
Summary of FY2009 First Quarter Earnings Results



Electric Power Development Co., Ltd.

July 31, 2009

The English version is a translation of the original Japanese version.
Please note that if there is any discrepancy, the Japanese version will take priority.

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 dependency.

※Display of Figures

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.

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Consolidated: Key Points Regarding FY2009 First Quarter Earnings Results



- ▶ **Lower revenue, higher income** (compared to the same period in previous fiscal year)

While revenue dropped due to reduced thermal power load factor, both operating income and ordinary income increased, primarily due to reduced repair expenses for thermal power plants.

Summary of FY2009 First Quarter Earnings Results

(Unit: ¥ 100 million)

	FY2009 1st Quarter (Apr.-Jun.)	FY2008 1st Quarter (Apr.-Jun.)	Year-on-year change	
			Increase/ Decrease	Increase/ Decrease (%)
Operating Revenues	1,410	1,562	-151	-9.7%
Operating Income	219	109	109	100.0%
Ordinary Income	199	103	95	92.6%
Net Income	133	73	60	81.5%

Consolidated: Year-on-Year Comparison

– Main Factors for Change



Operating Revenues (-15.1B yen)

Thermal power (J-POWER) (-6.7B yen)

- ▶ Drop in utilization due to decline in power demand
Load factor: 62% → 44% (-2.4B kWh)

Hydroelectric power (J-POWER) (-0.5B yen)

- ▶ Drop in water supply rate due to lower water flow : 92% → 77% (-0.3B kWh)

Other business (-6.5B yen)

- ▶ Drop in coal sales

Operating Income (+10.9B yen)

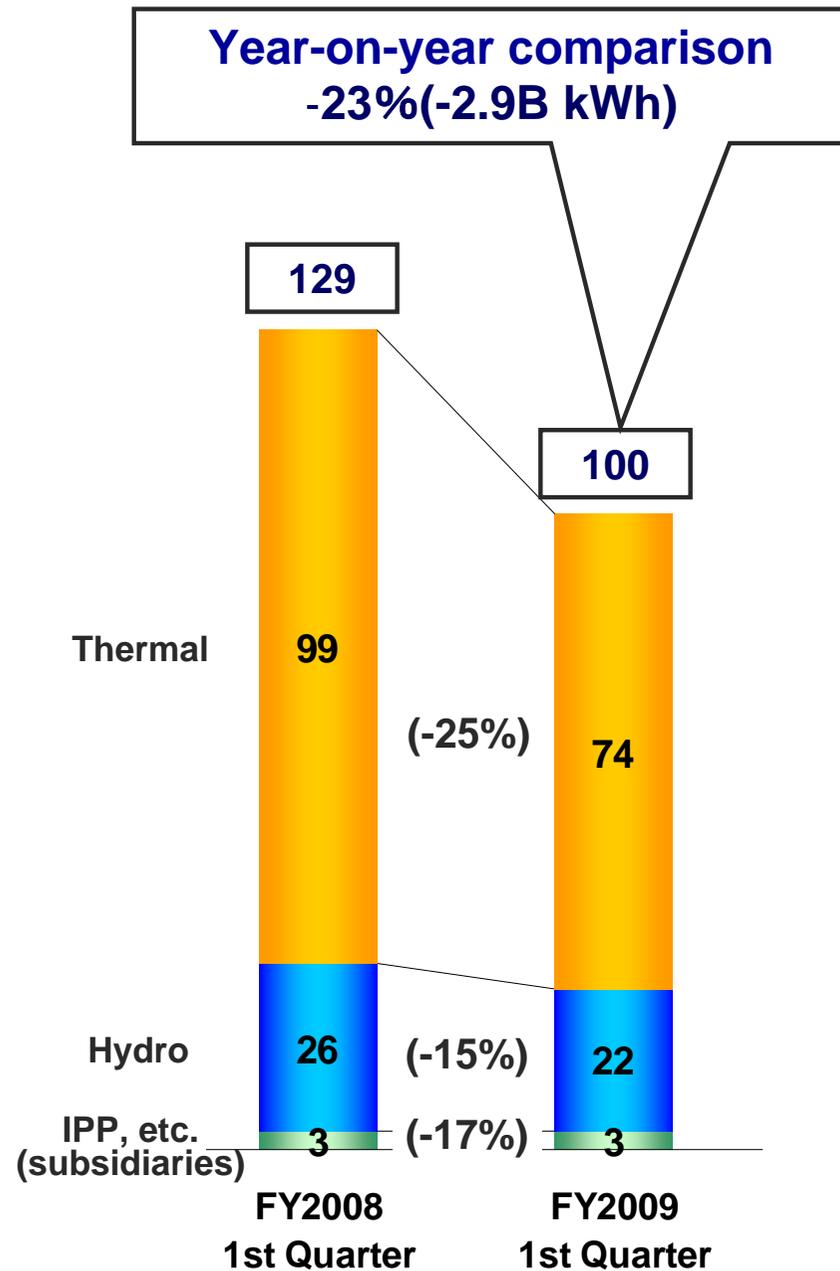
- ▶ Reduction in repair expenses for thermal power plants
: decrease in total periodic inspection days
(approx. 630 days → approx. 270 days in total)
- ▶ Reductions due to lower water flow, others

