TOKYO ELECTRIC POWER COMPANY

Annual Report 2010

Year ended March 31, 2010

Optimal Energy Services:
Our Focus in Value Creation

Profile

The Tokyo Electric Power Company, Incorporated (TEPCO) was established in 1951 to supply electric power to the Tokyo metropolitan area, and for more than half a century has continued to support society and public life with low-cost, high-quality electric power.

TEPCO continues to face an extremely challenging management environment due to factors including the continued shutdown of some reactors at the Company's Kashiwazaki-Kariwa Nuclear Power Station, which was damaged by the July 2007 Niigataken Chuetsu-Oki Earthquake, in addition to a drop in electric power sales caused by a worsening global economy.

To overcome these crises, the TEPCO Group has devoted all of its strengths to inspecting and restoring the Kashiwazaki-Kariwa facility. At the same time, the Group is working to achieve a low-carbon society by enhancing both demand and supply initiatives, with a view toward realizing its business philosophy of contributing to better lifestyles and environments by providing superior energy resources.

Forward-Looking Statements

This annual report contains forward-looking statements regarding the Company's plans, outlook, strategies and results for the future. All forward-looking statements are based on judgments derived from the information available to the Company at the time of publication.

Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's businesses; competitive pressures; related laws and regulations; product development programs; and changes in exchange rates.

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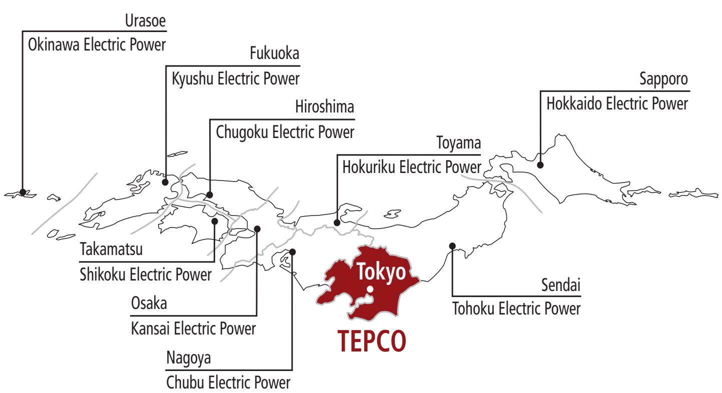
TEPCO Snapshot

TEPCO's Market Position

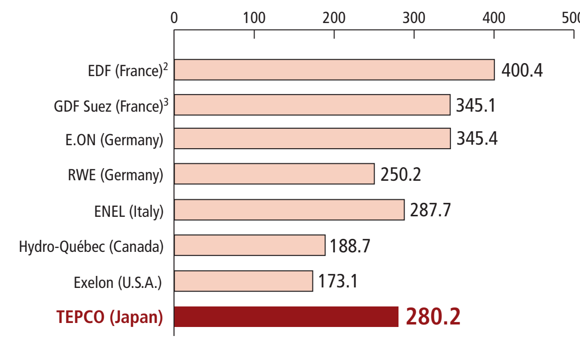
TEPCO supplies electricity to the Kanto region, including metropolitan Tokyo. TEPCO's service area is home to approximately one-third of Japan's population. TEPCO's electricity sales represent approximately one-third of total electricity sales in Japan, putting the Company on a level with the world's major electric power companies.

Service Areas of Japan's Ten Electric Power Companies



Sales of Major Electric Power Companies[1]

(Billion kWh, Calendar year 2009 / Fiscal year 2009)

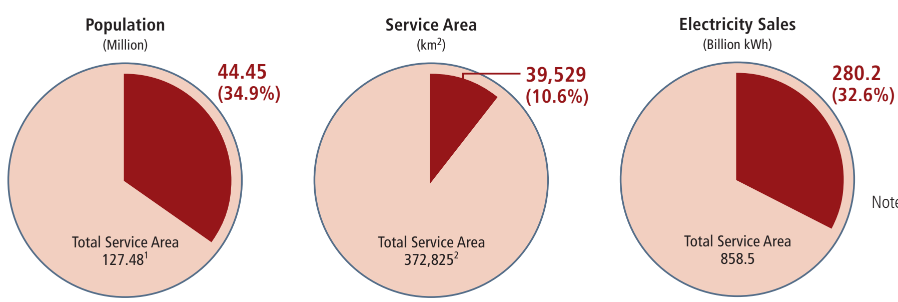


Notes: 1. Figures include overseas sales and exclude wholesale power market sales unless otherwise noted.
2. Domestic sales only
3. Includes wholesale power market sales. Sales outside of France by Electrabel S.A. (Belgium) and other overseas group companies account for most of this figure.

Source: Annual reports of each company, etc.

TEPCO's Position in the Japanese Electric Power Industry

(As of March 31, 2010 unless otherwise noted)



TEPCO's Service Area
Total Service Area (10 EPCOs)[3]

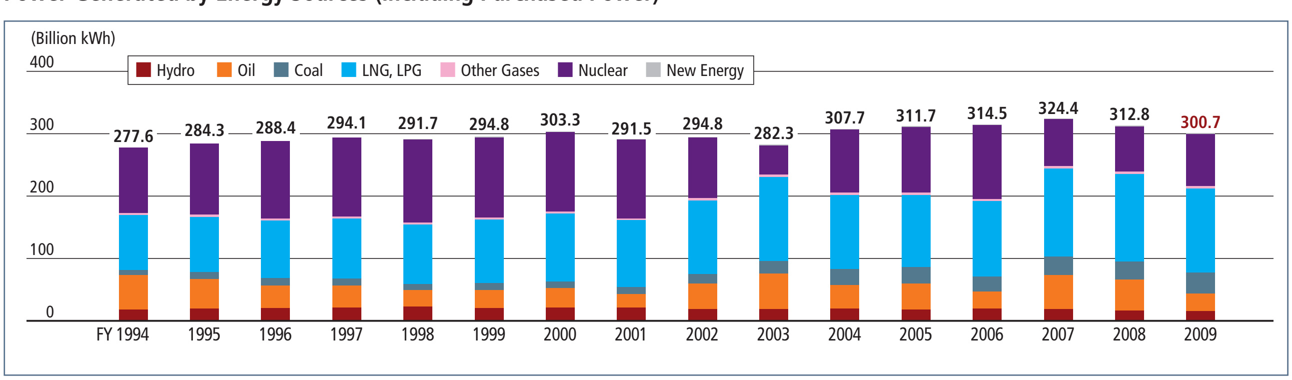
Notes: 1. The population figure is an estimate as of January 1, 2010 (prepared by the Statistics Bureau, Ministry of Internal Affairs and Communications.)
2. Source: Hand Book of Electric Power Industry (2009 edition)
3. Electric power companies

TEPCO's Power Supply and Demand

Power Supply: The Best Generation Mix

To ensure stable supply and energy security, TEPCO promotes the best generation mix. This entails an optimum balance of energy sources, centered on nuclear power, with comprehensive consideration of economic efficiency, operability and environmental compatibility. In fiscal 2006, prior to the Niigataken Chuetsu-Oki Earthquake, nuclear power accounted for 38 percent of all power generated by TEPCO.

Power Generated by Energy Sources (including Purchased Power)



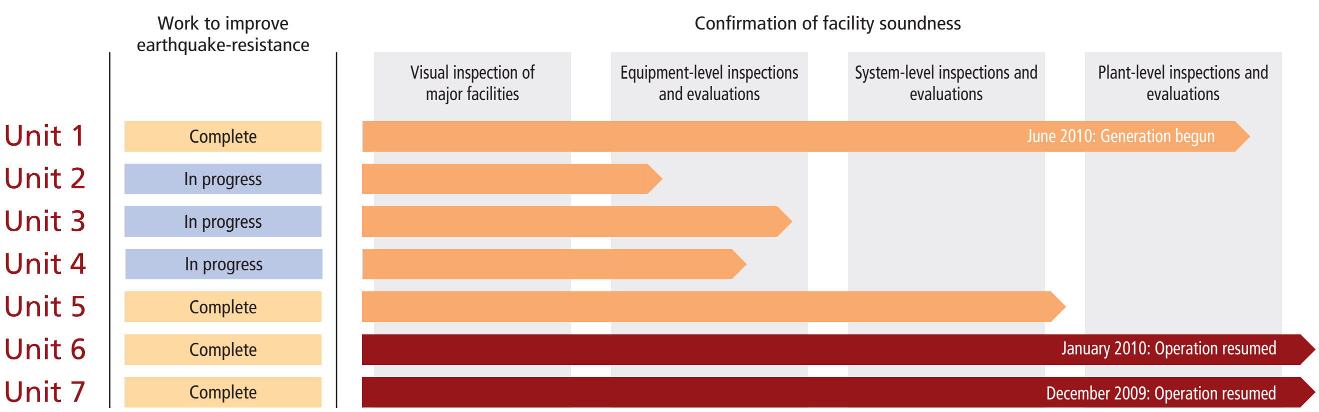
Current Status of Restoration of Kashiwazaki-Kariwa Nuclear Power Station

We are simultaneously carrying out restoration work and earthquake-resistance and safety improvement initiatives at Kashiwazaki-Kariwa Nuclear Power Station, aimed at restarting the operation of all units. We are successively restarting units once these processes have been completed, inspections have been conducted and the approval of national and local governments has been received. As of June 2010, we have restarted Units 1, 6 and 7.

Timeline of Events Since the Earthquake

- **July 2007:** Niigataken Chuetsu-Oki Earthquake occurs. All units of Kashiwazaki-Kariwa Nuclear Power Station are shut down on the same day. Inspections and restoration work begin at all units.
- **May 2009:** Plant-level functional testing begins at Unit 7. (Generation begins on May 19.)
- **August 2009:** Plant-level functional testing begins at Unit 6. (Generation begins on August 31.)
- **December 2009:** Unit 7 resumes commercial operation.
- **January 2010:** Unit 6 resumes commercial operation.
- **May 2010:** Plant-level functional testing begins at Unit 1. (Generation begins on June 5.)

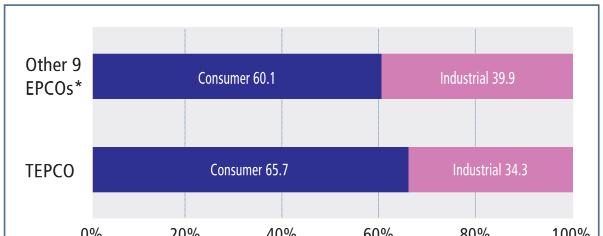
Current Status by Unit (As of June 30, 2010)



Electricity Sales: Concentration of Consumer and Non-Manufacturing Industrial Demand

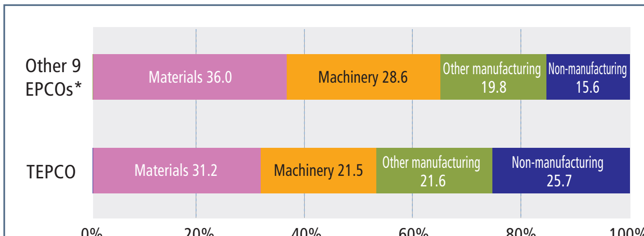
TEPCO's power demand is characterized by a relatively high proportion of demand from consumers due to the concentration of population and business functions in the Tokyo metropolitan area. In addition, the composition of industrial demand by sector is well-balanced, with a relatively high proportion of demand from railroad, telecommunications and other non-manufacturing social infrastructure.

Electricity Sales Volume by Demand Type (Fiscal 2009)



Consumer: Lighting, power and liberalized (eligible) commercial customers
Industrial: Liberalized (eligible) industrial customers

Industrial Demand by Sector (Fiscal 2009)



Materials: Customers in the chemicals, iron and steel, non-ferrous metals, pulp and paper, ceramics and cement industries

*Electric power companies
Source: Federation of Electric Power Companies of Japan website

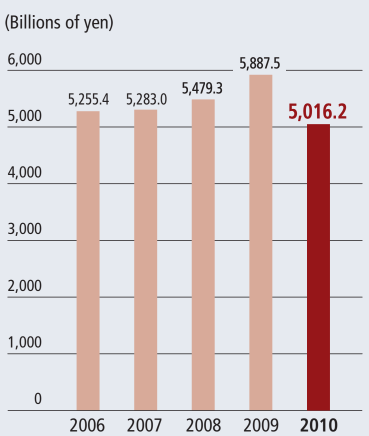
Consolidated Financial Highlights

The Tokyo Electric Power Company, Incorporated and Consolidated Subsidiaries

	Millions of yen, unless otherwise noted			Millions of U.S. dollars, unless otherwise noted (Note 1)
	2010	2009	2008	**2010**
Years ended March 31:				
Operating revenues	**¥ 5,016,257**	¥ 5,887,576	¥ 5,479,380	**$ 53,909**
Operating income	**284,443**	66,935	136,404	**3,057**
Net (loss) income	**133,775**	(84,518)	(150,108)	**1,438**
Electricity sales (million kWh) (Note 2)	**280,167**	288,956	297,397	
Per share of common stock (Yen and U.S. dollars):				
Net (loss) income (basic)	**¥ 99.18**	¥ (62.65)	¥ (111.26)	**$ 1.07**
Cash dividends	**60.00**	60.00	65.00	**0.64**
Equity	**1,828.08**	1,763.32	1,967.03	**19.65**
As of March 31:				
Equity (Note 3)	**¥ 2,465,738**	¥ 2,378,581	¥ 2,653,762	**$ 26,499**
Total assets	**13,203,987**	13,559,309	13,679,055	**141,902**
Interest-bearing debt	**7,523,952**	7,938,087	7,675,722	**80,859**
Financial ratios:				
ROA (%) (Note 4)	**2.1**	0.5	1.0	
ROE (%) (Note 5)	**5.5**	(3.4)	(5.3)	
Equity ratio (%)	**18.7**	17.5	19.4	

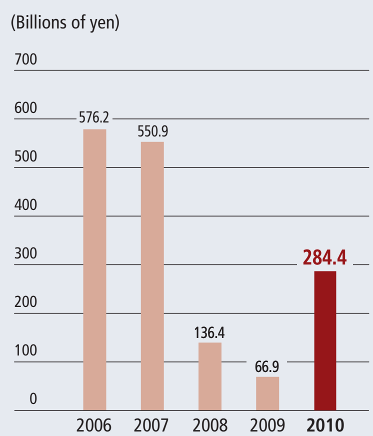
Notes: 1. All dollar amounts herein refer to U.S. currency. Yen amounts have been translated, solely for the convenience of the reader, at the rate of ¥93.05 to US$1.00 prevailing on March 31, 2010.
2. Non-consolidated data
3. Equity = Total net assets – Stock acquisition rights – Minority interests
4. ROA = Operating income/Average total assets
5. ROE = Net income/Average equity
6. Amounts of less than one million yen have been omitted. All percentages have been rounded to the nearest unit.

Operating Revenues



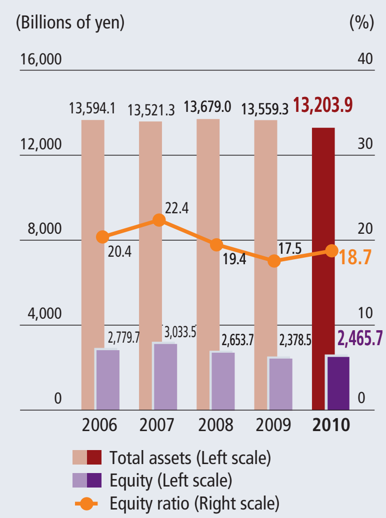
(Years ended March 31)

Operating Income



(Years ended March 31)

Total Assets, Equity and Equity Ratio



(As of March 31)

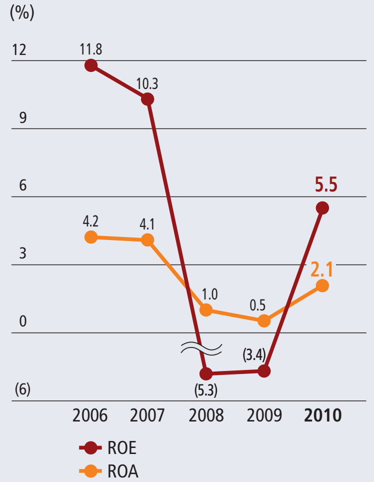
Segment Overview

(Years ended March 31)

Business Segment	Operating Revenues (%)	Operating Revenues (Billions of yen) 2008	2009	2010	Overview
Electric Power Business	88.7%	5,169.1	5,554.2	4,733.3	Electricity supply
Information and Telecommunications Business	1.8%	127.5	104.1	95.9	Telecommunications business; computerized information processing, development and maintenance of computer software; cable television business; installation site leasing for and maintenance, management and operation of computer, telecommunications and other equipment
Energy and Environment Business	6.7%	373.3	418.9	355.9	Gas supply business; services related to energy facilities; maintenance and repair of power generation and other facilities; operation and maintenance of environmental protection and other facilities; maintenance of transmission, transformation and other facilities; design and maintenance of distribution facilities; sales of crude oil and petroleum products; repair and adjustment of electricity meters; heat supply; cargo and vehicle transportation business
Living Environment and Lifestyle-Related Business	2.5%	139.4	133.5	133.5	Leasing and management of real estate; operation and management of exhibition pavilions and show rooms
Overseas Business	0.3%	19.2	17.1	15.1	Overseas consulting business; investment in overseas businesses; overseas power generation business

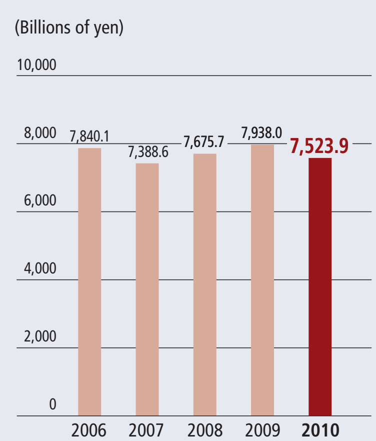
Note: Segment operating revenues include inter-segment sales and transfers.

ROA and ROE



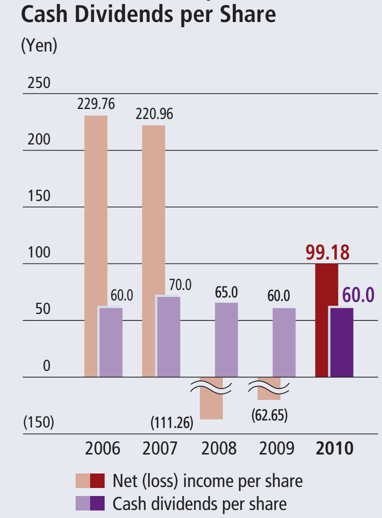
(Years ended March 31)

Interest-Bearing Debt



(As of March 31)

Net (Loss) Income per Share and Cash Dividends per Share



(Years ended March 31)

Please see pages 42-43 for an in-depth 11-year summary.

To Our Shareholders and Investors

The TEPCO Group's operating environment has remained challenging since the shutdown of Kashiwazaki-Kariwa Nuclear Power Station due to the Niigataken Chuetsu-Oki Earthquake of July 2007. Under these conditions, during fiscal 2009 we worked to overcome the crisis and devoted our comprehensive strengths to resolving issues such as the restoration of Kashiwazaki-Kariwa Nuclear Power Station. As a result, despite a decrease in electricity sales volume due to the impact of the recession and other factors, the TEPCO Group generated net income for the first time in the past three fiscal years because of successes including the restart of operations at Units 6 and 7 at Kashiwazaki-Kariwa Nuclear Power Station.

However, the TEPCO Group's operating environment is fraught with uncertainties, including ongoing restoration work at Kashiwazaki-Kariwa Nuclear Power Station and the slow pace of recovery in demand for electricity.

Given this situation, we will dedicate all of our capabilities to restoring all units at Kashiwazaki-Kariwa Nuclear Power Station during fiscal 2010 in order to wrap up our crisis management efforts, while also working constantly to reduce costs. In addition, we will strengthen initiatives such as promoting nuclear power, expanding the use of renewable energy and further encouraging electricity use to achieve a low-carbon society in terms of both supply and demand. Moreover, we will develop overseas operations and other new businesses to expand earnings, with the goal of achieving further growth and development.

We are counting on the continued understanding and support of our shareholders and investors in these endeavors.

July 2010

T. Katsumata

Tsunehisa Katsumata
Chairman

M. Shimizu

Masataka Shimizu
President

Tsunehisa Katsumata, Chairman   Masataka Shimizu, President

During fiscal 2010, the year ending March 31, 2011, the TEPCO Group must wrap up its crisis management efforts and strengthen programs for post-crisis growth and development.

An Interview with President Masataka Shimizu

Masataka Shimizu, President

Q In retrospect, how was fiscal 2009? What were TEPCO's challenges and achievements?

The standout developments of fiscal 2009 were the restart of operations at part of Kashiwazaki-Kariwa Nuclear Power Station and our ability to generate net income after two years of net losses.

The Niigataken Chuetsu-Oki Earthquake in 2007 created serious problems for the TEPCO Group in terms of facilities, the environment and earnings, and the Group devoted all of its strengths to overcoming the crisis. We viewed fiscal 2009 as a key period in overcoming the crisis as we worked to restore Kashiwazaki-Kariwa Nuclear Power Station while assiduously reducing costs. We did not simply avoid a third year of loss, we generated solid net income.

As a result of our efforts, we restarted commercial operations at Units 6 and 7 of Kashiwazaki-Kariwa Nuclear Power Station, resumed generation at Unit 1 at the beginning of fiscal 2010 and plan to resume generation at Unit 5 in the near future. The TEPCO Group devoted all of its strengths to reducing costs, and succeeded at surpassing its target of ¥50.0 billion in cost reductions set at the beginning of the fiscal year. The TEPCO Group generated net income of ¥133.7 billion for fiscal 2009 as a result of these efforts, and is well on the way to overcoming the crisis it faced.

However, we incurred expenses of ¥250.0 billion in fiscal 2009 as a result of the shutdown of Kashiwazaki-Kariwa Nuclear Power Station. With restoration of Units 2 through 4 still in progress, we cannot afford to become complacent.

We took a number of concrete steps during fiscal 2009 to support sustained growth in the future. First, we moved to secure stable, flexible procurement by concluding a basic contract to take an 11.25 percent equity stake in the Wheatstone LNG Project in Australia and purchase LNG from the project. More than ever, TEPCO is emphasizing stable, flexible fuel procurement that supports stable supply of electric power. Going forward, we expect that economic growth in Asia and around the world will make the procurement of energy resources more challenging. The Wheatstone Project is representative of our efforts to strengthen procurement of upstream interests in fuel for both thermal and nuclear power generation. In addition, we also increased the capital of Group company Eurus Energy Holdings Corporation to further strengthen its operating and financial base. Eurus Energy is involved in wind and solar power generation around the world. Given social demand to realize a low-carbon society, we expect Eurus Energy to be a TEPCO Group growth stock.

Cost Reductions

We surpassed the cost reduction target of ¥50.0 billion we set for fiscal 2009. Reducing costs is a constant task for corporations, and we have approached this core mission by changing our conventional thinking on facility construction, maintenance and the way we work. The TEPCO Group had been working to reduce costs prior to the Niigataken Chuetsu-Oki Earthquake, but responded to the pressure on earnings over the past two to three years by further raising efficiency, rightsizing and standardizing. For example, we reduced the cost of inspections not by postponing them, but by reducing their frequency through detailed analyses of the appropriate interval between inspections for individual pieces of equipment. Going forward, we will deploy new ideas and technologies in our continuing efforts to reduce costs.

Our cost reduction efforts are not temporary. The TEPCO Group is institutionalizing sustained cost reduction in ways such as establishing the Cost Reduction Committee. Moreover, the new Management Vision currently under consideration will emphasize continuous cost reduction.

Impact of the Shutdown of Kashiwazaki-Kariwa Nuclear Power Station

(Billions of yen)

	FY 2009	[Ref.] FY 2008
Total	**250.0**	**649.0**
Fuel expenses, etc.	250.0	585.0
Increase in fuel expenses and purchased power	285.0	635.0
Decrease in nuclear fuel expenses and nuclear power back-end costs	-35.0	-50.0
Restoration expenses and others	—	64.0
Extraordinary loss (Casualty loss from natural disaster and others)	—	56.5
Others (Expenses for restarting inactive thermal power plants, etc.)	—	7.5
Decrease in nuclear power generated	35.0 billion kWh	50.0 billion kWh
Nuclear power plant capacity utilization ratio (%)	53.3	43.8

Approx. 50 Billion kWh* — Approx. 15 Billion kWh
Power generated by Units 6 and 7

*Assumption: Kashiwazaki-Kariwa Nuclear Power Station all together could generate 50 billion kWh annually under normal conditions.

Estimated capital expenditures to strengthen earthquake-resistance and improve disaster-prevention functions:
¥15 billion per unit
¥100 billion for all units

Programs to Reduce Costs and Raise Facility Maintenance Efficiency

Rationalize Facility Configuration

- Selective, simplified plans
- Rational design, construction and specifications
- Streamlined facilities
- Other

Review Business Processes

- Business cooperation and information sharing among Group companies
- Improved operating efficiency through the use of information technology
- Review processes for procuring and distributing materials
- Other

Rationalize Operation and Maintenance

- Optimize inspection cycle
- Rationalize inspections and other activities according to the condition of facilities
- Raise the sophistication of facility diagnostic technology
- Other

Other Rationalization

- Reduce fuel expenses
- Reduce procurement costs through contractual means
- Reduce rent for buildings and facilities
- Other

Q

Rising awareness of the problem of global warming, economic recovery and other issues are expected to significantly alter the TEPCO Group's operating environment. What are the TEPCO Group's management policies for fiscal 2010?

The Operating Environment and Fiscal 2010 Business Management Plan

The economy has recently begun to improve. However, demand for electric power has not risen to pre-recession levels, so we feel the recovery is not complete. Moreover, fuel price trends are unpredictable. While fuel prices are affected by supply and demand and economic trends, a strong belief that they will rise over the medium to long term gives us cause for concern. In addition, the schedule for ongoing restoration at Kashiwazaki-Kariwa Nuclear Power Station is not clear.

Given these circumstances, the TEPCO Group sees fiscal 2010 as a time to wrap up its crisis management efforts and prepare the foundation for post-crisis growth and development. Our strategy for future growth and development involves reducing carbon emissions on both the supply and demand sides and energetically developing the overseas operations we have built with our technological strengths into a core business.

Wrapping Up Crisis Management Efforts

Wrapping up crisis management efforts involves three areas. First, we must construct disaster-resistant nuclear power stations. Naturally, we are working to restore the remaining units at Kashiwazaki-Kariwa Nuclear Power Station with safety as our first priority. We are also conducting earthquake-resistance and safety assessments at Fukushima Daiichi and Daini Nuclear Power Station and implementing countermeasures that reflect the knowledge we have gained at Kashiwazaki-Kariwa Nuclear Power Station.

Next are our efforts to ensure stable supply. The TEPCO Group forecasts that it will have sufficient supply capacity during fiscal 2010 because of the restart of operations at Kashiwazaki-Kariwa Nuclear Power Station Units 6 and 7 and the start of operations at Futtsu Thermal Power Station Unit 4 Group. However, with several units at Kashiwazaki-Kariwa Nuclear Power Station still shut down, we will ensure stable supply by continuing to implement safety measures at power generation and transmission facilities while steadily managing supply and demand and systems.

Finally, we will constantly reduce costs. As I mentioned earlier, we must embrace ongoing cost reduction programs that utilize the creative expertise in reducing expenses that the pressure on earnings over the past three years has engendered.

Q

What are the TEPCO Group's specific policies for achieving post-crisis growth and development?

Programs to Achieve a Low-Carbon Society

We assume that electric power is part of the social infrastructure and that electric power companies are public utilities that supply it. In other words, our core mission is ensuring stable supply and quality, and it is not going to change.

Rising awareness of global warming has created new social expectations for TEPCO. We are conscious of global warming as a concerned party, and intend to contribute to overcoming it by achieving a low-carbon society. In sum, our new task will be adding value to our traditional commitment to the stable supply of electricity in the form of solutions to the problem of global warming. Fortunately for TEPCO, one of our strengths is that we can contribute to reducing carbon emissions in both electricity supply and demand. On the supply side, we are able to produce electricity without emitting much CO_2 by promoting nuclear power generation, introducing highly efficient thermal power generation and expanding the use of renewable energy. On the demand side, promoting the use of electricity with highly efficient equipment such as heat pumps contributes to greater overall energy efficiency and reduced CO_2 emissions. We intend to deploy our strengths to further reduce CO_2 emissions in both supply and demand, which is sure to support future growth.

Initiatives to Develop Overseas Business

Energy infrastructure will be essential to the economic growth expected overseas, particularly in Asia. Moreover, nuclear power is making a comeback, with plans for new nuclear power facilities taking shape in the United States and other developed countries. These developments present TEPCO with business opportunities. As one example, we have become the first Japanese electric power company to participate in a nuclear power project overseas through our investment in the South Texas Project Expansion Units 3 and 4, announced in May 2010.

We are using the advanced technological skills we have developed in the domestic electric power industry and fully

Restoration of Kashiwazaki-Kariwa Nuclear Power Station

The processes of restoration and improving earthquake-resistance and safety are concurrently progressing at all seven units of Kashiwazaki-Kariwa Nuclear Power Station.

For restoration, first we confirm the impact of the earthquake on each facility and carry out repairs or replacement as necessary. We then inspect and evaluate systems comprising interrelated equipment to confirm that they can function and perform as required.

In improving earthquake-resistance and safety, we incorporated elaborate geological surveys and the latest information to increase the estimates for probable maximum ground movement in the event of a future earthquake. We used these estimates as the basis for required work to strengthen earthquake-resistance to ensure the safe functioning of the plant in the event of ground movement equivalent to 1.5 times that observed in the Niigataken Chuetsu-Oki Earthquake.

TEPCO then restarted the reactor after being examined by and receiving consent from the national and local governments. We conducted inspections and evaluations of overall plant safety and confirmed equipment soundness at each stage of the rated output. As a result, we confirmed the ability of the plant to operate continuously.

With these processes complete, we have now restarted generation at Units 1, 6 and 7. We are making steady progress in initiatives to restore the remaining Units 2 to 5.

considering risks and rewards as we aggressively develop overseas business. Much is expected of TEPCO both in Japan and around the world. We are therefore looking overseas more than ever to meet these expectations and grow our businesses.

Q Fund procurement and balance sheet improvement are as important as aggressively implementing growth strategies. What is TEPCO's financial strategy for the future?

First of all, capital expenditures in the electric power businesses have gradually increased in recent years. On a non-consolidated basis, capital expenditures for fiscal 2009 totaled ¥592.9 billion, and the Fiscal 2010 Business Management Plan forecasts average annual capital expenditures of ¥780.0 billion for the three years through fiscal 2012.

The electric power business requires large sums of long-term funding. TEPCO therefore relies on straight bond issues, which allow it to raise large amounts of capital at one time. TEPCO procured ¥240.0 billion through bond issues during fiscal 2009, including a straight bond denominated in Swiss francs to diversify the markets we use for funding. It was our first foreign currency bond issue in three years. Moreover, in May 2010 we moved to diversify maturities by issuing our first 30-year bond. The markets responded enthusiastically because 30-year corporate bonds with low credit risk are rare. The ¥25.0 billion issue amount was the largest ever in Japan for a 30-year corporate bond. In addition, TEPCO uses loans from financial institutions as a source of safe, reliable funding that balances bond issues, and has also increased commitment lines to ensure sufficient liquidity for interest and principal payments.

During fiscal 2009, TEPCO generated net income for the first time in three years and reduced interest-bearing debt by ¥364.4 billion from March 31, 2009 to ¥7,384.4 billion as of March 31, 2010. The equity ratio improved 0.7 percentage points to 17.1 percent as a result, halting a three-year slide.

