

Financial Results for The 1st Quarter of FY2019

July 31, 2019



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Note:

The English translation is for reference purposes only for the convenience of our English-speaking investors. In case a difference arises regarding the meaning herein, the original Japanese version shall prevail.

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I . Financial Results for FY2019 1Q

1

Sales (Increase), **Ordinary Income** (Increase)

Consolidated Sales : **489.3 billion of yen** (Increase by 5.0% Compared with FY2018 1Q)

Consolidated Ordinary Income : **11.8 billion of yen**

Financial Results for FY2019 1Q

Ordinary income increased compared to the FY2018 1Q, because of a decline in fuel costs due to the difference in the term of periodic inspection for the nuclear power plants.

Revenue Side

Sales increased by 5.0% to ¥489.3 billion and ordinary revenue increased by 5.5% to ¥493.5 billion. It's because of an increase in electricity sales volume, an effect of the fuel cost adjustment system, and a grant based on the Act on Purchase of Renewable Energy Sourced Electricity. In addition to these factors, ICT service business revenue increased.

Expenditure Side

Ordinary expense increased by 0.8% to ¥481.7 billion. It's because of an increase in nuclear back-end costs, purchased power mainly from renewable energy, power procurement costs at a consolidated subsidiary, and costs in ICT service revenue, although a decline in fuel costs due to the difference of the term of periodic inspection for the nuclear power plants.

Ordinary Income

Net Income attributable to owners of the parent

Ordinary income increased by ¥22.2 billion to ¥11.8 billion.
Net income attributable to owners of the parent increased by ¥16.8 billion to ¥7.7 billion.

I. Financial Results for FY2019 1Q

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| Consolidated | | | | | Non-consolidated | | | | |
|---|-----------|-----------|------------|----------------|------------------------------------|-----------|-----------|------------|----------------|
| (Billion of Yen,%) | | | | | (Billion of Yen,%) | | | | |
| | FY2019 1Q | FY2018 1Q | Difference | Rate of Change | | FY2019 1Q | FY2018 1Q | Difference | Rate of Change |
| Ordinary Revenues | 493.5 | 467.6 | 25.8 | 5.5 | Ordinary Revenues | 449.0 | 435.7 | 13.3 | 3.1 |
| Sales [Figures are included above] | 489.3 | 466.2 | 23.1 | 5.0 | Sales [Figures are included above] | 444.9 | 432.8 | 12.0 | 2.8 |
| Ordinary Expenses | 481.7 | 478.1 | 3.5 | 0.8 | Ordinary Expenses | 441.4 | 448.4 | -6.9 | -1.6 |
| (Operating Income /Loss) | (18.2) | (-2.5) | (20.8) | (—) | (Operating Income /Loss) | (12.4) | (-7.7) | (20.2) | (—) |
| Ordinary Income /Loss | 11.8 | -10.4 | 22.2 | — | Ordinary Income /Loss | 7.6 | -12.6 | 20.2 | — |
| Net Income /Loss attributable to owners of the parent | 7.7 | -9.1 | 16.8 | — | Net Income /Loss | 5.8 | -9.2 | 15.0 | — |

【Reference】 Key factors (Non-consolidated)

| | FY2019 1Q | FY2018 1Q | Difference |
|--|------------------------------|------------------------------|------------------------------|
| Electricity Sales Volume | 16.5 billion kWh | 16.6 billion kWh | -0.1 billion kWh |
| Crude Oil CIF Price | 71 \$/b | 71 \$/b | — |
| Exchange Rate | 110 ¥/\$ | 109 ¥/\$ | 1 ¥/\$ |
| Nuclear Power [Transmission-end] (Utilization Rate of Nuclear Power)* | 7.6 billion kWh (86.9 %) | 3.1 billion kWh (32.7 %) | 4.5 billion kWh (54.2 %) |

* Utilization rate of nuclear power in FY2018 is calculated based on 5 units.
On April 9, 2019, unit No.2 of Genkai nuclear power station was decommissioned.

I - ① Electricity Sales Volume (Non-consolidated)

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The total electricity sales volume came to 16.5 billion kWh, which is approximately equal to FY2018 1Q. This is due to an enhancement of competitiveness by price reductions, etc.

Total electricity sales volume of the Kyuden group came to 17.0 billion kWh, which is an increase of 2.3% compared to FY2018 1Q. This is due to an increase in electricity sales volume outside the Kyushu area.

(Million kWh,%)

| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|----------|-----------|-----------|------------|-------|
| Lighting | 5,600 | 5,741 | -141 | 97.5 |
| Power | 10,920 | 10,880 | 40 | 100.4 |
| Total | 16,520 | 16,621 | -101 | 99.4 |

Note: Some rounding errors may be observed.

【Reference】

(Million kWh,%)

| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|--|-----------|-----------|------------|-------|
| Total electricity sales volume of the Kyuden group | 17,016 | 16,641 | 375 | 102.3 |

Note: These figures represent sales volume of our company and a consolidated subsidiary (Kyuden Mirai Energy Company, Incorporated).

I - ② Generated and Received Electricity (Non-consolidated)

4

The electricity supply has been stable, which is the result of stable operation of 4 nuclear power units, comprehensive operation such as thermal power and water pumping, and the implementation of renewable energy output control based on government rules.

(Million kWh, %)

| | | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|---|--------------------|-----------|-----------|------------|---------|
| Own facilities *1 | Hydro | 1,092 | 1,378 | -286 | 79.2 |
| | (Water flow rate) | (63.5) | (96.9) | (-33.4) | |
| | Thermal | 4,222 | 7,588 | -3,366 | 55.6 |
| | Nuclear | 7,647 | 3,125 | 4,522 | 244.7 |
| | (Utilization rate) | (86.9) | (32.7) | (54.2) | |
| | New Energy etc | 278 | 243 | 35 | 114.1 |
| Subtotal | | 13,238 | 12,334 | 904 | 107.3 |
| From other companies & Interchange *2 | | 4,504 | 5,466 | -962 | 82.4 |
| (New Energy etc. [Figures are included above]) | | (3,614) | (3,245) | (369) | (111.4) |
| For pumping | | -650 | -504 | -146 | 128.9 |
| T o t a l | | 17,093 | 17,296 | -203 | 98.8 |

Note: Some rounding errors may be observed.

*1 Own facilities' generation means transmission-end number.

*2 "From other companies & Interchange" includes the volume of electricity recognized as of the end of quarter of fiscal year.

【Reference】 Ratio of Generated and Received Electricity

(%)

| | FY2019 1Q | FY2018 1Q | Difference |
|--------------------|-----------|-----------|------------|
| Nuclear Power | 44.7 | 18.1 | 26.6 |
| Renewable Energy * | 28.4 | 28.7 | -0.3 |

* "Renewable Energy" represents a total of Solar, Wind, Biomass, Waste, Geothermal and Hydro (excluding "For pumping") generated by facilities of our own and other companies.

