

(Summary English translation)

Financial Statements (Unaudited)
(for the three Months Ended June 30, 2007)

July 31, 2007

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

Listed Exchange : Tokyo Stock Exchange 1st Section

Code No. : 9 5 1 3

(U R L <http://www.jpowers.co.jp/>)

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1. Consolidated Business Performance (From April 1, 2007 to June 30, 2007)

(1) Consolidated Results of Operations

(Rounded down to the nearest million yen)

	Operating Revenues	Operating Income	Ordinary Income
	(million yen) (%)	(million yen) (%)	(million yen) (%)
Three Months ended June 30, 2007	139,017 (6.8)	18,064 (Δ20.7)	14,657 (Δ29.1)
Three Months ended June 30, 2006	130,144 (Δ10.1)	22,785 (Δ24.7)	20,683 (Δ17.8)
Year ended Mar.31, 2007	573,277	77,141	55,513

	Net Income	Net Income per Share	Fully Diluted Net Income per Share
	(million yen) (%)	(yen)	(yen)
Three Months ended June 30, 2007	10,164 (Δ24.0)	61.03	—
Three Months ended June 30, 2006	13,375 (Δ15.1)	80.30	—
Year ended Mar.31, 2007	35,167	211.14	—

Figures in brackets are changes in percentage from the previous periods.

(2) Consolidated Financial Position

(Rounded down to the nearest million yen)

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(million yen)	(million yen)	(%)	(yen)
Three Months ended June 30, 2007	1,998,611	464,063	23.1	2,776.49
Three Months ended June 30, 2006	1,977,881	445,513	22.5	2,667.06
Year ended Mar.31, 2007	1,999,794	462,654	23.1	2,768.95

(3) Consolidated Statements of Cash Flows

(Rounded down to the nearest million yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at end of period
	(million yen)	(million yen)	(million yen)	(million yen)
Three Months ended June 30, 2007	31,241	Δ 21,321	Δ1,400	43,204
Three Months ended June 30, 2006	29,739	Δ 40,897	5,953	29,223
Year ended Mar.31, 2007	157,241	Δ155,407	Δ2,168	34,575

2. Forecasts Consolidated Results for the Year Ending March 31, 2008 (From April 1, 2007 to March 31, 2008)

	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.30,2007	283,000 (2.2)	41,000 (Δ 7.0)	38,000 (2.0)	25,000 (5.8)	150.08
Year ending Mar.31, 2008	568,000 (Δ 0.9)	71,000 (Δ 8.0)	55,000 (Δ 0.9)	37,000 (5.2)	222.12

Figures in brackets are changes in percentage from the previous periods.

3. Other

(1) Principal subsidiaries subject to changes during fiscal 2007 (changes of specific subsidiaries coming along with changes in the scope of consolidation) : None

(2) Application of simplified methods in accounting practices: Yes

(3) Differences between the accounting standard applied to the latest fiscal year and that to this 3-month period: Yes

【Reference】

1. Non-Consolidated Business Performance (From April 1, 2007 to June 30, 2007)

(1) Consolidated Results of Operations (Rounded down to the nearest million yen)

	Operating Revenues	Operating Income	Ordinary Income
	(million yen) (%)	(million yen) (%)	(million yen) (%)
Three Months ended June 30, 2007	126,967 (6.1)	15,968 (Δ15.6)	12,421 (Δ29.4)
Three Months ended June 30, 2006	119,684 (Δ10.7)	18,920 (Δ29.3)	17,593 (Δ20.9)
Year ended Mar.31, 2007	517,273	60,840	37,540

	Net Income	Net Income per Share	Fully Diluted Net Income per Share
	(million yen) (%)	(yen)	(yen)
Three Months ended June 30, 2007	9,010 (Δ26.0)	54.10	—
Three Months ended June 30, 2006	12,177 (Δ15.9)	73.11	—
Year ended Mar.31, 2007	23,897	143.48	—

Figures in brackets are changes in percentage from the previous periods.

(2) Non-Consolidated Financial Position (Rounded down to the nearest million yen)

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(million yen)	(million yen)	(%)	(yen)
Three Months ended June 30, 2007	1,888,657	417,280	22.1	2,505.35
Three Months ended June 30, 2006	1,895,961	405,929	21.4	2,437.13
Year ended Mar.31, 2007	1,893,678	411,789	21.7	2,472.38

2. Forecasts Non-Consolidated Results for the Year Ending March 31, 2008 (From April 1, 2007 to March 31, 2008)

	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.30,2007	259,000 (2.1)	41,000 (9.9)	34,000 (11.2)	23,000 (14.4)	138.08
Year ending Mar.31, 2008	509,000 (Δ 1.6)	62,000 (1.9)	40,000 (6.6)	26,000 (8.8)	156.09

Figures in brackets are changes in percentage from the previous periods.

Forward-Looking Statements

The earnings forecasts above are based on various estimates and assumptions. Accordingly, there can be no assurance or guarantee that the future estimated figures mentioned here will actually be achieved.

Qualitative Information on Financial Affairs and Results

1. Qualitative Information Concerning Consolidated Business Results

Consolidated sales (operating revenues) for the current quarter increased 6.8% to 139.0 billion yen relative to the same quarter a year earlier, because of, in wholesale power business, a higher operating level at thermal power plants notwithstanding sales decrease in hydroelectric power due to lower water flow. Ordinary revenues for the current quarter, including non-operating revenues, were 7.4% higher than a year ago, at 143.6 billion yen.

Operating expenses during the current quarter rose 12.7% to 120.9 billion yen, as an increase in fuel costs derived from higher operating levels of thermal power plants more than offset the reduction on repair expenses, which resulted from a lower level of periodic inspections combined with the reduction in depreciation costs. Ordinary expenses, including non-operating expenses, rose 14.1% to 128.9 billion yen.

