

**Financial Release for the Three months Ended June 30, 2010**  
**[Japanese Standards] (Consolidated)**

July 29, 2010

**Hokkaido Electric Power Co., Inc.**

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

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

Representative: Yoshitaka SATO, President and Director

For inquiry: Takahito ONODERA, Manager, Accounting & Finance Dept.

Telephone: +81-11-251-1111

The prearranged date of financial statement report publication: August 6, 2010

Preparation of supplementary materials for quarterly financial results: Yes

Information meeting for quarterly financial results to be held: No

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

**I. Consolidated Results for the Three Months Ended June 30, 2010 (April 1, 2010 – June 30, 2010)**

**(1) Consolidated Business Results**

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2010–June 30, 2010	132,047	1.6	9,919	(4.5)	6,979	0.2	261	(91.3)
April 1, 2009–June 30, 2009	129,906	(4.6)	10,384	-	6,965	-	2,986	-

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	Yen	Yen
April 1, 2010–June 30, 2010	1.25	-	-	-
April 1, 2009–June 30, 2009	14.18	-	-	-

**(2) Consolidated Financial Position**

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of June 30, 2010	1,605,076	403,406	24.5	1,912.50
As of March 31, 2010	1,607,027	418,943	25.4	1,939.92

Reference: Shareholders' Equity: As of June 30, 2010 393,218 million yen As of March 31, 2010 408,558 million yen

**II. Dividends**

**Cash dividend**

	Cash dividends per share				
	June 30	September 30	December 31	Year-ended	Annual total
	Yen	Yen	Yen	Yen	Yen
April 1, 2009 – March 31, 2010	-	25.00	-	25.00	50.00
April 1, 2010 – March 31, 2011	-				
April 1, 2010 – March 31, 2011 (Forecast)		25.00	-	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, 2011 (April 1, 2010 – March 31, 2011)**

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income Per Share (primary)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
April 1, 2010 – Sep. 30, 2010	260,000	1.0	17,000	(4.7)	10,000	(5.2)	3,000	(15.7)	14.50
April 1, 2010 – March 31, 2011	557,000	1.4	39,000	23.1	25,000	40.5	11,000	43.6	53.33

Note 1: Percentage figures represent changes as compared to 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.

#### IV. Others

(1) Changes among major consolidated subsidiaries in this period: None

(2) Simplified accounting method or special accounting method: Yes

(3) Changes of principals, procedures and disclosure methods etc.:

- a. Amendments of accounting regulations: Yes  
b. Others: None

(4) Outstanding shares (Common stock)

a. Number of outstanding shares (Treasury stock included):

As of June 30, 2010: 215,291,912 As of March 31, 2010: 215,291,912

b. Number of treasury stock:

As of June 30, 2010: 9,686,889 As of March 31, 2010: 4,685,655

c. Average number of shares over period (total for quarter):

April 1, 2010 - June 30, 2010: 208,199,997 April 1, 2009 - June 30, 2009: 210,600,403

#### (Reference)

##### Forecasts of Non-consolidated Results for the Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income Per Share (primary)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
April 1, 2010 – Sep. 30, 2010	251,000	1.1	16,000	(1.1)	9,000	(0.4)	3,000	4.3	14.50
April 1, 2010 – March 31, 2011	535,000	1.5	34,000	26.8	20,000	51.5	9,000	67.3	43.64

Note 1: Percentage figures represent changes as compared to 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, 2010– June 30, 2010 (A)	April 1, 2009– June 30, 2009 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2009 – March 31, 2010
Non-eligible customers					
Residential	2,884	2,754	130	104.7	11,875
Commercial and industrial	514	451	63	114.0	2,368
Subtotal	3,398	3,205	193	106.0	14,243
Eligible customers	4,297	4,135	162	103.9	17,208
Total	7,695	7,340	355	104.8	31,451

##### 2. Production

##### Power Supply

(GWh)

	April 1, 2010 – June 30, 2010 (A)	April 1, 2009 – June 30, 2009 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2009 – March 31, 2010
Hokkaido Electric Power Co., Inc.					
[Water flow rate %]	[110.9]	[107.2]	[3.7]		[108.0]
Hydroelectric	1,427	1,337	90	106.7	3,757
Thermal	2,359	3,254	(895)	72.5	14,986
[Nuclear capacity ratio %]	[83.1]	[72.1]	[11.0]		[81.9]
Nuclear	3,755	2,405	1,350	156.1	12,381
Renewable	31	26	5	118.4	115
Subtotal	7,572	7,022	550	107.8	31,239
Purchased power	793	971	(178)	81.6	4,461
Interchange power	(26)	(7)	(19)	344.1	(108)
Power used for pumped storage	(40)	(14)	(26)	284.0	(144)
Total	8,299	7,972	327	104.1	35,448

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

Note 2: Geothermal power supply, which was previously included as part of thermal power supply, is accounted for under “Renewable” after March 31, 2010. Consequently, figures for April 1, 2009 – June 30, 2009 has been reclassified.

