



# TOHOKU ELECTRIC POWER CO., INC.

April 30, 2015

## **Financial Results for Fiscal 2014 and Financial Forecast for Fiscal 2015**

Tohoku Electric Power Co., Inc. (hereinafter, the “Company”), today submitted a summary of its financial statements for the year ended March 31, 2015 on Tokyo Stock Exchange.

### **【Consolidated financial results】**

Despite a decrease in electricity sales, revenue from electricity sales increased due to the effect of rate revision, fuel cost adjustment charges and Renewable Energy Power Promotion Surcharge. As a result, operating revenues were ¥2,182.0 billion (a year-on-year increase of ¥143.1 billion, or a 7.0 % increase), and ordinary revenues were ¥2,190.1 billion (a year-on-year increase of ¥143.5 billion, or a 7.0 % increase).

With respect to expenses, despite an increase in expenses which are necessary to maintain a stable power supply, such as purchased power expenses and maintenance expenses, a decrease in depreciation and personnel expenses together with our thorough streamlining of operations limited the increase of ordinary expenses to ¥2,073.4 billion, an increase of ¥65.9 billion (or a 3.3% increase) year-on-year.

As a result, ordinary income was ¥116.6 billion, an increase of ¥77.5 billion (or a 198.7% increase) year-on-year.

Since the Company booked an extraordinary gain of ¥14.2 billion in accordance with the revision of retirement benefit plan and ¥5.4 billion as a compensation income mainly for its operating loss caused by the accident at TEPCO’s Fukushima Daiichi nuclear power station, net income was ¥76.4 billion, an increase of ¥42.1 billion (or a 123.0% increase) year-on-year.

### **【Electric power sold by Tohoku EPCO】**

While there were continuous post-quake reconstructions, decreases in air conditioning and heating demand due to a cool summer and a warm winter as well as the customers’ power saving efforts and other factors lowered the electricity sales to 76.6TWh, a 1.1% decrease year-on-year.

### 【Dividends】

The Company's basic policy for dividend is to distribute stable dividends determined by taking into full consideration its business performance of the relevant fiscal year and medium to long-term financial prospects.

With regard to profits for FY2014, the Company achieved earnings above the level of the prior fiscal year by thorough efforts to streamline its operations. After comprehensively taking into consideration its business environment including electricity rate hike in September 2013 as well as the necessity for early recovery of the Company's financial condition which was badly affected by the Great East Japan Earthquake and subsequent incidents, the Company has decided to pay 10 yen year-end dividends per share for FY2014.

### 【Financial forecast for FY2015】

The Company expects its electricity sales for FY2015 will increase, however, a decrease in fuel cost adjustment charges and other factors will decrease its operating revenues of consolidated earnings estimates to approximately ¥2,100.0 billion, a 3.8% decrease year-on-year.

Consolidated incomes estimates for FY2015 have yet to be determined at this time, in view of the current difficulty of rationally estimating the incomes since its supply capacity forecast remains unclear. These estimates will be promptly disclosed as soon as the Company can reasonably assess the estimates of income.

#### < Financial Forecast for FY2015 (Apr. 1, 2015 – Mar. 31, 2016) >

Consolidated				(Billions of yen)
	Operating revenues	Operating income	Ordinary income	Net income attributable to owners of parent
Forecast	2,100.0	-	-	-

Non-consolidated				(Billions of yen)
	Operating revenues	Operating Income	Ordinary income	Net Income
Forecast	1,900.0	-	-	-

#### < Major factors >

Items	
Electricity sales (TWh)	Approx. 77.9
Crude oil CIF price (\$/bbl.)	Approx. 60
Exchange rate (¥/\$)	Approx. 120

# Tohoku Electric Power Co., Inc.

## Summary of Financial Statements (Unaudited)

(April 1, 2014 - March 31, 2015)

Information below is an English translation of the "Unaudited Financial Release" for the year ended March 31, 2015, 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 FY2014 (Year ended March 31, 2015)

