

(Summary English translation)

Financial Statements (Unaudited)
(for the Nine Months Ended December 31, 2008)

January 30, 2009

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

Listed Exchange : Tokyo Stock Exchange 1st Section

Code No. : 9 5 1 3

(U R L <http://www.jpowers.co.jp/>)

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1. Consolidated Business Performance (From April 1, 2008 to December 31, 2008)

(1) Consolidated Results of Operations (Rounded down to the nearest million yen)

	Operating Revenues	Operating Income	Ordinary Income
	(million yen) (%)	(million yen) (%)	(million yen) (%)
Nine Months ended Dec. 31, 2008	544,409 (—)	65,034 (—)	54,264 (—)
Nine Months ended Dec. 31, 2007	443,034 (5.2)	55,955 (Δ14.8)	51,759 (Δ7.8)

	Net Income	Net Income per Share	Fully Diluted Net Income per Share
	(million yen) (%)	(yen)	(yen)
Nine Months ended Dec. 31, 2008	29,426 (—)	180.32	—
Nine Months ended Dec. 31, 2007	35,059 (Δ2.0)	210.50	—

Figures in brackets are changes in percentage from the previous periods.

(2) Consolidated Financial Position (Rounded down to the nearest million yen)

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(million yen)	(million yen)	(%)	(yen)
Nine Months ended Dec. 31, 2008	2,033,463	405,635	19.9	2,691.40
Year ended Mar.31, 2008	2,013,131	468,118	23.2	2,800.18

(Reference)

Shareholder's equity :

Nine Months ended Dec. 31, 2008 : 403,856 million yen

Year ended Mar.31,2008 : 466,383 million yen

2. Dividends

	Cash Dividends per Share				
	1Q	2Q	3Q	Year-end	Annual
	(yen)	(yen)	(yen)	(yen)	(yen)
Year ended Mar.31, 2008	—	30.00	—	40.00	70.00
Year ended Mar.31, 2009	—	35.00	—	—	—
Year ending Mar.31, 2009 (forecast)	—	—	—	35.00	70.00

3. Forecasts Consolidated Results for the Year Ending March 31, 2009 (From April 1, 2008 to March 31, 2009)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Year ending Mar.31, 2009	(million yen) (%) 729,000 (24.0)	(million yen) (%) 62,000 (22.2)	(million yen) (%) 43,000 (0.3)	(million yen) (%) 21,000 (△28.4)	(yen) 128.68

Figures in brackets are changes in percentage from the previous periods.

4. Other

- (1) Principal subsidiaries subject to changes during fiscal 2008 (changes of specific subsidiaries coming along with changes in the scope of consolidation) : None
- (2) Application of simplified methods in accounting practices: Yes
- (3) Changes in the accounting standard applied to the latest fiscal year and that to this 3-month period (changes in important provisions, etc. Fundamental to the preparation of the consolidated quarterly financial statements)
- ① Changes due to revisions of accounting standards etc. : Yes
- ② Changes except ① : Yes
- (4) Number of issued and outstanding common stock
- ① Issued and outstanding stock at the end of the period (including treasury stock)
- | | |
|-------------------------------------|---------------|
| 3rd quarter, year ending March 2009 | : 166,569,600 |
| Year ended Mar.31, 2008 | : 166,569,600 |
- ② Treasury stock
- | | |
|-------------------------------------|--------------|
| 3rd quarter, year ending March 2009 | : 16,515,394 |
| Year ended Mar.31, 2008 | : 15,171 |
- ③ Weighted average shares during the year (consolidated quarterly cumulative period)
- | | |
|-------------------------------------|---------------|
| 3rd quarter, year ending March 2009 | : 163,193,978 |
| 3rd quarter, year ended March 2008 | : 166,555,345 |

* Forward-Looking Statements and other special notes

- We have made revisions to the earnings forecasts to March 2009, announced on October 31, 2008. Please refer to the qualitative information on page 6 under (Qualitative Information on Financial Affairs and Results) in Section 4, "Qualitative Information Concerning the Consolidated Earnings Forecast."
Also, 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.
- Effective from the first quarter of the current consolidated fiscal year ending March 2009, the Company has adopted the Accounting Standard for quarterly financial statements (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and Implementation Guidance for Accounting Standards for quarterly financial statements (ASBJ Guidance No. 14). Furthermore, the consolidated quarterly financial statements have been prepared in accordance with the Rules for Preparing Quarterly Consolidated Financial Statements (Cabinet Office Regulations No.64,2007) and Accounting Regulation of The Electricity Utilities Industry (Ministry of International Trade and Industry Regulations No.57,1965).
Note also that the quarterly Consolidated Financial Statements have been prepared in accordance with the revised Rules for Preparing Quarterly Consolidated Financial Statements based on the "revision of Item 5, Section 1 of Article 7 of the bylaws of the "Cabinet Office Regulation revising part of the regulations related to Financial Statements, Related Terminology, Formats and Preparation Methods" (Cabinet Office Regulations No. 50, August 7, 2008).

