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Financial Results of FY 2016

Summary of Financial Results of FY2016

The earnings in FY2016 were in the black due to group-wide cost reduction efforts and a decrease in fuel costs because of a stable operation of Sendai nuclear power, which restarted in August 2015, though extraordinary losses, associated with the Kumamoto Earthquake in 2016, were recorded and Genkai nuclear power station unit No.3 and 4 have not achieved to restart. In addition, the consolidated ordinary income increased due to an increase in dividends from overseas energy business.

On the revenue side, consolidated sales (operating revenues) decreased by 0.4% to ¥1,827.5 billion compared to FY2015 as lighting and power revenue decreased mainly due to a decrease in charge unit price with the effect of fuel cost adjustment system and electricity sales volume, while the grant based on the Act on Purchase of Renewable Energy Sourced Electricity increased in electricity business. And ordinary revenues decreased by 0.3% to ¥1,845.6 billion compared to FY2015 mainly due to an increase of dividends from Energy-related business.

On the expenditure side, ordinary expenses decreased by 0.5% to ¥1,751.4 billion compared to FY2015 due to group-wide cost reduction efforts and a decrease in fuel costs because of a stable operation of Sendai nuclear power and a decline in fuel price, while power purchase from renewable energy increased.

As a result, the ordinary income increased by 3.6% to ¥94.2 billion compared to FY2015.

Profit attributable to owners of parent was increased by 7.9% to ¥79.2 billion mainly due to a decrease in income taxes, while extraordinary losses, associated with the Kumamoto Earthquake in 2016, were recorded.

【Consolidated】

(Billions of Yen,%)

	FY2016	FY2015	Difference	Ratio
Ordinary revenue	1,845.6	1,851.9	-6.3	99.7
Sales [Figures are included above]	1,827.5	1,835.6	-8.1	99.6
Ordinary expense	1,751.4	1,761.0	-9.6	99.5
(Operating Income)	(122.6)	(120.2)	(2.3)	(102.0)
Ordinary Income	94.2	90.9	3.3	103.6
Extraordinary Loss	10.4	—	10.4	—
Net Income attributable to owners of parent	79.2	73.4	5.7	107.9

Note: As of the end of FY2016, 68 affiliates were subject to consolidated accounting.

[Consolidated subsidiaries: 41 companies, Equity method companies: 27 companies (no change from the end of FY2015)]

【Non-Consolidated】

(Billions of Yen,%)

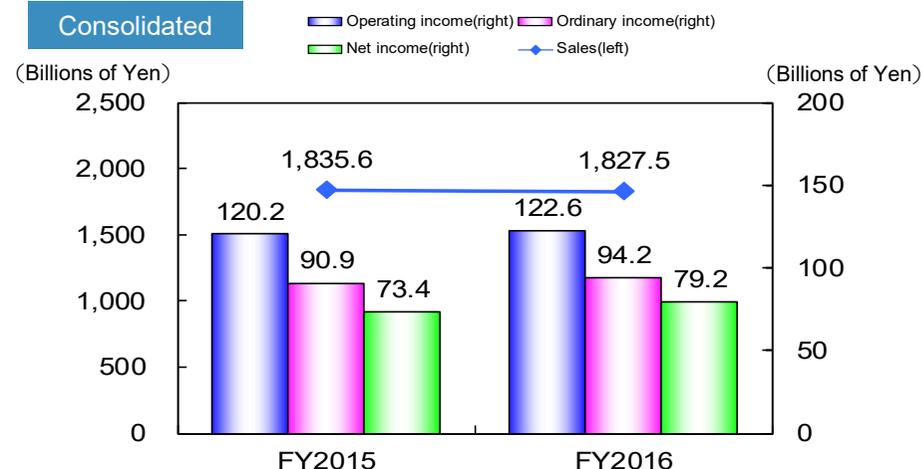
	FY2016	FY2015	Difference	Ratio
Ordinary revenue	1,708.1	1,723.7	-15.5	99.1
Sales [Figures are included above]	1,696.7	1,705.4	-8.7	99.5
Ordinary expense	1,639.2	1,649.4	-10.1	99.4
(Operating Income)	(99.5)	(97.8)	(1.6)	(101.7)
Ordinary Income	68.8	74.3	-5.4	92.7
Extraordinary Loss	9.5	—	9.5	—
Net Income	61.0	65.3	-4.2	93.5

Note : Reason for the increase in the consolidated ordinary income regardless of the decrease in the non-consolidated ordinary income.

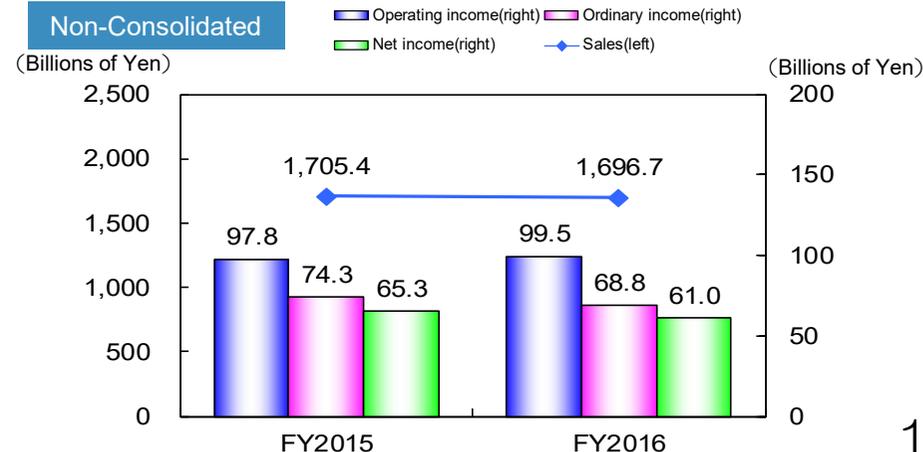
- On non-consolidated financial results, revenue decreased due to a decrease of dividends income from group companies by -5.1 billion yen.
- On consolidated financial results, there is no effect in case dividends income among group companies decrease*. Moreover, in energy business subsidiaries, revenue increase due to an increase of dividends income by 1.6 billion yen.

※On consolidated financial results, dividends income and paid among group companies are eliminated as internal elimination.

Consolidated



Non-Consolidated



Electricity Sales Volume

Lighting demands increased by 1.5% compared to FY2015 due to an increase in air conditioning demands resulted from higher temperature from June to October compared to the same period of FY2015. Power demands decreased by 2.0% compared to FY2015 due to a decrease in production in some factories.

As a results, total electricity sales volume came to 78,62 million kWh, decreased by 0.7% compared to FY2015.

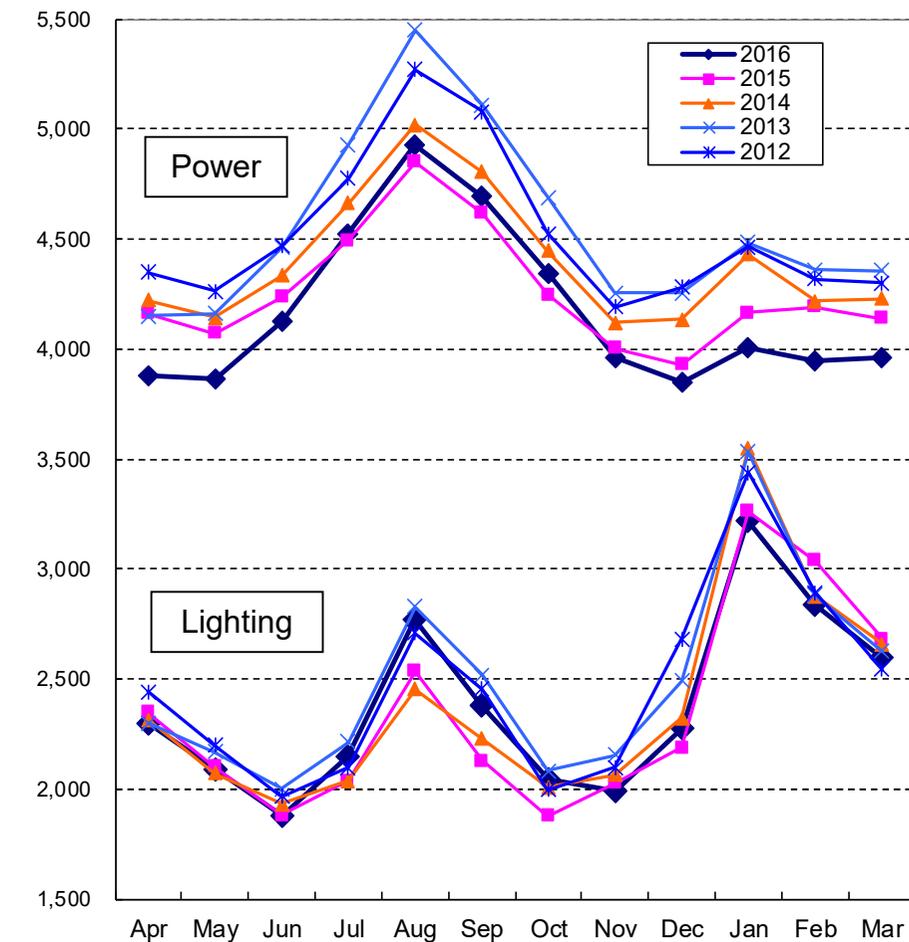
【Electricity Sales Volume】

(Million kWh,%)

	FY2016	Comparison with FY2015	
		Difference	Ratio
Lighting	28,535	434	101.5
Power	50,084	-1,025	98.0
Total	78,619	-591	99.3

【Changes in Electricity Sales Volume】

(Million kWh)



