

Financial Results for 4/2010–3/2011

May 9, 2011



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Financial Results and Forecasts Summary

FY2010 Financial Results Summary

Summary: On a consolidated basis, sales increased, but profit decreased, while on a non-consolidated basis, both sales and profit increased.

In the electricity business:

- Higher electricity sales due to an increase in electricity sales volume and other factors.
- Decrease in maintenance and overhead expenses due to our thorough streamlining efforts in all areas of management, which offset increased fuel and other costs.
- Booking of extraordinary losses due to the application of the accounting standard concerning Accounting for Asset Retirement Obligations.

In the energy-related business:

- Decrease in sales of plant construction and maintenance work.

Consolidated

(Unit: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Sales	1,486.0	1,444.9	41.1	102.8
Operating Income	98.9	99.7	-0.8	99.2
Ordinary Income	66.7	67.6	-0.8	98.7
(Extraordinary Losses)	(18.4)	(-)	(18.4)	(-)
Net Income	28.7	41.8	-13.0	68.7
Comprehensive income	19.5	46.0	-26.4	42.5

Note: As of the end of FY2010, 66 affiliates were subject to consolidated accounting.

Breakdown:

Consolidated subsidiaries: 36 companies (an increase of 2 companies from the end of FY2009: 2 new companies)

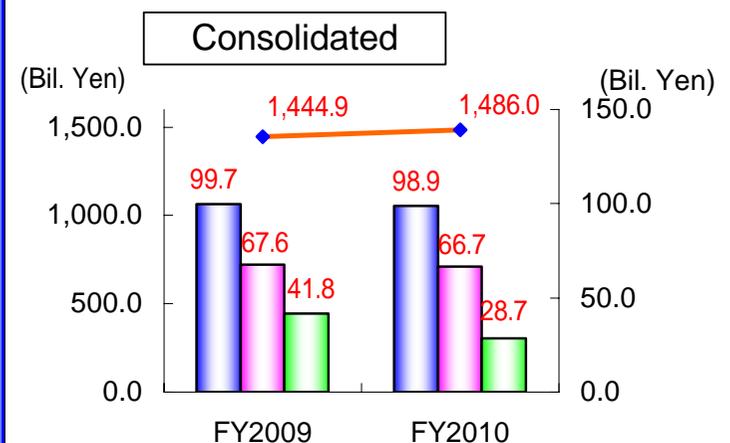
Equity method companies: 30 companies (a decrease of 1 company from the end of FY2009:

1 new company; 2 companies excluded)

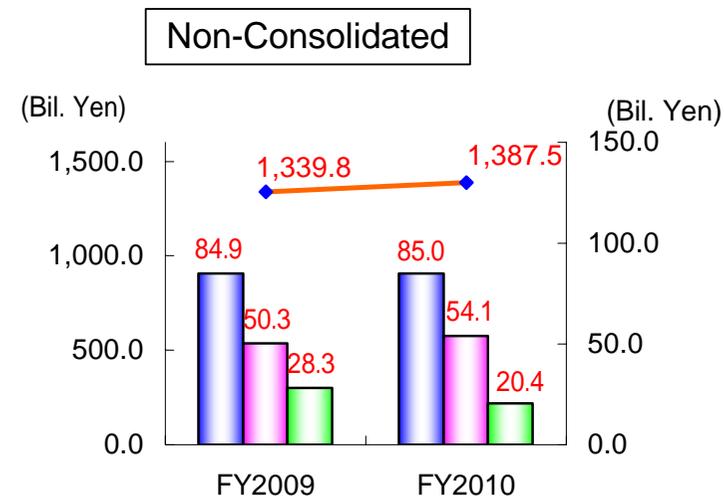
Non-Consolidated

(Unit: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Sales	1,387.5	1,339.8	47.7	103.6
Operating Income	85.0	84.9	0.1	100.2
Ordinary Income	54.1	50.3	3.7	107.4
(Extraordinary Losses)	(18.3)	(-)	(18.3)	(-)
Net Income	20.4	28.3	-7.8	72.2



Operating income (right axis) Ordinary income (right axis)
Net Income (right axis) Sales (left axis)



FY2011 Summary of Financial Results Forecasts

[Results forecasts]

It is difficult at this point in time to financial results forecast given the uncertainty going forward regarding trends in electrical power demand and the schedule for the resumption of the operations of reactors of our nuclear power stations due to the impact of the Great East Japan Earthquake disaster and its accompanying accidents at the Fukushima Daiichi Nuclear Power Station. Therefore, our sales and profit forecasts are undetermined.

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

[Dividend forecasts]

Payment of stable dividends is our fundamental policy, and we intend to pay an interim dividend of 30 yen in the next fiscal year. We will promptly inform you of our year-end dividend when it is possible for us to make our forecasts.

