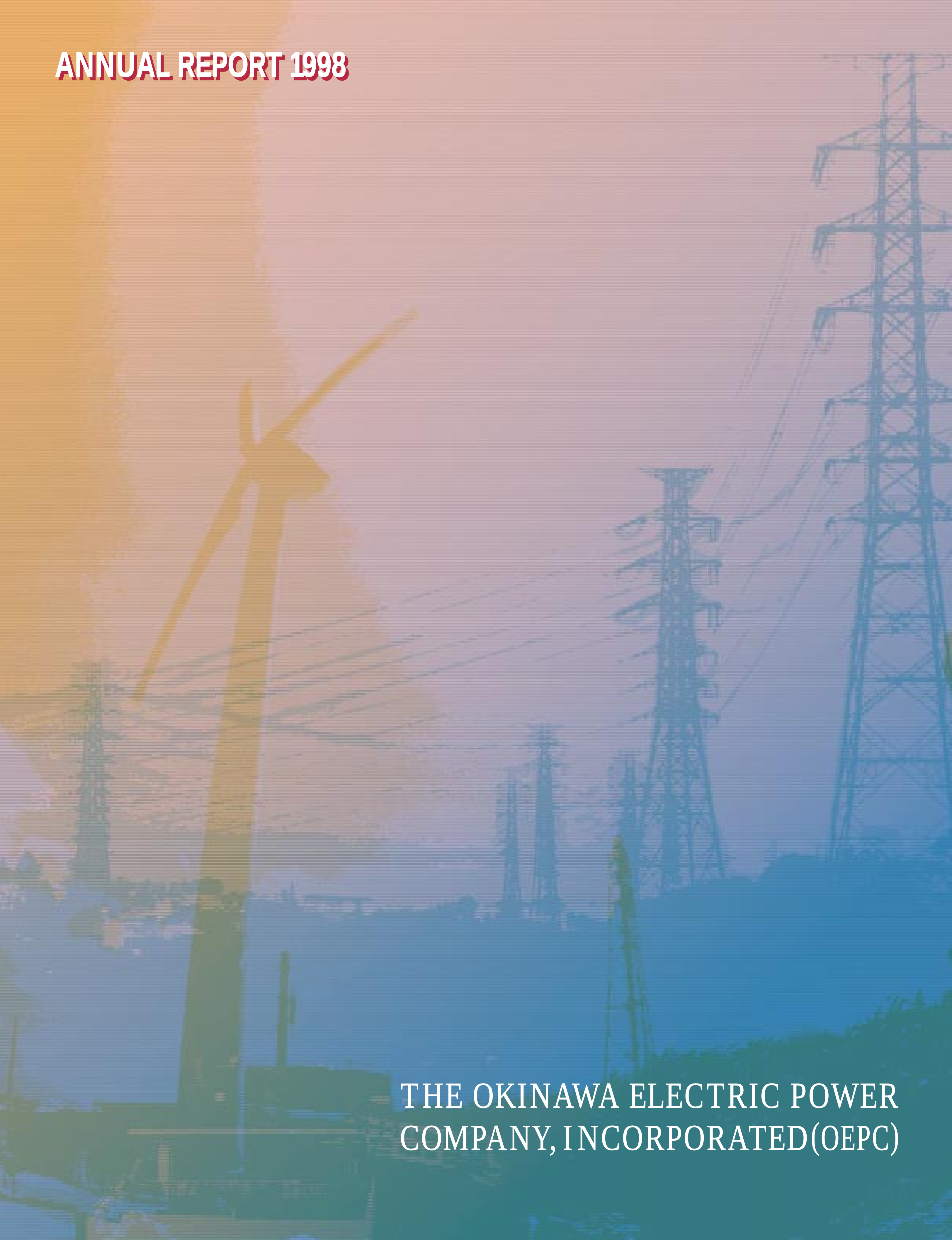
ANNUAL REPORT 1998



THE OKINAWA ELECTRIC POWER
COMPANY, INCORPORATED(OEPC)

Financial Highlights

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED
Years ended March 31, 1998 and 1997

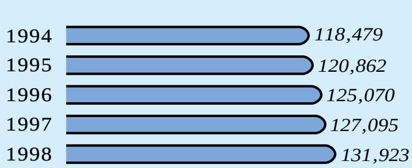
	Millions of Yen		Thousands of U.S. Dollars
	1998	1997	**1998**
For the year:			
Operating revenues	**¥131,923**	¥127,095	**$ 998,663**
Operating income	**17,744**	15,244	**134,322**
Net income	**2,773**	904	**20,993**
Per share of common stock (Yen and U.S. Dollars):			
Net income	**¥186.42**	¥60.80	**$1.41**
Cash dividends	**50.00**	50.00	**0.38**
At year-end:			
Total assets	**¥322,664**	¥323,528	**$2,442,573**
Total shareholders' equity	**55,132**	53,179	**417,353**

Note: The U.S. Dollar amounts represent translation of Japanese yen for convenience only at the approximate exchange rate on March 31, 1998, of ¥132.10 to $1.

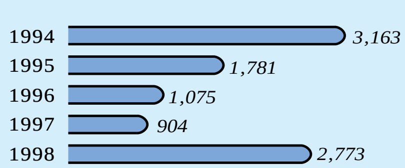
Operating Highlights

Years ended March 31, 1998, 1997 and 1996	**1998**	1997	1996
For the year:			
Electric energy sales (Millions of kWh)			
Lighting	**2,364**	2,358	2,295
Power	**3,762**	3,648	3,559
Peak load (Thousands of kW)	**1,317**	1,329	1,310
At year-end:			
Number of customers:			
Lighting	**640,949**	625,697	613,778
Power	**63,786**	62,712	62,135
Generating capacity (Thousands of kW)	**1,444**	1,434	1,461
Route length of transmission lines (km):			
Overhead	**514**	498	472
Underground	**137**	125	117

Operating Revenues (¥ Million)



Net Income (¥ Million)

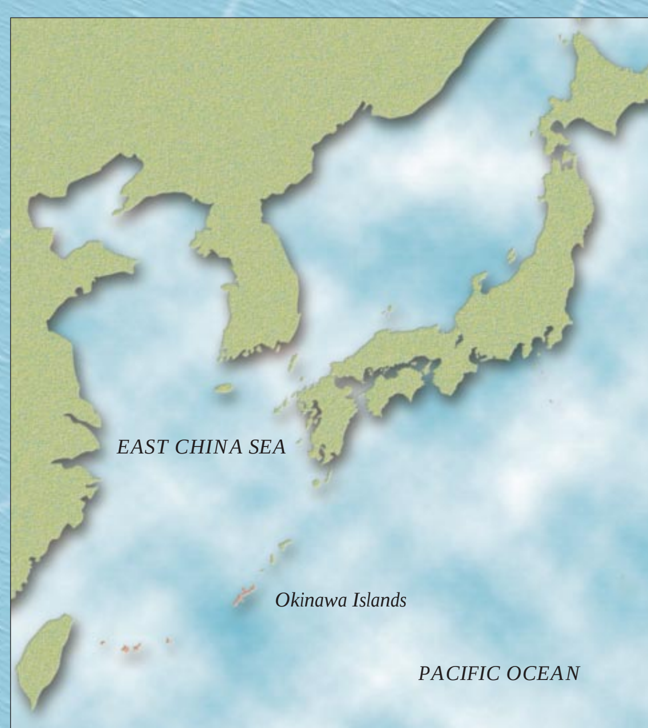


Total Assets (¥ Million)

Profile

Okinawa Electric Power Company, Incorporated (OEPC), one of the 10 electric power companies that form part of the energy industry which supports Japanese society, supplies electricity to all of Okinawa Prefecture, which lies in the extreme southern part of Japan. As Okinawa is an “outlying island prefecture” comprised of numerous small islands within a 500km-radius of the main island, the task of supplying electricity is beset with many problems. Overcoming such extreme geographical conditions, OEPC provides a stable supply of electricity around the clock to all 39 inhabited islands.

While developing new power generation sources and continuing to build up its power supply network from a long-term perspective, the Company is making concerted efforts to reduce supply cost and preserve the environment. These efforts include diversifying power sources while retaining coal as its main fuel, and introducing wind power generation and photovoltaic power generation, sources of energy which make the most of the prefecture’s climatic features. Furthermore, we strive to increase operational efficiency from a variety of perspectives through, for example, capital investment, facility maintenance, load leveling, and operations on outlying islands. At the same time, as a good corporate citizen, we engage in activities which contribute to regional society and promote exchange with overseas electric power companies.



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During the fiscal year ended March 31, 1998, thanks to growth in demand for electricity and a policy of thorough efficiency increases in all operational areas, OEPC was able to post increases in revenue and profits for the first time in 6 years.

We, the management, are pleased to be able to present this report on the Company's performance.

Operating Environment and Business Results

Despite vibrancy in the tourist industry, the prefectural economy as a whole stagnated in the term under review, due to factors such as a drop in consumer spending and sluggish housing investment. Amid these conditions, demand for electric power for industrial uses increased, and OEPC's total electric power sales volume, combining lighting and power sales, grew 2.0% to 6,126 million kWh. Turning to earnings, despite the negative effect of a cut in electricity rates implemented in February 1998, the increase in total electric power sales volume and use of the Fuel Cost Adjustment System helped operating revenues to rise 3.8% to ¥131,923 million (US$988,663 thousand). In addition to decreases in depreciation expenses and interest payable, efforts to effect thorough efficiency increases in all operational areas enabled us to post satisfactory earnings, with income before income taxes growing 205% to ¥5,730 million (US$43,379 thousand) and net income increasing 307% to ¥2,773 million (US$20,993 thousand). In line with OEPC's basic policy of paying a stable annual dividend of ¥50 per share, we declared a term-end dividend of ¥25 per share, the same amount as the interim dividend.

Principal Measures

During the term, OEPC continued with its policies of ensuring a long term stable supply of electricity, further reducing costs, and increasing efficiency. In particular, we set ourselves an objective of keeping total capital investment for the next ten years under ¥400 billion (US$3,028 million), beginning in fiscal 1998, and during the term actual investment was approximately ¥12.1 billion (US$92 million), or 32.5%, lower than the budget figure.

