

This is an English translation of the Quarterly Financial Results (*Kessan Tanshin*) filed with the Tokyo Stock Exchange on July 29, 2011. Please note that if there is any discrepancy, the original Japanese version will take priority.



(English Translation)

## Quarterly Financial Results (Unaudited) (for the Three Months Ended June 30, 2011)

July 29, 2011

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

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Scheduled date for filing of a quarterly report: August 8, 2011  
 Scheduled date of dividend payment commencement: Not applicable  
 Preparation of supplementary explanations material: Yes  
 Quarterly financial results presentation held: No

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

#### 1. Consolidated Financial Results (From April 1, 2011 to June 30, 2011)

##### (1) Consolidated Operating Results

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

	Operating revenues		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2011	145,870	2.9	17,866	(3.8)	16,320	10.9	10,786	-
Three months ended June 30, 2010	141,742	0.5	18,565	(15.6)	14,716	(26.1)	491	(96.3)

(Note) Comprehensive income: Three months ended June 30, 2011 12,905 million yen - %  
 Three months ended June 30, 2010 531 million yen - %

	Net income per share	Fully diluted net income per share
	yen	yen
Three months ended June 30, 2011	71.88	—
Three months ended June 30, 2010	3.28	—

##### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
Three months ended June 30, 2011	2,033,467	422,597	20.8
Year ended March 31, 2011	2,012,386	414,898	20.7

(Reference) Shareholders' equity: Three months ended June 31, 2011 423,292 million yen  
 Year ended March 31, 2011 415,762 million yen

#### 2. Dividends

	Cash dividends per share				
	Record date				Annual
	Jun. 30	Sep. 30	Dec. 31	Mar. 31	
	yen	yen	yen	yen	yen
Year ended March 31, 2011	—	35.00	—	35.00	70.00
Year ending March 31, 2012	—				
Year ending March 31, 2012 (forecasts)		35.00	—	35.00	70.00

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

### 3. Consolidated Earnings Forecasts for the Year Ending March 31, 2012 (From April 1, 2011 to March 31, 2012)

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

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending Sep. 30, 2011	316,000	1.6	33,000	(26.7)	28,000	(23.5)	18,000	26.4	119.96
Year ending March 31, 2012	642,000	0.9	48,000	(32.0)	40,000	(29.0)	26,000	32.8	173.27

(Note) Revisions to consolidated earnings forecasts in the current quarter: No

### 4. Other Information

- (1) Principal subsidiaries subject to changes: None
- (2) Application of accounting methods which are exceptional for quarterly consolidated financial statements: None
- (3) Changes in accounting policies, accounting estimates and restatement of corrections
  - 1) Changes in accounting policies due to revisions of accounting standards etc.: None
  - 2) Changes in accounting policies except 1): None
  - 3) Changes in accounting estimates: None
  - 4) Restatement of corrections: None
- (4) Number of shares issued (common stock)
  - 1) Number of shares issued at the end of the period (including treasury stock)
 

Three months ended June 30, 2011:	166,569,600
Year ended March 31, 2011:	166,569,600
  - 2) Treasury stock at the end of the period
 

Three months ended June 30, 2011:	16,516,590
Year ended March 31, 2011:	16,516,450
  - 3) Average number of shares outstanding during the period
 

Three months ended June 30, 2011:	150,053,088
Three months ended June 30, 2010:	150,053,453

\* Presentation for quarterly review procedures

- At the time of disclosure of this report, review procedures for financial statements pursuant to the Financial Instruments and Exchange Act had not been completed.

\* Forward-looking statements and other special notes

- The earnings forecasts are forward-looking statements made on the basis of available information current at the time forecasts are made and contain uncertain elements. Therefore, actual earnings may differ from forecast figures as a result of changes in business performance and other factors.
- The supplementary explanation material is available on our website at <http://www.jpowers.co.jp/english/> under the investor relations section.

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## 1. Qualitative Information on Consolidated Financial Results

### (1) Qualitative Information on Consolidated Operating Results

#### 1) Electricity Sales Volume

In the wholesale electric power business, electricity sales volume from hydroelectric power plants for the three months ended June 30, 2011 fell 12.7% year on year to 2.9 TWh due to a fall in the water supply rate from 114% in the same period of the previous fiscal year to 106%. In thermal power, satisfactory operating rates at power plants resulted in an 8.0% increase in sales volume from the same period of the previous year to 11.1 TWh. As a result, in the wholesale electric power business, total electricity sales volumes from both hydroelectric and thermal power plants increased 2.9% from the same period of the previous fiscal year to 14.0 TWh.

Electricity sales volumes in the other electric power businesses rose 62.5% from the same period of the previous fiscal year to 0.3 TWh, due mainly to higher load factors at power plants for IPPs (independent power producers) and PPS (power producers and suppliers). As a result, the electricity sales volume in the electric power business as a whole increased 3.9% from the same period of the previous fiscal year, to 14.3 TWh.

