

(Summary English translation)

Financial Statements (Unaudited)
(for the Six Months Ended September 30, 2008)

October 31, 2008

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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Date of Commencement of Dividend Payment: November 28, 2008

1. Consolidated Business Performance (From April 1, 2008 to September 30, 2008)

(1) Consolidated Results of Operations

(Rounded down to the nearest million yen)

	Operating Revenues	Operating Income	Ordinary Income
	(million yen) (%)	(million yen) (%)	(million yen) (%)
Six Months ended Sep. 30, 2008	363,680 (—)	52,729 (—)	42,017 (—)
Six Months ended Sep. 30, 2007	296,929 (7.2)	42,587 (Δ3.4)	40,437 (8.5)

	Net Income	Net Income per Share	Fully Diluted Net Income per Share
	(million yen) (%)	(yen)	(yen)
Six Months ended Sep. 30, 2008	33,547 (—)	201.42	—
Six Months ended Sep. 30, 2007	27,256 (15.4)	163.65	—

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)
Six Months ended Sep. 30, 2008	2,097,926	481,093	22.8	2,877.42
Year ended Mar.31, 2008	2,013,131	468,118	23.2	2,800.18

(Reference)

Shareholder's equity :

Six Months ended Sep. 30, 2008 : 479,244 million yen

Year ended Mar.31,2008 : 466,383 million yen

2. Dividends

	Cash Dividends per Share				
	1Q	2Q	3Q	Year-end	Annual
	(yen)	(yen)	(yen)	(yen)	(yen)
Year ended Mar.31, 2008	—	30.00	—	40.00	70.00
Year ended Mar.31, 2009	—	35.00	—	—	—
Year ending Mar.31, 2009 (forecast)	—	—	—	35.00	70.00

3. Forecasts Consolidated Results for the Year Ending March 31, 2009 (From April 1, 2008 to March 31, 2009)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Year ending Mar.31, 2009	(million yen) (%) 770,000 (31.0)	(million yen) (%) 68,000 (34.1)	(million yen) (%) 50,000 (16.6)	(million yen) (%) 42,000 (43.3)	(yen) 252.17

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

4. Other

- (1) Principal subsidiaries subject to changes during fiscal 2008 (changes of specific subsidiaries coming along with changes in the scope of consolidation) : None
- (2) Application of simplified methods in accounting practices: Yes
- (3) Changes in the accounting standard applied to the latest fiscal year and that to this 3-month period (changes in important provisions, etc. Fundamental to the preparation of the consolidated quarterly financial statements)
- ① Changes due to revisions of accounting standards etc. : Yes
- ② Changes except ① : Yes
- (4) Number of issued and outstanding common stock
- ① Issued and outstanding stock at the end of the period (including treasury stock)
- | | |
|-------------------------------------|---------------|
| 2nd quarter, year ending March 2009 | : 166,569,600 |
| Year ended Mar.31, 2008 | : 166,569,600 |
- ② Treasury stock
- | | |
|-------------------------------------|----------|
| 2nd quarter, year ending March 2009 | : 16,142 |
| Year ended Mar.31, 2008 | : 15,171 |
- ③ Weighted average shares during the year (consolidated quarterly cumulative period)
- | | |
|-------------------------------------|---------------|
| 2nd quarter, year ending March 2009 | : 166,553,953 |
| 2nd quarter, year ended March 2008 | : 166,555,605 |