FY2010 Financial Results

Electricity Sales Volume

- General demand increased by 2.7 TWh (4.3%) compared to the same period last year due to increased air-conditioning and heating demand caused by higher summer temperatures and lower winter temperatures compared with those of last year.
- Demand from large-scale industrial companies increased by 1.4 TWh (6.4%) compared to the same period last year due to increased production of iron, steel, chemicals and non-ferrous metals.

		Actual	vs. FY2009	
			Change	%
Lighting		31.2	2.0	106.8
Power		56.3	2.1	103.9
Total		87.5	4.1	104.9
Reposting	General	63.7	2.7	104.3
	Large-scale Industrial	23.8	1.4	106.4

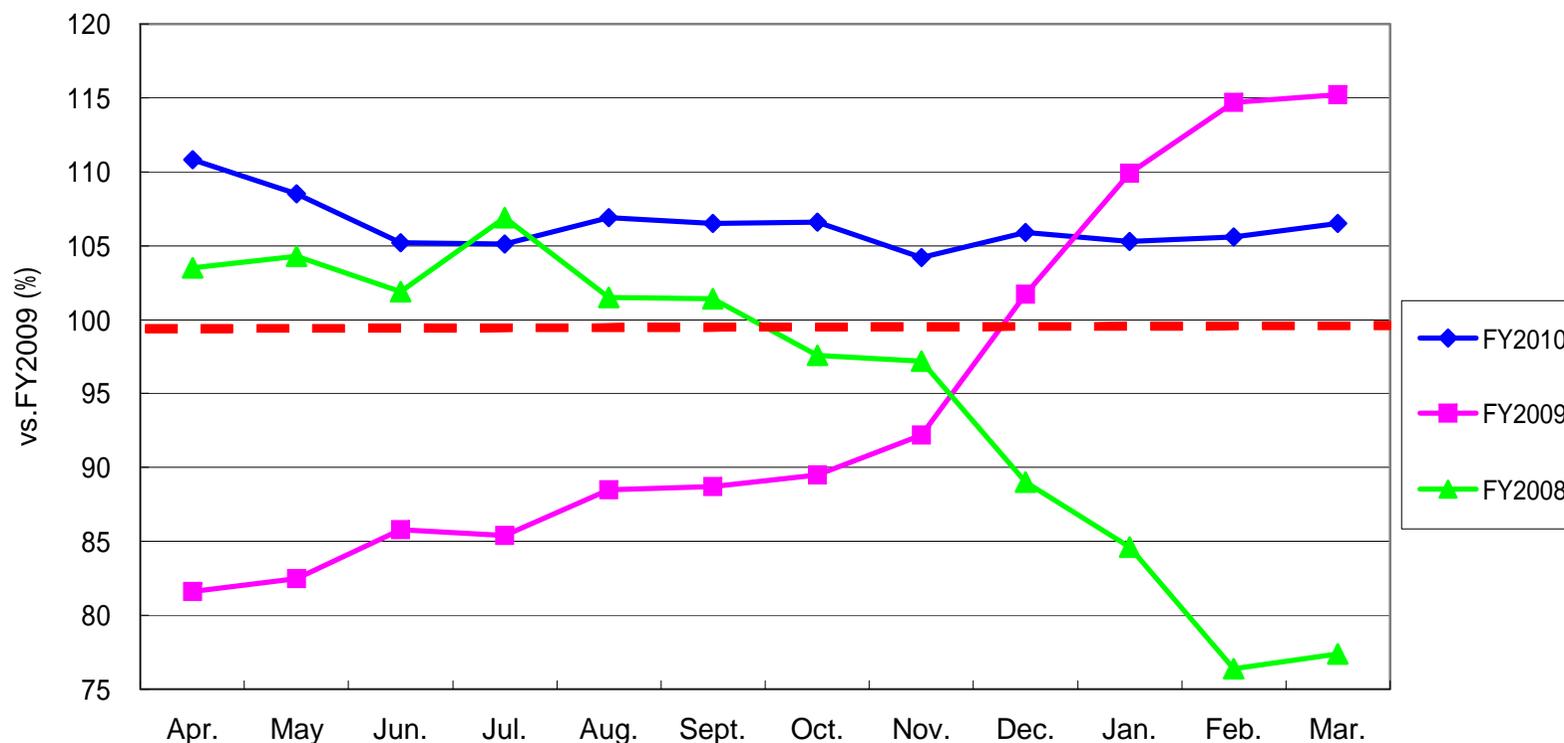
		Actual	vs. FY2009	
			Change	%
Machinery		6.9	0.3	103.7
(Reposting) Electronics		4.8	0.1	102.5
Transportation		1.6	0.1	105.7
Steel and Iron		2.3	0.3	113.8
Chemicals		2.6	0.2	108.8
Clay and Stone		1.0	0.1	108.0
Non-ferrous Metals		1.9	0.3	113.2
Others		9.1	0.2	104.7
Total		23.8	1.4	106.4

[Ref.] Actual Electricity Sales Volumes (by sector)(Unit: TWh/%)

