FY2006 Business Management Plan Presentation Materials

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Tsunehisa Katsumata

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 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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1. FY2006 Business Management Plan: Key Points

Positioning

- ✓ The FY2005 Business Management Plan was drafted in March 2005 as an action plan for items to be addressed over the coming three years under the TEPCO Group's new medium-term management policy Management Vision 2010 (announced in Oct. 2004).
- ✓ The FY2006 Business Management Plan has been drafted based on subsequent changes in the operating environment. In addition to revisions of the previous plan, it establishes new targets for the next three years.

Key Points

- ✓ Concretely, the FY2006 Business Management Plan stipulates the issues and main management goals that TEPCO will address on a priority basis, in accordance with the following three Group Management Guidelines specified by Management Vision 2010.

"Win the Trust of Society"	"Compete and Succeed"	"Foster People and Technologies"
1. Secure stable supply and energy security 2. Implement thorough measures to ensure safety and control quality; upgrade crisis management 3. Strictly observe corporate ethics, laws and regulations 4. Contribution to establish a society that emphasizes the environment 5. Improve public and investor relations, maintain thorough information disclosure, and develop closer relations with local communities	1. Advance business activities aimed at gaining customer satisfaction 2. Promote cost reductions 3. Develop profitable new businesses to ensure future growth	1. Enhance workplace vitality; secure and foster personnel 2. Strengthen and improve technologies and skills 3. Promote innovation in business 4. Advance technology strategies that will support future growth

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Work toward the further growth and development of the TEPCO Group, and aim at increasing the Group's enterprise value

2-1. Management Targets

Targets			FY2005 Business Management Plan (FY2005 – 07)	FY2006 Business Management Plan (FY2006 – 08)	Management Vision 2010 (FY2010 Targets)
Electric Power Business Targets (A)Consolidated (B)Non-consolidated	Increase Sales	Electricity Sales Volume Expansion	About 4 billion kWh over 3 years	About 5 billion kWh over 3 years	At least 10 billion kWh from FY2004 to FY2010
	Reduce Costs	Capital Expenditures (excluding incidental businesses)	About ¥620 billion	About ¥620 billion	Improvement of 20% or more (compared with FY2003); with facility safety and securing quality as major premises
		Number of Employees	37,500 or fewer at the end of FY2007	About 37,500 at the end of FY2008	
	Profitability and FCF Targets	Ordinary Income	(B) At least ¥350 billion	(A) At least ¥380 billion (B) At least ¥350 billion	–
		FCF	(A) About ¥500 billion (B) About ¥500 billion	(A) At least ¥400 billion (B) At least ¥400 billion	
		ROA	(A) At least 4% (B) At least 4%	(A) At least 4% (B) At least 4%	
	Improve Balance Sheet	Shareholders' Equity Ratio	At least 22% at the end of FY2007	At least 23% at the end of FY2008	Shareholders' Equity Ratio of at least 25%
		Interest-Bearing Debt Reduction	At least ¥1 trillion over 3 years	At least ¥700 billion over 3 years	
New Businesses Targets	Business Growth Targets	Operating Revenues from businesses other than electric power	About ¥500 billion in FY2007	About ¥270 billion in FY2008	At least ¥300 billion in FY2010*
		Operating Income from businesses other than electric power	About ¥25 billion in FY2007	About ¥40 billion in FY2008	At least ¥50 billion in FY2010*

Note: Business growth targets under Management Vision 2010 were revised in March 2006 in conjunction with the comprehensive alliance with KDDI. (Former targets: Operating revenues and operating income from businesses other than electric power: ¥600 billion and ¥60 billion, respectively) Except as otherwise indicated, all other targets are on a non-consolidated basis, and figures are aveages over the three years FY2006–08.