Generated and Received Electricity

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 】

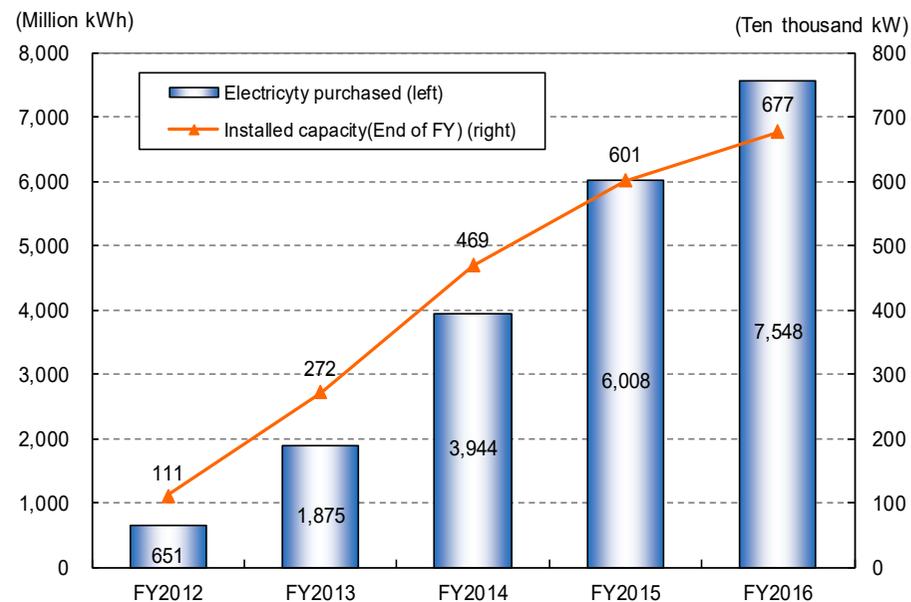
(Million kWh,%)

		FY2016	Comparison with FY2015	
			Difference	Ratio
Own facilities ※1	Hydro	4,788	12	100.3
	(Water flow rate)	(115.0)	(3.6)	
	Thermal	45,615	-153	99.7
	Nuclear	12,455	4,347	153.6
	(Utilization rate)	(31.9)	(11.2)	
	New Energy etc※2	1,133	-66	94.4
	Subtotal	63,991	4,140	106.9
From other companies	Hydro	1,757	-187	90.4
	Thermal	9,574	-5,056	65.4
	New Energy etc※2	8,590	1,509	121.3
	Subtotal	19,921	-3,734	84.2
Interchange		48	-209	18.7
For pumping		-1,306	-629	192.8
Total		82,654	-432	99.5

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

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

【 Installed Capacity and Electricity Purchase regarding Solar 】



【 Transition of Renewable Energy Power Promotion Surcharge 】

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

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

※2 Above amount shows rates in August each fiscal year, because Feed-in tariff has been enforced since July 2012 (and a surcharge on electricity rate has started in August 2012).

※3 The unit of Renewable Energy Power Promotion Surcharge in FY2017 is 2.64 yen. (It will be applied from May 2017.)

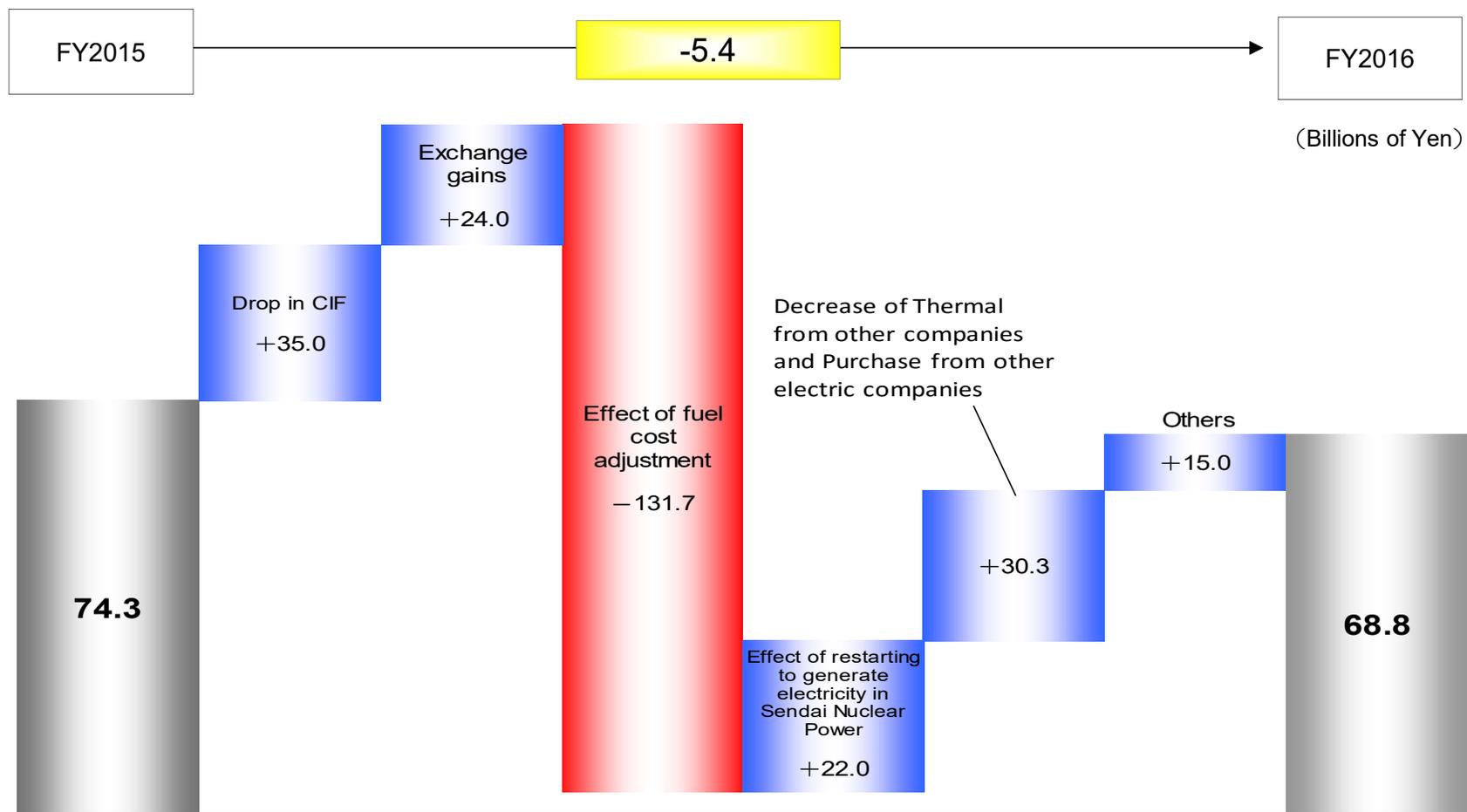
Income Statement (Non-Consolidated)

(Billions of Yen,%)

		FY2016	FY2015	Difference	Ratio	Explanations
Ordinary Revenues	Lighting	594.8	614.2	-19.4	96.8	Effect of fuel cost adjustment -131.7 (-163.9←-32.2)
	Power	747.6	823.6	-75.9	90.8	Decrease in electricity sales Volume -10.0
	Sub Total	(1,342.5)	(1,437.9)	(-95.3)	(93.4)	<u>Renewable Energy Power Promotion Surcharge 47.0 (151.1←104.1)</u>
	Other	365.6	285.8	79.8	127.9	<u>Grant based on the Act on Purchase of Renewable Energy Sourced Electricity 58.6(262.4←203.7)</u> Electricity Sales to Others 14.7 Proceed from dividends -5.3
	(Sales)	(1,696.7)	(1,705.4)	(-8.7)	(99.5)	
	Total	1,708.1	1,723.7	-15.5	99.1	
Ordinary Expenses	Labor	132.6	131.0	1.6	101.2	
	Fuel	263.5	364.7	-101.2	72.3	Drop in CIF -35.0 Exchange gains -24.0 Effect of restarting to generate electricity in Sendai Nuclear Power -28.0
	Power purchase	409.8	386.8	23.0	106.0	Purchase from other companies 27.4 [Figures are included above : <u>Purchase of Renewable Energy Sourced Electricity 55.1 (302.4 ← 247.3)</u> Thermal from other companies -25.9] Purchase from other electric companies -4.4
	Maintenance	152.7	144.4	8.2	105.7	Nuclear 23.7 Thermal -6.9 Transmission -3.0 Transformation -2.3 Distribution -1.9
	Depreciation	176.3	167.0	9.3	105.6	Regular depreciation 10.0 Trial operations depreciation -0.6
	Interest	33.4	37.0	-3.6	90.2	
	Tax and public dues	85.7	85.2	0.4	100.6	
	Nuclear back-end	28.2	21.7	6.5	130.0	Effect of restarting to generate electricity in Sendai Nuclear Power 6.0
	Other	356.6	311.2	45.4	114.6	<u>Levy based on the Act on Purchase of Renewable Energy Sourced Electricity 47.0 (151.1 ← 104.1)</u> Overhead expenses -3.9
Total	1,639.2	1,649.4	-10.1	99.4	Effect of restarting to generate electricity in Sendai Nuclear Power around -22.0 (Decrease in Fuel cost -28.0 Increase in nuclear back-end 6.0)	
(Operating Income)		(99.5)	(97.8)	(1.6)	(101.7)	
Ordinary Income		68.8	74.3	-5.4	92.7	
Reserve for Fluctuation In Water Levels		0.9	5.9	-4.9	15.9	
Extraordinary Gain		—	7.4	-7.4	—	
Extraordinary Loss		9.5	—	9.5	—	Contingent loss 0.2 Extraordinary loss on natural disaster 9.3
Income Tax		-2.7	10.4	-13.2	—	Income Taxes-Deferred -7.6
Net Income		61.0	65.3	-4.2	93.5	

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)



【Reference : Key Factors】

(Billions of Yen)

	FY2016	FY2015	Difference	Financial impact	
Crude oil CIF price	48 \$/b	49 \$/b	-1 \$/b	(1\$/b)	3.5
Exchange rate	108 Yen/\$	120 Yen/\$	-12 Yen/\$	(1Yen/\$)	2.0
Nuclear power utilization rate	31.9 %	20.7 %	11.2 %	(1%)	2.0
Water flow rate	115.0 %	111.4 %	3.6 %	(1%)	0.3

