

# FY2016 Financial Results Outline

(April 1, 2016 – March 31, 2017)

April 27, 2017

**SHIKOKU ELECTRIC POWER CO.,INC.**

# Contents

## I . Consolidated Financial Results for FY2016

1 . Electricity Sales	1
2 . Electricity Supply	3
3 . Summary of Financial Results	4
4 . Results by Segment	8
5 . Cash Flows	9
6 . Financial Position	10
7 . Dividends	12

## II . Forecasts of Consolidated Financial Results & Dividends for FY2017

<Reference>Non-Consolidated Financial Results for FY2016	14
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## Supplemental Material for FY2016

➤ Trend of Electricity Sales to Large-scale Industrial Customers	17
➤ Trend of All-electric Housing Construction	18
➤ Consumption of Fossil Fuels	19
➤ Flow Rate, Financial Sensitivity for Key Factors	20
➤ Time Lag Effect of Fuel Cost Adjustment System	21
➤ Plant and Equipment Expenditures (consolidated)	22
➤ Feed-in Tariff Scheme	26

# I . Consolidated Financial Results for FY2016

(April 1, 2016 – March 31, 2017)

- 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)

	FY2016 (a)	FY2015 (b)	(c)=(a)-(b)	(c)/(b)	Details
Retail	25,697	25,754	(57)	(0.2)%	<ul style="list-style-type: none"> <li>· Temperature Effects approx. 500 GWh</li> <li>· Increase in energy conservation, etc. approx. (600)GWh</li> </ul>
Lighting	9,081	8,932	149	1.7%	
Power	16,615	16,822	(207)	(1.2)%	
<Large-Scale, Industrial>	<7,300>	<7,427>	<(127)>	<(1.7)%>	
Wholesale	4,710	1,770	2,940	166.1%	
<b>Total</b>	<b>30,406</b>	<b>27,524</b>	<b>2,882</b>	<b>10.5%</b>	

\*The imbalances (the differences between the demand planned in advance by the electricity suppliers and the actual demand) which have not been confirmed as of the settlement day are not to be included.

## Average Temperatures in Prefectural Capitals in Shikoku

(°C)

	Jun	Jul	Aug	Sep	4-month AVG.	Dec	Jan	Feb	Mar	4-month AVG.
FY2016	23.2	27.7	29.1	25.4	26.4	9.7	6.6	6.9	9.4	8.2
Differences from the average year	0.4	0.9	1.3	0.9	0.9	1.4	0.6	0.3	(0.3)	0.5
Differences from the previous year	0.9	1.4	1.5	2.1	1.5	(0.6)	(0.2)	(0.6)	(1.5)	(0.7)

## Electricity Sales to Large- Scale Industrial Customers

	FY2016
Textiles	(19.1)%
Paper/Pulp	(17.7)%
Chemicals	2.7%
Steel	1.5%
Machinery	4.4%
Other	1.4%
<b>Total</b>	<b>( 1.7)%</b>

\*Changes from the previous period.

# I - 1 . Electricity Sales (2)

## Electricity Sales in the Last 5 Years

( million kWh )

	FY2012	FY2013	FY2014	FY2015	FY2016
Lighting	9,625	9,615	9,238	8,932	9,081
Power	17,785	17,599	17,154	16,822	16,615
<Large-Scale,Industrial>	<7,681>	<7,511>	<7,505>	<7,427>	<7,300>
Total	27,410	27,214	26,392	25,754	25,697

## Electricity Sales Changes from the Previous Fiscal Year

	FY2012	FY2013	FY2014	FY2015	FY2016
Lighting	(1.7)%	(0.1)%	(3.9)%	(3.3)%	1.7%
Power	(4.6)%	(1.0)%	(2.5)%	(1.9)%	(1.2)%
<Large-Scale,Industrial>	<(6.7)%>	<(2.2)%>	<(0.1)%>	<(1.0)%>	<(1.7)%>
Total	(3.6)%	(0.7)%	(3.0)%	(2.4)%	(0.2)%

## Average Temperatures in Prefectural Capitals in Shikoku

( °C )

	FY2012	FY2013	FY2014	FY2015	FY2016
Summer* <sup>1</sup>	25.9	26.5	25.2	24.9	26.4
Winter* <sup>2</sup>	7.5	7.7	7.6	8.9	8.2

\*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)

	FY2016 (a)	FY2015 (b)	(c)=(a)-(b)	(c)/(b)	Details																		
Hydro	3,463	3,784	(321)	(8.5)%	• Flow Rate 116.9% → 110.0%																		
Nuclear	4,945	-	4,945	-	• Ikata Unit No.3 resumed its operation.(August, 2016) • Capacity factor of Ikata Unit No.3: 0.0%→ 63.4%																		
Coal	73%	69%	4%	( 3.3)%	◇Electricity by thermal power <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">FY2016</th> <th rowspan="2">Change<sup>※</sup></th> </tr> <tr> <th>GWh</th> <th>Composition</th> </tr> </thead> <tbody> <tr> <td>Generated</td> <td>14,132</td> <td>64%</td> <td>(1,008)</td> </tr> <tr> <td>Purchased</td> <td>7,892</td> <td>36%</td> <td>(1,137)</td> </tr> <tr> <td>Total</td> <td>22,024</td> <td>100%</td> <td>(2,145)</td> </tr> </tbody> </table> ※Changes from the previous period.(GWh)		FY2016		Change <sup>※</sup>	GWh	Composition	Generated	14,132	64%	(1,008)	Purchased	7,892	36%	(1,137)	Total	22,024	100%	(2,145)
		FY2016					Change <sup>※</sup>																
GWh		Composition																					
Generated	14,132	64%	(1,008)																				
Purchased	7,892	36%	(1,137)																				
Total	22,024	100%	(2,145)																				
	16,010	16,554	(544)																				
LNG	9%	8%	1%	(7.2)%																			
	1,961	2,114	(153)																				
Oil/Gas	18%	23%	( 5)%	( 26.3)%																			
	4,053	5,501	(1,448)																				
Thermal	100%	100%		( 8.9)%																			
	22,024	24,169	(2,145)																				
Renewable Energy	2,832	2,267	565	25.0%																			

(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.

(Note3) The imbalances (the differences between the demand planned in advance by the electricity suppliers and the actual demand) which have not been confirmed as of the settlement day are not to be included.

- ❑ Operating revenues increased by ¥30.5 billion YoY, to ¥ 684.5 billion. The factors were as follows;
  - ✓ Revenues based on the Fuel Cost Adjustment System decreased due to down in the fuel prices.
  - ✓ Revenues from wholesales increased.
  - ✓ The surcharge income and grants from Surcharge Adjustment Organization based on the feed-in-tariff scheme (FIT) increased, etc.
- ❑ Operating expenses increased by ¥ 35.2 billion YoY, to ¥ 664.5 billion. The factors were as follows;
  - ✓ The total amount of the fuel and power purchase cost decreased due to the resumption of operation of Ikata Unit No.3 and down in the fuel prices.
  - ✓ The unrecognized actuarial loss related to retirement benefits was amortized.
  - ✓ Submission of the collected surcharge based on FIT increased, etc.
- ❑ As a result,
  - ✓ Operating income decreased by ¥ 4.7 billion YoY, to ¥ 20.0 billion.
  - ✓ Ordinary income decreased by ¥ 6.0 billion YoY, to ¥ 15.9 billion.
  - ✓ Net income increased by ¥ 0.2 billion YoY, to ¥ 11.3 billion because of decrease in provision of reserve for fluctuations in water level, etc.

(100 million yen)

	FY2016 (a)	FY2015 (b)	(c)=(a)-(b)	(c)/(b)
Operating Revenues	6,845	6,540	305	4.7%
Operating Expenses	6,645	6,293	352	5.6%
Operating Income	200	247	(47)	(19.0)%
Interest Expenses, etc.	40	27	13	49.6%
Ordinary Income	159	219	(60)	(27.5)%
Reserve for Fluctuations in Water Level (Provision)	2	30	(28)	(92.3)%
Income Taxes, etc.	43	77	(34)	(44.1)%
Net Income attributable to shareholders of parent company	113	111	2	1.8%

(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)

	FY2016 (a)	FY2015 (b)	Change	
			(c)=(a)-(b)	(c)/(b)
Electricity Sales(Retail)	4,712	4,863	(151)	(3.1)%
Electricity Sales(Wholesale), etc.	398	168	230	136.4%
Others	910	709	201	28.3%
Electric Operating Revenues	6,022	5,742	280	4.9%
Other Revenues	822	797	25	3.2%
Operating Revenues	6,845	6,540	305	4.7%
Personnel	705	508	197	38.9%
Fuel	694	932	(238)	(25.5)%
Power Purchase	1,553	1,507	46	3.1%
Depreciation	593	552	41	7.3%
Maintenance	589	557	32	5.6%
Nuclear Back-end	119	68	51	74.6%
Others	1,640	1,469	171	11.6%
Electric Operating Expenses	5,895	5,596	299	5.3%
Other Operating Expenses	749	696	53	7.6%
Operating Expenses	6,645	6,293	352	5.6%
Operating Income	200	247	(47)	(19.0)%
Interest Expenses, etc.	40	27	13	49.6%
Ordinary Income	159	219	(60)	(27.5)%
Reserve for Fluctuations in Water Level (Provision)	2	30	(28)	(92.3)%
Income Taxes, etc.	43	77	(34)	(44.1)%
Net income attributable to shareholders of parent company	113	111	2	1.8%

### 【Electricity Sales(Retail)】

- Decrease in electricity sales (retail) volume (8)
- Decrease in revenues based on the Fuel Cost Adjustment System (296)
- Increase in surcharge income based on FIT +153

### 【Other Electric Operating Revenues】

- Increase in grants for the purchase cost from Surcharge Adjustment Organization based on FIT +165, etc.

