CHUBU
Electric Power

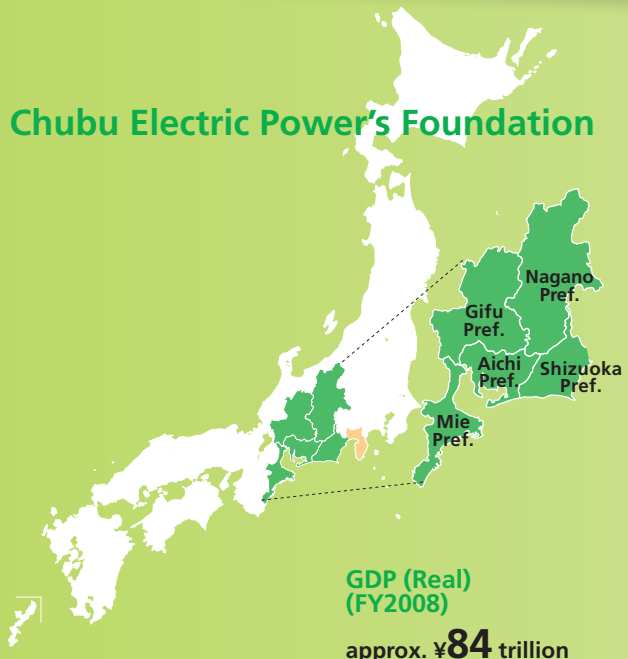
Annual Report 2011

www.chuden.co.jp

A Corporate Group that Continues to Grow by Responding to all Energy-related Needs

Chubu Electric Power Co., Inc. is Japan's third-largest electric power company in power generation capacity, electric energy sold, operating revenues, and total assets.
The Chubu Electric Power Group's core operations are based on the twin pillars of the Electric power business, and the Energy business, which mainly entails the supply of gas and on-site energy. Our business activities also include the application of our know-how, developed in the domestic sector, to energy projects overseas, construction for the development and maintenance of electric utilities-related facilities, and the manufacturing of materials and machinery for these facilities.
Chubu Electric Power serves an area of nearly 39,000 square kilometers in five prefectures of central Japan (Chubu, in Japanese), home to some 16 million people. The Chubu region is known as one of Japan's leading manufacturing regions, and many world-class Japanese industries, including manufacturers of automobiles, machine tools, electric components, aircraft, and new materials, are centered here.

Chubu Electric Power's Foundation

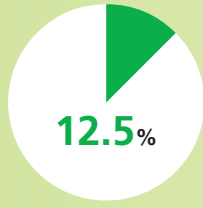


Area Served

approx. **39,000** km²

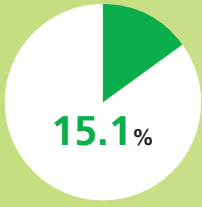
Population Served

approx. **16** million people



GDP (Real) (FY2008)

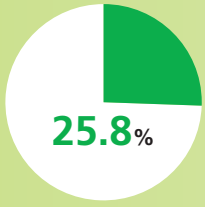
approx. ¥**84** trillion



Notes 1) Source: Annual Reports on Prefectural Accounts/Japan, Cabinet Office
2) Chubu Region: Aichi Pref., Gifu Pref., Mie Pref., Shizuoka Pref. and Nagano Pref.

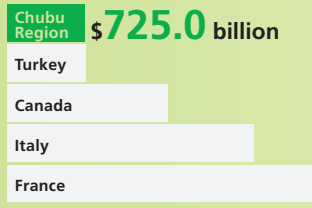
Share of Product Shipments in Japan (CY2009)

approx. ¥**68** trillion



Notes 1) Statistics from sites with four or more employees
2) Source: Ministry of Economy, Trade and Industry/Census of Manufacturers
3) Chubu Region: Aichi Pref., Gifu Pref., Mie Pref., Shizuoka Pref. and Nagano Pref.

Comparison of GDP (Nominal) with Major Countries



Notes 1) Statistics for the Chubu region are from April 2008 to March 2009; all others are from January to December 2008
2) Source: Economic and Social Research Institute, Cabinet Office
3) Chubu Region: Aichi Pref., Gifu Pref., Mie Pref., Shizuoka Pref. and Nagano Pref.

Chubu Electric Power's Performance

Inputs and Outputs of Business Activities (FY2010)

Fuel Consumption

Coal	11,202 kt
Biomass	98 kt
Heavy Oil	42,000 kl
Crude Oil	511,000 kl
Light Fuel Oil	13,000 kl
LNG	9,855 kt
LPG	1 kt
Nuclear Fuel (Uranium)	41 t

Power Generated by Chubu's Own Power Plants 123.7 TWh

Hydroelectric Power Generation	8.8 TWh
Thermal Power Generation	99.6 TWh
Nuclear Power Generation	15.3 TWh
Renewable Energy	0.028 TWh

Power Purchased from Other Companies 19.6 TWh

Electric Energy Sold 130.9 TWh

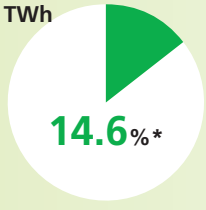
Customers under Regulation	
Electric Lighting	37.3 TWh
Electric Power	6.7 TWh
Customers under Liberalization	
Commercial Demand	23.6 TWh
Industrial Demand, etc.	63.3 TWh

In-house Electricity Consumption, Power-Transmission Loss –11.4 TWh

Electricity for Water Pumping –1.0 TWh

Electric Energy Sold (FY2010)

130.9 TWh



Energy Business Results (FY2010)

FY2010 Gas Sales Volume	approx. 0.65 million t
March 31, 2011 Aggregate On-site Energy Service Contracts	111

Overseas Energy Business Accumulated Investments (FY2010)

March 31, 2011 Overseas Energy Business Investments	approx. ¥70.0 billion

* Share among 9 electric power companies.

Contents

About the Forecasts

The future plans and forecasts described in this document are based on information the company possesses at the present time and involve potential risks and uncertainty. Therefore, actual performance or business developments in the future may differ from those described. Examples of potential risks or uncertainty include changes in the economic or competitive circumstances affecting a business sector, fluctuations in fuel prices, or modifications of laws or regulations.

Consolidated Financial Highlights

Years ended March 31

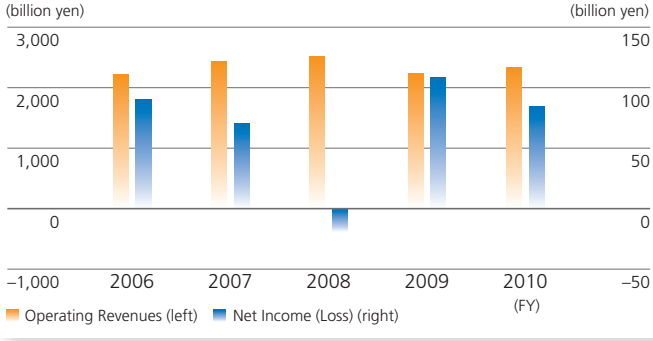
	FY2006	FY2007	FY2008	FY2009	Millions of yen FY2010	Thousands of U.S. dollars*1 FY2010
For the Year:						
Operating Revenues	¥2,213,793	¥2,432,865	¥2,509,982	¥2,238,552	**¥2,330,892**	**$28,032,375**
Operating Income	246,712	167,863	182,235	200,032	**174,238**	**2,095,466**
Ordinary Income*2	178,611	123,389	130,505	178,543	**146,275**	**1,759,170**
Net Income (Loss)	90,551	70,619	(18,968)	108,559	**84,598**	**1,017,414**
Operating Cash Flow	441,515	471,958	358,880	539,106	**449,755**	**5,408,960**
At Year-End:						
Total Assets	5,701,715	5,636,258	5,470,129	5,299,976	**5,331,967**	**64,124,678**
Shareholders' Equity*3	1,729,950	1,712,665	1,616,655	1,637,602	**1,660,130**	**19,965,484**
Outstanding Interest-Bearing Debt	3,001,787	2,862,632	2,789,038	2,539,552	**2,495,126**	**30,007,529**

					Yen	U.S. dollars
Per Share of Common Stock:						
Net Income (Loss)	¥ 115.80	¥ 90.58	¥ (24.37)	¥ 140.47	**¥ 110.97**	**$ 1.33**
Cash Dividends	60	60	60	60	**60**	**0.72**

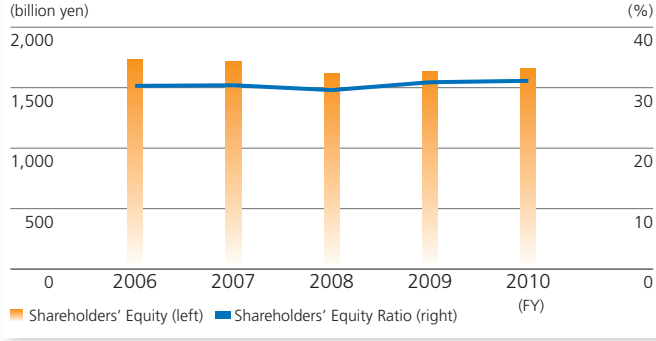
					%
Financial Ratios:					
ROA	4.4	3.1	3.7	4.0	**3.4**
ROE	5.3	4.1	(1.1)	6.7	**5.1**

*1 U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥83.15 = US$1
*2 Ordinary income = Income (loss) before provision (reversal) of reserve for fluctuation in water levels, income taxes and minority interests
+ Loss on adjustment for changes of accounting standard for asset retirement obligations (fiscal 2010),
+ Loss in conjunction with discontinued operations of Hamaoka Reactors No. 1 and No. 2 (fiscal 2008),
+ Reserve for decommissioning costs of nuclear power plants for prior periods (fiscal 2007),
+ Amortization of goodwill + Loss on discontinued construction of hydroelectric power plant (fiscal 2006)
*3 Shareholders' Equity = Total Net Assets – Minority interests
*4 ROA (Return on Assets) = Operating income (Ordinary income + Interest) / Average of total assets at beginning and end of fiscal year

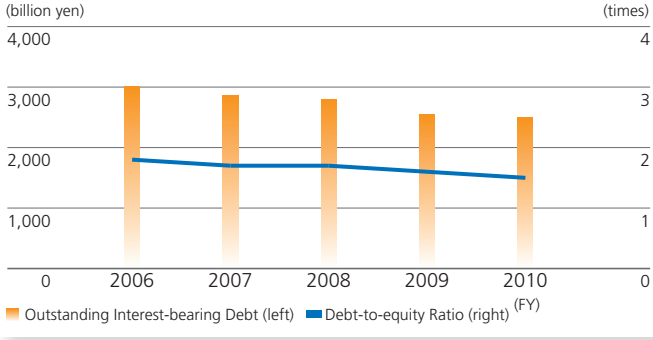
Operating Revenues/Net Income (Loss)



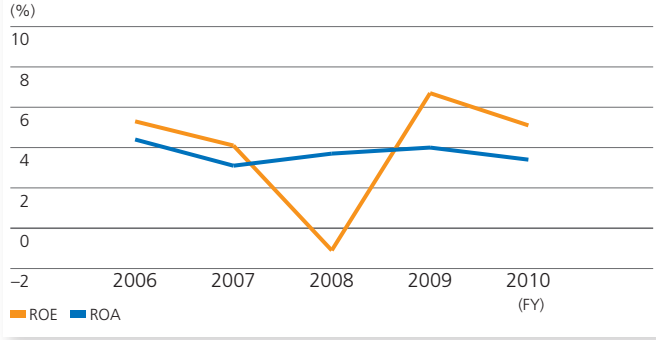
Shareholders' Equity/Shareholders' Equity Ratio



Outstanding Interest-bearing Debt/Debt-to-equity Ratio



ROE/ROA



Message from Top Management

From left
Chairman of the Board of Directors
Toshio Mita

President & Director
Akihisa Mizuno

I would first like to offer my heartfelt condolences to all of the people affected by the Great East Japan Earthquake that struck on March 11. I hope that the region will be able to recover as quickly as possible from this great tragedy.

On May 9, 2011, upon receiving a request from the Prime Minister of Japan, we suspended operations at all reactors at the Hamaoka Nuclear Power Station.

The serious accident that took place at the Fukushima Daiichi Nuclear Power Station of Tokyo Electric Power Company, Inc. due to the Great East Japan Earthquake and tsunami has resulted in growing unease about nuclear power. We take this public concern about nuclear power very seriously, and responded to this request from the government in order to help ease such concern.

We believe that the only way to restore the public's trust in nuclear power is to dutifully carry out measures to make nuclear power stations better able to withstand tsunamis and to carefully communicate the results of these efforts to people in the local community as well as society at large.

Enhancing the safety of nuclear power stations is fundamental in order to continue to safely and reliably engage in the nuclear power business, and we believe that doing so is ultimately in the best interest of both our shareholders and customers.

To our shareholders, I would like to express my apologies for the concern that this has caused, and I ask for your understanding regarding this matter.

The suspension of operations at all reactors of the Hamaoka Nuclear Power Station will create a very challenging business situation for us, but we will respond by consolidating the comprehensive capabilities of the Chubu Electric Power Group.

We have already confirmed that the Hamaoka Nuclear Power Station is capable of safely withstanding both earthquakes and tsunamis. However, in addition to implementing the emergency safety measures instructed by the Minister of Economy, Trade and Industry on March 30, 2011, we will promptly take numerous measures to enhance safety, including building a breakwater and switching to highly waterproof reactor doors. With these measures, we aim to resume operations quickly.

The suspension of all reactors has put pressure on the electricity supply. In response, we will continue to do all that we can to reliably provide electricity, including the resumption of operations at long-idle thermal power plants, the changing of periodic inspection schedules for thermal power plants, flexible procurement of electric power from other companies, as well as additional procurement of LNG and other fuel.

The use of thermal power as an alternative to nuclear power generation will put downward pressure on profits, as thermal power fuel costs have risen significantly. However, we will maximize management efficiency in an effort to mitigate this strain on operating performance.

Given the situation, we have decided to withdraw our share buyback plan as well as our quantitative targets. We will strive to maintain the current dividend (annual dividend of ¥60 per share) as we do our utmost to meet the expectations of our shareholders.

As we move forward, we will always remember that our business lies upon the trust of our customers and society. In addition to thorough compliance, we will fully meet our corporate social responsibility (CSR) as a good corporate citizen that delivers peace of mind to all, and otherwise do everything we can to be trusted and chosen by customers, shareholders and investors, and to contribute to the development of local communities.

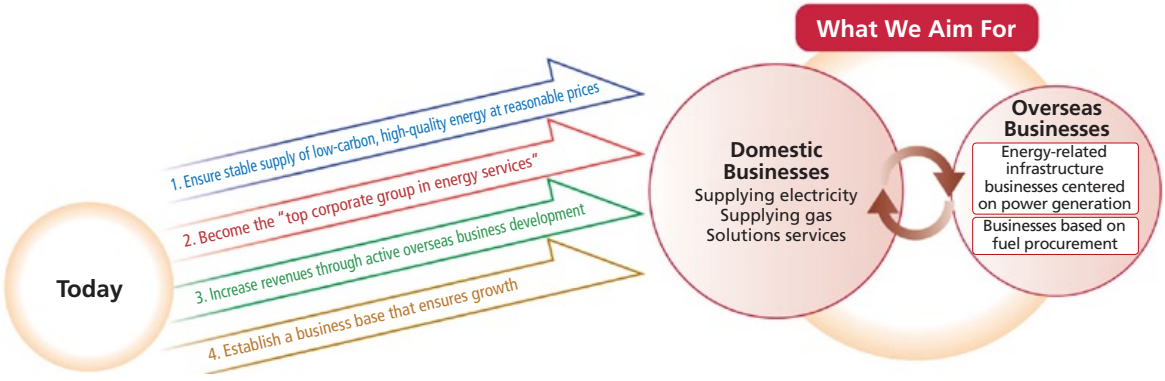
Chubu Electric Power Group Management Vision 2030 "What We Aim For"

In February 2011, the Chubu Electric Power Group set out to consider the factors important for meeting the trust of its customers and society, as well as the kinds of changes it should make to fulfill expectations for the Group. This process was prompted by a rapidly changing operating environment, as well as conditions at the time that continued to fuel deep uncertainty with respect to future outcomes. The result was the formulation by the Group of "What We Aim For," and four missions toward realization of this objective.

What we aim for: "To be a corporate group that satisfies all energy-related needs and keeps growing"

- Under the basic principle of "satisfying all energy-related needs," we aim to be "the top corporate group in energy services" that customers will choose first, by pursuing optimal energy use together with our customers.
- To ensure sustainable growth, we will create new corporate value by launching businesses overseas and tackling other challenges, making best use of managerial resources and know-how we have cultivated in our domestic electric power businesses.

Chubu Electric Power Group Management Vision 2030 Image of Growth



Mission 1 Ensure stable supply of low-carbon, high-quality energy at reasonable prices

Whatever the era, we will contribute to the development of communities and society and work to realize a low-carbon society by ensuring the stable supply of high-quality energy, indispensable for our customers' lives and industries, at reasonable prices.

Mission 2 Become the "top corporate group in energy services"

We are determined to become the "top corporate group in energy services" by pursuing the best use of energy in conjunction with customers.

Mission 3 Increase revenues through active overseas business development

To ensure sustainable growth in the future, the Chubu Electric Power Group aims to increase revenues by accelerating deployment of overseas businesses, making the best use of our managerial resources. In turn, improvements in technological capabilities and brand strength gained through overseas operations will bolster our management base, resulting in more robust energy services in Japan.

Mission 4 Establish a business base that ensures growth

To respond to the trust and the expectations of our customers and society, the Chubu Electric Power Group will make further efforts to fulfill our social responsibility and enhance "human assets*/organizations," "comprehensive group ability," and "technology research & development," which are basic elements of all business activities.

* Human assets: Chubu Electric Power has chosen this expression to reflect its view that employees are irreplaceable assets for a company.

Response to Request for Suspension of Operations at Hamaoka Nuclear Power Station

In response to a request from the Prime Minister of Japan, Chubu Electric Power decided on May 9, 2011 to suspened operation of the No. 4 and No. 5 reactors at the Hamaoka Nuclear Power Station, and to postpone the resumption of operations at the No. 3 reactor.
Along with striving for greater management efficiency, Chubu Electric Power will move quickly to enact further countermeasures against possible tsunamis so that operations at the Hamaoka Nuclear Power Station can resume. Japan's Minister of Economy, Trade and Industry has also pledged the government's fullest support in response to this action by Chubu Electric Power.
In terms of shareholder returns, our basic policy during this time is to consistently meet shareholders' expectations by striving to maintain the dividend at its current level (annual dividend of 60 yen per share).

Process to Shutdown all Reactors at the Hamaoka Nuclear Power Station

On April 20, 2011, Chubu Electric Power reported to the Japanese government regarding its completion of emergency safety measures based on the content of directions from the Minister of Economy, Trade and Industry*1, as well as breakwater construction and other medium- to long-term measures to protect the Hamaoka Nuclear Power Station from tsunamis.

Based on the content of this report, on May 6, 2011, the Japanese government evaluated the measures taken by Chubu Electric Power as appropriate to ensure safety. However, in conjunction with a request from the Prime Minister of Japan to suspend operations at the Hamaoka Nuclear Power Station, Chubu Electric Power received a written request*2 from the Minister of Economy, Trade and Industry regarding the implementation of concrete measures to protect the Hamaoka Nuclear Power Station from the threat of tsunamis and the suspension of operations until such work is completed.

*1 Content of directions from the Minister of Economy, Trade and Industry (March 30, 2011)
Nuclear power station operators have been instructed to take emergency safety measures that will allow them to prevent damage to their nuclear reactor cores and spent fuel, control the release of radioactive materials and restore reactor facilities' cooling function, even in the event that a tsunami causes loss of function of all external power sources and emergency diesel generators, seawater cooling functions, and the ability to cool spent fuel storage pools.
*2 Request from the Minister of Economy, Trade and Industry

Request for Complete Implementation of Protective Measures Against Tsunamis at Hamaoka Nuclear Power Station and Suspension of Operations until Completion of the Measures

Request	Grounds for suspension request
The following future safety measures reported by Chubu Electric Power on April 20, 2011 should be completed: • Protective measures against tsunamis • Secure back-up supply of seawater pumps • Installation of air-cooled emergency generators Until all of these measures are completed and assessed by the Nuclear and Industrial Safety Agency, operations at all reactors at Hamaoka Nuclear Power Station should be suspended.	Hamaoka Nuclear Power Station is built in an area adjacent to the focal region of a possible Tokai earthquake. According to an evaluation by the Headquarters for Earthquake Research Promotion of the Ministry of Education, Culture, Sports, Science and Technology, the probability of an envisioned Tokai earthquake of about magnitude 8 occurring within 30 years is 87% and very urgent. If the possible Tokai earthquake occurs, huge tsunami waves will probably attack coastal areas.

Chubu Electric Power's Responses

Chubu Electric Power took the request from the Prime Minister with the utmost seriousness, recognizing it to be as significant as an order from our national government.

If we chose to continue operations at the Hamaoka Nuclear Power Station in defiance of this request, we would risk losing trust among local communities, which is indispensable to the operation of the nuclear power station. Without the community's support, we would be unable to make a definite schedule for resumption of operations at each reactor after scheduled shutdown for maintenance, which could have serious adverse effects on our business operations.

The serious accident at the Fukushima Daiichi Nuclear Power Station of Tokyo Electric Power Company, Inc. has triggered a new wave of anxiety among the general public with respect to nuclear power.

Nuclear power can only be generated and provided if we have the trust of the general public, starting with those living near the power station, and safety must always be the highest priority.

Chubu Electric Power has taken this recent unease among the public seriously, and chose to honor the Prime Minister's request to suspend operations at all reactors at the Hamaoka Nuclear Power Station as a means of easing the concerns of local residents and the Japanese public.

Requests to METI

The suspension of operations at the Hamaoka Nuclear Power Station could have a heavy impact on our customers, the community near the power station, and our shareholders. We therefore confirmed a number of points with the Minister of Economy, Trade and Industry in order to protect these parties from excessive hardship or loss, including terms and conditions for the resumption of operations, with the national government pledging to offer the maximum level of support possible to this end.

Chubu Electric Power compiled a summary of specific requests for support from the national government, which it subsequently submitted to the Minister of Economy, Trade and Industry on July 4, 2011. Chubu Electric Power will engage the Ministry to ensure that these requests are properly heard and implemented going forward.

Requests to METI (July 4, 2011)

1. Speed up procedures such as approving applications for medium- to long- term measures at Hamaoka Nuclear Power Station
2. Support for securing electric power supply and demand balance
   - Further extension of periodic licensee's inspection schedule times for thermal power units*
3. Support for bearing additional costs
   - Loans under the Development Bank of Japan's crisis response financing system*
   - Subsidies for interest on loans from financial institutions
   - Explanation by the national government to ratings organizations and private financial institutions that the period of suspended operations at Hamaoka Nuclear Power Station is limited and that the national government gives its utmost support
   - Special measures concerning a general contribution during the period of suspended operations at Hamaoka Nuclear Power Station as based on the bill for the Act to Establish a Nuclear Damage Compensation Facilitation Corporation
   - Reduction of/exemption from oil and coal taxes during the period of suspended operations at Hamaoka Nuclear Power Station
4. Consideration regarding CO_2 emissions
   - Special measures related to methods of calculating CO_2 credit procurement and CO_2 emissions coefficient
   - Retaining our right to participate in government agency bids based on the Green Contract Law

The government has already responded to items with *.

Efforts to Improve Managerial Efficiency

The "Managerial Efficiency Promotion Council," chaired by the president, was established in May 2011 to discuss management efficiency and cost reduction measures for improving earnings.

In fiscal 2011, after achieving stable procurement of electricity and public security, the construction periods, ranges and methods will be reviewed to reduce capital investments and maintenance costs. Fuel costs will be reduced by economical fuel procurement; at the same time, costs will be reduced by reviewing the content and scale of public relations and sales activities, as well as of research and development, including system development.

Agenda	Amount (approx.)
Reduction of investment	65.0 billion yen
Reduction of expenses (maintenance, fuel and others)	35.0 billion yen
Improvement of managerial efficiency	100.0 billion yen

Approach to the Shareholder's Return

The suspension of operations at all reactors at the Hamaoka Nuclear Power Station will have an undeniable impact on Chubu Electric Power's financial position. Consequently, we have concluded that any purchases of treasury shares will be difficult to conduct during this time.

In light of these circumstances, at the May 10, 2011 meeting of the Board of Directors, Chubu Electric Power decided to retract previous statements announced as part of its approach to the shareholder's return regarding the purchase of treasury shares and quantitative targets. The Company's approach to the shareholder's return going forward has been restated as described below.

Approach to the Shareholder's Return

While continuing to invest in building and operating facilities that are essential to ensuring a stable supply of electric power, our basic policy is to strive to meet shareholders' expectations by maintaining the current dividend (annual dividend of 60 yen per share).

Tsunami Countermeasures at Hamaoka Nuclear Power Station

We have verified the Hamaoka Nuclear Power Station's level of safety against tsunamis, taking into account tsunami events that have had a major impact on the area in the past, such as those from the Ansei-Tokai (in 1854) and Hoei (in 1707) earthquakes. Additionally, we have completed emergency safety measures that considered the accident caused at the Fukushima Daiichi Nuclear Power Station of Tokyo Electric Power Company, Inc. by the Great East Japan Earthquake on March 11, 2011.
Because we take society's increased concerns about the safety of nuclear power very seriously, we have decided to enact tsunami countermeasures, announced on July 22, 2011, intended to enhance the safety of the Hamaoka Nuclear Power Station.

Approach to Tsunami Countermeasures

The ability to "shut down, cool and contain" is essential to ensuring a nuclear power station's safety. In the case of the Fukushima Daiichi Nuclear Power Station, the ability to cool the reactor was compromised due to the total failure of AC power at the site ("complete loss of AC power"). Furthermore, the station experienced a loss of its ability to cool reactor facilities using seawater ("loss of seawater cooling function"). Essentially, the loss of cooling functions was the cause behind this serious nuclear accident.

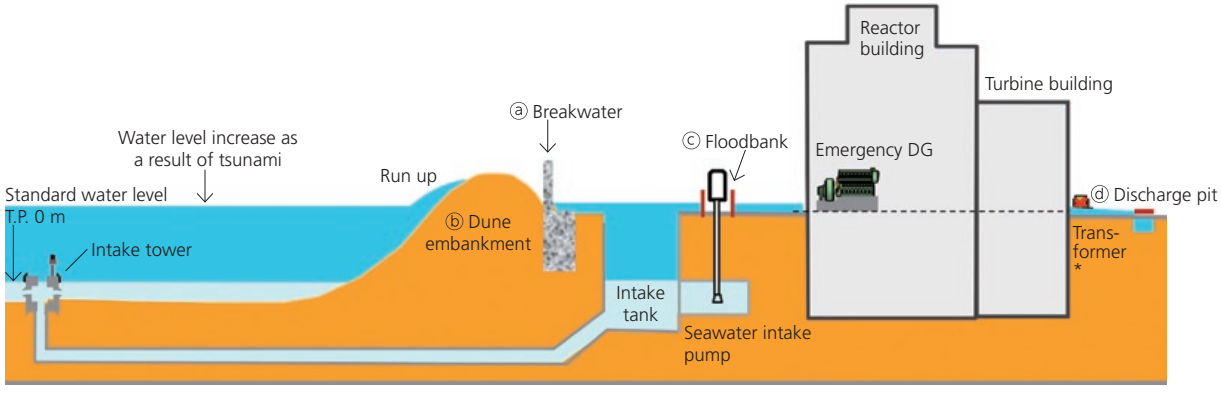
Under the current tsunami countermeasures, we have decided to take two sets of "flooding prevention measures," namely 1) measures such as building a breakwater to prevent flooding on the station grounds, and 2) measures to prevent flooding in buildings if there is flooding on the station grounds. In addition, we will "strengthen emergency countermeasures" to ensure multiple and diverse cooling functions so that reactors can be reliably and safely brought to cold shutdown even in the event of "complete loss of AC power" and "loss of seawater cooling function," problems that occurred at the Fukushima Daiichi Nuclear Power Station.

