

**Financial Release for the Nine months Ended December 31, 2010**  
**[Japanese Standards] (Consolidated)**

January 27, 2011

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

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

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

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The prearranged date of financial statement report publication: February 14, 2011

Commencement of payment of dividend: -

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 Nine Months (April 1, 2010 – December 31, 2010)**

**(1) Consolidated Business Results**

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2010 – December 31, 2010	406,192	3.6	32,817	86.0	23,363	235.1	8,228	406.7
April 1, 2009 – December 31, 2009	391,934	(6.4)	17,648	-	6,972	-	1,624	-

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, 2010 – December 31, 2010	39.86	-
April 1, 2009 – December 31, 2009	7.72	-

**(2) Consolidated Financial Position**

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of December 31, 2010	1,636,966	406,594	24.2	1,926.11
As of March 31, 2010	1,607,027	418,943	25.4	1,939.92

Reference: Shareholders' Equity: As of December 31, 2010 395,986 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	-	25.00	-	-	-
April 1, 2010 – March 31, 2011 (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, 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 – March 31, 2011	566,000	3.0	43,000	35.7	29,000	63.0	10,000	30.6	48.49

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 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 December 31, 2010: 215,291,912 As of March 31, 2010: 215,291,912

b. Number of treasury stock:

As of December 31, 2010: 9,702,972 As of March 31, 2010: 4,685,655

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

April 1, 2010 - December 31, 2010: 206,464,538 April 1, 2009 - December 31, 2009: 210,600,862

#### (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 – March 31, 2011	544,000	3.2	38,000	41.7	24,000	81.8	8,000	48.7	38.79

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– December 31, 2010 (A)	April 1, 2009– December 31, 2009 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2009 – March 31, 2010
Non-eligible customers					
Residential	8,465	8,255	210	102.5	11,875
Commercial and industrial	1,417	1,319	98	107.4	2,368
Subtotal	9,882	9,574	308	103.2	14,243
Eligible customers	13,168	12,703	465	103.7	17,208
Total	23,050	22,277	773	103.5	31,451

##### 2. Production

##### Power Supply

(GWh)

	April 1, 2010 – December 31, 2010 (A)	April 1, 2009 – December 31, 2009 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2009 – March 31, 2010
Hokkaido Electric Power Co., Inc.					
[Water flow rate %]	[114.6]	[108.8]	[5.8]		[108.0]
Hydroelectric	3,247	3,150	97	103.1	3,757
Fossil fuel	7,493	10,431	(2,938)	71.8	14,986
[Nuclear capacity ratio %]	[95.8]	[82.4]	[13.4]		[81.9]
Nuclear	13,084	8,756	4,328	149.4	12,381
Renewable	76	82	(6)	92.3	115
Subtotal	23,900	22,419	1,481	106.6	31,239
Purchased power	2,409	3,201	(792)	75.2	4,461
Interchange power	(38)	(97)	59	38.9	(108)
Power used for pumped storage	(142)	(113)	(29)	126.2	(144)
Total	26,129	25,410	719	102.8	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 – December 31, 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)**

There is no revision to the forecast of consolidated results released on October 28, 2010.

(Million yen)

	April 1, 2010 – March 31, 2011	
		Increase/decrease compared with the previous term
Operating Revenue	566,000	17,000
Operating Income	43,000	11,000
Ordinary Income	29,000	11,000
Net Income	10,000	3,000

**Key Factors**

	April 1, 2010 – March 31, 2011
(Increase/decrease compared with the previous term)	( Approx. 3.2% )
Electricity sales	Approx. 32.5 TWh
Foreign Exchange Rate	Approx. 88 yen/\$
CIF Crude Oil Price	Approx. 80 \$/bl
Nuclear Capacity Ratio	Approx. 89 %
<b>Sensitivity Factors</b>	
Foreign Exchange Rate (1 yen/\$)	Approx. 0.7 billion yen
CIF Crude Oil Price (1 \$/bl)	Approx. 0.4 billion yen
Nuclear Capacity Ratio (1 %)	Approx. 0.9 billion yen
Interest (1 %)	Approx. 1.2 billion yen