			Actual	vs. FY2009	
				Change	%
Demand other than under liberalization	Lighting		31.2	2.0	106.8
	Power	Low voltage	4.9	0.2	104.5
		Others	0.8	-	99.0
	Subtotal		36.9	2.2	106.3
Demand under liberalization	Commercial		20.3	0.3	101.6
	Industrial		30.3	1.6	105.5
	Subtotal		50.6	1.9	103.9
Total			87.5	4.1	104.9

Shift in Large-Scale Demand (by month)

Large-scale electricity sales volume - Change of rate of increase from the previous year



Actual large-scale electricity sales volume by month

(Unit: TWh)

	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total
FY2010	1.850	1.900	1.971	2.106	2.112	2.095	2.068	1.929	1.986	1.970	1.847	2.004	23.838
FY2009	1.669	1.751	1.875	2.004	1.976	1.965	1.940	1.851	1.874	1.871	1.749	1.882	22.407
FY2008	2.045	2.123	2.183	2.345	2.233	2.216	2.168	2.008	1.843	1.701	1.525	1.634	24.024

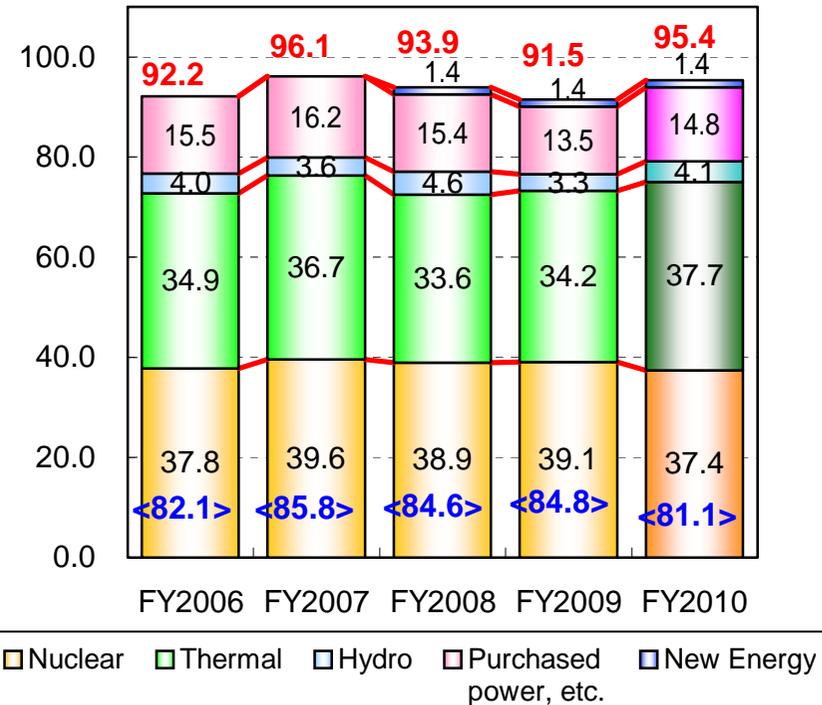
Electricity Generated and Received

Volume of Electricity Generated and Received (Units: TWh, %)

		Actual	vs. FY2009	
			Change	%
Generated	Hydro	4.1	0.8	123.1
	(Water flow rate)	(90.0)	(13.9)	
	Thermal	37.7	3.5	110.3
	Nuclear	37.4	-1.7	95.6
	(Utilization rate)	(81.1)	(-3.7)	
	New Energy Sources, etc.	1.4	-	98.9
	Subtotal	80.6	2.6	103.3
	Received from Other Companies (Reposted new energy, etc.)	15.7	1.6	111.8
		(1.5)	(0.2)	(113.1)
	Interchange	-0.1	-0.1	-
	Pumped Storage Use	-0.8	-0.2	143.8
	Total	95.4	3.9	104.3

"New Energy Sources, etc.": Generic term for the sources of solar, wind power, biomass, waste, and geothermal energy

(TWh) Trends in Generated and Received Electricity



Figures inside parentheses indicate nuclear power generation capacity utilization rate (%).

Income Statement Summary (Non-Consolidated)