Flooding prevention measure 1:	Prevent flooding on the station grounds (Measures such as building a breakwater to prevent flooding on the station grounds)
Flooding prevention measure 2:	Prevent flooding in buildings (Maintain seawater cooling function and prevent flooding in buildings if there is flooding on the station grounds)
Strengthen emergency countermeasures:	Ensure cooling function (Ensure cooling function in scenario that assumes complete loss of AC power and loss of seawater cooling function)
Construction/installation period:	December 2012 (Plan)
Costs:	Approx. ¥100.0 billion

Outline of Tsunami Countermeasures

Flooding Prevention Measure 1: Prevent Flooding on the Station Grounds

Prevent flooding by tsunami on station grounds, mitigate impact of overflow onto station grounds from water intake systems, etc., and maintain function of reactor cooling water system (RCWS) pumps located outdoors.



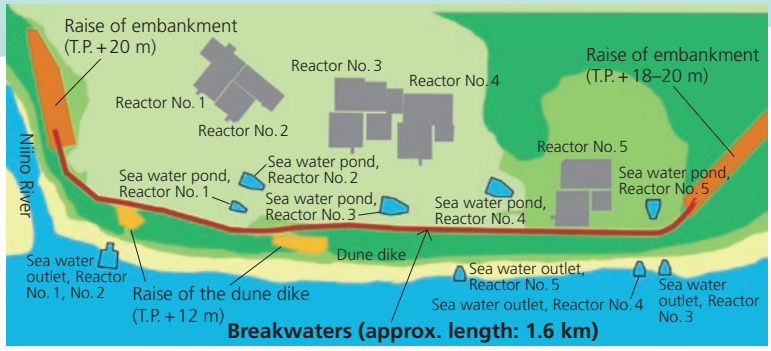
* We are assuming that outdoor transformers would become unusable if there is flooding on the grounds; we do not assume the station will get power from outdoor transformers right away even if external power is restored.
T.P.: Tokyo Bay mean sea level
Emergency DG: Emergency diesel generators

ⓐ Build breakwater (T.P. + 18 m at crown) on the seaward side of station
ⓑ Raise dune embankment in front of grounds and embankments on east and west sides
ⓒ Build floodbank (height: 1.5 m) in the seawater intake pump area, etc.
ⓓ Close discharge pit and discharge channel opening

Build a Breakwater

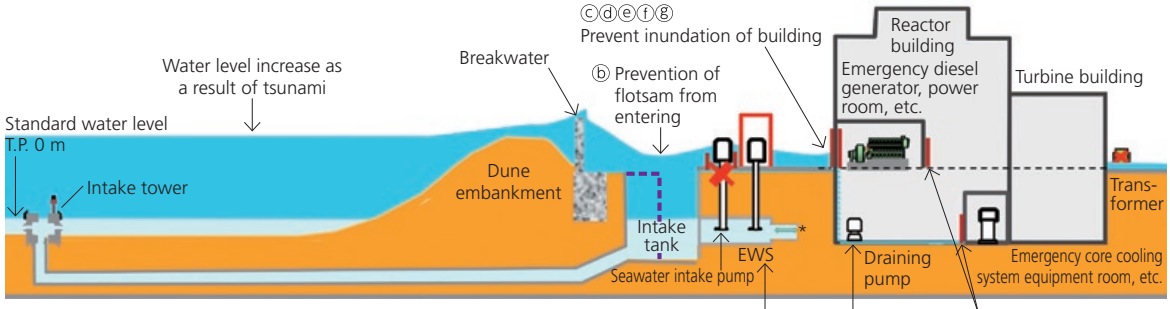
We have investigated events such as the combined Tokai/Tonankai/Nankai earthquakes and anticipate that the tsunami run-up height at the Hamaoka Nuclear Power Station would be about T.P. + 8 m. We have decided that the breakwater to be built on the seaward side of the station grounds is to be T.P. + 18 m, in light of the height of the dune embankment in front of the Hamaoka Nuclear Power Station (T.P. + 10–15 m), which should hold following an earthquake, and the run-up height of the tsunami that hit the Fukushima Daiichi Nuclear Power Station (around T.P. + 15 m).

We created a virtual tsunami model of a magnitude 9 earthquake (the same as the Great East Japan Earthquake), and test results indicated that the height would be about T.P. + 10 m.



Flooding Prevention Measures 2: Prevent Flooding in Buildings

Establish substitutes for function of reactor cooling water system (RCWS) pumps that are located outdoors and prevent flooding in buildings so that there is no impact on important safety equipment related to cooling functions (water injection, heat removal and power sources) for the reactor core and spent fuel in buildings, even if water were to overflow the breakwater and flood the station grounds.



ⓐ Build emergency water intake system (EWS) (Maintain seawater cooling function)
ⓑ Measures to prevent flotsam from entering intake tank (Maintain seawater cooling function)
ⓒ Enhance reliability of waterproofing doors in building exterior walls (Prevent flooding in buildings)
ⓓ Measures to prevent flooding from air intakes/vents (openings) in building exterior walls (Prevent flooding in buildings)
ⓔ Measures to prevent flooding from building through-holes (Prevent flooding in buildings)
ⓕ Close underground pipe/duct inspection openings, entry doors, etc. (Prevent flooding in buildings)
ⓖ Reinforce building structure (Prevent flooding in buildings)
ⓗ Strengthen building drainage countermeasures (install drainage pump) (Prevent flooding in equipment rooms)
ⓘ Install additional watertight doors, reinforce others (Prevent flooding in equipment rooms)
ⓙ Measures to prevent flooding from equipment room through-holes (Prevent flooding in equipment rooms)

Strengthen Emergency Countermeasures: Ensure Cooling Function

We have devised worst-case hypothetical situations based on the unlikely event of a simultaneous loss of essential equipment similar to what occurred at the Fukushima Daiichi Nuclear Power Station, namely the loss of seawater intake pumps and the emergency diesel generators (DG) used to power them. To cope with this contingency, we will provide multiple and diverse alternative means of cooling, namely by ensuring water spraying, heat removal and power supply, so that reactors can maintain a stable hot shutdown state and subsequently be reliably and safely brought to cold shutdown.

Hypothetical situations

- Loss of function of existing emergency DG, etc.
- Also, loss of function of existing seawater intake pumps and EWS

Alternatives to secure cooling function

Reinforcing emergency measures

Securing the injection function
Alternative for cooling devices that enables operation of high-pressure core spray system (HPCS), etc.

Securing the heat removal function
Install nitrogen tanks to operate containment vessel venting valves, etc.

Securing the power sources
Put emergency AC power equipment (gas turbine generators) on high ground, etc.

Other
Deploy heavy equipment such as bulldozers, etc.

To achieve cold shutdown safely and unfailingly

Supply and Demand Measures in Response to the Suspension of Operations at Hamaoka Nuclear Power Station

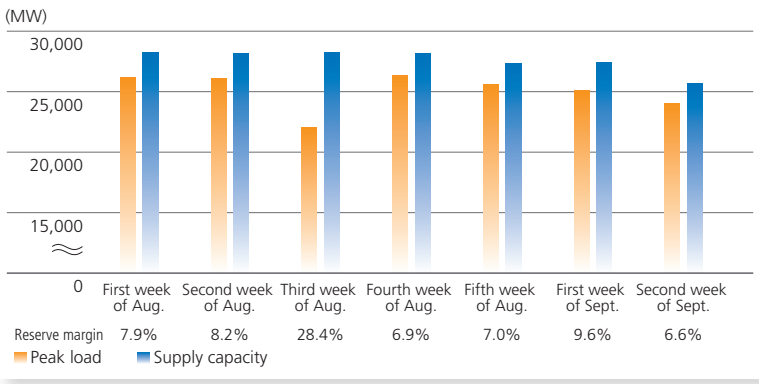
The suspension of operations at all reactors at the Hamaoka Nuclear Power Station will lead to a significant shortfall in supply capacity for meeting maximum electric power demand, and will cause the reserve margin necessary to ensure supply stability (usually 8% to 10%) to decline. This situation has prompted the president of Chubu Electric Power to establish an Electric Power Supply and Demand Task Force, which he personally heads, to investigate and enact measures to ensure power supply stability. Beyond supply-side measures alone, customers, particularly large-scale factories, have lent their cooperation by changing their days of operation and shifting from peak load times. Although this still does not meet the adequate reserve margin of 8–10% that is the usual criterion for stable supply, these efforts have allowed us to retain a projected reserve margin of 6–7% during the summer.

Supply-side Measures

We are striving to improve supply capacity through the following measures in order to compensate for the loss of 3,617 MW of power supplied by the now suspended Hamaoka Nuclear Power Station.

Items	Agenda	Extra supply capacity
Changing and shortening periodic inspection times for thermal power equipment	• Change periodic inspection times at Shin-Nagoya Thermal Power Station Unit No. 7-2 (divide up times) • Change periodic inspection times and shorten inspection process at Shin-Nagoya Thermal Power Station Unit No. 7-4 • Change periodic inspection times for Kawagoe Thermal Power Station Unit No. 4-4 (divide up times) • Change periodic inspection times of Yokkaichi Thermal Power Station Unit No. 3 • Shorten process at Kawagoe Thermal Power Station No. 2	Up to 1,260 MW
Purchase of electric power from other businesses	• Purchase of power from businesses with large-scale generator facilities	30 MW
Terminating supplementation of electric power from Chubu Electric Power	• Stop the supplementation of electric power to the 50 Hz region	Up to 750 MW
Resuming operations of thermal power units under long-term planned shutdown	• Postponing the long-term planned shutdown of Taketoyo Thermal Power Station Unit No. 3	375 MW
	• Resumed operations at Taketoyo Thermal Power Station Unit No. 2 on July 31 • Resume operations at gas turbines of Chita Daini Thermal Power Station Unit No. 2 on August 3	Up to 529 MW
Changing work stoppage times at hydroelectric power stations	• Change work stoppage times at Nikengoya, Kitamatado and Miho Hydroelectric Power Stations, etc.	Up to 30 MW
Urgently expanding operating capacity of Mie Higashiomi Line connecting to network of Kansai Electric Power	• Provisionally expand the operating capacity of the connecting line from Kansai Electric Power to Chubu Electric Power (+280 MW)	—
Focusing inspections on power stations, related power transmission and transformer equipment, etc.	• Before the start of summer, focus our inspections on power stations, related power transmission and transformer equipment, etc. to ensure supply stability	—
Additional procurement of fuel (LNG and oil)	• LNG: We expect to be able to secure the additional volume of LNG, mainly from Qatar, that we require (about 3.2 million tons) • Oil: We expect to be able to secure the additional volume required (approximately 1.3 million kl) through oil companies and trading companies	—

Weekly Supply Reserve Margin



Demand-side Measures

We are pursuing the following specific measures in cooperation with customers.

Items	Agenda
Asking private power plants to increase output	• Requests to our customers (large factories, etc.) to increase generation using private generators between 13:00 to 16:00 from Monday to Wednesday are expected to decrease the power supplied by Chubu Electric by approximately 60 MW.
Expanding supply and demand adjustment contracts (planned adjustment contracts)	• Requests to our customers (large factories, etc.) for measures including increasing the number of days for adjustment on planned adjustment contracts (contracts that change factory holidays from weekends to weekdays) have enabled us to ensure an additional adjustment capacity of approximately 90 MW.

* Supply-demand measures are based on plans in place as of July 26, 2011.

Electric Power Supply and Demand

Chubu Electric Power aims to contribute to local community development and the realization of a low-carbon society by delivering the high quality energy essential for daily life and commercial activities in an inexpensive and reliable manner.

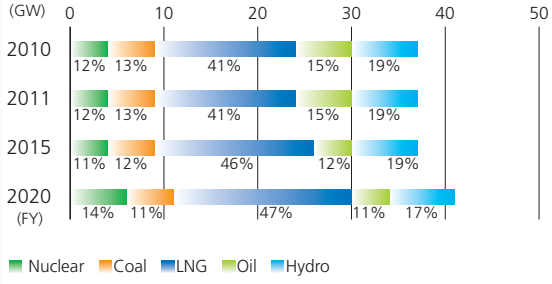
Demand for electric power in Japan's Chubu region is expected to increase modestly over the medium- to long-range horizon. This anticipated increase will be the result of higher demand from industry in conjunction with the global economic recovery, as well as efforts that leverage the superior environmental performance that electricity offers to promote a shift from other forms of energy.

At Chubu Electric Power, we plan to develop approximately 6.48 GW of electric power sources over the 10-year period from FY2011–2020. This figure will include electricity supplied by other companies. Part of this effort will see us combine the unique advantages that nuclear, thermal and hydroelectric power generation methods have to offer for a balanced "best mix" of electric power sources. In this way, Chubu Electric Power will comprehensively explore ways to provide reliable energy supplies, reduce environmental impact, and be more economical.

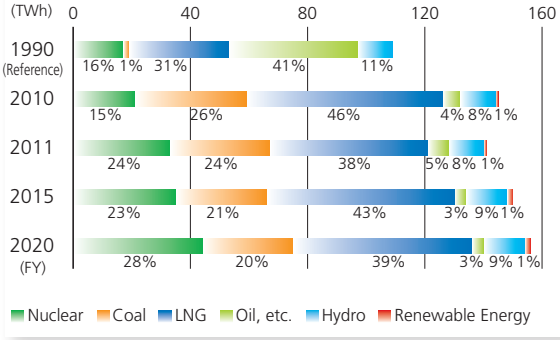
Sales Plan		
Electric Energy Sold		1.2%
Average annual growth, FY2009–FY2020	(Growth rate is value-corrected for temperature)	
System Peak Load		0.8%
Average annual growth, FY2009–FY2020	(Growth rate is value-corrected for temperature)	
Power Generation Facilities Plan		Start of Operation
Joetsu Thermal Power Station Group No. 1	1,190 MW	FY2012
Joetsu Thermal Power Station Group No. 2	1,190 MW	FY2013, 2014
Nishi-Nagoya Thermal Power Station Group No. 7	2,200 MW class	FY2019
Tokuyama Hydro Power Station	153.4 MW	FY2014
Mega Solar Taketoya	7.5 MW	FY2011
Mega Solar Shimizu	8.0 MW	FY2014
Hamaoka Nuclear Power Station Reactor No. 6	1,400 MW class	FY2018 and within 5 years thereafter
Group Company Development		
Additional AOYAMA-KOGEN WIND FARM	80 MW	FY2016
Power Purchased		
Oma Nuclear Power Station	205 MW	FY2014
Tsuruga Nuclear Power Station Reactors No. 3 and 4	1,446 MW	FY2017, 2018
Power Transmission Facilities Plan		
275 kV Joetsu Thermal Power line		FY2011
275 kV Suruga-Higashi Shimizu line 275 kV Higashi Shimizu Substation		FY2013
Higashi Shimizu Substation FC		FY2014 (Plans call for moving up the launch of the 300,000 kW station to 2012 by starting use of a portion of the Suruga-Higashi-Shimizu line)
500 kV Sekigahara-Kitaomi line 500 kV Sekigahara Switching Station 500 kV Sangi Trunk line: π connection with Sekigahara Switching Station		FY2017

* Plan formulated prior to the Great East Japan Earthquake that struck northeastern Japan

Composition of Generating Facilities



Composition of Generated Electricity



Initiatives Regarding Nuclear Power

Over the years, the ability of the Hamaoka Nuclear Power Station to withstand earthquakes and tsunamis has been confirmed through safety measures that have included construction to enhance the ability of structures to withstand earthquakes. However, following the incident at the Tokyo Electric Power Company's Fukushima Daiichi Nuclear Power Station, we promptly implemented emergency safety measures as instructed by the Minister of Economy, Trade and Industry, and our efforts have been assessed as appropriate.

Going forward, in order to further bolster the ability of the Hamaoka Nuclear Power Station to safely withstand a tsunami, we will quickly implement additional structural changes onsite, such as erecting breakwaters and switching to more waterproof reactor doors. In parallel, we are taking steps to explain details of these changes to residents in the surrounding community and to the public at large.

Proactive Introduction of High-Efficiency LNG Combined Cycle Power Generation

The Joetsu Thermal Power Station Groups No. 1 and No. 2 (scheduled for start-up between FY2012 and FY2014) employ highly efficient LNG combined-cycle power generation technology, consuming less fuel and further curbing CO_2 emissions. Furthermore, at the Nishi-Nagoya Thermal Power Station, the power generation equipment in plants No. 1 to No. 6 will be scrapped and removed, and a plan is in place to develop a Group No. 7 by FY2019 that will employ even more efficient power generation technology.

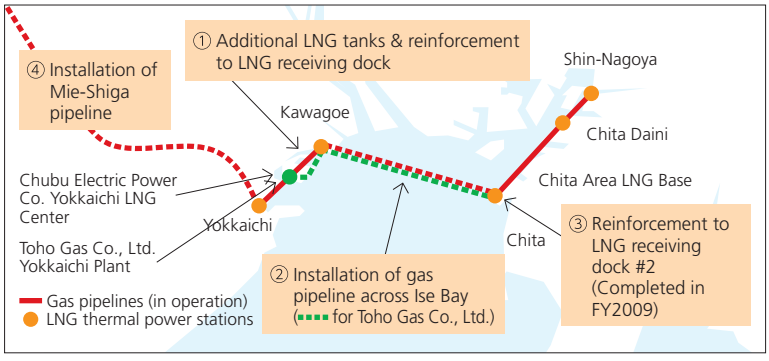
Adopting such high-efficiency power generation technology will effectively reduce annual use of LNG by approximately 0.6 million tons and reduce annual CO_2 emissions by roughly 1.6 million tons at Joetsu Thermal Power Station Groups No. 1 and No. 2. Likewise, the new technology at the Nishi-Nagoya Thermal Power Station is expected to reduce LNG use by approximately 0.4 million tons and reduce annual CO_2 emissions by roughly 1.0 million tons.

Joetsu Thermal Power Station (June 2011)

Enhancing Fuel-Related Infrastructure

Chubu Electric Power is also working to enhance its fuel-related infrastructure in support of its ability to procure LNG in a stable and flexible manner. Such initiatives include reinforcing LNG receiving docks to berth larger vessels and adding more LNG tanks to boost storage capacity. Another initiative is installing gas pipelines. One of these is the pipeline across Ise Bay connecting our Kawagoe Thermal Power Station and Toho Gas Co., Ltd.'s Yokkaichi Plant with the Chita Area LNG Base, which we operate jointly with this gas company. Another of these is a pipeline named the Mie-Shiga Line that connects our Yokkaichi Thermal Power Station with Osaka Gas Co., Ltd.'s Taga Governor Station.

Enhancement of LNG-Related Facilities



	Project name	Project outline	Construction begins	Construction completes
①	Additional LNG tanks in Kawagoe	Two additional tanks in Kawagoe Thermal Power Station (capacity: 180,000 m^3 each)	FY2007	around FY2012
	Reinforcement to receiving dock in Kawagoe	Enabling to accomodate LNG super tankers with class of over 200,000 m^3	FY2010	FY2010
②	Gas pipeline across Ise Bay	Kawagoe Thermal Power Station–Chita Area LNG Base approx.13.3 km	FY2008	around FY2013
③	Reinforcement to No. 2 receiving dock in Chita	Enabling to accomodate LNG super tankers with class of over 200,000 m^3	FY2008	FY2009
④	Mie-Shiga pipeline	Yokkaichi Thermal Power Station–Taga Governor Station (Osaka Gas Co., Ltd.) approx. 60 km	FY2004	FY2014

Berthing Q-Max Vessels, the World's Largest LNG Tanker Class

The berthing of large LNG vessels is gaining ground as a means to improve efficiency when transporting fuel from overseas.

We completed construction to expand and augment berthing facilities at the Chita LNG Terminal in fiscal 2009, followed by the same at our Kawagoe Thermal Power Plant facility in fiscal 2010. In July 2010, we became the first Japanese utility to berth a Q-Max vessel. Hailing from Qatar, the ship is the world's largest class of LNG tanker, with a loading capacity of 260,000 m^3, roughly twice that of standard vessels.

Furthermore, we plan for our new Joetsu Thermal Power Station, scheduled to commence operation in fiscal 2012, to also have the capacity to berth these tankers.

Berthing of the Q-Max vessel MOZAH

More Reliable, Economical and Flexible Fuel Procurement

In order to procure fuel in a manner that ensures reliability, is more economical, and flexible enough to enable a prompt and appropriate response to supply-demand changes, we are working to acquire upstream interests and utilize fuel trading. Our aim here is to enhance the fuel supply chain from production and purchase through to power generation.

We will continue to diversify our procurement sources and combine different contract periods, and otherwise find ways to procure fuel effectively.

[LNG]

Signing of LNG Sales and Purchase Agreement without Limits on Supply Source

In May 2011, Chubu Electric Power concluded a longterm LNG sales and purchase agreement with BG Group plc. (a UK energy company) which does not limit the source of the supply to a particular project (portfolio agreement). A noteworthy aspect of this agreement is that the Queensland Curtis LNG Project, one source of supply under the agreement, will include coal bed methane (CBM)*1 gas, which is one type of unconventional natural gas.

Chubu Electric Power is the first Japanese electric power company to conclude a long-term portfolio agreement and the first to agree to purchase LNG derived from CBM. Chubu Electric Power believes this agreement will contribute to the stable and flexible procurement of LNG.

*1 CBM is categorized as one type of unconventional gas, and consists mainly of methane that has been produced and stored in coal beds.

Participation in Shale Gas Development Project in Canada

In May 2011, Chubu Electric Power agreed to participate in a shale gas*2 development project*3 located in British Columbia, Canada.

This marks the first time that a Japanese electric power company will participate in a shale gas project. Participation in this project will allow Chubu Electric Power to gain beneficial knowledge about trends in shale gas development. The consortium will study the possibility of exporting the produced shale gas to Japan as LNG.

*2 Shale gas is a form of unconventional natural gas which is found trapped in shale, a layer of solidified mud sediment referred to as source rock

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

[Coal]

Acquisition of Interest in Upstream Coal Project in Australia

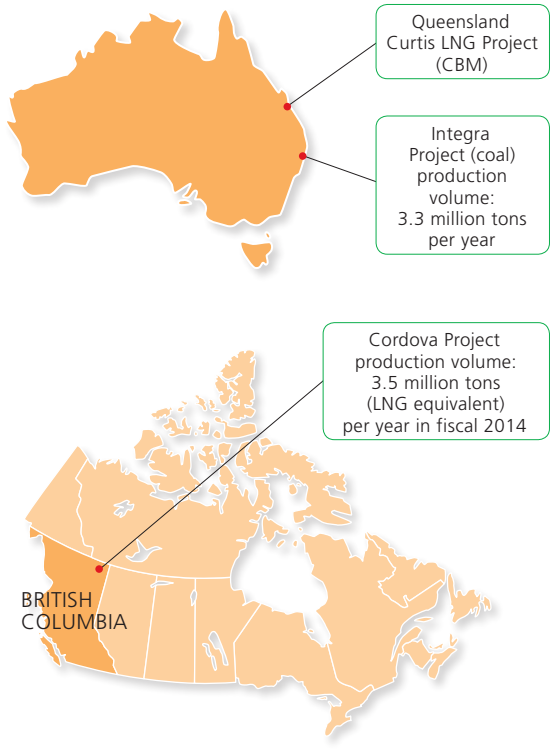
In February 2011, Chubu Electric Power concluded an agreement to acquire an interest in the coal produced by the Integra Project in Australia.

This marks the first acquisition of an interest in a coal project by Chubu Electric Power.

Expansion in Coal Transaction Volume through Trading

Effective in April 2010, Chubu Electric Power transitioned to a structure in which it delegated all its coal procurement activities and the management of its coal assets to Chubu Energy Trading, Inc.*4

*4 Chubu Energy Trading, Inc. is a fully-owned subsidiary of Chubu Electric Power established in December 2007 for the purpose of trading coal.



Promotion of Renewable Energy

Chubu Electric Power is working together with Group companies to develop and introduce renewable energy sources, such as wind power, solar power, hydroelectric power and biomass power generation.

Furthermore, we will strive to popularize and promote renewable energy mainly by purchasing power generated from renewable energy sources.

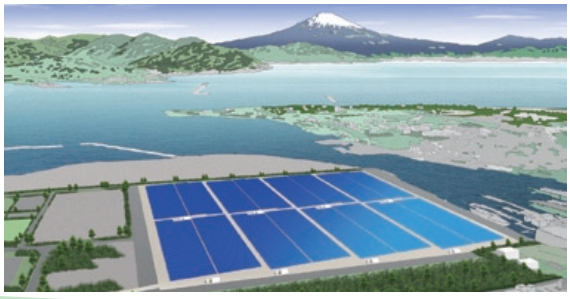
Detailed plans		Output (MW)	CO_2 reduction*1 (t-CO_2/year)	Operation commences
Solar				
Mega Solar Iida		1	400	FY2010
Mega Solar Taketoyo		7.5	3,400	FY2011 (Plan)
Mega Solar Shimizu		8	4,000	FY2014 (Plan)
Total for solar power generation		16.5	7,800	–
Wind				
Chubu Electric	Omaezaki (Phase 1)	6	29,000	FY2009
	Omaezaki (Phase 2)	16		FY2010
Subtotal developed by Chubu Electric		22		–
Group companies	Wind Park Misato	16	150,000	FY2005
	Wind Park Kasatori	20		FY2009
		18		FY2010
	AOYAMA-KOGEN WIND FARM	15		FY2002
		80		FY2016 (Plan)
Total for wind power generation		171	179,000	–
Hydro				
New development	Susado	0.24	600	FY2010
	Tokuyama	153.4	150,000	FY2014 (Plan)
	Generation with minimum water level	0.26	–	FY2014 (Plan)
		0.22	–	FY2016 (Plan)
Improvement	Wago	0.1*2	200	FY2012 (Plan)
Total for hydro power generation		154.22	150,800	
Biomass				
Mixture of wooden chip		–	200,000–300,000	FY2010
Mixture of fuel from carbonized sewage sludge		–	4,000	FY2012 (Plan)
Grand total		341.72	Approx. 500,000–600,000	–

*1 Approximate estimates made at announcement of plans
*2 Represents amount of improvement (3.0 MW → 3.1 MW)

Developing Mega Solar Power Stations

Chubu Electric Power aims to develop technical knowledge concerning large-scale solar power generation and to help popularize and expand solar power generation facilities. From these perspectives, we aim to develop 15–20 MW of mega solar power generation capacity by FY2020.

Following on from the start of operations at Mega Solar Iida in January 2011, we are pressing ahead with the development of Mega Solar Taketoyo and Mega Solar Shimizu.



Mega Solar Shimizu (image)

Developing Wind Power Stations

In January 2011, Chubu Electric Power brought online eight turbines as Phase 2 of the Omaezaki Wind Power Station. Combined with the Phase 1 turbines, Chubu Electric Power now operates 11 turbines (22 MW) at this power station.

Turning to Group companies, C-TECH CORPORATION commenced commercial operation in December 2010 of Phase 2 of Wind Park Kasatori. Combined with the turbines of AOYAMA-KOGEN WIND FARM, these two

Omaezaki Wind Power Station

companies currently operate 47 turbines (69 MW) in total. Furthermore, AOYAMA-KOGEN WIND FARM is preparing to expand capacity by adding 40 turbines (80 MW). The goal is to phase in the operation of these turbines by FY2016.

