

Financial Results

The 2nd Quarter of FY 2012

November 8 , 2012



Table of Contents

■ Financial Results and Forecasts Summary

FY2012 2nd Quarter Financial Results Summary	P	1
FY2012 Financial Results Forecasts and Dividend Forecasts	P	2

■ FY2012 2nd Quarter Financial Results

Electricity Sales Volume	P	3
Generated and Received Electricity	P	4
Income Statement Summary (Non-Consolidated)	P	5
[Explanations] Ordinary Revenues	P	6
" Fuel, Power purchase	P	7
" Maintenance, Depreciation	P	8
" Personnel, Others	P	9
Balance Sheet Summary (Non-Consolidated)	P	10
Income Statement Summary (Consolidated)	P	11
Segment Information	P	12
Cash Flow Summary (Consolidated)	P	13

*Figures for FY2012 2nd Quarter Financial Results are accumulated total from Apr.1,2012 to Sep.30,2012.

Financial Results and Forecasts Summary

FY2012 2nd Quarter Financial Results Summary

【Summary】

On both a consolidated and non-consolidated basis, the ordinary profit-and-loss was in the red for the second consecutive quarter.

In the electricity business:

- Electricity sales increased due to a rise in charge unit prices affected by fuel cost adjustments and other factors while electricity sales volume decreased.
- Thermal fuel expenses and power purchase expenses increased due to the influence of the shutdown of operations at nuclear power stations.

【Consolidated】

(Billions of Yen,%)

	FY2012 2Q	FY2011 2Q	Difference	Change
Sales	763.0	742.2	20.7	102.8
Operating Income (Loss)	-135.5	-7.2	-128.2	-
Ordinary Income (Loss)	-151.0	-19.0	-131.9	-
Net Income (Loss)	-149.5	-13.3	-136.2	-

Comprehensive Income (Loss)	-154.5	-18.0	-136.4	-
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Note: As of the end of FY2012 2Q, 69 affiliates were subject to consolidated accounting.

Breakdown:

Consolidated subsidiaries: 39 companies (no change from the end of FY2012 1Q)

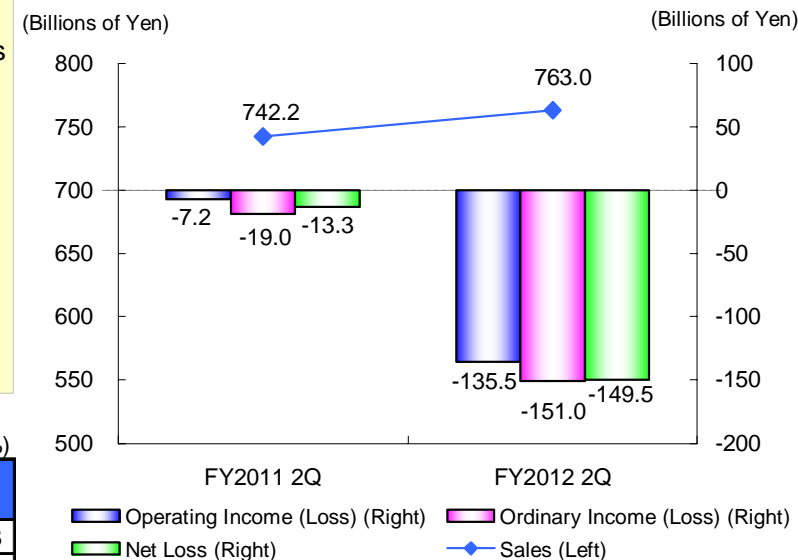
Equity method companies: 30 companies (no change from the end of FY2012 1Q)

【Non-Consolidated】

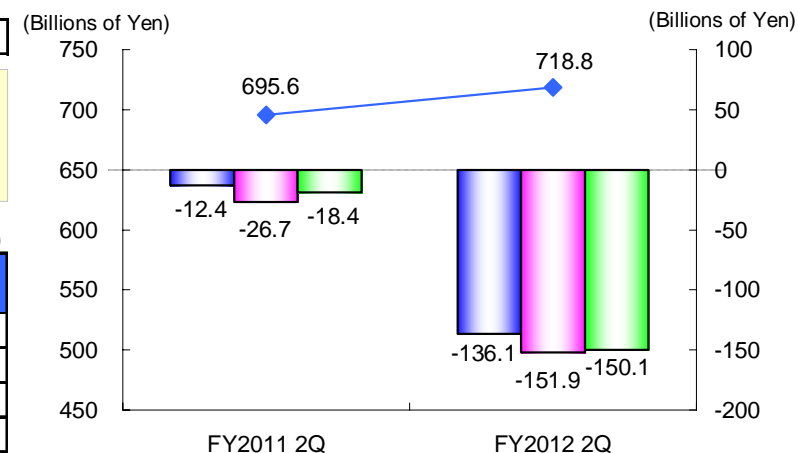
(Billions of Yen,%)

