



Financial Results for FY 2004

(April 1, 2004 – May 31, 2005)

Presentation Materials

May 11, 2005
Katsutoshi Chikudate
Executive Vice President
Tokyo Electric Power Company



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 involves 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.



Contents

•	FY 2004 Results Summary (Consolidated and Non-consolidated)	3
•	Income Statement and Segment Information (Consolidated)	4
•	Income Statement Explanation - Revenues (Non-consolidated)	5
•	Income Statement Explanation - Expenses (Non-consolidated)	6
•	Comparison of Performance Projections and Actual Performance	7
•	Application of Free Cash Flow and Balance Sheet (Consolidated and Non-consolidated)	8
•	Information and Telecommunications Business: Fiber Optics Network Company	9
•	Information and Telecommunications Business: POWEREDCOM Group	10
•	Other Businesses: Gas Business Company	11
•	Performance Outlook for FY 2005	12
•	Electricity Sales Outlook for FY 2005; Key Factors and Financial Influence	13
•	Electricity Sales Volume	14
•	Business Management Plan Targets and Performance	15
•	<Reference> Business Growth Targets in Fields other than Electric Power	16



FY 2004 Results Summary (Consolidated and Non-consolidated)

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

(Unit: Billion yen)

	FY 2004 (A)	FY 2003 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenues	5,047.2	4,853.8	193.3	104.0
	4,823.2	4,734.5	88.6	101.9
Operating Profit	566.3	489.0	77.2	115.8
	535.4	472.2	63.2	113.4
Ordinary Profit	408.2	307.7	100.4	132.7
	384.5	304.4	80.0	126.3
Net Income	226.1	149.5	76.6	151.2
	244.8	151.8	93.0	161.3
Free Cash Flow	946.8	557.8	388.9	169.7
	891.5	543.5	348.0	164.0
Net Income Per Share	167.29	110.53	56.76	151.4
	(yen) 181.13	112.25	68.88	161.4
Shareholders' Equity Ratio	18.2	17.0	1.2	
	(%) 17.8	16.2	1.6	
ROA	4.1	3.5	0.6	
	(%) 4.0	3.5	0.5	
ROE	9.3	6.5	2.8	
	(%) 10.9	7.2	3.7	
Number of Consolidated Subsidiaries	130	125	5	
Number of Affiliates Accounted for by Equity Method	50	43	7	
Consolidated / Non-consolidated Ratio	(Operating Revenues) (%)	1.05	1.03	0.02
	(Net Income) (%)	0.92	0.99	(0.07)



Income Statement and Segment Information (Consolidated)

Income Statement

	(Unit: Billion yen)			
	FY 2004 (A)	FY 2003 (B)	Comparison (A)-(B) (A)/(B) (%)	
Operating Revenues	5,047.2	4,853.8	193.3	104.0
Operating Profit	566.3	489.0	77.2	115.8
Non-operating Revenues	38.8	24.2	14.5	160.0
Investment gains under the equity method	1.1	-	1.1	-
Other non-operating revenues	37.7	24.2	13.4	155.4
Non-operating Expenses	196.9	205.5	(8.6)	95.8
Investment loss under the equity method	-	16.5	(16.5)	-
Other non-operating expenses	196.9	188.9	7.9	104.2
Ordinary Profit	408.2	307.7	100.4	132.7
Extraordinary Losses	27.6	44.8	(17.2)	61.6
Minority Interests Gains	1.0	-	1.0	-
Minority Interests Losses	-	1.2	(1.2)	-
Net Income	226.1	149.5	76.6	151.2

Investment gains under the equity method rose by ¥17.6 billion
Kandenko Co., Ltd. ¥12.6 billion
(-¥9.3 billion → ¥3.3 billion)

TEPCO's portion of POWEREDCOM's impairment loss was ¥27.6 billion (out of the total of ¥75.6 billion)