The above resulted in a decrease of 29.1% of ordinary income relative to the same quarter a year earlier, to 14.7 billion yen, and after deduction of corporate and other taxes, net income for the current quarter was down 24.0% at 10.2 billion yen.

2. Qualitative Information Concerning Consolidated Financial Affairs

Fixed assets declined by 11.0 billion yen to 1.8508 trillion yen from the end of the previous consolidated fiscal year. This was on account of capital investments for construction at the Isogo New No. 2 Thermal Power Plant and the Ohma Nuclear Power Plant being insufficient to offset the decline in value brought about by ongoing depreciation. With the addition of current assets to this, the total assets were down by 1.2 billion yen from the end of the previous consolidated fiscal year to 1.9986 trillion yen.

Liabilities declined by 2.6 billion yen from the end of the previous consolidated fiscal year largely as a result of repayments of debt to 1.5345 trillion yen. Of these liabilities, the amount of interest-bearing debt increased from the end of the previous consolidated fiscal year by 3.4 billion yen to 1.4249 trillion yen.

Also, net assets at the end of the current quarter increased from the end of the previous consolidated fiscal year by 1.4 billion yen to 464.1 billion yen.

3. Qualitative Information Concerning Consolidated Cash Flow

The balance of cash and cash equivalents at the end of the current quarter included 31.2 billion yen in cash receipt from operating activities, however, resulting from acquisition of fixed assets and other investment activities totaling 21.3 billion yen, and financing activities representing an outflow of 1.4 billion yen, it became 43.2 billion yen from the balance of the previous consolidated fiscal year of 34.6 billion yen.

(Cash Flow from Operating Activities)

Net cash from operating activities was higher by 1.5 billion yen above the level of the same quarter a year earlier, at 31.2 billion yen. This reflected an increase in account receivables and a decrease in depreciation and other internal reserves, as well as an increase in inventory assets.

(Cash Flow from Investing Activities)

Net cash from investing activities was 21.3 billion yen, down 19.6 billion yen from the amount at the end of the same quarter a year earlier, reflecting a reduction in construction work at the Ohma Nuclear Power Plant and a reduction in investments and loans.

(Cash Flow from Financing Activities)

Cash flow from financing activities represented an outflow of 1.4 billion yen during the current quarter on an increase of 7.4 billion yen relative to the same quarter a year earlier due to decrease in issuance of corporate bonds and borrowings.

4. Qualitative Information Concerning the Consolidated Earnings Forecast

The consolidated earnings forecast announced in May 2007 remains unchanged.

5. Others

(1) Principal subsidiaries subject to changes during the current quarter (changes of specific subsidiaries coming along with changes in the scope of consolidation)

No such changes took place during the quarter.

In May 2007, J-POWER and the John Hancock Life Insurance Company established J-POWER USA Generation, L.P. (hereafter "Generation, L.P."), each company taking a 50% share. As a consequence of a transfer of all the interests of the following two companies that J-POWER owned through its subsidiary in the U.S.; Frontier power plant (of which J-POWER owns 62% interest) and Elwood power plant (of which J-POWER owns 49.9% interest), to "Generation, L.P.", the status of J-POWER Frontier, L.P., the holding company owning the Frontier power plant, was changed from that of a subsidiary to that of an affiliated company. Due to the closing date for quarterly financial reporting of that company not coinciding with the consolidated quarterly closing date, however, there was no change during the current quarter in the scope of consolidation.

(2) Application of simplified methods in accounting treatment

In preparing the Consolidated Financial Statements for the first quarter of the year ending March 2008, the company adopted the simplified procedures as explained below, basing its preparation on standards used for the Interim Consolidated Financial Statements, with a view to avoiding misleading investors and other interested parties.

(Overview of the Simplified Procedures)

Method of depreciation of depreciable assets:

Monthly amounts for depreciation planned for the year are recorded.

(3) Differences between the accounting standard applied to the latest fiscal year and that to this 3-month period

Change in the method of depreciation of fixed assets:

In accordance with the revision of corporate tax law ((Law Partially Revising the Income Tax Law, Law 6, March 30, 2007) and (Cabinet Order Partially Revising the Corporate Tax Law Enforcement Ordinance, Cabinet Order No. 83, March 30, 2007)), methods based on the revised corporate tax law are applied for the assets acquired subsequent to April 1, 2007.

The assets acquired on and before March 31, 2007 are to be depreciated in equal installments for the 5-year period starting the year following completion of depreciation to the allowable limit.

Consequently, operating expenses rose 623 million yen. Operating income, ordinary income, and net income before tax adjustments all declined by the same amount.

CONSOLIDATED BALANCE SHEET

(Unit: millions of yen)

	As of June 30,2007	As of Mar. 31, 2007	Increase / decrease	As of June 30,2006
(Assets)				
Property, Plant and Equipment	1,850,849	1,861,818	△ 10,968	1,843,829
Power plants	1,328,101	1,351,994	△ 23,892	1,415,724
Hydroelectric power production facilities	463,579	469,750	△ 6,171	477,528
Thermal power production facilities	543,218	555,959	△ 12,740	599,505
Internal combustion power generation facilities	15,137	15,471	△ 334	16,570
Transmission facilities	239,130	242,675	△ 3,544	253,526
Transformation facilities	36,021	36,581	△ 560	37,832
Communication facilities	9,260	9,626	△ 365	8,802
General facilities	21,751	21,928	△ 177	21,958
Other property, plant & equipment	37,785	33,682	4,103	34,028
Construction in progress	255,384	248,710	6,673	229,489
Investments and other assets	229,577	227,430	2,147	164,587
Long-term investments	182,690	180,325	2,364	118,314
Deferred tax assets	42,267	43,094	△ 826	42,438
Other investments	4,880	4,223	657	3,835
Allowance for doubtful accounts	△ 260	△ 213	△ 47	△ 0
Current assets	147,761	137,976	9,785	134,051
Cash and bank deposits	43,747	35,029	8,717	29,784
Notes and accounts receivable	52,201	47,204	4,997	47,074
Short-term investments	408	376	31	476
Inventories	21,383	20,783	599	22,863
Deferred tax assets	3,959	5,421	△ 1,462	3,703
Other current assets	26,107	29,214	△ 3,106	30,148
Allowance for doubtful accounts	△ 45	△ 53	7	—
Total assets	1,998,611	1,999,794	△ 1,183	1,977,881

(Note) Figures less than one million yen have been rounded down.