I - ③ Income Statement (Non-consolidated)

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(Billion of Yen,%)

| | | FY2019 1Q | FY2018 1Q | Difference | Ratio | Explanations |
|--|--|--------------|--------------|------------|---------|--|
| Ordinary Revenues | Lighting | 129.6 | 128.4 | 1.1 | 100.9 | Decrease in electricity sales volume -1.5 |
| | Power | 179.7 | 176.5 | 3.2 | 101.8 | Increase in unit price 4.5 |
| | (Sub Total) | (309.4) | (305.0) | (4.4) | (101.5) | [Effect of fuel cost adjustment 12.4 (-1.7 ← -14.1)] <u>Renewable Energy Power Promotion Surcharge 1.5 (42.1 ← 40.6)*</u> |
| | Sold power to other utilities and other suppliers | 9.6 | 12.8 | -3.1 | 75.2 | Sold power to other suppliers -3.5 |
| | Other | 129.9 | 117.8 | 12.0 | 110.2 | <u>Grant based on the Act on Purchase of Renewable Energy Sourced Electricity 9.3 (103.0 ← 93.7)*</u> |
| | (Sales) | (444.9) | (432.8) | (12.0) | (102.8) | |
| Total | | 449.0 | 435.7 | 13.3 | 103.1 | |
| Ordinary Expenses | Labor | 35.9 | 35.6 | 0.3 | 101.0 | |
| | Fuel | 40.6 | 64.0 | -23.3 | 63.5 | Effect of operating of nuclear power station -31.5 Decrease in electricity sales volume -0.5 Decrease in water flow 4.0 |
| | Purchased power from other utilities and other suppliers | 148.8 | 145.5 | 3.2 | 102.3 | Purchased power from other suppliers 3.2 [Figures are included above : Purchase of Renewable Energy Sourced Electricity 11.0 (124.9 ← 113.8)*] |
| | Maintenance | 30.4 | 33.1 | -2.7 | 91.8 | Nuclear -6.3 Distribution 4.3 |
| | Depreciation | 45.3 | 42.7 | 2.6 | 106.2 | Depreciation for trial run 2.3 |
| | Interest | 6.0 | 6.9 | -0.9 | 87.1 | |
| | Tax and public dues | 20.4 | 21.7 | -1.2 | 94.2 | Tax for nuclear fuel -1.5 (Effect of operating of nuclear power station -2.0) |
| | Nuclear back-end | 17.1 | 11.2 | 5.9 | 152.5 | Effect of operating of nuclear power station 6.5 |
| | Other | 96.3 | 87.2 | 9.0 | 110.4 | Miscellaneous cost 3.4 Miscellaneous loss 1.9 <u>Levy based on the Act on Purchase of Renewable Energy Sourced Electricity 1.5 (42.1 ← 40.6)*</u> |
| Total | | 441.4 | 448.4 | -6.9 | 98.4 | |
| (Operating Income /Loss) | | (12.4) | (-7.7) | (20.2) | (—) | Effect of operating of nuclear power station 34.0 |
| Ordinary Income /Loss | | 7.6 | -12.6 | 20.2 | — | |
| Reserve for Fluctuation In Water Levels | | -0.5 | — | -0.5 | — | |
| Income Taxes | | 2.3 | -3.4 | 5.7 | — | |
| Net Income /Loss | | 5.8 | -9.2 | 15.0 | — | |

* The underlined parts are related to Feed-in Tariff Power purchase and sale system of renewable energy

I - ③ Income Statement (Consolidated)

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(Billion of Yen,%)

| | | FY2019 1Q | FY2018 1Q | Difference | Ratio | FY2019 1Q Consolidated Ratio |
|---|----------------------------|-----------|-----------|------------|-------|---------------------------------|
| | | | | | | |
| Ordinary Revenues | Operating Revenues (Sales) | 489.3 | 466.2 | 23.1 | 105.0 | (1.10) |
| | Electric | 440.7 | 428.7 | 11.9 | 102.8 | |
| | Other | 48.5 | 37.4 | 11.1 | 129.7 | |
| | Other Revenues | 4.1 | 1.4 | 2.7 | 288.1 | |
| | Total | 493.5 | 467.6 | 25.8 | 105.5 | |
| Ordinary Expenses | Operating Expenses | 471.0 | 468.7 | 2.2 | 100.5 | (1.47) |
| | Electric | 425.5 | 434.4 | -8.8 | 98.0 | |
| | Other | 45.4 | 34.3 | 11.1 | 132.6 | |
| | Other Expenses | 10.6 | 9.3 | 1.3 | 113.9 | |
| | Total | 481.7 | 478.1 | 3.5 | 100.8 | |
| (Operating Income /Loss) | | (18.2) | (-2.5) | (20.8) | (—) | (1.55) |
| Ordinary Income /Loss | | 11.8 | -10.4 | 22.2 | — | (1.33) |
| Reserve for Fluctuation In Water Levels | | -0.5 | — | -0.5 | — | |
| Net Income /Loss Attributable to Owners of the Parent | | 7.7 | -9.1 | 16.8 | — | |
| Comprehensive Income | | 9.1 | -9.2 | 18.4 | — | |

【Reference】

As of the end of FY2019 1Q, 83 affiliates were subject to consolidated accounting.

- Consolidated subsidiaries: 47 companies (2 companies are added, compared to the previous FY)
- Equity method companies: 36 companies (8 companies are added, compared to the previous FY)

I - ④ Segment Information

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(Billion of Yen)

| | | FY2019 1Q | FY2018 1Q | Difference | Explanations |
|----------------------------------|-------------------------|--------------|--------------|------------|---|
| Japanese electric power business | Sales | 449.6 | 430.4 | 19.2 | <ul style="list-style-type: none"> Sales increased due to an increase in lightning and power revenue and a grant based on the Act on Purchase of Renewable Energy Sourced Electricity. Operating income increased to ¥14.9 billion mainly due to a decrease in fuel costs and an increase in sales in spite of an increase in nuclear back-end costs, purchased power from other utilities, and power procurement costs at a consolidated subsidiary. |
| | Operating Income (Loss) | 14.9 | -7.5 | 22.5 | |
| Other energy services businesses | Sales | 36.4 | 38.4 | -2.0 | <ul style="list-style-type: none"> Sales and operating income decreased due to a decrease in the repair work of plants, despite of an increase in replacing electrical measurement equipment. |
| | Operating Income | 0.7 | 2.5 | -1.8 | |
| ICT services businesses | Sales | 25.0 | 21.8 | 3.2 | <ul style="list-style-type: none"> Sales and operating income increased due to an increase in sales of information system devices and commissioned developments for information system. |
| | Operating Income | 1.1 | 0.7 | 0.3 | |
| Other businesses | Sales | 6.3 | 6.6 | -0.2 | <ul style="list-style-type: none"> Sales and operating income decreased due to a decrease in revenue related to real estate sales. |
| | Operating Income | 1.3 | 1.5 | -0.2 | |

Note 1: The above amounts represent figures prior to elimination of transactions among segments.

