

# **Summary of the Settlement of Accounts for FY2017 3rd Quarter**

**(April 1 – December 31, 2017)**

**January 30, 2018**



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



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# Financial Results for FY2017 3Q YTD (Year-on-Year Comparison)

(Unit: million yen, X)

	Consolidated (A)			Non-consolidated (B)			(A) / (B)	
	FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Rate of Change	FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Rate of Change	FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)
Sales	139,859	152,929	+9.3%	136,102	147,735	+8.5%	1.03	1.04
Operating income	12,727	14,060	+10.5%	12,168	13,495	+10.9%	1.05	1.04
Ordinary income	11,518	13,472	+17.0%	11,090	13,034	+17.5%	1.04	1.03
Net income	8,868*	10,439*	+17.7%	8,757	10,294	+17.6%	1.01	1.01

\* Net income attributable to owners of parent.

## Consolidated and Non-consolidated : Increase in Sales, Increase in Income (the first time in 4 years)

### 【Revenue】

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

### 【Expenditure】

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

# Trends in Electricity Sales Volume

## Electricity Sales Volume

(Unit: million kWh, %)

	FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Change	Rate of Change
Lighting	2,441	2,438	-3	-0.1
Power	3,785	3,715	-70	-1.9
Total	6,226	6,153	-73	-1.2

### <Lighting>

Although increase of new customers, the demand for Lighting remained almost unchanged from the same period of the previous year due to lower temperature from April to June compared with previous year.

### <Power>

The demand for Power decreased compared with the same period of the previous year due to lower temperature from April to June compared with previous year and switching to other suppliers.

## ■ Power Generation Infrastructure and Power Generated and Received

(Unit: million kWh, thousand kW)

		FY2016 3Q YTD		FY2017 3Q YTD			
		Electricity generated	Com-position ratio	Electricity generated	Com-position ratio	Maximum output	Com-position ratio
OEPC	Coal	2,980	46.1%	2,721	42.5%	752	30.6%
	Oil	856	13.2%	932	14.6%	857	34.9%
	LNG	1,271	19.6%	1,322	20.6%	537	21.8%
	Total	5,107	78.9%	4,975	77.7%	2,146	87.3%
Other company (coal)		1,021	15.8%	1,063	16.6%	312	12.7%
Other		341	5.3%	363	5.7%	-	-
Total		6,469	100.0%	6,401	100.0%	2,458	100.0%

### <Power Generation Infrastructure>

- The maximum electric power output decreased 4,930 kW.\*

Miyako power plant No.10 : -4,500kW  
Shin tarama power plant No.4 : -230kW  
Shin tarama power plant No.5 : -200kW

### <Power Generated and Received>

- Power generated and received was 6,401 million kWh, down 1.1%.\*
- Ratio of OEPC's coal-fired thermal power was down 3.6 points.\*
- Ratio of Other company's coal-fired thermal power was up 0.8 points.\*
- Ratio of LNG-fired thermal power was up 1.0 point.\*

\*Comparison with the same period of the previous year.



# Non-consolidated - Factors in Revenue and Expenditure Changes

(Unit: million yen)

		FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Change	Rate of change	Main factors in changes
Ordinary revenues	Lighting	57,871	62,670	+4,798	+8.3%	[Electricity sales] Electricity sales volume -1,560 Fuel cost adjustment system +10,072 Renewable Energy Power Promotion Surcharge +2,069  Gain on sales of securities +306 Gas supply business revenue +263 Transmission revenue +112
	Power	66,858	73,142	+6,284	+9.4%	
	Electricity sales	124,729	135,812	+11,082	+8.9%	
	Grant under Act on Purchase of Renewable Energy Sourced Electricity	9,445	9,424	-21	-0.2%	
	Other income	2,555	3,488	+932	+36.5%	
	(Sales)	(136,102)	(147,735)	(+11,632)	(+8.5%)	
	Total	136,730	148,724	+11,994	+8.8%	
Ordinary expenses	Personnel costs	13,041	12,969	-71	-0.6%	Retirement benefits -278 Salary and benefits +135
	Fuel costs	27,908	35,431	+7,523	+27.0%	CIF +8,321 Exchange rate +1,841 Fuel composition +826 Initial inventories -2,530
	Repair and maintenance costs	13,140	12,315	-825	-6.3%	Thermal -924 Distribution +313
	Depreciation costs	18,403	17,543	-860	-4.7%	Thermal -578 Internal combustion -218
	Purchased power costs	20,309	22,993	+2,684	+13.2%	Thermal +1,784 Solar +736
	Interest expenses	1,550	1,361	-189	-12.2%	Average rate -196
	Tax and other public charges	5,306	5,546	+240	+4.5%	Enterprise tax +239
	Levy under Act on Purchase of Renewable Energy Sourced Electricity	12,301	14,370	+2,069	+16.8%	
	Other expenses	13,677	13,158	-519	-3.8%	Noncurrent assets retirement costs -577 Business consignment expenses -330 Gas supply business expenses +165
(Operating expenses)	(123,934)	(134,239)	(+10,305)	(+8.3%)		
Total	125,639	135,690	+10,050	+8.0%		
(Operating income)		(12,168)	(13,495)	(+1,327)	(+10.9%)	
Ordinary income		11,090	13,034	+1,943	+17.5%	
Income before income taxes		11,090	13,034	+1,943	+17.5%	
Income taxes		2,333	2,739	+406	+17.4%	
Net income		8,757	10,294	+1,537	+17.6%	

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

## ■ Main Data

		FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)
Crude oil CIF price	\$/bbl	44.9	53.9
Coal CIF price	\$/t	63.5	85.3
Exchange rate	Yen/\$	106.6	111.7

## ■ Effects of Changes

(Unit:100 million yen)

		FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)
Crude oil CIF price *1,2	1\$/bbl	3.1	3.4
Coal CIF price *1	1\$/t	1.5	1.4
Exchange rate *1	1Yen/\$	2.2	2.9
Electric energy demand	1%	5.5	5.4
Interest rate	1%	0.1	0.0

\*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)

	FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Change	Rate of change
Sales	139,859	152,929	+13,070	+9.3%
Operating income	12,727	14,060	+1,333	+10.5%
Ordinary income	11,518	13,472	+1,954	+17.0%
Net income*	8,868	10,439	+1,571	+17.7%

\* Net income attributable to owners of parent.

## ■ By Segment (before eliminating internal transactions)

(Unit: million yen)

	Electric business	Other
Sales	147,735	29,019
(YoY change)	(+11,632)	(+599)
Sales to outside customers out of total	146,359	6,569
(YoY change)	(+11,370)	(+1,700)
Operating income	13,495	480
(YoY change)	(+1,327)	(-104)

(Unit: million yen)

## ■ Sales : 152,929 (+13,070)

- Increase in Sales in Electric business.

## ■ Operating income : 14,060 (+1,333)

### 【 Factors for increase 】

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

### 【 Factors for decrease 】

- Increase in Fuel costs in Electric business.
- Increase in Purchased power costs in Electric business.

## ■ Ordinary income : 13,472 (+1,954)

## ■ Net income\* : 10,439 (+1,571)

By segment

- In “Other” segment, Sales increased due to increase in construction orders from private sector and public sector.



