

# Tohoku Electric Power Co., Inc.

## Summary of Financial Statements (Unaudited)

(April 1, 2007 - March 31, 2008)

Information below is an English translation of the "Kessan Tanshin" (Unaudited financial release for the year ended March 31, 2008), 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 2007 (Year ended March 31, 2008)

#### (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, 2008	1,802,621	4.3	80,417	(40.0)	38,535	(61.1)	17,294	(67.5)
Year ended Mar. 31, 2007	1,728,296	4.1	133,935	34.1	99,121	94.2	53,173	(1.8)

  

	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, 2008	34.67	—	1.8	1.0	4.5
Year ended Mar. 31, 2007	106.57	—	5.5	2.4	7.7

(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, 2008	4,033,835	1,015,352	23.9	1,933.42
Mar. 31, 2007	4,069,331	1,032,681	24.2	1,971.69

#### (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, 2008	277,100	(159,133)	(112,675)	124,359
Year ended Mar. 31, 2007	276,182	(197,591)	(73,004)	119,073

### 2. Dividends

	Cash dividends per share			Dividends paid for the year	Dividends payout ratio	Dividends / Net assets
	Interim	Year-end	Annual total			
	Yen	Yen	Yen	Millions of yen	%	%
Year ended Mar. 31, 2007	30.00	30.00	60.00	29,935	56.3	3.1
Year ended Mar. 31, 2008	30.00	30.00	60.00	29,925	173.1	3.1
Year ending Mar. 31, 2009 (forecast)	30.00	30.00	60.00	—	149.6	—

### 3. Business Results Forecast for Consolidated FY 2008 (Year ending March 31, 2009)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter of FY 2008	890,000	4.3	43,000	(38.4)	22,000	(54.2)	10,000	(64.0)	20.05
FY 2008	1,860,000	3.2	82,000	2.0	40,000	3.8	20,000	15.6	40.10

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

(Reference) Summary of Non-Consolidated Financial Statements

1. Business Results for Non-Consolidated FY 2007 (Year ended March 31, 2008)

(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, 2008	1,595,922	3.2	53,653	(50.5)	14,191	(81.5)	6,774	(84.9)
Year ended Mar. 31, 2007	1,546,745	3.2	108,311	39.0	76,762	101.5	44,780	(16.4)

  

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended Mar. 31, 2008	13.58	—
Year ended Mar. 31, 2007	89.75	—

(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, 2008	3,675,908	845,126	23.0	1,694.60
Mar. 31, 2007	3,709,377	874,540	23.6	1,753.01

2. Business Results Forecast for Non-Consolidated FY 2008 (Year ending March 31, 2009)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter of FY 2008	800,000	4.7	30,000	(47.7)	10,000	(73.1)	5,000	(78.8)	10.03
FY 2008	1,670,000	4.6	55,000	2.5	15,000	5.7	8,000	18.1	16.04

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

## CONSOLIDATED BALANCE SHEETS (Unaudited)

FY 2006 (As of March 31, 2007) and FY 2007 (As of March 31, 2008)

Assets	(Millions of yen)		
Item	March 31, 2007	March 31, 2008	Increase (Decrease)
Fixed assets (property, plant and equipment):	3,713,452	3,634,639	(78,812)
Electric utility fixed assets:	2,692,084	2,612,144	(79,940)
Hydro power plant	183,869	180,852	(3,017)
Thermal power plant	395,333	359,072	(36,261)
Nuclear power plant	494,597	435,347	(59,250)
Transmission plant	642,388	639,936	(2,452)
Transformation plant	261,624	262,023	399
Distribution plant	587,335	612,788	25,452
General plant	121,691	115,819	(5,871)
Other	5,243	6,304	1,060
Other fixed assets	272,199	262,134	(10,065)
Construction work in progress	161,162	182,207	21,044
Nuclear fuel:	141,511	140,775	(736)
Loaded nuclear fuel	37,234	32,043	(5,191)
Nuclear fuel under processing	104,277	108,732	4,454
Investments in and advances to:	446,494	437,378	(9,116)
Long-term investments	90,879	79,582	(11,297)
Fund for reprocessing costs of irradiated nuclear fuel	104,522	106,016	1,494
Deferred income taxes	155,473	154,252	(1,221)
Other	96,762	98,719	1,956
Allowance for uncollectibles	(1,144)	(1,192)	(48)
Current assets:	355,879	399,195	43,316
Cash and deposits	115,939	121,081	5,141
Trade notes receivable and amounts due from customers	129,494	140,655	11,160
Inventories	60,326	69,378	9,052
Deferred income taxes	16,642	16,664	21
Other	34,456	53,348	18,892
Allowance for uncollectibles	(980)	(1,933)	(952)
Total assets	4,069,331	4,033,835	(35,496)

