



# FY2007 Financial Results

(April 1, 2007 – March 31, 2008)

## Presentation Materials

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### *Regarding Forward-Looking Statements (Performance Projections)*

*Certain statements in the following presentation regarding Tokyo Electric Power Company's business operations may constitute "forward-looking statements." As such, these statements are not historical facts but rather predictions about the future, which inherently involve risks and uncertainties, and these risks and uncertainties could cause the Company's actual results to differ materially from the forward-looking statements (performance projections) herein.*



# I . Overview of FY2007 Financial Results





# FY2007 Results Summary (Consolidated and Non-consolidated)

(Upper and lower rows show consolidated and non-consolidated figures, respectively)

(Unit: Billion yen)

		FY2007 (A)	FY2006 (B)	Comparison	
				(A)-(B)	(A)/(B)(%)
Electricity sales volume	(Billion kWh)	297.4	287.6	9.8	103.4
Operating revenues		5,479.3	5,283.0	196.3	103.7
		5,224.3	5,015.0	209.3	104.2
Operating expenses		5,342.9	4,732.1	610.8	112.9
		5,129.3	4,519.1	610.2	113.5
Operating income		136.4	550.9	-414.5	24.8
		95.0	495.9	-400.9	19.2
Ordinary revenues		5,549.1	5,350.0	199.1	103.7
		5,265.8	5,057.9	207.8	104.1
Ordinary expenses		5,516.0	4,908.7	607.2	112.4
		5,287.8	4,685.8	601.9	112.8
Ordinary income or loss		33.1	441.2	-408.1	7.5
		-22.0	372.0	-394.1	-
Extraordinary income		18.6	60.7	-42.0	30.7
		18.6	60.7	-42.0	30.7
Extraordinary loss		269.2	-	269.2	-
		267.1	-	267.1	-
Net income or loss		-150.1	298.1	-448.2	-
		-177.6	262.1	-439.7	-
Free cash flow		-90.9	598.0	-689.0	-
		-117.7	539.4	-657.1	-
Net worth ratio	(%)	19.4	22.4	-3.0	-
		18.2	21.5	-3.3	-
ROA	(%)	1.0	4.1	-3.1	-
		0.7	3.8	-3.1	-
ROE	(%)	-5.3	10.3	-15.6	-
		-6.9	9.8	-16.7	-

(Unit: Billion yen)

	FY2007 projection (as of Jan. 30)	FY2007 actual performance	FY2008 projection 2Q of the year
<b>Total</b>	<b>603.5</b>	<b>615.0</b>	<b>307.0</b>
<b>Fuel expenses, etc.</b>	<b>440.0</b> →	<b>420.0</b>	<b>300.0</b>
Increase in fuel expenses and purchased power	460.0	440.0	310.0
Increase in thermal fuel expenses and purchased power	480.0	460.0	320.0
Decrease in nuclear fuel expenses	-20.0	-20.0	-10.0
Decrease in nuclear power back-end costs	-20.0	-20.0	-10.0
<b>Restoration expenses and others</b>	<b>163.5</b> →	<b>195.0</b>	<b>7.0</b>
Extraordinary loss (Casualty loss from natural disaster and others)	161.5	192.5	-
{ Inspection and inspection-related maintenance expenses	{ 122.0	{ 139.0	-
{ Expenses for restoration of civil engineering and building facilities, etc.	{ 25.0	{ 26.5	-
{ Expenses for geological survey of power plant vicinity	{ 8.0	{ 18.5	-
{ Other	{ 6.5	{ 8.5	-
Others (Expenses for restarting inactive thermal power plants, etc.)	2.0	2.5	7.0

(Upper and lower rows show consolidated and non-consolidated figures, respectively)

(Unit: Billion yen)

	Operating revenues	Operating income or loss	Ordinary income or loss	Net income or loss
<b>FY2008 projection</b>	2,835.0	-15.0	-60.0	-40.0
<b>2Q of the year</b>	2,725.0	-30.0	-85.0	-55.0
<b>FY2008 projection</b>	5,850.0	Has not been determined	Has not been determined	Has not been determined
	5,610.0	Has not been determined	Has not been determined	Has not been determined

<FY2008 projection for 2Q of the year: Factors behind variance in ordinary income or loss (Non-consolidated)>

Ordinary income or loss [ of FY2007]		+¥185.9 billion	
<b>Factors for improving performance</b>		<b>Factors for weakening performance</b>	
<b>+¥175.0 billion</b>		<b>+¥445.0 billion</b>	
<b>Increase in operating revenues</b> <b>+¥175.0 billion</b> <ul style="list-style-type: none"> <li>• Increase in electric sales revenue <b>+¥155.0 billion</b> <ul style="list-style-type: none"> <li>Decrease from the decrease in electric sales volume <b>-¥20.0 billion</b></li> <li>Increase from the fuel cost adjustment system <b>+¥173.0 billion</b></li> </ul> </li> <li>• Increase in incidental business operating revenues <b>+¥20.0 billion</b> (gas supply business operating revenues etc. )</li> </ul>		<b>Increase in fuel expenses</b> <b>+¥300.0 billion</b> <ul style="list-style-type: none"> <li>• Decrease in nuclear power generated <b>+¥60.0 billion</b></li> <li>• Increase in hydroelectric generated <b>-¥10.0 billion</b></li> <li>• Appreciation of the Japanese Yen <b>-¥130.0 billion</b></li> <li>• Rise in CIF crude oil prices etc. <b>+¥380.0 billion</b></li> </ul>	
		<b>Increase in personnel expenses</b> <b>+¥125.0 billion</b>	
		<ul style="list-style-type: none"> <li>• Rebound from the decrease due to the revision of retirement benefit and pension system in the previous year (FY2007) etc.</li> </ul>	
		<b>Increase in incidental business operating expenses</b> <b>+¥20.0 billion</b>	
		(gas supply business operating expenses etc. )	
<b>Ordinary loss</b>		<b>-¥85.0 billion</b>	
<b>After-tax net loss</b>		<b>-¥55.0 billion</b>	

## Key Factors Affecting Performance

	FY2008 projection		FY2007	
	actual	2Q of the year	actual	projection (as of Jan. 30)
Electricity sales volume (billion kWh)	296.0	146.6	297.4	296.9
Crude oil prices (All Japan CIF; dollars per barrel)	approx. 95	approx. 100	78.69	approx. 78
Foreign exchange rate (Interbank; yen per dollar)	approx. 105	approx. 105	114.44	approx. 116
Nuclear power plant capacity utilization ratio (%)	-(*)	approx. 44	44.9	approx. 45
Flow rate (%)	approx. 100	approx. 100	94.4	approx. 95

(\*) Note: We cannot indicate the utilization rate because it is not currently possible to say when the Kashiwazaki-Kariwa Nuclear Power Plant will be back in operation.

