

Financial Release for the Nine months Ended December 31, 2009

January 28, 2010

Hokkaido Electric Power Co., Inc.

(URL <http://www.hepco.co.jp>)

Code no: 9509 Tokyo Stock Exchange (1st section)

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Commencement of payment of dividend: -

(Monetary figures are rounded down to the nearest million yen)

I. Consolidated Results for the Nine Months (April 1, 2009 – December 31, 2009)

(1) Consolidated Business Results

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2009–December 31, 2009	391,934	(6.4)	17,648	-	6,972	-	1,624	-
April 1, 2008–December 31, 2008	418,622	-	(28,025)	-	(38,280)	-	(22,635)	-

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

	Net Income per Share (primary)	Net Income per Share (fully diluted)
	Yen	Yen
April 1, 2009–December 31, 2009	7.72	-
April 1, 2008–December 31, 2008	(107.45)	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of December 31, 2009	1,624,720	411,380	24.7	1,904.55
As of March 31, 2009	1,635,023	419,983	25.1	1,947.01

Reference: Shareholders' Equity: As of December 31, 2009 401,108 million yen As of March 31, 2009 410,051 million yen

II. Dividends

Cash dividend

	Cash dividends per share				
	June 30, 2009	September 30, 2009	December 31, 2009	Year-ended	Annual total
	Yen	Yen	Yen	Yen	Yen
April 1, 2008 – March 31, 2009	-	30.00	-	30.00	60.00
April 1, 2009 – March 31, 2010	-	25.00	-		
April 1, 2009 – March 31, 2010 (Forecast)				25.00	50.00

Note: Changes of the forecast of the cash dividends per share in this period: None

III. Forecasts of Consolidated Results for the Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income Per Share (primary)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
April 1, 2009 – March 31, 2010	544,000	(8.5)	28,000	-	14,000	-	5,000	-	23.74

Note 1: Percentage figures represent changes as compared with the same period of the previous year.

Note 2: Changes of the forecasts of consolidated results in this period: None

* Given that the forecast above was made on the basis of information available at the time of the release of this document, the actual result may vary from the forecast data due to various factors.

(Reference)

Forecasts of Non-consolidated Results for the Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income Per Share (primary)
April 1, 2009 – March 31, 2010	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	523,000	(8.8)	23,000	-	9,000	-	3,000	-	14.24

Note 1: Percentage figures represent changes as compared with the same period of the previous year.

Note 2: Changes of the forecasts of non-consolidated results in this period: None

Results of Production and Sales [Electric Utility Business]

1. Sales

Electricity Sales

(GWh)

	April 1, 2009– December 31, 2009 (A)	April 1, 2008– December 31, 2008 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2008 – March 31, 2009
Non-eligible customers					
Residential	8,255	8,108	147	101.8	11,639
Commercial and industrial	1,319	1,299	20	101.6	2,258
Subtotal	9,574	9,407	167	101.8	13,897
Eligible customers	12,703	13,643	(940)	93.1	17,942
Total	22,277	23,050	(773)	96.6	31,839

2. Production

Power Supply

(GWh)

	April 1, 2009 –December 31, 2009 (A)	April 1, 2008 –December 31, 2008 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2008 – March 31, 2009
Hokkaido Electric Power Co., Inc.					
[Water flow rate %]	[108.8]	[77.8]	[31.0]		[80.5]
Hydroelectric	3,150	2,274	876	138.6	2,811
Fossil fuel	10,513	16,039	(5,526)	65.5	21,176
[Nuclear capacity ratio %]	[82.4]	[54.3]	[28.1]		[66.2]
Nuclear	8,756	4,150	4,606	211.0	6,777
Subtotal	22,419	22,463	(44)	99.8	30,764
Purchased power	3,201	3,807	(606)	84.1	5,100
Interchange power	(97)	5	(102)	-	(3)
Power used for pumped storage	(113)	(69)	(44)	163.5	(71)
Total	25,410	26,206	(796)	97.0	35,790

Note 1: Amount of power generated in trial operation is excluded from the calculation of nuclear capacity ratio.

Note 2: Amount of power generated from consolidated subsidiaries, Hokkaido Power Engineering and HOKUDEN ECO-ENERGY, is included in purchased power.

Forecasts of Consolidated Results for the Full Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)

There is no revision to the forecast of consolidated results released on October 29, 2009.