**Liabilities and net assets**

(Millions of yen)

Item	March 31, 2007	March 31, 2008	Increase (Decrease)
<b>Fixed liabilities:</b>	<b>2,329,115</b>	<b>2,274,354</b>	<b>(54,761)</b>
Bonds	1,170,517	1,160,524	(9,992)
Long-term debt	600,362	588,530	(11,831)
Accrued retirement benefits	204,599	188,484	(16,115)
Reserve for reprocessing costs of irradiated nuclear fuel	113,269	109,470	(3,799)
Pre-reserve for reprocessing costs of irradiated nuclear fuel	3,126	5,591	2,464
Reserve for decommissioning costs of nuclear power units	38,426	49,007	10,581
Deferred income taxes	424	110	(313)
Deferred income taxes on revaluation adjustments	2,921	2,748	(172)
Other	195,467	169,885	(25,581)
<b>Current liabilities:</b>	<b>688,272</b>	<b>731,079</b>	<b>42,807</b>
Current portion of long-term debt	292,357	218,669	(73,688)
Short-term borrowings	55,985	56,148	163
Trade notes and accounts payable	116,526	164,650	48,123
Accrued taxes	47,820	25,362	(22,457)
Other	175,581	266,248	90,666
<b>Reserve:</b>	<b>19,262</b>	<b>13,049</b>	<b>(6,213)</b>
Reserve for fluctuation in water levels	19,262	13,049	(6,213)
<b>Total liabilities</b>	<b>3,036,650</b>	<b>3,018,483</b>	<b>(18,167)</b>
<b>Shareholders' equity:</b>	<b>971,930</b>	<b>958,990</b>	<b>(12,940)</b>
Common stock	251,441	251,441	-
Capital surplus	26,678	26,678	-
Retained earnings	701,309	688,795	(12,513)
Treasury stock, at cost	(7,498)	(7,925)	(426)
<b>Valuation and translation adjustments:</b>	<b>11,703</b>	<b>5,241</b>	<b>(6,462)</b>
Net unrealized holding gain on securities	11,827	5,477	(6,350)
Revaluation adjustments	(1,074)	(1,196)	(122)
Foreign currency translation adjustments	950	961	10
<b>Minority interests in consolidated subsidiaries</b>	<b>49,046</b>	<b>51,120</b>	<b>2,073</b>
<b>Total net assets</b>	<b>1,032,681</b>	<b>1,015,352</b>	<b>(17,328)</b>
<b>Total liabilities and net assets</b>	<b>4,069,331</b>	<b>4,033,835</b>	<b>(35,496)</b>

## CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

FY 2006 (Year ended March 31, 2007) and FY 2007 (Year ended March 31, 2008)

