

# Consolidated Financial Report

The information shown below is an English translation of extracts from the Kessan Tanshin (Renketsu) (Consolidated Financial Report).

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CHUBU ELECTRIC POWER COMPANY, INCORPORATED (May 20, 2003)

Code: 9502

Financial Report for the 12-months Period ended March 31, 2003

(Consolidated)

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Adoption of U.S. accounting standard : None

## I. Performance Over the Year Ended March 31, 2003

(Figures are rounded down to the nearest million yen)

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### 1. Consolidated Operating Results

3/03		Change	3/02	Change
Operating Revenues (million yen)	2,176,071	-2.4%	2,228,924	-1.1%
Operating Income (million yen)	312,471	-6.1%	332,878	2.6%
Income before Income Taxes & Minority Interests (million yen)	171,088	-2.8%	176,057	13.3%
Net Income (million yen)	106,494	-3.5%	110,358	17.3%
Net Income per Share (Primary ; yen)	144.24		149.78	
Net Income per Share (Fully diluted ; yen)	134.75		139.88	

Notes: 1. Equity in earnings of affiliates

(3/03: -432 million yen, 3/02: 61 million yen)

2. Average number of shares outstanding (consolidated)

(3/03: 736,383,365 3/02: 736,818,103 )

3. Changes in accounting methods: None

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## 2.Consolidated Financial Standing

	3/03	3/02
Total Assets (million yen)	6,282,500	6,435,214
Shareholders' Equity (million yen)	1,307,179	1,228,231
Shareholders' Equity Ratio	20.8%	19.1%
Shareholders' Equity per Share (yen)	1,775.44	1,667.10

Note : Number of shares outstanding at the end of the period. (consolidated)  
(3/03: 736,099,577 3/02: 736,748,228)

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## 3.Outline of Consolidated Cash Flows

	3/02	3/02
Cash Flows from Operating Activities (million yen)	599,370	663,053
Cash Flows from Investing Activities (million yen)	-334,190	-447,626
Cash Flows from Financing Activities (million yen)	-278,720	-200,556
Cash or Cash Equivalent at the End of the Period (million yen)	62,061	66,276

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## 4.Number of Subsidiaries and Affiliates

Consolidated subsidiaries: 31

Unconsolidated subsidiaries accounted for under the equity method: None

Affiliates accounted for under the equity method: 20

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## 5.Changes in Range of Consolidation and Application of Equity Method

Inclusion of subsidiaries to consolidation: 21

Exclusion of subsidiaries from consolidation: None

Inclusion of subsidiaries or affiliates accounted for under the equity method: 18

Exclusion of subsidiaries or affiliates accounted for under the equity method: None

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## II.Forecasts of Consolidated Results for the 6-months period Ending September 30, 2003, and the Year Ending March 31, 2004(approximate estimates)

	9/03	3/04
Operating Revenues (billion yen)	1,040.0	2,080.0
Income before Income Taxes & Minority Interests (billion yen)	108.0	172.0
Net Income (billion yen)	68.0	108.0

