

# Financial Release for the Three months Ended June 30, 2011

[Japanese Standards] (Consolidated)

July 28, 2011

## 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 8, 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 Three Months Ended June 30, 2011 (April 1, 2011 – June 30, 2011)

#### (1) Consolidated Business Results

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2011–June 30, 2011	146,173	10.7	10,410	5.0	6,740	(3.4)	3,939	-
April 1, 2010–June 30, 2010	132,047	1.6	9,919	(4.5)	6,979	0.2	261	(91.3)

Reference: Comprehensive income: April 1, 2011 – June 30, 2011 2,903 million yen [ - %] April 1, 2010 – June 30, 2010 (889) million yen [ - %]

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, 2011–June 30, 2011	19.16	-
April 1, 2010–June 30, 2010	1.25	-

#### (2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Million yen	Million yen	%
As of June 30, 2011	1,645,159	408,368	24.2
As of March 31, 2011	1,641,561	410,741	24.4

Reference: Shareholders' Equity: As of June 30, 2011 397,734 million yen As of March 31, 2011 399,969 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, 2010 – March 31, 2011	-	25.00	-	25.00	50.00
April 1, 2011 – March 31, 2012	-				
April 1, 2011 – March 31, 2012 (Forecast)		25.00	-	25.00	50.00

Note: Changes of the forecast of the cash dividends per share from the latest release: None

### III. Forecasts of Consolidated Results for the Year Ending March 31, 2012 (April 1, 2011 – March 31, 2012)

The forecasts of consolidated results for the full year ending March 31, 2012, which was released on April 28, 2011, have been revised with consideration of the current situation.

HEPCO received an instruction of "Comprehensive Evaluation of Nuclear Power Reactor Facilities" from Nuclear and Industrial Safety Agency of Ministry of Economy, which will be implemented properly. Therefore, the schedule of restart of the Tomari Nuclear Power Plant Unit 1 and 2 after their periodic inspection, which will greatly impact the business results, is unable to be determined. Consequently, the amount of interchanged power to Honshu and additional fossil fuel consumption are yet to be predicted, that makes revenues and expenses unable to be assessed appropriately.

By such factors, forecasts of operating revenue, operating income, ordinary income and net income, for both six-months ending September 30, 2011 and full fiscal year ending March 31, 2012, have yet to be determined at this point.

These forecasts will be promptly released as soon as they are determined.

\*There is no revision to the forecast of electricity sales for the year ending March 31, 2012; Approx. 32.6 TWh

#### IV. Others

- (1) Changes among major consolidated subsidiaries in this period: None
- (2) Application of special accounting methods in preparation of quarterly financial statements: Yes
- (3) Changes in accounting policies; changes in accounting estimates; restatements
- Changes of accounting policies due to amendment of accounting standards: None
  - Other changes in accounting policies: None
  - Changes in accounting estimates: None
  - Restatements: None
- (4) Outstanding shares (Common stock)
- Number of outstanding shares (Treasury stock included):
 

As of June 30, 2011: 215,291,912	As of March 31, 2011: 215,291,912
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  - Number of treasury stock:
 

As of June 30, 2011: 9,705,667	As of March 31, 2011: 9,705,055
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  - Average number of shares over period (total for quarter):
 

April 1, 2011 - June 30, 2011: 205,586,458	April 1, 2010 - June 30, 2010: 208,199,997
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#### Results of Production and Sales [Electric Utility Business]

##### 1. Sales

##### Electricity Sales

(GWh)

	April 1, 2011– June 30, 2011 (A)	April 1, 2010– June 30, 2010 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2010 – March 31, 2011
Non-eligible customers					
Residential	2,838	2,884	(46)	98.4	12,124
Commercial and industrial	497	514	(17)	96.8	2,507
Subtotal	3,335	3,398	(63)	98.2	14,631
Eligible customers	4,151	4,297	(146)	96.6	17,671
Total	7,486	7,695	(209)	97.3	32,302

##### 2. Production

##### Power Supply

(GWh)

	April 1, 2011 – June 30, 2011 (A)	April 1, 2010 – June 30, 2010 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2010 – March 31, 2011
Hokkaido Electric Power Co., Inc.					
[Water flow rate %]	[102.8]	[110.9]	[(8.1)]		[112.9]
Hydroelectric	1,271	1,427	(156)	89.1	3,858
Fossil Fuel	3,598	2,359	1,239	152.5	12,681
[Nuclear capacity ratio %]	[80.9]	[83.1]	[(2.2)]		[89.7]
Nuclear	3,655	3,755	(100)	97.3	16,258
Renewable	22	31	(9)	72.0	101
Subtotal	8,546	7,572	974	112.9	32,898
Purchased power	872	793	79	110.0	3,797
Interchange power	(1,165)	(26)	(1,139)	4,432.0	(258)
Power used for pumped storage	(34)	(40)	6	83.6	(172)
Total	8,219	8,299	(80)	99.0	36,265

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

**Consolidated Balance Sheets**

(Million yen)

