

**Financial Release for the Six months Ended September 30, 2010**  
**[Japanese Standards] (Consolidated)**

October 28, 2010

**Hokkaido Electric Power Co., Inc.**

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

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

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The prearranged date of financial statement report publication: November 12, 2010

Commencement of payment of interim dividend: November 30, 2010

Preparation of supplementary materials for quarterly financial results: Yes

Information meeting for quarterly 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 Six Months (April 1, 2010 – September 30, 2010)**

**(1) Consolidated Business Results**

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 1, 2010–September 30, 2010	268,622	4.3	22,019	23.5	15,577	47.7	3,537	(0.6)
April 1, 2009–September 30, 2009	257,541	(6.4)	17,834	-	10,547	-	3,560	-

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, 2010–September 30, 2010	17.10	-
April 1, 2009–September 30, 2009	16.91	-

**(2) Consolidated Financial Position**

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of September 30, 2010	1,622,629	406,675	24.4	1,927.46
As of March 31, 2010	1,607,027	418,943	25.4	1,939.92

Reference: Shareholders' Equity: As of September 30, 2010 396,282 million yen As of March 31, 2010 408,558 million yen

**II. Dividends**

**Cash dividend**

	Cash dividends per share				
	June 30	September 30	December 31	Year-ended	Annual total
	Yen	Yen	Yen	Yen	Yen
April 1, 2009 – March 31, 2010	-	25.00	-	25.00	50.00
April 1, 2010 – March 31, 2011	-	25.00			
April 1, 2010 – March 31, 2011 (Forecast)			-	25.00	50.00

Note: Changes of the forecast of the cash dividends per share in this period: None

**III. Forecasts of Consolidated Results for the Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)**

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income Per Share (primary)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
April 1, 2010 – March 31, 2011	566,000	3.0	43,000	35.7	29,000	63.0	10,000	30.6	48.49

Note 1: Percentage figures represent changes as compared to the same period of the previous year.

Note 2: Changes of the forecasts of consolidated results in this period: Yes

\* 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 in this period: None

(2) Simplified accounting method or special accounting method: Yes

(3) Changes of principals, procedures and disclosure methods etc.:

- a. Amendments of accounting regulations: Yes  
b. Others: None

(4) Outstanding shares (Common stock)

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

As of September 30, 2010: 215,291,912 As of March 31, 2010: 215,291,912

b. Number of treasury stock:

As of September 30, 2010: 9,694,071 As of March 31, 2010: 4,685,655

c. Average number of shares over period (total for quarter):

April 1, 2010 - September 30, 2010: 206,899,492 April 1, 2009 - September 30, 2009: 210,600,472

#### (Reference)

##### Forecasts of Non-consolidated Results for the Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income Per Share (primary)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
April 1, 2010 – March 31, 2011	544,000	3.2	38,000	41.7	24,000	81.8	8,000	48.7	38.79

Note 1: Percentage figures represent changes as compared to the same period of the previous year.

Note 2: Changes of the forecasts of non-consolidated results in this period: Yes

#### Results of Production and Sales [Electric Utility Business]

##### 1. Sales

##### Electricity Sales

(GWh)

	April 1, 2010– September 30, 2010 (A)	April 1, 2009– September 30, 2009 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2009 – March 31, 2010
Non-eligible customers					
Residential	5,533	5,330	203	103.8	11,875
Commercial and industrial	929	835	94	111.2	2,368
Subtotal	6,462	6,165	297	104.8	14,243
Eligible customers	8,894	8,482	412	104.9	17,208
Total	15,356	14,647	709	104.8	31,451

##### 2. Production

##### Power Supply

(GWh)

	April 1, 2010 – September 30, 2010 (A)	April 1, 2009 – September 30, 2009 (B)	Increase/decrease (A) - (B)	Comparison (%) (A) / (B)	April 1, 2009 – March 31, 2010
Hokkaido Electric Power Co., Inc.					
[Water flow rate %]	[120.0]	[111.6]	[8.4]		[108.0]
Hydroelectric	2,616	2,436	180	107.4	3,757
Fossil fuel	4,474	6,664	(2,190)	67.1	14,986
[Nuclear capacity ratio %]	[92.1]	[71.3]	[20.8]		[81.9]
Nuclear	8,378	5,139	3,239	163.0	12,381
Renewable	48	44	4	108.5	115
Subtotal	15,516	14,283	1,233	108.6	31,239
Purchased power	1,542	2,063	(521)	74.8	4,461
Interchange power	(32)	(90)	58	35.8	(108)
Power used for pumped storage	(92)	(63)	(29)	145.8	(144)
Total	16,934	16,193	741	104.6	35,448

Note 1: Amount of power generated in trial operation is excluded from the calculation of nuclear capacity ratio.

Note 2: Geothermal power supply, which was previously included as part of thermal power supply, is accounted for under “Renewable” after March 31, 2010. Consequently, figures for April 1, 2009 – September 30, 2009 has been reclassified.

Note 3: Amount of power generated from consolidated subsidiaries, Hokkaido Power Engineering and HOKUDEN ECO-ENERGY, is included in purchased power.

