

# **Investors Meeting**

## **for the year ended March 31, 2013**

### **May, 2013**



Note: The Company's fiscal year (FY) is from April 1 to March 31 of the following year.  
FY2012 represents the fiscal year begun on April 1, 2012, and ended on March 31, 2013.

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# **I Outline of Financial Results for Fiscal Year Ended March 31, 2013**

# Summary of Financial Results <1>

1

- Operating revenues increased for three consecutive years.
- We sustained an operating loss and ordinary loss, net loss for two consecutive years.

## [Consolidated]

	FY2012 (A)	FY2011 (B)	(Billion yen,%)	
			Change (A-B)	(A-B)/B
Operating revenues	2,648.9	2,449.2	199.7	8.2
Operating income (loss)	-14.4	-37.6	23.1	—
Ordinary income (loss)	-43.5	-67.8	24.3	—
Net income (loss)	-32.1	-92.1	60.0	—

## [Non-Consolidated]

	FY2012 (A)	FY2011 (B)	(Billion yen,%)	
			Change (A-B)	(A-B)/B
Operating revenues	2,485.6	2,295.1	190.5	8.3
Operating income (loss)	-28.9	-50.4	21.5	—
Ordinary income (loss)	-52.1	-77.4	25.2	—
Net income (loss)	-35.3	-94.6	59.3	—

## [Principal Figures]

Item	FY2012 (A)	FY2011 (B)	Change (A-B)
Electricity sales volume (TWh)	126.6	127.9	-1.3
CIF price: crude oil (\$/b)	114.1*	114.2	-0.1
FX rate (interbank) (yen/\$)	83	79	4
Nuclear power utilization rate (%)	-	8.2	-8.2

\* CIF crude oil price for FY2012 is tentative.

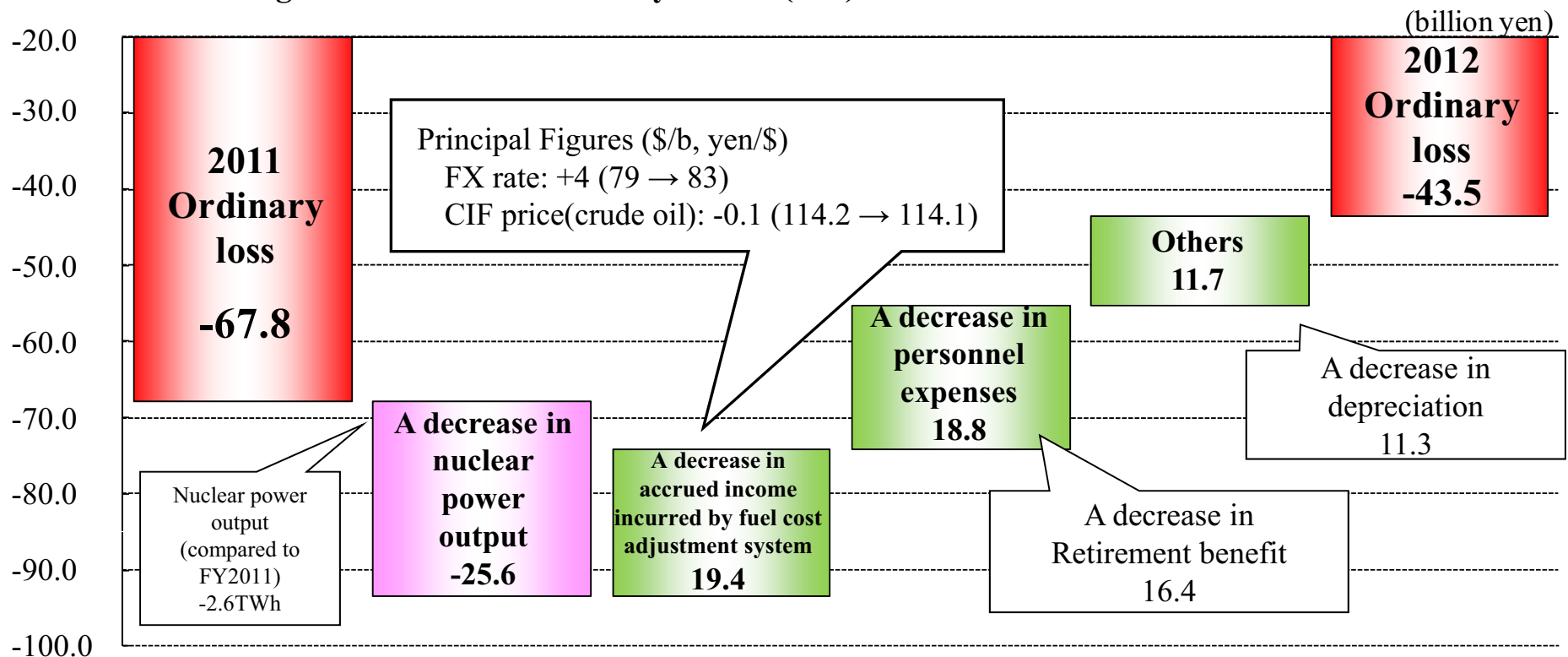
# Summary of Financial Results <2>

2

## < year-on-year comparison factors for change in consolidated ordinary income (loss) >

<b>- Positive factors</b>	- A decrease in accrued income incurred by fuel cost adjustment system	+19.4 billion yen
	- A decrease in personnel expenses	+18.8 billion yen
	- A decrease in depreciation	+11.3 billion yen
<b>- Negative factors</b>	- A decrease in nuclear power output	-25.6 billion yen

### 【Factors for change in consolidated ordinary income(loss)】



## <Demand from customers under regulation>

**-Electric lighting** **Dropped 1.1% to 35.5 TWh**, due to customer's power saving effect, although air conditioning demand increased by colder temperature over the winter compared with previous year.

**-Electric power** **Dropped 3.7% to 6.2 TWh**, due to a decrease in number of contracts, although air conditioning demand increased affected by temperature.

## <Demand from customers under liberalization>

**-Commercial power** **Increased 0.3% to 22.3 TWh**, due to an increase in air conditioning demand affected by temperature.

**-Industrial power** **Dropped 1.3% to 62.6 TWh**, due to a fall in production by steel manufacturers in the second half of the fiscal year despite an increase in production by automobile-related companies in the first half of the fiscal year.

		(TWh, %)			
		FY 2012 (A)	FY 2011 (B)	Change (A-B)	(A-B)/B
Demand from customers under regulation	Electric lighting	35.5	35.9	-0.4	-1.1
	Electric power	6.2	6.4	-0.2	-3.7
	Subtotal	41.7	42.3	-0.6	-1.5
Demand from customers under liberalization	Commercial power	22.3	22.2	0.1	0.3
	Industrial power,etc	62.6	63.4	-0.8	-1.3
	Subtotal	84.9	85.6	-0.7	-0.9
Total		126.6	127.9	-1.3	-1.1

# Generated and Received Power

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- Hydro** Decreased by 1.5 TWh on year on year basis due to lower water flow  
(flow rate for FY 2012:94.8%, FY 2011:112.0%)
- Nuclear** Decreased by 2.6 TWh due to suspension of operations of all reactors at Hamaoka Nuclear Power Station
- Thermal** In addition to the above, because of a decrease in interchanged power and purchased power, thermal power output increased by 6.9 TWh.

		(TWh, %)			
		FY 2012 (A)	FY 2011 (B)	Change (A-B)	(A-B)/B
Internally generated	<b>Hydro</b>	7.8	9.3	-1.5	-15.6
	(flow rate)	(94.8)	(112.0)	(-17.2)	
	<b>Thermal</b>	122.9	116.0	6.9	6.0
	<b>Nuclear</b>	—	2.6	-2.6	—
	(utilization rate)	(—)	(8.2)	(-8.2)	
	<b>Renewable energy</b>	0.1	0.1	0.0	-1.1
<b>Interchanged, Purchased power</b>		7.5	12.3	-4.8	-39.5
<b>Power used for pumped storage</b>		-1.2	-1.3	0.1	-12.9
<b>Total</b>		137.1	139.0	-1.9	-1.3



# Non-consolidated Statements of Income <1>

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	(Billion yen, %)				[Major factors for Change]
	FY2012 (A)	FY2011 (B)	Change (A-B)	(A-B)/B	
Electricity sales revenues	2,254.4	2,161.6	92.8	4.3	- An increase in Fuel cost adjustment charge : +92.4
Sold power to other electric utilities, and transmission revenues, etc.	134.5	65.2	69.3	106.3	- An increase in revenues from power sales to other utilities : +65.3
Others	40.8	21.7	19.1	88.0	- An increase in Levy under Act on Purchase of Renewable Energy Sourced Electricity : +18.3
Electric utility operating revenues	2,429.8	2,248.5	181.2	8.1	
Incidental businesses operating revenues	55.8	46.6	9.2	19.8	- Gas supply business : +6.5
Total operating revenues	2,485.6	2,295.1	190.5	8.3	

Rounded down to nearest 100 million yen.



# Non-consolidated Statements of Income <2>

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(Billion yen, %)

	FY2012 (A)	FY2011 (B)	Change	
			(A-B)	(A-B)/B
Salaries and employee benefits	182.5	201.3	-18.8	-9.4
Fuel	1,194.8	1,040.9	153.8	14.8
Nuclear back-end expenses	17.6	19.1	-1.5	-8.0
Purchased power, and transmission charges, etc.	215.5	218.1	-2.6	-1.2
Maintenance	220.0	216.0	3.9	1.8
Depreciation	260.2	271.6	-11.3	-4.2
Taxes other than income taxes	126.2	125.5	0.7	0.6
Levy under Act on Purchase of Renewable Energy Sourced Electricity	17.1	—	17.1	—
Others	222.8	204.5	18.3	9.0
Electric utility operating expenses	2,457.1	2,297.3	159.7	7.0
Incidental business operating expenses	57.4	48.2	9.2	19.1
Total operating expenses	2,514.5	2,345.6	168.9	7.2

## [Major factors for Change]

- Retirement benefit : -16.4  
(Actual differences : -16.0)

- Thermal : +155.0  
( An increase in consumption volume : +80.8)  
( An increase in unit consumption price : +74.2)

# Non-consolidated Statements of Income <3>

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	(Billion yen, %)				[Major factors for Change]
	FY2012 (A)	FY2011 (B)	Change (A-B) (A-B)/B		
Operating income (loss)	-28.9	-50.4	21.5	—	
Other revenues	20.0	19.8	0.2	1.2	
Interest expense	40.8	36.0	4.8	13.4	
Others	2.5	10.7	-8.2	-76.7	
Other expenses	43.3	46.7	-3.4	-7.3	
Ordinary income (loss)	-52.1	-77.4	25.2	-	
Reserve for fluctuation in water levels	-3.8	8.3	-12.1	—	A decrease in water flow rate : 112.0% → 94.8%
Extraordinary income	7.4	9.0	-1.5	-17.8	<FY2012> - Reversal of provision for loss in conjunction with discontinued operations of nuclear power plant : 7.4 <FY2011> - Settlement received : 9.0
Extraordinary loss	-	17.2	-17.2	—	
Income taxes	-5.6	0.5	-6.2	-	<FY2011> - Loss on transition to a defined contribution pension plan : 17.2
Net income (loss)	-35.3	-94.6	59.3	-	

Rounded down to nearest 100 million yen.

# Consolidated Statements of Income

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		(Billion yen, %)			
		FY2012	FY2011	Change	
		(A)	(B)	(A-B)	(A-B)/B
Electricity business	Operating revenues	2,427.7	2,246.9	180.8	8.0
	Operating expenses	2,446.4	2,288.6	157.7	6.9
	Operating income (loss)	-18.6	-41.7	23.0	—
Other business	Operating revenues	221.2	202.3	18.8	9.3
	Operating expenses	217.0	198.2	18.7	9.5
	Operating income (loss)	4.2	4.1	0.0	2.4
Total	Operating revenues	2,648.9	2,449.2	199.7	8.2
	Operating expenses	2,663.4	2,486.9	176.5	7.1
	Operating income (loss)	-14.4	-37.6	23.1	—
Non-operating	Non-operating revenues	18.9	20.9	-1.9	-9.5
	Non-operating expenses	47.9	51.1	-3.1	-6.1
Ordinary income (loss)		-43.5	-67.8	24.3	—
Reserve for fluctuation in water levels		-3.8	8.3	-12.1	—
Extraordinary income		7.4	9.0	-1.5	-17.8
Extraordinary loss		-	17.2	-17.2	—
Income taxes		-0.4	8.2	-8.6	—
Minority interests in income (loss)		0.3	-0.5	0.8	—
Net income (loss)		-32.1	-92.1	60.0	—

Internal transactions were cancelled. Rounded down to nearest 100 million yen.

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# Segment Information

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		(Billion yen)			[Major factors for Change]
		FY2012 (A)	FY2011 (B)	Change (A-B)	
Electricity	Sales from external customers	2,427.7	2,246.9	180.8	
	Operating income (loss)	-27.2	-48.8	21.5	
Energy	Sales from external customers	61.8	54.9	6.8	
	Chubu Incidental business	37.2	32.5	4.6	- A rise in sales unit price in incidental gas supply business
	Subsidiaries	24.6	22.3	2.2	
	Operating income (loss)	-1.9	-1.1	-0.7	
	Chubu Incidental business	-2.6	-1.9	-0.6	- An increase in unit purchase price due to rise in fuel price
	Subsidiaries	0.7	0.8	-0.0	
	(Volume of Gas sales : thousnad ton)	(680)	(670)	(10)	
Other	Sales from external customers	159.4	147.3	12.0	
	Chubu Incidental business	4.7	2.1	2.5	- An increase in sales from solar power facility construction by construction related subsidiaries
	Subsidiaries	154.7	145.2	9.4	
	Operating income (loss)	15.6	13.5	2.1	
	Chubu Incidental business	0.9	0.3	0.6	
	Subsidiaries	14.7	13.1	1.5	- An increase due to a sales increase in construction related subsidiaries
Cancellation for Internal transaction (between segments)	Operating income (loss)	-1.0	-1.1	0.1	
Total	Sales from external customers	2,648.9	2,449.2	199.7	
	Operating income (loss)	-14.4	-37.6	23.1	

Each segment operating income is before canceling internal transaction.

Rounded down to nearest 100 million yen.

# Consolidated Financial Standing

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	(Billion yen)			[Major factors for Change]
	2013.3 (A)	2012.3 (B)	Change (A-B)	
Assets	5,882.7	5,647.1	235.6	- An increase in certificate of deposit
Liabilities	4,391.6	4,098.8	292.8	- An increase in interest-bearing debt
Net assets	1,491.1	1,548.3	-57.2	-Dividend payout -Recording net loss
(Billion yen, %)				
Shareholder's equity ratio	24.7 (22.8)	26.8 (25.0)	- 2.1 (-2.2)	
Outstanding interest-bearing debt	3,260.5 (3,296.9)	2,965.8 (3,004.5)	294.6 (292.3)	
Average interest rate	(1.28)	(1.30)	(-0.02)	

Non-consolidated figures in parentheses

Rounded down to nearest 100 million yen.

