

April 26, 2012

**The Fiscal Year Ended March 31, 2012 Financial Results Overview (Japan GAAP) (Consolidated)**

**Kyushu Electric Power Co., Inc.**

Stock code: 9508 URL: [http://www.kyuden.co.jp/en\\_index](http://www.kyuden.co.jp/en_index)

Stock listed on: Tokyo SE, Osaka SE, Fukuoka SE

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Shareholders' Meeting: June 27, 2012

Commencement of payment of year-end dividend: June 28, 2012

Projected date for submitting annual security report: June 28, 2012

Preparation of supplementary materials for financial results: Yes

Information meeting for financial results: Yes

(Rounded down to the nearest million yen)

**1. Consolidated Financial Results for FY2011 (April 1, 2011 to March 31, 2012)**

**(1) Consolidated Operational Results**

(% shows the changes from the previous FY)

	Sales		Operating income		Ordinary income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2011 ended March 31, 2012	1,508,084	1.5	-184,854		-213,534	
FY2010 ended March 31, 2011	1,486,083	2.8	98,908	-0.8	66,747	-1.3

(Note) Comprehensive income : FY2011 -163,236 million yen (—%) FY2010 19,571 million yen (—%) (-57.5%)

	Net income		Net earnings per share	Fully-diluted net earnings per share	Net return on shareholders' equity	Ratio of current income to total capital	Ratio of current income to sales
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)	(%)	(%)	(%)
FY2011 ended March 31, 2012	-166,390		-351.80		-17.2	-5.0	-12.3
FY2010 ended March 31, 2011	28,729	-31.3	60.73		2.7	1.6	6.7

(Reference) Investment Profit/Loss under Equity Methods : FY2011 956 million yen FY2010 1,492 million yen

**(2) Consolidated Financial Position**

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2011 ended March 31, 2012	4,428,093	888,131	19.7	1,840.37
FY2010 ended March 31, 2011	4,185,460	1,079,679	25.4	2,246.30

(Reference) Shareholders' equity: FY2011 870,396 million yen FY2010 1,062,458 million yen

**(3) Consolidated Cash Flow**

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financing activities	Cash and cash equivalents balance as of term-end
	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)
FY2011 ended March 31, 2012	16,909	-228,279	363,319	277,945
FY2010 ended March 31, 2011	301,346	-296,015	52,942	125,988

**2. Dividends**

(Record date)	Annual dividends per share					Total dividends (annual)	Payout ratio (consolidated)	Dividend rate for shareholders' equity (consolidated)
	1Q	Interim	3Q	Year-end	Total			
FY2010 ended March 31, 2011	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)	(Unit: million yen)	(%)	(%)
FY2010 ended March 31, 2011		30.00		30.00	60.00	28,398	98.8	2.7
FY2011 ended March 31, 2012		30.00		20.00	50.00	23,663		2.4
FY2012 ending March 31, 2013 (projected)								

(Note) Dividend of FY2012 ending March 2013 has yet to be decided.

We will promptly inform you when it is possible for us to make our forecasts.

**3. Forecast for FY2012 ending March 2013 (April 1, 2012 to March 31, 2013)**

Our sales and income forecasts for FY2012 are undetermined given the difficulty of assessing future trends in electrical power supply and demand because it is uncertain regarding the schedule for the resumption of the operations of reactors of our nuclear power stations.

We will promptly inform you of our forecasts when it is possible for us to make them.

(See page 4 "(1)Analysis regarding Operating Results Forecast for FY2012" of Attached Material)

**Note****(1) Changes in significant subsidiaries (changes in scope of consolidated subsidiaries) : No**

\*Notes on the scope of consolidation and the application of the equity method

Consolidated subsidiaries: 39

Non-consolidated subsidiaries accounted for under the equity method: 16

Affiliated companies accounted for under the equity method: 14

**Changes in the scope of consolidation and the application of the equity method from March 31, 2011**

Consolidated subsidiaries Newly added: 4 Excluded: 1

Under the equity method Newly added: 0 Excluded: 0

**(2) Changes in accounting principles, changes in accounting estimates, restatement**

Changes in accounting principles in line with revised accounting standards : No

Changes in accounting principles other than : No

Changes in accounting estimates : No

Restatement : No

**(3) Number of outstanding shares**

Number of outstanding shares at year end (including treasury stock):

FY2011 ended March 2012 474,183,951 shares FY2010 ended March 2011 474,183,951 shares

Number of treasury stock at year end

FY2011 ended March 2012 1,236,366 shares FY2010 ended March 2011 1,202,882 shares

Average number of shares outstanding during the period

FY2011 ended March 2012 472,967,920 shares FY2010 ended March 2011 473,039,147 shares

\* For the number of shares applied in calculation of consolidated net earnings per share, see page 23 "Per Share Data."

**(Reference) Outline of Non-consolidated Financial Results****Non-consolidated Financial Results for FY2011 (April 1, 2011 to March 31, 2012)****(1) Non-Consolidated Operational Results**

(% shows the changes from the previous FY)

	Sales		Operating income		Ordinary income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2011 ended March 31, 2012	1,406,770	1.4	-195,722		-228,538	
FY2010 ended March 31, 2011	1,387,517	3.6	85,073	0.2	54,103	7.4

	Net income		Net earnings per share	Fully-diluted net earnings per share
	(Unit: million yen)	(%)	(Unit: yen)	(Unit: yen)
FY2011 ended March 31, 2012	-174,983		-369.74	
FY2010 ended March 31, 2011	20,443	-27.8	43.19	

**(2) Non-Consolidated Financial Position**

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2011 ended March 31, 2012	4,110,950	766,700	18.7	1,620.09
FY2010 ended March 31, 2011	3,890,891	967,515	24.9	2,044.29

(Reference) Shareholders' equity: FY2011 766,700 million yen FY2010 967,515 million yen

**\*Notes on implementation status of audit procedure**

This financial results overview is not the object of audit procedure based on Financial Instruments and Exchange Act, and at the time of this disclosure, audit procedure of financial reports based on Financial Instruments and Exchange Act is under implementation.

**\*Notes on the proper use of the forecasts**

Looking-forward statements are based on information available at the date of the release of this document. Due to various factors, the actual result may differ from these statements.

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Please note that this purports to be an accurate and complete translation of the original Japanese version prepared for the convenience of our English-speaking audience. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

## 1. Business Performance

### (1) Analysis regarding business performance

Although remaining affected by the difficult employment situation, the Japanese economy has gradually recovered from the harsh economic environment following the Great East Japan Earthquake. While a similar trend has been experienced in the economy in Kyushu, the recovery has been more rapid than in Japan overall, as the impact of the earthquake was comparatively mild in Kyushu.

Although power supplies remain tight due to factors such as the delayed restart of operations at nuclear power stations, the Kyushu Electric Power Group has managed to pull through without any major obstacles to power supply by making full efforts to secure alternative power sources such as thermal power, and through the cooperation of customers in reducing power consumption.

#### Business performance of FY2011

##### A. Revenue and expenditure

Under these economic conditions, on the revenue side, consolidated sales (operating revenues) increased by 1.5% to ¥1,508.0 billion compared with FY2010 and the ordinary revenues increased by 1.6% to ¥1,521.9 billion affected by the business performances in electricity business as charge unit price increased mainly due to the effect of fuel cost adjustment system while electricity sales volume decreased. On the expenditure side, ordinary expenses increased by 21.2% to ¥1,735.5 billion affected by the business performances in electricity business as thermal fuel costs and costs for power purchases increased mainly due to the influence of the deferred resumption of the operations of reactors of our nuclear power stations and the rise of fuel prices.

