

# Summary of FY2011 Earnings Results



Electric Power Development Co., Ltd.

April 27, 2012

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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

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

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# I. Summary of FY2011 Earnings Results

# Summary of FY2011 Earnings Results



## Comparison with the previous year

- ▶ Increase in sales resulting from an increase in revenues in thermal power due to coal price increases amid continuing high flow rates in hydroelectric power and high operating rates in thermal power
- ▶ In addition to a forecast increase in personnel costs\* and outsourcing costs, etc., decreases in operating income, ordinary income and net income resulting mainly from an increase in disaster recovery expenses for damage to facilities due to typhoons and heavy rains and an increase in facilities maintenance costs

\* Increase in amortization expenses of actuarial differences in pension accounting

(Unit: billion yen)

Consolidated	FY2010 (Apr.-Mar.)	FY2011 (Apr.-Mar.)	Year-on-year change			FY2011 Prior forecast* (Apr.-Mar.)	Comparison with the prior forecast*		
Operating Revenues	635.9	654.6	18.6	2.9	%	652.0	2.6	0.4	%
Operating Income	70.5	49.8	(20.7)	(29.5)	%	43.0	6.8	15.8	%
Ordinary Income	56.3	36.6	(19.7)	(35.0)	%	32.0	4.6	14.4	%
Net Income	19.5	16.1	(3.4)	(17.7)	%	16.0	0.1	0.7	%

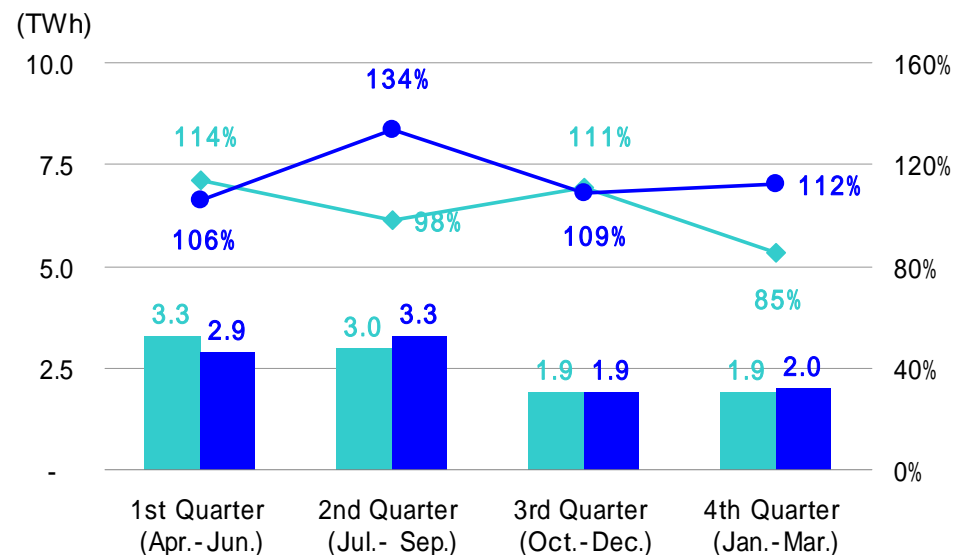
  

Non-consolidated	FY2010 (Apr.-Mar.)	FY2011 (Apr.-Mar.)	Year-on-year change			FY2011 Prior forecast* (Apr.-Mar.)	Comparison with the prior forecast*		
Operating Revenues	583.2	599.9	16.7	2.9	%	599.0	0.9	0.2	%
Operating Income	62.6	42.3	(20.2)	(32.4)	%	37.0	5.3	14.4	%
Ordinary Income	43.1	25.6	(17.5)	(40.5)	%	22.0	3.6	16.7	%
Net Income	14.7	9.1	(5.6)	(38.0)	%	9.0	0.1	1.9	%

