

Financial Release for the Year Ended March 31, 2009

April 28, 2009

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

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The prearranged date of the general shareholders' meeting: June 26, 2009

Commencement of payment of year-end dividend: June 29, 2009

The prearranged date of financial statement report publication: June 29, 2009

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

I. Consolidated Results for the Year Ended March 31, 2009 (April 1, 2008 – March 31, 2009)

(1) Consolidated Business Results

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2008 – March 31, 2009	594,559	4.7	-17,155	-	-31,482	-	-24,106	-
April 1, 2007 – March 31, 2008	567,831	1.5	44,845	-38.8	33,056	-42.3	17,532	-49.1

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)	Net rate of Return on Shareholders' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Operating Revenue
	Yen	Yen	%	%	%
April 1, 2008 – March 31, 2009	-114.44	-	-5.6	-2.0	-2.9
April 1, 2007 – March 31, 2008	83.21	-	3.8	2.2	7.9

Reference: investment profit on equity method: April 1, 2008 – March 31, 2009 317 million yen April 1, 2007 – March 31, 2008 38 million yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of March 31, 2009	1,635,023	419,983	25.1	1,947.01
As of March 31, 2008	1,530,106	461,796	29.6	2,147.66

Reference: Shareholders' Equity: As of March 31, 2009 410,051 million yen As of March 31, 2008 452,479 million yen

(3) Consolidated Cash Flow

	Cash Flow from Operating Activities	Cash Flow from Investment Activities	Cash Flow from Financing Activities	Balance of Cash and Cash Equivalents as of End of Term
	Million yen	Million yen	Million yen	Million yen
April 1, 2008 – March 31, 2009	24,783	-100,167	98,170	40,421
April 1, 2007 – March 31, 2008	71,079	-99,892	31,307	17,634

II. Dividends

Cash dividend

	Cash dividends per share					Dividends Paid (Annual)	Dividend Payout Ratio (Consolidated)	Dividend on Net Asset Ratio (Consolidated)
	June 30	September 30	December 31	Year-ended	Annual total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
April 1, 2007 – March 31, 2008	-	30.00	-	30.00	60.00	12,641	72.1	2.8
April 1, 2008 – March 31, 2009	-	30.00	-	30.00	60.00	12,637	-	2.9
April 1, 2009 – March 31, 2010 (Forecast)	-	25.00	-	25.00	50.00		175.5	

III. Forecast 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 - Sept. 30, 2009	259,000	-5.9	16,000	-	9,000	-	5,000	-	23.74
April 1, 2009 - March 31, 2010	547,000	-8.0	26,000	-	12,000	-	6,000	-	28.49

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

* For details of forecasts, please refer to page 4.

* 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 during the term: No

(2) Changes of principals and procedures about preparation of financial statements (Yes/No):

- a. Amendments of accounting regulations: Yes
b. Others: No

(3) Outstanding shares (Common stock)

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

As of March 31, 2009: 215,291,912 As of March 31, 2008: 215,291,912

b. Treasury stock:

As of March 31, 2009: 4,686,567 As of March 31, 2008: 4,606,988

(Reference) Highlight of Non-consolidated Financial Results

I. Non-consolidated Results for the Year Ended March 31, 2009 (April 1, 2008 – March 31, 2009)

(1) Non-consolidated Business Results

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2008 – March 31, 2009	573,473	5.5	-22,354	-	-36,550	-	-26,197	-
April 1, 2007 – March 31, 2008	543,345	1.6	41,116	-40.7	29,770	-45.4	15,577	-53.7

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, 2008 – March 31, 2009	-124.37	-
April 1, 2007 – March 31, 2008	73.93	-

(2) Non-consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of March 31, 2009	1,564,763	380,951	24.3	1,808.84
As of March 31, 2008	1,456,098	425,397	29.2	2,019.12

Reference: Shareholders' Equity: As of March 31, 2009 380,951 million yen As of March 31, 2008 425,397 million yen

II. Forecast 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)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
April 1, 2009 – Sept. 30, 2009	250,000	-6.1	14,000	-	7,000	-	4,000	-	18.99
April 1, 2009 – March 31, 2010	526,000	-8.3	21,000	-	7,000	-	4,000	-	18.99

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

* 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.

