

This is an English translation of the Quarterly Financial Results (*Kessan Tanshin*) filed with the Tokyo Stock Exchange on July 31, 2012. Please note that if there is any discrepancy, the original Japanese version will take priority.



(English Translation)

## Quarterly Financial Results (Unaudited) (for the Three Months Ended June 30, 2012)

July 31, 2012

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

Listed exchange: Tokyo Stock Exchange (Code: 9513)

Representative: Masayoshi Kitamura, President

Contact: Tatsuhiro Tanaka, IR Chief Manager

Tel.: +81-3-3546-2211

URL: <http://www.jpowers.co.jp/english/>

Scheduled date for filing of a quarterly report: August 6, 2012

Scheduled date of dividend payment commencement: Not applicable

Preparation of supplementary explanations material: Yes

Quarterly financial results presentation held: No

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

#### 1. Consolidated Financial Results (From April 1, 2012 to June 30, 2012)

##### (1) Consolidated Operating Results

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

	Operating revenues		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2012	147,144	0.9	14,326	(19.8)	12,138	(25.6)	7,971	(26.1)
Three months ended June 30, 2011	145,870	2.9	17,866	(3.8)	16,320	10.9	10,786	—

(Note) Comprehensive income: Three months ended June 30, 2012 14,590 million yen 13.1 %  
Three months ended June 30, 2011 12,905 million yen - %

	Net income per share	Fully diluted net income per share
	yen	yen
Three months ended June 30, 2012	53.12	—
Three months ended June 30, 2011	71.88	—

##### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
Three months ended June 30, 2012	2,098,770	415,531	19.8
Year ended March 31, 2012	2,016,394	406,192	20.2

(Reference) Shareholders' equity: Three months ended June 30, 2012 416,523 million yen  
Year ended March 31, 2012 407,384 million yen

#### 2. Dividends

	Cash dividends per share				
	Record date				Annual
	Jun. 30	Sep. 30	Dec. 31	Mar. 31	
	yen	yen	yen	yen	yen
Year ended March 31, 2012	—	35.00	—	35.00	70.00
Year ending March 31, 2013	—				
Year ending March 31, 2013 (forecasts)		35.00	—	35.00	70.00

(Note) Revisions to dividends forecasts in the current quarter: None

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

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

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

(Note) Revisions to consolidated earnings forecasts in the current quarter: None

### 4. Other Information

(1) Principal subsidiaries subject to changes: None

(2) Application of accounting methods which are exceptional for quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to revisions of accounting standards etc.: Yes

2) Changes in accounting policies except 1): None

3) Changes in accounting estimates: Yes

4) Restatement of corrections: None

For details, please refer to "Summary Information (Notes)" on page 3.

(4) Number of shares issued (common stock)

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

Three months ended June 30, 2012: 166,569,600

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

2) Treasury stock at the end of the period

Three months ended June 30, 2012: 16,516,830

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

3) Average number of shares outstanding during the period

Three months ended June 30, 2012: 150,052,786

Three months ended June 30, 2011: 150,053,088

#### \* Presentation for quarterly review procedures

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

#### \* Forward-looking statements and other special notes

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

## Table of Contents

<b>1. Qualitative Information on Consolidated Financial Results</b> .....	2
(1) Qualitative Information on Consolidated Operating Results .....	2
(2) Qualitative Information on Consolidated Financial Position .....	3
(3) Qualitative Information on Consolidated Earnings Forecasts .....	3
<b>2. Summery Information (Notes)</b> .....	3
<b>3. Consolidated Financial Statements</b> .....	4
(1) Consolidated Balance Sheets .....	4
(2) Consolidated Statements of Income and Comprehensive Income .....	6
(3) Notes on Premise of Going Concern .....	8
(4) Notes on Significant Changes in Shareholders' Equity .....	8
<b>4. Appendixes</b> .....	9
[Appendix 1] .....	9
[Appendix 2] .....	10
[Appendix 3] .....	11

