

# Tohoku Electric Power Co., Inc.

## Summary of Financial Statements (Unaudited)

(April 1, 2012 - March 31, 2013)

Information below is an English translation of the "Unaudited Financial Release" for the year ended March 31, 2013, which has been filed with the Tokyo Stock Exchange, Inc. and Osaka Securities Exchange Co., Ltd. for public inspection.

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(Note) All monetary values are rounded down to the nearest units as indicated in each table.

### 1. Business Results for Consolidated FY 2012 (Year ended March 31, 2013)

#### (1) Progresses of Financial Results

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 31, 2013	1,792,666	6.4	(55,922)	-	(93,235)	-	(103,698)	-
Year ended Mar. 31, 2012	1,684,943	(1.4)	(142,032)	-	(176,468)	-	(231,906)	-

  

	Net income per share	Diluted net income per share	Net income / Equity	Ordinary income / Total assets	Operating income / Operating revenues
	Yen	Yen	%	%	%
Year ended Mar. 31, 2013	(207.97)	-	(19.4)	(2.2)	(3.1)
Year ended Mar. 31, 2012	(465.16)	-	(32.8)	(4.3)	(8.4)

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

#### (2) Changes in Financial Positions

	Total assets	Net assets	Equity ratio to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2013	4,284,371	522,714	11.3	969.97
Mar. 31, 2012	4,196,826	629,832	13.9	1,173.21

#### (3) Situations of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended Mar. 31, 2013	46,665	(236,726)	262,674	294,951
Year ended Mar. 31, 2012	(61,330)	(278,498)	382,249	222,140

### 2. Dividends

	Cash dividends per share					Dividends paid for the year	Dividends payout ratio	Dividends / Net assets
	1Q	2Q	3Q	Year-end	Annual total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended Mar. 31, 2012	-	0.00	-	0.00	0.00	-	-	-
Year ended Mar. 31, 2013	-	0.00	-	0.00	0.00	-	-	-
Year ending Mar. 31, 2014 (forecast)	-	-	-	-	-		-	

(Note) Dividend forecasts for the year ending March 31, 2014 have yet to be determined at this time.

### 3. Business Results Forecast for Consolidated FY 2013 (Year ending March 31, 2014)

Consolidated earnings estimates for the year ending March 31, 2014 have yet to be determined at this time, because it is difficult to reasonably assess the estimates under a situation that an increase in electricity rates is under application. These estimates will be promptly disclosed as soon as they are determined.

## (Reference) Summary of Non-Consolidated Financial Statements

### 1. Business Results for Non-Consolidated FY 2012 (Year ended March 31, 2013)

#### (1) Progresses of Financial Results

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 31, 2013	1,591,938	8.1	(45,349)	-	(53,189)	-	(59,151)	-
Year ended Mar. 31, 2012	1,472,284	(5.1)	(160,118)	-	(184,280)	-	(210,244)	-

  

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended Mar. 31, 2013	(118.63)	-
Year ended Mar. 31, 2012	(421.71)	-

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

#### (2) Changes in Financial Positions

	Total assets	Net assets	Equity ratio to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2013	3,996,559	419,392	10.5	840.09
Mar. 31, 2012	3,875,038	476,908	12.3	955.68

### 2. Business Results Forecast for Non-Consolidated FY 2013 (Year ending March 31, 2014)

Non-consolidated earnings estimates for the year ending March 31, 2014 have yet to be determined at this time, because it is difficult to reasonably assess the estimates under a situation that an increase in electricity rates is under application. These estimates will be promptly disclosed as soon as they are determined.

**CONSOLIDATED BALANCE SHEETS (Unaudited)**

FY 2012 (As of March 31, 2013) and FY 2011 (As of March 31, 2012)

