

Summary of Financial Statements for the Third Quarter Period of Fiscal Year 2007

January 31, 2008

Tohoku Electric Power Co., Inc. filed today its Summary of Financial Statements for nine months (April 1, 2007 to December 31, 2007) with the Tokyo Stock Exchange and Osaka Securities Exchange.

Summary of Consolidated Business Results

Regarding revenues, in the electric power business, electricity sales increased thanks to a steady growth of demand despite the impact of a reduction in electricity rates in July 2006. In the construction business, revenues rose due to the construction of a wind power station. Thus, operating revenues increased by 3.2% (an increase of 40.2 billion yen) from a year earlier to 1,282.2 billion yen. Ordinary revenues increased by 3.3% (an increase of 41.0 billion yen) to 1,287.6 billion yen.

Regarding expenses, in spite of the decrease in depreciation and amortization expense, ordinary expenses in the electric business increased by 5.2% (an increase of 62.1 billion yen) from a year earlier to 1,247.7 billion yen due to the increase in fuel costs caused by rising fuel prices and repair costs related to a regular inspection of power stations.

As a result, ordinary income decreased by 34.5% (a decrease of 21.0 billion yen) from a year earlier to 39.9 billion yen and quarterly net income fell by 28.0% (a fall of 9.0 billion yen) to 23.2 billion yen.

Electricity sales

Electricity sales increased by 2.8% from a year earlier to 60.9 billion kWh, marking a record high for four consecutive fiscal years. This is because the residential time-of-day service showed steady growth thanks to the spread of all-electric homes and demand in the large industrial power sector increased due to steady production in the machinery and non-ferrous metals industries.

Tohoku Electric Power Co., Inc.

Summary of Quarterly Financial Statements (Unaudited)

(April 1, 2007 - December 31, 2007)

Information below is an English translation of the "Unaudited Quarterly Financial Release" for nine months ended December 31, 2007, which has been filed with the Tokyo Stock Exchange, Inc. and Osaka Securities Exchange Co., Ltd. for public inspection.

Tohoku Electric Power Co., Inc. (Code : 9506)

1-7-1 Honcho, Aoba-ku, Sendai, Miyagi 980-8550, Japan (URL : <http://www.tohoku-epco.co.jp>)

Representative : Hiroaki Takahashi, President

Tel : +81-22-225-2111

(Note) All monetary values are rounded down to the nearest units as indicated in each table.

1. Business Results for Consolidated Third Quarter Period in FY 2007 (Nine months ended December 31, 2007)

(1) Progresses of Financial Results

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
9 months ended Dec. 31, 2007	1,282,247	3.2	71,496	(23.6)	39,974	(34.5)	23,230	(28.0)
9 months ended Dec. 31, 2006	1,242,001	5.7	93,581	52.6	61,045	187.9	32,276	346.2
Year ended Mar. 31, 2007	1,728,296	—	133,935	—	99,121	—	53,173	—

	Net income per share	Diluted net income per share
	Yen	Yen
9 months ended Dec. 31, 2007	46.57	—
9 months ended Dec. 31, 2006	64.69	—
Year ended Mar. 31, 2007	106.57	—

(Note) Percentage figures represent changes as compared to the same period of the previous year.

(2) Changes in Financial Positions

	Total assets	Net assets	Equity ratio to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Dec. 31, 2007	4,025,755	1,023,658	24.2	1,952.79
Dec. 31, 2006	4,066,999	1,015,945	23.8	1,942.14
Mar. 31, 2007	4,069,331	1,032,681	24.2	1,971.69

2. Business Results Forecast for Consolidated FY 2007 (Year ending March 31, 2008)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY 2007	1,785,000	3.3	85,000	(36.5)	43,000	(56.6)	21,000	(60.5)	42.11

(Note) Percentage figures represent changes as compared to the same period of the previous year.

(Reference) Summary of Non-Consolidated Quarterly Financial Statements

1. Business Results for Non-Consolidated Third Quarter Period in FY 2007 (Nine months ended December 31, 2007)

(1) Progresses of Financial Results

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
9 months ended Dec. 31, 2007	1,152,360	1.5	54,274	(32.9)	24,298	(50.8)	16,092	(42.6)
9 months ended Dec. 31, 2006	1,135,292	4.7	80,905	68.2	49,402	223.1	28,015	256.3
Year ended Mar. 31, 2007	1,546,745	—	108,311	—	76,762	—	44,780	—

	Net income per share	Diluted net income per share
	Yen	Yen
9 months ended Dec. 31, 2007	32.26	—
9 months ended Dec. 31, 2006	56.14	—
Year ended Mar. 31, 2007	89.75	—

(Note) Percentage figures represent changes as compared to the same period of the previous year.

