

# **Summary of the Settlement of Accounts for FY2016 2nd Quarter**

**(April 1 – September 30, 2016)**

**October 28, 2016**



**The Okinawa Electric Power Company, Inc.**



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# Financial Results for FY2016 2Q YTD (Year-on-Year Comparison)

(Unit: million yen, X)

	Consolidated (A)			Non-consolidated (B)			(A) / (B)	
	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Rate of Change	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Rate of Change	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)
Sales	96,679	95,680	-1.0%	93,821	93,292	-0.6%	1.03	1.03
Operating income	6,774	10,534	+55.5%	6,644	10,534	+58.6%	1.02	1.00
Ordinary income	5,858	9,719	+65.9%	5,935	9,887	+66.6%	0.99	0.98
Net income	4,587*	7,566*	+64.9%	4,732	7,802	+64.9%	0.97	0.97

\* Net income attributable to owners of parent.

## Consolidated and Non-consolidated : Decrease in Sales, Increase in Income (the first time in 7 years)

### 【Revenue】

- Decrease in Sales due to decrease in income from the Fuel cost adjustment system in Electric business.
- Increase in Sales due to increase in Electricity sales volume in Electric business.

### 【Expenditure】

- Decrease in Fuel costs in Electric business.
- Increase in Repair and maintenance costs in Electric business.

# Trends in Electricity Sales Volume

## Electricity Sales Volume

(Unit: million kWh %)

	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change	Rate of Change
Lighting	1,562	1,686	+124	+7.9
Power	2,551	2,562	+11	+0.4
Total	4,113	4,248	+135	+3.3

### <Lighting>

The demand for Lighting increased Year-on-Year due to increase of new customers and higher temperature compared with previous year.

### <Power>

Although demand of petroleum industry and steel industry decreased, the demand for Power remained almost unchanged from the same period of the previous year due to higher temperature compared with previous year.

## ■ Power Generation Infrastructure and Power Generated and Received

(Unit: thousand kW, million kWh)

		FY2015 2Q YTD		FY2016 2Q YTD			
		Electricity generated	Com-position ratio	Electricity generated	Com-position ratio	Maximum output	Com-position ratio
OEPC	Coal	1,784	40.3%	2,078	45.7%	752	30.5%
	Oil	584	13.2%	573	12.6%	864	35.0%
	LNG	915	20.7%	838	18.4%	537	21.8%
	Total	3,283	74.2%	3,489	76.7%	2,153	87.3%
	Other company (coal)	930	21.0%	819	18.0%	312	12.7%
	Other	210	4.8%	242	5.3%	-	-
	Total	4,423	100.0%	4,550	100.0%	2,465	100.0%

### <Power Generation Infrastructure>

- The maximum electric power output decreased 1,090 kW

Tarama retractable wind-power No.1,2 : +490kW  
 Yonaguni wind-power No.2 : -600kW  
 Minamidaito power plant No.1,4 : -600kW  
 Aguni power plant No.3,5 : -300kW  
 Shin tarama power plant No.1 : -80kW

### <Power Generated and Received>

- Power generated and received was 4,550 million kWh, up 2.9% Year-on-Year.
- Ratio of OEPC's coal-fired thermal power was up 5.4 points Year-on-Year.
- Ratio of LNG-fired thermal power was down 2.3 points Year-on-Year.



# Non-Consolidated - Factors in Revenue and Expenditure Changes

(Unit: million yen)

		FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change	Rate of change	Main factors in changes	
Ordinary revenues	Lighting	39,189	40,122	+933	+2.4%	[Electricity sales] Electricity sales volume +3,312 Fuel cost adjustment system -8,268 Renewable Energy Power Promotion Surcharge +2,909	
	Power	48,148	45,113	-3,034	-6.3%		
	Electricity sales	87,337	85,236	-2,101	-2.4%		
	Grant under Act on Purchase of Renewable Energy Sourced Electricity	5,528	6,745	+1,216	+22.0%		
	Other income	1,513	1,844	+330	+21.9%		Gas supply business revenue +526
	(Sales)	(93,821)	(93,292)	(-528)	(-0.6%)		
Total		94,379	93,826	-553	-0.6%		
Ordinary expenses	Personnel costs	8,389	8,603	+213	+2.5%	Retirement benefits +327 Salary and benefits -87	
	Fuel costs	26,515	18,980	-7,534	-28.4%	CIF -3,890 initial inventories -2,822 Exchange rate -1,934 Quantity factor +1,174	
	Repair and maintenance costs	7,403	8,329	+926	+12.5%	Thermal power +515 Distribution +303	
	Depreciation costs	13,013	12,213	-799	-6.1%	Thermal power -502 General -216	
	Purchased power costs	14,900	14,542	-357	-2.4%	Thermal power -1,413 Solar power +967	
	Interest expenses	1,213	1,057	-156	-12.9%	Average balance -87 Average rate -68	
	Tax and other public charges	3,574	3,586	+11	+0.3%	Electric power development promotion tax +65 Enterprise tax -31 Fixed property tax -24	
	Levy under Act on Purchase of Renewable Energy Sourced Electricity	5,386	8,295	+2,909	+54.0%		
	Other expenses	8,047	8,328	+281	+3.5%	Gas supply business expenses +472 Waste disposal expenses +114 Supplies expenses -296	
(Operating expenses)		(87,177)	(82,758)	(-4,418)	(-5.1%)		
Total		88,444	83,938	-4,506	-5.1%		
(Operating income)		(6,644)	(10,534)	(+3,890)	(+58.6%)		
Ordinary income		5,935	9,887	+3,952	+66.6%		
Income before income taxes		5,935	9,887	+3,952	+66.6%		
Income taxes		1,202	2,085	+882	+73.4%		
Net income		4,732	7,802	+3,069	+64.9%		

# Non-Consolidated -Trends in Data and Effects of Changes

## ■ Main Data

		FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)
Crude oil CIF price	\$/bbl	58.9	43.8
Coal CIF price	\$/t	70.3	61.6
Exchange rate	Yen/\$	121.9	105.2

## ■ Effects of Changes

(Unit: 100 million yen)

		FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)
Crude oil CIF price *1,2	1\$/bbl	2.4	2.0
Coal CIF price *1	1\$/t	1.1	1.0
Exchange rate *1	1Yen/\$	1.8	1.4
Electric energy demand	1%	3.2	3.8
Interest rate	1%	0.1	0.1

\*1 Figures for effects of changes do not include data of Purchased power costs.

\*2 Includes the effect of LNG.



# Consolidated - Factors in Revenue and Expenditure Changes

(Unit: million yen)

	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change	Rate of change
Sales	96,679	95,680	-999	-1.0%
Operating income	6,774	10,534	+3,759	+55.5%
Ordinary income	5,858	9,719	+3,860	+65.9%
Net income*	4,587	7,566	+2,979	+64.9%

\* Net income attributable to owners of parent.

## ■ By Segment (before eliminating internal transactions)

(Unit: million yen)

	Electric business	Other
Sales	93,292	18,515
(YoY change)	(-528)	(+1,230)
Sales to outside customers out of total	92,511	3,168
(YoY change)	(-1,059)	(+59)
Operating income	10,534	81
(YoY change)	(+3,890)	(+110)

(Unit: million yen)

## ■ Sales : 95,680 (-999)

- Decrease in Sales in Electric business.

## ■ Operating income : 10,534 (+3,759)

【 Factor for increase 】

- Decrease in Fuel costs in Electric business.

【 Factor for decrease 】

- Decrease in Sales in Electric business.
- Increase in Repair and maintenance costs in Electric business.

## ■ Ordinary income : 9,719 (+3,860)

## ■ Net income\* : 7,566 (+2,979)

By segment

- In “Other” segment, Sales increased due to increase in construction orders from Electric business, and increased due to increase in sales in gas supply business.



