

Quarterly Financial Report

The information shown below is an English translation of extracts from "Quarterly Financial Report for the Six Months Period Ended September 30, 2015", which was filed with stock exchanges (Tokyo and Nagoya) on the date shown below pursuant to their regulations, for your convenience. Be advised that the Japanese version (the original) shall prevail if in any case a discrepancy arises between the original and the English translation.

CHUBU ELECTRIC POWER COMPANY, INCORPORATED (October 30, 2015)

Stock Code: 9502

Quarterly Financial Report for the Six Months Period Ended September 30, 2015

(In accordance with provisions of regulations in Japan, and accounting standards generally accepted in Japan)

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(Figures are rounded down to the nearest million yen)

(Figures in parentheses are negative numbers)

1. Performance over the Six Months Period Ended September 30, 2015 (Consolidated) (April 1, 2015 - September 30, 2015)

(1) Consolidated Operating Results

	1H FY15	YoY	1H FY14	YoY
Operating Revenues (million yen)	1,481,825	(2.9%)	1,526,081	11.6%
Operating Income (million yen)	227,648	227.3%	69,563	-
Ordinary Income (million yen)	210,462	446.8%	38,492	-
Profit attributable to owners of parent (million yen)	149,900	224.8%	46,149	-
Net Income per Share (Primary; yen)	197.94		60.92	

(Note) Comprehensive income (2Q FY 2015: 147,787 million yen (YoY: 225.4 %), 2Q FY 2014: 45,417 million yen (YoY: 819.9 %))

(2) Consolidated Financial Standing

	30 Sep. 2015	31 Mar. 2015
Total Assets (million yen)	5,490,124	5,631,968
Net Assets (million yen)	1,647,471	1,507,508
Shareholders' Equity Ratio (%)	29.3	26.1

(Reference) Shareholders' Equity (September 2015: 1,607,756 million yen, March 2015: 1,468,917 million yen)

2. Dividends

	FY 2015	FY 2014	FY 2015 (Forecast)
End of 1st quarter per share (Yen)	-	-	n/a
End of 2nd quarter per share (Yen)	10.00	0.00	n/a
End of 3rd quarter per share (Yen)	n/a	-	-
End of the fiscal year per share (Yen)	n/a	10.00	10.00
Annual Dividends per Share (Yen)	n/a	10.00	20.00

(Note) Forecasts revision of dividends from the latest forecasts: None

3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2016(approximate estimate)

	FY 2015	YoY
Operating Revenue (million yen)	2,890,000	(6.9%)
Operating Income (million yen)	230,000	114.6%
Ordinary Income (million yen)	200,000	232.2%
Profit attributable to owners of parent (million yen)	140,000	260.9%
Net Income per Share (Primary; yen)	184.87	

(Note) Forecasts revision of consolidated results from the latest forecasts: Forecasts have been revised

4. Other Information

(1) Changes in important subsidiaries during the quarter under review

(accompanying changes in the extent of consolidated companies) : None

(2) Application of accounting methods unique to state quarterly financial report: None

(3) Changes in accounting policies, changes in accounting estimates, restatements:

i) Changes in accounting policies to comply with the revised accounting standards: Changes occurred

ii) Changes other than under i): None

iii) Changes in accounting estimates: None

iv) Restatements: None

(4) Number of shares issued (common stock)

i) Number of shares issued at the end of period (including treasury shares)

2nd quarter, FY2015: 758,000,000 Year end, FY2014: 758,000,000

ii) Number of treasury shares at the end of period

2nd quarter, FY2015: 708,395 Year end, FY2014: 667,268

iii) Weighted average number of shares outstanding during the period (accumulation for the quarters)

2nd quarter, FY2015: 757,311,666 2nd quarter, FY2014: 757,600,669

Explanations Regarding Appropriate Use of the Forecasts, and Other Special Remark

1. The forecasts for the year ending March 31, 2016 have been revised from the previous announcement made on July 31, 2015.

2. The forecasts are based on information available as of the date of this announcement is made, and also, assumptions as of the date of this announcement are made on uncertain factors that would affect future results.

Actual results may differ by various causes in the future.

