

Financial Release for the Year Ended March 31, 2016

[Japanese Standards] (Consolidated)

April 27, 2016

Hokkaido Electric Power Co., Inc.

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

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

Representative: Akihiko MAYUMI, President and Director

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The prearranged date of the general shareholders' meeting: June 28, 2016

Commencement of payment of year-end dividend: June 29, 2016

The prearranged date of financial statement report publication: June 29, 2016

Preparation of supplementary materials for financial results: Yes

Information meeting for financial results to be held: Yes (targeted at institutional investors and analysts)

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

I. Consolidated Results for the Year Ended March 31, 2016 (April 1, 2015 – March 31, 2016)

(1) Consolidated Business Results

	Operating Revenue		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2015 – March 31, 2016	724,111	4.5	43,100	807.4	28,062	-	21,276	624.2
April 1, 2014 – March 31, 2015	692,925	9.9	4,750	-	(9,343)	-	2,938	-

Note1: Percentage figures represent changes as compared with the same period of the previous year.

Note2: Comprehensive income: April 1, 2015 – March 31, 2016 8,993 million yen [- %] April 1, 2014 – March 31, 2015 (6,551) million yen [- %]

	Basic Earnings per Share (primary)	Basic Earnings 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, 2015 – March 31, 2016	94.49	-	11.7	1.5	6.0
April 1, 2014 – March 31, 2015	14.30	-	1.9	(0.5)	0.7

Reference: Equity in earnings(losses) of associates: April 1, 2015 – March 31, 2016 286 million yen April 1, 2014 – March 31, 2015 (111) million yen

Note: The Net rate of Return on Shareholders' Equity and the Ratio of Ordinary Income to Total Assets of the fiscal year ended March 31, 2015 are calculated with the Shareholders' Equity and Total Assets as of April 1, 2014 which had the Accounting Standard for Retirement Benefits amended on May 17, 2012 and so forth applied to them.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of March 31, 2016	1,826,141	197,222	10.2	644.67
As of March 31, 2015	1,815,675	188,392	9.8	613.70

Reference: Shareholders' Equity: As of March 31, 2016 186,374 million yen As of March 31, 2015 178,047 million yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investment Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Million yen	Million yen	Million yen	Million yen
April 1, 2015 – March 31, 2016	115,972	(149,013)	(10,169)	108,805
April 1, 2014 – March 31, 2015	94,331	(114,154)	50,763	152,016

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			
April 1, 2014 – March 31, 2015	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00	Million yen -	% -	% -
April 1, 2015 – March 31, 2016	Yen -	Yen 0.00	Yen -	Yen 5.00	Yen 5.00	1,027	5.3	0.8
April 1, 2016 – March 31, 2017 (Forecast)	-	-	-	-	-	-	-	-

Note: The forecasts of cash dividends for the 1st half and full year ending March 31, 2017 have yet to be determined at this point.

Dividends mentioned the above is regarding common stock. Regarding preferred stock which differ in shareholders' rights from common stock, see "Dividends for preferred stock".

III. Forecasts of Consolidated Results for the Year Ending March 31, 2017 (April 1, 2016 – March 31, 2017)

	Operating Revenue		Operating Income		Ordinary Income		Profit attributable to owners of parent		Basic Earnings per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
April 1, 2016 – March 31, 2017	713,000	(1.5)	-	-	-	-	-	-	-

* Given that the forecasts above were 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.

(Notes)

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

(2) Changes in accounting policies; changes in accounting estimates; restatements

a. Changes of accounting policies due to amendment of accounting standards: Yes

b. Other changes in accounting policies: None

c. Changes in accounting estimates: None

d. Restatements: None

(3) Outstanding shares (Common stock)

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

As of March 31, 2016: 215,291,912 As of March 31, 2015: 215,291,912

b. Number of treasury stock:

As of March 31, 2016: 9,755,611 As of March 31, 2015: 9,741,779

c. Average number of shares over period:

April 1, 2015 - March 31, 2016: 205,542,344 April 1, 2014 - March 31, 2015: 205,555,533

(Reference) Highlight of Non-consolidated Financial Results**I. Non-consolidated Results for the Year Ended March 31, 2016 (April 1, 2015 – March 31, 2016)****(1) Non-consolidated Business Results**

