

# Summary of FY2014 Third Quarter Earnings Results



Electric Power Development Co., Ltd.

January 30, 2015

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The following contains statements that constitute forward-looking statements, plans for the future, management targets, etc. relating to the Company and/or the J-POWER group. These are based on current assumptions of future events, and there exist possibilities that such assumptions are objectively incorrect and actual results may differ from those in the statements as a result of various factors.

Furthermore, information and data other than those concerning the Company and its subsidiaries/affiliates are quoted from public information, and the Company has not verified and will not warrant its accuracy or dependency.

## ※Display of Figures

- ✓ All figures are consolidated unless stated otherwise.
- ✓ Amounts less than 100 million yen and electric power sales volume less than 100 million kWh shown in the consolidated financial data have been rounded down. Consequently, the sum of the individual amounts may not necessarily agree with figures shown in total columns.

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# I. Summary of FY2014 Third Quarter Earnings Results

# Summary of FY2014 Third Quarter Earnings Results



(Unit: billion yen)

Consolidated	FY2013 3rd Quarter (Apr.-Dec.)	FY2014 3rd Quarter (Apr.-Dec.)	Year-on-year change	
Operating Revenue	519.5	543.9	24.3	4.7 %
Operating Income	50.8	59.1	8.2	16.2 %
Ordinary Income	41.9	53.4	11.5	27.6 %
Net Income	30.2	39.0	8.7	29.0 %

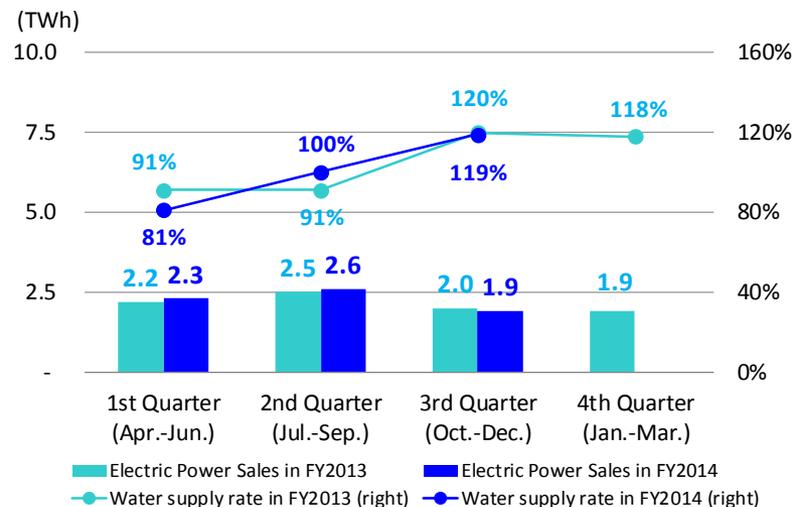
Non-consolidated	FY2013 3rd Quarter (Apr.-Dec.)	FY2014 3rd Quarter (Apr.-Dec.)	Year-on-year change	
Operating Revenue	438.5	417.4	(21.0)	(4.8) %
Operating Income	40.6	43.0	2.4	5.9 %
Ordinary Income	33.7	33.7	(0.0)	(0.0) %
Net Income	24.3	24.4	0.1	0.7 %

	FY2013 3rd Quarter (Apr.-Dec.)	FY2014 3rd Quarter (Apr.-Dec.)	Year-on-year change	
Electric Power Sales (TWh)				
Electric Power Business	49.3	47.2	(2.1)	(4.3)%
Hydroelectric (Wholesale Electric Power)	6.8	6.9	0.1	1.5%
Thermal (Wholesale Electric Power)	40.9	38.5	(2.3)	(5.9)%
Other Electric Power Business	1.5	1.7	0.1	10.9%
Overseas Business*	2.3	5.6	3.2	136.4%
Water supply rate (Wholesale Electric Power)	97%	95%	(2)points	
Load factor (Wholesale Electric Power)	79%	74%	(5)points	

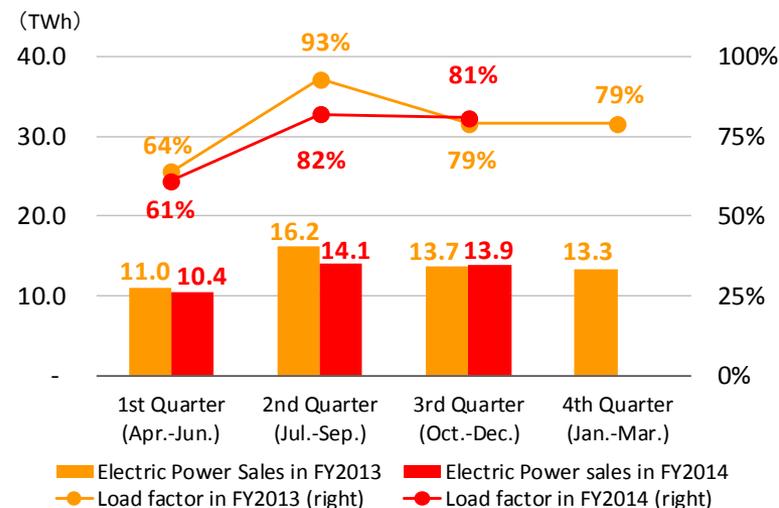
\* Electric power sales volume of overseas consolidated subsidiaries (Electric power sales volume of equity method affiliated companies is not included.)

## Electric Power Sales for each Quarter

### [Hydroelectric (Wholesale Electric Power)]



### [Thermal (Wholesale Electric Power)]



# Key Data (Operating Revenue)



	FY2013 3rd Quarter (Apr.-Dec.)	FY2014 3rd Quarter (Apr.-Dec.)	Year-on-year change	
Operating Revenue (Billion yen)	519.5	543.9	24.3	4.7%
Electric Power Business	456.7	439.2	(17.4)	(3.8)%
Hydroelectric (Wholesale Electric Power)	80.3	80.8	0.5	0.6%
Thermal (Wholesale Electric Power)	310.6	289.8	(20.8)	(6.7)%
Other Electric Power Business	25.5	30.1	4.6	18.2%
Overseas Business*1	26.7	66.4	39.7	148.7%
Other Business*2	36.1	38.3	2.1	6.0%
Average foreign exchange rate (Yen/US\$)	99.36	106.73		
Foreign exchange rate as of September 30 (Yen/THB)	3.11	3.38		
Foreign exchange rate as of September 30 (THB/US\$)	31.39	32.37		

\*1 Sales for the overseas business segment (Sales from overseas consolidated subsidiaries and overseas consulting business, etc.)

\*2 "Other Business" is composed of "Electric Power-Related Business" segment and "Other Business" segment.

## Consolidated operating income (+ 8.2 billion yen)

### □ Non-consolidated operating income (+ 2.4 billion yen)

- ▶ Increase in hydroelectric power revenue
- ▶ Decrease in personnel expenses (amortization expenses of actualial differences in accounting)
- ▶ Decrease in other expenses
- ▶ Elimination of impact from suspension of thermal power plant operations, etc.
- ▶ Increase in facilities maintenance costs
- ▶ Impact of accident at the Matsuura Thermal Power Plant\*

### □ Income of subsidiaries, etc. (+ 5.8 billion yen)

## Consolidated ordinary income (+ 11.5 billion yen)

- ▶ Decrease in equity income of affiliates (- 1.8 billion yen)
- ▶ Increase in other non-operating items (+ 5.1 billion yen)

## Consolidated net income (+ 8.7 billion yen)

- ▶ Elimination of the extraordinary income (insurance income) in the previous fiscal year (- 2.3 billion yen)

\*During a periodic inspection at the Matsuura No. 2 Unit (output: 1,000MW), an accident occurred in which a low-pressure turbine rotor fell and was damaged on March 28, 2014. The operation of the unit was suspended after the accident, but the operation recommenced at a partial load (output: 425MW) on August 6, 2014. J-POWER aims to resume full-load operation at the end of June 2015 with a newly fabricated low-pressure turbine rotor.

# Revenue / Expenditure Comparison



(Unit: billion yen)

	FY2013 3rd Quarter (Apr.-Dec.)	FY2014 3rd Quarter (Apr.-Dec.)	Year-on-year change	Main factors for change
<b>Operating Revenue</b>	<b>519.5</b>	<b>543.9</b>	<b>24.3</b>	
Electric power business	456.7	439.2	(17.4)	Non-consolidated (21.8), Subsidiaries and others +4.3
Overseas business	26.7	66.4	39.7	Commencement of commercial operation of IPP and SPP projects in Thailand
Other business	36.1	38.3	2.1	
<b>Operating Expenses</b>	<b>468.7</b>	<b>484.8</b>	<b>16.1</b>	
<b>Operating Income</b>	<b>50.8</b>	<b>59.1</b>	<b>8.2</b>	Non-consolidated +2.4, Subsidiaries and others +5.8
<b>Non-operating Revenue</b>	<b>17.9</b>	<b>17.3</b>	<b>(0.5)</b>	
Equity income of affiliates	13.4	11.6	(1.8)	Overseas business (1.7) from 13.1 in FY2013 3Q to 11.3 in FY2014 3Q
Other	4.4	5.7	1.2	Foreign exchange profit and others
<b>Non-operating Expenses</b>	<b>26.8</b>	<b>22.9</b>	<b>(3.8)</b>	
Interest expenses	18.5	19.9	1.3	Commencement of commercial operation of IPP and SPP projects in Thailand
Foreign exchange loss	5.8	-	(5.8)	
Other	2.4	3.0	0.5	
<b>Ordinary Income</b>	<b>41.9</b>	<b>53.4</b>	<b>11.5</b>	
Extraordinary income	2.3	-	(2.3)	Elimination of Insurance income
<b>Net Income</b>	<b>30.2</b>	<b>39.0</b>	<b>8.7</b>	

