

FY2007 Mid-year Financial Highlights

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Tohoku Electric Power Co., Inc.

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II . Consolidated Basis

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Summary of FY2007 Mid-year Results

(Non-consolidated)

Both operating revenues and income declined for first time in four years since FY2003 mid-year results

(100 millions of yen)

	FY 2007 Mid-year Results (A)	FY2006 Mid-year Results (B)	Comparison	
			(A) - (B)	(A) / (B)
Operating Revenues	7,640	7,658	(18)	99.8%
Operating Income	573	739	(165)	77.6%
Ordinary Income	371	529	(158)	70.1%
Net Income	235	316	(80)	74.5%

Major Factors

Crude Oil CIF Price (\$ / bbl)	67.8	67.8	—
Exchange Rate (¥ / \$)	119	115	4
Hydro Power Flow Rate (%)	97.4	110.6	(13.2)
Nuclear Power Capacity Factor (%)	64.7	53.0	11.7

Electric Power Sales

(Non-consolidated)

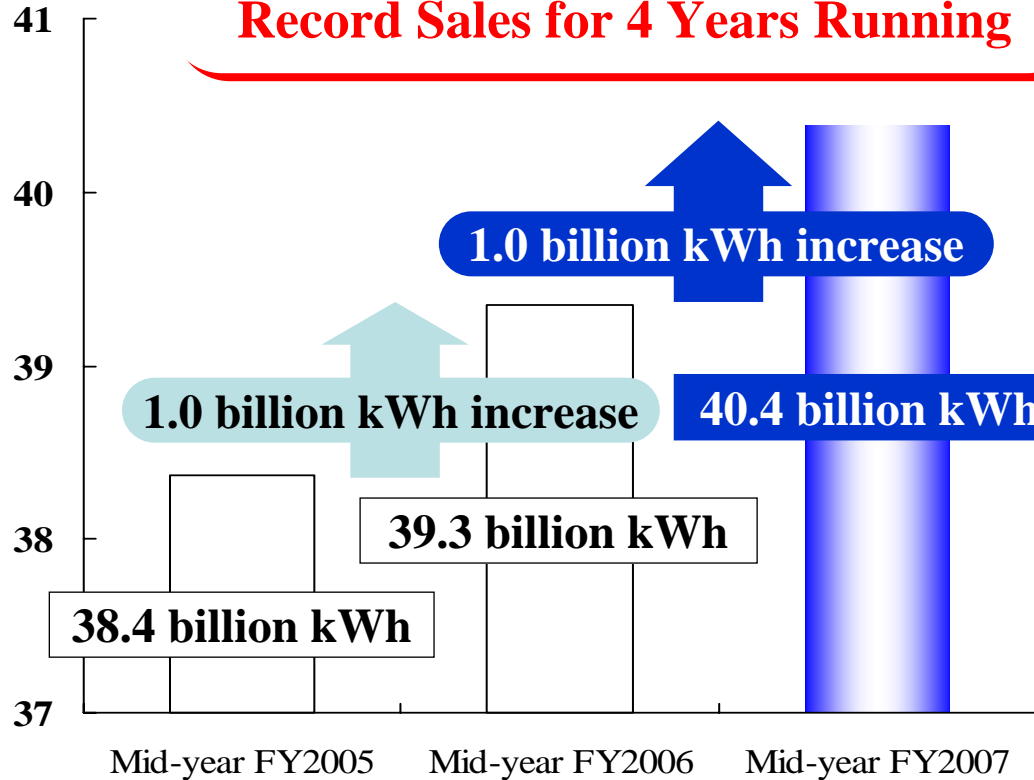
Electricity sold

40.4 billion kWh *Year-on-Year Compared*
up 1.0 billion kWh (+2.6%)

Major Factors : increase in large industrial sales (0.9 billion kWh)
 expansion of all-electric housing (0.1 billion kWh)

(Billions of kWh)

Record Sales for 4 Years Running



	FY2007 Mid-year Results	Year-on-Year Comparison
Excluding Deregulated Segment	13.3	99.2 %
Residential	11.2	100.1 %
Commercial and Industrial	2.1	94.5 %
Deregulated Segment	27.1	104.4 %
Total	40.4	102.6 %