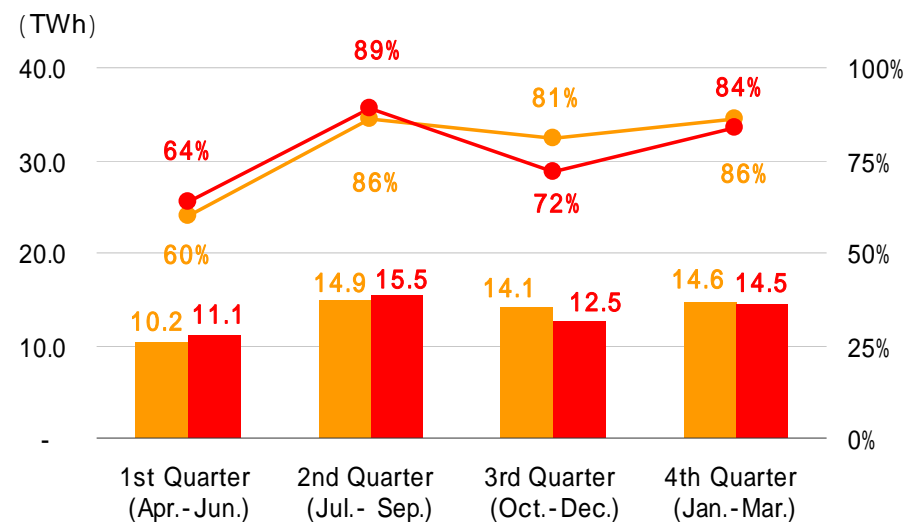
\* The Prior Forecast is the revised earnings forecast released on January 31, 2012.

	FY2010 (Apr.-Mar.)	FY2011 (Apr.-Mar.)	Year-on-year change	
<b>Electric Power Sales (TWh)</b>	<b>65.8</b>	<b>66.0</b>	<b>0.2</b>	<b>0.4</b> %
Hydroelectric	10.2	10.3	0.0	0.5 %
Thermal	54.0	53.7	(0.3)	(0.6) %
IPP, for PPS, Wind Power	1.4	2.0	0.5	37.5 %
<b>Hydro: Water supply rate</b>	<b>106%</b>	<b>115%</b>	<b>9points</b>	
<b>Thermal: Load factor</b>	<b>78%</b>	<b>77%</b>	<b>(1)point</b>	
<b>Operating Revenues (Billion yen)</b>	<b>635.9</b>	<b>654.6</b>	<b>18.6</b>	<b>2.9</b> %
Hydroelectric	108.1	108.4	0.3	0.3 %
Thermal	406.4	424.4	17.9	4.4 %
IPP, for PPS, Wind Power	13.7	22.3	8.6	63.0 %
Transmission	54.3	53.0	(1.2)	(2.4) %
Other Businesses, etc.	53.2	46.2	(7.0)	(13.2) %
<b>Average foreign exchange rate (Interbank rate, yen/US\$)</b>	<b>86</b>	<b>79</b>	<b>(7)points</b>	

