TEPCO

FY2008 2nd Quarter Financial Results
(April 1, 2008 – September 30, 2008)
Presentation Materials

October 31, 2008

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Regarding Forward-Looking Statements (Performance Projections)

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

Ⅰ. Overview of FY2008 2nd Quarter Financial Results

FY2008 2nd Quarter Results Summary (Consolidated and Non-consolidated)

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

		FY2008 1st half (A)	FY2007 1st half (B)	Comparison* (A)-(B)	Comparison* (A)/(B)(%)
Electricity sales volume	(Billion kWh)	147.9	148.0	-0.0	100.0
Operating revenues	(Consolidated)	2,870.2	2,677.1	193.1	107.2
	(Non-consolidated)	2,746.8	2,549.1	197.6	107.8
Operating expenses		2,994.7	2,408.8	585.9	124.3
		2,890.8	2,300.9	589.8	125.6
Operating income or loss		-124.5	268.2	-392.8	—
		-144.0	248.1	-392.2	—
Ordinary revenues		2,909.2	2,704.7	204.5	107.6
		2,767.5	2,565.6	201.8	107.9
Ordinary expenses		3,073.7	2,490.7	583.0	123.4
		2,963.7	2,379.6	584.0	124.5
Ordinary income or loss		-164.4	213.9	-378.4	—
		-196.1	185.9	-382.1	—
Quarterly net income or loss		-109.3	21.2	-130.5	—
		-128.4	6.3	-134.8	—
Free cash flow		-130.2	52.3	-182.5	—
		-166.6	38.4	-205.0	—
Net worth ratio	(%)	18.2	21.8	-3.6	—
		16.9	20.8	-3.9	—
ROA	(%)	-0.9	2.0	-2.9	—
		-1.1	1.9	-3.0	—

*Some accouting procedures have changed due to the the quarterly report system introduced in FY 2008.
Comparision data from FY 2007 1st half is for your referrence. Further financial figures in this report are based on this premise.

Revised Performance Outlook for FY2008 -1 (Key Factors Affecting Performance and Financial Impact)

Key Factors Affecting Performance

	1st half			Full year		
	FY2008		FY2007	FY2008 projection		FY2007
	actual performance	projection (as of July 28)	actual performance	(as of October 31)	(as of July 28)	actual performance
Electricity sales volume (billion kWh)	147.9	146.8	148.0	296.7	296.2	297.4
Crude oil prices (All Japan CIF; dollars per barrel)	119.68	approx.120	67.94	approx.110	approx.125	78.72
Foreign exchange rate (Interbank; yen per dollar)	106.13	approx.105	119.40	approx.106	approx.105	114.44
Nuclear power plant capacity utilization ratio (%)	44.8	approx.44	52.6	approx.44	approx.43	44.9
Flow rate (%)	99.9	approx.101	94.7	approx.100	approx.100	94.4

Financial Impact

（Unit：Billion yen）

	Full year		
	FY2008 projection		FY2007
	(as of October 31)	(as of July 28)	actual performance
Crude oil prices (All Japan CIF; 1 dollar per barrel)	18.0	18.0	16.0
Foreign exchange rate (Interbank; 1 yen per dollar)	21.0	24.0	14.0
Nuclear power plant capacity utilization ratio (1%)	17.0	19.0	12.0
Flow rate (1%)	2.0	2.0	1.5
Interest rate (1%)	15.0	14.0	12.0

Revised Performance Outlook for FY2008 -2 (Comparison with previous projection)

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

		Operating revenues	Operating income or loss	Ordinary income or loss	Net income or loss
Present projection（October 31）	(Consolidated)	6,030.0	-235.0	-325.0	-220.0
	(Non-consolidated)	5,770.0	-280.0	-380.0	-250.0
Previous projection（July 28）		6,050.0	-335.0	-425.0	-280.0
		5,800.0	-380.0	-480.0	-310.0
Difference		-20.0	100.0	100.0	60.0
		-30.0	100.0	100.0	60.0

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

Ordinary income or loss [as of July 28]	-¥480.0 billion
Factors for improving performance	**+¥190.0 billion**
Decrease in fuel expenses	+¥190.0 billion
【Consumption side】	
・Decrease from increase in nuclear power genetrated	+¥15.0 billion
・Decrease from the increase in purchased power, etc.	+¥10.0 billion
・Increase due to higher demand	-¥10.0 billion
【Price side】	
・Increase due to the depreciation of Japanese yen	-¥20.0 billion
・Decrease due to decline in CIF crude oil prices, etc.	+¥195.0 billion
Factors for weakening performance	**+¥90.0 billion**
Decrease in operating revenues	+¥30.0 billion
・Decrease in electricity sales revenues	+¥30.0 billion
Increase in electricity sales volume	-¥15.0 billion
Decrease from the fuel cost adjustment system due to impact from the special measures to ease drastic changes	+¥45.0 billion
Increase in purchased power	+¥25.0 billion
・Increase in volume of purchased power and increase in fuel cost payments, etc.	
Others	+¥35.0 billion
・Reduced return on pension plan assets due to lower stock prices (increased personnel expenses), etc.	
Ordinary loss	-¥380.0 billion
Before-tax net loss	-¥380.0 billion
After-tax* net loss	-¥250.0 billion

Note:Statutory efective tax rate:36.2%

Impact of the Shutdown of Kashiwazaki-Kariwa Nuclear Power Station

(Unit: Billion yen)	FY2007 actual performance	FY2008 1st half actual performance		FY2008 full year projection* (as of October 31)	【Ref.】FY2008 full year projection (as of July 28)
Total	615.0	322.0		658.0	748.0
Fuel expenses, etc.	420.0	315.0	→	650.0	740.0
Increase in fuel expenses and purchased power**	460.0	340.0		700.0	790.0
Decrease in nuclear fuel expenses and nuclear power back-end costs	-40.0	-25.0		-50.0	-50.0
Restoration expenses and others	195.0	7.0	→	8.0	8.0
Extraordinary loss (Casuality loss from natural disaster and others)	192.5	—		—	—
Other (Expenses for restarting inactive thermal power plants, etc.)	2.5	7.0		8.0	8.0
Decrease in nuclear power genetrated	40.0 billion kWh	25.0 billion kWh	→	50.0 billion kWh	50.0 billion kWh
Nuclear power plant capacity utilization ratio（%）	44.9	44.8		approx. 44	approx. 43

＊：TEPCO estimates the data premised on the full-year shutdown of Kashiwazaki-Kariwa NPS in FY2008.

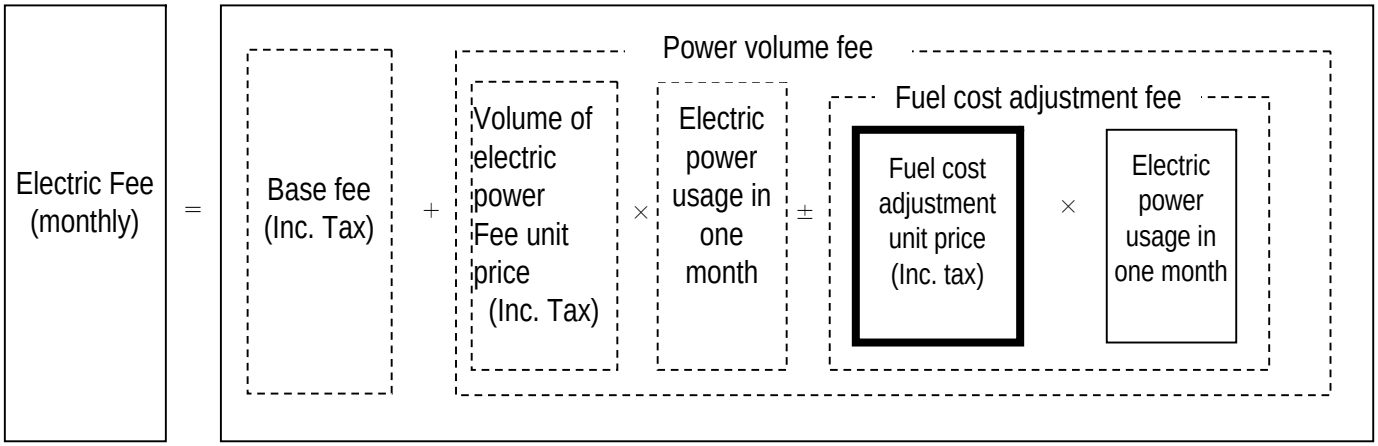
＊＊："Increase in fuel expenses and purchased power" includes increase in nuclear fuel expenses, etc. due to backup operation of Fukushima Daiich and Fukushima Daini NPS.

Estimated cost of Earthquake-Resistance and Disaster-Prevention Measures Improvement Initiatives

✓The estimated cost of Kashiwazaki-Kariwa NPS is 15 billion yen per unit or 100 billion total for all units.

Special measures for Fuel cost adjustment

◆ Implement special measures for fuel cost adjustment of January to March 2009, for regulated retail customers.



	Fuel cost adjusted unit price based on present fuel cost adjustment system	Special measure unit price	Fuel cost adjusted unit price which will be applied practically
From January to March, 2009	＋2.83 yen/kWh	▲1.42 yen/kWh	＋1.41 yen/kWh
From April to June, 2009	±A yen/kWh（determined as of end of Jan.,2009）	＋0.36yen/kWh	±A＋0.36yen/kWh
From July to September, 2009	±B yen/kWh（determined as of end of Apr.,2009）	＋0.36yen/kWh	±B＋0.36yen/kWh
From October to December, 2009	±C yen/kWh（determined as of end of Jul.,2009）	＋0.36yen/kWh	±C＋0.36yen/kWh
From January to March, 2010	±D yen/kWh（determined as of end of Oct.,2009）	＋0.34yen/kWh	±D＋0.34yen/kWh

•The special measures unit price of April to June, July to September and October to December, 2009 is arrived at by dividing the reduced special unit price of January to March, 2009 by four and rounding to the nearest hundredth.

•The special measures unit price of January to March, 2010 comes from subtracting the total of unit price of April to December, 2008 from the reduced special measure unit price of January to March 2009.