# Financial Results of each Company

(Unit: million yen)

		Sales			Operating income			Ordinary income			Net income		
		FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Change	FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Change	FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Change	FY2016 3Q YTD (Results)	FY2017 3Q YTD (Results)	Change
The Okinawa Electric Power Co., Inc.		136,102	147,735	+11,632	12,168	13,495	+1,327	11,090	13,034	+1,943	8,757	10,294	+1,537
Other	Okidenko Co., Inc.	11,626	12,233	+606	207	226	+19	272	285	+12	191	277	+85
	Okiden Kigyo Co., Inc.	3,411	3,144	-267	63	-47	-111	85	-22	-107	61	-12	-73
	Okinawa Plant Kogyo Co., Inc.	6,218	5,914	-303	10	-106	-117	13	-94	-107	-7	-43	-36
	Okinawa Denki Kogyo Co., Inc.	597	900	+303	43	118	+74	57	138	+80	45	90	+45
	Okiden Kaihatsu Co., Inc.	2,199	2,241	+42	194	160	-34	187	160	-26	122	104	-17
	The Okiden Global Systems Co., Inc.	1,259	1,150	-109	-48	-127	-78	-43	-120	-77	-28	-78	-49
	Okinawa Enetech Co., Inc.	421	622	+201	-23	46	+70	-21	51	+73	-14	34	+48
	Okinawa New Energy Development Co., Inc.	410	525	+114	-43	51	+94	-55	41	+96	-25	21	+46
	Okisetsubi Co., Ltd.	656	654	-1	-28	-3	+24	-27	-3	+24	-9	-1	+8
	First Riding Technology, Inc.	986	985	-0	188	167	-21	187	167	-19	127	57	-70
	Progressive Energy Corp.	1,319	1,576	+256	26	0	-25	23	-9	-32	16	-5	-22
The Reliance Energy Okinawa, Inc. *1	-	-	-	-	-0	-0	-	-1	-1	-	-0	-0	
Elimination (Include investment gain/loss by equity method)		-25,351	-24,756	+594	-31	79	+110	-252	-155	+96	-368	-298	+69
Consolidated		139,859	152,929	+13,070	12,727	14,060	+1,333	11,518	13,472	+1,954	8,868*2	10,439*2	+1,571*2

\*1 Energy service provider business company. (Established on December 1, 2017)

\*2 Net income attributable to owners of parent.





# Balance Sheet Comparison

(Unit: million yen)

		FY2016 Term end	FY2017 3QTerm end	Change	Major factors for change
Assets	*1	400,237	403,844	+3,606	
	*2	376,373	378,339	+1,966	
Non-current assets	*1	359,169	351,486	-7,682	{ Consolidated (Capex +10,910, Depreciation -17,958, Loss on retirement of non-current assets -499)
	*2	350,801	342,283	-8,518	
Current assets	*1	41,067	52,357	+11,289	{ Inventories +3,124 Notes and accounts receivable-trade +1,571
	*2	25,571	36,056	+10,484	
Liabilities	*1	246,876	246,827	-48	Bonds payable [ Issue +10,000, Redemption -5,000 ] Long-term loans payable [ Borrowing +56, Repayment -8,589 ] CP +5,000
	*2	238,387	236,998	-1,389	
Non-current liabilities	*1	191,445	180,900	-10,544	Notes and accounts payable-trade -1,368
	*2	184,322	174,596	-9,726	
Current liabilities	*1	55,431	65,926	+10,495	
	*2	54,065	62,402	+8,337	
Net assets	*1	153,361	157,016	+3,655	{ Net income*3 +10,439, Dividend -2,475 Valuation difference on available-for-sale securities +402 Treasury shares -4,917
	*2	137,985	141,341	+3,355	

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

		FY2016 Term end	FY2017 3QTerm end	Change
Interest-bearing debt (million yen)	*1	179,758	181,384	+1,626
	*2	176,039	177,856	+1,816
Capital adequacy ratio (%)	*1	38.1	38.6	+0.5
	*2	36.7	37.4	+0.7

\*1 Consolidated.

\*2 Non-consolidated.

\*3 Net income attributable to owners of parent.