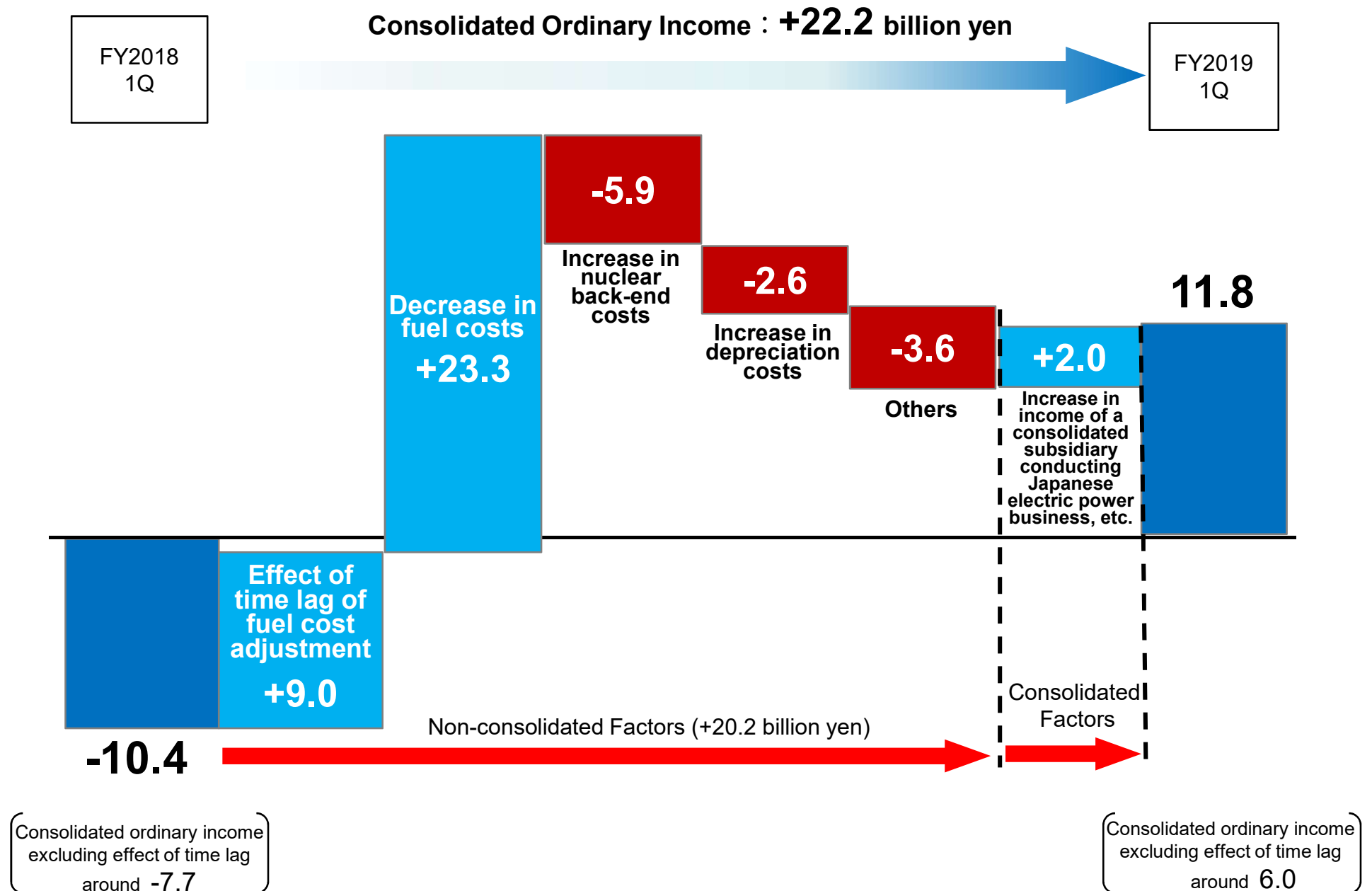
Note 2: Our segment classification was changed from FY2019 1Q.

【Reference】 Financial results for a consolidated subsidiary belonging to Japanese electric power business segment (Kyuden Mirai Energy Company, Incorporated) (Billion of Yen)

| | FY2019 1Q | FY2018 1Q | Difference |
|------------------|-----------|-----------|------------|
| Sales | 9.3 | 2.0 | 7.2 |
| Operating Income | 1.7 | 0.4 | 1.2 |

I - ⑤ Major Factors Affecting Ordinary Income (Consolidated) 8

(Billion of Yen)



II. Financial Status for FY2019 1Q

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【 Consolidated Balance Sheet 】

Total Assets

Assets decreased by ¥44.8 billion compared to the end of FY2018 due to a decrease in current assets such as cash and deposits, although non-current assets increased because of capital investment.

Liabilities

Liabilities decreased by ¥39.9 billion compared to the end of FY2018 due to a decrease in other current liabilities such as contribution payable for reprocessing of spent nuclear fuel, despite an increase of interest-bearing debt.

Equity

Net assets decreased by ¥4.9 billion compared to the end of FY2018 due to a decrease by payment of the dividends in spite of a record of net income*. As a result, shareholders' equity ratio was 13.4%.

*= Net income attributable to owners of the parent

Consolidated

(Billion of Yen)

| | Jun.30,2019 | Mar.31,2019 | Difference |
|-----------------------|-------------|-------------|------------|
| Total Assets | 4,749.1 | 4,794.0 | -44.8 |
| Liabilities | 4,088.8 | 4,128.7 | -39.9 |
| Interest-bearing Debt | 3,269.5 | 3,223.1 | 46.3 |
| Equity | 660.3 | 665.2 | -4.9 |
| Equity Ratio (%) | 13.4 | 13.3 | 0.1 |

Non-consolidated

(Billion of Yen)

| | Jun.30,2019 | Mar.31,2019 | Difference |
|-----------------------|-------------|-------------|------------|
| Total Assets | 4,254.8 | 4,278.8 | -23.9 |
| Liabilities | 3,763.1 | 3,783.0 | -19.9 |
| Interest-bearing Debt | 3,074.3 | 3,003.3 | 71.0 |
| Equity | 491.7 | 495.7 | -4.0 |
| Equity Ratio (%) | 11.6 | 11.6 | — |

Forecast of sales and ordinary income remain the same as previously announced (April 2019)

Consolidated Sales : 2,085 billion of yen

Consolidated Ordinary Income : 80 billion of yen

| Consolidated | | | | | Non-consolidated | | | | |
|---|-----------------|---------------------------|------------|----------------|--------------------|-----------------|---------------------------|------------|----------------|
| (Billion of Yen,%) | | | | | (Billion of Yen,%) | | | | |
| | Forecast (July) | Previous Forecast (April) | Difference | Rate of Change | | Forecast (July) | Previous Forecast (April) | Difference | Rate of Change |
| Sales | 2,085.0 | 2,085.0 | — | — | Sales | 1,915.0 | 1,915.0 | — | — |
| Operating Income | 105.0 | 105.0 | — | — | Operating Income | 75.0 | 75.0 | — | — |
| Ordinary Income | 80.0 | 80.0 | — | — | Ordinary Income | 50.0 | 50.0 | — | — |
| Net Income attributable to owners of the parent | 55.0 | 55.0 | — | — | Net Income | 35.0 | 35.0 | — | — |

【Reference】 Key factors (Non-consolidated)

| | Forecast (July) | Previous Forecast (April) | Difference | Financial impact* |
|---|-----------------------------|------------------------------|---------------------------|-----------------------------------|
| Electricity Sales Volume | 73.4 billion kWh | 73.6 billion kWh | -0.2 billion kWh | |
| Crude Oil CIF Price | 70 \$/b | 70 \$/b | — | (1\$/b) around 0.5 billion of yen |
| Exchange Rate | 110 ¥/\$ | 110 ¥/\$ | — | (1¥/\$) around 1.4 billion of yen |
| Nuclear Power [Transmission-end] (Utilization Rate of Nuclear Power) | 27.3 billion kWh (78.1%) | 26.5 billion kWh (75.7 %) | 0.8 billion kWh (2.4%) | (1%) around 1.7 billion of yen |

* These figures represent financial impact for fuel expenses, etc. in case Key Factors fluctuate after July.

IV. Forecasts of Dividends for FY2019

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As for the dividends for the FY2019, there is no change to the previous forecast. Based on a comprehensive analysis of operating forecasts and medium to long-term balance situation and financial and other factors, we plan to pay a dividend of ¥40 per common share (both interim and year-end dividend of ¥20).

