

# Financial Report

The information shown below is an English translation of extracts from "Financial Report for the Fiscal Year Ended March 31, 2013", which was filed with stock exchanges (Tokyo, Osaka, 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 (April 26, 2013)

Stock Code: 9502

### Financial Report for the Fiscal Year Ended March 31, 2013 (FY 2012)

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

Representative: Akihisa Mizuno, President

Contact: Masatoshi Watanabe, Manager, Investor Relations Section

TEL: +81-52-951-8211

URL: <http://www.chuden.co.jp/english/ir/index.html>

(Figures are rounded down to the nearest million yen)  
(Figures in parentheses are negative numbers)

#### 1. Performance Over the Fiscal Year Ended March 31, 2013 (FY 2012, Consolidated)

##### (1) Consolidated Operating Results

	FY 2012	YoY	FY 2011	YoY
Operating Revenues (million yen)	2,648,994	8.2%	2,449,283	5.1%
Operating Income (million yen)	(14,483)	-	(37,667)	-
Ordinary Income (million yen)	(43,542)	-	(67,857)	-
Net Income (million yen)	(32,161)	-	(92,195)	-
Net Income per Share (Primary; yen)	(42.45)		(121.67)	
Net Income per Share (Fully diluted; yen)	-		-	
ROE (Return on Equity)	(2.2)%		(5.8)%	
ROA (Return on Assets)	(0.8)%		(1.2)%	
Operating Income / Operating Revenues	(0.5)%		(1.5)%	

Note: Comprehensive income

(FY2012: -15,081 million yen (YoY: -), FY2011: -103,738 million yen (YoY: -))

Reference: Equity in earnings of affiliates (FY 2012: -80 million yen, FY 2011: 1,591 million yen)

##### (2) Consolidated Financial Standing

	Mar 31/2013	Mar 31/2012
Total Assets (million yen)	5,882,775	5,647,169
Net Assets (million yen)	1,491,105	1,548,347
Shareholders' Equity Ratio (%)	24.7	26.8
Net Assets per Share (yen)	1,918.75	1,994.51

Reference: Shareholders' Equity (Mar 31/2013: 1,453,782 million yen, Mar 31/2012: 1,511,259 million yen)

### (3) Outline of Consolidated Cash Flows

	FY 2012	FY 2011
Cash Flows from Operating Activities (million yen)	227,613	176,844
Cash Flows from Investing Activities (million yen)	(330,603)	(247,073)
Cash Flows from Financing Activities (million yen)	249,560	422,007
Cash and Cash Equivalents at End of Period (million yen)	621,937	473,162

### 2. Dividends

	FY 2012	FY 2011	FY 2013 (Forecasts)
End of 1st quarter per share (yen)	-	-	-
End of 2nd quarter per share (yen)	25.00	30.00	-
End of 3rd quarter per share (yen)	-	-	-
End of the fiscal year per share (yen)	25.00	30.00	-
Annual Dividends per Share (yen)	50.00	60.00	-
Total Dividends paid (full-year)(million yen)	37,888	45,467	n/a
Payout Ratio (Consolidated) (%)	-	-	-
Dividends on net assets (Consolidated) (%)	2.6	2.9	n/a

(Note) We have not yet decided forecast dividends for the fiscal year 2013 ending March 31, 2014.

### 3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2014(approximate estimate)

	1st half FY2013	YoY	FY 2013	YoY
Operating Revenues (million yen)	1,310,000	(2.0)%	2,710,000	2.3%
Operating Income (million yen)	(45,000)	-%	(85,000)	-%
Ordinary Income (million yen)	(57,000)	-%	(120,000)	-%
Net Income (million yen)	(39,000)	-%	(85,000)	-%
Net Income per Share (Primary; yen)	(51.47)		(112.19)	

#### <Explanatory Note>

#### (1) Changes in important subsidiaries during the fiscal year under review

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

#### (2) 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 in accounting policies, other than under i): None
- iii) Changes in accounting estimates: Changes occurred
- iv) Restatements: None

#### (3) Number of shares issued (common share)

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

FY2012: 758,000,000      FY2011: 758,000,000

- ii) Number of treasury shares at end of period

FY2012: 328,238      FY2011: 291,678

- iii) Weighted average number of shares outstanding during the period

FY2012: 757,690,661      FY2011: 757,725,172

<Reference> Non-Consolidated Results

1. Performance Over the Fiscal Year Ended March 31, 2013 (FY 2012, Non-Consolidated)

(1) Operating Results

	FY 2012	YoY	FY 2011	YoY
Operating Revenues (million yen)	2,485,675	8.3%	2,295,153	5.4%
Operating Income (million yen)	(28,906)	-%	(50,476)	-%
Ordinary Income (million yen)	(52,197)	-%	(77,433)	-%
Net Income (million yen)	(35,311)	-%	(94,638)	-%
Net Income per Share (Primary; yen)	(46.60)		(124.88)	
Net Income per Share (Fully diluted; yen)	-		-	

(2) Financial Standing

	Mar 31/2013	Mar 31/2012
Total Assets (million yen)	5,592,806	5,375,261
Net Assets (million yen)	1,274,808	1,344,775
Shareholders' Equity Ratio (%)	22.8%	25.0%
Net Assets per Share (yen)	1,682.35	1,774.60

Reference: Shareholders' Equity Mar 31/2013: 1,274,808 million yen Mar 31/2012: 1,344,775 million yen

2. Forecasts of Non-Consolidated Results for the Fiscal Year Ending March 31, 2014 (approximate estimate)

	1st half FY2013	YoY	FY 2013	YoY
Operating Revenues (million yen)	1,240,000	(2.0)%	2,550,000	2.6%
Operating Income (million yen)	(50,000)	-%	(100,000)	-%
Ordinary Income (million yen)	(60,000)	-%	(130,000)	-%
Net Income (million yen)	(40,000)	-%	(90,000)	-%
Net Income per Share (Primary; yen)	(52.79)		(118.77)	

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

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.

