



FY2005 Financial Results

(April 1, 2005 – March 31, 2006)

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.



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FY2005 Results Summary (Consolidated and Non-consolidated)

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

(Unit: Billion yen)

	FY 2005(A)	FY 2004(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating revenues	5,255.4	5,047.2	208.2	104.1
	4,941.0	4,823.2	117.8	102.4
Operating expenses	4,679.2	4,480.9	198.3	104.4
	4,404.3	4,287.7	116.5	102.7
Operating income	576.2	566.3	9.9	101.8
	536.7	535.4	1.2	100.2
Ordinary expenses	4,881.0	4,677.8	203.2	104.3
	4,581.5	4,467.2	114.2	102.6
Ordinary income	426.9	408.2	18.7	104.6
	397.2	384.5	12.7	103.3
Net income	310.3	226.1	84.2	137.2
	260.8	244.8	16.0	106.5
Free cash flow	414.3	946.8	-532.5	43.8
	367.0	891.5	-524.5	41.2
Net income per share	(yen) 229.76	167.29	62.47	137.3
	(yen) 192.99	181.13	11.86	106.5
Shareholders' equity ratio	(%) 20.4	18.2	2.2	—
	(%) 19.6	17.8	1.8	—
ROA	(%) 4.2	4.1	0.1	—
	(%) 4.1	4.0	0.1	—
ROE	(%) 11.8	9.3	2.5	—
	(%) 10.7	10.9	-0.2	—

Comparison of Performance Projections and Actual Performance

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

	Operating revenues	Operating income	Ordinary income	Net income
FY2005 Actual Performance	5,255.4	576.2	426.9	310.3
	4,941.0	536.7	397.2	260.8
Projection (Feb. 7th)	5,180.0	525.0	375.0	260.0
	4,860.0	490.0	350.0	220.0

Factors behind Variance

Non-consolidated Performance: Increase in ordinary income of ¥ 47 billion

Decrease in personnel expenses (Retirement benefits)	¥39 billion
Cost reductions (in maintenance expenses and overhead) (¥60 billion to ¥70 billion)	¥10 billion
Other factors	- ¥2 billion

Consolidated Performance:

Increase of ¥ 52 billion in ordinary income; principally caused by non-consolidated increase



Statement of Income (Consolidated)

Statement of Income (Consolidated)

(Unit: Billion yen)

	FY 2005(A)	FY 2004(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating revenues	5,255.4	5,047.2	208.2	104.1
Operating income	576.2	566.3	9.9	101.8
Ordinary revenues	5,308.0	5,086.0	222.0	104.4
Ordinary expenses	4,881.0	4,677.8	203.2	104.3
Investment gain under the equity method	5.3	1.1	4.1	468.0
Ordinary income	426.9	408.2	18.7	104.6
Provision for (reversal of) reserve for fluctuation in water levels	-3.2	7.7	-11.0	-
Extraordinary income	51.1	-	51.1	-
Extraordinary losses	7.5	27.6	-20.0	27.3
Income taxes	159.6	145.6	14.0	109.6
Minority interests	3.7	1.0	2.7	378.0
Net income	310.3	226.1	84.2	137.2

Kandenko (¥4.0 billion)

Gain on share exchange in connection with merger of POWEREDCOM and KDDI (¥12.4 billion on a non-consolidated basis)

Transfer to reserve for business reorganization in connection with withdrawal from My Energy Corporation (¥12.0 billion on a non-consolidated basis)



Revenues Breakdown (Non-consolidated)

Revenues Breakdown

	(Unit: Billion yen)			
	FY 2005(A)	FY 2004(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Ordinary revenues	4,978.7	4,851.7	126.9	102.6
Operating revenues	4,941.0	4,823.2	117.8	102.4
Electric power operating revenues	4,897.2	4,798.6	98.5	102.1
Electricity sales revenues	4,682.0	4,637.2	44.7	101.0
Lighting	2,022.4	1,976.8	45.6	102.3
Commercial and industrial	2,659.5	2,660.4	-0.8	100.0
Inter-company power sale	106.7	75.3	31.4	141.7
Sales of power to other companies	37.1	25.7	11.4	144.3
Other revenues	71.2	60.2	10.9	118.2
Incidental business operating revenues	43.8	24.6	19.2	178.2
Non-operating revenues	37.6	28.5	9.1	132.1

