



TOHOKU ELECTRIC POWER CO., INC.

April 30, 2014

Financial Results for Fiscal 2013 and Financial Forecast for Fiscal 2014

Tohoku Electric Power Co., Inc. (hereinafter, Tohoku EPCO), today submitted a summary of its financial statements for the year ended March 31, 2014 on Tokyo Stock Exchange.

【Consolidated financial results】

Despite the decrease in electricity sales, revenue from electricity sales increased due to the effect of rate revision and fuel cost adjustment charges, and revenue from inter-company power sales increased. As a result, operating revenues were ¥2,038.8 billion (a year-on-year increase of ¥246.2 billion, or a 13.7 % increase), and ordinary revenues were ¥2,046.6 billion (a year-on-year increase of ¥243.6 billion, or a 13.5 % increase).

With respect to expenses, because of the increase in fuel cost and depreciation cost, ordinary expenses were ¥2,007.5 billion (a year-on-year increase of ¥111.3 billion, or a 5.9% increase) in spite of our continuing effort to streamline whole expenses.

As a result, ordinary income was ¥39.0 billion (a year-on-year increase of ¥132.2 billion).

Since the Company booked an extraordinary gain of ¥16.2 billion in accordance with the revision of retirement benefit plan and ¥8.7 billion of insurance income for the damage of facilities by the Great East Japan Earthquake and the Heavy Rainfall in Niigata and Fukushima, net income was ¥34.3 billion, an increase of ¥138.0 billion over the same period of the previous fiscal year.

【Electric power sold by Tohoku EPCO】

While reconstruction demand and some large-scale customers' production increased, air conditioning demand decreased because of this summer's lower temperature and this winter's higher temperature, so our electricity sales were 77.5 TWh, a 0.5% decrease from the year-earlier levels.

【Financial forecast for fiscal 2014】

Due to the increase in revenue from electricity rate revision and fuel cost adjustment charges, operating revenues of consolidated earnings estimates are expected to be approximately ¥2,200.0 billion, a 7.9% increase year-on-year.

On the other hand, income forecast has yet to be determined at this time, because it is difficult to reasonably assess the estimates of expenses under a situation that it is hard to forecast our supply capacity and the time of resumption of nuclear power station. These estimates will be promptly disclosed as soon as we can reasonably assess the estimates of income.

【Dividend】

The company has not yet determined a forecast for interim dividend and year-end dividend for fiscal 2014, because it is difficult to reasonably assess a financial forecast.

Tohoku Electric Power Co., Inc.

Summary of Financial Statements (Unaudited)

(April 1, 2013 - March 31, 2014)

Information below is an English translation of the "Unaudited Financial Release" for the year ended March 31, 2014, which has been filed with the Tokyo Stock Exchange, Inc. for public inspection.

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(Note) All monetary values are rounded down to the nearest units as indicated in each table.

1. Business Results for Consolidated FY 2013 (Year ended March 31, 2014)

(1) Progresses of Financial Results

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 31, 2014	2,038,882	13.7	85,642	-	39,056	-	34,303	-
Year ended Mar. 31, 2013	1,792,666	6.4	(55,922)	-	(93,235)	-	(103,698)	-

	Net income per share	Diluted net income per share	Net income / Equity	Ordinary income / Total assets	Operating income / Operating revenues
	Yen	Yen	%	%	%
Year ended Mar. 31, 2014	68.78	68.69	6.7	0.9	4.2
Year ended Mar. 31, 2013	(207.97)	-	(19.4)	(2.2)	(3.1)

(Note) Percentage figures represent changes as compared to the same period of the previous year.

(2) Changes in Financial Positions

	Total assets	Net assets	Equity ratio to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2014	4,243,037	574,595	12.6	1,073.45
Mar. 31, 2013	4,284,371	522,714	11.3	969.97

(3) Situations of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended Mar. 31, 2014	236,413	(247,545)	45,439	329,389
Year ended Mar. 31, 2013	46,665	(236,726)	262,674	294,951

2. Dividends

	Cash dividends per share					Dividends paid for the year	Dividends payout ratio	Dividends / Net assets
	1Q	2Q	3Q	Year-end	Annual total	Millions of yen	%	%
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended Mar. 31, 2013	-	0.00	-	0.00	0.00	-	-	-
Year ended Mar. 31, 2014	-	0.00	-	5.00	5.00	2,493	7.3	0.5
Year ending Mar. 31, 2015 (forecast)	-	-	-	-	-		-	

(Note) Dividend forecasts for the year ending March 31, 2015 have yet to be determined at this time.