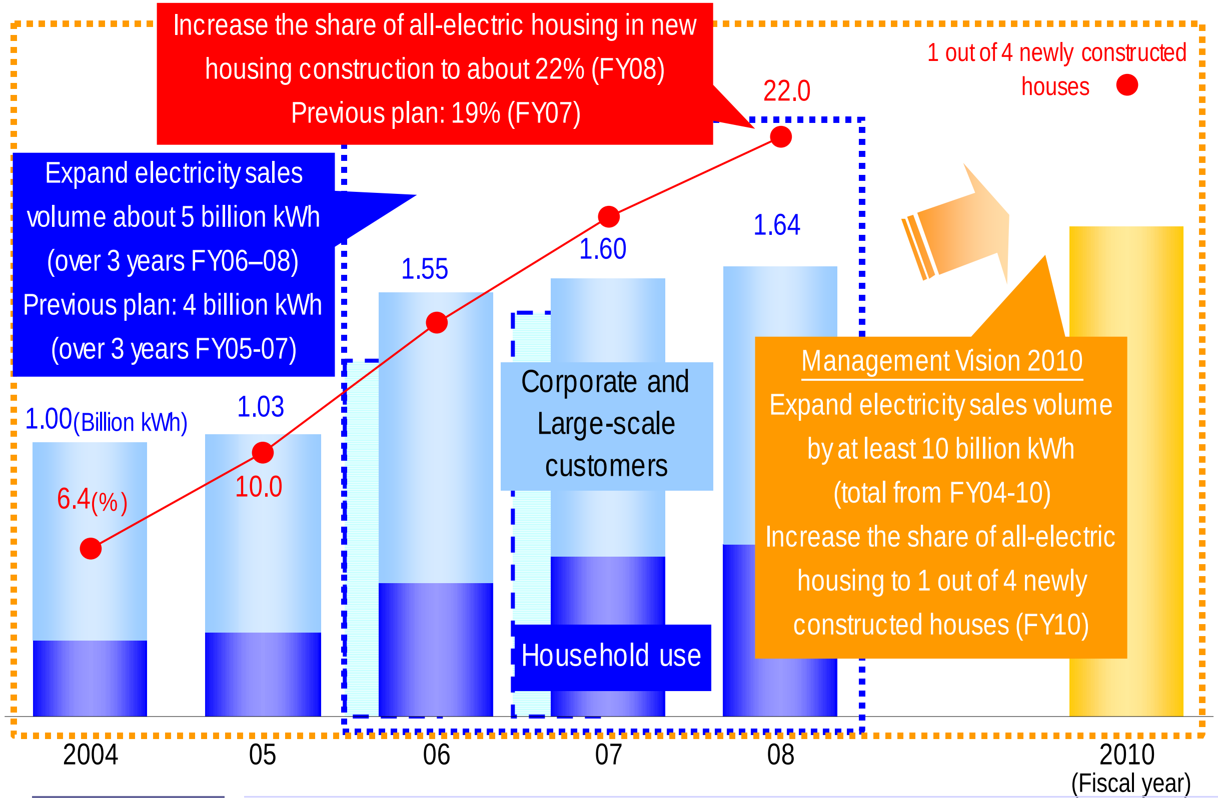
2-2. Management Targets: Main Revisions

(A) Consolidated (B) Non-consolidated

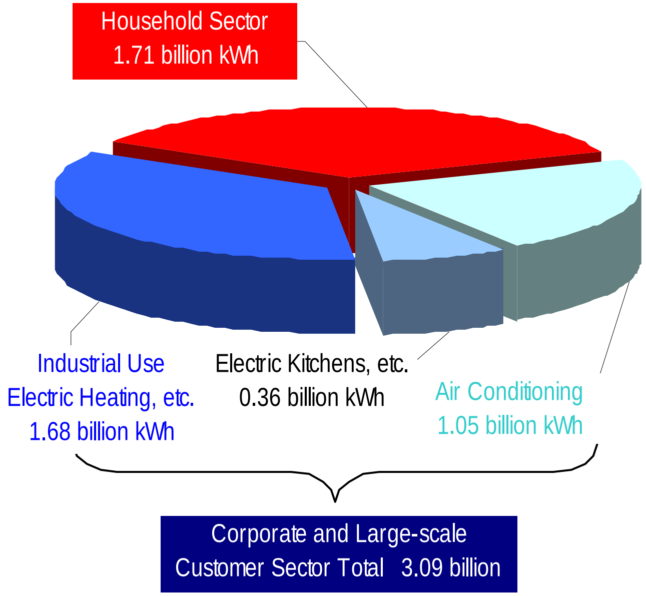
Revision Background	Targets	FY2005 Business Management Plan (FY2005 – 07)	FY2006 Business Management Plan (FY2006 – 08)
Promotion of Group Management	Ordinary Income	(B) At least ¥350 billion	(A) At least ¥380 billion (B) At least ¥350 billion
Back End Financial Measures	FCF	(A) About ¥500 billion (B) About ¥500 billion	(A) At least ¥400 billion (B) At least ¥400 billion
Back End Financial Measures	Interest-Bearing Debt Reduction	At least ¥1 trillion over 3 years	At least ¥700 billion over 3 years
Alliance with KDDI in the Information and Telecommunications Business	Operating Revenues from businesses other than electric power	About ¥500 billion in FY2007	About ¥270 billion in FY2008
Alliance with KDDI in the Information and Telecommunications Business	Operating Income from businesses other than electric power	About ¥25 billion in FY2007	About ¥40 billion in FY2008

Ordinary Income	✓ Added consolidated ordinary income target to further promote group management.
FCF Interest-Bearing Debt Reduction	✓ Interest-bearing debt reduction target revised downward in conjunction with an annual reduction in free cash flow of ¥90 billion due to the shortening of the period for depositing existing reserves for reprocessing of irradiated nuclear fuel with external fund manager from 15 years to 7 years.
Operating Revenues/ Operating Income from Businesses Other than Electric Power	✓ Business growth targets of Management Vision 2010 (Operating revenues and operating income from businesses other than electric power in FY2010: at least ¥300 billion and ¥50 billion, respectively) revised in light of merger of KDDI Corp. and POWEREDCOM, Inc., and alliance in the FTTH business. Accordingly, operating revenues and operating income targets for FY2008 set at about ¥270 billion and ¥40 billion, respectively.

3-1. Electricity Sales Volume Expansion Targets



Breakdown of the Electricity Sales Volume Increase
(Target of about 5 Billion kWh over 3 Years FY06–08)



Approach	✓ In the Corporate Sector, develop total solutions that include combinations of electricity, gas and energy facility services. In the Household Sector, further popularize all-electric housing by promoting increased understanding of its benefits and reinforcing sales to sub-users.
Targets	✓ Expand electricity sales volume by about 5 billion kWh over 3 years from FY06-08. Increase the share of all-electric housing in new housing construction to 22% by FY2008.
Revisions	✓ Further develop demand in Household and Corporate and Large-scale Customer sectors and revise targets upward from previous plan (4 billion kWh: FY05-07).

3-2. Specific Measures for Expanding Demand

Corporate and Large-scale Customer Sector

Supply a range of energy types

- Electricity
- City gas
- Fuels (fuel oil, kerosene, etc.)
- Thermal energy (steam)

ECO Support

- ESCO (energy service company) service

(Energy-saving facility upgrade service, including verification of effectiveness)

TEPCO Group Total Solutions

Facility design, construction and maintenance, off-balance- sheet transactions

- Design, installation and operation of thermal storage systems
- Proper operation of heat source systems
- Planning, installation and maintenance of transformer equipment
- Planning, installation and maintenance of NAS battery systems
- Planning, installation and maintenance of self-generation and co-generation facilities

Goals

Expand electricity sales volume by about 3.1 billion kWh over three years from FY06-08

In FY2008:

- Equivalent of 18,000 Eco Ice units for office and factory air conditioning
- Install all-electric kitchens in equivalent of 1,700 restaurants
- Install electric heating, etc. in equivalent of 200 factories

Household Sector

PR development

- TV and radio commercials
- Newspapers
- Public transport and outdoor advertising
- Magazine and other mass media advertising
- Proactive use of website

Switch! campaign

- Hands-on all-electric home fair (at TEPCO PR facilities, home exhibitions, house builders' showrooms, etc.)
- Aggressive advertising via mass media, including TV commercials

*New campaign scheduled for April-May 2006

Awareness-building activities to promote electrical appliances and all-electric housing

Sub-user sales

- Strengthen ties with all-electric housing promotion partners

(offer individual solutions, etc., to manufacturers, house builders, building contractors, condominium developers)