# Balance Sheet



(Unit: billion yen)

	FY2013 End of FY	FY2014 End of 3Q	Change from prior year end	Main factors for change
<b>Noncurrent Assets</b>	<b>2,149.5</b>	<b>2,201.3</b>	<b>51.7</b>	
Electric utility plant and equipment	1,023.7	992.3	(31.4)	Non-consolidated (29.6)
Overseas business facilities	125.0	197.2	72.1	Subsidiaries including power generation projects in Thailand +72.1
Other noncurrent assets	109.7	111.8	2.0	
Construction in progress	512.6	521.0	8.4	Non-consolidated +7.6
Nuclear fuel	69.2	71.1	1.9	
Investments and other assets	309.2	307.7	(1.4)	
<b>Current Assets</b>	<b>235.6</b>	<b>295.6</b>	<b>60.0</b>	
<b>Total Assets</b>	<b>2,385.2</b>	<b>2,497.0</b>	<b>111.7</b>	
Interest-bearing debt	1,649.9	1,720.4	70.4	Non-consolidated +25.9, Subsidiaries +44.5 [ Long-term loans +84.4, Corporate bonds (15.0) ]
Others	215.7	222.4	6.6	
<b>Total Liabilities</b>	<b>1,865.7</b>	<b>1,942.8</b>	<b>77.1</b>	
Shareholders' equity	478.8	505.9	27.0	Increase in retained earnings
Accumulated other comprehensive income	37.3	42.4	5.1	Foreign currency translation adjustment +10.0, Deferred gains or losses on hedges (9.3), Valuation difference on available-for-sale securities +6.3
Minority interests	3.2	5.7	2.4	
<b>Total Net Assets</b>	<b>519.4</b>	<b>554.1</b>	<b>34.6</b>	
D/E ratio (x)	3.2	3.1		
Shareholders' equity ratio	21.6%	22.0%		

## II. Summary of FY2014 Earnings Forecast

# Summary of FY2014 Earnings Forecast



(Unit: billion yen)

Consolidated	FY2013 Result	FY2014 Current Forecast	Comparison with FY2013 Result		FY2014 Prior Forecast*	Comparison with Prior Forecast
Operating Revenue	706.8	754.0	47.1	6.7%	732.0	22.0
Operating Income	59.1	68.0	8.8	14.9%	57.0	11.0
Ordinary Income	40.0	58.0	17.9	44.7%	45.0	13.0
Net Income	28.6	46.0	17.3	60.3%	33.0	13.0

Non-consolidated	FY2013 Result	FY2014 Current Forecast	Comparison with FY2013 Result		FY2014 Prior Forecast*	Comparison with Prior Forecast
Operating Revenue	582.8	562.0	(20.8)	(3.6)%	554.0	8.0
Operating Income	40.4	40.0	(0.4)	(1.1)%	29.0	11.0
Ordinary Income	31.0	27.0	(4.0)	(13.1)%	16.0	11.0
Net Income	22.1	23.0	0.8	4.0%	12.0	11.0

## Cash dividends per share in FY2014

Interim	Year end	Annual
35 yen	35 yen (Forecast)	70 yen (Forecast)

\* Prior forecast was released on May 29, 2014.

	FY2013 Result	FY2014 Current Forecast	Comparison with FY2013 Result		FY2014 Prior Forecast*4	Comparison with Prior Forecast
<b>Electric Power Sales (TWh)</b>						
<b>Electric Power Business</b>	<b>65.4</b>	<b>63.9</b>	<b>(1.4)</b>	<b>(2.3)%</b>	<b>62.3</b>	<b>1.5</b>
Hydroelectric (Wholesale Electric Power)	8.7	8.8	0.0	1.0%	9.1	(0.3)
Thermal (Wholesale Electric Power)	54.3	52.5	(1.7)	(3.2)%	50.6	1.9
Other Electric Power Business	2.3	2.5	0.1	6.7%	2.5	(0.0)
<b>Overseas Business*1</b>	<b>3.6</b>	<b>8.6</b>	<b>5.0</b>	<b>136.6%</b>	<b>9.3</b>	<b>(0.6)</b>
<b>Operating Revenue (Billion yen)</b>	<b>706.8</b>	<b>754.0</b>	<b>47.1</b>	<b>6.7%</b>	<b>732.0</b>	<b>22.0</b>
<b>Electric Power Business</b>	<b>609.0</b>	<b>591.0</b>	<b>(18.0)</b>	<b>(3.0)%</b>	<b>583.0</b>	<b>8.0</b>
Hydroelectric (Wholesale Electric Power)	104.7	107.0	2.2	2.1%	107.0	0.0
Thermal (Wholesale Electric Power)	411.8	393.0	(18.8)	(4.6)%	385.0	8.0
Other Electric Power Business	37.8	42.0	4.1	10.9%	41.0	1.0
<b>Overseas Business*2</b>	<b>42.8</b>	<b>109.0</b>	<b>66.1</b>	<b>154.5%</b>	<b>96.0</b>	<b>13.0</b>
<b>Other Business*3</b>	<b>54.9</b>	<b>54.0</b>	<b>(0.9)</b>	<b>(1.7)%</b>	<b>53.0</b>	<b>1.0</b>

	FY2013 Result	FY2014 Current Forecast	FY2014 Prior Forecast*4
Water supply rate	99%	96%	98%
Load factor	79%	77%	73%
Foreign exchange rate as of December 31			
Yen/US\$	105.39	120.55	100
Yen/THB	3.20	3.67	3.1
THB/US\$	32.81	32.96	32.8
Average foreign exchange rate			
Yen/US\$	100.17	110	100

\* 1 Electric power sales volume of overseas consolidated subsidiaries (Electric power sales volume of equity method affiliated companies is not included.)

\* 2 Sales for the overseas business segment (Sales from overseas consolidated subsidiaries and overseas consulting business, etc.)

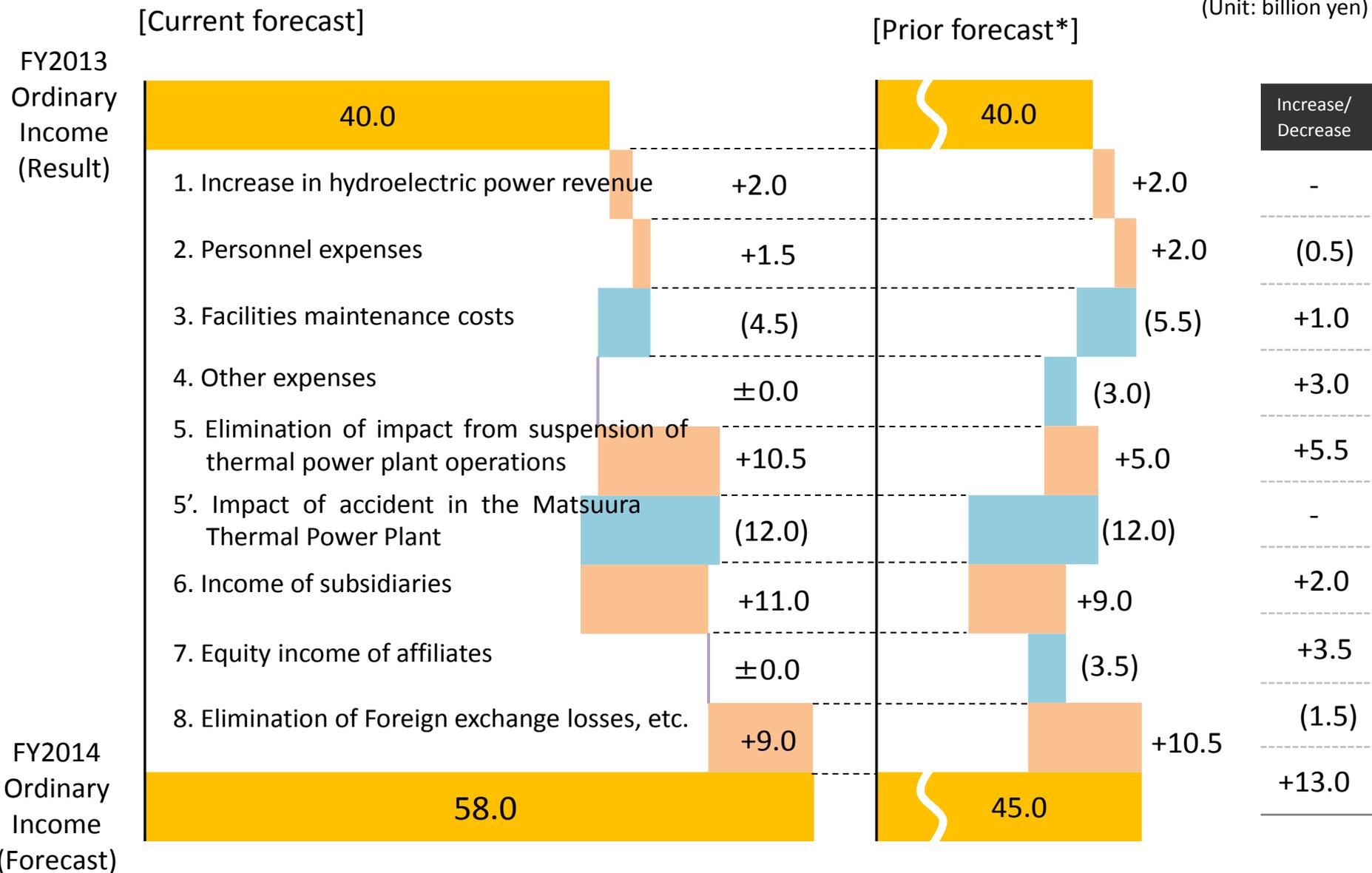
\* 3 "Other Businesses" is composed of "Electric Power-Related Business" segment and "Other Businesses" segment.

