



Support documentation of
FY2012 financial results

The Summary of Financial Results for FY2012 (April 1 through March 31, 2012)

The Chugoku Electric Power Co., Inc.

April 27, 2012

In this report, the term “Fiscal Year 2012” describes the period which ended March 31, 2012.

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I . FY2012 Financial Results

1. FY2012 Financial Results Summary

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■ Consolidated

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Rate of change (A/B-1)
Operating revenues	1,181.3	1,094.2	87.0	8.0%
Operating income	55.0	48.4	6.5	13.6%
Ordinary income	29.8	23.8	5.9	25.0%
Net income	2.4	1.7	0.7	39.3%

(Rounded down to the hundred million yen)

■ Non-consolidated

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Rate of change (A/B-1)
Operating revenues	1,115.7	1,028.8	86.9	8.4%
Operating income	43.0	37.7	5.2	13.9%
Ordinary income	20.3	14.7	5.5	37.3%
Net income	▲1.3	▲3.0	1.6	-

(Rounded down to the hundred million yen)

(1) Electricity Sales

- Electricity sales were 60.07 billion kWh, down 3.7% in comparison with the same period in the previous year.
- Lighting use decreased in comparison with the same period in the previous year due to reasons such as the decrease in cooling demand and the influence of energy saving. (See p4, Average monthly temperature)
- Large-scale electricity decreased in comparison with the same period in the previous year due to reasons such as the decrease in demand of main industries.

(billion kWh)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Rate of change (A/B-1)
Total	60.07	62.40	▲2.33	▲3.7%
Other than eligible customers	21.73	22.56	▲0.83	▲3.7%
Lighting	19.18	19.86	▲0.68	▲3.4%
Low voltage	2.55	2.70	▲0.15	▲5.6%
Eligible customers ※	38.34	39.84	▲1.50	▲3.7%
Commercial	11.20	11.62	▲0.42	▲3.6%
Industrial	27.14	28.22	▲1.08	▲3.8%
Large-scale	22.70	23.68	▲0.98	▲4.1%

(※) Eligible customers: Demand for special high-tension or high-tension power reception with contracted power that is, in general, 50 kW or more.

(2) Supply Capacity

- Hydroelectric increased due to the increased water flow.
- Nuclear power increased due to the resumption of Shimane Nuclear Power Station Unit No. 2.
- Thermal power of own facilities and other companies decreased due to the decrease in electricity sales volume and the increase in nuclear power, despite the increase in interchanged power.

(billion kWh)

		FY2012 (A)	FY2011 (B)	Difference (A-B)	Rate of change (A/B-1)
Supply Capacity		65.58	68.31	▲2.73	▲4.0%
Own facilities	(Water Flow Rate)	(114.7%)	(92.0%)	(22.7%)	
	Hydroelectric	3.98	3.33	0.65	19.4%
	Thermal	38.26	39.61	▲1.35	▲3.4%
	(Capacity Factor)	(52.6%)	(20.3%)	(32.3%)	
	Nuclear	5.92	2.28	3.64	159.5%
	New energy sources	0.0	-	0.0	—
Purchased power		20.70	23.16	▲2.46	▲10.6%
Interchanged power		▲2.34	0.85	▲3.19	—
Pumping use		▲0.94	▲0.92	▲0.02	0.7%

(3) Exchange rate, CIF

	Unit	FY2012 (A)	FY2011 (B)	Difference (A-B)
Exchange rate	¥ / \$	79	86	▲7
Crude oil prices (All Japan CIF)	\$ / b	114.2	84.2	30.0
Foreign coal prices (All Japan CIF)	\$ / t	143.4	114.5	28.9

(※) Crude oil prices and foreign coal prices in FY2012 are assumption value of our company.

< Financial impact (Sensitivity) >

(billion yen)

	FY2012
Exchange rate (1 ¥ / \$)	5.0
Crude oil prices (All Japan CIF) (1 \$ / b)	2.5
Water flow rate (1%)	0.5
Nuclear capacity factor (1%)	1.6

<Reference> Average monthly temperature (Hiroshima city)

(°C)

	2011									2012		
	Apr.	May	Jun.	Jul.	Aug.	Spt.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY2012	13.4	19.5	23.6	27.6	28.2	24.9	18.5	14.7	6.9	4.7	4.3	8.7
Difference from previous year	0.4	1.0	0.3	0.4	▲2.1	▲1.3	▲0.7	2.7	▲0.4	1.8	▲2.3	1.5
Difference from average year	▲1.3	0.2	0.6	0.5	0.0	0.5	0.2	2.2	▲0.6	▲0.5	▲1.7	▲0.4

