



FY2005 Interim Results

(April 1, 2005 – September 30, 2005)

Presentation

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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.



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FY2005 Interim Results Summary

(Consolidated and Non-consolidated)

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

(Unit: Billion yen)

		1st half	1st half	Comparison	
		FY2005(A)	FY2004(B)	(A)-(B)	(A)/(B)(%)
Operating revenues		2,552.6	2,528.9	23.6	100.9
		2,399.4	2,464.8	-65.4	97.3
Operating expenses		2,290.2	2,120.4	169.8	108.0
		2,153.3	2,068.3	85.0	104.1
Operating profit		262.3	408.5	-146.1	64.2
		246.0	396.5	-150.4	62.1
Ordinary expenses		2,388.3	2,216.0	172.3	107.8
		2,238.8	2,156.2	82.5	103.8
Ordinary profit		183.2	332.7	-149.5	55.1
		174.7	326.8	-152.1	53.5
Net interim income		107.9	183.0	-75.0	59.0
		110.0	210.4	-100.4	52.3
Free cash flow		196.3	380.9	-184.6	51.5
		157.4	362.2	-204.8	43.5
Net interim income per share	(yen)	80.01	135.57	-55.56	59.0
		81.45	155.73	-74.28	52.3
Shareholders' equity ratio	(%)	19.1	17.8	1.3	-
		18.7	17.5	1.2	-
ROA	(%)	1.9	2.9	-1.0	-
		1.9	3.0	-1.1	-
ROE	(%)	4.2	7.6	-3.4	-
		4.6	9.3	-4.7	-

Comparison of Performance Projections and Actual Performance

Performance Projections (May 10, 2005)

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

Operating revenues	Operating profit	Ordinary profit	Net interim income
2,500	270	180	110
2,340	255	180	115



Reasons for Variance

Non-consolidated performance: Decrease in ordinary profit of ¥5 billion

Factors for Improved Performance		¥60 billion	Factors for Weaker Performance		¥65 billion
Increase in electricity sales revenues	¥30 billion		Rise in All Japan CIF price	¥35 billion	
Decrease from using more oil fuel (141.9 billion kWh to 143.8 billion kWh)	-¥10 billion		(Around \$45/barrel to \$53.07/barrel)		
Increase in sales of power to other companies	¥20 billion		Increase in fuel costs due to limited operation of TEPCO nuclear power plants	¥30 billion	
Decline in maintenance costs and overhead	¥15 billion				
Other factors	¥5 billion				

Consolidated Performance: Increase of ¥3 billion in ordinary profit; Improved profit performance at subsidiaries.



Actual Performance

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

Operating revenues	Operating profit	Ordinary profit	Net interim income
2,552.6	262.3	183.2	107.9
2,399.4	246.0	174.7	110.0

Performance Outlook for FY2005

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

	Operating revenues	Operating profit	Ordinary profit	Net income
Present Projection	5,180	525	375	260
	4,860	490	350	220
Initial Projection (May 10)	5,150	550	390	240
	4,800	520	370	235
Differential	30	-25	-15	20
	60	-30	-20	-15

Main Factors for Revision

Non-consolidated performance: Decrease in ordinary profit of ¥20 billion

Factors for Improved Performance	¥135 billion
Increase in electricity sales revenues (After deduction of fuel costs) (Increased revenue from fuel cost adjustments (+¥30 billion))	¥20 billion
Increase in sales of power to other companies	¥40 billion
Cost reductions	¥60 billion
Other factors	¥15 billion

Factors for Weaker Performance	¥155 billion
Rise in fuel prices	¥120 billion
<ul style="list-style-type: none"> Rise in All Japan CIF price (Approx. \$45/barrel to approx. \$56/barrel) ¥100 billion Yen depreciation (Approx. ¥110=\$1 to approx. ¥112=\$1) ¥20 billion 	
Decrease in nuclear power generated	¥35 billion

Consolidated Performance: Decrease of ¥15 billion in ordinary profit; principally caused by non-consolidated decrease



Income Statement Explanation – Revenues

(Non-consolidated)

Revenues Details (Non-consolidated)

(Unit: Billion yen)

	1st half FY2005(A)	1st half FY2004(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Ordinary revenues	2,413.6	2,483.1	-69.5	97.2
Operating revenues	2,399.4	2,464.8	-65.4	97.3
Electric power operating revenues	2,380.7	2,455.2	-74.4	97.0
Electricity sales revenues	2,280.1	2,376.6	-96.4	95.9
Lighting	939.2	974.3	-35.1	96.4
Commercial and industrial	1,340.9	1,402.2	-61.2	95.6
Inter-company power sale	49.6	37.0	12.6	134.0
Sales of power to other companies	17.8	13.6	4.2	131.0
Other revenues	33.0	27.9	5.1	118.5
Incidental business operating revenues	18.6	9.6	9.0	193.6
Non-operating revenues	14.2	18.3	-4.1	77.6

Decrease in Electricity Sales Volume (-2.1 billion kWh) -¥35.0 billion

Decline in Unit Sales Price -¥62.0 billion

{
Influence from reduction in electricity rates -¥130.0 billion
Influence from fuel cost adjustment system +¥59.0 billion
}