Improve/promote environment for introduction

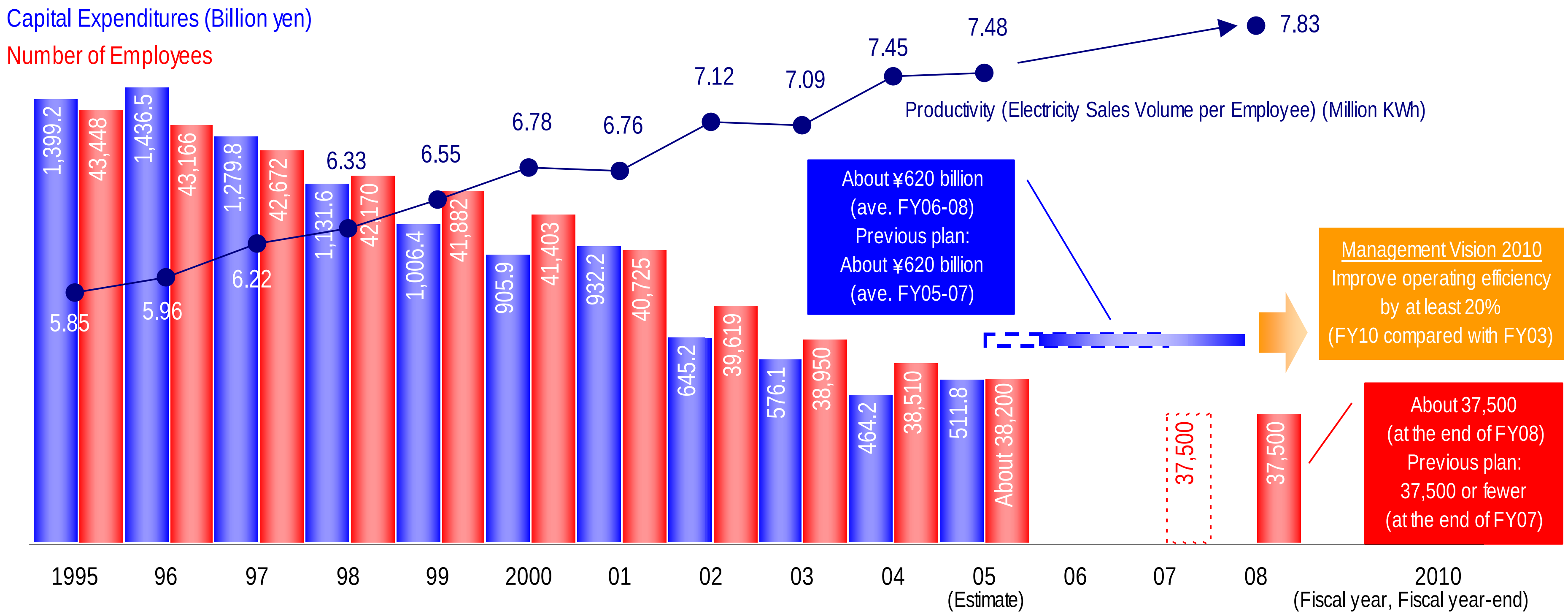
- Lease system for electric water heaters and IH (Provided by subsidiary: Tokyo Electric Power Home Service Company, Limited)
- Renovate existing buildings to all-electric structures (by subsidiary: ReBITA, Inc., architectural renovation business)

Goals

Expand electricity sales volume by about 1.7 billion kWh over three years from FY06-08

- Increase the share of all-electric housing in new housing construction to about 22% (approx. 95,000 homes) by FY2008.

4-1. Promotion of Cost Reductions



Approach	✓ Continue working to reduce costs in all fields and achieve competitive prices through rationalization of facility configuration, operation and maintenance, review of business processes and other measures, with facility safety and securing quality as major premises.
Targets	✓ Capital expenditures of about ¥620 billion per year (average over three years from FY06-08) and about 37,500 employees (as of March 31, 2008).
Revisions	✓ Despite reinforcement of the trunk transmission system and an increase in facility construction and relocation, certain changes in power supply plans hold capital expenditures at previous plan levels. Also, while working to achieve the most efficient number of employees, it is important to secure and deploy the necessary staff to strengthen sales and maintain facility safety and operational standards quality. The target number of employees therefore remains essentially the same as in the previous plan.

4-2. Specific Measures for Promoting Cost Reductions

Cost Reductions

・Curb capital expenditures

→Promote rationalization of facility configuration through strict selection and streamlining of capital expenditure plans, and rationalization of planning, construction and specifications.

・Increase ratio of nuclear power use/reduce fuel expenses

→Aim to increase ratio of nuclear power use over the long-term with facility safety and reliability as major premises. Work concurrently to restrict fuel expenses.

→Promote measures for fuel procurement and contracts.

・Other rationalization initiatives

→Promote slimming down of operation and maintenance plans by optimizing inspection periods and undertaking checks according to facility conditions.

→Promote Group-wide cost reductions by reviewing the role and business processes of each TEPCO division and Group company.

