

July 31, 2018

**The 1st Quarter of the Fiscal Year Ending March 31, 2019 Financial Results Overview [Japan GAAP] (Consolidated)  
Kyushu Electric Power Co., Inc.**

Stock code: 9508 URL: [http://www.kyuden.co.jp/en\\_index.html](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 10, 2018

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, 2018 to June 30, 2018)**

**(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, 2018 - June 30, 2018	466,232	2.0	-2,523	—	-10,418	—
April 1, 2017 - June 30, 2017	457,278	6.4	33,104	-26.0	25,329	-33.2

(Note) Comprehensive income : FY2018 1Q -9,298 million yen ( —%) FY2017 1Q 22,418 million yen (16.7%)

	Profit attributable to owners of parent		EPS	Fully-diluted EPS
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)
April 1, 2018 - June 30, 2018	-9,104	—	-21.07	—
April 1, 2017 - June 30, 2017	20,296	-6.1	41.00	33.64

(Note) Fully-diluted EPS for FY2018 1Q is not indicated in spite of existence of delutive potential shares because EPS is net loss.

**(2) Consolidated Financial Position**

	Total assets	Net assets	Shareholders' equity ratio
	(Unit: million yen)	(Unit: million yen)	(%)
As of June 30, 2018	4,615,928	642,433	13.4
As of March 31, 2018	4,710,073	653,963	13.4

(Reference) Shareholders' equity : As of June 30, 2018 : 617,255 million yen As of March 31, 2018: 629,140 million yen

**2. Dividends**

	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2017 ended March 31, 2018	—	10.00	—	10.00	20.00
FY2018 ended March 31, 2019	—				
FY2018 ended March 31, 2019 (forecast)		15.00	—	15.00	30.00

(Note) Revision of the dividend forecast : No

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 FY2018 (April 1, 2018 to March 31, 2019)**

(% 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	2,010,000	2.5	105,000	1.8	80,000	8.6	55,000	-36.5	108.73

(Note) Revision of financial results forecasts : Yes

With regard to full-year financial results forecasts for FY2018, as a result of calculating the predicted figures including the delay of restart of Genkai nuclear power station unit No.4 and recent trend of supply and demand etc., sales figure is changed from the figure published on April 27, 2018. Regarding operating income, ordinary income and profit attributable to owners of parent, there is no change.

※ Note

**(1) Changes in significant subsidiaries : No**

(changes in scope of specified subsidiaries)

Newly added: — Excluded: —

**(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 at the end of period

FY2018 1Q	474,183,951 shares	FY2017	474,183,951 shares
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② Treasury stocks at the end of period

FY2018 1Q	522,569 shares	FY2017	520,059 shares
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③ Average number of stocks during the period (Quarter Total)

FY2018 1Q	473,662,015 shares	FY2017 1Q	473,662,692 shares
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\*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)
FY2017 ended March 31, 2018	—	1,750,000.00	—	1,750,000.00	3,500,000.00
FY2018 ended March 31, 2019	—				
FY2018 ended March 31, 2019 (forecast)	—	1,750,000.00	—	1,750,000.00	3,500,000.00

(Note1) Revision of the dividend forecast : No

**(Reference) Non-consolidated Financial Results Forecasts****Non-consolidated Financial Results Forecasts for FY2018 (April 1, 2018 to March 31, 2019)**

(% 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	1,870,000	2.5	85,000	4.7	55,000	14.1	40,000	-42.0	77.01

(Note) Revision of financial results forecasts : Yes

With regard to full-year financial results forecasts for FY2018, as a result of calculating the predicted figures including the delay of restart of Genkai nuclear power station unit No.4 and recent trend of supply and demand etc., the sales figures are changed from the figures published on April 27, 2018. Regarding operating income, ordinary income and profit, there is no change.

○ **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, 2018	As of June 30, 2018
Assets		
Non-current assets	4,026,352	4,071,400
Electric utility plant and equipment	2,286,481	2,378,549
Hydroelectric power production facilities	266,103	264,624
Thermal power production facilities	202,670	200,755
Nuclear power production facilities	221,677	320,949
Internal combustion engine power production facilities	16,021	19,433
Renewable power production facilities	15,334	15,246
Transmission facilities	607,864	604,494
Transformation facilities	213,082	212,112
Distribution facilities	625,502	624,457
General facilities	112,405	110,656
Other electric utility plant and equipment	5,819	5,818
Other non-current assets	381,712	373,580
Construction in progress	595,820	549,614
Construction and retirement in progress	561,296	512,470
Special account related to nuclear power decommissioning	19,226	19,021
Special account related to reprocessing of spent nuclear fuel	15,297	18,122
Nuclear fuel	271,742	273,083
Loaded nuclear fuel	64,732	69,161
Nuclear fuel in processing	207,009	203,921
Investments and other assets	490,596	496,573
Long-term investments	153,839	152,602
Net defined benefit asset	15,760	16,203
Deferred tax assets	195,713	197,874
Other	126,551	131,160
Allowance for doubtful accounts	-1,268	-1,268
Current assets	683,720	544,528
Cash and deposits	345,701	150,277
Notes and accounts receivable - trade	216,117	246,663
Inventories	70,039	81,652
Other	52,715	66,520
Allowance for doubtful accounts	-853	-585
Total assets	4,710,073	4,615,928

