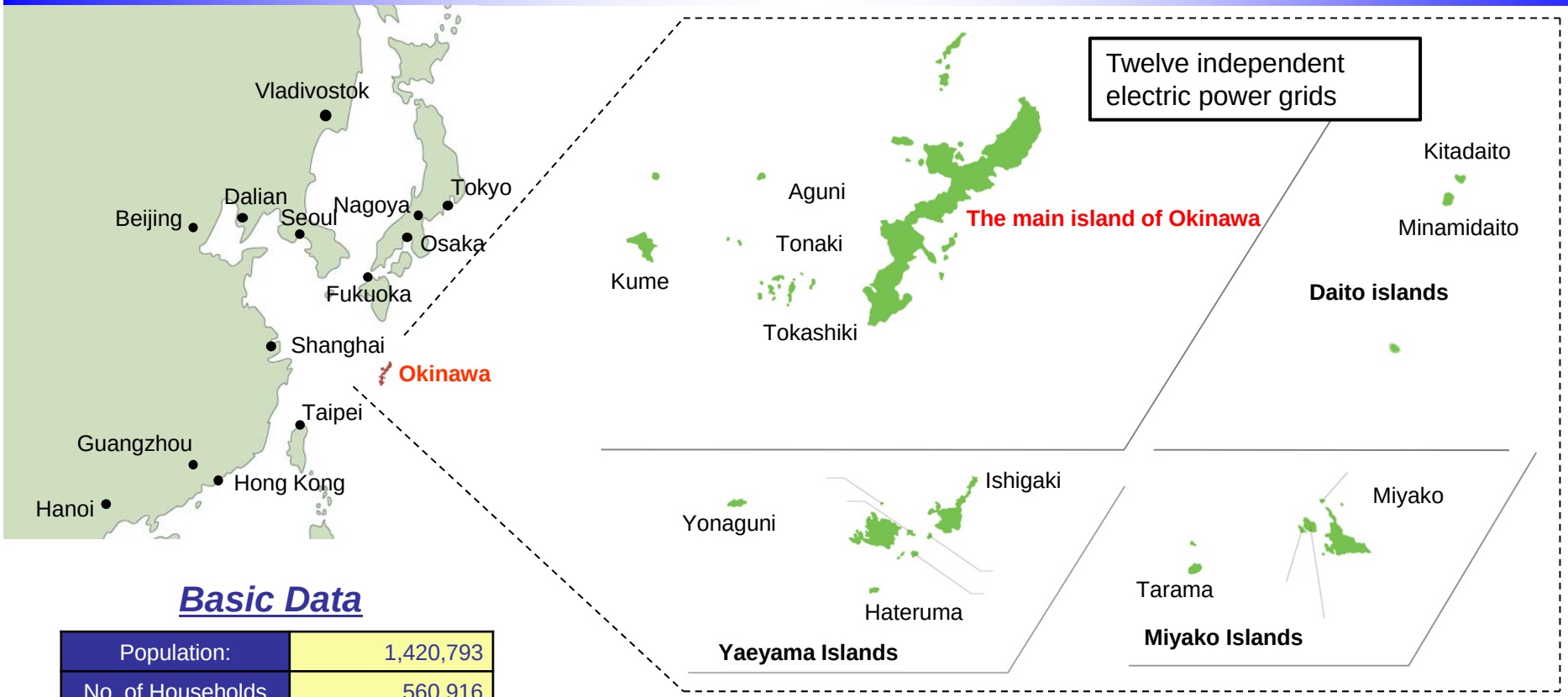
# Management Overview

**May 2015**

The Okinawa Electric Power Company, Inc.

# Table of Contents

# Overview of Okinawa Prefecture




## Basic Data

| | |
|---|---|
| Population: | 1,420,793 |
| No. of Households | 560,916 |
| Area | 2,281㎢ |
| Climate | Subtropical |
| Location | 26˚12N 127˚41E |
| Prefectural GDP | ¥4,483.6billion |
| Tourism Revenue | ¥447.9billion |

- **The main island of Okinawa is the most populous with about 90% of the resident population.**
- **Tertiary industrial sectors including commerce, finance and service which account for roughly 90% of the prefectural GDP.**

Population, No. of Households as of April 1, 2015
Area as of October 1, 2014
Prefectural GDP as of Estimated results FY 2014
Tourism Revenue as of FY 2013
(Source: Okinawa Prefecture, Geographical Survey Institute )

***Locales with similar latitude zones***

| | | |
|---|---|---|
| *Las Palmas* | *(Canary Islands)* | *28˚6N* |
| *Dubai* | *(UAE)* | *25˚18N* |
| *Miami* | *(Florida,USA)* | *25˚46N* |

# Corporate Overview of OEPC

**Okinawa Electric Power supplies electricity to all parts of Okinawa Prefecture including 38 inhabited islands scattered over a vast sea area lying 1,000 kilometers east and west and 400 kilometers north and south. Okinawa Electric Power maintains its own electric line system without any linkage to that of any other electric power company based in mainland Japan. The OEPC electric line system divides into smaller systems for remote islands.**

| | |
|---|---|
| Established | May 15, 1972 |
| Capital | ¥7,586 million |
| Shareholders | 7,357 |
| Total assets | ¥400.932 billion (Non-consolidated)<br>¥421.824 billion (Consolidated) |
| Sales<br>(FY 2014) | ¥177.509 billion (Non-consolidated)<br>¥185.001 billion (Consolidated) |
| Employees | 1,532 (Consolidated：2,580) |

| | |
|---|---|
| Security code | 9511 |
| Service area | Okinawa Prefecture |
| Customers | Lighting 830 thousand units<br>Power 60 thousand units<br>Total 891 thousand units |
| Electricity sales<br>(FY 2014) | Lighting 2,917 million kWh<br>Power 4,614 million kWh<br>(Deregulated demand 1,257million kWh)<br>Total 7,531million kWh |
| Generating facilities | Steam-power generators<br>5 locations 1,629 thousand kW<br>(Oil 2 locations 375 thousand kW)<br>(Coal 2 locations 752 thousand kW)<br>(LNG 1 locations 502 thousand kW)<br>Gas turbine generators<br>5 locations 326 thousand kW<br>Internal-combustion power generators<br>13 locations 180 thousand kW |

