

(English Translation)

Financial Results (Unaudited) (for the Year Ended March 31, 2012)

April 27, 2012

Electric Power Development Co., Ltd. (J-POWER)

Listed exchange: Tokyo Stock Exchange (Code: 9513)

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Scheduled date of the Ordinary General Meeting of Shareholders:	June 26, 2012
Scheduled date of dividend payment commencement:	June 27, 2012
Scheduled date for filing of annual securities report:	June 27, 2012
Preparation of supplementary explanations of financial results:	Yes
Financial results presentation held:	Yes (for institutional investors and securities analysts)

(Note) All monetary values are rounded down to the nearest units as indicated in each table.

1. Consolidated Financial Results (From April 1, 2011 to March 31, 2012)

(1) Consolidated Operating Results

(Percentages (%) represent changes from the same period of the previous year)

	Operating revenues		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2012	654,600	2.9	49,800	(29.5)	36,619	(35.0)	16,113	(17.7)
Year ended March 31, 2011	635,975	8.8	70,588	44.2	56,322	35.1	19,583	(32.8)

(Note) Comprehensive income: Year ended March 31, 2012 1,396 million yen (86.0%)
Year ended March 31, 2011 9,955 million yen (76.8%)

	Net income per share	Fully diluted net income per share
	yen	yen
Year ended March 31, 2012	107.39	—
Year ended March 31, 2011	130.51	—

	Ratio of net income to shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to operating revenues
	%	%	%
Year ended March 31, 2012	3.9	1.8	7.6
Year ended March 31, 2011	4.7	2.8	11.1

(Reference) Equity incomes of affiliates: Year ended March 31, 2012 9,565 million yen
Year ended March 31, 2011 9,072 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 31, 2012	2,016,394	406,192	20.2	2,714.94
Year ended March 31, 2011	2,012,386	414,898	20.7	2,770.77

(Reference) Shareholders' equity: Year ended March 31, 2012 407,384 million yen
Year ended March 31, 2011 415,762 million yen

(3) Consolidated Statements of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	million yen	million yen	million yen	million yen
Year ended March 31, 2012	125,891	(136,852)	9,296	35,359
Year ended March 31, 2011	151,236	(124,675)	(29,172)	38,002

2. Dividends

	Cash dividends per share					Total amount of dividends	Dividend pay-out ratio	Ratio of dividends to net assets
	Record date				Annual			
	Jun. 30	Sep. 30	Dec. 31	Mar. 31				
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2011	—	35.00	—	35.00	70.00	10,503	53.6	2.5
Year ended March 31, 2012	—	35.00	—	35.00	70.00	10,503	65.2	2.6
Year ending March 31, 2013 (forecasts)	—	35.00	—	35.00	70.00		38.9	

3. Consolidated Earnings Forecasts for the Year Ending March 31, 2013 (From April 1, 2012 to March 31, 2013)

(Percentages (%) represent changes from the same period of the previous year)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending Sep. 30, 2012	324,000	(1.1)	27,000	(29.0)	21,000	(35.4)	14,000	(33.0)	93.30
Year ending March 31, 2013	662,000	1.1	50,000	0.4	40,000	9.2	27,000	67.6	179.94

4. Other Information

(1) Principal subsidiaries subject to changes: None

(2) Changes in accounting policies, accounting estimates and restatement of corrections

1) Changes in accounting policies due to revisions of accounting standards etc.: None

2) Changes in accounting policies except 1): None

3) Changes in accounting estimates: None

4) Restatement of corrections: None

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)

Year ended March 31, 2012: 166,569,600

Year ended March 31, 2011: 166,569,600

2) Treasury stock at the end of the period

Year ended March 31, 2012: 16,516,790

Year ended March 31, 2011: 16,516,450

3) Average number of shares outstanding during the period

Year ended March 31, 2012: 150,052,994

Year ended March 31, 2011: 150,053,314

[Reference]

1. Non-consolidated Financial Results (From April 1, 2011 to March 31, 2012)

(1) Non-consolidated Operating Results

(Percentages (%) represent changes from the same period of the previous year)

	Operating revenues		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2012	599,973	2.9	42,344	(32.4)	25,677	(40.5)	9,169	(38.0)
Year ended March 31, 2011	583,213	9.9	62,644	53.1	43,191	81.5	14,785	(9.7)

	Net income per share	Fully diluted net income per share
	yen	yen
Year ended March 31, 2012	61.11	—
Year ended March 31, 2011	98.53	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 31, 2012	1,844,261	346,039	18.8	2,306.12
Year ended March 31, 2011	1,884,830	349,079	18.5	2,326.37

(Reference) Shareholders' equity: Year ended March 31, 2012 346,039 million yen
Year ended March 31, 2011 349,079 million yen

2. Non-consolidated Earnings Forecasts for the Year Ending March 31, 2013 (From April 1, 2012 to March 31, 2013)

(Percentages (%) represent changes from the same period of the previous year)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending Sep. 30, 2012	300,000	(1.2)	28,000	(23.9)	20,000	(35.6)	13,000	(37.5)	86.64
Year ending March 31, 2013	603,000	0.5	44,000	3.9	27,000	5.2	18,000	96.3	119.96

* Presentation for quarterly review procedures

- At the time of disclosure of this report, review procedures for financial statements pursuant to the Financial Instruments and Exchange Act had not been completed.

* Forward-looking statements and other special notes

- The earnings forecasts are forward-looking statements made on the basis of available information current at the time forecasts are made and contain uncertain elements. Therefore, actual earnings may differ from forecast figures as a result of changes in business performance and other factors.
- The supplementary explanation material is available on our website at <http://www.jpowers.co.jp/english/> under the investor relations section.

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1. Operating Results and Financial Position (Consolidated)

(1) Operating Results

1) Electricity Sales Volume

In Japan's economy during the current consolidated fiscal year, there were signs of improvement in production activities with the lifting of some supply side restrictions due to the Great East Japan Earthquake Disaster but the economic environment continues to be austere due to the impact of slowdowns in overseas economies and a continuing high yen.

Electric power demand in Japan during the current consolidated fiscal year fell below demand during the previous consolidated fiscal year due mainly to the effects of the slowdown in corporate activities and the widespread penetration of energy-saving measures due to the Great East Japan Earthquake Disaster.

In the wholesale electric power business the electricity sales volume from hydroelectric power plants for the current consolidated fiscal year showed little growth on the previous consolidated fiscal year at 10.3 TWh. Although the water supply rate rose from 106% in the previous fiscal year to 115% in the current fiscal year, operation of some hydroelectric plants had suspended as a result of the impact of heavy rains and typhoons. In thermal power, operating rates at electric power plants were on the whole satisfactory but because of the suspension of operations at the Isogo Thermal Power Plant (Yokohama, Kanagawa Prefecture) for two months following a fire in November 2011, sales volume for the year remained roughly the same as the previous year at 53.7 TWh. As a result, total electricity sales volume for both hydroelectric and thermal power combined was 64.0 TWh.

Electricity sales volume of other electric power businesses increased 37.5% to 2.0 TWh from the previous consolidated fiscal year due to a higher load factor in electric power plants for PPSs (Power Producers and Suppliers). As a result, electricity sales volume in the electric power business as a whole was 66.0 TWh.

2) Overview of Income and Expenditures

In sales (operating revenue) for the current consolidated fiscal year, hydroelectricity revenues remained roughly the same year on year but an increase in sales unit prices in thermal power due to a rise in fuel prices and an increase in the load factor in other electric power businesses resulted in an overall increase in revenues in the electric power business. Sales (operating revenues) including revenues from other businesses rose 2.9% year on year to 654.6 billion yen while ordinary income including non-operating revenues rose 2.9% to 669.9 billion yen from the previous consolidated fiscal year.

At the same time, operating expenses increased 7.0% from the previous consolidated fiscal year to 604.8 billion yen, due mainly to a rise in fuel costs accompanying an increase in coal prices. In addition, ordinary expenses including non-operating expenses for the fiscal year rose 6.5% to 633.3 billion yen from the previous consolidated fiscal year.

As a result, ordinary income declined 35.0% from the previous consolidated fiscal year to 36.6 billion yen. In addition, the Company posted an extraordinary loss for disaster recovery expenses relating to the fire at the Isogo Thermal Power Plant and there was an increase in the income tax adjustment owing to the reversal of deferred tax assets following the passage of

legislation lowering the corporate tax rate. As a result, net income for the current consolidated fiscal year decreased 17.7% to 16.1 billion yen from the previous consolidated fiscal year.