Ordinary Income (+9.5B yen)

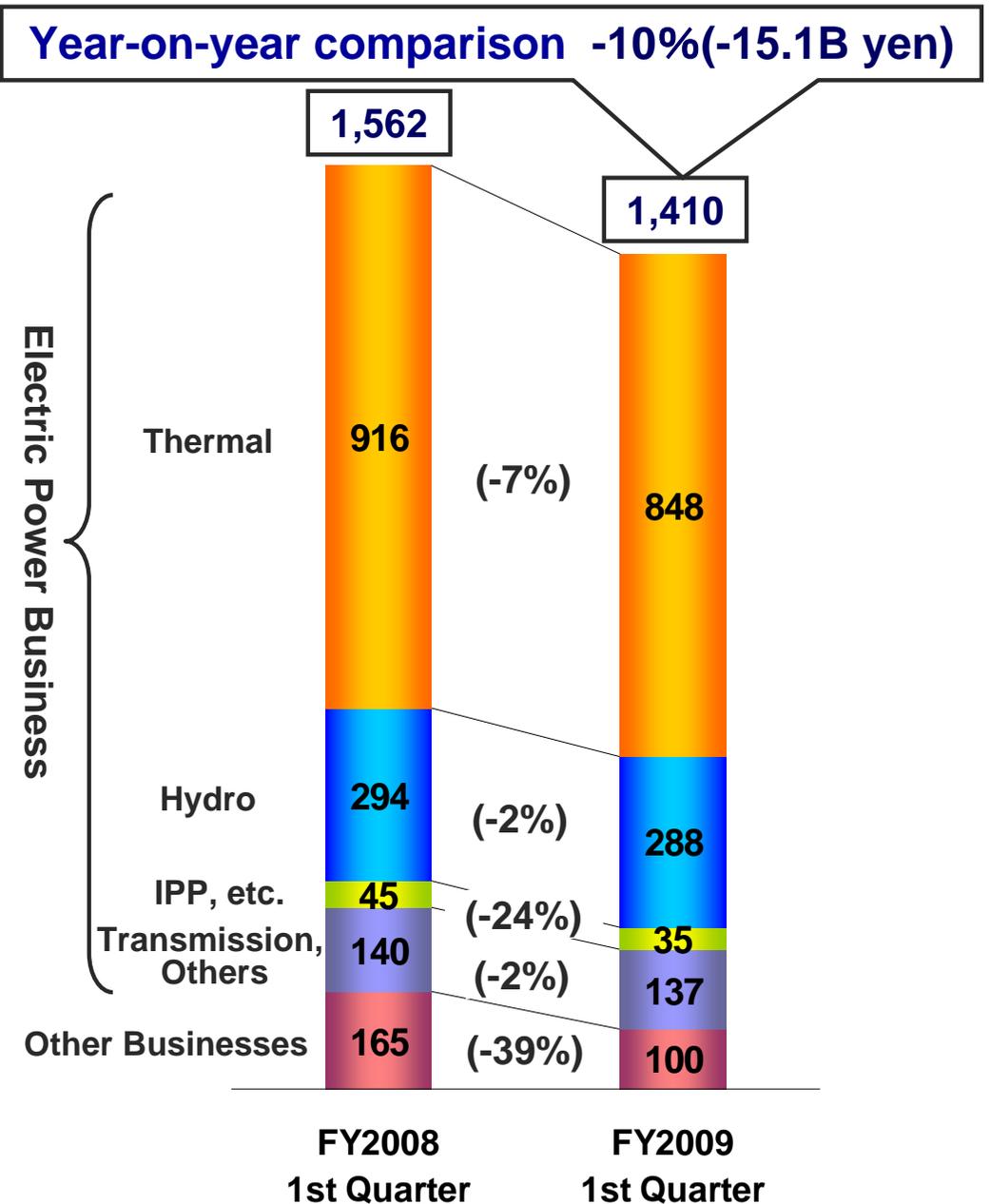
- ▶ Drop in equity income in overseas power generation businesses, others

Consolidated: Electric Power Sales and Operating Revenues

Electric Power Sales (Unit: 100 million kWh)



Operating Revenues (Unit: ¥100 million)



Consolidated: Revenue / Expenditure Comparison



(Unit: ¥100 million)

	FY2009 1st Quarter (Apr.-Jun.)	FY2008 1st Quarter (Apr.-Jun.)	Year-on-year change Increase/ Decrease	Main factors for change
Operating Revenues	1,410	1,562	-151	
Electric utility	1,310	1,397	-86	Lower load factor at thermal power plants
Other business	100	165	-65	Drop in coal sales
Operating Expenses	1,191	1,453	-261	
Electric utility	1,077	1,273	-196	
Personnel expenses	89	92	-2	
Fuel cost	375	443	-68	Drop in coal consumption
Repair expenses	99	218	-118	Mainly due to decrease in periodic inspections for thermal power plants
Outsourcing expenses	65	68	-2	
Depreciation / amortization	289	257	32	Depreciation for test operation of Isogo New No. 2
Other	156	194	-37	Mainly due to increase in removal costs of equipment, increase in waste treatment expenses
Other businesses	113	179	-65	Mainly due to reduction in cost of sales due to drop in coal sales
Operating Income	219	109	109	
Non-operating Revenues	42	54	-12	
Equity income of affiliates	24	31	-6	Negative impact of currency translation effects
Other	18	23	-5	
Non-operating expenses	63	61	2	
Interest expenses	55	56	-0	
Other	7	4	3	
Ordinary Income	199	103	95	

