



Section2 Financial Results for the 2Q of FY2017

Table of Contents

■ Financial Results for the 2Q of FY2017

Summary of Consolidated Financial Results for the 2Q of FY2017 (Comparison with FY2016 2Q)	P15
Summary of Financial Results for the 2Q of FY2017	P16
Electricity Sales Volume	P17
Generated and Received Electricity	P18
Income Statement (Non-Consolidated)	P19
Major Factors in the Changes in Ordinary Income (Non-Consolidated)	P20
(Reference 1) The effect of time lag of fuel cost adjustment	P21 - 22
(Reference 2) Outline of "Feed-in Tariffs for renewable energy"	P23
Balance Sheet (Non-Consolidated)	P24
Income Statement and Balance Sheet (Consolidated)	P25
Segment Information	P26
Cash Flow (Consolidated)	P27

■ Forecasts of Financial Results and Dividends for FY2017

Forecasts of Financial Results for FY2017	P28 – 30
Forecasts of Dividends for FY2017	P31

■ (Reference) Data

Revenues from lighting and Power and from Others (Non-Consolidated)	P32
Expenses for Fuel and Power purchase (Non-Consolidated)	P33
Expenses for Maintenance and Depreciation (Non-Consolidated)	P34
Expenses for Labor and Others (Non-Consolidated)	P35
Components of Operating Expense in Electricity Business (Non-Consolidated)	P36
Water Flow Rate and Nuclear Power Utilization Rate	P37
Total Assets, Interest - Bearing Debt, Equity, Debt- Equity Ratio (Consolidated)	P38
Total Assets, Interest - Bearing Debt, Equity, Debt- Equity Ratio (Non-Consolidated)	P39
Changes in Equity (Non-Consolidated)	P40
Free Cash Flow (Consolidated)	P41

※ The numbers described in Financial Results for the 2Q of FY2017 are accumulated totals from April to September in 2017

Financial Results
The 2nd Quarter of FY 2017



Summary of Consolidated Financial Results for the 2Q of FY2017 (Comparison with FY2016 2Q)

15

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

Sales : **989.2** billions yen (Increase by **6.6%** Compared with FY2016 2Q)

Ordinary Income : **78.8** billions yen (Decrease by **21.4%** Compared with FY2016 2Q)

Financial Results for the 2Q of FY2017

The profit in the 2Q of FY2017 declined compared with the 2Q of FY 2016, though we have been working on a group-wide effort toward efficiency improvements throughout our business activities, while Genkai Nuclear Power Station unit 3 and 4 have not yet restarted operation. This is mainly due to an increase of overhead expense caused by electricity system reform as well as an occurrence of the temporary difference of income and expenditure caused by the shift in reflecting on electricity rates in next quarter regarding the fuel cost adjustment system.

Revenue Side

The sales (operating revenues) increased by 6.6% to ¥989.2 billion and the ordinary revenues increased by 6.4% to ¥997.4 billion compared with the 2Q of FY 2016. This is mainly due to an increase of grant based on the Act on Purchase of Renewable Energy Sourced Electricity and lighting and power revenue because of an increase in the unit price with the effect of fuel cost adjustment system, while sales volume decreased.

Expenditure Side

The ordinary expenses increased by 9.8% to ¥918.6 billion compared with the 2Q of FY 2016. This is mainly due to an increase of overhead expense as well as an increase of fuel cost caused by a rise of fuel prices and power purchase from renewable energy, though group-wide cost reduction was implemented.

Ordinary Income Profit attributable to owners of parent

As a result, the ordinary income decreased by 21.4% to ¥78.8 billion, and also profit attributable to owners of parent decreased by 13.3% to ¥70.6 billion.

Summary of Financial Results for the 2Q of FY2017

16

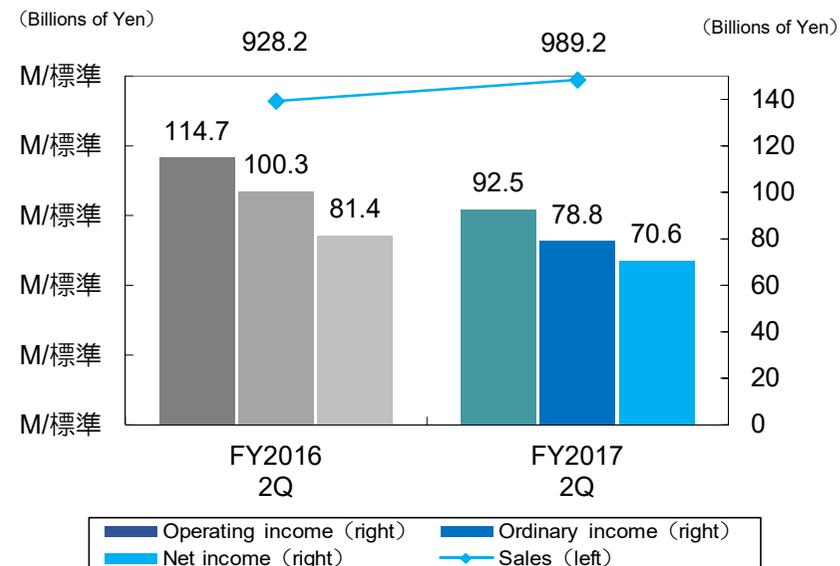
【Consolidated】

(Billions of Yen,%)

	FY2017 2Q	FY2016 2Q	Difference	Ratio
Ordinary revenue	997.4	937.1	60.3	106.4
Sales [Figures are included above]	989.2	928.2	60.9	106.6
Ordinary expense	918.6	836.7	81.8	109.8
(Operating Income)	(92.5)	(114.7)	(-22.2)	(80.6)
Ordinary Income	78.8	100.3	-21.5	78.6
Extraordinary Loss	—	10.0	-10.0	—
Profit attributable to owners of parent	70.6	81.4	-10.8	86.7

Note: As of the end of FY2017 2Q, 68 affiliates were subject to consolidated accounting.
 [Consolidated subsidiaries: 41 companies, Equity method companies: 27 companies
 (no change from the end of FY2016)]

Consolidated

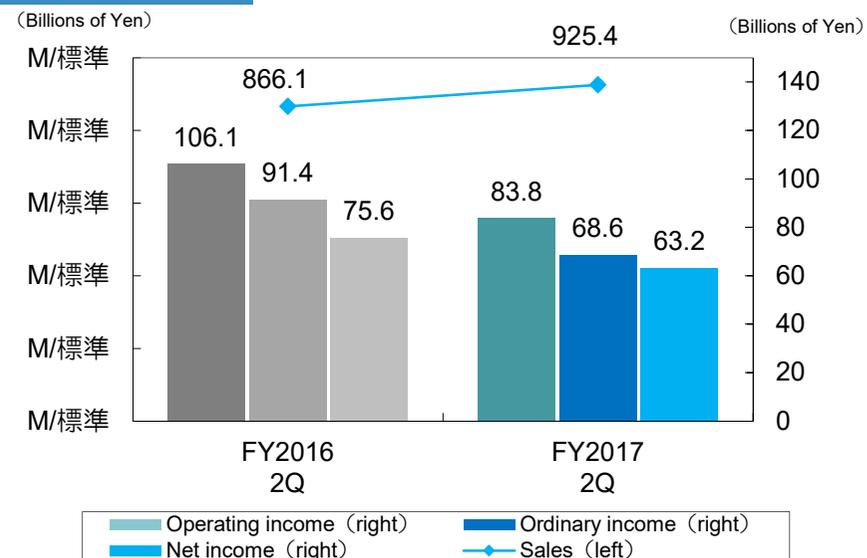


【Non-Consolidated】

(Billions of Yen,%)

	FY2017 2Q	FY2016 2Q	Difference	Ratio
Ordinary revenue	929.7	872.9	56.7	106.5
Sales [Figures are included above]	925.4	866.1	59.2	106.8
Ordinary expense	861.0	781.5	79.5	110.2
(Operating Income)	(83.8)	(106.1)	(-22.3)	(78.9)
Ordinary Income	68.6	91.4	-22.7	75.1
Extraordinary Loss	—	9.5	-9.5	—
Net Income	63.2	75.6	-12.4	83.5

Non-Consolidated



Total electricity sales volume in April to September, 2017 came to 38,290 million kWh, decreased by 3.3% compared with the 2Q of FY2016. This is due to decline of the contract demand amount.

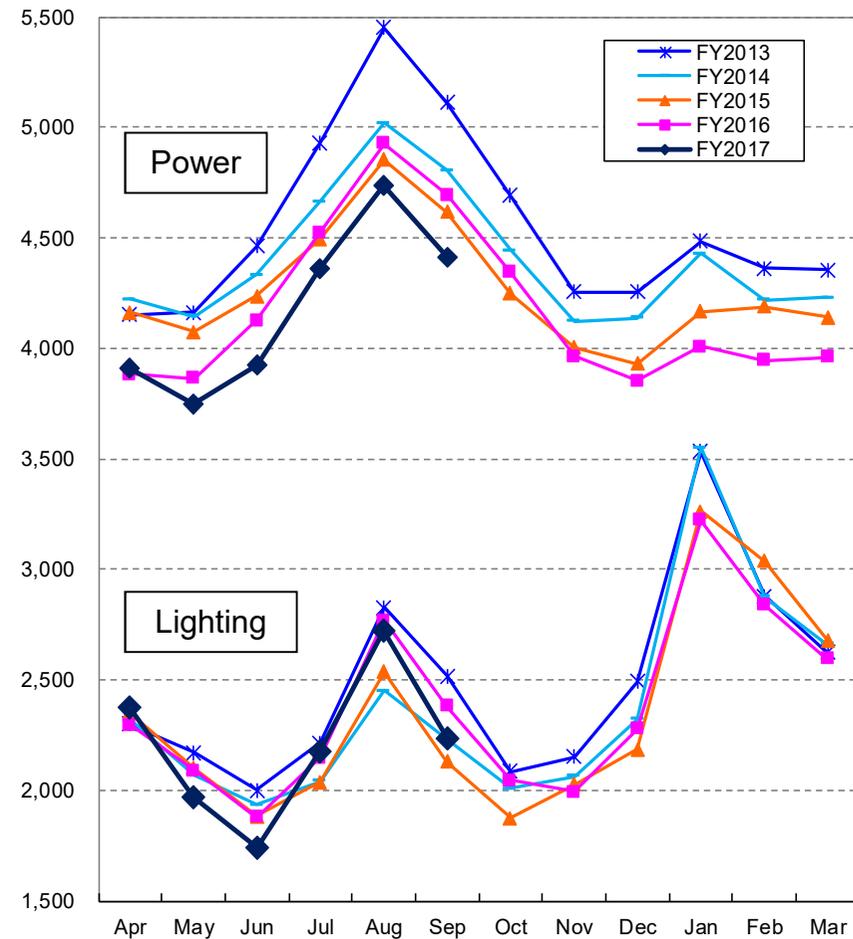
【Electricity Sales Volume】

(Million kWh,%)

	FY2017 2Q	FY2016 2Q	Comparison with FY2016 2Q	
			Difference	Ratio
Lighting	13,217	13,566	-349	97.4
Power	25,073	26,012	-939	96.4
Total	38,290	39,578	-1,288	96.7

【Changes in Electricity Sales Volume】

(Million kWh)



Generated and Received Electricity

18

The electricity supply has been stable resulted from a stable operation of Sendai nuclear power station unit No.1 and 2 and the entire operation of power plants like the pumping considered with an increase in new energy received from other companies.