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

The effect of the decline of fuel prices from the latter half of FY2015

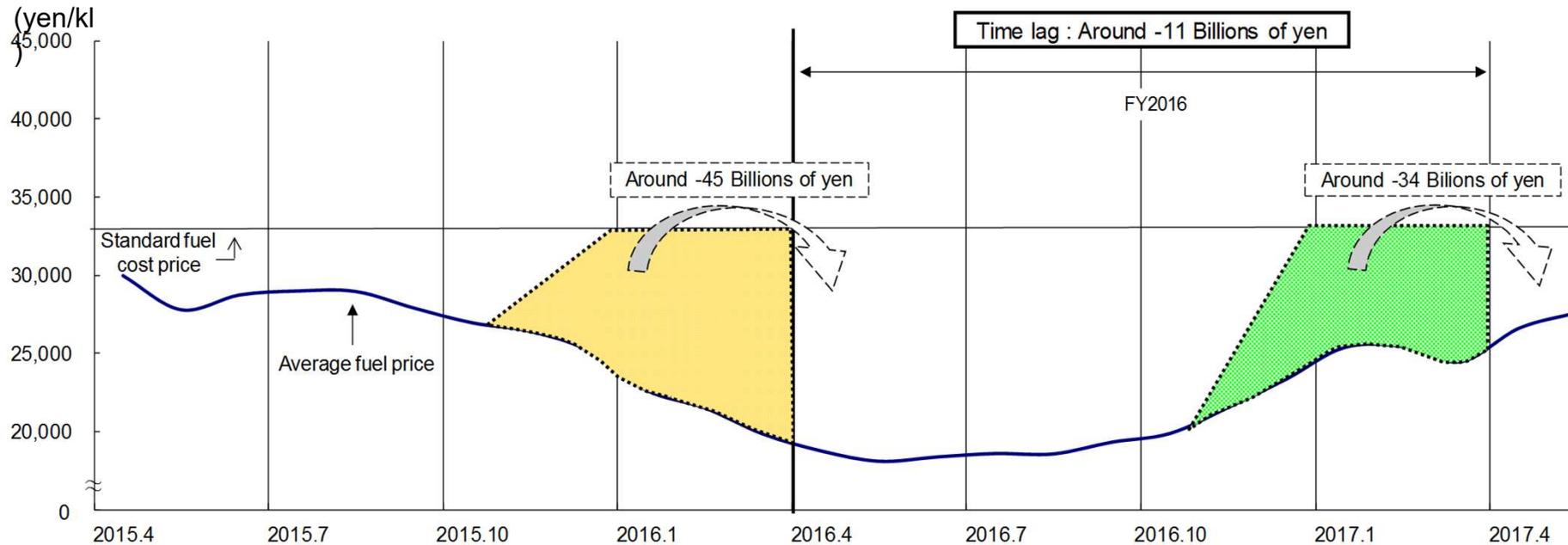
- Fuel prices in the latter half of FY2015, had been lower than standard fuel price, were reflected as a decrease of income in the FY2016. [Around -45 billions of yen]
- A part of the fuel prices of FY2016, had been lower than standard fuel price, weren't reflected as a decrease income in the FY2016 and brought forward after the FY2017. [Around ¥ -34 billions]

The income and expenditure worsened due to the effect of this time lag of fuel cost adjustment *.

[around -11 billions of yen] (The FY2015: Around ¥ 56 billions)

*The average fuel prices in each three month are reflected two months later.

○The effect of the decline of fuel prices (The image of time lag of fuel cost adjustment)

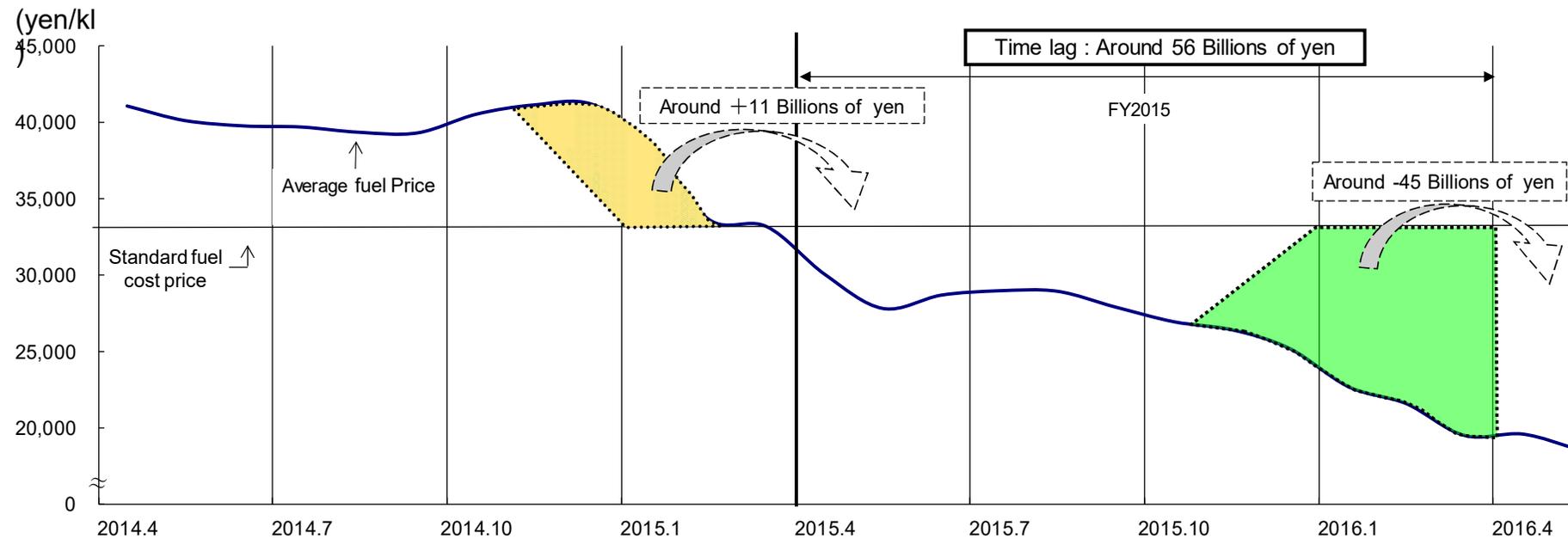


(Reference)

	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	2016.10	2016.11	2016.12	2017.1	2017.2	2017.3
JCC(\$/b)	56	59	64	64	59	51	48	48	44	37	30	32	37	41	45	48	45	46	45	49	47	53	55	56
JLC(\$/t)	528	459	449	463	473	497	491	468	438	403	405	375	326	305	303	332	340	367	377	380	379	386	407	-

(Reference 1-2) The effect of time lag of fuel cost adjustment (FY2015)

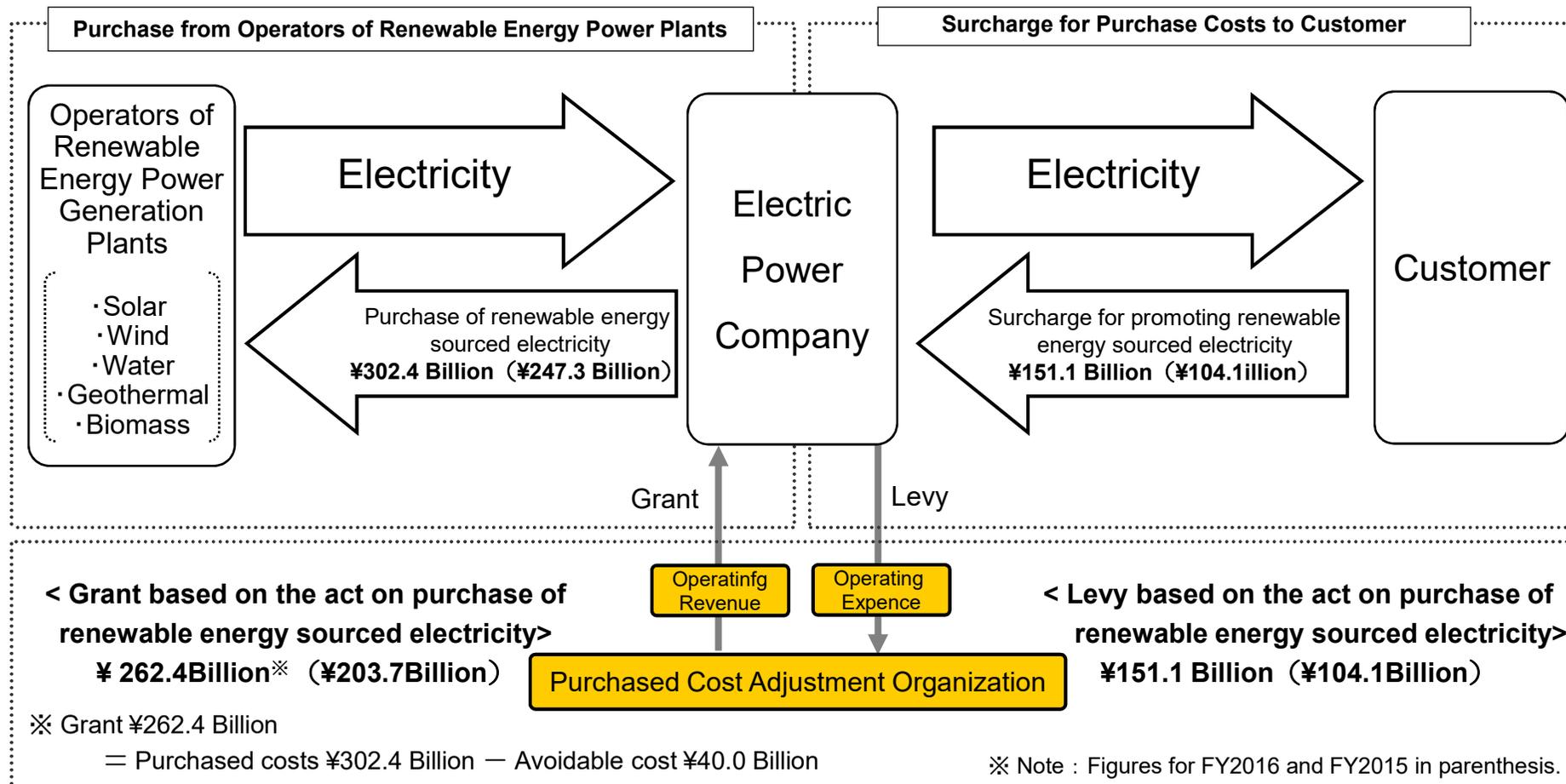
○The effect of the decline of fuel prices (The image of time lag of fuel cost adjustment)



(Reference)

	2014.4	2014.5	2014.6	2014.7	2014.8	2014.9	2014.10	2014.11	2014.12	2015.1	2015.2	2015.3	2015.4	2015.5	2015.6	2015.7	2015.8	2015.9	2015.10	2015.11	2015.12	2016.1	2016.2	2016.3
JCC(\$/b)	109	109	110	112	111	106	101	91	79	63	50	55	56	59	64	64	59	51	48	48	44	37	30	32
JLC(\$/t)	874	851	840	837	825	807	824	848	815	770	689	630	528	459	449	463	473	497	491	468	438	403	405	375

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



(Billions of Yen)

