

Financial Summary

FY2008

May 8, 2009

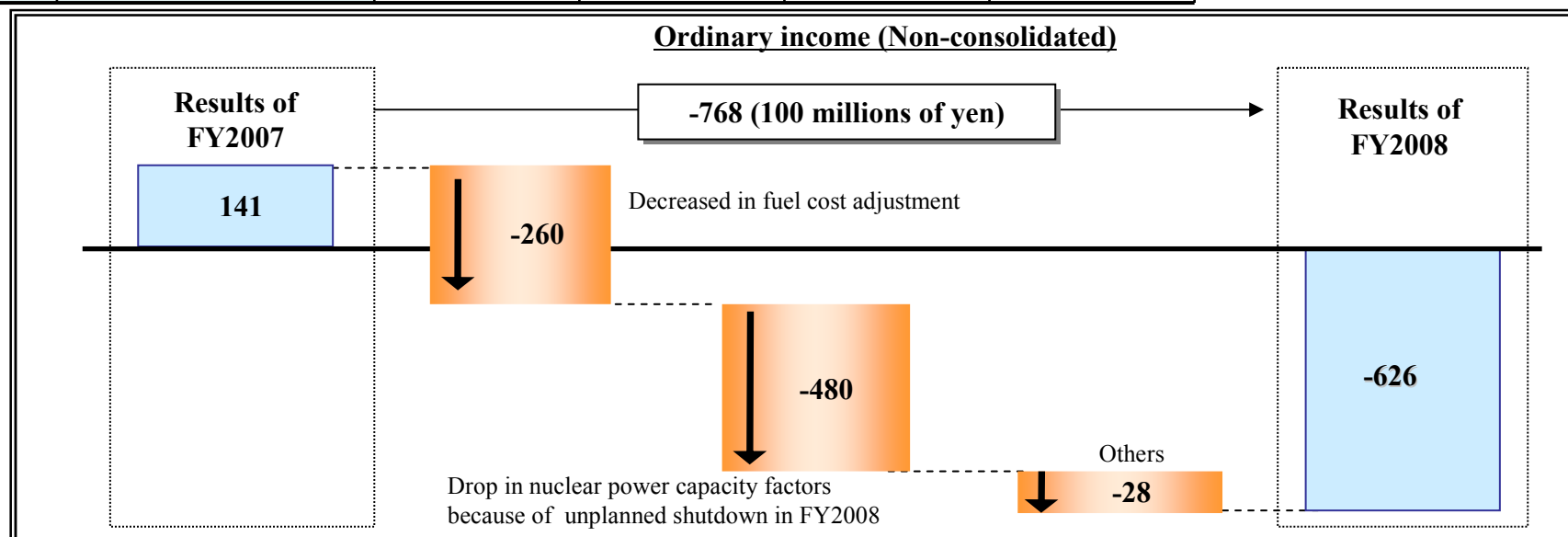
 Tohoku Electric Power Co., Inc.

Contents

1. Summary of FY2008 Result
 2. Electricity Sales
 3. Large Industry Sector
 4. Electricity Generated and Purchased, Major Factors, Sensitivity to Major Factors
 5. Comparison Statements of Revenue & Expense (Non-consolidated)
 6. Balance Sheets (Non-consolidated)
 7. Statements of Income, Balance Sheets (Consolidated)
 8. Statements of Cash Flows (Consolidated)
 9. Segment Information (Consolidated)
 10. Projection
 11. Major Factors, Sensitivity to Major Factors (Non-consolidated)
- <Reference>
12. Electricity Sales
 13. Statements of Income
 14. Balance Sheets, Equity Ratio, etc.