As a result, the ordinary loss for FY2011 was ¥213.5 billion and the net loss was ¥166.3 billion.

Operating results for each of our business segments (before eliminating internal transactions) are as follows:

#### Operating Results (before eliminating internal transactions)

(Unit: 100 million yen, %)

		FY2011 (A)	FY2010 (B)	Difference (A-B)	Change (A/B)
Electricity	Sales	13,695	13,563	132	101.0
	Operating Income(Loss)	-1,999	865	-2,865	-
Energy-related	Sales	1,645	1,580	65	104.1
	Operating Income(Loss)	47	30	17	158.1
IT & Telecommunication	Sales	969	962	7	100.8
	Operating Income(Loss)	66	64	1	102.2
Other	Sales	273	260	12	104.6
	Operating Income(Loss)	31	33	-2	93.0

(Note) Electricity includes the company's business operations except incidental businesses

(a) Electricity Business

The sales revenue from electricity business increased by 1.0% to ¥1,369.5 billion compared with the previous year mainly due to increased charge unit price because of the effect of fuel cost adjustment system in spite of decreased electricity sales volume. Operating income decreased by ¥286.5 billion to -¥199.9 billion mainly due to the increased thermal fuel costs and costs for power purchases.

(b) Energy-related Business

The sales revenues from energy-related business increased by 4.1% to ¥164.5 billion compared with the previous year mainly due to increased income because of a rise of gas selling price. Operating income increased by 58.1% to ¥4.7 billion mainly due to decreased depreciation.

(c) IT and Telecommunication Business

The sales revenues from IT and telecommunication business increased by 0.8% to ¥96.9 billion compared with the previous year mainly due to an increase in sales of data transmission services for mobile phone operators. Operating income increased by 2.2% to ¥6.6 billion.

(d) Other Businesses

The sales revenues from other businesses increased by 4.6% to ¥27.3 billion compared with the previous year mainly due to an effect of newly consolidated subsidiaries. Operating income decreased by 7.0% to ¥3.1 billion mainly due to an increase in repair costs of rental buildings.

B. Sales and Supply overview

In FY2011, the demand for electric light, power for commercial operations and other general demands decreased by 3.5% from FY2010 due to the effect of power saving and a decrease in the air-conditioning demand as the temperature from August to September was lower than the previous year's level. The power demand from large industrial customers increased by 0.4% from FY2010 due to the increase in production of Steel and Iron, Chemicals in first half in spite of the decrease in production of Electric Machinery and the effect of power saving.

Consequently, the total electricity sales for FY2011 decreased by 2.4% to 85.35 billion kWh compared with the previous year.

Electricity Sales Volume

(Unit: million kWh, %)

		FY2011	FY2010	Difference	Change
		(A)	(B)	(A-B)	(A/B)
Lighting		29,990	31,151	-1,161	96.3
Power		55,362	56,323	-961	98.3
Electricity Sales Total		85,352	87,474	-2,122	97.6
(Figures are included above)	Customers other than large-scale industrial	61,408	63,636	-2,228	96.5
	Large-scale industrial customers	23,944	23,838	106	100.4

On the supply side, under the influence of the deferred resumption of the operations of reactors of our nuclear power stations, we have provided supply of electricity to our customers by increasing own thermal generation and electricity received from other companies.

Generated and Received Electricity

(Unit: million kWh, %)

		FY2011 (A)	FY2010 (B)	Difference (A-B)	Change (A/B)
Own facilities	Hydro (Water flow rate)	4,760 (105.9)	4,051 (90.0)	709 (15.9)	117.5
	Thermal	52,425	37,711	14,714	139.0
	Nuclear (Utilization rate)	14,481 (31.4)	37,375 (81.1)	-22,894 (-49.7)	38.7
	New Energy	1,367	1,443	-76	94.7
	Subtotal	73,033	80,580	-7,547	90.6
From other companies (New Energy [included above])		19,167 (1,671)	15,708 (1,456)	3,459 (215)	122.0 (114.7)
Interchange		1,326	-71	1,397	-
For pumping		-1,033	-778	-255	132.7
Total		92,493	95,439	-2,946	96.9

(Note) "New Energy" includes Solar, Wind, Biomass, Waste and Geothermal.

Forecast for FY2012

Our sales and income forecasts for FY2012 are undetermined given the difficulty of assessing future trends in electrical power supply and demand because it is uncertain regarding the schedule for the resumption of the operations of reactors of our nuclear power stations.

We will promptly inform you of our forecasts when it is possible for us to make them.

(2) Analysis regarding financial condition

Analysis regarding consolidated assets, debt, shareholders' equity and cash flow overview

A. Consolidated assets, debt, and shareholders' equity overview

Consolidated assets increased by ¥242.6 billion compared with the end of the previous fiscal year to ¥4,428.0 billion mainly because of an increase in current assets due to an increase in short-term investments and in cash and cash equivalent and in addition because of an increase in fixed assets such as deferred tax assets.

Consolidated liabilities increased by ¥434.1 billion to ¥3,539.9 billion mainly due to an increase in interest-bearing debts. The interest-bearing debts increased by ¥393.8 billion to ¥2,483.2 billion.

Consolidated shareholders' equity decreased by ¥191.5 billion to ¥888.1 billion mainly as the net loss for this fiscal year has been recorded and the dividends were paid. Consequently the shareholders' equity ratio went down to 19.7%.

B. Consolidated cash flow overview

Cash inflow from operating activities decreased by ¥284.4 billion to ¥16.9 billion from the previous year mainly due to an increase in thermal fuel costs and costs for power purchases while electricity sales revenue increased in electricity business.

Cash outflow from investing activities decreased by ¥67.7 billion to ¥228.2 billion from the previous year mainly due to a decrease in payments for purchases of marketable securities.

Cash inflow from financing activities increased by ¥310.3 billion to ¥363.3 billion.

As a result, the balance of cash and cash equivalents at the end of this fiscal year increased by ¥151.9 billion to ¥277.9 billion compared with the end of the previous fiscal year.

Consolidated cash flow indication

	FY2007	FY2008	FY2009	FY2010	FY2011
Shareholders' equity ratio (%)	26.3	25.7	26.4	25.4	19.7
Shareholders' equity ratio at market value (%)	28.4	25.4	23.7	18.4	12.6
Interest-bearing debt / Cash flow ratio	7.6	8.5	5.7	6.9	146.9
Interest coverage ratio	7.0	7.0	9.9	8.7	0.5

(Note)

Shareholders' equity ratio = Shareholders' equity / Total assets

Shareholders' equity ratio at market value = Total market value of shares / Total assets

Interest-bearing debt / Cash flow ratio = Interest-bearing debt / Cash flow from operating activities

Interest coverage ratio = Cash flow from operating activities / Interest payment

\*Each index is calculated based on the consolidated financial data

\*Total market value of shares is calculated as closing stock price at the end of fiscal year multiplied by the number of shares outstanding (after excluding treasury stocks) at the end of fiscal year

\*Cash flow from operating activities and interest payment are calculated based on consolidated cash flow statements.

\*Interest-bearing debt includes corporate debt and long-term debt (both includes those due within a year), short-term debt and commercial papers. The amount of corporate debt used here is not the book value but the face value (par).

(3) Basic policy regarding the appropriation of profits and dividends for FY2011 and FY2012

We have based our policy regarding the appropriation of profits on expanding shareholders' interest in medium to long-term perspective while maintaining the consecutive dividends.