#### (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, 2015	2,182,075	7.0	169,739	98.2	116,646	198.7	76,493	123.0
Year ended Mar. 31, 2014	2,038,882	13.7	85,642	-	39,056	-	34,303	-

  

	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, 2015	153.35	153.11	13.6	2.8	7.8
Year ended Mar. 31, 2014	68.78	68.69	6.7	0.9	4.2

(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, 2015	4,131,217	651,216	14.6	1,206.38
Mar. 31, 2014	4,243,037	574,595	12.6	1,073.45

#### (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, 2015	374,212	(247,732)	(211,278)	244,570
Year ended Mar. 31, 2014	236,413	(247,545)	45,439	329,389

### 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, 2014	-	0.00	-	5.00	5.00	2,493	7.3	0.5
Year ended Mar. 31, 2015	-	5.00	-	10.00	15.00	7,482	9.8	1.3
Year ending Mar. 31, 2016 (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 FY2015 (Year ending March 31, 2016)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of parent	Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	Yen
FY2015	2,100,000	(3.8)	-	-	-	-	-	-

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

Consolidated earnings estimates for the year ending March 31, 2016 have yet to be determined at this time, in view of the current difficulty of rationally estimating the incomes since our supply capacity forecast remains unclear.

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 FY2014 (Year ended March 31, 2015)**

**(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, 2015	1,951,651	6.5	140,549	67.1	89,208	130.7	62,462	73.3
Year ended Mar. 31, 2014	1,833,196	15.2	84,087	-	38,660	-	36,039	-

  

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended Mar. 31, 2015	125.22	125.02
Year ended Mar. 31, 2014	72.27	72.17

(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, 2015	3,850,311	500,398	13.0	1,001.48
Mar. 31, 2014	3,982,750	456,268	11.4	913.53

**2. Business Results Forecast for Non-Consolidated FY2015 (Year ending March 31, 2016)**

	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
FY2015	1,900,000	(2.6)	-	-	-	-	-	-	-

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

Non-Consolidated earnings estimates for the year ending March 31, 2016 have yet to be determined at this time, in view of the current difficulty of rationally estimating the incomes since our supply capacity forecast remains unclear.

These estimates will be promptly disclosed as soon as we can reasonably assess the estimates of income.

**CONSOLIDATED BALANCE SHEETS (Unaudited)**

FY2014 (As of March 31, 2015) and FY2013 (As of March 31, 2014)

**Assets**

(Millions of yen)

Item	March 31, 2015	March 31, 2014
Fixed assets (property, plant and equipment):	3,497,225	3,536,579
Electric utility fixed assets:	2,451,990	2,490,103
Hydro power plant	174,017	177,991
Thermal power plant	326,889	302,117
Nuclear power plant	270,149	291,103
Transmission plant	648,714	663,930
Transformation plant	247,394	241,109
Distribution plant	625,693	621,967
General plant	97,847	98,637
Other	61,283	93,245
Other fixed assets	212,402	212,886
Construction work in progress	267,504	223,394
Construction and retirement in progress	267,504	223,394
Nuclear fuel:	139,336	153,546
Loaded nuclear fuel	34,729	34,729
Nuclear fuel under processing	104,607	118,817
Investments in and advances to:	425,991	456,648
Long-term investments	97,496	96,447
Fund for reprocessing costs of irradiated nuclear fuel	77,802	85,132
Asset for retirement benefits	6,344	1,249
Deferred tax assets	140,794	170,504
Other	104,154	103,805
Allowance for doubtful accounts	(601)	(491)
Current assets:	633,991	706,458
Cash and deposits	115,170	147,052
Trade notes receivable and accounts receivable	193,817	186,930
Inventories	76,732	85,747
Deferred tax assets	64,547	68,613
Other	184,402	219,007
Allowance for doubtful accounts	(678)	(892)
<b>Total assets</b>	<b>4,131,217</b>	<b>4,243,037</b>