# Consolidated Statements of Cash Flows

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	(Billion yen)			[Major factors for Change]
	FY2012 (A)	FY2011 (B)	Change (A-B)	
Cash flows from operating activities	227.6	176.8	50.7	<ul style="list-style-type: none"> <li>- An increase in electricity sales revenues</li> <li>- A decrease in income taxes payout</li> </ul>
Cash flows from investment activities	-330.6	-247.0	-83.5	
Cash flows from financing activities	249.5	422.0	-172.4	<ul style="list-style-type: none"> <li>- An increase in payout for fixed assets acquisition</li> <li>- A decrease in proceeds from long-term loans</li> </ul>
Free cash flows	-102.9	-70.2	-32.7	
	2013.3 (A)	2012.3 (B)	Change (A-B)	
Cash and cash equivalents at end of period	621.9	473.1	148.7	

*Rounded down to nearest 100 million yen.*

# Summary of Forecast for FY 2013

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## - Consolidated

(billion yen)

	FY 2013 Forecast (A)	FY 2012 Result (B)	Change (A)-(B)
Operating revenues	2,710.0	2,648.9	approx. 61.0
Operating income (loss)	-85.0	-14.4	approx. - 70.0
Ordinary income (loss)	-120.0	-43.5	approx. - 76.0
Net income (loss)	-85.0	-32.1	approx. - 53.0

## -Non-consolidated

(billion yen)

	FY 2013 Forecast (A)	FY 2012 Result (B)	Change (A)-(B)
Operating revenues	2,550.0	2,485.6	approx. 64.0
Operating income (loss)	-100.0	-28.9	approx. - 71.0
Ordinary income (loss)	-130.0	-52.1	approx. - 78.0
Net income (loss)	-90.0	-35.3	approx. - 55.0

## -Principal figures

(billion yen)

Items		FY 2013 Forecast (A)	FY 2012 Result (B)	Change (A)-(B)	Income sensitivity	
Electricity sales volume	(TWh)	approx. 124.1	126.6	approx. - 2.5	1%	3.0
CIF price: crude oil	(\$/b)	approx. 115	114.1	approx. 1	1\$/b	9.0 <sup>*1,2</sup>
FX rate (interbank)	(yen/\$)	approx. 98	83	approx. 15	1yen/\$	12.0 <sup>*1</sup>

\*1 These figures represent income sensitivity for fuel expenses. Fluctuation of CIF price (crude oil) and FX rate will be reflected in sales revenue, in cases where average fuel price fluctuates and fuel cost adjustment system will be applied.

\*2 The impact value of crude oil price includes the impact of LNG price because LNG price is subject to crude oil price.



# Non-consolidated Forecast for FY 2013 (compared to FY 2012)

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(Billion yen)

	FY 2013 Forecast (A)	FY 2012 Result (B)	Change (A)-(B)
Operating revenue	2,550.0	2,485.6	approx. 64.0
Operating expenses	2,650.0	2,514.5	approx. 135.0
Operating income(loss)	-100.0	-28.9	approx. - 71.0
Ordinary income(loss)	-130.0	-52.1	approx. - 78.0
Net income	-90.0	-35.3	approx. - 55.0

## [Principal factors affecting ordinary loss]

A decrease in electricity sales volume (with subtraction of fuel cost)	- 17.0
An increase of fuel price (After taking fuel cost adjustment charge into account)	- 37.0
An increase of personnel expenses (An increase of retirement benefit)	- 6.0
An increase of depreciation	- 7.0
An increase of interest expenses, etc	- 11.0
<b>Effect on ordinary income(loss)</b>	<b>- 78.0</b>

## -Principal figures

Item		FY 2013 Forecast (A)	FY 2012 Result (B)	Change (A-B)
Electricity sales volume	(TWh)	approx. 124.1	126.6	approx. - 2.5
CIF price: crude oil	(\$/b)	approx. 115	114.1	approx. 1
FX rate(interbank)	(yen/\$)	approx. 98	83	approx. 15
Nuclear power utilization rate	(%)	—	—	—

## - Dividends for the Fiscal Year under Review, and the Fiscal Year to Come

Although the Company posted a huge net loss for the fiscal year under review due to an increase in fuel costs associated with the suspension of operation of all reactors at Hamaoka Nuclear Power Station, it plans to pay the year-end dividend of 25 yen per share, the same as the interim dividend.

The Company has not yet decided forecast dividends for the next fiscal year.

	Dividends per Share (yen)		
	Interim	Year-end	Total
FY 2013 (Forecast) ※	—	—	—
FY 2012	25	25	50

※Dividends of FY2013 ending March 2014 has yet to be decided.

## - The Policy on Shareholder Return(announced on July 30, 2012)

The Company will work to maintain stable dividends after taking account of financial condition and other factors, while continuously investing in building and operating facilities that are essential for a safe and stable supply of electricity.

## II Management Situation

# Safety Measures at Hamaoka Nuclear Power Station <1>: 15 Measures for Compliance with New Regulatory Standards

## - Responses to the New Regulatory Standards

### -Our efforts in the past

Voluntarily implementing countermeasures, such as strengthening tsunami countermeasures and formulating severe accident countermeasures, with the aim of continuously improving the safety of the nuclear power station

### - Publication of draft regulation provisions for the new regulatory standards

The draft regulation provisions for the new regulatory standards contains issues requiring that we study additional measures and specific responses in addition to safety measures which we have been implementing.

### - Our efforts in the future

We will study our responses accordingly to meet the new regulatory standards promptly.

## - Circumstances of the Consideration of New Regulatory Standards

**Severe accident countermeasures (announced in December 2012 : installation of filter vent equipment etc.)**

- Units 3 and 4: Aiming to complete installation by end of FY 2014
- Unit 5: Studying specific measures while studying ways to deal with seawater inflow via damaged tubes in the main condenser

**Functions of tsunami resistance (implementation of Countermeasures against Overflow from Intake Ponds etc.)**

- Aiming to complete implementation of measures by end of FY 2014

# **Safety Measures at Hamaoka Nuclear Power Station <2>: Evaluation of Effects of Ground Motion and Status of review of Earthquake Countermeasures**

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## **- Evaluation of ground motion based on the Cabinet Office model**

**Unit 2 to 4 : “Cabinet Office ground motion” (a maximum of around 1,000 gals)**

**※Unit 5: “hypothetical amplified ground motion using the Cabinet Office model ”  
(a maximum of around 1,900 gals)**

( We confirmed that the seismic safety of Hamaoka Nuclear Power Station Units 2 to 5, which are currently suspended, is ensured. )

## **- Status of review of earthquake countermeasures and future responses**

**-Further enhancing seismic resistance of Unit 5 and surrounding area**

**- Study on long-period ground motion etc. and responses to the new regulatory standards**

⇒ Working out construction plan for facilities at Units 3 to 5, aiming to start construction at an early stage

**- Close examination of seismic resistance should also include tsunami countermeasures, including tsunami protection walls.**

⇒ We have revised our target for completion of the measures from December 2013 to the end of FY 2014.

# Electricity Supply & Demand <1>: Results for Winter FY 2012 (generating end)

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## ■ Electric Power Demand Results for Winter FY 2012

Owing to

- the continuous efforts as last year of many customers to conserve energy
- mild winter in 2012 in opposition to sever in 2011

**Peak load had been continuously lower than winter in 2011**

Peak load (three-day average)		Difference(A-B)	Breakdows of difference	
February 2013 (A)	February 2012 (B)			
22,240MW (Energy conservation effect: -650MW)	23,290MW (Energy conservation effect: -630MW)	-1,050MW	Energy concervation effect	app. -20MW
			Weather effect	app. -480MW
			Economy effect, etc	app. -550MW

## ■ Supply capacity

- The commencement of commercial operation of Joetsu Thermal Power Station Unit No.1-2 largely contributed to securing enough supply capacity.
- We supplied power within our power supply reserve capacity to support Kansai EP and Kyushu EP regions whose power supply capacity were very tight.

**We were able to provide a stable supply of electricity during the winter FY2012.**

# Electricity Supply & Demand <2>: Outlook for Summer FY 2013 (generating end)

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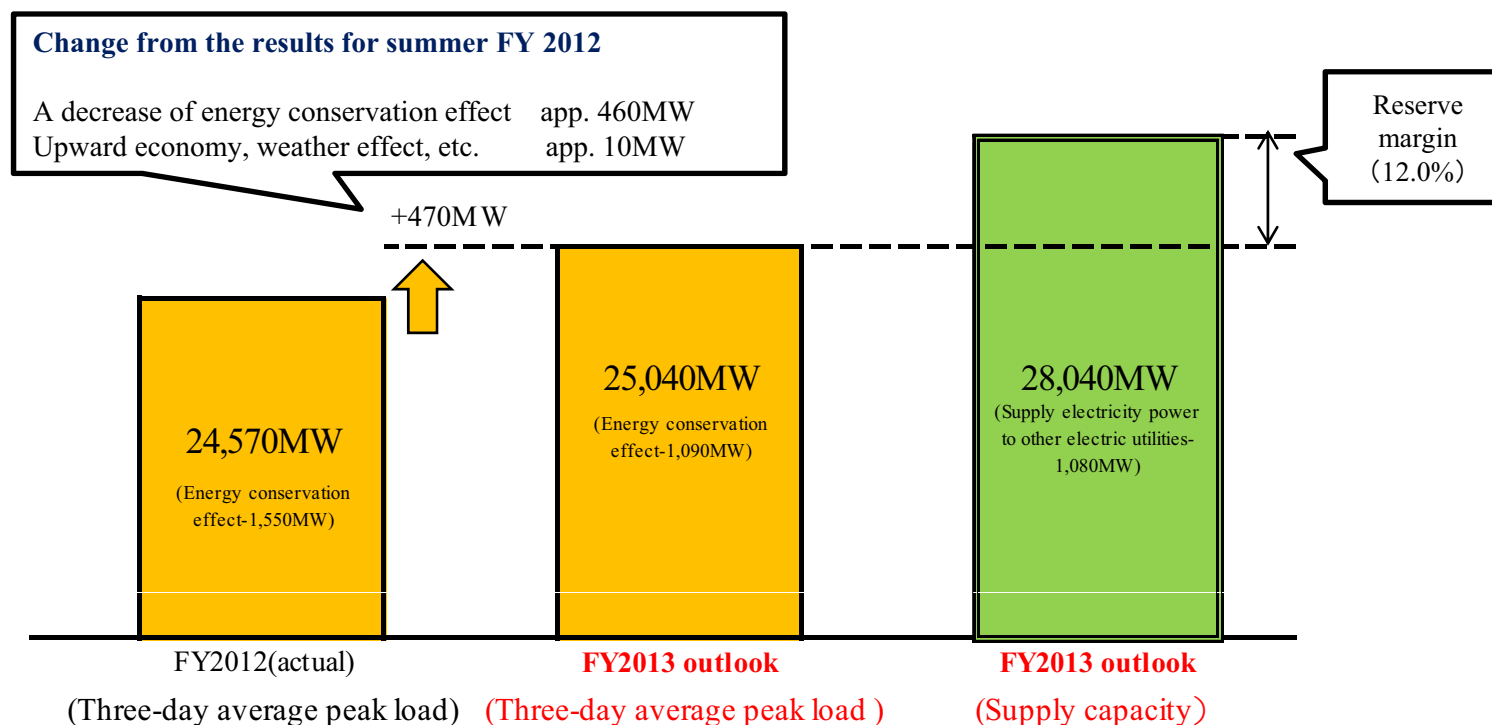
On April 23, 2013, we reported the FY 2013 Summer Supply and Demand Outlook to the Fourth Electric Power Supply and Demand Verification Subcommittee.

## ■ Peak load (three-day average)

We estimated the peak load at 25,040MW with assumption of the effect of customers' energy conservation by 1,090MW in this coming summer.

## ■ Supply capacity

With expectation of start-up of Joetsu Thermal Power Station Unit No. 2-1 in July 2013, and outward power interchange to other EPCOs whose power supply capacity are very tight by approximately 1,080MW, it is estimated that our supply capacity in this coming summer will be 28,040MW.





# Electricity Supply & Demand <3>: Peak Load and 19 Electricity Sales Volume Outlook (Supply Plan)

## FY2013 Electric Power Supply Plan (reported on March 26, 2013)

### - Outline of sales plan

- Electricity sales volume is planned as 132.7TWh in FY2022, a 0.4% annual growth in average (value corrected for temperature and leap year).
- Peak load (three-day average, sending end) is planned as 25.33GW in FY2022, a 0.3% annual growth in average (value corrected for temperature).

### - Outlook for electricity demand

(TWh, GW,%)							Change from previous plan (at FY2021)		
	FY2011 (actual)	FY2012 (actual)	FY2013 (plan)	FY2017 (plan)	FY2022 (plan)	av. annual growth [FY2011-22]	Electricity sales volume	Current	Previous
Electric lighting	35.8	35.5	34.7	35.5	36.1	0.1 <0.2>		131.6 TWh	136.8 TWh
Electric power	4.8	4.7	4.3	3.9	3.9	-1.9 <-1.6>		Change	-5.1TWh* -3.8%
Other demand	1.6	1.5	1.5	1.3	1.2	-2.3 <-2.2>	Peak load	25.20 GW	26.36 GW
Demand from costumers under regulation	42.2	41.7	40.5	40.7	41.2	-0.2 <-0.1>		Change	-1.16GW -4.4%
Demand from costumers under liberalization	85.7	84.9	83.6	86.7	91.5	0.6 <0.7>			
Total electricity sales volume	127.9	126.6	124.1	127.4	132.7	0.3 <0.4>			
Peak load (three-day average, sending end)	24.27	23.85	24.14	24.67	25.33	0.4 (0.3)			

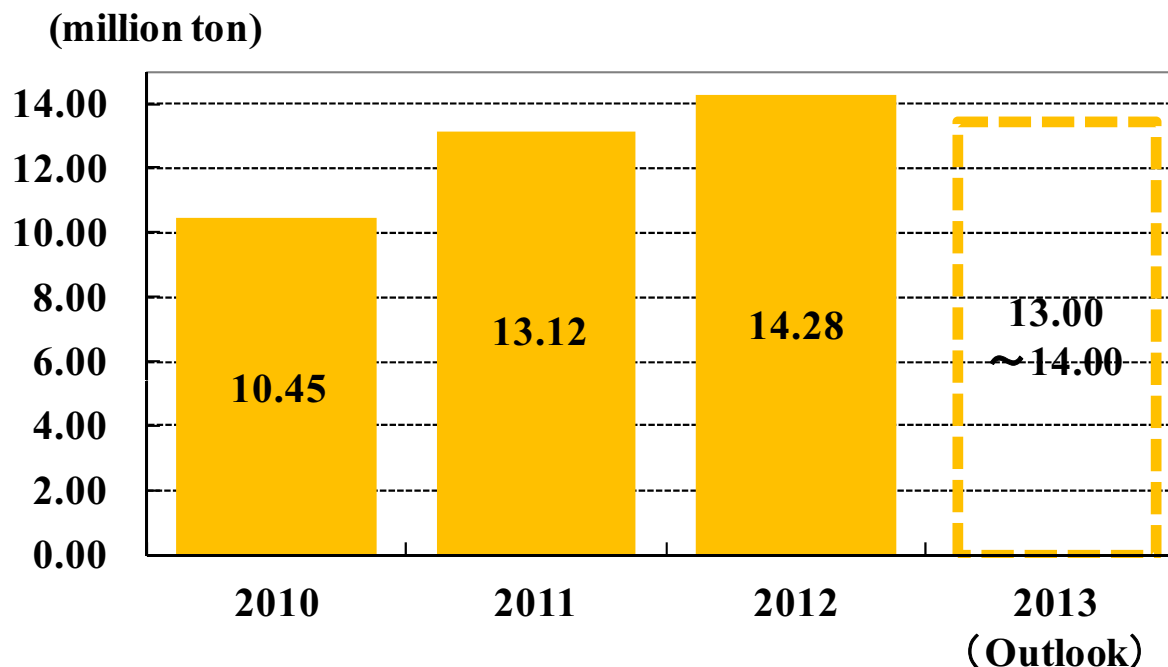
\*The volume of change do not always match the arithmetic result due to rounding.

Note: Figures in ( ) are values corrected for temperature, <> are values corrected for temperature and leap year.