Increase in electricity sales volume (+1.9 billion kWh)	+¥31.0 billion
Increase in unit sales price	+¥14.0 billion
Influence from reduction in electricity rates	-¥140.0 billion
Influence from fuel cost adjustment system	+¥151.0 billion
Others	+¥3.0 billion

Wheeling supply revenue	+¥7.1 billion
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Telecommunications business	+¥9.8 billion
Gas business	+¥7.4 billion

Expenses Breakdown

(Unit: Billion yen)

	FY 2005(A)	FY 2004(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Ordinary expenses	4,581.5	4,467.2	114.2	102.6
Operating expenses	4,404.3	4,287.7	116.5	102.7
Electric power operating expenses	4,325.0	4,231.8	93.1	102.2
Personnel	401.0	454.4	-53.4	88.2
Fuel	1,040.0	822.4	217.5	126.5
Maintenance	469.3	472.7	-3.3	99.3
Depreciation	753.4	785.9	-32.4	95.9
Purchased power	629.3	600.8	28.4	104.7
Taxes, etc.	336.4	343.9	-7.5	97.8
Other expenses	695.3	751.4	-56.1	92.5
Incidental business operating expenses	79.3	55.8	23.4	141.9
Non-operating expenses	177.1	179.4	-2.3	98.7
Interest paid	153.7	156.3	-2.5	98.4
Other expenses	23.4	23.1	0.2	101.1

Personnel expenses (¥454.4 billion to ¥401.0 billion) -¥53.4 billion

Payroll and benefits	-¥6.6 billion
Retirement benefits	-¥47.7 billion
Decrease in amortization of actuarial difference (-¥11.1 billion to -¥59.0 billion)	-¥47.8 billion

Amortization of actual difference

	FY2005	FY2004
Amount expensed for FY2002 portion (¥ 25.7 billion)	-	+¥8.5 billion
Amount expensed for FY2003 portion (-¥ 47.0 billion)	-¥15.6 billion	-¥15.6 billion
Amount expensed for FY2004 portion (-¥ 12.2 billion)	-¥4.0 billion	-¥4.0 billion
Amount expensed for FY2005 portion (-¥117.9 billion)	-¥39.3 billion	-
Total	-¥59.0 billion	-¥11.1 billion

Fuel expenses (¥822.4 billion to ¥1,004.0 billion) +¥217.5 billion

Consumption volume	+¥13.0 billion
Decrease in power purchased from other companies	+¥42.0 billion
Decrease in hydroelectric power generated (12.8 billion kWh to 11.7 billion kWh)	+¥13.0 billion
Increase in power generated and purchased (311.8 billion kWh to 313.4 billion kWh)	+¥10.0 billion
Increase in nuclear power generated (93.5 billion kWh to 100.7 billion kWh)	-¥52.0 billion
Price	+¥205.0 billion
Rise in CIF price (All Japan CIF crude oil price: \$38.77/barrel to \$55.80/barrel)	+¥177.0 billion
Yen depreciation (¥107.55=\$1 to ¥113.32=\$1)	+¥48.0 billion
Other factors (influence of inventory, etc.)	-¥20.0 billion

