

April 28, 2016

The Fiscal Year Ended March 31, 2016 Financial Results Overview (Japan GAAP) (Consolidated)

Kyushu Electric Power Co., Inc.

Stock code: 9508 URL: http://www.kyuden.co.jp/en_index

Stock listed on: Tokyo SE, Fukuoka SE

Representative: Mr. Michiaki Uriu, President

Contact: Investor Relations Group, Corporate Planning Division. Tel: +81-92-726-1575

Shareholders' Meeting: June 28, 2016

Commencement of payment of year-end dividend: June 29, 2016

Projected date for submitting annual security report: June 29, 2016

Preparation of supplementary materials for financial results: Yes

Information meeting for financial results: Yes (for analysts and institutional investors)

(Rounded down to the nearest million yen)

1. Consolidated Financial Results for FY2015 (April 1, 2015 to March 31, 2016)

(1) Consolidated Operational Results

(% shows the changes from the previous FY)

	Sales		Operating income		Ordinary income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2015 ended March 31, 2016	1,835,692	-2.0	120,256		90,916	
FY2014 ended March 31, 2015	1,873,467	4.6	-43,314		-73,693	

(Note) Comprehensive income: FY2015 49,450 million yen (- %) FY2014 -143,186 million yen (- %)

	Profit attributable to owners of parent		Net earnings per share	Fully-diluted net earnings per share	Net return on shareholders' equity	Ratio of current income to total capital	Ratio of current income to sales
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)	(%)	(%)	(%)
FY2015 ended March 31, 2016	73,499	—	155.17	—	16.1	1.9	6.6
FY2014 ended March 31, 2015	-114,695	—	-242.38	—	-25.3	-1.6	-2.3

(Reference) Investment Profit/Loss under Equity Methods: FY2015 6,052 million yen FY2014 3,400 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2015 ended March 31, 2016	4,748,237	499,903	10.1	787.01
FY2014 ended March 31, 2015	4,784,735	450,990	9.0	692.52

(Reference) Shareholders' equity: FY2015 479,929 million yen FY2014 431,528 million yen

(3) Consolidated Cash Flow

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financing activities	Cash and cash equivalents balance as of term-end
	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)
FY2015 ended March 31, 2016	329,491	-288,321	-126,184	429,757
FY2014 ended March 31, 2015	88,736	-268,413	310,807	516,480

2. Dividends

(Record date)	Annual dividends per share					Total dividends (annual)	Payout ratio (consolidated)	Dividend rate for net assets (consolidated)
	1Q	Interim	3Q	Year-end	Total			
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: million yen)	(%)	(%)
FY2014 ended March 31, 2015		0.00		0.00	0.00	—	—	—
FY2015 ended March 31, 2016		0.00		5.00	5.00	2,369	3.2	0.7
FY2016 ending March 31, 2017 (forecast)								

(Note) The source of dividends for the FY 2015 includes capital surplus. For more detailed information, please see below "The breakdown of the dividend which were paid out of the capital surplus".

Year-end dividend for FY2016 ending March 31, 2017 has yet to be decided. We will promptly inform you of a dividend when it is possible for us to make our forecasts.

Dividends mentioned the above is regarding common shares. Regarding preferred shares which differ in shareholders' rights from common shares, see "Dividends for preferred shares".

3. Forecast for FY2016 ending March 2017 (April 1, 2016 to March 31, 2017)

(% show s the changes from the same financial periods of the previous year)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net earnings per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
2Q	920,000	-1.2	—	—	—	—	—	—	—
Full-year	1,830,000	-0.3	—	—	—	—	—	—	—

(Note) Fiscal 2016 full-year performance outlook for operating income, ordinary income and profit attributable to owners of parent are currently not able to be estimated. There are two primary reasons. The first is that the period of the resumption of operations of Genkai nuclear power stations are unclear. The second is that we cannot make sure the progress of efficiency in general cost, though we have made efforts for since beginning of the fiscal year while securing safety, compliance and stable supply. Because Sendai nuclear power stations will suspend due to the periodic inspection in the second half of the fiscal year.

Note

(1) Changes in significant subsidiaries (changes in scope of consolidated subsidiaries) : No

Newly added: 0 Excluded: 0

*Notes on the scope of consolidation and the application of the equity method

Consolidated subsidiaries: 41

Non-consolidated subsidiaries accounted for under the equity method: 13

Affiliated companies accounted for under the equity method: 14

Changes in the scope of consolidation and the application of the equity method from March 31, 2013

Consolidated subsidiaries Newly added: 1 Excluded: 0

Under the equity method Newly added: 0 Excluded: 2

(2) Changes in accounting principles, changes in accounting estimates, restatement

Changes in accounting principles in line with revised accounting standards : Yes

Changes in accounting principles other than : No

Changes in accounting estimates : No

Restatement : No

(Note) For more information, please see page 25 of the attached material "(5)Notes on Consolidated Financial Statements/ Changes in accounting principles, changes in accounting estimates, restatements".

(3) Number of outstanding shares

Number of outstanding shares at year end (including treasury stock):

FY2015 ended March 2016 474,183,951 shares FY2014 ended March 2015 474,183,951 shares

Number of treasury stock at year end

FY2015 ended March 2016 523,345 shares FY2014 ended March 2015 509,481 shares

Average number of shares outstanding during the period

FY2015 ended March 2016 473,665,972 shares FY2014 ended March 2015 473,207,872 shares

(Note) Regarding the number of shares which were used as fundamentals in the calculation of the net income per share (consolidated), please see page 29 of the attached material "(5)Notes on Consolidated Financial Statements/ Per share data".

(Reference) Outline of Non-consolidated Financial Results

1. Non-consolidated Financial Results for FY2015 (April 1, 2015 to March 31, 2016)

(1) Non-Consolidated Operational Results

(% show s the changes from the previous FY)

	Sales		Operating income		Ordinary income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2015 ended March 31, 2016	1,705,485	-3.2	97,846	—	74,338	—
FY2014 ended March 31, 2015	1,761,275	4.7	-59,380	—	-93,080	—

	Net income		Net earnings per share	Fully-diluted net earnings per share
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)
FY2015 ended March 31, 2016	65,328	—	137.83	—
FY2014 ended March 31, 2015	-119,010	—	-251.32	—

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2015 ended March 31, 2016	4,321,442	385,190	8.9	586.60
FY2014 ended March 31, 2015	4,390,912	322,299	7.3	461.61

(Reference) Shareholders' equity: FY2015 385,190 million yen FY2014 322,299 million yen

2. Non-consolidated Forecast for FY2016 ending March 2017 (April 1, 2016 to March 31, 2017)

(% show s the changes from the same financial periods of the previous year)

	Sales		Operating income		Ordinary income		Net income		Net earnings per share
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
2Q	860,000	-1.2	—	—	—	—	—	—	—
Full-year	1,700,000	-0.3	—	—	—	—	—	—	—

(Note) Fiscal 2016 full-year performance outlook for operating income, ordinary income and net income attributable to Kyushu Electric is currently not able to be estimated. The primary reason is that we can not make sure of the progress of efficiency in general cost for balance in the black for the full year, we have made efforts for since beginning of the fiscal year based on the safety, compliance and stable supply, given that the period of the resumption of operations of Genkai nuclear power stations remains unclear and Sendai nuclear power stations will suspend due to the periodic inspection in the second half of the fiscal year.

We will promptly inform you of our forecasts when it is possible for us to make them (please see page 5 of the attached material "(1)Analysis regarding business performance/ Forecast for FY2016").

*Notes on implementation status of quarterly review procedure

This financial results overview is not the object of quarterly review procedure based on Financial Instruments and Exchange Act, and at the time of this disclosure, quarterly review procedure of quarterly consolidated financial reports based on Financial Instruments and Exchange Act is under implementation.

*Notes on the proper use of the forecasts

Looking-forward statements are based on information available at the date of the release of this document. Due to various factors, the actual result may differ from these statements.

We will post supplementary materials for quarterly financial results on our website.

(Reference) Dividends for Preferred Shares

The breakdown of dividend per preferred shares which differ in shareholders' rights from common shares is as follows.

Class A preferred shares	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2014 ended March 31, 2015		0.00		0.00	0.00
FY2015 ended March 31, 2016		0.00		7,153,763.00	7,153,763.00
FY2016 ending March 31, 2017 (forecast)					

(Note) The source of dividends for the FY2015 includes capital surplus. For more detailed information, please see below "The breakdown of the dividend which were paid out of the capital surplus".

Year-end dividend for Preferred Shares for FY2016 ending March 31, 2017 has yet to be decided.

(Reference) The breakdown of the dividend which were paid out of the capital surplus

The following provides a breakdown of the part of the dividends for the FY2015 ending March 31, 2016 that were paid out of the capital surplus.

Common shares

Reference date	Year-end	Total
Dividend per share (yen)	5.00	5.00
Total amount of dividend (million yen)	2,369	2,369

Class A preferred shares

Reference date	Year-end	Total
Dividend per share (yen)	7,153,763.00	7,153,763.00
Total amount of dividend (million yen)	7,153	7,153

(Note) The proportion of the decrease in net assets is in the process of being calculated. We will announce you it as soon as determined.