# Annual Outlook Summary

(Unit: million yen, X)

	Consolidated(A)				Non - Consolidated(B)				(A) / (B)	
	FY2016 (Results)	FY2017 (Forecasts)		Change (II) - (I)	FY2016 (Results)	FY2017 (Forecasts)		Change (II) - (I)	FY 2016 (Results)	FY 2017 (Forecasts)
		Announced In Oct.2017 (I)	Announced In Jan.2018 (II)			Announced In Oct.2017 (I)	Announced In Jan.2018 (II)			
Sales	179,997	195,500	196,700	+1,200	172,340	186,100	188,400	+2,300	1.04	1.04
Operating income	9,126	7,700	8,500	+800	7,112	6,300	7,100	+800	1.28	1.20
Ordinary income	7,521	6,200	7,200	+1,000	5,622	5,000	6,000	+1,000	1.34	1.20
Net income	5,517*	4,600*	5,400*	+800	4,486	4,000	4,800	+800	1.23	1.13

\* Net income attributable to owners of parent.

**Consolidated : Increase in Sales, Decrease in Income (the first time in 5 years)**

**Non-consolidated : Increase in Sales, Increase in Income (the first time in 3 years)**

**[ Comparison with previous forecasts (Oct.2017) ]**

**【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 in Electric business.
- Increase in Repair and maintenance costs in Electric business.
- Decrease in Cost of sales due to decrease in Sales to outside customers in consolidated subsidiaries.



# Non-consolidated – Revenue and Expenditure Forecasts, Factors in Changes [Comparison with previous forecasts (Oct.2017)]

## ■ Electricity Sales Volume

(Unit: million kWh)

(Unit: million yen)

	FY2017 (Forecasts)		Change	Rate of change
	Oct.2017	Jan.2018		
Lighting	3,109	3,150	+41	+1.3%
Power	4,570	4,630	+60	+1.3%
Total	7,679	7,780	+101	+1.3%

## ■ Revenue and Expenditure

(Unit: million yen)

Ordinary revenues	Electricity sales	170,800	173,100	+2,300	+1.3%
	Grant under Act on Purchase of Renewable Energy Sourced Electricity	11,700	11,600	-100	-0.9%
	Other income	4,500	4,700	+200	+4.4%
	(Sales)	(186,100)	(188,400)	(+2,300)	(+1.2%)
	Total	187,000	189,400	+2,400	+1.3%
Ordinary expenses	Personnel costs	17,300	17,300	-	-
	Fuel costs	44,500	45,700	+1,200	+2.7%
	Repair and maintenance costs	19,000	19,500	+500	+2.6%
	Depreciation costs	23,700	23,600	-100	-0.4%
	Purchased power costs	29,400	29,400	-	-
	Interest expenses	1,800	1,800	-	-
	Tax and other public charges	7,200	7,200	-	-
	Levy under Act on Purchase of Renewable Energy Sourced Electricity	18,000	18,200	+200	+1.1%
	Other expenses	21,100	20,700	-400	-1.9%
	(Operating expenses)	(179,800)	(181,300)	(+1,500)	(+0.8%)
	Total	182,000	183,400	+1,400	+0.8%
	(Operating income)	(6,300)	(7,100)	(+800)	(+12.7%)
	Ordinary income	5,000	6,000	+1,000	+20.0%
	Income taxes	1,000	1,200	+200	+20.0%
	Net income	4,000	4,800	+800	+20.0%

### ■ Sales : 188,400 (+2,300)

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

### ■ Operating income : 7,100 (+800)

#### 【Factors for increase】

- Increase in Sales.
- Decrease in Other expenses.

#### 【Factors for decrease】

- Increase in Fuel costs.
- Increase in Repair and maintenance costs.

