

FY2015 Financial Results Outline

(April 1, 2015 – March 31, 2016)

April 28, 2016

SHIKOKU ELECTRIC POWER CO.,INC.

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I . Consolidated Financial Results for FY2015

(April 1, 2015 – March 31, 2016)

- 1 . Electricity Sales
- 2 . Electricity Supply
- 3 . Summary of Financial Results
- 4 . Results by Segment
- 5 . Cash Flows
- 6 . Financial Position
- 7 . Dividends

I - 1 . Electricity Sales (1)

Electricity Sales

					(million kWh)
	FY2015 (a)	FY2014 (b)	(c)=(a)-(b)	(c)/(b)	Details
Retail	25,754	26,392	(638)	(2.4)%	<ul style="list-style-type: none"> • Temperature Effects approx.(300)GWh • Increase in cutting down on electricity use and energy conservation, etc. approx. (300)GWh
Lighting	8,932	9,238	(306)	(3.3)%	
Power	16,822	17,154	(332)	(1.9)%	
<Commercial>	<5,736>	<5,887>	<(151)>	<(2.6)%>	
<Large-Scale, Industrial>	<7,427>	<7,505>	<(78)>	<(1.0)%>	
Wholesale	1,770	1,155	615	53.2%	
Total	27,524	27,547	(23)	(0.1)%	

Average temperatures in prefectural capitals in Shikoku

						(°C)				
	Jun	Jul	Aug	Sep	4-month AVG.	Dec	Jan	Feb	Mar	4-month AVG.
FY2015	22.3	26.3	27.6	23.3	24.9	10.3	6.8	7.5	10.9	8.9
Differences from the average year	(0.5)	(0.5)	(0.2)	(1.2)	(0.6)	2.0	0.8	0.9	1.2	1.2
Differences from the previous year	(0.7)	(0.7)	0.9	(0.6)	(0.3)	3.6	0.1	0.6	0.8	1.3

Electricity Sales to Large- Scale Industrial Customers

			(million kWh)
	FY2015	Change*	
Textiles	390	17.3%	
Paper/Pulp	1,154	(3.4)%	
Chemicals	1,067	(0.9)%	
Steel	816	(7.0)%	
Machinery	1,841	0.3%	
Other	2,159	(1.3)%	
Total	7,427	(1.0)%	

* Changes from the previous period.

I - 1 . Electricity Sales (2)

Electricity sales in the last 5 years

(million kWh)

	FY2011	FY2012	FY2013	FY2014	FY2015
Lighting	9,793	9,625	9,615	9,238	8,932
Power	18,651	17,785	17,599	17,154	16,822
<Large-Scale,Industrial>	<8,237>	<7,681>	<7,511>	<7,505>	<7,427>
Total	28,444	27,410	27,214	26,392	25,754

Electricity sales changes from the previous fiscal year

	FY2011	FY2012	FY2013	FY2014	FY2015
Lighting	(3.3)%	(1.7)%	(0.1)%	(3.9)%	(3.3)%
Power	(1.7)%	(4.6)%	(1.0)%	(2.5)%	(1.9)%
<Large-Scale,Industrial>	<0.2%>	<(6.7)%>	<(2.2)%>	<(0.1)%>	<(1.0)%>
Total	(2.3)%	(3.6)%	(0.7)%	(3.0)%	(2.4)%

Average temperatures in prefectural capitals in Shikoku

(°C)

	FY2011	FY2012	FY2013	FY2014	FY2015
Summer*1	26.0	25.9	26.5	25.2	24.9
Winter*2	7.2	7.5	7.7	7.6	8.9

*1) Summer means an average temperature of June, July, August, and September.

*2) Winter means an average temperature of December, January, February, March.

(million kWh)

	FY2015 (a)	FY2014 (b)	(c)=(a)-(b)	(c)/(b)	Details
Hydro	3,784	3,495	289	8.3%	• Flow Rate 114.6% → 116.9%
Nuclear	-	-	-	-	• All units of the Ikata nuclear power station have been suspended.
Coal	69%	68%	1%	(2.9)%	• Decreased due to regularly scheduled inspections on Tachibana-wan Thermal Power Station
	16,554	17,050	(496)		
LNG	8%	9%	(1)%	(10.4)%	
	2,114	2,358	(244)		
Oil/Gas	23%	23%	(0)%	(5.4)%	
	5,501	5,816	(315)		
Thermal	100%	100%		(4.2)%	
	24,169	25,224	(1,055)		
Renewable Energy	2,267	1,547	720	46.5%	

	FY2015		Change [※]
	GWh	Composition	
Generated	15,140	63%	(1,874)
Purchased	9,029	37%	819
Total	24,169	100%	(1,055)

※Changes from the previous period.

(Note1) % figures in are composition ratios of the electricity generated and purchased by thermal power stations

(Note2) The electricity purchased from other utilities are included.

I - 3 . Summary of Financial Results

- ❑ Operating revenues decreased by ¥ 10.2 billion YoY, to ¥ 654.0 billion. The factors were as follows;
 - ✓ Electricity sales (Retail) decreased.
 - ✓ Revenues based on the fuel cost adjustment system decreased, etc.
- ❑ Operating expenses decreased by ¥ 5.9 billion YoY, to ¥ 629.3 billion. The factors were as follows;
 - ✓ The cost of the fuel and power purchase decreased due to down in the fuel prices.
 - ✓ Maintenance cost increased, etc.
- ❑ As a result, all income were follows;
 - Operating income : ¥ 24.7 billion, Ordinary income : ¥ 21.9 billion, Net income : ¥ 11.1 billion.

(100 million yen)

	FY2015 (a)	FY2014 (b)	(c)=(a)-(b)	(c)/(b)
Operating Revenues	6,540	6,642	(102)	(1.5)%
Operating Expenses	6,293	6,352	(59)	(0.9)%
Operating Income	247	289	(42)	(14.8)%
Interest Expenses, etc.	27	44	(17)	(39.2)%
Ordinary Income	219	245	(26)	(10.3)%
Reserve for Fluctuations in Water Level (Provision)	30	16	14	87.1%
Income Taxes, etc.	77	125	(48)	(38.1)%
Net Income attributable to shareholders of parent company	111	103	8	7.9%

(Note) Ordinary income is income before reserve for fluctuations in water level and income taxes, etc.

Details of Consolidated Financial Results ; year-on-year basis

(100 million yen)

	FY2015 (a)	FY2014 (b)	Change	
			(c)=(a)-(b)	(c)/(b)
Electricity Sales(Retail)	4,863	5,150	(287)	(5.6)%
Electricity sales(Wholesale), etc.	168	155	13	8.2%
Others	709	483	226	46.9%
Electric Operating Revenues	5,742	5,789	(47)	(0.8)%
Other Revenues	797	853	(56)	(6.5)%
Operating Revenues	6,540	6,642	(102)	(1.5)%
Personnel	508	493	15	3.0%
Fuel	932	1,415	(483)	(34.1)%
Power Purchase	1,507	1,252	255	20.3%
Depreciation	552	557	(5)	(0.9)%
Maintenance	557	505	52	10.3%
Nuclear Back-end	68	72	(4)	(5.4)%
Others	1,469	1,271	198	15.6%
Electric Operating Expenses	5,596	5,568	28	0.5%
Others	696	784	(88)	(11.2)%
Operating Expenses	6,293	6,352	(59)	(0.9)%
Operating Income	247	289	(42)	(14.8)%
Interest Expenses, etc.	27	44	(17)	(39.2)%
Ordinary Income	219	245	(26)	(10.3)%
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Income Taxes, etc.	77	125	(48)	(38.1)%
Net income attributable to shareholders of parent company	111	103	8	7.9%

【Electricity Sales(Retail)】

- Increase in surcharge income based on FIT +174
- Decrease in revenues based on the Fuel Cost Adjustment System (323)
- Decrease in electricity sales volume (132), etc.

【Others】

- Increase in grants for the purchase cost from Surcharge Adjustment Organization +222, etc.

【Other Revenues】

- Down in the selling prices of LNG in LNG sales segment (16), etc.

【Fuel, Power Purchase】 (228)

- Increase in purchase of renewable energy sourced electricity +195
- Decrease in electricity sales [Retail] (48)
- Increase in electricity volume generated by hydro power plants (20)
- Decline in the thermal power generation cost per kWh (400), etc.
[Down in the fuel prices (385), Increase in the coal power ratio (15)]

		FY2015 (a)	FY2014 (b)	(a-b)
CIF Price (all Japan)	Coal (\$/t)	75	93	(18)
	Crude Oil (\$/b)	49	90	(41)
	LNG (\$/t)	452	798	(346)
Exchange Rate (¥/\$)		120	110	10

【Maintenance】

- Increase of construction associated with the nuclear power station +30
- Increase of construction associated with distribution facilities +15, etc.

【Electric Utility Segment - Others】

- Increase in payments to Surcharge Adjustment Organization +174, etc.

【Others】

- Down in the purchase price of LNG in LNG sales segment (35), etc.

【Income Taxes, etc.】

- Decrease in the reversal of deferred tax assets accompanying the change in the effective income tax rate and so on (32)
- Decrease of pre-tax profit and so on (16)

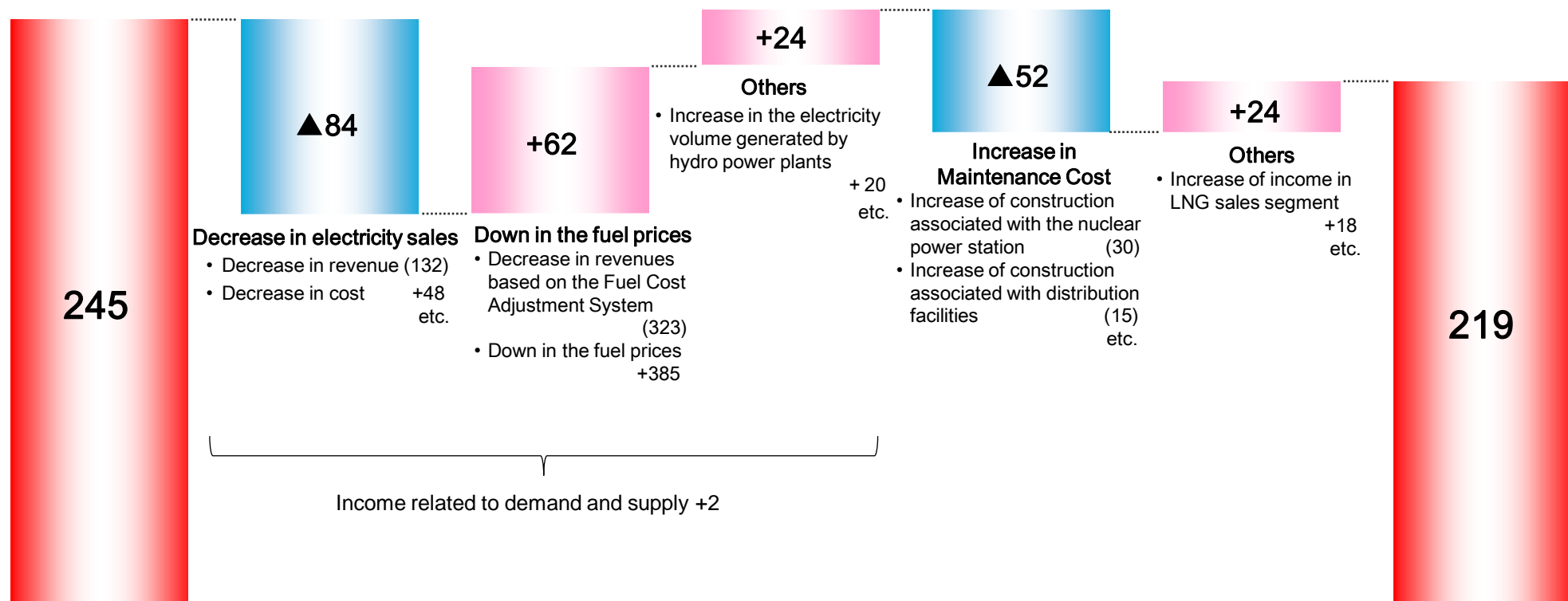
Factors Contributing to Change in Ordinary Income

Ordinary Income

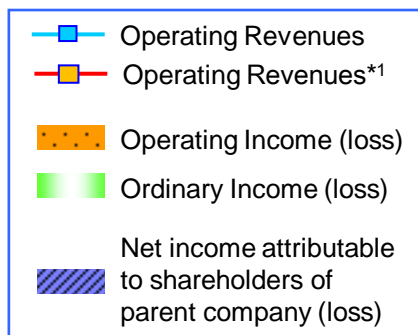
(100 million yen)

FY2014

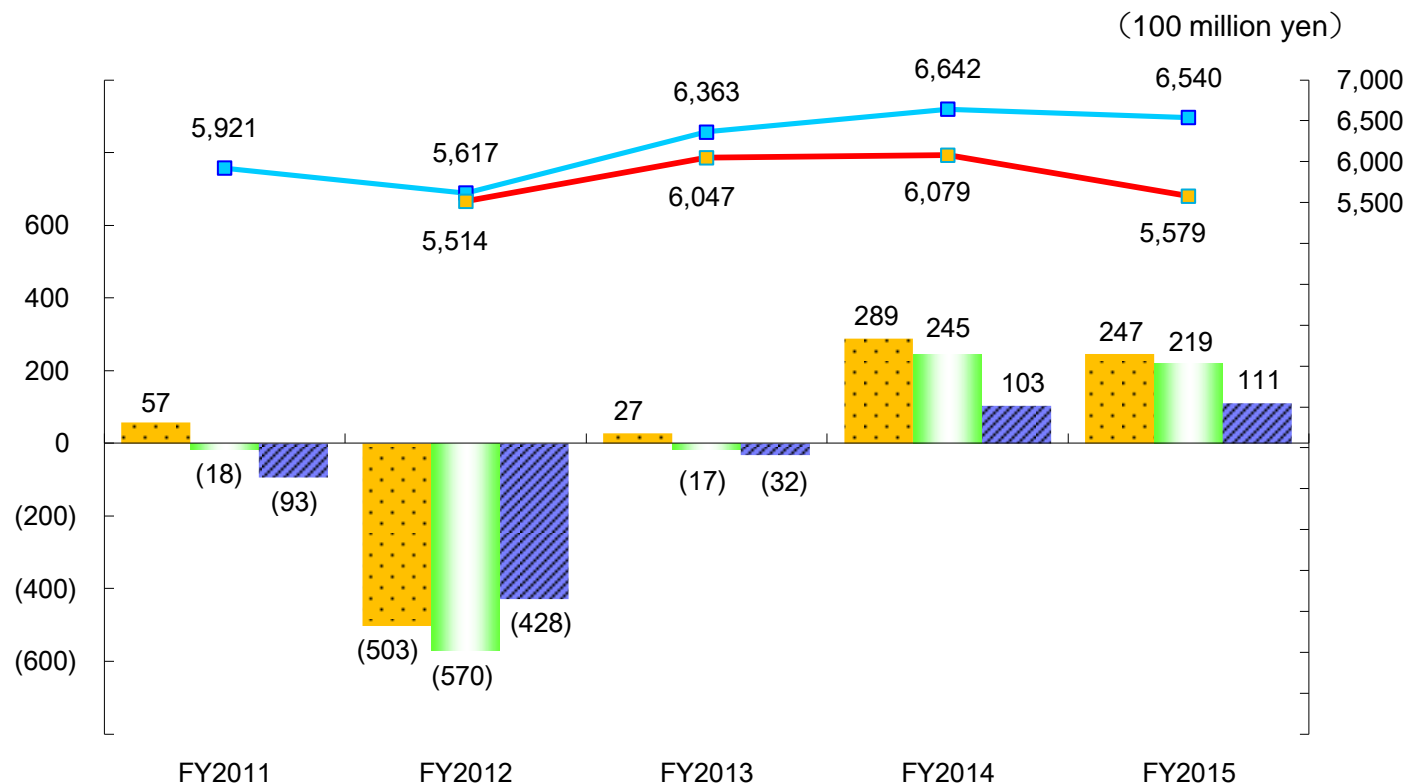
FY2015



Financial Results in the last 5 fiscal years



*1) The revenues from which income associated with FIT are deducted.