Wheeling supply revenue +¥3.2 billion

Telecommunications Business +¥5.2 billion

Gas Business +¥3.6 billion



Income Statement Explanation – Expenses (Non-consolidated)

Expenses Details (Non-consolidated)

(Unit: Billion yen)

	1st half FY2005(A)	1st half FY2004(B)	Comparison	
			(A)–(B)	(A)/(B) (%)
Ordinary expenses	2,238.8	2,156.2	82.5	103.8
Operating expenses	2,153.3	2,068.3	85.0	104.1
Electric power operating expenses	2,116.3	2,046.6	69.6	103.4
Personnel	224.3	228.8	-4.5	98.0
Fuel	475.4	392.6	82.7	121.1
Maintenance	240.9	239.5	1.3	100.6
Depreciation	386.2	401.6	-15.3	96.2
Purchased power	308.4	306.3	2.0	100.7
Taxes, etc.	183.7	189.9	-6.1	96.8
Other expenses	297.0	287.6	9.4	103.3
Incidental business operating expenses	37.0	21.6	15.3	170.8
Non-operating expenses	85.5	87.9	-2.4	97.2
Interest paid	76.2	79.0	-2.8	96.4
Other expenses	9.3	8.8	0.4	104.8



Reference: Year-on-Year Comparison of Ordinary Expenses - 1

(Non-consolidated)

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Decrease in personnel expense (¥228.8 billion to ¥224.3 billion) -¥4.5 billion

Payroll and benefits (¥157.0 billion to ¥157.4 billion)	+¥0.3 billion
Retirement benefits (¥30.7 billion to ¥24.7 billion)	-¥6.0 billion
Decrease in amortization of actuarial difference (-¥3.5 billion to -¥9.8 billion)	-¥6.3 billion

Amortization of actuarial difference

	1st half FY2005	1st half FY2004
Amount expensed for portion occurring in FY2002 (¥25.7 billion)	-	+¥4.2 billion
Amount expensed for portion occurring in FY2003 (-¥47.0 billion)	-¥7.8 billion	-¥7.8 billion
Amount expensed for portion occurring in FY2004 (-¥12.2 billion)	-¥2.0 billion	-
Total	-¥9.8 billion	-¥3.5 billion

Increase in fuel expense (¥392.6 billion to ¥475.4 billion) +¥82.7 billion

Influence of consumption volume	+¥10.0 billion
Decrease in power generated and purchased (158.2 billion kWh to 155.5 billion kWh)	-¥16.0 billion
Decrease in purchased power from other companies	+¥19.0 billion
Decrease in nuclear power generated	+¥7.0 billion
Influence of price	+¥73.0 billion
Rise in CIF price (All Japan CIF price: \$36.76/barrel to \$53.07/barrel)	+¥77.0 billion
Savings from appreciation of the yen (¥109.80=\$1 to ¥109.53=\$1)	-¥1.0 billion
Other factors (influence of inventory, etc.)	-¥3.0 billion



Reference: Year-on-Year Comparison of Ordinary Expenses - 2 (Non-consolidated)

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Increase in maintenance expense (¥239.5 billion to ¥240.9 billion) +¥1.3 billion

Generation related (¥133.0 billion to ¥125.7 billion)	-¥7.3 billion
Hydroelectric power (¥4.7 billion to ¥4.9 billion)	+¥0.2 billion
Thermal power (¥44.7 billion to ¥48.1 billion)	+¥3.4 billion
Nuclear power (¥83.5 billion to ¥72.6 billion)	-¥10.9 billion
Distribution related (¥102.7 billion to ¥111.5 billion)	+¥8.7 billion
Transmission (¥15.8 billion to ¥17.8 billion)	+¥1.9 billion
Transformation (¥9.9 billion to ¥10.1 billion)	+¥0.1 billion
Distribution (¥76.9 billion to ¥83.4 billion)	+¥6.5 billion

Decrease in depreciation (¥401.6 billion to ¥386.2 billion) -¥15.3 billion

Generation related (¥173.9 billion to ¥159.6 billion)	-¥14.2 billion
Hydroelectric power (¥19.4 billion to ¥26.3 billion)	+¥6.8 billion
Thermal power (¥95.6 billion to ¥81.1 billion)	-¥14.5 billion
Nuclear power (¥58.7 billion to ¥52.1 billion)	-¥6.6 billion
Distribution related (¥217.9 billion to ¥216.5 billion)	-¥1.3 billion
Transmission (¥96.5 billion to ¥99.9 billion) (Note)	+¥3.3 billion
Transformation (¥47.1 billion to ¥45.3 billion)	-¥1.8 billion
Distribution (¥74.2 billion to ¥71.3 billion)	-¥2.8 billion

Depreciation Breakdown

	1st half FY2005	1st half FY2004
Regular depreciation	¥375.9 billion	¥396.0 billion
Extraordinary depreciation	¥2.3 billion	¥1.5 billion
Trial operations depreciation	¥7.9 billion	¥4.0 billion

Note: The increase of ¥3.3 billion in depreciation on transmission facilities includes an increase of ¥8.6 billion associated with easements under power lines. Given amendments to the Electricity Utilities Industry Law, accounting practices have been applied starting in the term under review to more appropriately calculate costs associated with wheeling supply. In conjunction with this, easements established on power line premises (easements under power lines) are subject to straight line depreciation in order to appropriately calculate costs in accordance with the actual situation.



