FY2015 3Q Financial Results Outline

(April 1, 2015 – December 31, 2015)

January 27, 2016

SHIKOKU ELECTRIC POWER CO.,INC.

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Ⅰ. Consolidated Financial Results for FY2015 3Q

(April 1, 2015 – December 31, 2015)

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I - 1 . Electricity Sales (1)

Electricity Sales

(million kWh)

	FY2015 3Q (a)	FY2014 3Q (b)	(c)=(a)-(b)	(c)/(b)	Details
Retail	18,716	19,149	(433)	(2.3)%	・Temperature Effects approx.(100)GWh ・Increase in cutting down on electricity use and energy conservation approx. (200)GWh and other factors
Lighting	6,094	6,254	(160)	(2.6)%	
Power	12,622	12,895	(273)	(2.1)%	
<Commercial>	<4,298>	<4,422>	<(124)>	<(2.8)%>	
<Large-Scale, Industrial>	<5,604>	<5,688>	<(84)>	<(1.5)%>	
Wholesale	1,363	866	497	57.4%	
Total	20,079	20,015	64	0.3%	

Average temperatures in prefectural capitals in Shikoku

(℃)

	Jun.	Jul.	Aug.	Sep.	4-month AVG.	Oct	Nov	Dec	3-month AVG.
FY2015	22.3	26.3	27.6	23.3	24.9	18.7	15.5	10.3	14.8
Differences from the average year	(0.5)	(0.5)	(0.2)	(1.2)	(0.6)	(0.1)	2.1	2.0	1.3
Differences from the previous year	(0.7)	(0.7)	0.9	(0.6)	(0.3)	(0.8)	1.3	3.6	1.4

Electricity Sales to Large- Scale Industrial Customers

(million kWh)

	FY2015 3Q	Change※
Textiles	301	23.6%
Paper/Pulp	882	(4.3)%
Chemicals	802	(2.4)%
Steel	586	(9.6)%
Machinery	1,392	0.2%
Other	1,641	(1.4)%
Total	5,604	(1.5)%

※Changes from the previous period.

I - 2 . Electricity Supply

(million kWh)

	FY2015 3Q (a)	FY2014 3Q (b)	(c)=(a)-(b)	(c)/(b)	Details
Hydro	3,054	2,718	336	12.3%	・ Flow Rate 107.4% → 117.9%
Nuclear	-	-	-	-	・ All units of the Ikata nuclear power station have been suspended.
Coal	69% 12,177	69% 12,725	0% (548)	(4.3)%	・ Decreased due to regularly scheduled inspections on Tachibana-wan Thermal Power Station
LNG	9% 1,459	9% 1,643	0% (184)	(11.2)%	・ Drcreased due to maintenance of Sakaide Unit No.1
Oil/Gas	22% 3,868	22% 4,101	0% (223)	(5.7)%	
Thermal	100% 17,504	100% 18,469	(965)	(5.2)%	
Renewable Energy	1,668	1,094	574	52.4%	

◇Electricity by thermal power (million kWh)

	FY2015 3Q		Change※
	GWh	Composition	
Generated	10,777	62%	(1,693)
Purchased	6,727	38%	728
Total	17,504	100%	(965)

※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 ¥ 1.0 billion YoY, to ¥ 475.9 billion. The factors were as follows;
  - ✓ Under the feed-in-tariff scheme (FIT), surcharge income and grants for the purchase cost from Surcharge Adjustment Organization increased.
  - ✓ Total electricity sales and revenues based on the fuel cost adjustment system decreased.
- Operating expenses increased by ¥ 3.2 billion YoY, to ¥ 451.2 billion. The factors were as follows;
  - ✓ The cost of the fuel and power purchase decreased due to down in the fuel prices.
  - ✓ Payments to Surcharge Adjustment Organization and the maintenance costs increased, etc.
- As a result, all income were follows;
  Operating income : ¥ 24.6 billion, ordinary income : ¥ 23.2 billion, net income : ¥ 14.6 billion.

(100 million yen)

	FY2015 3Q (a)	FY2014 3Q (b)	(c)=(a)-(b)	(c)/(b)
Operating Revenues	4,759	4,769	(10)	(0.2)%
Operating Expenses	4,512	4,480	32	0.7%
Operating Income	246	288	(42)	(14.5)%
Interest Expenses, etc.	14	34	(20)	(58.2)%
Ordinary Income	232	254	(22)	(8.6)%
Reserve for Fluctuations in Water Level	(Provision) 20	(Provision) 1	19	-
Income Taxes, etc.	65	93	(28)	(30.5)%
Net Income attributable to shareholders of parent company	146	159	(13)	(7.7)%

(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 3Q (a)	FY2014 3Q (b)	Change (c)=(a)-(b)	Change (c)/(b)
Electricity Sales(Retail)	3,553	3,732	(179)	(4.8)%
Electricity sales(Wholesale), etc.	131	119	12	10.1%
Others	535	354	181	51.2%
Electric Operating Revenues	4,220	4,206	14	0.3%
Other Revenues	538	562	(24)	(4.2)%
Operating Revenues	4,759	4,769	(10)	(0.2)%
Personnel	367	350	17	4.9%
Fuel	719	1,045	(326)	(31.2)%
Power Purchase	1,132	924	208	22.5%
Depreciation	409	416	(7)	(1.6)%
Maintenance	392	352	40	11.2%
Nuclear Back-end	45	52	(7)	(13.4)%
Others	973	824	149	18.1%
Electric Operating Expenses	4,040	3,966	74	1.9%
Others	472	514	(42)	(8.2)%
Operating Expenses	4,512	4,480	32	0.7%
Operating Income	246	288	(42)	(14.5)%
Interest Expenses, etc.	14	34	(20)	(58.2)%
Ordinary Income	232	254	(22)	(8.6)%
Reserve for Fluctuations in Water Level	(Provision) 20	(Provision) 1	19	-
Income Taxes,etc.	65	93	(28)	(30.5)%
Net income attributable to shareholders of parent company	146	159	(13)	(7.7)%

【Electricity Sales(Retail)】
- Increase in surcharge income based on FIT +125
- Decrease in revenues based on the Fuel Cost Adjustment System (214)
- Decrease in in electricity sales volume (84), etc.

【Others】
- Increase in grants for the purchase cost from Surcharge Adjustment Organization +176, etc.

【Other Revenues】
- Down in the selling prices of LNG in LNG sales segment (8), etc.

【Fuel, Power Purchase】 (118)
- Increase in purchase of renewable energy sourced electricity +155
- Increase in electricity volume generated by hydro power plants (25)
- Down in the fuel prices (245) ,etc.

		FY2015 3Q (a)	FY2014 3Q (b)	(a-b)
CIF Price (all Japan)	Coal ($/t)	77	95	(18)
	Crude Oil ($/b)	55	103	(48)
	LNG ($/t)	473	835	(362)
Exchange Rate (¥/$)		122	107	15

【Maintenance】
- Increase of construction associated with the nuclear power station +27
- Increase of construction associated with distribution facilities +12, etc.

【Electric Utility Segment - Others】
- Increase in payments to Surcharge Adjustment Organization +125, etc.

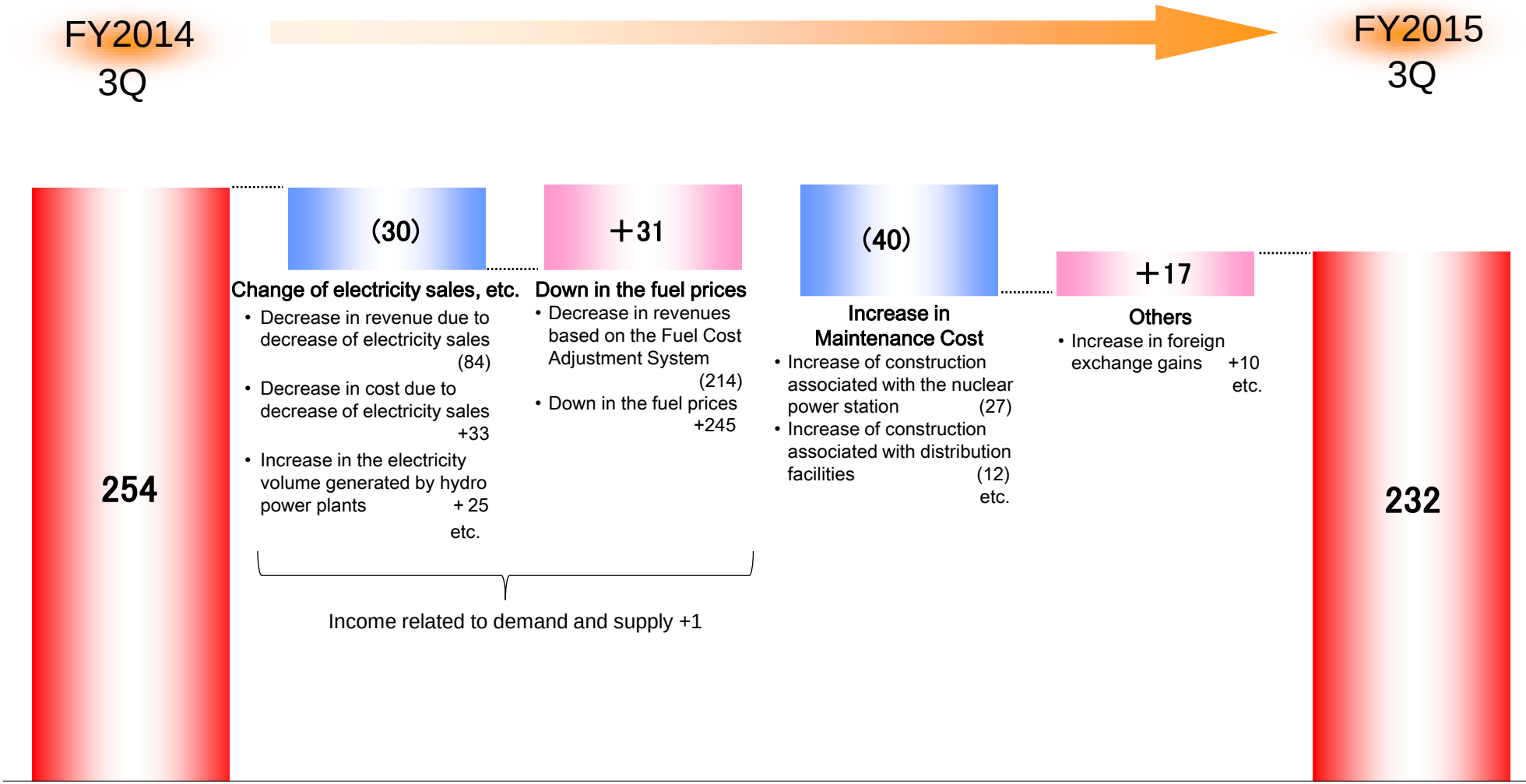
【Others】
- Down in the purchase prices of LNG in LNG sales segment (20), etc.

