

# FY2017 2Q Financial Results Outline

(April 1, 2017 – September 30, 2017)

October 26, 2017

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

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# I . Consolidated Financial Results for FY2017 2Q

(April 1, 2017 – September 30, 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)

	FY2017 2Q (a)	FY2016 2Q (b)	(c)=(a)-(b)	(c)/(b)	Details
Retail	12,376	12,888	(512)	(4.0)%	<ul style="list-style-type: none"> <li>· Decrease in contract demand, etc.</li> <li>· Influence of operation of customers' onsite power generations, etc.</li> </ul>
Lighting	4,185	4,231	(46)	(1.1)%	
Power	8,191	8,657	(466)	(5.4)%	
<Commercial>	<2,759>	<3,040>	<(281)>	<(9.2)%>	
<Large-Scale, Industrial>	<3,667>	<3,734>	<(67)>	<(1.8)%>	
Wholesale	3,086	1,386	1,700	122.6%	· Increase due to utilization of extra capacity of thermal power, etc.
Total	15,462	14,274	1,188	8.3%	

\*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.
FY2017	22.7	28.2	29.0	24.0	26.0
Differences from the average year	(0.1)	1.4	1.2	(0.5)	0.5
Differences from the previous year	(0.5)	0.5	(0.1)	(1.4)	(0.4)

## Electricity Sales to Large- Scale Industrial Customers

	FY2017 2Q*
Textiles	(7.3)%
Paper/Pulp	(3.2)%
Chemicals	3.6%
Steel	(9.0)%
Machinery	0.9%
Other	(2.7)%
Total	(1.8)%

\*Changes from the previous period.

# I - 1 . Electricity Sales (2)

## Electricity Sales in the Last 5 Years

( million kWh )

	FY2013 2Q	FY2014 2Q	FY2015 2Q	FY2016 2Q	FY2017 2Q
Lighting	4,482	4,177	4,131	4,231	4,185
Power	9,104	8,690	8,625	8,657	8,191
<Large-Scale,Industrial>	<3,837>	<3,752>	<3,764>	<3,734>	<3,667>
Total	13,586	12,867	12,756	12,888	12,376

## Electricity Sales Changes from the Previous Fiscal Year

	FY2013 2Q	FY2014 2Q	FY2015 2Q	FY2016 2Q	FY2017 2Q
Lighting	0.0%	(6.8)%	(1.1)%	2.4%	(1.1)%
Power	(1.4)%	(4.6)%	(0.7)%	0.4%	(5.4)%
<Large-Scale,Industrial>	<(3.3)%>	<(2.2)%>	<0.3)%>	<(0.8)%>	<(1.8)%>
Total	(0.9)%	(5.3)%	(0.9)%	1.0%	(4.0)%

## Average Temperatures in Prefectural Capitals in Shikoku

( °C )

	FY2013 2Q	FY2014 2Q	FY2015 2Q	FY2016 2Q	FY2017 2Q
Summer* <sup>1</sup>	26.5	25.2	24.9	26.4	26.0

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

(million kWh)																							
	FY2017 2Q (a)	FY2016 2Q (b)	(c)=(a)-(b)	(c)/(b)	Details																		
Hydro	1,854	2,219	(365)	(16.5)%	· Flow Rate 106.0% → 88.6%																		
Nuclear	4,013	946	3,067	324.3%	· Capacity factor of Ikata Unit No.3: 24.2%→ 102.7%																		
Coal	76%	67%	9%	(6.6)%	◇Electricity by thermal power <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">FY2017 2Q</th> <th rowspan="2">Change<sup>※</sup></th> </tr> <tr> <th>GWh</th> <th>Composition</th> </tr> </thead> <tbody> <tr> <td>Generated</td> <td>5,604</td> <td>62%</td> <td>(1,686)</td> </tr> <tr> <td>Purchased</td> <td>3,460</td> <td>38%</td> <td>(201)</td> </tr> <tr> <td>Total</td> <td>9,064</td> <td>100%</td> <td>(1,887)</td> </tr> </tbody> </table> ※Changes from the previous period.(GWh)		FY2017 2Q		Change <sup>※</sup>	GWh	Composition	Generated	5,604	62%	(1,686)	Purchased	3,460	38%	(201)	Total	9,064	100%	(1,887)
		FY2017 2Q					Change <sup>※</sup>																
GWh		Composition																					
Generated	5,604	62%	(1,686)																				
Purchased	3,460	38%	(201)																				
Total	9,064	100%	(1,887)																				
	6,866	7,354	(488)																				
LNG	9%	8%	1%	(9.5)%																			
	837	924	(87)																				
Oil/Gas	15%	25%	( 10)%	(49.1)%																			
	1,361	2,672	(1,311)																				
Thermal	100%	100%		(17.2)%																			
	9,064	10,951	(1,887)																				
Renewable Energy	1,823	1,519	304	20.1%																			

(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 ¥32.5 billion YoY, to ¥ 362.6 billion. The factors were as follows;
  - ✓ Wholesale largely increased by utilizing extra capacity of thermal power due to resumption of operation of Ikata Unit No.3, while retail decreased.
  - ✓ Revenues based on the Fuel Cost Adjustment System increased due to rise in the fuel prices.
  - ✓ The surcharge income and grants from Surcharge Adjustment Organization based on the feed-in-tariff scheme (FIT) increased, etc.
- Operating expenses increased by ¥ 5.4 billion YoY, to ¥ 330.6 billion. The factors were as follows;
  - ✓ The increase in the total amount of the fuel and power purchase cost restrained due to the resumption of operation of Ikata Unit No.3.
  - ✓ The amortization of unrecognized actuarial loss related to retirement benefits decreased, etc.
- As a result,
  - ✓ Operating income increased by ¥ 27.1 billion YoY, to ¥ 32.0 billion.
  - ✓ Ordinary income increased by ¥ 28.8 billion YoY, to ¥ 31.4 billion.
  - ✓ Net income increased by ¥ 21.5 billion YoY, to ¥ 22.6 billion.

(100 million yen)

	FY2017 2Q (a)	FY2016 2Q (b)	(c)=(a)-(b)	(c)/(b)
Operating Revenues	3,626	3,301	325	9.8%
Operating Expenses	3,306	3,252	54	1.7%
Operating Income	320	49	271	550.3%
Interest Expenses, etc.	6	22	(16)	(72.7)%
Ordinary Income	314	26	288	1,067%
Reserve for Fluctuations in Water Level	(Reversal) 4	(Provision) (1)	5	-
Income Taxes, etc.	91	13	78	563.2%
Net Income attributable to shareholders of parent company	226	11	215	1,905%

(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)

	FY2017 2Q (a)	FY2016 2Q (b)	Change	
			(c)=(a)-(b)	(c)/(b)
Electricity Sales(Retail)	2,415	2,350	65	2.8%
Electricity Sales(Wholesale), etc.	269	110	159	143.1%
Others	571	490	81	16.4%
<b>Electric Operating Revenues</b>	<b>3,256</b>	<b>2,952</b>	<b>304</b>	<b>10.3%</b>
Other Revenues	370	349	21	5.9%
<b>Operating Revenues</b>	<b>3,626</b>	<b>3,301</b>	<b>325</b>	<b>9.8%</b>
Personnel	276	360	(84)	(23.4)%
Fuel	337	350	(13)	(3.7)%
Power Purchase	938	822	116	14.1%
Depreciation	284	290	(6)	(2.0)%
Maintenance	275	279	(4)	(1.2)%
Nuclear Back-end	91	37	54	144.4%
Others	771	804	(33)	(4.1)%
<b>Electric Operating Expenses</b>	<b>2,975</b>	<b>2,944</b>	<b>31</b>	<b>1.0%</b>
Other Operating Expenses	331	307	24	7.6%
<b>Operating Expenses</b>	<b>3,306</b>	<b>3,252</b>	<b>54</b>	<b>1.7%</b>
<b>Operating Income</b>	<b>320</b>	<b>49</b>	<b>271</b>	<b>550.3%</b>
Interest Expenses, etc.	6	22	(16)	(72.7)%
<b>Ordinary Income</b>	<b>314</b>	<b>26</b>	<b>288</b>	<b>1,067%</b>
Reserve for Fluctuations in Water Level	(Reversal) 4	(Provision) (1)	5	-
Income Taxes, etc.	91	13	78	563.2%
<b>Net income attributable to shareholders of parent company</b>	<b>226</b>	<b>11</b>	<b>215</b>	<b>1,905%</b>

**【Electricity Sales(Retail)】**

- Decrease in electricity sales (retail) volume (94)
- Increase in revenues based on the Fuel Cost Adjustment System +121
- Increase in surcharge income based on FIT +38

**【Other Electric Operating Revenues】**

- Increase in grants for the purchase cost from Surcharge Adjustment Organization based on FIT +48, etc.

