

Quarterly Financial Report

The information shown below is an English translation of "Quarterly Financial Report for the Three Months Period Ended June 30, 2016", which was filed with stock exchanges (Tokyo and Nagoya) on the date shown below pursuant to their regulations, for your convenience. Be advised that the Japanese version (the original) shall prevail if in any case a discrepancy arises between the original and the English translation.

CHUBU ELECTRIC POWER COMPANY, INCORPORATED (July 29, 2016) Quarterly Financial Report for the Three Months Period Ended June 30, 2016 (FY 2016)

(In accordance with provisions of regulations in Japan, and accounting standards generally accepted in Japan)
Stock code: 9502 URL: <http://www.chuden.co.jp/english/ir/index.html> Stock listed on: Tokyo SE, Nagoya SE
Representative: Mr. Satoru Katsuno, President
Contact: Hideki Hayakawa, Manager, Investor Relations Section. Tel: +81-52-951-8211
Projected date for submitting quarterly security report: August 10, 2016
Commencement of payment of year-end dividend: -
Preparation of supplementary materials for quarterly financial results: Yes
Information meeting for financial results: None

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

1. Performance over the Three Months Period Ended June 30, 2016 (Consolidated, April 1, 2016 – June 30, 2016)

(1) Consolidated Operating Results

	Operating Revenues		Operating Income		Ordinary Income		Net income attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
For the three months ended								
June 30, 2016	631,191	(15.2)	96,934	(32.8)	92,655	(32.4)	65,322	(31.7)
June 30, 2015	744,298	2.9	144,266	495.8	137,091	808.0	95,705	703.0

Note: Comprehensive income

(1Q FY2016: 43,923 million yen (YoY: -53.9%), 1Q FY2015: 95,276 million yen (YoY: 849.5%))

	Net income per Share (Primary)	Net income per Share (Fully diluted)
For the three months ended	yen	yen
June 30, 2016	86.26	-
June 30, 2015	126.37	-

(2) Consolidated Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio
As of	million yen	million yen	%
June 30, 2016	5,409,134	1,669,213	30.2
March 31, 2016	5,538,945	1,637,109	28.9

Reference: Shareholders' Equity (June 30, 2016: 1,632,482 million yen, March 31, 2016: 1,599,934 million yen)

2. Dividends

	Annual Dividends per Share				
	1Q end	2Q end	3Q end	4Q end	Annual
Fiscal Year ended March 31, 2016	yen -	yen 10.00	yen -	yen 15.00	yen 25.00
Fiscal Year ended March 31, 2017	-				
Fiscal Year ended March 31, 2017(Forecasts)		15.00	-	15.00	30.00

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

3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2017 (approximate estimate)

%: change from the same period of the previous year

	Operating Revenues		Operating Income		Ordinary Income		Net Income attributable to owners of parent		Net Income per Share (Primary)
	million yen	%	million yen	%	million yen	%	million yen	%	yen
For the year ending March 31, 2016	2,610,000	(8.6)	135,000	(52.6)	115,000	(55.0)	115,000	(32.3)	151.87

(Note) Forecasts revision of consolidated results from the latest forecasts: Changes occurred

<Notes>

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

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

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

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

i) Changes in accounting policies to comply with the revised accounting standards: None

ii) Changes in accounting policies, other than under i): None

iii) Changes in accounting estimates: None

iv) Restatements: None

(4) Number of shares issued (common stock)

i) Number of shares issued at the end of period	June 30, 2016	758,000,000	March 31, 2016	758,000,000
ii) Number of treasury shares at end of period	June 30, 2016	750,786	March 31, 2016	743,530
iii) Weighted average number of shares outstanding during the period	June 30, 2016	757,251,713	June 30, 2015	757,324,538

<Presentation of implementation status for quarterly review procedures>

The review procedure of Quarterly Consolidated Financial Report based on the Financial Instruments and Exchange Act had not been completed as of the release of this quarterly financial report.

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

1. The forecasts for the year ending March 31, 2017 have been revised from the previous announcement made on April 28, 2016. Information concerning the forecasts in Presentation Materials for Three-Months ended June 30, 2016 [Supplementary quarterly materials] on slide No.07 “Summary of Forecast for FY2016”
2. The forecasts are based on information available as of the date of this announcement is made, and also, assumptions as of the date of this announcement are made on uncertain factors that would affect future results. Actual results may differ by various causes in the future.
3. We also disclosed Presentation Materials of 1st Quarter FY2016 through TD net at the same date.