Reference: Year-on-Year Comparison of Ordinary Expenses - 3 (Non-consolidated)

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Increase in purchased power (¥306.3 billion to ¥308.4 billion)	+¥2.0 billion
Inter-company power purchases (¥105.1 billion to ¥117.4 billion)	+¥12.3 billion
Purchases of power from other companies (¥201.2 billion to 190.9 billion)	-¥10.2 billion
Decrease in taxes, etc. (¥189.9 billion to ¥183.7 billion)	-¥6.1 billion
Promotion of power-resources development tax (¥63.3 billion to ¥59.2 billion)	-¥4.0 billion
Increase in other expenses (¥287.6 billion to ¥297.0 billion)	+¥9.4 billion
Increase in nuclear power back-end costs (¥38.0 billion to ¥48.2 billion)	+¥10.2 billion
Irradiated nuclear fuel reprocessing costs (¥29.6 billion to ¥37.5 billion) (Note)	+¥7.9 billion
(Increase of ¥7.3 billion due to change in standard for stating reserve)	
Decommissioning costs for nuclear power units (¥2.0 billion to ¥4.8 billion)	+¥2.8 billion
Waste processing costs (nuclear power) (¥6.3 billion to ¥5.7 billion)	-¥0.6 billion

Note: Due to amendments to provisions of the Electricity Utilities Industry Law, starting in the interim period under review, the method for stating the reserve was changed from stating 60% of the amount required to be paid at the term-end for reprocessing costs to stating the actual cost of conducting reprocessing of irradiated nuclear fuel and other costs.

Increase in incidental business operating revenues (¥21.6 billion to ¥37.0 billion)	+¥15.3 billion
Telecommunications business (¥15.0 billion to ¥26.7 billion)	+¥11.6 billion
Gas business (¥2.7 billion to ¥6.4 billion)	+¥3.7 billion
Decrease in interest paid (¥79.0 billion to ¥76.2 billion)	-¥2.8 billion
Due to lower balance	-¥3.2 billion
Due to interest-rate increase (average interest rate during the period: 1.87% to 1.92%)	+¥0.4 billion
Increase in other non-operating expenses (¥8.8 billion to ¥9.3 billion)	+¥0.4 billion
Increase in impairment loss (miscellaneous losses) (¥1.0 billion to ¥1.5 billion)	+¥0.4 billion

Balance Sheet

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

(Unit: Billion yen)

	1st half	1st half	Comparison	
	FY 2005(A)	FY 2004(B)	(A)-(B)	(A)/(B) (%)
Total assets	13,605.2	13,748.8	-143.5	99.0
	12,992.9	13,101.1	-108.2	99.2
Fixed assets	12,815.1	13,025.9	-210.8	98.4
	12,351.6	12,532.3	-180.7	98.6
Electric utility fixed assets	9,073.5	9,310.9	-237.4	97.5
Incidental business fixed assets	102.6	95.3	7.3	107.7
Non-business fixed assets	4.3	4.4	-0.1	97.1
* Facilities in progress	746.2	738.5	7.7	101.0
Nuclear fuel	940.9	929.1	11.7	101.3
Other assets	1,483.8	1,453.9	29.9	102.1
Current assets	789.8	722.5	67.2	109.3
	641.0	568.5	72.5	112.8
Liabilities	10,971.5	11,214.3	-242.8	97.8
	10,561.9	10,766.4	-204.4	98.1
Shareholder's equity	2,599.9	2,502.1	97.7	103.9
	2,430.9	2,334.7	96.2	104.1
*Non-consolidated				
Interest-bearing debt outstanding	8,102.6	8,261.7	-159.0	98.1
	7,788.9	7,908.9	-120.0	98.5
Shareholder's equity ratio	19.1	18.2	0.9	-
	18.7	17.8	0.9	-

Adjustment*	+¥154.8 billion
Retirement	-¥11.9 billion
Depreciation	-¥379.5 billion
Others	-¥0.7 billion

*Adjustment occurred when "Facilities in progress" changes into "Fixed assets".

Telecommunications business	+¥44.6 billion
Real estate leasing business	+¥53.1 billion
Energy and facility service business	+¥3.3 billion
Gas business	+¥0.6 billion

	(consolidated)	(non-consolidated)
Bonds	¥5,750.6 billion	¥5,726.5 billion
Long-term debt	¥1,946.5 billion	¥1,668.3 billion
Short-term debt	¥405.4 billion	¥394.0 billion
Commercial paper	¥0.0 billion	¥0.0 billion



Free Cash Flow and its Application

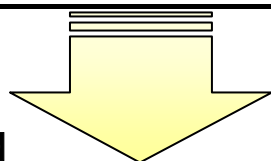
(Consolidated and Non-consolidated)

