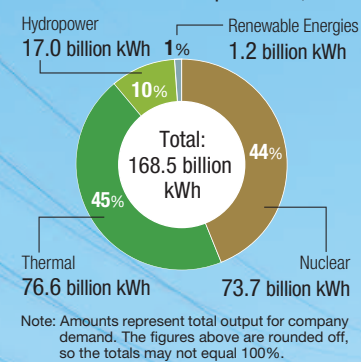
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Since Kansai Electric Power was established in 1951, for over half a century we have met electric power demand in the Kansai region. As the times have changed—from high economic growth following the war through two separate oil shocks to the start of electric deregulation—we have worked to develop, operate and maintain an optimal facility configuration in order to maintain safe and stable supplies of electric power.

Electric power sold by Kansai Electric Power in the fiscal year ended March 31, 2011 (fiscal 2011) totaled 151.1 billion kilowatt-hours, which is more power demand than the entire country of Sweden. Kansai Electric Power is the second largest power utility in Japan. We have promoted nuclear power since initiating operations at Japan's first pressurized water reactor in 1970. Nuclear power accounted for approximately 44% of power generated in fiscal 2010, so our CO₂ emissions per unit of electric power sold (consumed) is among the best of any of Japan's electric power utilities.

The Kansai Electric Power Group will continue to provide total solutions, which combine our safe, stable and environmentally friendly electric supplies with services offered by Group companies, primarily in the three areas of integrated energy supply, information and telecommunications and lifecycle-related business. By doing so, we will further improve customer satisfaction and achieve sustained growth for the Group as a whole.

Power Source Composition (Fiscal 2011)



Kurobe Dam



Ohi Nuclear Power Station



Maizuru Thermal Power Station

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31

	Billions of yen					US\$ Million ¹
	2007	2008	2009	2010	2011	2011
Operating Revenues	¥ 2,596.3	¥ 2,689.3	¥ 2,789.5	¥ 2,606.5	¥ 2,769.7	\$ 33,310
Operating Income	271.6	187.1	31.0	227.6	273.8	3,293
Net Income	147.9	85.2	-8.7	127.1	123.1	1,480
Total Assets	6,827.2	6,789.6	6,970.1	7,116.6	7,310.1	87,915
Net Assets	1,877.3	1,845.7	1,706.7	1,789.4	1,832.4	22,037
Operating Cash Flows	541.7	411.7	281.2	667.1	610.5	7,342
Operating Revenues from Group Businesses (external sales) ²	254.0	273.2	295.7	321.3	355.6	4,276
Ordinary Income from Group Businesses ²	45.0	42.0	52.5	62.4	54.8	659

	Yen					US Dollars
	2007	2008	2009	2010	2011	2011
Net Income	¥ 159.69	¥ 92.39	¥ -9.65	¥ 140.24	¥ 137.66	1.65
Cash Dividends	60.00	60.00	60.00	60.00	60.00	0.72
Net Assets	2,021.60	2,003.91	1,868.08	1,972.44	2,026.53	24.37

	%				
	2007	2008	2009	2010	2011
Equity Ratio	27.4	27.1	24.4	25.0	24.8
Return on Equity	8.1	4.6	-0.5	7.3	7.0
Return on Assets ³	4.3	3.1	0.6	3.5	4.0

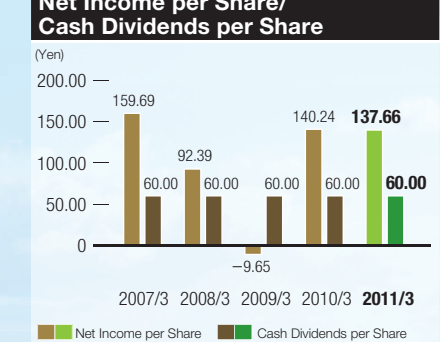
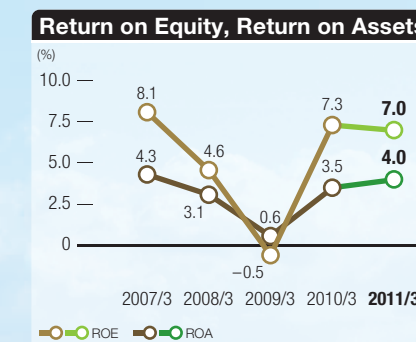
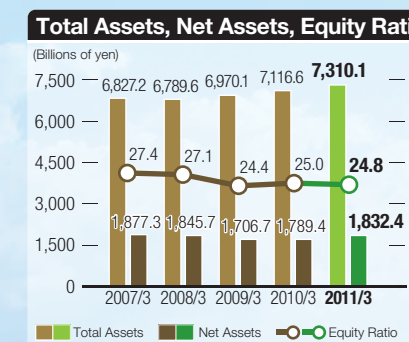
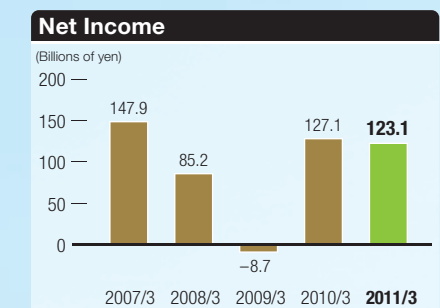
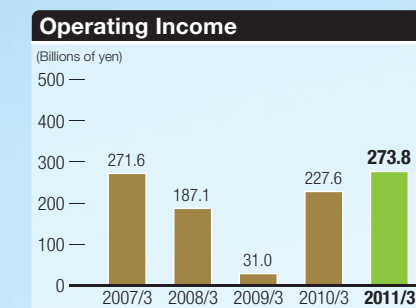
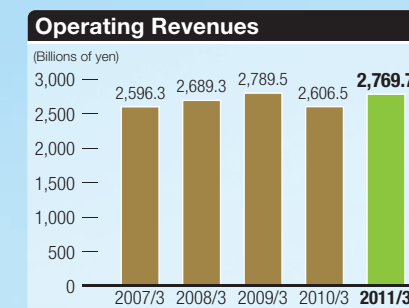
	Billion kWh				
	2007	2008	2009	2010	2011
Electricity Sales Volume	147.3	150.4	145.9	141.6	151.1

Note 1: The yen-dollar exchange rate of ¥83.15 = US\$1 as of March 31, 2011, is applied.

Note 2: Figures in this table are the simple sums of targets set by consolidated subsidiaries prior to consolidation eliminations.

Figures in this table include a portion of gas supply, fuel sales and steam supply businesses, which are part of incidental businesses included in the non-consolidated financial statements. Ordinary income includes the amounts from affiliated companies accounted for by the equity method.

Note 3: ROA = Business profit (ordinary income plus interest expense) divided by total assets (average of period-start and period-end totals)



Forward-Looking Statements: Plans, strategies, forecasts and other forward-looking statements regarding Kansai Electric Power and its subsidiaries and affiliates presented in this report are based on information available at the time and are subject to a variety of risks and uncertainties. It is therefore possible that results will differ from statements contained in this report, including actual financial performance and business conditions, due to a variety of factors that could include changes in economic conditions, market trends and revisions to relevant laws and regulations. Your understanding is appreciated.

Regarding fiscal year notation: If a fiscal year is not annotated, it refers to the accounting year beginning in April and ending in March of the following year, and is written in reference to the fiscal year that ends on March 31.

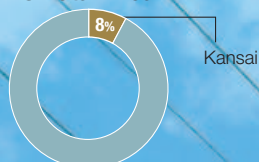
Characteristics of the Kansai Area

The Kansai area, where we supply electric power, is just about in the middle of the Japanese archipelago and features cities like Osaka, Nara and Kyoto, where politics, economics and culture have flourished for over 1,300 years.

Kansai constitutes just 8% of Japan's total land area, but it boasts a population of over 20 million people, 17% of Japan's total population. The region is home to a wide range of industries, including electrical equipment, machinery, steel, chemicals and textiles, and many of Japan's most well-known companies were established here. Kansai's steady growth is driven by innovative technologies. As a result, the region accounts for 16% of Japan's GDP, which makes it a major economic sphere with a GDP that rivals that of the Netherlands.

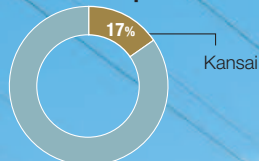
Despite the impact of the recent economic downturn, many large-scale factories have been established along the Osaka waterfront including flat panel production plants, as the area is being transformed into a hotbed of cutting-edge industry. As a locally rooted company, Kansai Electric Power intends to grow in lockstep with the region while contributing to its development and lending vitality to local industry.

Kansai Area Compared with Japan's Total Area



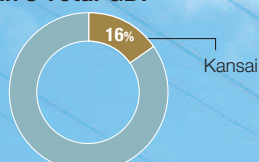
Source: "A Survey on Japan's Land Area by Municipality (as of October 1, 2010)" by the Geographical Survey Institute, Ministry of Land, Infrastructure and Transport.

Kansai's Population Compared with Japan's Total Population

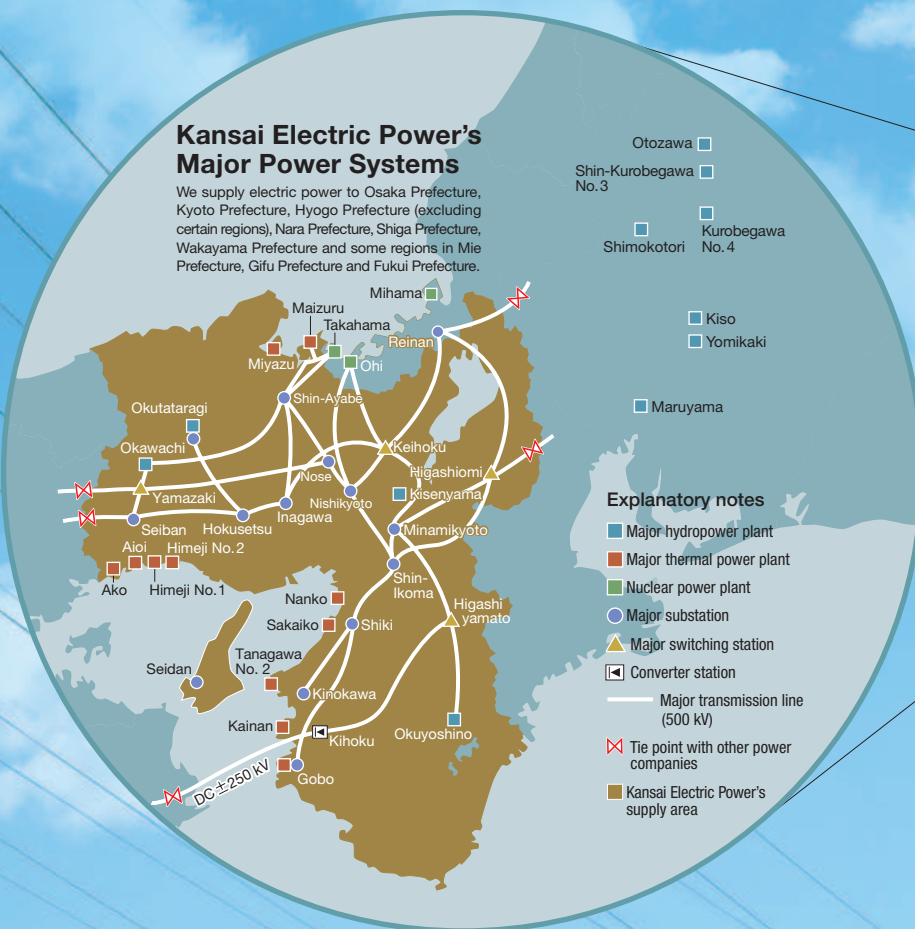


Source: "Japanese Population Estimates (as of October 1, 2009)" by the Statistics Bureau, Ministry of Internal Affairs and Communications.

Kansai's GDP Compared with Japan's Total GDP



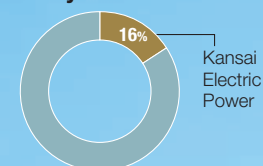
Source: "Annual Report 2008 on Prefectural Economy Calculations" by the Economic and Social Research Institute, Cabinet Office, Government of Japan.



Electric Power Business in Japan



Electricity Sales Volume



Japan's nine electric power companies (10 after Okinawa Electric Power was privatized in 1988) were established in 1951 to manage power generation and distribution in Japan in an integrated manner. They have developed as locally rooted companies while demonstrating distinct characteristics due to differences in regional climates, geography, population distribution, and industrial structure.

The retail power market in Japan was partially liberalized in March 2000, but an integrated power generation and distribution system was maintained. Customers receiving extra-high voltage power were subject to

deregulation, accounting for about 30% of all power sold. The scope of liberalization has been gradually expanded since. In April 2005 it was expanded to include all customers receiving high-voltage electricity, which accounts for around 60% of electric power sold. In addition, although deliberations on reforms to the power industry that began in April 2007 have resulted in full-scale deregulation of retail power being postponed, further steps will be taken to enhance the competitive nature of the industry on the precondition that both supply stability and environmental compatibility are simultaneously achieved.

I would first like to express our deepest sympathies to all those affected by the Great East Japan Earthquake of March 11 and our sincere hopes for the speediest possible recovery.

Confidence in electric power, and nuclear power in particular, has been greatly shaken by the accident at Tokyo Electric Power's Fukushima Daiichi Nuclear Power Station and other events following the earthquake. In addition, nuclear power plants around the country are unable to recommence operations as they undergo regular inspections.

For this reason we had no choice but to ask customers for their help in conserving electricity this past summer.

I would like to again apologize to our customers for the considerable inconvenience and trouble this caused. I would also like to express my sincere gratitude to them. Thanks to their understanding and cooperation, we were able to maintain a stable supply-and-demand balance.

The Kansai Electric Power Group intends to make maximum effort to maintain supply capacity for the stable supply of electric power this winter.

However, it is unknown when nuclear power plants that are currently offline will be put back into operation, so the power supply-and-demand situation is expected to be extremely challenging. We have therefore again asked customers for their help in conserving electricity this winter.

I sincerely apologize to customers for causing them inconvenience and trouble again after having done so this summer as well.

Though the situation surrounding the Group has become increasingly difficult, we will reaffirm the importance of our responsibilities as a provider of essential social infrastructure,

redouble efforts to ensure the safety of nuclear power and recommence operations at plants that are currently offline. Above all, we will strive to restore the trust and confidence of the general public by doing everything possible to ensure safe and stable supplies of electricity.

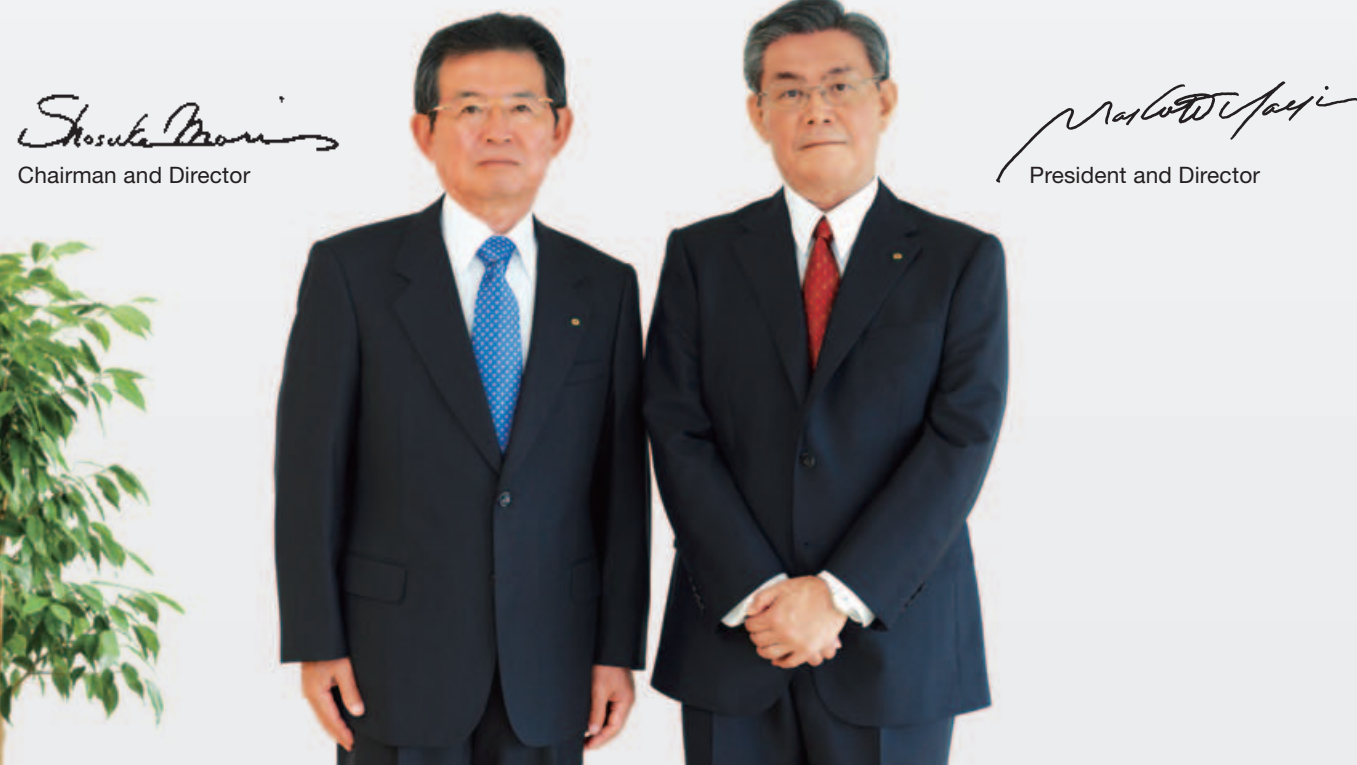
To ensure the safety of nuclear power in particular, we will constantly and faithfully operate and maintain facilities and will promptly and thoroughly implement further measures to ensure safety in the event of an earthquake or tsunami based on the recent accident.

And, we will appropriately provide accurate information on these initiatives to earn the understanding of shareholders, investors, customers and local community members.

Moreover, the Kansai Electric Power Group is committed to sustained growth over the medium and long terms and will carry out initiatives to achieve it.

Specifically, we will strive to realize an ideal, or target state, under the Kansai Electric Power Group Long-term Growth Strategy 2030 by carrying out a three-pronged action plan based on CSR that consists of fostering a corporate culture that puts ultimate priority on safety, enhancing and strengthening our business foundation for growth, and creating value for customers and society by leveraging the Group's collective strengths. The entire Kansai Electric Power Group will make concerted, ceaseless efforts to take on this challenge and achieve the aims of the strategy.

The Group will pool its collective strengths to restore trust and achieve long-term growth. To our investors and shareholders, thank you for your continuing guidance and encouragement.



Makoto Yagi
President and Director

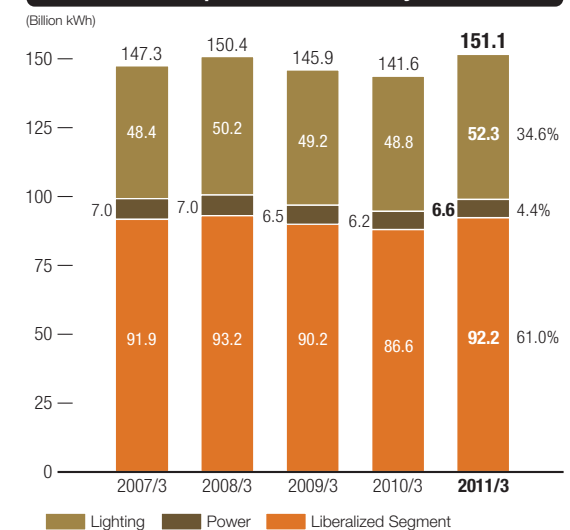
Q What is your assessment of economic conditions and business performance in the year under review (ended March 2011)?

A The Kansai economy during the year under review generally followed a gradual recovery trajectory, with some improvement in production and exports. In addition, cooling demand increased due to record hot summer weather, which, along with other factors, allowed us to achieve a new record high for electricity sales.

All executives and employees redoubled efforts to fulfill the mission of the Kansai Electric Power Group, which starts with providing safe and stable supplies of electricity, while also working to make operations as efficient as possible. As a result, we achieved higher revenues and income on an ordinary income basis for the first time in six years.

In addition, we formulated a new strategic medium-and long-term plan to clarify a concrete course of action for realizing the goals of the Kansai Electric Power Group Long-term Growth Strategy 2030.

Growth and Components of Electricity Sales Volume



Note: "Liberalized Segment" refers to the demand subject to the liberalization of Japan's retail power market. (It referred to the demand from customers who receive electricity at high voltages of 6,000 V and use electricity of 50 kW or more.)

In addition, totally electric homes topped 800,000 and FTTH service subscriber numbers were firm, as we continued to be supported by many customers. At the same time, pluthermal power generation began at Takahama Power Station and operations commenced at Maizuru Power Station Unit 2, our one coal-fired

thermal power plant, and at all units of Sakaiko Power Station, where facilities were recently upgraded. The utility service also went into full-fledged operation as a part of ongoing efforts to steadily reinforce a foundation for future growth.

Performance by Business Segment (before inter-segment cancellation)

Business Segment		March 31, 2010	March 31, 2011	Increase/Decrease	
		Amount (¥ Million)	Amount (¥ Million)	Amount (¥ Million)	Percentage (%)
Electric Power	Operating revenues	2,293,577	2,419,890	126,312	5.5
	Operating expenses	2,124,079	2,201,606	77,527	3.6
	Operating income	169,497	218,283	48,785	28.8
IT/Communications	Operating revenues	174,270	192,115	17,844	10.2
	Operating expenses	154,831	171,552	16,721	10.8
	Operating income	19,439	20,562	1,123	5.8
Other	Operating revenues	484,273	498,804	14,530	3.0
	Operating expenses	445,966	465,613	19,646	4.4
	Operating income	38,306	33,190	-5,116	-13.4

Note 1: The above figures exclude consumption taxes.

Note 2: The Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Statement No. 17 (March 27, 2009)) and Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Guidance No. 20 (March 21, 2008)) have been applied as of the consolidated fiscal year under review. Figures from the previous consolidated fiscal year have been changed to reflect the revised accounting rules.

Q How have you responded to the Great East Japan Earthquake? What safety measures have been taken for nuclear power plants?

A In response to the Great East Japan Earthquake, the Great East Japan Earthquake Recovery Support and General Response Committee was established immediately after the earthquake occurred and the Kansai Electric Power Group drew on all its resources to provide maximum assistance to the disaster region, ensure safe and stable power supplies within our service area and take every possible measure to ensure the safety of nuclear power.

