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## Summary of Consolidated Financial Statements for the Second Quarter of Fiscal 2012 Ending March 31, 2013 (Japan GAAP)

October 31, 2012

Listed company name: Shikoku Electric Power Co., Inc. Listing exchanges: 1st Section of Tokyo and Osaka  
 Securities code: 9507 URL: <http://www.yonden.co.jp/>  
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Date to submit the quarterly securities report: November 2, 2012

Date to start dividends distribution: —

Preparation of supplementary materials for the quarterly financial statements: Yes

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

(Figures shown are rounded down to the nearest million yen.)

### 1. Consolidated Financial Results for the Second Quarter of Fiscal 2012 (April 1, 2012 to September 30, 2012)

#### (1) Consolidated Operating Results (Cumulative)

(Percentage figures indicate the rates of changes from the same period of the preceding fiscal year.)

|                | Operating revenues |       | Operating income (loss) |        | Ordinary income (loss) |        | Net income (loss) |      |
|----------------|--------------------|-------|-------------------------|--------|------------------------|--------|-------------------|------|
|                | Millions of yen    | %     | Millions of yen         | %      | Millions of yen        | %      | Millions of yen   | %    |
| 2Q Fiscal 2012 | 274,073            | (8.5) | (16,636)                | —      | (19,606)               | —      | (15,012)          | —    |
| 2Q Fiscal 2011 | 299,671            | 2.9   | 30,531                  | (15.4) | 26,750                 | (17.9) | 16,038            | 15.3 |

(Note) Comprehensive income (loss): 2Q Fiscal 2012: ¥16,567 million (— %); 2Q Fiscal 2011: ¥15,706 million (48.1 %)

|                | Net income (loss) per share | Diluted net income per share |
|----------------|-----------------------------|------------------------------|
|                | Yen                         | Yen                          |
| 2Q Fiscal 2012 | (72.88)                     | —                            |
| 2Q Fiscal 2011 | 77.18                       | —                            |

#### (2) Consolidated Financial Position

|                | Total assets    | Net assets      | Shareholders' equity ratio | Net assets per share |
|----------------|-----------------|-----------------|----------------------------|----------------------|
|                | Millions of yen | Millions of yen | %                          | Yen                  |
| 2Q Fiscal 2012 | 1,372,023       | 304,044         | 22.1                       | 1,474.99             |
| Fiscal 2011    | 1,375,197       | 326,815         | 23.7                       | 1,585.55             |

(Reference) Shareholders' equity: 2Q Fiscal 2012: ¥303,815 million; Fiscal 2011: ¥326,595 million

### 2. Dividends

|                        | Cash dividends per share |        |        |          |        |
|------------------------|--------------------------|--------|--------|----------|--------|
|                        | 1Q-end                   | 2Q-end | 3Q-end | Year-end | Annual |
|                        | Yen                      | Yen    | Yen    | Yen      | Yen    |
| Fiscal 2011            | —                        | 30.00  | —      | 30.00    | 60.00  |
| Fiscal 2012            | —                        | 0.00   |        |          |        |
| Fiscal 2012 (forecast) |                          |        | —      | —        | —      |

(Note) Adjustment for the most recent forecasts of dividends: None

The forecasts of dividends for Fiscal 2012 are undecided.

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

### 3. Forecasts of Consolidated Financial Results for Fiscal 2012 Ending March 31, 2013 (April 1, 2012 to March 31, 2013)

The forecast of consolidated financial results for Fiscal 2012 is undecided because it is difficult to predict the time when the Ikata Nuclear Power Station resumes operations. These financial forecasts will be promptly released as soon as they are determined.

