

This is an English translation of the Financial Results (*Kessan Tanshin*) filed with the Tokyo Stock Exchange on October 31, 2016. Please note that if there is any discrepancy, the original Japanese version will take priority.



(English Translation)

Quarterly Financial Results (Unaudited) (for the Six Months Ended September 30, 2016)

October 31, 2016

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

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Scheduled date for filing of a quarterly report: November 1, 2016
 Scheduled date of dividend payment commencement: November 30, 2016
 Preparation of supplementary explanations material: Yes
 Quarterly financial results presentation held: Yes (for institutional investors and securities analysts)

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

1. Consolidated Financial Results (From April 1, 2016 to September 30, 2016)

(1) Consolidated Operating Results

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

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended Sep. 30, 2016	346,623	(13.3)	43,125	(26.9)	36,561	(26.9)	27,193	(25.9)
Six months ended Sep. 30, 2015	400,001	14.7	59,032	62.8	49,991	56.0	36,718	54.9

(Note) Comprehensive income: Six months ended Sep. 30, 2016 (24,990) million yen - %
 Six months ended Sep. 30, 2015 31,408 million yen 91.8 %

	Earnings per share	Fully diluted earnings per share
	yen	yen
Six months ended Sep. 30, 2016	148.56	—
Six months ended Sep. 30, 2015	200.59	—

(Note) Accounting policies were partially changed from the three months ended June 30, 2016 and the figures for six months ended Sep. 30, 2015 reflect retroactive application of the change. For the details, please refer to "Inclusion of loan interest in asset acquisition cost" under "Summary Information (Notes)" on page 4.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
Six months ended Sep. 30, 2016	2,481,641	683,057	26.4
Year ended March 31, 2016	2,540,723	675,433	26.2

(Reference) Shareholders' equity: Six months ended Sep. 30, 2016 654,924 million yen
 Year ended March 31, 2016 666,593 million yen

(Note) Accounting policies were partially changed from the three months ended June 30, 2016 and the figures for the year ended March 31, 2016 reflect retroactive application of the change. For the details, please refer to "Inclusion of loan interest in asset acquisition cost" under "Summary Information (Notes)" on page 4.

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, 2016	—	35.00	—	35.00	70.00
Year ending March 31, 2017	—	35.00			
Year ending March 31, 2017 (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, 2017 (From April 1, 2016 to March 31, 2017)

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

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2017	713,000	(8.6)	73,000	(17.0)	53,000	(9.5)	37,000	(7.7)	202.13

(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): Yes
 - 3) Changes in accounting estimates: Yes
 - 4) Restatement of corrections: None

Note: For the details, please refer to "Summary Information (Notes)" on page 4.

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

Six months ended Sep. 30, 2016:	183,051,100
Year ended March 31, 2016:	183,051,100
 - 2) Treasury stock at the end of the period

Six months ended Sep. 30, 2016:	1,231
Year ended March 31, 2016:	1,191
 - 3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2016:	183,049,884
Six months ended Sep. 30, 2015:	183,050,257

* 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 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.

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1. Qualitative Information on Consolidated Financial Results

Accounting policies regarding “Inclusion of loan interest in asset acquisition cost” were changed from this fiscal year, and the comparison with the previous fiscal year is based on figures after retroactively applying the change.

(1) Qualitative Information on Consolidated Operating Results

1) Electricity Sales Volume

In the electric power business, electricity sales volume from hydroelectric power plants for the six months ended September 30, 2016 showed 23.7% decrease to 4.5 TWh, due mainly to the decrease of water supply rate from 109% in the same period of the previous fiscal year to 88%. In thermal power, a decrease in the load factor of thermal power plants of J-POWER (non-consolidated) from 79% to 70% resulted in 11.3% decrease in electricity sales volume from the same period of the previous fiscal year to 24.5TWh. Mainly due to these factors, total electricity sales volume in the electric power business decreased 13.4% from the same period of the previous fiscal year to 29.4TWh.

Electricity sales volume in the overseas business increased 37.4% from the same period of the previous fiscal year to 7.9 TWh. This was mainly due to the operation of U-Thai IPP project in Thailand, which commenced commercial operation in 2015 (unit No.1 in June 2015, unit No.2 in December 2015), throughout the term.