(as of March 31, 2015)

## Ratings

| Rating agency | S&P | Moody's | R&I | JCR |
|---|---|---|---|---|
| Rating | AA－ | A1 | AA | AAA |
| Outlook (direction) | Negative | Stable | Stable | Stable |

* Ratings on long-term preferred debts as of April 30, 2015

# Financial Results for FY2014
## (Year-on-Year Comparison)

(Unit: million yen, X)

| | Consolidated (A) | | | Non-consolidated (B) | | | (A) / (B) | |
|---|---|---|---|---|---|---|---|---|
| | FY2013 (Results) | FY2014 (Results) | Rate of Change | FY2013 (Results) | FY2014 (Results) | Rate of Change | FY2013 (Results) | FY2014 (Results) |
| Sales | 179,266 | 185,001 | +3.2% | 172,059 | 177,509 | +3.2% | 1.04 | 1.04 |
| Operating income | 8,693 | 9,479 | +9.0% | 6,788 | 7,525 | +10.8% | 1.28 | 1.26 |
| Ordinary income | 6,936 | 7,638 | +10.1% | 5,207 | 5,720 | +9.9% | 1.33 | 1.34 |
| Net income | 4,731 | 4,943 | +4.5% | 3,917 | 3,960 | +1.1% | 1.21 | 1.25 |

### Increase in Sales, Increase in Income (Consolidated and Non-consolidated)

【Revenue】

- Increase in Electricity sales from the Fuel cost adjustment system in Electric business.
- Increase in Electricity sales due to increase in Renewable Energy Power Promotion Surcharge in Electric business.
- Increase in Grant under Act on Purchase of Renewable Energy Sourced Electricity due to increase in purchased power volume of renewable energy sourced electricity in Electric business.

【Expenditure】

- Increase in Fuel costs in Electric business.
- Increase in Purchased power costs due to increase in purchased power volume of renewable energy sourced electricity in Electric business.
- Decrease in Depreciation costs and Noncurrent assets retirement costs in Electric business.

# Annual Outlook Summary FY2015

(Unit: million yen, X)

| | Consolidated (A) | | | | Non-consolidated (B) | | | | (A)/(B) | |
|---|---|---|---|---|---|---|---|---|---|---|
| | FY2014 (Results) | FY2015 (Forecast) | Rate of Change | 【Reference】 FY2015 1st half (Forecast) | FY2014 (Results) | FY2015 (Forecast) | Rate of Change | 【Reference】 FY2015 1st half (Forecast) | FY2014 (Results) | FY2015 (Forecast) |
| Sales | 185,001 | 183,700 | -0.7% | 96,800 | 177,509 | 174,700 | -1.6% | 92,600 | 1.04 | 1.05 |
| Operating income | 9,479 | 7,400 | -21.9% | 6,700 | 7,525 | 5,800 | -22.9% | 6,400 | 1.26 | 1.28 |
| Ordinary income | 7,638 | 5,400 | -29.3% | 5,700 | 5,720 | 4,000 | -30.1% | 5,600 | 1.34 | 1.35 |
| Net income | 4,943 | 3,900 | -21.1% | 4,400 | 3,960 | 3,200 | -19.2% | 4,400 | 1.25 | 1.22 |

**Decrease in Sales, Decrease in Income (Consolidated and Non-consolidated)**

【Revenue】

- Decrease in electricity sales in Electric business.
- Increase in Sales to outside customers in consolidated subsidiaries.

【Expenditure】

- Decrease in Fuel costs and Depreciation costs in Electric business.
- Increase in Purchased power costs in Electric business.
- Increase in Operating expenses in consolidated subsidiaries.

# Electric Energy Demand (FY2014 Results)

## Electricity sales volume (Result)

(Unit: Million kWh, %)

| | | FY2013 Results | 2014 Plans | 2014 Results | 2014 Performance Against plans | YoY Rate of Change |
|---|---|---|---|---|---|---|
| Lighting | | 2,955 | 2,693 | 2,917 | 98.5 | -1.3 |
| Power | | 4,601 | 4,601 | 4,614 | 100.3 | 0.3 |
| Total | | 7,556 | 7,564 | 7,531 | 99.6 | -0.3 |
| Reference | Consumer use | 6,256 | 6,256 | 6,207 | 99.2 | -0.8 |
| | Industrial use | 1,300 | 1,308 | 1,324 | 101.2 | 1.8 |
| | Large industrial power (Restated) | 856 | 865 | 878 | 101.5 | 2.6 |

**(Lighting)**

- Although number of customers increased, the demand for Lighting decreased Year-on-Year due to typhoons and lower temperature in summer compared with previous year.

**(Power)**

- The demand for Power increased Year-on-Year due to a rise in demand in the cement industries compared with previous year.

**(Total)**

- As above, the total demand was 7,531 million kWh, and decreased from the previous year.