Status of Initiatives (As of June 30, 2010)

	Item		Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7
Earthquake-Resistance and Safety Improvement Initiatives / Facility Soundness Evaluation	Buildings and Structures	Inspection and evaluation	Report submitted (Dec. 22, 2009)	In progress	In progress	In progress	Report submitted (May 21, 2010)	Report submitted (Dec. 25, 2008)	Report submitted (Sep. 1, 2008)
	Facilities	Inspection and evaluation of each piece of equipment	Report submitted (Feb. 19, 2010)	In progress	In progress	In progress	Report submitted (Jun. 9, 2010)	Report submitted (Jan. 28, 2009)[1] (Jun. 23, 2009)	Report submitted (Sep. 19, 2008)[1] (Feb. 12, 2009)
		Inspection and evaluation of each system	Report submitted (Feb. 19, 2010)				Report submitted (Jun. 9, 2010)	Report submitted (Jun. 23, 2009)	Report submitted (Feb. 12, 2009)
		Inspection and evaluation of the plant as a whole	In progress				Plan submitted (Jun. 9, 2010)	Report submitted (Oct.1, 2009)	Report submitted (Jun. 23, 2009)
Earthquake-Resistance and Safety Improvement Initiatives	Confirmation of the earthquake-resistance and safety initiatives		Report submitted (Mar. 24, 2010)	In progress	In progress	In progress	Report submitted (Jun. 9, 2010)	Report submitted (May 19, 2009)	Report submitted (Dec. 3, 2008)
	Work to strengthen earthquake-resistance		Completed (Jan. to Dec. 2009)	In progress since Jun. 2009	In progress since Nov. 2008	In progress since May 2009	Completed (Jan. 2009 to Jan. 2010)	Completed (Jul. 2008 to Jan.2009)	Completed (Jun. to Nov. 2008)
Current Status			Load adjustment operation	Periodic inspection	Periodic inspection	Periodic inspection	Periodic inspection	Commercial operation	Load adjustment operation[2]

1. Reports that have been submitted to date exclude the following inspections that were not possible.
   • Operation, leakage and other checks with fuel actually loaded in the reactors
   • Operation, leakage and other checks that cannot be executed until main turbines have been restored

2. Unit 7 resumed commercial operation in December 2009.

Circumstances may prevent us from achieving an equity ratio of 25 percent or higher for the fiscal year ending March 31, 2011, which is our balance sheet improvement target under Management Vision 2010. However, we will continue working to improve our finances so that we can steadily execute our growth strategies.

Fiscal 2010 is the final year of Management Vision 2010. Will TEPCO achieve its goals for this plan, and what will the next Management Vision be like?

Management Vision 2010

In fiscal 2009, we achieved our target of expanding new electricity sales volume by 10.00 billion kWh from fiscal 2004 through fiscal 2010 under Management Vision 2010, a year ahead of schedule. However, the shutdown of Kashiwazaki-Kariwa Nuclear Power Station and volatile fuel prices created challenging conditions for achieving our targets for operating efficiency and balance sheet improvement.

Although we are not likely to achieve all of the targets of Management Vision 2010, we are not going to change our policy of doing everything we can to come as close as possible. Moreover, given that fiscal 2010 is the final year of Management Vision 2010, our efforts to wrap up the measures to meet our targets will contribute to future growth and development.

Our New Management Vision

We are currently studying our new Management Vision, which sets targets for 10 years in the future, and plan to disclose it soon. While I have to ask everyone to wait a bit longer for the announcement of specific details, it will describe specific aims of the TEPCO Group given the major changes in its operating environment.

The planning process is important to the new Management Vision. It is not a plan created by several

Management Vision 2010 Targets and Fiscal 2009 Results

		Management Vision 2010 Targets (Target Year: Fiscal 2010)	Fiscal 2009 Results
Operating Efficiency		Improve efficiency by at least **20%** compared with FY 2003 (With facility safety and securing quality as major premises)	—
Balance Sheet Improvement	Equity Ratio	Equity ratio of at least **25%**	**17.1%** (Year-on-year increase of 0.7 percentage points)
	Interest-Bearing Debt		**¥7,384.4 billion** (Year-on-year decrease of ¥364.4 billion)
Business Growth	Expansion of New Electricity Volume	At least **10 billion kWh** (FY 2004 – FY 2010)	**1.76 billion kWh** (Year-on-year increase of 0.06 billion kWh) (Cumulative total FY 2004 – FY 2009 of **11.27 billion kWh**)
	Consolidated Operating Revenues from Businesses Other than Electric Power	At least **¥300 billion**	**¥283.4 billion** (Year-on-year decrease of ¥50.4 billion)
	Consolidated Operating Income from Businesses Other than Electric Power	At least **¥50 billion**	**¥38.0 billion** (Year-on-year increase of ¥2.5 billion)
Global Environment Contribution	CO_2 Emission Intensity	Reduce emission intensity by **20%** compared with FY 1990 (Average FY 2008 – FY 2012) (About 0.304 kg-CO_2/kWh annually)	**0.324 kg-CO_2/kWh*** (Year-on-year decrease of about 2%)

Note: Unless otherwise specified, results and targets are on a non-consolidated basis.
*After carbon credit adjustment. Emission intensity before carbon credit adjustment was 0.384 kg-CO_2/kWh.

employees. Rather, we are working hard to listen to ideas, opinions and questions concerning the TEPCO Group, both inside and outside the Company. People outside the Company are telling us in no uncertain terms that simply providing a stable supply of electricity is not enough, that TEPCO should demonstrate leadership with a broader view of energy and environmental issues in Japan. Inside the Company, people are telling us firsthand that they want a new Management Vision that they can relate to, one that is closely connected with their daily work.

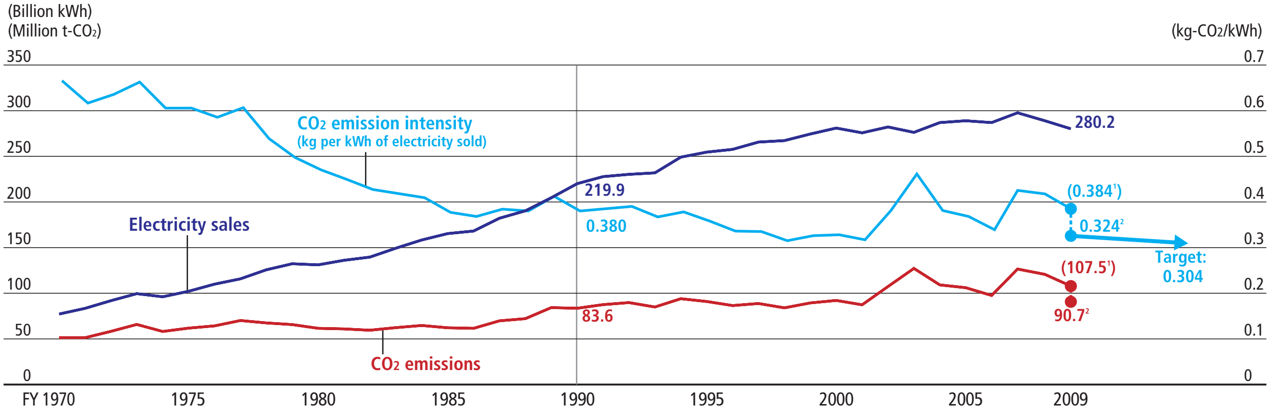
Personally, I also want a Management Vision that is easy to relate to and understand. Young employees throughout the company are periodically gathering for discussions, and I am personally involved in ways such as attending sessions at worksites to communicate directly with employees. We will continue working to create a Management Vision that incorporates the opinions and ideas of a wide range of people.

Q TEPCO has restarted operation of some units at Kashiwazaki-Kariwa Nuclear Power Station and is aggressively investing for future growth. How will the TEPCO Group deploy cash flow in the future and provide returns to shareholders?

We will distribute free cash flow on a profit-sharing basis. Our policy of distributing returns to shareholders while also improving our balance sheet and investing in future growth will not change.

Based on our fundamental policy of maintaining stable dividends with a target consolidated payout ratio of 30 percent or higher, dividends for fiscal 2009 totaled ¥60.00 per

Changes in CO_2 Emissions and Emission Intensity



Notes: 1. Before carbon credit adjustment
2. After carbon credit adjustment

share, and we expect dividends to total ¥60.00 per share for fiscal 2010 as well.

We will consider raising dividends in the future after carefully considering factors such as performance and the status of balance sheet improvement. The end of the crisis is in sight, but the time does not seem right to raise dividends. We will reconsider once we reach our goal of restoring ordinary income to the level prior to the Niigataken Chuetsu-Oki Earthquake.

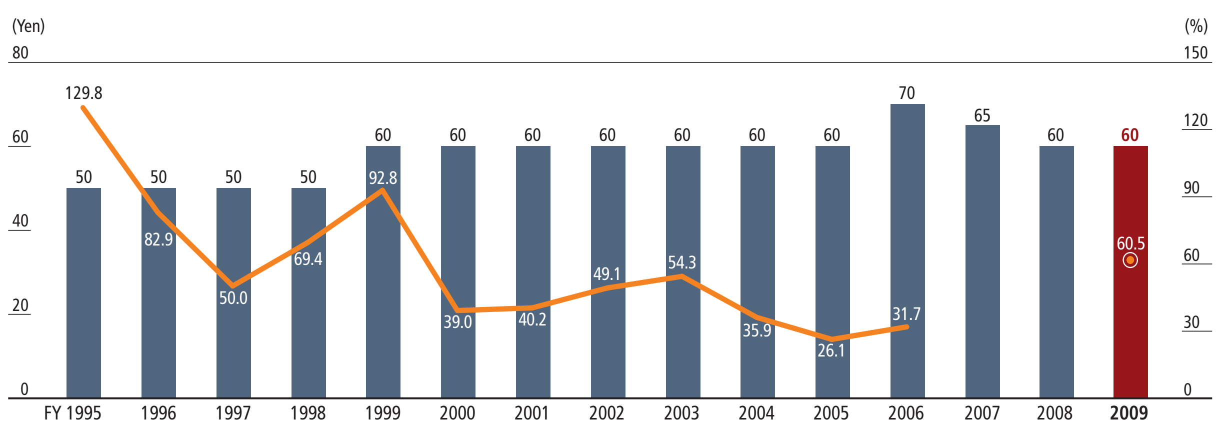
Q Last year, you said that TEPCO will emerge as a stronger company after overcoming its crisis. Now that TEPCO is on the verge of doing so, what kind of company will it become?

Well, we still have issues to deal with, but I still believe that once we have overcome the immediate crisis TEPCO must be reborn as a company strong in people and facilities. We must reconstruct facilities so that they can withstand natural disasters in order to fulfill our critical mission of providing a stable supply of electricity. We will put the lessons we have learned to work in ensuring that all our facilities, not just nuclear power plants, are resilient.

The powerful sense of duty and mission our people display in providing a stable supply of electricity is a longstanding tradition and a strength that must continue in the next generation. It is part of the corporate DNA our predecessors created, and a deep source of strength in dealing with challenging circumstances.

I ask our shareholders and investors to look at TEPCO's future with a medium-to-long-term perspective. We are counting on your continued understanding and support.

Cash Dividends per Share and Consolidated Payout Ratio



Note: The consolidated payout ratio has not been calculated for fiscal 2007 and fiscal 2008 due to net loss.

Optimal Energy Services:
Our Focus in Value Creation

The TEPCO Group will create value by energetically investing for future growth and developing new businesses based on an accurate assessment of its operating environment.

Our Outlook

The retail electricity market in Japan is getting competitive with expected slower growth in electricity sales volume. However, TEPCO is promoting programs to generate sustainable growth and achieve a low-carbon society.

Our Investment

TEPCO works to enhance its facility soundness and further improve the efficiency of power supply with timely and adequate capital investment to promote carbon emission reduction and increase its cost and environmental competitiveness.

Our Opportunity

TEPCO has steadily cultivated overseas business opportunities by taking advantage of its technology, knowledge and skills earned in the domestic power business. Going forward, we will further promote various overseas projects with careful consideration of business risks and future returns.

Our Outlook

Our Operating Environment

Competition in the retail electricity market in Japan is intensifying with expectations of slower growth in electricity sales volume. However, TEPCO is promoting programs to generate sustainable growth and achieve a low-carbon society.

Forecast for Electricity Sales Volume for the Fiscal 2010 Supply Plan

Production levels fell sharply in the aftermath of the so-called Lehman Shock, which sharply reduced TEPCO's electricity sales volume, particularly among industrial customers. The economy is now recovering, but electricity sales volume for fiscal 2009 decreased year on year for the second consecutive year. Moreover, the recent intensifying competition with other energy resources, a plateau in population growth, lower economic growth, the advance of energy conservation, and expanding use of renewable energy have made the retail electricity market even more competitive.

Based on these conditions, the Fiscal 2010 Supply Plan projects moderate economic growth over the medium to long term. Given competition with other energy resources and the advance of energy conservation, however, from fiscal 2008 through fiscal 2019 we forecast a low compound annual growth rate of 1.0 percent for electricity sales volume and 0.5 percent for peak demand, both adjusted for the influence of temperature.

By category over the same time period, we forecast firm growth in regulated lighting demand at a compound annual growth rate of 1.3 percent, adjusted for the influence of temperature. Positive factors such as the spread of all-electric housing will offset negative factors including slow growth in the number of accounts, the advance of energy conservation, and expanding use of solar power generation.

In the liberalized segment (high voltage and extra high voltage customers with contracts for 50 kW or higher), we forecast that commercial demand will increase at a comparatively solid compound annual rate of 1 to 2 percent due to projected moderate economic growth. On the other hand, we forecast that industrial demand will decrease at a compound annual rate of less than 1 percent because the shift to offshore manufacturing and slowdown in exports will result in flat production levels. Consequently, we forecast that overall demand in the liberalized segment will increase at a compound annual rate of about 1 percent.

In this market environment, including the impact of competition with power producers and suppliers (PPS), we forecast that our sales to customers in the liberalized segment

Forecast for Electric Power Demand

Electric Power Demand

(Billion kWh)

	FY 2008 (Actual)	FY 2009 (Actual)	FY 2019 (Projected)
Lighting	96.1	96.1	111.1
Low-voltage power	108.0	107.5	120.8
Commercial	77.5	76.5	–
Industrial	103.5	96.1	–
Liberalized segment	181.0	172.7	200.7
Total electricity sales volume	289.0	280.2	321.6
Peak demand (Million kW) (3-day average at transmission end)	589.1	525.4	615.0
Annual load (%)	59.0 [59.7]	64.1 [60.4]	62.8 [–]

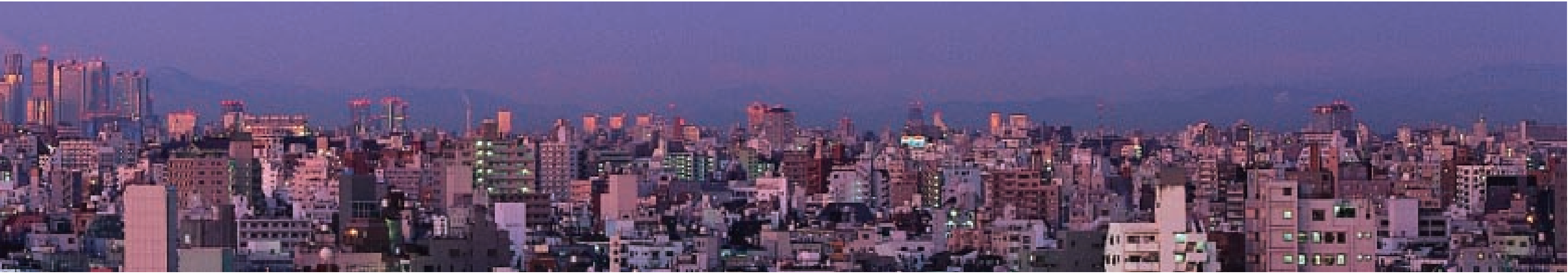
Note: Annual load figures in brackets are adjusted for the influence of temperature.

Electric Power Demand (Percentage Change Compared with the Previous Fiscal Year)

(%)

	FY 2008 (Actual)	FY 2009 (Actual)	Compound annual growth rate (FY 2008–19)
Lighting	-1.6	0.0	1.3 (1.3)
Low-voltage power	-2.2	-0.4	1.0 (1.0)
Commercial	-0.2	-1.2	–
Industrial	-5.4	-7.1	–
Liberalized segment	-3.2	-4.6	0.9 (1.0)
Total electricity sales volume	-2.8	-3.0	1.0 (1.0)
Peak demand (3-day average at transmission end)	-0.1	-10.8	0.4 (0.5)

Note: Figures in parentheses are adjusted for the influence of temperature.



over the same period will increase at a compound annual rate of 1.0 percent, adjusted for the influence of temperature.

We therefore forecast a compound annual growth rate of as low as 1.0 percent for total electricity sales volume over the period despite comparatively steady growth in the household and commercial sectors.

Policies for Medium-to-Long-Term Growth

While growth in our electricity sales volume is slowing, the public's expectations for the energy industry to contribute to a low-carbon society are on the rise. Under these conditions, TEPCO is increasing efficiency and reducing carbon emissions on the supply side and promoting wider use of electricity on the demand side to generate sustainable growth while contributing to the establishment of a low-carbon society. We also need to broaden the scope of operating activities in new business areas such as overseas business development.

At power plants, or the supply side, we are working not only to maintain stable supply but also to further increase operating efficiency and reduce carbon emissions, so that we can raise our competitiveness in terms of both cost structure and environmentally friendly technology.

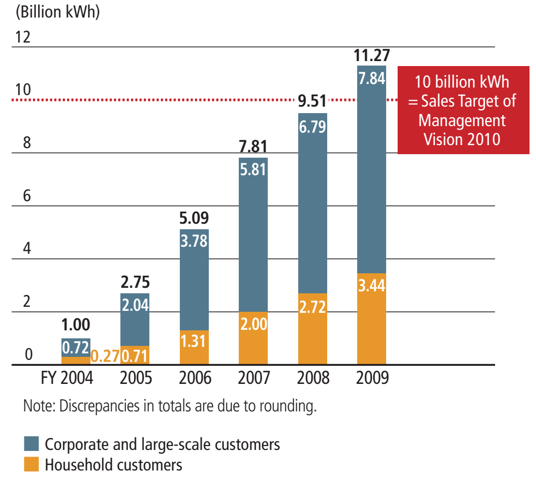
On the demand side, we are actively promoting highly efficient appliances using heat pump and other technologies to expand electricity sales volume and reduce carbon emissions. We have already met some key goals of Management Vision 2010 such as expanding new electricity sales volume by 10 billion kWh from fiscal 2004 through 2010, a year ahead of the original plan. Moreover, we aim to further raise our shares in all energy consumption market sectors, from households and offices to commercial facilities and factories.

In our overseas business, we have expanded our business fields to power generation and consulting with the technology, skills and knowledge gained through our domestic power business. We are committed to overseas business development for future growth.

Programs to Achieve a Low-Carbon Society

Supply Side: Further improving efficiency in power generation and reducing carbon emissions	Steadily developing nuclear power, which is central to zero emission power generation
	Introducing thermal power generation with world-leading efficiency
	Expanding the use of renewable energy
	Conducting studies for creating a smart grid
Demand Side: Further promoting the use of electricity	Household sector: Promoting all-electric homes with highly efficient and user-friendly appliances such as the Eco Cute heat-pump water heater, which utilizes atmospheric heat
	Corporate sector: Strengthening proposals for electric kitchens, highly efficient air-conditioners, water heaters and other appliances, and for smarter industrial production processes with the latest induction heating and heat pump technologies

Cumulative Expansion of New Electricity Sales Volume



Note: Discrepancies in totals are due to rounding.

Our Investment

Capital Investment for Solid Future Growth

TEPCO works to enhance its facility soundness and further improve power supply efficiency with timely and adequate capital investment to promote carbon emission reduction and increase its cost and environmental competitiveness.

Capital Investment Required under the Fiscal 2010 Business Management Plan

Capital expenditures for fiscal 2004 were approximately one-third of the ¥1,680.0 billion spent in fiscal 1993 due to lower growth in power demand and our continued efforts such as efficient facility configuration and cost reduction.

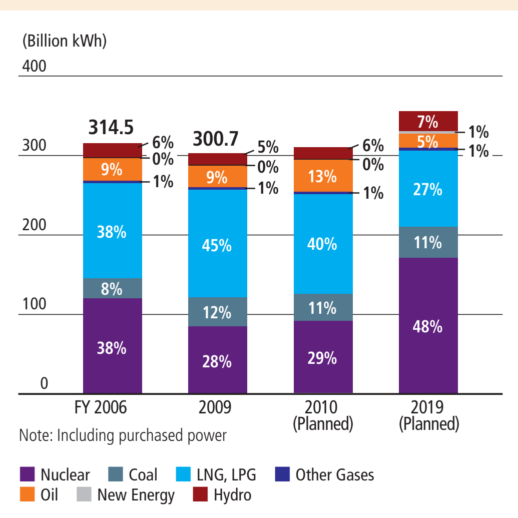
Capital expenditures subsequently increased gradually, reaching ¥592.9 billion for fiscal 2009. In our current capital investment plan, we project that average annual capital expenditures for the next three years are going to increase ¥30 billion to approximately ¥780.0 billion compared with those in the previous capital investment plan. While a decrease in capital expenditures for supply facilities is expected owing to continued cost reduction, postponement of insignificant and minor constructions and revision of original construction plans, capital expenditures for generation facilities will increase mainly due to steady progress in new facility construction projects. Investment in generation facilities will continue to increase despite slower growth in power demand because improvement of facility soundness through timely and adequate capital investment is essential to further raising supply efficiency and reducing carbon emissions. Such capital investment will not only help create a low-carbon society but also enhance our cost and environmental competitiveness for our sustainable growth.

Enhancing Competitiveness through Capital Investment

To strengthen its competitiveness, TEPCO will continue to make capital investments in power generation facilities. Specifically, we will promote steady development of nuclear power generation, further research and development for higher efficiency in thermal power generation and wider use of renewable energy resources.

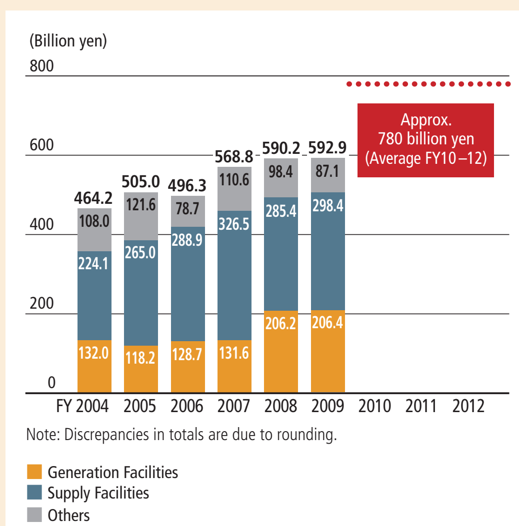
TEPCO emphasizes nuclear power for its primary power source because of its lower generation costs and zero-emission generation. Moreover, higher utilization of nuclear power facilities reduces our dependence on fossil fuels, so that we can mitigate risks associated with fuel procurement and price volatility. Consequently, nuclear power contributes to stabilizing electricity rates and improving energy security. Over the next 10 years, we plan to complete construction of

Power Generation Outlook by Energy Source

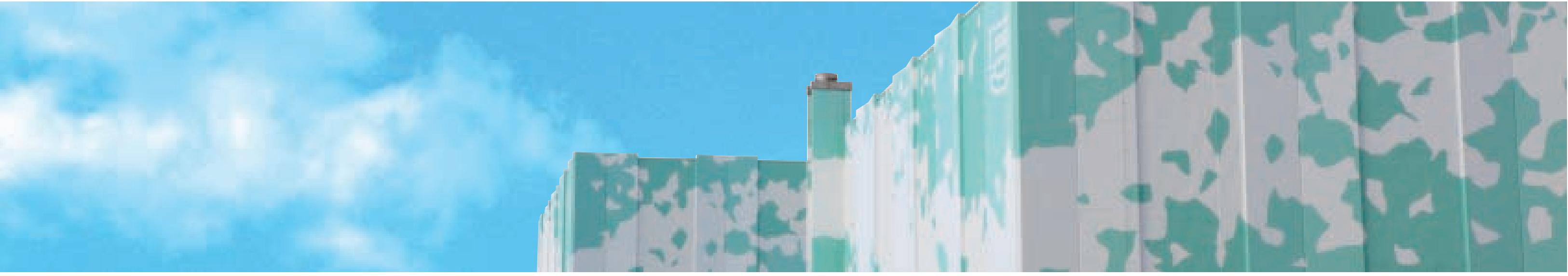


Note: Including purchased power

Capital Expenditures (Electric Power Business, Non-Consolidated)



Note: Discrepancies in totals are due to rounding.



Higashidori Nuclear Power Station Unit 1 and Fukushima Daiichi Nuclear Power Station Units 7 and 8, and to begin operations in turn from fiscal 2016. Fukushima Daiichi Unit 1, which has been in operation for 40 years, will continue to operate under a long-term maintenance and management policy based on technical assessments of aging nuclear power facilities. With the investment and efforts above, we currently plan to utilize nuclear power facilities to generate approximately 48 percent of total power in fiscal 2019.

Thermal power will remain an important power source for stable supply because it enables us to flexibly respond to power demand fluctuation. TEPCO has proceeded with planned long-term shutdown and termination of old and inefficient thermal plants and replaced them with highly efficient ones. As a result, our thermal efficiency for fiscal 2009 improved 0.8 percentage points year on year to 46.9 percent. Going forward, we plan to install 1,600ºC-class more advanced combined cycle (MACC II) power generation systems with world-leading thermal efficiency of approximately 61 percent at Kawasaki Thermal Power Station Unit 2-2 and Unit 2-3 and at Goi Thermal Power Station. Concurrently, we will further raise efficiency through the planned long-term shutdown of some aging thermal power plants. In addition, from the perspectives of lower generation costs and stable fuel procurement, we are now moving ahead with the construction of the coal-fired Hitachinaka Thermal Power Station Unit 2 and Hirono Thermal Power Station Unit 6.

Moreover, we are planning large-scale photovoltaic (mega-solar) power plants, wind power plants and other facilities to expand renewable energy sources. The mega-solar power plants are slated for construction at Ukishima, Ohgishima and Komekurayama and are scheduled to begin operations in fiscal 2011. We also plan to construct our first wind farm, Higashi-Izu Wind Power Station, which is scheduled to begin operation in March 2012.

Renewal Projects at Kawasaki and Goi Thermal Power Stations

TEPCO plans to introduce state-of-the-art LNG-fired thermal power generation facilities at two of our existing thermal power stations, Kawasaki and Goi. We plan to install 1,600ºC-class MACC II thermal power generation systems with world-leading thermal efficiency of approximately 61 percent at Kawasaki Thermal Power Station Unit 2-2 and Unit 2-3 and Goi Thermal Power Station. For Goi Thermal Power Station, the new MACC II unit will improve thermal efficiency by 15 to 19 percentage points compared with that of an existing conventional unit at the station. Replacing an existing conventional LNG-fired plant with an equivalent MACC II unit will reduce annual LNG consumption by approximately 230 thousand tons* and annual CO_2 emissions by approximately 620 thousand tons. Therefore, MACC II is expected to play a key role not only in improving TEPCO's thermal efficiency but also in reducing its carbon footprint.

* Assumptions: Output of 710 thousand kW at both an MACC II and an existing conventional unit with a capacity utilization ratio of 80 percent

Our Opportunity
Overseas Business

TEPCO has steadily cultivated overseas business opportunities with its technology, knowledge and skills gained in the domestic power business. Going forward, we will further promote various overseas projects while carefully considering business risks as well as future returns.

Overseas Business Development: Basic Policies and Progress

TEPCO currently operates overseas businesses such as power generation and consulting services. In the power generation business, we operate coal- and gas-fired independent power producer (IPP) projects as well as wind and solar power projects through our subsidiary Eurus Energy Holdings Corporation (Eurus Energy). As of March 31, 2010, TEPCO was involved in nine overseas IPP projects in six countries. Utilizing our technological strengths and expertise acquired in the domestic power business, we have contributed to value creation in these businesses in ways such as selecting reliable contractors and providing sound quality and operation control. Eurus Energy, one of the world's leading wind power generation companies, operates in the United States, Europe and Korea. For fiscal 2009, our shares of the operating revenues* and net income of the participating overseas power generation projects have jumped 2.5 times to ¥79.6 billion and 5.1 times to ¥14.8 billion, respectively, over the past five-year period.

In the consulting services business, TEPCO serves needs for high-quality power generation infrastructure by utilizing its technological expertise to provide advanced technical support. Since 1996, we have delivered 395 consulting projects in 62 countries, and cumulative revenues from those consulting projects totaled ¥13.9 billion as of March 31, 2010.

*Calculated according to TEPCO's equity ownership in each project

For Further Earnings Expansion

TEPCO has clearly identified initiatives for further expanding its overseas businesses and enhancing their operational bases.

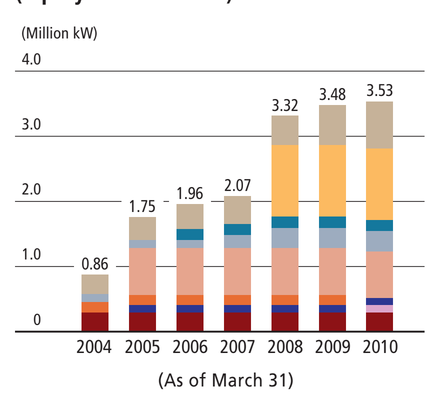
Eurus Energy decided to increase its capital by ¥25.0 billion to support business expansion and to improve its capital structure. In February 2010, TEPCO accepted 60 percent, or ¥15.0 billion of the shares issued at that time. Moreover, in May 2010 we announced our plan to invest in the South Texas Project Expansion Units 3 and 4, which will make us the first Japanese electric power company to participate in nuclear power business overseas. TEPCO plans to increase its interest to a maximum of 20 percent of these units, which are slated to begin operations in 2016 and 2017, respectively. Both are advanced boiling water reactors (ABWRs) with projected output of 1.35 million kW.

Overseas IPP Projects

Company or Project Name[1]	Location	TEPCO Investment[2]	Ownership
Chang Bin & Fong Der Project	Taiwan	¥5.4 billion	19.5%
Starbuck Project	Taiwan	¥2.2 billion	22.7%
Phu My 2-2 Project	Vietnam	¥1.5 billion	15.6%
Loy Yang A Project	Australia	¥17.1 billion	32.5%
Eurus Energy Holdings	Korea, USA, Europe, etc.	¥29.7 billion	60.0%
Umm Al Nar Power and Water Project	UAE	¥3.9 billion	14.0%
Paiton I/III Project	Indonesia	¥7.2 billion	14.0%
TeaM Energy Project	Philippines	¥34.9 billion	50.0%
Total		Approx. ¥101.9 billion	

Notes: 1. TEPCO also invests, directly and indirectly through its subsidiaries, in afforestation, funds that promote energy efficient business and other projects.
2. The amount of investment calculated at the exchange rate as of March 31, 2010.
3. TEPCO sold its interest in Tarong North Project.

TEPCO's Generation Capacity in Overseas IPP Business (equity interest basis)



Energy Services:
Performance and Results

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» 24 Fiscal 2009 Performance: Electric Power Business

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» 28 Major Facilities

TEPCO at a Glance

Business Segment | Description of Activities

Electric Power Business

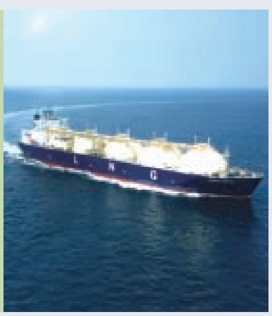
TEPCO's electric power business integrates generation, transmission and distribution to supply electricity to the Kanto region including the Tokyo metropolitan area. The Kanto region, the major market in TEPCO's service area, is a hometown for approximately one-third of Japan's population, or about 44 million people, and accounts for approximately 40 percent of the country's GDP. TEPCO's electricity sales represent approximately one-third of total electricity sales in Japan. Power demand in the Kanto region is characterized by a relatively high proportion of demand from consumers, railroad, telecommunications and other non-manufacturing social infrastructure due to concentration of population and business functions in the Tokyo metropolitan area. Looking forward, TEPCO forecasts that power demand in Kanto will grow at a higher rate than that in other regions due to the ongoing influx of people from other areas and concentration of business functions.

Information and Telecommunications Business

The TEPCO Group utilizes tangible and intangible assets such as its facilities and technology to operate IT-related businesses including data center management.

AT TOKYO Corporation provides data center services, particularly for business entities seeking robust systems and reliable security, taking advantage of the TEPCO Group's reliable power supply, earthquake-resistant facilities, optical fiber network and other related assets as well as expertise gained through stable power supply management.

Energy and Environment Business



In the energy and environment business area, the TEPCO Group operates a wide variety of services closely related to its electric power business. The services include power facility construction and maintenance, supply and shipping of fuel and materials and energy and environmental solutions. Employing the Group's extensive knowledge and skills in the electric power business, our businesses in this area help enhance the TEPCO Group's competitiveness in the electric power business and fulfill a diverse array of customers' needs for energy management.