- ▶ Expenses for investing activities decreased compared to the same period in previous fiscal year due to a reduction in capital expenditures for the Ohma Nuclear Power Plant and the Isogo New No. 2 Power Plant, and a drop in investments and loans for overseas power generation businesses.
- ▶ Free cash flow increased by 39.5 billion yen compared to the same period in previous fiscal year, to 20.1 billion yen.

(Unit: ¥100 million)

	FY2009 1st Quarter (Apr.-Jun.)	FY2008 1st Quarter (Apr.-Jun.)	Year-on-year Increase/ Decrease	Main Factors for Change
Operating activities (A)	348	123	224	Mainly due to increase in income before income taxes, decline in inventories (coals)
Investing activities (B)	-146	-317	170	Decrease in capital expenditure, decrease in investments and loans
Financing activities	-198	198	-396	Decrease in commercial paper
Free Cash Flow (A+B)	201	-193	395	

Consolidated: Balance Sheet



- ▶ While noncurrent assets fell due to continued progress in depreciation, they increased overall due to capital expenditures in the Ohma Nuclear Power Plant, etc.
- ▶ Shareholders' equity ratio has begun to climb from the end of FY2008.

(19.0% → 20.0%)

(Unit: ¥100 million)

	FY2009	FY2008	Change from prior year end	Main Factors for Change	
	End of Q1	End of FY	Increase/ Decrease		
Assets	Noncurrent assets	18,505	18,431	73	
	Electric utility plant and equipment	12,183	12,350	-166	Mainly due to progress in depreciation
	Other noncurrent assets	473	466	7	
	Construction in progress	3,310	3,218	91	Ohma Nuclear and others
	Nuclear fuel	299	276	22	Procurement of fuel assembly
	Investments and other assets	2,238	2,119	118	Positive impact of currency translation effects
	Current assets	1,619	1,623	-3	
Total	20,124	20,054	69		
Liabilities	Interest-bearing debt	14,580	14,707	-127	Decrease in commercial paper, increase in corporate bonds
	Others	1,508	1,526	-17	
	Total	16,088	16,233	-145	
Net Assets	Minority interests	18	19	-1	
	Shareholders' equity	4,017	3,801	216	Increase in retained earnings, positive effect of valuation and translation adjustments
	Total	4,035	3,821	214	
Total	20,124	20,054	69		
D/E ratio (x)	3.6	3.9			
Shareholders' equity ratio	20.0%	19.0%			

FY2009 Full-Year Forecast

(Unit: ¥100 million)

	FY2009		FY2008
	Forecast	1st Quarter (Apr.-Jun.) Actual	Actual
Operating Revenues	6,350	1,410	7,049
Operating Income	570	219	571
Ordinary Income	430	199	395
Net Income	290	133	194

*Regarding the full-year earnings forecast

Overall, first quarter results went as planned.

Beginning this quarter, changes have been made in the standard for booking provisions for retirement benefits, so that actuarial differences are now amortized from the year following the year in which they occurred.

The Company is holding discussions with its customers (EPCOs) regarding its hydroelectric and transmission line rates, and expects to revise them from September of 2009.

No change in the full-year earnings forecast is expected from these or other factors.

APPENDIX

※Display of Figures

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.

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Wholesale Electric Power Business: Monthly Electricity Sales (Thermal Power)



▶ Apr.2008 - Mar.2009 Results (Cumulative)

