



Information disclosure and Communication activities

We proactively disclose information and communicate with communities and swiftly reflect feedback in our operations

Disclosure Structure

We formulated the Kyushu Electric Disclosure Commitment to maintain transparency and increase social confidence in our business. The president accordingly convenes press conferences monthly and when otherwise necessary. We also hold investor relations meetings and otherwise disclose information on our website.

We established the Disclosure Officers Liaison Committee, which comprises officials specializing in this field from head office departments. There are also the

Results of survey of customer satisfaction with our disclosure

(Conducted in July and August 2006)

In the survey, 47.4% of respondents fully or somewhat agreed with the statement that: Kyushu Electric operates very transparently and actively discloses information, including negative developments like outages, accidents, and scandals.

Branch Disclosure Officers Liaison Committee and the Group Public Relations Liaison Committee. These bodies formulate disclosure plans and regularly monitor progress in keeping with a PDCA cycle.

Kyushu Electric Disclosure Commitment

We fully understand our social responsibilities and will operate equitably in keeping with our Charter of Conduct. We will seek customer understanding and trust by acting transparently and adhering to our basic philosophy of harmonizing with communities.

All employees must accordingly commit themselves to the following disclosure precepts:

1. I will inform positively our customers.
2. I will put myself in customers' shoes and disclose information quickly, accurately, and intelligibly.
3. I will take every opportunity to identify grasp customers' information needs.
4. I will always ensure that there are no perception gaps between myself and our customers.

Better Communicating Disaster and Emergency Information

We use the Emergency Disaster Information System and the Customer Outage Information System to quickly identify and assess the impacts of disasters and emergencies. We use that data to customer inquiries and disseminate an array of information through the media and our website.

We improved customer services in FY2006 by sending disaster outage information to mobile terminals at all our branches.

Improving customer communication following typhoons

We apologize for the tremendous inconvenience that customers suffered from long outages after Typhoon No. 13 in September 2006.

We drew on the lessons and customer feedback to take steps to bolster our customer communication structure. We aim to swiftly identify and broadly disseminate information that customers need after typhoons and other disasters and emergencies.

[Initiatives]

- Improve structure for handling customer phone calls
- Provide estimated restoration times for each locality through websites for personal computer and cell phone users
- Strengthen information dissemination by more closely liaising with local government bodies and press organizations

Properly Disseminating Nuclear Power Information

 Nuclear power information website (in Japanese only)
http://www.kyuden.co.jp/nuclear_index

Nuclear power is at the heart of a balanced power source development strategy that factors in energy security, costs, and the environment.

We aim to maintain customer trust and peace of mind by keeping people fully informed about our nuclear power operations. We also provide proper and suitable information to build customer support for our pluthermal plan and other nuclear power development plans.

Nuclear power station tours

We conduct tours of these facilities to enhance customer understanding.

Exhibition halls next to our nuclear power stations show videos of how reactors work and display equipment that these facilities use.

Genkai Energy Park

This park covers much of the property on which our Genkai Nuclear Power Station operates. The Genkai PR Center in the park features many exhibits on the themes of science and energy and the energy of the people of Kyushu. Other attractions include the Sun Plaza, which showcases the sun, wind, water, and the four seasons, and extensive sports facilities. The park highlights how nuclear power and other energy sources bring people and nature together.



Discussing nuclear power with opinion leaders

We regularly visit local opinion leaders to enhance their understanding of nuclear power.

Seminars and events

We improve public understanding of issues related to nuclear power and other energy sources by holding energy seminars, offering scientific experimentation classes for young people, and delivering lectures at schools.

Making science fun

From the beginning of in FY2007, we have been launching a program in which we hold events around Kyushu that give children a rare opportunity to do their own scientific experiments and have fun in the process. The events aim to raise interest in nuclear and other energy and resources.



Media activities using various media

We maintain an extensive publicize program in which we harness all sections of the media to gain public understanding of nuclear power and our pluthermal plan. We show commercials in television shows that we sponsor, place related newspaper advertisements, and also publicize our activities on the Internet.


We produced a pamphlet that explains nuclear power and energy issues in layperson's terms. We distribute this publication during tours and seminars.

For women's information magazine

We issue the quarterly Sora (Sky) magazine, which relates lifestyle issues to nuclear power and other energy sources. The magazine invites readers to attend seminars three times a year that feature experts from various fields.



Investor Relations Program

 [Investor relations website
http://www.kyuden.co.jp/en_ir_index](http://www.kyuden.co.jp/en_ir_index)

We formulated our Investor Relations Basic Policy to build trust with and enhance the satisfaction of shareholders and investors. This policy underpins our investor relations program.

IR Basic Policy

Basic Philosophy

- ◆ We strive to enhance shareholder and investor satisfaction by continuously improving corporate value and management quality.
- ◆ We disclose information proactively and sustain interactive communication so as to be evaluated fairly by the capital market and to establish mutual trust with shareholders and investors.

