

Financial Summary

3rd Quarter of FY2010

January 28, 2011

 Tohoku Electric Power Co., Inc.

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Both on a consolidated basis and non-consolidated basis, revenues and income increased

- **On revenue side, operating revenues increased by ¥55.4 billion, year-on-year, due to the increase in electricity sales caused by the unusually hot summer.**
- **With respect to expenses, ordinary expenses decreased by ¥1.9 billion, year-on-year, because of slight increase in fuel costs due to higher operation rates of nuclear power stations, decrease in personnel expenses due to decline in retirement benefit and decrease in interest expenses.**
- **Booking of extraordinary losses due to application of the accounting standard for asset retirement obligation and others.**

(billion yen)

		3rd quarter of FY2010 (A)	3rd quarter of FY2009 (B)	Comparison		Consolidated/Non-consolidated of 3rd quarter of FY2010	
				(A) - (B)	(A) / (B)	Comparison	Ratio
Consolidated	Operating Revenues	1,248.0	1,194.3	53.6	104.5%	105.1	1.09 times
	Operating Income	120.7	69.0	51.6	174.8%	10.6	1.10 times
	Ordinary Income	95.0	37.6	57.3	252.1%	10.8	1.13 times
	Net Income	50.7	25.3	25.4	200.3%	6.2	1.14 times
Non-Consolidated	Operating Revenues	1,142.9	1,092.4	50.4	104.6%		
	Operating Income	110.1	59.4	50.6	185.3%		
	Ordinary Income	84.1	29.8	54.2	281.7%		
	Net Income	44.5	22.2	22.3	200.6%		

Electricity Sold
Year-on-Year Compared

60,965 million kWh
up 4,194 million kWh (+7.4%)

Major Factors

Effect of temperature

1.9 billion kWh

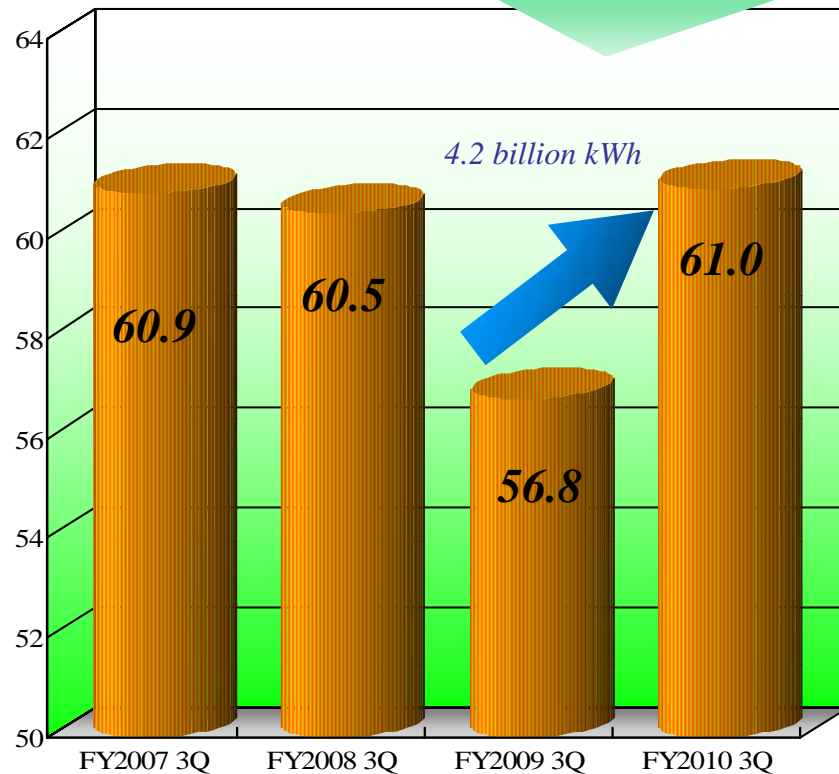
Increasing industrial demand

1.8 billion kWh

Increase of account in Time-Specific Lightning

0.5 billion kWh

(billion kWh)