Load factor 76 %
Electricity sales 49.1B kWh

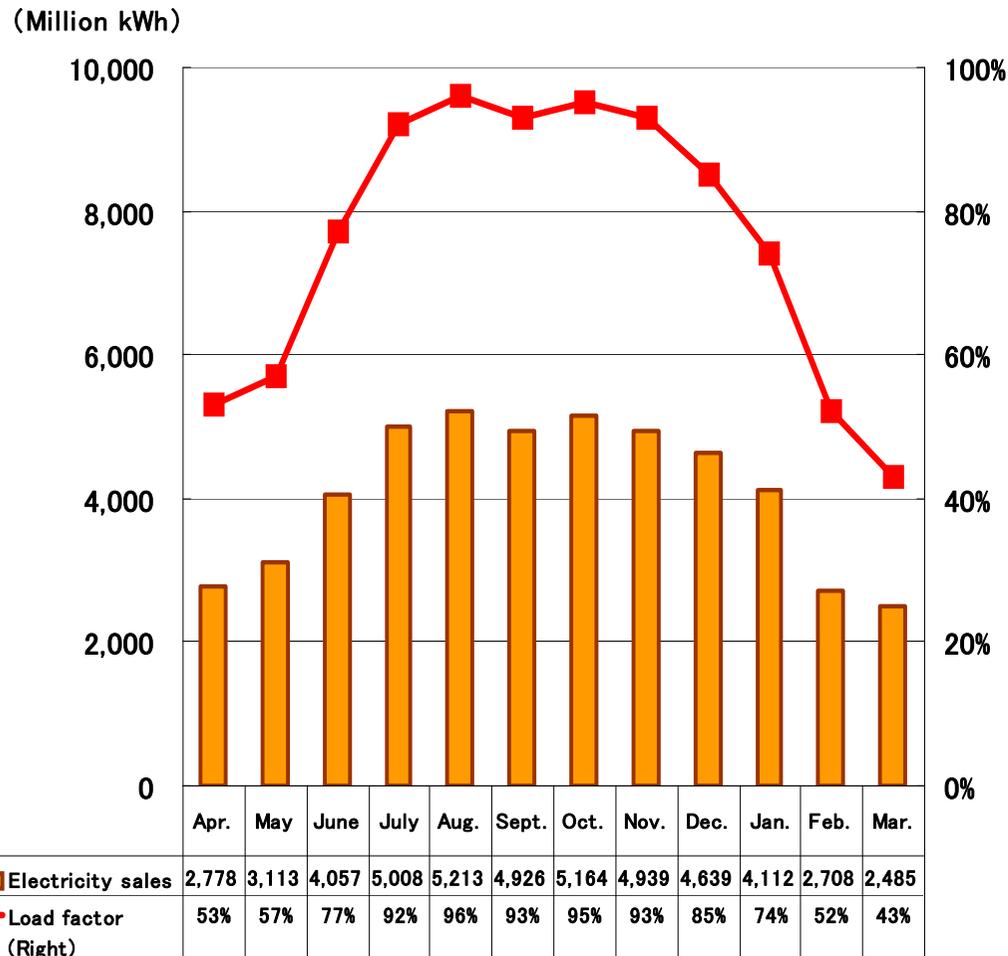
*Electricity generated for the test run at the Isogo New No.2 was also included in Electricity sales since January 2009

▶ Apr.2009 - Jun.2009 Results (Cumulative)

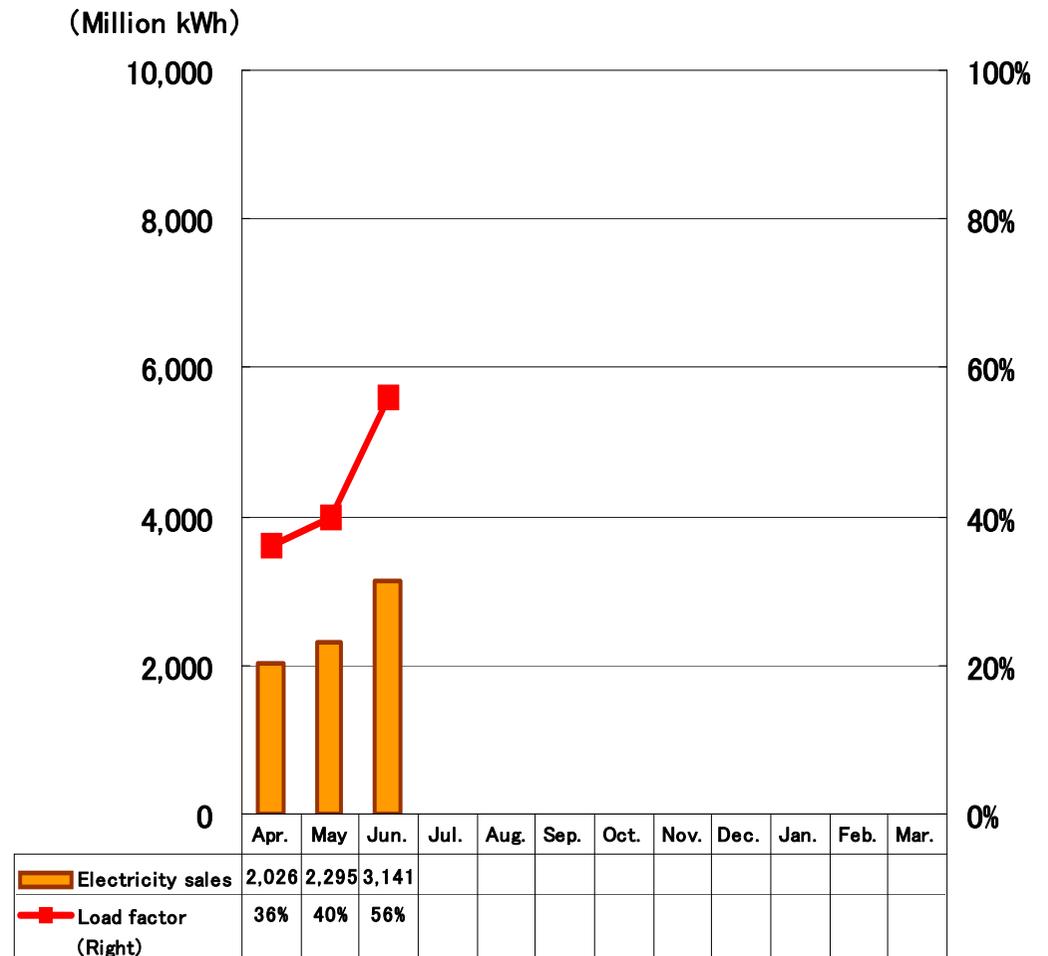
Load factor 44%
Electricity sales 7.4B kWh

*Electricity sales also include electricity generated for the test run at the Isogo New No.2.