2) Overview of Income and Expenditures

Sales (operating revenues) decreased 13.3% from the same period of the previous fiscal year to 346.6 billion yen mainly due to the decline of the fuel price and the decrease of the load factor of thermal power plants in the electric power business. Total ordinary revenue including non-operating income also decreased 13.0% from the same period of the previous fiscal year to 357.9 billion yen.

Although the increase of retirement benefit expenses and maintenance costs including periodic inspection costs was a factor to increase operating expenses, operating expenses resulted in 11.0% decrease from the same period of the previous fiscal year to 303.4 billion yen mainly due to the decrease of fuel costs associated with the decline of the fuel price and the decrease of the load factor of thermal power plants, in addition to the decrease of depreciation and amortization costs as a result of J-POWER's change of the depreciation and amortization method (from declining-balance method to straight-line method) from this fiscal year. Total ordinary expenses including non-operating expenses decreased 11.1% from the same period of the previous fiscal year to 321.3 billion yen.

As a result, ordinary income decreased 26.9% from the same period of the previous fiscal year to 36.5 billion yen and profit attributable to owners of parent after corporate income tax decreased 25.9% from the same period of the previous fiscal year to 27.1 billion yen.

(2) Qualitative Information on Consolidated Financial Position

1) Condition of Assets, Liabilities and Net Assets

Total assets decreased 59.0 billion yen from the end of the previous fiscal year to 2.4816 trillion yen due mainly to stronger yen.

Total liabilities decreased 66.7 billion yen from the end of the previous fiscal year to 1.7985 trillion yen. Of this amount, interest-bearing debt decreased 60.1 billion yen from the end of the previous fiscal year to 1.5686 trillion yen. Non-recourse loans in overseas business accounted for 270.8 billion yen of interest-bearing debt.

Total net assets increased 7.6 billion yen from the end of the previous fiscal year to 683.0 billion yen, due mainly to the transfer of part of shares in a consolidated subsidiary, in spite of the decrease in foreign currency translation adjustment associated with stronger yen.

As a result, the shareholders' equity ratio increased from 26.2% at the end of the previous fiscal year to 26.4%.

2) Condition of Cash Flows

(Cash flows from operating activities)

Cash inflow from operating activities decreased 23.9 billion yen from the same period of the previous fiscal year to 26.9 billion yen, due mainly to the decrease of profit before income taxes, and depreciation and amortization.

(Cash flows from investing activities)

Cash outflow from investing activities increased 16.8 billion yen from the same period of the previous fiscal year to 53.8 billion yen, due mainly to the decrease in collection of investment and loans receivable.

(Cash flows from financing activities)

Cash flows from financing activities reversed from 75.2 billion yen of outflow to 16.9 billion yen of inflow compared with the same period of the previous fiscal year, due mainly to the increase in funds procurement by corporate bonds and loans in addition to the transfer of part of shares in a consolidated subsidiary.

As a result of these activities, the balance of cash and cash equivalents as of September 30, 2016 decreased 15.7 billion yen from the end of the previous fiscal year to 144.1 billion yen.

(3) Qualitative Information on Consolidated Earnings Forecasts

There is no change in our consolidated earnings forecasts announced on April 28, 2016 and non-consolidated earnings forecasts announced on September 27, 2016.

2. Summary Information (Notes)

Changes in Accounting Policies, Accounting Estimates and Restatement of Corrections

Changes in Accounting Policy

(Recording of reserve for fluctuation in water levels)

J-POWER recorded a reserve for fluctuation in water levels to provide for losses caused by low water levels. However, its balance at the end of the previous fiscal year was reversed and added to retained earnings at the beginning of the current fiscal year in conjunction with the enactment of the “Act on the Partial Revision of the Electricity Business Act” (Act No. 72, 2014) on April 1, 2016, pursuant to the article 5 of the supplementary provisions to the “Ministerial Ordinance Concerning Reserve for Fluctuation in Water Levels” (Ordinance of the Ministry of Economy, Trade and Industry No. 53, 2016).

The reserve for fluctuation in water levels at the beginning of the six months ended September 30, 2016 was consequently reversed by 116 million yen and retained earnings increased by 83 million yen.

(Inclusion of loan interest in asset acquisition cost)

J-POWER included the interest on funds allocated to building electric utility plant and equipment in the construction cost for the assets concerned, pursuant to the “Electric Utility Accounting Regulations” (Ordinance of the Ministry of International Trade and Industry No. 57 of 1965), but has switched to an accounting method that does not include interest in the construction cost of the assets concerned from the three months ended June 30, 2016.

