

Summary of FY2016 Earnings Results



Electric Power Development Co., Ltd.

April 28, 2017

The following contains statements that constitute forward-looking statements, plans for the future, management targets, etc. relating to the Company and/or the J-POWER group. These are based on current assumptions of future events, and there exist possibilities that such assumptions are objectively incorrect and actual results may differ from those in the statements as a result of various factors.

Furthermore, information and data other than those concerning the Company and its subsidiaries/affiliates are quoted from public information, and the Company has not verified and will not warrant its accuracy or appropriateness.

Display of Figures

- ✓ All figures are consolidated unless stated otherwise.
- ✓ Amounts less than 100 million yen and electric power sales volume less than 100 million kWh shown in the consolidated financial data have been rounded down. Consequently, the sum of the individual amounts may not necessarily agree with figures shown in total columns.

I. Summary of FY2016 Earnings Results	
▶ Summary of FY2016 Earnings Results	4
▶ Key Data	5
▶ FY2016 Earnings Results (Main Factors for Change)	7
▶ Segment Information	8
▶ Revenue / Expenditure Comparison	9
▶ Balance Sheet	10
II. Summary of FY2017 Earnings Forecast	
▶ Summary of FY2017 Earnings Forecast	12
▶ Key Data	13
▶ FY2017 Earnings Forecast (Main Factors for Change)	14
III. Status of Initiatives for the Medium-Term Management Plan	
▶ Current Status	16
▶ Performance and Outlook for Growth Indices	19
▶ Current Status of Development Pipeline	20

***Inclusion of Loan Interest in Asset Acquisition Cost**

The Company included the interest on funds allocated to build electric utility plant and equipment in the construction cost for the assets concerned, pursuant to the Electricity Utilities Industry Accounting Regulations (MITI Ministerial Ordinance No. 57, 1965), but has switched to an accounting method that does not include interest in the construction cost of the assets concerned from the current fiscal year. This accounting policy was applied retroactively, and the consolidated financial statements for the previous fiscal year reflect the retroactive application.

I. Summary of FY2016 Earnings Results

Summary of FY2016 Earnings Results



Consolidated	FY2015	FY2016	(Unit: billion yen)		FY2016	(Unit: billion yen)	
	(Apr.-Mar.)	(Apr.-Mar.)	Year-on-year change		Forecast (Apr.-Mar.)	Comparison with the forecast	
Operating Revenue	780.0	744.4	(35.6)	(4.6) %	713.0	31.4	4.4 %
Operating Income	87.9	81.7	(6.1)	(7.0) %	73.0	8.7	12.0 %
Ordinary Income	58.5	67.1	8.6	14.7 %	53.0	14.1	26.7 %
Profit attributable to owners of parent	40.0	41.4	1.3	3.4 %	37.0	4.4	12.0 %

Non-consolidated	FY2015	FY2016	(Unit: billion yen)		FY2016	(Unit: billion yen)	
	(Apr.-Mar.)	(Apr.-Mar.)	Year-on-year change		Forecast (Apr.-Mar.)	Comparison with the forecast	
Operating Revenue	552.3	522.4	(29.8)	(5.4) %	508.0	14.4	2.8 %
Operating Income	41.5	27.6	(13.9)	(33.5) %	28.0	(0.3)	(1.3) %
Ordinary Income	40.1	56.4	16.2	40.6 %	58.0	(1.5)	(2.6) %
Profit	30.8	51.5	20.7	67.3 %	51.0	0.5	1.1 %

Growth indicator	FY2015	FY2016	(Unit: billion yen)	
	(Apr.-Mar.)	(Apr.-Mar.)	Year-on-year change	
J-POWER EBITDA*1	193.3	170.6	(22.7)	(11.8) %

*1 J-POWER EBITDA = Operating income + Depreciation and amortization + Share of profit of entities accounted for using equity method

Key Data (Electric Power Sales)



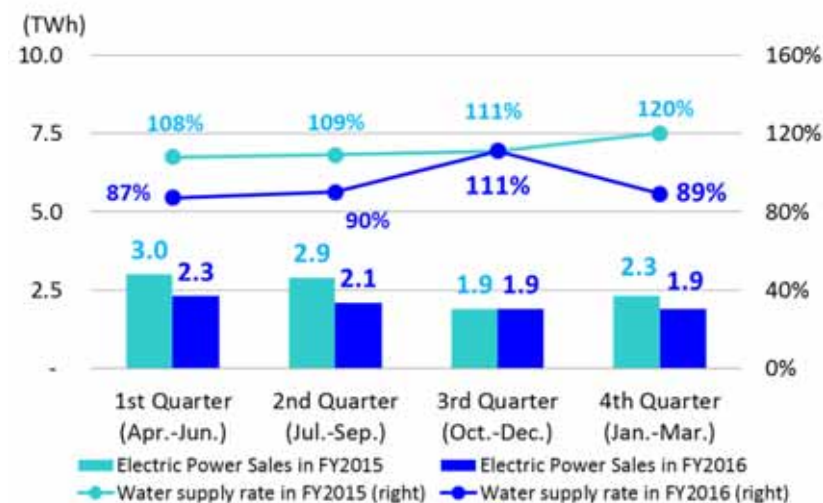
	FY2015 (Apr.-Mar.)	FY2016 (Apr.-Mar.)	Year-on-year change	
Electric Power Sales (TWh)				
Electric Power Business	67.3	62.7	(4.5)	(6.7)%
Hydroelectric Power	10.3	8.5	(1.8)	(17.6)%
Thermal Power	56.2	53.5	(2.7)	(4.9)%
Wind Power	0.7	0.7	0.0	2.4%
Overseas Business*1	13.8	14.6	0.7	5.7%
Water supply rate	111%	92%	(19)points	
Load factor *2	80%	75%	(5)points	

*1 Electric power sales volume of overseas consolidated subsidiaries (Electric power sales volume of equity method affiliated companies is not included.)

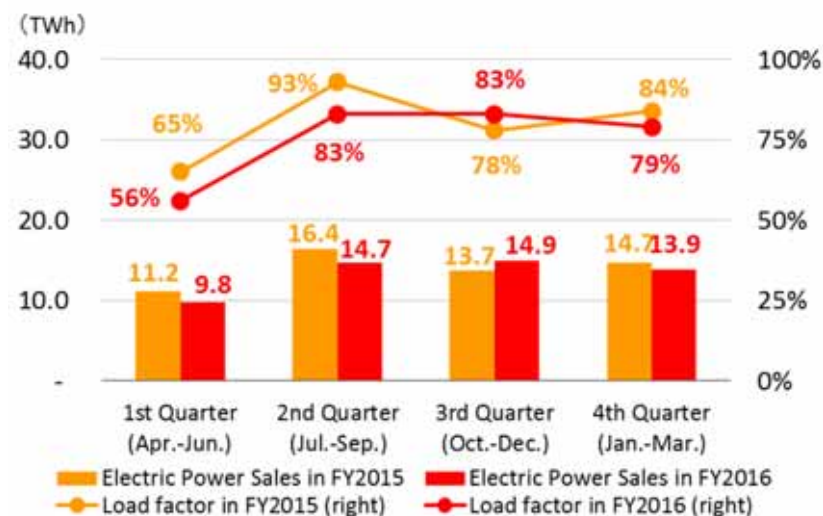
*2 Load factors of thermal power show the results for non-consolidated only.

Electric Power Sales for each Quarter

[Domestic Hydroelectric Power Business]



[Domestic Thermal Electric Power Business]



Key Data (Operating Revenue)



	FY2015 (Apr.-Mar.)	FY2016 (Apr.-Mar.)	Year-on-year change	
Operating Revenue (Billion yen)	780.0	744.4	(35.6)	(4.6)%
Electric Power Business	570.8	538.5	(32.2)	(5.7)%
Electric Power Generation Business	519.6	487.2	(32.4)	(6.2)%
Transmission / Transformation Business	48.9	49.0	0.0	0.1%
Overseas Business ^{*1}	155.9	149.8	(6.0)	(3.9)%
Other Business ^{*2}	53.2	55.9	2.6	(5.0)%
Average foreign exchange rate (Yen/US\$)	120.15	108.34		
Foreign exchange rate at the end of December (Yen/THB)	3.34	3.24		
Foreign exchange rate at the end of December (THB/US\$)	36.09	35.83		

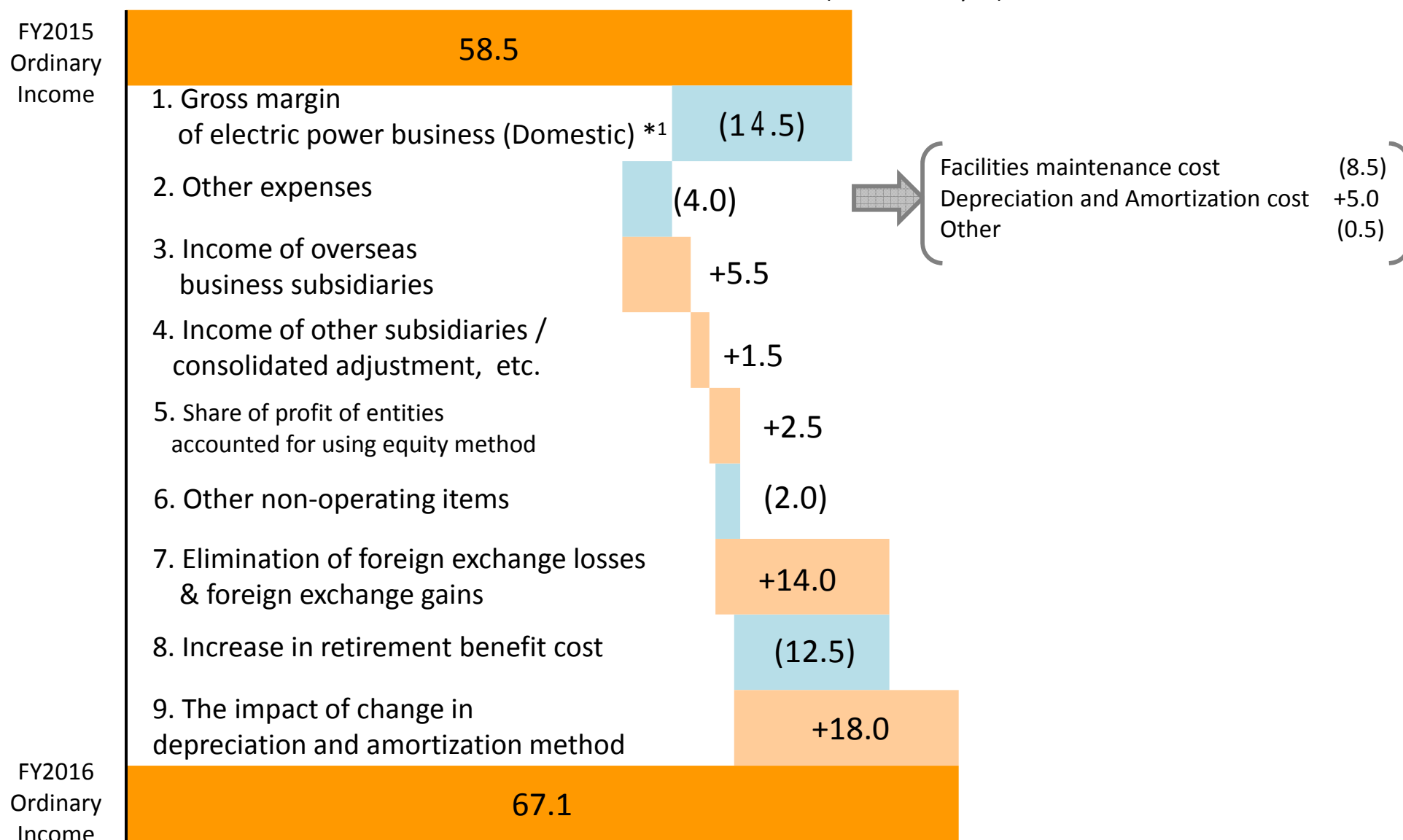
*1 Sales for the overseas business segment (Sales from overseas consolidated subsidiaries and overseas consulting business, etc.)

*2 "Other Business" is composed of "Electric Power-Related Business" segment and "Other Business" segment.

FY2016 Earnings Results (Main Factors for Change)



(Unit: billion yen)



*1 Gross margin of electric power business (Domestic) : Domestic electric power business revenue (hydro, thermal and wind, excluding transmission) – Fuel costs, etc.