(million kWh)

Segment	3rd quarter of FY2010 (A)	3rd quarter of FY2009 (B)	Comparison		
			(A) - (B)	(A) / (B)	
Regulated	Residential	18,236	17,078	1,158	106.8%
	Commercial	2,989	2,800	189	106.7%
	Sub-total	21,225	19,878	1,347	106.8%
Deregulated	39,740	36,893	2,847	107.7%	
Total	60,965	56,771	4,194	107.4%	

【 Sub Segment 】

Large Industrial	20,722	18,860	1,862	109.9%
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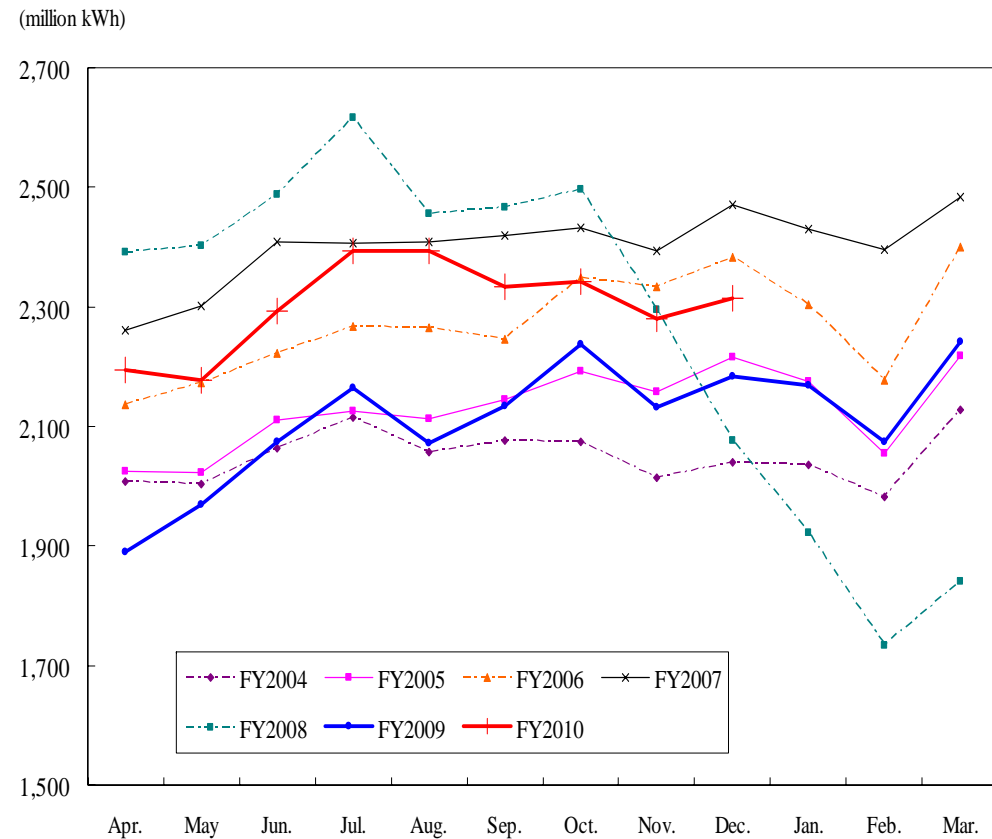
**Large Industrial Demand
Year-on-year Comparison**

**20,722 million kWh
up 1,862 million kWh (+9.9%)**

(million kWh)

	3rd quarter of FY2010 (A)	3rd quarter of FY2009 (B)	Comparison	
			(A) - (B)	(A) / (B)
Food Products	1,259	1,211	48	103.9%
Paper/Pulp	804	763	41	105.4%
Chemicals	1,625	1,495	130	108.7%
Ceramics	571	501	70	114.0%
Steel	2,276	1,785	491	127.5%
Nonferrous Metals	2,985	2,517	468	118.6%
Machinery and Equipment Manufacturing	6,248	5,878	370	106.3%
Others	4,954	4,710	244	105.2%
Total	20,722	18,860	1,862	109.9%