* Forward-Looking Statements and other special notes

- We have made revisions to the earnings forecasts to March 2009, first announced on September 29th, 2008. Please refer to the qualitative information on page 6 under (Qualitative Information on Financial Affairs and Results) in Section 4, "Qualitative Information Concerning the Consolidated Earnings Forecast."
Also, 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.
- Effective from the first quarter of the current consolidated fiscal year ending March 2009, the Company has adopted the Accounting Standard for quarterly financial statements (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and Implementation Guidance for Accounting Standards for quarterly financial statements (ASBJ Guidance No. 14). Furthermore, the consolidated quarterly financial statements have been prepared in accordance with the Rules for Preparing Quarterly Consolidated Financial Statements (Cabinet Office Regulations No.64,2007) and Accounting Regulation of The Electricity Utilities Industry (Ministry of International Trade and Industry Regulations No.57,1965).
Note also that the quarterly Consolidated Financial Statements have been prepared in accordance with the revised Rules for Preparing Quarterly Consolidated Financial Statements based on the "revision of Item 5, Section 1 of Article 7 of the bylaws of the "Cabinet Office Regulation revising part of the regulations related to Financial Statements, Related Terminology, Formats and Preparation Methods" (Cabinet Office Regulations No. 50, August 7, 2008).

【Reference】

Forecasts Non-Consolidated Results for the Year Ending March 31, 2009 (From April 1, 2008 to March 31, 2009)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Year ending Mar.31, 2009	(million yen) (%) 702,000 (32.6)	(million yen) (%) 57,000 (42.9)	(million yen) (%) 31,000 (40.4)	(million yen) (%) 29,000 (96.5)	(yen) 174.12

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

Qualitative Information on Financial Affairs and Results

1. Qualitative Information Concerning Consolidated Business Results

(1) Electric Power Sales Volume

The demand for electric power in Japan during the current quarter was kept at high level on a par with the same quarter last year due to an increase in industrial demand, despite a decrease in air-cooling demand accompanying temperatures changes low during August and September.

Compared with the same quarter last year, the total sales volume for wholesale electrical power business this quarter was down 3.9% to 29.8 billion kWh. With respect to hydroelectric power, low water flow as was the case with the same quarter last year (the water supply rate went down from 84% to 83%) , led to a 2.1% decline to 4.7billion kWh compared with the same quarter a year ago. Periodic inspections reduced our thermal power capacity utilization, which resulted in a 4.2% decline of thermal power sales volume to 25.0 billion kWh compared with the same quarter previous year.

Also, electric power sales volume for other electric power businesses increased by 4.1% to 0.7 billion kWh compared with the same quarter last year, owing to a rise in the capacity utilization of an IPP plant and wholesale plants for PPSs, so the total sales volume for electric power business was down 3.7% to 30.6 billion kWh.

(2) Overview of Income and Expenditures

Consolidated sales(operating revenues) for the current quarter increased 22.5% to 363.6 billion yen compared with the same quarter last year. Hydroelectric power revenue in wholesale electric power business saw a decline due to the lower electric power sales volume brought by low water flow as was the case with the same quarter the previous year as well as revisions in rates for hydroelectric power and transmission contracts effective from September 2007. Thermal power revenue in wolesale electric power business increased due to a rise in sales unit price caused by fuel price hike, although periodic inspection of thermal power plants reduced capacity utilization, causing a decline in thermal power sales volume. Non-operating revenue were down 37.1% to 7.7 billion yen over the same quarter last year. This was a repercussion from the sale of the wind power generation company in Spain during the same quarter last year. This resulted in total ordinary revenues for the quarter of 371.3 billion yen, an increase of 20.1% over the same quarter last year.

On the other hand, operating expenses rose by 22.3% to 310.9 billion yen compared with the same quarter the previous year. This was due to an increase in repair expenses for periodic inspections at thermal power plants, a rise in fuel cost caused by coal price hike and an increase in personnel expenses due to calculation of the retirement benefit obligation, despite a fall in depreciation expense. Non-operating expenses rose by 27.9% compared with the same quarter last year to 18.4 billion yen due to losses from valuation of securities. As a result, quarterly ordinary expenses rose by 22.6% compared to one year ago, to 329.3 billion yen.

Based on the above, ordinary income rose by 3.9% to 42.0 billion yen. Additionally, profit distribution from an anonymous association that was dissolved with our company's acquisition of trust beneficiary interests in the securitization of our headquarters building and land were taken as extraordinary profits and, after subtracting corporate taxes, the net income for the quarter were 33.5 billion yen, which was 23.1% higher than those for the same quarter last year.