Ⅱ. FY2008 2nd Quarter Financial Results (Detailed Information)

Revised Performance Outlook for FY2008 -3 (Comparison with previous year)

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

		Operating revenues	Operating income or loss	Ordinary income or loss	Net income or loss
Present projection (October 31)	(Consolidated)	6,030.0	-235.0	-325.0	-220.0
	(Non-consolidated)	5,770.0	-280.0	-380.0	-250.0
FY2007 Actual performance		5,479.3	136.4	33.1	-150.1
		5,224.3	95.0	-22.0	-177.6
Difference		550.7	-371.4	-358.1	-69.9
		545.7	-375.0	-358.0	-72.4

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

Ordinary income or loss [of FY2007] -¥22.0 billion

Factors for improving performance +¥595.0 billion

Increase in operating revenues +¥545.0 billion

- Increase in electricity sales revenues +¥490.0 billion
  - Decrease in electricity sales volume -¥10.0 billion
  - Impact from the fuel cost adjustment system, etc. +¥500.0 billion
- Increase in incidental business operating revenues, etc. +¥55.0 billion
  (Gas supply business operating revenues +¥40.0 billion)

Decrease in depreciation expenses +¥20.0 billion

- Progress of depreciation and Restraining of capital expenditures

Decrease in nuclear power back-end costs +¥30.0 billion

- Decrease in nuclear power genetrated, etc.

Factors for weakening performance +¥955.0 billion

Increase in fuel expenses +¥710.0 billion

【Consumption side】
- Increase from the decrease in nuclear power genetrated +¥15.0 billion
- Decrease from the increase in hydroelectric generated, etc. -¥20.0 billion

【Price side】
- Decrease from the appreciation of the Japanese yen -¥115.0 billion
- Rise in CIF crude oil prices, etc. +¥830.0 billion

Increase in purchased power +¥55.0 billion

Increase in personnel expenses +¥135.0 billion

- Rebound from the decrese due to the revision of retirement benefit and pension system in the previous year (FY2007), etc.

Increase in incidental business operating expenses +¥55.0 billion

(Gas supply business operating expenses +¥45.0 billion)

Ordinary loss	-¥380.0 billion
Before-tax net loss	-¥380.0 billion
After-tax* net loss	-¥250.0 billion

Statement of Income (Consolidated)

(Unit: Billion yen)

	FY2008 1st half (A)	FY2007 1st half (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating revenues	2,870.2	2,677.1	193.1	107.2
Operating expenses	2,994.7	2,408.8	585.9	124.3
Operating income or loss	-124.5	268.2	-392.8	–
Non-operating revenues	39.0	27.6	11.4	141.5
Investment gain under the equity method	11.2	–	11.2	–
Non-operating expenses	79.0	81.9	-2.9	96.5
Investment loss under the equity method	–	2.5	-2.5	–
Ordinary income or loss	-164.4	213.9	-378.4	–
(Reversal of) Provision for reserve for fluctuation in water levels	-0.1	-2.6	2.5	–
Extraordinary loss	–	175.1	-175.1	–
Income taxes	-57.3	18.4	-75.8	–
Minority interests	2.3	1.8	0.5	132.7
Quarterly net income or loss	-109.3	21.2	-130.5	–

Great Energy Alliance Corporation +¥1.9billion (+¥11.7billion)

Note: ( ) On a year-on-year basis

Revenues Breakdown (Non-consolidated)

(Unit: Billion yen)

	FY2008 1st half (A)	FY2007 1st half (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Ordinary revenues	2,767.5	2,565.6	201.8	107.9
Operating revenues	2,746.8	2,549.1	197.6	107.8
Electric power operating revenues	2,709.3	2,525.9	183.3	107.3
Electricity sales revenues	2,582.1	2,402.7	179.3	107.5
Lighting	1,031.3	975.2	56.1	105.8
Commercial and industrial	1,550.7	1,427.5	123.2	108.6
Sold power to other utilities	59.7	53.7	6.0	111.3
Sold power to other suppliers	22.7	26.1	-3.3	87.1
Other revenues	44.6	43.3	1.2	103.0
Incidental business operating revenues	37.4	23.1	14.3	161.8
Non-operating revenues	20.7	16.4	4.2	125.7

Increase in unit sales price
(16.24yen/kWh → 17.46yen/kWh)

<Fuel Cost Adjustment Amounts>
FY2007/1H: 42 billion yen to FY2008/1H: 192 billion yen

Increase in Gas supply business revenues
+¥13.7 billion

Expenses Breakdown (Non-consolidated)

(Unit: Billion yen)

	FY2008 1st half (A)	FY2007 1st half (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Ordinary expenses	2,963.7	2,379.6	584.0	124.5
Operating expenses	2,890.8	2,300.9	589.8	125.6
Electric power operating expenses	2,848.2	2,279.9	568.2	124.9
Personnel	231.9	108.7	123.1	213.2
Fuel	1,166.5	728.8	437.6	160.0
Maintenance	187.1	212.5	-25.4	88.0
Depreciation	358.5	363.2	-4.7	98.7
Power purchasing cost	422.2	363.2	59.0	116.2
Taxes and other public charges	181.4	180.2	1.2	100.7
Nuclear power back-end costs	59.3	59.8	-0.5	99.0
Other expenses	241.1	263.0	-21.9	91.7
Incidental business operating expenses	42.6	21.0	21.5	202.6
Non-operating expenses	72.8	78.6	-5.7	92.6
Interest paid	66.9	69.0	-2.0	97.1
Other expenses	5.8	9.6	-3.7	61.0

Period-on-Period Comparison of Ordinary Expenses – 1 (Non-consolidated)

Personnel expenses (¥108.7 billion to ¥231.9 billion) +¥123.1 billion

Salary and benifits(¥158.1 billion to ¥153.7 billion) -¥4.4 billion

Factors include lower employee bonuses

Retirement benefits(¥-93.3 billion to ¥33.3 billion) +¥126.7 billion

Rebound from the decrease due to the revision of retirement benefit and pension system*, etc.

＊: In the previous fiscal year, TEPCO changed from a tax-qualified retirement annuity system to a contractual defined benefit corporate pension plan and a defined contribution pension plan(DC). The change in the contracted benefit rate from 3.5% to 2% incurred a prior service cost of -¥93.1 billion. TEPCO recognized the entire charge in the first half of the previous fiscal year.

Increase in amortization of actuarial difference※(-¥22.2billion to ¥14.4 billion)

Amortization of actual difference

(Unit: Billion yen)

Reduced return on pension plan assets due to lower stock prices in FY2007	Expenses incurred (A)	Amount expensed (B) in FY2005	in FY2006	in FY2007 (of which in 2nd quarter)	in FY2007 DC	in FY2007	in FY2008/2Q Charged	Have not been charged as of FY2008/2Q (A) - (B)
FY2005	-117.9	-39.3	-39.3	-19.6	-2.4	-36.8	—	—
FY2006	-15.4	–	-5.1	-2.5	-1.0	-4.8	-2.2	-2.2
FY2007	100.1	–	—	—	—	33.3	16.6	50.0
Total		-59.0	-48.5	-22.2	-3.4	-8.3	14.4	47.8

Note:TEPCO amotizes actuarial gain or loss by the straight-line method over a period of three years.

Fuel expenses (¥728.8 billion to ¥1,166.5 billion) +¥437.6 billion

Consumption volume +¥48.0 billion

Decrease in nuclear power generated（Nuclear power generated 44.0 billion kWh to 34.0 billion kWh） +¥69.0 billion
（Nuclear power plant capacity utilization ratio 52.6% to 44.8%）

Increase in hydroelectric generated（Flow rate 94.7% to 99.9%） -¥7.0 billion

Decrease in power generated and purchased（160.7 billion kWh to 160.0 billion kWh） -¥8.0 billion

Increase in power purchased from other companies -¥6.0 billion

Price +¥390.0 billion

Rise in CIF crude oil prices ($67.94=1 barrel to $119.68=1 barrel) +¥465.0 billion

Yen appreciation (¥119.40=$1 to ¥106.13=$1) -¥93.0 billion

Other factors (Change in composition ratio of thermal fuel types, etc.〔Rise in composition ratio of oil〕) +¥18.0 billion

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

Maintenance expenses (¥212.5 billion to ¥187.1 billion) -¥25.4 billion

Generation related (¥96.8 billion to ¥86.5 billion)	-¥10.2 billion
Hydroelectric power (¥5.6 billion to ¥4.1 billion)	-¥1.4 billion
Thermal power (¥39.1 billion to ¥45.3 billion)	+¥6.1 billion
Nuclear power (¥52.0 billion to ¥37.0 billion)	-¥14.9 billion
Distribution related (¥112.3 billion to ¥97.8 billion)	-¥14.5 billion
Transmission (¥17.0 billion to ¥11.9 billion)	-¥5.1 billion
Transformation (¥9.8 billion to ¥7.2 billion)	-¥2.5 billion
Distribution (¥85.3 billion to ¥78.6 billion)	-¥6.7 billion
Others (¥3.3 billion to ¥2.7 billion)	-¥0.6 billion

Factors for Increase/Decrease
Hyddro power ：Decrease in maintenance expeneses of waterwheel, etc.
Thermal power：Increase in expenses of periodical inspections, etc.
Nuclaer Power：Decrease in preventive maintenance of primary loop recirculation system （PLR） plumbing, etc.

Factors for Increase/Decrease
Transmission ：Decrease in painting expenses of steel tower, etc.
Transformation：Decrease in maintenance expenses of distribution panel and protective relay,etc.
Distribution ：Decrease in maintenance expenses of grounding electrode, etc.

