

# Financial Results for 4/2011-12/2011

January 30 , 2012



# Table of Contents

## ■ Financial Results and Forecasts Summary

FY2011 3rd Quarter Financial Results Summary	P 1
FY2011 Financial Results Forecasts and Dividend Forecasts	P 2

## ■ FY2011 3rd Quarter Financial Results

Electricity Sales Volume	P 3
Electricity Generated and Received	P 4
Income Statement Summary (Non-Consolidated)	P 5
Explanation of Ordinary Revenue (Non-Consolidated) Electricity Sales	P 6
Explanation of Ordinary Expenses (Non-Consolidated) Fuel, Purchased Power	P 7

\*Figures for FY2011 3rd quarter financial result is accumulated total from Apr.1,2011 to Dec.31,2011.

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## ■ Financial Results and Forecasts Summary

# FY2011 3rd Quarter Financial Results Summary

## Summary:

On both a consolidated and non-consolidated basis, the ordinary profit-and-loss was in the red.

In the electricity business:

- Electricity sales increased due to an increase in charge unit prices due to the effect of fuel cost adjustments and other factors while electricity sales volume decreased.
- Thermal fuel expenses and purchased power expenses increased due to the influence of the deferred resumption of the operations of reactors of our nuclear power stations and the rise of fuel prices.

## Consolidated

(Unit: Billions of Yen/%)

	FY2011/3Q	FY2010/3Q	Change	vs FY2010/3Q
<b>Sales</b>	1,094.6	1,081.6	13.0	101.2
<b>Operating Income (Loss)</b>	-86.2	97.0	-183.2	-
<b>Ordinary Income (Loss)</b>	-106.3	69.7	-176.0	-
<b>(Extraordinary Loss)</b>	(-)	(18.4)	(-18.4)	-
<b>Quarterly Net Income (Loss)</b>	-90.5	29.5	-120.0	-
Comprehensive Income (Loss)	-94.4	22.5	-116.9	-

Note: As of the end of FY2011/3Q, 70 affiliates were subject to consolidated accounting.

Breakdown:

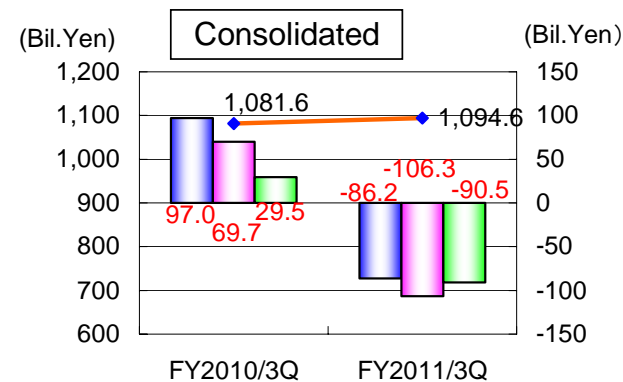
Consolidated subsidiaries: 40 companies (no change from the end of FY2011/2Q)

Equity method companies: 30 companies (no change from the end of FY2011/2Q)

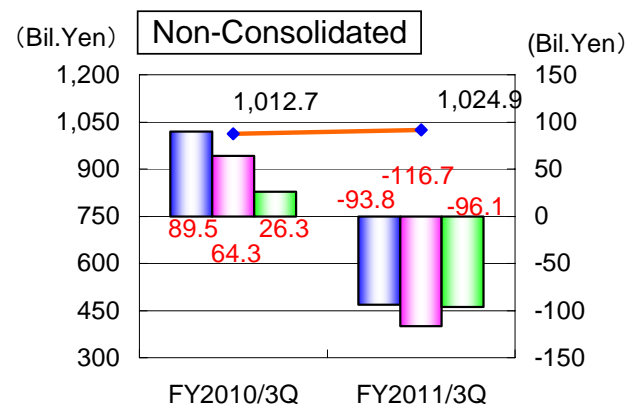
## Non-Consolidated

(Unit: Billions of Yen/%)