## Financial Impact

	FY2008 projection(*)	(Unit: Billion yen)	
		FY2007 actual	FY2007 projection (as of Jan. 30)
Crude oil prices (All Japan CIF; 1 dollar per barrel)	-	approx. 16	approx. 16
Foreign exchange rate (Interbank; 1 yen per dollar)	-	approx. 14	approx. 14
Nuclear power plant capacity utilization ratio (1%)	-	approx. 12	approx. 12
Flow rate (1%)	-	approx. 1.5	approx. 1.5
Interest rate (1%)	-	approx. 12	approx. 10

(\*) Note: We cannot indicate the utilization rate because it is not currently possible to say when the Kashiwazaki-Kariwa Nuclear Power Station will be back in operation.





## Ⅱ . FY2007 Financial Results (Detailed Information)



(Upper and lower rows show consolidated and non-consolidated figures, respectively)

(Unit: Billion yen)

	Operating revenues	Operating income	Ordinary income or loss	Net income
FY2007	5,479.3	136.4	33.1	-150.1
actual performance	5,224.3	95.0	-22.0	-177.6
FY2007	5,470.0	85.0	-30.0	-155.0
projection (as of Jan. 30)	5,220.0	45.0	-85.0	-185.0
Difference	9.3	51.4	63.1	4.8
	4.3	50.0	63.0	7.4

<Factors behind variance in ordinary income or loss (Non-consolidated)>

FY2007 projection in ordinary income or loss (as of Jan. 30)		-¥85.0 billion
Factors for improved performance		+¥63.0 billion
Increase in sales		+¥5.0 billion
( Increase in electricity sales revenues		+¥5.0 billion )
Decrease in fuel expenses and purchased power		+¥30.0 billion
( Decrease in fuel costs due to the appreciation of the yen		+¥25.0 billion )
Decrease in fuel costs due to the variation in composition ratio of oil types, etc.		+¥5.0 billion )
Progress in cost reduction, etc.		+¥20.0 billion
Others (exchange gain, etc.)		+¥8.0 billion
Factors for weakened performance		-
FY2007 ordinary income or loss (Total)		-¥22.0 billion

【Reference】

Reversal of reserve for fluctuation in water levels	+¥5.0 billion
Extraordinary income (due to revision of TEPCO's pension system)*	+¥18.6 billion
Extraordinary loss	-¥267.1 billion
(due to casualty loss from natural disaster: -192.5billion, loss on support of affiliates: -12billion, transfer to reserve for past decommissioning costs of nuclear power units: -62.5billion)	
FY2007 net income or loss before tax	-¥265.5 billion
FY2007 net income or loss	-¥177.6 billion

\*No gain on sales of securities is recorded because expected sales of securities were not implemented



# Statement of Income (Consolidated)

	(Unit: Billion yen)			
	FY2007(A)	FY2006 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating revenues	5,479.3	5,283.0	196.3	103.7
Operating expenses	5,342.9	4,732.1	610.8	112.9
<b>Operating income</b>	<b>136.4</b>	<b>550.9</b>	<b>-414.5</b>	<b>24.8</b>
Non-operating revenues	69.7	67.0	2.7	104.1
Investment gain under the equity method	9.1	13.6	-4.4	67.2
Non-operating expenses	173.0	176.6	-3.5	98.0
<b>Ordinary income</b>	<b>33.1</b>	<b>441.2</b>	<b>-408.1</b>	<b>7.5</b>
(Reversal of) Provision for reserve for fluctuation in water levels	-5.0	5.9	-10.9	—
Extraordinary income	18.6	60.7	-42.0	30.7
Extraordinary loss	269.2	—	269.2	—
Income taxes	-65.1	193.8	-258.9	—
Minority interests	2.7	4.0	-1.3	67.2
<b>Net income or loss</b>	<b>-150.1</b>	<b>298.1</b>	<b>-448.2</b>	<b>—</b>

54 affiliated companies accounted for under the equity method of Eurus Energy Holdings Corporation	+¥3.5billion(+0.3billion)
KANDENKO., LTD	+¥3.1billion(-0.0billion)
TeaM Energy Corporation	+¥1.4billion(+1.4billion)
Japan Nuclear Fuel Limited	+¥0.4billion(-4.3billion)
Great Energy Alliance Corporation	-¥2billion(-2billion)

Note: ( ) comparison with previous FY

Gain on transfer to defined contribution pension plan	+¥18.6 billion
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Contingent asset loss	¥1.5 billion
Casualty loss from natural disaster	¥191.5 billion
Loss on support of affiliates	¥13.6 billion
T transfer to reserve for past decommissioning costs of nuclear power units	¥62.5 billion

(Unit: Billion yen)

	FY2007(A)	FY2006 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
<b>Ordinary revenues</b>	5,265.8	5,057.9	207.8	104.1
<b>Operating revenues</b>	5,224.3	5,015.0	209.3	104.2
<b>Electric power operating revenues</b>	5,169.1	4,952.3	216.8	104.4
Electricity sales revenues	4,914.7	4,704.6	210.1	104.5
Lighting	2,096.2	1,983.4	112.7	105.7
Commercial and industrial	2,818.4	2,721.1	97.3	103.6
Inter-company power sale	113.1	123.6	-10.4	91.5
Sales of power to other companies	51.1	45.0	6.0	113.5
Other revenues	90.0	79.0	11.0	114.0
<b>Incidental business operating revenues</b>	55.2	62.7	-7.5	88.1
<b>Non-operating revenues</b>	41.4	42.8	-1.4	96.6

Increase in electricity sales volume (+9.8 billion kWh)	+¥160.0 billion
Increase in unit sales price (+0.17 yen/kWh)	+¥50.0 billion
<Fuel Cost Adjustment Amounts>	
FY2006 (+59 billion yen)	FY2007 (+135 billion yen)

Telecommunications business	-¥19.6 billion
Gas supply business	+¥11.3 billion

(Unit: Billion yen)

	FY2007(A)	FY2006 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
<b>Ordinary expenses</b>	5,287.8	4,685.8	601.9	112.8
<b>Operating expenses</b>	5,129.3	4,519.1	610.2	113.5
<b>Electric power operating expenses</b>	5,075.0	4,426.2	648.7	114.7
Personnel	337.7	458.9	-121.2	73.6
Fuel	1,755.1	1,062.7	692.4	165.2
Maintenance	432.1	459.0	-26.9	94.1
Depreciation	726.2	704.5	21.6	103.1
Purchased power	773.1	650.6	122.5	118.8
Taxes, etc.	330.2	337.0	-6.8	98.0
Nuclear power back-end costs	164.5	195.5	-30.9	84.2
Other expenses	555.7	557.7	-2.0	99.6
<b>Incidental business operating expenses</b>	54.3	92.8	-38.5	58.5
<b>Non-operating expenses</b>	158.4	166.7	-8.2	95.1
Interest paid	143.0	148.0	-4.9	96.7
Other expenses	15.4	18.7	-3.3	82.2

## Personnel expenses (¥458.9 billion to ¥337.7 billion)

**-¥121.2 billion**

Retirement benefits\*

**-¥119.0 billion**

Decrease in amortization of actuarial difference\*\* (-¥48.5 billion to -¥11.7 billion)

\*The total amount of the prior service cost (-¥93.3 billion) arising from the reduction in retirement benefit obligations resulting from revisions to TEPCO's retirement benefit system was charged to income when incurred.

