

# **Financial Summary FY 2007**

May 8, 2008



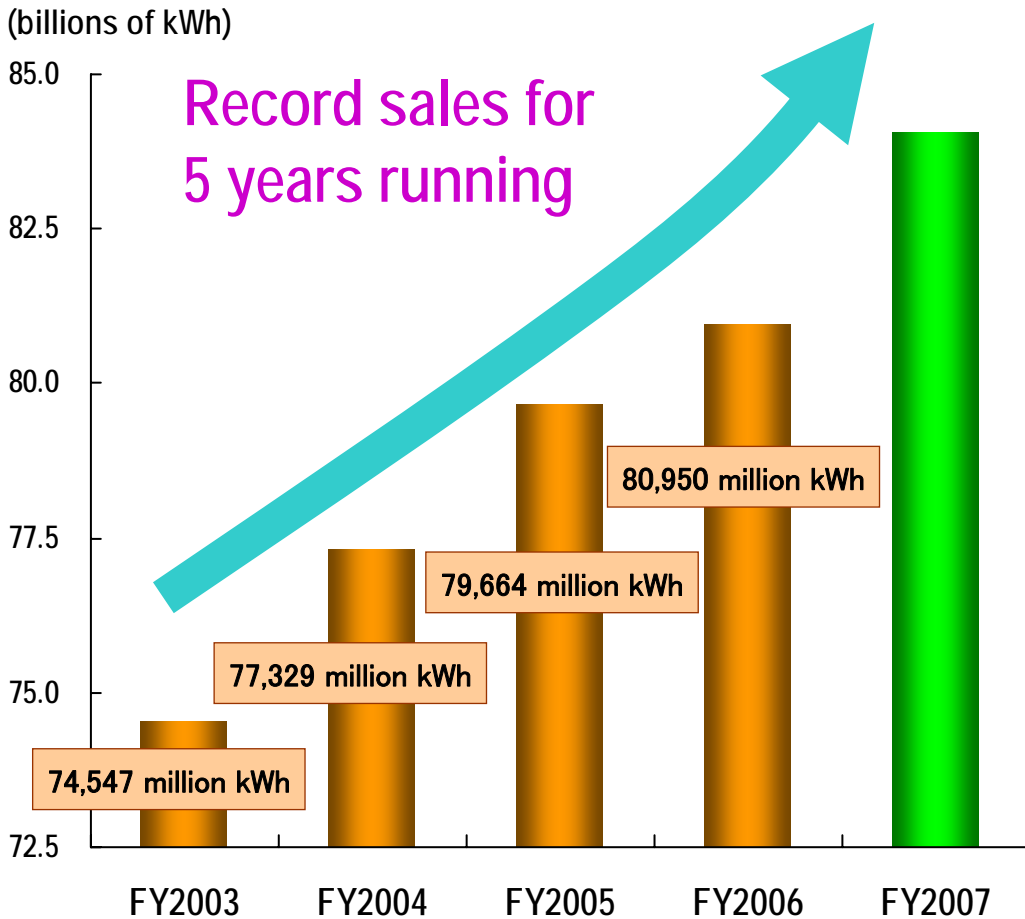
**Tohoku Electric Power Co., Inc.**

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# 1. Electricity Sales

Electricity Sold  
Year-on-Year Compared **84,072 million kWh**  
**Up 3,122 million kWh (+ 3.9%)**



| Major Factors for Year-on-Year Sales Increase                              |                   |
|----------------------------------------------------------------------------|-------------------|
| Increased capacity utilization and expansion of facilities                 | + 1.0 billion kWh |
| Shift from on-site generation system to the supply from electric utilities | + 0.8 billion kWh |
| Weather effect                                                             | + 0.8 billion kWh |
| All-electric housing                                                       | + 0.5 billion kWh |