## 1. Qualitative Information on Consolidated Financial Results

### (1) Qualitative Information on Consolidated Operating Results

#### 1) Electricity Sales Volume

In the wholesale electric power business, electricity sales volume from hydroelectric power plants for three months ended June 30, 2012 showed little year-on-year change at 2.8 TWh despite an improvement in the water supply rate from 106% in the same period of the previous fiscal year to 110%. This was mainly due to the suspension of operations at some hydroelectric power plants. In thermal power, a lower load factor at power plants due to periodic inspections resulted in 6.8% decrease in electricity sales volume from the same period of the previous fiscal year to 10.3 TWh. As a result, total electricity sales volume from both hydroelectric and thermal power plants in the wholesale electric power business decreased 6.2% from the same period of the previous fiscal year to 13.1 TWh.

Electricity sales volume in the other electric power businesses increased 21.6% from the same period of the previous fiscal year to 0.4 TWh, due to a higher load factor of power plants for PPSs (power producers and suppliers). As a result, electricity sales volume in the electric power business as a whole decreased 5.5% from the same period of the previous fiscal year to 13.5 TWh.

#### 2) Overview of Income and Expenditures

Although a lower load factor at thermal power plants due mainly to periodic inspections resulted in a decrease in revenues for the electric power business, an increase in revenues for other businesses resulted in a 0.9% increase in sales (operating revenues) from the same period of the previous fiscal year to 147.1 billion yen. Furthermore, ordinary income including non-operating revenues for the three months increased 0.3% to 151.1 billion yen from the same period of the previous fiscal year.

At the same time, despite a decrease in depreciation expenses due to progress in depreciation, operating expenses increased 3.8% compared to the same period of the previous fiscal year to 132.8 billion yen due to an increase in repair expenses accompanying periodic inspections. In addition, ordinary expenses including non-operating expenses for the three months increased 3.5% to 138.9 billion yen from the same period of the previous fiscal year.

As a result, ordinary income decreased 25.6% from the same period of the previous year to 12.1 billion yen, and net income after corporate tax decreased 26.1% from the same period of the previous fiscal year to 7.9 billion yen.

## **(2) Qualitative Information on Consolidated Financial Position**

Noncurrent assets increased 25.5 billion yen from the end of the previous fiscal year to 1.8753 trillion yen. This was due to an increase in capital investment in projects currently underdevelopment in Thailand despite a decrease in noncurrent assets accompanying progress in depreciation. As a result, total assets including current assets increased 82.3 billion yen from the end of the previous fiscal year to 2.0987 trillion yen.

At the same time, liabilities increased 73 billion yen from the end of the previous fiscal year, to 1.6832 trillion yen. Within this amount, interest-bearing debt increased 59.9 billion yen to 1.4957 trillion yen.

Net assets increased 9.3 billion yen from the end of the previous fiscal year to 415.5 billion yen, due mainly to an increase in foreign currency translation adjustments. As a result, the shareholders' equity ratio contracted from 20.2% at the end of the previous fiscal year to 19.8%.

## **(3) Qualitative Information on Consolidated Earnings Forecasts**

There is no change in our earnings forecasts announced in April 2012.

## **2. Summery Information (Notes)**

Change in Accounting Policy, Change in Accounting Estimates and Restatement

(Changes in accounting policy when differentiating changes in accounting estimates is difficult)

In line with revision of the Corporation Tax Act, effective the first quarter of the current consolidated fiscal year, buildings, structures, machinery and equipment acquired by the Company and its consolidated subsidiaries in Japan after April 1, 2012 have changed over to the depreciation method in accordance with the Corporation Tax Act after revision.