Segment Information



(Unit: 100 million yen)

		Electric power	Electric power -related	Overseas	Other	Subtotal	Elimination*	Consolidated
FY2016	Sales	5,402	3,573	1,498	239	10,714	(3,270)	7,444
	Sales to customers	5,385	340	1,498	219	7,444	-	7,444
	Ordinary income	222	142	312	13	690	(19)	671
FY2015	Sales	5,724	3,591	1,559	230	11,107	(3,306)	7,800
	Sales to customers	5,708	319	1,559	213	7,800	-	7,800
	Ordinary income	322	144	114	8	589	(4)	585
year-on-year change	Sales	(322)	(18)	(60)	9	(392)	35	(356)
	Sales to customers	(322)	20	(60)	6	(356)	-	(356)
	Ordinary income	(100)	(2)	197	5	100	(14)	86

“Electric Power Business”

J-POWER group’s hydroelectric, thermal power (including subsidiaries’ thermal power (IPPs, for PPSs and others)), wind power and transmission business. The majority of consolidated revenue is derived from this segment.

“Electric Power-Related business”

These focus on peripheral business essential for the operation of power plants and transmission facilities, such as designing, executing, inspecting and maintaining power facilities and importing and transporting coal. Intra-group transactions account for a large portion of this segment, such as Company’s power plant maintenance, coal transportation activities.

“Overseas business”

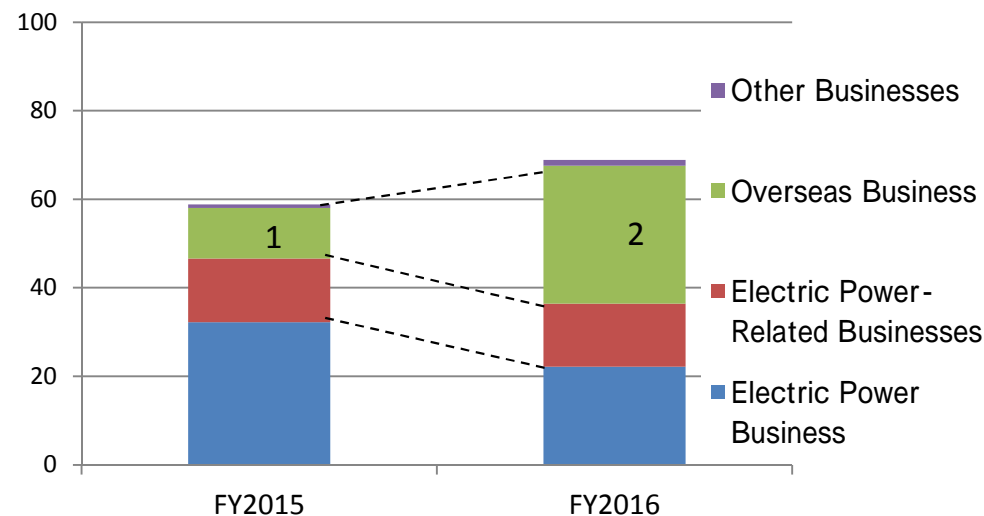
Overseas power generation business, overseas engineering and consulting business

“Other business”

Diversified business such as telecommunication, environmental and the sale of coal

* Elimination includes elimination of intersegment sales

Changes in Segment Ordinary Income



Eliminations are not included in this graph.

1 : Foreign exchange losses (12.5 billion yen) is included.

2 : Foreign exchange gains (1.5 billion yen) is included.

Revenue / Expenditure Comparison



(Unit: billion yen)

	FY2015 (Apr.-Mar.)	FY2016 (Apr.-Mar.)	Year-on-year change	Main factors for change
Operating Revenue	780.0	744.4	(35.6)	
Electric power business	570.8	538.5	(32.2)	Non-consolidated (32.1) (Decrease in fuel price and electric power sales)
Overseas business	155.9	149.8	(6.0)	
Other business	53.2	55.9	2.6	
Operating Expenses	692.1	662.6	(29.4)	
Operating Income	87.9	81.7	(6.1)	Non-consolidated (13.9), Subsidiaries and others +7.7
Non-operating Revenue	17.8	20.5	2.6	
Share of profit of entities accounted for using equity method	10.8	13.2	2.3	
Other	6.9	7.2	0.2	
Non-operating Expenses	47.2	35.1	(12.1)	
Interest expenses	30.4	29.7	(0.6)	
Other	16.7	5.3	(11.4)	
Ordinary Income	58.5	67.1	8.6	Non-consolidated +16.2 (Dividend income from subsidiaries and others : +27.4)
Profit attributable to owners of parent	40.0	41.4	1.3	

Balance Sheet



(Unit: billion yen)

	FY2015 End of FY	FY2016 End of FY	Change from prior year end	Main factors for change
Noncurrent Assets	2,232.2	2,271.0	38.7	
Electric utility plant and equipment	948.2	958.7	10.5	Non-consolidated +1.0, Subsidiaries and others +9.4
Overseas business facilities	357.4	332.0	(25.4)	Subsidiaries including power generation projects in Thailand (25.4)
Other noncurrent assets	101.8	92.5	(9.3)	
Construction in progress	441.0	476.1	35.0	Non-consolidated +44.3, Subsidiaries and others (9.2)
Nuclear fuel	73.4	73.6	0.2	
Investments and other assets	310.2	337.9	27.6	Long-term investment +19.1
Current Assets	308.4	335.2	26.8	
Total Assets	2,540.7	2,606.2	65.5	
Interest-bearing debt	1,628.7	1,620.0	(8.7)	Non-consolidated +8.4, Subsidiaries (17.1) [Corporate bonds (9.9), Long-term loans +4.5]
Others	236.5	222.1	(14.3)	
Total Liabilities	1,865.2	1,842.2	(23.0)	
Shareholders' equity	650.8	689.5	38.7	Increase in capital surplus due to partial transfer of stock to non-controlling shareholders, Increase in retained earnings
Accumulated other comprehensive income	15.7	34.2	18.5	Remeasurements of defined benefit plans +12.3, Deferred gains or losses on hedges +12.2
Non-controlling interests	8.8	40.2	31.3	
Total Net Assets	675.4	764.0	88.5	
D/E ratio (x)	2.4	2.2		
Shareholders' equity ratio	26.2%	27.8%		

II. Summary of FY2017 Earnings Forecast

Summary of FY2017 Earnings Forecast



	(Unit: billion yen)					(Unit: billion yen)			
	Consolidated					Non-consolidated			
	FY2016 Result	FY2017 Forecast	Comparison with FY2016 result			FY2016 Result	FY2017 Forecast	Comparison with FY2016 result	
Operating Revenue	744.4	798.0	53.5	7.2%	Operating Revenue	522.4	591.0	68.5	13.1%
Operating Income	81.7	82.0	0.2	0.3%	Operating Income	27.6	30.0	2.3	8.6%
Ordinary Income	67.1	66.0	(1.1)	(1.7)%	Ordinary Income	56.4	41.0	(15.4)	(27.4)%
Profit attributable to owners of parent	41.4	46.0	4.5	11.0%	Profit	51.5	37.0	(14.5)	(28.2)%

Growth indicator	(Unit: billion yen)		
	FY2016 Result	FY2017 Forecast	Comparison with FY2016 result
J-POWER EBITDA	170.6	168.0	(2.6) (1.6)%

	Cash dividends per share		
	Interim	Year end	Annual
FY2016	35 yen	35 yen	70 yen
FY2017 (Forecast)	35 yen	35 yen	70 yen

	FY2016 Result	FY2017 Forecast	Comparison with FY2016 Result			FY2016 Result	FY2017 Forecast
Electric Power Sales (TWh)					Water supply rate	92%	100%
Electric Power Business	62.7	64.5	1.7	2.8%	Load factor	75%	77%
Hydroelectric Power	8.5	9.0	0.5	6.3%	Foreign exchange rate at term end		
Thermal Power	53.5	54.6	1.1	2.2%	Yen/US\$	116.49	115
Wind Power	0.7	0.8	0.0	7.3%	Yen/THB	3.24	3.2
Overseas Business*1	14.6	10.7	(3.9)	(27.1)%	THB/US\$	35.83	35.83
Operating Revenue (Billion yen)	744.4	798.0	53.5	7.2%	Average foreign exchange rate		
Electric Power Business	538.5	608.6	70.0	13.0%	Yen/US\$	108.34	115
Electric Power Generation Business*2	487.2	554.0	66.7	13.7%			
Transmission/Transformation Business	49.0	48.9	(0.1)	(0.2)%			
Overseas Business*3	149.8	131.3	(18.5)	(12.4)%			
Other Business*4	55.9	57.5	1.5	2.8%			

*1 Electric power sales volume of overseas consolidated subsidiaries (Electric power sales volume of equity method affiliated companies is not included.)

*2 The details of Electric Power Business in Operating Revenue before FY 2015 were described as “Hydroelectric (Wholesale Electric Power)”, “Thermal (Wholesale Electric Power)” and “Other Electric Power Business”. From FY 2016, the details are described as “Electric Power Generation Business” (Aggregation of domestic hydroelectric, thermal and wind power) and “Transmission/Transformation Business”.

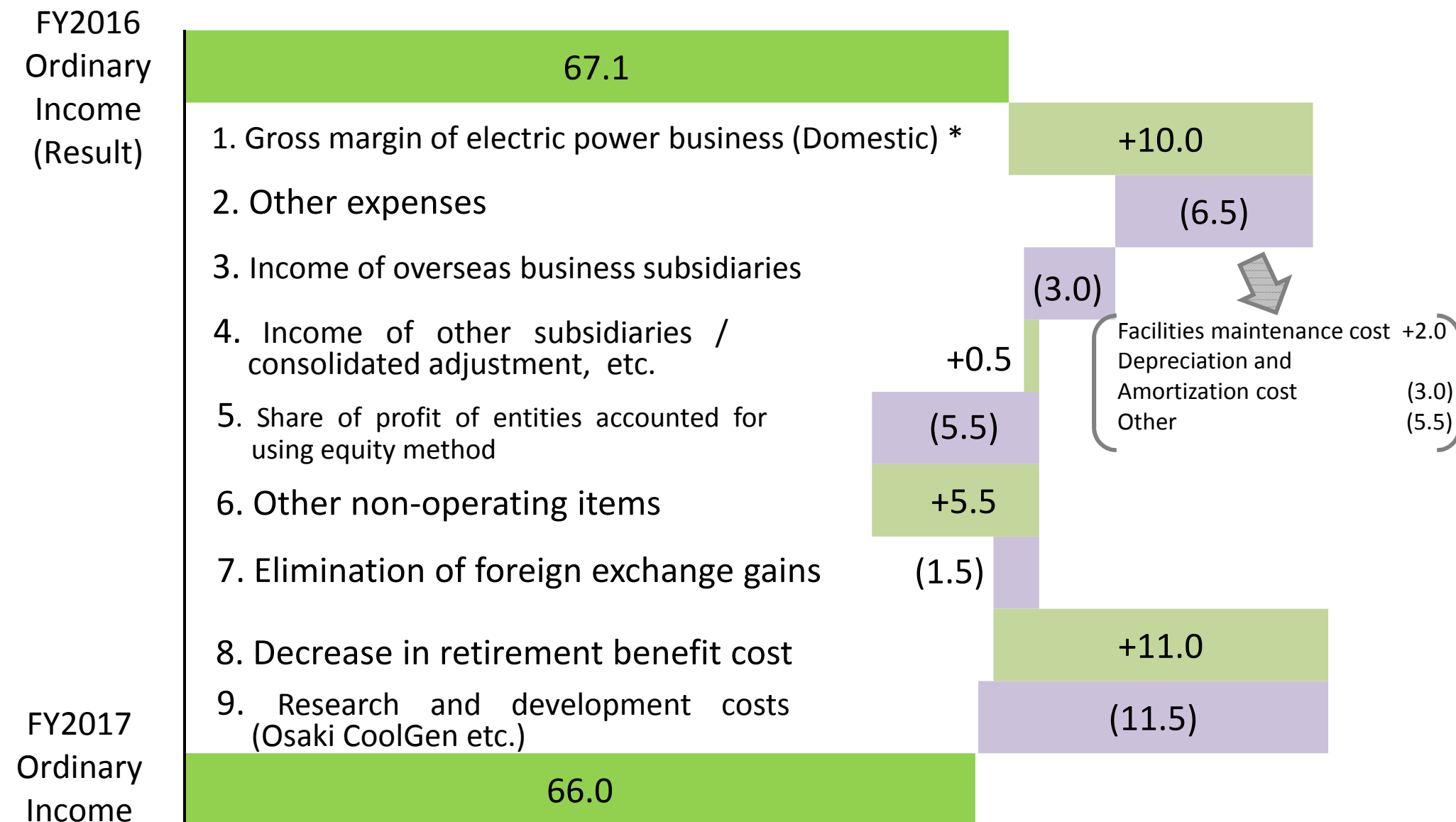
*3 Sales for the overseas business segment (Sales from overseas consolidated subsidiaries and overseas consulting business, etc.)

*4 “Other business” is composed of “Electric Power-Related Business” segment and “Other business” segment.