## Electric Power Sales for each Quarter

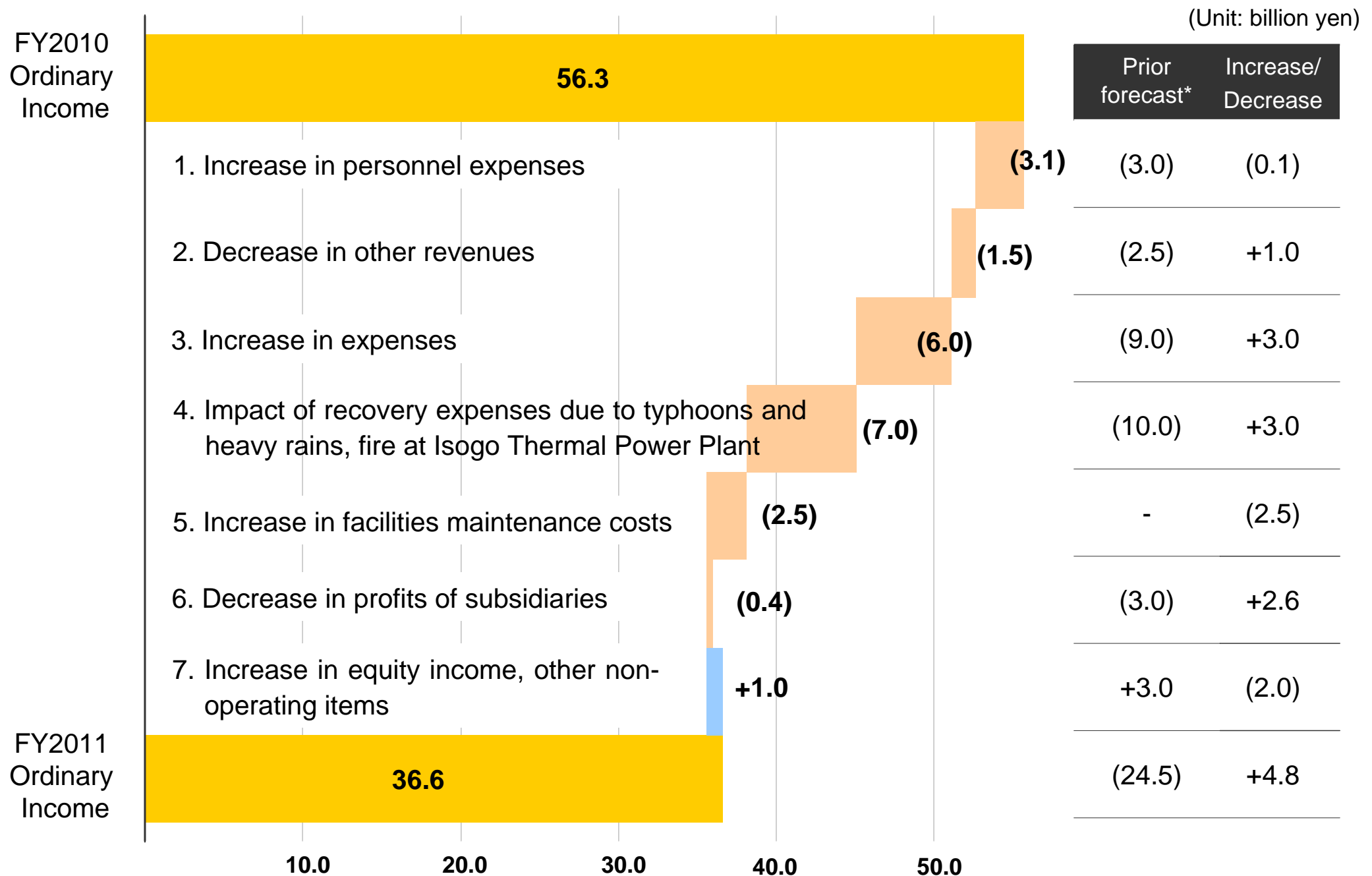


■ Hydroelectric in FY2010      ■ Hydroelectric in FY2011  
◆ Water supply rate in FY2010 (right)      ◆ Water supply rate in FY2011 (right)



■ Thermal in FY2010      ■ Thermal in FY2011  
● Load factor in FY2010 (right)      ● Load factor in FY2011 (right)

# FY2011 Earnings Results (Main Factors for Change)



\* The Prior Forecast is the revised earnings forecast released on January 31, 2012.

# Revenue / Expenditure Comparison



(Unit: billion yen)