(100 millions of yen)

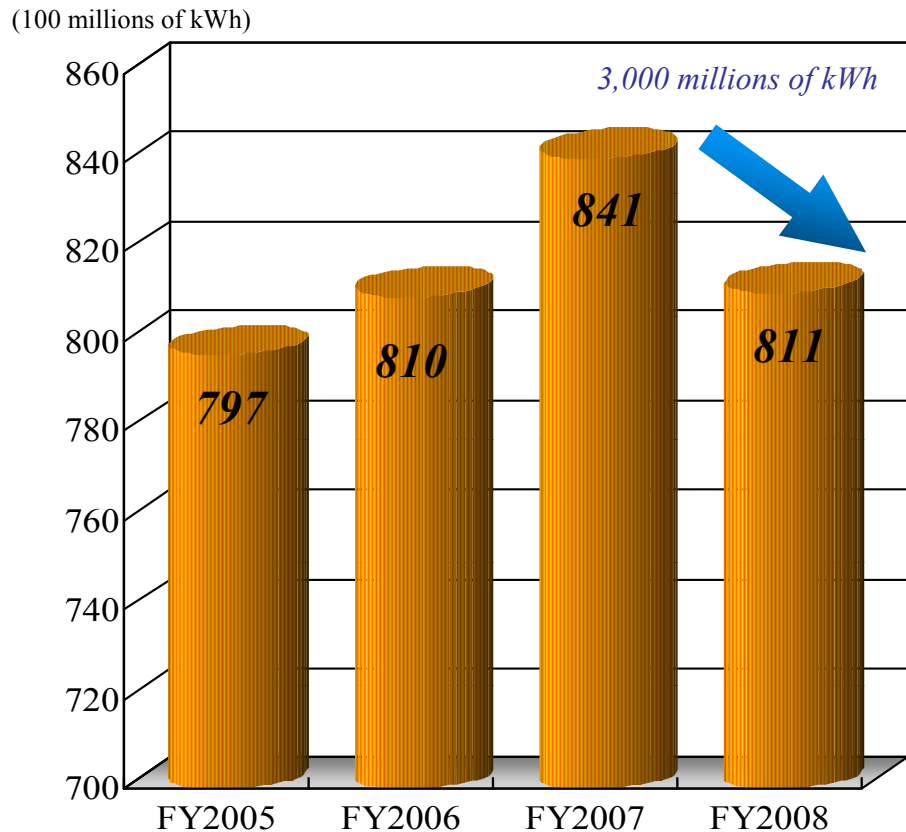
		FY2008 (A)	FY2007 (B)	Comparison		Consolidated/Non-consolidated of FY2008	
				(A) - (B)	(A) / (B)	Comparison	Ratio
Consolidated	Operating Revenues	18,432	18,026	406	102.3%	1,781	1.11times
	Operating Income/Loss	(15)	804	(819)	-	226	-
	Ordinary Income/Loss	(431)	385	(816)	-	194	-
	Net Income/Loss	(317)	172	(490)	-	76	-
Non-Consolidated	Operating Revenues	16,650	15,959	691	104.3%		
	Operating Income/Loss	(241)	536	(778)	-		
	Ordinary Income/Loss	(626)	141	(768)	-		
	Net Income/Loss	(394)	67	(461)	-		



Electricity Sold **81,101 million kWh**
Year-on year Compared **down 2,971 million kWh (-3.5%)**

Major Factors

Declining industrial demand	(2,000) millions of kWh
Effects of temperature	(800) millions of kWh
Others	(200) millions of kWh



(millions of kWh)

Segment		FY2008	Year-on-Year	
			Volume	Percentage
Regulated	Residential	24,679	(394)	98.4%
	Commercial	4,078	(268)	93.8%
	Sub-total	28,757	(662)	97.8%
Deregulated		52,344	(2,309)	95.8%
Total		81,101	(2,971)	96.5%

【 Sub Segment 】

Large Industrial	27,187	(1,622)	94.4%
-------------------------	--------	---------	-------

Large-scale Industrial demand **27,187 million kWh**
Year-on year Compared **down 1,622 million kWh (-5.6%)**

(millions of kWh)

	FY2008 (A)	FY2007 (B)	Comparison	
			(A)-(B)	(A)/(B)
Food Products	1,563	1,558	5	100.4%
Paper/Pulp	1,193	1,222	(29)	97.6%
Chemicals	2,126	2,253	(127)	94.4%
Ceramics	794	844	(50)	94.1%
Steel	2,716	3,184	(468)	85.3%
Nonferrous Metals	3,653	3,612	41	101.1%
Machinery and Equipment Manufacturing	8,570	9,360	(790)	91.6%
Others	6,572	6,776	(204)	97.0%
Total	27,187	28,809	(1,622)	94.4%