J-POWER previously calculated the rate for the wholesale electric power business on the cost basis which consists of fair assumed cost projected as necessary and fair return. However, the regulations for rates that stipulate cost basis were repealed with the abolishment of wholesale regulations in April 2016.

In light of this, J-POWER changed its accounting policy to properly reflect the impact of no longer systematically charging the future beneficiaries for the interest which had been included in the construction cost on electric utility plant and equipment and on construction in progress.

This change of the accounting policy was applied retroactively, and the consolidated financial statements for the previous fiscal year and the consolidated financial statements for the six months ended September 30, 2015 reflect the retroactive application.

The consolidated balance sheet for the previous fiscal year therefore shows a decrease by 3,978 million yen in electric utility plant and equipment and a decrease by 3,734 million yen in construction in progress, compared to the figures before retroactively applying this policy. The consolidated statement of income for the six months ended September 30, 2015 shows an increase by 269 million yen in operating income due to the decrease in depreciation and amortization cost, which resulted in 103 million yen decrease in both ordinary income and profit before income taxes when combined with an increase in interest expenses. Moreover, the balance of retained earnings at the beginning of the previous fiscal year declined by 5,911 million yen due to the reflection of the cumulative

impact on net assets at the beginning of the previous fiscal year.

(Application of the Practical Solution on a Change in Depreciation Method due to Tax Reform 2016)

Some consolidated subsidiaries in Japan applied the “Practical Solution on a Change in Depreciation Method due to Tax Reform 2016” (ASBJ PITF No. 32, June 17, 2016) from the three months ended June 30, 2016 in accordance with the revision of the Corporation Tax Act, and changed the method of depreciation for facilities attached to buildings and structures acquired on or after April 1, 2016 from the declining-balance method to the straight-line method.

This has no material impact on the consolidated financial statements for the six months ended September 30, 2016.

Changes in Accounting Policy Difficult to Differentiate from Changes in Accounting Estimates

(Method of depreciation for tangible non-current assets)

J-POWER previously used the declining-balance method of depreciation for buildings, structures, and machinery and equipment, but has applied the straight-line method from the three months ended June 30, 2016.

In the “Basic Energy Plan” (Cabinet resolution, April 2014) and the “Long-term Energy Supply-demand Outlook” (developed by Ministry of Economy, Trade and Industry, July 2015), coal-fired thermal power generation and hydroelectric power generation, which J-POWER regards as its core business, are positioned as important baseload power sources over the long-term.

The business environment for J-POWER changed significantly with the full liberalization of the retail power business and the abolishment of wholesale regulations in April 2016. With the end of the obligation to supply electricity to EPCOs in accordance with the abolishment of wholesale regulations, J-POWER is expected to contribute to activate the power market through supplying electricity to the wholesale power market. Given these conditions, J-POWER aims for achieving further growth and also fulfilling the expected role of activating the wholesale power market, which is essential to realize a competitive market, through stable operation of its price-competitive power generation facilities in the domestic market as the liberalization proceeds. In order to achieve these targets, J-POWER has designated the stable operation of its coal-fired thermal power plants, hydroelectric power plants and transmission or transformation facilities as a key initiative in its medium-term management plan.

We have therefore changed the method of depreciation for domestic business facilities to the straight-line method to better reflect the independent stable operation of domestic facilities in light of this environment.

This change resulted in a decrease in depreciation and amortization cost for the six months ended September 30, 2016, which increased operating income by 8,773 million yen and increased ordinary income and profit before income taxes by 8,774 million yen respectively.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Unit: million yen)

	As of Mar. 31, 2016	As of Sep. 30, 2016
Assets		
Non-current assets	2,232,286	2,167,999
Electric utility plant and equipment	948,252	959,166
Hydroelectric power production facilities	343,193	342,695
Thermal power production facilities	313,744	319,816
Internal combustion engine power production facilities	3,754	3,524
Renewable power production facilities	35,960	42,989
Transmission facilities	161,491	159,369
Transformation facilities	29,884	29,086
Communication facilities	8,449	7,986
General facilities	51,772	53,697
Overseas business facilities	357,448	307,213
Other non-current assets	101,827	87,956
Construction in progress	441,080	451,069
Construction and retirement in progress	441,080	451,069
Nuclear fuel	73,447	73,482
Nuclear fuel in processing	73,447	73,482
Investments and other assets	310,231	289,111
Long-term investments	234,506	208,429
Deferred tax assets	43,818	45,310
Other	31,950	35,417
Allowance for doubtful accounts	(45)	(45)
Current assets	308,436	313,642
Cash and deposits	87,659	113,262
Notes and accounts receivable-trade	66,312	76,529
Short-term investments	72,410	31,050
Inventories	41,199	43,792
Deferred tax assets	5,268	4,909
Other	35,601	44,143
Allowance for doubtful accounts	(14)	(45)
Total assets	2,540,723	2,481,641