**【Personnel】**

- Decrease in amortization of the unrecognized actuarial loss related to retirement benefits (80), etc.

**【Fuel, Power Purchase】 +103**

- Increase in electricity generated by nuclear power plants due to the resumption of operation of Ikata Unit No.3 (150)
- Increase in purchase of renewable energy sourced electricity +70
- Increase in total electricity sales +65
- Decrease in electricity generated by hydro power plants +20
- Increase in the thermal power generation cost per kWh +90, etc.

		FY2017 2Q (a)	FY2016 2Q (b)	(a-b)
CIF Price (all Japan)	Coal (\$/t)	98	70	28
	Crude Oil (\$/b)	51	44	7
	LNG (\$/t)	431	330	101
Exchange Rate (¥/\$)		111	105	6

**【Nuclear Back-end】**

- Increased due to the resumption of operation of Ikata Unit No.3

**【Other Electric Operating Expenses】**

- Decrease in consignment cost (45)
- Decrease in software purchase cost (13)
- Increase in submission to Surcharge Adjustment Organization based on FIT +38, etc.

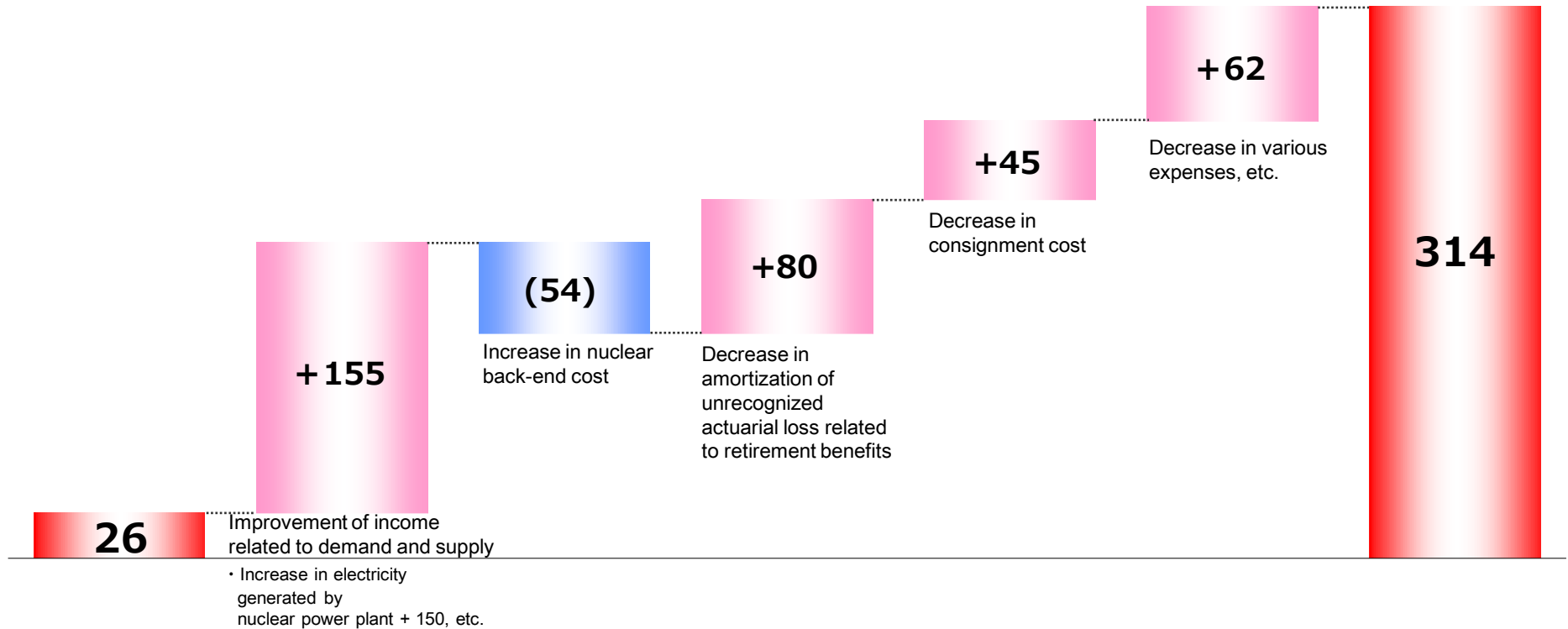


## Ordinary Income

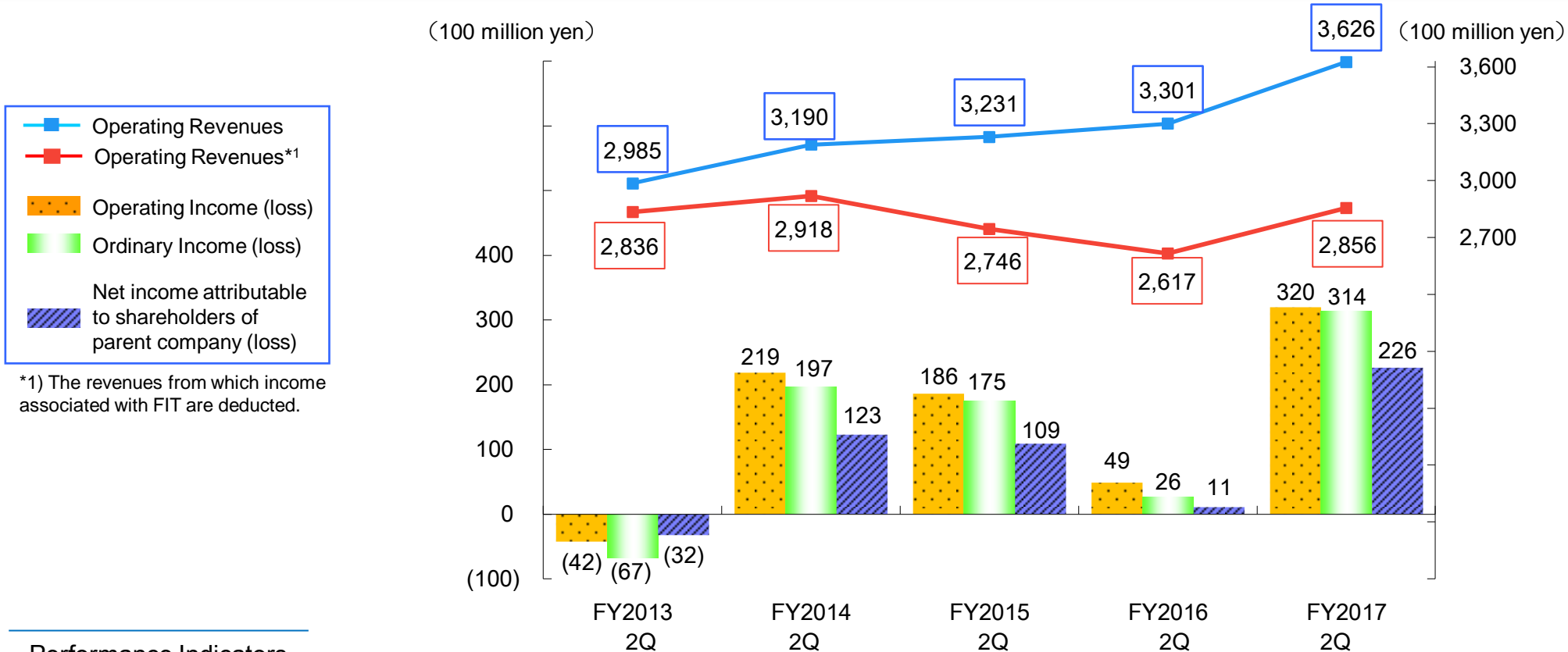
(100 million yen)