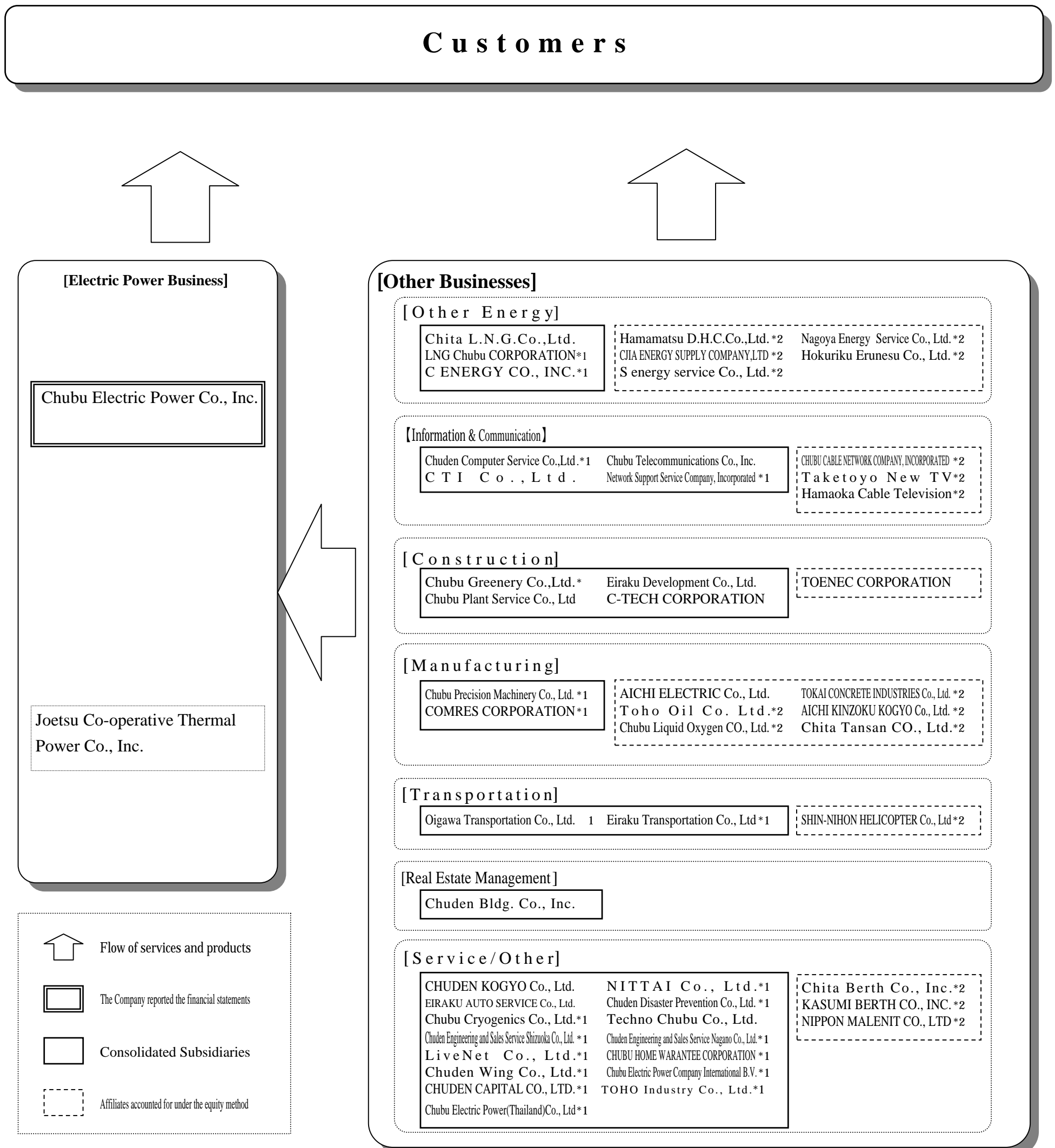
(Reference) Estimation of Net Income per Share for the year ending March 31, 2004: 146.34 yen

There are the premise or matters related to these forecasts on page 7.

## Corporate Group Position

With Chubu Electric Power Company, Incorporated's electric power business at its core, the Chubu Electric Group (the Company and its subsidiaries and affiliates) is making efficient use of our own business resources, such as electricity supplying facilities, fuels and technologies, to develop a variety of businesses.

Specifically electric power-related areas include construction for the upgrade and maintenance of facilities, and manufacture for the supply of materials and equipments. The Company is also developing new businesses, such as an electronic communications business, with the aim of making efficient use of business resources.



## Management Policies

### 1. Basic Management Policy

Three years have passed since liberalization in retail of electric power was introduced. Competition has grown due to the participation of corporations from a wide range of business segments as well as to the promotion of power sales from on-site power sources. Since November 2001, The Electricity Industry Committee of the Advisory Committee for Natural Resources and Energy made up a report under the policy of promoting competition by referring to the phased expansion of liberalization and the establishment of a nationwide wholesale power market. In response, a proposed amendment to the Electricity Utilities Industry Law has been submitted to the latest session of the Diet.

In this business environment the Company, with electric power as its core business, aims to be the company of choice by virtue of its superior services, as an integrated energy enterprise. At the same time, the Company is striving to increase the value of the entire Chuden Group by exploiting its management resources to the fullest. Moreover, as a company in step with society, Chubu Electric emphasizes environment preservation, coexistence with the community and progress in R&D for the future.

To pursue this management philosophy, the Company will make an effort to realize the following business targets and operational policies, and will steadily implement "Business Reform Roadmap", which was drawn up in April, 2001. That is how the Company will demonstrate its ability to satisfy the expectations of customers, shareholders and investors.

#### [Business Targets]

<The Company Business Target>	
• Sales	: ¥2,000,000 million or more (Average for three years from FY 2001 to FY 2003)
• Income before special item and income taxes	: ¥150,000 million or more (Average for three years from FY 2001 to FY 2003)
• ROA (Return on Assets) <sup>*1</sup>	: 1.5% or more (Average for three years from FY 2001 to FY 2003)
• Outstanding interest-bearing debts	: ¥3,600,000 million or less (By the end of FY 2004)
• Employees	: Around 16,600 employees (By the end of FY 2005)
<Group Business Target>	
• Sales to customers outside the Group	: Increase by 20% <sup>*2</sup> or more (As for FY 2005)

\*1 --- ROA (Return on Assets) = Net income/Average total assets at beginning and end of the period.

\*2 --- Comparison with average sales for three years from FY 1998 to FY 2000

#### [Operational Policies]

##### (1) Develop sales activities to satisfy customers

To continue to attract as many customers as possible, the company is making every effort to strengthen customer confidence. The company is also offering a variety of services, including the improvement of contract options and energy services to properly satisfy the diverse needs of individual customers. That's the way the Company provide integrated energy services.