Table of Contents of Attached Material

1. Analysis Regarding Business Performance and Financial Condition	2
(1) Analysis regarding business performance	2
(2) Analysis regarding financial condition	6
(3) Basic policy regarding the appropriation of profits and dividends for FY2014 and FY2015	8
(4) Business risks factors	9
2. Management Policy	12
(1) Management Basic Policy, Medium- to long-term strategies	12
(2) Important management issues for the Company	13
3. Basic policy for selection of accounting standards	16
4. Consolidated Financial Statements	17
(1) Consolidated Balance Sheets	17
(2) Consolidated Income Statements and Consolidated Comprehensive Income Statements	19
(3) Consolidated Statements of Changes in Shareholders' Equity	21
(4) Consolidated Statements of Cash Flows	23
(5) Notes on Consolidated Financial Statements	25
(Note on the premise of going concern)	25
(Changes in accounting principles, changes in accounting estimates, restatements)	25
(Tax effect accounting)	25
(Segment information, etc)	26
(Per share data)	29
(Significant post-balance sheet event)	29
5. Non-consolidated Financial Statements	30
(1) Balance Sheets	30
(2) Income Statements	32
(3) Statements of Changes in Shareholders' Equity	34
6. Other	40
Income and Expenditure (Non-consolidated)	40

Please note that this purports to be an accurate and complete translation of the original Japanese version prepared for the convenience of our English-speaking audience. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

1. Analysis Regarding Business Performance and Financial Condition

(1) Analysis regarding business performance

Business performance of FY2015

The Japanese economy during this period (April 2015 – March 2016) has been recovering gently as a whole due to improvements in corporate earnings, while some productions and exports have been declining affected by slowdown of emerging countries. The economy in Kyushu has been also recovering due to the recover of personal consumption and housing investment affected by improving the employment and income environment as well as capital investment.

Regarding the Kyushu Electric Power Group, Sendai nuclear power station No.1, 2 have returned to commercial operation in September and November 2015, though we had been facing a severe financial situation and tight supply and demand in electricity business due to the suspension of every our nuclear power station.

We got into the black due to the time lag of reflection of declining fuel prices in lighting and power prices based on fuel costs adjustment system, on the revenue side, in addition to every group-wide effort to achieve thorough cost savings, the restart of generating electricity of Sendai nuclear power station No.1, 2 and a decrease in fuel costs along with the significant decline of fuel prices.

We will make every group-wide effort to achieve thorough cost savings and an early resumption of our nuclear power stations while securing, compliance and stable supply. This is due to a delay in full-fledged recovery of earnings as the Genkai nuclear power station No.3 and No.4 are under the review to verify compatibility in new regulatory requirements.

A. Revenue and expenditure

On the revenue side, consolidated sales (operating revenues) decreased by 2.0% to ¥1,835.6 billion compared with FY2014 and the ordinary revenues decreased by 2.0% to ¥1,851.9 billion as lighting and power revenues decreased due to the reduction of unit price with the effect of the fuel costs adjustment in addition to the decrease of electricity sales, while grant based on the Act on Purchase of Renewable Energy Sourced Electricity increased.

On the expenditure side, ordinary expenses decreased by 10.3% to ¥1,761.0 billion compared with FY2014 affected by the expenditure restraints in entire group, in addition to decreasing fuel costs along with the significant decline of fuel prices and the restart generating electricity of Sendai nuclear power station No.1 and No.2, while the costs for power purchases from renewable energy increased.

As a result, the ordinary income was ¥90.9 billion, improved from loss of ¥73.6 billion for the FY2014, and the profit attributable to owners of the parent was ¥73.4 billion, improved from loss of ¥114.6 billion for the FY2014.

Operating results for each of our business segments (before eliminating internal transactions) are as follows:

Operating Results (before eliminating internal transactions)

(Unit: 100 million yen, %)

		FY2015 (A)	FY2014 (B)	Difference (A-B)	Change (A/B)
Electricity	Sales	16,923	17,218	-295	98.3
	Operating Income(Loss)	961	-684	1,646	-
Energy-related	Sales	1,846	1,866	-20	98.9
	Operating Income(Loss)	108	109	-1	98.8
IT & Telecommunication	Sales	1,035	965	70	107.3
	Operating Income(Loss)	102	114	-11	90.0
Other	Sales	268	257	10	104.2
	Operating Income(Loss)	43	36	6	117.7

(Note) Electricity includes the company's business operations except incidental businesses

(a) Electricity Business

The sales revenue from electricity business for FY2015 decreased by 1.7% to ¥1,692.3 billion compared with FY2014 as lighting and power revenues decreased due to the reduction of unit price with the effect of the fuel costs adjustment in addition to the decrease of electricity sales, while grant based on the Act on Purchase of Renewable Energy Sourced Electricity increased. On the other side, operating cost for FY2015 decreased by 10.8% to ¥1,596.1 billion compared with FY2014 affected by the expenditure restraints in entire group, in addition to decreasing fuel costs along with the significant decline of fuel prices and the restart generating electricity of Sendai nuclear power station No.1 and No.2, while the costs for power purchases from renewable energy increased. As a result, the ordinary income for the FY2015 was ¥96.1 billion improved from loss of ¥68.4 billion for the FY2014.

(b) Energy-related Business

The sales revenues from energy-related business decreased by 1.1% to ¥184.6 billion compared with FY2014 mainly due to a decrease in sales amount of gas, though consolidated subsidiaries increased. Operating income decreased by 1.2% to ¥10.8 billion.

(c) IT and Telecommunication Business

The sales revenues from IT and telecommunication business increased by 7.3% to ¥103.5 billion compared with the FY2014 mainly due to an increase in consigned information system developments. Operating income decreased by 10.0% to ¥10.2 billion compared with the FY2014 mainly due to an increase in depreciation which comes with expand of broadband services.

(d) Other Businesses

The sales revenues from other businesses increased by 4.2% to ¥26.8 billion compared with FY2014 mainly due to an increase in sales of real estate. Operating income increased by 17.7% to ¥4.3 billion mainly due to a decrease in depreciation of rental buildings.

B. Sales and Supply overview

In FY2015, general demands such as lighting and power for commercial operations decreased by 2.3% from FY2014 due to a decrease in business power demand and the air-heating demand as the temperature from December to March was higher than the previous year's level. The power demands from large industrial customers decreased by 3.1% from FY2014 due to a decrease in production of Steel and Iron and Chemicals.

Consequently, the total electricity sales for FY2015 decreased by 2.5% to ¥79.21 billion kWh compared with FY2014.

Electricity Sales Volume

(Unit: million kWh, %)

		FY2015 (A)	FY2014 (B)	Difference (A-B)	Change (A/B)
Demand other than those under Liberalization	Lighting	28,100	28,518	-418	98.5
	Power	4,744	4,867	-123	97.5
	Total	32,844	33,385	-541	98.4
Demand under Liberalization		46,366	47,894	-1,528	96.8
Electricity Sales Total		79,210	81,279	-2,069	97.5
Figures are included above	Customers other than large-scale industrial	56,517	57,860	-1,343	97.7
	Large-scale industrial customers	22,693	23,419	-726	96.9

On the supply side, our own thermal facilities decreased due to the restart generating electricity of Sendai nuclear power station No.1 and 2 in addition to a decrease in demands and increase in new energy received from other companies.

Generated and Received Electricity

(Unit: million kWh, %)

		FY2015 (A)	FY2014 (A)	Difference (A-B)	Change (A/B)
Own facilities	Hydro (Water flow rate)	4,804 (111.4)	4,121 (100.7)	683 (10.7)	116.6
	Thermal	47,508	59,022	-11,514	80.5
	Nuclear (Utilization rate)	8,632 (20.7)	- (-)	8,632 (20.7)	-
	New Energy	1,309	1,299	10	100.7
	Subtotal	62,253	64,442	-2,189	96.6
From other companies (New Energy [included above])		23,655 (7,081)	22,629 (5,037)	1,026 (2,044)	104.5 (140.6)
Interchange		257	917	-660	28.0
For pumping		-677	-205	-472	329.8
Total		85,488	87,783	-2,295	97.4

(Note) "New Energy" includes Solar, Wind, Biomass, Waste and Geothermal.

Forecast for FY2016

We expect that our sales will be ¥1,830.0 billion, same level as the FY2015, due to an increase in grant based on the Act on Purchase of Renewable Energy Sourced Electricity while decreasing in electricity sales for lighting in the electricity business caused by the decrease in charge unit price due to the fuel cost adjustment system.

The income in the FY2016 is currently not able to be estimated. There are two primary reasons. The first is that the period of the resumption of operations of Genkai nuclear power stations are unclear. The second is that we cannot make sure the progress of efficiency in general cost, though we have made efforts for since beginning of the fiscal year while securing safety, compliance and stable supply. Because Sendai nuclear power stations will suspend due to the periodic inspection in the second half of the fiscal year.