A summary of income and expenditures by business segment for the current consolidated fiscal year follows.

(Electric Power Business)

In sales (operating revenues in the electric power business) for the current consolidated fiscal year, revenues from hydroelectricity in the wholesale electric power business were roughly the same year on year but there was an increase in the sales unit price in thermal power due to a rise in fuel prices and an increase in the load factor in other electric power businesses. As a result, revenues in the electric power business increased 4.3% to 612.9 billion yen from the previous consolidated fiscal year.

Segment income declined 46.7% to 22.2 billion yen from the previous consolidated fiscal year despite an increase in sales, due mainly to an increase in fuel costs.

(Electric Power-Related Business)

Sales for the current consolidated fiscal year increased 2.0% to 341.3 billion yen from the previous consolidated fiscal year due mainly to an increase in coal sales revenues in consolidated subsidiaries.

Segment income declined 19.7% to 8.3 billion yen from the previous consolidated fiscal year despite an increase in sales, due mainly to an increase in sales cost.

(Overseas Power Generation Business)

Sales (other businesses operating revenue) for the current consolidated fiscal year increased 6.6% to 2.0 billion yen from the previous consolidated fiscal year.

Segment income declined 30.7% to 3.4 billion yen from the previous consolidated fiscal year, due mainly to the impact of currency exchange rates.

(Other Business)

Sales (other businesses operating revenue) for the current consolidated fiscal year declined 14.5% to 22.3 billion yen from the previous consolidated fiscal year, due mainly to a fall in sales in telecommunications construction in consolidated subsidiaries.

Segment income increased 1.5 billion yen to a loss of 3 million yen from the previous consolidated fiscal year, due mainly a decline in sales cost.

3) Earnings Forecasts

Earnings forecasts for the year ending March 2013 are based on assumptions regarding electric power sales volumes in the wholesale electric power business that also take into consideration routine maintenance checks, where applicable. In these assumptions, hydroelectric water supply is the same as for normal years and thermal electric power generation is roughly the same as for the previous year.

Sales (operating revenues) are expected to increase 1.1% year on year to 662 billion yen and operating income to rise 0.4% year on year to 50.0 billion yen, due mainly to a decrease in expenses. During the same period, ordinary income is expected to increase 9.2% to 40.0 billion yen and net income to rise 67.6% to 27.0 billion yen, due mainly to decreases in extraordinary loss and income taxes.

Electricity sales volume and other factors

	Year ended Mar. 31, 2012	Year ending Mar. 31, 2013
Hydroelectric electricity sales volume (TWh)	10.3	9.3
Thermal electricity sales volume (TWh)	53.7	55.4
Water supply rate (%)	115	100
Thermal power load factor (%)	77	80
Foreign exchange rate (Interbank rate) (yen/\$)	79	Approx. 80

(2) Financial Position

1) Assets, Liabilities and Net Assets

Assets at the end of the current consolidated fiscal year increased 7.1 billion yen year on year to 1.8497 trillion yen. Although there was a decrease in noncurrent assets due mainly to progress in the depreciation, this was offset by capital investment in a development project in Thailand. In addition, current assets decreased by 3.1 billion yen from the end of the previous consolidated fiscal year. As a result, total assets increased by 4.0 billion yen from the end of the previous consolidated fiscal year to 2.0163 trillion yen.

At the same time, total liabilities at the end of the current consolidated fiscal year increased 12.7 billion yen from the end of the previous consolidated fiscal year to 1.6102 trillion yen. Included in the above is an increase in interest-bearing debt, which rose 6.6 billion yen from the end of the previous consolidated fiscal year to 1.4357 trillion yen.

Furthermore, net assets decreased by 8.7 billion yen from the end of the previous year to 406.1 billion yen, reflecting a decline in foreign currency translation adjustments. As a result, the shareholders' equity ratio contracted from 20.7% at the end of the previous consolidated fiscal year to 20.2%.

2) Cash Flow

The balance of cash and cash equivalents at the end of the current consolidated fiscal

year accounted for by operating activities was 125.8 billion yen and financing activities was 9.2 billion yen but there was an outflow of 136.8 billion yen for investment in the acquisition of noncurrent assets, etc. This resulted in a balance of cash and cash equivalents of 35.3 billion yen at the end of the current consolidated fiscal year, reflecting a decrease of 2.6 billion yen from a balance of 38.0 billion yen at the end of the previous consolidated fiscal year.

(Cash flows from operating activities)

Cash inflow from operating activities decreased 25.3 billion yen from the previous consolidated fiscal year to 125.8 billion yen, due mainly to an increase in income tax payments and a decrease in internal reserves for depreciation expenses, etc.

(Cash flows from investing activities)

Cash outflow from investment activities increased 12.1 billion yen from the previous consolidated fiscal year to 136.8 billion yen, due mainly to an increase in investment in a project currently under development in Thailand.

(Cash flows from financing activities)

Cash inflow from financing activities increased 9.2 billion yen from the same period of the previous fiscal year to 29.1 billion yen, due mainly to an increase in borrowing and others.

3) Trends in Cash Flow Indicators

	Year ended Mar. 31, 2008	Year ended Mar. 31, 2009	Year ended Mar. 31, 2010	Year ended Mar. 31, 2011	Year ended Mar. 31, 2012
Equity ratio	23.2%	19.0%	20.4%	20.7%	20.2%
Equity ratio based on market capitalization	29.7%	21.8%	22.8%	19.1%	16.7%
Ratio of interest bearing debts to operating cash flow	10.5	9.3	8.6	9.4	11.4
Interest coverage ratio	6.1	7.2	7.4	6.6	5.8

Notes:

Equity ratio: $(\text{Net assets} - \text{Minority interests}) / \text{Total assets}$

Equity ratio based on market capitalization: $\text{Market capitalization} / \text{Total assets}$

Ratio of interest bearing debt to operating cash flow: $\text{Interest-bearing debts} / \text{Operating cash flow}$

Interest coverage ratio: $\text{Operating cash flow} / \text{Interest payments}$

(*) Interest-bearing debt covers all debts on which interest has been paid among debts recorded on the consolidated balance sheets. In addition, the calculation of interest payments is based on the amount of interest paid in accordance with the consolidated statements of cash flow.

(3) Basic Policy Regarding Distribution of Profits; Current and Following Period Dividends

The most prominent characteristic of our business is that we secure returns on investment in power plants and other infrastructure through the long-term operation of these facilities, utilizing our well-established enterprise management expertise, including the construction of power plants and other infrastructure. J-POWER will continue to allocate an appropriate level of internal reserves to business investments aimed at new growth and endeavor to increase equity capital with the understanding that further strengthening our financial position is necessary.

In returning profit to our shareholders, we place the utmost importance on maintaining stable dividends in line with the characteristics of our business. Through long-term initiatives we will also work to enhance returns to shareholders in step with efforts to raise corporate value and achieve further growth in a sustainable manner.

Although the business environment continues to remain uncertain since the Great East Japan Earthquake Disaster and its aftermath in March 2011, we will continue our efforts to strengthen competitiveness in our core wholesale electric power business and to boost earning power by broadening our business. With a view to maintaining stable shareholder returns over the long term, we plan to pay a year-end dividend of 35 yen per share. Combined with the interim dividend of 35 yen per share, the total annual dividend payout will be 70 yen per share. For the year ending March 2013 we also intend to provide an annual payout of 70 yen per share (including an interim dividend of 35 yen).

(4) Business Risks

This section discusses the main potential risks related to J-POWER's financial position, business results, future business operations and other matters. From the perspective of actively disclosing information to investors, this section also provides information to help investors understand business and other risks that the company does not necessarily consider significant. References to matters relating to future operations and events reflect judgment as of the publication date of this document (April 27, 2012).

Except where a different interpretation is specified, the comments below are framed in consolidated terms, and the term "J-POWER" includes its consolidated subsidiaries and its affiliated companies accounted for by the equity method (the terminology used in the consolidated financial statement follows the definitions stipulated in the Regulation for Terminology, Forms and Preparation of Financial Statements (Ministry of Finance Ordinance Number 28 of 1976)).

1) Impact of Industry Reforms in the Electric Power Business on J-POWER's Wholesale Electricity Rates and Business

J-POWER derives most of its operating revenues from wholesale power supply to Japan's 10 electric power companies (EPCOs). Amid intensifying competition driven by industry reforms in the electric power business, the EPCOs have reduced their retail electricity rates.