**Liabilities and net assets**

(Millions of yen)

Item	March 31, 2015	March 31, 2014
<b>Fixed liabilities:</b>	<b>2,611,028</b>	<b>2,905,467</b>
Bonds	749,688	1,013,359
Long-term loans	1,433,444	1,446,137
Reserve for reprocessing costs of irradiated nuclear fuel	81,823	89,032
Pre-reserve for reprocessing costs of irradiated nuclear fuel	14,629	14,066
Reserve for loss on disaster	4,631	7,031
Liability for retirement benefits	141,340	160,449
Asset retirement obligations	111,465	106,476
Deferred tax liabilities on revaluation adjustments for land	1,530	1,698
Other	72,475	67,216
<b>Current liabilities:</b>	<b>868,971</b>	<b>762,974</b>
Current portion of long-term debt	336,175	245,231
Short-term borrowings	35,370	44,475
Trade notes and accounts payable	149,435	160,581
Accrued income taxes	47,099	29,512
Reserve for loss on disaster	1,764	2,462
Other	299,127	280,711
<b>Total liabilities</b>	<b>3,480,000</b>	<b>3,668,441</b>
<b>Shareholders' equity:</b>	<b>574,235</b>	<b>518,262</b>
Common stock	251,441	251,441
Capital surplus	26,678	26,678
Retained earnings	303,803	248,093
Treasury stock, at cost	(7,687)	(7,950)
<b>Accumulated other comprehensive income:</b>	<b>27,564</b>	<b>17,093</b>
Net unrealized holding gain on securities	8,193	3,235
Deferred loss on hedges	(2,077)	(1,635)
Revaluation adjustments for land	(1,150)	(1,226)
Foreign currency translation adjustments	690	1,180
Retirement benefits liability adjustment	21,908	15,539
Subscription rights to shares	809	670
Minority interests in consolidated subsidiaries	48,606	38,569
<b>Total net assets</b>	<b>651,216</b>	<b>574,595</b>
<b>Total liabilities and net assets</b>	<b>4,131,217</b>	<b>4,243,037</b>

**CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**

FY2014 (Year ended March 31, 2015) and FY2013 (Year ended March 31, 2014)

(Millions of yen)

Item	Year ended March 31,	
	2015	2014
Operating revenues:	2,182,075	2,038,882
Electric power	1,932,276	1,815,462
Other	249,798	223,419
Operating expenses:	2,012,335	1,953,239
Electric power	1,782,097	1,732,486
Other	230,237	220,753
Operating income	169,739	85,642
Other revenues:	8,061	7,732
Dividends income	911	926
Interest income	2,070	2,190
Gain from sales of fixed assets	126	590
Other	4,952	4,025
Other expenses:	61,155	54,318
Interest expense	53,908	46,314
Other	7,246	8,004
Total amount of revenues	2,190,136	2,046,614
Total amount of expenses	2,073,490	2,007,558
Ordinary gain	116,646	39,056
Extraordinary gain:	19,697	24,992
Gain on revision of retirement benefit plan	14,268	16,220
Insurance income	-	8,771
Compensation income for damage	5,429	-
Income before income taxes and minority interests	136,343	64,049
Current income taxes	12,480	3,568
Deferred income taxes	39,434	24,696
Total amount of income taxes	51,915	28,265
Income before minority interests	84,428	35,783
Minority interests in income of consolidated subsidiaries	7,935	1,479
Net income	76,493	34,303

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)**

FY2014 (Year ended March 31, 2015) and FY2013 (Year ended March 31, 2014)

(Millions of yen)