Free Cash Flow

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

	1st half FY2005(A)	1st half FY2004(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Cash flow from operating activities	439.3	619.8	-180.5	70.9
Capital expenditures (Cash basis)	-243.0	-238.8	-4.1	101.7
Free cash flow	196.3	380.9	-184.6	51.5
	157.4	362.2	-204.8	43.5

Decrease in interim income before income taxes	-¥120.3 billion
Decrease in depreciation	-¥1.2 billion
Increase in reserve for reprocessing of irradiated nuclear fuel	+¥36.0 billion



【 Application of Free Cash Flow 】

Reduction of interest-bearing debt	136.8	227.2	-90.3	60.2
Dividends	40.4	40.4	-0	100.0
Investments, etc.	19.0	113.3	-94.2	16.8
(of which, investments in diversified businesses)	-3.0	82.9	-85.9	-
	20.0	111.0	-91.0	18.0

Incidental business investment (¥8.9 billion to ¥15.8 billion)	+¥6.9 billion
Decrease due to investment last year in POWEREDCOM	-¥88.3 billion



Segment Information

Segment Information

(Unit: Billion yen)

	1st half	1st half	Comparison	
	FY2005 (A)	FY2004 (B)	(A)-(B)	(A)/(B) (%)
Operating revenues	2,552.6	2,528.9	23.6	100.9
Electric Power	2,380.7	2,455.2	-74.4	97.0
	2,379.6	2,455.2	-75.6	96.9
Information and Telecommunications	130.4	36.6	93.8	356.0
	97.7	11.3	86.3	860.5
Energy and Environment	150.0	126.7	23.2	118.3
	47.7	33.8	13.8	140.9
Living Environment and Lifestyle-related	64.8	62.1	2.7	104.4
	22.0	21.2	0.8	103.9
Overseas	5.5	7.2	-1.7	76.2
	5.5	7.2	-1.7	76.2
Eliminations	-178.9	-159.0	-19.9	-
Operating expenses	2,290.2	2,120.4	169.8	108.0
Electric Power	2,115.7	2,046.0	69.7	103.4
Information and Telecommunications	150.5	48.0	102.4	313.3
Energy and Environment	138.1	123.7	14.3	111.6
Living Environment and Lifestyle-related	59.6	57.4	2.2	103.8
Overseas	6.0	5.9	0.1	102.4
Eliminations	-179.8	-160.7	-19.0	-
Operating profit	262.3	408.5	-146.1	64.2
Electric Power	264.9	409.1	-144.2	64.8
Information and Telecommunications	-20.0	-11.3	-8.6	-
Energy and Environment	11.9	2.9	8.9	398.2
Living Environment and Lifestyle-related	5.2	4.7	0.5	111.6
Overseas	-0.5	1.3	-1.8	-
Eliminations	0.8	1.6	-0.8	48.8

Note: Beginning in the consolidated interim accounting period under review, TEPCO's previous three business segments of Electric Power Business, Information and Telecommunications Business, and Other Businesses have been changed to the five business segments of Electric Power Business, Information and Telecommunications Business, Energy and Environment Business, Living Environment and Lifestyle-related Business, and Overseas Business.

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

Information and Telecommunications

Fiber-Optics Network Company, Operating revenues (hereinafter called R) 8.9(+5.1), Operating profit (hereinafter called P) -17.8(-6.4)
 POWEREDCOM, Inc., R: 51.6, P: 5.1
 TEPCO SYSTEMS Corp., R: 25.3(+2.7), P: 1.2(+0.1)
 AT TOKYO Corp., R: 2.7(+0.9), P: -0.5(+0.6)

Energy and Environment

Gas Business Company, R: 6.4(+3.6), P: 0.0(-0.1)
 Toden Kogyo Co., Ltd., R: 29.7(+3.4), P: 3.2(+2.1)
 Tokyo Electric Power Home Service Co., Ltd., R: 16.4(+1.9), P: 0.6(+0.7)
 TEPSTAR Co., Ltd., R: 10.3(+3.2), P: 0.1(+0.0)
 Tokyo Timor Sea Resources Inc. (US), R: 6.2(+4.9), P: 4.8(+3.8)
 JAPAN FACILITY SOLUTIONS, Inc., R: 3.4(+0.3), P: 0.2(+0.1)

Living Environment and Lifestyle-related

Toden Real Estate Co., Inc., R: 18.7(+0.6), P: 3.8(+0.3)
 Toden Kokoku Co., Ltd., R: 14.2(+0.6), P: 1.3(+0.3)
 Tokyo Living Service Co., Ltd., R: 9.6(-0.2), P: 0.0(-0.2)

Overseas

Eurus Energy Holdings Corporation, R: 3.7(-0.8), P: -0.0(-1.1)
 TM Energy (Australia) Pty Ltd, R: 1.3(-0.9), P: -0.0(-0.7)

Note: Unit: Billion yen (figures in parentheses represent year-on-year comparisons)

Note: POWEREDCOM, Inc. in the Information and Telecommunications Business moved from being an equity-method affiliate to a consolidated subsidiary as of September 30, 2004.

