

# Financial Summary

## FY2009

 Tohoku Electric Power Co., Inc.

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(billion yen)

		FY2009 (A)	FY2008 (B)	Comparison		Consolidated/Non-consolidated of FY2009	
				(A) - (B)	(A) / (B)	Comparison	Ratio
Consolidated	Operating Revenues	<b>1,663.3</b>	1,843.2	-179.8	90.2%	155.8	1.10 times
	Operating Income/Loss	<b>89.2</b>	-1.5	90.7	-	15.7	1.21 times
	Ordinary Income/Loss	<b>43.2</b>	-43.1	86.4	-	15.5	1.56 times
	Net Income/Loss	<b>25.8</b>	-31.7	57.5	-	5.6	1.28 times
Non-Consolidated	Operating Revenues	<b>1,507.5</b>	1,665.0	-157.4	90.5%		
	Operating Income/Loss	<b>73.5</b>	-24.1	97.6	-		
	Ordinary Income/Loss	<b>27.7</b>	-62.6	90.3	-		
	Net Income/Loss	<b>20.1</b>	-39.4	59.5	-		

**Electricity Sold**  
**Year-on-Year Compared**      **78,992 million kWh**  
 down **2,109 million kWh (-2.6%)**

**Major Factors**

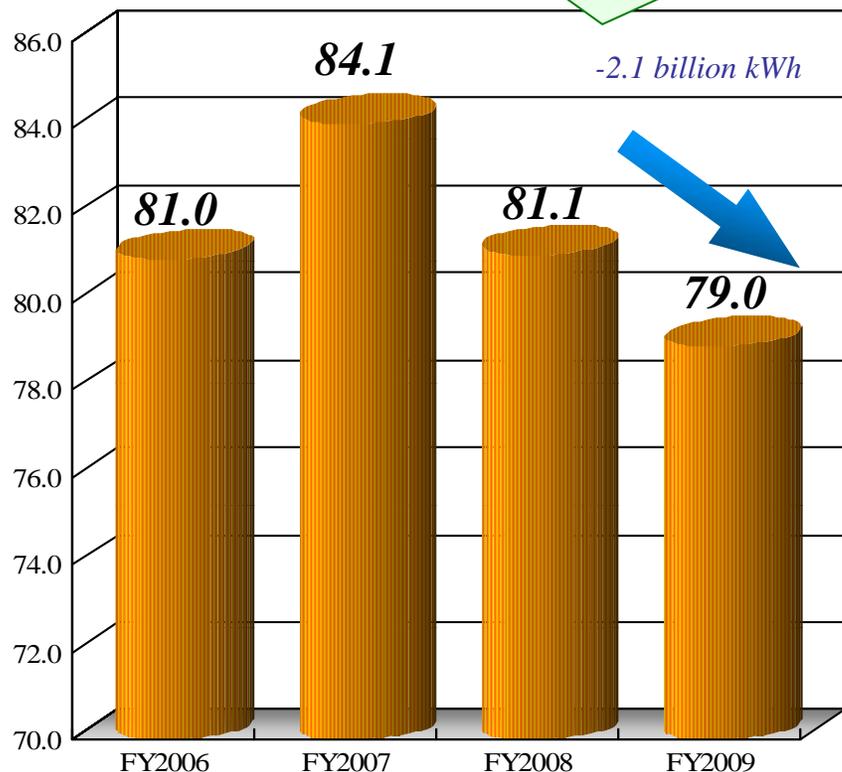
Declining industrial demand

- 2.3 billion kWh

Others

+ 0.2 billion kWh

(billion kWh)



(million kWh)

Segment		FY2009 (A)	FY2008 (B)	Comparison	
				(A) - (B)	(A) / (B)
Regulated	Residential	25,036	24,679	357	101.4%
	Commercial	4,067	4,078	-11	99.7%
	Sub-total	29,103	28,757	346	101.2%
Deregulated		49,889	52,344	-2,455	95.3%
Total		78,992	81,101	-2,109	97.4%

【 Sub Segment 】

Large Industrial	25,345	27,187	-1,842	93.2%
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(million kWh)