【Interest Expenses, etc.】
- Increase in foreign exchange gains (10), etc.

Factors Contributing to Change in Ordinary Income

Ordinary Income

(100 million yen)



I - 4 . Results by Segment

- Profit of electric utility segment decreased by ¥ 6.6 billion to ¥ 16.5 billion.
  The factors were as follows;
  - ✓ Electricity sales decreased.
  - ✓ The maintenance costs increased.

- Profit of IT/communications decreased by ¥ 0.5 billion to ¥ 2.6 billion. This decrease was mainly due to the increase in the cost of sales promotion associated with FTTH, while sales of IT segment increased.

- Profit of other segment increased by ¥ 3.1 billion to ¥ 5.7 billion, because sales in constructions and engineering business increased.

Results by segment

(100 million yen)

			FY2015 3Q (a)	FY2014 3Q (b)	(a-b)
Consolidated		Sales	4,759	4,769	(10)
		Segment Profit	246	288	(42)
Segment	Electric Utility*	Sales	4,229	4,215	14
		Segment Profit	165	231	(66)
	IT/Communications*	Sales	232	231	1
		Segment Profit	26	31	(5)
	Others*	Sales	889	866	23
		Segment Profit	57	26	31

* Internal transactions are not eliminated

Capital Investment

(100 million yen)

	2015FY 3Q
Electric Utility	537
<Safety measures at the Ikata nuclear power station>	<229>
<Introduction of a LNG combined cycle to the Sakaide thermal power station unit No.2>	<40>
IT/Communications	36
<FTTH>	<10>
Others	37
Total	610

I - 6 . Financial Position

(100 million yen)

	Dec 31, 2015 (a)	Mar 31,2015 (b)	(a-b)	Details
Total Assets	13,927	14,011	(84)	
<Plant and Equipment, and intangible assets>	<8,376>	<8,325>	<51>	Capital investment +574 Advance of depreciation, etc. (523)
<Cash and Cash Equivalents>	<226>	<305>	<(79)>	
Liabilities	10,835	11,002	(167)	
<Bonds and Loans>	<7,199>	<7,118>	<81>	
<Accounts Payable, etc>	<3,636>	<3,884>	<(248)>	・ Decrease of accounts payable, etc.
Total Equity	3,092	3,008	84	・ Net income attributable to shareholders of parent company +146 ・ Dividend payment (41)

Shareholders' Equity Ratio	22.2%	21.5%	0.7%

II. Forecasts of Consolidated Financial Performance and dividends for FY2015

II. Forecasts of Consolidated Financial Performance and dividend for FY2015

- Operating revenues will decrease by approximately ￥4.0 billion YoY to ￥660.0 billion. The factors were as follows;
  - ✓ Electricity sales volume will decrease.
  - ✓ Revenues based on the Fuel Cost Adjustment System will decrease due to the down in fuel costs.
- Due to the increase in maintenance costs and others, the operating income will decrease by approximately ￥6.0 billion YoY to ￥22.5 billion and the ordinary income will decrease ￥4.5 billion YoY to ￥20.0 billion. Net Income will increase ￥2.0 billion YoY to ￥12.0 billion, since the reversal of deferred tax assets will decrease according to the reduction of the corporate tax rate.
- Based on these forecasts, the year-end dividend per share is expected to be ￥20 (no change from the previous year).

Financial Forecasts

(100 million yen)

	FY 2015 (Forecast) <a>	FY2014 (Result) <b>	(c)=(a)-(b)	(c)/(b)
Operating Revenues	6,600	6,642	(42)	(0.6%)
Operating Income	225	289	(64)	(22.4%)
Ordinary Income	200	245	(45)	(18.4%)
Net income attributable to shareholders of parent company	120	103	17	16.1%
Net Income per Share	¥58	¥50	¥8	-

Dividend per Share

FY 2015 (Forecast)	FY2014 (Result)
¥20	¥20

Principal Figures

(100 million kWh)

	FY2015 (Forecast) <a>	FY2014 (Result) <b>	(c)=(a)-(b)	(c)/(b)
Lighting	90.9	92.4	(1.5)	(1.6)%
Power	169.5	171.5	(2.0)	(1.2)%
Retail	260.4	263.9	(3.5)	(1.3)%
Wholesale	17.7	11.6	6.1	53.1 %
Total	278.1	275.5	2.6	1.0 %

(%)

Nuclear Capacity Factor	0.0	0.0	-
Flow Rate	114.1	114.6	(0.5)

	FY2015 (Forecast) <a>	FY2014 (Result) <b>	<a-b>
Coal CIF Price($/t)	76	93	(17)
Crude oil CIF Price($/b)	50	90	(40)
Exchange Rate(￥/$)	121	110	11

<Reference> Non-Consolidated Financial Results

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

Non-consolidated

(100 million yen)

	FY2015 3Q (a)	FY2014 3Q (b)	Change (c)=(a)-(b)	Change (c)/(b)
Electricity Sales(Retail)	3,553	3,732	(179)	(4.8)%
<Surcharge Income based on FIT>	<245>	<120>	<125>	<103.7%>
Electricity sales(Wholesale), etc.	131	119	12	10.1%
Others	638	465	173	37.3%
<Grants for the Purchase Cost from Surcharge Adjustment Organization>	<460>	<284>	<176>	<61.8%>
Operating Revenues	4,323	4,317	6	0.1%
Personnel	370	353	17	4.8%
Fuel	719	1,045	(326)	(31.2)%
Power Purchase	1,132	924	208	22.5%
Depreciation	413	420	(7)	(1.7)%
Maintenance	394	354	40	11.2%
Nuclear Back-end	45	52	(7)	(13.4)%
Others	1,060	927	133	14.4%
Operating Expenses	4,137	4,078	59	1.4%
Operating Income	186	238	(52)	(21.8)%
Interest expence, etc.	-	11	(11)	(98.9)%
Ordinary Income	186	226	(40)	(17.7)%
Reserve for Fluctuations in Water Level	(Provision) 20	(Provision) 1	19	-
Income Taxes, etc.	44	75	(31)	(41.4)%
Net Income	121	149	(28)	(18.7)%

【Electricity Sales(Retail)】
- Decrease in revenues based on the Fuel Cost Adjustment System (214)
- Decrease in electricity sales volume (84) ,etc.

【Revenues of Others】
- Down in the selling prices of LNG in LNG sales segment (8), etc.

【Fuel, Power Purchase】 (118)
- Increase in purchase of renewable energy sourced electricity +155
- Increase in electricity volume generated by hydro power plants (25)
- Down in the fuel prices (245) ,etc.

		FY2015 3Q (a)	FY2014 3Q (b)	(a-b)
CIF Price (all Japan)	Coal ($/t)	77	95	(18)
	Crude Oil ($/b)	55	103	(48)
	LNG ($/t)	473	835	(362)
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【Maintenance】
- Increase of construction associated with the nuclear power station +27
- Increase of construction associated with distribution facilities +12, etc.

【Others】
- Increase in payments to Surcharge Adjustment Organization +125
- Down in the purchase prices of LNG in LNG sales segment (20), etc.

【Interest Expenses, etc.】
- Increase in foreign exchange gains (10), etc.

2 . Financial Position

Non-consolidated

(100 million yen)

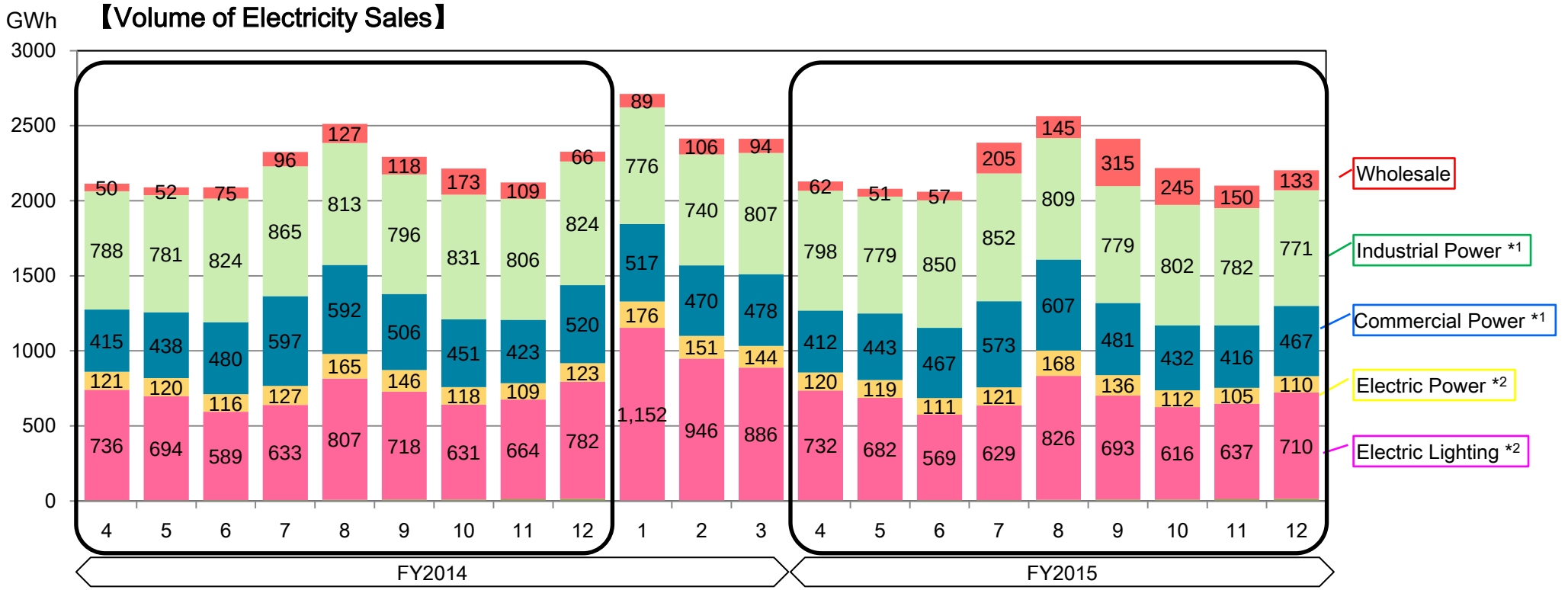
	Dec 31, 2015 (a)	Mar 31,2015 (b)	(a-b)	Details
Total Assets	13,326	13,386	(60)	
<Plant and Equipment, and intangible assets>	<7,711>	<7,644>	<67>	Capital investment +518 Advance of depreciation, etc. (451)
<Cash and Cash Equivalents>	<212>	<294>	<(82)>	
Liabilities	10,495	10,620	(125)	
<Bonds and Loans>	<7,151>	<7,070>	<81>	
<Accounts Payable, etc>	<3,344>	<3,550>	<(206)>	・ Decrease of accounts payable, etc.
Total Equity	2,831	2,765	66	・ Net income +121 ・ Dividend payment (41)