Comprehensive Alliance between KDDI and TEPCO Group

- Merger between POWEREDCOM (PWD) and KDDI

PWD to merge with KDDI Corp., with KDDI as the existing company, on January 1, 2006 (planned)

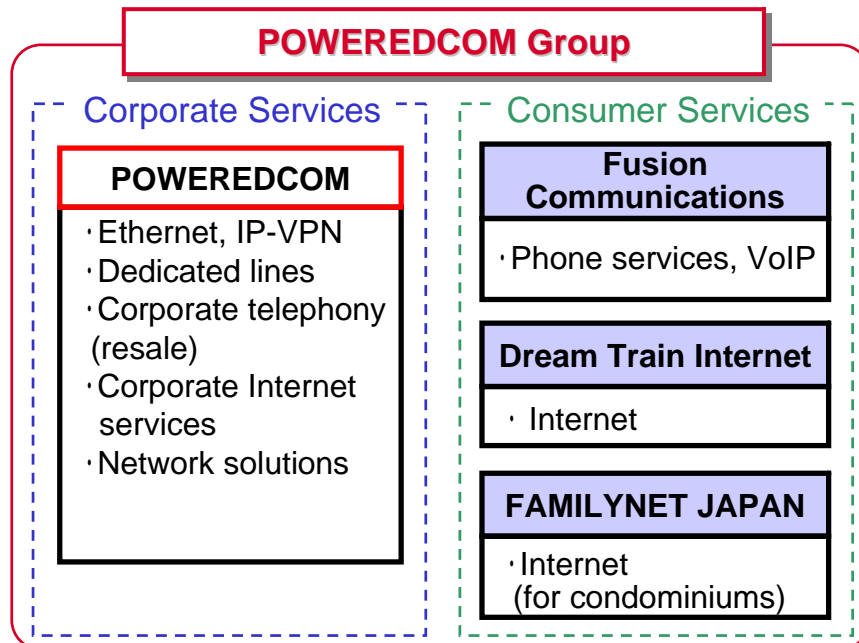
Merger ratio: 0.0320 shares of KDDI stock will be allotted for one share of PWD stock

This will result in TEPCO owning approximately 4.81% of KDDI stock.

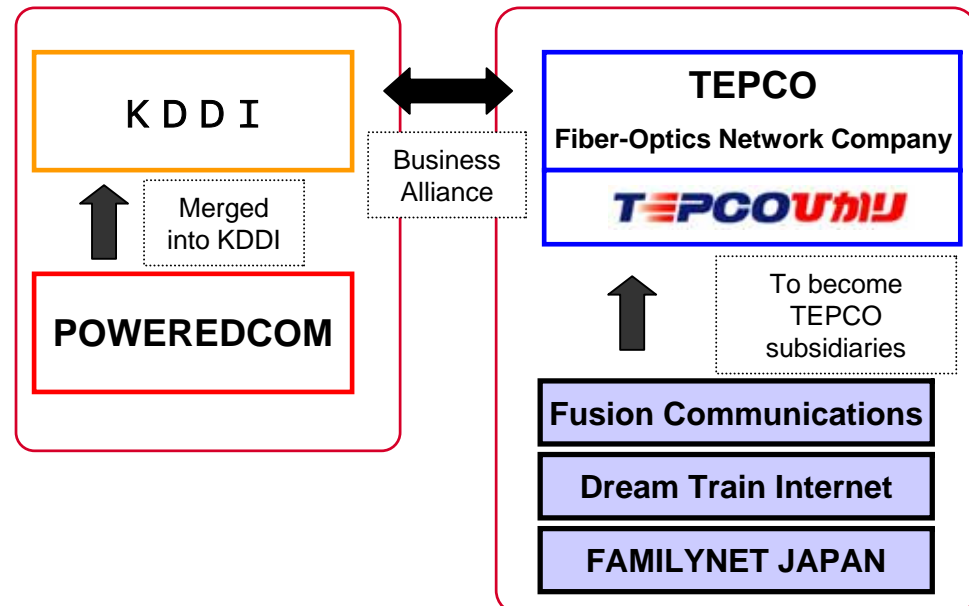
- Alliance in FTTH Business

TEPCO and KDDI have agreed to provide integrated services in the FTTH business.

< Before Alliance >



< After Alliance >



Fiber-Optics Network Company

(Unit: Billion yen)

	1st half FY2005 (A)	1st half FY2004 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating revenues	8.9	3.7	5.1	237.2
Operating profit	-17.8	-11.4	-6.4	-
Capital investment	14.6	8.5	6.1	171.6
Total fiber cable length (Note 1)	112,000km	81,000km	-	-
Number of subscribers	approx. 220,000	approx. 130,000 (Note 2)	-	-

1. Total length of fiber optic cable is the total of the electric power business and telecommunications business

2. Number of subscribers as of March 31, 2005

Performance, Etc.

- The cumulative number of subscribers to TEPCO Hikari as of the end of September was approximately 220 thousand households as a result of an expanded service area, increased name-recognition and conducting various marketing campaigns through allied ISP providers.
- On the profit side, the operating loss grew as a result of facilities-related expenses to develop service areas ahead of sales activities and to customer-acquisition expenses.
- Regarding the outlook for FY2005, we are at the stage of considering and formulating a business plan based on the alliance with KDDI.