	FY2009 (A)	FY2008 (B)	Comparison	
			(A) - (B)	(A) / (B)
Own Generated power	<b>73,633</b>	74,889	-1,256	98.3%
Hydro	<b>7,607</b>	8,016	-409	94.9%
Thermal	<b>44,625</b>	47,180	-2,555	94.6%
Nuclear	<b>20,380</b>	18,839	1,541	108.2%
Renewable (*)	<b>1,021</b>	854	167	119.6%
Purchased Power	<b>22,830</b>	23,513	-683	97.1%
Power Interchanges (Transmitted)	<b>-21,416</b>	-21,451	35	99.8%
Power Interchanges (Received)	<b>11,888</b>	12,283	-395	96.8%
Used at Pumped Storage	<b>-41</b>	-101	60	41.1%
<b>Total, Generated and Purchased</b>	<b>86,894</b>	89,133	-2,239	97.5%

(\*) This includes the geothermal power generation which was included in the thermal power generation last year.

		<b>FY2009 (A)</b>	<b>FY2008 (B)</b>	<b>Comparison (A) - (B)</b>
<b>Major Factors</b>	Crude Oil CIF Price (\$/bbl)	<b>69.4</b>	90.5	-21.1
	Exchange Rate (¥/\$)	<b>93</b>	101	-8
	Hydro Power Flow Rate (%)	<b>90.3</b>	96.3	-6.0
	Nuclear Power Plant Capacity Utilization Rate (%)	<b>71.1</b>	65.7	5.4

(billion yen)

		<b>FY2009 (A)</b>	<b>FY2008 (B)</b>	<b>Comparison (A) - (B)</b>
<b>Sensitivity to Major Factors</b>	Crude Oil CIF Price (per \$1/bbl)	<b>2.2</b>	2.8	-0.6
	Exchange Rate (per ¥1/\$)	<b>2.3</b>	3.6	-1.3
	Hydro Power Flow Rate (per 1%)	<b>0.7</b>	2.0	-1.3
	Nuclear Power Plant Capacity Utilization Rate (per 1%)	<b>1.6</b>	4.7	-3.1

# Comparison Statements of Revenue & Expense (Non-consolidated)

(billion yen)

		FY2009 (A)	FY2008 (B)	Comparison		Items
				(A) - (B)	(A) / (B)	
Revenues	Residential	528.1	548.1	-19.9	96.4%	Decrease in electricity sales; -36.7 Electricity rate reduction; -91.1
	Commercial	758.5	866.5	-107.9	87.5%	
	Sub Total	1,286.7	1,414.6	-127.8	91.0%	
	Sales of Power to Other Utilities	193.9	221.5	-27.5	87.6%	
	Other Revenues	33.2	36.8	-3.5	90.3%	
	(Operating Revenues)	(1,507.5)	(1,665.0)	(-157.4)	(90.5%)	
Total Revenues		1,514.0	1,673.0	-158.9	90.5%	
Expenses	Personnel	179.1	150.1	28.9	119.3%	Retirement Benefit; 29.1 [Amortization of actual difference; 23.4]
	Fuel	272.2	442.0	-169.7	61.6%	Drop in crude oil CIF price; -89.9 Appreciation of the yen; -26.4 Effect of decrease in electricity demand etc.; -53.5
	Maintenance	178.8	208.6	-29.8	85.7%	Thermal power; -12.1, Distribution; -12.0
	Depreciation	216.7	225.3	-8.5	96.2%	Nuclear power; -3.7, Distribution; -2.1
	Power Purchased from Other Utilities	113.1	128.1	-15.0	88.3%	
	Power Purchased from Other Companies	190.8	221.9	-31.0	86.0%	Joban Joint Power; -15.3, Soma Kyodo Power; -6.1, Sakata Kyodo Power; -7.1
	Interest	45.4	43.3	2.0	104.6%	
	Taxes, etc.	83.8	86.6	-2.7	96.8%	
	Nuclear Power Back-end Costs	22.6	23.2	-0.6	97.3%	
	Other Expenses	183.5	206.1	-22.6	89.0%	Disposal of fixed assets; -7.0, CO <sub>2</sub> Credits; -5.3
Total Expenses		1,486.3	1,735.6	-249.2	85.6%	
(Operating Income/Loss)		(73.5)	(-24.1)	(97.6)	(-)	
Ordinary Income/Loss		27.7	-62.6	90.3	-	