\* 4 Prior forecast was released on May 29, 2014.

# FY2014 Earnings Forecast (Main Factors for Change)



(Unit: billion yen)

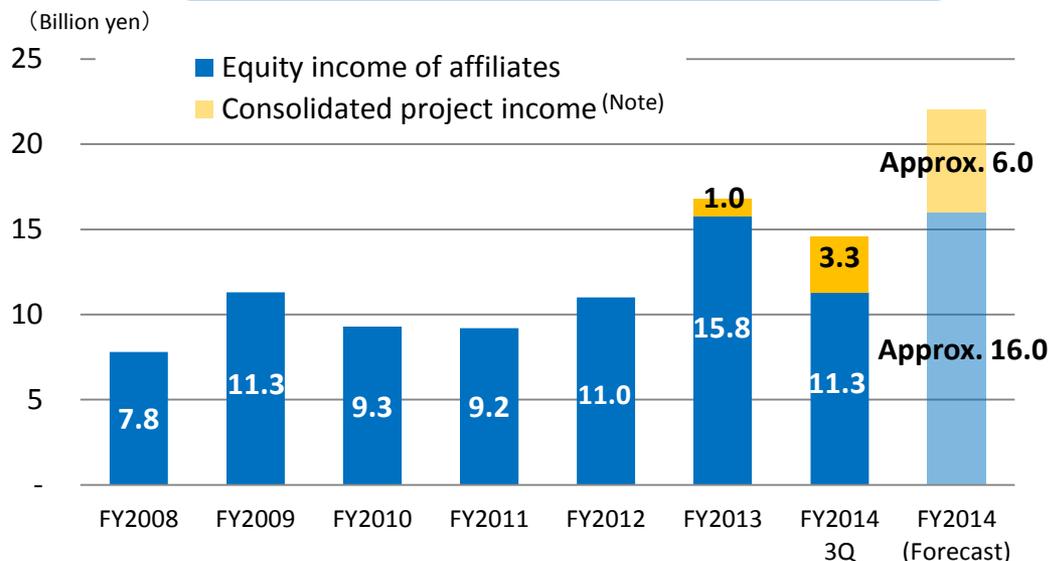


\* Prior forecast was released on May 29, 2014.

# Overseas Power Generation Business: Earnings Contribution Forecast

- ▶ Equity equivalent income\* for nine months ended Dec. 31, 2014 was 14.6 billion yen.
- ▶ Equity equivalent income\* in FY2014 is expected to be approximately 22.0 billion yen. (Approximately 4.5 billion yen increase from initial forecast)

## Equity Equivalent Income\* of Overseas Power Generation Business



Note: To indicate the actual status of project income on a consolidated basis, foreign exchange gains and losses are deducted. Foreign exchange gains and losses consist primarily of valuation gains and losses on foreign currency-denominated debt, with such gains amounting to 1.1 billion yen in FY2014 3Q. Actual consolidated project income in FY2014 3Q, including foreign exchange gains, was 4.3 billion yen.

## Recent Status of Overseas New Projects

- ▶ Thailand
  - All 7SPP and Nong Saeng projects began commercial operation. (As of Dec.2014)
  - Construction of the U-Thai project is proceeding on schedule.
- ▶ Indonesia
  - Delayed from its original schedule to commence construction due to delay of obtaining necessary land for the project.
  - The deadline for setting up financing under the long-term power purchase agreement was extended to October 2015.

## Foreign exchange rate in FY2014

	3Q (As of Sep. 2014)	4Q (As of Dec. 2014)
Yen/US\$	109.45	120.55
Yen/THB	3.38	3.67
THB/US\$	32.37	32.96

\* Equity equivalent income: The total of equity income of affiliates and consolidated project income. Out of which consolidated project income is the total of income after tax for each consolidated project company in commercial operation multiplied by capital investment ratio of the company. The sum of equity income of affiliates and consolidated project income do not correspond to segment data.

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Contributing to mid to long term stable power supply while securing base load capacity by replacement and installation of new or additional capacity.

## Takehara Thermal Power Plant New Unit No.1 (Replacement)

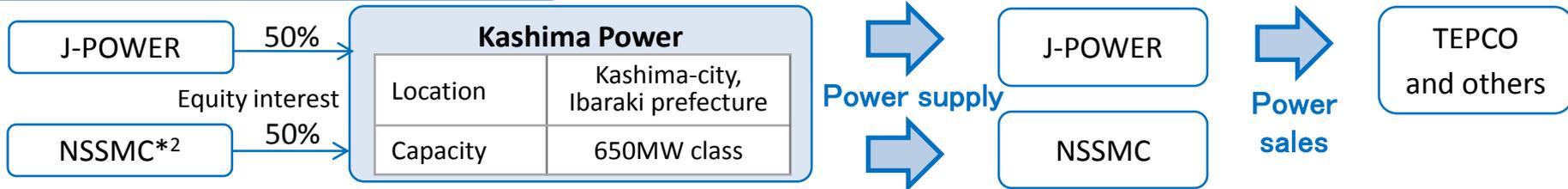
- ✓ Under construction
- ✓ Scheduled to start of operation in Sep 2020

Location	Takehara-city, Hiroshima prefecture		
Units	No.1	No.2*1	No.3
Start of operation	1967	1974	1983
Capacity	250MW	350MW	700MW
Steam condition	Sub-critical		Supercritical

	<b>New No.1</b>	<b>No.3</b>
Start of operation	2020	1983
Capacity	600MW	700MW
Steam condition	Ultra-supercritical	Supercritical

## Kashima Power (New Capacity)

- ✓ Implementing environmental assessment
- ✓ Scheduled to start of operation in 2020



## Takasago Thermal Power Plant New Unit No.1 and 2 (Replacement)

- ✓ Implementing environmental assessment
- ✓ Scheduled to start of operation in 2021 (New No.1) and 2027 (New No.2)

Location	Takasago-city, Hyogo prefecture	
Units	No.1	No.2
Start of operation	1968	1969
Capacity	250MW	250MW
Steam condition	Sub-critical	

	<b>New No.1</b>	<b>New No.2</b>
Start of operation	2021	2027
Capacity	600MW	600MW
Steam condition	Ultra-supercritical	

\*1 Converted from heavy oil-fueled boiler to coal-fired fluidized boiler in 1975

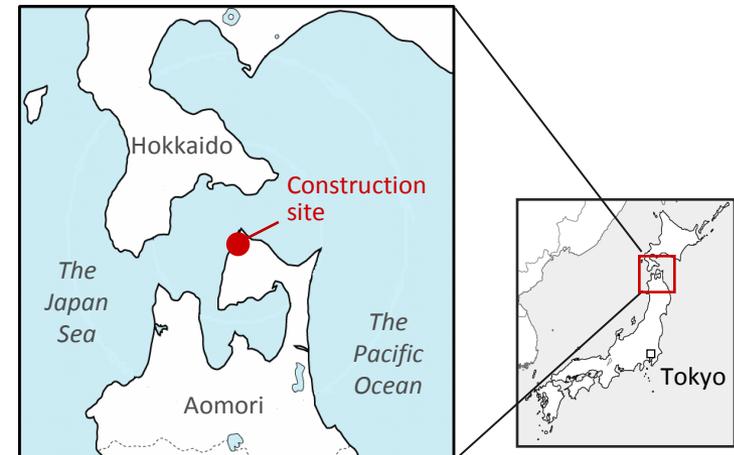
\*2 Nippon Steel & Sumitomo Metal Corporation

# The Ohma Nuclear Power Project

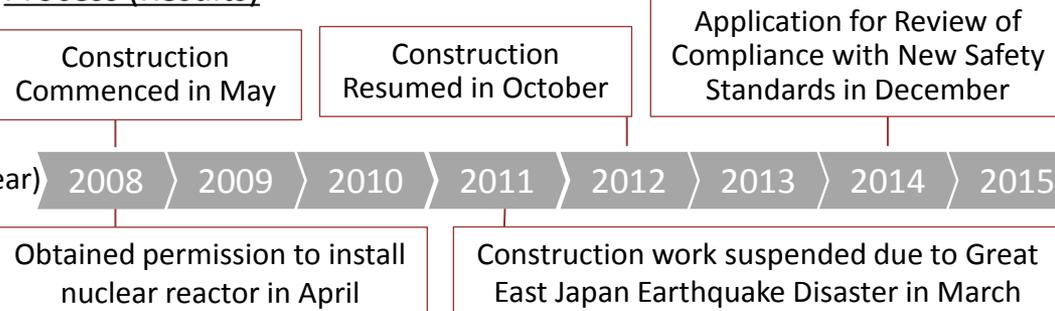
- ▶ On December 16, 2014, J-POWER submitted to NRA\* an application for permission for alteration of reactor installment license and an application for construction plan approval in order to undertake review of compliance with the new safety standards.
- ▶ Hereafter, J-POWER will respond to review of NRA properly.
- ▶ Additionally, J-POWER will continue to promote safety of the project with independent safety measures and others.

