

Quarterly Financial Report

The information shown below is an English translation of extracts from the Dai-1-shihanki Kessan Tanshin (Quarterly Financial Report for the Three Months Period Ended June 30, 2008).

CHUBU ELECTRIC POWER COMPANY, INCORPORATED (July 31, 2008)

Code:9502

Quarterly Financial Report for the 3-Months Period Ended June 30, 2008

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I . Performance over the first 3-months period Ended June 30, 2008 (April 1, 2008 - June 30, 2008)

1. Consolidated Operating Results

(Figures are rounded down to the nearest million yen)

	6/08	Change	6/07	Change
Operating Revenues (million yen)	558,034	-	535,118	3.6%
Operating Income (million yen)	23,252	-	64,612	-27.9%
Ordinary Income (million yen)	21,596	-	55,888	-26.2%
Net Income (million yen)	14,262	-	36,573	-21.5%
Net Income per Share (Primary ; yen)	18.32		46.78	
Net Income per Share (Fully diluted ; yen)	-		-	

Notes: "Change" represents the change from the same period of the previous year.

2. Consolidated Financial Standing

	6/08	3/08
Total Assets (million yen)	5,541,810	5,636,257
Net Assets (million yen)	1,752,285	1,752,459
Shareholders' Equity Ratio	30.9%	30.4%
Net Assets per Share (yen)	2,198.15	2,199.76

Note: Shareholders' Equity (6/08: 1,711,400 million yen 3/08: 1,712,665 million yen)

II . Dividends

	3/08	(Actual)	3/09	(Forecast)
Annual Dividends per Share (Yen)	60.00		60.00	
1st Quarter	-	-		n/a
2nd Quarter	30.00	n/a		30.00
3rd Quarter	-	n/a		-
End of the period (Yen)	30.00	n/a		30.00

Note: Forecast revision of dividends during this quarter: None

III. Forecasts of Consolidated Results for the 6-Months Period Ending September 30, 2008, and the Year Ending March 31, 2009 (approximate estimates)

	9/08	Change	3/09	Change
Operating Revenues (billion yen)	1,225	-	2,590	6.5%
Operating Income (billion yen)	57	-	33	-80%
Ordinary Income (billion yen)	40	-	-5	-
Net Income (billion yen)	25	-	-4	-
Net Income per share (yen)	32.11		-5.14	

Note : 1. Forecast revision during this quarter: Yes

2. "Change" represents the change from the same period of the previous year.

IV. Other

(1) Changes in important subsidiaries during the period

(accompanying changes in the extent of consolidated companies): None

(2) Application of simplified methods in accounting practices, and methods unique to state quarterly financial report: None

(3) Changes in principles or procedures of accounting treatment for creation or presentation of consolidated quarterly financial statements (changes to be recorded under important items that are basic to the creation of consolidated quarterly financial statements)

a) Changes accompanying the amendment of accounting standards, etc.: Changes occurred

b) Changes other than under a): Changes occurred

(4) Number of shares issued (common stock)

a) Number of shares issued (including treasury stock)

6/08 : 779,004,665 3/08 : 779,004,665

b) Number of treasury stock

6/08 : 441,383 3/08 : 434,034

c) Average total number of shares issued at beginning and end of the period

6/08 : 778,566,982 3/08 : 781,815,876

(Reference)

Forecasts of Non-consolidated Results for the 6-Months Period Ending September 30, 2008, and the Year Ending March 31, 2009 (approximate estimates)

	9/08	Change	3/09	Change
Operating Revenues (billion yen)	1,145	-	2,410	8.5%
Operating Income (billion yen)	50	-	15	-90%
Ordinary Income (billion yen)	30	-	-25	-
Net Income (billion yen)	19	-	-16	-
Net Income per share (yen)	24.40		-20.55	

Note : 1. Forecast revision during this quarter: Yes

2. "Change" represents the change from the same period of the previous year.

[Qualitative information and Financial statements]

I . Qualitative information concerning operating results (consolidated)

In electricity business, the total amount of electric energy sold was 31.6TWh, mainly due to a decrease in air conditioning demand owing to warmer air temperature over the spring overcoming a gradual increase in the industrial demand. In a breakdown of the electric energy sold, demand for electric lighting in demand from customers under regulation was 7.7TWh, mainly due to a decrease of demand for air conditioning influenced by temperature although there was an increase of the number of contracts. Meanwhile, demand for electric power was 1.4TWh, mainly due to influence of temperature and a decrease of the number of contracts.

Demand for commercial power in demand from customers under liberalization was 5.4TWh, mainly due to a decrease of demand for air conditioning overcoming firm demand for commercial facilities. Demand for industrial power was 17.1TWh owing to firm demand for machinery industry and so on.