	FY2011/3Q	FY2010/3Q	Change	vs FY2010/3Q
<b>Sales</b>	1,024.9	1,012.7	12.2	101.2
<b>Operating Income (Loss)</b>	-93.8	89.5	-183.4	-
<b>Ordinary Income (Loss)</b>	-116.7	64.3	-181.1	-
<b>(Extraordinary Loss)</b>	(-)	(18.3)	(-18.3)	-
<b>Quarterly Net Income (Loss)</b>	-96.1	26.3	-122.5	-



■ Operating Income(Loss)(right axis)  
■ Ordinary Income(Loss)(right axis)  
■ Quarterly Net Loss(right axis)  
◆ Sales (left axis)



### [Results forecasts]

Because of our requests to customers for their cooperation in reducing energy consumption, we are unable to make predictions concerning demand, and the supply predictions remain difficult because of the uncertainty concerning the nuclear power stations. As a result, our forecast of financial results for the year is undetermined.

We will promptly inform you of our forecasts when it is possible for us to make them.

### [Dividend forecasts]

With respect to dividends, we will make a decision taking into account financial results and other factors in a comprehensive manner based on a basic policy of maintaining stable dividends.

We posted a substantial net loss for the first three quarters, and we expect income and expenditures to remain unfavorable for the remainder of the year.

Concerning the year-end dividends, however, taking into consideration our policy of maintaining stable dividends and the status of income, expenditures, and finances in a comprehensive manner, we plan to declare a dividend of 20 yen per share (the total dividend for the year will be 50 yen per share).

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## ■ FY2011 3rd Quarter Financial Results

## Electricity Sales Volume

General demands decreased by 4.0% compared with the 3Q of the previous year mainly due to an effect of our customers' power savings and a decrease in the air-conditioning demand as the temperature in August through September was lower than the previous year's level.

Large-scale industrial demands increased by 1.4% compared with the 3Q of the previous year mainly due to the increase in production of Steel and Iron and Chemicals in spite of the decrease in Transportation Machinery shortly after the March 2011 Great East Japan Earthquake.

Electricity Sales Volumes

		Actual	(Unit: TWh/%) vs. FY2010/3Q	
			Change	%
Lighting		20.8	-0.9	95.7
Power		41.9	-0.6	98.5
Total		62.7	-1.5	97.5
Reposted	General	44.4	-1.8	96.0
	Large-scale Industrial	18.3	0.3	101.4

Large-scale industrial Demand by Sector

		Actual	(Unit: TWh/%) vs. FY2010/3Q	
			Change	%
Machinery		5.2	-0.1	99.0
(Reposted) Electronics		3.6	-	99.2
Transportation		1.2	-	99.0
Steel and Iron		1.8	0.2	109.1
Chemicals		2.0	0.1	102.6
Clay and Stone		0.7	-	103.5
Non-ferrous Metals		1.4	-	101.3
Pulps and Papers		0.4	-	99.3
Foodstuffs		1.8	-	101.6
Textiles		0.3	-	101.9
Others		4.7	0.1	100.7
Total		18.3	0.3	101.4

[Ref.] Actual Electricity Sales Volumes (by sector)

			Actual	(Unit: TWh/%) vs. FY2010/3Q	
				Change	%
Demand other than under liberalization	Lighting		20.8	-0.9	95.7
	Power	Low voltage	3.4	-0.2	94.3
		Others	0.6	-	97.5
	Subtotal		24.8	-1.1	95.5
Demand under liberalization	Commercial		14.7	-0.6	96.3
	Industrial		23.2	0.2	100.6
	Subtotal		37.9	-0.4	98.9
Total			62.7	-1.5	97.5