	Operating Revenue		Operating Income		Ordinary Income		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2015 – March 31, 2016	695,719	4.8	36,162	700.6	21,238	-	17,099	304.2
April 1, 2014 – March 31, 2015	663,929	9.8	4,517	-	(8,758)	-	4,230	-

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

	Basic Earnings per Share (primary)	Basic Earnings per Share (fully diluted)
	Yen	Yen
April 1, 2015 – March 31, 2016	74.17	-
April 1, 2014 – March 31, 2015	20.58	-

(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, 2016	1,765,091	160,864	9.1	520.55
As of March 31, 2015	1,749,602	147,501	8.4	465.10

Reference: Shareholders' Equity: As of March 31, 2016 160,864 million yen As of March 31, 2015 147,501 million yen

II. Forecasts of Non-consolidated Results for the Year Ending March 31, 2017 (April 1, 2016 – March 31, 2017)

	Operating Revenue		Operating Income		Ordinary Income		Profit		Basic Earnings per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
April 1, 2016 – March 31, 2017	685,000	(1.5)	-	-	-	-	-	-	-

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

* As of the date of the release of this report, an audit based on the Financial Instruments and Exchange Act is being undertaken.

* Given that the forecasts above were 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.

Dividends for preferred stock

The breakdown of dividend per preferred stock which differs in shareholders' rights from common stock is as follows.

Class A preferred stock	Cash dividends per share				
	June 30	September 30	December 31	Year-ended	Annual total
	Yen	Yen	Yen	Yen	Yen
April 1, 2014 – March 31, 2015	-	0.00	-	0.00	0.00
April 1, 2015 – March 31, 2016	-	0.00	-	7,781,358.00	7,781,358.00
April 1, 2016 – March 31, 2017 (Forecast)	-	-	-	-	-

Note1: Cash dividends per share on the year ended March 31, 2016 contains 3,981,358.00 yen, the unpaid cumulative dividend on the year ended March 31, 2015.

Note2: The forecasts of cash dividends for the 1st half and full year ending March 31, 2017 have yet to be determined.

Results of Production and Sales [Electric Utility Business]

1. Sales

Electricity Sales

(GWh)

	April 1, 2015– March 31, 2016 (A)	April 1, 2014– March 31, 2015 (B)	Increase/decrease (A)-(B)	Comparison (%) (A)/(B)
Non-eligible customers				
Residential	11,071	11,236	(165)	98.5
Commercial and industrial	2,373	2,429	(56)	97.7
Subtotal	13,444	13,665	(221)	98.4
Eligible customers	15,148	16,145	(997)	93.8
Total	28,592	29,810	(1,218)	95.9

2. Production

Power Supply

(GWh)

	April 1, 2015– March 31, 2016 (A)	April 1, 2014 – March 31, 2015 (B)	Increase/decrease (A)-(B)	Comparison (%) (A)/(B)
Hokkaido Electric Power Co., Inc.				
[Water flow rate %]	[99.8]	[97.9]	[1.9]	
Hydroelectric	3,502	3,394	108	103.2
Fossil fuel	22,158	22,804	(646)	97.2
[Nuclear capacity ratio %]	[-]	[-]	[-]	
Nuclear	-	-	-	-
Renewable	131	162	(31)	80.6
Subtotal	25,791	26,360	(569)	97.8
Purchased power	6,220	6,809	(589)	91.4
Interchange power	9	12	(3)	72.8
Power used for pumped storage	(120)	(47)	(73)	254.4
Total	31,900	33,134	(1,234)	96.3

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

Forecasts for the Year Ending March 31, 2017(April 1, 2016 – March 31, 2017)

Operating revenue for Consolidated results will be decreased to approx. 713,000 million yen by approx. 11,000 million yen compared to the previous fiscal year. This is because of decrease in electricity sales and decrease in fuel cost adjustments by lower fuel prices, etc. in spite of increase in influence of the feed-in-tariff scheme for renewable energy.

The forecasts of Operating income (loss), Ordinary income (loss), and Profit (loss) are yet to be determined at this point. This is because expenses such as fuel costs cannot be assessed appropriately as we must monitor the situation of generating capacity from now on.

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

As for power supply, we will appropriately operate supply facilities and take all possible measures to ensure security for stable electric power supplies.