	FY2016	FY 2015	Difference
Renewable Energy Power Promotion Surcharge (Revenue)	151.1	104.1	47.0
Levy based on the Act on Purchase of Renewable Energy Sourced Electricity (Expenditure)	151.1	104.1	47.0
Purchase of Renewable Energy Sourced Electricity (Expenditure)	302.4	247.3	55.1
Grant based on the Act on Purchase of Renewable Energy Sourced Electricity (Revenue)	262.4	203.7	58.6

Balance Sheet (Non-Consolidated)

Assets

(Billions of Yen)

	Mar.31,2017	Mar.31,2016	Difference	Explanations
Utility Property, Plant and Equipment	2,372.2	2,354.1	18.1	Construction completed 212.1 Depreciation -175.1
Investments and Other Assets	421.4	670.8	-249.4	Reserve fund for reprocessing of irradiated nuclear fuel ^{※1} -270.0
Others	1,347.8	1,296.4	51.3	Construction in progress 37.5 (Additional construction of Matsuura Power Station NO.2 36.3) Accounts receivable 19.4
Total	4,141.5	4,321.4	-179.8	

Liabilities and Equity

(Billions of Yen)

	Mar.31,2017	Mar.31,2016	Difference	Explanations
Liabilities	3,705.0	3,936.2	-231.1	Provision for reprocessing of irradiated nuclear fuel ^{※1} -279.5 Accounts payable trade -26.0 Interest-bearing Debt 80.5
Equity	436.4	385.1	51.2	FY2016 Net Income 61.0 [Equity Ratio] Mar.31,2017 10.5% ← Mar.31,2016 8.9% +1.6% ^{※1}
Total	4,141.5	4,321.4	-179.8	

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

	Mar.31,2017	Mar.31,2016	Difference
Bonds	1,294.4	1,124.4	170.0 ^{※2}
Loans	1,806.1	1,895.6	-89.4
Total	3,100.5	3,020.0	80.5

※1 Shareholders' equity ratio increased around 0.6% due to an enforcing of "The Act for Partial Amendment of the Spent Nuclear Fuel Reprocessing Fund Act" in October 2016.

※2 An issuance of Euro-Yen denominated convertible bond-type bonds with subscription rights to shares on March 30th, 2017(¥150.0 billion)
Due 2020 (3-year bond) ¥75.0 billion, Due 2022 (5-year bond) ¥75.0 billion
Zero-coupon

Income Statement and Balance Sheet (Consolidated)

Income Statement Summary

(Billions of Yen,%)

		FY2016	FY2015	Difference	Ratio	FY2016 Consolidated Ratio
Ordinary Revenues	Operating Revenues (Sales)	1,827.5	1,835.6	-8.1	99.6	
	Electric	1,681.0	1,688.3	-7.2	99.6	
	Other	146.4	147.3	-0.9	99.4	
	Other Revenues	18.1	16.2	1.8	111.3	
	Total	1,845.6	1,851.9	-6.3	99.7	
Ordinary Expenses	Operating Expenses	1,704.8	1,715.4	-10.5	99.4	(1.23)
	Electric	1,574.8	1,584.5	-9.6	99.4	
	Other	129.9	130.8	-0.8	99.3	
	Other Expenses	46.5	45.6	0.9	102.0	
	Total	1,751.4	1,761.0	-9.6	99.5	
(Operating Income)		(122.6)	(120.2)	(2.3)	(102.0)	(1.23)
Ordinary Income		94.2	90.9	3.3	103.6	(1.37)
Reserve for Fluctuation In Water Levels		0.9	5.9	-4.9	15.9	
Extraordinary gain		—	7.5	-7.5	—	
Extraordinary loss		10.4	—	10.4	—	
Net Income attributable to owners of parent		79.2	73.4	5.7	107.9	(1.30)
Comprehensive Income		82.0	49.4	32.5	165.9	

Balance Sheet Summary

(Billions of Yen,%)

		Mar.31,2017	Mar.31,2016	Difference
Total Assets		4,587.5	4,748.2	-160.6
Liabilities		4,012.9	4,248.3	-235.3
Interest-bearing Debt		3,313.9	3,224.8	89.0
Equity		574.5	499.9	74.6
【Reference】 Equity Ratio		12.0	10.1	1.9

Segment Information

(Billions of Yen)

		FY2016	FY2015	Difference	Explanations
Electric power	Sales	1,685.0	1,692.3	-7.2	
	Operating Income	98.3	96.1	2.1	
Energy-related business	Sales	185.2	184.6	0.5	<ul style="list-style-type: none"> ▪ Sales increased due to increases of repair work in power stations, etc. regardless of a decrease of commissioned maintenance for conventional meters caused by installation of smart meters. ▪ Operating income decreased due to decreases of commissioned maintenance for conventional meters caused by installation of smart meters, etc.
	Operating Income	10.0	10.8	-0.7	
IT and Telecommunications	Sales	101.4	103.5	-2.1	<ul style="list-style-type: none"> ▪ Sales decreased due to a decrease of commissioned information system development, etc. regardless of increase income of optical broadband service. ▪ Operational revenue decreased due to increases of depreciation expense, taxes and due, etc. caused by optical broadband service.
	Operating Income	8.4	10.2	-1.7	
Other	Sales	24.9	26.8	-1.8	<ul style="list-style-type: none"> ▪ Sales decreased due to decreases on income regarding selling real estates, etc. ▪ Operating revenue increased due to a decrease of depreciation expense of rental buildings, etc.
	Operating Income	4.5	4.3	0.2	

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

Cash Flow (Consolidated)

(Billions of Yen)

	FY2016	FY2015	Difference	Explanations
Cash flows from operating activities (A)	188.0	329.4	-141.4	Decrease of Electricity and Power income -112.1 decrease due to pay the un-paid spent fuel reprocessing contribution -36.1 Increase of purchased power -15.0 Decrease of fuel cost 74.6
Cash flows from investing activities	-275.0	-288.3	13.2	An increase of purchase of non-current asset 13.8
Reposting of capital expenditures including nuclear fuel [Figures are included above] (B)	(-304.6)	(-318.4)	(13.8)	
Cash flows from financing activities	-78.3	-126.1	204.5	An increase of income regarding issuance of bonds 239.5
Change in cash & cash equivalents	-9.9	-86.7	76.7	

(Reference) Free cash flows (A) + (B)	-116.6	10.9	-127.6
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FY2016 Year-End Dividend

We'll decide amount of dividends based on keeping a stable dividends, taking into consideration financial results comprehensively.

Regarding dividends for the fiscal year ended March 31, 2017, we are supposed to pay out 15 yen per common share, taking into consideration our financial results of FY2016 and financial condition not only in FY2016 but also in medium-and long-term comprehensively.

In addition, we are supposed to pay dividends for the fiscal year ended March 31, 2017 per Class A preferred share(Amount 3.5 billions yen).

(Yen/Share)

	FY 2016	FY 2015	Difference
common share	15	5	10

(Thousands of Yen/Share)

	FY 2016	FY 2015	Difference
Class A preferred share	3,500	7,153	-3,653

Note : Regarding Year-end dividend of Class A preferred share for the fiscal year ended March 31 2016,we paid out ¥7,153,763 per share including accumulation of that of FY2014.

FY2017 Financial Results Forecast and Dividend Forecasts

FY2017 Financial Results Forecast and Dividend Forecasts

【Financial Result Forecasts】

We expect that sales will increase to ¥1,960.0 billion mainly due to an increase in lighting and power revenues because of an increase in charge unit price effected by the fuel costs adjustment system, while electricity sales will decrease.

Income is currently not able to be estimated because we can't calculate expenses like fuel costs reasonably due to uncertainty of the timing of Genkai nuclear power station's restart.

We will promptly inform you of our forecasts when it is possible for us to make them.

【Dividend Forecasts】

Dividend for FY2017 are currently not able to be decided due to uncertainty of the timing of Genkai nuclear power station unit No.3 and No.4, though we'll continue to positive consideration for payment of a certain amount of dividend.

We will promptly inform you of our forecasts when it is possible for us to make them.

【Consolidated】

(Billions of Yen,%)

	FY2017 Forecasts	FY2016	Difference	Ratio
Sales	1,960.0	1,827.5	132.5	107.2
Operating income	—	122.6	—	—
Ordinary income	—	94.2	—	—
Net Income attributable to owners of parent	—	79.2	—	—

【Non-consolidated】

(Billions of Yen,%)

	FY2017 Forecasts	FY2016	Difference	Ratio
Sales	1,825.0	1,696.7	128.3	107.6
Operating income	—	99.5	—	—
Ordinary income	—	68.8	—	—
Net Income	—	61.0	—	—

【Reference : Key Factors】

	FY2017 Forecasts	FY2016	Difference
Electricity sales volume	76.3 Billion kWh	78.6 Billion kWh	-2.3 Billion kWh
Crude oil (CIF) price	60 \$/b	48 \$/b	12 \$/b
Exchange rate	115 Yen/\$	108 Yen/\$	7 Yen/\$

