

July 31, 2013

**The 1st Quarter of the Fiscal Year Ending March 31, 2014 Financial Results Overview (Japan GAAP) (Consolidated)  
Kyushu Electric Power Co., Inc.**

Stock code: 9508 URL: [http://www.kyuden.co.jp/en\\_index.html](http://www.kyuden.co.jp/en_index.html)

Stock listed on: Tokyo SE, Fukuoka SE

Representative: Mr. Michiaki Uriu, President

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

Quarterly financial report submission date (plan): August 8, 2013

Date to start dividend payments: -

Preparation of supplementary materials for quarterly financial results: Yes

Information meeting for quarterly financial results: No

(Rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Three Months (April 1, 2013 to June 30, 2013)**

**(1) Consolidated Operational Results**

(% shows the changes from the same quarter period of the previous FY)

	Sales		Operating income		Ordinary income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
April 1, 2013 - June 30, 2013	388,992	9.9	-56,352	—	-64,633	—
April 1, 2012 - June 30, 2012	353,824	2.9	-94,353	—	-102,266	—

(Note) Comprehensive income: FY2013 1Q -58,563 million yen (—%) FY2012 1Q -105,848 million yen (—%)

	Net income		EPS	Fully-diluted EPS
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)
April 1, 2013 - June 30, 2013	-59,152	—	-125.08	
April 1, 2012 - June 30, 2012	-100,937	—	-213.42	

**(2) Consolidated Financial Position**

	Total assets	Net assets	Shareholders' equity ratio
	(Unit: million yen)	(Unit: million yen)	(%)
As of June 30, 2013	4,458,771	545,771	11.8
As of March 31, 2013	4,526,513	557,799	11.9

(Reference) Shareholders' equity: As of June 30, 2013: 528,353 million yen As of March 31, 2013: 539,684 million yen

**2. Dividends**

(Record date)	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Total
	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
FY2012		0.00		0.00	0.00
FY2013					
FY2013(forecast)		0.00			

(Note) Revision of the dividend forecast: No

The dividend of FY2013 ending March 31, 2014 has yet to be decided.

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

**3. Consolidated Financial Results Forecasts for FY2013 (April 1, 2013 to March 31, 2014)**

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

	Sales		Operating income		Ordinary income		Net income		EPS
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
2Q	860,000	12.7	-80,000	—	-100,000	—	-70,000	—	-148.01
Full-year	1,760,000	13.8	—	—	—	—	—	—	—

(Note) Revision of financial results forecasts: Yes

We have announced operating income, ordinary income and net income of 2Q which were undetermined by calculation mainly based on prospects for trends in electrical power supply and demand of the first half. (See page 4 "(2)Explanation regarding forecasts for the consolidated operating performance" of Attached Material)

**Note**

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

Newly added: 0 Excluded: 0

**(2) Adoption of methods specific in preparing quarterly consolidated financial statements in accounting practice : No**

**(3) Changes in accounting principles, changes in accounting estimates, restatement**

Changes in accounting principles in line with revised accounting standards : No

Changes in accounting principles other than : Yes

Changes in accounting estimates : No

Restatement : No

For details , please refer to Page5 "2 Summary Information, Changes in accounting Principles, changes in accounting estimates, restatement " of Attached Material.

**(4) Number of common stocks issued and outstanding**

**Total stocks including treasury stocks** FY2013 1Q: 474,183,951 shares FY2012: 474,183,951 shares

**Treasury stocks** FY2013 1Q: 1,249,194 shares FY2012: 1,246,883 shares

**Average number of shares during the period** FY2013 1Q: 472,935,408 shares FY2012 1Q: 472,945,112 shares

\*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) Non-consolidated Financial Results Forecasts**

**Non-consolidated Financial Results Forecasts for FY2013 (April 1, 2013 to March 31, 2014)**

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

	Sales		Operating income		Ordinary income		Net income		EPS
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: yen)
2Q	810,000	12.7	-85,000	—	-95,000	—	-60,000	—	-126.79
Full-year	1,660,000	14.6	—	—	—	—	—	—	—