3. Income Statement < Non-Consolidated >

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■ Revenue

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Ordinary revenues	1,128.5	1,040.2	88.3	
Operating revenues	1,115.7	1,028.8	86.9	
Electricity sales	980.2	955.5	24.6	<ul style="list-style-type: none"> ▪ Decrease in electricity sales ▲35.6 ▪ Increase in revenue units +60.2 (Revenue from fuel cost adjustment system +58.6)
Lighting	402.4	400.7	1.7	
Commercial & industrial	577.7	554.8	22.8	
Sales to other companies, etc.	135.5	73.2	62.2	▪ Increase in sales to other companies +51.1
Other revenues	12.8	11.4	1.4	

(Rounded down to the hundred million yen)

■ Expense

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Ordinary expense	1,108.2	1,025.4	82.8	
Operating expense	1,072.7	991.0	81.6	
Personnel	111.4	106.7	4.6	▪ Increase in retirement allowances +3.9
Material	521.8	454.5	67.2	▪ Higher CIF price Crude oil, etc. +75.0 Foreign coal +31.8
Fuel	319.9	254.4	65.5	▪ Increase in sales to other companies +44.9 ▪ Decrease in capacity factor of coal power plant +37.3 ▪ Increase in capacity factor of nuclear power plant ▲51.7
Purchased power	201.8	200.1	1.6	▪ Higher yen rate ▲35.0 ▪ Decrease in electricity sales ▲29.4 ▪ Increase in water flow ▲11.4
Maintenance	100.0	90.1	9.9	▪ Increase in thermal power +6.8
Depreciation	111.6	115.5	▲3.8	▪ Decrease caused by progress in the depreciation
Nuclear power back-end	12.5	7.6	4.8	▪ Increase in nuclear power operating results
Others	215.1	216.4	▲1.2	
Interests	25.8	26.1	▲0.2	
Other expenses	9.7	8.2	1.4	

(Rounded down to the hundred million yen)

Income, etc

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Operating income	43.0	37.7	5.2	
Ordinary income	20.3	14.7	5.5	
Provision for drought	2.0	—	2.0	
Provision for depreciation of nuclear power plant	7.8	12.1	▲4.2	
Extraordinary loss	—	6.8	▲6.8	▪ Effect due to application of Accounting Standards for Asset Retirement Obligations
Income taxes, etc.	11.7	▲1.1	12.9	▪ Deferred tax asset reversals due to changes in tax rates, etc
Net income	▲1.3	▲3.0	1.6	

(Rounded down to the hundred million yen)

4. Balance Sheet < Consolidated >

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(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Assets	2,887.1	2,831.1	56.0	See Appendix : P16,17 Balance Sheet <Non-consolidated>
Electric utility fixed assets	1,433.4	1,484.6	▲51.2	
Construction in progress	544.2	492.0	52.1	
Liabilities	2,242.3	2,169.8	72.4	
Interest-bearing debt	1,756.0	1,724.7	31.2	
Provision for depreciation of nuclear power plant	65.7	57.8	7.8	
Total net assets	644.8	661.2	▲16.3	
Shareholders' equity	640.4	656.9	▲16.4	

(Rounded down to the hundred million yen)

5.Application of Free Cash Flow <Consolidated>

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(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Cash Flow form Operating Activities	179.7	157.0	22.7	<ul style="list-style-type: none"> ▪ Increase in net income ▪ Decrease in corporation tax ▪ Increase in inventories
Cash Flow from Investing Activities	▲ 152.5	▲ 189.8	37.3	<ul style="list-style-type: none"> ▪ Decrease expenses due to investments and loans
Free Cash Flow	27.2	▲ 32.7	60.0	
Cash Flow from Financing Activities	9.8	53.6	▲ 43.7	<ul style="list-style-type: none"> Decrease in borrowing from corporate bonds Increase in borrowing from loans
Cash and Cash Equivalents (increase and decrease)	37.0	20.7	16.2	

(Rounded down to the hundred million yen)

6. Segment Information

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■ Comprehensive Energy Supply Business ※ (billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Operating revenues	46.1	37.5	8.6	・ Increase in LNG and coal sales
Operating income	1.0	1.1	▲0.1	

(Rounded down to the hundred million yen)

(※) Comprehensive Energy Supply Business is run by The Chugoku Electric Power Company, Energia Solution and Service Company, and Power Engineering and Training Service.
MIZUSHIMA LNG SALES COMPANY (equity method affiliate) excluded.