In particular, with respect to measures to ensure the safety of nuclear power, we regard the events at Fukushima Daiichi Nuclear Power Station as a severe crisis that must never happen again. Along with making every effort to operate and maintain reliable facilities on a daily basis, we will promptly and thoroughly implement further measures based on the crisis to ensure safety in the event of an earthquake or tsunami.

Specifically, we immediately implemented emergency measures for securing emergency power supplies, ensuring cooling capability for reactor cores and ensuring cooling capability for spent fuel pools. Measures are also steadily being put into place to enhance redundancy and diversity to further ensure safety and raise reliability. And, if any new information comes to light, we will implement necessary safety measures as a top priority.

We will also reinforce monitoring systems for

radioactive particles and enhance communication systems based on revisions to the government's nuclear power disaster preparedness measures and on feedback from municipalities.

Regarding stress tests for nuclear power plants, which are currently being considered, we will make precise assessments based on government instructions and strive to alleviate the anxiety and restore the trust of people living near nuclear power plants and the general public in Japan.

Taking Measures to Raise Safety Levels

April 4, 2011	On the basis of "On the Implementation of Emergency Safety Measures at Other Power Plants drawn from the 2011 Accident at Fukushima Dai-ichi and Dai-ni Nuclear Power Stations" issued by the Ministry of Economy, Trade and Industry on March 30 and other resources, we applied to the ministry for permission to change technical specifications established for the operation of nuclear power plants.
April 8, 2011	The Action Plan for Measures to Raise Safety Levels was created based on known information regarding the accident at Fukushima Daiichi Nuclear Power Station and included measures to be taken immediately (emergency measures) and measures to be implemented from the perspective of further raising reliability (response measures).
April 25, 2011	The Safety Measures Verification Committee of Fukui Prefecture was convened to verify measures for raising safety levels conducted by nuclear power plant operators in Fukui Prefecture. Kansai Electric Power explained initiatives being taken under the Action Plan for Measures to Raise Safety Levels, and the initiatives were verified by the committee. We added additional measures for further raising safety levels in accordance with instructions from the Nuclear and Industrial Safety Agency based on the failure of Tohoku Electric Power's emergency power facilities when operations shut off as well as with the results of verification by the Fukui Prefecture Safety Measures Verification Committee.
May 16, 2011	Based on instructions from the Ministry of Economy, Trade and Industry, we conducted analysis and assessment on the reliability of outside power supplies to nuclear power plants, considered necessary measures based on the results, and submitted a report to the ministry.
June 14, 2011	Based on instructions from the Ministry of Economy, Trade and Industry, we submitted a report to the ministry presenting the implementation status of five measures for severe accident management. On June 15, the ministry performed on-site inspections of Kansai Electric Power's nuclear power plants, and on June 18 gave an assessment indicating that measures were being implemented appropriately.

Q What is the long-term direction of management in light of the Great East Japan Earthquake?

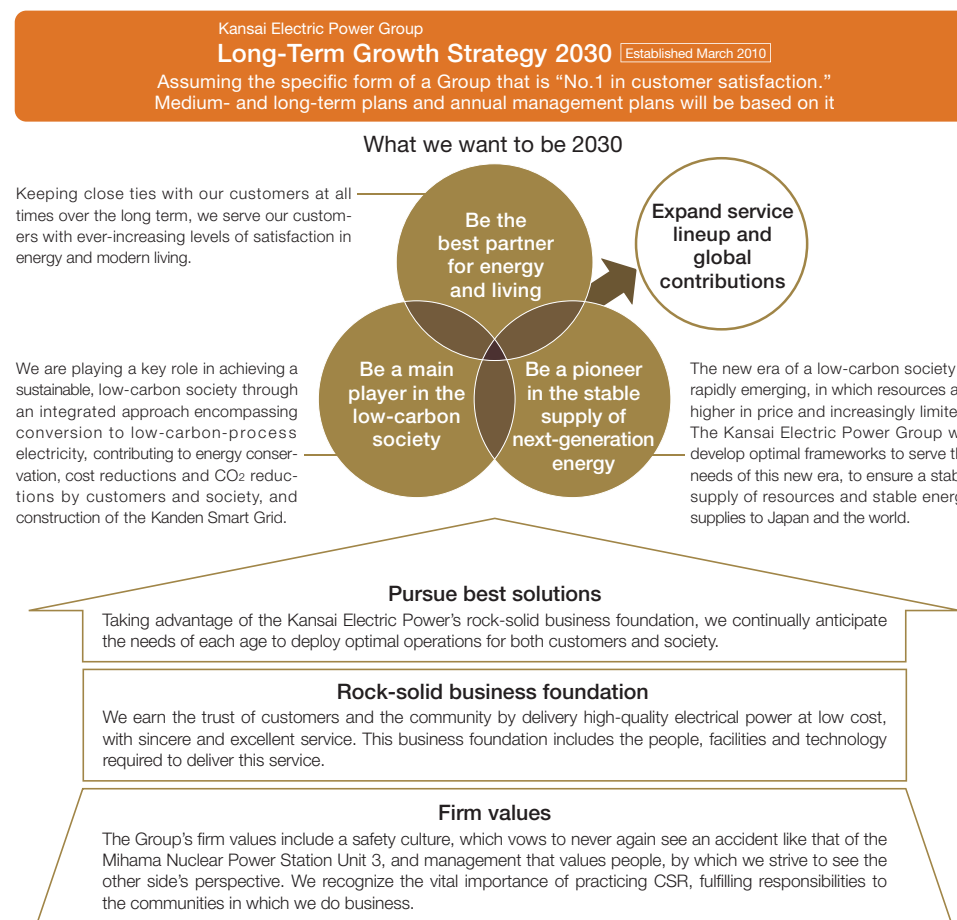
A I believe that the trust of customers and the general public constitute the crucial foundation for the Kansai Electric Power Group's business activities. First, we will take every possible measure to ensure the safety of nuclear power and make

every possible effort to ensure the safe and stable supply of electric power. The entire Kansai Electric Power Group will strive in concerted fashion to recover the public's trust and restore confidence in nuclear power in particular.

Moreover, we will also continue working to achieve sustained growth for the Group over the medium and long terms.

Specifically, we will strive to realize an ideal, or target state, under the Kansai Electric Power Group Long-term Growth Strategy 2030 by carrying out a three-pronged action plan that consists of

fostering a corporate culture that puts ultimate priority on safety, enhancing and strengthening our business foundation for growth, and creating value for customers and society by leveraging the Group's collective strengths. The entire Kansai Electric Power Group will make concerted, ceaseless efforts to take on this challenge and achieve the aims of the strategy.



Q Please explain your initiatives for accelerating conversion to low-carbon electricity.

A To convert to low-carbon electricity, we are working to ensure safe and stable operations at nuclear power plants, which do not emit carbon dioxide when generating power, raise the efficiency of thermal power plants and increase use of new and renewable energy sources.

Regarding nuclear power, we will constantly and

faithfully operate and maintain facilities and will do everything in our power to ensure safe and stable operations by promptly and thoroughly implementing additional safety measures for earthquakes and tsunamis based on the accident at Fukushima Daiichi Nuclear Power Station.

In order to raise the efficiency of thermal power

generation, we are in the process of upgrading existing power plants to combined-cycle power generation. Work was completed at Sakaiko Power Station in September 2010 and all five units are now in operation. At Himeji No. 2 Power Station, we are targeting 2015 for completing the upgrades and commencing operations for all units.

The Group is actively working to increase use of new and renewable energies. The Sakai Solar Power Station was put into limited operation in October 2010, with upgrades planned. We are also developing a new Kuronagi No. 2 Power Station and upgrading existing hydropower plants. Development is being conducted on wind power and biomass power as well.

Q What is your policy on future shareholder returns?

A We will strive to further strengthen our operating foundation by steadily investing management resources with emphasis on asset and investment efficiency while also working to maintain efficient business operations in order to achieve sustained growth in electric power operations and Group businesses. In so doing we will generate operating cash flow on an ongoing basis and raise corporate value.

Earnings from operations will be distributed to shareholders in an appropriate and stable manner

on the basis of our policy on shareholder returns.

Specifically, we regard dividends and share buybacks as shareholder returns and target a rate of total distribution on net assets of approximately 4% on a consolidated basis for each year from the fiscal year ended March 2008 to the fiscal year ending March 2013. Based on this policy, we will repurchase shares while maintaining a stable dividend. Moreover, on the basis of this policy, we plan to retire shares that are acquired in the future, in principle.

Financial Targets and Policy on Distributing Profits to Shareholders

Financial Targets

	FY2009 – FY2013 Average	FY2013
Return on assets (consolidated) ¹	3% or higher	4% or higher
Operating cash flows (consolidated)	¥550.0 billion or higher	¥650.0 billion or higher
Operating revenues from Group businesses (external sales) ²	¥340.0 billion or higher	¥380.0 billion or higher
Ordinary income from Group businesses ²	¥ 45.0 billion or higher	¥ 60.0 billion or higher

Note 1: Return on assets is business profit (ordinary income plus interest expense) divided by total assets (average of period-start and period-end totals.)

Note 2: Figures in this table are the straight sums of targets set by consolidated subsidiaries prior to consolidation eliminations.

Figures in this table include a portion of gas supply, fuel sales and steam supply businesses, which are part of incidental businesses included in the non-consolidated financial statements.

Ordinary income includes the amounts from affiliated companies accounted for by the equity-method.

Policy on Distributing Profits to Shareholders — Targeting a rate of total distribution on net assets of approximately 4%

The Company set dividend and share buyback as methods for distribution to shareholders and intends to achieve "the rate of total distribution on net assets"³ at approximately 4% each year from the fiscal year ended on March 31, 2009, to the fiscal year ending March 31, 2013.

The Company also intends to retire its own shares, which will be repurchased in the future according to this basic policy.

Note 3: The rate of total distribution on net assets for Fiscal year *n* =

$$\frac{(\text{total amount of dividend for fiscal year } n) + (\text{total amount of repurchased its own shares for fiscal year } n+1)}{\text{consolidated net assets for fiscal year } n \text{ (average amount of the beginning and end of the fiscal year)}}$$

Preparing for a Major Earthquake

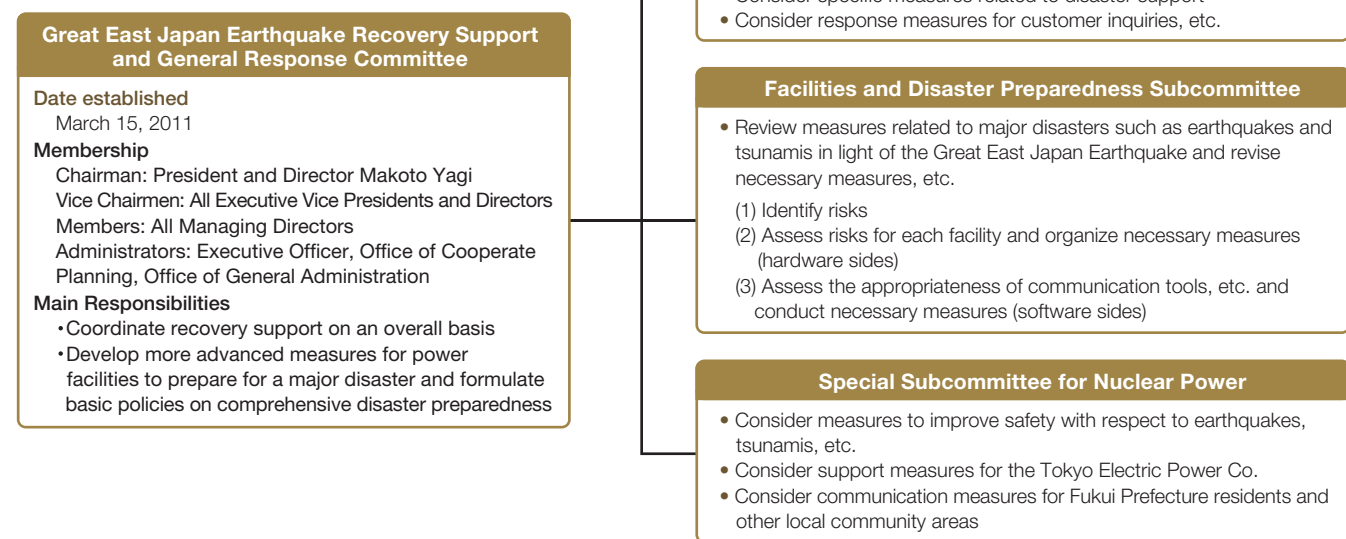
It is possible that a major earthquake could also occur in western Japan in the first half of this century. Specifically, there are concerns about the possibility of a Tokai-Tonankai-Nankai earthquake and an earthquake occurring directly beneath the Kinki region. Kansai Electric Power has worked to establish a strong disaster control system to prepare for these possibilities, which has included various plans and implementations of disaster mitigation and rapid recovery measures as well as conducting drills that simulate a major earthquake.

Moreover, in March 2011, in response to the Great East

Japan Earthquake, we established the Great East Japan Earthquake Recovery Support and General Response Committee along with three subcommittees, the Recovery Support Subcommittee, Facilities and Disaster Preparedness Subcommittee and Special Subcommittee for Nuclear Power, in order to ensure that every possible measure is taken to prepare for an earthquake or other major disaster.

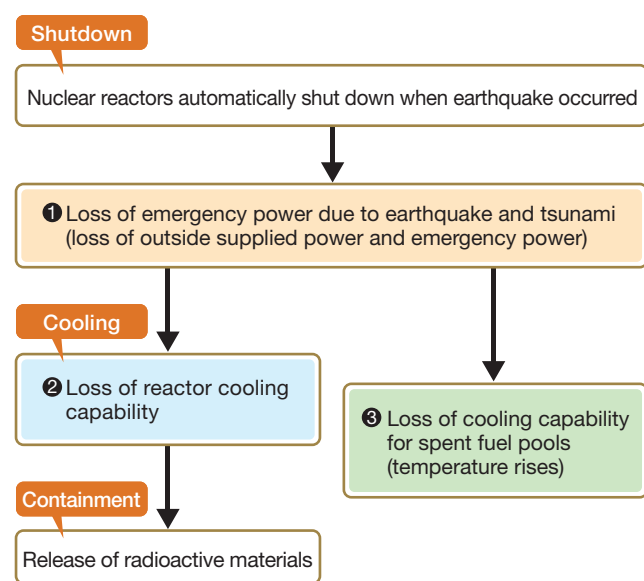
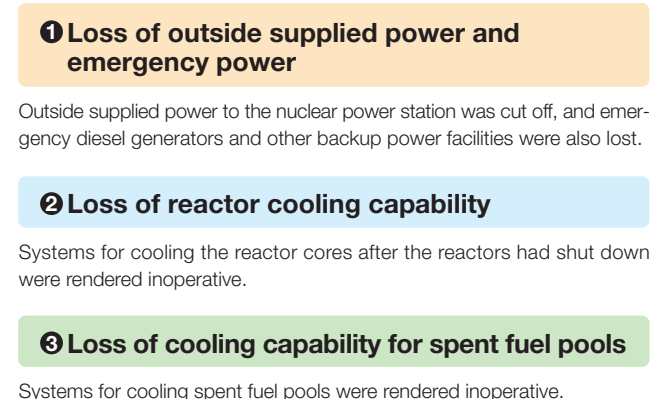
Going forward, we plan to reassess risks associated with major disasters and revise necessary measures based on new knowledge derived from the recent earthquake.

Establishment of Great East Japan Earthquake Recovery Support and General Response Committee



Factors Behind Accident at Tokyo Electric Power's Fukushima Daiichi Nuclear Power Station

The nuclear reactors automatically shut down when the earthquake occurred. However, the tsunami triggered by the earthquake gave rise to the following three events and exacerbated the accident. These are considered to be the factors directly responsible for the expanded scale of the nuclear disaster.



Kansai Electric Power Measures to Raise Safety Levels at Nuclear Power Plants

Kansai Electric Power confirmed the soundness of facilities critical to the safety of nuclear power plants immediately after the earthquake occurred and rapidly initiated actionable measures to further ensure safety.

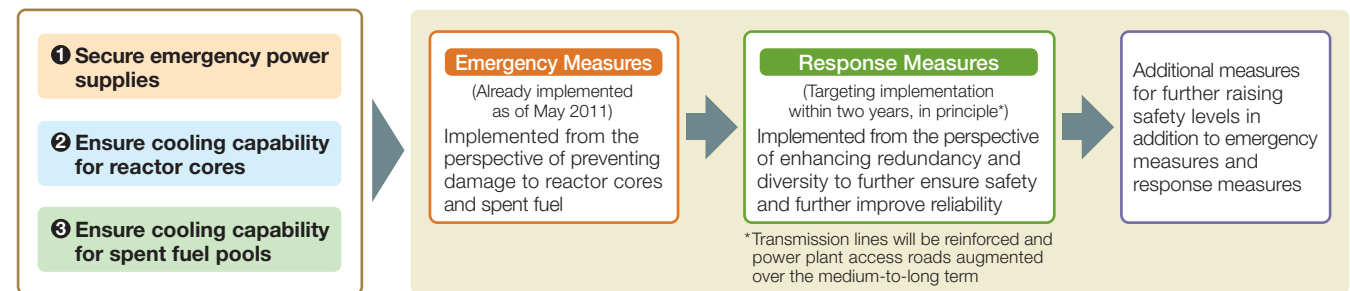
In light of the factors behind the accident at Fukushima Dai-ichi Nuclear Power Station, we planned additional measures for maintaining the three functions listed below even in the event of an earthquake and tsunami, preventing damage to reactor cores and spent fuel, and limiting the release of radioactive materials while restoring cooling capability.

The plan designated measures requiring immediate implementation as "emergency measures" and measures implemented from the perspective of enhancing redundancy and

diversity to further ensure safety and further improve reliability as "response measures."

In addition to these emergency measures and response measures, we added "additional measures" for further raising safety levels, including measures for severe accident management, based in part on instructions from the Ministry of Economy, Trade and Industry and Fukui Prefecture.

Regarding stress tests for nuclear power plants, they will be faithfully handled based on instructions from the government, and we will do everything possible to alleviate the anxiety and restore the trust of people living near nuclear power plants and the general public in Japan.



April 4, 2011
On the basis of "On the Implementation of Emergency Safety Measures at Other Power Plants drawn from the 2011 Accident at Fukushima Dai-ichi and Dai-ni Nuclear Power Stations" issued by the Ministry of Economy, Trade and Industry on March 30 and other resources, we applied to the ministry for permission to change technical specifications established for the operation of nuclear power plants.

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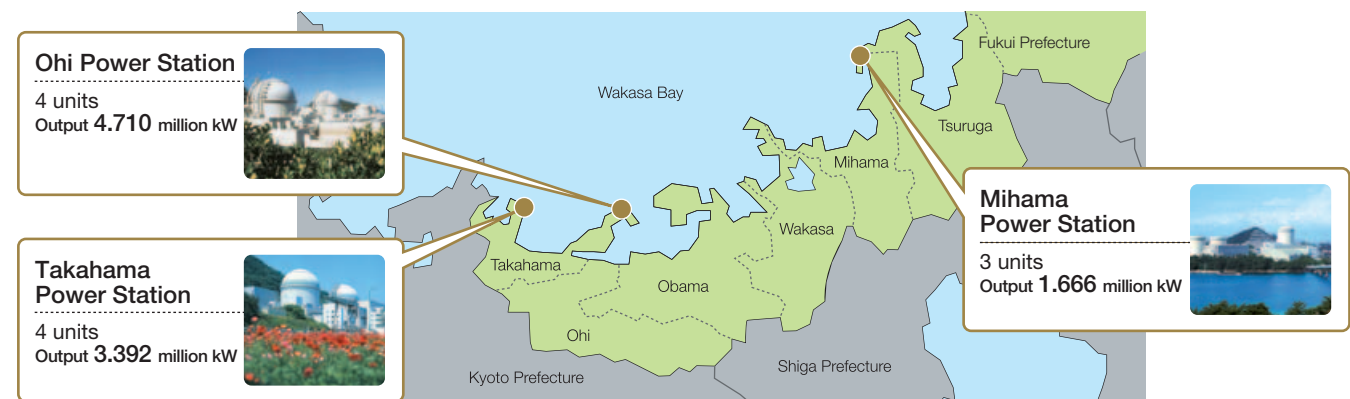
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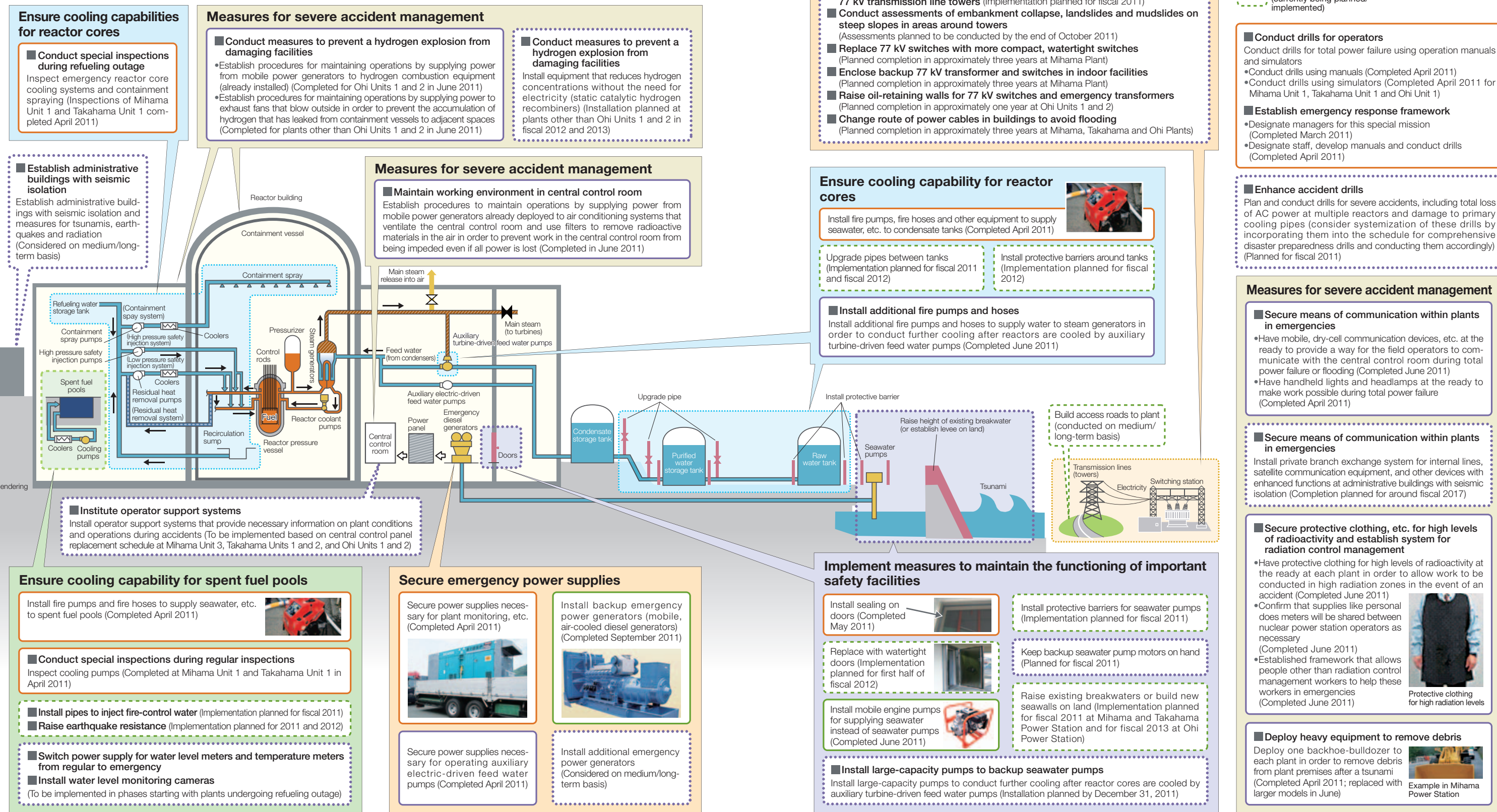
We added additional measures for further raising safety levels in accordance with instructions from the Nuclear and Industrial Safety Agency based on the failure of Tohoku Electric Power's emergency power facilities when operations shut off as well as with the results of verification by the Fukui Prefecture Safety Measures Verification Committee.