(Note) Revision of financial results forecasts : Yes

## Table of Contents of Attached Material

1. Qualitative Information regarding Quarterly Financial Results	2
(1) Explanation regarding business performance	2
(2) Explanation regarding forecasts for the consolidated operating performance	4
2. Summary Information	5
Changes in accounting principles, changes in accounting estimates, restatement	5
3. Quarterly Consolidated Financial Statements	6
(1) Quarterly Consolidated Balance Sheets	6
(2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements	8
(3) Notes on Quarterly Consolidated Financial Statements	10
(Notes on the premise of going concern)	10
(Notes in case of drastic changes in the amount of equity)	10
4. Supplementary Information	11
(1) Income and Expenditure (Non-consolidated)	11
(2) Recording of an extraordinary gain	12
(3) Information regarding consolidated financial condition	12

## 1. Qualitative Information regarding Quarterly Financial Results

### (1) Explanation regarding business performance

The Japanese economy in this period (April - June, 2013) has steadily recovered against the background of factors including the government's economic policies, and improvement in the export environment. The economy in Kyushu is gradually recovering as a whole, for example, production and exports stopped decreasing and a trend towards improvement of individual consumption is observed.

The Kyushu Electric Power Group has faced an ongoing situation of very tight supply and demand and rapid change in our financial status with the shutdown of all our nuclear power stations, and we have had no choice but to ask our customers to share in that burden by increasing our fees, at the same time as working to achieve maximum efficiency.

### Revenue and Expenditure

Under these conditions, on the revenue side, consolidated sales (operating revenues) increased by 9.9% to ¥388.9 billion compared with the 1Q of FY2012 and the ordinary revenues increased by 10.2% to ¥392.7 billion affected by the business performances in electricity business as lighting and power revenue increased mainly due to the increase in charge unit price with the effect of electricity rate increase and fuel cost adjustment system and grant recorded based on a feed-in tariff power purchase and sale system of renewable energy had started in July last year while electricity sales volume decreased.

On the expenditure side, ordinary expenses became ¥457.3 billion, same level as the same quarter period of the previous year, affected by the business performances in electricity business as thermal fuel costs due to the influence of a weaker yen and costs for power purchases increased due to renewable energy sources while we made efforts to reduce costs such as maintenance cost efficiency and reduction of labor cost.

As a result, the ordinary loss for 1Q of FY2013 was ¥64.6 billion.

The net loss for 1Q of FY2013 was ¥59.1 billion, because proceed ¥7.6 billion was recorded as an extraordinary gain due to sales of real estate and securities as a part of management rationalization.

### Sales and Supply Overview

The general demand such as electric light, power for commercial operations decreased by 1.9% from the 1Q of FY2012 due to the effect of power saving and a decrease in meter-reading period compared with a previous year. The power demand from large industrial customers decreased by 2.9% from the 1Q of FY2012 due to the decrease in production of electric machinery and non-ferrous metals.

Consequently, the total electricity sales for the 1Q of FY2013 decreased by 2.2% to 19.24 billion kWh.

### Electricity Sales Volume

(Unit: million kWh, %)

		FY2013 1Q (A)	FY2012 1Q (B)	Difference (A-B)	Change (A/B)
Demand other than those under Liberalization	Lighting	6,470	6,604	-134	98.0
	Power	1,110	1,143	-33	97.1
	Total	7,580	7,747	-167	97.8
Demand under Liberalization		11,662	11,934	-272	97.7
Electricity Sales Total		19,242	19,681	-439	97.8
Figures are included above	Customers other than large-scale industrial	13,391	13,657	-266	98.1
	Large-scale industrial customers	5,851	6,024	-173	97.1

On the supply side, under the ongoing shutdown of the operations of our nuclear power stations, we have provided supply of electricity to our customers by increasing electricity received from other companies while hydro decreased due to the drought.

Generated and Received Electricity

(Unit: million kWh, %)

		FY2013 1Q (A)	FY2012 1Q (B)	Difference (A-B)	Change (A/B)
Own facilities	Hydro (Water flow rate)	818 (68.5)	1,170 (97.7)	-352 (-29.2)	69.9
	Thermal	14,190	14,339	-149	99.0
	Nuclear (Utilization rate)	- (-)	- (-)	- (-)	-
	New Energy	333	340	-7	98.0
	Subtotal	15,341	15,849	-508	96.8
From other companies (New Energy [included above])		5,038 (652)	4,445 (492)	593 (160)	113.3 (132.4)
Interchange		399	584	-185	68.2
For pumping		-88	-125	37	70.0
Total		20,690	20,753	-63	99.7

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

(2) Explanation regarding forecasts for the consolidated operating performance

We have announced operating income, ordinary income and net income of 2Q which were undetermined by calculation mainly based on prospects for trends in electrical power supply and demand of the first half.