(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009	Explanations	
Ordinary Revenues	Lighting	591.4	566.4	25.0	104.4	Increase in electricity sales volume, 63.6
	Power	734.5	726.7	7.8	101.1	Decline in charge unit prices due to fuel price adjustment & other factors, -30.8
	Others	70.9	54.0	16.9	131.3	Miscellaneous revenue, 3.8; regional sales, 3.5; Operating income from incidental businesses, 3.4;
	(Sales)	(1,387.5)	(1,339.8)	(47.7)	(103.6)	sales to other companies, 2.4; Profit on sale of securities, 2.2
	Subtotal	1,397.0	1,347.2	49.8	103.7	
Ordinary Expenses	Personnel	162.6	172.7	-10.0	94.2	Employee retirement benefits, -11.3
	Fuel	284.8	213.0	71.8	133.7	Increase in electricity sales volume, 29.3; rise in fuel price, 28.1
	Maintenance	175.9	195.1	-19.1	90.2	Thermal, -11.4; Distribution, -4.5; Transmission, -3.8
	Depreciation	197.9	196.7	1.2	100.6	Hydro, 1.6
	Purchased Power	137.0	113.6	23.3	120.6	Purchased from other companies, 23.4
	Interest Charges	32.1	33.1	-0.9	97.0	
	Miscellaneous Taxes	89.3	89.1	0.2	100.3	
	Nuclear Back-End Costs ^{*1}	47.2	53.2	-6.0	88.6	Reprocessing costs of irradiated nuclear fuel, -3; Decommissioning costs of nuclear power plants, -1.5
	Others	215.6	230.0	-14.3	93.7	Overhead expenses ^{*2} , -20.1; Operating expenses for incidental businesses 6.9
	Subtotal	1,342.9	1,296.8	46.0	103.6	
	(Operating Income)	(85.0)	(84.9)	(0.1)	(100.2)	
	Ordinary Income	54.1	50.3	3.7	107.4	
	Extraordinary Loss	18.3	-	18.3	-	Effect due to appropriation for asset retirement obligations, 18.3
	Net Income	20.4	28.3	-7.8	72.2	

*1: Nuclear back-end costs consist of the following: Reprocessing costs of irradiated nuclear fuel, Reprocessing preparation costs of irradiated nuclear fuel, Decommissioning costs of nuclear power plants, and Disposal costs of high-level radioactive waste.

*2: Overhead expenses refer to the aggregate sum of waste disposal expenses, consumables expenses, compensation expenses, leasing fees, subcontract fees, expansion and development expenses, training expenses, research expenses and others.

(Key Fundamentals)

	FY2010	FY2009	Change
Exchange Rate	86 yen/\$	93 yen/\$	-7 yen/\$
Crude Oil CIF Prices	84 \$/b	69 \$/b	15 \$/b
Water Flow Rate	90.0 %	76.1 %	13.9 %
Nuclear Power Generation Capacity Utilization Rate	81.1 %	84.8 %	-3.7 %

(Sensitivity factors) (Units: Billions of Yen)

	FY2010
Exchange Rate (Yen/\$)	2.9
Crude Oil CIF Prices (\$/b)	1.6
Water Flow Rate (%)	0.4
Nuclear Power Generation Capacity Utilization Rate (%)	2.7

Note: Above figures show impact on fuel costs and cost of purchased power.

[Ref. 1] Maintenance and overhead expenses vs. FY2009

(Units: Billions of Yen)

	FY2010	FY2009	Change
Maintenance expenses	175.9	195.1	-19.1
Overhead expenses	155.2	175.3	-20.1
Total	331.1	370.4	-39.2

[Ref. 2] Extraordinary Losses

- Expenses required for the decommissioning of nuclear power generation plants have always been booked as 90% of the total estimate of what is needed for the nuclear power generation plant decommissioning reserve based on the ordinances of the Ministry of Economy, Trade, and Industry, depending on actual volume of power generated each year.
- A recent revision of the ministerial ordinance will require lump-sum booking of an amount equivalent to the remaining 10% of the cumulative power generated up to FY2009, in FY2010.

Explanation of Ordinary Revenue (Non-Consolidated)

(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Lighting & Power	1,326.0	1,293.1	32.8	102.5

<Explanations>

	Change
1. Increase in electricity sales volume due to increased demand	63.6

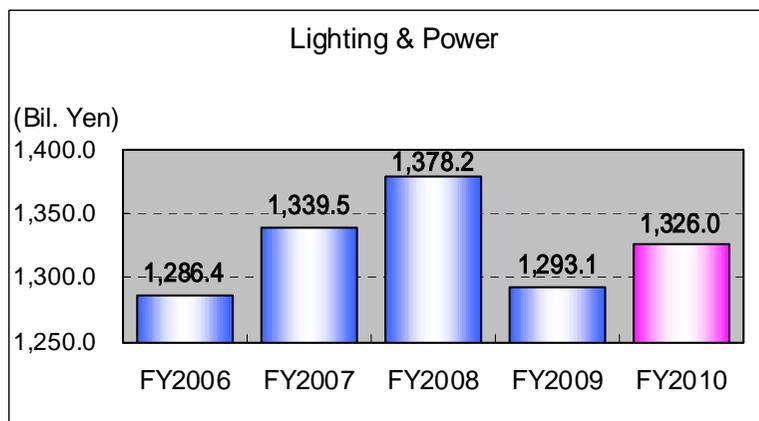
· Increase in sales volume (87.5 83.4 TWh; 4.1 TWh vs. FY2009)
 [Ref.] Factors behind change in electricity sales volume (pro forma figures)

(Unit: TWh)

	FY2010	FY2009	Change	Factors
General	63.7	61.0	2.7	· Temperature effect +1.5 · Spread of all electric houses +0.5 · Variation in meter inspection periods (2.13 days) +0.2 etc.
Large-scale industrial	23.8	22.4	1.4	Increasing production of steel, chemicals, nonferrous metals, etc. +1.4