(billion yen)

	<b>Mar. 31, 2010 (A)</b>	Mar. 31, 2009 (B)	Comparison (A) - (B)	Items
Total Assets	<b>3,589.2</b>	3,681.1	-91.9	
Fixed Assets	<b>3,384.9</b>	3,407.9	-23.0	Electric utility fixed assets; -88.2 Construction work in progress; 58.6 [Towada / Kitakami Trunk Line; 30.9]
Current Assets	<b>204.2</b>	273.2	-68.9	Amounts due from customers; -10.2 Deferred income taxes; -17.2 Fuel and supplies; -19.7
Liabilities	<b>2,828.0</b>	2,910.1	-82.1	Accounts payable; -38.9 Short-term debt to subsidiaries and affiliates; -7.1
Net Assets	<b>761.2</b>	770.9	-9.7	
Interest-Bearing Liabilities	<b>2,003.5</b>	2,067.9	-64.4	Loans; -23.4



(billion yen)

Statements of Income	FY2009 (A)	FY2008 (B)	Comparison (A) - (B)	Items
Operating Revenues	<b>1,663.3</b>	1,843.2	-179.8	Electric power; -155.8, Other; -24.0
Operating Expenses	<b>1,574.1</b>	1,844.7	-270.6	Electric power; -249.2, Other; -21.3
Operating Income/Loss	<b>89.2</b>	-1.5	90.7	
Ordinary Income/Loss	<b>43.2</b>	-43.1	86.4	
Net Income/Loss	<b>25.8</b>	-31.7	57.5	

(billion yen)

Balance Sheets	Mar. 31, 2010 (A)	Mar. 31, 2009 (B)	Comparison (A) - (B)	Items
Total Assets	<b>3,918.5</b>	4,019.3	-100.7	
Fixed Assets	<b>3,558.3</b>	3,588.9	-30.6	Electric utility fixed assets; -89.1 Construction work in progress; 57.0
Current Assets	<b>360.2</b>	430.3	-70.1	Trade notes receivable and amounts due from customers; -17.0 Inventories; -26.7
Liabilities	<b>2,974.6</b>	3,071.0	-96.4	Trade notes and accounts payable; -43.3
Net Assets	<b>943.9</b>	948.2	-4.3	
Interest-Bearing Liabilities	<b>2,048.8</b>	2,123.2	-74.3	Loans; -33.3

(billion yen)

	<b>FY2009</b> <b>(A)</b>	FY2008 <b>(B)</b>	Comparison <b>(A) - (B)</b>	Items
Cash Flow from Operating Activities	<b>327.9</b>	224.9	102.9	Income (loss) before income taxes and minority interests; 87.5
Cash Flow from Investing Activities	<b>-227.7</b>	-228.6	0.9	Acquisition of property, plant and equipment; -8.2 Contributions received in aid of construction; 10.2
Cash Flow from Financing Activities	<b>-106.7</b>	9.2	-116.0	Bonds; -29.9 [Proceeds; -19.9, Redemption; -10.0] Commercial Paper; -57.0 [Proceeds; -158.0, Redemption; 101.0]
Net Cash Flow	<b>-6.5</b>	5.5	-12.1	
Free Cash Flow	<b>141.9</b>	34.8	107.0	Cash flow from operating activities; 102.9

Note; Our definition of the free cash flow

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

(billion yen)