3. Business Results Forecast for Consolidated FY 2014 (Year ending March 31, 2015)

	Operating revenues		Operating income		Ordinary income		Net income	Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	Yen
FY2014	2,200,000	7.9	-	-	-	-	-	-

(Note) Percentage figures represent changes as compared to the same period of the previous year.

Consolidated earnings estimates for the year ending March 31, 2015 have yet to be determined at this time, because it is difficult to reasonably assess the estimates under a situation that it is hard to forecast our supply capacity and the time of resumption of nuclear power station. These estimates will be promptly disclosed as soon as we can reasonably assess the estimates of income.

(Reference) Summary of Non-Consolidated Financial Statements

1. Business Results for Non-Consolidated FY 2013 (Year ended March 31, 2014)

(1) Progresses of Financial Results

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 31, 2014	1,833,196	15.2	84,087	-	38,660	-	36,039	-
Year ended Mar. 31, 2013	1,591,938	8.1	(45,349)	-	(53,189)	-	(59,151)	-

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended Mar. 31, 2014	72.27	72.17
Year ended Mar. 31, 2013	(118.63)	-

(Note) Percentage figures represent changes as compared to the same period of the previous year.

(2) Changes in Financial Positions

	Total assets	Net assets	Equity ratio to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2014	3,982,750	456,268	11.4	913.53
Mar. 31, 2013	3,996,559	419,392	10.5	840.09

2. Business Results Forecast for Non-Consolidated FY 2014 (Year ending March 31, 2015)

	Operating revenues		Operating income		Ordinary income		Net income	Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	Yen
FY2014	2,010,000	9.6	-	-	-	-	-	-

(Note) Percentage figures represent changes as compared to the same period of the previous year.

Consolidated earnings estimates for the year ending March 31, 2015 have yet to be determined at this time, because it is difficult to reasonably assess the estimates under a situation that it is hard to forecast our supply capacity and the time of resumption of nuclear power station. These estimates will be promptly disclosed as soon as we can reasonably assess the estimates of income.

CONSOLIDATED BALANCE SHEETS (Unaudited)

FY 2013 (As of March 31, 2014) and FY 2012 (As of March 31, 2013)

Assets

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Fixed assets (property, plant and equipment):	3,536,579	3,645,163
Electric utility fixed assets:	2,490,103	2,570,288
Hydro power plant	177,991	165,797
Thermal power plant	302,117	298,296
Nuclear power plant	291,103	347,208
Internal combustion power plant	71,048	81,597
Transmission plant	663,930	688,165
Transformation plant	241,109	244,150
Distribution plant	621,967	621,604
General plant	98,637	101,447
Other	22,197	22,019
Other fixed assets	212,886	221,233
Construction work in progress	223,394	189,377
Construction and retirement in progress	223,394	189,377
Nuclear fuel:	153,546	147,412
Loaded nuclear fuel	34,729	34,729
Nuclear fuel under processing	118,817	112,682
Investments in and advances to:	456,648	516,852
Long-term investments	96,447	100,204
Fund for reprocessing costs of irradiated nuclear fuel	85,132	92,334
Deferred tax assets	170,504	209,096
Other	105,055	115,980
Allowance for doubtful accounts	(491)	(763)
Current assets:	706,458	639,207
Cash and deposits	147,052	144,186
Trade notes receivable and accounts receivable	186,930	160,733
Inventories	85,747	77,461
Deferred tax assets	68,613	62,346
Other	219,007	195,264
Allowance for doubtful accounts	(892)	(784)
Total assets	4,243,037	4,284,371