2. Decline in charge unit price due to impact of fuel cost adjustment	-30.8
Effect of fuel cost adjustments	-17.6

- Transitional measures -11.2 billion yen
- Special measures -6.6 billion yen
- Other fuel cost adjustments 0.2 billion yen

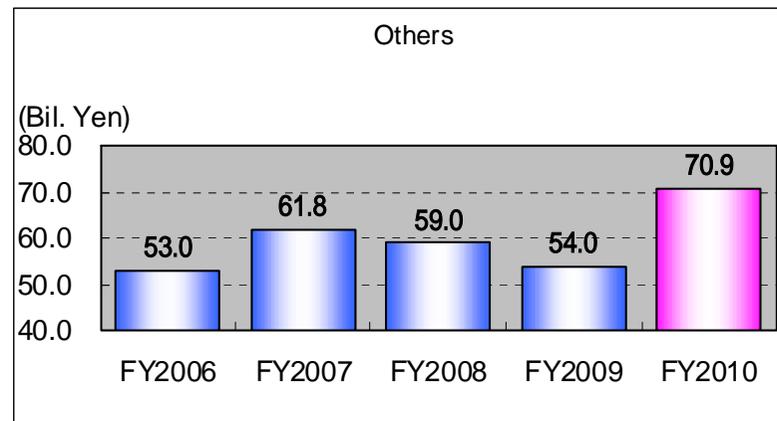


(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Others	70.9	54.0	16.9	131.3

<Explanations>

	Change	FY2010	FY2009
1. Miscellaneous revenue	3.8	(13.7	9.9)
2. regional sales	3.5	(4.2	0.7)
3. Operating income from incidental businesses	3.4	(31.1	27.7)
4. Sales to other companies	2.4	(5.8	3.4)
5. Profit on sale of securities	2.2	(2.2	-)



Explanation of Ordinary Expenses (Non-Consolidated)

【 Personnel, Fuel 】

(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Personnel	162.6	172.7	-10.0	94.2

<Explanations>

	Change	FY2010	FY2009
Employee retirement benefits	-11.3	(19.9	31.2)
Amortization cost of actuarial differences	-5.8	(3.1	8.9)

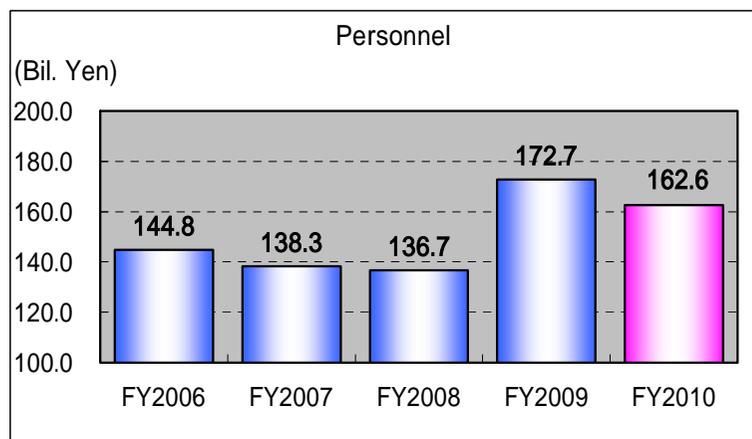
· Accrued in FY2004 1.7 billion yen (amortization completed in FY2009)

· Accrued in FY2009 - 7.6 billion yen

Year	Amount	[Ref.] Actuarial Differences		Change (A-B)
		FY2010 (A)	FY2009 (B)	
FY2004	-8.9	-	-1.7	1.7
FY2005	-29.5	-5.9	-5.9	-
FY2006	-7.0	-1.4	-1.4	-
FY2007	33.2	6.6	6.6	-
FY2008	57.0	11.4	11.4	-
FY2009	-38.1	-7.6	-	-7.6
Total		3.1	8.9	-5.8

Expected return on plan assets **-5.9** (-5.9 -)

Reevaluate FY2010 expected return on plan assets (2% 0%)



(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Fuel	284.8	213.0	71.8	133.7

<Explanations>

	Change
1. Increase in sales volume	29.3

· Increase in sales volume (87.5 83.4 TWh; 4.1 TWh vs. FY2009)

2. Rise in fuel prices	28.1
------------------------	-------------

Effect of rise in fuel prices **39.2**

Reference: All Japan CIF prices

· Crude oil (84 69\$/b; 15\$/b vs. FY2009)