Item	Year ended March 31,	
	2015	2014
Income before minority interests	84,428	35,783
Other comprehensive income:		
Net unrealised holding gain on securities	5,084	313
Deferred gain (loss) on hedges	(441)	363
Revaluation adjustments for land	162	-
Foreign currency translation adjustments	(484)	1,112
Retirement benefits liability adjustment	7,304	-
Share of other comprehensive income of affiliates accounted for using equity method	0	0
Total other comprehensive income	11,626	1,789
Comprehensive income	96,055	37,572
Total comprehensive income attributable to:		
Shareholders	86,961	36,083
Minority interests	9,093	1,488

# **CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (Unaudited)**

FY2014 (As of March 31, 2015) and FY2013 (As of March 31, 2014)

(Millions of yen)

Item	March 31, 2015	March 31, 2014
<b>Shareholders' equity:</b>		
Common stock:		
Balance as of end of the previous period	251,441	251,441
Changes:		
Net changes	-	-
Balance as of end of the period	251,441	251,441
Capital surplus:		
Balance as of end of the previous period	26,678	26,678
Changes:		
Net changes	-	-
Balance as of end of the period	26,678	26,678
Retained earnings:		
Balance as of end of the previous period	248,093	213,922
Cumulative effects of changes in accounting policies	(15,666)	-
Restated balance	232,426	213,922
Changes:		
Dividend paid	(4,987)	-
Net income	76,493	34,303
Disposal of treasury stock	(161)	(114)
Reversal of revaluation adjustments for land	1	(19)
Change of scope of consolidation	31	-
Net changes	71,376	34,170
Balance as of end of the period	303,803	248,093
Treasury stock, at cost:		
Balance as of end of the previous period	(7,950)	(8,129)
Changes:		
Purchases of treasury stock	(43)	(22)
Disposal of treasury stock	306	201
Net changes	263	178
Balance as of end of the period	(7,687)	(7,950)
Total shareholders' equity:		
Balance as of end of the previous period	518,262	483,913
Cumulative effects of changes in accounting policies	(15,666)	-
Restated balance	502,596	483,913
Changes:		
Dividend paid	(4,987)	-
Net income	76,493	34,303
Purchases of treasury stock	(43)	(22)
Disposal of treasury stock	145	86
Reversal of revaluation adjustments for land	1	(19)
Change of scope of consolidation	31	-
Net changes	71,639	34,348
Balance as of end of the period	574,235	518,262

(Millions of yen)

Item	March 31, 2015	March 31, 2014
<b>Accumulated other comprehensive income:</b>		
Net unrealized holding gain on securities:		
Balance as of end of the previous period	3,235	2,931
Changes:		
Net changes except for shareholders' equity	4,957	304
Net changes	4,957	304
Balance as of end of the period	8,193	3,235
Net deferred hedge loss:		
Balance as of end of the previous period	(1,635)	(1,999)
Changes:		
Net changes except for shareholders' equity	(441)	363
Net changes	(441)	363
Balance as of end of the period	(2,077)	(1,635)
Revaluation adjustments for land:		
Balance as of end of the previous period	(1,226)	(1,246)
Changes:		
Net changes except for shareholders' equity	76	19
Net changes	76	19
Balance as of end of the period	(1,150)	(1,226)
Foreign currency translation adjustments:		
Balance as of end of the previous period	1,180	68
Changes:		
Net changes except for shareholders' equity	(489)	1,112
Net changes	(489)	1,112
Balance as of end of the period	690	1,180
Retirement benefits liability adjustment:		
Balance as of end of the previous period	15,539	-
Changes:		
Net changes except for shareholders' equity	6,369	15,539
Net changes	6,369	15,539
Balance as of end of the period	21,908	15,539
Total accumulated other comprehensive income:		
Balance as of end of the previous period	17,093	(246)
Changes:		
Net changes except for shareholders' equity	10,471	17,339
Net changes	10,471	17,339
Balance as of end of the period	27,564	17,093
<b>Subscription rights to shares:</b>		
Balance as of end of the previous period	670	488
Changes:		
Net changes except for shareholders' equity	138	182
Net changes	138	182
Balance as of end of the period	809	670