Liabilities and net assets

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Fixed liabilities:	2,905,467	2,918,413
Bonds	1,013,359	1,083,736
Long-term loans	1,446,137	1,273,185
Accrued retirement benefits	-	223,582
Reserve for reprocessing costs of irradiated nuclear fuel	89,032	96,283
Pre-reserve for reprocessing costs of irradiated nuclear fuel	14,066	13,525
Reserve for loss on disaster	7,031	22,915
Net defined benefit liability	160,449	-
Asset retirement obligations	106,476	133,031
Deferred tax liabilities on revaluation adjustments for land	1,698	1,710
Other	67,216	70,442
Current liabilities:	762,974	843,243
Current portion of long-term debt	245,231	270,322
Short-term borrowings	44,475	102,515
Trade notes and accounts payable	160,581	161,342
Accrued income taxes	29,512	16,251
Reserve for loss on disaster	2,462	34,400
Other	280,711	258,410
Total liabilities	3,668,441	3,761,656
Shareholders' equity:	518,262	483,913
Common stock	251,441	251,441
Capital surplus	26,678	26,678
Retained earnings	248,093	213,922
Treasury stock, at cost	(7,950)	(8,129)
Accumulated other comprehensive income:	17,093	(246)
Net unrealized holding gain on securities	3,235	2,931
Deferred loss on hedges	(1,635)	(1,999)
Revaluation adjustments for land	(1,226)	(1,246)
Foreign currency translation adjustments	1,180	68
Remeasurements of defined benefit plans	15,539	-
Subscription rights to shares	670	488
Minority interests in consolidated subsidiaries	38,569	38,558
Total net assets	574,595	522,714
Total liabilities and net assets	4,243,037	4,284,371

CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

FY 2013 (Year ended March 31, 2014) and FY 2012 (Year ended March 31, 2013)

(Millions of yen)

Item	Year ended March 31,	
	2014	2013
Operating revenues:	2,038,882	1,792,666
Electric power	1,815,462	1,575,725
Other	223,419	216,941
Operating expenses:	1,953,239	1,848,589
Electric power	1,732,486	1,626,424
Other	220,753	222,165
Operating income (loss)	85,642	(55,922)
Other revenues:	7,732	10,301
Dividends income	926	974
Interest income	2,190	1,907
Gain from sales of fixed assets	590	420
Other	4,025	6,998
Other expenses:	54,318	47,613
Interest expense	46,314	40,848
Other	8,004	6,764
Total amount of revenues	2,046,614	1,802,967
Total amount of expenses	2,007,558	1,896,203
Ordinary gain(loss)	39,056	(93,235)
Extraordinary gain:	24,992	-
Gain on revision of retirement benefit plan	16,220	-
Insurance income	8,771	-
Extraordinary loss:	-	38,690
Loss on disaster	-	16,392
Impairment loss on fixed assets	-	4,360
Loss on discontinuance of power plant construction	-	17,937
Income (loss) before income taxes and minority interests	64,049	(131,925)
Current income taxes	3,568	1,752
Deferred income taxes	24,696	(26,015)
Total amount of income taxes	28,265	(24,262)
Income (loss) before minority interests	35,783	(107,663)
Minority interests in income(loss) of consolidated subsidiaries	1,479	(3,964)
Net income (loss)	34,303	(103,698)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

FY 2013 (Year ended March 31, 2014) and FY 2012 (Year ended March 31, 2013)

Item	(Millions of yen)	
	Year ended March 31,	
	2014	2013
Income (loss) before minority interests	35,783	(107,663)
Other comprehensive income:		
Net unrealised holding gain on securities	313	3,696
Deferred gain (loss) on hedges	363	(1,999)
Foreign currency translation adjustments	1,112	723
Share of other comprehensive income of affiliates accounted for using equity method	0	3
Total other comprehensive income	1,789	2,424
Comprehensive income	37,572	(105,238)
Total comprehensive income attributable to:		
Shareholders	36,083	(101,338)
Minority interests	1,488	(3,900)

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (Unaudited)

FY 2013 (As of March 31, 2014) and FY 2012 (As of March 31, 2013)

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Shareholders' equity:		
Common stock:		
Balance as of end of the previous period	251,441	251,441
Changes:		
Net changes	-	-
Balance as of end of the this period	251,441	251,441
Capital surplus:		
Balance as of end of the previous period	26,678	26,685
Changes:		
Disposal of treasury stock	-	(6)
Net changes	-	(6)
Balance as of end of the this period	26,678	26,678
Retained earnings:		
Balance as of end of the previous period	213,922	317,751
Changes:		
Net income(loss)	34,303	(103,698)
Disposal of treasury stock	(114)	(75)
Reversal of revaluation adjustments for land	(19)	(54)
Net changes	34,170	(103,828)
Balance as of end of the this period	248,093	213,922
Treasury stock, at cost:		
Balance as of end of the previous period	(8,129)	(8,308)
Changes:		
Purchases of treasury stock	(22)	(7)
Disposal of treasury stock	201	186
Net changes	178	178
Balance as of end of the this period	(7,950)	(8,129)
Total shareholders' equity:		
Balance as of end of the previous period	483,913	587,570
Changes:		
Net income(loss)	34,303	(103,698)
Purchases of treasury stock	(22)	(7)
Disposal of treasury stock	86	103
Reversal of revaluation adjustments for land	(19)	(54)
Net changes	34,348	(103,656)
Balance as of end of the this period	518,262	483,913

