

# 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, 2009", which was filed with stock exchanges (Tokyo, Osaka, and Nagoya) on the date shown below pursuant to their regulations. Be advised that the Japanese version (the original) shall prevail if in any case a discrepancy arises between the original and the English translation.

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## CHUBU ELECTRIC POWER COMPANY, INCORPORATED (October 30, 2009)

Stock Code: 9502

### Quarterly Financial Report for the Six Months Period Ended September 30, 2009

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#### 1. Performance Over the Six Months Period Ended September 30, 2009 (Consolidated)

(April 1, 2009 - September 30, 2009)

(Figures are rounded down to the nearest million yen)

##### (1) Consolidated Operating Results

(Percentile figures represent year-on-year changes in corresponding period)

	9/09	Change	9/08	Change
Operating Revenue (million yen)	1,124,726	-8.0%	1,222,283	-
Operating Income (million yen)	156,608	241.1%	45,914	-
Ordinary Income (million yen)	142,148	278.3%	37,571	-
Net Income (million yen)	90,587	290.8%	23,178	-
Net Income per Share (Primary; yen)	116.47		29.77	
Net Income per Share (Fully diluted; yen)	-		-	

##### (2) Consolidated Financial Standing

	9/09	3/09
Total Assets (million yen)	5,364,579	5,470,128
Net Assets (million yen)	1,713,040	1,654,759
Shareholders' Equity Ratio (%)	31.2	29.6
Net Assets per Share (yen)	2,157.65	2,076.93

Note: Shareholders' Equity (9/09: 1,675,455 million yen, 3/09: 1,616,654 million yen)

## 2. Dividends

	3/09	3/10	3/10 (forecast)
End of 1st quarter per share (Yen)	-	-	n/a
End of 2nd quarter per share (Yen)	30.00	30.00	n/a
End of 3rd quarter per share (yen)	-	n/a	-
End of the fiscal year per share (Yen)	30.00	n/a	30.00
Annual Dividends per Share (Yen)	60.00	n/a	60.00

Note: Forecast revision of dividends during the quarter under review: None

## 3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2010

(Percentile figures represent year-on-year changes in corresponding period)

	3/10	Change
Operating Revenue (million yen)	2,260,000	-10.0%
Operating Income (million yen)	205,000	12.5%
Ordinary Income (million yen)	165,000	26.4%
Net Income (million yen)	105,000	-
Net Income per Share (Primary; yen)	135.22	

Note: Forecast revision of consolidated results during the quarter under review: Yes

## 4. Other

### (1) Changes in important subsidiaries during the period

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

### (2) Application of simplified methods in accounting practices, and methods unique to state quarterly financial report: None

### (3) Changes in principles or procedures of accounting treatment for creation or presentation of consolidated quarterly financial statements (changes to be recorded under important items that are basic to the creation of consolidated quarterly financial statements)

(i) Changes following the amendment of accounting standards, etc. : None

(ii) Changes other than under (i): None

### (4) Number of shares issued (common stock)

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

September 30, 2009: 779,004,665                      March 31, 2009: 779,004,665

(ii) Number of treasury shares at the end of period

September 30, 2009: 2,486,324                      March 31, 2009: 616,893

(iii) Average total number of shares

Six months period ended September 30, 2009: 777,752,738

Six months period ended September 30, 2008: 778,542,546

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

1. The forecasts for the year ending March 31, 2010 have been revised from previous announcement made in July 31, 2009. For details about the forecasts, please refer "3. Qualitative Information on Outlook for Consolidated Operating Result" in qualitative information and financial statements, etc, in page 5.
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 is made on uncertain factors that would affect future results. Actual results materially differ by various causes in the future.

<Reference>

Forecasts of Non-Consolidated Results for the Fiscal Year Ending March 31, 2010

(Percentile figures represent year-on-year changes in corresponding period)

	3/10	Change
Operating Revenue (million yen)	2,100,000	-10.1 %
Operating Income (million yen)	190,000	16.1%
Ordinary Income (million yen)	150,000	48.0%
Net Income (million yen)	105,000	-
Net Income per Share (Primary; yen)	135.20	

Note: Forecast revision of non-consolidated results during the quarter under review: Yes

## Qualitative Information and Financial Statements, etc

### 1. Qualitative Information on Consolidated Operating Results

Amount of electric energy sold was reduced - led by decline in industrial demand following global economic downturn, to 60.2 TWh, 11.4 % reduction on year-on-year basis.

In a breakdown, demand from electric lighting - one of regulated contract category - was decreased by 1.5% to 16.4 TWh, due to such factor as a decline in air conditioning demand by lower temperature during summer season compared to the previous year, although number of contracts were increased. Meanwhile, demand for electric power in low voltage was decreased by 5.8 % to 3.3 TWh, owing to a decline in number of contracts, fewer demand in air conditioning, along with other causes.