Our operating income, ordinary income and net income for FY2013 are undetermined because it is unable to reasonably assess cost such as fuel cost of last half year due to the uncertain 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.

Financial Results Forecasts for the First Six Months of FY2013

(Consolidated)

	The Revised Forecast	The Previous Forecast	Compared with the Previous Forecast		The first six month of FY2012
			Changes in Amount	Rate of Changes	
Sale (100 million yen, %)	8,600	8,600	-	-	7,630
Operating income (100 million yen, %)	-800	-	-	-	-1,355
Ordinary income (100 million yen, %)	-1,000	-	-	-	-1,510
Net income (100 million yen, %)	-700	-	-	-	-1,495
EPS (Yen, %)	-148.01	-	-	-	-316.14

(Non-consolidated)

	The Revised Forecast	The Previous Forecast	Compared with the Previous Forecast		The first six month of FY2012
			Changes in Amount	Rate of Changes	
Sale (100 million yen, %)	8,100	8,100	-	-	7,188
Operating income (100 million yen, %)	-850	-	-	-	-1,361
Ordinary income (100 million yen, %)	-950	-	-	-	-1,519
Net income (100 million yen, %)	-600	-	-	-	-1,501
EPS (Yen, %)	-126.79	-	-	-	-317.28

Financial Results Forecasts for FY2013 ..... The revised forecast is no change from the previous forecast

	The Revised Forecast		The Previous Forecast		FY2012	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Sale (100 million yen)	17,600	16,600	17,600	16,600	15,459	14,488
Operating income (100 million yen)	-	-	-	-	-2,994	-3,058
Ordinary income (100 million yen)	-	-	-	-	-3,312	-3,399
Net income (100 million yen)	-	-	-	-	-3,324	-3,380
EPS (Yen)	-	-	-	-	-702.98	-714.33

Sensitivity Factors

	2Q		Year-end	
	The Revised Forecast	The Previous Forecast	The Revised Forecast	The Previous Forecast
Electricity sales volume	41.8billion kWh	42.3billion kWh	84.2billion kWh	84.7billion kWh
Crude oil (CIF) price	106 \$/b	110 \$/b	106 \$/b	110 \$/b
Exchange rate	100 ¥/\$	95 ¥/\$	100 ¥/\$	95 ¥/\$
Nuclear Power Utilization Rate	0%			

## 2. Summary Information

Changes in accounting principles, changes in accounting estimates, restatements

(Changes in accounting principles)

Accounting Standard for Retirement Benefits (ASBJ Statement No.26 on May 17, 2012) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 on May 17, 2012) are applicable from the consolidated fiscal year beginning on April 1, 2013. In line with this, the Company adopted the Standard and the Guidance from the first quarter of the current consolidated fiscal year, changing to the method of recognizing the amount calculated by deducting plan assets from retirement benefit obligations as a liability for retirement benefits and recognizing actuarial gains and losses and past service costs that are yet to be recognized in profit or loss in the liability for retirement benefits. In addition, the Company reviewed the method for calculating retirement benefit obligations and current service years, and changed the method of attributing expected benefit to periods from a straight-line basis to a benefit formula basis.

Regarding the application of the Standard and the Guideline for Retirement Benefits, in accordance with the transitional treatment stipulated in paragraph 37 of the Accounting Standard for Retirement Benefits, the effect associated with recognizing the amount calculated by deducting plan assets from retirement benefit obligations as a liability for retirement benefits is added to or deducted from the accumulated amount of adjustments related to retirement benefits in the accumulated other comprehensive income at the beginning of the first quarter of the current consolidated fiscal year. In addition, the effect of changing the method used to calculate liability for retirement benefits and past service costs is added to or deducted from retained earnings.