■ Telecommunication Business (billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Operating revenues	37.6	34.8	2.7	・ Increase in the corporate business and the fiber-optic cable leasing business.
Telecommunication business	28.8	26.2	2.6	
Operating income	5.8	5.3	0.5	
Telecommunication business	5.4	4.7	0.7	

(Rounded down to the hundred million yen)

Ⅱ . Performance Outlook for FY2013 Dividends

- **As we cannot formulate reasonable cost forecasts of electrical power supply/demand, the forecasts of consolidated and non-consolidated financial results cannot be announced at this time.**
- **We shall provide prompt notification as soon as it is possible to announce our earnings forecast.**

- We have deemed the continuance of stable dividends to be fundamental, and have paid out dividends of 50 yen per share, taking account of the general picture from a mid- and long-term perspective rather than only the results for a given fiscal year.
- We intend to continue with stable dividends of 50 yen per share for fiscal year 2012 also.
- The future direction of the business is exceedingly opaque, and the forecasts of financial results cannot be announced at this time.
- Amid such a situation, we will work for rigorous cost-cutting across a whole range of fields, while according top priority to ensuring a safe and stable supply.

	FY2013 Estimate	FY2012 Results
Annual dividends	¥50 per share	¥50 per share
Interim dividends	¥25 per share	¥25 per share

III. Appendix

1. Operating revenues < Non-Consolidated >

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(1) Personnel

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Total	111.4	106.7	4.6	
Retirement allowances	11.4	7.4	3.9	• Increase in actuarial difference depreciation +3.7

(Rounded down to the hundred million yen)

Actuarial Difference

(billion yen)

	Recorded amount	FY2011 amount of amortization	FY2012		
			Amount of amortization	Balance of non-amortization	Non-amortization years
FY2006	18.9	3.7	-	-	-
FY2007	18.5	3.7	3.7	-	-
FY2008	▲21.0	▲4.2	▲4.2	▲4.2	1
FY2009	▲25.4	▲5.0	▲5.0	▲10.1	2
FY2010	22.1	4.4	4.4	13.3	3
FY2011	0.1	-	0.0	0.1	4
FY2012	▲0.1	-	-	▲0.1	5
Total	13.2	2.6	▲1.1	▲1.0	-

(※) Amortize for five years from next recorded year

(Rounded down to the hundred million yen)

(2) Maintenance

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Total	100.0	90.1	9.9	
Power source	54.3	46.9	7.3	· Increase in thermal power +6.8
Electric power transport	43.0	40.5	2.5	
Others	2.7	2.6	0.1	

(Rounded down to the hundred million yen)

(3) Depreciation

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Total	111.6	115.5	▲3.8	· Decrease caused by progress in the depreciation
Power source	43.2	47.5	▲4.2	
Electric power transport	57.7	60.3	▲2.5	
Others	10.6	7.6	2.9	

(※) Electric business operating expense

(Rounded down to the hundred million yen)

2. Procurement and Consumption of Fuel

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■ Procurement volume

	Unit	FY2012	FY2011
Fuel oil ※1	million liters	1,370	1,290
Crude oil	million liters	850	710
Coal ※2	thousands tons	6,120	6,750
LNG ※2	thousands tons	2,380	2,330

※1 : Internal combustion power plant included

※2 : Sales included

■ Consumption volume

	Unit	FY2012	FY2011
Fuel oil ※3	million liters	1,330	1,310
Crude oil	million liters	850	730
Coal	thousands tons	5,540	6,270
LNG	thousands tons	1,860	1,850

※3 : Internal combustion power plant included

3. Balance Sheet < Non-Consolidated >

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Assets

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown
Total	2,688.9	2,635.1	53.7	
Fixed assets	2,463.5	2,465.6	▲2.0	
Electric utility fixed assets	1,471.8	1,523.9	▲52.1	<ul style="list-style-type: none"> ▪ Asset capitalization +74.7 ▪ Depreciation ▲111.6 (Accumulated depreciation rate 75.2%) ▪ Retirement, etc. ▲15.2
Incidental business fixed assets	0.8	0.9	▲0.1	
Non-business fixed assets	5.6	5.8	▲0.1	
Construction in progress	549.2	496.5	52.6	▪ Shimane Nuclear Power Station Unit No.3
Nuclear fuel	166.1	165.6	0.5	
Others	269.9	272.7	▲2.8	
Current assets	225.4	169.5	55.8	▪ Increase in cash and time deposits

