Presentation Materials for Fiscal Year ended March 31, 2018

April 27, 2018



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01

Outline of Financial Results for Fiscal Year ended March 31, 2018

Note: The Company's fiscal year (FY) is from April 1 to March 31 of the following year. FY2017 represents the fiscal year begun on April 1, 2017, and ended on March 31, 2018.

01

Summary of Financial Results <1>



(D:II: a.a. , , a.a. 0/)

- Operating revenues (consolidated) increased following FY2014, for the first time in 3 years.
- Ordinary income (consolidated) increased following FY2015, for the first time in 2 years.
- [Consolidated] We recorded increased sales and profit following FY2014, for the first time in 3 years.

		(Rounded down to nea	rest 100 million yen.)	(Billion yen,%)
[Consolidated]	FY2017	FY2016	Chang	e
	(A)	(B)	(A-B)	(A-B)/B
Operating revenues	2,853.3	2,603.5	249.7	9.6
Operating income	136.5	136.4	0.0	0.0
Ordinary income	128.5	121.4	7.0	5.8
Extraordinary income (loss) *1	(23.3)	30.2	(53.6)	
Net income attributable to owners of parent	74.3	114.6	(40.2)	(35.1)

^{*1} FY2017 : Impairment loss

FY2016: Gain on change in equity

FY2017: 32 subsidiaries (+3 companies), 27 affiliates accounted for under the equity method (+3 companies)

[Non Consolidated]		(Rounded down to ne	arest 100 million yen.)	(Billion yen,%)
[Non-Consolidated]	FY2017	FY2016	Change	e
	(A)	(B)	(A-B)	(A-B)/B
Operating revenues	2,597.1	2,389.7	207.4	8.7
Operating income	114.7	117.2	(2.5)	(2.2)
Ordinary income	91.8	99.1	(7.2)	(7.3)
Extraordinary income (loss) *	(22.3)	-	(22.3)	
Net income	48.5	72.0	(23.4)	(32.6)

(Daying dad daying to magnest 100 million year)

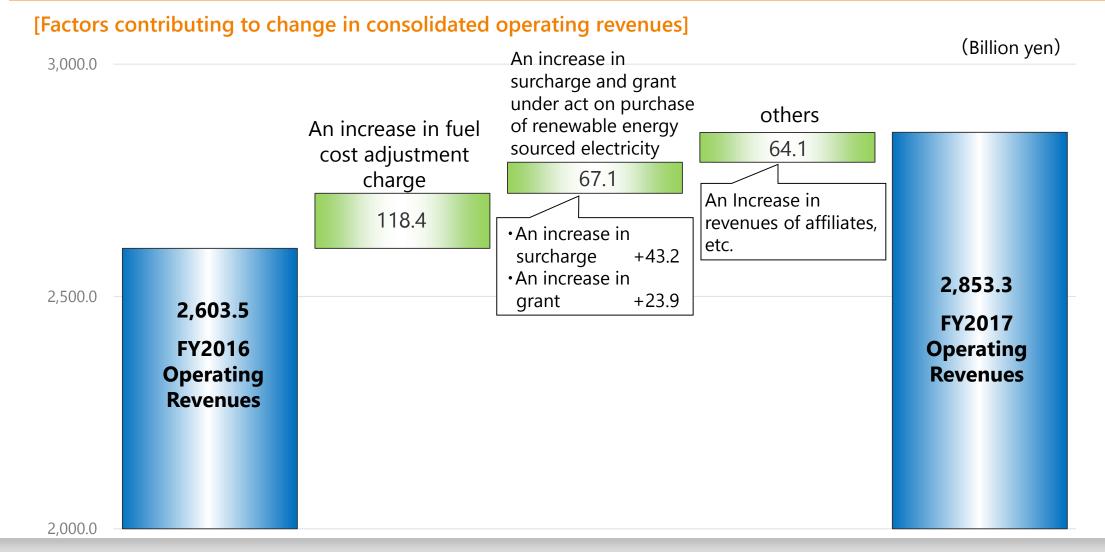
^{*2} The number of consolidated subsidiaries [change from the previous year in parenthesis]

^{*} FY2017: Impairment loss



<Consolidated operating revenues>

Operating revenues increased by 249.7 billion yen compared with FY2016, mainly due to an increase in fuel cost adjustment charge, and an increase in surcharge and grant based on Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities.