In addition, we pushed ahead with measures to raise efficiency in all operational areas, such as improving the load factor (reducing the difference in electric power demand between seasons, and between daytime and nighttime), which forms the core of our cost reduction efforts, and correcting the imbalance between revenue and expenditure for supplying power to outlying islands. In order to return the fruits of these efforts directly to the customer, in February 1998 we implemented a 3.72% cut in electricity rates. Moreover, while continuing with the smooth operation of our existing facilities, on outlying islands we began operations of Unit 4 (10,000 kW) at Miyako No. 2 Power Station, Unit 7 (750 kW) at Minami-Daito Power Station, and Unit 9 (300 kW) at Kita-Daito Power Station, thereby maintaining the stable supply of electricity.

In the field of new energy, trials of a photovoltaic electric power generation system, commissioned by NEDO (the New Energy and Commercial Technology Development Organization), which began in 1990 on Miyako Island, were brought to a successful conclusion in March 1998. Using the results from these trials as a base, OEPC has begun more advanced research of this system with a view to its practical application.

Furthermore, we decided to construct the Okiden Naha Building in Naha, the principal city on the main island, holding the groundbreaking ceremony for the new building in January 1998. With 10 overground floors and a total floor space of 13,547 m^2, this building will have an ice-storage air conditioning system and equipment in the basement to enable the use of rain water, thus promoting energy conservation, and is scheduled for completion in September 1999.

Future Prospects

In October 1998, OEPC celebrated the 10th anniversary of its privatization. We will take this opportunity to reflect on and evaluate our policy of efficiency improvement and a variety of other issues, and view this anniversary year as a chance to prepare ourselves for the next step forward. As part of these efforts, we are continuing to re-assess our long-term management plan, under which we aim to respond to the profound changes in the business environment.

Looking at income and expense trends for the current term, in spite of several favorable factors, such as an expected increase in demand for electric power, centered on power for industrial use, and the depreciation of Gushikawa Thermal Power Station having reached an advanced stage, the fall in revenue resulting from the reduction in electricity rates will likely lead to a difficult earnings situation.

Chairman Masaharu Minei President Hirokazu Nakaima

Given such a situation, we have made our primary objective the maintenance of the performance levels achieved in the term under review, and we will apply ourselves to achieving a further increase in operating efficiency. In concrete terms, despite a large increase in costs associated with the full-scale construction of Kin Thermal Power Station, our main source of power for the new era, we will carefully examine our expenditures on this project from a variety of perspectives, such as design and construction methods, and have established a plan which calls for the reduction of expenditures by approximately ¥1.4 billion. In order to achieve our earnings targets, we will closely monitor all expenses and urge everyone in the Company to work toward real reductions.

In addition to this policy to increase efficiency, we will redouble our efforts to establish the Okinawa New Energy Power Generation System, which makes use of new environmentally friendly forms of energy such as photovoltaic power and wind power. At the same time, we have begun working toward obtaining ISO 14001 certification, the international standard for environmental management systems.

Moreover, in our position as a utility that supplies energy to support life in the region and its commercial base, we are involved in vigorous activities that contribute to the promotion of economic activity in Okinawa and to regional society. We ask for your continued understanding and support.

Masaharu Minei

Masaharu Minei, *Chairman*

Hirokazu Nakaima

Hirokazu Nakaima, *President*

Under the supply plan for the term ended March 31, 1998, we put stress on the following three principal items: (1) the achievement of permanent thorough cost reductions; (2) the strengthening of power generation capabilities and the creation of an efficient transmission network; (3) an effective response to environmental problems and the introduction of new energy technologies. In capital investment, under the guidance of a Cost Reduction Promotion Committee, we gathered and processed cost reduction information from each department, including information on overseas procurement of equipment and materials, combined the results into cost reduction measures for the whole company, and began to steadily implement these measures.

Tour of power stations

Gushikawa coal storage facility

Power Generation Facilities

In order to maintain a stable supply of electricity in the long term, we are methodically pushing ahead with the development of new power sources. During the term, we completed construction of Unit 4 (10,000 kW) at Miyako No. 2 Power Station, Unit 7 (750 kW) at Minami-Daito Power Station, and Unit 9 (300 kW) at Kita-Daito Power Station. All these facilities add to capabilities on outlying islands and began operation in June 1997.

While continuing to diversify our power sources, each year, we are shifting further away from oil to the comparatively cheaper source of coal, and during the term 63% of the electricity we generated came from coal, while the remaining 37% was generated from oil. At Kin Thermal Power Station (capacity: 440,000 kW), which will carry the principal burden of supplying future power demand on the main island, full-scale construction of the land- and sea-based portions of the project began in June 1998, with a view to starting operation in 2001. For the development of facilities after the completion of the Kin project, we are currently conducting investigations and preparing, mainly through internal committees, for a presentation to the Power Development Regulation Committee in fiscal 2000, including proposals to introduce new fuel sources to supplement oil and coal.

In the development of power sources on outlying islands, the main considerations are maintaining stable supply and lowering generating costs. To that end, while working to hold down capital investment costs, through efforts such as effective use of mobile generating units where advisable, we are pushing ahead with a two-pronged strategy of using more undersea cables and the introduction of new energy technologies. (Please refer to page 6.)

Transmission Facilities

Transmission facilities that take electricity to customers include transmission lines, transformer substations, and distribution lines. While continuing to pay due regard to the development of electric power sources and trends in regional demand, OEPC is pushing ahead with the development of an effective transmission network that enables the maintenance of a stable supply of electricity. In concrete terms, we are making steady progress with initiatives such as increasing the capacity of our existing main transmission lines; multiplying main transmission lines to cope with the development of new power sources; expanding and strengthening transformer facilities; the promotion

Artist's impression of Kin Thermal Power Station

We value person-to-person contact with our customers.

of 22 kV distribution lines; strengthening the communications network; and a plan to expand the automated distribution system.

The main construction project undertaken during the term was an extension to the Enobi substation on the main island. In the current term, in addition to constructing the New Nakagami Trunk Line (4.8 km), we will begin work to expand the switching station at Gushikawa Thermal Power Station. When drawing up plans for capital investment, we make active efforts to ensure greater efficiency, including reviewing design and specifications, assessing new construction methods and plans, and procuring machinery and materials from overseas, and we forecast an approximately ¥1 billion reduction in costs.

Furthermore, learning from our experience with typhoons which have caused considerable damage in the Okinawa region, we strive to maintain, or even improve, the reliability of supply through such efforts as constructing distribution facilities which are capable of withstanding strong wind and heavy rain by, for example, using thicker cables.

Marketing Activities

Due to a prominent increase in peak power demand in the summer, which results in a deterioration in the load factor, the promotion of load leveling is becoming an urgent issue. To this end, in the previous term we established long-term goals for the spread of electric water heaters for residential use, which use nighttime electricity, Ice-Storage Air Conditioning for commercial use, and All-Electric Housing (electric cooking equipment), and the whole Company is working to achieve these targets.

By holding a variety of campaigns and through application of the rental system introduced in fiscal 1996, we were able to increase the number of electric water heaters in use to 3.4 times the previous-term figure. Furthermore, when implementing the cut in electricity rates in February 1998, we introduced a Stored-Heat Peak Adjustment Contract which covers all electrical appliances. In addition, we expanded the cheap electricity rates menu, which promotes load leveling by differentiating between usage in different seasons and at different times of the day.

In fiscal 1998, while working to assess customer needs in the area of load leveling equipment and continuing to investigate the creation of a flexible electricity rate menu, we will aggressively develop easily-understandable PR activities, and devote ourselves to achievement of our targets.

Moreover, during the term under review, we endeavored to speed up administrative operations, from the application for connection through to the collection of charges, by the use of a unified system of marketing and distribution information and of a new accounting system, thereby improving service to customers. With the aim of improving convenience to customers and increasing the ratio of bills paid on time, we introduced payment at post offices and convenience stores, and as a result, the ratio of bills paid on time rose to 99.8%.

Photovoltaic and wind power generation systems

Environmental Preservation and Introduction of New Energy Sources

Based on its environmental preservation action plan, OEPC has independently implemented a range of environmental measures, including global warming countermeasures, and measures to protect the environment and dispose of waste at power stations. For example, at Kin Thermal Power Station, full-scale construction of which began in June 1998, we are proceeding with construction under a total environmental policy which includes avoiding excessive noise and clouds of dust, preventing the erosion of the local red clay, and guarding against the pollution of the sea during construction. During the term we conducted a review of our environmental preservation action plan and strengthened our responses to environmental problems in a variety of ways, such as by encouraging the use of fuel and technologies with low CO_2 emission levels, replacing equipment which contains flon, and promoting recycling.

During fiscal 1998, we will increase our efforts toward the establishment of the Okinawa New Energy Generation System, which utilizes new energy technologies such as photovoltaic power, wind power, and a new type of battery. Recently, we installed a total of 12 new wind turbines (total capacity 3,710 kW) on the main island and Miyako Island. This move is in line with the objectives of our long-term plan, which calls for the preservation of the environment, a reduced dependence on oil, and the achievement of a significant reduction in the cost of supplying outlying islands, and is expected to make a particular contribution to lowering the cost of operations on outlying islands.

With support from the national government and from NEDO, we are already operating a photovoltaic power generation system (750 kW) and a wind power generation system (1,700 kW from 5 turbines) on Miyako Island, where we have concluded trials of new energy technologies. We plan to add 2 more wind turbines and a new type of battery, and by operating them in conjunction with the existing diesel power generators, to make evaluations of reliability and the effect on the system. Moreover, we are pushing ahead with plans to construct identical systems on 5 other outlying islands.

In addition, in order to further strengthen environmental protection capabilities from an international perspective, we have begun efforts to obtain ISO 14001 certification, the international standard for environmental management systems.

Promoting Internationalization

In the midst of an increasingly harsh operating environment for the electric industry, OEPC is actively procuring equipment and materials from overseas, and conducting exchange with foreign electric power companies. During the term, we increased our procurement of equipment and materials from overseas, which are comparatively low-cost, including such items as cables, personal computers, and wind power generation equipment.