However, because our contract rates are calculated on a fair cost plus fair return on capital basis, we are not directly affected by the reduction in retail electricity rates. Nevertheless, EPCOs have been calling for a reduction in our contract rates, and it is possible that declines in retail electricity rates and intensifying competition could lead to stronger calls for the Company

to lower its contract rates. Accordingly, a significant reduction in our contract rates going forward could potentially have a material adverse effect on the results of our operations.

Wholesale power trading on the Japan Electric Power Exchange commenced in April 2005. J-POWER is currently trading in the wholesale power markets. Although we do not expect a large amount of electricity to be traded on the exchange in the near term, an increase in the importance of exchange-traded power prices as a price indicator could potentially have an indirect effect on our rate levels. If the rates set in contracts between J-POWER and EPCOs are higher than price indicators, this could potentially have a material adverse effect on the results of our operations.

Furthermore, there is a possibility that system reforms in the electric power business could further increase competition. The Advisory Committee for Natural Resources and Energy has been conducting discussions on system reforms in the electric power business in its Expert Committee on Electric Power System Reforms. If these discussions result in new reforms, this could potentially have a materially adverse effect on our business operations and earnings.

2) Delay or Discontinuation of Our Current Power Plant Construction

Slacking growth in electricity demand in recent years has prompted EPCOs to postpone or cancel new power plant development and to shut down inefficient thermal power plants on a long-term or permanent basis. In some cases, we have also postponed the start of commercial operations or canceled the planned construction of power plants to supply EPCOs based on consultations with our EPCO clients. The cancellation of construction plans as a result of changes in prevailing conditions, major changes in the operating environment, or unforeseen circumstances could potentially have a material adverse effect on the results of our operations.

3) Global Warming

J-POWER has a large number of coal-fired thermal power plants, which emit relatively high amounts of carbon dioxide with respect to power output compared to power plants that use LNG and other fossil fuels. Accordingly, we have taken various initiatives to combat global warming both in Japan and overseas.

These efforts notwithstanding, if new regulations or other rules are introduced, this could potentially have a materially adverse effect on the results of our operations.

4) Overseas Power Generation Business and Other Area of New Business

J-POWER is pursuing new initiatives in the overseas power generation business and new electric power businesses in Japan, with the aim of creating new profit sources. However, these businesses may not generate the level of profits that we anticipate, due to unforeseeable circumstances including: a major change in operating conditions; weakening demand; and changes in regulations. Moreover, changes in our business plans or the suspension of operations prompted by these circumstances could result in related expenses that could potentially have a material adverse effect on the results of our operations. Overseas businesses also entail foreign exchange risk as well as country risk based on political instability and other factors.

5) Capital Funds

J-POWER expects it will need to raise a large amount of funds to build power plants, mainly the Ohma Nuclear Power Plant and Takehara Thermal Power Plant New Unit 1, which are scheduled to commence operations during the next ten years, as well as for refinancing outstanding debt, investments in the overseas power generation business and other purposes. If we are unable to raise the required funds on acceptable terms and in a timely manner due to the prevailing conditions in the financial markets, the Company's credit situation, or other factors at that time, then this could potentially have a materially adverse effect on our business development and profitability.

6) Ohma Nuclear Power Plant

J-POWER commenced construction of the Ohma Nuclear Power Plant (in Aomori Prefecture, capacity of 1,383 MW) after receiving authorization from the national authorities for a license to install a nuclear reactor in April 2008 and approval of the first application for construction plans for the first phase of construction in May. Immediately the construction is suspended after the Great East Japan Earthquake Disaster. Although it is the intention of J-POWER to continue carrying out the project as planned, any changes to the plan as a result of drastic changes in operating conditions, the occurrence of unforeseen events, or other factors could potentially affect the business performance of the Company.

Nuclear power generation involves various risks, such as those associated with the storage and handling of radioactive materials, as well as risks other electric power plants are exposed to, such as natural disasters and unforeseen accidents. J-POWER intends to ensure that these risks are avoided or minimized. However, if any of these risks should eventuate, it could adversely affect the business performance of the Company.

7) Coal-Fired Thermal Power Plant Fuel

J-POWER's coal-fired thermal power plants use imported coal as their main source of fuel, and fuel costs are affected by price fluctuations for imported coal, supply and demand dynamics for transport vessels, and problems with the facilities or operations of fuel suppliers, among other factors. Fuel prices are reflected in our electricity rates for EPCOs on a cost basis. These rates are generally revised every two years, though they are subject to annual revision if costs change significantly. As a result, fluctuations in coal prices have a limited impact on earnings. However, following a revision to wholesale electricity rates, if coal prices rise sharply before the next revision, there will be a delay before the rise in fuel prices are reflected in electricity rates. This could have a temporary adverse impact on the business performance of the Company.

8) Natural Disasters and Accidents

Should a natural disaster, human error, terrorist activity, fuel supply stoppage, or other unforeseen circumstance result in a major disruption of one of J-POWER's power plants, transmission or substation facilities, or with the information systems that control operations at these facilities, this could potentially hamper our business operations and consequently have a materially adverse effect on the surrounding environment as well as the results of our operations.

9) Regulatory Requirements

J-POWER's mainstay wholesale electric power business is subject to regulations of the Electricity Utilities Industry Law. In addition to this law, our business operations are subject to a variety of other laws. If we are unable to comply with these laws and regulations, or if these laws and regulations are revised, this could potentially have a materially adverse effect on our business operations and earnings.

Furthermore, on August 10, 2011, the Act to Establish the Nuclear Damage Compensation Facilitation Corporation was promulgated and enacted to establish a framework capable of handling payments and other matters related to compensation for nuclear power damages in the future. Based on a concept of mutual assistance among nuclear power business operators, the main organization of the framework will be the Nuclear Damage Compensation Facilitation Corporation, a support organization. Under Article 38 of this act J-POWER as a nuclear power operator is required to make contributions to the operating costs of the corporation, and these contributions could have a negative impact on our performance if the amount is substantial. We at J-POWER are fully aware that when the operation of Ohma Nuclear Power Plant proceeds according to our Ohma Nuclear Power Plant Plan and the nuclear reactor commences operation as set out in the Act on Compensation for Nuclear Damage, we will be required to make contributions to the Nuclear Damage Compensation Facilitation Corporation.

10) Concentration on a Limited Number of Customers

Sales to EPCOs account for the majority of J-POWER's operating revenues. We expect EPCOs to remain our most important customers going forward, and accordingly, our earnings could potentially be affected by EPCOs' market share trends in the retail electricity market, as well as the fluctuations in demand for electric power in Japan after the Great East Japan Earthquake of March 2011.

11) Protection of Sensitive Information

J-POWER holds a large amount of important information that must be kept confidential, including personal information. J-POWER controls this information carefully by implementing information security measures, employee training programs and through other means. However, a leak of sensitive information outside the Company could adversely affect J-POWER's reputation and business performance.

2. Corporate Group

The J-POWER Group is comprised of J-POWER, 69 subsidiaries and 101 affiliates (as of March 31, 2012) and our core business is the wholesale electric power business where we supply electricity to Japan's 10 electric power companies (EPCOs) through hydroelectric and thermal power plants which we own. Through our power transmission and transforming facilities we also provide transmission services to nine EPCOs (excluding Okinawa Electric Power Company).

We report on four segments in our business activities: "Electric Power Business" which consists of wholesale electric power business, wind power plants, the wholesale supply of electricity to EPCOs by IPPs, and the wholesale supply of electricity to PPSs (Power Producers and Suppliers); "Electric Power-Related Businesses" that complement and contribute to the smooth and efficient implementation of our electric power business; "Overseas Power Generation Business" that engages in electric power plant projects overseas and businesses related to this; and "Other Businesses" which include various business activities including the sale of coal that fully utilize the Group's management resources and know-how.

There have been no material changes in the business contents of the J-POWER Group during the current consolidated fiscal year.

3. Management Policies

(1) Basic Management Policy

Under its corporate philosophy to “ensure constant supplies of energy to contribute to the sustainable development of Japan and the rest of the world,” J-POWER engages in ongoing initiatives to solidify its position as a sound, growing corporation that is attractive to many stakeholders as it fulfills its mission as a public enterprise. These initiatives include measures to ensure the reliability of our facilities operating in Japan, to promote the transition to a low-carbon society through the development of high-efficiency coal-fired thermal technologies, to further expand our overseas business, particularly in Asia where growth is set to continue, and measures to strengthen our financial position to support our various businesses and projects.

Through these initiatives we strive to increase corporate value and meet the expectations of our various stakeholders as we practice fair, transparent management in conducting the affairs of J-POWER.