We plan to use retained earnings for investments in electric facilities and new businesses as well as for repayment of interest-bearing debts, aiming to enhance sustainable corporate value.

We determined the dividend of 50 yen per share applicable to FY2011 (30 yen interim dividend paid and 20 yen year-end dividend) which we seek to shareholders' approval at the shareholders' meeting as a part of the appropriation of profits.

Kyushu Electric Power will announce dividends for FY2012 as soon as forecasts for financial results become possible in the future.



#### (4) Business risks factors

The following is a list of some significant risk factors that may have an effect on the operating results, financial position, and other aspects of the Group (consolidated).

Forward-looking statements in this report reflect the judgment of the Company as of the day of the announcement of this financial report and may be affected by factors including the Japanese government's review of energy policy.

##### Changes in systems affecting the electricity business

Currently, a debate is being held on a national level regarding the ideal energy mix and revisions in the nuclear power policy, as well as revisions in the electricity business system including power system reform. Changes such as these to the systems affecting the electricity business could have an impact on the Group's performance.

##### Fluctuations in electricity sales volume

Electricity sales volume in the electricity business fluctuates according to factors such as economic trends, temperature changes, increases in personal consumption volume stemming from the spread of residential solar power systems, and trends in regulations and institutional reforms relating to energy conservation. As a result, changes in these factors could have an impact on the Group's performance.

##### Operational status of nuclear power stations

Items such as fuel costs and financing costs could become even more expensive depending on the operational status of nuclear power stations as determined by factors such as Comprehensive Assessments for the Safety of Existing Power Reactor Facilities (stress tests) and revisions to the national energy policy. As a result, changes in these factors could have an impact on the Group's performance.

The Group has enacted safety initiatives in response to the accident at Tokyo Electric Power's Fukushima Daiichi Nuclear Power Station. Should new information present itself in the future, the Group will respond in a prompt and appropriate manner.

##### Fuel Price Fluctuations

Fuel expenses in electricity business fluctuate as a result of trends in CIF prices and in the foreign exchange markets because we procure sources of fuel for thermal power generation including liquefied natural gas (LNG) and coal from overseas.

However, fluctuations in fuel prices are reflected in electric rates through the fuel cost adjustment system, which helps to ease the impact of fuel price volatility on the Group's performance.

##### Nuclear Fuel Cycle Costs

The uncertainties in the long-term prospects of nuclear fuel cycle operations pose a risk, but operator risk is being reduced through measures proposed by the Japanese government. However, the Group's performance could be affected by discussion trends related to nuclear fuel cycle policy and increased costs based on revised cost estimates for future expenses.

##### Cost of Measures to Combat Global Warming

In response to global warming, the Group aims for more efficient power generation that uses less carbon, and to this end the Group conducts a variety of measures, such as safe and stable nuclear power station operations, active development and introduction of renewable energy, and maintenance and improvement of total thermal efficiency for thermal power stations. Future changes in policies related to global warming could have an impact on the Group's performance.

#### Businesses Other than Electricity

The Group is enhancing its revenue basis by utilizing the group's management resources and steadily developing new business area beyond electricity business. In the business operation, we put emphasis on the profitability and work to improve efficiency while pursuing the growth. In case securing the planned profits cannot be achieved due to the worsening business conditions, the Group's performance may be affected.

#### Interest Rate Fluctuations

The Group's balance of interest-bearing debt as of the end of March 2012 is ¥2,483.2 billion, which accounts for 56% of total assets of the group. Future changes in interest rates have potential to affect the Group's financial condition.

However, 95% of outstanding interest-bearing debt comprises long-term debt, and most of these bear interest at fixed rates. The impact of fluctuating interest rates on the Group's performance is therefore viewed as limited.

#### Leakage of Information

The Group has established strict internal frameworks to manage in-house information and personal information, which Group companies hold, to ensure information security. Additionally, we have implemented thorough information management by establishing internal policies and guidelines on handling information as well as familiarizing employees with the handling procedures. However, in case of the leaking of in-house information and personal information, the Group's performance may be affected.

#### Natural Disasters

To ensure a stable supply of electricity to our customers, the Group implements inspection and maintenance of the facilities systematically to prevent any trouble from occurring. However, large-scaled natural disasters such as typhoons, torrential rains and earthquakes or tsunami as well as unexpected accidents and illicit acts have the potential to affect the Group's performance.

We are also developing a risk management system and are preparing for numerous risks that may have a material impact on business operations. Proper actions not taken in response to an emergency situation may adversely affect the Group's performance.

#### Compliance

To be worthy of the trust of all its stakeholders, the Group conducts its business activities from the perspective of its customers and local people in the regions it operate in by working together to fully instill an awareness of compliance and complying with laws and regulations. However, if problems such as compliance violations were to cause the Group's social credibility to decline, this could have an impact on the Group's performance.

The Group will continue to work to build trust-based relationships with all its stakeholders.

## 2. Management Policy

Kyushu Electric Power's brand message, "Enlighten Our Future," expresses our social mission and responsibilities: to remain consistent in stably supplying power and energy to customers.

We have advanced our business activities to enable us to continue to fulfill this mission by formulating the Mid-term Management Policy (FY 2009 to FY 2011) based on the Long-term Management Vision.

Against this background, the Great East Japan Earthquake last year has caused great damage to the Japanese economy and society. In response to the resulting accident at Fukushima Daiichi Nuclear Power Station, a debate on the overall energy policy, including nuclear power and the direction of energy use has proceeded on a national level.

Customer confidence in the Group was seriously damaged by the attempts to "recruit positive opinions for a television program viewed by prefectural residents and sponsored by the Ministry of Economy, Trade, and Industry." In addition, the suspension of all nuclear power stations has caused a tight power supply, and as a result balancing revenues and expenses has become even more difficult for the Group.

In response to this extremely difficult business environment, the Group established the FY 2012 Management Policy in March 2012 for the purpose of clarifying pressing management issues and to promote Group-wide initiatives focused on resolving these issues. The Group will focus on resolving the following issues in the future.

As for the ongoing review of the national energy policy including the ideal energy mix and nuclear power policy, the Group will respond in a proper manner as soon as it becomes clear what direction these revisions will take.

- Initiatives aimed at regaining the confidence of stakeholders

As the confidence of all of our stakeholders, including customers and shareholders, serves as the foundation for the Group's business operations, the Group will work together to regain the confidence of stakeholders that was lost due to the attempts to "recruit positive opinions for a television program viewed by prefectural residents and sponsored by the Ministry of Economy, Trade, and Industry."

Specifically, the Group will take steps such as improving the transparency of corporate activities, constructing sound relationships with municipalities and other organizations, reconstructing the compliance management promotion structure and risk management structure, and improving the organizational climate.

In addition, the Group will work towards properly reflecting the opinions and requests of all stakeholders in its business operations while releasing easy-to-understand and thoughtful information related to the electricity business and the Group's initiatives.

- Securing a stable supply

As a result of the accident at Fukushima Daiichi Nuclear Power Station, the public has lost much of its confidence in the safety of nuclear power stations. As a business involved in nuclear power, the Group takes this matter very seriously.

From the perspective of energy security and global warming prevention and with safety as a precondition, the Group does not believe that the importance of nuclear power has changed. Based on this position, the Group will work to further improve confidence in nuclear power stations and ensure the safety and security of those stations.