POWEREDCOM Group

(Unit: Billion yen)

Interim Performance for FY2005	Operating revenues	Operating profit	Ordinary profit	Net income
POWEREDCOM	51.6	5.1	4.0	4.4
Dream Train Internet	5.8	-1.2	-1.2	-1.2
Fusion Communications	37.3	0.2	-0.5	-0.6
FAMILYNET JAPAN	0.9	0.1	0.1	0.0
POWEREDCOM Group (consolidated)	90.9	2.5	1.3	2.1

Note: Dream Train Internet and Fusion Communications includes their respective subsidiaries.

Impact of POWEREDCOM-KDDI Merger on Profit

- With regard to the impact on non-consolidated performance, there could be a capital gain or a loss according to the difference between KDDI's stock price and the book value of POWEREDCOM stock for TEPCO on a non-consolidated basis, depending on the value of KDDI stock at the time of the merger.
- The impact on consolidated performance is estimated to be as follows, compared to the initial projections announced 10, May.

Operating revenues: decrease by approx. ¥36.0 billion

Ordinary profit: decrease by approx. ¥2.0 billion

Net income: Increase by approx. ¥35.0 billion

Gas Business Company

(Unit: Billion yen)

	1st half FY2005 (A)	1st half FY2004 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating revenues	6.4	2.8	3.6	227.2
Operating profit	-0.0	0.1	-0.1	-
Gas Sales Volume	170 thousand tons	80 thousand tons	90 thousand tons	-

Performance, Etc.

- Gas sales volumes were 170 thousand tons in the first half of FY2005 and operating revenues were ¥6.4 billion. A slight operating loss was posted.
- Sales for the full year in FY2005 are projected to be approximately ¥15.0 billion. Revenues and expenses are expected to basically offset one another.
- Operating revenues are expected to substantially increase due to a retail customer of Otaki Gas initiating operations and a gas wholesale for Keiyo Gas being launched in FY2005.
- The reason expenditures are projected to increase is that overhead will rise in conjunction with initiating supply to Keiyo Gas.

Key Factors Affecting Performance

	FY2005		FY2004
	1st half (actual)	full year (projection)	full year (actual)
Foreign exchange rate (Interbank; yen per dollar)	109.53	approx.112	107.55
Crude oil prices (All Japan CIF; dollar per barrel)	53.07	approx.56	38.77
Nuclear power plant capacity utilization ratio (%)	64.7	65-69	61.7
Thermal power efficiency (%)	41.8	42.2	41.9
Flow rate (%)	97.0	98.2	110.5
Capital expenditures (incidental businesses) (billion yen)	15.8	approx.53	24.8

*Non-cosolidated basis

Financial Influence

	FY2005		FY2004	
	(current projection)	(initial projection)	(actual)	
Foreign exchange rate (Interbank; 1 yen per dollar)	approx. 9.0	approx. 8.0	approx. 8.0	
TEPCO's procurement crude oil equivalent price (1 dollar per barrel)	approx. 23.0	approx. 22.0	approx. 24.0	
Nuclear power plant capacity utilization ratio (1%)	approx. 7.5	approx. 6.5	approx. 6.5	
Flow rate (1%)	approx. 1.0	approx. 1.0	approx. 1.0	
Interest rate (1%)	approx. 8.0	approx. 8.0	approx. 9.0	

*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 (dollar per barrel; caloric equivalent). The actual influence from changes in the All Japan CIF prices (dollar per barrel) is approximately 50% of 23 billion yen.

Electricity Sales Volume

(Units: Billion kWh, %)

	1st quarter	2nd quarter	FY2005 1st half total
Other than eligible customers' use	23.4 <i>(1.8)</i>	28.2 <i>(-3.0)</i>	51.6 <i>(-0.9)</i>
Lighting	20.5 <i>(2.5)</i>	24.1 <i>(-2.1)</i>	44.6 <i>(-0.1)</i>
Low voltage	2.2 <i>(-3.5)</i>	3.6 <i>(-8.0)</i>	5.9 <i>(-6.4)</i>
Other	0.7 <i>(1.1)</i>	0.5 <i>(-8.2)</i>	1.2 <i>(-3.2)</i>
Eligible customers' use	42.8 <i>(-1.7)</i>	49.4 <i>(-1.9)</i>	92.2 <i>(-1.8)</i>
Commercial use	17.1 <i>(-1.5)</i>	21.7 <i>(-2.1)</i>	38.8 <i>(-1.9)</i>
Industrial use and others	25.7 <i>(-1.8)</i>	27.7 <i>(-1.7)</i>	53.4 <i>(-1.7)</i>
Total electricity sales volume	66.2 <i>(-0.5)</i>	77.7 <i>(-2.3)</i>	143.8 <i>(-1.5)</i>

- Notes: 1. Figures in parentheses denote percentage change from the previous year
 2. Demand classifications differ before and after April 2005 because of an expanded scope of liberalization.
 Year-on-year comparisons presented in italics are adjusted converting the prior year's performance to equivalents under FY2005 demand classifications.

Electricity Sales Volume Trends

Although air-conditioning demand increased due to hot summer, there was a year-on-year decrease in consumer demand for the first half overall and for the summer in particular in reaction to last year's record-setting hot summer.