Kansai Electric Power's Nuclear Power Stations



Implementation Status of Kansai Electric Power Measures to Raise Safety Levels based on Fukushima Daiichi Nuclear Power Station Accident (as of September 30, 2011)

Kansai Electric Power is promptly implementing these measures to raise safety levels and will quickly and appropriately add and implement any necessary measures as new information is obtained going forward.



The Kansai Electric Group provides distinctive total solutions to realize even better living and business for our customers.

Since its founding, Kansai Electric Power has focused on providing safe and stable supplies of electric power at inexpensive prices and has worked to fulfill its mission of serving its customers.

In addition to the traditional customer need for stable supplies and low costs, in recent years, there has been increasing demand for energy conservation, lower costs and CO₂ reduction to help bring about a low-carbon society. It is expected that customer awareness of energy conservation will continue to increase given the impact of the Great East Japan Earthquake. And, with IT ushering in a more information-based society and the Japanese population aging, there is now an even greater need for services that help make life enriched, secure and comfortable.

In order to accommodate these increasingly diverse customer needs, the Kansai Electric Power Group will offer solutions that combine low-carbon electricity with highly energy efficient appliances as well as total solutions distinctive to the Group primarily in the areas of integrated energy supply, information and telecommunications, and the lifecycle-related business.

For residential customers, we propose better ways of using electricity through EcoCute, a high-efficiency electric water heater, and other energy efficient appliances, and provide total solutions that combine information technology, home security and other services.

For business customers, we provide optimal energy systems that combine grid power from Kansai Electric Power, which offers low CO₂ emissions per unit of power consumed, with high-efficiency air conditioning and water heating systems based on heat pump technology. We also offer total solutions that harness the cumulative energy-related skills and expertise of the Kansai Electric Power Group.

Moreover, we help local municipalities convert to low carbon and revitalize their economies by actively partnering in industry incentive programs and CO₂ reduction initiatives.

Through such initiatives, we will strive to raise customer satisfaction, which will promote the use of our power supply services, and achieve sustained growth for the Group as a whole, while working to increase revenues from individual services.

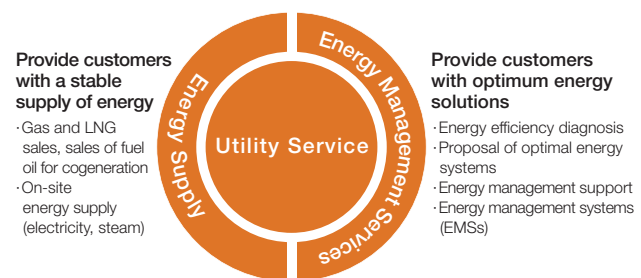
Integrated Energy Supply

We comprehensively provide a variety of energies to realize the best possible energy usage for our customers.

Against a backdrop of rising fuel prices and accelerating efforts to achieve a low-carbon society, customer needs in the areas of energy conservation, cost saving and CO₂ reduction are growing. Given this situation, the Kansai Electric Power Group will work to grow its integrated energy supply business as the best partner for energy by providing both electricity and optimal solutions and achieving the best possible energy usage.

To this end the Kansai Electric Power Group accommodates every conceivable customer need related to energy usage with our utility service, for example, which offers design, operation, maintenance and operational management for customer utility facilities as a comprehensive package, energy management services, which provide energy diagnostics, energy management support, and energy management systems (EMSs), and energy supply services for gas, LNG and other energy sources. As a result of our efforts in this area, our utility service has been adopted not only in the industrial sector by factories and other such facilities but also in a variety of other sectors by office buildings, hospitals and the like.

Additionally, in the area of renewable energy and environmental businesses, the Group will work to proprietarily develop and install solar power, wind power and biomass fuel supply systems to meet society's low carbon needs to the maximum extent possible.



Help with every aspect of customers' utility facilities

A comprehensive service for utility facilities, covering all or partial aspects of their design, construction, operation, maintenance, and operational management in response to customers' needs

Information and Telecommunications

Providing Appealing Services for Business and Everyday Living.

In information and telecommunications, we are working to further raise customer satisfaction and make this segment a second pillar of earnings after our electricity business by utilizing an optical fiber network covering the entire Kansai region to provide a broad lineup of services centering on FTTH that anticipate the needs of customers.

For residential customers, we offer a package of three services—Internet, phone and television via optical fiber—under the eo HIKARI brand and are expanding the eo Mobile¹ service beginning with public Wi-Fi to further promote these services as essential household utilities. The services have received high marks in customer satisfaction surveys administered by multiple outside agencies. FTTH subscriber lines numbered 1.18 million as of March 31, 2011.

For business customers, we offer a variety of communications services under the Business HIKARI brand, including high-speed Internet, dedicated Ethernet lines², VPN services³, mobile communications and optical fiber phone services. We also provide data center solutions in an effort to further contribute to customer businesses.

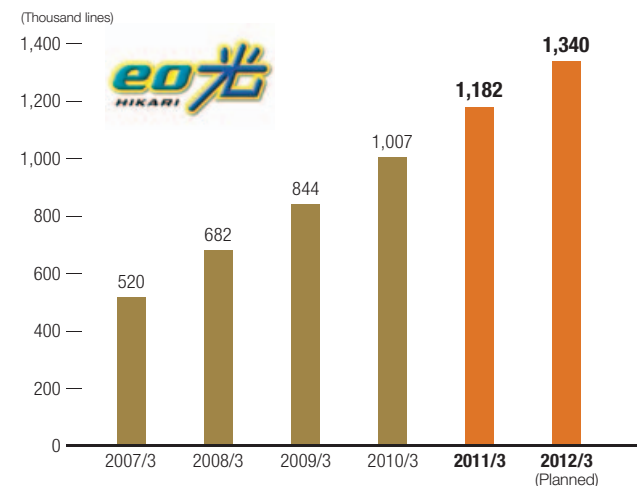
Going forward, we will continue working to strengthen network services centering on FTTH as well as IT infrastructure and total solutions for corporate customers to provide appealing services for business and everyday living.

Note 1: Our mobile broadband service consists of a public Wi-Fi service developed throughout the Kansai region and a 3G service offering speeds up to 21 Mbps and other services.

Note 2: Communication line service only for data communication that connects two specific points by an Ethernet method that is highly compatible with the LAN devices used in corporate networks.

Note 3: Virtual private network. A service that connects multiple points on a private network constructed with a virtual dedicated line protected by using encryption and authentication technology.

Number of FTTH Subscriber Lines



Lifecycle-Related Business

Striving to be our customers' best partner for living, we make proposals for safe, secure, comfortable and convenient lifestyles.

In the lifecycle-related business, we will endeavor to be a familiar presence to customers by providing a variety of helpful services related to everyday living for safety, security, comfort and convenience and to have customers perceive us as a best partner by accommodating their wide-ranging needs.

In the area of lifestyle-related services, we are providing services that are closely connected to our customers' day-to-day lives, including home security, nursing care, health management support, food services and housekeeping services.

As the population ages, the birthrate falls and nuclear families come to predominate, we will work to meet increasingly diverse customer needs, expand our menu of helpful services for living, and enhance highly targeted services for different life stages.

In real estate services, we are providing high-quality homes and offices that combine Group products and services, supplying model low CO₂-emission condominiums and buildings appropriate for a low-carbon society. Our homes and buildings are offered with a combination of services, including home performance assessments, sales of electric appliances and remodeling services for electric conversion, in order to help our customers create comfortable living spaces.

In order to continue to provide homes that help customers conserve energy, save on costs and cut CO₂ emissions, we will further strengthen partnerships with developers and other relevant sectors and become actively involved in condominium projects and housing developments.

Bellepage Osaka Tezukayama, a private assisted living residence from Kanden Joy Life



I

Stable Supply of Electric Power

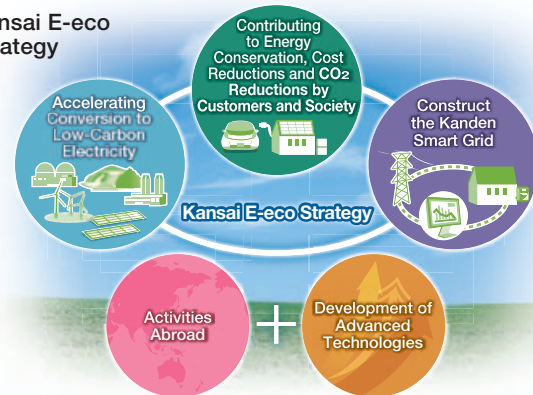
We will steadily carry out initiatives to help bring about a low-carbon society through the stable supply of electric power.

Electricity has a major role to play in realizing a low-carbon society, and electricity is the area that maximizes the strengths of Kansai Electric Power.

Specifically, we will execute the Kansai e-Eco Strategy and its three integrated components. First, we will accelerate conversion to low-carbon electricity through both supply-side and demand-side initiatives that include ensuring safe and stable nuclear power operations, raising the efficiency of thermal power, maintaining or expanding hydropower, and developing and introducing new energies. Second, we will contribute to energy conservation, cost reductions and CO₂ reductions by customers and society by promoting widespread use of heat pumps and electric vehicles. And, third, we will construct the Kanden Smart Grid, which is a highly efficient, high quality and highly reliable system for distributing electricity.

In addition to these initiatives, the Group will also actively contribute to the creation of a sustainable, low-carbon society by transferring environmental technologies to developing countries, promoting new energy operations and other initiatives overseas, and developing technologies to help customers conserve energy, cut costs and reduce CO₂ emissions.

Kansai E-eco Strategy



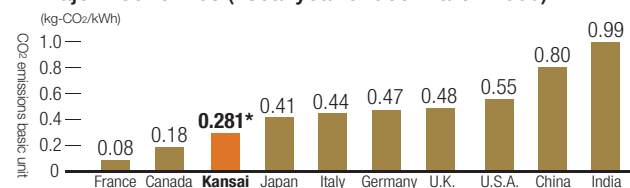
Accelerating Conversion to Low-Carbon Electricity

Kansai Electric Power is making a great effort toward achieving its voluntary target of reducing CO₂ emissions per unit of electric power used (sold) to approximately 0.282 kg-CO₂/kWh on average over the five-year period from fiscal 2008 to fiscal 2012.

Specifically, we will make every effort to ensure the safe and stable operation of nuclear power plants and other facilities and further accelerate conversion to low-carbon

electricity by raising the efficiency of thermal power, maintaining or expanding hydropower, and developing and introducing new energies.

CO₂ Emissions per Electric Power Generated in Major Economies (fiscal year ended March 2009)

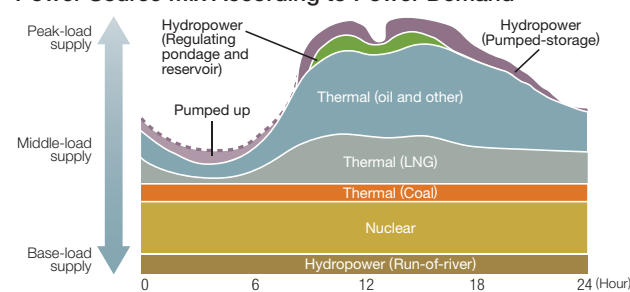


* This figure represents CO₂ emissions per unit of electric power sold by Kansai Electric Power for FY2011. Figures reflect the offset of CO₂ credits through the Kyoto mechanism. Source: IEA Energy Balances of OECD Countries 2011 Edition / Energy Balances of Non-OECD Countries 2011 Edition

Developing Facilities for the Best Mix of Power Sources

Kansai Electric Power is developing facilities with a view to establishing the “best mix” of power sources, combining nuclear power, thermal power, hydropower and other power formats in a good balance while comprehensively considering energy security, economic efficiency and environmental performance. Specifically, we will conduct appropriate maintenance and continue safe and stable operations at our existing power plants. We will also upgrade existing power facilities and construct new power plants.

Power Source Mix According to Power Demand



Note: The hydropower (Run-of-river) and hydropower (regulating pondage and reservoir) generations are collectively referred to as “conventional hydropower generation.”

Nuclear Power

Nuclear power is important as a base power source, and we intend to continue making maximum effort to ensure the safety of nuclear power plants and restore the public’s trust after the accident at Fukushima Daiichi Nuclear Power Station.

Specifically, we are promptly implementing every possible measure to raise the safety of nuclear power plants based on current knowledge and we will continue doing everything in our power to collect and analyze information on the accident



The Central Load Dispatch Center monitors fluctuations in power demand and issues instructions to power plants in each region on required output levels.

and will engage in further safety measures as a top priority if new information comes to light that necessitates them.

In addition, we will continue rigorously implementing measures to prevent recurrence of the accident that occurred at Mihama Power Station Unit 3 and continue working to raise safety and reliability levels by carrying out preventive measures, addressing aging facilities and conducting sound maintenance activities based on a new inspection framework. By doing so we will continue to ensure safe and stable nuclear power operations.

Thermal Power

Thermal power is capable of flexibly accommodating changes in power supply and demand, and we operate facilities in optimal configurations based on this characteristic.

We are working to raise thermal efficiency by steadily upgrading facilities to LNG combined cycle power generation.

Specifically, facility upgrade work was completed at Sakaiko Thermal Power Station in September 2010, and facility upgrade work at Himeji No. 2 Thermal Power Station is making steady progress. Himeji No. 2 Thermal Power Station in particular will be the most efficient thermal power station in Japan after adoption of combined cycle power generation, which uses state-of-the-art 1,600°C-class gas turbines and boasts world class thermal efficiency of approximately 60%. Upgrading facilities at Sakaiko Thermal Power Station and Himeji No. 2 Thermal Power Station will raise thermal efficiency by some 40%, which will enable us to reduce fuel costs and CO₂ emissions per unit of power generated by around 30%. In addition, operations were commenced at Mairuru Thermal Power Station Unit 2, one of the most thermally efficient coal-fired power plants in Japan, in August 2010.



Inspection of turbine

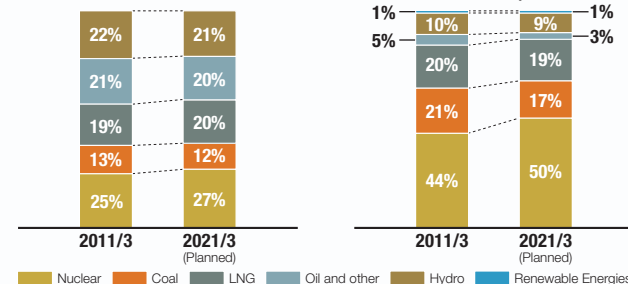


Maintenance on transmission lines

Hydropower

We will continue to stably operate hydroelectric power plants, a purely domestic energy source, by conducting appropriate maintenance from the dual perspective of effective utilization of domestic resources and reduction of CO₂ emissions. In addition, we will promote conversion of pumped-storage power plants to adjustable-speed facilities for the purpose of flexibly accommodating supply and demand fluctuations and reducing environmental impact. We will also continue to develop small- and medium-scale hydropower plants and raise the output of existing facilities.

Power Source Composition
Composition of Power Generation Facilities at Fiscal Year-End



Note: Percentages for 2021/3 in the above graph are calculated based on fiscal 2011 supply plans (submitted March 28, 2011). We will respond appropriately if plan revisions are necessitated in the future.
*Year-end percentages include power transferred from other companies. Amounts represent total output for company demand. Figures are rounded, so totals may not equal 100%.

Renewable Energy Sources

Kansai Electric Power intends to be heavily involved in new sources of energy. The Sakai Solar Power Station on the waterfront in Sakai City is one of Japan's largest mega-solar power facilities, with an expected annual output of 10,000 kilowatts and CO₂ reductions of approximately 4,000 tons. The newly built plant went into limited operation in October 2010 and full operation in September 2011.

In addition, at Maizuru Thermal Power Station, power has been generated with wood pellets—a biomass fuel—in combination with coal since August 2008. This reduces coal consumption and is expected to cut CO₂ emissions by 92,000 tons annually.

Contributing to Energy Conservation, Cost Reductions and CO₂ Reductions by Customers and Society

Kansai Electric Power has long made the safe and stable supply of electricity the base of its sales activities, but the recent earthquake has reaffirmed the critical importance of our mission. Above all, we believe it is essential that we earn the trust of customers and local communities by appropriately explaining our initiatives for maintaining safe and stable supplies of electricity and helping customers understanding them.

Regarding sales activities, we carefully listen to feedback from customers and the general public and steadily carry out activities that benefit customers by meeting their needs for energy conservation, cost reductions and CO₂ reduction through a conscientious consulting process.

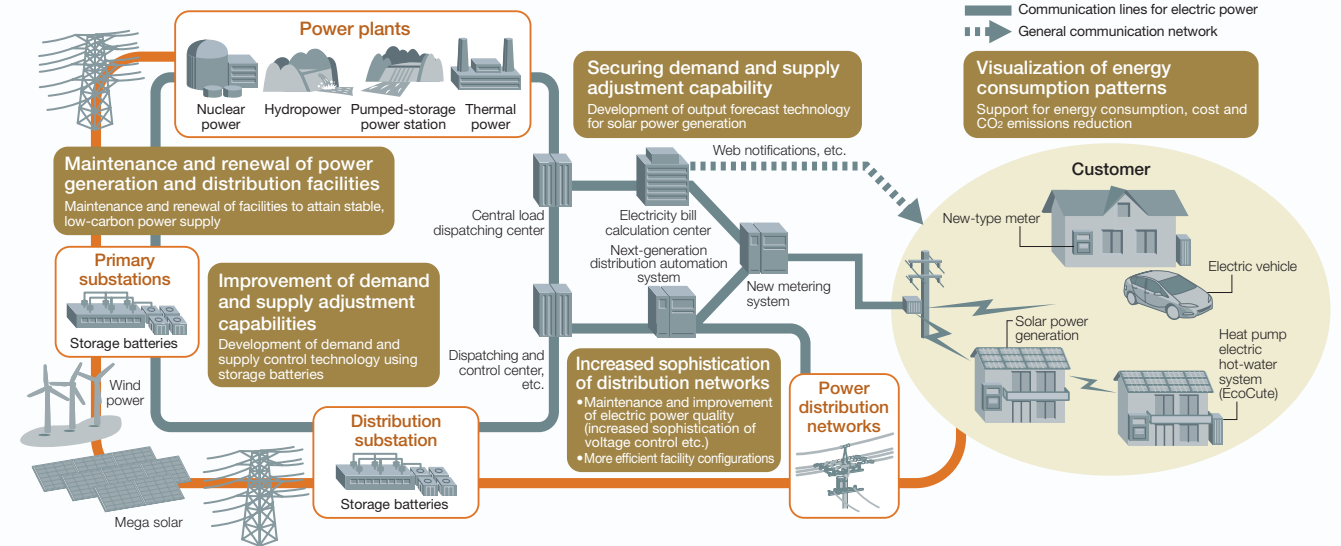
In addition, we plan to have a fleet of around 1,500 electric vehicles with exceptional environmental performance by 2020 and further help establish conditions conducive to more widespread use of the vehicles.

Kurobe Dam



Sakai Solar Power Station, a mega solar power plant

Construction of the Kanden Smart Grid



Construction of the Kanden Smart Grid

The concept of the smart grid has gained widespread prominence recently. The Kansai Electric Power Group has positioned the smart grid as a key to achievement of an electricity transmission system high in efficiency, quality and reliability, employing advanced information, communications and storage cell technology to achieve a low-carbon society and a better energy environment for customers without sacrificing the stability of the basic electric power grid.

A Stable Supply of Electricity with Low CO₂ Emissions

In the future, should renewable energy sources with unstable output, such as solar power generation, supply power in a large-scale or centralized fashion, there are concerns that it could adversely affect the stability of the electric power grid (in terms of electricity quality factors such as voltage and frequency). In order to avert such a situation, Kansai Electric Power intends to pursue the construction of "The Kanden Smart Grid", including maintenance and renewal of thermal and pumped-storage hydroelectric power generation and distribution facilities fulfilling the function of supply control, to deliver stable electricity with lower CO₂ emissions.

Usability Improvement for Customers

In order to provide better usability and support energy-saving for customers, Kansai Electric Power is making efforts to introduce new measurement systems and visualize energy consumption patterns, while also considering other potential services.

Initiatives toward a New Metering System

In recent years, much attention has been paid to "smart meter" electric meters. Since 1999, before the phrase "smart meter" had yet gained currency, Kansai Electric Power has been engaged in research and development on a New Metering System. This system, making use of next-generation meters employing communications technology, optical fiber networks, and other such technologies is intended to provide customers with better service and boost the efficiency of business operations. With that introduction, customers' electricity use is measured in 30-minute units, supporting effective equipment configurations tailored to electricity use patterns and more precise energy consulting.



Electric vehicle

Stable Fuel Procurement

Kansai Electric Power will secure stable supplies of thermal and nuclear fuels into the future by acquiring stakes in new upstream fuel projects in anticipation of the low-carbon society and new era of high prices for limited resources.

Stable Procurement of Nuclear Fuels

Kansai Electric Power will earnestly work to restore confidence in nuclear power and will secure stable supplies of nuclear fuels in anticipation of the low-carbon society and new era of high prices for limited resources.

On the uranium market of late, there have been factors pushing prices up, such as increased demand from emerging countries like China and India, and factors pulling prices down, including the accident at Tokyo Electric Power's Fukushima Daiichi Nuclear Power Station, so the market's outlook is uncertain.