<b>Assets</b>	(Millions of yen)	
Item	March 31, 2013	March 31, 2012
Fixed assets (property, plant and equipment):	3,645,163	3,608,063
Electric utility fixed assets:	2,570,288	2,529,553
Hydro power plant	165,797	167,993
Thermal power plant	298,296	272,768
Nuclear power plant	347,208	360,350
Internal combustion power plant	81,597	20,784
Transmission plant	688,165	711,758
Transformation plant	244,150	247,717
Distribution plant	621,604	624,200
General plant	101,447	101,247
Other	22,019	22,732
Other fixed assets	221,233	232,582
Construction work in progress	189,377	217,107
Nuclear fuel:	147,412	153,167
Loaded nuclear fuel	34,729	34,729
Nuclear fuel under processing	112,682	118,437
Investments in and advances to:	516,852	475,652
Long-term investments	100,204	94,581
Fund for reprocessing costs of irradiated nuclear fuel	92,334	99,609
Deferred tax assets	209,096	174,748
Other	115,980	107,827
Allowance for doubtful accounts	(763)	(1,114)
Current assets:	639,207	588,762
Cash and deposits	144,186	141,669
Trade notes receivable and accounts receivable	160,733	152,283
Inventories	77,461	77,298
Deferred tax assets	62,346	71,525
Other	195,264	146,725
Allowance for doubtful accounts	(784)	(740)
Total assets	4,284,371	4,196,826

**Liabilities and net assets**

(Millions of yen)

Item	March 31, 2013	March 31, 2012
<b>Fixed liabilities:</b>	<b>2,918,413</b>	<b>2,676,778</b>
Bonds	1,083,736	1,123,721
Long-term debt	1,273,185	952,622
Accrued retirement benefits	223,582	228,734
Reserve for reprocessing costs of irradiated nuclear fuel	96,283	103,535
Pre-reserve for reprocessing costs of irradiated nuclear fuel	13,525	13,005
Reserve for loss on disaster	22,915	45,948
Asset retirement obligations	133,031	128,419
Deferred tax liabilities on revaluation adjustments for land	1,710	1,852
Other	70,442	78,939
<b>Current liabilities:</b>	<b>843,243</b>	<b>890,214</b>
Current portion of long-term debt	270,322	253,606
Short-term borrowings	102,515	111,980
Trade notes and accounts payable	161,342	169,836
Accrued income taxes	16,251	26,145
Reserve for loss on disaster	34,400	44,717
Other	258,410	283,927
<b>Total liabilities</b>	<b>3,761,656</b>	<b>3,566,993</b>
<b>Shareholders' equity:</b>	<b>483,913</b>	<b>587,570</b>
Common stock	251,441	251,441
Capital surplus	26,678	26,685
Retained earnings	213,922	317,751
Treasury stock, at cost	(8,129)	(8,308)
<b>Accumulated other comprehensive income:</b>	<b>(246)</b>	<b>(2,660)</b>
Net unrealized holding gain (loss) on securities	2,931	(704)
Net deferred hedge loss	(1,999)	-
Revaluation adjustments for land	(1,246)	(1,300)
Foreign currency translation adjustments	68	(655)
Subscription rights to shares	488	448
Minority interests in consolidated subsidiaries	38,558	44,474
<b>Total net assets</b>	<b>522,714</b>	<b>629,832</b>
<b>Total liabilities and net assets</b>	<b>4,284,371</b>	<b>4,196,826</b>

**CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**

FY 2012 (Year ended March 31, 2013) and FY 2011 (Year ended March 31, 2012)

(Millions of yen)

Item	Year ended March 31,	
	2013	2012
Operating revenues:	1,792,666	1,684,943
Electric power	1,575,725	1,455,004
Other	216,941	229,938
Operating expenses:	1,848,589	1,826,976
Electric power	1,626,424	1,607,567
Other	222,165	219,408
Operating loss	(55,922)	(142,032)
Other income:	10,301	9,304
Dividends income	974	890
Interest income	1,907	2,028
Gain from sales of fixed assets	420	318
Other	6,998	6,067
Other expenses:	47,613	43,740
Interest expense	40,848	38,710
Other	6,764	5,030
Total amount of revenues	1,802,967	1,694,248
Total amount of expenses	1,896,203	1,870,716
Ordinary loss	(93,235)	(176,468)
Special item:	-	(304)
Reversal of reserve for fluctuation in water levels	-	(304)
Extraordinary loss:	38,690	105,318
Contingent loss	-	1,416
Loss on disaster	16,392	99,642
Impairment loss on fixed assets	4,360	4,259
Loss on discontinuance of power plant construction	17,937	-
Loss before income taxes and minority interests	(131,925)	(281,481)
Current income taxes	1,752	8,449
Deferred income taxes	(26,015)	(54,227)
Total amount of income taxes	(24,262)	(45,777)
Loss before minority interests	(107,663)	(235,704)
Minority interests in loss of consolidated subsidiaries	(3,964)	(3,797)
Net loss	(103,698)	(231,906)