##### (2) Promote cost reduction without exception

So that the Company may deliver premium services at lower prices, the Company will enforce cost reductions in every stage of our operations. The Company aims at securely achieving the goal, "a 20% reduction in costs from pre-liberalization figures by 2005" in "Business Reform Roadmap".

##### (3) Reinforce corporate strength and strategically utilize management resources

The company will endeavor to reach its managerial goals for greater financial strength and corporate value. The results of the company's business activities will

be put to effective use in sustainable growth with investment in new businesses where the company has the edge, and in the timely and appropriate input of management resources, targeting the expansion of the its integrated energy services.

(4) Re-structure to a corporate group to remain competitive in the market

The Company will attempt to maximize group profits by creating new business opportunities as well as structure a strategic and efficient corporate group to flexibly cope with changes in our managerial environment.

(5) Establish a strong corporate foundation and carry out thorough quality and risk control

To ensure the confidence of the company's customers and competitive business management, all the organizations will be drastically shuffled from the head and branch offices to the frontline places of business in July 2003. This will make autonomous business operations possible in each office, where employees will be able to take the initiative and come up with original ideas. The company will act as a corporate citizen in concert with society by strengthening its ties with local communities, implementing risk control for business operations and tackling global environmental issues.

2. Basic Policy for Profit Sharing

In addition to redistributing to shareholders, operational results generated by the Company will be effectively used for activities and investments to improve the Company's financial structure and expand the revenue basis, thereby enhancing the corporate value. Internal reserves will be used as funds for capital expenditure in the electric businesses, investment in new businesses and improvement of the Company's financial structure.

3. Corporate Governance

(1) Principles of Corporate Governance

The company must enhance efficiency in management and ensure legitimacy so that shareholders and investors will see it as a reliable corporation. The company will redouble its efforts to ensure corporate governance.

(2) Measures Implemented for Corporate Governance

An overview of the management mechanism and the measures taken toward corporate governance is as follows:

In addition to the Board of Directors, auditors, and other aspects prescribed by the Commercial Code, the Company has a Board of Managing Directors and holds a Managerial Strategy Meeting. In principle, a meeting of the Board of Directors is held monthly. At those meetings, the board decides on resolutions stipulated by the Commercial Code and corporate key issues in management. As well, it oversees the duties of the directors with reports on the how those duties are being carried out. At the meetings of the Board of Managing Directors, matters referred to the Board of Directors are discussed in advance and other important issues in operations are deliberated. At the Managerial Strategy Meeting the direction of mid- and long-term management is discussed. The conference refers important matters on to the Board of Managing Directors and the Board of Directors.

According to the principles decided upon at the meeting of the Board of Auditors, the auditors individually and independently monitor how the duties of the directors are carried out. Currently, two out of seven auditors are out-of-house auditors. (One of them is the chair of Meiji Mutual Life Insurance Co., from whom this company borrows funds, but there are no special ties between this company and the other auditor).

In December 2002, a Compliance Promotion Meeting was set up for the advancement of compliance on the part of the company and its group companies. Chaired by president, the meetings are composed of attorneys, labor union representatives and others. The participants deliberate policies and measures for the promotion of compliance by determining fundamental principles and arranging a help line for employee.

For the reinforcement of internal auditing, in July 2003 the Internal Audit Department will expand and become the Management Internal Audit Bureau under the direct control of the president.

## Operating Results and Financial Standing

### 1. Results for this period under review

#### (1) Income

For this period, although demand in foreign countries contributed to good production and corporate results, the Japanese economy continued to stagnant. The weak performance of the economy was attributed to sluggish personal consumption and capital investments.

Under these economic conditions, the consolidated operating revenues from this period were ¥2,176.0 billion, a decrease of ¥52.8 billion from the same period of last fiscal year due to a drop in electric energy sales in our electric power business. However, as a result of cost reductions in overall business, the consolidated income before income taxes and minority interests were ¥171.0 billion, a decrease of ¥4.9 billion from the preceding period. Accordingly, the consolidated net income also decreased ¥3.8 billion, to ¥106.4 billion.

In addition, the consolidated financial statements have included all affiliates (51 companies) to enhance and clarify the corporate disclosure.

#### Performance per Business Sector (Before offset elimination)

##### (i) Electricity Business

The total amount of electric energy sold was 123.0 billion kWh, which comprised of 32.8 billion kWh in electric lighting, 56.1 billion kWh in electric power and 34.1 billion kWh in demand from customers under liberalization.

In comparison with the previous period, power sold for electric lighting grew 3.2% due to an increase in contracts as well as in higher utilization of air conditioning facilities, since it was lower temperature in winter season than that in the previous year. In the same way, electric power and demand from customers under liberalization increased 1.3% each, since demand in industrial use grew over the last fiscal year due to an increase in exports to Asia and United States. As a result of the aforementioned factors, the total amount of electric energy sold was increased by 1.8%.