(Reference) Data

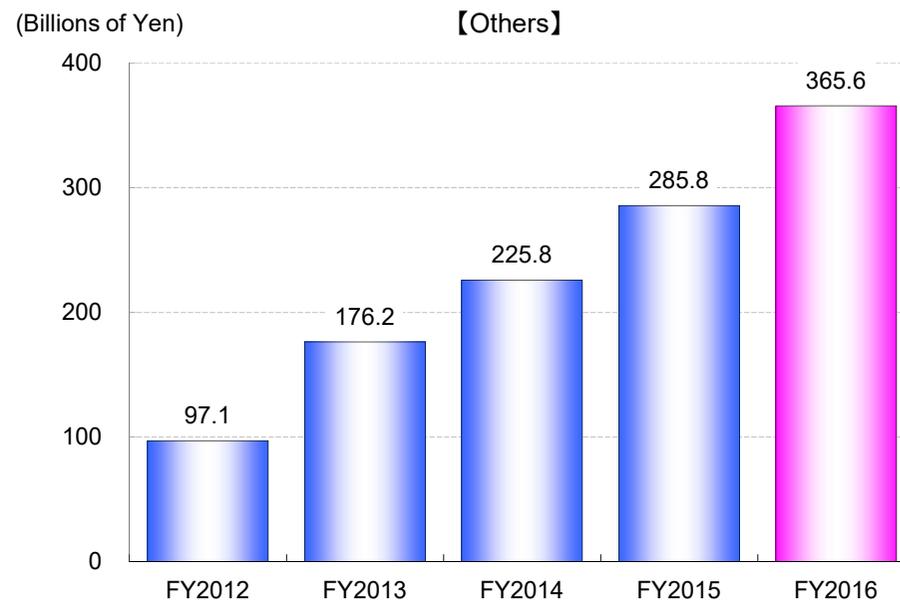
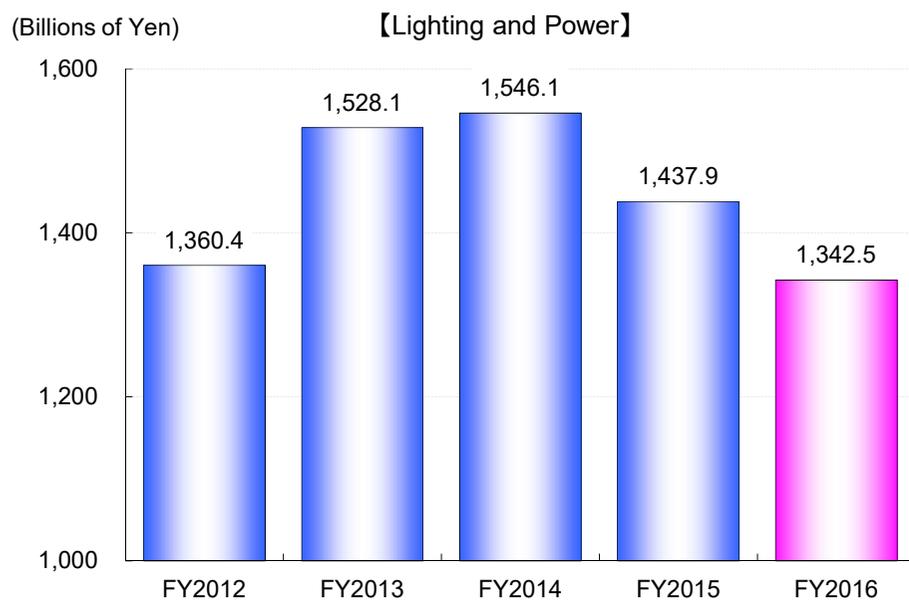
Revenues from lighting and Power and from Others (Non-Consolidated)

(Billions of Yen,%)				
	FY2016	FY2015	Difference	Ratio
Lighting and Power	1,342.5	1,437.9	-95.3	93.4

(Billions of Yen,%)				
	FY2016	FY2015	Difference	Ratio
Others	365.6	285.8	79.8	127.9

	Difference	FY2016	FY2015
1. Effect of fuel cost adjustment	-131.7	(-163.9	← -32.2)
2. Increase in electricity sales volume	-10.0		
3. Renewable Energy Power Promotion Surcharge	47.0	(151.1	← 104.1)

	Difference	FY2016	FY2015
1. Grant based on the Act on Purchase of Renewable Energy Sourced Electricity	58.6	(262.4	← 203.7)
2. Electricity Sales to Others	14.7	(33.5	← 18.7)
3. Proceed from dividends	-5.3	(5.8	← 11.2)



Expenses for Fuel and Power purchase (Non-Consolidated)

(Billions of Yen,%)				
	FY2016	FY2015	Difference	Ratio
Fuel	263.5	364.7	-101.2	72.3

Difference

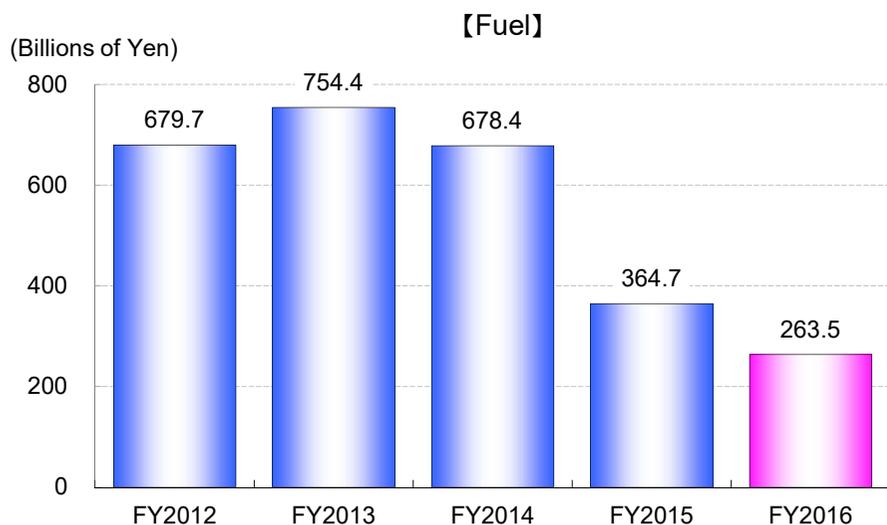
1. Drop in CIF	-35.0
2. Effect of restarting to generate electricity in Sendai Nuclear Power	-28.0
3. Exchange gains	-24.0

[Reference1] All Japan CIF prices

	FY2016	FY2015	Difference
Coal(\$/t)	79	75	3
LNG(\$/t)	358	451	-94
Crude oil(\$/b)	48	49	-1

[Reference2] Fuel consumption

	FY2016	FY2015	Difference
Coal (thousand. ton)	6,262	5,694	568
Heavy oil (thousand. kiloliter)	274	923	-649
Crude oil (thousand. kiloliter)	144	397	-253
LNG (thousand. ton)	4,053	3,806	247



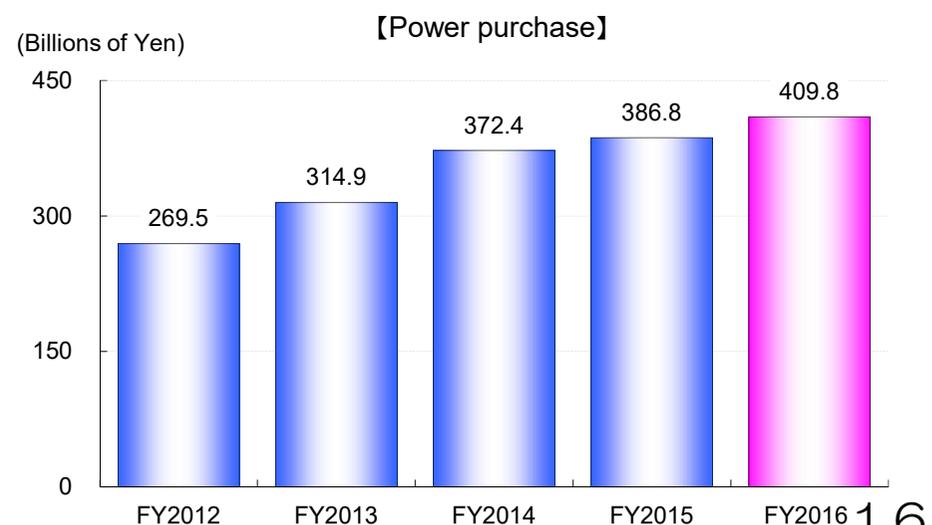
(Billions of Yen,%)				
	FY2016	FY2015	Difference	Ratio
Power purchase	409.8	386.8	23.0	106.0

Difference

FY2016

FY2015

1. Purchase from other companies	27.4	(408.9 ← 381.4)
◆ Purchase of Renewable Energy Sourced Electricity	55.1	(302.4 ← 247.3)
◆ Thermal from other companies	-25.9	(91.2 ← 117.1)
2. Purchase from other electric companies	-4.4	(0.9 ← 5.3)



Expenses for Maintenance and Depreciation (Non-Consolidated)

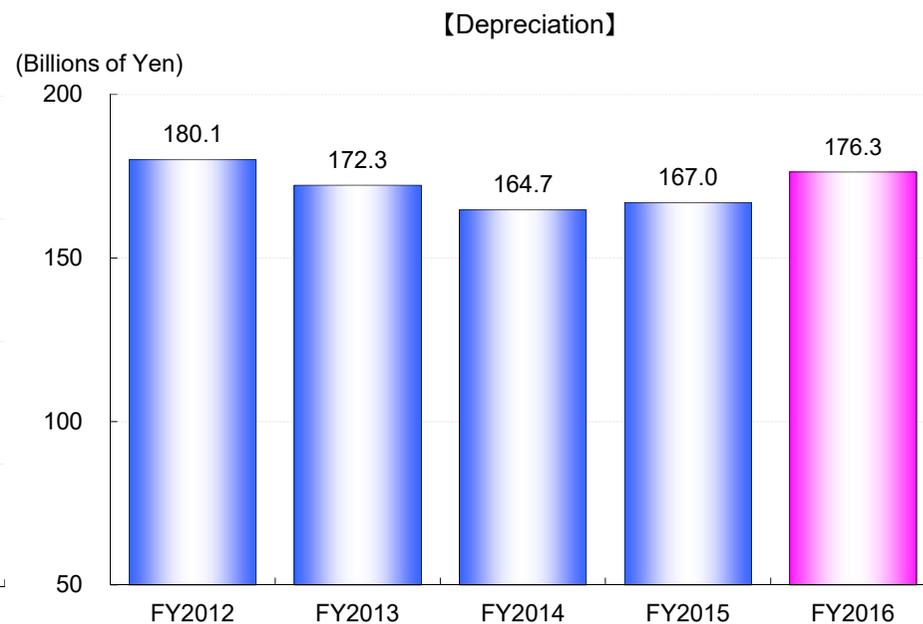
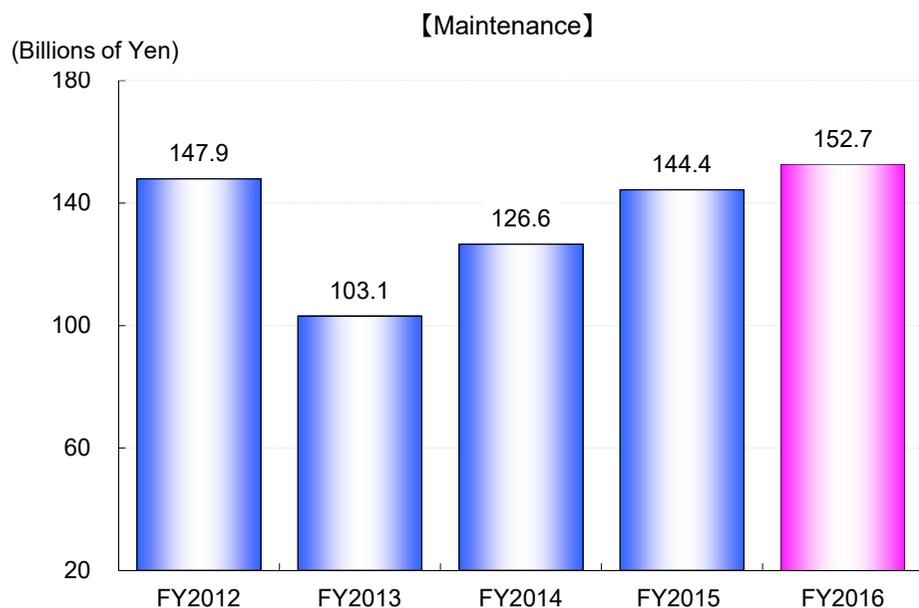
(Billions of Yen,%)				
	FY2016	FY2015	Difference	Ratio
Maintenance	152.7	144.4	8.2	105.7