(2) Changes in Financial Positions

	Total assets	Net assets	Equity ratio to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Dec. 31, 2007	3,657,900	857,717	23.4	1,719.73
Dec. 31, 2006	3,699,488	864,963	23.4	1,733.63
Mar. 31, 2007	3,709,377	874,540	23.6	1,753.01

2. Business Results Forecast for Non-Consolidated FY 2007 (Year ending March 31, 2008)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY 2007	1,580,000	2.1	60,000	(44.6)	20,000	(73.9)	8,000	(82.1)	16.04

(Note) Percentage figures represent changes as compared to the same period of the previous year.

QUARTERLY CONSOLIDATED BALANCE SHEETS (Unaudited)

Third Quarter FY 2007 (As of December 31, 2007) and FY 2006 (As of March 31, 2007)

Assets			(Millions of yen)
Item	December 31, 2007	March 31, 2007	Increase (Decrease)
Fixed assets (property, plant and equipment):	3,644,028	3,713,452	(69,423)
Electric utility fixed assets:	2,616,626	2,692,084	(75,457)
Hydro power plant	180,906	183,869	(2,962)
Thermal power plant	367,049	395,333	(28,284)
Nuclear power plant	448,138	494,597	(46,459)
Transmission plant	644,262	642,388	1,873
Transformation plant	264,711	261,624	3,087
Distribution plant	594,209	587,335	6,873
General plant	111,798	121,691	(9,892)
Other	5,550	5,243	306
Other fixed assets	258,561	272,199	(13,638)
Construction work in progress	184,407	161,162	23,245
Nuclear fuel:	144,367	141,511	2,855
Loaded nuclear fuel	35,222	37,234	(2,011)
Nuclear fuel under processing	109,144	104,277	4,867
Investments in and advances to:	440,065	446,494	(6,429)
Long-term investments	84,610	90,879	(6,269)
Fund for reprocessing costs of irradiated nuclear fuel	101,851	104,522	(2,671)
Deferred income taxes	156,507	155,473	1,034
Other	98,389	96,762	1,626
Allowance for uncollectibles	(1,293)	(1,144)	(149)
Current assets:	381,726	355,879	25,847
Cash and deposits	111,479	115,939	(4,459)
Trade notes receivable and amounts due from customers	128,992	129,494	(501)
Inventories	85,056	60,326	24,730
Deferred income taxes	16,373	16,642	(268)
Other	40,851	34,456	6,395
Allowance for uncollectibles	(1,028)	(980)	(47)
Total assets	4,025,755	4,069,331	(43,576)

Liabilities and net assets

(Millions of yen)

Item	December 31, 2007	March 31, 2007	Increase (Decrease)
Fixed liabilities:	2,196,426	2,329,115	(132,689)
Bonds	1,110,518	1,170,517	(59,999)
Long-term debt	558,239	600,362	(42,123)
Accrued retirement benefits	192,115	204,599	(12,483)
Reserve for reprocessing costs of irradiated nuclear fuel	108,508	113,269	(4,761)
Pre-reserve for reprocessing costs of irradiated nuclear fuel	4,792	3,126	1,665
Reserve for decommissioning costs of nuclear power units	40,911	38,426	2,485
Deferred income taxes	366	424	(57)
Deferred income taxes on revaluation adjustments	2,756	2,921	(165)
Other	178,217	195,467	(17,249)
Current liabilities:	791,563	688,272	103,291
Current portion of long-term debt	301,623	292,357	9,265
Short-term borrowings	59,845	55,985	3,859
Trade notes and accounts payable	137,132	116,526	20,605
Accrued taxes	22,415	47,820	(25,405)
Other	270,547	175,581	94,965
Reserve:	14,107	19,262	(5,155)
Reserve for fluctuation in water levels	14,107	19,262	(5,155)
Total liabilities	3,002,097	3,036,650	(34,553)
Shareholders' equity:	965,006	971,930	(6,924)
Common stock	251,441	251,441	-
Capital surplus	26,678	26,678	-
Retained earnings	694,726	701,309	(6,582)
Treasury stock, at cost	(7,840)	(7,498)	(341)
Valuation and translation adjustments:	8,949	11,703	(2,753)
Net unrealized holding gain on securities	8,936	11,827	(2,891)
Revaluation adjustments	(1,191)	(1,074)	(116)
Foreign currency translation adjustments	1,205	950	254
Minority interests in consolidated subsidiaries	49,701	49,046	654
Total net assets	1,023,658	1,032,681	(9,023)
Total liabilities and net assets	4,025,755	4,069,331	(43,576)

QUARTERLY CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

Third Quarter FY 2007 (Nine months ended December 31, 2007) and Third Quarter FY 2006 (Nine months ended December 31, 2006)