\*\*Gain on transfer to defined contribution pension plan (part of the increase in retirement benefits due to actuarial difference) is accounted for as extraordinary income, and therefore is not included in personnel expenses.

### Amortization of actual difference

(Unit: Billion yen)

	Expenses incurred (A)	Charged amount of each FY (Reserve amount) (B)					Have not been charged as of FY2007 (A) - (B)	Incurred actual difference (FY2007) (Unit: billion yen)	
		in FY2004	in FY2005	in FY2006	in FY2007			incurred	amortization
					Defined contribution pension plan	Retirement lump sum grants and defined benefits pension plan			
FY2004	-12.2	-4.0	-4.0	-4.0	-	-	-	-	
FY2005	-117.9	-	-39.3	-39.3	-2.4	-36.8	-	-	
FY2006	-15.4	-	-	-5.1	-1.0	-4.8	-	-	
FY2007	100.1	-	-	-	-	33.3	100.1	33.3	
Total		-11.1	-59.0	-48.5	-3.4	-8.3			

## Fuel expenses (¥1,062.7 billion to ¥1,755.1 billion)

**+¥692.4 billion**

Consumption volume

**+¥400.0 billion**

Decrease in nuclear power generated (112.5 billion kWh → 68.3 billion kWh)

**+¥343.0 billion**

Increase in power generated and purchased (312.7 billion kWh → 323.1 billion kWh)

**+¥93.0 billion**

Others (decrease in hydroelectric power generated)

**+¥22.0 billion**

Increase in power purchased from other companies

**-¥58.0 billion**

Price

**+¥293.0 billion**

Rise in CIF crude oil prices (\$63.50=1 barrel to \$78.69=1 barrel)

**+¥243.0 billion**

Yen depreciation (¥116.98=\$1 to ¥114.44=\$1)

**-¥36.0 billion**

Other factors (variation in composition ratio of fuel types, etc.)

**+¥86.0 billion**



# Period-on-Period Comparison of Ordinary Expenses – 2 (Non-consolidated)

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<b>Maintenance expenses (¥459.0 billion to ¥432.1 billion)</b>	<b>-¥26.9 billion</b>
Generation related (¥223.4 billion to ¥207.0 billion)	-¥16.4 billion
Hydroelectric power (¥15.3 billion to ¥12.2 billion)	-¥3.1 billion
Thermal power (¥88.0 billion to ¥78.8 billion)	-¥9.2 billion
Nuclear power (¥120.0 billion to ¥115.9 billion)	-¥4.0 billion
Distribution related (¥227.2 billion to ¥218.3 billion)	-¥8.9 billion
Transmission (¥39.8 billion to ¥34.1 billion)	-¥5.7 billion
Transformation (¥23.4 billion to ¥19.6 billion)	-¥3.7 billion
Distribution (¥163.9 billion to ¥164.5 billion)	+¥0.5 billion

<b>Depreciation expenses (¥704.5 billion to ¥726.2 billion)</b>	<b>+¥21.6 billion</b>
Generation related (¥276.7 billion to ¥302.0 billion)	+¥25.3 billion
Hydroelectric power (¥49.3 billion to ¥46.7 billion)	-¥2.5 billion
Thermal power (¥138.1 billion to ¥152.4 billion)	+¥14.3 billion
Nuclear power (¥89.2 billion to ¥102.8 billion)	+¥13.6 billion
Distribution related (¥408.8 billion to ¥404.9 billion)	-¥3.9 billion
Transmission (¥188.9 billion to ¥186.0 billion)	-¥2.8 billion
Transformation (¥81.8 billion to ¥81.2 billion)	-¥0.6 billion
Distribution (¥138.1 billion to ¥137.7 billion)	-¥0.4 billion

\*Financial impact from tax revisions +48.3 billion (Generation:+40.5 billion, Distribution;+6.7 billion)

## Depreciation breakdown

	FY2007	FY2006
Regular depreciation	¥711.2 billion	¥697.1 billion
Extraordinary depreciation	¥8.4 billion	¥5.1 billion
Trial operations depreciation	¥6.5 billion	¥2.3 billion



<b>Purchased power (¥650.6 billion to ¥773.1 billion)</b>	<b>+¥122.5 billion</b>
Inter-company power purchases (¥225.1 billion to ¥259.5 billion)	+¥34.4 billion
Purchases of power from other companies (¥425.4 billion to ¥513.5 billion)	+¥88.0 billion
<b>Taxes, etc. (¥337.0 billion to ¥330.2 billion)</b>	<b>-¥6.8 billion</b>
Property tax (progress of depreciation)	-¥3.5 billion
Promotion of power-resources development tax (change in tax rate: 0.400yen/kWh → 0.375yen/kWh)	-¥3.6 billion
<b>Nuclear power back-end costs (¥195.5 billion to ¥164.5 billion)</b>	<b>-¥30.9 billion</b>
Irradiated nuclear fuel reprocessing expenses (¥134.0 billion to ¥118.1 billion)	-¥15.9 billion
Expenses for future reprocessing of irradiated nuclear fuel (¥17.9 billion to ¥2.6 billion)	-¥15.3 billion
Expenses for disposal of specified radioactive wastes (¥26.9 billion to ¥24.1 billion)	-¥2.7 billion
Decommissioning costs of nuclear power units (¥16.5 billion to ¥19.6 billion)	+¥3.0 billion
<b>Other expenses (¥557.7 billion to ¥555.7 billion)</b>	<b>-¥2.0 billion</b>
Decrease in expenses for commission	-¥7.7 billion
Decrease in rent expenses	-¥3.0 billion
Increase in donations	+¥7.7 billion
<b>Incidental business operating expenses (¥92.8 billion to ¥54.3 billion)</b>	<b>-¥38.5 billion</b>
Telecommunications business (¥55.0 billion to ¥0.0 billion)	-¥55.0 billion
Gas supply business (¥27.6 billion to ¥44.0 billion)	+¥16.4 billion
<Higher raw material prices / Sales volume increase(approx. 618,000 t → 783,000t)>	
<b>Interest paid (¥148.0 billion to ¥143.0 billion)</b>	<b>-¥4.9 billion</b>
Lower average interest rate due to use of commercial paper (1.97%→1.94%)	
<b>Other non-operating expenses (¥18.7 billion to ¥15.4 billion)</b>	<b>-¥3.3 billion</b>