This change will have a minimal effect on profit and loss.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Unit: million yen)

	As of Mar. 31, 2012	As of June 30, 2012
<b>Assets</b>		
Noncurrent assets	1,849,786	1,875,335
Electric utility plant and equipment	1,111,251	1,094,728
Hydroelectric power production facilities	374,510	371,856
Thermal power production facilities	423,049	413,148
Internal combustion engine power production facilities	4,296	4,211
Renewable power production facilities	34,479	33,816
Transmission facilities	186,274	183,981
Transformation facilities	31,774	31,380
Communication facilities	9,065	8,675
General facilities	47,801	47,659
Other noncurrent assets	65,657	72,855
Construction in progress	380,425	402,444
Construction and retirement in progress	380,425	402,444
Nuclear fuel	54,157	54,540
Nuclear fuel in processing	54,157	54,540
Investments and other assets	238,295	250,765
Long-term investments	181,132	188,771
Deferred tax assets	52,571	52,971
Other	5,653	10,106
Allowance for doubtful accounts	(1,062)	(1,084)
Current assets	166,607	223,435
Cash and deposits	35,112	75,390
Notes and accounts receivable-trade	59,283	60,387
Short-term investments	1,331	1,373
Inventories	34,972	38,054
Deferred tax assets	6,688	7,771
Other	29,284	40,526
Allowance for doubtful accounts	(63)	(68)
<b>Total assets</b>	<b>2,016,394</b>	<b>2,098,770</b>

(Unit: million yen)

	As of Mar. 31,2012	As of June 30, 2012
<b>Liabilities</b>		
Noncurrent liabilities	1,324,663	1,301,165
Bonds payable	714,914	694,918
Long-term loans payable	522,407	516,288
Lease obligations	983	1,047
Provision for retirement benefits	58,015	58,331
Other provision	25	30
Asset retirement obligations	4,585	4,740
Deferred tax liabilities	6,390	7,511
Other	17,339	18,298
Current liabilities	284,761	381,292
Current portion of noncurrent liabilities	166,342	215,319
Short-term loans payable	18,443	23,451
Commercial papers	12,999	45,995
Notes and accounts payable-trade	20,011	26,055
Accrued taxes	11,408	5,653
Other provision	325	248
Asset retirement obligations	626	676
Deferred tax liabilities	4	2
Other	54,599	63,890
Reserves under the special laws	777	780
Reserve for fluctuation in water levels	777	780
<b>Total liabilities</b>	<b>1,610,202</b>	<b>1,683,239</b>
<b>Net assets</b>		
Shareholders' equity	441,369	444,088
Capital stock	152,449	152,449
Capital surplus	81,849	81,849
Retained earnings	270,334	273,053
Treasury stock	(63,264)	(63,264)
Accumulated other comprehensive income	(33,985)	(27,565)
Valuation difference on available-for-sale securities	(772)	(3,062)
Deferred gains or losses on hedges	(4,209)	(6,171)
Foreign currency translation adjustment	(29,003)	(18,331)
Minority interests	(1,191)	(991)
<b>Total net assets</b>	<b>406,192</b>	<b>415,531</b>
<b>Total liabilities and net assets</b>	<b>2,016,394</b>	<b>2,098,770</b>

## (2) Consolidated Statements of Income and Comprehensive Income

### Consolidated statements of income

(Unit: million yen)

	Three Months ended June 30, 2011	Three Months ended June 30, 2012
Operating revenue	145,870	147,144
Electric utility operating revenue	137,086	136,784
Other business operating revenue	8,784	10,359
Operating expenses	128,004	132,817
Electric utility operating expenses	117,066	120,064
Other business operating expenses	10,937	12,752
Operating income	17,866	14,326
Non-operating income	4,772	3,980
Dividends income	789	655
Interest income	452	449
Equity in earnings of affiliates	1,385	2,522
Foreign exchange gains	1,281	-
Other	863	353
Non-operating expenses	6,318	6,168
Interest expenses	5,550	5,375
Other	768	792
Total ordinary revenue	150,642	151,125
Total ordinary expenses	134,322	138,986
Ordinary income	16,320	12,138
Provision or reversal of reserve for fluctuation in water levels	26	3
Provision of reserve for fluctuation in water levels	26	3
Income before income taxes and minority interests	16,293	12,135
Income taxes-current	2,174	1,855
Income taxes-deferred	3,269	2,467
Total income taxes	5,444	4,323
Income before minority interests	10,849	7,811
Minority interests in income (loss)	63	(159)
Net income	10,786	7,971