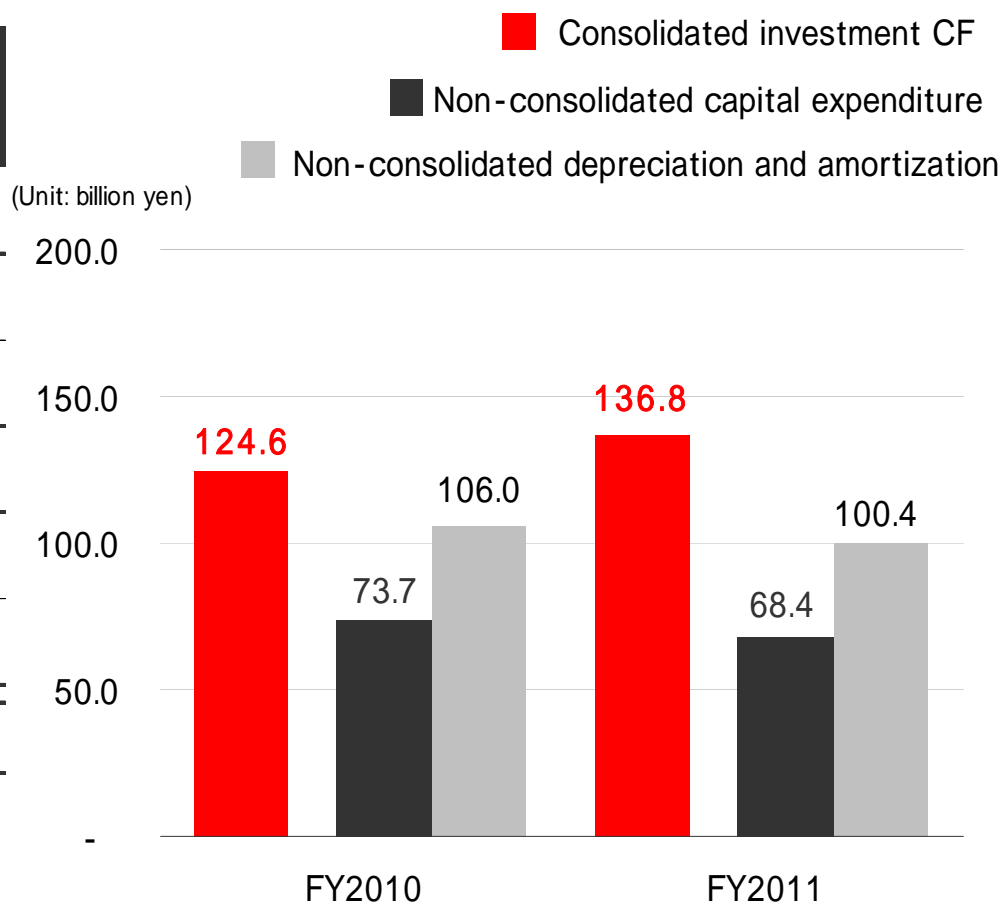
	FY2010 (Apr.-Mar.)	FY2011 (Apr.-Mar.)	Year-on- year change	Main factor for change
<b>Operating Revenues</b>	<b>635.9</b>	<b>654.6</b>	<b>18.6</b>	
Electric utility	584.4	609.7	25.3	Non-consolidated + 16.6, Subsidiaries (IPP, for PPS, Wind Power) + 8.6
Other business	51.5	44.8	(6.7)	Decrease in external sales of subsidiaries
<b>Operating Expenses</b>	<b>565.3</b>	<b>604.8</b>	<b>39.4</b>	
<b>Operating Income</b>	<b>70.5</b>	<b>49.8</b>	<b>(20.7)</b>	Non-consolidated (20.2), Subsidiaries and others (0.4)
<b>Non-operating Revenues</b>	<b>14.9</b>	<b>15.3</b>	<b>0.3</b>	
Equity income of affiliates	9.0	9.5	0.4	Overseas business (0.1) from 9.3 in FY2010 to 9.2 in FY2011, Domestic business + 0.6 from (0.2) in FY2010 to 0.3 in FY2011
Other	5.8	5.7	(0.1)	
<b>Non-operating Expenses</b>	<b>29.2</b>	<b>28.5</b>	<b>(0.6)</b>	
Interest expenses	22.3	22.0	(0.3)	
Other	6.8	6.5	(0.3)	Asset retirement obligations (0.7)
<b>Ordinary Income</b>	<b>56.3</b>	<b>36.6</b>	<b>(19.7)</b>	
Extra ordinary income	1.6	-	(1.6)	Elimination of 1.6 billion yen gain on sales of securities posted for the previous fiscal year
Extra ordinary loss	19.1	3.3	(15.7)	Elimination of 19.1 billion yen extraordinary loss posted for the previous fiscal year, posting of 3.3 billion yen in disaster recovery expenses (Isogo fire)
<b>Net income</b>	<b>19.5</b>	<b>16.1</b>	<b>(3.4)</b>	Corporate income taxes (defferd) resulting from reversals in deferred tax assets (5.8)



- Free cash flow in FY2011 was negative 10.9 billion yen, due to an increase in cash outflow from investing activities resulting from capital expenditures for power generation projects in Thailand and a decrease in cash flow from operating activities.