### ■ Ordinary income : 6,000 (+1,000)

### ■ Net income : 4,800 (+800)



# Non-consolidated – Revenue and Expenditure Forecasts, Factors in Changes [Comparison with FY2016 results]

## ■ Electricity Sales Volume

(Unit: million kWh)

(Unit: million yen)

	FY2016 (Results)	FY2017 (Forecasts)	Change	Rate of Change
Lighting	3,115	3,150	+35	+1.1%
Power	4,698	4,630	-68	-1.4%
Total	7,813	7,780	-33	-0.4%

## ■ Revenue and Expenditure

(Unit: million yen)

		FY2016 (Results)	FY2017 (Forecasts)	Change	Rate of Change
Ordinary revenues	Electricity sales	157,971	173,100	+15,128	+9.6%
	Grant under Act on Purchase of Renewable Energy Sourced Electricity	11,602	11,600	-2	-0.0%
	Other income	3,503	4,700	+1,196	+34.2%
	(Sales)	(172,340)	(188,400)	(+16,059)	(+9.3%)
Total		173,077	189,400	+16,322	+9.4%
Ordinary expenses	Personnel costs	17,385	17,300	-85	-0.5%
	Fuel costs	36,785	45,700	+8,914	+24.2%
	Repair and maintenance costs	18,986	19,500	+513	+2.7%
	Depreciation costs	24,650	23,600	-1,050	-4.3%
	Purchased power costs	25,590	29,400	+3,809	+14.9%
	Interest expenses	2,027	1,800	-227	-11.2%
	Tax and other public charges	6,818	7,200	+381	+5.6%
	Levy under Act on Purchase of Renewable Energy Sourced Electricity	15,495	18,200	+2,704	+17.5%
	Other expenses	19,714	20,700	+985	+5.0%
	(Operating expenses)	(165,227)	(181,300)	(+16,072)	(+9.7%)
Total		167,455	183,400	+15,944	+9.5%
(Operating income)		(7,112)	(7,100)	(-12)	(-0.2%)
Ordinary income		5,622	6,000	+377	+6.7%
Income taxes		1,135	1,200	+64	+5.7%
Net income		4,486	4,800	+313	+7.0%

### ■ Sales : 188,400 (+16,059)

- Increase in Electricity sales due to increase in income from the Fuel cost adjustment system.

### ■ Operating income : 7,100 (-12)

#### 【Factors for increase】

- Increase in Sales.
- Decrease in Depreciation costs due to progress of depreciation.

#### 【Factors for decrease】

- Increase in Fuel costs due to rise in fuel prices.
- Increase in Purchased power costs due to increase in purchased power volume and rise in coal prices.

### ■ Ordinary income : 6,000 (+377)

### ■ Net income : 4,800 (+313)



# Non-consolidated -Trends in Data and Effects of Changes (Forecasts)

## ■ Main Data

		FY2016 (Results)	FY2017(Forecasts)	
			Oct.2017	Jan.2018
<b>Crude oil CIF price</b>	\$/bbl	47.5	53.0	57.0
<b>Coal CIF price</b>	\$/t	66.9	86.0	86.0
<b>Exchange rate</b>	Yen/\$	108.3	113.0	112.0

## ■ Effects of Changes

(Unit:100 million yen)

		FY2016 (Results)	FY2017(Forecasts)	
			Oct.2017	Jan.2018
<b>Crude oil CIF price</b> *1,2	1\$/bbl	4.1	4.2	4.2
<b>Coal CIF price</b> *1	1\$/t	1.8	1.8	1.8
<b>Exchange rate</b> *1	1Yen/\$	2.9	3.6	3.7
<b>Electric energy demand</b>	1%	6.7	6.6	6.7
<b>Interest rate</b>	1%	0.1	0.0	0.0

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

\*2 Includes the effect of LNG.

# Consolidated – Revenue and Expenditure Forecasts, Factors in Changes

(Unit: million yen)

	FY2016 (Results) (A)	FY2017 (Forecasts)		Change	
		Oct.2017 (B)	Jan.2018 (C)	(C)-(A)	(C)-(B)
Sales	179,997	195,500	196,700	+16,702	+1,200
Operating income	9,126	7,700	8,500	-626	+800
Ordinary income	7,521	6,200	7,200	-321	+1,000
Net income*1	5,517	4,600	5,400	-117	+800

\*1 Net income attributable to owners of parent.