FY2017 Earnings Forecast (Main Factors for Change)



(Unit: billion yen)



*Gross margin of electric power business (Domestic) :
 Domestic electric power business revenue (hydro, thermal and wind, excluding transmission) – Fuel costs etc.

. Status of Initiatives for the Medium-Term Management Plan

- ✓ Since formulating the mid-term management plan, the management environment has been surrounded by changes including a reduction in domestic power demand, progressive electric power systems reform (fully liberalized retail, new market environments established including base load power markets), and the reinforcement of CO₂ emission regulations based on global warming countermeasures.
- ✓ J-Power is adapting to these environmental changes and aims to realize the growth proclaimed in the mid-term management plan as we steadily progress with improvements in the reliability & competitiveness of existing facilities and takes on new development initiatives including technical initiatives.

- ✓ Maintaining and improving reliability & competitiveness of existing facilities as we steadily promote new development and technical initiatives that form the basis for future growth.
- ✓ While progressing with existing projects as planned in FY 2016, investigations have started for the realization of offshore wind farms, geothermal replacements and other renewable energies.

[Major Progress in FY 2016]

- Kashima Power (coal, planned start of operation in 2020) has completed environmental assessment and started construction. Osaki CoolGen Project (oxygen-blown IGCC) (* 1) has started demonstration testing.
- Three wind farms have newly started operation, including the Ohma Wind Farm. Investigation has started toward commercialization of offshore wind power in Kitakyushu City, Fukuoka(* 2).
- Onikobe Geothermal Power Plant has started environmental assessment for replacement.
- Akiha No. 2 Power Plant (hydro-power) has completed mass upgrade of its major facilities and has started repowering operations. Konokidani Power (hydro-power) has newly started operations.
- Investigations for increase of capacity of Sakuma Frequency Converter Station and relevant transmission line are conducted (300MW 600MW).

* 1: Demonstration testing of oxygen-blown IGCC, a high efficiency combined power generation system that uses gas turbines and steam turbines that use gas generated from coal as fuel. In FY 2019, phase II of the demonstration will start, and will incorporate CO₂ separation and recovery technology.

* 2: The consortium including J-Power was selected in the public offering for the "Installation and Operation Business for the Hibikinada Offshore Wind Farm" by Kitakyushu City in February 2017 as the sole prospective operator (preferred negotiating partner). An SPC was established in April of the same year. Moving forward, investigations will take place on the wind conditions and the sea regions toward commercialization of offshore wind power generation in the Hibikinada.

- ✓ FY 2016 saw sizable progress in Central Java IPP project toward operation commencement, while new power plant interests were acquired in the US to make steady progress toward achieving the mid-term management plan targets (10 million kW owned capacity overseas in FY 2025).

[Major Progress in FY 2016]

- In Indonesia, the Central Java IPP project (coal thermal power, planned start of operation in 2020) has completed land acquisition and is striding toward full realization.
- In the US, additional interests acquired in Elwood (gas thermal, in operation), Illinois.
- Also in the US, interests acquired for Westmoreland (gas thermal, planned start of operation in 2018), Pennsylvania.

[=> These new projects have pushed up owned equity overseas to 7.6 million kW including projects under construction.]

Growth Indices (J-POWER EBITDA)	Three-year average outlook, 2015 to 2017		
	(Original outlook) Avg 185.0 billion yen / yr		(Current outlook) Avg 177.0 billion yen / yr
	FY 2015 Actual	FY 2016 Actual	FY 2017 Outlook
	193.3 B yen	170.6 B yen	168.0 B yen

- ✓ Declining interest rates have pushed up retirement payment costs and coal thermal power plants have consolidated periodic inspections ahead of schedule, which reduced revenue and increased maintenance costs, pulling the outlook for J-POWER EBITDA between 2015 and 2017 below the three-year average of 185 billion yen, which was outlined in the mid-term management plan.
- ✓ Operation commencement at Takehara New Unit No. 1 Thermal Power and Kashima Power in 2020 greatly enhances the outlook. We aim to deliver sustainable growth toward achieving the target in 2025 through stable operation of facilities aimed at increasing revenue and further economization of our expenses.

Current Status of Development Pipeline



	Project Name	Capacity	Preparation for construction	Under construction	Start of operation	Remarks
Thermal	Osaki CoolGen (Verification test for oxygen blown IGCC)	166MW				Started demonstration test in FY2016
	Takehara Thermal Power Plant New Unit No.1 (coal-fired, replacement)	600MW				Start of operation : FY2020 (planned)
	Kashima Power (coal-fired, new capacity)	645MW				Start of operation : FY2020 (planned)
	Yamaguchi Ube Power (coal-fired, new capacity)	1,200MW class				Undergoing environmental assessment
	Takasago Thermal Power Plant New Unit No.1/No.2 (coal-fired, replacement)	1,200MW				Undergoing environmental assessment
Wind	Minami Ehime (extension)	6.9MW				Started operation in FY2016
	Ohma	19.5MW				Started operation in FY2016
	Yurihonjo Bayside	16.1MW				Started operation in FY2016
	Setana Ohsato	50MW				Start of operation : FY2019 (planned)
	Kuzumaki No.2 (tentative name)	44.6MW				Completed environmental assessment
	Nikaho No.2 (tentative name)	41.4MW				Undergoing environmental assessment
	Hibikinada Offshore	114 ~ 228MW				Selected as preferred negotiating partner on installation and operation business
Hydroelectric	Konokidani	0.2MW				Started operation in FY2016
	Shinkatsurazawa / Kumaoui	21.9MW				Start of operation : FY2022 (planned)
	Akiba No.2 (Repowering)	34.9 35.3MW				Started operation in FY2016
	Akiba No.1 (Repowering)	45.3 47.2MW				Completion of repowering : FY2018 (planned)

Progress of Phase in FY2016 : new project commenced in FY2016 :

Current Status of Development Pipeline

	Project Name	Capacity	Preparation for construction	Under construction	Start of operation	Remarks
Geo-thermal	Wasabisawa	42MW		◇		Start of operation : FY2019 (planned)
	Onikobe (replace)	15MW	◆			Undergoing environmental assessment
Nuclear	Ohma	1,383MW		◇		Review by the NRA
Transmission/Transformation	Sakuma Frequency Converter Station and relevant transmission line	300MW	◇			Increase of capacity : 300MW → 600MW
Overseas	U-Thai IPP (Thailand, gas-fired)	1,600MW			◇	Completed development of 7 SPPs and 2 IPPs in Thailand
	Central Java IPP (Indonesia, coal-fired)	2,000MW		→ ◇		Start of operation : FY2020 (planned)
	Westmoreland (U.S.A., gas-fired)	926MW		◆		Start of operation : FY2018 (planned)



APPENDIX

(1) Financial section 23 ~ 32

(2) Business section 33 ~ 46

1. Consolidated: Revenues and Expenses	··· 24
2. Non-consolidated: Revenues and Expenses	··· 25
3. Consolidated: Cash Flow	··· 27
4. Consolidated: Key Ratios and Key Data	··· 28
5. Monthly Electricity Sales	··· 29

(1)-1. Consolidated: Revenues and Expenses



(Unit: 100 million yen)

	FY2012	FY2013	FY2014	FY2015	FY2016
Operating revenue	6,560	7,068	7,506	7,800	7,444
Electric utility operating revenue	6,053	6,090	5,881	5,708	5,385
Overseas business operating revenue	16	428	1,089	1,559	1,498
Other business operating revenue	490	549	535	532	559
Operating expenses	6,014	6,476	6,777	6,921	6,626
Operating income	545	591	728	879	817
Non-operating revenue	175	223	227	178	205
Share of profit of entities accounted for using equity method	117	163	156	108	132
Other	58	59	70	69	72
Non-operating expenses	273	414	362	472	351
Interest expenses	223	253	282	304	297
Other	49	161	79	167	53
Ordinary income	448	400	593	585	671
Extraordinary income	-	23	21	-	-
Profit attributable to owners of parent	298	286	432	400	414

(1)-2. Non-consolidated: Revenues and Expenses



(Unit: 100 million yen)

	FY2012	FY2013	FY2014	FY2015	FY2016	YOY change
Operating revenue	5,869	5,828	5,579	5,523	5,224	(298)
Electric power business	5,772	5,729	5,485	5,430	5,109	(321)
Electric power sales	5,206	5,167	4,953	4,902	4,579	(322)
Transmission and other	566	562	532	527	529	1
Incidental business	97	99	93	93	115	22
Operating expenses	5,436	5,423	5,133	5,107	4,948	(159)
Electric power business	5,347	5,334	5,049	5,023	4,842	(180)
Personnel expense	340	298	285	318	436	118
Amortization of the actuarial difference in retirement benefits	5	(30)	(43)	(23)	107	130
Fuel cost	2,384	2,502	2,284	2,184	1,968	(216)
Repair and maintenance cost	564	585	610	583	683	100
Depreciation and amortization cost	894	815	778	734	496	(237)
Other	1,162	1,133	1,090	1,202	1,257	55
Incidental business	88	89	84	84	105	20
Operating income	433	404	445	415	276	(139)

(1)-2. Non-consolidated: Revenues and Expenses



	FY2012	FY2013	FY2014	FY2015	FY2016
Electricity sales (GWh)	63,366	63,076	61,606	65,332	60,776
Hydroelectric	9,032	8,759	9,028	10,322	8,508
Thermal	54,333	54,316	52,577	55,010	52,268
Water supply rate (%)	102	99	98	111	92
Load factor of thermal power plants (%)	78	79	76	80	75

(Unit: 100 million yen)

【Amortization of the actuarial difference】		FY2012	FY2013	FY2014	FY2015	FY2016
Actual difference	The remainder in the previous year (c)	8	2	(14)	(20)	(10)
	Actual difference in the previous year	(0)	(47)	(49)	(13)	167
	Subtotal (a)	7	(45)	(63)	(33)	156
Amortization *(b)		5	(30)	(43)	(23)	107
The remainder in the present year (c=a-b)		2	(14)	(20)	(10)	49

(Unit: 100 million yen)

【Repair expenses】	FY2012	FY2013	FY2014	FY2015	FY2016
Hydroelectric	113	117	133	121	119
Thermal	404	419	423	409	507
Transmission	31	32	36	34	39
Others	15	15	15	16	17
Total	564	585	610	583	683

(Unit: 100 million yen)

【Depreciation and amortization costs】	FY2012	FY2013	FY2014	FY2015	FY2016
Hydroelectric	218	213	209	206	132
Thermal	484	408	379	334	230
Transmission	153	150	143	138	100
Others	39	42	44	55	33
Total	894	815	778	734	496

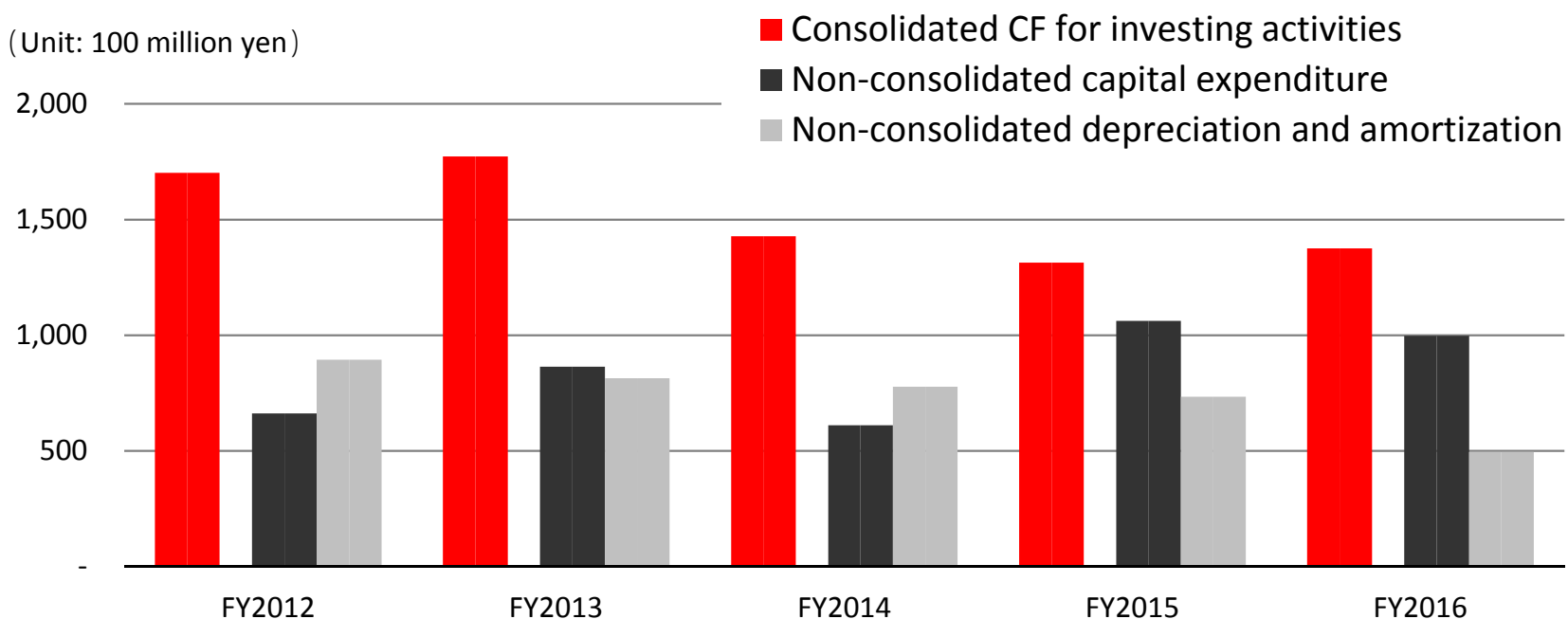
* Actuarial differences are amortized by the declining-balance method over two years from the year following the year in which they occurred.

