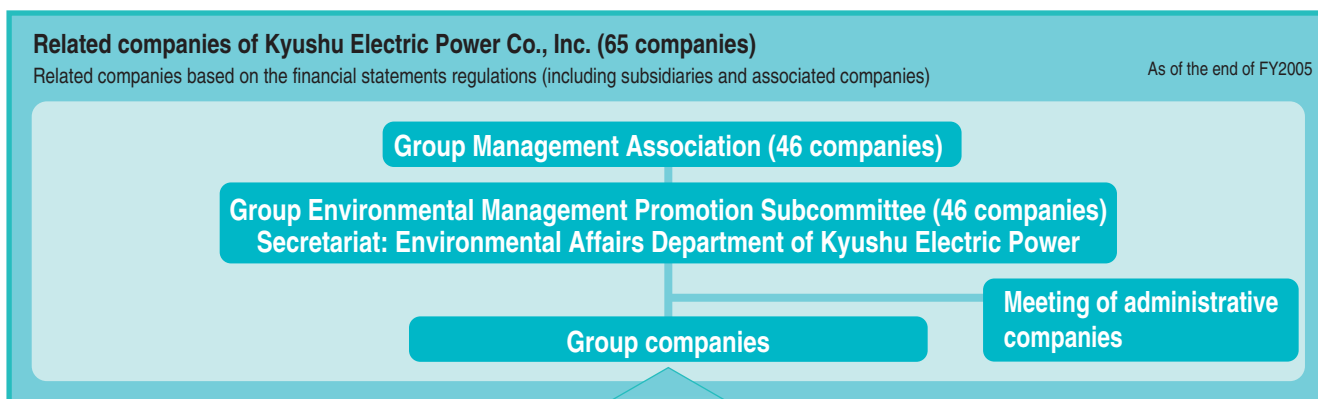


Promotion of Environmental Management

1 The Kyushu Electric Power Group Environmental Management Promotional Scheme

As of the end of FY2005, the Kyushu Electric Power Group environmental management scheme covered 46 member companies of the Group Management Association*. Within the association is the Group Environmental Management Promotion Subcommittee, which aims to promote environmental management within the group.

*The Group Management Association is comprised of all related companies of Kyushu Electric Power Co., Inc. except for those whose head offices are located outside Kyushu. The association examines and discusses various issues regarding the management of the group.



IT and telecommunications business



- **Kyushu Telecommunication Network Co., Inc**
 - Provision of telecommunication lines (private, phone, and broadband lines, etc.)
- **Kyuden Infocom Company Inc.**
 - IT-related planning and consultation, and data center business
- **Nishimu Electronics Industries Co., Ltd.**
 - Manufacture, sale, installation and maintenance of telecommunication devices
- **Kyuden Business Solutions, Co., Inc.**
 - Development, operation and maintenance of information systems

Environment and recycling businesses



- **Kyushu Environmental Management Corporation**
 - Recycling of confidential documents
- **Japan Recycling Light Technology & System**
 - Recycling of fluorescent tubes



