

## Unaudited Financial Release (Consolidated) for the Third Quarter

The information below is an English translation of extracts from Unaudited Financial Release (Consolidated) for the second quarter that has been filed with the major Japanese stock exchanges (Tokyo) for public inspection. These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

January 29, 2016

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### I . Performance over the Nine-months Ended December 31, 2015 and 2014

(Figures are rounded down to the nearest million yen)

#### 1. Results of Operations

|   | <u>Nine-Months</u>       |           | (Million Yen) |       |
|---|--------------------------|-----------|---------------|-------|
|   | <u>Ended December 31</u> |           | <u>Change</u> |       |
|   | 2015                     | 2014      | 15/14         | 14/13 |
| Operating Revenues                          | 2,380,341                | 2,470,903 | -3.7%         | 3.0%  |
| Operating Income                            | 180,370                  | -66,622   | —             | —     |
| Ordinary Income *                           | 171,468                  | -77,972   | —             | —     |
| Income attributable to owners of the parent | 112,308                  | -66,631   | —             | —     |
| Net Income per Share                        | 125.70yen                | -74.57yen | —             | —     |
| Fully Diluted Net Income per Share          | —                        | —         | —             | —     |

#### Comprehensive income

Nine-months ended December 31, 2015: 132,069 million yen

Nine-months ended December 31, 2014: -67,157 million yen

Notes:

1. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

#### 2. Financial Position

|              | (Million Yen)     |                |
|--------------|-------------------|----------------|
|              | As of December 31 | As of March 31 |
|              | 2015              | 2015           |
| Total Assets | 7,462,111         | 7,743,378      |
| Net Assets   | 1,191,984         | 1,060,219      |
| Equity Ratio | 15.7%             | 13.4%          |

Notes:

#### 1. Equity capital

As of December 31, 2015: 1,168,305 million yen

As of March 31, 2015: 1,036,038 million yen

## II. Dividends

|                       | Interim dividend<br>per share | Year-end dividend<br>per share | Annual dividend<br>per share |
|-----------------------|-------------------------------|--------------------------------|------------------------------|
| Fiscal 2014           | 0.00 yen                      | 0.00yen                        | 0.00 yen                     |
| Fiscal 2015(Forecast) | 0.00 yen                      | —                              | —                            |

The forecast for the year-end dividend remains undetermined at this point because the forecast must be based on assessments of the nuclear plant restart, etc.

## III. Financial Forecasts

|   | 4/15-3/16<br>(Forecasts) | 4/14-3/15<br>(Results) | (Billion Yen)<br>Change |
|---|--------------------------|------------------------|-------------------------|
| Operating Revenues                          | 3,300                    | 3,406                  | -3.1%                   |
| Operating Income                            | 260                      | -78                    | —                       |
| Ordinary Income*                            | 245                      | -113                   | —                       |
| Income attributable to owners of the parent | 150                      | -148                   | —                       |
| Net Income per Share                        | 167.88yen                | -166.06yen             | —                       |

Notes:

### 1. Major Factors for Financial Forecasts

|  | 4/15-3/16<br>(Forecasts) | 4/14-3/15<br>(Results) |
|--|--------------------------|------------------------|
| Electricity Sales (TWh)                      | 130.7                    | 134.5                  |
| Nuclear capacity factor (%)                  | Approx.2.0               | 0.0                    |
| Water run-off ratio (%)                      | 109.0                    | 104.2                  |
| All Japan CIF Crude Oil Price<br>(\$/barrel) | Approx.50                | 90.4                   |
| Exchange rate [TTM] (yen/\$)                 | Approx.121               | 110                    |

2. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

3. Financial forecasts are subject to change depending upon the changes of business environments and other conditions.

## IV. Other

### 1. Number of shares outstanding (included Treasury stock)

As of December 31, 2015: 938,733,028 shares

As of March 31, 2015: 938,733,028 shares

### 2. Number of Treasury stock

As of December 31, 2015: 45,263,116 shares

As of March 31, 2015: 45,230,608 shares

### 3. Number of Average stock

Nine-months ended December 31, 2015: 893,485,801 shares

Nine-months ended December 31, 2014: 893,526,420 shares

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**Financial Forecasts (Non-consolidated)**

|   | 4/15-3/16<br>(Forecasts) | 4/14-3/15<br>(Results) | (Billion Yen)<br><u>Change</u> |
|---|--------------------------|------------------------|--------------------------------|
| Operating Revenues                          | 2,920                    | 3,032                  | -3.7%                          |
| Operating Income                            | 220                      | -130                   | —                              |
| Ordinary Income*                            | 210                      | -159                   | —                              |
| Income attributable to owners of the parent | 130                      | -176                   | —                              |
| Net Income per Share                        | 145.45yen                | -197.72yen             | —                              |