Results of Production and Sales [Electric Utility Business]

1. Sales

Electricity Sales

(GWh)

	April 1, 2008 – March 31, 2009 (A)	April 1, 2007 – March 31, 2008 (B)	Increase/decrease (A)-(B)	Comparison (%) (A)/(B)
Non-eligible customers				
Residential	11,639	11,795	-156	98.7
Commercial and industrial	2,258	2,293	-35	98.5
Subtotal	13,897	14,088	-191	98.6
Eligible customers	17,942	18,357	-415	97.7
Total	31,839	32,445	-606	98.1

2. Production

Power Supply

(GWh)

	April 1, 2008 – March 31, 2009 (A)	April 1, 2007 – March 31, 2008 (B)	Increase/decrease (A)-(B)	Comparison (%) (A)/(B)
Hokkaido Electric Power Co., Inc.				
(Water flow rate %)	(80.5)	(90.4)	(-9.9)	
Hydroelectric	2,811	3,063	-252	91.7
Fossil fuel	21,176	18,955	2,221	111.7
(Nuclear capacity ratio %)	(66.2)	(89.7)	(-23.5)	
Nuclear	6,777	9,122	-2,345	74.3
Subtotal	30,764	31,140	-376	98.8
Purchased power	5,100	5,245	-145	97.2
Interchange power	-3	-60	57	4.4
Power used for pumped storage	-71	-65	-6	107.6
Total	35,790	36,260	-470	98.7

Note 1: Amount of power generated from consolidated subsidiaries, Hokkaido Power Engineering and Hokkai Hydro Generation is included in purchased power.

Note 2: Amount of power generated in trial operation is excluded from the calculation of nuclear capacity ratio.

Forecast of Consolidated Results for the Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

(Million yen)

	April 1, 2009 – March 31, 2010		April 1, 2009 – September 30, 2009	
		Increase/decrease compared with the previous term		Increase/decrease compared with the previous term
Operating Revenue	547,000	-47,000	259,000	-16,000
Operating Income	26,000	43,000	16,000	39,000
Ordinary Income	12,000	43,000	9,000	39,000
Net Income	6,000	30,000	5,000	23,000

Key Factors

	April 1, 2009 – March 31, 2010 (Forecast)	April 1, 2008 – March 31, 2009 (Actual)
(Comparison with the previous year (%))	(Approx. 0.1%)	(-1.9%)
Electricity sales	Approx. 31.9 TWh	31.8 TWh
Foreign Exchange Rate	Approx. 100 yen/\$	101 yen/\$
CIF Crude Oil Price	Approx. 55 \$/bl	90.3 \$/bl
Nuclear Capacity Ratio	Approx. 78 %	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. 0.6 billion yen	Approx. 1.1 billion yen
Nuclear Capacity Ratio (1 %)	Approx. 1.2 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)

Forecast 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		April 1, 2009 – September 30, 2009	
		Increase/decrease compared with the previous term		Increase/decrease compared with the previous term
Operating Revenue	526,000	-47,000	250,000	-16,000
Operating Income	21,000	43,000	14,000	38,000
Ordinary Income	7,000	43,000	7,000	38,000
Net Income	4,000	30,000	4,000	22,000

*For details of the forecasts, please refer to "Reference" on the last page.

Consolidated Balance Sheets

(Million yen)

