

## Quarterly Financial Report

The information shown below is an English translation of extracts from "Quarterly Financial Report for Six Months Period Ended September 30, 2008", which was filed with stock exchanges (Tokyo, Osaka, and Nagoya) on the date shown below pursuant to their regulations. Be advised that the Japanese version (the original) shall prevail if in any case a discrepancy arises between the original and the English translation.

### CHUBU ELECTRIC POWER COMPANY, INCORPORATED (October 31, 2008)

Stock Code: 9502

### Quarterly Financial Report for the Six Months Period Ended September 30, 2008

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Scheduled Date for Commencement of Dividend Payout: November 28, 2008

#### I . Consolidated Performance Over Six Months Period Ended September 30, 2008

(April 1, 2008 - September 30, 2008)

(Figures are rounded down to the nearest million yen)

##### 1. Consolidated Operating Results

	9/08	Change	9/07	Change
Operating revenue (Million yen)	1,222,283	-	1,182,262	7.3%
Operating income (Million yen)	45,914	-	166,461	9.4%
Ordinary income (Million yen)	37,571	-	146,413	32.8%
Net income (Million yen)	23,178	-	93,215	38.4%
Net income per share (Primary; yen)	29.77	-	119.39	-
Net income per share (Fully diluted; yen)	-	-	-	-

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

##### 2. Consolidated Financial Standing

	9/08	3/08
Total assets (Million yen)	5,522,562	5,636,257
Net assets (Million yen)	1,747,440	1,752,459
Shareholders' equity ratio	30.9%	30.4%
Net assets per share (Yen)	2,194.67	2,199.76

Note: Shareholders' equity (9/08: 1,708,549 million yen 3/08: 1,712,665 million yen)

#### II . Dividends

	3/08	3/09
	(Actual)	(Forecast)
Annual dividends per share (Yen)	60.00	60.00
1st Quarter	-	n/a
2nd Quarter	30.00	n/a
3rd Quarter	-	-
End of the fiscal year (Yen)	30.00	30.00

Note: Forecast revision of dividends during this quarter: None

### III. Forecasts of Consolidated Results for Fiscal Year Ending March 31, 2009

	3/09	Change
Operating revenue (Million yen)	2,600,000	6.9%
Operating income (Million yen)	63,000	-62%
Ordinary income (Million yen)	35,000	-72%
Net income (Million yen)	22,000	-69%
Net income per share (Yen)	28.26	-

Note: 1. Forecast revision during this quarter: Yes

2. "Change" represents the change from previous fiscal 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 according to amendments 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)
 

September 30, 2008: 779,004,665	March 31, 2008: 779,004,665
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  - b) Number of treasury stock
 

September 30, 2008: 505,916	March 31, 2008: 434,034
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  - c) Average total number of shares
 

Six months period ended September 30, 2008: 778,542,546	
Six months period ended September 30, 2007: 780,741,356	

(Reference)

### Forecasts of Non-consolidated Results for the Fiscal Year Ending March 31, 2009

	3/09	Change
Operating revenue (Million yen)	2,420,000	8.9%
Operating income (Million yen)	45,000	-71%
Ordinary income (Million yen)	10,000	-91%
Net income (Million yen)	6,000	-91%
Net income per share (Yen)	7.71	

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 67.9TWh, mainly due to a steady demand from industrial use during first half of this six months period, which was partially offset by fewer calculation days in meter reading.

In a breakdown of above result, demand for electric lighting in demand from customers under regulation was 16.7TWh, mainly due to fewer calculation days in meter reading although there was an increase in the number of contracts. Meanwhile, demand for electric power in low voltage was 3.4TWh, mainly due to fewer calculation days in meter reading in a same manner as electric lightning, associated by a decrease in the number of contracts.

Demand for commercial power in demand from customers under liberalization was 12.3TWh, mainly due to firm demand for commercial facilities. Demand for industrial power was 35.5TWh owing to firm demand from such industry as machinery during first half of this six months period.

#### 1. Operating Results of Electricity Business

In terms of revenues, operating revenues was ¥1,132.5 billion, mainly due to an increase in revenues from of electricity energy sold, contributed by an increase of unit sales price.

In terms of expenses, operating expenses was ¥1,083.5 billion, mainly due to an increase in fuel expense owing to increase of fuel price, and in salaries and employee benefits expense.

As a result, operating income totaled to ¥49.0 billion.

#### 2. Operating Results of Other Business

In terms of revenue, operating revenues was ¥89.7 billion, mainly due to an increase in revenues from energy business, and a decrease in revenues from other business

In terms of expenses, operating expenses was ¥92.8 billion, mainly due to an increase of production costs in energy business, and a decrease of production costs in other business.