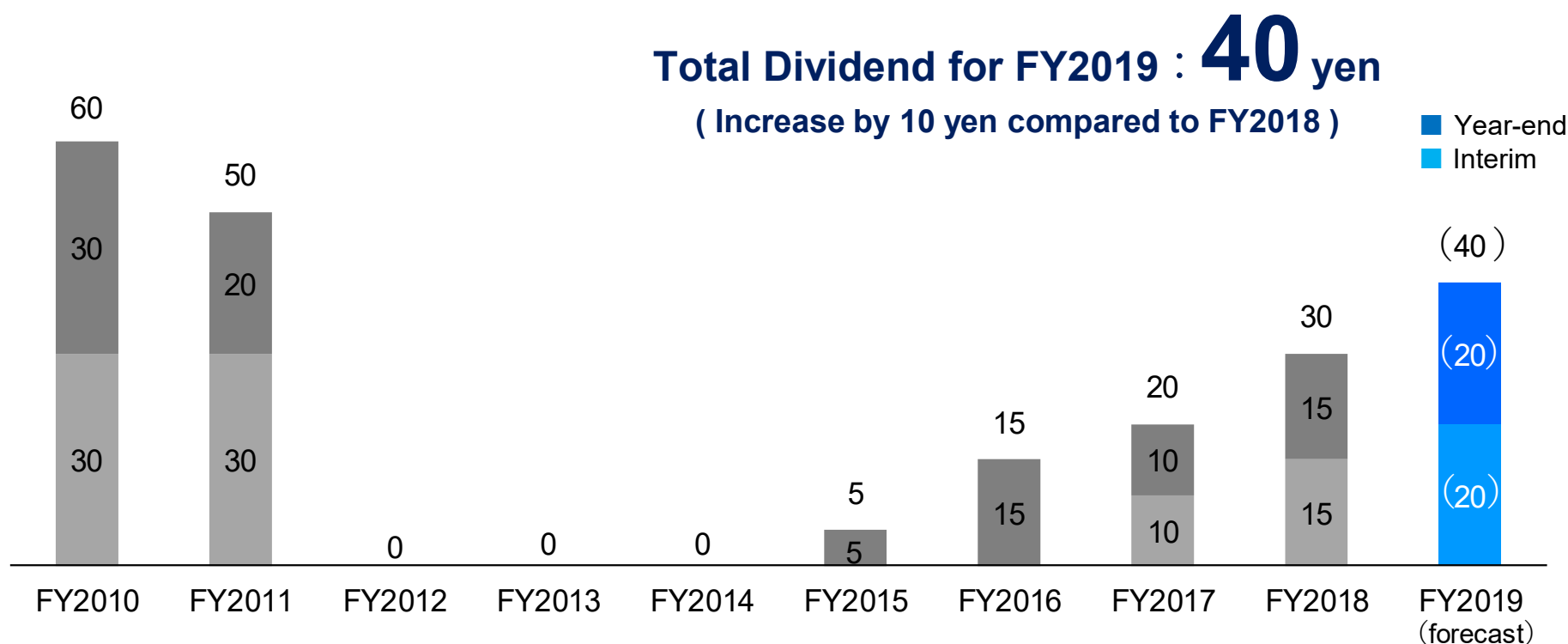
As for the class A preferred share, we plan to pay a dividend of total amount of ¥1.6 billion.

(Breakdown)

- Interim dividend (6/28 to 9/30) around ¥ 0.55 billion (¥ 546,575 per share)
- Year-end dividend around ¥ 1.05 billion (¥ 1,052,877 per share)

[Changes in a dividend per share (Common Stock)]

(Unit : Yen)





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(Reference) Data

Changes in Income and Expenditure (Non-consolidated)

12

Non-consolidated

(Billion of Yen)

| | | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 1Q |
|---|--|-----------|-----------|-----------|-----------|-----------|
| Ordinary Revenues | Lighting | 614.2 | 594.8 | 628.6 | 613.1 | 129.6 |
| | Power | 823.6 | 747.6 | 763.3 | 757.0 | 179.7 |
| | (Sub Total) | (1,437.9) | (1,342.5) | (1,391.9) | (1,370.1) | (309.4) |
| | Sold power to other utilities and other suppliers | 19.2 | 34.0 | 61.1 | 78.1 | 9.6 |
| | Other | 266.6 | 331.5 | 377.0 | 426.0 | 129.9 |
| | (Sales) | (1,705.4) | (1,696.7) | (1,823.5) | (1,867.1) | (444.9) |
| Total | | 1,723.7 | 1,708.1 | 1,830.2 | 1,874.4 | 449.0 |
| Ordinary Expenses | Labor | 131.0 | 132.6 | 137.0 | 141.0 | 35.9 |
| | Fuel | 364.7 | 263.5 | 312.0 | 241.7 | 40.6 |
| | Purchased power from other utilities and other suppliers | 386.8 | 409.8 | 468.3 | 511.1 | 148.8 |
| | Maintenance | 144.4 | 152.7 | 142.6 | 161.9 | 30.4 |
| | Depreciation | 167.0 | 176.3 | 170.2 | 179.0 | 45.3 |
| | Interest | 37.0 | 33.4 | 30.1 | 26.6 | 6.0 |
| | Tax and public dues | 85.2 | 85.7 | 86.9 | 89.0 | 20.4 |
| | Nuclear back-end | 21.7 | 28.2 | 35.8 | 70.3 | 17.1 |
| | Other | 311.2 | 356.6 | 398.8 | 420.9 | 96.3 |
| Total | | 1,649.4 | 1,639.2 | 1,782.0 | 1,841.9 | 441.4 |
| (Operating Income) | | (97.8) | (99.5) | (81.2) | (60.6) | (12.4) |
| Ordinary Income | | 74.3 | 68.8 | 48.2 | 32.5 | 7.6 |
| Reserve for Fluctuation In Water Levels | | 5.9 | 0.9 | 0.1 | 0.2 | -0.5 |
| Extraordinary Gain /Loss | | 7.4 | -9.5 | — | — | — |
| Income Taxes | | 10.4 | -2.7 | -20.9 | 8.8 | 2.3 |
| Net Income | | 65.3 | 61.0 | 69.0 | 23.4 | 5.8 |

Revenues from Lighting and Power

13

Non-consolidated

(Billion of Yen, %)

