

Forecasts for the Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)

The forecasts of Consolidated results for the Year Ending March 31, 2019 published on October 31, 2018 have been revised. We have now estimated the forecasts of financial results for the full year by reflecting the recent operational situation at thermal power plants, based on an assumption that the operation of Tomari Nuclear Power Station will be stopped until the end of this fiscal year..

As regards the forecasts for the Year Ending March 31, 2019 for consolidated results, the operating revenue will be increased compared to the previous fiscal year because of the impact of the fuel cost adjustment system implemented because of the rise in fuel prices, etc. in spite of decrease in electricity sales.

Although it was impacted by the Hokkaido Eastern Iburi Earthquake, the ordinary profit will be increased compared to the previous fiscal year because of an increase in efficiency by strengthening the management foundation and a decrease in the cost of periodic inspections of the thermal power units etc., in addition to an increase in hydroelectric power generated by high-water flow.

As a result, the Operating revenue will be approximately 754,000 million yen, the Operating profit will be approximately 40,000 million yen, and the Ordinary profit will be approximately 28,000 million yen. The Profit attributable to owners of parent will be 18,000 million yen.

Regarding dividend forecasts for the fiscal year ending March 31, 2019, we had previously announced that dividends on both common stock and preferred stock were "undecided", because we could not predict business performance.

However, based on those forecasts of financial results for the full year, we have revised dividend forecasts. Regarding dividends of common stock, we plan to pay 10 yen per share, increase 5 yen from the previous fiscal year, and we plan to pay a dividend of 3,000,000 yen per class-B preferred share in accordance with the articles of incorporation.

Forecasts of Consolidated Results for the Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)

(Million yen)

| | April 1, 2018 – March 31, 2019 | | |
|---|--------------------------------------|--|---|
| | | Increase/decrease compared to the previous forecasts | Increase/decrease compared to the year ended March 31, 2018 |
| Operating Revenue | 754,000 | (5,000) | 21,000 |
| Operating Profit | 40,000 | — | 6,000 |
| Ordinary Profit | 28,000 | — | 9,000 |
| Profit attributable to owners of parent | 18,000 | — | 2,000 |
| [Comparison to the last fiscal year] Electricity sales | [Approx. (8.3)%] Approx. 22.7 TWh | Approx. (0.6) TWh | Approx. (2.1) TWh |

Note: "Increase/decrease compared to the previous forecasts" means the difference between these forecasts and those published in October 31, 2018.

Forecasts of Non-consolidated Results for the Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)

(Million yen)

| | April 1, 2018 – March 31, 2019 | | |
|-------------------|--------------------------------|--|---|
| | | Increase/decrease compared to the previous forecasts | Increase/decrease compared to the year ended March 31, 2018 |
| Operating Revenue | 722,000 | (5,000) | 19,000 |
| Operating Profit | 35,000 | — | 8,000 |
| Ordinary Profit | 24,000 | — | 11,000 |
| Profit | 16,000 | — | 3,000 |

Note1: "Increase/decrease compared to the previous forecasts" means the difference between these forecasts and those published in October 31, 2018.

Note2: For these forecasts, we assume the foreign exchange rate and CIF crude oil price will be 111 yen/\$ (110 yen/\$ in the 4th quarter) and 71 \$/barrel (60 \$/barrel in the 4th quarter) in the full year ending March 31, 2019.