Item	As of March 31, 2008	As of March 31, 2009
Assets		
Noncurrent assets	1,427,975	1,506,488
Electric utility plant and equipment	894,633	890,215
Hydroelectric power production facilities	128,965	123,155
Thermal power production facilities	127,042	115,456
Nuclear power production facilities	69,187	79,655
Transmission facilities	192,952	186,712
Transformation facilities	77,271	83,528
Distribution facilities	256,667	259,922
General facilities	40,749	40,144
Other electric utility plant and equipment	1,797	1,639
Other noncurrent assets	52,462	50,021
Construction in progress	280,775	354,125
Construction in progress	280,507	353,998
Retirement in progress	267	127
Nuclear fuel	67,921	76,204
Loaded nuclear fuel	6,246	19,700
Nuclear fuel in processing	61,675	56,504
Investments and other assets	132,181	135,921
Long-term investments	49,875	36,354
Deferred tax assets	54,532	67,060
Other	28,078	32,833
Allowance for doubtful accounts	-304	-326
Current assets	102,131	128,534
Cash and deposits	17,634	40,421
Notes and accounts receivable-trade	33,422	34,363
Inventories	28,610	32,147
Deferred tax assets	5,018	6,112
Other	17,905	15,891
Allowance for doubtful accounts	-460	-401
Total	1,530,106	1,635,023
Liabilities and Net Assets		
Liabilities		
Noncurrent liabilities	859,620	975,879
Bonds payable	423,785	543,789
Long-term loans payable	227,339	230,597
Provision for retirement benefits	87,986	78,163
Provision for reprocessing of irradiated nuclear fuel	72,062	69,185
Provision for preparation of the reprocessing of irradiated nuclear fuel	2,574	3,202
Provision for decommissioning of nuclear power units	39,362	41,266
Reserve for loss on liquidation of affiliates	3,121	3,145
Other	3,388	6,529
Current liabilities	201,144	236,668
Current portion of noncurrent liabilities	48,686	47,859
Short-term loans payable	48,640	52,772
Commercial papers	18,000	-
Notes and accounts payable-trade	33,519	25,465
Accrued taxes	13,379	7,879
Deferred tax liabilities	48	-
Other	38,870	102,692
Reserves under the special laws	7,545	2,492
Reserve for fluctuations in water levels	7,545	2,492
Total Liabilities	1,068,310	1,215,040
Net Assets		
Shareholders' equity	445,833	408,910
Capital stock	114,291	114,291
Capital surplus	21,174	21,174
Retained earnings	319,062	282,315
Treasury stock	-8,695	-8,872
Valuation and translation adjustment	6,645	1,141
Valuation difference on available-for-sale securities	6,645	1,141
Minority interests	9,316	9,931
Total Net Assets	461,796	419,983
Total	1,530,106	1,635,023

Consolidated Statements of Income

(Million yen)

Item	April 1 2007– March. 31, 2008	April 1 2008– March. 31, 2009
Operating Revenue	567,831	594,559
Electric utility operating revenue	542,113	572,152
Other business operating revenue	25,718	22,407
Operating Expenses	522,985	611,715
Electric utility operating expenses	499,844	592,054
Other business operating expenses	23,141	19,661
Operating Income (Loss)	44,845	-17,155
Non-operating Income	3,525	2,776
Dividends income	598	438
Interest income	481	562
Gain on sales of noncurrent assets	512	-
Foreign exchange gains	393	-
Equity in earnings of affiliates	38	317
Other	1,502	1,459
Non-operating Expenses	15,314	17,103
Interest expenses	13,554	14,532
Other	1,760	2,570
Total ordinary revenue	571,357	597,336
Total ordinary expenses	538,300	628,819
Ordinary Income (Loss)	33,056	-31,482
Provision or reversal of reserve for fluctuation in water levels	-2,292	-5,053
Reversal of reserve for fluctuation in water levels	-2,292	-5,053
Extraordinary loss	6,519	4,737
Provision for reserve for loss on liquidation of affiliates	3,121	-
Provision for reserve for decommissioning costs of nuclear power units for prior periods	3,398	-
Loss on valuation of securities	-	4,737
Income (loss) before income taxes	28,829	-31,165
Income taxes-current	8,109	1,949
Income taxes for prior periods	-	681
Income taxes-deferred	2,727	-10,501
Total income taxes	10,836	-7,869
Minority interests in income	460	810
Net Income (Loss)	17,532	-24,106

Consolidated Statements of Changes in Net Assets

(Million yen)