(2) Current Operating Environment and Key Issues to Address

1) J-POWER’s Response to the Business Environment

After the Great East Japan Earthquake Disaster, the business environment surrounding the electricity business is becoming increasingly uncertain due to fragile conditions in electric power supply and demand, system reforms in the delivery of electric power, stringency in the supply and demand of natural resources, and global environmental problems. In these conditions, the J-POWER Group intends to invest management resources in growth businesses in a well-balanced manner and link these to sustainable growth in corporate value through our contribution to the stable supply of electricity, initiatives in global environmental problems, and the development of global business.

As specific steps in our plans, we will proceed with the following initiatives.

Maintaining High Capacity Utilization of Facilities and Increasing Efficiency

In response to tight conditions in electricity supply and demand in Japan, we will contribute to the stable supply of electric power by operating our hydropower, thermal power, transmission and other facilities at close to maximum capacity.

To provide for consistently high capacity utilization of facilities without interruption, we will invest in the efficient maintenance of facilities and undertake across-the-board facility upgrades to simultaneously achieve medium- to long-term facility reliability and economic efficiency.

Contribution to Stable Supply of Electricity through Facility Formation (Ohma Nuclear Power Plant)

Currently under construction in the town of Ohma in the northern part of Aomori Prefecture, Ohma Nuclear Power Plant (output: 1,383MW, commencement of operation: to be determined) will utilize a mixed uranium and plutonium (MOX) fuel. Construction of the plant began in May 2008 but was suspended immediately after the Great East Japan Earthquake Disaster last year in March.

The J-POWER Group fully acknowledges the gravity of the accident that occurred at the Fukushima Daiichi Nuclear Plant and we are determined to do whatever we can to create a safe electric power plant that will be trusted by people in the community by ensuring that we implement reinforced safety measures without fail and by reflecting at all times new knowledge in its operation.

Contribution to Stable Supply of Electricity through Facility Formation (coal-fired thermal power)

We will contribute to the stable supply of electric power through the development of thermal electric power that utilizes superior coal in terms of both economic efficiency and stable supply. As part of this process, we will steadily continue replacement construction on the No. 1 and No.2 units of Takehara Thermal Power Plant* and then consider the possibility of new construction and upgrades of coal-fired thermal power facilities.

As measures to counter global warming due to the development of coal-fired thermal power, we will endeavor to reduce CO₂ emissions by promoting efficient facilities and biomass co-combustion.

* We plan to build a new No. 1 unit of 600MW equivalent to the combined output of existing No. 1 (250MW) and No. 2 (350MW) units in operation at present. We have already submitted environmental impact assessment documents to jurisdictional authorities and hope to commence operation by FY2020 .

Contribution to Stable Supply of Electricity through Facility Formation (wide-area interconnection facilities)

J-POWER already has a sound track record in constructing, maintaining and operating wide-area interconnection systems including the Kitahon AC/DC trunk line, Honshi Interconnecting Line, Anan-Kihoku DC Trunk Line and the Kanmon Interconnecting Line as well as the Sakuma Frequency Converter Station, and has contributed to the wide-area operation of Japan's electric power system as a whole.

Policy discussions for enhancing interconnection systems are currently underway, and regional wide-area interconnection links are being examined from the perspective of enabling electricity interchanges among regional areas to improve reliable supply in the event of an accident, enhancing coordination capacity of the electric power system in anticipation of the large-scale introduction of renewable energy, and encouraging the trading of electricity on a national scale.

The J-Power Group will utilize its extensive experience and technological know-how to contribute to the stable supply of electricity in both the enhancement and operation of interregional interconnection and frequency conversion facilities.

Promotion of Renewable Energy

We at J-POWER believe that renewable energy plays a vital role in promoting the realization of a low-carbon society. With this understanding, we will steadily promote new development in wind power generation in Japan by continually seeking out new potential sites with favorable wind conditions. We also intend to centralize our specialist know-how in wind power and to accelerate our business plans and operations by consolidating a number of our wind power subsidiaries and by establishing a dedicated operations and maintenance company.

Through these measures we intend to achieve improvement in facility capacity utilization. We will also promote further initiatives to make offshore wind power commercially viable.

In addition to the above initiatives, we will expand our biomass fuel conversion business, utilizing sewage sludge and other biomass resources to enable the steady and progressive introduction of biomass fuel at our coal-fired thermal power plants.

Following on from the existing Onikobe Geothermal Power Plant (Osaki City, Miyagi Prefecture), we will promote new initiatives at new geothermal sites including the Yuzawa Geothermal Plan in areas of Wasabizawa and Akinomiya. We will also promote initiatives for hydropower development including the construction of Isawa No. 1 Thermal Power Plant (Oshu City, Iwate Prefecture) and across the board upgrades of major equipment at Tagokura Electric Power Plant (Tadami-machi, Minamiaizu, Fukushima Prefecture).

Promotion of High-Efficiency Coal-Fired Thermal Power and its Global Deployment

To cope with stringent conditions in energy resource supply and demand and at the same time respond to global environmental problems, we will promote initiatives in high-efficiency coal-fired thermal power. One way in which we will do this is to use state-of-the-art technology to upgrade Takehara Thermal Power Plant Unit 1 and Unit 2, which we expect to bring on line in 2020.

In a further initiative for developing technology aimed at high-efficiency, low-carbon thermal electric power generation, we established Osaki Coolgen Corporation in Hiroshima Prefecture as the organization responsible for conducting a large-scale demonstration test in oxygen-blown integrated coal gasification combined cycle (IGCC) technology in corporation with Chugoku Electric Power Company. In March 2013 we plan to commence construction on the project and in 2016 to commence the demonstration test itself.

Furthermore, we will contribute to the realization of a low-carbon society and reduction in the consumption of energy globally by transferring high-efficiency coal-fired thermal technologies already practiced in Japan to developing countries, particularly in Asia. In this way, we aim to simultaneously promote growth in Japan and Asia, particularly in developing countries, and improve the environment through low-carbon energy generation.

Initiatives in the Coal Value Chain

Medium- to long-term global coal supply and demand conditions are becoming increasingly tight due largely to the surge in demand in China and India. Bearing in mind these conditions, the J-POWER Group will increase its strategic involvement in all aspects of the coal value chain from fuel procurement to consumption as a business operator that is not only a leading user of coal supplies but also an owner of mining interests, clean coal technologies, and development and operating know-how in coal-fired thermal power plants. J-POWER will also broaden its business involvement in the coal chain not only to secure coal for its customers' consumption as fuel in power generation but also to supply coal to third parties. In addition, J-POWER will pursue various profit generation opportunities and increase our business profits in multiple areas through involvement in the coal value chain as a whole.

Initiatives of Overseas Business

At present J-POWER has 29 projects underway in seven countries and regions and

J-POWER's owned capacity stands at about 3,600MW (as of March 31, 2012). In Thailand we are currently engaged in the development of two IPP projects and seven SPP projects* as well as one IPP project in Indonesia. When these projects commence commercial operation, we expect our combined owned capacity in overseas projects to reach approximately 8,000MW in 2017. J-POWER will execute with certainty the large-scale projects it has committed to overseas. Like J-POWER's projects in Japan, they are a vital mainstay of the J-POWER Group business. Following on from current projects already underway, we intend to further expand our business to realize future overseas projects, particularly in countries and regions of Asia where growth is significant.

* SPP (Small Power Producers) Projects are projects that come under the long-term electric power purchase program initiated by the government of Thailand. This program is aimed at promoting the supply of thermal electric power using both fossil fuels and renewable energy as a means of reducing oil imports and consumption. The Electricity Generating Authority of Thailand guarantees that it will purchase up to 90 MW from energy suppliers eligible for the scheme.

2) Financial Strategy

It is essential for J-POWER to steadily invest in the formation of new facilities even when the environment for procuring funds becomes gradually more uncertain. Therefore, we believe that the steady strengthening of our financial position will continue to become an even more critical management issue in the future.

To do this, the J-POWER Group will focus its efforts on securing stable business revenues, promoting continuous ongoing improvement in shareholders' equity, and maintaining and strengthening fund-raising capacity by reinforcing initiatives to increase competitiveness and improve investment efficiency.