### 【Personnel】

- Increase in amortization of the unrecognized actuarial loss +197, etc.

### 【Fuel, Power Purchase】 (193)

- Increase in electricity volume generated by nuclear power plants due to the resumption of operation of Ikata Unit No.3 (188)
- Decline in the thermal power generation cost per kWh (305)
- Decrease in electricity volume generated by hydro power plants +15
- Increase in total electricity sales +135
- Increase in purchase of renewable energy sourced electricity +144, etc.

		FY2016 (a)	FY2015 (b)	(a-b)
CIF Price (all Japan)	Coal (\$/t)	81	75	6
	Crude Oil (\$/b)	48	49	(1)
	LNG (\$/t)	361	452	(91)
Exchange Rate (¥/\$)		108	120	(12)

### 【Depreciation】

- Increase due to the completion of replacement construction of Sakaide unit No.2, +35, etc.

### 【Maintenance】

- Increase in construction associated with the distribution +19
- Increase in construction associated with the thermal power station +16, etc.

### 【Other Electric Operating Expenses】

- Increase in submission to Surcharge Adjustment Organization based on FIT +153, etc.

### 【Income Taxes, etc.】

- Decrease reflecting the previous year's reversal of deferred tax assets accompanying the change in the effective income tax rate (16), etc.

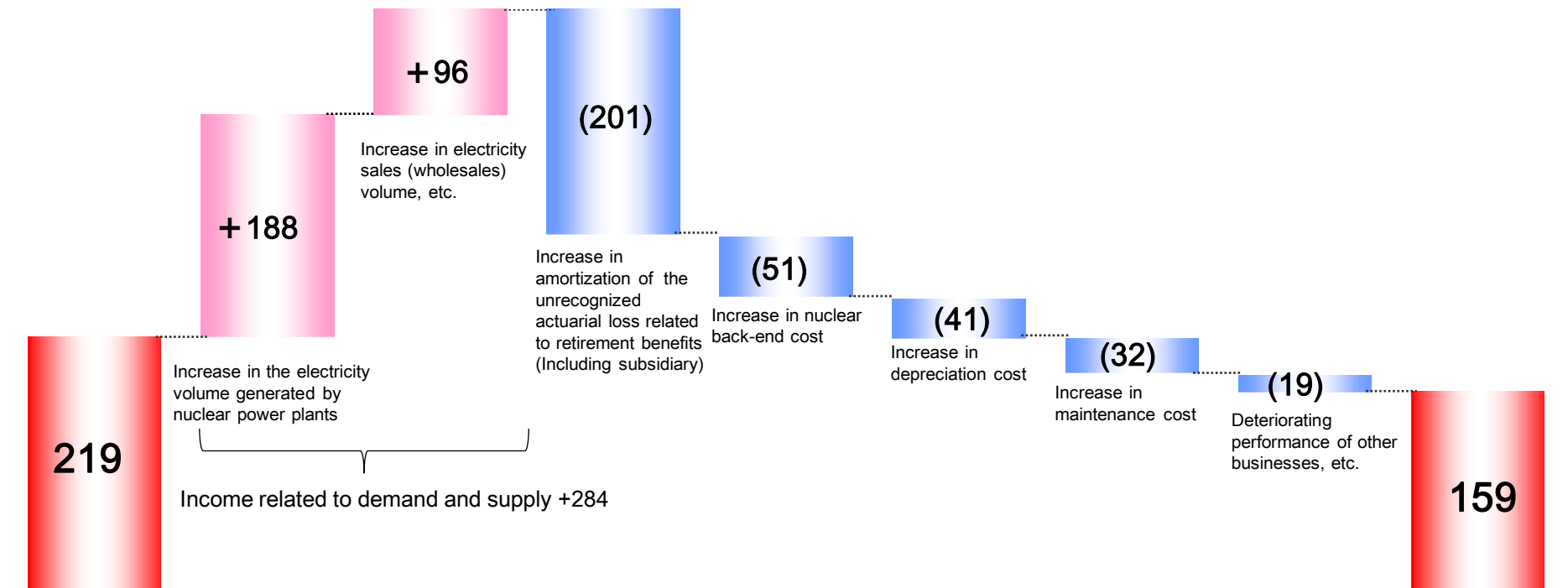


## Ordinary Income

(100 million yen)

FY2015

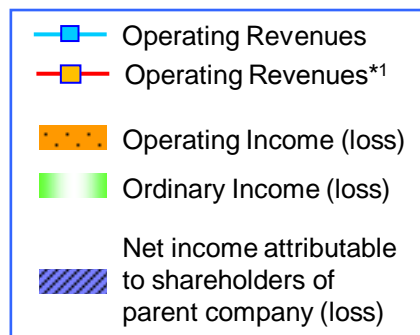
FY2016



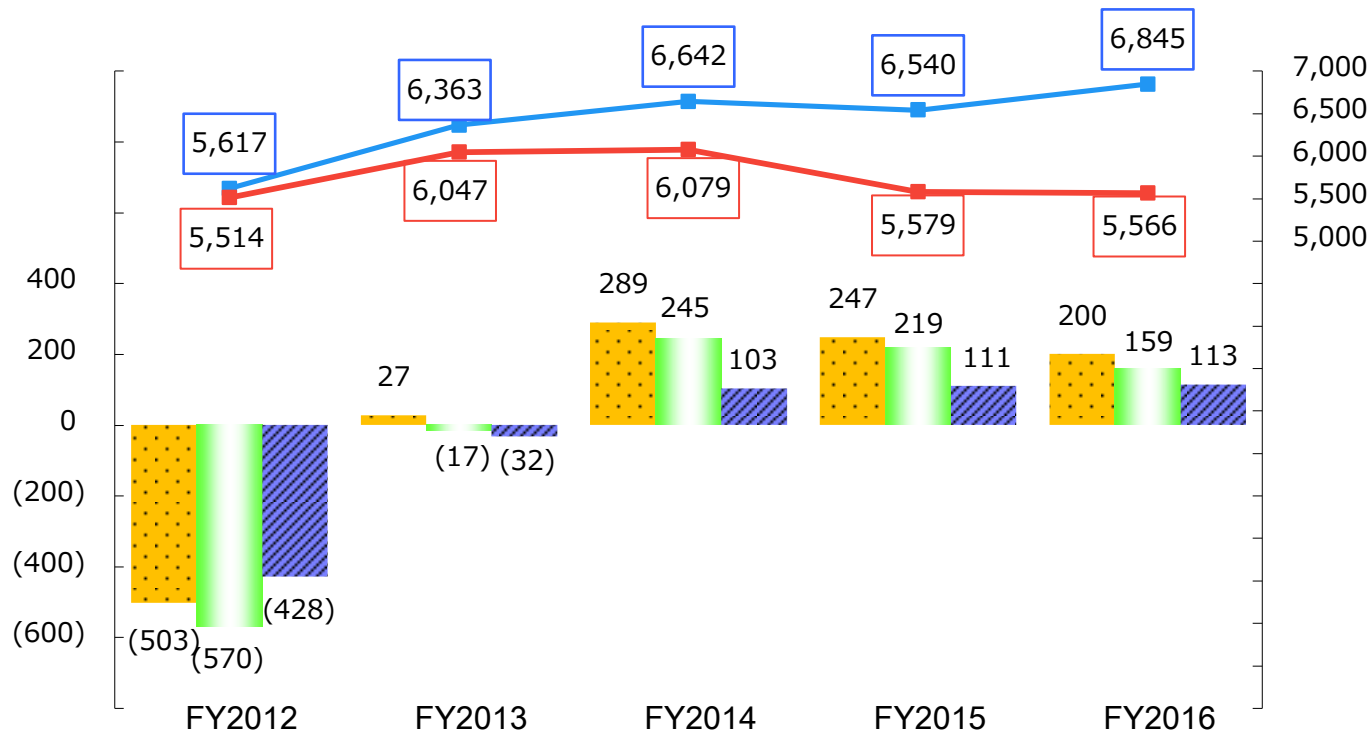
# Financial Results in the last 5 fiscal years

(100 million yen)

(100 million yen)



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



## Performance Indicators

		FY2012	FY2013	FY2014	FY2015	FY2016
Operating Income Margin <sup>*2</sup>	(%)	<(9.1)%> (9.0)	<0.4%> 0.4	<4.8%> 4.4	<4.4%> 3.8	<3.6%> 2.9
Return on Assets (ROA) <sup>*3</sup>	(%)	(3.4)	0.6	2.5	2.2	1.8
Return on Equity (ROE)	(%)	(14.0)	(1.1)	3.6	3.8	3.9
Net income per Share	(yen)	(208)	(16)	50	54	55
Ordinary Income(Loss) + Interest Expenses	(100 million yen)	(475)	81	344	310	244

\*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

# I - 4 . Results by Segment

(100 millions yen)

		FY2016 (a)	FY2015 (b)	(a-b)	Main Factors	
Consolidated	Revenues	6,845	6,540	305	-	
	Segment Profit	200	247	(47)		
Segment	Electric Utility*	Revenues	6,034	5,754	280	Increase in wholesales revenues, the surcharge income and grants from Surcharge Adjustment Organization based on the FIT, etc.
		Segment Profit	104	116	(12)	
	IT/ Communications*	Revenues	356	336	20	Increase in FTTH and mobile service business, etc.
		Segment Profit	40	34	6	
	Construction/ Engineering*	Revenues	527	600	(73)	Decrease in orders received of construction contracts, etc.
		Segment Profit	16	42	(26)	
	Energy*	Revenues	200	228	(28)	Decrease in LNG sales business, etc.
		Segment Profit	19	34	(15)	
	Others*	Revenues	494	500	(6)	-
		Segment Profit	18	23	(5)	

\* Internal transactions are not eliminated

\* "Construction/Engineering" and "Energy", which was included in "Others" so far, are listed separately as the reportable segments from this fiscal year.