Segment Information

	(Unit: Billion yen)			
	FY 2004 (A)	FY 2003 (B)	Comparison (A)-(B) (A)/(B) (%)	
Operating Revenues	5,047.2	4,853.8	193.3	104.0
Electric Power	4,798.8	4,722.1	76.7	101.6
Information & Telecommunications	183.6	87.3	96.2	210.3
Other Businesses	416.7	373.5	43.2	111.6
Eliminations	(352.0)	(329.1)	(22.8)	-
Operating Profit	566.3	489.0	77.2	115.8
Electric Power	567.0	491.3	75.7	115.4
Information & Telecommunications	(31.9)	(17.8)	(14.1)	-
Other Businesses	28.5	14.1	14.3	201.5
Eliminations	2.7	1.4	1.3	194.1
Assets	13,748.8	13,900.9	(152.0)	98.9
Electric Power	12,693.7	13,143.5	(449.7)	96.6
Information & Telecommunications	377.3	120.1	257.1	314.1
Other Businesses	930.7	867.5	63.1	107.3
Eliminations	(252.9)	(230.2)	(22.6)	-
Depreciation	847.5	889.9	(42.4)	95.2
Electric Power	787.5	846.9	(59.3)	93.0
Information & Telecommunications	32.5	18.0	14.5	180.6
Other Businesses	33.0	29.6	3.3	111.2
Eliminations	(5.6)	(4.6)	(0.9)	-
Capital Expenditures, Etc.	561.2	663.9	(102.7)	84.5
Electric Power	459.3	573.5	(114.2)	80.1
Information & Telecommunications	40.0	26.0	14.0	154.1
Other Businesses	64.9	67.5	(2.6)	96.1
Eliminations	(3.2)	(3.2)	0.0	-

Income Statement Explanation – Revenues (Non-consolidated)

Income Statement

			(Unit: Billion yen)	
	FY 2004 (A)	FY 2003 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Profit	535.4	472.2	63.2	113.4
Ordinary Profit	384.5	304.4	80.0	126.3
Net Income	244.8	151.8	93.0	161.3

Revenues Details

			(Unit: Billion yen)	
	FY 2004 (A)	FY 2003 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Ordinary Revenues	4,851.7	4,760.4	91.3	101.9
Operating Revenues	4,823.2	4,734.5	88.6	101.9
Electric power operating revenues	4,798.6	4,722.1	76.5	101.6
Electricity sales revenues	4,637.2	4,598.1	39.1	100.9
Lighting	1,976.8	1,909.4	67.3	103.5
Commercial and industrial	2,660.4	2,688.7	(28.2)	98.9
Inter-company power sales	75.3	56.7	18.6	132.8
Sales of power to other companies	25.7	15.2	10.5	169.1
Other revenues	60.2	51.9	8.2	115.9
Incidental business operating revenues	24.6	12.4	12.1	197.6
Non-operating revenues	28.5	25.9	2.6	110.1

Increase in Electricity Sales Volume
(+10.7 billion kWh) +¥173.5 billion

FY 2004	FY 2003
286.7 billion kWh	276.0 billion kWh

Decline in Unit Sales Price -¥134.4 billion

(Influence from reduction in electricity rates
 -¥120.0 billion
Influence from fuel cost adjustment system
 -¥6.0 billion)

Telecommunications Business	+¥6.0 billion
Gas Business	+¥5.1 billion



Income Statement Explanation – Expenses (Non-consolidated)

Expenses Details

(Unit: Billion yen)

	FY 2004 (A)	FY 2003 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Ordinary Expenses	4,467.2	4,455.9	11.2	100.3
Operating Expenses	4,287.7	4,262.3	25.4	100.6
Electric Power Operating Expenses	4,231.8	4,231.5	0.3	100.0
Personnel	454.4	445.1	9.2	102.1
Fuel	822.4	905.8	(83.3)	90.8
Maintenance	472.7	411.4	61.2	114.9
Depreciation	785.9	845.0	(59.1)	93.0
Purchased power	600.8	637.1	(36.2)	94.3
Taxes, etc.	343.9	338.9	4.9	101.5
Other expenses	751.4	648.0	103.4	116.0
Incidental business operating revenues	55.8	30.7	25.0	181.4
Non-operating Expenses	179.4	193.6	(14.1)	92.7
Interest paid	156.3	167.9	(11.6)	93.1
Other expenses	23.1	25.6	(2.4)	90.3

Retirement benefits	+¥5.8 billion
Payroll and benefits	+¥5.0 billion
Consumption volume	-¥100 billion
Price increase	+¥17.0 billion
Rise in CIF prices:	+¥86.0 billion
Savings from appreciation of the yen:	-¥45.0 billion
Inventory adjustments, etc.:	-¥24.0 billion
Generation facilities	+¥53.0 billion
Distribution facilities	+¥7.8 billion
Nuclear power	-¥15.9 billion
Thermal power	-¥22.5 billion
Transmission	-¥11.8 billion
Transformation	-¥6.1 billion
Inter-company power purchases	-¥39.0 billion
Purchases of power from other companies	+¥2.8 billion
Nuclear power back-end costs	+¥65.4 billion
Overhead, etc.	+¥37.9 billion
Telecommunications business	+¥22.0 billion
Gas business	+¥4.7 billion
Decline in interest-bearing debt outstanding	-¥8.3 billion
Interest rate decline (average interest rate during the period of 1.89%)	-¥3.0 billion