Shareholders' Equity Ratio	21.2%	20.7%	0.5%

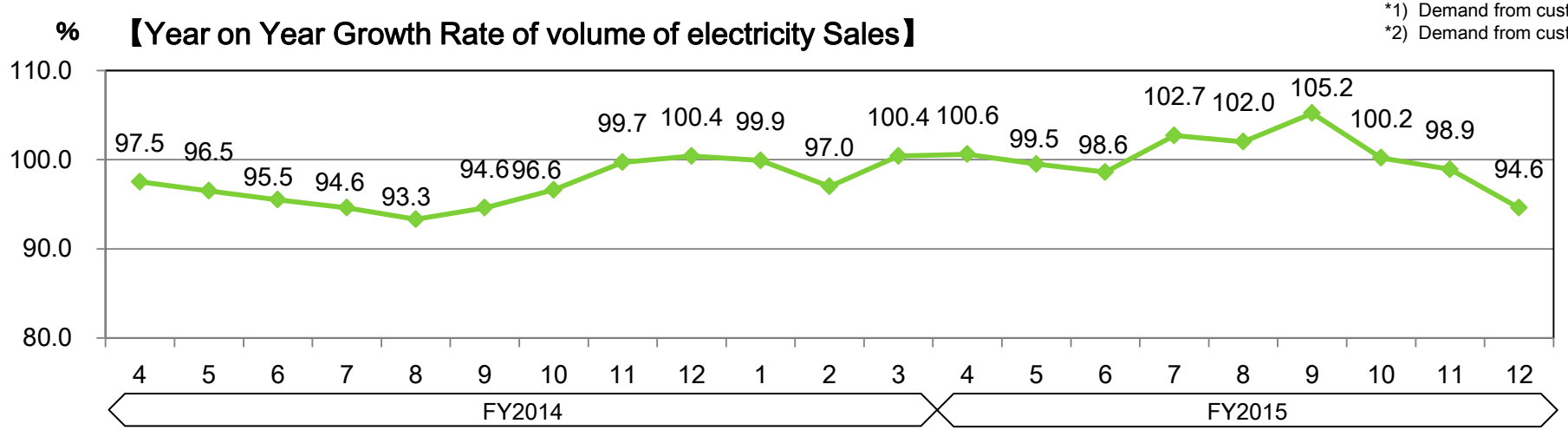
Supplemental material for FY2015 3Q

- 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 an Equipment Expenditures (consolidated)
- Feed-in Tariff Scheme

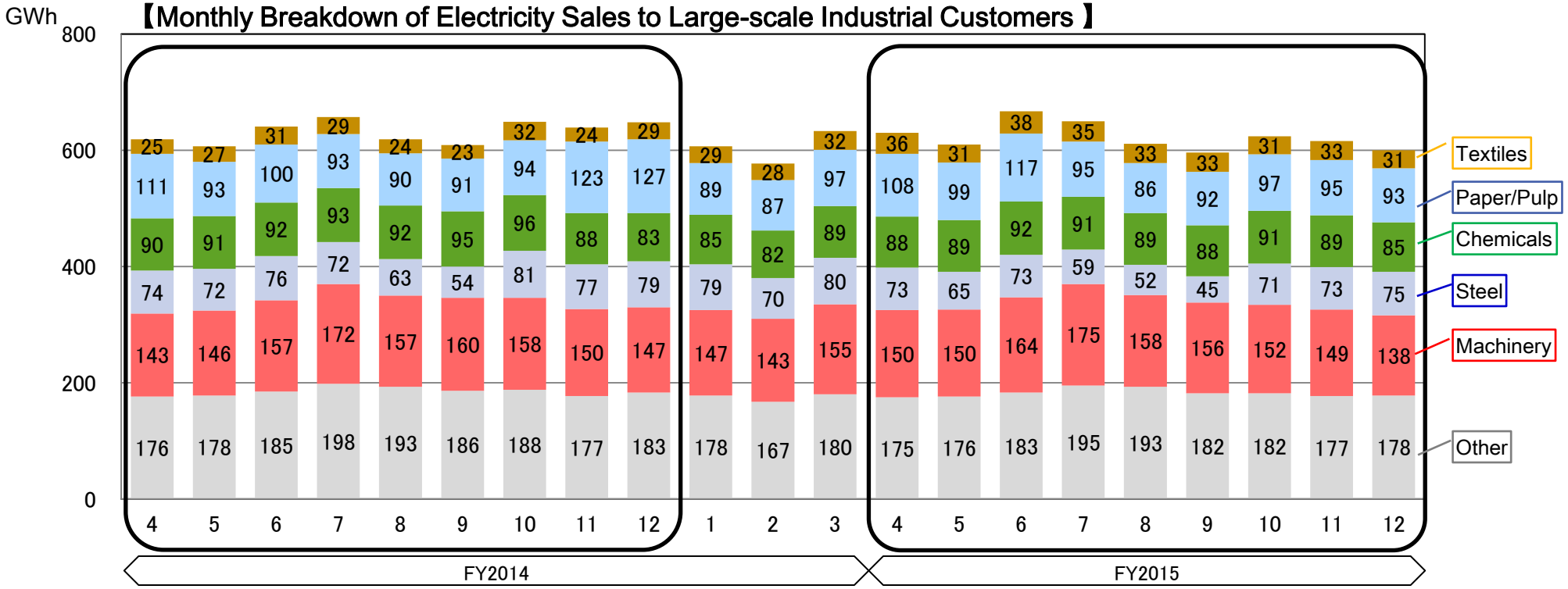
Monthly Breakdown of Electricity Sales

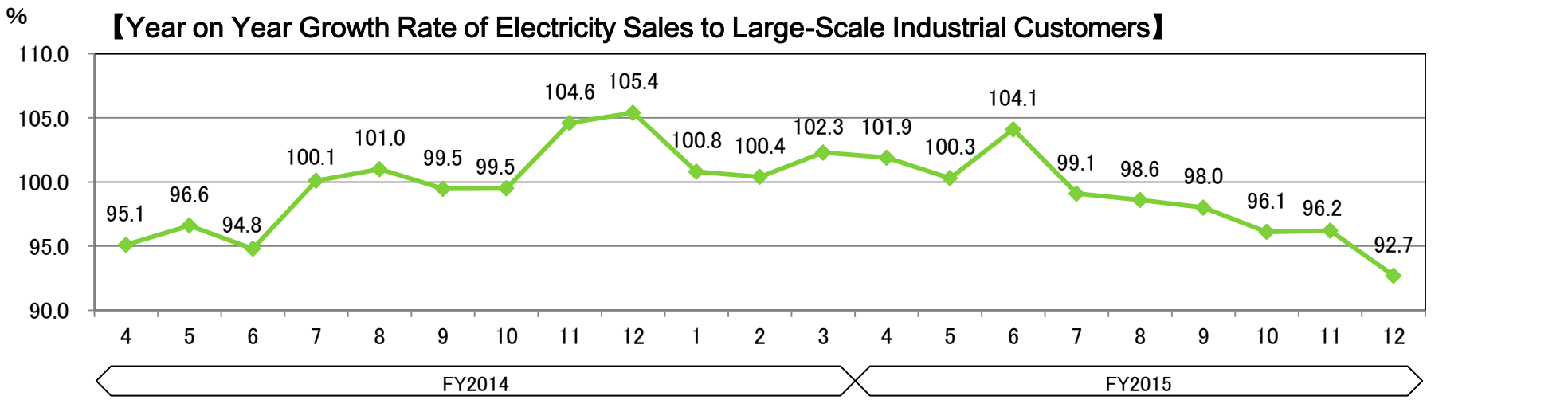


*1) Demand from customers under liberalization
*2) Demand from customers under regulation



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





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

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

	FY2014					FY2015			
	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
Grand total	(0.1)	(4.5)	0.2	3.1	1.2	(1.5)	2.1	(1.4)	(5.0)
Textiles	(0.4)	(4.3)	(13.6)	(2.2)	22.2	23.6	24.4	34.3	13.2
Paper Pulp	(2.9)	(18.9)	(0.5)	17.7	(5.3)	(4.3)	6.6	(0.5)	(17.0)
Chemicals	(5.5)	(8.8)	(5.2)	(5.2)	(2.6)	(2.4)	(1.5)	(4.5)	(1.1)
Steel	6.3	2.7	16.8	4.7	4.0	(9.6)	(5.2)	(16.8)	(7.9)
Machinery	2.7	3.1	1.4	3.3	3.1	0.2	4.1	(0.0)	(3.4)
Others	(0.3)	(1.3)	(0.3)	(0.4)	0.9	(1.4)	(0.8)	(1.2)	(2.4)

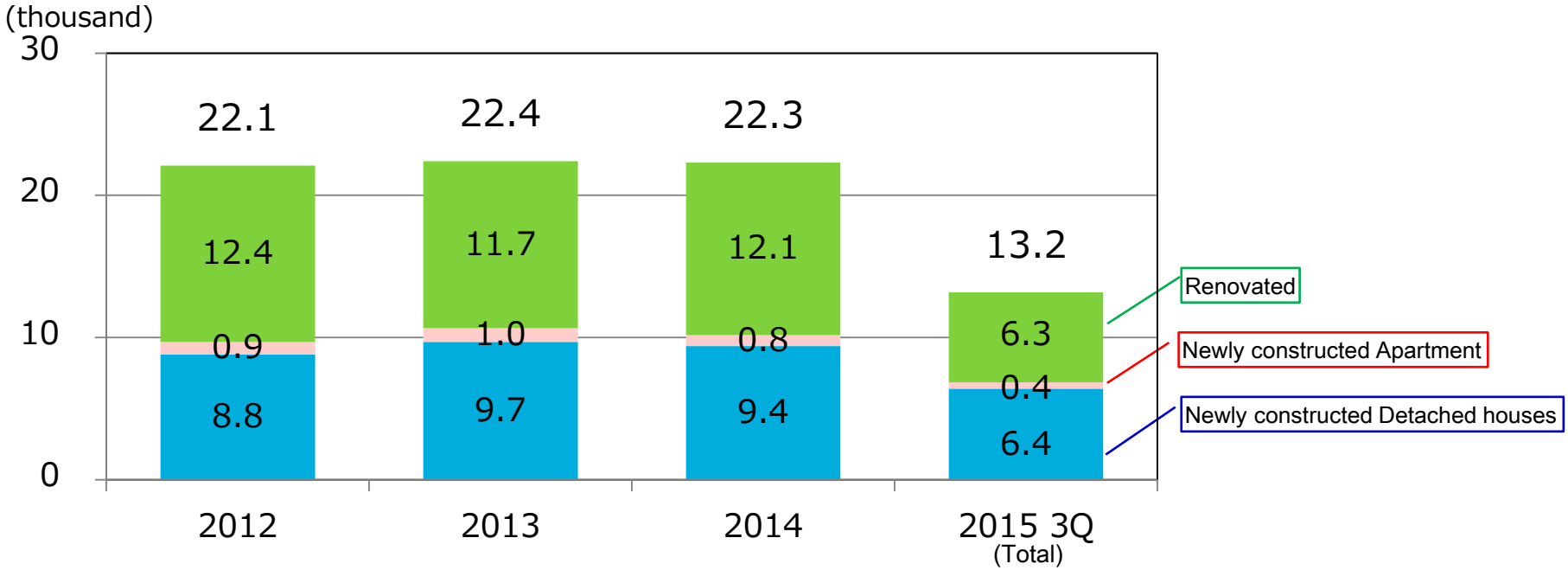
Increase due to suspension of onsite power generations of some customers. etc.