## Power Generation Infrastructure and Power Generated and Received

(Unit: thousand kW、million kWh)

| | | FY2013 Electricity generated | FY2013 Com-position ratio | FY2014 Electricity generated | FY2014 Com-position ratio | FY2014 Maximum output | FY2014 Com-position ratio |
|---|---|---|---|---|---|---|---|
| OEPC | Coal | 4,448 | 52.3% | 4,078 | 48.2% | 752 | 30.7% |
| | Oil | 1,255 | 14.8% | 1,121 | 13.2% | 846 | 34.6% |
| | LNG | 1,051 | 12.3% | 1,562 | 18.5% | 537 | 21.9% |
| | Total | 6,754 | 79.4% | 6,761 | 79.9% | 2,135 | 87.2% |
| Other company (coal) | | 1,578 | 18.5% | 1,406 | 16.6% | 312 | 12.8% |
| Other | | 174 | 2.1% | 293 | 3.5% | — | — |
| Total | | 8,506 | 100.0% | 8,460 | 100.0% | 2,447 | 100.0% |

**<Power Generation Infrastructure>**

- The maximum electric power output decreased 298,755 kW
  - Makiminato power plant No.5-8 : -340,000kW
  - Miyako power plant No.5,6,9 : -9,000kW
  - Yoshinoura multi gas turbine power plant : +35,000kW
  - Miyako Daini power plant No.5 : +15,000kW
  - Aguni retractable wind-power No.1 : +245kW

**<Power Generated and Received>**

- Power generated and received was down 0.5% Year-on-Year.
- Ratio of LNG thermal power was up 6.2 points.
- Ratio of coal-fired thermal power generated by ourselves was down 4.1 points, and ratio of oil-fired thermal power generated by ourselves was down 1.6 points.
- Ratio of coal-fired thermal power generation including those purchased from other company was 64.8%.

# Electric Energy Demand(FY2015 and Long-term Outlook)

## Electricity sales volume (FY2015 Outlook)

(Unit: Million kWh, %)

| | | FY2014 Results | FY2015 Forecast | YoY Rate of Change |
|---|---|---|---|---|
| Lighting | | 2,917 | 2,968 | 1.7 (2.1) |
| Power | | 4,614 | 4,674 | 1.3 (1.9) |
| Total | | 7,531 | 7,642 | 1.5 (2.0) |
| Reference | Consumer use | 6,207 | 6,291 | 1.3 (2.0) |
| | Industrial use | 1,324 | 1,351 | 2.1 (1.8) |
| | Large industrial power (Restated) | 878 | 903 | 2.9 (2.6) |

Note: Figures in parentheses are adjusted for the influence of temperature and leap year (Provisional value).

**(Lighting)**

- The demand is expected to exceed the previous year due to the increase in the number of customers and the spread of all-electric houses.

**(Power)**

- The demand is expected to exceed the previous year due to a rise in demand in the steel and cement industries associated with large constructions in large industrial power in addition to the increase in commercial facilities and accommodation facilities in industrial use.

**(Total)**

- As above, the total demand is expected to increase to 7,642 million kWh, which is expected to exceed the previous year.

## Electricity sales volume (Long-term Outlook)

(Unit: Million kWh, %)

| | | FY2003 Results | FY2013 Results | FY2024 Forecast | 2003-2013 Annual average growth rate | 2013-2024 Annual average growth rate |
|---|---|---|---|---|---|---|
| Lighting | | 2,808 | 2,955 | 3,124 | 0.5 (0.6) | 0.5 (0.6) |
| Power | | 4,348 | 4,601 | 5,007 | 0.6 (0.8) | 0.8 (0.9) |
| Total | | 7,156 | 7,556 | 8,131 | 0.5 (0.8) | 0.7 (0.8) |
| Reference | Consumer use | 5,871 | 6,256 | 6,757 | 0.6 (0.9) | 0.7 (0.8) |
| | Industrial use | 1,285 | 1,300 | 1,374 | 0.1 (0.2) | 0.5 (0.5) |
| | Large industrial power (Restated) | 872 | 856 | 910 | -0.2 (-0.2) | 0.6 (0.6) |

Note: Figures in parentheses are adjusted for the influence of temperature.

**(Lighting)**

- The demand is expected to increase due to an increasing number of customers along with population growth and the spread of all-electric houses.

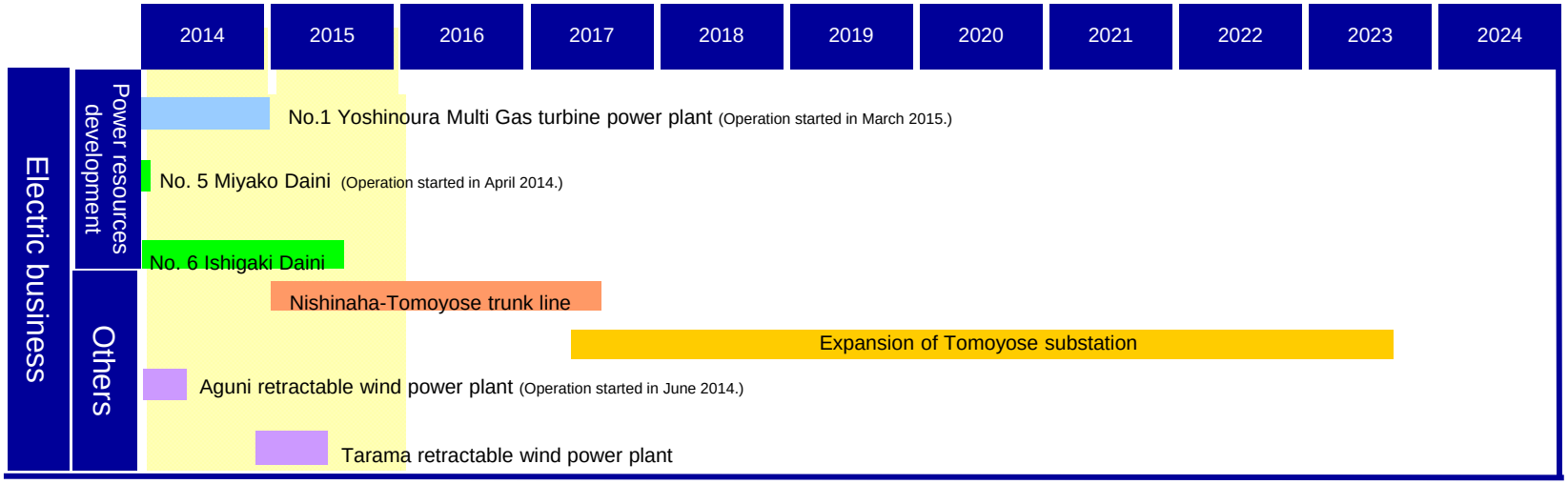
**(Power)**

- The demand is expected to increase due to an increasing number of accommodation facilities and commercial facilities for growing tourists as well as due to an increasing demand for daily living for growing population (food manufacturing and water utility industries) .