(Unit: million yen)

	As of Mar. 31, 2016	As of Sep. 30, 2016
Liabilities		
Non-current liabilities	1,561,072	1,494,092
Bonds payable	575,079	499,886
Long-term loans payable	867,276	865,811
Lease obligations	479	431
Other provision	89	94
Net defined benefit liability	65,912	64,595
Asset retirement obligations	11,685	11,134
Deferred tax liabilities	18,294	15,893
Other	22,254	36,245
Current liabilities	304,100	304,491
Current portion of non-current liabilities	158,131	186,109
Short-term loans payable	28,009	16,608
Notes and accounts payable-trade	37,033	28,638
Accrued taxes	23,344	19,268
Other provision	265	208
Asset retirement obligations	635	556
Deferred tax liabilities	22	4
Other	56,656	53,095
Reserves under special laws	116	-
Reserve for fluctuation in water levels	116	-
Total liabilities	1,865,289	1,798,584
Net assets		
Shareholders' equity	650,817	681,832
Capital stock	180,502	180,502
Capital surplus	109,902	120,046
Retained earnings	360,418	381,289
Treasury shares	(4)	(4)
Accumulated other comprehensive income	15,775	(26,908)
Valuation difference on available-for-sale securities	12,516	10,466
Deferred gains or losses on hedges	(14,395)	(20,081)
Foreign currency translation adjustment	30,464	(8,416)
Remeasurements of defined benefit plans	(12,809)	(8,875)
Non-controlling interests	8,839	28,133
Total net assets	675,433	683,057
Total liabilities and net assets	2,540,723	2,481,641

(2) Consolidated Statement of Income and Comprehensive Income

Consolidated statement of income

(Unit: million yen)

	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016
Operating revenue	400,001	346,623
Electric utility operating revenue	299,945	253,038
Overseas business operating revenue	75,313	71,866
Other business operating revenue	24,742	21,718
Operating expenses	340,969	303,497
Electric utility operating expenses	252,173	222,696
Overseas business operating expenses	62,610	57,193
Other business operating expenses	26,185	23,606
Operating income	59,032	43,125
Non-operating income	11,465	11,283
Dividend income	1,756	1,041
Interest income	471	387
Share of profit of entities accounted for using equity method	7,436	5,214
Foreign exchange gains	-	3,463
Other	1,801	1,176
Non-operating expenses	20,506	17,847
Interest expenses	15,240	14,437
Other	5,265	3,409
Total ordinary revenue	411,466	357,906
Total ordinary expenses	361,475	321,344
Ordinary income	49,991	36,561
Provision or reversal of reserve for fluctuation in water levels	36	-
Provision of reserve for fluctuation in water levels	36	-
Profit before income taxes	49,954	36,561
Income taxes-current	10,922	8,622
Income taxes-deferred	1,866	(494)
Total income taxes	12,788	8,127
Profit	37,165	28,434
Profit attributable to non-controlling interests	447	1,240
Profit attributable to owners of parent	36,718	27,193

Consolidated statement of comprehensive income

	(Unit: million yen)	
	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016
Profit	37,165	28,434
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,006)	(2,046)
Deferred gains or losses on hedges	1,780	(8,401)
Foreign currency translation adjustment	(4,606)	(24,852)
Remeasurements of defined benefit plans, net of tax	(782)	3,929
Share of other comprehensive income of entities accounted for using equity method	858	(22,054)
Total other comprehensive income	(5,757)	(53,424)
Comprehensive income	31,408	(24,990)
(Comprehensive income attributable to abstract)		
Comprehensive income attributable to owners of parent	31,013	(24,127)
Comprehensive income attributable to non-controlling interests	395	(862)