Item	Year ended March 31,		(Millions of yen)
	2007	2008	Increase (Decrease)
Operating revenues:	1,728,296	1,802,621	74,324
Electric power	1,539,130	1,584,074	44,944
Other	189,166	218,546	29,379
Operating expenses:	1,594,361	1,722,203	127,841
Electric power	1,417,639	1,515,390	97,750
Other	176,721	206,812	30,090
Operating income	133,935	80,417	(53,517)
Other income:	17,069	8,088	(8,980)
Dividends income	647	756	108
Interest income	1,492	2,248	756
Gain from sales of fixed assets	1,240	664	(575)
Other	13,689	4,418	(9,270)
Other expenses:	51,882	49,970	(1,912)
Interest expense	46,934	45,947	(987)
Other	4,948	4,023	(924)
Total amount of revenues	1,745,366	1,810,709	65,343
Total amount of expenses	1,646,244	1,772,174	125,929
Ordinary income	99,121	38,535	(60,586)
Special item:	4,276	(6,213)	(10,489)
(Reversal of) provision for reserve for fluctuation in water levels	4,276	(6,213)	(10,489)
Extraordinary loss:	-	5,792	5,792
Provision for decommissioning costs of nuclear power units for prior periods	-	5,792	5,792
Income before income taxes and minority interests	94,845	38,956	(55,888)
Current income taxes	36,452	14,086	(22,366)
Deferred income taxes	1,850	4,450	2,600
Minority interests in earnings of consolidated subsidiaries	3,368	3,124	(244)
Net income	53,173	17,294	(35,878)

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

FY 2006 (Year ended March 31, 2007)

(Millions of yen)

	Shareholders' equity				Total shareholders' equity
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	
Balance as of March 31, 2006	251,441	26,655	678,359	(7,058)	949,398
Changes:					
Dividend paid			(14,969)		(14,969)
Dividend paid (Interim)			(14,967)		(14,967)
Bonuses to directors			(318)		(318)
Net income			53,173		53,173
Purchases of treasury stock				(476)	(476)
Disposal of treasury stock		23		35	59
Reversal of revaluation adjustments			31		31
Net changes except for shareholders' equity					
Net changes	-	23	22,949	(440)	22,532
Balance as of March 31, 2007	251,441	26,678	701,309	(7,498)	971,930

(Millions of yen)

	Valuation and translation adjustments				Minority interests in consolidated subsidiaries	Total net assets
	Net unrealized holding gain on securities	Revaluation adjustments	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of March 31, 2006	14,503	(1,043)	80	13,540	46,266	1,009,206
Changes:						
Dividend paid					(14,969)	
Dividend paid (Interim)					(14,967)	
Bonuses to directors					(318)	
Net income					53,173	
Purchases of treasury stock					(476)	
Disposal of treasury stock					59	
Reversal of revaluation adjustments					31	
Net changes except for shareholders' equity	(2,676)	(31)	870	(1,836)	2,779	942
Net changes	(2,676)	(31)	870	(1,836)	2,779	23,474
Balance as of March 31, 2007	11,827	(1,074)	950	11,703	49,046	1,032,681

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

FY 2007 (Year ended March 31, 2008)

(Millions of yen)

	Shareholders' equity				Total shareholders' equity
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	
Balance as of March 31, 2007	251,441	26,678	701,309	(7,498)	971,930
Changes:					
Dividend paid			(29,930)		(29,930)
Net income			17,294		17,294
Purchases of treasury stock				(426)	(426)
Reversal of revaluation adjustments			122		122
Net changes except for shareholders' equity					
Net changes	-	-	(12,513)	(426)	(12,940)
Balance as of March 31, 2008	251,441	26,678	688,795	(7,925)	958,990

(Millions of yen)

	Valuation and translation adjustments				Minority interests in consolidated subsidiaries	Total net assets
	Net unrealized holding gain on securities	Revaluation adjustments	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of March 31, 2007	11,827	(1,074)	950	11,703	49,046	1,032,681
Changes:						
Dividend paid						(29,930)
Net income						17,294
Purchases of treasury stock						(426)
Reversal of revaluation adjustments						122
Net changes except for shareholders' equity	(6,350)	(122)	10	(6,462)	2,073	(4,388)
Net changes	(6,350)	(122)	10	(6,462)	2,073	(17,328)
Balance as of March 31, 2008	5,477	(1,196)	961	5,241	51,120	1,015,352

## CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

FY 2006 (Year ended March 31, 2007) and FY 2007 (Year ended March 31, 2008)

(Millions of yen)

Item	Year ended March 31,		Increase (Decrease)
	2007	2008	
<b>Operating activities:</b>			
Income before income taxes and minority interests	94,845	38,956	(55,888)
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:			
Depreciation	269,718	263,489	(6,229)
Amortization of nuclear fuel	8,439	10,718	2,278
Loss on sales and disposal of property, plant and equipment	15,442	18,327	2,885
Reversal of accrued retirement benefits	(12,984)	(16,115)	(3,130)
(Reversal of) provision for reserve for reprocessing costs of irradiated nuclear fuel	7,295	(3,799)	(11,095)
Provision for pre-reserve for reprocessing costs of irradiated nuclear fuel	3,126	2,464	(662)
Provision for reserve for decommissioning costs of nuclear power units	2,275	10,581	8,306
(Reversal of) provision for reserve for fluctuation in water levels	4,276	(6,213)	(10,489)
Interest and dividend income	(2,140)	(3,005)	(865)
Interest expense	46,934	45,947	(987)
Fund for reprocessing costs of irradiated nuclear fuel	(43,056)	(1,494)	41,562
Changes in operating assets and liabilities:			
Amounts due from customers	(51,260)	(51,507)	(246)
Accounts payable	2,644	48,297	45,653
Other operating assets and liabilities	(3,880)	(11,629)	(7,748)
<b>Subtotal</b>	341,676	345,018	3,342
Interest and dividends received	1,643	2,851	1,208
Interest paid	(42,366)	(42,251)	115
Income taxes paid	(24,769)	(28,518)	(3,748)
<b>Net cash provided by operating activities</b>	<b>276,182</b>	<b>277,100</b>	<b>917</b>
<b>Investing activities:</b>			
Acquisition of property, plant and equipment	(199,853)	(233,459)	(33,605)
Contributions received in aid of construction	-	79,364	79,364
Payments for investments and advances	(2,989)	(10,042)	(7,053)
Proceeds from sales or collections of investments and advances	1,643	2,751	1,107
Changes in other assets and liabilities	3,608	2,252	(1,355)
<b>Net cash used in investing activities</b>	<b>(197,591)</b>	<b>(159,133)</b>	<b>38,458</b>
<b>Financing activities:</b>			
Proceeds from issuance of bonds	119,599	89,722	(29,876)
Redemption of bonds	(68,000)	(149,550)	(81,550)
Proceeds from long-term loans	84,096	74,807	(9,289)
Repayment of long-term loans	(128,607)	(105,751)	22,855
Proceeds from short-term borrowings	320,992	291,733	(29,259)
Repayment of short-term borrowings	(320,939)	(291,570)	29,369
Proceeds from issuance of commercial paper	482,000	512,000	30,000
Redemption of commercial paper	(531,000)	(503,000)	28,000
Cash dividends	(29,924)	(29,883)	40
Cash dividends to minority shareholders	(717)	(717)	0
Other	(503)	(465)	37
<b>Net cash used in financing activities</b>	<b>(73,004)</b>	<b>(112,675)</b>	<b>(39,671)</b>
Effect of exchange rate changes on cash and cash equivalents	10	(4)	(15)
Net increase in cash and cash equivalents	5,597	5,286	(311)
Cash and cash equivalents at beginning of the period	112,622	119,073	6,450
Increase in cash and cash equivalents upon inclusion of additional subsidiaries in consolidation	853	-	(853)
<b>Cash and cash equivalents at end of the period</b>	<b>119,073</b>	<b>124,359</b>	<b>5,286</b>

## NON-CONSOLIDATED BALANCE SHEETS (Unaudited)

FY 2006 (As of March 31, 2007) and FY 2007 (As of March 31, 2008)