3) Strengthening Fundamental Corporate Structure

We have made efforts to strengthen our auditing and supervisory functions by establishing a corporate governance system based on a dual axis consisting of a board of directors, which includes one outside director, and a board of auditors, which includes three outside corporate auditors (as of March 31, 2012). Furthermore, in accordance with Securities Listing Regulations of the Tokyo Stock Exchange, we ensure that all of our outside directors and outside auditors are appointed as independent officer with a high degree of independence and who are unlikely to have any conflicts of interest with general shareholders. Furthermore, to promote ongoing improvement in corporate governance in response to changes in the business environment and to earn and maintain the trust of society, we intend to make every effort as a corporate group to ensure that an awareness of compliance is firmly established in the corporate culture throughout the J-POWER Group and in the mind of each and every employee.

We will continue to implement measures to ensure that every employee is able to perform in the capacity of a professional person in the Company irrespective of age or position.

The J-POWER Group will also make ongoing efforts at strengthening the corporate base and efforts at reinforcing crisis management functions including disaster readiness measures that reflect the nature and gravity of potential disasters, such as earthquakes, typhoons and floods.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: million yen)

	As of Mar. 31,2011	As of Mar. 31, 2012
Assets		
Noncurrent assets	1,842,658	1,849,786
Electric utility plant and equipment	1,178,492	1,111,251
Hydroelectric power production facilities	389,892	374,510
Thermal power production facilities	454,823	423,049
Internal combustion engine power production facilities	4,694	4,296
Renewable power production facilities	38,436	34,479
Transmission facilities	197,163	186,274
Transformation facilities	34,456	31,774
Communication facilities	9,539	9,065
General facilities	49,486	47,801
Other noncurrent assets	64,920	65,657
Construction in progress	301,676	380,425
Construction and retirement in progress	301,676	380,425
Nuclear fuel	46,693	54,157
Nuclear fuel in processing	46,693	54,157
Investments and other assets	250,875	238,295
Long-term investments	181,934	181,132
Deferred tax assets	56,843	52,571
Other	13,292	5,653
Allowance for doubtful accounts	(1,196)	(1,062)
Current assets	169,727	166,607
Cash and deposits	37,202	35,112
Notes and accounts receivable-trade	57,781	59,283
Short-term investments	2,346	1,331
Inventories	32,400	34,972
Deferred tax assets	5,998	6,688
Other	34,006	29,284
Allowance for doubtful accounts	(9)	(63)
Total assets	2,012,386	2,016,394

(Unit: million yen)

	As of Mar. 31, 2011	As of Mar. 31, 2012
Liabilities		
Noncurrent liabilities	1,319,146	1,324,663
Bonds payable	734,898	714,914
Long-term loans payable	500,913	522,407
Lease obligations	1,093	983
Provision for retirement benefits	57,069	58,015
Other provision	16	25
Asset retirement obligations	3,620	4,585
Deferred tax liabilities	5,869	6,390
Other	15,666	17,339
Current liabilities	277,563	284,761
Current portion of noncurrent liabilities	162,958	166,342
Short-term loans payable	17,528	18,443
Commercial papers	11,999	12,999
Notes and accounts payable-trade	20,112	20,011
Accrued taxes	21,322	11,408
Other provision	317	325
Asset retirement obligations	473	626
Deferred tax liabilities	11	4
Other	42,839	54,599
Reserves under the special laws	777	777
Reserve for fluctuation in water levels	777	777
Total liabilities	1,597,487	1,610,202
Net assets		
Shareholders' equity	435,760	441,369
Capital stock	152,449	152,449
Capital surplus	81,849	81,849
Retained earnings	264,724	270,334
Treasury stock	(63,263)	(63,264)
Accumulated other comprehensive income	(19,997)	(33,985)
Valuation difference on available-for-sale securities	(137)	(772)
Deferred gains or losses on hedges	611	(4,209)
Foreign currency translation adjustment	(20,471)	(29,003)
Minority interests	(863)	(1,191)
Total net assets	414,898	406,192
Total liabilities and net assets	2,012,386	2,016,394

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated statements of income

(Unit: million yen)

	Year ended Mar. 31, 2011	Year ended Mar. 31, 2012
Operating revenue	635,975	654,600
Electric utility operating revenue	584,436	609,775
Other business operating revenue	51,539	44,825
Operating expenses	565,387	604,800
Electric utility operating expenses	509,116	553,873
Other business operating expenses	56,271	50,927
Operating income	70,588	49,800
Non-operating income	14,965	15,356
Dividends income	1,499	1,315
Interest income	1,220	968
Equity in earnings of affiliates	9,072	9,565
Other	3,172	3,506
Non-operating expenses	29,231	28,536
Interest expenses	22,371	22,005
Other	6,860	6,530
Total ordinary revenue	650,941	669,957
Total ordinary expenses	594,619	633,337
Ordinary income	56,322	36,619
Provision or reversal of reserve for fluctuation in water levels	42	-
Provision of reserve for fluctuation in water levels	42	-
Extraordinary income	1,635	-
Gain on sales of securities	1,635	-
Extraordinary loss	19,176	3,382
Disaster recovery expenses	-	3,382
Loss on valuation of securities	5,359	-
Loss on liquidation of business	4,550	-
Impairment loss	9,266	-
Income before income taxes and minority interests	38,739	33,237
Income taxes-current	20,403	12,953
Income taxes-deferred	2,459	4,370
Total income taxes	22,863	17,324
Income before minority interests	15,876	15,913
Minority interests in loss	(3,707)	(200)
Net income	19,583	16,113

Consolidated statements of comprehensive income

(Unit: million yen)

	Year ended Mar. 31, 2011	Year ended Mar. 31, 2012
Income before minority interests	15,876	15,913
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,098)	(640)
Deferred gains or losses on hedges	2,507	(4,786)
Foreign currency translation adjustment	(5,118)	(4,192)
Share of other comprehensive income of associates accounted for using equity method	(210)	(4,897)
Total other comprehensive income	(5,920)	(14,516)
Comprehensive income	9,955	1,396
Comprehensive income attributable to-abstract		
Comprehensive income attributable to owners of the parent	13,590	2,126
Comprehensive income attributable to minority interests	(3,634)	(729)

(3) Consolidated Statements of Changes in Net Assets

(Unit: million yen)

	Year ended Mar. 31, 2011	Year ended Mar. 31, 2012
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	152,449	152,449
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	152,449	152,449
Capital surplus		
Balance at the beginning of current period	81,849	81,849
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	81,849	81,849
Retained earnings		
Balance at the beginning of current period	255,643	264,724
Changes of items during the period		
Dividends from surplus	(10,503)	(10,503)
Net income	19,583	16,113
Total changes of items during the period	9,080	5,610
Balance at the end of current period	264,724	270,334
Treasury stock		
Balance at the beginning of current period	(63,262)	(63,263)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(63,263)	(63,264)
Total shareholders' equity		
Balance at the beginning of current period	426,680	435,760
Changes of items during the period		
Dividends from surplus	(10,503)	(10,503)
Net income	19,583	16,113
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	9,079	5,609
Balance at the end of current period	435,760	441,369

(Unit: million yen)

	Year ended Mar. 31, 2011	Year ended Mar. 31, 2012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	2,960	(137)
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,098)	(634)
Total changes of items during the period	(3,098)	(634)
Balance at the end of current period	(137)	(772)
Deferred gains or losses on hedges		
Balance at the beginning of current period	(3,747)	611
Changes of items during the period		
Net changes of items other than shareholders' equity	4,358	(4,821)
Total changes of items during the period	4,358	(4,821)
Balance at the end of current period	611	(4,209)
Foreign currency translation adjustment		
Balance at the beginning of current period	(13,217)	(20,471)
Changes of items during the period		
Net changes of items other than shareholders' equity	(7,254)	(8,532)
Total changes of items during the period	(7,254)	(8,532)
Balance at the end of current period	(20,471)	(29,003)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(14,003)	(19,997)
Changes of items during the period		
Net changes of items other than shareholders' equity	(5,993)	(13,987)
Total changes of items during the period	(5,993)	(13,987)
Balance at the end of current period	(19,997)	(33,985)
Minority interests		
Balance at the beginning of current period	2,304	(863)
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,168)	(327)
Total changes of items during the period	(3,168)	(327)
Balance at the end of current period	(863)	(1,191)
Total net assets		
Balance at the beginning of current period	414,981	414,898
Changes of items during the period		
Dividends from surplus	(10,503)	(10,503)
Net income	19,583	16,113
Purchase of treasury stock	(0)	(0)
Net changes of items other than shareholders' equity	(9,162)	(14,315)
Total changes of items during the period	(83)	(8,705)
Balance at the end of current period	414,898	406,192

(4) Consolidated Statements of Cash Flows

(Unit: million yen)