【 Generated and Received Electricity 】

(Million kWh,%)

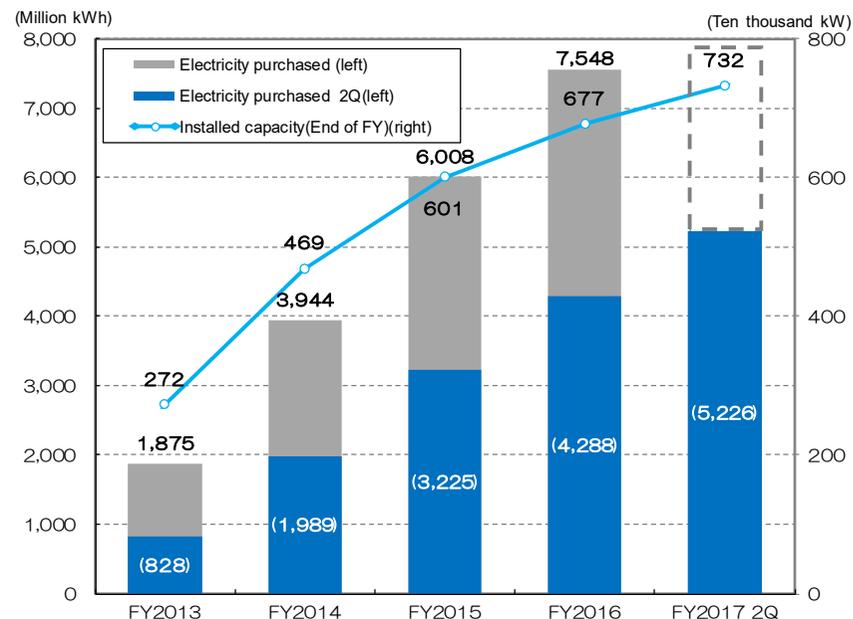
		FY2017 2Q	FY2016 2Q	Comparison with FY2016 2Q	
				Difference	Ratio
Own facilities ※1	Hydro	2,631	2,877	-246	91.5
	(Water flow rate)	(93.1)	(113.2)	(-20.1)	
	Thermal	19,600	20,824	-1,224	94.1
	Nuclear	7,836	7,791	45	100.6
	(Utilization rate)	(39.8)	(39.6)	(0.2)	
	New Energy etc※3	596	546	50	109.0
	Subtotal	30,663	32,038	-1,375	95.7
From other Companies ※2	Hydro	979	1,121	-142	87.3
	Thermal	3,089	4,249	-1,160	72.7
	New Energy etc※3	5,773	4,759	1,014	121.4
	Subtotal	9,841	10,129	-288	97.2
Interchange※2		1	31	-30	6.3
For pumping		-811	-628	-183	129.2
Total		39,694	41,570	-1,876	95.5

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

※2 "From other Companies " and " Interchange" includes the volume of electricity recognized as of the end of quarter of fiscal year.

※3 "New Energy etc" includes Solar, Wind, Biomass, Waste and Geothermal.

【 Installed Capacity and Electricity Purchase regarding Solar 】



※Above electricity purchased 2Q are internal number in the result of each fiscal year.

【 Transition of Renewable Energy Power Promotion Surcharge 】

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Surcharge (Yen/kWh)	0.22	0.35	0.75	1.58	2.25	2.64
Price per household (Yen/Month)	55	87	187	395	562	660

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

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

Income Statement (Non-Consolidated)

19

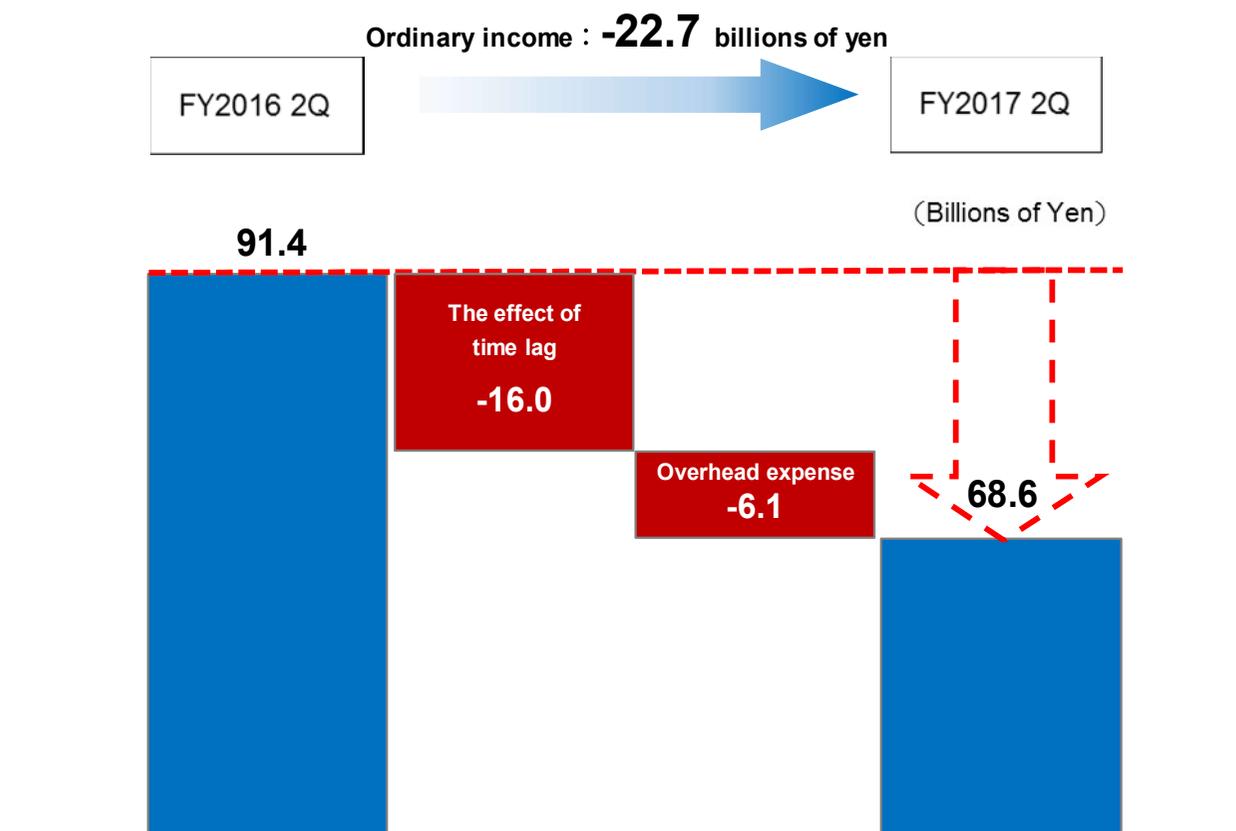
(Billions of Yen,%)

		FY2017 2Q	FY2016 2Q	Difference	Ratio	Explanations
Ordinary Revenues	Lighting	294.9	288.6	6.2	102.1	Decrease in electricity sales volume -22.0
	Power	396.9	390.3	6.6	101.7	Effect of fuel cost adjustment 27.8 (-50.0 ← -77.8)
	Sub Total	(691.8)	(679.0)	(12.8)	(101.9)	Renewable Energy Power Promotion Surcharge 11.7 (86.1←74.4)
	Other	237.8	193.9	43.9	122.7	Grant based on the Act on Purchase of Renewable Energy Sourced Electricity 22.6(169.9 ← 147.2) Electricity Sales to Others 10.3
	(Sales)	(925.4)	(866.1)	(59.2)	(106.8)	
	Total	929.7	872.9	56.7	106.5	
Ordinary Expenses	Labor	67.9	65.9	1.9	103.0	
	Fuel	132.2	112.3	19.8	117.7	Increase in CIF 23.0 Exchange losses 5.0 Decrease in electricity sales volume -12.0
	Power purchase	258.7	219.6	39.1	117.8	Purchase from other companies 39.2 [Figures are included below : Purchase of Renewable Energy Sourced Electricity 32.9 (202.9 ← 169.9) Thermal from other companies 5.1]
	Maintenance	56.7	58.5	-1.7	97.0	
	Depreciation	85.1	88.0	-2.8	96.7	
	Interest	15.5	17.0	-1.5	91.2	
	Tax and public dues	42.8	44.6	-1.8	95.8	
	Nuclear back-end	18.9	13.8	5.1	137.5	The effect of the revision of the funding system for reprocessing costs of nuclear fuel 5.0
	Other	182.8	161.4	21.3	113.2	Levy based on the Act on Purchase of Renewable Energy Sourced Electricity 11.7 (86.1 ←74.4) Overhead expenses 6.1
	Total	861.0	781.5	79.5	110.2	
(Operating Income)		(83.8)	(106.1)	(-22.3)	(78.9)	The effect of time lag -16.0 (-2.0 ← 14.0)
Ordinary Income		68.6	91.4	-22.7	75.1	
Reserve for Fluctuation In Water Levels		-0.4	0.4	-0.9	—	
Extraordinary Loss		—	9.5	-9.5	—	Extraordinary loss on natural disaster -9.2 Contingent loss -0.2
Income Tax		5.8	5.6	0.1	102.5	
Net Income		63.2	75.6	-12.4	83.5	

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

Major Factors in the Changes in Ordinary Income (Non-Consolidated)

20



【Reference : Key Factors】

(Billions of Yen)

	FY2017 2Q	FY2016 2Q	Difference	Financial impact
Crude oil CIF price	51 \$/b	44 \$/b	7 \$/b	(1\$/b) 1.5
Exchange rate	111 Yen/\$	105 Yen/\$	6 Yen/\$	(1Yen/\$) 1.0
Nuclear power utilization rate	39.8 %	39.6 %	0.2 %	(1%) 1.5
Water flow rate	93.1 %	113.2 %	-20.1 %	(1%) 0.2

(Reference 1-1) The effect of time lag of fuel cost adjustment (The 2Q of FY2017) 21

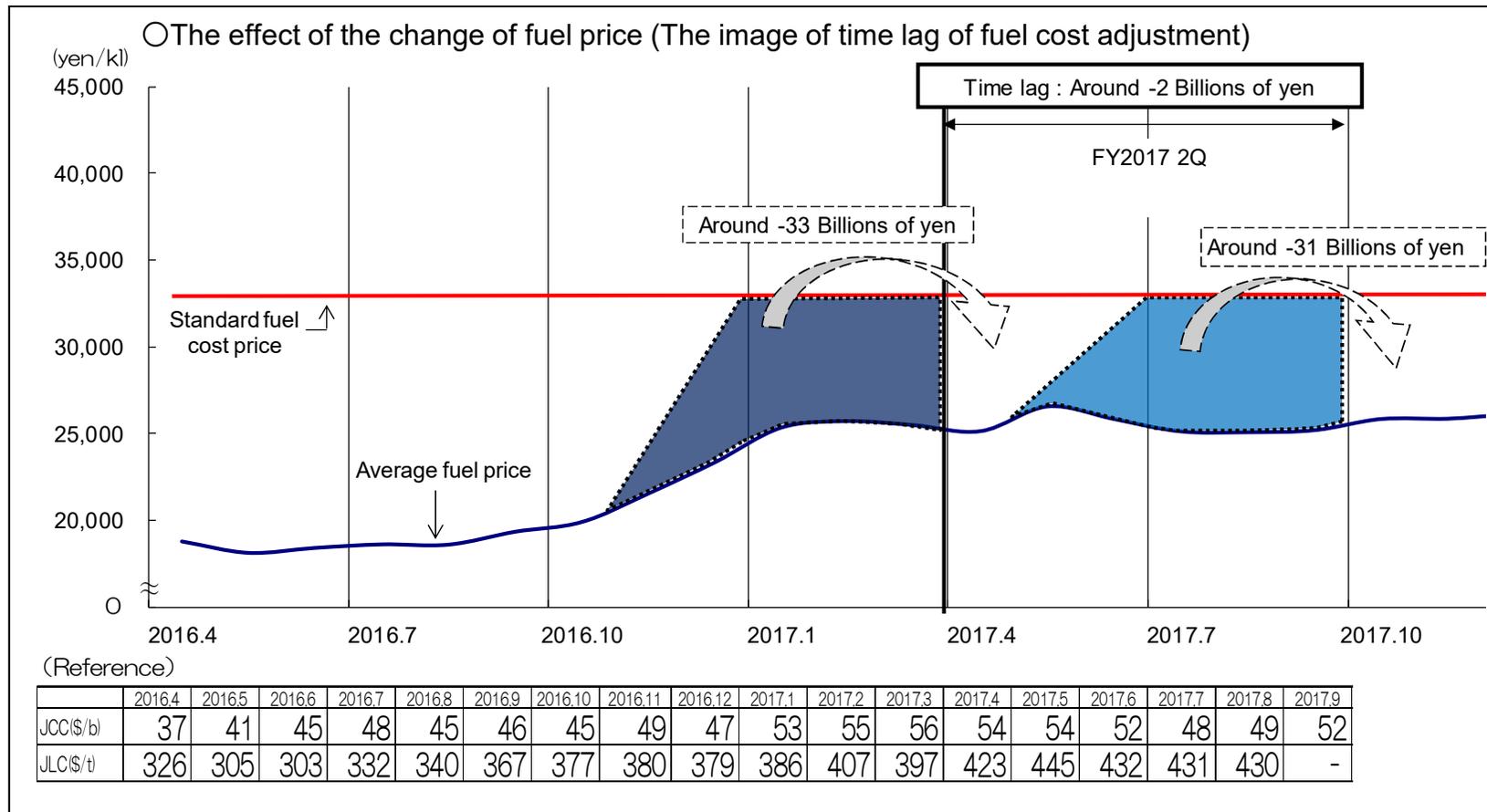
With regard to the effect of fuel price from the second half of FY 2016,