Item	April 1 2007– March. 31, 2008	April 1 2008– March. 31, 2009
Shareholders' Equity		
Capital stock		
Balance at the end of previous period	114,291	114,291
Balance at the end of current period	114,291	114,291
Capital surplus		
Balance at the end of previous period	21,174	21,174
Balance at the end of current period	21,174	21,174
Retained earnings		
Balance at the end of previous period	315,197	319,062
Changes of items during the period		
Dividends from surplus	-13,696	-12,639
Net income (loss)	17,532	-24,106
Change of scope of equity method	29	-
Total changes of items during the period	3,865	-36,746
Balance at the end of current period	319,062	282,315
Treasury stock		
Balance at the end of previous period	-8,567	-8,695
Changes of items during the period		
Purchase of treasury stock	-128	-177
Total changes of items during the period	-128	-177
Balance at the end of current period	-8,695	-8,872
Total shareholders' equity		
Balance at the end of previous period	442,096	445,833
Changes of items during the period		
Dividends from surplus	-13,696	-12,639
Net income (loss)	17,532	-24,106
Change of scope of equity method	29	-
Purchase of treasury stock	-128	-177
Total changes of items during the period	3,737	-36,923
Balance at the end of current period	445,833	408,910
Valuation and Translation Adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	16,620	6,645
Changes of items during the period		
Net changes of items other than shareholders' equity	-9,974	-5,504
Total changes of items during the period	-9,974	-5,504
Balance at the end of current period	6,645	1,141
Minority Interests		
Balance at the end of previous period	9,172	9,316
Changes of items during the period		
Net changes of items other than shareholders' equity	143	615
Total changes of items during the period	143	615
Balance at the end of current period	9,316	9,931
Total Net Assets		
Balance at the end of previous period	467,890	461,796
Changes of items during the period		
Dividends from surplus	-13,696	-12,639
Net income (loss)	17,532	-24,106
Change of scope of equity method	29	-
Purchase of treasury stock	-128	-177
Net changes of items other than shareholders' equity	-9,831	-4,889
Total changes of items during the period	-6,093	-41,813
Balance at the end of current period	461,796	419,983

Consolidated Statements of Cash Flows

(Million yen)

Account	April 1, 2007 – March 31, 2008	April 1, 2008 – March 31, 2009
Net Cash Provided by (used in) Operating Activities		
Income (loss) before income taxes	28,829	-31,165
Depreciation and amortization	70,987	74,197
Amortization of nuclear fuel	4,823	3,444
Loss on retirement of noncurrent assets	-	3,031
Increase (decrease) in provision for retirement benefits	-7,182	-9,822
Increase (decrease) in provision for reprocessing of irradiated nuclear fuel	-1,904	-2,876
Increase (decrease) in provision for decommissioning of nuclear power units	5,900	1,903
Increase (decrease) in reserve for fluctuation in water levels	-	-5,053
Interest and dividends income	-1,079	-1,000
Interest expenses	13,554	14,532
Loss (gain) on valuation of securities	-	4,737
Decrease (increase) in reserve fund for reprocessing of irradiated nuclear fuel	-5,763	-4,655
Increase (decrease) defined-contribution pension liability	-2,171	-1,826
Increase (decrease) in trade notes and accounts payable	-	-8,177
Other, net	-5,364	7,947
Subtotal	100,629	45,217
Interest and dividends income received	1,088	989
Interest expenses paid	-13,502	-13,902
Income taxes paid	-17,135	-7,520
Net cash provided by (used in) operating activities	71,079	24,783
Net Cash Provided by (used in) Investing Activities		
Purchase of noncurrent assets	-98,240	-100,264
Payments of investment and loans receivable	-21,472	-19,600
Collection of investment and loans receivable	19,033	19,320
Other, net	786	377
Net cash provided by (used in) investing activities	-99,892	-100,167
Net Cash Provided by (used in) Financing Activities		
Proceeds from issuance of bonds	59,772	149,525
Redemption of bonds	-20,000	-20,000
Proceeds from long-term loans payable	10,000	21,000
Repayment of long-term loans payable	-22,357	-26,739
Increase in short-term loans payable	217,952	253,973
Decrease in short-term loans payable	-211,105	-248,618
Proceeds from issuance of commercial papers	163,000	97,000
Redemption of commercial papers	-152,000	-115,000
Cash dividends paid	-13,680	-12,645
Other, net	-273	-324
Net cash provided by (used in) financing activities	31,307	98,170
Net Increase (Decrease) in Cash and Cash Equivalents	2,494	22,786
Cash and Cash Equivalents at Beginning of Period	15,139	17,634
Cash and Cash Equivalents at End of Period	17,634	40,421

Business Segment Information

Full year ended March 31, 2008 (April 1, 2007 – March 31, 2008)

(Million yen)