# Financial Results of each Company

(Unit: million yen)

		Sales			Operating income			Ordinary income			Net income		
		FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change
The Okinawa Electric Power Co.,Inc.		93,821	93,292	-528	6,644	10,534	+3,890	5,935	9,887	+3,952	4,732	7,802	+3,069
Other	Okidenko Co.,Inc.	6,773	7,465	+692	-47	21	+68	-1	79	+80	-0	56	+57
	Okiden Kigyo Co.,Inc.	2,011	2,259	+247	-35	37	+73	-13	56	+69	-33	42	+75
	Okinawa Plant Kogyo Co.,Inc.	3,948	4,138	+190	-124	-85	+38	-112	-73	+39	-49	-32	+16
	Okinawa Denki Kogyo Co.,Inc.	637	423	-214	83	41	-42	97	54	-43	63	43	-20
	Okiden Kaihatsu Co.,Inc.	1,599	1,483	-115	157	152	-5	152	146	-5	98	95	-2
	The Okiden Global Systems Co.,Inc.	679	749	+69	-41	-88	-46	-37	-84	-46	-21	-55	-34
	Okinawa Enetech Co.,Inc.	364	267	-96	11	-27	-38	15	-25	-41	9	-17	-26
	Okinawa New Energy Development Co.,Inc.	201	215	+13	-117	-72	+44	-125	-80	+45	-78	-51	+27
	Okisetsubi Co.,Ltd.	306	423	+117	-45	-33	+12	-45	-31	+13	-29	-13	+16
	First Riding Technology,Inc.	653	652	-0	143	131	-12	139	130	-9	91	89	-1
Progressive Energy Corp.	480	915	+435	-9	13	+22	-8	11	+20	-3	9	+12	
Elimination (Include investment gain/loss by equity method)		-14,797	-16,608	-1,810	155	-89	-244	-135	-350	-214	-191	-401	-210
Consolidated		96,679	95,680	-999	6,774	10,534	+3,759	5,858	9,719	+3,860	4,587*	7,566*	+2,979*

\* Net income attributable to owners of parent.





# Balance Sheet Comparison

(Unit: million yen)

		FY2015 Term end	FY2016 2Q Term end	Change	Major factors for change
Assets	*1	409,860	408,894	-965	
	*2	384,459	383,200	-1,259	
Non-current assets	*1	366,455	361,228	-5,226	Consolidated (Capex +8,586, Depreciation -12,479, Loss on retirement of non-current assets -568)
	*2	357,234	351,288	-5,946	
Current assets	*1	43,405	47,666	+4,260	Notes and accounts receivable-trade +4,314
	*2	27,225	31,912	+4,687	
Liabilities	*1	261,749	254,054	-7,695	Bonds payable [ Issue +10,000, Redemption -10,000 ]
	*2	249,849	241,749	-8,100	
Non-current liabilities	*1	199,813	197,192	-2,620	Long-term loans payable [ Borrowing +390, Repayment -7,057 ]
	*2	191,589	189,395	-2,194	
Current liabilities	*1	61,935	56,861	-5,074	Short-term loans payable -3,770 CP +7,000
	*2	58,260	52,354	-5,906	
Net assets	*1	148,111	154,840	+6,729	Notes and accounts payable-trade -1,585 Accrued taxes +992
	*2	134,609	141,450	+6,841	
					Net income*3 +7,566 Dividend -786

## Reference: Interest-bearing debt and Capital adequacy ratio

		FY2015 Term end	FY2016 2Q Term end	Change
Interest-bearing debt (million yen)	*1	188,748	185,310	-3,437
	*2	187,153	181,589	-5,564
Capital adequacy ratio (%)	*1	35.9	37.6	+1.7
	*2	35.0	36.9	+1.9

\*1 Consolidated.

\*2 Non-consolidated.

\*3 Net income attributable to owners of parent.

# State of Capex, Cash Flow and Interest-bearing Debt

(Unit : million yen)

		Consolidated			Non-consolidated		
		FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change	FY2015 2Q YTD (Results)	FY2016 2Q YTD (Results)	Change
Capital expenditure		7,549	8,586	+1,037	6,516	7,760	+1,244
C F	Operating activities	13,488	16,203	+2,714	14,244	18,066	+3,821
	Investing activities	-7,788	-11,175	-3,386	-9,007	-9,772	-764
	(FCF)	(5,699)	(5,027)	(-671)	(5,237)	(8,294)	(+3,057)
	Financing activities	-7,493	-5,088	+2,404	-7,655	-7,174	+480
Interest-bearing debt outstanding		194,926	185,310	-9,615	193,642	181,589	-12,053

【Operating activities】 +2,714 million yen

- Increase in Income before income taxes.

