

Financial Summary

3rd quarter of FY2009

January 28, 2010

 Tohoku Electric Power Co., Inc.

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Ordinary Income (consolidated): ¥37.6 billion (increase of ¥86.1 billion, year-on-year)
(non-consolidated): ¥29.8 billion (increase of ¥89.6 billion, year-on-year)

◇ **Revenues (consolidated)**

• Ordinary revenues decreased by ¥128.5 billion, year-on-year, because of declines in sales of electricity business and orders of other businesses due to the recession.

◇ **Expenses (consolidated)**

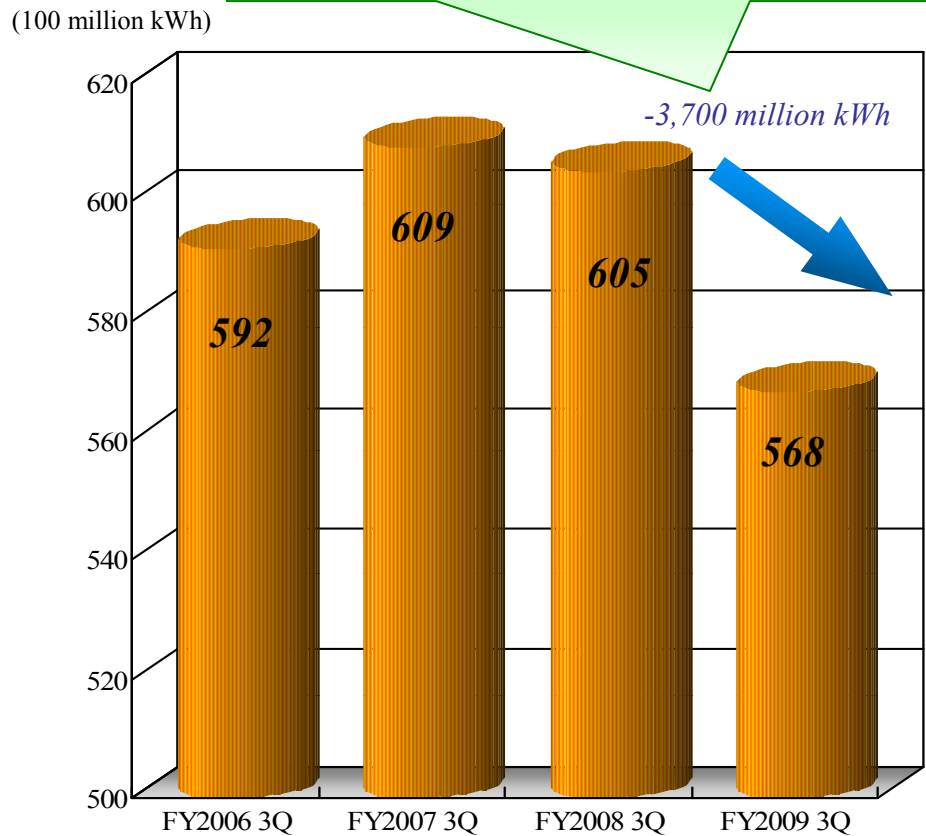
• Ordinary expenses decreased by ¥214.6 billion, year-on-year, because of declines in fuel costs due to the drop in fuel prices and decreases in expenses of power purchases.

(100 millions of yen)

		3rd quarter of FY2009 (A)	3rd quarter of FY2008 (B)	Comparison		Consolidated/Non-consolidated of 3rd quarter of FY2009	
				(A) - (B)	(A) / (B)	Comparison	Ratio
Consolidated	Operating Revenues	11,943	13,212	(1,268)	90.4%	1,019	1.09 times
	Operating Income (Loss)	690	(188)	879	-	96	1.16 times
	Ordinary Income (Loss)	376	(484)	861	-	78	1.26 times
	Net Income (Loss)	253	(302)	556	-	31	1.14 times
Non-Consolidated	Operating Revenues	10,924	12,023	(1,099)	90.9%		
	Operating Income (Loss)	594	(323)	918	-		
	Ordinary Income (Loss)	298	(598)	896	-		
	Net Income (Loss)	222	(355)	577	-		