Note also that the increase or decrease rate in the balance compared with the same quarter last year is shown for reference.

2. Qualitative Information Concerning Consolidated Financial Affairs

Since the end of the previous consolidated fiscal year, noncurrent assets at the end of the current quarter rose by 30.8 billion yen to 1,895.2 billion yen and when our current assets are added to this, the total assets is 2,097.9 billion yen, which is 84.7 billion yen higher from the end of the previous fiscal year. Although there was a reduction in noncurrent assets with progress made in depreciation, there were increases such as capital expenditure on projects such as the Ohma Nuclear Power Plant and the Isogo New No. 2 Thermal Power Plant and the acquisition of our headquarters building and land.

On the other hand, due to issue of corporate bonds, liabilities increased by 71.8 billion yen over the end of the previous consolidated fiscal year and the total liabilities at the end of the current quarter reached 1,616.8 billion yen. Of this, the value of interest-bearing debt was 1,477.9 billion yen, which was 54.0 billion yen higher from the end of the previous consolidated fiscal year.

Additionally, total net assets at the end of the current quarter rose by 12.9 billion yen from the end of the previous consolidated fiscal year to 481.0 billion yen.

3. Qualitative Information Concerning Consolidated Cash Flow

With regard to the balance of cash and cash equivalents at the end of the current quarter, there was an income of 51.3 billion yen from operating activities and 47.0 billion yen from financial activities through borrowings. There was, however, outlay of 103.4 billion yen for investing activities, such as the acquisition of noncurrent assets, so that with the addition of the consolidated balance of 35.6 billion yen at the end of the previous fiscal year, the balance as of the end of the current quarter was 30.6 billion yen.

(Cash Flow from Operating Activities)

Net cash from operating activities was 51.3 billion yen, reflecting an increase in account receivables and a decline in internal reserves such as depreciation expenses, resulted in a decline of 18.1 billion yen from the same quarter a year earlier.

(Cash Flow from Investing Activities)

Net cash used in investing activities was 103.4 billion yen, up 40.9 billion yen from the end of the same quarter a year earlier, due to an increase in construction work for the Isogo New No. 2 Thermal Power Plant, the acquisition of trust beneficiary interests in the securitization of our headquarters building and land, an increase in investment and loans.

(Cash Flow from Financing Activities)

Cash flow from financing activities resulted in revenue of 47.0 billion yen, an increase of 41.8 billion yen compared with the same quarter a year earlier, due to an increase in borrowings.

4. Qualitative Information Concerning the Consolidated Earnings Forecast

With respect to annual electric power sales volume, we expect hydroelectric power sales volume to increase by 5.4% to 8.7 billion kWh compared with the previous fiscal year despite of reflecting low water flow during the first half. Thermal power sales volume is expected to increase by 4.0% over the previous fiscal year to 54.6 billion kWh due to a forecast for an increase in capacity utilization during the second half.

In addition to the increase in electric power sales volume noted above, due to increase in the sales unit price for thermal power accompanying the coal price hike relative to the previous year, we project an increase in operating revenues by 31.0% to 770.0 billion yen.

With regard to costs, while fuel cost is expected to increase, as with sales, due to the rising coal price, we expect some abatement from receipt of coal that was procured during the previous fiscal year. Also, we anticipate an increase in repair expense from the periodic inspections and the maintenance and improvements in the reliability of our facilities at thermal power plants. Operating income is projected to see a year-on-year increase of 34.1% to 68.0 billion yen.

As the result of having reflected the impact of the decline in the stock market and the like, we expect ordinary income to rise by 16.6% year on year to 50.0 billion yen.