In order to procure high-quality equipment and materials at lower cost, in the fall of 1997 OEPC participated in the Visit the U.K. Mission, held in Buckingham, U.K. In addition, in February 1998 we sent a survey mission to South Korea, and in May 1998 participated in the Electric Power Equipment and Materials Trade Seminar also held in South Korea. In order to expand procurement of products from overseas, we will reassess the design and specifications of equipment, as well as promote

Reutilization of coal ash

the diversification of sources of procurement. OEPC has hitherto conducted exchange with Taiwan Power Company, Hawaiian Electric Company, and Korea Electric Power Corporation. In August 1997 as the first step in a full-scale study, we visited Taiwan Power Company and conducted surveys and exchanged opinions on a wide range of issues including the procurement of materials and fuel, and the design and operation of transmission facilities.

We also organized tours to international conventions and business shows held in overseas countries. We participated in the Japan-US-Europe Tripartite Summit for Electric Utility Executives held in Boston, US, in October 1997, and announced the results of our research on a wind power generation system on Miyako Island at the European Wind Energy Conference and Exhibition held in Ireland, and these results attracted a great deal of attention.

In fiscal 1998, while expanding our international network by identifying overseas electric power companies with whom to conduct exchange, we will actively expand and vitalize our study abroad program for employees to help further develop our workforce.

Regional Contributions and the Okinawa Electric Power Company Group

Occupying an important position in the economy of Okinawa Prefecture, OEPC has made the strengthening of its contributions to regional society one of its main management policies. In particular, recognizing the importance of regional communication activities, for the past twenty years we have held the "Okiden (OEPC) 10-day Dialogue," a prefecture-wide, annual event. In November 1997, under the slogan "listening more closely to regional people," we organized a variety of events such as friendship meetings, concerts, lecture meetings, and sports classes, as well as visiting welfare facilities and holding a charity event for children orphaned by traffic accidents.

Furthermore, all our branches and sales offices in the prefecture, beginning with head office, actively participate in various festivals and events held in various parts of the prefecture throughout the year, thereby deepening exchange with the region. OEPC helps promote the culture of Okinawa, education, and sports. In addition to being the main sponsors of the Okiden Sugar Hall Newcomers' Performance Audition, which aims to discover young classical musicians, and the Exhibition of Science Works by Students, aimed at broadening interest in science among elementary and junior high school students, each year we cooperate in organizing the Okinawa Marathon and the All Japan Miyako Island Triathlon. Furthermore, at the Okiden (OEPC) Fureai Plaza, located in Naha, on the main island, each month we hold cooking courses that utilize all-electric cooking equipment and a "culture school," and these have become very popular.

Currently, Okinawa Prefecture is implementing a policy aimed at creating an affluent region in the 21st century, and OEPC, as one of the region's main businesses, is cooperating in a wide variety of ways to promote the regional economy. While aggressively developing new businesses, such as communications, the supply of heat, and new energy, and increasing the collective power of the 11 companies that make up the Okinawa Electric Power Group, we will continue to contribute to the development of the Okinawan economy.


Overseas surveys


Participation in regional events

OEPC website
URL *http://www.okiden.co.jp/*

Masaharu Minei
Chairman

Hirokazu Nakaima
President

Tsutomu Yonamine
Executive Vice President

Yukinobu Miyagi
Managing Director

Teikichi Miyagi
Managing Director

Eiichi Taira
Managing Director

Sojin Toyama
Managing Director

Chairman:
Masaharu Minei

President:
Hirokazu Nakaima

Executive Vice President:
Tsutomu Yonamine

Managing Directors:
Yukinobu Miyagi
Teikichi Miyagi
Eiichi Taira
Sojin Toyama

Directors:
Morishige Kishaba
Hiroshi Heianna
Junko Isa
Yoshimasa Kojya

Non-Executive Director:
Meiki Kinjo

Standing Auditor:
Osamu Kawasaki

Auditor:
Choko Takamine

External Auditors:
Kenji Kudeken
Honshin Aharen

(As of June 26, 1998)

Five-Year Summary

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED
Years ended March 31

Financial Statistics	Millions of Yen				
	1998	1997	1996	1995	1994
For the year:					
Operating revenues	**¥131,923**	¥127,095	¥125,070	¥120,862	¥118,479
Operating expenses	**114,179**	111,851	110,098	106,245	102,382
Operating income	**17,744**	15,244	14,972	14,617	16,097
Net income	**2,773**	904	1,075	1,781	3,163
At year-end:					
Total assets	**¥322,664**	¥323,528	¥333,213	¥331,143	¥321,992
Shareholders' equity	**55,132**	53,179	53,090	52,823	51,838

Operating Statistics	**1998**	1997	1996	1995	1994
For the year:					
Electric energy sales (Millions of kWh)	**6,126**	6,006	5,854	5,606	5,446
Peak load (Thousands of kW)	**1,317**	1,329	1,310	1,263	1,220
At year-end:					
Generating capacity (Thousands of kW)	**1,444**	1,434	1,461	1,452	1,289
Transmission lines (km)	**651**	623	589	538	536
Distribution lines (km)	**9,577**	9,446	9,252	9,038	8,872

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Business Results

In fiscal 1997, in addition to a fall in consumption and stagnant housing demand, caused by a hike in the consumption tax, factors such as sluggish stock prices and unease about the financial system contributed to a deepening feeling of an economy in recession. In the economy of Okinawa Prefecture, thanks to the large number of visitors to the region, the tourism industry was buoyant. However, affected by sluggishness in personal consumption and construction demand, growth in the prefectural economy as a whole came to a standstill.

Total electric power sales volume, combining lighting and power sales, for the term under review amounted to 6,126 million kWh, an increase of 2.0% over the previous term. This was due to increased demand for power for commercial uses, such as from stores, theaters, and leisure facilities, and an increase in demand for commercial uses, including from oil refineries, the non-ferrous metals industry, and the water industry, and despite low demand for power for household use caused by low temperatures and typhoons in the summer. Of the total, lighting sales rose 0.3% to 2,364 million kWh, and power sales grew 3.1% to 3,762 million kWh. The peak load decreased 15,000 kW, or 1.2%, to 1,241,000 kW.

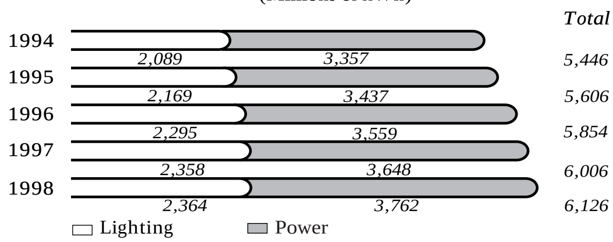
Operating revenues for the term came to ¥131,923 million (US$998,663 thousand), up 3.8%. Although there was a negative effect from the electricity rate cut in February 1998, increased sales volume and application of the Fuel Cost Adjustment System, which automatically reflects fluctuations in crude oil prices and exchange rates in the electricity rate, contributed to the increase in revenues. Despite a rise in repair costs because of the strengthening of facilities, there were falls in depreciation costs and in interest payable, and we worked to increase efficiency in all operating areas and to cut a variety of expenses. As a result, operating expenses rose only 2.1% to ¥114,179 million (US$864,341 thousand) Consequently, income before income taxes increased 205.2% to ¥5,730 million (US$43,379 thousand), and net income grew 306.8% to ¥2,773 million (US$20,993 thousand).

Capital Investment

With the reduction in electricity rates in February 1998, OEPC established a new efficiency target of cutting total capital investment for the next ten years by a further ¥50 billion to under ¥400 billion, and strove to restrain capital investment during the term, which amounted to ¥25.1 billion, ¥12.1 billion lower than initial plans, and ¥3.2 billion lower than the previous term’s figure.

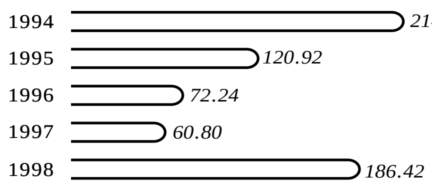
We began operation of Unit 4 (10,000 kW) at Miyako No. 2 Power Station, Unit 7 (750 kW) at Minami-Daito Power Station, and Unit 9 (300 kW) at Kita-Daito Power Station as the main sources of power, thereby maintaining the stable supply of electricity to outlying islands. In transmission facilities, we conducted expansion work at the Enobi substation on the main island. Aiming to hold down capital investment, in addition to current efficiency policies and know-how, OEPC will combine improvements and new ideas in all operational areas to achieve permanent reductions in cost.