As a result, operating loss was ¥3.1 billion.

Operating revenues in businesses by segment are shown below.

##### <Energy Business>

Operating revenues was ¥20.8 billion, mainly due to an increase of sales in gas and on-site energy businesses.

##### <Construction Business >

Operating revenues was ¥57.4 billion, mainly due to a decrease in operating revenues of subsidiaries, under circumstance of severe business environment caused by growing intensity of competition.

#### <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. Together with other causes such as a decrease in sales of real estate management business, operating revenues for this segment was ¥11.3 billion.

#### (Reference) Operating Revenues by Segment

(Billion yen)	
	Six months period ended Sep.08
Consolidated	1,222.2
Electricity business	1,132.5
Other business	89.7
(Energy)	(20.8)
(Construction)	(57.4)
(Other)	(11.3)

Note: Above figures represent revenues from external customers.

As a result of above, ordinary income was ¥37.5 billion, and net income for this six months period was ¥23.1 billion.

## II. Qualitative Information Concerning Financial Condition (Consolidated)

Total assets decreased to ¥5,522.5 billion, mainly due to the effect of annual depreciation, and a change in status of consolidation of Chubu Telecommunications, Co., Inc., which had been re-classified as an affiliate accounted for under the equity method.

Net assets decreased to ¥1,747.4 billion, mainly due to the dividends payout that has overcame net income acquired from this six months period.

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

Outstanding interest-bearing debt was ¥2,813.1 billion at the end of the six months period ended September 30, 2008.

## III. Qualitative Information Concerning Forecast of Results (Consolidated)

Chubu Electric Power has revised outlooks for the year ending March 31, 2009. This is mainly due to fewer fuel expense as the company lowered assumptions on fuel price, despite implementation of an extraordinary measure in order to ease effect of change in power rate caused by rapid raise in fuel price, for customers with low voltage supply.

Electric energy sales in our electricity business are expected to decrease in FY2008 by 0.2% to 137.2TWh against the corresponding period in the previous year.

In terms of the business forecast for FY2008, projection of an increased revenue of electric energy sales in our electricity business, and other factors will contribute increased revenues at both consolidated and non-consolidated bases.

With regard to expenses, an increase in fuel expense due to higher fuel price, and in salaries and employee benefits expense is expected in our electricity business.

As a result, amount of ordinary income is expected to be fewer than previous fiscal year, in both consolidated and non-consolidated bases.

The forecast for year-end dividend of ¥30 per share remains unchanged from previous estimation. The board of directors resolved on mid-year dividend today, which is ¥30 per share.

[Consolidated] (Billion yen, %)

	Current Forecast	FY 2008	
		Change (compared with previous* forecast)	Change (compared with FY 2007)
Operating Revenue	2,600	10	(6.9%) approx. 167
Operating Income	63	30	(-62%) approx. -105
Ordinary Income	35	40	(-72%) approx. -88
Net Income	22	26	(-69%) approx. -49

Note: Figures in parenthesis represent the change from the same period of the previous year.

\*Released on July 31, 2008

[Non-consolidated] (Billion yen, %)

	Current Forecast	FY 2008	
		Change (compared with previous* forecast)	Change (compared with FY 2007)
Operating Revenue	2,420	10	(8.9%) approx. 198
Operating Income	45	30	(-71%) approx. -110
Ordinary Income	10	35	(-91%) approx. -99
Net Income	6	22	(-91%) approx. -60

Note: Figures in parenthesis represent the change from the same period of the previous year.

\*Released on July 31, 2008

[Principal Figures on which Outlooks are Based]

Items	FY2008		FY2007
	Current forecast	Previous* forecast	Results
CIF price: crude oil (\$/b)	approx. 110	approx. 125	78.7
FX rate (yen/\$)	approx. 106	approx. 105	114
Nuclear power utilization rate (%)	approx. 63	approx. 63	58.7

\*Released on July 31, 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

(Millions of yen)