Comparison of Performance Projections and Actual Performance

Performance Projections (Feb. 8, 2005)

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

Operating Revenues	Operating Profit	Ordinary Profit	Net Income
5,060.0	520.0	360.0	198.0
4,810.0	500.0	350.0	225.0

Reasons for Variance between Performance and Projections

Non-consolidated performance: ordinary profit increase of ¥35.0 billion

- <Main Factors Increasing Profit> ¥35.0 billion
- Increase in electricity sales revenues: increase in electricity sales volume (after deduction of fuel costs) ¥15.0 billion
 - Decline in maintenance costs and overhead ¥20.0 billion

Consolidated performance: ordinary profit increase of ¥48.0 billion

- Improved profit performance at subsidiaries, in addition to the increase in non-consolidated profits

Actual Performance

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

Operating Revenues	Operating Profit	Ordinary Profit	Net Income
5,047.2	566.3	408.2	226.1
4,823.2	535.4	384.5	244.8

Application of Free Cash Flow

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

	FY 2004 (A)	FY 2003 (B)	(A) – (B)
Cash Flow from Operating Activities	1,411.4	1,147.5	263.8
	1,347.7	1,107.6	240.1
Capital Expenditures, etc. (Cash Basis)	(464.6)	(589.7)	125.1
	(456.2)	(564.1)	107.8
Free Cash Flow	946.8	557.8	388.9
	891.5	543.5	348.0

(Unit: Billion yen)

	FY 2004 (A)	FY 2003 (B)	(A) – (B)
Reduction of Interest-bearing Debt	701.7	367.2	334.5
	676.2	384.8	291.4
Dividends	80.9	80.9	0.0
	80.9	80.9	0.0
Investments, etc.	164.1	109.6	54.4
	134.3	77.7	56.5
(of which, investments in diversified businesses)	89.6	78.2	11.4
	128.8	41.3	87.5

Incidental business investment ¥24.8 billion
Investments via share purchases and capital contributions ¥103.9 billion

(POWEREDCOM, Inc. ¥83.3 billion
Kanto Natural Gas Development Co., Ltd. ¥6.1 billion
Sportsplex Japan Co., Ltd. ¥4.1 billion
FAMILYNET JAPAN Corporation ¥2.2 billion)

Balance Sheet

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

	FY 2004 (A)	FY 2003 (B)	Comparison	
			(A)–(B)	(A)/(B) (%)
Total Assets	13,748.8	13,900.9	(152.0)	98.9
	13,101.1	13,434.3	(333.1)	97.5
Liabilities	11,214.3	11,513.3	(298.9)	97.4
	10,766.4	11,264.5	(498.1)	95.6
(Interest-bearing debt outstanding)	8,261.7	8,765.1	(503.4)	94.3
	7,908.9	8,585.2	(676.2)	92.1
Shareholders' Equity	2,502.1	2,360.4	141.6	106.0
	2,334.7	2,169.7	165.0	107.6
Shareholders' Equity Ratio (%)	18.2	17.0	1.2	-
	17.8	16.2	1.6	-

(Unit: Billion yen)

	FY 2004 (A)	FY 2003 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenues	10.1	4.2	5.8	239.0
Operating Profit	(30.6)	(14.8)	(15.7)	-

Performance, etc.

<Performance>

Number of subscribers grew steadily and revenues rose as service area expanded and name recognition increased with the implementation of various campaigns, but the business posted an operating loss of ¥30.6 billion because of increased facilities-related and customer-acquisition expenses.

