

Issuance of Kyushu Electric Power Company's 435th Bonds

Kyushu Electric Power Company Incorporated has decided to issue its 435th domestic straight bonds. This offering is arranged for retail investors.

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| 1. Issue amount | 10 billion yen |
| 2. Coupon | 0.33% |
| 3. Issue price | 100% |
| 4. Denomination | 100 thousand yen |
| 5. Interest payment date | June 25 and December 25 of each year |
| 6. Offering period | From December 14, 2015 to December 24, 2015 |
| 7. Issue date | December 25, 2015 |
| 8. Maturity date | December 25, 2018 (3-year bullet bond) |
| 9. Use of proceeds | Debt repayment and General capital expenditure |
| 10. Lead manager | Nomura Securities Co., Ltd.
SMBC Nikko Securities Inc.
Daiwa Securities Co. Ltd.
Mizuho Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Fukuoka Securities Co., Ltd.
Okasan Securities Co., Ltd.
SMBC Friend Securities Co., Ltd.
Tokai Tokyo Securities Co., Ltd.
Toyo Securities Co., Ltd.
Nishi-Nippon City Tokai Tokyo Securities Co.,Ltd. |
| 11. Rating | R&I (Rating & Investment Information, Inc.) Rating: A
JCR (Japan Credit Rating Agency, Ltd.) Rating: AA- |

This announcement is for information purposes only and should not be regarded as an offer to sell or as a solicitation of an offer to buy any financial product.