With regard to electric energy supply, Hydroelectric power output decreased due to relatively dry weather this period (water supply rate: 87.7%) compared with the previous period (water supply rate: 90.1%). On the other hand, although nuclear power output decreased 51.5% to 10.7 billion kWh much less than that for the previous year, the Company could stable supply, to which is contributed by 5th Unit at the Hekinan Thermal Power Plant having been started operation during the period

These factor accounts for the amount of electric energy generated by thermal power plant increased 17.4% to 99.8 billion kWh from the same period of last fiscal year.

In real terms, revenues of electricity business amounted to ¥2,081.1 billion, a reduction of ¥66.8 billion from the preceding period. This was the result from a decrease in electric power revenues by ¥66.7 billion partially due to rate reduction. However, operating costs declined ¥51.1 billion from the previous period to ¥1,783.2 billion due to cost reductions in overall business area such as cutting of facilities-related costs.

Under these circumstances, our operating income dropped ¥15.7 billion from the preceding period to ¥297.9 billion.

##### (ii) Other Businesses

Revenues from other businesses were ¥307.0 billion, an increase of ¥29.4 billion from the previous period mainly because of the expanded range of consolidated accounts (fully-consolidated), in spite of decrease in those of construction industry in the stagnant economy. On the other hand, operating expenses were ¥292.7 billion, an increase of ¥36.0 billion from the preceding period. This is because the number of the consolidated company was increased, as operating revenues were, although reduction efforts in overall business segment.

Accordingly, operating income dropped ¥14.3 billion, a decrease of ¥6.5 billion from the previous period.

#### (2) Cash Flows

The Group mainly uses cash and cash equivalents to purchase in new capital assets, to improve its financial structure, and to pay dividends to its shareholders.

a) Cash Flows from Operating Activities

The Group gained ¥599.3 billion (9.6% decrease from the previous period), due to a decrease in electric energy sales partially on account of the rate reduction .

b) Cash Flows from Investing Activities.

The Group spent ¥334.1billion (25.3% decrease from the previous period), due to cost reduction such as the restraint of capital expenditures.

c) Cash Flows from Financial Activities

The Group spent ¥278.7billion (39.0% increase from the previous period), due to the compression of both dividends payment and the interest-bearing debts.

Due to the aforementioned factors in addition with the expanded range of consolidated accounting (fully-consolidated), cash balances decreased 6.4%, to ¥62.0 billion, compared to those at the end of previous fiscal year.

Interest-bearing debts at the end of this period decreased 5.2%, to ¥4,113.0 billion.

The shown below is the Group's cash flows indexes.

	FY1999	FY2000	FY2001	FY2002
Shareholders' equity ratio	17.3%	17.9%	19.1%	20.8%
Shareholders' equity ratio at market value	18.6%	22.0%	23.7%	24.7%
Debt repayment term	8.2 years	7.4years	6.5years	6.9years
Interest coverage ratio	3.3	3.8	4.4	4.9

(Notes)

1. Shareholder's equity ratio: Shareholders' equity/Total assets

·It is calculated with figures on consolidated basis. (So are the other notes below)

2. Shareholders' equity ratio at market value: Total shares at market value/Total assets

·Total shares at market value is calculated as follows: [ Last price of shares at the end of the period × Number of shares outstanding at the end of the period]

3. Debt repayment term: Interest-bearing debts/Operating cash flows

·Interest-bearing debts means interest-payable debts, which is a part of the liabilities on the consolidated balance sheets.

·Operating cash flows on the consolidated cash flows statements apply to operating cash flows used on this calculation. (So is a note below)

4. Interest coverage ratio: Operating cash flows/Interest payments

·Interest payments on the consolidated cash flows apply to interest payments used on this calculation.

(3) Profit Sharing

Dividends at the end of this period will be ¥30 per share, same as those at the end of the 6-months period. As a result, the payout ratio will be 43.0%.

2. Outlook for the next period

Electric energy sales in the electricity business for the period ending March 31, 2004 will be approximately 121.2 billion kWh, a 1.5% decrease from the previous period.

By promoting efficiency over the whole operating activities as well as cost reduction such as plant and equipment - related expenses, the outlook for performance in the next period will be as follows.

(Outlook for consolidated performance in the next period)

Consolidated	9/03	3/04
Operating revenues	(6.2% decrease) approximately ¥1,040.0 billion	(4.4% decrease) approximately ¥2,080.0 billion
Operating income	(26% decrease) approximately ¥165.0 billion	(9% decrease) approximately ¥285.0 billion
Income before special item & income taxes	(29% decrease) approximately ¥108.0 billion	(1% increase) approximately ¥172.0 billion
Net income	(29% decrease) approximately ¥68.0 billion	(1% increase) approximately ¥108.0 billion

(Principal figures on which outlook are based )

Item	FY03(assumed)	FY 02	FY 01
CIF crude oil prices (\$/b)	approx.27	27.4	23.8
Exchange rate (Inter-bank) (¥/\$)	approx.120	122	125

\*The above forecasts and assumptions made in relation to uncertain factors that may influence performance in the future, was made based on the information available at the time of the release of this document. There is a possibility that the actual performance may greatly differ due to various unforeseen factors in the future.