Decline in reaction to maintenance of onsite power generations of some customers in the previous year, etc.

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

Number of All-electric Housing Construction

Number of All-electric Housing Construction



Breakdown of Number of All-electric Housing Construction

(thousand)

	FY2015 3Q		FY2014 3Q
		YoY growth rate	
Newly constructed	6.8	(12.3)%	7.8
Detached houses	6.4	(11.9)%	7.3
Apartments	0.4	(17.2)%	0.5
Renovated	6.3	(26.3)%	8.6
Total	13.2	(19.6)%	16.4

Consumption of fossil Fuels

【Consumption of fossil Fuels】

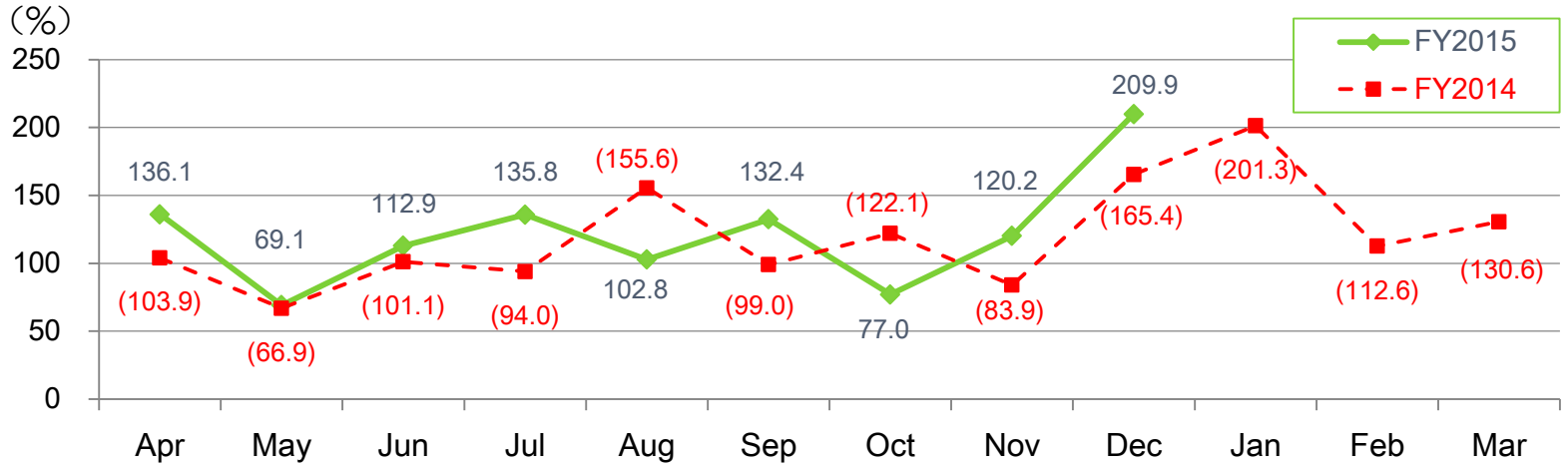
	FY2015 3Q (A)	FY2014 3Q (B)	(A-B)	<ref> FY2014 (total)
Coal（1,000t）	2,059	2,508	(449)	3,288
Heavy Oil（1,000kl）	469	506	(37)	736
Crude Oil（1,000kl）	77	87	(10)	141
LNG（1,000t）	214	237	(23)	342

【Fuel Prices】

	FY2015 3Q (A)	FY2014 3Q (B)	（A-B）	<ref> FY2014 (Avg.)
CIF price: Coal ($/t)	77	95	(18)	93
CIF price: Heavy Oil ($/b)	55	103	(48)	90
CIF price: LNG ($/t)	473	835	(362)	800
FX rate (¥/$)	122	107	15	110

Flow Rate, Financial Sensitivity for Key Factors

Flow Rate



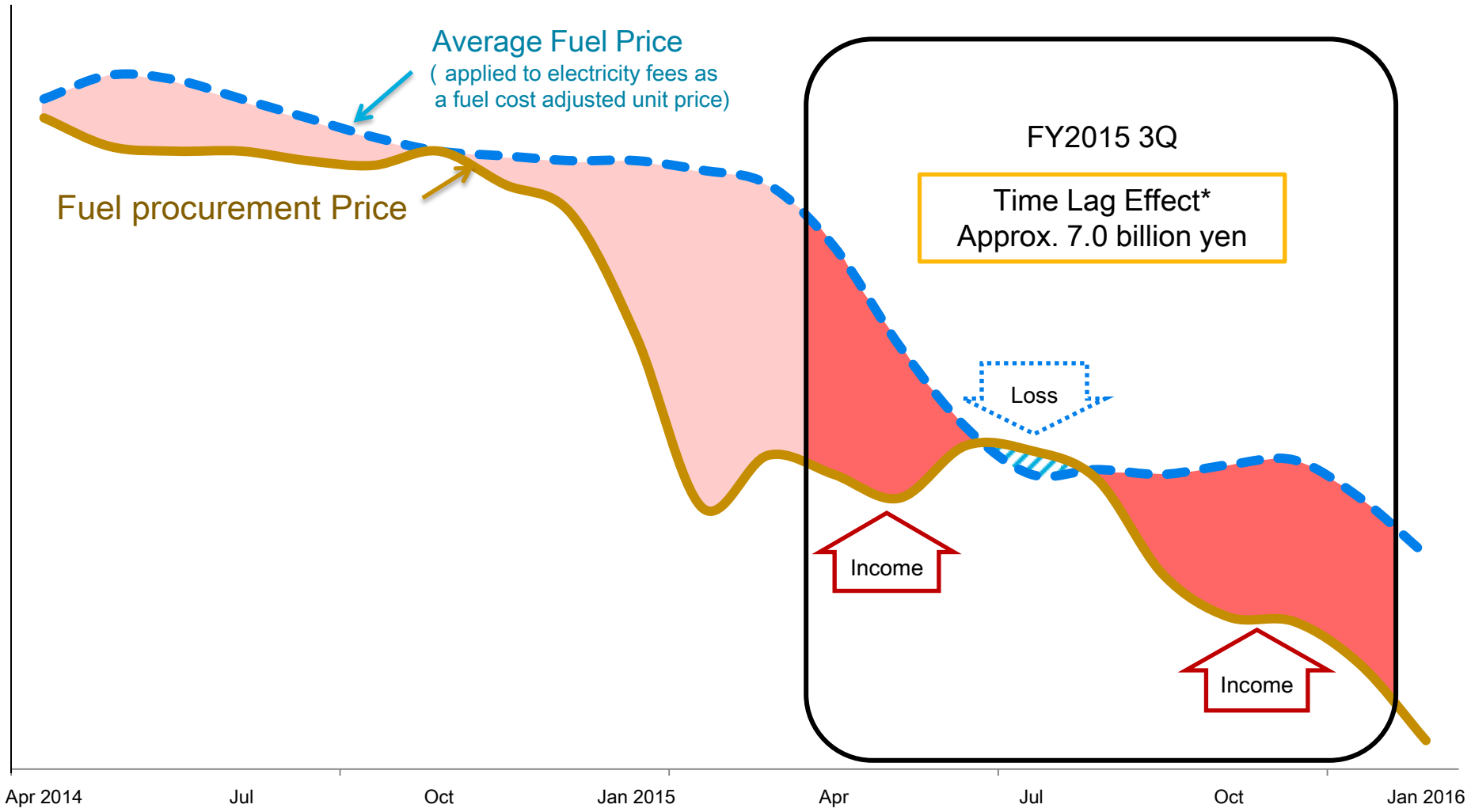
Financial Sensitivity for Key Factors

(100 million yen)

	FY2015 3Q 3Q(total)
CIF price: crude oil (1$/b)	5
CIF price: coal (1$/t)	6
FX rate (¥ 1/$)	7
Nuclear power capacity factor (1%)	8
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 an Equipment Expenditures (consolidated)

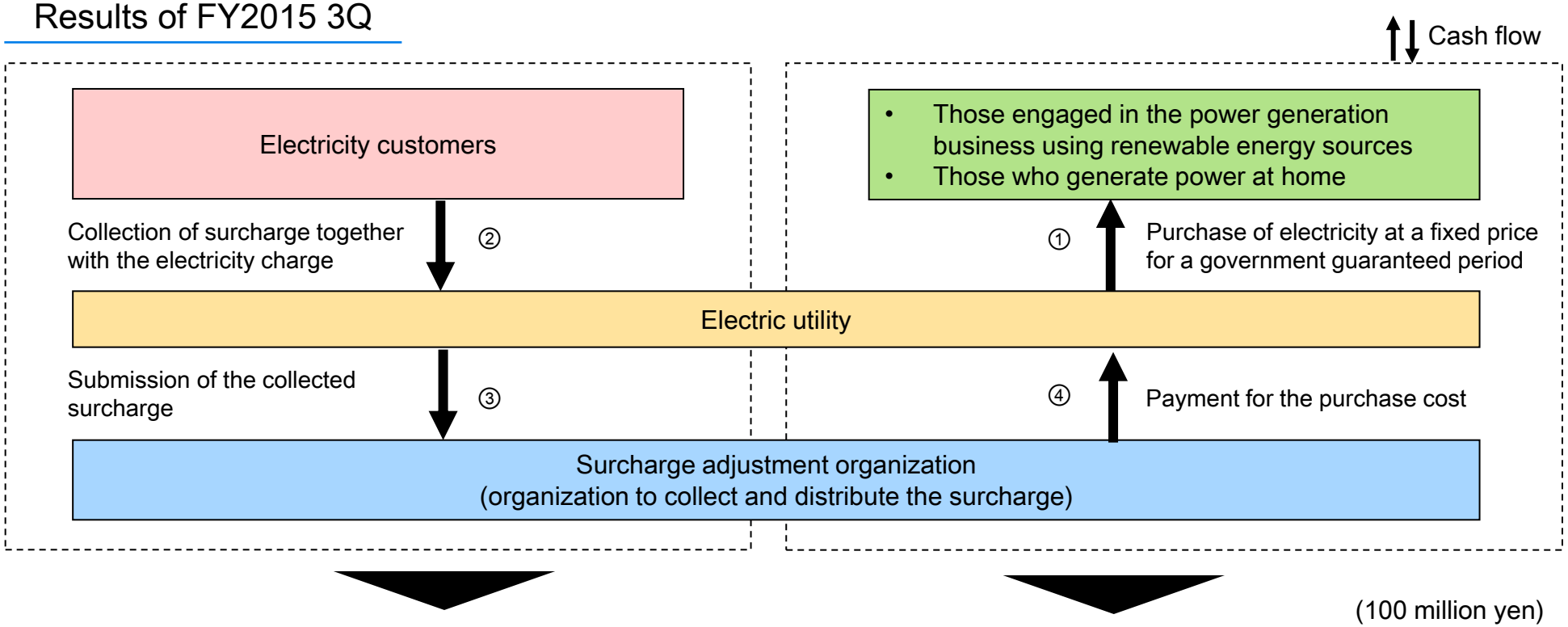
(100 million yen)