Depreciation expenses (¥363.2 billion to ¥358.5 billion) -¥4.7 billion

Generation related (¥148.5 billion to ¥149.8 billion)	+¥1.3 billion
Hydroelectric power (¥23.9 billion to ¥22.4 billion)	-¥1.4 billion
Thermal power (¥72.3 billion to ¥77.0 billion)	+¥4.7 billion
Nuclear power (¥52.2 billion to ¥50.3 billion)	-¥1.8 billion
Distribution related (¥204.9 billion to ¥199.7 billion)	-¥5.2 billion
Transmission (¥94.6 billion to ¥91.8 billion)	-¥2.7 billion
Transformation (¥41.1 billion to ¥39.6 billion)	-¥1.5 billion
Distribution (¥69.1 billion to ¥68.2 billion)	-¥0.9 billion
Others(9.8 billion to ¥8.9 billion)	-¥0.9 billion

Factors for Increase/Decrease
Thermal ：Increase in trial operations depreciation due to trial operation of Units 1-2 and 1-1 of Kawasaki Thermal Power Station and Unit 4-1 of Futts Thermal Power Station, etc.

Depreciation breakdown

	FY2007 1st half	FY2008 1st half
Regular depreciation	¥361.8 billion	¥349.6 billion
Extraordinary depreciation	¥0.3 billion	¥3.9 billion
Trial operations depreciation	¥1.0 billion	¥4.9 billion

Period-on-Period Comparison of Ordinary Expenses – 3 (Non-consolidated)

Power purchasing cost (¥363.2 billion to ¥422.2 billion)	**+¥59.0 billion**
Purchased power to other utilities (¥135.6 billion to ¥110.7 billion)	-¥24.9 billion
Purchased power to other suppliers (¥227.5 billion to ¥311.5 billion)	+¥83.9 billion
Taxes and other public charges (¥180.2 billion to ¥181.4 billion)	**+¥1.2 billion**
Enterprise tax (Increase in electric power operating revenues, etc.)	+¥1.7 billion
Nuclear fuel tax (Change in tax rate, etc.)	+¥0.7 billion
Property tax (Progress of depreciation, etc.)	-¥1.5 billion
Nuclear power back-end costs (¥59.8 billion to ¥59.3 billion)	**-¥0.5 billion**
Irradiated nuclear fuel reprocessing expenses (¥51.0 billion to ¥48.8 billion)	-¥2.2 billion
Expenses for future reprocessing of irradiated nuclear fuel (¥2.1 billion to ¥3.4 billion)	+¥1.3 billion
Decommissioning costs of nuclear power units (¥6.7 billion to ¥7.0 billion)	+¥0.3 billion
Other expenses (¥263.0 billion to ¥241.1 billion)	**-¥21.9 billion**
Incidental business operating expenses (¥21.0 billion to ¥42.6 billion)	**+¥21.5 billion**
Energy facility service business (¥0.8 billion to ¥1.1 billion)	+¥0.2 billion
Real estate leasing business (¥2.4 billion to ¥2.7 billion)	+¥0.2 billion
Gas supply business (¥16.6 billion to ¥37.3 billion)	+¥20.7 billion
Other incidental business (¥1.0 billion to ¥1.3 billion)	+¥0.2 billion
Interest paid (¥69.0 billion to ¥66.9 billion)	**-¥2.0 billion**
Lower average interest rate（1.88% to 1.76%）	-¥5.1 billion
Increase in interest-bearing debt outstanding	+¥3.1 billion
(FY2007 1st half: ¥7,270.1billion to FY2008 1st half: ¥7,703.3 billion)	
Other non-operating expenses (¥9.6 billion to ¥5.8 billion)	**-¥3.7 billion**
Reduced due to impact from valiation loss of security revaluation	

Factors for Increase/Decrease
Purchased power to other utilities：
Decrease in power exchange for resource shortage
Purchased power to other suppliers：
・Increase in purchased power from cooperative thermal generations due to power supply and demand tightness
・Rise in fuel costs, etc.

Factors for Increase/Decrease
Irradiated nuclear fuel reprocessing expenses, Expenses for future reprocessing of irradiated nuclear fuel：
Reduction in reserve for reprocessing of irradiated nuclear fuel due to a decrease in the amount of irradiated fuel generated, etc.

Factors for Increase/Decrease
Decrease in commission costs and promotional costs, etc.

Balance Sheets (Consolidated and Non-consolidated)

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

		Sep. 30, 2008 (A)	Mar. 31, 2008 (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Total assets	(Consolidated)	13,678.9	13,679.0	-0.1	100.0
	(Non-consolidated)	13,024.1	13,057.7	-33.5	99.7
Fixed assets		12,603.9	12,697.5	-93.5	99.3
		12,119.5	12,249.6	-130.0	98.9
(*) Electric business		8,288.3	8,416.0	-127.7	98.5
(*) Incidental business		70.7	71.1	-0.4	99.4
(*) Non-business		4.2	4.0	0.1	103.8
(*) Construction in progress		545.2	595.0	-49.7	91.6
(*) Nuclear fuel		915.9	923.9	-8.0	99.1
(*) Others		2,295.0	2,239.3	55.6	102.5
Current assets		1,074.9	981.5	93.4	109.5
		904.5	808.0	96.4	111.9
Liabilities		11,147.5	10,983.6	163.9	101.5
		10,818.7	10,675.0	143.7	101.3
Fixed liability		8,857.6	8,602.6	254.9	103.0
		8,601.2	8,350.5	250.7	103.0
Current liability		2,272.6	2,363.5	-90.9	96.2
		2,200.2	2,307.2	-106.9	95.4
Reserves for Fluctuation in Water		17.3	17.4	-0.1	99.4
		17.2	17.3	-0.1	99.4
Net assets		2,531.3	2,695.4	-164.0	93.9
		2,205.3	2,382.7	-177.3	92.6
Shareholders' equity		2,476.0	2,626.1	-150.1	94.3
		2,181.2	2,350.5	-169.2	92.8
Valuation, translation adjustmts and other		12.9	27.5	-14.6	47.0
		24.1	32.1	-8.0	75.1
Interest-bearing debt outstanding		7,909.3	7,675.7	233.6	103.0
		7,703.3	7,479.9	223.3	103.0
Net worth ratio (%)		18.2	19.4	-1.2	–
		16.9	18.2	-1.3	–

(*)Non-consolidated

Bond issues in FY2008

Issue date	Issue amount (billion yen)	Period (year)	Coupon rate (% per annum)
04/25/08	50	10	1.640
04/25/08	50	5	1.094
04/25/08	50	10	1.602
05/30/08	50	3	1.171
06/25/08	50	10	1.976
07/25/08	50	10	1.849
07/22/08	50	6	1.505
07/24/08	50	12	1.948
09/29/08	60	20	2.347
10/17/08	50	10	1.699
Toatl	510	-	-

Notes 1 Foreign bonds haven't been issued yet in FY 2008.

2 Issuance of 750 billion in FY2007

Interest-bearing debt outstanding

(Unit: Billion yen)

	Sep. 30, 2008	Mar. 31, 2008
Bonds	5,358.8	5,285.4
	5,354.4	5,279.9
Long-term dept	1,850.4	1,713.0
	1,685.9	1,557.0
Short-term dept	385.0	382.2
	348.0	348.0
Commercial paper	315.0	295.0
	315.0	295.0

Note:Upper and lower rows show consolidated and non-consolidated figures, respectively

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

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

		FY2008 1st half (A)	FY2007 1st half (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Net cash provided by operating activities	(Consolidated)	154.7	349.7	-195.0	44.2
	(Non-consolidated)	111.7	294.5	-182.8	37.9
Capital expenditures (Cash basis)		-284.9	-297.4	12.5	95.8
		-278.4	-256.1	-22.2	108.7
Free cash flow		-130.2	52.3	-182.5	—
		-166.6	38.4	-205.0	—
Financing		235.9	71.4	164.5	330.1
		223.4	86.9	136.4	256.9
(Application) Dividends		40.4	53.8	-13.4	75.1
		40.4	53.8	-13.4	75.1
(Application) Investments, etc.		65.3	69.9	-4.6	93.4
		16.3	71.5	-55.2	22.8
(Application) (of which, investments in diversified businesses)		35.8	61.6	-25.7	58.2
		5.6	45.7	-40.0	12.4

Segment Information-1(Actual performance)

(Unit: Billion yen)

	FY2008 1st half (A)	FY2007 1st half (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating revenues	2,870.2	2,677.1	193.1	107.2
Electric Power	2,709.3	2,525.9	183.3	107.3
	2,709.0	2,525.6	183.3	107.3
Information and Telecommunications	43.2	69.1	-25.8	62.6
	21.5	46.4	-24.9	46.3
Energy and Environment	200.2	166.7	33.5	120.1
	104.6	65.9	38.6	158.5
Living Environment and Lifestyle-related	65.2	69.2	-4.0	94.2
	26.6	29.3	-2.6	91.0
Overseas	8.8	10.1	-1.2	87.7
	8.3	9.7	-1.3	86.3
Operating income	-124.5	268.2	-392.8	—
Electric Power	-138.5	246.3	-384.9	—
Information and Telecommunications	1.9	0.4	1.5	452.6
Energy and Environment	5.7	8.3	-2.6	68.3
Living Environment and Lifestyle-related	3.5	7.5	-4.0	46.5
Overseas	1.3	3.3	-1.9	41.2

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

Major subsidiaries in each segment

(Unit: Billion yen)

	Operating revenues	Increase or decrease	Operating income※	Increase or decrease
Information and Telecommunications	43.2	-25.8	1.9	1.5
TEPCO SYSTEMS CORPORATION	18.0	-0.3	-0.4	-0.6
AT TOKYO Corporation	9.8	2.8	1.9	0.0
TEPCO CABLE TELEVISION Inc.,	7.9	0.4	-0.1	0.0
Energy and Environment	200.2	33.5	5.7	-2.6
Toden Kogyo Co., Ltd.	26.7	3.3	0.3	-1.1
Gas Business Company	31.3	13.7	-6.0	-6.9
Tepco Home Service.co. ,Ltd.	18.2	-0.5	-0.1	-0.5
Tokyo Timor Sea Resources Inc. (US)	14.3	7.9	10.5	7.4
Living Environment and Lifestyle-related	65.2	-4.0	3.5	-4.0
Toden Real Estate Co., Inc.	16.9	-0.2	0.8	-2.6
Toden Kokoku Co., Ltd.	11.2	-0.9	0.4	-0.3
Tokyo Living Service Co., Ltd	8.0	-0.1	0.3	-0.1
TOHSHIN BUILDING Co., Ltd	6.3	0.6	1.6	0.1
Overseas	8.8	-1.2	1.3	-1.9
TM Energy (Australia) Pty Ltd.	4.3	-1.3	2.1	-1.4
Eurus Energy Holdings Corporation	3.8	-0.1	-0.2	-0.4