(Millions of yen)

Item	March 31, 2015	March 31, 2014
<b>Minority interests in consolidated subsidiaries:</b>		
Balance as of end of the previous period	38,569	38,558
Cumulative effects of changes in accounting policies	2,613	-
Restated balance	41,183	38,558
Changes:		
Net changes except for shareholders' equity	7,423	11
Net changes	7,423	11
Balance as of end of the period	48,606	38,569
<b>Total net assets:</b>		
Balance as of end of the previous period	574,595	522,714
Cumulative effects of changes in accounting policies	(13,052)	-
Restated balance	561,542	522,714
Changes:		
Dividend paid	(4,987)	-
Net income	76,493	34,303
Purchases of treasury stock	(43)	(22)
Disposal of treasury stock	145	86
Reversal of revaluation adjustments for land	1	(19)
Change of scope of consolidation	31	-
Net changes except for shareholders' equity	18,034	17,532
Net changes	89,673	51,881
Balance as of end of the period	651,216	574,595

# **CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)**

FY2014 (Year ended March 31, 2015) and FY2013 (Year ended March 31, 2014)

(Millions of yen)

Item	Year ended March 31,	
	2015	2014
<b>Operating activities:</b>		
Income before income taxes and minority interests	136,343	64,049
Adjustments to reconcile income before income taxes and minority interests to net cash provided by (used in) operating activities:		
Depreciation	221,294	248,496
Decommissioning costs of nuclear power units	4,553	2,194
Loss on sales and disposal of property, plant and equipment	16,666	9,138
Reversal of liability for retirement benefits	(27,251)	(41,913)
Reversal of reserve for reprocessing costs of irradiated nuclear fuel	(7,209)	(7,250)
Provision for pre-reserve for reprocessing costs of irradiated nuclear fuel	562	541
Interest and dividend income	(2,982)	(3,116)
Interest expense	53,908	46,314
Decrease in fund for reprocessing costs of irradiated nuclear fuel	7,330	7,201
Changes in operating assets and liabilities:		
Accounts receivable	(17,497)	(40,850)
Inventories	9,390	(8,285)
Accounts payable	(11,576)	(759)
Other operating assets and liabilities	48,687	5,255
<b>Subtotal</b>	<b>432,220</b>	<b>281,014</b>
Interest and dividends received	3,011	3,145
Interest paid	(55,762)	(46,160)
Income taxes paid	(5,256)	(1,586)
<b>Net cash provided by (used in) operating activities</b>	<b>374,212</b>	<b>236,413</b>
<b>Investing activities:</b>		
Acquisition of property, plant and equipment	(257,649)	(261,942)
Payments for investments and advances	(13,385)	(2,994)
Proceeds from sales or collections of investments and advances	14,362	4,744
Changes in other assets and liabilities	8,939	12,646
<b>Net cash used in investing activities</b>	<b>(247,732)</b>	<b>(247,545)</b>

(Millions of yen)

Item	Year ended March 31,	
	2015	2014
<b>Financing activities:</b>		
Proceeds from issuance of bonds	119,622	109,611
Redemption of bonds	(352,490)	(204,100)
Proceeds from long-term loans	136,390	268,246
Repayment of long-term loans	(93,850)	(95,718)
Proceeds from short-term borrowings	96,253	229,150
Repayment of short-term borrowings	(105,358)	(287,190)
Proceeds from issuance of commercial paper	131,000	53,000
Redemption of commercial paper	(134,000)	(24,000)
Cash dividends	(5,060)	(114)
Cash dividends to minority shareholders	(775)	(690)
Other	(3,009)	(2,754)
<b>Net cash (used in) provided by financing activities</b>	<b>(211,278)</b>	<b>45,439</b>
Effect of exchange rate changes on cash and cash equivalents	(58)	130
Net increase (decrease) in cash and cash equivalents	(84,857)	34,437
Cash and cash equivalents at beginning of the period	329,389	294,951
Increase in cash and cash equivalents from newly consolidated subsidiary	39	-
Cash and cash equivalents at end of the period	244,570	329,389