【Reference】

Forecasts Non-Consolidated Results for the Year Ending March 31, 2009 (From April 1, 2008 to March 31, 2009)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Year ending Mar.31, 2009	(million yen) (%) 667,000 (26.0)	(million yen) (%) 50,000 (25.4)	(million yen) (%) 26,000 (17.7)	(million yen) (%) 12,000 (Δ18.7)	(yen) 73.53

Figures in brackets are changes in percentage from the previous periods.

Qualitative Information on Financial Affairs and Results

1. Qualitative Information Concerning Consolidated Business Results

(1) Electric Power Sales Volume

The domestic demand for electric power during the current quarter fell below one in the same period of the previous fiscal years, owing to decreased demand for air conditioning resulting from relatively low temperatures in August and September and lower industrial demand than one in the same period of the previous fiscal year.

The Company's total sales volume in the electric power business was down 0.7% to 47.2 billion kWh compared to the same period of the previous fiscal year.

The Company's total for hydroelectric and thermal power sales volume in the wholesale electric power business during the quarter was down 0.6% to 46.0 billion kWh compared to the same period of the previous fiscal year. The low water flow (water supply rates dropped from 84% to 82%) resulted in a 4.2% decline in hydroelectric power sales volume compared to the same quarter of the previous fiscal year, to 6.2 billion kWh. Thermal power sales volume was flat compared to the same period of the previous year, at 39.8 billion kWh.

Electric power sales volume for other electric power businesses were also down 3.1% to 1.1 billion kWh compared to the same period of the previous fiscal year, due to a fall-off in the capacity utilization of power plants for PPS and other factors.

(2) Overview of Income and Expenditures

Consolidated sales (operating revenues) for the current quarter grew 22.9% to 544.4 billion yen compared to the same period of the previous fiscal year. Hydroelectric power revenue in wholesale electric power business saw a decline due to the lower electric power sales volume brought by low water flow as was the case with the same quarter the previous fiscal year as well as revisions in rates for hydroelectric power and transmission contracts effective from September 2007. Although thermal power sales volume in the wholesale electric power business was unchanged from the same period of the previous fiscal year, an increase in the sales unit price accompanying the fuel price hike led to an increase in revenues. Non-operating revenue was down 25.6% to 11.9 billion yen compared to the same period of the previous year, due to repercussions from the sale of the wind power company in Spain, so quarterly ordinary revenue was 556.3 billion yen, an increase of 21.2% compared to the same period of the previous fiscal year.

On the other hand, operating expenses were 479.3 billion yen, for a 23.8% increase compared to the same period of the previous fiscal year. This was due to an increase in repair expenses arising from periodic inspections at thermal power plants, an increase in fuel costs accompanying the coal price hike, and increases in personnel expenses resulting from the calculation of retirement benefit obligations, despite a fall in depreciation and amortization cost. Quarterly ordinary expenses, including non-operating expenses, were up 23.3% to 502.0 billion yen compared to the same period of the previous fiscal year.

Based on the above, ordinary income rose by 4.8% to 54.2 billion yen compared to the same period of the previous fiscal year. While a profit distribution from an anonymous association that was dissolved with the Company's acquisition of trust beneficiary interest in the securitization of its headquarters building and land was posted as extraordinary income, an extraordinary loss was also posted due to impairment-related appraisal losses (valuation losses of securities) resulting from a significant drop in the current price of market value. Therefore, a quarterly net profit after tax decreased by 16.1% to 29.4 billion yen compared to the same period of the previous fiscal year.

Note that the rate of increase or decrease compared to the same period of the previous fiscal year is shown for reference.