## The Attached Document

### <Table of Contents>

#### Operating results

I. Analysis Regarding Operating Results	2
II. Analysis Regarding Financial Standing	7
III. Profit Allocation Policy and Dividends for the Fiscal Year under Review, and the Fiscal Year to Come	10
IV. Business and Other Risks	11
Consolidated Financial Statements	
1. Consolidated Balance Sheets	15
2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	
Consolidated Statements of Income	16
Consolidated Statements of Comprehensive Income	17
3. Consolidated Statements of Changes in Net Assets	18
4. Consolidated Statements of Cash Flows	20
Non-Consolidated Financial Statements	
1. Non-Consolidated Balance Sheets	21
2. Non-Consolidated Statements of Income	23
3. Non-Consolidated Statements of Changes in Net Assets	25

# Operating Results

## I. Analysis Regarding Operating Results

### 1. Results for the Period under Review

The Japanese economy was on a moderate recovery trend at the beginning of FY 2012, supported by government economic stimulation measures and an increase in reconstruction demand, but it temporarily fell into a difficult condition after summer 2012, due to a slowdown in the overseas economy and the end of the government's economic stimulus package. Economic conditions in Japan showed signs of recovery in the later stage of the second half, however, because exports and production regained momentum against the backdrop of overseas economic recovery and yen depreciation. The same trends were seen in the Chubu region. The Company continued in an extremely difficult situation in terms of overall business operations, including the stable supply of electricity and fuel procurement, because we suspended operation of all reactors at the Hamaoka Nuclear Power Station. To turn the situation around, the Chubu Electric Power Group concerted its efforts to fully streamline its entire business operations, including cutting back on fuel expenses and enhancing the efficiency of facility construction, operation and maintenance.

In these circumstances, for revenue, although electricity sales volume declined, operating revenue increased by 199.7 billion yen from the previous fiscal year to 2,648.9 billion yen, because of such factors as an increase in electricity sales revenues due to an increase in fuel cost adjustment charge and an increase in sold power to other electric utilities. Ordinary revenue was 2,667.9 billion yen, a year-on-year increase of 197.7 billion yen.

Meanwhile, on the expense side, since fuel expenses grew following a rise in fuel prices in the electric power business, in addition to a thermal power generation increase due to suspension of the Hamaoka Nuclear Power Station and sales of power to other electric utilities, ordinary expenses increased to 2,711.4 billion yen, up 173.3 billion yen over the previous year.

As a result of the above, we recorded ordinary loss of 43.5 billion yen, a 24.3 billion yen improve compared with the previous fiscal year.

Also, in FY 2012, we recorded as extraordinary income 7.4 billion yen of "Reversal of provision for loss in conjunction with discontinued operations of nuclear power plants" for Reactor Units 1 and 2 at the Hamaoka Nuclear Power Station, which ceased operation in FY 2008. As a result, we recorded net loss of 32.1 billion yen, a 60.0 billion yen improve compared with the previous fiscal year.

(Production and Sales)

<Electric Power Business>

(1) Electricity Sales Volume

Electricity sales decreased to 126.6TWh, down 1.1% over the previous year, because electricity conservation is here to stay and demand from industrial users declined due to a fall in production by steel manufacturers in the second half of the fiscal year.

[Demand from Customers under Regulation]

Demand for electric lighting decreased by 1.1% to 35.5TWh because of power saving, although air conditioning demand increased by colder air temperature over the winter compared with previous year. Demand for electric power decreased by 3.7% to 6.2TWh, because of a decrease in number of contracts, although air conditioning demand increased affected by temperature.

[Demand from Customers under Liberalization]

Demand for commercial power increased by 0.3% to 22.3TWh due to an increase in air conditioning demand affected by temperature. Electricity sales for industrial users decreased to 62.6TWh, down 1.3% over the previous year, because of 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)	FY2011 (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)

(2) Generated and received power

As to electric power supply, hydroelectric power output decreased by 1.5TWh from the previous fiscal year due to lower water flow (flow rate for FY2012: 94.8%, FY2011: 112.0%).

Nuclear power output decreased by 2.6TWh over the previous fiscal year because of suspension of operation of all reactors at Hamaoka Nuclear Power Station.

Also, interchanged power and purchased power decreased.

As a result of the above, thermal power output increased by 6.9TWh over the previous period.

(TWh,%)

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

## (Consolidated Operating Revenues and Expenses)

### (1) Operating Revenues and Expenses

#### <1> Electric Power Business

In terms of revenue, although electricity sales volume decreased, operating revenue increased by 180.8 billion yen to 2,427.7 billion yen, due to such factors as an increase in electricity sales revenues resulting from an increase in fuel cost adjustment charge and sales of power to other electric utilities.

Operating expenses increased by 157.7 billion yen to 2,446.4 billion yen, because of such factors as an increase in thermal power output due to suspension of operation of all reactors at Hamaoka Nuclear Power Station and sales of power to other electric utilities, and a rise in fuel price.

As a result, we recorded operating loss of 18.6 billion yen, a 23.0 billion yen improve compared with the previous fiscal year.

#### <2> Other Businesses

Sales increased by 18.8 billion yen to 221.2 billion yen owing to an increase in sales from energy business, along with construction related subsidiaries and other factors.

Operating expenses increased by 18.7 billion yen to 217.0 billion yen.

As a result, we recorded operating income of 4.2 billion yen almost at the level of the previous fiscal year.

Sales by segments are as shown below.

#### <Energy Business>

Due to such factors as an increase in unit sales price in gas sales business, sales increased by 6.8 billion yen over the previous fiscal year, to 61.8 billion yen.

<Others>

Due to such factors as an increase in sales from solar power facility construction in construction related subsidiaries, sales increased by 12.0 billion yen over the previous fiscal year, to 159.4 billion yen.

		(billion yen, %)			
		Change			
(Reference) Sales by Segments		FY 2012 (A)	FY 2011 (B)	(A-B)	(A-B)/B
Consolidated		2,648.9	2,449.2	199.7	8.2
Electric Power Business		2,427.7	2,246.9	180.8	8.0
Other Businesses		221.2	202.3	18.8	9.3
<Restated : Energy>		<61.8>	<54.9>	<6.8>	<12.5>
<Restated : Others>		<159.4>	<147.3>	<12.0>	<8.2>

Notes: Figures represent sales from external customers.

## (2) Ordinary income (loss)

Non-operating revenue decreased by 1.9 billion yen over the previous fiscal year to 18.9 billion yen. In combination with sales, the ordinary revenue in total increased by 197.7 billion yen over the previous fiscal year, to 2,667.9 billion yen.

Meanwhile, non-operating expenses decreased by 3.1 billion yen to 47.9 billion yen. Combined with operating expenses, total ordinary expenses increased by 173.3 billion yen year on year, to 2,711.4 billion yen.

As a result, we recorded ordinary loss of 43.5 billion yen, a 24.3 billion yen improve compared with the previous fiscal year.

## (3) Net income (loss)

In FY 2012, we recorded as extraordinary income 7.4 billion yen of “Reversal of provision for loss in conjunction with discontinued operations of nuclear power plants” for Reactor Units 1 and 2 at the Hamaoka Nuclear Power Station, which ceased operation in FY 2008.

As a result, we recorded net loss of 32.1 billion yen, a 60.0 billion yen improve compared with the previous fiscal year.

