

Summary of the Settlement of Accounts for FY2008 2nd Quarter

(April 1 - September 30, 2008)

November 2008



The Okinawa Electric Power Company, Inc.

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Financial Results for FY2008 2Q YTD

(Period-on-Period Comparison)

(Unit: million yen, X)

	Consolidated (A)			Non-Consolidated (B)※			(A)/ (B)	
	FY2008 2Q YTD Results	FY2007 2Q YTD Results	Rate of Change	FY2008 2Q YTD Results	FY2007 2Q YTD Results	Rate of Change	FY2008 2Q YTD Results	FY2007 2Q YTD Results
Sales	88,134	83,025	+6.2%	83,668	78,188	+7.0%	1.05	1.06
Operating Income	6,269	9,662	-35.1%	5,766	9,351	-38.3%	1.09	1.03
Ordinary Income	4,891	7,701	-36.5%	4,318	7,643	-43.5%	1.13	1.01
Net Income	2,974	4,832	-38.5%	2,729	4,879	-44.1%	1.09	0.99

※Figures for Non-Consolidated are not an object of the review in legal disclosure

Increase in Sales, Decrease in Income (Consolidated and Non-Consolidated)

- Sales increased due to increase in income from the Fuel Cost Adjustment System in Electric Business, although electricity sales volume decreased.
- Profits decreased due to increase in fuel cost and power purchase cost in response to the fuel price surges in Electric Business.

Financial Results for FY2008 2Q YTD

(Comparison with Forecast)

(Unit: million yen)

	Consolidated				Non-Consolidated※			
	FY2008 2Q YTD Results	FY2008 2Q YTD Forecast		Change From Forecast Jul.2008	FY2008 2Q YTD Results	FY2008 2Q YTD Forecast		Change From Forecast Jul.2008
		Jul.2008	Apr.2008			Jul.2008	Apr.2008	
Sales	88,134	89,800	90,900	-1.9%	83,668	84,900	86,000	-1.5%
Operating Income	6,269	5,600	8,800	+12.0%	5,766	5,600	8,800	+3.0%
Ordinary Income	4,891	4,000	7,200	+22.3%	4,318	4,100	7,300	+5.3%
Net Income	2,974	2,600	4,600	+14.4%	2,729	2,700	4,700	+1.1%

※Figures for Non-Consolidated are not an object of the review in legal disclosure

【Comparison with Forecast (Jul.2008)】

- Sales fell below projection due to decreased construction orders in Other Businesses in addition to the lower electricity sales volume in Electric Business.
- Profits increased due to decrease in fuel cost effect of the fuel-shift from oil to coal in Electric Business, although sales decreased.

Trends in Electricity Sales Volume

Electricity Sales Volume

(Unit: million kWh)

		FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)	Change	Rate of Change
Lighting		1,512	1,555	-43	-2.8%
Power [※]		2,474	2,449	+25	+1.1%
Total		3,986	4,004	-18	-0.4%
Reference	Consumer Use	3,297	3,325	-28	-0.8%
	Industrial Use	689	679	+10	+1.5%

※Figures for Power include demand in the de-regulated segment

<Lighting>

Although the number of customers increased, the demand for Lighting decreased due to the fewer meter reading days than the same period of the previous year.

<Power>

The demand for Power was up Period-on-Period due to the increased number of customers in Commercial power.