(1)-3. Consolidated: Cash Flow

(Unit: 100 million yen)

	FY2012	FY2013	FY2014	FY2015	FY2016
Operating activities	1,197	1,221	1,478	1,461	1,154
Profit before income taxes	451	427	615	584	671
(reference) Non-consolidated depreciation and amortization	894	815	778	734	496
Investing activities	(1,703)	(1,773)	(1,429)	(1,315)	(1,376)
Capital expenditure for subsidiaries	(1,002)	(957)	(879)	(375)	(175)
(reference) Non-consolidated CAPEX*	(662)	(865)	(611)	(1,063)	(998)
Free cash flow	(505)	(552)	48	145	(222)

(Unit: 100 million yen)



* Non-consolidated capital expenditure: Increase in tangible and intangible noncurrent assets

(1)-4. Consolidated: Key Ratios and Key Data



(Unit: 100 million yen)

	FY2012	FY2013	FY2014	FY2015	FY2016
(PL) Operating revenue	6,560	7,068	7,506	7,800	7,444
Operating income	545	591	728	879	817
Ordinary income	448	400	593	585	671
Profit attributable to owners of parent	298	286	432	400	414
(BS) Total assets	21,699	23,852	26,591	25,407	26,062
Construction in progress	4,646	5,126	5,069	4,410	4,761
Shareholders' equity	4,539	5,162	6,887	6,665	7,238
Net assets	4,538	5,194	6,962	6,754	7,640
Interest-bearing debts	15,230	16,499	17,236	16,287	16,200
(CF) Investing activities	(1,703)	(1,773)	(1,429)	(1,315)	(1,376)
Free cash flow	(505)	(552)	48	145	(222)
(Ref) Non-consolidated CAPEX*1	(662)	(865)	(611)	(1,063)	(998)
(Ref) Non-consolidated depreciation	894	815	778	734	496
ROA (%)	2.1	1.8	2.4	2.3	2.6
ROA (ROA excl. Construction in progress) (%)	2.7	2.2	2.9	2.8	3.2
ROE (%)	6.9	5.9	7.2	5.9	6.0
EPS (¥)	198.65	191.23	284.43	218.97	226.33
BPS (¥)	3,024.98	3,440.23	3,762.52	3,641.59	3,954.22
Shareholders' equity ratio (%)	20.9	21.6	25.9	26.2	27.8
D/E ratio	3.4	3.2	2.5	2.4	2.2
Number of shares issued*2 (thousand)	150,052	150,051	183,050	183,049	183,049

*1 Non-consolidated capital expenditure: Increase in tangible and intangible noncurrent assets

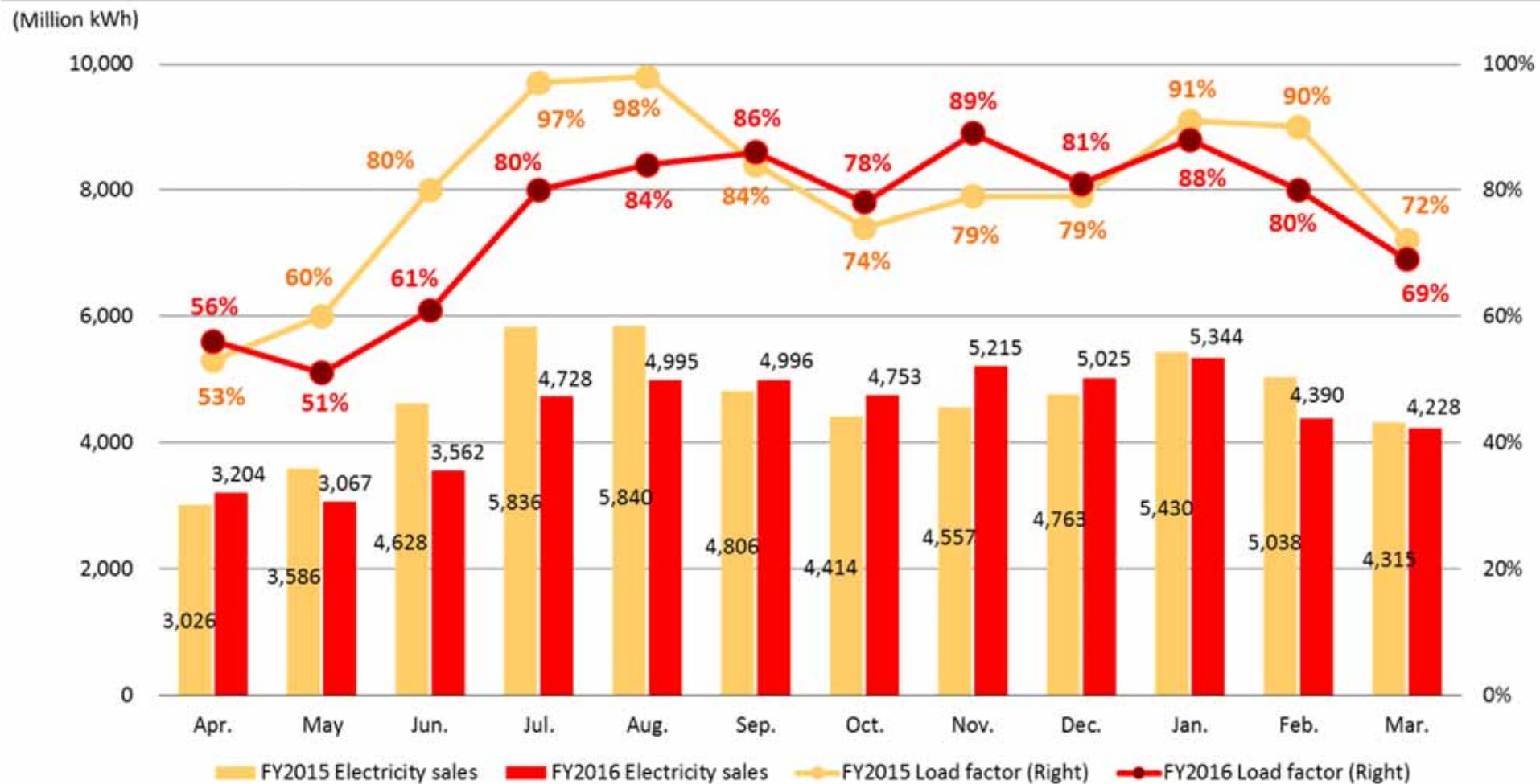
*2 Number of shares issued at the end of the fiscal year (excluding treasury stock)

(1)-5. Monthly Electricity Sales:

Domestic Power Generation Business (Thermal Power)



▶ Apr. 2015 - Mar. 2016 Results (Cumulative)	▶ Apr. 2016 - Mar. 2017 Results (Cumulative)
Load factor 80%	Load factor 75%
Electricity sales ⇒ 56.2TWh	Electricity sales ⇒ 53.5TWh



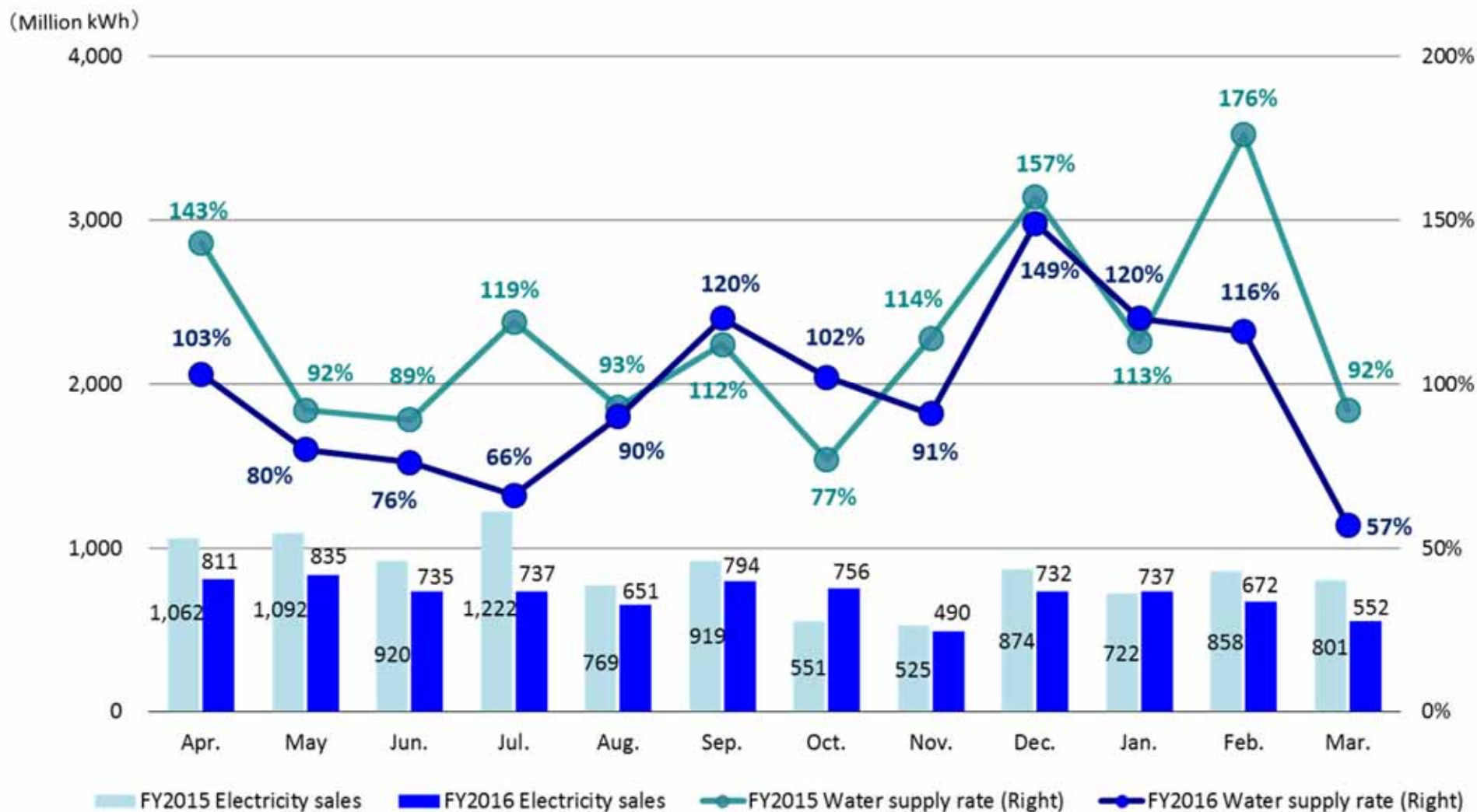
* Load factors of thermal power show the results for non-consolidated only.
 * Proportion of equity holding is not taken into account.