Performance Indicators

		FY2011	FY2012	FY2013	FY2014	FY2015
Operating Income Margin * ²	(%)	1.0	<(9.1)%> (9.0)	<0.4%> 0.4	<4.8%> 4.4	<4.4%> 3.8
Return on Assets (ROA) * ³	(%)	0.6	(3.4)	0.6	2.5	2.2
Return on Equity (ROE)	(%)	(2.8)	(14.0)	(1.1)	3.6	3.8
Net income per Share	(yen)	(45)	(208)	(16)	50	54
Ordinary Income(Loss) + Interest Expenses	(100 million yen)	77	(475)	81	344	310

*2) Figures in < > are calculated on the revenues from which income associated with FIT are deducted.

*3) ROA = (Ordinary Income(Loss) + Interest Expenses) / Total Assets

- ❑ Profit of electric utility segment decreased by ¥ 8.8 billion to ¥ 11.6 billion, due to the increase in the maintenance costs, etc.
- ❑ Profit of IT/communications was ¥ 3.4 billion, about the same level year on year.
The factors were as follows;
 - ✓ The order volume of data center business increased.
 - ✓ The cost of sales promotion associated with FTTH increased, etc.
- ❑ Profit of other segment increased by ¥ 4.8 billion to ¥ 10.1 billion, because of the time lag effect caused by down in the fuel purchase price in LNG sales segment.

Results by segment

		(100 million yen)			
		FY2015 (a)	FY2014 (b)	(a-b)	
Consolidated	Sales	6,540	6,642	(102)	
	Segment Profit	247	289	(42)	
Segment	Electric Utility*	Sales	5,754	5,801	(47)
		Segment Profit	116	204	(88)
	IT/Communications*	Sales	336	320	16
		Segment Profit	34	36	(2)
	Others*	Sales	1,329	1,326	3
		Segment Profit	101	53	48

* Internal transactions are not eliminated

Capital Investment

		(100 million yen)
		FY2015
Electric Utility		812
<Safety measures at the Ikata nuclear power station>		<366>
<Introduction of a LNG combined cycle to the Sakaide thermal power station unit No.2>		<58>
IT/Communications		51
<FTTH>		<12>
Others		53
Total		917

(100 million yen)

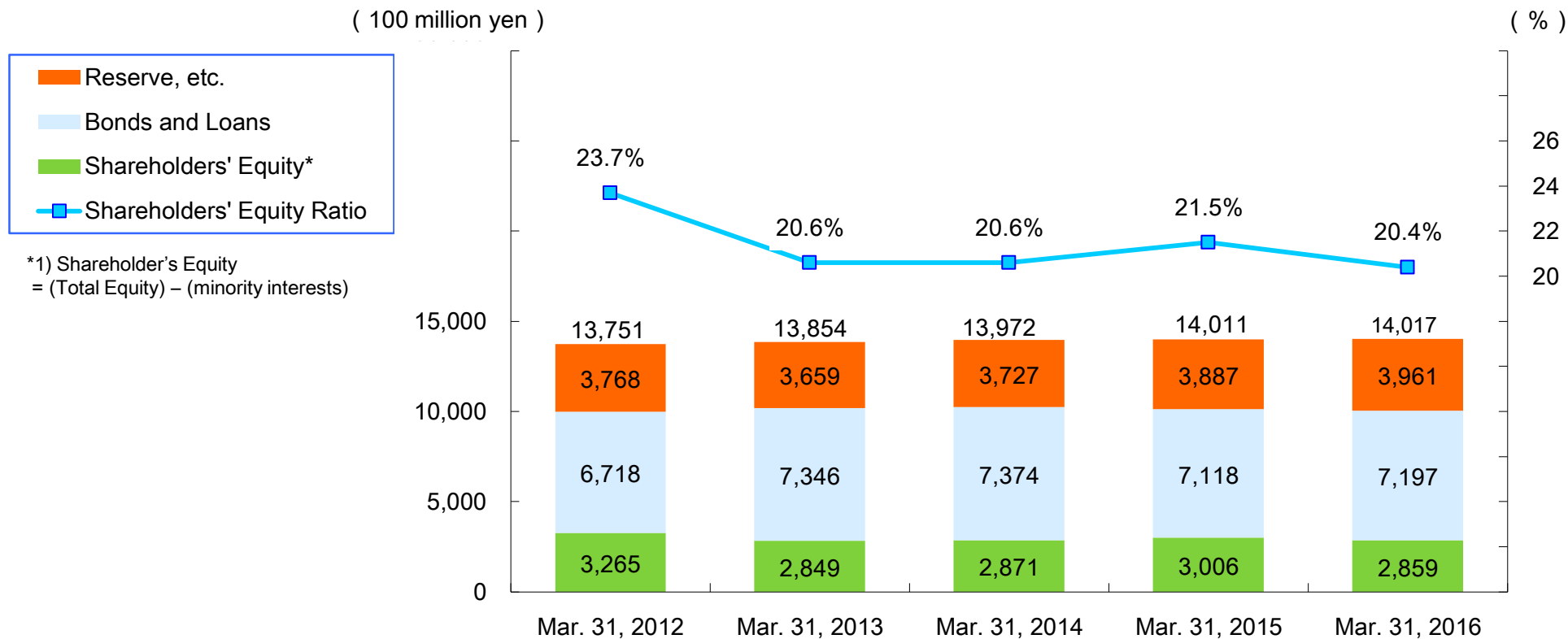
		FY2015 (a)	FY2014 (b)	(a-b)
Net Cash Provided by Operating Activities	Ordinary Income	219	245	/
	Depreciation	652	658	
	Others	44	98	
	Subtotal	917	1,001	(84)
Net Cash Used in Investing Activities	Capital Expenditures	(888)	(589)	/
	Investments	3	37	
	Subtotal	(885)	(551)	(334)
Free Cash Flows		31	450	(419)
Net Cash Provided by financing Activities	Bonds and Loans	79	(256)	/
	Dividend Payments	(41)	-	
	Purchase of Treasury Stock	(0)	(0)	
	Subtotal	37	(256)	
Net Increase(Decrease) in Cash and Cash Equivalents		69	194	

※ Plus figures means cash inflow, minus figures means cash outflow.

(100 million yen)

	Mar 31, 2016 (a)	Mar 31, 2015 (b)	(a-b)	Details
Total Assets	14,017	14,011	6	<ul style="list-style-type: none"> • Capital investment +856 • Transferred to decommissioning of nuclear plant in progress because of decommissioning of Ikata Unit No.1 (53) • Advance of depreciation, etc. (710) • Transferred to decommissioning of nuclear plant in progress because of decommissioning of Ikata Unit No.1 (72), etc. • Accounted because of decommissioning of Ikata Unit No.1 • Decreased because of payment to JNFL • Impact of down in the discount rate (144), etc.
<Plant and Equipment, and intangible assets (except decommissioning of nuclear plant in progress)>	<8,415>	<8,322>	<93>	
<Nuclear fuel>	<1,348>	<1,414>	<(66)>	
<Decommissioning of nuclear plant in progress>	<217>	< - >	<217>	
<Reserve fund for reprocessing of irradiated nuclear fuel>	<972>	<1,044>	<(72)>	
<Net defined benefit asset>	<2>	<136>	<(134)>	
Liabilities	11,155	11,002	153	
<Bonds and Loans>	<7,197>	<7,118>	<79>	
Total Equity	2,861	3,008	(147)	<ul style="list-style-type: none"> • Net income attributable to shareholders of parent company +111 • Dividend payment (41) • The impact of the strong yen and declining share prices, etc. • Impact of down in the discount rate (133), etc.
<Retained earnings>	<1,401>	<1,331>	<70>	
<Net unrealized gain on available-for-sale securities, Deferred gain on derivatives under hedge accounting>	<165>	<222>	<(57)>	
<Remeasurements of defined benefit plans>	<(125)>	<35>	<(160)>	
Shareholders' Equity Ratio	20.4%	21.5%	▲1.1%	

Liabilities and Total Equity in the last 5 fiscal years



Financial Indicators

	Mar 31, 2012	Mar 31, 2013	Mar 31, 2014	Mar 31, 2015	Mar 31, 2015
Shareholder's Equity Ratio (%)	23.7	20.6	20.6	21.5	20.4
Interest Bearing Debts Ratio (times)	2.1	2.6	2.6	2.4	2.5
Book-value per Share(BPS) (yen)	1,586	1,384	1,394	1,460	1,388
Price Book-value Ratio(PBR) (times)	1.5	1.0	1.0	1.0	1.1

(Note) Interest Bearing Debts Ratio = (Bonds and Loans) / (Shareholders' Equity)

- ✓ Paying stable dividends is our basic policy for returns to shareholders, which are decided in light of comprehensive consideration of business results, financial position, and medium-to-long-term business conditions.
- ✓ The year-end dividend per share is expected to be ¥ 20 (no change from the previous year), because income remains almost at the same level year on year although operations have not been resumed yet at Ikata Unit No.3.

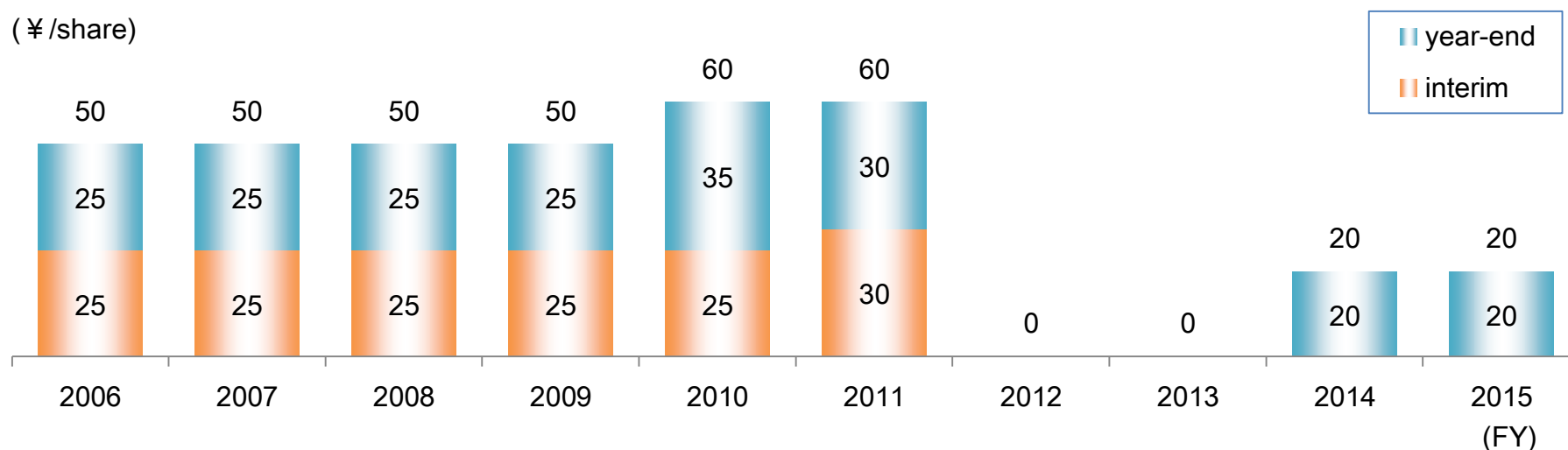
Dividend per Share

	FY2014	FY2015
Dividend per Share (yen)	20	20
Amount of Dividends (million yen)	4,151	4,151

※FY2015 year-end dividends is officially decided on the resolution of general meeting of stockholders which will be held in Jun. 2016.

Dividend per Share(last 10 fiscal years)

(¥/share)



II. Forecasts of Consolidated Financial Performance and dividends for FY2016

- Retail electricity sales will decrease by 0.3% to approx. 257 million kWh, and total electricity sales (include wholesale) will decrease by 2.2% to approx. 269 million kWh.
- Operating revenues will decrease by approx. ¥4.0 billion to ¥650.0 billion due to the decrease of total electricity sales, etc. We cannot release forecasts of income(loss) and dividends at this point in time, because it is difficult to predict when Ikata Unit No.3, which is currently undergoing a pre-operation inspection, will resume its operations.
- The unrecognized actuarial loss (¥17.8 billion) occurred in FY2015 due to the Impact of down in the discount rate on projected benefit obligation. ¥ 16.6 billion out of this will be amortized in FY2016.