Thermal Power: Monthly Electricity Sales



Thermal Power: Monthly Electricity Sales



Wholesale Electric Power Business:

Monthly Electricity Sales (Hydroelectric Power)



▶ Apr.2008 - Mar.2009 Results (Cumulative)

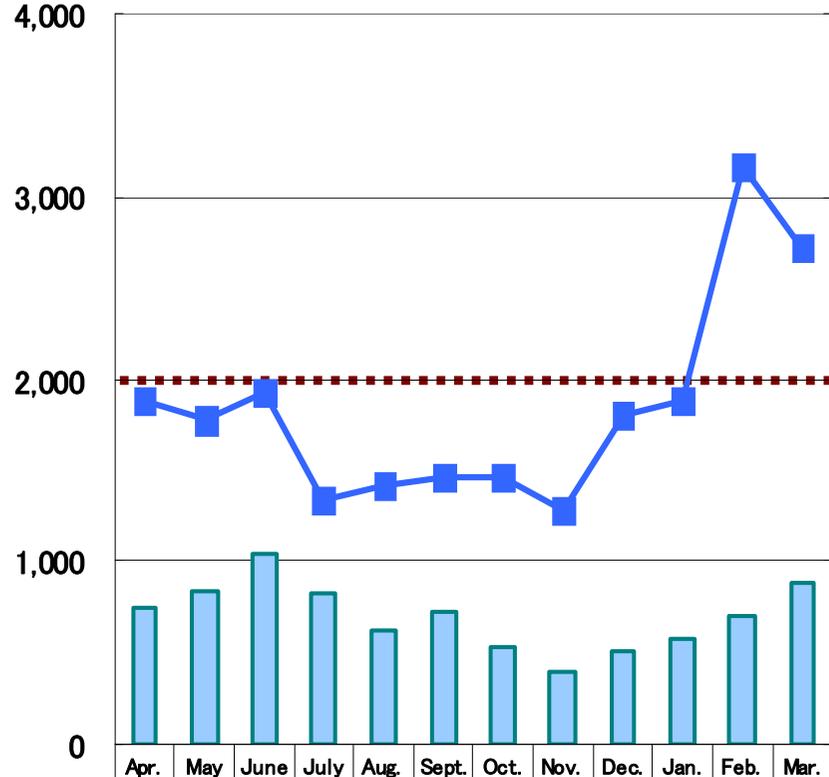
Water supply rate 88 %
Electricity sales 8.3B kWh

▶ Apr.2009 - Jun.2009 Results (Cumulative)

Water supply rate 77 %
Electricity sales 2.2B kWh

Hydroelectric Power: Monthly Electricity Sales

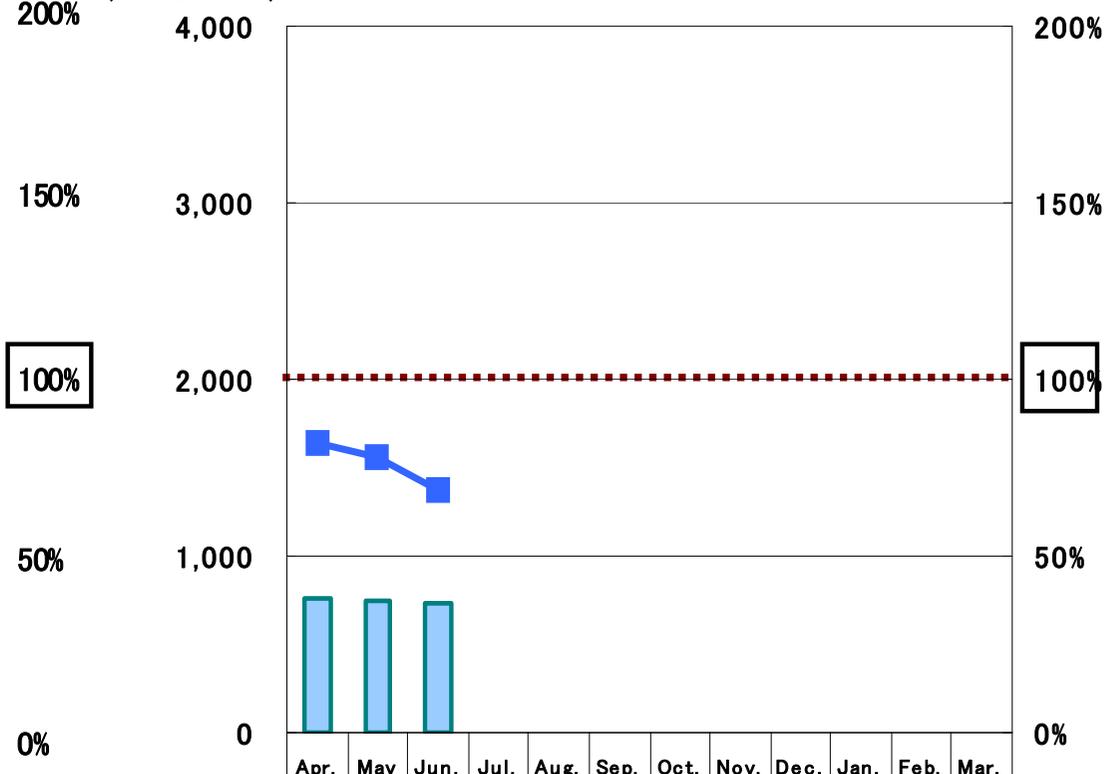
(Million kWh)