	Electric	Other	Total	Eliminations	Consolidated
Sales to customers	542,113	25,718	567,831	-	567,831
Intersegment sales	816	67,252	68,068	-68,068	-
Total operating revenue	542,929	92,970	635,899	-68,068	567,831
Operating expenses	501,701	89,266	590,968	- 67,982	522,985
Operating income	41,227	3,704	44,931	-86	44,845
Assets	1,462,434	96,254	1,558,689	-28,582	1,530,106
Depreciation and amortization	65,473	6,121	71,594	-606	70,987
Capital investments	80,574	8,203	88,778	-748	88,030

Full year ended March 31, 2009 (April 1, 2008 – March 31, 2009)

(Million yen)

	Electric	Other	Total	Eliminations	Consolidated
Sales to customers	572,152	22,407	594,559	-	594,559
Intersegment sales	870	77,289	78,159	-78,159	-
Total operating revenue	573,022	99,696	672,719	-78,159	594,559
Operating expenses	595,662	94,714	690,377	-78,661	611,715
Operating income (loss)	-22,639	4,982	-17,657	501	-17,155
Assets	1,571,729	96,300	1,668,030	-33,006	1,635,023
Depreciation and amortization	69,060	6,221	75,281	-1,084	74,197
Capital investments	105,100	4,531	109,631	-738	108,892

Non-consolidated Balance Sheets

(Million yen)

Item	As of March. 31, 2008	As of March 31, 2009
Assets		
Property	1,373,263	1,454,242
Electric utility plant and equipment	896,040	891,675
Hydroelectric power production facilities	122,304	116,844
Thermal power production facilities	125,566	114,040
Nuclear power production facilities	69,294	79,870
Internal combustion engine power production facilities	1,462	1,304
Transmission facilities	195,179	188,848
Transformation facilities	77,739	83,959
Distribution facilities	263,321	266,338
General facilities	40,834	40,130
Facilities loaned	338	338
Incidental business facilities	183	163
Non-operating facilities	2,896	2,805
Construction in progress	282,381	355,972
Construction in progress	282,118	355,849
Retirement in progress	263	123
Nuclear fuel	67,921	76,204
Loaded nuclear fuel	6,246	19,700
Nuclear fuel in processing	61,675	56,504
Investments and other assets	123,839	127,419
Long-term investments	40,077	26,750
Long-term investment for subsidiaries and affiliates	18,484	18,419
Reserve fund for reprocessing of irradiated nuclear fuel	17,630	22,285
Long-term prepaid expenses	759	610
Deferred tax assets	46,993	59,485
Allowance for doubtful accounts	-105	-132
Current assets	82,834	110,521
Cash and deposits	9,825	32,817
Accounts receivable	27,587	29,306
Other accounts receivable	3,575	3,296
Inventories	25,212	29,221
Prepaid expenses	165	234
Short-term receivables from subsidiaries and affiliates	615	397
Deferred tax assets	3,743	4,878
Other current assets	12,564	10,761
Allowance for doubtful accounts	-454	-392
Total	1,456,098	1,564,763
Liabilities and Net Assets		
Liabilities		
Long-term liabilities	840,208	959,443
Bonds payable	423,785	543,789
Long-term loans payable	214,066	219,546
Long-term accrued liabilities	-	497
Provision for retirement benefits	82,564	72,822
Provision for reprocessing of irradiated nuclear fuel	72,062	69,185
Provision for preparation of the reprocessing of irradiated nuclear fuel	2,574	3,202
Provision for decommissioning of nuclear power units	39,362	41,266
Reserve for loss on liquidation of affiliates	3,657	3,657
Other noncurrent liabilities	2,135	5,476
Current liabilities	182,947	221,876
Current portion of noncurrent liabilities	45,414	44,519
Short-term loans payable	46,000	51,000
Commercial papers	18,000	-
Accounts payable-trade	25,075	16,057
Accounts payable-other	5,499	64,009
Accrued expenses	15,502	20,722
Accrued taxes	11,574	5,379
Deposits received	592	577
Short-term debt to subsidiaries and affiliates	14,386	17,646
Other advances	798	1,938
Reserve for bonuses to directors and corporate auditors	78	-
Other current liabilities	25	24
Reserves under the special laws	7,545	2,492
Reserve for fluctuations in water levels	7,545	2,492
Total Liabilities	1,030,701	1,183,812