## Capital Investment

(100 million yen)

	FY2016
Electric Utility	625
<Safety measures at Ikata nuclear power station>	<115>
<Replacement of unit no.2 of Sakaide thermal power station>	<44>
<Replacement of unit no.1 of Saijo thermal power station>	<33>
IT/Communications	37
<FTTH>	<14>
Construction/Engineering, Energy, Others	20
Total	684

(100 million yen)

		FY2016 (a)	FY2015 (b)	(a-b)
Cash Flows from Operating Activities	Ordinary Income	159	219	
	Depreciation	691	652	
	Others	(33)	44	
	Subtotal	817	917	(100)
Cash Flows from Investing Activities	Capital Expenditures	(632)	(888)	
	Investments	28	3	
	Subtotal	(603)	(885)	282
Free Cash Flows		213	31	182
Cash Flows from Financing Activities	Bonds and Loans	(120)	79	
	Cash Dividends Paid	(41)	(41)	
	Purchase of Treasury Shares	(0)	(0)	
	Subtotal	(162)	37	
Net Increase in Cash and Cash Equivalents		50	69	

\*Plus figures means cash inflow, minus figures means cash outflow.

<Reference>

Debt to CF Ratio (times) *	8.7	7.8
Interest Coverage Ratio (times) *	9.4	10.1

\*Debt to CF Ratio: Interest bearing debt / Cash flows from operating activities

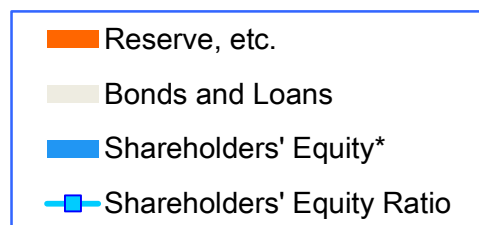
\*Interest coverage ratio: Cash flows from operating activities / Interest expenses

(100 million yen)

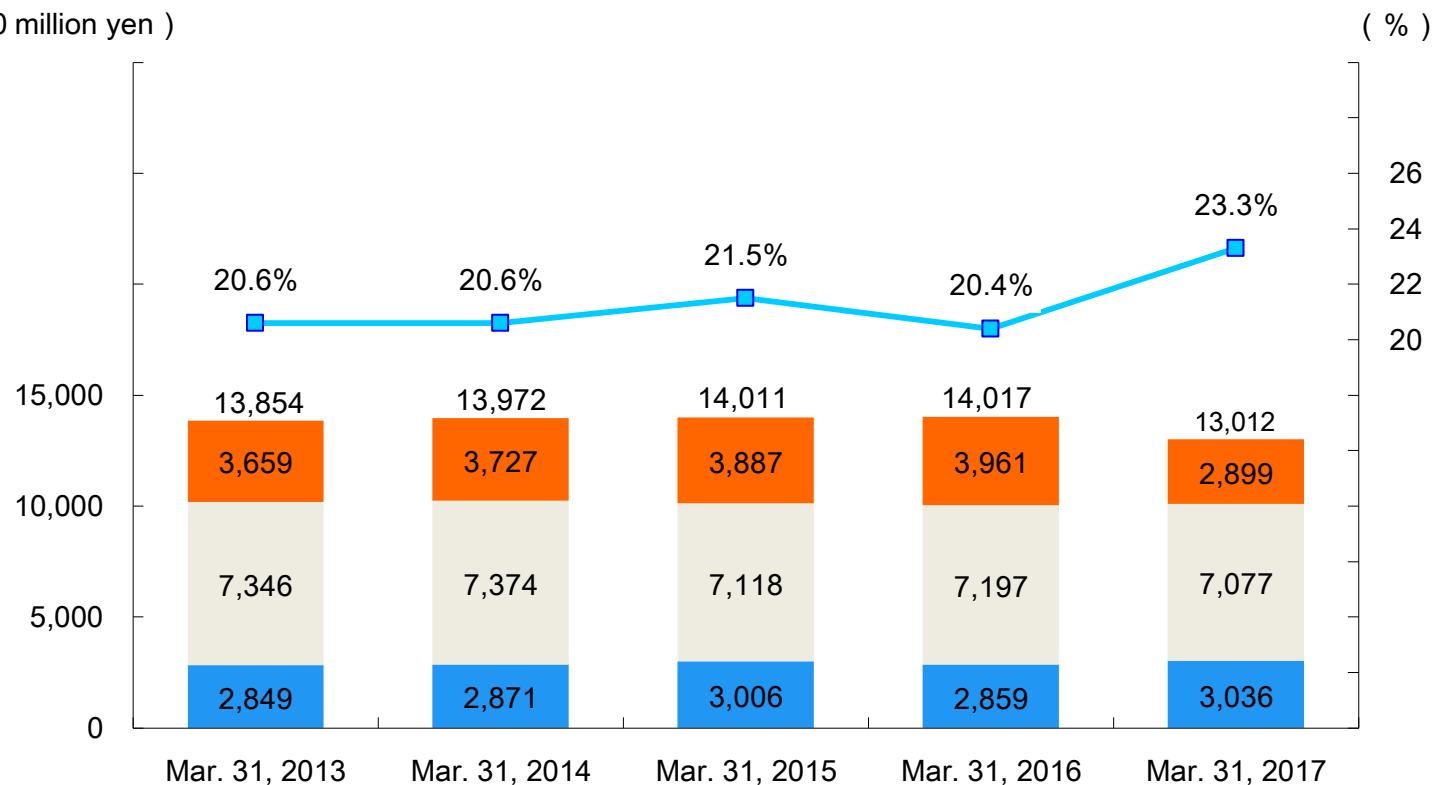
	Mar 31, 2017 (a)	Mar 31, 2016 (b)	(a-b)	Details
<b>Total assets</b>	13,012	14,017	(1,005)	
<Plant and equipment, and intangible assets (except nuclear power abolition in progress)>	<8,294>	<8,415>	<(121)>	<ul style="list-style-type: none"> <li>· Capital investment +621</li> <li>· Advance of depreciation, etc. (742)</li> </ul>
<Reserve fund for reprocessing of irradiated nuclear fuel>	< - >	<972>	<(972)>	Reversal due to the introduction of the Spent Nuclear Fuel Reprocessing Implementation Act (⊗)
<b>Liabilities</b>	9,973	11,155	(1,182)	
<Bonds and loans>	<7,077>	<7,197>	<(120)>	
< Provisions, etc.>	<2,896>	<3,958>	<(1,062)>	Reversal due to the introduction of the Spent Nuclear Fuel Reprocessing Implementation Act (⊗)
<b>Total net assets</b>	3,038	2,861	177	
<Retained earnings>	<1,473>	<1,401>	<72>	<ul style="list-style-type: none"> <li>· Net Income +113</li> <li>· Dividend payment (41)</li> </ul>
<Accumulated other comprehensive income>	<169>	<64>	<105>	Increase in remeasurements of defined benefit plans reflecting amortization of the unrecognized actuarial loss +118, etc.
<b>Shareholders' equity ratio</b>	23.3%	20.4%	2.9%	

⊗) Due to the introduction of the Spent Nuclear Fuel Reprocessing Implementation Act in October 2016, we transferred the reserve fund for reprocessing of irradiated nuclear fuel as contribution to the new implementing body “Nuclear Reprocessing Organization of Japan”. Consequently, “Reserve fund for reprocessing of irradiated nuclear fuel” and “Provision for reprocessing of irradiated nuclear fuel” offset each other on the balance sheet.

( 100 million yen )



\*1) Shareholder's Equity  
= (Total Equity) - (minority interests)



## Financial Indicators

		Mar 31, 2013	Mar 31, 2014	Mar 31, 2015	Mar 31, 2016	Mar 31, 2017
Shareholder's Equity Ratio	(%)	20.6	20.6	21.5	20.4	23.3
Interest Bearing Debts Ratio	(times)	2.6	2.6	2.4	2.5	2.3
Book-value per Share(BPS)	(yen)	1,384	1,394	1,460	1,388	1,474
Price Book-value Ratio(PBR)	(times)	1.0	1.0	1.0	1.1	0.8