# 2. Electricity Sales Breakdown

## Electricity sales breakdown

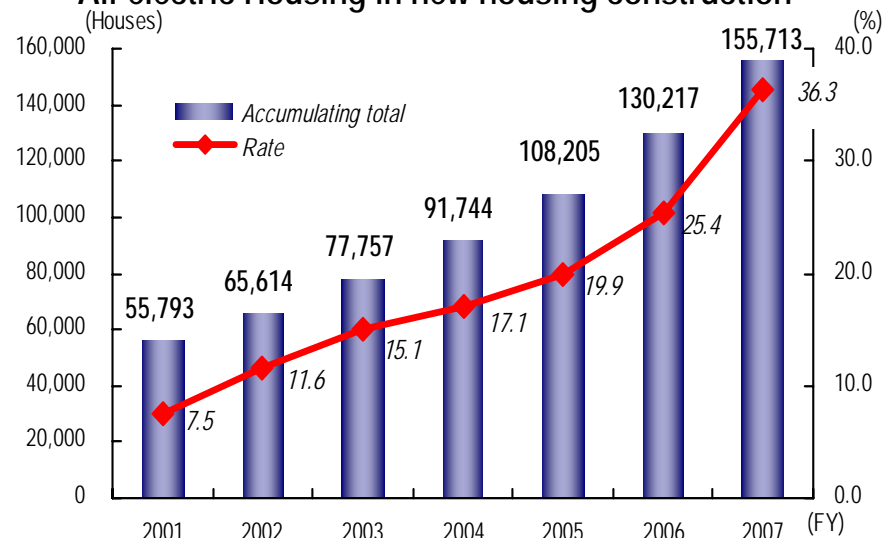
(millions of kWh)

| Segment     |             | FY2007<br>(A) | FY2006<br>(B) | Year-on-<br>Year<br>(A/B) |
|-------------|-------------|---------------|---------------|---------------------------|
| Regulated   | Residential | 25,073        | 24,291        | 103.2%                    |
|             | Commercial  | 4,346         | 4,302         | 101.0%                    |
|             | Sub-total   | 29,419        | 28,593        | 102.9%                    |
| Deregulated |             | 54,653        | 52,357        | 104.4%                    |
| Total       |             | 84,072        | 80,950        | 103.9%                    |

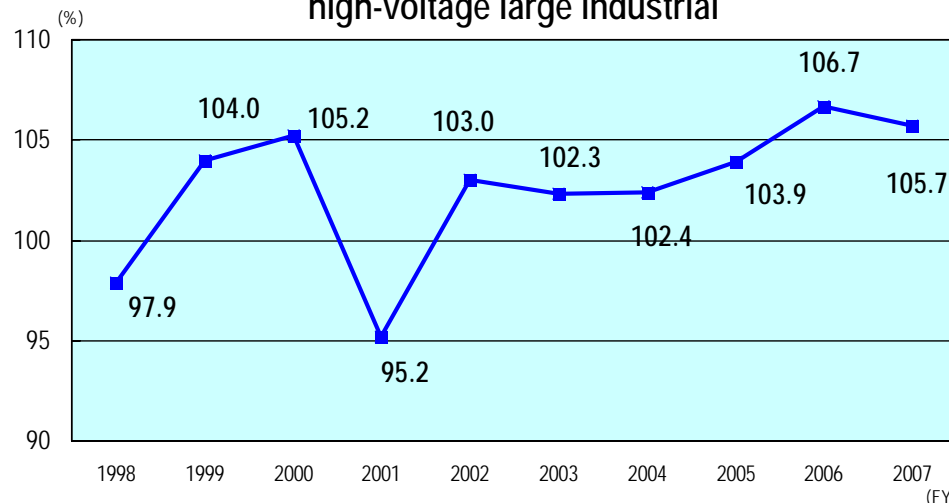
[Sub Segment]

|                                  |        |        |        |
|----------------------------------|--------|--------|--------|
| High-voltage<br>Large Industrial | 28,809 | 27,256 | 105.7% |
|----------------------------------|--------|--------|--------|