	FY2015 3Q	<ref> FY2014
Power Sources	355	326
Hydro	20	42
Thermal	96	79
Nuclear	238	204
Transmission	30	45
Transformation	44	63
Distribution	73	87
Other	14	23
Subtotal	518	546
Nuclear fuel	18	48
Electric Power business	537	595
Other business	73	125
Total※	610	721

※before the elimination of unrealized profits

Feed-in Tariff Scheme

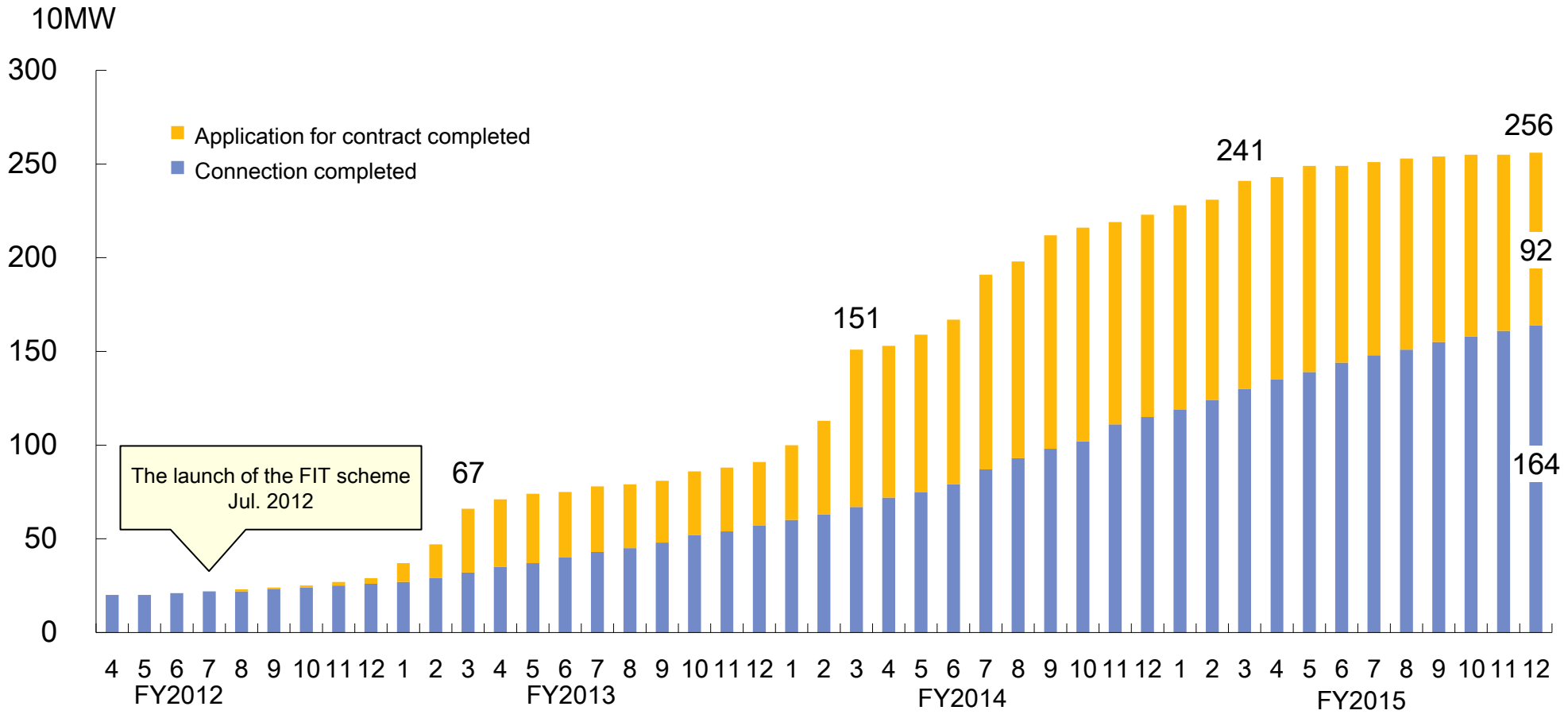
Results of FY2015 3Q



(100 million yen)

② Surcharge 245 We collect surcharge from customers with the electricity charge.	**① Purchase of electricity** 555 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.
③ Submission of the collected surcharge 245 We submit the collected surcharge to surcharge adjustment organization.	**④ Payment for the purchase cost** 460 Surcharge adjustment organization pay grants corresponding to the actual purchase costs.

[Reference] Installation of Solar Power Generation Facilities



※ Outputs after July 2014 are including southern part of Awaji Island (approx. 160MW, as of December 2015)

Topics

- Conditions Surrounding Electric Power Business
- Shikoku Electric Power's Facilities
- Replacement of Thermal Power Stations (Coal)
- Replacement of Thermal Power Stations (LNG)
- Forecast for Electricity Supply Composition at Our Thermal Power Stations
- Basic Concept of Market Strategy
- Enrichment and Enhancement of Customers' Services
- Plan for Smart Meter Introduction
- The Situation Surrounding the Ikata Nuclear Power Station
- Application for Permission for Change in Reactor Installation License in Relation to Specialized Safety Facilities
- Forecasts of costs for safety measures at the Ikata Nuclear Power Station
- Response Toward Strengthening Environmental Regulations
- Shareholder Return
- Financial Data
- Cash Flow
- Plant and Equipment Expenditures

Conditions Surrounding Electric Power Business

➢ Progress of Electricity System Reform

Establishment of the Organization for Cross-Regional Coordination of Transmission Operators

Complete deregulation of the retail electricity market (FY2016~)
⇒ Greater competition between operators

Legal separation of the power transmission and distribution sectors

➢ Improvement of Nuclear Power Business Environment for Sustainable Operation

Restarting Nuclear Power Station

Review of Business Environment Improvement

- Collection of decommissioning cost, Measures for spent fuel reprocessing, Reconsideration of Nuclear Damage Compensation Institution

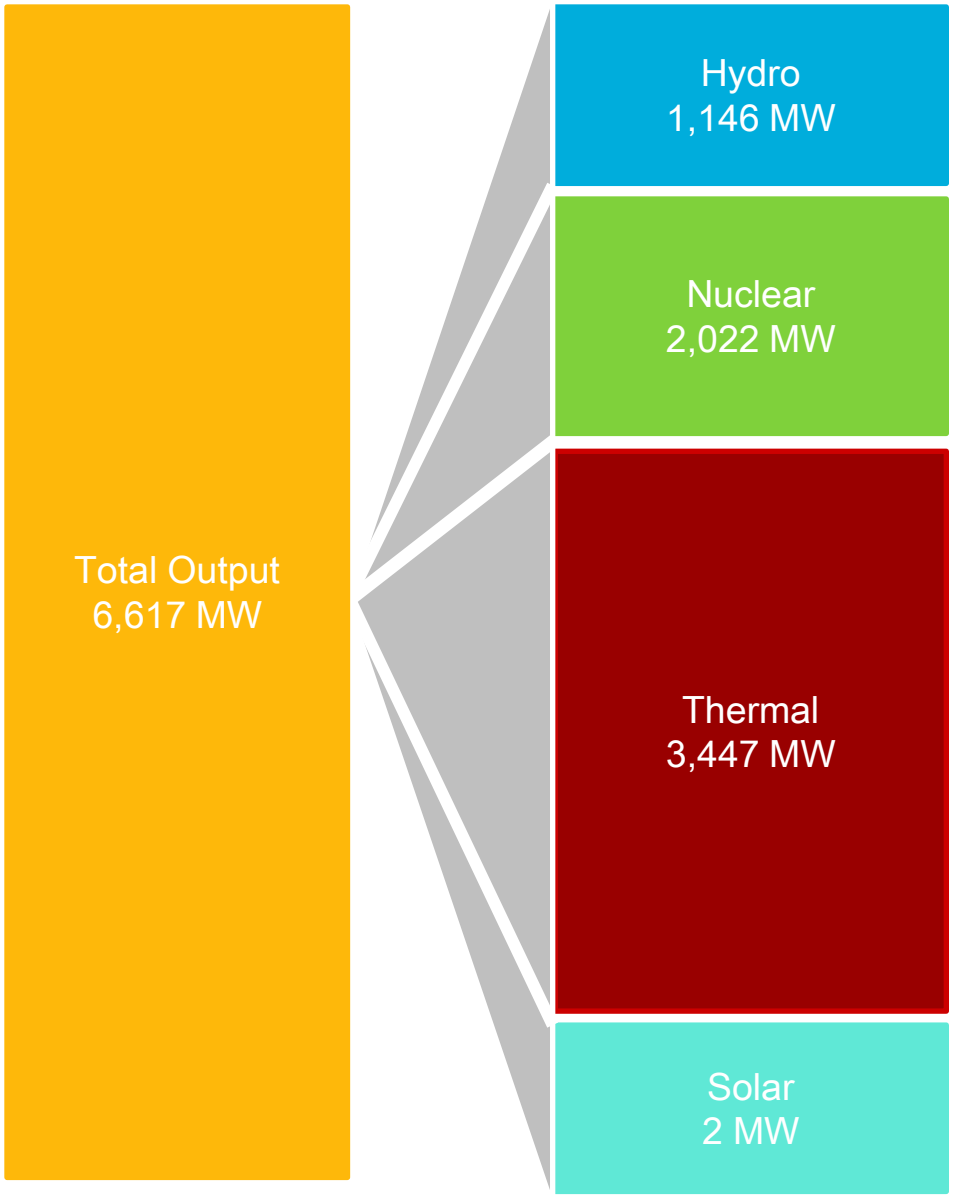
➢ Expanding Installation of Renewable Energy, Environmental Regulations

Revision of Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities

Strengthening environmental regulations (e.g. low greenhouse gas emissions)

Shikoku Electric Power's Facilities

(As of January 27, 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	33
	Unit No.3	890	December 1994	21

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	42	Oil / COG
	Unit No.4	350	May 1974	41	LNG / COG

