

Quarterly Financial Report

The information shown below is an English translation of "Quarterly Financial Report for the Nine Months Period Ended December 31, 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 (January 31, 2017) Quarterly Financial Report for the Nine Months Period Ended December 31, 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: February 6, 2017
Commencement of payment of 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 Nine Months Period Ended December 31, 2016 (Consolidated)

(April 1, 2016 –December 31, 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 Nine months ended								
December 31, 2016	1,898,708	(10.7)	168,036	(29.4)	157,473	(26.9)	141,431	(6.8)
December 31, 2015	2,126,420	(5.9)	237,913	282.6	215,302	966.7	151,679	418.0

Note: Comprehensive income

(3Q FY2016: 122,902 million yen (YoY: -12.1%), 3Q FY2015: 139,837 million yen (YoY: 236.6%))

	Net income per Share (Primary)	Net income per Share (Fully diluted)
For the Nine months ended	yen	yen
December 31, 2016	186.77	-
December 31, 2015	200.29	-

(2) Consolidated Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio
As of	million yen	million yen	%
December 31, 2016	5,322,233	1,736,507	31.9
March 31, 2016	5,538,945	1,637,109	28.9

Reference: Shareholders' Equity (December 31, 2016: 1,698,106 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	-	15.00	-		
Fiscal Year ended March 31, 2017(Forecasts)				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, 2017	2,590,000	(9.3)	145,000	(49.1)	125,000	(51.1)	115,000	(32.3)	151.87

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

<Notes>

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

(accompanying changes in the extent of consolidated companies): Yes

New: None

Company name:

Excluded: 1 company

Company name: Chubu Electric Power Australia Pty Ltd.

(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
- ii) Number of treasury shares at end of period
- iii) Weighted average number of shares outstanding during the period

December 31, 2016	758,000,000	March 31, 2016	758,000,000
December 31, 2016	784,461	March 31, 2016	743,530
December 31, 2016	757,238,039	December 31, 2015	757,300,689

<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 not been revised from the previous announcement made in October 28, 2016. Information concerning the forecasts is mentioned on slide No.07 “Summary of Forecast for FY2016” in [Supplementary quarterly materials] Presentation Materials for Nine-Months ended December 31, 2016.
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 for Nine-Months ended December 31, 2016 (Supplementary quarter materials) 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		Net Income per Share (Primary)
	million yen	%	million yen	%	million yen	%	million yen	%	yen
For the year ending March 31,2017	2,360,000	(10.9)	125,000	(52.9)	105,000	(55.1)	75,000	(52.3)	99.04

(Note) Forecasts revision of Non-consolidated results from the latest forecasts: None

The Attached Document

<Table of Contents>

1. Consolidated Financial Statements

(1) Consolidated Balance Sheets	2
---------------------------------	-------	---

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

Consolidated Statements of Income	3
-----------------------------------	-------	---

Consolidated Statements of Comprehensive Income	4
---	-------	---

(3) Note regarding Consolidated Financial Statements

(Note regarding issue on going concern)	5
---	-------	---

(Note regarding the case of material fluctuation in shareholders' equity occurs)	5
--	-------	---

(Additional information)	5
--------------------------	-------	---

2. Other information (supplementary information)

(1) Business and other risks	6
------------------------------	-------	---

1.Consolidated Financial Statements

(1)Consolidated Balance Sheets

(Millions of yen)

	As of Mar 31, 2016	As of Dec 31, 2016
Assets		
Non-current assets	4,794,534	4,664,690
Electric utility plant and equipment	3,144,438	3,090,871
Hydroelectric power production facilities	329,467	320,891
Thermal power production facilities	597,554	587,855
Nuclear power production facilities	170,494	160,605
Transmission facilities	740,571	712,632
Transformation facilities	403,352	407,364
Distribution facilities	779,899	783,742
General facilities	111,411	108,012
Other electric utility plant and equipment	11,686	9,766
Other non-current assets	247,416	253,595
Construction in progress	340,221	353,541
Construction and retirement in progress	340,221	353,541
Nuclear fuel	233,879	203,941
Loaded nuclear fuel	40,040	40,040
Nuclear fuel in processing	193,839	163,901
Investments and other assets	828,578	762,741
Long-term investments	216,632	229,559
Long-term investment for subsidiaries and associates	213,395	330,522
Reserve fund for reprocessing of irradiated nuclear fuel	177,673	—
Net defined benefit asset	26,321	28,231
Deferred tax assets	176,417	161,148
Other	19,554	14,847
Allowance for doubtful accounts	(1,416)	(1,567)
Current assets	744,411	657,543
Cash and deposits	143,945	126,431
Notes and accounts receivable - trade	237,142	230,218
Short-term investments	190,542	107,612
Inventories	74,651	84,152
Deferred tax assets	31,155	29,260
Other	68,193	80,777
Allowance for doubtful accounts	(1,220)	(909)
Total	5,538,945	5,322,233
Liabilities and net assets		
Non-current liabilities	2,702,460	2,483,475
Bonds payable	429,255	519,258
Long-term loans payable	1,478,552	1,412,830
Provision for reprocessing of irradiated nuclear fuel	194,921	—
Provision for preparation of reprocessing of irradiated nuclear fuel	16,662	—
Provision for loss in conjunction with discontinued operations of nuclear power plants	10,851	9,575
Net defined benefit liability	204,412	187,162
Asset retirement obligations	198,907	201,252
Other	168,897	153,396
Current liabilities	1,176,528	1,079,562
Current portion of non-current liabilities	387,396	358,266
Short-term loans payable	349,637	357,614
Notes and accounts payable - trade	135,910	96,518
Accrued taxes	79,862	40,694
Other	223,721	226,469
Reserves under special laws	22,846	22,688
Reserve for fluctuation in water levels	22,846	22,688
Total liabilities	3,901,836	3,585,726
Shareholders' equity	1,545,297	1,663,960
Capital stock	430,777	430,777
Capital surplus	70,786	70,799
Retained earnings	1,044,855	1,163,567
Treasury shares	(1,121)	(1,183)
Accumulated other comprehensive income	54,637	34,146
Valuation difference on available-for-sale securities	38,313	41,719
Deferred gains or losses on hedges	(18,808)	(13,066)
Foreign currency translation adjustment	29,158	4,382
Remeasurements of defined benefit plans	5,973	1,110
Non-controlling interests	37,174	38,400
Total net assets	1,637,109	1,736,507
Total	5,538,945	5,322,233