(Reference) Forecasts of Non-Consolidated Results for the Fiscal Year Ending March 31, 2016
(approximate estimate)

	FY 2015	YoY
Operating Revenue (million yen)	2,680,000	(7.6%)
Operating Income (million yen)	220,000	142.2%
Ordinary Income (million yen)	190,000	352.9%
Net Income (million yen)	135,000	393.1%
Net Income per Share (Primary; yen)	178.25	

(Note) Forecasts revision of non-consolidated results from the latest forecasts: Forecasts have been revised

The Attached Document

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1. Regarding summary information (notes)

(1) Changes in accounting policies, changes in accounting estimates, restatements

(A change in an accounting policy)

Effective from the 1st quarter of the consolidated fiscal year under review, the Company and its subsidiaries have applied the “Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21 issued on September 13, 2013, hereinafter “Business Combinations Accounting Standard”), “Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22 issued on September 13, 2013, hereinafter “Consolidation Accounting Standard”), “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7 issued on September 13, 2013, hereinafter “Business Divestitures Accounting Standard”) and other standards, based on which the accounting method was changed to record the difference arising from changes in equity in subsidiaries which the Company continues to control as capital surplus. In addition, the Company has changed its expression of net income, etc., and changed “minority interests” to “non-controlling interests.” Financial statements for the second quarter of the previous fiscal year, as well as the entire previous fiscal year, have been reclassified to reflect these changes.

The Business Combinations Accounting Standard and other standards were applied in accordance with the transitional treatment set forth in Article 58-2 (4) of the Business Combinations Accounting Standard, Article 44-5 (4) of the Consolidation Accounting Standard and Article 57-4 (4) of the Business Divestitures Accounting Standard, and have been applied from the beginning of the 1st quarter of the consolidated fiscal year under review up to the future.

The effect of this change is minor.

I Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of Sep 30 2015	As of Mar 31 2015
Assets		
Non-current assets	4,689,910	4,713,064
Electric utility plant and equipment	3,173,050	3,230,666
Hydroelectric power production facilities	307,824	304,186
Thermal power production facilities	630,323	654,724
Nuclear power production facilities	174,257	182,475
Transmission facilities	759,521	780,434
Transformation facilities	401,238	404,491
Distribution facilities	777,457	779,491
General facilities	110,246	112,200
Other electric utility plant and equipment	12,180	12,663
Other non-current assets	227,667	226,276
Construction in progress	324,023	269,007
Construction and retirement in progress	324,023	269,007
Nuclear fuel	239,069	239,691
Loaded nuclear fuel	40,040	40,040
Nuclear fuel in processing	199,029	199,651
Investments and other assets	726,099	747,421
Long-term investments	206,239	207,422
Reserve fund for reprocessing of irradiated nuclear fuel	182,777	192,682
Net defined benefit asset	27,326	26,134
Deferred tax assets	173,581	191,556
Other	137,306	130,746
Allowance for doubtful accounts	(1,131)	(1,121)
Current assets	800,214	918,903
Cash and deposits	145,301	160,592
Notes and accounts receivable - trade	259,088	249,643
Short-term investments	156,782	250,080
Inventories	122,356	124,647
Deferred tax assets	30,399	50,336
Other	87,366	84,820
Allowance for doubtful accounts	(1,080)	(1,216)
Total assets	5,490,124	5,631,968
Liabilities and net assets		
Non-current liabilities	2,731,294	3,010,901
Bonds payable	449,251	555,795
Long-term loans payable	1,537,444	1,693,718
Provision for reprocessing of irradiated nuclear fuel	202,225	209,746
Provision for preparation of reprocessing of irradiated nuclear fuel	16,341	16,021
Provision for loss in conjunction with discontinued operations of nuclear power plants	10,851	21,663
Net defined benefit liability	201,853	194,585
Asset retirement obligations	194,950	194,086
Other	118,376	125,285
Current liabilities	1,093,150	1,102,928
Current portion of non-current liabilities	375,206	343,564
Short-term loans payable	348,124	343,134
Notes and accounts payable - trade	134,154	169,598
Accrued taxes	62,819	67,241
Other	172,845	179,389
Reserves under special laws	18,208	10,629
Reserve for fluctuation in water levels	18,208	10,629
Total liabilities	3,842,652	4,124,459
Shareholders' equity	1,533,081	1,390,825
Capital stock	430,777	430,777
Capital surplus	70,783	70,777
Retained earnings	1,032,583	890,257
Treasury shares	(1,062)	(986)
Accumulated other comprehensive income	74,674	78,091
Valuation difference on available-for-sale securities	38,480	40,169
Deferred gains or losses on hedges	(12,600)	(14,216)
Foreign currency translation adjustment	34,250	34,670
Remeasurements of defined benefit plans	14,543	17,467
Non-controlling interests	39,715	38,591
Total net assets	1,647,471	1,507,508
Total liabilities and net assets	5,490,124	5,631,968

Note: Above figures are rounded down to the nearest million yen.