# Balance Sheets (Consolidated and Non-consolidated)

(Upper and lower rows show consolidated and non-consolidated figures, respectively) (Unit: Billion yen)

	Mar. 31, 2008 (A)	Mar. 31, 2007 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
<b>Total assets</b>	<b>13,679.0</b>	<b>13,521.3</b>	<b>157.6</b>	<b>101.2</b>
	<b>13,057.7</b>	<b>12,924.0</b>	<b>133.7</b>	<b>101.0</b>
Fixed assets	12,697.5	12,670.6	26.8	100.2
	12,249.6	12,242.7	6.8	100.1
(*) Electric business	8,416.0	8,770.5	-354.5	96.0
Incidental business	71.1	64.0	7.1	111.1
Non-business	4.0	4.3	-0.2	93.8
Construction in progress	595.0	526.2	68.8	113.1
Nuclear fuel	923.9	896.8	27.1	103.0
Others	2,239.3	1,980.7	258.5	113.1
Current assets	981.5	850.7	130.7	115.4
	808.0	681.2	126.8	118.6
<b>Liabilities</b>	<b>10,983.6</b>	<b>10,447.6</b>	<b>535.9</b>	<b>105.1</b>
	<b>10,675.0</b>	<b>10,150.8</b>	<b>524.2</b>	<b>105.2</b>
<b>Net assets</b>	<b>2,695.4</b>	<b>3,073.7</b>	<b>-378.3</b>	<b>87.7</b>
	<b>2,382.7</b>	<b>2,773.2</b>	<b>-390.5</b>	<b>85.9</b>
(*) Non-consolidated				
Interest-bearing debt outstanding	7,675.7	7,388.6	287.1	103.9
	7,479.9	7,183.1	296.7	104.1
Net worth ratio (%)	19.4	22.4	-3.0	-
	18.2	21.5	-3.3	-

## Bond issues in FY2007

Issue date	Issue amount (billion yen)	Period (year)	Coupon rate (% per annum)
05/31/07	50	10	1.780
05/30/07	50	7	1.500
06/13/07	50	12	1.905
07/25/07	50	10	2.025
08/28/07	50	10	1.945
09/25/07	100	10	1.845
09/28/07	50	10	1.750
10/29/07	50	7	1.550
10/29/07	50	12	2.055
11/30/07	50	10	1.772
01/29/08	50	10	1.672
02/28/08	50	12	1.814
02/28/08	50	3	0.843
03/28/08	50	10	1.591
<b>Total</b>	<b>750</b>	<b>-</b>	<b>-</b>

## 【Reference】 Bond issues in FY2008

Issue date	Issue amount (billion yen)	Period (year)	Coupon rate (% per annum)
04/25/08	50	10	1.640
04/25/08	50	5	1.094
04/25/08	50	10	1.602

(Unit: billion yen)

	FY2008		FY2007	
	(Consolidated)	(Non-consolidated)	(Consolidated)	(Non-consolidated)
Bonds	5,285.4	5,279.9	5,228.3	5,222.0
Long-term debt	1,713.0	1,557.0	1,537.3	1,353.1
Short-term debt	382.2	348.0	362.9	348.0
Commercial paper	295.0	295.0	260.0	260.0



# Free Cash Flow and its Application (Consolidated and Non-consolidated)

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(Upper and lower rows show consolidated and non-consolidated figures, respectively) (Unit: Billion yen)

	FY2007 (A)	FY2006 (B)	Comparison		
			(A)-(B)	(A)/(B) (%)	
Net cash provided by operating activities	509.8	1,073.6	-563.8	47.5	
	425.0	1,015.7	-590.6	41.8	
Capital expenditures (Cash basis)	-600.8	-475.5	-125.2	126.3	
	-542.7	-476.3	-66.4	114.0	
<b>Free cash flow</b>	<b>-90.9</b>	<b>598.0</b>	<b>-689.0</b>	—	
	<b>-117.7</b>	<b>539.4</b>	<b>-657.1</b>	—	
Financing	292.6	—	292.6	—	
	296.7	—	296.7	—	
Reduction of interest-bearing debt	—	430.9	-430.9	—	
	—	422.6	-422.6	—	
(Application)	Dividends	101.0	80.9	20.0	124.8
		101.0	80.9	20.0	124.8
	Investments, etc.	100.7	86.2	14.5	116.8
		78.0	35.8	42.2	217.7
	(of which, investments in diversified businesses)	97.4	42.4	54.9	229.5
	52.2	33.9	18.3	153.9	

Incidental business investment	¥11.5 billion
Acquisition of stock, etc.	¥40.7 billion



# Segment Information

	(Unit: Billion yen)			
	FY2007 (A)	FY2006 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
<b>Operating revenues</b>	<b>5,479.3</b>	<b>5,283.0</b>	<b>196.3</b>	<b>103.7</b>
Electric Power	5,169.1	4,952.3	216.8	104.4
	5,168.5	4,952.3	216.2	104.4
Information and Telecommunications	127.5	175.8	-48.2	72.6
	70.0	113.4	-43.3	61.8
Energy and Environment	373.3	371.5	1.8	100.5
	162.7	151.1	11.5	107.7
Living Environment and Lifestyle-related	139.4	138.7	0.7	100.5
	59.7	53.1	6.5	112.4
Overseas	19.2	13.8	5.3	138.3
	18.2	12.9	5.3	141.4
<b>Operating expenses</b>	<b>5,342.9</b>	<b>4,732.1</b>	<b>610.8</b>	<b>112.9</b>
Electric Power	5,074.7	4,426.0	648.7	114.7
Information and Telecommunications	121.2	206.8	-85.6	58.6
Energy and Environment	355.7	330.3	25.3	107.7
Living Environment and Lifestyle-related	127.0	125.5	1.4	101.2
Overseas	14.8	13.9	0.9	106.7
<b>Operating income</b>	<b>136.4</b>	<b>550.9</b>	<b>-414.5</b>	<b>24.8</b>
Electric Power	94.3	526.3	-431.9	17.9
Information and Telecommunications	6.3	-31.0	37.3	—
Energy and Environment	17.6	41.2	-23.5	42.9
Living Environment and Lifestyle-related	12.4	13.1	-0.7	94.4
Overseas	4.3	-0.0	4.3	—
<b>Capital expenditure</b>	<b>664.2</b>	<b>574.6</b>	<b>89.6</b>	<b>115.6</b>
Electric Power	570.0	493.9	76.0	115.4
Information and Telecommunications	14.7	35.0	-20.3	42.0
Energy and Environment	41.2	27.4	13.7	150.2
Living Environment and Lifestyle-related	13.7	9.9	3.7	138.2
Overseas	28.1	12.4	15.6	226.3

Note: The lower row of operating revenues represents revenues from external customers.