	Year ended Mar. 31, 2011	Year ended Mar. 31, 2012
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	38,739	33,237
Depreciation and amortization	111,644	105,271
Impairment loss	9,266	946
Loss on retirement of noncurrent assets	2,941	2,434
Disaster recovery expenses	-	3,382
Loss on liquidation of business	4,550	-
Increase (decrease) in provision for retirement benefits	(779)	971
Increase (decrease) in reserve for fluctuation in water levels	42	-
Interest and dividends income	(2,720)	(2,284)
Interest expenses	22,371	22,005
Decrease (increase) in notes and accounts receivable-trade	(10,753)	(1,607)
Decrease (increase) in inventories	(6,132)	(2,488)
Increase (decrease) in notes and accounts payable-trade	3,171	3,148
Loss (gain) on sales of securities	(1,450)	(484)
Loss (gain) on valuation of securities	5,359	1,791
Equity in (earnings) losses of affiliates	(9,072)	(9,565)
Loss (gain) on sales of noncurrent assets	432	747
Other, net	8,355	8,526
Subtotal	175,965	166,031
Interest and dividends income received	7,644	6,869
Interest expenses paid	(22,881)	(21,765)
Income taxes paid	(9,492)	(25,244)
Net cash provided by (used in) operating activities	151,236	125,891
Net cash provided by (used in) investing activities		
Purchase of noncurrent assets	(115,827)	(133,711)
Proceeds from contribution received for construction	7,068	3,102
Proceeds from sales of noncurrent assets	2,453	2,285
Payments of investment and loans receivable	(14,184)	(6,068)
Collection of investment and loans receivable	5,235	4,915
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	-	1,425
Other, net	(9,419)	(8,802)
Net cash provided by (used in) investing activities	(124,675)	(136,852)

(Unit: million yen)

Net cash provided by (used in) financing activities		
Proceeds from issuance of bonds	79,726	-
Redemption of bonds	(88,000)	(35,000)
Proceeds from long-term loans payable	49,036	176,745
Repayment of long-term loans payable	(53,988)	(127,173)
Increase in short-term loans payable	84,880	103,760
Decrease in short-term loans payable	(80,680)	(103,070)
Proceeds from issuance of commercial papers	392,965	359,968
Redemption of commercial papers	(406,000)	(359,000)
Cash dividends paid	(10,503)	(10,502)
Cash dividends paid to minority shareholders	(8)	(196)
Other, net	3,398	3,764
Net cash provided by (used in) financing activities	(29,172)	9,296
Effect of exchange rate change on cash and cash equivalents	285	(585)
Net increase (decrease) in cash and cash equivalents	(2,326)	(2,248)
Cash and cash equivalents at beginning of period	40,329	38,002
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	-	(394)
Cash and cash equivalents at end of period	38,002	35,359

(5) Notes on Premise of Going Concern

There are no applicable items.

(6) Significant Issues for the Preparation of Consolidated Financial Statements

Since there have been no material changes in the recent securities report (submitted on June 29, 2011), disclosure has been omitted here.

(7) Additional Information

Application of Accounting Standard for Accounting Changes and Error Corrections

Due to accounting changes effective from the beginning of the current consolidated fiscal year and corrections of past errors, the Company applied the Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No. 24 of December 4, 2009) and Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No. 24 of December 4, 2009).

Revision of deferred tax assets and deferred tax liabilities due to amendment of the statutory tax rate

Following the promulgation on December 2, 2011 of the Act for the Partial Revision of the Income Tax Act, etc. in Order to Construct a Tax System Addressing Changes in the Socio-Economic Structure (Law No. 114 of 2011) and the Act on Special Measures for Securing Financial Resources to Implement Measures for Reconstruction Following the Tohoku Earthquake (Law No. 117 of 2011) the effective statutory tax rate to be applied in the calculation of deferred tax assets and deferred tax liabilities for the current consolidated year was amended from 36.00% to 33.33% for temporary differences expected to be reversed from April 1, 2012, and to 30.78% for temporary differences expected to be reversed from April 1, 2015.

These changes in effective statutory tax rates resulted in a 5,956 million yen decrease in deferred tax assets (after deducting deferred tax liabilities) and a 5,881 million yen increase in income tax adjustments.

(8) Notes to Consolidated Financial Statements

Segment Information

1. Overview of reporting segments

J-POWER's reporting segments provide available financial information on individual business areas. As meaningful information regarding the J-POWER's business performance, it is periodically examined by the Board of Directors in order to make decisions on the allocation of management resources and assess performance.

The J-POWER Group is comprised of J-POWER, 69 subsidiaries and 101 affiliates (as of March 31, 2012) and our core business is the wholesale electric power business where we supply electricity to Japan's 10 electric power companies (EPCOs) through hydroelectric and thermal power plants which we own. Through our power transmission and transforming facilities we also provide transmission services to nine EPCOs (excluding Okinawa Electric Power Company).

We report on four segments in our business activities: "Electric Power Business" which consists of wholesale electric power business, wind power plants, the wholesale

supply of electricity to EPCOs by IPPs, and the wholesale supply of electricity to PPSs (Power Producers and Suppliers); “Electric Power-Related Businesses” that complement and contribute to the smooth and efficient implementation of our electric power business; “Overseas Power Generation Business” that engages in electric power plant projects overseas and businesses related to this; and “Other Businesses” which include various business activities including the sale of coal that fully utilize the Group’s management resources and know-how.

2. Method of calculating amount of sales, income, assets and other items in reporting segments

The method of accounting for reporting segments is the same as stated in “Significant Issues for the Preparation of Consolidated Financial Statements.” The income of reporting segments are calculated on the basis of ordinary income. Intersegment internal revenues and transferred amounts are based on current market prices.

3. Information concerning amounts in sales, income or loss, assets and others for each reporting segment

· Year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(Unit: million yen)

	Electric power	Electric power -related	Overseas power generation	Other businesses	Subtotal	Elimination	Consolidated
Sales to customers	584,436	26,294	1,881	23,363	635,975	-	635,975
Intersegment sales	3,156	308,369	-	2,783	314,309	(314,309)	-
Total sales	587,592	334,664	1,881	26,146	950,285	(314,309)	635,975
Ordinary income	41,832	10,425	5,047	(1,517)	55,788	533	56,322
Assets	1,785,592	161,923	155,468	11,184	2,114,168	(101,782)	2,012,386
Depreciation	110,179	3,362	115	1,231	114,888	(3,244)	111,644
Amortization of goodwill	49	-	0	-	50	-	50
Interest income	316	90	927	8	1,341	(121)	1,220
Interest Expenses	21,710	132	570	78	22,492	(121)	22,371
Equity income of affiliates	(299)	-	9,371	-	9,072	-	9,072
Investment in affiliates	5,682	-	98,720	-	104,402	-	104,402
Increase in the tangible and intangible fixed assets	70,742	5,236	18,091	643	94,713	(1,584)	93,128

Notes:

- The breakdown of elimination is as follows.
 - The adjustment amount of 533 million yen in segment income includes elimination of 277 million yen in intersegment transactions.
 - The adjustment amount of (101,782) million yen in segment assets includes elimination of (103,098) million yen for the offsetting of receivables.
 - The adjustment amount of (3,244) million yen in depreciation includes elimination of (3,241) million yen in intersegment transactions.
 - Adjustment amounts for interest earned, interest expenses, and increase in tangible and intangible fixed assets include amounts eliminated as transactions between segments.
- Segment income is adjusted with ordinary income within consolidated financial statements.

· Year ended March 31, 2012 (from April 1, 2011 to March 31, 2012)

(Unit: million yen)

	Electric power	Electric power -related	Overseas power generation	Other businesses	Subtotal	Elimination	Consolidated
Sales to customers	609,775	23,133	2,005	19,686	654,600	-	654,600
Intersegment sales	3,151	318,199	-	2,669	324,020	(324,020)	-
Total sales	612,927	341,332	2,005	22,355	978,620	(324,020)	654,600
Ordinary income	22,290	8,373	3,499	(3)	34,159	2,460	36,619
Assets	1,730,754	170,665	212,117	9,798	2,123,336	(106,941)	2,016,394
Depreciation	104,344	3,514	55	521	108,436	(3,164)	105,271
Amortization of goodwill	51	-	-	-	51	-	51
Interest income	285	98	687	7	1,077	(109)	968
Interest Expenses	20,841	127	1,098	48	22,115	(109)	22,005
Equity income of affiliates	337	-	9,228	-	9,565	-	9,565
Investment in affiliates	6,094	-	98,297	-	104,391	-	104,391
Increase in the tangible and intangible fixed assets	68,286	7,119	62,548	340	138,296	(570)	137,725

Notes:

1. The breakdown of elimination is as follows.

- (1) The adjustment amount of 2,460 million yen in segment income includes elimination of transaction amounts between segments of 1,708 million yen.
- (2) The adjustment amount of (106,941) million yen in segment assets includes elimination of (106,350) million yen for the offsetting of receivables.
- (3) The adjustment amount of (3,164) million yen in depreciation includes elimination of transaction amounts between segments of (3,159) million yen.
- (4) Adjustment amounts for interest earned, interest expenses, and increase in tangible and intangible fixed assets include amounts eliminated as transactions between segments.