**(Total)**

- As above, the total demand is expected to increase to 8,131 million kWh.

# Capital Expenditures Plan(Electric Business I)




Note 1) Power resources development cases listed above are those plants that have more than 10,000 kW generating capacity and started operating in FY2014 or are expected to start operating within 10 years from FY2015 for the Main island, and five years for remote islands.

Note 2) Power distribution facilities listed above have more than 132kV working voltage, and started operating in FY2014 or are expected to start operating within 10 years from FY2015.

## [Capital investment amount]

- When implementing a capital investment plan, OEPC ensures that cost reduction measures are put in place at each level of design, contract and construction with an aim to improve efficiency further.
- As a result, the FY2015 capital investment amount is expected to be 24.8 billion yen.

(Unit: billion yen)

| By facility \ Fiscal year | | 2014 (Results) | 2015 | 2016 |
|---|---|---|---|---|
| Power resources | | 10.9 | 3.7 | 4.6 |
| Supply facilities | Transmission | 3.7 | 9.6 | 8.1 |
| | Transformation | 3.7 | 3.6 | 3.1 |
| | Distribution | 5.8 | 6.2 | 8.0 |
| | Subtotal | 13.3 | 19.4 | 19.1 |
| Others | | 0.2 | 1.7 | 0.4 |
| Total | | 24.5 | 24.8 | 24.2 |

# Capital Expenditures Plan (Electric Business II)

## Demand-supply balance of maximum electric power (August)

(Unit : Thousand kW, %)

| | | 2014 【Result】 ※1 | 2016 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Demand-supply balance | Peak load | 1,396 | 1,427 | 1,432 | 1,437 | 1,443 | 1,453 | 1,463 | 1,472 | 1,482 | 1,491 | 1,503 |
| | Supply capacity | 2,180 | 2,149 | 2,220 | 2,161 | 2,152 | 2,110 | 2,207 | 2,066 | 2,207 | 2,212 | 2,211 |
| | Reserve supply capacity | 784 | 722 | 788 | 724 | 709 | 657 | 744 | 594 | 725 | 721 | 708 |
| | Reserve supply rate | 56.2 | 50.6 | 55.0 | 50.4 | 49.1 | 45.2 | 50.9 | 40.4 | 48.9 | 48.4 | 47.1 |

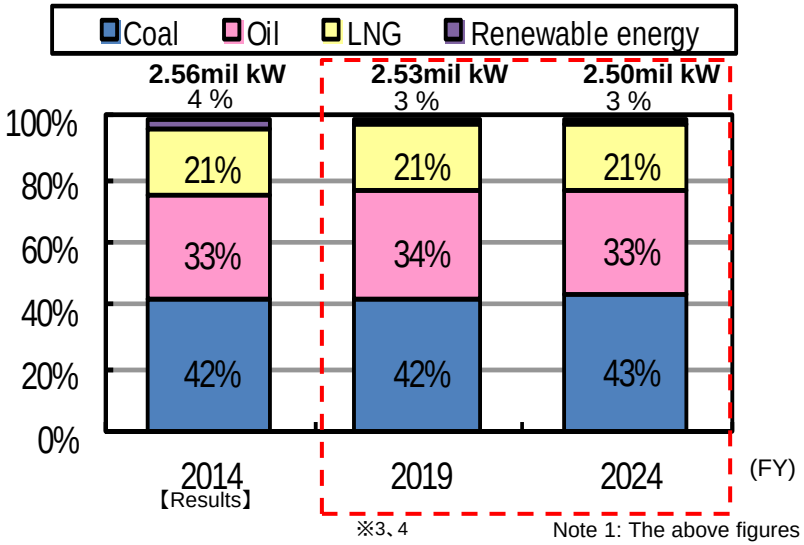
※2、3

Note1 :As for 2014,the July was described above, when the maximum three-day average electricity took place.

Note2 : The supply capacity, reserve capacity and reserve margin in/after 2017 is made “not determined” in the supply plan for 2015, because the connection volume of solar power generation facilities is not estimated.

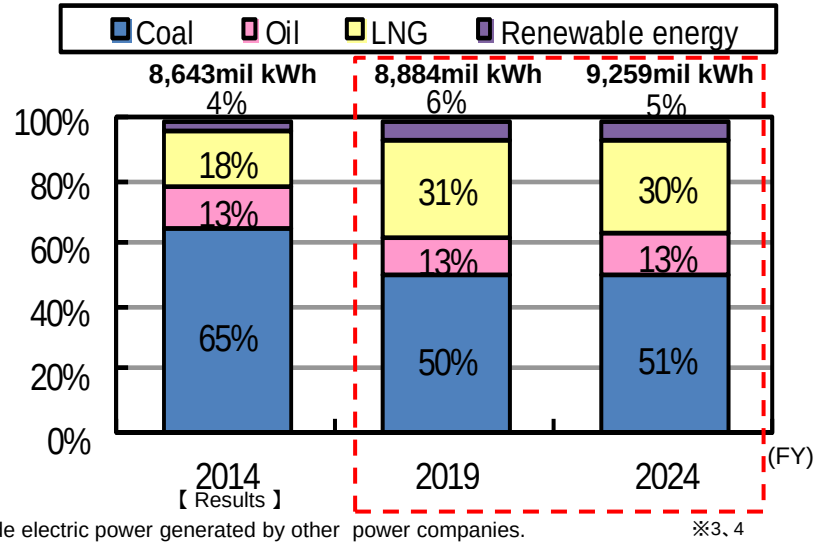
Note3 : As for 2017 and later, figures calculated using the connection available volume the Company disclosed at present as an upper limit are described

### Composition ratio of plant facilities for the year-end




※3、4

### Composition ratio of generated power energy




※3、4

Note 1: The above figures include electric power generated by other power companies.