As a result, accumulated other comprehensive income and retained earnings at the beginning of the first quarter of the current consolidated fiscal year increased by ¥28,773 million and ¥18,822 million, respectively. Furthermore, operating loss, ordinary loss, and loss before income taxes for the quarter each decreased by ¥128 million.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	As of March 31st, 2013	As of June 30th, 2013
<b>Assets</b>		
Fixed Assets	3,883,590	3,836,977
Utility property, plant and equipment	2,414,522	2,390,359
Hydro	320,052	315,683
Thermal	183,858	181,693
Nuclear	232,756	227,627
Internal combustion	18,918	18,528
New energy power production facilities	13,494	13,828
Transmission	667,527	662,121
Transformation	228,372	225,981
Distribution	614,503	613,020
General	128,380	125,234
Other	6,659	6,639
Other fixed assets	305,774	305,457
Construction in progress	220,817	228,129
Construction and retirement in progress	220,817	228,129
Nuclear fuel	278,941	284,980
Loaded nuclear fuel	84,103	84,103
Nuclear fuel in processing	194,837	200,876
Investments and other assets	663,534	628,049
Long-term investments	139,395	135,747
Reserve for reprocessing of irradiated nuclear fuel	240,155	233,373
Deferred tax assets	176,988	151,191
Other assets	107,978	108,706
Allowance for doubtful accounts	-984	-969
Current Assets	642,922	621,794
Cash and cash equivalent	368,995	313,533
Trade notes and accounts receivable	123,311	139,047
Inventories at average cost	73,077	91,232
Deferred tax assets	31,203	30,553
Other current assets	47,279	48,313
Allowance for doubtful accounts	-945	-887
<b>Assets Total</b>	<b>4,526,513</b>	<b>4,458,771</b>

(Unit: million yen)		
	As of March 31st, 2013	As of June 30th, 2013
<b>Liabilities</b>		
Long-term Liabilities	3,298,927	3,293,623
Bonds	1,048,396	1,113,400
Long-term loans	1,469,610	1,475,876
Accrued retirement benefits	163,875	-
Reserve for reprocessing of irradiated nuclear fuel	321,276	318,198
Reserve for preparation of reprocessing of irradiated nuclear fuel	25,637	25,893
Liabilities for retirement benefits	-	89,273
Asset retirement obligations	221,025	222,382
Deferred tax liabilities	5	70
Other fixed liabilities	49,100	48,528
Current Liabilities	665,478	619,376
Current portion of long-term liabilities	250,343	220,137
Short-term borrowings	119,532	116,691
Commercial paper	33,000	71,000
Notes and accounts payable	101,690	87,036
Income tax payable	17,201	10,778
Deferred tax liabilities	87	86
Other current liabilities	143,622	113,646
Reserves under the special law	4,308	-
Reserve for fluctuation in water levels	4,308	-
<b>Liabilities Total</b>	<b>3,968,713</b>	<b>3,913,000</b>
<b>Net Assets</b>		
Shareholders' Equity	518,207	477,874
Common stock	237,304	237,304
Additional paid-in capital	31,130	31,130
Retained earnings	252,145	211,815
Treasury stock	-2,373	-2,376
Accumulated other comprehensive income	21,477	50,479
Unrealized gain on other securities	19,212	16,955
Gain on deferred hedge	3,747	6,098
Foreign currency translation adjustments	-1,481	-469
Accumulated amount of adjustments related to retirement benefits	-	27,894
Minority Interests	18,114	17,417
<b>Net Assets Total</b>	<b>557,799</b>	<b>545,771</b>
<b>Liabilities and Net Assets Total</b>	<b>4,526,513</b>	<b>4,458,771</b>

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

(Unit: million yen)

	April 1, 2012-June 30, 2012	April 1, 2013-June 30, 2013
Operating Revenues	353,824	388,992
Electricity	320,567	352,332
Other	33,257	36,660
Operating Expenses	448,178	445,344
Electricity	416,894	413,222
Other	31,283	32,121
Operating Income(Loss)	-94,353	-56,352
Other Revenues	2,486	3,717
Proceed from dividends	695	781
Proceed from interests	950	1,030
Foreign currency gains	21	926
Equity in earnings of affiliates	-	99
Other	819	878
Other Expenses	10,399	11,998
Interest expenses	9,008	9,741
Equity in loss	570	-
Other	821	2,257
Total Ordinary Revenues	356,310	392,709
Total Ordinary Expenses	458,577	457,342
Ordinary Income(Loss)	-102,266	-64,633
Provision or reversal of reserve fluctuation in water levels	-779	-4,308
Reversal of reserve fluctuation in water levels(Credit)	-779	-4,308
Extraordinary gain	-	7,675
Gain on sale of fixed assets	-	2,333
Gain on sale of securities	-	5,341
Income(Loss) before Income Taxes	-101,486	-52,649
Income Taxes	528	1,102
Income Taxes-Deferred	-1,066	5,048
Income Taxes Total	-538	6,150
Income(Loss) before Minority Interests	-100,947	-58,800
Minority Interests in net income(Loss)	-9	352
Net Income(Loss)	-100,937	-59,152