	FY2012 2Q	FY2011 2Q	Difference	Change
Sales	718.8	695.6	23.1	103.3
Operating Income (Loss)	-136.1	-12.4	-123.6	-
Ordinary Income (Loss)	-151.9	-26.7	-125.2	-
Net Income (Loss)	-150.1	-18.4	-131.6	-

Consolidated



Non-Consolidated



FY2012 Financial Results Forecasts and Dividend Forecasts

Results forecasts

It is uncertain regarding the schedule for the resumption of the operations of reactors of our nuclear power stations and undecided concerning the power saving of this winter. Therefore, our financial results forecasts of Full-year are undetermined.

We will promptly inform you of our forecasts when it is possible for us to make them.

Dividend forecasts

Indeed we are sorry, an interim dividend of 0 yen per share is decided.

Year-end dividend of FY2012 ending March 31, 2013 has yet to be decided. We will promptly inform you of a dividend when it is possible for us to make our forecasts.

FY2012 2nd Quarter Financial Results

Electricity Sales Volume

Customers other than large-scale industrial

Decreased by 2.7% compared with the 2Q of the previous year mainly due to an effect of our customers' power savings and a decrease in the air-conditioning demand as the temperature in June through July was lower than the previous year's level.

Large-scale industrial customers

Decreased by 0.6% compared with the 2Q of the previous year mainly due to the decrease in production of Electric Machinery and the effect of power saving in spite of the increase in production of Transportation Machinery and Steel and Iron.

【Electricity Sales Volume】

(Million-kWh,%)

		FY2012 2Q	vs.FY2011 2Q	
			Difference	Change
Lighting		13,862	-398	97.2
Power		28,199	-513	98.2
Total		42,061	-911	97.9
(Figures are included above)	Customers other than large-scale industrial	29,835	-831	97.3
	Large-scale industrial customers	12,226	-80	99.4

【Reference: Electricity Sales Volume (by sector)】

(Million-kWh,%)

			FY2012 2Q	vs.FY2011 2Q	
				Difference	Change
Demand other than under liberalization	Lighting		13,862	-398	97.2
	Power	Low voltage	2,371	-122	95.1
		Others	363	-51	87.6
	Subtotal		16,596	-571	96.7
Demand under liberalization	Commercial		10,019	-216	97.9
	Industrial		15,446	-124	99.2
	Subtotal		25,465	-340	98.7
Total			42,061	-911	97.9

【Large-scale industrial customers by sector】

(Million-kWh,%)

		FY2012 2Q	vs.FY2011 2Q	
			Difference	Change
Machinery Total		3,488	-36	99.0
(Figures are included above)	Electronics	2,391	-102	95.9
	Transportation	837	63	108.2
Steel and Iron		1,268	70	105.8
Chemicals		1,346	34	102.6
Clay and Stone		490	8	101.7
Non-ferrous Metals		959	-40	96.0
Pulps and Papers		224	-8	96.5
Foodstuffs		1,227	-10	99.2
Others		3,224	-98	97.1
Total		12,226	-80	99.4