(Reference) Forecasts of Non-Consolidated Results for the Fiscal Year Ending March 31, 2017 (approximate estimate)

%; change from the same period of the previous year

	Operating Revenues		Operating Income		Ordinary Income		Net Income attributable to owners of parent		Net Income per Share (Primary)
	million yen	%	million yen	%	million yen	%	million yen	%	yen
For the year ending March 31,2017	2,380,000	(10.1)	115,000	(56.6)	95,000	(59.3)	70,000	(55.5)	92.43

(Note) Forecasts revision of consolidated results from the latest forecasts: Changes occurred

The Attached Document

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1. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of Mar 31, 2016	As of Jun 30, 2016
Assets		
Non-current assets	4,794,534	4,756,889
Electric utility plant and equipment	3,144,438	3,127,953
Hydroelectric power production facilities	329,467	326,853
Thermal power production facilities	597,554	583,286
Nuclear power production facilities	170,494	165,788
Transmission facilities	740,571	732,870
Transformation facilities	403,352	411,354
Distribution facilities	779,899	785,797
General facilities	111,411	110,533
Other electric utility plant and equipment	11,686	11,469
Other non-current assets	247,416	270,236
Construction in progress	340,221	323,779
Construction and retirement in progress	340,221	323,779
Nuclear fuel	233,879	234,644
Loaded nuclear fuel	40,040	40,040
Nuclear fuel in processing	193,839	194,603
Investments and other assets	828,578	800,276
Long-term investments	216,632	213,135
Reserve fund for reprocessing of irradiated nuclear fuel	177,673	171,383
Net defined benefit asset	26,321	26,957
Deferred tax assets	176,417	172,806
Other	232,949	219,017
Allowance for doubtful accounts	(1,416)	(3,024)
Current assets	744,411	652,244
Cash and deposits	143,945	164,266
Notes and accounts receivable - trade	237,142	243,434
Short-term investments	190,542	80,340
Inventories	74,651	69,665
Deferred tax assets	31,155	22,585
Other	68,193	73,096
Allowance for doubtful accounts	(1,220)	(1,144)
Total	5,538,945	5,409,134
Liabilities and net assets		
Non-current liabilities	2,702,460	2,629,817
Bonds payable	429,255	469,255
Long-term loans payable	1,478,552	1,392,337
Provision for reprocessing of irradiated nuclear fuel	194,921	190,719
Provision for preparation of reprocessing of irradiated nuclear fuel	16,662	16,828
Provision for loss in conjunction with discontinued operations of nuclear power plants	10,851	10,851
Net defined benefit liability	204,412	191,186
Asset retirement obligations	198,907	200,376
Other	168,897	158,261
Current liabilities	1,176,528	1,087,562
Current portion of non-current liabilities	387,396	395,253
Short-term loans payable	349,637	351,864
Notes and accounts payable - trade	135,910	110,200
Accrued taxes	79,862	41,753
Other	223,721	188,490
Reserves under special laws	22,846	22,539
Reserve for fluctuation in water levels	22,846	22,539
Total liabilities	3,901,836	3,739,920
Shareholders' equity	1,545,297	1,599,248
Capital stock	430,777	430,777
Capital surplus	70,786	70,785
Retained earnings	1,044,855	1,098,817
Treasury shares	(1,121)	(1,131)
Accumulated other comprehensive income	54,637	33,233
Valuation difference on available-for-sale securities	38,313	36,734
Deferred gains or losses on hedges	(18,808)	(24,842)
Foreign currency translation adjustment	29,158	16,991
Remeasurements of defined benefit plans	5,973	4,351
Non-controlling interests	37,174	36,731
Total net assets	1,637,109	1,669,213
Total	5,538,945	5,409,134

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

(Millions of yen)