(Million yen)

	April 1, 2009 – March 31, 2010		(Reference)	
		Increase/decrease compared with the previous term	April 1, 2009 – September 30, 2009	April 1, 2009 – December 31, 2009
Operating Revenue	544,000	(50,000)	257,541	391,934
Operating Income	28,000	45,000	17,834	17,648
Ordinary Income	14,000	45,000	10,547	6,972
Net Income	5,000	29,000	3,560	1,624

Key Factors

	April 1, 2009 – March 31, 2010	April 1, 2008 – March 31, 2009
[Comparison with the previous term (%)]	[Approx. (1.4)]	[(1.9)]
Electricity sales	Approx. 31.4 TWh	31.8 TWh
Foreign Exchange Rate	Approx. 93 yen/\$	101 yen/\$
CIF Crude Oil Price	Approx. 66 \$/bl	90.3 \$/bl
Nuclear Capacity Ratio	Approx. 80 %	66.2 %
Sensitivity Factors		
Foreign Exchange Rate (1 yen/\$)	Approx. 0.7 billion yen	Approx. 1.6 billion yen
CIF Crude Oil Price (1 \$/bl)	Approx. 0.5 billion yen	Approx. 1.1 billion yen
Nuclear Capacity Ratio (1 %)	Approx. 1.3 billion yen	Approx. 1.6 billion yen
Interest (1 %)	Approx. 1.1 billion yen	Approx. 1.4 billion yen

Note: Amount of power generated in trial operation is excluded from the calculation of nuclear capacity ratio.

(Reference)

Forecasts of Non-consolidated Results for the Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)

(Million yen)

	April 1, 2009 – March 31, 2010		(Reference)	
		Increase/decrease compared with the previous term	April 1, 2009 – September 30, 2009	April 1, 2009 – December 31, 2009
Operating Revenue	523,000	(50,000)	248,355	376,930
Operating Income	23,000	45,000	16,173	14,059
Ordinary Income	9,000	45,000	9,034	3,580
Net Income	3,000	29,000	2,876	81

Consolidated Balance Sheets

(Million yen)

Item	As of December 31, 2009 (A)	As of March 31, 2009 (B)
Assets		
Noncurrent assets	1,494,125	1,506,488
Electric utility plant and equipment	1,129,679	890,215
Hydroelectric power production facilities	118,844	123,155
Thermal power production facilities	107,242	115,456
Nuclear power production facilities	337,137	79,655
Transmission facilities	183,217	186,712
Transformation facilities	83,082	83,528
Distribution facilities	259,917	259,922
General facilities	38,727	40,144
Other electric utility plant and equipment	1,508	1,639
Other noncurrent assets	48,037	50,021
Construction in progress	88,787	354,125
Construction in progress	88,517	353,998
Retirement in progress	270	127
Nuclear fuel	80,567	76,204
Loaded nuclear fuel	18,322	19,700
Nuclear fuel in processing	62,244	56,504
Investments and other assets	147,053	135,921
Long-term investments	37,978	36,354
Deferred tax assets	66,408	67,060
Other	42,825	32,833
Allowance for doubtful accounts	(158)	(326)
Current assets	130,594	128,534
Cash and deposits	43,822	40,421
Notes and accounts receivable-trade	28,839	34,363
Inventories	33,430	32,147
Deferred tax assets	6,100	6,112
Other	18,773	15,891
Allowance for doubtful accounts	(370)	(401)
Total	1,624,720	1,635,023
Liabilities and Net Assets		
Liabilities		
Noncurrent liabilities	936,125	975,879
Bonds payable	523,791	543,789
Long-term loans payable	214,338	230,597
Provision for retirement benefits	72,468	78,163
Provision for reprocessing of irradiated nuclear fuel	69,217	69,185
Provision for preparation of the reprocessing of irradiated nuclear fuel	4,320	3,202
Provision for decommissioning of nuclear power units	43,309	41,266
Reserve for loss on liquidation of affiliates	3,146	3,145
Other	5,534	6,529
Current liabilities	271,303	236,668
Current portion of noncurrent liabilities	86,983	47,859
Short-term loans payable	48,939	52,772
Commercial papers	34,000	-
Notes and accounts payable-trade	20,434	25,465
Accrued taxes	12,972	7,879
Other	67,973	102,692
Reserves under the special laws	5,910	2,492
Reserve for fluctuation in water levels	5,910	2,492
Total Liabilities	1,213,339	1,215,040
Net assets		
Shareholders' equity	398,951	408,910
Capital stock	114,291	114,291
Capital surplus	21,174	21,174
Retained earnings	272,353	282,315
Treasury stock	(8,868)	(8,872)
Valuation and translation adjustments	2,157	1,141
Valuation difference on available-for-sale securities	2,149	1,141
Deferred gains or losses on hedges	7	-
Minority interests	10,271	9,931
Total Net Assets	411,380	419,983
Total	1,624,720	1,635,023

Consolidated Statements of Income

(Million yen)