At the same time, prices for enrichment services rose on anticipation of tighter supply-demand conditions and have remained high.

Given this climate, Kansai Electric Power is procuring nuclear fuels by working to diversify suppliers while main-

taining long-term contracts as a foundation in order to raise the stability and economy of nuclear power. We are also making adjustments to ordering methods and timing.

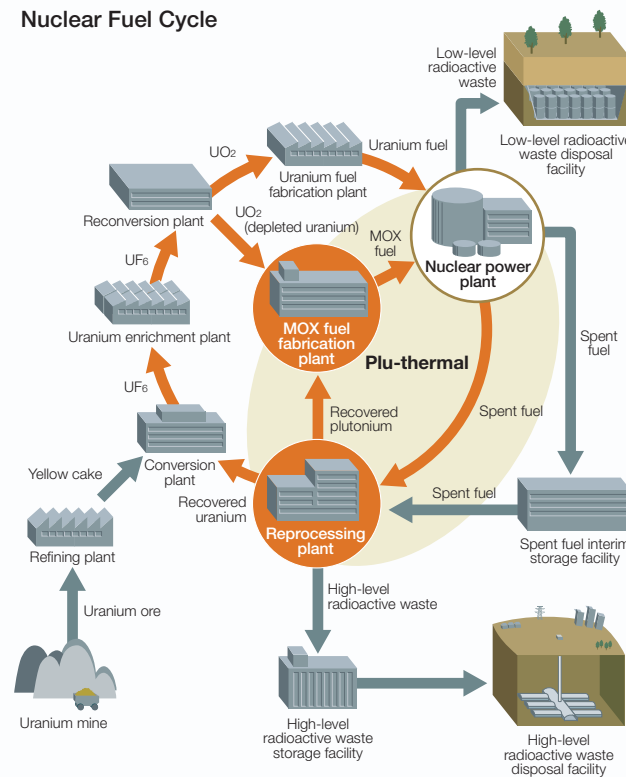
Moreover, in order to secure long-term uranium supplies, in 2006 we began providing investment and financing for a uranium mine development project being conducted in the Republic of Kazakhstan. We have also been participating in a uranium exploration project and a feasibility study for uranium resources in Australia through the Japan Australia Uranium Resources Development Co., Ltd., in which Kansai Electric Power has a stake from 2008. We continue to work to ensure stable procurement of nuclear fuel into the future. This has included participation in a new uranium enrichment plant project developed by French firm Areva NC in 2009.

Additionally, in line with the government's basic policy on nuclear power use, Kansai Electric Power will work to establish a nuclear fuel cycle from the standpoint of conserving uranium resources and ensuring environmental compatibility. The cycle will involve reprocessing spent fuel and making effective use of plutonium, uranium and other fuels that are recovered. Regarding pluthermal, we will move forward with ultimate priority on safety while obtaining the understanding of local residents.



Development site of uranium mine in Australia

Nuclear Fuel Cycle



LNG EBISU, Kansai Electric Power's first LNG carrier



Pluto LNG liquefaction facility



MAIZURU DAIKOKU coal carrier

Strengthening Thermal Fuel Procurement Chains

In the area of thermal fuel procurement, we are making various efforts to further strengthen thermal fuel procurement chains. We are seeking to securely enhance stability, flexibility and economics by leveraging the contractual characteristics of LNG, coal and oil and also by acquiring upstream equity and strengthening fuel transportation systems.

For LNG, we are diversifying suppliers and contract terms, acquiring upstream equity, owning LNG carriers to construct an integrated system that covers from gas development and production to transport and receiving. We acquired equity in a project for the first time, the LNG Pluto project, and signed an agreement related to LNG purchase. Construction on the project is progressing steadily with a view to commencing shipments in fiscal 2011. LNG procured from the project is slated for transport by our first

LNG carrier, the LNG EBISU. This will help improve transportation economics and strengthen the resiliency of our transportation system. We also expect that operating revenues derived from the project will become a new source of profits.

For coal, in order to improve flexibility and economics, we will work to develop optimal combinations of short-term, medium-term and long-term purchase contracts. We also inked contracts for three dedicated coal carriers in conjunction with the start of operations at Maizuru Power Station Unit 2 in August 2010. The first carrier, MAIZURU DAIKOKU was completed in July 2009, MAIZURU BENTEN, in May 2010, and MAIZURU BISHAMON, in July 2010. The carriers are now in service for Maizuru Power Station. This will not only raise operational safety levels but also help ensure long-term carrier stability and reduce transport costs.



We are promoting the international business by actively utilizing management resources accumulated in domestic power operations.

In the international business, we help ensure stable power supplies for countries overseas and tackle environmental problems. Knowledge we obtain is incorporated back into the domestic business to further strengthen it and generate growth for the Group.

Promoting the International Business

In 1998, as our first project, we participated in the San Roque Hydropower Project in the Philippines, becoming the first Japanese electric power company to be involved in a power generation project overseas. The project involved constructing a dam and hydropower plant (345 MW). A private-sector consortium including Kansai Electric Power was contracted to build a multi-purpose dam funded by the Philippine government. Completed in 2003, the project is a public-private partnership in which private funds are used to build and operate the dam's power plant.

The project is significant for its contribution to the Philippines' electric power infrastructure and efforts to prevent global warming, and it also provides a stable dividend, as we increased our stake in the project from 25% to 50% in 2009. In addition, after acquiring shares in Singapore's Senoko Power Limited in 2008, in 2009 we concluded a new electricity sales agreement with the Electricity Generating Authority of Thailand for power generated by the second small power producer project through Thailand's Rojana Power Co., Ltd.

In addition to developing projects through direct investment, we are also committed to promoting our own autonomous development projects, starting with the project discovery stage. In terms of current projects, in September 2007 we acquired exclusive development rights from the Indonesian government for the Rajamandala Hydropower Project, and are also involved in Nam Ngiep Hydropower Project, which sells electricity generated in Laos to Thailand. We are currently working hard to commercialize the projects.

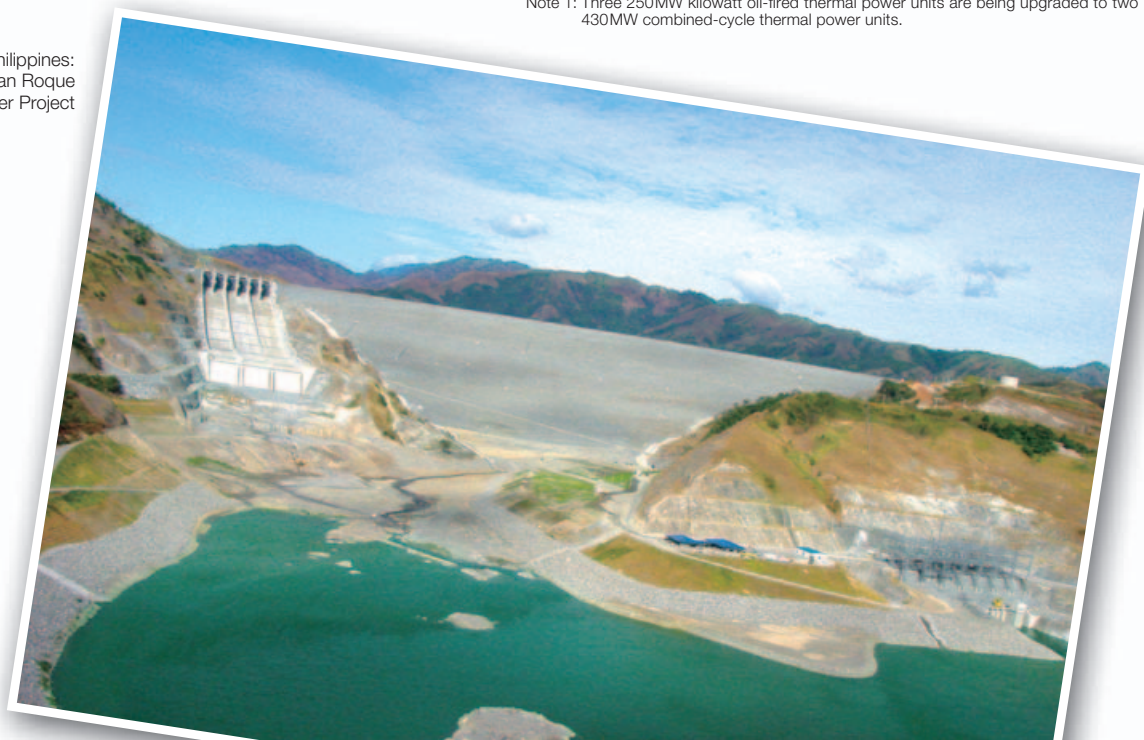
Going forward, we will develop exceptional projects in a wide range of fields and expand beyond Asia, where our current projects are located, to the Mideast, North and Central America and other regions. We will bid on and negotiate new IPP projects, acquire existing projects and participate in renewable energy initiatives in developing countries. In March 2011, we merged our subsidiary Kanden Power International and are enhancing project development and management systems with a view to further business expansion in the future.

List of Overseas Projects (As of August 31, 2011)

Project	Partner	Contractual Period	Investment Stake (Capacity share)	Start of Operation
San Roque Hydropower (345MW)	Marubeni	25 Years	50% (172.5MW)	May 2003
Rojana Thermal (281MW)	Rojana Industrial Park, Sumikin Bussan	25 Years	39% (109.6MW)	March 1999
Ming-jian Hydropower (17MW)	Dong-jin	15 Years	29% (4.8MW)	September 2007
Kuokuang thermal (480MW)	CPC Corp. Taiwan Cogeneration	25 Years	20% (96MW)	November 2003
Senoko Power ¹ (3,300MW)	Marubeni, Kyushu Electric Power, JBIC, GDF Suez	—	15% (495MW)	March 1976 Start of Operation (First Unit)

Note 1: Three 250MW kilowatt oil-fired thermal power units are being upgraded to two 430MW combined-cycle thermal power units.

Philippines: San Roque Hydropower Project



Tuvalu: Solar Power Project



Bhutan: Micro Hydropower Project



Singapore: Senoko Thermal Power Project

Helping Solve Global Environmental Problems

The Kansai Electric Power Group is leveraging the knowledge, experience and expertise it has accumulated in the electric power industry in Japan in order to carry out initiatives that utilize the Clean Development Mechanism and other Kyoto Protocol mechanisms.

For example, serving as the project leader, we built run-of-river micro hydropower plants in a Bhutanese village that did not have access to electric power as a part of the Bhutan Micro Hydro Power Project sponsored by the Global Sustainable Electricity Partnership (formerly the e8, an international organization of representing leading electricity companies from G8 countries.) The project was certified as a Clean Development Mechanism by the United Nations in 2005, the first project involving a Japanese power company to receive the CDM designation, and CO₂ credits have already been issued. We are also participating in hydropower

CDM projects in China and Vietnam.

In New Zealand, we participated in a project to build 31 wind turbine generators, which received Joint Implementation (JI) certification from the New Zealand government, becoming the first Japanese corporation to participate in a JI project in New Zealand.

In Tuvalu, which is facing the danger of being submerged due to rising ocean levels caused by global warming and other factors, we installed solar power facilities. During the two-year period from February 2008 to February 2010 we conducted facilities monitoring and operational assistance and strove to transfer our technologies and expertise. We also held workshops on renewable energy for power companies of Pacific island nations and helped train specialists.

In this way the Kansai Electric Power Group is making many contributions to preventing global warming through its participation on projects around the world.

Each and Every Employee Promotes CSR. This Creates a Positive Cycle Whereby Trust Earned from Stakeholders Leads to Growth for the Group and Employees

Promoting Corporate Social Responsibility

Interest in CSR has been growing in recent years around the globe, which is reflected in the fact that an international standard for social responsibility (ISO 26000) has been established. The Kansai Electric Power Group believes that fulfilling its corporate social responsibilities and earning the trust of stakeholders, who include customers, local communities, shareholders, investors and business partners, provides a foundation for achieving sustainable growth.

The Group is therefore working to develop corporate practices that encourage each and every employee to autonomously and proactively promote CSR.

Specifically, we established the Kansai Electric Power Group CSR Action Charter, which consists of six action principles, in March 2004, and developed CSR Action Standards in May 2005 in order to provide group employees with guidelines at the level of individual behavior.

The CSR Promotion Council, chaired by the president, was established to promote CSR. In addition, we work to raise the awareness of all employees by designating, training and communicating with CSR promotion leaders and others at each workplace.

Through these activities each and every employee of the Group is promoting CSR. In addition, earning the trust of stakeholders serves to motivate employees and promote growth, which in turn creates a positive cycle that builds even greater trust.

Kansai Electric Power Group CSR Action Charter

CSR Action Principles

1. Safe, Stable Delivery of Products and Services
2. Progressive Approach to Environmental Problems
3. Proactive Contributions to Development of Local Communities
4. Respect for Human Rights, Development of Favorable Work Environments
5. Highly Transparent and Open Business Activities
6. Strict Enforcement of Compliance



CSR Report 2011

You can download Kansai Electric Power's CSR Report from the following website:
<http://www.kepco.co.jp/english/action/index.html>

Fulfilling Our Mission of Ensuring Safe, Stable Power Supplies

• Rebuilding a Safety Culture of Safety for Everyone

A safety culture is the cornerstone of the Group's business activities, and rebuilding this culture is our overriding priority. We have reflected on the accident that happened in Mihama Power Station Unit 3 and are fully committed to fostering an organizational culture in which each and every person's safety awareness naturally gives rise to appropriate action, while bearing firmly in mind that safety is fundamentally about people—the Group's employees, contractors and partner companies as well as community members. As an example, we have instituted a system for evaluating the safety cultures of nuclear power plants in order to ensure that they are being steadily rebuilt.

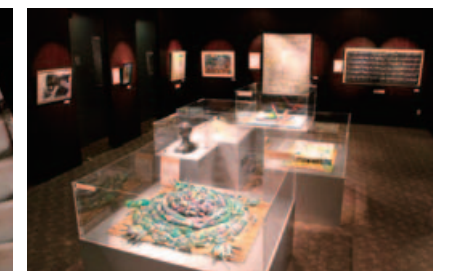
The system clearly identifies areas in need of improvement as well as positive examples. It covers both organizational practices and individual awareness and actions, and enables us to ascertain the status of our safety cultures. The system is being used to further enhance these cultures and promote improvement.

• Maintaining and Passing Down Techniques and Skills

We are promoting a range of initiatives to maintain and pass down techniques and skills, including an expert technician system. The initiatives serve to ensure that techniques and skills accumulated to date are faithfully passed on and improved throughout the entire Group.



Inspecting a turbine at a power plant



Kanden Collabo Art 21 exhibition



Kanden L-Heart opens up the unlimited potential of people with disabilities

• Steadily Investing Management Resources

Kansai Electric Power will also steadily invest necessary management resources into facilities in order to ensure safe and stable supply. Particularly, in the area of nuclear power, we will steadily implement further safety measures based on the latest known information as well as carry out construction to address aging facilities and improve earthquake resistance in order to ensure that operations continue to be safe and stable.

Proactive Contributions to Development of Local Communities

The Kansai Electric Power Group recognizes that its development as a locally and life-based company cannot be achieved without the development of local communities. Based on this recognition, we carry out initiatives aimed at lending vitality to regional economies and local communities.

In addition, in order to put our desire into action to help local communities and participate in activities together with local residents as a member of those communities, each business location gets involved in basic activities together with their community, including clean-up campaigns and community event sponsorship.

We also continue to be involved in a range of activities that include supporting American football, a popular school sport in the Kansai region, through the Kanden Flashbowl Series, holding the Kanden Collabo Art 21 exhibition since 2001 to support the artistic endeavors of people with disabilities, and putting on classical music concerts at the head office and branches to promote cultural activities in the region.

The Kansai Electric Power Group is committed to helping local communities through the safe and stable supply of electric power as well as through the support of sports and cultural endeavors.

Respect for Human Rights, Development of Favorable Work Environments

The Kansai Electric Power Group recognizes that respect for human rights is an important duty that is shared internationally. We work to make sure our workplaces are safe, healthy, pleasant and free of discrimination for everyone involved in the Group's business activities.

Specifically, we are further involved in career development initiatives for women employees, promotion of employment for seniors, and promotion of employment for people with disabilities to help them achieve greater independence and social involvement. We also work to raise employee awareness of safety issues and help employees independently keep themselves healthy, both physically and mentally.

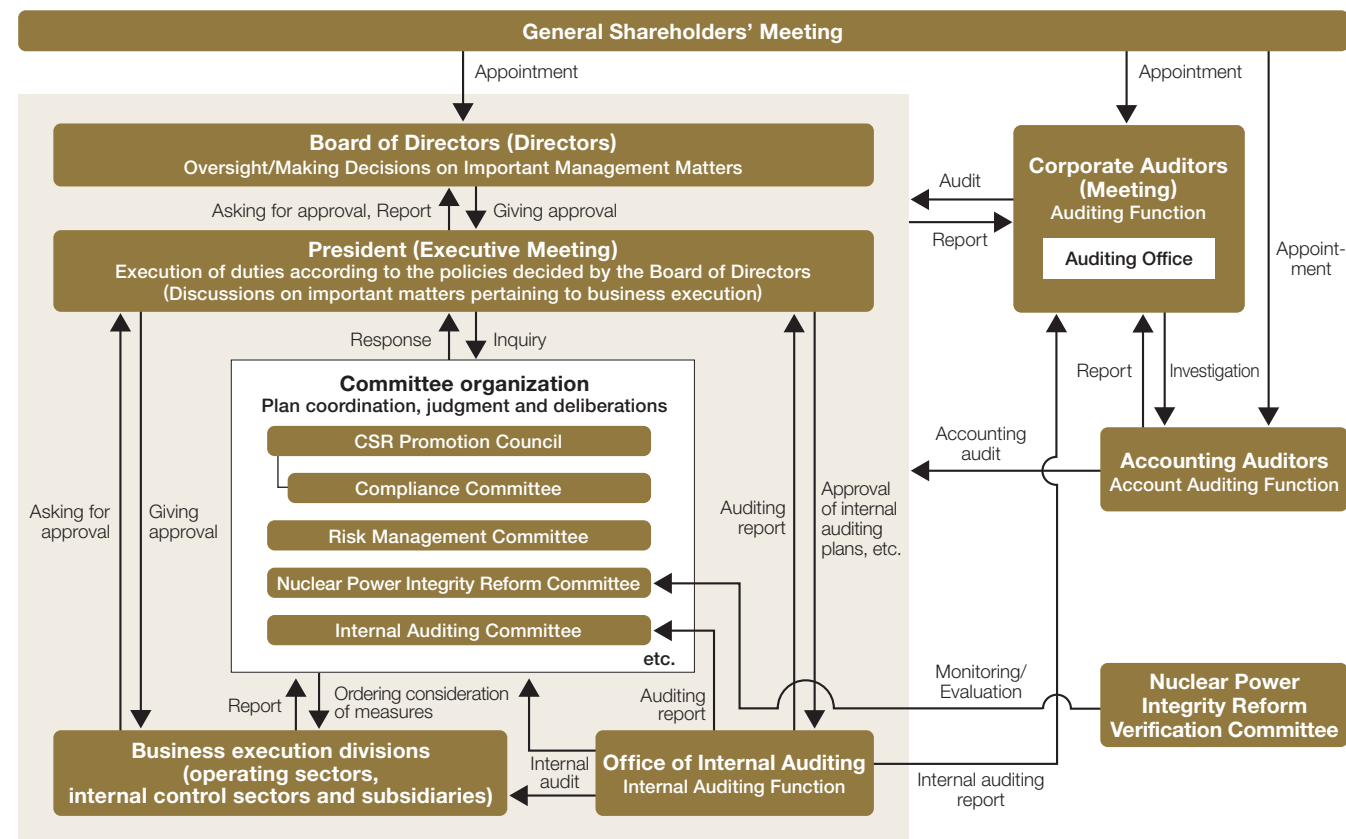
From 2011, we expanded the range of our activities with the newly established Diversity Leveraging Group, which targets all employees and is tasked with embracing and utilizing the differences among the individuals.

Strict Enforcement of Compliance

We established the Kansai Electric Power Compliance Committee in 2002 to further establish trust and foster a transparent corporate culture. The Group regards compliance as a duty required of corporations to exist in society and positions it as the foundation of all corporate activities. We comply with laws, regulations and all other internal and external rules as a matter of course and have diligently worked to raise awareness of compliance in each and every individual.

The Group will continue to independently and steadily promote compliance activities and further solidify the trust of the general public.

To Enhance Its Corporate Value in a Sustainable Manner While Maintaining the Transparency and Soundness of Its Business Operations, the Kansai Electric Power Group Regards Strengthening Corporate Governance as an Important Management Initiative and Is Working Toward that Goal



Basic Framework

Kansai Electric Power's Board of Directors is granted a mandate to manage the Company by the General Shareholders' Meeting. Appropriate business execution is conducted through Executive Meeting and other committees that have been established under the Board of Directors. Corporate auditors, the Board of Corporate Auditors and accounting auditors monitor business execution to ensure that it is legally compliant, appropriate and proper from their respective perspectives. This constitutes Kansai Electric Power's basic framework for corporate governance.

Deliberation and Decision-Making on Important Matters and Appropriate Business Execution

The Board of Directors holds regular meetings once a month and extraordinary meetings as necessary. The board deliberates and makes decisions on important management matters and provides

oversight by receiving regular reports from directors on the execution of their duties and other matters.

The Executive Meeting, consisting of directors, meets once a week, in principle, in order to swiftly and appropriately make decisions on important matters pertaining to business execution. This serves to ensure that the Company functions in an efficient and effective manner.

A system of executive officers has also been introduced in order to enhance the speed and efficiency of business execution by separating functions of execution from oversight.

Three of the Company's 20 directors are outside directors with no special stake in the Company. This helps to ensure management transparency.

Assuring Transparency and Soundness of Audits

Kansai Electric Power uses a system of corporate auditors to continuously and effectively audit the compliance, appropriateness and adequateness of directors in the performance of their duties.

Corporate auditors attend important meetings, including the Board of Directors and Executive Meetings, state their opinions, receive presentations on important management matters from directors, investigate business and financial matters at major business facilities and Group companies, and audit directors in the execution of their duties from the perspective of legal compliance and appropriateness.

The transparency and soundness of business management is ensured through audits. Corporate auditors also meet with representative directors and others on a regular basis in order to discuss pertinent matters.

The Auditing Office (13 members) has been established in order to support the activities of corporate auditors and the Board of Corporate Auditors. The office engages solely in auditing work and administration of the Board of Corporate Auditors, and it is under the direct control of corporate auditors in order to maintain its independence. The office is not involved in any activities pertaining to business execution at the Kansai Electric Power Group.