Action Guidelines

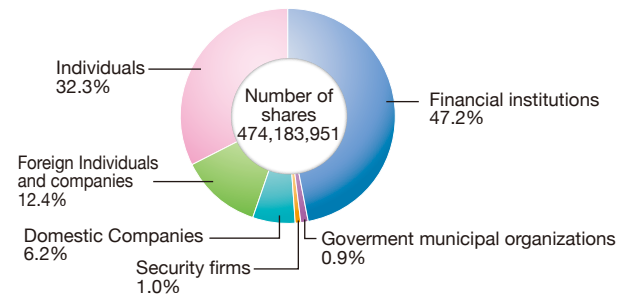
- ◆ Timely, accurate and proactive communication: Transparent disclosure
 - We conduct disclosure in a timely and accurate manner, in compliance with laws and regulations.
 - We disclose corporate information contributing to investment decisions in a proactive and easy-to-understand manner.
 - We ensure fairness in opportunities for accessing disclosed information.
- ◆ Appropriate reflection of shareholder and investor opinions: Emphasis on interactive communication
 - We value not only for disclosure of corporate information, but also for interactive communication with shareholders and investors.
 - Voices of shareholders and investors are appropriately reflected in our business operations.
- ◆ Company-wide commitment: IR activity by the entire organization
 - We recognize that IR is an important aspect of management; the entire company engages in IR activities under the leadership of its top management.
 - We strive to improve company-wide IR awareness, which is the basis for effective interactive communication.

We keep institutional and individual investors and analysts in Japan and abroad well informed about our business activities. Executives speak at investor relations briefings and accompany our investor relations officers on visits to domestic and overseas investors. We also hold regular facilities tours for these stakeholders.

Our website presents materials from investor briefings and financial and stock information in line with our commitment to proper disclosure.

We set up a website that allows shareholders to vote on resolutions and which provides visual presentations of business reports at a general meeting of shareholders. These and other initiatives make it easier for shareholders to participate in general meetings.

▼ Breakdown of Shareholdings (March 31, 2007)



"Individuals" includes treasury stock (0.1%)

Bolstering Communications

We seek every opportunity to communicate with stakeholders so we can quickly identify and accommodate their opinions and wishes.

Letterbox

We welcome telephone calls and letters from stakeholders. We also solicit feedback through our Japanese-language Letterbox website, through which even more people can inquire or post their opinions about a wide range of specific areas of our operations and receive swift responses.

▼ Letter Box inquiries

	FY2004	FY2005	FY2006
Number	1,145	1,226	2,371

Kyushu Electric Advisor system

Under this system, 12 external experts directly advise the president, executive vice president, and other senior executives on all aspects of operations.

Where necessary, we convene round-table meetings between these advisors and branch managers.

Round-table talks with customers

We hold gatherings with municipalities, assembly members, representatives of neighborhood associations representatives from women's groups, large customers, and other local opinion leaders to obtain feedback and ideas.

The general managers of local customer service and branch offices and the president (twice annually) attend these meetings throughout Kyushu.

Seeking dialog

Every October, we conduct a campaign to thank Kyushu Electric customers, taking numerous opportunities during that time to deepen dialog with customers and local opinion leaders to build trust throughout society.

Oita Branch's Mirai Kids Club

It is crucial to work on environmental and energy issues with customers and local residents, not just governments and corporations.

In April 2004, the Oita Branch set up the Mirai Kids Club to raise awareness of these issues among elementary school students and their parents. The club offers family and study events throughout the year, including tree-plantings and power station tours. The number of members has increased steadily, reaching 310 as of the end of March 2007.



Our involvement in the Mirai Kids Club

We always look forward to receiving invitations to Mirai Kids Club activities. As soon as we receive letters, we always apply to participate, writing that, "It sounds like fun." China and Mika find the many activities exciting. They help us understand what a big world we live in. And we hope to make more friends through the club. We wonder who we will meet and what we will do at the next event.



By Masako Wakatsuki, pictured with daughters China (grade six) and Mika (grade three)

 [Mirai Kids Club website \(in Japanese only\) http://o.kyuden.co.jp/mirai_index](http://o.kyuden.co.jp/mirai_index)

Advisor perspectives

I always tell our employees that perspective is paramount in serving customers. Instead of saying "we supply you with electricity" they should say "thank you for buying our electricity." Sales activities should highlight the convenience of all-electric lifestyles.

But none of these thoughts originated with me. They came from what Shingo Matsuo, Kyushu Electric's president, said at a round-table meeting with customers several years ago. His words did not sound particularly noteworthy at the time. But I later realized that they reflected Mr. Matsuo's efforts to lead the company beyond its position as a monopoly before deregulation.

Financial institutions and public utilities used to have a convoy system approach to charges—there was almost no variation within these sectors. But now there is competition over pricing and services. This is good. But consumer attitudes also need to change.

Many people little appreciate the blessings that stable supplies of electricity and water bestow on their lifestyles, not to mention the tremendous effort that goes into making this happen. This is ironic because all-electric

housing will once day become the sole energy source for many consumers.

Many rush to complain when disasters cause power outages but tend to think that everything is alright if power is restored quickly to their homes. Assuming that power companies amply inform them about progress, people should be a little more patient about waiting for power companies to undertake what is frequently very challenging restoration work.

Companies should not consider their customer as minor deities. They should not let expert prepare everything either. I think that it is crucial to increase dialog between customers and power companies to share information on security and safety, ways to conserve energy and prepare households for disasters, and determine how to disseminate information on restoring services.



Toshihiro Mitsui,
executive director of the Kitakyushu
Chamber of Commerce and Industry