1. Operating Results of electricity business

In terms of revenue, operating revenues was ¥516.9 billion, mainly due to an increase in the amount of electricity energy sold by an increase of unit sales price.

In terms of expenses, operating expenses was ¥495.0 billion, mainly due to an increase in fuel costs owing to increase of fuel price and in employment costs.

As a result, operating income totaled to ¥21.8 billion.

2. Operating Results of other business

In terms of revenue, operating revenues was ¥41.0 billion, mainly due to an increase of sales in construction business.

In terms of expenses, operating expenses was ¥39.7 billion, mainly due to an increase of production costs entailed by growing sales in construction business.

As a result, operating income totaled to ¥1.3 billion.

Operating revenues in businesses by segment are shown below.

<Energy Business>

Operating revenues was ¥9.6 billion, mainly due to the increase of sales in gas and on-site energy businesses.

<Construction Business >

Operating revenues was ¥20.0 billion, mainly due to the increase of construction related to telecommunications.

<Other Business>

As Chubu Telecommunications Co., Inc. - a former subsidiary - had been re-classified as an affiliate accounted for under the equity method, sales in IT and Telecommunications business decreased.

As a result, operating revenues was ¥11.4 billion.

(Reference) Operating revenues by segment

(billion yen)

	6/08
Consolidated	558.0
Electricity Business	516.9
Other Business	41.0
(Energy)	(9.6)
(Construction)	(20.0)
(Other)	(11.4)

Note: Above figures represent revenues from external customers.

As a result of above, ordinary income was ¥21.5 billion, and quarterly net income was ¥14.2 billion.

II. Qualitative information concerning financial condition (consolidated)

Total assets decreased to ¥5,541.8 billion, mainly due to the effect of annual depreciation of existing facilities and change of Chubu Telecommunications, Co., Inc., which had been re-classified as an affiliate accounted for under the equity method.

Net assets decreased to ¥1,752.2 billion, mainly due to the dividends payment more than offset a increase of quarterly net income and Valuation and translation adjustments.

As a result, shareholders' equity ratio was 30.9%.

Outstanding interest-bearing debt was ¥2,855.8 billion at the end of June 30, 2008.

III. Qualitative information concerning forecast of results (consolidated)

Re-estimation for fuel costs - a major premise for making forecast - has been made as fuel price has surged significantly after the original forecast had been made public. A revision to the forecast of results was made based on re-estimated fuel costs and other factors.

Electric power sold in our electricity business is expected to decrease in FY2008 by 0.4% to 137.0TWh against the corresponding period in the previous year.

In terms of the business forecast for FY2008, an increased amount of electric energy sold in our electricity business are projected to result in increases in revenues at both consolidated and non-consolidated bases.

With regard to expenses, an increase in fuel costs due to increased fuel prices and in employee expenses is expected in our electricity business.

As a result, both consolidated and non-consolidated results are expected to show a loss in ordinary income.

Forecast for mid-year and year-end dividends of ¥30 per share remain unchanged from previous estimation. The results for each quarter may be differed from other, since the group's main business,

electricity business has a tendency that energy sold is higher during summer and winter seasons in terms of revenues, and is influenced by rapid change in fuel price, and the completion time of power plant maintenance in terms of expenses.

[Consolidated]

(billion yen, %)

	9/08		3/09		
	Current Forecast	Change (compared with previous* forecast)	Current Forecast	Change (compared with 3/08)	Change (compared with previous* forecast)
Operating Revenues	1,225	-	2,590	approx. 157 (6.5%)	approx. 40
Operating Income	57	approx. -20	33	approx. -135 (-80%)	approx. -115
Ordinary Income	40	approx. -20	-5	-128 (-)	approx. -115
Net Income	25	approx. -13	-4	-75 (-)	approx. -74

*Released on April 28, 2008

[Non-consolidated]

(billion yen, %)

	9/08		3/09		
	Current Forecast	Change (compared with previous* forecast)	Current Forecast	Change (compared with 3/08)	Change (compared with previous* forecast)
Operating Revenues	1,145	-	2,410	approx. 188 (8.5%)	approx. 40
Operating Income	50	approx. -20	15	approx. -140 (-90%)	approx. -115
Ordinary Income	30	approx. -20	-25	approx. -134 (-)	approx. -115
Net Income	19	approx. -13	-16	approx. -82 (-)	approx. -74

*Released on April 28, 2008

[Principal figures on which outlook are based]

Items	FY2008		FY2007
	Current Forecast	Previous* Forecast	Results
CIF price: crude oil (\$/b)	approx. 125	approx. 95	78.7
FX rate (yen/\$)	approx. 105	approx. 105	114
Nuclear power utilization rate (%)	approx. 63	approx. 63	58.7

*Released on April 28, 2008

Note: This forecast is based on information available at the time of publication and current assumptions regarding uncertain factors affecting future business results. Actual results may significantly differ, depending on a variety of factors in the coming months.