(Unit: billion yen)

	FY2010 (Apr.-Mar.)	FY2011 (Apr.-Mar.)	Year-on- year change
<b>Operating activities</b>	<b>151.2</b>	<b>125.8</b>	<b>(25.3)</b>
Income before income taxes and minority interests	38.7	33.2	(5.5)
Depreciation and amortization	111.6	105.2	(6.3)
<b>Investment activities</b>	<b>(124.6)</b>	<b>(136.8)</b>	<b>(12.1)</b>
Capital expenditure for subsidiaries	(30.2)	(64.2)	(34.0)
(reference) Non-consolidated capital expenditure*	(73.7)	(68.4)	5.3
<b>Free Cash Flow</b>	<b>26.5</b>	<b>(10.9)</b>	<b>(37.5)</b>



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

# Balance Sheet



(Unit: billion yen)

	FY2010 (End of FY)	FY2011 (End of FY)	Change from prior year	Main Factors for Change
<b>Noncurrent assets</b>	<b>1,842.6</b>	<b>1,849.7</b>	<b>7.1</b>	
Electric utility plant and equipment	1,178.4	1,111.2	(67.2)	Non-consolidated (64.2)
Other noncurrent assets	64.9	65.6	0.7	
Construction in progress	301.6	380.4	78.7	Non-consolidated +19.2, Consolidated subsidiaries including power generation projects in Thailand +58.5
Nuclear fuel	46.6	54.1	7.4	Increase in nuclear fuel in processing
Investments and other assets	250.8	238.2	(12.5)	Deffered tax asset (4.2), Other investment, etc. (7.6)
<b>Current assets</b>	<b>169.7</b>	<b>166.6</b>	<b>(3.1)</b>	
<b>Total assets</b>	<b>2,012.3</b>	<b>2,016.3</b>	<b>4.0</b>	
Interest-bearing debt	1,429.0	1,435.7	6.6	Corporate Bonds (34.9), Long-term loans +39.8
Others	168.4	174.4	6.0	
<b>Total liabilities</b>	<b>1,597.4</b>	<b>1,610.2</b>	<b>12.7</b>	
Shareholders' equity	435.7	441.3	5.6	
Accumulated other comprehensive income	(19.9)	(33.9)	(13.9)	Foreign currency translation adjustment (8.5)
Minority interests	(0.8)	(1.1)	(0.3)	
<b>Total net assets</b>	<b>414.8</b>	<b>406.1</b>	<b>(8.7)</b>	
D/E ratio (x)	3.4	3.5		
Shareholders' equity ratio	20.7%	20.2%		