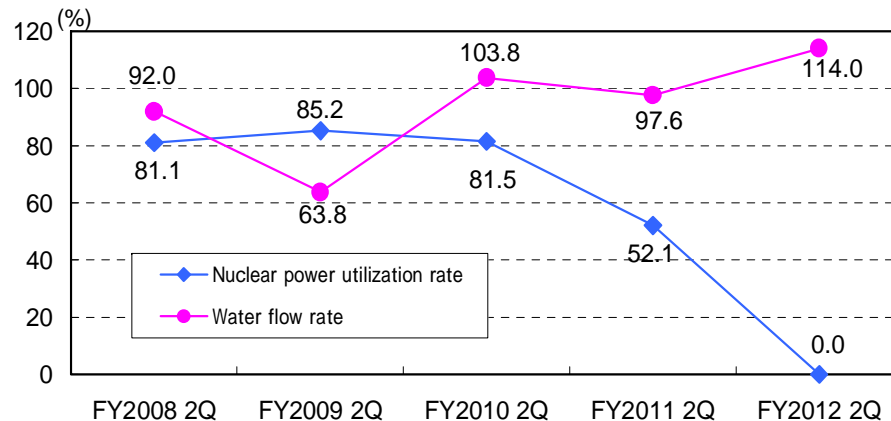
Generated and Received Electricity

【Generated and Received Electricity】

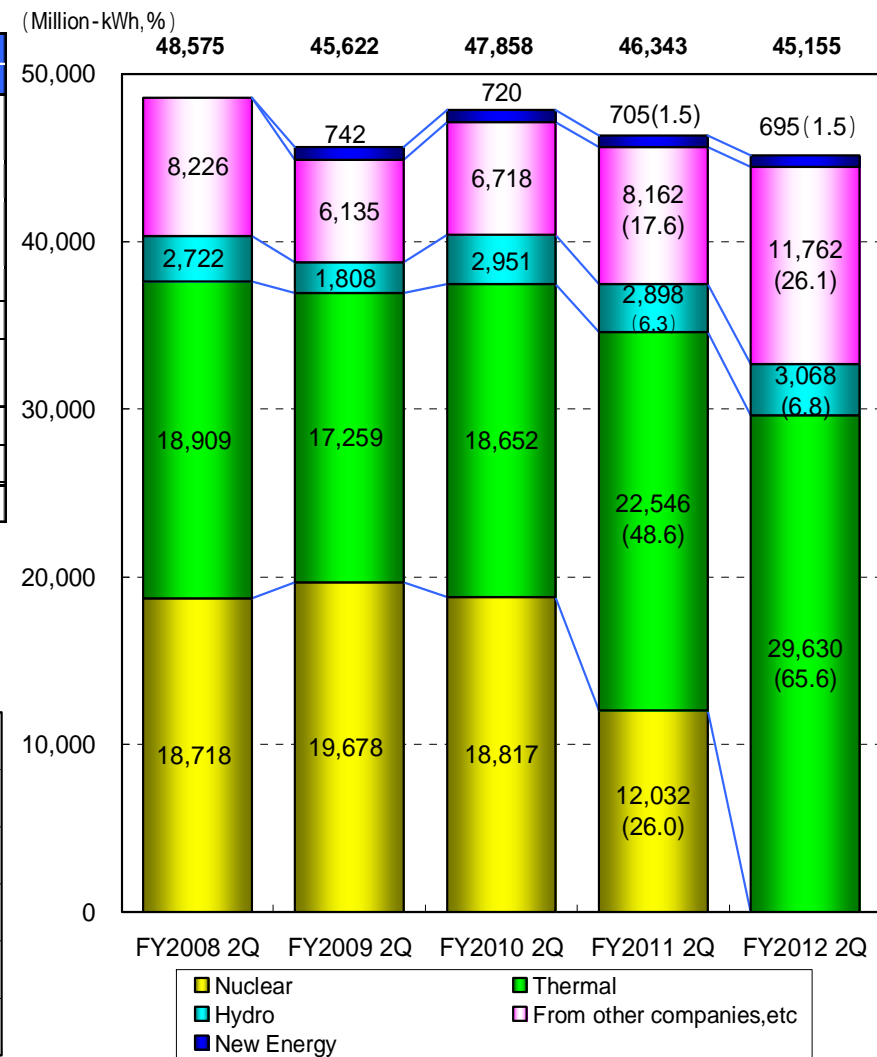
		FY2012 2Q	(Million-kWh,%) vs.FY2011 2Q	
			Difference	Change
Own facilities	Hydro	3,068	170	105.9
	(Water flow rate)	(114.0)	(16.4)	
	Thermal	29,630	7,084	131.4
	Nuclear	-	-12,032	-
	(Utilization rate)	(-)	(-52.1)	
	New Energy	695	-10	98.6
	Subtotal	33,393	-4,788	87.5
From other companies		10,685	1,877	121.3
(New Energy [included above])		(937)	(89)	(110.6)
Interchange		1,520	1,427	-
For pumping		-443	296	60.0
Total		45,155	-1,188	97.4

Note: "New Energy" includes Solar, Wind, Biomass, Waste and Geothermal

【Nuclear power utilization rate and Water flow rate】



【Trends in Generated and Received Electricity】



() : Percentage of the 2nd Quarter total

Income Statement Summary (Non-Consolidated)

(Billions of Yen,%)