Developing Hydroelectric Power Stations

Hydroelectric power is a renewable energy source that can be expected to provide a stable supply of power. Therefore, Chubu Electric Power will continue working to develop new hydroelectric power stations and utilize untapped hydroelectric power sources. Efforts will also be made to enhance the output and the amount of power generated from existing hydroelectric power stations through renovations.

In September 2010, we commenced operation of the Susado Hydroelectric Power Station (0.24 MW) in Azumino City, Nagano Prefecture. This power station utilizes the unused drop of an erosion control dam to generate power. Development of the Tokuyama Hydroelectric Power Station (153.4 MW) is also steadily progressing with the aim of commencing operations in FY2014.

Furthermore, Chubu Electric Power is proceeding with several hydroelectric power projects. We are developing two new projects that utilize hydroelectric power generation with minimum water level (0.26 MW: scheduled to come online in FY2014; 0.22 MW: scheduled to come online in FY2016). We are also engaged in one project to increase the output of an existing hydroelectric power station through facility refurbishments (expansion in output of the Wago Hydroelectric Power Station by 0.1 MW from 3.0 MW to 3.1 MW in July 2012).

Biomass Power Generation

From FY2010, Chubu Electric Power has conducted mixed combustion using woody biomass as fuel at its Hekinan Thermal Power Station. We aim to reduce CO_2 emissions at the power station by reducing the amount of coal that is used as fuel.

Furthermore, we participated in a project to turn sewage sludge into fuel at the Kinuura East Purification Center in Aichi Prefecture. This project aims to generate biomass fuel from sewage sludge, which has traditionally been incinerated, by carbonizing it in a fuel-producing facility to be built within the purification center. The plan calls for burning the fuel that is produced together with coal (mixed combustion) at the nearby Hekinan Thermal Power Station over a period of 20 years, beginning in April 2012.

Biomass Fuel Facility (Hekinan Thermal Power Station)

Purchasing Surplus Electric Power

Chubu Electric Power is helping to popularize and promote new energy* such as solar power and wind power by purchasing surplus electric power from such sources.

* Includes wind, solar, biomass and other forms of energy set forth in the *Act on Special Measures Concerning New Energy Use by Operators of Electric Utilities* (the "RPS Law").

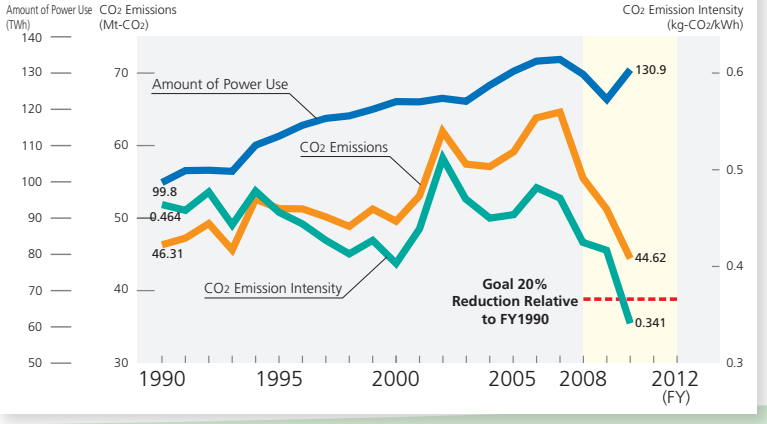
Purchases in FY2010	Solar	Wind	Waste materials	Small-scale hydroelectric
No. of Contracts	127,616	40	33	9
Volume of Power Purchased (GWh)	283	323	217	4

*1 Small-scale hydroelectric refers to facilities with outputs of 1 MW or less.
*2 Figures include the purchase of wind power generated by Group companies.

Reducing CO_2 Emission Intensity

Chubu Electric Power is working towards reducing the average CO_2 emission intensity over the 5-year First Commitment Period of the Kyoto Protocol (FY2008 to FY2012) by 20% relative to the FY1990 level. Although this target may be difficult to achieve due to the suspension of operations at the Hamaoka Nuclear Power Station in May 2011, Chubu Electric Power will continue making every effort to achieve this target on both the supply and demand fronts.

Chubu Electric Power CO_2 Emission Intensity



* CO_2 emissions intensity indicate figures after reflecting CO_2 credits

Initiatives to Build a Next-Generation Electric Power Network

Renewable energies such as solar power with unstable output will play an increasingly key role going forward. Linking such power sources to our electric power network may require measures to stabilize the network. Chubu Electric Power is engaged in a variety of research and development initiatives and demonstration projects with the aim of building a next-generation electric power network.

Evaluative Research on Homes of the Near Future (Smart Homes) (Launched in Fiscal 2009)

See R&D for details (page 22).

Research on Evaluating Effects on the Power Grid from the Spread and Growth of Solar Power Generation (Launched in Fiscal 2009)

See R&D for details (page 22).

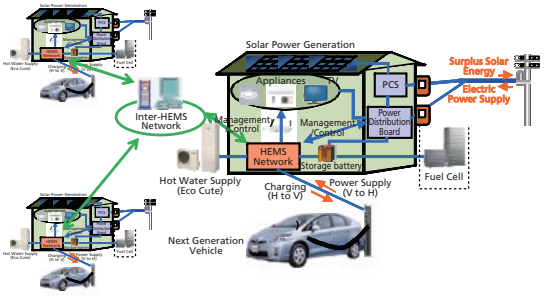
Achieving High-Performance Distribution Facilities

Chubu Electric Power has developed a next-generation automatic switching unit featuring a sensor in the unit that is capable of measuring current and voltage, as well as detecting circuit breaks. Also, through participation in a national verification project in Japan to demonstrate optimal control technologies for next-generation power grids (participating since FY2010), we are developing technologies to control fluctuations in voltage in the power grid as well as low-loss and low-cost devices.

Participation since Fiscal 2010 in the Verification Project for Establishment of a Household and Community-based Low-Carbon City in Toyota City

Japan's national government has selected Toyota City as the location for a next-generation energy and social system demonstration project. Working together with Toyota Motor Corporation and others, Chubu Electric Power is involved in demonstrations to have households and communities use energy more effectively.

Chubu Electric Power will look particularly at "visualization" of household power use and controls, as well as development and evaluation of home energy management system (HEMS) that enable effective household use of solar energy generated within the house. In collaboration with partners such as Toyota Motor Corporation and DENSO CORPORATION, we will gain new knowledge about the future of energy supply and effective ways of using energy.



Verification Test for New Distance-Monitoring Electronic Meter (Fiscal 2011)

As part of our efforts in this area, starting in April 2011 we will conduct a test installation of approximately 1,500 of these new electronic meters at households in Kasugai City, Aichi Prefecture. While the meters are installed, we will conduct verification of the basic remote meter reading function* and other functions. Details of the verification are described later in this section. We believe that the introduction of these new meters will improve customer service and operational efficiency, as well as promote the efficient use of energy, thereby contributing to the realization of a low-carbon society. Based on the data gathered in this experiment, Chubu Electric Power will proceed with development of new meters, and consider the potential for commercialization.

* The remote meter reading function enables usage data to be sent from the smart meters to the server of the power provider via a transponder.

Details of Test

<Verification of Remote Meter Reading Function>

In order to remotely measure the amount of electric power used by customers, data must be transmitted accurately from the meter to our servers. We will therefore test transmissibility of the new electronic meter in various structural conditions.

New Electronic Meter

Upper Portion: Transmission Unit
- Transmits the meter data

Middle Portion: Meter Unit
- Measures the amount of electricity consumed

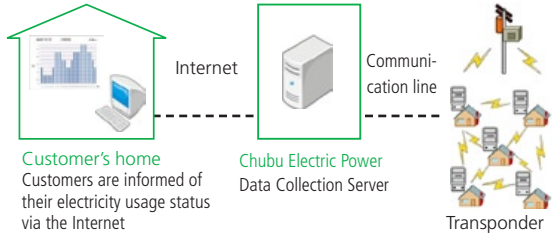
Lower Portion: Switching Unit, etc.
- Turn electric power on and off as needed

<Testing the Effectiveness of "Visualization">

Customers will be informed of the detailed electricity use data gathered from the remote readings via the Internet (allowing them to "visualize" their electricity usage). We will conduct surveys to assess how this information is changing customer behavior, and what types of information are effective in helping customers use electricity efficiently.

Remote Meter Transmission

Meter data is transmitted wirelessly between the electronic meters acting as relay stations, and sent to the transponder.



Sales Strategy

Chubu Electric Power aims to be the No. 1 energy services corporate group by pursuing optimal energy use together with customers.

Proposals for Residential Customers

Chubu Electric Power gives highest priority to initiatives for ensuring electric power supply stability to residential customers. In addition to PR suggesting ways to use electricity better, we are informing customers already convinced of the safety, simplicity and cleanliness of electricity of the features and benefits of heat pumps, like the high energy-efficiency "Eco Cute."

Proposals to Business Customers

Provision of Energy Solutions Services

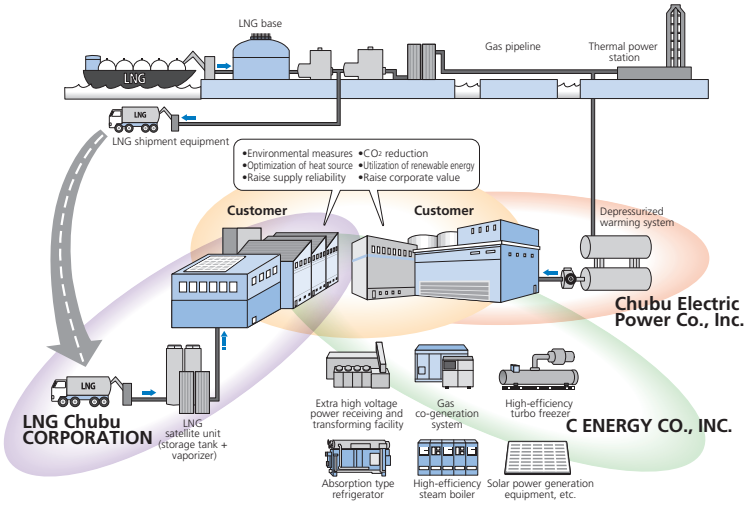
Along with helping make customers' styles of energy usage more visible, Chubu Electric Power will propose a variety of options ranging from the optimal combination of energy for lowering usage, reducing CO_2, and cutting costs, to efficient operation methods and heating system utilization (air conditioners, water heaters, kitchens, production processes, etc.).

Gas, LNG and On-Site Energy Service Sales

With the rise in environmental awareness, a shift in fuel from heavy oil to natural gas is taking place.

In conjunction with this trend, the Chubu Electric Power Group is providing optimal energy services by combining gas, LNG and on-site energy services for businesses, helping them to save energy and reduce both CO_2 emissions and costs.

Energy Services in Collaboration with Group Companies

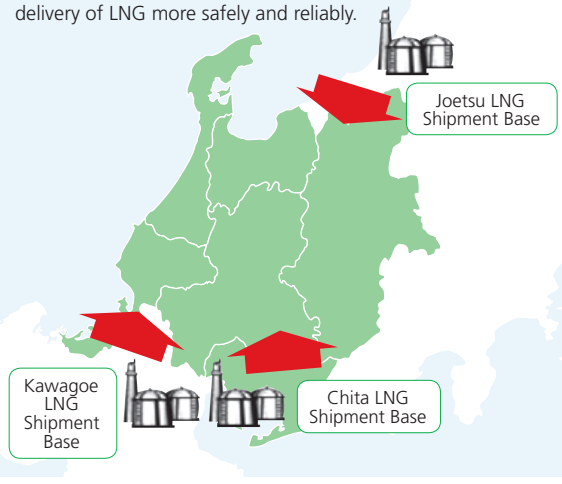


Specific ventures are natural gas sales using our own gas pipelines, LNG sales via tanker trucks by Group companies LNG Chubu CORPORATION and Hokuriku Erunesu Co., Ltd., and on-site energy services and ESCO business by Group company C ENERGY CO., INC.

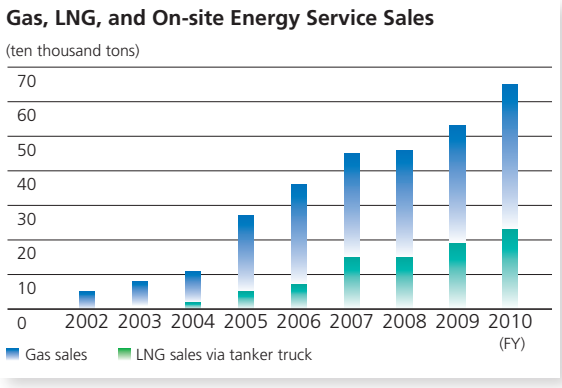
Utilizing the Joetsu LNG Shipment Base

Up until now, LNG has been transported via tanker trucks from the LNG shipment bases at Kawagoe and Chita on the Pacific Ocean coast of Japan. Going forward, though, we intend to build an LNG shipment base at the Joetsu Thermal Power Station on the Japan Sea coastline.

This step will allow us to provide LNG to customers whom we previously could not readily service for distance-related reasons. Furthermore, using three bases will enable the delivery of LNG more safely and reliably.



Gas, LNG, and On-site Energy Service Sales



Overseas Energy Projects

Based on the know-how and other management resources cultivated through business activities in Japan, Chubu Electric Power will steadily advance the energy business, including thermal power generation and renewable power generation, and aim to secure revenues while focusing sufficiently on business efficiency and risk management.

Expanding Revenues by Developing Business Overseas

In order to further develop the overseas energy business as a new source of revenues, Chubu Electric Power will steadily promote operations in North America, Asia and the Middle East, with a focus on power generation businesses.

<Participation in Thermal Power Generation>

Chubu Electric Power will effectively leverage its know-how to expand businesses, particularly the gas thermal power business field which is rich in business opportunities, in an effort to secure long-term, stable earnings. We are also working to strengthen the earnings base through careful management of existing investments.

<Participation in Renewable Energy Projects>

Following careful analysis of investment options, we will participate in renewable energy projects that are becoming more widespread throughout the world, including wind, solar, hydroelectric and biomass power. By doing so, we will secure revenues and contribute to the reduction of CO_2 emissions across the globe.

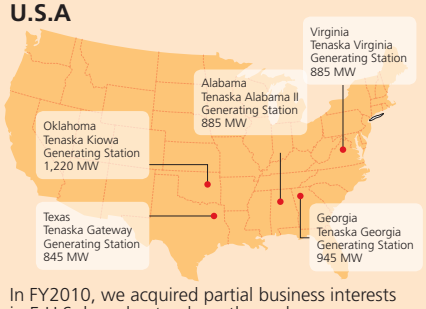
Total cumulative investment at the end of fiscal 2010: approx. ¥70.0 billion
Total output attributable to Chubu Electric Power: approx. 2,550 MW

Overseas Investments (As of July 31, 2011)

Region	Projects	Total Output (MW)	Chubu Electric Power's Investment	Start of Participation	Start of Operation
Power Generation Projects					
North America	U.S.A. Investments in Various Existing IPPs	50×5	5%	Fiscal 2004	2004–2013 (Purchase and Sales Period)
	U.S.A. Tenaska Energy Gas Thermal IPP Project (5 power stations)	4,780	approx. 11–18%	Fiscal 2010	2001–2004
	Canada Gas Thermal IPP Power Generation Project	875	50%	Fiscal 2009	Jun. 2009
	Mexico Gas Thermal IPP Project (Valladolid)	525	50%	Fiscal 2003	Jun. 2006
	Mexico Gas Thermal IPP Project (Falcon, 5 power stations)	2,233	20%	Fiscal 2010	2001–2005
Asia	Thailand Gas Thermal IPP Project	1,400	15%	Fiscal 2001	Jun. 2008
	Thailand Cogeneration Projects in Industrial Areas (3 sites)	approx. 110×3	19% (Two sites) 24% (One site)	Fiscal 2011	2014 (Planned)
Middle East	Qatar Ras Laffan B Independent Water and Power Project	1,025	5%	Fiscal 2004	Jun. 2008
	Qatar Mesaieed Independent Power Project	2,007	10%	Fiscal 2008	July. 2010
	Qatar Ras Laffan C Independent Water and Power Project	2,730	5%	Fiscal 2008	March. 2011
	Oman Sur Gas Thermal IPP Power Generation Project	2,000	30%	Fiscal 2011	2014 (Planned)
Environmental Projects					
Asia	Thailand Rice Husk Biomass Power Generation Project	20	34%	Fiscal 2003	December. 2005
	Malaysia Oil Palm Empty Fruit Bunch Biomass Power Generation Project (expected to acquire approx. 2,000,000 tons of CO_2 credits*)	10×2	18%	Fiscal 2006	Jan. 2009 (Base 1) Mar. 2009 (Base 2)
	Asian Environmental Funds	–	26%	Fiscal 2003	2004–2014 (Fund Operation Period)

Shaded area covers projects in which the Company took part or acquired additional interests from FY2011.
* CO_2 credits indicates the amount of credits to be purchased under the first commitment phase of the Kyoto Protocol.

U.S.A



In FY2010, we acquired partial business interests in 5 U.S.-based natural gas thermal power stations (total output of 4,780 MW).

Malaysia

In Borneo, Malaysia, we developed and operate two 10 MW power plants fueled by previously discarded oil palm empty fruit bunches.

Qatar

We initiated operations at Ras Laffan C, our third project at the site, in March 2011.

Measures to Improve Management Efficiency

We will further use our creative ingenuity to reduce costs in all aspects of building and managing facilities, procurement and operations.

Increasing the Efficiency of Facilities

We have worked to curb capital investment by efficiently building new facilities and efficiently operating our existing facilities. As a result, the amount of investment declined from FY1994 through FY2005.

Since FY2006, the level of investment has increased in conjunction with the upgrade of facilities to ensure supply stability, and the construction of combined-cycle thermal power plants offering outstanding power generation efficiency.

Capital investment (nonconsolidated) in FY2010 totaled 256.6 billion yen, which was roughly the same level as FY2009. Despite substantial investments made in association with the construction of the Joetsu Thermal Power Station, Mega Solar Taketoyo, and the Omaezaki Wind Power Station, as well as fuel-related infrastructure improvements, efforts to boost efficiencies in all areas of overall investment helped keep the investment amount in check.

High Composite Thermal Efficiency for Thermal Power Plants through Efficient Operations

Efforts to efficiently operate our facilities include use of high-efficiency LNG combined-cycle power plants with high capacity utilization, and installing auxiliary boilers which enable us to temporarily shut down oil-fired thermal power plants when demand is low.

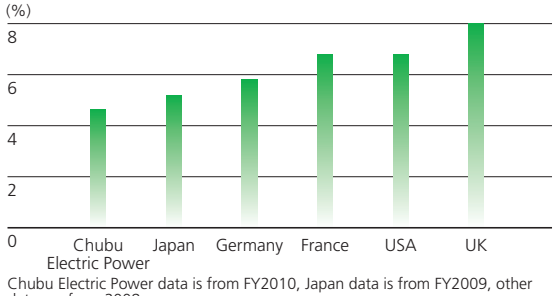
Consequently, we continue to maintain a high composite thermal efficiency rate well exceeding the national average in Japan.

Reducing Losses in Power Transmission and Distribution

We have been working to reduce losses during power transmission and distribution by increasing voltage in power transmission lines, adopting substations that generate low transmission losses, and by operating distribution networks designed to minimize power loss.

As a result of these efforts, we have kept power transmission and distribution losses below 5% since 1993, making Chubu Electric Power one of the top performers in the world in terms of losses in transmission and distribution.

Comparison of Losses in Transmission and Distribution among Major Countries



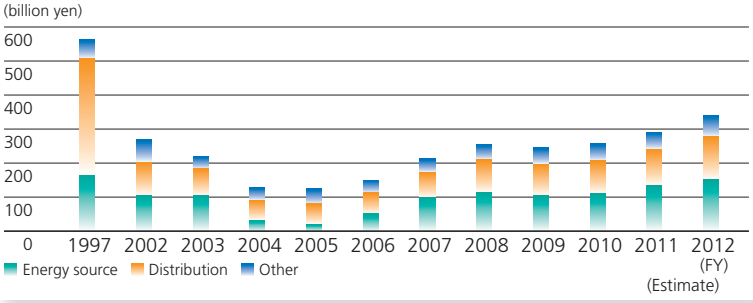
Chubu Electric Power data is from FY2010, Japan data is from FY2009, other data are from 2008.

Source: Japan data from *Hand Book of Electric Power Industry*, Federation of the Electric Power Companies of Japan.
Germany, France, US, and UK data from *Overseas Electric Power Industry Statistics 2010*, Japan Electric Power Information Center, Inc.

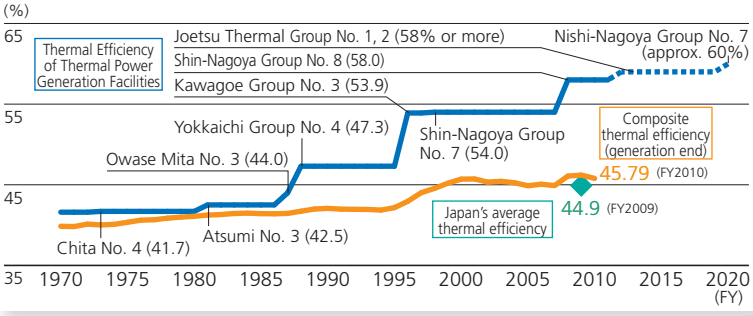
Achieving Greater Operational Efficiency

As a result of ongoing efforts to promote operational efficiency, Chubu Electric Power has achieved per-employee electric power sales, a measure of productivity, among the highest of any in Japan's domestic power industry. We are working to cultivate a corporate culture of improvement and further raise operational efficiency.

Amount of Capital Investment (Nonconsolidated)

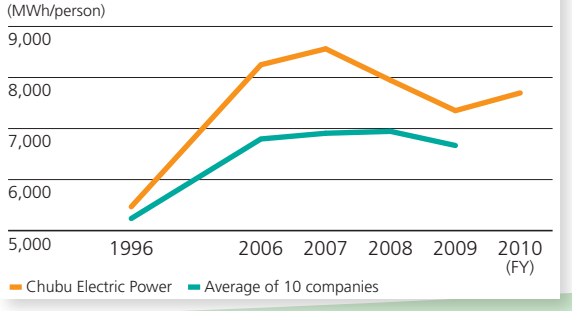


Thermal Efficiency of Thermal Power Generation Facilities and Composite Thermal Efficiency (LHV basis)



Source: Japan's average thermal efficiency from Environmental Action Plan (FY2010 edition), Federation of the Electric Power Companies of Japan (September 2010)

Per-Employee Electric Power Sales



Source: Average for Japan's 10 electric power companies from *Hand Book of Electric Power Industry*, Federation of the Electric Power Companies of Japan.

CSR at the Chubu Electric Power Group

Chubu Electric Power actively contributes to the sustainable development of society through highly transparent business management practices, working diligently to meet the expectations of our stakeholders.
Because we manage infrastructure that serves many customers, in particular, public and employee safety is paramount. Our most fundamental concern is the safe and stable operation of all of our many facilities, and because we view this as the basis for trust, we will continue to work diligently in this regard.

Chubu Electric Power Group CSR Declaration **Fulfilling our responsibilities and meeting society's expectations**

Chubu Electric Power Group, as a Multi-Energy Services Group, is committed to:

Contributing to the development of a sustainable society by giving top priority to safety and striving to both provide a stable supply of energy and protect the global environment. We aim to accomplish these goals through business activities that allow the individuality of Group companies to be fully expressed while achieving Group synergy in enterprises within our core competence in energy;

Managing our businesses in a fair and sincere manner by observing national and international laws, regulations, and social rules, and by respecting corporate ethics; and

Giving priority to dialogue with all our stakeholders and maintaining high levels of transparency and openness in our business activities.

Customers: We are committed to providing our customers with safe, reliable, convenient, and affordable energy services, as well as other services of value that meet their needs.

Shareholders and Investors: We strive to maintain and increase profits for our shareholders and investors through efficient management and effective investment.

Local Communities: We are determined to contribute to sustainable local development in partnership with local communities.

Business Partners: We promise to deal fairly with our suppliers as equal business partners.

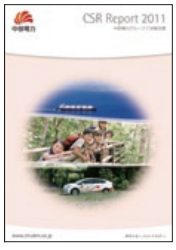
Employees: We respect individuals and endeavor to create a cheerful and motivating workplace.

The Framework for Promotion of CSR

The CSR Group is the center point of the Chubu Electric Power Group's efforts to identify CSR issues and undertake improvement activities, working from stakeholder views and opinions. In tandem, the CSR Promotion Council, with a membership comprising the heads of all company divisions, meets to consider addressing stakeholder expectations from a medium- to long-term perspective.

The Group compiles and issues a CSR report on the status of activities each year.

"CSR Report 2011" released in August, 2011.



Measures Against Global Warming

Helping to Expand the Spread of Electric Vehicles

We plan to introduce 1,500 electric vehicles (including plug-in hybrid vehicles) to our corporate fleet by the end of FY2020, which will comprise approximately 40% of our fleet. At the end of FY2010, we had already added 200 such vehicles. (By adding 1,500 electric vehicles to our fleet we can reduce our annual CO_2 emissions by about 1,500 tons.) In addition, we are participating in initiatives aimed at making electric vehicles more widespread, such as the Aichi EV/PHV Promotion Network and the Fujinokuni EV/PHV Town Concept.

Electric vehicle

Plug-in hybrid vehicle

Providing Power to Idling Trucks with External Power Sources

Supplying power to trucks waiting in parking lots has received attention as a way to reduce CO_2 emissions and fuel costs attributable to idling.

Since April 2011, with the support of Logistics Network, Inc., we have been working with Tokyo Electric Power Company, Inc. to test the extent to which introducing a system to supply power to idling trucks transporting frozen goods will lower their environmental footprint. We expect that introducing two power supply systems (enough to provide power to four trucks) will reduce annual CO_2 emissions by 35 tons.

Electricity supply station offering external power source to cut truck idling

Promotion of Compliance Management

As a key pillar in executing CSR, under the guidance of our Compliance Committee, we have formed a company-wide framework encouraging each division and facility to practice CSR autonomously. We educate all employees on matters of compliance, and we feel these efforts represent proactive compliance management.

Moreover, we have established the Chubu Electric Power Group Compliance Council, in order to carry out activities to ensure Group-wide compliance.

Promoting Group Management

We have positioned efforts to showcase and improve upon our collective strengths as a priority issue for achieving sustainable growth for the entire Chubu Electric Group. To this end, we will clarify the roles of Chubu Electric Power and the Group companies in business domains such as electric power generation, transmission, transforming, and distribution, in the pursuit of efficient and well-coordinated business operations.

Research and Development

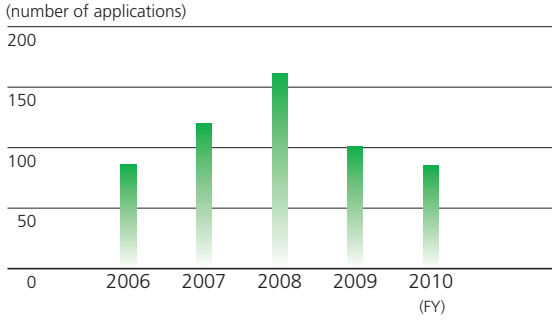
Led by the Research & Development Division, Chubu Electric Power is engaged in the following areas of technological development over the medium to long term to promote the missions stated in "Management Vision 2030." The Company responds flexibly and strategically to changes in business conditions such as the movement to realize a low-carbon society, while maintaining an ever keener awareness of cost/benefit analysis of development activities. We prioritize research activities with potential for profitability and apply the results in all aspects of business, including sales activities.
We also acquire and exercise intellectual property rights for the results obtained through our technical development and innovative business activities.