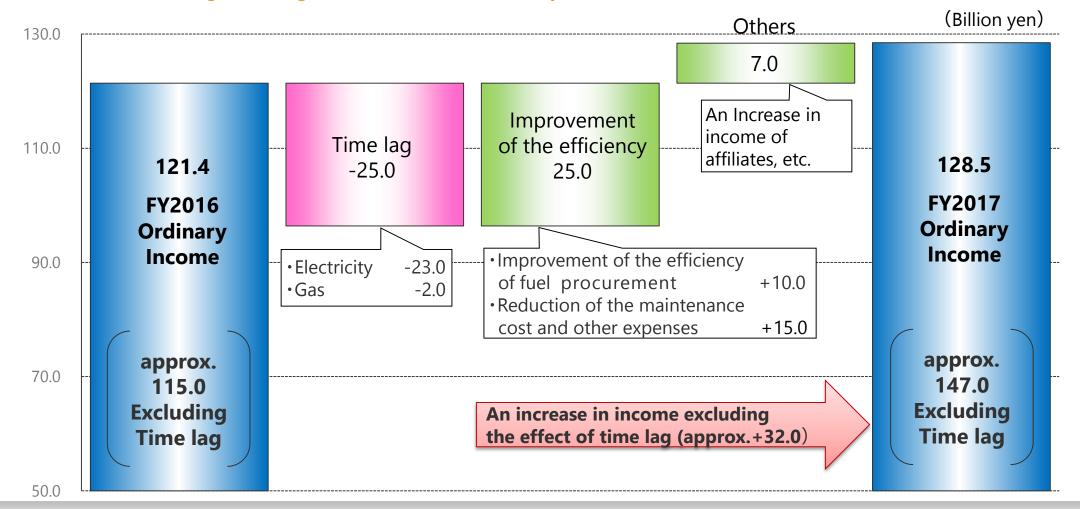




<Consolidated ordinary income>

Consolidated ordinary income increased by 7.0 billion yen compared with FY2016, mainly due to improvement of the efficiency and an increase in income of affiliates, in spite of an effect of conversion of income incurred by fuel cost adjustment system time lag into loss.

[Factors contributing to change in consolidated ordinary income]





(T\\/h %)

0.9

< Electrical Energy Sold >

■ **Dropped by 0.3% to 121.4TWh**, compared with FY2016, mainly due to an effect of switches made to other operators with the intensified competition, in spite of an increase in air conditioning demand by lower temperature in this winter compared with FY2016, in addition to a sales increase in the Tokyo metropolitan area and an increase of production in the automobile and semiconductor industry.

					(TVVN,%)
		FY2017	FY2016	Chan	ge
		(A)	(B)	(A-B)	(A-B)/B
	Low voltage	38.8	38.8	0.0	0.0
Electrical Energy Solo	High voltage • Extra-high voltage	82.6	83.0	(0.4)	(0.5)
	Total	121.4	121.8	(0.4)	(0.3)
[Reference]					
Electrical Er		125.2	124.2	1 1	0.0

125.3

124.2

1.1

including group companies (*)

^{*} The sum of the company and consolidated subsidiaries.