Our fuel business contributes to stable and economical fuel procurement for the electric power business through participation in LNG upstream, shipping and trading. In addition, our gas supply business utilizes the TEPCO Group's LNG infrastructure and expertise in gas handling and procurement to better meet customer needs.

Living Environment and Lifestyle-Related Business

The TEPCO Group's living environment and lifestyle-related business provides services in life-related areas such as real estate and housing-related businesses that promote all-electric housing.

In housing-related businesses, ReBITA Inc. implements all-electric housing renovation projects, TODEN LIFE SUPPORT CO., LTD. operates for-profit nursing care centers for the elderly backed by the strength of the TEPCO brand, and TEPCO PARTNERS Co., Inc. provides home-visiting style nursing care, adult day care and other nursing-related services. In addition, TEPCO HUMMING WORK CO., LTD. promotes employment of people with disabilities for its operations such as printing and copying, cleaning and gardening.

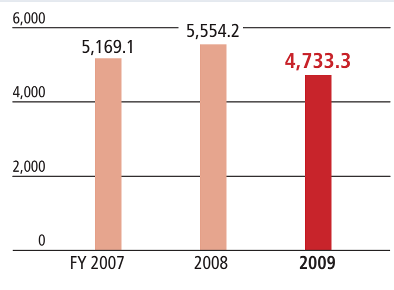
Overseas Business

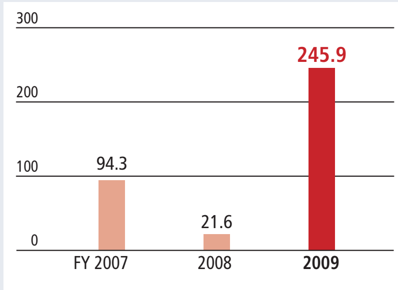
A wind power facility in Spain operated by Eurus Energy Holdings

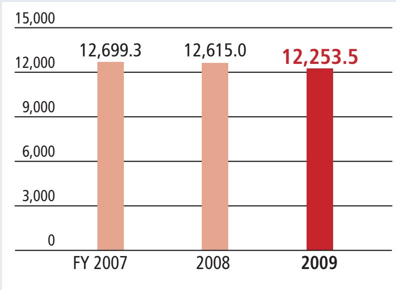
TEPCO operates overseas businesses such as capital investment in generation projects and consulting services with the advantages of its technology and expertise gained in the domestic electric power business.

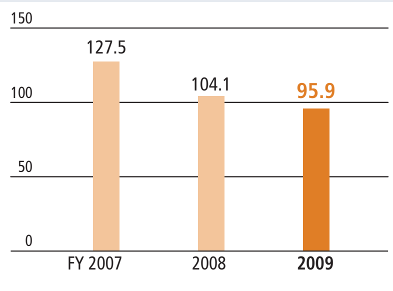
In overseas power generation business, TEPCO participates in thermal independent power producer (IPP) projects as well as wind and solar power projects worldwide through its subsidiary Eurus Energy Holdings Corporation. Total generation capacity of those IPP projects has reached 13.41 million kW. TEPCO's share of the total output based on percentage of ownership in each of the projects was equivalent to approximately 3.53 million kW as of March 31, 2010. In the consulting business, TEPCO serves needs for technical support for efficient power supply and power-saving countermeasures in developing countries.

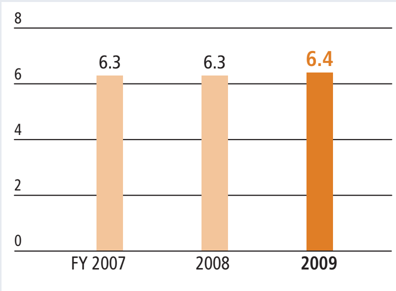
Operating Revenues* (Billions of yen) | Operating Income (Loss) (Billions of yen) | Total Assets (Billions of yen)

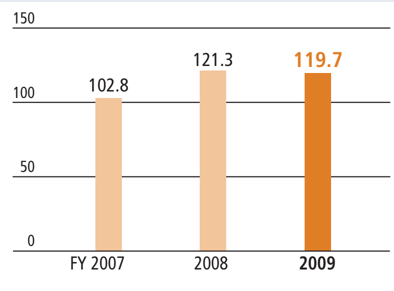


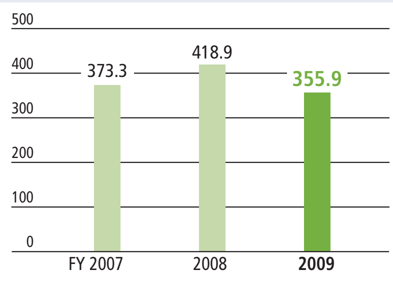


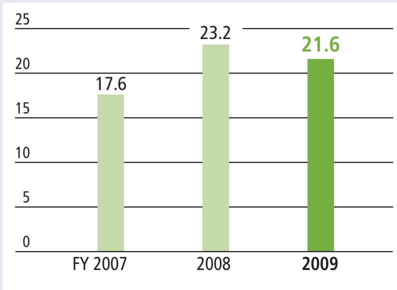


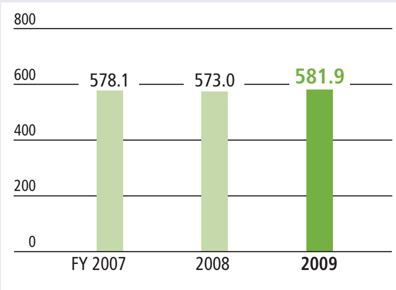


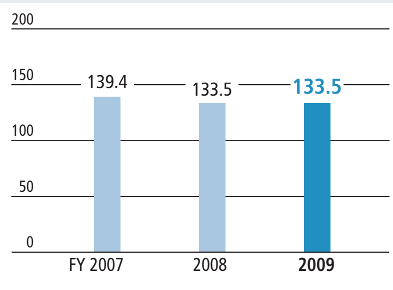


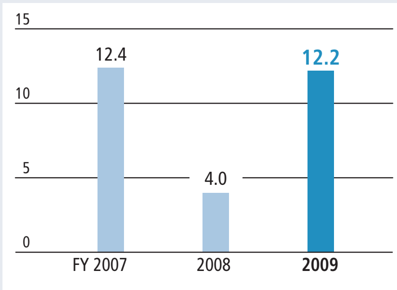


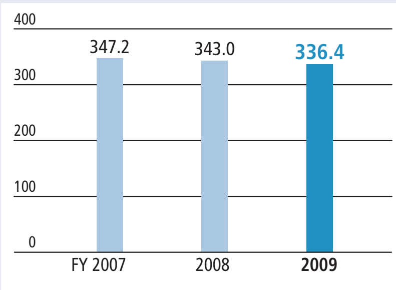


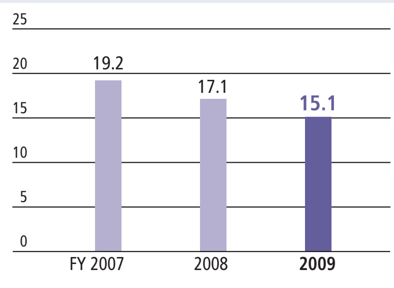


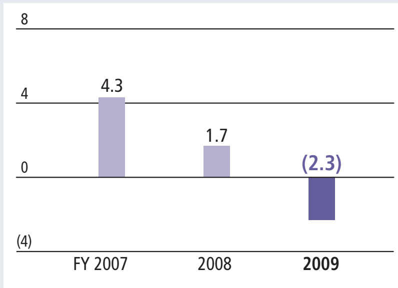


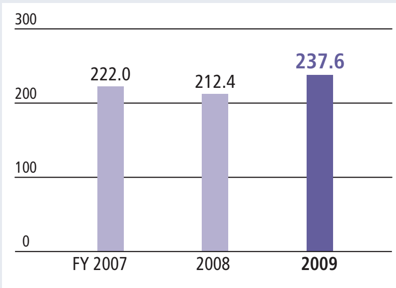












*Segment operating revenues include inter-segment sales and transfers.

Fiscal 2009 Performance: Electric Power Business

Operating Environment of TEPCO's Electric Power Business

During fiscal 2009, our electric power business was strongly affected by the global recession that followed the September 2008 collapse of Lehman Brothers.

Industrial demand, mainly from factories, was hit particularly hard. Large-scale industrial customer electricity sales volume, which accounts for the majority of industrial demand, continued to decrease more than 10 percent year on year until October 2009 following the largest ever year-on-year decrease, 22.0 percent, recorded in February 2009. Even though monthly sales volume has increased over 10 percent year on year since February 2010, the current demand trend is still weaker than it was before the recession.

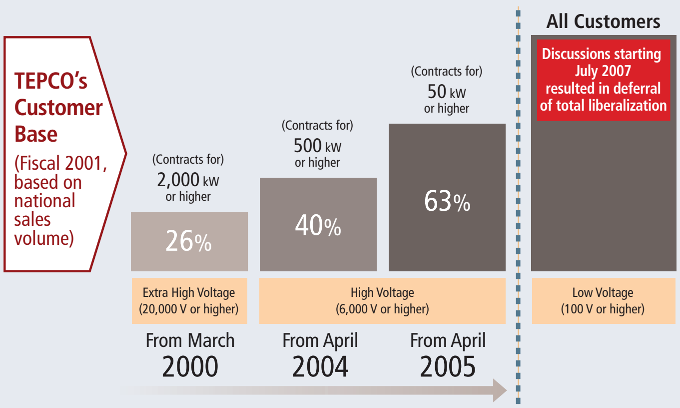
As a result, electricity sales volume to large-scale industrial customers in fiscal 2009 decreased 7.2 percent year on year. In particular, sales volume to the ferrous metals and machinery industries each decreased more than 10 percent in the same period.

Structure of Japan's Electric Power Business

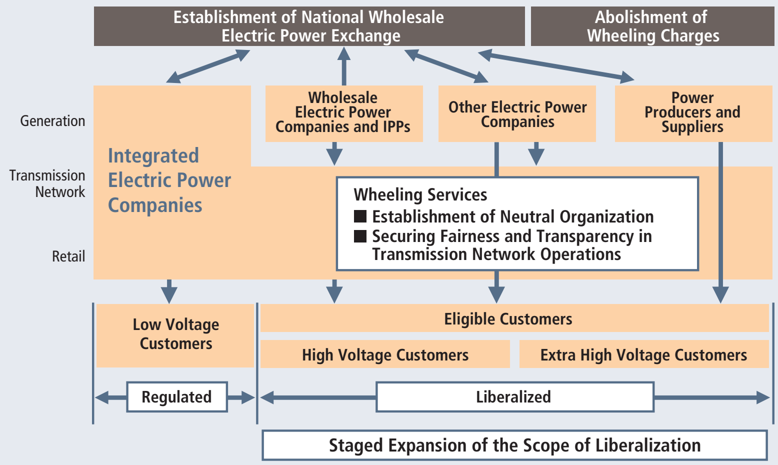
Deregulation of Japan's electric power business has proceeded in stages to introduce the principles of competition for reduction in electricity rates and further improvement in customer service standards. All high-voltage and extra-high-voltage customers, accounting for approximately 60 percent of total sales volume in TEPCO's service area, are now within the scope of liberalization, while low-voltage customers including households and small stores and factories are still under regulation. As of March 31, 2010, approximately 8,450 customers with total contract power of about 3.3 million kW have switched their power supplier from TEPCO to new market entrants. The electricity sales volume to these customers totals approximately 3 percent of TEPCO's overall electricity sales volume.

After solid discussion from April 2007 to July 2008, METI's Electricity Industry Committee concluded that it will reexamine further deregulation toward full liberalization of the retail sector after a set period of around five years.

Liberalization of the Electric Power Market in Japan



The Electric Power Business Framework in Japan



Marketing and Sales Activities

While the operating environment in fiscal 2009 was challenging for our electric power business due to the ongoing recession, we attained a certain amount of success through our marketing and sales efforts.

The cumulative expansion of our electricity sales volume in the household and the corporate and large-scale sectors since fiscal 2004 reached 11.3 billion kWh. TEPCO has successfully achieved its cumulative sales expansion target of 10 billion kWh from fiscal 2004 through 2010 in Management Vision 2010 a year ahead of the original plan. Sales volume expanded approximately 1.8 billion kWh in fiscal 2009. The household sector accounted for 0.7 billion kWh, and the corporate and large-scale sector accounted for 1.1 billion kWh of the expanded demand.

In the household sector, the cumulative number of all-electric homes reached 700,000 as of December 31, 2009. TEPCO achieved a year-on-year incremental increase in the number of all-electric homes from 142,000 to 143,000 through its active marketing efforts despite a substantial 30 percent year-on-year decrease in the number of housing starts owing to the recession. Steady growth in the number of homes remodelled into all-electric was a major factor in the achievement.

To further promote all-electric housing, since April 2009 TEPCO has been successively opening "Switch! Station" new style showrooms for customers to experience the advantages of all-electric living. As awareness of all-electric housing increases, TEPCO is taking this new approach to a variety of customers in the housing market. We now see growing numbers of all-electric systems, not only for new houses and condominiums but also for rental housing complexes and home remodeling. The hands-on showrooms are places to learn everything about all-electric living by seeing and experiencing state-of-the-art electric appliances, and to support housing industry professionals.

In the corporate and large-scale sector, we actively propose adopting our environmentally friendly energy solutions that utilize our electricity with efficient heat-pump and induction heating technology as we regard environmental regulation tightening at both national and local government levels as a great opportunity to promote our energy services. Even in a challenging economy, we successfully expanded our electricity sales volume this fiscal year to customers such as commercial complexes, educational institutions, medical centers, and food-processing and pharmaceutical companies, which gave a high appraisal to our energy-efficient, low-emission and economical electric appliances and systems for a low-carbon society.

Switch! Stations

At Switch! Stations for residential customers, visitors can see, touch and experience various advantages of the latest electric appliances such as IH cooktops and Eco Cute water heater.

Switch! Station Pro Ariake

TEPCO makes comprehensive proposals for creating ideal kitchens to all customers associated with cooking and food-processing by allowing them to see, touch, experience and understand state-of-the-art professional electric kitchen systems.

TEPCO Electrified Factory I²

This facility highlights using electricity for heating, the primary energy type used in production processes. TEPCO proposes next-generation production systems through manufacturing process innovation using the latest induction-heating and heat-pump technology for improvement of product quality and productivity.

In 2007, TEPCO opened two facilities to reach business customers. Switch! Station Pro Ariake showroom, a comprehensive hands-on facility, meets a range of needs related to cooking and food-processing by demonstrating the benefits of leading-edge kitchen systems. On the other hand, TEPCO Electrified Factory I² proposes next-generation production systems through manufacturing process innovations with the latest technology such as heat pump and induction heating. These hands-on facilities allow us to propose optimal solutions to professional customers based on an accurate understanding of their needs. In addition, utilizing such hands-on showrooms facilitates effective and efficient business initiatives to further expand electricity sales volume through introducing the latest electric technology to uncover new business needs.

Fiscal 2009 Electricity Sales Volume

Total electricity sales volume in fiscal 2009 decreased 3.0 percent year on year to 280.2 billion kWh. Industrial demand dropped sharply due to a significant decline in production levels. In addition, lighting, low voltage power and commercial power demand recorded seasonal falls in summer 2009 mainly because of the decrease in air-conditioning demand due to lower air temperature during the period. Regulated lighting (or residential) sales volume was essentially flat at 96.1 billion kWh, and power (mainly to stores and small factories) sales volume decreased 4.3 percent to 11.4 billion kWh. On the other hand, sales volume to liberalized customers decreased 4.6 percent to 172.7 billion kWh.

Operating Revenues and Operating Income

In fiscal 2009, electricity sales decreased ¥791.4 billion year on year to ¥4,504.5 billion mainly because of a significant decrease in electricity sales volume and a drop in unit sales prices due to a downward revision of fuel prices under the fuel cost adjustment system. Including power sales to other utilities and suppliers, operating revenues from the electric power business were ¥4,733.3 billion.

Operating expenses decreased ¥1,045.2 billion year on year to ¥4,487.4 billion. In addition to an increase in nuclear power generated with the restart of Kashiwazaki-Kariwa Nuclear Power Station Units 6 and 7, fuel and power purchasing expenses declined substantially due to a sharp drop in crude oil prices. As a result, operating income increased ¥224.2 billion to ¥245.9 billion.

Electricity Sales Volume (Million kWh)		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Year-on-Year Change
Regulated	Lighting	92,592	95,186	93,207	97,600	96,059	96,089	0.0%
	Power	78,239	13,499	12,631	12,785	11,905	11,393	-4.3%
Liberalized	Eligible customers	115,910	179,969	181,784	187,012	180,992	172,686	-4.6%
Total		286,741	288,655	287,622	297,397	288,956	280,167	-3.0%

Electricity Sales Revenues (Billions of yen)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Year-on-Year Change
Lighting (Residential)	1,976.8	2,022.4	1,983.4	2,096.2	2,207.8	2,008.6	-9.0%
Power, Eligible customers (Commercial, industrial and others)	2,660.4	2,659.5	2,721.1	2,818.4	3,088.1	2,495.9	-19.2%
Total	4,637.2	4,682.0	4,704.6	4,914.7	5,295.9	4,504.5	-14.9%

Note: Eligible customers are retail electric power customers included in the scope of liberalization.

Fiscal 2009 Performance: Non-Electric Power Businesses

INFORMATION AND TELECOMMUNICATIONS BUSINESS

The number of AT TOKYO Corporation customers and the contract volume for TEPCO Optical Network Engineering Inc.'s power shielded telecom cable maintenance work increased in fiscal 2009. However, operating revenues in this segment decreased ¥8.2 billion year-on-year to ¥95.9 billion, reflecting the partial transfer of TEPCO CABLE TELEVISION Inc.'s main businesses, including CATV broadcast operations, in April 2009. Operating income was almost flat compared with that of the previous fiscal year at ¥6.4 billion.

ENERGY AND ENVIRONMENT BUSINESS

Fiscal 2009 operating revenues for energy and environment segment decreased ¥63.0 billion year-on-year to ¥355.9 billion. The segment's operating income also decreased ¥1.6 billion year on year to ¥21.6 billion. At TEPCO's Gas Business Company, although its fiscal 2009 sales volume remained almost at the same level as the previous fiscal year, unit gas sales prices decreased due to a drop in the price of LNG. Additionally, a slump in crude oil prices resulted in a decrease in unit gas sales prices at TEPCO's subsidiary Tokyo Timor Sea Resources Inc. (USA) which owns an interest in the Bayu-Undan Gas Field off the coast of Darwin, Australia.

LIVING ENVIRONMENT AND LIFESTYLE-RELATED BUSINESS

Fiscal 2009 operating revenues for TEPCO's living environment and lifestyle-related business leveled off at ¥133.5 billion. While revenues from areas such as the housing renovation business of ReBITA Inc. decreased, those from the real estate sales business of Toden Real Estate Co., Inc. increased year on year. As a result, operating income for the segment increased ¥8.1 billion compared with the previous fiscal year to ¥12.2 billion.

TOSHIN BUILDING CO., LTD. was merged into Toden Real Estate on April 1, 2009 to expand its customer base and optimize the Group's real estate businesses. The new company inclusively operates leasing and management of office buildings and leasing and sales of all-electric housing.

OVERSEAS BUSINESS

Fiscal 2009 operating revenues for the overseas business segment decreased ¥1.9 billion from a year earlier to ¥15.1 billion and the resulting operating loss was ¥2.3 billion after amortization of goodwill.

Revenues from capital investment in power generation projects reached ¥13.6 billion and the resulting operating loss was ¥2.3 billion. While Eurus Energy Holdings expanded the scale of its operations in Europe and North America, its operating income decreased due to poor wind conditions and lower wholesale power prices there. In addition, operating revenues from an Australian IPP project decreased because of a significant drop in wholesale power prices in the Australian electric power market. On the other hand, operating revenues and operating income from the overseas consulting business totaled ¥1.5 billion and ¥0.3 billion, respectively. The TEPCO Group successfully contracted for 40 consulting projects overseas, including a study on optimal power generation for peak demand in Turkey and a master plan study on coal power development in Bangladesh, both from the Japan International Cooperation Association.

Major Facilities

As of March 31, 2010

Generation Facilities

Hydroelectric Power (with a capacity of more than 500 thousand kW)

Station Name	Location	Output (Thousand kW)	Type
Imaichi	Tochigi Pref.	1,050	Dam and conduit*
Shiobara	Tochigi Pref.	900	Dam and conduit*
Tambara	Gunma Pref.	1,200	Dam and conduit*
Kazunogawa	Yamanashi Pref.	800	Dam and conduit*
Azumi	Nagano Pref.	623	Dam and conduit*
Shin-Takasegawa	Nagano Pref.	1,280	Dam and conduit*
Total hydroelectric power output (All facilities)		8,986	

*Pumped storage

(Planned)

Station Name	Output (Thousand kW)	Start of Commercial Operation
Kazunogawa	800	Fiscal 2020 or later
Kannagawa	470	July 2012
	1,880	Fiscal 2020 or later

Thermal Power (with a capacity of more than 1 million kW)

Station Name	Location	Output (Thousand kW)	Fuel
Ohi	Tokyo	1,050	Crude oil
Shinagawa	Tokyo	1,140	City gas
Yokosuka	Kanagawa Pref.	2,274	Heavy oil, crude oil light oil and city gas
Kawasaki	Kanagawa Pref.	1,500	LNG
Yokohama	Kanagawa Pref.	3,325	LNG, heavy oil, crude oil and NGL
Minami-Yokohama	Kanagawa Pref.	1,150	LNG
Higashi-Ohgishima	Kanagawa Pref.	2,000	LNG
Chiba	Chiba Pref.	2,880	LNG
Goi	Chiba Pref.	1,886	LNG
Anegasaki	Chiba Pref.	3,600	LNG, heavy oil, crude oil, LPG and NGL
Sodegaura	Chiba Pref.	3,600	LNG
Futtsu	Chiba Pref.	4,534	LNG
Kashima	Ibaraki Pref.	4,400	Heavy oil and crude oil
Hitachinaka	Ibaraki Pref.	1,000	Coal
Hirono	Fukushima Pref.	3,800	Heavy oil, crude oil and coal
Total thermal power output (All facilities)		38,188	

(Planned)

Station Name	Output (Thousand kW)	Fuel	Start of Commercial Operation
Hitachinaka Unit 2	1,000	Coal	December 2013
Hirono Unit 6	600	Coal	December 2013
Futtsu Unit 4 group	507	LNG	October 2010
Kawasaki Unit 2 group	1,920	LNG	February 2013 Fiscal 2016 Fiscal 2017
Goi Unit 1 group	2,130	LNG	Fiscal 2020 or later

Nuclear Power

Station Name	Location	Output (Thousand kW)	Reactor type
Fukushima Daiichi	Fukushima Pref.	4,696	BWR
Fukushima Daini	Fukushima Pref.	4,400	BWR
Kashiwazaki-Kariwa	Niigata Pref.	8,212	BWR, ABWR
Total nuclear power output (All facilities)		17,308	

(Planned)

Station Name	Output (Thousand kW)	Start of Commercial Operation
Fukushima Daiichi Units 7 and 8	1,380 ea.	October 2016 October 2017
Higashidori Units 1 and 2	1,385 ea.	March 2017 Fiscal 2020 or later

Supply Facilities

Transmission Facilities (with a capacity of more than 500 kV)

Line Name	Type	Voltage (kV)	Length (km)
Nishi-Gunma Trunk Line	Overhead	500**	167.99
Minami-Niigata Trunk Line	Overhead	500**	110.77
Minami-Iwaki Trunk Line	Overhead	500**	195.40
Fukushima Trunk Line	Overhead	500	181.64
Fukushima Higashi Trunk Line	Overhead	500	171.35
Shin-Toyosu Line	Underground	500	39.50

**Partially designed for 1,000 kV transmission

(Planned)

Line Name	Voltage (kV)	Length (km)	Start of Commercial Operation
Higashi Shinjuku Suidobashi Line, new construction	275	5.9	April 2010
Nishi Joubu Trunk Line, new construction	500	110.4	May 2012
Kawasaki Toyosu Line, new construction	275	22.2	May 2012 October 2015 October 2016

Substation Facilities

Substation Name	Location	Maximum Voltage (kV)	Output (Thousand kVA)
Shin-Noda	Chiba Pref.	500	8,020
Shin-Sakado	Saitama Pref.	500	6,900
Shin-Keiyo	Chiba Pref.	500	6,750
Boso	Chiba Pref.	500	6,690
Shin-Fuji	Shizuoka Pref.	500	6,650

(Planned)

Substation Name	Voltage (kV)	Output (Thousand kVA)	Start of Commercial Operation
Shin-Furukawa Substation, replacement	500	1,000 removed 1,500 installed	June 2010
Keihin Substation, replacement	275	220 removed 450 installed	April 2011
Shin-Furukawa Substation, replacement	500	2,000 removed 1,500 installed	June 2011
Shin-Fukushima Substation, replacement	500	1,000 removed 1,500 installed	July 2011
Keihin Substation, replacement	275	220 removed 450 installed	June 2012
Shin-Motegi Substation, extension	500	1,500 installed	March 2013
Daikanyama Substation, new construction	275	600 installed	June 2015

Foundations of Management

Our Commitment to Reliability and Responsibility

A wind power facility in the United States operated by Eurus Energy Holdings

- 30 Corporate Social Responsibility (CSR) at the TEPCO Group
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Corporate Social Responsibility (CSR) at the TEPCO Group

Stable and safe power supply — by fulfilling this responsibility without fail, we will help achieve a sustainable society.

CSR Policy

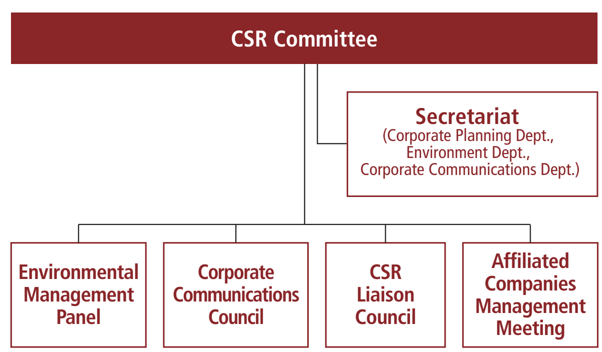
Stable and safe power supply is the fundamental corporate social responsibility of the TEPCO Group. TEPCO is committed to contributing to its customers' fulfillment and comfortable living environments through its energy services with stable, high-quality and affordable power, customer-oriented services and environmentally-friendly business management. At the same time, as a member of society we maintain open dialogue with customers, local communities, shareholders and investors, business partners and employees so that we can build relationships of trust with those stakeholders.

CSR Promotion Framework

The CSR Committee, headed by the CSR Officer, discusses important matters regarding the corporate social responsibility of the entire TEPCO Group. The CSR Liaison Council has been set up under the committee as a working-level council to ensure the progress of CSR initiatives.

To enhance environmental management throughout the TEPCO Group, the Environmental Management Panel promotes environmental strategies, sets targets, and checks and reviews the Group's environmental activities. The Corporate Communications Council deliberates publicity-related issues that should be shared and discussed across the Group from the perspective of corporate social responsibility. The Affiliated Companies Management Meeting promotes Group-wide permeation of the CSR policy.

CSR Promotion Framework



Contributions to an Environmentally Focused Society: Reducing CO_2 Emission Intensity

TEPCO conducts a variety of initiatives to attain its voluntary target in Management Vision 2010 of reducing average annual CO_2 emission intensity over the five-year period from fiscal 2008 to fiscal 2012 by 20 percent compared to that in fiscal 1990.

Specifically, while putting safety first in its operations, TEPCO makes its best efforts to better utilize nuclear power plants, which emit no CO_2 in generation. TEPCO also takes hands-on initiatives such as improvement of the thermal efficiency of thermal power plants, expansion of renewable energy utilization and introduction and acquisition of carbon credits.

TEPCO's actual CO_2 emissions in fiscal 2009 were 107.5 million tons due to the shutdown of the reactors at Kashiwazaki-Kariwa Nuclear Power Station, which was severely damaged by the

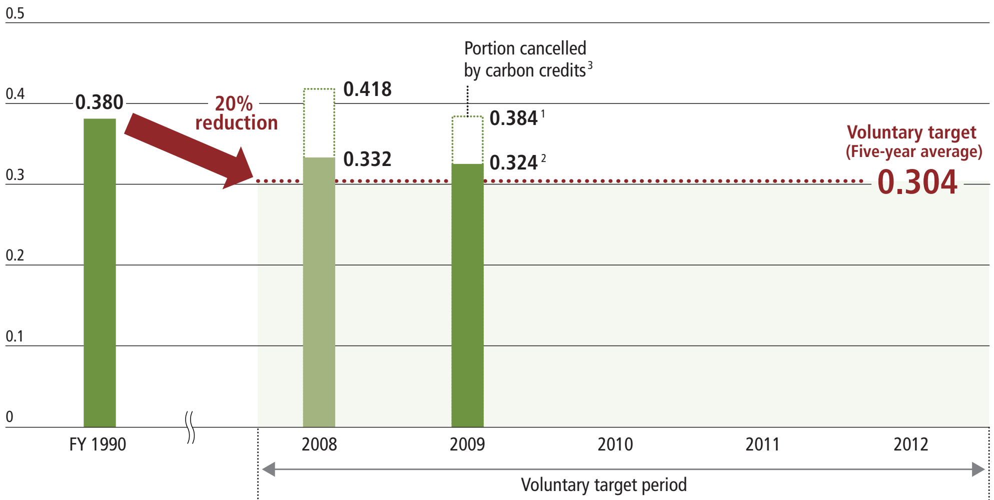
Niigataken Chuetsu-Oki Earthquake. Total CO_2 emissions in fiscal 2009 significantly exceeded those in fiscal 2006, a year before the earthquake struck. On the other hand, restart of Units 6 and 7 at Kashiwazaki-Kariwa reduced emissions by 13.2 million tons compared with those in fiscal 2008. By reflecting carbon credits acquired through various greenhouse gas reduction projects pursuant to the Act on Promotion of Global Warming Countermeasures, TEPCO achieved net CO_2 emissions of 90.7 million tons and net CO_2 emission intensity of 0.324 kg-CO_2/kWh.

In addition to supply-side initiatives, demand-side initiatives are also vital to realizing a low-carbon society. TEPCO's initiatives in this area include promoting all-electric homes equipped with convenient appliances and highly efficient heat pump systems such as Eco Cute, which utilizes heat in the air to create renewable energy. Moreover, TEPCO proactively promotes the compatibility of solar power and all-electric homes for a low-carbon society.

Twin Solar
太陽光発電 × エコキュート
— 太陽の恵みで暮らそう —

Solar Power Generation and Eco Cute
Living with the Blessings of the Sun

TEPCO's Actual Performance against Voluntary CO_2 Emission Intensity Target



1. CO_2 emission intensity (kg-CO_2/kWh) $0.384 = \frac{CO_2 \text{ emissions (107.5 million tons)}}{\text{Electric power sales volume (280.2 billion kWh)}}$

2. Adjusted CO_2 emission intensity (kg-CO_2/kWh) $0.324 = \frac{CO_2 \text{ emissions (107.5 million tons)} - \text{carbon credits (16.8 million tons)}}{\text{Electric power sales volume (280.2 billion kWh)}}$

(Figures may not match due to rounding.)

3. Includes only carbon credits transferred to the government's account by June 30, 2010

Note: Result for fiscal 2009 was reported to the government.

Expanding the Use of Renewable Energy

Renewable energy sources such as solar, wind, hydro and biomass not only have little environmental impact such as CO_2 emissions, but also help reduce consumption of fossil fuel. On the other hand, several important problems must be solved for their expansion. For example, because solar- and wind-generated power are variable resources depending on weather conditions, mass introduction of such renewable energy resources will require power backup and large-scale storage batteries in each power network. In addition, despite a trend toward lower generation costs of renewable energy, further cost reduction is needed for their expansion.