Note 2: The above figures may not exactly match the total figures because of rounding.

Note 3: The composition ratio of plant facilities for the year end and generated power energy in/after 2017 is made “not determined” in the supply plan for 2015, because the connection volume of solar power generation facilities is not estimated.

Note 4: As for 2019 and 2024, figures calculated using the connection available volume the Company disclosed at present as an upper limit are described.

# Business environment and challenges

| Item | Overview |
|---|---|
| Demand for Electric power | Due to increase in population and tourists, demand will be estimated to increase. |
| Supply capacity | Supply capacity is sufficiently secured. Large-scale power development is not planned for the foreseeable future. |
| Capital expenditure | Without large-scale power development, capital expenditure is within the range of depreciation costs. |
| Profitability | Due to shift from coal to LNG, burden of fuel cost reduces profit. |
| Cash flow | Due to decrease in capital expenditure, a certain level of free cash flow will be secured. |
| Capital composition | Equity capital is secured at the level necessary for financial stability. Concern about increase of Interest-bearing debt is diminishing. |

**Short-term**

- ◆ Recovery of profitability in Electric business, responses to the change in the fuel composition
  - Thorough reduction of costs: To promote additional thorough cost reduction and operational streamlining without sanctuary
  - Cultivating demand extensively : To strengthen strategic sales activities and deeply exploit new and potential demands
- ◆ Steady promotion of total energy business and strengthening of the base

**Mid, and long-term**

- ◆ Consideration of mid- and long term business risk and financial objectives
  - To secure appropriate level of profits and achieve sound and sustainable growth
  - Efforts for the improvement of capital efficiency
  - Capital policy conscious of corporate governance

# Improving Operational Efficiency

## Initiatives for improving operational efficiency

- Given that a very severe income/expense condition is expected to continue, OEPC has been making efforts to reduce all costs to the maximum extent. Key cost reduction measures are as follows:
  - Reducing fuel costs by shifting AFC operation*, which has been conducted at oil-fired power plants, to the Yoshinoura Thermal Power Plant whose energy source is LNG as much as possible.

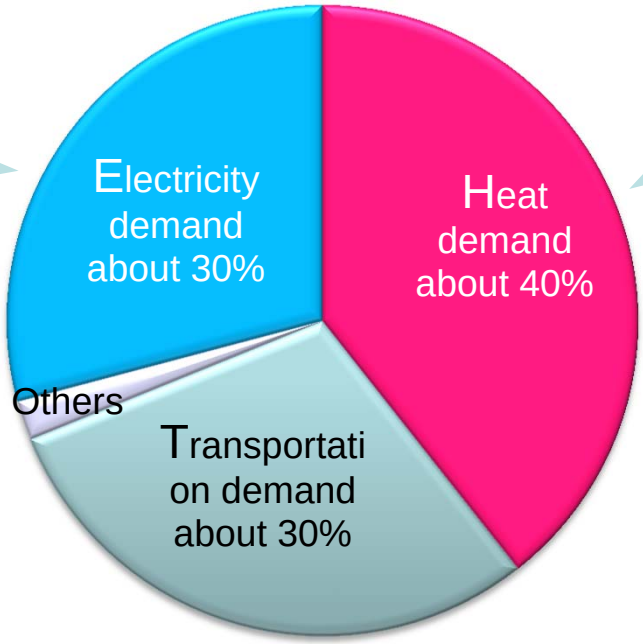
    * AFC operation “Automatic Frequency Control”
  - Reducing fuel costs through such measures as spot purchase in light of fuel market conditions, continued use of subbituminous coal, and cutback in transportation cost.
  - Reduce costs, on the condition that stable supply is ensured, through planned renovations from the perspective of medium-term streamlining.
  - Reduction in procurement costs of materials and equipment by utilizing joint procurement, etc. proactively.
  - Cultivating demand extensively through the electricity business, the gas supply business and the provision of total energy services.
- In addition to these existing measures, OEPC will steadily continue to implement medium to long-term measures for efficiency improvement over the overall costs, and to consider and carry out additional thorough measures for cost reduction and operational streamlining without sanctuary.
  - Continued implementation of AFC operation at Yoshinoura Thermal Power Plant.
  - Study for achievement of the higher ratio of subbituminous coal use, etc.

# Development of Total Energy Services (1/4)

## Status of final energy usage and new market needs in Okinawa Prefecture

**Share of the Company's group**

The Company currently accounts for about 30% of the final energy consumption in Okinawa.




For aiming at sustained growth, focusing on exploiting the field of heat demand to which we have ever had little connection.

**Customer needs in the field of heat demand**

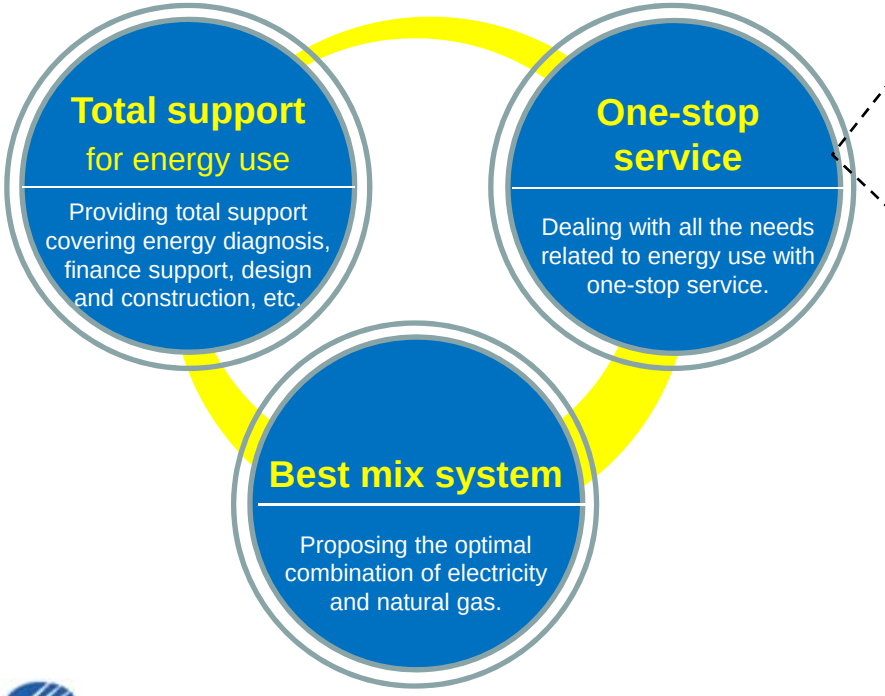
- Proposing how to use electricity efficiently.
- Utilizing natural gas which is superior from the aspect of environment and safety.