Maintenance expenses (¥472.7 billion to ¥469.3 billion)	-¥3.3 billion
Generation related (¥247.1 billion to ¥246.9 billion)	-¥0.2 billion
Hydroelectric power (¥15.5 billion to ¥13.3 billion)	-¥2.1 billion
Thermal power (¥91.8 billion to ¥90.4 billion)	-¥1.4 billion
Nuclear power (¥139.7 billion to ¥143.0 billion)	+¥3.3 billion
Distribution related (¥216.7 billion to ¥214.7 billion)	-¥2.0 billion
Transmission (¥37.3 billion to ¥37.2 billion)	-¥0.0 billion
Transformation (¥23.8 billion to ¥21.6 billion)	-¥2.1 billion
Distribution (¥155.6 billion to ¥155.8 billion)	+¥0.2 billion
Depreciation (¥785.9 billion to ¥753.4 billion)	-¥32.4 billion
Generation related (¥339.8 billion to ¥307.8 billion)	-¥31.9 billion
Hydroelectric power (¥44.3 billion to ¥52.2 billion)	+¥7.8 billion
Thermal power (¥183.0 billion to ¥154.6 billion)	-¥28.3 billion
Nuclear power (¥112.3 billion to ¥100.9 billion)	-¥11.4 billion
Distribution related (¥426.5 billion to ¥425.4 billion)	-¥1.0 billion
Transmission (¥188.3 billion to ¥196.9 billion) (Note)	+¥8.6 billion
Transformation (¥91.6 billion to ¥87.3 billion)	-¥4.2 billion
Distribution (¥146.5 billion to ¥141.1 billion)	-¥5.4 billion

Depreciation breakdown

	FY2005	FY2004
Regular depreciation	¥739.6 billion	¥773.7 billion
Extraordinary depreciation	¥3.2 billion	¥3.0 billion
Trial operations depreciation	¥10.5 billion	¥9.0 billion

Note: The increase of ¥8.6 billion in depreciation on transmission facilities includes an increase of ¥17.4 billion associated with easements under power lines. Given amendments to the Electricity Utilities Industry Law in FY2003, 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 for transmission line construction (power line easements) are subject to straight line depreciation in order to appropriately calculate costs in accordance with the actual situation.

Purchased power (¥600.8 billion to ¥629.3 billion)	+¥28.4 billion
Inter-company power purchases (¥193.5 billion to ¥216.4 billion)	+¥22.9 billion
Purchases of power from other companies (¥407.3 billion to 412.8 billion)	+¥5.5 billion
Taxes, etc. (¥343.9 billion to ¥336.4 billion)	-¥7.5 billion
Promotion of power-resources development tax	-¥5.5 billion
Other expenses (¥751.4 billion to ¥695.3 billion)	-¥56.1 billion
Nuclear power back-end costs (¥184.4 billion to ¥158.3 billion)	-¥26.0 billion
Irradiated nuclear fuel reprocessing expenses (¥146.0 billion to ¥101.4 billion) *	-¥44.5 billion
(Increase of ¥40.7 billion due to change in standard for stating reserve)	
Decommissioning costs for nuclear power units (¥3.5 billion to ¥21.3 billion)	+¥17.7 billion
Waste processing costs (nuclear power) (¥13.5 billion to ¥13.1 billion)	-¥0.3 billion
Expenses for disposal of specified radioactive wastes (¥21.2 billion to ¥22.4 billion)	+¥1.1 billion
* Due to amendments to provisions of the Electricity Utilities Industry Law, starting in the 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.	
Incidental business operating exepenses (¥55.8 billion to ¥79.3 billion)	+¥23.4 billion
Telecommunications business (¥40.4 billion to ¥55.8 billion)	+¥15.3 billion
Gas business (¥7.2 billion to ¥14.2 billion)	+¥6.9 billion
Interest paid (¥156.3 billion to ¥153.7 billion)	-¥2.5 billion
Due to reduced debt	-¥6.0 billion
Impact of early debt payment	+¥3.1 billion



Balance Sheets (Consolidated and Non-consolidated)

Balance Sheets

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

(Unit: Billion yen)

