

# Summary of FY2015 Second Quarter Earnings Results



Electric Power Development Co., Ltd.

October 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.

## I. Summary of FY2015 Second Quarter Earnings Results

- ▶ Summary of FY2015 Second Quarter Earnings Results ..... 4
- ▶ Key Data ..... 5
- ▶ FY2015 Second Quarter Earnings Results (Main Factors for Change) ..... 7
- ▶ Revenue / Expenditure Comparison ..... 8
- ▶ Balance Sheet ..... 9

## II. Summary of FY2015 Earnings Forecast

- ▶ Summary of FY2015 Earnings Forecast ..... 11
- ▶ Key Data ..... 12
- ▶ FY2015 Earnings Forecast (Main Factors for Change) ..... 13
- ▶ Overseas Power Generation Business: Earnings Contribution Forecast ..... 14

## APPENDIX

# I. Summary of FY2015 Second Quarter Earnings Results

# Summary of FY2015 Second Quarter Earnings Results



(Unit: billion yen)

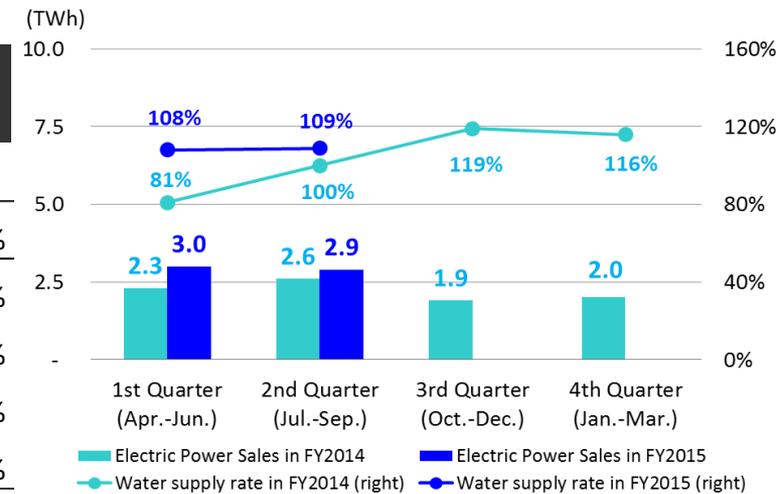
Consolidated	FY2014 2nd Quarter (Apr.-Sep.)	FY2015 2nd Quarter (Apr.-Sep.)	Year-on-year change	
Operating Revenue	348.6	400.0	51.3	14.7 %
Operating Income	35.9	58.7	22.8	63.4 %
Ordinary Income	32.4	50.0	17.6	54.4 %
Profit attributable to owners of parent	23.9	36.7	12.8	53.4 %

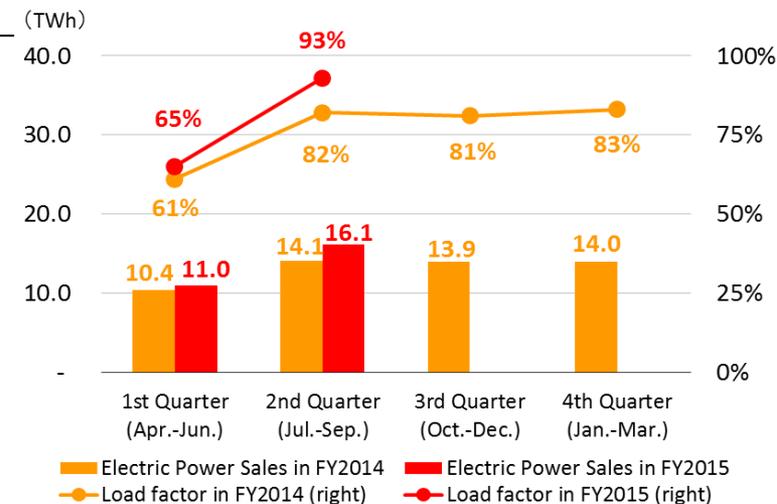
Non-consolidated	FY2014 2nd Quarter (Apr.-Sep.)	FY2015 2nd Quarter (Apr.-Sep.)	Year-on-year change	
Operating Revenue	276.2	293.0	16.8	6.1 %
Operating Income	27.0	39.1	12.1	44.9 %
Ordinary Income	21.8	38.1	16.2	74.5 %
Net Income	16.1	28.5	12.3	76.6 %

## Electric Power Sales for each Quarter

### [Hydroelectric (Wholesale Electric Power)]



### [Thermal (Wholesale Electric Power)]



	FY2014 2nd Quarter (Apr.-Sep.)	FY2015 2nd Quarter (Apr.-Sep.)	Year-on-year change	
Electric Power Sales (TWh)				
Electric Power Business	30.6	34.0	3.3	10.8%
Hydroelectric (Wholesale Electric Power)	5.0	5.9	0.9	19.1%
Thermal (Wholesale Electric Power)	24.5	27.1	2.5	10.3%
Other Electric Power Business	1.0	0.8	(0.1)	(16.3)%
Overseas Business*	2.9	5.7	2.7	93.1%
Water supply rate (Wholesale Electric Power)	89%	109%	+20points	
Load factor (Wholesale Electric Power)	72%	79%	+7points	

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

# Key Data (Operating Revenue)



	FY2014 2nd Quarter (Apr.-Sep.)	FY2015 2nd Quarter (Apr.-Sep.)	Year-on-year change	
Operating Revenue (Billion yen)	348.6	400.0	51.3	14.7%
Electric Power Business	288.8	299.9	11.0	3.8%
Hydroelectric (Wholesale Electric Power)	56.0	58.1	2.0	3.7%
Thermal (Wholesale Electric Power)	188.5	202.2	13.6	7.2%
Other Electric Power Business	18.5	13.8	(4.7)	(25.5)%
Overseas Business <sup>*1</sup>	33.8	75.3	41.4	122.7%
Other Business <sup>*2</sup>	25.9	24.7	(1.2)	(4.6)%
Average foreign exchange rate (Yen/US\$)	103.01	121.87		
Foreign exchange rate as of June 30 (Yen/THB)	3.12	3.62		
Foreign exchange rate as of June 30 (THB/US\$)	32.46	33.78		

\*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 (+ 22.8 billion yen)

### □ Non-consolidated operating income (+ 12.1 billion yen)

- ▶ Increase in hydroelectric power revenue
- ▶ Decrease in facilities maintenance costs
- ▶ Elimination of impact of accident in the Matsuura Thermal Power Plant\*, etc.
- ▶ Increase in personnel expenses
- ▶ Increase in other expenses

### □ Income of subsidiaries, etc. (+ 10.6 billion yen)

- ▶ Increase in income of overseas business, etc.

## Consolidated ordinary income (+ 17.6 billion yen)

- ▶ Increase in equity income of affiliates (+ 0.2 billion yen)
- ▶ Foreign exchange losses (- 4.9 billion yen)
- ▶ Decrease in other non-operating profit (- 0.4 billion yen)

## Profit attributable to owners of parent (+ 12.8 billion yen)

- ▶ Increase in corporate income tax, etc.

\*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. On June 11, 2015, full-load operation commenced with a newly fabricated low-pressure turbine rotor.

# Revenue / Expenditure Comparison



(Unit: billion yen)

	FY2014 2nd Quarter (Apr.-Sep.)	FY2015 2nd Quarter (Apr.-Sep.)	Year-on-year change	Main factors for change
<b>Operating Revenue</b>	<b>348.6</b>	<b>400.0</b>	<b>51.3</b>	
Electric power business	288.8	299.9	11.0	Non-consolidated +15.9, Subsidiaries and others (4.9)
Overseas business	33.8	75.3	41.4	Operation of IPP projects in Thailand and others
Other business	25.9	24.7	(1.2)	
<b>Operating Expenses</b>	<b>312.7</b>	<b>341.2</b>	<b>28.5</b>	Operation of IPP projects in Thailand and others
<b>Operating Income</b>	<b>35.9</b>	<b>58.7</b>	<b>22.8</b>	Non-consolidated +12.1, Subsidiaries and others +10.6
<b>Non-operating Revenue</b>	<b>10.7</b>	<b>11.4</b>	<b>0.7</b>	
Equity income of affiliates	7.1	7.4	0.2	
Other	3.5	4.0	0.4	
<b>Non-operating Expenses</b>	<b>14.2</b>	<b>20.1</b>	<b>5.9</b>	
Interest expenses	12.7	14.8	2.1	Operation of IPP projects in Thailand and others
Other	1.5	5.2	3.7	Foreign exchange losses
<b>Ordinary Income</b>	<b>32.4</b>	<b>50.0</b>	<b>17.6</b>	
<b>Profit attributable to owners of parent</b>	<b>23.9</b>	<b>36.7</b>	<b>12.8</b>	

# Balance Sheet



(Unit: billion yen)