## II. Summary of FY2012 Earnings Forecast

# Summary of FY2012 Earnings Forecast



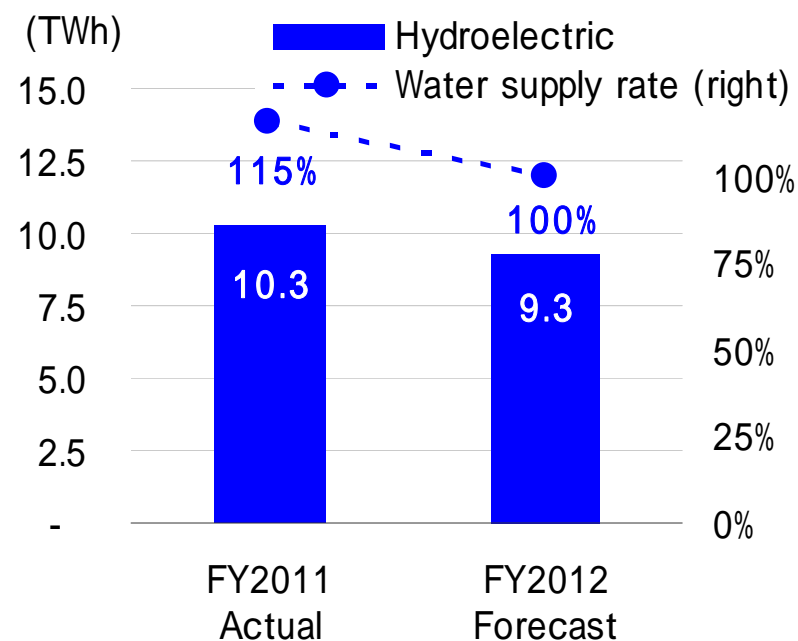
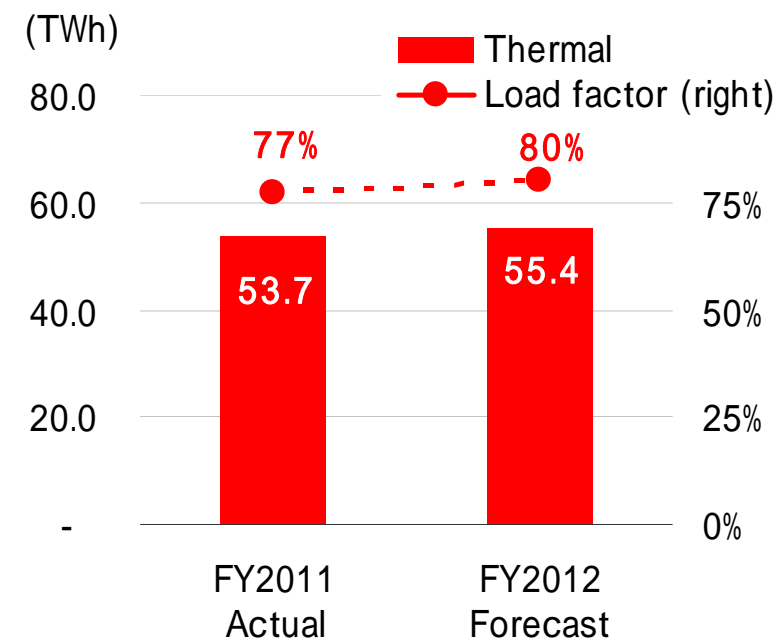
(Unit: billion yen)

	Consolidated				Non-consolidated			
	FY2011 Result	FY2012 Forecast	Comparison with FY2011 result		FY2011 Result	FY2012 Forecast	Comparison with FY2011 result	
Operating Revenues	654.6	662.0	7.4	1.1%	599.9	603.0	3.0	0.5%
Operating Income	49.8	50.0	0.2	0.4%	42.3	44.0	1.6	3.9%
Ordinary Income	36.6	40.0	3.3	9.2%	25.6	27.0	1.3	5.2%
Net Income	16.1	27.0	10.8	67.6%	9.1	18.0	8.8	96.3%

	Cash dividends per share		
	Interim	Year end	Annual
FY2011	35 yen	35 yen	70 yen
FY2012 (Forecast)	35 yen	35 yen	70 yen