		FY2012 2Q	FY2011 2Q	Difference	Change	Explanations
Ordinary Revenues	Lighting	283.4	279.4	3.9	101.4	Decrease in electricity sales volume -14.1
	Power	398.7	385.6	13.0	103.4	Rise in charge unit prices due to fuel cost adjustments and other factors 25.0
	Other	40.8	34.9	5.8	116.9	Solar Power Promotion Surcharge 3.1
	(Sales)	(718.8)	(695.6)	(23.1)	(103.3)	Renewable Energy Power Promotion Surcharge 3.0
Total		722.9	700.0	22.9	103.3	Grant based on the Act on Purchase of Renewable Energy Sourced Electricity 3.6
Ordinary Expenses	Labor	81.1	84.9	-3.8	95.5	
	Fuel	333.9	211.5	122.4	157.9	Influence of the shutdown of operations at nuclear power stations 128.0 (200.0 72.0)
	Power purchase	138.5	83.7	54.7	165.4	Influence of the shutdown of operations at nuclear power stations 41.0 (53.0 12.0)
	Maintenance	69.7	71.0	-1.3	98.1	Purchase of Renewable Energy Sourced Electricity 4.8
	Depreciation	91.4	100.6	-9.1	90.9	Nuclear -3.1 Thermal, -3.0
	Interest	17.2	15.5	1.7	111.4	
	Tax and public dues	41.5	46.6	-5.0	89.1	Fixed assets tax -4.5
	Nuclear back-end ^{*1}	9.8	20.2	-10.4	48.5	Reprocessing costs of irradiated nuclear fuel -5.1
Other	91.4	92.3	-0.9	99.0	Decommissioning costs of nuclear power plants -2.5	
Total		874.9	726.7	148.1	120.4	Overhead expenses ^{*2} -3.9 Levy based on the Act on Purchase of Renewable Energy Sourced Electricity 3.0
(Operating Income(Loss))		(-136.1)	(-12.4)	(-123.6)	(-)	
Ordinary Income (Loss)		-151.9	-26.7	-125.2	-	
Reserve for fluctuation In water levels		2.1	-	2.1	-	
Income taxes		-3.9	-8.2	4.3	-	
Net Income (Loss)		-150.1	-18.4	-131.6	-	

Note 1 : Nuclear back-end expenses consist of the following: Reprocessing costs of irradiated nuclear fuel, Reprocessing preparation costs of irradiated nuclear fuel, Decommissioning costs of nuclear power plants, and Disposal costs of high-level radioactive waste.

Note 2 : Overhead expenses refer to the aggregate sum of waste disposal expenses, consumables expenses, compensation expenses, leasing fees, subcontract fees, expansion and development expenses, training expenses, research expenses and others.

【Key Fundamentals】

	FY2012 2Q	FY2011 2Q	Difference
Exchange rate	79 yen/\$	80 yen/\$	-1 yen/\$
Crude oil CIF price	114 \$/b	114 \$/b	- \$/b
Water flow rate	114.0 %	97.6 %	16.4 %
Nuclear power utilization rate	- %	52.1 %	- 52.1 %

[Explanations] Ordinary Revenues

(Billions of Yen,%)

	FY2012 2Q	FY2011 2Q	Difference	Change
Lighting and Power	682.1	665.1	17.0	102.6

Difference

1. Decrease in electricity sales volume due to decreased demand -14.1

[Reference : Factors behind change in electricity sales volume]

(Billions-kWh)

	FY2012 2Q	FY2011 2Q	Difference	Factors
Customers other than large-scale industrial	29.9	30.7	-0.8	<ul style="list-style-type: none"> • Effect of our customers' power savings -0.6 • Temperature effect -0.3 • Effect of number of customers 0.1
Large-scale industrial customers	12.2	12.3	-0.1	<ul style="list-style-type: none"> • Effect of our customers' power savings -0.1
Total	42.1	43.0	-0.9	