## Overview of the Project

Location	Ohma-machi, Shimokita-gun, Aomori Prefecture
Capacity	1,383MW
Type of nuclear reactor	Advanced Boiling Water Reactor (ABWR)
Fuel	Enriched uranium and uranium-plutonium mixed oxide (MOX)
Commencement of operations	To be determined



## Process (Results)



\* Nuclear Regulatory Authority

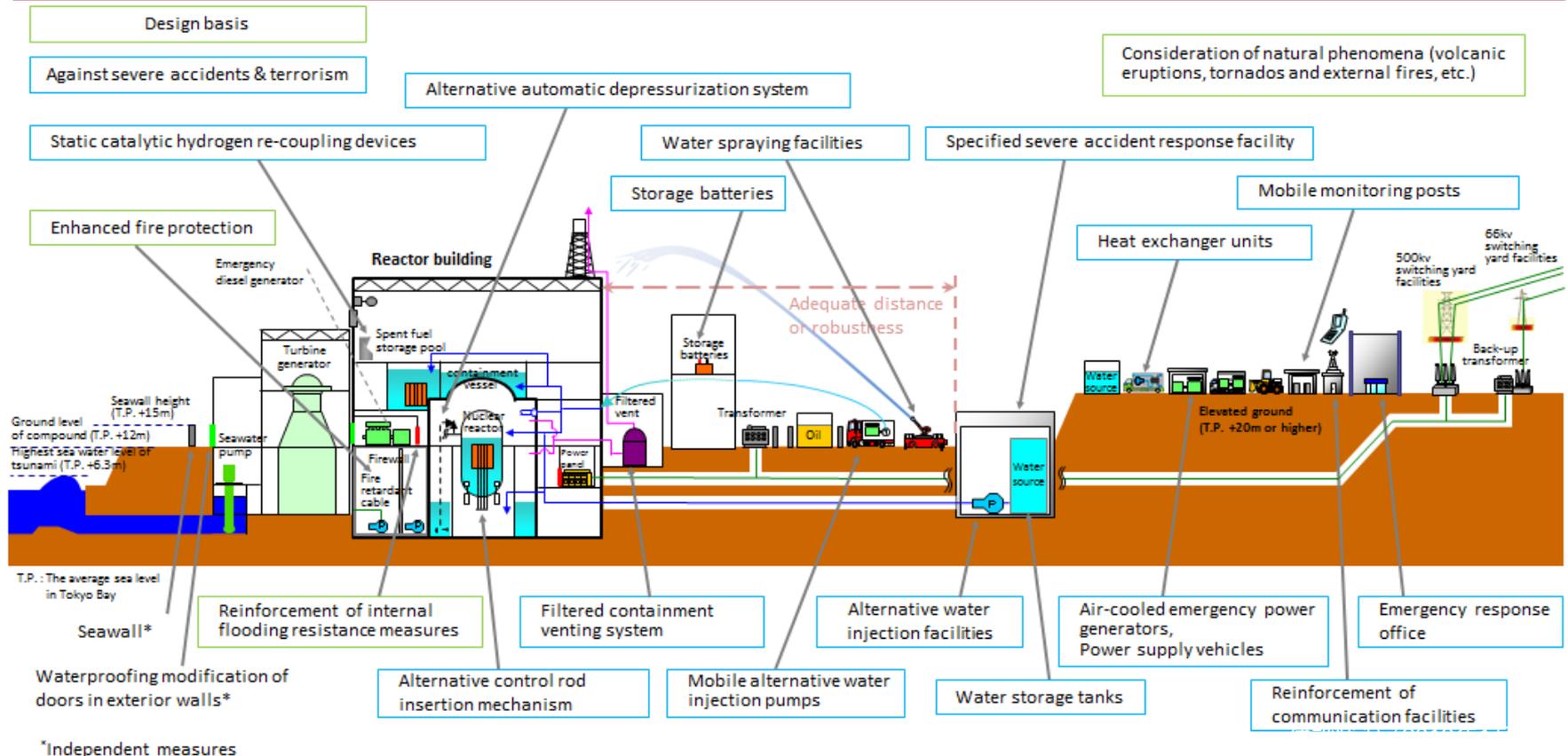
## ■ Construction Works for Measures for Reinforcing Safety

✓ Construction Period: November 2015 ~ December 2020

✓ Construction Cost: Approx. 130 billion yen

(The construction plan is based on J-POWER's projections, which incorporate estimations of examination and permit process durations by the NRA)

### Measures for Reinforcing Safety

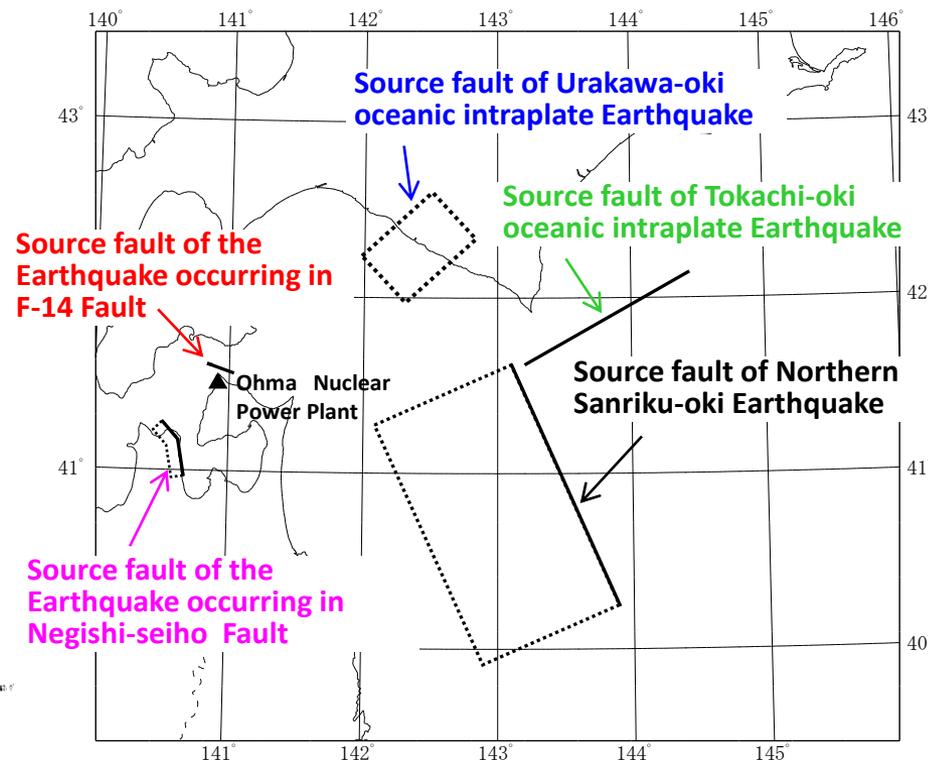
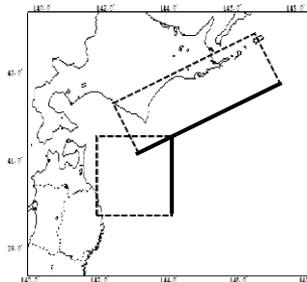


## Earthquakes for Investigation

✓ Earthquakes listed below have been investigated by each earthquake type

Earthquake type	Earthquake for investigation	Magnitude
Interplate earthquakes	Northern Sanriku-oki Earthquake*	Mw8.3
Oceanic intraplate earthquakes	Urakawa-oki oceanic intraplate Earthquake	M7.5
	Tokachi-oki oceanic intraplate Earthquake	M8.2
Inland crustal earthquakes	Earthquake occurring in Negishi-seiho Fault	M7.5
	Earthquake occurring in F-14 Fault	M6.7

\* Evaluation considering uncertainty of simultaneous rupture of north-off Sanriku area and off Tokachi and off Nemuro areas along Kuril trench (Mw9.0), based on experience of the 2011 off the Pacific coast of Tohoku Earthquake



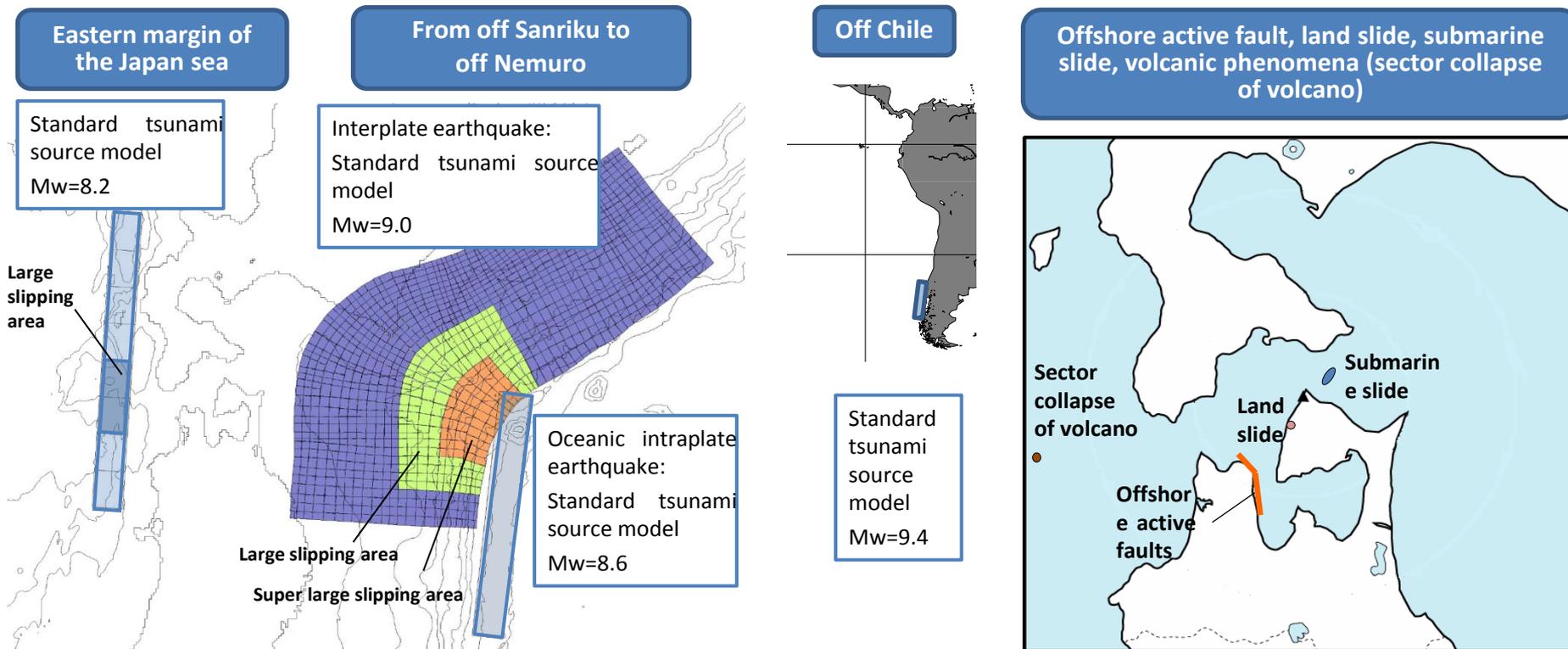
Source faults of earthquakes for investigation