	FY 2005(A)	FY 2004(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Total assets	13,594.1	13,748.8	-154.7	98.9
	13,031.4	13,101.1	-69.7	99.5
Fixed assets	12,848.5	13,025.9	-177.4	98.6
	12,429.3	12,532.3	-103.0	99.2
{ Electric utility fixed assets	9,154.9	9,310.9	-156.0	98.3
{ Incidental business fixed assets	120.5	95.3	25.2	126.5
{ Non-business fixed assets	4.4	4.4	-0.0	99.3
* { Construction in progress	482.4	738.5	-256.1	65.3
{ Nuclear fuel	920.9	929.1	-8.1	99.1
{ Other	1,746.0	1,453.9	292.1	120.1
Current assets	745.2	722.5	22.7	103.1
	601.8	568.5	33.3	105.9
Liabilities	10,778.6	11,214.3	-435.6	96.1
	10,476.4	10,766.4	-289.9	97.3
Shareholders' equity	2,779.7	2,502.1	277.5	111.1
	2,555.0	2,334.7	220.2	109.4

Adjustment*	+¥655.5 billion
Retirement	-¥40.3 billion
Depreciation	-¥763.2 billion
Others	-¥8.0 billion

*Adjustment occurred when "Construction in progress" changed into "Fixed assets".

Telecommunications business	¥59.4 billion
Real estate business	¥52.6 billion
Energy facility service business	¥5.5 billion
Gas business	¥2.0 billion

*Non-consolidated

Interest-bearing debt outstanding	7,840.1	8,261.7	-421.5	94.9
	7,629.8	7,908.9	-279.0	96.5
Shareholders' equity ratio (%)	20.4	18.2	2.2	-
	19.6	17.8	1.8	-

	(Consolidated)	(Non-consolidated)
Bonds	¥5,628.4 billion	¥5,621.1 billion
Long-term debt	¥1,700.1 billion	¥1,525.7 billion
Short-term debt	¥376.5 billion	¥348.0 billion
Commercial paper	¥135.0 billion	¥135.0 billion



Free Cash Flow

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

	FY 2005(A)	FY 2004(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Cash flow from operating activities	935.6	1,411.4	-475.8	66.3
	851.9	1,347.7	-495.7	63.2
Capital expenditures (Cash basis)	-521.2	-464.6	-56.6	112.2
	-484.9	-456.2	-28.7	106.3
Free cash flow	414.3	946.8	-532.5	43.8
	367.0	891.5	-524.5	41.2

Increase in fuel expense	-¥217.5 billion
Reserve fund for reprocessing of irradiated nuclear fuel	-¥262.2 billion
Increase in capital expenditures	-¥28.7 billion

【 Application of Free Cash Flow 】

Reduction of interest-bearing debt	268.0	701.7	-433.7	38.2
	279.0	676.2	-397.2	41.3
Dividends	80.8	80.9	-0.0	99.9
	80.8	80.9	-0.0	99.9
Investments, etc.	65.3	164.1	-98.7	39.8
	7.0	134.3	-127.2	5.2
(of which, investments in diversified businesses)	97.8	89.6	8.2	109.1
	75.5	128.8	-53.3	58.6

Incidental business investment	¥39.5 billion
Acquisition of stock, etc.	¥36.0 billion



Segment Information

Segment Information

	FY 2005(A)	FY 2004(B)	(Unit: Billion yen)	
			Comparison	
			(A)-(B)	(A)/(B) (%)
Operating revenues	5,255.4	5,047.2	208.2	104.1
Electric Power	4,897.3	4,798.8	98.4	102.1
	4,895.5	4,797.6	97.8	102.0
Information and Telecommunications	252.4	183.6	68.8	137.5
	179.6	110.4	69.2	162.7
Energy and Environment	326.1	275.4	50.6	118.4
	115.8	78.9	36.8	146.7
Living Environment and Lifestyle-related	135.7	126.8	8.8	107.0
	49.6	43.0	6.6	115.4
Overseas	14.7	17.1	-2.3	86.2
	14.7	17.1	-2.3	86.2
Operating income	576.2	566.3	9.9	101.8
Electric Power	572.7	567.0	5.6	101.0
Information and Telecommunications	-38.7	-31.9	-6.7	121.1
Energy and Environment	28.0	15.8	12.1	176.5
Living Environment and Lifestyle-related	10.7	9.0	1.7	119.2
Overseas	0.4	3.6	-3.1	13.2
Capital expenditures	623.7	561.2	62.5	111.1
Electric Power	501.9	459.3	42.5	109.3
Information and Telecommunications	52.9	40.0	12.8	132.0
Energy and Environment	39.8	32.3	7.4	122.9
Living Environment and Lifestyle-related	16.9	8.4	8.5	200.8
Overseas	15.5	24.1	-8.6	64.3