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

Forecast for operational performance on FY2016

[Consolidated]		(Unit: 100 million yen)	
	2Q	Full-year	
Sales	9,200 [98.8%]	18,300 [99.7%]	
Operating income	-	-	
Ordinary income	-	-	
Profit attributable to owners of parent	-	-	

(Note) the percentage figures in [] show the comparison from the previous year

[Non-Consolidated]		(Unit: 100 million yen)	
	2Q	Full-year	
Sales	8,600 [98.8%]	17,000 [99.7%]	
Operating income	-	-	
Ordinary income	-	-	
Profit attributable to owners of parent	-	-	

(Note) the percentage figures in [] show the comparison from the previous year

Sensitivity factors

	2Q	Full-year
Electricity sales volume	39.5billion kWh [100.1%]	79.4 billion kWh [100.2%]
Crude oil (CIF) price	40 \$/b	
Exchange rate	¥ 115 /\$	

(Note) the percentage figures in [] show the comparison from the previous year

(2) Analysis regarding financial condition

Analysis regarding consolidated assets, debt, shareholders' equity and cash flow overview

A. Consolidated assets, debt, and shareholders' equity overview

Consolidated assets decreased by ¥36.4 billion to ¥4,748.2 billion compared with the end of FY2014 mainly due to a decrease of cash and cash equivalent and inventory such like fuel for thermal power plants in spite of an increase of construction in progress with countermeasure constructions of nuclear power stations to improve safety.

Consolidated liabilities decreased by ¥85.4 billion to ¥4,248.3 billion mainly due to a decrease in interest-bearing debts while unpaid construction payment increased. The interest-bearing debts decreased by ¥113.0 billion to ¥3,224.8 billion.

Consolidated shareholders' equity increased by ¥48.9 billion to ¥499.9 billion mainly due to the post of net income attributable to the parent company while accumulated amount of adjustments related to retirement benefits decreased. Consequently the shareholders' equity ratio went up to 10.1%. A decrease in accumulated amount of adjustments related to retirement benefits was resulted from occurrence of actual difference as the actual returns from assets of defined benefit corporate pension has been lower than expected.

B. Consolidated cash flow overview

Cash inflow from operating activities increased by ¥240.7 billion to ¥329.4 billion from FY2014 mainly due to a decrease in thermal fuel costs while electricity sales revenue decreased.

Cash outflow from investing activities increased by ¥19.9 billion to ¥288.3 billion from FY2014 mainly due to an increase in capital investment while redemption and sale of marketable securities increased.

Cash flow from financing activities turned outflow of ¥126.1 billion from inflow of ¥310.8 billion in previous year mainly due to an increase in expenditure from redemption of bonds and debt repayments in addition to a decrease in income from shares and bonds issuance.

As a result, the balance of cash and cash equivalents at the end of FY2015 decreased by ¥86.7 billion to ¥429.7 billion compared with the end of FY2014.

Consolidated cash flow indication

	FY2011	FY2012	FY2013	FY2014	FY2015
Shareholders' equity ratio (%)	19.7	11.9	10.5	9.0	10.1
Shareholders' equity ratio at market value (%)	12.6	10.2	13.1	11.5	10.7
Interest-bearing debt / Cash flow ratio	146.9	-	-	37.6	9.8
Interest coverage ratio	0.5	-	-	2.2	8.2

(Note)

Shareholders' equity ratio = Shareholders' equity / Total assets

Shareholders' equity ratio at market value = Total market value of shares / Total assets

Interest-bearing debt / Cash flow ratio = Interest-bearing debt / Cash flow from operating activities

Interest coverage ratio = Cash flow from operating activities / Interest payment

*Each index is calculated based on the consolidated financial data

*Total market value of shares is calculated as closing stock price at the end of fiscal year multiplied by the number of shares outstanding (after excluding treasury stocks) at the end of fiscal year

*Cash flow from operating activities and interest payment are calculated based on consolidated cash flow statements.

*Interest-bearing debt includes corporate debt and long-term debt (both includes those due within a year), short-term debt and commercial papers. The amount of corporate debt used here is not the book value but the face value (par).

* Interest-bearing debt / Cash flow ratio and Interest coverage ratio are not written because of cash outflow from operating activities for FY2012 and FY2013.

(3) Basic policy regarding the appropriation of profits and dividends for FY2015 and FY2016

We have based our policy regarding the appropriation of profits on expanding shareholders' interest in medium to long-term perspective while maintaining the consecutive dividends.

Considering profit level of FY2015 and financial situation comprehensively, we have decided to pay out ¥5 per common share and ¥7,153,763 per preferred shares as year-end dividend for the FY2015.

Dividend of common shares and class A preferred shares for the FY2016 have not been decided, given that the period of the resumption of operations of Genkai nuclear power stations remains unclear. We will promptly inform you of our dividend forecast when it is possible for us to make them..

(4) Business risks factors

The following is a list of some significant risk factors that may have an effect on the operating results, financial position, and other aspects of the Group (consolidated).

Forward-looking statements in this report reflect the judgment of the company as of the end of current consolidated fiscal year.

Changes in systems affecting the electricity business

With regard to the matter of electricity system reforms, the full liberalization of the electricity retail market will began since April 2016. In addition, legal unbundling of the transmission/ distribution sector to ensure further neutrality of them will be taken starting in April 2020. We will steadily put in place the new internal systems required by these system changes and work to achieve greater operational efficiency.

The government has approved Long-range Energy Prospect(Energy mix) based on the Basic Energy Plan, which established the nation's basic orientation in relation to energy supply and demand such like the direction of nuclear and renewable energy policy. Discussions about them have been continued to realize.

Changes such as these to the systems affecting the electricity business could have an impact on the Group's performance.

Status of environment surrounding nuclear power

We still believe that nuclear power generation is important in terms of energy security and global warming concerns. We will comply with the New Nuclear Regulatory Requirements enforced by the government based on the lessons learned from the accident at the Fukushima Daiichi Nuclear Power Station and continue our voluntary efforts in order to improve the safety and reliability. At the same time, we will work to ease the concerns of local residents regarding nuclear power generation.

However, the Group's performance could be affected by lengthening of suspension of our nuclear power stations and an increase in capital investments, depending on corresponding for New Regulatory Standard and results of lawsuits regarding their operations.

Fluctuations in electricity sales volume

Electricity sales volume in the electricity business fluctuates according to factors such as economic trends, temperature changes, the spread of residential solar power systems, the develop of energy conservation, and the states of competition by the full liberalization of the electricity retail market. As a result, changes in these factors could have an impact on the Group's performance.

Supply and demand operations in a day could be affected by an increase in solar power systems.

Fuel Price Fluctuations

Fuel expenses in electricity business fluctuate as a result of trends in CIF prices and in the foreign exchange markets because we procure sources of fuel for thermal power generation including liquefied natural gas (LNG) and coal from overseas.

However, fluctuations in fuel prices are reflected in electric rates through the fuel cost adjustment system, which helps to ease the impact of fuel price volatility on the Group's performance.

Costs for the back end of nuclear operations

The decommissioning of nuclear facilities and the back end of nuclear operations such as the storage, reprocessing, and disposal of spent nuclear fuel require super long-term projects that involve uncertainties. However, risks to operator have been reduced to a certain extent due to the government's institutional measures and other factors. Since the costs for the back end of nuclear operations and so forth vary in accordance with factors such as future reviews of systems, changes to estimated future expenses, and the storage conditions of

spent nuclear fuel, however, they may affect the business performance of the Kyuden Group.

Cost of Measures to Combat Global Warming

In response to global warming, the Group aims for more efficient power generation that uses less carbon, and to this end the Group conducts a variety of measures, such as safe and stable nuclear power station operations, active development and introduction of renewable energy, and maintenance and improvement of total thermal efficiency for thermal power stations. Future changes in policies related to global warming could have an impact on the Group's performance.

Businesses Other than Electricity

The Group is enhancing its revenue basis by utilizing the group's management resources and steadily developing new business area beyond electricity business. In the business operation, we put emphasis on the profitability and work to improve efficiency while pursuing the growth. In case securing the planned profits cannot be achieved due to the worsening business conditions, the Group's performance may be affected.

Deferred Tax Assets

The recoverability of deferred tax assets reported in the consolidated balance sheet is determined based on estimated future taxable income. Therefore, if estimated future taxable income falls due to factors such as changes in the business environment, we will have to break into deferred tax assets, and this may affect the business performance of the Kyuden Group.

Interest Rate Fluctuations

The Group's balance of interest-bearing debt as of the end of March 2016 is ¥3,224.8 billion, which accounts for 68% of total assets of the group. Future changes in interest rates have potential to affect the Group's financial condition.

However, 96% of outstanding interest-bearing debt comprises long-term debt, and most of these bear interest at fixed rates. The impact of fluctuating interest rates on the Group's performance is therefore viewed as limited.

Leakage of Information

The Group has established strict internal frameworks to manage in-house information and personal information, which Group companies hold, to ensure information security. Additionally, we have implemented thorough information management by establishing internal policies and guidelines on handling information as well as familiarizing employees with the handling procedures. However, in case of the leaking of in-house information and personal information caused by such as the infection with a virus and the cyber attacks, the Group's performance may be affected.

Natural Disasters

To ensure a stable supply of electricity to our customers, the Group implements inspection and maintenance of the facilities systematically to prevent any trouble from occurring. However, large-scaled natural disasters such as typhoons, torrential rains and earthquakes or tsunami as well as unexpected accidents and illicit acts have the potential to affect the Group's performance.

We are also developing a risk management system and are preparing for numerous risks that may have a material impact on business operations. Proper actions not taken in response to a risk may adversely affect the Group's performance.

Compliance

To be worthy of the trust of all its stakeholders, the Group conducts its business activities from the perspective of its customers and local people in the regions it operate in by working together to fully instill an awareness of

compliance and complying with laws and regulations. However, if problems such as compliance violations were to cause the Group's social credibility to decline, this could have an impact on the Group's performance.

The Group will continue to work to build trust-based relationships with all its stakeholders.