Electric Power Sales (Millions of kWh)

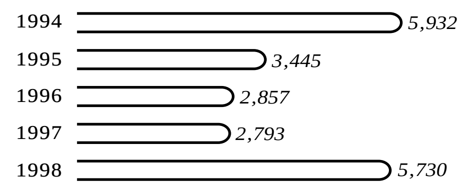


Operating Income (¥ Million)

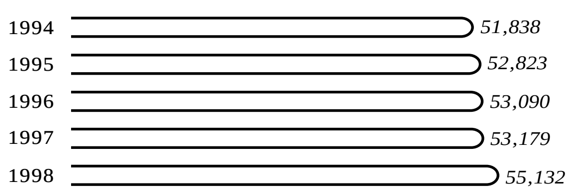
Net Income per Share (¥)



Income before Income Taxes (¥ Million)

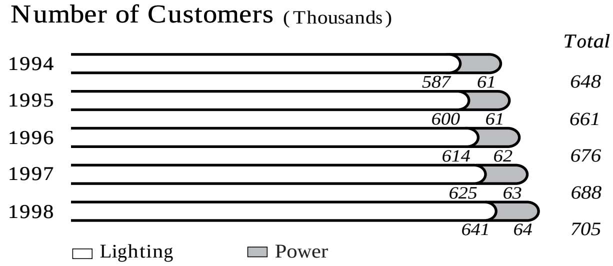


Shareholders' Equity (¥ Million)

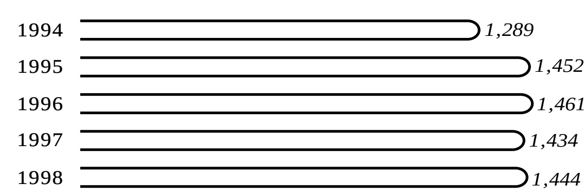


Shareholders' Equity Ratio (%)

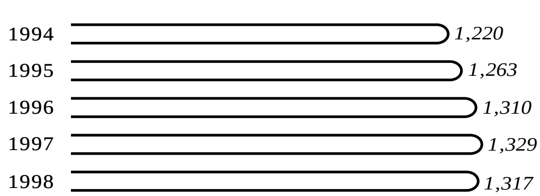
Number of Customers (Thousands)



Authorized Maximum Power Generation Capacity (Thousands of kW)



Peak Load (Thousands of kW)



THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED
March 31, 1998 and 1997

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	1998	1997	**1998**
ASSETS			
Utility plants (Note 3)**:**			
Plants and equipment	**¥555,543**	¥539,122	**$4,205,476**
Construction in progress (Note 10)	**21,808**	17,319	**165,088**
	577,351	556,441	**4,370,564**
Less:			
Contributions in aid of construction	**(21,224)**	(21,232)	**(160,665)**
Accumulated depreciation	**(256,172)**	(232,138)	**(1,939,232)**
	(277,396)	(253,370)	**(2,099,897)**
Net utility plant	**299,955**	303,071	**2,270,667**
Investments and other assets:			
Investment securities (Note 4)	**1,367**	1,326	**10,351**
Investments in and advances to subsidiaries and affiliates	**989**	672	**7,483**
Other assets	**1,021**	1,040	**7,726**
Total investments and other assets	**3,377**	3,038	**25,560**
Current assets:			
Cash and time deposits	**11,395**	8,776	**86,260**
Short-term investments	**999**	1,999	**7,563**
Accounts receivable net of allowance for doubtful accounts of ¥95 million ($718 thousand) in 1998 and ¥93 million in 1997	**3,009**	3,292	**23,458**
Fuel and supplies inventories	**3,779**	3,282	**28,604**
Other current assets	**60**	70	**461**
Total current assets	**19,332**	17,419	**146,346**
Total	**¥322,664**	¥323,528	**$2,442,573**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Long-term liabilities:			
Long-term debt — less current maturities (Notes 5 and 8)	**¥211,384**	¥219,570	**$1,600,186**
Liabilities for severance payments	**7,965**	8,099	**60,298**
Other long-term liabilities	**619**	0	**4,682**
Total long-term liabilities	**219,968**	227,669	**1,665,166**
Current liabilities:			
Current maturities of long-term debt (Note 5)	**22,453**	21,409	**169,971**
Accounts payable (Note 10)	**11,292**	10,783	**85,477**
Accrued income taxes (Note 6)	**2,205**	665	**16,691**
Accrued expenses (Note 10)	**9,730**	8,421	**73,655**
Other current liabilities	**1,884**	1,402	**14,260**
Total current liabilities	**47,564**	42,680	**360,054**
Commitment and contingent liabilities (Notes 7 and 8)			
Shareholders' equity (Notes 9 and 11)**:**			
Common stock, ¥500 par value;			
Authorized — 30,000,000 shares			
Issued and outstanding — 14,875,413 shares	**7,438**	7,438	**56,304**
Additional paid-in capital	**7,290**	7,290	**55,189**
Legal reserve	**656**	574	**4,965**
Retained earnings	**39,748**	37,877	**300,895**
Total shareholders' equity	**55,132**	53,179	**417,353**
Total	**¥322,664**	¥323,528	**$2,442,573**

See notes to non-consolidated financial statements.

Non-Consolidated Statements of Income

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED
Years ended March 31, 1998 and 1997

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	1998	1997	**1998**
Operating revenues	**¥131,923**	¥127,095	**$998,663**
Operating expenses (Note 10)**:**			
Fuel	**19,248**	18,859	**145,710**
Purchased power	**14,964**	14,842	**113,280**
Depreciation	**26,584**	28,738	**201,244**
Repair and maintenance	**15,119**	12,862	**114,448**
Taxes other than income taxes	**5,680**	5,468	**43,000**
Other	**32,584**	31,082	**246,659**
Total operating expenses	**114,179**	111,851	**864,341**
Operating income	**17,744**	15,244	**134,322**
Other income	**258**	293	**1,959**
Other expenses:			
Interest expense (Note 3)	**11,291**	11,901	**85,473**
Other — net	**981**	843	**7,429**
Total other expenses	**12,272**	12,744	**92,902**
Income before income taxes	**5,730**	2,793	**43,379**
Income taxes (Note 6)	**2,957**	1,889	**22,386**
Net income	**¥ 2,773**	¥ 904	**$ 20,993**

	Yen		U.S. Dollars
Per share of common stock:			
Net income	**¥186.42**	¥60.80	**$1.41**
Cash dividends applicable to the year	**¥ 50.00**	¥50.00	**$0.38**

See notes to non-consolidated financial statements.

Non-Consolidated Statements of Shareholders' Equity

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED
Years ended March 31, 1998 and 1997

	Number of shares (Thousands)	Millions of Yen			
		Common stock	Additional paid-in capital	Legal reserve	Retained earnings
Balance, April 1, 1996	14,875	¥7,438	¥7,290	¥492	¥37,870
Net income					904
Appropriations:					
Cash dividends					(744)
Transfer to legal reserve				82	(82)
Bonuses to directors and corporate auditors					(71)
Balance, March 31, 1997	14,875	7,438	7,290	574	37,877
Net income					**2,773**
Appropriations:					
Cash dividends					**(744)**
Transfer to legal reserve				**82**	**(82)**
Bonuses to directors and corporate auditors					**(76)**
Balance, March 31, 1998	**14,875**	**¥7,438**	**¥7,290**	**¥656**	**¥39,748**

	Thousands of U.S. Dollars (Note 1)			
	Common stock	Additional paid-in capital	Legal reserve	Retained earnings
Balance, March 31, 1997	$56,304	$55,189	$4,343	$286,729
Net income				**20,993**
Appropriations:				
Cash dividends				**(5,630)**
Transfer to legal reserve			**622**	**(622)**
Bonuses to directors and corporate auditors				**(575)**
Balance, March 31, 1998	**$56,304**	**$55,189**	**$4,965**	**$300,895**

See notes to non-consolidated financial statements.

Non-Consolidated Statements of Cash Flows

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED
Years ended March 31, 1998 and 1997

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	1998	1997	**1998**
Operating activities:			
Net income	**¥ 2,773**	¥ 904	**$ 20,993**
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	**26,584**	28,730	**201,241**
Loss on disposal of property	**598**	1,350	**4,527**
Devaluation loss on investment securities	**413**		**3,126**
Gain on sales of investment securities	**(8)**		**(61)**
Loss on redemption of bond	**257**	677	**1,950**
(Reversal of) provision for severance payment reserve	**(134)**	51	**(1,014)**
Provision for (reversal of) doubtful accounts	**2**	(13)	**15**
Bonuses to directors and corporate auditors	**(76)**	(72)	**(575)**
Changes in operating assets and liabilities:			
Decrease (increase) in receivables	**191**	(47)	**1,446**
(Increase) decrease in inventories	**(497)**	161	**(3,762)**
Increase (decrease) in payables and accrued expenses	**1,818**	(129)	**13,762**
Increase (decrease) in accrued income taxes	**1,540**	(343)	**11,658**
Other	**1,130**	(942)	**8,547**
Total adjustments	**31,818**	29,423	**240,860**
Net cash provided by operating activities	**34,591**	30,327	**261,853**
Investing activities:			
Purchase of utility plant	**(24,680)**	(31,769)	**(186,829)**
Proceeds from sales of utility plant	**394**	3,239	**2,983**
Payment for purchase of investment securities	**(454)**	(197)	**(3,437)**
Proceeds from sales of investment securities	**8**		**61**
Increase in investments in and advances to subsidiaries and affiliates	**(97)**	(50)	**(734)**
Net cash used in investing activities	**(24,829)**	(28,777)	**(187,956)**
Financing activities:			
Proceeds from long-term borrowings	**17,500**	13,000	**132,475**
Payments of long-term borrowings	**(23,642)**	(18,439)	**(178,970)**
Payment for redemption of debentures	**(1,257)**	(3,677)	**(9,516)**
Cash dividends paid	**(744)**	(744)	**(5,630)**
Net cash used in financing activities	**(8,143)**	(9,860)	**(61,641)**
Net increase (decrease) in cash and cash equivalents	**1,619**	(8,310)	**12,256**
Cash and cash equivalents, beginning of year	**10,775**	19,085	**81,567**
Cash and cash equivalents, end of year	**¥12,394**	¥10,775	**$ 93,823**
Additional cash flow information:			
Interest paid	**¥11,516**	¥12,071	**$ 87,176**
Income taxes paid	**¥ 1,417**	¥ 2,232	**$ 10,730**

Supplemental schedule of noncash investing and financing activities:

The Company sold certain equipment for ¥220 million ($1,665 thousand) in exchange for long-term notes receivable in 1998.

See notes to non-consolidated financial statements.

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED
Years ended March 31, 1998 and 1997

1. Basis of presenting non-consolidated financial statements

The accompanying non-consolidated financial statements have been prepared from the accounts maintained by The Okinawa Electric Power Company, Incorporated (the "Company") in accordance with the provisions set forth in the Japanese Commercial Code (the "Code"), the Securities and Exchange Law, the Electric Utility Law and related accounting regulations, and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Accounting Standards. The non-consolidated statements of cash flows are not required as a part of the basic financial statements in Japan but are presented herein as additional information.

In preparing these non-consolidated financial statements, certain reclassifications and rearrangements have been made to the Company's financial statements issued domestically in order to present them in a form, which is more familiar to readers outside Japan.

The non-consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥132.10 to $1, the approximate rate of exchange at March 31, 1998. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. Summary of significant accounting policies

(a) Non-consolidation

The non-consolidated financial statements do not include the accounts of subsidiaries. Investments in subsidiaries and affiliates (20% — 50% ownership) are stated at cost.