(Unit: millions of yen)

	As of June 30,2007	As of Mar. 31, 2007	Increase / decrease	As of June 30,2006
(Liabilities and Net Assets)				
Long-term liabilities	1,175,962	1,193,139	△ 17,177	1,262,961
Bond	573,231	573,229	1	551,684
Long-term loans	559,381	576,615	△ 17,234	664,268
Accrued employee retirement benefits	31,522	32,611	△ 1,088	34,582
Other allowances	481	474	7	409
Deferred tax liabilities	1,276	1,260	16	585
Other long-term liabilities	10,069	8,948	1,120	11,430
Current liabilities	356,782	341,844	14,938	268,008
Current portion of long-term debt and other	186,860	173,638	13,221	106,699
Short-term loans	3,643	2,115	1,527	889
Commercial paper	101,947	95,944	6,002	100,000
Notes and accounts payable	14,222	13,248	974	11,377
Income and other taxes payable	7,983	8,752	△ 769	8,485
Other allowances	440	528	△ 87	435
Deferred tax liabilities	30	21	9	—
Other current liabilities	41,654	47,595	△ 5,940	40,121
Reserves under special laws	1,802	2,155	△ 353	1,399
Reserve for fluctuation in water levels	1,802	2,155	△ 353	1,399
Total liabilities	1,534,547	1,537,140	△ 2,592	1,532,368
(Net Assets)				
Shareholders' equity	450,120	444,956	5,164	428,155
Common stock	152,449	152,449	—	152,449
Capital surplus	81,849	81,849	—	81,849
Retained earnings	215,881	210,713	5,167	193,889
Treasury stock	△ 59	△ 56	△ 2	△ 33
Valuation and translation adjustments	12,319	16,230	△ 3,910	16,071
Unrealized gain on other securities	15,754	14,271	1,482	14,139
Deferred hedging gain or loss	△ 9,385	△ 4,131	△ 5,254	△ 271
Foreign currency translation adjustments	5,950	6,090	△ 139	2,203
Minority interests	1,623	1,468	155	1,286
Total net assets	464,063	462,654	1,408	445,513
Total Liabilities and Net Assets	1,998,611	1,999,794	△ 1,183	1,977,881

(Note) Figures less than one million yen have been rounded down.

CONSOLIDATED STATEMENTS OF INCOME

(Unit: millions of yen)

	Three months ended June 30,2007	Three months ended June 30,2006	Increase / decrease	Year ended Mar. 31, 2007
(Revenues)				
Operating revenues	139,017	130,144	8,872	573,277
Electric power	129,015	121,803	7,211	523,782
Other	10,001	8,341	1,660	49,494
Non-operating revenues	4,594	3,580	1,014	13,011
Dividend income	741	447	294	1,384
Interest income	257	189	68	899
Equity income of affiliates	3,104	1,597	1,507	5,560
Other	490	1,346	△ 856	5,167
Total Ordinary Revenues	143,611	133,725	9,886	586,289
(Expenses)				
Operating expenses	120,952	107,359	13,592	496,136
Electric power	109,400	97,689	11,711	444,463
Other	11,551	9,670	1,881	51,673
(Operating income)	(18,064)	(22,785)	(△ 4,720)	(77,141)
Non-operating expenses	8,002	5,682	2,320	34,639
Interest expenses	5,836	5,382	453	22,585
Other	2,165	299	1,866	12,054
Total Ordinary Expenses	128,954	113,042	15,912	530,775
Ordinary income	14,657	20,683	△ 6,026	55,513
(Provision for) reversal of reserve for fluctuation in water levels	△ 353	—	△ 353	756
Income before income taxes and minority interests	15,010	20,683	△ 5,672	54,757
Income taxes - current	3,381	4,155	△ 774	18,461
Income taxes - deferred	1,509	3,182	△ 1,672	1,431
Minority losses	△ 43	△ 30	△ 13	△ 302
Net income	10,164	13,375	△ 3,211	35,167

(Note) Figures less than one million yen have been rounded down.

Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2007 to June 30, 2007)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	152,449	81,849	210,713	△ 56	444,956
Changes during the period					
Dividends on retained earnings	—	—	△ 4,996	—	△ 4,996
Net income	—	—	10,164	—	10,164
Acquisition of treasury stock	—	—	—	△ 2	△ 2
Changes in items other than shareholders' equity (net)	—	—	—	—	—
Total	—	—	5,167	△ 2	5,164
Balance at June 30, 2007	152,449	81,849	215,881	△ 59	450,120

(Unit: millions of yen)

	Valuation and translation adjustments				Minority interests	Total Net Assets
	Unrealized gain on other securities	Deferred hedging gain or loss	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance at March 31, 2007	14,271	△ 4,131	6,090	16,230	1,468	462,654
Changes during the period						
Dividends on retained earnings	—	—	—	—	—	△ 4,996
Net income	—	—	—	—	—	10,164
Acquisition of treasury stock	—	—	—	—	—	△ 2
Changes in items other than shareholders' equity (net)	1,482	△ 5,254	△ 139	△ 3,910	155	△ 3,755
Total	1,482	△ 5,254	△ 139	△ 3,910	155	1,408
Balance at June 30, 2007	15,754	△ 9,385	5,950	12,319	1,623	464,063

(Note) Figures less than one million yen have been rounded down.

Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2006 to June 30, 2006)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	152,449	81,849	182,760	△ 17	417,042
Changes during the period					
Dividends on retained earnings	—	—	△ 4,996	—	△ 4,996
Bonuses to directors and statutory auditors	—	—	△ 161	—	△ 161
Net income	—	—	13,375	—	13,375
Increase in retained earnings due to increase in consolidated subsidiaries	—	—	4,523	—	4,523
Decrease in retained earnings due to increase in consolidated subsidiaries	—	—	△ 1,671	—	△ 1,671
Increase due to the addition of affiliates accounted for by the equity method	—	—	66	—	66
Decrease due to the addition of affiliates accounted for by the equity method	—	—	△ 6	—	△ 6
Acquisition of treasury stock	—	—	—	△ 16	△ 16
Changes in items other than shareholders' equity (net)	—	—	—	—	—
Total	—	—	11,129	△ 16	11,112
Balance at June 30, 2006	152,449	81,849	193,889	△ 33	428,155

(Unit: millions of yen)

	Valuation and translation adjustments				Minority interests	Total Net Assets
	Unrealized gain on other securities	Deferred hedging gain or loss	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance at March 31, 2006	14,050	—	1,935	15,985	1,206	434,234
Changes during the period						
Dividends on retained earnings	—	—	—	—	—	△ 4,996
Bonuses to directors and statutory auditors	—	—	—	—	—	△ 161
Net income	—	—	—	—	—	13,375
Increase in retained earnings due to increase in consolidated subsidiaries	—	—	—	—	—	4,523
Decrease in retained earnings due to increase in consolidated subsidiaries	—	—	—	—	—	△ 1,671
Increase due to the addition of affiliates accounted for by the equity method	—	—	—	—	—	66
Decrease due to the addition of affiliates accounted for by the equity method	—	—	—	—	—	△ 6
Acquisition of treasury stock	—	—	—	—	—	△ 16
Changes in items other than shareholders' equity (net)	89	△ 271	268	85	79	165
Total	89	△ 271	268	85	79	11,278
Balance at June 30, 2006	14,139	△ 271	2,203	16,071	1,286	445,513

(Note) Figures less than one million yen have been rounded down.

Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2006 to March 31, 2007)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	152,449	81,849	182,760	△ 17	417,042
Changes during the period					
Dividends on retained earnings	—	—	△ 9,993	—	△ 9,993
Bonuses to directors and statutory auditors	—	—	△ 161	—	△ 161
Net income	—	—	35,167	—	35,167
Increase in retained earnings due to increase in consolidated subsidiaries	—	—	4,533	—	4,533
Decrease in retained earnings due to increase in consolidated subsidiaries	—	—	△ 1,671	—	△ 1,671
Increase due to the addition of affiliates accounted for by the equity method	—	—	66	—	66
Decrease due to the addition of affiliates accounted for by the equity method	—	—	△ 6	—	△ 6
Increase resulting from decrease of consolidated subsidiaries	—	—	19	—	19
Acquisition of treasury stock	—	—	—	△ 39	△ 39
Changes in items other than shareholders' equity (net)	—	—	—	—	—
Total	—	—	27,953	△ 39	27,913
Balance at March 31, 2007	152,449	81,849	210,713	△ 56	444,956

(Unit: millions of yen)

	Valuation and translation adjustments				Minority interests	Total Net Assets
	Unrealized gain on other securities	Deferred hedging gain or loss	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance at March 31, 2006	14,050	—	1,935	15,985	1,206	434,234
Changes during the period						
Dividends on retained earnings	—	—	—	—	—	△ 9,993
Bonuses to directors and statutory auditors	—	—	—	—	—	△ 161
Net income	—	—	—	—	—	35,167
Increase in retained earnings due to increase in consolidated subsidiaries	—	—	—	—	—	4,533
Decrease in retained earnings due to increase in consolidated subsidiaries	—	—	—	—	—	△ 1,671
Increase due to the addition of affiliates accounted for by the equity method	—	—	—	—	—	66
Decrease due to the addition of affiliates accounted for by the equity method	—	—	—	—	—	△ 6
Increase resulting from decrease of consolidated subsidiaries	—	—	—	—	—	19
Acquisition of treasury stock	—	—	—	—	—	△ 39
Changes in items other than shareholders' equity (net)	220	△ 4,131	4,155	244	261	506
Total	220	△ 4,131	4,155	244	261	28,419
Balance at March 31, 2007	14,271	△ 4,131	6,090	16,230	1,468	462,654

(Note) Figures less than one million yen have been rounded down.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unit: millions of yen)

