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**Issuance of Kyushu Electric Power Company's 438<sup>th</sup>, 439<sup>th</sup> Bonds**

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Kyushu Electric Power Company Incorporated has decided to issue its 438<sup>th</sup> and 439<sup>th</sup> domestic straight bonds. This offering is arranged for institutional investors.

	438 <sup>th</sup> Bonds	439 <sup>th</sup> Bonds
1 Issue amount	20 billion yen	20 billion yen
2 Coupon	0.240%	0.907%
3 Issue price	100%	
4 Yield to investors	0.240%	0.907%
5 Denomination	1 million yen	
6 Offering period	April 13, 2016	
7 Issue date	April 19, 2016	
8 Maturity date	April 25, 2022 (6-year bullet bond)	April 25, 2036 (20-year bullet bond)
9 Use of proceeds	General capital expenditure and debt repayment	
10 Lead manager	Mizuho Securities Co., Ltd. SMBC Nikko Securities Inc. Daiwa Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	Daiwa Securities Co., Ltd. Shinkin Securities Co., Ltd. Nomura Securities Co., Ltd. Mizuho Securities Co., Ltd.
11 Rating	R&I (Rating & Investment Information, Inc.) Rating: A JCR (Japan Credit Rating Agency, Ltd.) Rating: AA- Moody's Japan K.K.: A3	

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