

July 31, 2017

**The 1st Quarter of the Fiscal Year Ending March 31, 2018 Financial Results Overview [Japan GAAP] (Consolidated)
Kyushu Electric Power Co., Inc.**

Stock code: 9508 URL: http://www.kyuden.co.jp/en_index.html

Stock listed on: Tokyo SE, Fukuoka SE

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Quarterly financial report submission date (plan): August 9, 2017

Date to start dividend payments: —

Preparation of supplementary materials for quarterly financial results: Yes

Information meeting for quarterly financial results: No

(Rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months (April 1, 2017 to June 30, 2017)

(1) Consolidated Operational Results

(% shows the changes from the same quarter period of the previous FY)

	Sales		Operating income		Ordinary income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
April 1, 2017 - June 30, 2017	457,278	6.4	33,104	-26.0	25,329	-33.2
April 1, 2016 - June 30, 2016	429,860	-5.2	44,714	59.6	37,927	78.9

(Note) Comprehensive income : FY2017 1Q 22,418 million yen (16.7%) FY2016 1Q 19,211 million yen (27.2%)

	Profit attributable to owners of parent		EPS	Fully-diluted EPS
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)
April 1, 2017 - June 30, 2017	20,296	-6.1	41.00	33.64
April 1, 2016 - June 30, 2016	21,607	14.9	43.77	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	(Unit: million yen)	(Unit: million yen)	(%)
As of June 30, 2017	4,505,254	586,307	12.5
As of March 31, 2017	4,587,541	574,577	12.0

(Reference) Shareholders' equity : As of June 30, 2017 : 562,394 million yen As of March 31, 2017: 550,965 million yen

2. Dividends

	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
As of March 31, 2017	(Unit: yen) —	(Unit: yen) 0.00	(Unit: yen) —	(Unit: yen) 15.00	(Unit: yen) 15.00
As of March 31, 2018	—	—	—	—	—
As of March 31, 2018 (Forecast)	—	—	—	—	—

(Note) Revision of the dividend forecast : No

Year-end dividend for FY2017 ending March 31, 2018 has yet to be decided.

Dividends mentioned the above is regarding common shares. See 'Dividends for preferred shares' regarding dividends for preferred shares which differ in shareholders' right from common shares.

3. Consolidated Financial Results Forecasts for FY2017 (April 1, 2017 to March 31, 2018)

(% shows the changes from the previous fiscal year)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent		EPS
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Full-year	1,945,000	6.4	—	—	—	—	—	—	—

(Note) Revision of financial results forecasts : Yes

Profit has yet to be decided. This is because we have to review expenditures throughout all expenses, considering the situation of the conformity review of Genkai nuclear power station unit No.3 and 4.

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

※ Note

(1) Changes in significant subsidiaries : No

(changes in scope of specified subsidiaries)

Newly added: 0 Excluded: 0

(2) Adoption of methods specific in preparing quarterly consolidated financial statements in accounting practice : No

(3) Changes in accounting principles, changes in accounting estimates, restatement

① Changes in accounting principles in line with revised accounting standards : No

② Changes in accounting principles other than ① : No

③ Changes in accounting estimates : No

④ Restatement : No

(4) Number of common stocks issued and outstanding

① Total stocks including treasury stocks FY2017 1Q: 474,183,951 shares FY2016: 474,183,951 shares

② Treasury stocks FY2017 1Q: 521,263 shares FY2016: 522,731 shares

③ Average number of shares during the period FY2017 1Q: 473,662,692 shares FY2016 1Q: 473,641,278 shares

*Quarterly financial results is not the object of quarterly review.

*Notes on the proper use of the forecasts

Looking-forward statements are based on information available at the date of the release of this document. Due to various factors, the actual result may differ from these statements.
We will post supplementary materials for quarterly financial results on our website.

(Reference) Dividends for Preferred Shares

The breakdown of dividend for preferred shares which differ in shareholders' rights from common shares is as follows.

Class A preferred shares	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
As of March 31, 2017	—	0.00	—	3,500,000.00	3,500,000.00
As of March 31, 2018	—				
As of March 31, 2018 (Forecast)		—	—	—	—

(Note1) Revision of the dividend forecast : No

Year-end dividend for FY2017 ending March 31, 2018 has yet to be decided.

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

(Reference) Non-consolidated Financial Results Forecasts**Non-consolidated Financial Results Forecasts for FY2017 (April 1, 2017 to March 31, 2018)**

(% shows the changes from the previous fiscal year)

	Sales		Operating income		Ordinary income		Profit		EPS
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
Full-year	1,810,000	6.7	—	—	—	—	—	—	—

(Note) Revision of financial results forecasts : Yes

○ **Table of Contents of Attached Material**

1. Quarterly Consolidated Financial Statements and Notes	2
(1) Quarterly Consolidated Balance Sheets	2
(2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements	4
(3) Notes on Quarterly Consolidated Financial Statements	6
(Notes on the premise of going concern)	6
(Notes in case of drastic changes in the amount of equity)	6

1. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	(Unit: million yen)	
	As of March 31, 2017	As of June 30, 2017
Assets		
Non-current assets	3,817,910	3,828,771
Electric utility plant and equipment	2,337,449	2,318,785
Hydroelectric power production facilities	270,206	267,018
Thermal power production facilities	206,881	206,604
Nuclear power production facilities	239,979	232,158
Internal combustion engine power production facilities	16,839	16,465
Renewable power production facilities	13,562	13,107
Transmission facilities	629,154	625,961
Transformation facilities	219,907	218,628
Distribution facilities	620,995	620,579
General facilities	114,099	112,439
Other electric utility plant and equipment	5,823	5,822
Other non-current assets	330,060	326,105
Construction in progress	487,450	511,032
Construction and retirement in progress	467,401	490,170
Special account related to nuclear power decommissioning	20,048	19,843
Manufacturing process in progress related to reprocessing of irradiated nuclear fuel	-	1,019
Nuclear fuel	252,138	260,323
Loaded nuclear fuel	73,956	71,237
Nuclear fuel in processing	178,182	189,085
Investments and other assets	410,811	412,525
Long-term investments	149,743	150,138
Net defined benefit asset	11,041	11,534
Deferred tax assets	129,562	128,493
Other	121,822	123,683
Allowance for doubtful accounts	-1,357	-1,323
Current assets	769,630	676,482
Cash and deposits	414,476	271,983
Notes and accounts receivable - trade	191,348	224,995
Inventories	64,344	81,019
Deferred tax assets	39,437	37,463
Other	60,983	61,947
Allowance for doubtful accounts	-959	-926
Total assets	4,587,541	4,505,254

(Unit: million yen)

	As of March 31, 2017	As of June 30, 2017
Liabilities		
Non-current liabilities	3,165,756	3,108,114
Bonds payable	1,104,296	1,094,496
Long-term loans payable	1,684,741	1,637,614
Reserve for restoration costs of natural disaster	188	152
Net defined benefit liability	99,526	99,383
Asset retirement obligations	217,278	218,223
Deferred tax liabilities	354	660
Other	59,370	57,582
Current liabilities	838,636	802,484
Current portion of non-current liabilities	414,545	423,666
Short-term loans payable	117,272	120,303
Notes and accounts payable - trade	59,412	58,910
Accrued taxes	17,059	14,194
Reserve for restoration costs of natural disaster	1,238	1,122
Other	229,108	184,287
Reserves under special laws	8,570	8,349
Reserve for fluctuation in water levels	8,570	8,349
Total liabilities	4,012,964	3,918,947
Net assets		
Shareholders' equity	570,410	580,098
Capital stock	237,304	237,304
Capital surplus	120,844	120,846
Retained earnings	212,945	222,632
Treasury shares	-685	-685
Accumulated other comprehensive income	-19,444	-17,703
Valuation difference on available-for-sale securities	3,597	3,916
Deferred gains or losses on hedges	-1,389	-1,210
Foreign currency translation adjustment	-3,590	-2,777
Remeasurements of defined benefit plans	-18,062	-17,632
Non-controlling interests	23,611	23,912
Total net assets	574,577	586,307
Total liabilities and net assets	4,587,541	4,505,254

(2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements
(Quarterly Consolidated Income Statements)

	(Unit: million yen)	
	April 1, 2016 - June 30, 2016	April 1, 2017 - June 30, 2017
Operating revenue	429,860	457,278
Electric utility operating revenue	395,918	421,770
Other business operating revenue	33,941	35,507
Operating expenses	385,146	424,173
Electric utility operating expenses	354,707	391,527
Other business operating expenses	30,438	32,646
Operating profit	44,714	33,104
Non-operating income	3,486	3,332
Interest income	922	159
Share of profit of entities accounted for using equity method	986	1,702
Other	1,577	1,470
Non-operating expenses	10,273	11,106
Interest expenses	9,325	8,644
Other	947	2,462
Total ordinary revenue	433,346	460,610
Total ordinary expenses	395,419	435,280
Ordinary profit	37,927	25,329
Provision or reversal of reserve for fluctuation in water levels	510	-221
Provision of reserve for fluctuation in water levels	510	—
Reversal of reserve for fluctuation in water levels	—	-221
Extraordinary losses	10,018	—
Contingent loss	228	—
Extraordinary loss on natural disaster	9,790	—
Profit before income taxes	27,397	25,551
Income taxes - current	2,468	2,811
Income taxes - deferred	2,996	2,080
Total income taxes	5,465	4,891
Profit	21,932	20,659
Profit attributable to non-controlling interests	324	363
Profit attributable to owners of parent	21,607	20,296

(Quarterly Consolidated Comprehensive Income Statements)

	(Unit: million yen)	
	April 1, 2016 - June 30, 2016	April 1, 2017 - June 30, 2017
Profit	21,932	20,659
Other comprehensive income		
Valuation difference on available-for-sale securities	-309	100
Deferred gains or losses on hedges	-1,831	173
Foreign currency translation adjustment	518	697
Remeasurements of defined benefit plans, net of tax	342	466
Share of other comprehensive income of entities accounted for using equity method	-1,440	319
Total other comprehensive income	-2,720	1,758
Comprehensive income	19,211	22,418
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,870	22,036
Comprehensive income attributable to non-controlling interests	341	381

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on the premise of going concern)

N/A

(Notes in case of drastic changes in the amount of equity)

N/A