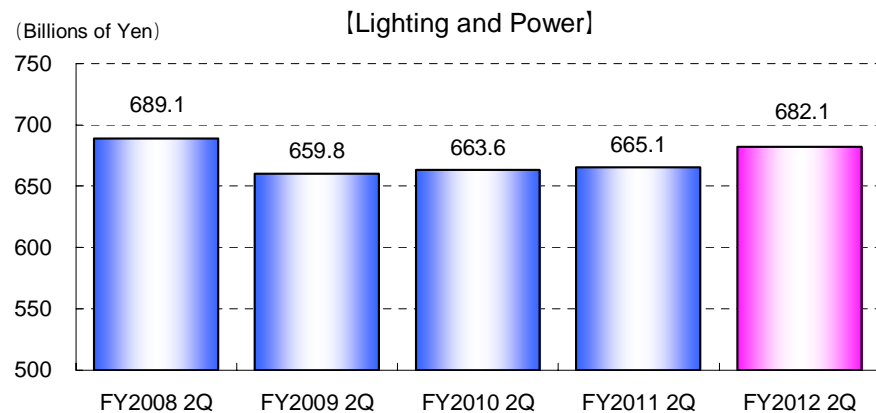
Difference

2. Rise in charge unit prices due to fuel cost adjustments and other factors 25.0

Effect of fuel cost adjustments 29.0

3. Solar Power Promotion Surcharge 3.1

4. Renewable Energy Power Promotion Surcharge 3.0

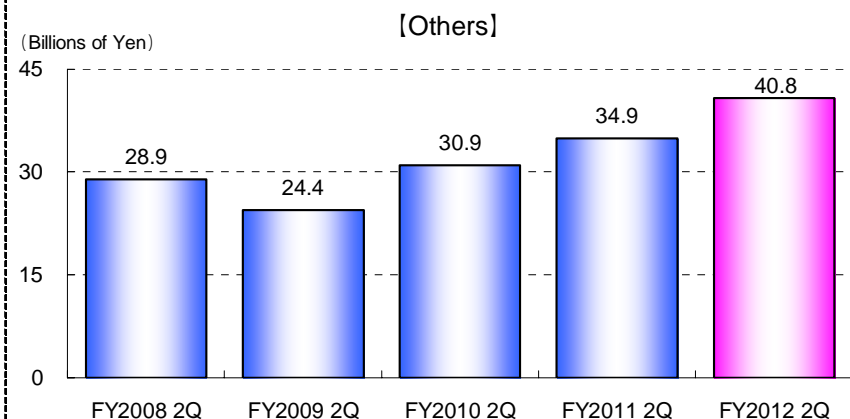


(Billions of Yen,%)

	FY2012 2Q	FY2011 2Q	Difference	Change
Others	40.8	34.9	5.8	116.9

Difference FY2012 2Q FY2011 2Q

1. Grant based on the Act on Purchase of Renewable Energy Sourced Electricity 3.6 (3.6 -)



[Explanations] Fuel, Power purchase

(Billions of Yen,%)				
	FY2012 2Q	FY2011 2Q	Difference	Change
Fuel	333.9	211.5	122.4	157.9

	Difference	FY2012 2Q	FY2011 2Q
1. Influence of the shutdown of operations at nuclear power stations	128.0	(200.0	72.0)

Thermal 133.5

[Reference] Fuel consumption

	FY2012 2Q	FY2011 2Q	Difference
Coal (thousand. ton)	2,615	2,852	-237
Heavy oil (thousand. kiloliter)	857	168	689
Crude oil (thousand. kiloliter)	839	393	446
LNG (thousand. ton)	2,281	1,805	476

Nuclear -5.5

2. Rise in fuel prices	7.0
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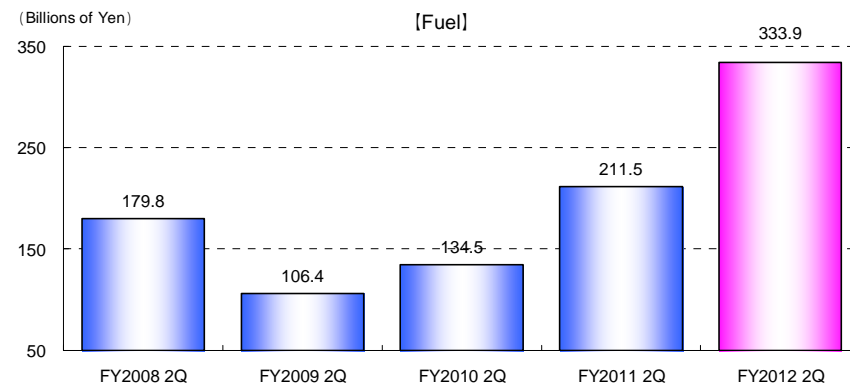
Effect of rise in fuel unit prices 7.5

[Reference] All Japan CIF prices

	FY2012 2Q	FY2011 2Q	Difference
Coal (\$/t)	134	141	-7
LNG (\$/t)	901	782	119
Crude oil (\$/b)	114	114	-

Effect of exchange rate (high-yen) -0.5

3. Decrease in electricity sales volume	-14.3
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(Billions of Yen,%)				
	FY2012 2Q	FY2011 2Q	Difference	Change
Power purchase	138.5	83.7	54.7	165.4

	Difference	FY2012 2Q	FY2011 2Q
1. Influence of the shutdown of operations at nuclear power stations	41.0	(53.0	12.0)

