

This is an English translation of the Quarterly Financial Results (*Kessan Tanshin*) filed with the Tokyo Stock Exchange on January 31, 2014. Please note that if there is any discrepancy, the original Japanese version will take priority.



(English Translation)

Quarterly Financial Results (Unaudited) (for the Nine Months Ended December 31, 2013)

January 31, 2014

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

Listed exchange: Tokyo Stock Exchange (Code: 9513)

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Scheduled date for filing of a quarterly report: February 5, 2014

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, 2013 to December 31, 2013)

(1) Consolidated Operating Results

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

	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended Dec. 31, 2013	519,592	6.5	50,865	(6.0)	41,919	(12.5)	30,282	(7.1)
Nine months ended Dec. 31, 2012	487,795	0.9	54,120	0.3	47,906	5.4	32,606	38.2

(Note) Comprehensive income: Nine months ended Dec. 31, 2013 63,256 million yen 91.8%
 Nine months ended Dec. 31, 2012 32,986 million yen 861.8%

	Net income per share	Fully diluted net income per share
	yen	yen
Nine months ended Dec. 31, 2013	201.82	—
Nine months ended Dec. 31, 2012	217.30	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
Nine months ended Dec. 31, 2013	2,338,620	508,874	21.6
Year ended March 31, 2013	2,169,909	453,885	20.9

(Reference) Shareholders' equity: Nine months ended Dec. 31, 2013 506,272 million yen
 Year ended March 31, 2013 453,905 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, 2013	—	35.00	—	35.00	70.00
Year ending March 31, 2014	—	35.00	—		
Year ending March 31, 2014 (forecasts)				35.00	70.00

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

3. Consolidated Earnings Forecasts for the Year Ending March 31, 2014 (From April 1, 2013 to March 31, 2014)

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

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2014	706,000	7.6	60,000	10.0	43,000	(4.1)	30,000	0.6	199.93

(Note) Revisions to consolidated earnings forecasts in the current quarter: Yes

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.: None
 - 2) Changes in accounting policies except 1): None
 - 3) Changes in accounting estimates: None
 - 4) Restatement of corrections: None
- (4) Number of shares issued (common stock)
 - 1) Number of shares issued at the end of the period (including treasury stock)

Nine months ended Dec. 31, 2013:	166,569,600
Year ended March 31, 2013:	166,569,600
 - 2) Treasury stock at the end of the period

Nine months ended Dec. 31, 2013:	16,518,071
Year ended March 31, 2013:	16,517,290
 - 3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2013:	150,051,885
Nine months ended Dec. 31, 2012:	150,052,710

* Presentation for quarterly review procedures

- This report does not apply to quarterly review procedures based on the Financial Instruments and Exchange Act. 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 Company has revised its earnings forecasts for the year ending March 31, 2014 announced on October 31, 2013. Please refer to "Qualitative Information on Consolidated Earnings Forecasts" on page 3.
- 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.

[Reference]

Non-consolidated Earnings Forecasts for the Year Ending March 31, 2014 (From April 1, 2013 to March 31, 2014)

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

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2014	583,000	(0.7)	43,000	(0.8)	35,000	21.4	27,000	45.2	179.94

(Note) Revisions to non-consolidated earnings forecasts in the current quarter: Yes

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1. Qualitative Information on Consolidated Financial Results

(1) Qualitative Information on Consolidated Operating Results

1) Electricity Sales Volume

In the wholesale electric power business, sales volumes from hydroelectric power plants for the nine months ended December 31, 2013 showed 2.3% year-on-year decrease to 6.8 TWh. This was mainly due to a decrease in the water supply rate from 100% in the same period of the previous fiscal year to 97%. In thermal power sales, a decrease in the load factor of thermal power plants from 80% to 79% resulted in 1.3% decrease in electricity sales volume from the same period of the previous fiscal year to 40.9 TWh. As a result, total electricity sales volume from both hydroelectric and thermal power plants decreased 1.5% from the same period of the previous fiscal year to 47.7 TWh. Electricity sales volume in the other electric power businesses was 1.5 TWh, an increase of 5.6% from the same period of the previous fiscal year, due mainly to the inclusion from September 2013 of Mihama Seaside Power Co., Ltd. as a consolidated subsidiary. As a result, electricity sales volume in the electric power business as a whole decreased 1.3% from the same period of the previous fiscal year to 49.3 TWh.