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)**

FY 2012 (Year ended March 31, 2013) and FY 2011 (Year ended March 31, 2012)

Item	(Millions of yen)	
	Year ended March 31,	
	2013	2012
Loss before minority interests	(107,663)	(235,704)
Other comprehensive income:		
Valuation difference on available-for-sale securities	3,696	(193)
Net deferred hedge loss	(1,999)	-
Revaluation reserve for land	-	261
Foreign currency translation adjustment	723	(523)
Share of other comprehensive income of associates accounted for using equity method	3	(0)
Total other comprehensive income	2,424	(456)
Comprehensive income:	(105,238)	(236,160)
Comprehensive income attributable to		
Shareholders	(101,338)	(232,503)
Minority interests	(3,900)	(3,656)

**CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (Unaudited)**

FY 2012 (As of March 31, 2013) and FY 2011 (As of March 31, 2012)

(Millions of yen)

Item	March 31, 2013	March 31, 2012
<b>Shareholders' equity:</b>		
Common stock:		
Balance as of end of the previous period	251,441	251,441
Changes:		
Net changes	-	-
Balance as of end of the this period	251,441	251,441
Capital surplus:		
Balance as of end of the previous period	26,685	26,701
Changes:		
Disposal of treasury stock	(6)	(16)
Net changes	(6)	(16)
Balance as of end of the this period	26,678	26,685
Retained earnings:		
Balance as of end of the previous period	317,751	559,633
Changes:		
Dividend paid	-	(9,970)
Net loss	(103,698)	(231,906)
Disposal of treasury stock	(75)	-
Reversal of revaluation adjustments for land	(54)	(4)
Net changes	(103,828)	(241,882)
Balance as of end of the this period	213,922	317,751
Treasury stock, at cost:		
Balance as of end of the previous period	(8,308)	(8,369)
Changes:		
Purchases of treasury stock	(7)	(13)
Disposal of treasury stock	186	74
Net changes	178	61
Balance as of end of the this period	(8,129)	(8,308)
Total shareholders' equity:		
Balance as of end of the previous period	587,570	829,407
Changes:		
Dividend paid	-	(9,970)
Net loss	(103,698)	(231,906)
Purchases of treasury stock	(7)	(13)
Disposal of treasury stock	103	58
Reversal of revaluation adjustments for land	(54)	(4)
Net changes	(103,656)	(241,836)
Balance as of end of the this period	483,913	587,570

(Millions of yen)

Item	March 31, 2013	March 31, 2012
<b>Accumulated other comprehensive income:</b>		
Net unrealized holding gain (loss) on securities:		
Balance as of end of the previous period	(704)	(516)
Changes:		
Net changes except for shareholders' equity	3,635	(188)
Net changes	3,635	(188)
Balance as of end of the this period	2,931	(704)
Net deferred hedge loss:		
Balance as of end of the previous period	-	-
Changes:		
Net changes except for shareholders' equity	(1,999)	-
Net changes	(1,999)	-
Balance as of end of the this period	(1,999)	-
Revaluation adjustments for land:		
Balance as of end of the previous period	(1,300)	(1,430)
Changes:		
Net changes except for shareholders' equity	54	130
Net changes	54	130
Balance as of end of the this period	(1,246)	(1,300)
Foreign currency translation adjustments:		
Balance as of end of the previous period	(655)	(131)
Changes:		
Net changes except for shareholders' equity	723	(523)
Net changes	723	(523)
Balance as of end of the this period	68	(655)
Total accumulated other comprehensive income:		
Balance as of end of the previous period	(2,660)	(2,078)
Changes:		
Net changes except for shareholders' equity	2,413	(581)
Net changes	2,413	(581)
Balance as of end of the this period	(246)	(2,660)
<b>Subscription rights to shares:</b>		
Balance as of end of the previous period	448	265
Changes:		
Net changes except for shareholders' equity	39	182
Net changes	39	182
Balance as of end of the this period	488	448