	FY2014 End of FY	FY2015 End of 2Q	Change from prior year end	Main factors for change
<b>Noncurrent Assets</b>	<b>2,275.4</b>	<b>2,273.1</b>	<b>(2.3)</b>	
Electric utility plant and equipment	986.5	969.1	(17.3)	Non-consolidated (16.2)
Overseas business facilities	264.8	335.1	70.3	Subsidiaries in Thailand +70.3
Other noncurrent assets	115.1	109.2	(5.8)	
Construction in progress	506.9	475.7	(31.2)	Non-consolidated +35.4, Subsidiaries (including those in Thailand) and others (66.6)
Nuclear fuel	71.4	71.6	0.2	
Investments and other assets	330.5	312.1	(18.4)	Long-term investments (21.7)
<b>Current Assets</b>	<b>383.6</b>	<b>348.7</b>	<b>(34.9)</b>	
<b>Total Assets</b>	<b>2,659.1</b>	<b>2,621.8</b>	<b>(37.3)</b>	
Interest-bearing debt	1,723.6	1,652.5	(71.1)	Non-consolidated (56.2), Subsidiaries (14.9) [ Corporate bonds (60.7), Short-term loans (10.6) ]
Others	239.1	246.1	6.9	
<b>Total Liabilities</b>	<b>1,962.8</b>	<b>1,898.6</b>	<b>(64.2)</b>	
Shareholders' equity	629.4	659.8	30.3	Increase in retained earnings
Accumulated other comprehensive income	59.2	53.5	(5.7)	Foreign currency translation adjustment (3.8), Valuation difference on available-for-sale securities (3.0)
Non-controlling interests	7.5	9.7	2.1	
<b>Total Net Assets</b>	<b>696.2</b>	<b>723.1</b>	<b>26.8</b>	
D/E ratio (x)	2.5	2.3		
Shareholders' equity ratio	25.9%	27.2%		

## II. Summary of FY2015 Earnings Forecast

# Summary of FY2015 Earnings Forecast



(Unit: billion yen)

Consolidated	FY2014 Result	FY2015 Current Forecast	Comparison with FY2014 Result		FY2015 Initial Forecast*	Comparison with Initial Forecast
Operating Revenue	750.6	792.0	41.3	5.5%	814.0	(22.0)
Operating Income	72.8	83.0	10.1	13.9%	80.0	3.0
Ordinary Income	59.3	55.0	(4.3)	(7.3)%	65.0	(10.0)
Profit attributable to owners of parent	43.2	42.0	(1.2)	(2.8)%	50.0	(8.0)
Non-consolidated	FY2014 Result	FY2015 Current Forecast	Comparison with FY2014 Result		FY2015 Initial Forecast*	Comparison with Initial Forecast
Operating Revenue	557.9	562.0	4.0	0.7%	556.0	6.0
Operating Income	44.5	40.0	(4.5)	(10.2)%	38.0	2.0
Ordinary Income	28.9	38.0	9.0	31.3%	38.0	-
Net Income	22.4	31.0	8.5	38.1%	31.0	-

## Cash dividends per share in FY2015

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

\* Initial forecast was released on April 30, 2015.

	FY2014 Result	FY2015 Current Forecast	Comparison with FY2014 Result		FY2015 Initial Forecast*4	Comparison with Initial Forecast
<b>Electric Power Sales (TWh)</b>						
<b>Electric Power Business</b>	<b>64.0</b>	<b>67.2</b>	<b>3.1</b>	<b>4.9%</b>	<b>64.9</b>	<b>2.2</b>
Hydroelectric (Wholesale Electric Power)	9.0	9.8	0.8	9.3%	9.3	0.5
Thermal (Wholesale Electric Power)	52.5	55.2	2.6	5.1%	53.4	1.8
Other Electric Power Business	2.4	2.0	(0.3)	(14.3)%	2.1	(0.0)
<b>Overseas Business*1</b>	<b>8.6</b>	<b>13.4</b>	<b>4.8</b>	<b>55.5%</b>	<b>13.7</b>	<b>(0.2)</b>
<b>Operating Revenue (Billion yen)</b>						
<b>Electric Power Business</b>	<b>588.1</b>	<b>582.0</b>	<b>(6.1)</b>	<b>(1.1)%</b>	<b>582.0</b>	<b>0.0</b>
Hydroelectric (Wholesale Electric Power)	105.7	108.0	2.2	2.2%	107.0	1.0
Thermal (Wholesale Electric Power)	389.1	392.0	2.8	0.7%	390.0	2.0
Other Electric Power Business	41.7	32.0	(9.7)	(23.3)%	35.0	(3.0)
<b>Overseas Business*2</b>	<b>108.9</b>	<b>159.0</b>	<b>50.0</b>	<b>46.0%</b>	<b>180.0</b>	<b>(21.0)</b>
<b>Other Business*3</b>	<b>53.5</b>	<b>51.0</b>	<b>(2.5)</b>	<b>(4.7)%</b>	<b>52.0</b>	<b>(1.0)</b>

	FY2014 Result	FY2015 Current Forecast	FY2015 Initial Forecast*4
Water supply rate	98%	106%	100%
Load factor	76%	80%	78%
<b>Foreign exchange rate at term end</b>			
Yen/US\$	120.55	120	120
Yen/THB	3.67	3.3	3.6
THB/US\$	32.96	36.37	32.96
<b>Average foreign exchange rate</b>			
Yen/US\$	109.76	121	120

\*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.)

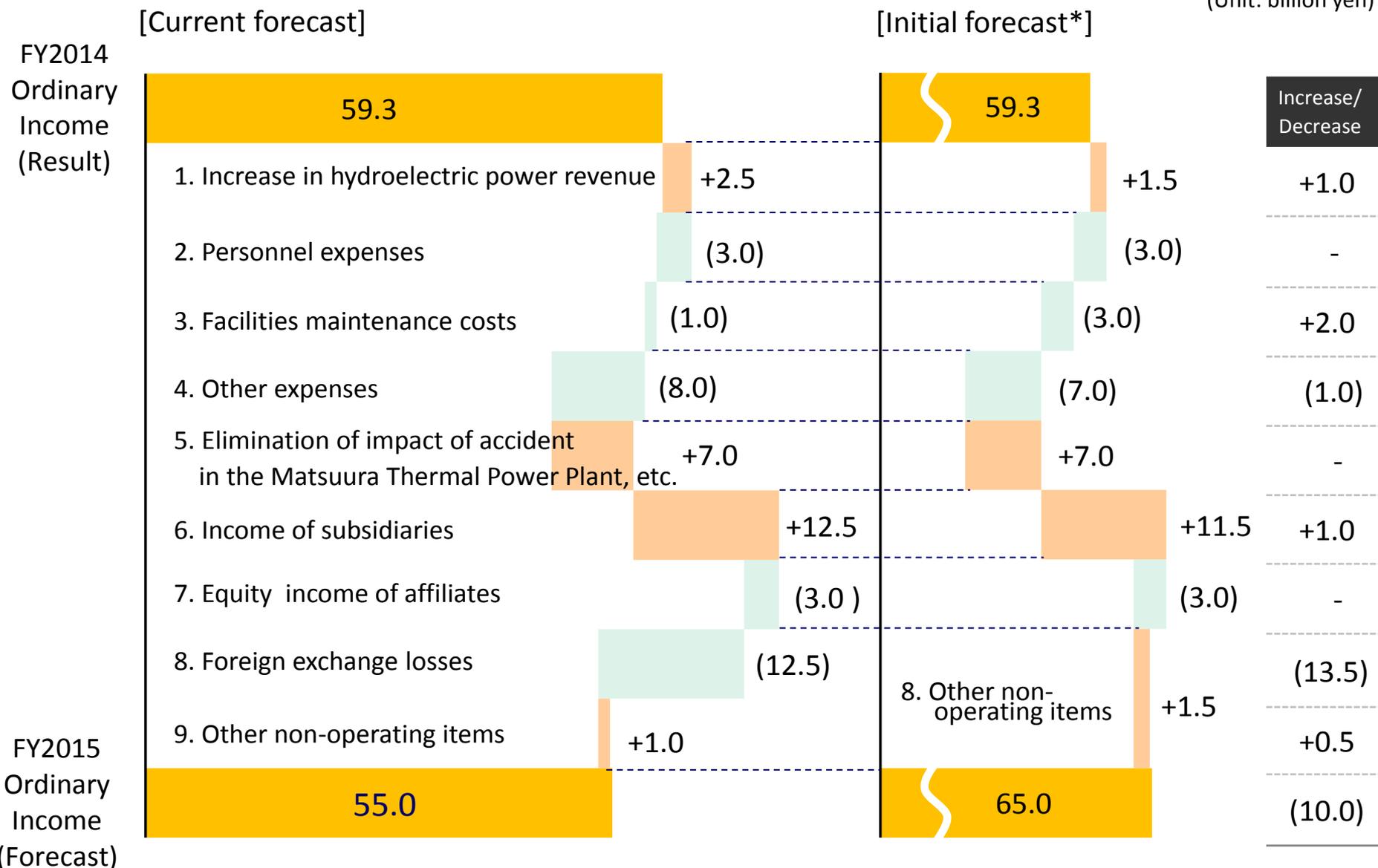
\*3 "Other Business" is composed of "Electric Power-Related Business" segment and "Other Business" segment.