	FY2009 (A)	FY2008 (B)	Comparison (A) - (B)
Sales ※1	<b>1,663.3</b>	1,843.2	-179.8
Electric Power Business	<b>1,497.2</b>	1,652.5	-155.3
	<b>1,494.6</b>	1,650.5	-155.8
Construction Business	<b>234.8</b>	251.8	-17.0
	<b>95.8</b>	101.9	-6.1
Gas Business	<b>31.7</b>	40.9	-9.1
	<b>22.8</b>	28.8	-6.0
Information Processing Tele-Communication Business	<b>42.1</b>	42.8	-0.6
	<b>15.5</b>	16.1	-0.5
Others	<b>131.3</b>	148.3	-17.0
	<b>34.3</b>	45.7	-11.3
Operating Income/Loss	<b>89.2</b>	-1.5	90.7
Electric Power Business	<b>73.6</b>	-22.9	96.6
Construction Business	<b>4.6</b>	10.4	-5.7
Gas Business	<b>3.3</b>	2.7	0.5
Information Processing Tele-Communication Business	<b>4.0</b>	4.2	-0.2
Others	<b>5.5</b>	4.2	1.3

**【 Major Consolidated Subsidiaries 】** ※2

(billion yen)

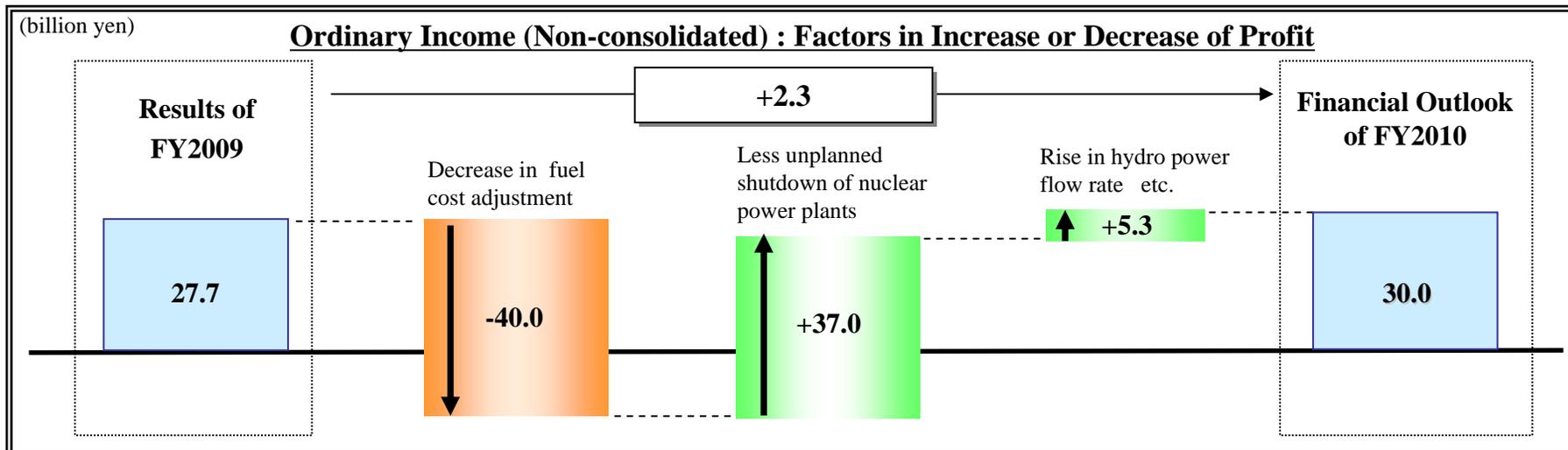
	FY2009		Year-on-year	
	Sales	Operating Income/Loss	Sales	Operating Income/Loss
Electric Power Business				
Tousei Kougyo Co., Inc.	<b>3.0</b>	<b>0.3</b>	-0.0	0.0
Sakata Kyodo Power Co., Ltd.	<b>30.6</b>	<b>-0.0</b>	-7.2	-0.0
Construction Business				
Yurtec Corp.	<b>154.4</b>	<b>1.7</b>	-17.7	-3.2
Tohoku Electric Engineering & Construction Co., Inc.	<b>62.4</b>	<b>2.5</b>	3.1	-2.0
Gas Business				
Nihonkai LNG Co., Ltd.	<b>16.7</b>	<b>1.8</b>	-5.4	-0.5
Information Processing Tele-Communication Business				
Tohoku Intelligent Telecommunication Co., Inc.	<b>21.3</b>	<b>2.8</b>	-0.1	-0.0
Tohoku Information Systems Co., Inc.	<b>21.2</b>	<b>1.2</b>	-0.5	-0.1
Others				
Kitanihon Electric cable Co., Ltd.	<b>28.2</b>	<b>0.3</b>	-14.8	1.1

※2 Before elimination of inter-companies transaction

※1 Lower is net sales to outside customers.