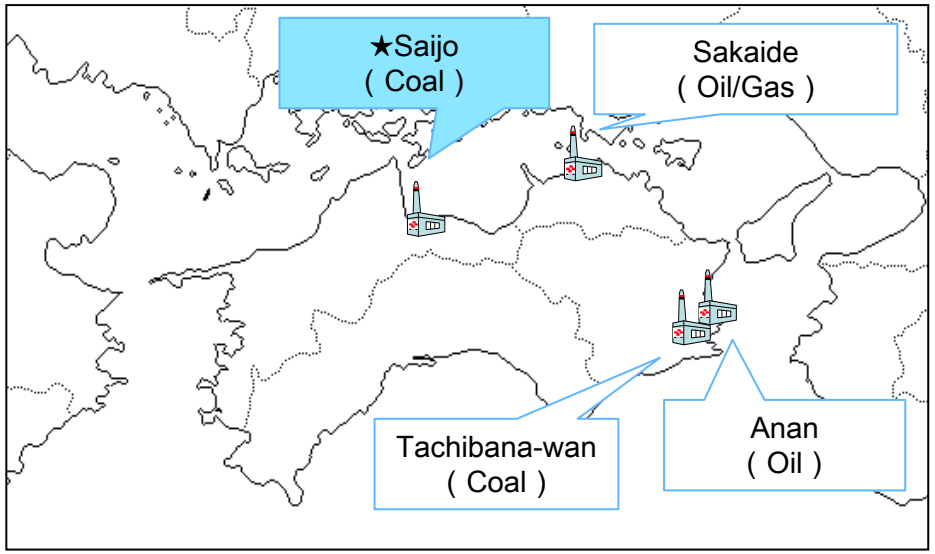
Power Plant	Output (MW)	Start of operations	Age
Matsuyama	2	March 2003	12

Replacement of Thermal Power Stations (Coal)

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

We are going to replace Unit No.1 with highly efficient, ultra-supercritical (USC) generation equipment

	Current Unit No.1	New Unit No.1
Start of operations	FY1965	March 2023 (scheduled)
Location	Saijo, Ehime	
Output	156MW	500MW
Fuel type	Coal	



■ Outline of Bidding

We requested proposals for bidding on thermal power purchase under the assumption that we would participate in the bidding.

Bidding Information	Scale of thermal power for bid	500MW
	Start of supply	April 2022 ~ June 2024
	Operation conditions	Annual Standard Load Factor should be 65% ~ 75%
	Supply period	Standard of 15 years, however contracts in the range of 10-20 years are possible
Schedule	Request proposals for bidding	July 28 – November 27 2015
	Determine successful bidders	February 2016 (scheduled)
	Conclusion of contract	April 2016 (scheduled)

*The bidding schedule can be changed in accordance with the progress. Please check the latest information at our website.

■ Results of Bid Application

Number of bid	1 bid (Shikoku Electric Power)
Scale for bid	473MW (sending-end)
Industry sector	Power utility
Fuel type	Coal
Start of supply	March 2023

Replacement of Thermal Power Stations (LNG)

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

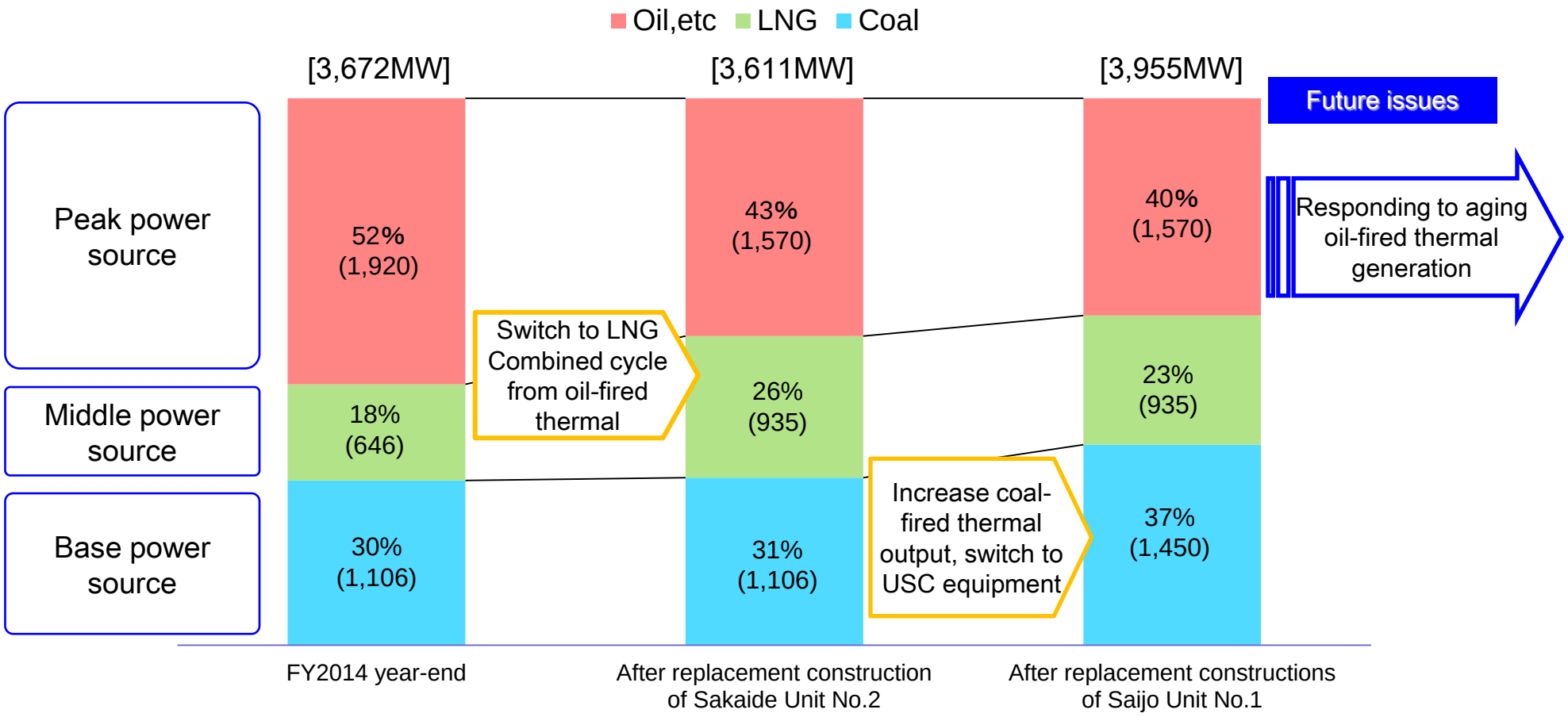
	Unit No.4	Unit No.1	New Unit No.2
Start of operations	March 2010	August 2010	August 2016 (scheduled)
Output	350MW	296MW	289MW
Generation method	Steam power (Oil→LNG)	LNG combined cycle	LNG combined cycle
Thermal efficiency (LHV)*	Approx.44%	Approx.57%	Approx.58%

*LHV(Lower heating value) is determined by subtracting the heat of vaporization of the water vapor from the higher heating value.

Image of New Sakaide Unit. No.2

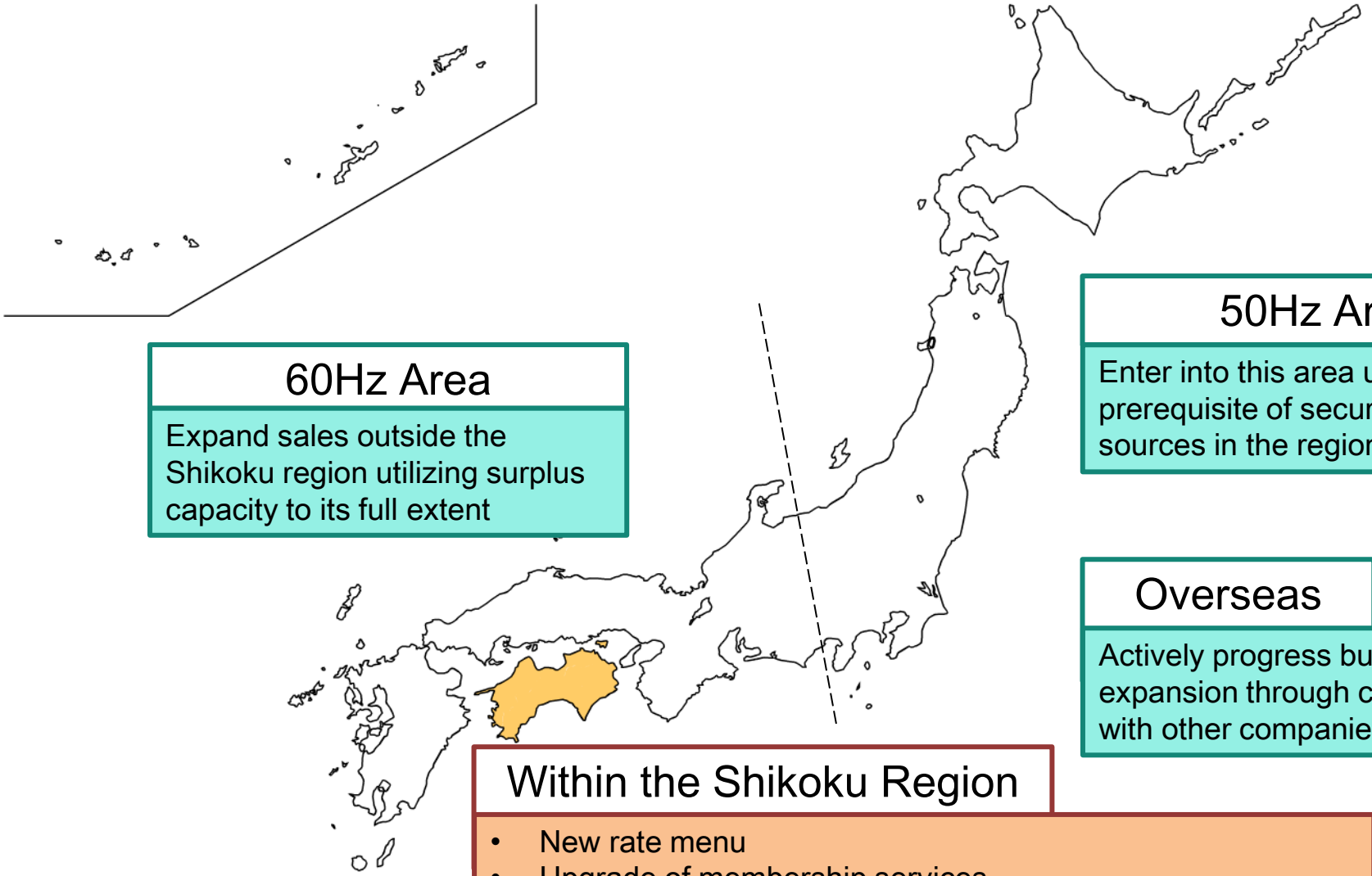
Forecast for Electricity Supply Composition at Our Thermal Power Stations

◇Forecast for Electricity Supply Composition at Our Thermal Power Stations



*Excluding Unit No.1 at the Anan thermal Power Station (currently under a long-term scheduled stop)

Basic Concept of Market Strategy



60Hz Area

Expand sales outside the Shikoku region utilizing surplus capacity to its full extent

50Hz Area

Enter into this area under the prerequisite of securing power sources in the region

Overseas

Actively progress business expansion through cooperation with other companies

Within the Shikoku Region

- New rate menu
- Upgrade of membership services
- Expansion of technical solution activities
- Bundle sales with services of other companies, etc.