Forecasts of Consolidated Results for the Year Ending March 31, 2017 (April 1, 2016 – March 31, 2017)

(Million yen)

	April 1,2016 – March 31,2017	
		Comparison to year ended March 31, 2016
Operating Revenue	713,000	(11,000)
[Comparison to last fiscal year]	[Approx. (3.8)%]	
Electricity sales	Approx. 27.5 TWh	Approx. (1.1) TWh

(Reference) Forecasts of Non-consolidated Results for the Year Ending March 31, 2017

(April 1, 2016 – March 31, 2017)

(Million yen)

	April 1,2016 – March 31,2017	
		Comparison to year ended March 31, 2016
Operating Revenue	685,000	(11,000)

Note: We assume the foreign exchange rate and CIF crude oil price will be 115 yen/\$ and 40 \$/barrel in these forecasts.

Consolidated Balance Sheets

(Million yen)

Item	As of March 31, 2015 (A)	As of March 31, 2016 (B)
Assets		
Noncurrent assets	1,563,720	1,609,817
Electric utility plant and equipment	1,117,227	1,111,661
Hydroelectric power production facilities	226,268	235,226
Thermal power production facilities	81,392	78,564
Nuclear power production facilities	238,118	218,645
Transmission facilities	168,925	163,444
Transformation facilities	79,057	92,516
Distribution facilities	274,927	276,816
General facilities	42,896	40,945
Other electric utility plant and equipment	5,641	5,501
Other noncurrent assets	58,081	55,829
Construction in progress	95,750	148,022
Construction in progress	95,623	147,882
Retirement in progress	126	139
Nuclear fuel	145,492	158,583
Nuclear fuel in processing	145,492	158,583
Investments and other assets	147,168	135,720
Long-term investments	46,182	40,636
Net defined benefit asset	14,008	10,984
Deferred tax assets	29,803	32,363
Other	57,242	51,820
Allowance for doubtful accounts	(68)	(84)
Current assets	251,955	216,324
Cash and deposits	152,016	108,805
Notes and accounts receivable-trade	50,042	61,055
Inventories	37,414	35,361
Deferred tax assets	5,925	4,942
Other	7,027	8,905
Allowance for doubtful accounts	(472)	(2,746)
Total	1,815,675	1,826,141
Liabilities and Net Assets		
Liabilities		
Noncurrent liabilities	1,268,783	1,272,404
Bonds payable	529,133	579,136
Long-term loans payable	545,123	502,728
Provision for reprocessing of irradiated nuclear fuel	55,399	49,333
Provision for reprocessing of irradiated nuclear fuel without specific plans	8,851	9,205
Net defined benefit liability	40,456	39,845
Asset retirement obligations	73,578	75,926
Other	16,241	16,228
Current liabilities	358,500	355,491
Current portion of long-term debt	182,146	155,621
Short-term loans payable	42,000	52,300
Notes and accounts payable-trade	40,363	41,569
Accrued taxes	13,840	13,336
Other	80,149	92,663
Reserves under the special laws	-	1,022
Reserve for fluctuation in water levels	-	1,022
Total Liabilities	1,627,283	1,628,918
Net assets		
Shareholders' equity	165,612	186,872
Common stock	114,291	114,291
Capital surplus	49,998	49,998
Retained earnings	19,490	40,766
Treasury stock	(18,167)	(18,184)
Accumulated other comprehensive income	12,434	(497)
Net unrealized gains on available-for-sale securities	5,263	1,570
Remeasurements of defined benefit plans	7,170	(2,067)
Non controlling interests	10,345	10,847
Total Net Assets	188,392	197,222
Total	1,815,675	1,826,141

Consolidated Statements of Operations

(Million yen)