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

Information and Telecommunications

Fiber-Optics Network Company, Operating revenues (hereinafter called FUSION COMMUNICATIONS CORP., R: 71.7(+31.0), I: 0.8(+0.0)
 TEPCO SYSTEMS CORPORATION, R: 60.3(-0.7), I: 1.8(+1.6)
 TEPCO CABLE TELEVISION Inc., R: 15.4(+0.6), I: 0.7(+0.1)

Energy and Environment

Gas Business Company, R: 15.4(+7.4), I: 1.1(+0.4)
 Toden Kogyo Co., Ltd., R: 56.4(+4.8), I: 4.5(+1.1)
 Tokyo Electric Power Environmental Engineering Company, Incorporated, R: 36.8(+4.1), I: 3.0(+1.4)
 Tokyo Timor Sea Resources Inc. (US), R: 16.7(+8.7), I: 13.4(+7.3)
 JAPAN FACILITY SOLUTIONS, Inc., R: 8.8(+2.1), I: 0.3(+0.0)

Living Environment and Lifestyle-related

Toden Real Estate Co., Inc., R: 37.6(+0.7), I: 7.4(+0.6)
 Toden Kokoku Co., Ltd., R: 28.9(+0.2), I: 2.0(+0.3)
 TOSHIN BUILDING CO., LTD, R: 15.5(+3.4), I: 1.6(+0.8)

Overseas

Eurus Energy Holdings Corporation, R: 9.2(-2.0), I: 1.3(-1.7)
 TM Energy (Australia) Pty Ltd, R: 3.4(-1.2), I: 0.2(-1.2)

Note:

1. Unit: Billion yen (Figures in parentheses represent year-on-year comparisons)
2. FUSION COMMUNICATIONS CORP. became a consolidated subsidiary as of September 30, 2004.

Fiber-Optics Network Company

(Unit: Billion yen)

	FY2005	FY2004	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating revenues	20.3	10.1	10.1	200.3
Operating income	-35.8	-30.6	-5.1	-
Capital expenditures	33.4	21.8	11.5	152.6
Number of subscribers	approx. 280,000	approx. 130,000	-	-

Performance, Etc.

- Operating revenues of the Fiber-Optics Network Company rose ¥10.1 billion year-on-year to ¥20.3 billion, and operating loss increased ¥5.1 billion to ¥35.8 billion. The total number of TEPCO Hikari subscribers reached approximately 280,000 households.

Agreement with KDDI in Connection with the FTTH Business

- On April 5, 2006, TEPCO agreed to consider integrating the business of the Fiber-Optics Network Company with KDDI.
- Based on an assumed integration date of January 1, 2007, TEPCO will study the value of the business and other issues with KDDI, and reach a decision by the end of September 2006.

Gas Business Company

	(Unit: Billion yen)			
	FY2005	FY2004	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating revenues	15.4	7.9	7.4	193.9
Operating income	1.1	0.6	0.4	196.2
Gas sales volume	approx. 350,000 tons	approx. 220,00 tons	-	-

Performance, Etc.

- Operating revenues of the Gas Business Company were ¥15.4 billion and operating income was ¥1.1 billion.
- Operating revenues of approximately ¥32.0 billion and operating income of approximately ¥1.0 billion are projected for FY2006, with full-scale start of wholesaling to Keiyo Gas Co., Ltd. and expansion of sales to Otaki Gas Co., Ltd. and others.

