

Presentation Material

Financial Forecast Revision for FY2014

August 28, 2014



Statements made in this overview of operations regarding Kyushu Electric Power's strategies and forecasts and other statements that are not historical facts are forward-looking statements based on management's assumptions and beliefs in light of information currently available, and should not be interpreted as promises or guarantees. Owing to various uncertainties, actual results may differ materially from these statements. Investors are hereby cautioned against making investment decisions solely on the basis of forward-looking statements contained herein.

FY2014 2nd Quarter Financial Results Forecasts

【Reason for the revision of Consolidated FY2014 2nd Quarter Financial Results Forecasts】

- Kyushu Electric Power has announced the financial forecasts for the six months ended September 30, 2014, profits had not fixed, taking into consideration recent trends in electrical power supply and demand and shutdown of our nuclear power plants for the first half.

FY2014 2nd Quarter Financial Results Forecasts

【 FY2014 2nd Quarter Financial Results Forecasts Summary 】

- Consolidated sales is expected to exceed the six months of FY2013 to about ¥930 billion, affected by the business performances in electricity business mainly because of the effects of electricity rate increase from during FY2013 and increased charge unit price due to the effect of fuel cost adjustment system in spite of decreased electricity sales volume.
- The ordinary loss is expected to reduce degree of loss compared with the six month of FY2013 to about ¥35 billion, affected by the business performances in electricity business because of the sales increase in spite of increased costs for power purchases from renewable energy.
- The net loss is expected to increase degree of loss compared with the six month of FY2013 to about ¥40 billion because of a decrease of an extraordinary gain occurred by sales of real estates.

FY2014 2nd Quarter Financial Results Forecasts

Consolidated

(Billion Yen, %)

	FY2014/2Q (Forecast)	FY2013/2Q (Actual results)	Change in Amount	Rate of Changes
Sales	930.0	868.2	61.8	7.1
Operating Profit	▲ 25.0	▲ 58.3	33.3	-
Ordinary Profit	▲ 35.0	▲ 75.6	40.6	-
Net Profit	▲ 40.0	▲ 35.7	▲ 4.3	-

Non-Consolidated

(Billion Yen, %)

	FY2014/2Q (Forecast)	FY2013/2Q (Actual results)	Change in Amount	Rate of Changes
Sales	880.0	818.5	61.5	7.5
Operating Profit	▲ 30.0	▲ 66.7	36.7	-
Ordinary Profit	▲ 40.0	▲ 74.1	34.1	-
Net Profit	▲ 40.0	▲ 28.9	▲ 11.1	-

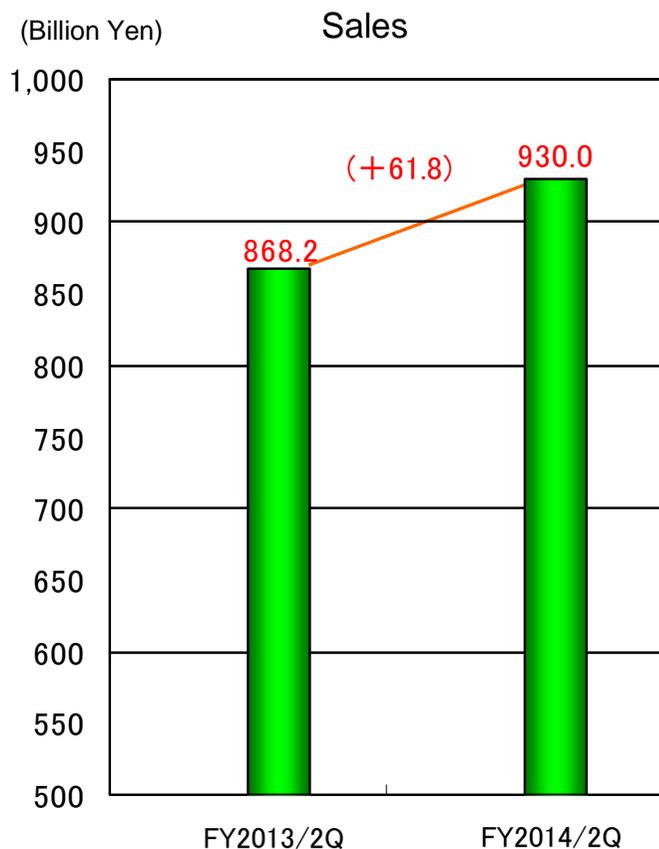
(Reference)Key Fundamentals

	FY2014/2Q	FY2013/2Q	Change in Amount
Electricity sales Volume	40.4 Billion kWh	42.3 Billion kWh	▲1.9 Billion kWh
Crude oil CIF price	110\$/b	108\$/b	2\$/b
Exchange rate	102¥/\$	99¥/\$	3¥/\$
Nuclear power utilization rate	— %	— %	— %