\*4 Initial forecast was released on April 30, 2015.

# FY2015 Earnings Forecast (Main Factors for Change)



(Unit: billion yen)

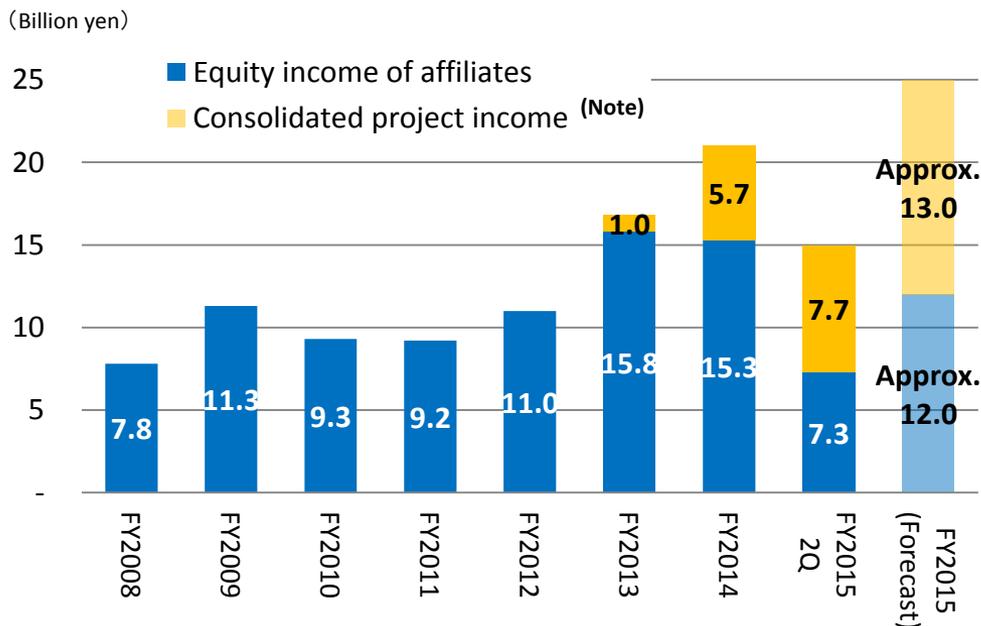


\* Initial forecast was released on April 30, 2015.

# Overseas Power Generation Business: Earnings Contribution Forecast

- ▶ Equity equivalent income\* for six months ended Sep. 30, 2015 was 15.0 billion yen.
- ▶ Equity equivalent income\* in FY2015 is expected to be approximately 25.0 billion yen.

## 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.

## Recent Status of Overseas New Projects

- ▶ **Thailand**
  - 7SPP, Nong Saeng and U-Thai 1st block have already begun commercial operations. (As of Sep. 2015)
  - Construction of the U-Thai 2nd block is proceeding on schedule. (Commencement of commercial operations is scheduled in Dec. 2015)
- ▶ **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 Apr. 2016.

## Foreign exchange rate for FY2015

	End of FY2015 Initial forecast	End of 2Q Result	End of FY2015 Current forecast
Yen/US\$	120	122.45	120
Yen/THB	3.6	3.62	3.3
THB/US\$	32.96	33.78	36.37

\* 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.

# APPENDIX

▶ New Coal-fired Power Projects in Japan	...	17
▶ Ohma Nuclear Power Project	...	18
▶ Response to the New Safety Standards at the Ohma Nuclear Power Plant	...	19
▶ Overseas Power Generation Business Owned Capacity	...	22
▶ Projects in Thailand by Consolidated Subsidiaries	...	23
▶ Statements of Income	...	25
▶ Non-consolidated: Revenues and Expenses	...	26
▶ Segment Information	...	27
▶ Cash Flow	...	28
▶ Financial Data	...	29
▶ Monthly Electricity Sales	...	30

# New Coal-fired Power Projects in Japan

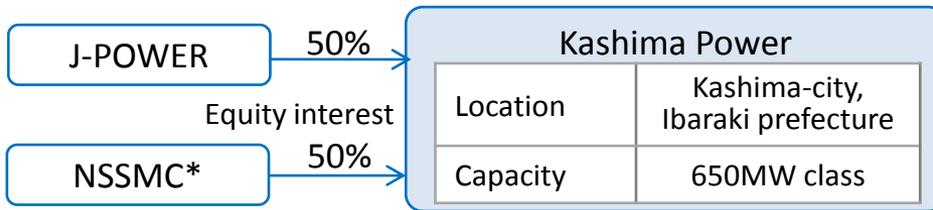
## Takehara Thermal Power Plant New Unit No.1

Location	Takehara-city, Hiroshima prefecture
Status	Under construction for replacement
Start of operation	Scheduled in Jun. 2020
Capacity	600MW → 600MW (Replacement in the same capacity)
Steam Condition	Sub-Critical → Ultra-supercritical

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

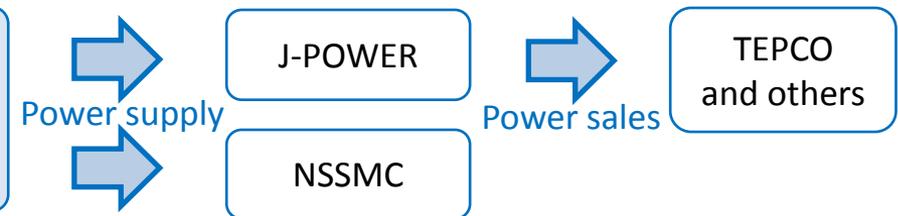
Location	Takasago-city, Hyogo prefecture
Status	Implementing environmental assessment
Start of operation	Scheduled in 2021 (New No.1) and 2027 (New No.2)
Capacity	500MW → 1,200MW (Replacement for the larger capacity)
Steam Condition	Sub-Critical → Ultra-supercritical

## Kashima Power (New Capacity)

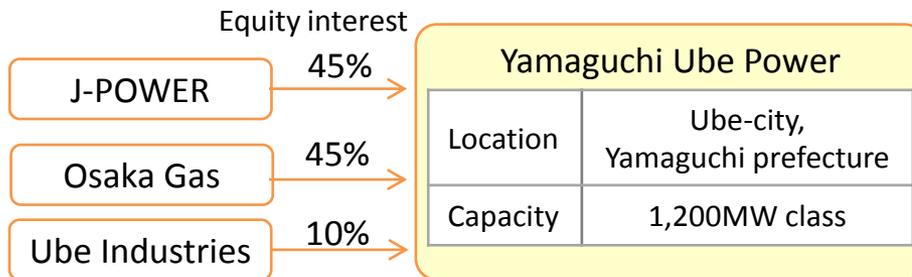


\* Nippon Steel & Sumitomo Metal Corporation

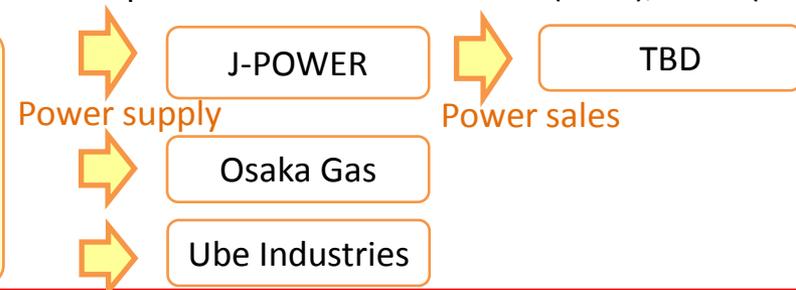
- ✓ Implementing environmental assessment
- ✓ Start of operation scheduled in Jul. 2020



## Yamaguchi Ube Power (New Capacity)



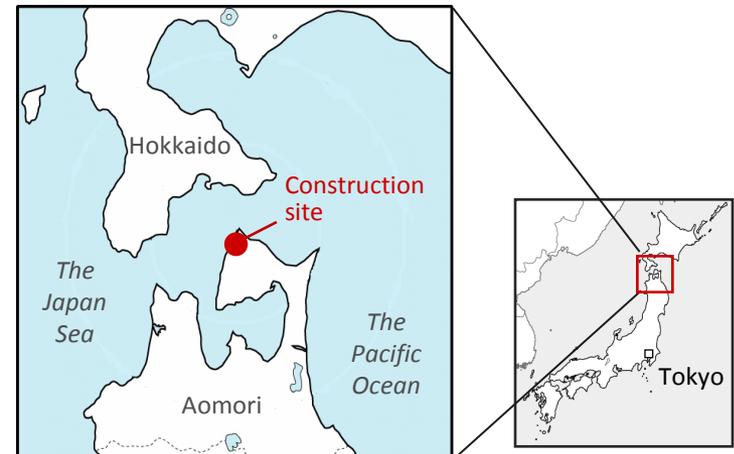
- ✓ Implementing environmental assessment
- ✓ Start of operation scheduled in 2023 (No.1), 2025 (No.2)