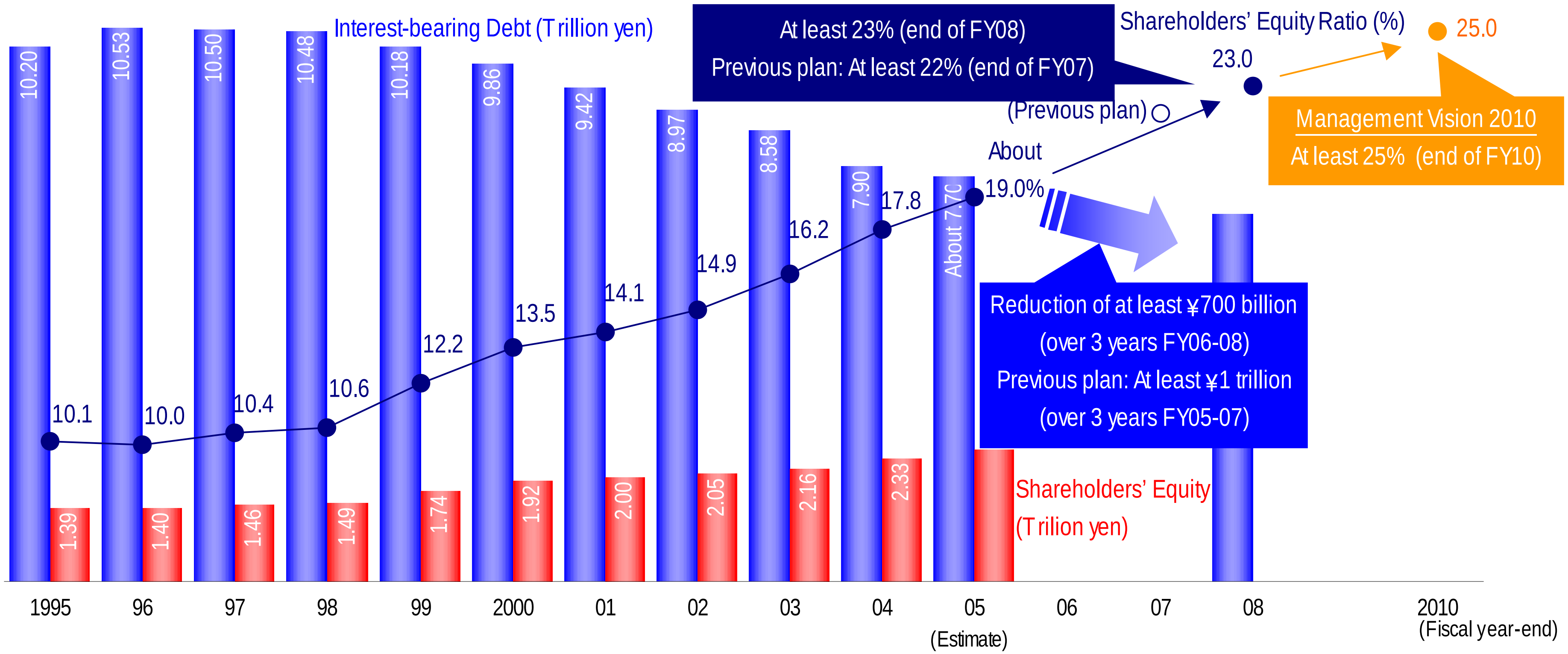
Electricity Sales Volume Expansion

○ Advance the development of electricity sales volume

Management Vision 2010 Operating Efficiency Improvement Target

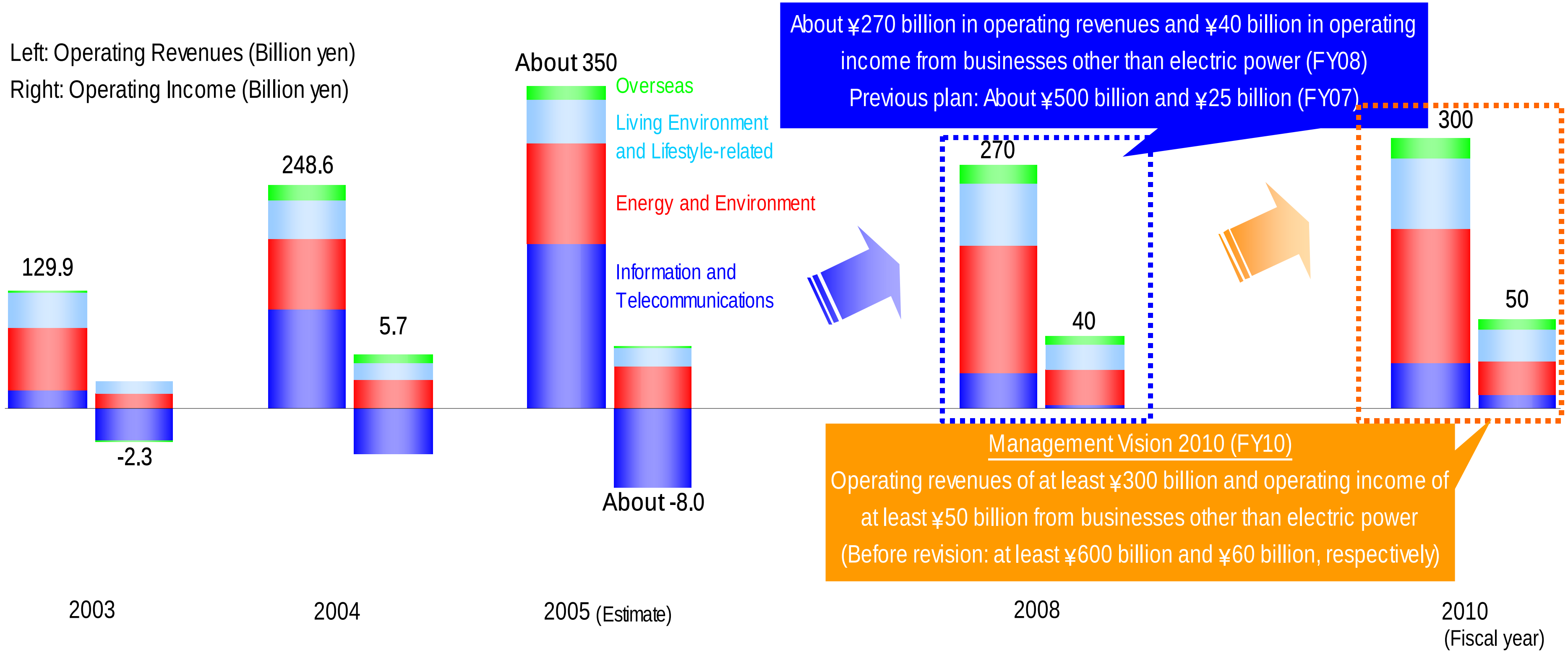
"Improve efficiency by at least 20% compared with FY2003 (with facilities safety and securing quality as major premises)"

5. Balance Sheet Improvement



Approach	✓ As TEPCO's business environment is greatly changing, improving the balance sheet is an urgent issue. TEPCO will focus on allocating free cash flow to reduce interest-bearing debt and increase the shareholders' equity ratio.
Targets	✓ Reduce interest-bearing debt by at least ¥700 billion over the three years from FY06-08 and increase the shareholders' equity ratio to at least 23% by the end of FY2008.
Revisions	✓ FCF will decrease due to the impact of new back-end financial measures. Consequently, the reduction target for interest-bearing debt has been reduced by about ¥300 billion from the previous plan.