【Investing activities】 -3,386 million yen

- Decrease in Collection of investment and loans receivable.

Accordingly, free cash-flow decreased 671 million yen.

# Annual Outlook Summary

(Unit: million yen, X)

	Consolidated(A)				Non - Consolidated(B)				(A) / (B)	
	FY2015 (Results)	FY2016 (Forecast)		Change (II) - (I)	FY2015 (Results)	FY2016 (Forecast)		Change (II) - (I)	FY 2015 (Results)	FY 2016 (Forecast)
		Announced In Jul. 2016 (I)	Announced In Oct. 2016 (II)			Announced In Jul. 2016 (I)	Announced In Oct. 2016 (II)			
Sales	182,265	176,100	178,100	+2,000	174,286	167,800	170,300	+2,500	1.05	1.05
Operating income	7,239	9,200	9,200	-	5,597	7,600	7,600	-	1.29	1.21
Ordinary income	5,229	7,600	7,600	-	3,784	6,000	6,000	-	1.38	1.27
Net income	3,647*	5,700*	5,700*	-	2,931	4,800	4,800	-	1.24	1.19

\* Net income attributable to owners of parent.

**Consolidated and Non-consolidated :Decrease in Sales ,Increase in Income(the first time in 7 years)**

**[ Comparison with previous forecast (Jul.2016) ]**

**【Revenue】**

- Increase in Electricity sales due to increase in Electricity sales volume in Electric business.
- Decrease in Sales to outside customers in consolidated subsidiaries.

**【Expenditure】**

- Increase in Fuel costs and Repair and maintenance costs in Electric business.
- Increase in Purchased power costs due to increase in purchased power volume in Electric business.
- Decrease in Cost of sales due to decrease in Sales to outside customers in consolidated subsidiaries.



# Non-Consolidated – Revenue and Expenditure Forecast, Factors in Changes [Comparison with previous forecast (July.2016)]

## ■ Electricity Sales Volume

(Unit: million kWh)

(Unit: million yen)

	FY2016 (Forecast)		Change	Rate of change
	Jul.2016	Oct.2016		
Lighting	2,996	3,087	+91	+3.0%
Power	4,585	4,632	+47	+1.0%
Total	7,581	7,719	+138	+1.8%

## ■ Revenue and Expenditure

(Unit: million yen)

Ordinary revenues	Electricity sales	153,500	155,900	+2,400	+1.6%
	Grant under Act on Purchase of Renewable Energy Sourced Electricity	11,600	11,700	+100	+0.9%
	Other income	3,300	3,300	-	-
	(Sales)	(167,800)	(170,300)	(+2,500)	(+1.5%)
Total		168,400	170,900	+2,500	+1.5%
Ordinary expenses	Personnel costs	17,500	17,400	-100	-0.6%
	Fuel costs	35,200	36,300	+1,100	+3.1%
	Repair and maintenance costs	17,400	17,800	+400	+2.3%
	Depreciation costs	24,700	24,700	-	-
	Purchased power costs	24,800	25,100	+300	+1.2%
	Interest expenses	2,000	2,000	-	-
	Tax and other public charges	6,800	6,900	+100	+1.5%
	Levy under Act on Purchase of Renewable Energy Sourced Electricity	15,000	15,300	+300	+2.0%
	Other expenses	19,000	19,400	+400	+2.1%
	(Operating expenses)	(160,200)	(162,700)	(+2,500)	(+1.6%)
Total		162,400	164,900	+2,500	+1.5%
(Operating income)		(7,600)	(7,600)	-	-
Ordinary income		6,000	6,000	-	-
Income taxes		1,200	1,200	-	-
Net income		4,800	4,800	-	-

### ■ Sales : 170,300 (+2,500)

- Increase in Electricity sales due to increase in Electricity sales volume.

### ■ Operating income : 7,600 (No change)

#### 【Factors for increase】

- Increase in sales.

#### 【Factors for decrease】

- Increase in Fuel costs.
- Increase in Repair and maintenance costs.
- Increase in Purchased power costs due to increase in purchased power volume.