2. Qualitative Information Concerning Consolidated Financial Position

Noncurrent assets at the end of the current quarter were 1,848.2 billion yen, down 16.0 billion yen from the end of the previous consolidated fiscal year. This was the result of progress with depreciation and amortization, adjustments due to a change in the prime contractor in the Tokuyama Power Plant plan, although there were capital expenditures made on new construction at the Ohma Nuclear Power Plant and the Isogo New No. 2 Thermal Power Plant, and the acquisition of the Company's headquarters building and land. There was also 36.4 billion yen of growth in current assets compared to the end of the previous consolidated fiscal year due to increases in coal and other inventories, bringing total assets to 2,033.4 billion yen, for an increase of 20.3 billion yen from the end of the previous consolidated fiscal year.

On the other hand, liabilities increased by 82.8 billion yen from the end of the previous consolidated fiscal year due to the issuance of corporate bonds, and total liabilities reached 1,627.8 billion yen at the end of the current quarter. Of this amount, the value of interest-bearing debt was 1,454.8 billion yen, up 30.9 billion yen from the end of the previous consolidated fiscal year.

Additionally, total net assets at the end of the current quarter were down 62.4 billion yen from the end of the previous consolidated fiscal year, to 405.6 billion yen, as a result of acquisitions of treasury stock.

3. Qualitative Information Concerning Consolidated Cash Flow

With regard to the balance of cash and cash equivalents at the end of the current quarter, operating activities brought in income of 126.1 billion yen. There were, however, outlays of 74.6 billion yen for investment activities including acquisitions of noncurrent assets and 44.9 billion yen for financial activities. When combined with the balance of 35.6 billion yen at the end of the previous consolidated financial year, the balance at the end of the current quarter resulted in 41.0 billion yen.

(Cash Flow from Operating Activities)

Net cash flow from operating activities grew 26.7 billion yen from the same period of the previous fiscal year to 126.1 billion yen, due to an increase in retained earnings for valuation losses of securities and a profit distribution from an anonymous association that was dissolved with the Company's acquisition of the trust beneficiary interest in the securitization of its headquarters building and land.

(Cash flow from Investing Activities)

Although there was an increase due to new construction at the Isogo New No. 2 Thermal Power Plant and the acquisition of a trust beneficiary interest in the securitization of the Company's headquarters building and land, net cash flow from Investing activities resulted in a decline of 34.4 billion yen from the same quarter of the previous fiscal year, with outlays totaling 74.6 billion yen, due to considerations received in exchange for a change of prime contractor in the Tokuyama Power Plant plan.

(Cash Flow from Financing Activities)

Cash flow from financing activities increased by 57.2 billion yen from the same period of the previous fiscal year, for a net outlay of 44.9 billion yen, due to acquisitions of treasury stock.

4. Qualitative Information Concerning the Consolidated Earnings Forecast

In terms of the amount of Electric Power Sales Volume in the electric power business, hydroelectric power, reflecting low water flow performance, is expected to be 8.2 billion kWh throughout the period — the same level as the previous fiscal year, when there were low water flows— and thermal power is expected to increase 1.0% to 53.0 billion kWh compared to the previous fiscal year.

In addition to the increase in electric power sales volume noted above, due to increase in the sales unit price for thermal power accompanying the coal price hike relative to the previous fiscal year, we project an increase in operating revenues by 24.0% to 729.0 billion yen compared to the previous fiscal year.

On the cost side, while fuel costs, like sales, are increasing, we expect some abatement from receipt of coal procured the previous fiscal year. We also anticipate an increase in repair expense due to periodic inspections at thermal power plants and maintenance and improvements in the reliability of our facilities at hydroelectric and thermal power plants, as well as an increase in amortization of the actuarial difference in retirement benefits due to deterioration in the stock markets, and operating income is expected to increase by 22.2% to 62.0 billion yen compared to the previous fiscal year..

Ordinary income, as a result of projected decreases in overseas business income due to a strong yen and the like, is expected to increase by 0.3% to 43.0 billion yen compared to the previous fiscal year.

We expect net income to fall by 28.4% to 21.0 billion yen compared to the previous fiscal year, in prospect of the valuation losses of securities posted as extraordinary loss due to deterioration in the stock market.

As a result, changes in the current full-year forecast as compared to projected figures previously disclosed on October 31, 2008, are as follows.