Item	April 1, 2014– March 31, 2015	April 1, 2015– March 31, 2016
Operating Revenues	692,925	724,111
Electric utility operating revenue	662,237	694,065
Other business operating revenue	30,687	30,046
Operating Expenses	688,175	681,010
Electric utility operating expenses	660,954	655,115
Other business operating expenses	27,221	25,895
Operating Income	4,750	43,100
Non-operating Income	4,475	3,023
Dividends Income	537	551
Interest income	1,129	1,105
Share of profit of entities accounted for using equity method	-	286
Other	2,808	1,079
Non-operating Expenses	18,569	18,062
Interest expenses	16,670	16,236
Share of loss of entities accounted for using equity method	111	-
Other	1,787	1,825
Ordinary revenue	697,401	727,135
Ordinary expenses	706,744	699,072
Ordinary Income (Loss)	(9,343)	28,062
Provision or reversal of reserve for fluctuation in water levels	(19,391)	1,022
Provision of reserve for fluctuation in water levels	-	1,022
Reversal of reserve for fluctuation in water levels	(19,391)	-
Profit before income taxes	10,047	27,039
Income taxes-current	973	2,877
Income taxes-deferred	6,992	2,238
Total income taxes	7,966	5,116
Profit	2,081	21,923
Profit (Loss) attributable to non-controlling interests	(857)	647
Profit attributable to owners of parent	2,938	21,276

Consolidated Statements of Comprehensive Income

(Million yen)

Item	April 1, 2014– March 31, 2015	April 1, 2015– March 31, 2016
Profit	2,081	21,923
Other Comprehensive Income		
Net unrealized holding gain (loss) on available-for-sale securities	1,285	(3,671)
Remeasurements of defined benefit plans	(9,918)	(9,258)
Total other comprehensive income	(8,632)	(12,930)
Comprehensive Income	(6,551)	8,993
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(5,824)	8,344
Comprehensive income attributable to non-controlling interests	(726)	648

Consolidated Statements of Changes in Net Assets

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2014	114,291	21,174	(3,328)	(18,159)	113,978
Cumulative effects of changes in accounting policies			(1,295)		(1,295)
Adjusted balance as of April 1, 2014	114,291	21,174	(4,623)	(18,159)	112,683
Issuance of new shares	25,000	25,000			50,000
Transfer to other capital surplus from common stock	(25,000)	25,000			-
Deficit disposition		(21,174)	21,174		-
Profit attributable to owners of parent			2,938		2,938
Purchase of treasury stock				(10)	(10)
Disposal of treasury stock		(1)		3	1
Change in treasury shares of parent arising from transactions with non-controlling shareholders		-			-
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	28,823	24,113	(7)	52,929
Balance as of April 1, 2015	114,291	49,998	19,490	(18,167)	165,612
Cumulative effects of changes in accounting policies			-		-
Adjusted balance as of April 1, 2015	114,291	49,998	19,490	(18,167)	165,612
Issuance of new shares	-	-			-
Transfer to other capital surplus from common stock	-	-			-
Deficit disposition		-	-		-
Profit attributable to owner of parent			21,276		21,276
Purchase of treasury stock				(18)	(18)
Disposal of treasury stock		(0)		1	0
Change in treasury shares of parent arising from transactions with non-controlling shareholders		0			0
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	(0)	21,276	(16)	21,259
Balance as of March 31, 2016	114,291	49,998	40,766	(18,184)	186,872

(Million yen)

	Accumulated other comprehensive income			Minority interests	Total net assets
	Net unrealized gain (loss) on securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as of April 1, 2014	4,076	17,121	21,197	11,555	146,731
Cumulative effects of changes in accounting policies				(358)	(1,653)
Adjusted balance as of April 1, 2014	4,076	17,121	21,197	11,197	145,078
Issuance of new shares					50,000
Transfer to other capital surplus from common stock					-
Deficit disposition					-
Profit attributable to owner of parent					2,938
Purchase of treasury stock					(10)
Disposal of treasury stock					1
Change in treasury shares of parent arising from transactions with non-controlling shareholders					-
Net changes of items other than shareholders' equity	1,186	(9,950)	(8,763)	(851)	(9,615)
Total changes of items during the period	1,186	(9,950)	(8,763)	(851)	43,313
Balance as of April 1, 2015	5,263	7,170	12,434	10,345	188,392
Cumulative effects of changes in accounting policies				-	-
Adjusted balance as of April 1, 2015	5,263	7,170	12,434	10,345	188,392
Issuance of new shares					-
Transfer to other capital surplus from common stock					-
Deficit disposition					-
Profit attributable to owner of parent					21,276
Purchase of treasury stock					(18)
Disposal of treasury stock					0
Change in treasury shares of parent arising from transactions with non-controlling shareholders					0
Net changes of items other than shareholders' equity	(3,693)	(9,238)	(12,931)	502	(12,429)
Total changes of items during the period	(3,693)	(9,238)	(12,931)	502	8,830
Balance as of March 31, 2016	1,570	(2,067)	(497)	10,847	197,222