### ■ Ordinary income : 6,000 (No change)

### ■ Net income : 4,800 (No change)

# Non-Consolidated – Revenue and Expenditure Forecast, Factors in Changes [Comparison with FY2015 results]

## ■ Electricity Sales Volume

(Unit: million kWh)

	FY2015 (Results)	FY2016 (Forecast)	Change	Rate of Change
Lighting	2,953	3,087	+134	+4.5%
Power	4,696	4,632	-64	-1.4%
Total	7,649	7,719	+70	+0.9%

(Unit: million yen)

## ■ Revenue and Expenditure

(Unit: million yen)

		FY2015 (Results)	FY2016 (Forecast)	Change	Rate of Change
Ordinary revenues	Electricity sales	162,040	155,900	-6,140	-3.8%
	Grant under Act on Purchase of Renewable Energy Sourced Electricity	9,736	11,700	+1,963	+20.2%
	Other income	3,197	3,300	+102	+3.2%
	(Sales)	(174,286)	(170,300)	(-3,986)	(-2.3%)
Total		174,974	170,900	-4,074	-2.3%
Ordinary expenses	Personnel costs	16,724	17,400	+675	+4.0%
	Fuel costs	46,162	36,300	-9,862	-21.4%
	Repair and maintenance costs	17,128	17,800	+671	+3.9%
	Depreciation costs	26,143	24,700	-1,443	-5.5%
	Purchased power costs	25,543	25,100	-443	-1.7%
	Interest expenses	2,372	2,000	-372	-15.7%
	Tax and other public charges	6,818	6,900	+81	+1.2%
	Levy under Act on Purchase of Renewable Energy Sourced Electricity	10,327	15,300	+4,972	+48.1%
	Other expenses	19,969	19,400	-569	-2.9%
	(Operating expenses)	(168,689)	(162,700)	(-5,989)	(-3.6%)
Total		171,190	164,900	-6,290	-3.7%
(Operating income)		(5,597)	(7,600)	(+2,002)	(+35.8%)
Ordinary income		3,784	6,000	+2,215	+58.5%
Income taxes		853	1,200	+346	+40.7%
Net income		2,931	4,800	+1,868	+63.7%

## ■ Sales : 170,300 (-3,986)

- Decrease in Electricity sales due to decrease in income from the Fuel cost adjustment system.
- Increase in Grant under Act on Purchase of Renewable Energy Sourced Electricity due to increase in purchased costs of renewable energy sourced electricity.

## ■ Operating income : 7,600 (+2,002)

### 【Factors for increase】

- Decrease in Fuel costs due to fall in fuel prices.
- Decrease in Depreciation costs.
- Decrease in Purchased power costs due to decrease in purchased power volume.

## ■ Ordinary income : 6,000 (+2,215)

## ■ Net income : 4,800 (+1,868)

# Non-Consolidated

## - Trends in Data and Effects of Changes (Forecast)

### ■ Main Data

		FY2015 (Results)	FY2016 (Forecast)	
			Jul.2016	Oct.2016
Crude oil CIF price	\$/bbl	48.7	48.0	47.0
Coal CIF price	\$/t	66.6	62.0	65.0
Exchange rate	Yen/\$	120.2	106.0	105.0

### ■ Effects of Changes

(Unit:100 million yen)

		FY2015 (Results)	FY2016 (Forecast)	
			Jul.2016	Oct.2016
Crude oil CIF price *1,2	1\$/bbl	4.4	3.8	4.0
Coal CIF price *1	1\$/t	2.0	1.8	1.8
Exchange rate *1	1Yen/\$	3.1	2.8	2.9
Electric energy demand	1%	6.3	6.6	6.6
Interest rate	1%	0.2	0.1	0.1

\*1 Figures for effects of changes do not include data of Purchased power costs

\*2 Includes the effect of LNG



# Consolidated – Revenue and Expenditure Forecast, Factors in Changes

(Unit: million yen)

	FY2015 (Results) (A)	FY2016 (Forecast)		Change	
		Jul.2016 (B)	Oct.2016 (C)	(C)-(A)	(C)-(B)
Sales	182,265	176,100	178,100	-4,165	+2,000
Operating income	7,239	9,200	9,200	+1,960	-
Ordinary income	5,229	7,600	7,600	+2,370	-
Net income*1	3,647	5,700	5,700	+2,052	-