## 2. Outlook for the Next Period

The Company foresees that the volume of electricity sales in the electric power business during FY 2013 will decrease approximately to 124.1TWh (down 1.9% year-on-year).

Regarding the performance outlook for FY 2013, both consolidated and non-consolidated sales are expected to deliver increased earnings, based on anticipation of growth in electricity sales revenues due to increase in fuel cost adjustment charge and of, meanwhile, decrease in electricity sales volume.



We forecast that operating loss, ordinary loss and net loss will expand on both consolidated and non-consolidated bases, because it is expected that electricity sales will decline and fuel expenses will rise due to progress of the yen's depreciation in the electric power business. Consequently, the Company will be forced to record losses for three consecutive years.

The Company will boost and enhance further management efficiency to turn around the tough earnings situation,

[Consolidated]

(billion yen, %)

	Six months ending Sep. 30, 2013		Full fiscal year ending Mar. 31, 2014	
	Forecast	YoY Change	Forecast	YoY Change
Operating Revenue	1,310.0	approx. (26.0) <(2.0)%>	2,710.0	approx. 61.0 <2.3%>
Operating Income	(45.0)	approx. (62.0) <-%>	(85.0)	approx. (70.0) <-%>
Ordinary Income	(57.0)	approx. (57.0) <-%>	(120.0)	approx. (76.0) <-%>
Net Income	(39.0)	approx. (38.0) <-%>	(85.0)	approx. (53.0) <-%>

[Non-consolidated]

(billion yen, %)

	Six months ending Sep. 30, 2013		Full fiscal year ending Mar. 31, 2014	
	Forecast	YoY Change	Forecast	YoY Change
Operating Revenue	1,240.0	approx. (26.0) <(2.0)%>	2,550.0	approx. 64.0 <2.6%>
Operating Income	(50.0)	approx. (61.0) <-%>	(100.0)	approx. (71.0) <-%>
Ordinary Income	(60.0)	approx. (57.0) <-%>	(130.0)	approx. (78.0) <-%>
Net Income	(40.0)	approx. (39.0) <-%>	(90.0)	approx. (55.0) <-%>

[Principal Figures on Assumption]

Item	FY2013 Forecast	FY 2012 Result
Crude oil CIF price (\$/b)	approx. 115	114.1
Fx rate (yen/\$)	approx. 98	83
Nuclear power utilization rate (%)	-	-

Note: 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 materially differ by various causes in the future.

## II. Analysis Regarding Financial Standing

### (1) Summary of Assets, Liabilities and Net Assets

#### <1> Assets

Noncurrent assets increased to 4,820.2 billion yen, up 33.9 billion yen over the previous year, because of an increase in capital expenditures, such as tsunami countermeasures at the Hamaoka Nuclear Power Station etc., despite the progress of depreciation.

Current assets increased by 201.6 billion yen to 1,062.5 billion yen because short-term investments increased due to such factors as an increase in certificate of deposits.

As a result of the above, total assets increased by 235.6 billion yen to 5,882.7 billion yen compared with the previous year end.

#### <2> Liabilities

Total liabilities increased by 292.8 billion yen from the end of the previous fiscal year to 4,391.6 billion yen, due to such factors as an increase in interest-bearing debt.

#### <3> Net assets

Total net assets decreased by 57.2 billion yen from the end of the previous fiscal year to 1,491.1 billion yen due to such factors as dividend payouts and net loss.

As a result, the shareholders' equity ratio was 24.7%.

## Assets, Liabilities and Net Assets (Summary)

(billion yen, %)

Item		Mar 31/2013 (A)	Mar 31/2012 (B)	Change		
				(A-B)	(A-B)/B	
Assets	Noncurrent assets	4,820.2	4,786.2	33.9	0.7	
	Electric utility plant and equipment	3,320.1	3,167.0	153.1	4.8	
	Other noncurrent assets	190.9	193.6	(2.7)	(1.4)	
	Construction in progress	318.5	442.0	(123.5)	(27.9)	
	Investments and other assets	736.8	731.4	5.4	0.7	
	Current assets	1,062.5	860.8	201.6	23.4	
	Cash and deposits	117.2	214.5	(97.2)	(45.4)	
	Notes and accounts receivable-trade	199.7	181.3	18.4	10.2	
	short-term investments	515.0	267.8	247.1	92.3	
	Inventories	132.8	100.6	32.2	32.0	
	<b>Total Assets</b>	<b>5,882.7</b>	<b>5,647.1</b>	<b>235.6</b>	<b>4.2</b>	
Liabilities, Net Assets	Noncurrent Liabilities	3,434.7	3,162.8	271.8	8.6	
	Bonds payable	848.5	994.5	(145.9)	(14.7)	
	Long-term loans payable	1,832.1	1,385.0	447.1	32.3	
	Provision for reprocessing of irradiated nuclear fuel	250.0	261.9	(11.9)	(4.6)	
	Asset retirement obligations	221.2	219.1	2.1	1.0	
	Current liabilities	946.2	921.4	24.8	2.7	
	Current portion of noncurrent liabilities	242.6	249.5	(6.8)	(2.7)	
	Short-term loans payable	340.2	340.8	(0.6)	(0.2)	
	Notes and accounts payable-trade	162.7	138.6	24.1	17.5	
		<b>Total Liabilities</b>	<b>4,391.6</b>	<b>4,098.8</b>	<b>292.8</b>	<b>7.1</b>
	Shareholders' Equity	1,440.2	1,514.1	(73.8)	(4.9)	
	Retained earnings	939.1	1,013.0	(73.8)	(7.3)	
	Accumulated other comprehensive income	13.5	(2.8)	16.4	-	
Minority interests	37.3	37.0	0.2	0.6		
	<b>Total Net Assets</b>	<b>1,491.1</b>	<b>1,548.3</b>	<b>(57.2)</b>	<b>(3.7)</b>	
	<b>Total</b>	<b>5,882.7</b>	<b>5,647.1</b>	<b>235.6</b>	<b>4.2</b>	

## Notes:

(i) "Provision for reprocessing of irradiated nuclear fuel" includes "provision for preparation of the reprocessing of irradiated nuclear fuel".

(ii) Rounded down to nearest 100 million yen.

## (2) Summary of Consolidated Cash Flows

### <1> Outline of Cash Flows

Cash flow from operating activities increased to 227.6 billion yen, up 50.7 billion yen over the previous year, mainly because electricity utility operating revenue increased due to a rise in fuel cost adjustment charge while income tax payment decreased, though fuel expenses grew in the electric power business due to increased thermal power output and a rise in fuel prices.