(Billions of Yen,%)				
	FY2016	FY2015	Difference	Ratio
Depreciation	176.3	167.0	9.3	105.6

	Difference	FY2016	FY2015
1. Nuclear	23.7	(52.3 ← 28.5)	
2. Thermal	-6.9	(30.0 ← 36.9)	
3. Transmission	-3.0	(7.2 ← 10.3)	

	Difference	FY2016	FY2015
1. Regular depreciation	10.0	(175.1 ← 165.0)	
◆ Thermal	7.7	(22.2 ← 14.4)	
◆ Nuclear	3.1	(36.8 ← 33.7)	
2. Trial operations depreciation	-0.6	(1.2 ← 1.9)	

◆ Expansion of unit No. 3 x 4 at the Shin-Oita Power Station
(trial operation : 2016.1, commercial operation : 2016.6)



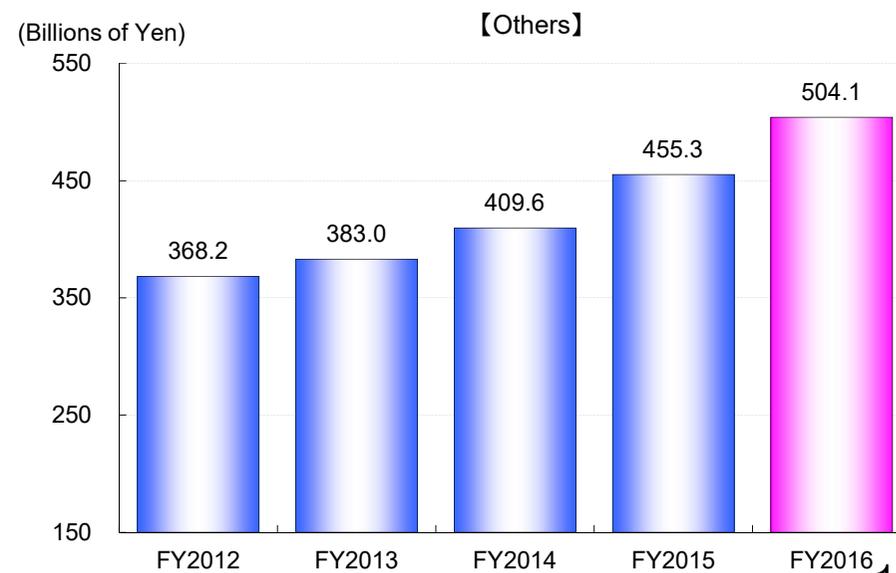
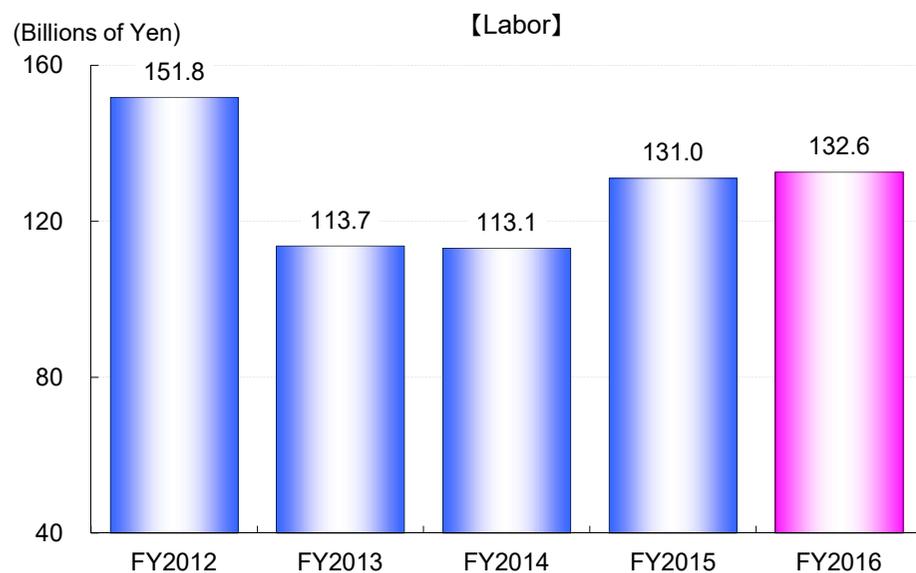
Expenses for Labor and Others (Non-Consolidated)

(Billions of Yen,%)				
	FY2016	FY2015	Difference	Ratio
Labor	132.6	131.0	1.6	101.2

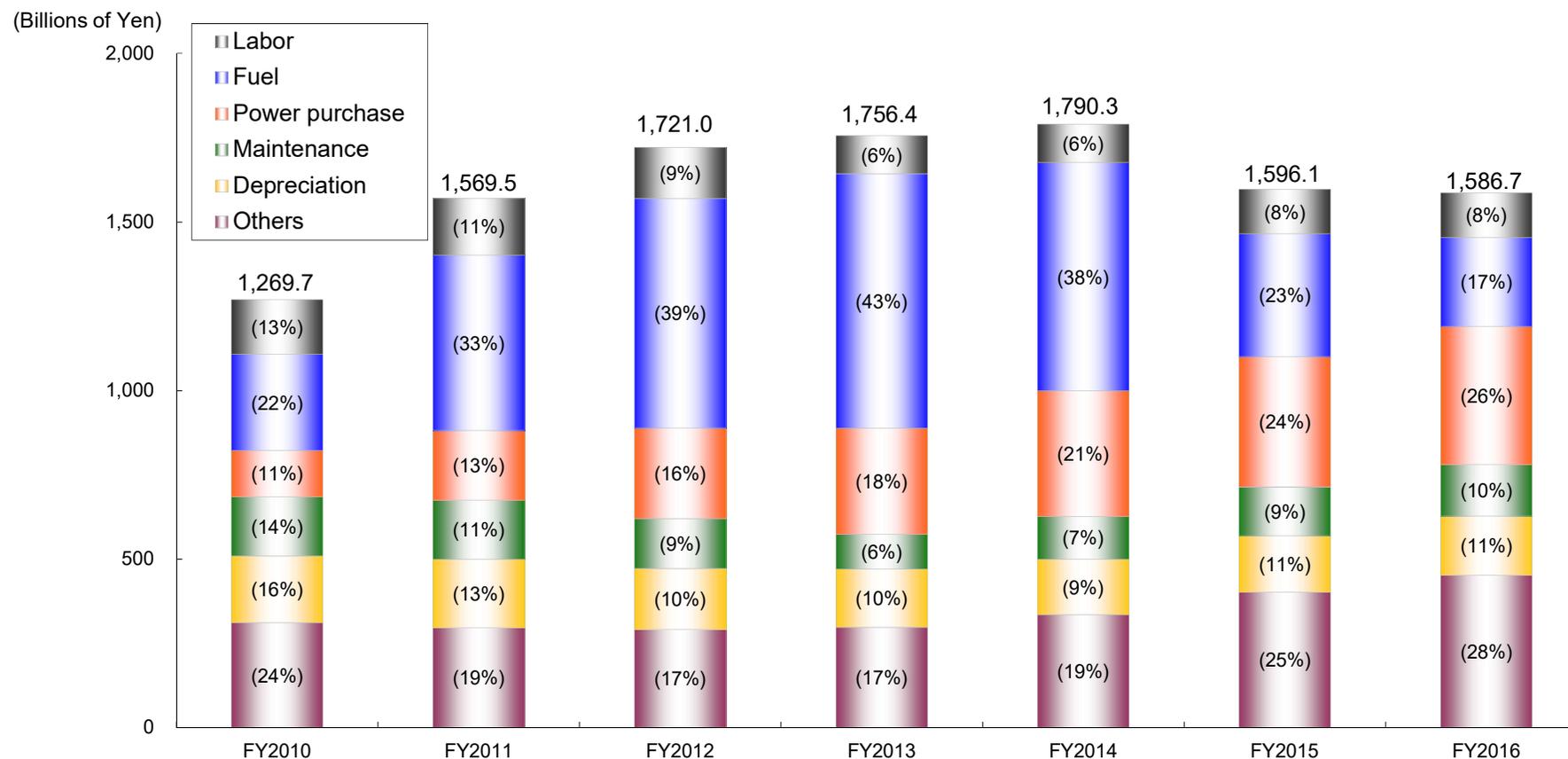
(Billions of Yen,%)				
	FY2016	FY2015	Difference	Ratio
Others	504.1	455.3	48.7	110.7

	Difference	FY2016	FY2015
1. Employee retirement benefits	4.7	(8.9 ← 4.2)	
◆ Amortization of actuarial differences	3.6	(3.5 ← -0.1)	
2. Salary	-2.6	(95.9 ← 98.6)	

	Difference	FY2016	FY2015
1. Levy based on the Act on Purchase of Renewable Energy Sourced Electricity	47.0	(151.1 ← 104.1)	
2. Nuclear back-end	6.5	(28.2 ← 21.7)	
◆ Effect of restarting to generate electricity in Sendai Nuclear Power	6.0	(12.5 ← 6.5)	
3. Overhead expenses	-3.9	(150.4 ← 154.4)	