Secure existing customers and discover potential demand through the above initiatives

Enrichment and Enhancement of Customers' Services

Introduction of a New Menu for Electricity Rates

< For customers in the Shikoku region (starting from April 2016) >

【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

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コンシェルジュ

[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

Plan for Smart Meter Introduction

◇Anticipated Effects from the Introduction of Smart Meters

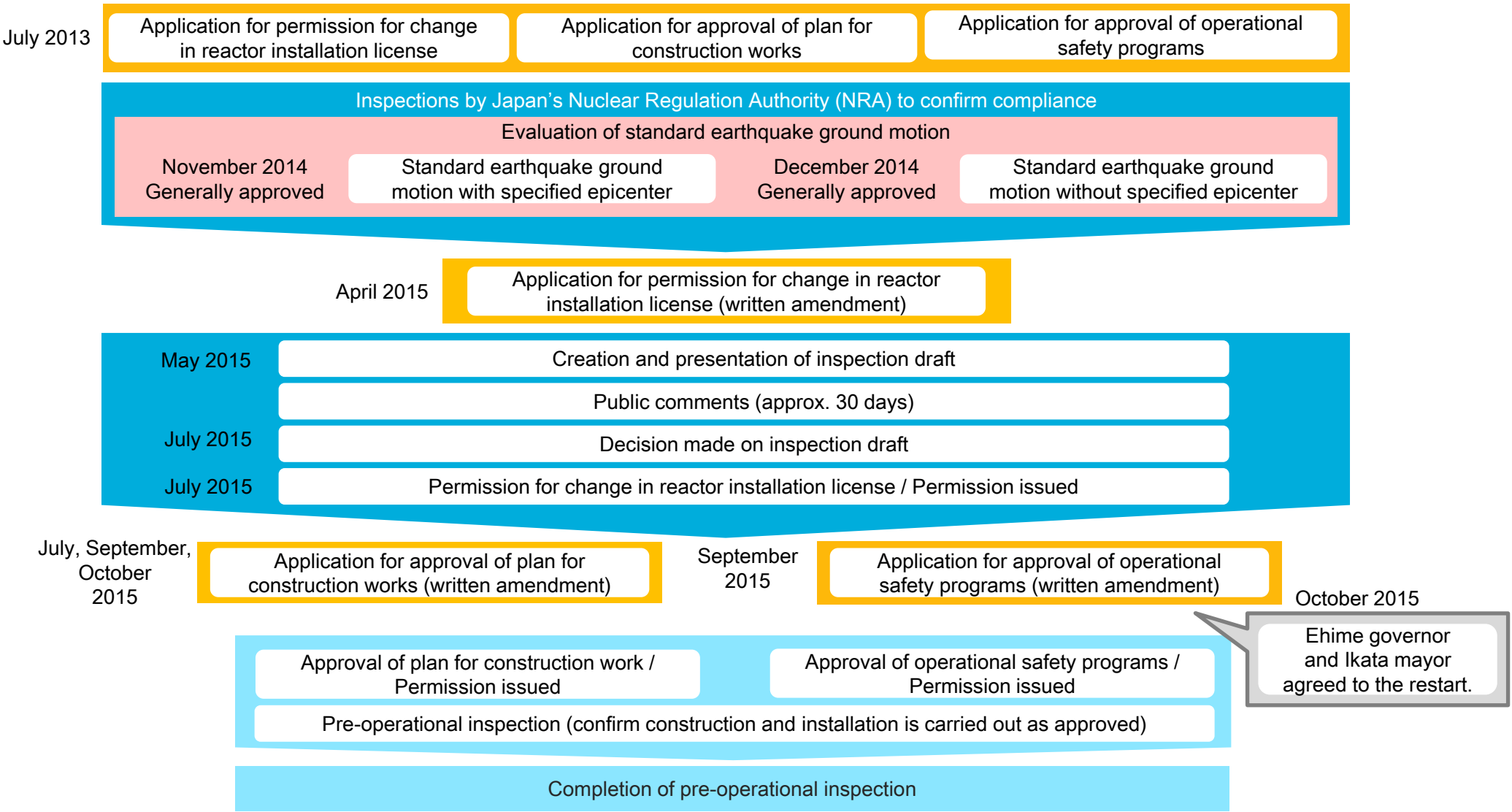
Improvement of customer convenience	・Acceleration of commencing and suspending electricity supply, as well as verifying electricity usage amounts, when a customer changes residence ・Possibility of selecting a rate menu that conserves energy and matches the customer's lifestyle through the visualization of electricity usage amounts, etc.
Improvement of business efficiency	・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 Introduction Progress (As of the end of December 2015) Introduction completed: 24,000 units Total contracts: 29,000 units	Introduction scheduled to be completed by fiscal 2023 ・Currently implementing the introduction in line with legal replacement procedures, etc. ・Gradually commencing the introduction of automatic meters (starting fiscal 2016)

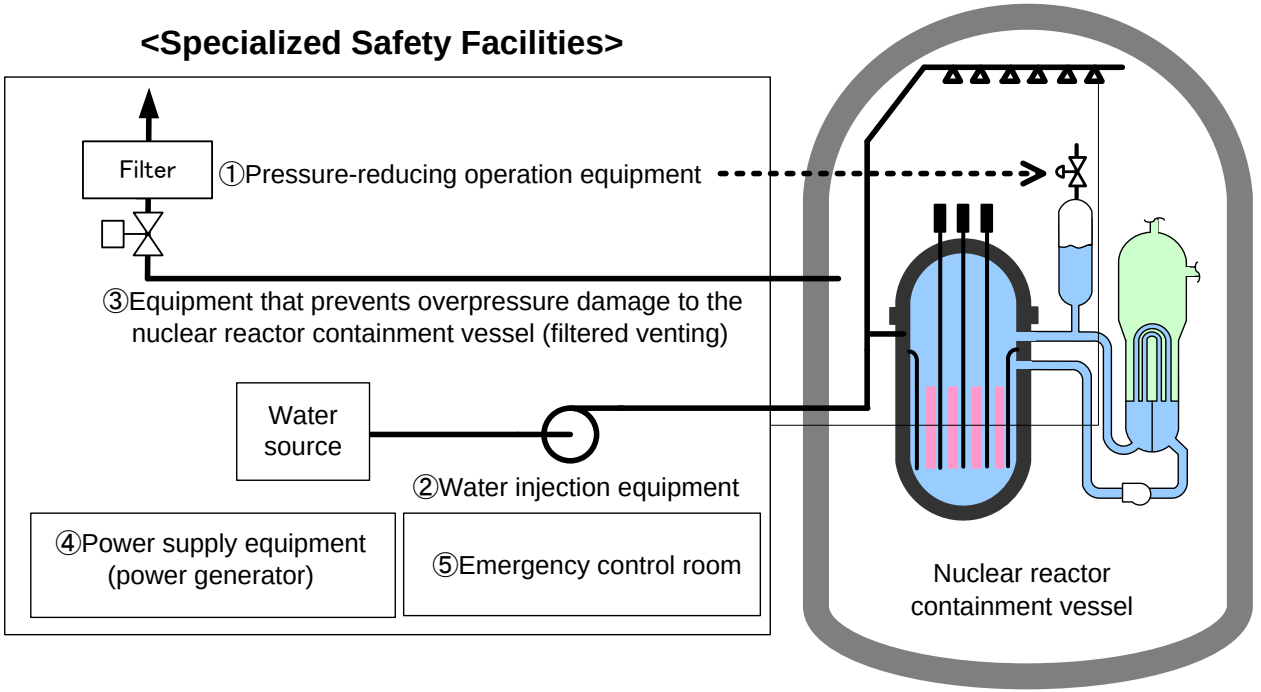
The Situation Surrounding the Ikata Nuclear Power Station



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



Forecasts of costs for safety measures at the Ikata Nuclear Power Station

(100 million yen)

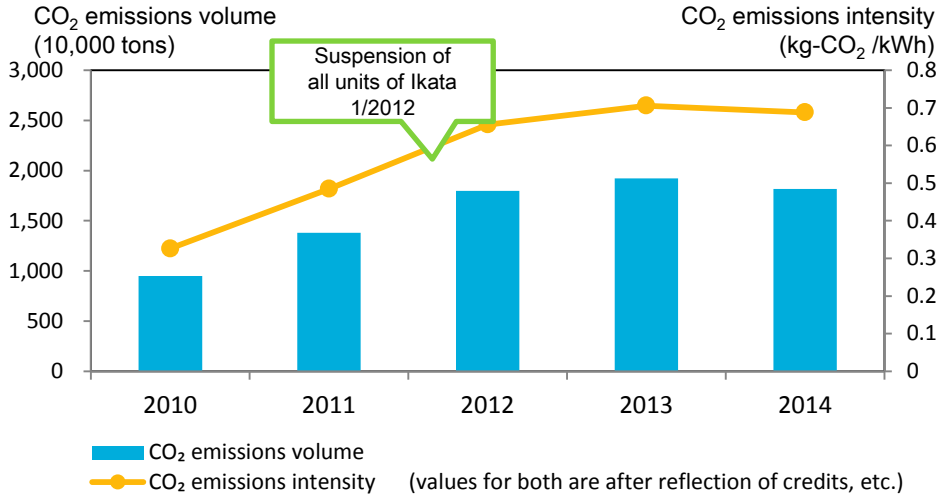
		Total (forecasts)	FY2011 ~ FY2014 (results)	FY2015 3Q (results)
Facility Construction	Short term	Approx. 750	366	195
	Middle term	Approx. 700	120	52
Analysis and Evaluation		Approx. 250	99	26
Total		Approx.1,700	586	273
	Capital Investment	Approx.1,400	439	229
	Expenses	Approx. 300	146	43

*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.

Response Toward Strengthening Environmental Regulations

Present Condition

- The Company's CO_2 emissions volume and intensity have been increasing rapidly following the suspension of all units of the Ikata Nuclear Power Station



(values for both are after reflection of credits, etc.)