※: Pre consolidated adjustment

Segment Information-2 (Energy and Environment Segment <Gas Company>)

Performance

(Unit: Billion yen)

1st half	FY2008 actual performance	FY2007 actual performance	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating revenues	31.3	17.5	13.7	178.3
Operating income or loss	-6.0	0.9	-6.9	—
Gas Sales volume	approx. 490,000 tons	approx. 330,000 tons	—	—

∗ :LNG equivalent

Operating revenues: Increased because of increased sales to customers and higher sales prices due to rising LNG prices (year-on-year increase of ¥13.7 billion)
Operating expenses: Increased because of factors including increased sales to customers and higher raw material prices due to higher fuel prices (year-on-year increase of ¥20.7 billion)
Operating loss: Operating loss totaled ¥6.0 billion. The sliding time lag in the raw material cost adjustment system that delays reflection of rising LNG prices caused the operating loss.
Note: Raw Material Cost Adjustment System Sliding Time Lag
When LNG prices are rising, the increase in operating revenues in the gas supply business lags behind the increase in raw material cost because the raw material cost adjustment system takes several months to reflect higher raw material prices in sales prices.

Outlook

(Unit: Billion yen)

Full year	FY2008 projection	FY2007 actual performance	Comparison (A)-(B)
Operating revenues	85.0	42.8	42.2
Operating income or loss	-6.0	-1.2	-4.8
Gas Sales volume*	—	approx. 780,000 tons	—

∗ :Outlook for gas sales volume is undisclosed.

For the full year, LNG prices will be a significant factor in determining profit and loss. TEPCO projects that operating revenue could reach approximately ¥85 billion and operating loss could reach approximately ¥6 billion.

Total Power Generated and Purchased and Electricity Sales Volume

Total Power Generated and Purchased

(Units: Billion kWh, %)

	FY2008		
	1st quarter	2nd quarter	1st half
Total power generated and purchased	73.72 (-0.6)	86.33 (-0.2)	160.05 (-0.4)
Power generated by TEPCO	63.68	70.65	134.32
Hydroelectric power generation	3.54	3.22	6.76
Thermal power generation	45.10	48.42	93.51
Nuclear power generation	15.04	19.00	34.04
Power purchased from other companies	10.94	16.44	27.36
Used at pumped storage	-0.89	-0.74	-1.63

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

Average Monthly Temperature

(Unit: ℃)

	Jul.	Aug.	Sep.
FY2008	26.4	26.3	23.6
Compared with last year	2.6	-2.0	-1.0
Compared with average year	1.6	-0.1	0.9

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

Electricity Sales Volume

(Units: Billion kWh, %)

	FY2008			FY2008
	1st quarter	2nd quarter	1st half	projection
Regulated segment	23.96 (-0.2)	27.89 (-0.9)	51.85 (-0.6)	110.2 (-0.2)
Lighting	21.34 (0.6)	24.20 (-0.3)	45.55 (0.1)	—
Low voltage	2.05 (-6.6)	3.21 (-4.8)	5.25 (-5.5)	—
Others	0.57 (-6.0)	0.47 (-1.8)	1.05 (-4.2)	—
Liberalized segment	44.92 (0.1)	51.15 (0.4)	96.06 (0.3)	186.6 (-0.2)
Total electricity sales volume	68.88 (-0.0)	79.03 (-0.0)	147.91 (-0.0)	296.7 (-0.2)

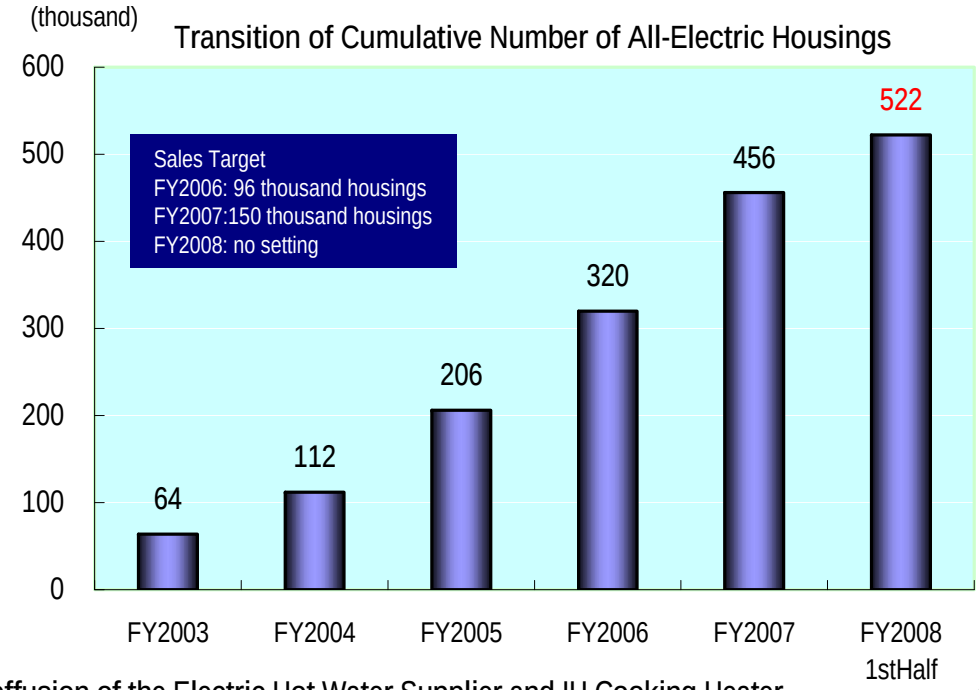
Note:Figures in parentheses denote percentage change from the previous year. Rounded to the nearest decimal point.

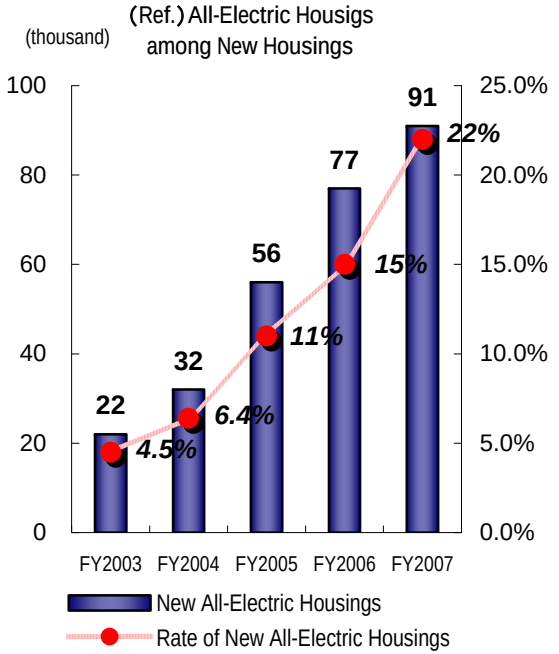
•There was an increase in eligible customers' use. However, the temperature of Aug. and Sep. was cooler this year compared to last year which caused a decline in lighting and low voltage. This resulted in figures being flat compared to last year.

• This demand outlook exceeds the previous planned demand outlook of July 28, 2008 by 1.1 billion kWh due to increase in air conditioning use.

•Although the second half was estimated to go down due to a projected decrease in production, the first half exceeded our initial projections. Therefore, this projection was revised to show a 0.6 billion kWh increase.

【Reference】Performance of All-Electric Housing





Deffusion of the Electric Hot Water Supplier and IH Cooking Heater （Unit：thousand）

		FY2003	FY2004	FY2005	FY2006	FY2007	FY2008 1H
Electric Hot Water Supplier	Number of accounts per year	23	39	77	103	125	71
	Accumulated number	597	636	711	815	940	1,011
"Eco Cute"*	Number of accounts per year	17	35	65	94	117	65
	Accumulated number	23	58	123	217	334	399
IH Cooking Heater (Shipments nationwide)		527	612	731	823	854	432

＊ : Number of Electric Hot Water Supplier includes Eco Cute

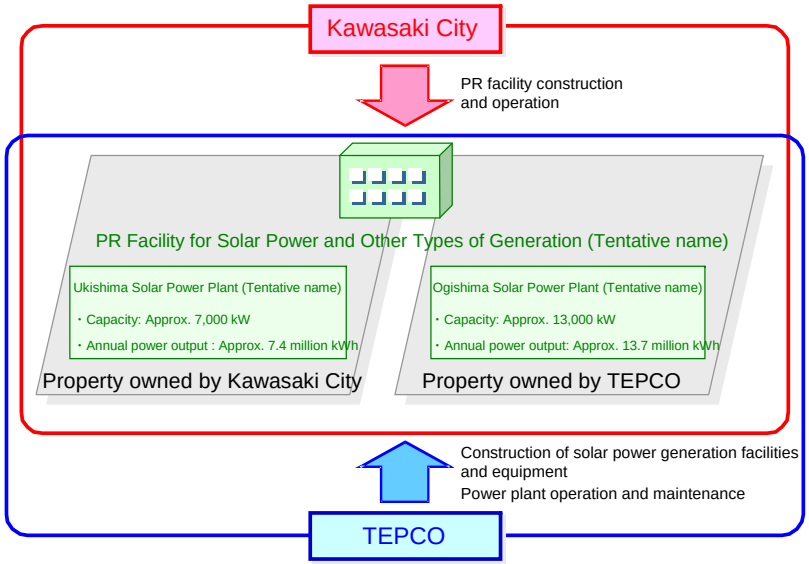
＊＊ : TEPCO's number is estimated to account for 20% of the shipment nationwide.(Source:Japan Electric Machine Industry Association)

- The number of All-electric housings has exceeded 500 thousand in July, 2008.
- FY2008 1st half result surpassed the previous years' 1st half result. Economic efficiency and environmentally - friendliness features of all-electric housings have high expectations from customers.
- Recently, our performance has been influenced by the decrease in construction of new housing units, caused by the slowing of the economy.