In view of above, we have revised the previous forecasts that were announced on September 29, 2008 as follows:

Consolidated

	Recently Revised Forecasts (100 million yen)	Previous Forecasts (100 million yen)	Year ended Mar. 31,2008 (100 million yen)
Operating Revenues	7,700	7,730	5,877
Operating Income	680	620	507
Ordinary Income	500	500	428
Net Income	420	420	293

Non-consolidated

	Recently Revised Forecasts (100 million yen)	Previous Forecasts (100 million yen)	Year ended Mar. 31,2008 (100 million yen)
Operating Revenues	7,020	7,070	5,292
Operating Income	570	540	398
Ordinary Income	310	330	220
Net Income	290	290	147

Principal Statements

	Recently Revised Forecasts	Previous Forecasts	Year ended Mar. 31,2008
Electricity sales (hydroelectric) (100 million kWh)	87	88	82
Electricity sales (thermal) (100 million kWh)	546	547	524
Water supply rate (%)	89	91	85
Thermal power utilization factor (%)	84	85	81

5. Others

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

No such changes took place during the quarter.

(2)Application of simplified methods in accounting treatment

In preparing the Consolidated Financial Statements for the 2nd quarter of the year ending March 2009, the Company adopted the simplified procedures as explained below, basing its preparation on standards used the preparation of consolidated quarterly financial statements, with a view to avoiding insofar as possible 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)Changes in accounting standard applied to the latest fiscal year and that to this 3-month period
(Accounting Standard for quarterly financial statements)

Effective from the first quarter of the current consolidated fiscal year ending March 2009, the Company has adopted the Accounting Standard for quarterly financial statements (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and Implementation Guidance for Accounting Standards for quarterly financial statements (ASBJ Guidance No. 14). Furthermore, the consolidated

quarterly financial statements have been prepared in accordance with the Rules for Preparing Quarterly Consolidated Financial Statements (Cabinet Office Regulations No.64, 2007) and Accounting Regulation of The Electricity Utilities Industry (Ministry of International Trade and Industry Regulations No.57, 1965).

Note also that the quarterly Consolidated Financial Statements have been prepared in accordance with the revised Rules for Preparing Quarterly Consolidated Financial Statements based on the "revision of Item 5, Section 1 of Article 7 of the bylaws of the "Cabinet Office Regulation revising part of the regulations related to Financial Statements, Related Terminology, Formats and Preparation Methods" (Cabinet Office Regulations No. 50, August 7, 2008).

6. CONSOLIDATED FINANCIAL SHEET
(1) CONSOLIDATED BALANCE SHEET

(Unit: millions of yen)

	As of Sep. 30, 2008	As of Mar. 31, 2008
(Assets)		
Noncurrent assets	1,895,257	1,864,374
Electric utility plant and equipment	1,268,642	1,265,497
Hydroelectric power production facilities	443,981	450,635
Thermal power production facilities	489,440	504,468
Internal combustion engine power production facilities	13,525	14,141
Transmission facilities	222,784	229,312
Transformation facilities	37,397	34,310
Communication facilities	8,837	9,289
General facilities	52,675	23,339
Other noncurrent assets	38,833	40,270
Construction in progress	350,002	327,429
Construction and retirement in progress	350,002	327,429
Nuclear fuel	11,004	10,310
Nuclear fuel in processing	11,004	10,310
Investments and other assets	226,774	220,866
Long-term investments	170,287	165,015
Deferred tax assets	52,854	51,777
Other	3,781	4,222
Allowance for doubtful accounts	△ 149	△ 149
Current assets	202,668	148,756
Cash and deposits	28,641	33,961
Notes and accounts receivable-trade	73,429	44,650
Short-term investments	2,775	2,983
Inventories	36,132	25,329
Deferred tax assets	7,039	5,655
Other	54,713	36,253
Allowance for doubtful accounts	△ 63	△ 77
Total assets	2,097,926	2,013,131
(Liabilities)		
Noncurrent liabilities	1,305,520	1,276,354
Bonds payable	662,877	602,903
Long-term loans payable	591,067	624,495
Lease obligation	348	—
Provision for retirement benefits	40,535	39,083
Other provision	623	553
Deferred tax liabilities	1,494	1,462
Other	8,573	7,856
Current liabilities	310,051	267,097
Current portion of noncurrent liabilities	85,723	101,565
Short-term loans payable	7,429	6,126
Commercial papers	130,919	88,949
Notes and accounts payable-trade	20,681	14,790
Accrued taxes	25,034	11,407
Other provision	540	555
Deferred tax liabilities	25	2
Other	39,697	43,700
Reserves under the special laws	1,260	1,560
Reserve for fluctuation in water levels	1,260	1,560
Total liabilities	1,616,832	1,545,012
(Net Assets)		
Shareholders' equity	491,147	464,266
Capital stock	152,449	152,449
Capital surplus	81,849	81,849
Retained earnings	256,917	230,032
Treasury stock	△ 68	△ 64
Valuation and translation adjustments	△ 11,902	2,116
Valuation difference on available-for-sale securities	1,348	1,934
Deferred gains or losses on hedges	△ 14,143	△ 6,759
Foreign currency translation adjustment	891	6,941
Minority interests	1,848	1,735
Total net assets	481,093	468,118
Total liabilities and net assets	2,097,926	2,013,131

