

# Kyushu Electric Power Group's Medium-term Management Policy

We entered a period of real competition with the full liberalization of the retail market due to the electric power system reforms that started in April 2016. To continue to be trusted and chosen by customers under this competitive environment and to materialize our brand message, “Enlighten Our Future” that expresses our social mission as a responsible energy provider, we need to accelerate our reforms on a Group-wide basis and therefore formulated the Kyushu Electric Power Group Medium-term Management Policy, which covers the five years from fiscal 2015 to fiscal 2019.

## Vision

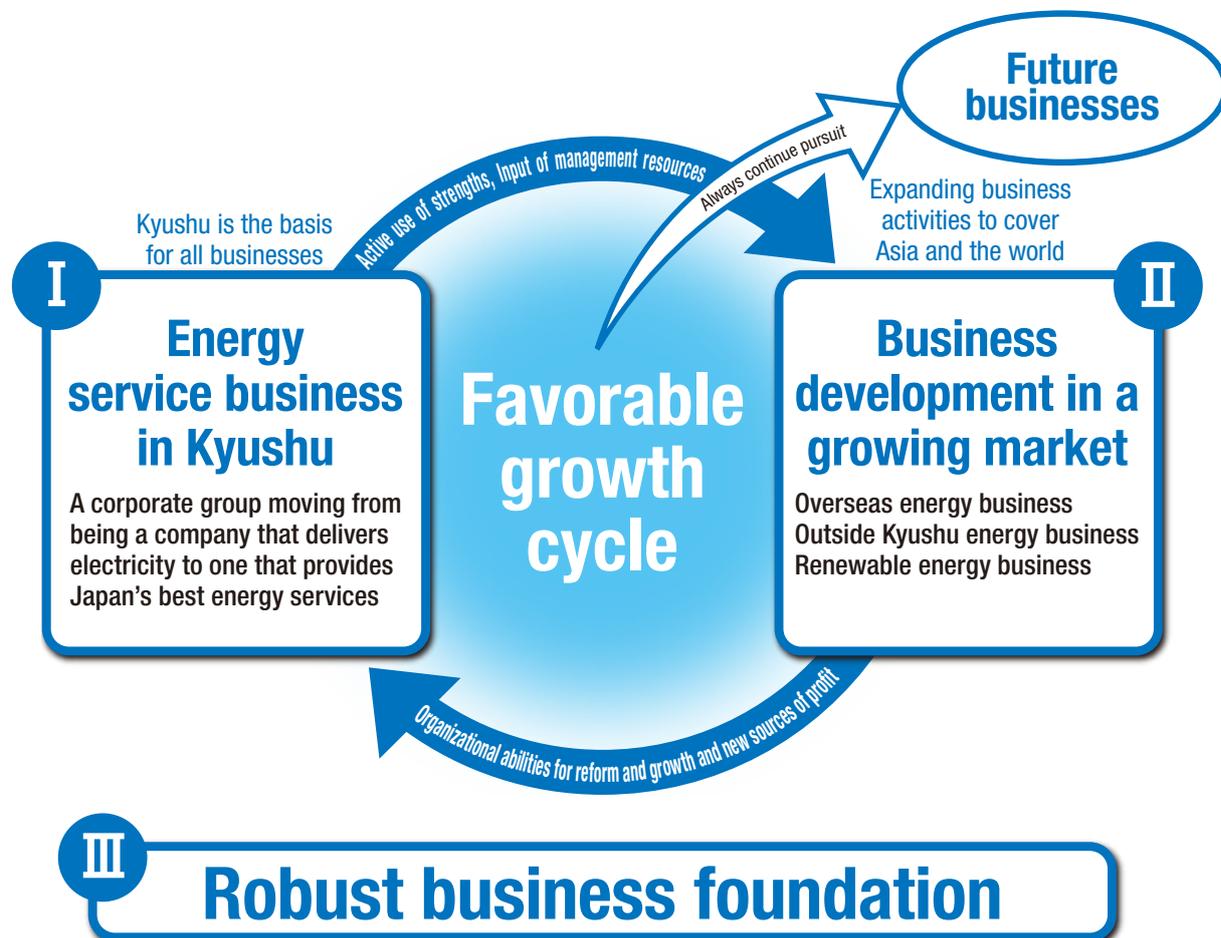
### Vision for 2030

**Aiming to become a corporate group that provides Japan's best energy services**

**—Everyone eventually asks the Kyuden Group for energy!—**

## Strategy

Three pillars of strategy to achieve a vision of where we should be



## Priority initiatives for the next five years

### I Meeting the diverse energy needs of customers in Kyushu

1. Acquiring more Kyuden fans by providing diverse energy services
2. Enhancing the competitiveness of power sources and fuel procurement abilities
3. Improving and effectively using power transmission and distribution network technology