	Three months ended June 30, 2007	Three months ended June 30, 2006	Increase / Decrease	Year ended Mar. 31, 2007
Cash flows from operating activities:				
Income before income taxes and minority interests	15,010	20,683	△ 5,672	54,757
Depreciation	28,280	30,233	△ 1,953	123,083
Loss on impairment of fixed assets	—	—	—	347
Loss on disposal of property, plant and equipment	314	429	△ 115	2,710
(Decrease) in accrued employee's retirement benefits	△ 1,088	△ 2,024	936	△ 4,076
(Decrease) increase in reserve for fluctuation in water levels	△ 353	—	△ 353	756
Interest and dividends	△ 999	△ 636	△ 362	△ 2,284
Interest expenses	5,836	5,382	453	22,585
(Increase) decrease in notes and accounts receivable	△ 4,582	11,706	△ 16,288	11,383
(Increase) in inventories	△ 619	△ 4,471	3,851	△ 2,205
(Decrease) Increase in notes and accounts payable	819	1,137	△ 317	2,295
Investment (profit) on equity method	△ 3,104	△ 1,597	△ 1,507	△ 5,560
Others	△ 535	△ 13,184	12,649	1,871
Sub-total	38,979	47,659	△ 8,679	205,665
Interest and dividends received	1,597	906	690	2,661
Interest paid	△ 4,752	△ 3,589	△ 1,163	△ 21,934
Income taxes paid	△ 4,582	△ 15,236	10,654	△ 29,151
Net cash provided by operating activities	31,241	29,739	1,502	157,241
Cash flows from investing activities:				
Payments for purchase of property, plant and equipment	△ 21,689	△ 36,403	14,713	△ 95,889
Proceeds from constructions grants	4,509	4,929	△ 420	8,383
Proceeds from sales of property, plant and equipment	27	350	△ 323	1,520
Payments for investments and advances	△ 4,150	△ 9,930	5,779	△ 70,345
Proceeds from collections of investments and advances	1,095	230	864	3,484
Proceeds from cash and cash equivalents due to inclusion in consolidation	—	—	—	24
Others	△ 1,112	△ 74	△ 1,038	△ 2,585
Net cash used in investing activities	△ 21,321	△ 40,897	19,575	△ 155,407
Cash flows from financing activities:				
Proceeds from issuance of bonds	—	29,876	△ 29,876	89,636
Redemption of bonds	—	—	—	△ 59,067
Proceeds from long-term loans	3,541	23,000	△ 19,458	62,811
Repayment of long-term loans	△ 7,508	△ 7,625	116	△ 47,749
Proceeds from short-term loans	3,531	310	3,221	22,084
Repayment of short-term loans	△ 2,006	△ 23,420	21,414	△ 44,436
Proceeds from issuance of commercial paper	137,843	99,911	37,931	416,666
Redemption of commercial paper	△ 132,000	△ 111,000	△ 21,000	△ 432,000
Proceeds from issuance of shares to minority shareholders	241	—	241	—
Dividends paid	△ 4,998	△ 4,998	0	△ 9,989
Dividends paid to minority interests	△ 42	△ 84	42	△ 84
Others	△ 2	△ 16	13	△ 39
Net cash used in financing activities	△ 1,400	5,953	△ 7,353	△ 2,168
Foreign currency translation adjustments on cash and cash equivalents	109	△ 143	252	331
Net (decrease) increase in cash and cash equivalents	8,628	△ 5,348	13,976	△ 3
Cash and cash equivalents at beginning of year	34,575	28,874	5,701	28,874
Increase in cash from the addition of consolidated subsidiaries	—	5,697	△ 5,697	5,704
Cash and cash equivalents at end of the period	43,204	29,223	13,980	34,575

(Note) Figures less than one million yen have been rounded down.

Revenues and Expenses (Consolidated)

(Unit: millions of yen)

	Three months ended June 30,2007 (A)	Three months ended June 30,2006 (B)	(A) – (B)	(A / B)
	million yen	million yen	million yen	%
Operating revenues	139,017	130,144	8,872	106.8
Electric power operating revenues	129,015	121,803	7,211	105.9
Electric power sales to other companies	115,265	107,723	7,541	107.0
Wholesale power business	111,429	103,735	7,694	107.4
Hydro	30,967	33,578	△ 2,610	92.2
Thermal	80,462	70,157	10,304	114.7
Other electric power businesses	3,835	3,988	△ 152	96.2
Transmission revenues	13,515	13,796	△ 280	98.0
Other electricity revenues	234	283	△ 49	82.6
Other operating revenues	10,001	8,341	1,660	119.9
Non-operating revenues	4,594	3,580	1,014	128.3
Dividend income	741	447	294	165.7
Interest income	257	189	68	136.2
Equity income of affiliates	3,104	1,597	1,507	194.4
Other	490	1,346	△ 856	36.4
Total Ordinary Revenues	143,611	133,725	9,886	107.4
Operating expenses	120,952	107,359	13,592	112.7
Electric power operating expenses	109,400	97,689	11,711	112.0
Personnel expenses	7,718	7,469	249	103.3
Fuel cost	40,274	26,096	14,178	154.3
Repair expense	10,846	11,691	△ 844	92.8
Consignment cost	6,784	7,037	△ 252	96.4
Taxes and duties	6,909	7,013	△ 103	98.5
Depreciation and amortization cost	27,236	29,220	△ 1,984	93.2
Other	9,630	9,161	469	105.1
Other operating expenses	11,551	9,670	1,881	119.5
Non-operating expenses	8,002	5,682	2,320	140.8
Financial expenses	5,836	5,382	453	108.4
Other	2,165	299	1,866	723.7
Total Ordinary Expenses	128,954	113,042	15,912	114.1
Ordinary income	14,657	20,683	△ 6,026	70.9
(Provision for)reversal of reserve for fluctuation in water level	△ 353	—	△ 353	—
Income before income taxes and minority interests	15,010	20,683	△ 5,672	72.6
Income taxes—current	3,381	4,155	△ 774	81.4
Income taxes – deferred	1,509	3,182	△ 1,672	47.4
Minority losses	△ 43	△ 30	△ 13	—
Net Income	10,164	13,375	△ 3,211	76.0

(Note) Figures less than one million yen have been rounded down.

[Appendix 2]

(1) Generation capacity

(Units: kW)

	Three months ended June 30, 2007 (A)	Three months ended June 30, 2006 (B)	(A)-(B)
Wholesale power business	16,380,000	16,380,000	—
Hydroelectric	8,555,500	8,555,500	—
Thermal	7,824,500	7,824,500	—
Other electric power businesses(1)	560,480	494,500	65,980
Total	16,940,480	16,874,500	65,980

* (1) Operated by IPP(ITOIGAWA POWER Inc.), PPS(Ichihara Power Co., Ltd., Bay Side Energy Co., Ltd.), Wind Power(Nikaho-kogen Wind Power Co., Ltd., Green Power Kuzumaki Co., Ltd., Nagasaki-shikamachi Wind Power Co., Ltd., Green Power Aso Co., Ltd., J-Wind TAHARA Ltd., Dream-Up Tomamae Co., Ltd., Green Power Setana Co., Ltd.,and Green Power Koriyama Nunobiki Co., Ltd.)