4. Other Information

(1) Changes in significant subsidiaries during the period under review (Changes in specific subsidiaries associated with changes in scope of consolidation): None

(2) Adoption of accounting methods specified in preparing quarterly financial statements: Yes

(3) Changes in accounting principles, changes in accounting estimates and restatements

- 1) Changes associated with the revision of accounting standards : Yes
- 2) Changes other than 1) : None
- 3) Changes in accounting estimates : Yes
- 4) Restatements : None

(4) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding at period-end (including treasury stock):

2Q Fiscal 2012 : 223,086,202 shares      Fiscal 2011 : 223,086,202 shares

2) Number of treasury stock at period-end:

2Q Fiscal 2012 : 17,108,066 shares      Fiscal 2011 : 17,103,448 shares

3) Average number of shares (cumulative):

2Q Fiscal 2012 : 205,980,370 shares      2Q Fiscal 2011 : 207,789,302 shares

\*Display about implementation status of quarterly review procedures

At the time of disclosure of this quarterly consolidated financial statements, review procedures is being carried out for the quarterly financial statements based on the Financial Instruments and Exchange Act.

**Consolidated quarterly financial statements****1. Consolidated quarterly balance sheets**

(Millions of yen)

|  | FY2011<br>(As of March 31, 2012) | Second quarter of FY2012<br>(As of September 30, 2012) |
|--|----------------------------------|--|
| Assets   |                                  |  |
| Fixed assets                                     | 1,252,028                        | 1,245,534  |
| Plant and equipment, and intangible assets       | 865,491                          | 852,679  |
| Hydroelectric power production facilities        | 67,840                           | 66,361   |
| Thermal power production facilities              | 89,080                           | 86,901   |
| Nuclear power production facilities              | 104,134                          | 106,613  |
| Transmission facilities                          | 165,174                          | 160,814  |
| Transformation facilities                        | 91,250                           | 89,194   |
| Distribution facilities                          | 207,060                          | 206,295  |
| Other fixed assets                               | 121,192                          | 118,326  |
| Construction and retirement in progress          | 19,759                           | 18,172   |
| Nuclear fuel, less accumulated amortization      | 138,402                          | 141,163  |
| Loaded nuclear fuel                              | 25,834                           | 29,163   |
| Nuclear fuel in processing                       | 112,568                          | 112,000  |
| Investments and other assets                     | 248,134                          | 251,691  |
| Long-term investments                            | 46,050                           | 44,554   |
| Fund for reprocessing of irradiated nuclear fuel | 121,928                          | 117,767  |
| Deferred tax assets                              | 35,110                           | 42,302   |
| Other assets                                     | 45,057                           | 47,077   |
| Allowance for doubtful accounts                  | (11)                             | (11)   |
| Current assets                                   | 123,168                          | 126,489  |
| Cash and cash equivalents                        | 8,164                            | 9,273  |
| Notes and accounts receivable                    | 45,809                           | 47,838   |
| Inventories                                      | 35,952                           | 38,698   |
| Deferred tax assets                              | 8,759                            | 8,792  |
| Other current assets                             | 27,483                           | 24,853   |
| Allowance for doubtful accounts                  | (3,000)                          | (2,967)  |
| Total assets                                     | 1,375,197                        | 1,372,023  |

(Millions of yen)