Standard seismic motion: Horizontal 650 cm/s<sup>2</sup>  
(Maximum acceleration) Vertical 435 cm/s<sup>2</sup>

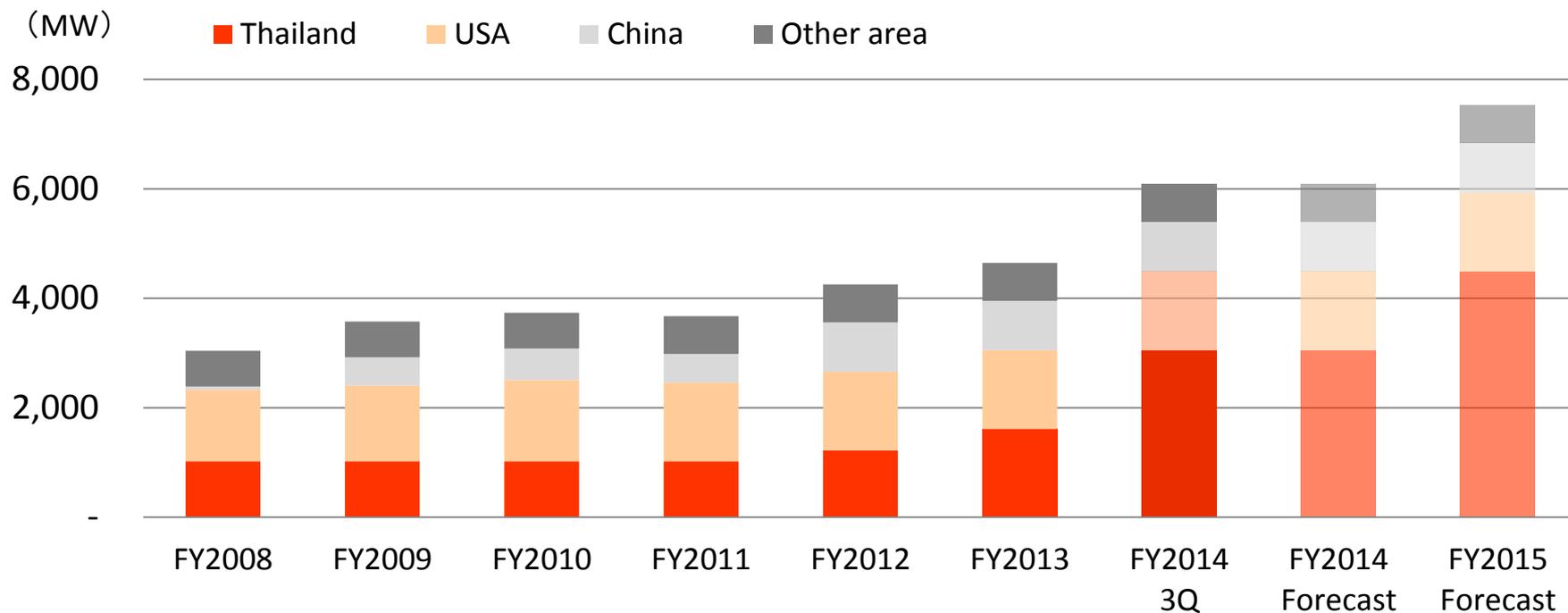
## ■ Design Basis Tsunamis

- ✓ Tsunami source models based on the latest knowledge such as the 2011 off the Pacific coast of Tohoku Earthquake Tsunami
- ✓ Estimated earthquakes larger than ever considered as tsunami sources at the eastern margin of the Japan sea, from off Sanriku to off Nemuro, off Chile and offshore active faults
- ✓ Taking into consideration of non-earthquake-oriented tsunamis (caused by land slide, submarine slide, sector collapse of volcano)



The highest sea water level by design basis tsunami: approx. T.P.+6.3m  
 The lowest sea water level by design basis tsunami: approx. T.P.-4.1m

# Overseas Power Generation Business Owned Capacity



[Owned capacity (As of December 2014)] (Unit: MW)

Countries/Resions	In operations	Under development	Total
Thailand	3,048	1,440	4,488
USA	1,442	-	1,442
China	908	-	908
Other areas	693	680	1,373
<b>Total</b>	<b>6,091</b>	<b>2,120</b>	<b>8,211</b>

[Overseas projects under development] (Unit: MW)

Project name	Output capacity	Ownership	Owned capacity
U-Thai	1,600	90%	1,440
Central Java	2,000	34%	680
<b>Total</b>	<b>3,600</b>	<b>-</b>	<b>2,120</b>

# Projects in Thailand by Consolidated Subsidiaries



## Overview

## Development

### 7 SPP\*1

Capacity: 790MW  
(110MW x 5)  
(120MW x 2)  
Type: CCGT\*2

- Projects based on the SPP Program\*1 of the Thai Government
- Development of seven 100MW-class cogeneration power plants
- Sale of electricity to EGAT\*3 and customers in the vicinity for a period of 25 years (steam and cold water also provided to nearby customers)
- J-POWER holds a 90% stake in 6 plants and a 67.5% stake\*4 in a plant.

11/2009 Signed the PPAs  
10/2010 Signed the loan agreements  
01/2013 COD\*5 of the first of the seven projects  
10/2013 COD\*5 of the last of the seven projects

### Nong Seang IPP

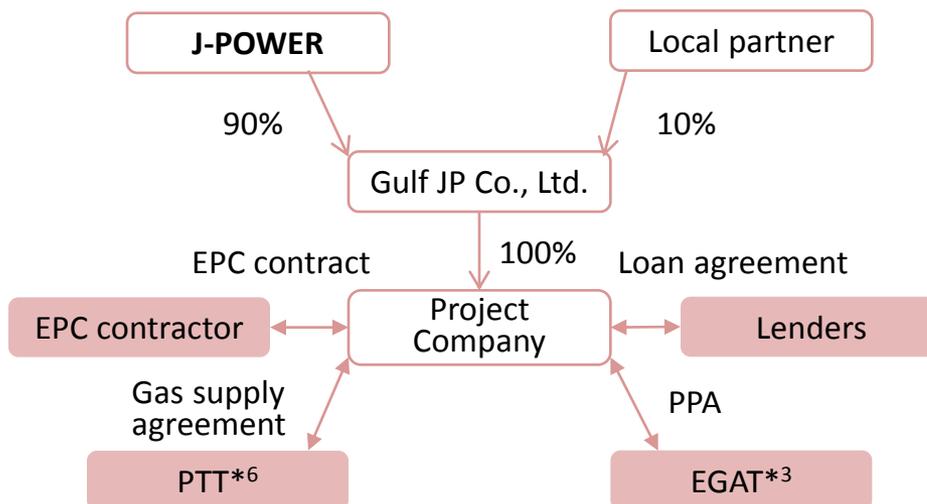
Capacity: 1,600MW  
(800MW x 2 units)  
Type: CCGT\*2

- After startup of operations, the plants will sell electricity to EGAT\*3 for a period of 25 years.

12/2007 Awarded in an international tender  
10/2008 Signed the PPA  
11/2011 Signed the loan agreements  
06/2014 COD\*5 of the 1st block  
12/2014 COD\*5 of the 2nd block

### U-Thai IPP

Capacity: 1,600MW  
(800MW x 2 units)  
Type: CCGT\*2



12/2007 Awarded in an international tender  
10/2008 Signed the PPA  
10/2012 Signed the loan agreements  
06/2015 COD\*5 of the 1st block  
12/2015 COD\*5 of the 2nd block

\*1 SPP (Small Power Producers) program: The long-term power purchase scheme established by the Thai Government. This scheme promotes cogeneration systems, renewable energy, and so forth, and aims at reducing the import and use of fuel oil. EGAT guarantees the purchase of electricity generated from eligible suppliers up to 90MW of capacity.

\*2 CCGT: Combined Cycle Gas Turbine

\*3 EGAT (Electricity Generating Authority of Thailand): State-owned electric power utility in Thailand

\*4 As for NLL project of 7 SPP Projects, a part of its stake was sold to an operating company of its industrial park in January 2013.