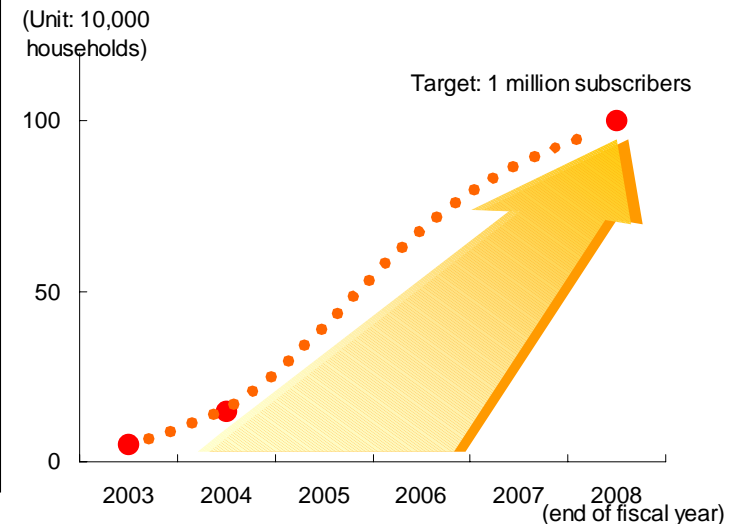
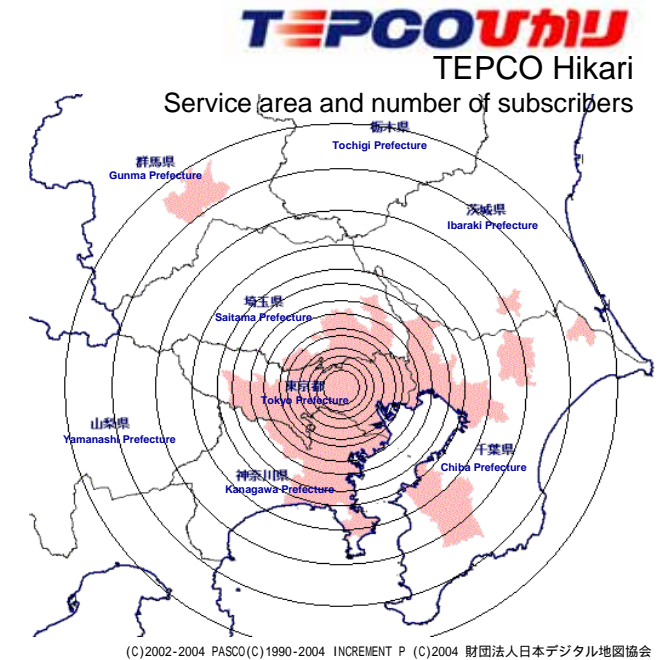
Number of subscribers: Approx. 130,000 households
 FY 2004 capital investment: ¥21.8 billion
 Total length of fiber optic cable: Approx. 96,000 km
 (Total of electric power business and telecommunications business)

<FY 2005 Performance Outlook>

Revenues are projected to increase from expanding the service area, strengthening sales abilities, and providing new services, but the business is projected to post an operating loss of ¥46 billion because of increased customer-acquisition expenses. The service area will expand from 8 million to 10 million households.

<Business Plan Target>

To secure 1 million subscribers in FY 2008





Information and Telecommunications Business: POWEREDCOM Group

(Unit: Billion yen)

	FY 2004			FY 2003
	1st half	2nd half	Full year	full year
POWEREDCOM				
Operating Revenues	63.8	53.6	117.5	169.3
Operating Profit	(4.1)	6.7	2.6	(7.8)
Ordinary Profit	(6.2)	5.5	(0.7)	(12.0)
Net Income	(87.3)	7.0	(80.3)	(14.3)
Fusion Group*				
Operating Revenues	28.9	40.6	69.6	29.4
Operating Profit	0.0	0.7	0.8	(1.4)
Ordinary Profit	(1.6)	(0.1)	(1.8)	(2.2)
Net Income	(2.0)	(0.9)	(3.0)	(9.3)
Dream Train Internet Group				
Operating Revenues	4.0	5.5	9.5	4.6
Operating Profit	0.0	(0.5)	(0.5)	0.1
Ordinary Profit	0.0	(0.5)	(0.6)	0.0
Net Income	(0.3)	(0.5)	(0.9)	0.0

Consolidated as an affiliated firm under the equity method

Consolidated as a subsidiary

*The FY 2003 performance figures for Fusion Group and Dream Train Internet Group are non-consolidated results.

<Reference>

POWEREDCOM Group (Consolidated)

(Unit: Billion yen)

	FY 2004		
	1st half	2nd half	Full year
Operating Revenues	85.4	95.0	180.5
Operating Profit	(4.8)	5.4	0.6
Ordinary Profit	(8.0)	4.1	(3.8)
Net Income	(89.1)	5.3	(83.8)

POWEREDCOM Group Performance, Etc.

<Performance>

In the 1st half of FY 2004, the book values of fixed assets were rectified with the adoption of asset impairment accounting, the financial constitutions was reinforced through capital increase and decrease, interest-bearing debt was reduced, and operations were reorganized.