Issues of Technological Development

Technological Development to "Ensure a Stable Supply of Low-carbon, High-quality Energy at Reasonable Prices"

Technological Development to "Become the Top Corporate Group in Energy Services"

Number of Patent Applications



Research Aimed at Expanding Biomass Energy Use

Chubu Electric Power has been developing power generation technology that uses solid biomass. Examples include the mixed-combustion of wood chips in coal-fired thermal power stations and diversified-type woody biomass power generation using Stirling engines*.

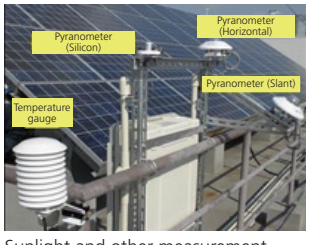
Going forward, we will advance research and development on technologies to expand the use of biomass, including liquid biomass fuels.

Stirling engine power generation facility that uses woody biomass

* Unlike the internal combustion engine used in automobiles, a Stirling engine is an external combustion engine that heats and cools air and gas from outside the cylinder, and is capable of using the combustion heat and exhaust heat of any type of fuel, including biomass fuel.

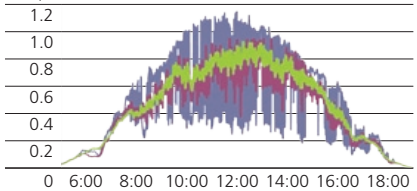
Research on Evaluating Effects on the Power Grid from the Spread and Growth of Solar Power Generation

In advance of the future large-scale use of solar power, Chubu Electric Power is collecting and analyzing basic data in order to assess the impact of such a large-scale switch to solar power generation on an electric power network. This research is being funded by the Agency for Natural Resources and Energy in Japan. Specifically, we have installed equipment to measure the amount of sunlight and other meteorological data as well as the amount of solar power output at 61 locations within our service area. Using dedicated communication lines, we are able to automatically collect data online at one-second intervals, and analyze the smoothing effect on solar power output variability for a wide area. This research will provide insight on the impact that a large-scale introduction of solar power generation will have on the power grid frequencies, and shed light on necessary measures to upgrade the power grid and grid-related operational requirements, such as adjusting supply and demand.



Sunlight and other measurement equipment and solar panels on the roof of a customer service office.

The smoothing effect on solar power output
(Output: kW/m²)



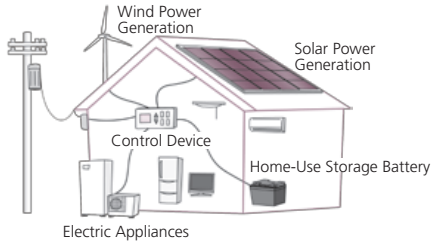
— One site within the city
— Composite of 10 sites (average)
— Composite of 34 sites (average)

Evaluative Research on Homes of the Near Future (Smart Homes)

A smart home generally refers to a home that is able to use energy efficiently by employing an information network to link home appliances with solar power panels, home-use power storage batteries, and automobile electricity storage batteries.

As home-use solar power and other forms of renewable energy continue to become more widespread, we are advancing research on systems that effectively utilize renewable energy such as solar power and wind power by using home energy management systems (HEMS) to regulate home-use electric power storage batteries and other appliances, such as "Eco Cute" heat pumps.

A next-generation home (smart home)



Governance Structure

In order to remain a trusted company and the first choice for shareholders, investors, and all stakeholders, Chubu Electric Power is working to take corporate governance to the next level, with fairness and transparency as central management tenets.

In addition to the corporate bodies prescribed by Japanese Corporate Law (such as a board of directors, board of auditors, and corporate auditors), our governance structure includes the Management Strategy Committee and Senior Executive Committee.

The Board of Directors meets monthly in principle to discuss and decide important matters of management and items governed by law or the articles of incorporation. The board also hears progress reports to monitor directors as they execute their duties. Additionally, two outside directors have been appointed in order to enhance monitoring functions.

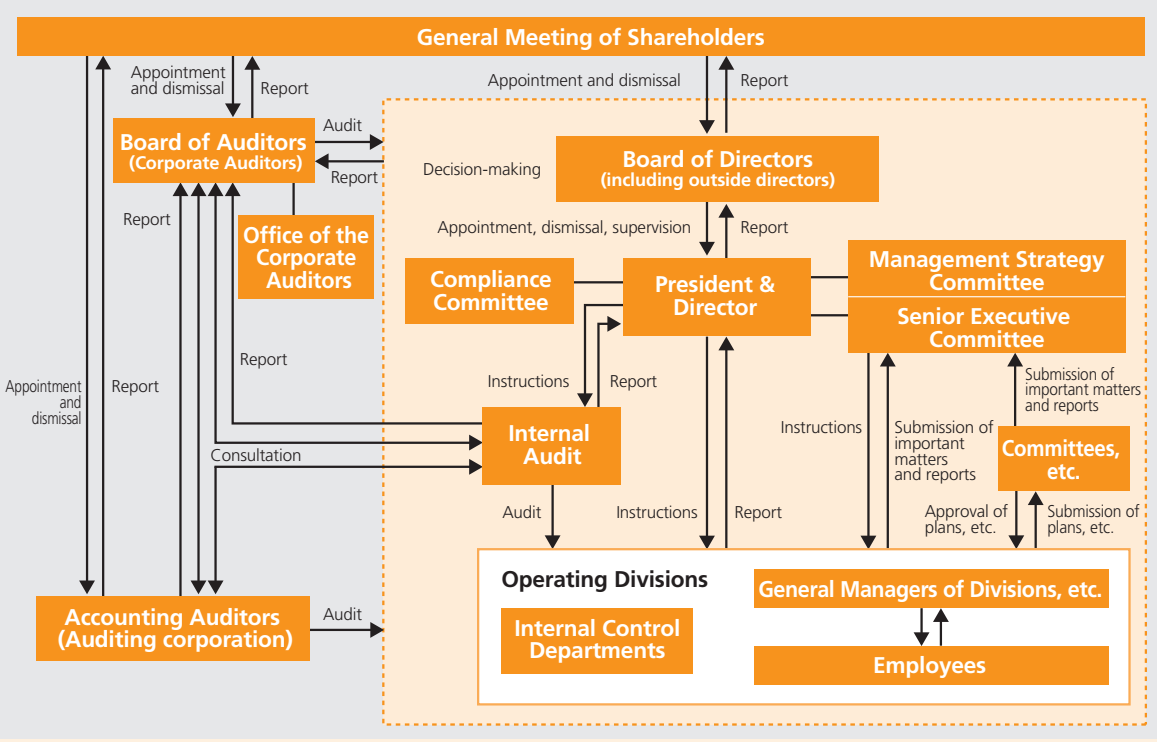
The Senior Executive Committee meets once a week in principle for preliminary deliberation of items on the agenda of the Board of Directors and to discuss other important business matters. Meanwhile, the Management Strategy Committee of representative directors and other officers discusses the course of action in medium- to long-term management. Matters requiring special attention are submitted to the Senior Executive Committee and the Board of Directors.

We have adopted an executive officer system to ensure that management's decision-making and supervision duties are separate from the execution side and to help accelerate execution. Substantial authority is delegated from the president to the managing executive officers with other responsibilities who serve as general managers, and the execution of duties in specified areas is completed by persons at or below the rank of general manager. To ensure consistency between managerial decisions and actual business operations in specified areas, directors, as a rule, serve in a dual capacity as managing executive officers whenever the position involves weighty responsibilities such as general manager. Directors then contribute their expertise in meetings of the Board of Directors.

To ensure that our management system is capable of responding quickly to changes in the business environment and that management responsibilities and executive responsibilities are clear, directors, managing executive officers, and executive officers serve a one-year term.

The Board of Auditors consists of seven Corporate Auditors (including four Outside Corporate Auditors), and works to allocate the roles of the Corporate Auditors and share information in order to conduct audits more systematically and efficiently. It also issues decisions and approvals regarding matters of law and the items prescribed by the articles of incorporation. Corporate Auditors audit every aspect of the performance of duties by the directors, for which purpose they deepen understanding of the Directors, the internal audit divisions, and other employees, attend meetings of the Board of Directors and other important meetings, hear from Directors regarding the performance of their duties, and examine the circumstances of company operations and finances. They also perform their

Chubu Electric Power's Corporate Governance Framework



duties for the purpose of thoroughly monitoring and verifying resolutions made by the Board of Directors regarding establishment of systems to ensure the quality of corporate administration and the operating status of the system (internal control) developed by such resolutions.

The Internal Audit Department, which is under the direct control of the president and independent of the operating divisions, is responsible for internal audits, and it performs these audits on the activities of the operating divisions such as quality control for safety at nuclear power plants, basing its perspective on internal control system (including internal controls over financial reporting) effectiveness and CSR. The results of each of these initiatives are reported to the president and presented as advice and admonishments to relevant divisions to encourage continuous improvement.

Internal Controls

Preparation and Operation of Internal Control System

Chubu Electric Power established a basic stance on the preparation of an internal control system, formulating a set of systems to ensure the proper conduct of business operations. Today, the Company has prepared and operates a system of internal controls based on these individual systems.

Systems for Ensuring Proper Conduct of Business Operations

Brief Overview

Based on management centered on fairness and transparency, Chubu Electric Power strives to be a company trusted by shareholders, customers, and other stakeholders through the effective functioning of the following systems.

1. System regarding management control
2. System regarding risk management
3. System regarding compliance
4. System regarding audits
5. System to ensure proper business operations by the Chubu Electric Group

Enhancing Internal Controls at Group Companies

The Chubu Electric Power Group has a department responsible for oversight of Group companies' internal controls. This division formulates business strategies and policies applicable to the entire Group, and manages Group companies.

This department also performs internal audits of the 30 consolidated subsidiaries, and supports Group companies in their efforts to establish and execute internal controls. Up until now, these audits have confirmed the existence and enforcement of basic rules, general compliance enforcement, and the general framework behind internal controls at Group companies.

Between FY2011 and FY2013, in order to further enhance overall Group internal controls, we will focus audits on investigating efforts to promote compliance and the status of compliance with relevant laws and regulations.

Moreover, in addition to expanding the scope by adding four additional companies, resulting in a total of 34 companies, joint internal audits by Chubu Electric Power and Group companies will allow for sharing of skills and help bolster the Group's overall internal controls.

Internal Controls Over Financial Reporting

Concerning internal controls on financial reporting as based on the Financial Instruments and Exchange Law, Chubu Electric Power has prepared and is operating a system to visualize, confirm, and evaluate important business processes relating to financial reporting. We will continue to work to ensure appropriate financial reporting.

Risk Management

Risk management for the Company as a whole and for the individual divisions seeks to prevent risks, as well as to put the organizations, authority and internal regulations in place to transfer and mitigate risks following their occurrence.

Specifically, risks that can have a serious impact on management are subject to risk management protocol and other internal regulations. Based on these regulations, the Corporate Planning & Strategy Division and the various individual divisions are to ascertain and evaluate such risks, which are then to be reported at Management Meetings. They are also to act on the instructions of top management to formulate and implement management plans and business operation plans incorporating risk countermeasures.

In the event of an emergency or other such event that could have a serious impact on the Company's assets or credibility in society, actions are to be taken in accordance with disaster countermeasure procedures, crisis management regulations, and other such regulations. Such actions include reporting to command posts, emergency action for damage control, and response and restoration procedures.

Additionally, the Company formulates business continuity plans (BCPs) applicable to all operations to limit any disruptions to business in the event of a catastrophic disaster. Chubu Electric Power intends to incorporate knowledge and lessons learned from the Great East Japan Earthquake in future BCP formulation.

Compensation for Officers

(million yen)

Group	Total amount of compensation	Compensation		Number of people compensated
		Salary	Bonus	
Directors*	675	584	91	16 people
Corporate auditors*	111	111	–	3 people
Outside directors	50	50	–	6 people

* Does not include outside directors.
The compensation listed above includes compensation for three directors who resigned at the end of the 86th General Meeting of Shareholders.

Directors and Corporate Auditors

(As of July 1, 2011)

Chairman of the Board of Directors

Toshio Mita

April 1969	Joined Chubu Electric Power
June 2003	Director, General Manager of Tokyo Office
June 2005	Director & Managing Executive Officer, General Manager, Customer Service Division
June 2006	President & Director
June 2007	President & Director (Executive Officer*)
June 2010	Chairman of the Board of Directors (Current)
May 2011	Chairman, Chubu Economic Federation (Current)
June 2011	Chairman, Chubu Industrial and Regional Advancement Center (Current)

* Introduction of current executive officer system in FY2007

President & Director

Akihisa Mizuno

April 1978	Joined Chubu Electric Power
June 2008	Director & Senior Managing Executive Officer General Manager of Corporate Planning & Strategy Division
June 2009	Director & Executive Vice President General Manager of Corporate Planning & Strategy Division, and Affiliated Business Planning & Development Dept.
June 2010	President & Director (Current)

Director, Executive Vice President

Yoshihito Miyaike

General Manager of Information Systems Dept.
General Manager of Power Generation Division

Masatoshi Sakaguchi

General Manager of Nuclear Power Division

Kazuhiro Matsubara

General Manager of Legal Affairs Dept., General Affairs Dept., Finance & Accounting Dept., and Purchasing & Contracting Dept.

Tomohiko Ohno

General Manager of Secretarial Services Dept., Personnel Dept., Human Resources Development Center, and Affiliated Business Management & Development Dept.

Director, Senior Managing Executive Officer

Ryosuke Mizutani	General Manager of Hamaoka Central Administration Office and affiliated with Environmental Affairs & Plant Siting Division
Satoru Katsuno	General Manager of Corporate Planning & Strategy Division
Katsuji Noda	General Manager of Fuels Dept., International Business Dept.
Akira Matsuyama	General Manager of Land Affairs Dept., and Telecommunications Engineering Dept., General Manager of Power System Division
Atsushi Ishida	General Manager of Research & Development Division
Yoshinori Masuda	General Manager of Gas Sales & Service Dept., Deputy General Manager of Corporate Planning & Strategy Division
Hiromi Yamazaki	General Manager of Environmental Affairs & Plant Siting Division and affiliated with Nuclear Power Division
Yutaka Watanabe	General Manager of Customer Service Division

Director

Yuji Kume　Hideko Katsumata　Shun Matsushita

Senior Corporate Auditor (Full-time)

Hidetaka Tomita

Corporate Auditor

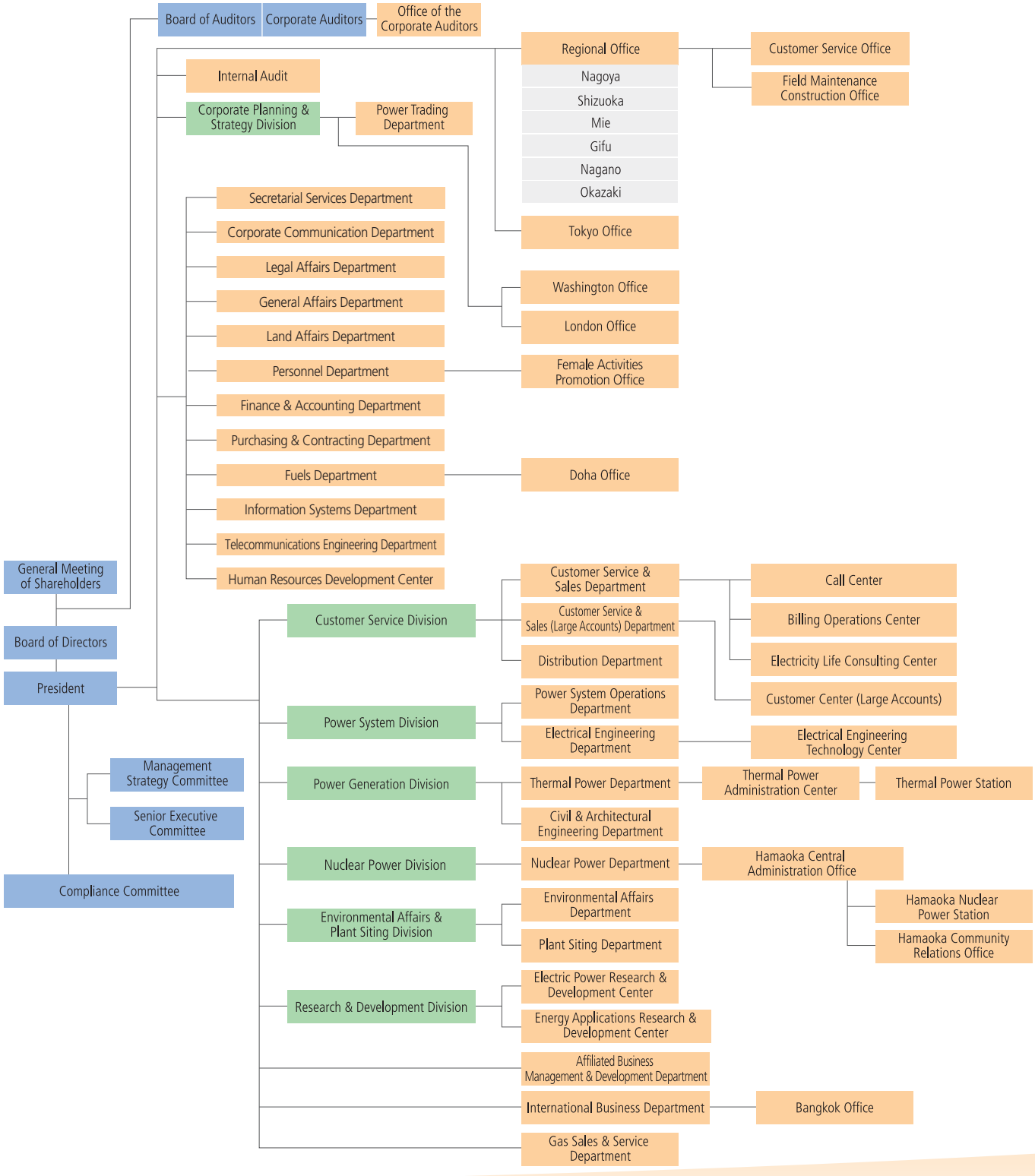
Katsuyuki Naito (Full-time)
Masato Harada (Full-time)
Minoru Matsuo
Toshiko Aburada
Kenji Matsuo
Shigehisa Sao

Notes 1) Directors Hideko Katsumata and Shun Matsushita are outside directors as defined in Article 2, Clause 15 of the Japanese Corporate Law.

2) Corporate auditors Minoru Matsuo, Toshiko Aburada, Kenji Matsuo, and Shigehisa Sao are outside corporate auditors as defined in Article 2, Clause 16 of the Japanese Corporate Law.

Chubu Electric Power Co., Inc. Organization Chart

(As of July 1, 2011)



Chubu Electric Power Group

(As of March 31, 2011)

The Company Reported the Financial Statements
Consolidated Subsidiaries
Affiliates Accounted for Under the Equity Method

Electric Power Business

Chubu Electric Power Co., Inc.

Energy Business

LNG Chubu CORPORATION	C ENERGY CO., INC.	Hokuriku Erunesu Co., Ltd.

Other

Overseas Energy Businesses

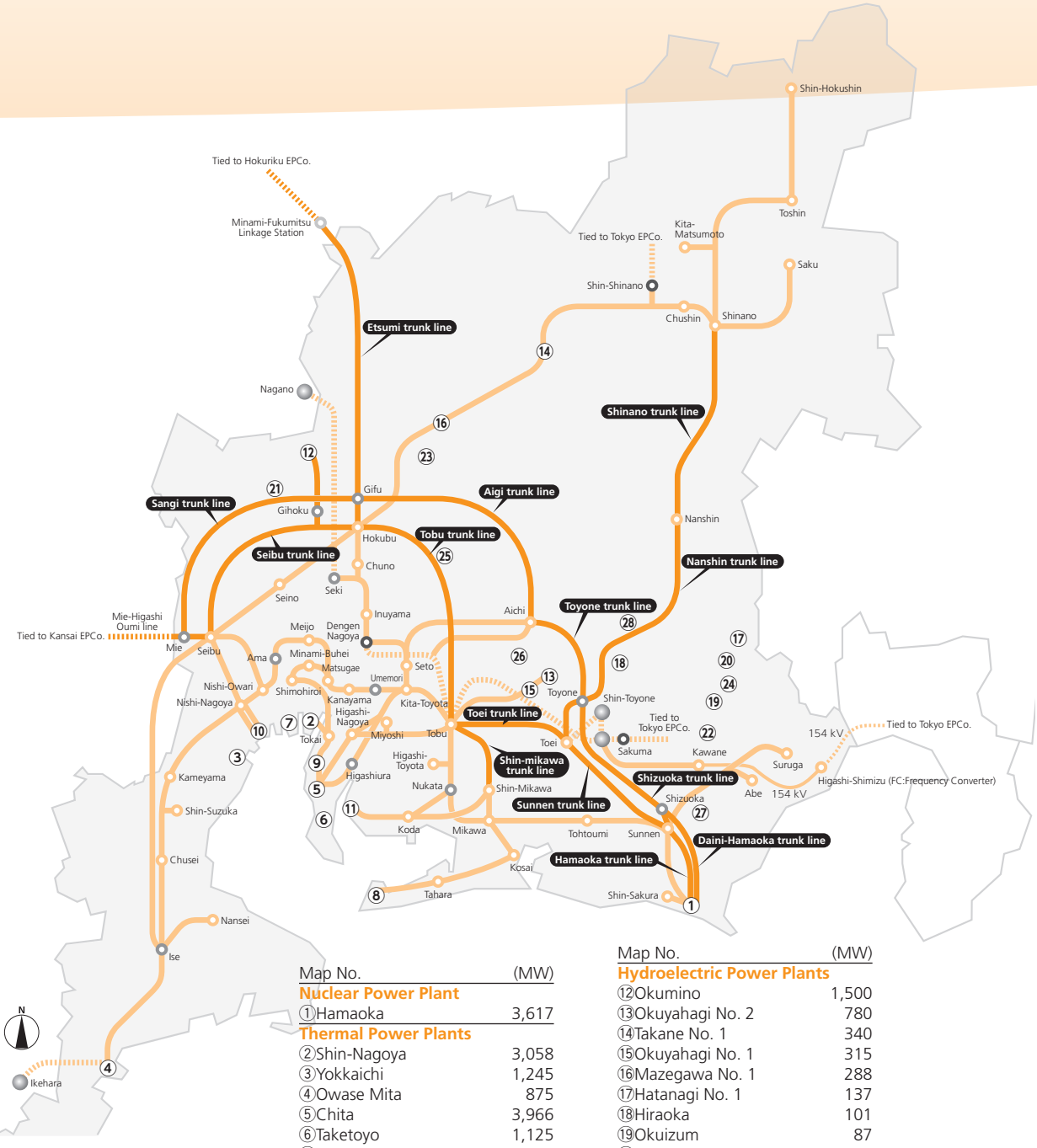
Chubu Electric Power Company International B.V.	A.T. Biopower Co., Ltd.	Tyr Capital, LLC
Chubu Electric Power (Thailand) Co., Ltd.	Compañia de Generación Valladolid, S. de R.L. de C.V.	Goreway Power Station Holdings ULC
Chubu Electric Power Company U.S.A. Inc.	Compañia de Operación Valladolid, S. de R.L. de C.V.	TC Generation, LLC
Chubu Electric Power Goreway B.V.	Chubu Ratchaburi Electric Services Co., Ltd.	MT Falcon Holdings Company, S.A.P.I. de C.V.
Chubu Electric Power Falcon B.V.		
Chubu Electric Power Thailand SPP B.V.		

Other Businesses

TOENEC CORPORATION	Chuden Wing Co., Ltd.	AICHI ELECTRIC Co., Ltd.
CHUDEN KOGYO Co., Ltd.	CHUDEN BUSINESS SUPPORT Co., Ltd.	TOKAI CONCRETE INDUSTRIES Co., Ltd.
CHUBU SEIKI Co., Ltd.	Toho Industry Co., Ltd.	SHIN-NIHON HELICOPTER Co., Ltd.
Chuden Haiden Support Co., Ltd.	AOYAMA-KOGEN WIND FARM CO., LTD.	AICHI KINZOKU KOGYO Co., Ltd.
Chuden Real Estate Co., Inc.	TOENEC Service Co., Ltd.	Chubu Liquid Oxygen Co., Ltd.
Chuden Auto Lease Co., Ltd.	TOENEC CONSTRUCTION (SHANGHAI) CO., LTD.	Chita Tansan Co., Ltd.
Chuden Transportation Service Co., Ltd.	TOENEC PHILIPPINES INCORPORATED	KASUMI BERTH CO., INC.
Chubu Plant Service Co., Ltd.	TOENEC (THAILAND) CO., LTD.	Chubu Telecommunications Co., Inc.
C-TECH CORPORATION	FILLTECH CORPORATION	CHUBU CABLE NETWORK COMPANY, INCORPORATED
Chita Berth Co., Inc.	TOENEC (TAIWAN) CO., LTD.	Hamamatsu D.H.C. Co., Ltd.
Chuden Disaster Prevention Co., Ltd.	Chubu Energy Trading, Inc.	Nagoya Energy Service Co., Ltd.
Chubu Cryogenics Co., Ltd.	Chubu Electric Power Australia Pty Ltd	Centrair Energy Supply Co., Ltd.
Techno Chubu Co., Ltd.	Chubu Electric Power Gorgon Pty Ltd	Omaezaki Cable Television
Chita L.N.G. Co., Ltd.	Chubu Electric Power Integra Pty Ltd	PFI Toyokawa Hoisaijyo Co., Ltd.
Chuden CTI Co., Ltd.		Nagoya City Energy Co., Ltd.
		Ogaki School Lunch Support Co., Inc.
		Community Network Center Inc.