(2)CONSOLIDATED STATEMENTS OF INCOME

(Unit: millions of yen)

	Six Months ended Sep. 30, 2008
Operating revenues	363,680
Electric utility operating revenue	335,101
Other business operating revenue	28,579
Operating expenses	310,950
Electric utility operating expenses	280,170
Other business operating expenses	30,780
Operating income	52,729
Non-operating income	7,705
Dividends income	943
Interest income	586
Equity in earnings of affiliates	4,332
Other	1,843
Non-operating expenses	18,418
Interest expenses	11,373
Other	7,044
Total ordinary revenues	371,386
Total ordinary expenses	329,369
Ordinary income	42,017
Provision or reversal of reserve for fluctuation in water levels	△ 300
Reversal of reserve for fluctuation in water levels	△ 300
Extraordinary income	12,170
Distribution by dissolution of anonymous association	12,170
Income before income taxes and minority interests	54,488
Income taxes - current	21,898
Income taxes - deferred	△ 1,089
Minority interests in income (losses)	132
Net income	33,547

(3) CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unit: millions of yen)

	Six Months ended Sep. 30, 2008
Cash flows from operating activities:	
Income before income taxes and minority interests	54,488
Depreciation and amortization	54,458
Impairment loss	83
Loss on retirement of noncurrent assets	2,020
Increase (decrease) in provision for retirement benefits	1,452
Increase (decrease) in reserve for fluctuation in water levels	△ 300
Interest and dividends income	△ 1,529
Interest expenses	11,373
Decrease (increase) in notes and accounts receivable-trade	△ 28,398
Decrease (Increase) in inventories	△ 10,730
Increase (decrease) in notes and accounts payable-trade	△ 2,341
Equity in (earnings) losses of affiliates	△ 4,332
Distribution by dissolution of anonymous association	△ 12,170
Other, net	4,796
Sub-total	68,869
Interest and dividends received	1,835
Interest expenses paid	△ 11,514
Income taxes paid	△ 7,803
Net cash provided by operating activities	51,387
Cash flows from investing activities:	
Purchase of noncurrent assets	△ 89,611
Proceeds from contribution received for construction	5,533
Proceeds from sales of noncurrent assets	77
Payments of investments and loans receivable	△ 18,268
Collections of investments and receivable	2,650
Other, net	△ 3,813
Net cash used in investing activities	△ 103,432
Cash flows from financing activities:	
Proceeds from issuance of bonds	59,774
Redemption of bonds	△ 30,150
Proceeds from long-term loans payable	9,235
Repayment of long-term loans payable	△ 28,020
Increase in short-term loans payable	21,210
Decrease in short-term loans payable	△ 19,908
Proceeds from issuance of commercial paper	319,659
Redemption of commercial paper	△ 278,000
Cash dividends paid	△ 6,667
Cash dividends paid to minority shareholders	△ 20
Other, net	△ 16
Net cash provided by (used in) financing activities	47,095
Effect of exchange rate change on cash and cash equivalents	△ 38
Net increase (decrease) in cash and cash equivalents	△ 4,988
Cash and cash equivalents at beginning of period	35,631
Cash and cash equivalents at end of period	30,643