In the 2nd half of FY 2004, advances were made toward shifting into a profit-generating structure by revising work processes, adopting a complete customer orientation, strengthening sales, and managing cost prices.

Consequently, the performance greatly surpassed the projections for the full year FY 2004 (for an operating loss of ¥5.9 billion and an ordinary loss of ¥10.6 billion) envisioned when the decision was reached on a capital increase in July 2004.

Specifically, operating profit exceeded the projections by ¥6.5 billion to reach ¥0.6 billion, and ordinary profit exceeded the projections by ¥6.8 billion to reach ¥3.8 billion).

<FY 2005 Business Plan Target>

In FY 2005 the POWEREDCOM Group will increase and upgrade its product lineup, expand its business areas, and develop new services toward increasing operating revenues and implementing a full-scale growth strategy, and expects to realize operating revenues of ¥ 210 billion, operating profit of ¥11 billion, and ordinary profit of ¥9 billion.

(Unit: Billion yen)

	FY 2004 (A)	FY 2003 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenues	7.9	2.8	5.1	281.5
Operating Profit	0.6	0.2	0.4	256.3

Performance, Etc.

<Performance>

Great increase in operating revenues from large growth in sales volumes compared with the prior term, but sales volumes were still below initial projections and thus the operating revenues targets were not achieved.

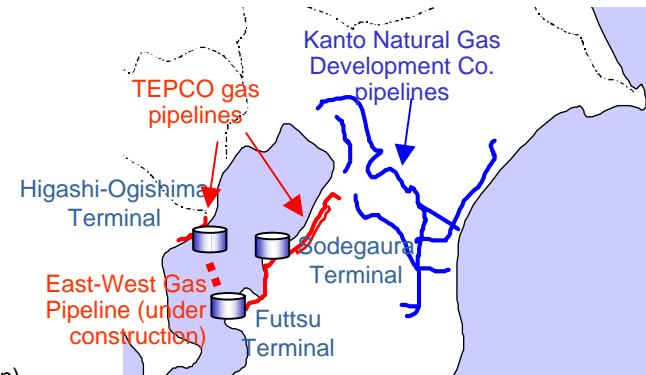
Nevertheless, an operating profit of ¥0.6 billion was still secured because raw materials costs declined in line with the reduced gas sales volume, scheduled personnel increases were postponed, and other efforts were made to reduce overhead costs.

<FY 2005 Performance Outlook>

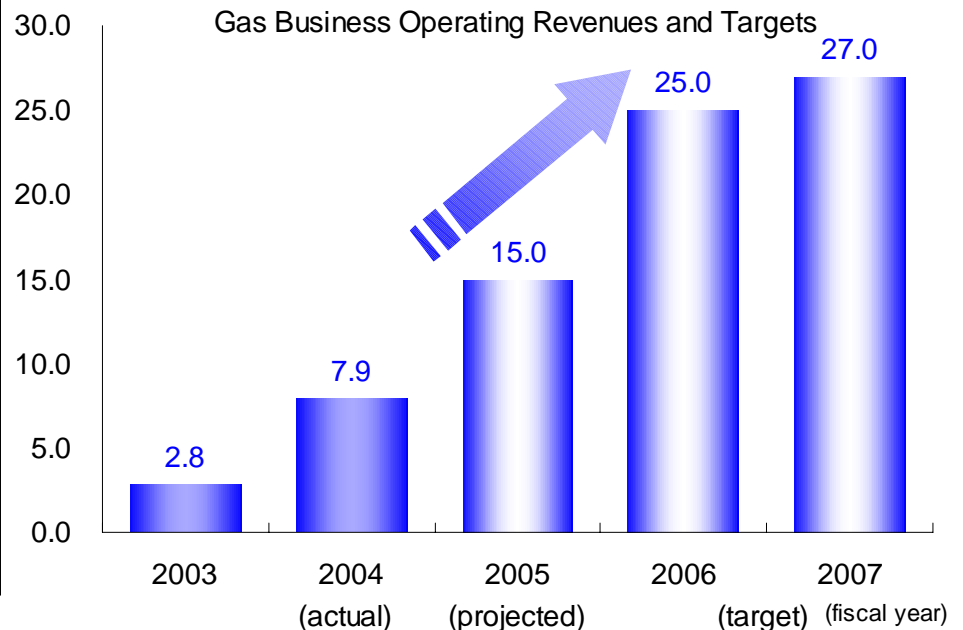
Operating revenues are projected to increase to around ¥15 billion in line with projections for large growth in sales volumes. Nevertheless, expenses are projected to basically equal revenues because of an increase in expenses as supply is initiated to new customers.

