

The information shown below is an English translation of the "Dai-ichi-shihanki Kessan Tanshin", the Consolidated Financial Report of the three months period ended June 30, 2016.

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

**Consolidated Quarterly Financial Report[Japanese Standard]  
(Financial Report of the three months period ended June 30, 2016)**

July 28, 2016

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, Group Management Division

TEL : +81-82-241-0211

Scheduled date submission of financial report (Only Japanese) : August 9, 2016

Date to start Year-end dividend payments(Estimated) : -

Supporting document of FY2017 first-quarter financial results : Yes

Holding of investors meeting for FY2017 first-quarter financial results : None

(Figures are rounded down to the million)

**1. Consolidated financial results for the three months period ended June 30, 2016 (April 1, 2016 ~ June 30, 2016)**

(1) Consolidated operating results (%: the rate of change in comparison with 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                                     | %     |
| 1st period ended June 30, 2016 | 282,277            | -6.6 | 11,056           | -9.7  | 9,020           | -2.7  | 5,487                                           | -20.1 |
| 1st period ended June 30, 2015 | 302,213            | -1.7 | 12,240           | -48.0 | 9,268           | -53.0 | 6,869                                           | -45.6 |

※Comprehensive income : 1st period ended June 30, 2016 3,092 million yen (-66.1%)

1st period ended June 30, 2015 9,111 million yen (-29.3%)

|                                | Earnings per share | EPS after adjusting residual securities |
|--------------------------------|--------------------|-----------------------------------------|
|                                | yen                | yen                                     |
| 1st period ended June 30, 2016 | 15.15              | 13.35                                   |
| 1st period ended June 30, 2015 | 18.96              | 16.70                                   |

**(2) Consolidated financial standing**

|                                | Total assets | Net assets  | Shareholders' equity ratio |
|--------------------------------|--------------|-------------|----------------------------|
|                                | million yen  | million yen | %                          |
| 1st period ended June 30, 2016 | 3,047,292    | 602,552     | 19.6                       |
| Year ended March 31, 2016      | 3,070,948    | 608,535     | 19.7                       |

(Reference) Shareholders' equity: 1st period ended June 30, 2016 598,486 million yen

Year ended March 31, 2016 604,364 million yen

**2. Dividends**

|                                        | Dividends per share |            |            |             |       |
|----------------------------------------|---------------------|------------|------------|-------------|-------|
|                                        | 1st period          | 2nd period | 3rd period | End of year | Total |
|                                        | yen                 | yen        | yen        | yen         | yen   |
| Year ended March 31, 2016              | -                   | 25.00      | -          | 25.00       | 50.00 |
| Year ending March 31, 2017             | -                   | -          | -          | -           | -     |
| Year ending March 31, 2017 (Forecasts) | -                   | -          | -          | -           | -     |

※Revisions to forecasts of dividends at the end of this period : None

We have not yet decided the forecast of dividends for the year ending March 31, 2017.

**3. Forecasts of consolidated financial results for the Fiscal year 2017 (April 1, 2016 ~ March 31, 2017)**

(%: the rate of change in comparison with 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                |
| Fiscal 2017 | 1,185,000          | -3.8 | -                | - | -               | - | -                                               | - | -                  |

※ Revisions to forecasts of results at the end of this period : Yes

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) Adoption of simple ways in accounting procedure or specific ways of preparing the quarterly financial statements : Yes

Note: Calculation of Tax Expenses

Estimated rate is applied to net income for the quarterly period to calculate estimated tax expenses.

(3) Changes in accounting principles, changes in accounting estimates and restatements

① Changes associated with the revision of accounting standards : None

② Changes other than the above : None

③ Changes in accounting estimates : None

④ Restatements : None

(4) Number of shares issued (Common shares)

① Number of shares issued (including treasury shares)

|                   |             |                    |             |
|-------------------|-------------|--------------------|-------------|
| End of June, 2016 | 371,055,259 | End of March, 2016 | 371,055,259 |
|-------------------|-------------|--------------------|-------------|

② Number of treasury shares

|                   |           |                    |           |
|-------------------|-----------|--------------------|-----------|
| End of June, 2016 | 8,830,317 | End of March, 2016 | 8,828,716 |
|-------------------|-----------|--------------------|-----------|

③ Average number of shares outstanding

|                                |             |                                |             |
|--------------------------------|-------------|--------------------------------|-------------|
| 1st period ended June 30, 2016 | 362,225,419 | 1st period ended June 30, 2015 | 362,378,149 |
|--------------------------------|-------------|--------------------------------|-------------|

※Display concerning implementation of audit procedures

This financial report is not under coverage of the Financial Instruments and Exchange Act.

At the time of disclosure of this report, review procedures is being carried out for the quarterly financial statements based on the Financial Instruments and Exchange Act.

※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 actual performance to differ from projections.

Supporting document of FY2017 first-quarter 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](http://www.energia.co.jp/e/ir/info/financial_rep.html))

(Reference) Forecasts of non-consolidated financial results for the Fiscal year 2017 (April 1, 2016 ~ March 31, 2017)

(%: the rate of change in comparison with 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                |
| Fiscal 2017 | 1,105,000          | -4.0 | —                | — | —               | — | —           | — | —                  |

※ Revisions to forecasts of results at the end of this period : Yes

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.