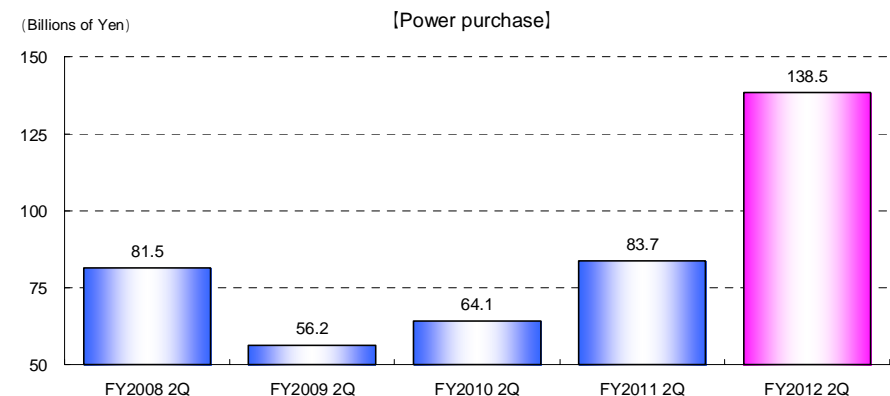
Accommodations from other power company 28.0

Increase in purchases of thermal power from other companies 13.0

2. Increase in solar power purchases	4.1
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The increasing cost of Fuel and Power purchase due to the influence of the shutdown of operations at nuclear power stations ; 253.0 Billions of Yen

(Reference) The increasing cost of FY2011 2Q ; 84.0 Billions of Yen



[Explanations] Maintenance, Depreciation

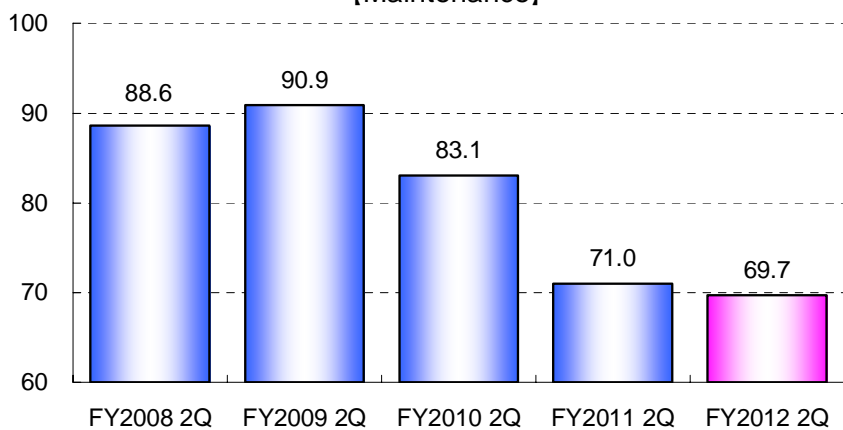
(Billions of Yen,%)

	FY2012 2Q	FY2011 2Q	Difference	Change
Maintenance	69.7	71.0	-1.3	98.1

	Difference	FY2012 2Q	FY2011 2Q
1. Nuclear	4.8 (	21.8	17.0)
2. Distribution	-3.3 (	22.2	25.5)
3. Thermal	-0.9 (	14.8	15.7)
4. Hydro	-0.8 (	1.9	2.8)
5. New Energy	-0.4 (	0.9	1.4)

(Billions of Yen)

[Maintenance]



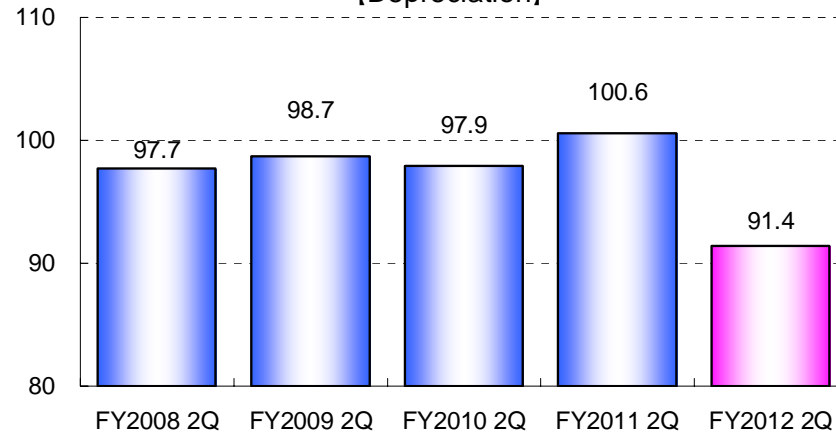
(Billions of Yen,%)

	FY2012 2Q	FY2011 2Q	Difference	Change
Depreciation	91.4	100.6	-9.1	90.9

	Difference	FY2012 2Q	FY2011 2Q
1. Nuclear	-3.1 (	15.6	18.8)
2. Thermal	-3.0 (	10.3	13.3)

(Billions of Yen)