|  | FY2011<br>(As of March 31, 2012) | Second quarter of FY2012<br>(As of September 30, 2012) |
|--|----------------------------------|--|
| <b>Liabilities</b>   |                                  |  |
| Long-term liabilities  | 795,581                          | 831,485  |
| Bonds  | 279,954                          | 309,956  |
| Long-term debt   | 234,625                          | 241,054  |
| Liability for retirement benefits  | 21,174                           | 21,465   |
| Provision for reprocessing of irradiated nuclear fuel                    | 129,091                          | 126,234  |
| Provision for preparation of the reprocessing of irradiated nuclear fuel | 7,282                            | 7,428  |
| Asset retirement obligations   | 100,843                          | 101,638  |
| Other long-term liabilities  | 22,609                           | 23,708   |
| Current liabilities  | 250,983                          | 233,296  |
| Current portion of long-term liabilities                                 | 70,971                           | 65,060   |
| Short-term borrowings  | 18,000                           | 18,000   |
| Commercial papers  | 70,000                           | 79,000   |
| Notes and accounts payable   | 39,513                           | 26,120   |
| Income taxes payable   | 7,700                            | 6,724  |
| Other current liabilities  | 44,797                           | 38,391   |
| Reserves under the special laws  | 1,817                            | 3,196  |
| Reserve for fluctuation in water levels                                  | 1,817                            | 3,196  |
| <b>Total liabilities</b>   | <b>1,048,382</b>                 | <b>1,067,979</b>                                       |
| <b>Net assets</b>  |                                  |  |
| Shareholders' equity   | 325,342                          | 304,125  |
| Common stock   | 145,551                          | 145,551  |
| Capital surplus  | 35,198                           | 35,198   |
| Retained earnings  | 185,992                          | 164,782  |
| Treasury stock, at cost  | (41,400)                         | (41,407)   |
| Accumulated other comprehensive income                                   | 1,253                            | (310)  |
| Net unrealized gain on available-for-sale securities                     | 3,093                            | 2,280  |
| Deferred gain (loss) on derivatives under hedge accounting               | (1,840)                          | (2,591)  |
| Minority interests   | 219                              | 228  |
| <b>Total net assets</b>  | <b>326,815</b>                   | <b>304,044</b>   |
| <b>Total liabilities and net assets</b>                                  | <b>1,375,197</b>                 | <b>1,372,023</b>                                       |

## 2. Consolidated quarterly statements of income and consolidated quarterly statements of comprehensive income

### Consolidated quarterly statements of income

(Millions of yen)

|  | Second quarter of FY2011<br>(April 1, 2011 to September 30, 2011) | Second quarter of FY2012<br>(April 1, 2012 to September 30, 2012) |
|--|---|---|
| Operating revenues   | 299,671   | 274,073   |
| Electric   | 271,155   | 242,468   |
| Other  | 28,515  | 31,604  |
| Operating expenses   | 269,140   | 290,709   |
| Electric   | 242,694   | 262,587   |
| Other  | 26,445  | 28,121  |
| Cost of sales  | 22,502  | 24,497  |
| Selling, general and administrative expenses                       | 3,942   | 3,624   |
| Operating income (loss)  | 30,531  | (16,636)  |
| Non-operating income   | 2,180   | 2,506   |
| Dividends  | 305   | 377   |
| Interest income  | 1,254   | 1,481   |
| Equity in earnings of affiliates                                   | 131   | —   |
| Other, net   | 489   | 647   |
| Non-operating expenses   | 5,961   | 5,476   |
| Interest expense   | 4,865   | 4,662   |
| Equity in losses of affiliates                                     | —   | 333   |
| Other, net   | 1,095   | 481   |
| Ordinary income (loss)   | 26,750  | (19,606)  |
| Provision or reversal of reserve for fluctuation in water levels   | 598   | 1,379   |
| Provision of reserve for fluctuation in water levels               | 598   | 1,379   |
| Quarterly income (loss) before income taxes and minority interests | 26,151  | (20,985)  |
| Income taxes   | 10,105  | (5,982)   |
| Quarterly income (loss) before minority interests                  | 16,046  | (15,003)  |
| Minority interests in net income                                   | 8   | 9   |
| Quarterly net income (loss)  | 16,038  | (15,012)  |

**Consolidated quarterly statements of comprehensive income**

(Millions of yen)

|   | Second quarter of FY2011<br>(April 1, 2011 to September 30, 2011) | Second quarter of FY2012<br>(April 1, 2012 to September 30, 2012) |
|---|---|---|
| Quarterly income (loss) before minority interests                                   | 16,046  | (15,003)  |
| Other comprehensive income (loss)   |   |   |
| Unrealized gain (loss) on available-for-sale securities                             | 3   | (818)   |
| Deferred gain (loss) on derivatives under hedge accounting                          | (222)   | (750)   |
| Share of other comprehensive income of associates accounted for using equity method | (120)   | 5   |
| Total other comprehensive income (loss)   | (340)   | (1,563)   |
| Quarterly comprehensive income (loss)   | 15,706  | (16,567)  |
| Quarterly comprehensive income (loss) attributable to                               |   |   |
| Owners of the parent  | 15,697  | (16,576)  |
| Minority interests  | 8   | 9   |