(1)-5. Monthly Electricity Sales:

Domestic Power Generation Business (Hydroelectric Power)



▶ Apr. 2015 - Mar. 2016 Results (Cumulative)	▶ Apr. 2016 - Mar. 2017 Results (Cumulative)
Water supply rate 111%	Water supply rate 92%
Electricity sales ⇒ 10.3 TWh	Electricity sales ⇒ 8.5 TWh



(1)-5. Monthly Electricity Sales:

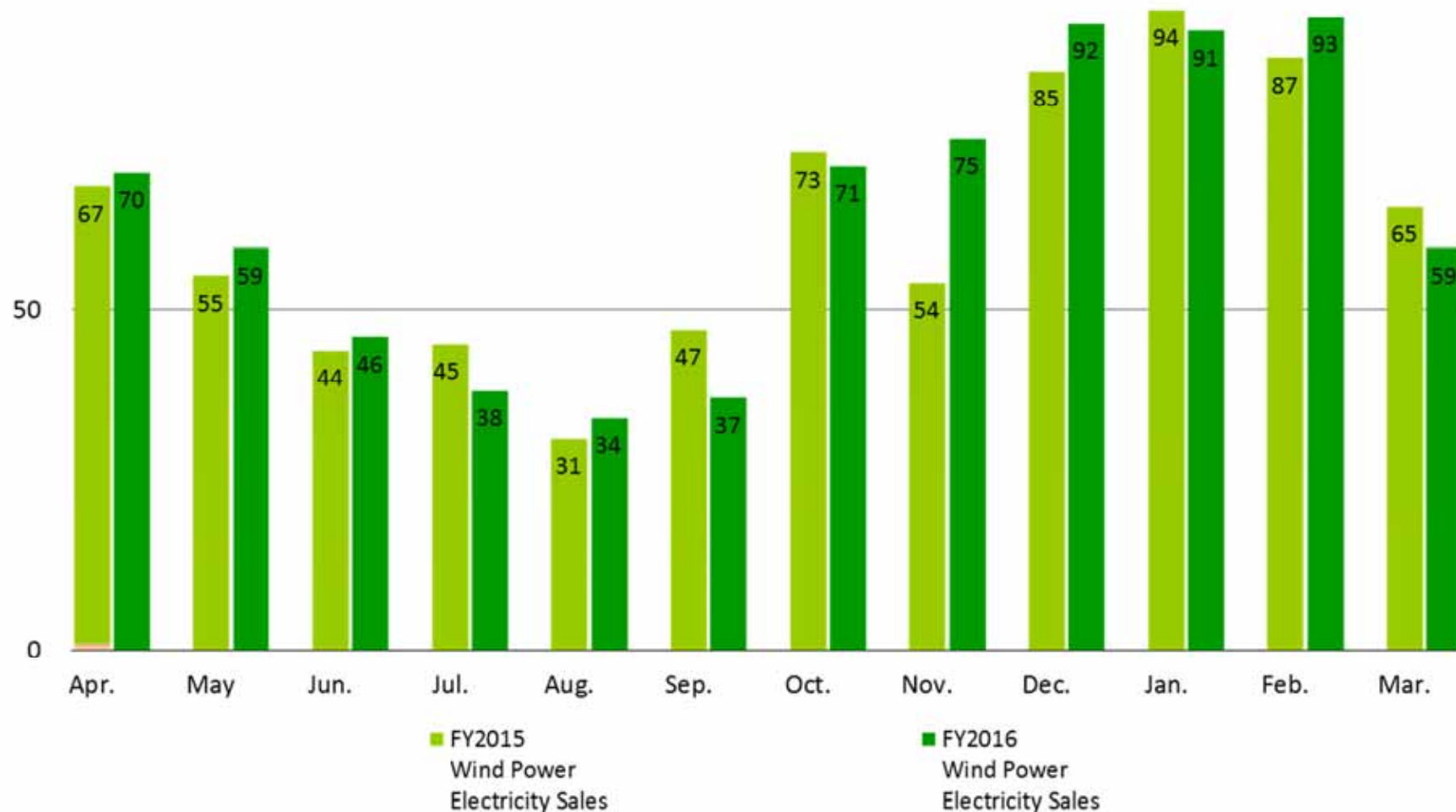
Domestic Power Generation Business (Wind Power)



- ▶ Apr. 2015 - Mar. 2016 Results (Cumulative) 0.75TWh
- ▶ Apr. 2016 - Mar. 2017 Results (Cumulative) ⇒ 0.76TWh

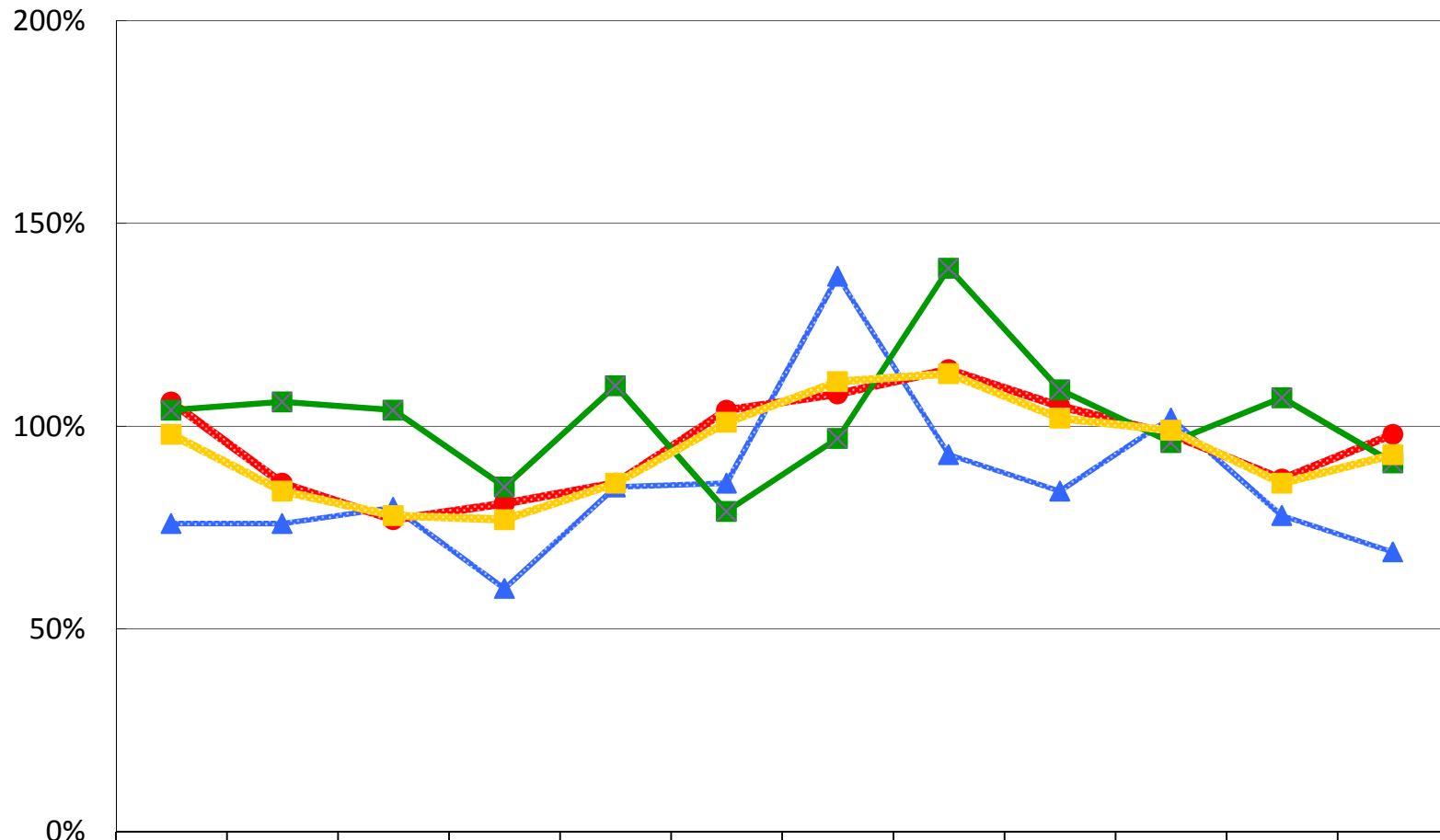
(Million kWh)

100



* Proportion of equity holding is not taken into account.

(1)-5. Monthly Domestic Power Generation Business: Change in Monthly Electricity Sales

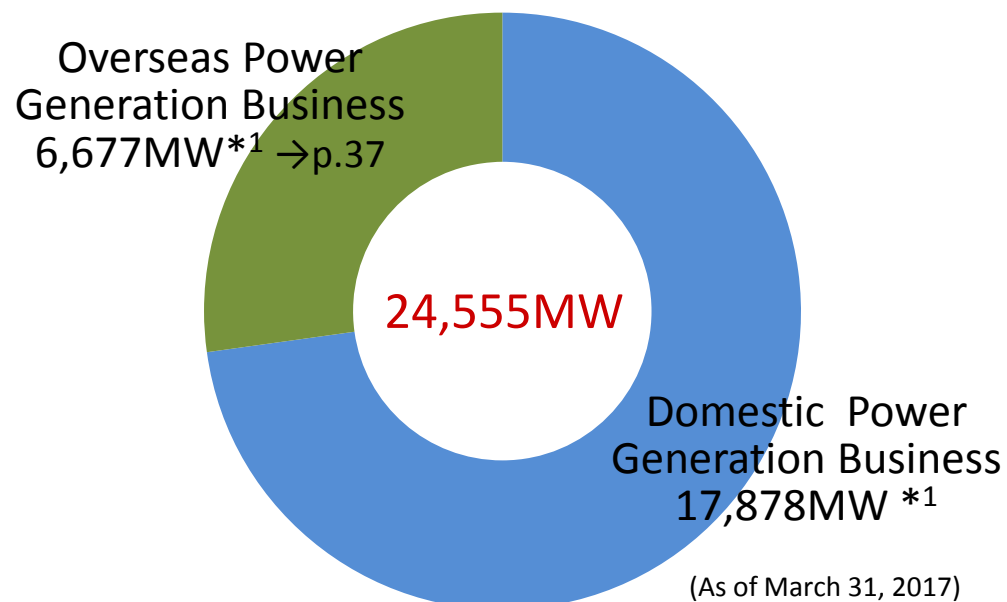


Year-on-year (Hydro)	76%	76%	80%	60%	85%	86%	137%	93%	84%	102%	78%	69%	82%
Year-on-year (Thermal)	106%	86%	77%	81%	86%	104%	108%	114%	105%	98%	87%	98%	95%
Year-on-year (Wind)	104%	106%	104%	85%	110%	79%	97%	139%	109%	96%	107%	91%	102%
Year-on-year Total	98%	84%	78%	77%	86%	101%	111%	113%	102%	99%	86%	93%	93%

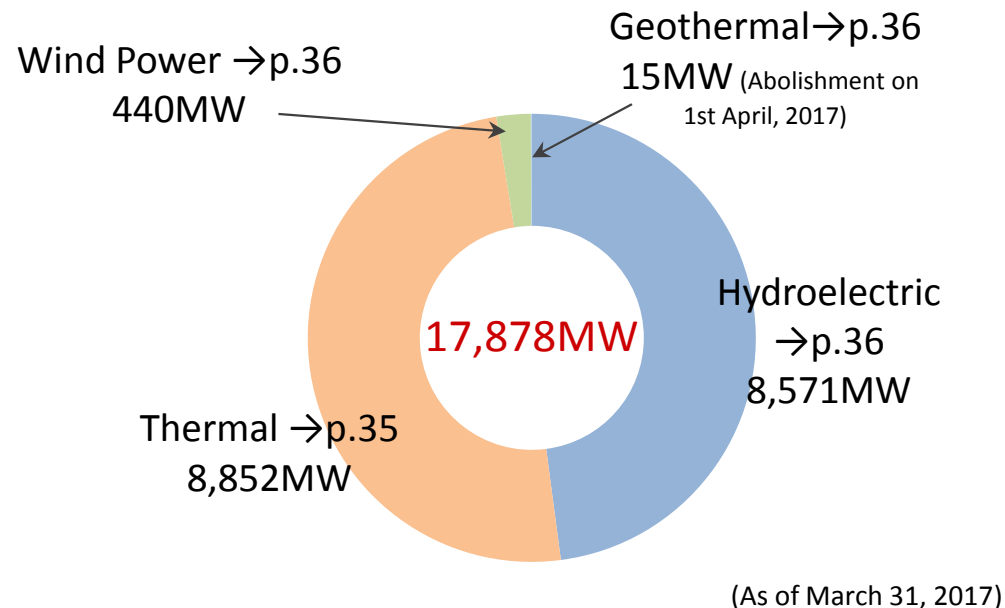
1. Overview of J-POWER Group Power Generation Facilities	··· 34
2. Domestic Electric Power Business Facilities	··· 35
3. Overseas Power Generation Projects	··· 37
4. New Coal-fired Power Projects in Japan	··· 39
5. Overseas Projects under Development	··· 40
6. Ohma Nuclear Power Project	··· 41
7. Response to the New Safety Standards at the Ohma Nuclear Power Plant	··· 42
8. Osaki CoolGen Project : Demonstration Test of Oxygen-blown IGCC	··· 45
9. Coal Mine Projects in Australia	··· 46

(2)-1. Overview of J-POWER Group Power Generation Facilities

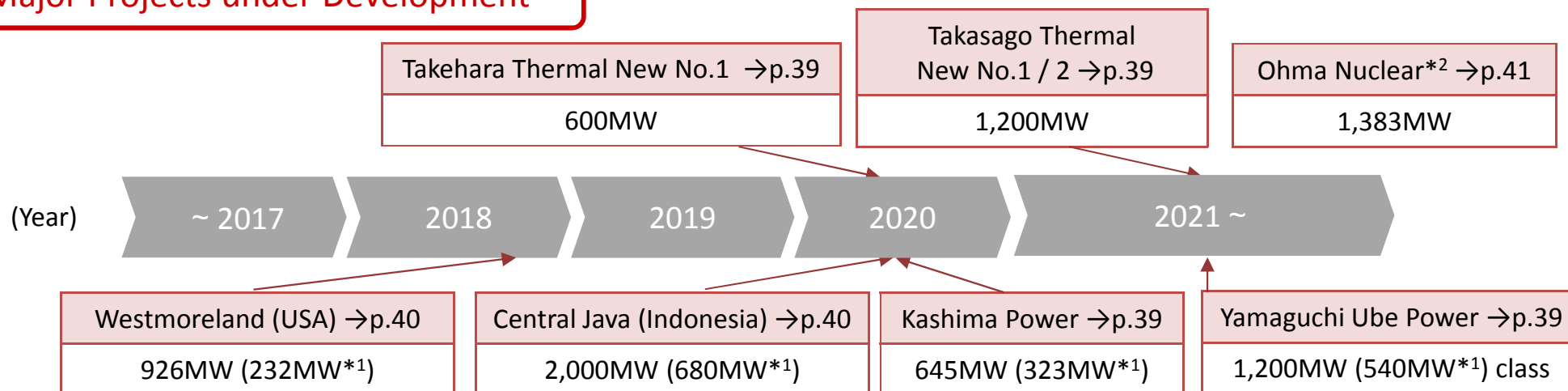
Consolidated Power Generation Capacity



Breakdown of Domestic Power Generation Business



Major Projects under Development



*1 Owned capacity: Capacity of each facility is multiplied by J-POWER's investment ratio (equity ratio). *2 Schedule of commencement of operation is to be determined.