Cash outflow from investment activities increased by 83.5 billion yen over the previous fiscal year to 330.6 billion yen. The change is mainly due to an increase in payments for the acquisition of noncurrent assets.

As a result, free cash flow decreased by 32.7 billion yen from the previous fiscal year to -102.9 billion yen.

Cash flow from financing activities decreased by 172.4 billion yen over the previous fiscal year to 249.5 billion yen due to such factors as a decrease in proceeds from long-term loans payable.

Consequently, the amount of cash and cash equivalents at end of fiscal year under review increased by 148.7 billion yen from the end of previous fiscal year to 621.9 billion yen.

Furthermore, total outstanding interest-bearing debt at end of fiscal year under review increased by 294.6 billion yen from end of previous fiscal year to 3,260.5 billion yen.

### [Consolidated Cash Flows (Summary)]

(billion yen, %)

Item	FY 2013 (A)	FY 2012 (B)	Change	
			(A-B)	(A-B)/B
Cash flow from operating activities I	227.6	176.8	50.7	28.7
Cash flow from investing activities II	(330.6)	(247.0)	(83.5)	33.8
Cash flow from financing activities	249.5	422.0	(172.4)	(40.9)
Free cash flows I+II	(102.9)	(70.2)	(32.7)	-

Item	Mar 31/2013 (A)	Mar 31/2012 (B)	Change	
			(A-B)	(A-B)/B
Cash and cash equivalents at end of the period	621.9	473.1	148.7	31.4
(Ref.) Outstanding interest-bearing debt	3,260.5	2,965.8	294.6	9.9

Note: Rounded down to nearest 100 million yen.

<2> Financial Ratio of Cash Flows

	FY 2012	FY 2011	FY 2010	FY 2009	FY 2008
Shareholders' equity ratio	24.7%	26.8%	31.1%	30.9%	29.6%
Shareholders' equity ratio (market value)	14.9%	20.0%	26.3%	33.6%	30.9%
Interest-bearing debt /Cash flow	14.3	16.8	5.5	4.7	7.8
Interest coverage ratio	5.7	5.1	12.0	13.7	4.5

Shareholders' Equity ratio: shareholders' equity / total assets

Shareholders' Equity ratio based on market value: total market value / total assets

Cash flow ratio to interest-bearing debts: interest-bearing debts / cash flow

Interest coverage ratio: cash flow / interest payment

Notes:

- (i) Above figures are based on consolidated financial data.
- (ii) Total market value is calculated based on number of shares issued with exclusion of treasury shares.
- (iii) Figures in cash flow in above chart represent cash flow from operating activities.
- (iv) Interest-bearing debts represent all liabilities accounted in consolidated balance sheet with obligation for interest payment.

### III. Profit Allocation Policy and Dividends for the Fiscal Year under Review, and the Fiscal Year to Come

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.

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, based on the policy mentioned above. The Company has not yet decided forecast dividends for the next fiscal year.

## IV. Business and Other Risks

Of all the variables affecting the Chubu Electric Group's performance and financial standing, the primary factors most likely to have a major effect on investors' decisions are listed below.

Forward-looking statements in this report are based on facts and conditions as of the date of this report (on April 26, 2013). Actual results may differ, affected by the government's future energy policy and revision of electricity business system.

### (1) Risks of the economic environment

#### <1> Economic and weather conditions

In the electric power business, which is at the core of the Chubu Electric Group's business, the volume of electricity sales fluctuates due to economic and temperature, and consequently, the performance of the Chubu Electric Group could potentially be affected.

In addition, the amount of yearly precipitation affects the amount of hydro electric power output, which impacts our power-generating costs. Chubu Electric, however, has set aside a reserve for fluctuation in water levels, which allows the company to make a certain adjustment against such impact within balance of the reserve, thus limits the effect on performance.

#### <2> Changes in fuel prices, etc.

As Chubu Electric Group depends on imports of such fuels as liquefied natural gas (LNG), coal and crude oil from overseas, fuel expense in electricity business could be affected by fuel prices and fluctuations in the currency exchange market. However, since the fluctuations of fuel prices within certain range could potentially be reflected in electricity rates under "Fuel-cost Adjustment System", the impact of these factors on performance should be mitigated.

Meanwhile, performance of the Chubu Electric Group could also potentially be affected by the fluctuation in fuel expenses in the cases where: fuel becomes difficult to procure, for example, because of fluctuating supply and demand, supplier facility and/or operational issues, or changes in the political situation.

#### <3> Changes in interest rates

The balance of interest-bearing debts at the Chubu Electric Group stood at 3,260.5 billion yen at the end of March 2013, an amount equivalent to 55.4% of our total assets. Interest payments on this debt are susceptible to market interest rates, and thus, the group's performance could potentially be affected. Of these interest-bearing debts, however, 89.4% comes from long-term funds (bonds and long-term loans), and most of these funding were procured at fixed interest rates. So the effect of interest rate changes is considered limited.

Part of the corporate pension plan assets, held by our group, could potentially affect the group's performance as their market value fluctuates in tandem with movements in stock prices and interest rates, among other factors.

## (2) Risks associated with Chubu Electric Group business activities

### <1> Suspension of electricity generating facilities

The Company has suspended operation of all reactors at the Hamaoka Nuclear Power Station. It is currently implementing both tsunami countermeasures, including the building of tsunami protection walls and measures to cope with overflow stream at intake ponds etc. , to meet the new regulatory standards that the Nuclear Regulation Authority is studying (“new regulatory standards”), with the goal of completing implementation by the end of FY 2014. We plan to carry out necessary earthquake countermeasures by taking into consideration the new regulatory standards and the report by the “Committee for Modeling a Nankai Trough Megaquake” of the Cabinet Office. We carried out severe accident countermeasures, such as installing filter vent equipment that prevents large release of radioactive materials to the environment in the event of a nuclear accident. We also further upgraded disaster-preventive measures, including strengthening the disaster prevention system and preparing disaster preventive materials and equipment, while strengthening cooperation with the central and local governments around our power stations. The Company may have to review these safety measures and take additional measures, depending on the content of the new regulatory standards.

The Company is putting all its efforts into ensuring the stable supply of electricity after suspension of operation of all reactors at the Hamaoka Nuclear Power Station. Specifically, we have taken various measures to meet demand, such as resuming operations of thermal power units under long-term planned shutdown, while requesting our customers to save electricity. Our performance is expected to be affected by a substantial increase in fuel costs due to replacement of nuclear power with thermal power.

Providing the complete power supply system from power generation to distribution, the Chubu Electric Group strives to develop and maintain optimum facilities that ensure stable delivery of high quality electricity economically, while working to establish disaster-resistant systems by taking measures against large-scale earthquakes. However, if supply facilities of the Company or other power companies from which we receive power supply are shut down because of a large-scale disaster, an accident or terrorism and an obstacle to fuel procurement, our operational results may be affected.

