

March 29, 2018  
Kyushu Electric Power Co., Inc.

## Direction of Spin-off of the General Power Transmission and Distribution Business associated with Legal Unbundling

We will conduct studies as a basic plan about spinning off the general power transmission and distribution business and establishing a power transmission and distribution company as a 100 percent-owned subsidiary under a holding company, which has corporate functions as well as generation and retail of electricity businesses. This is in order to respond to legal unbundling in April 2020 and ensure the neutrality of power transmission and distribution department more than ever.

### Outline of spin-off

#### (1) Method

“Absorption-type company split” with Kyushu Electric Power Company, Inc. (Kyushu EPCO) as the splitting company and the power transmission and distribution company as the succeeding company.

#### (2) Outline of the companies after spin-off

	Kyushu EPCO (splitting company)	Power transmission and distribution company (succeeding company)
Trade name	Kyushu Electric Power Co., Inc.	Kyushu Electric Power Transmission and Distribution Co., Inc.

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

Location	1-82, Watanabe-dori 2-chome, Chuo-ku, Fukuoka	Same as on the left
Business contents	Power generation, Retail electricity, etc.	General transmission and distribution, Power generation in remote islands
Date of establishment	May 1, 1951	April 2019 : Establishment of Split Preparation Company (Succeeding general transmission and distribution business etc. and spinning -off on April 1, 2020)

### (3) Schedule

April 2019	Establishment of Split Preparation Company
April 2019	Signing of absorption-type company split*
June 2019	Approval of absorption-type company split (General meeting of stockholders)
April 1, 2020	Effective date of absorption-type company split (spin-off)

\*Signing between Kyushu EPCO and Split Preparation Company

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