(2)-2. Domestic Electric Power Business Facilities (As of March 31, 2017)



Thermal(J-POWER): 7 power plants, 8,374MW

	Power plants (Location)		Beginning of operation	Capacity (MW)
Coal	Isogo (Kanagawa)	New No.1	2002	600
		New No.2	2009	562* ²
	Takasago (Hyogo)	No.1	1968	250
		No.2	1969	250
	Takehara (Hiroshima)	No.1	1967	250
		No.2	1974	350
		No.3	1983	700
	Tachibanawan (Tokushima)	No.1	2000	1,050
		No.2	2000	1,050
	Matsushima (Nagasaki)	No.1	1981	500
		No.2	1981	500
	Matsuura (Nagasaki)	No.1	1990	1,000
		No.2	1997	1,000
	Ishikawa Coal (Okinawa)	No.1	1986	156
		No.2	1987	156

Thermal(Others): 5 power plants, 478MW*¹

Power plants	Location	Fuel	Ownership	Output Capacity (MW)
Bayside Ichihara	Energy Chiba	Gas	100%	108
Mihama Power Shinminato	Seaside Chiba	Gas	100%	105
Itoigawa	Niigata	Coal	64%	149
Tosa	Kochi	Coal	45%	167
Genex Mizue	Kanagawa	Gas oil Residue	40%	238

*1 Owned capacity: Capacity of each facilities is multiplied by J-POWER's investment ratio (equity ratio).

*2 Isogo New No.2 Unit is now operated with capacity of 562MW, lowered from 600MW due to breakage of a rotating blade in a low-pressure turbine in December 2012

(2)-2. Domestic Electric Power Business Facilities (As Of March 31, 2017)

Hydroelectric: 61 power plants, 8,571MW
 Conventional : 3,601MW
 Pumped Storage : 4,970MW

Power Plants (100MW-)	Location	Beginning of operation	Capacity (MW)
Shimogo	Fukushima	1988	1,000
Okutadami	Fukushima	1958	560
Otori	Fukushima	1963	182
Tagokura	Fukushima	1959	400
Okukiyotsu	Niigata	1978	1,000
Okukiyotsu No.2	Niigata	1996	600
Numappara	Tochigi	1973	675
Shintoyone	Aichi	1972	1,125
Sakuma	Shizuoka	1956	350
Miboro	Gifu	1961	215
Nagano	Fukui	1968	220
Tedorigawa No.1	Ishikawa	1979	250
Ikehara	Nara	1964	350
Sendaigawa No.1	Kagoshima	1965	120
Other 47 Plants			

Wind Power: 22 wind farms, 440MW*1

Wind farms (20MW-)	Location	Ownership	Output Capacity (MW)
Tomamae Winvilla	Hokkaido	100%	30.6
Kaminokuni	Hokkaido	100%	28.0
Green Power Kuzumaki	Iwate	100%	21.0
Nikaho Kogen	Akita	100%	24.8
Hiyama Kogen	Fukushima	100%	28.0
Koriyama-Nunobiki	Fukushima	100%	66.0
Irouzaki	Shizuoka	100%	34.0
Tahara Bayside	Aichi	100%	22.0
Awara-Kitagata	Fukui	100%	20.0
Minami Ehime	Ehime	100%	28.5
Minami Oosumi	Kagoshima	99%	26.0
Other 11 Plants			

Geothermal : 1 power plant, 15MW

Power Plant	Location	Beginning of Operation	Capacity(MW)
Onikobe*2	Miyagi	1975	15

*1 Owned capacity: Capacity of each facilities is multiplied by J-POWER's investment ratio (equity ratio).

*2 Onikobe was abolished on April 1, 2017.

(2)- 3. Overseas Power Generation Projects (As of March 31, 2017)



Projects	Type	Output capacity (MW)	Ownership	Owned capacity (MW)	Power purchaser	Validity of purchase agreement
Thailand (16 projects)		5,947		3,300		
Roi-Et	Biomass (Chaff)	10	24.7%	2	EGAT*1	Valid to 2024
Rayong	CCGT*3	112	20%	22	EGAT*1/ Companies in the industrial park	Valid to 2024
Gulf Cogeneration	CCGT*3	110	49%	54	EGAT*1/ Companies in the industrial park	Valid to 2019
Samutprakarn	CCGT*3	117	49%	57	EGAT*1/ Companies in the industrial park	Valid to 2020
Nong Khae	CCGT*3	120	49%	59	EGAT*1/ Companies in the industrial park	Valid to 2021
Yala	Biomass (Rubber Wood Waste)	20	49%	10	EGAT*1	Valid to 2031
Kaeng Khoi 2	CCGT*3	1,468	49%	719	EGAT*1	Valid to 2033
7 SPPs*2	Consolidated Subsidiaries	790	57.7%	456	EGAT*1/ Companies in the industrial park	Valid to 2038
Nong Seang		1,600	60%	960	EGAT*1	Valid to 2039
U-Thai		1,600	60%	960	EGAT*1	Valid to 2040
United States (10 projects)		4,504		1,785		
Tenaska Frontier	CCGT*3	830	31%	257	Exelon Generation Company, LLC	Valid to 2020
Elwood Energy	SCGT*4	1,350	50%	675	Constellation / PJM market	Partially valid to 2017
Green Country	CCGT*3	795	50%	398	Exelon Generation Company, LLC	Valid to 2022
Birchwood	Coal	242	50%	121	Virginia Electric and Power Company	Valid to 2021
Pinelawn	CCGT*3	80	50%	40	Long Island Power Authority	Valid to 2025
Equus	SCGT*4	48	50%	24	Long Island Power Authority	Valid to 2017
Fluvanna	CCGT*3	885	15%	133	Shell Energy North America	Valid to 2024
Edgewood	SCGT*4	88	50%	44	Long Island Power Authority	Valid to 2018
Shoreham	Jet Fuel (Simple cycle)	90	50%	45	Long Island Power Authority	Valid to 2017
Orange Grove	SCGT*4	96	50%	48	San Diego Gas & Electric	Valid to 2035

*1 EGAT(Electricity Generating Authority of Thailand): State-owned electric power utility in Thailand

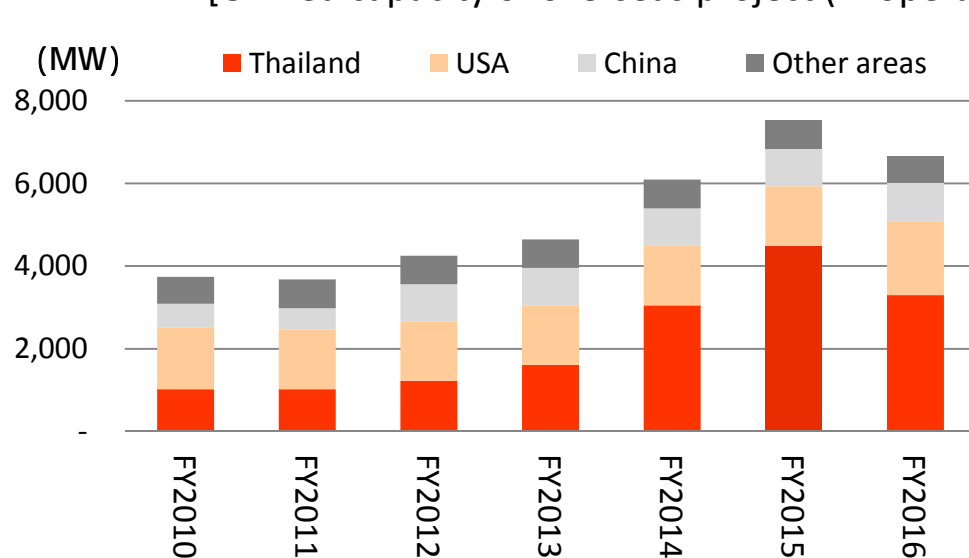
*2 7 SPP projects (KP1,KP2,TLC,NNK,NLL,CRN,NK2). J-POWER holds 45% stake in NLL and 60% stake in other 6 plants.

*3 CCGT: Combined Cycle Gas Turbine *4 SCGT: Simple Cycle Gas Turbine

(2)- 3. Overseas Power Generation Projects (As of March 31, 2017)

Projects	Type	Output capacity (MW)	Ownership	Owned capacity (MW)	Power purchaser	Validity of purchase agreement
China (5 projects)		8,958		936		
Tianshi	Coal Waste	50	24%	12	Shanxi Province Power Corporation	Renewed every year*1
Hanjiang (Xihe/Shuhe)	Hydroelectric	450	27%	122	Shaanxi Electric Power Company	Renewed every year*1
Gemeng*2	Mainly Coal	6,368	7%	447	Shanxi Province Power Corporation	-
Hezhou	Coal	2,090	17%	355	Guanxi Power Grid Co.	Renewed every year*1
Other country/region (5 projects)		1,446		656		
CBK (3 projects) (Philippines)	Hydroelectric	728	50%	364	National Power Corporation	Valid to 2026
Chiahui (Taiwan)	CCGT*3	670	40%	268	Taiwan Power Company	Valid to 2028
Zajaczkowo (Poland)	Wind Power	48	50%	24	ENERGA OBROT S.A.	Valid to 2023

[Owned capacity of overseas project (in operation)]



Countries/Regions	In operation	Under development	Total
Thailand	3,300	-	3,300
USA	1,785	232	2,016
China	936	-	936
Other areas	656	680	1,336
Total	6,677	912	7,588

*1 Although power purchase agreements are renewed every year, J-POWER makes other agreements with power purchasers for continuous power purchase during the plant operation.

*2 Gemeng International Energy Co., Ltd. is an electric power company that owns 14 power generation companies.

