

Unaudited Quarterly Financial Report (First Quarter FY 2004)

Information below is an English translation from the "Unaudited Quarterly Financial Report" for the three months ended June 30, 2004, which has been filed with the Tokyo Stock Exchange, Inc. and Osaka Securities Exchange Co., Ltd. for public inspection.

1. Business Results for First Quarter Period in FY 2004 (Three months ended June 30, 2004)

(1) Progresses of Financial Results (Consolidated basis)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Quarter FY 2004	371,058	2.3	60,189	-	48,174	-	31,054	-
First Quarter FY 2003	362,613	-	-	-	-	-	-	-
(Reference) FY 2003	1,562,752		178,962		110,427		51,079	

	Net income per share	Diluted net income per share
	Yen	Yen
First Quarter FY 2004	62.18	-
First Quarter FY 2003	-	-
(Reference) FY 2003	101.44	-

(Note) FY 2003 first quarter results or year-on-year comparisons (except for operating revenues) are unavailable due to the fact that quarterly disclosure has only started from the current fiscal year.

[Results and related factors at the end of the first quarter] (Consolidated basis)

Electric power sales, our dominant revenue source, were up 2.7% to 18,170 million kWh at the end of the first quarter (for the period from April 1 to June 30, 2004) when compared to the same period last year. To be specific, residential lighting demand rose 3.0% to 5,428 million kWh due to a growing number of "All-Electric" housing, in addition to a technical increment where accounts increased under a billing schedule for the period. Non-residential demand grew 2.5% to 12,742 million kWh, benefiting from brisk commercial demand by newly constructed/refurbished large retail outlets and healthcare and welfare facilities, as well as their increased service hours. Industrial load also contributed to the non-residential upturn, mainly driven by digital parts manufacturing industry. Operating revenues for the first quarter rose ¥8,445 million (2.3%) to ¥371,058 million as compared to the year-ago period, reflecting the electricity sales gain, as well as revenues of newly consolidated business units. Ordinary income for the period stands at ¥48,174 million, with net income amounting to ¥31,054 million.

[Electric Power Sales]

(Millions of kWh, %)

	First Quarter FY 2004 (A)	First Quarter FY 2003 (B)	(A) / (B)
Residential	5,428	5,271	103.0
Commercial and Industrial	12,742	12,426	102.5
Total	18,170	17,697	102.7

(Note) Commercial and Industrial included with deregulated segment.

(2) Changes in Financial Positions (Consolidated basis)

	Total assets	Shareholders' equity	Shareholders' equity ratio to total assets	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
First Quarter FY 2004 (As of June 30, 2004)	4,162,053	918,502	22.1	1,839.19
First Quarter FY 2003 (As of June 30, 2003)	-	-	-	-
(Reference) FY 2003 (As of March 31, 2004)	4,095,444	870,852	21.3	1,743.22

(Note) FY 2003 first quarter results are unavailable due to the fact that quarterly disclosure has only started from the current fiscal year.

2. Business Results Forecast for Consolidated FY 2004 (Year ended March 31, 2005)

	Operating revenues	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Interim FY 2004	765,000	76,000	48,000
FY 2004	1,570,000	114,000	70,000

QUARTERLY CONSOLIDATED BALANCE SHEETS (Unaudited)

First Quarter FY 2004 (As of June 30, 2004) and FY 2003 (As of March 31, 2004)

Assets

(Millions of yen)

Item	First Quarter FY 2004 (As of June 30, 2004)	(Reference) FY 2003 (As of March 31, 2004)	Increase (decrease)
Fixed assets(property, plant and equipment):	3,868,821	3,809,632	59,189
Electric utility fixed assets:	2,644,889	2,701,316	(56,426)
Hydro power plant	200,488	199,135	1,352
Thermal power plant	434,029	434,593	(563)
Nuclear power plant	308,329	318,887	(10,558)
Transmission plant	672,660	683,526	(10,865)
Transformation plant	286,799	290,078	(3,278)
Distribution plant	584,004	607,760	(23,755)
General plant	152,413	161,013	(8,600)
Other	6,163	6,320	(156)
Other fixed assets	294,126	200,290	93,835
Construction work in progress:	467,735	447,381	20,353
Construction work in progress	467,735	447,381	20,353
Nuclear fuel:	131,728	131,898	(170)
Loaded nuclear fuel and nuclear fuel under processing	131,728	131,898	(170)
Investments in and advances to:	330,341	328,744	1,597
Long-term investments	76,590	73,186	3,403
Deferred income taxes	157,502	136,962	20,539
Deferred income taxes on revaluation adjustments	1,543	1,543	-
Other	96,196	118,423	(22,227)
Allowance for uncollectibles	(1,490)	(1,371)	(118)
Current assets:	293,109	285,686	7,423
Cash and deposits	89,604	87,083	2,521
Notes receivable and amounts due from customers	94,927	105,667	(10,739)
Deferred income taxes	15,438	12,481	2,957
Other	94,384	81,696	12,687
Allowance for uncollectibles	(1,245)	(1,241)	(3)
Deferred assets:	121	125	(4)
Bond discount	121	125	(4)
Total assets	4,162,053	4,095,444	66,608