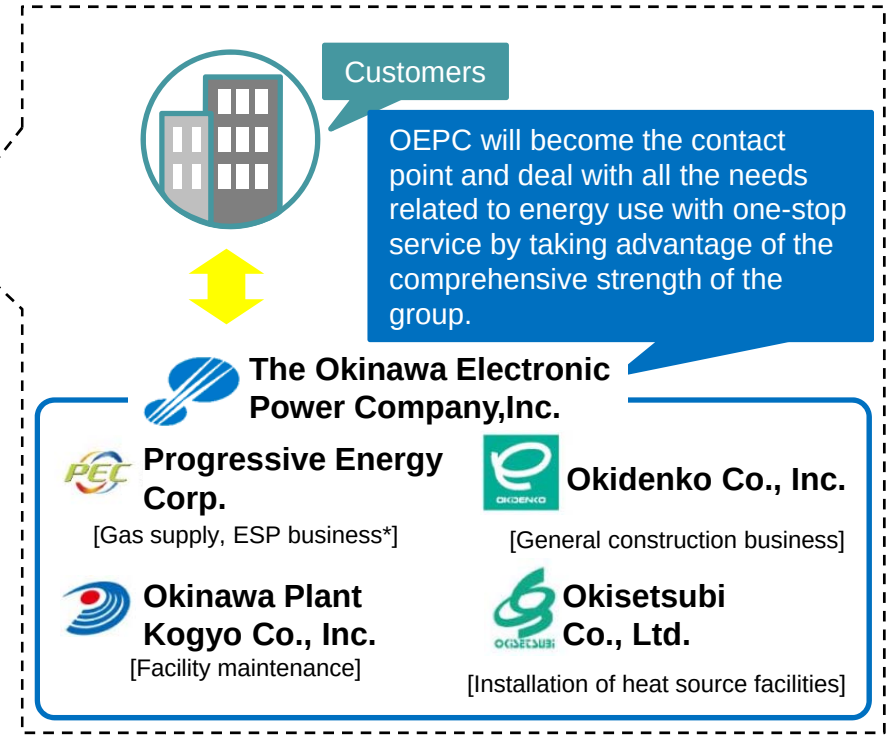
Promoting our efforts for the total energy services, which shall lead to the expansion of demand, by newly adding the natural gas to our product line of electricity, targeting at the customers such as factories, hotels, hospitals, shopping centers, etc. which have used heat as energy a lot.

# Development of Total Energy Services (2/4)

## Total energy services provided by the Company's group

For aiming to expand the needs in the field of heat demand, OEPC group will promote the total energy services so as to deal with diversified and sophisticated needs from customers.



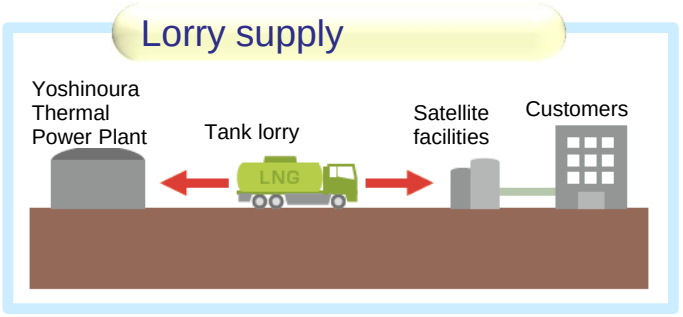

* ESP (Energy service provider) business: The business to carry out the possession, operation and management of heat source facilities, etc. on behalf of customers.

# Development of Total Energy Services (3/4)

## Gas supply business

### (1) LNG supply business

Supplying LNG by lorry to the users (satellite facilities) which are located in remote places from Yoshinoura Thermal Power Plant.
* Case of the site of the former Awase Meadows Golf Course

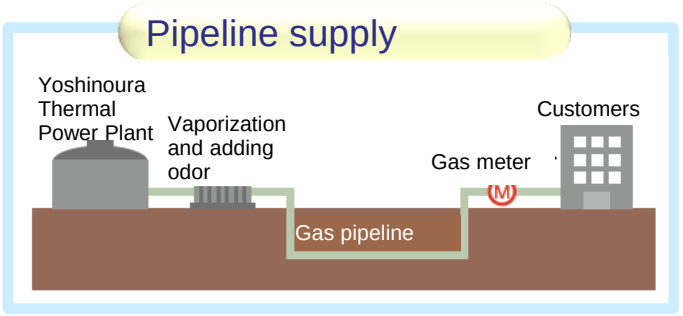



### (2) Gas pipeline supply business

Being scheduled to launch the gas supply business by using pipeline to major customers located near Yoshinoura Thermal Power Plant from FY2015.