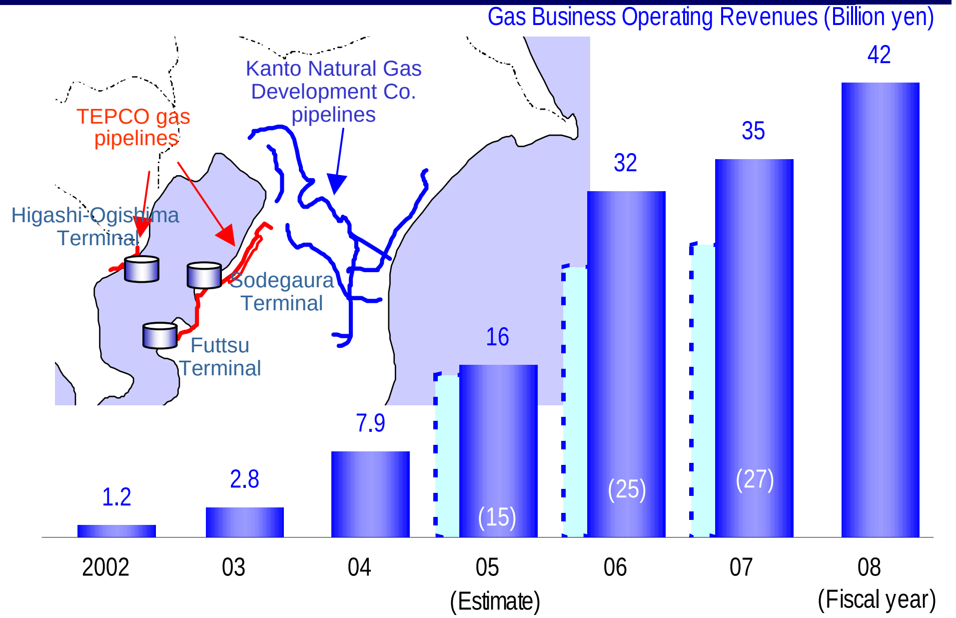
6-1. Approach to New Businesses



Approach	✓ Achieve continuous growth and development for the entire TEPCO Group by applying strict selection and concentration in the four business areas of “Information and Telecommunications,” “Energy and Environment,” “Living Environment and Lifestyle-related” and “Overseas.”
Targets	✓ About ¥270 billion in operating revenues and ¥40 billion in operating income from businesses other than electric power in FY2008
Revisions	✓ Management Vision 2010 targets have been revised to reflect the January 2006 merger of KDDI Corp. and POWEREDCOM, Inc. in the Information and Telecommunications Business and the alliance in the FTTH business. New management plan targets have been set accordingly (Previous plan targets: about ¥500 billion in operating revenues and ¥25 billion in operating income in FY2007).

6-2. Gas-related Businesses

LNG Upstream Divisions	・Participating in the Darwin LNG Project, involving the development of the Bayu-Undan gas fields in Australia and Timor-Leste and the liquefaction and sale of gas from these fields (production began February 2004; first LNG shipment February 2006)
LNG Shipping Business	・First vessel has been operating for the Malaysian Project since October 2003 ・Second, third and fourth vessels will be rolled out in succession from April 2006 for the Darwin and Sakhalin II projects *In addition, a TEPCO Group company is scheduled to manage operations of a joint-owned LNG carrier for shipping LNG from a project to be purchased by Kyushu Electric Power Co., Inc.
LNG Sales	・Subsidiary TEPCO Trading Co., Ltd. est. in January 2006 ・ LNG sales through TEPCO Trading affiliate CELT INC.



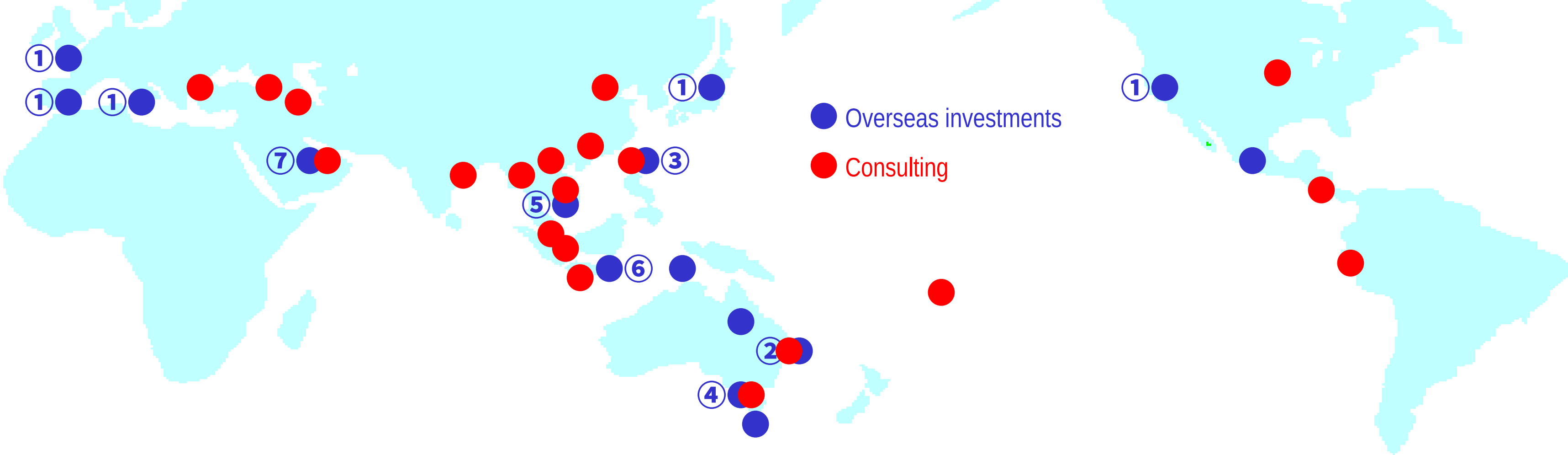
Note: Figures in parentheses are targets in previous plan

Approach	✓ Mobilize entire TEPCO Group and extend liquefied natural gas (LNG) business from upstream divisions to encompass LNG transport and sale in order to strengthen supply capabilities and expand revenue opportunities. ✓ Proactively develop the gas supply business to provide total energy solutions to meet customer needs. Specifically, aim to expand sales further by leveraging TEPCO-owned LNG terminals and gas pipelines and working in cooperation with Group company Kanto Natural Gas Development Co., Ltd. and its subsidiary Otaki Gas Co., Ltd. Aggressively develop consignment sales using gas companies' supply lines while evaluating profitability.
Targets	✓ The gas business aims to achieve operating revenues of ¥32 billion in FY2006 and ¥42 billion in FY2008.
Revisions	✓ TEPCO expects the gas business to achieve the previous plan target of ¥15 billion in operating revenues with estimated operating revenues of ¥16 billion in FY2005 (contracted volume approx.435,000 tons on a contract basis). Medium-term target of previous plan (¥27 billion in FY2007) has been revised upward.