2. Management Policy

(1) Management Basic Policy, Medium- to long-term strategies

Based on Kyushu Electric Power's Mission, which incorporates our brand message, "Make a brighter future for generations to come." we proceed in our business activities as a responsible power utility with the mission of providing our customers with a stable supply of electricity and energy.

At Kyushu Electric Power, we have faced very tight supply and demand and severe financial status with the shutdown of all our nuclear power stations due to the accident at the Fukushima Daiichi Nuclear Power Station.

Regarding the restart of nuclear power stations, which is the most important issue, Sendai nuclear power station No.1, 2 have returned to commercial operation in September and November 2015.

The ordinary income was in the black for the first time in five fiscal years, due to the time lag of reflection of decreasing fuel prices in lighting and power prices based on fuel costs adjustment system, in addition to every group-wide effort to achieve thorough cost savings, the restart of generating electricity of Sendai nuclear power station No.1, 2 and a decrease in fuel costs along with the significant decline of fuel prices.

However, full-fledged recovery of earnings is delay as the Genkai nuclear power unit No.3 and No.4 are under the review to verify compatibility in new regulatory requirements.

In addition, we are currently in an era of severe competition due to the beginning of full liberalization of the electricity retail market since April 2016.

In such an environment, we have made efforts for resumption of operation of Genkai nuclear power stations as soon as possible, every countermeasure for improving income and expenditure, and approaches to full liberalization based on "Medium-term Kyuden Group Management policy", settled in April 2015. We will strive to be continuously trusted and chosen by many customers based on this policy.

"Medium-term Kyuden Group Management policy" (2015-2019)

Vision for 2030

Aiming to become a corporate group that provides Japan's best energy services
—Everyone eventually asks the Kyuden Group for energy!—

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

Grow into a corporate group that provides energy services in Kyushu where we operate from a company that delivers electricity and develops together with the regional community and society by meeting the diverse energy needs of customers

Make the most of the Kyuden Group strengths to achieve sustained growth through energy service businesses for overseas and outside Kyushu and renewable energy business

Enhance the organizational strength required to implement strategies to establish a robust business foundation

Goals for growth businesses

	2015	2030
Overseas electrical power business (Equity ownership in overseas electricity output)	1,500 MW	5,000 MW
Electrical power business outside Kyushu (Power sources developed outside Kyushu)		2,000 MW
renewable energy business (development)	1,500 MW	4,000 MW

(2) Important management issued for the Company

In the future, we will move ahead with the initiatives listed below.

We will meet the diverse energy needs of customers in Kyushu.

- Ensuring stable power supply

As a tight supply and demand condition continues, we will fulfill the mission of supplying power in a stable manner by making all-out efforts to ensure safe and stable operation of electric equipment.

We will push independent, continuous initiatives to further improve the safety of Sendai nuclear power station No.1, 2, have returned to commercial operation in last year. We will make efforts for resumption of operation of Genkai nuclear power station No.3, 4 as soon as possible, and the our entire group will respond to reviews and inspections by the government regarding the facility for dealing with specific accident for dealing with a willful collision of large airplane and other terrorism at Sendai nuclear power stations.

In order to secure competitive and stable power sources, with keeping in mind the progress of competition hereafter, we will steadily move forward with the development of System No. 3 Unit 4 at the Shin Oita Power Station and Matsuura Power Station Unit No. 2. At the same time, we will strive to increase the flexibility of, and enhance competitiveness in, fuel procurement, mainly by introducing fuel trading and acquiring investments for upstream interests.

Furthermore, in order to respond flexibly to environmental changes in the future, we will build a well-balanced power supply system through nuclear power, coal- and LNG-burning thermal power, as well as renewable energy such as hydraulic and geothermal power.

Meanwhile, we will strive to harness sunlight and other types of renewable energy, whose output fluctuates significantly due to factors such as weather conditions, on the assumption that it can be supplied in a stable manner as a source of electricity.

- Providing diverse energy services

In Kyushu, where the Kyuden Group is based, we will grow into a corporate group that provides energy services, moving beyond being a company that merely supplies electricity, and deliver through a single channel the optimal combinations of services that meet the energy needs of customers.

We have instituted “New pricing plans” meeting diversifying customer’s lifestyle, responding to the full liberalization of the electricity retail market since April 2016.

We will also institute “New services”, which support customer’s life in peace, such like “Kyuden safety supports” to be continuously chosen by them.

In addition to the current wholesaling of gas, we will enter gas retail business in earnest as its retail market is scheduled to be fully liberalized in April 2017.

We will make the most of the Kyuden Group’s strengths to develop in growth markets

- Strengthening overseas electricity business

In overseas electricity business, we have set the goal of achieving 5,000 MW in equity ownership in overseas electricity output in 2030. With this goal in mind, we are constructing the geothermal power plant, which is the largest geothermal power plants in the world, at North Sumatra in Indonesia, using the technology and know-how that we have accumulated in the past. We will expand power generation business mainly in Asia, which has high growth potential from now on.

In overseas markets, we will also actively provide consulting services such as feasibility surveys related to the construction of high-efficiency coal-burning thermal power plants and investigations of improving facilities of old thermal power plants in Vietnam and India.

- Developing electricity business outside Kyushu

In addition to power supply from within Kyushu, we will work to develop new power sources outside the region mainly through alliances with other companies. Specifically, Chiba Sodegaura Energy Co., Ltd., established by three companies, Idemitsu Kosan Co., Ltd., Tokyo Gas Co., Ltd. and us, is considering development of coal-fired power plant and proceeding with the procedures for the environmental impact assessment of it.

- Expanding renewable energy business

With respect to renewable energy business, a globally growing area, we will actively develop geothermal and hydraulic power while giving consideration to stable supply and environmental impacts in Japan and abroad such as Sugawara binary power plant, which has started to commercial operation in June 2015, of Kyuden Mirai Energy Co., Ltd.

We will establish a robust business foundation

- Strengthening personnel and organizations, two sources of competitiveness

With the future competitive environment in mind, we will work to develop personnel who lead business reforms with enthusiasm and exert their originality and ingenuity to push forward with business improvements and reforms.

Even as the business environment undergoes major changes, we will build an organizational structure, as well as a business administration system, that responds swiftly and flexibly to such changes.

We will introduce an in-house company to transmission and distribution business in order to ensure high neutrality on April, 2016, aiming for ensuring further impartiality, transparency, neutrality, and self-sustained operation.

- Reinforcing the financial foundation and enhancing competitiveness on a group-wide basis

We will make all-out efforts to achieve greater efficiency in all business activities and enhance our competitiveness, thus improving financial results and restoring the financial foundation.

Specific initiatives include making the most of external knowledge to reform material and equipment procurement, raising the cost awareness of employees for continuous cost reductions, and stepping up cost management in addition to the reduction of fuel purchase price, the revision of range and contents of outsourcing and the economical operation of supply and demand by using high-efficiency power plants thoroughly.

In order to establish a competitive advantage, we will promote technology development on a group-wide scale, maintaining the technological capabilities and skills that we have cultivated in the past and handing them down to the next generation.

- Pursuing safety and security

Basically, we will give top priority to safety and security in all business activities.

In particular, we are keenly aware that there must be no limits to the efforts made for nuclear safety. Under the top managers' strong leadership, we will firmly establish awareness to continuously strive for "safety of nuclear power generations" in every nook of our group, similar to awareness of "stable supply of electricity" underlying us, as our DNA.

We will also promote face-to-face dialogues with local residents and reflect their opinions on Kyuden's initiatives for safety and security.

- Promoting thorough CSR (corporate social responsibility) management

We will make all-out efforts to ensure sincere and fair business administration through actions that are trusted by society, and it goes without saying that we will always comply with laws and ordinances.

We will also promote closer communication with society and properly reflect the opinions collected on business administration. In addition, we will make all-out efforts to disclose information swiftly in an

easy-to-understand manner, thus increasing the transparency of our business activities.

Furthermore, we will contribute to work aimed at resolving social problems and grow together with local communities. With this goal in mind, we will establish “Kyuden Mirai foundation” and make efforts for environment conservation activities at the wetlands in Oita prefecture, provisions environmental educations using our water conservation forest and assists for activities to nurture future generations held by local organizations.

By applying these initiatives on a group-wide scale, we aim to attain sustained growth and provide value to all stakeholders.