## Accumulating total of All-electric Housing and rate of All-electric Housing in new housing construction

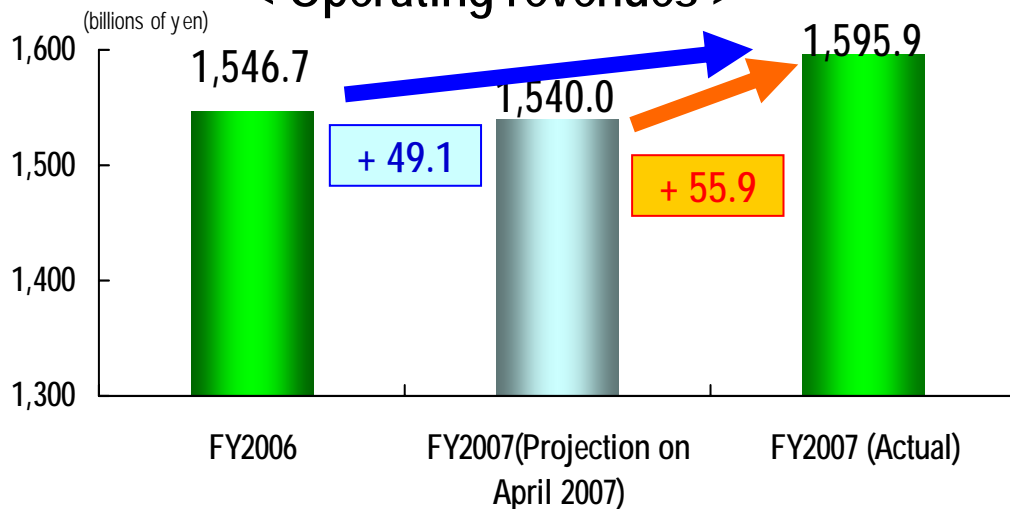


## Year-on-Year variation in the sales for high-voltage large industrial



# 3. Operating Revenues / Income

< Operating revenues >



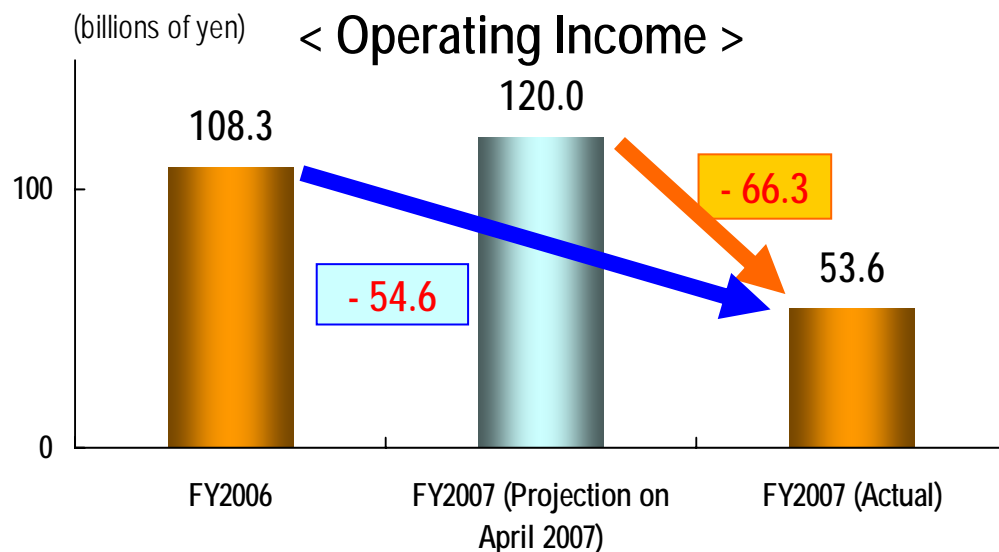
**Operating revenues** ¥1,595.9 billion

**Y-o-Y compared** + ¥49.1 billion  
(+ 3.2%)

(Major factors)

|                                             |                 |
|---------------------------------------------|-----------------|
| Revenues from customers                     | + ¥37.8 billion |
| Revenues from power sold to other utilities | + ¥2.9 billion  |