[Sub-segment]

Large Industrial (*)	14.2	106.7 %
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* Large industrial is included in the deregulated segment

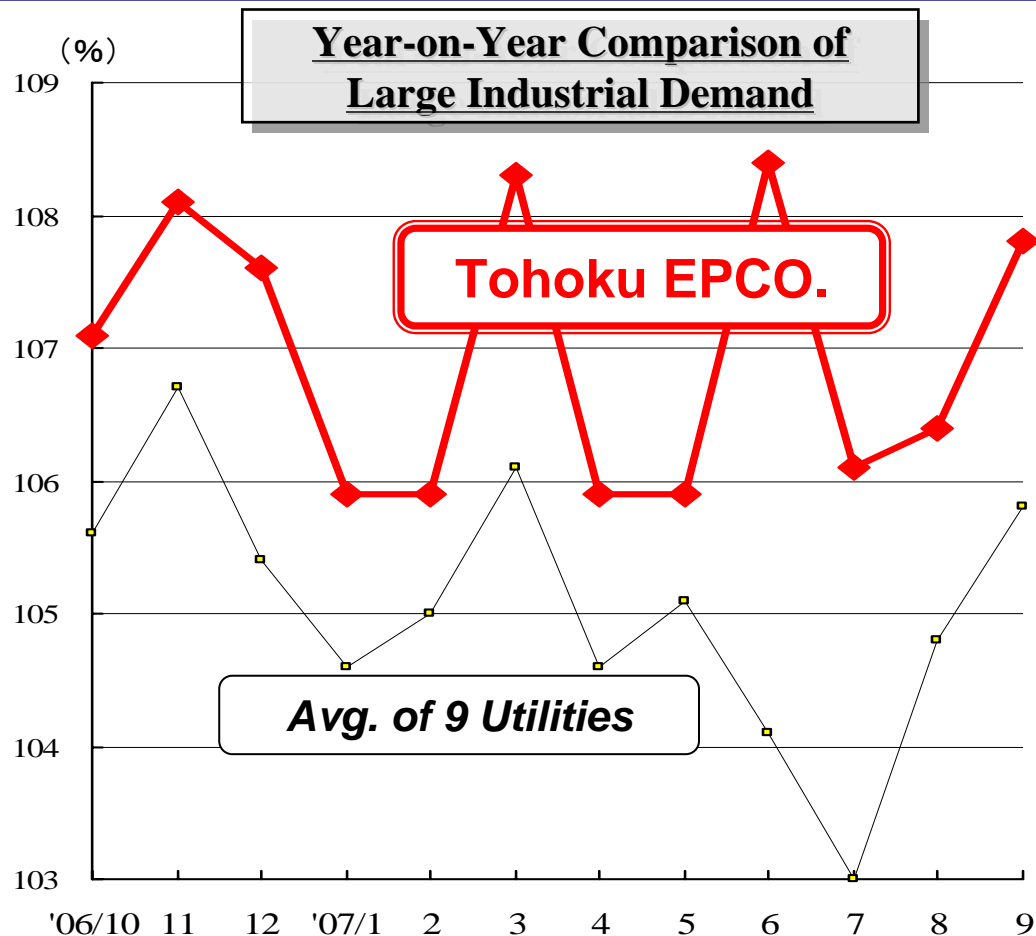
Demand Volume by Large Industry Sector

(Non-consolidated)

**FY2007 mid-year result
by sector**

On top of strong production mainly of machinery and non-ferrous metals, revived demand due to closure/suspension of private power generation affected sales.