Effective from the first quarter of the current consolidated fiscal year ending March 2009, the Company has adopted the Accounting Standard for quarterly financial statements (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and Implementation Guidance for Accounting Standards for quarterly financial statements (ASBJ Guidance No. 14). Furthermore, the consolidated quarterly financial statements have been prepared in accordance with the Rules for Preparing Quarterly Consolidated Financial Statements (Cabinet Office Regulations No.64,2007) and Accounting Regulation of The Electricity Utilities Industry (Ministry of International Trade and Industry Regulations No.57,1965).

Note also that the quarterly Consolidated Financial Statements have been prepared in accordance with the revised Rules for Preparing Quarterly Consolidated Financial Statements based on the "revision of Item 5, Section 1 of Article 7 of the bylaws of the "Cabinet Office Regulation revising part of the regulations related to Financial Statements, Related Terminology, Formats and Preparation Methods" (Cabinet Office Regulations No. 50, August 7, 2008).

(4) Note concerning conditions regarding ongoing business concerns

There are no applicable items.

(5) Note in the event of a marked change in the amount of shareholders' equity

There are no applicable items.

(Reference : The Previous Quarter)
(1)CONSOLIDATED STATEMENTS OF INCOME

(Unit: millions of yen)

	Six Months ended Sep. 30, 2007
Operating revenues	296,929
Electric utility operating revenue	273,536
Other business operating revenue	23,393
Operating expenses	254,342
Electric utility operating expenses	229,141
Other business operating expenses	25,201
Operating Income	<u>42,587</u>
Non-operating income	12,245
Dividends income	1,159
Interest income	586
Gain on sales of securities	4,227
Equity in earnings of affiliates	5,384
Other	887
Non-operating expenses	14,395
Interest expenses	11,650
Other	2,744
Total Ordinary Revenues	309,174
Total Ordinary Expenses	<u>268,737</u>
Ordinary income	<u>40,437</u>
Provision or reversal of reserve for fluctuation in water levels	△ 408
Reversal of reserve for fluctuation in water levels	△ 408
Income before income taxes and minority interests	<u>40,845</u>
Income taxes - current	11,445
Income taxes - deferred	2,182
Minority interests in income(losses)	<u>△ 38</u>
Net income	<u>27,256</u>

(Reference : The Previous Quarter)
(2)CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unit: millions of yen)

	Six Months ended Sep. 30, 2007
Cash flows from operating activities:	
Income before income taxes and minority interests	40,845
Depreciation and amortization	57,006
Loss on retirement of noncurrent assets	838
Increase (decrease) in provision for retirement benefits	△ 1,189
Increase (decrease) in reserve for fluctuation in water levels	△ 408
Interest and dividends income	△ 1,746
Interest expenses	11,650
Decrease (increase) in notes and accounts receivable-trade	△ 6,538
Decrease (Increase) in inventories	△ 3,064
Increase (decrease) in notes and accounts payable-trade	△ 2,633
Loss (gain) on sales of investment securities	△ 4,227
Equity in (earnings) losses of affiliates	△ 5,384
Other, net	△ 430
Sub-total	84,719
Interest and dividends received	2,090
Interest expenses paid	△ 12,092
Income taxes paid	△ 5,167
Net cash provided by operating activities	69,549
Cash flows from investing activities:	
Purchase of noncurrent assets	△ 67,092
Proceeds from contribution received for construction	4,613
Proceeds from sales of noncurrent assets	393
Payments of investments and loans receivable	△ 10,804
Collections of investments and receivable	6,430
Purchase of investments in subsidiaries resulting in change in scope of consolidation	△ 1,280
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	8,064
Other, net	△ 2,800
Net cash used in investing activities	△ 62,474
Cash flows from financing activities:	
Proceeds from issuance of bonds	59,967
Redemption of bonds	△ 35,474
Proceeds from long-term loans payable	24,436
Repayment of long-term loans payable	△ 42,048
Increase in short-term loans payable	7,031
Decrease in short-term loans payable	△ 5,534
Proceeds from issuance of commercial paper	299,662
Redemption of commercial paper	△ 298,000
Proceeds from stock issuance to minority shareholders	241
Cash dividends paid	△ 4,994
Cash dividends paid to minority shareholders	△ 42
Other, net	△ 4
Net cash provided by (used in) financing activities	5,240
Effect of exchange rate change on cash and cash equivalents	1,366
Net increase (decrease) in cash and cash equivalents	13,682
Cash and cash equivalents at beginning of period	34,575
Cash and cash equivalents at end of period	48,258