	Three-months ended Jun 30, 2015	Three-months ended Jun 30, 2016
Operating revenue	744,298	631,191
Electric utility operating revenue	674,138	572,571
Other business operating revenue	70,159	58,620
Operating expenses	600,031	534,257
Electric utility operating expenses	538,175	482,184
Other business operating expenses	61,856	52,073
Operating income	144,266	96,934
Non-operating revenue	4,732	3,685
Dividend income	881	683
Interest income	1,085	543
Foreign exchange gains	524	846
Other	2,240	1,612
Non-operating expenses	11,907	7,963
Interest expenses	8,786	7,527
Share of loss of entities accounted for using equity method	1,317	30
Other	1,803	405
Ordinary revenue	749,030	634,877
Ordinary expenses	611,939	542,221
Ordinary income	137,091	92,655
Provision or reversal of reserve for fluctuation in water levels	1,423	(306)
Provision of reserve for fluctuation in water levels	1,423	—
Reversal of reserve for fluctuation in water levels	—	(306)
Income before income taxes	135,668	92,962
Income taxes - current	11,764	14,043
Income taxes - deferred	27,548	13,440
Total income taxes	39,313	27,483
Net income	96,355	65,479
Net income attributable to non-controlling interests	649	157
Net income attributable to owners of parent	95,705	65,322

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three-months ended Jun 30, 2015	Three-months ended Jun 30, 2016
Net income	96,355	65,479
Other comprehensive income		
Valuation difference on available-for-sale securities	5,579	(1,833)
Deferred gains or losses on hedges	535	93
Foreign currency translation adjustment	(1,465)	(6,278)
Remeasurements of defined benefit plans, net of tax	(1,417)	(1,510)
Share of other comprehensive income of entities accounted for using equity method	(4,310)	(12,026)
Other comprehensive income	(1,078)	(21,555)
Comprehensive income	95,276	43,923
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	94,304	43,918
Comprehensive income attributable to non-controlling interests	971	4

(3) Note regarding Consolidated Financial Statements

(Note regarding issue on going concern)

Not applicable

(Note regarding the case of material fluctuation in shareholders' equity occurs)

Not applicable

2. Other information (Supplementary Information)

(1) Business and other risks

Concerning "Business and other risks" stated on Financial Report for the Fiscal Year Ended March 31, 2016, the Company has made a significant change to the following items.

The forward-looking statements in this document are based on the Company's judgment on the day for announcing operating results for the Six Months Period of the Fiscal Year Ending March 31, 2017 (on July 29, 2016).

(The item numbers attached to the following headings correspond to the item numbers for "Operating Results IV. Business and Other Risks" stated on Financial Report for the Fiscal Year Ended March 31, 2016.)

(2) Risks associated with Chubu Electric Group business activities

(i)Suspension of electricity generating facilities

The Company has suspended operation of all reactors at the Hamaoka Nuclear Power Station. Based on the new regulatory standards, the Company has currently been taking countermeasures steadily, while receiving the Nuclear Regulation Authority's review to verify compliance with the new regulatory standards for Reactor No. 3 and No.4. We will strengthen internal systems to take action in response to reviews being conducted, and allow early confirmation that the power station conforms to the new regulations.

The major safety enhancement measures at Unit 4, related to the tsunami/earthquake countermeasures or severe accident countermeasures that have been planned after the accident at the Fukushima Daiichi Nuclear Power Station, is expected to be completed around September 2016. Meanwhile, part of the safety enhancement measures will continue after September as well, due to revisions in the contents of safety enhancement measures based on the status on site, or due to design changes based on the contents of the examination for verification of conformance with the new regulatory standards. In the future as well, if the contents of safety enhancement work need to be revised or additions need to be made based on the progress of the examination or based on new knowledge, the revisions or additions should be implemented at the earliest. After Unit 4, efforts will be made to implement the countermeasures in Unit 3 based on the new regulatory standards. In parallel with specifying the method for recovery from the sea-water inflow in Unit 5, countermeasures based on the new regulatory standards will be examined, and preparations will be made for applying for the examination for verification of conformance.

Moreover, on site response focusing on the inside of the power station, such as strengthening the on-site response capabilities through education/training or by streamlining the emergency preparedness system, will be continued, and in addition, efforts will be made to enhance the offsite response in preparation for nuclear disaster in the areas around the power station, by strengthening cooperation with the national and local governments, directed towards enhancing

the effectiveness of emergency response including the evacuation of residents.

In order to secure stable power supply under circumstances where all reactors of Hamaoka Nuclear Power Station has been suspended, we have continuously operated aging thermal generators to meet demand. However, 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.