【Reference】 Mega Solar Power Generation Plant Plan

Overview of Facilities Plan for Kawasaki Waterfront

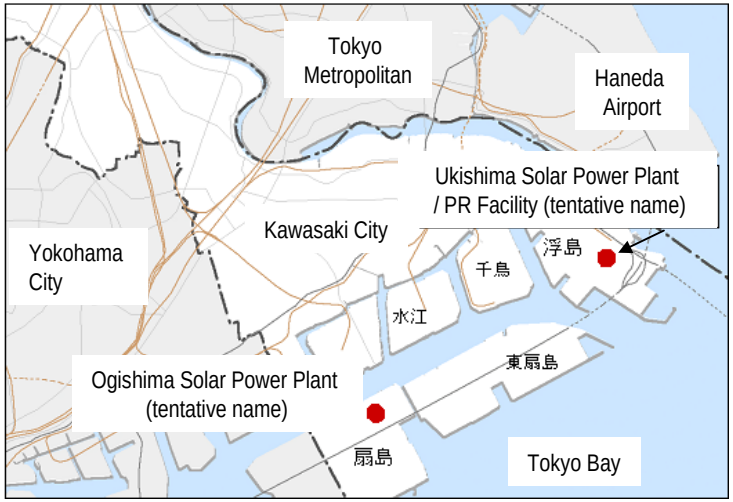
■Plan Overview



■Facilities Overview

		Ukishima Solar Power Plant (Tentative name)	Ogishima Solar Power Plant (Tentative name)
Location		Ukishima-cho, Kawasaki-ku, Kawasaki, Kanagawa Prefecture	Ogishima, Kawasaki-ku, Kawasaki, Kanagawa Prefecture
Plant Specifications	Solar Power Capacity	Approx. 7,000 kW	Approx. 13,000 kW
	Estimated Annual Power Output	Approx. 7.4 million kWh	Approx. 13.7 million kWh
	Reduction of CO_2 Emissions (Estimated)	Approx. 3,100 tons	Approx. 5,800 tons
	Site Area	Approx. 11 ha (owned by Kawasaki City)	Approx. 23 ha (owned by TEPCO)
	Solar Panel Area	Approx. 10 ha	Approx. 20 ha
Schedule	Start of Construction	Fiscal 2009 (Planned)	Fiscal 2009 (Planned)
	Start of Operation	Fiscal 2011 (Planned)	Fiscal 2011 (Planned)

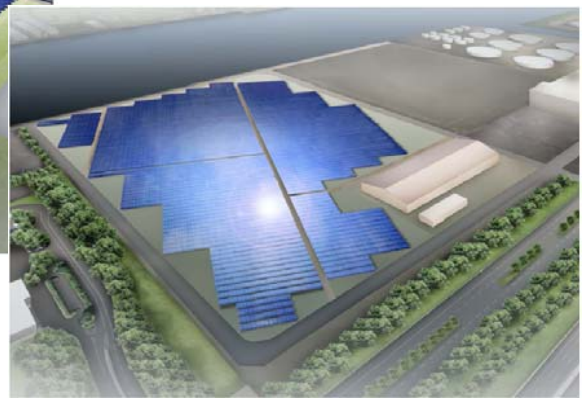
■Map



■Artist's Rendering

✓Ukishima Solar Power Plant (Tentative name)

✓Ogishima Solar Power Plant (Tentative name)



(＊)Megasolar: Term commonly used for large-scale solar power generation systems capable of producing more than 1 MW (1,000 kW).

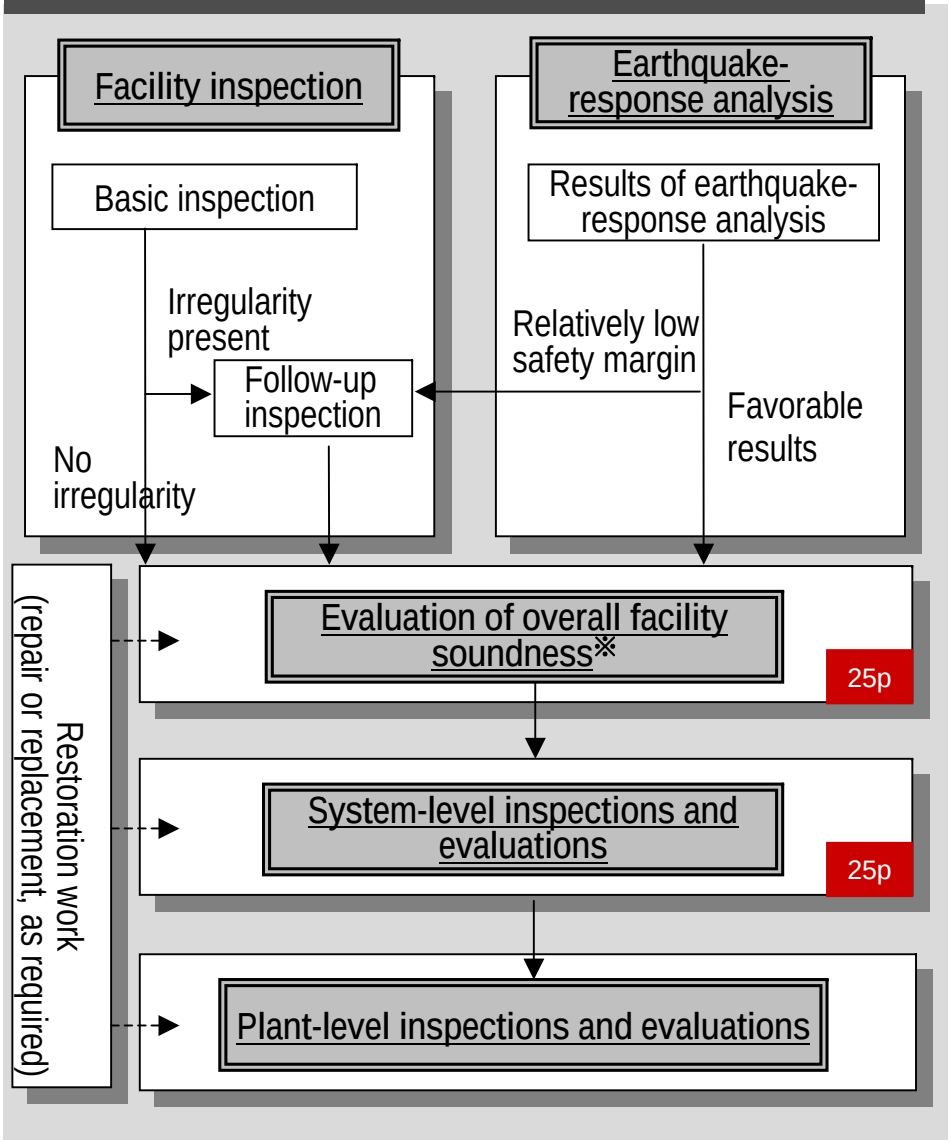
【Reference】

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

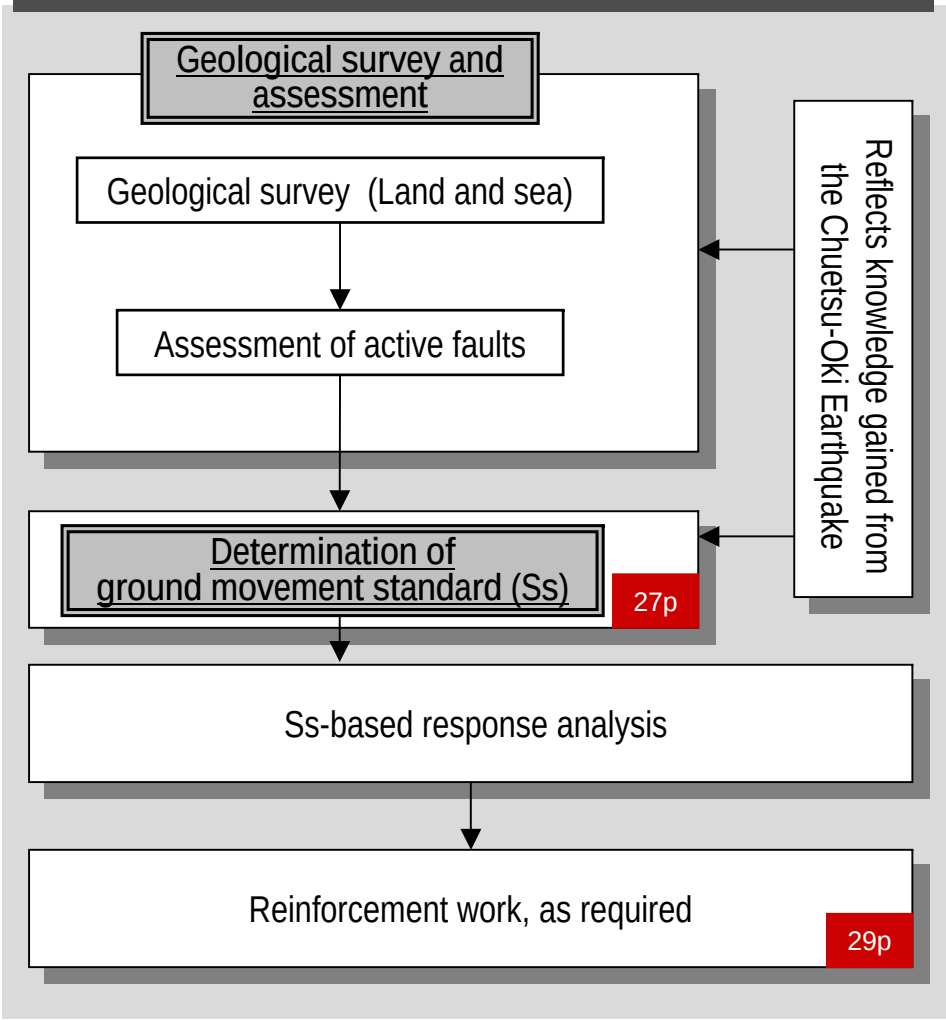
- Progress & Key Changes since the Financial Result Announcement on July 28, 2008 -

Construct Safe, Secure, Disaster-Resistant Nuclear Power Stations

Restoration Initiatives at the Kashiwazaki-Kariwa Nuclear Power Station



Earthquake-Resistance and Safety Improvement Initiatives



※ Evaluation of overall facility soundness: Evaluation of individual facilities at the equipment level.