Consolidated

	Recently Revised Forecasts (100 million yen)	Previous Forecasts (100 million yen)	Year ended Mar. 31,2008 (100 million yen)
Operating Revenues	7,290	7,700	5,877
Operating Income	620	680	507
Ordinary Income	430	500	428
Net Income	210	420	293

Non-consolidated

	Recently Revised Forecasts (100 million yen)	Previous Forecasts (100 million yen)	Year ended Mar. 31,2008 (100 million yen)
Operating Revenues	6,670	7,020	5,292
Operating Income	500	570	398
Ordinary Income	260	310	220
Net Income	120	290	147

Principal Statements

	Recently Revised Forecasts	Previous Forecasts	Year ended Mar. 31,2008
Electricity sales (hydroelectric) (100 million kWh)	82	87	82
Electricity sales (thermal) (100 million kWh)	530	546	524
Water supply rate (%)	84	89	85
Thermal power utilization factor (%)	81	84	81
Foreign exchange rate (Interbank rate) (yen/\$)	About 100	About 108	114

5. Others

(1)Principal subsidiaries subject to changes during the current quarter (changes in specific subsidiaries accompanying changes in the scope of consolidation)

No such changes took place during the quarter.

(2)Application of simplified methods in accounting treatment

In preparing the Consolidated Financial Statements for the 3rd quarter of the year ending March 2009, the Company adopted the simplified procedures as explained below, basing its preparation on standards used the preparation of consolidated quarterly financial statements, with a view to avoiding insofar as possible misleading investors and other interested parties.

(Overview of the Simplified Procedures)

Method of depreciation of noncurrent assets:

Monthly amounts for depreciation planned for the year are recorded.

(3)Changes in accounting standard applied to the latest fiscal year and that to this 3-month period

(Accounting Standard for quarterly financial statements)

Effective from the first quarter of the current consolidated fiscal year ending March 2009, the Company has adopted the Accounting Standard for quarterly financial statements (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and Implementation Guidance for Accounting Standards for quarterly financial statements (ASBJ Guidance No. 14). Furthermore, the consolidated quarterly financial statements have been prepared in accordance with the Rules for Preparing Quarterly Consolidated Financial Statements (Cabinet Office Regulations No.64, 2007) and Accounting Regulation of The Electricity Utilities Industry (Ministry of International Trade and Industry Regulations No.57, 1965).

Note also that the quarterly Consolidated Financial Statements have been prepared in accordance with the revised Rules for Preparing Quarterly Consolidated Financial Statements based on the "revision of Item 5, Section 1 of Article 7 of the bylaws of the "Cabinet Office Regulation revising part of the regulations related to Financial Statements, Related Terminology, Formats and Preparation Methods" (Cabinet Office Regulations No. 50, August 7, 2008).

6. CONSOLIDATED FINANCIAL SHEET

(1) CONSOLIDATED BALANCE SHEET

(Unit: millions of yen)

	As of Dec. 31, 2008	As of Mar. 31, 2008
(Assets)		
Noncurrent assets	1,848,281	1,864,374
Electric utility plant and equipment	1,246,130	1,265,497
Hydroelectric power production facilities	439,516	450,635
Thermal power production facilities	475,891	504,468
Internal combustion engine power production facilities	13,218	14,141
Transmission facilities	219,835	229,312
Transformation facilities	36,634	34,310
Communication facilities	8,610	9,289
General facilities	52,423	23,339
Other noncurrent assets	38,080	40,270
Construction in progress	308,137	327,429
Construction and retirement in progress	308,137	327,429
Nuclear fuel	27,650	10,310
Nuclear fuel in processing	27,650	10,310
Investments and other assets	228,281	220,866
Long-term investments	171,282	165,015
Deferred tax assets	53,496	51,777
Other	3,652	4,222
Allowance for doubtful accounts	△ 149	△ 149
Current assets	185,182	148,756
Cash and deposits	39,083	33,961
Notes and accounts receivable-trade	54,798	44,650
Short-term investments	2,451	2,983
Inventories	37,815	25,329
Deferred tax assets	8,038	5,655
Other	43,048	36,253
Allowance for doubtful accounts	△ 53	△ 77
Total assets	2,033,463	2,013,131
(Liabilities)		
Noncurrent liabilities	1,325,148	1,276,354
Bonds payable	682,878	602,903
Long-term loans payable	585,346	624,495
Lease obligation	436	—
Provision for retirement benefits	41,900	39,083
Other provision	556	553
Deferred tax liabilities	1,209	1,462
Other	12,821	7,856
Current liabilities	301,620	267,097
Current portion of noncurrent liabilities	55,697	101,565
Short-term loans payable	59,108	6,126
Commercial papers	71,908	88,949
Notes and accounts payable-trade	25,899	14,790
Accrued taxes	23,714	11,407
Other provision	490	555
Deferred tax liabilities	2	2
Other	64,799	43,700
Reserves under the special laws	1,058	1,560
Reserve for fluctuation in water levels	1,058	1,560
Total liabilities	1,627,828	1,545,012
(Net Assets)		
Shareholders' equity	418,006	464,266
Capital stock	152,449	152,449
Capital surplus	81,849	81,849
Retained earnings	246,967	230,032
Treasury stock	△ 63,260	△ 64
Valuation and translation adjustments	△ 14,150	2,116
Valuation difference on available-for-sale securities	779	1,934
Deferred gains or losses on hedges	△ 9,047	△ 6,759
Foreign currency translation adjustment	△ 5,881	6,941
Minority interests	1,779	1,735
Total net assets	405,635	468,118
Total liabilities and net assets	2,033,463	2,013,131