Financial Forecasts

(100 million yen)

	FY 2016 (Forecast) <a>	FY2015 (Result) 	(c)=(a)-(b)	(c)/(b)
Operating Revenues	6,500	6,540	(40)	(0.6%)

Electricity Sales Forecasts

(100 million kWh)

	FY2016 (Forecast) <a>	FY2015 (Result) 	(c)=(a)-(b)	(c)/(b)
Lighting	89.2	89.3	(0.1)	(0.1)%
Power	167.6	168.2	(0.6)	(0.3)%
Retail	256.8	257.5	(0.7)	(0.3)%
Wholesale	12.3	17.7	(5.4)	(30.7)%
Total	269.1	275.2	(6.1)	(2.2)%

Fuel Prices and Exchange Rate Forecasts

	FY2016 (Forecast) <a>	FY2015 (Result) 	<a-b>
Coal CIF Price(\$/t)	70	75	(5)
Crude oil CIF Price(\$/b)	45	49	(4)
Exchange Rate(¥ / \$)	110	120	(10)

<Reference> Non-Consolidated Financial Results

1 . Details of Financial Results ; year-on-year basis

Non-consolidated

14

(100 million yen)

	FY2015 (a)	FY2014 (b)	Change	
			(c)=(a)-(b)	(c)/(b)
Electricity Sales(Retail)	4,863	5,150	(287)	(5.6)%
<Surcharge Income based on FIT>	<343>	<169>	<174>	<103.4%>
Electricity sales(Wholesale), etc.	168	155	13	8.2%
Others	847	639	208	32.7%
<Grants for the Purchase Cost from Surcharge Adjustment Organization>	<616>	<394>	<222>	<56.2%>
Operating Revenues	5,880	5,945	(65)	(1.1)%
Personnel	512	497	15	3.0%
Fuel	932	1,415	(483)	(34.1)%
Power Purchase	1,507	1,252	255	20.3%
Depreciation	558	564	(6)	(1.0)%
Maintenance	562	508	54	10.5%
Nuclear Back-end	68	72	(4)	(5.4)%
Others	1,591	1,417	174	12.2%
Operating Expenses	5,733	5,728	5	0.1%
Operating Income	146	216	(70)	(32.2)%
Interest expense, etc.	13	22	(9)	(40.6)%
Ordinary Income	133	194	(61)	(31.2)%
Reserve for Fluctuations in Water Level (Provision)	30	16	14	87.1%
Income Taxes, etc.	41	84	(43)	(50.9)%
Net Income	61	93	(32)	(34.3)%

【Electricity Sales(Retail)】

- Decrease in revenues based on the Fuel Cost Adjustment System (323)
- Decrease in in electricity sales volume (132), etc.

【Fuel, Power Purchase】 (228)

- Increase in purchase of renewable energy sourced electricity +195
- Decrease in total electricity sales [Retail] (48)
- Increase in electricity volume generated by hydro power plants (20)
- Decline in the thermal power generation cost per kWh (400), etc.
[Down in the fuel prices (385), Increase in the coal power ratio (15)]

		FY2015 (a)	FY2014 (b)	(a-b)
CIF Price (all Japan)	Coal (\$/t)	75	93	(18)
	Crude Oil (\$/b)	49	90	(41)
	LNG (\$/t)	452	798	(346)
Exchange Rate (¥/\$)		120	110	10

【Maintenance】

- Increase of construction associated with the nuclear power station +30
- Increase of construction associated with distribution facilities +15, etc.

【Others】

- Increase in payments to Surcharge Adjustment Organization +174, etc.

【Income Taxes, etc.】

- Decrease in the reversal of deferred tax assets accompanying the change in the effective income tax rate (16)
- Decrease of pre-tax profit and so on (27)

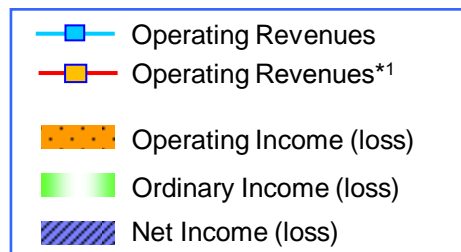
Financial Results in the last 5 fiscal years

Non-consolidated

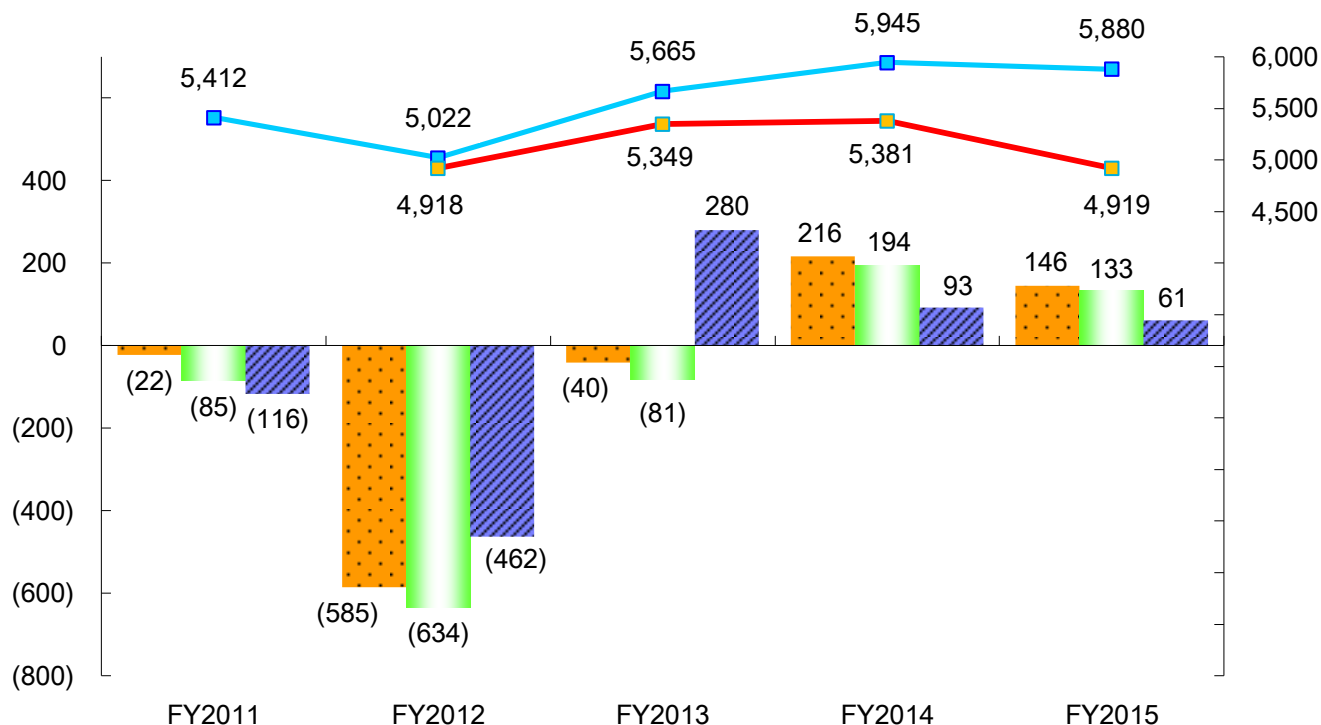
15

(100 million yen)

(100 million yen)



*1) The revenues from which income associated with FIT are deducted.



Performance Indicators

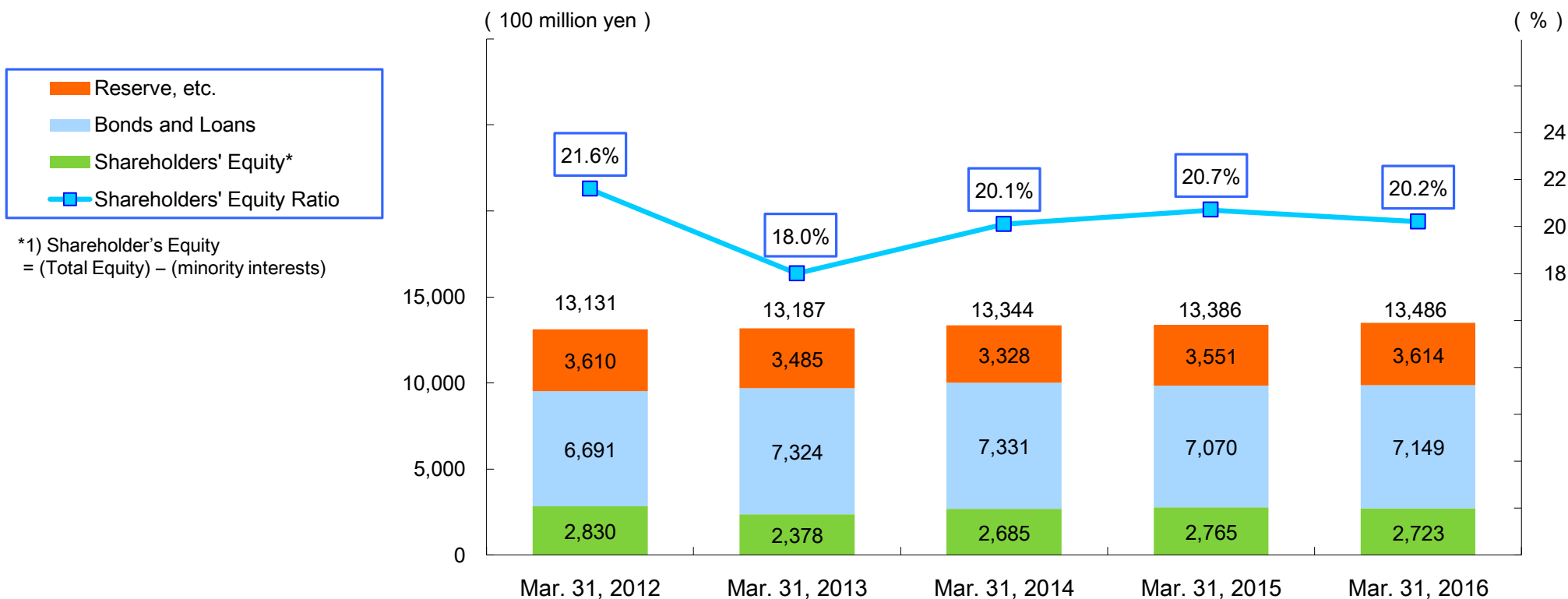
		FY2011	FY2012	FY2013	FY2014	FY2015
Operating Income Margin ^{*2}	(%)	(0.4)	<(11.9)%> (11.7)	<(0.7)%> (0.7)	<4.0%> 3.6	<3.0%> 2.5
Return on Assets (ROA) ^{*3}	(%)	0.1	(4.1)	0.1	2.2	1.7
Return on Equity (ROE)	(%)	(3.9)	(17.7)	11.1	3.5	2.2
Net Income per Share	(yen)	(56)	(223)	135	45	30
Ordinary Income(Loss) + Interest Expenses	(100 million yen)	10	(540)	17	293	223

*2) Figures in < > are calculated on the revenues from which income associated with FIT are deducted.

*3) ROA = (Ordinary Income(Loss) + Interest Expenses) / Total Assets

(100 million yen)

	Mar 31, 2016 (a)	Mar 31, 2015 (b)	(a-b)	Details
Total Assets	13,486	13,386	100	
<Electric utility fixed assets, Incidental utility fixed assets, Construction in progress (except Decommissioning of nuclear plant in progress)>	<7,756>	<7,641>	<115>	<ul style="list-style-type: none"> • Capital investment +777 • Transferred to decommissioning of nuclear plant in progress because of decommissioning of Ikata Unit No.1 (53) • Advance of depreciation, etc. (609)
<Nuclear fuel>	<1,348>	<1,414>	<(66)>	<ul style="list-style-type: none"> • Transferred to decommissioning of nuclear plant in progress because of decommissioning of Ikata Unit No.1 (72), etc.
<Decommissioning of nuclear plant in progress>	<217>	<0>	<217>	<ul style="list-style-type: none"> • Accounted because of decommissioning of Ikata Unit No.1
<Reserve fund for reprocessing of irradiated nuclear fuel>	<972>	<1,044>	<(72)>	<ul style="list-style-type: none"> • Decreased because of payment to JNFL
Liabilities	10,763	10,620	143	
<Bonds and Loans>	<7,149>	<7,070>	<79>	
Total Equity	2,723	2,765	(42)	
<Retained earnings>	<1,162>	<1,142>	<20>	<ul style="list-style-type: none"> • Net income attributable to shareholders of parent company +61 • Dividend payment (41)
<Valuation, translation adjustments and others>	<135>	<197>	<(62)>	<ul style="list-style-type: none"> • The impact of the strong yen and declining share prices, etc.
Shareholders' Equity Ratio	20.2%	20.7%	▲ 0.5%	