\*5 COD: Commercial operation date

\*6 PTT: State-owned gas and oil company in Thailand

# Projects in Thailand by Consolidated Subsidiaries(continued)

NS IPP (2014, in operation)



NK2 (Oct. 2013, in operation)



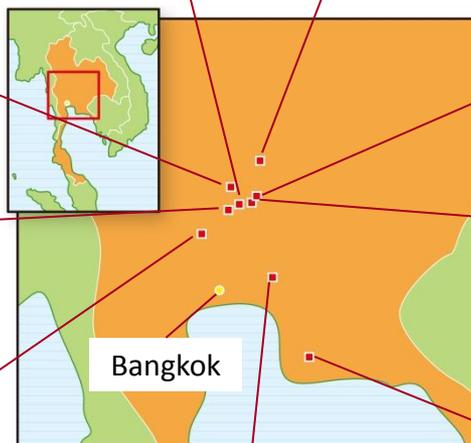
TLC (Mar. 2013, in operation)



KP2 (Feb.2013, in operation)



U-Thai IPP (2015, 98%)



KP1 (Jan.2013, in operation)



CRN (Jul. 2013, in operation)



NNK (Apr. 2013, in operation)



NLL (May 2013, in operation)



# Statements of Income



(Unit: 100 million yen)

	FY2010	FY2011	FY2012	FY2013	FY2013 3Q	FY2014 3Q
<b>Operating revenues</b>	<b>6,359</b>	<b>6,546</b>	<b>6,560</b>	<b>7,068</b>	<b>5,195</b>	<b>5,439</b>
Electric power operating revenue	5,844	6,097	6,053	6,090	4,567	4,392
Overseas business operating revenue	18	20	16	428	267	664
Other operating revenue	496	428	490	549	361	383
<b>Operating expenses</b>	<b>5,653</b>	<b>6,048</b>	<b>6,014</b>	<b>6,476</b>	<b>4,687</b>	<b>4,848</b>
<b>Operating income</b>	<b>705</b>	<b>498</b>	<b>545</b>	<b>591</b>	<b>508</b>	<b>591</b>
<b>Non-operating revenues</b>	<b>149</b>	<b>153</b>	<b>175</b>	<b>223</b>	<b>179</b>	<b>173</b>
Equity income of affiliates	90	95	117	163	134	116
Others	58	57	58	59	44	57
<b>Non-operating expenses</b>	<b>292</b>	<b>285</b>	<b>273</b>	<b>414</b>	<b>268</b>	<b>229</b>
Interest expenses	223	220	223	253	185	199
Others	68	65	49	161	82	30
<b>Ordinary income</b>	<b>563</b>	<b>366</b>	<b>448</b>	<b>400</b>	<b>419</b>	<b>534</b>
Extraordinary income	16	-	-	23	23	-
Extraordinary loss	191	33	-	-	-	-
<b>Net income</b>	<b>195</b>	<b>161</b>	<b>298</b>	<b>286</b>	<b>302</b>	<b>390</b>

# Non-consolidated: Revenues and Expenses



(Unit: 100 million yen)

	FY2010	FY2011	FY2012	FY2013	FY2013 3Q	FY2014 3Q	YOY change
<b>Operating revenues</b>	<b>5,832</b>	<b>5,999</b>	<b>5,869</b>	<b>5,828</b>	<b>4,385</b>	<b>4,174</b>	<b>(210)</b>
<b>Electric power operating revenues</b>	<b>5,738</b>	<b>5,905</b>	<b>5,772</b>	<b>5,729</b>	<b>4,324</b>	<b>4,106</b>	<b>(218)</b>
Hydroelectric	1,081	1,084	1,066	1,047	803	808	5
Thermal	4,064	4,244	4,139	4,119	3,106	2,901	(205)
Transmission and others	592	576	566	562	414	396	(18)
<b>Incidental business</b>	<b>93</b>	<b>94</b>	<b>97</b>	<b>99</b>	<b>60</b>	<b>68</b>	<b>8</b>
<b>Operating expenses</b>	<b>5,205</b>	<b>5,576</b>	<b>5,436</b>	<b>5,423</b>	<b>3,978</b>	<b>3,744</b>	<b>(234)</b>
<b>Electric power operating expenses</b>	<b>5,133</b>	<b>5,490</b>	<b>5,347</b>	<b>5,334</b>	<b>3,925</b>	<b>3,681</b>	<b>(243)</b>
Personnel costs	312	344	340	298	221	209	(12)
Amortization of the actuarial difference	(22)	17	5	(30)	(23)	(32)	(9)
Fuel costs	2,099	2,384	2,384	2,502	1,885	1,671	(213)
Repair and maintenance costs	506	542	564	585	414	474	59
Depreciation and amortization costs	1,060	1,004	894	815	606	581	(25)
Others	1,154	1,213	1,162	1,133	795	743	(52)
<b>Incidental business</b>	<b>71</b>	<b>86</b>	<b>88</b>	<b>89</b>	<b>53</b>	<b>62</b>	<b>9</b>
<b>Operating income</b>	<b>626</b>	<b>423</b>	<b>433</b>	<b>404</b>	<b>406</b>	<b>430</b>	<b>24</b>

# Segment Information



(Unit: 100 million yen)

		Electric power	Electric power -related	Overseas	Other	Subtotal	Elimination*	Consolidated
FY2014 3Q	Sales	4,404	2,367	664	174	7,610	(2,171)	5,439
	Sales to customers	4,392	224	664	158	5,439	-	5,439
	Ordinary income	351	35	129	4	521	13	534
FY2013 3Q	Sales	4,579	2,493	267	153	7,493	(2,298)	5,195
	Sales to customers	4,567	216	267	145	5,195	-	5,195
	Ordinary income	317	42	39	7	405	13	419
year-on-year change	Sales	(174)	(126)	397	20	116	126	243
	Sales to customers	(174)	7	397	13	243	-	243
	Ordinary income	33	(6)	90	(2)	115	0	115

## “Electric Power Business”

**Wholesale power business:** J-POWER’s hydroelectric, thermal power and transmission business. The majority of consolidated revenue is derived from this segment.

**Other electric power businesses:** Subsidiaries’ thermal power (IPP, for PPSs) and wind power

## “Electric Power-Related Businesses”

These focus on peripheral businesses essential for the operation of power plants and transmission facilities, such as designing, executing, inspecting and maintaining power facilities and importing and transporting coal. Intra-group transactions account for a large portion of this segment, such as Company’s power plant maintenance, coal transportation activities.

## “Overseas Businesses”

Overseas power generation businesses, overseas engineering and consulting businesses

## “Other Businesses”

Diversified businesses such as telecommunication, environmental and the sale of coal

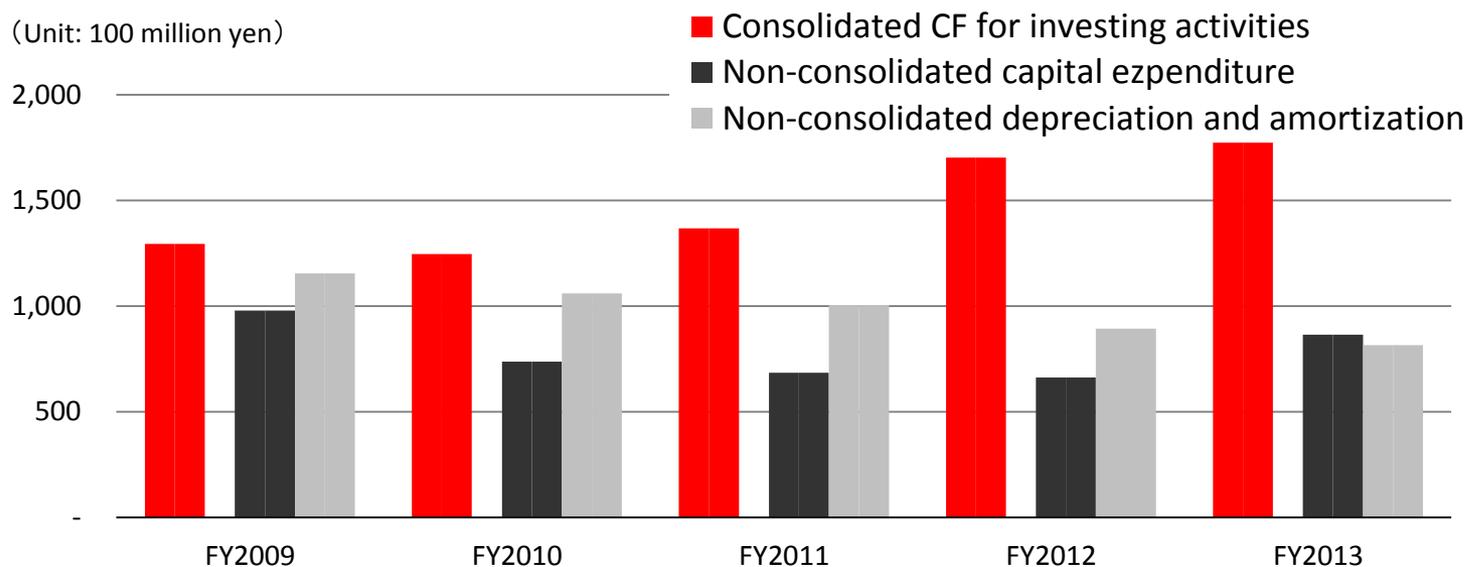
\* Elimination includes elimination of intersegment sales

# Cash Flow

(Unit: 100 million yen)