- ▶ 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.
- ▶ J-POWER responds to review of NRA properly.
- ▶ 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 Regulation Authority

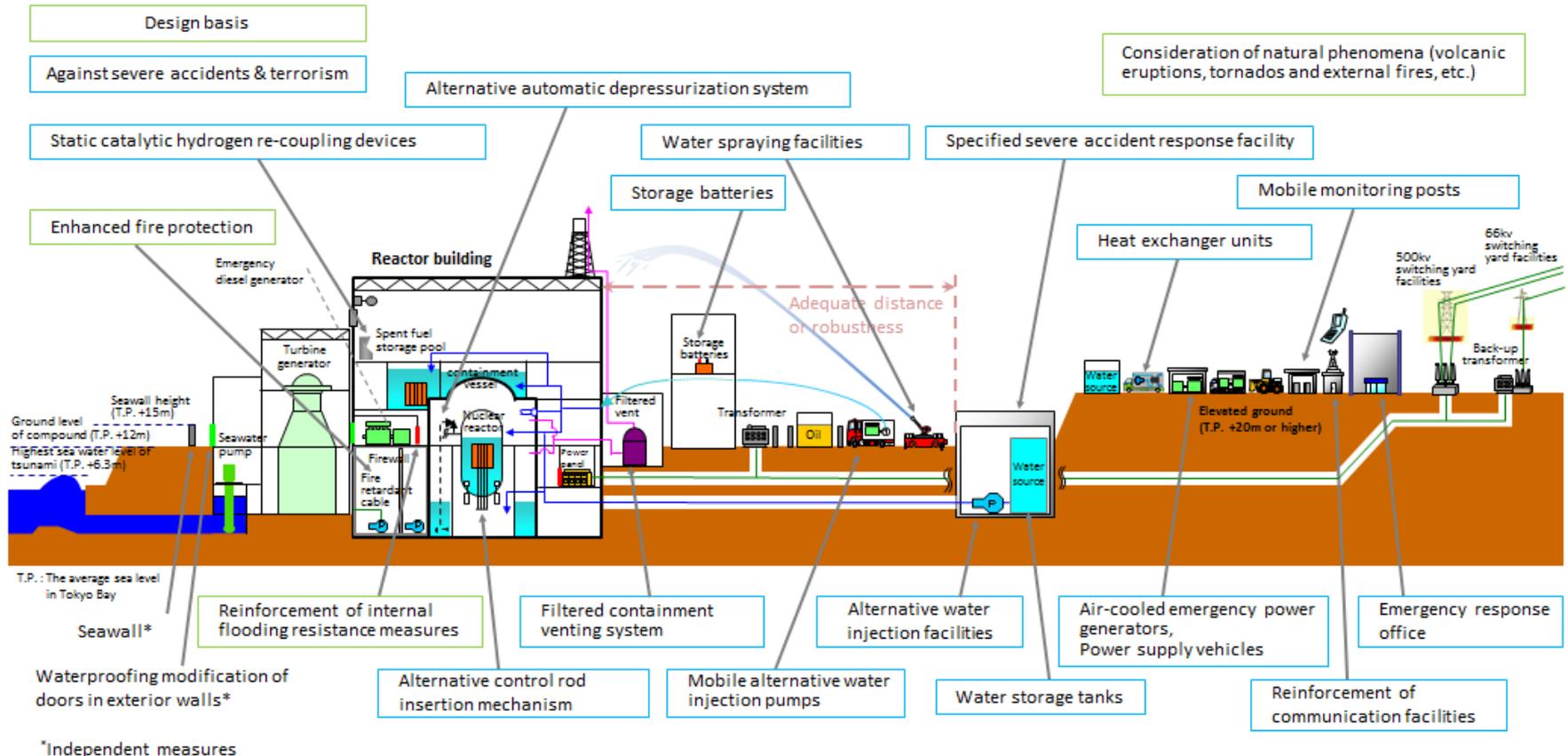
## Construction Works for Measures for Reinforcing Safety

✓ Construction Period: From around November 2016 to around December 2021

✓ 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

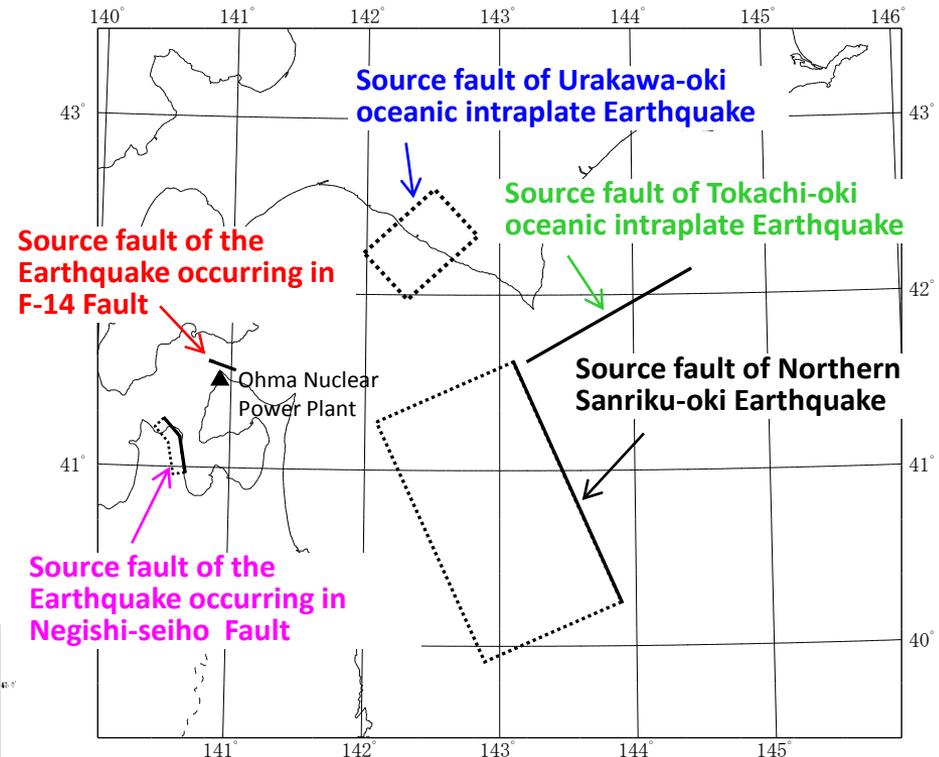
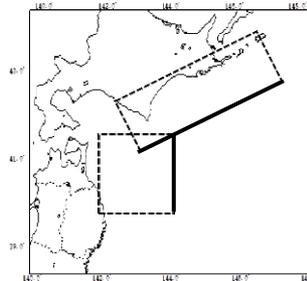