Performance Indicators

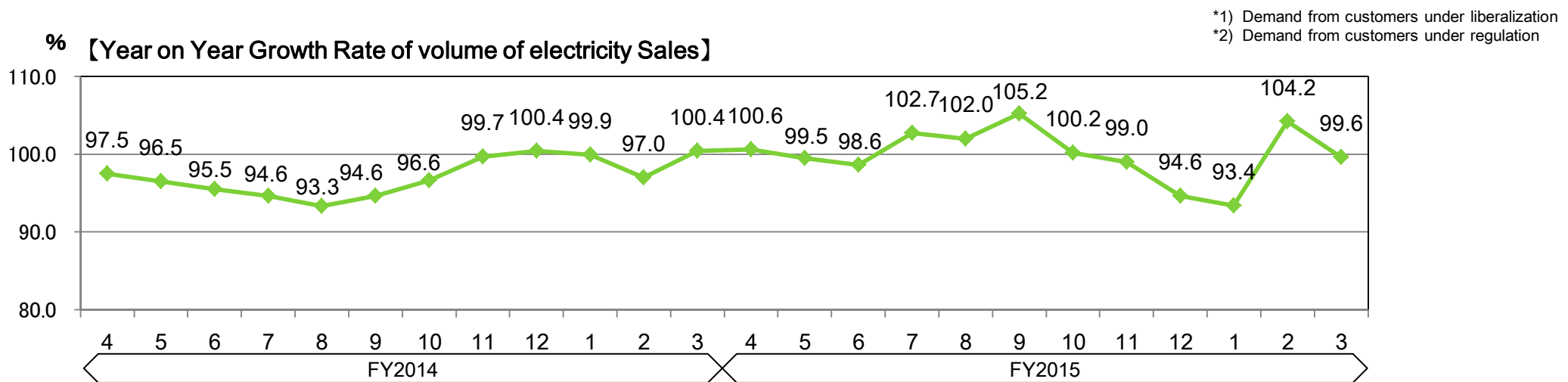
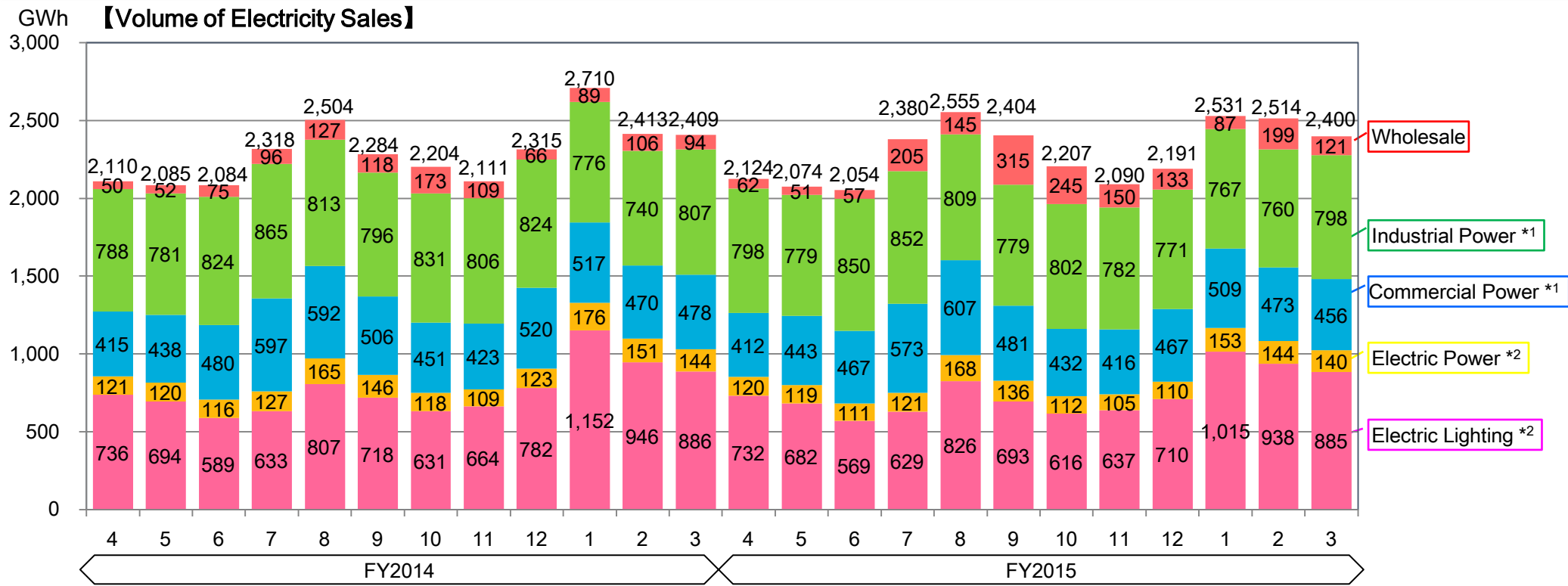
	Mar 31, 2012	Mar 31, 2013	Mar 31, 2014	Mar 31, 2015	Mar 31, 2016
Shareholder's Equity Ratio (%)	21.6	18.0	20.1	20.7	20.2
Interest Bearing Debts Ratio (times)	2.4	3.1	2.7	2.6	2.6
Book-value per Share(BPS) (yen)	1,363	1,146	1,293	1,332	1,312
Price Book-value Ratio(PBR) (times)	1.7	1.2	1.1	1.1	1.2

(Note) Interest Bearing Debts Ratio = (Bonds and Loans) / (Shareholders' Equity)

Supplemental material for FY2016

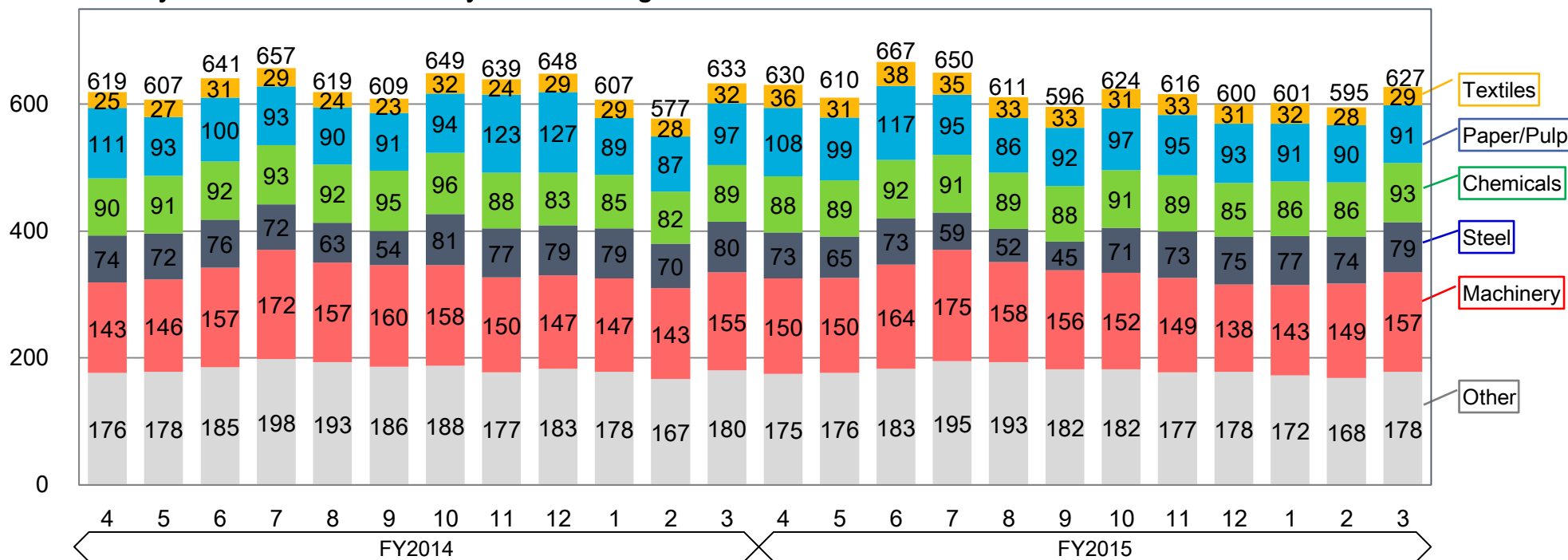
- Monthly Breakdown of Electricity Sales
- Monthly Breakdown of Electricity Sales to Large-scale Industrial Customers
- Number of All-electric Housing Construction
- Consumption of fossil Fuels
- Flow rate, Financial Sensitivity for Key Factors
- Time Lag Effect of Fuel Cost Adjustment System
- Plant and Equipment Expenditures (consolidated)
- Feed-in Tariff Scheme

Monthly Breakdown of Electricity Sales

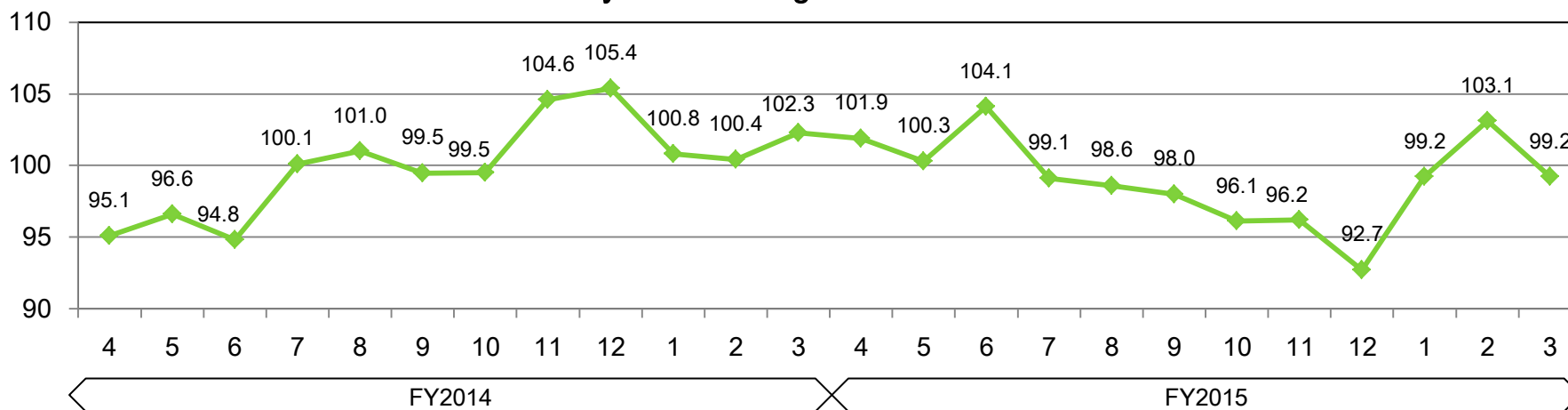


Monthly Breakdown of Electricity Sales to Large-scale Industrial Customers (1)

GWh **【Monthly Breakdown of Electricity Sales to Large-scale Industrial Customers】**



% **【Year on Year Growth Rate of Electricity Sales to Large-Scale Industrial Customers】**



Monthly Breakdown of Electricity Sales to Large-scale Industrial Customers (2) ²⁰

Year on Year Growth Rate of Electricity Sales to Large-Scale Industrial Customers

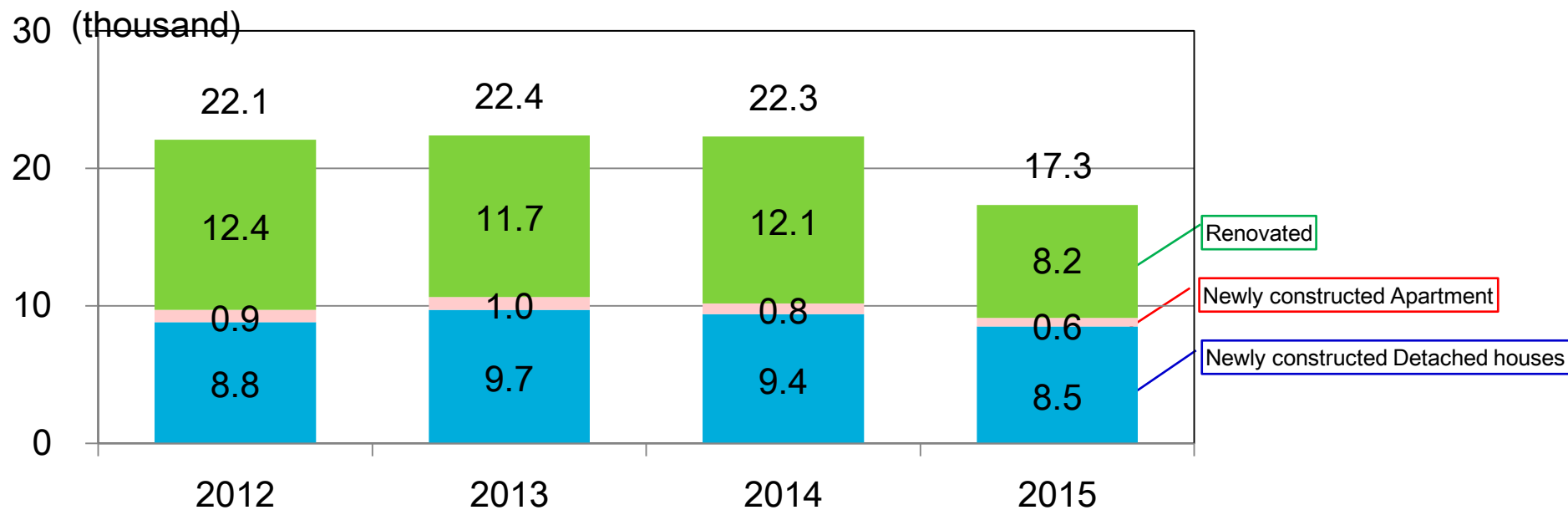
(%)

	FY2014					FY2015				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Grand total	(4.5)	0.2	3.1	1.2	(0.1)	2.1	(1.4)	(5.0)	0.4	(1.0)
Textiles	(4.3)	(13.6)	(2.2)	22.2	(0.4)	24.4	34.3	13.2	0.0	17.3
Paper/Pulp	(18.9)	(0.5)	17.7	(5.3)	(2.9)	6.6	(0.5)	(17.0)	(0.5)	(3.4)
Chemicals	(8.8)	(5.2)	(5.2)	(2.6)	(5.5)	(1.5)	(4.5)	(1.1)	3.7	(0.9)
Steel	2.7	16.8	4.7	4.0	6.3	(5.2)	(16.8)	(7.9)	0.4	(7.0)
Machinery	3.1	1.4	3.3	3.1	2.7	4.1	(0.0)	(3.4)	0.6	0.3
Others	(1.3)	(0.3)	(0.4)	0.9	(0.3)	(0.8)	(1.2)	(2.4)	(0.7)	(1.3)

Increase due to suspension of onsite power generations of some customers. etc.

Decline due to maintenance of production facilities of some customers, etc.