Power System Map and Generating Facilities

(As of March 31, 2011)



LEGEND

- Substations (275 kV or more system)
- Switching stations (275 kV or more system)
- Substations owned by other utilities
- Hydroelectric power plants owned by other utilities
- 500 kV Transmission line
- 275 kV Transmission line
- 500 kV Transmission line owned by other utilities
- 275 kV Transmission line owned by other utilities

Map No.	(MW)
Nuclear Power Plant	
①Hamaoka	3,617
Thermal Power Plants	
②Shin-Nagoya	3,058
③Yokkaichi	1,245
④Owase Mita	875
⑤Chita	3,966
⑥Taketoyo	1,125
⑦Nishi-Nagoya	1,190
⑧Atsumi	1,900
⑨Chita No.2	1,708
⑩Kawagoe	4,802
⑪Hekinan	4,100
Other (one plant)	0.4
Total	23,969
Renewable Energy Power Plants	
Wind power Omaezaki	22
Solar power Mega Solar Iida	1
Total	23

Map No.	(MW)
Hydroelectric Power Plants	
⑫Okumino	1,500
⑬Okuyahagi No. 2	780
⑭Takane No. 1	340
⑮Okuyahagi No. 1	315
⑯Mazegawa No. 1	288
⑰Hatanagi No. 1	137
⑱Hiraoka	101
⑲Okuizum	87
⑳Hatanagi No. 2	85
㉑Yokoyama	70
㉒Oigawa	68
㉓Mazegawa No. 2	66
㉔Ikawa	62
㉕Shin-Kamiaso	61
㉖Yahagi No. 1	61
㉗Kawaguchi	58
㉘Yasuoka	53
Other (166 plants)	1,087
Total	5,219

Total output capacity (197 plants) 32,828

Five-Year Operating and Financial Statistics

Years ended March 31

OPERATING STATISTICS

Electric Energy Sold

GWh

	FY2006	FY2007	FY2008	FY2009	**FY2010**
Customers Under Regulation					
Electric Lighting	34,753	36,125	35,336	35,029	**37,256**
Electric Power	7,366	7,305	6,747	6,419	**6,695**
Total	42,119	43,430	42,083	41,448	**43,951**
Customers Under Liberalization	90,568	94,054	87,651	81,401	**86,960**
Total Electric Energy Sold	132,687	137,484	129,734	122,849	**130,911**

Breakdown of Industrial Large-lot Demand Electric Energy Sold — GWh

Mining and Industry					
Mining	49	60	58	50	**47**
Manufacturing Industry: Foods	2,459	2,632	2,609	2,546	**2,657**
Textiles	818	824	722	963	**1,093**
Pulps and Papers	1,733	1,679	1,577	1,522	**1,602**
Chemicals	3,366	3,442	3,190	2,666	**2,758**
Oil and Coal Products	79	62	76	76	**109**
Rubber	872	822	758	667	**719**
Glass and Ceramics	2,632	2,826	2,709	2,137	**2,604**
Steel	6,574	6,883	5,705	4,893	**6,141**
Nonferrous Metals	1,698	1,841	1,429	1,291	**1,530**
Machinery	21,678	23,350	21,081	18,701	**20,178**
Others	5,547	5,875	5,373	5,202	**5,484**
Subtotal	47,456	50,236	45,229	40,664	**44,875**
Total	47,505	50,296	45,287	40,714	**44,922**
Others					
Railways	2,752	2,767	2,737	2,703	**2,673**
Others	3,342	3,327	3,290	3,244	**3,245**
Total	6,094	6,094	6,027	5,947	**5,918**
Grand Total	53,599	56,390	51,314	46,661	**50,840**

* Due to a change in the Japan Standard Industry Classification, industry classifications are different before and after April 2009.

Electric Energy Supplied — GWh

Internally-generated Power	127,399	137,121	125,656	114,972	**123,723**
Hydroelectric	8,651	8,158	7,877	8,609	**8,776**
Thermal	100,603	103,795	94,921	92,232	**99,601**
Nuclear	18,145	25,168	22,858	14,129	**15,318**
Renewable Energy	–	–	–	2	**28**
Purchased Power	13,669	12,664	12,925	15,337	**14,838**
Interchanged Power (Net)	4,583	1,483	4,112	4,716	**4,756**
Power Used for Pumped Storage	(1,590)	(2,148)	(1,471)	(1,246)	**(978)**
Total Electric Energy Supplied	144,061	149,120	141,222	133,779	**142,339**

Generating Capacity — MW

Hydroelectric	5,220	5,218	5,219	5,219	**5,219**
Thermal	22,369	22,369	23,903	23,903	**23,969**
Nuclear	4,884	4,884	3,504	3,504	**3,617**
Renewable Energy	–	–	–	6	**23**
Total Generating Capacity	32,473	32,471	32,626	32,632	**32,828**
Annual Peak Load (Three-day Average of Generating End)	26,852	27,849	27,938	23,881	**26,982**

Number of Employees — (number of persons)

Consolidated	28,697	28,854	28,611	29,116	**29,583**
Non-Consolidated	15,038	14,989	15,234	15,507	**15,769**

* Above figures represent number of employees with active duties

FINANCIAL STATISTICS (Consolidated)

					Millions of yen	Thousands of U.S. dollars*1
	FY2006	FY2007	FY2008	FY2009	**FY2010**	**FY2010**
For the Year						
Operating Revenues	¥2,213,793	¥2,432,865	¥2,509,982	¥2,238,552	**¥2,330,892**	**$28,032,375**
Operating Income	246,712	167,863	182,235	200,032	**174,238**	**2,095,466**
Ordinary Income*2	178,611	123,389	130,505	178,543	**146,275**	**1,759,170**
Income (Loss) Before Income Taxes and Minority Interests	159,659	113,700	(23,193)	174,842	**135,139**	**1,625,244**
Net Income (Loss)	90,551	70,619	(18,968)	108,559	**84,598**	**1,017,414**
Depreciation	335,262	341,567	312,464	297,517	**284,047**	**3,416,079**
Capital Investments	180,122	250,625	270,666	265,942	**270,161**	**3,249,080**
At Year-End						
Total Assets	¥5,701,715	¥5,636,258	¥5,470,129	¥5,299,976	**¥5,331,967**	**$64,124,678**
Net Assets	1,769,825	1,752,459	1,654,759	1,675,866	**1,698,382**	**20,425,520**
Shareholders' Equity*3	1,729,950	1,712,665	1,616,655	1,637,602	**1,660,130**	**19,965,484**
Outstanding Interest-Bearing Debt	3,001,787	2,862,632	2,789,038	2,539,552	**2,495,126**	**30,007,529**
Per Share of Common Stock (Yen, U.S. dollars)						
Net Income (Loss) — Basic	¥ 115.80	¥ 90.58	¥ (24.37)	¥ 140.47	**¥ 110.97**	**$ 1.33**
Net Income — Diluted	115.79	–	–	–	**–**	**–**
Net Assets	2,212.67	2,199.76	2,076.93	2,146.82	**2,190.89**	**26.35**
Cash Dividends	60	60	60	60	**60**	**0.72**
Financial Indicators and Cash Flow Data						
ROA*4 (%)	4.4	3.1	3.7	4.0	**3.4**	**–**
ROE (%)	5.3	4.1	(1.1)	6.7	**5.1**	**–**
Shareholders' Equity Ratio	30.3	30.4	29.6	30.9	**31.1**	**–**
Cash Flows from Operating Activities	¥ 441,515	¥ 471,958	¥ 358,880	¥ 539,106	**¥ 449,755**	**$ 5,408,960**
Cash Flows from Investing Activities	(174,357)	(272,742)	(215,135)	(242,394)	**(336,056)**	**(4,041,563)**
Cash Flows from Financing Activities	(234,452)	(199,931)	(90,238)	(333,496)	**(105,088)**	**(1,263,836)**
Cash and Cash Equivalents at End of Year	97,861	97,109	149,696	113,140	**121,296**	**1,458,761**

*1 U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥83.15 = US$1

*2 Ordinary income = Income (loss) before provision (reversal) of reserve for fluctuation in water levels, income taxes and minority interests
+ Loss on adjustment for changes of accounting standard for asset retirement obligations (fiscal 2010),
+ Loss in conjunction with discontinued operations of Hamaoka Reactors No. 1 and No. 2 (fiscal 2008),
+ Reserve for decommissioning costs of nuclear power plants for prior periods (fiscal 2007),
+ Amortization of goodwill + Loss on discontinued construction of hydroelectric power plant (fiscal 2006)

*3 Shareholders' Equity = Total Net Assets – Minority interests

*4 ROA (Return on Assets) = Operating income (Ordinary income + Interest) / Average of total assets at beginning and end of fiscal year

Analysis of Operating Results

Electric Power Business

The amount of electric energy sold increased 6.6% year on year, to 130.9 TWh, due to an increase in industrial demand spurred by a pickup in production, and an increase in operation of air-conditioning facilities caused by higher summer air temperatures. In terms of demand from customers under regulation (other than specified-scale demand), demand for electric lighting increased 6.4% year on year to 37.3 TWh, also due to the increase in operation of air-conditioning facilities caused by higher summer air temperatures. Meanwhile, demand for electric power increased 4.3% to 6.7 TWh, due mainly to an increase in operation of air-conditioning facilities, despite fewer contracts. In terms of demand from customers under liberalization (specified-scale demand), demand for commercial power rose by 2.4% year on year to 23.6 TWh due to an increase in operation of air-conditioning facilities, along with other causes. Demand for industrial power increased by 8.6% to 63.3 TWh because of an upturn in production, especially in machinery and steel.

Electric Energy Sold (TWh, %)

	FY2010	FY2009	Change	Change (%)
Demand From Customers Under Regulation				
Electric Lighting	37.3	35.0	2.3	6.4
Electric Power	6.7	6.4	0.3	4.3
Subtotal	44.0	41.4	2.6	6.0
Demand From Customers Under Liberalization				
Commercial Power	23.6	23.1	0.5	2.4
Industrial Power, etc.	63.3	58.3	5.0	8.6
Subtotal	86.9	81.4	5.5	6.8
Total	130.9	122.8	8.1	6.6

As for the electric power supply, hydroelectric power output increased by 0.2 TWh year on year due to higher water flow (flow rate, 107.6% for fiscal 2010 and 102.6% for fiscal 2009). Meanwhile, nuclear power output increased by 1.2 TWh from the previous fiscal year mainly due to the re-commencement of operations in February 2011 of Reactor No. 5 of the Hamaoka Nuclear Power Station at which operations had been suspended since the occurrence of an earthquake in Suruga Bay in August 2009. As a result of the above developments, the amount of thermally generated power increased by 7.4 TWh over the previous period.

Electric Energy Supplied (TWh, %)

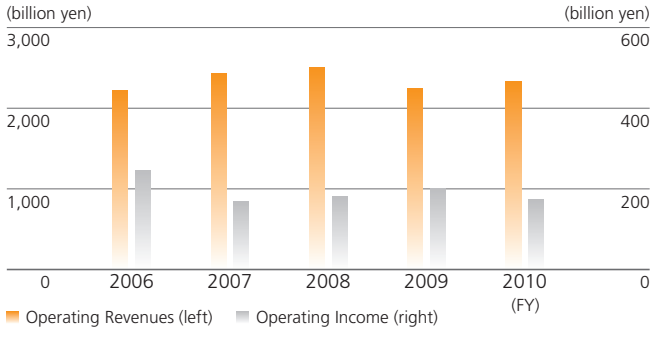
	FY2010	FY2009	Change	Change (%)
Chubu Electric Power				
Hydroelectric Power	8.8	8.6	0.2	2.0
(Flow Rate)	(107.6)	(102.6)	(5.0)	
Thermal Power	99.6	92.2	7.4	8.0
Nuclear Power	15.3	14.1	1.2	8.4
(Utilization Rate)	(49.7)	(46.0)	(3.7)	
Renewable Energy	0	0	0	1,255.9
Interchanged Power (Net)	4.8	4.7	0.1	0.9
Purchased Power	14.8	15.4	–0.6	–3.3
Power Used for Pumped Storage	–1.0	–1.2	0.2	–21.4
Total	142.3	133.8	8.5	6.4

Regarding operating revenues and expenses in the electric power business, operating revenues (consolidated operating revenues for our electric power business) increased by ¥86.0 billion to ¥2,134.6 billion, due to such factors as an increase in revenues resulting from an increased volume of electricity sold, despite decreases in unit sales prices. In terms of expenses, operating expenses increased by ¥123.2 billion to ¥1,970.4 billion, reflecting higher fuel expenses in line with higher fuel prices. As a result of these developments, operating income decreased ¥37.2 billion from the previous fiscal year to ¥164.2 billion.

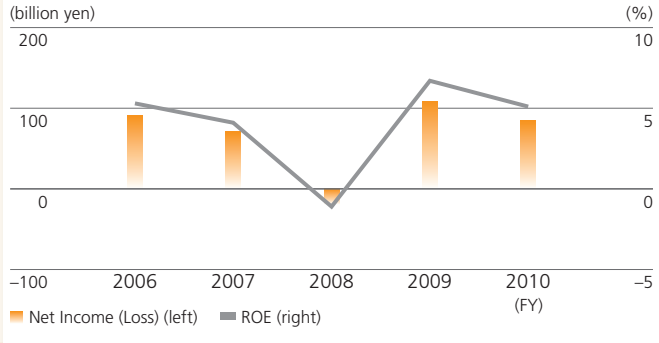
Other Businesses

Sales (total operating revenues in other businesses) increased ¥6.4 billion to ¥196.3 billion, due to an increase in sales from the energy business, along with other factors. Operating expenses decreased ¥5.0 billion year on year to ¥186.3 billion. As a result, other businesses recorded operating income of ¥10.1 billion, compared with an operating loss of ¥1.3 billion

Operating Revenues/Operating Income



Net Income (Loss)/ROE



in the previous fiscal year.

Other Expenses (Net), and Net Income

Net other expenses increased ¥15.2 billion from the previous fiscal year to ¥36.6 billion. One reason was an extraordinary loss of ¥8.7 billion recorded in line with adoption of the "Accounting Standard for Asset Retirement Obligations." Another main reason was a decrease in foreign exchange translation gains. As a result, net income after income taxes and other adjustments was ¥84.6 billion, a decline of ¥24.0 billion year on year.

Analysis of Financial Standing

Total assets increased ¥32.0 billion year on year to ¥5,332.0 billion. This was mainly due to the booking of nuclear power production facilities in line with adoption of the "Accounting Standard for Asset Retirement Obligations" and an increase in construction in progress, despite depreciation.

Total liabilities increased by ¥9.5 billion from the end of the previous fiscal year to ¥3,633.6 billion. This was mainly due to the booking of asset retirement obligations in line with the adoption of the "Accounting Standard for Asset Retirement Obligations," despite a decrease in interest-bearing debt.

Total net assets increased by ¥22.5 billion from the end of the previous fiscal year to ¥1,698.4 billion, despite the payment of dividends and repurchase and cancellation of Chubu Electric Power's own shares. The increase was attributable to net income of ¥84.6 billion. As a result, the shareholders' equity ratio was 31.1%.

Analysis of Cash Flows

Net cash provided by operating activities decreased by 16.6% over the previous fiscal year, to ¥449.8 billion, despite an increase in receipts from the electric power business led by an increase in the volume of electricity sold. The main contributors to the decrease were an increase in fuel expenses due to higher fuel prices, and increased income taxes paid.

Net cash used in investing activities rose 38.6% year on year to ¥336.1 billion. The change mainly reflected payments for investments in the electric power business.

As a result, free cash flow decreased 61.7% from the previous fiscal year, to ¥113.7 billion.

Net cash used in financing activities decreased 68.5% to ¥105.1 billion. Consequently, cash and cash equivalents at the end of March 2011 were ¥121.3 billion, 7.2% higher than the end of the previous fiscal year. Total outstanding interest-bearing debt at the end of March 2011 was ¥2,495.1 billion, 1.7% lower than the end of the previous fiscal year.

Capital Investments

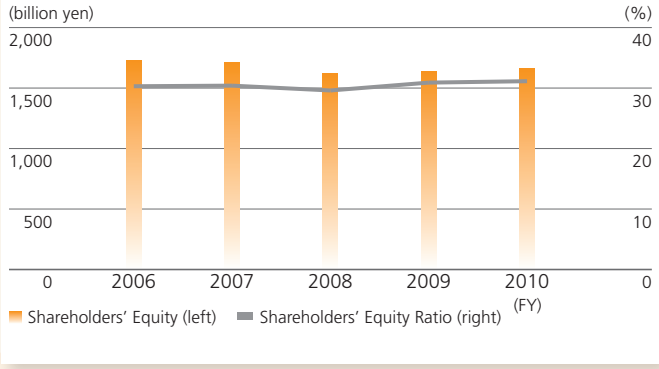
Capital investments in the electric power business in fiscal 2010 were ¥255.0 billion, the result of steadily and rationally building power generation and power transmission facilities, mindful of balancing the need for ensuring a stable supply of electricity and economic rationale. In other businesses, capital investments were ¥21.7 billion, consisting of ¥3.0 billion in the energy business, and ¥18.7 billion in other businesses. For the Chubu Electric Group as a whole, capital investments were ¥276.7 billion.

(Reference) Fiscal 2010 Capital Investments (Nonconsolidated)

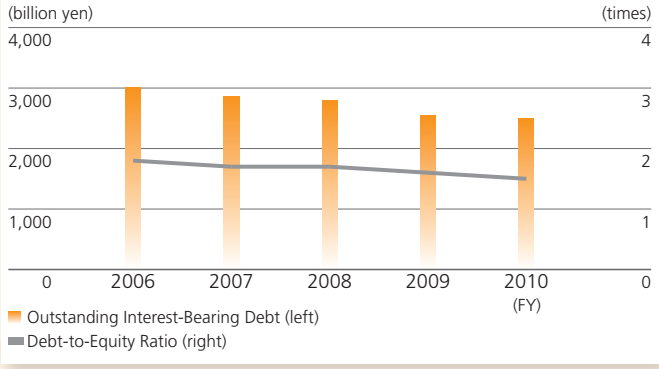
Item	(billion yen)
Electric Power Business	
Power Generation Facilities	109.7
Power Transmission Facilities	
Transmission Facilities	29.7
Transformation Facilities	31.1
Distribution Facilities	36.4
Total	97.2
Nuclear Fuel, etc.	48.1
Total	255.0
Energy Business	1.6
Other Businesses	0.1
Total	256.7

Note: The above figures do not include consumption tax.

Shareholders' Equity/Shareholders' Equity Ratio



Outstanding Interest-Bearing Debt/Debt-to-Equity Ratio



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.

Factors concerning future events discussed here are the Chubu Electric Group's viewpoints as of June 2011. Changes in the economic environment, the government's energy policy or other areas as a result of the Great East Japan Earthquake could have an adverse effect going forward.

(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 electric energy sold rises or falls with economic and weather trends, which could affect the performance of the Chubu Electric Group.

In addition, the amount of yearly precipitation affects the amount of hydroelectricity generated, which can impact power-generating costs. Chubu Electric Power, however, has set aside a reserve for fluctuation in water levels, which allows the company to make a certain adjustment against any adverse impact within the balance of the reserve, thus limiting the effect on performance.

2) Changes in Fuel Prices, etc.

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

Meanwhile, the performance of the Chubu Electric Group could also be affected in cases where fuel becomes difficult to procure because of factors such as 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 debt at the Chubu Electric Group stood at ¥2,495.1 billion at the end of March 2011, an amount equivalent to 46.8% of our total assets. Interest payments on this debt are susceptible to market interest rates, and this could potentially affect the Group's performance. Of this interest-bearing debt, however, 82.0% comes from long-term funds (bonds and long-term loans), and most of this funding was procured at fixed interest rates, so the potential adverse impact is considered limited.

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

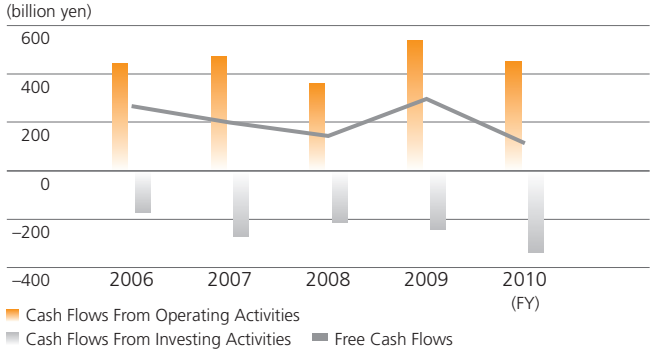
(2) Risk Associated With Chubu Electric Group Business Activities

1) Suspension of Supply Facilities

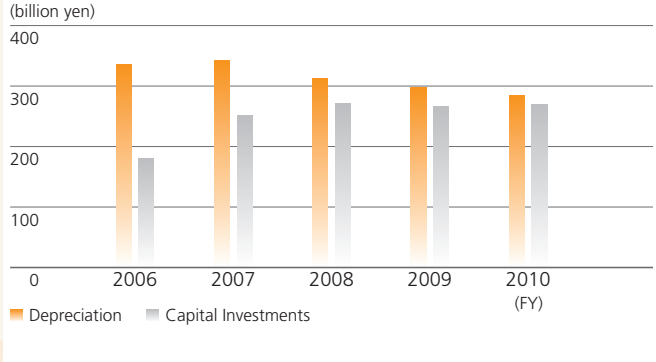
Providing the complete power supply system from generation to distribution, the Chubu Electric Group strives to develop and maintain optimum facilities to ensure stable delivery of high-quality electricity economically, while working to establish disaster-resistant systems by taking measures against large-scale earthquakes. At the Hamaoka Nuclear Power Station, we had previously confirmed its safety against earthquakes and tsunami. However, in light of the recent power plant accident caused by the Great East Japan Earthquake and related tsunami, we immediately began implementing emergency safety measures in accordance with directions from the Minister of Economy, Trade and Industry. At the same time, in order to further strengthen the Station's safety, we are working on further measures to counter tsunami, including building a seawall and switching to highly waterproof reactor doors.

Meanwhile, in response to a request by the Prime Minister of Japan, Chubu Electric Power decided to suspend

Cash Flows From Operating Activities/ Cash Flows From Investing Activities/Free Cash Flows



Depreciation/Capital Investments



operations at all reactors at the Hamaoka Nuclear Power Station until further tsunami safety measures are complete. Because of this decision, Chubu Electric Power is now working in a concerted manner to ensure the stable supply of electricity. Specifically, while eliciting the cooperation of customers to conserve electricity, Chubu Electric Power is enacting various supply and demand measures, including resuming operations of long-idle thermal power plants. However, a large increase in fuel costs accompanying the switch to thermal power generation would be expected to adversely affect the Group's performance.

We plan to properly reflect new knowledge in our future disaster control measures. However, if the supply facilities of Chubu Electric Power or other power companies from which we receive power supply are shut down because of a large-scale disaster, accident, acts of terrorism or other reasons, our operational results may be adversely affected.

2) Nuclear Power Back-End Costs, etc.

The back-end nuclear power business involves an extremely long time period and has many uncertainties. To prepare for future back-end costs, based on rules set by the government, Chubu Electric Power has set aside a provision for reprocessing of irradiated nuclear fuel and a provision for preparation of the reprocessing of irradiated nuclear fuel.

Even so, the costs of the nuclear fuel cycle, 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, Group performance may be affected.

3) Changes in the Competitive Environment

Since the start of the partial liberalization of electric power retailing in March 2000, the scope of liberalization has gradually expanded. And discussions are still underway concerning the creation of an even more competitive environment. Furthermore, competition has intensified in the energy market as a whole, transcending boundaries between various types of industry and business models. Moreover, changes are taking place in the fundamental structure of supply and demand, with "low carbon emissions" as the focal point, including the expanding use of renewable energies and a growing interest in energy saving.

Given these conditions, the Chubu Electric Group is exerting maximum effort to enhance business efficiency, and is also conducting sales initiatives to respond precisely to customer needs. Even so, amendments to regulations, and changes in the competitive environment accompanying changes in the fundamental structure of supply and demand, could adversely affect our performance.

4) Regulatory Amendments for Global Environmental Protection, etc.

As global warming comes under greater focus from global society, the Group recognizes the growing importance of contributing to the realization of a "low carbon society" by actively taking measures to reduce CO_2 emissions in the electric power business.

Based on the above recognition, the Group established the "Chubu Electric Power Group Environmental Policy." Under a detailed "Action Plan," the Group is working systematically to use resources efficiently and reduce the burden on the environment. However, the Group's performance could be adversely affected by the future tightening of environmental regulations or other factors.

5) Businesses Other Than Electric Power

The Chubu Electric Group focuses on the electric power business, and the energy business, which mainly entails the supply of gas and on-site energy supply. We are also engaged in a wide range of other businesses, including the overseas energy business, taking advantage of our accumulated know-how in domestic businesses; construction for expanding and maintaining electricity-related facilities, and manufacturing of materials and equipment for core businesses. These businesses are subject to changing business environments, including increasing competition with other enterprises, and could adversely affect our performance if they fail to produce the results expected by the Chubu Electric Group.

(3) Other Risks

1) Compliance

The Chubu Electric Group has striven for strict compliance by establishing the Chubu Electric Group Compliance Basic Policy, which is concerned with 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 adheres to relevant laws, maintains internal systems and establishes rules on information handling to ensure proper management of personal and other critical information. We are also engaged in increasing our information system security as well as conducting employee training for this purpose.

However, were an information leak to occur, resulting in direct costs being incurred to respond to the situation and a loss of public trust in the Group, the Group's performance could be adversely affected.

Consolidated Balance Sheets

Chubu Electric Power Company, Incorporated and Consolidated Subsidiaries
As of March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars (Note 1)
ASSETS	**2011**	2010	**2011**
Property, Plant and Equipment:			
Property, plant and equipment	**¥12,966,445**	¥12,898,166	**$ 155,940,409**
Construction in progress	**410,399**	316,570	**4,935,646**
	13,376,844	13,214,736	**160,876,055**
Less:			
Contributions in aid of construction	**(165,554)**	(161,159)	**(1,991,028)**
Accumulated depreciation	**(9,349,791)**	(9,176,284)	**(112,444,871)**
	(9,515,345)	(9,337,443)	**(114,435,899)**
Total Property, Plant and Equipment, Net (Notes 4 and 8)	**3,861,499**	3,877,293	**46,440,156**
Nuclear Fuel:			
Loaded nuclear fuel	**41,221**	33,695	**495,743**
Nuclear fuel in processing	**220,062**	218,661	**2,646,566**
Total Nuclear Fuel	**261,283**	252,356	**3,142,309**
Investments and Other Long-term Assets:			
Long-term investments (Notes 5, 6 and 8)	**269,315**	201,809	**3,238,906**
Fund for reprocessing of irradiated nuclear fuel (Note 5)	**240,002**	243,217	**2,886,374**
Deferred tax assets (Note 15)	**235,064**	214,121	**2,826,987**
Other (Notes 6 and 8)	**11,740**	42,557	**141,191**
Less allowance for doubtful accounts	**(1,598)**	(1,776)	**(19,219)**
Total Investments and Other Long-term Assets	**754,523**	699,928	**9,074,239**
Current Assets:			
Cash and deposits (Notes 3 and 5)	**117,000**	97,938	**1,407,096**
Trade notes and accounts receivable (Note 5)	**148,609**	147,174	**1,787,240**
Less allowance for doubtful accounts	**(1,322)**	(1,236)	**(15,899)**
Inventories (Note 7)	**94,833**	94,249	**1,140,505**
Deferred tax assets (Note 15)	**23,135**	24,237	**278,232**
Other (Notes 3 and 6)	**72,407**	108,037	**870,800**
Total Current Assets	**454,662**	470,399	**5,467,974**
Total Assets (Notes 8 and 19)	**¥ 5,331,967**	¥ 5,299,976	**$ 64,124,678**

The accompanying notes to the consolidated financial statements are an integral part of these statements.