Item	Nine months ended December 31,		(Millions of yen)
	2007	2006	Increase (Decrease)
Operating revenues:	1,282,247	1,242,001	40,246
Electric power	1,144,852	1,130,126	14,725
Other	137,394	111,874	25,520
Operating expenses:	1,210,751	1,148,419	62,331
Electric power	1,079,719	1,041,903	37,815
Other	131,031	106,516	24,515
Operating income	71,496	93,581	(22,084)
Other income:	5,445	4,629	816
Dividends income	707	629	77
Interest income	1,580	929	651
Gain from sales of fixed assets	482	208	273
Equity in gains of affiliates	-	611	(611)
Other	2,675	2,249	426
Other expenses:	36,967	37,164	(197)
Interest expense	34,718	35,352	(633)
Other	2,248	1,812	435
Total amount of revenues	1,287,693	1,246,630	41,062
Total amount of expenses	1,247,718	1,185,584	62,133
Ordinary income	39,974	61,045	(21,070)
Special items:			
Provision for (reversal of) reserve for fluctuation in water levels	(5,155)	3,051	(8,206)
Income before income taxes and minority interests	45,129	57,994	(12,864)
Current income taxes	19,484	22,566	(3,081)
Deferred income taxes	790	1,888	(1,098)
Minority interests in earnings of consolidated subsidiaries	1,624	1,263	360
Net income	23,230	32,276	(9,045)

QUARTERLY NON-CONSOLIDATED BALANCE SHEETS (Unaudited)

Third Quarter FY 2007 (As of December 31, 2007) and FY 2006 (As of March 31, 2007)

Assets

(Millions of yen)

Item	December 31, 2007	March 31, 2007	Increase (Decrease)
Fixed assets (property, plant and equipment):	3,443,198	3,506,275	(63,076)
Electric utility fixed assets:	2,648,299	2,723,111	(74,811)
Hydro power plant	155,518	157,385	(1,867)
Thermal power plant	337,808	364,945	(27,137)
Nuclear power plant	450,601	497,358	(46,757)
Internal combustion power plant	5,124	4,820	304
Transmission plant	661,500	660,128	1,371
Transformation plant	274,913	272,172	2,740
Distribution plant	645,300	638,177	7,122
General plant	117,031	127,620	(10,589)
Property leased to others	501	501	-
Incidental business fixed assets	3,863	4,317	(454)
Other fixed assets	8,773	8,517	256
Construction work in progress:	171,129	157,769	13,359
Construction work in progress	163,883	154,902	8,981
Suspense account for disposal	7,245	2,867	4,378
Nuclear fuel:	144,367	141,511	2,855
Loaded nuclear fuel	35,222	37,234	(2,011)
Nuclear fuel under processing	109,144	104,277	4,867
Investments in and advances to:	466,765	471,048	(4,282)
Long-term investments	73,015	77,730	(4,714)
Long-term investments in subsidiaries and affiliates	183,800	183,531	269
Fund for reprocessing costs of irradiated nuclear fuel	101,851	104,522	(2,671)
Long-term prepaid expenses	4,875	3,491	1,383
Deferred income taxes	103,365	101,879	1,485
Allowance for uncollectibles	(142)	(107)	(35)
Current assets:	214,702	203,102	11,600
Cash and deposits	46,688	55,003	(8,314)
Amounts due from customers	85,224	78,758	6,465
Trade notes receivables	2,993	3,417	(424)
Fuel and supplies	40,089	35,257	4,832
Prepaid expenses	6,133	374	5,758
Short-term credits to subsidiaries and affiliates	3,814	1,408	2,406
Deferred income taxes	11,727	11,727	-
Other current assets	18,470	17,565	904
Allowance for uncollectibles	(439)	(410)	(29)
Total assets	3,657,900	3,709,377	(51,476)

Liabilities and net assets

(Millions of yen)