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

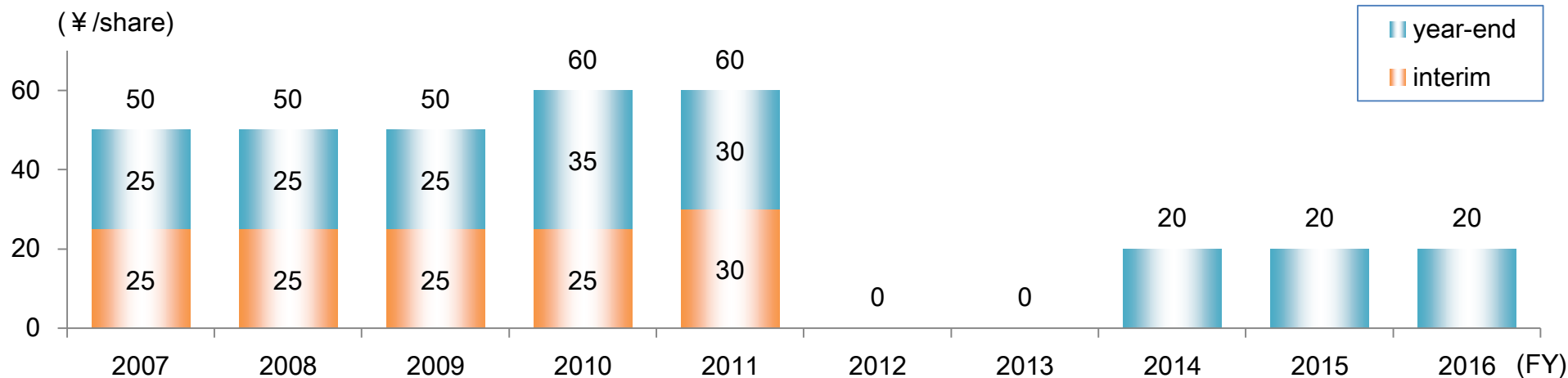
- ✓ Paying stable dividends is our basic policy for returns to shareholders, which are decided in light of comprehensive consideration of business results, financial position, and medium-to-long-term business conditions.
- ✓ The year-end dividend per share of FY2016 is planned to be ¥ 20 (no change from the previous year), reflecting our business performance across the whole fiscal year.

Dividends per Share

	FY2015	FY2016
Interim	¥ 0	¥ 0
Year-end	¥ 20	¥ 20

※FY2016 year-end dividends is officially decided on the resolution of general meeting of stockholders which will be held in Jun. 2017.

Dividends per Share (last 10 fiscal years)



## II. Forecasts of Consolidated Financial Results & Dividends for FY2017

- ❑ Operating revenues are expected to increase ¥25.5 billion YoY, to ¥710.0 billion. The main factors are as follows;
  - ✓ Revenues based on the Fuel Cost Adjustment System is expected to increase due to rise in the fuel prices.
  - ✓ The surcharge income and grants from Surcharge Adjustment Organization based on FIT is expected to increase.
  - ✓ Total electricity sales is expected to decrease.
- ❑ Operating income is expected to increase by ¥6.5 billion, to ¥26.5 billion; ordinary income is expected to increase by approx. ¥9.0 billion, to ¥25.0 billion; and net income is expected to increase by approx. ¥6.0 billion, to ¥17.5 billion. The main factors are as follows;
  - ✓ Personnel cost is expected to decrease in reaction to the amortization of the unrecognized actuarial loss in previous year.
  - ✓ Maintenance cost is expected to increase.
- ❑ The annual dividends of FY2017 is planned to be increased by ¥ 10 per share YoY, to ¥ 30.
  - ✓ The interim dividends will be ¥ 15 per share.
  - ✓ The year-end dividends will be ¥ 15 per share.

### Financial Results

(100 million yen)

	FY2017 (Forecast) <a>	FY2016 (Result) <b>	change	
			<c=a-b>	<c / b>
Operating Revenues	7,100	6,845	255	3.7%
Operating Income	265	200	65	32.4%
Ordinary Income	250	159	91	57.0%
Net Income Attributable Shareholders of Parent Company	175	113	62	54.2%
Net income per share	¥ 85	¥ 55	¥ 30	-

### Dividends per Share

	FY2017 (Forecast)	FY2016 (Result)
Interim	¥ 15	¥ 0
Year-end	¥ 15	¥ 20

### Electricity Sales

(100 million kWh)

	FY2017 (Forecast) <a>	FY2016 (Result) <b>	change	
			<c=a-b>	<c / b>
Retail	250.8	257.0	( 6.2)	( 2.4)%
• Lighting	87.7	90.8	( 3.1)	( 3.5)%
• Power	163.1	166.2	( 3.1)	( 1.8)%
Wholesale	30.6	47.1	(16.5)	(35.0)%
Total	281.4	304.1	(22.7)	( 7.5)%

### Fuel Prices / Exchange Rate and Other Factors

	FY2017 (Forecast) <a>	FY2016 (Result) <b>	change
			<c=a-b>
Capacity Factor of Ikata Unit No.3(%)	69.2	63.4	5.8
Coal CIF Price (\$/t)	100	81	19
Crude Oil CIF Price (\$/b)	55	48	7
Exchange Rate ( ¥ / \$)	110	108	2



<Reference> Non-Consolidated Financial Results

(100 million yen)

	FY2016 (a)	FY2015 (b)	Change	
			(c)=(a)-(b)	(c)/(b)
Electricity Sales(Retail)	4,712	4,863	(151)	(3.1)%
<Surcharge Income based on FIT>	<496>	<343>	<153>	<44.4%>
Electricity Sales(Wholesale), etc.	398	168	230	136.5%
Others	1,020	847	173	20.3%
<Grants for the Purchase Cost from Surcharge Adjustment Organization based on FIT>	<781>	<616>	<165>	<26.9%>
<b>Operating Revenues</b>	<b>6,131</b>	<b>5,880</b>	<b>251</b>	<b>4.3%</b>
Personnel	711	512	199	38.7%
Fuel	694	932	(238)	(25.5)%
Power Purchase	1,553	1,507	46	3.1%
Depreciation	598	558	40	7.1%
Maintenance	592	562	30	5.4%
Nuclear Back-end	119	68	51	74.6%
Others	1,741	1,591	150	9.5%
<b>Operating Expenses</b>	<b>6,011</b>	<b>5,733</b>	<b>278</b>	<b>4.9%</b>
<b>Operating Income</b>	<b>120</b>	<b>146</b>	<b>(26)</b>	<b>(18.0)%</b>
Interest expense, etc.	16	13	3	19.9%
<b>Ordinary Income</b>	<b>104</b>	<b>133</b>	<b>(29)</b>	<b>(21.8)%</b>
Reserve for Fluctuations in Water Level (Provision)	2	30	(28)	(92.3)%
Income Taxes, etc.	19	41	(22)	(52.4)%
<b>Net Income</b>	<b>82</b>	<b>61</b>	<b>21</b>	<b>34.0%</b>

**【Electricity Sales(Retail)】**

- Decrease in electricity sales (retail) volume (8)
- Decrease in revenues based on the Fuel Cost Adjustment System (296)

**【Personnel】**

- Increase in amortization of the unrecognized actuarial loss +197, etc.

**【Fuel, Power Purchase】 (193)**

- Increase in electricity volume generated by nuclear power plants due to the resumption of operation of Ikata Unit No.3 (188)
- Decline in the thermal power generation cost per kWh (305)
- Decrease in electricity volume generated by hydro power plants +15
- Increase in total electricity sales +135
- Increase in purchase of renewable energy sourced electricity +144, etc.

**【Depreciation】**

- Increase due to the completion of replacement construction of Sakaide unit No.2, +35, etc.

**【Maintenance】**

- Increase in construction associated with the distribution +19
- Increase in construction associated with the thermal power station +16, etc.

**【Others】**

- Increase in submission to Surcharge Adjustment Organization +153, etc.

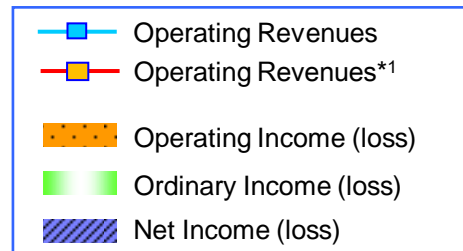
**【Income Taxes, etc.】**

- Decrease reflecting the previous year's reversal of deferred tax assets accompanying the change in the effective income tax rate (16), etc.

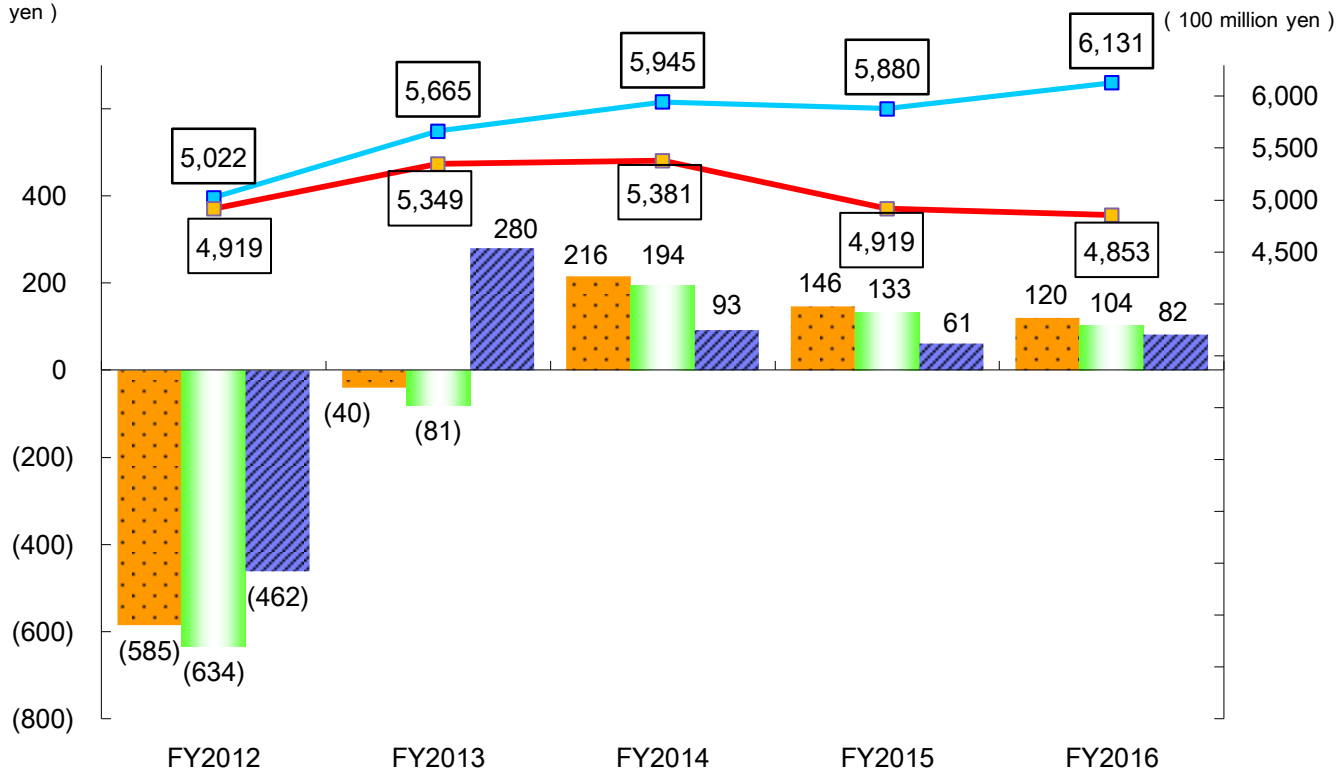
**<The Major Breakdown of Operating Expenses>**