## - Outlook for fuel procurement (LNG)

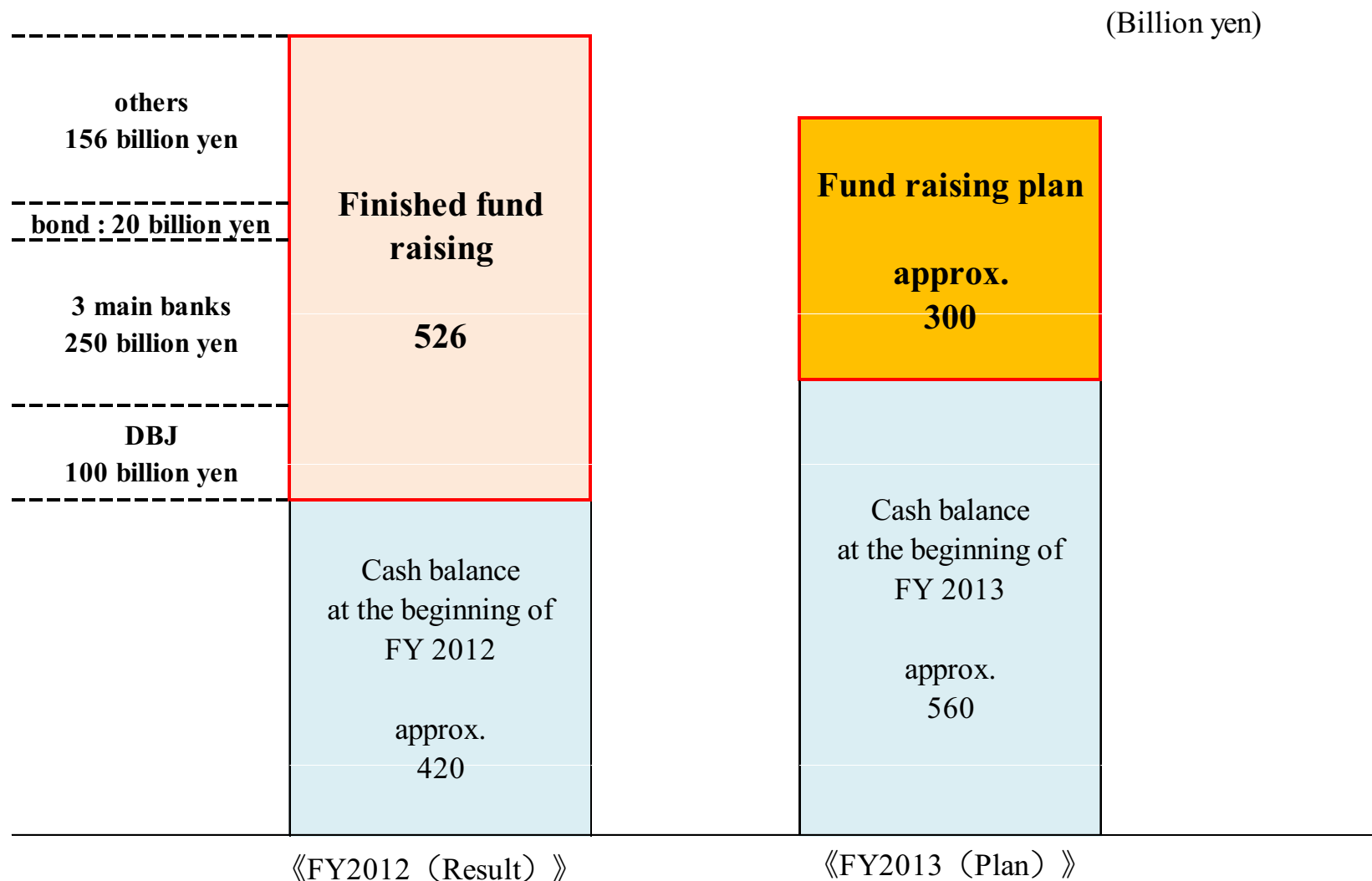
- For FY2013, assuming we need the amount of the same level as in FY2011 and FY2012, although this amount varies depending on supply-demand situation, we have already started negotiation with LNG sellers for additional LNG procurement, and we estimate that we will manage to secure the necessary volume.

## (reference) LNG procurement results



## - Results for fund raising in FY 2012 and Outlook for fund raising in FY 2013

- We raised 526 billion yen in long-term funding in FY 2012.
- We plan to raise approximately 300 billion yen in long-term funding in FY 2013.



# III Reference Data

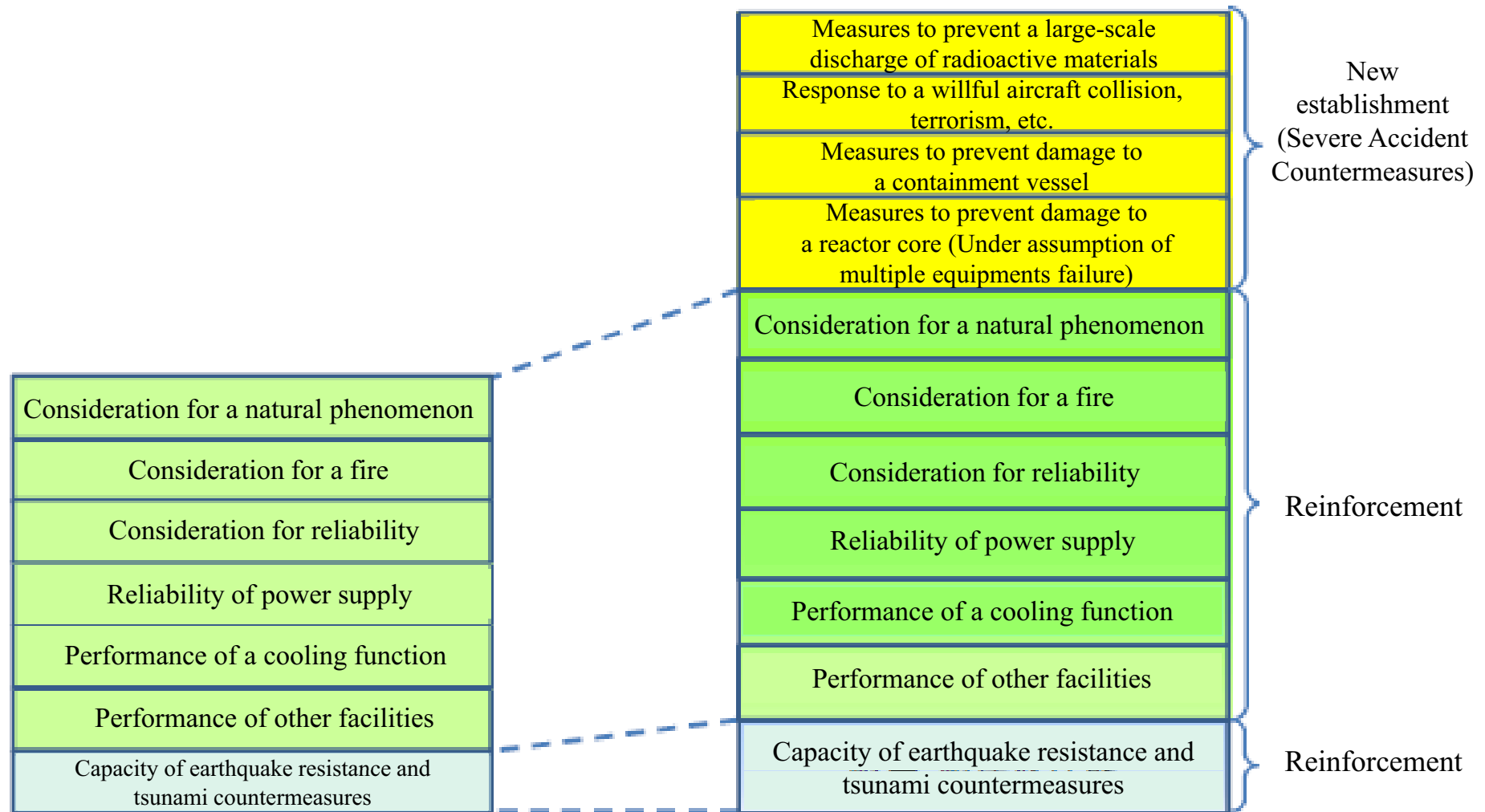
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# Movement of Nuclear Regulation Authority <1>: Outline of "the New Regulatory Standards"

22

## <Former safety standards>

## <New regulatory standards>



Source: Material published by Nuclear Regulation Authority (February. 6, 2013)

# Movement of Nuclear Regulation Authority <2>: Requirements in new regulatory standards and implementation date (draft)

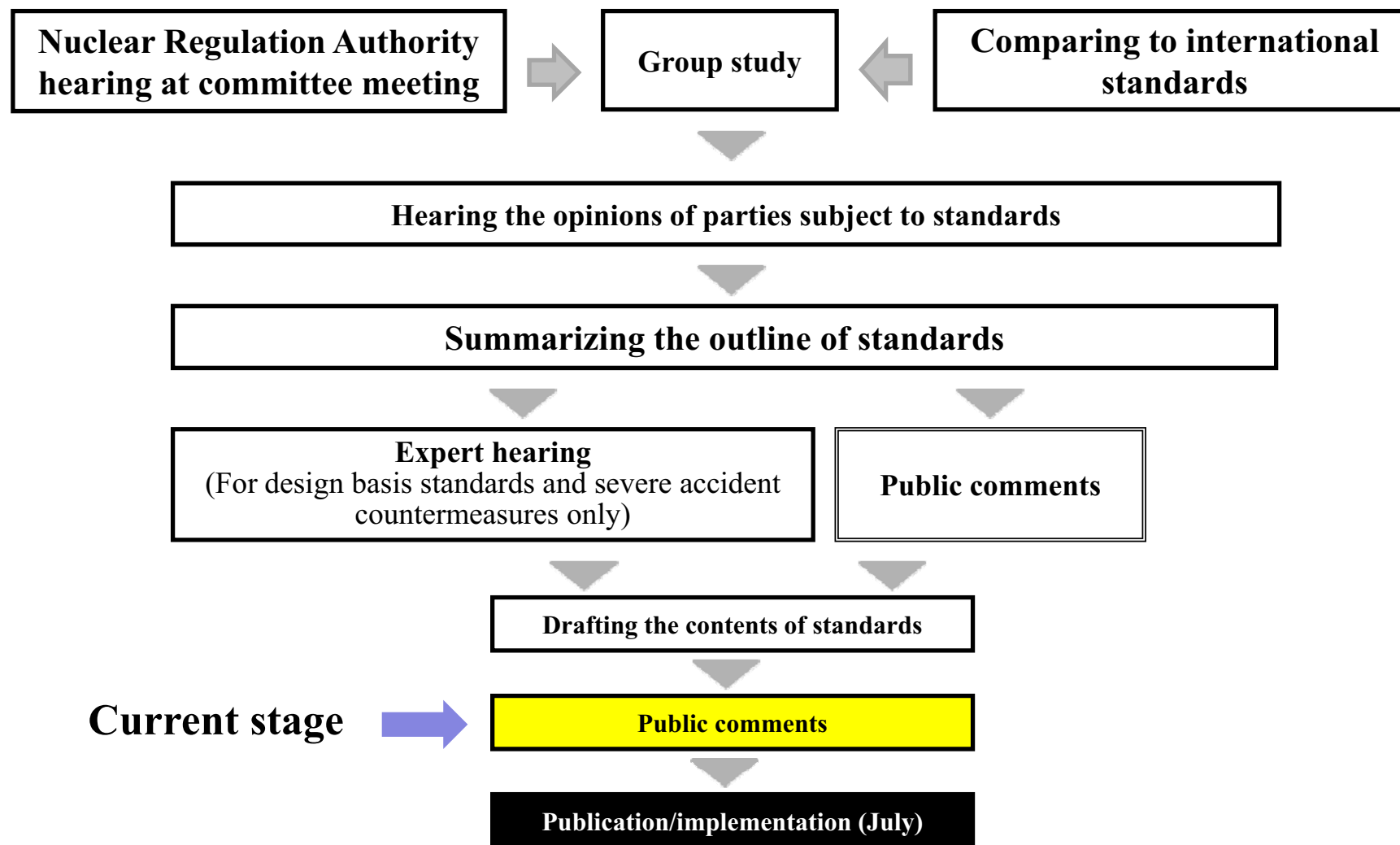
23

Implementation of measures in red letters will be suspended for five years after enforcement of the new safety standards.

New requirements (main items)			Example of measures (Measures must possess effects equivalent to or greater than this)
Functions of seismic and tsunami resistance (Reinforced items)	Safety functions shall not be damaged by “design basis” tsunami.		Defining of “design basis” tsunami, installation of tsunami protection walls and watertight doors
	Tsunami prevention facilities shall be highly seismic resistant.		Ensuring seismic resistance of tsunami protection walls and tsunami surveillance facilities inside station site
	When evaluating active faults, go back 400,000 years in time, if necessary.		Close investigation of fault activity, if needed
Design standards (Reinforced items)	Safety functions shall not be damaged by overflow stream inside facilities.		Assessment of effects of overflow stream inside facilities, necessary renovation, training etc.
	Safety functions shall not be damaged by fire inside facilities.		Prevention of fire, renovation necessary to reduce effects etc.
	Reliability of functions important to safety shall be ensured.		Multiplexing of pipe arrangement important to safety
Severe accident countermeasures standards (All are newly required.)	Prevention of core damage	Depressurization function of reactor coolant pressure boundary	Installation of batteries to operate pressure reducing valves etc. (Installation of specific safety facilities (tentative name) as backup measure)
		Cooling function of reactor coolant at low pressure	Installation of standing water injection equipment and portable water injection equipment etc. (Installation of specific safety facilities (tentative name) as backup measure)
	Measures to mitigate effects after core damage	Function to prevent containment vessel damage by excessive pressure	Installation of filter vent equipment for containment vessel (BWR) (Installation of specific safety facilities (tentative name) as backup measure)
		Function of Control Room	Assessment of exposure dose when core is damaged; necessary materials and equipment and training etc. (Installation of specific safety facilities (tentative name) as backup measure)
	Measures to prevent hydrogen explosion inside reactor building etc.		Installation of hydrogen concentration control or elimination equipment and concentration surveillance equipment etc.
	Functions to cool and shield spent fuel storage pool and ensure subcriticality		Installation of portable alternative water injection equipment, portable water spraying equipment etc.
	Function of emergency response center		Ensuring that emergency response center will not be damaged by earthquake, tsunami etc.