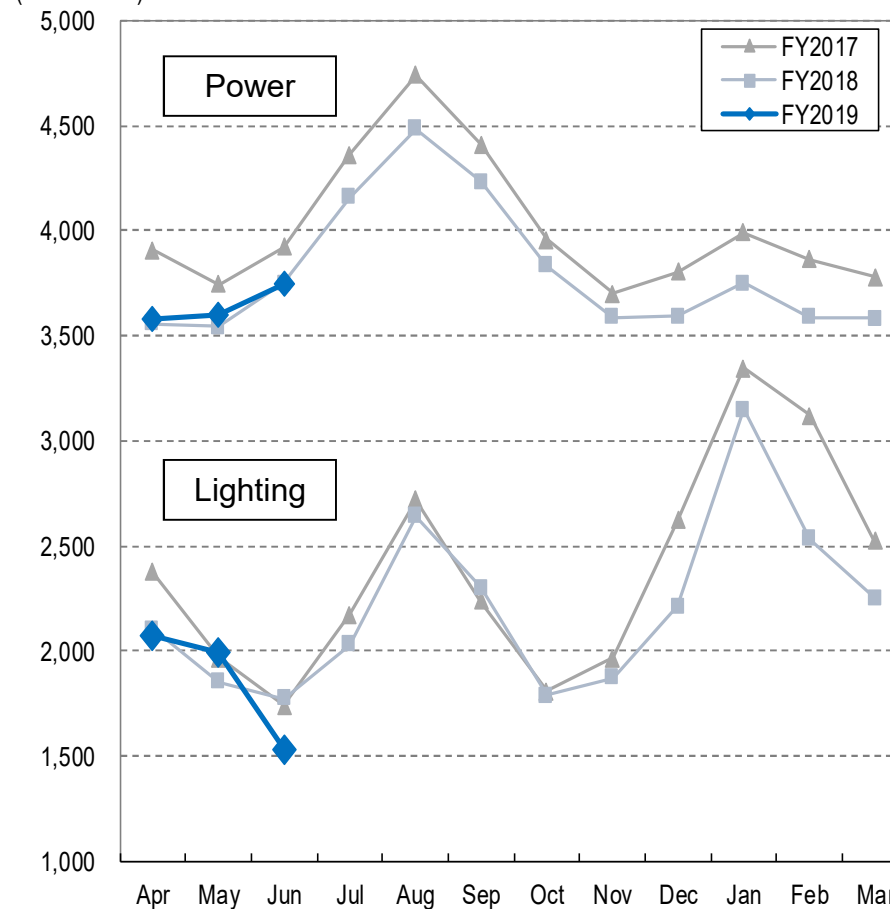
| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|--------------------|-----------|-----------|------------|-------|
| Lighting and Power | 309.4 | 305.0 | 4.4 | 101.5 |

Difference FY2019 1Q FY2018 1Q

| | | |
|---|------|-----------------|
| 1. Decrease in electricity sales volume | -1.5 | |
| 2. Increase in unit price | 4.5 | |
| 3. Renewable Energy Power Promotion Surcharge | 1.5 | (42.1 ← 40.6) |

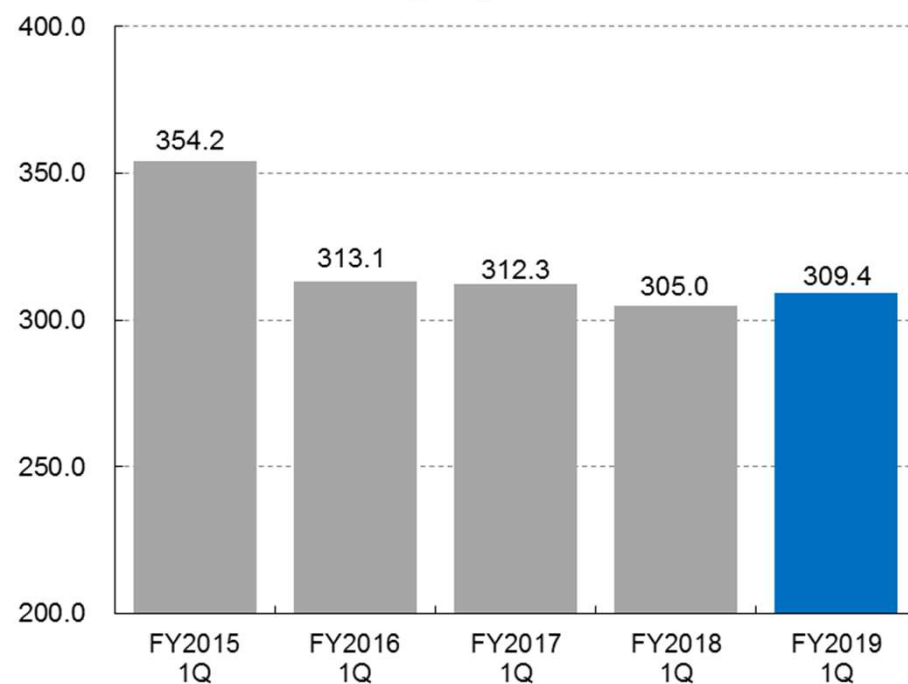
【Reference】 Changes in electricity sales volume

(Million kWh)



(Billion of Yen)

【Lighting and Power】



Revenues from Sold power to other utilities and other suppliers and from Others 14

Non-consolidated

(Billion of Yen,%)

| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|---|-----------|-----------|------------|-------|
| Sold power to other utilities and other suppliers | 9.6 | 12.8 | -3.1 | 75.2 |

Difference FY2019 1Q FY2018 1Q

1. Sold power to other suppliers -3.5 (9.2 ← 12.7)

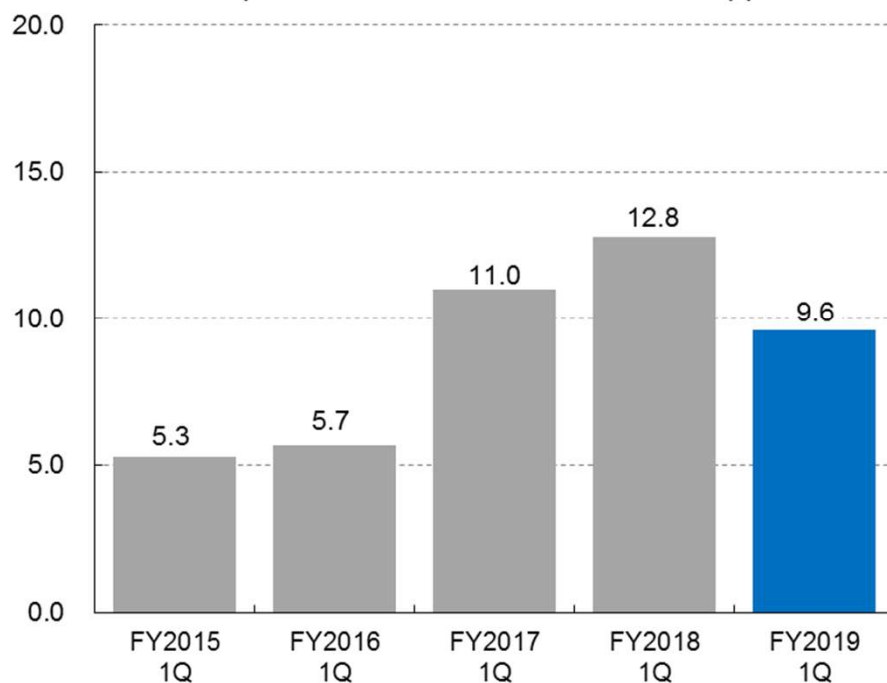
【Reference】

(Million kWh,%)

| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|---|-----------|-----------|------------|-------|
| Electricity sales volume to other utilities and other suppliers | 1,467 | 1,317 | 150 | 111.4 |

(Billion of Yen)

【Sold power to other utilities and other suppliers】



(Billion of Yen,%)