**4. Consolidated statements of cash flows**

(Millions of yen)

|  | Second quarter of FY2011<br>(April 1, 2011 to September 30, 2011) | Second quarter of FY2012<br>(April 1, 2012 to September 30, 2012) |
|--|---|---|
| Cash flows from operating activities   |   |   |
| Income (loss) before income taxes and minority interests                           | 26,151  | (20,985)  |
| Depreciation and amortization  | 36,759  | 34,324  |
| Amortization of nuclear fuel   | 2,869   | –   |
| Decommissioning cost of nuclear power units  | 1,349   | –   |
| Loss on disposal of property, plant and equipment                                  | 1,214   | 1,198   |
| Provision for (reversal of) liability for retirement benefits                      | (247)   | 291   |
| Increase (decrease) in provision for reprocessing of irradiated nuclear fuel       | (2,088)   | (2,857)   |
| Increase (decrease) in provision for other reprocessing of irradiated nuclear fuel | 230   | 145   |
| Increase (decrease) in allowance for doubtful accounts                             | 80  | (32)  |
| Increase (decrease) in reserve for fluctuation in water levels                     | 598   | 1,379   |
| Decrease (increase) in fund for reprocessing of irradiated nuclear fuel            | 3,322   | 4,160   |
| Decrease (increase) in prepaid pension cost  | 395   | (64)  |
| Decrease (increase) in notes and accounts receivable – trade                       | 1,787   | (1,970)   |
| Decrease (increase) in inventories   | (8,851)   | (2,618)   |
| Increase (decrease) in notes and accounts payable – trade                          | 2,789   | (13,393)  |
| Equity in (earnings) losses of affiliates  | (131)   | 333   |
| Interest expenses  | 4,865   | 4,662   |
| Other, net   | (2,559)   | (11,516)  |
| Subtotal   | 68,537  | (6,943)   |
| Interest and dividends income received   | 1,605   | 1,926   |
| Interest expenses paid   | (4,944)   | (4,700)   |
| Income taxes (paid) refund   | (12,049)  | 8,239   |
| Net cash provided by (used in) operating activities                                | 53,149  | (1,478)   |
| Cash flows from investing activities   |   |   |
| Capital expenditures including nuclear fuel  | (33,696)  | (28,972)  |
| Proceeds from sales of property, plant and equipment                               | 46  | 27  |
| Increase in investments  | (677)   | (2,285)   |
| Proceeds from investments  | 1,102   | 592   |
| Net cash used in investing activities  | (33,224)  | (30,637)  |

(Millions of yen)

|   | Second quarter of FY2011<br>(April 1, 2011 to September 30, 2011) | Second quarter of FY2012<br>(April 1, 2012 to September 30, 2012) |
|---|---|---|
| Cash flows from financing activities                |   |   |
| Proceeds from issuance of bonds                     | –   | 40,000  |
| Redemption of bonds                                 | (10,000)  | (30,000)  |
| Proceeds from long-term loans                       | –   | 38,100  |
| Repayments of long-term loans                       | (9,126)   | (17,660)  |
| Net increase (decrease) in commercial papers        | 12,000  | 9,000   |
| Cash dividends paid                                 | (7,316)   | (6,196)   |
| Purchase of treasury stock                          | (4,279)   | (7)   |
| Other, net  | (8)   | (9)   |
| Net cash provided by (used in) financing activities | (18,731)  | 33,225  |
| Net increase in cash and cash equivalents           | 1,193   | 1,109   |
| Cash and cash equivalents at beginning of year      | 5,526   | 8,164   |
| Cash and cash equivalents at end of year            | 6,719   | 9,273   |