6-3. Overseas Business

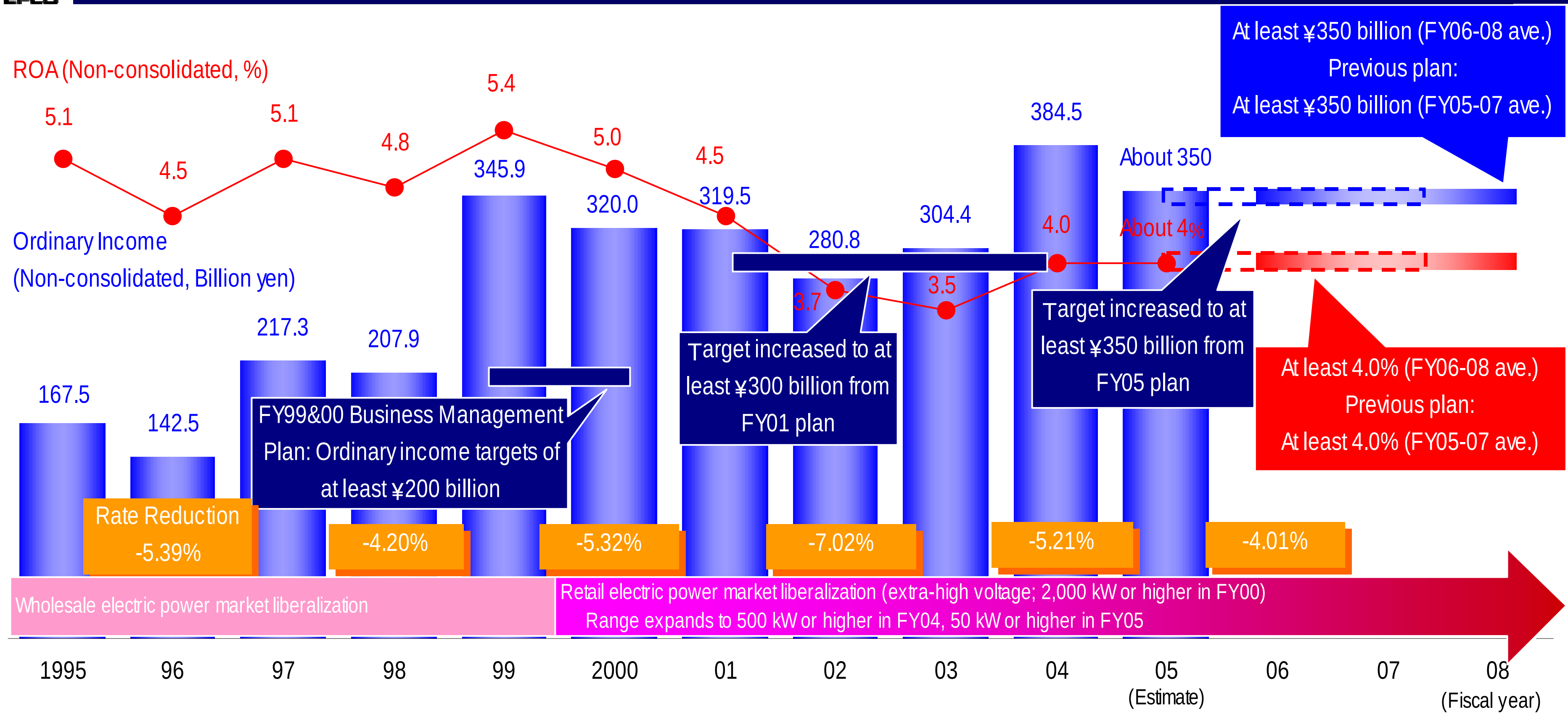
Company or Project Name	Location	TEPCO Investment* (Investment ratio)	Output	Start of commercial operation, etc.
①Eurus Energy Holdings	US, UK, Italy, etc.	¥14.7 billion (60.0%)	1,110MW	Capital participation Sept. 2002
②Tarong North Power Station Project	Australia	¥6.2 billion (35.0%)	450MW	Commenced operations Aug. 2003
③Chang Bin & Fong Der Project	Taiwan	¥6.1 billion (19.5%)	490MW, 980MW	Commenced operations Mar. 2004
④Loy Yang A Project	Australia	¥16.0 billion (32.5%)	2,200MW	Capital participation Apr. 2004 Operating since 1984
⑤Phu My 2-2 Project	Vietnam	¥1.7 billion (15.6%)	715MW	Commenced operations Feb. 2005
⑥Paiton I Project	Indonesia	¥8.5 billion (14.0%)	1,230MW	Acquired an interest in Nov. 2005
⑦Umm Al Nar Power and Water Project	UAE	¥4.6 billion (14.0%)	Existing plant: 850MW New plant: 1,550MW	Portions of new facilities scheduled to commence operations in 2006

*TEPCO also invests, directly and indirectly through its subsidiaries, in afforestation, funds that promote energy efficient business and other projects.



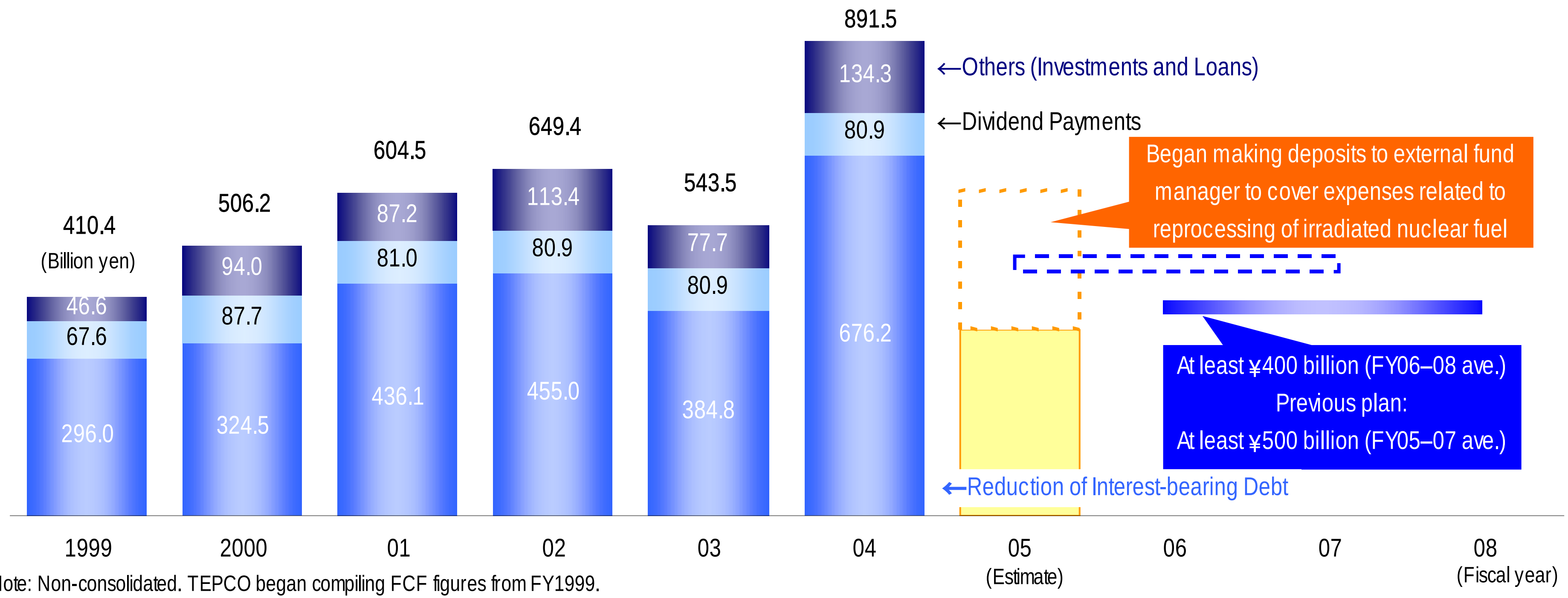
Approach	
	✓ Generate new growth and development by seeking new business opportunities overseas. Promote generation projects and diverse investments. ✓ Promote a consulting business that employs TEPCO's technological capabilities and expertise.