Four of our seven corporate auditors are outside auditors who have no special stake in the company, which ensures the independence of auditing practices. One of the internal auditors has the experience of being in a chief position in our accounting division, ensuring that this auditor has knowledge of finance and accounting.

Committees Facilitate Appropriate and Smooth Business Execution

Kansai Electric Power has established a number of committees that carry out three main functions, plan coordination, judgment and deliberation, in order to make sure that important operating policies related to all aspects of management, implementation plans and other initiatives are executed in an appropriate and smooth manner. The committees, which are primarily made up of officers, meet on a regular basis, or as necessary, and support decision-making by the Executive Meeting and business execution by the Company's various divisions.

• CSR Promotion Council

The Kansai Electric Power Group CSR Action Charter was established to lay out the Group's basic approach to CSR, and the Kansai Electric Power Group Action Standards was formulated to provide a code of conduct at the level of individuals. The CSR Promotion Council is in charge of devising general policies on the promotion of CSR, and the Group works to promote CSR under this framework.

We are also committed to promoting compliance. The Compliance Committee has been established under the CSR Promotion Council and its membership includes outside attorneys, while the Compliance Consultation Desks take compliance consultations related to Group-wide business activities.

• Risk Management Committee

Risks inherent in business activities are basically managed autonomously by each execution division on the basis of the Kansai Electric Power Group Risk Management Rules. For major risks that cut across divisions, specialized risk management sections are identified for each category of risk as necessary and risk management is reinforced through experts providing advice and instruction to execution divisions.

Risk is coordinated by the Risk Management Committee,

which works to keep risks associated with the business activities of the Kansai Electric Power Group at appropriate levels. Under this risk management system, proactive steps are taken to ensure appropriate and reliable financial reporting in accordance with the Financial Instruments and Exchange Law.

• Nuclear Power Integrity Reform Committee and Nuclear Power Integrity Reform Verification Committee

The Nuclear Power Integrity Reform Committee has been established in order to steadily promote measures to prevent recurrence of an accident like the one that took place at Mihama Nuclear Power Station Unit 3, and to further foster a safety culture. The committee conducts follow-through on recurrence prevention measures that have been implanted in a part of day-to-day operations, and also engages in activities for fostering a safety culture to ensure the safe and stable operation of nuclear power plants.

In addition, the Nuclear Power Integrity Reform Verification Committee, which consists mainly of outside members, provides objective, comprehensive oversight and evaluation related to maintaining recurrence prevention measures and activities to foster a safety culture.

These activities are broadly announced on our website to ensure transparency.

• Internal Auditing Committee

The Internal Auditing Committee has been established to widely share and deliberate on management issues related to quality and safety, to stay abreast of outside information and viewpoints, and to maintain the appropriateness of internal auditing for the Group as a whole from a fair, expert standpoint.

We have also established the Office of Internal Auditing to serve as a dedicated organization for internal auditing. Its 40-member staff regularly conducts audits of risk management systems and the status of risk management. Internal auditing plans and their findings are put on the agenda of the Executive Meeting and reported to the Executive Meeting. Based on audit findings, each workplace carries out necessary improvement measures and otherwise strives to conduct business operations appropriately.

The Office of Internal Auditing, corporate auditors and accounting auditors all play important roles in corporate governance by conducting audits while coordinating with one another in an appropriate manner. Close coordination is maintained through discussions of auditing plans and findings.

Ensuring the Appropriateness of Group Business

The appropriateness of Group business is ensured by disseminating the basic management policies and action guidelines such as the Kansai Electric Power Group's Management Vision and the Kansai Electric Power Group's CSR Action Charter. We also provide support and instruction related to maintaining management systems that are implemented independently by Group companies, based on internal rules pertaining to Group company management.

We participate in the decision-making process on important matters made by Group companies and regularly monitor management practices in an effort to prevent erosion in the Group's corporate value.



Shosuke Mori*
Chairman and Director



Makoto Yagi*
President and Director



Masafumi Ikari*
Executive Vice President
and Director



Masao Ikoma*
Executive Vice President
and Director



Hideki Toyomatsu*
Executive Vice President
and Director



Jiroh Kagawa*
Executive Vice President
and Director

Managing Directors

Yuzuru Hiroe
Noriaki Hashimoto
Youichi Mukae
Yoshihiro Doi
Ryohei Shirai
Shigeki Iwane
Masahiro Iwatani
Yasuhiro Yashima

Directors

Tatsuya Kawabe
Yutaka Inada
Noriyuki Inoue
Akio Tujii
Ryosuke Tamakoshi

Senior Corporate Auditors

Sakae Kanno
Yasunari Tamura
Masahiro Izumi

Corporate Auditors

Takaharu Dohi
Yoichi Morishita
Motoyuki Yoshimura
Hisako Makimura

*Representative Directors

Financial Section

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**The Kansai Electric Power Company,
Incorporated and Subsidiaries**

Consolidated Financial Statements
for the Years Ended March 31, 2011 and 2010, and
Independent Auditors' Report

Overview

Operating Income

Electric Power

In order to meet the needs of customers and society related to energy conservation, cost reductions and CO₂ reductions, Kansai Electric Power works to promote more widespread use of high-efficiency appliances and systems by both residential and corporate customers. In the fiscal year ended March 2011, we installed a total of 103,000 all electric homes and 1,069 electrical equipment systems (a special menu of electrical system options for high voltage and special high voltage customers), including thermal storage systems.

On the revenues side, electricity operating revenues increased on growth in electricity sales volumes, and as a result operating revenues increased ¥126,527 million, or 5.5%, compared to the previous year, to ¥2,408,196 million.

In terms of expenditures, thermal fuel costs and costs for power purchased from other companies increased alongside the increase in electricity sales volumes, but operating income rose ¥48,785 million, or 28.8%, year on year to ¥218,283 million.

IT/Communications

Leveraging its optical fiber network established throughout the Kansai region, the Group provides comprehensive IT/Communications services for individual and corporate customers with an extensive menu of offerings to meet customer needs.

In this segment, the Group worked to acquire customers through aggressive sales activities in a fiercely competitive climate.

For mainstay FTTH services, the Group provided Internet, phone and television services under the eo HIKARI brand, while taking full advantage of its 90% coverage ratio in the six prefectures that comprise the Kinki region. Contracts for these services numbered 1.18 million as of the end of the fiscal year under review, an increase of 17.3% compared with the end of the previous fiscal year.

As a result of these efforts, operating revenues from the IT/Communications segment increased ¥13,329 million, or 10.8%, compared with the previous fiscal year, to ¥136,705 million; operating income totaled ¥20,562 million, a year-on-year increase of ¥1,123 million, or 5.8%.

Other

In the integrated energy supply business, the Group provides customers with optimal energy solutions through sales of gas of other energy sources and solutions such as the utility service. In the lifecycle-related business, the Group provides housing-related services, including totally electric homes, and lifecycle-related services, which include home security and management tools for nursing care and healthcare.

These products and services are provided in order to help create living environments with high added value and help make people's lives safe, secure and comfortable.

In terms of revenues, a subsidiary in the lifecycle-related business that was included in consolidation for the first time last year contributed throughout the year, and the utility service, which is part of the integrated energy business, experienced growth. These and other factors led to an increase in revenues for the year. On the expenditures side, in the lifecycle-related business, costs associated with the real estate business increased.

As a result, operating revenues from the Other segment totaled ¥224,881 million, an increase of ¥23,334 million, or 11.6%, from the previous fiscal year; operating income from this segment was ¥33,190 million, a year-on-year decrease of ¥5,116 million, or 13.4%.

Ordinary Income

Other income amounted to ¥32,865 million, an increase of ¥119 million, or 0.4%, compared with the previous fiscal year. The increase is attributable to an increase in interest income and other factors. As a result, total ordinary revenues, which include operating revenues, increased by ¥163,311 million, or 6.2%, to ¥2,802,649 million.

Other expenses amounted to ¥68,764 million, an increase of ¥1,489 million, or 2.2%, compared with the previous fiscal year. Other expenses increased due to an increase in impairment losses on securities holdings and other factors.

As a result, ordinary expenses, which includes operating expenses, increased by ¥118,456 million, or 4.8%, to ¥2,564,662 million.

As a result, the Group stated ordinary income of ¥237,987 million, an increase of ¥44,854 million, or 23.2%, from the previous fiscal year.

Net Income

The water flow rate in the fiscal year under review was high at 109.1%, so in order to provide for increased expenses associated with low water conditions, we allocated ¥5,470 million to a reserve for fluctuations in water levels as provided under the Electricity Business Act. There were also extraordinary losses of ¥37,105 million associated with applying accounting standards related to asset retirement obligations. As a result, net income before income taxes and minority interests totaled ¥195,410 million. Net income was ¥123,143 million, a year-on-year decrease of ¥4,026 million, or 3.2%.

Financial Position

Cash Flow

Net cash provided by operating activities amounted to ¥610,548 million, a decrease of ¥56,602 million, or 8.5%, compared with

the previous fiscal year. Electricity operating revenues were higher, but fuel costs for thermal power and income tax payments increased.

Net cash used in investing activities totaled ¥547,996 million, an increase of ¥70,239 million, or 14.7%, compared with the previous fiscal year, due to an increase in outlays for capital investment and acquiring affiliate stock and other factors.

Net cash used in financing activities amounted to ¥44,322 million, a decrease of ¥140,175 million, or 76.0%, from the previous term due to an increase in interest-bearing liabilities and other factors.

As a result, cash and cash equivalents at the end of the fiscal year under review totaled ¥95,450 million, an increase of ¥17,924 million, or 23.1%, compared with the end of the previous fiscal year.

Assets, Liabilities and Net Assets

Assets

Capital investment totaled ¥455,508 million, an increase of ¥24,911 million, or 5.8%, compared to the previous fiscal year. Investment was made to upgrade facilities and in other areas primarily to enhance and reinforce the operating foundation, mainly in the electric power business, in order to fully ensure safe and stable supplies. Investments and other assets increased by ¥178,268 million, or 13.6%, compared to the previous fiscal year due to increasing the reserve for reprocessing of irradiated nuclear fuel, acquiring affiliate stock and other factors.

As a result, total assets were ¥7,310,178 million, an increase of ¥193,546 million, or 2.7%, compared with the end of the previous fiscal year.

Liabilities

Total liabilities increased by ¥150,559 million, or 2.8%, compared to the end of the previous fiscal year to ¥5,477,761 million due to a year-on-year increase in interest-bearing liabilities of ¥18,158 million, or 0.5%, the application of accounting standards related to asset retirement obligations, and other factors.

Net Assets

Net assets increased ¥42,968 million, or 2.4%, compared with the end of the previous fiscal year, to ¥1,832,416 million. Although there were decreases associated with dividend payments and share buybacks, net income of ¥123,143 million and other factors accounted for the increase.

As a result of these developments, the equity ratio was 24.8%, a decline of 0.2 percentage points from the end of the previous fiscal year resulting from the increase in net assets. Due to this, net assets per share was ¥2,026.53, an increase of ¥54.09 compared with the end of the previous fiscal year.

Dividend Policy

The Company has an objective to increase shareholder value for the medium to long term and continues to carry out capital expenditure and investments, considering asset efficiency and the rate of return on investment, in order to achieve the continuous growth in electricity and group businesses. Accordingly, the Company gains operational cash flow and distributes its profits to shareholders properly and stably. Retained earnings will be allocated to capital investment and other projects while taking into account financial soundness.

The Company set dividend and share buyback as methods for distribution to shareholders and intends to achieve "the rate of total distribution on net assets"* at approximately 4% each year from fiscal year ending on March. 31, 2008 to fiscal year ending on March 31, 2013. Based on this basic policy, the Company maintains stable dividend and repurchases own shares.

The Company also intends to retire its own shares, which will be repurchased in future according to this basic policy.

* The rate of total distribution on net assets for fiscal year (N) = ((total amount of dividend for fiscal year (N)) + (total amount of repurchased its own shares for fiscal year (N+1))) / consolidated net assets for fiscal year (N) (average amount of the beginning and end of fiscal year)

On the basis of this policy, the Company will pay a dividend of ¥60 per share for the fiscal year under review (including the ¥30 per share interim dividend).

Business and Other Risks

The following is a description of the principal risks that could impact the operating results and financial position of the Kansai Electric Power Group, which is comprised of Kansai Electric Power and its consolidated subsidiaries.

The information contained in this report is based on judgments made by the Group as of June 29, 2011. Going forward, the Group may be affected by changes in economic conditions, changes in energy and environment policy, and other factors triggered by the Great East Japan Earthquake.

1) Economic Conditions

Electricity sales volumes in the electric power business fluctuate depending on trends in the economy, so economic conditions have the potential to affect the Group's business performance.

2) Changes in the Environment Surrounding Electricity Operations

In the electric power business, deliberations in 2008 postponed the decision on whether to fully deregulate retail power in Japan until 2013. However, it is possible that competition with other power suppliers will intensify due to a competitive environment being established within the existing scope of deregulation predicated on simultaneously maintaining stable supplies and environmental compatibility.

Back-end nuclear power operations have an extremely long time span and are subject to various uncertainties. However, risks faced by power utilities have been mitigated by the government's regulatory measures. Costs related to the nuclear fuel cycle, including intermediate storage and other back-end nuclear power operations, may increase due to future changes in the regulatory regimes, application of new accounting principles, changes in future cost estimates or other factors.

Additional costs associated with measures to prevent global warming may be incurred in the future depending on trends in the government's environmental policies, its ability to meet Kyoto Protocol targets, the nature of the next round of international frameworks and other factors.

The business performance of the Group may be impacted by changes in business conditions surrounding the electric power business, such as the aforementioned changes.

3) Other Businesses

The electric power business accounted for 86.9% of the Group's operating revenues in the fiscal year under review, but the Group is also focused on developing business operations in three other areas, information and telecommunications, integrated energy supply, and lifecycle-related business, with a view to ensuring sustained growth. The Group's business performance could be impacted by changes in business conditions in these areas, including technological innovations and heightened competition with other companies.

4) Weather Conditions

Electricity sales volumes in the electric power business are affected by heating and cooling demand, so the Group's business performance is a potentially affected by weather conditions, especially summer and winter temperatures.

Thermal fuel costs fluctuate based on changes in the amount of power generated by hydroelectric power plants, changes caused by variations in annual rainfall and snowfall totals. A reserve for fluctuations in water level has been set up, but the Group's business performance could still be impacted by fluctuations.

5) Fuel Price Fluctuations

The main fuels used in thermal power generation include LNG, crude oil and coal, so the Group's business performance is potentially impacted by fluctuations in fuel costs caused by trends in crude oil prices, foreign exchange rates, price negotiations and other areas.

However, Japan has a system for adjusting fuel costs in which changes in crude oil prices, foreign exchange rates and other factors are incorporated into electricity rates. When fuel cost fluctuations are within a given range, electricity rates may be adjusted to mitigate their impact on the Group's business performance.

6) Interest Rate Fluctuations

The Group's interest-bearing liabilities totaled ¥3,409,831 million as of March 31, 2011 (46.6% of total assets). Future fluctuations in market interest rates have the potential to affect the Group's business performance.

However, 94.6% (¥3,224,795 million) of the Group's interest-bearing liabilities are in the form of long-term debt, specifically long-term loans and bonds, and the interest rates for nearly all of this long-term debt are fixed, so the impact of interest rate fluctuations on the Group's business performance is limited.

7) Operational Risk

The Group, which is primarily involved in the electric power business, possesses a large number of facilities, starting with power distribution facilities. In order to ensure safe and stable supplies of electricity and other products and services, the Group develops and maintains these facilities, ensures that operations are conducted with ultimate priority placed on safety to prevent accidents, and implements robust measures to ensure full compliance. However, the Group's business performance is potentially impacted by factors such as typhoons, earthquakes, tsunamis and other natural disasters, accidents and compliance-related problems that could obstruct operations at its facilities or the power supply facilities of companies from which the Group receives power.

8) Information Management

The Group's business performance may be affected in the event customer information possessed by the Group or other important business-related information is divulged outside the Group or is involved in a similar incident. To mitigate this risk, the Group is working to ensure strict and appropriate information management by reinforcing information systems, establishing related Company rules and training employees.

Consolidated Balance Sheets

The Kansai Electric Power Company, Incorporated and Subsidiaries
March 31, 2011 and 2010

ASSETS

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
PROPERTY:			
Utility plant and equipment	¥ 13,940,068	¥ 13,694,622	\$ 167,649,648
Other plant and equipment (Note 6)	1,466,649	1,398,589	17,638,596
Construction in progress	382,912	456,941	4,605,080
Contributions in aid of construction	(455,673)	(450,960)	(5,480,142)
Accumulated depreciation and amortization	(10,594,005)	(10,349,987)	(127,408,361)
Plant and equipment - net (Note 3)	4,739,950	4,749,205	57,004,820
Nuclear fuel, net of amortization (Note 2.d)	511,157	499,134	6,147,418
Property - net	5,251,108	5,248,339	63,152,238
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 4 and 15)	171,986	193,728	2,068,391
Investments in and advances to associated companies	319,822	223,787	3,846,333
Reserve fund for reprocessing of irradiated nuclear fuel (Notes 2.j and 15)	534,151	447,289	6,423,945
Deferred tax assets (Note 11)	345,812	319,422	4,158,897
Other assets	116,366	125,642	1,399,477
Total investments and other assets	1,488,139	1,309,870	17,897,045
CURRENT ASSETS:			
Cash and cash equivalents (Note 15)	95,450	77,525	1,147,934
Accounts receivable (Note 15)	173,041	159,249	2,081,071
Allowance for doubtful accounts	(2,478)	(1,914)	(29,807)
Inventories (Note 5)	141,480	133,591	1,701,506
Deferred tax assets (Note 11)	30,712	26,830	369,359
Other current assets (Notes 4, 14 and 15)	132,724	163,137	1,596,203
Total current assets	570,930	558,421	6,866,268
TOTAL	¥ 7,310,178	¥ 7,116,632	\$ 87,915,551

See notes to consolidated financial statements.

LIABILITIES AND EQUITY

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
LONG-TERM LIABILITIES:			
Long-term debt, less current maturities (Notes 6 and 15)	¥ 2,823,077	¥ 2,848,643	\$ 33,951,628
Liability for retirement benefits (Note 7)	358,103	347,527	4,306,719
Reserve for reprocessing of irradiated nuclear fuel (Note 2.j)	704,413	698,293	8,471,602
Reserve for decommissioning of nuclear power units (Note 2.k)		326,670	
Asset retirement obligations (Notes 2.l and 8)	427,284		5,138,719
Deferred tax liabilities (Note 11)	266	96	3,205
Other long-term liabilities	87,081	91,305	1,047,285
Total long-term liabilities	4,400,228	4,312,536	52,919,161
CURRENT LIABILITIES:			
Current maturities of long-term debt (Notes 6 and 15)	429,628	354,597	5,166,910
Short-term borrowings (Notes 9 and 15)	185,036	217,524	2,225,331
Accounts payable (Notes 6 and 15)	159,143	163,322	1,913,928
Payable to associated companies	22,858	20,881	274,906
Accrued income taxes (Note 15)	61,600	60,624	740,838
Deferred tax liabilities (Note 11)	3	1	45
Accrued expenses and other current liabilities	213,792	197,713	2,571,164
Total current liabilities	1,072,063	1,014,666	12,893,125
RESERVE FOR FLUCTUATIONS IN WATER LEVEL	5,470		65,788
COMMITMENTS AND CONTINGENCIES (Notes 13 and 17)			
EQUITY (Notes 10 and 19):			
Common stock - authorized, 1,784,059,697 shares; issued, 938,733,028 shares in 2011 and 946,337,828 shares in 2010	489,320	489,320	5,884,794
Capital surplus	66,634	66,634	801,378
Retained earnings	1,320,745	1,271,959	15,883,885
Treasury stock - at cost: 45,165,851 shares in 2011 and 44,747,969 shares in 2010	(96,227)	(95,647)	(1,157,272)
Accumulated other comprehensive income:	30,370	46,061	365,255
Unrealized gain on available-for-sale securities	25,120	32,316	302,108
Deferred gain on derivatives under hedge accounting	5,617	15,228	67,553
Foreign currency translation adjustments	(366)	(1,483)	(4,407)
Total	1,810,844	1,778,329	21,778,041
Minority interests	21,572	11,100	259,434
Total equity	1,832,416	1,789,429	22,037,476
TOTAL	¥ 7,310,178	¥ 7,116,632	\$ 87,915,551

See notes to consolidated financial statements.