#### 2) Overview of Income and Expenditures

Despite a high water flow, sales revenue from hydroelectric power in the wholesale electricity business fell from the same period of the previous fiscal year due to a lower supply rate than during the same period of the previous year. Sales revenue from thermal power increased from the same period of the previous fiscal year as a result of an increase in thermal power sales volume due to steady operating rates at power plants. As a result, sales (operating revenues) including transmission revenues increased 2.9% from the same period of the previous year to 145.8 billion yen. Ordinary revenues for the quarter, including non-operating revenues, increased 4.0% to 150.6 billion yen compared to the same period of the previous fiscal year.

At the same time, operating expenses rose 3.9% from the previous fiscal year to 128.0 billion yen. Although there was a decrease in maintenance and repair expenses associated with periodical inspections at thermal power plants, there was an increase in fuel costs accompanying an increase in the volume of thermal electric power sold. Ordinary expenses increased 3.2% from the same period of the previous year to 134.3 billion yen.

The above factors resulted in a 10.9% increase in ordinary income from the same quarter of the previous fiscal year to 16.3 billion yen. After deducting corporate and other taxes, net income for the period was 10.7 billion yen.

## **(2) Qualitative Information on Consolidated Financial Position**

Noncurrent assets increased by 12.1 billion yen from the end of the previous fiscal year to 1.8548 trillion yen. This was due to capital investment in projects currently under development in Thailand despite a decrease in noncurrent assets accompanying progress in depreciation. Current assets also increased by 8.8 billion yen from the end of the previous consolidated fiscal year due mainly to an increase in inventory assets. As a result, total assets increased by 21.0 billion yen to 2.0334 trillion yen.

On the other hand, liabilities increased by 13.3 billion yen from the end of the previous consolidated fiscal year to 1.6108 trillion yen. Within this amount, interest-bearing debt increased 17.2 billion yen to 1.4463 trillion yen.

Total net assets rose by 7.6 billion yen from the end of the previous fiscal year, to 422.5 billion yen, due mainly to the posting of quarterly net income. As a result, the shareholders' equity ratio rose from 20.7% to 20.8% from the end of the previous fiscal year.

## **(3) Qualitative Information on Consolidated Earnings Forecasts**

There are no changes to earnings forecasts announced in April 2011.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Unit: million yen)

	As of Mar. 31, 2011	As of June 30, 2011
<b>Assets</b>		
Noncurrent assets	1,842,658	1,854,849
Electric utility plant and equipment	1,178,492	1,157,398
Hydroelectric power production facilities	389,892	385,925
Thermal power production facilities	454,823	442,614
Internal combustion engine power production facilities	4,694	4,594
Renewable power production facilities	38,436	37,622
Transmission facilities	197,163	194,434
Transformation facilities	34,456	33,646
Communication facilities	9,539	9,098
General facilities	49,486	49,460
Other noncurrent assets	64,920	66,175
Construction in progress	301,676	324,332
Construction and retirement in progress	301,676	324,332
Nuclear fuel	46,693	49,097
Nuclear fuel in processing	46,693	49,097
Investments and other assets	250,875	257,845
Long-term investments	181,934	189,570
Deferred tax assets	56,843	56,331
Other	13,292	13,152
Allowance for doubtful accounts	(1,196)	(1,208)
Current assets	169,727	178,618
Cash and deposits	37,202	27,985
Notes and accounts receivable-trade	57,781	57,611
Short-term investments	2,346	2,031
Inventories	32,400	36,363
Deferred tax assets	5,998	3,802
Other	34,006	50,830
Allowance for doubtful accounts	(9)	(6)
<b>Total assets</b>	<b>2,012,386</b>	<b>2,033,467</b>

(Unit: million yen)

	As of Mar. 31, 2011	As of June 30, 2011
<b>Liabilities</b>		
Noncurrent liabilities	1,319,146	1,351,430
Bonds payable	734,898	734,902
Long-term loans payable	500,913	530,420
Lease obligations	1,093	865
Provision for retirement benefits	57,069	55,941
Other provision	16	16
Asset retirement obligations	3,620	3,662
Deferred tax liabilities	5,869	5,923
Other	15,666	19,699
Current liabilities	277,563	258,635
Current portion of noncurrent liabilities	162,958	139,945
Short-term loans payable	17,528	22,532
Commercial papers	11,999	17,999
Notes and accounts payable-trade	20,112	20,433
Accrued taxes	21,322	6,131
Other provision	317	232
Asset retirement obligations	473	490
Deferred tax liabilities	11	8
Other	42,839	50,860
Reserves under the special laws	777	803
Reserve for fluctuation in water levels	777	803
<b>Total liabilities</b>	<b>1,597,487</b>	<b>1,610,870</b>
<b>Net assets</b>		
Shareholders' equity	435,760	441,293
Capital stock	152,449	152,449
Capital surplus	81,849	81,849
Retained earnings	264,724	270,258
Treasury stock	(63,263)	(63,263)
Accumulated other comprehensive income	(19,997)	(18,001)
Valuation difference on available-for-sale securities	(137)	(1,074)
Deferred gains or losses on hedges	611	3
Foreign currency translation adjustment	(20,471)	(16,930)
Minority interests	(863)	(694)
<b>Total net assets</b>	<b>414,898</b>	<b>422,597</b>
<b>Total liabilities and net assets</b>	<b>2,012,386</b>	<b>2,033,467</b>