(b) Utility plant and depreciation

Utility plant is stated at the cost of construction, which includes the interest costs incurred on borrowed funds during the construction period. Contributions in aid of constructions are deducted from the cost of the related assets. The above accounting treatments are required by the regulations described in Note 1. Depreciation of utility plant is provided on the declining-balance method over the estimated useful lives of the assets.

(c) Investment securities

Investment securities are stated at cost determined by the moving-average method.

(d) Cash and cash equivalents

For purpose of the non-consolidated statements of cash flows, the Company considers all time deposits and short-term investments to be cash equivalents. Time deposit and short-term investments, which are securities purchased under resale agreements, have original maturity of one year or less and can be withdrawn on demand with no diminution of principal.

(e) Fuel and supplies inventories

Fuel and supplies inventories are stated at cost, based on principally average method.

(f) Severance payments and pension plan

The Company has an unfunded retirement plan for all employees and provides a liability for employees' severance payments at 40% of the amount required if all employees voluntarily terminated their employment at each balance sheet date.

The Company also has a non-contributory funded pension plan covering substantially all of its employees. The amounts contributed to the fund, including prior service costs which was amortized at 30% of the beginning balance of the year, were charged to income when paid up to the year ended March 31, 1997. Effective April 1, 1997, the Company has changed the method of accounting for the prior service cost to charge to the current income at the 100% amount of prior service cost as of the most recent date of available actuarial information. This change was made due to the depressed financial market condition for pension funds, continual increase of past service costs of the pension, and to more accurately reflect results of operations and financial condition. This change has been applied by prospectively from current year financial statements. As a result of this accounting change, income before income taxes for the year ended March 31, 1998 is approximately ¥619 million ($4,682 thousand) less that it would have been on the prior method of accounting.

Total provisions for liabilities for severance payments and pension costs charged to income were ¥3,033 million ($22,958 thousand) and ¥1,716 million for the years ended March 31, 1998 and 1997, respectively.

(g) Income taxes

The Company provides for income taxes currently payable for each year. Deferred income taxes are not provided for temporary differences in recognizing certain income and expense items for financial and tax reporting purposes.

(h) Stock and bond issuance costs and bond discount charges

Stock and bond issuance costs and bond discount charges are charged to income when paid or incurred.

(i) Net income per share

Net income per share is computed based upon the weighted average number of shares of common stock outstanding during each year.

(j) Lease

All leases are accounted for as operating leases. Under the Japanese accounting standards for leases, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized, while other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the notes to the lessee's financial statements.

3. Utility plants

The major classes of utility plants are as follows:

	Millions of Yen			
At March 31, 1998	Original cost	Contributions in aid of construction	Accumulated depreciation	Carrying value
Thermal power generating facilities	**¥256,682**	**¥(17,113)**	**¥(135,702)**	**¥103,867**
Transmission facilities	**94,076**	**(2,033)**	**(35,610)**	**56,433**
Transformation facilities	**73,836**	**(240)**	**(33,313)**	**40,283**
Distribution facilities	**109,377**	**(1,824)**	**(44,128)**	**63,425**
General facilities	**21,572**	**(14)**	**(7,419)**	**14,139**
Construction in progress	**21,808**	**—**	**—**	**21,808**
Total	**¥577,351**	**¥(21,224)**	**¥(256,172)**	**¥299,955**

	Millions of Yen			
At March 31, 1997	Original cost	Contributions in aid of construction	Accumulated depreciation	Carrying value
Thermal power generating facilities	¥250,381	¥(17,113)	¥(122,913)	¥110,355
Transmission facilities	90,521	(2,038)	(31,265)	57,218
Transformation facilities	71,504	(240)	(29,993)	41,271
Distribution facilities	105,945	(1,827)	(41,230)	62,888
General facilities	20,771	(14)	(6,737)	14,020
Construction in progress	17,319	—	—	17,319
Total	¥556,441	¥(21,232)	¥(232,138)	¥303,071

	Thousands of U.S. Dollars			
At March 31, 1998	Original cost	Contributions in aid of construction	Accumulated depreciation	Carrying value
Thermal power generating facilities	**$1,943,090**	**$(129,545)**	**$(1,027,272)**	**$ 786,273**
Transmission facilities	**712,156**	**(15,391)**	**(269,566)**	**427,199**
Transformation facilities	**558,938**	**(1,816)**	**(252,182)**	**304,940**
Distribution facilities	**827,987**	**(13,809)**	**(334,050)**	**480,128**
General facilities	**163,305**	**(104)**	**(56,162)**	**107,039**
Construction in progress	**165,088**	**—**	**—**	**165,088**
Total	**$4,370,564**	**$(160,665)**	**$(1,939,232)**	**$2,270,667**

Interest costs capitalized for the years ended March 31, 1998 and 1997 were ¥13 million ($98 thousand) and ¥11 million, respectively.

4. Investment securities

The excess of market value over the carrying amount of quoted securities was ¥105 million ($793 thousand) at March 31, 1998.

At March 31, 1997, the excess of the carrying amount of quoted securities over their market value was ¥264 million.

5. Long-term debt

Long-term debt at March 31, 1998 and 1997 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	1998	1997	**1998**
6.10% secured debentures, due 2004	**¥ 1,000**	¥ 2,000	**$ 7,570**
Secured loans from Okinawa Development Finance Public Corporation, 2.20% to 6.35% in 1998 and 3.15% to 6.35% in 1997, due on various dates through 2012	**226,437**	228,661	**1,714,133**
Unsecured loans from banks, 2.60% to 8.40% in 1998 and 2.50% to 8.40% in 1997, due 1998 through 2012	**6,400**	10,318	**48,454**
Total	**233,837**	240,979	**1,770,157**
Less current maturities	**22,453**	21,409	**169,971**
Long-term debt, less current maturities	**¥211,384**	¥219,570	**$1,600,186**

In 1992, the Company issued ¥5,000 million ($37,850 thousand) of 6.10% secured debentures maturity on February 25, 2004. The Company liquidated ¥3,000 million debentures from certain holders at ¥122.55 per ¥100 on February 25, 1997. An excess of the liquidation price over the net carrying amount of ¥677 million was charged to 1997 income. The Company also redeemed ¥1,000 million ($7,570 thousand) debentures with warrants transferred to a third party under a debt assumption agreement with a bank on February 25, 1998. An excess of the redemption price over the net carrying amount of ¥257 million ($1,950 thousand) was included in the interest expense for the year ended March 31, 1998. The holder has a security interest in all assets senior to that of general creditors by the Electric Utility Law.

At March 31, 1998, debentures and long-term debt with the Okinawa Development Finance Public Corporation were collateralized by all of the Company's available assets.

Maturity of long-term debt outstanding at March 31, 1998 were as follows:

Year ending March 31,	Millions of Yen	Thousands of U.S. Dollars
1999	¥ 22,453	$ 169,971
2000	23,499	177,885
2001	24,629	186,439
2002	24,821	187,893
2003	24,566	185,962
2004 and thereafter	113,869	862,007
Total	¥233,837	$1,770,157

6. Income taxes

The Company is subject to national corporate tax and local inhabitant taxes based on income with aggregate normal statutory tax rates of approximately 44% for the year ended March 31, 1998 and 1997, respectively.

The actual effective tax rates in the non-consolidated statements of income differed from the normal statutory tax rates are mainly due to permanently non-deductible expenses and temporary differences in recognizing certain income and expense items for tax and financial statement purposes.

7. Lease

The Company leases certain automobiles and office equipment. Total lease payments under the above leases for the years ended March 31, 1998 and 1997 were ¥384 million ($2,907 thousand) and ¥466 million, respectively.

Pro forma information of leased property such as acquisition cost, accumulated depreciation, obligations under finance leases, depreciation expense, interest expense of finance leases that do not transfer ownership of the leased property to the lessee on a "as if capitalized" basis for the years ended March 31, 1998 and 1997 were as follows:

As of March 31, 1998:	Millions of Yen		
	General facilities	Other	Total
Acquisition cost	**¥1,675**	**¥244**	**¥1,919**
Accumulated depreciation	**704**	**151**	**855**
Net leased property	**¥ 971**	**¥ 93**	**¥1,064**

As of March 31, 1997:	Millions of Yen		
Acquisition cost	¥2,760	¥310	¥3,070
Accumulated depreciation	1,465	177	1,642
Net leased property	¥1,295	¥133	¥1,428

As of March 31, 1998:	Thousands of U.S. Dollars		
	General facilities	Other	Total
Acquisition cost	**$12,676**	**$1,848**	**$14,524**
Accumulated depreciation	**5,326**	**1,146**	**6,472**
Net leased property	**$ 7,350**	**$ 702**	**$ 8,052**

Obligations under finance leases:

As of March 31, 1998:	Millions of Yen	Thousands of U.S. Dollars
Due within one year	**¥ 357**	**$2,702**
Due after one year	**707**	**5,350**
Total	**¥1,064**	**$8,052**

The imputed interest expense portion is not excluded from the above obligations under finance leases due to immaterial.

Depreciation expense, which is not reflected in the accompanying non-consolidated statements of income, computed by the straight-line method over the remaining lease term was ¥384 million ($2,907 thousand) and ¥466 million for the year ended March 31, 1998 and 1997, respectively.

8. Contingent liabilities

At March 31, 1998, the Company was contingently liable as a guarantor for loans of affiliate companies in the amount of ¥2,735 million ($20,704 thousand).

Redemption of debentures with warrants transferred to a third party under a debt assumption agreement with a bank amounting to ¥1,000 million ($7,570 thousand) as of March 31, 1998.

9. Shareholders' equity

The Code requires at least 50% of the issue price of new shares, with a minimum of the par value thereof; to be designated as stated capital as determined by resolution of the Board of Directors. Proceeds in excess of amounts designated as stated capital are credited to additional paid-in capital.