Electricity Sold **56,771 million kWh**
Year-on-Year Compared **down 3,688 million kWh (-6.1%)**

Major Factors
 Declining industrial demand -3,300 million kWh
 Others - 400 million kWh



(million kWh)

Segment		3rd quarter of FY2009 (A)	3rd quarter of FY2008 (B)	Comparison	
				(A) - (B)	(A) / (B)
Regulated	Residential	17,078	17,038	40	100.2%
	Commercial	2,800	2,912	(112)	96.2%
	Sub-total	19,878	19,950	(72)	99.6%
Deregulated		36,893	40,509	(3,616)	91.1%
Total		56,771	60,459	(3,688)	93.9%

【 Sub Segment 】

Large Industrial	18,860	21,690	(2,830)	87.0%
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**Large-scale Industrial demand
Year-on year Compared**

**18,860 million kWh
down 2,830 million kWh (-13.0%)**

(million kWh)

	3rd quarter of FY2009 (A)	3rd quarter of FY2008 (B)	Comparison	
			(A) - (B)	(A) / (B)
Food Products	1,211	1,212	(1)	99.9%
Paper/Pulp	763	989	(226)	77.2%
Chemicals	1,495	1,716	(221)	87.1%
Ceramics	501	622	(121)	80.5%
Steel	1,785	2,210	(425)	80.7%
Nonferrous Metals	2,517	2,963	(446)	85.0%
Machinery and Equipment Manufacturing	5,878	6,903	(1,025)	85.2%
Others	4,710	5,075	(365)	92.8%
Total	18,860	21,690	(2,830)	87.0%

(million kWh)

		3rd quarter of FY2009 (A)	3rd quarter of FY2008 (B)	Comparison	
				(A) - (B)	(A) / (B)
Electricity Generated and Purchased	Own Generated power	52,652	56,578	(3,926)	93.1%
	Hydro	5,637	5,975	(338)	94.4%
	Thermal	33,333	35,836	(2,503)	93.0%
	Nuclear	13,682	14,767	(1,085)	92.6%
	Purchased Power	16,395	17,343	(948)	94.5%
	Power Interchanges (Transmitted)	(15,273)	(16,045)	772	95.2%
	Power Interchanges (Received)	8,987	8,925	62	100.7%
	Used at Pumped Storage	(31)	(98)	67	32.1%
	Total, Generated and Purchased	62,730	66,703	(3,973)	94.0%
Major Factors	Crude Oil CIF Price (\$/bbl)	65.9	105.1	(39.2)	-
	Exchange Rate (¥/\$)	94	103	(9)	-
	Hydro Power Flow Rate (%)	84.2	91.2	(7.0)	-
	Nuclear Power Capacity Factor (%)	63.3	68.3	(5.0)	-

Comparison Statements of Revenue & Expense (Non-consolidated)

(100 millions of yen)