Number of All-electric Housing Construction



Breakdown of Number of All-electric Housing Construction (thousand)

	FY2015		FY2014
		YoY growth rate	
Newly constructed	9.1	(10.4)%	10.2
Detached houses	8.5	(9.5)%	9.4
Apartments	0.6	(21.2)%	0.8
Renovated	8.2	(32.2)%	12.1
Total	17.3	(22.2)%	22.3

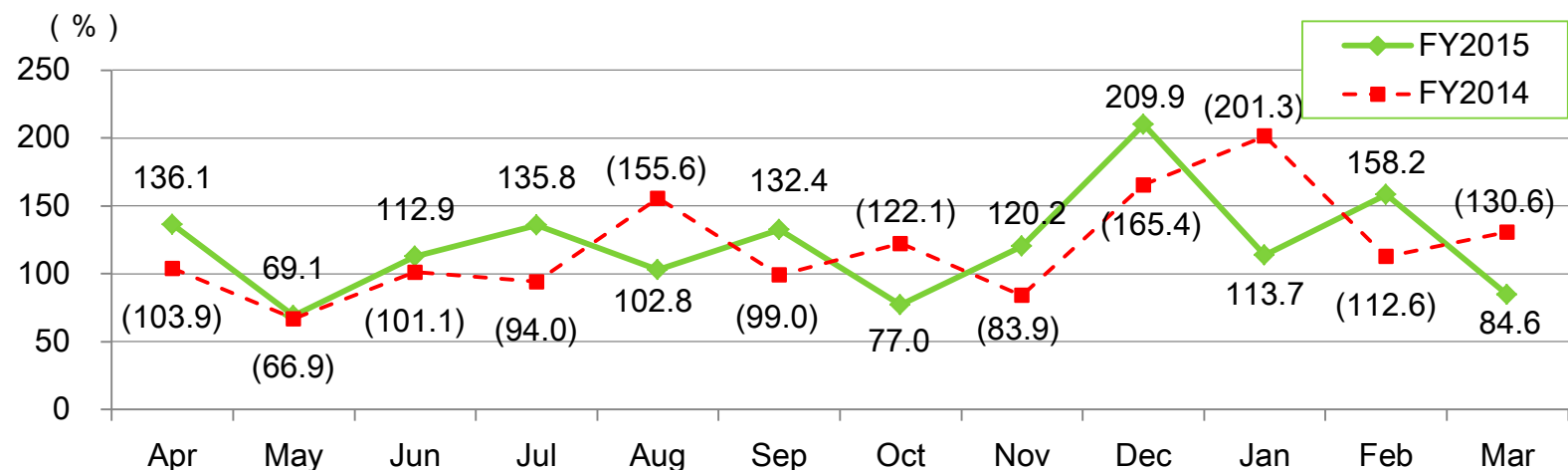
【Consumption of fossil Fuels】

	FY2015 (A)	FY2014 (B)	(A-B)
Coal (1000t)	2,805	3,288	(483)
Heavy Oil (1000kl)	670	736	(66)
Crude Oil (1000kl)	142	141	1
LNG (1000t)	304	342	(38)

【Fuel Prices】

	FY2015 (A)	FY2014 (B)	(A-B)
CIF price: Coal (\$/ t)	75	93	(18)
CIF price: Heavy Oil (\$/ b)	49	90	(41)
CIF price: LNG (\$/ t)	452	798	(346)
FX rate (¥ / \$)	120	110	10

Flow Rate



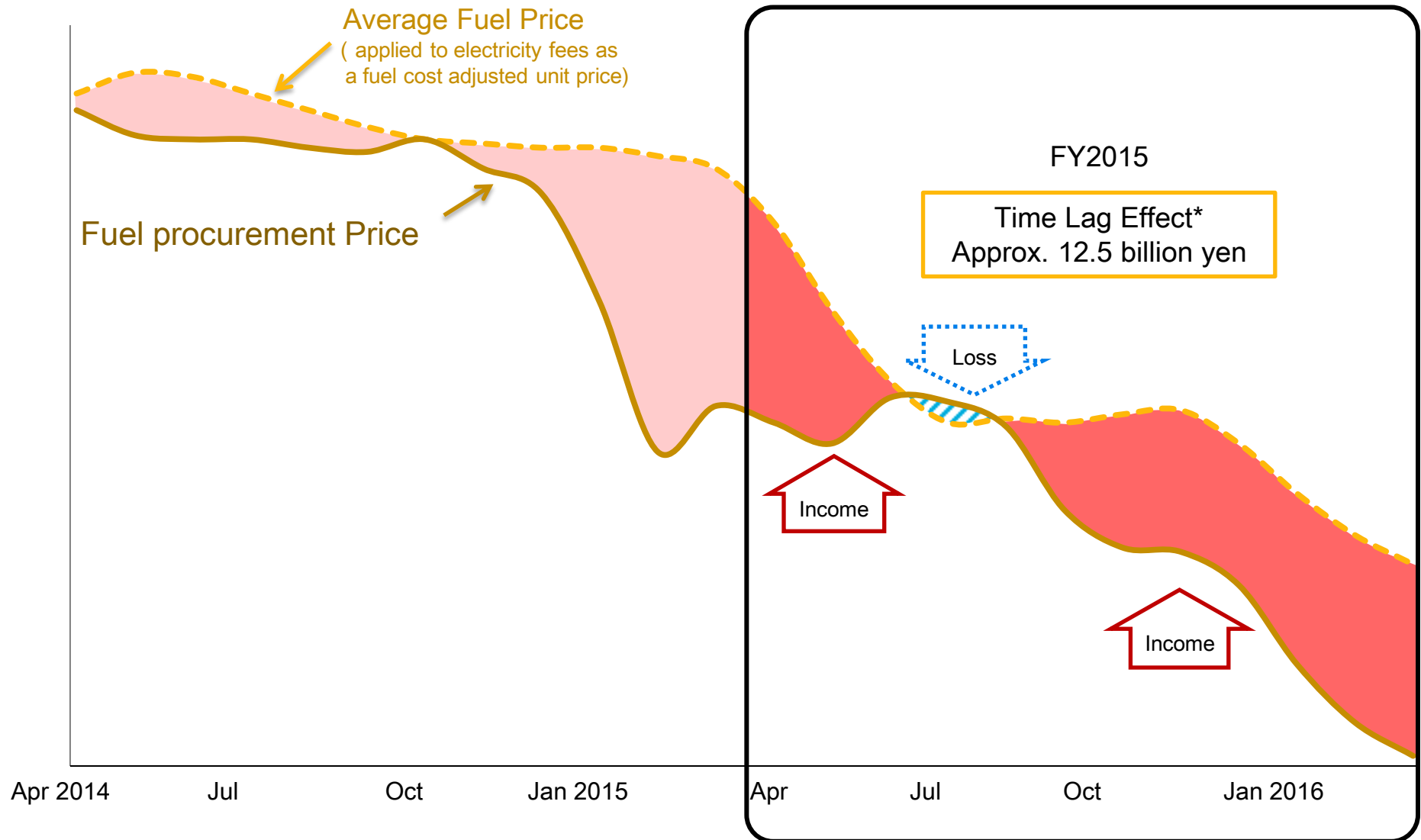
Financial Sensitivity for Key Factors

(100 million yen)

	FY2015 Total
CIF price: crude oil (1\$/b)	7
CIF price: coal (1\$/t)	8
FX rate (¥ 1/\$)	9
Nuclear power capacity factor (1%)	9
Flow Rate (1%)	2

Because this sensitivity is theoretical value calculated based on some assumption, real impacts could change depending supply/demand situation.

Time Lag Effect of Fuel Cost Adjustment System



*Fluctuation in fuel prices causes time lag between payment of fuel cost and reception of fuel cost adjustment charges, resulting in temporary increase or decrease in profits. Time Lag Effect above is this temporary increase or decrease, assuming that time lag does not take place.

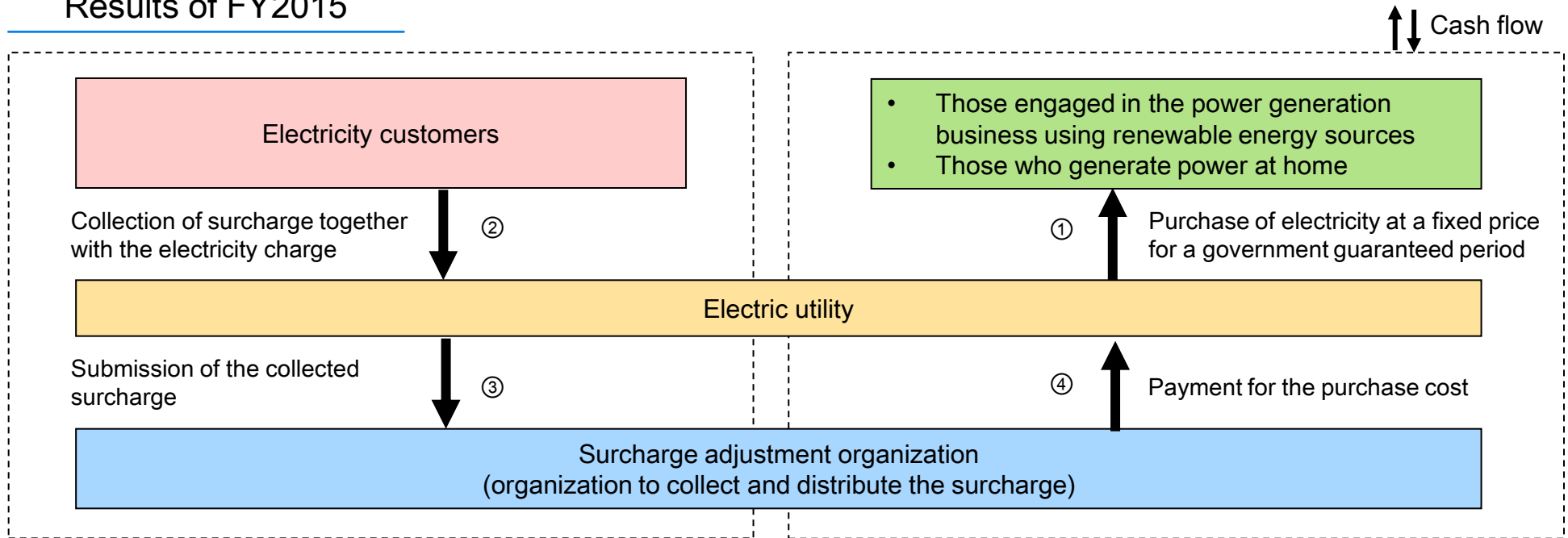
Plant and Equipment Expenditures (consolidated)

(100 million yen)

	FY2015	<ref> FY2014
Power Sources	549	326
Hydro	39	42
Thermal	122	79
Nuclear	387	204
Transmission	45	45
Transformation	56	63
Distribution	96	87
Other	29	23
Subtotal	777	546
Nuclear fuel	35	48
Electric Power business	812	595
Other business	104	125
Total ※	917	721

※before the elimination of unrealized profits

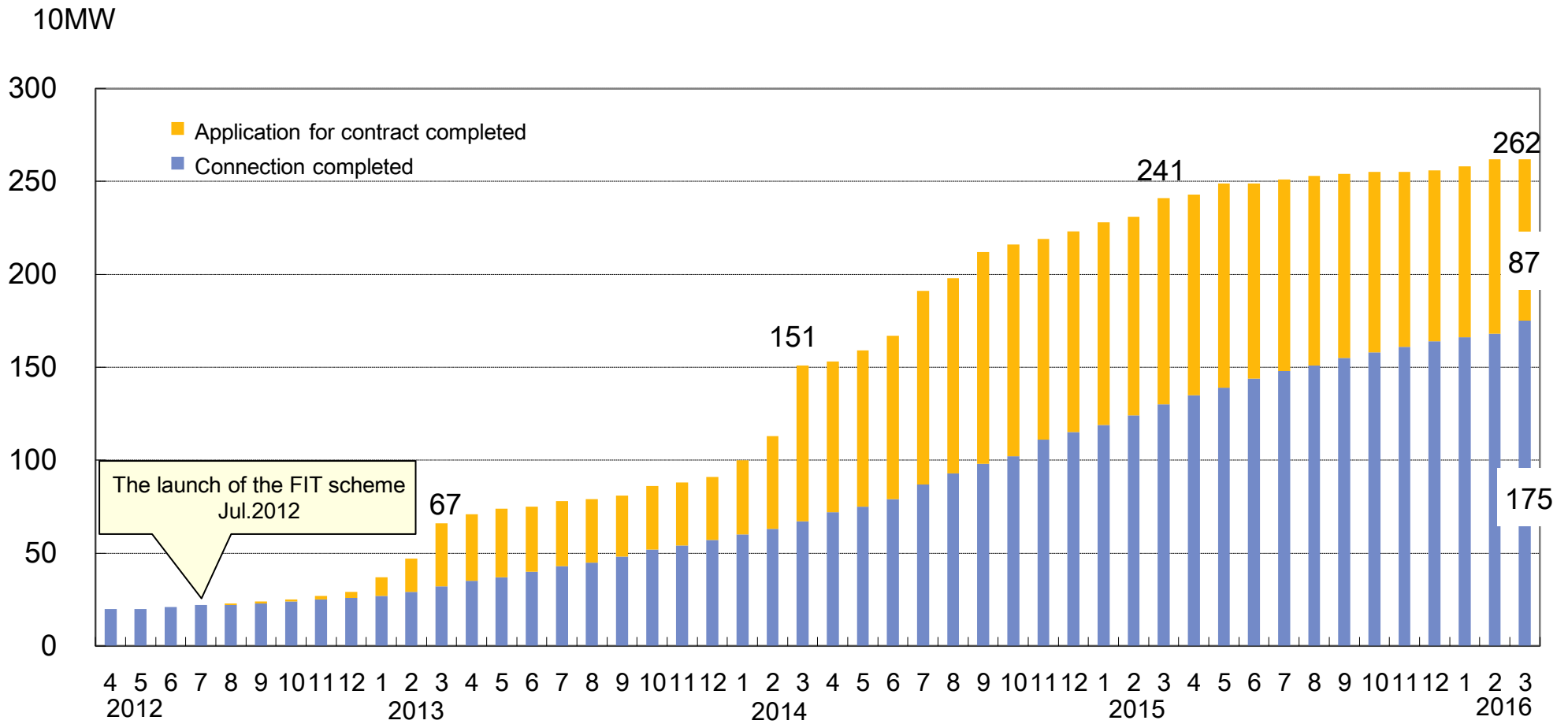
Results of FY2015



② Surcharge	343
We collect surcharge from customers with the electricity charge.	
③ Submission of the collected surcharge	343
We submit the collected surcharge to surcharge adjustment organization.	

(100 million yen)

① Purchase of electricity	740
We purchase electricity at a fixed price from those engaged in the power generation business using renewable energy sources and those who generate power at home.	
④ Payment for the purchase cost	616
Surcharge adjustment organization pay grants corresponding to the actual purchase costs.	