# NON-CONSOLIDATED BALANCE SHEETS (Unaudited)

FY2014 (Year ended March 31, 2015) and FY2013 (Year ended March 31, 2014)

## Assets

(Millions of yen)

Item	March 31, 2015	March 31, 2014
Fixed assets (property, plant and equipment):	3,382,192	3,433,591
Electric utility fixed assets:	2,493,633	2,533,456
Hydro power plant	155,168	158,531
Thermal power plant	312,715	289,153
Nuclear power plant	271,552	292,642
Internal combustion power plant	39,781	71,180
Renewable power plant	12,517	12,460
Transmission plant	666,270	681,980
Transformation plant	256,233	250,137
Distribution plant	675,951	672,699
General plant	102,940	104,168
Property leased to others	501	501
Incidental business fixed assets	1,320	1,494
Other fixed assets	5,624	6,542
Construction work in progress:	261,617	218,000
Construction in progress	258,857	216,367
Retirement in progress	2,760	1,632
Nuclear fuel:	139,336	153,546
Loaded nuclear fuel	34,729	34,729
Nuclear fuel under processing	104,607	118,817
Investments in and advances to:	480,659	520,550
Long-term investments	81,559	83,802
Long-term investments in subsidiaries and affiliates	195,123	194,249
Fund for reprocessing costs of irradiated nuclear fuel	77,802	85,132
Long-term prepaid expenses	8,774	8,601
Deferred tax assets	117,546	148,934
Allowance for doubtful accounts	(146)	(170)
Current assets:	468,119	549,159
Cash and deposits	47,023	84,333
Accounts receivable from customers	130,844	126,510
Other accounts receivable	5,861	5,325
Short-term Investments	104,500	155,000
Inventories	57,930	66,759
Prepaid expenses	278	210
Short-term credits to subsidiaries and affiliates	29,837	32,512
Deferred tax assets	60,803	64,390
Other current assets	31,511	14,646
Allowance for doubtful accounts	(472)	(528)
Total assets	3,850,311	3,982,750

**Liabilities and net assets**

(Millions of yen)

Item	March 31, 2015	March 31, 2014
<b>Fixed liabilities:</b>	<b>2,568,502</b>	<b>2,848,210</b>
Bonds	749,988	1,013,659
Long-term loans	1,411,453	1,417,909
Long-term accrued liabilities	8,479	10,610
Lease obligations	634	227
Long-term debt to subsidiaries and affiliates	4,084	3,944
Accrued retirement benefits	132,545	142,521
Reserve for reprocessing costs of irradiated nuclear fuel	81,823	89,032
Pre-reserve for reprocessing costs of irradiated nuclear fuel	14,629	14,066
Reserve for loss on disaster	4,557	6,884
Asset retirement obligations	111,236	106,255
Other	49,071	43,098
<b>Current liabilities:</b>	<b>781,410</b>	<b>678,272</b>
Current portion of long-term debt	324,006	236,730
Short-term borrowings	33,500	33,500
Commercial paper	27,000	30,000
Accounts payable-trade	83,896	98,946
Accounts payable-other	29,509	33,362
Accrued expenses	60,036	52,930
Accrued taxes	35,622	25,429
Deposits received	1,137	1,030
Short-term debt to subsidiaries and affiliates	46,653	34,528
Advances received	137,969	129,225
Reserve for loss on disaster	1,644	2,280
Other	433	307
<b>Total liabilities</b>	<b>3,349,912</b>	<b>3,526,482</b>
<b>Shareholders' equity:</b>	<b>494,347</b>	<b>454,609</b>
Common stock	251,441	251,441
Capital surplus	26,657	26,657
Additional paid-in capital	26,657	26,657
Retained earnings:	224,017	184,543
Legal reserve	62,860	62,860
Other retained earnings	161,157	121,683
Reserve for overseas investment loss	15	15
Retained earnings carried forward	161,141	121,667
Treasury stock, at cost	(7,769)	(8,032)
<b>Valuation and translation adjustments:</b>	<b>5,242</b>	<b>988</b>
Net unrealized holding gain on securities	7,319	2,623
Deferred loss on hedges	(2,077)	(1,635)
<b>Subscription rights to shares</b>	<b>809</b>	<b>670</b>
<b>Total net assets</b>	<b>500,398</b>	<b>456,268</b>
<b>Total liabilities and net assets</b>	<b>3,850,311</b>	<b>3,982,750</b>