(3) Consolidated Statement of Cash Flows

	(Unit: million yen)	
	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016
Cash flows from operating activities		
Profit before income taxes	49,954	36,561
Depreciation and amortization	45,990	36,776
Impairment loss	5	2,399
Loss on retirement of non-current assets	1,034	1,457
Increase (decrease) in net defined benefit liability	(1,738)	4,033
Increase (decrease) in reserve for fluctuation in water levels	36	-
Interest and dividend income	(2,228)	(1,428)
Interest expenses	15,240	14,437
Decrease (increase) in notes and accounts receivable-trade	(15,825)	(14,010)
Decrease (increase) in inventories	(3,351)	(3,203)
Increase (decrease) in notes and accounts payable-trade	(15,151)	(11,633)
Share of (profit) loss of entities accounted for using equity method	(7,436)	(5,214)
Other, net	(2,991)	(11,813)
Subtotal	63,541	48,362
Interest and dividend income received	7,355	5,045
Interest expenses paid	(15,158)	(14,705)
Income taxes paid	(4,850)	(11,790)
Net cash provided by (used in) operating activities	50,887	26,913
Cash flows from investing activities		
Purchase of non-current assets	(51,656)	(48,938)
Payments of investment and loans receivable	(958)	(1,341)
Collection of investment and loans receivable	13,453	1,352
Other, net	2,170	(4,898)
Net cash provided by (used in) investing activities	(36,990)	(53,826)

	(Unit: million yen)	
	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016
Cash flows from financing activities		
Proceeds from issuance of bonds	-	29,892
Redemption of bonds	(60,799)	(60,000)
Proceeds from long-term loans payable	48,801	74,787
Repayment of long-term loans payable	(47,691)	(52,092)
Increase in short-term loans payable	47,507	43,942
Decrease in short-term loans payable	(58,257)	(54,803)
Proceeds from issuance of commercial papers	-	15,000
Redemption of commercial papers	-	(15,000)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	42,363
Cash dividends paid	(6,402)	(6,405)
Other, net	1,552	(718)
Net cash provided by (used in) financing activities	(75,291)	16,966
Effect of exchange rate change on cash and cash equivalents	(330)	(5,850)
Net increase (decrease) in cash and cash equivalents	(61,724)	(15,797)
Cash and cash equivalents at beginning of period	236,439	159,949
Cash and cash equivalents at end of period	174,715	144,152

(4) Notes on Premise of Going Concern

Not applicable.

(5) Notes on Significant Changes in Shareholders' Equity

Not applicable.

(6) Additional Information

(Application of Guidance on Recoverability of Deferred Tax Assets)

“Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No.26 of March 28, 2016) is applied from the three months ended June 30, 2016.

4. Appendixes

[Appendix 1]

Revenues and Expenses (Consolidated)

(Unit: million yen)

	Six months ended Sep. 30, 2015 (A)	Six months ended Sep. 30, 2016 (B)	Year-on-year change	
			(B-A)	(B-A)/A
Operating revenue	400,001	346,623	(53,378)	(13.3)%
Electric utility operating revenue	299,945	253,038	(46,906)	(15.6)%
Electric power sales	274,268	227,086	(47,181)	(17.2)%
Transmission revenue	24,495	24,510	15	0.1%
Other electricity revenue	1,181	1,441	259	22.0%
Overseas business operating revenue	75,313	71,866	(3,447)	(4.6)%
Other business operating revenue	24,742	21,718	(3,024)	(12.2)%
Operating expenses	340,969	303,497	(37,471)	(11.0)%
Electric utility operating expenses	252,173	222,696	(29,476)	(11.7)%
Personnel expense	15,111	21,720	6,609	43.7%
Fuel cost	116,980	84,133	(32,847)	(28.1)%
Repair expense	33,234	35,979	2,745	8.3%
Consignment cost	13,681	16,149	2,467	18.0%
Taxes and duties	12,745	12,046	(699)	(5.5)%
Depreciation and amortization cost	36,648	26,158	(10,490)	(28.6)%
Other	23,771	26,510	2,739	11.5%
Overseas business operating expenses	62,610	57,193	(5,416)	(8.7)%
Other business operating expenses	26,185	23,606	(2,578)	(9.8)%
Operating income	59,032	43,125	(15,906)	(26.9)%
Non-operating income	11,465	11,283	(182)	(1.6)%
Dividend income	1,756	1,041	(714)	(40.7)%
Interest income	471	387	(84)	(17.9)%
Share of profit of entities accounted for using equity method	7,436	5,214	(2,222)	(29.9)%
Foreign exchange gains	-	3,463	3,463	-
Other	1,801	1,176	(624)	(34.7)%
Non-operating expenses	20,506	17,847	(2,659)	(13.0)%
Interest expenses	15,240	14,437	(803)	(5.3)%
Other	5,265	3,409	(1,855)	(35.2)%
Total ordinary revenue	411,466	357,906	(53,560)	(13.0)%
Total ordinary expenses	361,475	321,344	(40,130)	(11.1)%
Ordinary income	49,991	36,561	(13,429)	(26.9)%
Provision of reserve for fluctuation in water levels	36	-	(36)	-
Profit before income taxes	49,954	36,561	(13,393)	(26.8)%
Income taxes - current	10,922	8,622	(2,300)	(21.1)%
Income taxes - deferred	1,866	(494)	(2,361)	-
Profit	37,165	28,434	(8,731)	(23.5)%
Profit attributable to non-controlling interests	447	1,240	792	177.1%
Profit attributable to owners of parent	36,718	27,193	(9,524)	(25.9)%