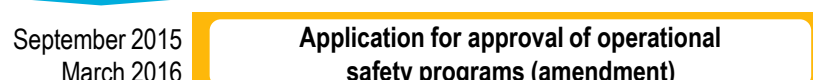
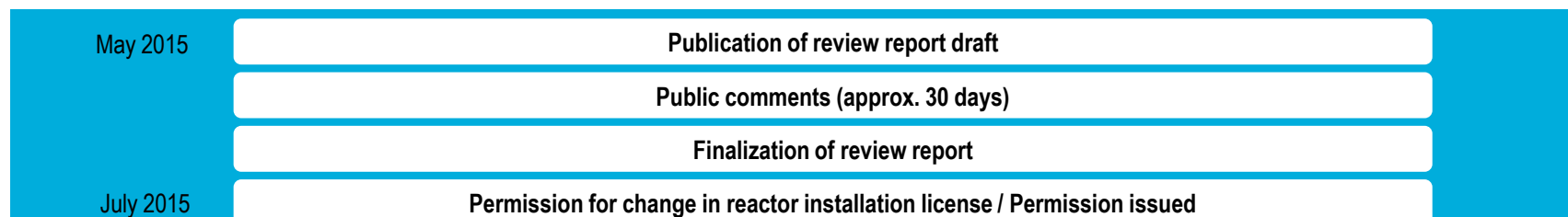
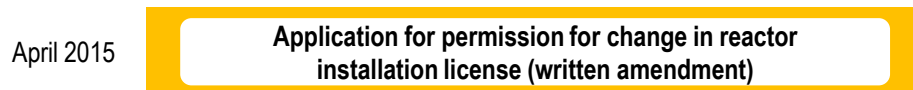
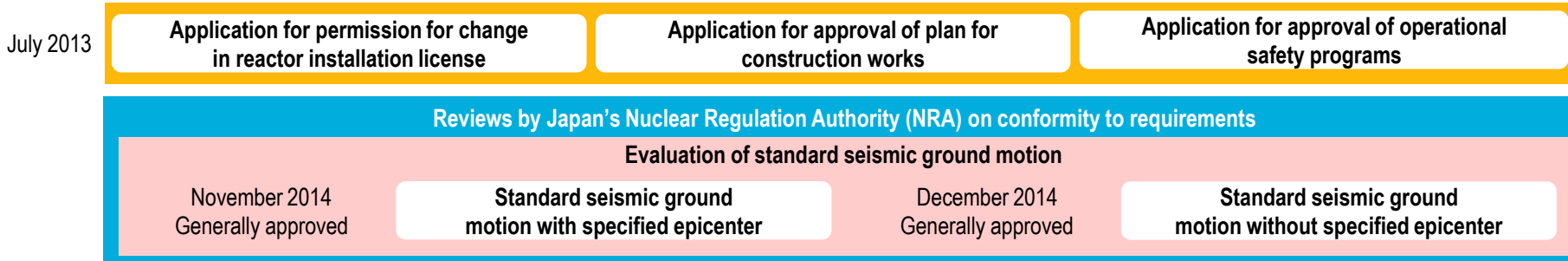


※ Outputs after July 2014 are including southern part of Awaji Island (approx. 170MW, as of March 31, 2016)

Topics

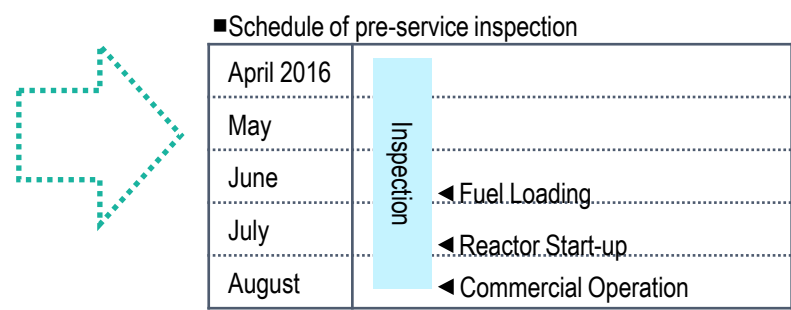
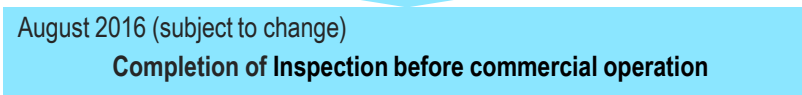
- The Situation Surrounding the Ikata Unit No.3
- Decommissioning of Ikata Unit No.1
- Replacement of Thermal Power Stations
- Establishment of the New Coal Procurement Company
- Basic Concept of Market Strategy
- View of Overseas Business
- Shikoku Electric Power's Facilities
- Forecasts of costs for safety measures at the Ikata Nuclear Power Station
- Application for Permission for Change in Reactor Installation License in Relation to Specialized Safety Facilities
- Response Toward Strengthening Environmental Regulations
- Enrichment and Enhancement of Customers' Services
- Plan for Smart Meter Introduction
- Shareholder Return
- Financial Results
[Financial Data, Cash Flows, Plant and Equipment Expenditures]

The Situation Surrounding the Ikata Unit No.3



October 2015

Ehime governor and Ikata mayor agreed to the restart.



Decided on March 25, 2016

■ Overview of Ikata Unit No.1

[Information of Unit]

Location	Ikata-cho, Nishiuwa-gun, Ehime
Reactor Type	Pressurized light-water reactor
Output	566 MW
Number of Fuel Assemblies	121

[Results of Power Generation]

Total Amount of Power Generated	132.6 billion kWh
Capacity Factor*1	77.5%*2

*1) Capacity Factor = $\frac{\text{Cumulative electrical generation}}{\text{Authorized output} \times \text{Calendar hours}} \times 100 (\%)$

*2) Total accumulated by the end of fiscal 2011

■ Scheduled date of decommissioning

➤ May 10, 2016

■ Replacing Unit No.1 of the Saijo Thermal Power Station

- Replacing Unit No.1 with highly efficient, ultra-supercritical (USC) generation equipment
- We opened bid for the supply of thermal power which we won ourselves in March 2016.

	Current Unit No.1	New Unit No.1
Start of operations	FY1965	March 2023 (scheduled)
Output	156MW	500MW
Thermal efficiency *	Approx.39% (Approx.38%)	Approx.45% (Approx.43%)
Fuel type	Coal	

■ Switching from Oil to LNG at the Sakaide Thermal Power Station

	Unit No.4	Unit No.1	New Unit No.2
Start of operations	March 2010	August 2010	August 2016 (scheduled)
Output	350MW	296MW	289MW
Generation method	Steam power (Oil→LNG)	LNG combined cycle	LNG combined cycle
Thermal efficiency *	Approx.44% (Approx.40%)	Approx.57% (Approx.51%)	Approx.58% (Approx.53%)



New Sakaide Unit. No.2

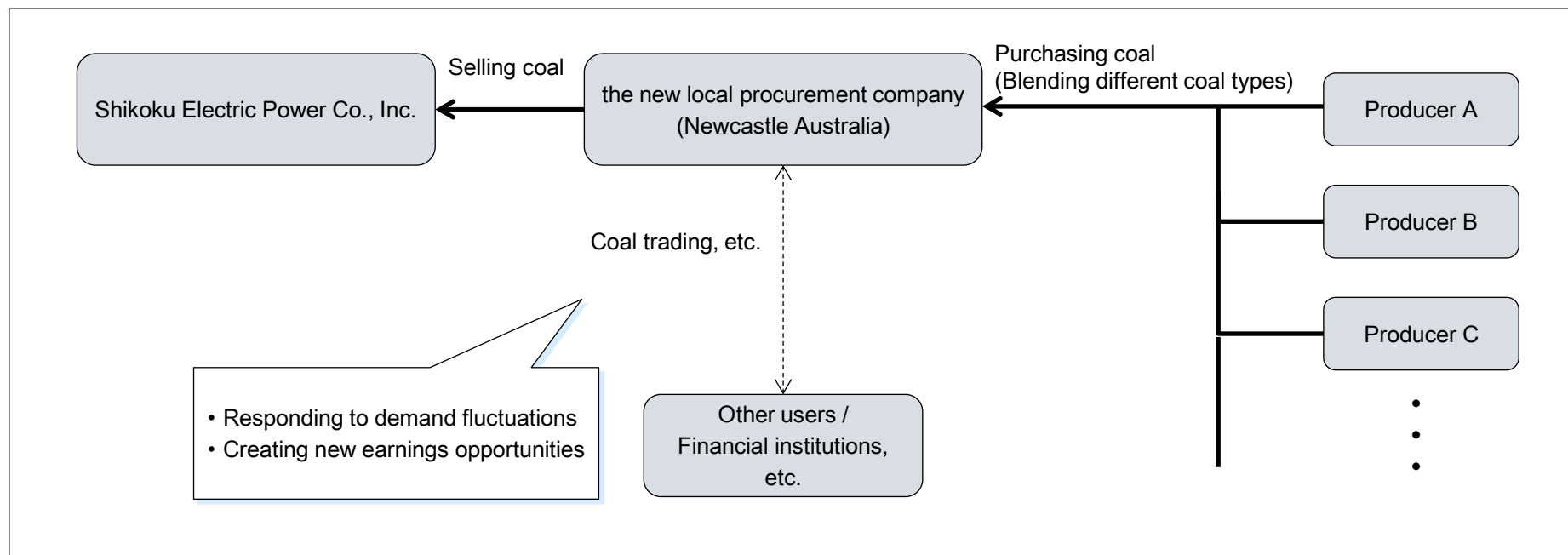
* LHV(upper line) is determined by subtracting the heat of vaporization of the water vapor from HHV(lower line).

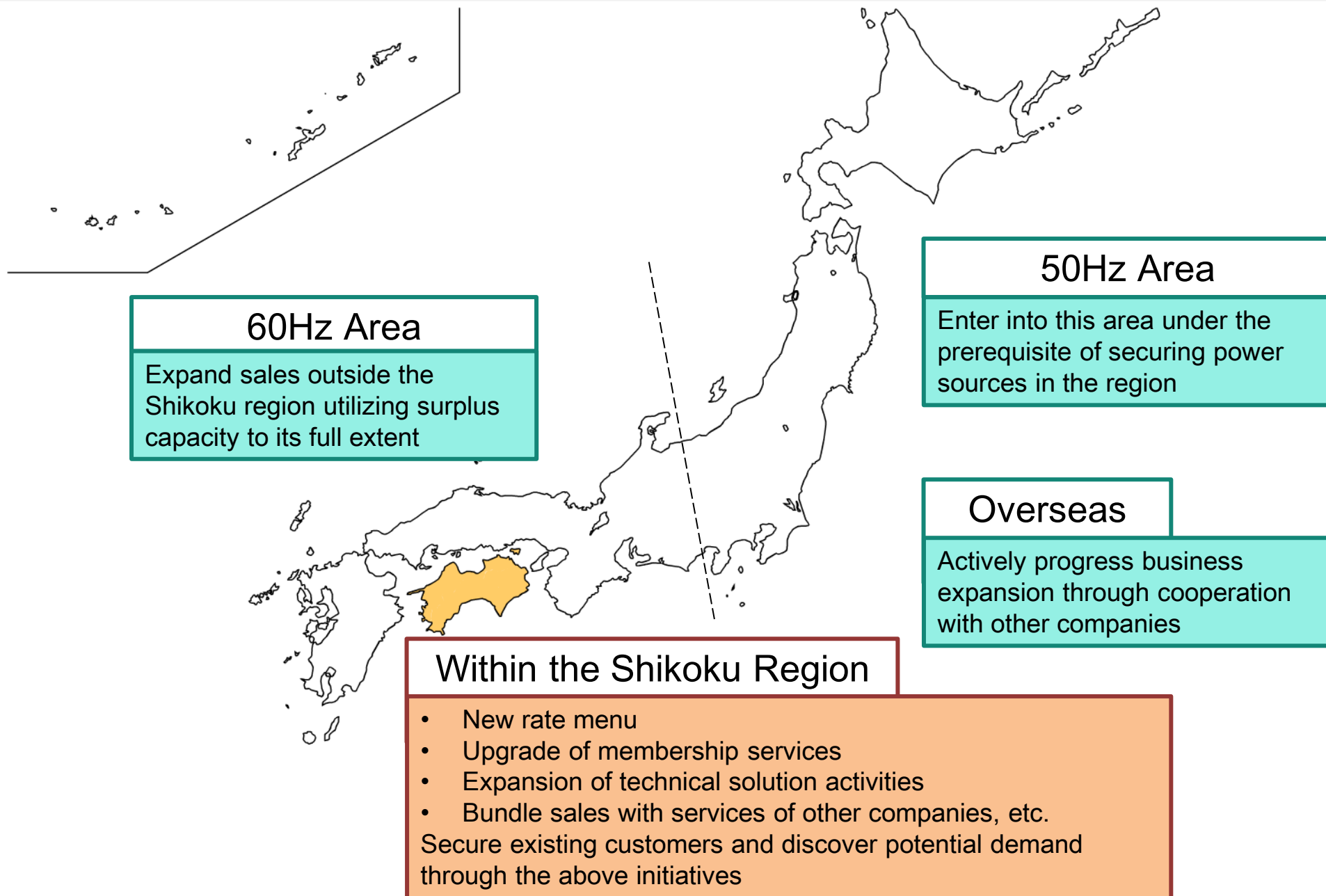
■ Introduction of New Coal Procurement Scheme

【Our Aim】

Establishment of the local procurement company abroad

- ➔ {
 - Purchasing coal directly from producer
 - Blending high grade and low grade coal to ensure quality conforming to our power stations
- ➔ Stable procurement of coals offering reliable performance for low cost





■ The Profit Target and Measures by 10 years

The Profit Target of Overseas Business (by 10 years)

4.0 billion yen / year

(Net generation capacity :
About 1.5 million kW)

Expanding Targets of Consideration

✓ Expanding our net generation capacity focusing not only the Middle East Asia / gas power plant, but also the Southeast Asia and Americas / renewable energy which are expected to grow

Strengthening the Organization

✓ Established International business section on March 1, 2016, to strengthen the organization and enhance operational efficiency