FY2016  
2Q

FY2017  
2Q



# [Financial Results in the last 5 fiscal years]



## Performance Indicators

		FY2013 2Q	FY2014 2Q	FY2015 2Q	FY2016 2Q	FY2017 2Q
Operating Income Margin *2	(%)	<(1.5)> (1.4)	<7.5> 6.9	<6.8> 5.8	<1.9> 1.5	<11.2> 8.8
Return on Assets (ROA) *3	(%)	(0.3)	3.6	3.2	1.0	5.5
Return on Equity (ROE)	(%)	(2.3)	8.6	7.2	0.8	14.5
Net income per Share	(yen)	(16)	60	53	5	110
Ordinary Income(Loss) + Interest Expenses	(100 million yen)	(18)	247	221	70	353

\*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 million yen)

		FY2017 2Q (a)	FY2016 2Q (b)	(a-b)	Main Factors	
Consolidated	Revenues	3,626	3,301	325	-	
	Operating Income	320	49	271		
Segment	Electric Utility*	Revenues	3,263	2,959	304	Increase in wholesales revenues, revenues based on the Fuel Cost Adjustment System, the surcharge income and grants based on the FIT, etc. Improvement of income related to demand and supply, decrease in amortization of the unrecognized actuarial loss, etc.
		Segment Profit	276	11	265	
	IT/ Communications*	Revenues	173	166	7	Increase in FTTH business, etc.
		Segment Profit	23	15	8	
	Construction/ Engineering*	Revenues	218	209	9	
		Segment Profit	2	(0)	2	
	Energy*	Revenues	98	98	(0)	-
		Segment Profit	8	12	(4)	
	Others*	Revenues	196	226	(30)	Decrease in sales of manufacturing, etc.
		Segment Profit	7	9	(2)	

\* Internal transactions are not eliminated

## Capital Investment

(100 million yen)

	FY2017 2Q
Electric Utility	316
<Safety measures at Ikata nuclear power station>	<64>
<Replacement of unit no.1 of Saijo thermal power station>	<45>
IT/Communications	15
<FTTH>	<4>
Others	14
<b>Total</b>	<b>346</b>

(100 million yen)

		FY2017 2Q	FY2016 2Q	(a-b)
		(a)	(b)	
Cash Flows from Operating Activities	Ordinary Income	314	26	/
	Depreciation	331	338	
	Others	(73)	(217)	
	Subtotal	571	148	
Cash Flows from Investing Activities	Capital Expenditures	(358)	(304)	/
	Investments	(25)	7	
	Subtotal	(383)	(297)	
Free Cash Flows		188	(149)	337
Cash Flows from Financing Activities	Bonds and Loans	(345)	(54)	/
	Cash Dividends Paid	(41)	(41)	
	Purchase of Treasury Shares	(0)	(0)	
	Subtotal	(386)	(96)	
Net Increase (Decrease) in Cash and Cash Equivalents		(199)	(246)	

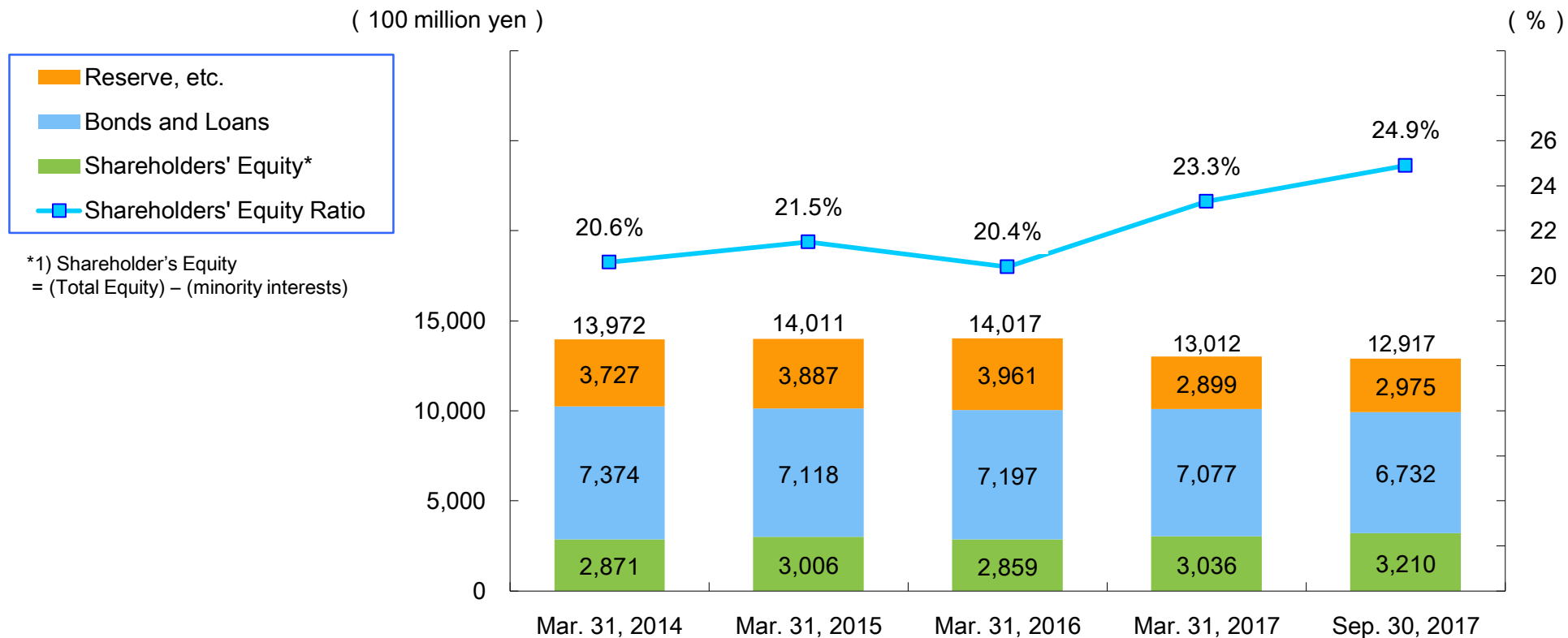
※ Plus figures means cash inflow, minus figures means cash outflow.

Debt to CF Ratio (times) *	11.8	48.1
Interest Coverage Ratio (times) *	14.0	3.3

\*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)				
	Sep 30, 2017 (a)	Mar 31, 2017 (b)	(a-b)	Details
<b>Total assets</b>	12,917	13,012	(95)	
<Plant and equipment, and intangible assets (except suspense account related to nuclear power decommissioning, manufacturing process in progress related to reprocessing of irradiated nuclear fuel )>	<8,231>	<8,294>	<(63)>	<ul style="list-style-type: none"> <li>• Capital investment +287</li> <li>• Advance of depreciation (331)</li> <li>• Retirement of equipment, etc. (19)</li> </ul>
<Nuclear fuel>	<1,218>	<1,199>	<19>	
<Accounts receivable, etc.>	<3,467>	<3,518>	<(51)>	<ul style="list-style-type: none"> <li>• Increase in accounts receivable due to increase in grants based on FIT +78</li> <li>• Recording of property tax due to full payment to prepaid expenses +55</li> <li>• Decrease in cash and deposits (199), etc.</li> </ul>
<b>Liabilities</b>	9,704	9,973	(269)	
<Bonds and loans>	<6,732>	<7,077>	<(345)>	
<Accrued expenses, etc.>	<2,971>	<2,896>	<75>	<ul style="list-style-type: none"> <li>• Increase in accrued expenses related to corporate tax and others +78, etc.</li> </ul>
<b>Total net assets</b>	3,213	3,038	175	
<Retained earnings>	<1,658>	<1,473>	<185>	<ul style="list-style-type: none"> <li>• Net Income +226</li> <li>• Dividend payment (41)</li> </ul>
<Accumulated other comprehensive income>	<158>	<169>	<(11)>	
<b>Shareholders' equity ratio</b>	24.9%	22.3%	1.6%	