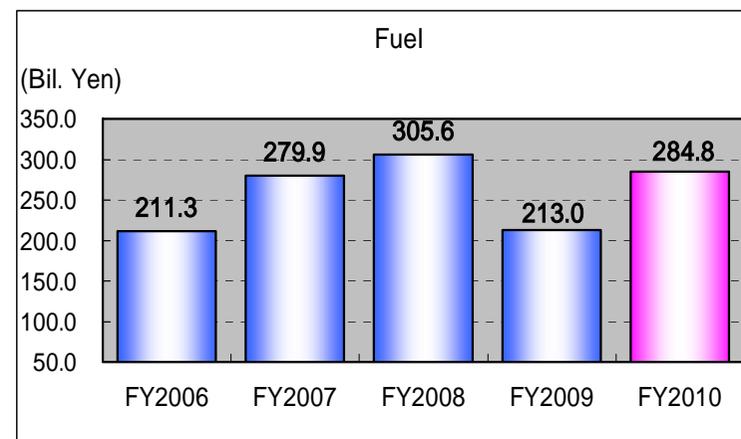
· Coal (113 98 \$/t; 15\$/t vs. FY2009)

· LNG (578 465\$/t; 113\$/t vs. FY2009)

Effect of exchange rate (high-yen) **-11.1**

Reference: Interbank Rate

· Exchange rate (86 93 yen/\$; 7 yen/\$ higher vs. FY2009)



Explanation of Ordinary Expenses (Non-Consolidated)

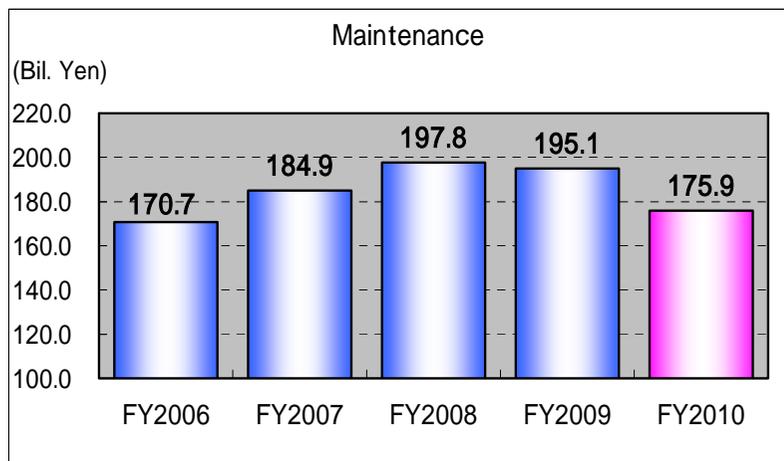
【 Maintenance, Depreciation 】

(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Maintenance	175.9	195.1	-19.1	90.2

<Explanations>

	Change	FY2010	FY2009
1. Thermal	-11.4	(28.0	39.5)
· Reduction in maintenance work during regular maintenance			
2. Distribution	-4.5	(50.4	55.0)
3. Transmission	-3.8	(10.7	14.6)

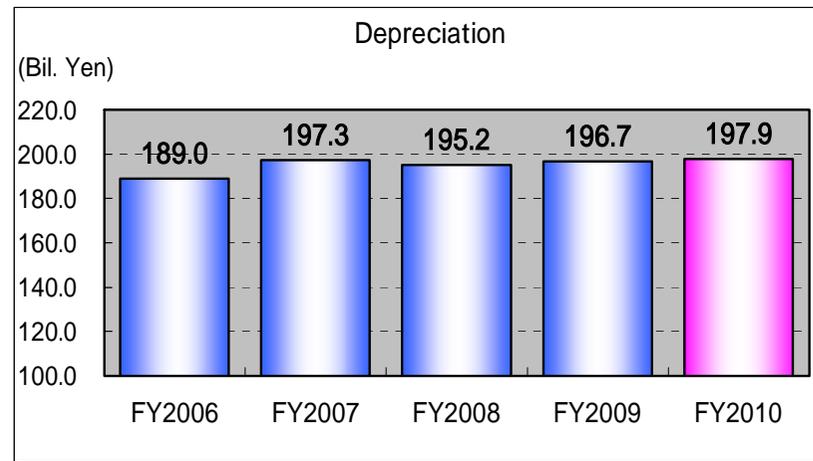


(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Depreciation	197.9	196.7	1.2	100.6

<Explanations>

	Change	FY2010	FY2009
1. Hydro	1.6	(22.3	20.6)
· Launch of operation of Omarugawa Power Plant's No.1 unit (July, 2010) and others.			