Quarterly Consolidated Financial Statements

1 Quarterly Consolidated Balance Sheets

(million yen)

ASSETS	As of Jun 30, 2008	As of Mar 31, 2008
Property, Plant and Equipment	5,012,898	5,145,355
Electric utility property, plant and equipment	3,662,194	3,619,957
Hydroelectric power production facilities	302,057	306,194
Thermal power production facilities	626,932	595,566
Nuclear power production facilities	318,797	325,733
Transmission facilities	1,025,492	1,038,336
Transformation facilities	434,703	436,985
Distribution facilities	823,063	784,132
General facilities and other	131,147	133,009
Other property, plant and equipment	204,309	335,606
Construction in progress	179,499	230,679
Nuclear fuel	260,641	259,990
Loaded nuclear fuel	40,874	43,880
Nuclear fuel in processing	219,766	216,109
Investments and other long-term assets	706,254	699,120
Long-term investments	224,464	209,724
Fund for reprocessing of irradiated nuclear fuel	239,334	245,660
Deferred tax assets	137,571	146,947
Other	104,883	96,788
Current Assets	528,911	490,902
Cash	79,361	86,956
Trade notes and accounts receivable	148,750	179,549
Inventories	152,850	109,984
Deferred tax assets	24,669	26,041
Other	123,279	88,370
TOTAL ASSETS	5,541,810	5,636,257
LIABILITIES and NET ASSETS		
Long-Term Liabilities	2,774,504	2,884,578
Bonds	1,376,579	1,413,949
Long-term loans	775,550	851,303
Employee retirement benefit liability	194,369	193,942
Reserve for reprocessing of irradiated nuclear fuel	265,094	264,880
Reserve for preparation for reprocessing of irradiated nuclear fuel	6,749	6,223
Reserve for decommissioning nuclear power plant	114,620	113,069
Other	41,540	41,208
Current Liabilities	1,015,019	999,219
Current portion of long-term debt and other	290,702	240,195
Short-term borrowings	326,934	349,910
Commercial papers	90,000	11,000
Trade notes and accounts payable	168,475	207,433
Income taxes payable and other	16,330	56,228
Other	122,576	134,451
TOTAL LIABILITIES	3,789,524	3,883,798
Shareholders' Equity	1,653,154	1,662,266
Common stock	430,777	430,777
Capital surplus	70,777	70,777
Retained earnings	1,152,759	1,161,867
Less, treasury stock, at cost	-1,159	-1,155
Valuation and translation adjustments	58,246	50,399
Minority Interests	40,884	39,794
TOTAL NET ASSETS	1,752,285	1,752,459
TOTAL LIABILITIES AND NET ASSETS	5,541,810	5,636,257

Note: Above figures are rounded down to the nearest million yen.

2 Quarterly Consolidated Statements of Income

(million yen)

	Three-Months ended Jun 30, 2008
Revenues	
Operating Revenues	558,034
Electricity	516,945
Other	41,089
Other Revenues	11,933
Proceeds from dividends	988
Proceeds from interests	1,379
Effect of exchange rate changes	3,366
Other	6,198
Total Ordinary Revenues	569,967
Expenses	
Operating Expenses	534,782
Electricity	495,066
Other	39,715
Operating Income	(23,252)
Other Expenses	13,589
Interest expense	12,257
Equity in net loss of affiliate	233
Other	1,098
Total Ordinary Expenses	548,371
Ordinary Income	21,596
Income before Income Taxes and Minority Interests	21,596
Income Taxes-Current	1,395
Income Taxes-Deferred	5,893
Minority Interests in Earnings of Subsidiaries	44
Net Income	14,262

Note: Above figures are rounded down to the nearest million yen.

3 Quarterly Consolidated Statements of Cash Flows

(million yen)