## (2) Consolidated Statements of Income and Comprehensive Income

### Consolidated statements of income

(Unit: million yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Operating revenue	141,742	145,870
Electric utility operating revenue	131,025	137,086
Other business operating revenue	10,717	8,784
Operating expenses	123,176	128,004
Electric utility operating expenses	111,454	117,066
Other business operating expenses	11,722	10,937
Operating income	18,565	17,866
Non-operating income	3,120	4,772
Dividends income	766	789
Interest income	129	452
Equity in earnings of affiliates	1,841	1,385
Foreign exchange gains	-	1,281
Other	383	863
Non-operating expenses	6,969	6,318
Interest expenses	5,580	5,550
Other	1,389	768
Total ordinary revenue	144,863	150,642
Total ordinary expenses	130,146	134,322
Ordinary income	14,716	16,320
Provision or reversal of reserve for fluctuation in water levels	-	26
Provision of reserve for fluctuation in water levels	-	26
Extraordinary income	1,635	-
Gain on sales of securities	1,635	-
Extraordinary loss	9,875	-
Loss on valuation of securities	5,143	-
Provision for loss on guarantees	3,392	-
Provision for loss on business liquidation	1,339	-
Income before income taxes and minority interests	6,476	16,293
Income taxes-current	4,613	2,174
Income taxes-deferred	1,796	3,269
Total income taxes	6,410	5,444
Income before minority interests	66	10,849
Minority interests in income (loss)	(425)	63
Net income	491	10,786

Consolidated statements of comprehensive income

(Unit: million yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Income before minority interests	66	10,849
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,002)	(936)
Deferred gains or losses on hedges	575	52
Foreign currency translation adjustment	2,063	2,530
Share of other comprehensive income of associates accounted for using equity method	1,828	410
Total other comprehensive income	464	2,056
Comprehensive income	531	12,905
(Comprehensive income attributable to-abstract)		
Comprehensive income attributable to owners of the parent	932	12,781
Comprehensive income attributable to minority interests	(401)	124

**(3) Notes on Premise of Going Concern**

There are no applicable items.

**(4) Notes on Significant Changes in Shareholders' Equity**

There are no applicable items.

**(5) Additional Information**

The Company has applied the Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No. 24 of December 4, 2009) and Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No. 24 of December 4, 2009) to accounting changes and correction of past errors as of the beginning of the first quarter of the current consolidated fiscal year.

### 3. Appendixes

[Appendix 1]

#### Revenues and Expenses (Consolidated)

	Three months ended June 30, 2010 (A)	Three months ended June 30, 2011 (B)	(B) - (A)	(B)/(A)
	million yen	million yen	million yen	%
Operating revenue	141,742	145,870	4,128	102.9
Electric utility operating revenue	131,025	137,086	6,061	104.6
Electric power sales	117,231	123,555	6,324	105.4
Wholesale power business	114,949	119,374	4,425	103.8
Hydroelectric	29,250	28,671	(578)	98.0
Thermal	85,698	90,702	5,004	105.8
Other electric power businesses	2,282	4,181	1,898	183.2
Transmission revenues	13,581	13,258	(323)	97.6
Other electricity revenues	212	272	60	128.5
Other business operating revenue	10,717	8,784	(1,932)	82.0
Operating expenses	123,176	128,004	4,827	103.9
Electric utility operating expenses	111,454	117,066	5,612	105.0
Personnel expense	7,430	8,712	1,281	117.2
Fuel cost	38,929	48,083	9,154	123.5
Repair expense	15,316	11,657	(3,658)	76.1
Consignment cost	7,152	7,587	434	106.1
Taxes and duties	6,715	6,648	(66)	99.0
Depreciation and amortization cost	26,105	24,639	(1,466)	94.4
Other	9,803	9,737	(66)	99.3
Other business operating expenses	11,722	10,937	(784)	93.3
Operating income	18,565	17,866	(699)	96.2
Non-operating revenue	3,120	4,772	1,651	152.9
Dividend income	766	789	23	103.1
Interest income	129	452	322	348.5
Equity income of affiliates	1,841	1,385	(455)	75.3
Foreign exchange gains	-	1,281	1,281	-
Other	383	863	479	224.8
Non-operating expenses	6,969	6,318	(651)	90.7
Interest expenses	5,580	5,550	(30)	99.5
Other	1,389	768	(621)	55.3
Total ordinary revenues	144,863	150,642	5,779	104.0
Total ordinary expenses	130,146	134,322	4,176	103.2
Ordinary income	14,716	16,320	1,603	110.9
(Provision for)reversal of reserve for fluctuation in water level	-	26	26	-
Extraordinary income	1,635	-	(1,635)	-
Extraordinary loss	9,875	-	(9,875)	-
Income before income taxes and minority interests	6,476	16,293	9,816	251.6
Income taxes – current	4,613	2,174	(2,439)	47.1
Income taxes – deferred	1,796	3,269	1,473	182.0
Income before minority interests	66	10,849	10,782	-
Minority interests in income (loss)	(425)	63	488	-
Net income	491	10,786	10,294	-