### <2> Nuclear power back-end costs, etc.

The back-end business of nuclear power takes an extremely long time period and has many uncertainties. To prepare for the future backend costs, based on the rules set by the government, Chubu Electric has set aside provision for reprocessing of irradiated nuclear fuel and provision for preparation of the reprocessing of irradiated nuclear fuel. Even so, the costs of nuclear fuel cycles, including back-end costs, may vary depending on regulatory reform, changes in estimates of future expenses (mandated and voluntary), and the operating status of reprocessing facilities. As a result, company performance may potentially be affected.

### <3> Changes in the competitive environment

Since the start of partial liberalization of electric power retailing in March 2000, the scope of liberalization has gradually expanded. The establishment of a more competitive and open electricity market will continue to be studied in discussions about reviewing the framework of the electricity power industry. In the whole energy market, the supply-demand structure could substantially change toward the realization of a new energy mix, such as expanded use of renewable energy, further proliferation of natural gas, and dramatic promotion of energy savings.

Given this situation, the Chubu Electric Group is exerting its maximum effort to enhance business 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.

### <4> Regulatory amendments for global environment protection, etc

Global warming issues have caught more attention from global society. The group has recognized growing importance to contribute to the achievement of "low carbon society" through taking measures actively toward reduction of CO<sub>2</sub> emission in electric power business.

Based on above recognition, the group has established the "Chubu Electric Power Group Basic Environmental Policy". Under its detailed protocol designated as "Action Plan", the group is working systematically to use resources efficiently and reduce the burden on the environment. However, the group's performance could potentially be affected by the future trend of tightening environmental regulations, among other factors.

### <5> Businesses other than electric power

The Chubu Electric Group focuses on electricity, gas and on-site energy supply as its core business areas. We are engaged in a wide range of businesses, including overseas energy business, taking advantage of our accumulated know-how in domestic businesses, constructions for expanding and securing electricity-related facilities, and manufacturing of materials and equipment for our core businesses. These businesses are subject to changing business environments, including increasing competition with other enterprises, and could potentially affect performance if they fail to produce the results expected by the Chubu Electric Group.

## (3) Other risks

### <1> Compliance

The Chubu Electric Group strives for strict compliance by establishing the Chubu Electric Group Compliance Basic Policy, which relates to compliance with laws, regulations and social rules. If any event against compliance occurs within or in connection with the organization, the reputation of the Chubu Electric Group may be damaged and its operational results may be adversely affected.



<2> Information leaks

The Chubu Electric Group comply with the relevant laws, maintains internal systems and establishes rules on information handling to ensure proper management of personal and other critical information. We have also increased information system security as well as employee training for this purpose.

However, in case information leak occurs and the direct cost of responding to the situation and loss of public trust in the Group arises, the group performance could potentially be affected.

# Consolidated Financial Statements

## 1 Consolidated Balance Sheets

(Millions of yen)

	As of Mar 31, 2013	As of Mar 31, 2012
<b>Assets</b>		
Noncurrent assets	4,820,230	4,786,270
Electric utility plant and equipment	3,320,195	3,167,018
Hydroelectric power production facilities	252,279	260,065
Thermal power production facilities	644,288	465,084
Nuclear power production facilities	240,699	244,877
Transmission facilities	854,292	882,116
Transformation facilities	411,921	392,672
Distribution facilities	787,850	792,369
General facilities	120,851	120,801
Other electric utility plant and equipment	8,012	9,031
Other noncurrent assets	190,977	193,688
Construction in progress	318,542	442,097
Construction and retirement in progress	318,542	442,097
Nuclear fuel	253,641	252,057
Loaded nuclear fuel	40,040	40,040
Nuclear fuel in processing	213,601	212,017
Investments and other assets	736,873	731,408
Long-term investments	193,587	187,380
Reserve fund for reprocessing of irradiated nuclear fuel	216,824	229,166
Deferred tax assets	235,899	231,811
Other	92,392	85,532
Allowance for doubtful accounts	(1,830)	(2,482)
Current assets	1,062,544	860,898
Cash and deposits	117,229	214,515
Notes and accounts receivable-trade	199,729	181,306
Short-term investments	515,042	267,872
Inventories	132,893	100,660
Deferred tax assets	25,422	26,609
Other	73,955	71,518
Allowance for doubtful accounts	(1,727)	(1,584)
Total assets	5,882,775	5,647,169
<b>Liabilities and net assets</b>		
Noncurrent liabilities	3,434,724	3,162,845
Bonds payable	848,571	994,558
Long-term loans payable	1,832,158	1,385,024
Provision for retirement benefits	192,481	208,091
Provision for reprocessing of irradiated nuclear fuel	235,222	247,741
Provision for preparation of the reprocessing of irradiated nuclear fuel	14,812	14,242
Provision for loss in conjunction with discontinued operations of nuclear power plants	31,125	39,365
Asset retirement obligations	221,288	219,178
Other	59,064	54,641
Current liabilities	946,296	921,486
Current portion of noncurrent liabilities	242,699	249,520
Short-term loans payable	340,213	340,876
Notes and accounts payable-trade	162,792	138,603
Accrued taxes	30,886	36,748
Other	169,705	155,738
Reserves under the special laws	10,648	14,490
Reserve for fluctuation in water levels	10,648	14,490
Total liabilities	4,391,669	4,098,821
Shareholders' equity	1,440,235	1,514,116
Capital stock	430,777	430,777
Capital surplus	70,777	70,777
Retained earnings	939,196	1,013,040
Treasury stock	(514)	(478)
Accumulated other comprehensive income	13,546	(2,856)
Valuation difference on available-for-sale securities	19,526	11,276
Deferred gains or losses on hedges	(8,818)	(5,844)
Foreign currency translation adjustment	2,839	(8,288)
Minority interests	37,322	37,087
Total net assets	1,491,105	1,548,347
Total liabilities and net assets	5,882,775	5,647,169