- Part of the fuel prices in the latter half of the FY2016, which were lower than the standard fuel price, were reflected in the decrease of electricity rates in the 2Q of the FY2017 [around -33 billion yen]
- Part of the fuel prices for the 2Q of FY 2017 , which were lower than the standard fuel price, were not reflected in the decrease of electricity rates in the 2Q of FY2017 and were carried over after the 3Q of the FY2017 [around - 31 billion]

As a result of this time lag※ of fuel cost adjustment, revenue and expenditure deteriorated [-2 billion yen] (The 2Q of the FY2016 : around 14 billion yen)

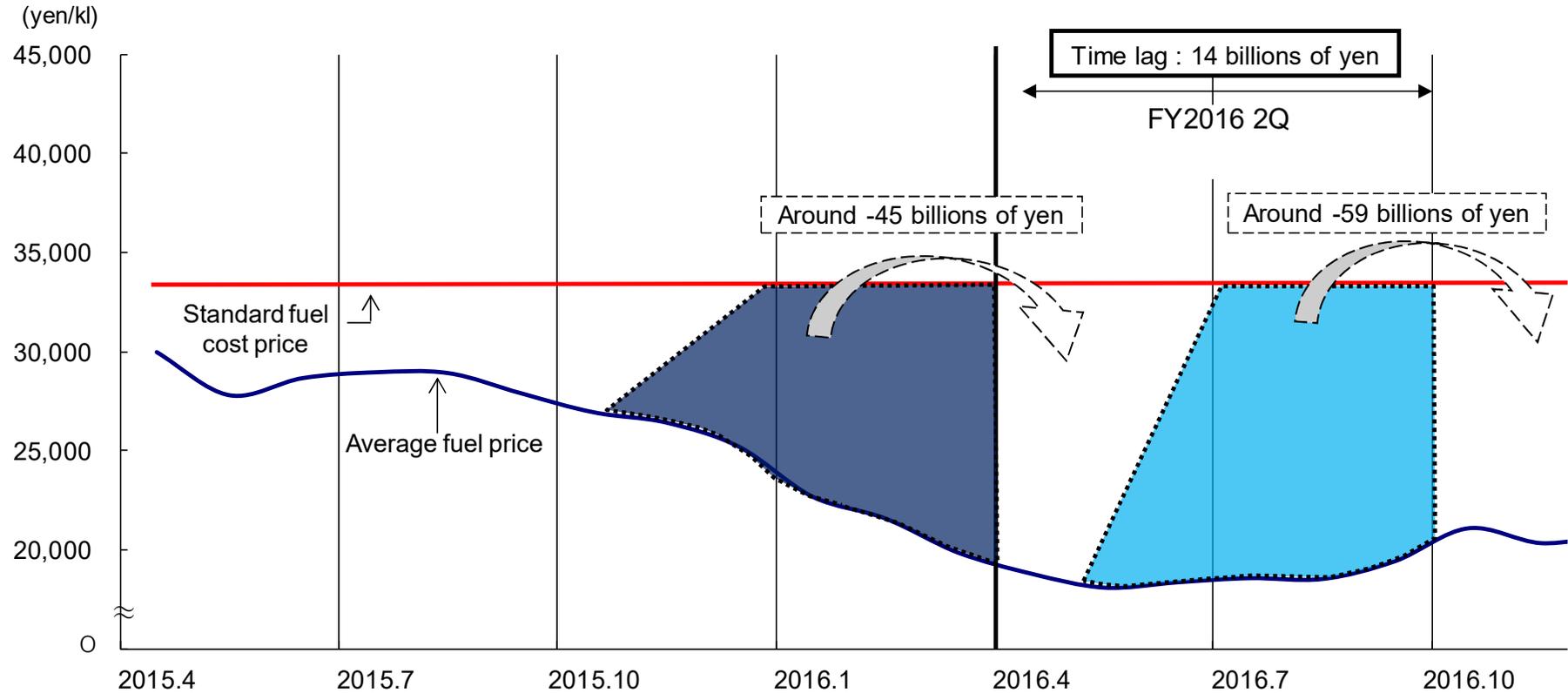
※Reflecting the average fuel price every 3 months with a shift of 2 months

(e.g. fuel cost adjustment in April : November to January, that in May : December to February, that in September : April to June)



(Reference 1-2) The effect of time lag of fuel cost adjustment (The 2Q of FY2016) 22

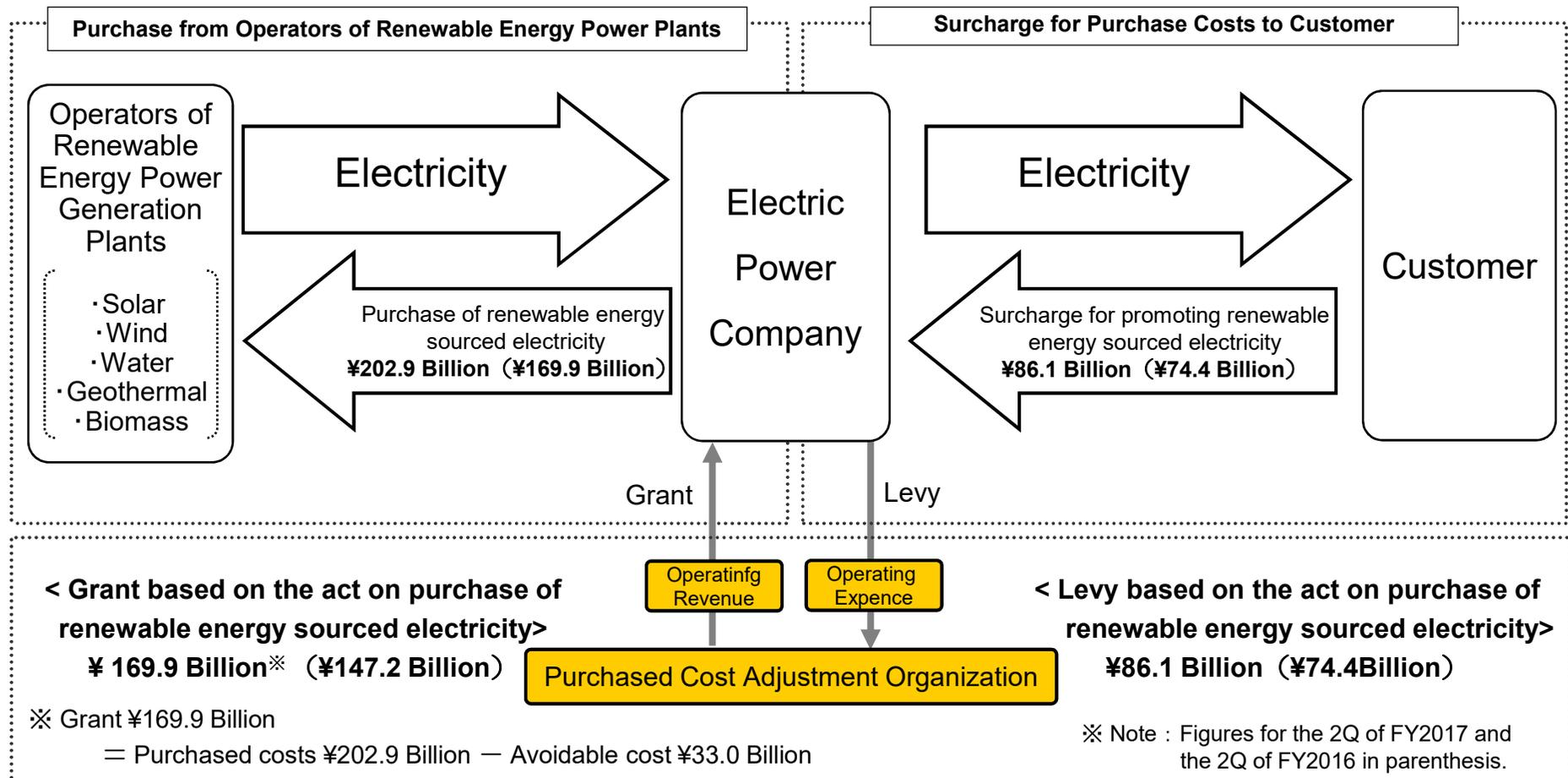
○The effect of the change of fuel price (The image of time lag of fuel cost adjustment)



(Reference)

	2015.4	2015.5	2015.6	2015.7	2015.8	2015.9	2015.10	2015.11	2015.12	2016.1	2016.2	2016.3	2016.4	2016.5	2016.6	2016.7	2016.8	2016.9
JCC(\$/b)	56	59	64	64	59	51	48	48	44	37	30	32	37	41	45	48	45	46
JIC(\$/t)	528	459	449	463	473	497	491	468	438	403	405	375	326	305	303	332	340	367

(Reference 2) Outline of “Feed-in Tariffs for renewable energy” 23



(Billions of Yen)

	FY2017 2Q	FY 2016 2Q	Difference
Renewable Energy Power Promotion Surcharge (Revenue)	86.1	74.4	11.7
Levy based on the Act on Purchase of Renewable Energy Sourced Electricity (Expenditure)	86.1	74.4	11.7
Purchase of Renewable Energy Sourced Electricity (Expenditure)	202.9	169.9	32.9
Grant based on the Act on Purchase of Renewable Energy Sourced Electricity (Revenue)	169.9	147.2	22.6



Balance Sheet (Non-Consolidated)

24

Assets

(Billions of Yen)

	Sep.30,2017	Mar.31,2017	Difference	Explanations
Utility Property, Plant and Equipment	2,330.5	2,372.2	-41.6	Depreciation -85.1 Construction completed 50.4
Investments and Other Assets	420.6	421.4	-0.8	
Others	1,308.3	1,347.8	-39.4	Cash and cash equivalents -145.5 (Sep.30.2017 215.7 ← Mar.31.2017 361.3) Accounts receivable 64.4 Construction in progress 50.1
Total	4,059.6	4,141.5	-81.9	