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

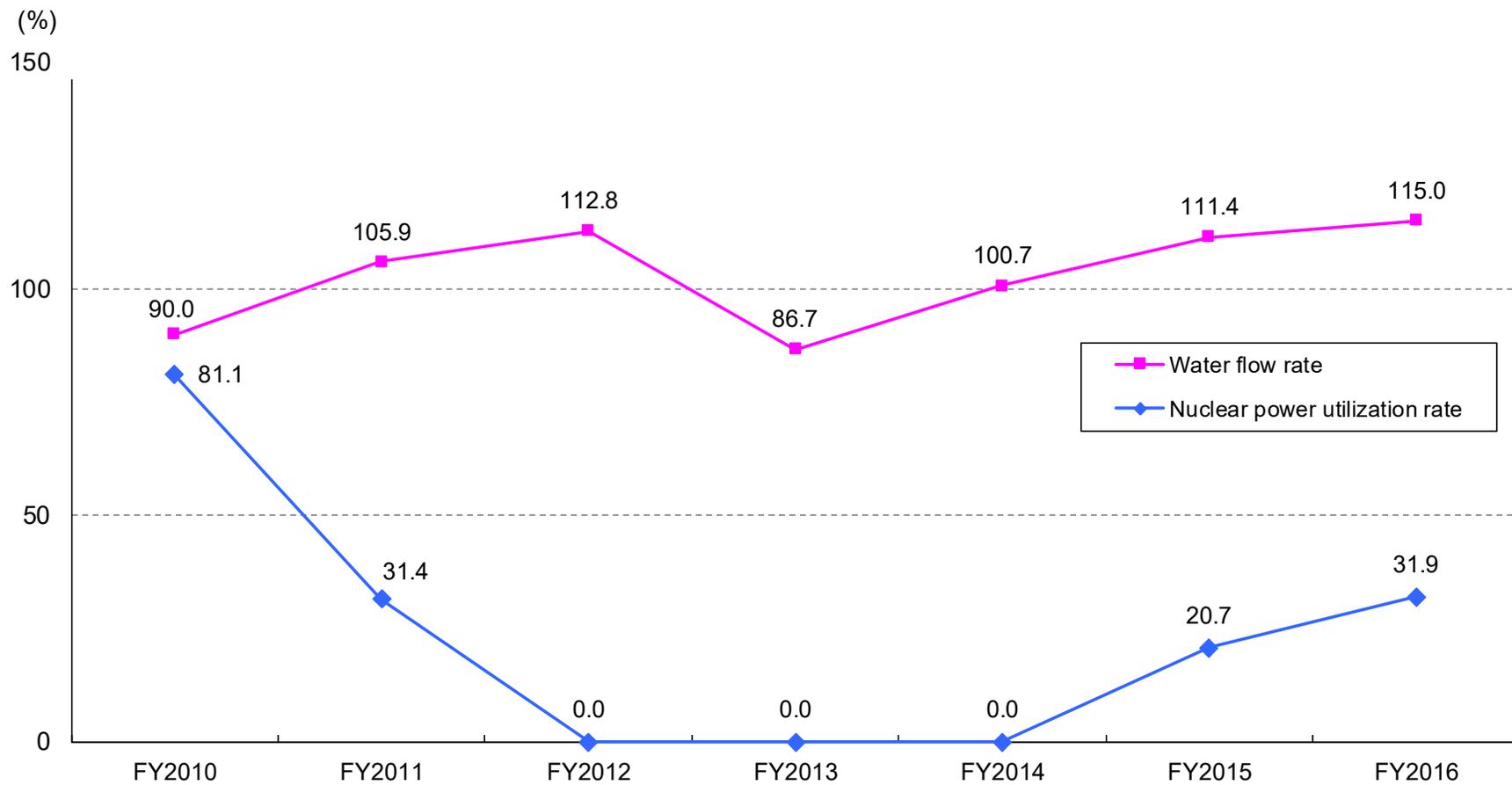


※ () is a component ratio in each fiscal year

(Billions of Yen)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Labor	162.6	167.9	151.8	113.7	113.1	131.0	132.6
Fuel	284.8	520.2	679.7	754.4	678.4	364.7	263.5
Power purchase	137.0	206.0	269.5	314.9	372.4	386.8	409.8
Maintenance	175.9	176.0	147.9	103.1	126.6	144.4	152.7
Depreciation	197.9	202.1	180.1	172.3	164.7	167.0	176.3
Others	311.1	297.0	291.7	297.7	334.9	402.0	451.5
Total	1,269.7	1,569.5	1,721.0	1,756.4	1,790.3	1,596.1	1,586.7

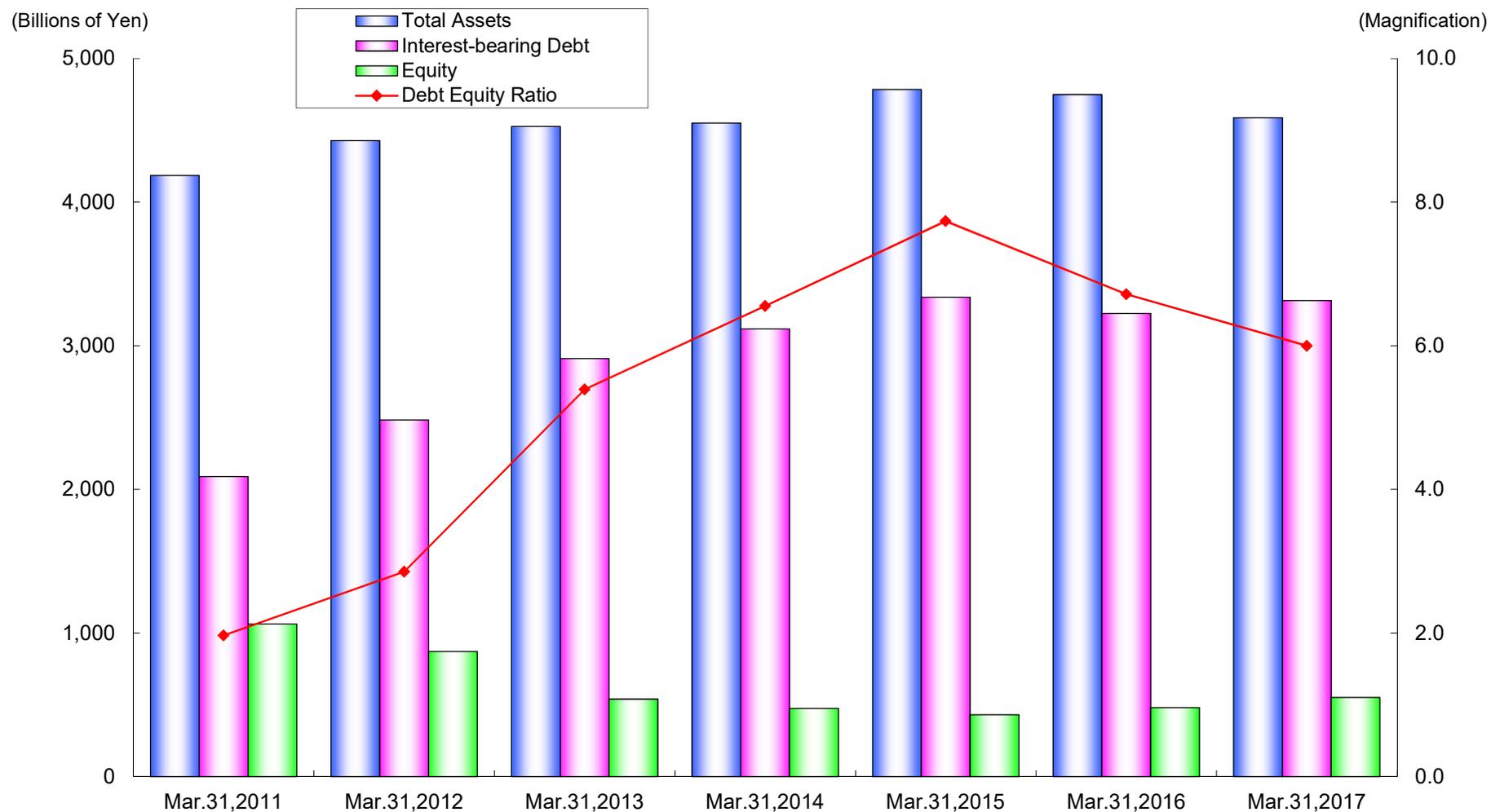
Water Flow Rate and Nuclear Power Utilization Rate





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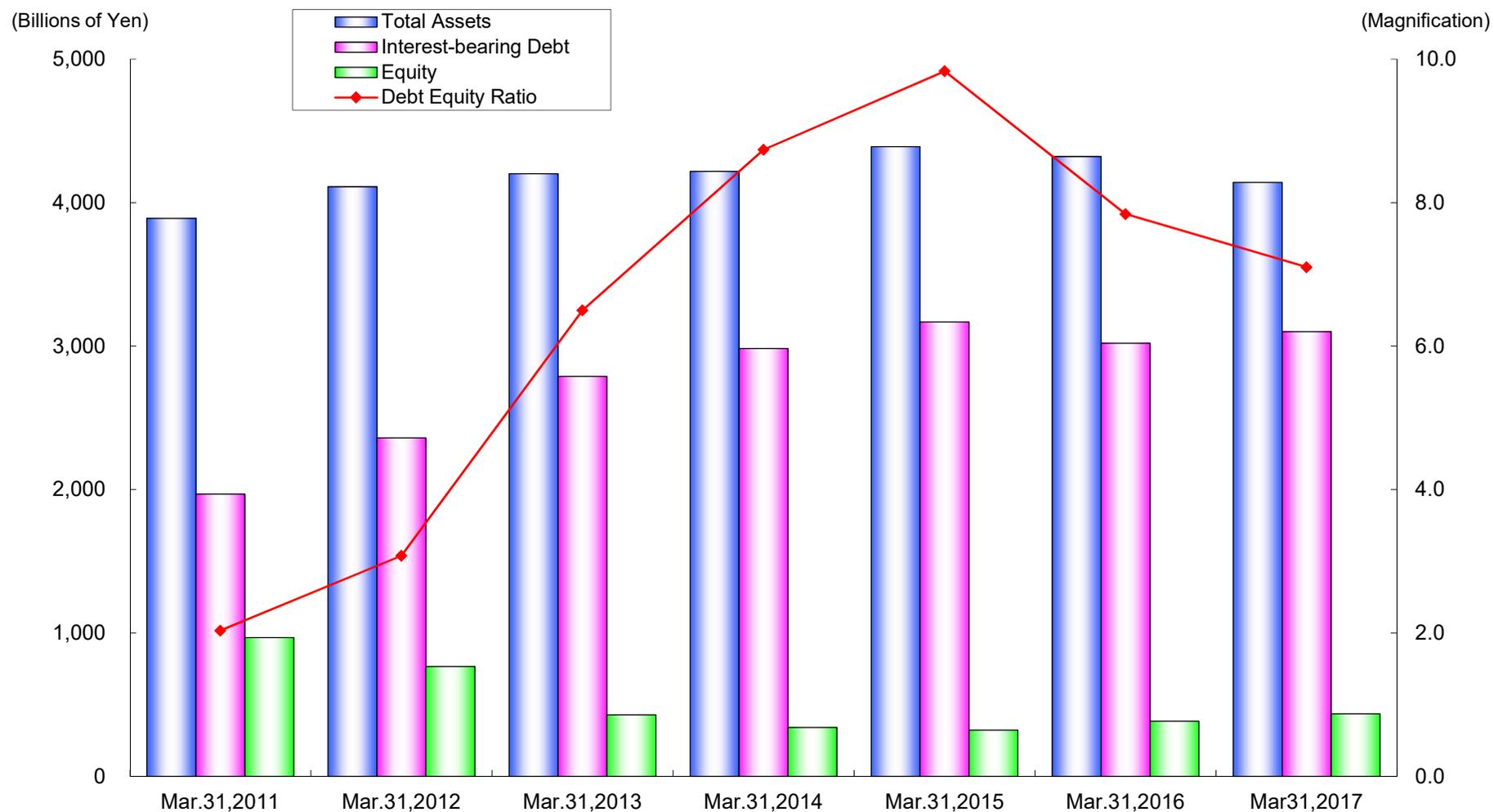
Total Assets, Interest - Bearing Debt, Equity, Debt- Equity Ratio (Consolidated)