Strengthening Strategic Partnership

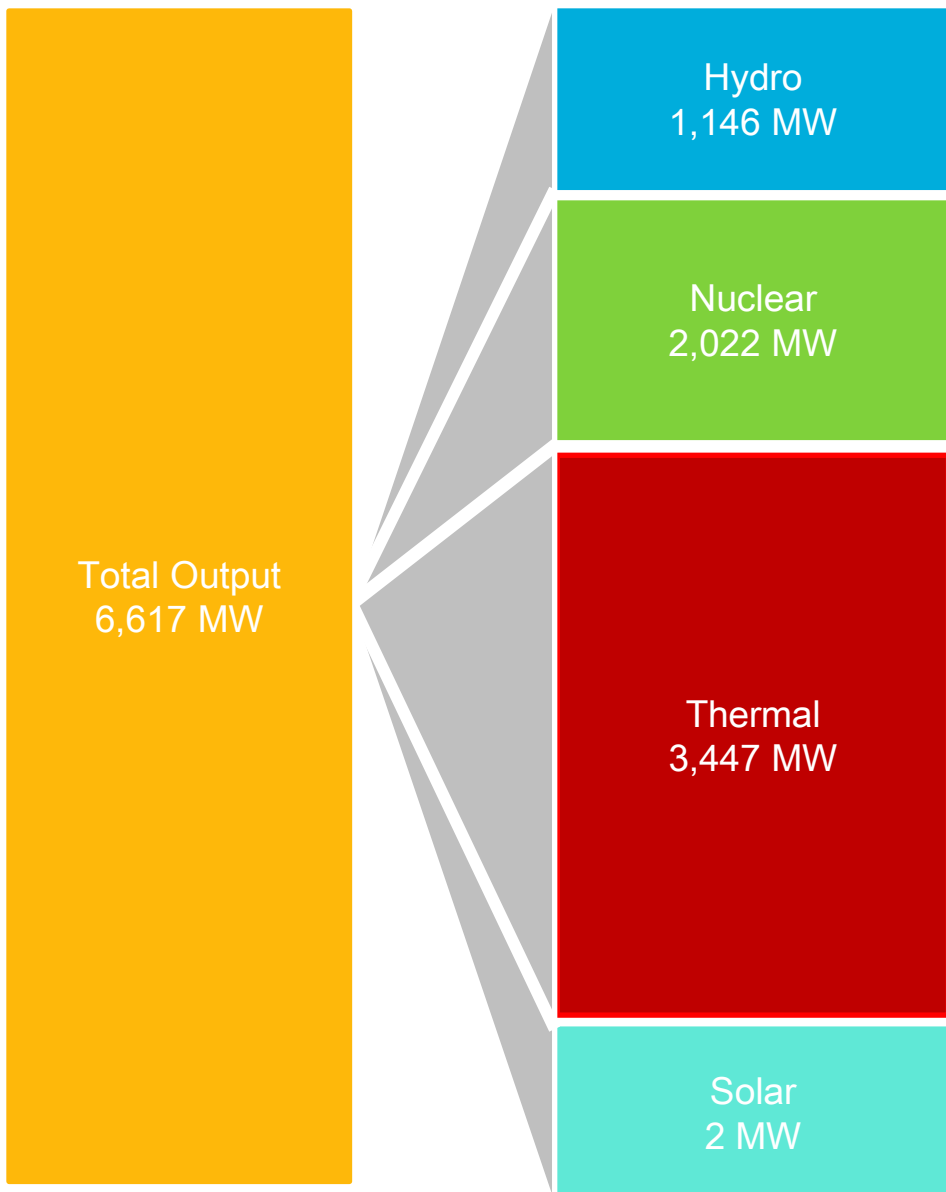
✓ Building relations with new partners, while strengthening of relations with existing partners, appealing of our strengths such as know-how we have cultivated in our domestic electric power business and connections with the local governments and companies developed through overseas consulting business

■ Overview of Existing Projects

	Qatar	Oman	
Project	Ras Laffan C	Barka 3	Sohar 2
Project Details	Construction and operation of new power and desalination plants, sales of power and water	Construction and operation of new power plant and power sales	
Power Generation Facilities	2,730 MW (GTCC)	744 MW each (GTCC)	
Desalination Facilities	290 k tons per day	-	
Investment Participation by SEPCO	5 %	7.15%	7.15%
Total Cost	Approx. US\$3.9 billion	Approx. US\$1.7 billion	
Project Term	April 2011—March 2036	April 2013—March 2028	

GTCC represents electricity generation by Gas Turbine Combined Cycle

(As of April 28, 2016)



Types		Output (MW)
Run-of-the-river type		305
Reservoir type		155
Pumped-storage		686

Power Plant		Output (MW)	Start of operations	Age
Ikata	Unit No.1	566	September 1977	38
	Unit No.2	566	March 1982	34
	Unit No.3	890	December 1994	21

← Scheduled to be decommissioned on May 10, 2016

Power Plant		Output (MW)	Start of operations	Age	Fuel source
Anan	Unit No.1	125	July 1963	52	Oil
	Unit No.2	220	January 1969	47	Oil
	Unit No.3	450	August 1975	40	Oil
	Unit No.4	450	December 1976	39	Oil
Tachibana-wan		700	June 2000	15	Coal
Saijo	Unit No.1	156	November 1965	50	Coal / Biomass / Oil
	Unit No.2	250	June 1970	45	Coal / Biomass / Oil
Sakaide	Unit No.1	296	August 2010	5	LNG
	Unit No.2	(289)	August 2016 (scheduled)	Replacing	Switching from oil to LNG
	Unit No.3	450	April 1973	43	Oil / COG
	Unit No.4	350	May 1974	41	LNG / COG

Power Plant	Output (MW)	Start of operations	Age
Matsuyama	2	March 2003	12

(100 million yen)

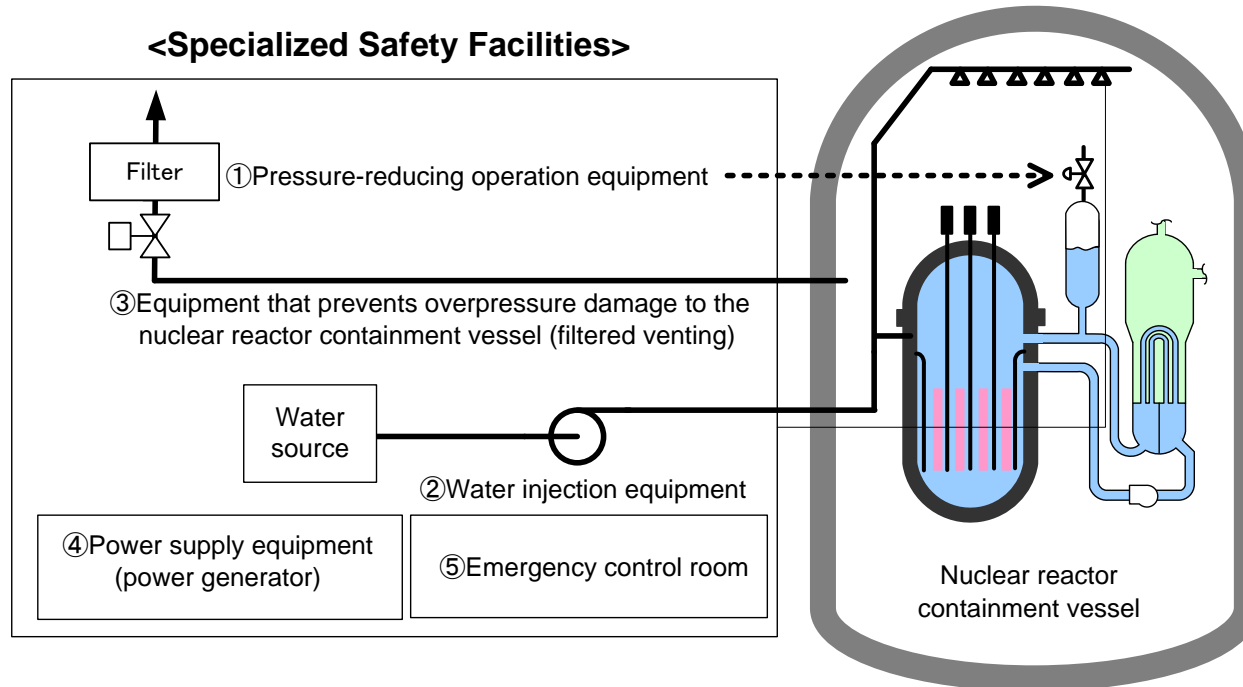
		Total (forecasts)	FY2011 ~ FY2015 (results)	
			Total	FY2015
Facility Construction	Short term	Approx. 750	666	299
	Middle term	Approx. 700	211	91
Analysis and Evaluation		Approx. 250	225	126
		Approx. 1,700	1,103	516
Total	Capital Investment	Approx. 1,400	806	366
	Expenses	Approx. 300	296	150

*Total amounts of costs for safety measures are based on our assumptions and judgments in consideration of the information available at the time, and are therefore subject to change due to future situation.

On January 14, 2016, the Company submitted an application to the Nuclear Regulation Authority for permission for change in reactor installation at Ikata Unit No. 3 in relation to specialized safety facilities.

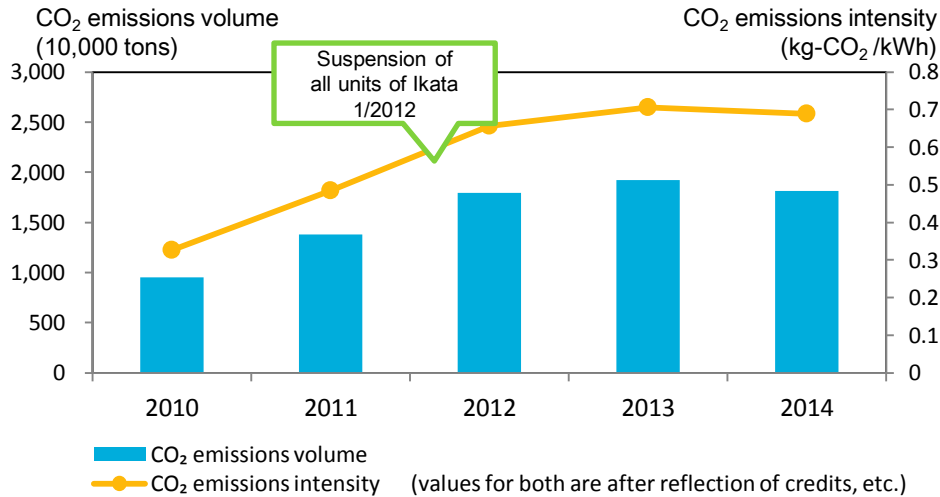
◇ Outline of Specialized Safety Facilities at Ikata Unit No. 3

- Installed with equipment required by the new regulatory requirements
- Possesses functions to prevent damage of the nuclear reactor containment vessel in preparation for loss of the cooling function of the nuclear reactor and damage to the nuclear reactor core. This type of damage can be caused by a large-sized aircraft intentionally colliding with the reactor building or any other acts of terrorism
- Provides back up to existing safety equipment
- Scheduled to be completed in FY2019



Present Condition

- The Company's CO₂ emissions volume and intensity have been increasing rapidly following the suspension of all units of the Ikata Nuclear Power Station



	2010	2011	2012	2013	2014
Electricity sales (10 million kWh)	2,910	2,844	2,741	2,721	2,639

Direction for the Future

- Establish targets for the entire electricity industry for the reduction of CO₂ emissions and work to achieve those targets

Action Plan for the Electricity Industry to Achieve a Low-Carbon Society
(officially announced on July 17, 2015)

- Anticipating a CO₂ reduction of 11 million tons as the maximum potential for reductions through the use of the best available technology (BAT) affordable when establishing new thermal power generators, in addition to other initiatives
- Aiming for an emission factor of around 0.37 kg-CO₂/kWh (user end)

Source: Federation of Electric Power Companies, J-Power, The Japan Atomic Power Company (JAPC), Volunteering Power Producers and Suppliers

< Content of the Our Main Initiatives >

- Restarting operations at the Ikata Nuclear Power Station and safe and stable operations after restarting
- Improving efficiency through the replacement of aging thermal power
 - Refitting Unit. No. 2 (oil) at the Sakaide Thermal Power Station with an LNG combined cycle system
 - Replacing Unit No. 1 at the Saijo Thermal Power Station with highly efficient, ultra-supercritical (USC) generation equipment
- Improving efficiency through replacement of water turbines at hydro power stations
- Maximum utilization of renewable energy such as solar and wind power, etc.
- Application of low-loss power lines and introduction of low-loss pole transformers, etc.

□ Introduction of a New Menu for Electricity Rates

【New Menu for Residence】

Provision of various menu lineups

【New Menu for Offices and Stores】

Provision of new economical rate menus

□ Expansion in Content of Online Membership Services and Introduction of the Loyalty Program



[Started from March 2015]

- Inquiry services for electricity rates and amount of electricity used
- Optimal rate menu simulations
- Simulations of the effects of energy conservation, etc.

[Started from January 2016]

- Loyalty Program, etc.

[Starting from April 2016]

- Rate alert service
- Convenient monitoring service for energy usage amounts
- Point exchange service

◇ Anticipated Effects from the Introduction of Smart Meters

Improvement of customer convenience	<ul style="list-style-type: none"> • Acceleration of commencing and suspending electricity supply, as well as verifying electricity usage amounts, when a customer changes residence • Possibility of selecting a rate menu that conserves energy and matches the customer's lifestyle through the visualization of electricity usage amounts, etc.
Improvement of business efficiency	<ul style="list-style-type: none"> • Possibility of remote control support for starting or discontinuing a contract • Possibility of reducing meter inspection duties every month, etc.

Smart meters for low-voltage use



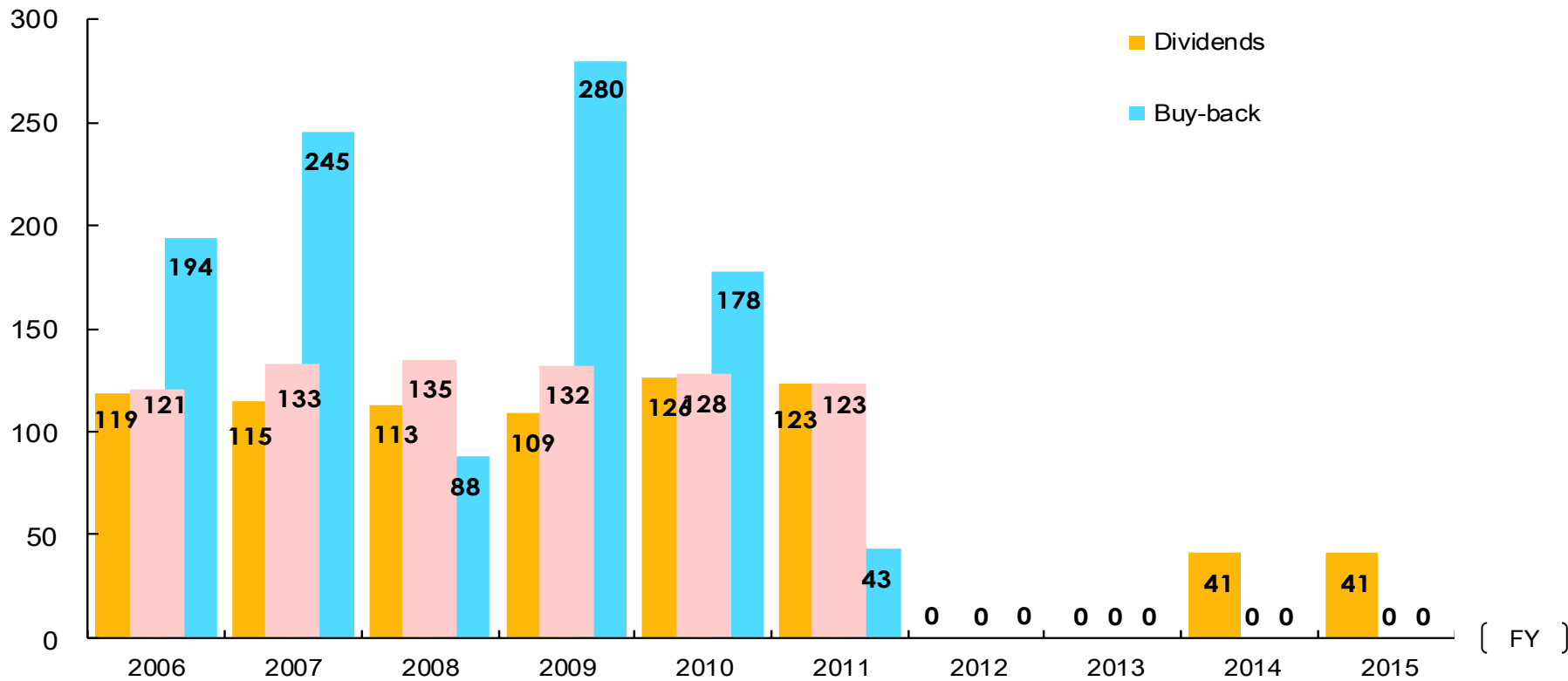
◇ Schedule for Smart Meter Introduction

Extra-High-Voltage Supplies Large High-Voltage Supplies	Small High-Voltage Supplies	Low-Voltage Supplies
Introduction completed	Introduction scheduled to be completed by fiscal 2016 <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> Introduction Progress (As of the end of March 2015) <hr/> Introduction completed: 26 thousand units Total contracts: 30 thousand units </div>	Introduction scheduled to be completed by fiscal 2023 <ul style="list-style-type: none"> • Currently implementing the introduction in line with legal replacement procedures, etc. • Gradually commencing the introduction of automatic meters (starting fiscal 2016)

- Paying stable dividend is our basic policy for returns to shareholders.
- We decide that based on comprehensive consideration of business performance, financial position, and the medium- to long-term business conditions.