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Accumulated other comprehensive income:		
Net unrealized holding gain (loss) on securities:		
Balance as of end of the previous period	2,931	(704)
Changes:		
Net changes except for shareholders' equity	304	3,635
Net changes	304	3,635
Balance as of end of the this period	3,235	2,931
Net deferred hedge loss:		
Balance as of end of the previous period	(1,999)	-
Changes:		
Net changes except for shareholders' equity	363	(1,999)
Net changes	363	(1,999)
Balance as of end of the this period	(1,635)	(1,999)
Revaluation adjustments for land:		
Balance as of end of the previous period	(1,246)	(1,300)
Changes:		
Net changes except for shareholders' equity	19	54
Net changes	19	54
Balance as of end of the this period	(1,226)	(1,246)
Foreign currency translation adjustments:		
Balance as of end of the previous period	68	(655)
Changes:		
Net changes except for shareholders' equity	1,112	723
Net changes	1,112	723
Balance as of end of the this period	1,180	68
Remeasurements of defined benefit plans:		
Balance as of end of the previous period	-	-
Changes:		
Net changes except for shareholders' equity	15,539	-
Net changes	15,539	-
Balance as of end of the this period	15,539	-
Total accumulated other comprehensive income:		
Balance as of end of the previous period	(246)	(2,660)
Changes:		
Net changes except for shareholders' equity	17,339	2,413
Net changes	17,339	2,413
Balance as of end of the this period	17,093	(246)
Subscription rights to shares:		
Balance as of end of the previous period	488	448
Changes:		
Net changes except for shareholders' equity	182	39
Net changes	182	39
Balance as of end of the this period	670	488

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Minority interests in consolidated subsidiaries:		
Balance as of end of the previous period	38,558	44,474
Changes:		
Net changes except for shareholders' equity	11	(5,915)
Net changes	11	(5,915)
Balance as of end of the this period	38,569	38,558
Total net assets:		
Balance as of end of the previous period	522,714	629,832
Changes:		
Net income(loss)	34,303	(103,698)
Purchases of treasury stock	(22)	(7)
Disposal of treasury stock	86	103
Reversal of revaluation adjustments for land	(19)	(54)
Net changes except for shareholders' equity	17,532	(3,461)
Net changes	51,881	(107,118)
Balance as of end of the this period	574,595	522,714

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

FY 2013 (Year ended March 31, 2014) and FY 2012 (Year ended March 31, 2013)

(Millions of yen)

Item	Year ended March 31,	
	2014	2013
Operating activities:		
Income (loss) before income taxes and minority interests	64,049	(131,925)
Adjustments to reconcile loss before income taxes and minority interests to net cash provided by (used in) operating activities:		
Depreciation	248,496	233,085
Impairment loss on fixed assets	2,208	4,360
Decommissioning costs of nuclear power units	2,194	845
Loss on sales and disposal of property, plant and equipment	9,138	7,175
Loss on discontinuance of power plant construction	-	17,937
Reversal of accrued retirement benefits	-	(5,152)
Reversal of net defined benefit liability	(41,913)	-
Reversal of reserve for reprocessing costs of irradiated nuclear fuel	(7,250)	(7,252)
Provision for pre-reserve for reprocessing costs of irradiated nuclear fuel	541	520
Reversal of provision for reserve for loss on disaster	(47,822)	(33,348)
Interest and dividend income	(3,116)	(2,881)
Interest expense	46,314	40,848
Decrease in fund for reprocessing costs of irradiated nuclear fuel	7,201	7,275
Changes in operating assets and liabilities:		
Accounts receivable	(40,850)	(13,637)
Inventories	(8,285)	(163)
Accounts payable	(759)	(8,365)
Accrued expenses	10,513	(12,796)
Advances received	(11,726)	(7,972)
Other operating assets and liabilities	52,083	2,861
Subtotal	281,014	91,413
Interest and dividends received	3,145	2,907
Interest paid	(46,160)	(40,069)
Income taxes paid	(1,586)	(7,585)
Net cash provided by (used in) operating activities	236,413	46,665
Investing activities:		
Acquisition of property, plant and equipment	(261,942)	(253,132)
Payments for investments and advances	(2,994)	(6,327)
Proceeds from sales or collections of investments and advances	4,744	10,715
Changes in other assets and liabilities	12,646	12,017
Net cash used in investing activities	(247,545)	(236,726)