Consolidated Statements of Changes in Equity

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31, 2011 and 2010

	Millions of Yen										
	Number of Shares of Common Stock Outstanding	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income			Total	Minority Interests	Total Equity
						Unrealized Gain (Loss) on Available-for-sale Securities	Deferred Gain (Loss) on Derivatives under Hedge Accounting	Foreign Currency Translation Adjustments			
BALANCE, APRIL 1, 2009	954,698,728	¥ 489,320	¥ 66,634	¥ 1,217,625	¥ (96,075)	¥ 25,989	¥ 10,708	¥ (13,847)	¥ 1,700,355	¥ 6,355	¥ 1,706,710
Net income				127,170					127,170		127,170
Cash dividends, ¥60 per share				(54,631)					(54,631)		(54,631)
Change in scope of equity method				(222)					(222)		(222)
Purchase of treasury stock					(17,601)				(17,601)		(17,601)
Disposal of treasury stock			(1)		49				47		47
Retirement of treasury stock	(8,360,900)		(17,980)		17,980						
Transfer to capital surplus from retained earnings			17,982	(17,982)							
Net change in the year						6,327	4,519	12,364	23,211	4,745	27,956
BALANCE, MARCH 31, 2010	946,337,828	489,320	66,634	1,217,959	(95,647)	32,316	15,228	(1,483)	1,778,329	11,100	1,789,429
Net income				123,143					123,143		123,143
Cash dividends, ¥60 per share				(53,876)					(53,876)		(53,876)
Change in scope of equity method				(4,177)					(4,177)		(4,177)
Purchase of treasury stock					(17,000)				(17,000)		(17,000)
Disposal of treasury stock			(2)		119				116		116
Retirement of treasury stock	(7,604,800)		(16,301)		16,301						
Transfer to capital surplus from retained earnings			16,303	(16,303)							
Net change in the year						(7,196)	(9,611)	1,116	(15,690)	10,471	(5,219)
BALANCE, MARCH 31, 2011	938,733,028	¥ 489,320	¥ 66,634	¥ 1,320,745	¥ (96,227)	¥ 25,120	¥ 5,617	¥ (366)	¥ 1,810,844	¥ 21,572	¥ 1,832,416

	Thousands of U.S. Dollars (Note 1)										
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income			Total	Minority Interests	Total Equity	
					Unrealized Gain (Loss) on Available-for-sale Securities	Deferred Gain (Loss) on Derivatives under Hedge Accounting	Foreign Currency Translation Adjustments				
BALANCE, MARCH 31, 2010	\$ 5,884,794	\$ 801,378	\$ 15,297,166	\$ (1,150,297)	\$ 388,658	\$ 183,142	\$ (17,838)	\$ 21,387,004	\$ 133,496	\$ 21,520,501	
Net income			1,480,984					1,480,984		1,480,984	
Cash dividends, \$0.72 per share			(647,946)					(647,946)		(647,946)	
Change in scope of equity method			(50,242)					(50,242)		(50,242)	
Purchase of treasury stock				(204,456)				(204,456)		(204,456)	
Disposal of treasury stock		(31)		1,437				1,405		1,405	
Retirement of treasury stock		(196,044)		196,044							
Transfer to capital surplus from retained earnings		196,076	(196,076)								
Net change in the year					(86,549)	(115,588)	13,431	(188,707)	125,938	(62,768)	
BALANCE, MARCH 31, 2011	\$ 5,884,794	\$ 801,378	\$ 15,883,885	\$ (1,157,272)	\$ 302,108	\$ 67,553	\$ (4,407)	\$ 21,778,041	\$ 259,434	\$ 22,037,476	

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 195,410	¥ 193,132	\$ 2,350,100
Adjustments for:			
Income taxes - refund (paid)	(92,025)	604	(1,106,738)
Depreciation and amortization	423,564	403,107	5,093,984
Effect of application of the accounting standard for asset retirement obligations	37,105		446,253
Decommissioning cost of nuclear power units	12,225		147,032
Amortization of nuclear fuel	39,387	39,471	473,688
Loss on disposal of property, plant and equipment	9,833	13,629	118,260
Nuclear fuel transferred to reprocessing costs	13,556	14,097	163,031
Provision for reserve for fluctuations in water level	5,470		65,788
Changes in assets and liabilities:			
Increase in reserve fund for reprocessing of irradiated nuclear fuel	(86,862)	(88,991)	(1,044,642)
Decrease (increase) in trade receivable	(14,126)	17,830	(169,889)
Decrease in interest and dividends receivable	4,351	4,433	52,327
Increase in trade payable	2,996	10,770	36,038
Decrease in interest payable	(541)	(510)	(6,515)
Increase in liability for retirement benefits	10,576	6,522	127,194
Increase in reserve for reprocessing of irradiated nuclear fuel	6,120	9,866	73,606
Increase in reserve for decommissioning of nuclear power units		13,995	
Other - net	43,505	29,192	523,214
Total adjustments	415,137	474,018	4,992,635
Net cash provided by operating activities	610,548	667,150	7,342,736
INVESTING ACTIVITIES:			
Purchases of property, plant and equipment	(464,078)	(428,036)	(5,581,219)
Payments for investments and advances	(96,752)	(47,812)	(1,163,590)
Proceeds from sales of investments or collections of advances	4,710	14,745	56,652
Payments for purchases of investments in subsidiaries, net of cash		(14,634)	
Other - net	8,123	(2,018)	97,697
Net cash used in investing activities	(547,996)	(477,756)	(6,590,460)
FINANCING ACTIVITIES:			
Proceeds from issuance of bonds	199,386	169,487	2,397,912
Proceeds from long-term debt (exclusive of bonds)	207,789	183,242	2,498,971
Proceeds from short-term loans	282,904	289,359	3,402,338
Proceeds from issuance of commercial papers	670,000	529,000	8,057,726
Redemption of bonds	(81,200)	(220,410)	(976,548)
Repayments of long-term debt (exclusive of bonds)	(275,583)	(234,232)	(3,314,288)
Repayments of short-term loans	(275,392)	(280,099)	(3,311,993)
Repayments of commercial papers	(710,000)	(549,000)	(8,538,785)
Purchases of treasury stock	(17,000)	(17,601)	(204,456)
Proceeds from minority shareholders	11,670	1,520	140,359
Dividends paid	(53,897)	(54,558)	(648,192)
Other - net	(3,001)	(1,207)	(36,092)
Net cash used in financing activities - (Continued)	(44,322)	(184,498)	(533,048)

Consolidated Statements of Cash Flows

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	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
NET CASH PROVIDED BY OPERATING, INVESTING AND FINANCING ACTIVITIES - (Forward)	¥ 18,228	¥ 4,895	\$ 219,227
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(303)	3,014	(3,654)
NET INCREASE IN CASH AND CASH EQUIVALENTS	17,924	7,909	215,573
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	77,525	69,753	932,361
CASH AND CASH EQUIVALENTS OF SUBSIDIARIES EXCLUDED FROM CONSOLIDATION		(136)	
CASH AND CASH EQUIVALENTS, END OF YEAR	¥ 95,450	¥ 77,525	\$ 1,147,934

NON CASH INVESTING AND FINANCING ACTIVITIES:

Increase in assets and liabilities due to applying the new accounting standard for asset retirement obligations:

	Millions of Yen	Thousands of U.S. Dollars (Note 1)
	2011	2011
Utility plant and equipment	¥ 49,805	\$ 598,979
Other plant and equipment	1,124	13,524
Asset retirement obligations	427,284	5,138,719

The increase of asset retirement obligations included ¥326,670 million (\$3,928,686 thousand) transferred from the balance of reserve for decommissioning of nuclear power units.

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31, 2011 and 2010

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act, the Japanese Electricity Utilities Industry Act and the related accounting regulations and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

Under Japanese GAAP, a consolidated statement of comprehensive income is required from the fiscal year ended March 31, 2011 and has been presented herein. Accordingly, accumulated other comprehensive income is presented in the consolidated balance sheet and the consolidated statement of changes in equity. Information with respect to other comprehensive income for the year ended March 31, 2010 is disclosed in Note 16. In addition, "net income before minority interests" is disclosed in the consolidated statement of income from the year ended March 31, 2011.

Japanese yen figures less than a million yen are rounded down to the nearest million yen, except for per share data.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2010 consolidated financial statements to conform to the classifications used in 2011.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which The Kansai Electric Power Company, Incorporated (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥83.15 to \$1, the approximate rate of exchange at March 31, 2011. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

U.S. dollar figures less than a thousand dollars are rounded down to the nearest thousand dollars, except for per share data.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Principles of Consolidation and Accounting for Investments in Associated Companies - The consolidated financial statements as of March 31, 2011 include the accounts of the Company and all (fifty-nine in 2011 and sixty in 2010) subsidiaries (together, the "Companies").

Under the control or influence concept, those companies

in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Company has the ability to exercise significant influence are accounted for by the equity method.

Investments in four (three in 2010) associated companies are accounted for by the equity method. Investments in the remaining associated companies are stated at cost. Had the equity method been applied to the investments in these companies, the effect on the accompanying consolidated financial statements would be immaterial.

The excess of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary or associated company and business at the date of acquisition is amortized over a period of five to twenty years.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Companies is eliminated.

b. Subsidiaries' Fiscal Year-End - The fiscal year-end of six subsidiaries is December 31. The Company consolidates such subsidiaries' financial statements using their financial results for the year ended December 31. The effects of any significant transactions during the period between the subsidiaries' fiscal year-end and the Company's fiscal year-end are reflected in the consolidated financial statements.

c. Business Combination - In October 2003, the Business Accounting Council (the "BAC") issued a Statement of Opinion, "Accounting for Business Combinations", and in December 2005, the Accounting Standards Board of Japan (ASBJ) issued ASBJ Statement No. 7, "Accounting Standard for Business Divestitures" and the ASBJ Guidance No. 10, "Guidance for Accounting Standard for Business Combinations and Business Divestitures". The accounting standard for business combinations allows companies to apply the pooling of interests method of accounting only when certain specific criteria are met such that the business combination is essentially regarded as a uniting-of-interests. For business combinations that do not meet the uniting-of-interests criteria, the business combination is considered to be an acquisition and the purchase method of accounting is required. This standard also prescribes the accounting for combinations of entities under common control and for joint ventures.

In December 2008, the ASBJ issued a revised accounting standard for business combinations, ASBJ Statement No. 21, "Accounting Standard for Business Combinations". Major accounting changes under the revised accounting standard are as follows: (1) The revised standard requires accounting for business combinations only by the purchase method. As a result, the pooling of interests method of accounting is no longer allowed. (2) The current accounting standard accounts for the research and development costs to be charged to income as incurred.

Under the revised standard, in-process research and development (IPR&D) acquired in the business combination is capitalized as an intangible asset. (3) The previous accounting standard provided for a bargain purchase gain (negative goodwill) to be systematically amortized over a period not exceeding 20 years. Under the revised standard, the acquirer recognizes the bargain purchase gain in profit or loss immediately on the acquisition date after reassessing and confirming that all of the assets acquired and all of the liabilities assumed have been identified after a review of the procedures used in the purchase allocation. This standard was applicable to business combinations undertaken on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or after April 1, 2009.

d. Property, Depreciation and Amortization - Property is stated at cost. Contributions in aid of construction, which include certain amounts assessed to and collected from customers, are deducted from the costs of the related assets in accordance with the regulations.

Depreciation is principally computed by the declining-balance method based on the estimated useful lives of the assets.

Amortization of nuclear fuel is computed based on the quantity of heat produced for the generation of electricity. Accumulated amortization of nuclear fuel at March 31, 2011 and 2010 was ¥93,807 million (\$1,128,174 thousand) and ¥99,629 million, respectively.

e. Impairment of Fixed Assets - The Companies review their fixed assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

f. Investment Securities - The Companies' securities are classified and accounted for as follows: (1) held-to-maturity debt securities, which management has the positive intent and ability to hold to maturity, are reported at amortized cost, (2) available-for-sale securities whose fair value is not readily determinable are reported at cost, and (3) available-for-sale securities whose fair value is readily determinable are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported as a separate component of equity.

The cost of securities sold is determined by the moving-average method.

g. Cash Equivalents - Cash equivalents are short-term investments that are readily convertible into cash and that are exposed on insignificant risk of changes in value.

Cash equivalents include time deposits, certificate of deposits, commercial paper and bond funds, all of which mature or become due within three months of the date of acquisition.

h. Inventories - Inventories, mainly fuel, are stated at the lower of cost, determined by the average method or net selling value.

i. Retirement and Pension Plan - The Company and certain consolidated subsidiaries have defined contribution pension plans, unfunded defined benefit pension plan, contributory funded pension plans, and unfunded lump-sum severance payment plans.

The Companies account for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date.

Prior service cost is being amortized by the straight-line method over a period of principally 3 years. Actuarial gains or losses are being recognized by the straight-line method over a period of principally 3 years.

j. Reserve for Reprocessing of Irradiated Nuclear Fuel -

The Company provided a reserve for the reprocessing of irradiated nuclear fuel at the present value of the amount that would be required to reprocess only the irradiated nuclear fuel actually planned to be reprocessed, in accordance with the revised accounting standard applicable to the electricity industry.

The cumulative effect of the adoption of the accounting standard of ¥312,810 million as of April 1, 2005, which was adjusted in accordance with the Irradiated Nuclear Fuel Reprocessing Fund Act is being amortized over fifteen years. The effect of this adjustment was immaterial. The unrecognized portion of such cumulative effect was ¥186,644 million (\$2,244,671 thousand) and ¥207,382 million at March 31, 2011 and 2010, respectively.

The estimated future reprocessing costs are discounted at 1.5% and 1.3% at March 31, 2011 and 2010, respectively, for the quantity of the irradiated nuclear fuel covered by the definite reprocessing plan.

The unrecognized estimation gain of ¥23,436 million (\$281,863 thousand) and ¥14,788 million at March 31, 2011 and 2010, respectively, resulting from the difference in assumptions for calculations of the reserve, such as expected future cash flows and the discount rate, will be recognized over a period for which irradiated fuel actually planned to be reprocessed is generated.

The Company appropriated ¥143,026 million (\$1,720,106 thousand) and ¥143,549 million for "Reserve fund for reprocessing of irradiated nuclear fuel" at March 31, 2011 and 2010, respectively, in accordance with the Japanese Electricity Utilities Industry Act and related accounting regulations.

Regarding the quantity of the irradiated nuclear fuel not

covered by the definite reprocessing plan, the reserve was established from April 1, 2006 in accordance with the revised accounting standard applicable to the electricity industry. The estimated future reprocessing costs are discounted at 4.0% at March 31, 2011 and 2010.

k. Reserve for Decommissioning of Nuclear Power Units -

The Company has accrued costs for decommissioning of nuclear power units in accordance with accounting methods accepted by the regulatory authority. Upon application of the new accounting standard for asset retirement obligations, the whole amount was transferred to asset retirement obligations on April 1, 2010.

l. Asset Retirement Obligations - In March 2008, the ASBJ

published the accounting standard for asset retirement obligations, ASBJ Statement No. 18 "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21 "Guidance on Accounting Standard for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and the normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense in appropriate manners. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an increase or a decrease in the carrying amount of the liability and the capitalized amount of the related asset retirement cost. This standard was effective for fiscal years beginning on or after April 1, 2010.

The Company applied this accounting standard effective April 1, 2010. The Company mainly recognizes an asset retirement obligation with regard to the costs for decommissioning of nuclear power units, which are regulated under the Act on the Regulation of Nuclear Source Material, Nuclear Fuel Material and Reactors. The amount of this asset retirement obligation is based on the total estimation amount of decommissioning of nuclear power units. The estimated useful life is equal to the operation period of a specific nuclear power unit, which is a basis of calculation of the total estimation amount of electric energy, and a discount rate of 2.3% is used. In addition, in accordance with the ASBJ Guidance No. 21 "Guidance on Accounting

Standard for Asset Retirement Obligations" and the Ministerial Ordinance Concerning Reserve for Decommissioning of Nuclear Power Units, the asset retirement cost is subsequently allocated to expenses along with the actual nuclear power generation.

The effect of this change was to decrease operating income by ¥1,518 million (\$18,265 thousand) and income before income taxes and minority interests by ¥38,625 million (\$464,525 thousand). The recognized amount of asset retirement obligations was ¥427,284 million (\$5,138,719 thousand), which included ¥326,670 million (\$3,928,686 thousand) transferred from the balance of reserve for decommissioning of nuclear power units on April 1, 2010.

m. Reserve for Fluctuations in Water Level - A reserve for fluctuations in water level is provided for costs expected to be incurred from insufficient water levels, in accordance with the Japanese Electricity Utilities Industry Act and related accounting regulations.

n. Leases - In March 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions", which revised the previous accounting standard for lease transactions issued in June 1993. The revised accounting standard for lease transactions was effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted for fiscal years beginning on or after April 1, 2007.

As lessee

Under the previous accounting standard, finance leases that were deemed to transfer ownership of the leased property to the lessee were capitalized. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if capitalized" information was disclosed in the notes to the lessee's consolidated financial statements. The revised accounting standard requires that all finance lease transactions be capitalized to recognize lease assets and lease obligations in the balance sheet. In addition, the revised accounting standard permits leases which existed at the transition date and do not transfer ownership of the leased property to the lessee to be accounted for as operating lease transactions with certain "as if capitalized" information disclosed in the notes to the lessee's consolidated financial statements.

The Companies applied the revised accounting standard effective April 1, 2008. In addition, the Companies accounted for leases which existed at the transition date and do not transfer ownership of the leased property to the lessee as operating lease transactions. However, the Companies do not disclose "as if capitalized" information because there is an immaterial effect on the consolidated financial statements.

As lessor

Under the previous accounting standard, finance leases that were

Notes to Consolidated Financial Statements

The Kansai Electric Power Company, Incorporated and Subsidiaries
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deemed to transfer ownership of the leased property to the lessee were to be treated as sales. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if sold" information was disclosed in the notes to the lessor's consolidated financial statements. The revised accounting standard requires that all finance leases that deem to transfer ownership of the leased property to the lessee should be recognized as lease receivables, and all finance leases that do not deem to transfer ownership of the leased property to the lessee should be recognized as investments in leases.

All other leases are accounted for as operating leases.

o. Income Taxes - The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

p. Foreign Currency Transactions - All receivables and payables denominated in foreign currencies are translated into Japanese yen at the current exchange rates as of the balance sheet date. The foreign exchange gains and losses from translation are recognized in the statement of income to the extent that they are not hedged by the forward exchange contracts.

q. Foreign Currency Financial Statements - The balance sheet accounts of the consolidated foreign subsidiaries are translated into Japanese yen at the current exchange rate as of the balance sheet date except for equity, which is translated at the historical rate. Revenue and expense accounts of consolidated foreign subsidiaries are translated into Japanese yen at the current exchange rate as of the balance sheet date. Differences arising from such translation are shown as "Foreign currency translation adjustments" under accumulated other comprehensive income in a separate component of equity.

r. Derivatives and Hedging Activities - The Companies use principally foreign exchange forward contracts, currency swaps, interest rate swaps and commodity swaps in the normal course of business, to manage their exposures to fluctuations in foreign exchange, interest rates, fuel price and so on. The Companies do not enter into derivatives for trading or speculative purposes. Derivative financial instruments and foreign currency transactions are classified and accounted for as follows: (1) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the statement of income and (2) for derivatives used for hedging purposes, if such derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging

instruments and the hedged items, gains or losses on those derivatives are deferred until maturity of the hedged transactions.

Assets and liabilities denominated in foreign currencies for which foreign exchange forward contracts and currency swaps are used to hedge the foreign currency fluctuations are translated at the contracted rate if the forward contracts and currency swaps qualify for hedge accounting.

The interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at fair value but the differential paid or received under the swap agreements are recognized and included in interest expense or income.

s. Per Share Information - Basic net income or loss per share is computed by dividing net income or loss available to common shareholders by the weighted-average number of common shares outstanding in each period, retroactively adjusted for stock splits.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years including dividends to be paid after the end of the year.

t. New Accounting Pronouncements

Accounting Changes and Error Corrections - In December 2009, the ASBJ issued ASBJ Statement No. 24 "Accounting Standard for Accounting Changes and Error Corrections" and ASBJ Guidance No. 24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections". Accounting treatments under this standard and guidance are as follows; (1) Changes in Accounting Policies - When a new accounting policy is applied with revision of accounting standards, the new policy is applied retrospectively unless the revised accounting standards include specific transitional provisions. When the revised accounting standards include specific transitional provisions, an entity shall comply with the specific transitional provisions. (2) Changes in Presentations - When the presentation of consolidated financial statements is changed, prior period consolidated financial statements are reclassified in accordance with the new presentation. (3) Changes in Accounting Estimates - A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods. (4) Corrections of Prior Period Errors - When an error in prior period consolidated financial statements is discovered, those statements are restated. This accounting standard and the guidance are applicable to accounting changes and corrections of prior period errors which are made from the beginning of the fiscal year that begins on or after April 1, 2011.

3. PLANT AND EQUIPMENT

Plant and equipment, at carrying value, at March 31, 2011 and 2010 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Hydroelectric power production facilities	¥ 340,705	¥ 351,648	\$ 4,097,485
Thermal power production facilities	514,367	423,355	6,186,024
Nuclear power production facilities	374,900	334,140	4,508,726
Transmission facilities	1,092,498	1,138,274	13,138,890
Transformation facilities	423,644	425,519	5,094,947
Distribution facilities	864,029	875,588	10,391,214
General facilities	120,014	126,472	1,443,353
Other utility facilities	23,024	21,940	276,903
Other plant and equipment	603,851	604,137	7,262,192
Construction in progress	382,912	448,128	4,605,080
Total	¥ 4,739,950	¥ 4,749,205	\$ 57,004,820

4. INVESTMENT SECURITIES

The information for available-for-sale securities, whose fair values are readily determinable, and held-to-maturity securities at March 31, 2011 and 2010 were as follows:

March 31, 2011	Millions of Yen			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥ 33,924	¥ 37,558	¥ 2,337	¥ 69,145
Debt securities	3,663	670	30	4,304
Held-to-maturity debt securities	11,734	317	131	11,920
March 31, 2010				
Securities classified as:				
Available-for-sale:				
Equity securities	¥ 34,298	¥ 44,957	¥ 209	¥ 79,046
Debt securities	4,037	270	37	4,270
Held-to-maturity debt securities	13,587	340	281	13,647
March 31, 2011				
Securities classified as:				
Available-for-sale:				
Equity securities	\$ 407,988	\$ 451,692	\$ 28,112	\$ 831,569
Debt securities	44,063	8,069	365	51,767
Held-to-maturity debt securities	141,122	3,813	1,579	143,356

Notes to Consolidated Financial Statements

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5. INVENTORIES

Inventories at March 31, 2011 and 2010 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Merchandise and finished products	¥ 4,504	¥ 5,145	\$ 54,167
Work in process	2,952	4,088	35,504
Raw materials and supplies	80,920	81,281	973,181
Real estate for sale	53,104	43,076	638,653
Total	¥ 141,480	¥ 133,591	\$ 1,701,506

6. LONG-TERM DEBT

Long-term debt at March 31, 2011 and 2010 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Secured bonds:			
0.497% to 3.175% (0.67% to 3.175% in 2010), due serially through 2020:			
The Company	¥ 1,773,158	¥ 1,653,126	\$ 21,324,814
Subsidiary		1,200	
2.75%, due 2012 (payable in Switzerland francs)	24,545	24,576	295,198
0.65% to 3.4% secured loans from principally the Development Bank of Japan maturing serially through 2025:			
The Company	227,893	237,454	2,740,752
Subsidiaries	11,717	14,556	140,922
0.42% to 6.4% (0.52% to 6.4% in 2010) unsecured loans from banks, insurance companies and other sources maturing serially through 2036	1,187,479	1,243,234	14,281,175
Obligations under finance leases	27,911	29,092	335,675
Total	3,252,706	3,203,241	39,118,538
Less current maturities	429,628	354,597	5,166,910
Long-term debt, less current maturities	¥ 2,823,077	¥ 2,848,643	\$ 33,951,628

Annual maturities of long-term debt at March 31, 2011 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2011	2011
Year Ending March 31:		
2012	¥ 429,628	\$ 5,166,910
2013	359,765	4,326,700
2014	427,929	5,146,474
2015	282,822	3,401,354
2016	281,279	3,382,795
2017 and thereafter	1,471,281	17,694,302
Total	¥ 3,252,706	\$ 39,118,538

All of the Company's assets are pledged as collateral for the secured bonds and secured loans from the Development Bank of Japan.

The carrying amounts of subsidiaries' assets pledged as collateral for accounts payable of ¥3,267 million (\$39,291 thousand) and the above secured loans at March 31, 2011, were as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2011	2011
Property and other	¥ 27,912	\$ 335,692

7. RETIREMENT AND PENSION PLAN

The Company and certain consolidated subsidiaries have retirement benefit plans for employees.

