

## Financial Forecast Revision for FY2015

Kyushu Electric Power Company Inc., has revised the financial forecasts for FY2015 (from April 1<sup>st</sup>, 2015 to March 31<sup>st</sup>, 2016) announced on July 31<sup>st</sup>, 2015.

### 1. Revised Forecast for financial results for FY2015

(Consolidated) Forecast for the six months Financial Results (April 1<sup>st</sup>, 2015-September 30<sup>th</sup>, 2015)

	Sales (million yen)	Operating Profit (million yen)	Ordinary Profit (million yen)	profit attributable to owners of parent (million yen)	EPS (yen)
The Previous Forecast (A)	940,000	-	-	-	-
The Revised Forecast (B)	930,000	70,000	55,000	45,000	95.00
Changes in Amount (B – A)	-10,000	-	-	-	-
Rate of Changes (%)	-1.1	-	-	-	-
The six months of FY2014 Actual Results	929,524	-16,265	-31,946	-35,901	-75.91

(Non-consolidated) Forecast for the six months Financial Results (April 1<sup>st</sup>, 2015-September 30<sup>th</sup>, 2015)

	Sales (million yen)	Operating Profit (million yen)	Ordinary Profit (million yen)	Net Profit (million yen)	EPS (yen)
The Previous Forecast (A)	880,000	-	-	-	-
The Revised Forecast (B)	870,000	60,000	55,000	50,000	105.49
Changes in Amount (B – A)	-10,000	-	-	-	-
Rate of Changes (%)	-1.1	-	-	-	-
The six months of FY2013 Actual Results	876,957	-24,213	-41,542	-34,630	73.18

(Consolidated) Forecast for full-year Financial Results (April 1<sup>st</sup>, 2015-March 31<sup>st</sup>, 2016)

	Sales (million yen)	Operating Profit (million yen)	Ordinary Profit (million yen)	profit attributable to owners of parent (million yen)	EPS (yen)
The Previous Forecast (A)	1,895,000	-	-	-	-
The Revised Forecast (B)	1,880,000	-	-	-	-
Changes in Amount (B – A)	-15,000	-	-	-	-
Rate of Changes (%)	-0.8	-	-	-	-
FY2013 Actual Results	1,873,467	-43,314	-73,693	-114,695	-242.38

(Non-consolidated) Forecast for full-year Financial Results (April 1<sup>st</sup>, 2015-March 31<sup>st</sup>, 2016)

	Sales (million yen)	Operating Profit (million yen)	Ordinary Profit (million yen)	Net Profit (million yen)	EPS (yen)
The Previous Forecast (A)	1,765,000	-	-	-	-
The Revised Forecast (B)	1,750,000	-	-	-	-
Changes in Amount (B – A)	-15,000	-	-	-	-
Rate of Changes (%)	-0.8	-	-	-	-
FY2013 Actual Results	1,761,275	-59,380	-93,080	-119,010	-251.32

## 2. Reason for revision and Qualitative information regarding forecasts for the consolidated operating performance

We hereby announce about the financial results forecasts for the 2Q of FY2015, calculated based on recent supply and demand trends, due to Sendai nuclear power station has been in constant thermal output operation from August 31st, though we had planned to announce forecasts of the profit upon verification of the operating condition of Sendai nuclear power station unit No.1 after restarting generating electricity.

The Kyushu Electric Power Group has faced an ongoing situation of the severe revenue and expenditure and our financial condition in electricity business under the long-term shutdown of our nuclear power station which resulted in rising fuel costs. So we have been implementing the expenditure restraints, which are short term limited, such as deferring repair work to another period within this fiscal year.

Under these conditions, in financial results forecasts for the 2Q of FY2015, ordinary income is expected to be in the black mainly due to the time lag of reflection of decreasing fuel prices in lighting and power prices, while fuel cost has decreased along with the significant decline of fuel prices from the latter half of the previous fiscal year.

The consolidated sales, in electricity business, is expected to be at the same level as the same quarter of FY2014 to around ¥930 billion, mainly because of an increased grant based on the Act on Purchase of Renewable Energy Sourced Electricity in spite of a decreased lighting and power prices due to a decrease of charge unit price mainly affected by fuel cost adjustment system.

The ordinary income, in electricity business, is expected to be around ¥55.0 billion, an improvement from the loss of ¥31.9 billion the same quarter last year. This is mainly due to a decrease of fuel cost along with the significant decline of fuel prices and resumption of Sendai nuclear power station unit No.1 as well as every group-wide effort to save costs in spite of an increased purchased electricity cost from renewable energy sources.

The profit attributable to owners of parent is expected to be around ¥45.0 billion, an improvement from the loss of ¥35.9 billion the same quarter last year.

In year-end financial results forecasts for FY2015, the consolidated sales is expected to be lower than the previous forecast to around ¥1,880 billion due to a decreased lighting and power prices mainly due to a decreased electricity sales as well as charge unit price affected by fuel cost adjustment system.

Fiscal 2015 full-year forecasts for the profit attributable to owners of parent is currently not able to be estimated due to the difficult situations that we can not calculate the second half fuel costs rationally under uncertain prospects for the resumption of Sendai No.1 and Genkai nuclear power stations. We will promptly inform you of our forecasts when it is possible for us to make them.

### (Reference) Key fundamentals of forecast for the six months Financial Results

	The six month of FY2015 (from April 1 <sup>st</sup> , 2015 to September 30 <sup>th</sup> , 2015)		FY2015 (from April 1 <sup>st</sup> , 2015 to March 31 <sup>st</sup> , 2016)	
	The Revised Forecast	The Previous Forecast	The Previous Forecast	The Previous Forecast
Electricity sales volume	39.6 Billion kWh	40.2 Billion kWh	81.1 Billion kWh	81.7 Billion kWh
Crude oil CIF price	61 \$/b	62 \$/b	60 \$/b	64 \$/b
Exchange rate	123 ¥/\$	123 ¥/\$	124 ¥/\$	124 ¥/\$
Nuclear power utilization rate	4.4 %			

#### Disclaimer

Statements made herein regarding Kyushu Electric Power Company's forecasts are based on management's assumptions and beliefs in light of information currently available. Owing to various uncertainties, actual results may differ materially from these statements.