	FY2016	FY2015
Operating expenses	6,011	5,733
Hydroelectric power production expenses	126	124
Thermal power production expenses	1,082	1,331
Nuclear power production expenses	772	721
Transmission expenses	296	311
Transformation expenses	143	145
Distribution expenses	587	524
Selling expenses	245	208

( 100 million yen )



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



## Performance Indicators

		FY2012	FY2013	FY2014	FY2015	FY2016
Operating Income Margin <sup>*2</sup>	(%)	<(11.9)%> (11.7)	<(0.7)%> (0.7)	<4.0%> 3.6	<3.0%> 2.5	<2.5%> 2.0
Return on Assets (ROA) <sup>*3</sup>	(%)	(4.1)	0.1	2.2	1.7	1.5
Return on Equity (ROE)	(%)	(17.7)	11.1	3.5	2.2	3.0
Net Income per Share	(yen)	(223)	135	45	30	40
Ordinary Income(Loss) + Interest Expenses	(100 million yen)	(540)	17	293	223	189

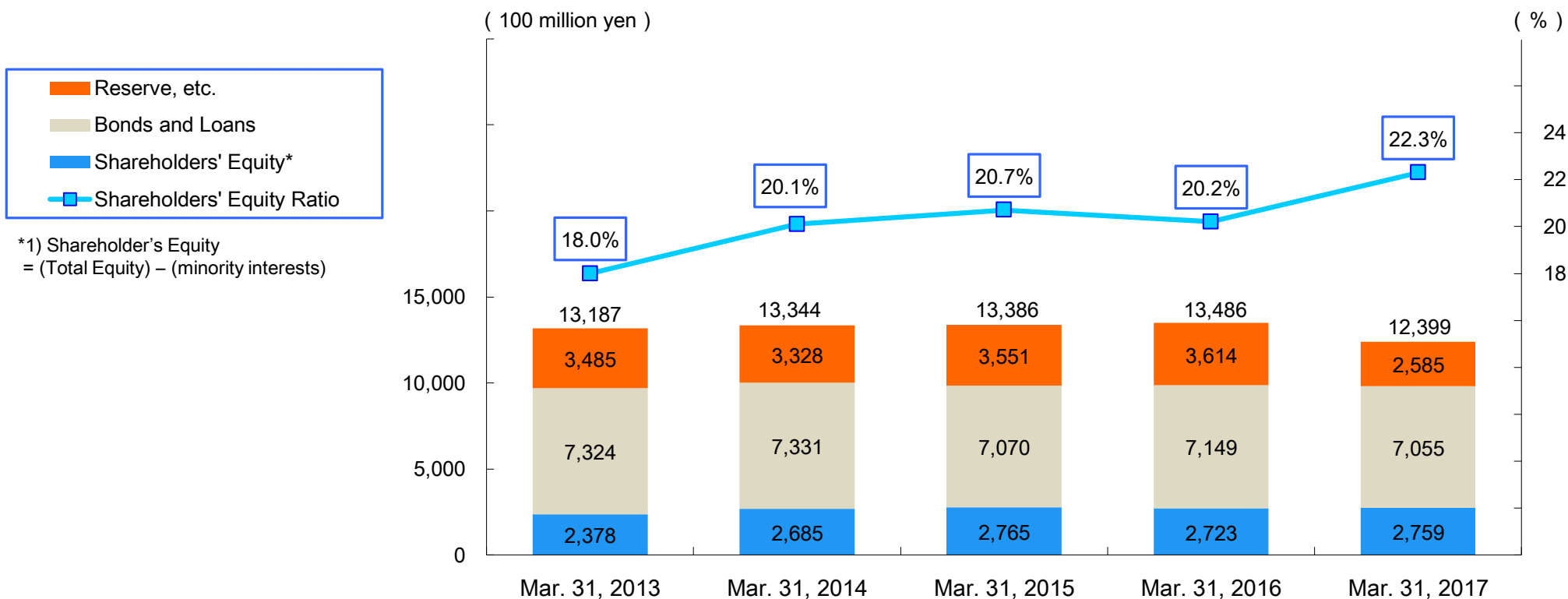
\*2) Figures in <> are calculated on the revenues from which income associated with FIT are deducted.

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

# Liabilities and Total Equity in the last 5 fiscal years

Non-consolidated

16



## Performance Indicators

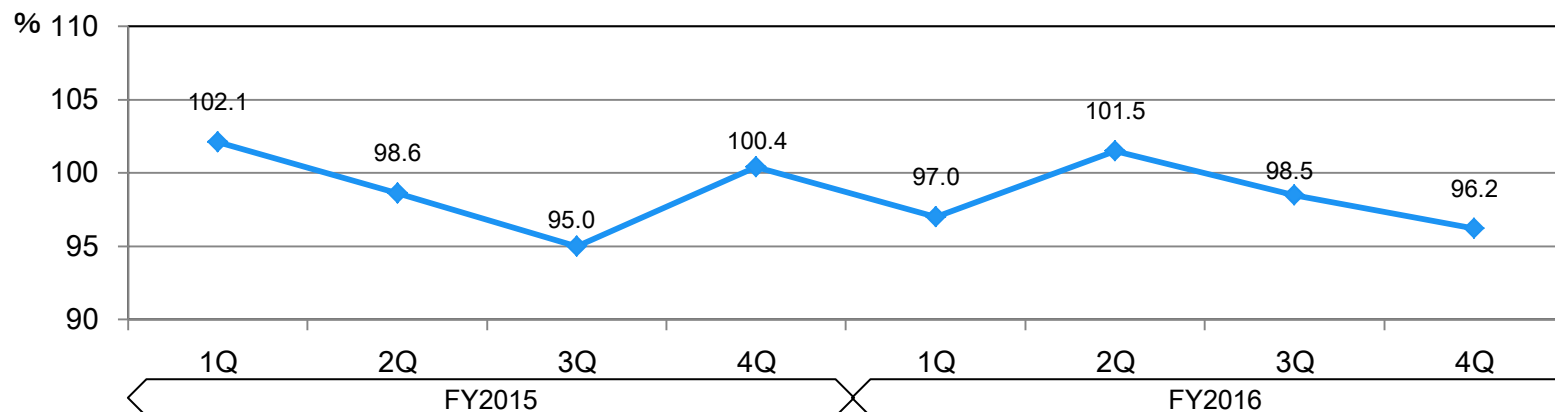
	Mar 31, 2013	Mar 31, 2014	Mar 31, 2015	Mar 31, 2016	Mar 31, 2017
Shareholder's Equity Ratio (%)	18.0	20.1	20.7	20.2	22.3
Interest Bearing Debts Ratio (times)	3.1	2.7	2.6	2.6	2.6
Book-value per Share(BPS) (yen)	1,146	1,293	1,332	1,312	1,329
Price Book-value Ratio(PBR) (times)	1.2	1.1	1.1	1.2	0.9

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

## Supplemental material for FY2016

- Trend of Electricity Sales to Large-scale Industrial Customers
- Trend 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

## Year on Year Growth Rate (Total)



## Year on Year Growth Rate (By Segment)

(%)

