

March 30, 2023

Kyushu Electric Power Co., Inc.

Notice regarding Cease and Desist Order and Surcharge Payment Order from the Japan Fair Trade Commission

On July 13, 2021, the Japan Fair Trade Commission (JFTC) conducted on-site inspections of Kyushu Electric Power Co., Inc. (the Company) and its subsidiary Kyuden Mirai Energy Corporation (Kyuden Mirai) on suspicion of violating the “Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Antimonopoly Act)” in the high voltage power and extra-high voltage power segment. Since then both companies have been fully cooperating with the investigations conducted by JFTC. Today, the Company has received a notice regarding a Cease and Desist Order and a Surcharge Payment Order in accordance with the Antimonopoly Act. Kyuden Mirai has also received a notice regarding a Cease and Desist Order.

We would like to express our sincere apologies to our customers and all other stakeholders for any concerns this matter may have caused. We take this order with great seriousness and will carefully examine and confirm the contents of the order and carefully consider future actions. We will also further strengthen our efforts for compliance with the Antimonopoly Act, which we are committed to.

1. About the Cease and Desist Order

In regard to government contracts bids in the extra-high voltage power and high voltage power within Kyushu area and Kansai area, the Company and Kyuden Mirai were ordered to confirm that activities that violate the provisions of Article 3 of the Antimonopoly Law (the prohibition of unreasonable transaction restrictions) have ceased and that the Company and Kyuden Mirai will implement corrective measures to prevent similar actions from taking place in the future.

2. About the Order for Payment and Surcharge

- (1) Amount of the surcharge ¥ 2.76223 billion
- (2) Payment deadline October 31, 2023

In addition, the Company applied to the JFTC to its leniency program which was approved and as a result the surcharge has been reduced with 30%.



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

3.Future Response

The Company will examine and confirm the contents of the orders and carefully consider its future actions.

4. Impact on Financial Results

As an extraordinary loss provision was already recorded for the third quarter of this fiscal year, there will be no further impact on the Financial Results FY2022