(Ref.) Year-on-Year			
Apr. 1, 2008-Sep. 30, 2008		Oct. 1, 2008-Mar. 31, 2009	
Volume	Percentage	Volume	Percentage
1	100.1%	4	100.6%
76	112.5%	(105)	83.0%
111	110.6%	(238)	80.3%
2	100.5%	(52)	88.1%
(43)	97.3%	(425)	73.2%
325	119.2%	(284)	85.3%
107	102.3%	(897)	80.8%
37	101.1%	(241)	93.0%
616	104.3%	(2,238)	84.7%

Electricity Generated and Purchased, Major Factors, Sensitivity to Major Factors

		FY2008 (A)	FY2007 (B)	Comparison	
				(A) – (B)	(A) / (B)
Electricity Generated and Purchased (millions of kWh)	Own Generated power	74,889	77,922	(3,033)	96.1%
	Hydro	8,016	7,891	125	101.6%
	Thermal	48,034	50,969	(2,935)	94.2%
	Nuclear	18,839	19,062	(223)	98.8%
	Purchased Power	23,513	24,535	(1,022)	95.8%
	Power Interchanges (Transmitted)	(21,451)	(22,874)	1,423	93.8%
	Power Interchanges (Received)	12,283	12,704	(421)	96.7%
	Used at Pumped Storage	(101)	(153)	52	65.8%
	Total, Generated and Purchased	89,133	92,134	(3,001)	96.7%
	Major Factors	Crude Oil CIF Price (\$/bbl)	90.5	78.7	11.8
Exchange Rate (¥/\$)		101	114	(13)	-
Hydro Power Flow Rate (%)		96.3	95.1	1.2	-
Nuclear Power Capacity Factor (%)		65.7	66.3	(0.6)	-
Sensitivity to Major Factors (100 millions of yen)	Crude Oil CIF Price (per \$1/bbl)	28	33	(5)	-
	Exchange Rate (per ¥1/\$)	36	27	9	-
	Hydro Power Flow Rate (per 1%)	20	8	12	-
	Nuclear Power Capacity Factor (per 1%)	47	19	28	-

Comparison Statements of Revenue & Expense (Non-consolidated)

(100 millions of yen)

		FY2008 (A)	FY2007 (B)	Comparison		Items
				(A)-(B)	(A)/(B)	
Revenues	Residential	5,481	5,304	176	103.3%	
	Commercial	8,665	8,142	522	106.4%	
	Sub Total	14,146	13,447	699	105.2%	Fuel cost adjustment; 681
	Sales of Power to Other Utilities	2,215	2,234	(19)	99.1%	
	Other Revenues	368	347	21	106.1%	
	[Operating Revenues]	[16,650]	[15,959]	[691]	[104.3%]	
Total Revenues		16,730	16,029	700	104.4%	
Expenses	Personnel	1,501	1,391	110	107.9%	Amortization of actual difference; 133
	Fuel	4,420	3,783	636	116.8%	Rise in fuel prices; 849
	Maintenance	2,086	2,050	35	101.7%	Thermal power; 57, Nuclear power; (58), Distribution; 35
	Depreciation	2,253	2,312	(59)	97.4%	Nuclear power; (74) , Distribution; 26
	Power Purchased from other utilities	1,281	1,107	173	115.7%	Power system operation; 132
	Power Purchased from other companies	2,219	1,880	338	118.0%	Joban Joint Power; 108, Sakata Kyodo Power; 89, Soma Kyodo Power; 83
	Interest	433	446	(13)	97.1%	
	Taxes, etc.	866	888	(21)	97.5%	
	Nuclear Power Back-end Cost	232	252	(19)	92.3%	
	Other Expenses	2,061	1,773	287	116.2%	CO ₂ Credits; 212
	Total Expenses		17,356	15,887	1,468	109.2%
[Operating Income/Loss]		[(241)]	[536]	[(778)]	(-)	
Ordinary Income/Loss		(626)	141	(768)	-	