### (3) Gas wholesale supply business

Being scheduled to launch the gas wholesale supply business to the only general gas utility in Okinawa Prefecture from FY2015



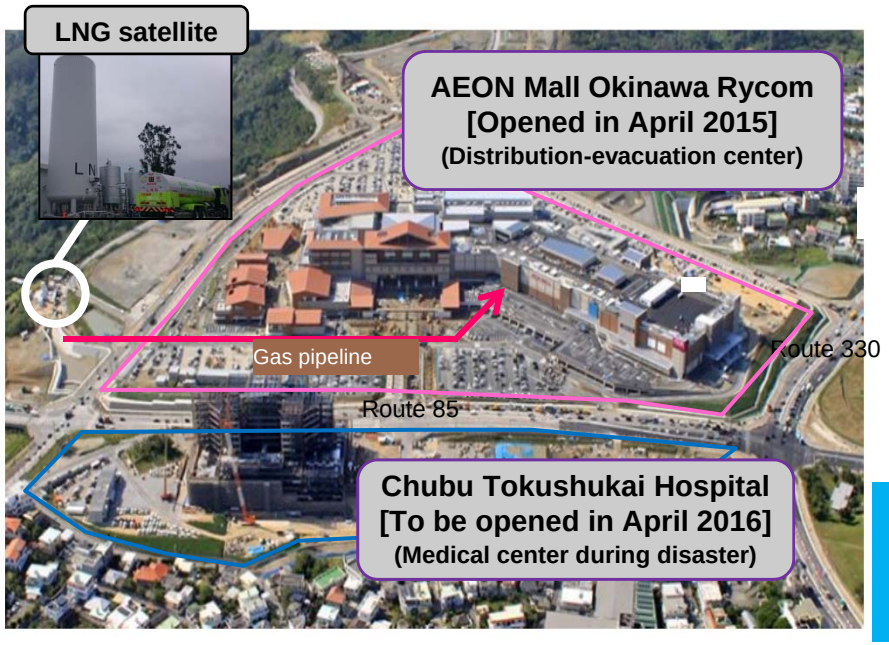

**OEPC has launched the LNG supply business by lorry since April 2015 as the first step toward a provider of total energy services.**

【Satellite facilities】

【Tank lorry】

# Development of Total Energy Services (4/4)

## Case of total energy services (the site of the former Awase Meadows Golf Course)




Developing the total energy services to the AEON Mall which is the core facility.

- Improving power supply security by providing two-line supply.
- Proposing the air conditioning system with the best mix of electricity and gas.
- Providing finance support such as grant application, etc.
- Carrying out operation and maintenance of energy facilities.

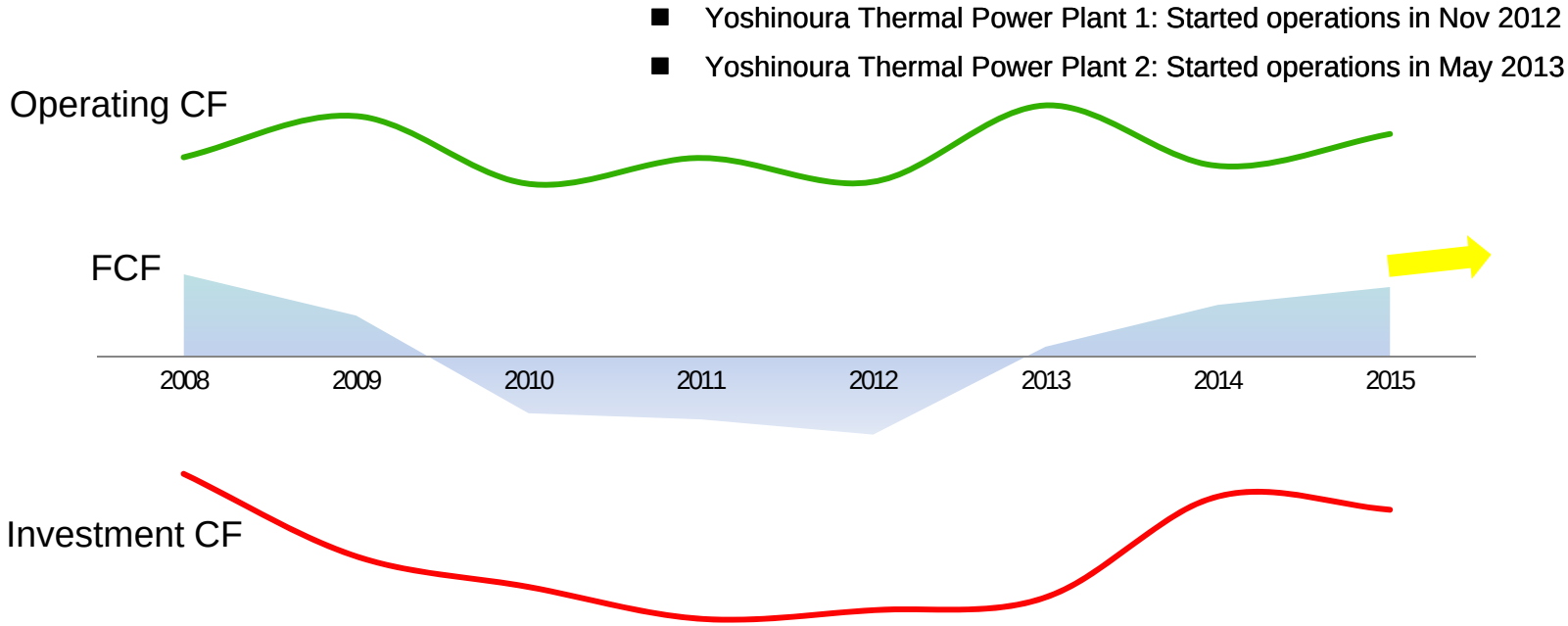
**Supplying a wide variety of energy, such as power and air conditioning by our group**
**※Scheduled to supply them to neighboring facilities to be built**

**Reference: Outline of development of the site of the former Awase Meadows Golf Couse.**

- ✓ Development of about 48 hectares of returned land from the US military facilities, situated at Kitanakagusuku village in the middle of the main island of Okinawa.
- ✓ Kitanakagusuku village is developing the land as a regional disaster prevention center, taking advantage of the location 100 m above sea level.
- ✓ Okinawa Electric Power Group supports Kitanakagusuku village, which is a local government, AEON Mall Okinawa Rycom and Chubu Tokushukai Hospital in their initiatives to create the community that is resilient to disasters.