Electric Power Supplied and Principal Figures



<Electric Power Supplied>

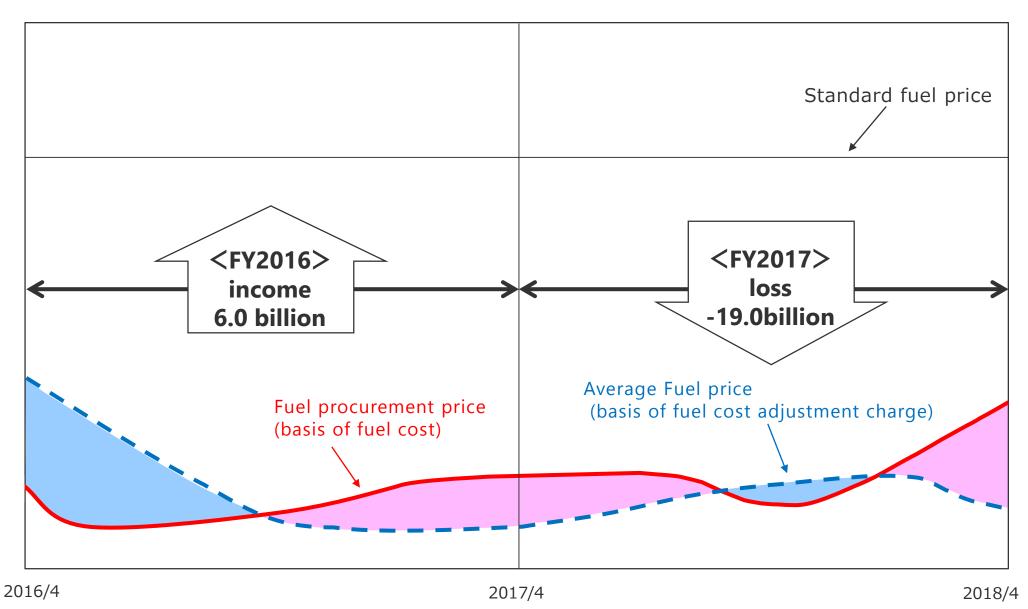
- Hydro: The flow rate fell short of the previous fiscal year; thus hydroelectric power output decreased by 0.1TWh.
- Wholesale: Increased by 1.6TWh, mainly due to an increase in wholesale volume.
- Purchased Power: Increased by 2.6TWh, mainly due to an increase in purchase of renewable energy.
- Thermal: As a result of decrease in electrical energy sold and above, thermal power output decreased by 2.2TWh.

(TWh,%) FY2017 FY2016 Change (B) (A-B) (A-B)/BHydro 8.5 8.6 (0.1)(0.3)<flow rate> <98.7> <99.8> <(1.1)> Thermal 108.0 110.2 (2.2)(2.0)Internally generated Nuclear **Flectric** (0.2)(0.2)(0.0)1.6 Power <utilization rate> <-> <-> <-> **Supplied** Renewable energy 0.0 0.0 0.0 6.8 Wholesale (7.8)(6.2)(1.6)(25.3)Interchanged, purchased power(*) Purchased power 16.0 18.6 16.0 2.6 Power used for pumped storage (1.2)(1.1)(0.1)16.9 125.9 127.3 Total (1.4)(1.1)

^{*} Interchanged, purchased power represent power output that we grasp at the end of the FY2017.

[Principal Figures]		FY2017 (A)	FY2016 (B)	Change (A-B)	
CIF price: crude oil	(\$/b)	57.0	47.5	9.5	*CIF crude oil price for
FX rate (interbank)	(yen/\$)	110.9	108.4	2.5	FY2017 is tentative.





* Accrued income include the effect of time lag of gas supply business.

Summary of Forecast for FY2018 <1>



<Forecast>

- Consolidated operating revenues will increase mainly due to an increase of fuel cost adjustment charge in spite of a decrease in electrical energy sold.
- Consolidated ordinary income will increase mainly due to further management efficiency in spite of a decrease in electrical energy sold.

100.0

Further, consolidated ordinary income excluding the effect of time lag is expected to be approx.150.0 billion yen.

[Consolidated]

- Operating revenues will increase for 2 consecutive years since FY2017.
- Ordinary income will increase for 2 consecutive years since FY2017.