7. Ordinary Income Targets



Approach	✓ Steadily increase profitability while strategically lowering prices in line with the progress of liberalization. ✓ Achieve ordinary income target of ¥350 billion, which was revised upward from last year, despite implementation of rate reductions from April 2006 (average of 4.01% in regulated segments), and establish consolidated income targets. ✓ Raise asset efficiency by streamlining assets, including rationalizing facility operations, more efficient facility configuration, etc.
Targets	✓ Ordinary income of at least ¥350 billion on a non-consolidated basis and at least ¥380 billion on a consolidated basis (both on a 3-year average from FY06-08). ROA of at least 4.0% (3-year average from FY06-08, on both a consolidated and non-consolidated basis).

8. Free Cash Flow (FCF) Targets



Note: Non-consolidated. TEPCO began compiling FCF figures from FY1999.

Approach	✓ Deposits to an external fund manager to cover expenses related to reprocessing of irradiated nuclear fuel began in FY2005. These cash outlays (about ¥260 billion in FY2005) will reduce FCF compared to past levels.
Targets	✓ Secure FCF of at least ¥400 billion on both a consolidated and non-consolidated basis (3-year average from FY06-08).
Revisions	✓ The period for depositing existing reserves (about ¥1.2 trillion) for reprocessing of irradiated nuclear fuel with external fund manager was 15 years in the previous plan. This has been shortened to 7 years, increasing annual cash outlays by about ¥90 billion, from ¥80 billion to ¥170 billion. The FCF target has been revised downward to ¥400 billion to reflect the impact of this change.

9. Summary

Efficiency gains through company-wide streamlining

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Efficiency gains distributed based on the profit-sharing concept

Free Cash Flow
Target: At least ¥400 billion (3-year average, FY06-08)

Provision of good-quality, low-priced electricity and services	Reduction of interest-bearing debt	Dividends	Investment in new businesses
↓	↓	↓	↓
Increase in customer satisfaction	Balance sheet improvement	Maintaining stable dividends	Securing growth potential

(Reference) Demand Outlook

(Billion kWh, Million kW, %)

Demand Outlook		FY2004 (actual)	FY2005 (estimate)	FY2006 (projected)	FY2015 (projected)	Annual increase rate (FY2004-15)
	Residential	6.5 (2.5) 92.6	2.3 (1.4) 94.8	-0.8 (2.1) 94.0	104.9	1.1 (1.3)
	Low voltage	7.6 (-0.9) 11.4	-1.3 (-3.5) 11.3	-7.7 (-1.2) 10.4	10.2	-1.1 (-0.7)
	Other electric power	-3.4 (-3.1) 2.4	-3.6 (-4.3) 2.3	-3.8 (-3.1) 2.2	2.3	-0.0 (-0.0)
Other than eligible customers' use		6.4 (2.0) 106.4	1.8 (0.7) 108.3	-1.6 (1.7) 106.6	117.4	0.9 (1.1)
Eligible customers' use		2.5 (1.7) 180.3	-0.3 (-0.4) 179.9	0.4 (1.2) 180.5	199.7	0.9 (1.0)
Electricity sales volume total		3.9 (1.8) 286.7	0.5 (-0.0) 288.2	-0.4 (1.4) 287.1	317.1	0.9 (1.0)
Peak demand (3-day average at transmission end)		7.0 (4.6) 59.2	-2.9 (-2.4) 57.5	2.2 (4.4) 58.7	64.7	0.8 (1.1)

Comparison with previous plan (as of FY2014)	Current plan	Previous plan
Sales volume	313.0	316.3
	Difference: -3.3 billion kWh (-1.0%)	
Peak demand	63.9	65.4
	Difference: -1.5 million kW (-2.3%)	

Notes: 1. Upper figures for FY2004, FY2005 and FY2006 indicate percentage change compared to the previous fiscal year. Figures in parentheses are adjusted for the influence of air temperature.
2. FY2004 electricity sales volume is for reference only, and is calculated based on classification of eligible customers for FY2005 onward. FY2005 figures are estimates based on 3Q results.

Approach

- ✓ While the number of household use (residential) accounts is expected to increase due to increasing household fragmentation and population influx, electrical appliances are expected to become more energy efficient.
- ✓ Regarding electricity sales to eligible customers: For commercial use, while TEPCO anticipates growth of the information/service-based economy and concentration of business and commercial facilities in the Kanto district, it also foresees a slowdown in new building construction, promotion of energy-efficient office buildings and other factors that reduce demand. For industrial use, demand is expected to weaken due to factors such as offshore competition from rising Asian economies, relocation of production facilities overseas and a slowdown in exports.
- ✓ As a result of these factors, TEPCO expects overall electricity sales volume to grow at an average annual rate of around 1.0%

Revisions

- ✓ TEPCO has revised its forecasts downward for electricity sales volume and peak demand, by 3.3 billion kWh and 1.5 million kW, respectively, compared to the figure for FY2014, the final year of the previous plan, in view of increasing competition from other energy sources, advances in energy conservation and other downside risks that affect demand.