Item	As of March 31, 2011	As of June 30, 2011
<b>Assets</b>		
Noncurrent assets	1,532,382	1,516,522
Electric utility plant and equipment	1,098,443	1,081,694
Hydroelectric power production facilities	113,585	112,167
Thermal power production facilities	100,880	98,534
Nuclear power production facilities	315,314	305,838
Transmission facilities	181,039	178,435
Transformation facilities	80,728	80,698
Distribution facilities	265,455	265,028
General facilities	38,720	37,828
Other electric utility plant and equipment	2,719	3,162
Other noncurrent assets	47,036	46,418
Construction in progress	115,336	120,456
Construction in progress	115,197	120,111
Retirement in progress	139	345
Nuclear fuel	84,585	84,465
Loaded nuclear fuel	17,775	15,921
Nuclear fuel in processing	66,809	68,543
Investments and other assets	186,981	183,487
Long-term investments	53,617	51,511
Deferred tax assets	51,838	52,323
Other	81,635	79,779
Allowance for doubtful accounts	(111)	(126)
Current assets	109,178	128,636
Cash and deposits	20,956	38,022
Notes and accounts receivable-trade	36,865	33,630
Inventories	35,174	37,663
Deferred tax assets	9,849	10,064
Other	7,000	9,885
Allowance for doubtful accounts	(667)	(629)
<b>Total</b>	<b>1,641,561</b>	<b>1,645,159</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Noncurrent liabilities	986,859	1,000,691
Bonds payable	569,121	569,121
Long-term loans payable	194,100	209,799
Provision for retirement benefits	59,202	56,848
Provision for reprocessing of irradiated nuclear fuel	70,873	70,763
Provision for preparation of the reprocessing of irradiated nuclear fuel	7,179	7,488
Reserve for loss on liquidation of affiliates	3,204	3,230
Asset retirement obligations	77,636	78,083
Other	5,541	5,356
Current liabilities	233,498	225,268
Current portion of noncurrent liabilities	77,957	58,442
Short-term loans payable	48,000	48,000
Commercial papers	19,000	43,000
Notes and accounts payable-trade	29,074	20,350
Accrued taxes	14,495	18,950
Other	44,970	36,525
Reserves under the special laws	10,461	10,830
Reserve for fluctuation in water levels	10,461	10,830
<b>Total Liabilities</b>	<b>1,230,820</b>	<b>1,236,791</b>
<b>Net assets</b>		
Shareholders' equity	397,286	396,085
Capital stock	114,291	114,291
Capital surplus	21,174	21,174
Retained earnings	279,961	278,760
Treasury stock	(18,141)	(18,142)
Valuation and translation adjustments	2,683	1,649
Valuation difference on available-for-sale securities	2,683	1,649
Minority interests	10,771	10,633
<b>Total Net Assets</b>	<b>410,741</b>	<b>408,368</b>
<b>Total</b>	<b>1,641,561</b>	<b>1,645,159</b>

**Consolidated Statements of Income**

(Million yen)

Item	April 1, 2010– June 30, 2010	April 1, 2011– June 30, 2011
<b>Operating Revenue</b>	132,047	146,173
Electric utility operating revenue	128,061	141,979
Other business operating revenue	3,985	4,194
<b>Operating Expenses</b>	122,128	135,763
Electric utility operating expenses	118,627	132,206
Other business operating expenses	3,501	3,556
<b>Operating Income</b>	9,919	10,410
<b>Non-operating Income</b>	1,205	771
Dividends income	207	203
Interest income	193	259
Equity in earnings of affiliates	118	66
Other	686	241
<b>Non-operating Expenses</b>	4,146	4,441
Interest expenses	3,758	3,525
Other	387	915
Total ordinary revenue	133,253	146,945
Total ordinary expenses	126,274	140,205
<b>Ordinary Income</b>	6,979	6,740
Provision or reversal of reserve for fluctuation in water levels	1,691	368
Provision of reserve for fluctuation in water levels	1,691	368
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	364	6,371
Income taxes-current	41	2,410
Income taxes-deferred	142	42
Total income taxes	184	2,453
Income before minority interests	179	3,917
Minority interests in loss	(81)	(21)
<b>Net Income</b>	261	3,939

**Consolidated Statements of Comprehensive Income**

(Million yen)

Item	April 1, 2010 – June 30, 2010	April 1, 2011 – June 30, 2011
<b>Income before Minority Interests</b>	179	3,917
<b>Other Comprehensive Income</b>		
Valuation difference on available-for-sale securities	(1,069)	(1,013)
Share of other comprehensive income of associates accounted for using equity method	0	(0)
Total other comprehensive income	(1,069)	(1,013)
<b>Comprehensive Income</b>	(889)	2,903
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(829)	2,904
Comprehensive income attributable to minority interests	(60)	(0)

**Business Segment Information**

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

(Million yen)

	Reportable segment			Eliminations	Consolidated
	Electric utility	Other business	Total		
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

Three Months Ended June 30, 2011 (April 1, 2011 – June 30, 2011)

(Million yen)

	Reportable segment			Eliminations	Consolidated
	Electric utility	Other business	Total		
Sales to customers	141,979	4,194	146,173	-	146,173
Intersegment sales	341	16,513	16,855	(16,855)	-
Total operating revenue	142,320	20,707	163,028	(16,855)	146,173
Operating income	9,668	482	10,150	259	10,410

**Note:** The information shown above is an English translation of the "Financial Release for the Three-months Ended June 30, 2011" which was filed with stock exchanges (Tokyo, Osaka, Sapporo) on the date shown above.