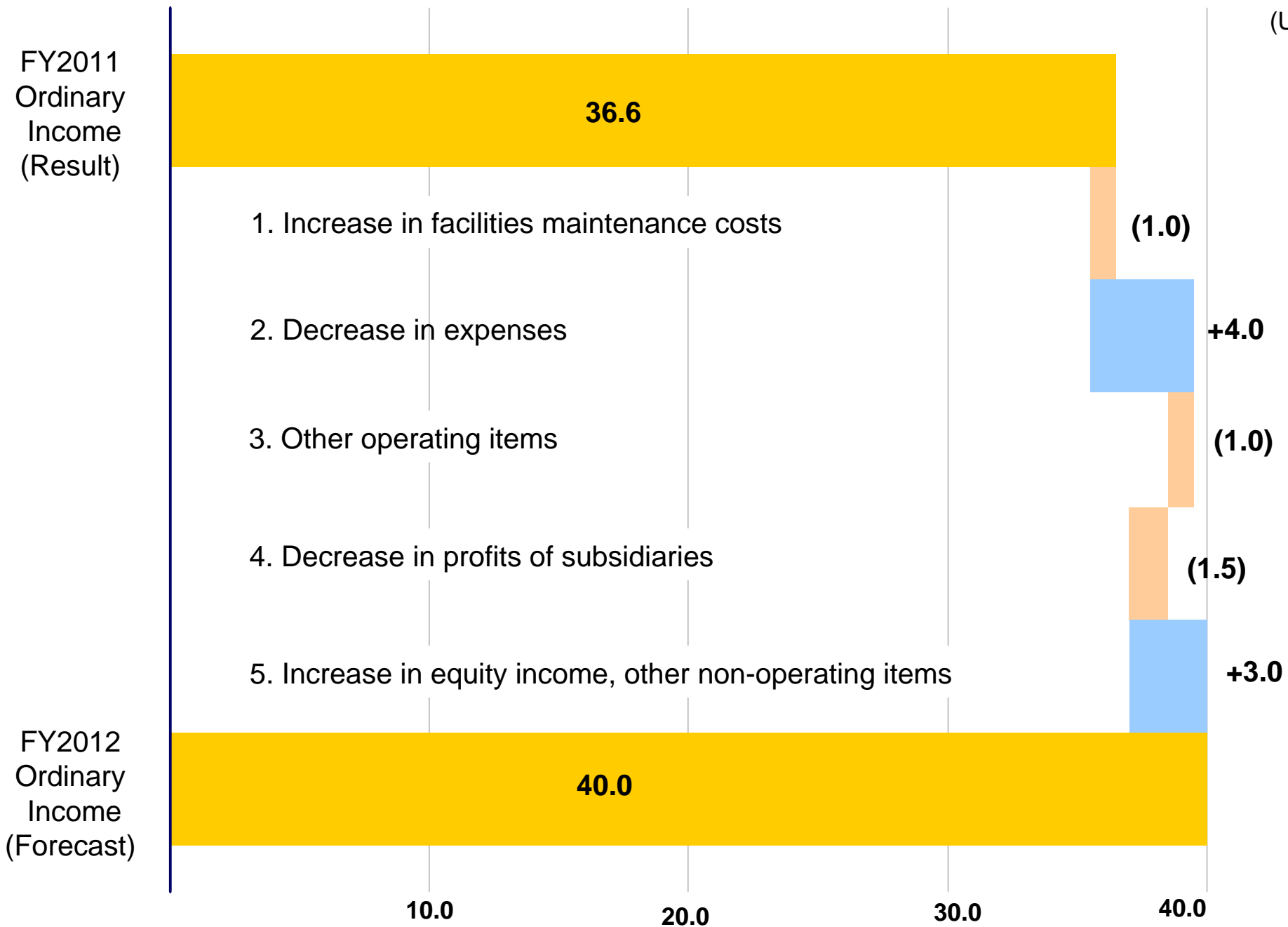
	FY2011 Result	FY2012 Forecast	Comparison with FY2011 result	
<b>Electric Power Sales (TWh)</b>	<b>66.0</b>	<b>66.7</b>	<b>0.6</b>	<b>1.0%</b>
Hydroelectric	10.3	9.3	(0.9)	(9.0)%
Thermal	53.7	55.4	1.6	3.1%
<b>Hydro: Water supply rate</b>	<b>115%</b>	<b>100%</b>	<b>(15)points</b>	
<b>Thermal: Load factor</b>	<b>77%</b>	<b>80%</b>	<b>+3points</b>	
<b>Operating Revenues (Billion yen)</b>	<b>654.6</b>	<b>662.0</b>	<b>7.4</b>	<b>1.1%</b>
Electric utility	<b>609.7</b>	<b>612.0</b>	<b>3.0</b>	<b>0.5%</b>
Hydroelectric	108.4	107.0	(1.4)	(1.4)%
Thermal	424.4	429.0	4.5	1.1%
<b>Other business</b>	<b>44.8</b>	<b>50.0</b>	<b>5.1</b>	<b>11.5%</b>
Average foreign exchange rate (Interbank rate, yen/US\$)	79.0	Approx.80		

## Electric Power Sales



# FY2012 Earnings Forecast (Main Factors for Change)

(Unit: billion yen)



# Overseas Power Generation Business: Earnings Contribution Forecast



- ▶ As of March 31, 2012, power plants generating 3,672MW (on an equity basis) are in operation in 7 countries/region.
- ▶ Equity income in FY2012 is expected to be approximately 10 billion yen.