Liabilities and Equity

(Billions of Yen)

	Sep.30,2017	Mar.31,2017	Difference	Explanations
Liabilities	3,570.1	3,705.0	-134.9	Interest-bearing Debt -146.5
Equity	489.4	436.4	52.9	FY2017 2Q Net Income 63.2 Year-end dividend -10.6 <div style="text-align: center;"> <p>↓ +1.6% ↓</p> </div> [Equity Ratio] Sep.30,2017 12.1% ← Mar.31,2017 10.5%
Total	4,059.6	4,141.5	-81.9	

【Reference : The breakdown of Interest-bearing Debt】 (Billions of Yen)

	Sep. 30,2017	Mar.31,2017	Difference
Bonds	1,234.4	1,294.4	-60.0
Loans	1,719.6	1,806.1	-86.5
Total	2,954.0	3,100.5	-146.5

Income Statement Summary

		(Billions of Yen,%)				
		FY2017 2Q	FY2016 2Q	Difference	Ratio	FY2017 2Q Consolidated Ratio
Ordinary Revenues	Operating Revenues (Sales)	989.2	928.2	60.9	106.6	
	Electric	917.2	859.2	57.9	106.7	
	Other	71.9	69.0	2.9	104.3	
	Other Revenues	8.2	8.8	-0.5	93.7	
	Total	997.4	937.1	60.3	106.4	
Ordinary Expenses	Operating Expenses	896.6	813.5	83.1	110.2	(1.10)
	Electric	830.1	751.8	78.2	110.4	
	Other	66.4	61.6	4.8	107.8	
	Other Expenses	21.9	23.2	-1.2	94.6	
	Total	918.6	836.7	81.8	109.8	
(Operating Income)		(92.5)	(114.7)	(-22.2)	(80.6)	(1.10)
Ordinary Income		78.8	100.3	-21.5	78.6	(1.15)
Reserve for Fluctuation In Water Levels		-0.4	0.4	-0.9	—	
Extraordinary loss		—	10.0	-10.0	—	
Profit attributable to owners of parent		70.6	81.4	-10.8	86.7	(1.12)
Comprehensive Income		74.1	77.9	-3.7	95.1	

Balance Sheet Summary

		(Billions of Yen,%)		
		Sep.30,2017	Mar.31,2017	Difference
Total Assets		4,517.8	4,587.5	-69.6
Liabilities		3,879.8	4,012.9	-133.0
Interest-bearing Debt		3,162.2	3,313.9	-151.7
Equity		637.9	574.5	63.4
【Reference】 Equity Ratio		13.6	12.0	1.6

(Billions of Yen)

		FY2017 2Q	FY2016 2Q	Difference	Explanations
Electric power	Sales	919.1	861.2	57.9	
	Operating Income	84.5	105.5	-20.9	
Energy-related business	Sales	80.2	79.4	0.7	·Sales increased due to an increase in the sales amount of gas and LNG in spite of a decline in plant constructions completion, etc. ·Operating income decreased due to an increase in outsourcing expenses such as the development of systems related to the participation in household gas sales business, etc.
	Operating Income	2.3	3.2	-0.9	
IT and Telecommunications	Sales	47.5	46.1	1.4	·Sales increased due to an increase of information system development contracts, etc. ·Operating income decreased due to an increase in selling expenses related to smartphone services, etc.
	Operating Income	3.1	3.7	-0.6	
Other	Sales	12.5	12.1	0.4	·Sales increased due to an increase of income regarding selling real estates, etc. ·Operating revenue increased due to a decrease of depreciation expense of rental buildings, etc.
	Operating Income	2.5	2.1	0.3	

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

(Billions of Yen)

	FY2017 2Q	FY2016 2Q	Difference	Explanations
Cash flows from operating activities (A)	157.0	97.0	59.9	Increase of Electricity and Power income and grant based on the act on purchase of renewable energy sourced electricity 33.0
Cash flows from investing activities	-142.7	-143.5	0.8	Proceeds from sales of investment securities and collections of advances 4.1 Increase of purchase of non-current asset -2.3
Reposting of capital expenditures including nuclear fuel [Figures are included above] (B)	(-157.0)	(-154.7)	(-2.3)	
Cash flows from financing activities	-161.5	-91.2	-70.3	Increase of repayments of bonds -100.0 Decrease of repayments of long-term loans 31.2
Change in cash & cash equivalents	-145.5	-139.4	-6.1	

(Reference) Free cash flows (A) + (B)	—	-57.6	57.6	
---	---	-------	------	--

Forecasts of Financial Results and Dividends for FY2017



Sales (Increase), Ordinary income (Decrease)

(We don't change our forecasts of sales and ordinary income from the previous one(September 2017))

Sales : **1,945** billions yen (Increase 6.4% Compared with FY2016)

Ordinary income : **65** billions yen (Decrease 31.0% Compared with FY2016)

Forecast of Financial Results

We forecast a stable profit for FY 2017 because we have been working on a group-wide effort toward efficiency improvements throughout our business activities and we expect the restart of Genkai Nuclear Power Station Units No.3 and 4.

Sales

It is expected to be about ¥1,945 billion, even though the electricity sales volume will decline due to the progress of the competition and other factors. There will be an increase of the lightning and power revenue due to rise the unit price caused by the adjustment of fuel cost and increase of both the Electricity Sales to Others and Grant based on the Act on Purchase of Renewable Energy Sourced Electricity.

Ordinary income

It is expected to be about ¥65 billion, below the previous fiscal year results despite the fact we are striving to group-wide efforts to the cost reduction. This is because, in electricity business, there will be an increase of overhead expense associated with the electric system reform, though Genkai Nuclear Power Station Units No.3 and 4 will be restarted in FY2017.

Profit attributable to owners of parent

It is expected to be about ¥50 billion, below the previous fiscal year results.

【Consolidated】

(Billions of yen,%)

	FY2017	FY2016	Difference	Ratio
Sales	1,945.0	1,827.5	117.5	106.4
Operating income	95.0	122.6	-27.6	77.5
Ordinary income	65.0	94.2	-29.2	69.0
Profit attributable to owners of parent	50.0	79.2	-29.2	63.1

Previous Forecast (September)	Difference
1,945.0	—
95.0	—
65.0	—
50.0	—

【Non- Consolidated】

(Billions of yen,%)

	FY2017	FY2016	Difference	Ratio
Sales	1,810.0	1,696.7	113.3	106.7
Operating income	75.0	99.5	-24.5	75.4
Ordinary income	45.0	68.8	-23.8	65.3
Profit attributable to owners of parent	35.0	61.0	-26.0	57.3

Previous Forecast (September)	Difference
1,810.0	—
75.0	—
45.0	—
35.0	—

【Reference : Key Factors】

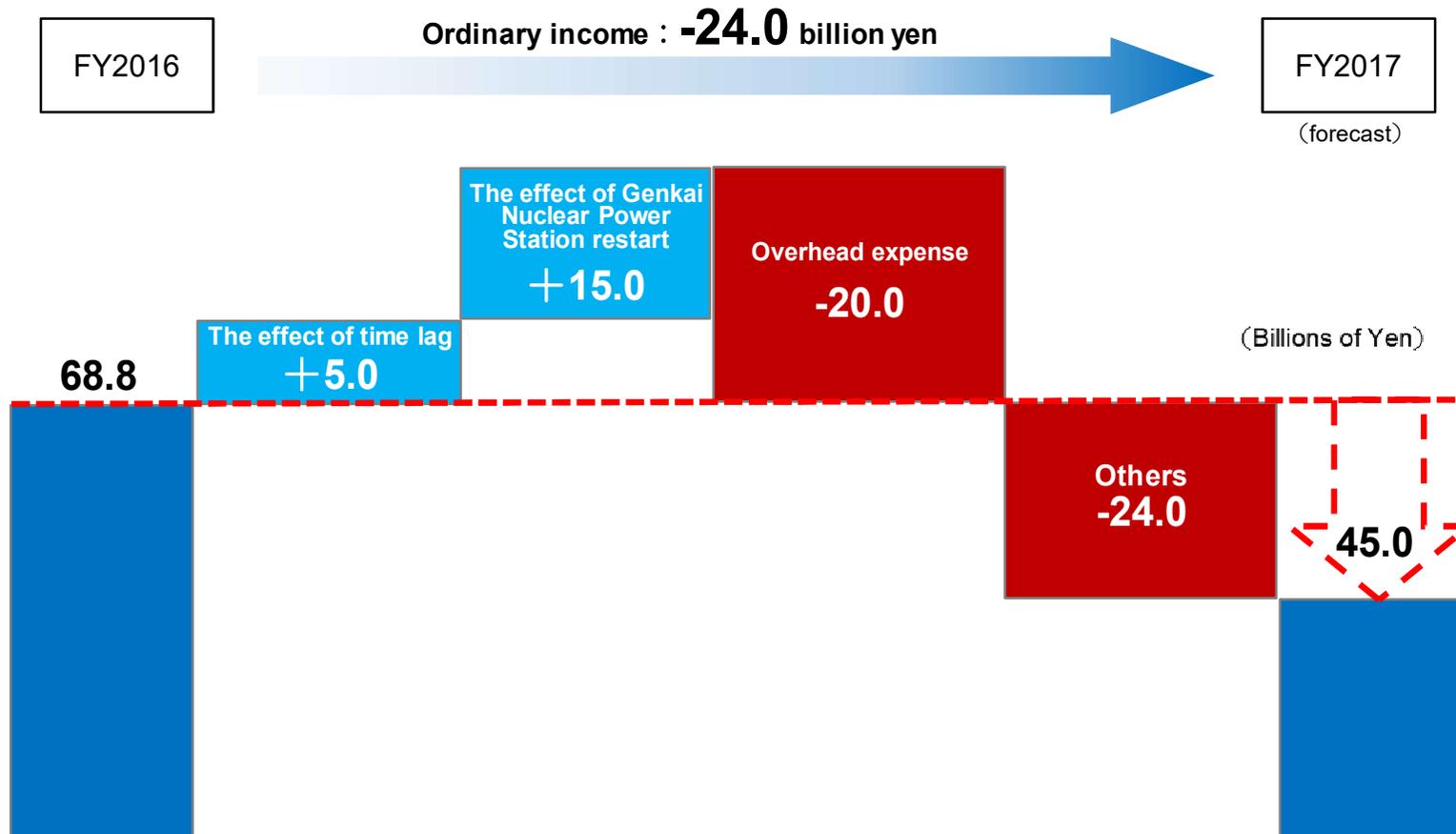
	FY2017	FY2016	Difference
Electricity Sales Volume	76.6 billions kWh	78.6 billions kWh	-2.0 billions kWh
Crude Oil CIF Price	54 \$/b	48 \$/b	6 \$/b
Exchange Rate	114 ¥/\$	108 ¥/\$	6 ¥/\$
Electricity volume by Nuclear Power* (Utilization Rate)	17.4 billions kWh (44.5%)	12.5 billions kWh (31.9%)	4.9billions kWh (12.6%)

Previous Forecast (September)	Difference
76.6 billions kWh	—
54 \$/b	—
114 ¥/\$	—
17.4billions kWh (44.5%)	—

*transmission-end number

Forecasts of Financial Results for FY2017

Major Factors in the Changes in Ordinary Income (Non-Consolidated)



Forecasts of Dividends for FY2017

As for dividends, we maintain a stable dividend, with amounts determined based on a comprehensive analysis of performance and other factors.

As for forecasts of dividends for the FY 2017, we decide to pay a dividend of ¥20 per common share(interim is ¥10 and year-end is ¥10).

We decide to pay a dividend of ¥3,500,000 per class A preferred share(interim is ¥1,750,000 and year-end is ¥1,750,000).