The Code also requires the companies to appropriate from retained earnings to a legal reserve an amount equal to at least 10% of all cash payments which are made as an appropriation of retained earnings until such reserve equals 25% of stated capital. This reserve is not available for dividends but may be used to reduce a deficit by resolution of the shareholders.

The Company may transfer portions of additional paid-in capital and legal reserve to stated capital by resolution of the Board of Directors. The Company may also transfer portions of unappropriated retained earnings, which are available for dividends, to stated capital by resolution of shareholders.

Under the Code, the Company may issue new common shares to existing shareholders without consideration as a stock split pursuant to resolution of the Board of Directors. The Company may make such a stock split to the extent the aggregate par value of the shares outstanding after the stock split does not exceed the stated capital. However, the amount calculated by dividing the total amount of shareholders' equity by the number of outstanding shares after the stock split shall not be less than ¥500.

Dividends are approved by the shareholders at a meeting held subsequent to the fiscal year to which the dividends are applicable. Semi-annual interim dividends may also be paid upon resolution of the Board of Directors, subject to certain limitations imposed by the Code.

10. Related party transactions

The following is a summary of transactions and balances with subsidiaries and affiliates for the years ended March 31, 1998 and 1997:

	Millions of Yen		Thousands of U.S. Dollars
	1998	1997	**1998**
Transactions:			
Construction cost of facilities	**¥15,498**	¥ 14,931	**$117,323**
Repair and other operating expenses	**18,355**	16,447	**138,949**
Balance of accounts:			
Accounts payable	**3,278**	3,950	**24,816**
Accrued expenses	**4,539**	3,156	**34,362**

11. Subsequent event

The following appropriations of retained earnings at March 31, 1998 were approved at the shareholders' meeting held on June 26, 1998:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥25 (19¢) per share	¥372	$2,815
Bonuses to directors and corporate auditors	74	563
Transfer to legal reserve	45	341

Deloitte Touche Tohmatsu

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To the Board of Directors and Shareholders of
The Okinawa Electric Power Company, Incorporated:

We have examined the non-consolidated balance sheets of The Okinawa Electric Power Company, Incorporated as of March 31, 1998 and 1997, and the related non-consolidated statements of income, shareholders' equity and cash flows for the years then ended, all expressed in Japanese yen. Our examinations were made in accordance with auditing standards generally accepted in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the non-consolidated financial statements referred to above present fairly the financial position of The Okinawa Electric Power Company, Incorporated as of March 31, 1998 and 1997, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan consistently applied during the period except for the change, with which we concur, in the accounting for pension plan, as discussed in Note 2.

Our examinations also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 26, 1998

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED AND CONSOLIDATED SUBSIDIARIES
March 31, 1998 and 1997

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	1998	1997	**1998**
ASSETS			
Property, plants and equipment:			
Utility plants (Note 3)	**¥549,451**	¥530,144	**$4,159,355**
Other plants and equipment	**5,681**	8,859	**42,998**
Construction in progress (Note 10)	**21,763**	17,195	**164,746**
	576,895	556,198	**4,367,099**
Less:			
Contributions in aid of construction	**(21,224)**	(21,232)	**(160,665)**
Accumulated depreciation	**(256,804)**	(232,887)	**(1,944,006)**
	(278,028)	(254,119)	**(2,104,671)**
Net property, plant and equipment	**298,867**	302,079	**2,262,428**
Investments and other assets:			
Investment securities (Note 4)	**1,469**	1,430	**11,120**
Investments in and advances to non-consolidated subsidiaries and affiliates	**850**	501	**6,435**
Deferred income taxes (Note 6)	**1,161**	1,134	**8,789**
Other assets	**1,298**	1,299	**9,829**
Total investments and other assets	**4,778**	4,364	**36,173**
Current assets:			
Cash and time deposits	**13,744**	11,479	**104,045**
Short-term investments	**999**	1,999	**7,563**
Notes and accounts receivable net of allowance for doubtful accounts of ¥130 million ($987 thousand) in 1998 and ¥122 million in 1997	**3,632**	3,924	**27,488**
Inventories	**4,535**	3,961	**34,328**
Other current assets (Note 10)	**223**	603	**1,692**
Total current assets	**23,133**	21,966	**175,116**
Total	**¥326,778**	¥328,409	**$2,473,717**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Long-term liabilities:			
Long-term debt, less current maturities (Notes 5 and 8)	**¥211,395**	¥219,587	**$1,600,268**
Liabilities for severance payments	**8,329**	8,419	**63,048**
Other long-term liabilities	**1,711**	564	**12,953**
Total long-term liabilities	**221,435**	228,570	**1,676,269**
Current liabilities:			
Current maturities of long-term debt (Note 5)	**22,459**	21,415	**170,018**
Notes and accounts payable (Note 10)	**16,257**	15,712	**123,067**
Accrued income taxes (Note 6)	**2,595**	947	**19,645**
Accrued expenses (Note 10)	**7,199**	6,652	**54,494**
Other current liabilities	**793**	875	**6,003**
Total current liabilities	**49,303**	45,601	**373,227**
Minority interests	**288**	254	**2,180**
Commitment and contingent liabilities (Notes 7 and 8)			
Shareholders' equity (Notes 9 and 12):			
Common stock, ¥500 par value;			
Authorized — 30,000,000 shares			
Issued and outstanding — 14,875,413 shares	**7,438**	7,438	**56,304**
Additional paid-in capital	**7,290**	7,290	**55,189**
Legal reserve	**656**	574	**4,965**
Retained earnings	**40,368**	38,682	**305,583**
Total shareholders' equity	**55,752**	53,984	**422,041**
Total	**¥326,778**	¥328,409	**$2,473,717**

See notes to consolidated financial statements.

Consolidated Statements of Income

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED AND CONSOLIDATED SUBSIDIARIES
Years ended March 31, 1998 and 1997

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	1998	1997	**1998**
Operating revenues:			
Electric	**¥131,923**	¥127,095	**$ 998,663**
Other	**2,069**	2,242	**15,657**
Total operating revenues	**133,992**	129,337	**1,014,320**
Operating expenses:			
Electric (Note 10)	**113,152**	111,059	**856,566**
Other	**2,254**	2,442	**17,058**
Total operating expenses	**115,406**	113,501	**873,624**
Operating income	**18,586**	15,836	**140,696**
Other (income) expenses:			
Interest expense (Note 3)	**11,291**	11,902	**85,477**
Other — net	**719**	608	**5,435**
Net other expenses	**12,010**	12,510	**90,912**
Income before income taxes and equity in loss of affiliates	**6,576**	3,326	**49,784**
Income taxes (Note 6)	**3,472**	2,188	**26,282**
Equity in loss of affiliates	**501**	534	**3,796**
Net income	**¥ 2,603**	¥ 604	**$ 19,706**

	Yen		U.S. Dollars
Per share of common stock:			
Net income	**¥175.00**	¥40.58	**$1.32**
Cash dividends applicable to the year	**¥ 50.00**	¥50.00	**$0.38**

See notes to consolidated financial statements.

Consolidated Statements of Shareholders' Equity

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED
AND CONSOLIDATED SUBSIDIARIES
Years ended March 31, 1998 and 1997

	Number of shares (Thousands)	Millions of Yen			
		Common stock	Additional paid-in capital	Legal reserve	Retained earnings
Balance, April 1, 1996	14,875	¥7,438	¥7,290	¥492	¥39,089
Net income					604
Appropriations:					
Cash dividends					(744)
Transfer to legal reserve				82	(82)
Bonuses to directors and corporate auditors					(89)
Deduction from an affiliate newly applied for equity method					(96)
Balance, March 31, 1997	14,875	7,438	7,290	574	38,682
Net income					**2,603**
Appropriations:					
Cash dividends					**(744)**
Transfer to legal reserve				**82**	**(82)**
Bonuses to directors and corporate auditors					**(91)**
Balance, March 31, 1998	**14,875**	**¥7,438**	**¥7,290**	**¥656**	**¥40,368**

	Thousands of U.S. Dollars (Note 1)			
	Common stock	Additional paid-in capital	Legal reserve	Retained earnings
Balance, March 31, 1997	$56,304	$55,189	$4,343	$292,827
Net income				**19,706**
Appropriations:				
Cash dividends				**(5,630)**
Transfer to legal reserve			**622**	**(622)**
Bonuses to directors and corporate auditors				**(698)**
Balance, March 31, 1998	**$56,304**	**$55,189**	**$4,965**	**$305,583**

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED AND CONSOLIDATED SUBSIDIARIES
Years ended March 31, 1998 and 1997

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	1998	1997	**1998**
Operating activities:			
Net income	**¥ 2,603**	¥ 604	**$ 19,706**
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	**26,605**	28,792	**201,397**
Loss on disposal of property	**610**	1,504	**4,618**
Devaluation loss on investment securities	**426**	0	**3,226**
Gain on sales of investment securities	**(8)**	0	**(59)**
Loss on redemption of bond	**257**	677	**1,950**
Equity in loss of affiliates	**507**	540	**3,843**
Deferred income taxes	**(27)**	27	**(207)**
(Reversal of) provision for severance payment reserve	**(90)**	99	**(681)**
Provision for (reversal of) doubtful accounts	**8**	(3)	**64**
Bonuses to directors and corporate auditors	**(91)**	(89)	**(698)**
Changes in operating assets and liabilities:			
Decrease in receivables	**284**	56	**2,145**
Increase in inventories	**(574)**	(140)	**(4,352)**
Increase in payables	**1,092**	747	**8,272**
Increase (decrease) in accrued income taxes	**1,648**	(243)	**12,479**
Other	**952**	(1,909)	**7,200**
Total adjustment	**31,599**	30,058	**239,197**
Net cash provided by operating activities	**34,202**	30,662	**258,903**
Investing activities:			
Purchase of utility plants	**(24,634)**	(29,108)	**(186,480)**
Proceeds from sales of utility plants	**411**	469	**3,111**
Payment for purchase of investment securities	**(465)**	(199)	**(3,527)**
Increase in investments in and advances to unconsolidated subsidiaries and affiliates	**(108)**	(77)	**(817)**
Proceeds from sales of investment securities	**8**	0	**61**
Net cash used in investing activities	**(24,788)**	(28,915)	**(187,652)**
Financing activities:			
Proceeds from long-term borrowings	**17,500**	13,000	**132,475**
Payments of long-term borrowings	**(23,648)**	(18,460)	**(179,001)**
Payment for redemption of bonds	**(1,257)**	(3,676)	**(9,516)**
Decrease in short-term bank borrowings	**0**	(2,400)	**0**
Cash dividends paid	**(744)**	(744)	**(5,630)**
Net cash used in financing activities	**(8,149)**	(12,280)	**(61,672)**
Net increase (decrease) in cash and cash equivalents	**1,265**	(10,533)	**9,579**
Cash and cash equivalents, beginning of year	**13,478**	24,011	**102,029**
Cash and cash equivalents, end of year	**¥14,743**	¥13,478	**$111,608**
Additional cash flow information:			
Interest paid	**¥11,516**	¥12,072	**$ 87,180**
Income taxes paid	**¥ 1,735**	¥ 2,405	**$ 13,137**

Supplemental schedule of noncash investing and financing activities:

The Company sold certain equipment for ¥220 million ($1,665 thousand) in exchange for long-term notes receivable in 1998.