LIABILITIES AND NET ASSETS	Millions of yen 2011	2010	Thousands of U.S. dollars (Note 1) 2011
Long-term Liabilities:			
Long-term debt (Notes 5 and 8)	**¥1,794,097**	¥1,814,667	**$21,576,633**
Employee retirement benefit liability (Note 9)	**206,118**	204,728	**2,478,870**
Reserve for reprocessing of irradiated nuclear fuel	**258,544**	262,446	**3,109,369**
Reserve for preparation for reprocessing of irradiated nuclear fuel	**13,660**	12,726	**164,281**
Reserve for decommissioning nuclear power plants	**–**	119,858	**–**
Reserve for loss in conjunction with discontinued operations of nuclear power plants	**44,927**	86,558	**540,312**
Asset retirement obligations (Note 11)	**218,692**	–	**2,630,090**
Other (Note 8)	**59,650**	54,845	**717,378**
Total Long-term Liabilities	**2,595,688**	2,555,828	**31,216,933**
Current Liabilities:			
Current portion of long-term debt and other (Notes 5 and 8)	**262,508**	328,825	**3,157,041**
Short-term borrowings (Notes 5 and 8)	**333,540**	321,450	**4,011,305**
Commercial paper (Notes 5 and 8)	**112,000**	81,000	**1,346,963**
Trade notes and accounts payable (Note 5)	**123,663**	112,907	**1,487,228**
Income taxes payable and other	**62,775**	91,711	**754,961**
Other (Note 5)	**137,260**	128,688	**1,650,752**
Total Current Liabilities	**1,031,746**	1,064,581	**12,408,250**
Reserve for Fluctuation in Water Levels	**6,151**	3,701	**73,975**
Total Liabilities	**3,633,585**	3,624,110	**43,699,158**
Commitments and Contingent Liabilities (Note 13)			
Net Assets (Note 14)**:**			
Common stock	**430,777**	430,777	**5,180,722**
Capital surplus	**70,777**	70,777	**851,197**
Retained earnings	**1,150,710**	1,122,725	**13,838,965**
Less treasury stock, at cost	**(433)**	(302)	**(5,208)**
Total Shareholders' Equity	**1,651,831**	1,623,977	**19,865,676**
Accumulated other comprehensive income			
Net unrealized gains on available-for-sale securities	**10,448**	14,674	**125,652**
Net deferred gains on hedging instruments	**2,406**	1,150	**28,936**
Foreign currency translation adjustment	**(4,555)**	(2,199)	**(54,780)**
Total Accumulated Other Comprehensive Income	**8,299**	13,625	**99,808**
Minority interests	**38,252**	38,264	**460,036**
Total Net Assets	**1,698,382**	1,675,866	**20,425,520**
Total Liabilities and Net Assets	**¥5,331,967**	¥5,299,976	**$64,124,678**

Consolidated Statements of Income

Chubu Electric Power Company, Incorporated and Consolidated Subsidiaries
For the Years Ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2010	**2011**
Operating Revenues:			
Electricity	**¥2,134,553**	¥2,048,571	**$25,671,112**
Other	**196,339**	189,981	**2,361,263**
Total Operating Revenues (Note 19)	**2,330,892**	2,238,552	**28,032,375**
Operating Expenses:			
Electricity (Note 16)	**1,970,398**	1,847,214	**23,696,909**
Other	**186,256**	191,306	**2,240,000**
Total Operating Expenses (Note 19)	**2,156,654**	2,038,520	**25,936,909**
Operating Income (Note 19)	**174,238**	200,032	**2,095,466**
Other (Income) Expenses:			
Interest expense	**36,408**	38,919	**437,859**
Loss on adjustment for changes of accounting standard for asset retirement obligations	**8,686**	–	**104,462**
Other, net	**(8,445)**	(17,430)	**(101,563)**
Total Other Expenses, Net	**36,649**	21,489	**440,758**
Income Before Provision of Reserve for Fluctuation in Water Levels, Income Taxes and Minority Interests	**137,589**	178,543	**1,654,708**
Provision of Reserve for Fluctuation in Water Levels	**2,450**	3,701	**29,464**
Income Before Income Taxes and Minority Interests	**135,139**	174,842	**1,625,244**
Income Taxes:			
Current	**67,956**	76,292	**817,270**
Deferred	**(17,929)**	(10,344)	**(215,622)**
Total Income Taxes	**50,027**	65,948	**601,648**
Income Before Minority Interests	**85,112**	108,894	**1,023,596**
Minority Interests in Earnings of Subsidiaries	**514**	335	**6,182**
Net Income	**¥ 84,598**	¥ 108,559	**$ 1,017,414**

	Yen		U.S. dollars (Note 1)
	2011	2010	**2011**
Per Share of Common Stock:			
Net income:			
Basic	**¥110.97**	¥140.47	**$1.33**
Cash dividends	**60**	60	**0.72**

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated Statements of Comprehensive Income

Chubu Electric Power Company, Incorporated and Consolidated Subsidiaries
For the Years Ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2010	**2011**
Income Before Minority Interests	**¥85,112**	¥108,894	**$1,023,596**
Other Comprehensive Income:			
Net unrealized gains (losses) on available-for-sale securities	**(4,237)**	3,040	**(50,956)**
Net deferred gains (losses) on hedging instruments	**848**	(8,749)	**10,198**
Foreign currency translation adjustments	**(1,629)**	188	**(19,591)**
Share of other comprehensive income of associates accounted for using equity method	**(383)**	352	**(4,606)**
Total Other Comprehensive Income	**(5,401)**	(5,169)	**(64,955)**
Comprehensive Income	**¥79,711**	¥103,725	**$ 958,641**
Comprehensive Income attribute to:			
Owners of the parent	**¥79,273**	¥101,730	**$ 953,373**
Minority interests	**438**	1,995	**5,268**

Consolidated Statements of Changes in Net Assets

Chubu Electric Power Company, Incorporated and Consolidated Subsidiaries
For the Years Ended March 31, 2011 and 2010

Millions of yen

		Shareholders' equity					Other Comprehensive Income					
	Number of shares of common stock issued	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	Net deferred gains on hedging instruments	Foreign currency translation adjustments	Total accumulated other comprehensive income	Minority interests	Total net assets
Balance at March 31, 2009	779,004,665	¥430,777	¥70,777	¥1,096,215	¥ (1,567)	¥1,596,202	¥12,096	¥11,054	¥(2,697)	¥20,453	¥38,104	¥1,654,759
Net Income	–	–	–	108,559	–	108,559	–	–	–	–	–	108,559
Cash dividends	–	–	–	(46,652)	–	(46,652)	–	–	–	–	–	(46,652)
Retirement of treasury stock	(16,004,665)	–	–	(35,386)	35,386	–	–	–	–	–	–	–
Purchase of treasury stock	–	–	–	–	(34,189)	(34,189)	–	–	–	–	–	(34,189)
Disposal of treasury stock	–	–	–	(11)	68	57	–	–	–	–	–	57
Net changes other than shareholders' equity	–	–	–	–	–	–	2,578	(9,904)	498	(6,828)	160	(6,668)
Balance at March 31, 2010	763,000,000	¥430,777	¥70,777	¥1,122,725	¥ (302)	¥1,623,977	¥14,674	¥ 1,150	¥(2,199)	¥13,625	¥38,264	¥1,675,866

Millions of yen

		Shareholders' equity					Other Comprehensive Income					
	Number of shares of common stock issued	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	Net deferred gains on hedging instruments	Foreign currency translation adjustments	Total accumulated other comprehensive income	Minority interests	Total net assets
Balance at March 31, 2010	763,000,000	¥430,777	¥70,777	¥1,122,725	¥ (302)	¥1,623,977	¥14,674	¥1,150	¥(2,199)	¥13,625	¥38,264	¥1,675,866
Net Income	**–**	**–**	**–**	**84,598**	**–**	**84,598**	**–**	**–**	**–**	**–**	**–**	**84,598**
Cash dividends	**–**	**–**	**–**	**(45,773)**	**–**	**(45,773)**	**–**	**–**	**–**	**–**	**–**	**(45,773)**
Retirement of treasury stock	**(5,000,000)**	**–**	**–**	**(10,780)**	**10,780**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Purchase of treasury stock	**–**	**–**	**–**	**–**	**(10,953)**	**(10,953)**	**–**	**–**	**–**	**–**	**–**	**(10,953)**
Disposal of treasury stock	**–**	**–**	**–**	**(1)**	**42**	**41**	**–**	**–**	**–**	**–**	**–**	**41**
Change in scope of consolidation	**–**	**–**	**–**	**(59)**	**–**	**(59)**	**–**	**–**	**–**	**–**	**–**	**(59)**
Net changes other than shareholders' equity	**–**	**–**	**–**	**–**	**–**	**–**	**(4,226)**	**1,256**	**(2,356)**	**(5,326)**	**(12)**	**(5,338)**
Balance at March 31, 2011	**758,000,000**	**¥430,777**	**¥70,777**	**¥1,150,710**	**¥ (433)**	**¥1,651,831**	**¥10,448**	**¥2,406**	**¥(4,555)**	**¥ 8,299**	**¥38,252**	**¥1,698,382**

Thousands of U.S. dollars (Note 1)

Balance at March 31, 2010	$5,180,722	$851,197	$13,502,405	$ (3,632)	$19,530,692	$176,476	$13,830	$(26,446)	$163,860	$460,180	$20,154,732
Net Income	**–**	**–**	**1,017,414**	**–**	**1,017,414**	**–**	**–**	**–**	**–**	**–**	**1,017,414**
Cash dividends	**–**	**–**	**(550,487)**	**–**	**(550,487)**	**–**	**–**	**–**	**–**	**–**	**(550,487)**
Retirement of treasury stock	**–**	**–**	**(129,645)**	**129,645**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Purchase of treasury stock	**–**	**–**	**–**	**(131,726)**	**(131,726)**	**–**	**–**	**–**	**–**	**–**	**(131,726)**
Disposal of treasury stock	**–**	**–**	**(12)**	**505**	**493**	**–**	**–**	**–**	**–**	**–**	**493**
Change in scope of consolidation	**–**	**–**	**(710)**	**–**	**(710)**	**–**	**–**	**–**	**–**	**–**	**(710)**
Net changes other than shareholders' equity	**–**	**–**	**–**	**–**	**–**	**(50,824)**	**15,106**	**(28,334)**	**(64,052)**	**(144)**	**(64,196)**
Balance at March 31, 2011	**$5,180,722**	**$851,197**	**$13,838,965**	**$ (5,208)**	**$19,865,676**	**$125,652**	**$28,936**	**$(54,780)**	**$ 99,808**	**$460,036**	**$20,425,520**

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated Statements of Cash Flows

Chubu Electric Power Company, Incorporated and Consolidated Subsidiaries
For the Years Ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2010	**2011**
Cash Flows from Operating Activities:			
Income before income taxes and minority interests	**¥ 135,139**	¥ 174,842	**$ 1,625,244**
Adjustments for:			
Depreciation and amortization	**284,047**	297,517	**3,416,079**
Decommissioning costs of nuclear power units	**3,709**	–	**44,606**
Loss on loaded nuclear fuel	**7,203**	7,022	**86,627**
Loss on disposal of property, plant and equipment	**8,637**	7,915	**103,873**
Loss on adjustment for changes of accounting standard for asset retirement obligations	**8,686**	–	**104,462**
Increase in employee retirement benefit liability	**1,390**	6,300	**16,717**
Decrease in reserve for reprocessing of irradiated nuclear fuel	**(3,902)**	(1,333)	**(46,927)**
Increase in reserve for preparation for reprocessing of irradiated nuclear fuel	**934**	673	**11,233**
Increase in reserve for decommissioning nuclear power plants	**–**	1,928	**–**
Decrease in reserve for loss in conjunction with discontinued operations of nuclear power plants	**(893)**	(452)	**(10,740)**
Increase in reserve for fluctuation in water levels	**2,450**	3,701	**29,464**
Interest and dividend income	**(6,470)**	(7,028)	**(77,811)**
Interest expense	**36,408**	38,919	**437,859**
Decrease in fund for reprocessing of irradiated nuclear fuel	**3,215**	1,542	**38,665**
Decrease (increase) in trade notes and accounts receivable	**(1,435)**	17,983	**(17,258)**
Decrease (increase) in inventories	**(584)**	14,243	**(7,023)**
Increase (decrease) in trade notes and accounts payable	**10,740**	(26,739)	**129,164**
Other	**82,877**	52,048	**996,716**
Subtotal	**572,151**	589,081	**6,880,950**
Interest and dividends received	**9,633**	7,259	**115,851**
Interest paid	**(37,387)**	(39,485)	**(449,633)**
Income taxes paid	**(94,642)**	(17,749)	**(1,138,208)**
Net Cash Provided by Operating Activities	**449,755**	539,106	**5,408,960**
Cash Flows from Investing Activities:			
Purchases of property, plant and equipment	**(269,622)**	(254,199)	**(3,242,598)**
Payments for investments and other long-term assets	**(89,441)**	(33,674)	**(1,075,658)**
Proceeds from investments and other long-term assets	**15,372**	37,000	**184,871**
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	**–**	(225)	**–**
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	**–**	259	**–**
Other	**7,635**	8,445	**91,822**
Net Cash Used in Investing Activities	**(336,056)**	(242,394)	**(4,041,563)**
Cash Flows from Financing Activities:			
Proceeds from issuance of bonds	**89,697**	109,656	**1,078,737**
Redemption of bonds	**(146,375)**	(40,977)	**(1,760,373)**
Proceeds from long-term borrowings	**161,421**	44,410	**1,941,323**
Repayment of long-term borrowings	**(194,267)**	(151,261)	**(2,336,344)**
Proceeds from short-term borrowings	**411,320**	358,310	**4,946,723**
Repayment of short-term borrowings	**(398,298)**	(357,770)	**(4,790,114)**
Proceeds from issuance of commercial paper	**791,000**	651,000	**9,512,928**
Redemption of commercial paper	**(760,000)**	(864,000)	**(9,140,108)**
Purchase of treasury stock	**(10,953)**	(34,189)	**(131,726)**
Dividends paid	**(45,710)**	(46,534)	**(549,729)**
Dividends paid to minority shareholders	**(455)**	(463)	**(5,472)**
Other	**(2,468)**	(1,678)	**(29,681)**
Net Cash Used in Financing Activities	**(105,088)**	(333,496)	**(1,263,836)**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**(455)**	228	**(5,473)**
Net Increase (Decrease) in Cash and Cash Equivalents	**8,156**	(36,556)	**98,088**
Cash and Cash Equivalents at Beginning of the Year	**113,140**	149,696	**1,360,673**
Cash and Cash Equivalents at End of the Year (Note 3)	**¥ 121,296**	¥ 113,140	**$ 1,458,761**

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Note 01 Basis of Consolidated Financial Statements

(a) Basis of presenting the consolidated financial statements

The consolidated financial statements of Chubu Electric Power Company, Incorporated (the "Company") and its subsidiaries (together with the Company, the "Chubu Electric Group") have been prepared as required by the provisions set forth in the Japanese Corporate Law, the Financial Instruments and Exchange Law of Japan, the accounting regulations applicable to electricity industry and on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

These consolidated financial statements are compiled from the original consolidated financial statements in Japanese, prepared by the Company as required by the Financial Instruments and Exchange Law of Japan and submitted to the Director of Kanto Finance Bureau in Japan.

(b) U.S. dollar amounts

The Chubu Electric Group maintains its accounting records in Japanese yen. The U.S. dollar amounts included in the consolidated financial statements and notes thereto present the arithmetic results of translating yen amounts into U.S. dollar amounts on a basis of ¥83.15 to U.S.$1.00, the prevailing exchange rate at the fiscal year-end. The inclusion of the dollar amounts is solely for convenience of the reader and is not intended to imply that the assets and liabilities originating in Japanese yen have been or could readily be converted, realized or settled in U.S. dollars at the above rate or at any other rate.

(c) Reclassification

Certain comparative figures have been reclassified to conform to the current year's presentation.

Note 02 Summary of Significant Accounting Policies

(a) Basis of consolidation

The consolidated financial statements include the accounts of the Company and all of its subsidiaries. Investments in all affiliates are accounted for by the equity method. The differences between the acquisition cost of investments in subsidiaries and affiliates and the underlying equity in their net assets adjusted based on the fair value at the time of acquisition are principally deferred and amortized over certain periods within twenty years on a straight-line basis. All significant intercompany transactions and accounts are eliminated on consolidation.

The number of subsidiaries and affiliates for the years ended March 31, 2011 and 2010 was as follows:

	2011	2010
Subsidiaries:		
Domestic	**24**	24
Overseas	**13**	11
Affiliates	**26**	25

The Company's overseas subsidiaries close their books at December 31, three months earlier than the Company and its domestic subsidiaries. The Company consolidated the financial statements of the overseas subsidiaries as of their fiscal year-end. Significant transactions for the period between the subsidiaries' year-end and the Company's year-end are adjusted for on consolidation. The financial statements of significant overseas consolidated subsidiaries are prepared in accordance with either International Financial Reporting Standards or U.S. generally accepted accounting principles, with adjustments for the specified six items as required by "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" and "Practical Solution on Unification of Accounting Policies Applied to Affiliates accounted for by the equity method."

(b) Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment is computed by the declining balance method over the estimated useful life of the asset. Contributions in aid of construction are deducted from the depreciable costs of the assets.

(c) Nuclear fuel and amortization

Nuclear fuel is stated at cost, less amortization. The amortization of loaded nuclear fuel is computed based on the quantity of energy produced for the generation of electricity in accordance with the provisions prescribed by the regulatory authorities.

(d) Investments and marketable securities

The Chubu Electric Group classifies certain investments in debt and equity securities as "trading," "held-to-maturity" or "available-for-sale," the classification of which determines the respective accounting methods to be used to account for the investments as stipulated by the accounting standard for financial instruments. The Chubu Electric Group had no trading securities in the fiscal years under review. Held-to-maturity securities are stated at amortized cost. Available-for-sale securities with market quotations are stated at fair value, and net unrealized gains or losses on these securities are reported as a component of net assets, net of applicable income taxes. Available-for-sale securities without available market quotations are carried at cost determined by the moving average method. Adjustments in the carrying values of individual securities are charged to loss through write-downs when a decline in fair value is deemed other than temporary. The cost of securities is computed by the moving average method.

(e) Derivatives and hedge accounting

Derivatives are valued at fair value if hedge accounting is not appropriate or where there is no hedging designation, and the gains and losses on the derivatives are recognized in current earnings. Certain transactions classified as hedging transactions are accounted for under a deferral method, whereby unrealized gains and losses on hedging instruments are carried as net assets on the balance sheet and the net change in them are recognized as other comprehensive income on the consolidated statements of comprehensive income until the losses and gains on the hedged items are realized. Foreign exchange forward contracts are accounted for by translating foreign currency denominated assets and liabilities at contract rates as an interim measure if certain hedging criteria are met. According to the special treatment permitted by the accounting standard for financial instruments in Japan, interest rate swaps are not valued at fair value, and the net amount received or paid is added to or deducted from the interest expense on the hedged items if certain conditions are met. The Chubu Electric Group's derivative transactions are applied only to the assets and liabilities generated through the Chubu Electric Group's operations to hedge exposures to fluctuations in exchange rates, interest rates or fuel prices, except for a subsidiary engaged in fuel trading.

(f) Inventories

Inventories consisted of fuel, materials, supplies and construction work-in-process. Fuel is stated at the lower of cost, determined principally by the periodic average method, or net realized value.

(g) Allowance for doubtful accounts

An allowance for doubtful accounts has been provided for at the aggregate amount of estimated credit loss for doubtful or troubled receivables based on a financial review of certain individual accounts and a general reserve for other receivables based on the historical loss experience for a certain past period.

(h) Employee retirement benefit liability

Employees who terminate their employment with the Chubu Electric Group, either voluntarily or upon reaching the mandatory retirement age, are entitled under most circumstances to a severance payment based on the rate of payment at the time of termination, years of service and certain other factors.

In accordance with the accounting standard for employee retirement benefits, the Chubu Electric Group recognizes employee retirement benefits liabilities, including pension cost and related liability, based on the actuarial present value of projected benefit obligation using an actuarial appraisal approach and the value of pension plan assets available for benefits at the fiscal year-end. Unrecognized prior service cost is amortized using the straight-line method over a certain period within the average remaining service years of employees, five to fifteen years, from the year in which they occur. Unrecognized actuarial differences, including changes in the projected benefit obligation or value of pension plan assets resulting from the actual outcome being different from that assumed and from changes in the assumptions themselves, are amortized on a straight-line basis over certain periods within the average remaining service years of employees, three to fifteen years, from the next fiscal year in which they occur.

(Changes in Accounting Policies)

Effective from the year ended March 31, 2010, the Company and consolidated domestic subsidiaries have adopted the "Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)" (Accounting Standards Board of Japan ("ASBJ") Statement No. 19, issued on July 31, 2008). The new accounting standard requires domestic companies to use the rate of return on long-term government or gilt-edged bonds as of the end of the fiscal year for calculating the projected benefit obligation of a defined-benefit plan. Previously, domestic companies were allowed to use a discount rate determined by taking into consideration fluctuations in the yield of long-term government or gilt-edged bonds over a certain period. This change had no material impact on the consolidated financial statements for the year ended March 31, 2010.

(i) Reserve for reprocessing of irradiated nuclear fuel

Until March 31, 2005, reserve for the reprocessing of irradiated nuclear fuel was recorded at an amount equal to 60% of the cost that would be required to reprocess all the Company's irradiated nuclear fuel. However, the ministerial ordinance that had regulated reserve for the reprocessing of irradiated nuclear fuel was repealed by the "Ministerial Ordinance to Repeal the Existing Ordinance Set for Reserve for Reprocessing of Irradiated Nuclear Fuel" (Ordinance No. 83 of the Ministry of Economy, Trade and Industry, 2005) and the accounting regulations applicable to electricity industry (Ordinance No. 57 of the Ministry of International Trade and Industry, 1965). Subsequently, expenses related to back-end businesses such as the disposal of equipment installed in reprocessing facilities for which there are no estimations available are provided based on reasonable valuation measures, according to the mid-term report titled "Economic Measures to Deal with Backend Business" (published by the Electric Industry Committee, a subcommittee of the Advisory Committee on Energy and Natural Resources, on August 30, 2004). Accordingly, effective April 1, 2005, the Company adopted the new accounting regulations to determine the reserve for the reprocessing of irradiated nuclear fuel. Pursuant to these regulations, the Company determines and provides the reserve as of the year-end based on the Company's estimates of the cost of reprocessing actually planned.

Because of the difference that has arisen due to the accounting change specified by Article 2 of the supplementary provision in the Ordinance Revising the Accounting Regulations for Japanese Electric Utility Companies (Ministry of Economy, Trade and Industry Ordinance No. 92, 2005), ¥124,568 million is being allocated on a straight-line basis as operating expense over 15 years from the year ended 31, 2006. The amount determined by Article 2 changed when the Spent Nuclear Fuel Reprocessing Fund Act (Ministry of Economy, Trade and Industry Ordinance No. 84, June 13, 2007) was put into effect in the year ended March 31, 2009. After this change, ¥98,982 million will be treated as operating expense allocated using the straight-line method over 12 years from fiscal year 2008. The unrecognized difference from this estimate amounted to ¥74,236 million ($892,796 thousand) at March 31, 2011.

Regarding the difference in estimates for reprocessing costs, the Company provides for the cost estimated for reprocessing spent fuel with a specific reprocessing plan from the next fiscal year throughout the period in which it is generated following the accounting regulations applicable to the electricity industry. The unrecognized difference for this estimate amounted to minus ¥7,734 million (minus $93,013 thousand) and minus ¥2,749 million at March 31, 2011 and 2010, respectively.

(j) Reserve for preparation for reprocessing of irradiated nuclear fuel

A reserve for preparation for reprocessing of irradiated nuclear fuel is provided as a portion of the estimated costs needed to reprocess the irradiated nuclear fuel without a definite plan of reprocessing. The amount of reserve recorded for a particular year, including the year ended March 31, 2011, is the amount recognized as attributable to that period.

(k) Reserve for decommissioning nuclear power plants

The Company provides for the costs of decommissioning nuclear power plants based on the amount of electricity supplied by nuclear power generation in accordance with the provisions prescribed by the regulatory authorities.

(l) Reserve for loss in conjunction with discontinued operations of nuclear power plants

In the year ended March 31, 2011, a reasonable estimate was made as a reserve for possible future expenses and losses related to the decommissioning of electric generating facilities that followed the termination of operations at Hamaoka Reactors No. 1 and No. 2.

(m) Asset Retirement Obligations

(Change in Accounting Policies)

Effective from the fiscal year ended March 31, 2011, the Chubu Electric Group has adopted the "Accounting Standard for Asset Retirement Obligations" (Accounting Standards Board of Japan ("ASBJ") Statement No. 18, issued on March 31, 2008) and "Guidance on Accounting Standards for Asset Retirement Obligations" (ASBJ Guidance No. 21, issued on March 31, 2008). In addition, the "Ministerial Ordinance for the Setting of Reserve for the Decommissioning of Nuclear Power Plants" (Ordinance No. 30 of the Ministry of International Trade and Industry, May 25, 1989) was amended.

As a result, operating income for the year ended March 31, 2011, was ¥337 million ($4,053 thousand) less, and income before income taxes and minority interests was ¥9,023 million ($108,515 thousand) less than the amounts that would have been recorded without the change. Asset retirement obligations posted as a result of the new accounting standards were ¥218,692 million ($2,630,090 thousand) which included ¥119,858 million ($1,441,467 thousand) transfer from reserve for decommissioning nuclear power plants and ¥40,738 million ($489,934 thousand) transfer from reserve for loss in conjunction with discontinued operations of nuclear power plants.

(Recognition of asset retirement cost corresponding to the asset retirement obligation in relation to the decommissioning of specified nuclear power plants)

The asset retirement cost corresponding to the asset retirement obligation in relation to the decommissioning of specified nuclear power plants is recorded under tangible fixed assets based on the estimated total cost of decommissioning nuclear power plants, expensed by the amount of electricity supplied by nuclear power generation in accordance with the provisions of the "Ministerial Ordinance for the Setting of Reserve for the Decommissioning of Nuclear Power Plants" (Ordinance No. 30 of the Ministry of International Trade and Industry, May 25, 1989).

(n) Reserve for fluctuation in water levels

The Company recognizes reserve at the amount required under the Japanese Electric Utility Law to stabilize its income position for fluctuation in water levels.

(o) Cash and cash equivalents

The Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

(p) Research and development costs

Research and development costs included in operating expenses for the years ended March 31, 2011 and 2010 amounted to ¥13,355 million ($160,613 thousand) and ¥13,905 million, respectively.

(q) Income taxes

Income taxes are accounted for by the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the differences between the carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted tax rates expected to be applied to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

(r) Translation of foreign currency accounts

Receivables, payables and securities, other than stocks of subsidiaries and certain other securities, are translated into Japanese yen at the prevailing exchange rate at the fiscal year-end. Transactions in foreign currencies are translated based on the prevailing exchange rate on the transaction date. Resulting foreign exchange translation gains and losses are included in the consolidated statements of income.

For financial statement items of the overseas subsidiaries and affiliates, all asset and liability accounts are translated into Japanese yen by applying the exchange rate in effect at the respective fiscal year-end. All income and expense accounts are translated at the average rate of exchange prevailing during the year. Translation differences are reported in the consolidated balance sheets as foreign currency translation adjustments in net assets after allocating the portion attributable to minority interests, and the net change is recognized as other comprehensive income on the statement of comprehensive income.

(s) Per share information

Basic net income per share is computed by dividing income available to common shareholders by the weighted average number of shares outstanding during the year. Cash dividends per share shown for each fiscal year in the consolidated statements of income represent dividends declared as applicable to the respective year.

(t) Consolidated Statements of Income

(Changes in Presentation Method)

Effective from the year ended March 31, 2011, the Company has adopted the "Cabinet Office Ordinance Regarding Partial Amendment of the Regulation for Terminology, Forms and Preparation of Financial Statements" (Cabinet Office Ordinance issued on March 24, 2009) based on the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, issued on December 26, 2008). As a result, income before minority interests is included in the consolidated statements of income from the fiscal year ended March 31, 2011.

(u) Consolidated Statements of Comprehensive Income

(Additional Information)

Effective from the year ended March 31, 2011, the Company adopted the "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, issued on June 30, 2010). As a result of the adoption of these standards, the Company has presented the consolidated statement of comprehensive income in the consolidated financial statements for the fiscal year ended March 31, 2011. The consolidated balance sheet and the consolidated statement of changes in net assets as of and for the fiscal year ended March 31, 2010 have been modified to conform with the new presentation rules of 2011. In addition, the Company has presented the consolidated statement of comprehensive income for the fiscal year ended March 31, 2010 as well as that for the fiscal year ended March 31, 2011.