【 1st half totals year-on-year growth rates】

Lighting: -0.1% Commercial use: -1.9%

Industrial demand decreased year-on-year due to production being curtailed in certain industries, the temperature having an effect just as with consumer demand (decrease in reaction to last year's exceedingly hot summer), and increased operation of self-generation, among other factors.

【 1st half totals year-on-year growth rates】

Industrial use and others: -1.7%

Total exceeded initial projections by approx. 1.9 billion kWh due to an increase in air-conditioning demand and other factors (101.4% of projected volume).

Against the most recent projections (August 2), which had been revised downward based on recent performance trends, the total surpassed forecasts by approx. 2.1 billion kWh (101.4% of projected volume).

Development of Electricity Sales Volume

【 Fiscal Year Target】

【 1st Half Results】

Demand development:

1.03 billion kWh annually ➡ 0.67 billion kWh (65% progress ratio)

(Breakdown below)

Corporate and large-lot customers:

0.72 billion kWh ➡ 0.48 billion kWh (66% progress ratio)

Household and general customers:

0.31 billion kWh ➡ 0.19 billion kWh (62% progress ratio)

Steady progress as of the present. We will continue to promote sales activities in line with each market to progress toward our target.



Total Power Generated and Purchased and Electricity Sales Volume Outlook

Total Power Generated and Purchased

(Unit: Billion kWh, %)

	1st quarter	2nd quarter	FY2005 1st half total	FY2004 1st half total
Total Power Generated and Purchased	71.3 (-1.1)	84.2 (-2.2)	155.5 (-1.7)	158.2 (6.4)
Power generated by TEPCO	61.0	72.9	133.8	133.4
Hydroelectric power generation	3.6	3.7	7.4	7.7
Thermal power generation	33.3	43.9	77.2	74.9
Nuclear power generation	24.0	25.2	49.2	50.8
Total power purchased from other companies	7.0	9.0	15.9	20.2
Power exchange	4.6	3.7	8.4	7.2
Used at pumped storage	-1.3	-1.3	-2.6	-2.6

Note 1: Figures in parentheses () denote percentage change from the previous year.

Electricity Sales Volume Outlook

(Unit: Billion kWh, %)

	FY2005		FY2004
	1st half (actual)	Full year (projected)	Full year (actual)
Other than eligible customers' use	51.6	105.8	-
Lighting	44.6	92.7	92.6
Low voltage	5.9	10.9	11.5
Eligible customers' use	92.2	178.2	-
Total Electricity Sales Volume	143.8 (-1.5)	284.0 (-1.0)	286.7 (3.9)

Note 1: Figures in parentheses () denote percentage change from the previous year

- Second half projections downwardly revised to approx. 1.4 billion kWh, reflecting weak industrial demand and other factors.
- As a result, for the full year, a year-on-year decrease of 1.0% to 284 billion kWh is expected. (Full year projections call for an approx. 0.5 billion kWh increase over initial projections.)