Non-consolidated Balance Sheets continued

Net Assets		
Shareholders' equity	418,916	379,901
Capital stock	114,291	114,291
Capital surplus	21,174	21,174
Legal capital surplus	21,174	21,174
Retained earnings	292,144	253,306
Legal retained earnings	28,219	28,219
Other retained earnings	263,924	225,086
Reserve for overseas investment loss	14	-
Reserve for special disaster	7	11
Reserve for adjustment of cost fluctuation	12,500	12,500
Reserve for depreciation of Tomari nuclear power plant unit 3	34,000	54,000
General reserve	173,500	153,500
Retained earnings brought forward	43,902	5,074
Treasury stock	-8,695	-8,872
Valuation and translation adjustments	6,480	1,050
Valuation difference on available-for-sale securities	6,480	1,050
Total Net Assets	425,397	380,951
Total	1,456,098	1,564,763

Non-consolidated Statements of Income

(Million yen)

Item	April 1 2007– March. 31, 2008	April 1, 2008 – March 31, 2009
Operating Revenue and Expenses		
Operating revenue	543,345	573,473
Electricity business revenue	542,923	573,019
Residential	250,120	259,065
Commercial and industrial	285,895	307,912
Sold power to other utilities	1,711	384
Sold power to other suppliers	374	481
Transmission revenue	174	295
Settlement revenue among utilities	1	17
Other electricity revenue	4,626	4,842
Revenue from loaned facilities	20	20
Incidental business operating revenue	421	453
Electrically-fitted housing facility leasing business	166	194
Leasing core wires in fiber-optic cables business	98	101
Real estate leasing business	156	157
Operating expenses	502,228	595,828
Electricity utility operating expenses	501,926	595,503
Hydroelectric power production expenses	18,440	17,464
Thermal power production expenses	176,177	231,991
Nuclear power production expenses	44,911	73,967
Internal combustion engine power production expenses	3,688	3,014
Purchased power from other utilities	814	226
Purchased power from other suppliers	51,768	57,941
Transmission expenses	34,646	36,743
Transformation expenses	17,533	18,854
Distribution expenses	60,726	66,129
Selling expenses	32,400	30,132
Cost of loaned facilities	3	3
General and administrative expenses	42,299	41,573
Electric power development promotion tax	12,214	11,970
Enterprise tax	6,469	6,788
Transferred cost of electricity for construction and incidental business	-166	-1,299
Incidental business operating expenses	302	325
Electrically-fitted housing facility leasing business	213	234
Leasing core wires in fiber-optic cables business	55	60
Real estate leasing business	33	29
Operating income (loss)	41,116	-22,354
Non-operating Revenue and Expenses		
Total non-operating income	3,095	2,092
Financial revenue	1,050	1,023
Dividends income	781	617
Interests income	268	405
Non-operating revenue	2,045	1,068
Gain on sales of noncurrent assets	507	183
Foreign exchange gains	394	229
Miscellaneous revenue	1,143	656
Total non-operating expenses	14,441	16,288
Financial expenses	13,369	14,648
Interest expenses	13,172	14,173
Bond issue cost	196	474
Non-operating expenses	1,071	1,639
Loss on sales of noncurrent asset	333	44
Miscellaneous expenses	737	1,594
Total ordinary revenue	546,440	575,565
Total ordinary expenses	516,669	612,116
Ordinary Income (Loss)	29,770	-36,550
Provision or reversal of reserve for fluctuations in water level	-2,292	-5,053
Reversal of reserve for fluctuations in water level	-2,292	-5,053
Extraordinary loss	7,055	4,701
Provision for reserve for loss on liquidation of affiliates	3,657	-
Provision for reserve for decommissioning costs of nuclear power units for prior periods	3,398	-
Loss on valuation securities	-	4,701
Income (loss) before income taxes	25,008	-36,198
Income taxes-current	6,758	-
Income taxes for prior periods	-	552
Income taxes-deferred	2,671	-10,552
Total income taxes	9,430	-10,000
Net Income (Loss)	15,577	-26,197

Non-Consolidated Statements of Changes in Net Assets

(Million yen)