Specifically, the Group will take measures to ensure that nuclear reactors and spent fuel storage pools can continue to be cooled even if standard cooling facilities can no longer be used as a result of an earthquake or tsunami. Moreover, the Group is currently conducting Comprehensive Assessments for the Safety of Existing Power Reactor Facilities (stress tests) based on national government instructions to accurately confirm safety tolerance levels. In addition, the Group will respond in a prompt and appropriate manner to any new information that may be gathered from analysis of the Fukushima incident to ensure even higher safety levels for nuclear power stations.

Although it currently remains unclear when operations at nuclear power stations will resume and as a result power supply continues to be tight, the Group will strive to provide a stable power supply through all types of initiatives aimed at both power supply and demand.

In terms of supply, the Group will conduct measures aimed at providing additional supply such as resuming operations at Karita Power Station New Unit 2 and installing a diesel generator at Buzen Power Station, while taking the appropriate response aimed at resuming operations at nuclear power stations. In terms of demand, the Group will study a fees menu that will help to control peak demand while actively announcing supply and demand-related information using media such as *Denki Yohou* (electricity usage reports).

Additionally, the Group will work together for the active development and introduction of renewable energy sources such as solar power and wind power. Accompanying these efforts, the Group will also develop technologies related to smart grids allowing the large-volume injection of renewable energy such as solar power. In addition, the Group will enact initiatives that will encourage customers to use less power and save energy, such as recommending high-efficiency devices including heat pumps and promoting the adoption of smart meters.

○ Implementing emergency management measures aimed at improving the balance of revenues and expenditures

In consideration of the increasingly difficult business environment, the Group will work together to conduct sufficient risk analysis on expenses and investments; ensure safety, compliance with laws and regulations, and a stable supply; and make thorough efficiency improvements and cost reductions, including short-term measures such as deferring expenses. As an emergency management measure for FY 2012, the Group has worked to effect a 120 billion yen reduction from last year's business plan.

Specifically, the Group has reviewed the implementation timing, scope, and construction methods used in work to reduce capital expenditures and repair costs, while ensuring a stable power supply. The Group will also strive to reduce fuel costs through increased economic procurement.

Furthermore, the Group will work towards reducing expenses by improving the efficiency of overall operations, conducting reviews of items such as the content and scale of advertising activities and R&D. The Group will also endeavor to reduce costs by improving the efficiency of business operations and making reductions to directors' remuneration and benefit package expenses, among other items.

The Group aims for stable management in the future by faithfully implementing these emergency management measures and studying measures appropriate for FY2013 onwards.

To be worthy of the confidence of all its stakeholders in the future, the Group will conduct business activities based on the perspective of CSR (corporate social responsibility) by promoting compliance management and information disclosure, and by thoroughly instilling a spirit of safety-first as it works to increase corporate value.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

	(Unit: million yen)	
	As of March 31 <sup>st</sup> , 2011	As of March 31 <sup>st</sup> , 2012
Assets		
Fixed Assets	3,855,624	3,894,665
Utility property, plant and equipment	2,486,150	2,494,171
Hydro	328,419	332,652
Thermal	220,033	199,503
Nuclear	258,552	242,824
Internal combustion	20,821	19,358
New energy	17,307	15,202
Transmission	644,859	690,539
Transformation	237,708	237,025
Distribution	618,276	617,804
General	132,913	132,516
Other	7,257	6,743
Other fixed assets	299,138	318,204
Construction in progress	247,836	184,857
Construction and retirement in progress	247,836	184,857
Nuclear fuel	263,380	267,124
Loaded nuclear fuel	72,572	84,008
Nuclear fuel in processing	190,807	183,115
Investments and other assets	559,118	630,309
Long-term investments	126,216	127,915
Reserve for reprocessing of irradiated nuclear fuel	197,273	220,293
Deferred tax assets	136,027	178,753
Other assets	100,672	104,330
Allowance for doubtful accounts	-1,072	-984
Current Assets	329,836	533,427
Cash and cash equivalent	116,338	168,283
Trade notes and accounts receivable	100,939	115,213
Short-term investments	12,268	113,144
Inventories at average cost	58,620	77,908
Deferred tax assets	17,995	28,202
Other current assets	24,648	31,502
Allowance for doubtful accounts	-974	-827
Assets Total	4,185,460	4,428,093

	(Unit: million yen)	
	As of March 31 <sup>st</sup> , 2011	As of March 31 <sup>st</sup> , 2012
<b>Liabilities</b>		
Long-term Liabilities	2,475,388	2,957,548
Bonds	1,192,255	1,072,256
Long-term loans	516,347	1,109,344
Accrued retirement benefits	144,687	153,850
Reserve for reprocessing of irradiated nuclear fuel	346,568	334,000
Reserve for preparation of reprocessing of irradiated nuclear fuel	22,362	24,651
Asset retirement obligations	207,855	211,989
Deferred tax liabilities	17	10
Other fixed liabilities	45,294	51,444
Current Liabilities	630,392	581,197
Current portion of long-term debt	236,932	192,379
Short-term borrowings	120,771	118,000
Notes and accounts payable	56,454	93,337
Income tax payable	34,974	17,602
Deferred tax liabilities	-	100
Other current liabilities	181,259	159,776
Reserves under the special law	-	1,216
Reserve for fluctuation in water levels	-	1,216
Liabilities Total	3,105,781	3,539,962
<b>Net Assets</b>		
Shareholders' Equity	1,054,976	860,151
Common stock	237,304	237,304
Additional paid-in capital	31,137	31,133
Retained earnings	788,867	594,080
Treasury stock	-2,333	-2,366
Accumulated other comprehensive income	7,481	10,245
Unrealized gain on other securities	11,356	12,331
Gain on deferred hedge	-1,871	-179
Foreign currency translation adjustments	-2,003	-1,907
Minority Interests	17,220	17,735
Net Assets Total	1,079,679	888,131
Liabilities and Net Assets Total	4,185,460	4,428,093

(2) Consolidated Income Statements and Consolidated Comprehensive Income statement  
(Consolidated Income Statements)

(Unit: million yen)

	April 1, 2010-March 31, 2011	April 1, 2011-March 31, 2012
Operating Revenues	1,486,083	1,508,084
Electricity	1,354,204	1,367,610
Other	131,878	140,474
Operating Expenses	1,387,174	1,692,939
Electricity	1,261,425	1,562,055
Other	125,748	130,883
Operating Income(Loss)	98,908	-184,854
Other Revenues	12,214	13,900
Proceed from dividends	2,107	3,238
Proceed from interests	3,072	3,459
Equity in earnings of affiliates	1,492	956
Gains incurred from negative goodwill	172	2,592
Other	5,369	3,654
Other Expenses	44,376	42,581
Interest expenses	34,025	34,025
Other	10,350	8,555
Total Ordinary Revenues	1,498,297	1,521,985
Total Ordinary Expenses	1,431,550	1,735,520
Ordinary Income(Loss)	66,747	-213,534
Provision or reversal of reserve fluctuation in water levels	-	1,216
Provision of reserve fluctuation in water levels	-	1,216
Extraordinary Loss	18,428	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	18,428	-
Income(Loss) before Income Taxes	48,318	-214,750
Income Taxes	32,106	3,585
Income Taxes for Prior Periods	-	494
Income Taxes-Deferred	-12,860	-52,839
Income Taxes Total	19,245	-48,760
Income(Loss) before Minority Interests	29,073	-165,990
Minority Interests	343	400
Net Income(Loss)	28,729	-166,390

(Consolidated Comprehensive Income statement)

(Unit: million yen)