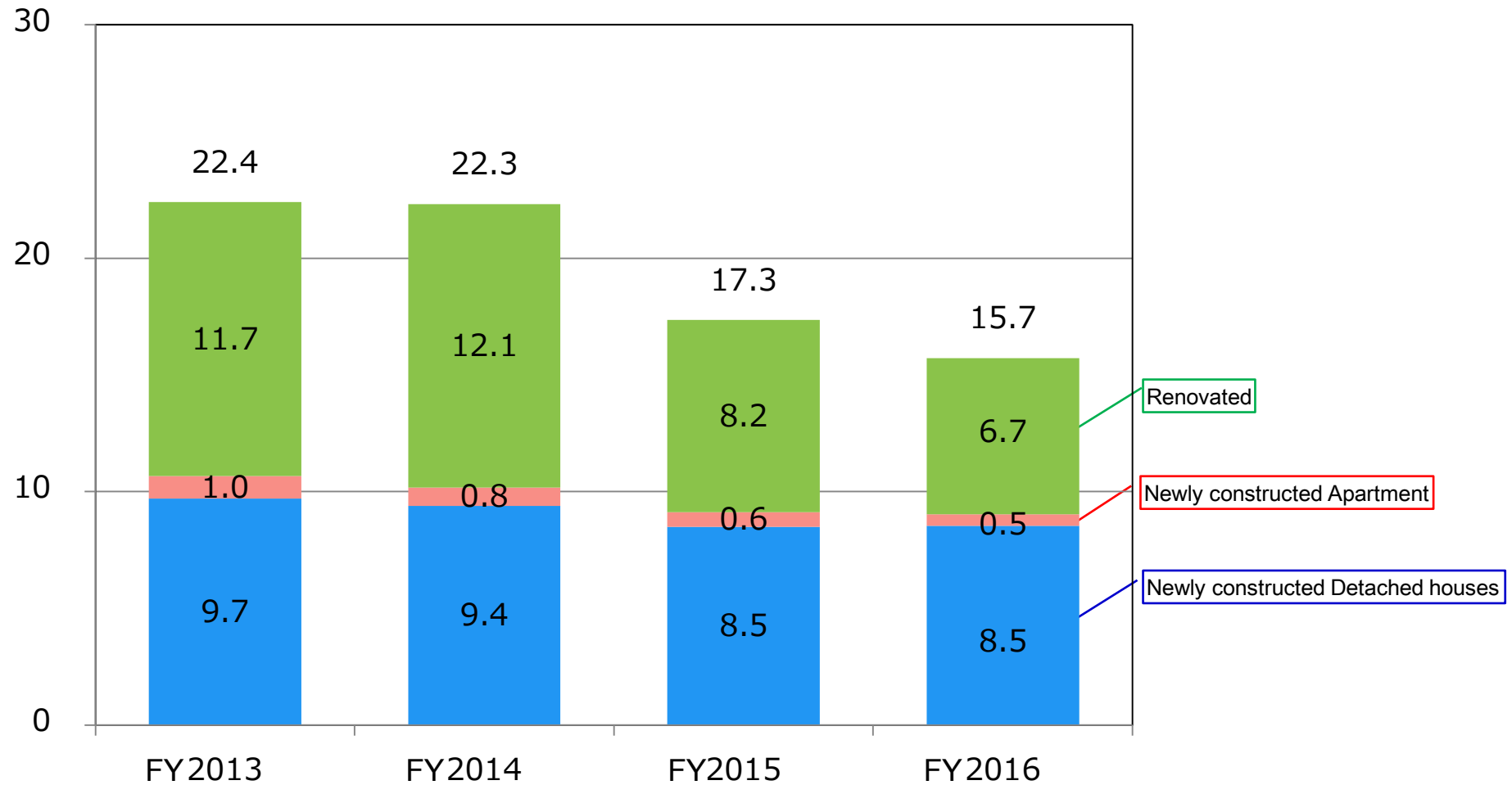
	FY2015					FY2016				
	1Q (Apr-Jun)	2Q (Jul-Sep)	3Q (Oct-Dec)	4Q (Jan-Mar)	Total	1Q (Apr-Jun)	2Q (Jul-Sep)	3Q (Oct-Dec)	4Q (Jan-Mar)	Total
Total	2.1	(1.4)	(5.0)	0.4	(1.0)	(3.0)	1.5	(1.5)	(3.8)	(1.7)
Textiles	24.4	34.3	13.2	0.0	17.3	(19.6)	(19.3)	(15.4)	(22.4)	(19.1)
Paper/Pulp	6.6	(0.5)	(17.0)	(0.5)	(3.4)	(16.0)	(15.2)	(20.9)	(18.8)	(17.7)
Chemicals	(1.5)	(4.5)	(1.1)	3.7	(0.9)	0.9	5.4	2.5	2.0	2.7
Steel	(5.2)	(16.8)	(7.9)	0.4	(7.0)	5.4	11.9	0.5	(8.3)	1.5
Machinery	4.1	(0.0)	(3.4)	0.6	0.3	0.8	6.1	7.1	3.5	4.4
Others	(0.8)	(1.2)	(2.4)	(0.7)	(1.3)	(0.3)	4.4	1.4	(0.1)	1.4

Decrease due to closing of a part of the production line of some customers. etc.

Decrease due to production adjustments of some customers. etc.

## Number of All-electric Housing Construction

(thousand)



## 【Consumption of Fossil Fuels】

	FY2016 (A)	FY2015 (B)	(A-B)
Coal (10,000t)	303.5	280.5	23.0
Heavy Oil (10,000kl)	38.1	67.0	(28.9)
Crude Oil (10,000kl)	10.8	14.2	(3.5)
LNG (10,000t)	28.5	30.4	(1.9)

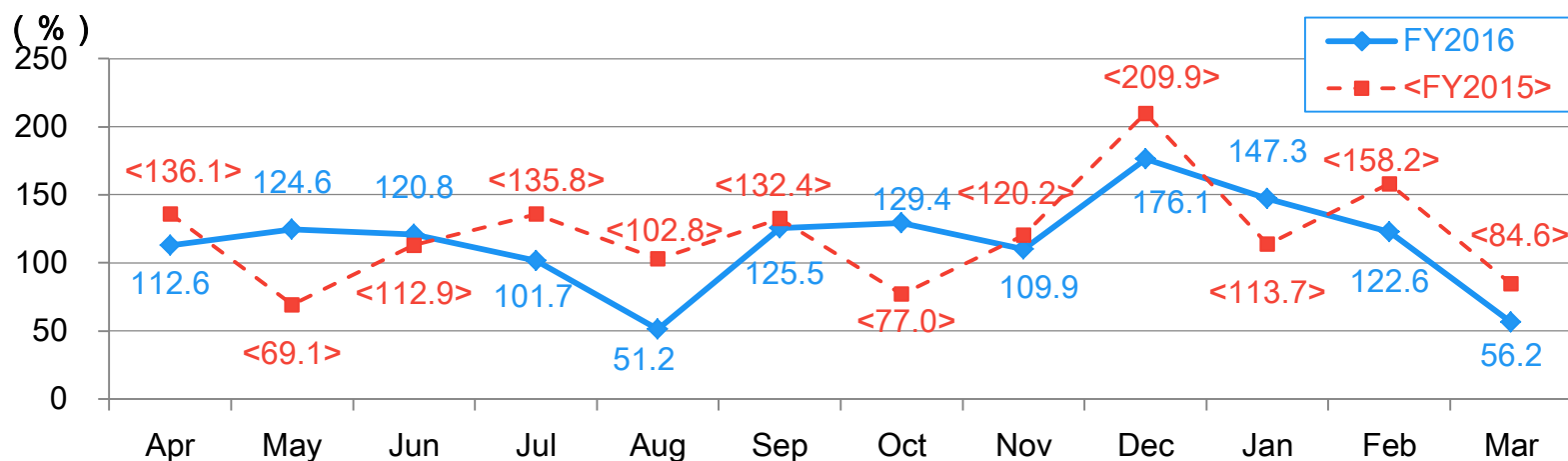
## 【Fuel Prices】

	FY2016 (A)	FY2015 (B)	(A-B)
CIF price: Coal (\$/t)	81	75	6
CIF price: Crude Oil (\$/b)	48	49	(1)
CIF price: LNG (\$/t)	361	452	(91)
Exchange rate (¥/\$)	108	120	(12)



# Flow Rate, Financial Sensitivity for Key Factors

## Flow Rate



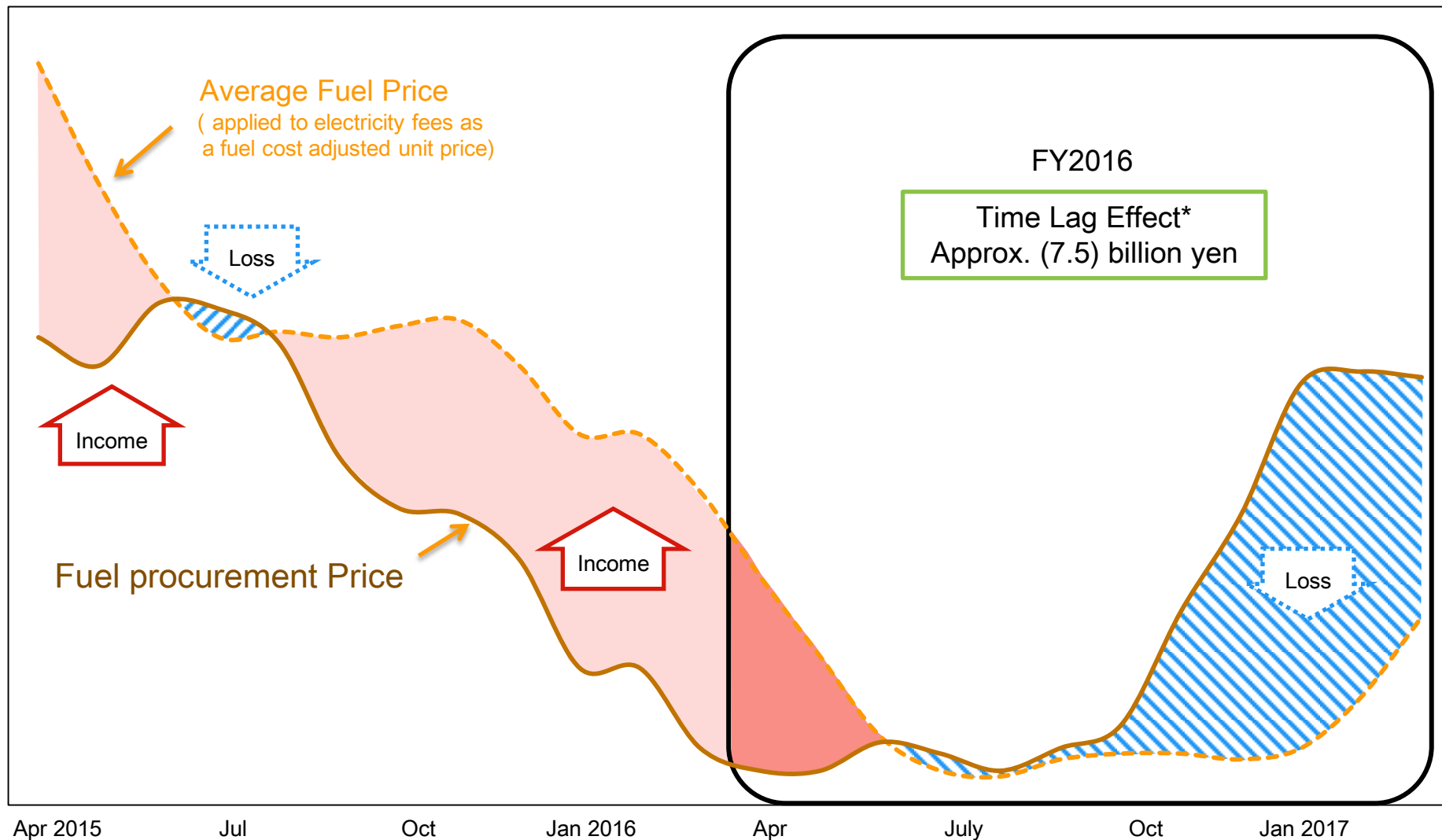
## Financial Sensitivity for Key Factors