Item	April 1 2007– March. 31, 2008	April 1 2008– March. 31, 2009
Shareholders' Equity		
Capital stock		
Balance at the end of previous period	114,291	114,291
Balance at the end of current period	114,291	114,291
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	21,174	21,174
Balance at the end of current period	21,174	21,174
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	28,219	28,219
Balance at the end of current period	28,219	28,219
Other retained earnings		
Reserve for overseas investment loss		
Balance at the end of previous period	14	14
Changes of items during the period		
Provision of reserve for overseas investment loss	1	-
Reversal of reserve for overseas investment loss	-1	-14
Total changes of items during the period	0	-14
Balance at the end of current period	14	-
Reserve for special disaster		
Balance at the end of previous period	4	7
Changes of items during the period		
Provision of reserve for special disaster	3	3
Reversal of reserve for special disaster	-0	-
Total changes of items during the period	3	3
Balance at the end of current period	7	11
Reserve for adjustment of cost fluctuations		
Balance at the end of previous period	12,500	12,500
Balance at the end of current period	12,500	12,500
Reserve for depreciation of Tomari nuclear power plant unit 3		
Balance at the end of previous period	24,000	34,000
Changes of items during the period		
Provision of reserve for depreciation of Tomari nuclear power plant unit 3	10,000	20,000
Total changes of items during the period	10,000	20,000
Balance at the end of current period	34,000	54,000
General reserve		
Balance at the end of previous period	162,500	173,500
Changes of items during the period		
Provision of general reserve	11,000	-
Provision of reserve for depreciation of Tomari nuclear power plant unit 3	-	-20,000
Total changes of items during the period	11,000	-20,000
Balance at the end of current period	173,500	153,500
Retained earnings brought forward		
Balance at the end of previous period	63,026	43,902
Changes of items during the period		
Provision of reserve for overseas investment loss	-1	-
Reversal of reserve for overseas investment loss	1	14
Provision of reserve for special disaster	-3	-3
Reversal of reserve for special disaster	0	-
Provision of reserve for depreciation of Tomari nuclear power plant unit 3	-10,000	-
Provision of general reserve	-11,000	-
Dividends from surplus	-13,696	-12,639
Net income (loss)	15,577	-26,197
Total changes of items during the period	-19,123	-38,827
Balance at the end of current period	43,902	5,074

Non-consolidated Statements of Changes in Net Assets continued

(Million yen)

Item	April 1 2007– March. 31, 2008	April 1 2008– March. 31, 2009
Total retained earnings		
Balance at the end of previous period	290,264	292,144
Changes of items during the period		
Dividends from surplus	-13,696	-12,639
Net income (loss)	15,577	-26,197
Total changes of items during the period	1,880	-38,837
Balance at the end of current period	292,144	253,306
Treasury stock		
Balance at the end of previous period	-8,567	-8,695
Changes of items during the period		
Purchase of treasury stock	-128	-177
Total changes of items during the period	-128	-177
Balance at the end of current period	-8,695	-8,872
Total shareholders' equity		
Balance at the end of previous period	417,163	418,916
Changes of items during the period		
Dividends from surplus	-13,696	-12,639
Net income (loss)	15,577	-26,197
Purchase of treasury stock	-128	-177
Total changes of items during the period	1,752	-39,014
Balance at the end of current period	418,916	379,901
Valuation and Translation Adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	16,370	6,480
Changes of items during the period		
Net changes of items other than shareholders' equity	-9,889	-5,430
Total changes of items during the period	-9,889	-5,430
Balance at the end of current period	6,480	1,050
Total Net Assets		
Balance at the end of previous period	433,533	425,397
Changes of items during the period		
Dividends from surplus	-13,696	-12,639
Net income (loss)	15,577	-26,197
Purchase of treasury stock	-128	-177
Net changes of items other than shareholders' equity	-9,889	-5,430
Total changes of items during the period	-8,136	-44,445
Balance at the end of current period	425,397	380,951

Details of the Forecasts for the Year Ending March 31, 2010

Details of the Forecasts for the Year Ending March 31, 2010 are shown below in compared with the results for the Year Ended March 31, 2009.