(Millions of yen)

Item	Year ended March 31,	
	2014	2013
Financing activities:		
Proceeds from issuance of bonds	109,611	119,645
Redemption of bonds	(204,100)	(120,000)
Proceeds from long-term loans	268,246	414,798
Repayment of long-term loans	(95,718)	(113,721)
Proceeds from short-term borrowings	229,150	552,875
Repayment of short-term borrowings	(287,190)	(562,340)
Proceeds from issuance of commercial paper	53,000	196,000
Redemption of commercial paper	(24,000)	(220,000)
Cash dividends	(114)	(118)
Cash dividends to minority shareholders	(690)	(2,015)
Other	(2,754)	(2,447)
Net cash (used in) provided by financing activities	45,439	262,674
Effect of exchange rate changes on cash and cash equivalents	130	197
Net increase in cash and cash equivalents	34,437	72,811
Cash and cash equivalents at beginning of the period	294,951	222,140
Cash and cash equivalents at end of the period	329,389	294,951

NON-CONSOLIDATED BALANCE SHEETS (Unaudited)

FY 2013 (Year ended March 31, 2014) and FY 2012 (Year ended March 31, 2013)

Assets

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Fixed assets (property, plant and equipment):	3,433,591	3,529,589
Electric utility fixed assets:	2,533,456	2,616,464
Hydro power plant	158,531	146,380
Thermal power plant	289,153	283,742
Nuclear power plant	292,642	348,943
Internal combustion power plant	71,180	81,744
Renewable power plant	12,460	13,147
Transmission plant	681,980	707,079
Transformation plant	250,137	253,484
Distribution plant	672,699	673,831
General plant	104,168	107,608
Property leased to others	501	501
Incidental business fixed assets	1,494	1,705
Other fixed assets	6,542	9,090
Construction work in progress:	218,000	184,538
Construction in progress	216,367	182,841
Retirement in progress	1,632	1,697
Nuclear fuel:	153,546	147,412
Loaded nuclear fuel	34,729	34,729
Nuclear fuel under processing	118,817	112,682
Investments in and advances to:	520,550	570,377
Long-term investments	83,802	83,954
Long-term investments in subsidiaries and affiliates	194,249	195,330
Fund for reprocessing costs of irradiated nuclear fuel	85,132	92,334
Long-term prepaid expenses	8,601	19,799
Deferred tax assets	148,934	179,260
Allowance for doubtful accounts	(170)	(302)
Current assets:	549,159	466,970
Cash and deposits	84,333	79,794
Accounts receivable from customers	126,510	104,084
Other accounts receivable	5,325	10,636
Short-term Investments	155,000	134,000
Inventories	66,759	57,504
Prepaid expenses	210	219
Short-term credits to subsidiaries and affiliates	32,512	2,738
Deferred tax assets	64,390	61,745
Other current assets	14,646	16,749
Allowance for doubtful accounts	(528)	(501)
Total assets	3,982,750	3,996,559

Liabilities and net assets

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Fixed liabilities:	2,848,210	2,840,861
Bonds	1,013,659	1,084,036
Long-term loans	1,417,909	1,247,284
Long-term accrued liabilities	10,610	2,902
Lease obligations	227	-
Long-term debt to subsidiaries and affiliates	3,944	3,726
Accrued retirement benefits	142,521	183,001
Reserve for reprocessing costs of irradiated nuclear fuel	89,032	96,283
Pre-reserve for reprocessing costs of irradiated nuclear fuel	14,066	13,525
Reserve for loss on disaster	6,884	22,873
Asset retirement obligations	106,255	132,864
Other	43,098	54,363
Current liabilities:	678,272	736,305
Current portion of long-term debt	236,730	257,345
Short-term borrowings	33,500	54,940
Commercial paper	30,000	1,000
Accounts payable-trade	98,946	106,800
Accounts payable-other	33,362	48,971
Accrued expenses	52,930	42,811
Accrued taxes	25,429	14,272
Deposits received	1,030	1,080
Short-term debt to subsidiaries and affiliates	34,528	39,214
Advances received	129,225	135,515
Reserve for loss on disaster	2,280	34,010
Other	307	343
Total liabilities	3,526,482	3,577,167
Shareholders' equity:	454,609	418,505
Common stock	251,441	251,441
Capital surplus	26,657	26,657
Additional paid-in capital	26,657	26,657
Retained earnings:	184,543	148,617
Legal reserve	62,860	62,860
Other retained earnings	121,683	85,757
Reserve for overseas investment loss	15	11
Reserve for general purpose	-	332,400
Retained earnings carried forward	121,667	(246,653)
Treasury stock, at cost	(8,032)	(8,211)
Valuation and translation adjustments:	988	398
Net unrealized holding gain (loss) on securities	2,623	2,398
Deferred loss on hedges	(1,635)	(1,999)
Subscription rights to shares	670	488
Total net assets	456,268	419,392
Total liabilities and net assets	3,982,750	3,996,559