## Financial Indicators

	Mar 31, 2014	Mar 31, 2015	Mar 31, 2016	Mar 31, 2017	Sep 30, 2017
Shareholder's Equity Ratio (%)	20.6	21.5	20.4	23.3	24.9
Interest Bearing Debts Ratio (times)	2.6	2.4	2.5	2.3	2.1
Book-value per Share(BPS) (yen)	1,394	1,460	1,388	1,474	1,559
Price Book-value Ratio(PBR) (times)	1.0	1.0	1.1	0.8	0.8

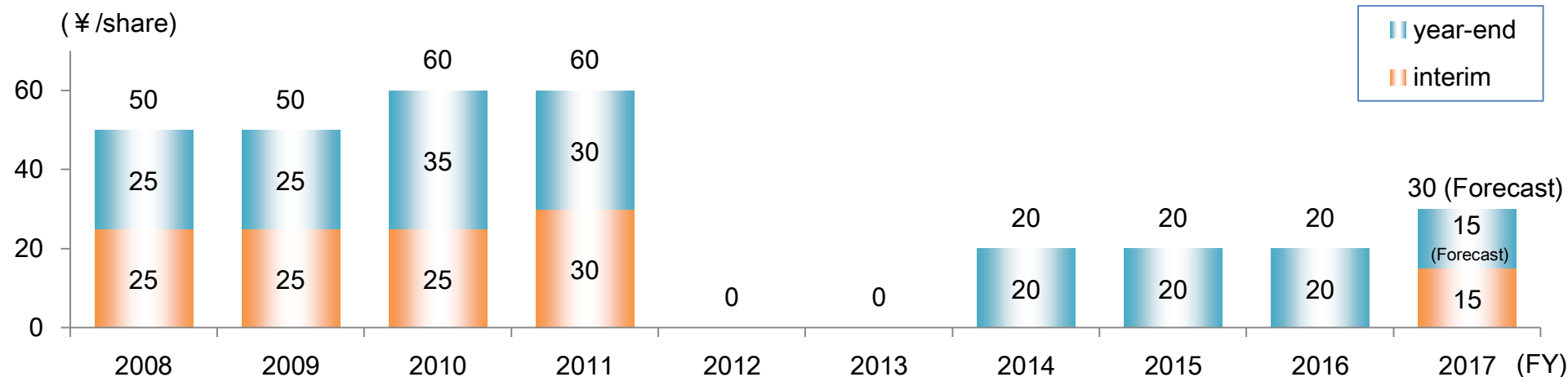
(Note) Interest Bearing Debts Ratio = Bonds and Loans / Shareholders' Equity

- ❑ 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.
- ❑ For FY2017,
  - ✓ The interim dividend has been set at ¥ 15 per share as forecasted.
  - ✓ The year-end dividend is planned to be ¥ 15 per share as forecasted.

## Dividends per Share

	FY2016	FY2017
Interim	¥0	¥15
Year-end	¥20	¥ 15 (Forecast)
Total	¥20	¥ 30 (Forecast)

## Dividends per Share (last 10 fiscal years)



## II. Forecasts of Consolidated Financial Results for FY2017

Unchanged from forecasts announced in April 2017

- ❑ 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.

### 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	-

### 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 for FY2017 2Q

(100 million yen)

	FY2017 2Q (a)	FY2016 2Q (b)	Change	
			(c)=(a)-(b)	(c)/(b)
Electricity Sales(Retail)	2,415	2,350	65	2.8%
<Surcharge Income based on FIT>	<281>	<243>	<38>	<15.5%>
Electricity Sales(Wholesale), etc.	269	110	159	143.1%
Others	626	547	79	14.4%
<Grants for the Purchase Cost from Surcharge Adjustment Organization based on FIT>	<488>	<440>	<48>	<10.9%>
<b>Operating Revenues</b>	<b>3,311</b>	<b>3,009</b>	<b>302</b>	<b>10.1%</b>
Personnel	278	363	(85)	(23.3)%
Fuel	337	350	(13)	(3.7)%
Power Purchase	938	822	116	14.1%
Depreciation	287	292	(5)	(2.0)%
Maintenance	277	281	(4)	(1.4)%
Nuclear Back-end	91	37	54	144.4%
Others	818	839	(21)	(2.5)%
<b>Operating Expenses</b>	<b>3,028</b>	<b>2,986</b>	<b>42</b>	<b>1.4%</b>
<b>Operating Income</b>	<b>283</b>	<b>23</b>	<b>260</b>	<b>1,123%</b>
Non-operating Income	13	6	7	108.7%
<b>Ordinary Income</b>	<b>297</b>	<b>29</b>	<b>268</b>	<b>897.0%</b>
Reserve for Fluctuations in Water Level	(Reversal) 4	(Provision) (1)	5	-
Income Taxes, etc.	80	5	75	1,266%
<b>Net Income</b>	<b>221</b>	<b>22</b>	<b>199</b>	<b>897.6%</b>

**【Electricity Sales(Retail)】**

- Decrease in electricity sales (retail) volume (94)
- Increase in revenues based on the Fuel Cost Adjustment System +121

**【Personnel】**

- Decrease in amortization of the unrecognized actuarial loss related to retirement benefits (80), etc.

**【Fuel, Power Purchase】 +103**

- Increase in electricity generated by nuclear power plants due to the resumption of operation of Ikata Unit No.3 (150)
- Increase in purchase of renewable energy sourced electricity +70
- Increase in total electricity sales +65
- Decrease in electricity generated by hydro power plants +20
- Increase in the thermal power generation cost per kWh +90, etc.

		FY2017 2Q (a)	FY2016 2Q (b)	(a-b)
CIF Price (all Japan)	Coal (\$/t)	98	70	28
	Crude Oil (\$/b)	51	44	7
	LNG (\$/t)	431	330	101
Exchange Rate (¥/\$)		111	105	6

**【Nuclear Back-end】**

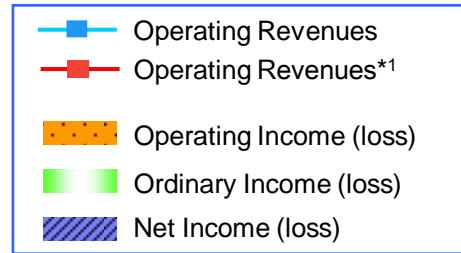
- Increased due to the resumption of operation of Ikata Unit No.3