## Earthquakes for Investigation

✓ 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



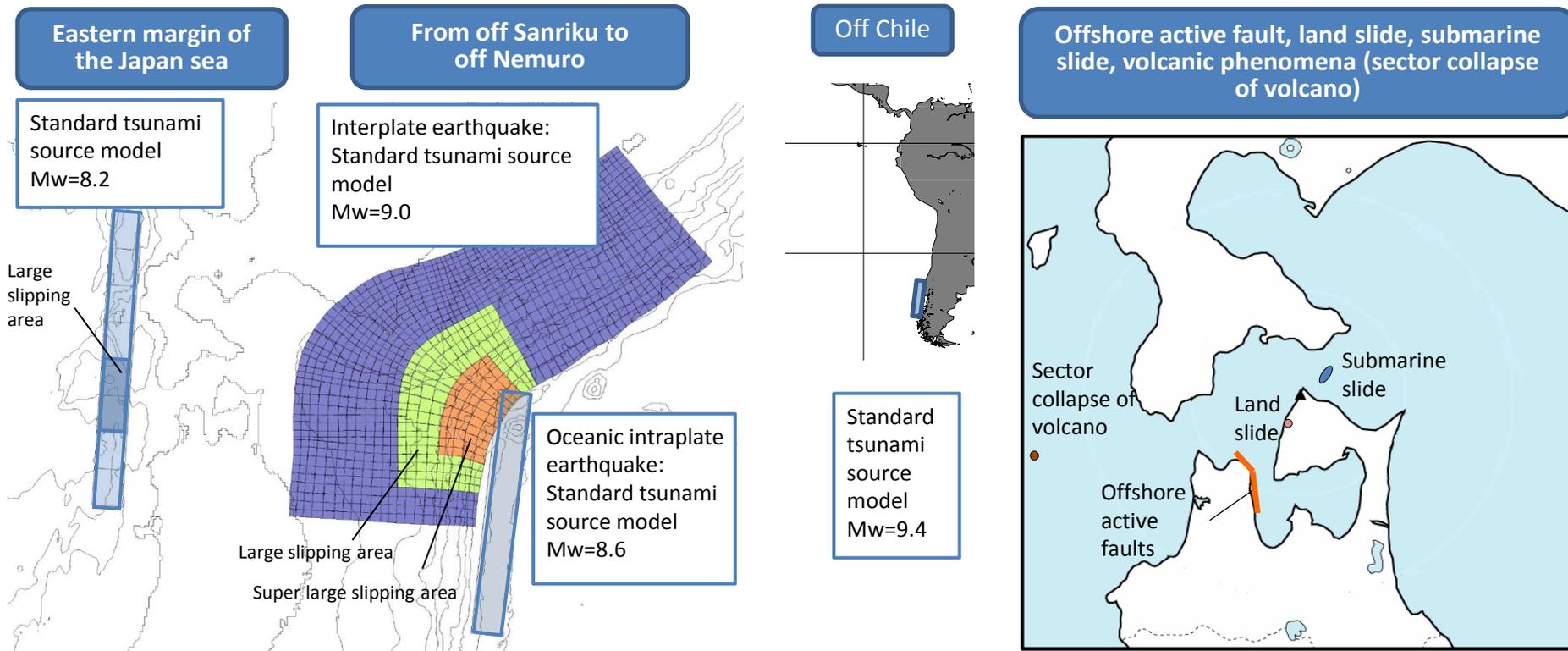
Source faults of earthquakes for investigation



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

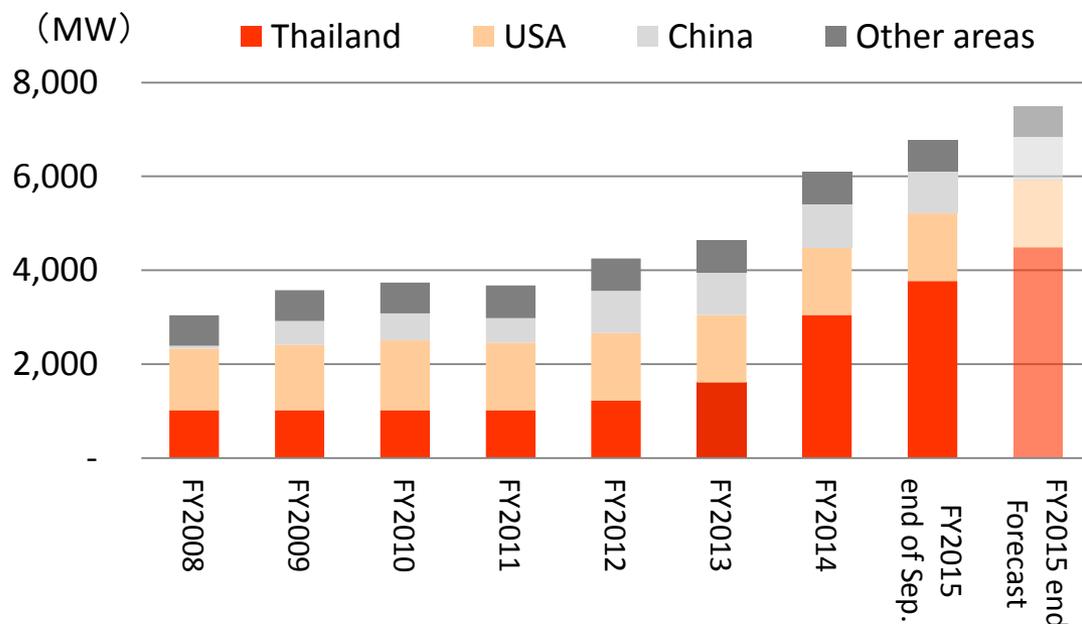


**The highest sea water level by design basis tsunami: approx. T.P.+6.3m**  
**The lowest sea water level by design basis tsunami: approx. T.P.-4.1m**

# Overseas Power Generation Business Owned Capacity



[Owned capacity of overseas projects]



Countries/ Regions	In operation	Under development	Total
Thailand	3,768	720	4,488
USA	1,442	-	1,442
China	908	-	908
Other areas	656	680	1,336
<b>Total</b>	<b>6,774</b>	<b>1,400</b>	<b>8,174</b>

Project	Type	Output capacity (MW)	Ownership	Owned capacity (MW)	Power purchaser	Validity of purchase agreement	Start of operation	Status
<b>Thailand</b>		<b>800</b>		<b>720</b>				
U-Thai No.2	CCGT*1	800	90%	720	EGAT*2	25 years	2015	Under construction
<b>Indonesia</b>		<b>2,000</b>		<b>680</b>				
Central Java	Coal	2,000	34%	680	PT Perusahaan Listrik Negara*3	25 years	*4	Preparing for construction

\*1 CCGT: Combined Cycle Gas Turbine

\*2 EGAT(Electricity Generating Authority of Thailand): State-owned electric power utility in Thailand

\*3 PT Perusahaan Listrik Negara: State-owned electric power utility in Indonesia

\*4 Delayed from its original schedule to commence construction due to delay of obtaining necessary land for the project

# 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 one 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 Saeng IPP

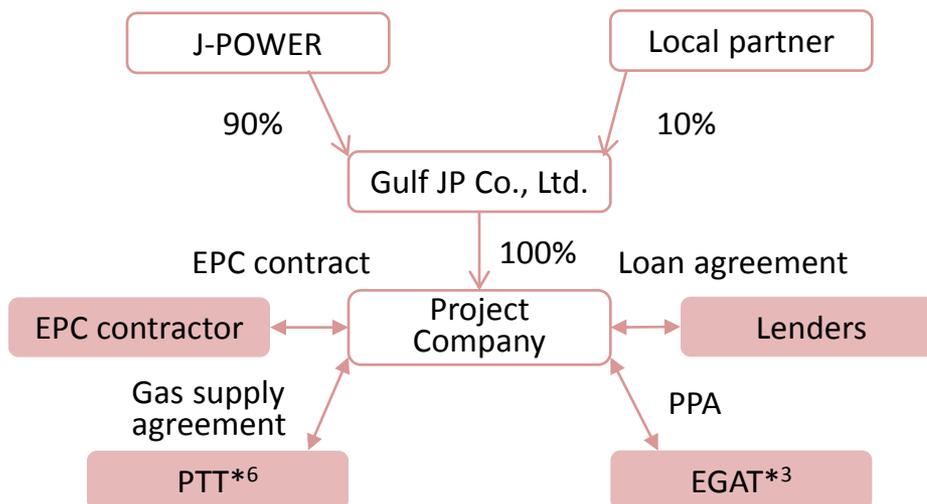
Capacity: 1,600MW  
(800MW x 2 blocks)  
Type: CCGT\*2

- 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 blocks)  
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)



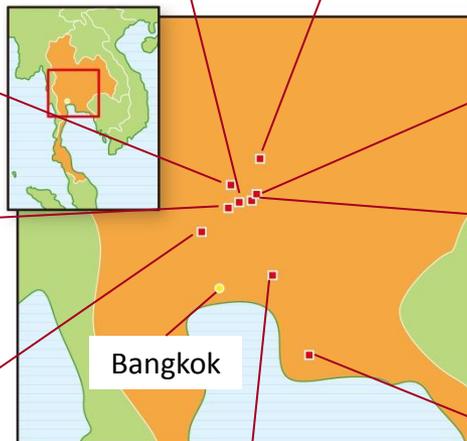
TLC (Mar. 2013, in operation)



KP2 (Feb. 2013, in operation)



U-Thai IPP \*(2015, 99%)



KP1 (Jan. 2013, in operation)



CRN (Jul. 2013, in operation)



NNK (Apr. 2013, in operation)



NLL (May 2013, in operation)



\* The 1st block has commenced operation in June 2015 and the 2nd block is scheduled to commence operation in December 2015.

