
Financial Forecast Revision for FY2006

Kyushu Electric Power Company Inc., has revised the financial forecasts for FY2006 (from April 1st, 2006 to March 31st, 2007) announced on July 31st, 2006 based on the recent business circumstances and its performance.

1. Revised Forecast for financial results

(Consolidated)

(1) Revised Forecast for Interim financial results (April 1st, 2006-September 30th, 2006)

(100 million yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income
The Original Forecast (A)	6,830	940	730	450
The Revised Forecast (B)	7,100	1,220	1,030	630
Changes in Amount (B - A)	270	280	300	180
Rate of Changes (%)	4.0	29.8	41.1	40.0
FY2005 Actual Results	6,897	947	740	425

(2) Revised Forecast for the financial results for the Year Ending March 31, 2007

(April 1st, 2006-March 31st, 2007)

(100 million yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income
The Original Forecast (A)	13,600	1,440	1,040	620
The Revised Forecast (B)	13,980	1,440	1,040	620
Changes in Amount (B - A)	380	-	-	-
Rate of Changes (%)	2.8	-	-	-
FY2005 Actual Results	14,017	1,712	1,252	768

(Non-consolidated)

(1) Revised Forecast for Interim financial results (April 1st, 2006-September 30th, 2006)

(100 million yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income
The Original Forecast (A)	6,480	900	700	440
The Revised Forecast (B)	6,750	1,180	1,000	620
Changes in Amount (B – A)	270	280	300	180
Rate of Changes (%)	4.2	31.1	42.9	40.9
FY2005 Actual Results	6,580	923	726	416

(2) Revised Forecast for the financial results for the Year Ending March 31, 2007

(April 1st, 2006-March 31st, 2007)

(100 million yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income
The Original Forecast (A)	12,900	1,340	950	580
The Revised Forecast (B)	13,280	1,340	950	580
Changes in Amount (B – A)	380	-	-	-
Rate of Changes (%)	2.9	-	-	-
FY2005 Actual Results	13,294	1,596	1,141	691

2. The Reason for Revision

Electricity sales grew to a large degree due to an increase in air-conditioning demand as we experienced hotter summer than in an average year and also due to the booming production activities in major industries such as digital consumer electronics and steel and iron.

Therefore, Kyushu Electric Power Company Inc., revises both the consolidated and non-consolidated interim financial forecasts as above.

While electricity sales are projected to increase, we plan to declare the allowance reserve for the reprocessing-related costs, which will be approved by the government in FY2006 to be expensed for the construction of a second facility to reprocess spent nuclear fuel. We also revise both the consolidated and non-consolidated financial forecasts for year-ending results as above.

[Basis for Non-consolidated Forecast]

(100million kWh, ¥/S, \$ /b)

	The Original Forecast (A)		The Revised Forecast(B)		Changes in Amount (B-A)	
Electricity Sales	<411>	812	<430>	841	<19>	29
Currency Exchange Rate	<120>	120	<115>	115	< 5>	5
Crude Oil (CIF) Price	<63>	63	<68>	71	<5>	8

Note: Numbers in parentheses are for interim results

Disclaimer

Statements made herein regarding Kyushu Electric Power Company's forecasts are based on management's assumptions and beliefs in light of information currently available. Owing to various uncertainties, actual results may differ materially from these statements.