## ■ By Segment (Forecasts)\*2

(Unit: million yen)

	Electric business	Other
Sales	188,400	44,700
(YoY Change)	(+16,059)	(+1,340)
Sales to outside customers out of total	186,500	10,200
(YoY Change)	(+15,672)	(+1,029)
Operating income	7,100	1,600
(YoY Change)	(-12)	(-469)

\*2 before eliminating internal transactions.

(Unit: million yen)

## Comparison with previous forecasts(Oct.2017)

### ■ Sales : 196,700 (+1,200)

#### 【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 : 7,200 (+1,000)

## Comparison with FY2016 results

### ■ Sales : (+16,702)

#### 【Factors for increase】

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

### ■ Ordinary income : (-321)

#### 【Factors for decrease】

- Increase in Fuel costs in Electric business.
- Increase in Purchased power costs in Electric business.
- Increase in Cost of sales in consolidated subsidiaries.

## By segment

- In “Other” segment, although Sales to outside customers is expected to increase, Operating income is expected to decrease due to increase in Cost of sales in consolidated subsidiaries.



# Financial Outlook of each Company

(Unit: million yen)

		Sales			Operating income			Ordinary income			Net income		
		FY2016 (Results)	FY2017 (Forecasts)	Change	FY2016 (Results)	FY2017 (Forecasts)	Change	FY2016 (Results)	FY2017 (Forecasts)	Change	FY2016 (Results)	FY2017 (Forecasts)	Change
The Okinawa Electric Power Co.,Inc.		172,340	188,400	+16,059	7,112	7,100	-12	5,622	6,000	+377	4,486	4,800	+313
Other	Okidenko Co.,Inc.	17,678	17,560	-117	744	495	-249	813	543	-269	564	455	-109
	Okiden Kigyo Co.,Inc.	4,833	4,933	+100	64	39	-24	90	67	-23	48	47	-0
	Okinawa Plant Kogyo Co.,Inc.	9,575	10,352	+777	327	238	-88	344	253	-91	219	164	-55
	Okinawa Denki Kogyo Co.,Inc.	848	1,266	+417	18	141	+123	35	163	+128	30	108	+78
	Okiden Kaihatsu Co.,Inc.	3,059	3,291	+232	364	274	-89	357	275	-82	225	202	-22
	The Okiden Global Systems Co.,Inc.	2,292	1,956	-336	179	11	-167	186	17	-168	121	9	-112
	Okinawa Enetech Co.,Inc.	946	1,241	+295	23	136	+112	24	136	+112	16	68	+52
	Okinawa New Energy Development Co.,Inc.	623	828	+204	32	83	+51	17	69	+52	13	55	+41
	Okisetsubi Co.,Ltd.	1,244	1,350	+105	38	35	-3	40	35	-5	34	23	-11
	First Riding Technology,Inc.	1,320	1,310	-10	244	195	-48	243	195	-48	176	62	-114
	Progressive Energy Corp.	1,852	2,085	+232	40	9	-30	32	-2	-34	21	-0	-22
	The Reliance Energy Okinawa,Inc. *1	-	-	-	-	-3	-3	-	-9	-9	-	-6	-6
Elimination (Include investment gain/loss by equity method)		-36,618	-37,877	-1,258	-64	-259	-194	-287	-546	-259	-441	-590	-148
Consolidated		179,997	196,700	+16,702	9,126	8,500	-626	7,521	7,200	-321	5,517*2	5,400*2	-117*2

\*1 Energy service provider business company. (Established on December 1, 2017)

\*2 Net income attributable to owners of parent.