**Forecasts of Consolidated Results for the Full Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)**

The forecasts of consolidated results for the full year ending March 2011, which was released on September 28, 2010, have been revised as shown below.

(Million yen)

	April 1, 2010 – March 31, 2011		
		Increase/decrease compared with the previous forecasts released on September 28	Increase/decrease compared with the previous term
Operating Revenue	566,000	1,000	17,000
Operating Income	43,000	1,000	11,000
Ordinary Income	29,000	1,000	11,000
Net Income	10,000	Same level	3,000

**Key Factors**

	April 1, 2010 – March 31, 2011	
		Previous forecasts released on September 28
(Increase/decrease compared with the previous term)	( Approx. 3.2% )	( Approx. 3.1% )
Electricity sales	Approx. 32.5 TWh	Approx. 32.4 TWh
Foreign Exchange Rate	Approx. 88 yen/\$	Approx. 90 yen/\$
CIF Crude Oil Price	Approx. 80 \$/bl	Approx. 80 \$/bl
Nuclear Capacity Ratio	Approx. 89 %	-
<b>Sensitivity Factors</b>		
Foreign Exchange Rate (1 yen/\$)	Approx. 0.7 billion yen	-
CIF Crude Oil Price (1 \$/bl)	Approx. 0.4 billion yen	-
Nuclear Capacity Ratio (1 %)	Approx. 0.9 billion yen	-
Interest (1 %)	Approx. 1.2 billion yen	-

Note : The average Foreign Exchange Rate from October 1, 2010 through March 31, 2011 is assumed Approx. 85 yen/\$.

The average price of CIF Crude Oil from October 1, 2010 through March 31, 2011 is assumed Approx. 80 \$/bl.

**(Reference)**

**Forecasts of Non-consolidated Results for the Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)**

(Million yen)

	April 1, 2010 – March 31, 2011		
		Increase/decrease compared with the previous forecasts released on September 28	Increase/decrease compared with the previous term
Operating Revenue	544,000	1,000	17,000
Operating Income	38,000	1,000	11,000
Ordinary Income	24,000	1,000	11,000
Net Income	8,000	Same level	3,000

**Consolidated Balance Sheets**

(Million yen)

Item	As of September 30, 2010 (A)	As of March 31, 2010 (B)
<b>Assets</b>		
Noncurrent assets	1,525,440	1,491,500
Electric utility plant and equipment	1,120,733	1,117,755
Hydroelectric power production facilities	115,227	117,740
Thermal power production facilities	103,501	103,814
Nuclear power production facilities	336,014	327,444
Transmission facilities	181,372	182,626
Transformation facilities	80,562	81,982
Distribution facilities	262,512	263,251
General facilities	39,244	38,489
Other electric utility plant and equipment	2,296	2,405
Other noncurrent assets	47,186	48,422
Construction in progress	99,318	89,919
Construction in progress	98,877	89,697
Retirement in progress	441	221
Nuclear fuel	84,260	79,325
Loaded nuclear fuel	18,210	19,163
Nuclear fuel in processing	66,049	60,161
Investments and other assets	173,942	156,078
Long-term investments	53,371	40,174
Deferred tax assets	59,760	59,186
Other	60,962	56,864
Allowance for doubtful accounts	(151)	(147)
Current assets	97,188	115,526
Cash and deposits	16,627	39,201
Notes and accounts receivable-trade	30,482	32,071
Inventories	34,608	26,818
Deferred tax assets	8,540	8,112
Other	7,397	9,724
Allowance for doubtful accounts	(467)	(401)
<b>Total</b>	<b>1,622,629</b>	<b>1,607,027</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Noncurrent liabilities	960,347	948,451
Bonds payable	539,119	553,792
Long-term loans payable	195,463	196,662
Provision for retirement benefits	65,013	70,520
Provision for reprocessing of irradiated nuclear fuel	70,098	69,286
Provision for preparation of the reprocessing of irradiated nuclear fuel	6,219	4,930
Provision for decommissioning of nuclear power units	-	44,308
Reserve for loss on liquidation of affiliates	3,136	3,137
Asset retirement obligations	76,831	-
Other	4,464	5,814
Current liabilities	245,211	233,529
Current portion of noncurrent liabilities	110,481	105,919
Short-term loans payable	48,000	48,000
Commercial papers	6,000	4,000
Notes and accounts payable-trade	16,319	23,494
Accrued taxes	18,241	6,122
Other	46,169	45,992
Reserves under the special laws	10,393	6,104
Reserve for fluctuation in water levels	10,393	6,104
<b>Total Liabilities</b>	<b>1,215,953</b>	<b>1,188,084</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>	393,999	404,986
Capital stock	114,291	114,291
Capital surplus	21,174	21,174
Retained earnings	276,657	278,385
Treasury stock	(18,125)	(8,866)
<b>Valuation and translation adjustments</b>	2,283	3,572
Valuation difference on available-for-sale securities	2,279	3,572
Deferred gains or losses on hedges	3	-
<b>Minority interests</b>	10,393	10,384
<b>Total Net Assets</b>	<b>406,675</b>	<b>418,943</b>
<b>Total</b>	<b>1,622,629</b>	<b>1,607,027</b>