FY2014 2nd Quarter Financial Results Forecasts

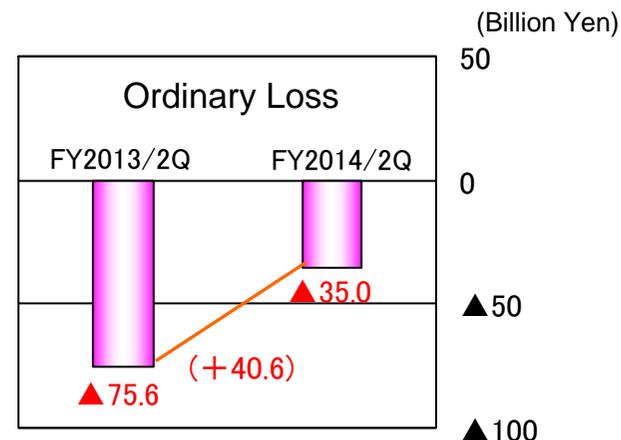
<Factor of Consolidated Sales Increase + 61.8>

- Increase in Electricity Sales of Lighting including the effect of electricity rate increase(+ 30.0) + 23.0
- Increase of grant based on the Act on Purchase of Renewable Energy Sourced Electricity + 31.0



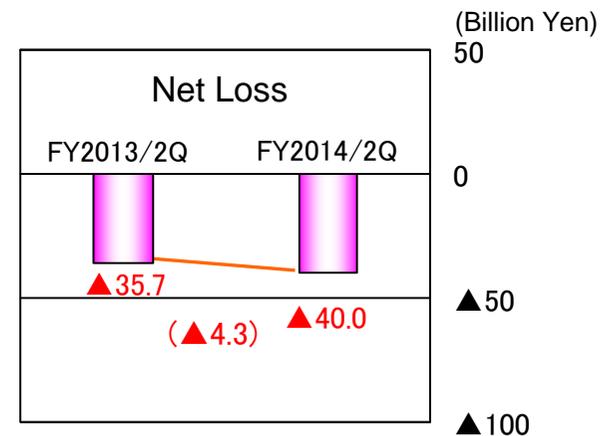
<Factor of Consolidated Ordinary Loss Reduce + 40.6>

- Sales Increase + 61.8
- Increase in power purchase including costs from renewable energy (- 39.0) 25.0



<Factor of Consolidated Net Loss Reduce 4.3>

- Consolidated Ordinary Loss Reduce + 40.6
- Decrease of an Extraordinary Gain including sales of real estates 45.0



FY2014 2nd Quarter Financial Results Forecasts

【Changes from the Previous Forecast】

- Sales is expected to decrease from the previous forecast by ¥10.0 billion affected by a electricity sales volume decrease in electricity business.
- Forecasts for operating income, ordinary income and net income, which had not fixed are able to disclose at this timing.

Consolidated

(Billion Yen, %)

	The Revised Forecast	The Previous Forecast	Change in Amount	Rate of Changes
Sales	930.0	940.0	▲ 10.0	▲ 1.1
Operating Profit	▲ 25.0	—	—	—
Ordinary Profit	▲ 35.0	—	—	—
Net Profit	▲ 40.0	—	—	—

Non-Consolidated

(Billion Yen, %)

	The Revised Forecast	The Previous Forecast	Change in Amount	Rate of Changes
Sales	880.0	890.0	▲ 10.0	▲ 1.1
Operating Profit	▲ 30.0	—	—	—
Ordinary Profit	▲ 40.0	—	—	—
Net Profit	▲ 40.0	—	—	—

(Reference)Key Fundamentals

	The Revised Forecast	The Previous Forecast	Change in Amount
Electricity sales Volume	40.4 Billion kWh	41.7 Billion kWh	▲1.3 Billion kWh
Crude oil CIF price	110\$/b	110\$/b	—\$/b
Exchange rate	102¥/\$	105¥/\$	▲3¥/\$
Nuclear power utilization rate	—%		—%

FY2014 Financial Results Forecasts

【 FY2014 Financial Results Forecasts Summary (Changes from the Previous Forecast) 】【

- Our full-year consolidated sales is expected to exceed the previous forecast to around ¥1,905 billion because of an increased grant based on the Act on Purchase of Renewable Energy Sourced Electricity in spite of decreased electricity sales volume.
- Our year-end financial results forecasts for FY2014 are undetermined given the unpredictability of assessing trends in electrical power supply and demand of the second half because it is uncertain regarding the schedule for the resumption of the operations of reactors of our nuclear power stations.
We will promptly inform you of our forecasts when it is possible for us to make them.

Consolidated

(Billion Yen, %)

	The Revised Forecast	The Previous Forecast	Change in Amount	Rate of Changes
Sales	1,905.0	1,895.0	10.0	0.5

Non-Consolidated

(Billion Yen, %)

	The Revised Forecast	The Previous Forecast	Change in Amount	Rate of Changes
Sales	1,795.0	1,785.0	10.0	0.6

(Reference)Key Fundamentals

	The Revised Forecast	The Previous Forecast	Change in Amount
Electricity sales Volume	82.4 Billion kWh	83.7 Billion kWh	▲1.3 Billion kWh
Crude oil CIF price	110\$/b	110\$/b	—\$/b
Exchange rate	103¥/\$	105¥/\$	▲2¥/\$
Nuclear power utilization rate			—%