Item	April 1, 2008– December 31, 2008	April 1, 2009–December 31, 2009
Operating Revenue	418,622	391,934
Electric utility operating revenue	403,255	375,923
Other business operating revenue	15,366	16,010
Operating Expenses	446,648	374,286
Electric utility operating expenses	433,468	360,230
Other business operating expenses	13,179	14,055
Operating Income (Loss)	(28,025)	17,648
Non-operating Income	2,134	1,705
Dividends income	410	343
Interest income	416	430
Equity in earnings of affiliates	97	219
Other	1,209	712
Non-operating Expenses	12,389	12,381
Interest expenses	10,707	11,615
Other	1,681	765
Total ordinary revenue	420,756	393,639
Total ordinary expenses	459,037	386,667
Ordinary Income (Loss)	(38,280)	6,972
Provision or reversal of reserve for fluctuation in water levels	(4,941)	3,418
Provision of reserve for fluctuation in water levels	-	3,418
Reversal of reserve for fluctuation in water levels	(4,941)	-
Income (loss) before income taxes and minority interests in income (loss)	(33,339)	3,553
Income taxes-current	(12,614)	1,396
Income taxes for prior periods	682	-
Income taxes-deferred	710	70
Total income taxes	(11,222)	1,466
Minority interests in income	519	462
Net Income (Loss)	(22,635)	1,624

Consolidated Statements of Cash Flows

(Million yen)

Account	April 1, 2008 – December 31, 2008	April 1, 2009 – December 31, 2009
Net Cash Provided by (Used in) Operating Activities		
Income (loss) before income taxes	(33,339)	3,553
Depreciation and amortization	52,156	84,944
Amortization of nuclear fuel	2,058	4,690
Increase (decrease) in provision for retirement benefits	(6,887)	(5,695)
Increase (decrease) in provision for reprocessing of irradiated nuclear fuel	(2,214)	-
Increase (decrease) in provision for decommissioning of nuclear power units	1,033	2,043
Interest and dividends income	(826)	(773)
Interest expenses	10,707	11,615
Decrease (increase) in reserve fund for reprocessing of irradiated nuclear fuel	(512)	(9,685)
Decrease (increase) in notes and accounts receivable-trade	3,328	5,673
Decrease (increase) in inventories	(11,863)	(1,282)
Increase (decrease) defined-contribution pension liability	(1,946)	-
Increase (decrease) in notes and accounts payable-trade	(5,160)	(5,085)
Other, net	(7,806)	5,649
Subtotal	(1,271)	95,646
Interest and dividends income received	822	741
Interest expenses paid	(10,890)	(12,357)
Income taxes paid	(7,236)	(1,958)
Net cash provided by (used in) operating activities	(18,576)	82,072
Net Cash Provided by (Used in) Investment Activities		
Purchase of noncurrent assets	(74,307)	(99,884)
Payments of investment and loans receivable	(14,176)	(17,859)
Collection of investment and loans receivable	13,871	17,432
Other, net	317	252
Net cash provided by (used in) investment activities	(74,294)	(100,058)
Net Cash Provided by (Used in) Financing Activities		
Proceeds from issuance of bonds	119,637	29,900
Redemption of bonds	(10,000)	(30,000)
Proceeds from long-term loans payable	15,000	12,000
Repayment of long-term loans payable	(13,991)	(9,135)
Increase in short-term loans payable	225,612	190,877
Decrease in short-term loans payable	(216,099)	(194,857)
Proceeds from issuance of commercial papers	97,000	89,000
Redemption of commercial papers	(105,000)	(55,000)
Cash dividends paid	(12,471)	(11,401)
Other, net	(299)	(195)
Net cash provided by (used in) financing activities	99,388	21,187
Net Increase (Decrease) in Cash and Cash Equivalents	6,516	3,201
Cash and Cash Equivalents at Beginning of Period	17,634	40,421
Cash and Cash Equivalents at End of Period	24,151	43,622

Business Segment Information

Nine Months Ended December 31, 2008 (April 1, 2008 – December 31, 2008)

(Million yen)

	Electric utility	Other business	Total	Eliminations	Consolidated
Operating revenue					
Sales to customers	403,255	15,366	418,622	-	418,622
Intersegment sales	684	52,280	52,964	(52,964)	-
Total operating revenue	403,940	67,646	471,587	(52,964)	418,622
Operating income (loss)	(31,698)	3,245	(28,452)	426	(28,025)

Nine Months Ended December 31, 2009 (April 1, 2009 – December 31, 2009)

(Million yen)

	Electric utility	Other business	Total	Eliminations	Consolidated
Operating revenue					
Sales to customers	375,923	16,010	391,934	-	391,934
Intersegment sales	657	52,719	53,377	(53,377)	-
Total operating revenue	376,581	68,730	445,311	(53,377)	391,934
Operating income	14,185	3,004	17,189	458	17,648

Note: The information shown above is an English translation of the " Financial Release for the Nine months Ended December 31, 2009" which was filed with stock exchanges (Tokyo, Osaka, Sapporo) on the date shown above.