		3rd quarter of FY2009 (A)	3rd quarter of FY2008 (B)	Comparison		Items
				(A) - (B)	(A) / (B)	
Revenues	Residential	3,673	3,774	(100)	97.3%	Decrease in electricity sales volume; (621) Drop in unit sales price; (240)
	Commercial	5,658	6,418	(760)	88.2%	
	Sub Total	9,332	10,193	(861)	91.6%	
	Sales of Power to Other Utilities	1,409	1,598	(189)	88.1%	
	Other Revenues	230	299	(68)	77.1%	
	[Operating Revenues]	[10,924]	[12,023]	[(1,099)]	[90.9%]	
Total Revenues		10,972	12,092	(1,119)	90.7%	
Expenses	Personnel	1,346	1,133	212	118.8%	Retirement Benefit; 219 [Amortization of actual difference; 175]
	Fuel	1,899	3,485	(1,586)	54.5%	Drop in crude oil CIF price; (812) Appreciation of the yen; (225) Effect of decrease in electricity demand etc.; (549)
	Maintenance	1,320	1,448	(127)	91.2%	Thermal power; (121), Distribution; (67) Nuclear power; 118
	Depreciation	1,631	1,702	(70)	95.8%	Nuclear power; (29), Distribution; (18)
	Power Purchased from other utilities	834	901	(67)	92.5%	
	Power Purchased from other companies	1,432	1,672	(239)	85.7%	Joban Joint Power; (135), Sakata Kyodo Power; (56), Soma Kyodo Power; (40),
	Interest	316	327	(11)	96.6%	
	Taxes, etc.	613	644	(31)	95.1%	
	Nuclear Power Back-end Cost	161	177	(16)	90.9%	
	Other Expenses	1,117	1,195	(78)	93.4%	Gas supply business expense; (38)
Total Expenses		10,673	12,690	(2,016)	84.1%	
[Operating Income (Loss)]		[594]	[(323)]	[918]	[-]	
Ordinary Income (Loss)		298	(598)	896	-	

(100 millions of yen)

	Dec. 31, 2009 (A)	Mar. 31, 2009 (B)	Comparison (A) - (B)	Items
Total Assets	36,040	36,811	(770)	
Fixed Assets	33,953	34,079	(125)	Electric utility fixed assets; (662) Construction work in progress; 490 [Towada / Kitakami Trunk Line; 289]
Current Assets	2,086	2,732	(645)	Deferred income taxes; (181) Amounts due from customers; (165) Fuel and supplies; (137)
Liabilities	28,414	29,101	(687)	Accounts payable; (395) Short-term debt to subsidiaries and affiliates; (257)
Net Assets	7,626	7,709	(83)	
Interest-Bearing Liabilities	20,479	20,679	(200)	Loans; (280), Commercial paper; (220), Bonds; 300



(100 millions of yen)

Statements of Income		3rd quarter of FY2009 (A)	3rd quarter of FY2008 (B)	Comparison (A) - (B)	Items
Operating Revenues		11,943	13,212	(1,268)	Electric power; (1,075), Other; (192)
Operating Expenses		11,253	13,400	(2,147)	Electric power; (1,970), Other; (176)
Operating Income (Loss)		690	(188)	879	
Ordinary Income (Loss)		376	(484)	861	
Net Income (Loss)		253	(302)	556	

(100 millions of yen)

Balance Sheets		Dec. 31, 2009 (A)	Mar. 31, 2009 (B)	Comparison (A) - (B)	Items
Total Assets		39,454	40,193	(738)	
Fixed Assets		35,767	35,889	(122)	Electric utility fixed assets; (653) Construction work in progress; 556
Current Assets		3,687	4,303	(616)	Trade notes receivable and amounts due from customers; (295)
Liabilities		30,029	30,710	(680)	Trade notes and accounts payable; (510)
Net Assets		9,425	9,482	(57)	

Interest-Bearing Liabilities	20,952	21,232	(280)	Loans; (360), Commercial paper; (220), Bonds; 300
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(100 millions of yen)

	3rd quarter of FY2009 (A)	3rd quarter of FY2008 (B)	Comparison (A) - (B)	Items
Cash Flow from Operating Activities	2,039	732	1,307	Income (loss) before income taxes and minority interests; 868
Cash Flow from Investing Activities	(1,582)	(1,256)	(325)	Acquisition of property, plant and equipment; (405)
Cash Flow from Financing Activities	(584)	434	(1,019)	Bonds; 100 [Redemption; 100] Loans; (368) [Proceeds; (570), Repayment; 202] Commercial Paper; (750) [Proceeds; (1,450), Redemption; 700]
Net Cash Flow	(127)	(90)	(36)	
Free Cash Flow	776	(197)	974	