(Common Share) (Unit : yen)

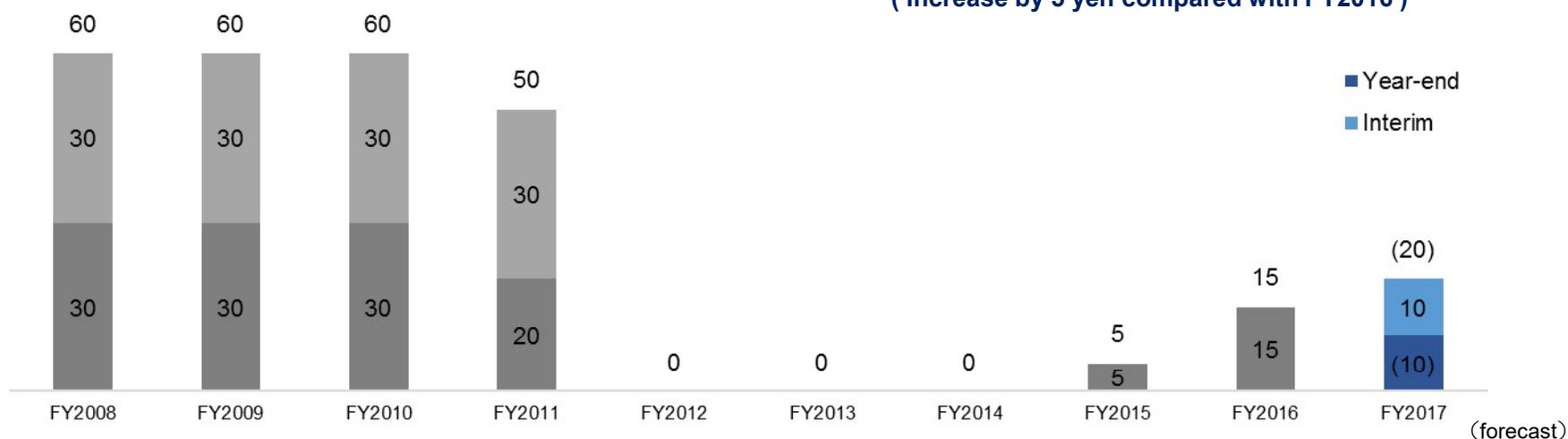
	A Dividend per Share		
	End of the 2Q	End of the FY	Total
Forecast for the FY 2017	10	(10)	(20)
Results for the FY 2016	0	15	15

(Class A Preferred Share) (Unit : thousand yen)

	A Dividend per Share		
	End of the 2Q	End of the FY	Total
Forecast for the FY 2017	1,750	(1,750)	(3,500)
Results for the FY 2016	0	3,500	3,500

※The number with () for the FY 2017 is a forecast and we don't change it from previous forecasts (released on September 12, 2017) . (unit : yen)

Changes of a dividend per share (Common Stock)



Total Dividend for the FY2017 : 20 yen
 (Increase by 5 yen compared with FY2016)

(Reference) Data

Revenues from lighting and Power and from Others (Non-Consolidated)

32

(Billions of Yen,%)

	FY2017 2Q	FY2016 2Q	Difference	Ratio
Lighting and Power	691.8	679.0	12.8	101.9

(Billions of Yen,%)

	FY2017 2Q	FY2016 2Q	Difference	Ratio
Others	237.8	193.9	43.9	122.7

Difference FY2017 2Q FY2016 2Q

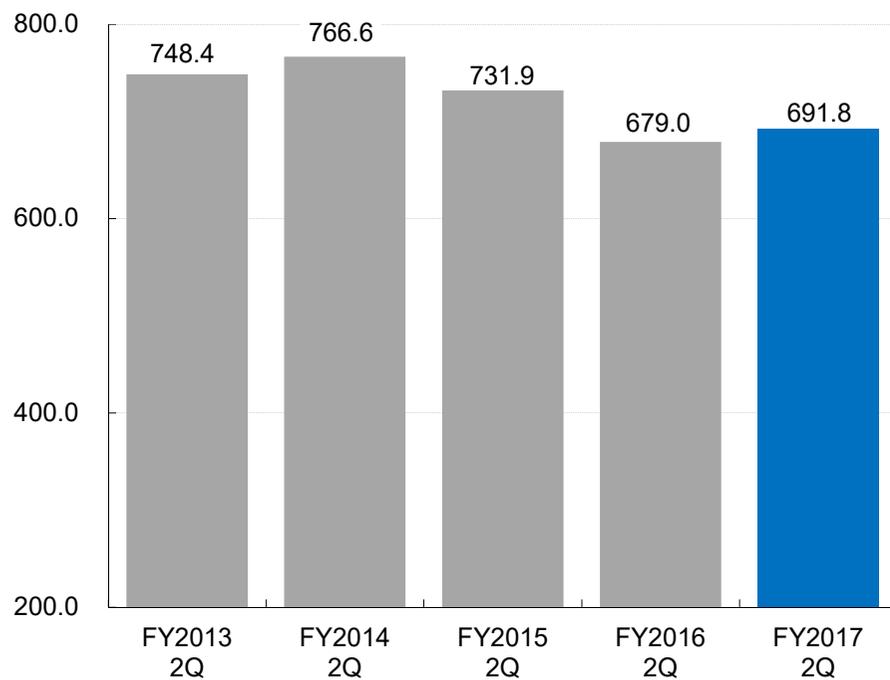
1. Effect of fuel cost adjustment	27.8	(-50.0 ← -77.8)
2. Renewable Energy Power Promotion Surcharge	11.7	(86.1 ← 74.4)
3. Decrease in electricity sales volume	-22.0	

Difference FY2017 2Q FY2016 2Q

1. Grant based on the Act on Purchase of Renewable Energy Sourced Electricity	22.6	(169.9 ← 147.2)
2. Electricity Sales to Others	10.3	(26.4 ← 16.1)

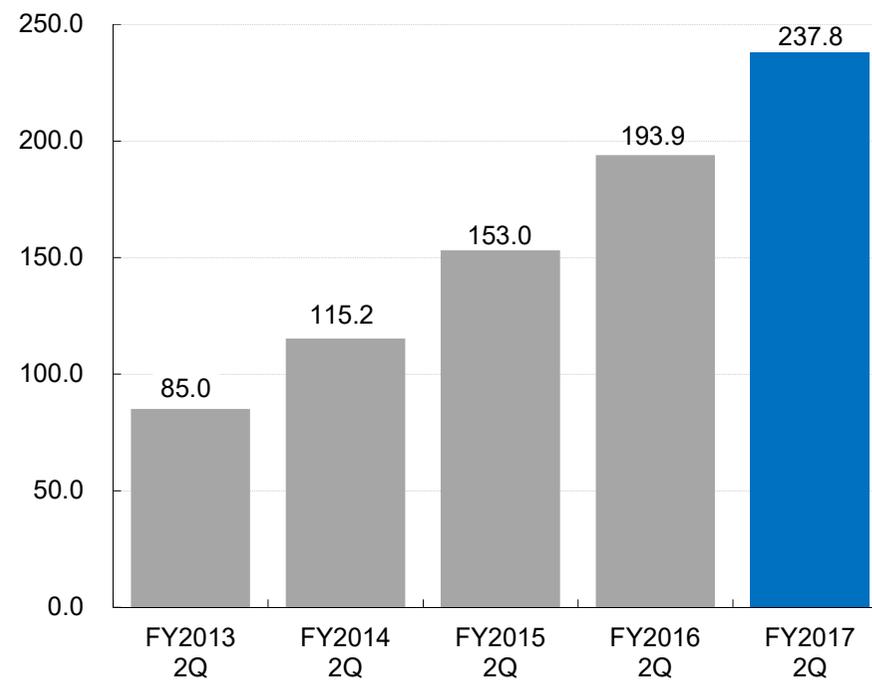
(Billions of yen)

【Lighting and Power】



(Billions of yen)

【Others】



Expenses for Fuel and Power purchase (Non-Consolidated)

33

(Billions of Yen,%)

	FY2017 2Q	FY2016 2Q	Difference	Ratio
Fuel	132.2	112.3	19.8	117.7

Difference

1. Increase in CIF	23.0
2. Exchange losses	5.0
3. Decrease in electricity sales volume	12.0

[Reference1] All Japan CIF prices

	FY2017 2Q	FY2016 2Q	Difference
Coal(\$/t)	98	70	28
LNG(\$/t)	432	330	102
Crude oil(\$/b)	51	44	8

[Reference2] Fuel consumption

	FY2017 2Q	FY2016 2Q	Difference
Coal (ten thousand. ton)	317	277	486
Heavy oil (ten thousand. kiloliter)	9	12	-3
Crude oil (ten thousand. kiloliter)	5	5	—
LNG (ten thousand. ton)	157	190	-33

(Billions of Yen,%)

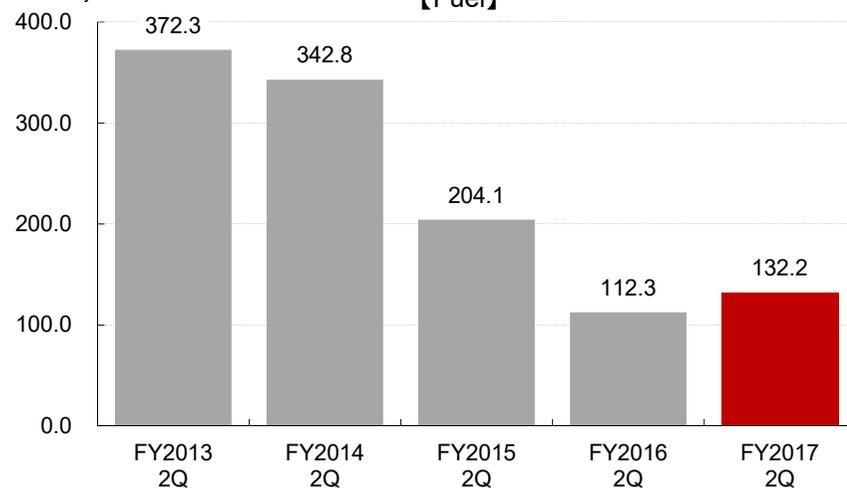
	FY2017 2Q	FY2016 2Q	Difference	Ratio
Power purchase	258.7	219.6	39.1	117.8

Difference FY2017 2Q FY2016 2Q

1. Purchase from other companies	39.2	(258.3 ← 219.1)
◆ Purchase of Renewable Energy Sourced Electricity	32.9	(202.9 ← 169.9)
◆ Thermal from other companies	5.1	(46.4 ← 41.3)
2. Purchase from other electric companies	-0.1	(0.3 ← 0.4)

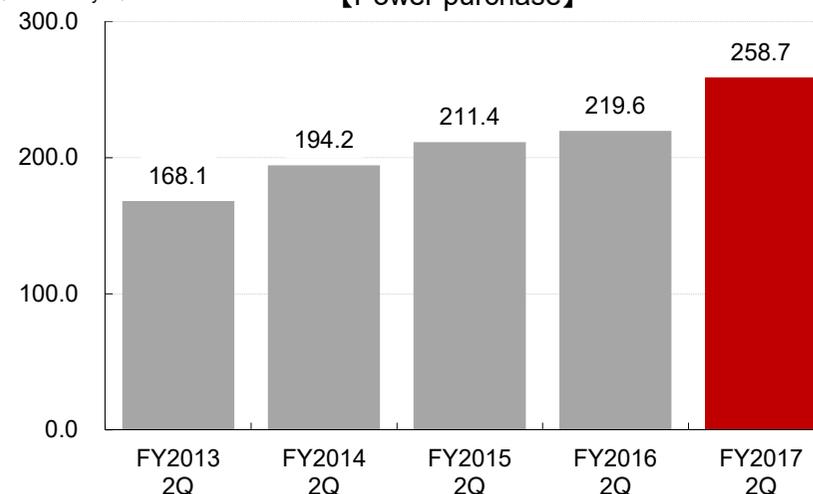
(Billions of yen)