TEPCO is committed to contributing to wider use of renewable energy through initiatives such as the construction of new mega-solar, hydroelectric and wind power generation plants and

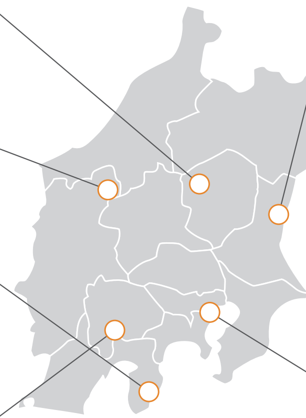
Planned Renewable Energy Projects Expanding the Use of Renewable Energy

Togawa Hydroelectric Power Station
(Tochigi Prefecture)
Rated output: 240 kW
Scheduled start of operations: January 2011

Tochikawa Hydroelectric Power Station
(Nagano Prefecture)
Rated output: 1,000 kW
Scheduled start of operations: December 2010

Higashi-Izu Wind Power Station
(Shizuoka Prefecture)
Total rated output: 18,370 kW (11 units)
Scheduled start of operations: March 2012

Komekurayama Solar Power Plant
(Yamanashi Prefecture)
Output: 10,000 kW
Scheduled start of operations: January 2012



Hitachinaka Thermal Power Station (Unit 1)
Woody biomass mixed fuel combustion
(Ibaraki Prefecture)
Output: 1 million kW (Mixed fuel combustion rate about 3%)
Scheduled start of operations: Fiscal 2012

Hachijojima Geothermal Power Station (Tokyo)
Output: 3,300 kW
Started operations: March 1999

Hachijojima Wind Power Station (Tokyo)
Output: 500 kW
Started operations: March 2000

Ukishima and Ohgishima Solar Power Plants
(Kanagawa Prefecture)
Output: 20,000 kW (Total for the two plants)
Scheduled start of operations: August and December 2011, respectively


Ukishima Solar Power Plant


Ohgishima Solar Power Plant

Notes: 1. Hydroelectric power plants with total authorized output of 2.18 million kW were in operation as of March 31, 2010.
2. The pictures of solar plants are artists' renditions.

combustion of woody biomass mixed fuel in coal-fired thermal power plants. In addition, TEPCO operates solar and wind power generation projects in six countries in Asia, North America and Europe through its subsidiary Eurus Energy Holdings Corporation. With over 20 years of experience as Japan's largest wind power operator, Eurus Energy has developed an integrated operating system, including plant location, wind condition surveys, business planning and facilities construction, operation and maintenance.

Toward Introduction of Smart Grid

Discussion about smart grid systems is in progress both in Japan and overseas for realization of a low-carbon society with wider use of renewable energies. TEPCO aims to conduct research and development of Smart Grid over the medium-to-long term, in addition to its upcoming field tests of new electronic-type meters.

The field tests of new electronic-type meters will commence in the Tokyo suburbs in the latter half of fiscal 2010 and continue for about two to three years. The purpose of the tests is to examine new functions such as telecommunications for better customer service and more efficient customer management.


New electronic-type meter

Research and Development, and Intellectual Property Activities

The TEPCO Group will work to enhance its technological capabilities and leverage its comprehensive competence in engineering for various technological breakthroughs. Such efforts will pave the way to the future and drive growth for the TEPCO Group's businesses.

Research and Development Policy

The TEPCO Group is committed to investing in new research and technology development, especially in the following four primary areas, in order to better serve its customers as a leading utility.

1. Develop technology to ensure stable power supply with priority on the safety of people and facilities and peace of mind
2. Develop technology to ensure long-term energy security and protect the global environment
3. Develop technology to offer optimal energy services and increase electricity sales volume
4. Develop technology to further improve our profitability through cost reductions and business field expansion

Additionally, we work hard to drive advances in basic and applied technology that help solve various Group-wide problems and deliver innovations.

A Recent Technological Breakthrough: High-Speed Charging Device

TEPCO supports the development and promotion of electric vehicles (EVs) to realize a low-carbon society. In addition to further improvement in performance and cost reductions in the batteries and vehicles themselves, development of recharging infrastructure is a must for wider use of EVs. Deploying its long experience in charging technology development, TEPCO has successfully developed a quick charger usable for all types of vehicles after intensive three-year verification tests.

This quick charger recharges a battery as much as needed in response to information from a vehicle. In addition, the device can automatically adjust its output to avoid overcharging once a certain level is reached so that it realizes optimal charging without affecting battery life.

In March 2010, TEPCO took the initiative in forming the CHAdeMO Association to promote EVs and further installation of quick chargers. Members of this organization include car manufacturers, electric power companies, charging device manufacturers, charging service operators and local governments. The association is going to provide support for standardization of charging device interfaces and information transmission between a charger and a vehicle and for further installation of charging infrastructure.

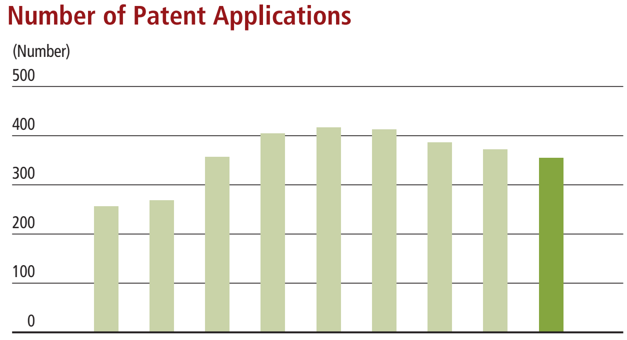
In addition, the CHAdeMO Association is eager to release a wide array of information regarding quick charging methods to related industries overseas so that it can contribute to reduction of global CO_2 emissions in the transportation sector.

Intellectual Property Activities

In addition to a wide range of technologies in areas such as facility diagnostics and environmental protection, the TEPCO Group has extensive expertise in facility construction and operation, customer services and other areas. The TEPCO Group is committed to owning and reserving not only the fruits of its R&D activities but also the expertise itself as intellectual property through strategic and thorough patent application. Moreover, the TEPCO Group actively takes advantage of its own intellectual property rights. In fiscal 2009, for example, the TEPCO Group strived for international standardization of its patented EV quick charging methods as a part of its intellectual property activities, working closely with R&D.

Furthermore, since fiscal 2009 the TEPCO Group has established an intensive management system for trademarks, including its corporate names and symbols such as 東電 and TEPCO as well as approximately 350 existing trademarks, for protection and utilization of the TEPCO Group's brands.

Number of Patent Applications



Corporate Governance

As of June 30, 2010

At TEPCO, we have developed corporate governance policies and practices as one of the primary management issues for ensuring sustainable growth in our business and long-term shareholder value.

Fundamental Stance on Corporate Governance

We believe in strengthening mutual trust through interactive communication with our valued stakeholders, including shareholders and investors, customers, local communities, suppliers, employees and the public, so we can move forward toward solid future growth and development.

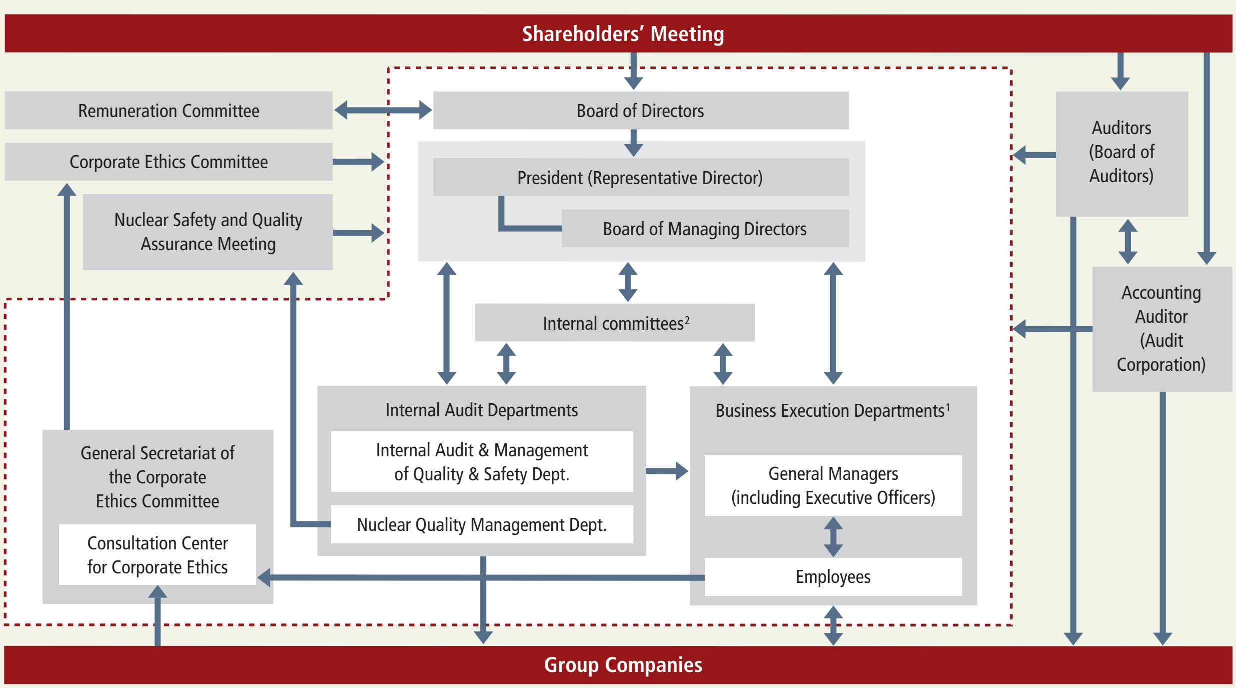
Therefore, TEPCO considers enhancing corporate governance a critical task for management and is working to develop organizational structures and policies for legal and ethical compliance, appropriate and prompt decision making, effective and efficient business practices, and auditing and supervisory functions.

Corporate Governance Structure

At TEPCO, the Board of Directors currently comprises 20 directors, including 2 outside directors. Also, TEPCO has seven auditors, including four outside auditors.

The Board of Directors generally meets once a month and holds additional special meetings as necessary. Based on interactive discussion with objective outside directors, the Board establishes and promotes TEPCO's business and oversees its directors' performance.

Management Structure



Notes: 1. Includes Head Office divisions and departments, other business locations (branch offices, power system offices, thermal power offices, etc.), front-line organizations and internal companies

2. Includes the Disaster Prevention Committee, Systems Security Committee, Risk Management Committee, Quality and Safety Committee, CSR Committee, Internal Control Committee, etc.

For more appropriate and quicker decision making, TEPCO also has the Managing Directors Meeting generally held once a week and other formal bodies to efficiently implement key corporate management issues, including those to be discussed by the Board of Directors. In particular, the Board has inter-organizational committees such as the Internal Control Committee, CSR Committee, System Security Measures Committee and Supply and Demand Measures Conference to intensively discuss directions of key management issues across the entire company.

TEPCO's auditors rigorously check the execution of directors' duties and other matters by attending key meetings, including Board of Directors meetings, and by auditing business results, assets and other financial matters at headquarters, main business locations and subsidiaries and affiliates. Further, TEPCO has established the Office of the Assistant to the Auditors to provide full-time staff to assist the auditors in their duties.

TEPCO has also established an independent internal auditing organization composed of the Internal Audit & Management section of the Quality & Safety Department and the Nuclear Quality Management Department. This organization audits execution of various management activities, reports the main internal audits results to the Managing Directors Meeting and others, and takes required measures for improvement. In particular, the Nuclear Safety and Quality Assurance Meeting, which is entirely composed of lawyers, academics and other outside professionals, conducts strict, impartial and fair audits of quality and safety in nuclear power departments.

Management Structure Reforms (Initiatives to Strengthen Corporate Governance)

In 2004, TEPCO's measures to strengthen corporate governance included management structure reforms such as reducing the number of directors from 32 to 20, introducing an executive officer system, and increasing the number of outside auditors from 2 to 4 of the total 7 auditors. In 2005, we discontinued the payment of retirement bonuses to directors and auditors, and the payment of bonuses to auditors. In 2007, we shortened the terms of directors and executive officers from two years to one in order to clarify their management responsibilities. Further, we established a Remuneration Committee* centered on outside professionals to ensure objective and transparent management of remuneration that reflects the perspective of shareholders and to implement measures including the introduction of performance-based remuneration that reflects achievements for each period.

* The Remuneration Committee comprises two outside directors, two outside professionals and the Chairman.

Internal Control

At its April 2006 meeting, the Board of Directors established guidelines for internal control systems entitled "Developing a Framework to Ensure Appropriate Operations," and revised them at its April 2010 meeting. Based on these guidelines, the Internal Control Committee leads efforts to establish, apply and from time to time evaluate and improve internal control systems in order to ensure appropriate operations including thorough compliance with laws and other regulations and more effective and efficient operations.

The Internal Control Committee also works to ensure the reliability of financial reporting by applying appropriate systems and performing evaluations that conform to "The System of Internal Controls for Financial Reporting" under the Financial Instruments and Exchange Law.

The TEPCO Group also implements integrated risk management. Group companies report to and hold prior discussions with TEPCO concerning important issues that come up in the course of their businesses. In this way, we are working to stay apprised of management conditions at Group companies and share and solve Group management issues. Furthermore, TEPCO is working to establish a framework of internal controls for the entire Group by supporting Group companies' autonomous construction and operation of controls that ensure appropriate operations.

Risk Management

The Risk Management Committee is chaired by TEPCO's president, who is ultimately responsible for risk management in the Company. It plays a central role in managing Group-wide risk by identifying and evaluating risks that could have a serious impact on operations and reflecting them in the Business Management Plan for each fiscal year.

TEPCO has taken necessary measures to counter risks faced by individual businesses by assigning the position of Risk Management Manager to heads of management organizations in every business at Head Office, other offices and Group companies. We have also established internal committees under the direction of the Risk Management Committee to deal with cross-organizational risks. In particular, during fiscal 2009, TEPCO's Novel Influenza Countermeasure Task Force was central in formulating, implementing and refining an action plan outlining basic countermeasures to be taken in the event of an outbreak of a new highly virulent strain of influenza.

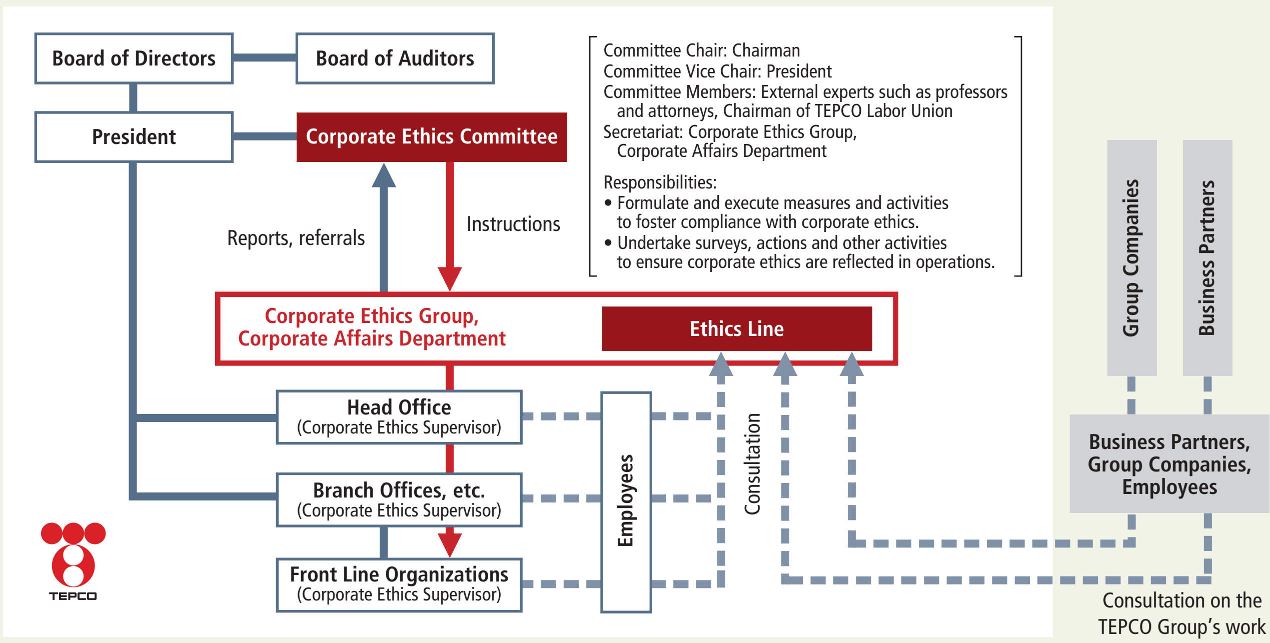
Corporate Ethics and Compliance

The TEPCO Group has established the Group Charter of Corporate Conduct, which outlines the Group's corporate responsibilities and role in society.

Based on the values defined in this document, TEPCO established and is working in various ways to promote the adoption of the Corporate Code of Conduct, which covers matters to be observed by every employee, including putting safety first and complying with rules. In fiscal 2009, we worked to cultivate awareness of corporate ethics at a variety of levels to further improve means of communication internally. Measures included management-level seminars by outside instructors, meetings for Corporate Ethics Representatives to exchange opinions with the Corporate Ethics Committee Chair, and case studies for managers involving debate and resolution of actual issues. Employees spent an average of 9.1 hours on such activities throughout the year.

Every year since 2003, we have conducted an attitude survey targeting employees and external associates to evaluate their level of commitment to corporate ethics, and we revise our activities accordingly. With other Group companies also conducting activities such as these, the entire TEPCO Group will continue working to ensure compliance with corporate ethics.

Corporate Ethics Compliance Structure



Remuneration Paid to Directors and Auditors

TEPCO has introduced a performance-based remuneration system for directors and auditors, and ensures objectivity and transparency by having its Board of Directors decide remuneration after review by the Remuneration Committee, which primarily consists of outside directors and outside professionals. In addition, the Officers' Shareholding Association purchases at least the prescribed minimum amount of TEPCO stock monthly on behalf of directors and retains it while they hold office, according to stock purchase guidelines formed in June 2007 to encourage management conscious of raising long-term corporate value while reflecting the shareholders' point of view.

The Board of Directors decided to continue the reductions in remuneration for directors and auditors that were instituted in November 2007. Remuneration paid in fiscal 2009 to TEPCO's directors, auditors and the accounting auditor, is shown in the charts below.

Remuneration for Directors and Auditors

(Millions of yen)

	Remuneration
Directors (21)	721
Auditors (8)	141

Remuneration for Accounting Auditor

(Millions of yen)

	Remuneration
For auditing and certification services	223
Other services	9

Board of Directors, Auditors and Executive Officers

As of June 25, 2010

BOARD OF DIRECTORS

CHAIRMAN AND REPRESENTATIVE DIRECTOR

Tsunehisa Katsumata

April 1963	Joined TEPCO
June 1993	General Manager, Corporate Planning Department
June 1996	Director; General Manager, Corporate Planning Department
June 1997	Director, Corporate Planning Department, Audit & Operational Development Department and Corporate Affairs Department
June 1998	Managing Director
June 1999	Executive Vice President
June 2001	Executive Vice President; General Manager, Business Development Division
October 2002	President
June 2008	Chairman (Current)

PRESIDENT AND REPRESENTATIVE DIRECTOR

Masataka Shimizu

April 1968	Joined TEPCO
June 1997	General Manager, Materials & Procurement Department
June 2001	Director; General Manager, Materials & Procurement Department
June 2002	Director, Materials & Procurement Department
June 2004	Managing Director
June 2006	Executive Vice President
June 2008	President (Current)

EXECUTIVE VICE PRESIDENT AND REPRESENTATIVE DIRECTOR

Norio Tsuzumi

Deputy General Manager, Nuclear Power & Plant Siting Division; In charge of Operations in General, Corporate Affairs Department

April 1969	Joined TEPCO
June 2002	Associate Director; Plant Siting General Manager, Plant Siting & Regional Relations Division; General Manager, Environment Department
June 2003	Director; Deputy General Manager, Plant Siting & Regional Relations Division
June 2004	Managing Director; Deputy General Manager, Nuclear Power & Plant Siting Division
June 2006	Managing Director
December 2006	Managing Director; Deputy General Manager, Nuclear Power & Plant Siting Division
June 2007	Executive Vice President; Deputy General Manager, Nuclear Power & Plant Siting Division (Current)

EXECUTIVE VICE PRESIDENT AND REPRESENTATIVE DIRECTOR

Takashi Fujimoto

General Manager, Power Network Division; In charge of Operations in General, Construction Department

April 1970	Joined TEPCO
June 2001	General Manager, Distribution Department
June 2003	Director; General Manager, Information & Communications Business Department
June 2004	Managing Director; Deputy General Manager, Business Development Division
June 2006	Managing Director; General Manager, Business Development Division
June 2007	Executive Vice President; General Manager, Power Network Division (Current)

EXECUTIVE VICE PRESIDENT AND REPRESENTATIVE DIRECTOR

Masao Yamazaki

In charge of Operations in General, Employee Relations & Human Resources Department, TEPCO General Training Center, Internal Audit & Management of Quality & Safety Department

April 1972	Joined TEPCO
June 2005	Executive Officer; General Manager, TEPCO General Training Center
June 2006	Managing Director
June 2010	Executive Vice President (Current)

EXECUTIVE VICE PRESIDENT AND REPRESENTATIVE DIRECTOR

Masaru Takei

In charge of Operations in General, Accounting & Treasury Department, Nuclear Quality Management Department

April 1972	Joined TEPCO
June 2004	Executive Officer; General Manager, Accounting & Treasury Department
June 2007	Managing Director
June 2010	Executive Vice President (Current)

EXECUTIVE VICE PRESIDENT AND REPRESENTATIVE DIRECTOR

Makio Fujiwara

General Manager, Marketing & Sales Division; In charge of Operations in General

April 1974	Joined TEPCO
June 2006	Executive Officer; Deputy General Manager, Nuclear Power & Plant Siting Division and General Manager, Nuclear Power & Plant Siting Administrative Department
June 2007	Managing Director; General Manager, Business Development Division
June 2009	Managing Director; Deputy General Manager, Marketing & Sales Division
June 2010	Executive Vice President; General Manager, Marketing & Sales Division (Current)

EXECUTIVE VICE PRESIDENT AND REPRESENTATIVE DIRECTOR

Sakae Muto

General Manager, Nuclear Power & Plant Siting Division; In charge of Operations in General

April 1974	Joined TEPCO
June 2005	Executive Officer; Deputy General Manager, Nuclear Power & Plant Siting Division
June 2008	Managing Director; Deputy General Manager, Nuclear Power & Plant Siting Division
June 2010	Executive Vice President; General Manager, Nuclear Power & Plant Siting Division (Current)

MANAGING DIRECTORS

Hiroshi Yamaguchi
Deputy General Manager, Power Network Division

Yoshihiro Naito
In charge of Affiliated Companies Department, Materials & Procurement Department

Toshio Nishizawa
In charge of Corporate Planning Department, Corporate Communications Department

Zengo Aizawa
In charge of Environment Department, Thermal Power Department

Takao Arai
General Manager, Business Development Division
In charge of Fuel Department, Gas Business Company

Hiroaki Takatsu
General Manager, Engineering Research & Development Division
In charge of Engineering Department

Naomi Hirose
In charge of Real Estate Acquisition & Management Department, International Affairs Department

Akio Komori
Deputy General Manager, Nuclear Power & Plant Siting Division

Fumiaki Miyamoto
In charge of Corporate Systems Department, Electronic Telecommunications Department

DIRECTORS

Shigeru Kimura
Tomijirou Morita*
Yasushi Aoyama*

*Outside director

AUDITORS

STANDING AUDITORS

Katsutoshi Chikudate
Norio Chino
Takashi Karasaki

AUDITORS

Sadayuki Hayashi*
Koichi Takatsu*
Hiroshi Komiyama*
Kazuko Ohya*

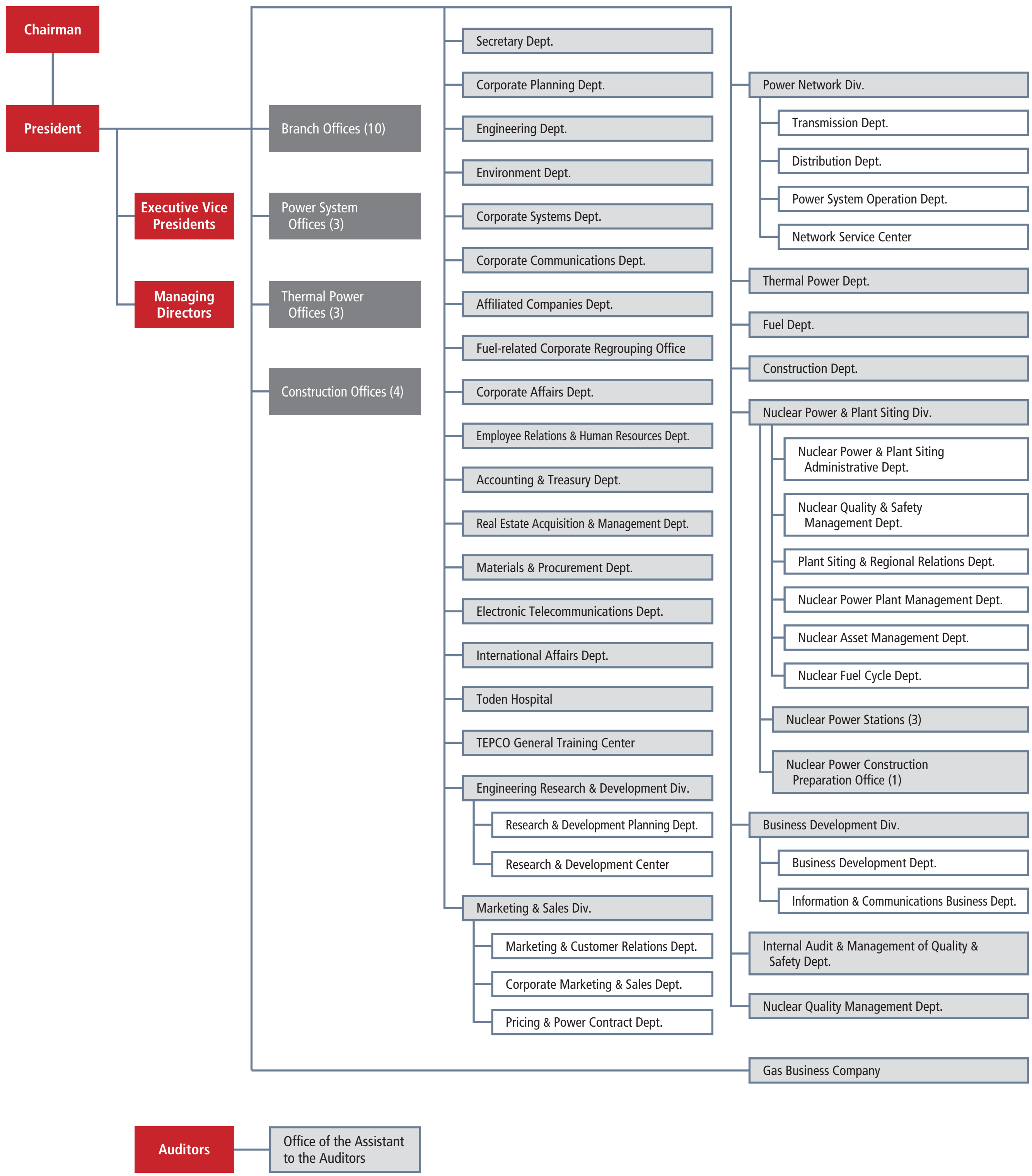
*Outside auditor

EXECUTIVE OFFICERS

Masanori Furuya
Yoshiyuki Ishizaki
Kazuhisa Kataoka
Masao Yoshida
Mamoru Muramatsu
Kunihiko Shimura
Hiroshi Nomura
Ken Yanagihashi
Hiroshi Araki
Toshihiro Sano
Hideo Hara
Kenji Kamakura
Masaru Ono
Seigo Yano
Yuji Masuda
Toshio Yamada
Yasuyuki Shimada
Toshiro Takebe
Shiro Odagiri
Akira Takahashi
Daihei Soga
Hiromitsu Tochigi
Takashi Kobayashi
Tomoyuki Takao
Junichi Naito
Tadayuki Yokomura
Yoshihiro Kageyama
Toshiro Kudama
Toshiomi Suzuki

Organization Chart

As of July 1, 2010



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Consolidated 11-Year Summary

The Tokyo Electric Power Company, Incorporated and Consolidated Subsidiaries

A

TEPCO maintained steady cash dividends per share at ¥60 in the year ended March 31, 2010.

	2010	2009	2008	2007
Years ended March 31:				
Operating revenues	**¥ 5,016,257**	¥ 5,887,576	¥ 5,479,380	¥ 5,283,033
Operating income	**284,443**	66,935	136,404	550,911
Income (loss) before income taxes and minority interests	**223,482**	(99,574)	(212,499)	496,022
Net income (loss)	**133,775**	(84,518)	(150,108)	298,154
Depreciation and amortization	**759,391**	757,093	772,460	751,625
Capital expenditures	**640,885**	695,981	664,295	574,687
Per share of common stock (Yen and U.S. dollars):				
Net income (loss) (basic)	**¥ 99.18**	¥ (62.65)	¥ (111.26)	¥ 220.96
Net income (diluted) (Note 3)	**99.18**	–	–	–
Cash dividends	**60.00**	60.00	65.00	70.00
Equity	**1,828.08**	1,763.32	1,967.03	2,248.34
As of March 31:				
Total net assets (Note 4)	**¥ 2,516,478**	¥ 2,419,477	¥ 2,695,455	¥ 3,073,778
Equity (Note 5)	**2,465,738**	2,378,581	2,653,762	3,033,537
Total assets	**13,203,987**	13,559,309	13,679,055	13,521,387
Interest-bearing debt	**7,523,952**	7,938,087	7,675,722	7,388,605
Number of employees	**52,452**	52,506	52,319	52,584
Financial ratios and cash flow data:				
ROA (%) (Note 6)	**2.1**	0.5	1.0	4.1
ROE (%) (Note 7)	**5.5**	(3.4)	(5.3)	10.3
Equity ratio (%)	**18.7**	17.5	19.4	22.4
Net cash provided by operating activities	**¥ 988,271**	¥ 599,144	¥ 509,890	¥ 1,073,694
Net cash used in investing activities	**(599,263)**	(655,375)	(686,284)	(550,138)
Net cash provided by (used in) financing activities	**(495,091)**	194,419	188,237	(514,885)
Other data (Non-consolidated):				
Electricity sales (million kWh)				
Electricity sales for lighting	**96,089**	96,059	97,600	93,207
Electricity sales for power (Note 8)	**11,393**	11,905	12,785	12,631
Electricity sales to eligible customers (Note 8)	**172,686**	180,992	187,012	181,784
Total	**280,167**	288,956	297,397	287,622
Power generation capacity (thousand kW) (Note 9):				
Hydroelectric	**8,987**	8,986	8,985	8,993
Thermal	**38,189**	37,686	36,179	35,533
Nuclear	**17,308**	17,308	17,308	17,308
Renewable energy, etc.	**4**	1	1	1
Total	**64,487**	63,981	62,473	61,835
Nuclear power plant capacity utilization rate (%)	**53.3**	43.8	44.9	74.2

Notes:
1. All dollar amounts refer to U.S. currency. Yen amounts have been translated, solely for the convenience of the reader, at the rate of ¥93.05 to US$1.00 prevailing on March 31, 2010.
2. Amounts of less than one million yen have been omitted. All percentages have been rounded to the nearest unit.
3. Diluted net income per share is not presented for the years ended March 31, 2005 to March 31, 2009 because no latent shares were outstanding. Diluted net income per share is not presented for the year ended March 31, 2000 because outstanding convertible bonds had no dilutive effect on net income per share.
4. "Total net assets" is a new item presented to conform to revised Japanese accounting standards. The figure for the year ended March 31, 2006 has been restated to reflect this change.
5. Equity = Total net assets – Stock acquisition rights – Minority interests
6. ROA = Operating income/Average total assets
7. ROE = Net income/Average equity
8. Electricity sales for power and electricity sales to eligible customers are presented according to customers categorized as eligible in each fiscal year, and are not restated for changes in the number of eligible customers in succeeding years. For the year ended March 31, 2000, electricity sales to eligible customers have been included in electricity sales for power.
9. TEPCO facilities only. "Renewable energy, etc." includes geothermal and wind power generation capacity. Prior to the year ended March 31, 2010, geothermal power generation capacity was included in thermal power generation capacity. Due to reclassification, it has been included in "Renewable energy, etc." from the year ended March 31, 2010. Prior years have not been restated.

B

All subsidiaries became consolidated subsidiaries as of March 31, 2002.