3. Basic policy for selection of accounting standards

Since the Kyuden Group's business consists mainly of the electricity business, our consolidated financial statements are based on the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 28, October 30, 1976) and are prepared in accordance with the Ordinance on Accounting at Electricity Utilities (Ordinance of the Ministry of International Trade and Industry No. 57, June 15, 1965). We have not decided yet whether we will apply the International Financial Reporting Standards (IFRS) to our financial statements in the future.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Unit: million yen)	
	As of March 31st, 2015	As of March 31st, 2016
Assets		
Fixed Assets	3,925,720	4,019,437
Utility property, plant and equipment	2,248,572	2,319,959
Hydro	285,370	274,879
Thermal	156,633	154,958
Nuclear	196,062	261,036
Internal combustion	17,909	17,496
New energy	14,673	13,606
Transmission	625,131	641,128
Transformation	216,918	219,456
Distribution	613,880	616,508
General	116,210	115,107
Other	5,782	5,782
Other fixed assets	327,314	336,714
Construction in progress	431,741	438,058
Construction and retirement in progress	410,049	417,187
Special account related to nuclear power decommissioning	21,692	20,870
Nuclear fuel	280,616	283,227
Loaded nuclear fuel	75,531	69,932
Nuclear fuel in processing	205,084	213,295
Investments and other assets	637,475	641,477
Long-term investments	106,018	112,146
Reserve for reprocessing of irradiated nuclear fuel	282,071	270,095
Assets for retirement benefits	14,925	9,403
Deferred tax assets	127,072	136,691
Other assets	108,727	114,505
Allowance for doubtful accounts	-1,339	-1,364
Current Assets	859,015	728,799
Cash and cash equivalent	512,472	420,340
Trade notes and accounts receivable	179,065	171,148
Inventories at average cost	81,433	59,827
Deferred tax assets	34,068	29,425
Other current assets	52,797	48,870
Allowance for doubtful accounts	-822	-813
Assets Total	4,784,735	4,748,237

(Unit: million yen)

	As of March 31st, 2015	As of March 31st, 2016
Liabilities		
Long-term Liabilities	3,499,896	3,408,330
Bonds	1,064,274	994,286
Long-term loans	1,773,867	1,741,967
Reserve for reprocessing of irradiated nuclear fuel	294,345	279,585
Reserve for preparation of reprocessing of irradiated nuclear fuel	28,320	30,009
Liabilities for retirement benefits	90,547	101,961
Asset retirement obligations	207,437	213,006
Deferred tax liabilities	527	95
Other fixed liabilities	40,575	47,417
Current Liabilities	832,156	832,376
Current portion of long-term debt	397,338	378,586
Short-term borrowings	119,001	116,912
Notes and accounts payable	97,115	86,662
Income tax payable	27,325	29,527
Deferred tax liabilities	66	61
Other current liabilities	191,310	220,626
Reserves under the special law	1,692	7,627
Reserve for fluctuation in water levels	1,692	7,627
Liabilities Total	4,333,744	4,248,333
Net Assets		
Shareholders' Equity	427,157	500,663
Common stock	237,304	237,304
Additional paid-in capital	130,344	130,368
Retained earnings	60,175	133,675
Treasury stock	-666	-684
Accumulated other comprehensive income	4,370	-20,734
Unrealized gain on other securities	4,097	2,839
Gain on deferred hedge	596	-1,255
Foreign currency translation adjustments	-18	-2,280
Accumulated amount of adjustments related to retirement benefits	-305	-20,037
Non-controlling Interests	19,462	19,973
Net Assets Total	450,990	499,903
Liabilities and Net Assets Total	4,784,735	4,748,237

(2) Consolidated Income Statements and Consolidated Comprehensive Income Statements
Consolidated Income Statements

(Unit: million yen)

	April 1, 2014-March 31, 2015	April 1, 2015-March 31, 2016
Operating Revenues	1,873,467	1,835,692
Electricity	1,719,570	1,688,328
Other	153,897	147,364
Operating Expenses	1,916,782	1,715,435
Electricity	1,779,711	1,584,556
Other	137,070	130,879
Operating Income (Loss)	-43,314	120,256
Other Revenues	16,584	16,283
Proceed from dividends	2,100	1,921
Proceed from interests	4,135	4,161
Equity in earnings of affiliates	3,400	6,052
Other	6,947	4,148
Other Expenses	46,963	45,623
Interest expenses	40,148	39,317
Other	6,815	6,306
Total Ordinary Revenues	1,890,052	1,851,976
Total Ordinary Expenses	1,963,746	1,761,059
Ordinary Income (Loss)	-73,693	90,916
Provision or reversal of reserve fluctuation in water levels	1,692	5,934
Provision of reserve fluctuation in water levels	1,692	5,934
Extraordinary gain	2,484	7,518
Gain on sales of fixed assets	2,484	1,683
Gain on sales of securities	-	2,935
Gain on revision of retirement benefit plan	-	2,899
Profit (Loss) before Income Taxes	-72,901	92,499
Income Taxes	7,114	12,038
Income Taxes-Deferred	33,210	5,320
Income Taxes Total	40,324	17,359
Profit (Loss)	-113,225	75,140
Profit attributable to non-controlling interests	1,470	1,641
Profit (Loss) attributable to owners of parent	-114,695	73,499

Consolidated Comprehensive Income Statements

(Unit: million yen)

	April 1, 2014-March 31, 2015	April 1, 2015-March 31, 2016
Profit (Loss)	-113,225	75,140
Other comprehensive income		
Unrealized gain on other securities	1,188	-865
Gain on deferred hedge	-1,759	-1,843
Foreign currency translation adjustments	-25	-2,106
Adjustments related to retirement benefits	-28,192	-19,173
Equity in equity method companies	-1,171	-1,700
Total other comprehensive income	-29,960	-25,689
Comprehensive income	-143,186	49,450
(Breakdown)		
Comprehensive income attributable to owners of parent	-144,891	48,394
Comprehensive income attributable to non-controlling interests	1,705	1,056

(3) Consolidated Statements of Changes in Shareholders' Equity
Previous consolidated fiscal year (April 1, 2014 to March 31, 2015)

(Unit : million yen)

	Shareholders' Equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Shareholders' Equity Total
Balance at the start of FY	237,304	31,130	174,871	-2,340	440,966
Changes during FY					
New issue of shares	50,000	50,000			100,000
Transfer to additional paid-in capital from common stock	-50,000	50,000			
Changes in a owner's interests on transactions with non-controlling interests					
Loss attributable to owners of parent			-114,695		-114,695
Acquisition of Treasury Stock				-14	-14
Disposal of Treasury Stock		-303		580	277
Changes by Stock Exchanges		-482		1,107	624
Net changes during FY other than Shareholders' Equity					
Total changes during FY		99,213	-114,695	1,673	-13,808
Balance at the end of FY	237,304	130,344	60,175	-666	427,157

(Unit : million yen)

	Other Comprehensive Income					Non-controlling interests	Net Assets Total
	Unrealized gain on other securities	Gain on deferred hedge	Foreign currency translation adjustment	Adjustments related to retirement benefits	Total other Comprehensive income		
Balance at the start of FY	2,352	4,235	-450	28,429	34,566	18,699	494,232
Changes during FY							
New issue of shares							100,000
Transfer to additional paid-in capital from common stock							
Changes in a owner's interests on transactions with non-controlling interests							
Loss attributable to owners of parent							-144,695
Acquisition of Treasury Stock							-14
Disposal of Treasury Stock							277
Changes by Stock Exchanges							624
Net changes during FY other than Shareholders' Equity	1,745	-3,639	432	-28,734	-30,195	762	-29,433
Total changes during FY	1,745	-3,639	432	-28,734	-30,195	762	-43,242
Balance at the end of FY	4,097	596	-18	-305	4,370	19,462	450,990

Current consolidated fiscal year (April 1, 2015 to March 31, 2016)

(Unit : million yen)

	Shareholders' Equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Shareholders' Equity Total
Balance at the start of FY	237,304	130,344	60,175	-666	427,157
Changes during FY					
New issue of shares					
Transfer to additional paid-in capital from common stock					
Changes in a owner's interests on transactions with non-controlling interests		24			24
Loss attributable to owners of parent			73,499		73,499
Acquisition of Treasury Stock				-18	-18
Disposal of Treasury Stock					
Changes by Stock Exchanges					
Net changes during FY other than Shareholders' Equity					
Total changes during FY		24	73,499	-17	73,506
Balance at the end of FY	237,304	130,368	133,675	-684	500,663

(Unit : million yen)

	Other Comprehensive Income					Non-controlling interests	Net Assets Total
	Unrealized gain on other securities	Gain on deferred hedge	Foreign currency translation adjustment	Adjustments related to retirement benefits	Total other Comprehensive income		
Balance at the start of FY	4,097	596	-18	-305	4,370	19,462	450,990
Changes during FY							
New issue of shares							
Transfer to additional paid-in capital from common stock							
Changes in a owner's interests on transactions with non-controlling interests							24
Loss attributable to owners of parent							73,499
Acquisition of Treasury Stock							-18
Disposal of Treasury Stock							
Changes by Stock Exchanges							
Net changes during FY other than Shareholders' Equity	-1,257	-1,852	-2,262	-19,732	-25,105	511	-24,593
Total changes during FY	-1,257	-1,852	-2,262	-19,732	-25,105	511	48,912
Balance at the end of FY	2,839	-1,255	-2,280	-20,037	-20,734	19,973	499,903