Withdrawal from My Energy Corporation Business

- My Energy Corporation was established in March 2000 to help meet increasingly diverse customer needs by providing on-site energy generation services.
- However, due to a worsening operating environment including persistently high fuel prices, TEPCO decided on March 22, 2006 to withdraw from the business. Procedures will continue toward dissolution of the business during the first half of FY2007.
- During FY2005, withdrawal from this business incurred an extraordinary loss of ¥12.0 billion on a non-consolidated basis and ¥7.5 billion on a consolidated basis.

Performance Outlook

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

(Unit: Billion yen)

	Operating revenues	Operating income	Ordinary income	Net income
FY2006 Projection	5,240.0	520.0	400.0	250.0
	4,970.0	475.0	350.0	225.0
FY2005 Actual	5,255.4	576.2	426.9	310.3
	4,941.0	536.7	397.2	260.8

Key Factors Affecting Performance Outlook (in Ordinary Income)

Non-consolidated Performance

Ordinary revenues

Electricity sales revenues	-¥10.0 billion
Electricity sales volume decrease (288.7 billion kWh to 287.1 billion kWh)	-¥26.0 billion
Increase in unit sales price	+¥16.0 billion
Incidental business revenues	+¥35.0 billion

Ordinary expenses

Personnel expense	+¥20.0 billion
Fuel expense	+¥25.0 billion
Increase in nuclear power generated (Nuclear power plant capacity utilization ratio: 66.4% to about 75%)	-¥70.0 billion
Electricity sales volume decrease	-¥10.0 billion
Rise in CIF crude oil price (\$55.80/barrel to about \$60/barrel)	+¥45.0 billion
Yen depreciation (¥113.32=\$1 to about ¥120=\$1)	+¥60.0 billion
Depreciation	-¥50.0 billion
Incidental business operating expenses	+¥25.0 billion
Others	

Consolidated Performance: Depends on projected increase in profits of subsidiaries and equity-method affiliates (about ¥20.0 billion) in addition to non-consolidated financial results.



Reference: Business Management Plan Targets and Performance

						(Reference)	
(Fiscal year)	2001	2002	2003	2004	2005	FY2005 Business Management Plan FY2005-07 Targets	FY2006 Business Management Plan FY2006-08 Targets
Profit and Free Cash Flow (FCF) Targets							
ROA	4.5	3.6	3.5	4.1	4.2	At least 4%	At least 4%
(%)	4.5	3.7	3.5	4.0	4.1	At least 4%	At least 4%
FCF	613.5	648.5	557.8	946.8	414.3	About 500 billion yen	At least 400 billion yen
(billion yen)	604.5	649.4	543.5	891.5	367.0		At least 400 billion yen
Ordinary income	319.5	280.8	304.4	384.5	397.2	At least 350 billion yen	At least 380 billion yen
(billion yen)							At least 350 billion yen
Balance Sheet Improvement Targets							
Shareholders' equity ratio	14.1	14.9	16.2	17.8	19.6	At least 22%	At least 23%
(%)						(end of FY2007)	(end of FY2008)
Interest-bearing debt	9,425.1	8,970.0	8,585.2	7,908.9	7,629.8	Reduction of at least	Reduction of at least
(billion yen)						1 trillion yen (3-year total)	700 billion yen (3-year total)
Efficiency Gains Targets							
Capital expenditures	932.2	645.2	576.1	464.2	505.0	About 620 billion yen	About 620 billion yen
(billion yen)							
Maintenance	503.9	406.2	411.4	472.7	469.3	About 460 billion yen	-
(billion yen)							
Number of employees	40,725	39,619	38,950	38,510	38,235	37,500 or fewer	About 37,500
(persons)						(end of FY 2007)	(end of FY 2008)
Business Growth Targets							
Expansion of electricity sales volume (billion kWh)				1.0	1.75	4.0 billion kWh (3-year total)	5.0 billion kWh (3-year total)
Operating revenues from businesses other than electric power (billion yen)					359.9	About 500 billion yen (end of FY 2007)	About 270 billion yen (end of FY 2008)
Operating income from businesses other than electric power (billion yen)					0.4	About 25 billion yen (end of FY 2007)	About 40 billion yen (end of FY 2008)

Note: 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 3-year averages.