Millions of yen, unless otherwise noted

Millions of U.S. dollars, unless otherwise noted (Note 1)

2006	2005	2004	2003	2002	2001	2000	2010
¥ 5,255,495	¥ 5,047,210	¥ 4,853,826	¥ 4,919,109	B ¥ 5,220,578	¥ 5,258,014	¥ 5,091,620	**$ 53,909**
576,277	566,304	489,004	521,406	658,933	732,561	788,078	**3,057**
473,832	372,814	255,309	265,170	312,414	329,120	146,236	**2,402**
310,388	226,177	149,550	165,267	201,727	207,882	87,437	**1,438**
824,041	847,505	889,955	922,357	953,437	964,625	1,012,755	**8,161**
623,726	561,206	663,967	706,656	995,842	921,126	1,023,287	**6,888**
¥ 229.76	¥ 167.29	¥ 110.53	¥ 122.08	¥ 149.11	¥ 153.66	¥ 64.63	**$ 1.07**
–	–	110.32	121.33	147.89	152.36	–	**1.07**
60.00	60.00	60.00	60.00	60.00	60.00	60.00	**0.64**
2,059.52	1,853.52	1,748.06	1,662.38	1,612.97	1,506.62	1,367.25	**19.65**
¥ 2,815,424	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	**$ 27,044**
2,779,720	2,502,157	2,360,475	2,245,892	2,181,983	2,038,251	1,849,692	**26,499**
13,594,117	13,748,843	13,900,906	14,177,296	14,578,579	14,562,299	14,559,331	**141,902**
7,840,161	8,261,717	8,765,175	9,076,289	9,564,914	9,968,871	10,309,674	**80,859**
51,560	53,380	51,694	52,322	53,704	48,024	48,255	
4.2	4.1	3.5	3.6	4.5	5.0	5.4	
11.8	9.3	6.5	7.5	9.6	10.7	5.1	
20.4	18.2	17.0	15.8	15.0	14.0	12.7	
¥ 935,622	¥ 1,411,470	¥ 1,147,591	¥ 1,406,300	¥ 1,464,181	¥ 1,456,478	¥ 1,434,897	**$ 10,621**
(615,377)	(577,503)	(693,871)	(863,797)	(905,453)	(1,017,032)	(1,070,487)	**(6,440)**
(350,193)	(785,600)	(451,371)	(573,761)	(558,182)	(431,235)	(372,356)	**(5,321)**
95,186	92,592	86,926	89,354	85,080	85,990	83,974	
13,499	78,239	114,772	116,551	115,354	117,082	190,252	
179,969	115,910	74,314	75,997	75,106	77,579	–	
288,655	286,741	276,012	281,902	275,540	280,651	274,226	
8,993	8,521	8,520	8,520	8,519	8,508	8,103	
35,536	36,995	36,831	34,548	34,548	33,026	32,434	
17,308	17,308	17,308	17,308	17,308	17,308	17,308	
1	1	1	1	1	1	1	
61,837	62,825	62,660	60,377	60,375	58,843	57,846	
66.4	61.7	26.3	60.7	80.1	79.4	84.4	

C

Eligible customers are retail electric power customers included in the scope of liberalization. From March 2000, eligible customers were those in the high-voltage market with contracts to receive over 2,000 kW annually. From April 2004, eligible customers were those in the high-voltage market with contracts to receive over 500 kW annually. From April 2005, eligible customers were those in the high-voltage market with contracts to receive over 50 kW annually.

Financial Review

Analysis of Business Results for the Year Ended March 31, 2010

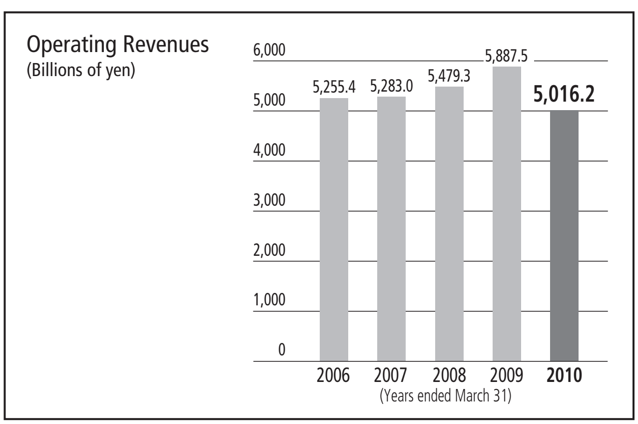
Overview

Operating revenues decreased year on year due to factors including reduced electricity sales volume because of the recession. However, fuel expenses and purchased power decreased because the restart of operations of Units 6 and 7 at Kashiwazaki-Kariwa Nuclear Power Station raised the volume of nuclear power generated. As a result, net income totaled ¥133.7 billion.

In the year ended March 31, 2010, operating revenues decreased ¥871.3 billion, or 14.8 percent, year on year to ¥5,016.2 billion. Electricity sales volume decreased in the electric power business due to factors including the impact of the recession, and the fuel cost adjustment system decreased the unit sales price.

Operating expenses decreased ¥1,088.8 billion, or 18.7 percent, year on year to ¥4,731.8 billion. Fuel expenses and purchased power decreased substantially because the restart of operations of Units 6 and 7 at Kashiwazaki-Kariwa Nuclear Power Station raised the volume of nuclear power generated.

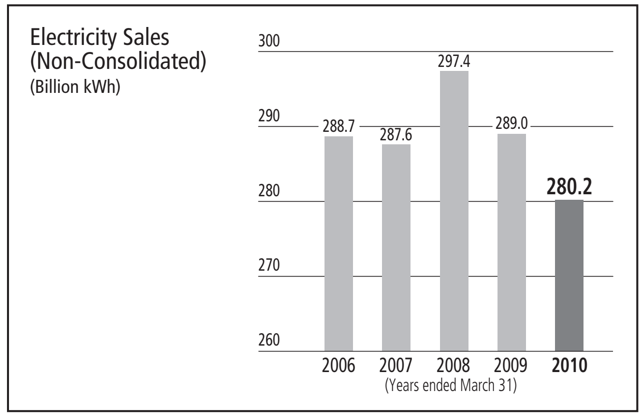
Operating income therefore increased ¥217.5 billion, or 325.0 percent, year on year to ¥284.4 billion. Net income was ¥133.7 billion, compared with a net loss of ¥84.5 billion for the previous fiscal year.



Segment Results

Electric Power Business Segment

For the electric power business segment, operating revenues including intercompany transactions decreased ¥820.9 billion, or 14.8 percent, year on year to ¥4,733.3 billion. Demand from large-scale industrial customers decreased significantly due to the recession, which was a key factor that caused the total volume of electricity sold for the fiscal year to decrease 8.8 billion kWh, or 3.0 percent year on year to 280.2 billion kWh. Moreover, the fuel cost adjustment system decreased the unit sales price. By type of demand, electricity sales for lighting was essentially unchanged year on year at 96.1 billion kWh, electricity sales for power decreased 0.5 billion kWh, or 4.3 percent, year on year to 11.4 billion kWh, and electricity sales to eligible customers decreased 8.3 billion kWh, or 4.6 percent, year on year to 172.7 billion kWh.



Operating expenses decreased ¥1,045.2 billion, or 18.9 percent, year on year to ¥4,487.4 billion. Fuel expenses and purchased power decreased significantly due to lower crude oil prices and the restart of operations of Units 6 and 7 at Kashiwazaki-Kariwa Nuclear Power Station, which raised the volume of nuclear power generated. In addition, the entire TEPCO Group assiduously reduced expenses. Consequently, operating income in the electric power business segment increased ¥224.2 billion, or 11.3 times, year on year to ¥245.9 billion.

Information and Telecommunications Business Segment

Operating revenues in the information and telecommunications business segment decreased ¥8.2 billion, or 7.9 percent, year on year to ¥95.9 billion. The divestiture of the cable television broadcasting business through the April 2009 incorporation-type demerger of TEPCO CABLE TELEVISION Inc. was a primary factor reducing operating revenues, which was partially offset by increases in the number of customers in the data center business and power shielded telecom cable maintenance contracts. Operating expenses decreased ¥8.3 billion, or 8.5 percent, year on year to ¥89.4 billion. Consequently, operating income in the information and telecommunications business segment was essentially unchanged year on year at ¥6.4 billion.

Energy and Environment Business Segment

Operating revenues in the energy and environment business segment decreased ¥63.0 billion, or 15.0 percent, year on year to ¥355.9 billion. Gas sales volume was essentially unchanged year on year, but sales prices declined in tandem with the decrease in the cost of LNG. Moreover, lower crude oil prices caused LNG

(Billions of yen)

	Operating revenues		Operating income	
Years ended March 31	2010	2009	2010	2009
Electric power business	4,733.3	5,554.2	245.9	21.6
Information and telecommunications business	95.9	104.1	6.4	6.3
Energy and environment business	355.9	418.9	21.6	23.2
Living environment and lifestyle-related business	133.5	133.5	12.2	4.0
Overseas business	15.1	17.1	(2.3)	1.7
Eliminations	(317.5)	(340.4)	0.4	9.7
Consolidated	5,016.2	5,887.5	284.4	66.9

sales prices to decrease in the gas field development business. Operating expenses decreased ¥61.3 billion, or 15.5 percent, year on year to ¥334.2 billion. Factors contributing to the decrease included lower raw material prices in the gas supply business. Consequently, operating income in the energy and environment business segment decreased ¥1.6 billion, or 7.1 percent, year on year to ¥21.6 billion.

Living Environment and Lifestyle-Related Business Segment

Operating revenues in the living environment and lifestyle-related business segment were essentially unchanged year on year at ¥133.5 billion. Operating revenues increased in the real estate sales business, but decreased in the housing renovation business. Operating expenses decreased ¥8.1 billion, or 6.3 percent, from the previous fiscal year to ¥121.2 billion. Consequently, operating income in the living environment and lifestyle-related business segment increased ¥8.1 billion, or 199.9 percent, year on year to ¥12.2 billion.

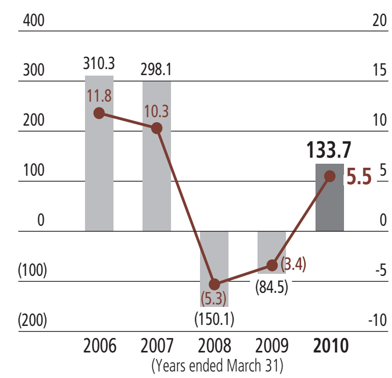
Overseas Business Segment

Operating revenues in the overseas business segment decreased ¥1.9 billion, or 11.5 percent, year on year to ¥15.1 billion. Factors included lower electric power prices in the Australian independent power producer business. Operating expenses increased ¥2.1 billion, or 13.8 percent, from the previous fiscal year to ¥17.4 billion. Consequently, operating loss in the overseas business segment was ¥2.3 billion, compared with operating income of ¥1.7 billion for the previous fiscal year.

Net Income

Income before income taxes and minority interests totaled ¥223.4 billion, compared with loss before income taxes and minority interests of ¥99.5 billion for the previous fiscal year. Factors included gain on sale of business of ¥10.7 billion in connection with the divestiture of TEPCO CABLE TELEVISION's main businesses, including CATV broadcast operations. Income taxes net of deferrals totaled ¥86.7 billion. Net income was ¥133.7 billion, compared with net loss of ¥84.5 billion for the previous fiscal year. Net income per share was ¥99.18.

Net Income (Loss) and ROE
(Billions of yen, %)



Financial Policy

TEPCO has been working to improve its balance sheets in response to changes in its operating environment including liberalization of the electric power market. The non-consolidated equity ratio was a low 10.0 percent as of March 31, 1997, but improved to 21.5 percent as of March 31, 2007. Higher expenses for fuel for thermal power, reduced internal funds and increases in interest-bearing debt in the years ended March 31, 2008 and 2009 were factors causing the equity ratio to decrease to 16.4 percent as of March 31, 2009. However, free cash flow increased during the year ended March 31, 2010 and TEPCO used part of it to reduce interest-bearing debt, causing the equity ratio to increase to 17.1 percent as of March 31, 2010. TEPCO will continue making every possible effort to improve its balance sheets.

One of the characteristics of the electric power business is that it requires large amounts of long-term funding for the construction and renewal of facilities. TEPCO therefore relies on straight bond issues to raise large amounts of low-cost capital at one time.

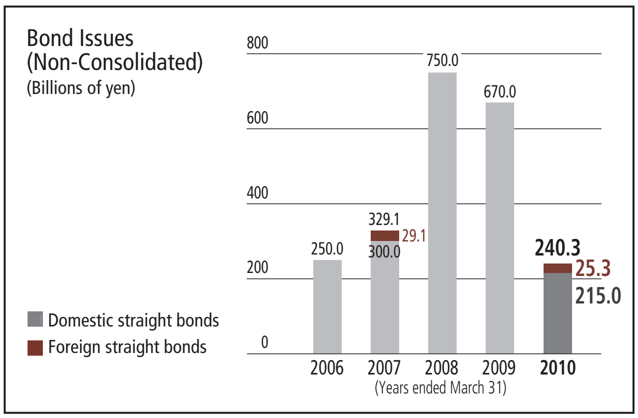
The impact of the financial crisis that began in September 2008 with the collapse of Lehman Brothers lingered in the year ended March 31, 2010. TEPCO issued bonds totaling about ¥240.0 billion during the fiscal year, with an emphasis on smooth issues of bonds with maturities that met investor needs.

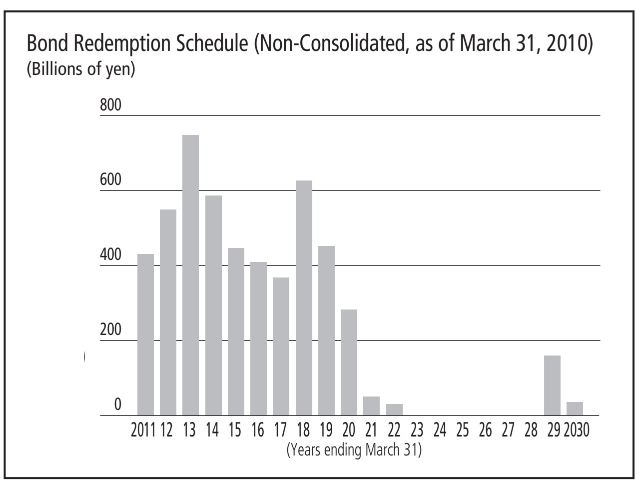
Issues included TEPCO's first foreign-currency bond in three years, a Swiss franc issue of approximately ¥25.0 billion. This bond had a favorable cost and also strengthened TEPCO's ability to raise capital in diverse capital markets by maintaining and enhancing the presence of TEPCO bonds in foreign markets.

Furthermore, we balance bond issues with loans from financial institutions to add stability and reliability to fund procurement. The operating environment for financial institutions has become increasingly challenging due to factors such as consolidation and restructuring since the global financial crisis began and the tightening of capital adequacy standards by the Bank of International Settlements. Given these circumstances, TEPCO has strengthened existing relationships with lenders while also diversifying funding methods in ways such as using syndicated loans.

In addition, TEPCO has set an upper limit of ¥800.0 billion for commercial paper issuance and established commitment lines under its system for ensuring strong liquidity in the event that external financial conditions worsen.

Moreover, TEPCO established a Group financial system in the year ended March 31, 2002 to enhance competitiveness by raising its overall capital efficiency. TEPCO has successively expanded the scope of companies covered by the system, with results including reduction in assets and liabilities and lower financial costs.





As of the date of publication of this annual report, TEPCO's long-term debt was rated AA by Standard & Poor's Ratings Services (S&P), Aa2 by Moody's Investors Service, Inc. (Moody's), AA+ by Rating and Investment Information, Inc. (R&I), and AAA by Japan Credit Rating Agency, Ltd. (JCR). TEPCO's short-term debt was rated A-1+ by S&P, P-1 by Moody's, a-1+ by R&I, and J-1+ by JCR. These ratings reflect the strength of TEPCO's business base and the stability of its fund-raising.

	S&P	Moody's	R&I	JCR
Long-term debt	AA	Aa2	AA+	AAA
Outlook	Negative	Stable	Stable	Stable
Short-term debt	A-1+	P-1	a-1+	J-1+

Note: Ratings are as of the date of publication of this annual report.

Cash Flow

Net cash provided by operating activities increased due to factors including reduced purchases of fuel for thermal power. Net cash used in investing activities decreased because of proceeds from sale of business. Free cash flow therefore expanded substantially.

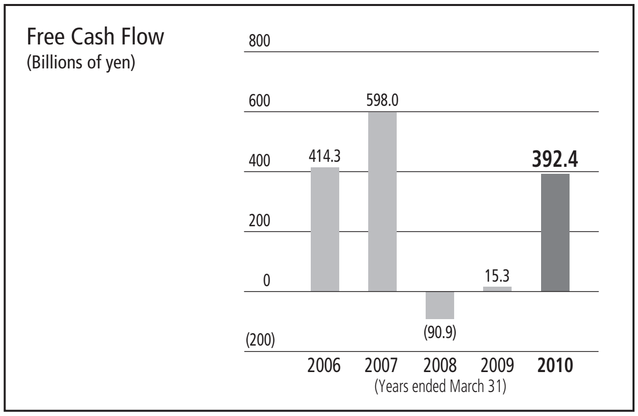
Cash and cash equivalents at the end of the fiscal year decreased ¥105.5 billion, or 40.8 percent, from the previous fiscal year-end to ¥153.1 billion.

Net cash provided by operating activities increased ¥389.1 billion, or 64.9 percent, year on year to ¥988.2 billion. The increase resulted despite lower operating revenues in the electric power business because purchases of fuel for thermal power decreased.

Net cash used in investing activities decreased ¥56.1 billion, or 8.6 percent, from the previous fiscal year to ¥599.2 billion. Factors included proceeds from sale of business.

Net cash used in financing activities was ¥495.0 billion. In the previous fiscal year, financing activities provided net cash of ¥194.4 billion. Factors included reduction of interest-bearing debt.

Free cash flow for the year ended March 31, 2010, calculated as net cash provided by operating activities less capital expenditures in the electric power business, increased ¥377.1 billion, or 25.6 times, to ¥392.4 billion. Factors included reduced expenses for fuel for thermal power due to lower crude oil prices.



Capital Expenditures

Although TEPCO is investing aggressively in measures to enhance the earthquake-resistance and disaster-prevention functions of nuclear power plants, capital expenditures decreased because of TEPCO's focus on postponement of insignificant and minor construction and revision of construction plans.

During the year ended March 31, 2010, capital expenditures decreased ¥55.0 billion, or 7.9 percent, year on year to ¥640.8 billion. In the electric power business, TEPCO focused investment on securing environmentally responsible supply capabilities by adding power generation capacity and strengthening backbone systems, but reduced capital expenditures by emphasizing flexible facility design, rightsizing facilities and reducing costs.

By segment, capital expenditures including intercompany transactions increased ¥1.6 billion, or 0.3 percent, year on year to ¥590.0 billion in the electric power business segment; decreased ¥19.5 billion, or 75.0 percent, to ¥6.5 billion in the information and telecommunications business segment; decreased ¥11.0 billion, or 33.7 percent, to ¥21.6 billion in the energy and environment business segment; decreased ¥4.4 billion, or 31.7 percent, to ¥9.6 billion in the living environment and lifestyle-related business segment; and decreased ¥21.3 billion, or 56.0 percent, to ¥16.8 billion in the overseas business segment.

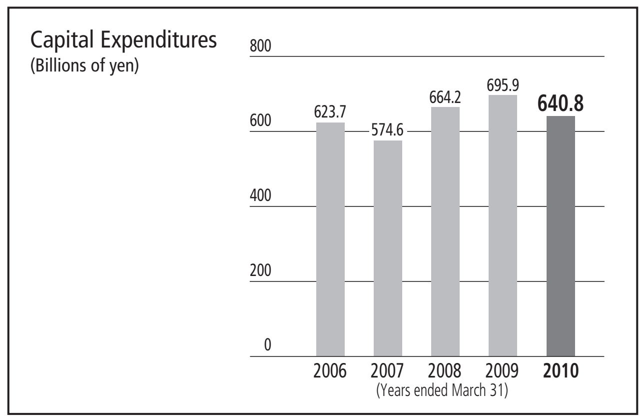
Non-consolidated capital expenditures in the electric power business consisted of the following:

Non-Consolidated Capital Expenditures in the Electric Power Business

(Billions of yen)

Years ended March 31	2010	2009
Generation facilities*	206.4	206.2
Hydroelectric power, new energy and other	11.0	11.8
Thermal power	46.1	68.5
Nuclear power	149.2	125.8
Supply facilities	298.4	285.4
Transmission	143.3	130.4
Transformation	45.3	35.1
Distribution	109.6	119.8
Nuclear fuel and other	87.1	98.4
Total	592.1	590.2

*Results for the year ended March 31, 2009 are categorized as hydroelectric power, thermal power and nuclear power.



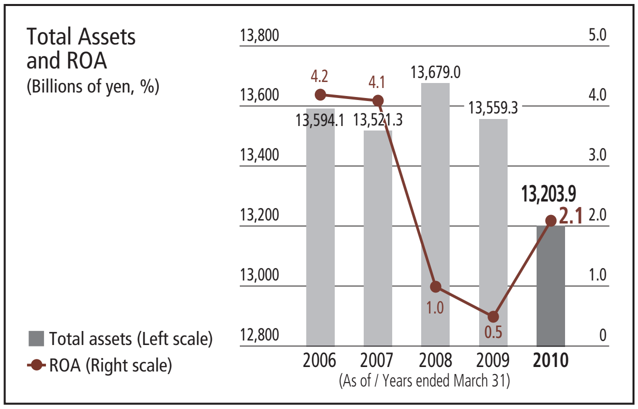
Assets, Liabilities and Net Assets

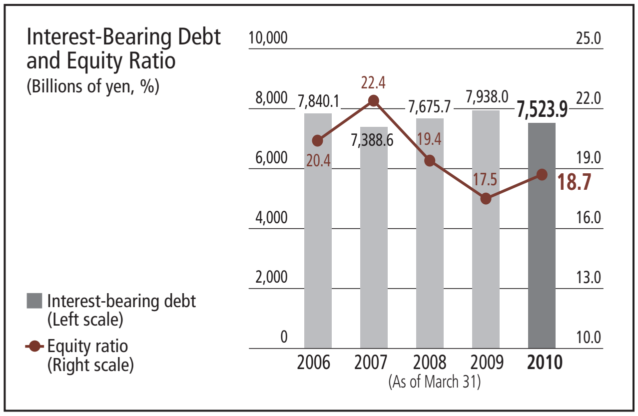
Factors including the increase in free cash flow allowed TEPCO to reduce interest-bearing debt, and net income for the year contributed to an increase in net assets. Consequently, the equity ratio increased to 18.7 percent from 17.5 percent a year earlier.

As of March 31, 2010, total assets decreased ¥355.3 billion, or 2.6 percent, from the previous fiscal year-end to ¥13,203.9 billion. Although trust funds for reprocessing of irradiated nuclear fuel increased, normal depreciation reduced property, plant and equipment in the electric power business.

Total liabilities decreased ¥452.3 billion, or 4.1 percent, from the previous fiscal year-end to ¥10,687.5 billion. Factors included a decrease in interest-bearing debt of ¥414.1 billion, or 5.2 percent, to ¥7,523.9 billion enabled by the increase in free cash flow.

Net assets increased ¥97.0 billion, or 4.0 percent, from the previous fiscal year-end to ¥2,516.4 billion. Factors included an increase in retained earnings as a result of the net income for the fiscal year. Consequently, the equity ratio increased 1.2 percentage points to 18.7 percent from 17.5 percent.





Dividend Policy

TEPCO's fundamental policy for distributing profits to shareholders is to maintain stable dividends with the goal of a consolidated payout ratio of 30 percent or higher, and to determine dividends after comprehensively considering factors including business performance and progress in improving its balance sheets.

For the year ended March 31, 2010, TEPCO generated net income for the first time in three fiscal years.

After comprehensive consideration of its circumstances, TEPCO decided to pay interim and year-end cash dividends per share of ¥30.00, respectively, for annual cash dividends per share applicable to the year ended March 31, 2010 of ¥60.00.

For the year ending March 31, 2011, based on the above dividend policy TEPCO intends to maintain interim and year-end cash dividends per share at ¥30.00, respectively, and cash dividends per share applicable to the fiscal year at ¥60.00.

Cash Dividends per Share

Years ended/ending March 31	Interim	Year-end	Annual
2010	¥30.00	¥30.00	¥60.00
2011 (Forecast)	¥30.00	¥30.00	¥60.00

Risk Factors

The following primary risk factors to which the TEPCO Group is subject may exert a significant influence on investor decisions. Issues that may not necessarily be relevant as risk factors but that may influence investor decisions are also presented below in keeping with TEPCO's vigorous efforts to disclose information to its investors. The forward-looking statements included below represent estimates as of the date of publication of this annual report.

(1) Stable Supply of Electric Power

The TEPCO Group is fully committed to providing a stable supply of electric power. However, natural disasters, accidents at facilities, sabotage including terrorist acts, and problems in obtaining fuel are among the contingencies that could cause large-scale, extended power outages, which could render TEPCO unable to provide a stable supply of electric power. Recovering from or otherwise rectifying such outages could require significant capital outlays that could negatively affect the TEPCO Group's results and financial condition, public trust and operations.

(2) Nuclear Power Plant Capacity Utilization Rate

The TEPCO Group works to raise the capacity utilization rate at its nuclear power plants by enhancing trust in its nuclear power generation facilities and operations. However, factors including natural disasters, problems at facilities and delays in periodic inspections could lower the nuclear power plant capacity utilization rate, which could increase overall power generation costs by requiring additional capacity utilization at thermal power plants that use more expensive fuel. In addition, increased CO_2 emissions could result in additional costs. These issues could affect the TEPCO Group's results and financial condition.

In July 2007, the Niigataken Chuetsu-Oki Earthquake damaged Kashiwazaki-Kariwa Nuclear Power Station, causing multiple reactors to shut down. The status of restoration at these reactors could affect the TEPCO Group.

(3) Nuclear Fuel Cycle

Nuclear power generation, including the nuclear fuel cycle, is indispensable for maintaining a stable energy supply over the medium-to-long term and for preventing global warming. TEPCO will steadily promote nuclear power generation with the major premise of maintaining safe, stable operations. However, promoting nuclear power generation poses various risks such as reprocessing irradiated nuclear fuel, disposing of radioactive waste and decommissioning nuclear power plants and other facilities, which require substantial capital investment and long periods for facility construction and operation. Initiatives such as a national system for handling back-end business have reduced these risks, but issues such as revisions of this system, an increase in provisions to reserves for costs not included in this system, operating conditions at the Rokkasho Reprocessing Plant and other facilities, and procedures for decommissioning of the Rokkasho Uranium Enrichment Plant could affect the TEPCO Group's results and financial condition.

(4) Securing Safety, Quality Control, and Preventing Environmental Pollution

The TEPCO Group works to secure safety, control quality and prevent environmental pollution. However, accidents, fatalities or large-scale emissions of pollutants into the environment resulting from incidents including operational errors or failure to comply with laws or internal regulations could damage public trust in the TEPCO Group and affect the smooth execution of Group operations.

(5) Corporate Ethics and Compliance

The TEPCO Group works to ensure compliance with corporate ethics during the execution of operations. However, violation of laws and regulations or other acts contrary to the TEPCO Group's corporate ethics could damage public trust in the TEPCO Group and affect the smooth execution of Group operations.

(6) Information Management

The TEPCO Group maintains information important to its operations, including a large volume of customer information. The Group strictly administers information through means including internal regulations and employee training. However, leaks of information could damage public trust in the TEPCO Group's ability to manage information and affect the smooth execution of Group operations.

(7) Business and Environmental Regulations

Changes in the TEPCO Group's regulatory environment, including tightening of regulations related to global warming and systemic changes in the electric power business, could affect the TEPCO Group's results and financial condition. In addition, issues such as a decrease in the quality of electric power due to a substantial increase in renewable energy resulting from factors including stricter environmental regulations could disrupt operations.

(8) Competition with Self-Generation and Other Forms of Energy

Competition with self-generation and other forms of energy is increasing in the electric power business. This competition could affect the TEPCO Group's results and financial condition.

(9) Customer Service

The TEPCO Group is working to further enhance customer service. However, inappropriate responses to customers and other issues could reduce customer satisfaction and public trust in the TEPCO Group, which could disrupt normal operations.

(10) Economic and Other Conditions

The volume of sales in the electric power business directly reflects economic and industrial activities and is subject to the influence of the economic environment. Moreover, demand for air conditioning and heating is subject to the influence of the weather, particularly in the summer and the winter. These issues could affect the TEPCO Group's results and financial condition.

(11) Movements in Financial Markets

The TEPCO Group holds domestic and foreign stocks and bonds in its pension plan assets and other portfolios. Changes in the value of these holdings due to issues including conditions in stock and bond markets could affect the TEPCO Group's results and financial condition.

Moreover, issues including future interest rate movements affect the TEPCO Group's interest payments. However, any impact would be limited and short-term in nature because the TEPCO Group primarily procures long-term, fixed-rate funds.

(12) Price of Fuel for Thermal Power Generation

The prices for liquefied natural gas (LNG), crude oil, coal and other fuels for thermal power generation change according to factors including international market conditions and foreign exchange market movements, which could affect the TEPCO Group's results and financial condition. However, changes in fuel prices and foreign exchange markets are reflected in electricity rates through the fuel cost adjustment system, which reduces the impact on performance from fuel price fluctuations within a defined range.

(13) Businesses Other than Electric Power

The TEPCO Group conducts businesses other than electric power, including businesses overseas. Issues including increasing competition with other participants in these businesses, stricter regulations, changes in economic conditions including foreign exchange rates and international fuel markets, political uncertainty and natural disasters could cause actual results to differ from forecasts at the time of investment and affect the TEPCO Group's results and financial condition.

Consolidated Balance Sheets

The Tokyo Electric Power Company, Incorporated and Consolidated Subsidiaries
March 31

	Millions of yen		Millions of U.S. dollars (Note 2)
ASSETS	**2010**	2009	**2010**
Property, plant and equipment	**¥ 29,767,284**	¥ 29,559,429	**$ 319,906**
Construction in progress	**697,581**	648,591	**7,497**
	30,464,865	30,208,020	**327,403**
Less:			
Contributions in aid of construction	**(389,228)**	(358,729)	**(4,183)**
Accumulated depreciation	**(21,051,670)**	(20,543,923)	**(226,240)**
	(21,440,898)	(20,902,653)	**(230,423)**
Property, plant and equipment, net (Notes 4, 8, 9 and 25)	**9,023,967**	9,305,367	**96,980**
Nuclear fuel (Note 9):			
Loaded nuclear fuel	**147,991**	146,067	**1,590**
Nuclear fuel in processing	**754,967**	769,850	**8,114**
	902,958	915,918	**9,704**
Investments and other:			
Long-term investments (Notes 5 and 9)	**527,081**	499,027	**5,665**
Trust funds for reprocessing of irradiated nuclear fuel (Note 9)	**824,403**	667,487	**8,860**
Deferred tax assets (Note 15)	**435,846**	443,481	**4,684**
Other (Notes 9 and 14)	**507,143**	519,998	**5,449**
	2,294,474	2,129,995	**24,658**
Current assets (Note 9):			
Cash (Note 6)	**180,183**	301,391	**1,936**
Notes and accounts receivable–customers	**348,773**	430,095	**3,748**
Inventories	**160,111**	156,010	**1,721**
Other (Notes 6 and 15)	**296,202**	323,826	**3,184**
	985,271	1,211,323	**10,589**
Less:			
Allowance for doubtful accounts	**(2,684)**	(3,295)	**(29)**
	982,586	1,208,027	**10,560**
Total assets	**¥ 13,203,987**	¥ 13,559,309	**$ 141,902**

LIABILITIES AND NET ASSETS	Millions of yen 2010	Millions of yen 2009	Millions of U.S. dollars (Note 2) 2010
Long-term liabilities and reserves:			
Long-term debt (Notes 7 and 9)	**¥ 6,354,010**	¥ 6,624,587	**$ 68,286**
Other long-term liabilities (Note 15)	**145,263**	100,060	**1,561**
Reserve for reprocessing of irradiated nuclear fuel (Note 10)	**1,246,373**	1,254,593	**13,395**
Accrued employees' retirement benefits (Note 14)	**420,913**	428,911	**4,524**
Reserve for decommissioning costs of nuclear power units (Note 11)	**510,010**	491,415	**5,481**
Reserve for loss on disaster (Note 12)	**92,813**	168,191	**997**
	8,769,385	9,067,759	**94,244**
Current liabilities:			
Current portion of long-term debt (Notes 7 and 9)	**741,298**	689,287	**7,967**
Short-term loans (Notes 7 and 9)	**363,643**	389,212	**3,908**
Trade notes and accounts payable	**279,149**	241,960	**3,000**
Accrued income taxes and other	**78,427**	75,899	**843**
Other (Notes 7 and 15)	**450,500**	662,191	**4,841**
	1,913,019	2,058,550	**20,559**
Reserve for fluctuation in water levels (Note 13)	**5,104**	13,521	**55**
Total liabilities	**10,687,509**	11,139,831	**114,858**
Net assets:			
Shareholders' equity (Notes 16 and 26):			
Common stock, without par value:			
Authorized — 1,800,000,000 shares			
Issued — 1,352,867,531 shares in 2010 and 2009	**676,434**	676,434	**7,270**
Capital surplus	**19,123**	19,142	**206**
Retained earnings	**1,831,487**	1,772,324	**19,682**
Treasury stock, at cost:			
4,053,771 shares in 2010 and 3,941,412 shares in 2009	**(8,016)**	(7,764)	**(86)**
Total shareholders' equity	**2,519,029**	2,460,137	**27,072**
Valuation, translation adjustments and other:			
Net unrealized holding loss on securities	**(15,696)**	(26,140)	**(169)**
Net deferred loss on hedges	**(10,423)**	(22,918)	**(112)**
Land revaluation loss	**(3,689)**	(3,692)	**(40)**
Translation adjustments	**(23,480)**	(28,802)	**(252)**
Total valuation, translation adjustments and other	**(53,290)**	(81,555)	**(573)**
Stock acquisition rights	**3**	—	**0**
Minority interests	**50,736**	40,895	**545**
Total net assets	**2,516,478**	2,419,477	**27,044**
Total liabilities and net assets	**¥13,203,987**	¥13,559,309	**$141,902**

See notes to consolidated financial statements.