(4) Consolidated Statements of Cash Flows

	(Unit: million yen)	
	April 1, 2014- March 31, 2015	April 1, 2015- March 31, 2016
Cash Flows from Operating Activities		
Net income(loss) before income taxes	-72,901	92,499
Depreciation and amortization	193,972	197,282
Decommissioning cost of nuclear power plants	4,293	4,640
Amortization of special account related to nuclear power decommissioning	-	821
Amortization of nuclear fuel	-	5,778
Loss on disposal of property, plant and equipment	6,643	6,833
Provision for reserve for reprocessing of used fuel	-14,428	-14,759
Provision for preparation for reprocessing of irradiated nuclear fuel	1,658	1,688
Increase (decrease) in liabilities for retirement benefits	-5,823	440
Increase(decrease) in reserve for fluctuation in water levels	1,692	5,934
Interest revenue and dividends received	-6,236	-6,082
Interest expense	40,148	39,317
Equity in net earnings under the equity method	-3,400	-6,052
Gain on sales of fixed assets	-2,484	-1,683
Gain on sales of securities	-	-2,935
Gain on revision of retirement benefit plan	-	-2,899
Increase(decrease) in fund for reprocessing of irradiated nuclear fuel	-21,012	11,975
Increase(decrease) in accounts receivable	-15,489	8,209
Increase(decrease) in inventories, principally fuel, at average cost	1,125	21,606
Increase(decrease) in accounts payable	1,697	-12,796
Other	16,642	21,705
Sub Total	<u>126,097</u>	<u>371,525</u>
Receipt of interest and cash dividends	8,554	8,075
Interest paid	-40,102	-40,107
Income tax paid	-5,812	-10,001
Net cash provided by operating activities	<u>88,736</u>	<u>329,491</u>
Cash Flows from Investing Activities		
Purchases of property, plant and equipment	-293,944	-318,495
Proceeds from contribution received for construction	23,259	17,859
Proceeds from sales of property, plant and equipment	3,137	2,055
Payment for investments and other	-679	-2,314
Proceeds for recoveries from investments and other	3,181	12,506
Other	-3,367	65
Net cash used in investing activities	<u>-268,413</u>	<u>-288,321</u>

	(Unit: million yen)	
	April 1, 2014- March 31, 2015	April 1, 2015- March 31, 2016
Cash Flows from Financing Activities		
Proceeds from issuance of bonds	139,570	59,821
Redemption of bonds	-99,800	-219,360
Proceeds from long-term loans	275,475	200,167
Repayment of long-term loans	-102,184	-161,299
Net increase (decrease) in short-term borrowings	1,379	-1,538
Proceeds from issuance of preferred stock	99,597	-
Other	-3,231	-3,975
Net cash used in financing activities	<u>310,807</u>	<u>-126,184</u>
Effect of exchange rate changes on cash and cash equivalents	579	-2,327
Changes in cash and cash equivalents	<u>131,710</u>	<u>-87,342</u>
Cash and cash equivalents at beginning of the year	<u>384,769</u>	<u>516,480</u>
Increase in cash and cash equivalents from newly consolidated subsidiary	-	620
Cash and cash equivalents at end the of the year	<u><u>516,480</u></u>	<u><u>429,757</u></u>

(5) Notes on Consolidated Financial Statements

(Note on the premise of going concern)

N/A

(Changes in accounting principles, changes in accounting estimates, restatements)

[Changes in accounting principles]

"Accounting Standards for Business Combination" (Accounting Standards Board of Japan Statement No. 21, issued on September 13, 2013, hereinafter, "Business Combination Accounting Standards"), "Accounting Standards for Consolidated Financial Statements" (Accounting Standards Board of Japan Statement No. 22, issued on September 13, 2013, hereinafter, "Consolidated Accounting Standards"), and "Accounting Standard for Business Divestitures" (Accounting Standards Board of Japan Statement No. 7, issued on September 13, 2013, hereinafter, "Business Divestitures Accounting Standards"), etc., are applied from the current fiscal year, and reported as capital surplus differences due to changes in Company equity that arose at subsidiaries we continued to control, while shifting to the method of reporting acquisition-related expenses as those for the consolidated accounting period in which such expenses were defrayed. Meanwhile, with respect to business combinations that take effect after the beginning of the current consolidated accounting period, we will change to the method reflecting reviews of acquisition expenses allocated after provisional accounting becomes definite on financial statements for the consolidated accounting period to which the day of business combination belongs. In addition, we changed the method to indicate net income and other results and the method of indication from minority interests to non-controlling interests. To reflect these changes of indication, we rearranged the consolidated financial statements for the previous consolidated accounting period as a whole.

Cash flow from acquisition or sale of subsidiaries not involving change of scope of consolidation includes in 'cash flow from financing activities', and cash flow from costs related acquisition of subsidiaries involving change of scope of consolidation and cash flow from costs related acquisition or sale of subsidiaries not involving change of scope of consolidation include in 'cash flow from operating activities' in consolidated statements of cash flows.

We followed the transitional treatment stipulated in Section 58-2(4) of the Business Combination Accounting Standards, Section 44-5(4) of the Consolidated Accounting Standards, and Section 57-4(4) of the Business Divestitures Accounting Standards, and started to apply these standards at the beginning of the current consolidated accounting period and will continue to do so in the future.

These changes do not affect amounts in the consolidated financial statements for the current consolidated accounting period.

These changes do not affect amounts in the per share data.

(Tax effect accounting)

Correction of the amounts of deferred tax assets and liabilities in response to the change in the income tax rate

The Act for Partial Amendment of the Income Tax Act, Etc. (Law No. 15 of 2016) and the Act for Partial Amendment of the Local Tax Act, Etc. (Law No. 13 of 2016) were enacted at Diet on March 29, 2016. With this enactment, the effective statutory tax rate used to calculate deferred tax assets and liabilities for the current consolidated fiscal year was changed from 28.7% for the previous consolidated fiscal year, to 28.1% if their recovery or payment is expected to occur from April 1, 2016 to March, 2017, to 27.9% if it's expected to occur on April 1, 2018 or thereafter.

As a result, our deferred tax assets decreased by ¥4,080 million while our deferred income taxes and other comprehensive income increased by ¥3,896 million and ¥215 million, respectively.

On the other hand, our deferred tax liabilities decreased only slightly.

(Segment information, etc)

1. Segment information

(1) Overview of reporting segments

The Company's reporting segments are based on the units that compose our Company for which separate financial information is available. The segments are subject to regular review by the Board of Directors to evaluate performance.

The Company is composed of four reporting segments, classified in consideration of the types of products and business activities: the Electricity Business, the Energy-related Business, the IT/Telecommunication Business, and Other Businesses.

The main products and business activities belonging to each reporting segment are described below.

Reporting segment	Main products and business activities
Electricity	Supply of electricity
Energy-related	Receipt, storage, vaporization, delivery and sales of LNG, renewable energy business, manufacturing and sales of electric machinery, construction, maintenance and repair of electric power facilities, maintenance and repair of power generation facilities, manufacturing and sales of concrete poles, environmental preservation activities around power generation facilities, consultation and planning of civil engineering and construction
IT/Telecommunication	Fiber-optic cable and broadband service, manufacturing, sales, installation and maintenance of telecommunication devices, development, operation and maintenance of information system
Other	Acquiring and owning of securities, loan to group companies, leasing and management of real estate, contracted sitting work

(2) Calculation method of amount of sales, income or loss, asset and other items by reporting segment

Accounting method of Reporting segment is the same to the Preparation of consolidated financial statements. Reporting segment income is on operating income basis. Inter-segment sales is based on a market price.

(Change of the accounting method if reactors are decommissioned due to factors such as changes in energy policy)

As described in "Changes in accounting principles," we changed the accounting method if reactors are decommissioned due to factors such as changes in energy policy from the 4th quarter of the current consolidated fiscal year. With this change, we also changed the accounting method for the electricity business segment in the same way.

This change has no effect of segment loss for Electricity.

(3) Information regarding amount of sales, income or loss, asset and other items by reporting segment

Previous consolidated fiscal year (April 1, 2014 to March 31, 2015)

(Unit: million yen)

	Reportable segment					Adjusted amount*1	Consolidated financial statements*2
	Electricity	Energy-related	IT/Telecommunication	Other	Total		
Sales							
Sales to outside customers	1,719,570	71,793	69,217	12,886	1,873,467	-	1,873,467
Inter-segment sales	2,298	114,878	27,333	12,846	157,356	-157,356	-
Total	1,721,869	186,672	96,550	25,732	2,030,824	-157,356	1,873,467
Segment income (loss)	-68,481	10,983	11,419	3,677	-42,400	-914	-43,314
Segment asset	4,235,616	375,418	176,152	141,491	4,928,679	-143,943	4,784,735
Other items							
Depreciation (including amortization of nuclear fuel)	164,724	9,052	18,028	4,947	196,753	-2,780	193,972
Increase in tangible fixed assets and intangible fixed assets	228,362	22,756	25,550	948	277,617	-4,737	272,880

*1 Adjusted amount of segment income (loss) of -914 million yen and adjusted amount of segment asset of -143,943 million yen are inter-segment elimination.

*2 Segment income (loss) is adjusted with operating loss within consolidated income statements.

Current consolidated fiscal year (April 1, 2015 to March 31, 2016)

(Unit: million yen)

	Reportable segment					Adjusted amount*1	Consolidated financial statements*2
	Electricity	Energy-related	IT/Telecommunication	Other	Total		
Sales							
Sales to outside customers	1,688,328	64,196	69,348	13,819	1,835,692	-	1,835,692
Inter-segment sales	3,988	120,453	34,208	12,984	171,634	-171,634	-
Total	1,692,316	184,649	103,557	26,804	2,007,327	-171,634	1,835,692
Segment income (loss)	96,183	10,852	10,277	4,327	121,641	-1,384	120,256
Segment asset	4,155,999	419,465	186,791	142,522	4,904,778	-156,541	4,748,237
Other items							
Depreciation (including amortization of nuclear fuel)	172,806	8,433	20,051	4,473	205,764	-2,703	203,060
Increase in tangible fixed assets and intangible fixed assets	284,090	18,130	25,583	1,091	328,897	-5,039	323,858

*1 Adjusted amount of segment income of -1,384 million yen and adjusted amount of segment asset of -156,541 million yen are inter-segment elimination.