< Operating Income >



**Operating income** ¥53.6 billion

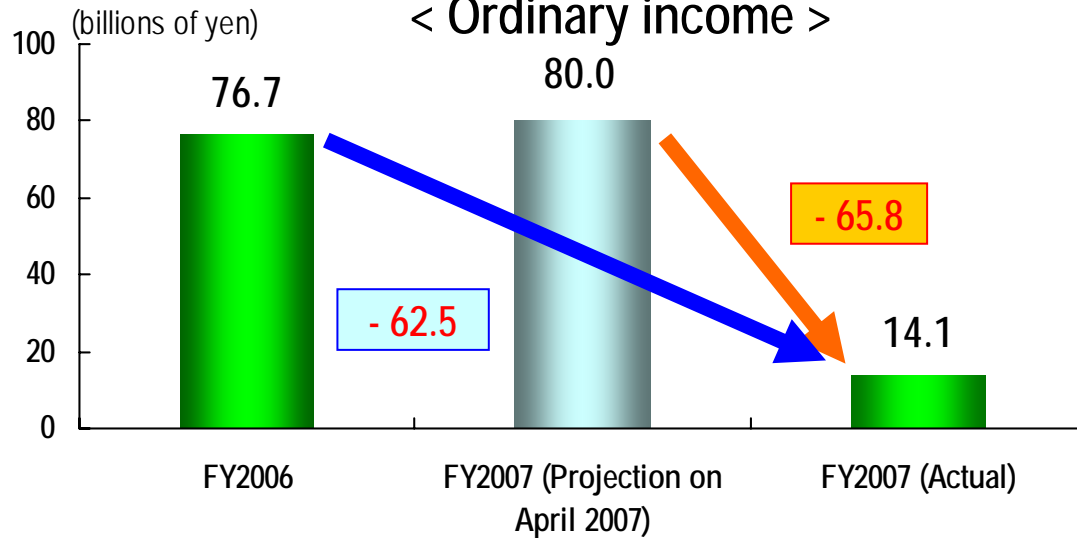
**Y-o-Y compared** - ¥54.6 billion  
(- 50.5%)

(Major factors)

|                      |                 |
|----------------------|-----------------|
| Operating revenues   | + ¥49.1 billion |
| Fuel expenses        | - ¥61.5 billion |
| Maintenance expenses | - ¥31.7 billion |

# 4. Income Results

## < Ordinary income >

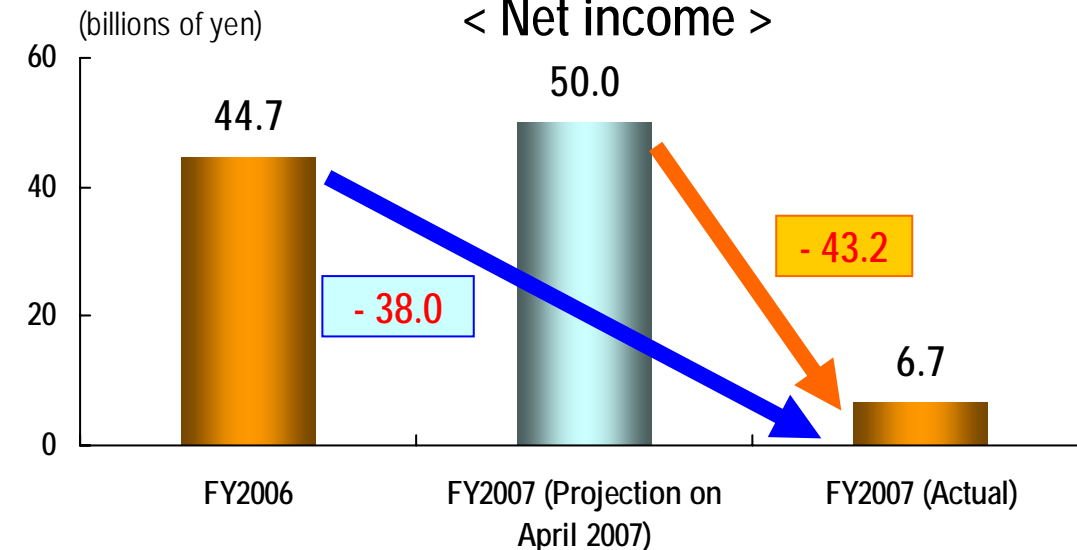


Ordinary income      ¥14.1 billion  
 Y-o-Y compared      - ¥62.5 billion  
                                          (- 81.5%)