As analysis of demand from liberalized contracts, demand for commercial power was decreased by 2.2 % to 12.0 TWh, led by fewer use in air conditioning. Demand for industrial power was decreased by 19.7% to 28.5 TWh, owing to a decrease in production with global economic downturn, along with other causes.

#### (1) Operating Revenue and Expenses in Electric Power Business

In terms of revenue, operating revenue was declined by 87.0 billion yen from corresponding period of previous fiscal year to 1,045.5 billion yen, due to a decrease in revenue by fewer electricity sold, although unit sales price was higher.

In terms of expenses, operating expenses decreased by 200.8 billion yen to 882.7 billion yen contributed by such factor as fewer fuel expenses, led by decline in fuel price.

As a result of these developments, operating income was increased by 113.8 billion yen from corresponding period of previous fiscal year, to 162.8 billion yen.

## (2) Operating Revenue and Expenses in Other Businesses

In terms of revenue, total sales were declined by 10.5 billion yen from corresponding period of previous fiscal year, to 79.1 billion yen, led by a decline in sales in construction business.

As for expenses, a decline in production costs for construction business and other factor contributed a 7.4 billion yen decrease to 85.3 billion yen.

As a result, operating loss totaled 6.2 billion yen (3.1 billion yen of operating loss in corresponding period of previous fiscal year).

Sales in businesses by segment are as shown below.

### [Energy Business]

Revenue from energy business was declined by 1.4 billion yen on year-on-year basis to 19.3 billion yen, led by decline in sales of gas sales business.

### [Construction Business]

Revenue from construction business was declined by 12.1 billion yen on year-on-year basis to 45.3 billion yen, led by decline in sales from interior wiring works.

### [Other Business]

Although revenue from IT and telecommunication business was declined, revenue increase in service business and others contributed to an increased revenue of this segment by 3.0 billion yen on year-on-year basis to 14.4 billion yen.

	9/09 (A)	9/08 (B)	Change	
			(A-B)	(A-B)/B
Consolidated	1,124.7	1,222.2	-97.5	-8.0
Electric Power Business	1,045.5	1,132.5	-87.0	-7.7
Other Businesses	79.1	89.7	-10.5	-11.8
(Energy)	(19.3)	(20.8)	(- 1.4)	(- 7.1)
(Construction)	(45.3)	(57.4)	(- 12.1)	(- 21.1)
(Other)	(14.4)	(11.3)	(3.0)	(26.7)

Note: Figures represent revenues from external customers.

As a result, ordinary income was increased by 104.5 billion yen from corresponding period of previous fiscal year, to 142.1 billion yen. Net income was 90.5 billion yen, a 67.4 billion yen increase from corresponding period of

previous fiscal year.

## 2. Qualitative Information on Consolidated Financial Standing

Total assets were decreased by 105.5 billion yen from the end of the previous fiscal year, to 5,364.5 billion yen, mainly due to ongoing depreciation without completion in major facilities.

Net asset was rose by 58.2 billion yen from the end of previous fiscal year, to 1,713.0 billion yen, contributed by securing net income of 90.5 billion yen in the period under review, along with other factor.

As a result, the shareholder's equity ratio was 31.2 %, an improvement of 1.6 % from the end of previous fiscal year.

Meanwhile, the amount of interest-bearing debt at the end of period under review was 2,609.6 billion yen, a 6.4 % decline from the end of previous fiscal year.

## 3. Qualitative Information on Outlook for Consolidated Operating Result

The company has revised its outlook for operating results that were previously announced in July 31, 2009, due to expectation of fewer sales in electric power business as revenue is likely to fall short by fewer revenue from residential, commercial, and industrial, along with other factors, and in construction business.

Regarding the performance outlook for FY2009 with comparison of the result of previous fiscal year, both consolidated and non-consolidated sales results are expected to deliver decreased figures, reflecting reduction of revenue in the electric power business by lower sales volume and unit sales price, with other factors.

As for ordinary income, both consolidated and non-consolidated results are expected to show a increase, contributed by such factor as a lower fuel price despite of number of factors dragging the bottom line such as a decline in unit sales price and fewer power generation from nuclear power plants.

In the electric power business, which is at the core of the Chubu Electric Group's business, the results may be fluctuated between quarters. In term of revenue, the volume of electric energy sales depends upon economic shifts. In addition, the volume of electric sales has a tendency that higher sales are recorded during summer and winter seasons. In terms of expenses, the causes of fluctuation include a sharp change in fuel price, and completion date of maintenance works at power stations.