Explanation of Ordinary Expenses (Non-Consolidated)

【 Purchased Power, Others 】

(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Purchased Power	137.0	113.6	23.3	120.6

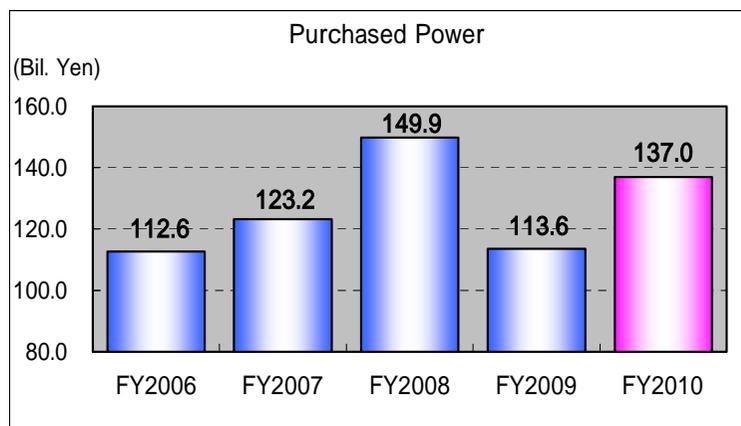
<Explanations>

	Change	FY2010	FY2009
Purchased from other companies	23.4	(136.8	113.3)
Increase in purchases of thermal power from other companies	11.1	(93.7	82.6)
· Increase in volume of thermal power purchases (13.1 TWh; 1.5TWh vs. FY2009)		11.6	
Increase in solar power purchases	6.6	(12.8	6.1)

Reference: Actual Purchases (Unit: TWh, Billions of Yen)

	FY2010	FY2009	Change
Power Qty	0.28 < 0.28 >	0.21 < 0.05 >	0.07 < 0.23 >
Purchase Cost	12.8 < 12.7 >	6.1 < 2.3 >	6.6 < 10.4 >

Reposting of actual purchases in parentheses based on the System for Purchasing Surplus Solar Power (since Nov. 2009)



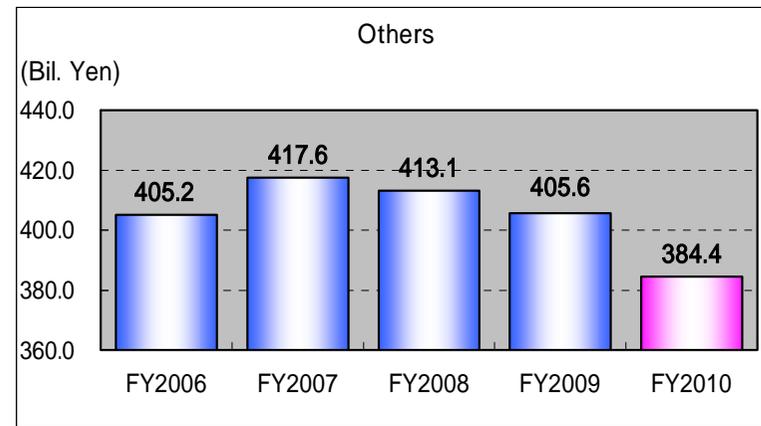
(Units: Billions of Yen, %)

	FY2010	FY2009	Change	vs. FY2009
Others	384.4	405.6	-21.1	94.8

Note: Others consists of interest charges, miscellaneous taxes, nuclear power back-end costs and others.

<Explanations>

	Change	FY2010	FY2009
1. Overhead expenses	-20.1	(155.2	175.3)
· Subcontract fees	-11.4	(67.7	79.2)
· Others	-2.9	(21.7	24.6)
2. Nuclear Back-End Costs	-6.0	(47.2	53.2)
· Reprocessing costs of irradiated nuclear fuel	-3.0	(26.8	29.9)
· Decommissioning costs of nuclear power plants	-1.5	(7.5	9.0)
3. Operating expenses for incidental businesses	6.9	(32.7	25.7)



Balance Sheet Summary (Non-Consolidated)

[Assets]

(Units: Billions of Yen)

	Mar. 31, 2011	Mar. 31, 2010	Change	Explanations
Utility Property, Plant, and Equipment	2,520.8	2,514.2	6.6	Construction completed 201.6, Depreciation -196.7
Investments & Other Assets	581.1	495.8	85.3	Reserve fund for reprocessing of irradiated nuclear fuel 29.5; Long- term investment, 23.3; long-term investment in affiliates, 16.6; deferred tax assets, 16.0
Others	788.8	766.5	22.3	Cash & cash equivalents, 43.4; Inventories, -7.9; Nuclear fuel, -6.2
Total	3,890.8	3,776.5	114.3	

[Liabilities & Equity]

(Units: Billions of Yen)

	Mar. 31, 2011	Mar. 31, 2010	Change	Explanations
Interest-bearing Debt	1,968.1	1,894.4	73.6	[D/E Ratio] Mar. 31, 2011 2.03x Mar. 31, 2010 1.93x
Other Liabilities	955.2	898.0	57.2	Asset retirement obligations, 207.6; Reserves for decommissioning of nuclear power units, -164.9 } 42.7 Accounts payable, 8.8
Equity	967.5	984.1	-16.5	FY2010 net income, 20.4; Dividends -28.4; Net unrealized loss on available -for-sale securities -4.7; Deferred loss on derivatives under hedge accounting -3.7 [Equity Ratio] Mar. 31, 2011 24.9 % Mar. 31, 2010 26.1%
Total	3,890.8	3,776.5	114.3	

Income Statement Summary (Consolidated)

(Units: Billions of Yen, %)