# Electricity Generated and Received

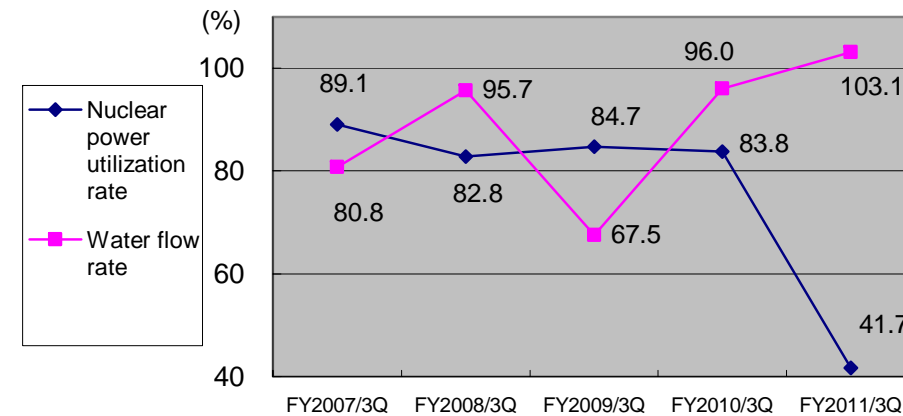
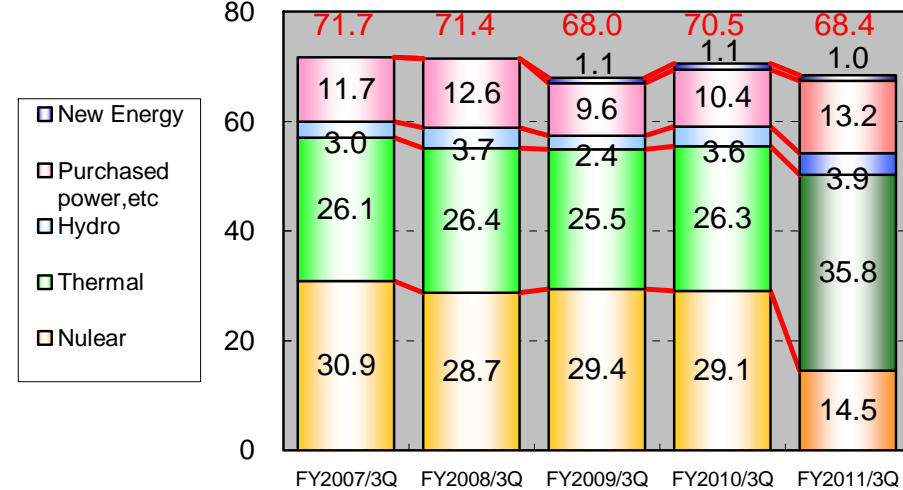
Volume of Electricity Generated and Received

(Units: TWh, %)

		Actual	vs FY2010/3Q	
			Change	%
Generated	Hydro	3.9	0.3	107.8
	(Water flow rate)	(103.1)	(7.1)	
	Thermal	35.8	9.5	135.8
	Nuclear	14.5	-14.6	49.8
	(Utilization rate)	(41.7)	(-42.1)	
	New Energy Sources, etc.	1.0	-0.1	94.3
Subtotal		55.2	-4.9	91.8
Received from Other Companies (Reposted new energy, etc.)		13.4	2.3	120.3
		(1.3)	(0.2)	(114.9)
Interchange		0.7	0.7	-
Pumped Storage Use		-0.9	-0.2	131.8
Total		68.4	-2.1	96.9

"New Energy Sources, etc.": Generic terms for the sources of solar, wind power, biomass, waste and geothermal powers

(TWh) Trends in Generated and Received Electricity





# Income Statement Summary (Non-Consolidated)

(Units: Billions of Yen, %)