2. Segment income is adjusted with ordinary income within consolidated financial statements.

(Per Share Information)

Year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)		Year ended March 31, 2012 (from April 1, 2011 to March 31, 2012)	
	yen		yen
Net assets per share	2,770.77	Net assets per share	2,714.94
Net income per share	130.51	Net income per share	107.39

Notes:

1. Since there were no potential shares such as bonds with subscription right to shares, diluted net income per shares is not indicated.
2. The basis of calculation of net assets per share is shown below.

	Year ended March 31, 2011 (as of March 31, 2011)	Year ended March 31, 2012 (as of March 31, 2012)
Total net assets	414,898 million yen	406,192 million yen
Elimination from total net assets [minority interests included in the above]	(863) million yen [(863) million yen]	(1,191) million yen [(1,191) million yen]
Year-end net assets related to common stock	415,762 million yen	407,384 million yen
No. of common stock used in the calculation of net assets per share	150,053 thousand	150,052 thousand

3. The basis of calculation of net income per share is shown below.

	Year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (from April 1, 2011 to March 31, 2012)
Net income	19,583 million yen	16,113 million yen
Amount not attributable to ordinary shareholders	-	-
Net income attributable to shareholders of common stock	19,583 million yen	16,113 million yen
Average number of common stock outstanding during the year	150,053 thousand	150,052 thousand

(Significant subsequent event)

There was no significant subsequent event for the year ended March 31, 2012.

(Other Explanatory Notes)

Disaster Recovery Expenses

The Company booked losses of 3,382 million yen as disaster recovery costs due to a fire at the Company's Isogo Thermal Power Plant on November 24, 2011

The breakdown of this loss is 2,513 million yen for the restoration and removal of damaged equipment and 869 million yen for other disaster-related expenses.

5. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Unit: million yen)

	As of Mar. 31, 2011	As of Mar. 31, 2012
Assets		
Noncurrent assets	1,768,302	1,728,454
Electric utility plant and equipment	1,159,857	1,095,654
Hydroelectric power production facilities	399,744	384,125
Thermal power production facilities	462,070	429,797
Renewable power production facilities	1,765	1,526
Transmission facilities	200,373	189,304
Transformation facilities	35,721	32,944
Communication facilities	10,274	9,767
General facilities	49,907	48,187
Incidental business facilities	2,297	2,186
Non-operating facilities	335	260
Construction in progress	295,682	315,318
Construction in progress	295,449	314,737
Retirement in progress	233	580
Nuclear fuel	46,693	54,157
Nuclear fuel in processing	46,693	54,157
Investments and other assets	263,435	260,877
Long-term investments	62,572	60,522
Long-term investment for subsidiaries and affiliates	164,876	169,582
Long-term prepaid expenses	2,480	1,548
Deferred tax assets	38,992	35,411
Allowance for doubtful accounts	(5,485)	(6,188)
Current assets	116,528	115,806
Cash and deposits	4,362	4,295
Accounts receivable-trade	49,264	50,745
Other accounts receivable	4,845	507
Supplies	28,529	31,565
Prepaid expenses	1,672	2,388
Short-term receivables from subsidiaries and affiliates	11,637	6,876
Deferred tax assets	3,732	4,599
Other current assets	12,604	14,895
Allowance for doubtful accounts	(121)	(65)
Total assets	1,884,830	1,884,261

(Unit: million yen)

	As of Mar. 31, 2011	As of Mar. 31, 2011
Liabilities		
Noncurrent liabilities	1,257,747	1,211,719
Bonds payable	734,898	714,914
Long-term loans payable	461,256	429,373
Long-term accrued liabilities	0	-
Lease obligations	314	392
Long-term debt to subsidiaries and affiliates	5,709	5,192
Provision for retirement benefits	45,259	46,053
Asset retirement obligations	158	175
Other noncurrent liabilities	10,149	15,617
Current liabilities	277,226	285,725
Current portion of noncurrent liabilities	159,747	163,166
Short-term loans payable	17,350	18,350
Commercial papers	11,999	12,999
Accounts payable-trade	5,055	2,194
Accounts payable-other	2,970	3,094
Accrued expenses	9,760	10,191
Accrued taxes	18,821	8,877
Deposits received	282	454
Short-term debt to subsidiaries and affiliates	47,634	60,697
Other advances	1,034	666
Other current liabilities	2,569	5,032
Reserves under the special laws	777	777
Reserve for fluctuation in water levels	777	777
Total liabilities	1,535,751	1,498,222
Net assets		
Shareholders' equity	348,159	346,824
Capital stock	152,449	152,449
Capital surplus	81,852	81,852
Legal capital surplus	81,852	81,852
Retained earnings	177,121	175,787
Legal retained earnings	6,029	6,029
Other retained earnings	171,092	169,758
Reserve for special disaster	57	70
Exchange-fluctuation preparation reserve	1,960	1,960
General reserve	142,861	147,861
Retained earnings brought forward	26,213	19,866
Treasury stock	(63,263)	(63,264)
Valuation and translation adjustments	919	(785)
Valuation difference on available-for-sale securities	(479)	(1,158)
Deferred gains or losses on hedges	1,399	373
Total net assets	349,079	346,039
Total liabilities and net assets	1,884,830	1,884,261

(2) Non-consolidated Statements of Income

(Unit: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Operating revenue	583,213	599,973
Electric utility operating revenue	573,878	590,553
Sold power to other suppliers	514,640	532,915
Transmission revenue	54,343	53,059
Other electricity revenue	4,894	4,579
Incidental business operating revenue	9,335	9,419
Operating revenue-consulting business	2,200	2,430
Operating revenue-coal sale business	6,094	5,890
Operating revenue-other businesses	1,040	1,098
Operating expenses	520,569	557,628
Electric utility operating expenses	513,395	549,010
Hydroelectric power production expenses	60,005	66,325
Thermal power production expenses	358,156	381,201
Renewable power production expenses	976	2,274
Purchased power from other suppliers	1,388	3,428
Transmission expenses	26,943	29,031
Transformation expenses	6,453	5,968
Selling expenses	1,223	1,482
Communicating expenses	6,480	6,360
General and administrative expenses	44,466	45,429
Enterprise tax	7,300	7,508
Incidental business operating expenses	7,174	8,617
Operating expenses-consulting business	1,607	1,847
Operating expenses-coal sale business	4,677	5,967
Operating expenses-other businesses	889	802
Operating income	62,644	42,344

(Unit: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Non-operating income	6,348	9,089
Financial revenue	4,649	6,726
Dividends income	3,403	5,401
Interest income	1,246	1,325
Non-operating revenue	1,699	2,362
Gain on sales of noncurrent assets	82	76
Miscellaneous revenue	1,616	2,286
Non-operating expenses	25,800	25,756
Financial expenses	21,627	20,525
Interest expenses	21,353	20,525
Bond issuance cost	273	-
Non-operating expenses	4,173	5,230
Loss on sales of noncurrent assets	625	643
Miscellaneous expenses	3,547	4,587
Total ordinary revenue	589,561	609,062
Total ordinary expenses	546,370	583,384
Ordinary income	43,191	25,677
Provision or reversal of reserve for fluctuation in water levels	42	-
Provision of reserve for fluctuation in water levels	42	-
Extraordinary income	1,635	-
Gain on sales of securities	1,635	-
Extraordinary loss	13,757	3,434
Disaster recovery expenses	-	3,434
Loss on valuation of securities	6,092	-
Provision of allowance for doubtful accounts for subsidiaries and affiliates	4,255	-
Loss on liquidation of business	3,408	-
Income before income taxes	31,027	22,243
Income taxes-current	16,395	10,148
Income taxes-deferred	(153)	2,924
Total income taxes	16,242	13,073
Net income	14,785	9,169