(Millions of yen)

Item	March 31, 2013	March 31, 2012
<b>Minority interests in consolidated subsidiaries:</b>		
Balance as of end of the previous period	44,474	48,893
Changes:		
Net changes except for shareholders' equity	(5,915)	(4,419)
Net changes	(5,915)	(4,419)
Balance as of end of the this period	38,558	44,474
<b>Total net assets:</b>		
Balance as of end of the previous period	629,832	876,488
Changes:		
Dividend paid	-	(9,970)
Net loss	(103,698)	(231,906)
Purchases of treasury stock	(7)	(13)
Disposal of treasury stock	103	58
Reversal of revaluation adjustments for land	(54)	(4)
Net changes except for shareholders' equity	(3,461)	(4,818)
Net changes	(107,118)	(246,655)
Balance as of end of the this period	522,714	629,832

**CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)**

FY 2012 (Year ended March 31, 2013) and FY 2011 (Year ended March 31, 2012)

(Millions of yen)

Item	Year ended March 31,	
	2013	2012
<b>Operating activities:</b>		
Loss before income taxes and minority interests	(131,925)	(281,481)
Adjustments to reconcile loss before income taxes and minority interests to net cash provided by (used in) operating activities:		
Depreciation	233,085	236,759
Impairment loss on fixed assets	4,360	4,259
Decommissioning costs of nuclear power units	845	68
Amortization of nuclear fuel	-	437
Loss on sales and disposal of property, plant and equipment	7,175	9,042
Loss on discontinuance of power plant construction	17,937	-
(Reversal of) provision for accrued retirement benefits	(5,152)	7,660
Reversal of reserve for reprocessing costs of irradiated nuclear fuel	(7,252)	(6,906)
Provision for pre-reserve for reprocessing costs of irradiated nuclear fuel	520	500
Reversal of reserve for loss on disaster	(33,348)	(11,308)
Reversal of reserve for fluctuation in water levels	-	(304)
Interest and dividend income	(2,881)	(2,918)
Interest expense	40,848	38,710
Decrease in fund for reprocessing costs of irradiated nuclear fuel	7,275	6,896
Changes in operating assets and liabilities:		
Accounts receivable	(13,637)	(68,714)
Inventories	(163)	(4,578)
Accounts payable	(8,365)	37,934
Accrued expenses	(12,796)	10,501
Advances received	(7,972)	(16,461)
Other operating assets and liabilities	2,861	17,676
<b>Subtotal</b>	91,413	(22,226)
Interest and dividends received	2,907	2,903
Interest paid	(40,069)	(37,037)
Income taxes paid	(7,585)	(4,970)
<b>Net cash provided by (used in) operating activities</b>	46,665	(61,330)
<b>Investing activities:</b>		
Acquisition of property, plant and equipment	(253,132)	(277,993)
Payments for investments and advances	(6,327)	(8,319)
Proceeds from sales or collections of investments and advances	10,715	6,518
Changes in other assets and liabilities	12,017	1,295
<b>Net cash used in investing activities</b>	(236,726)	(278,498)

(Millions of yen)

Item	Year ended March 31,	
	2013	2012
<b>Financing activities:</b>		
Proceeds from issuance of bonds	119,645	59,857
Redemption of bonds	(120,000)	(118,900)
Proceeds from long-term loans	414,798	514,500
Repayment of long-term loans	(113,721)	(85,366)
Proceeds from short-term borrowings	552,875	697,105
Repayment of short-term borrowings	(562,340)	(640,215)
Proceeds from issuance of commercial paper	196,000	175,000
Redemption of commercial paper	(220,000)	(207,000)
Cash dividends	(118)	(10,034)
Cash dividends to minority shareholders	(2,015)	(702)
Other	(2,447)	(1,993)
<b>Net cash provided by financing activities</b>	<b>262,674</b>	<b>382,249</b>
Effect of exchange rate changes on cash and cash equivalents	197	(38)
Net increase in cash and cash equivalents	72,811	42,382
Cash and cash equivalents at beginning of the period	222,140	179,757
Cash and cash equivalents at end of the period	294,951	222,140