**【Other Electric Operating Expenses】**

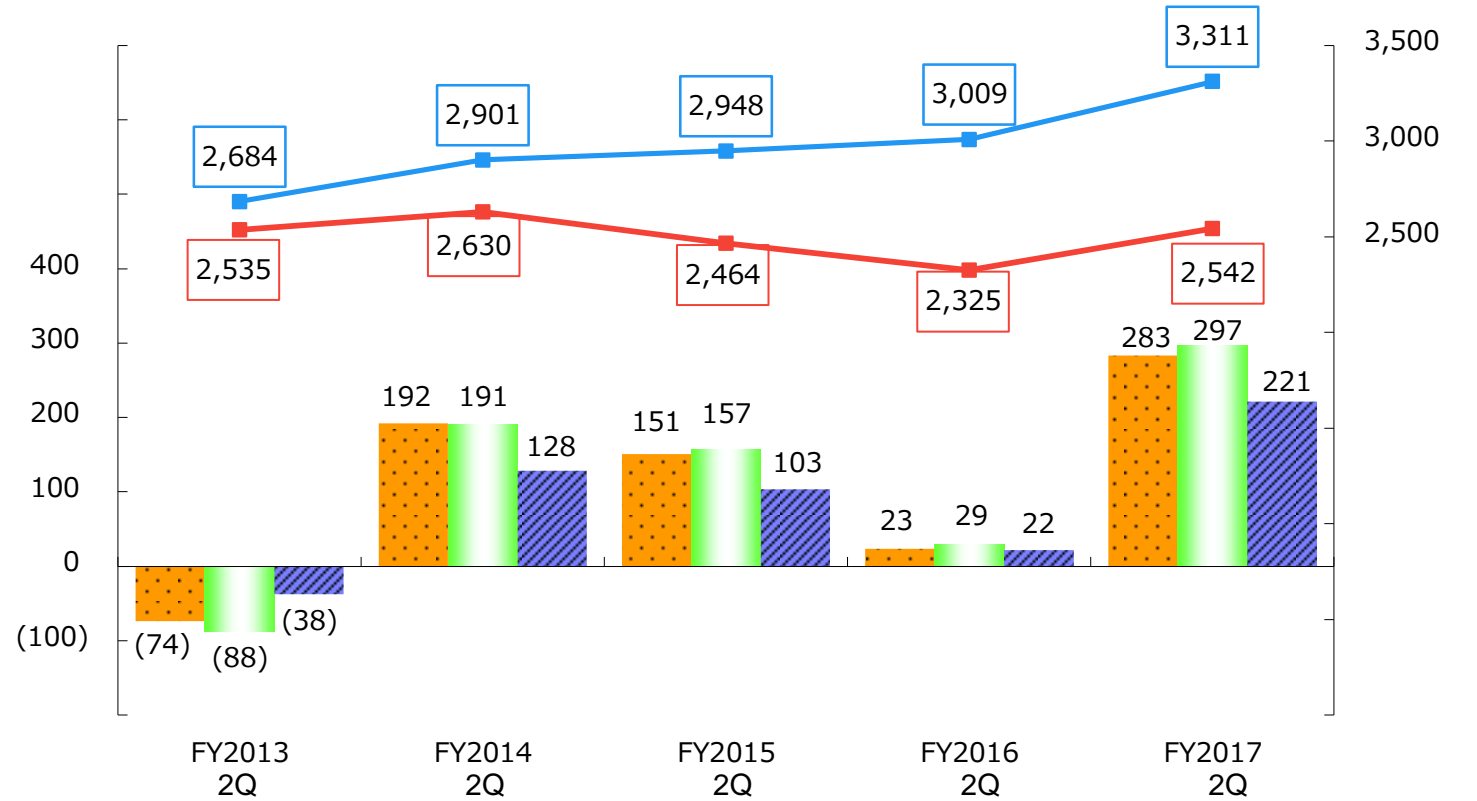
- Decrease in consignment cost (45)
- Decrease in software purchase cost (13)
- Increase in submission to Surcharge Adjustment Organization based on FIT +38, etc.

( 100 million yen )

( 100 million yen )



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



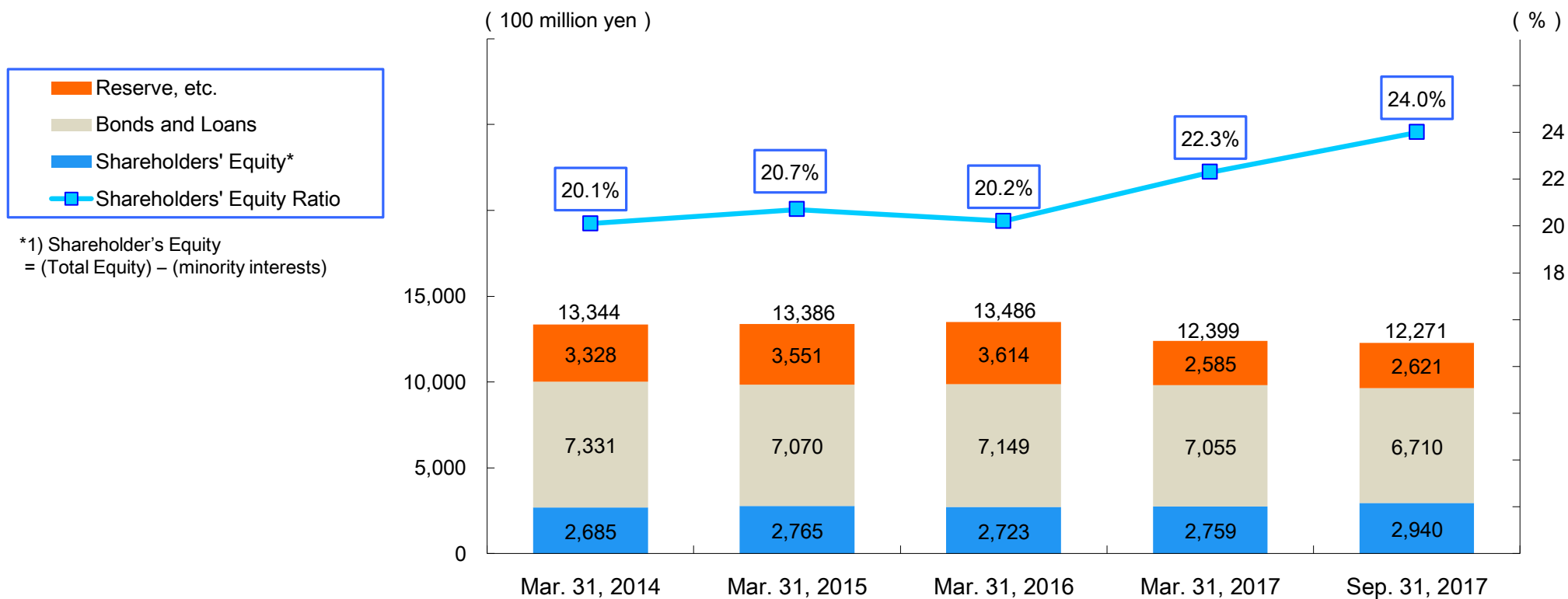
## Performance Indicators

		FY2013 2Q	FY2014 2Q	FY2015 2Q	FY2016 2Q	FY2017 2Q
Operating Income Margin *2	(%)	<(2.9)> (2.8)	<7.3> 6.6	<6.2> 5.1	<1.0> 0.8	<11.2> 8.6
Return on Assets (ROA) *3	(%)	(0.6)	3.6	3.1	1.1	5.5
Return on Equity (ROE)	(%)	(3.2)	9.5	7.4	1.6	15.5
Net Income per Share	(yen)	(18)	62	50	11	107
Ordinary Income(Loss) + Interest Expenses	(100 million yen)	(39)	241	203	73	336

\*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

# [Financial Position : Liabilities and Total Equity in the last 5 fiscal years] Non-consolidated <sup>16</sup>



## Performance Indicators

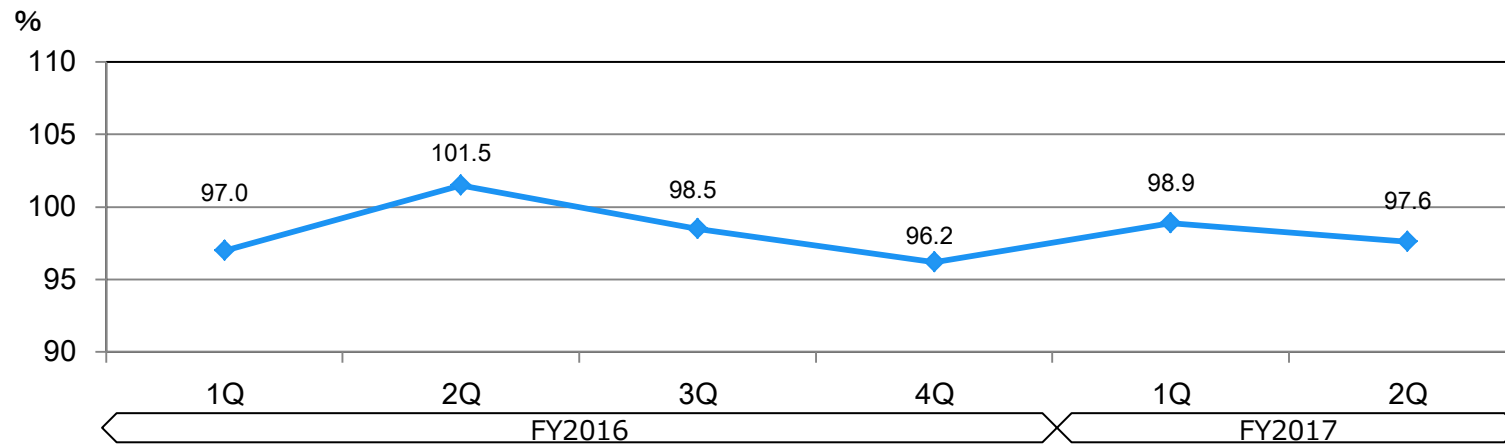
		Mar 31, 2014	Mar 31, 2015	Mar 31, 2016	Mar 31, 2017	Sep 30, 2017
Shareholder's Equity Ratio	(%)	20.1	20.7	20.2	22.3	24.0
Interest Bearing Debts Ratio	(times)	2.7	2.6	2.6	2.6	2.3
Book-value per Share(BPS)	(yen)	1,293	1,332	1,312	1,329	1,416
Price Book-value Ratio(PBR)	(times)	1.1	1.1	1.2	0.9	0.9