		FY2010	FY2009	Change	vs. FY2009	
Ordinary Revenues	Electric	1,354.2	1,310.0	44.1	103.4	(Fiscal 2010 Consolidated ratio)
	Other	131.8	134.8	-2.9	97.8	
	Operating Revenues (Sales)	1,486.0	1,444.9	41.1	102.8	[1.07]
	Other revenues	12.2	11.3	0.8	107.8	
	Subtotal	1,498.2	1,456.2	42.0	102.9	
Ordinary Expenses	Electric	1,261.4	1,220.5	40.8	103.4	
	Other	125.7	124.6	1.0	100.9	
	Operating Expenses	1,387.1	1,345.2	41.9	103.1	
	Other Expenses	44.3	43.4	0.9	102.1	
	Subtotal	1,431.5	1,388.6	42.8	103.1	
	(Operating Income)	(98.9)	(99.7)	(-0.8)	(99.2)	[1.16]
	Ordinary Income	66.7	67.6	-0.8	98.7	[1.23]
	Extraordinary Loss	18.4	-	18.4	-	
	Net Income	28.7	41.8	-13.0	68.7	[1.41]
Comprehensive income		19.5	46.0	-26.4	42.5	

Segment Information

Summary of Financial Results:

[Energy-related business:]

- Sales declined mainly due to decrease in sales of plant construction and maintenance work.
- Profits declined chiefly owing to the impact of the increase in the purchasing price of LNG.

[IT and Telecommunications:]

- Sales declined due to such factors as decreased large-lot IT systems development, despite an increase in the number of broadband service users and increased telecommunications construction work.
- Increase in profit owing to cost reductions, etc.

[Others:]

- Sales declined due to a drop in real estate-related sales revenues despite increased sales stemming from the opening of condominiums for senior citizens in new areas.
- Increase in profit owing to cost reductions, etc.

Reference 1: Trends in Financial Results of Telecommunications Business

(Units: Billions of Yen)

	FY2010	FY2009	FY2008
Sales	96.2	99.1	92.7
(Operating Income)	6.4	6.3	0.7
Ordinary Income	5.3	4.9	-0.8

Reference 2: Numbers of Broadband Service (BBIQ)

(Unit: '0000 lines)

	FY2010	FY2009	FY2008
Number of lines as of year end	29.9	28.4	26.0

(Units: Billions of Yen)

	Electric Power	Energy-related business	IT and Telecommunications	Other	Subtotal	Eliminations/corporate	Consolidated
Sales	1,356.3 (44.2)	158.0 (-5.7)	96.2 (-2.9)	26.0 (-0.4)	1,636.6 (35.0)	-150.5 (6.1)	1,486.0 (41.1)
Sales to Customers	1,354.2 (44.1)	59.7 (-5.7)	60.9 (2.7)	11.1 (-)	1,486.0 (41.1)	- (-)	1,486.0 (41.1)
Operating Income	86.5 (3.6)	3.0 (-4.3)	6.4 (0.1)	3.3 (0.1)	99.4 (-0.4)	-0.5 (-0.3)	98.9 (-0.8)
Ordinary Income	55.5 (5.4)	* 4.7 (-5.3)	5.3 (0.3)	1.8 (-0.8)	67.5 (-0.4)	-0.7 (-0.4)	66.7 (-0.8)
Assets	3,741.0 (95.8)	300.9 (19.0)	147.8 (4.9)	154.9 (8.0)	4,344.8 (127.8)	-159.3 (3.4)	4,185.4 (131.2)
Capital Expenditures	228.8 (13.3)	6.4 (1.5)	23.6 (4.6)	7.6 (-1.7)	266.5 (17.7)	-4.7 (-0.1)	261.8 (17.6)

Note: Figures in parentheses denote change from fiscal 2009

* Ordinary income in energy-related business of 4.7 billion yen includes 300 million yen in overseas energy business (down 1.1 billion yen from the same period in the previous year)

Overseas energy business: Consolidated subsidiaries and equity method companies investing in overseas businesses (8 companies, including Kyuden International)

Cash Flow Summary (Consolidated)

(Units: Billions of Yen)

	FY2010	FY2009	Change	Explanations
Cash flows from operating activities	301.3	351.4	-50.0	Decrease in net income before taxes and minority interests -19.2 Increase in Income tax paid -23.5
Cash flows from investing activities	-296.0	-235.3	-60.6	Payment and collection for investments and other -51.8
(Reposting of capital expenditures including nuclear fuel)	(-243.7)	(-235.6)	(-8.1)	
Cash flows from financing activities	52.9	-135.9	188.9	Increase in fund-raising due to decrease in operating cash flows, etc. (Change in interest-bearing debt: 190.5 (FY2010 84.6 FY2009 -105.8)
Change in cash and cash equivalents	57.8	-19.9	77.7	

Free cash flows*	57.5	115.8	-58.2
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* Free cash flows = Cash flows from operating activities - Capital expenditures including nuclear fuel

For more information, please contact:

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