# Movement of Nuclear Regulation Authority <3>: Formulation flow of "the New Regulatory Standards"

24





# Hamaoka Nuclear Power Station <1>: Progress in the Safety Measures

25

## - Tsunami countermeasures

Principal measures		FY2011				FY2012				FY2013				FY2014			
		Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
Flood Prevention Measures (1)	-Construction of Tsunami protection walls , etc.			▼Started on November 11th				▼ 18 meters high from sea level						Our aim is to complete construction by the end of FY2014. (※)			
	-Countermeasures against Overflow from Intake Ponds etc. (Measures for Compliance with New Regulatory Standards )			Tsunami protection walls construction (foundation work, wall construction)								Raising the height of breakwater					
Flood Prevention Measures (2)	-Reinforcement of watertight doors					▼Started on January 7th								Our aim is to complete construction by the end of FY2014. (※)			
	-Installation of EWS					▼Started on October 13th											
Enhanced Emergency Measures	Installation of emergency AC generators (gas turbine generators) on high ground					Arranging and Installing gas turbine generators on high ground, etc.								Our aim is to complete construction by the end of FY2014. (※)			
						▼Started on November 21st											
						Develop high ground,Installing power panel on the upper floor and high ground								Our aim is to complete construction by the end of FY2014. (※)			

(※) we decide a detailed process after having conducted a detailed analysis of earthquake resistance

## - Severe accident countermeasures

Severe accident countermeasures	-Units 3 and 4													Filter vent equipment			
	-Unit 5													A specific implementation schedule under consideration (construction period : two to three years degrees)			

## - Earthquake countermeasures

Earthquake countermeasures														Working out the project plan at the earliest possible date in the current fiscal year, with the aim of starting construction at an early stage.			
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# Hamaoka Nuclear Power Station <2>: Installation of a filter vent equipment

26

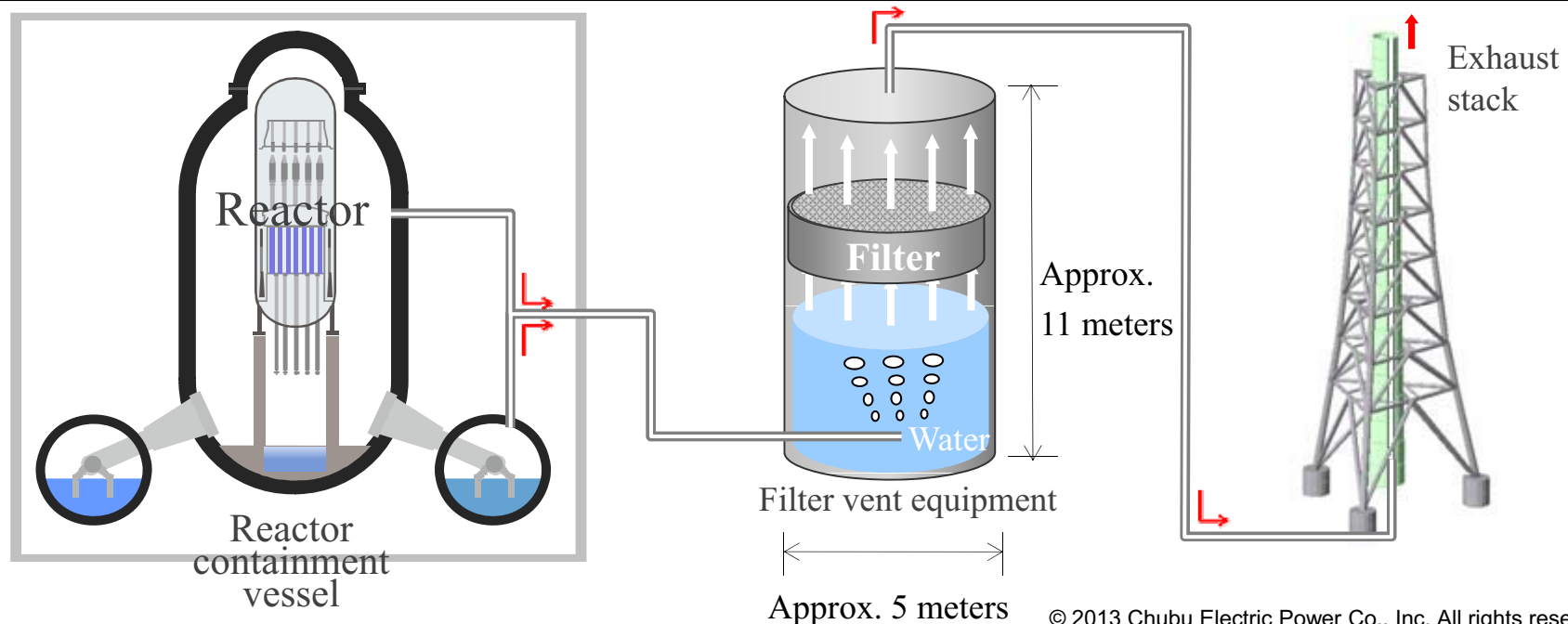
## Measures to prevent a large-scale discharge of radioactive materials

- Venting containment vessels is indispensable for prevention of their damage. We will install a filter vent equipment to minimize discharge of particulate radioactive materials (cesium, etc.) and thereby prevent soil contamination.
- A filter vent equipment is expected to cut the discharge of particulate radioactive materials to 1/1000 or less.

## Measures to prevent damage to the containment vessel

- We will reduce containment vessel pressure to protect the vessels from overpressure.

**Measures completion aim : The end of FY 2014 ( Units 3 and 4 )**



# Hamaoka Nuclear Power Station <3>:

27

## Seawater inflow via damaged tubes in the main condenser for Hamaoka Reactor No.5

### Fact

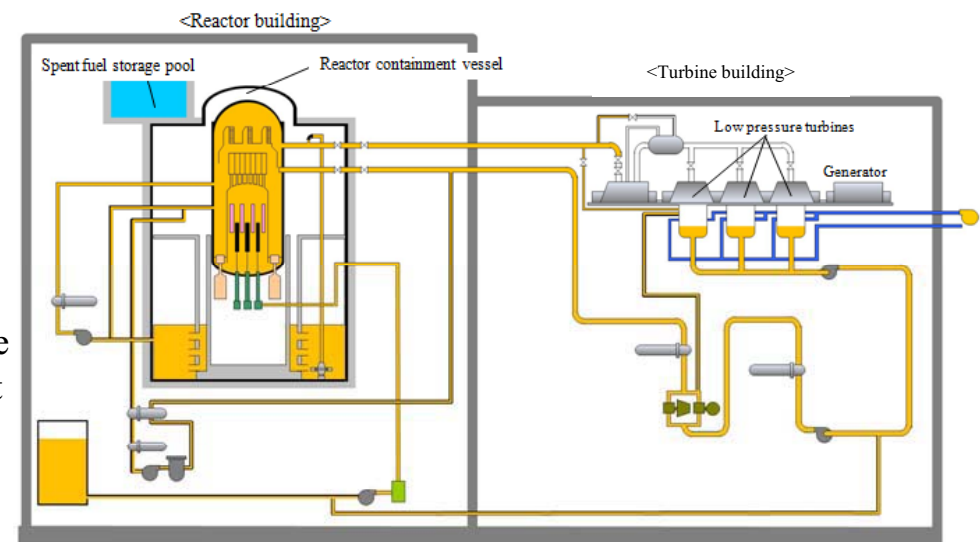
- On May 14, 2011, when preparing for cold shutdown after reactor No. 5 was suspended, a portion of the tubes in the main condenser, through which seawater flowed to cool steam, was damaged. 400 tons of seawater flowed into the main condenser and 5 tons of sea water into the reactor.

### The situation of the investigation

- We are conducting an environmental simulation test that reproduces seawater inflow and an inspection to see if seawater inflow caused equipment to corrode by disassembling and opening the reactor.
- So far, we have confirmed the following things concerning reactor equipment:
  - We inspected the nuclear pressure vessels for corrosion of lined portions or other abnormality. The result did not show any abnormality that would affect the integrity of the nuclear reactors and turbine systems.
  - We also inspected the fuels that had been loaded before seawater intrusion. As a result, their external appearance did not show any sign of negative effect of seawater.

### Future plan

- Inspection of the nuclear pressure vessel and core internals of Unit No. 5 has temporarily been suspended until the end of FY2013 since this plant receives fuels spent by Unit Nos. 1 and 2. We will complete the integrity inspection and evaluation of this plant by the end of September 2014.
- Excepting the nuclear pressure vessel and core internals, we will complete the inspection and evaluation of the equipment and fuels within FY2013.
- As required, we will report the progress of the integrity inspection and evaluation to the national investigation committee for review by the committee members.



※Yellow areas are flowed by seawater

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# Hamaoka Nuclear Power Station <4>: 28

## Reinforcement of disaster measures of Hamaoka Nuclear Power Station

### - Review and Strengthening of Nuclear Disaster Prevention System

- In addition to construction of tsunami protection wall and other tangible measures, we will strengthen its disaster prevention system and other intangible measures so that our group companies can jointly resolve the situation within the shortest possible time even if a nuclear disaster occurs.
- To enhance its preparedness for nuclear disasters resulting from earthquakes/tsunamis, we will strengthen its education/training systems and improve the related procedures.

### - Improvement and Strengthening of Disaster Prevention Materials and Equipment

- We will strengthen the materials and equipment that are indispensable for coping with a nuclear disaster, such as communication systems (e.g., teleconference systems) necessary for information exchange inside and outside the site, radiation meters for use in the event of a nuclear disaster, and means for securely transporting the above equipment and other disaster prevention materials and equipment.

### - Enhancing Cooperation with the Central Government and Local Governments

- We will actively cooperate with local governments around the nuclear power plant in revising regional disaster prevention plans. We will also actively participate in disaster drills hosted by the central government or local governments so that we can appropriately implement necessary countermeasures in cooperation with the various governments if a nuclear disaster occurs.



<In-house training>

Training at 0.5 million V switching station on power plant's premises Trainees measure the contamination level of evacuating site workers using survey meters.



<Participation in disaster prevention drill hosted by Shizuoka Prefectural Government >

A dispatched electric power transmission line inspector is trained to transport his inspection vehicle by Self-Defense Forces helicopter.

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# Schedule of the Electric Power System Reform

29

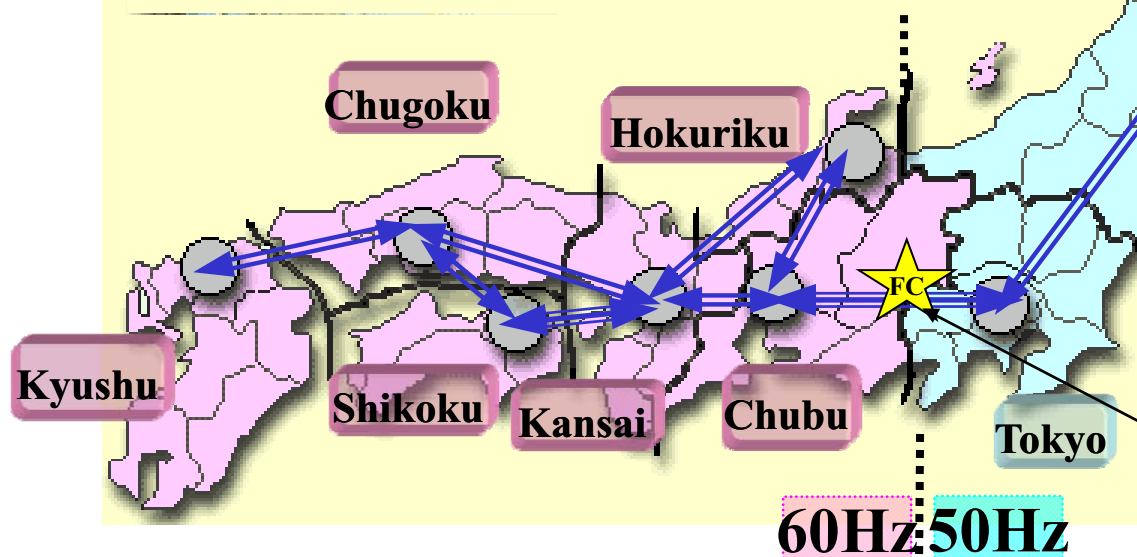
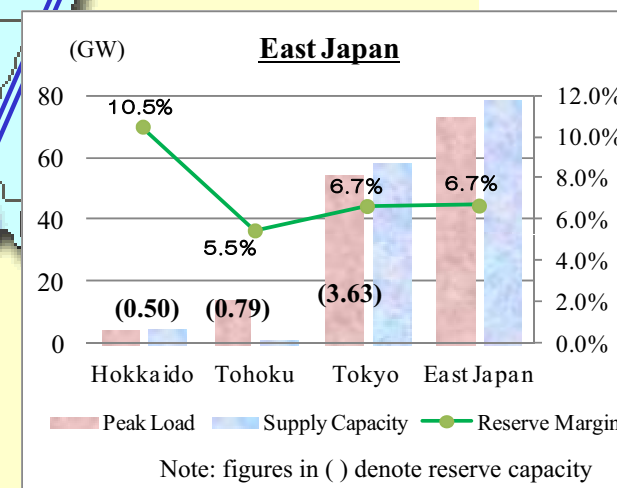
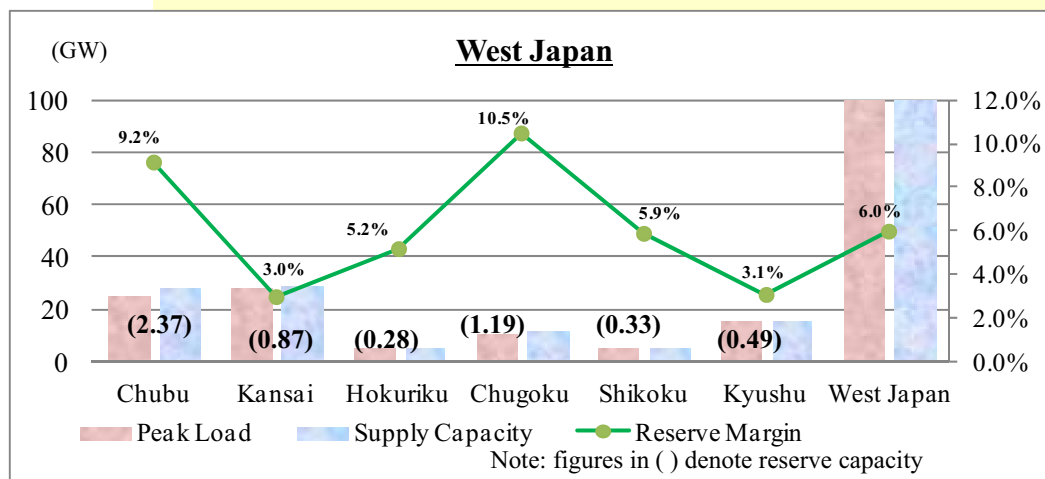
Cabinet Decision on the Bill for the Act for Partial Revision of the Electricity Business Act  
(Disclosed on April 12, 2013)

	Schedule for implementing the measures	Schedule for submitting the bill
1st phase: Establishing the Organaization for Operations of Wide-area Electrical Grids (tentative title)	In about 2015	To this session of the Diet (formulating provisions for implementing the reform of the 2nd and 3rd phases)
2nd phase: Fully liberalizing the electricity retail market into which retail entitles are able to enter	In about 2016	To the ordinary Diet session in 2014
3rd phase: Further securing neutrality of the power transmissiion/distribution sector through legal structural separation; Fully liberalizing electricity rates	By about 2018-2020	The Government of Japan shall aim to submit the bill to the ordinary Diet session

Source: Material of Agency for Natural Resources and Energy (Apr.il 12, 2013)

# Electricity Supply & Demand <1> Outlook of Electricity Supply and Demand in Summer (August 2013) in Japan

30



Capacity of Frequency Converter

- ◇ ShinsShinano (Tokyo) × 2 : 600MW
- ◇ Sakuma (J-Power) : 300MW
- ◇ HigashiShimizu (Chubu) : 300MW