Revenues and Expenses (Consolidated)

	Six Months ended Sep. 30, 2008 (A)	Six Months ended Sep. 30, 2007 (B)	(A-B)	(A/B)
	million yen	million yen	million yen	%
Operating revenues	363,680	296,929	66,751	122.5%
Electric utility operating revenues	335,101	273,536	61,565	122.5%
Electric power sales to other companies	306,752	245,693	61,059	124.9%
Wholesale power business	297,151	237,494	59,656	125.1%
Hydroelectric	58,722	62,578	△ 3,856	93.8%
Thermal	238,428	174,915	63,513	136.3%
Other electric power businesses	9,601	8,199	1,402	117.1%
Transmission revenues	27,702	27,161	540	102.0%
Other electricity revenues	645	680	△ 34	94.9%
Other business operating revenues	28,579	23,393	5,185	122.2%
Operating expenses	310,950	254,342	56,608	122.3%
Electric utility operating expenses	280,170	229,141	51,029	122.3%
Personnel expenses	17,897	15,265	2,632	117.2%
Fuel cost	128,119	93,586	34,532	136.9%
Repair expense	26,849	15,358	11,490	174.8%
Consignment cost	14,061	13,924	137	101.0%
Taxes and duties	14,668	13,997	670	104.8%
Depreciation and amortization cost	52,194	54,812	△ 2,617	95.2%
Other	26,378	22,196	4,182	118.8%
Other business operating expenses	30,780	25,201	5,579	122.1%
Operating income	52,729	42,587	10,142	123.8%
Non-operating revenues	7,705	12,245	△ 4,539	62.9%
Dividend income	943	1,159	△ 216	81.3%
Interest income	586	586	△ 0	99.9%
Gain on sales of securities	—	4,227	△ 4,227	—
Equity income of affiliates	4,332	5,384	△ 1,051	80.5%
Other	1,843	887	956	207.7%
Non-operating expenses	18,418	14,395	4,023	127.9%
Interest expenses	11,373	11,650	△ 276	97.6%
Other	7,044	2,744	4,299	256.7%
Total Ordinary Revenues	371,386	309,174	62,211	120.1%
Total Ordinary Expenses	329,369	268,737	60,632	122.6%
Ordinary income	42,017	40,437	1,579	103.9%
(Provision for)reversal of reserve for fluctuation in water level	△ 300	△ 408	108	—
Extraordinary income	12,170	—	12,170	—
Income before income taxes and minority interests	54,488	40,845	13,642	133.4%
Income taxes—current	21,898	11,445	10,453	191.3%
Income taxes – deferred	△ 1,089	2,182	△ 3,272	—
Minority equity or loss	132	△ 38	171	—
Net Income	33,547	27,256	6,290	123.1%

(Note1) Figures less than one million yen have been rounded down.

(Note2) Although some accounting procedure is subject to change in the current consolidated fiscal year ending March 2009 due to the introduction of the quarterly reporting system, year-on-year comparisons are presented for your reference.