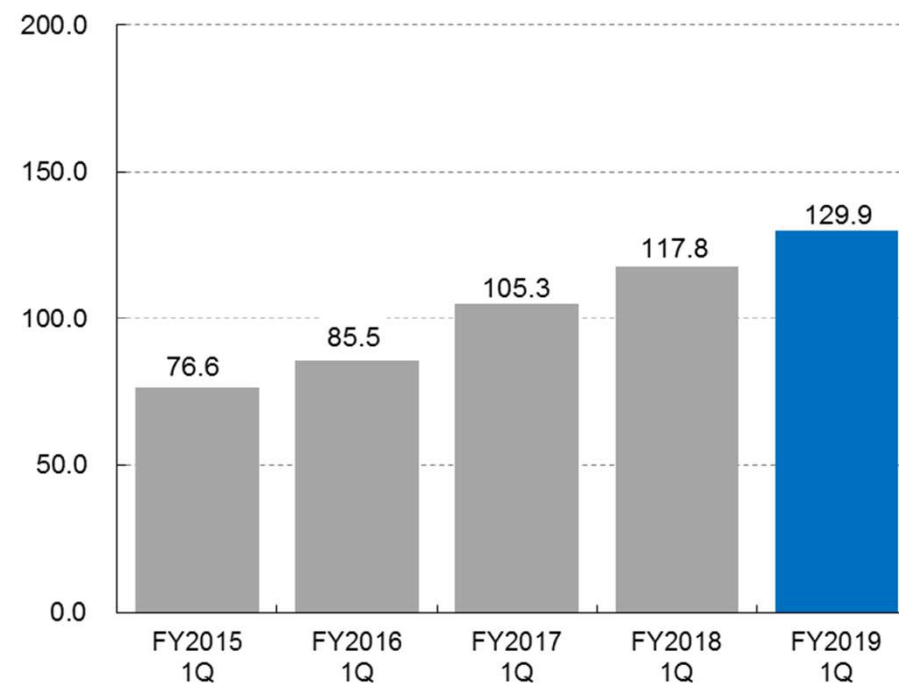
| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|--------|-----------|-----------|------------|-------|
| Others | 129.9 | 117.8 | 12.0 | 110.2 |

Difference FY2019 1Q FY2018 1Q

1. Grant based on the Act on Purchase of Renewable Energy Sourced Electricity 9.3 (103.0 ← 93.7)

(Billion of Yen)

【Others】



Expenses for Fuel and Purchased power from other utilities and other suppliers 15

Non-consolidated

(Billion of Yen, %)

| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|------|-----------|-----------|------------|-------|
| Fuel | 40.6 | 64.0 | -23.3 | 63.5 |

Difference

1. Effect of operating of nuclear power station

-31.5

Difference

3. Decrease in water flow

4.0

2. Decrease in electricity sales volume

-0.5

【Reference1】 All Japan CIF prices

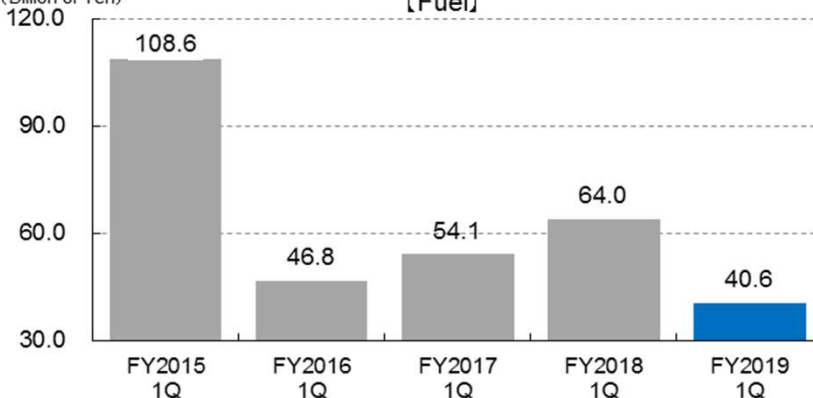
| | FY2019 1Q | FY2018 1Q | Difference |
|-----------------|-----------|-----------|------------|
| Coal(\$/t) | 116 | 116 | -1 |
| LNG(\$/t) | 495 | 503 | -8 |
| Crude oil(\$/b) | 71 | 71 | 1 |

【Reference2】 Fuel consumption

| | FY2019 1Q | FY2018 1Q | Difference |
|------------------------------------|-----------|-----------|------------|
| Coal (ten thousand ton) | 86 | 104 | -18 |
| Heavy oil (ten thousand kiloliter) | - | 1 | -1 |
| Crude oil (ten thousand kiloliter) | - | - | - |
| LNG (ten thousand ton) | 26 | 71 | -45 |

(Billion of Yen)

【Fuel】



| | | | | | |
|-------------------------------------|-------|-------|------|------|------|
| Water Flow Rate (%) | 112.0 | 123.1 | 91.7 | 96.9 | 63.5 |
| Nuclear Power Utilization Rate* (%) | 0.0 | 39.9 | 40.1 | 32.7 | 86.9 |

* Utilization rate of nuclear power in FY2015 - FY2018 is calculated based on 5 units. On April 9, 2019, unit No.2 of Genkai nuclear power station was decommissioned.

(Billion of Yen, %)

| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|--|-----------|-----------|------------|-------|
| Purchased power from other utilities and other suppliers | 148.8 | 145.5 | 3.2 | 102.3 |

Difference

FY2019 1Q

FY2018 1Q

1. Purchased power from other suppliers 3.2 (148.6 ← 145.4)

◆ Purchase of Renewable Energy Sourced Electricity 11.0 (124.9 ← 113.8)

◆ Thermal from other suppliers -6.7 (20.6 ← 27.4)

【Reference3】 Received electricity from other suppliers

(Million kWh)

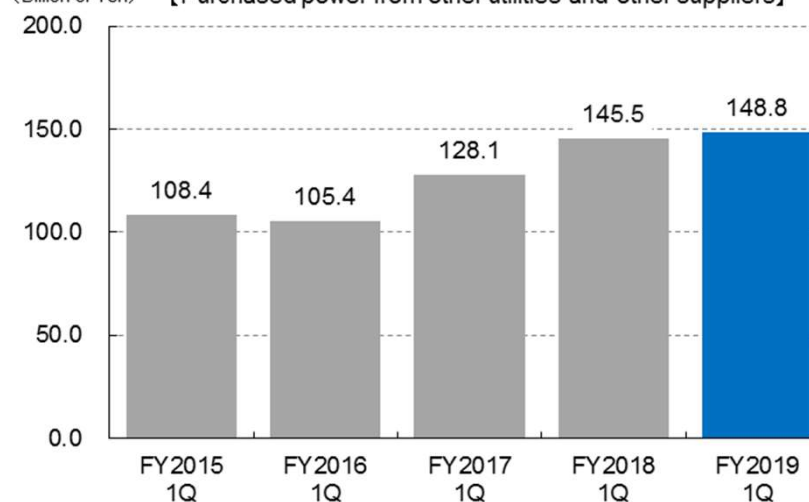
| | FY2019 1Q | FY2018 1Q | Difference |
|---------------------|-----------|-----------|------------|
| Hydro | 307 | 446 | -139 |
| Thermal *1 | 660 | 1,773 | -1,113 |
| New Energy, etc. *2 | 3,614 | 3,245 | 369 |
| Total | 4,581 | 5,464 | -883 |

*1 These amounts represent figures as a result of offsetting transmission electricity to other suppliers.

*2 "New Energy etc." includes Solar, Wind, Biomass, Waste and Geothermal.