# NON-CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

FY2014 (Year ended March 31, 2015) and FY2013 (Year ended March 31, 2014)

Item	(Millions of yen)	
	Year ended March 31,	
	2015	2014
Operating revenues:	1,951,651	1,833,196
Electric power operating revenues:	1,935,225	1,818,310
Revenue from residential customers	627,624	600,180
Revenue from commercial and industrial customers	1,007,316	909,013
Revenue from power sold to other utilities	203,348	222,684
Revenue from power sold to other companies	13,944	21,977
Revenue from wheeling	5,115	4,070
Revenue from wheeling adjustment among utilities	3,124	2,581
Grants on the act of renewable energy	54,071	34,860
Miscellaneous revenues from electric utility business	20,597	22,855
Revenue from property leased to others	83	86
Incidental business revenues:	16,425	14,885
Gas supply business revenue	15,910	14,359
Heat supply business revenue	515	526
Operating expenses:	1,811,101	1,749,109
Operating expenses for electric utility business:	1,795,950	1,735,324
Expense for hydro power generation	34,820	29,875
Expense for thermal power generation	694,586	695,481
Expense for nuclear power generation	91,576	94,652
Expense for internal combustion power generation	26,665	23,091
Expense for renewable power generation	8,954	8,406
Expense for power purchased from other utilities	138,968	131,578
Expense for power purchased from other companies	281,681	271,860
Transmission expense	83,006	75,404
Transformation expense	50,427	48,453
Distribution expense	164,923	153,074
Selling expense	45,833	45,628
Expense for property leased to others	5	5
General administration expense	79,922	88,663
Payment on the act of renewable energy	46,747	22,775
Electric power development promotion tax	29,053	29,302
Enterprise tax	19,015	17,306
Transferred cost of electricity for construction and incidental business	(238)	(234)
Incidental business expenses:	15,150	13,784
Gas supply business expense	14,713	13,319
Heat supply business expense	437	464
Operating income	140,549	84,087

(Millions of yen)

Item	Year ended March 31,	
	2015	2014
Other revenues:	9,223	7,035
Financing income:	6,352	4,639
Dividends income	4,204	2,507
Interest income	2,147	2,132
Other income:	2,871	2,396
Gain from sales of fixed assets	106	518
Miscellaneous income	2,764	1,877
Other expenses:	60,565	52,462
Financing expenses:	53,728	46,150
Interest expense	53,339	45,749
Bond issuance costs	389	401
Other expenses:	6,836	6,311
Loss on sales of fixed assets	80	82
Miscellaneous losses	6,756	6,229
Total amount of revenues	1,960,874	1,840,232
Total amount of expenses	1,871,666	1,801,571
Ordinary income	89,208	38,660
Extraordinary gain:	19,668	24,992
Gain on revision of retirement benefit plan	14,268	16,220
Insurance income	-	8,771
Compensation income for damage	5,400	-
Income before income taxes	108,876	63,653
Current income taxes	4,810	217
Deferred income taxes	41,602	27,396
Total amount of income taxes	46,413	27,614
Net income	62,462	36,039

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

FY2014 (Year ended March 31, 2015) and FY2013 (Year ended March 31, 2014)

(Millions of yen)