Also, electricity sales volume in the overseas business was 2.3 TWh, due to the commencement of commercial operation of Small Power Producers (SPP) projects in Thailand in January of last year.

2) Overview of Income and Expenditures

Although a decrease in the water supply rate in the hydroelectric power business and a decrease in the thermal power plant load factor in the thermal power business resulted in a decrease in revenue, the commencement of commercial operation of SPP projects in Thailand increased revenue from the same period of the previous fiscal year. As a result, sales (operating revenue) increased 6.5% from the same period of the previous fiscal year to 519.5 billion yen. Furthermore ordinary revenue, including non-operating revenue, for the nine months also increased 7.5% from the same period of the previous fiscal year to 537.5 billion yen.

At the same time, despite a decrease in depreciation expenses in the electric power business due to progress in fixed rate depreciation, operating expenses increased 8.1% from the same period of the previous fiscal year to 468.7 billion yen, due mainly to an increase in fuel costs with the commencement of commercial operations of SPP projects in Thailand. In addition, ordinary expenses, including non-operating expenses, for the nine months increased 9.6% from the same period of the previous fiscal year to 495.5 billion yen.

As a result, ordinary income decreased 12.5% from the same period of the previous fiscal year to 41.9 billion yen and net income after income taxes decreased 7.1% from the same period of the previous fiscal year to 30.2 billion yen.

(2) Qualitative Information on Consolidated Financial Position

Total assets increased 168.7 billion yen from the end of the previous fiscal year to 2.3386 trillion yen. This was due mainly to an increase in capital investment in the projects under development in Thailand.

At the same time, total liabilities increased 113.7 billion yen from the end of the previous fiscal year to 1.8297 trillion yen. Within this amount, interest-bearing debt increased 94.2 billion yen from

the end of the previous fiscal year to 1.6173 trillion yen. Non-recourse loans accounted for 236.5 billion yen of the interest-bearing debt.

Further, total net assets increased 54.9 billion yen from the end of the previous fiscal year to 508.8 billion yen, due mainly to the posting of net income for the nine months and an increase in foreign currency translation adjustments. As a result, the shareholders' equity ratio increased from 20.9% at the end of the previous fiscal year to 21.6%.

(3) Qualitative Information on Consolidated Earnings Forecasts

For the earnings forecasts for the fiscal year ending March 2014, we anticipate an increase in operating revenues and operating income due mainly to an increase in electricity sales volume; on the other hand, we expect ordinary income and net income to finish below our previous forecasts (announced on October 31, 2013) due mainly to the posting of non-operating expenses (foreign exchange losses). We expect non-consolidated ordinary income and net income to be above our previous forecasts, due mainly to dividend income from subsidiaries.

Consolidated earnings forecasts (Year ending March 31, 2014)

	Revised forecast (million yen)	Previous forecast (million yen)	Year ended Mar. 31, 2013 (Result) (million yen)
Operating Revenue	706,000	702,000	656,056
Operating Income	60,000	59,000	54,566
Ordinary Income	43,000	45,000	44,825
Net Income	30,000	33,000	29,808

Electricity sales volume and other factors (Year ending March 31, 2014)

	Revised forecast	Previous forecast	Year ended Mar. 31, 2013 (Result)
Hydroelectric electricity sales volume (TWh)	8.6	8.4	9.0
Thermal electricity sales volume (TWh)	54.3	54.1	54.3
Water supply rate (%)	97	94	102
Thermal power load factor (%)	79	79	78
Foreign exchange rate (Interbank rate) (yen/US\$)	approx. 100	approx. 100	83

[Reference]

Non-consolidated earnings forecasts (Year ending March 31, 2014)