FY2018 FY2017 Change (Result)(B) (Forecast)(A) (A-B) (A-B)/B2,950.0 2,853.3 approx. 97.0 3.4 145.0 136.5 6.2 approx. 8.5 128.5 135.0 approx. 6.5 5.0

approx. 23.0

approx. 26.0

(23.3)

74.3

Operating revenues

Operating income

Ordinary income

[(Reference)Non-Consolidated]

Net income attributable to owners of parent

Extraordinary income (loss) (*)

(Billion yen,%)

34.5

(Billion yen,%)

				(2
	FY2018	FY2017	7 Change	
	(Forecast)(A)	(Result)(B)	(A-B)	(A-B)/B
Operating revenues	2,640.0	2597.1	approx. 43.0	1.6
Operating income	125.0	114.7	approx. 10.0	9.0
Ordinary income	115.0	91.8	approx. 23.0	25.1
Extraordinary income (loss) (*)	-	(22.3)	approx. 22.0	
Net income	85.0	48.5	approx. 37.0	75.1

^{*} FY2017 : Impairment loss

^{*} FY2017: Impairment loss

Summary of Forecast for FY2018 <2>



[Principal Figures]

Interest rate

(TWh,%)

					(1 4 4 1 1, 70)
(Electrical energy sold)		FY2018	FY2017	Chan	ge
		(Forecast)(A)	(Result)(B)	(A-B)	(A-B)/B
Low voltage		36.0	38.8	(2.8)	(7.2)
High voltage •Extra-high voltag	e	81.3	82.6	(1.3)	(1.6)
Total		117.3	121.4	(4.1)	(3.4)
[Reference]					
Electrical energy sold including gr companies (*1)	oup	123.0	125.3	(2.3)	(1.8)
(Other principal figures)		FY2018 (Forecast)	FY2017 (Result)		
CIF price: crude oil	(\$/b)	approx. 65	57.0		
FX rate	(yen/\$)	approx. 110	110.9		
Nuclear power utilization rate	(%)	-			
			(Billion yen)		
(Incomo consitivity)		FY2018	FY2017		
(Income sensitivity)		(Forecast)	(Result)		
CIF price: crude oil	(1\$/b)	7.0	8.0	(*2,3)	
FX rate	(1yen/\$)	5.5	5.5	(*2)	
Flow rate	(1%)	0.8	0.7		

(1%)

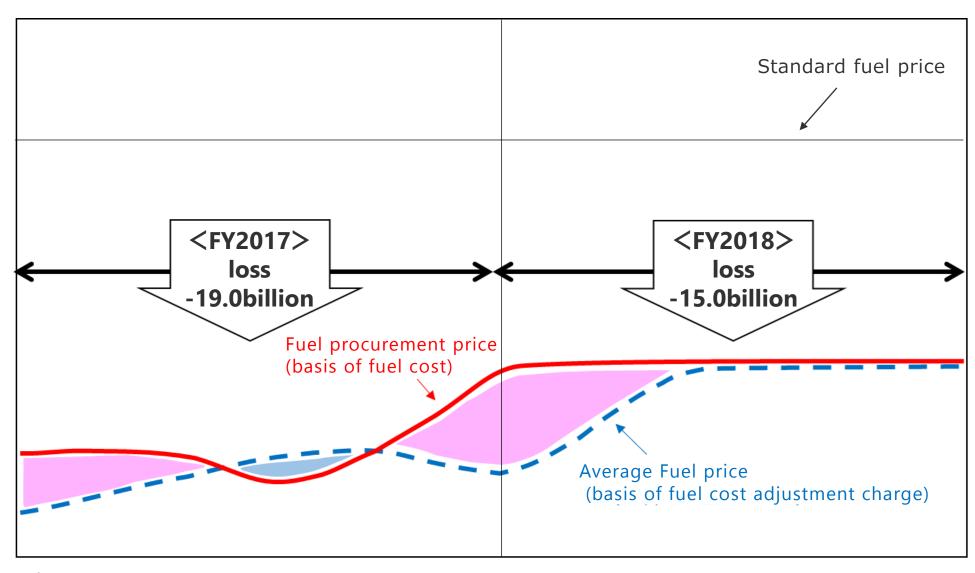
4.5

^{*1} The sum of the company, consolidated subsidiaries, and equity method companies.