(2)CONSOLIDATED STATEMENTS OF INCOME

(Unit: millions of yen)

	Nine Months ended Dec. 31, 2008
Operating revenues	544,409
Electric utility operating revenue	503,803
Other business operating revenue	40,606
Operating expenses	479,375
Electric utility operating expenses	435,854
Other business operating expenses	43,520
Operating income	65,034
Non-operating income	11,939
Dividends income	1,486
Interest income	765
Equity in earnings of affiliates	7,571
Other	2,115
Non-operating expenses	22,709
Interest expenses	17,030
Other	5,679
Total ordinary revenues	556,349
Total ordinary expenses	502,084
Ordinary income	54,264
Provision or reversal of reserve for fluctuation in water levels	△ 501
Reversal of reserve for fluctuation in water levels	△ 501
Extraordinary income	12,170
Distribution by dissolution of anonymous association	12,170
Extraordinary loss	14,321
Loss on valuation of securities	14,321
Income before income taxes and minority interests	52,615
Income taxes - current	25,067
Income taxes - deferred	△ 1,957
Total income taxes	23,109
Minority interests in income (losses)	78
Net income	29,426

(3) CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unit: millions of yen)

	Nine Months ended Dec. 31, 2008
<hr/>	
Cash flows from operating activities:	
Income before income taxes and minority interests	52,615
Depreciation and amortization	81,967
Impairment loss	366
Loss on retirement of noncurrent assets	2,853
Increase (decrease) in provision for retirement benefits	2,817
Increase (decrease) in reserve for fluctuation in water levels	△ 501
Interest and dividends income	△ 2,252
Interest expenses	17,030
Decrease (increase) in notes and accounts receivable-trade	△ 10,275
Decrease (Increase) in inventories	△ 12,393
Increase (decrease) in notes and accounts payable-trade	7,646
Loss (gain) on valuation of securities	14,321
Equity in (earnings) losses of affiliates	△ 7,571
Distribution by dissolution of anonymous association	△ 12,170
Other, net	9,956
Sub-total	<hr/> 144,409
Interest and dividends received	14,839
Interest expenses paid	△ 14,955
Income taxes paid	△ 18,133
Net cash provided by operating activities	<hr/> 126,158
Cash flows from investing activities:	
Purchase of noncurrent assets	△ 116,264
Proceeds from contribution received for construction	8,537
Proceeds from sales of noncurrent assets	58,544
Payments of investments and loans receivable	△ 24,907
Collections of investments and receivable	4,734
Other, net	△ 5,247
Net cash used in investing activities	<hr/> △ 74,604
Cash flows from financing activities:	
Proceeds from issuance of bonds	79,719
Redemption of bonds	△ 60,300
Proceeds from long-term loans payable	9,669
Repayment of long-term loans payable	△ 33,741
Increase in short-term loans payable	134,020
Decrease in short-term loans payable	△ 81,017
Proceeds from issuance of commercial paper	479,434
Redemption of commercial paper	△ 497,000
Purchase of treasury stock	△ 63,195
Cash dividends paid	△ 12,500
Cash dividends paid to minority shareholders	△ 20
Other, net	△ 67
Net cash provided by (used in) financing activities	<hr/> △ 44,999
Effect of exchange rate change on cash and cash equivalents	△ 1,160
Net increase (decrease) in cash and cash equivalents	5,394
Cash and cash equivalents at beginning of period	35,631
Cash and cash equivalents at end of period	<hr/> 41,026