Changes in Large Industrial Demand



(million kWh)

		3rd quarter of FY2010 (A)	3rd quarter of FY2009 (B)	Comparison	
				(A) - (B)	(A) / (B)
Electricity Generated and Purchased	Own Generated power	54,083	52,652	1,431	102.7%
	Hydro	6,458	5,637	821	114.5%
	Thermal	29,508	32,554	(3,046)	90.6%
	Nuclear	17,474	13,682	3,792	127.7%
	Renewable	643	779	(136)	82.5%
	Purchased Power	16,886	16,395	491	103.0%
	Power Interchanges (Transmitted)	(16,246)	(15,273)	(973)	106.4%
	Power Interchanges (Received)	12,191	8,987	3,204	135.7%
	Used at Pumped Storage	(80)	(31)	(49)	255.0%
	Total, Generated and Purchased	66,834	62,730	4,104	106.5%
Major Factors	Crude Oil CIF Price (\$/bbl)	79.4	65.9	13.5	—
	Exchange Rate (¥/\$)	87	94	(7)	—
	Hydro Power Flow Rate (%)	103.5	84.2	19.3	—
	Nuclear Power Capacity Factor (%)	80.9	63.3	17.6	—

(billion yen)

		3rd quarter of FY2010 (A)	3rd quarter of FY2009 (B)	Comparison		Items
				(A) - (B)	(A) / (B)	
Revenues	Residential	385.6	367.3	18.2	105.0%	Increase in electric sales volume; 68.8 Electricity rate reduction; (19.6)
	Commercial	596.8	565.8	30.9	105.5%	
	Sub Total	982.4	933.2	49.1	105.3%	
	Sales of Power to Other Utilities	134.9	140.9	(5.9)	95.8%	Thermal power; (5.1)
	Other Revenues	29.9	23.0	6.8	129.7%	
	[Operating Revenues]	[1,142.9]	[1,092.4]	[50.4]	[104.6%]	
Total Revenues		1,147.3	1,097.2	50.0	104.6%	
Expenses	Personnel	120.2	134.6	(14.3)	89.4%	Retirement Benefit; (17.5) [Amortization of actual difference; (8.2)]
	Fuel	193.4	189.9	3.5	101.8%	Rise in crude LNG CIF price etc.; 21.2 Appreciation of the yen; (10.5) Effect of decrease in electricity generated by thermal power; (7.2)
	Maintenance	135.2	132.0	3.2	102.4%	Distribution; 2.1, Transmission; 1.3
	Depreciation	159.6	163.1	(3.4)	97.9%	Nuclear power; (3.4)
	Power Purchased from other utilities	93.9	83.4	10.5	112.6%	Nuclear power; 6.4
	Power Purchased from other companies	139.4	143.2	(3.7)	97.4%	Thermal power; (5.8)
	Interest	29.4	31.6	(2.2)	92.9%	
	Taxes, etc.	62.4	61.3	1.1	101.9%	
	Nuclear Power Back-end Cost	18.8	16.1	2.6	116.7%	Decommissioning costs of nuclear power units; 1.1
	Other Expenses	110.2	111.7	(1.4)	98.7%	
	Total Expenses	1,063.1	1,067.3	(4.2)	99.6%	
[Operating Income]		[110.1]	[59.4]	[50.6]	[185.3%]	
Ordinary Income		84.1	29.8	54.2	281.7%	
Extraordinary loss		9.7	-	9.7	-	Loss on adjustment for changes of accounting standard for asset retirement obligations; 6.4 Loss on valuation of securities; 3.2
Net income		44.5	22.2	22.3	200.6%	

(billion yen)