Item	March 31, 2015	March 31, 2014
<b>Shareholders' equity:</b>		
Common stock:		
Balance as of end of the previous period	251,441	251,441
Changes:		
Net changes	-	-
Balance as of end of the 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 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 period	62,860	62,860
Other retained earnings:		
Reserve for overseas investment loss		
Balance as of end of the previous period	15	11
Changes:		
Provision for reserve for overseas investment loss	0	3
Net changes	0	3
Balance as of end of the period	15	15
Reserve for general purpose:		
Balance as of end of the previous period	-	332,400
Changes:		
Reversal of reserve for general purpose	-	(332,400)
Net changes	-	(332,400)
Balance as of end of the period	-	-
Retained earnings carried forward:		
Balance as of end of the previous period	121,667	(246,653)
Cumulative effects of changes in accounting policies	(17,838)	-
Restated balance	103,829	(246,653)
Changes:		
Dividend paid	(4,987)	-
Provision for reserve for overseas investment loss	(0)	(3)
Reversal of reserve for general purpose	-	332,400
Net income	62,462	36,039
Disposal of treasury stock	(161)	(114)
Net changes	57,312	368,321
Balance as of end of the period	161,141	121,667

(Millions of yen)

Item	March 31, 2015	March 31, 2014
Total retained earning:		
Balance as of end of the previous period	184,543	148,617
Cumulative effects of changes in accounting policies	(17,838)	-
Restated balance	166,705	148,617
Changes:		
Dividend paid	(4,987)	-
Provision for reserve for overseas investment loss	-	-
Net income	62,462	36,039
Disposal of treasury stock	(161)	(114)
Net changes	57,312	35,925
Balance as of end of the period	224,017	184,543
Treasury stock, at cost:		
Balance as of end of the previous period	(8,032)	(8,211)
Changes:		
Purchases of treasury stock	(43)	(22)
Disposal of treasury stock	306	201
Net changes	263	178
Balance as of end of the period	(7,769)	(8,032)
Total shareholders' equity:		
Balance as of end of the previous period	454,609	418,505
Cumulative effects of changes in accounting policies	(17,838)	-
Restated balance	436,771	418,505
Changes:		
Dividend paid	(4,987)	-
Net income	62,462	36,039
Purchases of treasury stock	(43)	(22)
Disposal of treasury stock	145	86
Net changes	57,575	36,104
Balance as of end of the period	494,347	454,609

(Millions of yen)

Item	March 31, 2015	March 31, 2014
<b>Valuation and translation adjustments:</b>		
Net unrealized holding gain on securities:		
Balance as of end of the previous period	2,623	2,398
Changes:		
Net changes except for shareholders' equity	4,695	225
Net changes	4,695	225
Balance as of end of the period	7,319	2,623
Net deferred hedge loss:		
Balance as of end of the previous period	(1,635)	(1,999)
Changes:		
Net changes except for shareholders' equity	(441)	363
Net changes	(441)	363
Balance as of end of the period	(2,077)	(1,635)
Total valuation and translation adjustments:		
Balance as of end of the previous period	988	398
Changes:		
Net changes except for shareholders' equity	4,254	589
Net changes	4,254	589
Balance as of end of the period	5,242	988
<b>Subscription rights to shares:</b>		
Balance as of end of the previous period	670	488
Changes:		
Net changes except for shareholders' equity	138	182
Net changes	138	182
Balance as of end of the period	809	670
<b>Total net assets:</b>		
Balance as of end of the previous period	456,268	419,392
Cumulative effects of changes in accounting policies	(17,838)	-
Restated balance	438,429	419,392
Changes:		
Dividend paid	(4,987)	-
Net Income	62,462	36,039
Purchases of treasury stock	(43)	(22)
Disposal of treasury stock	145	86
Net changes except for shareholders' equity	4,393	771
Net changes	61,969	36,875
Balance as of end of the period	500,398	456,268

**(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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