See notes to consolidated financial statements.

THE OKINAWA ELECTRIC POWER COMPANY, INCORPORATED AND CONSOLIDATED SUBSIDIARIES
Years ended March 31, 1998 and 1997

1. Basis of presenting consolidated financial statements

The accompanying consolidated financial statements have been prepared from the consolidated financial statements, which are issued for domestic reporting purpose in accordance with the provisions set forth in the Japanese Securities and Exchange Law and the Electric Utility Law, and related accounting regulations. The Okinawa Electric Power Company, Incorporated (the "Company") and its consolidated subsidiaries (together the "Companies") maintain their accounts and records in accordance with the provisions set forth in the Japanese Commercial Code (the "Code") and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Accounting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form, which is more familiar to readers outside Japan. The consolidated statements of cash flows are not required as a part of the basic financial statements in Japan but are presented herein as additional information.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥132.10 to $1, the approximate rate of exchange at March 31, 1998. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. Summary of significant accounting policies

(a) Consolidation and investments in unconsolidated subsidiaries and affiliates (20% to 50% ownership)

The consolidated financial statements include the accounts of the Company and its three significant subsidiaries. All significant intercompany transactions and account balances have been eliminated. Investments in significant affiliates are accounted for under the equity method. In 1996, the investment in an affiliate has been accounted for the equity method due to its increasing materiality with respect to the consolidated net income.

Consolidation of remaining subsidiaries and the application of the equity method to the remaining affiliates would have no material effect on the accompanying consolidated financial statements.

Investments in unconsolidated subsidiaries and other affiliates are stated at cost. The excess of net assets over cost of subsidiaries acquired is charged to income when incurred.

The Companies provide the equity portion of deficit in net assets of an affiliate, of which loan has been guaranteed by the Company, as "loss on investment under equity method applied" of ¥1,092 million ($8,270 thousand) and ¥564 million included in other liabilities on the accompanying consolidated balance sheets as of March 31, 1998 and 1997, respectively.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost. The cost of utility plant includes certain interest costs incurred on borrowed funds during the construction period of new plant facilities. Contributions in aid of constructions are deducted from the cost of the related assets. The above accounting treatment is required by the regulations described in Note 1. Depreciation of property, plant and equipment is provided on the declining-balance method over the estimated useful lives of the assets.

(c) Investment securities

Investment securities are stated at cost determined by the moving-average method.

(d) Cash and cash equivalents

For purpose of the consolidated statements of cash flows, the Companies consider all time deposits and short-term investments to be cash equivalents. Time deposit and short-term investments, which are securities purchased under resale agreements, have original maturity of one year or less and can be withdrawn on demand with no diminution of principal.

(e) Inventories

Inventories are stated at cost, based on principally average method.

(f) Severance payments and pension plan

The Companies have unfunded retirement plans for all employees and provides a liability for employees' severance payments at 40% of the amount required if all employees voluntarily terminated their employment at each balance sheet date.

The Companies also has non-contributory funded pension plans covering most of their employees. The amounts contributed to the fund, including prior service costs which was amortized at 30% of the beginning balance of the year, were charged to income when paid up to the year ended March 31, 1997. Effective April 1, 1997, the Company has changed the method of accounting for the prior service cost to charge to the current income at the 100% amount of prior service cost as of the most recent date of available actuarial information. This change was made due to the depressed financial market condition for pension funds, continual increase of past service costs of the pension, and to more accurately reflect results of operations and financial condition. This change has been applied by prospectively from current year consolidated financial statements. As a result of this accounting change, income before income taxes for the year ended March 31, 1998 is approximately ¥619 million ($4,682 thousand) less than it would have been on the prior method of accounting.

Total provisions for liabilities for severance payments and pension costs charged to income were ¥3,252 million ($24,617 thousand) and ¥1,774 million for the years ended March 31, 1998 and 1997, respectively.

(g) Income taxes

Income taxes are provided for amounts currently payable for each year. Deferred income taxes arising from temporary differences between reporting for accounting purposes and tax purposes have not been recognized, except for those applicable to unrealized profits arising from the elimination of intercompany transaction in consolidation.

(h) Stock and bond issuance costs and bond discount charges

Stock and bond issuance costs and bond discount charges are charged to income when paid or incurred.

(i) Net income per share

Net income per share is computed based upon the weighted average number of shares of common stock outstanding during each year.

(j) Lease

All leases are accounted for as operating leases. Under new Japanese accounting standards for leases, finance lease that deem to transfer ownership of the leased property to the lessee are to be capitalized, while other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the notes to the lessee's financial statements. The disclosure requirements of these new standards to the consolidated financial statements are being applied on a step-by-step basis beginning with fiscal years starting on/or after April 1, 1996, with full implementation expected for fiscal years starting on or after April 1, 1998.

3. Utility plants

Utility plants, at cost, as of March 31, 1998 and 1997, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	1998	1997	**1998**
Thermal power generating facilities	**¥254,665**	¥248,627	**$1,927,823**
Transmission facilities	**93,614**	90,081	**708,659**
Transformation facilities	**72,511**	70,242	**548,906**
Distribution facilities	**108,858**	105,457	**824,058**
General facilities	**19,803**	15,737	**149,909**
Total	**¥549,451**	¥530,144	**$4,159,355**

Interest costs capitalized for the years ended March 31, 1998 and 1997 were ¥13 million ($98 thousand) and ¥11 million, respectively.

4. Investment securities

The excess of the market value over the carrying amount of quoted securities was ¥98 million ($741 thousand) at March 31, 1998.

At March 31, 1997, the excess of the carrying amount of quoted securities over their market value was ¥282 million.

5. Long-term debt

Long-term debt at March 31, 1998 and 1997 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	1998	1997	**1998**
6.10% secured debentures, due 2004	**¥ 1,000**	¥ 2,000	**$ 7,570**
Secured loans from Okinawa Development Finance Public Corporation, 2.20% to 6.35% in 1998 and 3.15% to 6.35% in 1997, due on various dates through 2012	**226,437**	228,661	**1,714,133**
Unsecured loans from banks, 2.60% to 8.40% in 1998 and 1.875% to 8.40% in 1997, due 1998 through 2012	**6,417**	10,341	**48,583**
Total	**233,854**	241,002	**1,770,286**
Less current maturity	**22,459**	21,415	**170,018**
Long-term debt, less current maturity	**¥211,395**	¥219,587	**$1,600,268**

In 1992, the Company issued ¥5,000 million ($37,850 thousand) of 6.10% secured debentures maturity on February 25, 2004. The Company liquidated ¥3,000 million debentures from certain holders at ¥122.55 per ¥100 on February 25, 1997. An excess of the liquidation price over the net carrying amount of ¥677 million was charged to 1997 income. The Company also redeemed ¥1,000 million ($7,570 thousand) debentures with warrants transferred to a third party under a debt assumption agreement with a bank on February 25, 1998. An excess of the redemption price over carrying amount of ¥257 million ($1,950 thousand) was included in the interest expense for the year ended March 31, 1998. The holder has a security interest in all assets senior to that of general creditors by the Electric Utility Law.

At March 31, 1998, debentures and long-term debt with the Okinawa Development Finance Public Corporation were collateralized by all of the Company's available assets.

Maturity of long-term debt outstanding at March 31, 1998 were as follows:

Year ending March 31,	Millions of Yen	Thousands of U.S. Dollars
1999	¥ 22,459	$ 170,018
2000	23,505	177,932
2001	24,633	186,475
2002	24,821	187,893
2003	24,566	185,962
2004 and thereafter	113,870	862,006
Total	¥233,854	$1,770,286

6. Income taxes

The Companies are subject to several taxes based on income. For the years ended March 31, 1998 and 1997, the aggregate normal statutory tax rates approximated 44% for the Company and 50% for its consolidated subsidiaries.

The actual effective tax rates in the consolidated statements of income differed from the normal statutory tax rates are mainly due to permanently non-deductible expenses and temporary differences in recognizing certain income and expense items for tax and financial statement purposes.

The provision for income taxes for the years ended March 31, 1998 and 1997 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	1998	1997	**1998**
Current	**¥3,499**	¥2,162	**$26,489**
Deferred	**(27)**	26	**(207)**
Net	**¥3,472**	¥2,188	**$26,282**

7. Lease

The Companies lease certain automobiles and office equipment. Total lease payments under the above leases for the years ended March 31, 1998 and 1997 were ¥332 million ($2,511 thousand) and ¥376 million, respectively.

At March 31, 1998, the commitment under the above leases were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Due within one year	¥ 325	$2,460
Due after one year	712	5,393
Total	¥1,037	$7,853

The imputed interest expense portion is not excluded from the above obligations under finance leases due to immaterial.

The Companies are also lessor of certain automobiles and office equipment. Total lease income from the above leases for the years ended March 31, 1998 and 1997 were ¥177 million ($1,337 thousand) and ¥172 million, respectively.