Assets	(Millions of yen)		
Item	March 31, 2007	March 31, 2008	Increase (Decrease)
Fixed assets (property, plant and equipment):	3,506,275	3,440,190	(66,084)
Electric utility fixed assets:	2,723,111	2,644,653	(78,458)
Hydro power plant	157,385	156,014	(1,370)
Thermal power plant	364,945	329,106	(35,839)
Nuclear power plant	497,358	437,776	(59,582)
Internal combustion power plant	4,820	5,895	1,074
Transmission plant	660,128	657,538	(2,589)
Transformation plant	272,172	272,187	14
Distribution plant	638,177	664,298	26,121
General plant	127,620	121,334	(6,286)
Property leased to others	501	501	-
Incidental business fixed assets	4,317	3,733	(584)
Other fixed assets	8,517	8,764	247
Construction work in progress:	157,769	177,782	20,013
Construction work in progress	154,902	174,790	19,887
Suspense account for disposal	2,867	2,992	125
Nuclear fuel:	141,511	140,775	(736)
Loaded nuclear fuel	37,234	32,043	(5,191)
Nuclear fuel under processing	104,277	108,732	4,454
Investments in and advances to:	471,048	464,481	(6,566)
Long-term investments	77,730	68,730	(8,999)
Long-term investments in subsidiaries and affiliates	183,531	183,800	269
Fund for reprocessing costs of irradiated nuclear fuel	104,522	106,016	1,494
Long-term prepaid expenses	3,491	4,589	1,098
Deferred income taxes	101,879	101,427	(451)
Allowance for uncollectibles	(107)	(84)	23
Current assets:	203,102	235,717	32,615
Cash and deposits	55,003	55,020	17
Amounts due from customers	78,758	88,106	9,348
Trade notes receivables	3,417	14,572	11,154
Fuel and supplies	35,257	41,405	6,148
Prepaid expenses	374	487	112
Short-term credits to subsidiaries and affiliates	1,408	2,275	867
Deferred income taxes	11,727	11,091	(635)
Other current assets	17,565	23,251	5,685
Allowance for uncollectibles	(410)	(493)	(82)
<b>Total assets</b>	<b>3,709,377</b>	<b>3,675,908</b>	<b>(33,469)</b>

**Liabilities and net assets**

(Millions of yen)

Item	March 31, 2007	March 31, 2008	Increase (Decrease)
<b>Fixed liabilities:</b>	2,212,902	2,172,114	(40,787)
Bonds	1,170,817	1,160,824	(9,992)
Long-term debt	542,874	542,529	(345)
Long-term accrued liabilities	3,078	6,776	3,697
Long-term debt to subsidiaries and affiliates	-	4	4
Accrued retirement benefits	160,561	145,892	(14,668)
Reserve for reprocessing costs of irradiated nuclear fuel	113,269	109,470	(3,799)
Pre-reserve for reprocessing costs of irradiated nuclear fuel	3,126	5,591	2,464
Reserve for decommissioning costs of nuclear power units	38,426	49,007	10,581
Other	180,746	152,017	(28,729)
<b>Current liabilities:</b>	602,758	645,685	42,926
Current portion of long-term debt	272,287	199,233	(73,053)
Short-term borrowings	54,440	54,440	-
Commercial paper	82,000	91,000	9,000
Trade notes	57,659	105,425	47,766
Accounts payable	16,900	21,053	4,152
Accrued expenses	40,074	41,852	1,777
Accrued taxes	39,696	15,606	(24,089)
Deposits received	1,296	1,045	(250)
Short-term debt to subsidiaries and affiliates	35,059	37,539	2,480
Advances received	3,018	78,249	75,230
Reserve for bonuses to directors	97	71	(26)
Other	229	169	(60)
<b>Reserve:</b>	19,176	12,981	(6,194)
Reserve for fluctuation in water levels	19,176	12,981	(6,194)
<b>Total liabilities</b>	<b>2,834,837</b>	<b>2,830,781</b>	<b>(4,055)</b>
<b>Shareholders' equity:</b>	863,899	840,317	(23,582)
Common stock	251,441	251,441	-
Capital surplus	26,657	26,657	-
Legal reserve	62,860	62,860	-
Retained earnings:	530,521	507,365	(23,155)
Reserve for cost fluctuation adjustments	103,000	103,000	-
Reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series	10,000	5,000	(5,000)
Reserve for general purpose	306,400	332,400	26,000
Retained earnings carried forward	111,121	66,965	(44,155)
Treasury stock, at cost	(7,580)	(8,007)	(426)
<b>Valuation and translation adjustments:</b>	10,640	4,809	(5,831)
Net unrealized holding gain on securities	10,640	4,809	(5,831)
<b>Total net assets</b>	<b>874,540</b>	<b>845,126</b>	<b>(29,413)</b>
<b>Total liabilities and net assets</b>	<b>3,709,377</b>	<b>3,675,908</b>	<b>(33,469)</b>