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

## Supplemental material for FY2017 2Q

- 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

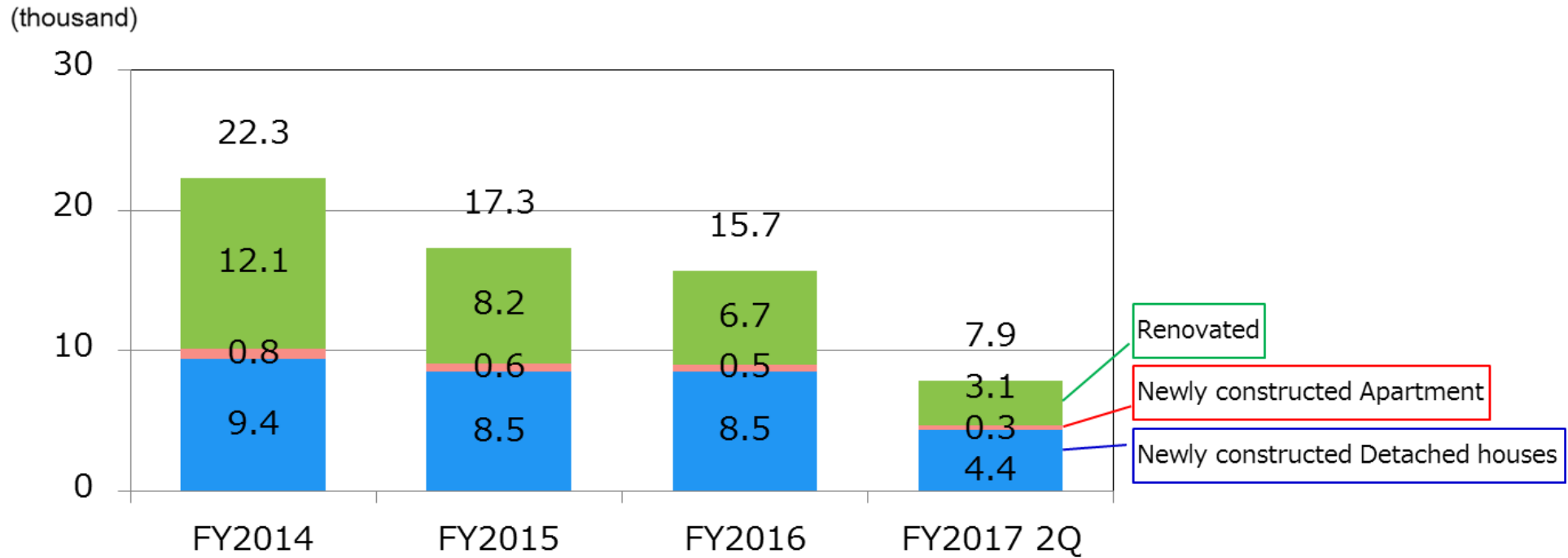
## Year on Year Growth Rate (Total)



## Year on Year Growth Rate (By Segment)

	FY2016					FY2017		
	1Q (Apr-Jun)	2Q (Jul-Sep)	3Q (Oct-Dec)	4Q (Jan-Mar)	Total	1Q (Apr-Jun)	2Q (Jul-Sep)	
Total	(3.0)	1.5	(1.5)	(3.8)	(1.7)	(1.1)	(2.4)	Decrease due to closing of a part of the production line of some customers. etc.
Textiles	(19.6)	(19.3)	(15.4)	(22.4)	(19.1)	(4.1)	(10.6)	
Paper/Pulp	(16.0)	(15.2)	(20.9)	(18.8)	(17.7)	(7.6)	2.0	Decrease due to operation of onsite power generations of some customers, etc.
Chemicals	0.9	5.4	2.5	2.0	2.7	3.4	3.7	
Steel	5.4	11.9	0.5	(8.3)	1.5	(3.7)	(15.8)	Decrease due to maintenance of production facilities of some customers, etc.
Machinery	0.8	6.1	7.1	3.5	4.4	1.9	(0.1)	
Others	(0.3)	4.4	1.4	(0.1)	1.4	(1.2)	(4.1)	

## Number of All-electric Housing Construction



## 【Consumption of Fossil Fuels】

	FY2017 2Q (A)	FY2016 2Q (B)	(A-B)	(ref.) FY2016
Coal (10,000t)	126.1	139.1	(13.0)	303.5
Heavy Oil (10,000kl)	9.3	28.7	(19.4)	38.1
Crude Oil (10,000kl)	1.6	9.4	(7.8)	10.8
LNG (10,000t)	12.3	13.8	(1.5)	28.5

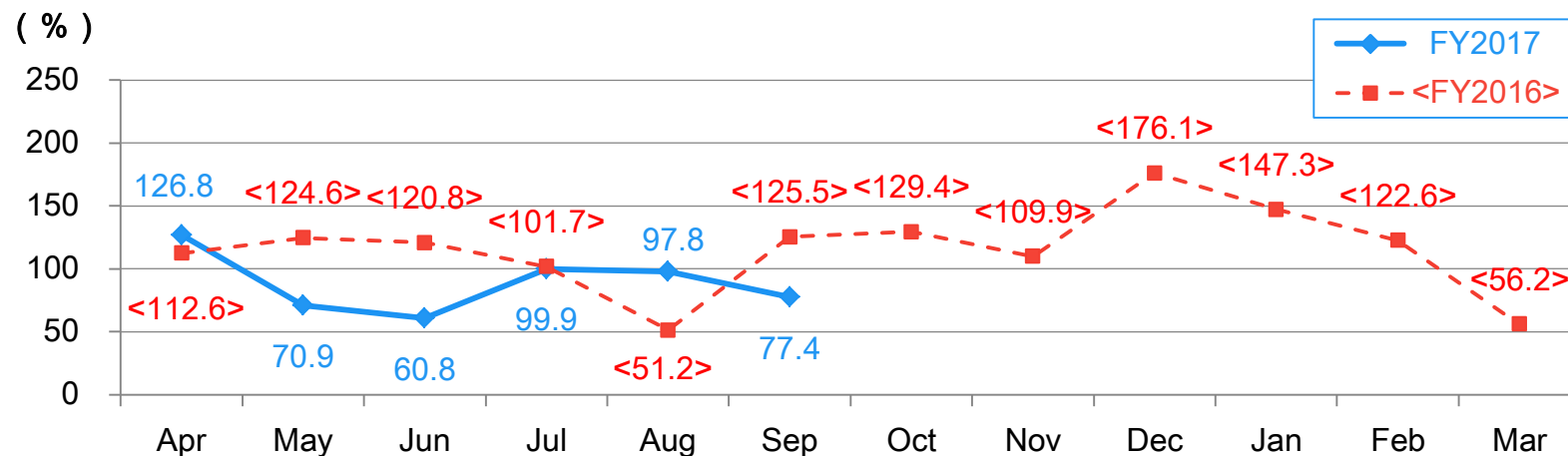
## 【Fuel Prices】

	FY2017 2Q (A)	FY2016 2Q (B)	(A-B)	(ref.) FY2016
CIF price: Coal (\$/t)	98	70	28	81
CIF price: Crude Oil (\$/b)	51	44	7	48
CIF price: LNG (\$/t)	431	330	101	361
Exchange rate (¥/\$)	111	105	6	108