Overview of Status of Initiatives

Earthquake-Resistance and Safety Improvement Initiatives

Facility Soundness Evaluation

Item		Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7
Buildings and Structures	Submission of inspection and evaluation plan (Initial submission date)	Submitted (July 18, 2008)	Submitted (Sept. 18, 2008)	Submitted (July 18, 2008)	Submitted (Sept. 18, 2008)	Submitted (Sept. 18, 2008)	Submitted (May 20, 2008)	Submitted (Feb. 25, 2008)
	Inspection & Evaluation	In progress	In progress	In progress	In progress	In progress	Draft report under discussion[1]	Report submitted (Sept. 1, 2008)
Facilities	Submission of inspection and evaluation plan (Initial submission date)	Submitted (Feb. 6, 2008)	Submitted (May 16, 2008)	Submitted (Apr. 14, 2008)	Submitted (May 16, 2008)	Submitted (Apr. 14, 2008)[2]	Submitted (Mar. 7, 2008)	Submitted (Nov. 27, 2007)
	Inspection and evaluation of each piece of equipment	In progress	In progress	In progress	In progress	In progress	In progress	Report submitted (Sept. 19, 2008)[3]
	Inspection and evaluation of each system							In progress from Sept. 18, 2008
	Inspection and evaluation of the plant as a whole							
Work to strengthen earthquake resistance							In progress from July 2008	In progress from June 2008

Notes:
1. Draft report under discussion in Structural Working Group.
2. A plan for equipment shared with other units was submitted on March 7, and a revised plan covering equipment other than that shared with other units was submitted on April 14.
3. Complete except for the following inspections that are not feasible.
   - Operation, leakage and other checks with fuel actually loaded in the reactors
   - Operation, leakage and other checks that cannot be executed until main turbines have been restored

Investigation and Analysis Initiatives to Date

◆ Inspection of Buildings and Structures

- On September 1, TEPCO submitted the inspection and evaluation report for the buildings and structures of Unit 7 (reactor and turbine buildings, exhaust stack, emergency intake pipes) to the Nuclear and Industrial Safety Agency (NISA) (It was revised on September 25.).

  Based on this report, NISA evaluated the buildings and structures of Unit 7 as sound on October 23.

  On the same day, NISA submitted a report on its evaluation to the Nuclear Safety Commission.

- On September 26, TEPCO submitted a draft inspection and evaluation report for Unit 6 to the Structural Working Group.

◆ Facility Inspections (Equipments)

- At Unit 7, the soundness of individual pieces of equipment has been confirmed to the maximum extent possible. On September 19, TEPCO submitted the equipment-level inspection and evaluation report to NISA.
- Based on this report, on October 3 NISA finalized its position on the adequacy of the process and results of the soundness evaluation and future initiatives. NISA deemed that the inspections and evaluations conducted by TEPCO were adequate and the Unit 7 facility was sound at the equipment level.

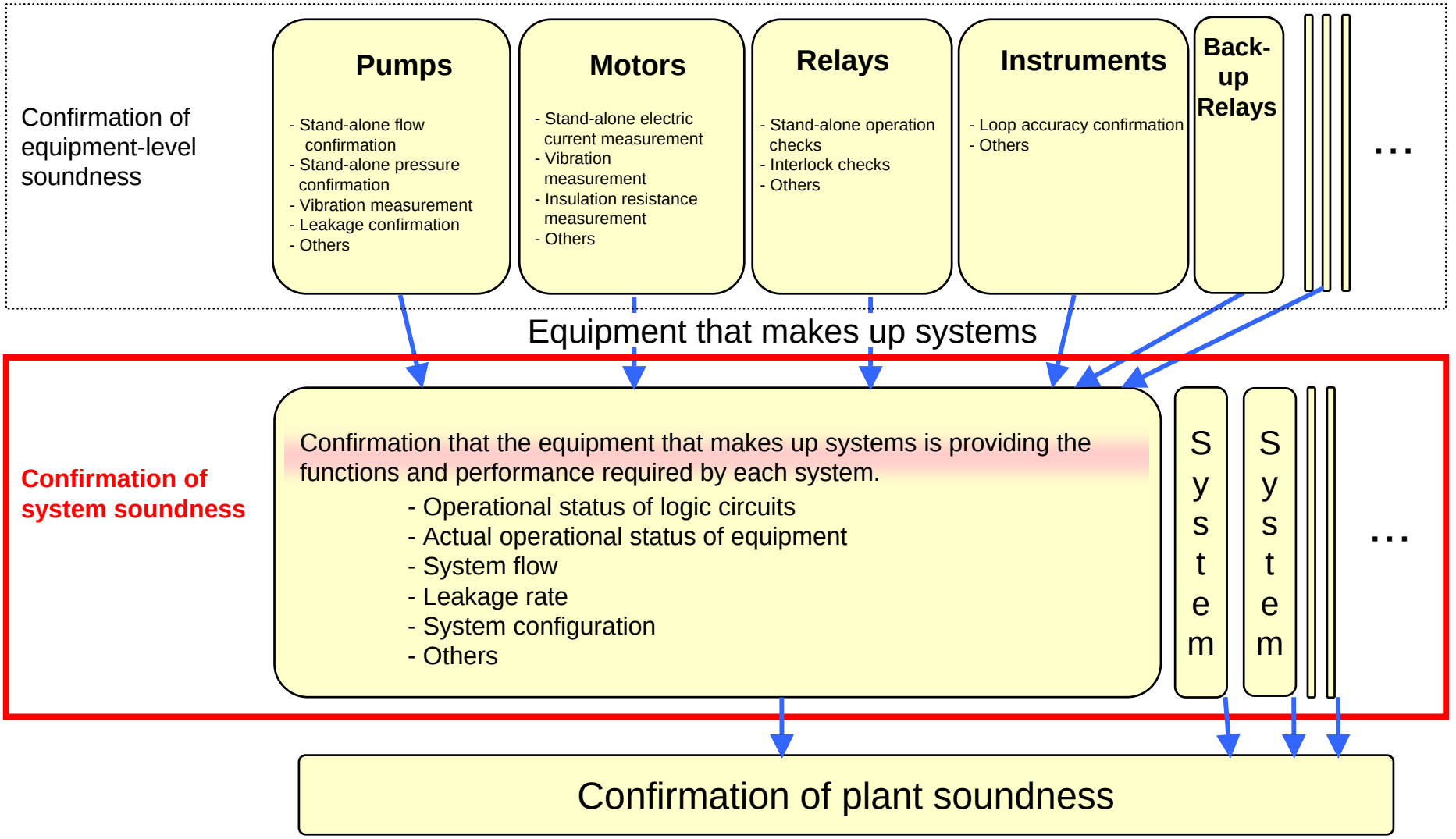
  On the same day, NISA submitted a report on its evaluation to the Nuclear Safety Commission.

◆ Facility Inspections (Systems)

- Inspection and evaluation of each of the Unit 7 systems began on September 18. As of October 29, 10 of a total of 23 checks have been completed.

Confirmation of System Soundness

◆ TEPCO is currently conducting system-level inspection and evaluation (check of system functions and evaluation of system soundness) at Unit 7, where it has confirmed the soundness of all individual pieces of equipment (equipment level) that could be evaluated.



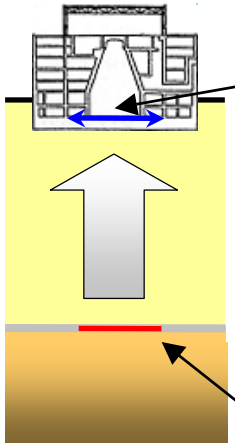
Determination of Ground Movement Standards (Ss)

- Based on the revised Regulatory Guidelines for Reviewing Seismic Design of Nuclear Power Reactor Facilities, TEPCO conducted geological surveys, evaluated active faults and analyzed seismic observation data to determine the ground movement standards (Ss), which were reported on May 22.

- In accordance with the deliberations of the central government, on September 22 TEPCO reported partially revised ground movement standards (Ss) that accommodate the uncertainty of faults.
  - Evaluation of the length of the F-B fault was changed from a maximum of 34 km to a maximum of 36 km.
  - TEPCO also investigated an angle of inclination for the Nagaoka-heiya-seien fault zone of 35 degrees in addition to the existing evaluation at 50 degrees.

Figures in parentheses are from the report of May 22.

(Unit:Gal)



Ground Movement Standard(Ss):

For seismic design, the standard assumes seismic motion that, while highly unlikely to happen while a facility is in service, could have a substantial impact.