**NON-CONSOLIDATED BALANCE SHEETS (Unaudited)**

FY 2012 (Year ended March 31, 2013) and FY 2011 (Year ended March 31, 2012)

<b>Assets</b>	(Millions of yen)	
Item	March 31, 2013	March 31, 2012
Fixed assets (property, plant and equipment):	3,529,589	3,478,304
Electric utility fixed assets:	2,616,464	2,575,208
Hydro power plant	146,380	147,861
Thermal power plant	283,742	258,017
Nuclear power plant	348,943	362,333
Internal combustion power plant	81,744	20,917
Renewable power plant	13,147	13,338
Transmission plant	707,079	731,152
Transformation plant	253,484	257,310
Distribution plant	673,831	677,365
General plant	107,608	106,410
Property leased to others	501	501
Incidental business fixed assets	1,705	1,980
Other fixed assets	9,090	10,732
Construction work in progress:	184,538	212,701
Construction work in progress	182,841	209,109
Suspense account for disposal	1,697	3,592
Nuclear fuel:	147,412	153,167
Loaded nuclear fuel	34,729	34,729
Nuclear fuel under processing	112,682	118,437
Investments in and advances to:	570,377	524,512
Long-term investments	83,954	78,225
Long-term investments in subsidiaries and affiliates	195,330	194,668
Fund for reprocessing costs of irradiated nuclear fuel	92,334	99,609
Long-term prepaid expenses	19,799	10,158
Deferred tax assets	179,260	142,458
Allowance for doubtful accounts	(302)	(608)
Current assets:	466,970	396,733
Cash and deposits	79,794	68,610
Accounts receivable from customers	104,084	90,498
Other accounts receivable	10,636	6,645
Short-term Investments	134,000	77,000
Inventories	57,504	55,228
Prepaid expenses	219	4,435
Short-term credits to subsidiaries and affiliates	2,738	3,057
Deferred tax assets	61,745	70,658
Other current assets	16,749	21,015
Allowance for doubtful accounts	(501)	(416)
<b>Total assets</b>	<b>3,996,559</b>	<b>3,875,038</b>

**Liabilities and net assets**

(Millions of yen)

Item	March 31, 2013	March 31, 2012
<b>Fixed liabilities:</b>	<b>2,840,861</b>	<b>2,593,427</b>
Bonds	1,084,036	1,124,021
Long-term debt	1,247,284	921,884
Long-term accrued liabilities	2,902	3,156
Long-term debt to subsidiaries and affiliates	3,726	3,864
Accrued retirement benefits	183,001	187,026
Reserve for reprocessing costs of irradiated nuclear fuel	96,283	103,535
Pre-reserve for reprocessing costs of irradiated nuclear fuel	13,525	13,005
Reserve for loss on disaster	22,873	45,948
Asset retirement obligations	132,864	128,255
Other	54,363	62,730
<b>Current liabilities:</b>	<b>736,305</b>	<b>804,701</b>
Current portion of long-term debt	257,345	242,843
Short-term borrowings	54,940	100,000
Commercial paper	1,000	25,000
Accounts payable-trade	106,800	103,145
Accounts payable-other	48,971	24,818
Accrued expenses	42,811	54,906
Accrued taxes	14,272	17,280
Deposits received	1,080	1,637
Short-term debt to subsidiaries and affiliates	39,214	48,732
Advances received	135,515	142,674
Reserve for loss on disaster	34,010	43,648
Other	343	12
<b>Total liabilities</b>	<b>3,577,167</b>	<b>3,398,129</b>
<b>Shareholders' equity:</b>	<b>418,505</b>	<b>477,561</b>
Common stock	251,441	251,441
Capital surplus	26,657	26,664
Additional paid-in capital	26,657	26,657
Other capital surplus	-	6
Retained earnings:	148,617	207,845
Legal reserve	62,860	62,860
Other retained earnings	85,757	144,985
Reserve for overseas investment loss	11	11
Reserve for general purpose	332,400	332,400
Retained earnings carried forward	(246,653)	(187,426)
Treasury stock, at cost	(8,211)	(8,390)
<b>Valuation and translation adjustments:</b>	<b>398</b>	<b>(1,100)</b>
Net unrealized holding gain (loss) on securities	2,398	(1,100)
Net deferred hedge loss	(1,999)	-
Subscription rights to shares	488	448
<b>Total net assets</b>	<b>419,392</b>	<b>476,908</b>
<b>Total liabilities and net assets</b>	<b>3,996,559</b>	<b>3,875,038</b>