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

Consolidated Statements of Income

(Millions of yen)

	Nine-months ended December 31, 2015	Nine-months ended December 31, 2016
Operating revenue	2,126,420	1,898,708
Electric utility operating revenue	1,921,783	1,718,798
Other business operating revenue	204,636	179,909
Operating expenses	1,888,506	1,730,671
Electric utility operating expenses	1,700,054	1,564,160
Other business operating expenses	188,452	166,511
Operating income	237,913	168,036
Non-operating revenue	16,633	13,919
Dividend income	1,746	1,814
Interest income	3,270	1,234
Share of profit of entities accounted for using equity method	—	3,900
Gain on change in equity	4,177	—
Other	7,439	6,969
Non-operating expenses	39,244	24,482
Interest expenses	29,343	21,975
Share of loss of entities accounted for using equity method	3,639	—
Other	6,262	2,507
Ordinary revenue	2,143,054	1,912,628
Ordinary expenses	1,927,751	1,755,154
Ordinary income	215,302	157,473
Provision or reversal of reserve for fluctuation in water levels	9,367	(158)
Provision of reserve for fluctuation in water levels	9,367	—
Reversal of reserve for fluctuation in water levels	—	(158)
Extraordinary income	10,811	30,292
Reversal of provision for loss in conjunction with discontinued operations of nuclear power plants	10,811	—
Gain on change in equity	—	30,292
Income before income taxes	216,746	187,924
Income taxes - current	20,922	31,345
Income taxes - deferred	42,095	13,808
Total income taxes	63,017	45,154
Net income	153,728	142,769
Net income attributable to non-controlling interests	2,049	1,337
Net income attributable to owners of parent	151,679	141,431

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine-months ended December 31, 2015	Nine-months ended December 31, 2016
Net income	153,728	142,769
Other comprehensive income		
Valuation difference on available-for-sale securities	5,007	3,688
Deferred gains or losses on hedges	(1,504)	1,867
Foreign currency translation adjustment	(10,646)	(11,622)
Remeasurements of defined benefit plans, net of tax	(4,251)	(4,535)
Share of other comprehensive income of entities accounted for using equity method	(2,495)	(9,264)
Total other comprehensive income	(13,891)	(19,866)
Comprehensive income	139,837	122,902
Comprehensive income attributable to		
owners of parent	137,439	120,940
non-controlling interests	2,398	1,961

(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

(Additional information)

On October 1, 2016, "Act for Partial Amendment to the Act for Deposit and Management of the Reserve Funds for Reprocessing of Spent Fuel from Nuclear Power Generation" (Act No. 40 of May 18, 2016), and "Ordinance for Partial Revision of the Ordinance on Accounting at Electricity Utilities and Other Provisions" (Ordinance of the Ministry of Economy, Trade and Industry No. 94 of September 30, 2016) came into effect, and "Ordinance on Accounting at Electric Utilities" (Ordinance of the Ministry of International Trade and Industry No. 57 of June 15, 1965) were revised.

Heretofore, in order to set aside the expenses necessary for the reprocessing of irradiated nuclear fuel, the amount recognized as accrued at the end of the consolidated accounting period had been allocated as a provision for reprocessing of irradiated nuclear fuel and as a provision for preparation of reprocessing of irradiated nuclear fuel based on the estimated expenses necessary to reprocess irradiated nuclear fuel, but from the said date of enforcement, it has been decided that an amount commensurate with the volume of irradiated nuclear fuel generated with the operations of the specific utility power generation reactor will be paid into the Nuclear Reprocessing Organization of Japan as a contribution, and will be allocated as an Electric utility operating expenses.

Herewith, in the consolidated accounting period for the third quarter, a Reserve fund for reprocessing of irradiated nuclear fuel, 164,687 million yen, and a Provision for reprocessing of irradiated nuclear fuel, 186,414 million yen, has been used up, and a Provision for preparation of reprocessing of irradiated nuclear fuel, 16,995 million yen, has been allocated as a Current portion of non-current liabilities.

2. Other information (Supplementary Information)

(1) Business and other risks

Provided below are items concerning “Business and other risks” that underwent significant changes after the release date of the Quarterly Financial Report for the Six Months Period Ended September 30, 2016 (FY 2016).

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

(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

(ii) Nuclear power back-end costs, etc.

The back-end business of nuclear power takes an extremely long time period and has many uncertainties. Rules set by the government have reduced such uncertainties, but 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.