*3 CCGT: Combined Cycle Gas Turbine

(2)-4. New Coal-fired Power Projects in Japan

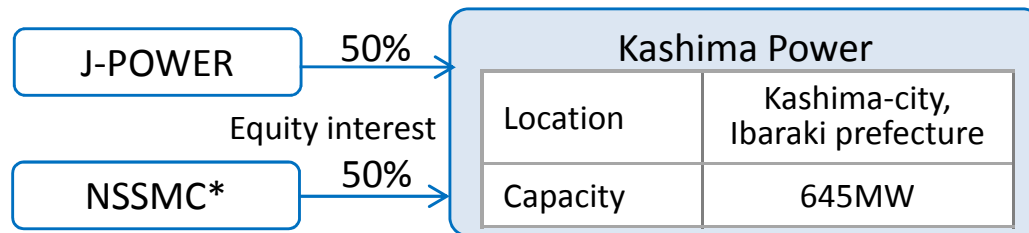
Takehara Thermal Power Plant New Unit No.1

Location	Takehara-city, Hiroshima prefecture
Status	Under construction for replacement
Start of operation	Scheduled for June 2020
Capacity	600MW → 600MW (Replacement in the same capacity)
Steam Condition	Sub-Critical → Ultra-supercritical

Takasago Thermal Power Plant New Unit No.1 and 2

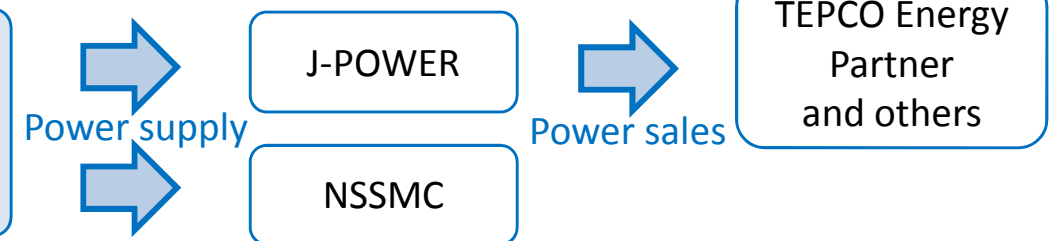
Location	Takasago-city, Hyogo prefecture
Status	Implementing environmental assessment
Start of operation	Scheduled for 2021 (New No.1) and 2027- (New No.2)
Capacity	500MW → 1,200MW (Replacement for the larger capacity)
Steam Condition	Sub-Critical → Ultra-supercritical

Kashima Power (New Capacity)

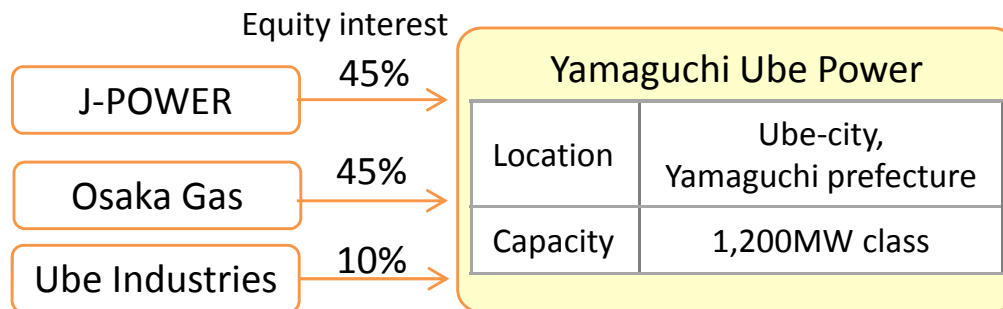


* Nippon Steel & Sumitomo Metal Corporation

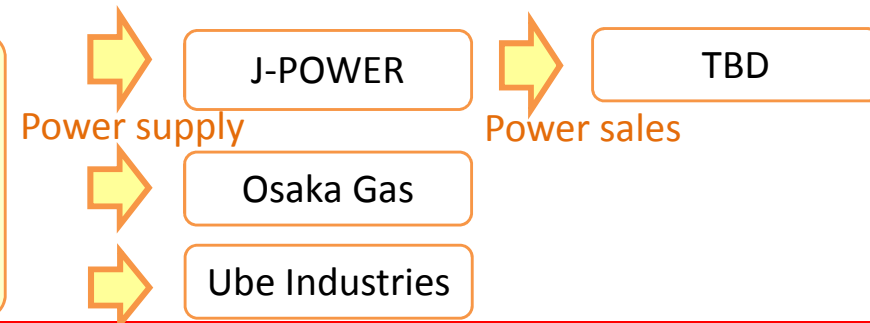
- ✓ Status : Under construction (Beginning in November 2016)
- ✓ Start of operation : scheduled for July 2020



Yamaguchi Ube Power (New Capacity)



- ✓ Status : Implementing environmental assessment
- ✓ Start of operation : scheduled for 2023 (No.1), 2025 (No.2)



(2)-5. Overseas Projects under Development (As of March 31, 2017)

Project	Overview	Location of the power plant
<p>Central Java (Indonesia)</p> <p>Capacity: 2,000MW (1,000MW x 2) Type: Coal (USC*1) Ownership: 34% Status: Under Construction Start of operation No.1: Jun 2020 No.2: Dec 2020</p>	<ul style="list-style-type: none"> • IPP project (newly developed coal-fired power plant) awarded through international tender in Indonesia in 2011. • The plan is to construct a high-efficiency coal-fired power plant in Batang city, Central Java Province. • After startup of operation, the plant will sell electricity to Indonesia's state-owned power for a period of 25 years. 	
<p>Westmoreland (USA)</p> <p>Capacity: 926MW Type: CCGT *2 Ownership: 25% Status: Under Construction Start of operation: 2018</p>	<ul style="list-style-type: none"> • Acquisition of equity interest (25%) in January 2017 • The power plant is expected to start its commercial operation in late 2018 and supply electricity to PJM*3, the largest deregulated electricity market in the US. • Our investment in the US will expand to 11 projects with the aggregated owned capacity exceeding 2GW after commercial operation. 	

*1 USC: Ultra - Supercritical

*2 CCGT: Combined Cycle Gas Turbine

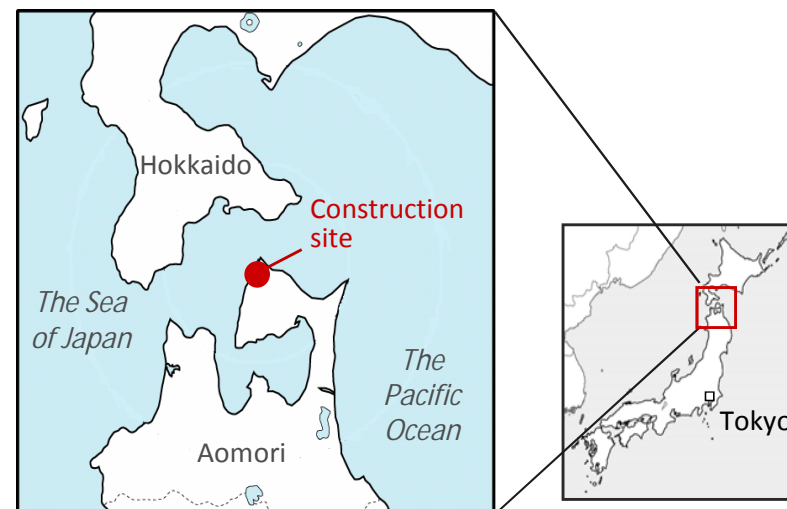
*3 PJM: The independent system operator in the Eastern US that operates the largest wholesale electricity market in the US as well as runs its electric power system.

(2)-6. Ohma Nuclear Power Project

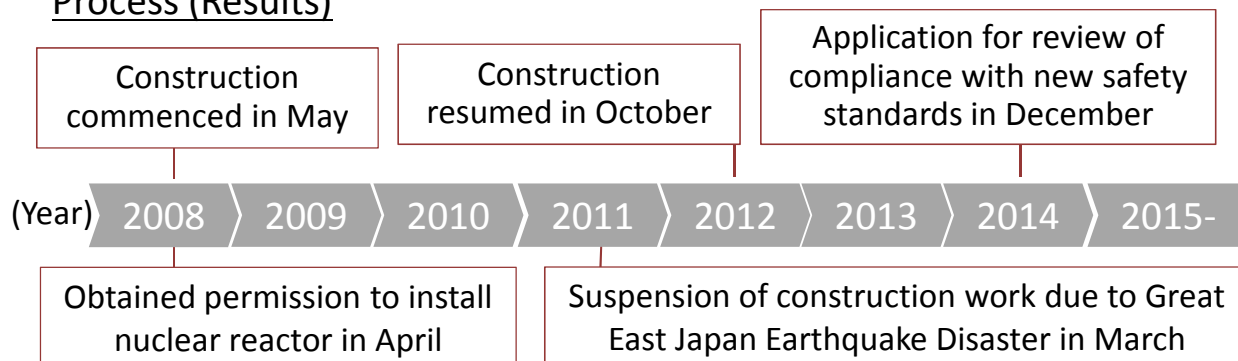
- ▶ On December 16, 2014, J-POWER submitted to NRA* an application for permission for alteration of reactor installment license and an application for construction plan approval in order to undertake review of compliance with the new safety standards.
- ▶ J-POWER responds to review of NRA properly.
- ▶ J-POWER will continue to promote safety of the project with independent safety measures and others.

Overview of the Project

Location	Ohma-machi, Shimokita-gun, Aomori Prefecture
Capacity	1,383MW
Type of nuclear reactor	Advanced Boiling Water Reactor (ABWR)
Fuel	Enriched uranium and uranium-plutonium mixed oxide (MOX)
Commencement of operations	To be determined



Process (Results)



* Nuclear Regulatory Authority

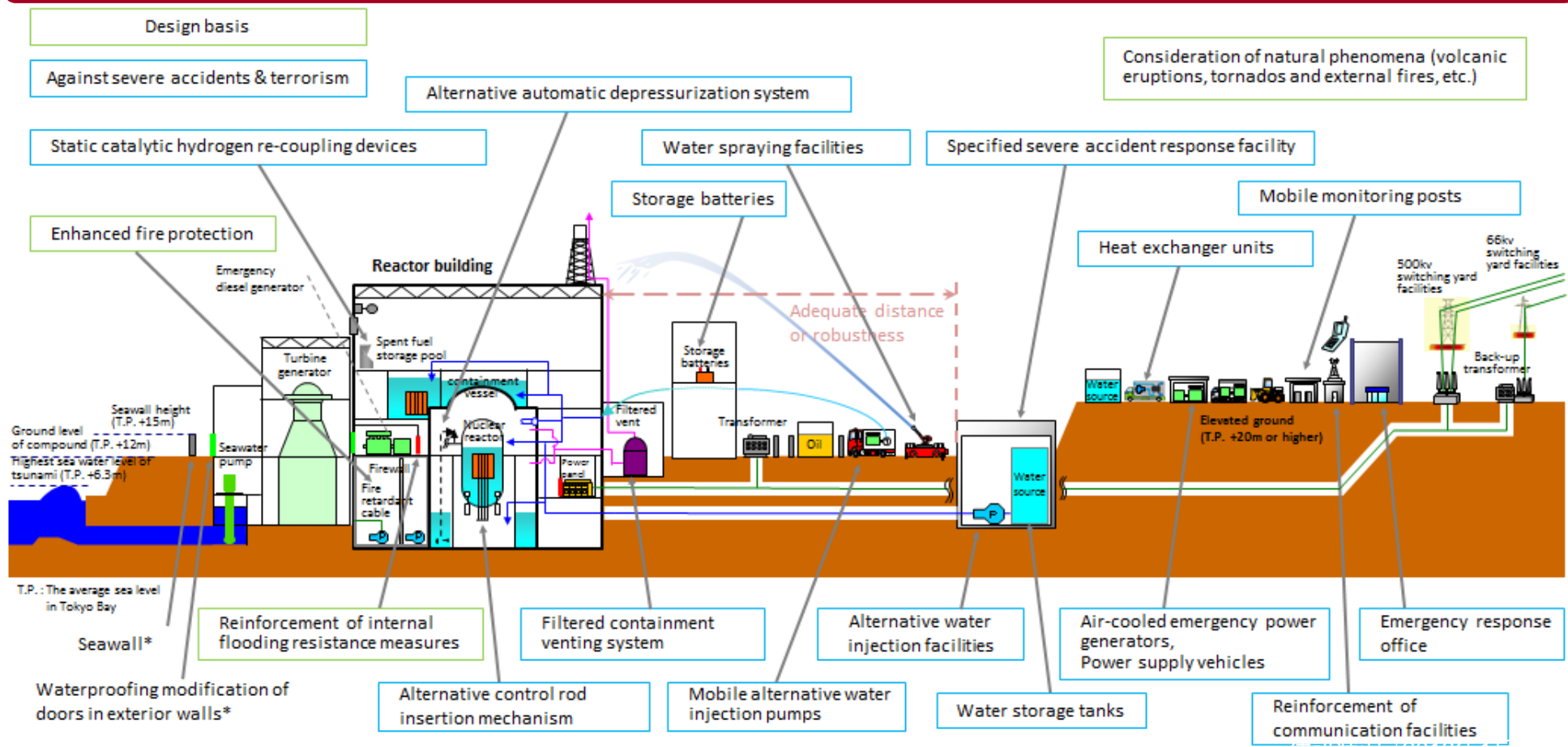
■ Construction Works for Measures for Reinforcing Safety

✓ Construction Period: From the 2nd half of 2018 to the 2nd half of 2023

✓ Construction Cost: Approx. 130 billion yen

(The construction plan is based on J-POWER's projections, which incorporate estimations of examination and permit process durations by the NRA)