	April 1, 2010-March 31, 2011	April 1, 2011-March 31, 2012
Net Income(Loss) before Minority Interests	29,073	-165,990
Other comprehensive income		
Unrealized gain on other securities	-4,890	920
Gain on deferred hedge	-3,752	1,695
Foreign currency translation adjustment	-335	730
Equity in equity method companies	-522	-593
Total other comprehensive income	-9,501	2,753
Comprehensive income	19,571	-163,236
Comprehensive income related to		
Comprehensive income related to parent company shareholders	19,238	-163,627
Comprehensive income related to minority interests	333	390



(3) Consolidated Statements of Changes in Shareholders' Equity

	(Unit: million yen)	
	April 1, 2010- March 31, 2011	April 1, 2011- March 31, 2012
<b>Shareholders' Equity</b>		
Paid-in Capital		
Balance at the start of FY	237,304	237,304
Balance at the end of FY	237,304	237,304
Additional Paid-in Capital		
Balance at the start of FY	31,140	31,137
Changes during FY		
Disposal of Treasury Stock	-2	-4
Total Changes during FY	-2	-4
Balance at the end of FY	31,137	31,133
Retained Earnings		
Balance at the start of FY	788,538	788,867
Changes during FY		
Dividend Declared	-28,400	-28,396
Net Income(Loss)	28,729	-166,390
Total Changes during FY	329	-194,787
Balance at the end of FY	788,867	594,080
Treasury Stock		
Balance at the start of FY	-2,164	-2,333
Changes during FY		
Acquisition of Treasury Stock	-183	-43
Disposal of Treasury Stock	14	10
Total Changes during FY	-168	-33
Balance at the end of FY	-2,333	-2,366
Shareholders' Equity Total		
Balance at the start of FY	1,054,819	1,054,976
Changes during FY		
Dividend Declared	-28,400	-28,396
Net Income(Loss)	28,729	-166,390
Acquisition of Treasury Stock	-183	-43
Disposal of Treasury Stock	11	5
Total Changes during FY	157	-194,825
Balance at the end of FY	1,054,976	860,151

(Unit: million yen)		
	April 1, 2010- March 31, 2011	April 1, 2011- March 31, 2012
<b>Accumulated other comprehensive income</b>		
Unrealized gain on other securities		
Balance at the start of FY	16,382	11,356
Changes during FY		
Net changes during FY other than Shareholders' Equity	-5,026	975
Total Changes during FY	<u>-5,026</u>	<u>975</u>
Balance at the end of FY	<u>11,356</u>	<u>12,331</u>
Gain and loss on deferred hedge		
Balance at the start of FY	1,879	-1,871
Changes during FY		
Net changes during FY other than Shareholders' Equity	-3,751	1,691
Total Changes during FY	<u>-3,751</u>	<u>1,691</u>
Balance at the end of FY	<u>-1,871</u>	<u>-179</u>
Foreign currency translation adjustment		
Balance at the start of FY	-1,289	-2,003
Changes during FY		
Net changes during FY other than Shareholders' Equity	-713	95
Total Changes during FY	<u>-713</u>	<u>95</u>
Balance at the end of FY	<u>-2,003</u>	<u>-1,907</u>
Total accumulated other comprehensive income		
Balance at the start of FY	16,973	7,481
Changes during FY		
Net changes during FY other than Shareholders' Equity	-9,491	2,763
Total Changes during FY	<u>-9,491</u>	<u>2,763</u>
Balance at the end of FY	<u>7,481</u>	<u>10,245</u>
Minority Interests		
Balance at the start of FY	17,273	17,220
Changes during FY		
Net changes during FY other than Shareholders' Equity	-53	514
Total Changes during FY	<u>-53</u>	<u>514</u>
Balance at the end of FY	<u>17,220</u>	<u>17,735</u>
Equity Total		
Balance at the start of FY	1,089,066	1,079,679
Changes during FY		
Dividend Declared	-28,400	-28,396
Net Income(Loss)	28,729	-166,390
Acquisition of Treasury Stock	-183	-43
Disposal of Treasury Stock	11	5
Net changes during FY other than Shareholders' Equity	<u>-9,544</u>	<u>3,277</u>
Balance at the end of FY	<u>1,079,679</u>	<u>888,131</u>

(4) Consolidated Statements of Cash Flows

	(Unit: million yen)	
	April 1, 2010- March 31, 2011	April 1, 2011- March 31, 2012
<b>Operating Activities</b>		
Income(Loss) before income taxes	48,318	-214,750
Depreciation and amortization	234,117	235,563
Decommissioning cost of nuclear power plants	7,524	3,106
Amortization of nuclear fuel	24,960	8,906
Loss on disposal of property, plant and equipment	8,435	9,784
Loss on adjustment for changes of accounting standard for asset retirement obligations	18,428	-
Increase(decrease) in liability for retirement benefits	2,986	9,129
Provision for reserve for reprocessing of used fuel	-4,212	-12,567
Provision for preparation for reprocessing of irradiated nuclear fuel	3,923	2,288
Increase(decrease) in reserve for fluctuation in water levels	-	1,216
Interest revenue and dividends received	-5,180	-6,697
Interest expense	34,025	34,025
Equity in net earnings under the equity method	-1,492	-956
Gains incurred from negative goodwill	-172	-2,592
Increase in fund for reprocessing of irradiated nuclear fuel	-29,503	-23,020
Increase in accounts receivable	-4,824	-13,961
Increase in inventories, principally fuel, at average cost	5,225	-19,287
Increase in accounts payable	9,147	40,552
Other	13,314	13,306
Sub Total	365,022	64,044
Receipt of interest and cash dividends	5,526	7,294
Interest paid	-34,460	-33,905
Income tax paid	-34,741	-20,523
Net cash provided by operating activities	301,346	16,909
<b>Cash Flows from Investing Activities</b>		
Purchases of property, plant and equipment	-243,749	-229,351
Payment for investments and other	-64,210	-6,729
Proceeds for recoveries from investments and other	8,547	4,204
Other	3,397	3,596
Net cash used in investing activities	-296,015	-228,279

(Unit: million yen)

	April 1, 2010- March 31, 2011	April 1, 2011- March 31, 2012
Cash Flows from Financing Activities		
Proceeds from issuance of bonds	129,573	-
Redemption of bonds	-69,950	-150,000
Proceeds from long-term loans	88,829	657,634
Repayment of long-term loans	-103,870	-80,553
Net increase (decrease) in short-term borrowings	8,884	-2,770
Net changes in commercial paper	30,000	-30,000
Cash dividends paid	-28,413	-28,408
Other	-2,111	-2,582
Net cash used in financing activities	<u>52,942</u>	<u>363,319</u>
Effect of exchange rate changes on cash and cash equivalents	-484	7
Changes in cash and cash equivalents	<u>57,789</u>	<u>151,956</u>
Cash and cash equivalents at beginning of the year	68,178	125,988
Increase in cash and cash equivalent due to the merger of consolidated subsidiari	20	-
Cash and cash equivalents at end the of the year	<u>125,988</u>	<u>277,945</u>

(5) Notes on the premise of going concern

N/A

(6) Additional information

As for changes and corrections of errors in the period starting in the beginning of this consolidated fiscal year, we have applied the Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No.24; December 4, 2009) and the Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No.24; December 4, 2009).