Electricity sales	738	832	1,049	828	618	731	532	393	503	575	700	880
Water supply rate (Right)	94%	89%	96%	67%	71%	73%	73%	64%	90%	94%	158%	136%

Hydroelectric Power: Monthly Electricity Sales

(Million kWh)

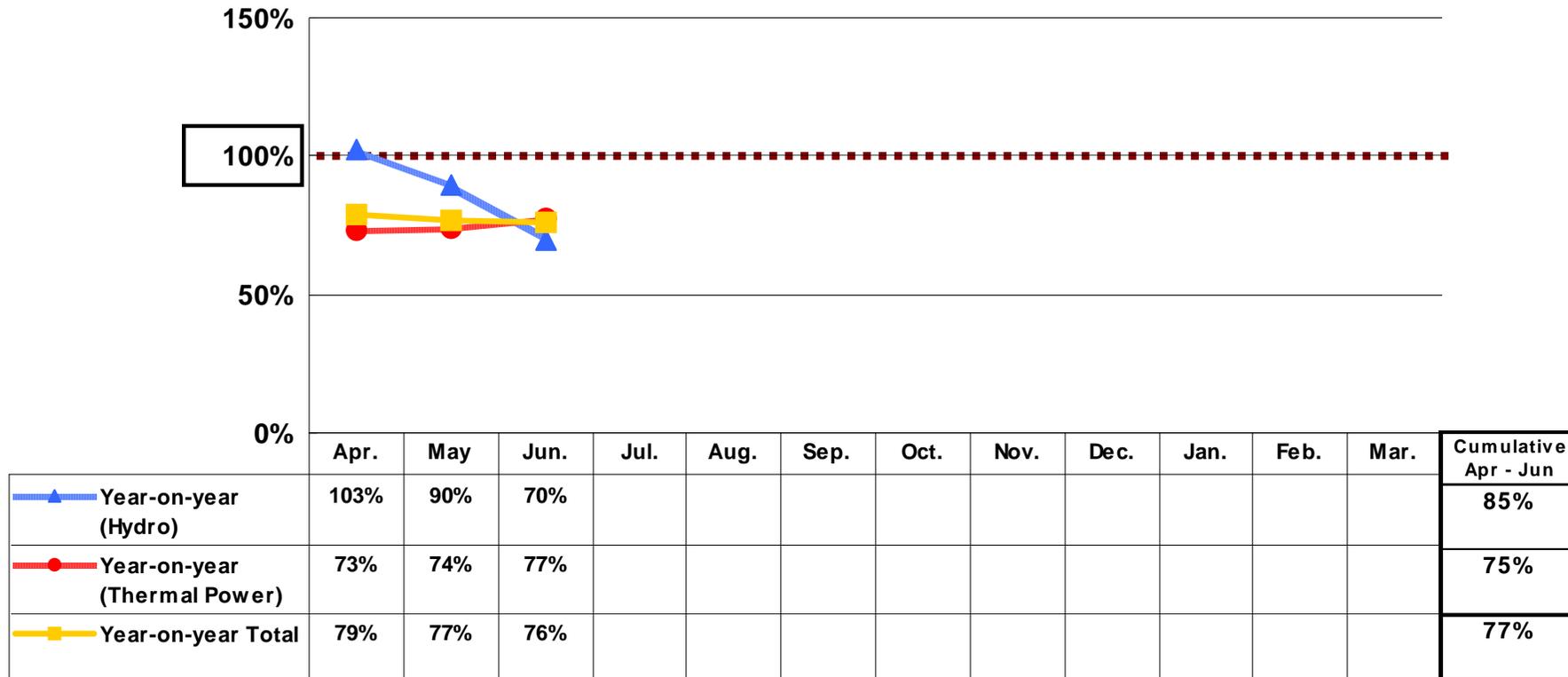


Electricity sales	758	748	732									
Water supply rate (Right)	82%	78%	69%									

Wholesale Electric Power Business: Changes in Monthly Electricity Sales



Year-on-year Comparison of Monthly Electricity Sales:
Thermal Power and Hydroelectric Power



Other Electric Power Businesses: Monthly Electricity Sales



Other Electric Power Businesses (IPP, for PPS, Wind Power):