Item	December 31, 2007	March 31, 2007	Increase (Decrease)
Fixed liabilities:	2,092,410	2,212,902	(120,491)
Bonds	1,110,818	1,170,817	(59,999)
Long-term debt	511,310	542,874	(31,564)
Long-term accrued liabilities	7,122	3,078	4,044
Accrued retirement benefits	149,072	160,561	(11,488)
Reserve for reprocessing costs of irradiated nuclear fuel	108,508	113,269	(4,761)
Pre-reserve for reprocessing costs of irradiated nuclear fuel	4,792	3,126	1,665
Reserve for decommissioning costs of nuclear power units	40,911	38,426	2,485
Other fixed liabilities	159,874	180,746	(20,872)
Current liabilities:	693,733	602,758	90,974
Current portion of long-term debt	283,710	272,287	11,422
Short-term borrowings	54,440	54,440	-
Commercial paper	101,000	82,000	19,000
Trade notes	82,555	57,659	24,895
Accounts payable	19,918	16,900	3,017
Accrued expenses	31,463	40,074	(8,611)
Accrued taxes	16,871	39,696	(22,824)
Deposits received	3,286	1,296	1,990
Short-term debt to subsidiaries and affiliates	23,485	35,059	(11,573)
Advances received	76,619	3,018	73,601
Reserve for bonuses to directors	-	97	(97)
Other current liabilities	382	229	152
Reserve:	14,039	19,176	(5,137)
Reserve for fluctuation in water levels	14,039	19,176	(5,137)
Total liabilities	2,800,182	2,834,837	(34,654)
Shareholders' equity:	849,720	863,899	(14,178)
Common stock	251,441	251,441	-
Capital surplus	26,657	26,657	-
Legal reserve	62,860	62,860	-
Retained earnings:	516,683	530,521	(13,837)
Reserve for cost fluctuation adjustments	103,000	103,000	-
Reserve for depreciation of Higashi Niigata Thermal Power Station Unit 4-2 Series	10,000	10,000	-
Retained earnings appropriated for general purpose	332,400	306,400	26,000
Retained earnings carried forward	71,283	111,121	(39,837)
Treasury stock, at cost	(7,922)	(7,580)	(341)
Valuation and translation adjustments:	7,997	10,640	(2,643)
Net unrealized holding gain on securities	7,997	10,640	(2,643)
Total net assets	857,717	874,540	(16,822)
Total liabilities and net assets	3,657,900	3,709,377	(51,476)

QUARTERLY NON-CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

Third Quarter FY 2007 (Nine months ended December 31, 2007) and Third Quarter FY 2006 (Nine months ended December 31, 2006)

(Millions of yen)

Item	Nine months ended December 31,		Increase (Decrease)
	2007	2006	
Operating revenues:	1,152,360	1,135,292	17,067
Electric power operating revenues:	1,146,397	1,131,868	14,529
Revenue from residential customers	366,326	366,836	(510)
Revenue from commercial and industrial customers	602,769	588,865	13,903
Revenue from power sold to other utilities	164,441	166,579	(2,138)
Revenue from power sold to other companies	1,000	198	802
Revenue from wheeling	961	551	410
Revenue from wheeling adjustment among utilities	2,145	1,991	154
Miscellaneous revenues from electric utility business	8,688	6,781	1,907
Revenue from property leased to others	64	64	-
Incidental business revenues:	5,962	3,424	2,538
Gas supply business revenue	5,499	2,961	2,538
Heat supply business revenue	463	463	0
Operating expenses:	1,098,086	1,054,386	43,699
Operating expenses for electric utility business:	1,091,841	1,051,093	40,747
Expense for hydro power generation	22,757	23,143	(386)
Expense for thermal power generation	355,341	328,015	27,325
Expense for nuclear power generation	112,231	107,889	4,341
Expense for internal combustion power generation	5,383	4,723	659
Expense for power purchased from other utilities	80,596	85,596	(5,000)
Expense for power purchased from other companies	134,176	129,930	4,246
Transmission expense	62,516	59,461	3,055
Transformation expense	39,386	39,643	(256)
Distribution expense	130,956	124,892	6,063
Selling expense	40,515	40,064	450
Expense for property leased to others	4	5	(0)
General administration expense	72,865	72,053	812
Electric power development promotion tax	22,897	23,706	(809)
Enterprise tax	12,416	12,086	329
Transferred cost of electricity for construction	(204)	(121)	(83)
Incidental business expenses:	6,245	3,293	2,951
Gas supply business expense	5,808	2,888	2,919
Heat supply business expense	436	404	31
Operating income	54,274	80,905	(26,631)

(Millions of yen)

Item	Nine months ended December 31,		Increase (Decrease)
	2007	2006	
Other income:	4,886	3,467	1,419
Financing income:	2,644	1,983	660
Dividends income	1,280	1,215	64
Interest income	1,363	767	596
Other income:	2,242	1,484	758
Gain from sales of fixed assets	236	150	86
Miscellaneous income	2,005	1,333	672
Other expenses:	34,862	34,971	(108)
Financing expenses:	33,874	34,505	(630)
Interest expense	33,749	34,112	(362)
Bond issuance costs	124	392	(267)
Other expenses:	987	465	522
Loss on sales of fixed assets	141	154	(13)
Miscellaneous losses	846	311	535
Total amount of revenues	1,157,247	1,138,760	18,487
Total amount of expenses	1,132,948	1,089,358	43,590
Ordinary income	24,298	49,402	(25,103)
Special items:			
Provision for (reversal of) reserve for fluctuation in water levels	(5,137)	3,054	(8,191)
Income before income taxes	29,435	46,347	(16,912)
Current income taxes	13,343	18,332	(4,989)
Net income	16,092	28,015	(11,922)

(Note)

This report 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.