<Business Plan Target>

Operating revenues of ¥27 billion in FY 2007



(Unit: Billion yen)



Performance Outlook

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

(Unit: Billion yen)

	Operating Revenues	Operating Profit	Ordinary Profit	Net Income
FY 2005 Projection	5,150.0 4,800.0	550.0 520.0	390.0 370.0	240.0 235.0
FY 2004 Actual	5,047.2 4,823.2	566.3 535.4	408.2 384.5	226.1 244.8

Key Factors Affecting Performance and Outlook

Non-consolidated Performance Projections

- Ordinary profit is projected to decline by about ¥15.0 billion

Revenues

Operating revenues

Decrease of about ¥25.0 billion

- Electricity sales volume decrease (286.7 billion kWh → 283.5 billion kWh)
- Influence from reduction in electricity rates (¥ -140.0 billion)
- Influence from fuel cost adjustment system (¥ +140.0 billion)
- Increase in incidental business revenues

Expenditures

Personnel Costs Reduction of about ¥10.0 billion

- Decline in reaction to the unpaid overtime wages settlement payments made in FY 2004, etc.

Fuel Costs Reduction of about ¥50.0 billion

- Increase in nuclear power generation; rise in fuel prices

Maintenance Costs Increase of about ¥20.0 billion

- Increase in inspections and repairs to secure the safety and functions of distribution facilities, etc.

Depreciation Costs Reduction of about ¥30.0 billion

Other Costs

- Increase in incidental business expenses, etc.

Consolidated Performance Projections: Ordinary profit is projected to decline by about ¥18.0 billion

- Projected decline in consolidated profits primarily due to the projected decline in non-consolidated profits



Electricity Sales Outlook for FY 2005; Key Factors and Financial Influence

Electricity Sales Outlook for FY 2005

	(Unit: Billion kWh)			<Reference>
	1st half (projected)	FY 2005 2nd half (projected)	Full year (projected)	FY 2004 full year (actual)
Other than eligible customers' use	50.3	54.7	105.0	-
Lighting	43.5	48.5	92.0	92.6
Low voltage	5.6	5.1	10.7	11.4
Others	1.2	1.1	2.3	-
Eligible customers' use	91.6	86.9	178.5	-
Total	141.9	141.6	283.5	286.7

*Demand classifications differ before and after April 2005 because of the expansion in the range of liberalization.

Key Factors Affecting Performance

	FY 2005 (projected)	FY 2004 (actual)	<Reference> FY 2003 (actual)
Foreign exchange rate (Interbank; ¥/\$)	approx. 110	107.6	113.2
Crude oil prices (All Japan CIF; \$/b)	approx. 45	38.76	29.43
Nuclear power plant capacity utilization ratio (%)	70-75	61.7	26.3
Thermal power efficiency (%)	approx. 42	41.9	41.8
Flow rate (%)	100	110.5	107.4
Number of employees (persons)	approx. 38,200	38,510	38,950
Capital expenditures (billion yen)	607.9	464.2	576.1
Capital expenditures (incidental businesses) (billion yen)	approx. 53.0	24.8	16.6

Financial Influence

	FY 2005 (projected)	FY 2004 (actual)	<Reference> FY 2003 (actual)
Foreign exchange rate (Interbank; ¥/\$)	approx. 80	approx. 80	approx. 80
TEPCO procurement crude oil equivalent price (\$/b)*	approx. 220	approx. 240	approx. 310
Nuclear power plant capacity utilization ratio (%)	approx. 65	approx. 65	approx. 60
Flow rate (%)	approx. 10	approx. 10	approx. 10
Interest rate (long-term) 1%	approx. 30	approx. 40	approx. 60
Interest rate (short-term) 1%	approx. 50	approx. 50	approx. 80

*Financial influence figures are based not on All Japan CIF customs prices, but are rather calculated considering the influence of TEPCO's procurement crude oil equivalent prices (\$/b; caloric equivalent). The actual influence from changes in the All Japan CIF prices (\$/b) is approximately 50% of 22 billion yen.