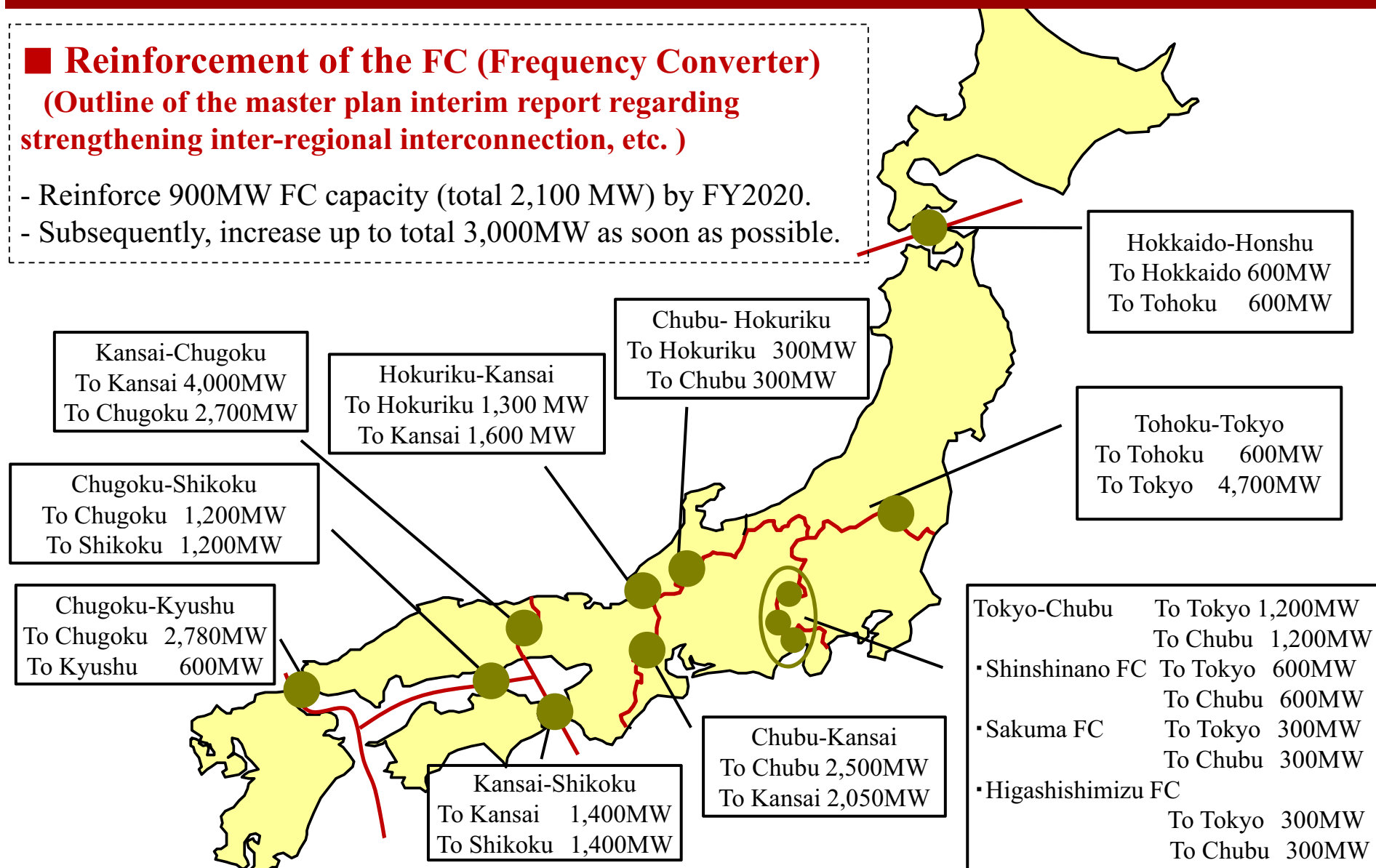
# Electricity Supply & Demand <2>: Strengthen Mutual Support among power companies

31

## ■ Reinforcement of the FC (Frequency Converter)

(Outline of the master plan interim report regarding strengthening inter-regional interconnection, etc.)

- Reinforce 900MW FC capacity (total 2,100 MW) by FY2020.
- Subsequently, increase up to total 3,000MW as soon as possible.



Note: The figures for the operating capacity during the day time (8 a.m. to 8 p.m.) in August are derived from data of the Electric Power System Council of Japan.

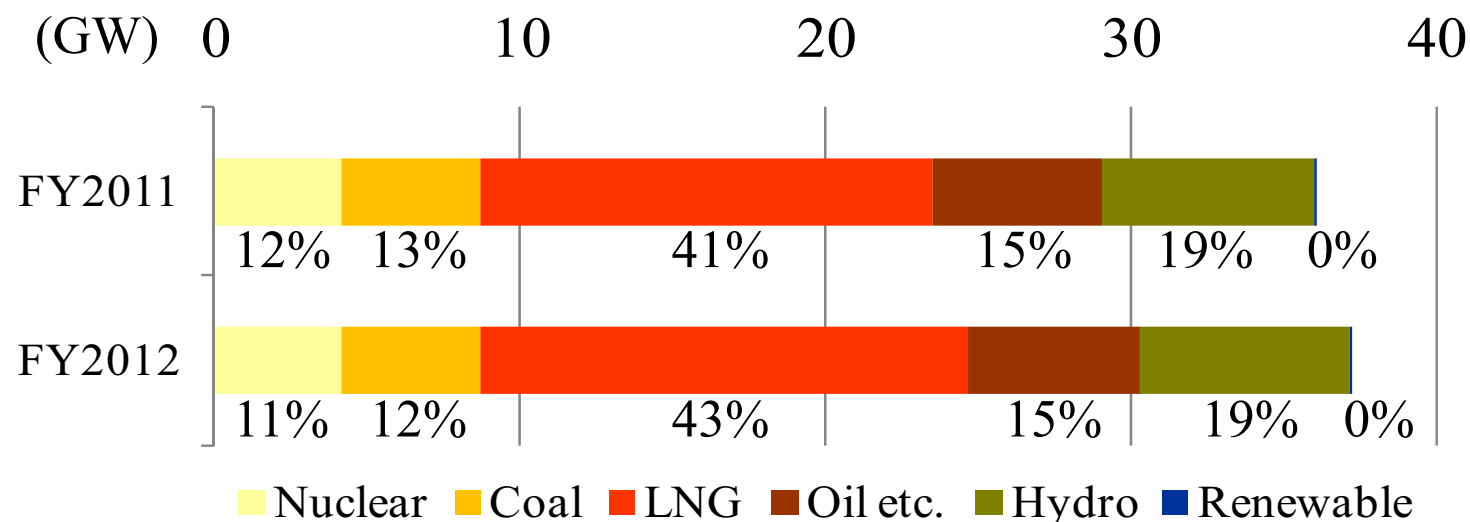
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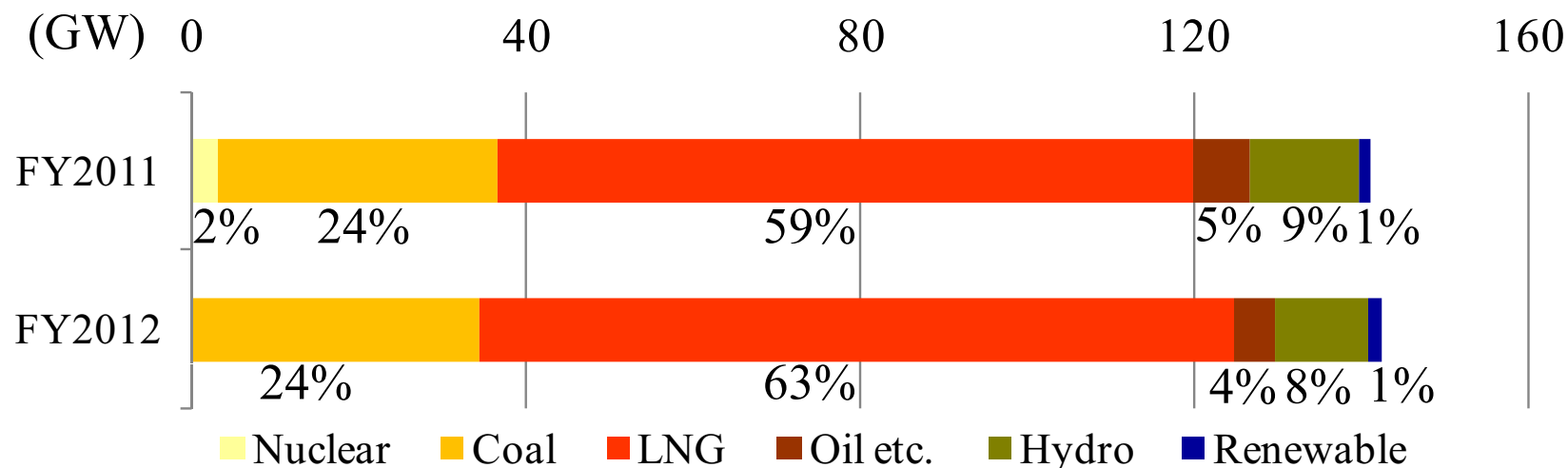
# Electricity Supply & Demand <3>: Composition of Power Sources and Electric Energy Output

32

## - Composition of Power Sources



## - Composition of Electric Energy Output



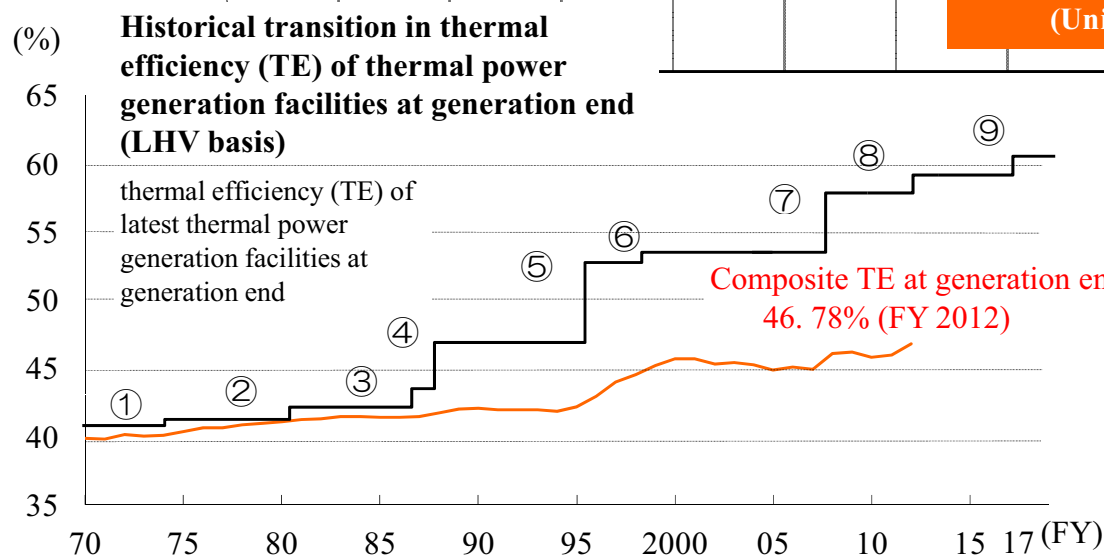
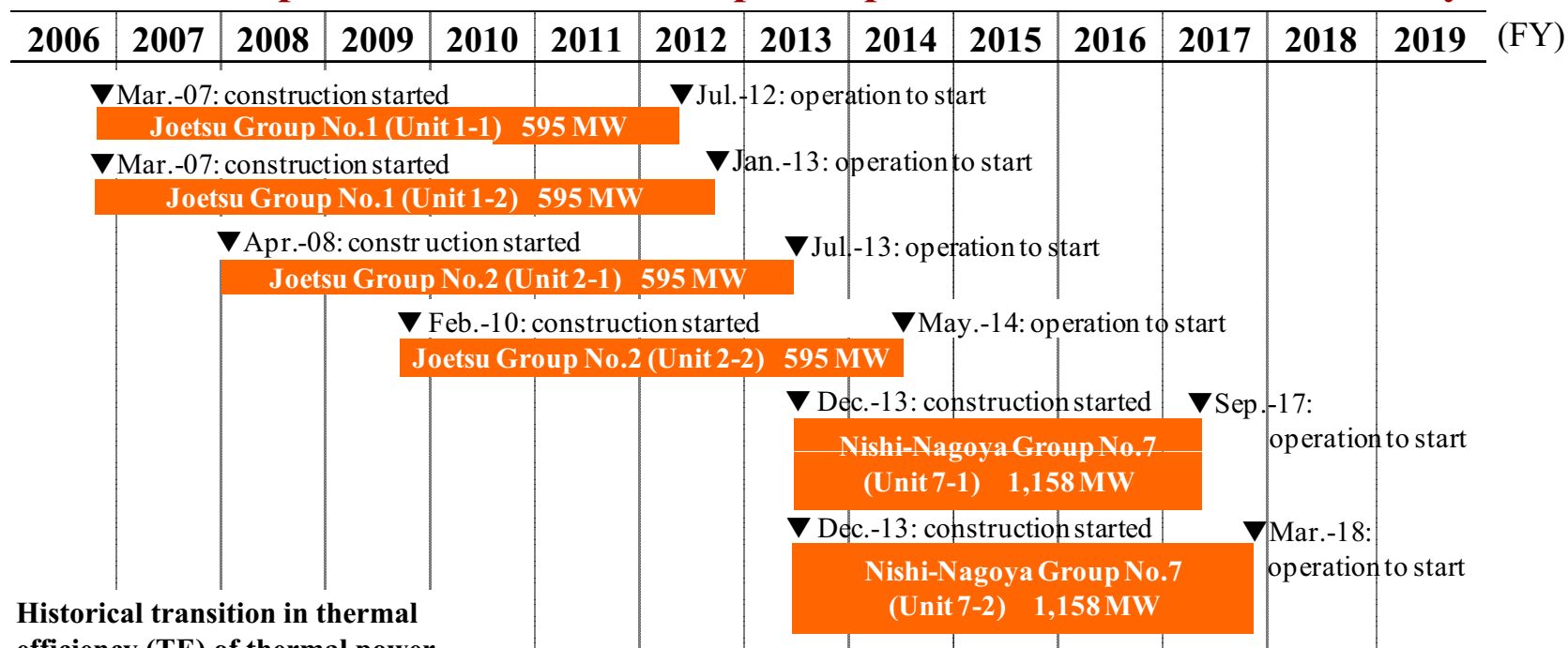
Note: Composition of electric energy output of FY2012 is tentative

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# Thermal Power Plants <1>: Development of LNG Thermal Power Plants with Enhanced Efficiency

33

## - Outline of development of LNG thermal power plants with enhanced efficiency



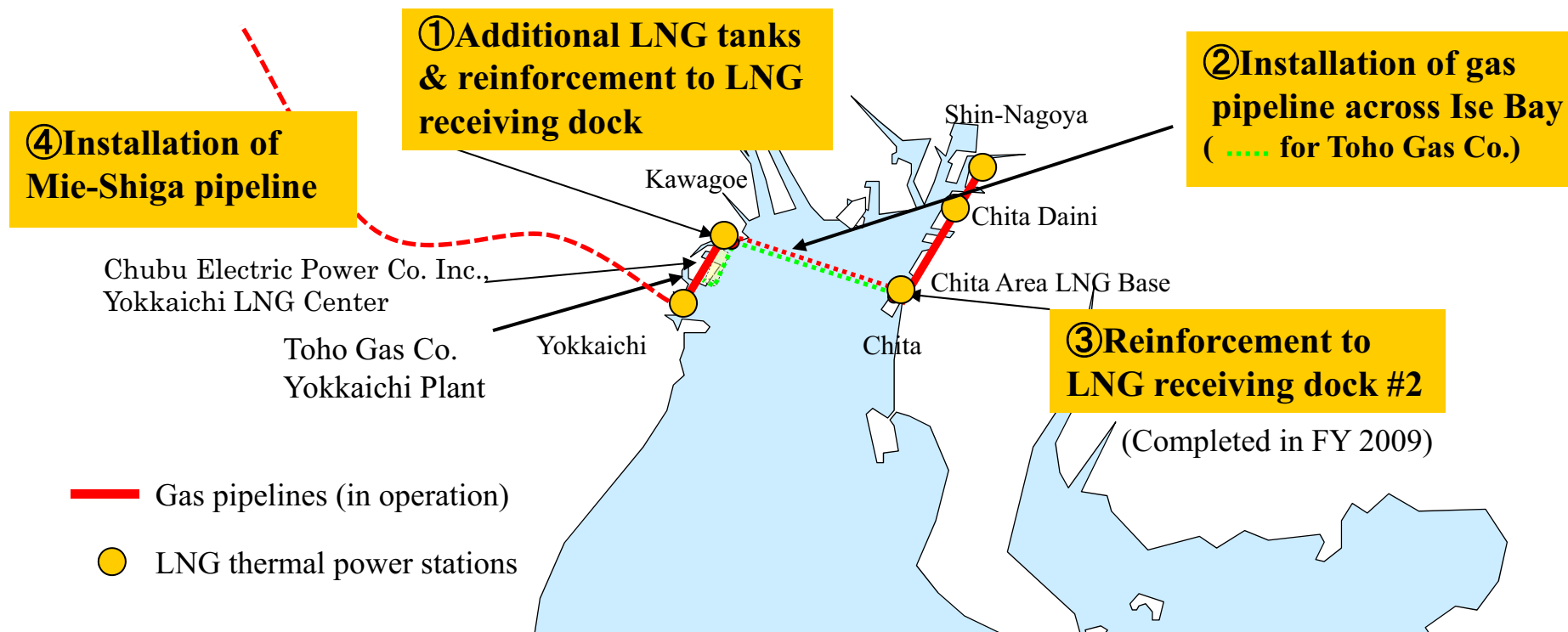
	Unit	TE*(%)	Principal fuel
1	Chita No.4	41.7	Heavy / crude oil
2	Atsumi No.3	42.5	Heavy / crude oil
3	Owase Mita No.3	44.0	Heavy / crude oil
4	Yokkaichi No.4	47.3	LNG
5	Kawagoe Gr. No.3	53.9	LNG
6	Shin-Nagoya Gr. No.7	54.0	LNG
7	Shin-Nagoya Gr. No.8	58.0	LNG
8	Joetsu No.1, 2	58 or more	LNG
9	Nishi-Nagoya No.7	approx.62	LNG