(100 millions of yen)

	Mar. 31, 2009 (A)	Mar. 31, 2008 (B)	Comparison (A) – (B)	Items
Total Assets	36,811	36,759	52	
Fixed Assets	34,079	34,401	(322)	
Electric Utility Fixed Assets	25,551	26,446	(894)	Nuclear power plant; (386), Thermal power plant; (176)
Incidental Business Fixed Assets	30	37	(6)	
Other Fixed Assets	84	87	(2)	
Construction in Progress	2,431	1,777	653	Towada / Kitakami Trunk Line; 388
Nuclear Fuel	1,423	1,407	15	
Investments and Other Assets	4,558	4,644	(86)	
Current Assets	2,732	2,357	374	Inventories; 167
Liabilities	29,101	28,307	794	Bonds; 400 Contributions received in aid of construction; 455
Net Assets	7,709	8,451	(741)	Retained earnings; (693)
Interest-Bearing Liabilities	20,679	20,155	524	Bonds; 400



(100 millions of yen)

	FY2008 (A)	FY2007 (B)	Comparison (A) – (B)	Items
Operating Revenues	18,432	18,026	406	Electric power; 664 Other; (258)
Operating Expenses	18,447	17,222	1,225	Electric power; 1,480 Other; (254)
Operating Income/Loss	(15)	804	(819)	
Ordinary Income/Loss	(431)	385	(816)	
Net Income/Loss	(317)	172	(490)	

(100 millions of yen)

	Mar. 31, 2009 (A)	Mar. 31, 2008 (B)	Comparison (A) – (B)	Items
Total Assets	40,193	40,338	(145)	
Fixed Assets	35,889	36,346	(456)	Electric utility fixed assets; (929) Construction work in progress; 657
Current Assets	4,303	3,991	311	Inventories; 149
Liabilities	30,710	30,184	525	
Net Assets	9,482	10,153	(670)	

Interest-Bearing Liabilities	21,232	20,819	412	Bonds; 400
------------------------------	---------------	--------	-----	------------

(100 millions of yen)

	FY2008 (A)	FY2007 (B)	Comparison (A) – (B)	Items
Cash Flow from Operating Activities	2,249	2,771	(521)	Loss before income taxes and minority interests; (768)
Cash Flow from Investing Activities	(2,286)	(1,591)	(695)	Acquisition of property, plant and equipment; (409) Contributions received in aid of construction; (326)
Cash Flow from Financing Activities	92	(1,126)	1,219	Bonds; 994 [Proceeds; 499, Redemption; 495] Long-term loans; 267 [Proceeds; 68, Repayment; 198]
Net Cash Flow	55	52	2	
Free Cash Flow	348	1,573	(1,225)	Cash flow from operating activities; (521) Cash flow from investing activities; (695)

Note; Our definition of the free cash flow

= (Cash flow from operating activities) + (Cash flow from investing activities) – (Interest and dividend income) – (Interest expense)

(100 millions of yen)

【 Major Consolidated Subsidiaries 】※2

(100 millions of yen)

	FY2008 (A)	FY2007 (B)	Comparison (A) – (B)
Sales ※1	18,432	18,026	406
Electric Power Business	16,525	15,866	659
Construction Business	2,518	2,830	(312)
Gas Business	409	346	63
Information Processing Tele-Communication Business	428	410	18
Others	1,483	1,430	52
	457	441	15
Operating income / loss	(15)	804	(819)
Electric Power Business	(229)	563	(793)
Construction Business	104	116	(11)
Gas Business	27	21	5
Information Processing Tele-Communication Business	42	41	0
Others	42	66	(23)