Consolidated Statements of Operations

The Tokyo Electric Power Company, Incorporated and Consolidated Subsidiaries
Years ended March 31

	Millions of yen		Millions of U.S. dollars (Note 2)
	2010	2009	**2010**
Operating revenues:			
Electricity	**¥4,732,792**	¥5,553,746	**$50,863**
Other	**283,465**	333,829	**3,046**
	5,016,257	5,887,576	**53,909**
Operating expenses (Notes 17, 18 and 19):			
Electricity	**4,472,007**	5,513,608	**48,060**
Other	**259,807**	307,031	**2,792**
	4,731,814	5,820,640	**50,852**
Operating income	**284,443**	66,935	**3,057**
Other (income) expenses:			
Interest and dividend income	**(27,833)**	(31,290)	**(299)**
Interest expense	**134,076**	140,152	**1,441**
Loss on disaster (Note 12)	**—**	56,302	**—**
Equity in earnings of affiliates	**(12,643)**	(13,834)	**(136)**
Impairment loss (Note 25)	**—**	12,216	**—**
Gain on transfer of business	**(10,725)**	—	**(115)**
Other, net	**(13,497)**	6,849	**(145)**
	69,377	170,395	**746**
Income (loss) before special item, income taxes and minority interests	**215,065**	(103,459)	**2,311**
Special item:			
Reversal of reserve for fluctuation in water levels (Note 13)	**(8,416)**	(3,885)	**(91)**
Income (loss) before income taxes and minority interests	**223,482**	(99,574)	**2,402**
Income taxes (Note 15):			
Current	**20,172**	18,565	**217**
Deferred	**66,569**	(37,209)	**715**
	86,741	(18,644)	**932**
Minority interests	**2,965**	3,588	**32**
Net income (loss)	**¥ 133,775**	¥ (84,518)	**$ 1,438**

	Yen		U.S. dollars (Note 2)
Per share information:			
Net assets (basic)	**¥1,828.08**	¥1,763.32	**$19.65**
Net income (loss) (basic)	**99.18**	(62.65)	**1.07**
Net income (diluted)	**99.18**	—	**1.07**
Cash dividends	**60.00**	60.00	**0.64**

See notes to consolidated financial statements.

Consolidated Statements of Changes in Net Assets

The Tokyo Electric Power Company, Incorporated and Consolidated Subsidiaries
Years ended March 31

Year ended March 31, 2010
Millions of yen

	Shareholders' equity					Valuation, translation adjustments and other							
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized holding loss on securities	Net deferred loss on hedges	Land revaluation loss	Translation adjustments	Total valuation, translation adjustments and other	Stock acquisition rights	Minority interests	Total net assets
Balance at March 31, 2009	¥676,434	¥19,142	¥1,772,324	¥(7,764)	¥2,460,137	¥(26,140)	¥(22,918)	¥(3,692)	¥(28,802)	¥(81,555)	¥—	¥40,895	¥2,419,477
Cash dividends	—	—	(81,007)	—	(81,007)	—	—	—	—	—	—	—	(81,077)
Net income	—	—	133,775	—	133,775	—	—	—	—	—	—	—	133,775
Purchases of treasury stock	—	—	—	(454)	(454)	—	—	—	—	—	—	—	(454)
Sales of treasury stock	—	(18)	—	202	183	—	—	—	—	—	—	—	183
Increase resulting from adopting the equity accounting method for additional affiliates	—	—	6,397	—	6,397	—	—	—	—	—	—	—	6,397
Reversal of land revaluation gain	—	—	(3)	—	(3)	—	—	—	—	—	—	—	(3)
Other	—	—	—	(0)	(0)	—	—	—	—	—	—	—	(0)
Net changes in items other than shareholders' equity	—	—	—	—	—	10,443	12,494	3	5,322	28,264	3	9,841	38,108
Total changes	—	(18)	59,163	(252)	58,892	10,443	12,494	3	5,322	28,264	3	9,841	97,000
Balance at March 31, 2010	¥676,434	¥19,123	¥1,831,487	¥(8,016)	¥2,519,029	¥(15,696)	¥(10,423)	¥(3,689)	¥(23,480)	¥(53,290)	¥ 3	¥50,736	¥2,516,478

Year ended March 31, 2009
Millions of yen

	Shareholders' equity					Valuation, translation adjustments and other						
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized holding (loss) gain on securities	Net deferred loss on hedges	Land revaluation loss	Translation adjustments	Total valuation, translation adjustments and other	Minority interests	Total net assets
Balance at March 31, 2008	¥676,434	¥19,126	¥1,937,814	¥(7,187)	¥2,626,188	¥ 37,527	¥(12,895)	¥(3,647)	¥ 6,589	¥ 27,574	¥41,692	¥2,695,455
Cash dividends	—	—	(81,018)	—	(81,018)	—	—	—	—	—	—	(81,018)
Net loss	—	—	(84,518)	—	(84,518)	—	—	—	—	—	—	(84,518)
Purchases of treasury stock	—	—	—	(992)	(992)	—	—	—	—	—	—	(992)
Sales of treasury stock	—	16	—	415	431	—	—	—	—	—	—	431
Reversal of land revaluation gain	—	—	45	—	45	—	—	—	—	—	—	45
Other	—	—	—	(0)	(0)	—	—	—	—	—	—	(0)
Net changes in items other than shareholders' equity	—	—	—	—	—	(63,668)	(10,023)	(45)	(35,392)	(109,129)	(797)	(109,926)
Total changes	—	16	(165,490)	(576)	(166,051)	(63,668)	(10,023)	(45)	(35,392)	(109,129)	(797)	(275,977)
Balance at March 31, 2009	¥676,434	¥19,142	¥1,772,324	¥(7,764)	¥2,460,137	¥(26,140)	¥(22,918)	¥(3,692)	¥(28,802)	¥ (81,555)	¥40,895	¥2,419,477

Year ended March 31, 2010
Millions of U.S. dollars (Note 2)

	Shareholders' equity					Valuation, translation adjustments and other							
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized holding loss on securities	Net deferred loss on hedges	Land revaluation loss	Translation adjustments	Total valuation, translation adjustments and other	Stock acquisition rights	Minority interests	Total net assets
Balance at March 31, 2009	$7,270	$206	$19,046	$(83)	$26,439	$(281)	$(246)	$(40)	$(310)	$(877)	$—	$439	$26,001
Cash dividends	—	—	(871)	—	(871)	—	—	—	—	—	—	—	(871)
Net income	—	—	1,438	—	1,438	—	—	—	—	—	—	—	1,438
Purchases of treasury stock	—	—	—	(5)	(5)	—	—	—	—	—	—	—	(5)
Sales of treasury stock	—	(0)	—	2	2	—	—	—	—	—	—	—	2
Increase resulting from adopting the equity accounting method for additional affiliates	—	—	69	—	69	—	—	—	—	—	—	—	69
Reversal of land revaluation gain	—	—	(0)	—	(0)	—	—	—	—	—	—	—	(0)
Other	—	—	—	(0)	(0)	—	—	—	—	—	—	—	(0)
Net changes in items other than shareholders' equity	—	—	—	—	—	112	134	0	58	304	0	106	410
Total changes	—	(0)	636	(3)	633	112	134	0	58	304	0	106	1,043
Balance at March 31, 2010	$7,270	$206	$19,682	$(86)	$27,072	$(169)	$(112)	$(40)	$(252)	$(573)	$ 0	$545	$27,044

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

The Tokyo Electric Power Company, Incorporated and Consolidated Subsidiaries
Years ended March 31

	Millions of yen		Millions of U.S. dollars (Note 2)
	2010	2009	2010
Cash flows from operating activities			
Income (loss) before income taxes and minority interests	¥ 223,482	¥ (99,574)	$ 2,402
Depreciation and amortization	759,391	757,093	8,161
Impairment loss (Note 25)	—	12,216	—
Loss on nuclear fuel	37,172	31,603	399
Loss on disposal of property, plant and equipment	22,998	23,185	247
Reversal of accrued employees' retirement benefits	(7,482)	(824)	(80)
Reversal of reprocessing of irradiated nuclear fuel	(8,219)	(9,456)	(88)
Provision for decommissioning costs of nuclear power units	18,594	16,245	200
(Reversal of) provision for loss on disaster (Note 12)	(75,377)	3,663	(810)
Interest and dividend income	(27,833)	(31,290)	(299)
Interest expense	134,076	140,152	1,441
Equity in earnings of affiliates	(12,643)	(13,834)	(136)
Increase in trust funds for reprocessing of irradiated nuclear fuel	(156,915)	(149,545)	(1,686)
Decrease (increase) in notes and accounts receivable	81,058	(42,853)	871
Increase (decrease) in notes and accounts payable	66,938	(114,070)	719
Other	55,401	117,546	595
	1,110,642	640,258	11,936
Interest and cash dividends received	29,314	27,867	315
Interest paid	(137,879)	(141,450)	(1,482)
Income taxes (paid) refund	(13,805)	72,469	(148)
Net cash provided by operating activities	988,271	599,144	10,621
Cash flows from investing activities			
Purchases of property, plant and equipment	(633,670)	(661,493)	(6,810)
Contributions in aid of construction received	25,693	12,424	276
Increase in long-term investments	(52,190)	(17,782)	(561)
Proceeds from long-term investments	12,852	29,974	138
Payments for purchases of subsidiaries, net	—	(925)	—
Proceeds from transfer of business (Note 6)	37,641	—	405
Other	10,409	(17,574)	112
Net cash used in investing activities	(599,263)	(655,375)	(6,440)
Cash flows from financing activities			
Proceeds from issuance of bonds	239,364	668,008	2,572
Redemptions of bonds	(427,870)	(598,020)	(4,598)
Proceeds from long-term loans	322,074	540,404	3,461
Repayments of long-term loans	(356,121)	(282,008)	(3,827)
Proceeds from short-term loans	721,878	859,598	7,758
Repayments of short-term loans	(749,788)	(851,272)	(8,058)
Proceeds from issuance of commercial papers	730,000	1,555,000	7,845
Redemptions of commercial papers	(900,000)	(1,615,000)	(9,672)
Cash dividends paid	(80,808)	(80,951)	(868)
Other	6,179	(1,338)	66
Net cash (used in) provided by financing activities	(495,091)	194,419	(5,321)
Effect of exchange rate changes on cash and cash equivalents	487	(4,622)	5
Net (decrease) increase in cash and cash equivalents	(105,596)	133,566	(1,135)
Cash and cash equivalents at beginning of the year	258,714	125,147	2,781
Cash and cash equivalents at end of the year (Note 6)	¥ 153,117	¥ 258,714	$ 1,646

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

The Tokyo Electric Power Company, Incorporated and Consolidated Subsidiaries
March 31, 2010

1

Summary of Significant Accounting Policies

(a) Basis of Preparation

The accompanying consolidated financial statements of The Tokyo Electric Power Company, Incorporated (the "Company") and its consolidated subsidiaries (collectively, the "Companies") have been compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law of Japan and are prepared on the basis of accounting principles generally accepted in Japan, which differ in certain respects from the application and disclosure requirements of the International Financial Reporting Standards.

The financial statements of the overseas consolidated subsidiaries are prepared in accordance with either International Financial Reporting Standards or U.S. generally accepted accounting principles, with adjustments for the specified six items as applicable (see Note 3 (c)).

As permitted by the Financial Instruments and Exchange Law, amounts of less than one million yen have been omitted. Consequently, the totals shown in the accompanying consolidated financial statements do not necessarily agree with the sums of the individual amounts.

Certain amounts in the prior years' financial statements have been reclassified to conform to the current year's presentation.

(b) Basis of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and all companies which it controls directly or indirectly. Companies over which the Company or the Companies exercise significant influence in terms of their operating and financial policies have been included in the consolidated financial statements on an equity basis. All significant intercompany balances and transactions have been eliminated in consolidation.

The differences arising from the cost of the Companies' investments in subsidiaries and affiliates in excess of the interest in their net assets at fair value are amortized over a period of five years.

Investments in other affiliates, not significant in amount, are carried at cost. The company writes down these investments if it deems that impairment of their value is irrecoverable.

(c) Depreciation and Amortization

Depreciation of property, plant and equipment is computed by the declining-balance method based on the estimated useful lives of the respective assets. Amortization of intangible fixed assets is computed by the straight-line method. Easements for transmission line right-of-way acquired on or after April 1, 2005 are depreciated over 36 years, the same number of years used for the useful life of transmission lines. Other easements are depreciated over their average remaining useful lives.

(d) Nuclear Fuel and Amortization

Nuclear fuel is stated at cost less amortization. The amortization of loaded nuclear fuel is computed based on the quantity of energy produced for the generation of electricity.

(e) Investments

Securities are classified into three categories according to holding intent as follows: i) trading securities, which are held for the purpose of earning capital gains in the short-term; ii) held-to-maturity securities, which the Company intends to hold until maturity; and iii) other securities, which are not classified as either of the other two categories. The Companies have no securities categorized as trading securities or held-to-maturity securities. Other securities are stated at fair value if available, or at cost determined by the moving-average method. Unrealized gain or loss, net of the applicable taxes, is reported as a separate component of net assets. Realized gain or loss on sales of these securities are calculated based on the moving-average cost.

(f) Inventories

Coals, fuel oils and gases are stated at the lower of cost, determined principally by the average method, or net realizable value (see Note 3 (a)).

(g) Allowance for Doubtful Accounts

The Companies provide the allowance for doubtful accounts based on the historical ratio of actual credit losses to total receivables and the amount of uncollectible receivables estimated on an individual basis.

(h) Accrued Employees' Retirement Benefits

The Companies calculate accrued employees' retirement benefits principally based on the retirement benefit obligation and the fair value of the pension plan assets at the balance sheet date, as adjusted for unrecognized actuarial gain or loss and unrecognized prior service cost.

Actuarial gain or loss is mainly amortized by the straight-line method over a period of three years.

Prior service cost is charged or credited to income when incurred.

(i) Income Taxes

Deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax bases of the assets and liabilities, and are measured using the enacted tax rates and laws expected to be in effect when the differences are expected to be recovered or settled.

(j) Foreign Currency Translation

The revenue and expenses of overseas consolidated subsidiaries are translated into yen at the average exchange rates prevailing during the fiscal year.

The balance sheets of overseas consolidated subsidiaries, except for the components of net assets, are translated into yen at the rates of exchange in effect at the balance sheet date. The components of net assets are translated at their historical exchange rates. Translation differences arising from the translation of the financial statements of overseas consolidated subsidiaries are presented as translation adjustments in net assets.

Current and non-current accounts denominated in foreign currency are translated into yen at the exchange rates prevailing as of the fiscal year-end, and the resulting gain or loss is credited or charged to income for the fiscal year.

(k) Derivatives and Hedging Activities

Derivatives are stated at fair values with any changes in unrealized gain or loss charged or credited to income, except for those that meet the criteria for deferral hedge accounting under which unrealized gain or loss is deferred as an asset or a liability.

Liabilities that are denominated in foreign currencies and hedged by derivative instruments are translated at their respective contract rates.

(l) Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(m) Amounts per Share

Basic and diluted net income (loss) per share is computed based on net income (loss) available for distribution to shareholders of common stock and the weighted-average number of shares of common stock outstanding during the fiscal year.

2 U.S. Dollar Amounts

Amounts in U.S. dollars are included solely for the convenience of the reader. The rate of ¥93.05 = US$1.00, the approximate rate of exchange in effect on March 31, 2010, has been used. The inclusion of such amounts is not intended to imply that yen have been or could be readily converted, realized or settled in U.S. dollars at that or any other rate.

3 Accounting Change

(a) Inventories

Inventories had been stated at cost determined principally by the average method through the fiscal year ended March 31, 2008.

However, "Accounting Standard for Measurement of Inventories" became effective from fiscal years beginning on or after April 1, 2008. Accordingly, effective April 1, 2008 inventories are stated at the lower of cost, determined principally by the average method, or net realizable value.

The effect of this adoption was immaterial.

(b) Leases

Noncancelable leases had been primarily accounted for as operating leases, regardless of whether such leases were classified as operating or finance leases. However, leases that transferred ownership of the leased assets to the lessee were accounted for as finance leases through the year ended March 31, 2008.

However, the Company and its domestic subsidiaries have adopted "Accounting Standard for Lease Transactions" and "Implementation Guidance for Accounting Standard for Lease Transactions" that became effective from fiscal years beginning on or after April 1, 2008. Accordingly, all finance leases entered into after April 1, 2008 are accounted for as finance lease transactions.

The effect of this adoption was immaterial.

Finance lease transactions that do not transfer ownership to the lessee that commenced before April 1, 2008 are accounted for as operating leases.

(c) Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements

Effective April 1, 2008, the Company has adopted "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements."

This adoption had no effect.

(d) Accrued Employees' Retirement Benefits

Effective April 1, 2009, the Company has adopted the partial revision of "Accounting Standard for Retirement Benefits."

This adoption had no effect.

4 Property, Plant and Equipment, Net

The major classifications of property, plant and equipment, net at March 31, 2010 and 2009 were as follows:

	Millions of yen		Millions of U.S. dollars
	2010	2009	2010
Hydroelectric power production facilities	¥ 725,572	¥ 761,503	$ 7,798
Thermal power production facilities	1,030,831	1,124,852	11,078
Nuclear power production facilities	667,866	641,107	7,178
Transmission facilities	2,168,063	2,271,257	23,300
Transformation facilities	860,375	893,398	9,246
Distribution facilities	2,185,048	2,218,706	23,483
General facilities	155,276	165,969	1,669
Other electricity-related property, plant and equipment	21,257	22,297	228
Other property, plant and equipment	522,947	557,683	5,620
Construction in progress	686,727	648,591	7,380
	¥9,023,967	¥9,305,367	$96,980

5 Marketable Securities and Investment Securities

At March 31, 2010 and 2009, other securities for which market prices were available were as follows:

	Millions of yen						Millions of U.S. dollars		
	2010			2009			2010		
	Carrying amount	Acquisition costs	Unrealized holding gain (loss)	Carrying amount	Acquisition costs	Unrealized holding gain (loss)	Carrying amount	Acquisition costs	Unrealized holding gain (loss)
Unrealized holding gain:									
Stocks and bonds	¥ 49,767	¥ 22,791	¥ 26,976	¥ 42,812	¥ 21,344	¥ 21,468	$ 535	$ 245	$ 290
Unrealized holding loss:									
Stocks and bonds	185,861	236,469	(50,607)	175,513	234,991	(59,477)	1,997	2,541	(544)
Total	¥235,628	¥259,260	¥(23,631)	¥218,326	¥256,335	¥(38,009)	$2,532	$2,786	$(254)

For the year ended March 31, 2009, gain and loss on sales of other securities were as follows:

	Millions of yen		
	2009		
	Sales amount	Aggregated gains	Aggregated losses
Other securities........	¥198	¥175	¥1

At March 31, 2009, non-marketable securities and investment securities stated at cost were as follows:

	Millions of yen
	2009
Other securities:	
Unlisted stocks..	¥67,335
Other	7,801

6

Supplemental Cash Flow Information

Reconciliation of the difference between cash stated in the consolidated balance sheets as of March 31, 2010 and 2009 and cash and cash equivalents for the purpose of the statements of cash flows is as follows:

	Millions of yen		Millions of U.S. dollars
	2010	2009	**2010**
Cash..	**¥180,183**	¥301,391	**$1,937**
Time deposits with maturities of more than three months	**(37,844)**	(43,084)	**(407)**
Short-term investments with an original maturity of three months or less, presenting negligible risk of change in value, included in other current assets	**10,777**	407	**116**
Cash and cash equivalents...	**¥153,117**	¥258,714	**$1,646**

The businesses of TEPCO CABLE TELEVISION Inc. (a consolidated subsidiary) and another subsidiary were transferred during the year ended March 31, 2010. The following table presents assets and liabilities at the date of transfer and the relationship between the selling values and proceeds from the transfer.

	Millions of yen	Millions of U.S. dollars
	2010	**2010**
Non-current assets	**¥30,459**	**$327**
Current assets..	**1,957**	**21**
Non-current liabilities	**(2,737)**	**(29)**
Current liabilities	**(1,684)**	**(18)**
Other	**(207)**	**(2)**
	27,787	**299**
Gain on transfer of business	**10,725**	**115**
Price of transfer of business...	**38,512**	**414**
Cash and cash equivalents related to transfer of business	**(870)**	**(9)**
Proceeds from transfer of business, net	**¥37,641**	**$405**

7

Short-Term Debt and Long-Term Debt

Short-term loans and commercial paper are unsecured. The weighted-average interest rates of short-term loans were approximately 0.759% and 1.098% for the years ended March 31, 2010 and 2009, respectively. The weighted-average interest rates of commercial paper were approximately 0.109% and 0.218% for the years ended March 31, 2010 and 2009, respectively.

At March 31, 2010 and 2009, short-term debt consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2010	2009	2010
Loans from banks and other sources	¥363,643	¥389,212	$3,908
Commercial paper	65,000	235,000	699
	¥428,643	¥624,212	$4,607

The annual interest rates applicable to the Company's domestic straight bonds at March 31, 2010 and 2009 ranged from 0.635% to 5.05% and from 0.335% to 5.05%, respectively and those applicable to the Company's foreign straight bonds at March 31, 2010 and 2009 ranged from 2.125% to 4.5% and from 2.75% to 4.5%, respectively. The interest rates applicable to long-term debt (except for the current portion) at March 31, 2010 and 2009 averaged approximately 1.551% and 1.815%, respectively.

At March 31, 2010 and 2009, long-term debt consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2010	2009	2010
Domestic straight bonds due from 2009 through 2029	¥4,981,320	¥5,068,340	$53,534
Foreign straight bonds due from 2009 through 2017	188,525	289,070	2,026
Loans from banks, insurance companies and other sources	1,925,463	1,956,465	20,693
	7,095,309	7,313,875	76,253
Less: Current portion	(741,298)	(689,287)	(7,967)
	¥6,354,010	¥6,624,587	$68,286

8

Leases

(a) As Lessee:

Future minimum lease payments subsequent to March 31, 2010 for operating leases are summarized as follows:

Years ending March 31,	Millions of yen	Millions of U.S. dollars
2011	¥ 39	$1
2012 and thereafter	104	1
Total	¥144	$2

(b) As Lessor:

Future minimum lease income subsequent to March 31, 2010 for operating leases is summarized as follows:

Years ending March 31,	Millions of yen	Millions of U.S. dollars
2011	¥ 789	$ 8
2012 and thereafter	2,765	30
Total	¥3,554	$38

9

Pledged Assets

The Company's entire property was subject to certain statutory preferential rights as security for loans from the Development Bank of Japan that amounted to ¥397,659 million (US$4,274 million) and ¥447,570 million, and for bonds that amounted to ¥5,238,965 million (US$56,303 million) and ¥5,424,310 million at March 31, 2010 and 2009, respectively.

Certain of the Company's long-term loan agreements give the lenders the right, upon request, to have any proposed appropriation of retained earnings submitted to them for prior approval before submission to the shareholders. None of the lenders has ever exercised this right.

Assets pledged as collateral for certain consolidated subsidiaries' long-term debt of ¥60,322 million (US$648 million) and short-term debt of ¥2,388 million (US$26 million) at March 31, 2010 were as follows:

	Millions of yen	Millions of U.S. dollars
Property, plant and equipment, net:		
Hydroelectric power production facilities	¥ 4,754	$ 51
Other	62,480	672
Cash	16,185	174
Notes and accounts receivable — customers	1,491	16
Inventories	4,646	50
Other current assets	6	0
	¥89,564	$963

As of March 31, 2010 and 2009, respectively, long-term investments totaling ¥54,956 million (US$591 million) and ¥55,500 million and other current assets totaling ¥1,882 million (US$20 million) and ¥802 million were also pledged as collateral for long-term loans from financial institutions to investees of certain consolidated subsidiaries.

10

Reserve for Reprocessing of Irradiated Nuclear Fuel

The reserve is stated at the present value of the amount that would be required to reprocess irradiated nuclear fuel generated in proportion to combustion of nuclear fuel. The discount rates of 1.3% and 4.0% at March 31, 2010 and 1.5% and 4.0% at March 31, 2009 have been adopted for the reserve for reprocessing of irradiated nuclear fuel with and without a definite reprocessing plan, respectively.

In the year ended March 31, 2006, the accounting standards that Japanese electric utility companies used to provide for the reserve for the estimated liability related to past generation costs up to March 31, 2005 were changed. As a result, since the year ended March 31, 2006 past generation costs are being recognized over 15 years as an annual operating expense of ¥30,560 million (US$328 million).

Also, under the accounting rules applicable to electric utility companies in Japan, unrecognized actuarial loss of ¥37,143 million (US$399 million) and ¥89,347 million at March 31, 2010 and 2009, respectively, is being charged to income as an operating expense. These expenses are charged to income in the fiscal year following the fiscal year in which irradiated nuclear fuel with a definite reprocessing plan is generated.

11

Reserve for Decommissioning Costs of Nuclear Power Units

The reserve for the anticipated costs required for the decommissioning of nuclear power units in the future is provided on the basis of the actual amount of nuclear power generated during the year.

Also, "Accounting Standard for Asset Retirement Obligations" and "Implementation Guidance for Accounting Standard for Asset Retirement Obligations" become effective from fiscal years beginning on after April 1, 2010. Accordingly, the reserve for decommissioning costs of nuclear power units totaling ¥510,010 million (US$5,481 million) as of March 31, 2010 is recorded as an asset retirement obligation.

12

Reserve for Loss on Disaster

The Company provides the reserve for loss on disaster for the restoration of assets damaged by the Niigataken Chuetsu-Oki Earthquake.

The estimated cost of restoration is subject to change if the Company revises the scope and work involved in repair as a result of assessment of facility soundness.

13

Reserve for Fluctuation in Water Levels

The Electricity Utilities Industry Law requires the Company to provide a reserve against income volatility that may result from the effect of excessive or insufficient water levels on hydroelectric power generation.

14

Employees' Retirement Benefits

The Company and certain consolidated subsidiaries have defined benefit plans, including a defined benefit pension plan, funded non-contributory tax-qualified retirement pension plans, social security pension plans, lump-sum retirement benefit plans and defined contribution pension plans.

The following table sets forth the funded or unfunded status of the plans, and the amounts recognized in the consolidated balance sheets at March 31, 2010 and 2009 for the Companies' defined benefit plans:

	Millions of yen		Millions of U.S. dollars
	2010	2009	**2010**
Projected benefit obligation	**¥(1,019,189)**	¥(1,022,653)	**$(10,953)**
Plan assets at fair value	**612,320**	569,763	**6,581**
Accrued employees' retirement benefits	**420,913**	428,911	**4,523**
Prepaid pension expense	**(14,159)**	(56,087)	**(152)**
Unrecognized actuarial gain or loss	**¥ (114)**	¥ (80,065)	**$ (1)**

The components of retirement benefit expenses and other for the years ended March 31, 2010 and 2009 are outlined as follows:

	Millions of yen		Millions of U.S. dollars
	2010	2009	**2010**
Service cost	**¥ 30,318**	¥ 31,030	**$ 326**
Interest cost	**19,983**	20,137	**215**
Expected return on plan assets	**(13,758)**	(15,497)	**(148)**
Amortization of unrecognized actuarial gain or loss	**44,335**	52,775	**476**
Other	**4,419**	4,062	**48**
Retirement benefit expenses	**¥ 85,297**	¥ 92,508	**$ 917**

The principal assumptions used in determining the retirement benefit obligations and other components of the Companies' plans are shown below:

	2010	2009
Method of allocation of estimated retirement benefits	**Equally over the period**	Equally over the period
Discount rate	**Mainly 2.0%**	Mainly 2.0%
Expected rate of return on plan assets	**Mainly 2.5%**	Mainly 2.5%
Period for amortization of unrecognized actuarial gain or loss	**Mainly 3 years**	Mainly 3 years

15 Income Taxes

The Company and a consolidated subsidiary in the electric power business are subject to taxes on income including corporation and inhabitants' taxes that in aggregate resulted in a statutory tax rate of approximately 36% in 2010 and 2009.

The significant components of deferred tax assets and liabilities as of March 31, 2010 and 2009 were as follows:

	Millions of yen		Millions of U.S. dollars
	2010	2009	**2010**
Deferred tax assets:			
Accrued employees' retirement benefits	**¥154,891**	¥154,465	**$1,665**
Depreciation and amortization	**60,205**	60,989	**647**
Reserve for decommissioning costs of nuclear power units	**56,130**	56,130	**603**
Reserve for reprocessing of irradiated nuclear fuel	**53,251**	56,027	**572**
Reserve for loss on disaster	**33,607**	60,902	**361**
Easement on the transmission line right-of-way	**31,544**	25,230	**339**
Tax loss carryforwards	**26,599**	80,774	**286**
Net unrealized holding loss on securities	**18,909**	22,190	**203**
Deferred charges for tax purposes	**17,076**	18,437	**184**
Other	**146,272**	140,109	**1,572**
	598,491	675,257	**6,432**
Valuation allowance	**(84,541)**	(80,079)	**(909)**
Total deferred tax assets	**513,949**	595,177	**5,523**
Deferred tax liabilities:			
Unrealized holding gain on securities	**(10,393)**	(8,411)	**(112)**
Prepaid pension cost	**(5,244)**	(20,425)	**(56)**
Other	**(17,311)**	(15,701)	**(186)**
Total deferred tax liabilities	**(32,949)**	(44,538)	**(354)**
Net deferred tax assets	**¥481,000**	¥550,639	**$5,169**

Deferred tax assets and liabilities included in other current assets, other current liabilities and other long-term liabilities were as follows:

	Millions of yen		Millions of U.S. dollars
	2010	2009	**2010**
Other current assets	**¥60,875**	¥121,758	**$654**
Other long-term liabilities	**15,644**	14,531	**168**
Other current liabilities	**76**	69	**1**

The differences between the effective tax rate reflected in the accompanying consolidated statements of income for the years ended March 31, 2010 and 2009 and the statutory tax rate were as follows:

	2010	2009
Statutory tax rate	36.2%	36.2%
Non-taxable dividend income	(2.9)	2.1
Equity in earnings of affiliated companies	(2.1)	5.0
Change in valuation allowance	2.0	(21.4)
Eliminations of dividend income	1.9	—
Differences of tax rate among consolidated subsidiaries	0.9	—
Expenses not deductible for tax purposes	—	(1.9)
Amortization of goodwill	—	(1.2)
Other	2.7	(0.1)
Effective tax rate	38.8%	18.7%

16 Shareholders' Equity

The Corporation Law of Japan provides that an amount equal to 10% of the amount to be disbursed as distributions of capital surplus (other than the capital reserve) and retained earnings (other than the legal reserve) be transferred to the capital reserve or the legal reserve, respectively, until the sum of the capital reserve and the legal reserve equals 25% of the common stock account. The capital reserve amounted to ¥19,014 million (US$204 million) and ¥19,014 million, and the legal reserve amounted to ¥169,108 million (US$1,817 million) and ¥169,108 million at March 31, 2010 and 2009, respectively. Moreover, neither the capital reserve nor the legal reserve is available for the payment of dividends, but distributions of capital surplus can be made at anytime by resolution of the shareholders or by the Board of Directors if certain conditions are met.