	Dec. 31, 2010 (A)	Mar. 31, 2010 (B)	Comparison (A) - (B)	Items
Total Assets	3,624.7	3,589.2	35.5	
Fixed Assets	3,414.6	3,384.9	29.6	Long-term investments; 17.2 Electric utility fixed assets; 15.1
Current Assets	210.1	204.2	5.8	
Liabilities	2,850.4	2,828.0	22.4	Asset retirement obligations; 124.1 Reserve for decommissioning costs of nuclear power units; (58.1)
Net Assets	774.3	761.2	13.0	
Interest-Bearing Liabilities	1,981.2	2,003.5	(22.2)	Loans; (42.2) Bonds; 20.0



(billion yen)

Statements of Income

	3rd quarter of FY2010 (A)	3rd quarter of FY2009 (B)	Comparison (A) - (B)	Items
Operating Revenues	1,248.0	1,194.3	53.6	Electric power; 49.1, Other; 4.5
Operating Expenses	1,127.2	1,125.3	1.9	
Operating Income	120.7	69.0	51.6	
Ordinary Income	95.0	37.6	57.3	
Extraordinary loss	9.8	-	9.8	Loss on adjustment for changes of accounting standard for asset retirement obligations; 6.5 Loss on valuation of securities; 3.2
Net Income	50.7	25.3	25.4	

(billion yen)

Balance Sheets

	Dec. 31, 2010 (A)	Mar. 31, 2010 (B)	Comparison (A) - (B)	Items
Total Assets	3,966.3	3,918.5	47.8	
Fixed Assets	3,584.3	3,558.3	25.9	Long-term investments; 16.7
Current Assets	382.0	360.2	21.8	Inventories; 16.1
Liabilities	3,004.4	2,974.6	29.8	
Net Assets	961.9	943.9	17.9	
Interest-Bearing Liabilities	2,024.2	2,048.8	(24.5)	Loans; (44.5), Bonds; 20.0

(billion yen)

	3rd quarter of FY2010 (A)	3rd quarter of FY2009 (B)	Comparison (A) - (B)
Cash Flow from Operating Activities	222.0	203.9	18.0
Cash Flow from Investing Activities	(165.4)	(158.2)	(7.2)
Cash Flow from Financing Activities	(55.2)	(58.4)	3.2
Net Cash Flow	1.2	(12.7)	14.0
Free Cash Flow	86.2	77.6	8.5

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)

	3rd quarter of FY2010 (A)	3rd quarter of FY2009 (B)	Comparison (A) - (B)
Sales*	1,248.0	1,194.3	53.6
Electric Power Business	1,135.2	1,085.9	49.3
Construction Business	1,133.7	1,084.5	49.1
Gas Business	149.4	151.2	(1.7)
Information Processing, Tele-communication Business	51.7	58.5	(6.8)
Others	25.0	21.1	3.9
	18.6	14.4	4.2
	29.3	28.0	1.2
	11.8	11.3	0.5
	97.2	95.2	2.0
	32.0	25.4	6.5
Operating income / loss	120.7	69.0	51.6
Electric Power Business	111.2	59.9	51.2
Construction Business	(0.2)	(0.6)	0.4
Gas Business	1.6	2.5	(0.9)
Information Processing, Tele-communication Business	3.8	2.8	0.9
Others	4.1	4.0	0.0

* Lower is net sales to outside customers.

- Estimated total annual electricity sales is revised from 82.5 billion kWh to 83.0 billion kWh.
- Projection for FY2010 remains unchanged from previous release in Oct. 2010.

(billion yen)

		Projection for FY2010 (A)	Results of FY2009 (B)	Comparison (A) – (B)
Consolidated	Operating Revenues	1,710.0	1,663.3	46.6
	Operating Income	112.0	89.2	22.7
	Ordinary Income	76.0	43.2	32.7
	Net Income	36.0	25.8	10.1
Non-consolidated	Operating Revenues	1,550.0	1,507.5	42.4
	Operating Income	95.0	73.5	21.4
	Ordinary Income	60.0	27.7	32.2
	Net Income	30.0	20.1	9.8

(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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