Consumer and community services business

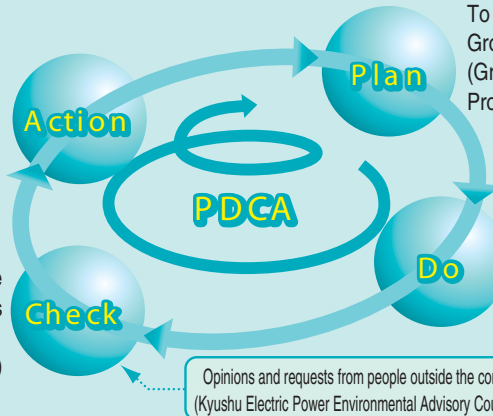


- **DENKI BLDG. CO., LTD.**
 - Real-estate management and rental business
- **Kyuden Good Life Kumamoto Company, Inc.**
 - Paid elderly nursing home management and nursing services
- **Kyuden Good Life Kagoshima Company, Inc.**
 - Paid elderly nursing home management and nursing services
- **Kyuden Good Life Company, Inc.**
 - Paid elderly nursing home management and nursing services
- **Shinrintoshi Co., Ltd.**
 - Real estate rental and land-related work
- **Kyuden Business Front, Inc**
 - Temporary personnel services and paid job placements
- **Kyushu Housing Guarantee Corporation**
 - Housing assessments and Building assessments
- **Kyuden Home Security Co., Inc.**
 - Home security and monitoring business
- **Kyuden Shared Business Corporation**
 - Accounting, human resources and labor-related work
- **Medical Support Kyushu Co., Ltd.**
 - Rental and lease of medical equipment, and managerial support for a diagnostic imaging clinic
- **Kyushu Captioning Co-Production Center Inc.**
 - Subtitle production for broadcasting
- **Reihoku Salt Co., Ltd.**
 - Production and sale of salt
- **Kyushu Highlands Development Co., Ltd.**
 - Management of hotels and golf courses
- **Ito Golf Co., Ltd.**
 - Golf course management

PDCA Cycle

To incorporate items for improvement in the plan for the following fiscal year to upgrade the plan (Group Management Association)

To analyze and evaluate actual environmental activities (Group Environmental Management Promotion Subcommittee)



To prepare the Kyushu Electric Power Group Environmental Activity Plan (Group Environmental Management Promotion Subcommittee)

To implement environmental activities

Each company implements PDCA

The Kyushu Electric Power Group (the "Group") engages in the total energy business as a mainstay, while developing a wide range of businesses including IT and telecommunications, environment and recycling, and consumer and community services, utilizing its technology and expertise.

Total energy business



Facility construction and maintenance

- **Kyushu Rinsan Co., Inc.**
 - Greening construction at power stations and other facilities
- **Nishinippon Plant Engineering and Consultation Co., Ltd.**
 - Construction and repair of power stations
- **Kyuden Sangyo Co., Inc.**
 - Environmental conservation-related work for power stations
- **West Japan Engineering Consultants, Inc.**
 - Survey and design of civil engineering and construction work
- **Kyudenko Co., Inc.**
 - Electrical work
- **Nishikyushu Kyodo Kowan Co., Ltd.**
 - Maintenance, management and operation of coal loading and handling facilities
- **Kyuken Co., Ltd.**
 - Construction and repair of transmission lines
- **Nishigi Kogyo Co., Inc.**
 - Conduit maintenance for hydroelectric power stations
- **Nishigi Engineering Co., Inc.**
 - Examination, design and construction management of electrical and mechanical facilities
- **Nishigi Surveying and Design Company, Inc.**
 - Examination, survey, design and drafting for civil engineering and construction work



Wholesale electricity business and energy business

- **TOBATA CO-OPERATIVE THERMAL POWER COMPANY, INC.**
 - Electricity wholesale supply
- **Oita Co-operative Thermal Power Company Inc.**
 - Electricity wholesale supply
- **Oita Liquefied Natural Gas Co., Inc.**
 - Receipt, storage, gasification and delivery of LNG
- **Nishinippon Environmental Energy Co., Inc.**
 - Dispersed power source operation business and consultation on energy use



Materials and equipment procurement

- **KYUKI CORPORATION**
 - Manufacture and sale of electrical machinery and equipment
- **NISHI NIPPON AIRLINES CO., LTD.**
 - Air cargo transportation
- **Kyushu Meter & Relay Engineering Corp.**
 - Repair and adjustment of electric instruments
- **Koyo Denki Kogyo Co., Ltd.**
 - Manufacture and sale of HV and LV insulators and other items
- **KYUHEN Co., Inc.**
 - Manufacture and sale of electrical machinery and equipment
- **Kyushu Koatsu Concrete Industries Co., Ltd.**
 - Manufacture and sale of concrete poles and other items
- **SEISHIN Corporation**
 - Sale of electrical machinery and equipment
- **Nishi Nihon Denki Tekkou Co., Ltd.**
 - Design, manufacture and sale of steel towers, structures and other items



● refers to an administrative company of the Group Environmental Management Promotion Subcommittee

2 Kyushu Electric Power Group Environmental Philosophy and Policies

The Kyushu Electric Power Group environmental philosophy sets forth the principles of the Group's commitment to environmental activities, while our environmental policies were established to prescribe our stance towards practical implementation of those activities.