Consolidated Statements of Cash Flows

(Million yen)

Account	April 1, 2014 – March 31, 2015	April 1, 2015 – March 31, 2016
Cash flows from operating activities:		
Profit before income taxes	10,047	27,039
Depreciation and amortization	93,956	91,139
Decommissioning costs of nuclear power units	2,424	2,538
Loss on retirement of noncurrent assets	2,251	3,236
Increase (decrease) in net defined benefit liability	(10,193)	(9,130)
Increase (decrease) in provision for reprocessing of irradiated nuclear fuel	(5,260)	(6,066)
Interest and dividends income	(1,667)	(1,657)
Interest expenses	16,670	16,236
Decrease (increase) in reserve fund for reprocessing of irradiated nuclear fuel	5,274	6,074
Decrease (increase) in notes and accounts receivable-trade	(5,051)	(11,029)
Increase (decrease) in notes and accounts payable-trade	(6,263)	1,285
Other, net	10,057	11,786
Subtotal	112,247	131,455
Interest and dividend income received	1,714	1,698
Interest expenses paid	(16,839)	(16,372)
Income taxes paid	(2,791)	(809)
Net cash provided by (used in) operating activities	94,331	115,972
Cash flows from investing activities:		
Purchase of property, plant and equipment	(121,374)	(165,091)
Proceeds from contribution received for construction	1,783	15,868
Payments of investment and loans receivable	(2,605)	(3,092)
Collection of investment and loans receivable	6,095	3,253
Other, net	1,946	48
Net cash provided by (used in) investing activities	(114,154)	(149,013)
Cash flows from financing activities:		
Proceeds from issuance of bonds	59,811	79,732
Redemption of bonds	(35,000)	(130,000)
Proceeds from long-term loans payable	56,820	82,400
Repayments of long-term loans payable	(68,897)	(51,775)
Proceeds from short-term loans payable	245,673	213,678
Repayments of short-term loans payable	(256,672)	(203,367)
Proceeds from issuance of new shares	49,766	-
Cash dividends paid	(41)	(36)
Repayments of lease obligations	(562)	(638)
Other, net	(135)	(162)
Net cash provided by (used in) financing activities	50,763	(10,169)
Net Increase (Decrease) in Cash and Cash Equivalents	30,939	(43,210)
Cash and cash equivalents at beginning of period	121,077	152,016
Cash and cash equivalents at end of period	152,016	108,805

Segment Information

Full Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(Million yen)

	Reportable segment	Other	Total	Adjustments	Consolidated
	Electric utility				
Sales to customers	662,237	30,687	692,925	-	692,925
Intersegment sales	1,153	85,222	86,375	(86,375)	-
Total operating revenue	663,391	115,909	779,300	(86,375)	692,925
Operating income	4,248	19	4,267	482	4,750
Assets	1,761,900	114,971	1,876,872	(61,196)	1,815,675
Depreciation and amortization	88,269	6,725	94,994	(1,038)	93,956
Capital investments	100,797	6,295	107,093	(591)	106,502

Note1: The segment income adjustment of ¥482 million, asset adjustment of ¥(61,196) million, depreciation and amortization adjustment of ¥(1,038) million, and capital investment adjustment of ¥(591) million are due to the elimination of intersegment transactions.

Note2: Segment income is adjusted with operating income in the consolidated financial statements.

Full Year Ended March 31, 2016 (April 1, 2015 – March 31, 2016)

(Million yen)

	Reportable segment	Other	Total	Adjustments	Consolidated
	Electric utility				
Sales to customers	694,065	30,046	724,111	-	724,111
Intersegment sales	1,124	97,761	98,886	(98,886)	-
Total operating revenue	695,190	127,807	822,997	(98,886)	724,111
Operating income	36,107	6,307	42,415	685	43,100
Assets	1,773,004	119,021	1,892,026	(65,885)	1,826,141
Depreciation and amortization	85,630	6,532	92,162	(1,023)	91,139
Capital investments	136,433	5,079	141,513	(375)	141,137

Note1: The segment income adjustment of ¥685 million, asset adjustment of ¥(65,885) million, depreciation and amortization adjustment of ¥(1,023) million, and capital investment adjustment of ¥(375) million are due to the elimination of intersegment transactions.