*2 Segment income (loss) is adjusted with operating loss within consolidated income statements.

2. Related information

Previous consolidated fiscal year (April 1, 2014 to March 31, 2015) and Current consolidated fiscal year (April 1, 2015 to March 31, 2016)

(1) Information by product and service

Because similar information is disclosed in segment information, this information is omitted.

(2) Information by region

Sales

Because domestic sales to external customers account for over 90% of the sales stated in the Consolidated Income Statements, this information is omitted.

Property, plant and equipment

Because property, plant and equipment located in Japan accounts for over 90% of the property, plant and equipment stated in the Consolidated Balance Sheets, this information is not stated.

(3) Information by main customers

Because there are no customers that account for over 10% of sales stated in the Consolidated Income Statements for sales to external customers, this information is omitted.

3. Information relating to impairment loss of fixed assets by reporting segment

Previous consolidated fiscal year (April 1, 2014 to March 31, 2015) and Current consolidated fiscal year (April 1, 2015 to March 31, 2016)

Because this information lacks materiality, it is omitted.

4. Information relating to goodwill amortization and unamortized balance by reporting segment

Previous consolidated fiscal year (April 1, 2014 to March 31, 2015)

N/A

Current consolidated fiscal year (April 1, 2015 to March 31, 2016)

Because this information lacks materiality, it is omitted.

5. Information relating to gains incurred from negative goodwill by reporting segment

Previous consolidated fiscal year (April 1, 2014 to March 31, 2015)

Because this information lacks materiality, it is omitted.

Current consolidated fiscal year (April 1, 2015 to March 31, 2016)

N/A

(Per share data)

	FY2014 (April 1, 2014- March 31, 2015)	FY2015 (April 1, 2015- March 31, 2016)
Shareholders' equity per share (BPS)	¥692.52	¥787.01
Net profit (loss) per share (EPS)	¥-242.38	¥155.17

(Note) 1. Diluted EPS for the previous fiscal year is abbreviated as there are no dilutive securities and it is net loss per share.

Diluted EPS for the current fiscal year is abbreviated as there are no dilutive securities.

2. Basic data for calculation of them is as below.

(1) Shareholders' equity per share

	FY2014 (As of March 31, 2015)	FY2015 (As of March 31, 2016)
Shareholders' equity total	¥450,990 million	¥499,903 million
Deductible from shareholders' equity	¥122,962 million	¥127,127 million
(Paid in amount of the preferred shares)	(¥100,000 million)	(¥100,000 million)
(cumulative dividends payable for Preferred shares)	(¥3,500 million)	(¥7,153 million)
(Minority interest)	(¥19,462 million)	(¥19,973 million)
Shareholders' equity allocated to common stock outstanding	¥328,028 million	¥372,775 million
Number of common stock outstanding at the end of each fiscal year	473,674 thousand shares	473,661 thousand shares

(2) Net loss per share

	FY2014 (April 1, 2014- March 31, 2015)	FY2015 (April 1, 2015- March 31, 2016)
Profit (Loss) attributable to owners of parent	¥-114,695 million	¥73,499 million
Amount not allocated to shareholders	-	-
Profit (Loss) attributable to owners of parent allocated to common stock outstanding	¥-114,695 million	¥73,499 million
Weighted average number of common stock outstanding during each fiscal year	473,208 thousand shares	473,666 thousand shares

(Significant post-balance sheet event)

N/A

5. Non-consolidated Financial Statements

(1) Balance Sheets

	(Unit: million yen)	
	As of March 31st, 2015	As of March 31st, 2016
Assets		
Property, Plant and Equipment	3,651,325	3,718,409
Utility property, plant and equipment	2,281,270	2,354,128
Hydro power production facilities	288,429	278,006
Thermal power production facilities	158,031	156,336
Nuclear power production facilities	199,313	265,015
Internal combustion power production facilities	18,465	18,073
New energy power production facilities	14,980	13,860
Transmission facilities	632,131	648,615
Transformation facilities	220,839	223,361
Distribution facilities	625,075	627,855
General facilities	118,221	117,221
Facilities on loan	5,782	5,782
Incidental businesses property and equipment	9,617	8,759
Nonoperating property and equipment	3,620	3,401
Plant and equipment suspense account	391,725	398,003
Construction in progress	367,377	372,858
Retirement in progress	2,655	4,274
Special account related to nuclear power decommissioning	21,692	20,870
Nuclear Fuel	280,616	283,227
Loaded nuclear fuel	75,531	69,932
Nuclear fuel in processing	205,084	213,295
Investments and other assets	684,474	670,887
Long-term investments	94,780	82,382
Investments in subsidiaries and affiliated companies	184,605	188,572
Fund for reprocessing of irradiated nuclear fuel	282,071	270,095
Long-term prepaid expenses	6,562	7,589
Prepaid pension cost	9,779	15,575
Deferred tax assets	107,187	107,183
Allowance for doubtful accounts	-512	-510
Current Assets	739,586	603,033
Cash and cash equivalents	466,141	371,424
Accounts receivable	149,455	143,471
Receivables	15,829	6,670
Inventories	60,005	42,284
Advance payments	-	1
Prepaid expenses	3,392	1,658
Receivables from subsidiaries and affiliated companies	2,368	1,127
Deferred tax assets	30,371	25,743
Other current assets	12,474	11,198
Allowance for doubtful accounts	-452	-547
Assets Total	4,390,912	4,321,442

(Unit: million yen)

	As of March 31st, 2015	As of March 31st, 2016
Liabilities		
Long-term Liabilities	3,327,820	3,169,875
Bonds	1,064,374	994,386
Long-term loans	1,645,634	1,566,188
Long-term accrued liabilities	7,250	6,190
Long-term lease liabilities	1,474	1,943
Long-term liabilities to affiliates	1,290	2,364
Liability for employees' retirement benefits	69,686	66,556
Reserve for reprocessing of irradiated nuclear fuel	294,345	279,585
Reserve for preparation of reprocessing of irradiated nuclear fuel	28,320	30,009
Asset retirement obligations	206,113	211,447
Other long-term liabilities	9,328	11,201
Current Liabilities	739,099	758,749
Current portion of long-term debt	349,464	351,131
Short-term borrowings	115,000	114,000
Accounts payable-trade	82,961	66,429
Accounts payable	32,336	43,743
Accrued expenses	80,502	96,453
Accrued income tax	18,709	22,244
Deposit	1,223	1,452
Short-term liabilities to subsidiaries and affiliated companies	43,270	46,081
Other advances	14,001	15,698
Other current liabilities	1,630	1,515
Reserves under the special law	1,692	7,627
Reserve for fluctuation in water levels	1,692	7,627
Liabilities Total	4,068,612	3,936,251
Shareholders' Equity		
Common stock	318,673	383,985
Paid-in capital	237,304	237,304
Additional paid-in capital	130,396	130,396
Capital reserve	31,087	31,087
Other additional paid-in capital	99,309	99,309
Retained earnings	-48,605	16,723
Legal reserve	59,326	59,326
Retained earnings - carryforward	-107,931	-42,602
Reserves for losses on overseas investment,etc.	17	15
Deferred retained earnings	-107,949	-42,618
Treasury stock	-423	-439
Valuation and translation adjustments	3,626	1,205
Unrealized gain on other securities	1,062	724
Gain on deferred hedge	2,564	481
Total Shareholders' Equity	322,299	385,190
Liabilities and Shareholders' Equity Total	4,390,912	4,321,442

(2) Income Statements

(Unit: million yen)

	April 1, 2014-March 31, 2015	April 1, 2015-March 31, 2016
Operating Revenues	1,761,275	1,705,485
Electricity	1,721,869	1,692,316
Lighting	648,539	614,284
Power	897,611	823,622
Sales to other electric companies	362	523
Sales to other companies	16,673	18,731
Revenues from wheeling service charges	7,364	13,095
Gains from adjustment among electric companies	3,385	4,544
Grant based on the Act on Purchase of Renewable Energy Sourced Electricity	134,196	203,758
Miscellaneous revenues from electricity	13,386	13,407
Revenues from loaned equipment	349	349
Incidental-Business Operating Revenues	39,405	13,169
Air conditioning	2,850	2,864
Fiber-optic cable leasing service	10,838	-
Gas supply	24,804	9,476
Other	912	828
Operating Expenses	1,820,655	1,607,639
Electricity	1,790,350	1,596,132
Hydro power	38,483	38,922
Thermal power	731,814	426,610
Nuclear power	136,339	154,731
Internal combustion power	27,565	20,808
New energy power	10,507	9,082
Purchase from other electric companies	20,137	5,357
Purchase from other companies	352,300	381,468
Transmission	83,451	82,837
Transformation	39,335	43,567
Distribution	126,919	138,527
Sales	47,407	53,087
Facilities on loan	33	31
General	76,850	89,300
Depreciation of special account related to nuclear power decommissioning	-	821
Levy based on the Act on Purchase of Renewable Energy Sourced Electricity	50,978	104,111
Promotion of power resources development tax	31,211	30,852
Enterprise tax	17,113	16,150
Electricity account transfer (Credit)	-97	-136
Incidental Businesses Operating Expenses	30,304	11,506
Air conditioning	2,538	2,137
Fiber-optic cable leasing service	4,980	-
Gas supply	22,502	9,129
Other	284	239
Operating Income (Loss)	-59,380	97,846

(Unit: million yen)