## NON-CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

FY 2006 (Year ended March 31, 2007) and FY 2007 (Year ended March 31, 2008)

(Millions of yen)

Item	Year ended March 31,		Increase (Decrease)
	2007	2008	
Operating revenues:	1,546,745	1,595,922	49,176
Electric power operating revenues:	1,541,362	1,586,331	44,969
Revenue from residential customers	518,899	530,455	11,556
Revenue from commercial and industrial customers	787,925	814,263	26,337
Revenue from power sold to other utilities	220,517	223,449	2,931
Revenue from power sold to other companies	219	1,283	1,064
Revenue from wheeling	764	1,323	559
Revenue from wheeling adjustment among utilities	2,669	2,918	248
Miscellaneous revenues from electric utility business	10,280	12,550	2,270
Revenue from property leased to others	86	86	-
Incidental business revenues:	5,383	9,590	4,207
Gas supply business revenue	4,762	8,967	4,205
Heat supply business revenue	621	623	1
Operating expenses:	1,438,434	1,542,268	103,834
Operating expenses for electric utility business:	1,433,161	1,531,903	98,741
Expense for hydro power generation	31,922	34,804	2,882
Expense for thermal power generation	437,290	499,738	62,447
Expense for nuclear power generation	154,757	163,438	8,680
Expense for internal combustion power generation	6,458	7,727	1,268
Expense for power purchased from other utilities	119,326	110,779	(8,546)
Expense for power purchased from other companies	174,585	188,048	13,462
Transmission expense	80,779	84,615	3,835
Transformation expense	53,126	53,687	561
Distribution expense	171,223	184,306	13,082
Selling expense	54,562	54,598	35
Expense for property leased to others	7	6	(0)
General administration expense	100,414	101,616	1,201
Electric power development promotion tax	32,424	31,623	(801)
Enterprise tax	16,436	17,148	711
Transferred cost of electricity for construction	(156)	(235)	(79)
Incidental business expenses:	5,272	10,365	5,092
Gas supply business expense	4,703	9,792	5,088
Heat supply business expense	569	573	4
Operating income	108,311	53,653	(54,657)

(Millions of yen)

Item	Year ended March 31,		Increase (Decrease)
	2007	2008	
Other income:	15,863	7,030	(8,832)
Financing income:	2,420	3,180	760
Dividends income	1,230	1,323	93
Interest income	1,189	1,856	667
Other income:	13,443	3,850	(9,593)
Gain from sales of fixed assets	1,179	415	(763)
Miscellaneous income	12,264	3,434	(8,829)
Other expenses:	47,411	46,492	(919)
Financing expenses:	45,722	44,983	(739)
Interest expense	45,329	44,696	(633)
Bond issuance costs	392	286	(106)
Other expenses:	1,689	1,509	(179)
Loss on sales of fixed assets	236	303	67
Miscellaneous losses	1,452	1,205	(247)
Total amount of revenues	1,562,609	1,602,953	40,343
Total amount of expenses	1,485,846	1,588,761	102,915
Ordinary income	76,762	14,191	(62,571)
Special item:	4,275	(6,194)	(10,470)
(Reversal of) provision for reserve for fluctuation in water levels	4,275	(6,194)	(10,470)
Extraordinary loss:	-	5,792	5,792
Provision for decommissioning costs of nuclear power units for prior periods	-	5,792	5,792
Income before income taxes	72,487	14,593	(57,893)
Current income taxes	28,490	3,454	(25,035)
Deferred income taxes	(783)	4,364	5,147
Net income	44,780	6,774	(38,005)