17 Research and Development Costs

Research and development costs included in operating expenses for the years ended March 31, 2010 and 2009 totaled ¥37,539 million (US$403 million) and ¥42,091 million, respectively.

18 Selling, General and Administrative Expenses

The main components of selling, general and administrative expenses in the electric power business operating expenses for the years ended March 31, 2010 and 2009 were as follows:

	Millions of yen		Millions of U.S. dollars
	2010	2009	2010
Salaries and allowances	¥139,945	¥139,660	$1,504
Provision for accrued employees' retirement benefits	75,541	81,535	812
Consignment expenses	88,166	85,657	948

19 Provisions for Reserves

Provisions for reserves charged to net income during the years ended March 31, 2010 and 2009 were as follows:

	Millions of yen		Millions of U.S. dollars
	2010	2009	2010
Accrued employees' retirement benefits	¥80,176	¥88,666	$ 862
Reserve for reprocessing of irradiated nuclear fuel	93,522	95,341	1,005
Reserve for decommissioning costs of nuclear power units	18,594	16,245	200
Reserve for loss on disaster	—	56,595	—

20 Related Party Transactions

The Company guaranteed loan and bonds in the amounts of ¥286,800 million (US$3,082 million) and ¥299,617 million of Japan Nuclear Fuel Limited, a major affiliate, at March 31, 2010 and 2009, respectively.

21 Contingent Liabilities

Contingent liabilities totaled ¥643,802 million (US$6,919 million) and ¥647,059 million, of which ¥322,556 million (US$3,467 million) and ¥321,291 million were in the form of co-guarantees or commitments to give co-guarantees if requested for the loans, bonds, lease obligations or other commitments of other companies at March 31, 2010 and 2009, respectively.

In addition, ¥251,246 million (US$2,700 million) and ¥255,767 million consisted of guarantees given in connection with housing loans made to employees of the Companies at March 31, 2010 and 2009, respectively.

The remaining ¥70,000 million (US$752 million) and ¥70,000 million represent the debt assigned by the Company to certain banks under debt assumption agreements at March 31, 2010 and 2009, respectively.

22 Financial Instruments

Beginning with the year ended March 31, 2010, the Company adopted the "Accounting Standard for Financial Instruments" and the "Guidance on Disclosures about Fair Value of Financial Instruments."

1. Status of financial instruments

(1) Policy regarding financial instruments

The Company aims for stable fund procurement by emphasizing the use of direct financing such as bonds and commercial paper to procure low-cost capital to fund the capital expenditures required by operations in the electric power business. The Company also uses loans from banks, insurance companies and other sources to diversify funding methods.

The Company only uses short-term deposits to manage funds.

The Company and certain consolidated subsidiaries comply with internal policies in using derivatives solely to hedge risk, never for trading or speculation.

(2) Details of financial instruments, associated risk and risk management

Marketable securities and investment securities consist mainly of equity securities and are exposed to market price fluctuation risk. The Company and certain consolidated subsidiaries review the fair values of marketable securities on a quarterly basis.

Trust funds for the reprocessing of irradiated nuclear fuel is the money contributed under the Law on Creation and Management of Trust Funds for Reprocessing of Spent Fuel at Nuclear Power Stations to properly reprocess the irradiated nuclear fuel incurred by operating specified commercial power reactors.

Notes and accounts receivable are exposed to the credit risk of customers. In compliance with internal policies, the Company and certain consolidated subsidiaries monitor due dates and outstanding balances by individual customer, and press for collection of receivables that become past due.

Interest-bearing debt includes loans that are exposed to interest rate fluctuation risk. The Company hedges this risk by utilizing interest rate swaps for certain loans. Foreign bonds are exposed to foreign currency exchange risk, which the Company hedges by utilizing currency swaps when issuing bonds.

Almost all trade notes and accounts payable have payment due dates within a year.

Bonds, loans, commercial paper, and trade notes and accounts payable expose the Company to liquidity risk in that the Company and certain consolidated subsidiaries may not be able to meet their obligations on scheduled due dates. The Company and certain consolidated subsidiaries prepare and update their cash flow projections on a timely basis to manage this liquidity risk.

The Company and certain consolidated subsidiaries use derivatives, including currency swaps, to hedge the risk of exchange rate fluctuations associated with bonds denominated in foreign currencies and interest rate swaps to hedge the risk of interest rate fluctuations associated with loans. The Company and certain consolidated subsidiaries have departments that conduct and manage such transactions in compliance with internal policies.

The Company and certain consolidated subsidiaries are also exposed to credit risk in the event of non-performance by the counterparties to these derivatives positions, but consider the risk of any such loss to be minimal because they enter into derivative transactions only with financial institutions and companies that have high credit ratings. Information on hedge accounting is disclosed in Note 23.

(3) Supplementary explanation of items related to the fair value of financial instruments

The fair value of financial instruments is based on their quoted market price, if available. When there is no quoted market price available, the fair value is determined based on reasonable estimates. Estimates of fair value contain uncertainties because they employ variable factors and assumptions. In addition, the contractual amounts of the derivatives in Note 23 are not necessarily indicative of the actual market risk involved in relevant derivatives.

2. Fair value of financial instruments

The carrying amount of financial instruments in the consolidated balance sheet as of March 31, 2010, their fair value and unrealized loss are as shown below. Items for which fair value is not readily determinable are not included in the following table (see Note 2).

	Millions of yen		
	2010		
	Carrying amount*1	Fair value*1	Difference
(1) Marketable securities and investment securities*2	¥ 235,628	¥ 235,628	¥ —
(2) Trust funds for the reprocessing of irradiated nuclear fuel	824,403	824,403	—
(3) Cash	180,183	180,183	—
(4) Notes and accounts receivable-customers	348,773	348,773	—
(5) Bonds*3	(5,169,845)	(5,408,639)	(238,793)
(6) Long-term loans*3	(1,925,463)	(1,967,769)	(42,305)
(7) Short-term loans	(363,643)	(363,643)	—
(8) Commercial paper*4	(65,000)	(65,000)	—
(9) Trade notes and accounts payable	(279,149)	(279,149)	—
(10) Derivatives*5	(1,052)	(1,052)	—

	Millions of U.S. dollars		
	2010		
	Carrying amount*1	Fair value*1	Difference
(1) Marketable securities and investment securities*2	$ 2,532	$ 2,532	$ —
(2) Trust funds for the reprocessing of irradiated nuclear fuel	8,860	8,860	—
(3) Cash	1,936	1,936	—
(4) Notes and accounts receivable-customers	3,748	3,748	—
(5) Bonds*3	(55,560)	(58,126)	(2,566)
(6) Long-term loans*3	(20,693)	(21,147)	(455)
(7) Short-term loans	(3,908)	(3,908)	—
(8) Commercial paper*4	(699)	(699)	—
(9) Trade notes and accounts payable	(3,000)	(3,000)	—
(10) Derivatives*5	(11)	(11)	—

*1. Figures shown in parentheses are liabilities.

*2. Marketable securities and investment securities are reflected in "Long-term investments" and "Other" under current assets in the consolidated balance sheets.

*3. Certain bonds and long-term loans are in "Current portion of long-term debt" in the consolidated balance sheets.

*4. Commercial paper is included in "Other" under current liabilities in the consolidated balance sheets.

*5. The value of assets and liabilities arising from derivatives is shown at net value.

Note 1. Marketable securities, derivatives and methods for estimating fair value of financial instruments

(1) Marketable securities and investment securities
The fair value of marketable equity securities is determined by their market price. For further information on investment securities by holding intent, see Note 5.

(2) Trust funds for the reprocessing of irradiated nuclear fuel
Trust funds for the reprocessing of irradiated nuclear fuel is the money contributed under the Law on Creation and Management of Trust Funds for Reprocessing of Spent Fuel at Nuclear Power Stations to properly reprocess the irradiated nuclear fuel incurred by operating specified commercial power reactors.

To obtain a refund of its contribution, the Company has to follow the scheme approved by the Minister of Economy, Trade and Industry for refunds of trust funds for reprocessing irradiated nuclear fuel. Since the carrying value is based on the present value of the projected refunds in the future under the scheme at March 31, 2010, the fair value is determined as the relevant carrying values.

(3) Cash and (4) Notes and accounts receivable-customers
Since these items are settled in a short period of time and their fair value approximates their carrying value, the relevant fair value is determined as carrying value.

(5) Bonds
The fair value of bonds issued by the Company is based on their market prices. The fair value of bonds hedged by forward exchange contracts, to which the assignment method of hedge accounting is applied (see Note 23), is estimated based on the present value of principal and interest discounted using the interest rate for a bond of equivalent maturity and credit rating.

(6) Long-term loans
For the fair value of long-term loans payable with floating interest rates, those interest rates are updated to reflect the market interest rate within a short period of time. Since their fair value approximates their carrying value, the relevant fair value is determined as carrying value.

For the fair value of long-term loans payable with fixed interest rates, the total amount of principal and interest of relevant long-term loans, grouped by the remaining loan period, is discounted using the incremental borrowing rate to be applied in the similar conditions. For those subject to the special hedge accounting treatment of interest rate swaps (see Note 23), the present value is determined using the swap rate that is deemed as their interest rate.

(7) Short-term loans, (8) Commercial paper, and (9) Trade notes and accounts payable
Since these items are settled in a short period of time and their fair value approximates their carrying value, the relevant fair value is determined at carrying value.

(10) Derivatives
See Note 23.

Note 2. Financial instruments for which fair value is not readily determinable:

	Millions of yen	Millions of U.S. dollars
	2010	2010
	Carrying amount	Carrying amount
Unlisted securities	¥ 99,744	$1,072
Other	17,728	190
Total	¥117,473	$1,262

These financial instruments are not included in "Marketable securities and investment securities" because no quoted market price is available and their fair value is not readily determinable.

Note 3. Redemption schedule for monetary instruments and debt securities with maturity dates subsequent to March 31, 2010 is as follows:

	Millions of yen			
	2010			
	Due in 1 year or less	Due after 1 year through 5 years	Due after 5 years through 10 years	Due after 10 years
Marketable securities and investment securities				
Other securities with maturity				
Bonds				
Public bonds	¥ 3	¥110	¥79	¥—
Corporate bonds	301	101	—	—
Other	—	—	—	—
Other	10,370	494	—	46
Trust funds for the reprocessing of irradiated nuclear fuel*1	108,421	—	—	—
Cash*2	180,183	—	—	—
Notes and accounts receivable – customers	348,773	—	—	—
Total	¥648,054	¥706	¥79	¥46

	Millions of U.S. dollars			
	2010			
	Due in 1 year or less	Due after 1 year through 5 years	Due after 5 years through 10 years	Due after 10 years
Marketable securities and investment securities				
Other securities with maturity				
Bonds				
Public bonds	$ 0	$ 1	$ 1	$—
Corporate bonds	3	1	—	—
Other	—	—	—	—
Other	112	6	—	0
Trust funds for the reprocessing of irradiated nuclear fuel*1	1,165	—	—	—
Cash*2	1,937	—	—	—
Notes and accounts receivable – customers	3,748	—	—	—
Total	$6,965	$ 8	$ 1	$ 0

*1. The Company does not disclose information on the portion of trust funds for the reprocessing of irradiated nuclear fuel that are due after one year or more (¥715,982 million (US$7,695 million)) because of contractual obligations and the risk of disadvantage.

*2. Portion due in 1 year or less includes cash.

Note 4. Redemption schedule for bonds and long-term loans subsequent to March 31, 2010 is as follows:

	Millions of yen					
	2010					
	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Bonds	¥430,220	¥549,039	¥748,110	¥585,665	¥446,400	¥2,410,411
Long-term loans	311,078	219,943	224,679	311,239	259,226	599,295
Total	¥741,298	¥768,982	¥972,789	¥896,904	¥705,626	¥3,009,706

	Millions of U.S.dollars					
	2010					
	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Bonds	$4,624	$5,900	$ 8,040	$6,294	$4,797	$25,904
Long-term loans	3,343	2,364	2,414	3,345	2,786	6,441
Total	$7,967	$8,264	$10,454	$9,639	$7,583	$32,345

23 Derivatives

The Company utilizes commodity swap agreements for the purpose of hedging its exposure to adverse fluctuations in fuel prices.

The Company and certain consolidated subsidiaries also utilize forward foreign exchange contracts solely in order to hedge against the risk of fluctuation in foreign currency exchange rates and to stabilize their future cash flows relating to payables denominated in foreign currencies.

The Company also utilizes currency swap agreements for the purpose of hedging its exposure to adverse fluctuations in foreign exchange rates and to manage its future cash flows relating to payments on the principal and interest of bonds denominated in foreign currencies.

Liabilities denominated in foreign currencies hedged by derivative positions are translated at their respective contract rates.

The Company and certain consolidated subsidiaries also utilize interest-rate swaps and interest-rate caps to hedge their exposure to adverse fluctuations in interest rates and to manage their future cash flows relating to interest payments on long-term bank loans.

The Company also utilizes fuel price margin swaps to hedge cash flow against the risk of fluctuation in the margin between the price of electricity and the purchase price of fuel under the fuel price adjustment system.

The Company and certain consolidated subsidiaries use derivatives solely to hedge specified risks in compliance with their internal policies, and do not use derivatives for trading or speculative purposes.

The Company and certain consolidated subsidiaries are also exposed to credit risk in the event of non-performance by the counterparties to derivatives positions, but consider this risk to be minimal because they enter into derivatives transactions only with financial institutions and companies which have high credit ratings.

1. Derivatives for which hedge accounting is not applied
(1) Currency-related

	Millions of yen			
	2010			
	Contract amount	Portion over 1 year	Fair value*	Unrealized loss
Non-market transaction				
Foreign exchange forward contracts				
Selling: USD	¥4,635	¥ —	¥(3)	¥(3)
Selling: KRW	364	—	(2)	(2)
Total	¥4,999	¥ —	¥(5)	¥(5)

	Millions of U.S. dollars			
	2010			
	Contract amount	Portion over 1 year	Fair value*	Unrealized loss
Non-market transaction				
Foreign exchange forward contracts				
Selling: USD	$50	$ —	$(0)	$(0)
Selling: KRW	4	—	(0)	(0)
Total	$54	$ —	$(0)	$(0)

* Fair value for those contracts is based on prices disclosed by relevant financial institutions.

2. Derivatives for which hedge accounting is applied
(1) Currency-related

	Millions of yen			
	2010			
	Hedged item	Contract amount	Portion over 1 year	Fair value
Basic treatment				
Foreign exchange forward contracts	Payables (Forward transaction)			
Buying: EUR		¥ 141	¥ 15	¥0 *1
Allocation of gain/loss on foreign exchange forward contracts				
Currency swap transactions	Bonds			
Payable JPY/receivable EUR		134,270	134,270	*2
Payable JPY/receivable CHF		54,051	54,051	*2
Foreign exchange forward contracts	Payables			
Buying: EUR		26	—	*2
Total		¥188,489	¥188,336	¥0

	Millions of U.S. dollars			
	2010			
	Hedged item	Contract amount	Portion over 1 year	Fair value
Basic treatment				
Foreign exchange forward contracts	Payables (Forward transaction)			
Buying: EUR		$ 2	$ 0	$0 *1
Allocation of gain/loss on foreign exchange forward contracts				
Currency swap transactions	Bonds			
Payable JPY/receivable EUR		1,443	1,443	*2
Payable JPY/receivable CHF		581	581	*2
Foreign exchange forward contracts	Payables			
Buying: EUR		0	—	*2
Total		$2,026	$2,024	$0

*1. Fair value for these contracts is based on prices disclosed by relevant financial institutions.
*2. Foreign exchange forward contracts accounted for using the assignment method are not included in the presentation of carrying value and fair value in Note 22 because they are included in the bonds they hedge.

(2) Interest rate-related

	Millions of yen			
	2010			
	Hedged item	Contract amount	Portion over 1 year	Fair value
Basic treatment				
Interest rate swaps	Long-term loans			
Payable fixed rate/receivable floating rate		¥ 35,737	¥ 34,140	¥(1,047) *1
Special treatment of interest rate swaps				
Interest rate swaps	Long-term loans			
Payable fixed rate/receivable floating rate		107,196	97,962	*2
Payable floating rate/receivable floating rate		9,000	9,000	*2
Total		¥151,934	¥141,103	¥(1,047)

	Millions of U.S. dollars			
	2010			
	Hedged item	Contract amount	Portion over 1 year	Fair value
Basic treatment				
Interest rate swaps	Long-term loans			
Payable fixed rate/receivable floating rate		$ 384	$ 367	$(11) *1
Special treatment of interest rate swaps				
Interest rate swaps	Long-term loans			
Payable fixed rate/receivable floating rate		1,152	1,053	*2
Payable floating rate/receivable floating rate		97	96	*2
Total		$1,633	$1,516	$(11)

*1. Fair value for these contracts is based on prices disclosed by relevant financial institutions.
*2. Interest-rate swaps accounted for using special treatment are not included in the presentation of carrying value and fair value in Note 22 because they are included in the long-term loans they hedge.

24 Segment Information

The Companies operate principally in five industry segments: electric power, information and telecommunications, energy and environment, living environment and lifestyle-related, and overseas businesses. The information and telecommunications segment involves the provision of telecommunications, CATV broadcasting, and information software and services. The energy and environment business involves the supply of gas, and facilities construction and maintenance. The living environment and lifestyle-related business involves real estate and property management. Overseas business involves power generation projects and investments overseas.

Industry segment information for the Companies for the years ended March 31, 2010 and 2009 is summarized as follows:

	Millions of yen							
	2010							
	Electric power business	Information and telecom-munications business	Energy and environment business	Living environment and lifestyle-related business	Overseas business	Total	Eliminations	Consolidated
I. Operating revenues and operating income (loss):								
Operating revenues:								
Sales to third parties	**¥ 4,732,792**	**¥ 41,629**	**¥170,632**	**¥ 57,319**	**¥ 13,883**	**¥ 5,016,257**	**¥ —**	**¥ 5,016,257**
Inter-segment sales and transfers	**545**	**54,280**	**185,289**	**76,202**	**1,265**	**317,582**	**(317,582)**	**—**
Total	**4,733,338**	**95,909**	**355,921**	**133,521**	**15,148**	**5,333,840**	**(317,582)**	**5,016,257**
Operating expenses	**4,487,406**	**89,451**	**334,277**	**121,290**	**17,462**	**5,049,888**	**(318,073)**	**4,731,814**
Operating income (loss)	**¥ 245,932**	**¥ 6,458**	**¥ 21,644**	**¥ 12,231**	**¥ (2,313)**	**¥ 283,952**	**¥ 490**	**¥ 284,443**
II. Assets, depreciation and capital expenditures:								
Total assets	**¥12,253,506**	**¥119,789**	**¥581,955**	**¥336,412**	**¥237,607**	**¥13,529,270**	**¥(325,283)**	**¥13,203,987**
Depreciation and amortization	**710,870**	**10,686**	**24,627**	**12,896**	**5,016**	**764,097**	**(4,706)**	**759,391**
Capital expenditures	**590,007**	**6,517**	**21,690**	**9,650**	**16,811**	**644,677**	**(3,791)**	**640,885**

	Millions of yen							
	2009							
	Electric power business	Information and telecom-munications business	Energy and environment business	Living environment and lifestyle-related business	Overseas business	Total	Eliminations	Consolidated
I. Operating revenues and operating income:								
Operating revenues:								
Sales to third parties	¥ 5,553,746	¥ 48,097	¥213,208	¥ 56,603	¥ 15,920	¥ 5,887,576	¥ —	¥ 5,887,576
Inter-segment sales and transfers	551	56,066	205,741	76,907	1,196	340,464	(340,464)	—
Total	5,554,297	104,164	418,950	133,510	17,117	6,228,040	(340,464)	5,887,576
Operating expenses	5,532,617	97,795	395,654	129,431	15,349	6,170,848	(350,208)	5,820,640
Operating income	¥ 21,680	¥ 6,368	¥ 23,296	¥ 4,079	¥ 1,767	¥ 57,191	¥ 9,744	¥ 66,935
II. Assets, depreciation, impairment loss and capital expenditures:								
Total assets	¥12,615,060	¥121,346	¥573,021	¥343,036	¥212,454	¥13,864,920	¥(305,611)	¥13,559,309
Depreciation and amortization	709,719	11,839	22,964	13,877	3,025	761,427	(4,333)	757,093
Impairment loss	522	—	9,740	1,952	—	12,216	—	12,216
Capital expenditures	588,377	26,025	32,694	14,133	38,190	699,422	(3,440)	695,981

	Electric power business	Information and telecom-munications business	Energy and environment business	Living environment and lifestyle-related business	Overseas business	Total	Eliminations	Consolidated
	Millions of U.S. dollars							
	2010							
I. Operating revenues and operating income (loss):								
Operating revenues:								
Sales to third parties	$ 50,863	$ 447	$1,834	$ 616	$ 149	$ 53,909	$ —	$ 53,909
Inter-segment sales and transfers	6	583	1,991	819	14	3,413	(3,413)	—
Total	50,869	1,030	3,825	1,435	163	57,322	(3,413)	53,909
Operating expenses	48,226	961	3,592	1,303	188	54,270	(3,418)	50,852
Operating income (loss)	$ 2,643	$ 69	$ 233	$ 132	$ (25)	$ 3,052	$ 5	$ 3,057
II. Assets, depreciation and capital expenditures:								
Total assets	$131,687	$1,287	$6,254	$3,616	$2,554	$145,398	$(3,496)	$141,902
Depreciation and amortization	7,640	115	265	138	54	8,212	(51)	8,161
Capital expenditures	6,341	70	233	104	180	6,928	(40)	6,888

As less than 10% of the consolidated revenues and total assets are generated overseas, the disclosure of information on geographical segments and overseas sales has been omitted.

25

Impairment Loss

The Company recognized loss on impairment of fixed assets in the amount of ¥12,216 million for the year ended March 31, 2009, of which ¥11,853 million was related to property, plant and equipment, and ¥362 million was related to construction in progress. Significant properties for which impairment was recognized were as follows:

Asset	Location	Impairment loss Type	Impairment loss Millions of yen
Industrial waste disposal facilities of TOKYO WATERFRONT RECYCLE POWER CO., LTD.	Koto-ku, Tokyo	Buildings Machinery	¥2,148 6,627

Assets with the principal object of industrial waste disposal were grouped and judged to be impaired because the amount of industrial waste received for disposal was substantially below plan due to rapid deterioration in market conditions.

Therefore, the book value of these assets was reduced to recoverable value, and the devaluation was recorded as loss on impairment of fixed assets.

Recoverable value was determined based on the present value of net future cash flows from the assets in use with a discount rate of 1.7%.

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Subsequent Event

The following appropriation of retained earnings of the Company, which has not been reflected in the accompanying consolidated financial statements for the year ended March 31, 2010, was approved at the shareholders' meeting held on June 25, 2010:

	Millions of yen	Millions of U.S. dollars
Cash dividends — ¥30 (US$0.32) per share	¥40,501	$435

Report of Independent Auditors

Ernst & Young ShinNihon LLC
Hibiya Kokusai Bldg.
2-2-3, Uchisaiwai-cho,
Chiyoda-ku, Tokyo, Japan 100-0011

Tel : +81 3 3503 1100
Fax: +81 3 3503 1197

The Board of Directors
The Tokyo Electric Power Company, Incorporated

We have audited the accompanying consolidated balance sheets of The Tokyo Electric Power Company, Incorporated (the "Company") and consolidated subsidiaries as of March 31, 2010 and 2009, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Tokyo Electric Power Company, Incorporated and consolidated subsidiaries at March 31, 2010 and 2009, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2010 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 2.

Ernst & Young ShinNihon LLC

June 25, 2010

Non-Consolidated Balance Sheets

The Tokyo Electric Power Company, Incorporated
March 31

	Millions of yen		Millions of U.S. dollars (Note 2)
ASSETS	**2010**	2009	**2010**
Property, plant and equipment	**¥ 29,136,442**	¥ 28,870,783	**$ 313,127**
Construction in progress	**661,790**	590,669	**7,112**
	29,798,232	29,461,452	**320,239**
Less:			
Contributions in aid of construction	**(349,830)**	(343,785)	**(3,760)**
Accumulated depreciation	**(20,856,820)**	(20,293,907)	**(224,146)**
	(21,206,651)	(20,637,692)	**(227,906)**
Property, plant and equipment, net (Notes 4 and 6)	**8,591,581**	8,823,760	**92,333**
Nuclear fuel:			
Loaded nuclear fuel	**148,433**	146,989	**1,595**
Nuclear fuel in processing	**755,073**	770,059	**8,115**
	903,507	917,049	**9,710**
Investments and other:			
Long-term investments	**484,304**	456,787	**5,205**
Investments in subsidiaries and affiliates (Note 5)	**550,624**	533,661	**5,918**
Trust funds for reprocessing of irradiated nuclear fuel	**824,403**	667,487	**8,860**
Deferred tax assets (Note 7)	**404,615**	412,757	**4,348**
Other	**96,428**	135,012	**1,036**
	2,360,376	2,205,707	**25,367**
Current assets:			
Cash	**77,170**	200,024	**829**
Accounts receivable—customers	**322,957**	402,239	**3,471**
Fuel exclusive of nuclear fuel, materials and supplies	**129,760**	130,793	**1,395**
Other (Note 7)	**260,227**	313,615	**2,796**
	790,115	1,046,672	**8,491**
Less:			
Allowance for doubtful accounts	**(2,547)**	(3,128)	**(27)**
	787,568	1,043,543	**8,464**
Total assets	**¥ 12,643,034**	¥ 12,990,060	**$ 135,874**

LIABILITIES AND NET ASSETS	Millions of yen 2010	2009	Millions of U.S. dollars (Note 2) 2010
Long-term liabilities and reserves:			
Long-term debt	**¥ 6,228,476**	¥ 6,496,069	**$ 66,937**
Other long-term liabilities	**92,667**	50,054	**996**
Reserve for reprocessing of irradiated nuclear fuel	**1,246,373**	1,254,593	**13,395**
Accrued employees' retirement benefits	**379,467**	381,563	**4,078**
Reserve for decommissioning costs of nuclear power units	**510,010**	491,415	**5,481**
Reserve for loss on disaster	**92,813**	168,191	**997**
	8,549,809	8,841,887	**91,884**
Current liabilities:			
Current portion of long-term debt	**732,924**	669,816	**7,877**
Current portion of other long-term liabilities	**5,424**	5,045	**58**
Short-term loans	**358,000**	348,000	**3,847**
Commercial paper	**65,000**	235,000	**699**
Trade accounts payable	**263,107**	224,158	**2,828**
Accrued income taxes	**457**	440	**5**
Deposits from employees and others	**4,303**	5,058	**46**
Other	**498,331**	516,108	**5,355**
	1,927,550	2,003,628	**20,715**
Reserve for fluctuation in water levels	**5,024**	13,435	**54**
Total liabilities	**10,482,383**	10,858,951	**112,653**
Net assets:			
Shareholders' equity (Notes 10 and 11):			
Common stock, without par value:			
Authorized — 1,800,000,000 shares			
Issued — 1,352,867,531 shares in 2010 and 2009	**676,434**	676,434	**7,270**
Capital surplus	**19,123**	19,142	**206**
Retained earnings	**1,488,739**	1,467,434	**15,999**
Treasury stock, at cost:			
2,820,214 shares in 2010 and			
2,708,471 shares in 2009	**(7,427)**	(7,175)	**(80)**
Total shareholders' equity	**2,176,870**	2,155,836	**23,395**
Valuation, translation adjustments and other:			
Net unrealized holding loss on securities	**(16,220)**	(24,727)	**(174)**
Total valuation, translation adjustments and other	**(16,220)**	(24,727)	**(174)**
Total net assets	**2,160,650**	2,131,108	**23,221**
Total liabilities and net assets	**¥12,643,034**	¥12,990,060	**$135,874**

See notes to non-consolidated financial statements and consolidated financial statements.

Non-Consolidated Statements of Operations

The Tokyo Electric Power Company, Incorporated
Years ended March 31

	Millions of yen		Millions of U.S. dollars (Note 2)
	2010	2009	**2010**
Operating revenues:			
Residential	**¥2,008,615**	¥2,207,807	**$21,586**
Commercial and industrial	**2,495,963**	3,088,172	**26,824**
Other	**299,890**	347,415	**3,223**
	4,804,469	5,643,394	**51,633**
Operating expenses (Notes 6 and 8):			
Fuel	**1,192,617**	2,078,794	**12,817**
Purchased power	**722,484**	842,530	**7,764**
Depreciation	**709,837**	708,628	**7,629**
Personnel	**481,315**	483,463	**5,173**
Maintenance	**373,974**	381,354	**4,019**
Taxes other than income taxes	**285,983**	300,464	**3,073**
Other	**788,292**	825,381	**8,472**
	4,554,505	5,620,617	**48,947**
Operating income	**249,964**	22,776	**2,686**
Other (income) expenses:			
Interest and dividend income	**(31,122)**	(26,577)	**(335)**
Interest expense	**129,599**	134,693	**1,393**
Loss on disaster	**—**	56,302	**—**
Loss on financial assistance for subsidiaries and affiliates	**—**	13,767	**—**
Gain on disposal of fixed assets, net	**(3,107)**	(1,092)	**(33)**
Bond issuance expenses	**953**	1,991	**10**
Foreign exchange gains, net	**—**	(2,190)	**—**
Other, net	**(4,970)**	6,426	**(54)**
	91,352	183,321	**981**
Income (loss) before special item and income taxes	**158,611**	(160,544)	**1,705**
Special item:			
Reversal of reserve for fluctuation in water levels	**(8,411)**	(3,874)	**(90)**
Income (loss) before income taxes	**167,023**	(156,670)	**1,795**
Income taxes (Note 7):			
Current	**1**	18	**0**
Deferred	**64,709**	(43,550)	**695**
	64,711	(43,532)	**695**
Net income (loss)	**¥ 102,311**	¥ (113,137)	**$ 1,100**

	Yen		U.S. dollars (Note 2)
Per share information:			
Net assets (basic)	**¥1,600.43**	¥1,578.41	**$17.20**
Net income (loss) (basic)	**75.78**	(83.79)	**0.81**
Cash dividends	**60.00**	60.00	**0.64**

See notes to non-consolidated financial statements and consolidated financial statements.

Non-Consolidated Statements of Changes in Net Assets

The Tokyo Electric Power Company, Incorporated
Years ended March 31

	Year ended March 31, 2010						
	Millions of yen						
	Shareholders' equity					Valuation, translation adjustments and other	
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized holding loss on securities	Total net assets
Balance at March 31, 2009	¥676,434	¥19,142	¥1,467,434	¥(7,175)	¥2,155,836	¥(24,727)	¥2,131,108
Cash dividends	—	—	(81,007)	—	(81,007)	—	(81,007)
Net income	—	—	102,311	—	102,311	—	102,311
Purchases of treasury stock	—	—	—	(454)	(454)	—	(454)
Sales of treasury stock	—	(18)	—	202	183	—	183
Net changes in items other than shareholders' equity	—	—	—	—	—	8,507	8,507
Total changes	—	(18)	21,304	(251)	21,034	8,507	29,541
Balance at March 31, 2010	¥676,434	¥19,123	¥1,488,739	¥(7,427)	¥2,176,870	¥(16,220)	¥2,160,650

	Year ended March 31, 2009							
	Millions of yen							
	Shareholders' equity					Valuation, translation adjustments and other		
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized holding (loss) gain on securities	Net deferred gain on hedges	Total net assets
Balance at March 31, 2008	¥676,434	¥19,126	¥1,661,590	¥(6,599)	¥2,350,552	¥ 32,140	¥ 8	¥2,382,700
Cash dividends	—	—	(81,018)	—	(81,018)	—	—	(81,018)
Net loss	—	—	(113,137)	—	(113,137)	—	—	(113,137)
Purchases of treasury stock	—	—	—	(992)	(992)	—	—	(992)
Sales of treasury stock	—	16	—	415	431	—	—	431
Net changes in items other than shareholders' equity	—	—	—	—	—	(56,867)	(8)	(56,875)
Total changes	—	16	(194,155)	(576)	(194,716)	(56,867)	(8)	(251,592)
Balance at March 31, 2009	¥676,434	¥19,142	¥1,467,434	¥(7,175)	¥2,155,836	¥(24,727)	¥—	¥2,131,108

	Year ended March 31, 2010						
	Millions of U.S. dollars (Note 2)						
	Shareholders' equity					Valuation, translation adjustments and other	
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Net unrealized holding loss on securities	Total net assets
Balance at March 31, 2009	$7,270	$206	$15,770	$(77)	$23,169	$(265)	$22,904
Cash dividends	—	—	(871)	—	(871)	—	(871)
Net income	—	—	1,100	—	1,100	—	1,100
Purchases of treasury stock	—	—	—	(5)	(5)	—	(5)
Sales of treasury stock	—	(0)	—	2	2	—	2
Net changes in items other than shareholders' equity	—	—	—	—	—	91	91
Total changes	—	(0)	229	(3)	226	91	317
Balance at March 31, 2010	$7,270	$206	$15,999	$(80)	$23,395	$(174)	$23,221

See notes to non-consolidated financial statements and consolidated financial statements.