	Revised forecast (million yen)	Previous forecast (million yen)	Year ended Mar. 31, 2013 (Result) (million yen)
Operating Revenue	583,000	581,000	586,993
Operating Income	43,000	43,000	43,333
Ordinary Income	35,000	29,000	28,839
Net Income	27,000	21,000	18,594

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: millions yen)

	As of Mar. 31, 2013	As of Dec. 31, 2013
Assets		
Noncurrent assets	1,975,202	2,116,517
Electric utility plant and equipment	1,058,849	1,025,756
Hydroelectric power production facilities	363,437	356,951
Thermal power production facilities	387,957	368,912
Internal combustion engine power production facilities	3,956	5,470
Renewable power production facilities	31,358	29,525
Transmission facilities	185,754	178,805
Transformation facilities	30,608	30,124
Communication facilities	8,638	7,778
General facilities	47,137	48,188
Other noncurrent assets	118,840	211,519
Construction in progress	464,674	509,794
Construction and retirement in progress	464,674	509,794
Nuclear fuel	59,769	68,905
Nuclear fuel in processing	59,769	68,905
Investments and other assets	273,067	300,541
Long-term investments	202,464	242,647
Deferred tax assets	47,234	41,739
Other	24,416	16,833
Allowance for doubtful accounts	(1,047)	(678)
Current assets	194,707	222,103
Cash and deposits	49,283	47,805
Notes and accounts receivable-trade	61,644	49,719
Short-term investments	402	28,601
Inventories	38,160	40,878
Deferred tax assets	7,423	5,908
Other	37,847	49,191
Allowance for doubtful accounts	(54)	(1)
Total assets	2,169,909	2,338,620

(Unit: millions yen)

	As of Mar. 31, 2013	As of Dec. 31, 2013
Liabilities		
Noncurrent liabilities	1,402,287	1,510,842
Bonds payable	694,930	704,941
Long-term loans payable	608,977	704,517
Lease obligations	982	1,060
Provision for retirement benefits	59,012	54,971
Other provision	36	38
Asset retirement obligations	3,971	6,297
Deferred tax liabilities	7,801	11,487
Other	26,574	27,528
Current liabilities	313,311	318,690
Current portion of noncurrent liabilities	196,999	186,796
Short-term loans payable	18,475	20,229
Commercial papers	3,999	-
Notes and accounts payable-trade	25,049	31,179
Accrued taxes	10,811	7,583
Other provision	273	284
Asset retirement obligations	1,495	501
Deferred tax liabilities	3	4
Other	56,202	72,110
Reserves under the special laws	425	213
Reserve for fluctuation in water levels	425	213
Total liabilities	1,716,024	1,829,745
Net assets		
Shareholders' equity	460,673	480,449
Capital stock	152,449	152,449
Capital surplus	81,849	81,849
Retained earnings	289,639	309,418
Treasury stock	(63,265)	(63,267)
Accumulated other comprehensive income	(6,768)	25,822
Valuation difference on available-for-sale securities	4,855	12,728
Deferred gains or losses on hedges	(6,929)	701
Foreign currency translation adjustment	(4,693)	12,392
Minority interests	(19)	2,601
Total net assets	453,885	508,874
Total liabilities and net assets	2,169,909	2,338,620

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated statements of income

	(Unit: millions yen)	
	Nine Months ended Dec. 31, 2012	Nine Months ended Dec. 31, 2013
Operating revenue	487,795	519,592
Electric utility operating revenue	454,955	456,723
Other business operating revenue	32,840	62,868
Operating expenses	433,675	468,726
Electric utility operating expenses	394,273	403,209
Other business operating expenses	39,401	65,517
Operating income	54,120	50,865
Non-operating income	12,094	17,909
Dividends income	1,297	1,432
Interest income	902	753
Equity in earnings of affiliates	8,030	13,466
Other	1,863	2,256
Non-operating expenses	18,308	26,855
Interest expenses	16,660	18,564
Foreign exchange losses	-	5,868
Other	1,647	2,423
Total ordinary revenue	499,890	537,501
Total ordinary expenses	451,983	495,582
Ordinary income	47,906	41,919
Provision or reversal of reserve for fluctuation in water levels	(333)	(212)
Reversal of reserve for fluctuation in water levels	(333)	(212)
Extraordinary income	-	2,326
Insurance income	-	2,326
Income before income taxes and minority interests	48,239	44,457
Income taxes-current	11,439	9,126
Income taxes-deferred	4,176	5,584
Total income taxes	15,616	14,711
Income before minority interests	32,623	29,746
Minority interests in income (loss)	16	(536)
Net income	32,606	30,282