Note2: Segment income is adjusted with operating income in the consolidated financial statements.

Material Subsequent events

(Partial acquisition and Cancellation of Class-A preferred Stock)

Hepco resolved at the Board of directors meeting held on April 27, 2016 to acquire part of the Class-A preferred stock based on the article of incorporation and to cancel it based on Companies Act.

(1) Reasons for acquisition

Since Hepco has secured a certain profit of the fiscal year ended March 31, 2016, it will acquire and cancel part of the Class-A preferred stock.

(2) Contents of the matters concerning acquisition

- a) Class of the target stock Class-A preferred stock issued by Hokkaido Electric Power Co., Inc.
- b) Number of shares acquired 30 shares
- c) Acquisition price 108,198,907 yen per share
- d) Total Acquisition price 3,245,967,210 yen
- e) Buy-back from Development Bank of Japan Inc.

(3) Contents of the matters concerning cancellation

- a) Class of the target stock Class-A preferred stock issued by Hokkaido Electric Power Co., Inc.
- b) Number of shares cancelled 30 shares

(4) Dates of acquisition and cancellation

- a) Date of notification to shareholders April 27, 2016
- b) Date of acquisition May 12, 2016
- c) Date of cancellation May 12, 2016

(5) Class A preferred shares outstanding after cancellation

- a) Number of outstanding shares 500 shares
- b) Number of shares of cancellation 30 shares
- c) Number of shares outstanding after cancellation 470 shares

Non-consolidated Balance Sheets

(Million yen)

Item	As of March 31, 2015	As of March 31, 2016
Assets		
Noncurrent assets	1,522,920	1,572,629
Electric utility plant and equipment	1,119,334	1,112,860
Hydroelectric power production facilities	222,230	231,154
Thermal power production facilities	80,041	76,988
Nuclear power production facilities	239,085	219,535
Internal combustion engine power production facilities	1,826	1,827
Renewable power production facilities	2,467	2,387
Transmission facilities	170,783	165,167
Transformation facilities	79,364	92,786
Distribution facilities	280,664	282,137
General facilities	42,533	40,537
Facilities loaned	338	338
Incidental business facilities	100	94
Non-operating facilities	3,606	3,383
Construction in progress	95,537	147,617
Construction in progress	95,411	147,477
Retirement in progress	126	139
Nuclear fuel	145,492	158,583
Nuclear fuel in processing	145,492	158,583
Investments and other assets	158,849	150,090
Long-term investments	43,658	38,503
Long-term investment for subsidiaries and associates	35,829	31,744
Reserve fund for reprocessing of irradiated nuclear fuel	54,752	48,678
Long-term prepaid expenses	534	780
Prepaid pension cost	179	4,938
Deferred tax assets	24,150	25,663
Allowance for doubtful accounts	(255)	(218)
Current assets	226,681	192,461
Cash and deposits	138,745	98,848
Accounts receivable-trade	41,220	51,095
Other accounts receivable	1,398	744
Supplies	33,653	31,401
Prepaid expenses	585	480
Short-term receivables from subsidiaries and associates	3,068	3,253
Deferred tax assets	4,705	3,283
Other current assets	3,905	6,118
Allowance for doubtful accounts	(602)	(2,765)
Total	1,749,602	1,765,091