Consolidated statements of comprehensive income

(Unit: million yen)

	Three Months ended June 30, 2011	Three Months ended June 30, 2012
Income before minority interests	10,849	7,811
Other comprehensive income		
Valuation difference on available-for-sale securities	(936)	(2,295)
Deferred gains or losses on hedges	52	(2,188)
Foreign currency translation adjustment	2,530	5,526
Share of other comprehensive income of associates accounted for using equity method	410	5,736
Total other comprehensive income	2,056	6,778
Comprehensive income	12,905	14,590
(Comprehensive income attributable to-abstract)		
Comprehensive income attributable to owners of the parent	12,781	14,390
Comprehensive income attributable to minority interests	124	199

**(3) Notes on Premise of Going Concern**

There are no applicable items.

**(4) Notes on Significant Changes in Shareholders' Equity**

There are no applicable items.

## 4. Appendixes

[Appendix 1]

### Revenues and Expenses (Consolidated)

	Three months ended	Three months ended	(B) - (A)	(B-A)/(A)
	June 30, 2011 (A)	June 30, 2012 (B)	(B) - (A)	(B-A)/(A)
	million yen	million yen	million yen	%
Operating revenue	145,870	147,144	1,273	0.9
Electric utility operating revenue	137,086	136,784	(301)	(0.2)
Electric power sales	123,555	123,475	(79)	(0.1)
Wholesale power business	119,374	117,589	(1,784)	(1.5)
Hydroelectric	28,671	28,498	(172)	(0.6)
Thermal	90,702	89,090	(1,611)	(1.8)
Other electric power businesses	4,181	5,885	1,704	40.8
Transmission revenues	13,258	13,083	(174)	(1.3)
Other electricity revenues	272	225	(47)	(17.3)
Other business operating revenue	8,784	10,359	1,575	17.9
Operating expenses	128,004	132,817	4,813	3.8
Electric utility operating expenses	117,066	120,064	2,998	2.6
Personnel expense	8,712	8,284	(427)	(4.9)
Fuel cost	48,083	50,972	2,889	6.0
Repair expense	11,657	15,129	3,471	29.8
Consignment cost	7,587	7,171	(416)	(5.5)
Taxes and duties	6,648	6,485	(163)	(2.5)
Depreciation and amortization cost	24,639	22,223	(2,415)	(9.8)
Other	9,737	9,798	60	0.6
Other business operating expenses	10,937	12,752	1,815	16.6
Operating income	17,866	14,326	(3,539)	(19.8)
Non-operating revenue	4,772	3,980	(791)	(16.6)
Dividend income	789	655	(134)	(17.0)
Interest income	452	449	(3)	(0.7)
Equity income of affiliates	1,385	2,522	1,136	82.0
Foreign exchange gains	1,281	-	(1,281)	-
Other	863	353	(509)	(59.0)
Non-operating expenses	6,318	6,168	(149)	(2.4)
Interest expenses	5,550	5,375	(174)	(3.1)
Other	768	792	24	3.2
Total ordinary revenues	150,642	151,125	482	0.3
Total ordinary expenses	134,322	138,986	4,663	3.5
Ordinary income	16,320	12,138	(4,181)	(25.6)
(Provision for) reversal of reserve for fluctuation in water level	26	3	(23)	(86.7)
Income before income taxes and minority interests	16,293	12,135	(4,158)	(25.5)
Income taxes – current	2,174	1,855	(318)	(14.7)
Income taxes – deferred	3,269	2,467	(801)	(24.5)
Income before minority interests	10,849	7,811	(3,037)	(28.0)
Minority interests in income (loss)	63	(159)	(222)	-
Net income	10,786	7,971	(2,814)	(26.1)