## Major subsidiaries in each segment

	(Unit: Billion yen)			
	Operating revenues	Increase or decrease	Operating income	Increase or decrease
<b>Information and Telecommunications</b>				
TEPCO SYSTEMS CORPORATION	51.2	-1.0	2.8	0.3
AT TOKYO Corporation	16.5	6.4	5.2	3.6
TEPCO CABLE TELEVISION Inc.,	15.4	-0.5	-0.3	-1.4
<b>Energy and Environment</b>				
Gas Business Company	42.8	11.3	-1.2	-5.1
Toden Kogyo Co., Ltd.	53.9	-0.3	2.4	-2.0
Tokyo Densetsu Service Co., Ltd.	37.7	-6.7	0.9	-0.6
Tokyo Timor Sea Resources Inc. (US)	18.3	-12.4	10.5	-12.5
<b>Living Environment and Lifestyle-related</b>				
Toden Real Estate Co., Inc.	35.0	-1.5	5.7	-1.7
Toden Kokoku Co., Ltd.	23.8	-5.1	1.0	-1.1
TOHSHIN BUILDING Co., Ltd	13.2	-0.3	2.7	0.5
ReBITA Inc.	6.6	3.3	0.6	0.3
<b>Overseas</b>				
Eurus Energy Holdings Corporation	9.0	0.1	0.8	-0.2
TM Energy (Australia) Pty Ltd.	8.6	4.9	4.2	4.0



# Total Power Generated and Purchased and Electricity Sales Volume

	FY2007		
	1st half	2nd half	Total
Total power generated and purchased	160.72 (2.9)	162.40 (3.7)	323.12 (3.3)
Power generated by TEPCO	136.71	136.75	273.46
Hydroelectric power generation	7.33	4.74	12.07
Thermal power generation	89.43	103.65	193.08
Nuclear power generation	39.95	28.36	68.31
Power purchased from other companies	27.21	28.19	55.40
Used at pumped storage	-3.20	-2.54	-5.74

Note: Figures in parentheses denote percentage change from the previous year.

	FY2007			FY2008
	1st half	2nd half	Total	Projection
Regulated segment	52.15 (1.2)	58.24 (7.3)	110.39 (4.3)	109.7 (-0.6)
Lighting	45.50 (1.5)	52.10 (7.7)	97.60 (4.7)	97.6 (0.0)
Low voltage	5.56 (-0.2)	5.13 (5.0)	10.69 (2.2)	10.1 (-6.0)
Others	1.09 (-4.7)	1.00 (-2.6)	2.09 (-3.7)	2.1 (-2.1)
Liberalized segment	95.81 (2.9)	91.20 (2.8)	187.01 (2.9)	186.3 (-0.4)
Commercial use	40.20 (3.8)	37.41 (3.8)	77.61 (3.8)	-
Industrial use and others	55.61 (2.3)	53.79 (2.1)	109.40 (2.2)	-
<b>Total electricity sales volume</b>	<b>147.96 (2.3)</b>	<b>149.44 (4.5)</b>	<b>297.40 (3.4)</b>	<b>296.0 (-0.5)</b>

Note: Figures in parentheses denote percentage change from the previous year. Rounded to the nearest decimal point.

	Jan.	Feb.	Mar.
FY2007	5.0	4.6	9.9
Compared with last year	-1.5	-3.1	0.0
Compared with average year	0.3	-0.5	1.8

Note: Average temperature uses temperatures observed at nine weather stations in TEPCO's operating area, weighted to reflect electric power volume of respective branch offices.

• Total demand increased year on year for the second consecutive year, by 3.4%, due to a substantial increase in demand for cooling and heating from lighting (residential) customers due to the hot summer and cold winter, as well as growth in demand from large-scale industrial customers due to higher production levels and other factors.

• Demand exceeded the third-quarter projection because of factors including increased demand for heating. (Approx. 0.5 billion kWh over plan; Achievement ratio 100.2%)

• We estimate that the total electricity sales volume for FY2008 will decrease 0.5% year on year to 296.0 billion kWh due to factors including the absence of the high temperatures of summer 2007 and intensified competition from power producers and suppliers (PPS).

<Reference>

### Electricity sales volume expansion targets and actual performance for

	Annual targets	Actual performance (Achievement ratio)	
Electricity sales volume expansion	1.89 billion kWh	2.72 billion kWh	(144%)
[ The number of all-electric homes ]	[ 150 thousands homes ]	[ 136 thousands homes ]	(91%)

We have attained approx. 78% of Management Vision 2010 target for electric sales volume expansion (at least 10 billion kWh total for the period FY2004-10) so far. Actual 4years- total performance, from FY2004 to 2007, is 7.81billion kWh.



# Reference: Business Management Plan Targets and Performance

(Fiscal year)	2002	2003	2004	2005	2006	2007	FY 2007 Business Management Plan FY 2007-2009 Targets
<b>Profit and Free Cash Flow (FCF) Targets</b>							
ROA	3.6	3.5	4.1	4.2	4.1	1.0	At least 4%
(%)	3.7	3.5	4.0	4.1	3.8	0.7	At least 4%
FCF	648.5	557.8	946.8	414.3	598.0	-90.9	At least ¥350 billion
(billion yen)	649.4	543.5	891.5	367.0	539.4	-117.7	At least ¥350 billion
Ordinary income	280.8	304.4	384.5	397.2	441.2	33.1	At least ¥400 billion
(billion yen)					372.0	-22.0	At least ¥350 billion
<b>Balance Sheet Improvement Targets</b>							
Net worth ratio	14.9	16.2	17.8	19.6	21.5	18.2	At least 24% (end of FY 2009)
(%)							
Interest-bearing debt	8,970.0	8,585.2	7,908.9	7,629.8	7,183.1	7,479.9	Reduction of about ¥500 billion (3-year total)
(billion yen)							
<b>Efficiency Gains Targets</b>							
Capital expenditures	645.2	576.1	464.2	505.0	496.3	568.8	About ¥640 billion
(billion yen)							
<b>Business Growth Targets</b>							
Increase in electricity sales volume	-	-	1.00	1.75	2.34	2.72	About 6.0 billion kWh (3-year total)
(billion kWh)							
Operating revenues from businesses other than electric power	-	-	249.5	359.9	330.7	310.8	About ¥300 billion (end of FY 2009)
(billion yen)							
Operating income from businesses other than electric power	-	-	-3.4	0.4	23.3	40.8	About ¥50 billion (end of FY 2009)
(billion yen)							

\*For ROA, FCF and ordinary income, upper rows show consolidated figures and lower rows show non-consolidated figures. Ordinary income for FY2002 to FY2005 is non-consolidated.

\*Unless otherwise specified, business management plan targets are three-year averages.

\*Operating revenues and operating income targets from businesses other than electric power were first set under the FY 2005 Business Management Plan, based on Management Vision 2010.