\*TE: Thermal efficiency  
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# Thermal Power Plants <2>: Reinforcement Plan for LNG Handling Facilities

34

## - Supporting stable yet flexible LNG procurement



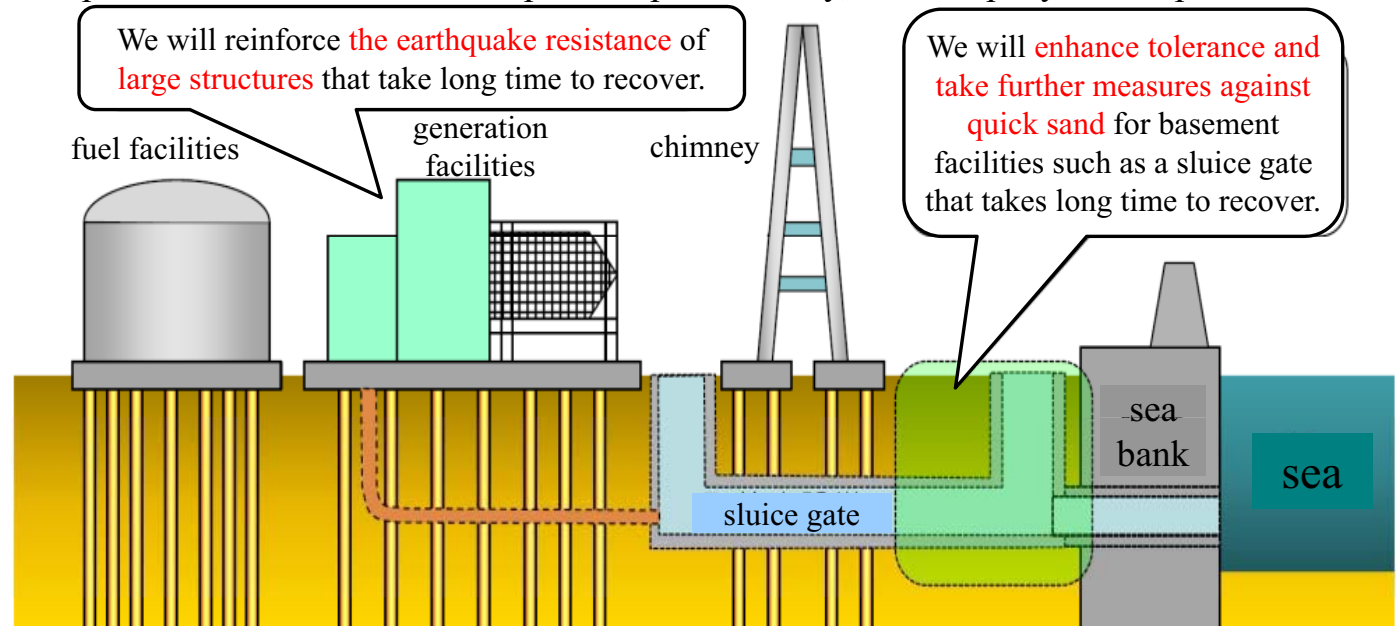
	Project name	Project outline	Construction begins	Construction completes
①	Additional LNG tanks in Kawagoe	Two additional tanks in Kawagoe Thermal Power Station (capacity: 180,000m <sup>3</sup> each)	FY2007	FY2012
	Reinforcement to receiving dock in Kawagoe	Enabling to accommodate LNG super tankers with class of over 200,000m <sup>3</sup>	FY2009	FY2010
②	Gas pipeline across Ise Bay	Kawagoe Thermal Power Station - Chita Area LNG Base approx.13.3km	FY2008	FY2013 (Autumn target)
③	Reinforcement to No.2 receiving dock in Chita	Enabling to accommodate LNG super tankers with class of over 200,000m <sup>3</sup>	FY2008	FY2009
④	Mie-Shiga pipeline	Yokkaichi Thermal Power Station - Taga Governor Station (Osaka Gas Co.) approx. 60 km	FY2004	FY2013 (Winter target)

# Thermal Power Plants <3>: Actions at Thermal Power Plants etc. against Earthquakes

35

## ■ Thermal power plants

To further improve the reliability of all power stations from the standpoint of public safety, the Company will implement measures necessary to ensure the seismic resistance of fire prevention and extinguishing facilities, and their functions in case of disaster. We will also enhance the seismic-resistant tolerance of thermal power stations and LNG facilities that are important from the standpoint of ensuring early electricity supply capacity after a disaster.



## ■ Hydro electric power plants

It was confirmed that the dam itself will be safe and will not be seriously affected by the potential triple interrelated earthquakes. A seismic performance of dam-related structures (hydraulic iron pipes, dam floodgate columns) will be assessed gradually, and measures to improve their seismic resistance will be taken as necessary.

## ■ Distribution facilities

To prevent greater hindrance to electricity supply, the Company has been implementing measures for moving main equipment in substations to higher ground, constructing tsunami protection walls and increasing portable electric substation equipment at major substations (super voltage substations, primary substations and secondary substations). We have been preferentially implementing measures at major substations (primary substations and secondary substations) that may cause greater hindrance to electricity supply in the event of equipment failure.

# Fuel Procurement<1>: LNG Contracts

36

## - Principal LNG Contracts

Projects / <delivery>		Period of contract		Contract volume (approximate figure)
Existing Contracts	Qatar / <Ex-ship>	1997 - 2021	(approx.25 years)	4,000
	Australia (extension) / <Ex-ship>	2009 - 2016	(approx.7 years)	500
	Australia (expansion) / <Ex-ship>	2009 - 2029	(approx.20 years)	600
	Malaysia / <Ex-ship>	2011 - 2031	(approx.20 years)	max. 540
	Sakhalin II / <Ex-ship>	2011 - 2026	(approx.15 years)	500
	Indonesia (re-extension) / <FOB/Ex-ship>	2011 - 2015	(approx.5 years)	630
		2011 - 2020	(approx.10 years)	320
	BP Singapore / <Ex-ship>*1	2012 - 2028	(approx.16 years)	*2
	ENI / <Ex-ship>	2013 - 2017	(approx.5 years)	*3
Future Contracts	Qatar / <Ex-ship>	2013 - 2017	(approx.5 years)	1,000
	Qatar / <Ex-ship>	2018 - 2028	(approx.10 years)	700
	Gorgon / <FOB/Ex-ship>	2014 - 2038	(approx.25 years)	max. 1,440
	Donggi-Senoro / <Ex-ship>	2014 - 2027	(approx. 13 years)	1,000
	BG Group / <Ex-ship>*1	2014 - 2035	(approx.21 years)	*4
	Indonesia (re-extension) / <Ex-ship>	2016 - 2020	(approx.10 years)	320
	Wheatstone / <FOB>	2017 - 2037	(approx.20 years)	1,000
	Ichtyis / <FOB>	2017 - 2032	(approx.15 years)	490

\*1 Contract to purchase LNG from multipul sources

\*2 Max. of approx. 8 million ton in the contract term

\*3 Joint Purchase by Chubu Electric and KOGAS. Approx. 1.7 million ton in total of two companies in the contract term.

\*4 Max. of 122 cargos in the contract term (or max. of approx. 8.54 million ton if using ships with 70,000 ton cargo capacity)

## - LNG Ship Charter

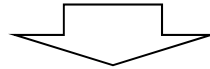
We concluded time charter of 3 tankers to enhance efficiency and flexibility of procurement by managing shipment cost.

	1st Ship	2nd Ship	3rd Ship
Shipowner	Foreign corporation, whose stocks are owned by Mitsubishi Co., and NYK	Foreign corporation, whose stocks are owned by Mitsubishi Co., and Mitsui O.S.K. Lines, Ltd.	Foreign corporation, whose stocks are owned by Kawasaki Kisen Kaisha, Ltd.
Freighter	Chubu		
Period of Contract	approx.15 - 20 years		

# Fuel Procurement<2>: Advancement of Coal Trading 37

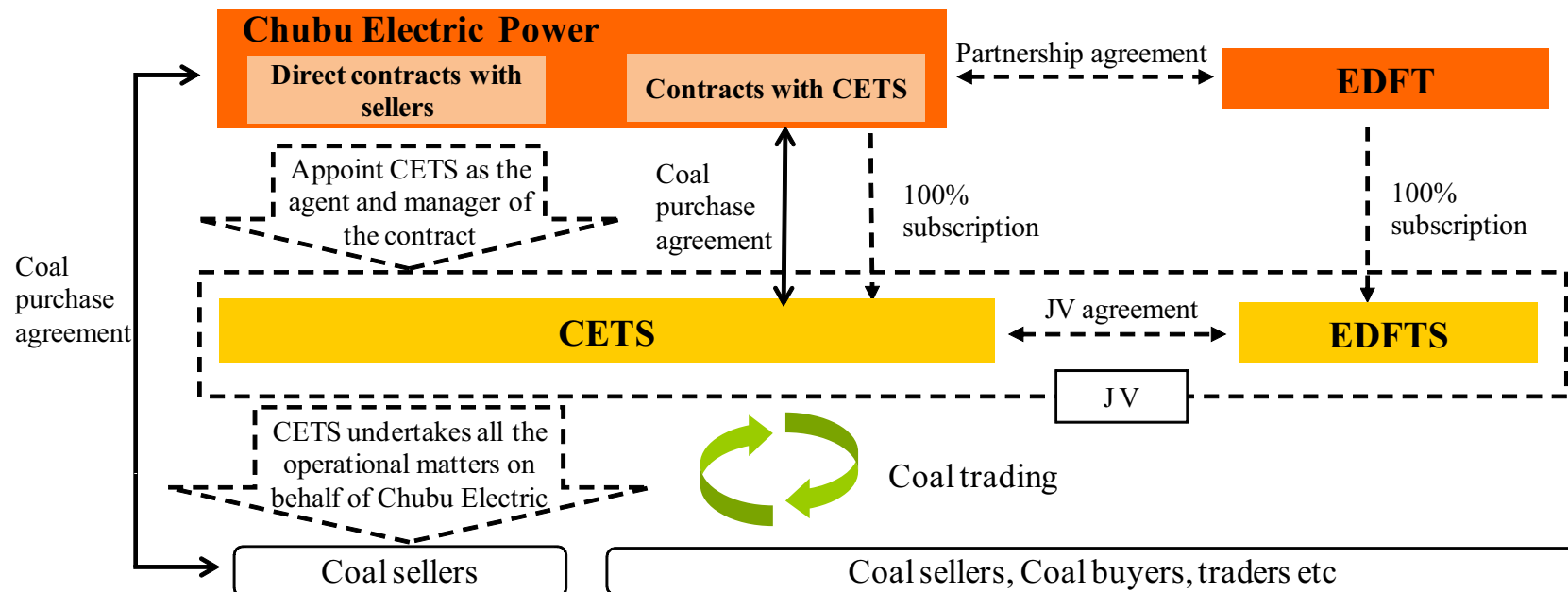
## - Coal trading business

- Chubu Electric and Electricite de France's subsidiary EDFT each established 100% subsidiaries in Japan and started fuel trading business under partnership agreement in FY2008.
- Effective in April, 2010, Chubu Energy Trading controls Chubu Electric's whole coal procurements in unitary.



- Chubu Electric appointed Chubu Energy Trading Singapore Pte Ltd, ("CETS" newly established in Singapore also as a wholly owned subsidiary of Chubu Electric) to take over a role of CET from April 2012.

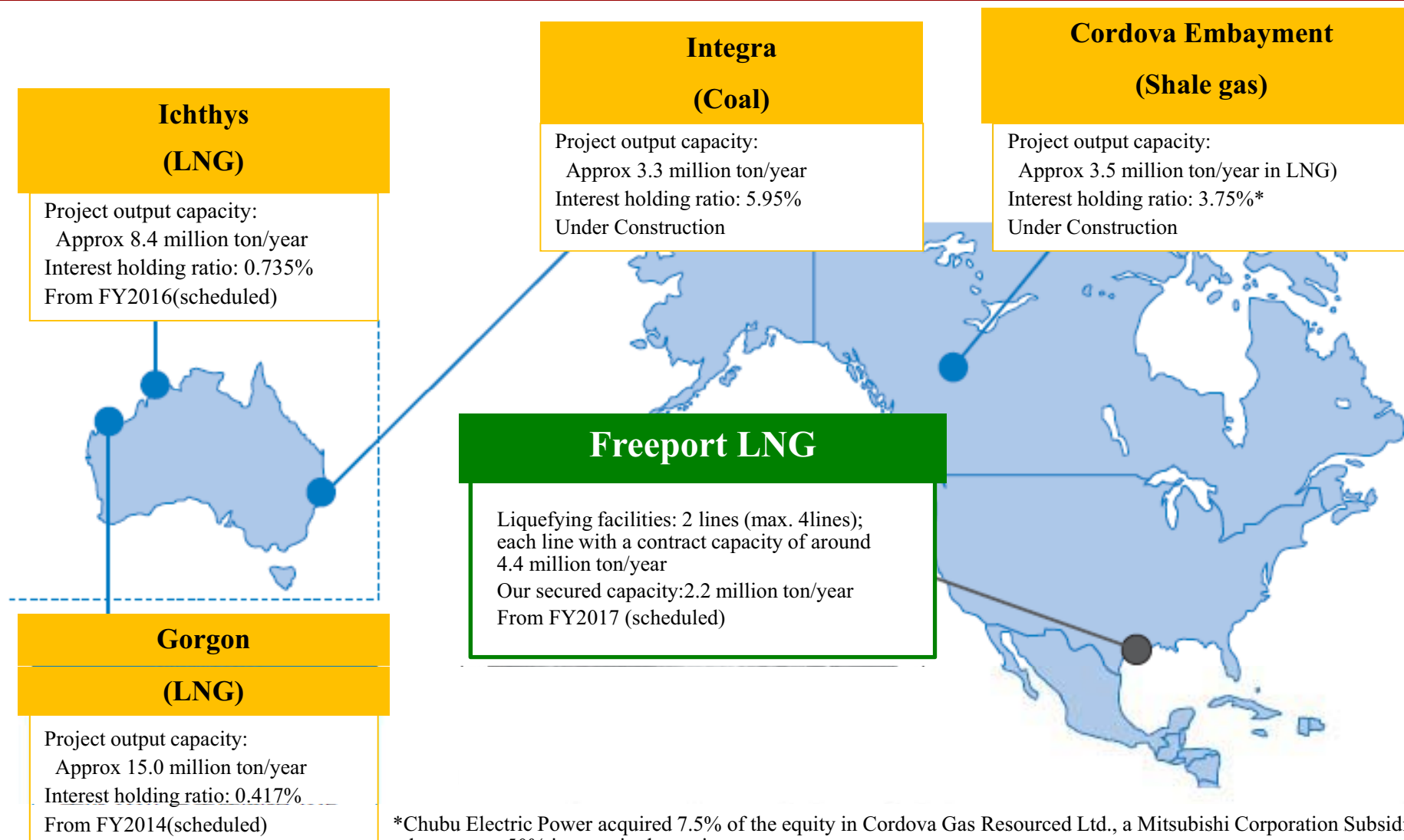
⇒ Benefits from more timely transactions in an efficient and economical manner through the utilization of abundant trading information and talented human resources available in Singapore.