	FY2010	FY2011	FY2012	FY2013	FY2013 3Q	FY2014 3Q
<b>Operating activities</b>	<b>1,512</b>	<b>1,258</b>	<b>1,197</b>	<b>1,221</b>	<b>833</b>	<b>867</b>
Income before income taxes and minority interests	387	332	451	427	444	536
(reference) Non-consolidated depreciation and amortization	1,060	1,004	894	815	606	581
<b>Investing activities</b>	<b>(1,246)</b>	<b>(1,368)</b>	<b>(1,703)</b>	<b>(1,773)</b>	<b>(1,257)</b>	<b>(988)</b>
Capital expenditure for subsidiaries	(302)	(642)	(1,002)	(957)	(788)	(631)
(reference) Non-consolidated CAPEX*	(737)	(684)	(662)	(865)	(658)	(460)
<b>Free cash flow</b>	<b>265</b>	<b>(109)</b>	<b>(505)</b>	<b>(552)</b>	<b>(423)</b>	<b>(121)</b>

(Unit: 100 million yen)



\* Non-consolidated capital expenditure: Increase in tangible and intangible noncurrent assets

# Financial Data



(Unit: 100 million yen)

	FY2010	FY2011	FY2012	FY2013	FY2013 3Q	FY2014 3Q
<b>(PL)</b> Operating revenue	6,359	6,546	6,560	7,068	5,195	5,439
Operating income	705	498	545	591	508	591
Ordinary income	563	366	448	400	419	534
Net income	195	161	298	286	302	390
<b>(BS)</b> Total assets	20,123	20,163	21,699	23,852	23,386	24,970
Construction in progress	3,016	3,804	4,646	5,126	5,097	5,210
Shareholders' equity	4,157	4,073	4,539	5,162	5,062	5,484
Net assets	4,148	4,061	4,538	5,194	5,088	5,541
Interest-bearing debts	14,290	14,357	15,230	16,499	16,173	17,204
<b>(CF)</b> Investing activities	(1,246)	(1,368)	(1,703)	(1,773)	(1,257)	(988)
Free cash flow	265	(109)	(505)	(552)	(423)	(121)
(Ref) Non-consolidated CAPEX*1	(737)	(684)	(662)	(865)	(658)	(460)
(Ref) Non-consolidated depreciation	1,060	1,004	894	815	606	581
ROA (%)	2.8	1.8	2.1	1.8	-	-
ROA (ROA excl. Construction in progress) (%)	3.3	2.2	2.7	2.2	-	-
ROE (%)	4.7	3.9	6.9	5.9	-	-
EPS ( ¥ )	130.51	107.39	198.65	191.23	201.82	260.35
BPS ( ¥ )	2,770.77	2,714.94	3,024.98	3,440.23	3,373.99	3,654.86
Shareholders' equity ratio (%)	20.7	20.2	20.9	21.6	21.6	22.0
D/E ratio	3.4	3.5	3.4	3.2	3.2	3.1
Number of shares issued*2 (thousand)	150,053	150,052	150,052	150,051	150,051	150,050

\*1 Non-consolidated capital expenditure: Increase in tangible and intangible noncurrent assets

\*2 Number of shares issued at the end of the fiscal year (excluding treasury stock)

# Monthly Electricity Sales: Wholesales Electric Power Business (Thermal Power)



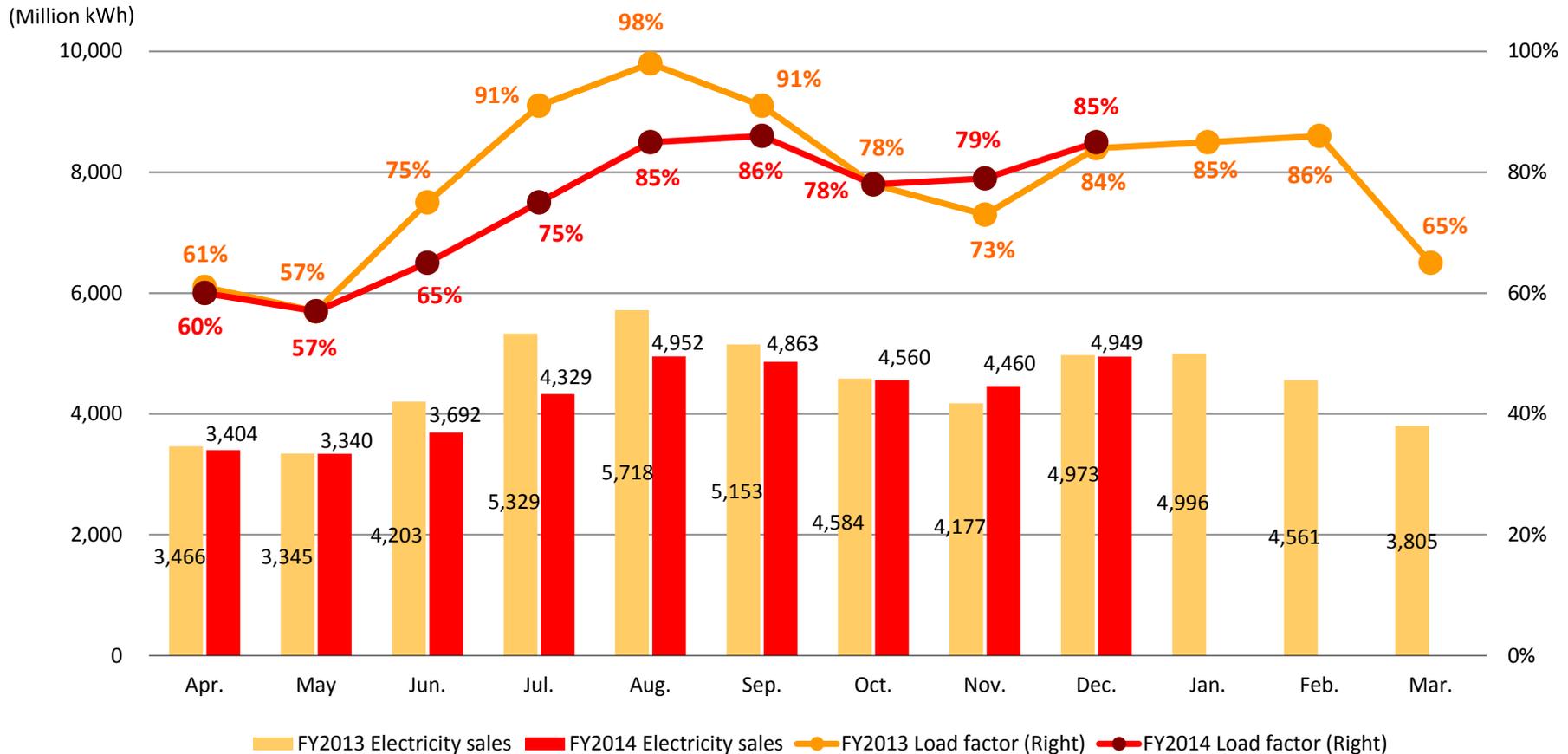
▶ **Apr. 2013 - Dec. 2013 Results (cumulative)**

Load factor ⇒ 79%  
Electricity sales ⇒ 40.9TWh

▶ **Apr. 2014 - Dec. 2014 Results (cumulative)**

Load factor ⇒ 74%  
Electricity sales ⇒ 38.5TWh

✓ **FY2013 Results (cumulative): Load factor 79%, Electricity sales 54.3TWh**



# Monthly Electricity Sales: Wholesales Electric Power Business (Hydroelectric Power)



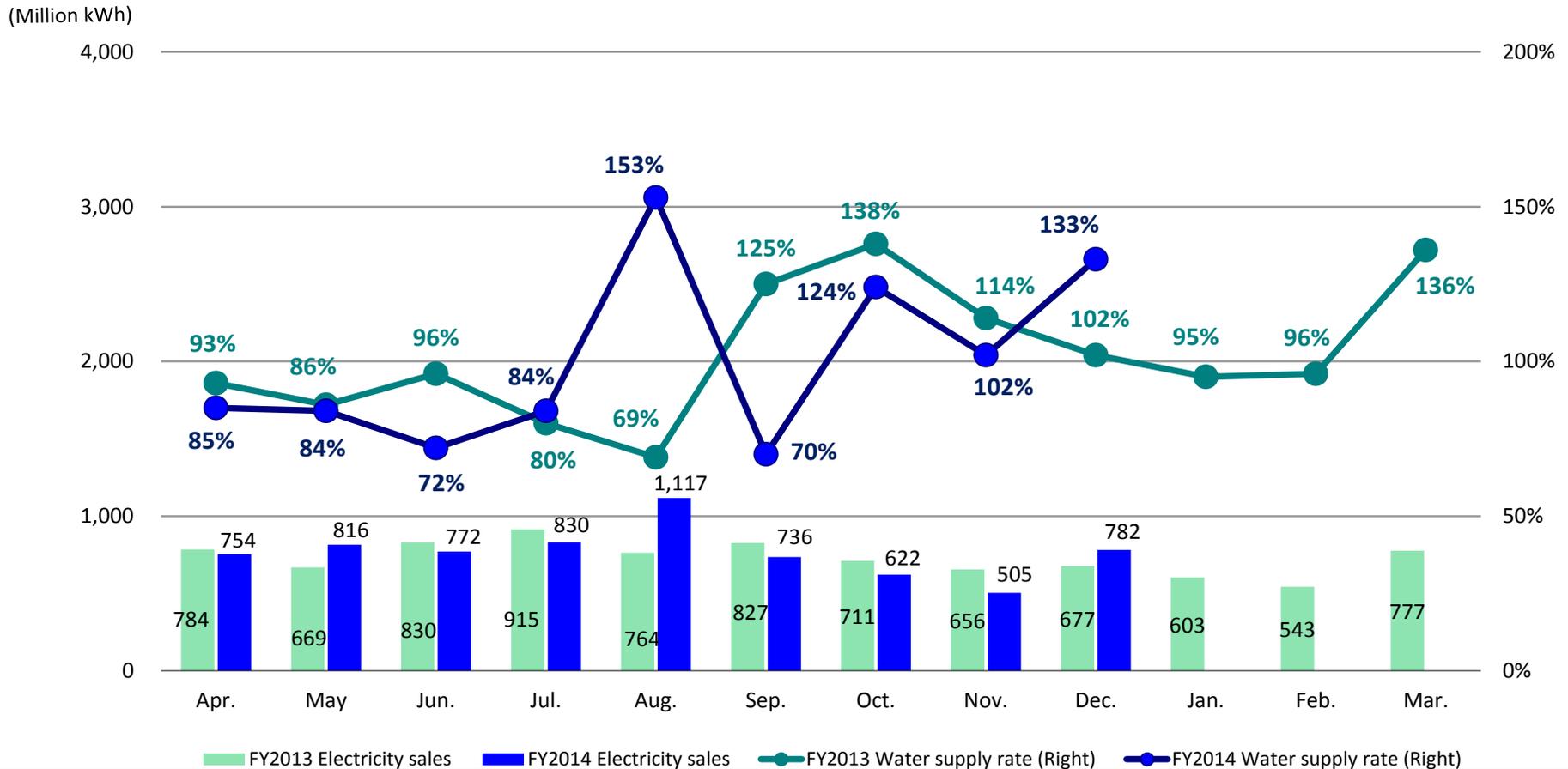
## ▶ Apr. 2013 - Dec. 2013 Results (cumulative)