At March 31, 1998, the total lease payment to be received from the above leases were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Due within one year	¥155	$1,177
Due after one year	227	1,718
Total	¥382	$2,895

The imputed interest income portion is not excluded from the above receivables under finance leases due to immaterial.

8. Contingent liabilities

At March 31, 1998, the Company was contingently liable as a guarantor for loans of affiliate companies in the amount of ¥1,642 million ($12,434 thousand).

Redemption of debentures with warrants transferred to a third party under a debt assumption agreement with a bank amounting to ¥1,000 million ($7,570 thousand) as of March 31, 1998.

9. Shareholders' equity

The Code requires at least 50% of the issue price of new shares, with a minimum of the par value thereof, to be designated as stated capital as determined by resolution of the Board of Directors. Proceeds in excess of amounts designated as stated capital are credited to additional paid-in capital.

The Code also requires the companies to appropriate from retained earnings to a legal reserve an amount equal to at least 10% of all cash payments which are made as an appropriation of retained earnings until such reserve equals 25% of stated capital. This reserve is not available for dividends but may be used to reduce a deficit by resolution of the shareholders.

The Company may transfer portions of additional paid-in capital and legal reserve to stated capital by resolution of the Board of Directors. The Company may also transfer portions of unappropriated retained earnings, which are available for dividends, to stated capital by resolution of shareholders.

Under the Code, the Company may issue new common shares to existing shareholders without consideration as a stock split pursuant to resolution of the Board of Directors. The Company may make such a stock split to the extent the aggregate par value of the shares outstanding after the stock split does not exceed the stated capital. However, the amount calculated by dividing the total amount of shareholders' equity by the number of outstanding shares after the stock split shall not be less than ¥500.

Dividends are approved by the shareholders at a meeting held subsequent to the fiscal year to which the dividends are applicable. Semi-annual interim dividends may also be paid upon resolution of the Board of Directors, subject to certain limitations imposed by the Code.

Under the Code, the amount available for dividends is based on retained earnings as recorded on the Company's books. At March 31, 1998, retained earnings recorded on the Company's books were ¥39,748 million ($300,893 thousand) which is available for future dividends subject to the approval of the shareholders and legal reserve requirements.

10. Related party transactions

The following is a summary of transactions and balances with non-consolidated subsidiaries and affiliates for the years ended March 31, 1998 and 1997:

	Millions of Yen		Thousands of U.S. Dollars
	1998	1997	**1998**
Transactions:			
Construction cost of facilities	**¥8,445**	¥9,337	**$63,929**
Repair and other operating expenses	**7,609**	6,043	**57,597**
Balance of accounts:			
Other current assets	**205**	216	**1,549**
Accounts payable	**2,340**	2,148	**17,712**
Accrued expenses	**2,299**	1,458	**17,402**

11. Segment information

Information about operations in different industry segments of the Companies for the years ended March 31, 1998 and 1997 is as follows:

	Millions of Yen			
1998	Electric	Other	Eliminations	Consolidated
Sales to customers	**¥131,923**	**¥ 2,069**	**—**	**¥133,992**
Intersegment sales	**—**	**17,800**	**¥(17,800)**	**—**
Total operating revenues	**131,923**	**19,869**	**(17,800)**	**133,992**
Operating expenses	**114,179**	**19,056**	**(17,829)**	**115,406**
Operating income	**¥ 17,744**	**¥ 813**	**¥ 29**	**¥ 18,586**
Total assets	**¥322,664**	**¥ 9,324**	**¥ (5,210)**	**¥326,778**
Depreciation and amortization	**26,584**	**334**	**(313)**	**26,605**
Capital investments	**25,108**	**264**	**(388)**	**24,984**

	Millions of Yen			
1997	Electric	Other	Eliminations	Consolidated
Sales to customers	¥127,095	¥ 2,242	—	¥129,337
Intersegment sales	—	15,998	¥(15,998)	—
Total operating revenues	127,095	18,240	(15,998)	129,337
Operating expenses	111,851	17,707	(16,057)	113,501
Operating income	¥ 15,244	¥ 533	¥ 59	¥ 15,836
Total assets	¥323,528	¥12,635	¥ (7,754)	¥328,409
Depreciation and amortization	28,738	380	(326)	28,792
Capital investments	28,319	266	(343)	28,242

1998	Thousands of U.S. Dollars Electric	Other	Eliminations	Consolidated
Sales to customers	**$ 998,663**	**$ 15,657**	**—**	**$1,014,320**
Intersegment sales	**—**	**134,746**	**$(134,746)**	**—**
Total operating revenues	**998,663**	**150,403**	**(134,746)**	**1,014,320**
Operating expenses	**864,341**	**144,248**	**(134,965)**	**873,624**
Operating income	**$ 134,322**	**$ 6,155**	**$ 219**	**$ 140,696**
Total assets	**$2,442,574**	**$ 70,580**	**$ (39,437)**	**$2,473,717**
Depreciation and amortization	**201,244**	**2,525**	**(2,372)**	**201,397**
Capital investments	**190,072**	**2,000**	**(2,939)**	**189,133**

Notes: 1. "Other" industry segment consisted of sales and maintenance services of electric appliances, and electrical and mechanical engineering and others. Under the guidance of the regulatory authority, the Company is only allowed to invest in industry segments, which are related to the electric segment.
2. The Companies do not have foreign operations.
3. No sales to foreign customers were made during the years ended March 31, 1998 and 1997.

12. Subsequent event

The following appropriations of retained earnings at March 31, 1998 were approved at the shareholders' meeting held on June 26, 1998:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥25 (19¢) per share	¥372	$2,815
Bonuses to directors and corporate auditors	74	563
Transfer to legal reserve	45	341

Independent Auditors' Report

Deloitte Touche Tohmatsu

Shouei Building
15-8, Kumoji 2-chome,
Naha, Okinawa 900-0015

Telephone: (098) 866-1459
Facsimile: (098) 866-8691

To the Board of Directors and Shareholders of
The Okinawa Electric Power Company, Incorporated:

We have examined the consolidated balance sheets of The Okinawa Electric Power Company, Incorporated and consolidated subsidiaries as of March 31, 1998 and 1997, and the related consolidated statements of income, shareholders' equity and cash flows for the years then ended, all expressed in Japanese yen. Our examinations were made in accordance with auditing standards generally accepted in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements referred to above present fairly the financial position of The Okinawa Electric Power Company, Incorporated and consolidated subsidiaries as of March 31, 1998 and 1997, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan consistently applied during the period except for the change, with which we concur, in the accounting for pension plan, as discussed in Note 2.

Our examinations also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 26, 1998

- Chairman
- President
- Executive Vice President
- Managing Directors
- Directors
  - Management Efficiency Promotion Administration
  - Human Resources Development Administration
  - Planning Dept.
  - General Administration Dept.
  - Labor Relations Dept.
  - Accounting Dept.
  - Purchasing & Stores Dept.
  - Business Development Dept.
  - Sales Dept.
  - Distribution Dept.
  - Plant Siting & Environment Dept.
  - Thermal Power Dept.
  - Engineering Dept.
  - Information Systems Dept.
  - Research & Development Dept.
  - Tokyo Branch Office
  - Naha Branch
  - Urasoe Branch
  - Gushikawa Branch
  - Nago Branch
  - Miyako Branch
  - Yaeyama Branch

- Auditors
  - Auditors Office

(As of July 1, 1998)

Head Office
2-1, Makiminato 5-chome, Urasoe, Okinawa 901-2602, Japan
Tel: 098-877-2341
Fax: 098-877-6017

Tokyo Branch
No.45 Kowa Bldg. 6F, 15-9, Minami-Aoyama 1-chome, Minato-ku, Tokyo 107-0062, Japan
Tel: 03-3796-7768

Established
May 15, 1972

Capital
¥7,437 million

Total Assets
¥322,663 million

Number of Customers
704,735 (Includes users of both lighting and power)

Number of Employees
1,536

Power Generation Facilities

Type of Station	Number of Facilities	Generating Capacity [kW]
Steam	3	1,027,000
Gas Turbine	2	266,000
Internal Combustion	14	151,700
Total	19	1,444,700

Investor Information

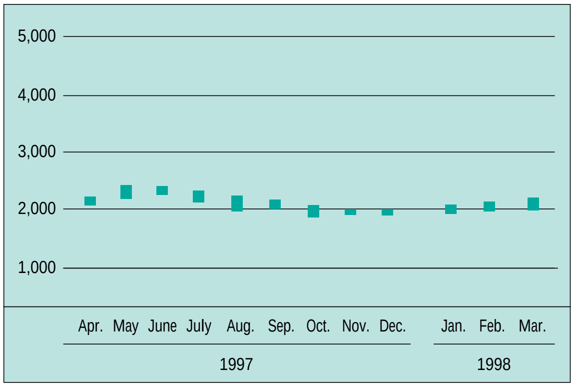
Transfer Agent and Registrar
The Mitsubishi Trust & Banking Corporation
4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-1005, Japan

Securities Traded
Tokyo Stock Exchange, Fukuoka Stock Exchange

Common Stock Issued
14,875,413 shares

Number of Shareholders
7,674

Stock Price Range on the Tokyo Stock Exchange [¥]



(As of March 31, 1998)

Independent Certified Public Accountants
Tohmatsu & Co. (Deloitte Touche Tohmatsu for international work)

Consolidated Subsidiaries

OKIDEN KIGYO CO., LTD.

Established: October 15, 1975
Capital: ¥43 million
OEPC's stake: 91.4%

Business Line:
Sales and repairs of electric machinery and equipment; leasing of vehicles and goods and contracting works; repairs and maintenance of cars; agency business for non-insurance companies

OKINAWA PLANT KOGYO COMPANY, INC.

Established: June 1, 1981
Capital: ¥32 million
OEPC's stake: 70.9%

Business Line:
Entrusted operation of electric power facilities; contracting of electric power and machinery facilities installing

OKINAWA DENKI KOGYO CO., LTD.

Established: December 23, 1971
Capital: ¥23 million
OEPC's stake: 99.4%

Business Line:
Repairs and testing of electrical measurement instruments for OEPC; sales of equipment and materials for electric power facilities; contracting works