(7) Notes on Consolidated Financial Statements

(Tax effect accounting-related)

Following the promulgation on December 2, 2011 of the Act for Partial Revision of the Income Tax Act, Etc. for the Purpose of Creating a Taxation System Responding to Changes in Economic and Social Structures (Act No. 114 of 2011) and the Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction Following the Great East Japan Earthquake (Act No. 117 of 2011), the normal effective statutory tax rate applicable to calculation of deferred tax assets and deferred tax liabilities as of the end of the consolidated fiscal year changed from 36.1% to 33.2% with respect to the temporary difference, which is expected to be canceled from April 1, 2012 to March 31, 2015 and will change to 30.7% with the temporary difference that is expected to be canceled after April 1, 2015.

As a result of this change in the tax rate, deferred tax assets decreased by 25,858 million yen. Consequently, income taxes-deferred increased by 26,813 million yen, and other comprehensive income increased by 952 million yen.

The decrease in deferred tax liabilities was de minimis.

(Segment information)

1. Overview of reporting segments

The Company's reporting segments are based on the units that compose our Company for which separate financial information is available. The segments are subject to regular review by the Board of Directors to evaluate performance.

The Company is composed of four reporting segments, classified in consideration of the types of products and business activities: the Electricity Business, the Energy-related Business, the IT/Telecommunication Business, and Other Businesses.

The main products and business activities belonging to each reporting segment are described below.

Reporting segment	Main products and business activities
Electricity	Supply of electricity
Energy-related	Receipt, storage, vaporization, delivery and sales of LNG, manufacturing and sales of electric machinery, construction, maintenance and repair of power generation facilities, manufacturing and sales of concrete poles, environmental preservation activities around power generation facilities, consultation and planning of civil engineering and construction
IT/Telecommunication	Fiber-optic cable and broadband service, manufacturing, sales, installation and maintenance of telecommunication devices, development, operation and maintenance of information system
Other	Acquiring and owning of securities, loan to group companies, leasing and management of real estate, contracted siting work

2. Calculation method of amount of sales, income or loss, asset and other items by reporting segment

Accounting method of Reporting segment is the same to the description in “Significant items regarding preparation of consolidated financial statements”.

Reporting segment income is on operating income basis. Inter-segment sales is based on a market price.

3. Information regarding amount of sales, income or loss, asset and other items by reporting segment

Previous consolidated fiscal year (April 1, 2010 to March 31, 2011)

(Unit: million yen)

	Reportable segment					Adjusted amount*1	Consolidated financial statements*2
	Electricity	Energy-related	IT/Telecommunication	Other	Total		
Sales							
Sales to outside customers	1,354,204	59,768	60,912	11,198	1,486,083	-	1,486,083
Inter-segment sales	2,113	98,247	35,315	14,898	150,574	-150,574	-
Total	1,356,317	158,015	96,227	26,097	1,636,657	-150,574	1,486,083
Segment income	86,598	3,023	6,484	3,380	99,487	-578	98,908
Segment asset	3,741,007	300,946	147,889	154,974	4,344,818	-159,357	4,185,460
Other items							
Depreciation (including amortization of nuclear fuel)	222,955	14,130	19,625	5,324	262,035	-2,957	259,077
Increase in tangible fixed assets and intangible fixed assets	228,812	6,465	23,668	7,600	266,546	-4,730	261,816

\*1 Adjusted amount of segment income of -578 million yen and adjusted amount of segment asset of -159,357 million yen are inter-segment elimination.

\*2 Segment income is adjusted with operating income within consolidated income statements.

Current consolidated fiscal year (April 1, 2011 to March 31, 2012)

(Unit: million yen)

	Reportable segment					Adjusted amount*1	Consolidated financial statements*2
	Electricity	Energy-related	IT/Telecommunication	Other	Total		
Sales							
Sales to outside customers	1,367,610	67,039	61,151	12,283	1,508,084	-	1,508,084
Inter-segment sales	1,927	97,517	35,811	15,026	150,283	-150,283	-
Total	1,369,537	164,557	96,963	27,310	1,658,368	-150,283	1,508,084
Segment income (loss)	-199,995	4,779	6,628	3,145	-185,442	587	-184,854
Segment asset	3,962,355	312,340	146,244	155,274	4,576,215	-148,121	4,428,093
Other items							
Depreciation (including amortization of nuclear fuel)	211,074	12,059	19,066	5,266	247,467	-2,996	244,470
Increase in tangible fixed assets and intangible fixed assets	193,856	20,231	21,432	11,679	247,199	-3,237	243,962

\*1 Adjusted amount of segment income (loss) of 587 million yen and adjusted amount of segment asset of -148,121 million yen are inter-segment elimination.

\*2 Segment income (loss) is adjusted with operating loss within consolidated income statements.

(Related information)

Previous consolidated fiscal year (April 1, 2010 to March 31, 2011) and Current consolidated fiscal year (April 1, 2011 to March 31, 2012)

1. Information by product and service

Because similar information is disclosed in segment information, this information is omitted.

2. Information by region

(1) Sales

Because domestic sales to external customers account for over 90% of the sales stated in the Consolidated Income Statements, this information is omitted.

(2) Property, plant and equipment

Because property, plant and equipment located in Japan accounts for over 90% of the property, plant and equipment stated in the Consolidated Balance Sheets, this information is not stated.

3. Information by main customers

Because there are no customers that account for over 10% of sales stated in the Consolidated Income Statements for sales to external customers, this information is omitted.

(Information relating to impairment loss of fixed assets by reporting segment)

Previous consolidated fiscal year (April 1, 2010 to March 31, 2011) and Current consolidated fiscal year (April 1, 2011 to March 31, 2012)

Because this information lacks materiality, it is omitted.

(Information relating to goodwill amortization and unamortized balance by reporting segment)

Previous consolidated fiscal year (April 1, 2010 to March 31, 2011) and Current consolidated fiscal year (April 1, 2011 to March 31, 2012)

Because this information lacks materiality, it is omitted.

(Information relating to gains incurred from negative goodwill by reporting segment)

Previous consolidated fiscal year (April 1, 2010 to March 31, 2011)

Because this information lacks materiality, it is omitted.

Current consolidated fiscal year (April 1, 2011 to March 31, 2012)

Material negative goodwill was incurred in the other business segments due to the additional acquisition of shares of Kyushu Maintenance Co., LTD during the current fiscal year. Note that 2,470 million yen in negative goodwill (non-operating revenues) was posted as a result of this event during the current fiscal year.



(Per share data)

	FY2010 (April 1, 2010-March 31, 2011)	FY2011 (April 1, 2011-March 31, 2012)
Shareholders' equity per share (BPS)	¥2,246.30	¥1,840.37
Net income(loss) per share (EPS)	¥60.73	¥-351.80

(Note) 1. Diluted EPS in FY2010 is abbreviated as there are no dilutive securities. Diluted EPS in FY2011 is abbreviated as there are no dilutive securities and it is net loss per share.