## Situation of Generation and Sales

### [ Electric Power Business ]

#### 1. Electric energy sold (100 million kWh, %)

	3/03 (A)	3/02 (B)	Change	
			(A-B)	(A-B)/B
Customers other than those under liberalization				
Electric lighting	328	318	10	3.2
Electric power	561	554	7	1.3
Sub total	889	872	17	2.0
Customers under liberalization	341	337	4	1.3
Total	1,230	1,209	21	1.8

#### 2. Output and purchase of electric power (100 million kWh, %)

		3/03 (A)	3/02 (B)	Change	
				(A-B)	(A-B)/B
Chubu Electric	Hydroelectric power (water supply rate)	79 (87.7)	86 (90.1)	-7 (-2.4)	-7.9
	Thermal power	998	850	148	17.4
	Nuclear power (utilization rate)	107 (33.7)	220 (69.5)	-113 (-35.8)	-51.5
Purchased power		115	111	4	3.8
Interchanged power		56	66	-10	-14.9
Power used for pumped storage		-11	-19	8	-39.6
Total		1,344	1,314	30	2.3

## Consolidated Balance Sheets

(million yen)

Assets	2003.3	2002.3	Change
Fixed Assets	6,012,255	6,168,624	-156,369
Electric utility fixed assets	4,525,201	4,699,020	-173,819
Hydroelectric power production facilities	392,962	414,592	-21,630
Thermal power production facilities	1,018,692	1,037,184	-18,492
Nuclear power production facilities	211,748	232,354	-20,606
Transmission facilities	1,311,983	1,363,811	-51,827
Transformation facilities	533,339	568,675	-35,335
Distribution facilities	870,906	886,957	-16,050
General facilities	185,568	195,444	-9,876
Other fixed assets	313,217	325,381	-12,163
Construction in progress	522,699	567,699	-44,999
Nuclear fuel	234,731	190,103	44,628
Loaded nuclear fuel	34,641	39,666	-5,025
Nuclear fuel in processing	200,090	150,436	49,653
Investments and other	416,404	386,420	29,984
Long-term investments	205,091	208,098	-3,006
Deferred income taxes	126,150	102,188	23,961
Other	85,163	76,134	9,029
Current Assets	270,125	266,482	3,643
Cash	43,106	53,682	-10,575
Accounts receivable-customers	113,227	114,239	-1,011
Inventories	53,462	53,685	-222
Deferred income taxes	15,159	13,394	1,764
Other	45,169	31,481	13,688
Deferred Assets	119	107	11
Total Assets	6,282,500	6,435,214	-152,714
Liabilities and Shareholders' Equity			
Long-Term Liabilities and Reserves	4,022,002	4,057,189	-35,187
Bonds	2,090,300	2,003,652	86,647
Convertible bonds	146,254	146,257	-3
Long-term loans	1,272,362	1,426,852	-154,490
Reserve for employees' retirement allowances	168,379	145,359	23,020
Reserve for reprocessing of irradiated nuclear fuel	220,634	215,383	5,250
Reserve for decommissioning nuclear power plant	79,752	77,753	1,999
Deferred income taxes	17	-	17
Other	44,302	41,931	2,370
Current Liabilities	929,482	1,127,572	-198,089
Current portion of long-term debt and other	157,047	172,386	-15,339
Short-term debt	339,961	363,949	-23,988
Accrued income taxes and other	80,714	89,714	-9,000
Other	351,760	501,522	-149,761
Reserve for Drought	-	-	-
Total Liabilities	4,951,485	5,184,762	-233,277
Minority Interests in Consolidated Subsidiaries	23,834	22,221	1,613
Shareholders' Equity			
Common stock	374,519	374,518	1
Capital surplus	14,247	14,246	1
Retained earnings	907,815	823,947	83,867
Difference between the book value and the market value of the securities	12,023	15,772	-3,748
Foreign Currency Translation Adjustment	5	-	5
Less: Treasury stock	-1,431	-253	-1,178
Total Shareholder's Equity	1,307,179	1,228,231	78,948
Total Liabilities and Shareholders' Equity	6,282,500	6,435,214	-152,714

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

## Consolidated Statements of Income

(million yen)

Revenues	2003.3	2002.3	Change
Operating Revenues	2,176,071	2,228,924	-52,852
Electric	2,078,170	2,145,182	-67,011
Other	97,901	83,742	14,159
Other Revenues	5,735	7,286	-1,551
Proceed from dividends	1,179	1,218	-39
Proceed from interests	1,280	1,003	276
Other	3,275	5,064	-1,788
Total Ordinary Revenues	2,181,807	2,236,211	-54,403
Expenses			
Operating Expenses	1,863,600	1,896,046	-32,445
Electric	1,773,859	1,823,622	-49,762
Other	89,740	72,423	17,316
(Operating Income)	312,471	332,878	-20,406
Other Expenses	147,118	164,107	-16,988
Interest expenses	121,236	146,164	-24,928
Other	25,882	17,942	7,939
Total Ordinary Expenses	2,010,718	2,060,153	-49,434
Income before Special Item and Income Taxes	171,088	176,057	-4,969
Special Item			
Provision for (reversal of) reserve for drought	-	-1,852	1,852
Income before income taxes	171,088	177,910	-6,821
Income Taxes-Current	85,355	80,737	4,618
Income Taxes-Deferred	-21,525	-15,900	-5,625
Minority Interests	764	2,715	-1,951
Net Income	106,494	110,358	-3,864