(billion yen)

		Financial Outlook (A)		Results (B)		Comparison (A)-(B)	
		2nd Quarter of FY2010	FY2010	2nd Quarter of FY2009	FY2009	2nd Quarter	Fiscal Year
Consolidated	Operating Revenues	800.0	1,690.0	804.2	1,663.3	-4.2	26.6
	Operating Income	49.0	83.0	63.4	89.2	-14.4	-6.2
	Ordinary Income	31.0	46.0	41.4	43.2	-10.4	2.7
	Net Income	13.0	19.0	27.6	25.8	-14.6	-6.8
Non-consolidated	Operating Revenues	730.0	1,530.0	734.9	1,507.5	-4.9	22.4
	Operating Income	42.0	66.0	57.3	73.5	-15.3	-7.5
	Ordinary Income	25.0	30.0	37.8	27.7	-12.8	2.3
	Net Income	10.0	13.0	26.5	20.1	-16.5	-7.1



**(Major Factors)**

	Financial Outlook (A)		Results (B)		Comparison (A)-(B)	
	2nd Quarter of FY2010	FY2010	2nd Quarter of FY2009	FY2009	2nd Quarter	Fiscal Year
Electric Power Sales (billion kWh)	38.2	79.4	37.5	79.0	0.7	0.4
Residential	11.2	24.9	11.1	25.0	0.1	-0.1
Commercial and Industrial	27.0	54.5	26.4	54.0	0.6	0.5
Crude Oil CIF Price (\$/bbl)	85.0	85.0	61.8	69.4	23.2	15.6
Exchange Rate (¥/\$)	90	90	96	93	-6	-3
Hydro Power Flow Rate (%)	100.0	100.0	83.5	90.3	16.5	9.7
Nuclear Power Plant Capacity Utilization Rate (%)	81.0	74.0	56.7	71.1	24.3	2.9

**(Sensitivity to Major Factors)**

(billion yen)

	Financial Outlook (A)		Results (B)		Comparison (A)-(B)	
	2nd Quarter of FY2010	FY2010	2nd Quarter of FY2009	FY2009	2nd Quarter	Fiscal Year
Crude Oil CIF Price (per \$1/bbl)	1.0	2.2	1.0	2.2	-	-
Exchange Rate (per ¥1/\$)	1.2	2.9	1.1	2.3	0.1	0.6
Hydro Power Flow Rate (per 1%)	0.5	0.9	0.4	0.7	0.1	0.2
Nuclear Power Plant Capacity Utilization Rate (per 1%)	1.0	1.9	0.8	1.6	0.2	0.3