## NON-CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

FY 2012 (Year ended March 31, 2013) and FY 2011 (Year ended March 31, 2012)

Item	(Millions of yen)	
	Year ended March 31,	
	2013	2012
Operating revenues:	1,591,938	1,472,284
Electric power operating revenues:	1,578,135	1,457,176
Revenue from residential customers	554,538	534,691
Revenue from commercial and industrial customers	807,620	758,020
Revenue from power sold to other utilities	167,951	136,584
Revenue from power sold to other companies	5,670	2,304
Revenue from wheeling	3,970	4,542
Revenue from wheeling adjustment among utilities	2,894	941
Grants on the act of renewable energy	14,006	-
Miscellaneous revenues from electric utility business	21,395	20,004
Revenue from property leased to others	86	86
Incidental business revenues:	13,803	15,107
Gas supply business revenue	13,250	14,559
Heat supply business revenue	553	547
Operating expenses:	1,637,287	1,632,402
Operating expenses for electric utility business:	1,624,092	1,617,747
Expense for hydro power generation	28,325	31,015
Expense for thermal power generation	620,425	590,710
Expense for nuclear power generation	92,183	112,204
Expense for internal combustion power generation	32,160	10,456
Expense for renewable power generation	8,085	7,739
Expense for power purchased from other utilities	113,137	145,331
Expense for power purchased from other companies	266,244	223,642
Transmission expense	78,155	81,008
Transformation expense	47,357	51,046
Distribution expense	150,358	157,851
Selling expense	43,496	52,397
Expense for property leased to others	5	5
General administration expense	90,816	111,942
Payment on the act of renewable energy	8,643	-
Electric power development promotion tax	29,460	28,543
Enterprise tax	15,374	13,979
Transferred cost of electricity for construction and incidental business	(139)	(128)
Incidental business expenses:	13,195	14,655
Gas supply business expense	12,725	14,129
Heat supply business expense	470	526
Operating loss	(45,349)	(160,118)

(Millions of yen)

Item	Year ended March 31,	
	2013	2012
Other income:	38,324	18,380
Financing income:	33,031	16,147
Dividends income	31,128	14,297
Interest income	1,903	1,849
Other income:	5,293	2,232
Gain from sales of fixed assets	339	68
Miscellaneous income	4,953	2,164
Other expenses:	46,164	42,542
Financing expenses:	40,519	38,198
Interest expense	40,152	38,050
Bond issuance costs	366	148
Other expenses:	5,645	4,343
Loss on sales of fixed assets	46	178
Miscellaneous losses	5,598	4,164
Total amount of revenues	1,630,263	1,490,664
Total amount of expenses	1,683,452	1,674,945
Ordinary loss	(53,189)	(184,280)
Special item:	-	(304)
Reversal of reserve for fluctuation in water levels	-	(304)
Extraordinary loss:	34,450	102,158
Contingent loss	-	965
Loss on disaster	16,221	98,048
impairment loss on fixed assets	-	3,144
Loss on discontinuance of power plant construction	18,229	-
Loss before income taxes	(87,640)	(286,134)
Current income taxes	36	52
Deferred income taxes	(28,525)	(75,942)
Total amount of income taxes	(28,488)	(75,889)
Net loss	(59,151)	(210,244)

## NON-CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (Unaudited)

FY 2012 (Year ended March 31, 2013) and FY 2011 (Year ended March 31, 2012)

(Millions of yen)