(1) Generation capacity

(Units: kW)

	Six Months ended Sep. 30, 2008(A)	Six Months ended Sep. 30, 2007(B)	(A) – (B)
Wholesale power business	16,385,000	16,380,000	5,000
Hydroelectric	8,560,500	8,555,500	5,000
Thermal	7,824,500	7,824,500	—
Other electric power businesses (1)	560,480	560,480	—
Total	16,945,480	16,940,480	5,000

* (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)

	Six Months ended Sep. 30, 2008(A)		Six Months ended Sep. 30, 2007(B)		(A) – (B)	
	Electricity sales	Electricity and transmission revenues	Electricity sales	Electricity and transmission revenues	Electricity sales	Electricity and transmission revenues
Wholesale power business	29,897	297,151	31,096	237,494	△ 1,199	59,656
Hydroelectric	4,798	58,722	4,903	62,578	△ 104	△ 3,856
Thermal	25,098	238,428	26,193	174,915	△ 1,095	63,513
Other electric power businesses (1)	783	9,601	752	8,199	31	1,402
Subtotal	30,681	306,752	31,849	245,693	△ 1,168	61,059
Transmission	—	27,702	—	27,161	—	540
Total	30,681	334,455	31,849	272,855	△ 1,168	61,599

* (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: %)

	Six Months ended Sep. 30, 2008(A)	Six Months ended Sep. 30, 2007(B)	(A) – (B)
Water supply rate	83	84	△ 1

Revenues and Expenses (Non-Consolidated)

	Six Months ended Sep. 30, 2008 (A)	Six Months ended Sep. 30, 2007 (B)	(A-B)	(A/B)
	million yen	million yen	million yen	%
Operating revenues	336,137	270,640	65,496	124.2
<u>Electric utility operating revenues</u>	327,057	266,912	60,144	122.5
<u>Electric power sales to other companies</u>	297,151	237,494	59,656	125.1
Hydroelectric	58,722	62,578	△ 3,856	93.8
Thermal	238,428	174,915	63,513	136.3
Transmission revenues	27,702	27,161	540	102.0
Other electricity revenues	2,203	2,257	△ 53	97.6
<u>Incidental business revenues</u>	9,080	3,727	5,352	243.6
Operating expenses	288,088	232,124	55,963	124.1
<u>Electric utility operating expenses</u>	279,906	228,803	51,102	122.3
Personnel expenses	17,864	15,224	2,639	117.3
Fuel cost	123,650	90,802	32,847	136.2
Repair expense	29,051	16,315	12,736	178.1
Taxes and duties	14,283	13,652	631	104.6
Depreciation and amortization cost	51,990	54,459	△ 2,468	95.5
Other	43,065	38,349	4,715	112.3
<u>Incidental business operating expenses</u>	8,181	3,320	4,861	246.4
Operating income	48,049	38,516	9,532	124.7
Non-operating revenues	5,073	4,452	620	113.9
Non-operating expenses	17,815	12,983	4,831	137.2
Interest expenses	11,281	10,915	366	103.4
Other	6,533	2,067	4,465	315.9
Total Ordinary Revenues	341,210	275,093	66,117	124.0
Total Ordinary Expenses	305,903	245,107	60,795	124.8
Ordinary income	35,307	29,985	5,322	117.7
(Provision for)reversal of reserve for fluctuation in water level	△ 300	△ 408	108	—
Extraordinary income	12,170	—	12,170	—
Income before income taxes and minority interests	47,778	30,393	17,384	157.2
Income taxes—current	19,847	9,639	10,208	205.9
Income taxes - deferred	△ 1,451	516	△ 1,967	—
Net Income	29,382	20,237	9,144	145.2

(Note1) Figures less than one million yen have been rounded down.

(Note2) Although some accounting procedure is subject to change in the current consolidated fiscal year ending March 2009 due to the introduction of the quarterly reporting system, year-on-year comparisons are presented for your reference.