[Appendix 2]

(1) Generation capacity

(Unit: kW)

	As of Sep. 30, 2015 (A)	As of Sep. 30, 2016 (B)	Year-on-year change (B-A)
Electric power business	17,708,550	17,735,350	26,800
Hydroelectric power	8,570,670	8,571,070	400
Thermal power	8,735,420	8,735,420	-
Wind power	402,460	428,860	26,400
Overseas business	3,190,000	3,990,000	800,000
Total	20,898,550	21,725,350	826,800

(2) Electricity sales volume

(Unit: GWh)

	Six months ended Sep. 30, 2015 (A)	Six months ended Sep. 30, 2016 (B)	Year-on-year change (B-A)
Electric power business	34,003	29,432	(4,570)
Hydroelectric power	5,987	4,566	(1,420)
Thermal power	27,724	24,580	(3,144)
Wind power	291	285	(5)
Overseas business	5,792	7,956	2,164
Total	39,796	37,389	(2,406)

(3) Water supply rate

(Unit: %)

	Six months ended Sep. 30, 2015 (A)	Six months ended Sep. 30, 2016 (B)	Year-on-year change (B-A)
Water supply rate	109	88	(21)

[Appendix 3]

Revenues and Expenses (Non-Consolidated)

(Unit: million yen)

	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016	Year-on-year change	
	(A)	(B)	(B-A)	(B-A)/A
Operating revenue	293,097	246,742	(46,355)	(15.8)%
<u>Electric utility operating revenue</u>	287,322	241,629	(45,692)	(15.9)%
Electric power sales	260,820	214,893	(45,926)	(17.6)%
Transmission revenue	24,495	24,510	15	0.1%
Other electricity revenue	2,006	2,225	218	10.9%
<u>Incidental business operating revenue</u>	5,775	5,112	(662)	(11.5)%
Operating expenses	253,648	224,573	(29,074)	(11.5)%
<u>Electric utility operating expenses</u>	248,473	219,896	(28,576)	(11.5)%
Personnel expense	15,623	20,808	5,184	33.2%
Fuel cost	113,488	82,141	(31,347)	(27.6)%
Repair expense	33,231	37,743	4,512	13.6%
Taxes and duties	12,328	11,844	(484)	(3.9)%
Depreciation and amortization cost	35,793	24,585	(11,208)	(31.3)%
Other	38,007	42,774	4,767	12.5%
<u>Incidental business operating expenses</u>	5,175	4,677	(497)	(9.6)%
Operating income	39,449	22,168	(17,281)	(43.8)%
Non-operating income	8,753	22,773	14,019	160.2%
Non-operating expenses	10,196	8,598	(1,598)	(15.7)%
Financial expenses	9,168	8,030	(1,137)	(12.4)%
Other	1,028	567	(460)	(44.8)%
Total ordinary revenue	301,851	269,515	(32,336)	(10.7)%
Total ordinary expenses	263,844	233,172	(30,672)	(11.6)%
Ordinary income	38,006	36,343	(1,663)	(4.4)%
Provision of reserve for fluctuation in water levels	36	-	(36)	-
Profit before income taxes	37,970	36,343	(1,626)	(4.3)%
Income taxes – current	9,031	5,061	(3,969)	(44.0)%
Income taxes – deferred	471	(187)	(658)	-
Profit	28,467	31,468	3,001	10.5%