(Billion of Yen)

【Purchased power from other utilities and other suppliers】



Expenses for Maintenance and Depreciation

16

Non-consolidated

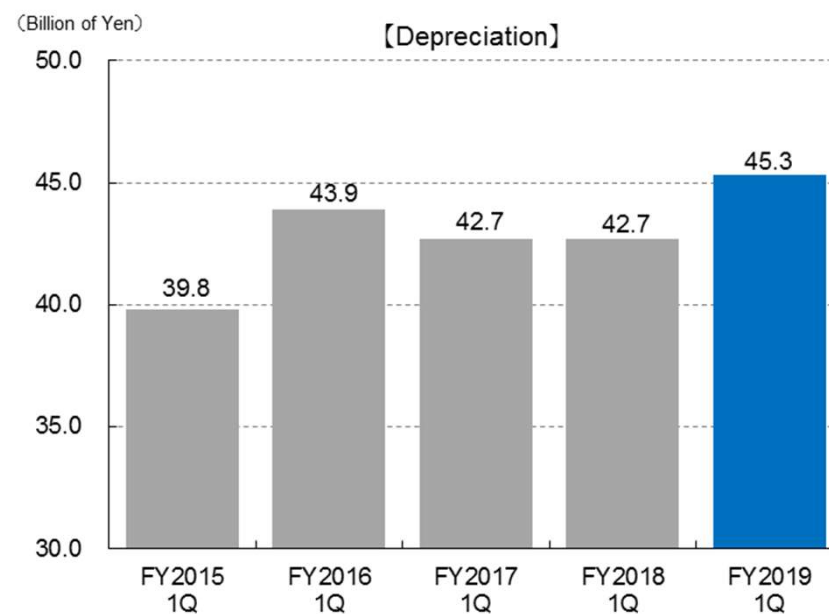
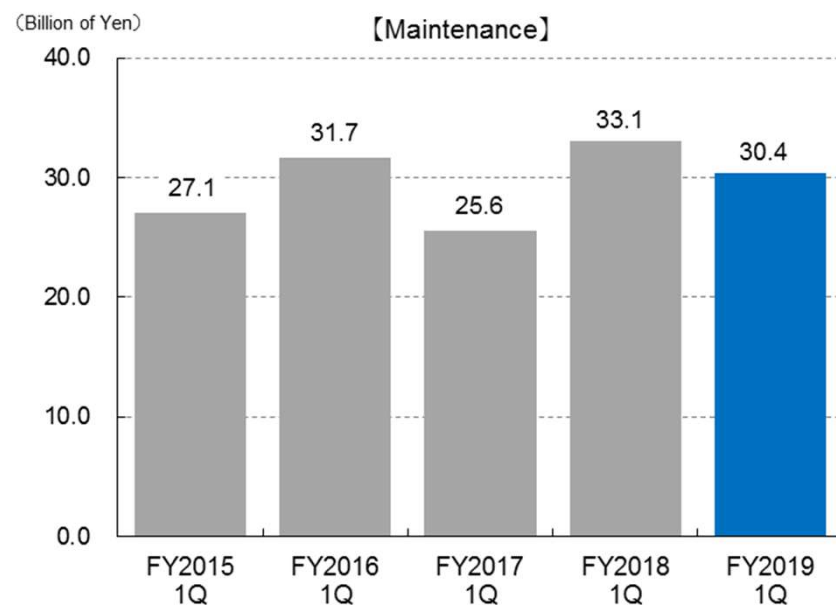
| | (Billion of Yen,%) | | | |
|-------------|--------------------|-----------|------------|-------|
| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
| Maintenance | 30.4 | 33.1 | -2.7 | 91.8 |

| | Difference | FY2019 1Q | FY2018 1Q |
|-----------------|------------|-----------|-----------|
| 1. Nuclear | -6.3 | (5.3 ← | 11.6) |
| 2. Distribution | 4.3 | (15.2 ← | 10.9) |

| | (Billion of Yen,%) | | | |
|--------------|--------------------|-----------|------------|-------|
| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
| Depreciation | 45.3 | 42.7 | 2.6 | 106.2 |

| | Difference | FY2019 1Q | FY2018 1Q |
|--------------------------------|------------|-----------|-----------|
| 1. Depreciation for trial run* | 2.3 | (2.3 ← | -) |

* On June 1, 2019, unit No. 2 of Matsuura power station started generating power as part of its trial run.



Expenses for Labor and Others

17

Non-consolidated

(Billion of Yen, %)

| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|-------|-----------|-----------|------------|-------|
| Labor | 35.9 | 35.6 | 0.3 | 101.0 |

Difference FY2019 1Q FY2018 1Q

| | | |
|---------------------------------|-----|---------------|
| 1. Employee retirement benefits | 0.5 | (4.6 ← 4.0) |
|---------------------------------|-----|---------------|

(Billion of Yen, %)

| | FY2019 1Q | FY2018 1Q | Difference | Ratio |
|--------|-----------|-----------|------------|-------|
| Others | 140.1 | 127.2 | 12.8 | 110.1 |

Difference FY2019 1Q FY2018 1Q

| | | |
|---------------------|-----|-----------------|
| 1. Nuclear back-end | 5.9 | (17.1 ← 11.2) |
|---------------------|-----|-----------------|

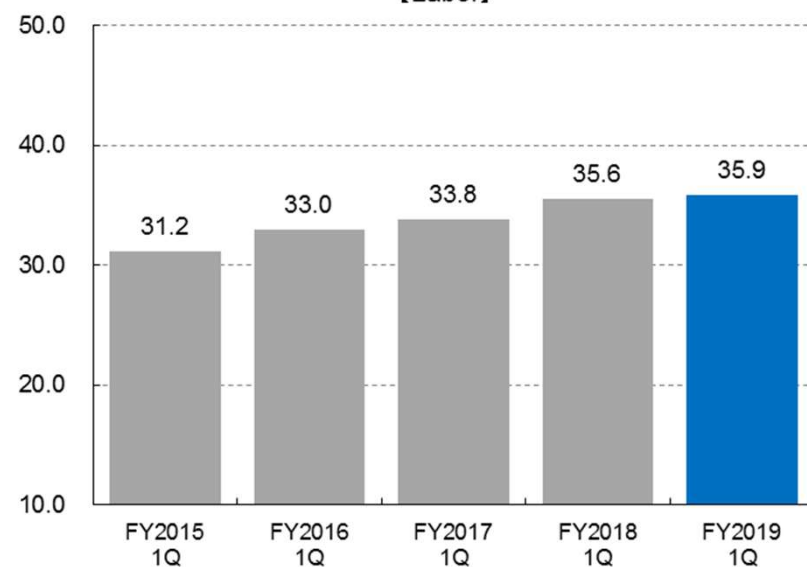
| | | |
|-----------------------|-----|-----------------|
| 2. Miscellaneous cost | 3.4 | (38.5 ← 35.0) |
|-----------------------|-----|-----------------|

| | | |
|-----------------------|-----|---------------|
| 3. Miscellaneous loss | 1.9 | (2.6 ← 0.6) |
|-----------------------|-----|---------------|

| | | |
|--|-----|-----------------|
| 4. Levy based on the Act on Purchase of Renewable Energy Sourced Electricity | 1.5 | (42.1 ← 40.6) |
|--|-----|-----------------|

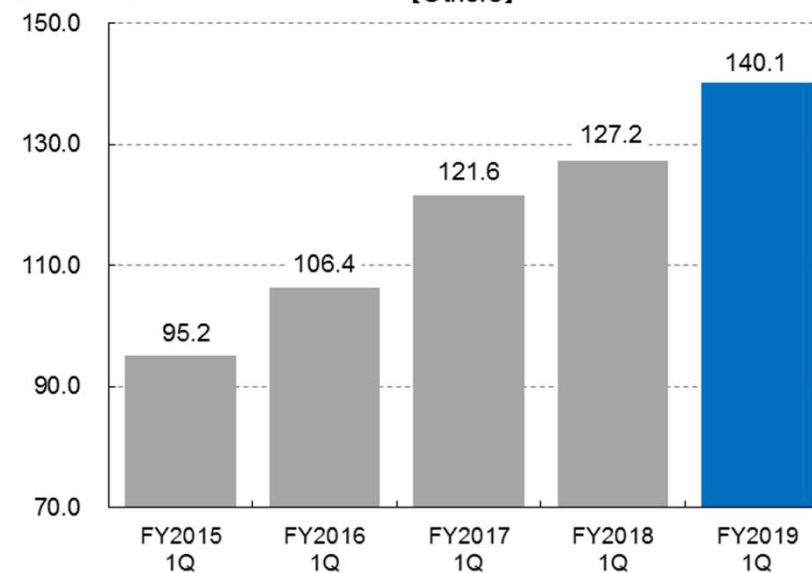
(Billion of Yen)