(2) Electricity sales and revenues

(Units: million kWh, million yen)

	Three months ended June 30, 2007 (A)		Three months ended June 30, 2006 (B)		(A)-(B)	
	Electricity sales	Electricity and transmission revenues	Electricity sales	Electricity and transmission revenues	Electricity sales	Electricity and transmission revenues
Wholesale power business	13,979	111,429	11,880	103,735	2,098	7,694
Hydroelectric	2,154	30,967	3,674	33,578	△1,520	△2,610
Thermal	11,825	80,462	8,206	70,157	3,618	10,304
Other electric power businesses(1)	327	3,835	344	3,988	△16	△152
Subtotal	14,307	115,265	12,225	107,723	2,081	7,541
Transmission	—	13,515	—	13,796	—	△280
Total	14,307	128,781	12,225	121,520	2,081	7,261

* (1) Operated by IPP(ITOIGAWA POWER Inc.), PPS(Ichihara Power Co., Ltd., Bay Side Energy Co., Ltd.), Wind Power(Nikaho-kogen Wind Power Co., Ltd., Green Power Kuzumaki Co., Ltd., Nagasaki-shikamachi Wind Power Co., Ltd., Green Power Aso Co., Ltd., J-Wind TAHARA Ltd., Dream-Up Tomamae Co., Ltd., Green Power Setana Co., Ltd.,and Green Power Koriyama Nunobiki Co., Ltd.)

(3) Result of water supply rate

(Units: %)

	Three months ended June 30, 2007 (A)	Three months ended June 30, 2006 (B)	(A)-(B)
Water supply rate	77	122	△45

NON-CONSOLIDATED BALANCE SHEET

(Unit: millions of yen)

	As of June 30,2007	As of Mar. 31, 2007	Increase / decrease	As of June 30,2006
(Assets)				
Property, Plant and Equipment	1,791,499	1,802,277	△ 10,777	1,804,606
Power plants	1,314,977	1,338,430	△ 23,453	1,406,621
Hydroelectric power production facilities	453,005	458,977	△ 5,972	472,628
Thermal power production facilities	549,383	562,071	△ 12,688	605,461
Transmission facilities	242,972	246,578	△ 3,606	257,481
Transformation facilities	37,237	37,819	△ 581	38,953
Communication facilities	10,024	10,423	△ 398	9,528
General facilities	22,353	22,559	△ 206	22,567
Incidental business-related property, plant & equipment	1,815	1,825	△ 10	1,933
Non-operating property, plant & equipment	622	626	△ 3	969
Construction in progress	260,221	251,250	8,971	225,536
Investments and other assets	213,863	210,144	3,719	169,545
Long-term investments	79,505	77,343	2,161	56,232
Long-term investments in affiliated Companies	108,873	106,808	2,065	88,010
Long-term prepaid expenses	3,097	2,678	418	2,858
Deferred tax assets	22,880	23,759	△ 878	22,787
Allowance for doubtful accounts	△ 493	△ 446	△ 47	△ 344
Current assets	97,157	91,400	5,756	91,355
Cash and bank deposits	9,080	5,008	4,071	4,408
Acceptance receivable	—	—	—	13
Accounts receivable	47,933	41,661	6,271	43,004
Accrued income	530	5,424	△ 4,893	495
Short-term investments	18	—	18	—
Inventories	18,107	18,439	△ 332	20,286
Prepaid expenses	4,165	1,125	3,040	3,966
Short-term loans to affiliated Companies	5,363	6,521	△ 1,157	6,893
Deferred tax assets	1,770	3,232	△ 1,461	1,692
Other current assets	10,190	10,005	185	10,593
Allowance for doubtful accounts	△ 3	△ 17	14	—
Total assets	1,888,657	1,893,678	△ 5,021	1,895,961

(Note) Figures less than one million yen have been rounded down.

(Unit: millions of yen)

	As of June 30,2007	As of Mar. 31, 2007	Increase / decrease	As of June 30,2006
(Liabilities)				
Long-term liabilities	1,117,865	1,136,290	△ 18,425	1,226,600
Bond	573,231	573,229	1	551,684
Long-term loans	513,667	533,539	△ 19,872	641,246
Long-term accrued liabilities	3	4	△ 0	960
Long-term accrued liabilities in affiliated companies	1,215	17	1,197	—
Accrued employee retirement benefits	20,485	21,543	△ 1,058	23,122
Other long-term liabilities	9,262	7,955	1,307	9,586
Current liabilities	351,709	343,441	8,267	262,031
Current portion of long-term debt and other	183,964	170,884	13,080	103,954
Short-term loans	3,500	2,000	1,500	—
Commercial paper	101,947	95,944	6,002	100,000
Accounts payable	4,763	3,713	1,050	4,767
Accrued accounts	4,172	12,219	△ 8,047	1,686
Accrued expenses	9,490	10,643	△ 1,152	10,310
Income and other taxes payable	6,066	4,404	1,661	5,560
Deposits received	1,889	389	1,500	1,692
Short-term debt to affiliated companies	34,173	41,041	△ 6,868	32,800
Advances received	393	334	59	598
Other current liabilities	1,347	1,865	△ 517	660
Reserves under special laws	1,802	2,155	△ 353	1,399
Reserve for fluctuation in water levels	1,802	2,155	△ 353	1,399
Total liabilities	1,471,376	1,481,888	△ 10,511	1,490,031
(Net Assets)				
Shareholders' equity	402,923	398,912	4,011	392,213
Common stock	152,449	152,449	—	152,449
Capital surplus	81,852	81,852	—	81,852
Additional paid-in capital	81,852	81,852	—	81,852
Retained earnings	168,681	164,667	4,014	157,944
Legal reserve	6,029	6,029	—	6,029
Other retained earnings	162,652	158,638	4,014	151,915
Reserve for loss from overseas investment, etc.	—	—	—	5
Reserve for special disaster	38	38	—	23
Exchange-fluctuation preparation reserve	1,960	1,960	—	1,960
General reserve	132,861	117,861	15,000	117,861
Retained earnings carried forward	27,792	38,778	△ 10,985	32,065
Treasury stock	△ 59	△ 56	△ 2	△ 33
Valuation and translation adjustments	14,356	12,877	1,478	13,716
Unrealized gain on other securities	14,240	12,761	1,478	13,633
Deferred hedging gain or loss	116	116	0	82
Total net assets	417,280	411,789	5,490	405,929
Total Liabilities and Net Assets	1,888,657	1,893,678	△ 5,021	1,895,961