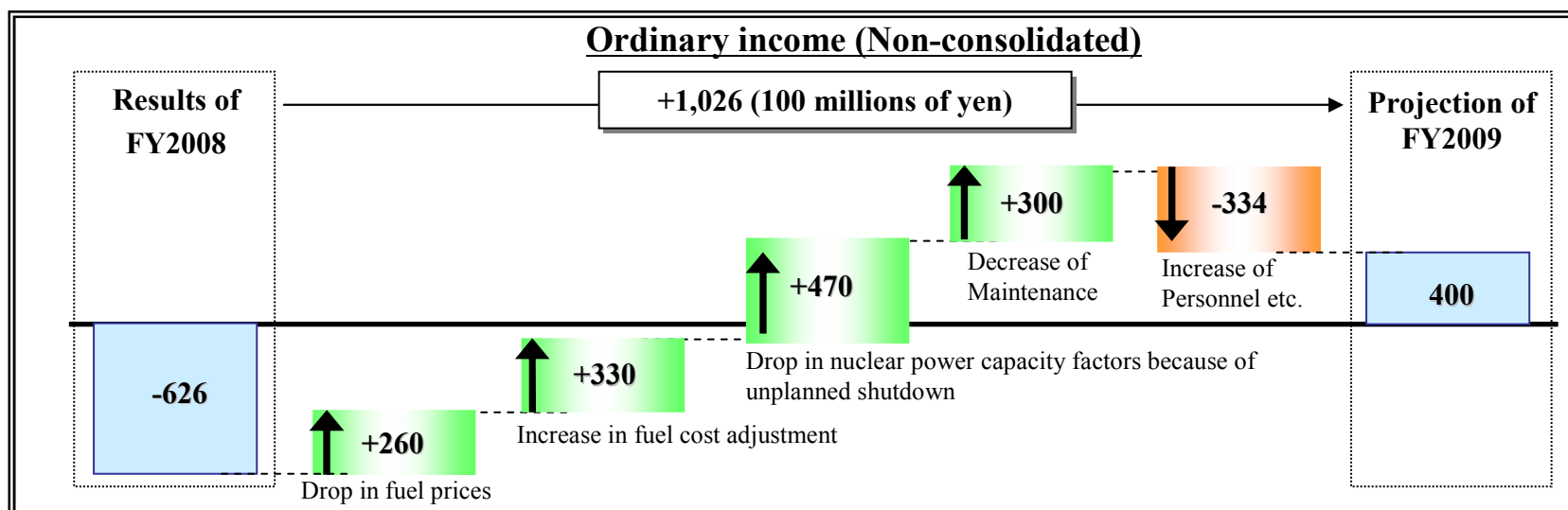
	FY2008		Year-on-year	
	Sales	Operating income / loss	Sales	Operating income / loss
Electric Power Business				
Tousei Kougyo Co., Inc.	31	3	(0)	0
Sakata Kyodo Power Co., Ltd.	378	0	90	0
Construction Business				
Yurtec Corp.	1,722	49	(243)	2
Tohoku Electric Engineering & Construction Co., Inc.	592	46	(68)	(14)
Gas Business				
Nihonkai LNG Co., Ltd.	222	24	(2)	(6)
Information Processing Tele-Communication Business				
Tohoku Intelligent Telecommunication Co., Inc.	214	28	2	2
Tohoku Information Systems Co., Inc.	217	14	15	(1)
Others				
Kitanihon Electric cable Co., Ltd.	431	(8)	22	(21)

※1 Lower is net sales to outside customers.

※2 Before elimination of inter-companies transaction

(100 millions of yen)

		Projection (A)		Results (B)		Comparison (A)-(B)	
		2nd quarter of FY2009	FY2009	2nd quarter of FY2008	FY2008	2nd quarter	Fiscal Year
Consolidated	Operating Revenues	8,400	17,200	8,830	18,432	(430)	(1,232)
	Operating Income/Loss	500	1,030	45	(15)	454	1,045
	Ordinary Income/Loss	290	600	(142)	(431)	432	1,031
	Net Income/Loss	160	340	(82)	(317)	242	657
Non-consolidated	Operating Revenues	7,600	15,500	8,048	16,650	(448)	(1,150)
	Operating Income/Loss	400	800	(60)	(241)	460	1,041
	Ordinary Income/Loss	200	400	(232)	(626)	432	1,026
	Net Income/Loss	120	250	(128)	(394)	248	644





(Major Factors)