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)

	3rd quarter of FY2009 (A)	3rd quarter of FY2008 (B)	Comparison (A) - (B)
Sales [※]	11,943	13,212	(1,268)
Electric Power Business	10,859	11,933	(1,073)
Construction Business	1,512	1,637	(125)
Gas Business	211	274	(63)
Information Processing Tele-Communication Business	280	273	7
Others	952	1,080	(128)
Operating income (loss)	690	(188)	879
Electric Power Business	599	(313)	913
Construction Business	(6)	45	(52)
Gas Business	25	6	19
Information Processing Tele-Communication Business	28	28	0
Others	40	27	12

※ Lower is net sales to outside customers.

Projection for FY2009 remains unchanged from previous release in Oct. 2009.

(100 millions of yen)

		Projection for FY2009 In Oct. 2009 (A)	Results of FY2008 (B)	Comparison (A) – (B)
Consolidated	Operating Revenues	16,700	18,432	(1,732)
	Operating Income (Loss)	890	(15)	905
	Ordinary Income (Loss)	460	(431)	891
	Net Income (Loss)	260	(317)	577
Non-consolidated	Operating Revenues	15,100	16,650	(1,550)
	Operating Income (Loss)	700	(241)	941
	Ordinary Income (Loss)	300	(626)	926
	Net Income (Loss)	200	(394)	594

(million kWh)

	3rd quarter of FY2005	3rd quarter of FY2006	3rd quarter of FY2007	3rd quarter of FY2008	3rd quarter of FY2009
Regulated Segment	20,064	20,129	20,231	19,950	19,878
Residential	16,801	16,997	17,200	17,038	17,078
Commercial	3,263	3,132	3,031	2,912	2,800
Deregulated Segment	37,572	39,057	40,641	40,509	36,893
Total	57,636	59,186	60,872	60,459	56,771

[Sub-segment]

(million kWh)

Large Industrial	19,109	20,374	21,502	21,690	18,860
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(100 millions of yen)

		3rd quarter of FY2005	3rd quarter of FY2006	3rd quarter of FY2007	3rd quarter of FY2008	3rd quarter of FY2009
Operating Revenues	Consolidated	11,747	12,420	12,822	13,212	11,943
	Non- consolidated	10,845	11,352	11,523	12,023	10,924
Operating Income (Loss)	Consolidated	613	935	714	(188)	690
	Non- consolidated	480	809	542	(323)	594
Ordinary Income (Loss)	Consolidated	212	610	399	(484)	376
	Non- consolidated	152	494	242	(598)	298
Net Income (Loss)	Consolidated	72	322	232	(302)	253
	Non- consolidated	78	280	160	(355)	222
ROE (%)	Consolidated	0.8	3.3	2.4	(3.3)	2.8
	Non- consolidated	0.9	3.2	1.9	(4.4)	2.9
FCF	Consolidated	-	-	1,193	(197)	776

(100 millions of yen)

		Mar. 31, 2006	Mar. 31, 2007	Mar. 31, 2008	Mar. 31, 2009	Dec. 31, 2009
Total Assets	Consolidated	41,139	40,693	40,338	40,193	39,454
	Non-consolidated	37,591	37,093	36,759	36,811	36,040
Liabilities	Consolidated	31,047	30,366	30,184	30,710	30,029
	Non-consolidated	28,961	28,348	28,307	29,101	28,414
Net Assets (※)	Consolidated	9,629	10,326	10,153	9,482	9,425
	Non-consolidated	8,629	8,745	8,451	7,709	7,626
Equity Ratio (%)	Consolidated	23.4	24.2	23.9	22.3	22.6
	Non-consolidated	23.0	23.6	23.0	20.9	21.2
Interest-Bearing Liabilities	Consolidated	22,047	21,633	20,819	21,232	20,952
	Non-consolidated	21,149	20,853	20,155	20,679	20,479

※ 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.

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