Notes to Non-Consolidated Financial Statements

The Tokyo Electric Power Company, Incorporated
March 31, 2010

1 Summary of Significant Accounting Policies

Basis of Preparation

The accompanying non-consolidated financial statements of The Tokyo Electric Power Company, Incorporated (the "Company") have been prepared from the accounts and records maintained by the Company in accordance with the provisions of the Corporation Law of Japan and on the basis of accounting principles generally accepted in Japan, which differ in certain respects from the application and disclosure requirements of the International Financial Reporting Standards. As permitted by the provisions of the Corporation Law of Japan, amounts of less than one million yen have been omitted. Consequently, the totals shown in the accompanying non-consolidated financial statements do not necessarily agree with the sums of the individual amounts.

The non-consolidated financial statements are prepared on the same basis as the accounting policies discussed in Note 1 to the consolidated financial statements except for the accounting policy for investments in subsidiaries and affiliates, stated at cost, less any impairment recognized.

Certain notes to the consolidated financial statements that relate to the Company are omitted in the notes to the accompanying non-consolidated financial statements.

Certain amounts previously reported have been reclassified to conform to the current year presentation.

2 U.S. Dollar Amounts

Amounts in U.S. dollars are included solely for the convenience of the reader. The rate of ¥93.05 = US$1.00, the approximate rate of exchange in effect on March 31, 2010, has been used. The inclusion of such amounts is not intended to imply that yen have been or could be readily converted, realized or settled in U.S. dollars at that or any other rate.

3 Accounting Change

(a) Inventories

Inventories had been stated at cost determined principally by the average method through the fiscal year ended March 31, 2008.

However, "Accounting Standard for Measurement of Inventories" became effective from fiscal years beginning on or after April 1, 2008. Accordingly, inventories are stated at the lower of cost, determined principally by the average method, or net realizable value.

The effect of this adoption was immaterial.

(b) Leases

Noncancelable leases had been primarily accounted for as operating leases, regardless of whether such leases were classified as operating or finance leases. However, leases that stipulate the transfer of ownership of the leased assets to the lessee were accounted for as finance leases through the year ended March 31, 2008.

However, the Company has adopted "Accounting Standard for Lease Transactions" and "Implementation Guidance for Accounting Standard for Lease Transactions" that became effective from fiscal years beginning on or after April 1, 2008. Accordingly, all finance leases entered into after April 1, 2008 are accounted for as finance lease transactions.

The effect of this adoption was immaterial.

Finance lease transactions that do not transfer ownership to the lessee that commenced before April 1, 2008 are accounted for as operating leases.

(c) Accrued Employees' Retirement Benefits

Effective April 1, 2009, the Company has adopted the partial revision of "Accounting Standard for Retirement Benefits".

There was no impact of this adoption.

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Property, Plant and Equipment

The major classifications of property, plant and equipment at March 31, 2010 and 2009 were as follows:

	Millions of yen			
As of March 31, 2010:	Acquisition costs	Contributions in aid of construction	Accumulated depreciation	Net book value
Hydroelectric power production facilities	**¥ 1,774,207**	**¥ 9,459**	**¥ 1,049,095**	**¥ 715,652**
Thermal power production facilities	**5,529,943**	**54,083**	**4,443,397**	**1,032,462**
Nuclear power production facilities	**5,189,151**	**4,461**	**4,513,745**	**670,944**
Internal combustion engine power production facilities	**39,228**	**166**	**29,070**	**9,991**
Renewable power production facilities	**4,106**	**—**	**2,972**	**1,133**
Transmission facilities	**7,235,610**	**166,942**	**4,890,735**	**2,177,932**
Transformation facilities	**3,389,916**	**46,849**	**2,476,704**	**866,362**
Distribution facilities	**5,325,514**	**44,939**	**3,048,988**	**2,231,586**
Incidental business facilities	**106,792**	**451**	**41,419**	**64,922**
General facilities	**541,971**	**22,475**	**349,838**	**169,657**
Construction in progress	**661,790**	**—**	**10,853**	**650,936**
	¥29,798,232	**¥349,830**	**¥20,856,820**	**¥8,591,581**

	Millions of yen			
As of March 31, 2009:	Acquisition costs	Contributions in aid of construction	Accumulated depreciation	Net book value
Hydroelectric power production facilities	¥ 1,770,766	¥ 9,468	¥ 1,009,692	¥ 751,606
Thermal power production facilities	5,490,977	54,092	4,309,496	1,127,389
Nuclear power production facilities	5,093,372	4,451	4,445,100	643,821
Internal combustion engine power production facilities	38,915	156	28,272	10,487
Transmission facilities	7,195,264	164,900	4,749,052	2,281,311
Transformation facilities	3,368,670	43,530	2,425,381	899,759
Distribution facilities	5,256,462	44,086	2,945,178	2,267,197
Incidental business facilities	104,380	430	35,140	68,809
General facilities	551,972	22,669	346,594	182,708
Construction in progress	590,669	—	—	590,669
	¥29,461,452	¥343,785	¥20,293,907	¥8,823,760

As of March 31, 2010:	Millions of U.S. dollars Acquisition costs	Contributions in aid of construction	Accumulated depreciation	Net book value
Hydroelectric power production facilities	$ 19,067	$ 102	$ 11,274	$ 7,691
Thermal power production facilities	59,430	581	47,753	11,096
Nuclear power production facilities	55,767	48	48,509	7,210
Internal combustion engine power production facilities	421	2	312	107
Renewable power production facilities	44	—	32	12
Transmission facilities	77,761	1,794	52,560	23,407
Transformation facilities	36,431	503	26,617	9,311
Distribution facilities	57,233	483	32,767	23,983
Incidental business facilities	1,148	5	445	698
General facilities	5,825	242	3,760	1,823
Construction in progress	7,112	—	117	6,995
	$320,239	$3,760	$224,146	$92,333

5 Investments in Affiliates

At March 31, 2010 and 2009, investments in affiliates for which market prices were available were as follows:

	Millions of yen						Millions of U.S. dollars		
	2010			2009			2010		
	Carrying value	Market value	Unrealized holding gain	Carrying value	Market value	Unrealized holding gain	Carrying value	Market value	Unrealized holding gain
Investments in affiliates	¥14,843	¥80,496	¥65,652	¥14,843	¥77,798	¥62,954	$160	$866	$706

6 Leases

(a) Lessor's Accounting

Future minimum lease income subsequent to March 31, 2010 for operating leases is summarized as follows:

Years ending March 31,	Millions of yen	Millions of U.S. dollars
2011	¥ 431	$ 4
2012 and thereafter	1,930	21
Total	¥2,361	$25

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Income Taxes

The Company is subject to taxes on income including corporation and inhabitants' taxes that in aggregate resulted in a statutory tax rate of approximately 36% in 2010 and 2009.

The significant components of deferred tax assets and liabilities as of March 31, 2010 and 2009 were as follows:

	Millions of yen		Millions of U.S. dollars
	2010	2009	**2010**
Deferred tax assets:			
Accrued employees' retirement benefits	**¥137,558**	¥138,318	**$1,479**
Depreciation and amortization	**56,620**	56,864	**609**
Reserve for decommissioning costs of nuclear power units	**56,130**	56,130	**603**
Reserve for reprocessing of irradiated nuclear fuel	**53,251**	56,027	**572**
Reserve for loss on disaster	**33,607**	60,902	**361**
Easement on the transmission line right-of-way	**31,544**	25,230	**339**
Net unrealized holding loss on securities	**18,346**	—	**197**
Tax loss carryforwards	**18,258**	72,023	**196**
Deferred expenses for tax purposes	**16,967**	18,324	**182**
Investment securities	**15,340**	15,359	**165**
Other	**95,092**	110,080	**1,022**
	532,719	609,262	**5,725**
Valuation allowance	**(60,623)**	(54,301)	**(651)**
Total deferred tax assets	**472,096**	554,961	**5,074**
Deferred tax liabilities:			
Unrealized holding gain on securities	**(9,079)**	(7,430)	**(98)**
Prepaid pension cost	**(4,174)**	(19,368)	**(45)**
Other	**(308)**	(146)	**(3)**
Total deferred tax liabilities	**(13,563)**	(26,946)	**(146)**
Net deferred tax assets	**¥458,533**	¥528,015	**$4,928**

The differences between the effective tax rate reflected in the accompanying consolidated statements of income for the years ended March 31, 2010 and 2009 and the statutory tax rate were as follows:

	2010	2009
Statutory tax rate	**36.2%**	36.2%
Change in valuation allowance	**3.8**	(8.1)
Other	**(1.3)**	(0.3)
Effective tax rate	**38.7%**	27.8%

8

Research and Development Costs

Research and development costs included in operating expenses for the years ended March 31, 2010 and 2009 totaled ¥37,149 million (US$399 million) and ¥41,681 million, respectively.

9

Contingent Liabilities

Contingent liabilities totaled ¥658,774 million (US$7,080 million) and ¥662,022 million, of which ¥342,465 million (US$3,681 million) and ¥341,509 million were in the form of co-guarantees or commitments to give co-guarantees if requested for the loans, bonds or other commitments of other companies at March 31, 2010 and 2009, respectively. However, ¥9 million (US$0 million) and ¥13 million of this balance can be assigned to other co-guarantors based on the terms of the contracts between or among the co-guarantors at March 31, 2010 and 2009, respectively.

In addition, ¥246,309 million (US$2,647 million) and ¥250,512 million consisted of guarantees given in connection with housing loans made to employees of the Company at March 31, 2010 and 2009, respectively.

The remaining ¥70,000 million (US$752 million) and ¥70,000 million represent the debt assigned by the Company to certain banks under debt assumption agreements at March 31, 2010 and 2009, respectively.

10

Shareholders' Equity

The Corporation Law of Japan provides that an amount equal to 10% of the amount to be disbursed as distributions of capital surplus (other than the capital reserve) and retained earnings (other than the legal reserve) be transferred to the capital reserve or the legal reserve, respectively, until the sum of the capital reserve and the legal reserve equals 25% of the capital stock account. The capital reserve amounted to ¥19,014 million (US$204 million) and ¥19,014 million, and the legal reserve amounted to ¥169,108 million (US$1,817 million) and ¥169,108 million at March 31, 2010 and 2009, respectively. Moreover, neither the capital reserve nor the legal reserve is available for the payment of dividends, but distributions of capital surplus can be made at anytime by resolution of the shareholders or by the Board of Directors if certain conditions are met.

11

Subsequent Event

The following appropriation of retained earnings of the Company, which has not been reflected in the accompanying non-consolidated financial statements for the year ended March 31, 2010, was approved at a shareholders' meeting held on June 25, 2010:

	Millions of yen	Millions of U.S. dollars
Cash dividends — ¥30 (US$0.32) per share	¥40,501	$435

Report of Independent Auditors

ERNST & YOUNG

Ernst & Young ShinNihon LLC
Hibiya Kokusai Bldg.
2-2-3, Uchisaiwai-cho,
Chiyoda-ku, Tokyo, Japan 100-0011

Tel : +81 3 3503 1100
Fax: +81 3 3503 1197

The Board of Directors
The Tokyo Electric Power Company, Incorporated

We have audited the accompanying non-consolidated balance sheets of The Tokyo Electric Power Company, Incorporated (the "Company") as of March 31, 2010 and 2009, and the related non-consolidated statements of operations and changes in net assets for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the non-consolidated financial position of The Tokyo Electric Power Company, Incorporated at March 31, 2010 and 2009, and the non-consolidated results of its operations for the years then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying non-consolidated financial statements with respect to the year ended March 31, 2010 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 2.

Ernst & Young ShinNihon LLC

June 25, 2010

Bond Issues and Maturities (Non-Consolidated)

April 1, 2009 to March 31, 2010

(Millions of yen, unless otherwise indicated)

Issue	Issue date	Issue amount	Amount at maturity	Outstanding as of March 31, 2010	Par value (Yen)	Coupon rate (% per annum)	Mortgage (Type, subject property, seniority)	Maturity date	Details of maturities		Application
									Non-current maturities	Others	
Serial TEPCO bond issue number											
423	February 28, 1994	150,000	21,900	128,100	100.00	4.75	General mortgage	February 28, 2014	128,100		Note
425	July 29, 1994	100,000	26,100	73,900	99.80	5.0		July 29, 2014	73,900		Note
426	November 28, 1994	100,000	77,500	22,500	99.60	5.05		November 28, 2014	22,500		Note
428	May 29, 1995	150,000	51,900	98,100	100.00	4.1		May 29, 2015	98,100		Note
436	November 29, 1996	50,000	8,200	41,800	100.00	3.45		November 29, 2016	41,800		Note
438	June 25, 1997	50,000	50,000		100.00	3.15		June 25, 2009			Note
440	July 28, 1997	50,000	2,000	48,000	100.00	3.225		July 28, 2017	48,000		Note
441	September 22, 1997	50,000	7,400	42,600	100.00	3.075		September 22, 2017	42,600		Note
443	December 22, 1997	50,000	1,800	48,200	100.00	2.775		December 22, 2017	48,200		Note
446	March 23, 1998	50,000	7,400	42,600	100.00	2.9		March 23, 2018	42,600		Note
448	April 17, 1998	70,000	12,700	57,300	100.00	2.775		April 17, 2018	57,300		Note
455	October 23, 1998	50,000		50,000	100.00	2.075		October 23, 2018	50,000		Note
457	November 16, 1998	50,000		50,000	100.00	2.05		November 16, 2018	50,000		Note
459	January 29, 1999	50,000	5,500	44,500	100.00	2.7		January 29, 2019	44,500		
460	March 17, 1999	50,000		50,000	100.00	2.4		March 17, 2011		50,000	
462	April 15, 1999	50,000	50,000		100.00	2.0		April 15, 2009			
464	July 28, 1999	70,000	100	69,900	100.00	2.025		July 28, 2011	69,900		
465	September 17, 1999	50,000	50,000		100.00	2.0		September 17, 2009			
466	September 17, 1999	50,000	7,500	42,500	100.00	2.8		September 17, 2019	42,500		
467	December 9, 1999	50,000	50,000		100.00	1.825		December 9, 2009			
470	June 15, 2000	50,000	1,000	49,000	100.00	1.99		June 15, 2012	49,000		
471	June 15, 2000	50,000		50,000	100.00	1.825		June 15, 2010		50,000	
472	August 17, 2000	50,000		50,000	100.00	1.825		August 17, 2010		50,000	
473	August 17, 2000	50,000	400	49,600	100.00	1.975		August 17, 2012	49,600		
475	October 27, 2000	50,000		50,000	100.00	1.96		October 27, 2010		50,000	
476	November 30, 2000	50,000		50,000	100.00	1.93		November 30, 2010		50,000	
478	February 23, 2001	50,000		50,000	100.00	1.68		February 23, 2011		50,000	
480	March 14, 2001	50,000		50,000	100.00	1.54		March 14, 2011		50,000	
482	May 25, 2001	100,000		100,000	100.00	1.45		May 25, 2011	100,000		
483	June 15, 2001	50,000		50,000	100.00	1.4		June 15, 2011	50,000		
485	June 22, 2001	50,000		50,000	100.00	1.38		June 22, 2011	50,000		
487	October 26, 2001	50,000		50,000	100.00	1.445		October 26, 2011	50,000		
489	November 15, 2001	100,000		100,000	100.00	1.39		November 15, 2011	100,000		
491	January 31, 2002	50,000		50,000	100.00	1.49		January 31, 2012	50,000		
493	April 26, 2002	100,000		100,000	100.00	1.49		April 26, 2012	100,000		
495	May 30, 2002	50,000		50,000	100.00	1.455		May 30, 2012	50,000		
496	June 14, 2002	100,000		100,000	100.00	1.49		June 14, 2012	100,000		
497	July 30, 2002	100,000		100,000	100.00	1.395		July 30, 2012	100,000		
498	December 13, 2002	100,000		100,000	100.00	1.1		December 13, 2012	100,000		
499	December 26, 2002	50,000		50,000	100.00	1.115		December 26, 2012	50,000		
500	December 25, 2002	50,000	50,000		100.00	0.635		December 25, 2009			
501	February 14, 2003	100,000	200	99,800	100.00	0.92		February 14, 2013	99,800		
502	February 27, 2003	50,000	500	49,500	100.00	0.96		February 27, 2013	49,500		
505	April 25, 2003	50,000	1,700	48,300	100.00	0.775		April 25, 2013	48,300		Note
506	May 30, 2003	100,000	5,100	94,900	100.00	0.675		May 30, 2013	94,900		Note
507	October 28, 2003	50,000		50,000	100.00	1.47		October 28, 2013	50,000		Note
510	December 24, 2003	50,000		50,000	100.00	1.415		December 24, 2013	50,000		Note
511	May 28, 2004	50,000		50,000	100.00	1.615		May 28, 2014	50,000		
512	May 28, 2004	50,000	50,000		100.00	0.725		May 28, 2009			
513	July 28, 2004	50,000		50,000	100.00	1.85		July 28, 2014	50,000		Note
514	October 29, 2004	50,000		50,000	100.00	1.565		October 29, 2014	50,000		Note
515	February 10, 2005	50,000		50,000	100.00	1.435		February 10, 2015	50,000		Note
516	April 27, 2005	50,000		50,000	100.00	1.42		April 27, 2015	50,000		
517	June 15, 2005	50,000		50,000	100.00	1.355		June 15, 2015	50,000		
518	August 12, 2005	100,000		100,000	100.00	1.36		August 12, 2015	100,000		
519	December 28, 2005	50,000		50,000	100.00	1.59		December 28, 2015	50,000		
520	May 31, 2006	50,000		50,000	100.00	2.08		May 31, 2016	50,000		
521	June 27, 2006	50,000		50,000	100.00	1.97		June 27, 2016	50,000		
522	August 31, 2006	50,000		50,000	100.00	2.06		August 31, 2016	50,000		
523	September 28, 2006	50,000		50,000	100.00	1.88		September 28, 2016	50,000		
524	March 14, 2007	50,000		50,000	100.00	1.795		March 14, 2017	50,000		
525	March 28, 2007	50,000		50,000	100.00	1.73		March 28, 2017	50,000		
526	May 31, 2007	50,000		50,000	100.00	1.78		May 31, 2017	50,000		
527	May 30, 2007	50,000		50,000	100.00	1.5		May 30, 2014	50,000		
528	June 13, 2007	50,000		50,000	100.00	1.905		June 13, 2019	50,000		
529	July 25, 2007	50,000	3,000	47,000	100.00	2.025		July 25, 2017	47,000		

Funds from bond issues have been used for capital expenditures, repayment of borrowings or redemption of bonds.

(Millions of yen, unless otherwise indicated)

Issue	Issue date	Issue amount	Amount at maturity	Outstanding as of March 31, 2010	Par value (Yen)	Coupon rate (% per annum)	Mortgage (Type, subject property, seniority)	Maturity date	Details of maturities		Application
									Non-current maturities	Others	
Serial TEPCO bond issue number											
530	August 28, 2007	50,000	1,400	48,600	100.00	1.945	General mortgage	August 28, 2017	48,600		Funds from bond issues have been used for capital expenditures, repayment of borrowings or redemption of bonds.
531	September 25, 2007	100,000	1,100	98,900	100.00	1.845		September 25, 2017	98,900		
532	September 28, 2007	50,000		50,000	100.00	1.75		September 28, 2017	50,000		
533	October 29, 2007	50,000		50,000	100.00	1.55		October 29, 2014	50,000		
534	October 29, 2007	50,000		50,000	100.00	2.055		October 29, 2019	50,000		
535	November 30, 2007	50,000		50,000	100.00	1.772		November 30, 2017	50,000		
536	January 29, 2008	50,000		50,000	100.00	1.672		January 29, 2018	50,000		
537	February 28, 2008	50,000		50,000	100.00	1.814		February 28, 2020	50,000		
538	February 28, 2008	50,000		50,000	100.00	0.843		February 28, 2011		50,000	
539	March 28, 2008	50,000		50,000	100.00	1.591		March 28, 2018	50,000		
540	April 25, 2008	50,000		50,000	100.00	1.64		April 25, 2018	50,000		
541	April 25, 2008	50,000		50,000	100.00	1.094		April 25, 2013	50,000		
542	April 25, 2008	50,000		50,000	100.00	1.602		April 25, 2018	50,000		
543	May 30, 2008	50,000		50,000	100.00	1.171		May 30, 2011	50,000		
544	June 25, 2008	50,000		50,000	100.00	1.976		June 25, 2018	50,000		
545	July 25, 2008	50,000		50,000	100.00	1.849		July 25, 2018	50,000		
546	July 22, 2008	50,000		50,000	100.00	1.505		July 22, 2014	50,000		
547	July 24, 2008	50,000		50,000	100.00	1.948		July 24, 2020	50,000		
548	September 29, 2008	60,000		60,000	100.00	2.347		September 29, 2028	60,000		
549	October 17, 2008	50,000		50,000	100.00	1.699		October 17, 2018	50,000		
550	November 26, 2008	30,000		30,000	100.00	0.829		November 26, 2010		30,000	
551	November 28, 2008	50,000		50,000	100.00	2.401		November 28, 2028	50,000		
552	December 19, 2008	30,000		30,000	100.00	1.202		December 19, 2013	30,000		
553	February 27, 2009	50,000		50,000	100.00	2.205		February 27, 2029	50,000		
554	May 29, 2009	30,000		30,000	100.00	1.608		May 29, 2019	30,000		
555	May 29, 2009	30,000		30,000	100.00	1.113		May 29, 2015	30,000		
556	July 16, 2009	30,000		30,000	100.00	1.63		July 16, 2021	30,000		
557	July 16, 2009	30,000		30,000	100.00	0.923		July 16, 2015	30,000		
558	September 30, 2009	30,000		30,000	100.00	1.425		September 30, 2019	30,000		
559	October 29, 2009	30,000		30,000	100.00	1.377		October 29, 2019	30,000		
560	December 10, 2009	35,000		35,000	100.00	2.114		December 10, 2029	35,000		
Domestic bond total		5,525,000	544,400	4,980,600					4,550,600	430,000	

(Millions of yen, unless otherwise indicated)

Issue	Issue date	Issue amount	Amount at maturity	Outstanding as of March 31, 2010	Par value (Yen)	Coupon rate (% per annum)	Mortgage (Type, subject property, seniority)	Maturity date	Details of maturities		Application
									Non-current maturities	Others	
2nd Euro-denominated TEPCO bond	May 14, 1999	125,850 [1,000,000 thousand Euro]	125,850 [1,000,000 thousand Euro]		99.738	4.375	General mortgage	May 14, 2009			Note
4th Euro-denominated TEPCO bond	March 24, 2004	134,145 [999,071 thousand Euro]		134,145 [999,071 thousand Euro]	99.763	4.5		March 24, 2014	134,145 [999,071 thousand Euro]		Note
16th Swiss franc-denominated TEPCO bond	February 14, 2007	29,069 [300,706 thousand Swiss franc]		29,069 [300,706 thousand Swiss franc]	100.642	2.75		February 14, 2012	29,069 [300,706 thousand Swiss franc]		Note
17th Swiss franc-denominated TEPCO bond	March 24, 2010	25,311 [303,127 thousand Swiss franc]		25,311 [303,127 thousand Swiss franc]	101.055	2.125		March 24, 2017	25,311 [303,127 thousand Swiss franc]		Note
Overseas bond total		314,375 [603,833 thousand Swiss franc] [1,999,071 thousand Euro]	125,850 [1,000,000 thousand Euro]	188,525 [603,833 thousand Swiss franc] [999,071 thousand Euro]					188,525 [603,833 thousand Swiss franc] [999,071 thousand Euro]		
Total		5,839,375	670,250	[Decrease for the fiscal year 185,344] 5,169,125		1.879			4,739,125	430,000	

Application: Funds from bond issues have been used for capital expenditures, repayment of borrowings or redemption of bonds.

Notes: 1. TEPCO treats the following bonds, denoted using their serial TEPCO bond issue numbers, or amounts thereof as redeemed because they represent debt assigned by the Company under debt assumption agreements.
Agreements concluded in the year ended March 31, 2002: TEPCO bond number 426 (¥70,000 million of total)
Contingent redemption obligations relevant to bond holders are presented in Note 9 of the Notes to Non-Consolidated Financial Statements regarding contingent liabilities on TEPCO's balance sheets.

2. Funds from the issue of TEPCO bond number 423, TEPCO bonds 425 to 426, TEPCO bond 428, TEPCO bond 436, TEPCO bond 438, TEPCO bonds 440 to 441 and TEPCO bond 443 have been used for capital expenditures.

3. Funds from the issue of TEPCO bond number 446, TEPCO bond 448, TEPCO bond 455, TEPCO bond 457, TEPCO bonds 505 to 507, TEPCO bond 510 and TEPCO bonds 513 to 515 have been used for capital expenditures or repayment of borrowings.

4. For all bonds issued overseas, TEPCO fixed the yen value of the amount at maturity and interest payments with currency swaps at the time of issue.

Major Subsidiaries and Affiliated Companies

As of March 31, 2010

Major Consolidated Subsidiaries

Company Name	Capital (Millions of yen)	TEPCO Ownership (%)	Principal Business
Electric Power Business			
The Tokyo Electric Generation Company, Incorporated	2,500	100.0	Wholesale electricity supply
Information and Telecommunications Business			
AT TOKYO Corporation	13,378	81.2	Installation site leasing for and maintenance, management and operation of computer, telecommunications and other equipment
TEPCO SYSTEMS CORPORATION	350	100.0	Computerized information processing; development and maintenance of software
Energy and Environment Business			
Tokyo Timor Sea Resources Inc.	39 million US$	66.7	Investment in gas field development companies
Cygnus LNG Shipping Limited	4,002	70.0	Ownership and charter of LNG carriers
Pacific Eurus Shipping Limited	3,740	70.0	Ownership and charter of LNG carriers
TOKYO TOSHI SERVICE COMPANY	400	100.0	Heat supply
Toden Kogyo Co., Ltd.	300	100.0	Maintenance and repair of power generation and other facilities
Tokyo Electric Power Environmental Engineering Company, Incorporated	300	100.0	Operation and maintenance of environmental protection and other facilities
Tokyo Electric Power Home Service Company, Limited	200	100.0	Electricity usage consultation; design and maintenance of distribution facilities
Tokyo Densetsu Service Co., Ltd.	50	100.0	Maintenance of transmission, transformation and other facilities
Tokyo Electric Power Services Company, Limited	40	100.0	Design and supervision of construction of power generation, transmission, transformation and other facilities
Living Environment and Lifestyle-Related Business			
Toden Real Estate Co., Inc.	3,020	100.0	Leasing and management of real estate
Tokyo Living Service Co., Ltd.	50	100.0	Maintenance, rental and management of welfare facilities and company housing
TODEN KOKOKU CO., LTD.	20	80.2	Contracting for advertisements on TEPCO-owned utility poles and in/on other media
Overseas Businesses			
Eurus Energy Holdings Corporation	18,199	60.0	Investment in domestic/overseas wind energy projects
Tokyo Electric Power Company International B.V.	240 million Euro	100.0	Investment in overseas businesses

Affiliated Companies Accounted for under the Equity Method

Company Name	Capital (Millions of yen)	TEPCO Ownership (%)	Principal Business
Electric Power Business			
The Japan Atomic Power Company	120,000	28.2	Wholesale electricity supply
Soma Kyodo Power Company, Ltd.	112,800	50.0	Wholesale electricity supply
JOBAN JOINT POWER CO., LTD.	56,000	49.1	Wholesale electricity supply
KASHIMA KYODO ELECTRIC POWER COMPANY	22,000	50.0	Wholesale electricity supply
Kimitsu Cooperative Thermal Power Company, Inc.	8,500	50.0	Wholesale electricity supply
Energy and Environment Business			
Japan Nuclear Fuel Limited	200,000	20.6	Uranium concentration, reprocessing, waste management and underground waste disposal
KANDENKO CO., LTD.	10,264	46.2	Electrical work for distribution, transmission and other facilities
Kanto Natural Gas Development Co., Ltd.	7,902	21.4	Development and sale of natural gas; production and sale of iodine; sale of brine
Takaoka Electric Mfg. Co., Ltd.	5,906	28.2	Manufacture, machining, repair and sale of electric machinery and appliances
TOKO ELECTRIC CORPORATION	1,452	45.4	Manufacture, repair and sale of electric machinery and appliances
Overseas Business			
TeaM Energy Corporation	12 million US$	0.0*	Philippine IPP
ITM Investment Company Limited	16 thousand US$	0.0*	Investment in Umm Al Nar power generation and water desalination project
Great Energy Alliance Corporation Pty Ltd	316 million AU$	0.0*	Australian IPP

*TEPCO ownership is 0% because TEPCO subsidiary Tokyo Electric Power Company International B.V. holds equity in these companies.

Corporate Information

As of March 31, 2010

Trade Name
The Tokyo Electric Power Company, Incorporated

Head Office
1-3, Uchisaiwai-cho 1-chome, Chiyoda-ku,
Tokyo 100-8560, Japan
Phone: +81-3-6373-1111

Established
May 1, 1951

Fiscal Year-End
March 31

Paid-in Capital
¥676,434,197,050

Number of Employees
38,227 (Non-consolidated)

Overseas Offices
Washington Office
1901 L Street, N.W., Suite 720, Washington, D.C. 20036, U.S.A.
Phone: +1-202-457-0790
London Office
Berkeley Square House, Berkeley Square, London W1J 6BR, U.K.
Phone: +44-20-7629-5271

Number of Shares of Common Stock Issued and Outstanding
1,352,867,531

Number of Shareholders
794,653

Shareholders' Meeting
June

Stock Listings
Tokyo Stock Exchange, Osaka Securities Exchange,
Nagoya Stock Exchange
(Code: 9501)

Accounting Auditor
Ernst & Young ShinNihon LLC

Transfer Agent
Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8212, Japan

Publications
- *TEPCO Corporate Brochure*
- *TEPCO ILLUSTRATED*
- *TEPCO Sustainability Report*

TEPCO Investor Relations Website
http://www.tepco.co.jp/en/corpinfo/ir/top-e.html
In addition to financial data, the site contains a business overview and other information.

Credit Ratings (Long-Term Debt) (As of June 30, 2010)

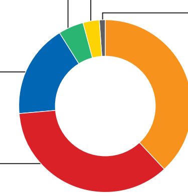
Standard and Poor's Ratings Services	AA (negative)
Moody's Investors Service, Inc.	Aa2 (stable)
Rating and Investment Information, Inc.	AA+ (stable)
Japan Credit Rating Agency, Ltd.	AAA (stable)

Major Shareholders

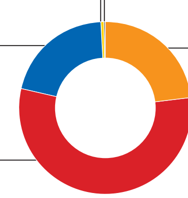
Name	Number of Shares Held (Thousands)
Japan Trustee Services Bank, Ltd. (Trust Account)	60,489
The Dai-ichi Mutual Life Insurance Company	55,001
Nippon Life Insurance Company	52,800
The Master Trust Bank of Japan, Ltd. (Trust Account)	51,557
Tokyo Metropolitan Government	42,676
Sumitomo Mitsui Banking Corporation	35,927
Mizuho Corporate Bank, Ltd.	23,791
TEPCO Employees' Shareholding Association	20,620
Japan Trustee Services Bank, Ltd. (Trust Account 4)	13,925
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	13,239

Breakdown of Shareholders

Shareholdings by Type of Shareholder



Shareholders by Number of Shares Held



For more detailed information, please contact:
Tokyo Electric Power Company
- Shareholder & Investor Relations Group, Corporate Affairs Department
- Finance Group, Accounting & Treasury Department

1-3, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo 100-8560, Japan
Phone: +81-3-6373-1111 Facsimile: +81-3-3596-8508

TEPCO

TOKYO ELECTRIC POWER COMPANY

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