Under most circumstances, employees terminating their employment with the Companies, either voluntarily or upon reaching mandatory retirement age, are entitled to retirement benefits based on the rate of pay at the time of termination, years of service and

certain other factors. Such retirement benefits are made in the form of a lump-sum severance payment from the Company or from certain consolidated subsidiaries and annuity payments from a trustee.

The liability for employees' retirement benefits at March 31, 2011 and 2010 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Projected benefit obligation	¥ 357,361	¥ 344,055	\$ 4,297,795
Fair value of plan assets	(4,770)	(4,860)	(57,373)
Unrecognized actuarial gain	4,720	7,440	56,774
Unrecognized prior service cost	791	892	9,523
Net liability	¥ 358,103	¥ 347,527	\$ 4,306,719

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The components of net periodic retirement benefit costs for the years ended at March 31, 2011 and 2010 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Service cost	¥ 16,110	¥ 15,975	\$ 193,750
Interest cost	6,695	6,419	80,523
Expected return on plan assets	(101)	(73)	(1,221)
Recognized actuarial gain	(3,589)	(5,516)	(43,163)
Amortization of prior service cost	(59)	(14)	(716)
Other	4,745	5,073	57,070
Net periodic retirement benefit costs	¥ 23,801	¥ 21,863	\$ 286,242

For the years ended March 31, 2011 and 2010, the contributions to the defined contribution pension plan of ¥3,886 million (\$46,736 thousand) and ¥4,076 million, respectively, are included in "Other"

in the above table.

Principal assumptions used for the years ended March 31, 2011 and 2010 are set forth as follows:

	2011	2010
Discount rate	2.0%	2.0%
Expected rate of return on plan assets	2.5%	2.5%
Allocation method of the retirement benefits expected to be paid at the retirement date	Straight-line method based on years of service	Straight-line method based on years of service
Amortization period of prior service cost	3 years	3 years
Recognition period of actuarial gain/loss	3 years	3 years

In addition, certain consolidated subsidiaries participate in a contributory multi-employer pension plan covering substantially all of their employees.

8. ASSET RETIREMENT OBLIGATIONS

The changes in asset retirement obligations for the year ended March 31, 2011 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2011	2011
Balance at beginning of year		
Additional provisions	¥ 439,532	\$ 5,286,018
Reduction	(12,247)	(147,298)
Balance at end of year	¥ 427,284	\$ 5,138,719

Additional provisions included ¥326,670 million (\$3,928,686 thousand) transferred from the balance of reserve for decommissioning of nuclear power units on April 1, 2010.

9. SHORT-TERM BORROWINGS

Short-term borrowings at March 31, 2011 and 2010 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Short-term loans from banks and other sources, weighted average interest rate of 0.522% and 0.699% at March 31, 2011 and 2010, respectively	¥ 155,036	¥ 147,524	\$ 1,864,537
Commercial paper, weighted average interest rate of 0.13% and 0.11% at March 31, 2011 and 2010, respectively	30,000	70,000	360,793
Total	¥ 185,036	¥ 217,524	\$ 2,225,331

10. EQUITY

Japanese companies are subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders meeting. For companies that meet certain criteria such as; (1) having the Board of Directors, (2) having independent auditors, (3) having the Board of Corporate Auditors, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. However, the Company cannot do so because it does not meet all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to a certain limitation and additional requirements. Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

(b) Increases/decreases and transfer of common stock, reserve and surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total aggregate amount of the legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

(c) Treasury stock and treasury stock acquisition rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula. Under the Companies Act, stock acquisition rights are presented as a separate component of equity. The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

Notes to Consolidated Financial Statements

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31, 2011 and 2010

11. INCOME TAXES

The Companies are subject to taxes based on income such as corporate income tax and inhabitant taxes which, in the aggregate, resulted in normal statutory tax rates of approximately 36.2% for the

years ended March 31, 2011 and 2010. The tax effects of significant temporary differences which resulted in deferred tax assets and liabilities at March 31, 2011 and 2010 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Deferred tax assets:			
Liability for retirement benefits	¥ 130,285	¥ 126,380	\$ 1,566,867
Depreciation and amortization	80,675	76,107	970,240
Asset retirement obligations	70,676		849,991
Reserve for decommissioning of nuclear power units		38,373	
Reserve for reprocessing of irradiated nuclear fuel (with definite plans, Note 2.j)	35,726	38,297	429,669
Reserve for preparation for reprocessing of irradiated nuclear fuel	13,883		166,967
Deferred charges		14,325	
Intercompany profit elimination	27,935	28,118	335,965
Other	123,127	117,552	1,480,792
Less valuation allowance	(63,242)	(64,214)	(760,578)
Deferred tax assets	¥ 419,068	¥ 374,940	\$ 5,039,914
Deferred tax liabilities:			
Capitalized asset retirement costs	¥ 18,305		\$ 220,148
Unrealized gain on available-for-sale securities	12,605	¥ 14,993	151,604
Deferred gain on derivatives under hedge accounting	3,191	8,635	38,386
Other	8,711	5,156	104,767
Deferred tax liabilities	¥ 42,814	¥ 28,785	\$ 514,908
Net deferred tax assets	¥ 376,254	¥ 346,155	\$ 4,525,005

As the difference between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the year ended March 31, 2011 is less than 5% of the normal effective statutory tax rate, a reconciliation is omitted.

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statements of income for the year ended March 31, 2010 is as follows:

	2010
Normal effective statutory tax rate	36.2 %
Equity in earning of associated companies	(1.6)
Valuation allowance	(1.2)
Difference in subsidiaries' tax rates	1.1
Other - net	(0.7)
Actual effective tax rate	33.7 %

12. RESEARCH AND DEVELOPMENT COSTS

Research and development costs charged to income were ¥18,943 million (\$227,818 thousand) and ¥19,614 million for the years ended March 31, 2011 and 2010, respectively.

13. RELATED PARTY DISCLOSURES

Related party transactions of the Company with an associated company for the year ended March 31, 2011 were as follows:

Category	Name	Address	Capital Stock or Stake	Description of Business	
			Millions of Yen		
Associated company	Japan Nuclear Fuel Limited	Rokkasho-mura, Kamikita-gun, Aomori prefecture	¥ 400,000	Uranium enrichment, reprocessing of irradiated nuclear fuel, temporary storage of nuclear fuel materials and wastes, and disposal of low-level radioactive wastes	
Voting Right	Relation of Related Party		Detail of Transactions	Transaction Amount	
				Millions of Yen	Thousands of U.S. Dollars
16.6%	Contract on uranium enrichment, reprocessing of irradiated nuclear fuel, temporary storage of nuclear fuel materials and wastes, and disposal of low-level radioactive wastes One director concurrently serves as the Company's director. Four directors were transferred from the Company.		Co-guarantees or guarantees of loans and bonds	¥ 184,044	\$ 2,213,400

A consolidated subsidiary sold a condominium to the Company's director for ¥51 million (\$614 thousand).

14. LEASES

Lessor

The net investments in lease are summarized as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Gross lease receivables	¥ 12,125	¥ 15,372	\$ 145,826
Residual values	38	95	468
Unearned interest income	(3,461)	(5,315)	(41,628)
Investments in lease, current	¥ 8,703	¥ 10,152	\$ 104,667

Maturities of lease receivables and investments in lease at March 31, 2011 are as follows:

	Lease Receivables		Investments in Lease	
	Millions of Yen	Thousands of U.S. Dollars	Millions of Yen	Thousands of U.S. Dollars
Year Ending March 31				
2012	¥ 2,621	\$ 31,533	¥ 3,578	\$ 43,037
2013	2,607	31,364	2,767	33,278
2014	2,602	31,298	1,944	23,383
2015	2,580	31,039	1,147	13,798
2016	2,571	30,930	660	7,943
2017 and thereafter	9,964	119,841	2,027	24,385
Total	¥ 22,950	\$ 276,007	¥ 12,125	\$ 145,826

Notes to Consolidated Financial Statements

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31, 2011 and 2010

15. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

In March 2008, the ASBJ revised ASBJ Statement No.10 "Accounting Standard for Financial Instruments" and issued ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". This accounting standard and the guidance were applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010. The Companies applied the revised accounting standard and the guidance effective March 31, 2010.

(1) Policy for Financial Instruments

The Companies use long-term debt including bonds and loans to fund capital expenditures and debt repayments for operating electric power and other businesses if funds on hand are insufficient. Short-term borrowings, mainly commercial papers are used to fund its ongoing operations.

The Companies raise the capital mainly denominated in Japanese yen with fixed interest rates. The redemption periods are decided considering the financial environment and other factors in total.

Marketable and investment securities are held principally in relation to the business of electric power.

The reserve fund for reprocessing of irradiated nuclear fuel are reserved and refunded for the reprocessing of irradiated nuclear fuel in accordance with the Irradiated Nuclear Fuel Reprocessing Fund Act and other regulations.

(2) Nature and Extent of Risks Arising from Financial Instruments

Although accounts receivable are exposed to customer credit risk, electricity charges, the major part of accounts receivable are generally collected within twenty days after reading meters. Marketable and investment securities, mainly equity securities held for operation of electric power business are exposed to the risk of market price fluctuations.

Payment terms of accounts are generally less than one year. Imports of fuels are payable in foreign currencies and are exposed to the market risk of fluctuation in foreign currency exchange rates.

Bonds in foreign currencies are exposed to the market risk of fluctuation in foreign currency exchange rates. Long-term loans with a variable interest rate are exposed to the market risks from changes in interest rates.

Bonds, loans and commercial papers are exposed to liquidity risk.

(3) Risk Management for Financial Instruments

Market Risk Management

Marketable and investment securities are managed by reviewing the necessity in the business of electric power, and by monitoring market values and financial position of issuers on a regular basis.

Foreign exchange risk of foreign currency trade payables is hedged principally by forward foreign currency contracts. In addition, foreign exchange risk of foreign currency bonds is hedged by currency swap contracts.

Interest-rate swaps are used to manage exposure to market risks from changes in interest rates of long-term loans with variable interest rates.

Liquidity Risk Management

The Companies manage liquidity risk by ensuring ready liquidity at the required level, along with financial planning prepared and updated timely by the Accounting Department of the Company and each subsidiary.

(4) Fair Values of Financial Instruments

Fair values of financial instruments are based on a quoted price in active markets. If a quoted price is not available, other rational valuation techniques are used instead.

(a) Fair value of financial instruments

	Millions of Yen		
	Carrying Amount	Fair Value	Unrealized Gain/Loss
March 31, 2011			
Marketable securities and investment securities	¥ 85,413	¥ 85,598	¥ 185
Reserve fund for reprocessing of irradiated nuclear fuel	534,151	534,151	—
Cash and cash equivalents	95,450	95,450	—
Accounts receivable (exclusive of associated companies)	165,829	165,829	—
Total	¥ 880,844	¥ 881,029	¥ 185
Long-term debt	¥ 3,224,795	¥ 3,334,302	¥ 109,507
Short-term borrowings	185,036	185,036	—
Accounts payable (exclusive of accrued amount payable)	113,698	113,698	—
Accrued income taxes	61,600	61,600	—
Total	¥ 3,585,130	¥ 3,694,637	¥ 109,507

Marketable securities are included in other current assets on the consolidated balance sheets.

Long-term debt includes current maturities of long-term debt on the consolidated balance sheets.

	Millions of Yen		
	Carrying Amount	Fair Value	Unrealized Gain/Loss
March 31, 2010			
Marketable securities and investment securities	¥ 97,214	¥ 97,273	¥ 59
Reserve fund for reprocessing of irradiated nuclear fuel	447,289	447,289	—
Cash and cash equivalents	77,525	77,525	—
Accounts receivable (exclusive of associated companies)	151,702	151,702	—
Total	¥ 773,732	¥ 773,791	¥ 59
Long-term debt	¥ 3,174,148	¥ 3,288,552	¥ 114,403
Short-term borrowings	217,524	217,524	—
Accounts payable (exclusive of accrued amount payable)	111,585	111,585	—
Accrued income taxes	60,624	60,624	—
Total	¥ 3,563,884	¥ 3,678,287	¥ 114,403

Same as the previous page.

Notes to Consolidated Financial Statements

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31, 2011 and 2010

	Thousands of U.S. Dollars		
	Carrying Amount	Fair Value	Unrealized Gain/Loss
March 31, 2011			
Marketable securities and investment securities	\$ 1,027,216	\$ 1,029,449	\$ 2,233
Reserve fund for reprocessing of irradiated nuclear fuel	6,423,945	6,423,945	—
Cash and cash equivalents	1,147,934	1,147,934	—
Accounts receivable (exclusive of associated companies)	1,994,339	1,994,339	—
Total	\$ 10,593,436	\$ 10,595,669	\$ 2,233
Long-term debt	\$ 38,782,863	\$ 40,099,847	\$ 1,316,984
Short-term borrowings	2,225,331	2,225,331	—
Accounts payable (exclusive of accrued amount payable)	1,367,386	1,367,386	—
Accrued income taxes	740,838	740,838	—
Total	\$ 43,116,420	\$ 44,433,404	\$ 1,316,984

Marketable and investment securities

The fair values of marketable and investment securities are measured at the quoted market price of the stock exchange for the equity instruments, or at the quoted price obtained from the financial institution. The information of the fair value for the investment securities by classification is included in Note 4.

Reserve fund for reprocessing of irradiated nuclear fuel

The Company provides a reserve fund for reprocessing of irradiated nuclear fuel in order to carry out properly the plan of reprocessing the irradiated nuclear fuel from practically running the nuclear power unit in accordance with the Irradiated Nuclear Fuel Reprocessing Fund Act. At refunding the reserve, the Company needs to follow the plan of refunding the reserve fund for reprocessing of irradiated nuclear fuel that was approved by the Minister of Economy, Trade and Industry. The carrying values of the reserve approximate fair value because the carrying values are determined by discounting the cash flow of future refunding.

Cash and cash equivalents and accounts receivable

The carrying values of cash and cash equivalents and accounts receivable approximate fair value because of their short maturities.

Long-term debt

The fair values of loans are determined by discounting the cash flows related to the debt at the Companies' assumed corporate borrowing rate.

The fair values of corporate bonds approximate market value. Some bonds are treated according to the forward exchange contract and their fair values are determined by discounting the amount of principal and interest at assumed rate of the bond payable in Japanese yen with fixed interest.

Short-term borrowings, accounts payable and accrued income taxes

The carrying values of short-term borrowings, accounts payable and accrued income taxes approximate fair values because of their short maturities.

(b) Financial instruments whose fair value cannot be reliably determined

	Carrying Amount		Thousands of U.S. Dollars
	Millions of Yen	2010	
Investments in equity instruments that do not have a quoted market price in an active market	2011	2010	2011
	\$ 77,347	¥ 86,462	\$ 930,211
Invested instruments and other	11,152	11,228	134,123

(c) Maturity analysis for financial assets and securities with contractual maturities

	Millions of Yen			
	Due in One Year or Less	Due after One Year through Five Years	Due after Five Years through Ten Years	Due after Ten Years
March 31, 2011				
Investment securities:				
Held-to-maturity securities	¥ 2,656	¥ 4,705	¥ 3,965	¥ 400
Available-for-sale securities with contractual maturities	25	1,323	439	337
Cash and cash equivalents	95,450	—	—	—
Accounts receivable	162,346	3,398	80	4
	Thousands of U.S. Dollars			
	Due in One Year or Less	Due after One Year through Five Years	Due after Five Years through Ten Years	Due after Ten Years
March 31, 2011				
Investment securities:				
Held-to-maturity securities	\$ 31,942	\$ 56,584	\$ 47,684	\$ 4,810
Available-for-sale securities with contractual maturities	300	15,918	5,290	4,062
Cash and cash equivalents	1,147,934	—	—	—
Accounts receivable	1,952,452	40,871	965	50

The redemption amount from the reserve fund for reprocessing of irradiated nuclear fuel within one year is ¥57,706 million (\$694,007

thousand) in one year.

Please see Note 6 for annual maturities of long-term debt.

16. COMPREHENSIVE INCOME

Other comprehensive income for the year ended March 31, 2010 consisted of the following:

	Millions of Yen
	2010
Other comprehensive income:	
Unrealized gain on available-for-sale securities	¥ 3,736
Deferred gain on derivatives under hedge accounting	4,520
Foreign currency translation adjustments	12,196
Share of other comprehensive income in associates	2,592
Total other comprehensive income	¥ 23,045

Total comprehensive income for the year ended March 31, 2010 was the following:

	Millions of Yen
	2010
Total comprehensive income attributable to:	
Owners of the parent	¥ 150,381
Minority interests	777
Total comprehensive income	¥ 151,158

Notes to Consolidated Financial Statements

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31, 2011 and 2010

17. COMMITMENTS AND CONTINGENCIES

At March 31, 2011, the Companies had firm purchase commitments, principally related to utility plant expansion, of approximately ¥401,243 million (\$4,825,539 thousand). Additionally, the Companies had a number of fuel purchase commitments, most of which specify

quantities and terms. Purchase prices are contingent upon fluctuations of market prices and so on.

At March 31, 2011, the Companies had the following contingent liabilities:

	Millions of Yen	Thousands of U.S. Dollars
	2011	2011
Co-guarantees or guarantees of loans and bonds of other companies:		
Japan Nuclear Fuel Limited (Note 13)	¥ 184,044	\$ 2,213,400
Other	8,516	102,426
Total	¥ 192,561	\$ 2,315,827

18. NET INCOME PER SHARE

Diluted net income per share ("EPS") for the years ended March 31, 2011 and 2010 is not disclosed because the Companies issue no dilutive securities.

	Millions of Yen	Thousands of Shares	Yen	Dollars
	Net Income	Weighted Average Shares	EPS	

For the year ended March 31, 2011

Basic EPS:				
Net income available to common shareholders	¥ 123,143	894,566	¥ 137.66	\$ 1.65

For the year ended March 31, 2010

Basic EPS:				
Net income available to common shareholders	¥ 127,170	906,821	¥ 140.24	

19. SUBSEQUENT EVENT

On April 27, 2011, the following appropriation of retained earnings at March 31, 2011 was approved at the Company's board of directors,

which is subject to approval at the Company's shareholders meeting planned to be held on June 29, 2011:

	Millions of Yen	Thousands of U.S. Dollars
	2011	2011
Year-end cash dividends, ¥30 (\$0.36) per share	¥ 26,816	\$ 322,512

20. SEGMENT INFORMATION

For the years ended March 31, 2011 and 2010

In March 2008, the ASBJ revised ASBJ Statement No. 17 "Accounting Standard for Segment Information Disclosures" and issued ASBJ Guidance No. 20 "Guidance on Accounting Standard for Segment Information Disclosures". Under the standard and guidance, an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. This accounting standard and the guidance are applicable to segment information disclosures for

the fiscal years beginning on or after April 1, 2010.

The segment information for the year ended March 31, 2010 under the revised accounting standard is also disclosed hereunder as required.

1. Description of reportable segments

The Companies' reportable segments are those for which separate financial information is available and regular evaluation by the Company's management is being performed in order to decide how resources are allocated among the Companies. Therefore, the Companies consist of electric power, IT/communications and other.

2. Methods of measurement for the amounts of sales, profit, assets and other items for each reportable segment

The accounting policies of each reportable segment are consistent to those disclosed in Note 2, "Summary of Significant Accounting Policies".