Deepest underground point of the nuclear reactor building (base mat of reactor building)	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7
Chuetsu-Oki Earthquake (observed data)	680	606	384	492	442	322	356
Shaking due to ground movement standards(Ss)	845 (829)	809 (739)	761 (663)	704 (699)	606 (543)	724 (656)	738 (642)
Seismic motion assumed in strengthening earthquake resistance	1,000						

Deep bedrock (Free surface of base stratum)	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7
Ground movement standards(Ss)	2,300 (2,280)				1,209 (1,156)		

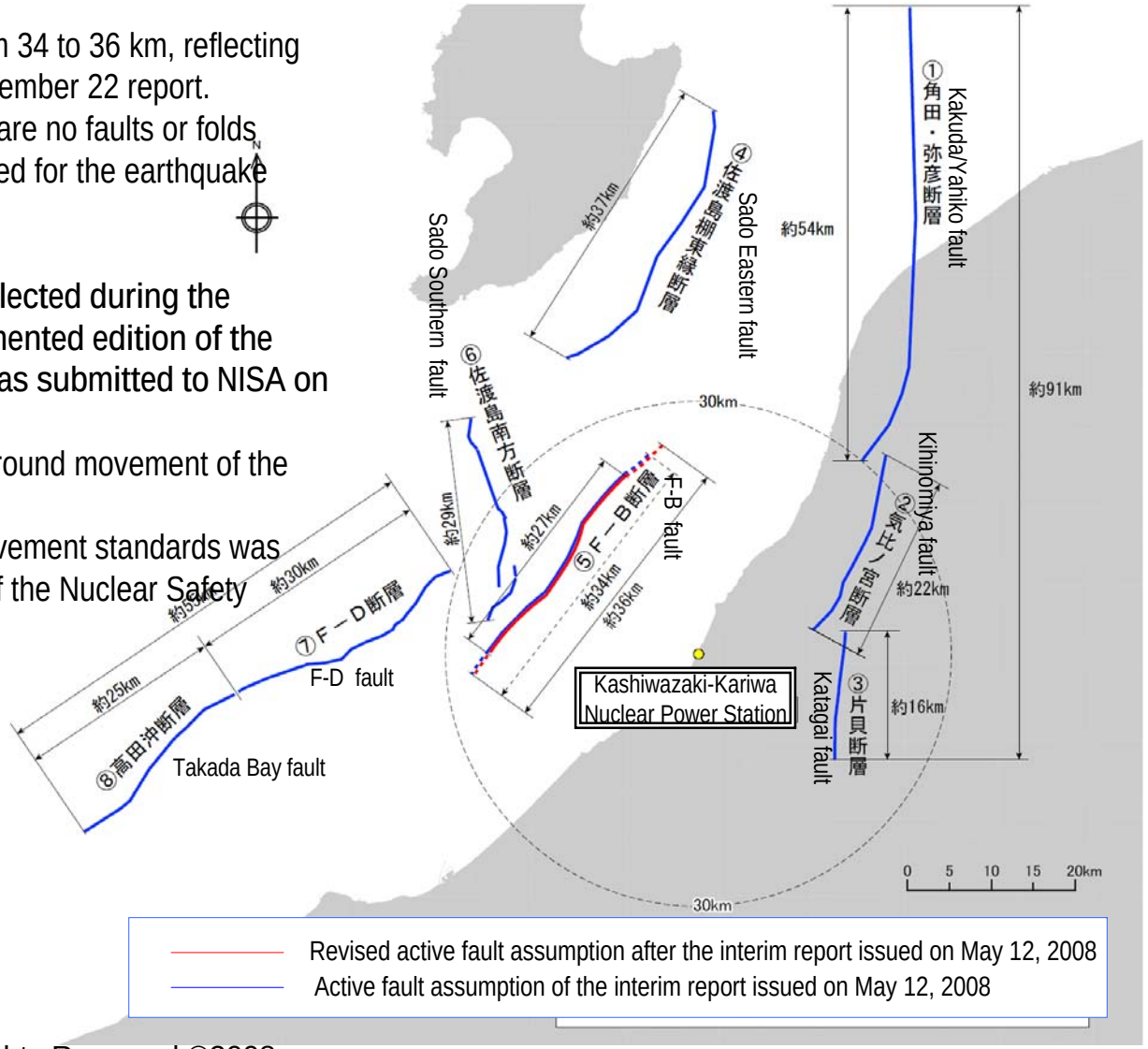
Determination of Ground Movement Standards (Ss)

◆ TEPCO submitted a report on the geology and geological structure of the site and its surrounding area to NISA on October 22. This report is a partially revised and supplemented edition of the interim report submitted on May 12.

- The length of the F-B fault was revised from 34 to 36 km, reflecting the ground movement standards of the September 22 report.
- The report added the evaluation that there are no faults or folds adjacent to the site that need to be considered for the earthquake resistant design of the power plant.

◆ Analysis of seismic observation data collected during the Chuetsu-Oki Earthquake and the supplemented edition of the report on ground movement standards was submitted to NISA on October 22.

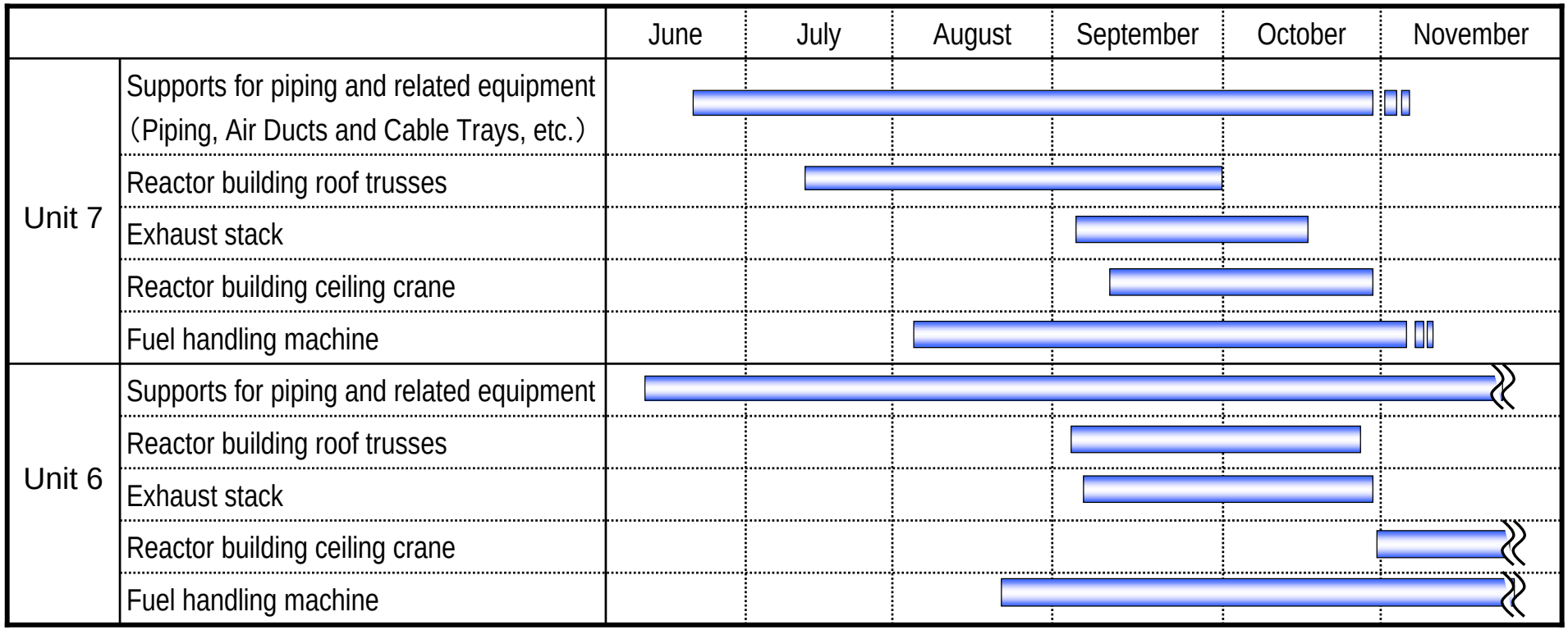
- Stochastic evaluation of the magnitude of ground movement of the ground movement standards was added.
- For reference, the validity of the ground movement standards was confirmed in accordance with the opinions of the Nuclear Safety Commission.



Reinforcement Work

- Work has been done to enable the reactor buildings for units 1 through 7 to endure 1,000 gal of seismic motion on the base mats in order to increase the earthquake resistance and safety of each facility.
- Current schedule of work planned and in progress

Note: excluding preparatory work



- We will also evaluate earthquake resistance and safety of other facilities and execute work to strengthen earthquake resistance, as required.
- Ground movement standards and work to strengthen earthquake resistance will appropriately reflect the status of future government deliberations.

【Reference】 Damage to the Low-Pressure Turbines of Units 6 and 7

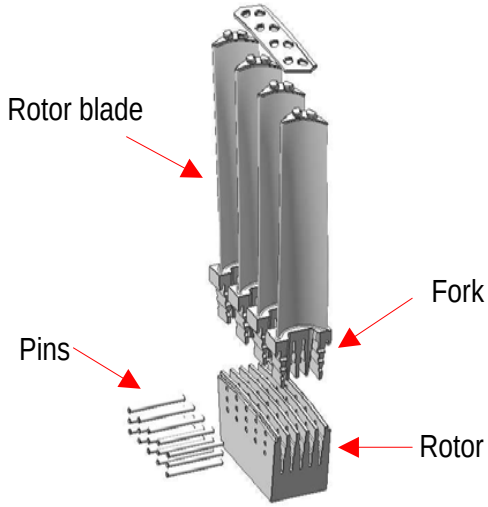
◆ Overview

- Detailed inspection of the turbines confirmed fracturing in rotor blade fork sections of the low-pressure turbine of Unit 7. In addition, nondestructive inspection confirmed indicative patterns in rotor blade fork sections of the low-pressure turbines of Units 6 and 7.

