

The information shown below is an English translation of the "Kessan Tanshin", the Consolidated Financial Report for the year ended March 31, 2018.

※The "Kessan Tanshin" in Japanese is the official document. This English translation is prepared for convenience.

**Consolidated Financial Report [Japanese Standard]
(Financial Report for the year ended March 31, 2018)**

April 27, 2018

Name of Listed Company : THE CHUGOKU ELECTRIC POWER CO., INC.

Stock Exchange Listed : Tokyo

Code : 9504

(URL <http://www.energia.co.jp>)

Representative : Mareshige Shimizu, Representative Director President & Chief Executive Officer

Contact : Kenichi Uemura, Manager, Accounting Section, Corporate Finance and Procurement Division

TEL : +81-82-241-0211

Annual general meeting of shareholders : June 27, 2018

Date to start dividend payments (Scheduled) : June 28, 2018

Scheduled submission date of financial report (Only Japanese) : June 28, 2018

Supporting document of FY2018 financial results : Yes

Investors meeting for FY2018 financial results : Yes

1. Consolidated Financial Results for the year ended March 31, 2018

(Figures are rounded down to the million)

(1) Consolidated Operating Results

(%:the rate of change from of the same period of the previous year)

	Operating Revenues		Operating Income		Ordinary Income		Net income attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2018	1,314,967	9.5	39,626	14.8	30,701	57.5	20,707	82.6
Year ended March 31, 2017	1,200,379	-2.5	34,520	-31.0	19,489	-50.3	11,341	-58.2

(Reference) Comprehensive Income 03/18... 16,760 million yen (16.7%) 03/17... 14,360 million yen (438.0%)

	Earnings per Share	EPS after adjusting residual securities	Return on Equity	Ordinary Income on Total Assets	Operating Income on Sales
	yen	yen	%	%	%
Year ended March 31, 2018	60.15	50.12	3.6	1.0	3.0
Year ended March 31, 2017	31.84	27.95	1.9	0.6	2.9

(Reference) Investment loss on equity method 03/18... 3,535 million yen 03/17... 4,477 million yen

(2) Consolidated Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio	Book-value per Share
	million yen	million yen	%	yen
Year ended March 31, 2018	3,179,442	580,745	18.2	1,676.42
Year ended March 31, 2017	3,100,754	581,162	18.6	1,677.09

(Reference) Shareholders' Equity 03/18... 577,117 million yen 03/17... 577,370 million yen

(3) Application of Consolidated Cash Flow

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash or Cash Equivalent at the end of the period
	million yen	million yen	million yen	million yen
Year ended March 31, 2018	164,794	-188,549	4,483	81,025
Year ended March 31, 2017	96,003	-147,779	58,630	100,223

2. Dividends

	Dividends per Share					Total Dividends Paid for the year	Dividend Payout Ratio	Dividend on Equity
	1st period	2nd period	3rd period	End of Year	Total	million yen	%	%
Year ended March 31, 2017	—	25.00	—	25.00	50.00	17,675	157.0	3.0
Year ended March 31, 2018	—	25.00	—	25.00	50.00	17,226	83.1	3.0
Year ending March 31, 2019 (Forecasts)	—	—	—	—	—	—	—	—

(Note) Dividend forecasts for FY 2019 have yet to be decided.

3. Forecasts of Consolidated Financial Results for the year ending March 31, 2019

(%:the rate of change from of the same period of the previous year)

	Operating Revenues		Operating Income		Ordinary Income		Net income attributable to owners of the parent		Earnings per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2019	1,344,000	2.2	—	—	—	—	—	—	—

(Note) As we cannot formulate reasonable cost forecasts of electrical power supply/demand, the forecasts of operating, ordinary, and net income attributable to owners of the parent cannot be announced at this time.

We shall provide prompt notification as soon as it is possible to announce our earnings forecast.

※ Others

- (1) Changes in range of consolidated subsidiaries : None
 (2) Changes in accounting principles, changes in accounting estimates and restatements
 ① Changes in accounting principles associated with amendment of accounting rule etc : None
 ② Changes of other than those above : None
 ③ Changes in accounting estimates : None
 ④ Restatements : None

(3) Number of shares issued (Common stock)

① Number of shares issued (including treasury shares)	End of March, 2018	371,055,259	End of March, 2017	371,055,259
② Number of treasury shares	End of March, 2018	26,799,578	End of March, 2017	26,786,189
③ Average number of shares outstanding	End of March, 2018	344,262,023	End of March, 2017	356,234,513

(Reference) Non-consolidated Financial Report

1. Performance over the year ended March 31, 2018

(Figures are rounded down to the million)

(1) Operating Results

(%: the rate of change from of the same period of the previous year)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2018	1,227,470	9.4	32,475	12.7	24,086	48.7	16,445	12.1
Year ended March 31, 2017	1,121,789	-2.5	28,816	-27.3	16,193	-48.4	14,669	-30.2

	Earnings per Share	EPS after adjusting residual securities
	yen	yen
Year ended March 31, 2018	47.73	39.78
Year ended March 31, 2017	41.15	36.16

(2) Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio	Book-value per Share
	million yen	million yen	%	yen
Year ended March 31, 2018	2,939,983	418,582	14.2	1,214.98
Year ended March 31, 2017	2,875,781	418,779	14.6	1,215.50

(Reference) Shareholders' Equity 03/18... 418,582 million yen 03/17... 418,779 million yen

2. Forecasts of Non-consolidated Financial Results for the year ending March 31, 2019

(%: the rate of change from of the same period of the previous year)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Earnings per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2019	1,251,000	1.9	—	—	—	—	—	—	—

(Note) As we cannot formulate reasonable cost forecasts of electrical power supply/demand, the forecasts of operating, ordinary, and net income cannot be announced at this time.

We shall provide prompt notification as soon as it is possible to announce our earnings forecast.

※ This financial Report is not under coverage of audit by certified public accountants or audit corporations.

※ Explanation concerning appropriate use of forecasts. Other special note

All non-empirical information above is projected based on facts available to company management at the time of the release of this document. A number of factors may cause differences on actual performance from our projections.

※ Supporting document of FY2018 financial results has been updated on the web site of the Company on the same day.

(http://www.energia.co.jp/e/ir/info/financial_rep.html)

※ We will hold the investors meeting for FY2018 financial results on May 9, 2018.

Materials used in this meeting will be posted on our web site after the meeting. (<http://www.energia.co.jp/e/ir/info/investors.html>)