# Flow Rate, Financial Sensitivity for Key Factors

## Flow Rate



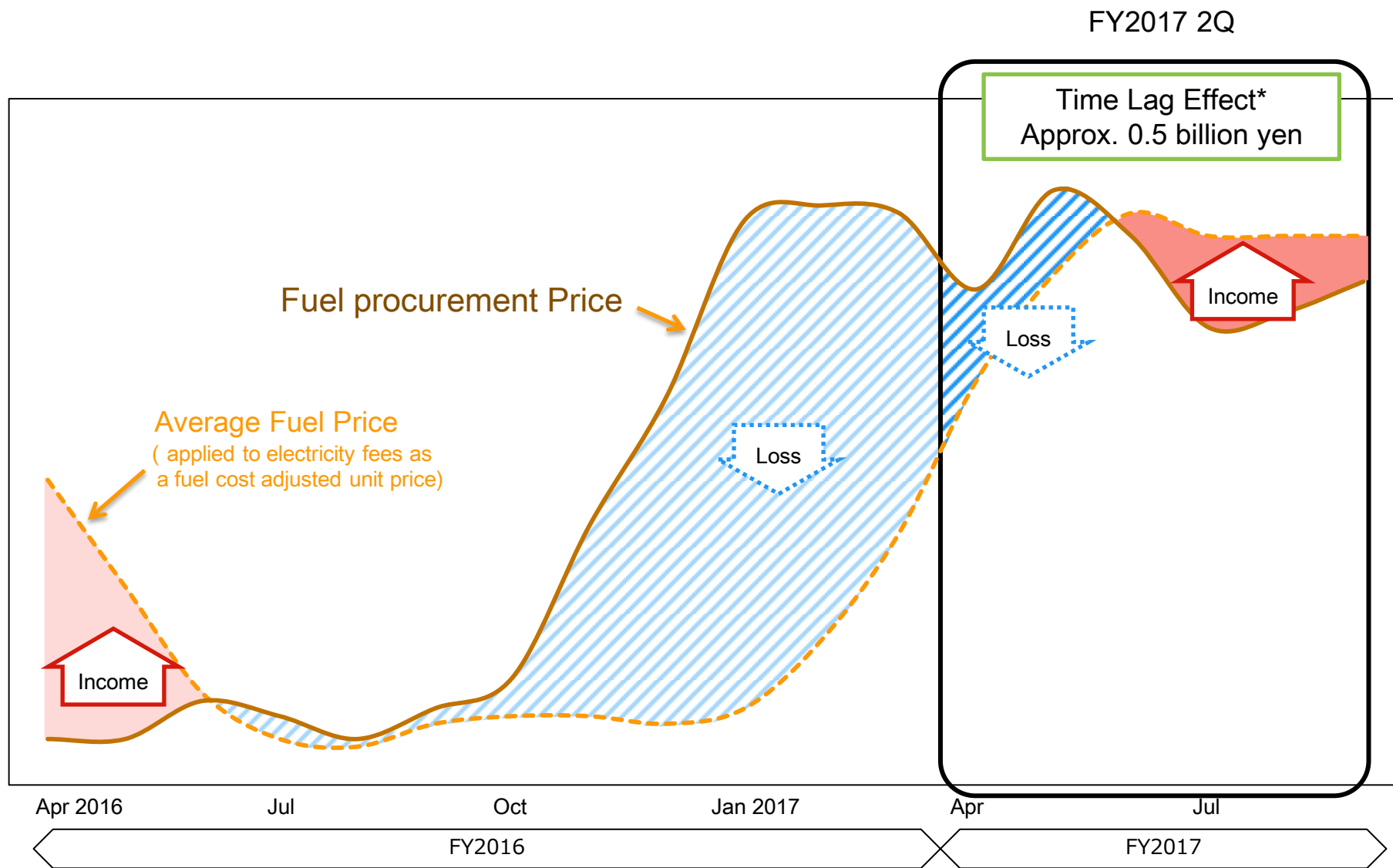
## Financial Sensitivity for Key Factors

( 100 million yen )

	FY2017 2Q
CIF price: crude oil (1\$/b)	1
CIF price: coal (1\$/t)	3
Exchange rate ( ¥ 1/\$ )	4
Nuclear power capacity factor (1%)	2
Flow Rate (1%)	1

\*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 )

	FY2017 2Q	<ref.> FY2016
Power sources	159	337
Hydro	14	48
Thermal	60	117
Nuclear	83	172
Transmission	17	57
Transformation	27	57
Distribution	46	95
Other	11	31
Subtotal	262	579
Nuclear fuel	53	45
Electric power business	316	625
Other business	29	58
<b>Total</b> ※	<b>346</b>	<b>684</b>

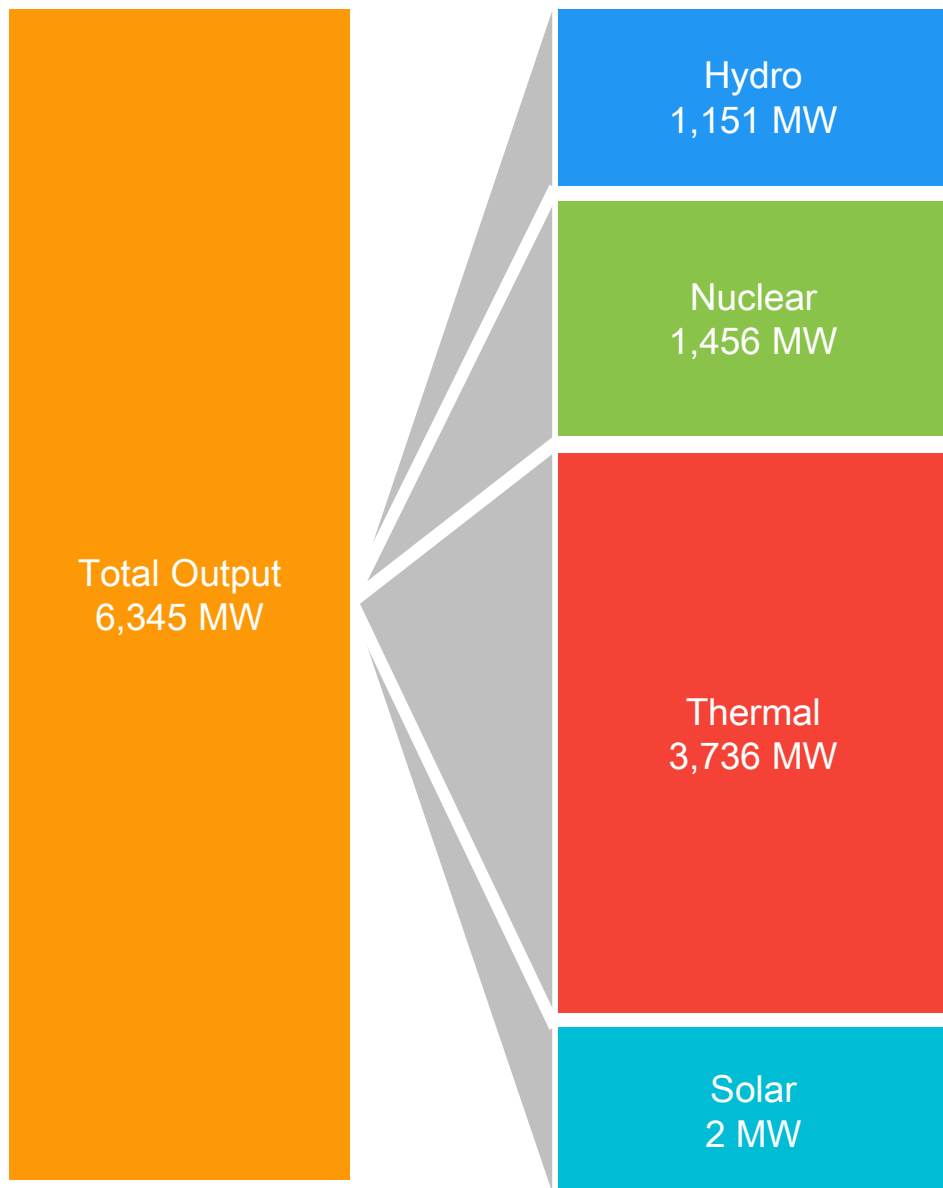
※before the elimination of unrealized profits