Note: Particulars in parentheses: (Start of operation, status or approximate rate of construction progress as of September 2015)

# Statements of Income



(Unit: 100 million yen)

	FY2011	FY2012	FY2013	FY2014	FY2014 2Q	FY2015 2Q
<b>Operating revenue</b>	<b>6,546</b>	<b>6,560</b>	<b>7,068</b>	<b>7,506</b>	<b>3,486</b>	<b>4,000</b>
Electric power operating revenue	6,097	6,053	6,090	5,881	2,888	2,999
Overseas business operating revenue	20	16	428	1,089	338	753
Other operating revenue	428	490	549	535	259	247
<b>Operating expenses</b>	<b>6,048</b>	<b>6,014</b>	<b>6,476</b>	<b>6,777</b>	<b>3,127</b>	<b>3,412</b>
<b>Operating income</b>	<b>498</b>	<b>545</b>	<b>591</b>	<b>728</b>	<b>359</b>	<b>587</b>
<b>Non-operating revenue</b>	<b>153</b>	<b>175</b>	<b>223</b>	<b>227</b>	<b>107</b>	<b>114</b>
Equity income of affiliates	95	117	163	156	71	74
Others	57	58	59	70	35	40
<b>Non-operating expenses</b>	<b>285</b>	<b>273</b>	<b>414</b>	<b>362</b>	<b>142</b>	<b>201</b>
Interest expenses	220	223	253	282	127	148
Others	65	49	161	79	15	52
<b>Ordinary income</b>	<b>366</b>	<b>448</b>	<b>400</b>	<b>593</b>	<b>324</b>	<b>500</b>
Extraordinary income	-	-	23	21	-	-
Extraordinary loss	33	-	-	-	-	-
<b>Profit attributable to owners of parent</b>	<b>161</b>	<b>298</b>	<b>286</b>	<b>432</b>	<b>239</b>	<b>367</b>

# Non-consolidated: Revenues and Expenses



(Unit: 100 million yen)

	FY2011	FY2012	FY2013	FY2014	FY2014 2Q	FY2015 2Q	YOY change
<b>Operating revenue</b>	<b>5,999</b>	<b>5,869</b>	<b>5,828</b>	<b>5,579</b>	<b>2,762</b>	<b>2,930</b>	<b>168</b>
<b>Electric power business</b>	<b>5,905</b>	<b>5,772</b>	<b>5,729</b>	<b>5,485</b>	<b>2,713</b>	<b>2,873</b>	<b>159</b>
Hydroelectric	1,084	1,066	1,047	1,057	560	581	20
Thermal	4,244	4,139	4,119	3,896	1,888	2,026	138
Transmission and others	576	566	562	532	264	265	0
<b>Incidental business</b>	<b>94</b>	<b>97</b>	<b>99</b>	<b>93</b>	<b>48</b>	<b>57</b>	<b>9</b>
<b>Operating expenses</b>	<b>5,576</b>	<b>5,436</b>	<b>5,423</b>	<b>5,133</b>	<b>2,491</b>	<b>2,539</b>	<b>47</b>
<b>Electric power business</b>	<b>5,490</b>	<b>5,347</b>	<b>5,334</b>	<b>5,049</b>	<b>2,447</b>	<b>2,487</b>	<b>40</b>
Personnel costs	344	340	298	285	138	156	17
Amortization of the actuarial difference	17	5	(30)	(43)	(21)	(11)	10
Fuel costs	2,384	2,384	2,502	2,284	1,064	1,134	70
Repair and maintenance costs	542	564	585	610	371	332	(38)
Depreciation and amortization costs	1,004	894	815	778	387	360	(26)
Others	1,213	1,162	1,133	1,090	485	503	17
<b>Incidental business</b>	<b>86</b>	<b>88</b>	<b>89</b>	<b>84</b>	<b>44</b>	<b>51</b>	<b>7</b>
<b>Operating income</b>	<b>423</b>	<b>433</b>	<b>404</b>	<b>445</b>	<b>270</b>	<b>391</b>	<b>121</b>

# Segment Information



(Unit: 100 million yen)

		Electric power	Electric power -related	Overseas	Other	Subtotal	Elimination*	Consolidated
FY2015 2Q	Sales	3,007	1,543	753	107	5,411	(1,411)	4,000
	Sales to customers	2,999	150	753	96	4,000	-	4,000
	Ordinary income	336	34	116	4	491	9	500
FY2014 2Q	Sales	2,897	1,505	338	116	4,857	(1,370)	3,486
	Sales to customers	2,888	150	338	108	3,486	-	3,486
	Ordinary income	209	22	76	1	311	13	324
year-on-year change	Sales	110	37	414	(8)	554	(40)	513
	Sales to customers	110	0	414	(12)	513	-	513
	Ordinary income	126	11	39	2	179	(3)	176

## “Electric Power Business”

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

**Other electric power business** Subsidiaries’ thermal power (IPP, for PPSs) and wind power.

## “Electric Power-Related Business”

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 Business”

Overseas power generation business, overseas engineering and consulting businesses.

## “Other Business”

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

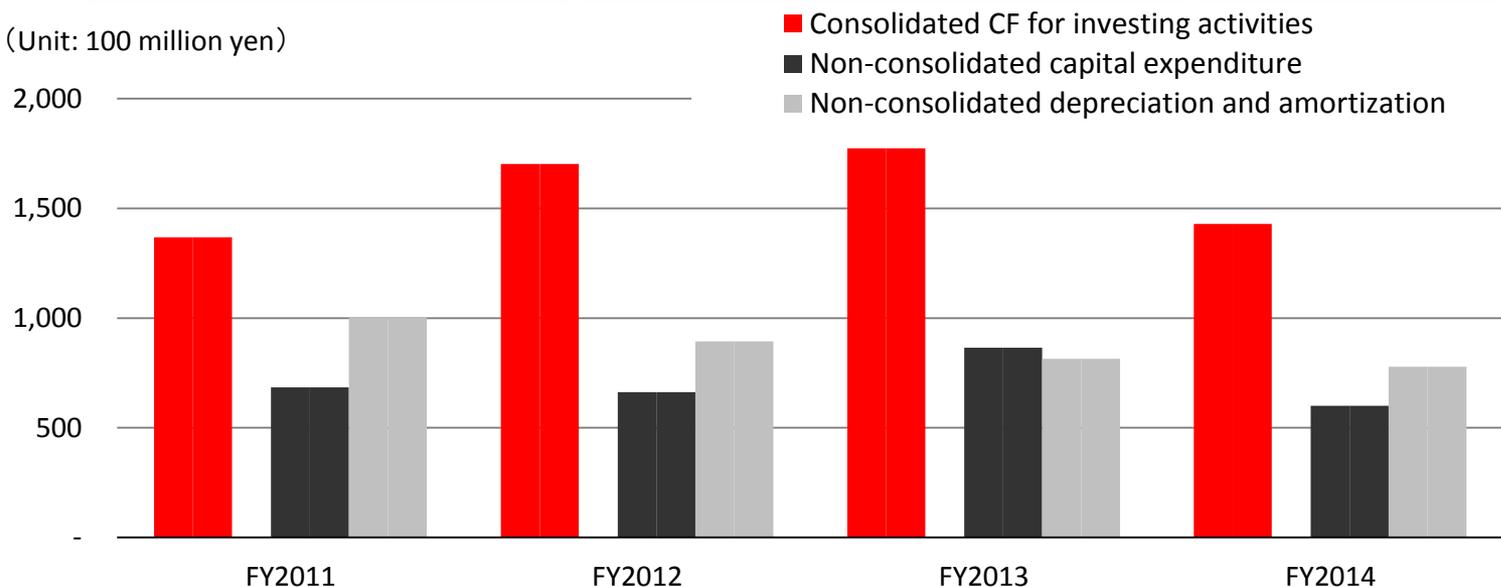
\* Elimination includes elimination of intersegment sales

# Cash Flow

(Unit: 100 million yen)

	FY2011	FY2012	FY2013	FY2014	FY2014 2Q	FY2015 2Q
<b>Operating activities</b>	<b>1,258</b>	<b>1,197</b>	<b>1,221</b>	<b>1,478</b>	<b>504</b>	<b>512</b>
Income before income taxes and minority interests	332	451	427	615	325	500
(reference) Non-consolidated depreciation and amortization	1,004	894	815	778	387	360
<b>Investing activities</b>	<b>(1,368)</b>	<b>(1,703)</b>	<b>(1,773)</b>	<b>(1,429)</b>	<b>(538)</b>	<b>(373)</b>
Capital expenditure for subsidiaries	(642)	(1,002)	(957)	(879)	(322)	(192)
(reference) Non-consolidated CAPEX*	(684)	(662)	(865)	(611)	(254)	(535)
<b>Free cash flow</b>	<b>(109)</b>	<b>(505)</b>	<b>(552)</b>	<b>48</b>	<b>(34)</b>	<b>138</b>

(Unit: 100 million yen)



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

# Financial Data



(Unit: 100 million yen)