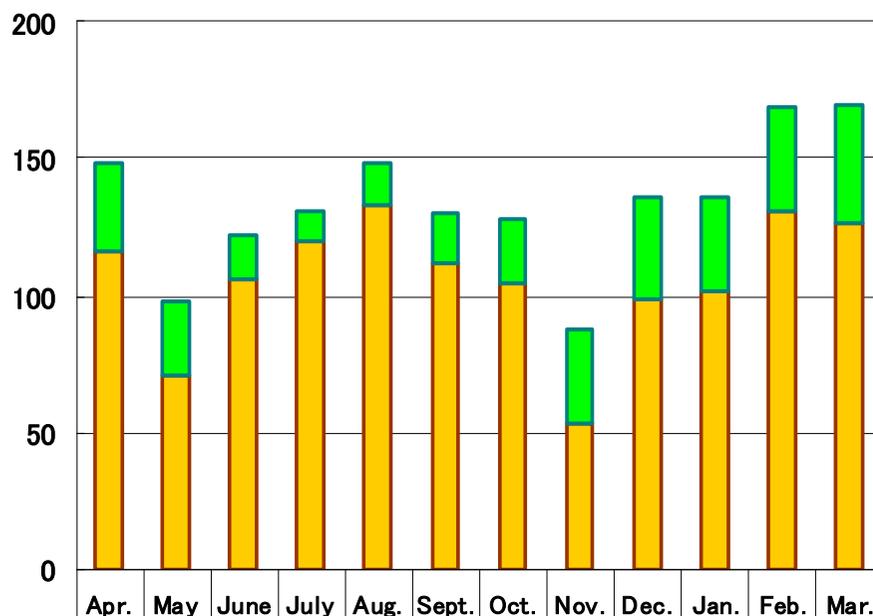
Total Electricity Sales
(Cumulative Apr.2008 - Mar.2009)
1.6B kWh

Total Electricity Sales
(Cumulative Apr.2009 - Jun.2009)
0.3B kWh

Other Electric Power Businesses:
Monthly Electricity Sales

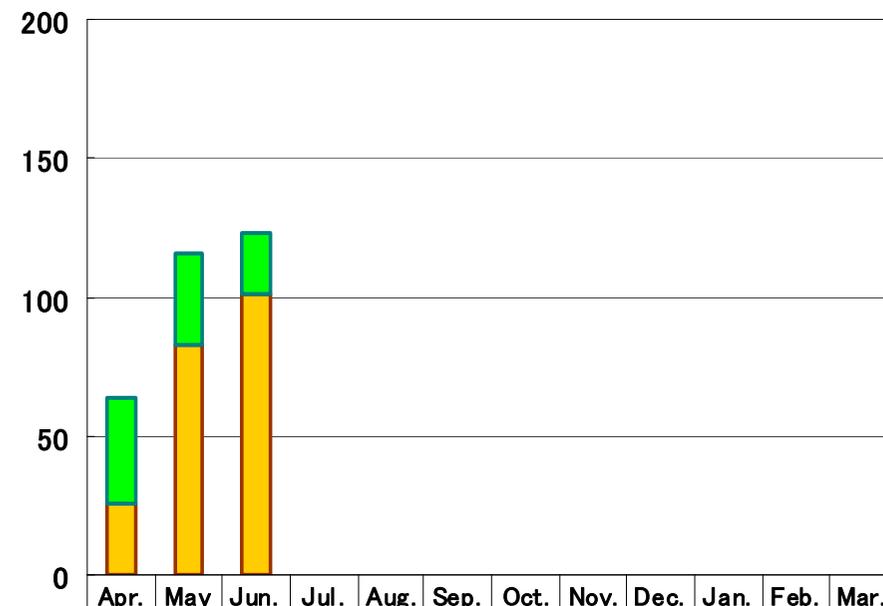
Other Electric Power Businesses:
Monthly Electricity Sales

(Million kWh)



Wind Power Electricity Sales	33	27	16	11	16	18	24	35	37	35	38	44
Thermal Power (IPP, for PPS) Electricity Sales	116	71	106	120	133	112	104	53	99	101	131	126

(Million kWh)



Wind Power Electricity Sales	38	33	22									
Thermal Power (IPP, for PPS) Electricity Sales	26	83	101									

Note: Does not take proportion of equity holdings into account

Major Financial Data: Consolidated



(Unit: ¥100 million)

	FY2005	FY2006	FY2007	FY2008	FY2008 1Q	FY2009 1Q
《 P L 》						
Operating revenues	6,219	5,732	5,877	7,049	1,562	1,410
(EBITDA) ※1	2,364	2,002	1,657	1,717	378	519
Operating income	1,014	771	507	571	109	219
Ordinary income	679	555	428	395	103	199
Net income	435	351	293	194	73	133
《 B S 》						
Shareholders' equity	4,330	4,611	4,663	3,801	4,637	4,017
Total assets	19,646	19,997	20,131	20,054	20,530	20,124
Interest-bearing liabilities	14,082	14,215	14,238	14,707	14,502	14,580
《 C F 》						
Cash flows from operating activities	1,739	1,572	1,362	1,586	123	348
Cash flows from investing activities	-723	-1,554	-1,525	-1,323	-317	-146
Cash flows from financing activities	-1,036	-21	171	-296	198	-198
FCF ※2	1,016	18	-162	262	-193	201
Depreciation	1,350	1,230	1,150	1,146	268	299
Capital expenditures	608	907	1,220	1,721	406	255
《Group Employees》						
Numbers employed ※3	5,868	6,494	6,524	6,581	-	-

※1 EBITDA = Operating income + Depreciation

※2 FCF = Cash flow from operating activities + Cash flow from investing activities

※3 All subsidiaries were made consolidated subsidiaries in FY2006, which became a primal cause of year-on-year increase in FY2006.