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

## Consolidated Statements of Cash Flows

(million yen)

Cash Flows from Operating Activities:	2003.3	2002.3
Income before income taxes and minority interests	171,088	177,910
Depreciation	432,813	464,825
Amortization of loaded nuclear fuel	6,051	14,047
Loss on disposal of property, plant and equipment	11,998	11,476
Provision for (reversal of) reserve of employees' retirement allowances	20,286	-1,247
Provision for reserve for reprocessing of irradiated nuclear fuel	5,250	32,886
Provision for reserve for decommissioning nuclear power plant	1,999	3,097
Reversal of reserve for drought	-	-1,852
Interest revenue and dividends received	-2,460	-2,222
Interest expense	121,236	146,164
Accounts receivable	2,664	4,815
Inventories	1,532	10,164
Accounts payable	9,771	-10,395
Other	27,479	28,028
Sub total	809,712	877,700
Receipt of interest and cash dividends	2,385	2,205
Interest paid	-122,357	-151,715
Income taxes paid	-90,370	-65,136
Net cash provided by operating activities	599,370	663,053
Cash Flows from Investing Activities:		
Purchases of property, plant and equipment	-322,463	-416,630
Increase in investments	-31,067	-34,338
Proceeds from investments	12,015	3,196
Other	7,324	146
Net cash used in investing activities	-334,190	-447,626
Cash Flows from Financing Activities:		
Proceeds from issuance of bonds	198,682	228,083
Redemption of bonds	-121,800	-371,885
Proceeds from long-term debt (exclusive of bonds)	43,252	127,765
Repayment of long-term debt (exclusive of bonds)	-210,280	-206,868
Proceeds from short-term debt	354,870	373,458
Repayment of short-term debt	-379,140	-377,677
Proceeds from commercial paper	1,036,000	1,444,000
Repayment of commercial paper	-1,155,000	-1,373,000
Dividends paid	-44,189	-44,186
Other	-1,114	-246
Net cash used in financing activities	-278,720	-200,556
Net Increase (Decrease) in Cash and Cash Equivalents	-13,557	14,870
Cash and Cash Equivalents at Beginning of the Period	66,276	51,405
Effect of Increase (Decrease) in Consolidated Subsidiaries	9,342	-
Cash and Cash Equivalents at End of the Period	62,061	66,276

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

## Segment Information

### 1. Segment Information By Business Sector

For the period ended March 31, 2003

(million yen)

	Electric	Other	Total	Eliminations	Consolidated Results
1. Operating Revenues, Operating Income					
Operating Revenues (1) Operating Revenues to outside the Group	2,078,170	97,901	2,176,071	-	2,176,071
(2) Inter-segment Operating Revenues and transfers	3,025	209,143	212,169	-212,169	-
Total	2,081,195	307,045	2,388,240	-212,169	2,176,071
Operating Expenses	1,783,253	292,702	2,075,955	-212,354	1,863,600
Operating Income	297,942	14,343	312,285	185	312,471
2. Assets, Depreciation, Assets	5,965,802	436,124	6,401,926	-119,245	6,282,500
Depreciation	389,187	46,971	436,159	-3,345	432,813
Capital expenditures	259,535	27,307	286,843	-3,241	283,601

For the period ended March 31, 2002

(million yen)

	Electric	Other	Total	Eliminations	Consolidated Results
1. Operating Revenues, Operating Income					
Operating Revenues (1) Operating Revenues to outside the Group	2,145,182	83,742	2,228,424	-	2,228,924
(2) Inter-segment Operating Revenues and transfers	2,880	193,818	196,699	-196,699	-
Total	2,148,063	277,560	2,425,623	-196,699	2,228,924
Operating Expenses	1,834,380	256,654	2,091,035	-194,989	1,896,046
Operating Income	313,682	20,905	334,588	-1,710	332,878
2. Assets, Depreciations, Assets	6,127,040	415,140	6,542,181	-106,966	6,435,214
Depreciation	418,651	49,339	467,991	-3,165	464,825
Capital expenditures	343,046	30,163	373,210	-5,204	368,006

# Non-consolidated Financial Report

The information shown below is an English translation of extracts from the Kobetsu Zaimushohyo no Gaiyo (Non-consolidated Financial Report).

