

October 9, 2020

Kyushu Electric Power Co., Inc.

Kyushu Electric Power Announces its Decision of Terms and Conditions of the Publicly Offered Hybrid Corporate Bonds (No Collateral and Subordinated Corporate Bonds)

We announced today that it has decided the terms and conditions of its publicly offered hybrid corporate bonds (no collateral and subordinated corporate bonds) (hereinafter, the “Hybrid Bonds”) as per the announcement dated August 28, 2020 “Kyushu Electric Power Announces its Decision to Issue Publicly Offered Hybrid Corporate Bonds (No Collateral and Subordinated Corporate Bonds)”.

	#1 Unsecured corporate bonds with interest deferrable clause and early redeemable option (no collateral and subordinated corporate bonds)	#2 Unsecured corporate bonds with interest deferrable clause and early redeemable option (no collateral and subordinated corporate bonds)	#3 Unsecured corporate bonds with interest deferrable clause and early redeemable option (no collateral and subordinated corporate bonds)
Total amount of issue	70 billion yen	30 billion yen	100 billion yen
Initial interest rate	0.99% p.a. (Note 1)	1.09% p.a. (Note 2)	1.30% p.a. (Note 3)
Closing date	October 15, 2020		
Maturity date	October 15, 2080		
Early redemption	We may, at its discretion, redeem the Hybrid Bonds on any interest payment date on or after October 15, 2025.	We may, at its discretion, redeem the Hybrid Bonds on any interest payment date on or after October 15, 2027.	We may, at its discretion, redeem the Hybrid Bonds on any interest payment date on or after October 15, 2030.
Interest payment dates	April 15 and October 15 of each year		
Optional suspension of interest payment	We may, at its discretion, defer all or part of interest payment.		
Subordination	As to the payment of debt in the company’s liquidation or other bankruptcy proceedings, the Hybrid Bonds shall be subordinated to the company’s indebtedness and senior to common stock of the company.		
Rating	BBB+ (Rating and Investment Information, Inc.) A (Japan Credit Rating Agency, Ltd.)		
Eligibility for equity treatment	The Hybrid Bonds are recognized as eligible for 50% equity treatment of the total issued amount by Rating and Investment Information, Inc. and Japan Credit Rating Agency, Ltd.		
Method of offering	Offering to the general public in Japan		

Joint-lead underwriters	Mizuho Securities Co., Ltd. SMBC Nikko Securities Inc. Nomura Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Daiwa Securities Co. Ltd.
Book-entry transfer institution	Japan Securities Depository Center, Inc.
Bond administrator	Mizuho Bank, Ltd.

- Notes 1. (i) Fixed interest rate shall apply from the day immediately following October 15, 2020 until October 15, 2025; and (ii) variable interest rate shall apply from the day immediately following October 15, 2025. (The interest rate will increase on the day immediately following October 15, 2030 and the day immediately following October 15, 2045.)
2. (i) Fixed interest rate shall apply from the day immediately following October 15, 2020 until October 15, 2027; and (ii) variable interest rate shall apply from the day immediately following October 15, 2027. (The interest rate will increase on the day immediately following October 15, 2030 and the day immediately following October 15, 2047.)
3. (i) Fixed interest rate shall apply from the day immediately following October 15, 2020 until October 15, 2030; and (ii) variable interest rate shall apply from the day immediately following October 15, 2030. (The interest rate will increase on the day immediately following October 15, 2030 and the day immediately following October 15, 2050.)

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.