	Volume	(Millions of kWh, %)	
		Year-on-Year Comparison	
		Volume	Percentage
Foodstuffs	819	152	122.8
Paper & Pulp	603	21	103.7
Chemicals	1,048	76	107.9
Ceramics	410	13	103.2
Steel	1,600	58	103.8
Non-Ferrous Metals	1,688	208	114.1
Machinery	4,692	327	107.5
Others	3,344	41	101.2
Total	14,205	897	106.7



Comparison Statement of Revenue & Expense

(Non-consolidated)

(100 millions of yen, %)

	FY2007 Mid-year Results (A)	FY2006 Mid-year Results (B)	Comparison		Items
			(A) - (B)	(A) / (B)	
Residential	2,392	2,444	(51)	97.9	Increase of Electric Power Sales; 170
Commercial and Industrial	4,024	3,973	51	101.3	Influence of Electricity Rate Reduction; (120)
Electricity Sales Revenues	6,417	6,417	0	100.0	
Other Revenues	1,254	1,264	(10)	99.2	To Other Utilities; (38)
Total Revenues	7,672	7,682	(10)	99.9	
Personnel	725	683	41	106.1	Retirement Benefits; 25
Fuel	1,559	1,417	142	110.1	Rise in fuel prices and increase of electricity demand
Maintenance	911	824	86	110.5	Thermal Power; 23 Nuclear Power; 44
Depreciation	1,166	1,260	(93)	92.5	Thermal Power; (68) Nuclear Power; (38)
Purchased Power	1,392	1,437	(44)	96.9	From Other Utilities; (42)
Interests	226	226	(0)	99.7	
Other Expenses	1,319	1,302	16	101.3	
Total Expenses	7,300	7,152	148	102.1	
Ordinary Income	371	529	(158)	70.1	

Balance Sheets ①

(Non-consolidated)

(100 millions of yen)

Assets	September 30, 2007 (A)	March 31, 2007 (B)	Comparison (A) - (B)	Items
Fixed Assets	34,554	35,062	(507)	
Electric Utility Fixed Assets	26,798	27,231	(432)	Thermal Power Plant; (183) Nuclear Power Plant; (317)
Incidental Business Fixed Assets	40	43	(3)	
Other Fixed Assets	88	85	2	
Construction in Progress	1,607	1,577	29	
Nuclear Fuel	1,390	1,415	(25)	
Investments and Other Assets	4,630	4,710	(79)	Fund for Reprocessing Costs of Irradiated Nuclear Fuel; (28)
Current Assets	2,197	2,031	166	
Total	36,751	37,093	(341)	

Balance Sheets ②

(Non-consolidated)

(100 millions of yen)

Liabilities and Net Assets	September 30, 2007 (A)	March 31, 2007 (B)	Comparison (A) - (B)	Items
Liabilities	27,936	28,348	(411)	
Fixed Liabilities	21,794	22,129	(334)	Long-term Debt; (140)
Current Liabilities	5,975	6,027	(52)	Commercial Paper; (70)
Reserve for Fluctuation in Water Levels	166	191	(25)	
Net Assets	8,815	8,745	69	
Common Stock	2,514	2,514	-	
Capital Surplus	266	266	-	
Retained Earnings	6,019	5,933	86	
Treasury Stock, at Cost	(78)	(75)	(2)	
Net Unrealized Holding Gain on Securities	92	106	(14)	
Total	36,751	37,093	(341)	

Interest-Bearing Liabilities	September 30, 2007 (A)	March 31, 2007 (B)	Comparison (A) - (B)
Bonds	13,605	13,205	400
Borrowings	6,539	6,827	(288)
Long-term Loans	5,995	6,283	(288)
Short-term Borrowings	544	544	-
Commercial Paper	750	820	(70)
Total	20,894	20,853	41

Projection

(Non-consolidated)

In comparison with August projection

Operating revenues grew with rising demand but fuel and purchased power expenses also increased.

(100 millions of yen)

	Projection for FY2007		Results of FY2006 (C)	Comparison	
	On Oct. 2007 (A)	On Aug. 2007 (B)		(A) - (B)	(A) - (C)
Operating Revenues	15,700	15,400	15,467	300	232
Operating Income	800	800	1,083	-	(283)
Ordinary Income	400	400	767	-	(367)
Net Income	250	250	447	-	(197)

Major Factors

Electric Power Sales (100 millions of kWh)	834	828	809	6	25
Residential	249	248	243	1	6
Commercial and Industrial	585	580	566	5	19
Crude Oil CIF Price (\$ / bbl)	70.0	65.0	63.6	5.0	6.4
Exchange Rate (¥ / \$)	118	120	117	(2)	1
Hydro Power Flow Rate (%)	98.5	97.1	112.5	1.4	(14.0)
Nuclear Power Capacity Factor (%)	65.0	65.0	49.7	-	15.3