Notes:

1. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

**Electricity sales**

|                              | (GWh)                                 |                                       |               |
|------------------------------|---------------------------------------|---------------------------------------|---------------|
|                              | Nine-months<br>Ended December 31,2015 | Nine-months<br>Ended December 31,2014 | Change<br>(%) |
| Regulated Segment            | 34,272                                | 35,212                                | 97.3          |
| Residential                  | 30,444                                | 31,254                                | 97.4          |
| Commercial and<br>Industrial | 3,828                                 | 3,957                                 | 96.7          |
| Low Voltage                  | 3,386                                 | 3,478                                 | 97.4          |
| Other                        | 443                                   | 480                                   | 92.3          |
| Liberalized Segment          | 59,619                                | 62,969                                | 94.7          |
| Total                        | 93,891                                | 98,181                                | 95.6          |

## Consolidated Balance Sheets

(million yen)

| Account  | As of<br>Mar. 31, 2015 | As of<br>Dec. 31, 2015 |
|--|------------------------|------------------------|
| <b>(Assets)</b>  |                        |                        |
| Property   | 6,829,544              | 6,701,741              |
| Utility facilities                                       | 3,499,414              | 3,409,906              |
| Hydroelectric power production facilities                | 299,325                | 296,343                |
| Thermal power production facilities                      | 547,514                | 512,016                |
| Nuclear power production facilities                      | 360,433                | 344,007                |
| Transmission facilities                                  | 913,419                | 901,362                |
| Transformation facilities                                | 402,550                | 393,640                |
| Distribution facilities                                  | 833,306                | 828,560                |
| General facilities                                       | 117,117                | 109,343                |
| Other utility facilities                                 | 25,747                 | 24,632                 |
| Other plant and equipment                                | 666,886                | 671,702                |
| Construction in progress                                 | 433,918                | 455,671                |
| Construction and retirement in progress                  | 405,822                | 428,137                |
| Special account related to nuclear power decommissioning | 28,095                 | 27,534                 |
| Nuclear fuel   | 530,065                | 534,360                |
| Loaded nuclear fuel                                      | 74,774                 | 82,267                 |
| Nuclear fuel in processing                               | 455,290                | 452,092                |
| Investments and other assets                             | 1,699,258              | 1,630,100              |
| Long-term investments                                    | 274,665                | 317,863                |
| Reserve fund for reprocessing of irradiated nuclear fuel | 551,395                | 527,568                |
| Deferred tax assets                                      | 496,791                | 423,398                |
| Other  | 378,908                | 364,874                |
| Allowance for doubtful accounts                          | -2,501                 | -3,605                 |
| Current assets   | 913,834                | 760,369                |
| Cash and time deposits                                   | 158,278                | 129,064                |
| Accounts receivable                                      | 230,692                | 228,916                |
| Inventory assets   | 148,614                | 134,130                |
| Deferred tax assets                                      | 50,353                 | 85,083                 |
| Other  | 327,983                | 185,250                |
| Allowance for doubtful accounts                          | -2,087                 | -2,076                 |
| <b>Total assets</b>                                      | <b>7,743,378</b>       | <b>7,462,111</b>       |

## Consolidated Balance Sheets

(million yen)

| Account   | As of<br>Mar. 31, 2015 | As of<br>Dec. 31, 2015 |
|---|------------------------|------------------------|
| <b>(Liabilities)</b>  |                        |                        |
| Long-term liabilities and reserves  | 5,215,173              | 4,756,873              |
| Bonds   | 1,300,759              | 1,110,872              |
| Long-term loans   | 2,225,950              | 1,985,914              |
| Reserve for reprocessing of irradiated nuclear fuel                           | 593,018                | 570,699                |
| Reserve for reprocessing of irradiated nuclear fuel<br>without definite plans | 50,966                 | 52,495                 |
| Liability for retirement benefits   | 412,507                | 346,785                |
| Asset retirement obligations  | 414,425                | 422,761                |
| Deferred tax liabilities  | 380                    | 812                    |
| Other   | 217,165                | 266,531                |
| Current liabilities   | 1,459,294              | 1,491,273              |
| Current maturities of long-term debt and other                                | 578,989                | 785,638                |
| Short-term borrowings   | 208,762                | 146,999                |
| Commercial paper  | —                      | 75,000                 |
| Accounts payable  | 175,532                | 132,646                |
| Accrued income taxes  | 60,757                 | 74,533                 |
| Other current liabilities   | 435,251                | 276,454                |
| Reserves under the special laws   | 8,690                  | 21,979                 |
| Reserve for fluctuation in water levels                                       | 8,690                  | 21,979                 |
| <b>Total liabilities</b>  | <b>6,683,158</b>       | <b>6,270,126</b>       |
| <b>(Net Assets)</b>   |                        |                        |
| Shareholders' Equity  | 967,187                | 1,079,242              |
| Paid in capital   | 489,320                | 489,320                |
| Capital surplus   | 66,634                 | 66,634                 |
| Retained earnings   | 507,562                | 619,663                |
| Treasury stock  | -96,330                | -96,375                |
| Accumulated other comprehensive income  | 68,851                 | 89,062                 |
| Unrealized gain on available-for-sale securities                              | 71,293                 | 94,444                 |
| Deferred gain on derivatives<br>under hedge accounting                        | 1,696                  | -5,712                 |
| Foreign currency translation adjustments                                      | 16,393                 | 15,899                 |
| Defined retirement benefit plans  | -20,531                | -15,568                |
| Non-controlling interests   | 24,181                 | 23,678                 |
| <b>Total net assets</b>   | <b>1,060,219</b>       | <b>1,191,984</b>       |
| <b>Total liabilities and net assets</b>                                       | <b>7,743,378</b>       | <b>7,462,111</b>       |