	FY2011	FY2012	FY2013	FY2014	FY2014 2Q	FY2015 2Q
<b>(PL)</b> Operating revenue	6,546	6,560	7,068	7,506	3,486	4,000
Operating income	498	545	591	728	359	587
Ordinary income	366	448	400	593	324	500
Profit attributable to owners of parent	161	298	286	432	239	367
<b>(BS)</b> Total assets	20,163	21,699	23,852	26,591	24,498	26,218
Construction in progress	3,804	4,646	5,126	5,069	4,888	4,757
Shareholders' equity	4,073	4,539	5,162	6,887	5,265	7,134
Net assets	4,061	4,538	5,194	6,962	5,314	7,231
Interest-bearing debts	14,357	15,230	16,499	17,236	17,004	16,525
<b>(CF)</b> Investing activities	(1,368)	(1,703)	(1,773)	(1,429)	(538)	(373)
Free cash flow	(109)	(505)	(552)	48	(34)	138
(Ref) Non-consolidated CAPEX*1	(684)	(662)	(865)	(611)	(254)	(535)
(Ref) Non-consolidated depreciation	1,004	894	815	778	387	360
ROA (%)	1.8	2.1	1.8	2.4	-	-
ROA (ROA excl. Construction in progress) (%)	2.2	2.7	2.2	2.9	-	-
ROE (%)	3.9	6.9	5.9	7.2	-	-
EPS ( ¥ )	107.39	198.65	191.23	284.43	159.89	201.00
BPS ( ¥ )	2,714.94	3,024.98	3,440.23	3,762.52	3,509.21	3,897.35
Shareholders' equity ratio (%)	20.2	20.9	21.6	25.9	21.5	27.2
D/E ratio	3.5	3.4	3.2	2.5	3.2	2.3
Number of shares issued*2 (thousand)	150,052	150,052	150,051	183,050	150,051	183,050

\*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)



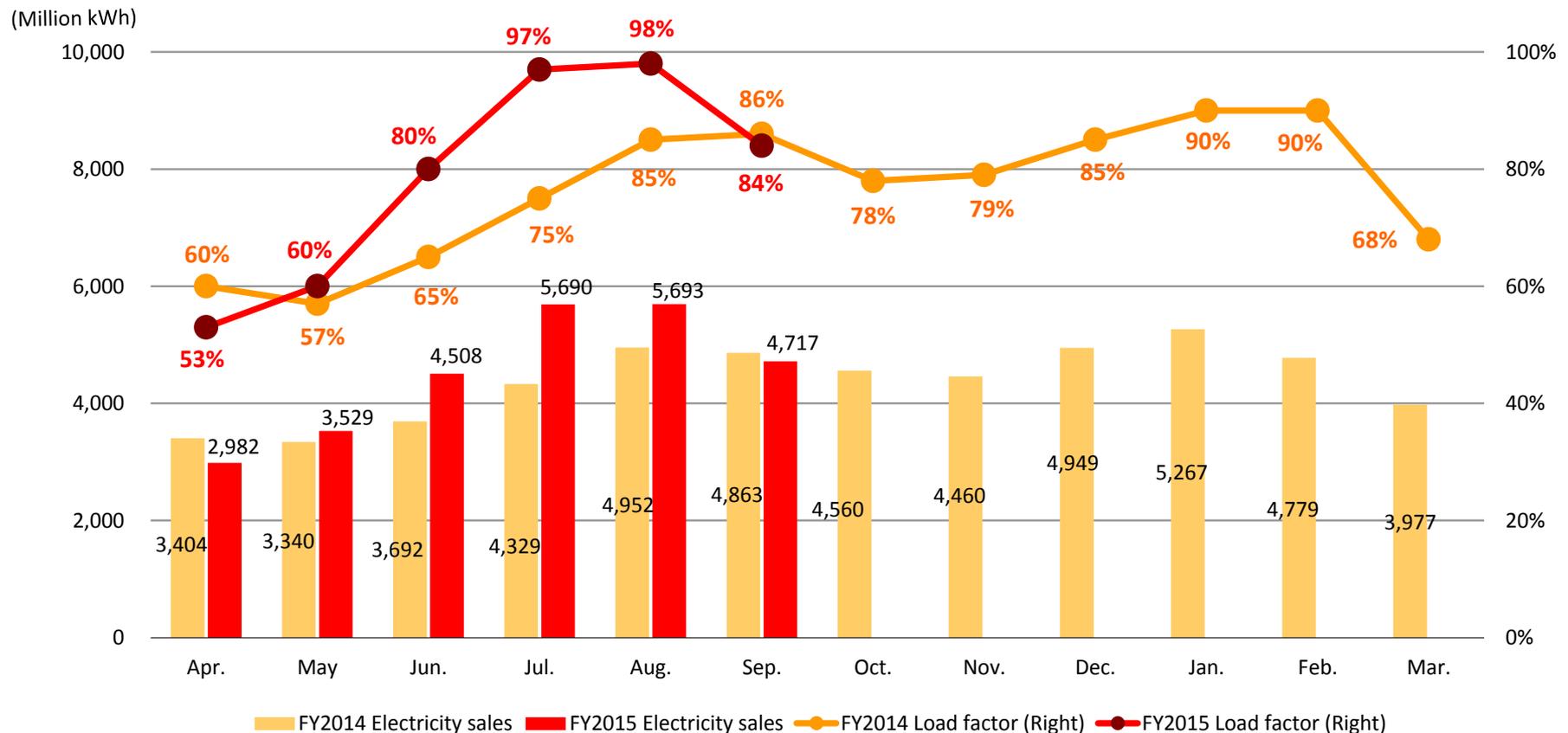
▶ **Apr. 2014 - Sep. 2014 Results (cumulative)**