	FY2011/3Q	FY2010/3Q	Change	vs. FY2010/3Q	Explanations	
Ordinary Revenues	Lighting	408.9	417.0	-8.1	98.0	Decrease in electricity sales volume, -24.5;
	Power	570.1	555.6	14.5	102.6	Rise in charge unit prices due to fuel cost adjustments and other factors, 27.0
	Others	52.0	46.0	5.9	113.0	
	(Sales)	(1,024.9)	(1,012.7)	(12.2)	(101.2)	
	Subtotal	1,031.1	1,018.7	12.3	101.2	
Ordinary Expenses	Personnel	125.9	120.8	5.1	104.2	
	Fuel	344.1	191.0	153.1	180.1	Impact of delayed resumption of operations at nuclear power stations, 134.5
	Purchased Power	139.1	98.8	40.3	140.8	Impact of delayed resumption of operations at nuclear power stations, 27.5
	Maintenance	131.9	130.5	1.3	101.1	
	Depreciation	151.3	147.5	3.7	102.5	
	Interest Charges	23.8	24.3	-0.5	97.6	
	Miscellaneous Taxes	65.5	69.7	-4.2	94.0	Nuclear fuel tax, -3.3
	Nuclear Back-End Costs*	25.9	35.7	-9.8	72.5	Reprocessing costs of irradiated nuclear fuel, -4.4; Decommissioning costs of nuclear power plants, -3.0
	Others	140.0	135.5	4.4	103.3	
Subtotal	1,147.9	954.3	193.5	120.3		
(Operating Income(Loss))	(-93.8)	(89.5)	(-183.4)	(-)		
Ordinary Income(Loss)	-116.7	64.3	-181.1	-		
Reserve For Fluctuations In Water Level	-	-	-	-		
Extraordinary Loss	-	18.3	-18.3	-	(FY2010 Effect due to appropriation for asset retirement obligations, 18.3)	
Income Taxes	-20.5	19.7	-40.3	-	Impact of reducing the corporate tax rate, 19.3	
Quarterly Net Income(Loss)	-96.1	26.3	-122.5	-		

\*Nuclear back-end costs consist of the following: Reprocessing costs of irradiated nuclear fuel, Reprocessing preparation costs of irradiated nuclear fuel, Decommissioning costs of nuclear power plants, and Disposal costs of high-level radioactive waste.

## (Key Fundamentals)

	FY2011/3Q	FY2010/3Q	Change
Exchange Rate	79 yen/\$	87 yen/\$	-8 yen/\$
Crude Oil CIF Prices	113 \$/b	80 \$/b	33 \$/b
Water Flow Rate	103.1 %	96.0 %	7.1 %
Nuclear Power Generation Capacity Utilization Rate	41.7 %	83.8 %	-42.1 %

# Explanation of Ordinary Revenue (Non-Consolidated)

## Electricity Sales

(Unit: Billions of Yen/%)

	FY2011/3Q	FY2010/3Q	Change	vs FY2010/3Q
Lighting & Power	979.0	972.6	6.3	100.7

### Explanations

Change

1. Decrease in electricity sales volume due to decreased demand **-24.5**

[Ref.] Factors behind change in electricity sales volume (pro forma figures)

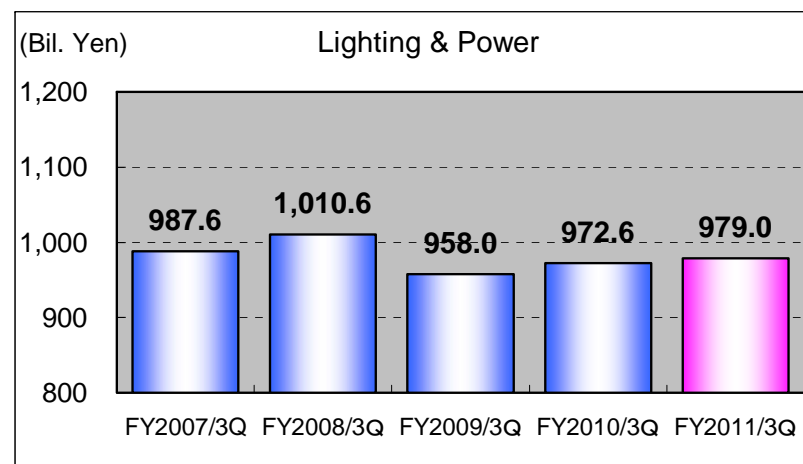
(Unit: TWh)