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

FY 2006 (Year ended March 31, 2007)

(Millions of yen)

	Shareholders' equity						
	Retained earnings						
	Common stock	Capital surplus	Legal reserve	Reserve for loss on overseas investments	Reserve for cost fluctuation adjustments	Reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series	Reserve for general purpose
Balance as of March 31, 2006	251,441	26,657	62,860	8	103,000	-	306,400
Changes:							
Dividend paid							
Dividend paid (Interim)							
Reversal of reserve for loss on overseas investments				(8)			
Provision for reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series						22,000	
Reversal of reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series						(12,000)	
Bonuses to directors							
Net income							
Purchases of treasury stock							
Net changes except for shareholders' equity							
Net changes	-	-	-	(8)	-	10,000	-
Balance as of March 31, 2007	251,441	26,657	62,860	-	103,000	10,000	306,400

(Millions of yen)

	Shareholders' equity				Valuation and translation adjustments	
	Retained earnings		Treasury stock, at cost	Total shareholders' equity	Net unrealized holding gain on securities	Total net assets
	Retained earnings carried forward	Total retained earnings				
Balance as of March 31, 2006	106,370	515,778	(7,104)	849,633	13,343	862,977
Changes:						
Dividend paid	(14,971)	(14,971)		(14,971)		(14,971)
Dividend paid (Interim)	(14,969)	(14,969)		(14,969)		(14,969)
Reversal of reserve for loss on overseas investments	8	-		-		-
Provision for reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series	(22,000)	-		-		-
Reversal of reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series	12,000	-		-		-
Bonuses to directors	(97)	(97)		(97)		(97)
Net income	44,780	44,780		44,780		44,780
Purchases of treasury stock			(476)	(476)		(476)
Net changes except for shareholders' equity					(2,702)	(2,702)
Net changes	4,750	14,742	(476)	14,266	(2,702)	11,563
Balance as of March 31, 2007	111,121	530,521	(7,580)	863,899	10,640	874,540

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

FY 2007 (Year ended March 31, 2008)

(Millions of yen)

	Shareholders' equity					
	Retained earnings					Reserve for general purpose
	Common stock	Capital surplus	Legal reserve	Reserve for cost fluctuation adjustments	Reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series	
Balance as of March 31, 2007	251,441	26,657	62,860	103,000	10,000	306,400
Changes:						
Dividend paid						
Reversal of reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series					(5,000)	
Provision for reserve for general purpose						26,000
Net income						
Purchases of treasury stock						
Net changes except for shareholders' equity						
Net changes	-	-	-	-	(5,000)	26,000
Balance as of March 31, 2008	251,441	26,657	62,860	103,000	5,000	332,400

(Millions of yen)

	Shareholders' equity				Valuation and translation adjustments	
	Retained earnings		Treasury stock, at cost	Total shareholders' equity	Net unrealized holding gain on securities	Total net assets
	Retained earnings carried forward	Total retained earnings				
Balance as of March 31, 2007	111,121	530,521	(7,580)	863,899	10,640	874,540
Changes:						
Dividend paid	(29,930)	(29,930)		(29,930)		(29,930)
Reversal of reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series	5,000	-		-		-
Provision for reserve for general purpose	(26,000)	-		-		-
Net income	6,774	6,774		6,774		6,774
Purchases of treasury stock			(426)	(426)		(426)
Net changes except for shareholders' equity					(5,831)	(5,831)
Net changes	(44,155)	(23,155)	(426)	(23,582)	(5,831)	(29,413)
Balance as of March 31, 2008	66,965	507,365	(8,007)	840,317	4,809	845,126

**(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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