Electricity Sales Volume

Electricity Sales Volume Performance

(Unit: Million kWh; %)

	FY 2004 1st half total	FY 2004 2nd half total	FY 2004 full year total
Other than eligible customers' use	85,665 <i>(8.3)</i>	85,166 <i>(2.8)</i> [101.3]	170,831 <i>(5.4)</i> [100.6]
Lighting	44,610 <i>(9.1)</i>	47,982 <i>(4.2)</i> [102.0]	92,592 <i>(6.5)</i> [101.0]
Commercial use	23,223 <i>(7.7)</i>	21,203 <i>(2.2)</i> [101.0]	44,426 <i>(5.0)</i> [100.5]
Low voltage	6,248 <i>(13.7)</i>	5,198 <i>(1.1)</i> [102.5]	11,446 <i>(7.6)</i> [101.1]
High voltage A	10,139 <i>(5.1)</i>	9,522 <i>(0.8)</i> [97.9]	19,661 <i>(2.2)</i> [99.0]
Electric power total	41,055 <i>(7.4)</i>	37,184 <i>(0.9)</i> [100.4]	78,239 <i>(4.2)</i> [100.2]
Eligible customers' use	60,298 <i>(3.0)</i>	55,611 <i>(0.3)</i> [99.9]	115,910 <i>(1.7)</i> [99.9]
Total electricity sales volume	145,963 <i>(6.0)</i>	140,778 <i>(1.8)</i> [100.7]	286,741 <i>(3.9)</i> [100.4]
(Of which)	43,665	41,060	84,725
Large-lot electricity sales	<i>(3.1)</i>	<i>(0.2)</i> [-]	<i>(1.7)</i> [-]

Notes:

- Figures inside parentheses () denote percentage changes from the previous year; figures inside brackets [] denote percentage changes from TEPCO projections; all figures are rounded off to the nearest whole numbers.
- Demand classifications differ before and after April 2004 because of the expansion in the range of liberalization; year-on-year comparisons presented in *italics* are adjusted converting the prior year's performance to equivalents under the 2004 demand classifications.

Electricity Sale Volume Trends

- Consumer demand rose sharply, especially during the 1st half, with the increased air-conditioning demand from the exceptionally hot summer of 2004, and in reaction to the weak demand during the cool summer of 2003.
[FY 2004 year-on-year growth rates]
Lighting: 6.5%; commercial use: 5.0%
(commercial use constitutes demand other than eligible customers' use)
- Industrial demand rose from firm exports, especially during the 1st half, despite the present weak developments in some areas of the economy, and because of the increased air-conditioning demand from the exceptionally hot summer of 2004.
[FY 2004 year-on-year growth rates]
High voltage A: 2.2%; large-lot sales: 1.7%
- As a result of these developments, total electricity sales volume rose for the first time in two years in FY 2004 to post a record-high 286.7 billion kWh.

Electricity Sales Efforts

FY 2004 electricity sales volume increase:	1.0 billion kWh
[Corporate and large-lot customers]	720 million kWh
Office and factory air conditioning	150 million kWh (equivalent to about 7,000 Eco Ice units)
Electric kitchens, etc.	70 million kWh (equivalent to about 1,000 restaurants)
Industrial use electric heating, etc.	500 million kWh (equivalent to about 140 factories)
[Household customers]	270 million kWh
Share of all-electric homes in new housing	6.4%; about 32,000 homes



Business Management Plan Targets and Performance

(Fiscal year)	2000	2001	2002	2003	2004	<Reference>	
						FY 2004 Business Management Plan: FY 2004-2006 Targets	FY 2005 Business Management Plan: FY 2005-2007 Targets
Profit and Free Cash Flow (FCF) Targets							
ROA (%)	5.0	4.5	3.6	3.5	4.1	At least 4%	At least 4%
	5.0	4.5	3.7	3.5	4.0		
FCF (billion yen)	529.8	613.5	648.5	557.8	946.8	At least ¥550 billion	About ¥500 billion
	506.2	604.5	649.4	543.5	891.5		
Ordinary Profit (billion yen)	320.0	319.5	280.8	304.4	384.5	At least ¥300 billion	At least ¥350 billion
ROE (%)	11.1	9.5	7.5	7.2	10.9	At least 9%	-
Balance Sheet Improvement Targets							
Shareholders' Equity Ratio (%)	13.5	14.1	14.9	16.2	17.8	At least 20% (end of FY 2006)	At least 22% (end of FY 2007)
Interest-bearing Debt (billion yen)	9,861.3	9,425.1	8,970.0	8,585.2	7,908.9	Reduction of at least ¥400 billion	Reduction of at least ¥1 trillion (three-year total)
Efficiency Gains Targets							
Capital Investment (billion yen)	905.9	932.2	645.2	576.1	464.2	About ¥590 billion	About ¥620 billion
Repairs and Maintenance (billion yen)	548.5	503.9	406.2	411.4	472.7	About ¥460 billion	About ¥460 billion
Number of Employees (persons)	41,403	40,725	39,619	38,950	38,510	37,500 or less (end of FY 2006)	37,500 or less (end of FY 2007)
Business Growth Targets							
Development of Electricity Sales Volume (billion kWh)					1.0	3.0 billion kWh (three-year total)	4.0 billion kWh (three-year total)
Operating Revenues from Businesses other than Electric Power (billion yen)						—	About ¥500 billion (end of FY 2007)
Operating Profit from Businesses other than Electric Power (billion yen)						—	About ¥25 billion (end of FY 2007)