( 100 million yen )

	FY2016
CIF price: crude oil (1\$/b)	4
CIF price: coal (1\$/t)	7
Exchange rate ( ¥ 1/\$)	8
Nuclear power capacity factor (1%)	3
Flow Rate (1%)	2

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

\*Nuclear power capacity is calculated considering Ikata Unit No.3.



\*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.

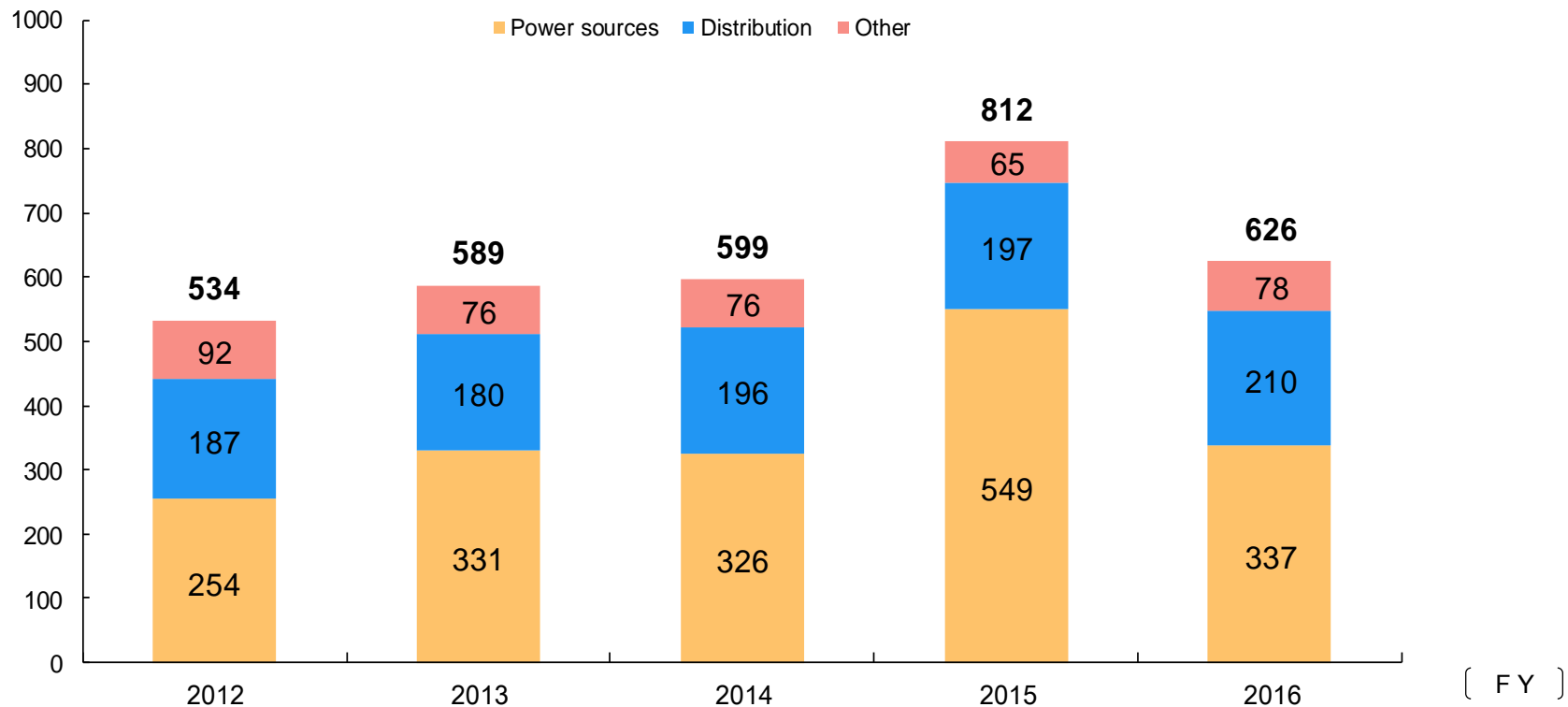
( 100 million yen )

	FY2016	<ref> FY2015
Power sources	337	549
Hydro	48	39
Thermal	117	122
Nuclear	172	387
Transmission	57	45
Transformation	57	56
Distribution	95	96
Other	31	29
Subtotal	579	777
Nuclear fuel	45	35
Electric power business	625	812
Other business	58	104
<b>Total</b> ※	<b>684</b>	<b>917</b>

※before the elimination of unrealized profits

## ◇Non-Consolidated Basis

[ 100 million yen ]



## ◇Consolidated Basis

[ 100 million yen ]

F Y	2012	2013	2014	2015	2016
	654	757	721	917	684
Electric Power Business	531	587	595	812	625
Others	122	169	125	104	58

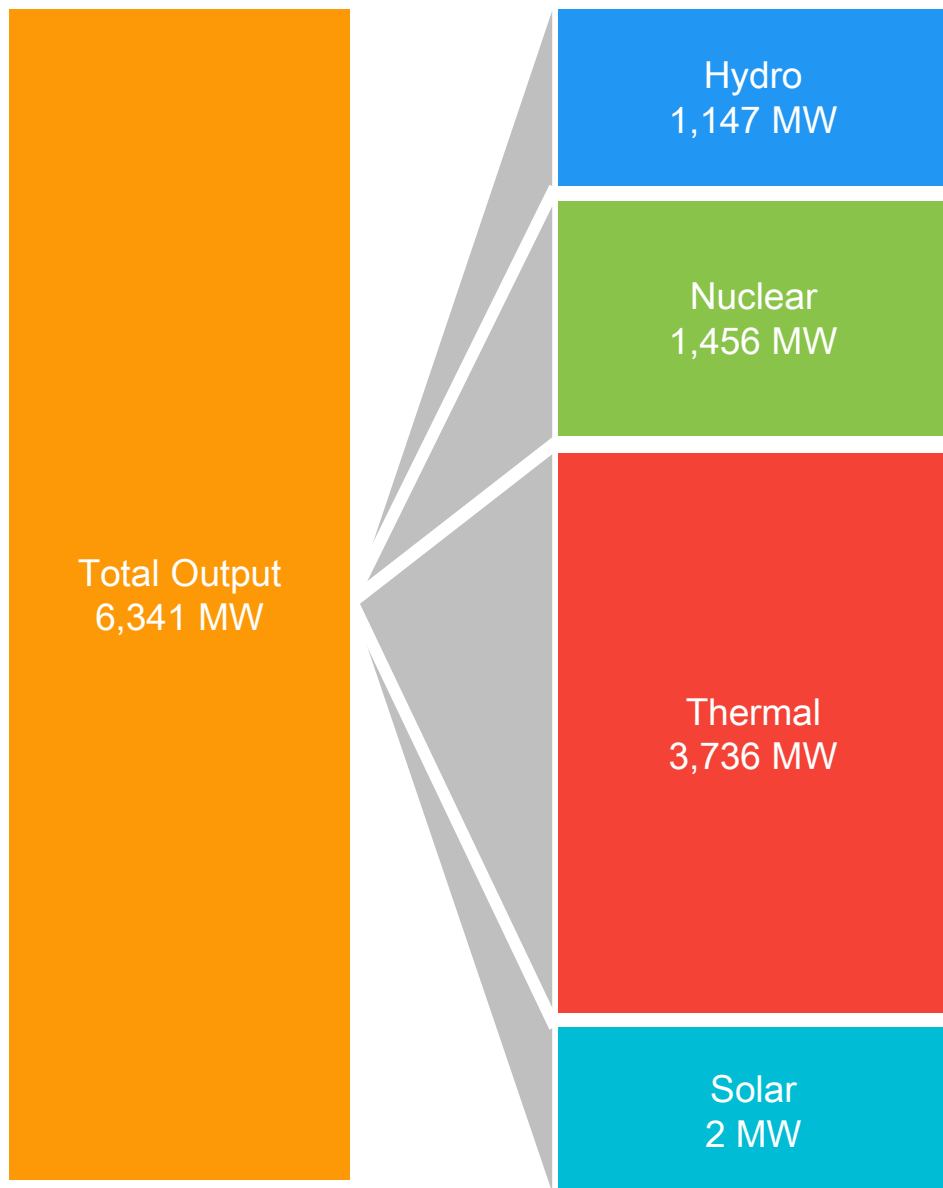
\*before the elimination of unrealized profits