Liabilities, minority interests and shareholders' equity

(Millions of yen)

Item	First Quarter FY 2004 (As of June 30, 2004)	(Reference) FY 2003 (As of March 31, 2004)	Increase (decrease)
Fixed liabilities:	2,627,149	2,615,868	11,281
Bonds	1,213,000	1,204,500	8,500
Long-term loans	751,712	759,468	(7,756)
Accrued retirement benefits	247,860	242,585	5,275
Reserve for reprocessing irradiated nuclear fuel	95,452	92,822	2,629
Reserve for decommissioning nuclear power units	31,067	30,316	751
Deferred income taxes	737	703	34
Other	287,319	285,472	1,846
Current liabilities:	562,250	561,023	1,227
Current portion of fixed liabilities	219,105	189,337	29,767
Short-term borrowings	49,879	66,156	(16,276)
Notes and accounts payable	76,013	70,371	5,642
Accrued taxes	32,753	38,384	(5,631)
Deferred income taxes	1,384	1,384	-
Other	183,114	195,389	(12,274)
Reserves:	11,365	10,441	924
Reserve for fluctuation in water levels	11,365	10,441	924
Total liabilities	3,200,766	3,187,332	13,433
Minority interests in consolidated subsidiaries	42,784	37,259	5,525
Common stock	251,441	251,441	-
Capital surplus	26,655	26,655	-
Retained earnings	635,965	589,903	46,062
Revaluation adjustments	(1,064)	(1,064)	-
Net unrealized holding gain on securities	11,535	9,986	1,549
Foreign currency translation adjustments	80	-	80
Treasury stock, at cost	(6,111)	(6,070)	(41)
Total shareholders' equity	918,502	870,852	47,650
Total liabilities, minority interests and shareholders' equity	4,162,053	4,095,444	66,608

QUARTERLY CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

First Quarter FY 2004 (Three months ended June 30, 2004) and FY 2003 (Year ended March 31, 2004)

Expenses

Revenues

Item	First Quarter FY 2004 (Three months ended June 30, 2004)	<i>(Reference) FY 2003 (Year ended March 31, 2004)</i>	Item	First Quarter FY 2004 (Three months ended June 30, 2004)	<i>(Reference) FY 2003 (Year ended March 31, 2004)</i>
Operating expenses:	310,868	1,383,790	Operating revenues:	371,058	1,562,752
Electric power	286,489	1,265,658	Electric power	347,174	1,438,675
Other	24,379	118,131	Other	23,883	124,077
Operating income	60,189	178,962			
Other expenses:	13,648	75,227	Other revenues:	1,633	6,692
Interest expense	12,860	69,823	Dividends received	440	465
Other	788	5,404	Interest received	8	228
			Gain from sales of fixed assets	114	335
			Amortization of consolidation adjustment accounts	461	1,480
			Other	608	4,182
Total amount of expenses	324,517	1,459,017	Total amount of revenues	372,691	1,569,444
Income before special item, income taxes and minority interests	48,174	110,427			
Special item: Provision for (reversal of) reserve for fluctuation in water levels:	924	3,634			
Provision for reserve for fluctuation in water levels	924	3,634			
Extraordinary loss:	-	23,073			
Loss on discontinuance of power plant construction	-	23,073			
Income before income taxes and minority interests	47,249	83,719			
Current income taxes	15,454	35,833			
Deferred income taxes	1,044	(4,554)			
Minority interests in earnings of consolidated subsidiaries	-	1,361			
Minority interests in losses of consolidated subsidiaries	303	-			
Net income	31,054	51,079			

(Note)

This report solely constitutes reference material for the purpose of providing the readers with relevant information to evaluate our company.

The information contains forward-looking statements based on assumptions and projections about the future with regard to our company. As such, the readers are kindly asked to refrain from making judgment by depending solely on this information.

The forward-looking statements inherently involve a degree of risks and uncertainties. Consequently, these risks and uncertainties could cause the actual results and performance to differ from the assumed or projected status of the company.

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