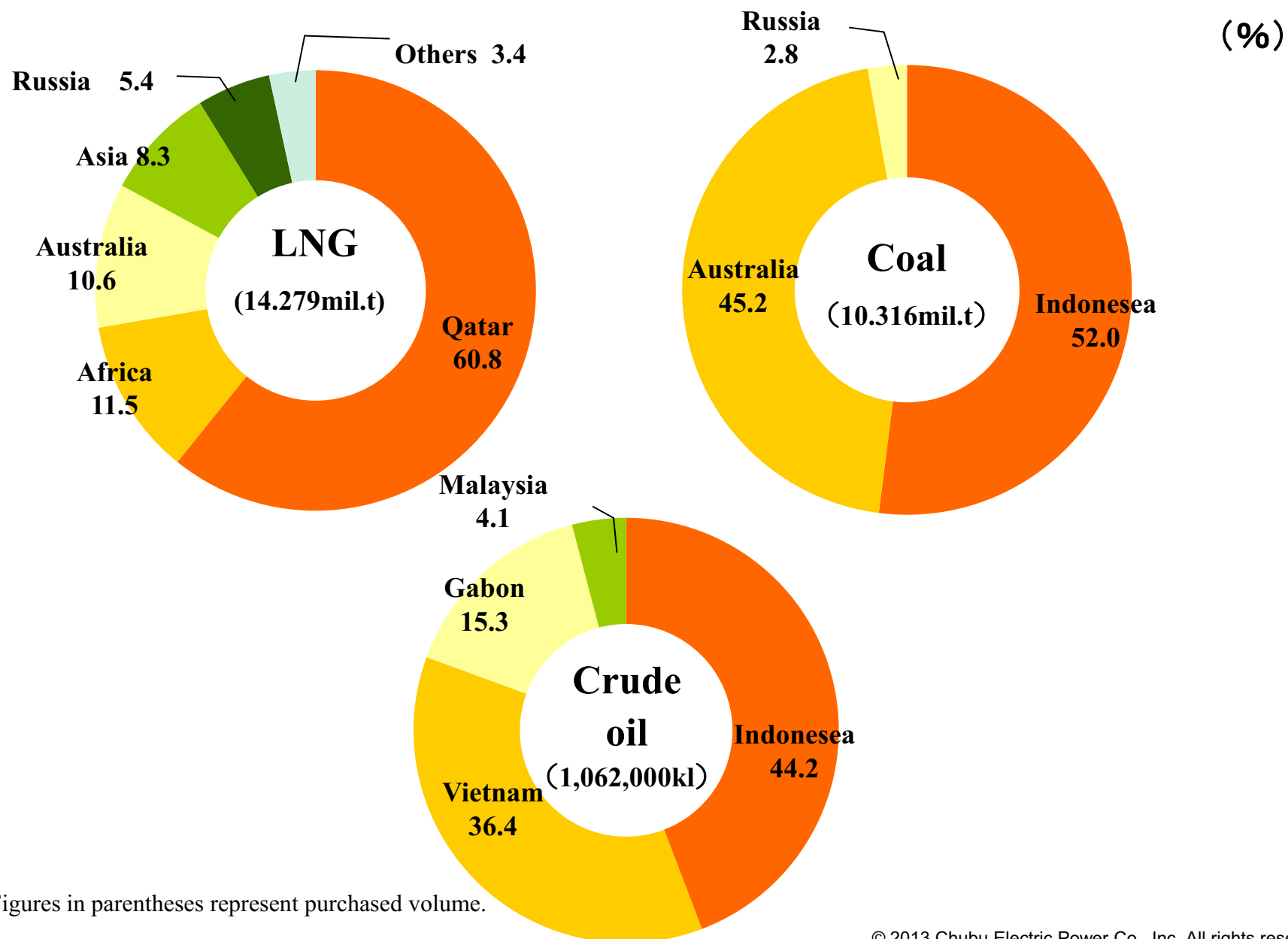
# Fuel Procurement<3>

## Acquisition of Interests in Energy Resources

38



\*Chubu Electric Power acquired 7.5% of the equity in Cordova Gas Resourced Ltd., a Mitsubishi Corporation Subsidiary that owns a 50% interest in the project.





# Efforts toward Promotion of Renewable Energy <1> 40

## ■ Governmental efforts toward promotion of Renewable Energy

### Feed-in Tariff Scheme for Renewable Energy (Implementation from July 1, 2012)

What shall  
be purchased

-Electricity generated from Solar PV\*, wind power, hydraulic power, geothermal and biomass  
\*Electric utilities continue purchasing surplus electricity generated by photovoltaic systems at homes, etc.

Purchase rate  
Purchase  
period

-The purchase price in FY2012

**Solar PV** less than 10kW 42.00 yen/kWh (for 10 years)  
no less than 10kW 42.00 yen/kWh (for 20 years)

**Wind** less than 20kW 57.75 yen/kWh (for 20 years)  
no less than 20kW 23.10 yen/kWh (for 20 years)

-Payment of an average household electricity usage  
(300kWh/month)  
⇒ 66 yen per month (including consumption tax)

-The purchase price in FY2013

**Solar PV** less than 10kW 38.00 yen/kWh (for 10 years)  
no less than 10kW 37.80 yen/kWh (for 20 years)

**Wind** less than 20kW 57.75 yen/kWh (for 20 years)  
no less than 20kW 23.10 yen/kWh (for 20 years)

-Payment of an average household electricity usage  
(300kWh/month)  
⇒ 105 yen per month (including consumption tax)

Collection of  
purchased  
costs

-The equal cost (surcharge/kWh) shall be borne all over Japan (partial reductions exist)  
-Adjustment to make the surcharge equal all over Japan

# Efforts toward Promotion of Renewable Energy <2> 41

## - Details for promotion of renewable energy

Detailed plans			Output (MW)	CO <sub>2</sub> reduction <sup>*1</sup> (t-CO <sub>2</sub> / year)	Operation commences	
Solar	Chubu Electric	Mega Solar Iida	1	400	FY 2010	
		Mega Solar Taketoyo	7.5	3,400	FY 2011	
		Mega Solar Shimizu	8	4,000	FY 2014 (Plan)	
Wind	Chubu Electric	Omaezaki	22	29,000	(Phase1) FY 2009 (Phase2) FY 2010	
Hydro	Chubu Electric	New development	Susado	0.24	600	FY 2010
			Tokuyama (unit 1, 2)	153.4	150,000	FY2014~FY 2015 (Plan)
			Atagi	0.19	700	FY 2015 (Plan)
			Nyuugawa	0.35	1,000	FY 2016 (Plan)
			Conventional hydro	5.0	13,000	FY 2020 (Plan)
				7.3	19,000	FY 2022 (Plan)
		Generation with minimum water level	0.22	900	FY 2015 (Plan)	
			0.29	500	FY 2015 (Plan)	
			0.32	500	FY 2018 (Plan)	
			Improvement	Wago	0.2 <sup>*2</sup>	200
Okuyahagi Daiichi unit 3	2.0 <sup>*2</sup>	600		FY 2012		
Okuizumi	5.0 <sup>*2</sup>	—		FY 2012		
Transferred by the enterprize dept. of Mie prefecture (10 sites)			98	—		
Biomass	Chubu Electric	Mixture of wooden chip	—	200,000	FY 2010	
		Mixture of fuel from carbonized sewage	—	4,000	FY 2012	

\*1 Approximate estimations made at announcement of plans

\*2 Represents amount of improvement

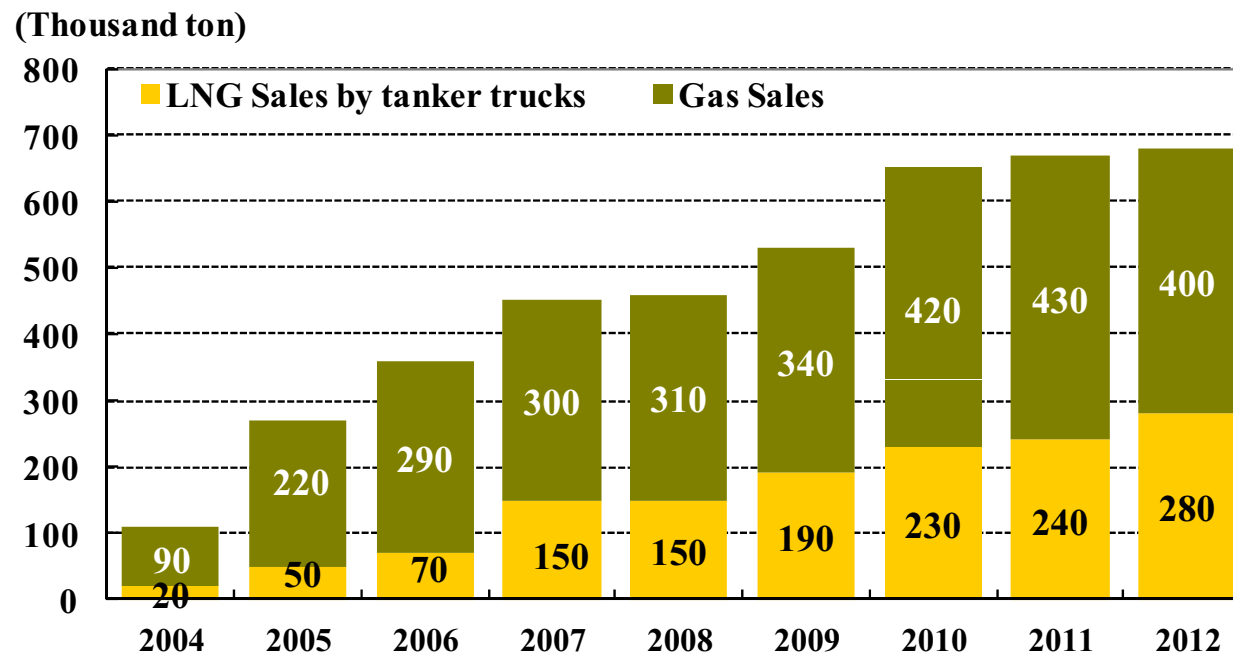
## - Offers of energy solution service

To respond to diversified and sophisticated customers' needs, Chubu Electric and its group companies combine forces to offer solution service using advantages of both electricity and gas.

## - Offers of gas, LNG and on-site energy service

The Chubu Electric Group combines forces to offer gas, LNG and on-site energy service for commercial customers and help them to reduce energy consumption, emission of carbon dioxide and costs and create a reliable energy supply system.

### Sales volume of gas and LNG



# Overseas Business Deployment

43

## - Outline of overseas business

	Investment amount (approximate)	Output based on Chubu's stake*
At the end of FY 2012	Cumulative total 100 billion yen	Cumulative total 3,260 MW

\* represents Chubu's stake in total output of whole projects it participates

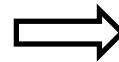
## - Projects in participation

	Region	Project	Output (MW)	Chubu's stake	Participation	Operation commences
Power generation	North America	Aquisition of Tenaska's interest in gas thermal IPP (5 sites), USA	4,780	approx.11%-18%	FY 2010	2001 - 2004
		Gas thermal IPP, Goreway, Canada	875	50%	FY 2009	Jun. 2009
		Gas thermal IPP, Valladolid, Mexico	525	50%	FY 2003	Jun. 2006
		Aquisition of Falcon's interest in gas thermal IPP (5 sites), Mexico	2,233	20%	FY 2010	2001-2005
	Asia	Gas thermal IPP, Thailand	1,400	15%	FY 2001	Jun. 2008
		Cogeneration in industrial park (3 sites), Thailand	approx. 110×3	19%(2 sites) 24%(1 site)	FY2011	2014 (plan)
		Wind energy, Thailand	90×2	20%	FY2011	2013 (plan)
		Solar energy, Thailand	30.9	49%	FY2012	2011-2013
	Middle East	Power generation & desalination, Ras Laffan B, Qatar	1,025	5%	FY 2004	Jun. 2008
		Power generation, Mesaieed A, Qatar	2,007	10%	FY 2008	Jul. 2010
		Power generation & desalination, Ras Laffan C, Qatar	2,730	5%	FY 2008	Apr. 2011
		Gas thermal IPP, Sur, Oman	2,000	30%	FY 2011	2014 (plan)
Environmental	Asia	Rice husk power generation, Thailand	20	34%	FY 2003	Dec. 2005
		Palm oil biomass power generation, Malaysia	10×2	18%	FY 2006	Jan. 2009 (site 1) Mar. 2009 (site 2)
		Asia Environment Fund	-	26%	FY 2003	2004 - 2014 (fund operation phase)

## -Progress of argument regarding the introduction of smart meters

“Basic Energy Plan” decided at the cabinet meeting (June 18, 2010)

- Aim to introduce smart meters to basically all users by the 2020s or as early as possible, fully taking cost performance and other factors into consideration.



“Tentative plan for the energy supply-demand balance” decided at the cabinet meeting (Aug 5, 2011)

- The previous plan to introduce smart meters basically to all users by the end of the 2020s will be replaced with a more aggressive plan that aims to increase the ratio of smart meter users to 80% of total demand base within the next five years.

## - Major Activities by the Company

- Onsite experiments have been conducted to collect necessary knowledge and to examine feasibility.  
<Onsite experiments in Kasugai City for remote meter reading with a new type of electricity meter (FY2011) >

About 1,500 units of the new-type electricity meter have been installed. Remote meter reading and visualization effects of electricity use status via the Internet have been tested.



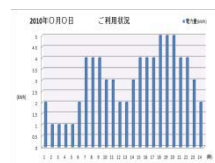
Image of next-generation meter

Upper unit: communication  
- Sending metering data

Middle unit: metering  
- Metering electricity usage

Lower unit: Switching, etc.