Load factor ⇒ 72%  
Electricity sales ⇒ 24.5TWh

▶ **Apr. 2015 - Sep. 2015 Results (cumulative)**

Load factor ⇒ 79%  
Electricity sales ⇒ 27.1TWh

✓ **FY2014 Results (cumulative): Load factor 76%, Electricity sales 52.5TWh**



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



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

Water supply rate ⇒ 89%

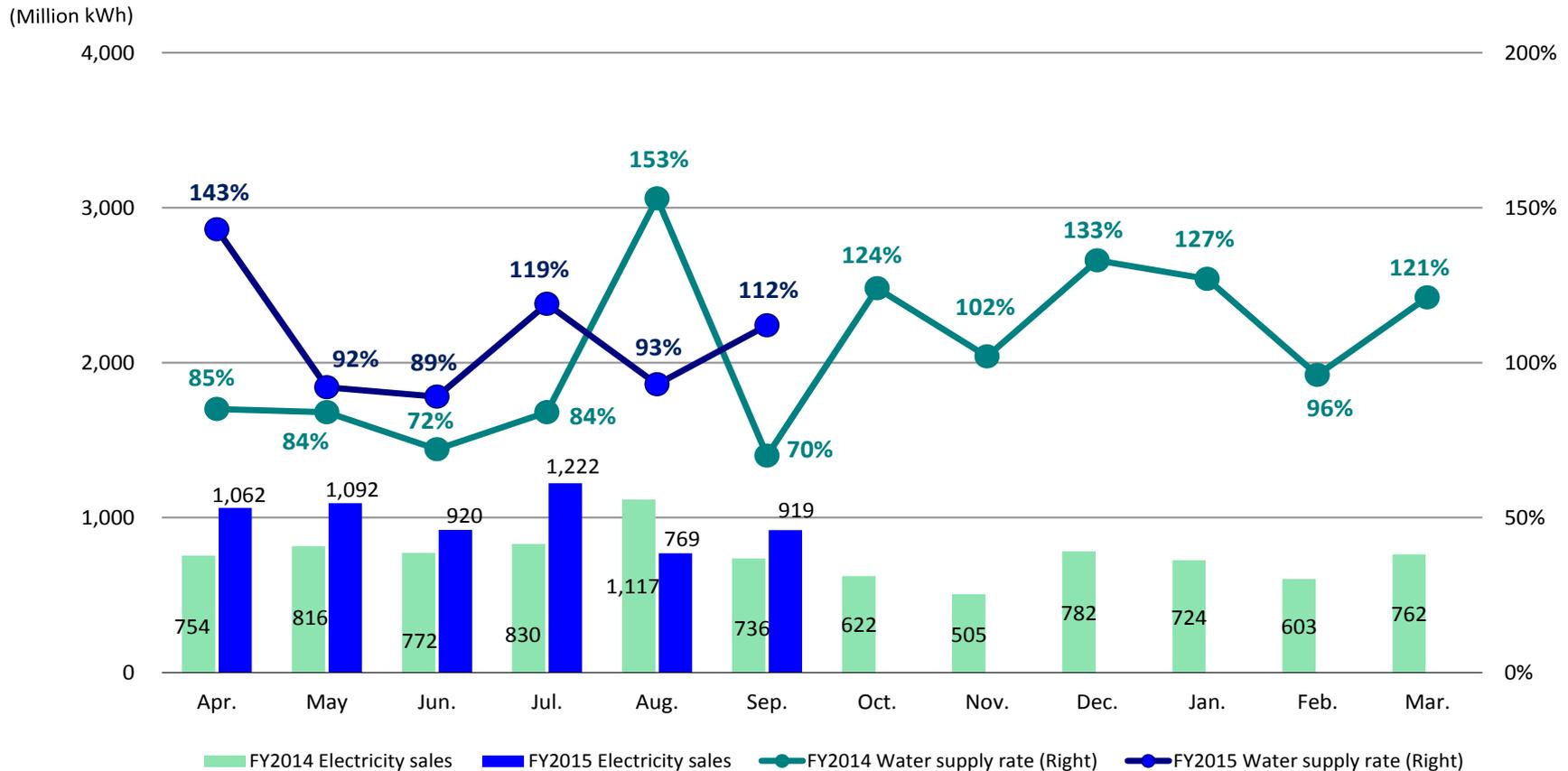
Electricity sales ⇒ 5.0TWh

✓ FY2014 Results (cumulative): Water supply rate 98%, Electricity sales 9.0TWh

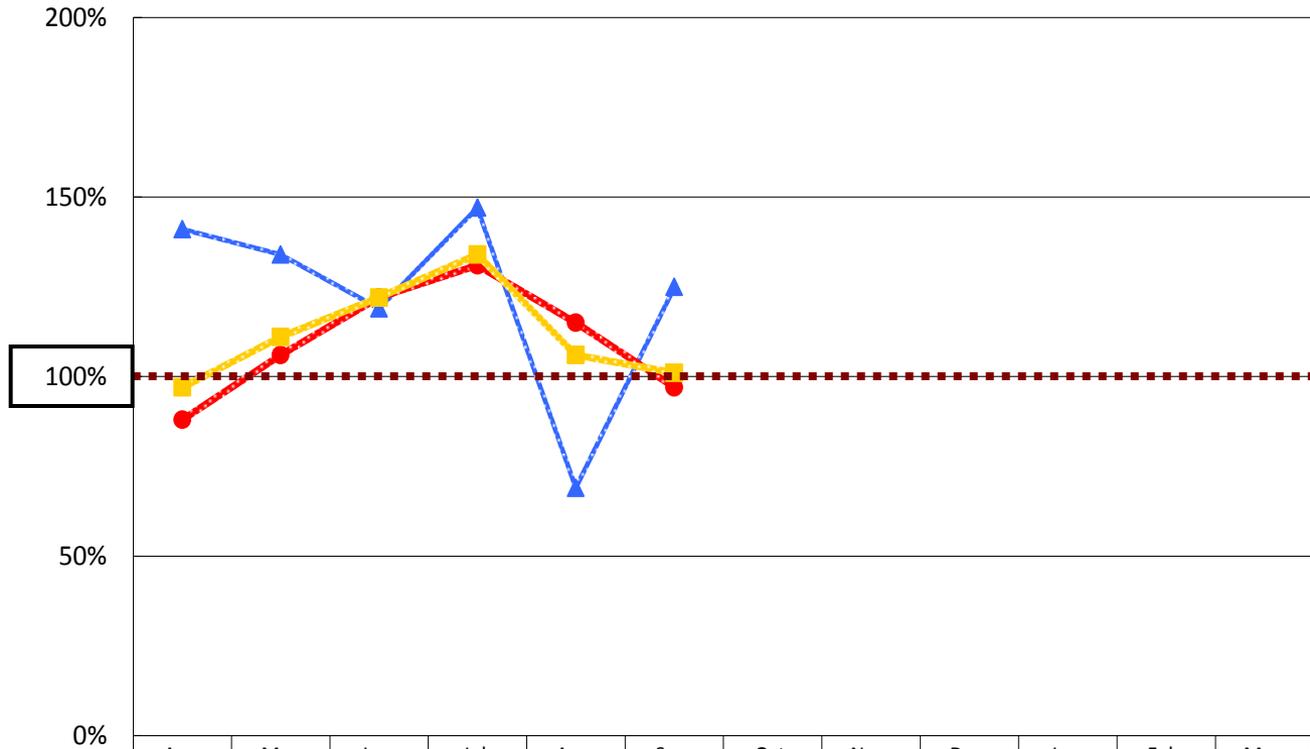
## ▶ Apr. 2015 - Sep. 2015 Results (cumulative)

Water supply rate ⇒ 109%

Electricity sales ⇒ 5.9TWh



# Wholesales Electric Power Business: Changes in Monthly Electricity Sales



	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. - Sep.
Year-on-year (Hydro)	141%	134%	119%	147%	69%	125%							119%
Year-on-year (Thermal Power)	88%	106%	122%	131%	115%	97%							110%
Year-on-year Total	97%	111%	122%	134%	106%	101%							112%

# Monthly Electricity Sales: Other Electric Power Business (Thermal (IPP, for PPSs) and Wind)



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

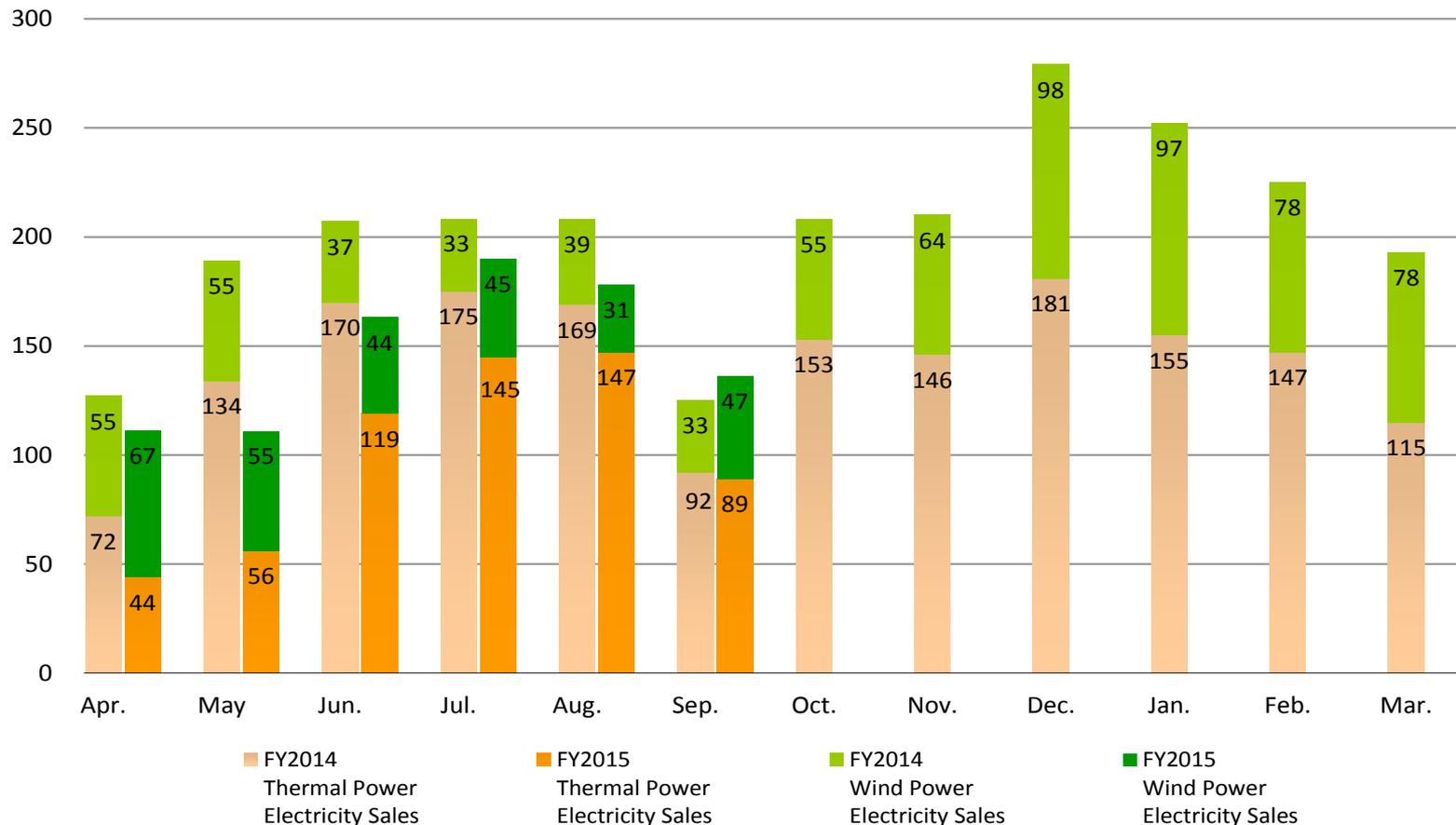
Electricity sales ⇒ 1.0TWh

▶ Apr. 2015 - Sep. 2015 Results (cumulative)

Electricity sales ⇒ 0.8TWh

✓ FY2014 Results (cumulative): Electricity sales 2.4TWh

(Million kWh)



\* Does not take proportion of equity holdings into account



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