# Supplementary Materials

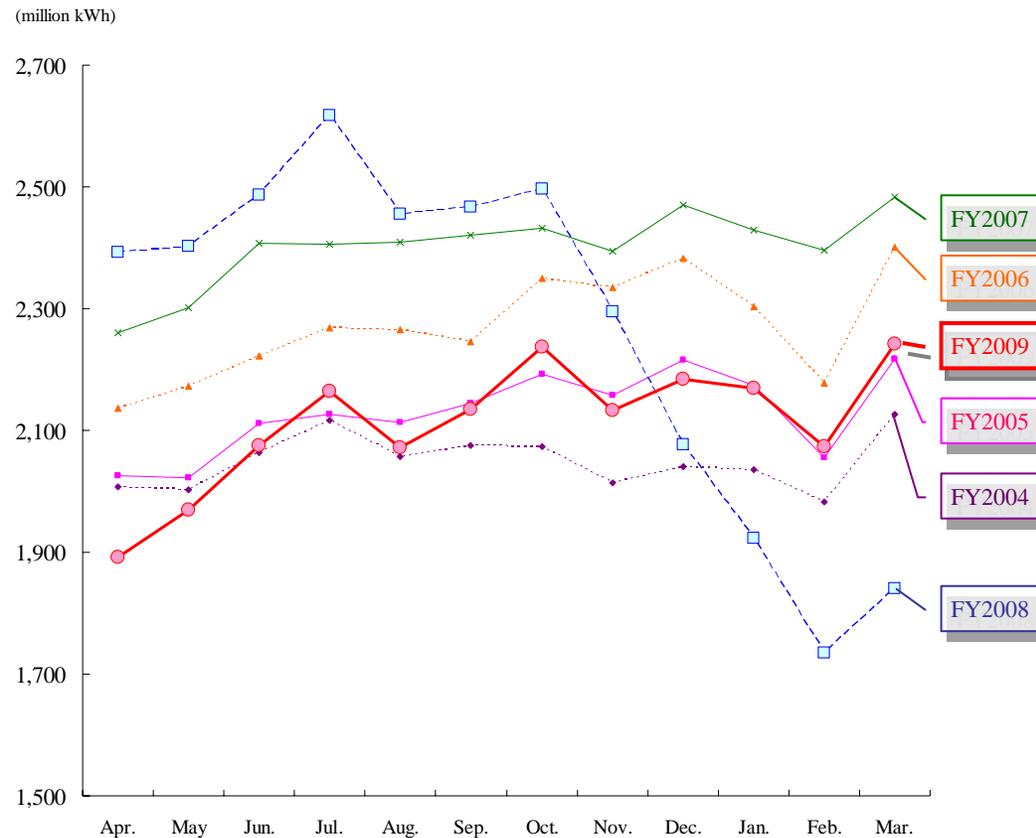
**Large Industrial Demand  
Year-on-year Comparison**

**25,345 million kWh  
down 1,842 million kWh (-6.8%)**

(million kWh)

	FY2009 (A)	FY2008 (B)	Comparison	
			(A) - (B)	(A) / (B)
Food Products	1,568	1,563	5	100.3%
Paper/Pulp	995	1,170	-175	85.0%
Chemicals	2,030	2,126	-96	95.5%
Ceramics	678	794	-116	85.4%
Steel	2,463	2,716	-253	90.7%
Nonferrous Metals	3,423	3,653	-230	93.7%
Machinery and Equipment Manufacturing	7,852	8,550	-698	91.8%
Others	6,336	6,615	-279	95.8%
<b>Total</b>	<b>25,345</b>	<b>27,187</b>	<b>-1,842</b>	<b>93.2%</b>