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

(Unit : million yen)

		Consolidated			Non-consolidated		
		FY2016 (Results)	FY2017 (Forecasts)	Change	FY2016 (Results)	FY2017 (Forecasts)	Change
Capital expenditure		18,747	25,300	+6,552	19,330	23,500	+4,170
C F	Operating activities	31,907	32,000	+93	32,049	31,000	-1,049
	Investing activities	-19,795	-19,300	+495	-16,865	-17,500	-635
	(FCF)	(12,112)	(12,700)	(+588)	(15,184)	(13,500)	(-1,684)
	Financing activities	-12,626	-8,100	+4,526	-14,683	-8,700	+5,983
Interest-bearing debt outstanding		179,758	180,600	+841	176,039	176,300	+260

【Operating activities】 +93 million yen

- Increase in Increase (decrease) in notes and accounts payable-trade.
- Decrease in Depreciation costs.

【Investing activities】 +495 million yen

- Increase in Collection of investment and loans receivable.

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





## [Reference]

# Trends in Financial Indicators (Non-consolidated)

		2012	2013	2014	2015	2016
Sales	Million yen	158,911	172,059	177,509	174,286	172,340
Operating income	Million yen	7,047	6,788	7,525	5,597	7,112
EBITDA	Million yen	30,999	35,686	34,840	31,740	31,763
Ordinary income	Million yen	4,309	5,207	5,720	3,784	5,622
Net income	Million yen	3,098	3,917	3,960	2,931	4,486
ROA (Operating income/Assets)	%	1.8	1.6	1.9	1.4	1.9
ROA (Net income/Assets)	%	0.8	1.0	1.0	0.7	1.2
Capital adequacy ratio	%	30.0	31.2	33.4	35.0	36.7
Interest-bearing debt outstanding	Million yen	207,201	201,713	199,767	187,153	176,039
Total assets	Million yen	415,087	408,570	400,934	384,459	376,373
Total assets turnover	X	0.40	0.42	0.44*	0.44	0.45
Shareholders' equity	Million yen	124,469	127,631	133,851	134,609	137,985
ROE	%	2.5	3.1	3.0	2.2	3.3
Return on sales (Operating income/Sales)	%	4.4	3.9	4.2	3.2	4.1
Return on sales (Net income/Sales)	%	1.9	2.3	2.2	1.7	2.6
D/E ratio	X	1.66	1.58	1.49	1.39	1.28

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



## [Reference]

# Trends in Financial Indicators (Consolidated)

		2012	2013	2014	2015	2016
Sales	Million yen	166,439	179,266	185,001	182,265	179,997
Operating income	Million yen	8,969	8,693	9,479	7,239	9,126
EBITDA	Million yen	33,218	37,752	36,907	33,823	34,393
Ordinary income	Million yen	6,307	6,936	7,638	5,229	7,521
Net income * <sup>3</sup>	Million yen	4,318	4,731	4,943	3,647	5,517
ROA (Operating income/Assets)	%	2.1	2.0	2.2	1.7	2.3
ROA (Net income/Assets)	%	1.0	1.1	1.2	0.9	1.4
Capital adequacy ratio	%	31.1	32.7	34.9	35.9	38.1
Interest-bearing debt outstanding	Million yen	209,472	202,895	200,882	188,748	179,758
Total assets	Million yen	435,515	428,333	421,824	409,860	400,237
Total assets turnover	X	0.40	0.42	0.44* <sup>2</sup>	0.44	0.44
Shareholders' equity * <sup>1</sup>	Million yen	135,281	140,222	147,008	147,111	152,316
ROE	%	3.2	3.4	3.4	2.5	3.7
Return on sales (Operating income/Sales)	%	5.4	4.8	5.1	4.0	5.1
Return on sales (Net income/Sales)	%	2.6	2.6	2.7	2.0	3.1
D/E ratio	X	1.55	1.45	1.37	1.28	1.18

\*<sup>1</sup> Shareholders' equity Subtract 'Non-controlling interests' from 'Net assets'

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

\*<sup>3</sup> 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.**

**【Enquiries regarding this document】**

Budget & Finance Group, Accounting & Finance Department  
Okinawa Electric Power Company, Inc.

TEL : +81-98-877-2341 FAX : +81-98-879-1317

Email : [ir@okiden.co.jp](mailto:ir@okiden.co.jp)