Note 03 Cash and Cash Equivalents

For the consolidated statements of cash flows, reconciliation between cash and cash equivalents and cash balances on the consolidated balance sheets was as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Cash and deposits	**¥117,000**	¥ 97,938	**$1,407,096**
Time deposits with an original maturity of more than three months included in cash and deposits	**(5,685)**	(7,795)	**(68,370)**
Short-term investments with an original maturity of three months or less included in other current assets	**9,981**	22,997	**120,035**
Cash and cash equivalents	**¥121,296**	¥113,140	**$1,458,761**

Note 04 Property, Plant and Equipment

The major classifications of property, plant and equipment at March 31, 2011 and 2010 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Hydroelectric power production facilities	**¥ 268,976**	¥ 280,533	**$ 3,234,829**
Thermal power production facilities	**508,009**	562,145	**6,109,549**
Nuclear power production facilities	**267,247**	241,670	**3,214,035**
Transmission facilities	**879,197**	929,111	**10,573,626**
Transformation facilities	**398,469**	408,685	**4,792,171**
Distribution facilities	**799,732**	807,433	**9,617,943**
General facilities	**125,241**	126,054	**1,506,206**
Other electricity related property, plant and equipment	**6,040**	4,024	**72,639**
Other property, plant and equipment	**198,189**	201,069	**2,383,512**
Construction in progress	**410,399**	316,569	**4,935,646**
Total	**¥3,861,499**	¥3,877,293	**$46,440,156**

Calculated according to the accounting principles and practices generally accepted in Japan, accumulated gains on the receipt of contributions in aid of real property construction deducted from the original acquisition costs amounted to ¥165,554 million ($1,991,028 thousand) and ¥161,159 million at March 31, 2011 and 2010, respectively.

Note 05 Financial Instruments

(Additional Information)

Accounting Standards for Financial Instruments (Corporate Accounting Standards, Article 10, March 10, 2008) and Guidelines for Disclosure of Market Capitalization of Financial Instruments and Other Practices (Corporate Accounting Standards, Article 19, March 10, 2008) apply to financial instruments starting in the fiscal year ended March 31, 2010.

(a) Items relating to financial instruments

(1) Policy initiatives for financial instruments

The Chubu Electric Group raises funds for the equipment necessary to run its core electric power business through bond issues, bank loans and other means. Short-term working capital is secured principally through short-term borrowing. Derivative transactions are used for overcoming risk in the Chubu Electric Group operations and are not be used for speculative purposes. A subsidiary engaged in fuel trading may engage in derivative trading for the purpose of ensuring a stable fuel supply to the Chubu Electric Group.

(2) Breakdown of financial instruments and associated risks

Marketable securities comprise shares in domestic companies acquired for aiding business operations or regional development and shares in overseas companies, bond holdings of subsidiaries, and other instruments acquired for tapping into new earnings sources and other purposes. These securities are exposed to risks from changes in market prices.

Reserve for reprocessing of irradiated nuclear fuel comprises funds allocated under provisions of the Law on the Creation and Management of Reserve Funds for the Reprocessing of Spent Fuel at Nuclear Power Stations (Article 48, May 20, 2005).

Operating bills receivables and trade account receivables are exposed to customer credit risks.

Most of the Chubu Electric Group's interest-bearing debt balance consists of bonds and long-term fund holdings from long-term borrowings that have been raised principally for electric utility plant and equipment funding. However, related interest rate fluctuations have a minimal impact on earnings because most funds are raised at fixed interest rates.

Accounts payable and notes payable for operating debts are almost all due within one year.

Derivative transactions consist of foreign exchange forward contracts for meeting fuel supply obligations, commodity swaps and commodity options for the purpose of avoiding losses from future volatility in currency markets and fuel prices for fuel supplies, and currency swaps and interest rate swaps for financial liabilities in order to avoid losses from future volatility in currency markets and interest rates on financial liabilities. Hedging methods and hedging objectives in hedge accounting, hedging policies, effective valuation methods for hedges, and other related items are described in Note 2 (e), Summary of Significant Accounting Policies—Derivatives and Hedge Accounting. A subsidiary engaged in fuel trading engages in commodities forward contracts, commodity future contracts, and commodity swaps transactions. Some trading positions are exposed to risks from fuel price volatility.

(3) Risk management system for financial instruments

1) Credit risk management

For accounts receivable on electricity bills, due dates and account balances are managed for each customer based on terms and conditions for electricity supply.

For derivative transactions, financial institutions and other enterprises with high credit ratings are selected, and credit standing is assessed even after transaction contracts are completed. A subsidiary engaged in fuel trading is managed by means of regularly assessing the credit information and fair value for accounts of each counterparty.

2) Market risk management

For marketable securities, the fair value of the securities and the financial and operating conditions of the issuers are regularly assessed.

Derivative transactions are enacted and managed based on the Company's internal rules established for authorizing trades and for managing and reporting them. A trade management department independently handles transactions and approves contract amounts (notional and other value) for each transaction by classification. For a subsidiary engaged in fuel trading, a management committee monitors approved transactions to ensure they are enacted within agreed upon parameters. In addition, the subsidiary's transactions are strictly managed on a daily basis using Value at Risk (VaR) and other controls, and the subsidiary is in the process of building stronger frameworks for risk management.

3) Volatility risk management in financing

Financing plans are formulated and daily receipts and payments are validated for managing risk.

(4) Supplementary explanation of fair value for financial instruments

The fair value of financial instruments reflects their value based on market prices or their value based on reasonable assessments if there is no fair value. Since some variable factors are used in assessing value, the amounts calculated can change based on different assumptions that are applied. Derivative contract amounts noted below in "(b) Fair value of financial instruments" do not denote the market risk from the derivatives themselves. In addition, fair value and valuation gains and losses are reasonably quoted values based on market indicators for valuations and other measures. They are not amounts that would be received or paid in the future.

(b) Fair value of financial instruments

Differences between the valuation amounts of financial instruments as they appear on the consolidated balance sheet and their fair values as of March 31, 2011 and 2010 are shown below. Items with fair values that are difficult to assess are not included (See Note 2).

			Millions of yen
As of March 31, 2011	Consolidated balance sheet	Fair value	Difference amounts
Assets:			
(1) Marketable securities	**¥ 79,024**	**¥ 76,296**	**¥ (2,728)**
(2) Fund for reprocessing of irradiated nuclear fuel	**240,002**	**240,002**	**–**
(3) Cash and deposits	**117,000**	**117,000**	**–**
(4) Trade notes and accounts receivable	**148,609**	**148,609**	**–**
Liabilities:			
(5) Bonds*1	**¥1,316,642**	**¥1,364,298**	**¥47,656**
(6) Long-term borrowings*1	**728,796**	**743,923**	**15,127**
(7) Short-term borrowings	**333,540**	**333,540**	**–**
(8) Commercial paper	**112,000**	**112,000**	**–**
(9) Trade notes and accounts payable	**123,663**	**123,663**	**–**
(10) Derivative transactions*2	**5,035**	**5,035**	**–**

			Millions of yen
As of March 31, 2010			
Assets:			
(1) Marketable securities	¥ 99,005	¥ 99,222	¥ 217
(2) Fund for reprocessing of irradiated nuclear fuel	243,217	243,217	–
(3) Cash and deposits	97,938	97,938	–
(4) Trade notes and accounts receivable	147,174	147,174	–
Liabilities:			
(5) Bonds*1	¥1,372,219	¥1,425,747	¥53,528
(6) Long-term borrowings*1	761,325	784,045	22,720
(7) Short-term borrowings	321,450	321,450	–
(8) Commercial paper	81,000	81,000	–
(9) Trade notes and accounts payable	112,907	112,907	–
(10) Derivative transactions*2	2,028	2,028	–

			Thousands of U.S. dollars
As of March 31, 2011			
Assets:			
(1) Marketable securities	**$ 950,379**	**$ 917,571**	**$ (32,808)**
(2) Fund for reprocessing of irradiated nuclear fuel	**2,886,374**	**2,886,374**	**–**
(3) Cash and deposits	**1,407,096**	**1,407,096**	**–**
(4) Trade notes and accounts receivable	**1,787,240**	**1,787,240**	**–**
Liabilities:			
(5) Bonds*1	**$15,834,540**	**$16,407,673**	**$573,133**
(6) Long-term borrowings*1	**8,764,835**	**8,946,759**	**181,924**
(7) Short-term borrowings	**4,011,305**	**4,011,305**	**–**
(8) Commercial paper	**1,346,963**	**1,346,963**	**–**
(9) Trade notes and accounts payable	**1,487,228**	**1,487,228**	**–**
(10) Derivative transactions*2	**60,553**	**60,553**	**–**

*1 (5) Bonds and (6) Long-term borrowings include scheduled redemptions within one year.
*2 The amounts denote net liabilities and obligations resulting from derivative transactions.

(Note 1) Methods for calculating the fair value of financial instruments, marketable securities and derivative transactions

(1) Marketable securities

The value of equity securities is determined from stock market prices and bonds from their market prices or prices quoted by financial institutions. Also, see Note 6, Investments and Marketable Securities, for purposes of retaining holdings.

(2) Fund for reprocessing of irradiated nuclear fuel

Assets are allocated as stipulated under the Law on the Creation and Management of Reserve Funds for the Reprocessing of Spent Fuel at Nuclear Power Stations (Article 48, May 20, 2005). Redemptions must meet requirements under the Ministry of Economy, Trade and Industry's plans for redeeming fund for reprocessing irradiated nuclear fuel. Since book value is based on the current value of assets that are scheduled to be redeemed in the future according to plans at the end of the consolidated accounting period, fair value is derived from book value.

(3) Cash and deposits and (4) Trade notes and accounts receivable

For cash and deposits, trade notes and accounts receivable, book value is used for fair value because the accounts will be settled in the near future, meaning the fair value is largely equivalent to the book value.

(5) Bonds

Bonds with market prices are valued by the market price, and bonds without market prices are valued based on terms projected as if they were being newly issued. Some bonds are subject to special foreign exchange forward contracts or interest rate swaps in the allocation process. These are valued based on the same terms and conditions applied to derivative transactions.

(6) Long-term borrowings

The values of long-term borrowings are calculated using terms as if the borrowings were new loans. Some borrowings are subject to special foreign exchange forward contracts or interest rate swaps in the allocation process. These are valued based on the same terms and conditions applied to derivative transactions.

(7) Short-term borrowings, (8) Commercial paper and (9) Trade notes and accounts payable

For short-term borrowings, commercial paper and trade notes and accounts payable, book value is used for these amounts because the accounts will be settled in the near future, meaning the fair value is largely equivalent to book value.

(10) Derivative transactions

Refer to Note 12, Derivatives.

(Note 2) Financial instruments for which assessing fair value are extremely difficult

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Unlisted securities	**¥178,041**	¥64,113	**$2,141,203**
Others	**2,537**	2,607	**30,511**
Total	**¥180,578**	¥66,720	**$2,171,714**

These financial instruments do not have market prices and estimating their future cash flows would require considerable costs. Consequently, these securities are not included in "(1) Marketable securities" above.

(Note 3) Anticipated redemption schedule for monetary instruments and securities with maturity dates subsequent to March 31, 2011.

Millions of yen

As of March 31, 2011	Within 1 year	Over 1 year but within 5 years	Over 5 years but within 10 years	Over 10 years
Securities:				
Held-to-maturity debt securities:				
National and local government bonds, etc.	**¥ 400**	**¥2,496**	**¥ 2,000**	**¥ –**
Corporate bonds and debentures	**230**	**1,299**	**3,999**	**–**
Other	**310**	**367**	**2,396**	**1,650**
Available-for-sale securities with maturity dates:				
Debt securities:				
National and local government bonds, etc.	**45**	**–**	**–**	**–**
Corporate bonds and debentures	**3,166**	**814**	**1,434**	**208**
Other	**48**	**70**	**455**	**1,167**
Other	**8,308**	**248**	**61**	**–**
Fund for reprocessing of irradiated nuclear fuel*	**25,982**	**–**	**–**	**–**
Cash and deposits	**117,000**	**–**	**–**	**–**
Trade notes and accounts receivable	**148,336**	**273**	**–**	**–**
Total	**¥303,825**	**¥5,567**	**¥10,345**	**¥3,025**

Millions of yen

As of March 31, 2010				
Securities:				
Held-to-maturity debt securities:				
National and local government bonds, etc.	¥ –	¥1,795	¥ 3,099	¥ –
Corporate bonds and debentures	100	1,428	3,999	200
Other	500	677	1,995	2,050
Available-for-sale securities with maturity dates:				
Debt securities:				
National and local government bonds, etc.	–	46	–	–
Corporate bonds and debentures	9,486	1,523	1,332	303
Other	674	114	612	1,465
Other	–	196	115	–
Fund for reprocessing of irradiated nuclear fuel*	25,012	–	–	–
Cash and deposits	97,938	–	–	–
Trade notes and accounts receivable	146,349	825	–	–
Total	¥280,059	¥6,604	¥11,152	¥4,018

Thousands of U.S. dollars

As of March 31, 2011	Within 1 year	Over 1 year but within 5 years	Over 5 years but within 10 years	Over 10 years
Securities:				
Held-to-maturity debt securities:				
National and local government bonds, etc.	**$ 4,811**	**$30,018**	**$ 24,053**	**$ –**
Corporate bonds and debentures	**2,766**	**15,622**	**48,094**	**–**
Other	**3,728**	**4,414**	**28,815**	**19,844**
Available-for-sale securities with maturity dates:				
Debt securities:				
National and local government bonds, etc.	**541**	**–**	**–**	**–**
Corporate bonds and debentures	**38,075**	**9,790**	**17,246**	**2,502**
Other	**577**	**842**	**5,472**	**14,034**
Other	**99,916**	**2,983**	**734**	**–**
Fund for reprocessing of irradiated nuclear fuel*	**312,472**	**–**	**–**	**–**
Cash and deposits	**1,407,096**	**–**	**–**	**–**
Trade notes and accounts receivable	**1,783,957**	**3,283**	**–**	**–**
Total	**$3,653,939**	**$66,952**	**$124,414**	**$36,380**

* Anticipated redemption of the funds for reprocessing of irradiated nuclear fuel over more than one year is not disclosed due to contract requirements and because a reduction in profits may be incurred.

(Note 4) Anticipated redemption schedule for bonds, long-term borrowings and other interest-bearing debt subsequent to March 31, 2011.

Millions of yen

As of March 31, 2011	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Over 5 years
Bonds	**¥139,100**	**¥183,000**	**¥166,000**	**¥170,000**	**¥110,000**	**¥548,610**
Long-term borrowings	**112,241**	**55,639**	**64,667**	**79,511**	**97,938**	**318,800**
Short-term borrowings	**333,540**	**–**	**–**	**–**	**–**	**–**
Commercial paper	**112,000**	**–**	**–**	**–**	**–**	**–**
Total	**¥696,881**	**¥238,639**	**¥230,667**	**¥249,511**	**¥207,938**	**¥867,410**

Millions of yen

As of March 31, 2010						
Bonds	¥138,000	¥139,100	¥183,000	¥166,000	¥170,000	¥576,210
Long-term borrowings	180,877	112,557	55,829	64,802	79,758	267,502
Short-term borrowings	321,450	–	–	–	–	–
Commercial paper	81,000	–	–	–	–	–
Total	¥721,327	¥251,657	¥238,829	¥230,802	¥249,758	¥843,712

Thousands of U.S. dollars

As of March 31, 2011						
Bonds	**$1,672,880**	**$2,200,842**	**$1,996,392**	**$2,044,498**	**$1,322,911**	**$ 6,597,835**
Long-term borrowings	**1,349,862**	**669,140**	**777,715**	**956,236**	**1,177,847**	**3,834,035**
Short-term borrowings	**4,011,305**	**–**	**–**	**–**	**–**	**–**
Commercial paper	**1,346,963**	**–**	**–**	**–**	**–**	**–**
Total	**$8,381,010**	**$2,869,982**	**$2,774,107**	**$3,000,734**	**$2,500,758**	**$10,431,870**

Note 06 Investments and Marketable Securities

At March 31, 2011 and 2010, investments consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Long-term investments:			
Marketable securities:			
Equity securities	**¥ 39,295**	¥ 49,342	**$ 472,580**
Bonds	**18,859**	26,985	**226,807**
Other	**10,513**	18,192	**126,434**
	68,667	94,519	**825,821**
Other non-marketable securities	**98,853**	43,723	**1,188,851**
Investments in affiliates	**46,010**	32,283	**553,337**
Other	**55,785**	31,284	**670,897**
Total	**¥269,315**	¥201,809	**$3,238,906**
Short-term investments included in other current assets:			
Marketable securities:			
Bonds	**¥ 3,777**	¥ 4,486	**$ 45,424**
Other	**–**	–	**–**
	3,777	4,486	**45,424**
Other	**10,457**	22,997	**125,761**
Total	**¥ 14,234**	¥ 27,483	**$ 171,185**

At March 31, 2011 and 2010, gross unrealized gains and losses for marketable securities were as follows:

				Millions of yen
	Carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
Held-to-maturity debt securities:				
As of March 31, 2011				
National and local government bonds	**¥ 4,896**	**¥199**	**¥ –**	**¥ 5,095**
Corporate bonds and debentures	**5,528**	**141**	**52**	**5,617**
Other	**4,723**	**113**	**213**	**4,623**
Total	**¥15,147**	**¥453**	**¥265**	**¥15,335**
As of March 31, 2010				
National and local government bonds	¥ 4,894	¥190	¥ –	¥ 5,084
Corporate bonds and debentures	5,727	177	5	5,899
Other	5,222	106	251	5,077
Total	¥15,843	¥473	¥256	¥16,060
				Thousands of U.S. dollars
As of March 31, 2011				
National and local government bonds	**$ 58,882**	**$2,393**	**$ –**	**$ 61,275**
Corporate bonds and debentures	**66,482**	**1,696**	**625**	**67,553**
Other	**56,801**	**1,359**	**2,562**	**55,598**
Total	**$182,165**	**$5,448**	**$3,187**	**$184,426**

	Millions of yen			
	Cost	Gross unrealized gains	Gross unrealized losses	Fair and carrying value
Available-for-sale securities:				
As of March 31, 2011				
Equity securities	**¥22,821**	**¥18,290**	**¥1,816**	**¥39,295**
Bonds:				
Corporate bonds and debentures	**5,566**	**57**	**1**	**5,622**
Other	**2,059**	**17**	**209**	**1,867**
Other	**10,558**	**16**	**61**	**10,513**
Total	**¥41,004**	**¥18,380**	**¥2,087**	**¥57,297**
As of March 31, 2010				
Equity securities	¥25,933	¥25,670	¥2,261	¥49,342
Bonds:				
Corporate bonds and debentures	12,590	65	11	12,644
Other	3,319	42	377	2,984
Other	18,263	17	88	18,192
Total	¥60,105	¥25,794	¥2,737	¥83,162

	Thousands of U.S. dollars			
As of March 31, 2011				
Equity securities	**$274,456**	**$219,964**	**$21,840**	**$472,580**
Bonds:				
Corporate bonds and debentures	**66,939**	**686**	**12**	**67,613**
Other	**24,762**	**204**	**2,513**	**22,453**
Other	**126,976**	**192**	**734**	**126,434**
Total	**$493,133**	**$221,046**	**$25,099**	**$689,080**

Note 07 Inventories

Inventories at March 31, 2011 and 2010 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Merchandise and Finished products	**¥ 556**	¥ 1,241	**$ 6,687**
Work-in-process	**10,924**	9,468	**131,377**
Raw materials and supplies	**83,353**	83,540	**1,002,441**
Total	**¥94,833**	¥94,249	**$1,140,505**

Note 08 Long-term Debt and Short-term Debt

At March 31, 2011 and 2010, long-term debt consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Bonds and others:			
Domestic issue:			
0.628% to 4.0%, maturing serially through 2028	**¥1,167,642**	¥1,108,219	**$14,042,598**
Floating rate, maturing serially through 2013	**144,000**	259,000	**1,731,810**
Overseas issue:			
0.76%, maturing serially through 2013 (payable in euros/yen)	**5,000**	5,000	**60,132**
Loans from the Development Bank of Japan, other banks and insurance companies, due through 2026	**728,796**	761,325	**8,764,835**
Lease obligations	**9,648**	11,096	**116,031**
Subtotal	**2,055,086**	2,144,640	**24,715,406**
Less current portion of long-term debt	**(253,915)**	(321,275)	**(3,053,698)**
Total	**¥1,801,171**	¥1,823,365	**$21,661,708**

At March 31, 2011 and 2010, all assets of the Company were subject to certain statutory preferential rights as collateral for loans from the Development Bank of Japan in the amount of ¥181,686 million ($2,185,039 thousand) and ¥180,632 million, respectively, and for bonds (including those assigned under debt assumption agreements) of ¥1,908,230 million ($22,949,248 thousand) and ¥2,033,330 million, respectively.

At March 31, 2011 and 2010, property, plant and equipment, and long-term investments of certain subsidiaries pledged as collateral for long-term debt amounted to ¥21,455 million ($258,028 thousand) and ¥23,719 million, respectively.

As of March 31, 2011 and 2010, long-term investments totaling ¥6,339 million ($76,236 thousand) and ¥4,108 million respectively, and other investments totaling ¥27,316 million ($328,515 thousand) and ¥15,866 million respectively, were also pledged as collateral for long term loans from financial institutions to investees of certain consolidated subsidiaries.

At March 31, 2011 and 2010, short-term debt consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Short-term borrowings	**¥333,540**	¥321,450	**$4,011,305**
Commercial paper	**112,000**	81,000	**1,346,963**
Total	**¥445,540**	¥402,450	**$5,358,268**

Short-term borrowings consisted mainly of bank loans bearing an average interest rate of 0.340% per annum at March 31, 2011. At March 31, 2011, the average interest rate on commercial paper was 0.136% per annum.

Note 09 Employee Retirement Benefits

The Chubu Electric Group has several defined benefit retirement plans, principally consisting of defined benefit pension plans, funded non-contributory tax-qualified retirement pension plans, a welfare pension fund and lump-sum retirement benefit plans.

The following table reconciles the employee retirement benefit liability and net periodic retirement benefit expense as of and for the years ended March 31, 2011 and 2010.

	Millions of yen		Thousands of U.S. dollars
As of March 31	**2011**	2010	**2011**
Projected benefit obligation*	**¥ 630,908**	¥ 626,015	**$ 7,587,589**
Fair value of pension plan assets at end of the year	**(407,018)**	(417,767)	**(4,894,985)**
	223,890	208,248	**2,692,604**
Unrecognized actuarial differences	**(20,428)**	(37,160)	**(245,676)**
Unrecognized prior service cost	**390**	506	**4,690**
Prepaid pension cost	**2,266**	33,134	**27,252**
Employee retirement benefit liability	**¥ 206,118**	¥ 204,728	**$ 2,478,870**

*Projected benefit obligation of certain subsidiaries was calculated using the simplified calculation method permitted by the accounting standard for employee retirement benefits in Japan.

Year ended March 31	Millions of yen 2011	Millions of yen 2010	Thousands of U.S. dollars 2011
Components of net periodic retirement benefit expense:			
Service cost	**¥18,601**	¥18,500	**$ 223,704**
Interest cost	**12,385**	12,399	**148,948**
Expected return on pension plan assets	**(8,368)**	(5,985)	**(100,637)**
Amortization of actuarial differences	**30,255**	42,303	**363,860**
Amortization of prior service cost	**(116)**	(724)	**(1,395)**
Net periodic retirement benefit expense	**¥52,757**	¥66,493	**$ 634,480**

Major assumptions used in the calculation of the above amounts for the years ended March 31, 2011 and 2010 were as follows:

		2011	2010
Method of allocation of estimated retirement benefits		**Straight-line method**	Straight-line method
Discount rate	(Company)	**2.0%**	2.0%
	(Subsidiaries)	**1.8 and 2.0%**	1.8 and 2.0%
Expected rate of return on pension plan assets	(Company)	**2.0%**	1.5%
	(Subsidiaries)	**0.5 – 2.5%**	0.5 – 2.5%
Amortization period for prior service cost	(Company)	**–**	–
	(Subsidiaries)	**5 and 15 years**	5 and 15 years
Amortization period for actuarial differences	(Company)	**3 years**	3 years
	(Subsidiaries)	**3, 5 and 15 years**	3, 5 and 15 years

Note 10 Lease Transactions

(a) Lessee

Future lease payments under non-cancelable operating leases at March 31, 2011 and 2010 were as follows:

	Millions of yen 2011	Millions of yen 2010	Thousands of U.S. dollars 2011
Within 1 year	**¥ 82**	¥ 82	**$ 986**
Over 1 year	**226**	308	**2,718**
Total	**¥308**	¥390	**$3,704**

(b) Lessor

Future lease commitments to be received under non-cancelable operating leases at March 31, 2011 and 2010 were as follows:

	Millions of yen 2011	Millions of yen 2010	Thousands of U.S. dollars 2011
Within 1 year	**¥ 315**	¥ 315	**$ 3,788**
Over 1 year	**1,815**	2,130	**21,828**
Total	**¥2,130**	¥2,445	**$25,616**

Note 11 Asset Retirement Obligations

(a) Overview of asset retirement obligations

Mainly, asset retirement obligations are recorded in conjunction with measures to decommission of specified nuclear power plants under the Act on the Regulation of Nuclear Source Material, Nuclear Fuel Material and Reactors (Act No. 166 of June 10, 1957). The asset retirement cost corresponding to the asset retirement obligations in relation to decommission of specified nuclear power plants recorded on tangible fixed assets based on the estimated total cost of decommissioning nuclear power plants, and is expensed based on the amount of electricity supplied by nuclear power generation in accordance with the "Ministerial Ordinance for the Setting of Reserve for the Decommissioning of Nuclear Power Plants" (Ordinance No. 30 of the Ministry of International Trade and Industry, May 25, 1989).

(b) Method for calculating monetary amount of asset retirement obligations

With regard to decommission of specified nuclear power plants, the monetary amount of asset retirement obligations are calculated based on a discount rate of 2.3% and a useful life of assets based on the operational period of the nuclear power generation facilities that provide the basis for determining the estimated total amount of electricity generated as prescribed by "Ministerial Ordinance for the Setting of Reserves for the Decommissioning of Nuclear Power Plants" (Ordinance No. 30 of the Ministry of International Trade and Industry, May 25, 1989).

(c) Net increase (decrease) in asset retirement obligations for the fiscal year

	Millions of yen	Thousands of U.S. dollars
Adjustments made at the beginning of the fiscal year in relation to adoption of new accounting standards*	**¥218,270**	**$2,625,015**
Reductions due to execution of asset retirement obligations	**(3,555)**	**(42,754)**
Other	**3,977**	**47,829**
Total	**¥218,692**	**$2,630,090**

* ¥119,858 million ($1,441,467 thousand) transferred from reserve for decommissioning nuclear power plants, ¥40,738 million ($489,934 thousand) transferred from reserve for loss in conjunction with discontinued operations of nuclear power plants, and other expenses of ¥8,686 million ($104,462 thousand) posted for the fiscal year under review are included.