Water supply rate ⇒ 97%  
Electricity sales ⇒ 6.8TWh

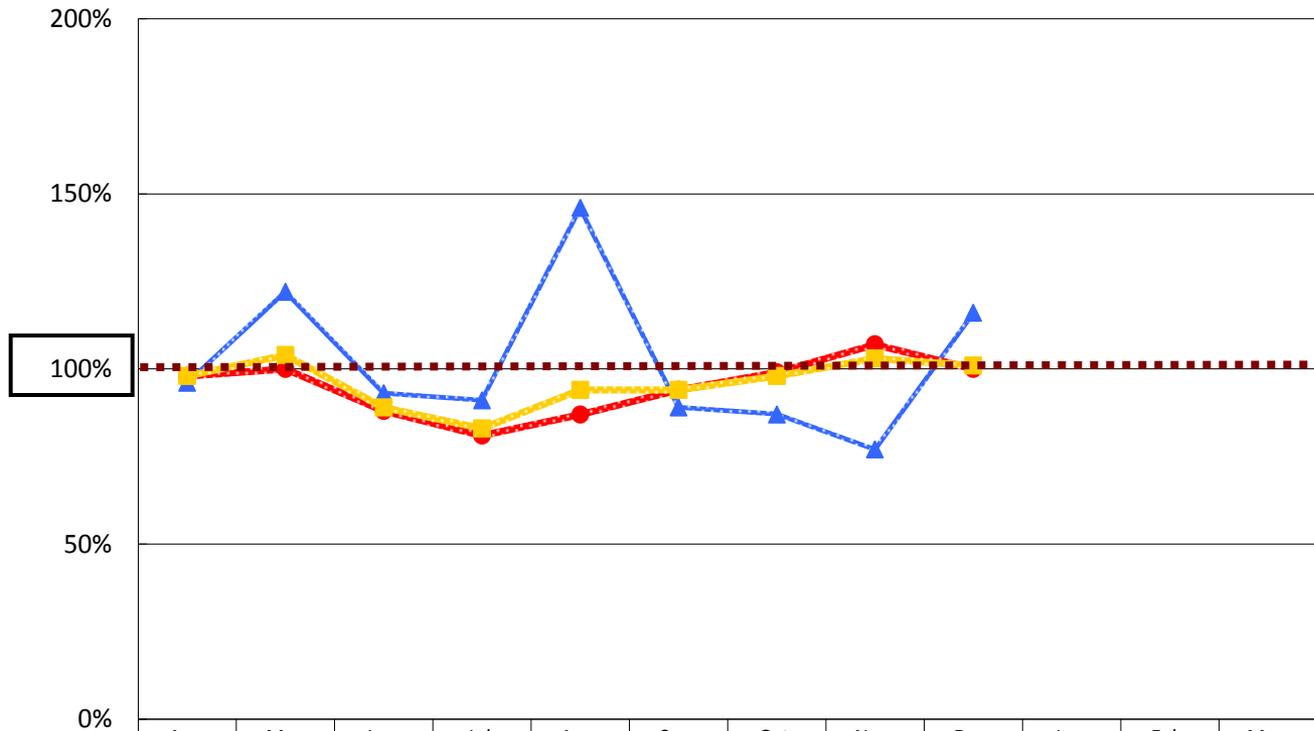
✓ FY2013 Results (cumulative): Water supply rate 99%, Electricity sales 8.7TWh

## ▶ Apr. 2014 - Dec. 2014 Results (cumulative)

Water supply rate ⇒ 95%  
Electricity sales ⇒ 6.9TWh



# Wholesales Electric Power Business: Changes in Monthly Electricity Sales



	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. - Dec.
Year-on-year (Hydro)	96%	122%	93%	91%	146%	89%	87%	77%	116%				102%
Year-on-year (Thermal Power)	98%	100%	88%	81%	87%	94%	99%	107%	100%				94%
Year-on-year Total	98%	104%	89%	83%	94%	94%	98%	103%	101%				95%

# Monthly Electricity Sales: Other Electric Power Business



▶ Apr. 2013 - Dec. 2013 Results (cumulative)

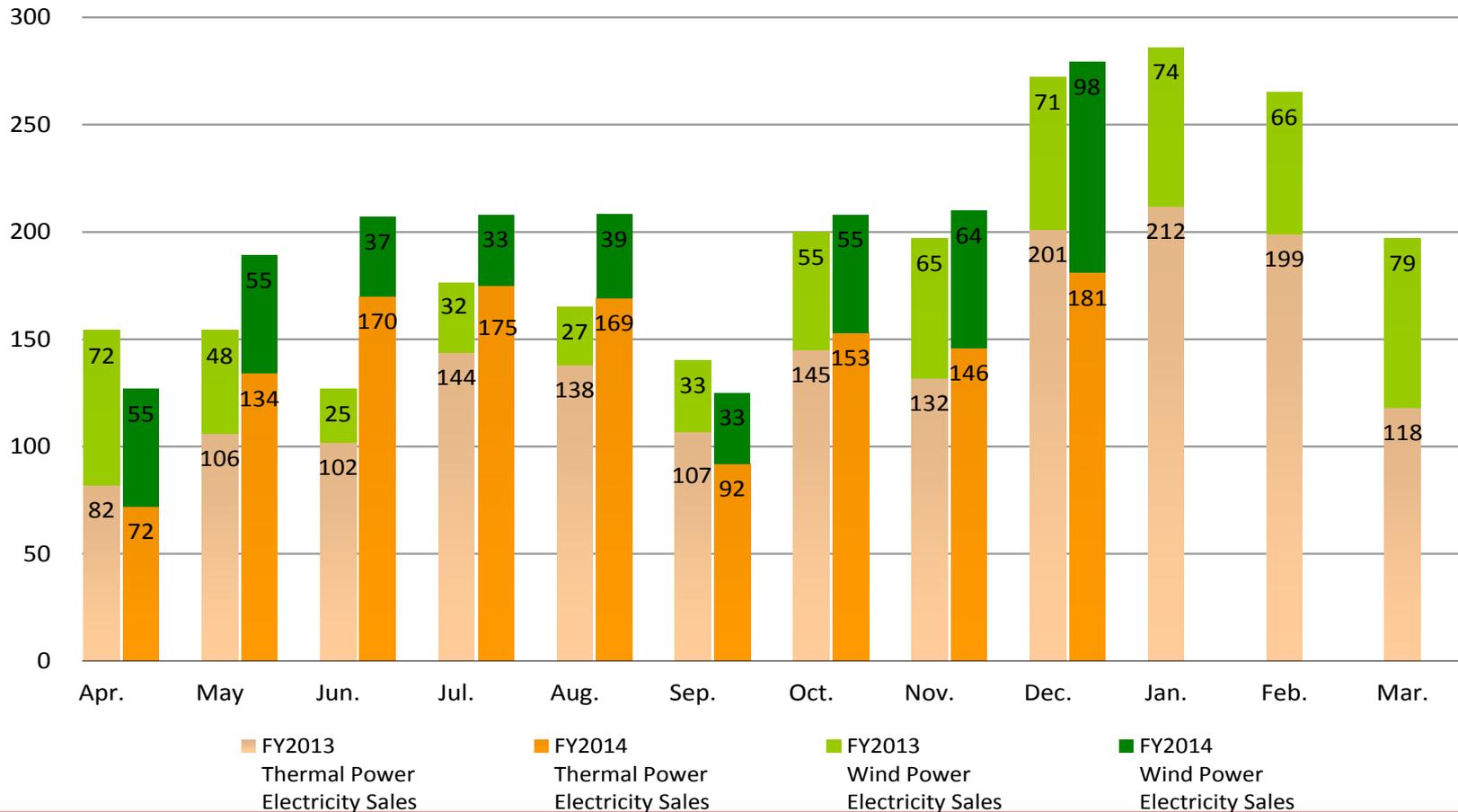
Electricity sales ⇒ 1.5TWh

▶ Apr. 2014 - Dec. 2014 Results (cumulative)

Electricity sales ⇒ 1.7TWh

✓ FY2013 Results (cumulative): Electricity sales 2.3TWh

(Million kWh)



\* Does not take proportion of equity holdings into account



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