◇ Stock Information (Consolidated Basis)

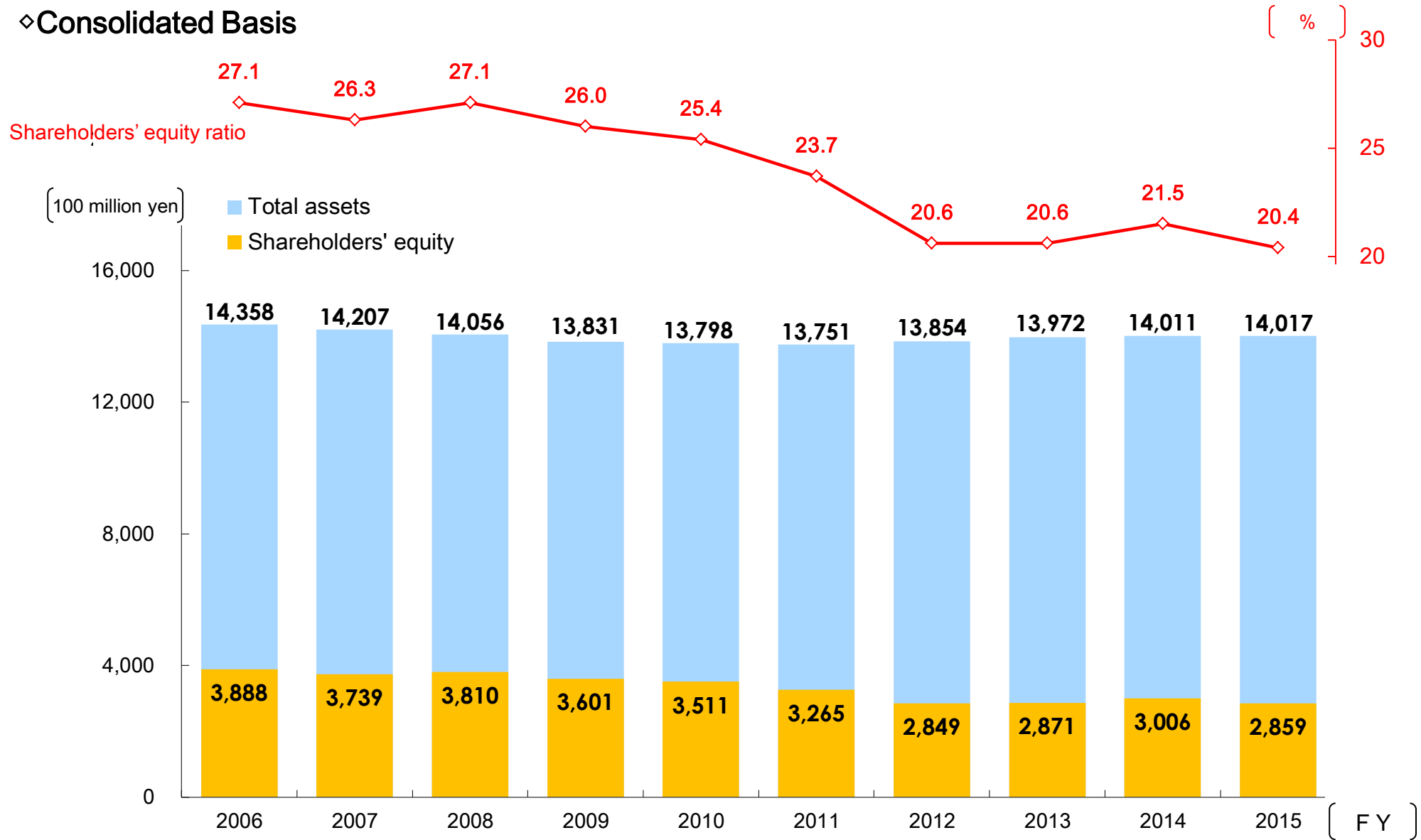
[100 million yen]



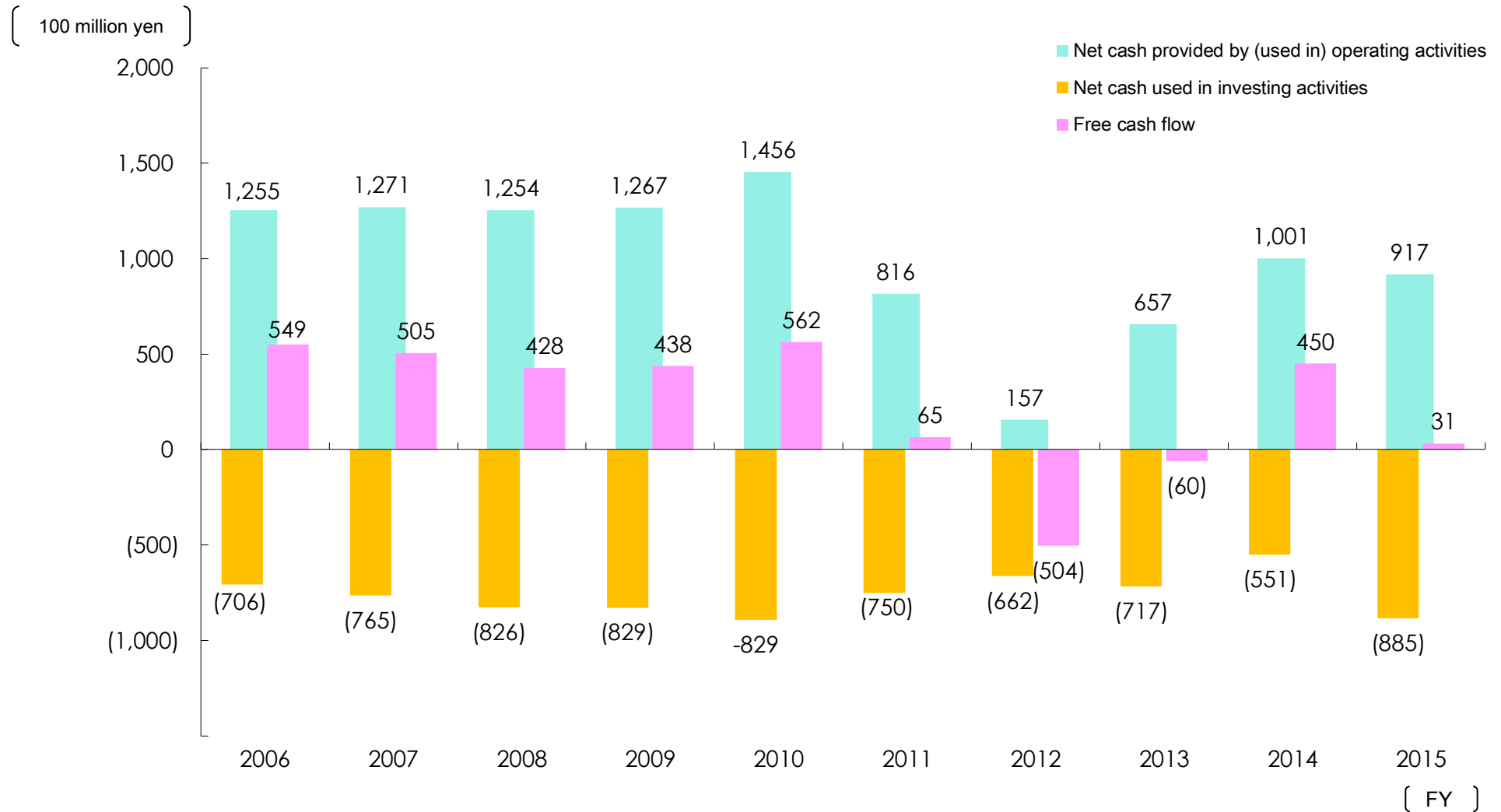
F Y	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
DPS(yen)	50	50	50	50	60	60	0	0	20	20
Payout ratio(%)	42.8	44.1	39.2	50.1	53.9	-	-	-	39.9	36.9
Dividend yield * (%)	1.8	1.7	1.9	1.9	2.7	2.6	0.0	0.0	1.4	1.3

*Calculated from the closing price at the end of each fiscal year

◇ Consolidated Basis

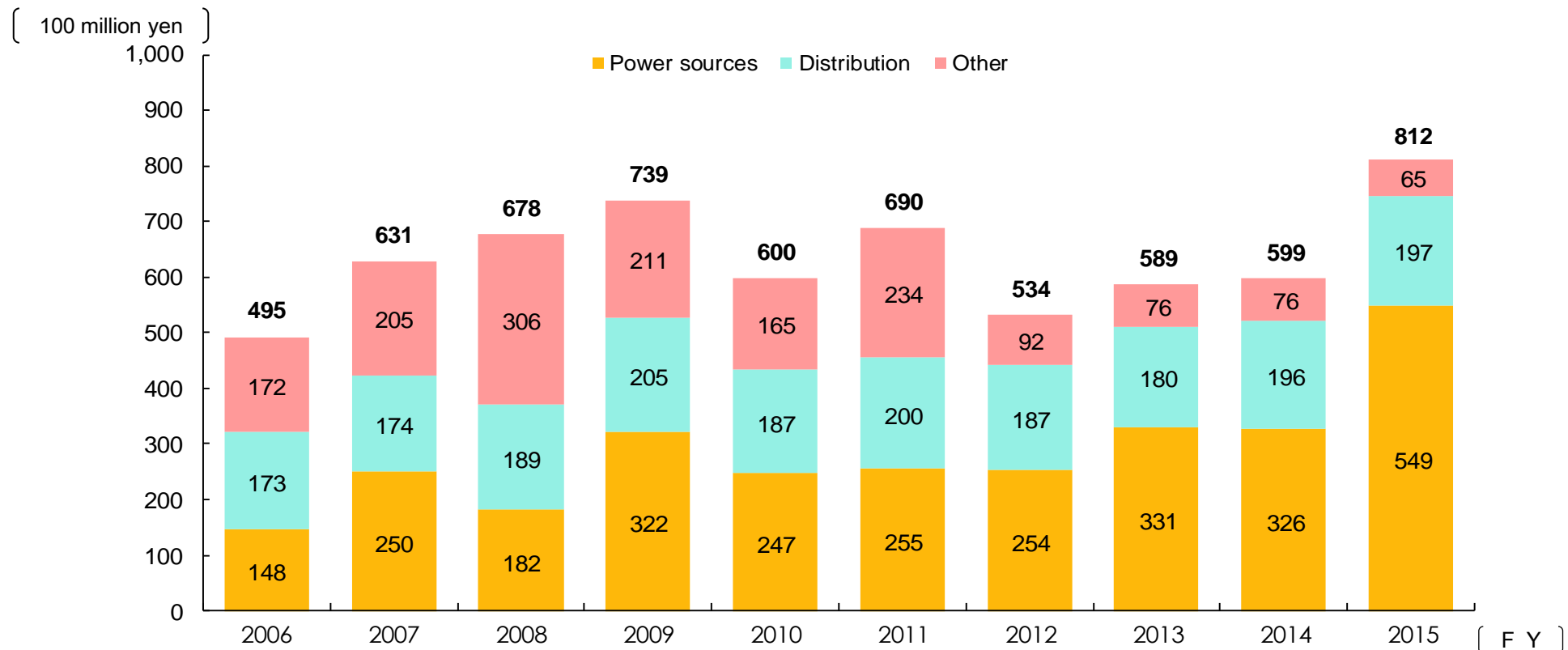


◇ Consolidated Basis



* The enactment of the Law on the Creation and Management of Reserve Funds for the Reprocessing of Spent Fuel at Nuclear Power Stations has caused a temporary dip in Cash Flows from Operating activities and Free Cash Flow in FY2005, a special factor that has prompted the company to fund approximately ¥130 billion externally.

◇Non-Consolidated Basis



◇Consolidated Basis

(100 million yen)

F Y	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	565	706	776	803	666	757	654	757	721	917
Power sources	485	626	673	737	590	685	531	587	595	812
Others	80	80	102	65	75	71	122	169	125	104

*before the elimination of unrealized profits

Caution Regarding Business Forecasts and Forward-Looking Statements

In addition to historical facts regarding Shikoku Electric Power Company and its subsidiaries and affiliated companies, this presentation contains business forecasts and other forward-looking statements.

These statements are based on our assumptions and judgments in consideration of the information available at the time, and are therefore subject to risks and contain an element of uncertainty.

It is also possible that such forecasts will be revised at a later date in light of changes in the operating environment or other underlying assumptions for the forecasts. We ask that readers please take these factors into consideration.



SHIKOKU ELECTRIC POWER CO., INC.