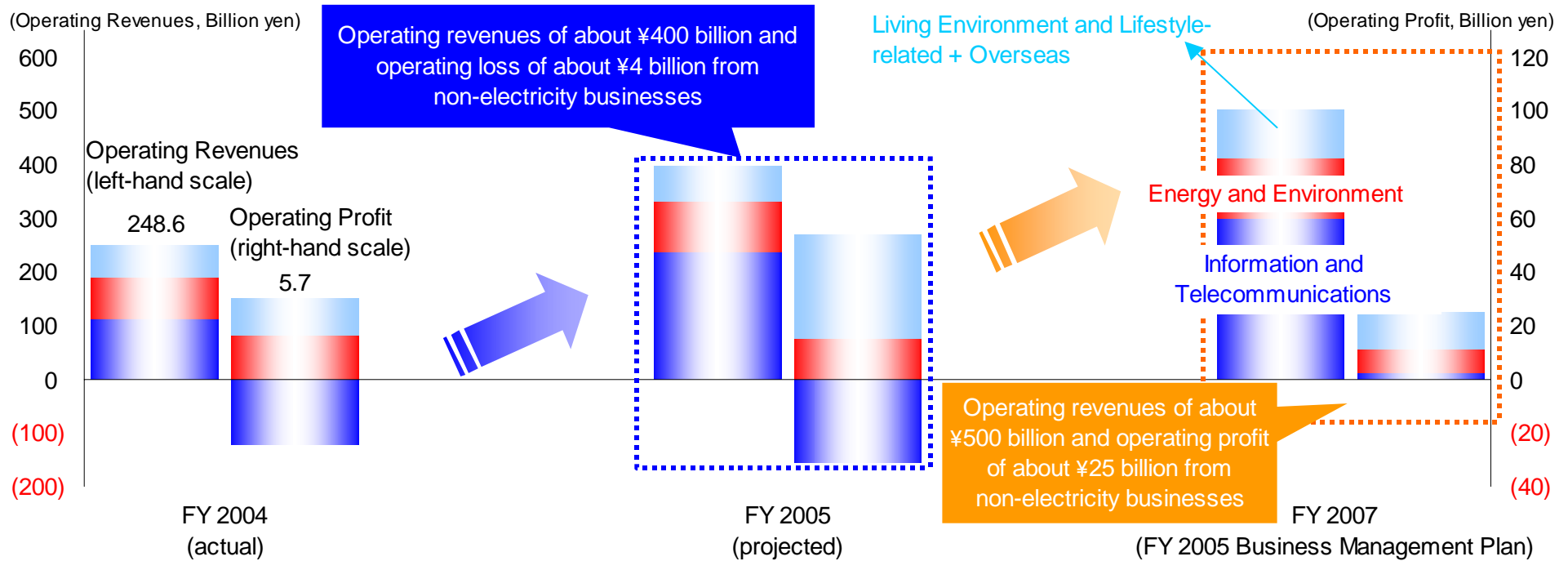
*For FCF and ROA, upper rows show consolidated figures and lower rows show non-consolidated figures. Unless otherwise specified, business management plan targets are three-year averages.

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



<Reference>

Business Growth Targets in Fields other than Electric Power 16



Performance and Outlook

	(Unit: Billion yen)			
	Information and Telecommunications	Energy and Environment	Living Environment and Lifestyle-related + Overseas	Total
FY 2004 (actual)				
Operating Revenues	110.7	77.9	59.8	248.6
Operating Profit	(24.7)	16.3	14.1	5.7

FY 2005 outlook is for an operating loss of about ¥4 billion on operating revenues of about ¥400 billion.

※ Total operating revenues of consolidated subsidiaries and incidental businesses to outside customers

※ Total operating profit of consolidated subsidiaries and incidental businesses