(Quarterly Consolidated Comprehensive Income Statements)

(Unit: million yen)

	April 1, 2012-June 30, 2012	April 1, 2013-June 30, 2013
Net Loss before Minority Interests	-100,947	-58,800
Other comprehensive income		
Unrealized gain on other securities	-2,364	-2,243
Gain on deferred hedge	-1,642	2,340
Foreign currency translation adjustments	-469	105
Adjustments related to retirement benefits	-	-909
Equity in equity method companies	-425	942
Total other comprehensive income	-4,901	236
Comprehensive income	-105,848	-58,563
(Breakdown)		
Comprehensive income related to parent company shareholders	-105,822	-58,924
Comprehensive income related to minority interests	-26	360

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on the premise of going concern)

N/A

(Notes in case of drastic changes in the amount of equity)

N/A

#### 4. Supplementary Information

##### (1) Income and Expenditure (Non-consolidated)

(Unit: 100 million yen, %)

		FY2013 1Q (A)	FY2012 1Q (B)	Difference (A-B)	Change (A/B)	Composition Ratio	
						FY2013 1Q	FY2012 1Q
Ordinary Revenues	Lighting	1,349	1,310	38	103.0	35.8	39.3
	Power	1,928	1,826	102	105.6	51.3	54.9
	(Subtotal)	(3,278)	(3,137)	(141)	(104.5)	(87.1)	(94.2)
	Other	483	193	289	249.3	12.9	5.8
	[Sales]	[3,633]	[3,307]	[325]	[109.9]	[96.6]	[99.3]
	Total	3,762	3,331	430	112.9	100.0	100.0
Ordinary Expenses	Labor	273	403	-130	67.8	6.3	9.3
	Fuel	1,780	1,696	83	104.9	41.0	39.1
	Power purchase	769	630	138	122.1	17.7	14.5
	Maintenance	230	408	-177	56.4	5.3	9.4
	Depreciation	437	461	-24	94.7	10.1	10.7
	Interest	93	85	7	109.1	2.1	2.0
	Tax & public dues	195	196	-1	99.3	4.5	4.5
	Nuclear back-end	49	48	-	100.7	1.1	1.1
	Other	516	407	109	126.9	11.9	9.4
	Total	4,346	4,339	6	100.2	100.0	100.0
[Operating Income(Loss)]		[-599]	[-940]	[341]	[ - ]		
Ordinary Income(Loss)		-584	-1,008	424	-		
Reserve for fluctuation in water levels		-43	-7	-35	552.4		
Extraordinary Gain		76	-	76	-		
Income(Loss) before income taxes		-464	-1,000	536	-		
Income taxes		39	-6	45	-		
Net Income(Loss)		-503	-994	490	-		

(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)

	FY2013 1Q [A]	FY2012 1Q [B]	Difference [A-B]
Crude oil (CIF) price	108 \$/b	123 \$/b	-15 \$/b
Exchange rate	99 ¥/\$	80 ¥/\$	19 ¥/\$

(2) Recording of an extraordinary gain

Kyushu Electric Power Company is promoting asset sales which are not directly related to electricity business. As a result of the effort of asset sales, we record an extraordinary gain as follows in the 1Q of FY2013.

Gain on sale of fixed assets

2.3 billion yen is recorded. (Non-consolidated is also same price)

Gain on sale of securities

5.3 billion yen is recorded. (Non-consolidated is also same price)

(3) Information regarding consolidated financial condition

(Unit: 100 million yen)

	FY2013 1Q [A]	FY2012 [B]	Difference [A-B]
Interest-bearing Debt	29,871	29,107	764

(Unit: 100 million yen)

	FY2013 1Q	FY2012 1Q
Depreciation	512	542