Established in May 2002

Kyushu Electric Power Group Environmental Philosophy

The Group recognizes the importance of environmental conservation in every aspect of energy supply and other businesses and works towards the realization of an affluent society and an improved global environment.



Kyushu Electric Power Group Environmental Policies

1. We fulfill our social responsibility by complying with all environmental conservation laws and regulations.
2. For the creation of a recycling society, we work to reduce environmental load through the effective use of energy and resources as well as the recycling of waste.
3. We tackle all environmental issues aggressively and contribute to society through consistent environmental activities.
4. We disclose environment-related information and work for improved communication with society.

3 FY2006 Environmental Activity Plan

The FY2006 Kyushu Electric Power Group Environmental Activity Plan has been formulated to provide for the group's collective implementation of environmental management in accordance with the Kyushu Electric Power Group environmental philosophy and policies as well as the current social climate.

FY2006 Kyushu Electric Power Group Environmental Activity Plan

I Group promotion of the environmental management

1. Establishment and reinforcement of Group's environmental management promotional scheme
2. Compliance with laws and regulations
3. Accurate understanding of environmental data and implementation of target management
4. Implementation of environmental education and sharing of environment-related information

II Measures for global environmental issues

1. Steady measures for reduction of GHG emissions
2. Steady measures for reduction of regulated freon emissions

III Measures for the creation of recycling society

1. Promotion of recycling
2. Promotion of green procurement

IV Coordination with society

1. Thorough disclosure of environment-related information



Environmental management needs decisiveness at the top.

Norihiko Oka, President
Oita Liquefied Natural Gas Co., Inc.

VOICE ● How Oita LNG is playing its part

Oita LNG was established in 1986 to receive, store, and supply liquefied natural gas—a clean energy.

We have long striven to minimize environmental load through our own activities, but determined that we needed to be more effective in our environmental protection. As a result, we built an ISO14001-based system in 2003.

Over the subsequent two years we have reached our energy conservation and waste recycling targets, improved employees' environmental awareness considerably, and effectively introduced the PDCA process to our business overall.

Moving forward, we are committed to protecting the environment and contributing to the advancement of society by maintaining a stable supply of natural gas and steadfast application of EMS.



4 Environmental Management System

The Group has introduced unified standards, the Kyushu Electric Power Group Standards for the Implementation of EMS, which divide the EMS development into six levels. Thereunder, all Group companies implement at least the first level of EMS, and each company conducts its environmental activities in accordance with its unique circumstances. In FY2005, the six companies marked with a ■ below worked successfully to raise their EMS levels.

EMS implementation status

EMS level		Company name		Implemented	
6th level	ISO14001 certification acquisition	Nishinippon Environmental Energy Co., Inc.	Oct. 2000	West Japan Engineering Consultants, Inc.	Mar. 2005
		KYUKI CORPORATION	Mar. 2003	NISHI NIPPON AIRLINES CO., LTD.	Jun. 2005
		Kyushu Environmental Management Corporation	Sep. 2003	KYUHEN Co., Inc.	Oct. 2005
		KITAKYUSHU LIQUEFIED NATURAL GAS CO., INC.	Dec. 2004	—	—
5th level	ISO14001-based	Kyudenko Co., Inc. (Head Office)*1	Dec. 1999	Kyuken Co., Ltd. (Head Office)*1	Sep. 2005
		Kyuden Sangyo Co., Inc. (Environment Dept.)*1	Dec. 2002	Fukuoka Clean Energy Corporation (Tobu Plant)*1	Mar. 2006
		SEISHIN Corporation (Head Office)*1	Jan. 2004	—	—
4th level	ISO14001-based	Oita Liquefied Natural Gas Co., Inc. (whole company)	Dec. 2003	Fukuoka Energy Service Company, Inc. (whole company)*2	Scheduled for FY2006
3rd level	—	—	—	—	—
2nd level	—	KYUSHU CRYOGENICS CO., LTD. (whole company)	Mar. 2006	Koyo Denki Kogyo Co., Ltd. (whole company)	Mar. 2006
1st level	—	35 Group companies	Upon joining subcommittee	—	—