【Fuel】



(Billions of yen)

【Power purchase】



Expenses for Maintenance and Depreciation (Non-Consolidated)

34

(Billions of Yen,%)

	FY2017 2Q	FY2016 2Q	Difference	Ratio
Maintenance	56.7	58.5	-1.7	97.0

(Billions of Yen,%)

	FY2017 2Q	FY2016 2Q	Difference	Ratio
Depreciation	85.1	88.0	-2.8	96.7

Difference FY2017 2Q FY2016 2Q

1. Thermal	-3.9	(14.6 ← 18.6)
------------	------	-----------------

Difference FY2017 2Q FY2016 2Q

1. Ordinary depreciation	-1.6	(85.1 ← 86.7)
--------------------------	------	-----------------

◆ Nuclear -1.2 (17.1 ← 18.4)

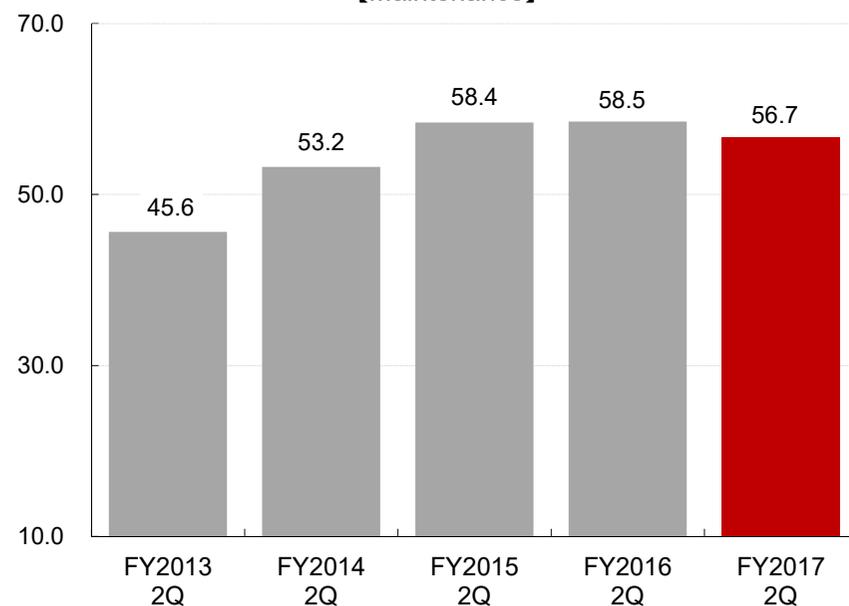
◆ Transmission -0.4 (20.0 ← 20.4)

2. Commissioning depreciation	-1.2	(- ← 1.2)
-------------------------------	------	-------------

◆ Shin-Oita Power Station No.3,4 expansion
(Test operation Started on Jan.2016 / Commercial operation started on Jun 2016)

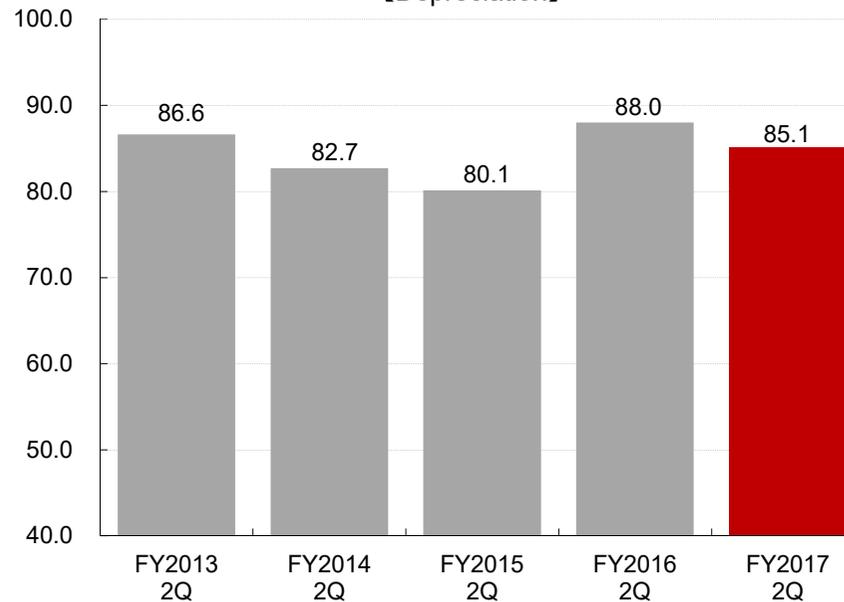
(Billions of yen)

【Maintenance】



(Billions of yen)

【Depreciation】



Expenses for Labor and Others (Non-Consolidated)

35

(Billions of Yen,%)

	FY2017 2Q	FY2016 2Q	Difference	Ratio
Labor	67.9	65.9	1.9	103.0

(Billions of Yen,%)

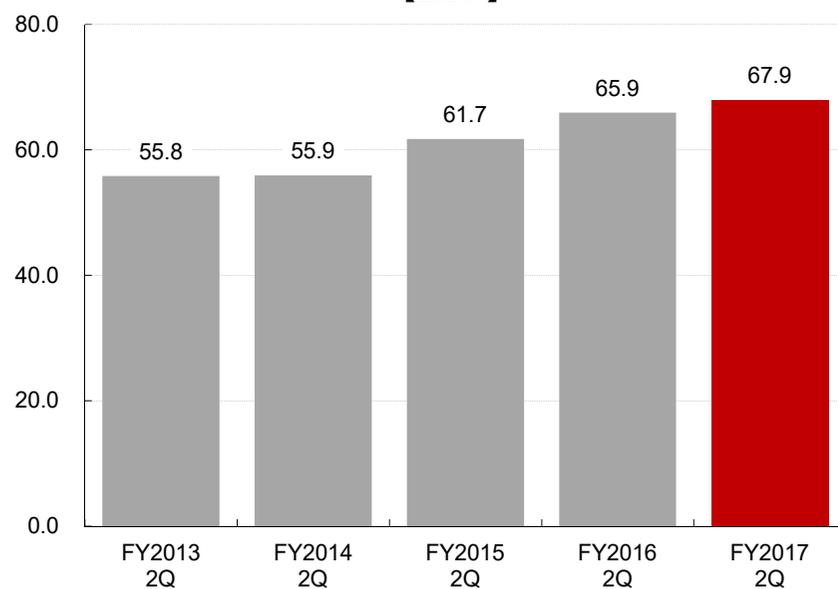
	FY2017 2Q	FY2016 2Q	Difference	Ratio
Others	260.2	237.0	23.1	109.8

	Difference	FY2017 2Q	FY2016 2Q
1. Salary	1.2	(48.8 ← 47.6)	
2. Employee retirement benefits	0.9	(5.6 ← 4.6)	

	Difference	FY2017 2Q	FY2016 2Q
1. Levy based on the Act on Purchase of Renewable Energy Sourced Electricity	11.7	(86.1 ← 74.4)	
2. Overhead expenses	6.1	(68.5 ← 62.4)	
3. Nuclear back-end	5.1	(18.9 ← 13.8)	
◆ The effect of the revision of the funding system for reprocessing costs of nuclear fuel	5.0	(14.6 ← 9.6)	

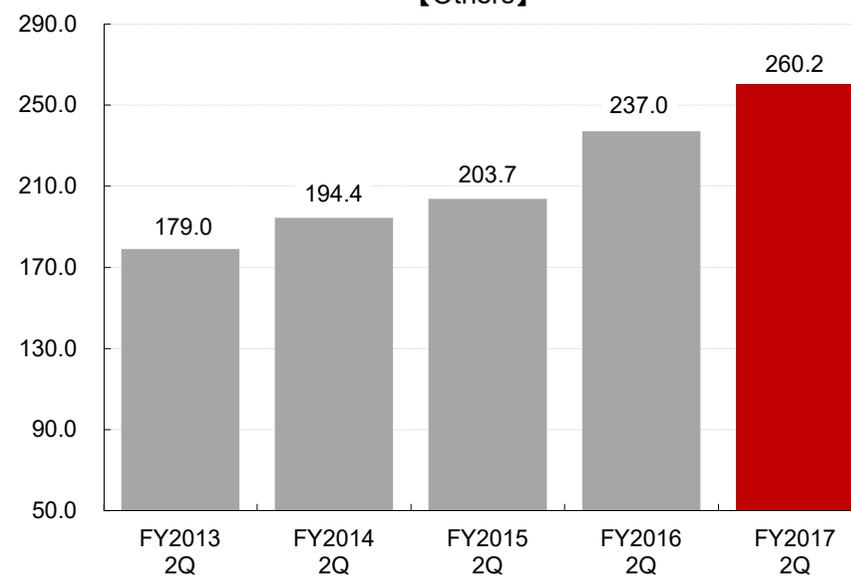
(Billions of yen)

【Labor】

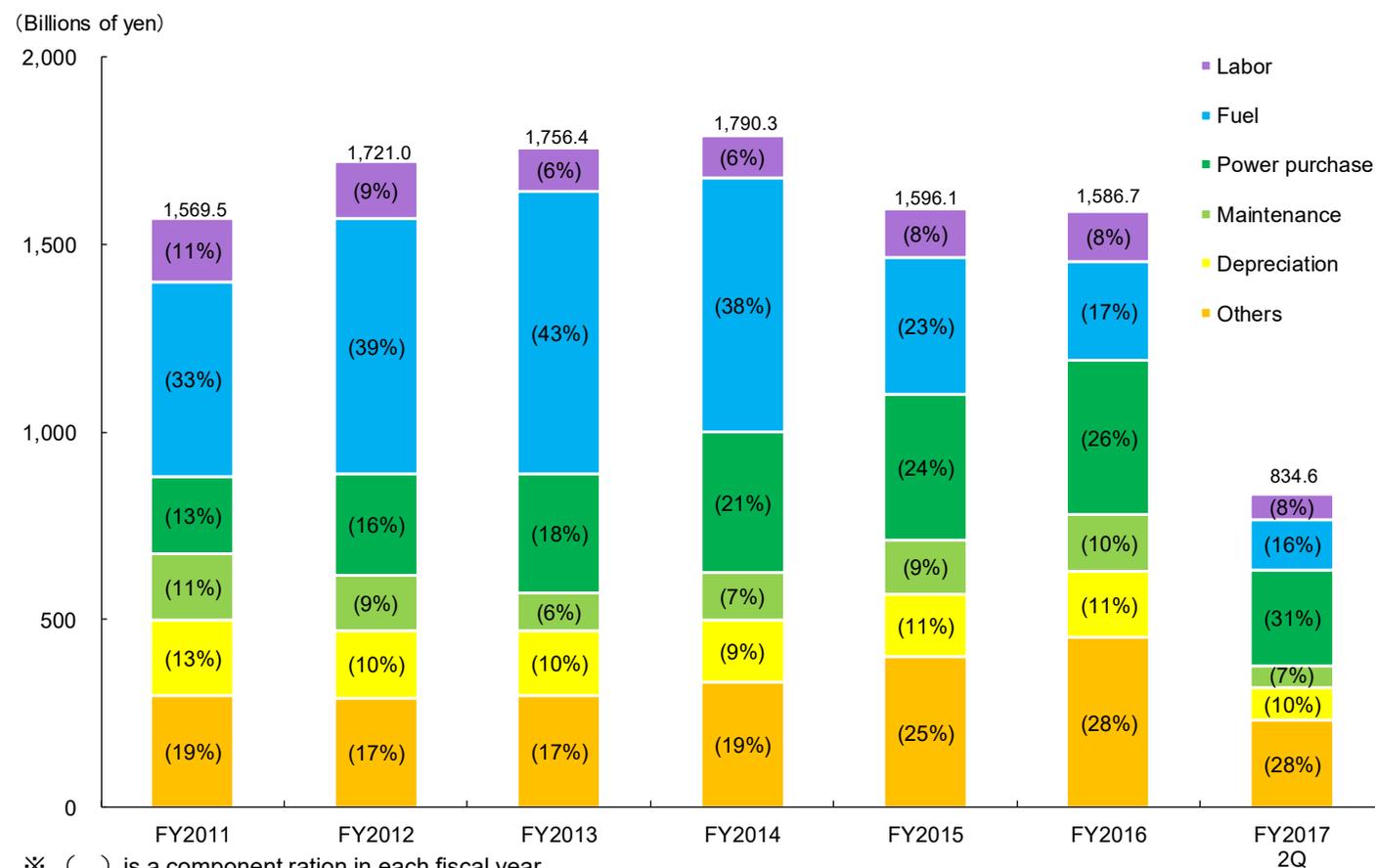


(Billions of yen)