Effective from the first quarter of the current consolidated fiscal year ending March 2009, the Company has adopted the Accounting Standard for quarterly financial statements (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and Implementation Guidance for Accounting Standards for quarterly financial statements (ASBJ Guidance No. 14). Furthermore, the consolidated quarterly financial statements have been prepared in accordance with the Rules for Preparing Quarterly Consolidated Financial Statements (Cabinet Office Regulations No.64,2007) and Accounting Regulation of The Electricity Utilities Industry (Ministry of International Trade and Industry Regulations No.57,1965).

Note also that the quarterly Consolidated Financial Statements have been prepared in accordance with the revised Rules for Preparing Quarterly Consolidated Financial Statements based on the "revision of Item 5, Section 1 of Article 7 of the bylaws of the "Cabinet Office Regulation revising part of the regulations related to Financial Statements, Related Terminology, Formats and Preparation Methods" (Cabinet Office Regulations No. 50, August 7, 2008).

(4) Note concerning conditions regarding ongoing business concerns

There are no applicable items.

(5) Notice in the event of a significant change in the amount of shareholders' equity

Acquisition of Treasury Stock

We received a stock purchase demand in accordance with Article 797, Paragraph 1 of the Corporations Law, and on November 6, 2008, acquired 16,498,680 shares of our own stock at a price of 63,189 million yen.

(Reference : The Previous Quarter)
(1)CONSOLIDATED STATEMENTS OF INCOME

(Unit: millions of yen)

	Nine Months ended Dec. 31, 2007
Operating revenues	443,034
Electric utility operating revenue	404,477
Other business operating revenue	38,557
Operating expenses	387,079
Electric utility operating expenses	346,596
Other business operating expenses	40,482
Operating Income	55,955
Non-operating income	16,042
Dividends income	1,441
Interest income	910
Gain on sales of securities	3,958
Equity in earnings of affiliates	7,507
Other	2,223
Non-operating expenses	20,238
Interest expenses	17,193
Other	3,044
Total Ordinary Revenues	459,077
Total Ordinary Expenses	407,317
Ordinary income	51,759
Provision or reversal of reserve for fluctuation in water levels	△ 609
Reversal of reserve for fluctuation in water levels	△ 609
Income before income taxes and minority interests	52,369
Income taxes - current	13,804
Income taxes - deferred	3,546
Total income taxes	17,350
Minority interests in income(losses)	△ 40
Net income	35,059

(Reference : The Previous Quarter)

(2)CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unit: millions of yen)

	Nine Months ended Dec. 31, 2007
Cash flows from operating activities:	
Income before income taxes and minority interests	52,369
Depreciation and amortization	85,690
Loss on retirement of noncurrent assets	1,301
Increase (decrease) in provision for retirement benefits	△ 1,103
Increase (decrease) in reserve for fluctuation in water levels	△ 609
Interest and dividends income	△ 2,352
Interest expenses	17,193
Decrease (increase) in notes and accounts receivable-trade	△ 3,352
Decrease (Increase) in inventories	△ 1,814
Increase (decrease) in notes and accounts payable-trade	△ 23
Loss (gain) on sales of investment securities	△ 3,958
Equity in (earnings) losses of affiliates	△ 7,507
Other, net	△ 10,320
Sub-total	125,512
Interest and dividends received	2,874
Interest expenses paid	△ 15,862
Income taxes paid	△ 13,126
Net cash provided by operating activities	99,398
Cash flows from investing activities:	
Purchase of noncurrent assets	△ 103,130
Proceeds from contribution received for construction	8,038
Proceeds from sales of noncurrent assets	470
Payments of investments and loans receivable	△ 23,775
Collections of investments and receivable	6,641
Purchase of investments in subsidiaries resulting in change in scope of consolidation	△ 1,280
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	8,064
Other, net	△ 4,125
Net cash used in investing activities	△ 109,095
Cash flows from financing activities:	
Proceeds from issuance of bonds	89,964
Redemption of bonds	△ 38,384
Proceeds from long-term loans payable	26,896
Repayment of long-term loans payable	△ 68,468
Increase in short-term loans payable	12,551
Decrease in short-term loans payable	△ 9,040
Proceeds from issuance of commercial paper	427,486
Redemption of commercial paper	△ 419,000
Proceeds from stock issuance to minority shareholders	241
Cash dividends paid	△ 9,992
Cash dividends paid to minority shareholders	△ 42
Other, net	△ 6
Net cash provided by (used in) financing activities	12,205
Effect of exchange rate change on cash and cash equivalents	139
Net increase (decrease) in cash and cash equivalents	2,647
Cash and cash equivalents at beginning of period	34,575
Cash and cash equivalents at end of period	37,223