**(Reference)**

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

(Million yen)

	April 1, 2010 – March 31, 2011	
		Increase/decrease compared with the previous term
Operating Revenue	544,000	17,000
Operating Income	38,000	11,000
Ordinary Income	24,000	11,000
Net Income	8,000	3,000

**Consolidated Balance Sheets**

(Million yen)

Item	As of December 31, 2010 (A)	As of March 31, 2010 (B)
<b>Assets</b>		
Noncurrent assets	1,533,541	1,491,500
Electric utility plant and equipment	1,112,835	1,117,755
Hydroelectric power production facilities	114,552	117,740
Thermal power production facilities	104,189	103,814
Nuclear power production facilities	325,803	327,444
Transmission facilities	181,101	182,626
Transformation facilities	81,867	81,982
Distribution facilities	263,389	263,251
General facilities	39,110	38,489
Other electric utility plant and equipment	2,819	2,405
Other noncurrent assets	46,898	48,422
Construction in progress	107,146	89,919
Construction in progress	106,627	89,697
Retirement in progress	519	221
Nuclear fuel	86,191	79,325
Loaded nuclear fuel	15,481	19,163
Nuclear fuel in processing	70,710	60,161
Investments and other assets	180,470	156,078
Long-term investments	53,660	40,174
Deferred tax assets	59,687	59,186
Other	67,252	56,864
Allowance for doubtful accounts	(130)	(147)
Current assets	103,424	115,526
Cash and deposits	18,788	39,201
Notes and accounts receivable-trade	30,353	32,071
Inventories	37,172	26,818
Deferred tax assets	8,281	8,112
Other	9,284	9,724
Allowance for doubtful accounts	(456)	(401)
<b>Total</b>	<b>1,636,966</b>	<b>1,607,027</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Noncurrent liabilities	959,589	948,451
Bonds payable	554,120	553,792
Long-term loans payable	180,752	196,662
Provision for retirement benefits	62,436	70,520
Provision for reprocessing of irradiated nuclear fuel	70,503	69,286
Provision for preparation of the reprocessing of irradiated nuclear fuel	6,954	4,930
Provision for decommissioning of nuclear power units	-	44,308
Reserve for loss on liquidation of affiliates	3,166	3,137
Asset retirement obligations	77,268	-
Other	4,386	5,814
Current liabilities	260,996	233,529
Current portion of noncurrent liabilities	103,359	105,919
Short-term loans payable	47,500	48,000
Commercial papers	15,000	4,000
Notes and accounts payable-trade	24,793	23,494
Accrued taxes	18,892	6,122
Other	51,450	45,992
Reserves under the special laws	9,785	6,104
Reserve for fluctuation in water levels	9,785	6,104
<b>Total Liabilities</b>	<b>1,230,371</b>	<b>1,188,084</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>	393,536	404,986
Capital stock	114,291	114,291
Capital surplus	21,174	21,174
Retained earnings	276,208	278,385
Treasury stock	(18,138)	(8,866)
<b>Valuation and translation adjustments</b>	2,450	3,572
Valuation difference on available-for-sale securities	2,429	3,572
Deferred gains or losses on hedges	20	-
<b>Minority interests</b>	10,608	10,384
<b>Total Net Assets</b>	<b>406,594</b>	<b>418,943</b>
<b>Total</b>	<b>1,636,966</b>	<b>1,607,027</b>

**Consolidated Statements of Income**

(Million yen)