Note 3: 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, 2011 (April 1, 2010 – March 31, 2011)**

The results for the three months ended June 30, 2010 has progressed successfully, there are no revision to the forecasts of consolidated results released in April 2010.

(Million yen)

	April 1, 2010 – March 31, 2011		April 1, 2010 – September 30, 2010	
		Increase/decrease compared to the previous term		Increase/decrease compared to the previous term
Operating Revenue	557,000	8,000	260,000	3,000
Operating Income	39,000	7,000	17,000	Same level
Ordinary Income	25,000	7,000	10,000	Same level
Net Income	11,000	4,000	3,000	Same level

**Key Factors**

	April 1, 2010 – March 31, 2011 (Forecast)
(Comparison with the previous term (%))	(Approx. 1.6%)
Electricity sales	Approx. 32.0 TWh
Foreign Exchange Rate	Approx. 90 yen/\$
CIF Crude Oil Price	Approx. 85 \$/bl
Nuclear Capacity Ratio	Approx. 85 %
<b>Sensitivity Factors</b>	
Foreign Exchange Rate (1 yen/\$)	Approx. 0.7 billion yen
CIF Crude Oil Price (1 \$/bl)	Approx. 0.3 billion yen
Nuclear Capacity Ratio (1 %)	Approx. 0.9 billion yen
Interest (1 %)	Approx. 1.1 billion yen

**(Reference)**

**Forecasts of non-consolidated results for the full year ending March 31, 2011 (April 1, 2010 – March 31, 2011)**

(Million yen)

	April 1, 2010 – March 31, 2011		April 1, 2010 – September 30, 2010	
		Increase/decrease compared to the previous term		Increase/decrease compared to the previous term
Operating Revenue	535,000	8,000	251,000	3,000
Operating Income	34,000	7,000	16,000	Same level
Ordinary Income	20,000	7,000	9,000	Same level
Net Income	9,000	4,000	3,000	Same level

**Consolidated Balance Sheets**

(Million yen)

Item	As of June 30, 2010 (A)	As of March 31, 2010 (B)
<b>Assets</b>		
Noncurrent assets	1,508,877	1,491,500
Electric utility plant and equipment	1,125,558	1,117,755
Hydroelectric power production facilities	116,574	117,740
Thermal power production facilities	100,901	103,814
Nuclear power production facilities	344,642	327,444
Transmission facilities	180,344	182,626
Transformation facilities	81,265	81,982
Distribution facilities	261,676	263,251
General facilities	37,824	38,489
Other electric utility plant and equipment	2,328	2,405
Other noncurrent assets	47,876	48,422
Construction in progress	97,076	89,919
Construction in progress	96,438	89,697
Retirement in progress	637	221
Nuclear fuel	85,389	79,325
Loaded nuclear fuel	20,914	19,163
Nuclear fuel in processing	64,474	60,161
Investments and other assets	152,976	156,078
Long-term investments	38,778	40,174
Deferred tax assets	59,676	59,186
Other	54,664	56,864
Allowance for doubtful accounts	(142)	(147)
Current assets	96,198	115,526
Cash and deposits	21,060	39,201
Notes and accounts receivable-trade	25,347	32,071
Inventories	29,134	26,818
Deferred tax assets	8,325	8,112
Other	12,738	9,724
Allowance for doubtful accounts	(408)	(401)
<b>Total</b>	<b>1,605,076</b>	<b>1,607,027</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Noncurrent liabilities	953,619	948,451
Bonds payable	533,792	553,792
Long-term loans payable	192,874	196,662
Provision for retirement benefits	67,602	70,520
Provision for reprocessing of irradiated nuclear fuel	69,694	69,286
Provision for preparation of the reprocessing of irradiated nuclear fuel	5,491	4,930
Provision for decommissioning of nuclear power units	-	44,308
Reserve for loss on liquidation of affiliates	3,138	3,137
Asset retirement obligations	76,394	-
Other	4,630	5,814
Current liabilities	240,254	233,529
Current portion of noncurrent liabilities	116,069	105,919
Short-term loans payable	54,500	48,000
Commercial papers	-	4,000
Notes and accounts payable-trade	12,738	23,494
Accrued taxes	16,741	6,122
Other	40,204	45,992
Reserves under the special laws	7,795	6,104
Reserve for fluctuation in water levels	7,795	6,104
<b>Total Liabilities</b>	<b>1,201,669</b>	<b>1,188,084</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>	390,736	404,986
Capital stock	114,291	114,291
Capital surplus	21,174	21,174
Retained earnings	273,381	278,385
Treasury stock	(18,111)	(8,866)
<b>Valuation and translation adjustments</b>	2,482	3,572
Valuation difference on available-for-sale securities	2,482	3,572
<b>Minority interests</b>	10,187	10,384
<b>Total Net Assets</b>	<b>403,406</b>	<b>418,943</b>
<b>Total</b>	<b>1,605,076</b>	<b>1,607,027</b>