( 100 million yen )

		Total (forecasts)	FY2011~FY2016 (results)		FY2017 2Q (results)
				FY2016	
Facility Construction	Short term	Approx. 720	717	51	0
	Medium term	Approx. 940	282	71	64
Analysis and Evaluation		Approx. 240	239	13	0
Total		Approx. 1,900	1,239	136	64

\*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 September 30, 2017 )



Types	Output (MW)
Run-of-the-river type	307
Reservoir type	158
Pumped-storage	686

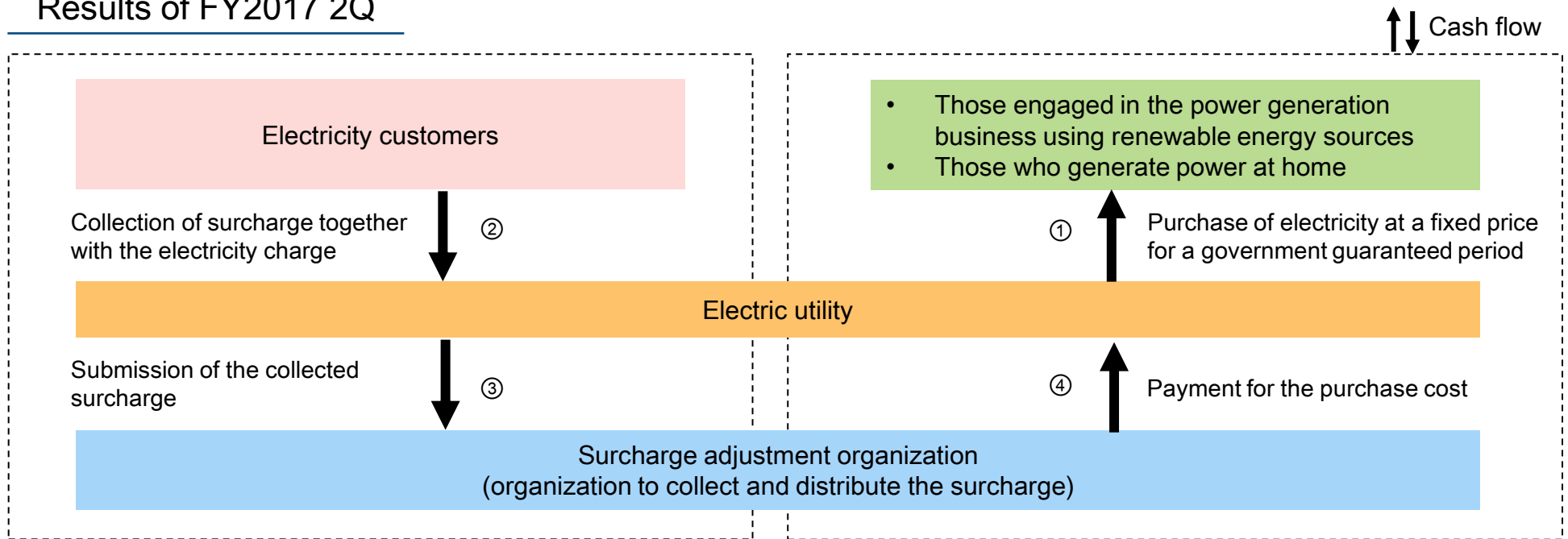
Power Plant	Output (MW)	Start of operations	Age
Ikata (Unit No.1)	(566)	(September 1977)	(38)
Unit No.2	566	March 1982	35
Unit No.3	890	December 1994	22

( Decommissioned on May 10, 2016 )

Power Plant	Output (MW)	Start of operations	Age	Fuel source
Anan Unit No.1	125	July 1963	54	Oil
Unit No.2	220	January 1969	48	Oil
Unit No.3	450	June 1975	42	Oil
Unit No.4	450	December 1976	40	Oil
Tachibana-wan	700	June 2000	17	Coal
Saijo Unit No.1	156	November 1965	51	Coal / Biomass / Oil
Unit No.2	250	June 1970	47	Coal / Biomass / Oil
Sakaide Unit No.1	296	August 2010	7	LNG
Unit No.2	289	August 2016	1	LNG
Unit No.3	450	April 1973	44	Oil / COG
Unit No.4	350	May 1974	43	LNG / COG

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

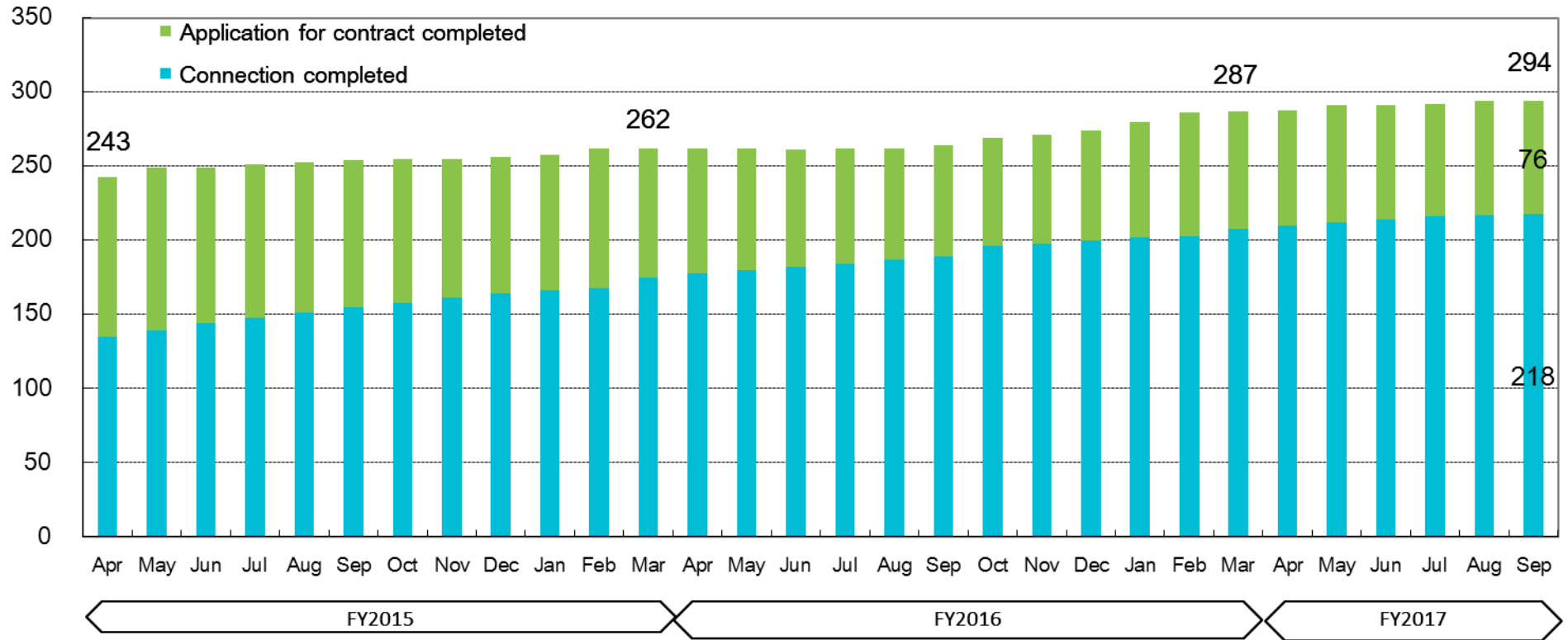
## Results of FY2017 2Q



(100 million yen)	
② <b>Surcharge</b>	<b>281</b>
We collect surcharge from customers with the electricity charge.	
③ <b>Submission of the collected surcharge</b>	<b>281</b>
We submit the collected surcharge to surcharge adjustment organization.	

(100 million yen)	
① <b>Purchase of electricity</b>	<b>598</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>488</b>
Surcharge adjustment organization pay grants corresponding to the actual purchase costs.	

{10MW}



\* Outputs are including southern part of Awaji Island.

\* 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.