Revenues and Expenses (Consolidated)

	Nine Months ended Dec. 31, 2008 (A)	Nine Months ended Dec. 31, 2007 (B)	(A-B)	(A/B)
	million yen	million yen	million yen	%
Operating revenues	544,409	443,034	101,375	122.9%
Electric utility operating revenues	503,803	404,477	99,326	124.6%
<u>Electric power sales to other companies</u>	<u>461,385</u>	<u>362,466</u>	<u>98,919</u>	<u>127.3%</u>
Wholesale power business	447,163	349,796	97,367	127.8%
Hydroelectric	84,091	88,356	△ 4,264	95.2%
Thermal	363,071	261,440	101,631	138.9%
Other electric power businesses	14,222	12,670	1,552	112.2%
Transmission revenues	41,557	41,069	488	101.2%
Other electricity revenues	860	942	△ 81	91.3%
Other business operating revenues	40,606	38,557	2,049	105.3%
Operating expenses	479,375	387,079	92,295	123.8%
Electric utility operating expenses	435,854	346,596	89,258	125.8%
Personnel expenses	26,293	22,730	3,563	115.7%
Fuel cost	211,076	143,306	67,769	147.3%
Repair expense	37,618	21,615	16,002	174.0%
Consignment cost	20,925	21,005	△ 79	99.6%
Taxes and duties	21,876	20,872	1,004	104.8%
Depreciation and amortization cost	78,150	82,284	△ 4,134	95.0%
Other	39,914	34,781	5,132	114.8%
Other business operating expenses	43,520	40,482	3,037	107.5%
Operating income	65,034	55,955	9,079	116.2%
Non-operating revenues	11,939	16,042	△ 4,103	74.4%
Dividend income	1,486	1,441	45	103.1%
Interest income	765	910	△ 145	84.0%
Gain on sales of securities	—	3,958	△ 3,958	—
Equity income of affiliates	7,571	7,507	63	100.8%
Other	2,115	2,223	△ 108	95.1%
Non-operating expenses	22,709	20,238	2,471	112.2%
Interest expenses	17,030	17,193	△ 163	99.0%
Other	5,679	3,044	2,634	186.5%
Total Ordinary Revenues	556,349	459,077	97,271	121.2%
Total Ordinary Expenses	502,084	407,317	94,767	123.3%
Ordinary income	54,264	51,759	2,504	104.8%
(Provision for)reversal of reserve for fluctuation in water level	△ 501	△ 609	108	—
Extraordinary income	12,170	—	12,170	—
Extraordinary loss	14,321	—	14,321	—
Income before income taxes and minority interests	52,615	52,369	245	100.5%
Income taxes—current	25,067	13,804	11,263	181.6%
Income taxes—deferred	△ 1,957	3,546	△ 5,503	—
Minority interests in income(losses)	78	△ 40	118	—
Net Income	29,426	35,059	△ 5,632	83.9%

(Note1) Figures less than one million yen have been rounded down.

(Note2) Although some accounting procedure is subject to change in the current consolidated fiscal year ending March 2009 due to the introduction of the quarterly reporting system, year-on-year comparisons are presented for your reference.

(1) Generation capacity

(Units: kW)

	Nine Months ended Dec. 31, 2008(A)	Nine Months ended Dec. 31, 2007(B)	(A) – (B)
Wholesale power business	16,385,000	16,380,000	5,000
Hydroelectric	8,560,500	8,555,500	5,000
Thermal	7,824,500	7,824,500	—
Other electric power businesses (1)	560,480	560,480	—
Total	16,945,480	16,940,480	5,000

* (1) Operated by IPP(ITOIGAWA POWER Inc.), PPS(Ichihara Power Co., Ltd., Bay Side Energy Co., Ltd.), Wind Power(Nikaho-kogen Wind Power Co., Ltd., Green Power Kuzumaki Co., Ltd., Nagasaki-shikamachi Wind Power Co., Ltd., Green Power Aso Co., Ltd., J-Wind TAHARA Ltd., Dream-Up Tomamae Co., Ltd., Green Power Setana Co., Ltd.,and Green Power Koriyama Nunobiki Co., Ltd.)