ASSETS	As of Sep 30, 2008	As of Mar 31, 2008
Noncurrent assets	4,955,563	5,145,355
Electric utility plant and equipment	3,624,816	3,619,957
Hydroelectric power production facilities	297,879	306,194
Thermal power production facilities	629,781	595,566
Nuclear power production facilities	308,096	325,733
Transmission facilities	1,010,350	1,038,336
Transformation facilities	427,459	436,985
Distribution facilities	820,588	784,132
General facilities	129,711	132,052
Other electric utility plant and equipment	949	956
Other noncurrent assets	198,106	335,606
Construction in progress	175,749	230,679
Construction and retirement in progress	175,749	230,679
Nuclear fuel	262,079	259,990
Loaded nuclear fuel	37,836	43,880
Nuclear fuel in processing	224,242	216,109
Investments and other assets	694,811	699,120
Long-term investments	201,760	209,724
Reserve fund for reprocessing of irradiated nuclear fuel	239,411	245,660
Deferred tax assets	143,811	146,947
Other	111,996	98,724
Allowance for doubtful accounts	-2,167	-1,935
Current assets	566,998	490,902
Cash and deposits	131,103	86,956
Notes and accounts receivable-trade	167,774	179,549
Inventories	136,902	109,984
Deferred tax assets	31,140	26,041
Other	101,198	89,495
Allowance for doubtful accounts	-1,120	-1,125
<b>TOTAL ASSETS</b>	<b>5,522,562</b>	<b>5,636,257</b>
<b>LIABILITIES and NET ASSETS</b>		
Noncurrent liabilities	2,760,361	2,884,578
Bonds payable	1,395,485	1,413,949
Long-term loans payable	739,282	851,303
Provision for retirement benefits	195,839	193,942
Provision for reprocessing of irradiated nuclear fuel	265,174	264,880
Provision for preparation of the reprocessing of irradiated nuclear fuel	7,290	6,223
Provision for decommissioning of nuclear power units	116,140	113,069
Other	41,148	41,208
Current liabilities	1,014,759	999,219
Current portion of noncurrent liabilities	307,656	240,195
Short-term loans payable	334,740	349,910
Commercial papers	40,000	11,000
Notes and accounts payable-trade	183,256	207,433
Accrued taxes	38,172	56,228
Other	110,933	134,451
<b>TOTAL LIABILITIES</b>	<b>3,775,121</b>	<b>3,883,798</b>
Shareholders' equity	1,661,927	1,662,266
Capital stock	430,777	430,777
Capital surplus	70,777	70,777
Retained earnings	1,161,680	1,161,867
Treasury stock	-1,307	-1,155
Valuation and translation adjustments	46,622	50,399
Valuation difference on available-for-sale securities	25,799	27,013
Deferred gains or losses on hedges	21,318	23,006
Foreign currency translation adjustment	-496	379
Minority interests	38,891	39,794
<b>TOTAL NET ASSETS</b>	<b>1,747,440</b>	<b>1,752,459</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>5,522,562</b>	<b>5,636,257</b>

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

Appellations of some items have been modified from last quarterly report, pursuant to implementation of amendments in reporting format to authorities.

## 2 Quarterly Consolidated Statements of Income

(Millions of yen)

	Six-Months ended Sep 30, 2008
Operating revenue	1,222,283
Electric utility operating revenue	1,132,573
Other business operating revenue	89,710
Operating expenses	1,176,369
Electric utility operating expenses	1,083,547
Other business operating expenses	92,822
Operating income	45,914
Non-operating income	21,572
Dividends income	1,227
Interest income	2,791
Foreign exchange gains	6,596
Other	10,956
Non-operating expenses	29,914
Interest expense	25,655
Equity in losses of affiliates	600
Other	3,658
Total ordinary revenue	1,243,856
Total ordinary expenses	1,206,284
Ordinary income	37,571
Income before income taxes and minority interests	37,571
Income taxes-current	12,533
Income taxes-deferred	609
Income taxes	13,142
Minority interests in income	1,249
Net income	23,178

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

Appellations of some items have been modified from last quarterly report, pursuant to implementation of amendments in reporting format to authorities.