## < Year-on-Year compared >

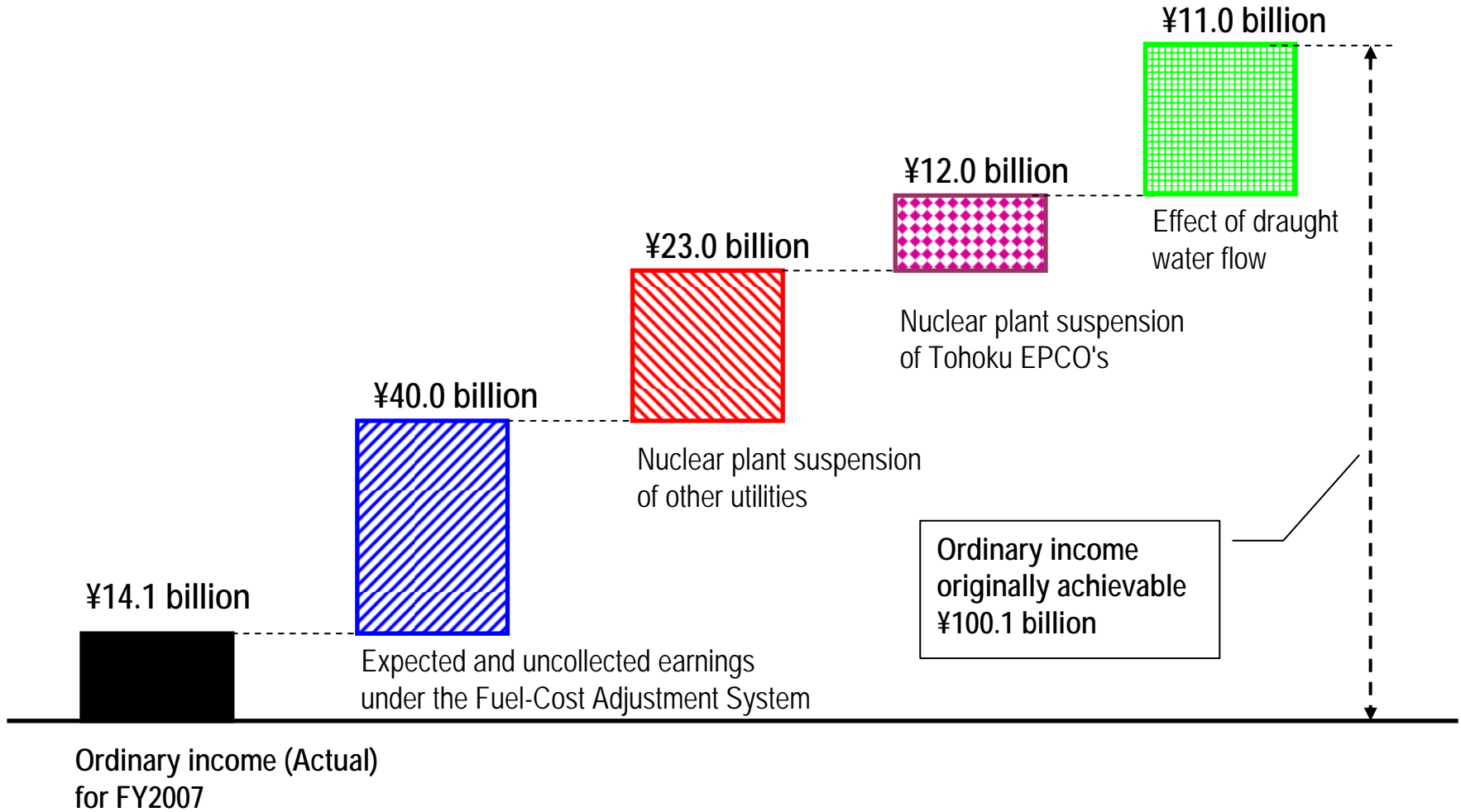
Reversal of reserve for fluctuation  
 in water levels      + ¥10.4 billion  
 Extraordinary loss      - ¥5.7 billion  
 Income taxes      + ¥19.8 billion

## < Net income >



Net income      ¥6.7 billion  
 Y-o-Y compared      - ¥38.0 billion  
                                          (- 84.9%)

# 5. Potentially Achievable Profit Level



## 6. Projection for FY2008

Electricity sales 84,100 million kWh (+0.1%)

(billions of yen)

|                    | FY2008 Projection<br>(A) | FY2007 Actual<br>(B) | Up / Down<br>(A)-(B) | Y-o-Y<br>(A)/(B) |
|--------------------|--------------------------|----------------------|----------------------|------------------|
| Operating revenues | 1,670                    | 1,595.9              | 74.0                 | 104.6%           |
| Operating income   | 55                       | 53.6                 | 1.3                  | 102.5%           |
| Ordinary income    | 15                       | 14.1                 | 0.8                  | 105.7%           |
| Net income         | 8                        | 6.7                  | 1.2                  | 118.1%           |



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