Information about sales, profit, assets and other items is as follows:

	Millions of Yen						
	2011			2010			
	Electric Power	Reportable Segment IT/Communications	Total	Other	Total	Reconciliations	Consolidated
Sales:							
Sales to external customers	¥ 2,408,196	¥ 136,705	¥ 2,544,902	¥ 224,881	¥ 2,769,783		¥ 2,769,783
Intersegment sales or transfers	11,693	55,409	67,103	273,922	341,025	¥ (341,025)	
Total	2,419,890	192,115	2,612,005	498,804	3,110,809	(341,025)	2,769,783
Segment profit	218,283	20,562	238,845	33,190	272,036	1,849	273,885
Segment assets	6,139,291	391,849	6,531,140	1,251,654	7,782,795	(472,616)	7,310,178
Other:							
Depreciation	339,759	51,769	391,529	35,387	426,917	(3,352)	423,564
Increase in property and intangible assets	361,074	71,574	432,648	28,948	461,596	(6,088)	455,508

Notes to Consolidated Financial Statements

The Kansai Electric Power Company, Incorporated and Subsidiaries
Years Ended March 31, 2011 and 2010

	Millions of Yen						
	2010						
	Reportable Segment			Other	Total	Reconciliations	Consolidated
Electric Power	IT/Communications	Total					
Sales:							
Sales to external customers	¥ 2,281,669	¥ 123,376	¥ 2,405,045	¥ 201,546	¥ 2,606,592		¥ 2,606,592
Intersegment sales or transfers	11,908	50,894	62,802	282,726	345,529	¥ (345,529)	
Total	2,293,577	174,270	2,467,848	484,273	2,952,121	(345,529)	2,606,592
Segment profit	169,497	19,439	188,937	38,306	227,244	417	227,661
Segment assets	6,055,269	376,576	6,431,845	1,174,606	7,606,452	(489,820)	7,116,632
Other:							
Depreciation	322,888	47,923	370,811	34,796	405,608	(2,501)	403,107
Increase in property and intangible assets	320,215	65,062	385,277	51,321	436,599	(6,002)	430,597

	Thousands of U.S. Dollars						
	2011						
	Reportable Segment			Other	Total	Reconciliations	Consolidated
Electric Power	IT/Communications	Total					
Sales:							
Sales to external customers	\$ 28,962,077	\$ 1,644,081	\$ 30,606,158	\$ 2,704,530	\$ 33,310,688		\$ 33,310,688
Intersegment sales or transfers	140,630	666,381	807,012	3,294,319	4,101,331	\$ (4,101,331)	
Total	29,102,707	2,310,463	31,413,171	5,998,849	37,412,020	(4,101,331)	33,310,688
Segment profit	2,625,175	247,294	2,872,470	399,167	3,271,638	22,238	3,293,876
Segment assets	73,833,927	4,712,565	78,546,492	15,052,966	93,599,459	(5,683,907)	87,915,551
Other:							
Depreciation	4,086,102	622,607	4,708,709	425,592	5,134,301	(40,316)	5,093,985
Increase in property and intangible assets	4,342,443	860,788	5,203,232	348,144	5,551,376	(73,225)	5,478,151

For the year ended March 31, 2010

Information about industry segments of the Companies for the year ended March 31, 2010 is as follows:

a. Sales and Operating Income

	Millions of Yen				
	2010				
	Electric Power	IT/Communications	Other	Eliminations/Corporate	Consolidated
Sales to customers	¥ 2,281,669	¥ 123,376	¥ 201,546		¥ 2,606,592
Intersegment sales	11,908	50,894	275,772	¥ (338,575)	
Total sales	2,293,577	174,270	477,319	(338,575)	2,606,592
Operating expenses	2,124,079	154,831	438,708	(338,688)	2,378,930
Operating income	¥ 169,497	¥ 19,439	¥ 38,611	¥ 112	¥ 227,661

b. Total Assets, Depreciation and Amortization, Capital Expenditures

	Millions of Yen				
	2010				
	Electric Power	IT/Communications	Other	Eliminations/Corporate	Consolidated
Total assets	¥ 6,183,418	¥ 376,576	¥ 928,775	¥ (372,138)	¥ 7,116,632
Depreciation and amortization	322,888	47,923	35,162	(2,866)	403,107
Capital expenditures	320,215	65,062	51,437	(6,118)	430,597

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of
The Kansai Electric Power Company, Incorporated:

We have audited the accompanying consolidated balance sheets of The Kansai Electric Power Company, Incorporated (the "Company") and subsidiaries as of March 31, 2011 and 2010, and the related consolidated statements of income for the years then ended, the consolidated statement of comprehensive income for the year ended March 31, 2011, and the related consolidated statements of changes in equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Kansai Electric Power Company, Incorporated and subsidiaries as of March 31, 2011 and 2010, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

As discussed in Note 2.1 to the consolidated financial statements, effective April 1, 2010, the consolidated financial statements have been prepared in accordance with the new accounting standard for asset retirement obligations.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 28, 2011

The Kansai Electric Power Company, Incorporated

Unaudited Non-Consolidated Financial Statements
for the Years Ended March 31, 2011 and 2010

Non-Consolidated Balance Sheets

The Kansai Electric Power Company, Incorporated
March 31, 2011 and 2010

ASSETS

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
PROPERTY:			
Plant and equipment	¥ 14,295,106	¥ 14,041,911	\$ 171,919,502
Construction in progress	344,328	414,164	4,141,050
Contributions in aid of construction	(434,535)	(430,617)	(5,225,917)
Accumulated depreciation and amortization	(9,991,252)	(9,797,531)	(120,159,374)
Plant and equipment - net	4,213,647	4,227,928	50,675,261
Nuclear fuel, net of amortization	511,157	499,134	6,147,418
Property - net	4,724,805	4,727,062	56,822,679
INVESTMENTS AND OTHER ASSETS:			
Investment securities	87,260	123,525	1,049,428
Investments in and advances to subsidiaries and associated companies	391,908	291,709	4,713,276
Reserve fund for reprocessing of irradiated nuclear fuel	534,151	447,289	6,423,945
Long-term loans receivable	1,287	1,647	15,478
Deferred tax assets	293,027	269,261	3,524,077
Other assets	100,156	112,039	1,204,532
Total investments and other assets	1,407,790	1,245,472	16,930,738
CURRENT ASSETS:			
Cash and cash equivalents	65,624	32,472	789,229
Accounts receivable	131,403	127,805	1,580,312
Allowance for doubtful accounts	(1,400)	(1,326)	(16,848)
Inventories	74,341	73,863	894,068
Deferred tax assets	22,856	14,867	274,879
Other current assets	32,172	55,352	386,922
Total current assets	324,997	303,035	3,908,563
TOTAL	¥ 6,457,593	¥ 6,275,570	\$ 77,661,981

LIABILITIES AND EQUITY

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
LONG-TERM LIABILITIES			
Long-term debt, less current maturities	¥ 2,437,153	¥ 2,439,724	\$ 29,310,318
Liability for retirement benefits	343,662	335,026	4,133,044
Reserve for reprocessing of irradiated nuclear fuel	704,413	698,293	8,471,602
Reserve for decommissioning of nuclear power units		326,670	
Asset retirement obligations	424,997		5,111,220
Other long-term liabilities	72,412	73,198	870,859
Total long-term liabilities	3,982,640	3,872,912	47,897,063
CURRENT LIABILITIES:			
Current maturities of long-term debt	351,303	310,679	4,224,934
Short-term borrowings	130,000	130,000	1,563,439
Commercial papers	30,000	70,000	360,793
Accounts payable	105,264	104,755	1,265,953
Payable to subsidiaries and associated companies	143,185	106,597	1,722,017
Accrued income taxes	80,403	51,942	966,963
Accrued expenses and other current liabilities	134,460	151,008	1,617,088
Total current liabilities	974,616	924,983	11,721,190
EQUITY			
Common stock, authorized, 1,784,059,697 shares; issued, 938,733,028 shares in 2011 and 946,337,828 shares in 2010	489,320	489,320	5,884,794
Capital surplus			
Additional paid-in capital	67,031	67,031	806,148
Other capital surplus			
Retained earnings:			
Legal reserve	122,330	122,330	1,471,198
Unappropriated	887,900	854,750	10,678,295
Unrealized gain on available-for-sale securities	18,860	24,649	226,824
Deferred gain on derivatives under hedge accounting	5,518	15,107	66,363
Treasury stock - at cost 44,419,117 shares in 2010 and 44,155,409 shares in 2009	(96,095)	(95,515)	(1,155,686)
Total equity	1,494,865	1,477,673	17,977,939
TOTAL	¥ 6,457,593	¥ 6,275,570	\$ 77,661,981

U.S. dollar amounts have been translated from yen, for convenience, at the rate of ¥83.15 = U.S.\$1, the approximate rate of exchange at March 31, 2011.

Non-Consolidated Statements of Operations

The Kansai Electric Power Company, Incorporated
Years Ended March 31, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
OPERATING REVENUES:			
Electricity operating revenues:			
Residential	¥ 1,028,943	¥ 965,291	\$ 12,374,549
Commercial and industrial	1,318,674	1,264,203	15,858,987
Other	72,271	64,081	869,171
Sub-total	2,419,890	2,293,577	29,102,707
Incidental operating revenues	56,041	53,900	673,977
Total	2,475,931	2,347,477	29,776,684
OPERATING EXPENSES:			
Electricity operating expenses:			
Personnel expenses	238,790	236,300	2,871,797
Fuel	387,452	351,434	4,659,675
Purchased power	378,220	352,935	4,548,647
Maintenance	275,838	286,204	3,317,354
Depreciation and amortization	339,694	322,819	4,085,315
Taxes	148,463	141,587	1,785,484
Other	433,149	432,800	5,209,257
Sub-total	2,201,606	2,124,079	26,477,532
Incidental operating expenses	49,130	46,215	590,870
Total	2,250,737	2,170,295	27,068,402
OPERATING INCOME (LOSS)	225,193	177,182	2,708,282
OTHER (INCOME) EXPENSES:			
Interest and dividends income	(21,174)	(19,097)	(254,655)
Interest expense	46,935	49,776	564,462
Other - net	(3,021)	(47)	(36,341)
Total	22,738	30,631	273,465
INCOME (LOSS) BEFORE INCOME TAXES	202,454	146,550	2,434,816
Provision for reserve for fluctuations in water level	5,470		65,788
Effect of application of the accounting standard for asset retirement obligations	36,296		436,520
Income before income taxes	160,686		1,932,494
INCOME TAXES			
Current	80,403	51,942	966,968
Prior periods			
Deferred	(23,046)	2,075	(277,172)
Total	57,356	54,017	689,796
NET INCOME (LOSS)	¥ 103,330	¥ 92,533	\$ 1,242,698

U.S. dollar amounts have been translated from yen, for convenience, at the rate of ¥83.15 = U.S.\$1, the approximate rate of exchange at March 31, 2011.

Non-Consolidated Statements of Changes in Equity

The Kansai Electric Power Company, Incorporated
Years Ended March 31, 2011 and 2010

	Millions of Yen										
	Issued Number of Shares of Common Stock	Common Stock	Capital Surplus		Retained Earnings			Unrealized Gain on Available for- sale Securities	Deferred Gain on Derivatives under Hedge Accounting	Treasury Stock	Total Equity
			Additional Paid-in Capital	Other Capital Surplus	Legal Reserve	Unappropriated					
BALANCE, APRIL 1, 2009	954,698,728	¥ 489,320	¥ 67,031		¥ 122,330	¥ 834,830	¥ 21,237	¥ 10,604	¥ (95,943)	¥ 1,449,410	
Net loss						92,533				92,533	
Cash dividends, ¥60 per share						(54,631)				(54,631)	
Purchase of treasury stock									(17,601)	(17,601)	
Disposal of treasury stock									49	47	
Retirement of treasury stock	(8,360,900)								17,980		
Transfer to capital surplus from retained earnings						17,982		(17,982)			
Net change in the year							(3,412)	(4,503)		7,915	
BALANCE, MARCH 31, 2010	946,337,828	¥ 489,320	¥ 67,031		¥ 122,330	¥ 854,750	¥ 24,649	¥ 15,107	¥ (95,515)	¥ 1,477,673	
Net income						103,330				103,330	
Cash dividends, ¥60 per share						(53,876)				(53,876)	
Purchase of treasury stock									(17,000)	(17,000)	
Disposal of treasury stock									119	116	
Retirement of treasury stock	(7,604,800)								16,301		
Transfer to capital surplus from retained earnings						16,303		(16,303)			
Net change in the year							(5,788)	(9,589)		(15,378)	
BALANCE, MARCH 31, 2011	938,733,028	¥ 489,320	¥ 67,031		¥ 122,330	¥ 887,900	¥ 18,860	¥ 5,518	¥ (96,095)	¥ 1,494,865	

	Thousands of U.S. Dollars								
	Common Stock	Additional Paid-in Capital	Other Capital Surplus	Retained Earnings		Unrealized Gain on Available for- sale Securities	Deferred Gain on Derivatives under Hedge Accounting	Treasury Stock	Total Equity
				Legal Reserve	Unappropriated				
BALANCE, MARCH 31, 2010	\$ 5,884,794	\$ 806,148		\$ 1,471,198	\$ 10,279,619	\$ 296,444	\$ 181,689	\$ (1,148,711)	\$ 17,771,183
Net income					1,242,698				1,242,698
Cash dividends, ¥0.72 per share					(647,946)				(647,946)
Purchase of treasury stock								(204,456)	(204,456)
Disposal of treasury stock								1,437	1,405
Retirement of treasury stock								196,044	
Transfer to capital surplus from retained earnings					196,076		(196,076)		
Net change in the year						(69,619)	(115,325)		(184,945)
BALANCE, MARCH 31, 2011	\$ 5,884,794	\$ 806,148		\$ 1,471,198	\$ 10,678,295	\$ 226,824	\$ 66,363	\$ (1,155,686)	\$ 17,977,939

U.S. dollar amounts have been translated from yen, for convenience, at the rate of ¥83.15 = U.S.\$1, the approximate rate of exchange at March 31, 2011.

Five-Year Summary of Selected Operational Data

The Kansai Electric Power Company, Incorporated and Subsidiaries
Year Ended March 31

	Non-Consolidated Basis					Consolidated Basis				
	2007	2008	2009	2010	2011	2007	2008	2009	2010	2011
Operating Revenues (Millions of Yen)	2,396,870	2,478,545	2,565,372	2,347,477	2,475,931	2,596,371	2,689,317	2,789,574	2,606,592	2,769,783
Operating Income (Millions of Yen)	228,210	145,532	-13,424	177,182	225,193	271,644	187,149	31,049	227,661	273,885
Ordinary Income (Millions of Yen)	189,390	110,988	-51,931	146,550	202,454	231,676	152,444	-12,581	193,132	237,987
Net Income (Millions of Yen)	117,667	55,446	-41,775	92,533	103,330	147,935	85,265	-8,796	127,170	123,143
Electricity Operating Revenues (Millions of Yen)										
Residential	963,790	1,003,756	1,016,051	965,291	1,028,943					
Commercial and Industrial	1,317,248	1,340,839	1,398,621	1,264,203	1,318,674					
Total	2,281,038	2,344,595	2,414,672	2,229,495	2,347,618					
Electricity Operating Expenses (Millions of Yen)										
Personnel Expenses	206,989	211,953	235,845	236,300	238,790					
Fuel Costs	358,322	556,760	638,191	351,434	387,452					
Costs of Purchased Power	415,832	379,313	471,312	352,934	378,220					
Maintenance Costs	235,459	229,571	263,491	286,203	275,838					
Depreciation	310,486	312,772	313,991	322,819	339,694					
Taxes Other than Income Taxes	153,090	147,517	147,331	141,586	148,463					
Other	439,628	436,687	449,234	432,800	433,147					
Total	2,119,806	2,274,573	2,519,395	2,124,079	2,201,606					
No. of Totally Electric Homes (Thousand Homes)	458	562	679	774	867					
No. of FTTH Contracts (Thousand Lines)	52.0	68.2	86.4	100.7	118.2					
Shares of Kinki Area (%)	29	28	29	29	30					
Shares of Kinki Area Housing (%)	42	42	43	43	45					
Gas Sales Volumes (LNG conversion) (Thousand Tons)	76	84	78	81	81					
Interest Expense (Millions of Yen)	56,505	52,655	51,408	49,776	46,935	60,885	56,934	55,533	55,109	52,216
Return on Equity (ROE) (%)	7.2	3.4	-2.7	6.3	7.1	8.1	4.6	-0.5	7.3	7.0
Return on Assets (ROA) (%)	4.0	2.7	0.0	3.1	3.9	4.3	3.1	0.6	3.5	4.0
Net Income per Share (Yen)	126.97	60.05	-45.83	102.00	115.47	159.69	92.39	-9.65	140.24	137.66
Cash Dividends per Share (Yen)	60.00	60.00	60.00	60.00	60.00					
Capital Investments (Millions of Yen)	223,704	268,811	343,611	321,600	362,193	297,459	353,994	510,866	430,597	455,508
Total Assets (Millions of Yen)	6,188,914	6,135,003	6,243,434	6,275,570	6,457,593	6,827,230	6,789,605	6,970,120	7,116,632	7,310,178
Net Assets (Millions of Yen)	1,656,407	1,602,320	1,449,410	1,477,673	1,494,865	1,877,355	1,845,758	1,706,714	1,789,429	1,832,416
Equity Ratio (%)	26.8	26.1	23.2	23.5	23.1	27.4	27.1	24.4	25.0	24.8
Interest-bearing Debt (Millions of Yen)	2,846,580	2,813,317	3,075,394	2,946,618	2,943,697	3,207,205	3,166,453	3,466,989	3,391,673	3,409,831
Net Assets per Share (Yen)	1,787.75	1,743.93	1,591.81	1,638.37	1,672.30	2,021.60	2,003.91	1,868.08	1,972.44	2,026.53
Free Cash Flows (Millions of Yen)						234,886	95,741	-229,129	189,394	62,551
Operating Cash Flows (Millions of Yen)						541,771	411,724	281,289	667,150	610,548
Operating Revenues from Group Businesses (external sales) (Millions of Yen)						254,000	273,200	295,700	321,300	355,600
Ordinary Income from Group Businesses (Millions of Yen)						45,000	42,000	52,500	62,400	54,800

	Non-Consolidated Basis				
	2007	2008	2009	2010	2011
Electricity Sales Volume (Million kWh)					
Residential	48,360	50,182	49,227	48,841	52,316
Commercial and Industrial	98,896	100,241	96,641	92,763	98,762
Total	147,257	150,422	145,867	141,604	151,078
Number of Customers (Thousands)					
Residential	12,108	12,183	12,267	12,326	12,394
Commercial and Industrial (Excluding the liberalized segment)	1,175	1,154	1,128	1,105	1,085
Total	13,282	13,337	13,396	13,432	13,479
Electricity Generation Capacity (MW)					
Nuclear	9,768	9,768	9,768	9,768	9,768
Thermal	16,907	16,407	15,907	16,357	16,907
Hydropower	8,189	8,189	8,190	8,196	8,196
Total	34,864	34,364	33,865	34,321	34,871
System Peak Demand (MW)	30,530	30,665	30,835	28,178	30,950
Load Ratio (%)	60.0	60.9	58.8	62.8	60.5
Power Sources (%)					
Nuclear	45	42	41	45	44
Thermal	43	49	49	44	45
Hydropower	11	9	9	10	10
Renewable Energies	1	1	1	1	1
Total	100	100	100	100	100
CO ₂ Emission (kg-CO ₂ /kWh)	0.338	0.366	0.299	0.265	0.281
Nuclear Capacity Factor (%)	77.0	75.0	72.4	77.0	78.2
Thermal Efficiency of Thermal Power Plants (%)	40.5	40.0	40.0	41.8	42.7
Number of Employees	20,292	20,184	20,177	20,217	20,277

Corporate Information

Company Name: The Kansai Electric Power Company, Incorporated
Head Office: 6-16, Nakanoshima 3-chome, Kita-ku, Osaka 530-8270, Japan
 Phone: +81-6-6441-8821 Fax: +81-6-6441-0569
Date of Establishment: May 1, 1951
Paid-in Capital: ¥489.3 billion
Operating Revenues: ¥2,475.9 billion (consolidated ¥2,769.7 billion)
Total Assets: ¥6,457.5 billion (consolidated ¥7,310.1 billion)
Number of Employees: 20,277 (consolidated 32,418)
URL: http://www.kepco.co.jp
E-mail: finance@kepco.co.jp
Rating (Moody's): A1 (as of September 30, 2011)

Major Consolidated Subsidiaries

Information and Telecommunications (IT) ¹	Issued Share Capital (Millions of yen)	Voting Interest	Principal Business
K-Opticom Corp.	33,000	100.0%	Internet connection service for individual customers, telecommunication business for corporate customers, and lease of telecommunication facilities
K Cable Television Corporation, Inc.	2,418	75.0%	CATV service, internet connection service by CATV
Kanden System Solutions Co., Inc.	90	100.0%	Consulting of information system and telecommunications, development, use, and maintenance of system, design, sales, lease of such as software, design, establishment, and maintenance of information processing facilities and telecommunications facilities.

Integrated Energy Supply²

	Issued Share Capital (Millions of yen)	Voting Interest	Principal Business
SAKAI LNG Corp.	1,000	70.0%	Operation of LNG terminal
Kanden Energy Solution Co., Inc.	15,200	100.0%	Gas sales agent and design of optimum systems such as co-generations Integrated management service for electric facilities, air-conditioning, and machineries

Lifecycle-related Business²

	Issued Share Capital (Millions of yen)	Voting Interest	Principal Business
KANDEN FUDOSAN CO., LTD.	810	100.0%	Sale, lease and administration of real estate
Clearpass Co., Ltd.	465	100.0%	Billing service and loan business
KANDEN Security of Society, Inc.	400	71.0%	Home security service
Kanden E House Corp.	300	100.0%	Housing design and sale of electric appliances
KANSAI Medical Net Co., Inc.	300	80.0%	Support business of the health care
Kanden Joy Life Co., Ltd.	950	100.0%	Operation of private old people's homes, nursing care business of the visit, home care support business, day service business
MID Urban Development Co., Ltd.	100	92.6%	Building development, sale of house
MID Facility Management Co., Ltd.	100	100.0%	Administration of office building, commerce facility, hospital

Group Business Support²

	Issued Share Capital (Millions of yen)	Voting Interest	Principal Business
Kanden Engineering Corp.	786	100.0%	Maintenance and construction of electricity circulation facilities, electric facilities and communication systems
NIHON NETWORK SUPPORT CO., LTD.	412	80.5%	Production and sales of overhead wire hardware, insulator, bushing, steel tube pillars, concrete pillars, material and machine parts which supplies electricity
Kanden Plant Corp.	300	100.0%	Maintenance and construction of fossil-fired and nuclear plant
NEWJEC INC.	200	84.0%	Investigation, designing and construction management of civil engineering and construction
THE GENERAL ENVIRONMENTAL TECHNOS CO., LTD.	80	100.0%	Investigation, analysis and consulting, construction about environment, engineering and architecture
The Kanden L&A Co., Ltd.	30	100.0%	Lease business, car maintenance business and insurance agent

Number of Consolidated subsidiaries: 59 (All of subsidiaries)

Affiliates Accounted for by Equity Method

Other	Issued Share Capital (Millions of yen)	Voting Interest	Principal Business
Japan Nuclear Fuel .,LTD	400,000	16.7%	Uranium enrichment, reprocessing of irradiated nuclear fuel, temporary storage of nuclear fuel materials and wastes, and disposal of low-level radioactive wastes
KINDEN CORPORATION	26,411	42.2%	Construction and engineering of electric facilities, communication systems, and environmental-related facilities
ENEGATE Co., Ltd.	497	49.0%	Production, sales and maintenance of electric meters and production and sales of electric control machinery
San Roque Power Cooperation	41	50.0%	Hydraulic power business in Philippines

Note 1: Included in "IT/communications" in the industrial segment information
 Note 2: Included in "Other" in the industrial segment information

Stock Information

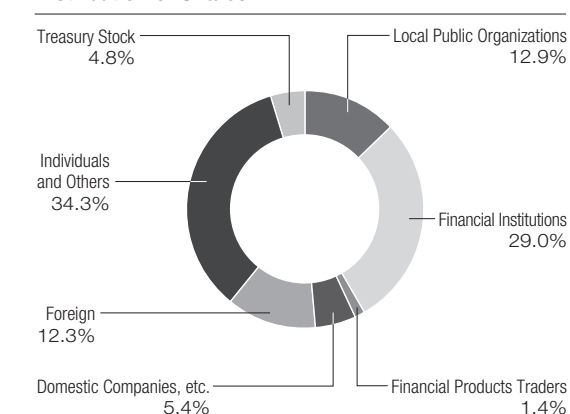
Number of Common Shares Issued: 938,733 thousand
Number of Shareholders: 408 thousand
Stock Exchange Listings (Common Stock): Tokyo Stock Exchange
 Osaka Securities Exchange
 Nagoya Stock Exchange
Transfer Agent: Mitsubishi UFJ Trust and Banking Corporation
 6-3, Fushimimachi 3-chome, Chuo-ku, Osaka 541-8502, Japan

Major Shareholders

As of March 31, 2011	Number of Shares Held (thousands)	Percentage of Shares Held (%)
Osaka City	83,748	9.37
Nippon Life Insurance Company	42,909	4.80
Japan Trantee Service Bank, Ltd. (Trust Account)	34,094	3.81
Kobe City	27,351	3.06
The Master Trust Bank of Japan, Ltd. (Trust Account)	22,440	2.51
Kansai Electric Power Employee Stockholder Program	17,032	1.91
SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS	14,057	1.57
Mizuho Corporate Bank, Ltd.	12,978	1.45
Sumitomo Mitsui Banking Corporation	11,128	1.24
The Bank of Tokyo-Mitsubishi UFJ	9,472	1.06

Note: The table above excludes 44,837 thousand shares of treasury stock.

Distribution of Shares



Stock Prices and Trading Volume