Customers



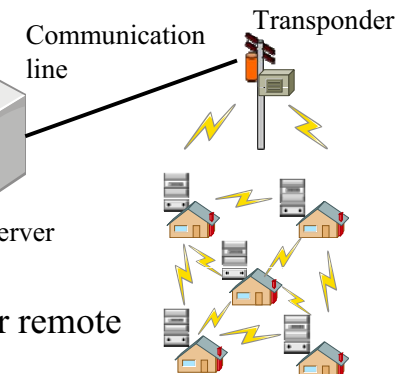
Notification of electricity usage via internet

Internet



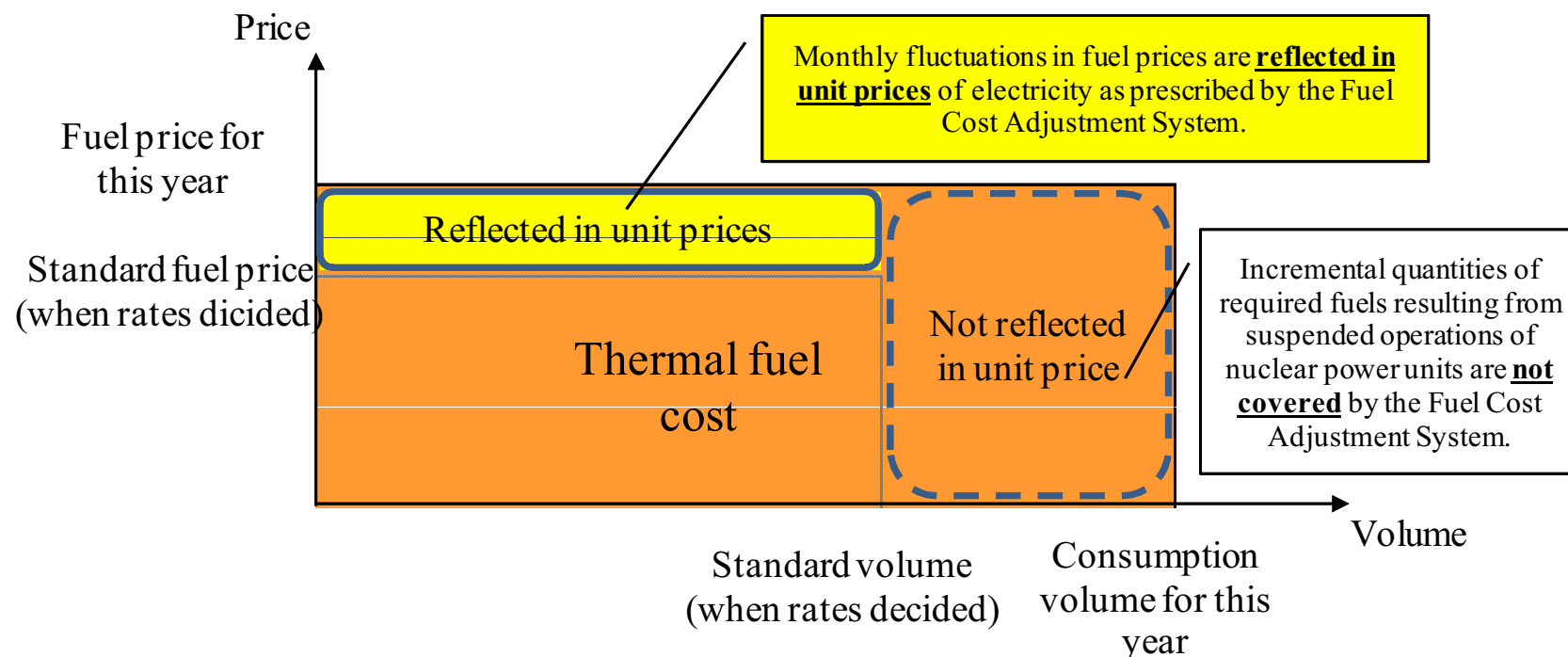
Data gathering server

Image for remote metering



## Fuel cost adjustment system and thermal fuel cost

<Diagram of impacts of thermal fuel cost on the Fuel Cost Adjustment System>



<Mechanism of reflection in prices> A three-month average fuel price will be reflected in a monthly rate.

January	February	March	April	May	June	July	August	September
			Application to electricity tariff					
Average Fuel Price								
	Average Fuel Price							
		Average Fuel Price						

## Retirement Benefit Cost (Non-consolidated)

### ■ Actuarial Differences

(billion yen)

Recorded year	Recorded amounts (△:Excess amounts reserved)	Amount of amortization				Change	
		To be recorded as extraordinary loss*	FY2011(A)	FY2012(B)	FY2013(C)	(B)－(A)	(C)－(B)
FY2008	52. 3	2. 5	14. 8	—	—	△14. 8	—
FY2009	△29. 3	△2. 4	△8. 5	△8. 5	—	—	8.5
FY2010	12. 2	1. 8	3. 4	3. 4	3. 4	—	—
FY2011	△3. 5	—	—	△1. 1	△1. 1	△1. 1	—
FY2012	3. 8	—	—	—	1. 2	—	1.2
Total		1. 9	9. 8	△6. 2	3. 5	△16. 0	9.8

\* Extraordinary loss incurred due to revision of the retirement benefit system. Recording amounts that respond to abolishment of a life annuity and shifting to defined contribution out of actuarial difference at the point of revision as an extraordinary loss.

# Financial Results <3> Income Results by Division 47

## ■ FY2011 Income results by division

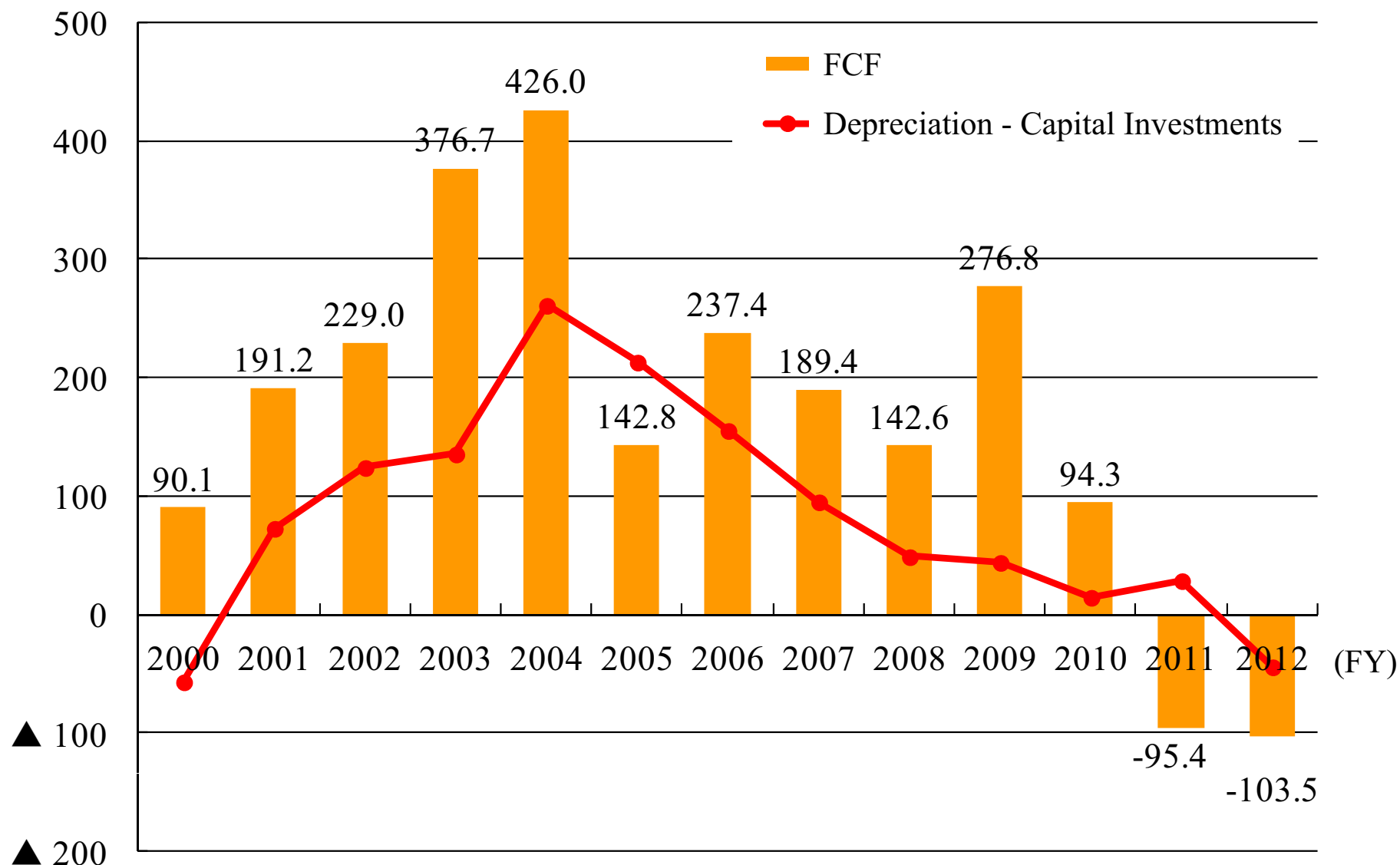
(Billion yen)

Item	Division under regulation (8)	Division under liberalization (9)	Other division (10)	Total (11)= (8)+(9)+(10)
Electricity business revenues (1)	947.3	1,247.5	7.7	2,202.6
Electricity business expenses (2)	946.7	1,315.5	15.2	2,277.5
Other business revenues (3)	—	—	65.7	65.7
Other business expenses (4)	2.8	5.4	76.5	84.8
Income (loss) before income taxes (5) = (1) - (2) + (3) - (4)	▲ 2.2	▲ 73.4	▲ 18.3	▲ 94.0
Income taxes (6)	▲ 0.7	▲ 23.6	24.9	0.5
Net income (loss) (7) = (5) - (6)	▲ 1.5	▲ 49.8	▲ 43.2	▲ 94.6



# Financial Results <4> Free Cash Flow (Non-consolidated) 48

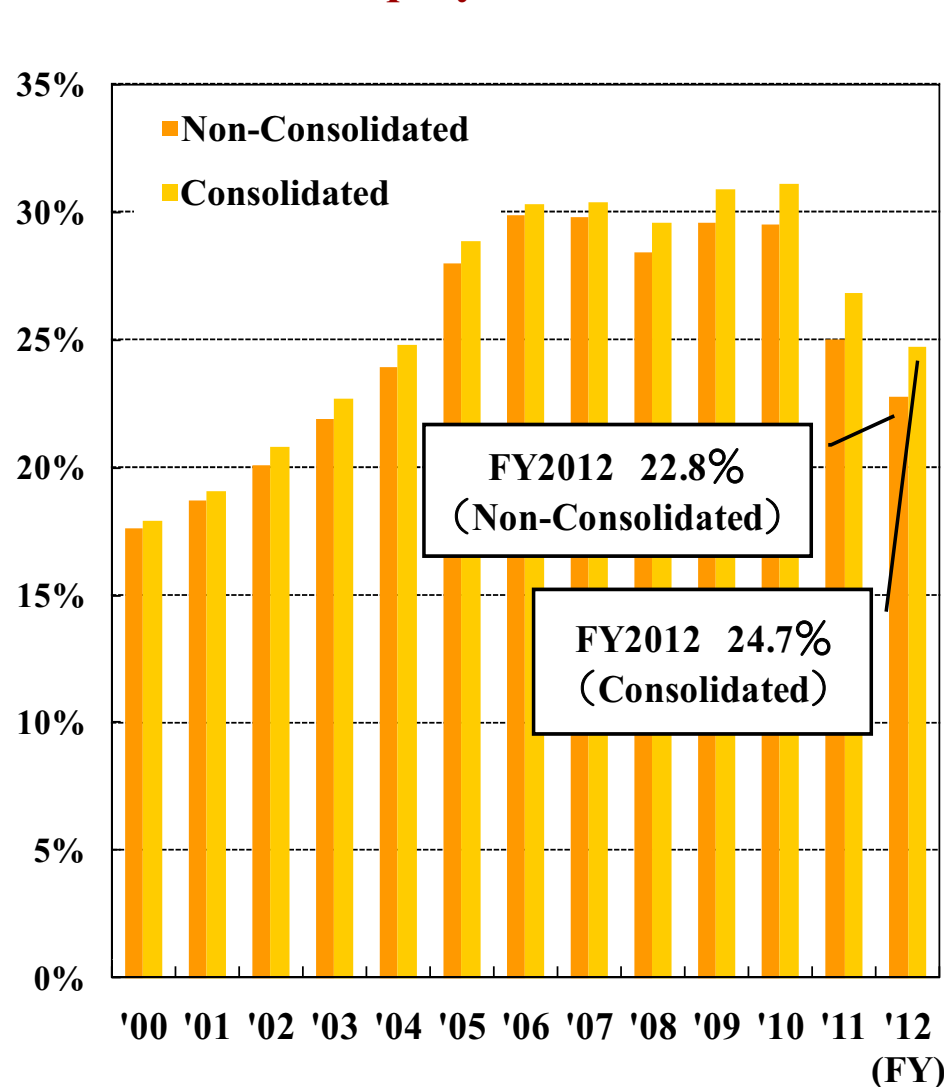
(billion yen)



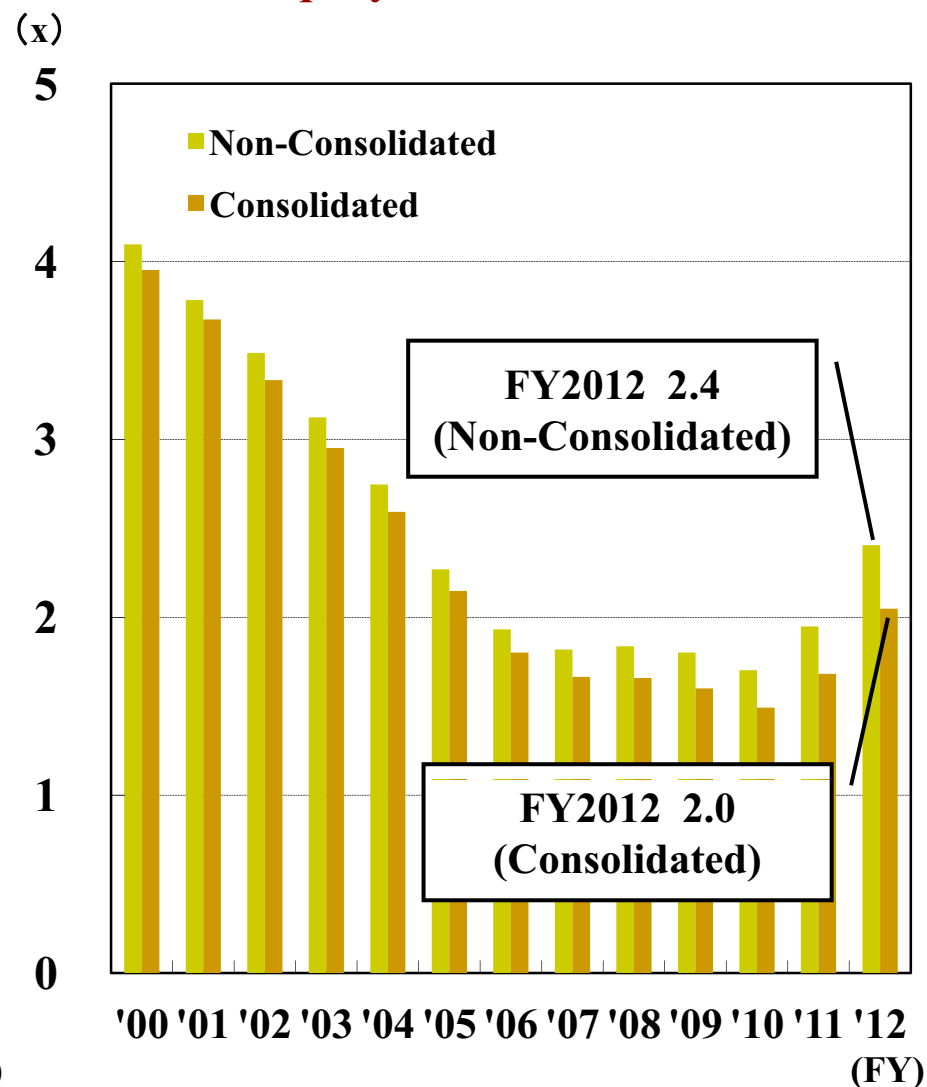
# Financial Results <5> Shareholders' Equity Ratio, Debt - Equity Ratio

49

- Shareholders' equity ratio



- Debt - equity ratio



# DISCLAIMER

This presentation contains assumptions and forward-looking statements with respect to the financial conditions, and forecasts of the company, which are based on information currently available.

These assumptions involve certain risks and uncertainties, and may cause actual results materially differ from them, by changes in the managerial environment such as economic activities and market trends.

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