(Billions of Yen, Magnification)

Total Assets	4,185.4	4,428.0	4,526.5	4,549.8	4,784.7	4,748.2	4,587.5
Interest-bearing Debt	2,089.4	2,483.2	2,910.7	3,116.7	3,337.9	3,224.8	3,313.9
Equity	1,062.4	870.3	539.6	475.5	431.5	479.9	550.9
Debt Equity Ratio	2.0	2.9	5.4	6.6	7.7	6.7	6.0

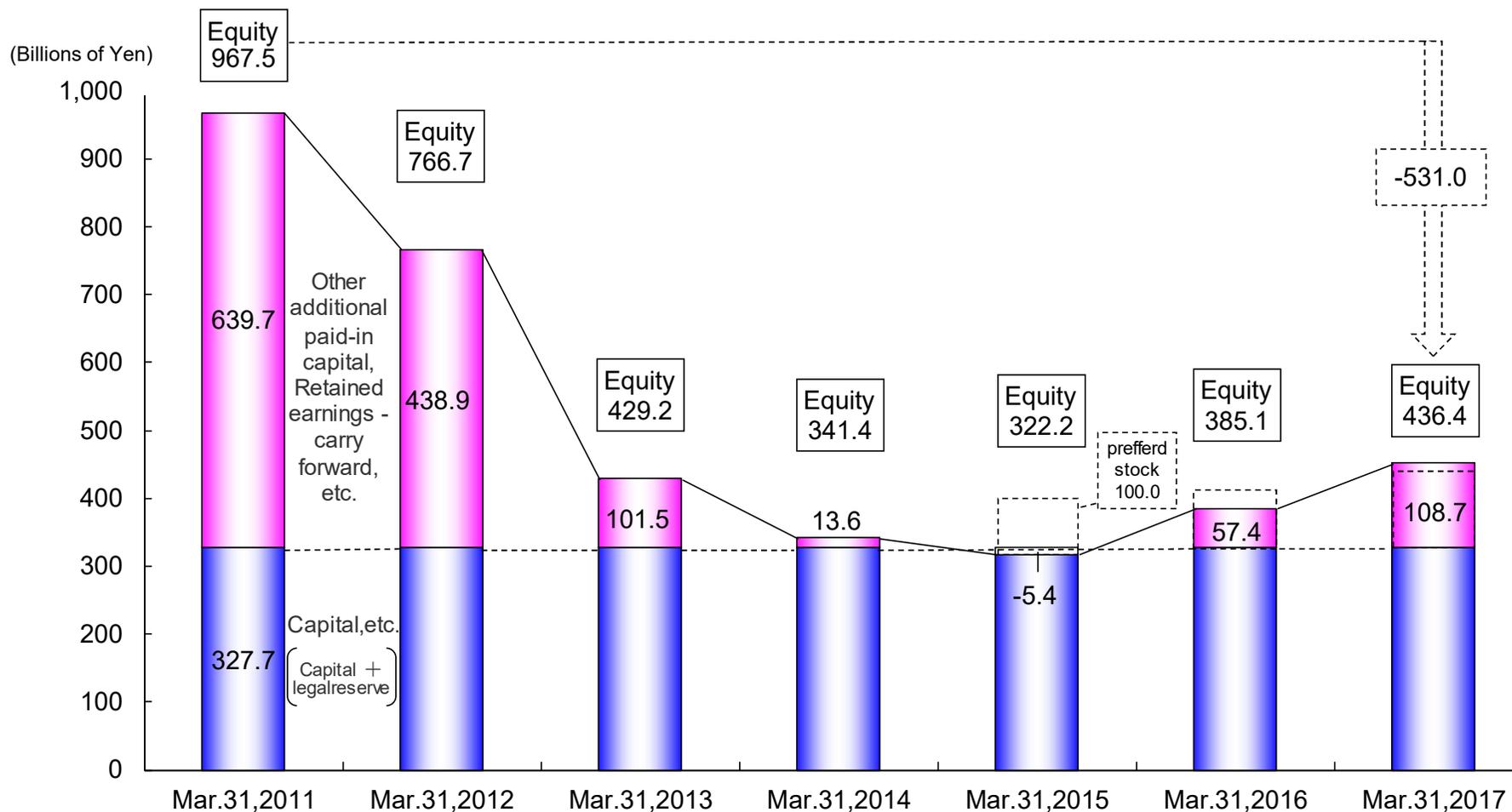
Total Assets, Interest - Bearing Debt, Equity, Debt- Equity Ratio (Non-Consolidated)



(Billions of Yen, Magnification)

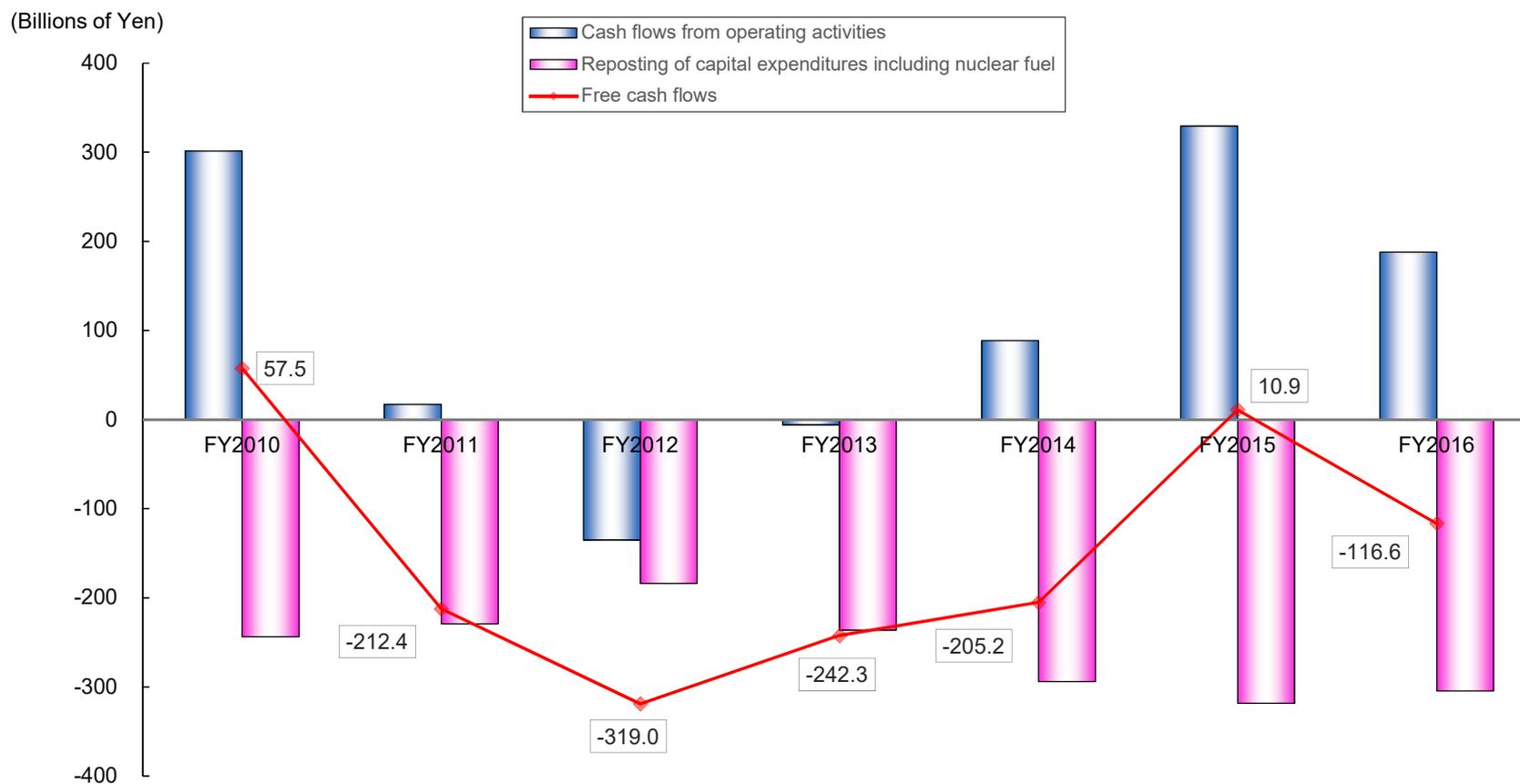
Total Assets	3,890.8	4,110.9	4,201.7	4,218.0	4,390.9	4,321.4	4,141.5
Interest-bearing Debt	1,968.1	2,360.1	2,789.0	2,983.8	3,168.2	3,020.0	3,100.5
Equity	967.5	766.7	429.2	341.4	322.2	385.1	436.4
Debt Equity Ratio	2.0	3.1	6.5	8.7	9.8	7.8	7.1

Changes in Equity (Non-Consolidated)



Equity Ratio (%)	24.9	18.7	10.2	8.1	7.3	8.9	10.5
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Free Cash Flow (Consolidated)



(Billions of Yen)

Cash flows from operating activities	301.3	16.9	-135.1	-5.9	-88.7	329.4	188.0
Reposting of capital expenditures including nuclear fuel	-243.7	-229.3	-183.9	-236.3	-293.9	-318.4	-304.6
Free cash flows	57.5	-212.4	-319.0	-242.3	-205.2	10.9	-116.6



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