Consolidated statements of comprehensive income

(Unit: millions yen)

	Nine Months ended Dec. 31, 2012	Nine Months ended Dec. 31, 2013
Income before minority interests	32,623	29,746
Other comprehensive income		
Valuation difference on available-for-sale securities	1,406	7,865
Deferred gains or losses on hedges	(4,017)	7,779
Foreign currency translation adjustment	1,995	7,465
Share of other comprehensive income of associates accounted for using equity method	979	10,400
Total other comprehensive income	363	33,510
Comprehensive income	32,986	63,256
(Comprehensive income attributable to abstract)		
Comprehensive income attributable to owners of the parent	33,184	62,873
Comprehensive income attributable to minority interests	(197)	382

(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.

3. Appendixes

[Appendix 1]

Revenues and Expenses (Consolidated)

	Nine months ended Dec 31, 2012 (A)	Nine months ended Dec 31, 2013 (B)	(B) – (A)	(B-A)/A
	million yen	million yen	million yen	%
Operating revenue	487,795	519,592	31,796	6.5
Electric utility operating revenue	454,955	456,723	1,767	0.4
Electric power sales	414,450	416,519	2,068	0.5
Wholesale power business	394,423	390,970	(3,452)	(0.9)
Hydroelectric	80,423	80,361	(61)	(0.1)
Thermal	313,999	310,608	(3,390)	(1.1)
Other electric power businesses	20,027	25,548	5,521	27.6
Transmission revenue	39,268	38,828	(440)	(1.1)
Other electricity revenue	1,236	1,375	139	11.3
Other business operating revenue	32,840	62,868	30,028	91.4
Operating expenses	433,675	468,726	35,051	8.1
Electric utility operating expenses	394,273	403,209	8,935	2.3
Personnel expense	25,036	22,281	(2,754)	(11.0)
Fuel cost	187,952	199,109	11,157	5.9
Repair expense	36,753	40,874	4,120	11.2
Consignment cost	21,585	20,486	(1,098)	(5.1)
Taxes and duties	20,225	19,782	(443)	(2.2)
Depreciation and amortization cost	67,389	61,359	(6,030)	(8.9)
Other	35,329	39,315	3,985	11.3
Other business operating expenses	39,401	65,517	26,115	66.3
Operating income	54,120	50,865	(3,255)	(6.0)
Non-operating income	12,094	17,909	5,814	48.1
Dividend income	1,297	1,432	134	10.4
Interest income	902	753	(149)	(16.5)
Equity income of affiliates	8,030	13,466	5,436	67.7
Other	1,863	2,256	392	21.1
Non-operating expenses	18,308	26,855	8,547	46.7
Interest expenses	16,660	18,564	1,903	11.4
Foreign exchange losses	-	5,868	5,868	-
Other	1,647	2,423	775	47.1
Total ordinary revenue	499,890	537,501	37,611	7.5
Total ordinary expenses	451,983	495,582	43,598	9.6
Ordinary income	47,906	41,919	(5,987)	(12.5)
(Provision for) reversal of reserve for fluctuation in water levels	(333)	(212)	120	-
Extraordinary income	-	2,326	2,326	-
Income before income taxes and minority interests	48,239	44,457	(3,782)	(7.8)
Income taxes – current	11,439	9,126	(2,312)	(20.2)
Income taxes – deferred	4,176	5,584	1,407	33.7
Income before minority interests	32,623	29,746	(2,877)	(8.8)
Minority interests in income (loss)	16	(536)	(553)	-
Net income	32,606	30,282	(2,323)	(7.1)