【Others】

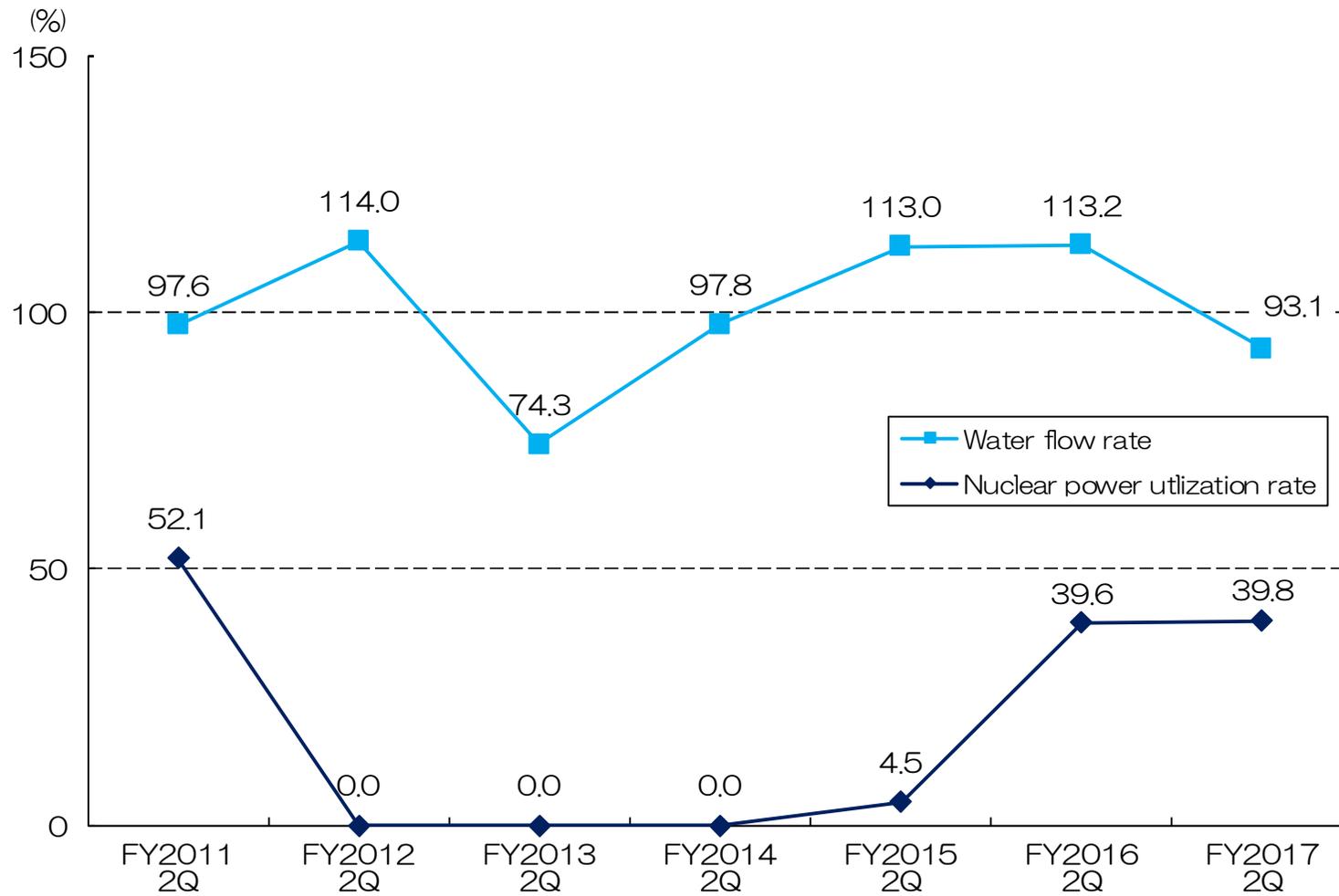


Components of Operating Expense in Electricity Business (Non-Consolidated) 36

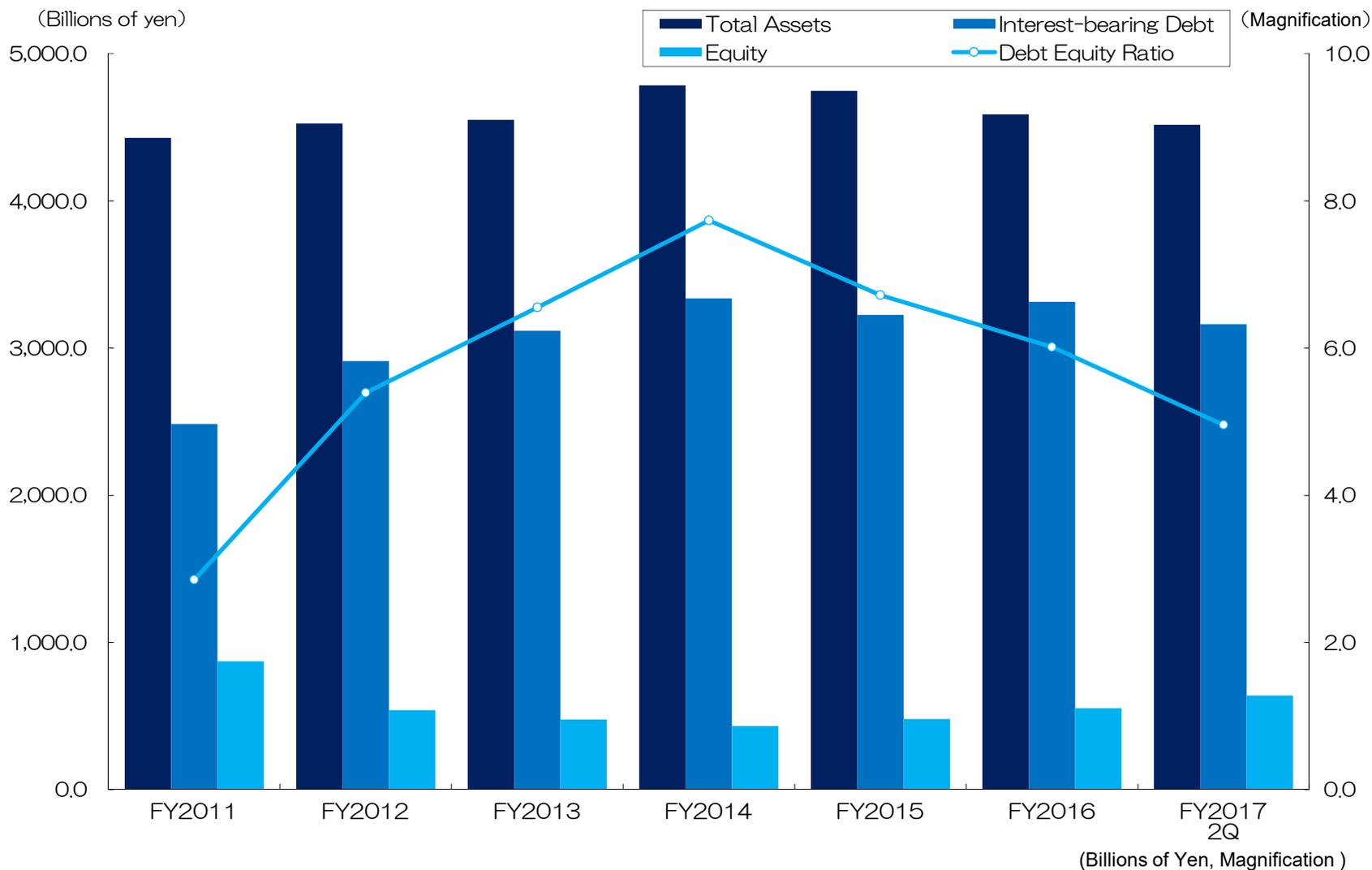


(Billions of Yen)

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017 2Q	Total
Labor	167.9	151.8	113.7	113.1	131.0	132.6	67.9	67.9
Fuel	520.2	679.7	754.4	678.4	364.7	263.5	132.2	132.2
Power purchase	206.0	269.5	314.9	372.4	386.8	409.8	258.7	258.7
Maintenance	176.0	147.9	103.1	126.6	144.4	152.7	56.7	56.7
Depreciation	202.1	180.1	172.3	164.7	167.0	176.3	85.1	85.1
Others	297.0	291.7	297.7	334.9	402.0	451.5	233.8	233.8
Total	1,569.5	1,721.0	1,756.4	1,790.3	1,596.1	1,586.7	834.6	834.6