【Labor】



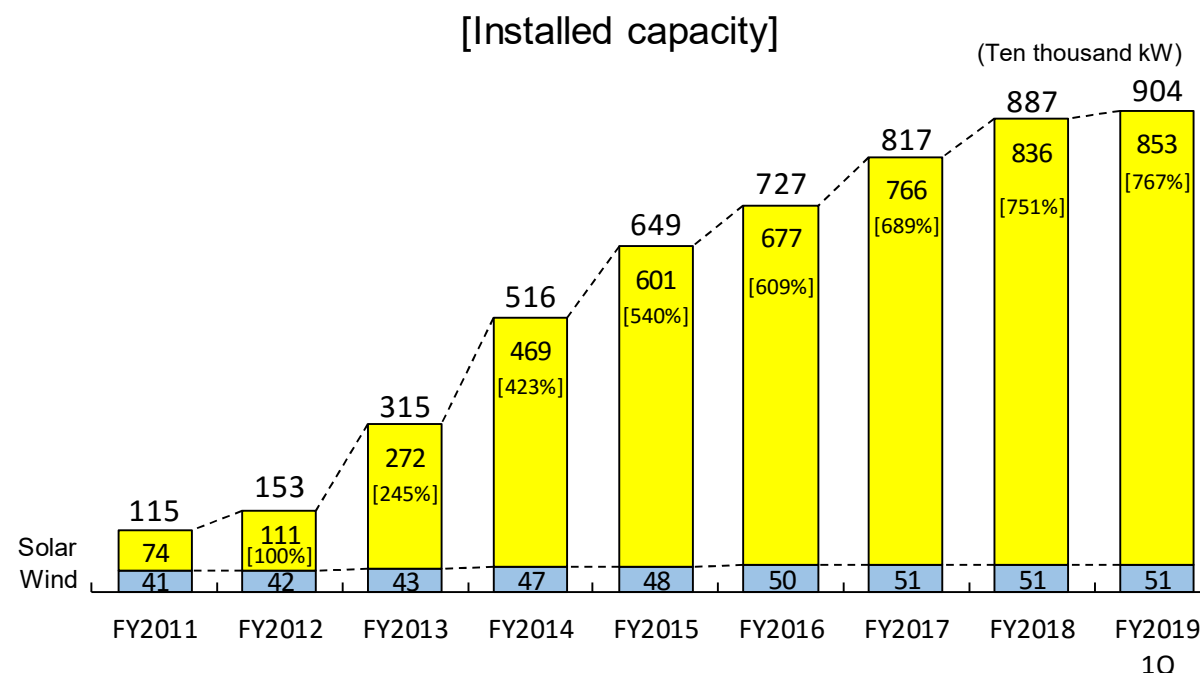
(Billion of Yen)

【Others】

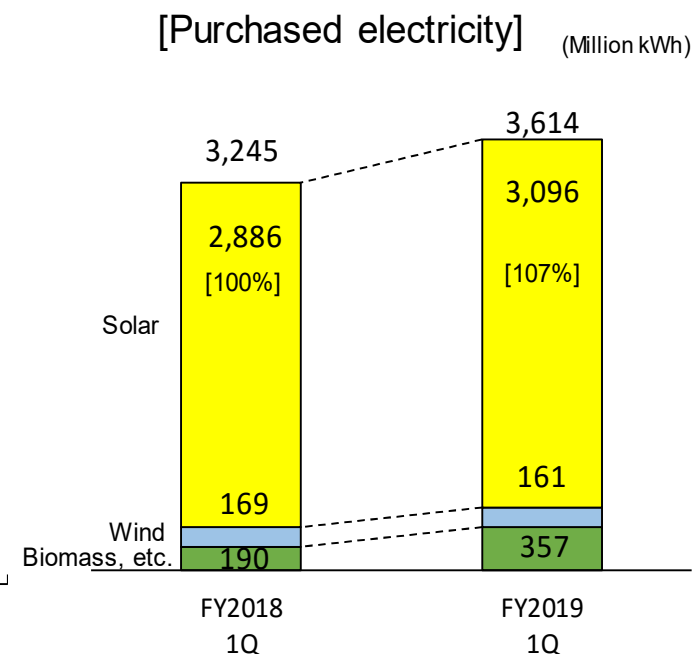


(Reference) Installed Capacity for Solar and Wind, and Purchased Electricity 18

【Power purchase contract amounts】



Note: These figures represent total installed capacity based on power purchase contracts with other companies. (excluding our own facilities)



| | FY2018 1Q | FY2019 1Q |
|--|-----------|-----------|
| Ratio of Purchased Power to Generated and Received Electricity | 18.8% | 21.1% |

Transition of Renewable Energy Power Promotion Surcharge

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Surcharge (Yen/kWh) | 0.22 | 0.35 | 0.75 | 1.58 | 2.25 | 2.64 | 2.90 | 2.95 |
| Price per household (Yen/Month) | 55 | 87 | 187 | 395 | 562 | 660 | 725 | 737 |

Note 1: Meter rate: Lightning B, Contract Current 30A, Monthly use of 250kWh

Note 2: Feed-in tariff has been enforced since July 2012 (and a surcharge on electricity rate has started in August 2012).

(Reference) Ratio of Renewable Energy* to Generated and Received Electricity

| | FY2018 1Q | FY2019 1Q |
|---|-----------|-----------|
| Total Renewable Energy Generated by Facilities of Our Own and Other Companies | 28.7% | 28.4% |

* "Renewable Energy" represents a total of Solar, Wind, Biomass, Waste, Geothermal and Hydro (excluding "For pumping") generated by facilities of our own and other companies.

Following a formulation of the “Kyuden Group Management Vision 2030” in June 2019, we changed our reporting segments from “Electric power business”, “Energy related businesses”, “IT and Telecommunications businesses” and “Other businesses” to “Japanese electric power business”, “Other energy services businesses”, “ICT services businesses” and “Other businesses”, respectively, since FY2019 1Q.

[The revised reporting segments]

| | |
|---|---|
| Energy services businesses | 【 <u>Japanese electric power business</u> *】 (Former “Electric power business”) |
| | 【 <u>Other energy services businesses</u> 】 (Former “Energy related businesses”) |
| 【 <u>ICT services businesses</u> 】 (Former “IT and Telecommunications businesses”) | |
| 【Other businesses】 | |

[Kyuden Group Management Vision 2030]

| | |
|--|--|
| Evolving the energy service business | |
| Japanese electric power business | |
| Energy related businesses | |
| Overseas businesses | |
| Building a sustainable community together | |
| ICT services | |
| Urban development and city planning | |
| Infrastructure services | |
| Business support | |
| Life support | |
| Tourism-related businesses | |
| Primary industry-related businesses | |

* “Kyuden Mirai Energy Company, Incorporated”, which was classified as “Energy related businesses” previously, was classified as “Japanese electric power business” since FY2019 1Q .

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