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CHUBU ELECTRIC POWER COMPANY, INCORPORATED (May 20, 2003)

Code: 9502

Financial Report for the 12-months Period ended March 31, 2003

(Non-consolidated)

Representative: Fumio Kawaguchi, President

Contact: Akinori Kataoka, Manager, IR Section

Takatoshi Fujitani, Manager, Accounting Section

Unit Stock: 100 shares per unit

Tel: 81-52-951-8211

URL: <http://www.chuden.co.jp/english/>

## I . Performance Over the Year Ended March 31, 2003

(Figures are rounded down to the nearest million yen)

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3/03		Change	3/02	Change
Operating Revenues (million yen)	2,085,086	-2.9%	2,148,063	-1.6%
Operating Income (million yen)	297,244	-5.2%	313,682	0.8%
Income before Special Item & Income Taxes (million yen)	160,613	1.4%	158,372	3.4%
Net Income (million yen)	102,905	0.4%	102,539	3.8%
Net Income per Share (Primary ; yen)	139.53		139.17	
Net Income per Share (Fully diluted ; yen)	130.39		130.05	

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Notes: 1. Average number of shares outstanding  
(3/03: 736,503,231 3/02: 736,818,103 )

2. Special Item means Provision for (Reversal of) Reserve for Drought.

3. Changes in accounting methods: None

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## 2.Dividends

	3/03	3/02
Annual Dividends per Share (Yen)	60.00	60.00
Interim (Yen)	30.00	30.00
End of the period	30.00	30.00
Total Dividends paid (full-year)(million yen)	44,184	44,208
Payout Ratio	43.0	43.1
Shareholder's Equity Ratio	3.7	3.9

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## 3.Financial Standing

	3/03	3/02
Total Assets (million yen)	5,977,514	6,129,232
Shareholders' Equity (million yen)	1,200,397	1,146,198
Shareholders' Equity Ratio	20.1%	18.7%
Shareholders' Equity per Share (yen)	1,630.30	1,555.75

Note: Number of shares outstanding at the end of period

(3/03: 736,219,443 3/02: 736,748,228)

Number of treasury shares outstanding at the end of the period

(3/03: 637,744 3/02: 107,752)

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II .Forecasts of Non-consolidated Results for the 6-months period Ending September 30, 2003, and the Year Ending March 31, 2004 (approximate estimates)

	9/03	3/04
Operating Revenues (billion yen)	1,005.0	2,010.0
Income before Special Item & Income Taxes (billion yen)	105.0	165.0
Net Income (billion yen)	67.0	106.0

(Reference) Estimation of Net Income per Share for the year ending March 31, 2004: 143.79 yen

There are the premise or matters related to these forecasts on page 7.

## Non-consolidated Balance Sheets

(million yen)

Assets	2003.3	2002.3	Change
<b>Fixed Assets</b>	5,801,502	5,939,720	-138,217
Electric utility fixed assets	4,578,087	4,749,534	-171,447
Hydroelectric power production facilities	396,505	418,081	-21,576
Thermal power production facilities	1,025,936	1,044,613	-18,677
Nuclear power production facilities	213,138	233,707	-20,568
Internal combustion engine power production facilities	197	224	-27
Transmission facilities	1,325,889	1,377,012	-51,122
Transformation facilities	538,148	573,585	-35,437
Distribution facilities	890,426	904,518	-14,091
General facilities	187,845	197,791	-9,946
Subsidiary enterprise fixed assets	11,135	2,191	8,943
Other fixed assets	38,199	36,302	1,896
Construction in progress	516,039	560,718	-44,678
Nuclear fuel	234,731	190,103	44,628
Loaded nuclear fuel	34,641	39,666	-5,025
Nuclear fuel in processing	200,090	150,436	49,653
Investments and other	423,308	400,870	22,438
Long-term investments	188,086	194,242	-6,156
Investments in subsidiaries and affiliates	129,371	119,769	9,601
Deferred income taxes	101,201	79,871	21,329
Other	4,648	6,986	-2,337
<b>Current Assets</b>	175,893	189,404	-13,510
Cash	14,089	27,912	-13,823
Accounts receivable-customers	94,926	98,481	-3,555
Inventories	37,562	39,828	-2,266
Deferred income taxes	12,728	11,447	1,281
Other	16,586	11,733	4,852
<b>Deferred Assets</b>	119	107	11
<b>Total Assets</b>	<b>5,977,514</b>	<b>6,129,232</b>	<b>-151,717</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Long-Term Liabilities and Reserves</b>	3,908,391	3,924,088	-15,697
Bonds	2,901,400	2,003,652	87,747
Convertible bonds	146,347	146,350	-3
Long-term loans	1,181,091	1,311,966	-130,875
Reserve for employees' retirement allowances	148,842	128,677	20,165
Reserve for reprocessing of irradiated nuclear fuel	220,634	215,383	5,250
Reserve for decommissioning nuclear power plant	79,752	77,753	1,999
Other	40,323	40,305	18
<b>Current Liabilities</b>	868,725	1,058,945	-190,219
Current portion of long-term debt and other	134,474	138,466	-3,991
Short-term debt	335,372	359,458	-24,086
Commercial paper	111,000	230,000	-119,000
Accrued income taxes and other	74,626	84,204	-9,577
Other-mainly accounts payable	213,251	246,816	-33,564
Reserve for Drought	-	-	-
<b>Total Liabilities</b>	<b>4,777,116</b>	<b>4,983,034</b>	<b>-205,917</b>
<b>Shareholders' Equity</b>			
Common stock	374,519	374,518	1
Capital surplus	14,247	14,246	1
Legal reserve	-	93,628	-93,628
Retained earnings	800,484	648,290	152,193
Difference between the book value and the market value of the securities	12,502	15,767	-3,265
Less: Treasury stock	-1,356	-253	-1,102
<b>Total Shareholder's Equity</b>	<b>1,200,397</b>	<b>1,146,198</b>	<b>54,199</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>5,977,514</b>	<b>6,129,232</b>	<b>-151,717</b>