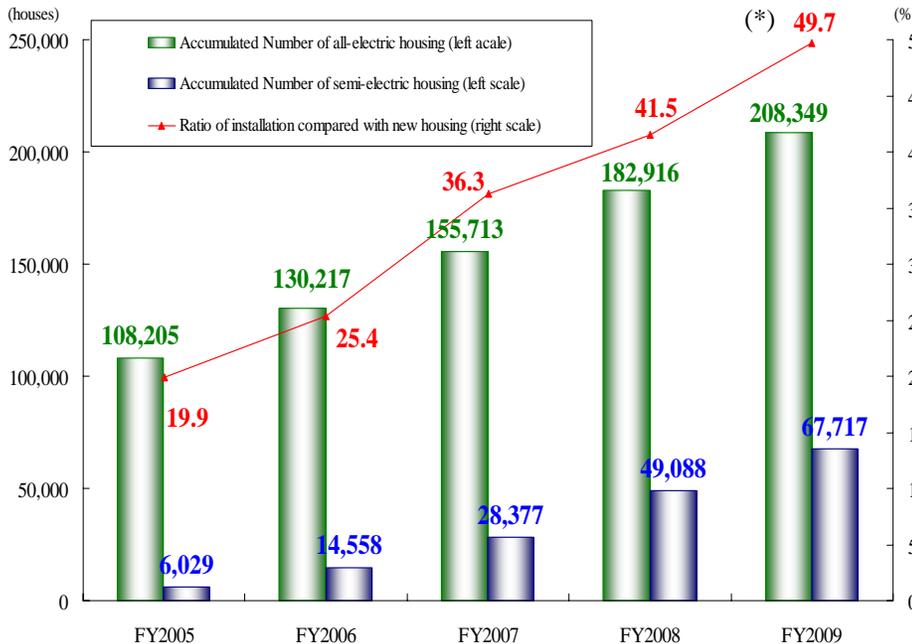
## Changes in Large Industrial Demand



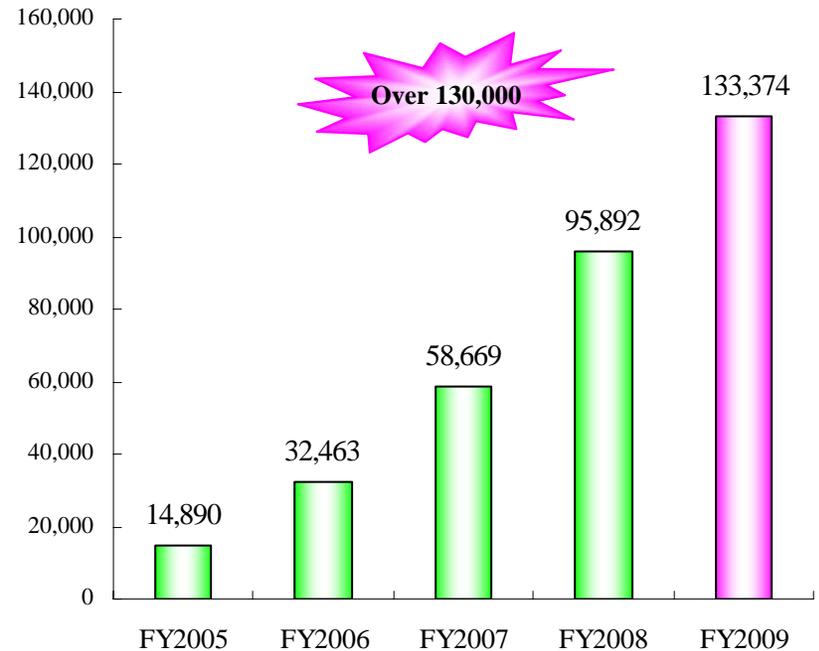
○Due to the characteristics of the Tohoku region, where approx. 70% of domestic energy use is for hot water supply and heating, we recommend “EcoCute” to consumers for hot water supply, and “Heat Pump heating” for heating, with an aim to reduce carbon dioxide emission. This is our effort to spread the use of high-efficiency equipment that offers advanced environment-friendliness and energy conservation.

○As a result of such efforts, the total number of residences that installed such products as of March 2010 was 208,349 for all-electric household systems, 67,717 for semi-electric household systems \*, and 133,374 for EcoCute.  
 \*Semi-electric household systems refer to those in which electric appliances are used in the kitchen and for hot water, excluding heating.

Accumulated Number and Ratio of All-electric Housing, and Accumulated Number of Semi-electric Housing



Accumulated Number of EcoCute



\*The introduction rate of all-electric housing of FY 2009 is the figure as of February 28, 2010.

(million kWh)

	FY2005	FY2006	FY2007	FY2008	FY2009
Regulated Segment	<b>29,079</b>	<b>28,593</b>	<b>29,419</b>	<b>28,757</b>	<b>29,103</b>
Residential	<b>24,355</b>	<b>24,291</b>	<b>25,073</b>	<b>24,679</b>	<b>25,036</b>
Commercial	<b>4,724</b>	<b>4,302</b>	<b>4,346</b>	<b>4,078</b>	<b>4,067</b>
Deregulated Segment	<b>50,585</b>	<b>52,357</b>	<b>54,653</b>	<b>52,344</b>	<b>49,889</b>
Total	<b>79,664</b>	<b>80,950</b>	<b>84,072</b>	<b>81,101</b>	<b>78,992</b>