(Rounded down to the hundred million yen)

■ Liabilities and Net Assets

(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)	Breakdown			
Total	2,688.9	2,635.1	53.7	<Breakdown of interest-bearing debt>			
Liabilities	2,174.2	2,099.3	74.9		FY2012	FY2011	Difference
Long-term liabilities	1,707.8	1,642.6	65.1	Corporate bond	889.9	969.9	▲79.9
Current liabilities	398.6	398.7	▲0.1	Long-term debt	735.0	571.8	163.2
Provision for drought	2.0	—	2.0	Short-term debt	68.5	69.3	▲0.7
Provision for depreciation of nuclear power plant	65.7	57.8	7.8	CP	18.0	65.0	▲47.0
				Lease obligations	-	-	-
Net Assets	514.6	535.8	▲21.1	Total	1,711.6	1,676.1	35.5
Common stock	185.5	185.5	—				
Capital surplus	16.7	16.7	▲0.0				
Retained earnings	321.8	341.4	▲19.6				
Treasury stock	▲14.4	▲12.5	▲1.9				
Net unrealized holding gains on securities, etc.	4.9	4.6	0.3				
							<ul style="list-style-type: none"> • Dividend ▲18.2 • Net income of FY2012 ▲1.3

(Rounded down to the hundred million yen)

4. Capital Expenditure < Non-Consolidated >

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(billion yen)

	FY2012 (A)	FY2011 (B)	Difference (A-B)
Total	142.2	155.3	▲13.0
Power Source	83.1	88.1	▲4.9
Electric Power Transport	34.6	33.7	0.8
Transmission	12.2	10.8	1.4
Transformation	9.7	9.7	0.0
Distribution	12.5	13.2	▲0.6
Nuclear Fuel	12.1	13.5	▲1.3
Others	12.3	19.9	▲7.6

(※) Incidental Business Facilities Excluded

(Rounded down to the hundred million yen)

■ Financial Index

(billion yen)

		FY2012	FY2011
Consolidated	Interest-bearing debt	1,756.0	1,724.7
	Exclude lease obligations	1,744.7	1,712.6
	Shareholders' equity ratio	22.2%	23.2%
Non-consolidated	Interest-bearing debt	1,711.6	1,676.1
	Exclude lease obligations	1,711.6	1,676.1
	Shareholders' equity ratio	19.1%	20.3%

■ Interest Rate (Non-Consolidated)

	FY2012	FY2011
Average	1.54%	1.62%
End of period	1.53%	1.57%

6. Diffusion Rate of Completely Electrical Housing and Electric Water Heater

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	Unit	FY2009 Results	FY2010 Results	FY2011 Results	FY2012 Results
Completely electrical housing introduced	Number of housing (Thousand)	61	57	55	46
Newly-constructed		20	18	19	21
Remodeled ※1		42	40	35	26
The ratio of newly constructed electrical Housing	%	42.5	49.7	52.3	{ 53.3 ※2 84.2 16.7
Single homes	%	78.9	82.9	82.4	
Housing complexes	%	11.8	11.6	13.0	
Household diffusion rate of completely electric homes	%	12.1	13.5	15.1	16.4
Electric water heater sales	thousand	71.3	67.6	66.8	60.1
“Ecocute”		46.5	46.6	49.4	44.9
The diffusion rate of electric water heater	%	21.9	23.3	24.7	25.7
Electric Water Heater Contract Accounts (accumulated total)	Number of accounts (Thousand)	688.8	737.8	785.3	825.2

(※1) "Remodeled" includes homes which were converted to all-electric by the replacement only of hot-water supply equipment and kitchen equipment.

(※2) Figures are in End of February, 2012.

(※3) Total amounts may not agree due to rounding off.

7. Information & Telecommunication Business

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■ Performance Outlook of Information & Telecommunication Business

(billion yen)

	FY2013 Estimate (A)	FY2012 (B)	Difference (A-B)
Operating revenues	38.4	37.6	0.8
Telecommunication business	29.4	28.8	0.6
Operating income	5.8	5.8	0.0
Telecommunication business	5.4	5.4	0.0

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