(2) Electricity sales and revenues

(Units: million kWh, million yen)

	Nine Months ended Dec. 31, 2008(A)		Nine Months ended Dec. 31, 2007(B)		(A) – (B)	
	Electricity sales	Electricity and transmission revenues	Electricity sales	Electricity and transmission revenues	Electricity sales	Electricity and transmission revenues
Wholesale power business	46,069	447,163	46,347	349,796	△ 277	97,367
Hydroelectric	6,227	84,091	6,502	88,356	△ 274	△ 4,264
Thermal	39,842	363,071	39,844	261,440	△ 2	101,631
Other electric power businesses (1)	1,138	14,222	1,175	12,670	△ 36	1,552
Subtotal	47,208	461,385	47,522	362,466	△ 313	98,919
Transmission	—	41,557	—	41,069	—	488
Total	47,208	502,943	47,522	403,535	△ 313	99,407

* (1) Operated by IPP(ITOIGAWA POWER Inc.), PPS(Ichihara Power Co., Ltd., Bay Side Energy Co., Ltd.), Wind Power(Nikaho-kogen Wind Power Co., Ltd., Green Power Kuzumaki Co., Ltd., Nagasaki-shikamachi Wind Power Co., Ltd., Green Power Aso Co., Ltd., J-Wind TAHARA Ltd., Dream-Up Tomamae Co., Ltd., Green Power Setana Co., Ltd.,and Green Power Koriyama Nunobiki Co., Ltd.)

(3) Result of water supply rate

(Units: %)

	Nine Months ended Dec. 31, 2008(A)	Nine Months ended Dec. 31, 2007(B)	(A) – (B)
Water supply rate	82	84	△ 2

Revenues and Expenses (Non-Consolidated)

	Nine Months ended Dec. 31, 2008 (A)	Nine Months ended Dec. 31, 2007 (B)	(A-B)	(A/B)
	million yen	million yen	million yen	%
Operating revenues	503,722	401,122	102,600	125.6
Electric utility operating revenues	491,943	394,186	97,756	124.8
Electric power sales to other companies	447,163	349,796	97,367	127.8
Hydroelectric	84,091	88,356	△ 4,264	95.2
Thermal	363,071	261,440	101,631	138.9
Transmission revenues	41,557	41,069	488	101.2
Other electricity revenues	3,221	3,321	△ 99	97.0
Incidental business revenues	11,779	6,935	4,844	169.8
Operating expenses	445,585	352,684	92,900	126.3
Electric utility operating expenses	434,948	346,288	88,659	125.6
Personnel expenses	26,245	22,671	3,573	115.8
Fuel cost	204,716	139,046	65,669	147.2
Repair expense	40,041	23,169	16,871	172.8
Taxes and duties	21,301	20,349	951	104.7
Depreciation and amortization cost	78,241	81,751	△ 3,510	95.7
Other	64,402	59,299	5,103	108.6
Incidental business operating expenses	10,637	6,395	4,241	166.3
Operating income	58,137	48,437	9,699	120.0
Non-operating revenues	5,740	6,141	△ 400	93.5
Non-operating expenses	21,433	18,604	2,829	115.2
Interest expenses	16,778	16,488	289	101.8
Other	4,655	2,115	2,539	220.1
Total Ordinary Revenues	509,463	407,263	102,199	125.1
Total Ordinary Expenses	467,018	371,288	95,730	125.8
Ordinary income	42,444	35,975	6,469	118.0
(Provision for)reversal of reserve for fluctuation in water level	△ 501	△ 609	108	—
Extraordinary income	14,472	—	14,472	—
Extraordinary loss	14,320	—	14,320	—
Income before income taxes and minority interests	43,098	36,585	6,513	117.8
Income taxes—current	21,664	10,610	11,053	204.2
Income taxes - deferred	△ 1,036	1,787	△ 2,824	—
Net Income	22,470	24,186	△ 1,715	92.9

(Note1) Figures less than one million yen have been rounded down.

(Note2) Although some accounting procedure is subject to change in the current consolidated fiscal year ending March 2009 due to the introduction of the quarterly reporting system, year-on-year comparisons are presented for your reference.