\*1 Net income attributable to owners of parent

## ■ By Segment (Forecast)\*2

(Unit: million yen)

	Electric business	Other
Sales	170,300	42,000
(YoY Change)	(-3,986)	(-360)
Sales to outside customers out of total	168,800	9,300
(YoY Change)	(-4,405)	(+239)
Operating income	7,600	1,400
(YoY Change)	(+2,002)	(-480)

\*2 before eliminating internal transactions

(Unit: million yen)

## Comparison with previous forecast (Jul.2016)

### ■ Sales : 178,100 (+2,000)

#### 【Factors for increase】

- Increase in Electricity sales due to increase in Electricity sales volume in Electric business.

#### 【Factors for decrease】

- Decrease in Sales to outside customers in consolidated subsidiaries.

### ■ Ordinary income : 7,600 (No change)

## Comparison with FY2015 results

### ■ Sales : (-4,165)

#### 【Factors for decrease】

- Decrease in Electricity sales due to decrease in income from the Fuel cost adjustment system in Electric business.

#### 【Factors for increase】

- Increase in Grant under Act on Purchase of Renewable Energy Sourced Electricity due to increase in purchased costs of renewable energy sourced electricity in Electric business.

### ■ Ordinary income : (+2,370)

#### 【Factors for increase】

- Decrease in Fuel costs due to fall in fuel prices in Electric business.
- Decrease in Depreciation costs in Electric business.
- Decrease in Purchased power costs due to decrease in purchased power volume in Electric business.

## By segment

- In “Other” segment, Sales and Operating income are expected to decrease due to decrease in construction orders from Electric business, although Sales to outside customers is expected to increase.



# Financial Outlook of each Company

(Unit: million yen)

		Sales			Operating income			Ordinary income			Net income		
		FY2015 (Results)	FY2016 (Forecast)	Change	FY2015 (Results)	FY2016 (Forecast)	Change	FY2015 (Results)	FY2016 (Forecast)	Change	FY2015 (Results)	FY2016 (Forecast)	Change
The Okinawa Electric Power Co., Inc.		174,286	170,300	-3,986	5,597	7,600	+2,002	3,784	6,000	+2,215	2,931	4,800	+1,868
Other	Okidenko Co., Inc.	16,414	17,952	+1,537	447	543	+95	509	598	+89	326	415	+88
	Okiden Kigyo Co., Inc.	4,555	4,434	-120	49	20	-28	84	45	-39	24	33	+9
	Okinawa Plant Kogyo Co., Inc.	9,111	8,933	-178	171	49	-121	188	65	-123	116	36	-80
	Okinawa Denki Kogyo Co., Inc.	1,480	710	-769	162	3	-158	182	48	-133	116	32	-84
	Okiden Kaihatsu Co., Inc.	3,572	3,259	-312	451	434	-16	439	424	-14	248	279	+31
	The Okiden Global Systems Co., Inc.	2,377	2,166	-210	149	112	-37	157	119	-38	101	79	-21
	Okinawa Enetech Co., Inc.	992	900	-92	52	25	-27	54	25	-29	35	12	-23
	Okinawa New Energy Development Co., Inc.	635	658	+23	62	27	-34	46	12	-34	15	10	-4
	Okisetsubi Co., Ltd.	1,046	1,200	+153	-21	12	+33	-20	12	+32	-20	8	+28
	First Riding Technology, Inc.	1,306	1,311	+5	274	231	-42	267	229	-38	179	149	-29
Progressive Energy Corp.	1,826	1,661	-165	110	7	-103	109	2	-106	74	2	-72	
Elimination (Include investment gain/loss by equity method)		-35,339	-35,388	-49	-266	132	+399	-573	16	+590	-502	-161	+341
Consolidated		182,265	178,100	-4,165	7,239	9,200	+1,960	5,229	7,600	+2,370	3,647*	5,700*	+2,052*

\* Net income attributable to owners of parent.