### 3 Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Six-Months ended Sep 30, 2008
Net cash provided by operating activities:	
Income before income taxes and minority interests	37,571
Depreciation and amortization	157,899
Amortization of nuclear fuel	6,041
Loss on retirement of noncurrent assets	2,727
Increase in provision for retirement benefits	2,941
Increase in provision for reprocessing of irradiated nuclear fuel	294
Increase in provision for other reprocessing of irradiated nuclear fuel	1,066
Increase in provision for decommissioning of nuclear power units	3,070
Interest and dividends income	-4,018
Interest expenses paid	25,655
Decrease in reserve fund for reprocessing of irradiated nuclear fuel	6,248
Decrease in notes and accounts receivable-trade	9,566
Increase in inventories	-28,505
Decrease in notes and accounts payable-trade	-23,601
Other, net	-20,610
Subtotal	176,348
Interest and dividends income received	4,600
Interest expenses paid	-26,012
Income taxes paid	-26,956
Net cash provided by operating activities	127,979
Net cash used in investment activities:	
Purchase of noncurrent assets	-107,710
Payments of investment and loans receivable	-31,774
Collection of investment and loans receivable	40,439
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	35,881
Other, net	3,893
Net cash used in investing activities	-59,270
Net cash used in financing activities:	
Proceeds from issuance of bonds	19,932
Redemption of bonds	-12,223
Proceeds from long-term loans payable	13,900
Repayment of long-term loans payable	-53,417
Increase in short-term loans payable	238,474
Decrease in short-term loans payable	-252,994
Proceeds from issuance of commercial papers	394,000
Redemption of commercial papers	-365,000
Purchase of treasury stock	-323
Cash dividends paid	-23,321
Cash Dividends paid to minority shareholders	-210
Other, net	-21
Net cash used in by financing activities	-41,204
Effect of exchange rate change on cash and cash equivalents	-122
Net increase in cash and cash equivalents	27,381
Cash and cash equivalents at beginning of this period	97,108
Decrease in cash and cash equivalents resulting from change of scope of consolidation	-275
Cash and cash equivalents at end of this period	124,214

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

Appellations of some items have been modified from last quarterly report, pursuant to implementation of amendments in reporting format to authorities.

**(Reference)**

1 Quarterly Consolidated Statements of Income for the Six Months Period ended September 30,2007

(Millions of yen)

	Six-Months ended Sep 30, 2007
Operating revenue	1,182,262
Electric utility operating revenue	1,076,126
Other business operating revenue	106,136
Operating expenses	1,015,801
Electric utility operating expenses	914,513
Other business operating expenses	101,288
Operating income	166,461
Non-operating income	8,872
Dividends income	1,181
Interest income	2,702
Equity in earnings of affiliates	725
Other	4,263
Non-operating expenses	28,920
Interest expense	27,040
Other	1,879
Total ordinary revenue	1,191,135
Total ordinary expenses	1,044,722
Ordinary income	146,413
Provision or reversal of reserve for fluctuation in water levels	-4,005
Reversal of reserve for fluctuation in water levels	-4,005
Income before income taxes and minority interests	150,419
Income taxes-current	46,096
Income taxes-deferred	10,184
Income taxes	56,280
Minority interests in income	922
Net income	93,215

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

Appellations of some items have been modified from last quarterly report, pursuant to implementation of amendments in reporting format to authorities.

2 Consolidated Statements of Cash Flows for the Six Months Period ended September 30, 2007

(Millions of yen)

	Six-Months ended Sep 30, 2007
Net cash provided by operating activities:	
Income before income taxes and minority interests	150,419
Depreciation and amortization	164,914
Amortization of nuclear fuel	6,003
Loss on retirement of noncurrent assets	3,833
Increase in provision for retirement benefits	354
Decrease in provision for reprocessing of irradiated nuclear fuel	-13,920
Increase in provision for other reprocessing of irradiated nuclear fuel	1,201
Increase in provision for decommissioning of nuclear power units	2,764
Decrease in reserve for fluctuation in water levels	-4,005
Interest and dividends income	-3,884
Interest expenses paid	27,040
Decrease in reserve fund for reprocessing of irradiated nuclear fuel	6,474
Increase in notes and accounts receivable-trade	-11,691
Increase in inventories	-6,620
Decrease in notes and accounts payable-trade	-20,032
Other, net	-11,933
Subtotal	290,917
Interest and dividends income received	3,837
Interest expenses paid	-26,968
Income taxes paid	-18,565
Net cash provided by operating activities	249,221
Net cash used in investment activities:	
Purchase of noncurrent assets	-112,841
Payments of investment and loans receivable	-17,490
Collection of investment and loans receivable	10,462
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-985
Other, net	1,708
Net cash used in investing activities	-119,146
Net cash used in financing activities:	
Proceeds from issuance of bonds	83,704
Redemption of bonds	-45,425
Proceeds from long-term loans payable	25,644
Repayment of long-term loans payable	-55,310
Increase in short-term loans payable	190,120
Decrease in short-term loans payable	-189,020
Proceeds from issuance of commercial papers	527,000
Redemption of commercial papers	-632,000
Purchase of treasury stock	-10,360
Cash dividends paid	-23,416
Cash dividends paid to minority shareholders	-248
Other, net	-968
Net cash used in financing activities	-130,281
Effect of exchange rate change on cash and cash equivalents	42
Net decrease in cash and cash equivalents	-164
Cash and cash equivalents at beginning of this period	97,861
Cash and cash equivalents at end of this period	97,696

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

Appellations of some items have been modified from last quarterly report, pursuant to implementation of amendments in reporting format to authorities.