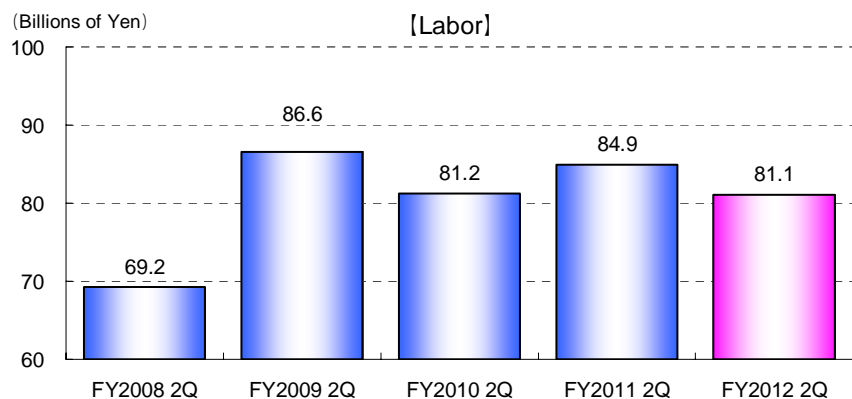
[Depreciation]



[Explanations] Labor, Others

(Billions of Yen,%)

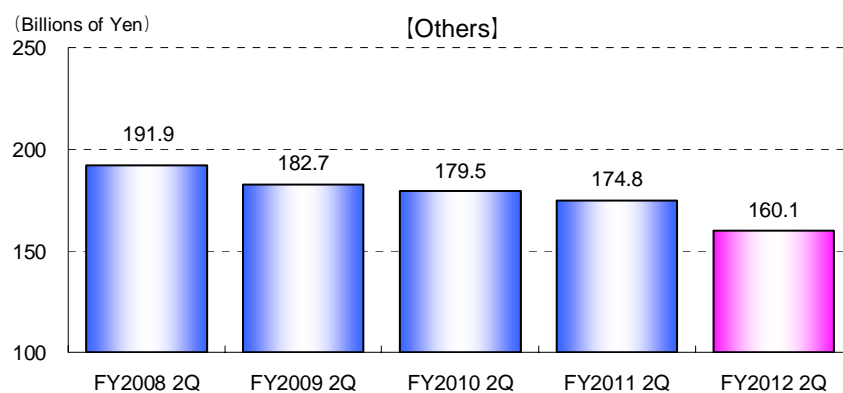
	FY2012 2Q	FY2011 2Q	Difference	Change
Labor	81.1	84.9	-3.8	95.5
		Difference	FY2012 2Q	FY2011 2Q
1. Salary		-2.9	(52.9	55.9)
2. Welfare expense		-0.3	(9.3	9.7)



(Billions of Yen,%)

	FY2012 2Q	FY2011 2Q	Difference	Change
Others	160.1	174.8	-14.6	91.6
		Difference	FY2012 2Q	FY2011 2Q
1. Nuclear power back-end costs		-10.4	(9.8	20.2)
Reprocessing costs of irradiated nuclear fuel		-5.1	(7.7	12.8)
Decommissioning costs of nuclear power plants		-2.5	(-	2.5)
2. Tax and public dues		-5.0	(41.5	46.6)
Fixed assets tax		-4.5	(15.8	20.4)
3. Overhead expenses		-3.9		
4. Levy based on the Act on Purchase of Renewable Energy Sourced Electricity		3.0		

Note: Others consists of interest charges, miscellaneous taxes, nuclear power back-end costs and others



Balance Sheet Summary (Non-Consolidated)

Assets

(Billions of Yen)

	Sep. 30, 2012	Mar. 31, 2012	Difference	Explanations
Utility Property, Plant and Equipment	2,475.4	2,528.9	-53.4	Depreciation -91.5 Construction completed 39.0
Investments and Other Assets	644.9	650.9	-6.0	
Others	1,006.0	931.0	74.9	Cash and cash equivalents and short-term investments 39.5 (Sep. 30, 2012 271.5 Mar.31, 2012 231.9)
Total	4,126.3	4,110.9	15.4	

Liabilities and Equity

(Billions of Yen)