## Consolidated Statements of Operations

(million yen)

| Account  | Nine-months<br>ended<br>Dec.31,2014 | Nine-months<br>ended<br>Dec.31,2015 |
|--|-------------------------------------|-------------------------------------|
| Ordinary revenues and expenses                                       |                                     |                                     |
| Operating revenues and expenses                                      |                                     |                                     |
| Operating revenues   | 2,470,903                           | 2,380,341                           |
| Electric   | 2,138,279                           | 2,061,376                           |
| Other  | 332,624                             | 318,965                             |
| Operating expenses   | 2,537,526                           | 2,199,970                           |
| Electric   | 2,241,273                           | 1,921,915                           |
| Other  | 296,252                             | 278,055                             |
| (Operating Income)   | -66,622                             | 180,370                             |
| Non-Operating revenues and expenses                                  |                                     |                                     |
| Non-operating revenues   | 40,056                              | 33,799                              |
| Dividends received   | 3,231                               | 6,429                               |
| Interest revenue   | 6,970                               | 6,820                               |
| Equity in earnings of associated companies                           | 9,269                               | 9,871                               |
| Other  | 20,584                              | 10,678                              |
| Non-operating expenses   | 51,406                              | 42,701                              |
| Interest expense   | 42,448                              | 39,267                              |
| Other  | 8,958                               | 3,434                               |
| Total ordinary revenues  | 2,510,960                           | 2,414,141                           |
| Total ordinary expenses  | 2,588,932                           | 2,242,672                           |
| Ordinary income  | -77,972                             | 171,468                             |
| Provision for or reversal of reserve for fluctuation in water levels | -1,141                              | 13,289                              |
| Provision for reserve for fluctuation in water levels                | —                                   | 13,289                              |
| Reversal of reserve for fluctuation in water levels                  | -1,141                              | —                                   |
| Income before income taxes and minority interests                    | -76,831                             | 158,179                             |
| Income taxes-current   | 3,980                               | 15,740                              |
| Income taxes-deferred  | -14,076                             | 29,974                              |
| Income taxes   | -10,095                             | 45,714                              |
| Net Income   | -66,735                             | 112,465                             |
| Income attributable to non-controlling interests                     | -104                                | 156                                 |
| Income attributable to owners of the parent                          | -66,631                             | 112,308                             |

## Consolidated Statements of Comprehensive Income

(million yen)

| Account   | Nine-months<br>ended<br>Dec.31,2014 | Nine-months<br>ended<br>Dec.31,2015 |
|---|-------------------------------------|-------------------------------------|
| Income before minority interests                    | -66,735                             | 112,465                             |
| Other comprehensive income                          |                                     |                                     |
| Unrealized gain on available-for-sale securities    | 9,988                               | 23,364                              |
| Deferred gain on derivatives under hedge accounting | -8,182                              | -8,210                              |
| Foreign currency translation adjustments            | -2,164                              | -359                                |
| Defined retirement benefit plans                    | -4,501                              | 4,744                               |
| Share of other comprehensive income of associates   | 4,439                               | 64                                  |
| Total other comprehensive income                    | -421                                | 19,604                              |
| Comprehensive income                                | -67,157                             | 132,069                             |
| (Breakdown)   |                                     |                                     |
| Attributable to owners of the parent                | -68,824                             | 132,519                             |
| Attributable to non-controlling interests           | 1,667                               | -450                                |