

Notice regarding Revision of Forecasts of Financial Results and Dividends for FY2017

We hereby announce that we revise the previous forecasts of financial results and dividends for the FY2017 announced on July 31, 2017.

1. Revision of Forecasts on Financial Results

(1) Revision of Forecasts of the Consolidated financial results for the FY2017 (April 1, 2017 - March 31, 2018)

	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)
Previous Forecast (A)	1,945,000	—	—	—	—
Revised Forecast (B)	1,945,000	95,000	65,000	50,000	98.17
Difference (B-A)	—	—	—	—	
Ratio (%)	—	—	—	—	
(Reference) Results for the FY2016	1,827,524	122,640	94,234	79,270	159.97

(2) Revision of Forecasts of the Non-Consolidated financial results for the FY2017 (April 1, 2017 - March 31, 2018)

	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)
Previous Forecast (A)	1,810,000	—	—	—	—
Revised Forecast (B)	1,810,000	75,000	45,000	35,000	66.46
Difference (B-A)	—	—	—	—	
Ratio (%)	—	—	—	—	
(Reference) Results for the FY2016	1,696,731	99,535	68,883	61,057	121.44

(3) Reason of Revision

As for the forecasts of financial results for the FY2017, we had not decided the profit because we could not see the period of restart of Genkai Nuclear Power Station. We hereby announce the forecasts, because we calculated them incorporating overall cost reductions based on the fact that we applied for the pre-operation inspection of Genkai Nuclear Power Station Unit No.3 on August 28, 2017.

As for the sales, it is expected to be about ¥1,945 billion, exceeding the previous fiscal year results even though the electricity sales volume will decline due to the progress of the competition and other factors. That is because, in the electricity business, there will be an increase of the lightning and power revenue due to rise the unit price caused by the adjustment of fuel cost, and increases of both the Electricity Sales to Others and the Grant based on the Act on Purchase of Renewable Energy Sourced Electricity.

As of ordinary income, it is expected to be about ¥65 billion, below the previous fiscal year results despite the fact that we are striving to group-wide efforts to the cost reduction. This is because, in electricity business, there will be an increase of overhead expenses associated with the electric system reform, though Genkai Nuclear Power Station Units No.3 and 4 will be restarted.

In addition, as of profit attributable to owners of parent, it is expected to be about ¥50 billion, below the previous fiscal year results.

(Reference: Key Factors)

	Revised	Previous
Electricity Sales Volume (billion kWh)	76.6	76.4
Crude Oil CIF Price (\$/b)	54	55
Exchange Rate (¥/\$)	114	114
Nuclear Power Utilization Rate (%)	44.5	

2. Revision of the Forecasts of Dividends

(1) Revision of the Forecasts of Dividends for the FY2017

• Common Share

	A Dividend per Share (Unit: yen)		
	End of the Second Quarter	End of the Fiscal Year	Total
Previous Forecast	(Undecided)	(Undecided)	(Undecided)
Revised Forecast	10.00	10.00	20.00
Results for the FY2017			
Results for the FY2016	0.00	15.00	15.00

• Class A Preferred Share

	A Dividend per Share (Unit: yen)		
	End of the Second Quarter	End of the Fiscal Year	Total
Previous Forecast	(Undecided)	(Undecided)	(Undecided)
Revised Forecast	1,750,000.00	1,750,000.00	3,500,000.00
Results for the FY2017			
Results for the FY2016	0.00	3,500,000.00	3,500,000.00

(2) Reason of Revision

As for dividends, we maintain a stable dividend, with amounts determined based on a comprehensive analysis of performance and other factors.

As for forecasts of dividends for the FY2017, we decide to pay a dividend of ¥20 per common share (interim is ¥10 and year-end is ¥10) and to pay a dividend of ¥3,500,000 per class A preferred share (interim is ¥1,750,000 and year-end is ¥1,750,000).

Note: The above forecasts were calculated based on the available information as of on the publication date of the material. Actual results may differ from forecasts due to various factors in the future.

In addition, the English translation is for reference purposes only for the convenience of our English-speaking investors. In case a difference arises regarding the meaning herein, the original Japanese version shall prevail.