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

(Millions of yen)

	Six-months ended Sep 30, 2015	Six-months ended Sep 30, 2014
Operating revenue	1,481,825	1,526,081
Electric utility operating revenue	1,346,819	1,387,758
Other business operating revenue	135,005	138,323
Operating expenses	1,254,176	1,456,517
Electric utility operating expenses	1,129,180	1,324,268
Other business operating expenses	124,995	132,248
Operating income	227,648	69,563
Non-operating income	7,559	6,565
Dividend income	929	1,074
Interest income	2,192	2,402
Share of profit of entities accounted for using equity method	—	574
Other	4,437	2,514
Non-operating expenses	24,745	37,637
Interest expenses	21,273	31,826
Share of loss of entities accounted for using equity method	957	—
Other	2,515	5,811
Ordinary revenue	1,489,384	1,532,647
Ordinary expenses	1,278,921	1,494,155
Ordinary income	210,462	38,492
Provision or reversal of reserve for fluctuation in water levels	7,579	(2,926)
Provision of reserve for fluctuation in water levels	7,579	—
Reversal of reserve for fluctuation in water levels	—	(2,926)
Extraordinary income	10,811	28,427
Reversal of provision for loss in conjunction with discontinued operations of nuclear power plants	10,811	—
Solution Received	—	28,427
Income before income taxes and minority interests	213,695	69,846
Income taxes - current	22,130	8,490
Income taxes - deferred	40,287	14,515
Income taxes	62,418	23,005
Net income	151,277	46,841
Profit attributable to non-controlling interests	1,377	691
Profit attributable to owners of parent	149,900	46,149

Note: Above figures are rounded down to the nearest million yen.

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six-months ended Sep 30, 2015	Six-months ended Sep 30, 2014
Net income	151,277	46,841
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,907)	3,402
Deferred gains or losses on hedges	(1,039)	(1,279)
Foreign currency translation adjustment	(420)	366
Remeasurements of defined benefit plans, net of tax	(2,834)	(502)
Share of other comprehensive income of entities accounted for using equity method	2,712	(3,411)
Total other comprehensive income	(3,489)	(1,423)
Comprehensive income	147,787	45,417
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	146,483	44,290
Comprehensive income attributable to non-controlling interests	1,304	1,127

Note: Above figures are rounded down to the nearest million yen.

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six-months ended Sep 30, 2015	Six-months ended Sep 30, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	213,695	69,846
Depreciation	128,136	134,361
Decommissioning costs of nuclear power units	2,257	2,155
Loss on retirement of non-current assets	3,056	3,605
Increase (decrease) in provision for net defined benefit liability and assets	2,131	(706)
Decrease in provision for reprocessing of irradiated nuclear fuel	(7,520)	(6,140)
Increase in provision for other reprocessing of irradiated nuclear fuel	320	308
Decrease in provision for loss in conjunction with discontinued operations of nuclear power plants	(10,811)	—
Increase (decrease) in reserve for fluctuation in water levels	7,579	(2,926)
Interest and dividends loss	(3,121)	(3,476)
Interest expenses	21,273	31,826
Solution received	—	(28,427)
Decrease in reserve fund for reprocessing of irradiated nuclear fuel	9,905	8,946
Increase in notes and accounts receivable - trade	(9,416)	(22,088)
Decrease (increase) in inventories	2,290	(36,025)
Decrease in notes and accounts payable - trade	(35,450)	(6,132)
Other	(22,085)	52,634
Subtotal	302,240	197,761
Interest and dividend income received	4,890	4,879
Interest expenses paid	(22,397)	(32,560)
Solution package received	—	28,427
Income taxes paid	(9,972)	(3,030)
Cash flows from operating activities	274,761	195,477
Cash flows from investing activities		
Purchase of non-current assets	(141,733)	(120,165)
Payments of investment and loans receivable	(24,513)	(103,228)
Collection of investment and loans receivable	13,835	94,545
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	25
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	29
Other	(1,114)	(378)
Cash flows from investing activities	(153,525)	(129,172)
Cash flows from financing activities		
Proceeds from issuance of bonds	39,860	39,868
Redemption of bonds	(132,050)	(222,800)
Proceeds from long-term loans payable	13,970	22,864
Repayments of long-term loans payable	(151,031)	(34,035)
Increase in short-term loans payable	186,550	186,734
Decrease in short-term loans payable	(183,380)	(184,194)
Purchase of treasury shares	(79)	(32)
Cash dividends paid	(7,580)	(93)
Cash dividends paid to non-controlling interests	(316)	(262)
Other	(1,189)	(903)
Cash flows from financing activities	(235,247)	(192,854)
Effect of exchange rate change on cash and cash equivalents	(262)	691
Net decrease in cash and cash equivalents	(114,275)	(125,857)
Cash and cash equivalents at beginning of this period	390,088	536,773
Cash and cash equivalents at end of this period	275,813	410,915