[Appendix 2]

(1) Generation capacity

(Unit: kW)

	As of Dec 31, 2012 (A)	As of Dec 31, 2013 (B)	(B) – (A)
Electric power business	17,687,510	17,754,280	66,770
Wholesale electric power business	16,983,000	16,945,000	(38,000)
Hydroelectric	8,556,000	8,556,000	-
Thermal	8,427,000	8,389,000	(38,000)
Other electric power businesses (*1)	704,510	809,280	104,770
Overseas business (*2)	-	670,000	670,000
Total	17,687,510	18,424,280	736,770

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

(*2) Overseas business includes power plants for SPP projects in Thailand.

(2) Electricity sales volume and revenues

(Unit: GWh, million yen)

	As of Dec 31, 2012 (A)		As of Dec 31, 2013 (B)		(B) – (A)	
	Electricity sales volume	Revenues	Electricity sales volume	Revenues	Electricity sales volume	Revenues
Electric power business	50,007	414,450	49,382	416,519	(625)	2,068
Wholesale electric power business	48,497	394,423	47,788	390,970	(709)	(3,452)
Hydroelectric	6,995	80,423	6,835	80,361	(160)	(61)
Thermal	41,501	313,999	40,952	310,608	(549)	(3,390)
Other electric power businesses (*1)	1,510	20,027	1,594	25,548	84	5,521
Overseas business (*2)	-	-	2,393	25,487	2,393	25,487
Total	50,007	414,450	51,776	442,006	1,768	27,556

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

(*2) Overseas business includes power plants for SPP projects in Thailand.

(3) Water supply rate

(Unit: %)

	As of Dec 31, 2012 (A)	As of Dec 31, 2013 (B)	(B) – (A)
Water supply rate	100	97	(3)

[Appendix 3]

Revenues and Expenses (Non-consolidated)

	Nine months ended Dec 31, 2012 (A)	Nine months ended Dec 31, 2013 (B)	(B) – (A)	(B-A)/A
	million yen	million yen	million yen	%
Operating revenue	444,554	438,500	(6,053)	(1.4)
Electric utility operating revenue	437,080	432,466	(4,613)	(1.1)
Electric power sales	394,423	391,013	(3,409)	(0.9)
Hydroelectric	80,423	80,361	(61)	(0.1)
Thermal	313,999	310,652	(3,347)	(1.1)
Transmission revenue	39,268	38,828	(440)	(1.1)
Other electricity revenue	3,387	2,623	(764)	(22.6)
Incidental business operating revenue	7,474	6,034	(1,440)	(19.3)
Operating expenses	394,626	397,883	3,256	0.8
Electric utility operating expenses	387,771	392,516	4,745	1.2
Personnel expense	24,956	22,190	(2,766)	(11.1)
Fuel cost	179,399	188,564	9,165	5.1
Repair expense	37,757	41,493	3,735	9.9
Taxes and duties	19,484	19,007	(476)	(2.4)
Depreciation and amortization cost	66,785	60,690	(6,095)	(9.1)
Other	59,387	60,570	1,182	2.0
Incidental business operating expenses	6,855	5,366	(1,488)	(21.7)
Operating income	49,927	40,617	(9,310)	(18.6)
Non-operating income	6,244	10,060	3,816	61.1
Non-operating expenses	16,745	16,883	138	0.8
Financial expenses	15,603	15,315	(287)	(1.8)
Other	1,142	1,568	426	37.3
Total ordinary revenue	450,798	448,561	(2,237)	(0.5)
Total ordinary expenses	411,372	414,767	3,395	0.8
Ordinary income	39,426	33,793	(5,632)	(14.3)
(Provision for) reversal of reserve for fluctuation in water levels	(333)	(212)	120	–
Income before income taxes	39,759	34,006	(5,753)	(14.5)
Income taxes – current	9,724	5,214	(4,509)	(46.4)
Income taxes – deferred	2,810	4,468	1,657	59.0
Net income	27,224	24,323	(2,901)	(10.7)