^{*2} These figures represent income sensitivity for fuel expenses. Fluctuation of CIF price (crude oil) and FX rate will be reflected in sales revenue, in cases where average fuel price fluctuates and fuel cost adjustment system will be applied.

^{*3} The impact value of crude oil price includes the impact of LNG price because LNG price is subject to crude oil price.





2017/4 2018/4 2019/4

* Accrued income include the effect of time lag of gas supply business.

Policy of Return to Shareholders and Dividends for the Fiscal Year under Review, and the Fiscal Year to Come



<Policy of Return to Shareholders>

The Company will work to maintain stable dividends after taking account of financial condition and other factors, while continuously investing in building and operating facilities that are essential for a safe and stable supply of electricity.

<Dividends for the fiscal year under review (FY2017)>

For FY2017, the year-end dividends per share is expected to be **20 yen** in comprehensive consideration of mid-to-long financial position, management environment, etc., in addition to the improvement of the fiscal balance due to continuous our management efficiency.

	Interim Dividends per share (yen)	Year-end Dividends per share (yen)	Annual Dividends per share (yen)	
FY 2017	15	20	35	
FY 2016	15	15	30	

<Dividends for the fiscal year to come (FY2018)>

For FY2018, on the assumption that we will work to expand revenue sources and further increase our management efficiency, annual dividends per share is expected to be **40 yen** in comprehensive consideration of med-to-long financial position, management environment, etc.

02

Reference Data: Financial Results

Consolidated Statements of Income



(Rounded d	lown to nearest 1	Ju million yen.)	(Billion yen,%)
EV2047	EV/2016	CI	

	FY2017	FY2016	Chang	je
	(A)	(B)	(A-B)	(A-B)/B
Operating revenues	2,853.3	2,603.5	249.7	9.6
Non-operating revenues	27.8	18.4	9.4	51.2
Ordinary revenues	2,881.2	2,621.9	259.2	9.9
Operating expenses	2,716.8	2,467.0	249.7	10.1
Non-operating expenses	35.8	33.4	2.4	7.3
Ordinary expenses	2,752.6	2,500.5	252.1	10.1
<operating income=""></operating>	<136.5>	<136.4>	<0.0>	<0.0>
Ordinary income	128.5	121.4	7.0	5.8
Reserve for fluctuation in water levels	(0.0)	(0.3)	0.3	-
Extraordinary income (loss)(*)	(23.3)	30.2	(53.6)	-
Income taxes	28.4	35.2	(6.7)	(19.3)
Net income attributable to non-controlling interests	2.3	2.2	0.1	5.2
Net income attributable to owners of parent	74.3	114.6	(40.2)	(35.1)

* FY2017 : Impairment loss

FY2016: Gain on change in equity

Non-consolidated Statements of Income <1>: Operating revenues



(Round	ed down to i	nearest 100 milli	on yen.) (Billion y	yen,%)	
	FY2017	FY2016	Change		[Major factors for change]
Floctricity sales revenues	(A)	(B) 2,027.6	(A-B) (A- 117.6	-B)/B 5.8	- An increase in fuel cost adjustment charge: +118.4
Sold power to other electric utilities(*1)	2,145.3 79.9	55.4	24.5	44.3	- An increase in surcharge under act on purchase of renewable energy sourced electricity: +43.2
transmission revenue, etc. (*2)	61.6	30.5	31.1	102.1	- An increase in market transaction sales
Grant under act on purchase of renewable energy sourced electricity	227.3	203.4	23.9	11.7	- An increase in purchase of
Other	28.6	26.5	2.0	7.8	renewable energy sourced electricity
Electricity business operating revenues	2,542.9	2,343.5	199.3	8.5	
Incidental businesses operating revenues	54.1	46.1	8.0	17.5	- Gas supply business: +9.2 (rise in unit price of revenues) <gas lng="" sold=""></gas>
Total operating revenues	2,597.1	2,389.7	207.4	8.7	846 thousand tons → 863 thousand tons