[Consolidated]

(billion yen)

	Forecast	3/10	
		Change (From previous forecast)	Change (YoY)
Operating Revenue	2,260.0	-70.0	(-10.0%) approx. -250.0
Operating Income	205.0	-	(12.5%) approx. 23.0
Ordinary Income	165.0	-	(26.4%) approx. 34.0
Net Income	105.0	-	(-) approx. 124.0

Note 1: represent year-on-year change in corresponding period.

Note 2: figures in change from previous forecast represent change in forecasts that were previously announced in July 31, 2009.

[Non-consolidated]

(billion yen)

	Forecast	3/10	
		Change (From previous forecast)	Change (YoY)
Operating Revenue	2,100.0	-60.0	(-10.1%) approx. -235.0
Operating Income	190.0	-	(16.1%) approx. 26.0
Ordinary Income	150.0	-	(48.0%) approx. 49.0
Net Income	105.0	-	(-) approx. 142.0

Note 1: figures in parenthesis represent year-on-year change in corresponding period.

Note 2: figures in change from previous forecast represent change in forecasts that were previously announced in July 31, 2009.

[Major Factors]

	3/10		3/09
	Current forecast	Previous forecast	Results
Electric energy sales (TWh)	Approx. 123.5	Approx. 130.5	129.7
CIF price : crude oil (\$/b)	Approx. 66	Approx. 55	90.5
Fx rate (yen/\$)	Approx. 95	Approx. 100	101
Nuclear power utilization rate(%)	Approx. 54	Approx. 71	(74.5) 56.1

Note 1: previous forecast represent forecasts announced in July 31, 2009.

Note 2: figure in parenthesis represents a reference excluding Hamaoka No.1 and No.2.

Note: Above 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 is made on uncertain factors that would affect future results. Actual results materially differ by various causes in the future.

#### 4. Others

(1) Changes in important subsidiaries during the period (accompanying changes in the extent of consolidated companies) :

N/A

(2) Application of simplified methods in accounting practices, and methods unique to state quarterly financial report:

N/A

(3) Changes in principles or procedures of accounting treatment for creation or presentation of consolidated quarterly financial statements:

N/A

# Quarterly Consolidated Financial Statements

## 1 Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of Sep 30, 2009	As of Mar 31, 2009
<b>Assets</b>		
Noncurrent assets	4,867,767	4,918,769
Electric utility plant and equipment	3,446,629	3,526,311
Hydroelectric power production facilities	288,237	292,394
Thermal power production facilities	593,182	612,980
Nuclear power production facilities	257,136	272,425
Transmission facilities	956,457	982,729
Transformation facilities	412,689	419,406
Distribution facilities	811,038	817,449
General facilities	126,952	127,984
Other electric utility plant and equipment	934	941
Other noncurrent assets	192,922	197,381
Construction in progress	269,299	232,998
Construction and retirement in progress	269,299	232,998
Nuclear fuel	251,549	247,502
Loaded nuclear fuel	38,595	27,791
Nuclear fuel in processing	212,953	219,711
Investments and other assets	707,367	714,574
Long-term investments	158,571	160,453
Reserve fund for reprocessing of irradiated nuclear fuel	239,595	244,758
Deferred tax assets	207,583	197,383
Other	103,553	114,255
Allowance for doubtful accounts	(1,936)	(2,276)
Current assets	496,811	551,359
Cash and deposits	105,705	144,277
Notes and accounts receivable-trade	142,179	165,161
Inventories	110,489	108,604
Deferred tax assets	20,741	26,672
Other	118,720	107,786
Allowance for doubtful accounts	(1,023)	(1,142)
<b>Total Assets</b>	<b>5,364,579</b>	<b>5,470,128</b>
<b>Liabilities and Net Assets</b>		
Noncurrent liabilities	2,625,215	2,715,767
Bonds payable	1,252,307	1,262,996
Long-term loans payable	633,264	725,207
Provision for retirement benefits	201,660	198,429
Provision for reprocessing of irradiated nuclear fuel	261,417	263,779
Provision for preparation of the reprocessing of irradiated nuclear fuel	12,294	12,053
Provision for decommissioning of nuclear power units	118,925	117,929
Provision for loss in conjunction with discontinued operations of nuclear power plants	86,728	87,009
Other	58,617	48,360
Current liabilities	1,026,322	1,099,601
Current portion of noncurrent liabilities	246,714	189,395
Short-term loans payable	321,150	323,560
Commercial papers	163,000	294,000
Notes and accounts payable-trade	107,019	139,651
Accrued taxes	80,177	31,713
Other	108,262	121,281
<b>Total Liabilities</b>	<b>3,651,538</b>	<b>3,815,369</b>
Shareholders' equity	1,659,364	1,596,201
Capital stock	430,777	430,777
Capital surplus	70,777	70,777
Retained earnings	1,163,438	1,096,215
Treasury stock	(5,627)	(1,568)
Valuation and translation adjustments	16,090	20,453
Valuation difference on available-for-sale securities	13,416	12,096
Deferred gains or losses on hedges	4,565	11,053
Foreign currency translation adjustment	(1,891)	(2,696)
Minority interests	37,584	38,104
<b>Total Net Assets</b>	<b>1,713,040</b>	<b>1,654,759</b>
<b>Total Liabilities and Net Assets</b>	<b>5,364,579</b>	<b>5,470,128</b>