[Appendix 2]

(1) Generation capacity

(Unit: kW)

	Three months ended June 30, 2010 (A)	Three months ended June 30, 2011 (B)	(B) – (A)
Wholesale electric power business	16,992,500	16,992,500	-
Hydroelectric	8,565,500	8,565,500	-
Thermal	8,427,000	8,427,000	-
Other electric power businesses (*)	656,510	704,510	48,000
Total	17,649,010	17,697,010	48,000

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

(2) Electricity sales volume and revenues

(Unit: GWh, million yen)

	Three months ended June 30, 2010 (A)		Three months ended June 30, 2011 (B)		(B) – (A)	
	Electricity sales volume	Revenues	Electricity sales volume	Revenues	Electricity sales volume	Revenues
Wholesale electric power business	13,614	114,949	14,013	119,374	398	4,425
Hydroelectric	3,337	29,250	2,913	28,671	(423)	(578)
Thermal	10,277	85,698	11,100	90,702	822	5,004
Other electric power businesses (*)	225	2,282	366	4,181	141	1,898
Subtotal	13,840	117,231	14,380	123,555	539	6,324
Transmission	-	13,581	-	13,258	-	(323)
Total	13,840	130,812	14,380	136,813	539	6,000

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

(3) Water supply rate

(Unit: %)

	Three months ended June 30, 2010 (A)	Three months ended June 30, 2011 (B)	(B) – (A)
Water supply rate	114	106	(8)

[Appendix 3]

### Revenues and Expenses (Non-consolidated)

	Three months ended	Three months ended	(B) - (A)	(B)/(A)
	June 30, 2010 (A)	June 30, 2011 (B)	million yen	%
	million yen	million yen	million yen	
Operating revenues	132,807	135,255	2,447	101.8
Electric utility operating revenues	129,513	133,675	4,161	103.2
Electric power sales	114,949	119,374	4,425	103.8
Hydroelectric	29,250	28,671	(578)	98.0
Thermal	85,698	90,702	5,004	105.8
Transmission revenue	13,581	13,258	(323)	97.6
Other electricity revenue	983	1,042	59	106.1
Incidental business revenue	3,294	1,580	(1,713)	48.0
Operating expenses	115,701	118,015	2,313	102.0
Electric utility operating expenses	113,834	116,561	2,727	102.4
Personnel expense	7,413	8,689	1,275	117.2
Fuel cost	38,773	46,472	7,699	119.9
Repair expense	17,390	11,671	(5,718)	67.1
Taxes and duties	6,566	6,475	(91)	98.6
Depreciation and amortization cost	25,865	24,472	(1,392)	94.6
Other	17,825	18,779	954	105.4
Incidental business operating expenses	1,866	1,453	(413)	77.9
Operating income	17,106	17,240	133	100.8
Non-operating revenues	3,496	5,937	2,440	169.8
Non-operating expenses	5,923	5,829	(93)	98.4
Interest expenses	5,452	5,175	(277)	94.9
Other	470	654	183	139.0
Total ordinary revenues	136,304	141,193	4,888	103.6
Total ordinary expenses	121,624	123,844	2,220	101.8
Ordinary income	14,679	17,348	2,668	118.2
(Provision for)reversal of reserve for fluctuation in water level	-	26	26	-
Extraordinary income	1,635	-	(1,635)	-
Extraordinary loss	8,536	-	(8,536)	-
Income before income taxes and minority interests	7,778	17,321	9,542	222.7
Income taxes—current	3,859	1,690	(2,168)	43.8
Income taxes – deferred	1,454	3,364	1,909	231.3
Net income	2,465	12,266	9,801	497.6