\*TEPCO has not set numerical targets for the FY2008 management plan because it is unable to provide a timeline for the restart of operations at the Kashiwazaki-Kariwa Nuclear Power Station.

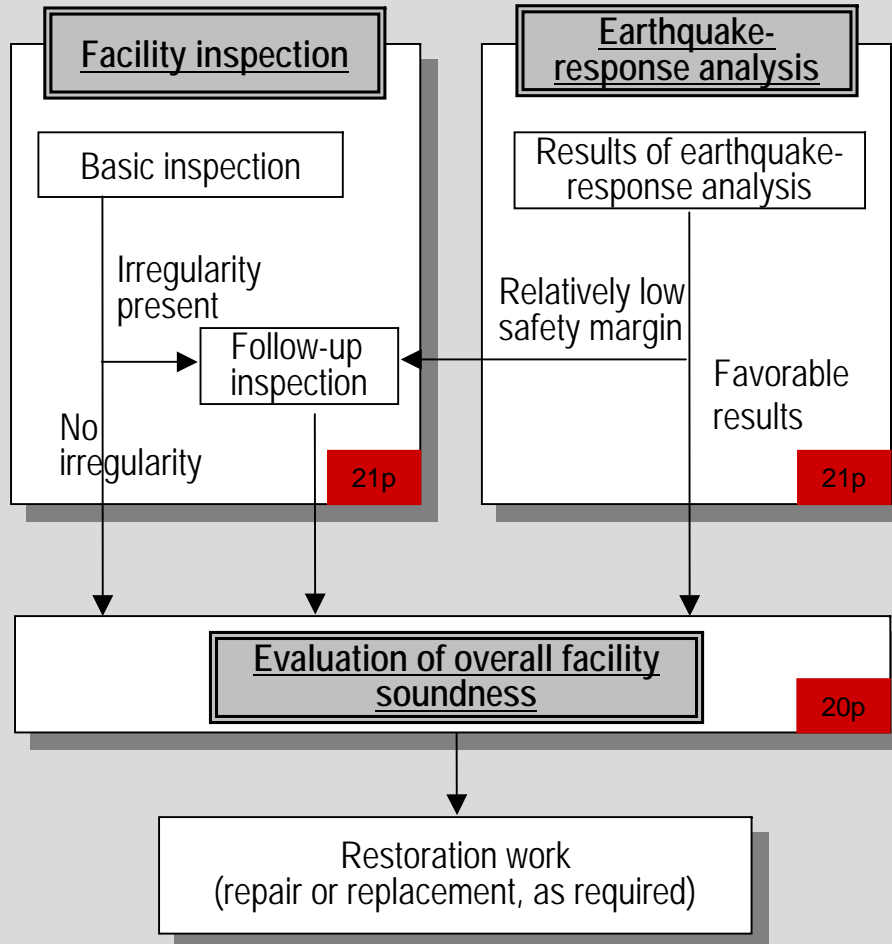


【Reference】

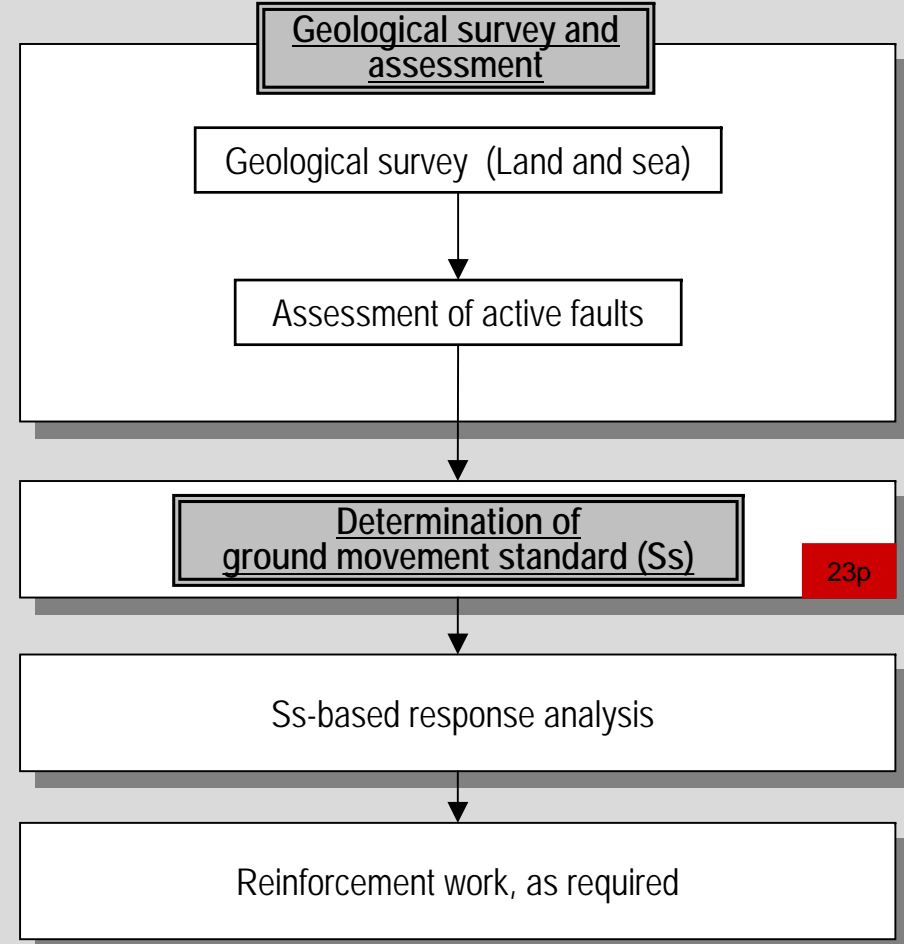
# The Present Status of the Kashiwazaki-Kariwa Nuclear Power Station and Future Initiatives

- Progress & Key Changes since the Management Plan Announcement on March 27, 2008 -

## Restoration Initiatives at the Kashiwazaki-Kariwa Nuclear Power Station



## Earthquake-Resistance Improvement Initiatives



## Strengthen in-house firefighting

Enhance original firefighting framework and improve reliability of firefighting equipment, communication lines, etc.



## Status of Inspection and Evaluation Plan Submissions

- Inspection and Evaluation Plan for reactor unit 1,3,5,6 and 7 have been submitted.