## Recent Status of Overseas Projects

### ▶ Thailand

#### U-thai Project

Jun 2011 Power plant construction site moved from Samet Tai sub-district to U-thai; partial amendment to long-term power purchase agreement

#### -Nong Saeng Project

Nov 2011 Signed project finance contract. Commenced construction in Dec.2011

### ▶ Indonesia

#### Central Java Project

Jun 2011 Acquired preferential negotiation rights in new coal-fired thermal IPP project

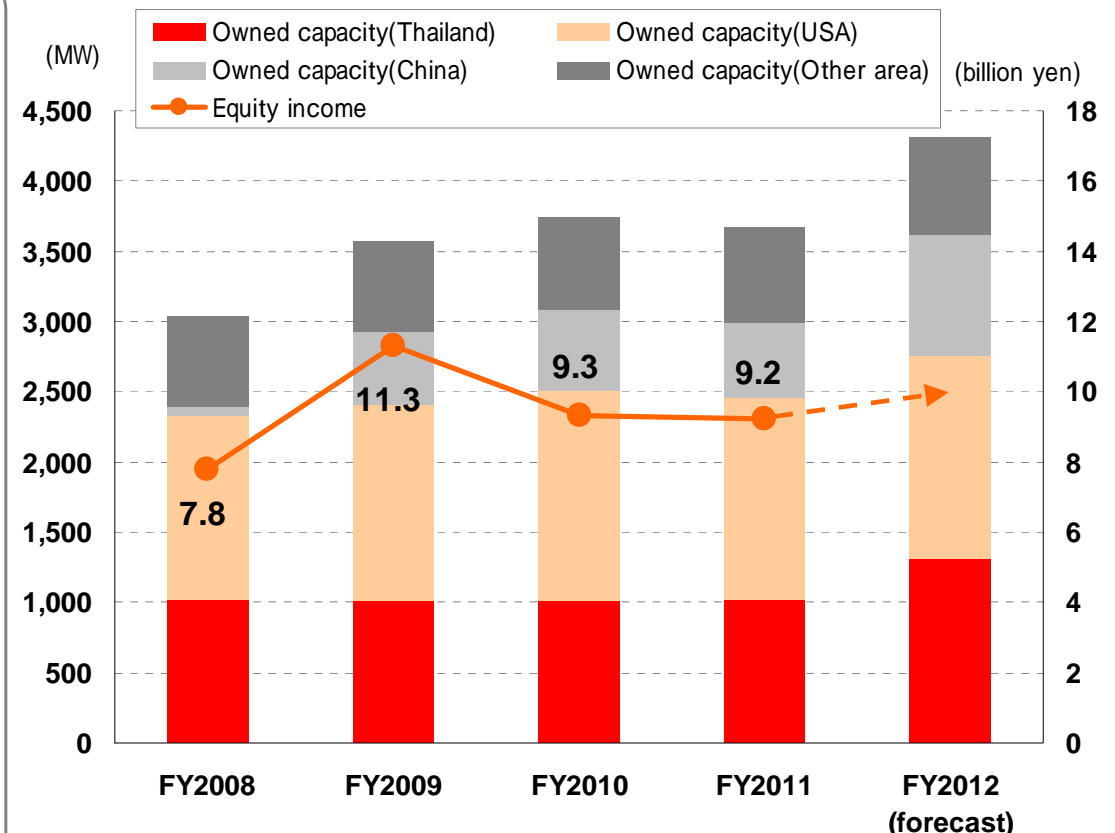
Oct 2011 Signed long-term electric power sales agreement. Making preparations for groundbreaking in FY2012.

### ▶ China

#### Hezhou Project

Aug 2010 3 Japanese Companies (including J-POWER) signed agreements to promote this thermal coal-fired power plant project with China Resource Power Holdings Co., Ltd. Commercial operation planned to start in 2012

## Capacity of Overseas Facilities in Operation (On an equity basis) and Equity Income



### Exchange rates at the end of terms

	Yen/USD	Yen/THB
FY2010	¥81	¥2.7
FY2011	¥78	¥2.5
FY2012 (Forecast)	¥80	¥2.6



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