^{*1} Sold power to other utilities, and Sold power to other suppliers

^{*2} Transmission revenue and Settlement revenue among utilities

Total operating expenses

Non-consolidated Statements of Income <2>: Operating expenses



	(Dayrada	al alassum ta mas	t 100 : : -	para (Pilli	ion von 9/)	
	(Rounde	FY2017 (A)	FY2016 (B)	Chan	ion yen,%) nge (A-B)/B	[Major factors for change]Operational deterioration of pension
	Salaries and employee benefits	181.0	176.2	4.8	2.8	assets
	Fuel	713.6	614.5	99.0	16.1	- Differences in power generated : -23.4 (Improvement of thermal
	Nuclear back-end expenses (*1)	12.8	13.3	(0.5)	(3.8)	Efficiency: -11.0 •A decrease in thermal power
	Purchased power etc. (*2)	405.3	346.8	58.5\	16.9	generated : -12.4
	Transmission charges etc. (*3)	17.5	10.0	7.5	74.6	- Differences in unit price: +122.4
	Maintenance	184.9	204.6	(19.7)	(9.6)	 An increase in purchase of renewable energy sourced electricity
	Depreciation	247.4	236.2	11.1	4.7	- An increase in extra-regional supply
	Taxes other than income taxes	123.4	123.8	(0.3)	(0.3)	3 113
	Levy under act on purchase of renewable energy sourced electricity	276.7	233.4	43.2	18.5	- A decrease in thermal (Inspectional construction cost)
	Other	266.7	272.4	(5.7)	(2.1)	Depreciation of Nighi Nagova
Ele	ectricity business operating expenses	2,429.8	2,231.7	198.0	8.9	- Depreciation of Nishi-Nagoya Thermal Power Plant Unit No.7
Inc	cidental business operating expenses	52.6	40.6	11.9	29.3	

^{*1} Contributions for reprocessing of irradiated nuclear fuel, Designated radioactive waste disposal expenses, Decommissioning nuclear power plants

2,272.4

209.9

9.2

Gas supply business: +12.2

2,482.4

^{*2} Purchased power from other utilities, Purchased power from other suppliers, Portion of the existing power generation expenses such as spent fuel reprocessing for which contracts have been signed

^{*3} Transmission charges, supply connection transmission charges, Settlement revenue among utilities



	FY2017	FY2016	Change	
	(A)	(B)	(A-B)	(A-B)/B
Operating income	114.7	117.2	(2.5)	(2.2)
Non-operating revenues	10.8	13.0	(2.2)	(17.3)
Non-operating expenses	33.6	31.1	2.4	7.8
Ordinary revenues	2,607.9	2,402.7	205.1	8.5
Ordinary expenses	2,516.0	2,303.6	212.4	9.2
Ordinary income	91.8	99.1	(7.2)	(7.3)
Reserve for fluctuation in water levels	(0.0)	(0.3)	0.3	-
Extraordinary loss	22.3	-	22.3	-
Income taxes	21.0	27.4	(6.4)	(23.3)
Net income	48.5	72.0	(23.4)	(32.6)

[Major factors for change]

- Electricity business: +1.3
 (111.8 → 113.1)
- Incidental business : -3.8 $(5.4 \rightarrow 1.5)$

Impairment loss relating thermal power plants etc.



	(R	Rounded down to ne	(Billion yen)	
		2018.3 (A)	2017.3 (B)	Change (A-B)
Accets	Consolidated	5,530.1	5,412.3	117.8
Assets	Non-consolidated	5,001.2	4,956.5	44.6
Liabilities	Consolidated	3,738.2	3,687.5	50.6
	Non-consolidated	3,556.1	3,535.9	20.2
Net assets	Consolidated	1,791.9	1,724.7	67.2
	Non-consolidated	1,445.0	1,420.5	24.4
Shareholders' equity ratio (%)	Consolidated	31.3	31.1	0.2
	Non-consolidated	28.9	28.7	0.2
Outstanding interest-bearing debt	Consolidated	2,595.6	2,674.7	(79.1)
	Non-consolidated	2,569.4	2,662.8	(93.3)