	Projection (A)		Results (B)		Comparison (A)-(B)	
	2nd quarter of FY2009	FY2009	2nd quarter of FY2008	FY2008	2nd quarter	Fiscal Year
Electric Power Sales (100 millions of kWh)	390	810	406	811	(16)	(1)
Residential	112	250	111	247	1	3
Commercial and Industrial	278	560	295	564	(17)	(4)
Crude Oil CIF Price (\$/bbl)	55.0	55.0	119.7	90.5	(64.7)	(35.5)
Exchange Rate (¥/\$)	100	100	106	101	(6)	(1)
Hydro Power Flow Rate (%)	100.0	100.0	93.6	96.3	6.4	3.7
Nuclear Power Capacity Factor (%)	65.0	74.0	65.0	65.7	-	8.3

(Sensitivity to Major Factors)

(100 millions of yen)

	Projection (A)		Results (B)		Comparison (A)-(B)	
	2nd quarter of FY2009	FY2009	2nd quarter of FY2008	FY2008	2nd quarter	Fiscal Year
Crude Oil CIF Price (per \$1/bbl)	14	29	14	28	-	1
Exchange Rate (per ¥1/\$)	13	26	18	36	(5)	(10)
Hydro Power Flow Rate (per 1%)	5	8	11	20	(6)	(12)
Nuclear Power Capacity Factor (per 1%)	9	18	25	47	(16)	(29)

(millions of kWh)

	FY2004	FY2005	FY2006	FY2007	FY2008
Regulated Segment	47,862	29,079	28,593	29,419	28,757
Residential	23,612	24,355	24,291	25,073	24,679
Commercial	24,250	4,724	4,302	4,346	4,078
Deregulated Segment (※)	29,467	50,585	52,357	54,653	52,344
Total	77,329	79,664	80,950	84,072	81,101

※ Deregulated segment is constituted by customers who use a supply system with a contracted demand of 500kW or above in FY2004, and 50kW or above after FY2005

[Sub-segment]

(millions of kWh)

Large Industrial	24,596	25,556	27,256	28,809	27,187
------------------	---------------	---------------	---------------	---------------	---------------

(100 millions of yen)

		FY2004	FY2005	FY2006	FY2007	FY2008
Operating Revenues	Consolidated	16,114	16,600	17,282	18,026	18,432
	Non-consolidated	14,553	14,987	15,467	15,959	16,650
Operating Income	Consolidated	1,639	998	1,339	804	(15)
	Non-consolidated	1,450	779	1,083	536	(241)
Ordinary Income	Consolidated	1,043	510	991	385	(431)
	Non-consolidated	868	380	767	141	(626)
Net Income	Consolidated	569	541	531	172	(317)
	Non-consolidated	457	535	447	67	(394)
ROA (%)	Consolidated	4.0	2.4	3.3	2.0	-
	Non-consolidated	3.8	2.1	2.9	1.5	(0.7)
FCF	Consolidated	2,352	394	1,193	1,573	348

(100 millions of yen)

		Mar. 31, 2005	Mar. 31, 2006	Mar. 31, 2007	Mar. 31, 2008	Mar. 31, 2009
Total Assets	Consolidated	41,224	41,139	40,693	40,338	40,193
	Non-consolidated	37,579	37,591	37,093	36,759	36,811
Liabilities	Consolidated	31,471	31,047	30,366	30,184	30,710
	Non-consolidated	29,185	28,961	28,348	28,307	29,101
Net Assets (※)	Consolidated	9,297	9,629	10,326	10,153	9,482
	Non-consolidated	8,394	8,629	8,745	8,451	7,709
Equity Ratio (%)	Consolidated	22.6	23.4	24.2	23.9	22.3
	Non-consolidated	22.3	23.0	23.6	23.0	20.9
Interest-Bearing Liabilities	Consolidated	21,688	22,047	21,633	20,819	21,232
	Non-consolidated	20,488	21,149	20,853	20,155	20,679

※ Up to FY2005 “Shareholders’ Equity”

(Note)

This presentation 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.

Tohoku Electric Power Co., Inc. hereby disclaim any responsibility or liability in relation to consequences resulting from decisions made by investors.