

Independent Review of the Environment Action Report

Since fiscal 2002, the Environment Action Report (the "Action Report") of Kyushu Electric Power Co., Inc (the "Company") has been subject to independent reviews by Tohmatsu Environmental Research Institute Ltd. Both the Environmental Affairs Department of the Head Office and branch offices has been reviewed to improve the reliability of the Action Report.



Review at a branch office (Sendai Nuclear Power Station)

1 Report on the Review Results

Report on the Review of the 2005 Action Report

Tohmatsu Environmental Research Institute Ltd. conducted an independent review on the accuracy of significant environmental information contained in the 2005 Kyushu Electric Power Environment Action Report ("Action Report") of the Kyushu Electric Power Co., Inc (the "Company").

Findings identified in the review process are described below, aside from those stated on the Independent Review Report of the Action Report.

The number in parentheses included in the descriptions below represents the page number in the Action Report.

1. Matters Appreciated

(1) Cost plan for environmental activities

The Company developed a plan for cost allocation related to environmental activities this fiscal year with the view of optimal allocation of management resources. This allows the proactive use of environmental accounting to optimize investment costs determined based on effect and relevant investment criteria. We are convinced this is an excellent effort to facilitate the efficient allocation of management resources and to provide environmental information to its stakeholders (see page 21.)

(2) Communication with stakeholders

Part IV of the Action Report contains substantial information on internal and external evaluation results of the Action Report as well as environmental preservation activities and measures taken. This demonstrates the Company's constructive attitude to its stakeholders.

2. Matters to be Addressed

(1) Securing accuracy of environmental information

In environmental accounting, we found some data omissions at certain offices in totaling depreciation costs related to this fiscal year's investment. Operation flows are being reviewed to develop conditions that prevent mistakes to facilitate the early compilation of the Action Report. However, it is recommended that the development and implementation of internal controls be seriously considered to improve the accuracy of environmental information.

Independent Review Report

Mr. Shingo Matsuo
Representative Director & President
Kyushu Electric Power Co., Inc.

1. Objective of our Review

We have reviewed the 2005 Kyushu Electric Power Environment Action Report including the booklet, with reference CD-ROM and the attached glossary, (hereinafter collectively referred to as the Action Report) to the Standards for Environment Report Compilation (Proposal) (2003 Environment Report Standards Committee's Report issued by the Ministry of the Environment in March 2004.) The report is the responsibility of the Company's management.

Our objective is to express an opinion regarding primarily the accuracy of significant information contained in the Action Report with "examination marks" attached therein, based on our independent review and to the extent of the procedures performed.

Our review of the company's action reports started in the fiscal 2001, and does not cover data and information related to the fiscal 2000 or earlier contained in the Action Report.

2. Review Procedures

We performed the following procedures regarding the Action Report:

- (1) With respect to significant environmental information contained in the Action Report, we considered the reasonableness and accuracy of the collection of information and its compilation methods by comparing the compiled information to the related source information on a test basis and by having discussions with and making inquiries to the Company's in-charge personnel, and
- (2) With respect to significant environmental information contained in the Action Report, we had discussions with and made inquiries to both the Company's personnel who prepared the related parts and their supervisors, reviewed the relevant meetings' minutes, the Company's policy and regulations and ISO related documents, paid site visits to branch offices as well as reviewed and made comparison of the information with other available internal and external materials supporting the information.

3. Our Conclusion

Based on our review, our conclusions are as follows:

- (1) The significant environmental information contained in the Action Report is properly compiled based on the data and information originated from or related to the operations of Kyushu Electric Power Co., Inc. and its group companies, and
- (2) The significant environmental information contained in the Action Report is consistent with the supporting data or materials obtained during our review.

4. Financial Interest

Our firm does not have any financial interest in the Company for which disclosure is required under the provisions of the Standards for Environment Report Compilation (proposal).

Tohmatu Environmental Research Institute

Tohmatu Environmental Research Institute Ltd.
June 15, 2005

For reference

Tohmatu Environmental Research Institute is a subsidiary company of Tohmatu & Co., the Japanese national practice firm of Deloitte Touche Tohmatsu.