2. Basic data for computation of the per share data

(1) Shareholders' equity per share

	FY2010 (As of March 31, 2011)	FY2011 (As of March 31, 2012)
Shareholders' equity total	¥1,079,679 million	¥888,131 million
Deductible from shareholders' equity (Minority interest)	¥17,220 million (¥17,220 million)	¥17,735 million (¥17,735 million)
Shareholders' equity allocated to common stock outstanding	¥1,062,458 million	¥870,396 million
Number of common stock outstanding at the end of each fiscal year	472,981 thousand shares	472,948 thousand shares

(2) Net income (loss) per share

	FY2010 (April 1, 2010-March 31, 2011)	FY2011 (April 1, 2011-March 31, 2012)
Net income	¥28,729 million	¥-166,390 million
Amount not allocated to shareholders	-	-
Net income allocated to common stock outstanding	¥28,729 million	¥-166,390 million
Weighted average number of common stock outstanding during each fiscal year	473,039 thousand shares	472,968 thousand shares

(Significant post-balance sheet event)

N/A

#### 4. Non-consolidated Financial Statements

##### (1) Balance Sheets

	(Unit: million yen)	
	As of March 31st, 2011	As of March 31st, 2012
Assets		
Property, Plant and Equipment	3,655,759	3,675,144
Utility property, plant and equipment	2,520,849	2,528,900
Hydro power production facilities	329,643	333,906
Thermal power production facilities	222,603	201,750
Nuclear power production facilities	260,536	244,533
Internal combustion power production facilities	21,435	19,922
New energy power production facilities	17,729	15,550
Transmission facilities	651,800	698,305
Transformation facilities	241,856	241,268
Distribution facilities	632,194	631,294
General facilities	135,787	135,618
Suspended facilities	1,480	968
Facilities on loan	5,782	5,782
Incidental businesses property and equipment	40,245	36,971
Nonoperating property and equipment	4,838	4,504
Plant and equipment suspense account	245,260	186,647
Construction in progress	241,737	184,007
Retirement in progress	3,523	2,639
Nuclear Fuel	263,380	267,124
Loaded nuclear fuel	72,572	84,008
Nuclear fuel in processing	190,807	183,115
Investments and other assets	581,184	650,996
Long-term investments	111,987	113,811
Investments in subsidiaries and affiliated companies	150,753	151,627
Fund for reprocessing of irradiated nuclear fuel	197,273	220,293
Long-term prepaid expenses	3,925	4,352
Deferred tax assets	117,873	161,466
Allowance for doubtful accounts	-629	-554
Current Assets	235,131	435,806
Cash and cash equivalents	85,104	131,959
Accounts receivable	77,856	91,496
Receivables	9,649	15,047
Short-term investments	-	100,000
Inventories	39,231	63,160
Prepaid expenses	599	377
Receivables from subsidiaries and affiliated companies	3,392	2,852
Deferred tax assets	13,164	24,784
Other current assets	6,728	6,638
Allowance for doubtful accounts	-595	-511
Assets Total	3,890,891	4,110,950

(Unit: million yen)

	As of March 31st, 2011	As of March 31st, 2012
<b>Liabilities</b>		
Long-term Liabilities	2,355,345	2,817,264
Bonds	1,192,555	1,072,556
Long-term loans	430,531	1,013,915
Long-term accrued liabilities	9,363	8,495
Long-term lease liabilities	1,914	1,968
Long-term liabilities to affiliates	2,825	2,229
Liability for employees' retirement benefits	127,722	136,875
Reserve for reprocessing of irradiated nuclear fuel	346,568	334,000
Reserve for preparation of reprocessing of irradiated nuclear fuel	22,362	24,651
Asset retirement obligations	207,689	211,840
Other long-term liabilities	13,813	10,731
Current Liabilities	568,030	525,769
Current portion of long-term debt	204,205	167,980
Short-term borrowings	116,000	111,000
Commercial papers	30,000	-
Accounts payable-trade	38,934	81,712
Accounts payable	40,503	33,990
Accrued expenses	57,746	67,854
Accrued income tax	31,947	13,337
Deposit	1,444	2,073
Short-term liabilities to subsidiaries and affiliated companies	41,060	40,503
Other advances	4,092	5,168
Other current liabilities	2,094	2,149
Reserves under the special law	-	1,216
Reserve for fluctuation in water levels	-	1,216
<b>Liabilities Total</b>	<b>2,923,375</b>	<b>3,344,250</b>
<b>Shareholders' Equity</b>		
Common stock	958,542	755,124
Paid-in capital	237,304	237,304
Additional paid-in capital	31,114	31,110
Capital reserve	31,087	31,087
Other additional paid-in capital	27	22
Retained earnings	692,219	488,839
Legal reserve	59,326	59,326
Retained earnings - carryforward	632,892	429,512
Reserves for losses on overseas investment, etc.	10	11
Cost behavior adjustment reserves	100,300	100,300
Contingent reserves	456,000	456,000
Deferred retained earnings	76,582	-126,798
Treasury stock	-2,096	-2,129
Valuation and translation adjustments	8,972	11,575
Unrealized gain on other securities	10,727	11,634
Gain on deferred hedge	-1,754	-59
<b>Total Shareholders' Equity</b>	<b>967,515</b>	<b>766,700</b>
<b>Liabilities and Shareholders' Equity Total</b>	<b>3,890,891</b>	<b>4,110,950</b>

(2) Income Statements

(Unit: million yen)

	April 1, 2010-March 31, 2011	April 1, 2011-March 31, 2012
Operating Revenues	1,387,517	1,406,770
Electricity	1,356,317	1,369,537
Lighting	591,498	587,251
Power	734,561	755,431
Sales to other electric companies	4,258	3,407
Sales to other companies	5,837	6,143
Revenues from wheeling service charges	2,916	3,402
Gains from adjustment among electric companies	3,051	3,202
Miscellaneous revenues from electricity	13,780	10,287
Revenues from loaned equipment	411	411
Incidental-Business Operating Revenues	31,199	37,232
Fiber-optic cable leasing service	11,574	12,644
Gas supply	15,342	20,138
Other	4,283	4,449
Operating Expenses	1,302,444	1,602,492
Electricity	1,269,718	1,569,533
Hydro power	44,796	44,470
Thermal power	327,424	579,601
Nuclear power	215,738	184,279
Internal combustion power	25,192	28,663
New energy power	10,316	11,041
Purchase from other electric companies	245	25,141
Purchase from other companies	136,817	180,900
Transmission	81,031	85,634
Transformation	43,250	44,351
Distribution	144,479	142,207
Sales	57,344	56,499
Suspended facilities	994	938
Facilities on loan	41	39
General	132,970	138,105
Promotion of power resources development tax	33,212	32,390
Enterprise tax	15,923	15,319
Electricity account transfer (Credit)	-60	-52
Incidental Businesses Operating Expenses	32,725	32,959
Fiber-optic cable leasing service	11,406	11,411
Gas supply	17,217	18,630
Other	4,101	2,917
Operating income(Loss)	85,073	-195,722

(Unit: million yen)

	April 1, 2010-March 31, 2011	April 1, 2011-March 31, 2012
Other Revenues	9,534	7,674
Financial revenues	5,179	5,654
Proceed from dividends	2,115	2,201
Proceed from interests	3,064	3,453
Non-operating revenues	4,355	2,019
Gain on sale of property and equipment	212	184
Other	4,142	1,835
Other Expenses	40,504	40,490
Financial expenses	32,577	32,266
Interest expenses	32,150	32,266
Stock issuance costs	-	-
Bond issuance costs	426	-
Non-operating expenses	7,927	8,224
Loss on sales of tangible fixed assets	132	99
Other losses	7,794	8,125
Total Ordinary Revenues	1,397,052	1,414,444
Total Ordinary Expenses	1,342,949	1,642,983
Ordinary Income(Loss)	54,103	-228,538
Provision or reversal of reserve fluctuation in water levels	-	1,216
Provision of reserve fluctuation in water levels	-	1,216
Extraordinary Loss	18,325	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	18,325	-
Income(Loss) before Income Taxes	35,778	-229,754
Corporation Tax, Residence Tax and Enterprise Tax	28,334	-
Income Taxes for Prior Periods	-	486
Income Taxes-Deferred	-13,000	-55,257
Income Taxes Total	15,334	-54,771
Net Income(Loss)	20,443	-174,983