### II Making the most of Kyuden Group's strengths to develop in growth markets

1. Strengthening overseas electricity business
2. Developing electrical power businesses outside Kyushu
3. Expanding renewable energy business

Goals for growth businesses	Current condition		2030
Equity ownership in overseas electricity output *1	1,500 MW	+3,500 MW →	5,000 MW
Amount of power sources developed outside Kyushu	–	+2,000 MW →	2,000 MW
Amount of renewable energy developed	1,500 MW	+2,500 MW*2 →	4,000 MW

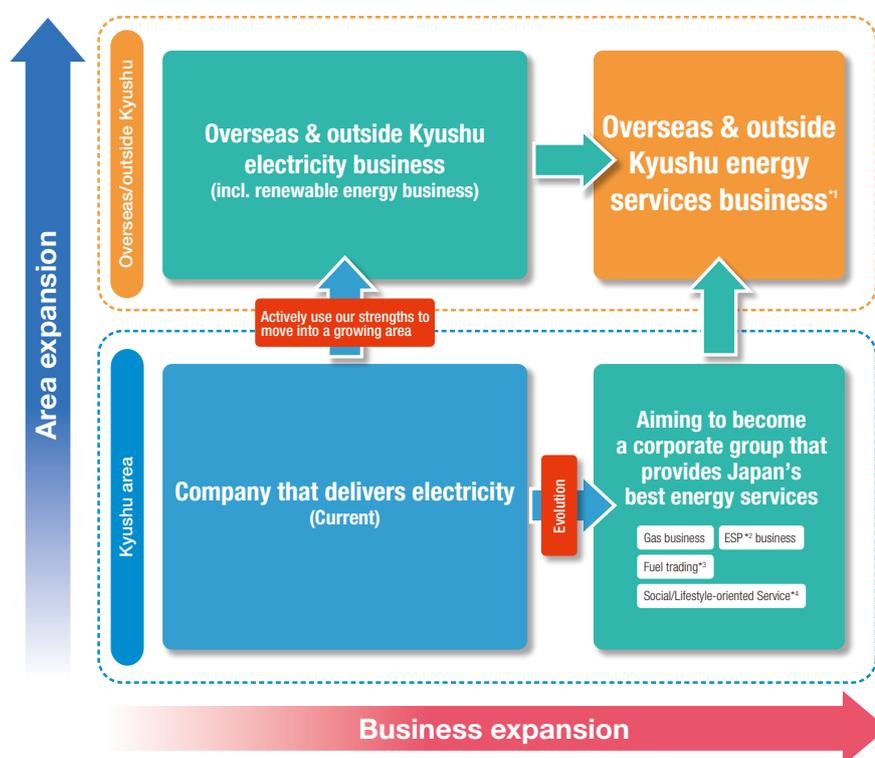
\*1 Equity ownership in overseas electricity output = Electric equipment output for each project × Kyushu Electric Group's investment ratio

\*2 The breakdown is +800 MW for geothermal power, +200 MW for hydraulic power, +1,100 MW for wind power, and +400 MW for other types of energy in Japan and abroad.

### III Establishing a robust business foundation

1. Developing innovative staff who take on new challenges
2. Creating organizations that respond swiftly to changes
3. Reinforcing our financial foundation and enhancing competitiveness on a Group-wide scale
4. Pursuing safety and security
5. Promoting thorough CSR (corporate social responsibility) management

## Image of Expansion of Business Areas



\*1 In overseas and outside Kyushu markets, for the immediate future, we will focus on the electrical power business where we can display our strength in high-level maintenance and operation technology but will also enter the energy service business starting from services that we can provide.

\*2 Energy Service Provider. Business operator outsourced for all energy-related operations for companies and the like

\*3 Involved in purchase and sale transactions instead of the conventional purchases only

\*4 Relationships with energy service business and expected synergistic effects will be taken into consideration.