Note: Above figures are rounded down to the nearest million yen.

(4) Note regarding issue on going concern

Not applicable

(5) Note regarding in the case fluctuation in net assets occurs

Not applicable

3. Other Information (Supplementary Information)

(1) Business and other risks

Concerning “Business and other risks” stated on Financial Report for the Fiscal Year Ended March 31, 2015, the Company has made a significant change to the following items.

The forward-looking statements in this document are based on the Company’s judgment on the day for announcing operating results for the Six Months Period of the Fiscal Year Ending March 31, 2016 (on October 30, 2015).

(The item numbers attached to the following headings correspond to the item numbers for “Operating Results IV. Business and Other Risks” stated on Financial Report for the Fiscal Year Ended March 31, 2015.)

(2) Risks associated with Chubu Electric Group business activities

<3> Changes in the competitive environment

The Government of Japan is addressing the Electricity System Reform, focusing on the steps including: establishment of the organization for cross-regional coordination of transmission operators, full liberalization of entry to electricity retail business; further securing neutrality of the power transmission/distribution sector, and others. In addition, the supply and demand structure in the energy market could change drastically toward the realization of new energy mix, depending on several factors, such as, expanded use of renewable energies; promotion of natural gas; drastic strengthening of energy conservation, and so forth.

Given this situation, the Chubu Electric Group is exerting its maximum effort to enhance management efficiency, and is conducting proactive sales initiatives to respond precisely to customer needs. Even so, future amendments in regulations and changes to supply- demand structure could potentially have an effect on our performance.

Furthermore, Tokyo Electric Power Company, Incorporated (“TEPCO”) and Chubu Electric Power Co., Inc. jointly established a new company “JERA” in April 2015, which implements

a comprehensive alliance covering the entire energy supply chain from upstream investments and fuel procurement to power generation. Focusing on new fuel procurement and fuel-related businesses, new construction and replacement of thermal power plants in Japan and new overseas power generation businesses, JERA succeeded fuel transportation and trading business for both companies in October 2015. Furthermore, JERA will gradually expand the scope and scale of its businesses. Meanwhile, both companies will continue examining the integration of their existing thermal power stations into JERA. Since we formed the alliance with the aim to accelerate our conventional growth strategy, we believe the alliance will increase our growth opportunities. However, our business performance may be affected by the specific development of JERA.

(2) Challenges to be addressed by the Company

On October 1, 2015, The Company had JERA succeed our fuel transportation and trading business.

Please note that the matters concerning forecasts for the future performance were judged as of the date of the announcement (October 30, 2015) of the operating results for the second quarter of the fiscal year ended March 31, 2016.

(Challenges to be addressed)

Business environment surrounding the electric power industry has changed significantly since the accident occurred at the Fukushima Daiichi Nuclear Power Plant of Tokyo Electric Power Company, turning into an extremely tough situation. Although the Nuclear Regulation Authority has been conducting a review to verify compliance with the new regulatory standards, most nuclear power stations in Japan have been shut down.

Furthermore, regarding the electricity system reform, the bill to revise the Electricity Business Act has passed the Diet. Details of the system's design (e.g. full liberalization of the retail business scheduled for April 2016, legal unbundling of the electricity transmission and distribution business scheduled for April 2020) have been reviewed by the national government.

However, our mission as an electric power supplier to "provide customers with safe and inexpensive energy on a stable manner" has never changed under any business environment.

To continue to accomplish this mission toward future, it is critical to combine diverse energies such as nuclear power, thermal power and renewable energy in a balanced manner.