**Consolidated Statements of Income**

(Million yen)

Item	April 1, 2009– June 30, 2009	April 1, 2010– June 30, 2010
<b>Operating Revenue</b>	129,906	132,047
Electric utility operating revenue	125,301	128,061
Other business operating revenue	4,605	3,985
<b>Operating Expenses</b>	119,521	122,128
Electric utility operating expenses	115,460	118,627
Other business operating expenses	4,061	3,501
<b>Operating Income</b>	10,384	9,919
<b>Non-operating Income</b>	795	1,205
Dividends income	213	207
Interest income	129	193
Equity in earnings of affiliates	185	118
Other	268	686
<b>Non-operating Expenses</b>	4,215	4,146
Interest expenses	3,872	3,758
Other	342	387
Total ordinary revenue	130,702	133,253
Total ordinary expenses	123,737	126,274
<b>Ordinary Income</b>	6,965	6,979
Provision or reversal of reserve for fluctuation in water levels	1,285	1,691
Provision of reserve for fluctuation in water levels	1,285	1,691
Extraordinary loss	-	4,923
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,923
Income before income taxes and minority interests in income	5,679	364
Income taxes-current	2,621	41
Income taxes-deferred	81	142
Total income taxes	2,702	184
Income before minority interests	-	179
Minority interests in loss	(8)	(81)
<b>Net Income</b>	2,986	261

**Consolidated Statements of Cash Flows**

(Million yen)

Account	April 1, 2009– June 30, 2009	April 1, 2010– June 30, 2010
<b>Net Cash Provided by (used in) Operating Activities</b>		
Income before income taxes	5,679	364
Depreciation and amortization	27,660	25,847
Amortization of nuclear fuel	1,323	2,050
Decommissioning costs of nuclear power units	-	911
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,923
Increase (decrease) in provision for retirement benefits	(2,122)	(2,918)
Increase (decrease) in provision for decommissioning of nuclear power units	570	-
Increase (decrease) in reserve for fluctuation in water levels	-	1,691
Interest and dividends income	(342)	(401)
Interest expenses	3,872	3,758
Decrease (increase) in reserve fund for reprocessing of irradiated nuclear fuel	1,950	2,100
Decrease (increase) in notes and accounts receivable-trade	10,306	6,749
Increase (decrease) in notes and accounts payable-trade	(12,341)	(11,030)
Other, net	355	3,264
Subtotal	36,914	37,312
Interest and dividends income received	350	366
Interest expenses paid	(4,581)	(4,429)
Income taxes paid	(1,396)	(986)
Net cash provided by (used in) operating activities	31,286	32,263
<b>Net cash provided by (used in) Investment Activities</b>		
Purchase of noncurrent assets	(42,886)	(25,791)
Payments of investment and loans receivable	(7,280)	(4,817)
Collection of investment and loans receivable	7,196	4,573
Other, net	214	130
Net cash provided by (used in) investment activities	(42,756)	(25,905)
<b>Net Cash Provided by (used in) Financing Activities</b>		
Proceeds from issuance of bonds	19,933	-
Proceeds from long-term loans payable	1,000	-
Repayment of long-term loans payable	(3,179)	(13,553)
Increase in short-term loans payable	80,868	72,861
Decrease in short-term loans payable	(80,658)	(65,806)
Proceeds from issuance of commercial papers	13,000	10,000
Redemption of commercial papers	(13,000)	(14,000)
Purchase of treasury stock	-	(9,248)
Cash dividends paid	(5,463)	(4,560)
Other, net	(180)	(190)
Net cash provided by (used in) financing activities	12,319	(24,497)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	850	(18,140)
<b>Cash and Cash Equivalents at Beginning of Period</b>	40,421	39,001
<b>Cash and Cash Equivalents at End of Period</b>	41,271	20,860

**Business Segment Information**

Three Months Ended June 30, 2009 (April 1, 2009 –June 30, 2009)

(Million yen)

	Electric utility	Other business	Total	Eliminations	Consolidated
Operating revenue					
Sales to customers	125,301	4,605	129,906	-	129,906
Intersegment sales	347	13,244	13,592	(13,592)	-
Total operating revenue	125,649	17,849	143,498	(13,592)	129,906
Operating income	10,224	15	10,239	144	10,384

Three Months Ended June 30, 2010 (April 1, 2010 –June 30, 2010)

(Million yen)

	Electric utility	Other business	Total	Eliminations	Consolidated
Operating revenue					
Sales to customers	128,061	3,985	132,047	-	132,047
Intersegment sales	336	12,382	12,719	(12,719)	-
Total operating revenue	128,398	16,368	144,767	(12,719)	132,047
Operating income (loss)	10,250	(410)	9,839	79	9,919

**Note:** The information shown above is an English translation of the " Financial Release for the Three-months Ended June 30, 2010" which was filed with stock exchanges (Tokyo, Osaka, Sapporo) on the date shown above.