[Sub-segment]

(million kWh)

Large Industrial	<b>25,556</b>	<b>27,256</b>	<b>28,809</b>	<b>27,187</b>	<b>25,345</b>
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(billion yen)

		FY2005	FY2006	FY2007	FY2008	FY2009
Operating Revenues	Consolidated	<b>1,660.0</b>	<b>1,728.2</b>	<b>1,802.6</b>	<b>1,843.2</b>	<b>1,663.3</b>
	Non-consolidated	<b>1,498.7</b>	<b>1,546.7</b>	<b>1,595.9</b>	<b>1,665.0</b>	<b>1,507.5</b>
Operating Income/Loss	Consolidated	<b>99.8</b>	<b>133.9</b>	<b>80.4</b>	<b>-1.5</b>	<b>89.2</b>
	Non-consolidated	<b>77.9</b>	<b>108.3</b>	<b>53.6</b>	<b>-24.1</b>	<b>73.5</b>
Ordinary Income/Loss	Consolidated	<b>51.0</b>	<b>99.1</b>	<b>38.5</b>	<b>-43.1</b>	<b>43.2</b>
	Non-consolidated	<b>38.0</b>	<b>76.7</b>	<b>14.1</b>	<b>-62.6</b>	<b>27.7</b>
Net Income/Loss	Consolidated	<b>54.1</b>	<b>53.1</b>	<b>17.2</b>	<b>-31.7</b>	<b>25.8</b>
	Non-consolidated	<b>53.5</b>	<b>44.7</b>	<b>6.7</b>	<b>-39.4</b>	<b>20.1</b>
ROA (%)	Consolidated	<b>2.4</b>	<b>3.3</b>	<b>2.0</b>	<b>-0.0</b>	<b>2.2</b>
	Non-consolidated	<b>2.1</b>	<b>2.9</b>	<b>1.5</b>	<b>-0.7</b>	<b>2.0</b>
FCF	Consolidated	<b>39.4</b>	<b>119.3</b>	<b>157.3</b>	<b>34.8</b>	<b>141.9</b>

(billion yen)

		Mar. 31, 2006	Mar. 31, 2007	Mar. 31, 2008	Mar. 31, 2009	Mar. 31, 2010
Total Assets	Consolidated	<b>4,113.9</b>	<b>4,069.3</b>	<b>4,033.8</b>	<b>4,019.3</b>	<b>3,918.5</b>
	Non-consolidated	<b>3,759.1</b>	<b>3,709.3</b>	<b>3,675.9</b>	<b>3,681.1</b>	<b>3,589.2</b>
Liabilities	Consolidated	<b>3,104.7</b>	<b>3,036.6</b>	<b>3,018.4</b>	<b>3,071.0</b>	<b>2,974.6</b>
	Non-consolidated	<b>2,896.1</b>	<b>2,834.8</b>	<b>2,830.7</b>	<b>2,910.1</b>	<b>2,828.0</b>
Net Assets (*)	Consolidated	<b>962.9</b>	<b>1,032.6</b>	<b>1,015.3</b>	<b>948.2</b>	<b>943.9</b>
	Non-consolidated	<b>862.9</b>	<b>874.5</b>	<b>845.1</b>	<b>770.9</b>	<b>761.2</b>
Equity Ratio (%)	Consolidated	<b>23.4</b>	<b>24.2</b>	<b>23.9</b>	<b>22.3</b>	<b>22.8</b>
	Non-consolidated	<b>23.0</b>	<b>23.6</b>	<b>23.0</b>	<b>20.9</b>	<b>21.2</b>
Interest-Bearing Liabilities	Consolidated	<b>2,204.7</b>	<b>2,163.3</b>	<b>2,081.9</b>	<b>2,123.2</b>	<b>2,048.8</b>
	Non-consolidated	<b>2,114.9</b>	<b>2,085.3</b>	<b>2,015.5</b>	<b>2,067.9</b>	<b>2,003.5</b>

※ 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.