[Appendix 2]

(1) Generation capacity

(Unit: kW)

	Three months ended June 30, 2011 (A)	Three months ended June 30, 2012 (B)	(B) – (A)
Wholesale electric power business	16,992,500	16,997,500	5,000
Hydroelectric	8,565,500	8,570,500	5,000
Thermal	8,427,000	8,427,000	-
Other electric power businesses (*)	704,510	704,510	-
Total	17,697,010	17,702,010	5,000

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

(2) Electricity sales volume and revenues

(Unit: GWh, million yen)

	Three months ended June 30, 2011 (A)		Three months ended June 30, 2012 (B)		(B) – (A)	
	Electricity sales volume	Revenues	Electricity sales volume	Revenues	Electricity sales volume	Revenues
Wholesale electric power business	14,013	119,374	13,147	117,589	(865)	(1,784)
Hydroelectric	2,913	28,671	2,805	28,498	(108)	(172)
Thermal	11,100	90,702	10,342	89,090	(757)	(1,611)
Other electric power businesses (*)	366	4,181	445	5,885	79	1,704
Subtotal	14,380	123,555	13,593	123,475	(786)	(79)
Transmission	-	13,258	-	13,083	-	(174)
Total	14,380	136,813	13,593	136,559	(786)	(254)

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

(3) Water supply rate

(Unit: %)

	Three months ended June 30, 2011 (A)	Three months ended June 30, 2012 (B)	(B) – (A)
Water supply rate	106	110	4

[Appendix 3]

### Revenues and Expenses (Non-consolidated)

	Three months ended June 30, 2011 (A)	Three months ended June 30, 2012 (B)	(B) - (A)	(B-A)/(A)
	million yen	million yen	million yen	%
Operating revenues	135,255	134,566	(689)	(0.5)
Electric utility operating revenues	133,675	131,664	(2,010)	(1.5)
Electric power sales	119,374	117,589	(1,784)	(1.5)
Hydroelectric	28,671	28,498	(172)	(0.6)
Thermal	90,702	89,090	(1,611)	(1.8)
Transmission revenue	13,258	13,083	(174)	(1.3)
Other electricity revenue	1,042	990	(51)	(5.0)
Incidental business revenue	1,580	2,902	1,321	83.6
Operating expenses	118,015	120,990	2,975	2.5
Electric utility operating expenses	116,561	118,205	1,643	1.4
Personnel expense	8,689	8,261	(427)	(4.9)
Fuel cost	46,472	48,254	1,781	3.8
Repair expense	11,671	15,633	3,962	33.9
Taxes and duties	6,475	6,279	(195)	(3.0)
Depreciation and amortization cost	24,472	22,016	(2,456)	(10.0)
Other	18,779	17,758	(1,020)	(5.4)
Incidental business operating expenses	1,453	2,785	1,331	91.6
Operating income	17,240	13,575	(3,664)	(21.3)
Non-operating revenues	5,937	3,658	(2,278)	(38.4)
Non-operating expenses	5,829	5,593	(235)	(4.0)
Interest expenses	5,175	4,991	(183)	(3.5)
Other	654	601	(52)	(8.0)
Total ordinary revenues	141,193	138,225	(2,967)	(2.1)
Total ordinary expenses	123,844	126,584	2,739	2.2
Ordinary income	17,348	11,641	(5,707)	(32.9)
(Provision for) reversal of reserve for fluctuation in water level	26	3	(23)	(86.7)
Income before income taxes and minority interests	17,321	11,637	(5,684)	(32.8)
Income taxes – current	1,690	1,262	(427)	(25.3)
Income taxes – deferred	3,364	2,027	(1,336)	(39.7)
Net income	12,266	8,347	(3,919)	(32.0)