Reference: Business Management Plan Targets and Performance 21

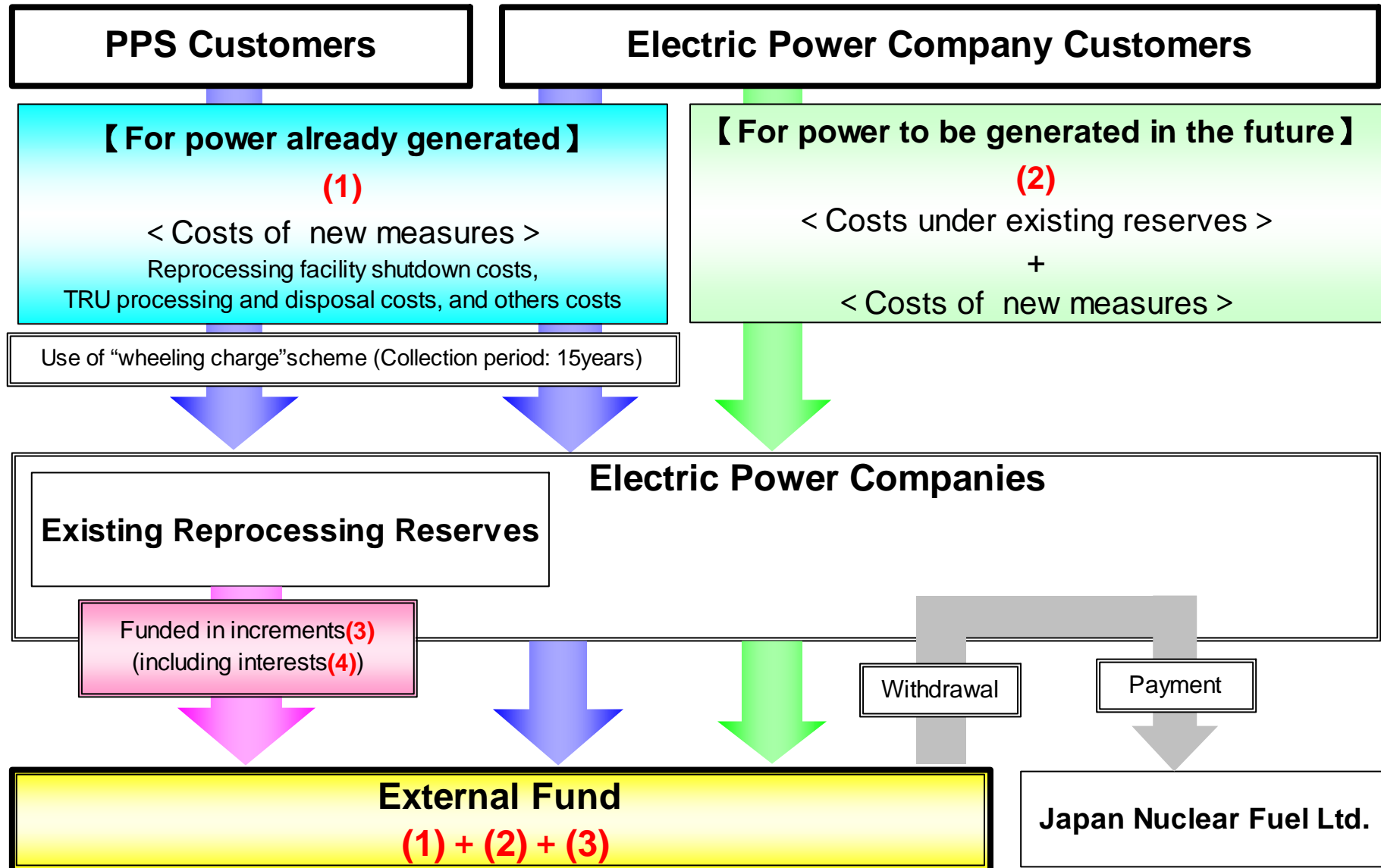
	(Fiscal year)				2005		FY2005 Business Management Plan FY2005-2007 Targets
	2001	2002	2003	2004	1st half (actual)	full year (projection)	
Profit and Free Cash Flow (FCF) Targets							
ROA (%)	4.5	3.6	3.5	4.1	1.9	about 4%	At least 4%
	4.5	3.7	3.5	4.0	1.9	about 4%	
FCF (billion yen)	613.5	648.5	557.8	946.8	196.3	(Note 1)	About 500 billion yen
	604.5	649.4	543.5	891.5	157.4		
Ordinary profit (billion yen)	319.5	280.8	304.4	384.5	174.7	about 350	At least 350 billion yen
Balance Sheet Improvement Targets							
Shareholders' equity ratio (%)	14.1	14.9	16.2	17.8	18.7	about 19%	At least 22% (end of FY2007)
Interest-bearing debt (billion yen)	9,425.1	8,970.0	8,585.2	7,908.9	7,788.9	about 7,700	Reduction of at least 1 trillion yen (three-year total)
Efficiency Gains Targets							
Capital investment (billion yen)	932.2	645.2	576.1	464.2	210.8	607.9	About 620 billion yen
Repairs and maintenance (billion yen)	503.9	406.2	411.4	472.7	240.9	about 480	About 460 billion yen
Number of employees (persons)	40,725	39,619	38,950	38,510	38,291	about 38,200	37,500 or less (end of FY 2007)
Business Growth Targets							
Development of electricity Sales Volume (billion kWh)				1.0	0.67	1.03	4.0 billion kWh (three-year total)
Operating revenues from businesses other than electric power (billion yen)	-breakdown-			(unit: Billion yen)		172.9	367.0
		Operating revenues	Operating profits				
Operating profit from businesses other than electric power (billion yen)	Informations and Telecommunications	approx. 195	approx. -47	-3.4	-15.0		
	Energy and Environment	approx. 109	approx. 22				
	Living Environment and Lifestyle-related	approx. 49	approx. 9				
	Overseas	approx. 14	approx. 1				

*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 FY2005 Business Management Plan, based on Management Vision 2010.

*Achieving the target for free cash flow may not be possible at present, but we will work to secure free cash flow.





Reference: Back-end System/Measures - 2

Accounting Treatment

- Amounts contributed to fund organizations are posted on the Balance Sheet as the reserve fund for reprocessing of irradiated nuclear fuel. ((1)+(2)+(3))
- Annual costs for reprocessing, etc., including interest accrued on the existing reserve, are posted to nuclear power production expense on the Statement of Income (included in other expenses (irradiated nuclear fuel reprocessing expenses) on the Comparison Statement of Revenue & Expenditure ((1)+(2)+(4)) and carried over as the reserve for reprocessing of irradiated nuclear fuel on the Balance Sheet.
- On the Cash Flow Statement, reserves fund and reserve are included as a part of cash flow from operating activities.

Statement of Income Notation

Ordinary expenses section

Operating expenses

Hydroelectric power production expense

⋮

Nuclear power production expense

Included as a component of this item as irradiated nuclear fuel reprocessing expenses

Balance Sheet Notation

Fixed assets

1. Electric utility fixed assets

⋮

6. Other fixed assets

⋮

Reserve fund for reprocessing of irradiated nuclear fuel

Long-term liabilities

Bonds

⋮

Reserve for reprocessing of irradiated nuclear fuel