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)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
Operating revenue	2,648,994	2,449,283
Electric utility operating revenue	2,427,728	2,246,901
Other business operating revenue	221,266	202,381
Operating expenses	2,663,478	2,486,950
Electric utility operating expenses	2,446,422	2,288,679
Other business operating expenses	217,055	198,270
Operating income (loss)	(14,483)	(37,667)
Non-operating revenue	18,927	20,925
Dividends income	1,800	1,823
Interest income	4,742	4,601
Foreign exchange gains	5,433	-
Equity in earnings of affiliates	-	1,591
Other	6,951	12,909
Non-operating expenses	47,986	51,115
Interest expenses	40,837	36,055
Equity in losses of affiliates	80	-
Other	7,069	15,060
Ordinary revenue	2,667,922	2,470,208
Ordinary expenses	2,711,464	2,538,065
Ordinary income (loss)	(43,542)	(67,857)
Provision or reversal of reserve for fluctuation in water levels	(3,841)	8,338
Provision of reserve for fluctuation in water levels	-	8,338
Reversal of reserve for fluctuation in water levels	(3,841)	-
Extraordinary income	7,402	9,000
Settlement received	-	9,000
Provision for loss in conjunction with discontinued operations of nuclear power plants	7,402	-
Extraordinary loss	-	17,291
Loss on transition to a defined contribution pension plan	-	17,291
Income (loss) before income taxes and minority interests	(32,298)	(84,487)
Income taxes-current	5,194	7,230
Income taxes-deferred	(5,633)	1,019
Income taxes	(438)	8,249
Income (loss) before minority interests	(31,860)	(92,736)
Minority interests in income (loss)	301	(541)
Net income (loss)	(32,161)	(92,195)

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

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
Income (loss) before minority interests	(31,860)	(92,736)
Other comprehensive income		
Valuation difference on available-for-sale securities	8,568	934
Deferred gains or losses on hedges	(709)	(1,423)
Foreign currency translation adjustment	6,443	(1,188)
Share of other comprehensive income of associates accounted for using equity method	2,476	(9,324)
Total other comprehensive income	16,778	(11,002)
Comprehensive income	(15,081)	(103,738)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(15,757)	(103,351)
Comprehensive income attributable to minority interests	676	(387)

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

### 3 Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance at the beginning of current period	430,777	430,777
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	430,777	430,777
<b>Capital surplus</b>		
Balance at the beginning of current period	70,777	70,777
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	70,777	70,777
<b>Retained earnings</b>		
Balance at the beginning of current period	1,013,040	1,150,710
Changes of items during the period		
Dividends from surplus	(41,678)	(45,469)
Net income (loss)	(32,161)	(92,195)
Disposal of treasury stock	(5)	(4)
Total changes of items during the period	(73,844)	(137,669)
Balance at the end of current period	939,196	1,013,040
<b>Treasury stock</b>		
Balance at the beginning of current period	(478)	(434)
Changes of items during the period		
Purchase of treasury stock	(47)	(61)
Disposal of treasury stock	11	16
Total changes of items during the period	(36)	(44)
Balance at the end of current period	(514)	(478)
<b>Total shareholders' equity</b>		
Balance at the beginning of current period	1,514,116	1,651,830
Changes of items during the period		
Dividends from surplus	(41,678)	(45,469)
Net income (loss)	(32,161)	(92,195)
Purchase of treasury stock	(47)	(61)
Disposal of treasury stock	6	11
Total changes of items during the period	(73,880)	(137,714)
Balance at the end of current period	1,440,235	1,514,116

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	11,276	10,447
Changes of items during the period		
Net changes of items other than shareholders' equity	8,250	828
Total changes of items during the period	8,250	828
Balance at the end of current period	19,526	11,276
Deferred gains or losses on hedges		
Balance at the beginning of current period	(5,844)	2,406
Changes of items during the period		
Net changes of items other than shareholders' equity	(2,974)	(8,250)
Total changes of items during the period	(2,974)	(8,250)
Balance at the end of current period	(8,818)	(5,844)
Foreign currency translation adjustment		
Balance at the beginning of current period	(8,288)	(4,554)
Changes of items during the period		
Net changes of items other than shareholders' equity	11,127	(3,733)
Total changes of items during the period	11,127	(3,733)
Balance at the end of current period	2,839	(8,288)
Accumulated other comprehensive income		
Balance at the beginning of current period	(2,856)	8,299
Changes of items during the period		
Net changes of items other than shareholders' equity	16,403	(11,155)
Total changes of items during the period	16,403	(11,155)
Balance at the end of current period	13,546	(2,856)
Minority interests		
Balance at the beginning of current period	37,087	38,252
Changes of items during the period		
Net changes of items other than shareholders' equity	234	(1,164)
Total changes of items during the period	234	(1,164)
Balance at the end of current period	37,322	37,087
Net assets		
Balance at the beginning of current period	1,548,347	1,698,382
Changes of items during the period		
Dividends from surplus	(41,678)	(45,469)
Net income (loss)	(32,161)	(92,195)
Purchase of treasury stock	(47)	(61)
Disposal of treasury stock	6	11
Net changes of items other than shareholders' equity	16,638	(12,320)
Total changes of items during the period	(57,242)	(150,034)
Balance at the end of current period	1,491,105	1,548,347

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

#### 4 Consolidated Statements of Cash Flows

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
<b>Net cash provided by (used in) operating activities</b>		
Income (loss) before income taxes and minority interests	(32,298)	(84,487)
Depreciation	276,544	289,451
Decommissioning costs of nuclear power units	1,791	738
Amortization of nuclear fuel	-	1,180
Loss on retirement of noncurrent assets	9,052	10,113
Increase (decrease) in provision for retirement benefits	(15,612)	1,973
Increase (decrease) in provision for reprocessing of irradiated nuclear fuel	(12,519)	(10,802)
Increase (decrease) in provision for other reprocessing of irradiated nuclear fuel	569	583
Increase (decrease) in provision for loss in conjunction with discontinued operations of nuclear power plants	(8,240)	(5,561)
Increase (decrease) in reserve for fluctuation in water levels	(3,841)	8,338
Interest and dividends income	(6,543)	(6,424)
Interest expenses	40,837	36,055
Settlement received	-	(9,000)
Decrease (increase) in reserve fund for reprocessing of irradiated nuclear fuel	12,342	10,835
Decrease (increase) in notes and accounts receivable-trade	(18,307)	(32,503)
Decrease (increase) in inventories	(32,232)	(5,827)
Increase (decrease) in notes and accounts payable-trade	24,182	14,952
Other	31,886	13,238
Subtotal	267,610	232,855
Interest and dividends income received	7,994	8,303
Interest expenses paid	(40,145)	(34,916)
Settlement package received	-	9,000
Income taxes paid	(7,844)	(38,396)
Net cash provided by (used in) operating activities	227,613	176,844
<b>Net cash provided by (used in) investing activities</b>		
Purchase of noncurrent assets	(329,166)	(266,938)
Payments of investment and loans receivable	(44,358)	(8,607)
Collection of investment and loans receivable	40,243	13,638
Other	2,677	14,835
Net cash provided by (used in) investing activities	(330,603)	(247,073)
<b>Net cash provided by (used in) financing activities</b>		
Proceeds from issuance of bonds	19,949	-
Redemption of bonds	(183,000)	(139,100)
Proceeds from long-term loans payable	514,162	825,600
Repayment of long-term loans payable	(56,799)	(112,406)
Proceeds from short-term loans payable	363,207	379,187
Repayment of short-term loans payable	(362,928)	(370,529)
Proceeds from issuance of commercial papers	-	154,000
Redemption of commercial papers	-	(266,000)
Purchase of treasury stock	(47)	(61)
Cash dividends paid	(41,608)	(45,369)
Cash dividends paid to minority shareholders	(494)	(499)
Other	(2,880)	(2,814)
Net cash provided by (used in) financing activities	249,560	422,007
Effect of exchange rate change on cash and cash equivalents	2,203	88
Net increase (decrease) in cash and cash equivalents	148,774	351,866
Cash and cash equivalents at beginning of this period	473,162	121,295
Cash and cash equivalents at end of this period	621,937	473,162