(Note) Figures less than one million yen have been rounded down.

NON-CONSOLIDATED PROFIT AND LOSS STATEMENT

(Unit: millions of yen)

	Three months ended June 30,2007	Three months ended June 30,2006	Increase / decrease	Year ended Mar. 31, 2007
Ordinary revenues				
Operating revenues	126,967	119,684	7,283	517,273
Electric power	125,950	118,602	7,347	510,248
Electric power sales to other companies	111,429	103,735	7,694	450,034
Transmission revenues	13,515	13,796	△ 280	55,184
Other electricity revenues	1,004	1,071	△ 66	5,029
Incidental business revenues	1,017	1,081	△ 63	7,024
Consulting business	292	348	△ 55	2,801
Coal sales business	565	601	△ 36	3,582
Other incidental business	159	131	28	640
Non-operating revenues	3,706	4,092	△ 385	8,386
Financial revenues	3,479	3,048	430	4,521
Dividend income	3,233	2,818	414	3,586
Interest income	246	229	16	935
Non-business revenues	227	1,043	△ 816	3,865
Gain on sale of fixed assets	4	2	2	370
Other	222	1,041	△ 818	3,494
Total ordinary revenues	130,674	123,776	6,898	525,659
Ordinary expenses				
Operating expenses	110,998	100,763	10,235	456,433
Electric power	110,063	99,703	10,359	450,203
Hydroelectric power production expenses	14,288	13,674	613	63,728
Thermal power production expenses	74,260	64,155	10,105	290,013
Power purchased from other companies	50	62	△ 12	433
Transmission expenses	6,600	6,927	△ 327	30,502
Transformation expenses	1,501	1,564	△ 62	6,595
Selling expenses	338	415	△ 77	1,237
Communication expenses	1,449	1,473	△ 23	6,191
General and administrative expenses	9,939	9,892	46	44,837
Enterprise tax	1,634	1,537	97	6,662
Incidental business expenses	935	1,060	△ 124	6,229
Consulting business	242	307	△ 64	2,081
Coal sales business	533	588	△ 55	3,410
Other incidental business	159	163	△ 4	737
(Operating income)	(15,968)	(18,920)	(△ 2,951)	(60,840)
Non-operating expenses	7,253	5,418	1,834	31,686
Financial expenses	5,304	5,365	△ 60	21,565
Interest expenses	5,304	5,241	62	21,276
Bond issue expenses	—	—	—	288
Amortization of bond issue expenses	—	96	△ 96	—
Amortization of bond issue discount	—	27	△ 27	—
Non-business expenses	1,948	53	1,895	10,121
Loss on sale of fixed assets	—	0	△ 0	4
Other	1,948	53	1,895	10,117
Total ordinary expenses	118,252	106,182	12,069	488,119
Ordinary income	12,421	17,593	△ 5,171	37,540
(Provision for) reversal of reserve for fluctuation in water levels	△ 353	—	△ 353	756
Income before income taxes	12,775	17,593	△ 4,818	36,783
Income taxes - current	2,256	2,354	△ 98	11,865
Income taxes - deferred	1,508	3,060	△ 1,552	1,020
Net income	9,010	12,177	△ 3,167	23,897

(Note) Figures less than one million yen have been rounded down.

Non-Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2007 to June 30, 2007)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	152,449	81,852	164,667	△ 56	398,912
Changes during the period					
Dividends on retained earnings	—	—	△ 4,996	—	△ 4,996
Net income	—	—	9,010	—	9,010
Acquisition of treasury stock	—	—	—	△ 2	△ 2
Changes in items other than shareholders' equity (net)	—	—	—	—	—
Total	—	—	4,014	△ 2	4,011
Balance at June 30, 2007	152,449	81,852	168,681	△ 59	402,923

(Unit: millions of yen)

	Valuation and translation adjustments			Total Net Assets
	Unrealized gain on other securities	Deferred hedging gain or loss	Total valuation and translation adjustments	
Balance at March 31, 2007	12,761	116	12,877	411,789
Changes during the period				
Dividends on retained earnings	—	—	—	△ 4,996
Net income	—	—	—	9,010
Acquisition of treasury stock	—	—	—	△ 2
Changes in items other than shareholders' equity (net)	1,478	0	1,478	1,478
Total	1,478	0	1,478	5,490
Balance at June 30, 2007	14,240	116	14,356	417,280

(Note) Figures less than one million yen have been rounded down.