(Reference) Major Facilities Plans

Facility Plans		Location/Name	Output/Scale	Start of commercial operation	Start of commercial operation (previous plan)
Electric power development projects	Nuclear	Fukushima Daiichi Units 7 and 8	1.38 million kW ea.	October 2012, October 2013	October 2011, October 2012
		Higashidori Units 1 and 2	1.385 million kW ea.	Fiscal 2014 Fiscal 2016 or later	Fiscal 2013 Fiscal 2015 or later
	Coal thermal	Hitachinaka Unit 2	1 million kW	Fiscal 2014 or later	Fiscal 2011 or later
		Hirono Unit 6	0.6 million kW	Fiscal 2010	Fiscal 2010
	LNG thermal	Futtsu Unit 4 group	1.52 million kW	July 2008, July 2009, July 2010	July 2008, July 2009, July 2010
		Kawasaki Unit 1 group	1.5 million kW	July 2007, July 2008, July 2009	July 2007, July 2008, July 2009
		Kawasaki Unit 2 group	1.5 million kW	Fiscal 2016 or later	Fiscal 2014 or later
	Hydroelectic	Kazunogawa	0.8 million kW 0.8 million kW	December 1999, June 2000 Fiscal 2016 or later	December 1999, June 2000 Fiscal 2015 or later
		Kannagawa	0.94 million kW 1.88 million kW	December 2005, July 2010 Fiscal 2016 or later	December 2005, July 2010 Fiscal 2015 or later
Supply facility plans	Transmission	Kawasaki-Takanawa Line, new construction (275 kV)	18.5 km	June 2006, December 2006, June 2007	June 2006, December 2006, June 2007
		Naka-Tokyo Trunk Line, additional line (275 kV)	16.0 km	October 2008	October 2008
		Yokohama Kohoku Line, addition (275 kV)	16.8 km	June 2009	—
		Nishi Joubu Trunk Line, new construction (500 kV)	112 km	May 2012	May 2012
	Transformation	Boso Substation, replacement (500 kV)	1,000 MVA removed 1,500 MVA installed	June 2006	—
		Shin-Toyosu Substation, addition	600 MVA	February 2007	March 2007
Interregional management	Wide-area power generation development	Isogo New Unit 2 (coal thermal, with J-POWER)	0.6 million kW	July 2009	July 2009
		Ohma (nuclear, with J-POWER)	1.383 million kW	March 2012	March 2012
	Wide-area interconnection	New construction at Higashi-Shimizu FC (by Chubu Electric Power Co., Ltd.)	0.3 million kW capacity	September 2011 (partial operation from March 2006)	September 2007 (partial operation from March 2006)

Note: In addition, with regard to thermal power generation, Kawasaki Units 1 through 6, Yokosuka Unit 2 and Yokosuka Unit 2 gas turbine were shut down and scrapped in March 2006.

(Reference) Capital Investment Plan

(Billion yen)

Capital Investment Plan		FY2004 (actual)	FY2005 (planned)	FY2005 (estimate)	FY2006 (planned)	FY2007 (planned)
	Hydroelectric	19.5	33.7	26.1	13.4	10.0
	Thermal	74.1	61.9	55.1	79.4	72.4
	Nuclear	38.3	69.2	39.2	76.4	86.3
Power sources subtotal		132.0	164.8	120.4	169.2	168.7
	Transmission	58.3	110.7	74.1	135.0	143.6
	Transformation	36.2	65.9	52.7	59.2	63.5
	Distribution	129.4	139.5	143.4	138.8	133.0
Supply facilities subtotal		224.1	316.1	270.2	333.0	340.1
Others		14.0	19.2	18.9	20.2	17.3
Subtotal		370.3	500.1	409.5	522.4	526.1
Nuclear fuel		93.9	107.8	102.3	59.3	67.5
Total		464.2	607.9	511.8	581.7	593.6

(Reference) Management Vision 2010

Group Management Principle

Contribute to better lifestyles and environments by providing superior energy services

Group Management Guidelines

The TEPCO Group has three Group Management Guidelines
for becoming the top energy service provider.

Management Guideline No. 1

"Win the trust of society"

Eligibility to participate in the competitive market is "trust" that society places in us.

To gain firm trust, we will:

- Carry out all business operations in compliance with the Code of Conduct concerning Corporate Ethics, and fulfill with sincerity corporation's social responsibilities such as creating an even better environment.
- Steadfastly enhance the quality of business operations and services in all places of work.
- Foster an awareness of "Give top priority to safety" and make it widespread to become a company that boasts the world's top in safety and security.

Management Guideline No. 2

"Compete and Succeed"

Nothing makes the TEPCO Group happier than customer satisfaction.

To win customer satisfaction, we will:

- Unite as a group to identify customer needs sensitively, and to offer optimal energy-related services that our customers will continue to prefer.
- Strive to reduce costs and boost company character, increase competitive edge, improve profitability and make business prosper.
- Promote new business projects in four sectors, i.e., information and telecommunications, energy and environment, living environment and lifestyle-related, and overseas, and ensure sustainable growth for the group as a whole.

Management Guideline No. 3

"Foster people and technologies"

People and technologies open up the future for our Group.

To continue to reform ourselves with the power of people and technologies, we will:

- Step up communications between corporation ranks, between organizations, and enhance workplace vitality and motivation of each and every employee regardless of whether inside or outside the group.
- Strive to maintain and bolster employee technologies and skills, and try to renovate daily work operations and make them more efficient.
- Take up technological challenges that will help to gain society's trust, boost competitive edge, and expand business.

(Reference) Numerical Targets 2010 (*Revised March 2006)

* Prior targets under “Challenge 20 Plus 1”	Challenge 20 Plus 1 [target year of FY2005]	Numerical Targets 2010 [target year of FY2010]
Operating Efficiency	Improve efficiency by at least 20% compared with FY1999	Improve efficiency by at least 20% compared with FY2003 (with facility safety and securing quality as major premises)
Financial Structure	Reduce interest-bearing debt by at least 20% over five years	Increase shareholders' equity ratio to at least 25%
Business Growth	Expand revenues outside the TEPCO Group by at least ¥500 billion	Electricity sales volume of at least 10 billion kWh *In businesses other than electric power: Operating revenues[1] of at least ¥300 billion Operating income[2] of at least ¥50 billion 1.Total of all sales vis-à-vis external customers of consolidated subsidiaries and incidental businesses 2.Total of all operating income from consolidated subsidiaries and incidental businesses
Global Environment	Reduce CO_2 emission intensity by at least 20% compared with FY1990 (target year of FY2010)	