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

# Non-Consolidated Financial Statements

## 1 Non-Consolidated Balance Sheets

(Millions of yen)

	As of Mar 31, 2013	As of Mar 31, 2012
<b>Assets</b>		
Noncurrent assets	4,707,721	4,676,600
Electric utility plant and equipment	3,377,465	3,222,743
Hydroelectric power production facilities	255,336	263,192
Thermal power production facilities	648,691	468,661
Nuclear power production facilities	242,882	247,012
Internal combustion engine power production facilities	89	100
Renewable power production facilities	7,086	8,112
Transmission facilities	866,266	894,539
Transformation facilities	416,941	397,580
Distribution facilities	816,155	819,439
General facilities	123,165	123,270
Facilities loaned	850	835
Incidental business facilities	12,217	12,790
Non-operating facilities	7,737	11,755
Construction in progress	301,862	434,637
Construction in progress	301,517	434,211
Retirement in progress	344	426
Nuclear fuel	253,641	252,057
Loaded nuclear fuel	40,040	40,040
Nuclear fuel in processing	213,601	212,017
Investments and other assets	754,796	742,615
Long-term investments	156,484	153,202
Long-term investment for subsidiaries and affiliates	168,555	153,720
Reserve fund for reprocessing of irradiated nuclear fuel	216,824	229,166
Long-term prepaid expenses	11,240	9,915
Deferred tax assets	201,969	196,940
Allowance for doubtful accounts	(277)	(330)
Current assets	885,085	698,660
Cash and deposits	63,452	164,979
Accounts receivable-trade	142,738	129,982
Other accounts receivable	13,848	15,425
Short-term investments	501,000	255,000
Supplies	121,727	91,083
Prepaid expenses	222	2,454
Short-term receivables from subsidiaries and affiliates	4,573	4,394
Deferred tax assets	18,804	20,443
Other current assets	19,845	16,130
Allowance for doubtful accounts	(1,127)	(1,232)
<b>Total assets</b>	<b>5,592,806</b>	<b>5,375,261</b>



(Millions of yen)

	As of Mar 31, 2013	As of Mar 31, 2012
<b>Liabilities and net assets</b>		
Noncurrent liabilities	3,368,267	3,097,487
Bonds payable	848,571	994,558
Long-term loans payable	1,815,939	1,369,595
Long-term accrued liabilities	8,413	9,844
Lease obligations	271	1,029
Long-term debt to subsidiaries and affiliates	12,315	11,512
Provision for retirement benefits	147,075	161,851
Provision for reprocessing of irradiated nuclear fuel	235,222	247,741
Provision for preparation of the reprocessing of irradiated nuclear fuel	14,812	14,242
Provision for loss in conjunction with discontinued operations of nuclear power plants	31,125	39,365
Asset retirement obligations	220,768	218,711
Other noncurrent liabilities	33,753	29,035
Current liabilities	939,082	918,508
Current portion of noncurrent liabilities	233,240	239,706
Short-term loans payable	334,400	334,400
Accounts payable-trade	102,588	84,406
Accounts payable-other	41,347	40,044
Accrued expenses	67,199	58,577
Accrued taxes	24,669	29,030
Deposits received	3,836	3,837
Short-term debt to subsidiaries and affiliates	122,743	121,761
Other advances	8,985	6,450
Other current liabilities	71	294
Reserves under the special laws	10,648	14,490
Reserve for fluctuation in water levels	10,648	14,490
<b>Total liabilities</b>	<b>4,317,998</b>	<b>4,030,486</b>
Shareholders' equity	1,255,862	1,332,892
Capital stock	430,777	430,777
Capital surplus	70,689	70,689
Legal capital surplus	70,689	70,689
Retained earnings	754,853	831,847
Legal retained earnings	93,628	93,628
Other retained earnings	661,225	738,219
Reserve for overseas investment loss	5,231	2,181
Reserve for special disaster	11	11
Reserve for adjustment of cost fluctuations	-	188,000
General reserve	518,000	518,000
Retained earnings brought forward	137,982	30,026
Treasury stock	(458)	(422)
Valuation and translation adjustments	18,946	11,882
Valuation difference on available-for-sale securities	19,104	11,392
Deferred gains or losses on hedges	(158)	490
<b>Total net assets</b>	<b>1,274,808</b>	<b>1,344,775</b>
<b>Total liabilities and net assets</b>	<b>5,592,806</b>	<b>5,375,261</b>

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

## 2 Non-Consolidated Statements of Income

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
Operating revenue	2,485,675	2,295,153
Electric utility operating revenue	2,429,840	2,248,551
Residential	810,260	786,829
Commercial and industrial	1,444,190	1,374,777
Sold power to other utilities	113,648	48,341
Sold power to other suppliers	11,905	7,270
Transmission revenue	8,807	9,429
Settlement revenue among utilities	154	167
Grant under Act on Purchase of Renewable Energy Sourced Electricity	18,356	-
Other electricity revenue	22,190	21,406
Revenue from loaned facilities	328	329
Incidental business operating revenue	55,835	46,601
Operating revenue-gas supply business	50,540	43,943
Operating revenue-other businesses	5,295	2,658
Operating expenses	2,514,582	2,345,630
Electric utility operating expenses	2,457,112	2,297,370
Hydroelectric power production expenses	46,521	47,705
Thermal power production expenses	1,427,508	1,267,706
Nuclear power production expenses	97,528	100,931
Internal combustion engine power production expenses	27	41
Renewable power production expenses	1,404	1,235
Purchased power from other utilities	24,392	38,504
Purchased power from other suppliers	182,927	169,950
Transmission expenses	109,920	114,904
Transformation expenses	76,023	72,970
Distribution expenses	205,984	200,314
Selling expenses	70,092	68,804
Cost of loaned facilities	33	32
General and administrative expenses	120,823	139,418
Grant under Act on Purchase of Renewable Energy Sourced Electricity	17,195	-
Electric power development promotion tax	48,049	48,596
Enterprise tax	29,116	26,821
Transferred cost of electricity for construction and incidental business	(438)	(568)
Incidental business operating expenses	57,470	48,259
Operating expenses-gas supply business	53,155	45,925
Operating expenses-other businesses	4,315	2,334
Operating income (loss)	(28,906)	(50,476)