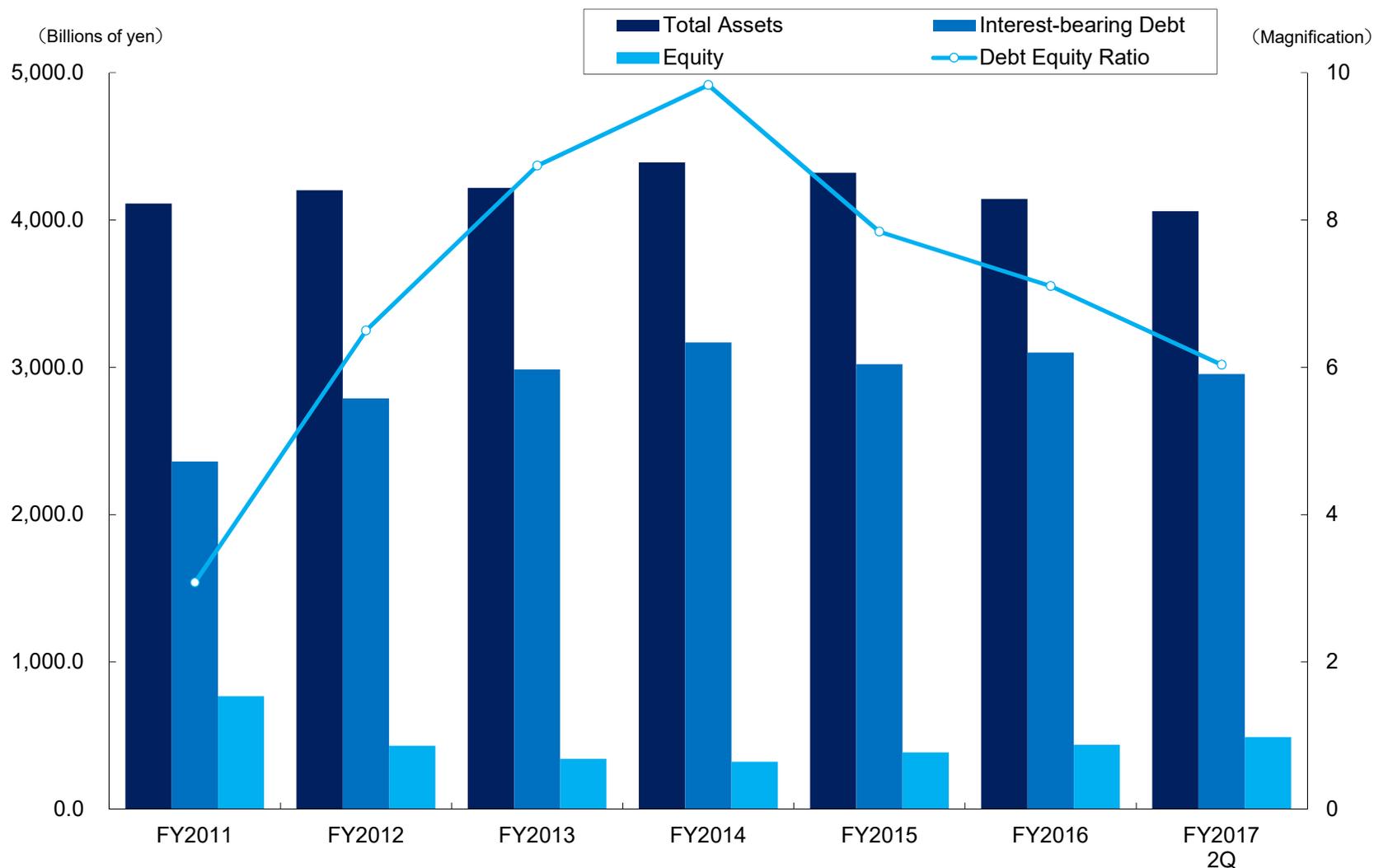


Total Assets, Interest - Bearing Debt, Equity, Debt- Equity Ratio (Consolidated)



Total Assets	4,428.0	4,526.5	4,549.8	4,784.7	4,748.2	4,587.5	4,517.8
Interest-bearing Debt	2,483.2	2,910.7	3,116.7	3,337.9	3,224.8	3,313.9	3,162.2
Equity	870.3	539.6	475.5	431.5	479.9	550.9	637.9
Debt Equity Ratio	2.9	5.4	6.6	7.7	6.7	6.0	5.0

Total Assets, Interest - Bearing Debt, Equity, Debt- Equity Ratio (Non-Consolidated)

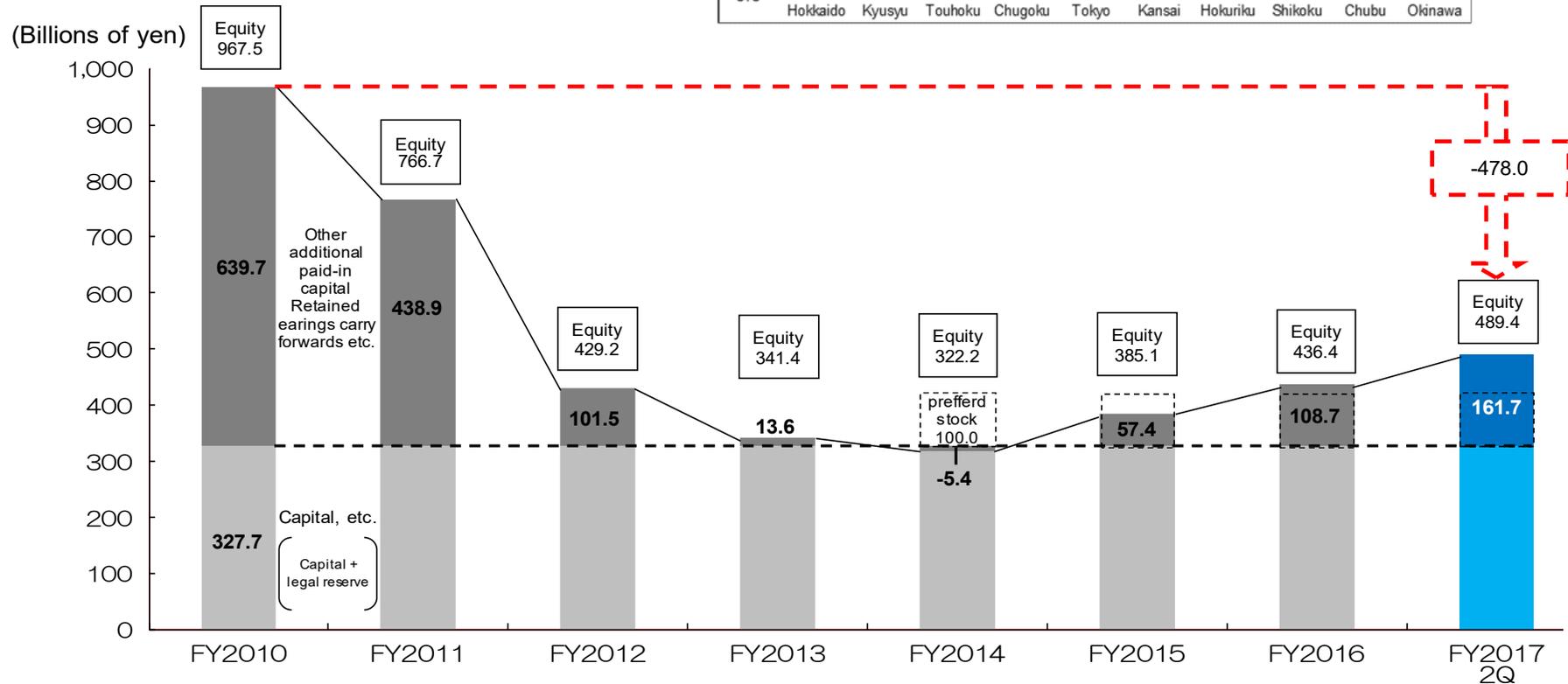
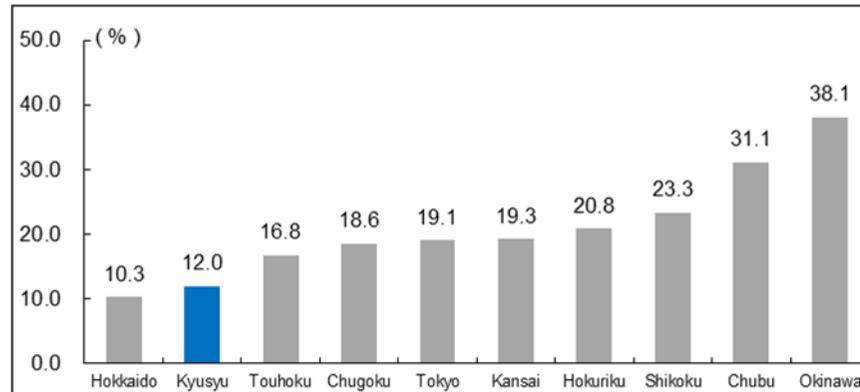


(Billions of Yen, Magnification)

Total Assets	4,110.9	4,201.7	4,218.0	4,390.9	4,321.4	4,141.5	4,059.6
Interest-bearing Debt	2,360.1	2,789.0	2,983.8	3,168.2	3,020.0	3,100.5	2,954.0
Equity	766.7	429.2	341.4	322.2	385.1	436.4	489.4
Debt Equity Ratio	3.1	6.5	8.7	9.8	7.8	7.1	6.0

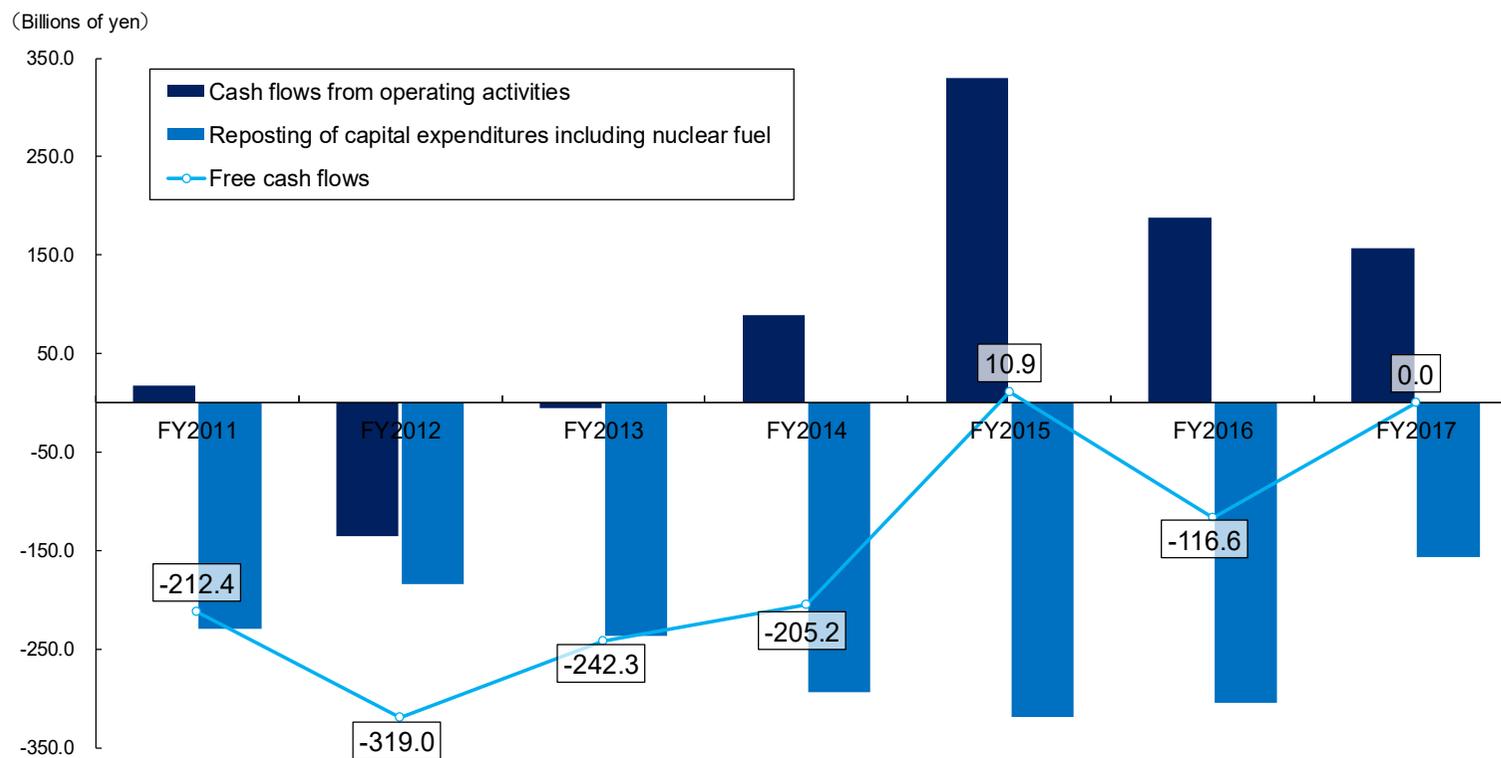
Changes in Equity (Non-Consolidated)

(Reference) Equity ratio of electric power companies in Japan (Consolidated)



Equity ratio(%)	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017 2Q
Equity ratio(%)	24.9	18.7	10.2	8.1	7.3	8.9	10.5	12.1

Free Cash Flow (Consolidated)



(Billions of yen)

Cash flows from operating activities	16.9	-135.1	-5.9	88.7	329.4	188.0	157.0
Reposting of capital expenditures including nuclear fuel	-229.3	-183.9	-236.3	-293.9	-318.4	-304.6	-157.0
Free cash flows	-212.4	-319.0	-242.3	-205.2	10.9	-116.6	—