	Sep. 30, 2012	Mar. 31, 2012	Difference	Explanations																						
Interest-bearing Debt	2,603.2	2,360.1	243.1	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Balance</th> <th rowspan="2">Difference</th> </tr> <tr> <th>Sep. 30, 2012</th> <th>Mar. 31, 2012</th> </tr> </thead> <tbody> <tr> <td>Bonds</td> <td>1,172.6</td> <td>1,192.6</td> <td>-20.0</td> </tr> <tr> <td>Loans</td> <td>1,360.6</td> <td>1,167.5</td> <td>193.1</td> </tr> <tr> <td>CP,etc</td> <td>70.0</td> <td>-</td> <td>70.0</td> </tr> <tr> <td>Total</td> <td>2,603.2</td> <td>2,360.1</td> <td>243.1</td> </tr> </tbody> </table>		Balance		Difference	Sep. 30, 2012	Mar. 31, 2012	Bonds	1,172.6	1,192.6	-20.0	Loans	1,360.6	1,167.5	193.1	CP,etc	70.0	-	70.0	Total	2,603.2	2,360.1	243.1
	Balance		Difference																							
	Sep. 30, 2012	Mar. 31, 2012																								
Bonds	1,172.6	1,192.6	-20.0																							
Loans	1,360.6	1,167.5	193.1																							
CP,etc	70.0	-	70.0																							
Total	2,603.2	2,360.1	243.1																							
Other Liabilities	920.1	984.1	-63.9	Other accounts payable -24.3 Accrued expenses -17.9 Short-term liabilities of affiliated companies -9.7 Trade accounts payable -7.4																						
Equity	602.8	766.7	-163.8	FY2012 2Q net income -150.1 Dividends -9.4 [Equity Ratio] Sep. 30, 2012 14.6% Mar. 31, 2012 18.7%																						
Total	4,126.3	4,110.9	15.4																							

Income Statement Summary (Consolidated)

		(Billions of Yen,%)				FY2012/2Q Consolidated Ratio
		FY2012 2Q	FY2011 2Q	Difference	Change	
Ordinary Revenues	Operating Revenues (Sales)	763.0	742.2	20.7	102.8	(1.06)
	Electric	699.3	678.4	20.8	103.1	
	Other	63.6	63.7	-0.1	99.8	
	Other Revenues	5.8	8.4	-2.5	69.6	
	Total	768.8	750.6	18.1	102.4	
Ordinary Expenses	Operating Expenses	898.5	749.5	149.0	119.9	
	Electric	838.8	691.7	147.0	121.3	
	Other	59.7	57.7	1.9	103.4	
	Other Expenses	21.3	20.1	1.1	105.6	
	Total	919.8	769.7	150.1	119.5	
(Operating Income(Loss))		(-135.5)	(-7.2)	(-128.2)	(-)	(-)
Ordinary Income (Loss)		-151.0	-19.0	-131.9	-	(-)
Reserve for Fluctuation In Water Levels		2.1	-	2.1	-	
Net Income (Loss)		-149.5	-13.3	-136.2	-	(-)
Comprehensive Income (Loss)		-154.5	-18.0	-136.4	-	

Segment Information

Energy-related business

- Sales and Operating income decreased mainly due to the decrease in the maintenance and repair work on power plants.

IT and Telecommunications

- Sales decreased mainly due to the decrease in information equipment sales and telecommunications works.
- Operating income decreased mainly due to the increase in selling expenses of broadband service.

Others

- Sales decreased mainly due to the decrease in property sales.
- Operating income decreased mainly due to the beginning of depreciation of new office building for rent.

(Billions of Yen)

	Electric Power	Energy-related business	IT and Telecommunications	Other	Eliminations/corporate	Total [Consolidated]
Sales	700.3	66.9	42.6	12.2	-59.3	763.0
	(20.9)	(-1.9)	(-1.2)	(-1.3)	(4.2)	(20.7)
Sales to customers [Figures are included above]	699.3	29.6	28.9	5.1	-	763.0
	(20.8)	(1.4)	(-0.6)	(-0.9)	(-)	(20.7)
Operating Income(Loss)	-139.3	-0.8	2.6	0.9	0.9	-135.5
	(-125.0)	(-1.6)	(-1.0)	(-0.7)	(0.3)	(-128.2)

Note: Figures in parentheses denote change from FY2011 2Q

Cash Flow Summary (Consolidated)

(Billions of Yen)

	FY2012 2Q	FY2011 2Q	Difference	Explanations
Cash flows from operating activities	-84.8	44.0	-128.9	Decrease due to the increase in payments for fuel costs -130.2
Cash flows from investing activities	-100.7	-119.4	18.6	
Reposting of capital expenditures including nuclear fuel [Figures are included above]	(-103.1)	(-119.8)	(16.6)	
Cash flows from financing activities	215.2	114.1	101.1	Increase in fund-raising due to the decrease in operating cash flows, etc. (Increase in interest bearing debt 96.6 (FY2012 2Q 226.7 FY2011 2Q 130.1))
Change in cash & cash equivalents	29.4	38.6	-9.1	

Free cash flows*	-188.0	-75.7	-112.2
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*Free cash flows = Cash flows from operating activities - Capital expenditures including nuclear fuel

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