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
Non-operating income	20,066	19,837
Financial revenue	9,569	9,722
Dividends income	5,122	5,475
Interest income	4,446	4,247
Non-operating revenue	10,497	10,115
Gain on sales of noncurrent assets	39	1,136
Foreign exchange gains	5,747	-
Miscellaneous revenue	4,710	8,978
Non-operating expenses	43,358	46,794
Financial expenses	40,903	36,033
Interest expenses	40,853	36,033
Bond issuance cost	50	-
Non-operating expenses	2,455	10,761
Loss on sales of noncurrent assets	11	3,063
Miscellaneous expenses	2,443	7,697
Ordinary revenue	2,505,742	2,314,991
Ordinary expenses	2,557,940	2,392,424
Ordinary income (loss)	(52,197)	(77,433)
Provision or reversal of reserve for fluctuation in water levels	(3,841)	8,338
Provision of reserve for fluctuation in water levels	-	8,338
Reversal of reserve for fluctuation in water levels	(3,841)	-
Extraordinary income	7,402	9,000
Settlement received	-	9,000
Reversal of provision for loss in conjunction with discontinued operations of nuclear power plants	7,402	-
Extraordinary loss	-	17,291
Loss on transition to a defined contribution pension plan	-	17,291
Income (loss) before income taxes and minority interests	(40,954)	(94,063)
Income taxes-current	336	-
Income taxes-deferred	(5,980)	574
Income taxes	(5,643)	574
Net income (loss)	(35,311)	(94,638)

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

### 3 Non-consolidated Statements of Changes in Net Assets

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance at the beginning of current period	430,777	430,777
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	430,777	430,777
<b>Capital surplus</b>		
<b>Legal capital surplus</b>		
Balance at the beginning of current period	70,689	70,689
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	70,689	70,689
<b>Retained earnings</b>		
<b>Legal retained earnings</b>		
Balance at the beginning of current period	93,628	93,628
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	93,628	93,628
<b>Other retained earnings</b>		
<b>Reserve for overseas investment loss</b>		
Balance at the beginning of current period	2,181	1,441
Changes of items during the period		
Provision of reserve for overseas investment loss	3,050	570
Increase of reserve due to the change of effective tax rate	-	168
Total changes of items during the period	3,050	739
Balance at the end of current period	5,231	2,181
<b>Reserve for special disaster</b>		
Balance at the beginning of current period	11	10
Changes of items during the period		
Increase of reserve due to the change of effective tax rate	-	0
Total changes of items during the period	-	0
Balance at the end of current period	11	11
<b>Reserve for adjustment of cost fluctuations</b>		
Balance at the beginning of current period	188,000	188,000
Changes of items during the period		
Reversal of reserve for adjustment of cost fluctuations	(188,000)	-
Total changes of items during the period	(188,000)	-
Balance at the end of current period	-	188,000
<b>General reserve</b>		
Balance at the beginning of current period	518,000	518,000
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	518,000	518,000

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
<b>Retained earnings brought forward</b>		
Balance at the beginning of current period	30,026	170,879
<b>Changes of items during the period</b>		
Dividends from surplus	(41,678)	(45,469)
Reversal of reserve for adjustment of cost fluctuations	188,000	-
Net Income (loss)	(35,311)	(94,638)
Provision of reserve for overseas investment loss	(3,050)	(570)
Increase of reserve due to the change of effective tax rate	-	(169)
Disposal of treasury stock	(5)	(4)
Total changes of items during the period	107,955	(140,852)
Balance at the end of current period	137,982	30,026
<b>Total retained earnings</b>		
Balance at the beginning of current period	831,847	971,959
<b>Changes of items during the period</b>		
Dividends from surplus	(41,678)	(45,469)
Reversal of reserve for adjustment of cost fluctuations	-	-
Net income (loss)	(35,311)	(94,638)
Provision of reserve for overseas investment loss	-	-
Increase of reserve due to the change of effective tax rate	-	-
Disposal of treasury stock	(5)	(4)
Total changes of items during the period	(76,994)	(140,112)
Balance at the end of current period	754,853	831,847
<b>Treasury stock</b>		
Balance at the beginning of current period	(422)	(377)
<b>Changes of items during the period</b>		
Purchase of treasury stock	(47)	(61)
Disposal of treasury stock	11	16
Total changes of items during the period	(36)	(44)
Balance at the end of current period	(458)	(422)
<b>Total shareholders' equity</b>		
Balance at the beginning of current period	1,332,892	1,473,049
<b>Changes of items during the period</b>		
Dividends from surplus	(41,678)	(45,469)
Net income (loss)	(35,311)	(94,638)
Purchase of treasury stock	(47)	(61)
Disposal of treasury stock	6	11
Total changes of items during the period	(77,030)	(140,156)
Balance at the end of current period	1,255,862	1,332,892

(Millions of yen)

	Full fiscal year ended Mar 31, 2013	Full fiscal year ended Mar 31, 2012
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	11,392	10,737
Changes of items during the period		
Net changes of items other than shareholders' equity	7,712	654
Total changes of items during the period	7,712	654
Balance at the end of current period	19,104	11,392
Deferred gains or losses on hedges		
Balance at the beginning of current period	490	1,887
Changes of items during the period		
Net changes of items other than shareholders' equity	(648)	(1,397)
Total changes of items during the period	(648)	(1,397)
Balance at the end of current period	(158)	490
Total valuation and translation adjustments		
Balance at the beginning of current period	11,882	12,625
Changes of items during the period		
Net changes of items other than shareholders' equity	7,063	(742)
Total changes of items during the period	7,063	(742)
Balance at the end of current period	18,946	11,882
Net assets		
Balance at the beginning of current period	1,344,775	1,485,674
Changes of items during the period		
Dividends from surplus	(41,678)	(45,469)
Net income (loss)	(35,311)	(94,638)
Purchase of treasury stock	(47)	(61)
Disposal of treasury stock	6	11
Net changes of items other than shareholders' equity	7,063	(742)
Total changes of items during the period	(69,966)	(140,898)
Balance at the end of current period	1,274,808	1,344,775

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