[A] Ordinary Loss for the year ended March 31, 2009:

Consolidated 31.4 billion yen / Non-consolidated 36.5 billion yen

Factors for improved performance	Factors for weakened performance												
<p>【Decrease in Fuel Cost】</p> <p>Increase in nuclear power output Approx. 63.0 billion yen</p> <p style="font-size: small;">(</p> <ul style="list-style-type: none"> • Decrease in thermal power fuel costs due to the start of the operation of Tomari Nuclear Power Plant Unit 3 Approx. 34.0 billion yen • Adverse impact of the increase in thermal power fuel costs due to repairs of the inlet nozzle weldment of steam generators at the Tomari Nuclear Power Plant in the previous year 24.4 billion yen <p style="font-size: small;">)</p> <p>Decline in fuel prices Approx. 40.0 billion yen</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 20%;">Results for the year ended March 31, 2009 (A)</th> <th style="width: 20%;">Forecasts for the year ending March 31, 2010 (B)</th> <th style="width: 10%;">Increase/Decrease (B)-(A)</th> </tr> </thead> <tbody> <tr> <td>Foreign Exchange Rate</td> <td style="text-align: center;">101 yen/\$</td> <td style="text-align: center;">Approx. 100 yen/\$</td> <td style="text-align: center;">Approx.-1 yen/\$</td> </tr> <tr> <td>CIF Crude Oil Price</td> <td style="text-align: center;">90.3 \$/bl</td> <td style="text-align: center;">Approx. 55 \$/bl</td> <td style="text-align: center;">Approx.-35.3 \$/bl</td> </tr> </tbody> </table> <p>Adverse impact of the increase in thermal power fuel usage due to drought in the previous year Approx. 15.0 billion yen</p> <p style="font-size: small;">(</p> <p style="font-size: x-small;">(Water flow rate)</p> <ul style="list-style-type: none"> • Results of the year ended March 31, 2009 : 80.5% • Forecast of the year ending March 31, 2010: Approx. 100% <p style="font-size: small;">)</p> <p>【Decrease in Maintenance cost】</p> <p>Adverse impact of the repair cost of the inlet nozzle weldment of steam generators at the Tomari Nuclear Power Plant in the previous year 11.5 billion yen</p> <p>Decrease in number of periodically inspected units among Tomari Nuclear Power Plants Approx. 6.0 billion yen</p> <p style="font-size: small;">(</p> <ul style="list-style-type: none"> • April 1, 2008 to March 31, 2009: 2 units • April 1, 2009 to March 31, 2010: 1 unit <p style="font-size: small;">)</p> <hr style="width: 80%; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">Total Approx. 135.5 billion yen</p>		Results for the year ended March 31, 2009 (A)	Forecasts for the year ending March 31, 2010 (B)	Increase/Decrease (B)-(A)	Foreign Exchange Rate	101 yen/\$	Approx. 100 yen/\$	Approx.-1 yen/\$	CIF Crude Oil Price	90.3 \$/bl	Approx. 55 \$/bl	Approx.-35.3 \$/bl	<p>Decrease in income due to effects of fuel cost adjustments based on the decline in fuel prices Approx. 47.0 billion yen</p> <p>Increase in costs due to the start of operation of Tomari Nuclear Power Plant Unit 3 Approx. 44.0 billion yen</p> <p style="font-size: small;">(</p> <ul style="list-style-type: none"> Increase in depreciation cost Approx. 38.0 billion yen etc. • Results of the year ended March 31, 2009 : 3.4 billion yen • Forecast of the year ending March 31, 2010: Approx. 41.0 billion yen <p style="font-size: small;">)</p> <p>Others Approx. 1.5 billion yen</p> <hr style="width: 80%; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">Total Approx. 92.5 billion yen</p>
	Results for the year ended March 31, 2009 (A)	Forecasts for the year ending March 31, 2010 (B)	Increase/Decrease (B)-(A)										
Foreign Exchange Rate	101 yen/\$	Approx. 100 yen/\$	Approx.-1 yen/\$										
CIF Crude Oil Price	90.3 \$/bl	Approx. 55 \$/bl	Approx.-35.3 \$/bl										
<p>[B] Balance: Approx. 43.0 billion yen improved</p>													

**[A] +[B] Forecasts for the year ending March 31, 2010: Ordinary Income
Consolidated Approx. 12.0 billion yen / Non-consolidated Approx. 7.0 billion yen**

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