# Outlook of Capex, Cash Flow and Interest-bearing Debt

(Unit : million yen)

		Consolidated			Non-consolidated		
		FY2015 (Results)	FY2016 (Forecast)	Change	FY2015 (Results)	FY2016 (Forecast)	Change
Capital expenditure		20,267	25,000	+4,733	18,466	23,900	+5,434
C F	Operating activities	33,875	35,100	+1,225	32,206	33,500	+1,294
	Investing activities	-17,096	-20,300	-3,204	-15,724	-18,700	-2,976
	(FCF)	(16,779)	(14,800)	(-1,979)	(16,482)	(14,800)	(-1,682)
	Financing activities	-15,395	-11,600	+3,795	-16,034	-14,000	+2,034
Interest-bearing debt outstanding		188,748	180,600	-8,148	187,153	176,600	-10,553

【Operating activities】 +1,225 million yen

- Increase in Income before income taxes.

【Investing activities】 -3,204 million yen

- Decrease in Collection of investment and loans receivable.

Accordingly, free cash-flow decreases Year-on-Year.



## [Reference]

# Trends in Financial Indicators (Non-Consolidated)

		2011	2012	2013	2014	2015
Sales	Million yen	157,886	158,911	172,059	177,509	174,286
Operating income	Million yen	10,844	7,047	6,788	7,525	5,597
EBITDA	Million yen	32,912	30,999	35,686	34,840	31,740
Ordinary income	Million yen	8,059	4,309	5,207	5,720	3,784
Net income	Million yen	5,050	3,098	3,917	3,960	2,931
ROA (Operating income/Assets)	%	2.9	1.8	1.6	1.9	1.4
ROA (Net income/Assets)	%	1.3	0.8	1.0	1.0	0.7
Capital adequacy ratio	%	31.9	30.0	31.2	33.4	35.0
Interest-bearing debt outstanding	Million yen	217,417	207,201	201,713	199,767	187,153
Total assets	Million yen	381,787	415,087	408,570	400,934	384,459
Total assets turnover	X	0.42	0.40	0.42	0.44*	0.44
Shareholders' equity	Million yen	121,954	124,469	127,631	133,851	134,609
ROE	%	4.2	2.5	3.1	3.0	2.2
Return on sales (Operating income/Sales)	%	6.9	4.4	3.9	4.2	3.2
Return on sales (Net income/Sales)	%	3.2	1.9	2.3	2.2	1.7
D/E ratio	X	1.78	1.66	1.58	1.49	1.39

\* Figures for Total assets turnover in FY2014 include the impact of revision of accounting standard for retirement benefits.



## [Reference]

# Trends in Financial Indicators (Consolidated)

		2011	2012	2013	2014	2015
Sales	Million yen	166,075	166,439	179,266	185,001	182,265
Operating income	Million yen	12,769	8,969	8,693	9,479	7,239
EBITDA	Million yen	35,288	33,218	37,752	36,907	33,823
Ordinary income	Million yen	10,273	6,307	6,936	7,638	5,229
Net income *3	Million yen	6,956	4,318	4,731	4,943	3,647
ROA (Operating income/Assets)	%	3.2	2.1	2.0	2.2	1.7
ROA (Net income/Assets)	%	1.8	1.0	1.1	1.2	0.9
Capital adequacy ratio	%	32.8	31.1	32.7	34.9	35.9
Interest-bearing debt outstanding	Million yen	219,776	209,472	202,895	200,882	188,748
Total assets	Million yen	400,687	435,515	428,333	421,824	409,860
Total assets turnover	X	0.42	0.40	0.42	0.44*2	0.44
Shareholders' equity *1	Million yen	131,512	135,281	140,222	147,008	147,111
ROE	%	5.4	3.2	3.4	3.4	2.5
Return on sales (Operating income/Sales)	%	7.7	5.4	4.8	5.1	4.0
Return on sales (Net income/Sales)	%	4.2	2.6	2.6	2.7	2.0
D/E ratio	X	1.67	1.55	1.45	1.37	1.28

\*1 Shareholders' equity Subtract 'Shares of minor shareholders' from 'Net assets'

\*2 Figures for Total assets turnover in FY2014 include the impact of revision of accounting standard for retirement benefits.

\*3 Net income attributable to owners of parent.



**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.**

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