	FY2011/3Q	FY2010/3Q	Change	Factors
General	44.4	46.2	-1.8	<ul style="list-style-type: none"> <li>• Effect of our customers' power savings and etc -1.3</li> <li>• Temperature effect -0.5</li> </ul>
Large-scale Industrial	18.3	18.0	0.3	<ul style="list-style-type: none"> <li>• Increase in production of Steel and Iron and Chemicals 0.5</li> <li>• Effect of our customers' power savings and etc -0.2</li> </ul>
Total	62.7	64.2	-1.5	

2. Rise in charge unit prices due to fuel cost adjustments and other factors **27.0**

Effect of fuel cost adjustments **30.5**

3. Solar power production promotion subsidiaries **4.1**



# Explanation of Ordinary Expenses (Non-Consolidated)

## Fuel, Purchased Power

(Unit: Billions of Yen/%)

	FY2011/3Q	FY2010/3Q	Change	vs FY2010/3Q
Fuel	344.1	191.0	153.1	180.1

### Explanations

Change

1. Impact of delayed resumption of operations at nuclear power stations **134.5**

Thermal **149.0**

[Ref.] Fuel consumption

	FY2011/3Q	FY2010/3Q	Change
LNG (thou. ton)	2,799	1,956	843
Crude oil (thou. kiloliter)	655	199	456
Heavy oil (thou. kiloliter)	421	140	281
Coal (thou. ton)	4,419	4,092	327

Nuclear **-14.5**

2. Rise in fuel prices **43.5**

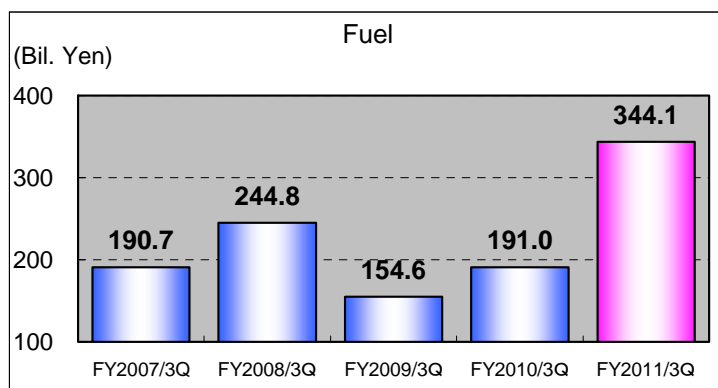
Effect of rise in fuel prices **55.0**

[Ref.] All Japan CIF prices

	FY2011/3Q	FY2010/3Q	Change
LNG (\$/t)	803	570	233
Crude oil (\$/b)	113	80	33
Coal (\$/t)	141	111	30

Effect of exchange rate (high-yen) **-11.5**

3. Decrease in electricity sales volume **-18.0**



(Unit: Billions of Yen/%)

	FY2011/3Q	FY2010/3Q	Change	vs FY2010/3Q
Purchased Power	139.1	98.8	40.3	140.8

### Explanations

Change

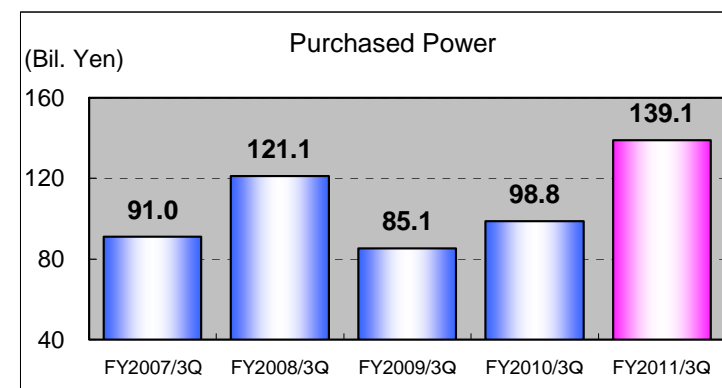
1. Impact of delayed resumption of operations at nuclear power stations **27.5**

Increase in purchases of thermal power from other companies **14.5**

Accommodations from other power company **13.0**

2. Increase in solar power purchases **4.2**

Fuel costs and costs for purchased power increased due to the influence of delayed resumption of operations at nuclear power stations 162.0 Billions of Yen



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