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

## 2 Quarterly Consolidated Statements of Income

(Millions of yen)

	Six-Months ended Sep 30, 2009	Six-Months ended Sep 30, 2008
Operating revenue	1,124,726	1,222,283
Electric utility operating revenue	1,045,569	1,132,573
Other business operating revenue	79,157	89,710
Operating expenses	968,117	1,176,369
Electric utility operating expenses	882,734	1,083,547
Other business operating expenses	85,383	92,822
Operating income	156,608	45,914
Non-operating income	10,144	21,572
Dividends income	908	1,227
Interest income	2,641	2,791
Foreign exchange gains	4,253	6,596
Equity in earnings of affiliates	120	-
Other	2,220	10,956
Non-operating expenses	24,605	29,914
Interest expenses	19,339	25,655
Equity in losses of affiliates	-	600
Other	5,265	3,658
Ordinary revenue	1,134,871	1,243,856
Ordinary expenses	992,723	1,206,284
Ordinary income	142,148	37,571
Income before income taxes and minority interests	142,148	37,571
Income taxes-current	53,392	12,533
Income taxes-deferred	(1,338)	609
Income taxes	52,054	13,142
Minority interests in income (loss)	(493)	1,249
Net income	90,587	23,178

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

### 3 Quarterly Consolidated Statements of Cash Flow

(Millions of yen)

	Six-Months ended Sep 30, 2009	Six-Months ended Sep 30, 2008
<b>Net cash provided by operating activities:</b>		
Income before income taxes and minority interests	142,148	37,571
Depreciation and amortization	146,386	157,899
Amortization of nuclear fuel	2,123	6,041
Loss on retirement of noncurrent assets	3,537	2,727
Increase in provision for retirement benefits	3,232	2,941
Increase (decrease) in provision for reprocessing of irradiated nuclear fuel	(2,362)	294
Increase in provision for other reprocessing of irradiated nuclear fuel	241	1,066
Increase in provision for decommissioning of nuclear power units	995	3,070
Decrease in provision for loss in conjunction with discontinued operations of nuclear power plants	(281)	-
Interest and dividends income	(3,550)	(4,018)
Interest expenses	19,339	25,655
Decrease in reserve fund for reprocessing of irradiated nuclear fuel	5,163	6,248
Decrease in notes and accounts receivable-trade	22,978	9,566
Increase in inventories	(1,996)	(28,505)
Decrease in notes and accounts payable-trade	(32,626)	(23,601)
Other, net	22,442	(20,610)
Subtotal	327,769	176,348
Interest and dividends income received	3,755	4,600
Interest expenses paid	(19,790)	(26,012)
Income taxes paid	(4,174)	(26,956)
Net cash provided by operating activities	307,559	127,979
<b>Net cash used in investment activities:</b>		
Purchase of noncurrent assets	(118,636)	(107,710)
Payments of investment and loans receivable	(28,046)	(31,774)
Collection of investment and loans receivable	25,403	40,439
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(225)	-
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	84	35,881
Other, net	2,514	3,893
Net cash used in investing activities	(118,906)	(59,270)
<b>Net cash used in financing activities:</b>		
Proceeds from issuance of bonds	69,797	19,932
Redemption of bonds	(38,217)	(12,223)
Proceeds from long-term loans payable	14,000	13,900
Repayment of long-term loans payable	(92,399)	(53,417)
Increase in short-term loans payable	185,990	238,474
Decrease in short-term loans payable	(187,950)	(252,994)
Proceeds from issuance of commercial papers	379,000	394,000
Redemption of commercial papers	(510,000)	(365,000)
Purchase of treasury stock	(4,106)	(323)
Cash dividends paid	(23,281)	(23,321)
Cash dividends paid to minority shareholders	(234)	(210)
Other, net	(993)	(21)
Net cash used in financing activities	(208,395)	(41,204)
Effect of exchange rate change on cash and cash equivalents	(279)	(122)
Net increase (decrease) in cash and cash equivalents	(20,021)	27,381
Cash and cash equivalents at beginning of this period	149,695	97,108
Decrease in cash and cash equivalents resulting from change of scope of consolidation	-	(275)
Cash and cash equivalents at end of this period	129,674	124,214

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