◆ Reports Submitted

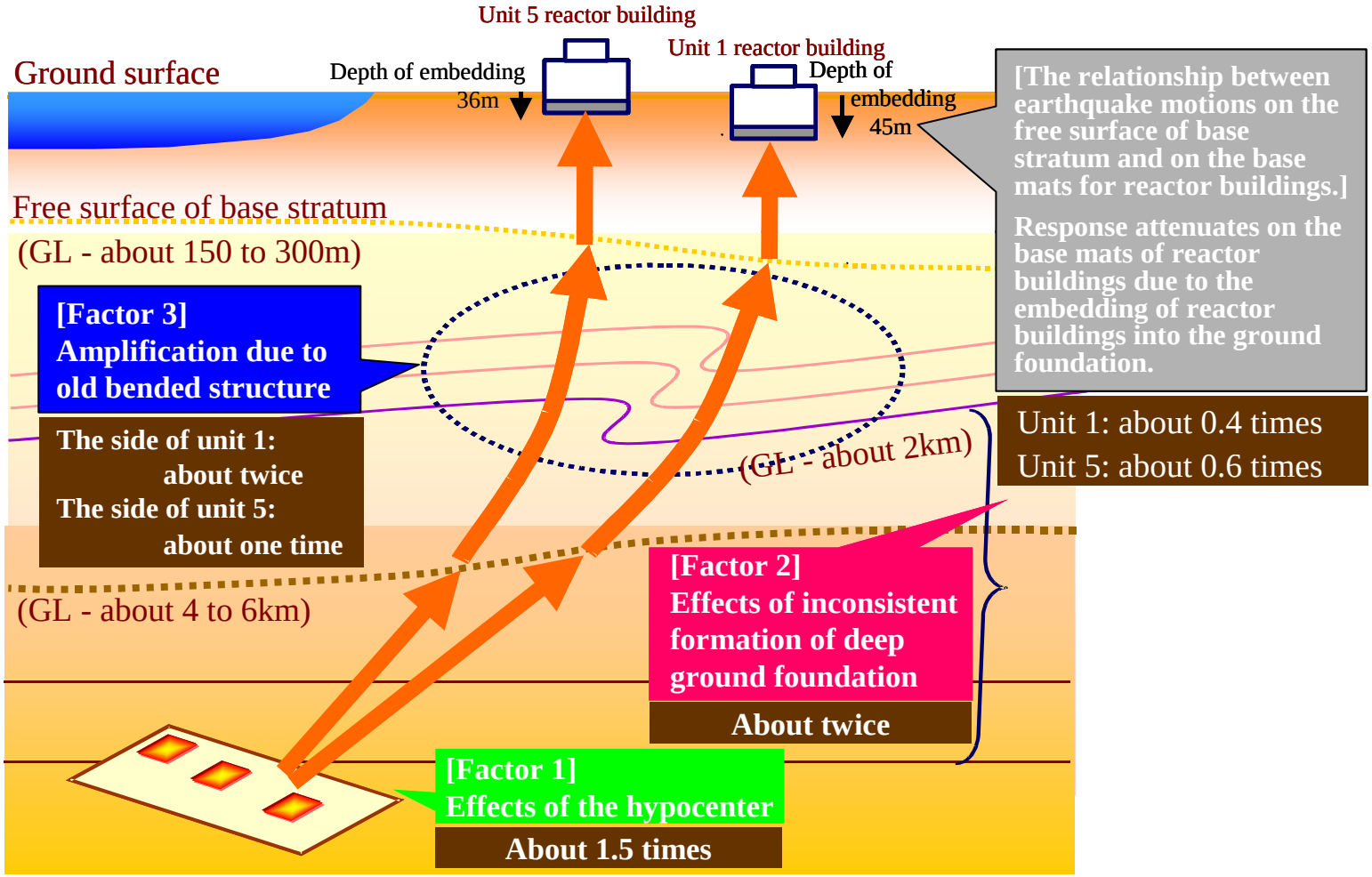
- TEPCO investigated the causes of these issues, and submitted a report on causes and countermeasures to NISA on September 19.TEPCO determined that the damage was due to high-cycle fatigue prior to the plant stoppage caused by the Niigataken Chuetsu-Oki Earthquake in 2007, and was not a result of the earthquake.
- Damage was confirmed in stages 14 and 16. Rotor blades were changed and damaged areas were removed. TEPCO confirmed that it could achieve soundness though inspection of the fork sections and by conducting appropriate activities such as monitoring plant parameters.
- TEPCO conducted inspections for design improvements to further reduce stress due to vibration in the fork sections with the objective of practical application within 10 years.
- NISA has judged that the reports TEPCO submitted are valid.

Note: Units 6 and 7 of Kashiwazaki-Kariwa Nuclear Power Station (ABWR) are the only plants to use rotor blades with this structure.



【Reference】 Factors that Contributed to Intensification of Seismic Motions

- Effects of the hypocenter and subsurface structure amplified the seismic motions
- The newly discovered mechanism (factor 1 to 3) was reflected in determining the ground movement standard



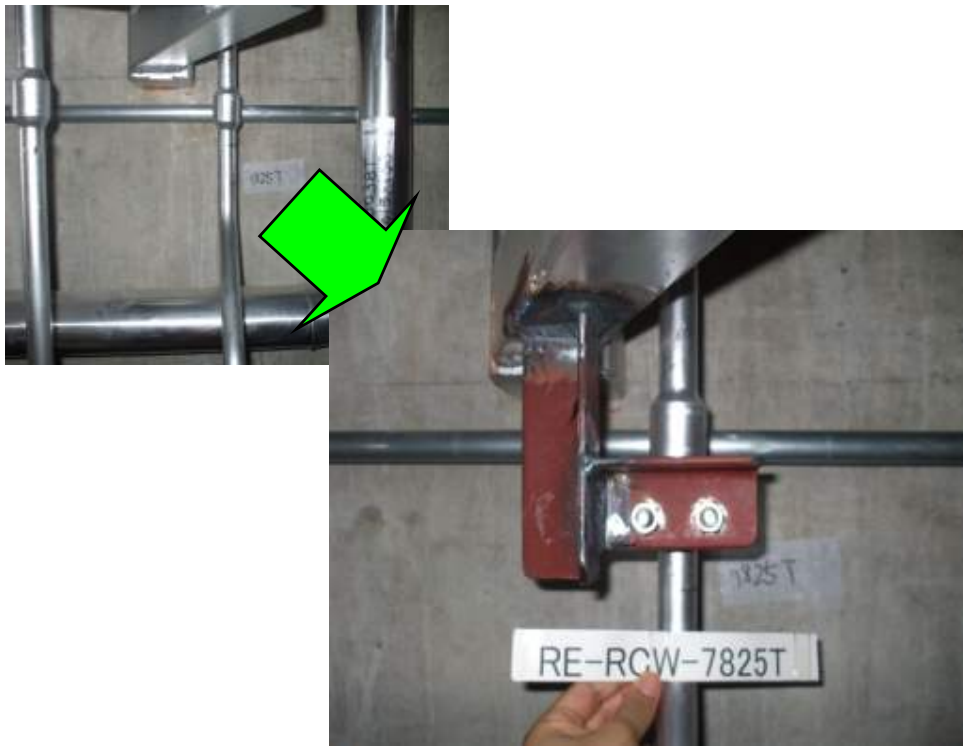
Conceptualization of the factors for amplification of earthquake motions

【Reference】Reinforcement Works Case -1

◆ Strengthening of Supports for Infrastructure such as Piping

Reduced shaking due to addition of supports

More robust structure due to strengthening of supports



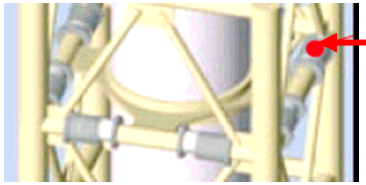
【Reference】Reinforcement Works Case -2

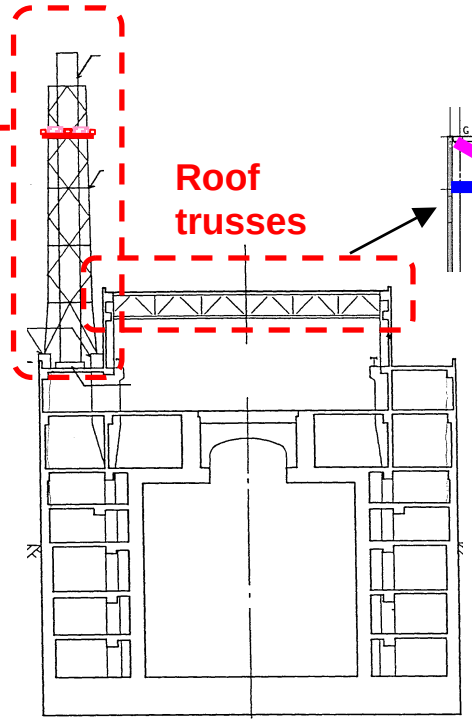
◆ **Improved earthquake resistance for exhaust stack and the roof trusses of reactor buildings**

Installation of vibration-control equipment

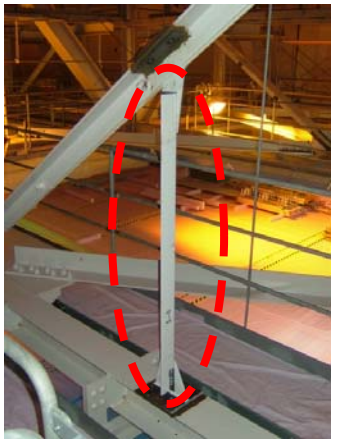
Absorbs shaking by contracting

Fluid resistance of oil absorbs vibration energy, thus suppressing exhaust stack shaking.

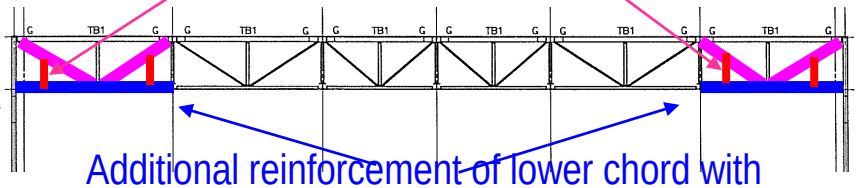




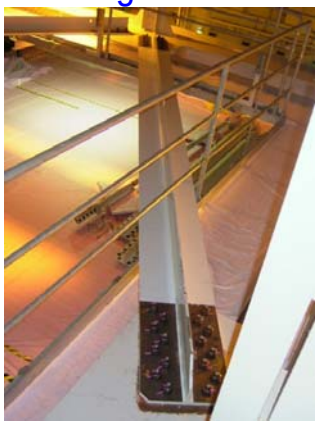
Cross section of the reactor buildings of Units 6 and 7



Reinforcement with tierods



Additional reinforcement of lower chord with horizontal bracing



【Reference】 Governmental Inspection and Investigation System