	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 CO_2 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 CO_2 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-CO_2/kWh (user end)

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

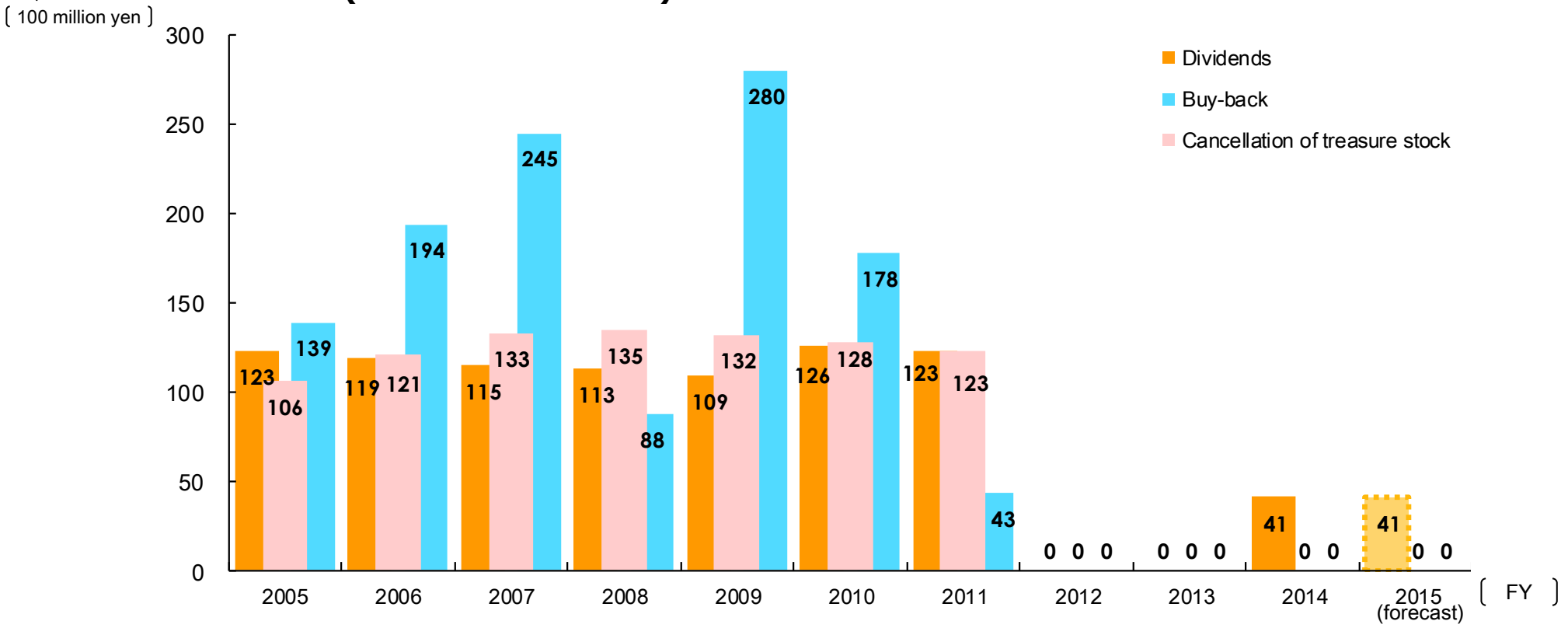
< Content of the Our Main Initiatives >

- 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.

Shareholder Return

- 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)

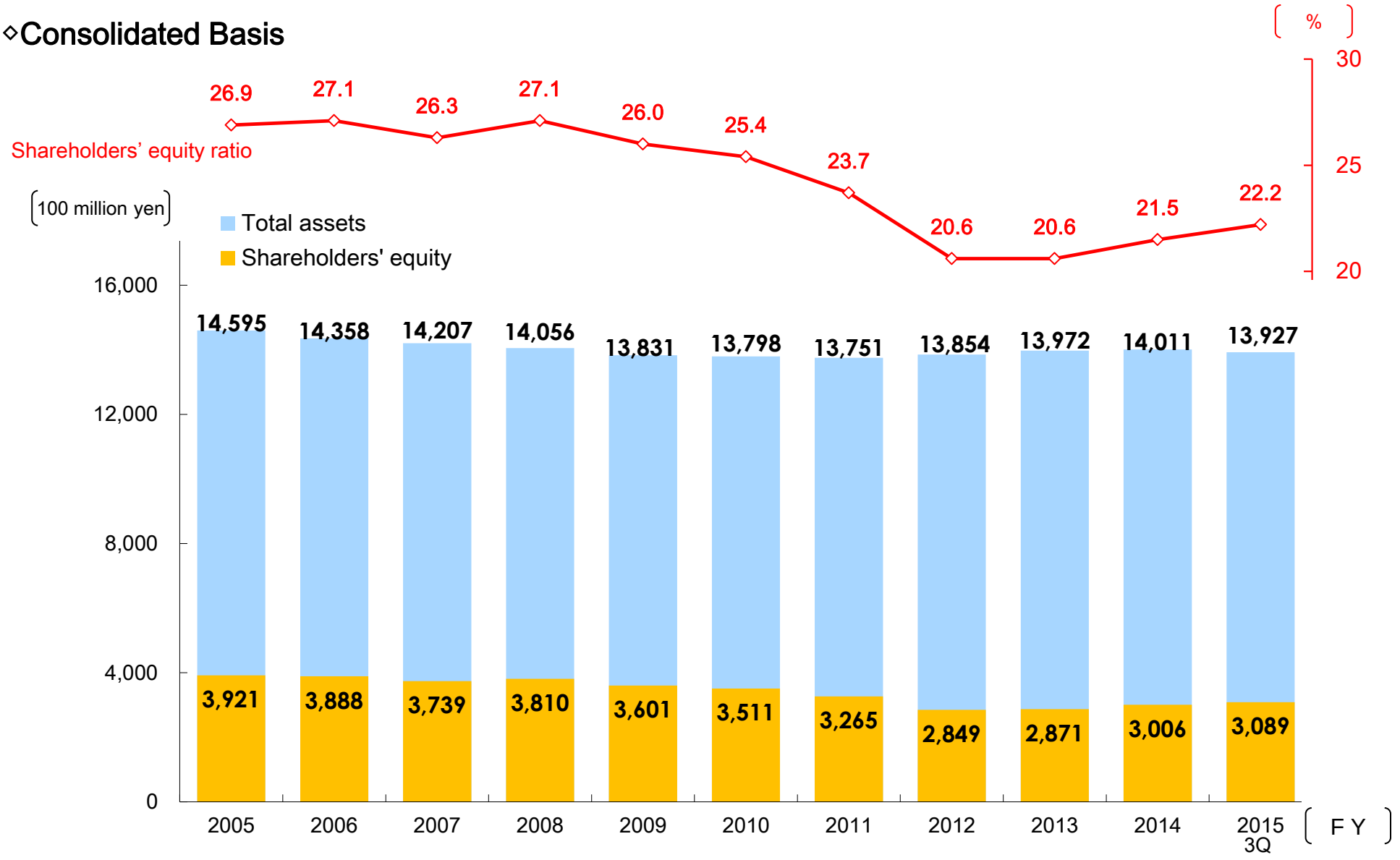


F Y	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 (forecast)
DPS(yen)	50	50	50	50	50	60	60	0	0	20	20
Payout ratio(%)	45.4	42.8	44.1	39.2	50.1	53.9	-	-	-	39.9	34.5
Dividend yield * (%)	2.0	1.8	1.7	1.9	1.9	2.7	2.6	0.0	0.0	1.4	-

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

Financial Data

◇Consolidated Basis



Cash Flow

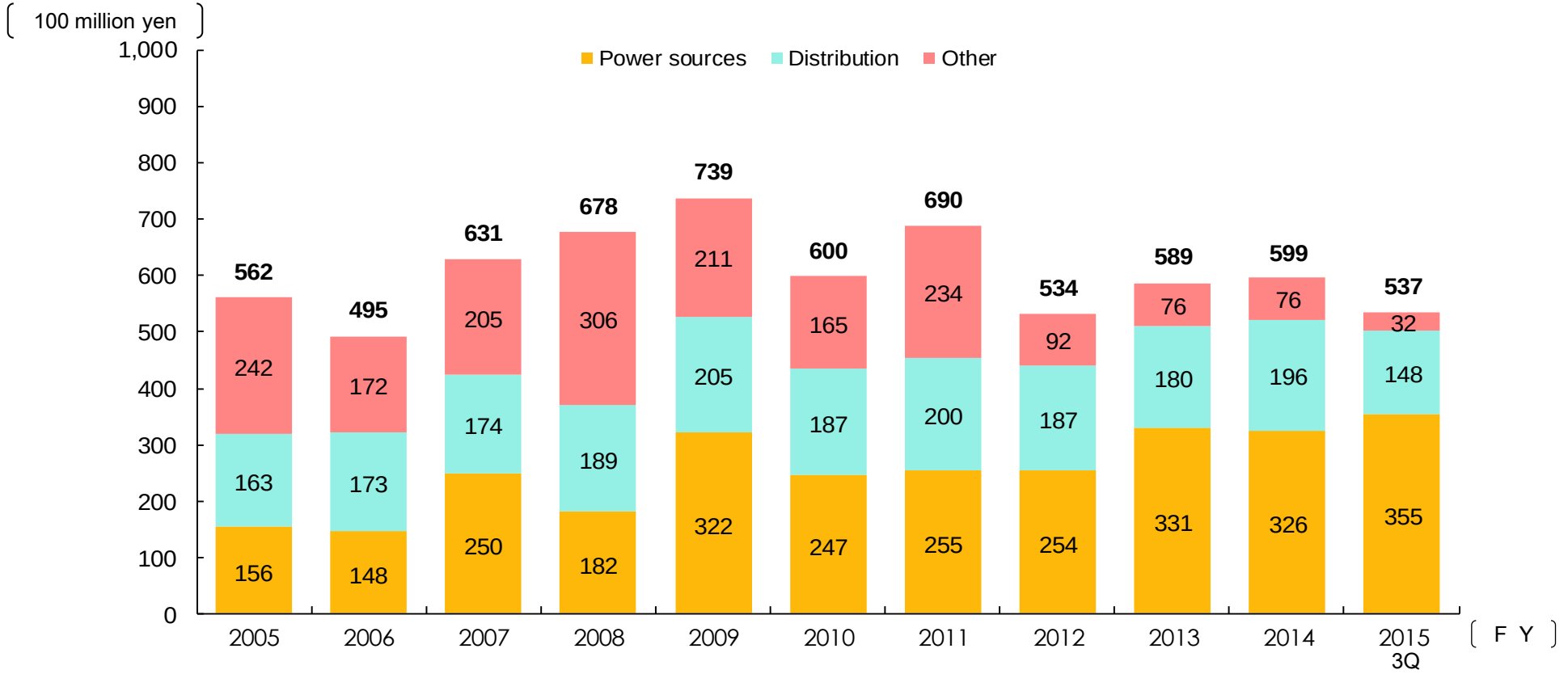
◇Consolidated Basis

100 million yen

* 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.

Plant and Equipment Expenditures

◇Non-Consolidated Basis



◇Consolidated Basis

100 million yen

F Y	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 3Q
	646	565	706	776	803	666	757	654	757	721	610
Power sources	551	485	626	673	737	590	685	531	587	595	537
Others	94	80	80	102	65	75	71	122	169	125	73

*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.