### <Schedules for inspection and evaluation plan of facility soundness>

		2007		2008									Reference	
		11	12	1	2	3	4	5	6	7	8	9 or later		
Unit No.1	Facilities				Inspection, Evaluation			Earthquake-response analysis, Evaluation					Submitted on Feb.6, 2008	
								Overall evaluation						
Unit No.3	Facilities						Inspection, Evaluation			Earthquake-response analysis, Evaluation			Submitted on Apr.14, 2008	
								Overall evaluation						
Unit No.5	Facilities				Inspection, Evaluation			Earthquake-response analysis, Evaluation			Submitted on Mar.7, 2008			
								Overall evaluation			Submitted revised plan on Apr.14, 2008			
Unit No.6	Facilities	Earthquake-response analysis, Evaluation			Inspection, Evaluation								Submitted on Mar.7, 2008	
							Overall evaluation							
Unit No.7	Facilities	Inspection, Evaluation		Earthquake-response analysis, Evaluation			Overall evaluation					Submitted on Nov.27, 2007 Submitted revised plan on Dec.20, 2007 Submitted revised plan on Apr.10, 2008		
Unit No.7	Buildings and structures	Inspection, Evaluation		Earthquake-response analysis, Evaluation			Overall evaluation					Submitted on Feb.25, 2008		

Note: Schedules are subject to change due to the progress of the inspection and evaluation

- TEPCO is faithfully completing plans for the remaining reactor unit 2 and 4, and will quickly submit them as soon as they are prepared in order to implement soundness evaluations sequentially.



## Facility Inspection

### Reactor Inspections

- The inspections of all seven reactors finished. The inspections found no abnormalities affecting facilities functions or structures.

### Turbine Inspections

- Under the detailed inspection of Unit 7, stage 14 (on turbine and generator sides) of low-pressure turbines, damages to 2 forks (bases of blades) were confirmed. Implementing detailed inspections and investigations of damage causes.

### Main Generator Inspections

- The inspections of all seven units have been under way

### Main Transformer Inspections

- For Unit 7, the detailed inspection in factory has finished, and installation work has been under way since April 9.
- For Unit 6, return of transformers from factory is scheduled on April 30, 2008, after which installation work will begin.

## Earthquake-response Analysis

- Earthquake-response analysis has been completed for the key equipment in the reactor building of Unit 7. Analysis confirmed that earthquake response was within permissible values.

## Buildings and Structures Inspection

- Inspections for the Unit 7 reactor building (earthquake resistant wall, etc.) have been under way. It was confirmed that the width of a crack caused by the earthquake was within permissible limits and that there were no problems such as flaking or peeling.



### Submission of an Interim Report on Unit 7 Facility Soundness Evaluation to the Nuclear and Industrial Safety Agency (NISA) on April 10, 2008

#### Interim Report

- For Unit 7, having completed most of the inspections and earthquake-response analysis of facilities important to reactor safety, TEPCO submitted an interim report on the findings to NISA on April 10.

#### Evaluation by NISA

- On April 16, NISA submitted an interim report to the Nuclear Facility Investigative Taskforce in the Chuetsu-oki Earthquake (Chair: Haruki Madarame) covering areas including assessment of the validity of facility soundness evaluations, lessons learned and issues identified through completed inspections, as well as future measures to be taken in response.
- The report stated that TEPCO was correct overall in concluding that the soundness of facilities important to reactor safety evaluated so far was maintained in the earthquake.
- NISA submitted the report to the Nuclear Safety Commission on April 17.

#### Comments from Nuclear Safety Commission on Interim Report

- Following the interim report by NISA, Nuclear Safety Commission submitted the report on points to consider in the facility soundness evaluation to the Facility Integrity Assessment Committee, which is subordinate committee to the Special Committee on Assessment of Seismic Safety, on April 28.
- Nuclear Safety Commission requested NISA to keep verifying TEPCO's measures and initiatives toward restoration of Kashiwazaki-Kariwa Nuclear Power Station, including facility soundness evaluation for other units as well as Unit 7.
- Nuclear Safety Commission will continue to check and deliberate on a timely basis.

Based on the results of geological surveys and other information, TEPCO evaluated active faults in the vicinity and reported its findings to the Earthquake, Tsunami, Geology and Soil Joint Working Group under the Subcommittee on Anti-quake Structural Designs on March 27, 2008. The Joint Working Group is currently deliberating the report in detail.

The ground movement standards (Ss) will be determined based on these deliberations.

Operational Focus		2007					2008			
		Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. or later
Geological surveys and evaluation	Active offshore faults	Survey			Evaluation			Government deliberation		
	Active land faults	Survey					Evaluation		Government deliberation	
Determination of ground movement standards (Ss)							Study			Government deliberation

- Based on the approved ground movement standard (Ss), we plan to conduct seismic safety evaluations of facilities where earthquake safety is important.
- Separate from the determination of ground movement standard (Ss), we plan to conduct additional geological surveys to confirm that tectonic activity in the vicinity of generation facilities will not cause problems on site (surveys are scheduled to be implemented by June).

◆ On March 31, 2008, TEPCO submitted an interim report on seismic safety evaluations (backchecks) of Fukushima Daiichi and Daini nuclear power stations based on the new earthquake-resistance study guidelines.

1. Carry out geological surveys based on the new earthquake-resistance study guidelines.
2. Conservatively evaluate the length, etc.,
3. Determine ground movement standards (Ss)
  - Conservatively estimate seismic motion, considering uncertainties about the epicenter including location and size, etc.

Maximum acceleration:

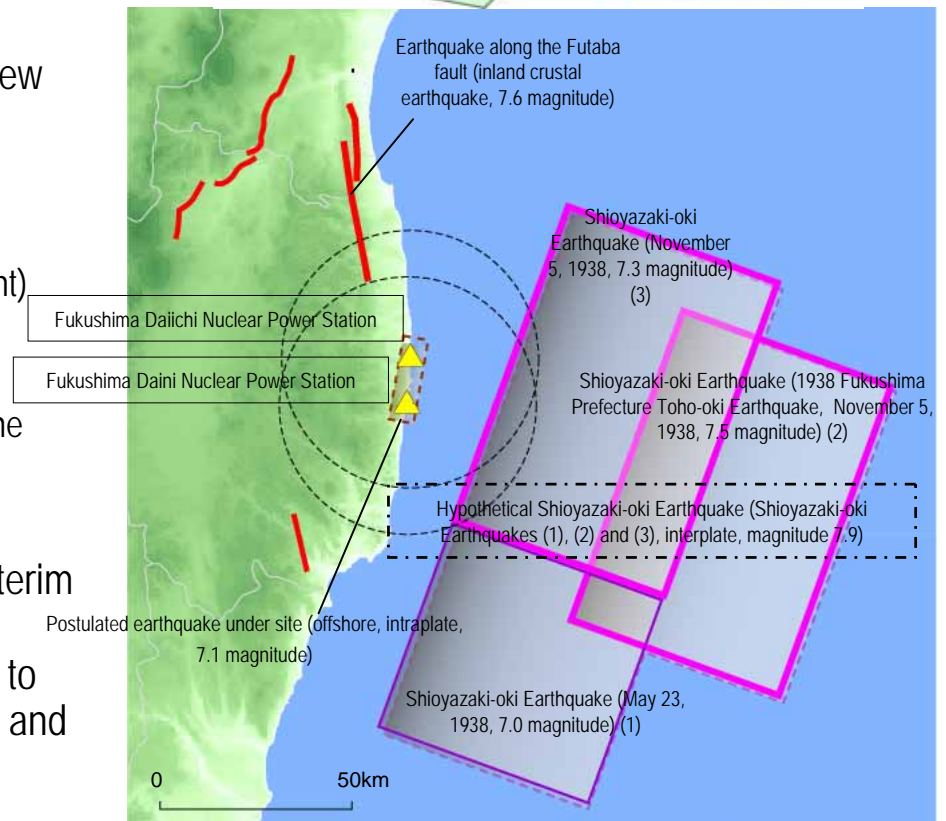
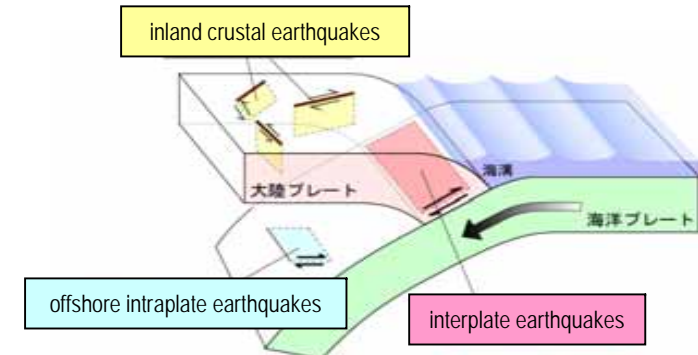
370 gal (under previous guidelines)    600 gal (under new guidelines)