Non-consolidated Balance Sheets continued

Item	As of March 31, 2015	As of March 31, 2016
Liabilities and Net Assets		
Liabilities		
Noncurrent liabilities	1,251,474	1,251,364
Bonds payable	529,133	579,136
Long-term loans payable	541,683	497,952
Lease obligations	1	1,695
Long-term debt to subsidiaries and associates	3,444	3,246
Provision for retirement benefits	30,668	27,237
Provision for reprocessing of irradiated nuclear fuel	55,399	49,333
Provision for reprocessing of irradiated nuclear fuel without specific plans	8,851	9,205
Asset retirement obligations	73,578	75,926
Other noncurrent liabilities	8,713	7,629
Current liabilities	350,626	351,840
Current portion of noncurrent liabilities	180,299	153,671
Short-term loans payable	42,000	52,000
Accounts payable-trade	28,098	27,526
Accounts payable-other	32,650	20,808
Accrued expenses	32,486	37,886
Accrued taxes	11,699	10,762
Deposits received	643	606
Short-term debt to subsidiaries and associates	20,407	30,622
Other advances	2,275	17,851
Other current liabilities	64	105
Reserves under special laws	-	1,022
Reserve for fluctuation in water levels	-	1,022
Total Liabilities	1,602,101	1,604,226
Net Assets		
Shareholders' equity	142,611	159,693
Common stock	114,291	114,291
Capital surplus	49,998	49,997
Other capital surplus	49,998	49,997
Retained earnings	(3,511)	13,588
Other retained earnings	(3,511)	13,588
Reserve for special disaster	91	99
Retained earnings brought forward	(3,602)	13,488
Treasury stock	(18,167)	(18,184)
Valuation and translation adjustments	4,890	1,171
Net unrealized gains on available-for-sale securities	4,890	1,171
Total Net Assets	147,501	160,864
Total Liabilities and Net Assets	1,749,602	1,765,091

Non-consolidated Statements of Operations

(Million yen)

Item	April 1, 2014 – March 31, 2015	April 1, 2015 – March 31, 2016
Operating revenue	663,929	695,719
Electric utility operating revenue	663,418	695,219
Residential	286,938	291,624
Commercial and industrial	339,386	346,250
Sold power to other utilities	146	142
Sold power to other suppliers	3,049	5,033
Transmission revenue	1,580	5,328
Settlement revenue among utilities	24	16
Grant under Act on Purchase of Renewable Energy Sourced Electricity	26,786	41,733
Other electricity revenue	5,484	5,069
Revenue from loaned facilities	20	20
Incidental business operating revenue	511	500
Operating revenue-house electrification machinery lease business	226	222
Operating revenue-optical fiber electric wire lease business	144	136
Operating revenue-real estate rent business	140	141
Operating expenses	659,412	659,557
Electric utility operating expenses	659,241	659,405
Hydroelectric power production expenses	21,152	24,934
Thermal power production expenses	240,096	201,080
Nuclear power production expenses	79,871	78,153
Internal combustion engine power production expenses	7,237	7,292
Renewable power production expenses	1,600	2,215
Purchased power from other utilities	384	581
Purchased power from other suppliers	110,331	107,907
Transmission expenses	33,520	37,402
Transformation expenses	17,524	19,078
Distribution expenses	56,652	65,263
Selling expenses	24,836	26,489
Cost of loaned facilities	3	3
General and administrative expenses	28,484	31,390
Levy under Act on Purchase of Renewable Energy Sourced Electricity	19,322	39,245
Electric power development promotion tax	11,302	11,115
Enterprise tax	6,965	7,284
Transferred cost of electricity for construction and incidental business	(45)	(32)
Incidental business operating expenses	170	151
Operating expenses-house electrification machinery lease business	100	71
Operating expenses-optical fiber electric wire lease business	46	52
Operating expenses-real estate rent business	23	27
Operating income	4,517	36,162
Non-operating income	5,060	2,924
Financial revenue	2,540	2,079
Dividends income	1,303	867
Interests income	1,237	1,211
Non-operating revenue	2,519	845
Gain on sales of noncurrent assets	1,727	35
Miscellaneous revenue	791	809
Non-operating expenses	18,335	17,848
Financial expenses	17,016	16,471
Interest expenses	16,634	16,204
Stock issuance cost	193	-
Bond issuance cost	188	267
Non-operating expenses	1,319	1,376
Loss on sales of noncurrent asset	208	7
Miscellaneous expenses	1,111	1,369
Ordinary revenue	668,989	698,644
Ordinary expenses	677,748	677,405
Ordinary Income (Loss)	(8,758)	21,238
Provision or reversal of reserve for fluctuation in water levels	(19,391)	1,022
Provision of reserve for fluctuation in water levels	-	1,022
Reversal of reserve for fluctuation in water levels	(19,391)	-
Profit before income taxes	10,633	20,216
Income taxes-current	-	1,685
Income taxes-deferred	6,402	1,431
Total income taxes	6,402	3,116
Profit	4,230	17,099

Non-consolidated Statements of Changes in Net Assets

(Million yen)