2. Targets for operating revenues and operating income from businesses other than electric power were first set under the FY2005 Business Management Plan, based on Management Vision 2010.

Key Factors Affecting Performance

	FY2005 Actual	FY2006 Projected
Foreign exchange rate (Interbank; yen per dollar)	113.32	approx.120
Crude oil prices (All Japan CIF; dollars per barrel)	55.80	approx.60
Nuclear power plant capacity utilization ratio (%)	66.4	approx.75
Thermal power efficiency (%)	42.0	42.4
Flow rate (%)	94.2	100.0

Financial Impact

	(Unit: Billion yen)	
Change in (Unit of):	FY2005 Actual	FY2006 Projected
Foreign exchange rate (Interbank; 1 yen per dollar)	approx. 10	approx. 9
TEPCO's procurement crude oil equivalent price (1 dollar per barrel)	approx. 26	approx. 25
Nuclear power plant capacity utilization ratio (1%)	approx. 8	approx. 9
Flow rate (1%)	approx. 1	approx. 1
Interest rate (1%)	approx. 7	approx. 9

*Financial impact of crude oil price is not based on All Japan CIF customs prices, but is calculated based on the impact of changes in TEPCO's procurement crude oil equivalent prices (dollar per barrel; caloric equivalent). The actual impact from changes in the All Japan CIF crude oil prices (dollar per barrel) is approximately half of this.



Electricity Sales Volume

(Units: Billion kWh, %)

	FY2005 Actual	FY2006 Projected
Other than eligible customers' use	108.69 <i>(2.2)</i>	106.6 <i>(-1.9)</i>
Lighting	95.19 <i>(2.8)</i>	94.0 <i>(-1.3)</i>
Low voltage	11.21 <i>(-2.1)</i>	10.4 <i>(-6.9)</i>
Other	2.29 <i>(-2.2)</i>	2.2 <i>(-5.2)</i>
Eligible customers' use	179.97 <i>(-0.2)</i>	180.5 <i>(0.3)</i>
Commercial use	75.03 <i>(0.1)</i>	—
Industrial use and others	104.94 <i>(-0.4)</i>	—
Total	288.65 <i>(0.7)</i>	287.1 <i>(-0.5)</i>

Notes: 1. Rounded to the nearest two decimal places.

Figures in parentheses denote percentage change from the previous year

2. Demand classifications differ before and after April 2005 because of the 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 sales volume in the first half of FY2005 trended downward due to a decrease in demand in reaction to last year's hot summer and slow growth in sales to large-scale customers, the cold winter in the second half increased demand for heating, and sales to large-scale customers were relatively firm. As a result, electricity sales volume rose 0.7% year-on-year to 288.65 billion kWh, marking the second consecutive annual increase.
- Total exceeded third-quarter projections by approximately 0.5 billion kWh (100.2% of projected amount) due to an increase in demand for heating, among other factors.
- In FY2006, while industrial demand is forecast to increase against the backdrop of moderate economic recovery, consumer demand is expected to decrease in reaction to the hot summer and cold winter in FY2005. As a result, total electricity sales volume is projected to shrink 0.5% year-on-year to 287.1 billion kWh, the first negative growth in three years.

Development of Electricity Sales Volume

[Fiscal Year Target]		[Results]
<u>Demand development:</u> 1.03 billion kWh in FY2005		<u>1.75 billion kWh</u> <i>(171% achievement ratio)</i>
(Breakdown below)		
•Corporate and large-scale customers: 0.72 billion kWh		1.31 billion kWh <i>(183% achievement ratio)</i>
•Household customers: 0.31 billion kWh		0.44 billion kWh <i>(143% achievement ratio)</i>
〔 Share of all-electric housing in new housing construction: 10% 〕		10.9% 〕

Achieved fiscal year targets in both corporate and large-scale and household customer sectors. We will continue to promote sales activities in line with each market toward achieving our FY2006 target of 1.55 billion kWh.