Note 12 Derivatives

The Chubu Electric Group enters into derivative financial instruments, including interest rate swaps, foreign exchange forward contracts, currency swaps, commodity future swaps, commodity swaps, commodity options and commodity forward contracts. The Chubu Electric Group's derivative financial instruments at March 31, 2011 and 2010 were as follows:

(a) Derivatives without hedge accounting

Millions of yen

As of March 31, 2011	Contracted amount	More than 1 year	Fair value	Unrealized gains or losses
Commodity future contracts:				
Long position	**¥ 6,197**	**¥ 671**	**¥(1,494)**	**¥(1,494)**
Short position	**6,451**	**2,419**	**1,734**	**1,734**
Commodity swaps and options contracts:				
Receive floating, pay fixed	**1,680**	**1,388**	**135**	**135**
Commodity swaps:				
Receive floating, pay fixed	**25,128**	**8,137**	**4,056**	**4,056**
Receive fixed, pay floating	**17,561**	**7,939**	**(2,337)**	**(2,337)**
Commodity forward contracts:				
Long position	**6,379**	**2,818**	**1,634**	**1,634**
Short position	**13,829**	**–**	**(2,398)**	**(2,398)**
Total	**¥ –**	**¥ –**	**¥ 1,330**	**¥ 1,330**

Millions of yen

As of March 31, 2010				
Commodity future contracts:				
Long position	¥ 2,242	¥ 1,421	¥ 76	¥ 76
Short position	12,609	4,025	(585)	(585)
Commodity swaps and options contracts:				
Receive floating, pay fixed	1,972	1,680	37	37
Commodity swaps:				
Receive floating, pay fixed	30,663	10,592	(1,851)	(1,851)
Receive fixed, pay floating	26,094	3,899	(1,156)	(1,156)
Commodity forward contracts:				
Long position	9,848	–	2,907	2,907
Total	¥ –	¥ –	¥ (572)	¥ (572)

Thousands of U.S. dollars

As of March 31, 2011				
Commodity future contracts:				
Long position	**$ 74,528**	**$ 8,070**	**$(17,968)**	**$(17,968)**
Short position	**77,583**	**29,092**	**20,854**	**20,854**
Commodity swaps and options contracts:				
Receive floating, pay fixed	**20,204**	**16,693**	**1,624**	**1,624**
Commodity swaps:				
Receive floating, pay fixed	**302,201**	**97,859**	**48,779**	**48,779**
Receive fixed, pay floating	**211,197**	**95,478**	**(28,106)**	**(28,106)**
Commodity forward contracts:				
Long position	**76,717**	**33,891**	**19,651**	**19,651**
Short position	**166,314**	**–**	**(28,839)**	**(28,839)**
Total	**$ –**	**$ –**	**$ 15,995**	**$ 15,995**

(b) Derivatives under hedge accounting

Millions of yen

As of March 31, 2011		Contracted amount	More than 1 year	Fair value
General treatment:	Object			
Foreign exchange forward contracts:				
Long position	Long-term investments	**¥ 2,009**	**¥ 2,009**	**¥ (106)**
Interest rate swaps:				
Receive floating, pay fixed	Long-term debt	**50,000**	**50,000**	**(3,830)**
Receive fixed, pay floating	Long-term debt	**50,000**	**50,000**	**4,992**
Commodity swaps:				
Receive floating, pay fixed	Other operating expenses	**17,168**	**14,222**	**2,649**
Allocation of gain/loss on foreign exchange forward contracts and others:				
Currency swaps	Long-term debt	**21,005**	**20,745**	*
Special treatment of interest rate swaps:				
Interest rate swaps:				
Receive floating, pay fixed	Long-term debt	**146,516**	**125,968**	*
Total		**¥ –**	**¥ –**	**¥ 3,705**

Millions of yen

As of March 31, 2010				
General treatment:	Object			
Foreign exchange forward contracts:				
Long position	Long-term investments	¥ 2,875	¥ 1,593	¥ 66
Interest rate swaps:				
Receive floating, pay fixed	Long-term debt	50,000	50,000	(3,089)
Receive fixed, pay floating	Long-term debt	50,000	50,000	4,376
Commodity swaps:				
Receive floating, pay fixed	Other operating expenses	19,927	17,251	1,247
Allocation of gain/loss on foreign exchange forward contracts and others:				
Currency swaps	Long-term debt	21,265	21,005	*
Special treatment of interest rate swaps:				
Interest rate swaps:				
Receive floating, pay fixed	Long-term debt	262,550	146,516	*
Total		¥ –	¥ –	¥ 2,600

Thousands of U.S. dollars

As of March 31, 2011				
General treatment:	Object			
Foreign exchange forward contracts:				
Long position	Long-term investments	**$ 24,161**	**$ 24,161**	**$ (1,275)**
Interest rate swaps:				
Receive floating, pay fixed	Long-term debt	**601,323**	**601,323**	**(46,061)**
Receive fixed, pay floating	Long-term debt	**601,323**	**601,323**	**60,036**
Commodity swaps:				
Receive floating, pay fixed	Other operating expenses	**206,470**	**171,040**	**31,858**
Allocation of gain/loss on foreign exchange forward contracts and others:				
Currency swaps	Long-term debt	**252,616**	**249,489**	*
Special treatment of interest rate swaps:				
Interest rate swaps:				
Receive floating, pay fixed	Long-term debt	**1,762,069**	**1,514,949**	*
Total		**$ –**	**$ –**	**$ 44,558**

* For the assignment method of currency swaps and special treatment of interest rate swaps, the fair value was included in fair value of respective hedged objects.

Note 13 Contingent Liabilities

As of March 31, 2011 and 2010, contingent liabilities were as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Guarantees of bonds and loans of companies and others:			
Japan Nuclear Fuel Limited	**¥125,896**	¥128,961	**$1,514,083**
Nuclear Fuel Transport Co., Ltd. and other companies	**11,774**	6,074	**141,600**
Guarantees of housing and other loans for employees	**100,196**	102,485	**1,205,003**
Guarantees relating to electricity purchase agreements for affiliates and other companies	**7,417**	8,600	**89,200**
Recourse under debt assumption agreements	**591,520**	661,020	**7,113,891**

Note 14 Net Assets

The authorized number of shares of common stock without par value is 1,190 million. At March 31, 2011 and 2010, the number of shares of common stock issued was 758,000,000 and 763,000,000, respectively. At March 31, 2011 and 2010, the number of treasury stock held by the Chubu Electric Group was 257,799 and 195,127, respectively.

Under Japanese laws and regulations, the entire amount paid for new shares is required to be designated as common stock. However, a company may, by a resolution of the Board of Directors, designate an amount not exceeding one half of the price of the new shares as additional paid-in capital, which is included in capital surplus.

Under the Law, in cases where a dividend distribution of surplus is made, the smaller of an amount equal to 10% of the dividend or the excess, if any, of 25% of common stock over the total of additional paid-in capital and legal earnings reserve must be set aside as additional paid-in capital or legal earnings reserve. Legal earnings reserve is included in retained earnings in the consolidated balance sheets.

Additional paid-in capital and legal earnings reserve may not be distributed as dividends. Under the Law, all additional paid-in capital and all legal earnings reserve may be transferred to other capital surplus and retained earnings, respectively, which are potentially available for dividends.

The maximum amount that the Company can distribute as dividends is calculated based on the nonconsolidated financial statements of the Company in accordance with Japanese laws and regulations.

At the Board of Director's meeting held on October 30, 2010, the Board decided to authorize a distribution of interim cash dividends in the amount of ¥22,886 million ($275,237 thousand).

At the annual shareholders' meeting held on June 28, 2011, the shareholders approved cash dividends amounting to ¥22,735 million ($273,422 thousand). The appropriation was not recorded in the consolidated financial statements as of March 31, 2011. Such appropriation is recognized in the period in which they are approved by the shareholders.

Note 15 Income Taxes

The tax effects on temporary differences that give rise to deferred tax assets and liabilities at March 31, 2011 and 2010 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Deferred tax assets:			
Employee retirement benefit liability	**¥ 75,570**	¥ 75,128	**$ 908,839**
Asset retirement obligations	**48,058**	–	**577,968**
Depreciation	**42,183**	39,831	**507,312**
Impairment loss on fixed assets	**19,722**	20,774	**237,186**
Intercompany unrealized profits	**19,632**	19,080	**236,103**
Depreciation of easement rights	**18,260**	15,207	**219,603**
Reserve for loss in conjunction with discontinued operations of nuclear power plants	**16,039**	30,901	**192,892**
Accrued bonuses to employees	**11,314**	11,183	**136,067**
Amortization of deferred charges	**10,487**	13,034	**126,121**
Other	**65,712**	69,797	**790,284**
Total gross deferred tax assets	**326,977**	294,935	**3,932,375**
Less valuation allowance	**(38,134)**	(35,867)	**(458,617)**
Total deferred tax assets	**288,843**	259,068	**3,473,758**
Deferred tax liabilities:			
Asset retirement cost corresponding to asset retirement obligations	**17,583**	–	**211,461**
Net unrealized gains on available-for-sale securities	**3,946**	6,378	**47,456**
Other	**9,115**	14,332	**109,622**
Total deferred tax liabilities	**30,644**	20,710	**368,539**
Net deferred tax assets	**¥258,199**	¥238,358	**$3,105,219**

At March 31, 2011 and 2010, deferred tax assets and liabilities were as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Deferred tax assets:			
Noncurrent	**¥235,064**	¥214,121	**$2,826,987**
Current	**23,135**	24,237	**278,232**

In assessing the realizability of deferred tax assets, management of the Chubu Electric Group considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of the future taxable income during the periods in which those temporary differences become deductible.

A reconciliation of the difference between the statutory income tax rate and the effective income tax rate for the year ended March 31, 2010 is set forth below. The reconciliation for 2011 has been omitted because the difference between the statutory income tax rate and the effective income tax rate for the year ended March 31, 2011 was 5% or less of the statutory income tax rate.

	2010
Statutory income tax rate	35.7%
Increase (decrease) due to:	
Less valuation allowance	1.8
Tax credit	(0.7)
Permanent nondeductible expenses	0.5
Equity in earnings of affiliates	(0.2)
Other	0.6
Effective income tax rate	37.7%

Note 16 Operating Expenses

Operating expenses in the electricity for the years ended March 31, 2011 and 2010 were as follows:

Year ended March 31	Millions of yen 2011	Millions of yen 2010	Thousands of U.S. dollars 2010
Fuel	**¥ 678,471**	¥ 558,955	**$ 8,159,603**
Salaries and employee benefits	**228,524**	240,333	**2,748,334**
Purchased power	**208,204**	207,874	**2,503,957**
Maintenance	**202,614**	212,478	**2,436,729**
Depreciation	**266,272**	280,778	**3,202,309**
Other	**398,859**	363,679	**4,796,861**
Subtotal	**1,982,944**	1,864,097	**23,847,793**
Adjustment	**(12,546)**	(16,883)	**(150,884)**
Total	**¥1,970,398**	¥1,847,214	**$23,696,909**

Note 17 Related Party Transactions

Siginificant transactions of the Company and subsidiaries with corporate auditors for the years ended March 31, 2011 and 2010 were as follows:

Kenji Matsuo (Auditor of the Company)

Kenji Matsuo, who is an auditor of the Company, is concurrently the president of Meiji Yasuda Life Insurance Company. The Company borrowed from Meiji Yasuda Life Insurance Company, of which he is a representative, with an interest rate that was reasonably determined considering the market rate of interest.

	Millions of yen 2011	Millions of yen 2010	Thousands of U.S. dollars 2011
The Company's transactions:			
Borrowings	**¥ 35,000**	¥ 5,000	**$ 420,926**
Payment of interest	**2,537**	3,319	**30,511**
Balances:			
Long-term debt	**167,492**	193,455	**2,014,336**

	Millions of yen 2011	Millions of yen 2010	Thousands of U.S. dollars 2011
Subsidiaries' transactions:			
Borrowings	**¥ –**	¥ –	**$ –**
Payment of interest	**–**	1	**–**
Balances:			
Long-term debt	**–**	10	**–**

Note 18 Subsequent Events

(a) As a result of revisions to the Company's retirement benefit system effective April 1, 2011, the Company changed certain defined benefit retirement plans to defined contribution retirement plans. In addition, the Company changed the calculation method for payments made under lump-sum retirement benefit plans and defined benefit pension plans to a point based method.

Upon the revisions, the Company adopted the "Guidance on Accounting for Transfers between Retirement Benefit Plans" (ASBJ Guidance No. 1, issued on January 31, 2002) and, as a result, expects to record a loss on transfer to defined contribution pension plan in the amount of ¥17,292 million ($207,962 thousand) in the year ending March 31, 2012. The prior service cost in the amount of ¥31,948 million ($384,221 thousand) resulting from the revisions will be amortized from the subsequent year ending March 31, 2012 using the straight-line method over a period within the average remaining service years of employees (3 years).

(b) In response to a request by the Prime Minister of Japan, the Board of Directors decided on May 9, 2011 to suspend operations of all reactors at the Hamaoka Nuclear Power Plant until further tsunami safety measures are complete. Going forward, we intend to complete these measures without delay to allow the early resumption of operations. Under present conditions, uncertainty over supply-demand dynamics for electricity makes it difficult to reasonably forecast the impact of the suspension on business results for the year ending March 31, 2012.

Note 19 Segment Information

The reporting segments are constituent business units of the Chubu Electric Power Group for which separate financial information is obtained, and they are examined regularly by the Board of Directors to evaluate business performance. The Group's core operations are based on the twin pillars of the Electric power business and the Energy business, which mainly entails the supply of gas and on-site energy. Our business activities also include the application of our know-how, developed in the domestic sector, to energy projects overseas, construction for the development and maintenance of electric utilities-related facilities, and the manufacturing of materials and machinery for these facilities. The Group's reporting segments are classified into "Electric power" and "Energy" based on the areas of operation described above. The Electric power segment covers the supply of electric power. The Energy segment covers energy services such as the sale of gas and liquefied natural gas (LNG) and the provision of co-generation systems, among others. Information by segment for years ended March 31, 2011 and 2010 was as follows:

Millions of yen

Year ended March 31, 2011	Electric power	Energy	Subtotal	Other	Total	Adjustment	Consolidated
Operating revenues:							
External customers	**¥2,134,553**	**¥46,783**	**¥2,181,336**	**¥149,556**	**¥2,330,892**	**¥ –**	**¥2,330,892**
Intersegment	**1,694**	**83**	**1,777**	**328,213**	**329,990**	**(329,990)**	**–**
Total	**2,136,247**	**46,866**	**2,183,113**	**477,769**	**2,660,882**	**(329,990)**	**2,330,892**
Operating expenses	**1,982,944**	**44,295**	**2,027,239**	**457,267**	**2,484,506**	**(327,852)**	**2,156,654**
Operating income	**¥ 153,303**	**¥ 2,571**	**¥ 155,874**	**¥ 20,502**	**¥ 176,376**	**¥ (2,138)**	**¥ 174,238**
Total assets	**¥4,865,242**	**¥42,597**	**¥4,907,839**	**¥653,709**	**¥5,561,548**	**¥(229,581)**	**¥5,331,967**
Depreciation and amortization	**266,579**	**1,419**	**267,998**	**20,050**	**288,048**	**(4,001)**	**284,047**
Increase of tangible and intangible fixed assets	**254,987**	**2,986**	**257,973**	**18,741**	**276,714**	**(6,553)**	**270,161**

Millions of yen

Year ended March 31, 2010	Electric power	Energy	Subtotal	Other	Total	Adjustment	Consolidated
Operating revenues:							
External customers	¥2,048,571	¥37,720	¥2,086,291	¥152,261	¥2,238,552	¥ –	¥2,238,552
Intersegment	1,795	83	1,878	328,308	330,186	(330,186)	–
Total	2,050,366	37,803	2,088,169	480,569	2,568,738	(330,186)	2,238,552
Operating expenses	1,863,763	46,666	1,910,429	456,715	2,367,144	(328,624)	2,038,520
Operating income (loss)	¥ 186,603	¥ (8,863)	¥ 177,740	¥ 23,854	¥ 201,594	¥ (1,562)	¥ 200,032
Total assets	¥4,844,578	¥36,483	¥4,881,061	¥574,126	¥5,455,187	¥(155,211)	¥5,299,976
Depreciation and amortization	280,764	1,215	281,979	19,374	301,353	(3,836)	297,517
Increase of tangible and intangible fixed assets	239,552	5,688	245,240	26,867	272,107	(6,495)	265,612

Year ended March 31, 2011							Thousands of U.S. dollars
Operating revenues:							
External customers	$25,671,112	$562,634	$26,233,746	$1,798,629	$28,032,375	$ –	$28,032,375
Intersegment	20,373	998	21,371	3,947,240	3,968,611	(3,968,611)	–
Total	25,691,485	563,632	26,255,117	5,745,869	32,000,986	(3,968,611)	28,032,375
Operating expenses	23,847,793	532,712	24,380,505	5,499,303	29,879,808	(3,942,899)	25,936,909
Operating income	$ 1,843,692	$ 30,920	$ 1,874,612	$ 246,566	$ 2,121,178	$ (25,712)	$ 2,095,466
Total assets	$58,511,630	$512,291	$59,023,921	$7,861,804	$66,885,725	$(2,761,047)	$64,124,678
Depreciation and amortization	3,206,001	17,066	3,223,067	241,130	3,464,197	(48,118)	3,416,079
Increase of tangible and intangible fixed assets	3,066,590	35,911	3,102,501	225,388	3,327,889	(78,809)	3,249,080

(Additional Information)
Effective from the fiscal year ended March 31, 2011, the Company adopted Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17, March 27, 2009) and its accompanying Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20, March 21, 2008).

(a) Method for calculating operating revenues, income and loss, assets and other amounts for each reporting segment

The accounting treatment methods for the reporting segments are consistent with the accounting treatment methods described in Note 2 Summary of Significant Accounting Policies. Segment income or loss for each reporting segment is presented on an operating income basis. All transactions between segments are on an arms length basis.

(b) Information about products and services

The Company has omitted disclosure of information for each product and service because similar information is disclosed in the segment information above.

(c) Information by geographic regions

(1) Operating revenues

The Company has omitted disclosure of operating revenues because operating revenues to external customers in Japan account for more than 90% of the amount of operating revenues reported in the consolidated statements of income.

(2) Property, plant and equipment

The Company has omitted disclosure of property, plant and equipment because property, plant and equipment in Japan account for more than 90% of the amount of property, plant and equipment reported in the consolidated balance sheets.

(d) Information about major customers

The Company has not disclosed information about major customers because no customer had contributed by 10% or more to operating revenues in the consolidated statements of income.

(e) Impairment losses on fixed assets, amortization of goodwill and the unamortized balance, and gains arising from negative goodwill

Effective from the fiscal year ended March 31, 2011, the Company has omitted information by segment on impairment loss on fixed assets, amortization of goodwill and the unamortized balance, and gains arising from negative goodwill due to the negligible importance of this information.

KPMG

Independent Auditors' Report

To the Board of Directors of Chubu Electric Power Company, Incorporated:

We have audited the accompanying consolidated balance sheets of Chubu Electric Power Company, Incorporated (the "Company") and its consolidated subsidiaries as of March 31, 2011 and 2010, and the related consolidated statements of income, comprehensive income, changes in net assets and cash flows for the years then ended expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to independently express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of March 31, 2011 and 2010, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan.

As disclosed in Note 2, effective from the fiscal year ended March 31, 2011, the Company has adopted the "Accounting Standards for Asset Retirement Obligations."

As disclosed in Note 18, as a result of revisions to the Company's retirement benefit system effective April 1, 2011, the Company changed certain defined benefit retirement plans to defined contribution retirement plans. In addition, the Company changed the calculation method for payments made under lump-sum retirement benefit plans and defined benefit pension plans to a point based method.

As disclosed in Note 18, the Board of Directors decided on May 9, 2011 to suspend operations of all reactors at the Hamaoka Nuclear Power Station until further tsunami safety measures are complete.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2011 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the Notes to Consolidated Financial Statements.

Nagoya, Japan
June 28, 2011

KPMG AZSA LLC

Nonconsolidated Balance Sheets

Chubu Electric Power Company, Incorporated
As of March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars
ASSETS	**2011**	2010	**2011**
Property, Plant and Equipment:			
Property, plant and equipment	**¥12,596,167**	¥12,508,030	**$ 151,487,276**
Construction in progress	**404,795**	313,237	**4,868,250**
	13,000,962	12,821,267	**156,355,526**
Less:			
Contributions in aid of construction	**(155,081)**	(152,305)	**(1,865,075)**
Accumulated depreciation	**(9,103,037)**	(8,912,282)	**(109,477,294)**
	(9,258,118)	(9,064,587)	**(111,342,369)**
Total Property, Plant and Equipment, Net	**3,742,844**	3,756,680	**45,013,157**
Nuclear Fuel:			
Loaded nuclear fuel	**41,221**	33,695	**495,743**
Nuclear fuel in processing	**220,062**	218,661	**2,646,566**
Total Nuclear Fuel	**261,283**	252,356	**3,142,309**
Investments and Other Long-term Assets:			
Long-term investments	**285,125**	211,832	**3,429,044**
Deferred tax assets	**199,642**	178,696	**2,400,986**
Fund for reprocessing of irradiated nuclear fuel	**240,002**	243,217	**2,886,374**
Other	**13,673**	44,006	**164,438**
Less allowance for doubtful accounts	**(312)**	(363)	**(3,752)**
Total Investments and Other Long-term Assets	**738,130**	677,388	**8,877,090**
Current Assets:			
Cash and deposits	**68,633**	44,798	**825,412**
Trade notes and accounts receivable	**104,279**	98,620	**1,254,107**
Less allowance for doubtful accounts	**(853)**	(778)	**(10,259)**
Inventories	**79,922**	80,389	**961,179**
Deferred tax assets	**17,123**	18,785	**205,929**
Other	**22,259**	41,217	**267,697**
Total Current Assets	**291,363**	283,031	**3,504,065**
Total Assets	**¥ 5,033,620**	¥ 4,969,455	**$ 60,536,621**

LIABILITIES AND NET ASSETS	Millions of yen 2011	2010	Thousands of U.S. dollars 2011
Long-term Liabilities:			
Long-term debt	**¥1,775,174**	¥1,795,346	**$21,349,056**
Employee retirement benefit liability	**158,931**	156,342	**1,911,377**
Reserve for reprocessing of irradiated nuclear fuel	**258,544**	262,446	**3,109,369**
Reserve for preparation for reprocessing of irradiated nuclear fuel	**13,660**	12,726	**164,282**
Reserve for decommissioning nuclear power plants	**–**	119,858	**–**
Reserve for loss in conjunction with discontinued operations of nuclear power plants	**44,927**	86,558	**540,312**
Asset retirement obligations	**218,602**	–	**2,629,008**
Other	**57,075**	47,559	**686,410**
Total Long-term Liabilities	**2,526,913**	2,480,835	**30,389,814**
Current Liabilities:			
Current portion of long-term debt and other	**252,403**	317,654	**3,035,514**
Short-term borrowings	**324,400**	314,400	**3,901,383**
Commercial paper	**112,000**	81,000	**1,346,963**
Trade notes and accounts payable	**68,972**	61,560	**829,489**
Income taxes payable	**30,090**	54,944	**361,876**
Other	**227,017**	185,699	**2,730,211**
Total Current Liabilities	**1,014,882**	1,015,257	**12,205,436**
Reserve for Fluctuation in Water Levels	**6,151**	3,701	**73,975**
Total Liabilities	**3,547,946**	3,499,793	**42,669,225**
Net Assets:			
Common stock	**430,777**	430,777	**5,180,722**
Capital surplus	**70,690**	70,690	**850,150**
Retained earnings	**971,960**	952,666	**11,689,236**
Less treasury stock, at cost	**(378)**	(247)	**(4,546)**
Total Shareholders' Equity	**1,473,049**	1,453,886	**17,715,562**
Valuation and translation adjustments	**12,625**	15,776	**151,834**
Total Net Assets	**1,485,674**	1,469,662	**17,867,396**
Total Liabilities and Net Assets	**¥5,033,620**	¥4,969,455	**$60,536,621**

Nonconsolidated Statements of Income

Chubu Electric Power Company, Incorporated
For the Years Ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Operating Revenues	**¥2,178,287**	¥2,084,315	**$26,197,078**
Operating Expenses:			
Fuel	**678,471**	558,955	**8,159,603**
Salaries and employee benefits	**228,524**	240,329	**2,748,334**
Purchased power	**208,204**	191,044	**2,503,957**
Maintenance	**202,614**	212,400	**2,436,729**
Depreciation	**266,272**	280,623	**3,202,309**
Taxes other than income taxes	**124,837**	122,952	**1,501,347**
Other	**311,487**	298,045	**3,746,086**
Total Operating Expenses	**2,020,409**	1,904,348	**24,298,365**
Operating Income	**157,878**	179,967	**1,898,713**
Other (Income) Expenses:			
Interest expense	**36,202**	38,453	**435,382**
Loss on adjustment for changes of accounting standard for asset retirement obligations	**8,647**	–	**103,993**
Other, net	**(9,364)**	(24,867)	**(112,616)**
Total Other Expenses, Net	**35,485**	13,586	**426,759**
Income before Provision of Reserve for Fluctuation in Water levels and Income Taxes	**122,393**	166,381	**1,471,954**
Provision of Reserve for Fluctuation in Water Levels	**2,450**	3,701	**29,464**
Income before Income Taxes	**119,943**	162,680	**1,442,490**
Income Taxes:			
Current	**61,652**	67,567	**741,455**
Deferred	**(17,557)**	(11,378)	**(211,148)**
Total Income Taxes	**44,095**	56,189	**530,307**
Net Income	**¥ 75,848**	¥ 106,491	**$ 912,183**

	Yen		U.S. dollars
	2011	2010	**2011**
Per Share of Common Stock:			
Net income:			
Basic	**¥99.48**	¥137.78	**$1.20**
Cash dividends	**60**	60	**0.72**

Corporate Data

(As of March 31, 2011)

Chubu Electric Power Co., Inc.

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DATE OF ESTABLISHMENT

May 1st, 1951

CAPITAL

¥430,777,362,600

AUTHORIZED NUMBER OF SHARES

1,190,000,000

NUMBER OF ISSUED SHARES

758,000,000

NUMBER OF SHAREHOLDERS

343,452

SECURITIES TRADED

Tokyo Stock Exchange
Osaka Securities Exchange
Nagoya Stock Exchange

MANAGER OF SHAREHOLDER LIST

Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-chome, Chiyoda-ku
Tokyo 100-8212, Japan

GENERAL MEETING OF SHAREHOLDERS

June

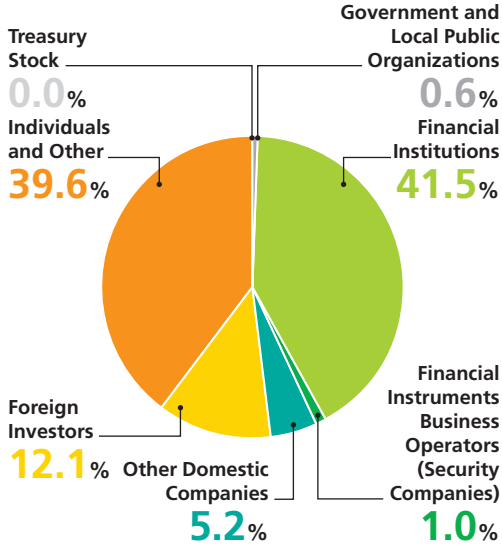
AUDITORS

KPMG AZSA LLC

PRINCIPAL SHAREHOLDERS

Name	Number of Shares (Thousands)	Percentage of Total Shares in Issue (%)
Japan Trustee Services Bank, Ltd.	63,879	8.43
The Master Trust Bank of Japan, Ltd.	49,958	6.59
Meiji Yasuda Life Insurance Company	42,662	5.63
Nippon Life Insurance Company	34,440	4.54
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	15,304	2.02
Sumitomo Mitsui Banking Corporation	14,943	1.97
Chubu Electric Employees' Shareholders Association	13,575	1.79
SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS	11,873	1.57
Mizuho Corporate Bank, Ltd.	10,564	1.39
The Dai-ichi Mutual Life Insurance Company, Limited	10,000	1.32

COMPOSITION OF SHAREHOLDERS



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