# Outlook of Cash Flow

- Free cash flow (FCF) was negative from FY2010 to FY2012 from the fact that Investment CF increased due to the increase in capital expenditures for the construction of Yoshinoura Thermal Power Plant.
- From FY2013 onward, FCF has rebounded upward since the capital expenditures, which had tended to increase for the construction of Yoshinoura Thermal Power Plant, have been greatly reduced, and such like that.
- Despite stagnant operating cash flow, free cash flow is expected to grow, since large-scale capital expenditure in power source is not planned for the foreseeable future.



# Characteristics of the Business Bases

| | |
|---|---|
| Demand for Electric Power | ◆ Increasing demand due to population growth.<br>◆ As the proportion of energy for consumer use is high, effects of economic fluctuations are low.<br>◆ The prefectural economy has been growing sustainably thanks to the implementation of Okinawa promotion measures. |
| Competition | ◆ OEPC is outside the framework of wide-area power interchange because it has an isolated system.<br>◆ Most of privately-generated power is for captive consumption, so no excess power resources are available.<br>◆ Demand sizes are small. |
| Electric Power Generation Facilities | ◆ A high reserve supply capacity is required due to an isolated system<br>◆ Reliant on fossil fuels only due to difficulties to develop nuclear or hydraulic power generation. |
| Fuel | ◆ As fossil fuels are the only fuels used, high commodity prices exert a great influence. |
| Remote Islands | ◆ The fuel cost accounts for a large portion of the total cost. This high cost structure has led to constant loss recording. |
| The Environment | ◆ Dependent on fossil fuels with a high environmental burden. |

# Electricity System Reform

- In April 2013, the Cabinet endorsed the “Policy on Electricity System Reform” that set the direction for the full-scale liberalization of the electricity retail market and the separation of power production from power distribution/transmission.
- Based on this policy, the “Act for Partial Revision of the Electricity Business Act” enacted in November 2013 sets forth that the reform will be implemented in three stages while in-depth review will be conducted in each stage to resolve issues and take necessary measures based on the results of such review. This act also sets forth that “measures based on the special nature of the electric power business in the Okinawa region” will be implemented for Okinawa.
- The fourth meeting of the System Planning Working Group was held on December 9, 2013 under the Electricity Systems Reform Subcommittee, the Strategic Policy Committee, the Advisory Committee for Natural Resources and Energy. Regarding the direction of the electricity system reform in the Okinawa region, the working group decided to implement the full-scale liberalization of the electricity retail market in the same manner as in the Japan’s mainland, and positioned legal separation as an issue to be addressed in the future. The working group also decided to discuss actions toward the diversification of buyers of electricity from wholesale power suppliers.

## Purpose of electricity system reform

1. Securing stable supply
2. Keeping down electricity rates to the maximum extent
3. Providing consumers with more choices

## Main system reforms

- **Expanding operations of wide-area electrical grids**
- **Fully liberalizing electricity retail market**
- **Securing neutrality of power transmission/ distribution sector**

## Reform program

| Details | Implementation date | Bill submission date |
|---|---|---|
| [First stage] Establishing a wide-area operation facilitation body | Established on April 1, 2015 | Enacted on November 13, 2013 |
| [Second stage] Fully liberalizing entry to electricity retail business | Targeted for 2016 | Enacted on June 11, 2014 |
| [Third stage] Implementing legal separation to further enhance neutrality of power transmission/distribution sector, and fully liberalizing retail electricity rates | Targeted for 2020 | Being submitted to the ordinary Diet session in 2015 |

- For full liberalization of the electricity retail market, OEPC will take an appropriate action as an electric utility company, taking it as given that more choices would offer benefits to customers.
- As for efforts to diversify buyers of electricity from wholesale power suppliers, OEPC takes seriously the direction toward having wholesalers play an active role in the Okinawa region, and will cooperate in discussing the development of competitive environments while ensuring stable electricity supply.
- In any event, OEPC will take an appropriate step to realize an electricity system that would be truly beneficial for customers, taking into consideration the special nature of the electricity business in the Okinawa region.

# Stock Split

1. Objective
Return profits to stockholders and heighten liquidity of shares of the Company

2. Manner of split
To conduct stock split at a rate of “1.5-for1 (1.5 stocks will be allotted for each common stock)”

3. The number of shares that will increase by split

| | |
|---|---|
| The number of outstanding shares before split | 17,524,723 |
| The number of shares that will increase by split | 8,762,361 |
| The number of outstanding shares after split | 26,287,084 |
| The number of authorized shares of the Company after split | 45,000,000 |

4. Schedule of split
Record Date: May 31, 2015
Effective Date: June 1,2015

＜Reference: Trend of stock split＞

| Date | Number of outstanding shares | Ratio |
|---|---|---|
| 1992.02.10 | 14,728,132 | Stock listing |
| 1995.11.20 | 14,875,413 | 1：1.01 |
| 1999.05.25 | 15,172,921 | 1：1.02 |
| 2005.05.20 | 15,931,567 | 1：1.05 |
| 2007.04.01 | 17,524,723 | 1：1.10 |
| 2015.06.01 | 26,287,084 | 1：1.50 |

5 Others
①Change of Article of Incorporation Authorized shares of the Company: 30,000,000 ⇒ 45,000,000
②Expected dividend for the Fiscal year ending Mar, 2015 At the end of 2nd quarter 30 yen per share
End of the fiscal year 30 yen per share

We are expecting an effective dividend increase by maintaining the dividend distribution of 60 yen per annum.

This document includes statements concerning future results. Such statements are based on calculations and predictions and are neither definite nor guaranteed. Please be aware that future results may change in accordance with changes in assumptions related to the management environment and the like.

【Enquiries regarding this document】

Finance Section, Accounting & Finance Department
Okinawa Electric Power Company, Inc.
TEL： +81-98-877-2341 FAX： +81-98-879-1317
Email：ir@okiden.co.jp