*1: For companies in the 2nd through 5th levels of development, the development level of the business unit with the highest level within each company is used as the company's development level for listing (for the five companies marked with *1). The 35 companies in the first level of development include these five companies.

*2: Fukuoka Energy Service Company, Inc. was separated from Nishinippon Environmental Energy Co., Inc. in FY2005.

Companies that raised EMS levels (i.e., that acquired ISO14001 certification)

NISHI NIPPON AIRLINES CO., LTD.

NISHI NIPPON AIRLINES provides helicopter coverage for the whole Kyushu area. Like any flyer, its primary mission is safety. To maintain safety and still contribute to environmental protection, NISHI NIPPON AIRLINES obtained ISO14001 in June 2005 to complement the ISO9001 certification it already has. The certification covers its whole organization and all business sites, including everything right down to temporary heliports.

NISHI NIPPON AIRLINES' environmental philosophy, policies and objectives have been brought into line with those of the Kyushu Electric Power Group, and the company places emphasis on meeting its environmental targets, which, given the nature of its operations, include aircraft noise and fuel management.



A Bell 412 helicopter

KYUHEN Co., Inc.

KYUHEN was established in October 1959 as a manufacturer and retailer of transformers and other electrical devices. The company was ISO14001 certified in October 2005. Its management systems were unified in order to integrate ISO9001 and 14001, and the company further illustrated its eco-considerate stance by computerizing all documents.

As a manufacturer, KYUHEN not simply concerned with quality. Through its comprehensive business activities—including the environmental aspects of creating products—the company also follows an aggressive environmental management policy with the aim of achieving quality-centric management, which is one of main KYUHEN's corporate philosophies, while simultaneously contributing to a sustainable society. Through such efforts, KYUHEN aims to become a company that is trusted by its customers.



The transformer production line

Kyuken Co., Ltd.

Kyuken was established in 1953 as a builder of transmission facilities. The company set up an environmental committee in 2001 to tackle environment issues. Starting with the 4Rs* of waste and reducing the amounts of substances that place a burden on the environment in its offices, Kyuken began its EMS efforts in 2003 with the aim of securing ISO14001 certification. These efforts included a whole host of construction work-related activities and resulted in Kyuken obtaining its coveted accreditation in September 2005.

Under its environmental policy, Kyuken practices environmentally considerate construction, such as minimizing construction noise and vibrations, and disposing of construction by-products appropriately.



Wind noise reduction work on 220 kV transmission lines

Fukuoka Clean Energy Corporation

Fukuoka Clean Energy was set up by Fukuoka City and Kyushu Electric Power in October 2000 to construct and operate its Tobu Plant, a waste treatment facility. The Tobu Plant began operations in August 2005; staunch protection of the environment is very much a part of the plant's operation, with effective use of resources and energy a priority, and it is through this that Fukuoka Clean Energy contributes to the formation of a recycling society.

Building of EMS began during construction of the plant itself in order to ensure effective protection of the environment, and the Tobu Plant acquired ISO14001 certification in March 2006.



The Tobu Plant

* A combination of the 3Rs (reduce, reuse, recycle) and "refuse", i.e., refuse to buy or accept unnecessary items.