16 | Segment Information



[Operating revenues]	nues [(Rounded down to nearest 100 million yen.)				ı.) (Billion yen)	
	FY2017 (A)	external customers	FY2016 (B)	external customers	Change (A-B)	external customers
Power Generation	1,097.6	47.5	986.2	29.4	111.3	18.0
Power Network	744.6	85.7	732.9	50.7	11.7	35.0
Customer Service & Sales	2,633.8	2,527.9	2,452.6	2,344.1	181.2	183.7
Others (*)	706.1	192.1	710.1	179.2	(4.0)	12.8
Total		2,853.3		2,603.5		249.7

[Operating income and loss]		(Rounded down to nearest	100 million yen.) (Billion yen)
	FY2017 (A)	FY2016 (B)	Change (A-B)
Power Generation	38.2	61.2	(23.0)
Power Network	55.2	35.0	20.1
Customer Service & Sales	38.1	51.1	(12.9)
Others (*)	7.1	(8.5)	15.6
Operating income	138.8	138.9	(0.1)

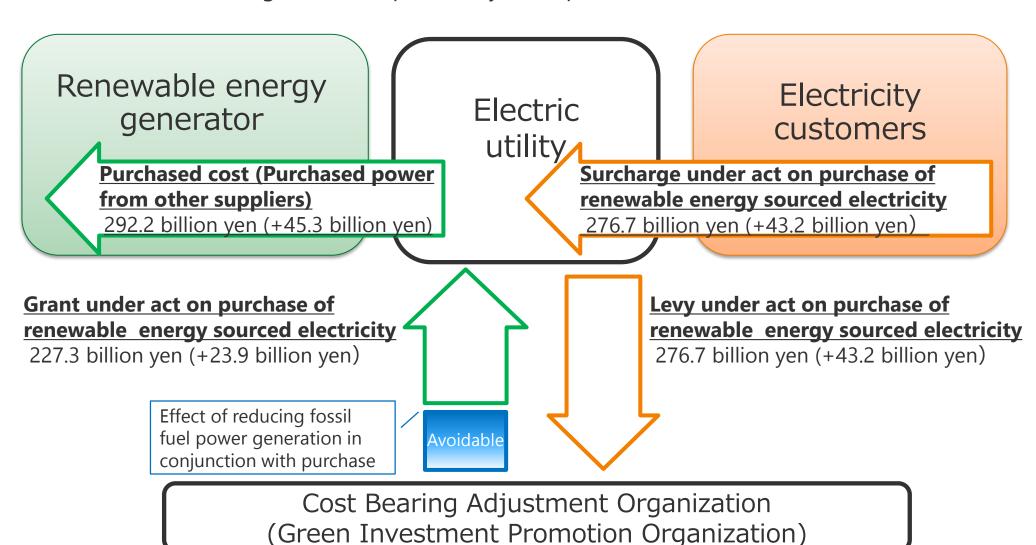
^{* &}quot;Others" is business segment that is excluded from reporting segments and includes nuclear power division, administrative division and other consolidated subsidiaries.



(Roune	ded down to near	(Billion yen)	
	FY2017	FY2016	Change
	(A)	(B)	(A-B)
Cash flows from operating activities (a)	424.1	335.0	89.0
Cash flows from investing activities (b)	(344.4)	(360.2)	15.7
Cash flows from financing activities (c)	(88.6)	21.0	(109.7)
Net decrease in cash and cash equivalents(a)+(b)+(c)	(9.0)	(4.0)	(4.9)
	FY2017 (A)	FY2016 (B)	Change (A-B)
Free cash flows (a)+(b)	79.6	(25.1)	(104.8)



<Result of FY2017 (change from the previous year in parenthesis)>





DISCLAIMER

The forecasts in this presentation are based on information available as of the date of this announcement is made, and also, assumptions as of the date of this announcement are made on uncertain factors that would affect future results.

Actual results may materially differ by various causes in the future.