(3) Non-consolidated Statements of Changes in Net Assets

(Unit: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Shareholders' equity		
Capital stock		
Balance at the end of previous period	152,449	152,449
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	152,449	152,449
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	81,852	81,852
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	81,852	81,852
Total capital surplus		
Balance at the end of previous period	81,852	81,852
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	81,852	81,852
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	6,029	6,029
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	6,029	6,029
Other retained earnings		
Reserve for special disaster		
Balance at the end of previous period	53	57
Changes of items during the period		
Provision of reserve for special disaster	3	13
Total changes of items during the period	3	13
Balance at the end of current period	57	70
Exchange-fluctuation preparation reserve		
Balance at the end of previous period	1,960	1,960
Change of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	1,960	1,960
General reserve		
Balance at the end of previous period	137,861	142,861
Changes of items during the period		
Provision of general reserve	5,000	5,000
Total changes of items during the period	5,000	5,000
Balance at the end of current period	142,861	147,861

(Unit: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Retained earnings brought forward		
Balance at the end of previous period	26,935	26,213
Changes of items during the period		
Dividends from surplus	(10,503)	(10,503)
Net income	14,785	9,169
Provision of reserve for special disaster	(3)	(13)
Provision of general reserve	(5,000)	(5,000)
Total changes of items during the period	(721)	(6,347)
Balance at the end of current period	26,213	19,866
Total retained earnings		
Balance at the end of previous period	172,839	177,121
Changes of items during the period		
Dividends from surplus	(10,503)	(10,503)
Net income	14,785	9,169
Provision of reserve for special disaster	-	-
Provision of general reserve	-	-
Total changes of items during the period	4,281	(1,334)
Balance at the end of current period	177,121	175,787
Treasury stock		
Balance at the end of previous period	(63,262)	(63,263)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(63,263)	(63,264)
Total shareholders' equity		
Balance at the end of previous period	343,879	343,159
Changes of items during the period		
Dividends from surplus	(10,503)	(10,503)
Net income	14,785	9,169
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	4,280	(1,334)
Balance at the end of current period	348,159	346,824

6. Appendixes

[Appendix 1]

Revenues and Expenses (Consolidated)

	Year ended	Year ended	(B - A)	(B-A)/(A)
	March. 31, 2011 (A)	March. 31, 2012 (B)	(B - A)	(B-A)/(A)
	million yen	million yen	million yen	%
Operating revenue	635,975	654,600	18,624	2.9
Electric utility operating revenue	584,436	609,775	25,338	4.3
Electric power sales	528,363	555,287	26,923	5.1
Wholesale power business	514,640	532,915	18,274	3.6
Hydroelectric	108,152	108,479	326	0.3
Thermal	406,488	424,436	17,947	4.4
Other electric power businesses	13,723	22,371	8,648	63.0
Transmission revenues	54,343	53,059	(1,284)	(2.4)
Other electricity revenues	1,729	1,429	(300)	(17.4)
Other business operating revenue	51,539	44,825	(6,714)	(13.0)
Operating expenses	565,387	604,800	39,412	7.0
Electric utility operating expenses	509,116	553,873	44,756	8.8
Personnel expense	31,354	34,536	3,181	10.1
Fuel cost	214,261	249,421	35,159	16.4
Repair expense	46,035	52,915	6,879	14.9
Consignment cost	31,491	34,700	3,209	10.2
Taxes and duties	27,259	27,608	348	1.3
Depreciation and amortization cost	106,929	101,139	(5,790)	(5.4)
Other	51,783	53,551	1,767	3.4
Other business operating expenses	56,271	50,927	(5,343)	(9.5)
Operating income	70,588	49,800	(20,788)	(29.5)
Non-operating revenue	14,965	15,356	391	2.6
Dividend income	1,499	1,315	(184)	(12.3)
Interest income	1,220	968	(252)	(20.7)
Equity income of affiliates	9,072	9,565	493	5.4
Other	3,172	3,506	334	10.5
Non-operating expenses	29,231	28,536	(695)	(2.4)
Interest expenses	22,371	22,005	(365)	(1.6)
Other	6,860	6,530	(329)	(4.8)
Total ordinary revenues	650,941	669,957	19,015	2.9
Total ordinary expenses	594,619	633,337	38,717	6.5
Ordinary income	56,322	36,619	(19,702)	(35.0)
(Provision for)reversal of reserve for fluctuation in water level	42	-	(42)	-
Extraordinary income	1,635	-	(1,635)	-
Extraordinary loss	19,176	3,382	(15,793)	(82.4)
Income before income taxes and minority interests	38,739	33,237	(5,501)	(14.2)
Income taxes - current	20,403	12,953	(7,450)	(36.5)
Income taxes – deferred	2,459	4,370	1,911	77.7
Income before minority interests	15,876	15,913	37	0.2
Minority interests in income (loss)	(3,707)	(200)	3,507	-
Net income	19,583	16,113	(3,470)	(17.7)

[Appendix 2]

(1) Generation capacity

(Unit: kW)

	Year ended March 31, 2011 (A)	Year ended March 31, 2012 (B)	(B) – (A)
Wholesale electric power business	16,992,500	16,992,500	-
Hydroelectric	8,565,500	8,565,500	-
Thermal	8,427,000	8,427,000	-
Other electric power businesses (*)	704,510	704,510	-
Total	17,697,010	17,697,010	-

(*) Other electric power businesses include power plants for IPPs and PPSs, and wind power.

(2) Electricity sales volume and revenues

(Unit: million kWh, million yen)

	Year ended March 31, 2011 (A)		Year ended March 31, 2012 (B)		(B) – (A)	
	Electricity sales volume	Revenues	Electricity sales volume	Revenues	Electricity sales volume	Revenues
Wholesale electric power business	64,353	514,640	64,074	532,915	(279)	18,274
Hydroelectric	10,267	108,152	10,318	108,479	51	326
Thermal	54,086	406,488	53,756	424,436	(330)	17,947
Other electric power businesses (*)	1,462	13,723	2,010	22,371	547	8,648
Subtotal	65,815	528,363	66,084	555,287	268	26,923
Transmission	-	54,343	-	53,059	-	(1,284)
Total	65,815	582,707	66,084	608,346	268	25,638

(*) Other electric power businesses include power plants for IPPs and PPSs, and wind power.

(3) Water supply rate

(Unit: %)

	Year ended March 31, 2011 (A)	Year ended March 31, 2012(B)	(B) – (A)
Water supply rate	106	115	9

[Appendix 3]

Revenues and Expenses (Non-consolidated)

	Year ended	Year ended	(B - A)	(B-A)/(A)
	March. 31, 2011 (A)	March. 31, 2012 (B)	(B - A)	(B-A)/(A)
	million yen	million yen	million yen	%
Operating revenues	583,213	599,973	16,759	2.9
Electric utility operating revenues	573,878	590,553	16,675	2.9
Electric power sales	514,640	532,915	18,274	3.6
Hydroelectric	108,152	108,479	326	0.3
Thermal	406,488	424,436	17,947	4.4
Transmission revenue	54,343	53,059	(1,284)	(2.4)
Other electricity revenue	4,894	4,579	(315)	(6.4)
Incidental business operating revenue	9,335	9,419	84	0.9
Operating expenses	520,569	557,628	37,059	7.1
Electric utility operating expenses	513,395	549,010	35,615	6.9
Personnel expense	31,276	34,441	3,164	10.1
Fuel cost	209,967	238,497	28,529	13.6
Repair expense	50,635	54,286	3,651	7.2
Taxes and duties	26,594	26,755	160	0.6
Depreciation and amortization cost	106,080	100,423	(5,657)	(5.3)
Other	88,841	94,607	5,766	6.5
Incidental business operating expenses	7,174	8,617	1,443	20.1
Operating income	62,644	42,344	(20,299)	(32.4)
Non-operating revenues	6,348	9,089	2,740	43.2
Non-operating expenses	25,800	25,756	(44)	(0.2)
Interest expenses	21,627	20,525	(1,102)	(5.1)
Other	4,173	5,230	1,057	25.3
Total ordinary revenues	589,561	609,062	19,500	3.3
Total ordinary expenses	546,370	583,384	37,014	6.8
Ordinary income	43,191	25,677	(17,514)	(40.5)
(Provision for)reversal of reserve for fluctuation in water level	42	-	(42)	-
Extraordinary income	1,635	-	(1,635)	-
Extraordinary loss	13,757	3,434	(10,322)	(75.0)
Income before income taxes and minority interests	31,027	22,243	(8,784)	(28.3)
Income taxes - current	16,395	10,148	(6,247)	(38.1)
Income taxes – deferred	(153)	2,924	3,077	-
Net income	14,785	9,169	(5,615)	(38.0)