**Consolidated Statements of Income**

(Million yen)

Item	April 1, 2009– September 30, 2009	April 1, 2010– September 30, 2010
<b>Operating Revenue</b>	257,541	268,622
Electric utility operating revenue	247,604	259,382
Other business operating revenue	9,937	9,239
<b>Operating Expenses</b>	239,707	246,603
Electric utility operating expenses	230,955	238,542
Other business operating expenses	8,751	8,060
<b>Operating Income</b>	17,834	22,019
<b>Non-operating Income</b>	1,110	1,576
Dividends income	214	209
Interest income	271	408
Equity in earnings of affiliates	134	264
Other	490	694
<b>Non-operating Expenses</b>	8,397	8,018
Interest expenses	7,768	7,492
Other	629	525
Total ordinary revenue	258,652	270,199
Total ordinary expenses	248,104	254,621
<b>Ordinary Income</b>	10,547	15,577
Provision or reversal of reserve for fluctuation in water levels	3,362	4,288
Provision of reserve for fluctuation in water levels	3,362	4,288
Extraordinary loss	-	4,923
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,923
Income before income taxes and minority interests in income	7,185	6,365
Income taxes-current	3,311	2,768
Income taxes-deferred	145	(63)
Total income taxes	3,456	2,705
Income before minority interests	-	3,659
Minority interests in income	168	122
<b>Net Income</b>	3,560	3,537

**Consolidated Statements of Cash Flows**

(Million yen)

Account	April 1, 2009 – September 30, 2009	April 1, 2010 – September 30, 2010
<b>Net Cash Provided by (Used in) Operating Activities</b>		
Income before income taxes	7,185	6,365
Depreciation and amortization	55,553	52,387
Amortization of nuclear fuel	2,811	4,755
Decommissioning costs of nuclear power units	-	2,064
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,923
Increase (decrease) in provision for retirement benefits	(4,025)	(5,506)
Increase (decrease) in provision for decommissioning of nuclear power units	1,197	-
Increase (decrease) in reserve for fluctuation in water levels	-	4,288
Interest and dividends income	(486)	(617)
Interest expenses	7,768	7,492
Decrease (increase) in reserve fund for reprocessing of irradiated nuclear fuel	(3,979)	(4,081)
Decrease (increase) in notes and accounts receivable-trade	7,404	1,649
Decrease (increase) in inventories	-	(7,789)
Increase (decrease) in notes and accounts payable-trade	(6,505)	(7,393)
Other, net	9,381	15,729
Subtotal	76,304	74,267
Interest and dividends income received	506	577
Interest expenses paid	(7,676)	(7,575)
Income taxes paid	(1,383)	(985)
Net cash provided by (used in) operating activities	67,751	66,284
<b>Net Cash Provided by (Used in) Investment Activities</b>		
Purchase of noncurrent assets	(63,105)	(50,721)
Payments of investment and loans receivable	(12,199)	(24,206)
Collection of investment and loans receivable	11,985	8,824
Other, net	256	343
Net cash provided by (used in) investment activities	(63,062)	(65,759)
<b>Net Cash Provided by (Used in) Financing Activities</b>		
Proceeds from issuance of bonds	19,933	19,934
Redemption of bonds	-	(20,000)
Proceeds from long-term loans payable	1,000	5,000
Repayment of long-term loans payable	(5,905)	(16,227)
Increase in short-term loans payable	107,575	118,309
Decrease in short-term loans payable	(111,300)	(117,181)
Proceeds from issuance of commercial papers	13,000	33,000
Redemption of commercial papers	(13,000)	(31,000)
Purchase of treasury stock	-	(9,271)
Cash dividends paid	(6,309)	(5,256)
Other, net	(178)	(204)
Net cash provided by (used in) financing activities	4,815	(22,898)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	9,504	(22,373)
<b>Cash and Cash Equivalents at Beginning of Period</b>	40,421	39,001
<b>Cash and Cash Equivalents at End of Period</b>	49,925	16,627

**Business Segment Information**

Six Months Ended September 30, 2009 (April 1, 2009 – September 30, 2009)

(Million yen)

	Electric utility	Other business	Total	Eliminations	Consolidated
Operating revenue					
Sales to customers	247,604	9,937	257,541	-	257,541
Intersegment sales	510	31,085	31,596	(31,596)	-
Total operating revenue	248,114	41,023	289,137	(31,596)	257,541
Operating income	16,279	1,150	17,429	404	17,834

Six Months Ended September 30, 2010 (April 1, 2010 – September 30, 2010)

(Million yen)

	Reportable segment			Eliminations	Consolidated
	Electric utility	Other business	Total		
Operating revenue					
Sales to customers	259,382	9,239	268,622	-	268,622
Intersegment sales	779	34,634	35,414	(35,414)	-
Total operating revenue	260,162	43,874	304,036	(35,414)	268,622
Operating income	20,961	1,309	22,271	(252)	22,019

**Note:** The information shown above is an English translation of the " Financial Release for the Six months Ended September 30, 2010" which was filed with stock exchanges (Tokyo, Osaka, Sapporo) on the date shown above.