Non-Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2006 to June 30, 2006)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	152,449	81,852	150,819	△ 17	385,103
Changes during the period					
Dividends on retained earnings	—	—	△ 4,996	—	△ 4,996
Bonuses to directors and statutory auditors	—	—	△ 55	—	△ 55
Net income	—	—	12,177	—	12,177
Acquisition of treasury stock	—	—	—	△ 16	△ 16
Changes in items other than shareholders' equity (net)	—	—	—	—	—
Total	—	—	7,125	△ 16	7,109
Balance at June 30, 2006	152,449	81,852	157,944	△ 33	392,213

(Unit: millions of yen)

	Valuation and translation adjustments			Total Net Assets
	Unrealized gain on other securities	Deferred hedging gain or loss	Total valuation and translation adjustments	
Balance at March 31, 2006	13,613	—	13,613	398,717
Changes during the period				
Dividends on retained earnings	—	—	—	△ 4,996
Bonuses to directors and statutory auditors	—	—	—	△ 55
Net income	—	—	—	12,177
Acquisition of treasury stock	—	—	—	△ 16
Changes in items other than shareholders' equity (net)	20	82	102	102
Total	20	82	102	7,212
Balance at June 30, 2006	13,633	82	13,716	405,929

(Note) Figures less than one million yen have been rounded down.

Non-Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2006 to March 31, 2007)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	152,449	81,852	150,819	△ 17	385,103
Changes during the period					
Dividends on retained earnings	—	—	△ 9,993	—	△ 9,993
Bonuses to directors and statutory auditors	—	—	△ 55	—	△ 55
Net income	—	—	23,897	—	23,897
Acquisition of treasury stock	—	—	—	△ 39	△ 39
Changes in items other than shareholders' equity (net)	—	—	—	—	—
Total	—	—	13,848	△ 39	13,808
Balance at March 31, 2007	152,449	81,852	164,667	△ 56	398,912

(Unit: millions of yen)

	Valuation and translation adjustments			Total Net Assets
	Unrealized gain on other securities	Deferred hedging gain or loss	Total valuation and translation adjustments	
Balance at March 31, 2006	13,613	—	13,613	398,717
Changes during the period				
Dividends on retained earnings	—	—	—	△ 9,993
Bonuses to directors and statutory auditors	—	—	—	△ 55
Net income	—	—	—	23,897
Acquisition of treasury stock	—	—	—	△ 39
Changes in items other than shareholders' equity (net)	△ 852	116	△ 736	△ 736
Total	△ 852	116	△ 736	13,072
Balance at March 31, 2007	12,761	116	12,877	411,789

(Note) Figures less than one million yen have been rounded down.

Revenues and Expenses (Non-Consolidated)

	Three months ended	Three months ended	(A) - (B)	(A/B)	Percentage of total	
	June 30,2007	June 30,2006			(A)	(B)
	(A)	(B)	million yen	%	%	%
Ordinary revenues						
Operating revenues	126,967	119,684	7,283	106.1	97.2	96.7
Electric power sales to other companies	111,429	103,735	7,694	107.4	85.3	83.8
Hydro	30,967	33,578	△ 2,610	92.2	23.7	27.1
Thermal	80,462	70,157	10,304	114.7	61.6	56.7
Transmission revenues	13,515	13,796	△ 280	98.0	10.3	11.1
Other electricity revenues	1,004	1,071	△ 66	93.8	0.8	0.9
Incidental business revenues	1,017	1,081	△ 63	94.1	0.8	0.9
Non-operating revenues	3,706	4,092	△ 385	90.6	2.8	3.3
Total	130,674	123,776	6,898	105.6	100.0	100.0
Ordinary expenses						
Operating expenses	110,998	100,763	10,235	110.2	93.9	94.9
Personnel expenses	7,704	7,461	243	103.3	6.5	7.0
Fuel cost	39,191	24,786	14,404	158.1	33.2	23.4
Repair expense	11,712	13,715	△ 2,003	85.4	9.9	12.9
Taxes and duties	6,740	6,825	△ 85	98.8	5.7	6.4
Depreciation and amortization cost	27,058	29,085	△ 2,026	93.0	22.9	27.4
Other	17,655	17,828	△ 172	99.0	14.9	16.8
Incidental business expenses	935	1,060	△ 124	88.3	0.8	1.0
Non-operating expenses	7,253	5,418	1,834	133.9	6.1	5.1
Financial expenses	5,304	5,365	△ 60	98.9	4.5	5.1
Other	1,948	53	1,895	—	1.6	0.0
Total	118,252	106,182	12,069	111.4	100.0	100.0
Ordinary income	12,421	17,593	△ 5,171	70.6		
(Provision for) reversal of reserve for fluctuation in water levels	△ 353	—	△ 353	—		
Income before income taxes	12,775	17,593	△ 4,818	72.6		
Income taxes	3,764	5,415	△ 1,651	69.5		
current	2,256	2,354	△ 98	95.8		
deferred	1,508	3,060	△ 1,552	49.3		
Net Income	9,010	12,177	△ 3,167	74.0		

(Note) Figures less than one million yen have been rounded down.

[Appendix 2]

(1) Generation capacity

(Units : kW)

	Three months ended June 30, 2007 (A)	Three months ended June 30, 2006 (B)	(A)-(B)
Hydroelectric	8,555,500	8,555,500	—
Thermal	7,824,500	7,824,500	—
Total	16,380,000	16,380,000	—

(2) Electricity sales and revenues

(Units: million kWh, million yen)

	Three months ended June 30, 2007 (A)		Three months ended June 30, 2006 (B)		(A)-(B)	
	Electricity sales	Electricity and transmission revenues	Electricity sales	Electricity and transmission revenues	Electricity sales	Electricity and transmission revenues
Hydroelectric	2,154	30,967	3,674	33,578	△ 1,520	△ 2,610
Thermal	11,825	80,462	8,206	70,157	3,618	10,304
Subtotal	13,979	111,429	11,880	103,735	2,098	7,694
Transmission	—	13,515	—	13,796	—	△ 280
Total	13,979	124,945	11,880	117,531	2,098	7,413

(3) Results of water supply rate

(Units: %)

	Three months ended June 30, 2007 (A)	Three months ended June 30, 2006 (B)	(A)-(B)
Water supply rate	77	122	△45