

January 31, 2018
Kyushu Electric Power Co., Inc.

Financial Results for the 3rd Quarter of FY2017

We hereby announce the Financial Results for the 3rd Quarter of FY2017 (April 1, 2017 – December 31, 2017).

1. Summary of Financial Results for the 3rd Quarter of FY2017

With regard to the consolidated and non-consolidated financial results for the 3Q of FY2017, the revenue increased compared with the 3Q of FY2016. However, the income decreased compared with the 3Q of FY2016, due to a decrease of the electricity sales volume and a temporary difference of revenue-expense balance associated with delayed reflection of fuel price fluctuations in electricity rate in fuel cost adjustment system to the next quarter and an increase of miscellaneous expense because of the electricity system reform, although there was a decrease of fuel cost due to an increase of electricity volume generated by nuclear power stations.

• Consolidated Operational Results

(Unit: billion yen, %)

	FY2017 3Q (April 1, 2017 - December 31, 2017)	FY2016 3Q (April 1, 2016 - December 31, 2016)	Difference	Ratio
Ordinary revenue	1,450.1	1,360.6	89.4	6.6
Sales (Figures are included above)	1,438.4	1,346.7	91.6	6.8
Ordinary expense	1,366.5	1,256.7	109.7	8.7
Ordinary income	83.6	103.9	-20.2	-19.5
Extraordinary loss	—	10.6	-10.6	—
Profit attributable to owners of parent	73.6	85.3	-11.7	-13.7

• Non-consolidated Operational Results

(Unit: billion yen, %)

	FY2017 3Q	FY2016 3Q	Difference	Ratio
Ordinary revenue	1,347.6	1,264.4	83.2	6.6
Sales (Figures are included above)	1,341.8	1,253.8	87.9	7.0
Ordinary expense	1,280.0	1,175.8	104.2	8.9
Ordinary income	67.6	88.6	-20.9	-23.7
Extraordinary loss	—	9.8	-9.8	—
Profit attributable to owners of parent	62.3	75.6	-13.2	-17.5

(Reference: Key Factors)

	FY2017 3Q	FY2016 3Q	Difference
Electricity sales volume (billion kWh)	56.1	58.0	-1.9
Crude oil CIF price (\$/b)	54	45	9
Exchange rate (yen/\$)	112	107	5
Nuclear power electricity generation volume (billion kWh)	11.8	9.8	2.0
[Utilization rate (%)]	[39.9]	[33.4]	[6.5]

(Note) Nuclear power electricity generation volume is sending-end figure.

2. Forecasts for Financial Results for the FY2017(April 1, 2017-March 31, 2018) and Year-end Dividends

With regard to the forecasts for the operating performance for the FY2017, there is no change from that we announced in October 2017. That is the results of calculating forecasted figure in consideration of cost reduction for overall expenses, electricity supply and demand trend and other factors, based on the application for change of pre-operation inspection regarding Genkai Nuclear Power Station Unit No.3 and 4 on November 30, 2017.

In addition, regarding the year-end dividend forecast for the fiscal year ended March 31, 2018, there is no change from that we announced in October 2017, and we forecast to pay out ¥10 per common share.

We will continue to make every group-wide effort to promote initiatives for early restart of Genkai nuclear power station and cost reduction on the premise of ensuring safety, compliance and stable supply.

• Consolidated Operational Results Forecasts

(Unit: billion yen, %)

	Revised Forecasts	Previous Forecasts	Difference	Ratio
Sales	1,945.0	1,945.0	—	—
Operating income	95.0	95.0	—	—
Ordinary income	65.0	65.0	—	—
Profit attributable to owners of parent	50.0	50.0	—	—

• Non-consolidated Operational Results Forecasts

(Unit: billion yen, %)

	Revised Forecasts	Previous Forecasts	Difference	Ratio
Sales	1,810.0	1,810.0	—	—
Operating income	75.0	75.0	—	—
Ordinary income	45.0	45.0	—	—
Profit attributable to owners of parent	35.0	35.0	—	—

(Reference: Key Factors)

	Revised Forecasts	Previous Forecasts	Difference
Electricity sales volume (billion kWh)	76.5	76.6	-0.1
Crude oil CIF price (\$/b)	55	54	1
Exchange rate (yen/\$)	112	114	-2
Nuclear power electricity generation volume (billion kWh)	14.3	17.4	-3.1
[Utilization rate (%)]	[36.5]	[44.5]	[-8.0]

(Note) Nuclear power electricity generation volume is sending-end figure.

“Make a brighter future for generations to come”

KYUDEN GROUP's Mission is to contribute toward the realization of a comfortable and environment-friendly lifestyle today and for generations to come.