### - Evaluate Seismic Safety

Perform response analysis of the reactor buildings and important facilities (representative shutdown, cooling and lockdown equipment) at representative plants (Fukushima Daiichi, Unit 5 and Fukushima Daini, Unit 4) based on ground movement standards (Ss), and confirm that seismic safety has been secured within the scope of the current evaluation.

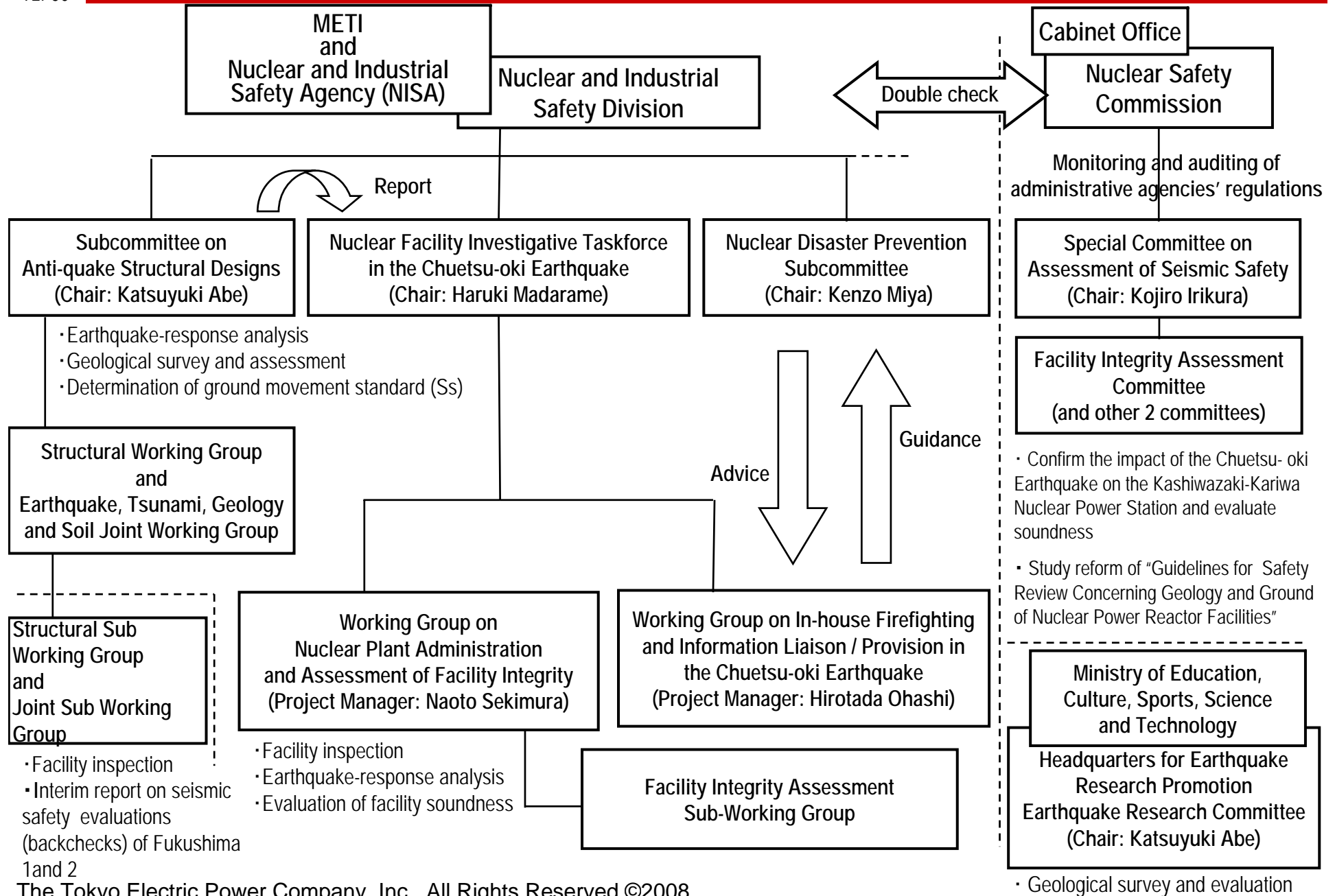
### ◆ Future Plans

- Governmental Organizations: Deliberate the backcheck interim report.
- TEPCO: Continue the seismic safety evaluations and plan to submit the final report on Fukushima Daiichi in June 2009 and on Fukushima Daini in March 2009.





# 【Reference】 Governmental Inspection and Investigation System



## Turbine Inspection (Detailed Inspection of Unit 7)

- Removed all rotor blades from stage 14 (on turbine and generator sides) of low-pressure turbines A, B and C (152 blades per side, 912 total) and confirmed damage to 2 forks (bases of blades) , 1 in turbine B and 1 in C, through visual inspection.

Note: The status of the one damaged blade in turbine C was described in our presentation of 2008 Business Management Plan.

- Non-destructive inspection of the undamaged 910 rotor blade forks confirmed indications on 90.
- Non-destructive inspection of stage 14 rotor blade fork attachments of low-pressure turbines A, B and C did not find any indications.
- Additional turbine inspections will be performed based on the results of continuing detailed inspections and investigations of damage causes.