Key Ratios and Key Data



【 Key Ratios: Consolidated 】	FY2005	FY2006	FY2007	FY2008	FY2008 1Q	FY2009 1Q
Ordinary Income/Operating Revenues(%)	10.9%	9.7%	7.3%	5.6%	6.6%	14.1%
Shareholders' equity ratio(%)	22.0%	23.1%	23.2%	19.0%	22.6%	20.0%
D/E ratio	3.3	3.1	3.1	3.9	3.1	3.6
ROE(%)※1	10.6%	7.9%	6.3%	4.6%	-	-
ROA(%)※2	3.4%	2.8%	2.1%	2.0%	-	-
EPS(¥)	260.76※3	211.14	175.99	121.65	44.28	89.23
BPS(¥)	2,598.90※3	2,768.95	2,800.18	2,533.28	2,784.47	2,677.52

※1 : ROE = Consolidated current net income / The average of consolidated shareholders' equity at the beginning and the end of the period

※2 : ROA = Consolidated ordinary income / The average of consolidated total assets at the beginning and the end of the period

※3 : Effective March 1, 2006, we carried out a 1.2-for-1 stock split.

These figures are calculated based on the assumption that the said stock split was carried out at the beginning of that year.

【 Key Data 】	FY2005	FY2006	FY2007	FY2008	FY2008 1Q	FY2009 1Q
Amount of coal consumption (10 thousand ton)	2,075	1,857	2,023	1,940	-	-
Load factor of coal-fired thermal power plants (%)	84%	75%	81%	76%	62%	44%
Water supply rate (%)	90%	112%	85%	88%	92%	77%
Australian coal price (FOB, US\$) ※1	52.5 ~ 54.0	52.0 ~ 53.0	55.0 ~ 56.0	125.0	125.0	71.0
Average exchange rate (¥/US\$) ※2	113	117	114	101	105	93

※1 : Reference price

※2 : TTM

Electric Power Sales, Revenues and Generation Capacity (Domestic, consolidated)



【Electricity Sales (million kWh)】

	FY2005	FY2006	FY2007	FY2008	FY2008 1Q	FY2009 1Q
Wholesale electric power business	62,626	58,672	60,786	57,532	12,570	9,702
Hydroelectric	8,582	10,633	8,287	8,384	2,620	2,238
Thermal	54,044	48,039	52,499	49,147	9,949	7,463
Other electric power business	1,701	1,657	1,682	1,616	370	306
Total	64,328	60,329	62,469	59,148	12,941	10,008

【Electric Power Revenues (100 million yen)】

	FY2005	FY2006	FY2007	FY2008	FY2008 1Q	FY2009 1Q
Wholesale electric power business	4,950	4,500	4,572	5,712	1,210	1,137
Hydroelectric	1,268	1,234	1,145	1,109	294	288
Thermal	3,682	3,265	3,427	4,603	916	848
Other electric power business	164	168	177	200	45	35
Transmission	582	551	549	554	138	135
Total	5,698	5,220	5,299	6,467	1,394	1,308

【Generation Capacity (MW)】

	FY2005	FY2006	FY2007	FY2008	FY2008 1Q	FY2009 1Q
Wholesale electric power business	16,375.0	16,380.0	16,380.0	16,385.0	16,385.0	16,385.0
Hydroelectric	8,550.5	8,555.5	8,555.5	8,560.5	8,560.5	8,560.5
Thermal	7,824.5	7,824.5	7,824.5	7,824.5	7,824.5	7,824.5
Other electric power business	494.5	560.5	560.5	605.8	560.5	605.8
Total	16,869.5	16,940.5	16,940.5	16,990.8	16,945.5	16,990.8

Revenues and Expenses: Consolidated



(Unit: ¥100 million)

	FY2005	FY2006	FY2007	FY2008	FY2008 1Q	FY2009 1Q
Operating revenues	6,219	5,732	5,877	7,049	1,562	1,410
Electric power operating revenues	5,731	5,237	5,317	6,483	1,397	1,310
Other operating revenues	487	494	560	565	165	100
Operating expenses	5,204	4,961	5,370	6,478	1,453	1,191
Electric power operating expenses	4,697	4,444	4,778	5,888	1,273	1,077
Personnel costs	212	272	377	436	92	89
Fuel costs	1,608	1,498	1,915	2,643	443	375
Repair and maintenance costs	387	411	304	514	218	99
Outsourcing costs	314	317	302	332	68	65
Depreciation and amortization costs	1,315	1,185	1,103	1,101	257	289
Others	859	758	774	859	194	156
Other operating expenses	507	516	591	590	179	113
Operating income	1,014	771	507	571	109	219
Non-operating revenues	76	130	215	132	54	42
Equity income of affiliates	20	55	88	74	31	24
Others	55	74	126	58	23	18
Non-operating expenses	411	346	293	307	61	63
Interest expenses	357	225	227	226	56	55
Others	54	120	66	81	4	7
Ordinary income	679	555	428	395	103	199



Electric Power Development Co., Ltd.

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