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



## Non-consolidated Statements of Income

(million yen)

Revenues	2003.3	2002.3	Change
Operating Revenues	2,085,086	2,148,063	-62,976
Electric utility revenues	2,081,195	2,148,063	-66,867
Residential	717,661	720,971	-3,309
Commercial and Industrial	1,332,660	1,396,088	-63,427
Sold power to other electric utilities and other companies	12,127	12,530	-402
Other	18,745	18,473	272
Subsidiary enterprise revenues	3,890	-	3,890
Electric utility financing revenues	-	2,661	-2,661
Other Revenues	5,273	2,844	2,429
Financing revenues	3,318	-	3,318
Subsidiary enterprise revenues	-	1,085	-1,085
Non-operating revenues	1,954	1,758	196
Profit from sale of fixed asset	358	121	236
Other	1,596	1,636	-39
Total Ordinary Revenues	2,090,360	2,153,568	-63,208
Expenses			
Operating Expenses	1,787,842	1,834,380	-46,538
Electric utility expenses	1,783,253	1,834,380	-51,127
Hydro electric power production expenses	57,929	65,751	-7,822
Thermal power production expenses	669,397	636,660	32,736
Nuclear power production expenses	104,329	162,721	-58,391
Internal combustion engine power production expenses	113	123	-10
Purchased power from other electric utilities and other companies	165,802	176,930	-11,128
Transmission expenses	150,667	146,590	4,076
Transformation expenses	82,493	87,316	-4,822
Distribution expenses	182,772	194,941	-12,169
Selling expenses	64,545	65,310	-764
General and administrative expenses	224,954	218,157	6,796
Electric power development promotion tax	54,919	53,872	1,046
Enterprise tax	25,450	26,307	-857
Other operating expenses	-120	-304	183
Subsidiary enterprise expenses	4,588	-	4,588
(Operating Income)	297,244	313,682	-16,438
Electric utility financing expenses	-	142,783	-142,783
Interest payments	-	141,915	-141,915
Other Expenses	141,905	18,032	123,872
Financing expenses	117,848	-	117,848
Interest payments	117,250	-	117,250
Subsidiary enterprise expenses	-	1,039	-1,039
Non-operating expenses	24,056	16,992	7,064
Loss from sale of fixed asset	1,044	82	961
Other	23,012	16,909	6,102
Total Ordinary Expenses	1,929,747	1,995,195	-65,448
Income before Special Item and Income Taxes	160,613	158,372	2,240
Special Item			
Provision for (reversal of) reserve for drought	-	-1,852	1,852
Income before Income Taxes	160,613	160,225	387
Income Taxes-Current	78,505	73,669	4,835
Income Taxes-Deferred	-20,798	-15,983	-4,814
Net Income	102,905	102,539	366

Note: 1. Above figures are rounded down to the nearest million yen.

2. This statement has been modified according to the change in classification method for period under the review, which reflects the revision of electric utility accounting regulation.

- (i) Subsidiary enterprise revenues and expenses which had been classified in other revenues and expenses has changed to be classified in operating revenues and expenses.
- (ii) Electric utility financing revenues and expenses has changed to be classified in other revenues and expenses with the name changed for financing revenues and expenses.

## Proposed Appropriation of Retained Earnings

(million yen)

Item	3/0	3	3/02
Unappropriated retained earnings at the end of the period		175,855	167,255
Transferred from reserve for overseas investment		-	34
<b>Total</b>		<b>175,855</b>	<b>167,289</b>
<b>Appropriations</b>			
Dividends		22,086	22,210
		(¥30 per share)	(¥30 per share)
Bonuses to directors and corporate auditors		140	140
(to corporate auditors)		(26)	(26)
Provision of special voluntary reserve		60,000	50,000
Balance to be carried forward		93,629	95,048

(Notes)

Interim dividends for the period ended March 31, 2002 were ¥22,105 million. (¥30 per share)

Interim dividends for the period ended March 31, 2003 were ¥22,098 million. (¥30 per share)