NON-CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

FY 2013 (Year ended March 31, 2014) and FY 2012 (Year ended March 31, 2013)

Item	(Millions of yen)	
	Year ended March 31,	
	2014	2013
Operating revenues:	1,833,196	1,591,938
Electric power operating revenues:	1,818,310	1,578,135
Revenue from residential customers	600,180	554,538
Revenue from commercial and industrial customers	909,013	807,620
Revenue from power sold to other utilities	222,684	167,951
Revenue from power sold to other companies	21,977	5,670
Revenue from wheeling	4,070	3,970
Revenue from wheeling adjustment among utilities	2,581	2,894
Grants on the act of renewable energy	34,860	14,006
Miscellaneous revenues from electric utility business	22,855	21,395
Revenue from property leased to others	86	86
Incidental business revenues:	14,885	13,803
Gas supply business revenue	14,359	13,250
Heat supply business revenue	526	553
Operating expenses:	1,749,109	1,637,287
Operating expenses for electric utility business:	1,735,324	1,624,092
Expense for hydro power generation	29,875	28,325
Expense for thermal power generation	695,481	620,425
Expense for nuclear power generation	94,652	92,183
Expense for internal combustion power generation	23,091	32,160
Expense for renewable power generation	8,406	8,085
Expense for power purchased from other utilities	131,578	113,137
Expense for power purchased from other companies	271,860	266,244
Transmission expense	75,404	78,155
Transformation expense	48,453	47,357
Distribution expense	153,074	150,358
Selling expense	45,628	43,496
Expense for property leased to others	5	5
General administration expense	88,663	90,816
Payment on the act of renewable energy	22,775	8,643
Electric power development promotion tax	29,302	29,460
Enterprise tax	17,306	15,374
Transferred cost of electricity for construction and incidental business	(234)	(139)
Incidental business expenses:	13,784	13,195
Gas supply business expense	13,319	12,725
Heat supply business expense	464	470
Operating income(loss)	84,087	(45,349)

(Millions of yen)

Item	Year ended March 31,	
	2014	2013
Other revenues:	7,035	38,324
Financing income:	4,639	33,031
Dividends income	2,507	31,128
Interest income	2,132	1,903
Other income:	2,396	5,293
Gain from sales of fixed assets	518	339
Miscellaneous income	1,877	4,953
Other expenses:	52,462	46,164
Financing expenses:	46,150	40,519
Interest expense	45,749	40,152
Bond issuance costs	401	366
Other expenses:	6,311	5,645
Loss on sales of fixed assets	82	46
Miscellaneous losses	6,229	5,598
Total amount of revenues	1,840,232	1,630,263
Total amount of expenses	1,801,571	1,683,452
Ordinary income(loss)	38,660	(53,189)
Extraordinary gain:	24,992	-
Gain on revision of retirement benefit plan	16,220	-
Insurance income	8,771	-
Extraordinary loss:	-	34,450
Loss on disaster	-	16,221
Loss on discontinuance of power plant construction	-	18,229
Income(Loss) before income taxes	63,653	(87,640)
Current income taxes	217	36
Deferred income taxes	27,396	(28,525)
Total amount of income taxes	27,614	(28,488)
Net income(loss)	36,039	(59,151)

NON-CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (Unaudited)

FY 2013 (Year ended March 31, 2014) and FY 2012 (Year ended March 31, 2013)