Item	April 1, 2009 – December 31, 2009	April 1, 2010 – December 31, 2010
<b>Operating Revenue</b>	391,934	406,192
Electric utility operating revenue	375,923	391,274
Other business operating revenue	16,010	14,918
<b>Operating Expenses</b>	374,286	373,374
Electric utility operating expenses	360,230	360,028
Other business operating expenses	14,055	13,346
<b>Operating Income</b>	17,648	32,817
<b>Non-operating Income</b>	1,705	2,481
Dividends income	343	337
Interest income	430	631
Equity in earnings of affiliates	219	392
Other	712	1,120
<b>Non-operating Expenses</b>	12,381	11,935
Interest expenses	11,615	11,144
Other	765	791
Total ordinary revenue	393,639	408,674
Total ordinary expenses	386,667	385,310
<b>Ordinary Income</b>	6,972	23,363
Provision or reversal of reserve for fluctuation in water levels	3,418	3,681
Provision of reserve for fluctuation in water levels	3,418	3,681
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	3,553	14,758
Income taxes-current	1,396	6,252
Income taxes-deferred	70	(56)
Total income taxes	1,466	6,195
Income before minority interests	-	8,563
Minority interests in income	462	334
<b>Net Income</b>	1,624	8,228

**Consolidated Statements of Cash Flows**

(Million yen)

Account	April 1, 2009 – December 31, 2009	April 1, 2010 – December 31, 2010
<b>Net Cash Provided by (Used in) Operating Activities</b>		
Income before income taxes	3,553	14,758
Depreciation and amortization	84,944	79,515
Amortization of nuclear fuel	4,690	7,484
Decommissioning costs of nuclear power units	-	3,235
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,923
Increase (decrease) in provision for retirement benefits	(5,695)	(8,084)
Increase (decrease) in provision for decommissioning of nuclear power units	2,043	-
Interest and dividends income	(773)	(968)
Interest expenses	11,615	11,144
Decrease (increase) in reserve fund for reprocessing of irradiated nuclear fuel	(9,685)	(10,257)
Decrease (increase) in notes and accounts receivable-trade	5,673	1,802
Decrease (increase) in inventories	(1,282)	(10,353)
Increase (decrease) in notes and accounts payable-trade	(5,085)	-
Other, net	5,649	17,026
Subtotal	95,646	110,227
Interest and dividends income received	741	886
Interest expenses paid	(12,357)	(11,852)
Income taxes paid	(1,958)	(1,334)
Net cash provided by (used in) operating activities	82,072	97,927
<b>Net Cash Provided by (Used in) Investment Activities</b>		
Purchase of noncurrent assets	(99,884)	(75,942)
Payments of investment and loans receivable	(17,859)	(29,237)
Collection of investment and loans receivable	17,432	13,739
Other, net	252	181
Net cash provided by (used in) investment activities	(100,058)	(91,259)
<b>Net Cash Provided by (Used in) Financing Activities</b>		
Proceeds from issuance of bonds	29,900	44,850
Redemption of bonds	(30,000)	(50,000)
Proceeds from long-term loans payable	12,000	15,000
Repayment of long-term loans payable	(9,135)	(28,062)
Increase in short-term loans payable	190,877	192,966
Decrease in short-term loans payable	(194,857)	(192,773)
Proceeds from issuance of commercial papers	89,000	104,000
Redemption of commercial papers	(55,000)	(93,000)
Purchase of treasury stock	-	(9,297)
Cash dividends paid	(11,401)	(10,302)
Other, net	(195)	(262)
Net cash provided by (used in) financing activities	21,187	(26,880)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	3,201	(20,213)
<b>Cash and Cash Equivalents at Beginning of Period</b>	40,421	39,001
<b>Cash and Cash Equivalents at End of Period</b>	43,622	18,788

**Business Segment Information**

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

Nine Months Ended December 31, 2010 (April 1, 2010 – December 31, 2010)

(Million yen)

	Reportable segment			Eliminations	Consolidated
	Electric utility	Other business	Total		
Operating revenue					
Sales to customers	391,274	14,918	406,192	-	406,192
Intersegment sales	923	57,089	58,012	(58,012)	-
Total operating revenue	392,197	72,007	464,205	(58,012)	406,192
Operating income	30,249	2,820	33,069	(251)	32,817

**Note:** The information shown above is an English translation of the " Financial Release for the Nine months Ended December 31, 2010" which was filed with stock exchanges (Tokyo, Osaka, Sapporo) on the date shown above.