	Shareholders' equity						
	Common stock	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	
					Reserve for special disaster	General reserve	
Balance as of April 1, 2014	114,291	21,174	-	21,174	28,219	85	58,500
Cumulative effects of changes in accounting policies							
Adjusted balance as of April 1, 2014	114,291	21,174	-	21,174	28,219	85	58,500
Issuance of new shares	25,000	25,000		25,000			
Transfer to other capital surplus from common stock	(25,000)		25,000	25,000			
Transfer to other capital surplus from legal capital surplus		(46,174)	46,174	-			
Deficit disposition			(21,174)	(21,174)			
Reversal of legal retained earnings					(28,219)		
Provision of reserve for special disaster						6	
Reversal of general reserve							(58,500)
Profit							
Purchase of treasury stock							
Disposal of treasury stock			(1)	(1)			
Net changes of items other than shareholders' equity							
Total changes of items during the period	-	(21,174)	49,998	28,823	(28,219)	6	(58,500)
Balance as of April 1, 2015	114,291	-	49,998	49,998	-	91	-
Cumulative effects of changes in accounting policies							
Adjusted balance as of April 1, 2015	114,291	-	49,998	49,998	-	91	-
Issuance of new shares	-	-		-			
Transfer to other capital surplus from common stock	-		-	-			
Transfer to other capital surplus from legal capital surplus		-	-	-			
Deficit disposition			-	-			
Reversal of legal retained earnings					-		
Provision of reserve for special disaster						7	
Reversal of general reserve							-
Profit							
Purchase of treasury stock							
Disposal of treasury stock			(0)	(0)			
Net changes of items other than shareholders' equity							
Total changes of items during the period	-	-	(0)	(0)	-	7	-
Balance as of March 31, 2016	114,291	-	49,997	49,997	-	99	-

Non-consolidated Statements of Changes in Net Assets continued

(Million yen)

	Shareholders' equity				Valuation and translation adjustments	Total net assets
	Other retained earnings		Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	
	Retained earnings brought forward	Total other retained earnings				
Balance as of April 1, 2014	(115,001)	(28,196)	(18,159)	89,110	3,816	92,926
Cumulative effects of changes in accounting policies	(719)	(719)		(719)		(719)
Adjusted balance as of April 1, 2014	(115,721)	(28,916)	(18,159)	88,390	3,816	92,206
Issuance of new shares				50,000		50,000
Transfer to other capital surplus from common stock				-		-
Transfer to other capital surplus from legal capital surplus				-		-
Deficit disposition	21,174	21,174		-		-
Reversal of legal retained earnings	28,219	-		-		-
Provision of reserve for special disaster	(6)	-		-		-
Reversal of general reserve	58,500	-		-		-
Profit	4,230	4,230		4,230		4,230
Purchase of treasury stock			(10)	(10)		(10)
Disposal of treasury stock			3	1		1
Net changes of items other than shareholders' equity					1,074	1,074
Total changes of items during the period	112,118	25,405	(7)	54,221	1,074	55,295
Balance as of April 1, 2015	(3,602)	(3,511)	(18,167)	142,611	4,890	147,501
Cumulative effects of changes in accounting policies	-	-		-		-
Adjusted balance as of April 1, 2015	(3,602)	(3,511)	(18,167)	142,611	4,890	147,501
Issuance of new shares				-		-
Transfer to other capital surplus from common stock				-		-
Transfer to other capital surplus from legal capital surplus				-		-
Deficit disposition	-	-		-		-
Reversal of legal retained earnings	-	-		-		-
Provision of reserve for special disaster	(7)	-		-		-
Reversal of general reserve	-	-		-		-
Profit	17,099	17,099		17,099		17,099
Purchase of treasury stock			(18)	(18)		(18)
Disposal of treasury stock			1	0		0
Net changes of items other than shareholders' equity					(3,718)	(3,718)
Total changes of items during the period	17,091	17,099	(16)	17,082	(3,718)	13,363
Balance as of March 31, 2016	13,488	13,588	(18,184)	159,693	1,171	160,864

Note: The information shown above is an English translation of the “Financial Release for the Year Ended March 31, 2016” which was filed with stock exchanges (Tokyo and Sapporo) on the date shown above. Be advised that the Japanese version (the original) shall prevail if in any case a discrepancy arises between the original and the English translation.