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Shareholders' equity:		
Common stock:		
Balance as of end of the previous period	251,441	251,441
Changes:		
Net changes	-	-
Balance as of end of the this period	251,441	251,441
Capital surplus:		
Additional paid-in capital:		
Balance as of end of the previous period	26,657	26,657
Changes:		
Net changes	-	-
Balance as of end of the this period	26,657	26,657
Other capital surplus:		
Balance as of end of the previous period	-	6
Changes:		
Disposal of treasury stock	-	(6)
Net changes	-	(6)
Balance as of end of the this period	-	-
Total capital surplus:		
Balance as of end of the previous period	26,657	26,664
Changes:		
Disposal of treasury stock	-	(6)
Net changes	-	(6)
Balance as of end of the this period	26,657	26,657
Retained earnings:		
Legal reserve:		
Balance as of end of the previous period	62,860	62,860
Changes:		
Net changes	-	-
Balance as of end of the this period	62,860	62,860
Other retained earnings:		
Reserve for overseas investment loss		
Balance as of end of the previous period	11	11
Changes:		
Provision for reserve for overseas investment loss	3	-
Net changes	3	-
Balance as of end of the this period	15	11

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Reserve for general purpose:		
Balance as of end of the previous period	332,400	332,400
Changes:		
Reversal of reserve for general purpose	(332,400)	-
Net changes	(332,400)	-
Balance as of end of the this period	-	332,400
Retained earnings carried forward:		
Balance as of end of the previous period	(246,653)	(187,426)
Changes:		
Provision for reserve for overseas investment loss	(3)	-
Reversal of reserve for general purpose	332,400	-
Net income(loss)	36,039	(59,151)
Disposal of treasury stock	(114)	(75)
Net changes	368,321	(59,227)
Balance as of end of the this period	121,667	(246,653)
Total retained earning:		
Balance as of end of the previous period	148,617	207,845
Changes:		
Provision for reserve for overseas investment loss	-	-
Net income(loss)	36,039	(59,151)
Disposal of treasury stock	(114)	(75)
Net changes	35,925	(59,227)
Balance as of end of the this period	184,543	148,617
Treasury stock, at cost:		
Balance as of end of the previous period	(8,211)	(8,390)
Changes:		
Purchases of treasury stock	(22)	(7)
Disposal of treasury stock	201	186
Net changes	178	178
Balance as of end of the this period	(8,032)	(8,211)
Total shareholders' equity:		
Balance as of end of the previous period	418,505	477,561
Changes:		
Net income(loss)	36,039	(59,151)
Purchases of treasury stock	(22)	(7)
Disposal of treasury stock	86	103
Net changes	36,104	(59,055)
Balance as of end of the this period	454,609	418,505

(Millions of yen)

Item	March 31, 2014	March 31, 2013
Valuation and translation adjustments:		
Net unrealized holding gain (loss) on securities:		
Balance as of end of the previous period	2,398	(1,100)
Changes:		
Net changes except for shareholders' equity	225	3,499
Net changes	225	3,499
Balance as of end of the this period	2,623	2,398
Net deferred hedge loss:		
Balance as of end of the previous period	(1,999)	-
Changes:		
Net changes except for shareholders' equity	363	(1,999)
Net changes	363	(1,999)
Balance as of end of the this period	(1,635)	(1,999)
Total valuation and translation adjustments:		
Balance as of end of the previous period	398	(1,100)
Changes:		
Net changes except for shareholders' equity	589	1,499
Net changes	589	1,499
Balance as of end of the this period	988	398
Subscription rights to shares		
Balance as of end of the previous period	488	448
Changes:		
Net changes except for shareholders' equity	182	39
Net changes	182	39
Balance as of end of the this period	670	488
Total net assets:		
Balance as of end of the previous period	419,392	476,908
Changes:		
Net Income(loss)	36,039	(59,151)
Purchases of treasury stock	(22)	(7)
Disposal of treasury stock	86	103
Net changes except for shareholders' equity	771	1,539
Net changes	36,875	(57,516)
Balance as of end of the this period	456,268	419,392

(Note)

This report solely constitutes reference material for the purpose of providing the readers with relevant information to evaluate our company.

The information contains forward-looking statements based on assumptions and projections about the future with regard to our company. As such, the readers are kindly asked to refrain from making judgment by depending solely on this information.

The forward-looking statements inherently involve a degree of risks and uncertainties. Consequently, these risks and uncertainties could cause the actual results and performance to differ from the assumed or projected status of the company.

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