Sensitivity to Major Factors

(Non-consolidated)

(100 millions of yen)

	FY2007 Mid-year Results	FY2006 Mid-year Results
Crude Oil CIF Price (per \$1 / bbl)	11	9
Exchange Rate (per ¥1 / \$)	11	10
Hydro Power Flow Rate (per 1%)	4	4
Nuclear Power Capacity Factor (per 1%)	8	7

	Projection for FY2007 on Oct. 2007	Projection for FY2007 on Aug. 2007	FY2006 Results
Crude Oil CIF Price (per \$1 / bbl)	28	25	21
Exchange Rate (per ¥1 / \$)	26	20	23
Hydro Power Flow Rate (per 1%)	8	8	8
Nuclear Power Capacity Factor (per 1%)	18	16	15

Summary of FY2007 Mid-year Results

(Consolidated)

Operating revenues were up and ordinary income down for first time in two years since FY2005 mid-year results

(100 millions of yen)

	FY2007 Mid-year Results (A)	FY2006 Mid-year Results (B)	Comparison	
			(A) - (B)	(A) / (B)
Operating Revenues	8,529	8,379	150	101.8%
Operating Income	698	825	(127)	84.6%
Ordinary Income	480	615	(135)	78.0%
Net Income	277	346	(68)	80.3%

Capital Expenditures	935	924	10	101.2%
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	September 30, 2007 (A)	March 31, 2007 (B)	Comparison	
			(A) - (B)	(A) / (B)
Assets	40,409	40,693	(283)	99.3%
Liabilities	29,968	30,366	(398)	98.7%
Net Assets	10,441	10,326	114	101.1%

Interest-Bearing Liabilities	21,595	21,633	(37)	99.8%
Equity Ratio	24.6%	24.2%	0.4%	-

Statements of Cash Flows

(Consolidated)

(100 millions of yen)

	FY2007 Mid-year Results (A)	FY2006 Mid-year Results (B)	Comparison (A) - (B)	Items
Cash Flow from Operating Activities	1,307	1,696	(389)	Decrease of Amount Due from Customers; (116) Decrease of Income Taxes; (126)
Cash Flow from Investing Activities	(1,022)	(931)	(91)	Decrease of Acquisition of Property, Plant and Equipment; (76)
Cash Flow from Financing Activities	(195)	(711)	515	Increase of Commercial Paper; 880
Net Cash Flow	88	53	35	
Free cash Flow	480	966	(485)	

Note: Our definition of the free cash flow = (Cash flow from operating activities) + (Cash flow from investing activities) - (Interest and dividend income) - (Interest expense)

Segment Information

(Consolidated)

(100 millions of yen)

FY2007 Mid-year Results	Electric Utility Business	Construction Business	Gas Business	Information Processing, Tele- communication Business	Others	Total	Elimination of Inter- Segment Transaction and Corporate	Consolidated Total
Sales	7,610	1,192	135	181	652	9,772	(1,242)	8,529
Net Sales to Outside Customers	7,596	567	67	77	220	8,529	-	8,529
Net Inter-Segment Sales	13	624	67	104	431	1,242	(1,242)	-
Operating Costs and Expenses	7,010	1,164	122	163	621	9,082	(1,251)	7,831
Operating Income	599	27	12	18	31	689	8	698
Assets	36,619	2,414	682	668	2,417	42,802	2,393	40,409

Projection

(Consolidated)

**In comparison with
August projection**

While operating revenues rose,
ordinary income and net income stayed

(100 millions of yen)

	Projection for FY 2007		Results of FY2006 (C)	Comparison	
	On Oct. 2007 (A)	On Aug. 2007 (B)		(A) – (B)	(A) – (C)
Operating Revenues	17,450	17,150	17,282	300	167
Operating Income	1,000	1,000	1,339	-	(339)
Ordinary Income	600	600	991	-	(391)
Net Income	380	380	531	-	(151)

(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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