(3) Statements of Changes in Shareholders' Equity

	(Unit: million yen)	
	April 1, 2010- March 31, 2011	April 1, 2011- March 31, 2012
<b>Shareholders' Equity</b>		
Paid-in Capital		
Balance at the start of FY	237,304	237,304
Balance at the end of FY	<u>237,304</u>	<u>237,304</u>
Additional Paid-in Capital		
Capital reserve		
Balance at the start of FY	31,087	31,087
Balance at the end of FY	<u>31,087</u>	<u>31,087</u>
Other additional paid-in capital		
Balance at the start of FY	29	27
Changes during FY		
Disposal of Treasury Stock	-2	-4
Total Changes during FY	<u>-2</u>	<u>-4</u>
Balance at the end of FY	<u>27</u>	<u>22</u>
Additional Paid-in Capital Total		
Balance at the start of FY	31,117	31,114
Changes during FY		
Disposal of Treasury Stock	-2	-4
Total Changes during FY	<u>-2</u>	<u>-4</u>
Balance at the end of FY	<u>31,114</u>	<u>31,110</u>
Retained Earnings		
Legal reserve		
Balance at the start of FY	59,326	59,326
Balance at the end of FY	<u>59,326</u>	<u>59,326</u>
Other retained earnings		
Accumulation of reserve for losses on overseas investment, etc		
Balance at the start of FY	10	10
Balance at the end of FY		
Accumulation of reserve for losses on overseas investment, etc	-	-
Total Changes during FY	<u>-</u>	<u>-</u>
Balance at the end of FY	<u>10</u>	<u>11</u>
Cost behavior adjustment reserves		
Balance at the start of FY	100,300	100,300
Balance at the end of FY	<u>100,300</u>	<u>100,300</u>
Contingent reserves		
Balance at the start of FY	456,000	456,000
Balance at the end of FY	<u>456,000</u>	<u>456,000</u>

	April 1, 2010- March 31, 2011	April 1, 2011- March 31, 2012
<b>Deferred retained earnings</b>		
Balance at the start of FY	84,539	76,582
Changes during FY		
Accumulation of reserve for losses on overseas investment, etc	-	-
Dividend Declared	-28,400	-28,396
Net Income(Loss)	20,443	-174,983
Total Changes during FY	<u>-7,956</u>	<u>-203,380</u>
Balance at the end of FY	<u>76,582</u>	<u>-126,798</u>
<b>Retained earnings total</b>		
Balance at the start of FY	700,176	692,219
Changes during FY		
Accumulation of reserve for losses on overseas investment, etc	-	-
Dividend Declared	-28,400	-28,396
Net Income(Loss)	20,443	-174,983
Total Changes during FY	<u>-7,956</u>	<u>-203,380</u>
Balance at the end of FY	<u>692,219</u>	<u>488,839</u>
<b>Treasury Stock</b>		
Balance at the start of FY	-1,968	-2,096
Changes during FY		
Acquisition of Treasury Stock	-142	-43
Disposal of Treasury Stock	14	10
Total Changes during FY	<u>-127</u>	<u>-33</u>
Balance at the end of FY	<u>-2,096</u>	<u>-2,129</u>
<b>Shareholders' Equity Total</b>		
Balance at the start of FY	966,630	958,542
Changes during FY		
Accumulation of reserve for losses on overseas investment, etc	-	-
Dividend Declared	-28,400	-28,396
Net Income(Loss)	20,443	-174,983
Acquisition of Treasury Stock	-142	-43
Disposal of Treasury Stock	11	5
Total Changes during FY	<u>-8,087</u>	<u>-203,418</u>
Balance at the end of FY	<u>958,542</u>	<u>755,124</u>

(Unit: million yen)

	April 1, 2010- March 31, 2011	April 1, 2011- March 31, 2012
<b>Valuation and Translation Adjustments</b>		
Unrealized gain on other securities		
Balance at the start of FY	15,481	10,727
Changes during FY		
Net changes during this year other than Shareholders' Equity	-4,753	907
Total Changes during FY	-4,753	907
Balance at the end of FY	10,727	11,634
Gain / Loss on deferred hedge		
Balance at the start of FY	1,997	-1,754
Changes during FY		
Net changes during this year other than Shareholders' Equity	-3,752	1,695
Total Changes during FY	-3,752	1,695
Balance at the end of FY	-1,754	-59
<b>Valuation and Translation Adjustments Total</b>		
Balance at the start of FY	17,478	8,972
Changes during FY		
Net changes during this year other than Shareholders' Equity	-8,505	2,602
Total Changes during FY	-8,505	2,602
Balance at the end of FY	8,972	11,575
<b>Equity Total</b>		
Balance at the start of FY	984,109	967,515
Changes during FY		
Accumulation of reserve for losses on overseas investment, etc	-	-
Dividend Declared	-28,400	-28,396
Net Income(Loss)	20,443	-174,983
Acquisition of Treasury Stock	-142	-43
Disposal of Treasury Stock	11	5
Net changes during this year other than Shareholders' Equity	-8,505	2,602
Total Changes during FY	-16,593	-200,815
Balance at the end of FY	967,515	766,700



## **5. Other**

### (1) Appointment of Executives

See “Appointment of executives including representative directors” announced on today, April 26, 2012 for appointment of executives.

(2) Income and Expenditure (Non-consolidated)

(Unit: 100 million yen, %)

		FY2011 (A)	FY2010 (B)	Difference (A-B)	Change (A/B)	Composition Ratio	
						FY2011	FY2010
Ordinary Revenues	Lighting	5,872	5,914	-42	99.3	41.5	42.3
	Power	7,554	7,345	208	102.8	53.4	52.6
	(Subtotal)	(13,426)	(13,260)	(166)	(101.3)	(94.9)	(94.9)
	Other	717	709	7	101.1	5.1	5.1
	[Sales]	[14,067]	[13,875]	[192]	[101.4]	[99.5]	[99.3]
	Total	14,144	13,970	173	101.2	100.0	100.0
Ordinary Expenses	Labor	1,679	1,626	53	103.3	10.2	12.1
	Fuel	5,202	2,848	2,354	182.6	31.7	21.2
	Power purchase	2,060	1,370	689	150.3	12.5	10.2
	Maintenance	1,760	1,759	-	100.0	10.7	13.1
	Depreciation	2,021	1,979	41	102.1	12.3	14.7
	Interest	322	321	1	100.4	2.0	2.4
	Tax & public dues	848	893	-45	94.9	5.2	6.7
	Nuclear back-end	307	472	-164	65.1	1.9	3.5
	Other	2,227	2,156	70	103.3	13.5	16.1
Total	16,429	13,429	3,000	122.3	100.0	100.0	
[Operating Income(loss)]		[-1,957]	[850]	[-2,807]	[ - ]		
Ordinary Income		-2,285	541	-2,826	-		
Reserve fluctuation in water levels		12	-	12	-		
Extraordinary Losses		-	183	-183	-		
Income(loss) before income taxes		-2,297	357	-2,655	-		
Income taxes		-547	153	-701	-		
Net Income		-1,749	204	-1,954	-		

(Note) Nuclear back-end expenses include the costs below:

- Costs for reprocessing of irradiated nuclear fuel
- Costs for preparation of reprocessing of irradiated nuclear fuel
- Costs for disposal of transuranic waste
- Costs for decommissioning nuclear power plants

(Reference)

	FY2011 (A)	FY2010 (B)	Change (A-B)
Crude Oil (CIF) Price	\$114/b	\$84/b	\$30/b
Exchange Rate	¥79/\$	¥86/\$	-¥7/\$