	Three-Months ended Jun 30, 2008
Cash Flows from Operating Activities:	
Income before income taxes and minority interests	21,596
Depreciation and amortization	81,196
Loss of loaded nuclear fuel	3,004
Loss on disposal of property, plant and equipment	1,259
Increase in employee retirement benefit liability	1,444
Increase in reserve for reprocessing of irradiated nuclear fuel	214
Increase in reserve for preparation for reprocessing of irradiated nuclear fuel	525
Increase in reserve for decommissioning nuclear power plant	1,550
Interest and dividend income	-2,367
Interest expense	12,257
Decrease in fund for reprocessing of irradiated nuclear fuel	6,325
Decrease in trade notes and accounts receivable	28,734
Increase in inventories	-44,451
Decrease in trade notes and accounts payable	-38,397
Other	-37,104
Subtotal	35,788
Interest and dividends received	1,587
Interest paid	-14,769
Income taxes paid	-26,544
Net cash provided by operating activities	-3,938
Cash Flows from Investing Activities:	
Purchases of property, plant and equipment	-54,970
Increase in investments and other long-term assets	-16,676
Proceeds for recoveries from investments	19,505
Proceeds from purchases of subsidiaries' shares, net of cash acquired	35,881
Other	2,554
Net cash used in investing activities	-13,704
Cash Flows from Financing Activities:	
Proceeds from long-term loans	2,400
Repayment of long-term loans	-34,047
Proceeds from short-term borrowings	143,914
Repayment of short-term borrowings	-166,836
Proceeds from issuance of commercial papers	184,000
Redemption of commercial papers	-105,000
Purchase of treasury stock	-67
Dividends paid	-19,548
Dividends paid for minority shareholders	-184
Other	28
Net cash used in financing activities	4,658
Effect of Exchange Rate Changes on Cash and Cash Equivalents	-238
Net Decrease in Cash and Cash Equivalents	-13,223
Cash and Cash Equivalents at Beginning of Year	97,108
Cash and Cash Equivalents at End of Year	83,885

Note: Above figures are rounded down to the nearest million yen.

(Reference)

1 Consolidated Statements of Income for the Three Months Period ended June 30, 2007

(million yen)

Revenues	Three-Months ended Jun 30, 2007
Operating Revenues	535,118
Electricity	499,729
Other	35,388
Other Revenues	5,717
Proceeds from dividends	970
Proceeds from interests	1,327
Equity in net earnings of affiliate	285
Other	3,132
Total Ordinary Revenues	540,835
Expenses	
Operating Expenses	470,505
Electricity	436,864
Other	33,641
Operating Income	(64,612)
Other Expenses	14,441
Interest expense	13,060
Other	1,381
Total Ordinary Expenses	484,947
Ordinary Income	55,888
Reversal of Reserve for Fluctuation in Water Levels	-4,005
Income before Income Taxes and Minority Interests	59,893
Income Taxes-Current	10,240
Income Taxes-Deferred	13,158
Minority Interests in Losses of Subsidiaries	77
Net Income	36,573

Note: Above figures are rounded down to the nearest million yen.

2 Consolidated Statements of Cash Flows for the Three Months Period ended June 30, 2007

(million yen)

Cash Flows from Operating Activities:	Three-Months ended Jun 30, 2007
Income before income taxes and minority interests	59,893
Depreciation and amortization	82,285
Loss of loaded nuclear fuel	2,578
Loss on disposal of property, plant and equipment	2,107
Increase in employee retirement benefit liability	449
Decrease in reserve for reprocessing of irradiated nuclear fuel	-572
Increase in reserve for preparation for reprocessing of irradiated nuclear fuel	505
Increase in reserve for decommissioning nuclear power plant	1,368
Decrease in reserve for fluctuation in water levels	-4,005
Interest and dividend income	-2,298
Interest expense	13,060
Increase in fund for reprocessing of irradiated nuclear fuel	6,337
Decrease in trade notes and accounts receivable	19,883
Increase in inventories	-22,014
Decrease in trade notes and accounts payable	-4,267
Other	-23,430
Subtotal	131,879
Interest and dividends received	2,265
Interest paid	-15,290
Income taxes paid	-18,364
Net cash provided by operating activities	100,490
Cash Flows from Investing Activities:	
Purchases of property, plant and equipment	-45,381
Increase in investments and other long-term assets	-12,116
Proceeds for recoveries from investments	6,333
Proceeds from purchases of subsidiaries' shares, net of cash acquired	-985
Other	715
Net cash used in investing activities	-51,433
Cash Flows from Financing Activities:	
Proceeds from issuance of bonds	43,851
Redemption of bonds	-5,425
Proceeds from long-term loans	11,850
Repayment of long-term loans	-35,106
Proceeds from short-term borrowings	140,580
Repayment of short-term borrowings	-138,840
Proceeds from issuance of commercial papers	337,000
Redemption of commercial papers	-370,000
Dividends paid	-19,759
Dividends paid for minority shareholders	-248
Other	-128
Net cash used in financing activities	-36,227
Effect of Exchange Rate Changes on Cash and Cash Equivalents	3
Net Increase in Cash and Cash Equivalents	12,832
Cash and Cash Equivalents at Beginning of Year	97,861
Cash and Cash Equivalents at End of Year	110,693

Note: Above figures are rounded down to the nearest million yen.