Item	March 31, 2013	March 31, 2012
<b>Shareholders' equity:</b>		
Common stock:		
Balance as of end of the previous period	251,441	251,441
Changes:		
Net changes	-	-
Balance as of end of the this period	251,441	251,441
Capital surplus:		
Additional paid-in capital:		
Balance as of end of the previous period	26,657	26,657
Changes:		
Net changes	-	-
Balance as of end of the this period	26,657	26,657
Other capital surplus:		
Balance as of end of the previous period	6	22
Changes:		
Disposal of treasury stock	(6)	(16)
Net changes	(6)	(16)
Balance as of end of the this period	-	6
Total capital surplus:		
Balance as of end of the previous period	26,664	26,680
Changes:		
Disposal of treasury stock	(6)	(16)
Net changes	(6)	(16)
Balance as of end of the this period	26,657	26,664
Retained earnings:		
Legal reserve:		
Balance as of end of the previous period	62,860	62,860
Changes:		
Net changes	-	-
Balance as of end of the this period	62,860	62,860
Other retained earnings:		
Reserve for overseas investment loss		
Balance as of end of the previous period	11	10
Changes:		
Provision for reserve for overseas investment loss	-	0
Net changes	-	0
Balance as of end of the this period	11	11



(Millions of yen)

Item	March 31, 2013	March 31, 2012
Reserve for general purpose:		
Balance as of end of the previous period	332,400	332,400
Changes:		
Net changes	-	-
Balance as of end of the this period	332,400	332,400
Retained earnings carried forward:		
Balance as of end of the previous period	(187,426)	32,789
Changes:		
Dividend paid	-	(9,970)
Provision for reserve for overseas investment loss	-	(0)
Net loss	(59,151)	(210,244)
Disposal of treasury stock	(75)	-
Net changes	(59,227)	(220,216)
Balance as of end of the this period	(246,653)	(187,426)
Total retained earning:		
Balance as of end of the previous period	207,845	428,060
Changes:		
Dividend paid	-	(9,970)
Provision for reserve for overseas investment loss	-	-
Net loss	(59,151)	(210,244)
Disposal of treasury stock	(75)	-
Net changes	(59,227)	(220,215)
Balance as of end of the this period	148,617	207,845
Treasury stock, at cost:		
Balance as of end of the previous period	(8,390)	(8,451)
Changes:		
Purchases of treasury stock	(7)	(13)
Disposal of treasury stock	186	74
Net changes	178	61
Balance as of end of the this period	(8,211)	(8,390)
Total shareholders' equity:		
Balance as of end of the previous period	477,561	697,731
Changes:		
Dividend paid	-	(9,970)
Net loss	(59,151)	(210,244)
Purchases of treasury stock	(7)	(13)
Disposal of treasury stock	103	58
Net changes	(59,055)	(220,169)
Balance as of end of the this period	418,505	477,561

(Millions of yen)

Item	March 31, 2013	March 31, 2012
<b>Valuation and translation adjustments:</b>		
Net unrealized holding gain (loss) on securities:		
Balance as of end of the previous period	(1,100)	(930)
Changes:		
Net changes except for shareholders' equity	3,499	(169)
Net changes	3,499	(169)
Balance as of end of the this period	2,398	(1,100)
Net deferred hedge loss:		
Balance as of end of the previous period	-	-
Changes:		
Net changes except for shareholders' equity	(1,999)	-
Net changes	(1,999)	-
Balance as of end of the this period	(1,999)	-
Total valuation and translation adjustments:		
Balance as of end of the previous period	(1,100)	(930)
Changes:		
Net changes except for shareholders' equity	1,499	(169)
Net changes	1,499	(169)
Balance as of end of the this period	398	(1,100)
<b>Subscription rights to shares</b>		
Balance as of end of the previous period	448	265
Changes:		
Net changes except for shareholders' equity	39	182
Net changes	39	182
Balance as of end of the this period	488	448
<b>Total net assets:</b>		
Balance as of end of the previous period	476,908	697,066
Changes:		
Dividend paid	-	(9,970)
Net loss	(59,151)	(210,244)
Purchases of treasury stock	(7)	(13)
Disposal of treasury stock	103	58
Net changes except for shareholders' equity	1,539	12
Net changes	(57,516)	(220,157)
Balance as of end of the this period	419,392	476,908

**(Note)**

This report solely constitutes reference material for the purpose of providing the readers with relevant information to evaluate our company.

The information contains forward-looking statements based on assumptions and projections about the future with regard to our company. As such, the readers are kindly asked to refrain from making judgment by depending solely on this information.

The forward-looking statements inherently involve a degree of risks and uncertainties. Consequently, these risks and uncertainties could cause the actual results and performance to differ from the assumed or projected status of the company.

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