( 100 million yen )

		Total (forecasts)	FY2011 ~ FY2016 (results)	
				FY2016
Facility Construction	Short term	Approx. 750	717	51
	Medium term	Approx. 700	282	71
Analysis and Evaluation		Approx. 250	239	13
		Approx. 1,700	1,239	136
Total	Capital Investment	Approx. 1,400	921	115
	Expenses	Approx. 300	317	20

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

( As of March 31, 2017 )



Types	Output (MW)
Run-of-the-river type	307
Reservoir type	155
Pumped-storage	686

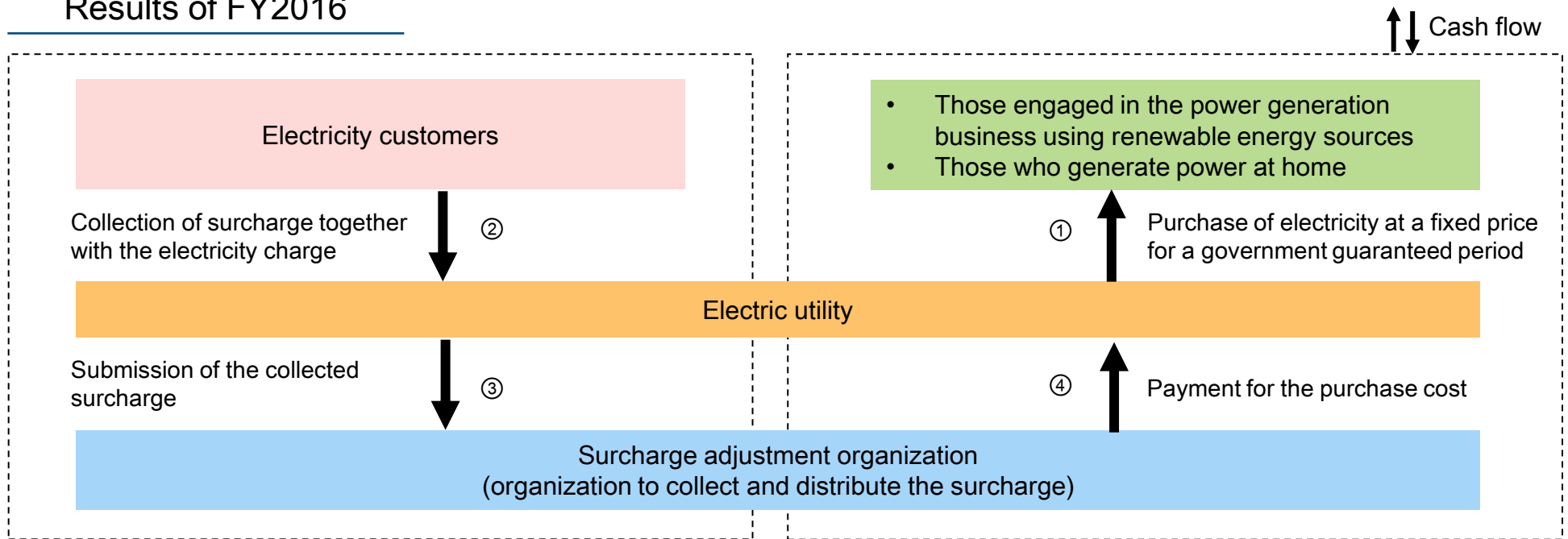
Power Plant	Output (MW)	Start of operations	Age
Ikata (Unit No.1)	(566)	(September 1977)	(38)
Unit No.2	566	March 1982	35
Unit No.3	890	December 1994	22

( Decommissioned on May 10, 2016 )

Power Plant	Output (MW)	Start of operations	Age	Fuel source
Anan Unit No.1	125	July 1963	53	Oil
Unit No.2	220	January 1969	48	Oil
Unit No.3	450	August 1975	41	Oil
Unit No.4	450	December 1976	40	Oil
Tachibana-wan	700	June 2000	16	Coal
Saijo Unit No.1	156	November 1965	51	Coal / Biomass / Oil
Unit No.2	250	June 1970	46	Coal / Biomass / Oil
Sakaide Unit No.1	296	August 2010	6	LNG
Unit No.2	289	August 2016	0	LNG
Unit No.3	450	April 1973	44	Oil / COG
Unit No.4	350	May 1974	42	LNG / COG

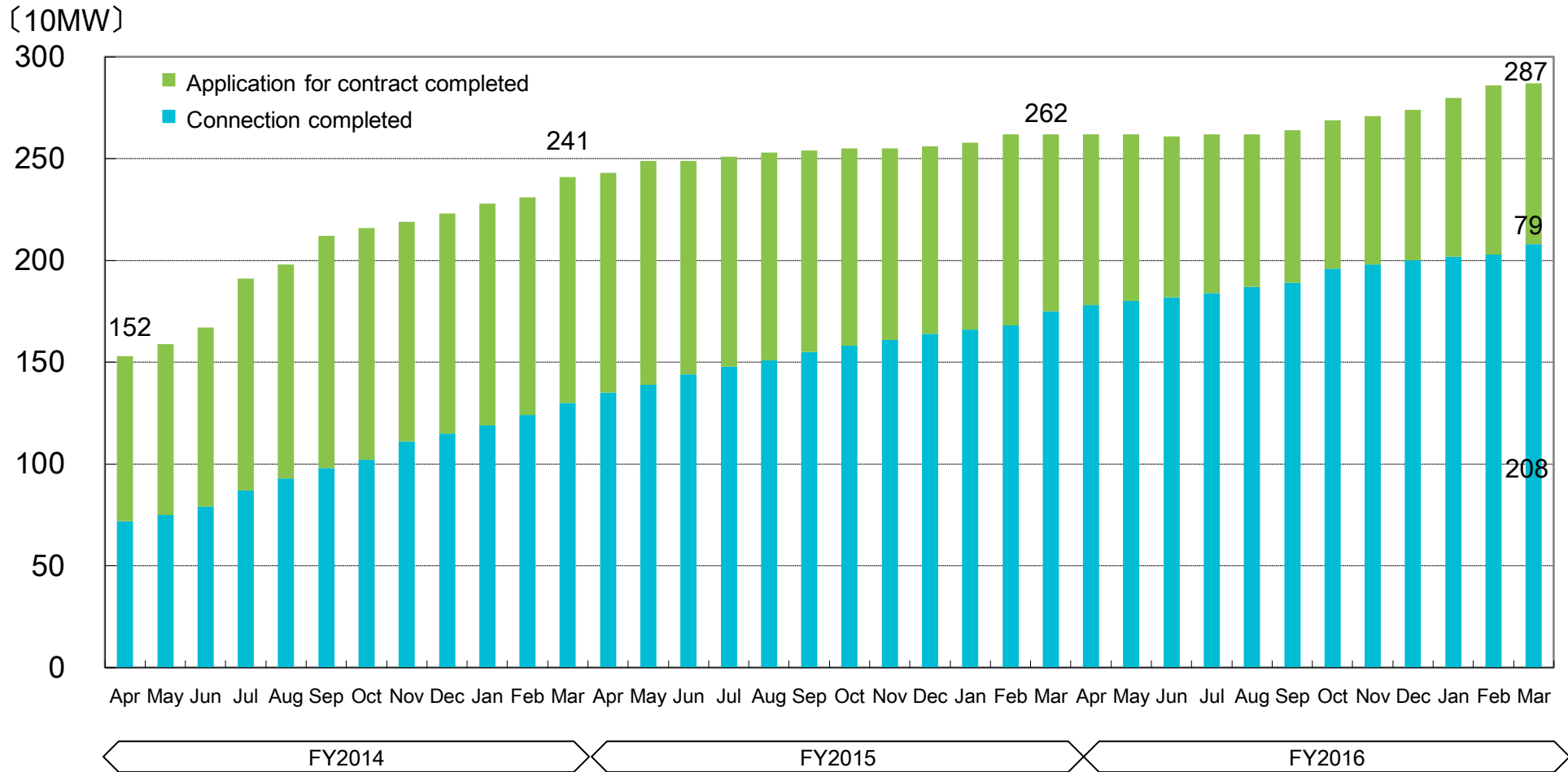
Power Plant	Output (MW)	Start of operations	Age
Matsuyama	2	March 2003	14

## Results of FY2016



(100 million yen)	
② <b>Surcharge</b>	<b>496</b>
We collect surcharge from customers with the electricity charge.	
③ <b>Submission of the collected surcharge</b>	<b>496</b>
We submit the collected surcharge to surcharge adjustment organization.	

(100 million yen)	
① <b>Purchase of electricity</b>	<b>909</b>
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 <b>Payment for the purchase cost</b>	<b>781</b>
Surcharge adjustment organization pay grants corresponding to the actual purchase costs.	



\* Outputs after July 2014 are including southern part of Awaji Island (approx. 180MW, as of March 31, 2017)

\* Outputs after October 2016 are total amount of Shikoku region, including new electric utility entrants.



## 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.**