	(Unit: million yen)	
	As of March 31, 2018	As of June 30, 2018
<b>Liabilities</b>		
Non-current liabilities	3,078,137	3,057,044
Bonds payable	1,074,496	1,059,897
Long-term loans payable	1,624,600	1,587,471
Reserve for restoration costs of natural disaster	58	58
Net defined benefit liability	95,605	94,709
Asset retirement obligations	221,372	252,509
Deferred tax liabilities	1,597	2,075
Other	60,405	60,323
Current liabilities	969,282	907,768
Current portion of non-current liabilities	437,675	431,227
Short-term loans payable	117,371	118,792
Commercial papers	—	58,000
Notes and accounts payable - trade	81,987	61,727
Accrued taxes	45,875	13,551
Reserve for restoration costs of natural disaster	572	557
Other	285,799	223,911
Reserves under special laws	8,690	8,682
Reserve for fluctuation in water levels	8,690	8,682
<b>Total liabilities</b>	<b>4,056,110</b>	<b>3,973,495</b>
<b>Net assets</b>		
Shareholders' equity	639,966	628,720
Capital stock	237,304	237,304
Capital surplus	120,825	120,825
Retained earnings	282,504	271,261
Treasury shares	-668	-671
Accumulated other comprehensive income	-10,825	-11,465
Valuation difference on available-for-sale securities	4,369	4,544
Deferred gains or losses on hedges	-1,412	-763
Foreign currency translation adjustment	-1,905	-4,564
Remeasurements of defined benefit plans	-11,876	-10,681
Non-controlling interests	24,822	25,178
<b>Total net assets</b>	<b>653,963</b>	<b>642,433</b>
<b>Total liabilities and net assets</b>	<b>4,710,073</b>	<b>4,615,928</b>

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

	(Unit: million yen)	
	April 1,2017 - June 30,2017	April 1,2018 - June 30,2018
Operating revenue	457,278	466,232
Electric utility operating revenue	421,770	428,771
Other business operating revenue	35,507	37,461
Operating expenses	424,173	468,756
Electric utility operating expenses	391,527	434,444
Other business operating expenses	32,646	34,312
Operating profit (loss)	33,104	-2,523
Non-operating income	3,332	1,453
Interest income	159	38
Share of profit of entities accounted for using equity method	1,702	100
Other	1,470	1,314
Non-operating expenses	11,106	9,348
Interest expenses	8,644	8,267
Other	2,462	1,080
Total ordinary revenue	460,610	467,686
Total ordinary expenses	435,280	478,104
Ordinary profit (loss)	25,329	-10,418
Provision or reversal of reserve for fluctuation in water levels	-221	-8
Reversal of reserve for fluctuation in water levels	-221	-8
Profit (loss) before income taxes	25,551	-10,410
Income taxes - current	2,811	691
Income taxes - deferred	2,080	-2,436
Total income taxes	4,891	-1,745
Profit (loss)	20,659	-8,664
Profit attributable to non-controlling interests	363	439
Profit (loss) attributable to owners of parent	20,296	-9,104

(Quarterly Consolidated Comprehensive Income Statements)

	(Unit: million yen)	
	April 1,2017 - June 30,2017	April 1,2018 - June 30,2018
Profit (loss)	20,659	-8,664
Other comprehensive income		
Valuation difference on available-for-sale securities	100	25
Deferred gains or losses on hedges	173	598
Foreign currency translation adjustment	697	-2,152
Remeasurements of defined benefit plans, net of tax	466	1,213
Share of other comprehensive income of entities accounted for using equity method	319	-319
Total other comprehensive income	<u>1,758</u>	<u>-633</u>
Comprehensive income	<u>22,418</u>	<u>-9,298</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	22,036	-9,744
Comprehensive income attributable to non-controlling interests	381	445



(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