Particularly in a country like Japan where energy resources are scarce, the Company believes that it is indispensable to continue to use nuclear power as an important source of electric power based on all-out safety measures with the aim of addressing the challenges of global warming

and other, and securing energies on a stable basis toward the future.

The Company has been experiencing extremely tough conditions in the overall business operations due to the suspension of the Hamaoka Nuclear Power Station, though the revenue and expenditure improved to some extent as a result of raising electricity rates and implementing drastic measures for higher management efficiency.

In light of these circumstances, the Chubu Electric Power Company Group has set new priority measure: “Responses to change in the business environment” in addition to existing three in which it will exert continued efforts: “Measures to further enhance the safety of the Hamaoka Nuclear Power Station,” “Measures for stable power supply,” and “Efforts toward promotion of management efficiency.”

Regarding “Measures to further enhance the safety of the Hamaoka Nuclear Power Station,” we applied to the Nuclear Regulation Authority for an examination to verify conformity of the No. 3 reactor with the new regulatory standards in June 2015, following an application for the No. 4 reactor in February 2014. We will reliably implement measures in accordance with the new regulatory standards, accurately monitor the examination status of other power companies and the latest developments, and implement other necessary measures in advance, in order to complete the project at an early stage.

Furthermore, as for Reactor No.5, the Company has also continuously been examining all the necessary steps that need to be taken. The Company is determined not only to take measures to comply with the new regulatory standards, but also to make efforts to further enhance the safety of the Hamaoka Nuclear Power Station voluntarily and continuously.

The Company will strengthen cooperation with local governments toward the formulation of an effective resident evacuation plan by local governments, while improving its disaster management system and conducting disaster drills to enhance its disaster preparedness.

The Company will fully explain these measures and efforts to local communities and society to gain their understanding.

Regarding “Measures for stable power supply,” the Company will continue to change the timing of regular inspections of power generation facilities, shorten the process of such inspections, and procure additional fuel. Additionally, as measures to deal with aged power generation facilities, the Company will steadily promote the development of Nishi-Nagoya Thermal Power Station Group No. 7 and Taketoyo Thermal Power Plant Unit 5. Furthermore, the Company will strive to bring the reliability, economic efficiency, and flexibility of its fuel procurement to an even higher level by such a way as procuring LNG from the United States. In

addition to these measures, the Company will upgrade large-scale earthquake countermeasures at its power generation facilities.

Regarding “Efforts toward promotion of management efficiency,” the Company will exert its utmost efforts to reverse its declining profitability by implementing extensive management efficiency enhancement measures without sanctuaries, such as cutting fuel costs by introducing the latest, most highly efficient generators, and materials procurement costs.

Regarding “Responses to changes in the business environment,” the Company will respond to changes in the business environment such as electricity and gas system reforms in a prompt manner and will formulate and implement a strategy to enhance competitiveness and profitability.

Specifically, regarding the electricity business, the Company will accurately identify customers' needs and offer various services (including KatEne, a web service for member households) and electricity charge options in anticipation of more intense competition due to full liberalization of the retail business, so that customers will be able to continuously choose us.

Regarding the gas business, the Company will make efforts to meet the needs of many more customers in line with the gas system reform (e.g. full liberalization of the retail business scheduled for 2017).

Furthermore, Tokyo Electric Power Company, Incorporated (“TEPCO”) and Chubu Electric Power Co., Inc. jointly established a new company “JERA” in April 2015, which implements a comprehensive alliance covering the entire energy supply chain from upstream investments and fuel procurement to power generation to promote our growth strategy. Focusing on new fuel procurement and fuel-related businesses, new construction and replacement of thermal power plants in Japan and new overseas power generation businesses, JERA succeeded fuel transportation and trading business for both companies in October 2015. Furthermore, JERA will gradually expand the scope and scale of its businesses. Meanwhile, both companies will continue examining the integration of their existing thermal power stations into JERA.

The Chubu Electric Power Company Group will continue trying to ensure stable supply of electricity, develop the electricity business in areas other than the Chubu region, and further expand the gas business. Through these efforts, the Group will continue to respond flexibly and appropriately to changes in the energy market.

Keeping firmly in mind that trust from customers and society is the foundation of our business operation, the Company will execute the management with compliance as well as accomplish its corporate social responsibilities (CSR) as a good corporate citizen providing

“security” to all customers, struggling to win confidence of, and to be selected by, customers, shareholders and investors, and contribute to the development of the local communities.