Measures for Reinforcing Safety



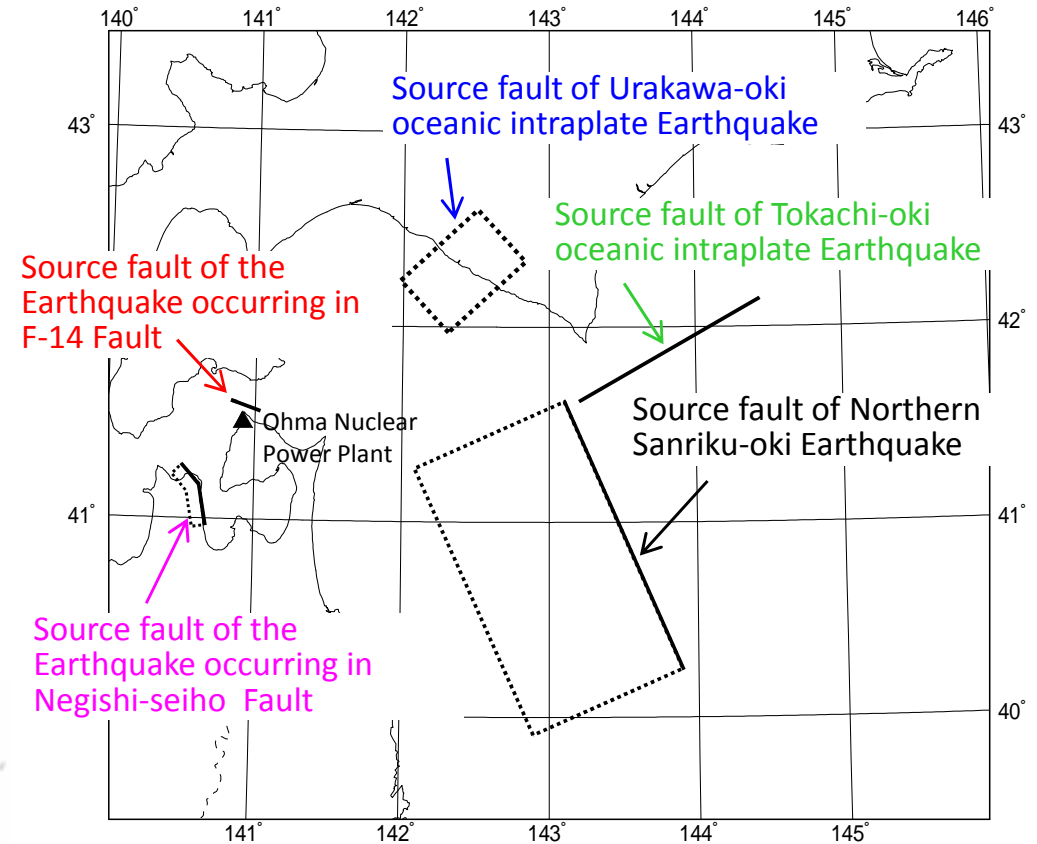
*Independent measures

■ Earthquakes for Investigation

✓ Earthquakes listed below have been investigated by each earthquake type

Earthquake type	Earthquake for investigation	Magnitude
Interplate earthquakes	Northern Sanriku-oki Earthquake*	Mw8.3
Oceanic intraplate earthquakes	Urakawa-oki oceanic intraplate Earthquake	M7.5
	Tokachi-oki oceanic intraplate Earthquake	M8.2
Inland crustal earthquakes	Earthquake occurring in Negishi-seiho Fault	M7.5
	Earthquake occurring in F-14 Fault	M6.7

* Evaluation considering uncertainty of simultaneous rupture of north-off Sanriku area and off Tokachi and off Nemuro areas along Kuril trench (Mw9.0), based on experience of the 2011 off the Pacific coast of Tohoku Earthquake



Source faults of earthquakes for investigation



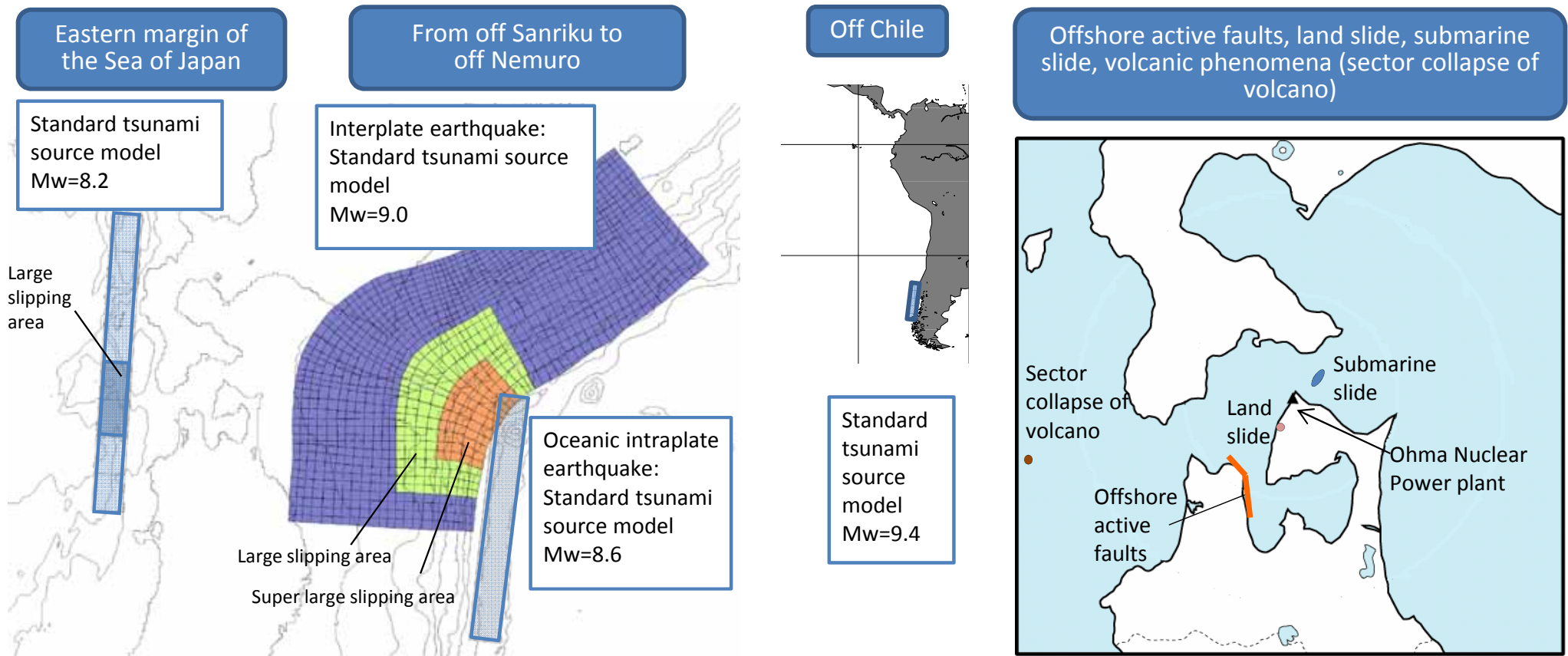
Standard seismic motion: Horizontal 650 cm/s²
(Maximum acceleration) Vertical 435 cm/s²

(2)-7. Response to the New Safety Standards at the Ohma Nuclear Power Plant (Main Conditions)



■ Design Basis Tsunamis

- ✓ Tsunami source models based on the latest knowledge such as the 2011 off the Pacific coast of Tohoku Earthquake Tsunami
- ✓ Estimated earthquakes larger than ever considered as tsunami sources at the eastern margin of the Sea of Japan, from off Sanriku to off Nemuro, off Chile and offshore active faults
- ✓ Taking into consideration of non-earthquake-oriented tsunamis (caused by land slide, submarine slide, sector collapse of volcano)



The highest sea water level by design basis tsunami: approx. T.P.+6.3m
The lowest sea water level by design basis tsunami: approx. T.P.-4.1m

(2)-8. Osaki CoolGen Project: Demonstration Test of Oxygen-blown IGCC

Large-scale demonstration test on oxygen-blown IGCC and IGFC, CO₂ capture to verify total system performance before commercialization

Organization	Osaki CoolGen Corporation (Ownership: J-POWER 50%, Chugoku Electric Power Company 50%)
Location	Chugoku Electric Power Company Osaki Power Station premises (Hiroshima)
Output	166MW (Coal consumption: 1,180 t/day)



- Integrated Coal Gasification Combined Cycle (IGCC):
An integrated power generation system with a twin-turbine configuration; the gas produced from coal is used as fuel to drive a gas turbine, the exhaust gas from which is used in a steam turbine
- Integrated Coal Gasification Fuel Cell Combined Cycle (IGFC):
Most efficient coal-fired power generation system combining fuel cells with gas and steam turbines in a triply integrated power generation configuration

Demonstration Test Schedule

Demonstration test of IGCC commenced on March 2017.

(FY)		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Phase 1	Oxygen-blown IGCC	Design/manufacture/installation					Trials					
Phase 2	IGCC with CO ₂ capture					Design/manufacture/installation			Trials			
Phase 3	IGFC with CO ₂ capture							Design/manufacture/installation		Trials		

(2)-9. Coal Mine Projects in Australia

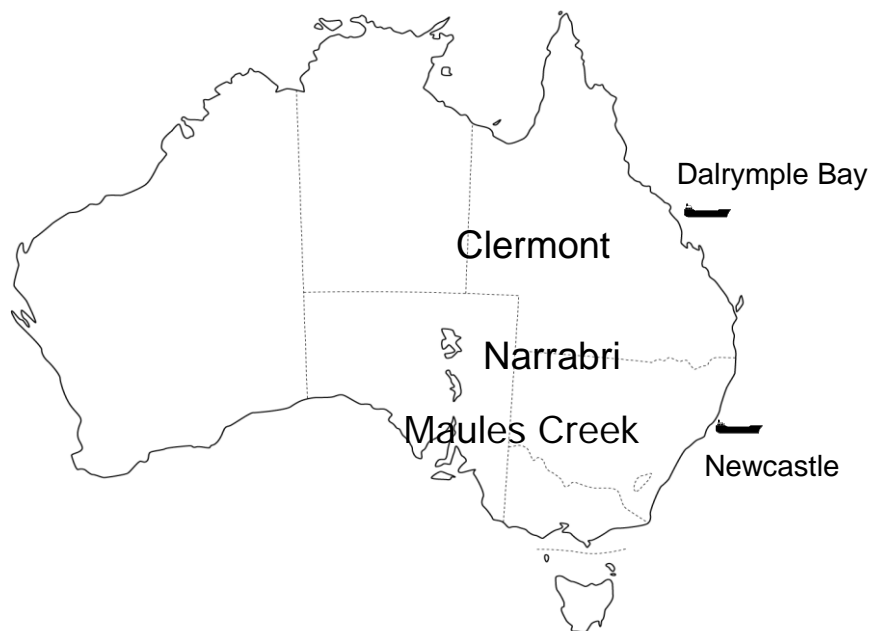
Coal Mine Projects

Coal mine	Location	Loading port	Production volume in 2016* ¹	Ownership* ²	Start of commercial production
Clermont	Queensland	Dalrymple Bay	12.66 Million t	15%	2010
Narrabri	New South Wales	Newcastle	7.79 Million t	7.5%	2010
Maules Cleek	New South Wales	Newcastle	8.03 Million t (Approx. 10.7 million t/yr)	10%	2014

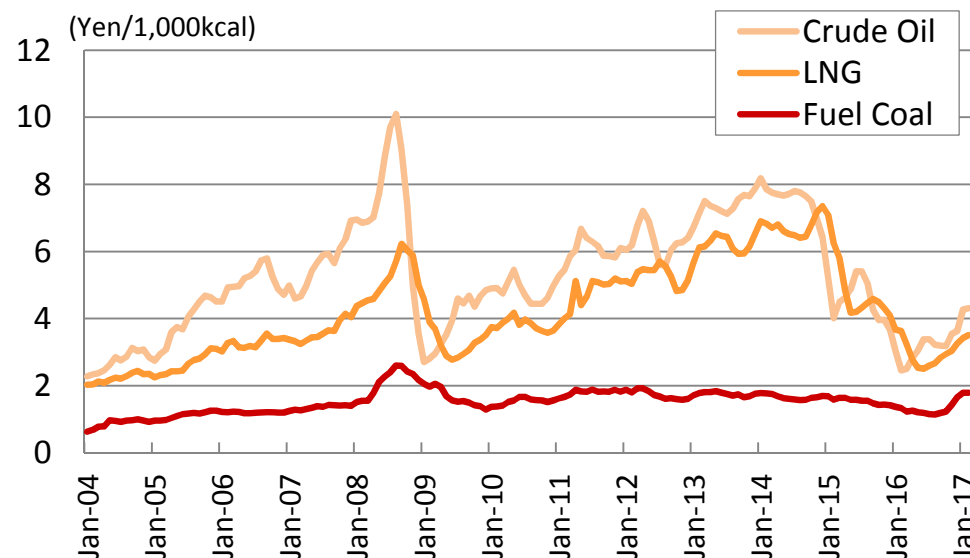
*1 The production volumes in parentheses represent figures for anticipated peak production.

*2 Investment through a subsidiary, J-POWER AUSTRALIA PTY. LTD.

Note: Blair Athol Coal Mine in which J-POWER Group holds a 10% stake finished production on November 2012.



Calorific Unit Price by Fossil Fuel (Imports) in Japan



Data charted up to February 2017

Source: The Institute of Energy Economics, Japan



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<http://www.jpowers.co.jp/english/>