	April 1, 2013-March 31, 2015	April 1, 2014-March 31, 2016
Other Revenues	10,687	18,289
Financial revenues	5,822	15,305
Proceed from dividends	1,777	11,216
Proceed from interests	4,044	4,089
Non-operating revenues	4,864	2,983
Other	4,864	2,983
Other Expenses	44,387	41,797
Financial expenses	39,524	37,235
Interest expenses	38,693	37,056
Stock issuance costs	402	-
Bond issuance costs	429	178
Non-operating expenses	4,862	4,561
Loss on sales of tangible fixed assets	239	77
Other losses	4,623	4,483
Total Ordinary Revenues	1,771,962	1,723,775
Total Ordinary Expenses	1,865,042	1,649,436
Ordinary Income (Loss)	-93,080	74,338
Provision or reversal of reserve fluctuation in water levels	1,692	5,934
Provision of reserve fluctuation in water levels	1,692	5,934
Extraordinary gain	9,867	7,408
Gain on sales of fixed assets	9,867	2,054
Gain on sales of securities	-	2,455
Gain on revision of retirement benefit plan	-	2,899
Loss before Income Taxes	-84,905	75,812
Corporation Tax, Residence Tax and Enterprise Tax	486	4,909
Income Taxes-Deferred	33,618	5,574
Income Taxes Total	34,105	10,484
Profit (Loss)	-119,010	65,328

(3) Statements of Changes in Shareholders' Equity
 Previous consolidated fiscal year (April 1, 2014 to March 31, 2015)

(Unit : million yen)

	Shareholders' Equity			
	Paid-in Capital	Additional Paid-in Capital		
		Capital reserve	Other additional Paid-in Capital	Additional Paid-in Capital Total
Balance at the start of FY	237,304	31,087	19	31,107
Changes during FY				
New issue of shares	50,000	50,000		50,000
Transfer to additional paid-in capital from common stock	-50,000		50,000	50,000
Transfer to additional paid-in capital from capital reserve		-50,000	50,000	
Accumulation of Reserve for losses on overseas investment, etc				
Reversal of Reserve for losses on overseas investment, etc				
Net Loss				
Acquisition of Treasury Stock				
Disposal of Treasury Stock				
Changes by Stock Exchanges			-709	-709
Net changes during FY other than Shareholders' Equity				
Total changes during FY			99,289	99,289
Balance at the end of FY	237,304	31,087	99,309	130,396

(Unit : million yen)

	Shareholders' Equity			
	Retained earnings			
	Legal reserve	Other additional Paid-in Capital		Additional Paid-in Capital Total
Reserve for losses on overseas investment, etc		Deferred retained earnings		
Balance at the start of FY	59,326	16	11,061	70,405
Changes during FY				
New issue of shares				
Transfer to additional paid-in capital from common stock				
Transfer to additional paid-in capital from capital reserve				
Accumulation of Reserve for losses on overseas investment, etc				
Reversal of Reserve for losses on overseas investment, etc				
Net Loss			-119,010	-119,010
Acquisition of Treasury Stock				
Disposal of Treasury Stock				
Changes by Stock Exchanges				
Net changes during FY other than Shareholders' Equity				
Total changes during FY			-119,011	-119,010
Balance at the end of FY	59,326	17	-107,949	-48,605

(Unit : million yen)

	Shareholders' Equity		Valuation and Translation Adjustments			Equity Total
	Treasury stock	Shareholders' Equity Total	Unrealized gain on other securities	Gain/Loss on deferred hedge	Valuation and Translation Adjustments Total	
Balance at the start of FY	-2,153	336,663	418	4,323	4,741	341,405
Changes during FY						
New issue of shares		10,000				10,000
Transfer to additional paid-in capital from common stock						
Transfer to additional paid-in capital from capital reserve						
Accumulation of Reserve for losses on overseas investment, etc						
Reversal of Reserve for losses on overseas investment, etc						
Net Loss		-119,010				-119,010
Acquisition of Treasury Stock	-14	-14				-14
Disposal of Treasury Stock						
Changes by Share Exchanges	1,744	1,034				1,034
Net changes during FY other than Shareholders' Equity			643	-1,759	-1,115	-1,115
Total changes during FY	1,730	-17,990	643	-1,759	-1,115	-19,105
Balance at the end of FY	-423	318,673	1,062	2,564	3,626	322,299

Current consolidated fiscal year (April 1, 2015 to March 31, 2016)

(Unit : million yen)

	Shareholders' Equity			
	Paid-in Capital	Additional Paid-in Capital		
		Capital reserve	Other additional Paid-in Capital	Additional Paid-in Capital Total
Balance at the start of FY	237,304	31,087	99,309	130,396
Changes during FY				
New issue of shares				
Transfer to additional paid-in capital from common stock				
Transfer to additional paid-in capital from capital reserve				
Accumulation of Reserve for losses on overseas investment, etc				
Reversal of Reserve for losses on overseas investment, etc				
Net Loss				
Acquisition of Treasury Stock				
Disposal of Treasury Stock				
Changes by Stock Exchanges				
Net changes during FY other than Shareholders' Equity				
Total changes during FY				
Balance at the end of FY	237,304	31,087	99,309	130,396

(Unit : million yen)

	Shareholders' Equity			
	Retained earnings			
	Legal reserve	Other additional Paid-in Capital		Additional Paid-in Capital Total
Reserve for losses on overseas investment, etc		Deferred retained earnings		
Balance at the start of FY	59,326	17	-107,949	-48,605
Changes during FY				
New issue of shares				
Transfer to additional paid-in capital from common stock				
Transfer to additional paid-in capital from capital reserve				
Accumulation of Reserve for losses on overseas investment, etc				
Reversal of Reserve for losses on overseas investment, etc		-2	2	
Net Loss			65,328	65,328
Acquisition of Treasury Stock				
Disposal of Treasury Stock				
Changes by Stock Exchanges				
Net changes during FY other than Shareholders' Equity				
Total changes during FY		-2	65,331	65,328
Balance at the end of FY	59,326	15	-42,618	16,723

(Unit : million yen)

	Shareholders' Equity		Valuation and Translation Adjustments			Equity Total
	Treasury stock	Shareholders' Equity Total	Unrealized gain on other securities	Gain/Loss on deferred hedge	Valuation and Translation Adjustments Total	
Balance at the start of FY	-423	318,673	1,062	2,564	3,626	322,299
Changes during FY						
New issue of shares						
Transfer to additional paid-in capital from common stock						
Transfer to additional paid-in capital from capital reserve						
Accumulation of Reserve for losses on overseas investment, etc						
Reversal of Reserve for losses on overseas investment, etc						
Net Loss		65,328				65,328
Acquisition of Treasury Stock	-17	-17				-17
Disposal of Treasury Stock						
Changes by Stock Exchanges						
Net changes during FY other than Shareholders' Equity			-337	-2,083	-2,420	-2,420
Total changes during FY	-16	65,311	-337	-2,083	-2,420	62,890
Balance at the end of FY	-439	383,985	724	481	1,205	385,190

6. Other

Income and Expenditure (Non-consolidated)

(Unit: 100 million yen, %)

		FY2015 (A)	FY2014 (B)	Difference (A-B)	Change (A/B)	Composition Ratio	
						FY2015	FY2014
Ordinary Revenues	Lighting	6,142	6,485	-342	94.7	35.6	36.6
	Power	8,236	8,976	-739	91.8	47.8	50.7
	(Subtotal)	(14,379)	(15,461)	(-1,082)	(93.0)	(83.4)	(87.3)
	Other	2,858	2,258	600	126.6	16.6	12.7
	[Sales]	[17,054]	[17,612]	[-557]	[96.8]	[98.9]	[99.4]
	Total	17,237	17,719	-481	97.3	100.0	100.0
Ordinary Expenses	Labor	1,310	1,131	179	115.9	7.9	6.1
	Fuel	3,647	6,784	-3,137	53.8	22.1	36.4
	Power purchase	3,868	3,724	143	103.9	23.5	20.0
	Maintenance	1,444	1,266	178	114.1	8.8	6.8
	Depreciation	1,670	1,647	23	101.4	10.1	8.8
	Interest	370	386	-16	95.8	2.2	2.1
	Tax & public dues	852	860	-7	99.1	5.2	4.6
	Nuclear back-end	217	214	3	101.5	1.3	1.1
	Other	3,112	2,634	477	118.1	18.9	14.1
	Total	16,494	18,650	-2,156	88.4	100.0	100.0
[Operating Income(loss)]		[978]	[-593]	[1,572]	[-]		
Ordinary Income(loss)		743	-930	1,674	-		
Reserve fluctuation in water levels		59	16	42	350.7		
Extraordinary gain		74	98	-24	75.1		
Income(loss) before income taxes		758	-849	1,607	-		
Income taxes		104	341	-236	30.7		
Net Income(loss)		653	-1,190	1,843	-		

(Note) Nuclear back-end expenses include the costs below:

- Costs for reprocessing of irradiated nuclear fuel
- Costs for preparation of reprocessing of irradiated nuclear fuel
- Costs for disposal of transuranic waste
- Costs for decommissioning nuclear power plants

(Reference)

	FY2015 (A)	FY2014 (B)	Difference (A-B)
Crude Oil (CIF) Price	\$49/b	\$90/b	-41\$/b
Exchange Rate	¥120/\$	¥110/\$	¥10/\$