Power Generation Infrastructure and Power Generated and Received

(Unit: thousand kW, million kWh)

		FY2008 2Q YTD				FY2007 2Q YTD	
		Maximum Output	Com- position Ratio	Electricity Generated	Com- position Ratio	Electricity Generated	Com- position Ratio
OEPC	Coal	752	33.6%	2,742	58.4%	2,599	55.7%
	Oil	1,173	52.4%	959	20.4%	1,097	23.5%
	Total	1,925	86.0%	3,701	78.8%	3,696	79.2%
Other Company (coal)		312	14.0%	977	20.8%	943	20.2%
Other		—	—	19	0.4%	25	0.6%
Total		2,237	100.0%	4,697	100.0%	4,664	100.0%

- The maximum electric power output increased 1,300 kW Period-on-Period (due to changes in the maximum electric power output of seven power plants in remote islands, etc.)
- Power generated and received was up 0.7% Period-on-Period.
- Ratio of coal-fired thermal power generated by ourselves was up 2.7% Period-on-Period.
- Ratio of coal-fired thermal power generation including those purchased from other company was 79.2%.



Non-Consolidated - Factors in Revenue and Expenditure Changes

(Unit: million yen)

		FY2008 2Q YTD Results	FY2007 2Q YTD Results	Change	Rate of Change	Main Factors in Changes
Ordinary Revenues	Lighting	37,673	36,363	+1,310	+3.6%	[Total sales of Electricity]
	Power	45,535	41,261	+4,274	+10.4%	Fuel Cost Adjustment System 6,130
	Electricity Sales	83,209	77,625	+5,584	+7.2%	Electricity sales volume -769
	Other Income	1,011	833	+177	+21.4%	Non-operating income 265
	(Sales)	83,668	78,188	+5,479	+7.0%	
	Total	84,220	78,458	+5,762	+7.3%	
Ordinary Expenses	Personnel	8,008	8,150	-141	-1.7%	Salaries and allowance -207
	Fuel	29,862	22,875	+6,987	+30.5%	CIF 12,912 Exchange rates -4,048 Fuel composition -2,366
	Repair and Maintenance	6,676	7,105	-429	-6.0%	Distribution -515(restoration of damages caused by typhoon -247) Transformation -67 Internal Combustion -52 Thermal power 183
	Depreciation	11,099	11,465	-365	-3.2%	Thermal power -435 (Kin power station -312) Internal Combustion -73 Distribution 57 Transformation 48 General 29
	Expenditure for Power Purchases	10,215	7,153	+3,061	+42.8%	Thermal power 3,023 Solar power 52
	Interest	1,751	1,907	-155	-8.2%	Average balance differences -110 Average rate differences for the period[1.70% → 1.65%]-45
	Tax and Other Public Charges	3,776	3,622	+153	+4.2%	Fixed Assets tax 75 Enterprise tax 74
	Other Expenses	8,510	8,534	-23	-0.3%	
	(Operating expenses)	77,901	68,837	+9,063	+13.2%	
	Total	79,901	70,815	+9,086	+12.8%	
	(Operating income)	5,766	9,351	-3,584	-38.3%	
	Ordinary income	4,318	7,643	-3,324	-43.5%	
	Current income taxes	1,589	2,763	-1,174	-42.5%	
	Net income	2,729	4,879	-2,150	-44.1%	

※Figures for Non-Consolidated are not an object of the review in legal disclosure

Non-Consolidated

-Trends in Data and Effects of Changes (FY2008 2Q YTD)

■ Main Data

		FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)
Crude Oil CIF Price	\$/bbl	119.7	67.9
Coal CIF Price	\$/t	93.0	60.9
Exchange Rate	Yen/\$	106.1	119.4

■ Effects of Changes

(Unit: 100 million yen)

		FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)
Crude Oil CIF Price ※	1\$/bbl	1.5	2.0
Coal CIF Price ※	1\$/t	1.1	1.2
Exchange Rate ※	1Yen/\$	2.7	1.7
Electric Energy Demand	1%	3.1	3.4
Interest Rate	1%	0.4	0.5

※ Figures for effects of Changes do not include data of Expenditure for Power Purchase

Consolidated

- Factors in Revenue and Expenditure Changes

(Unit: million yen)

	FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)	Change	Rate of Change
Sales	88,134	83,025	+5,109	+6.2%
Operating Income	6,269	9,662	-3,393	-35.1%
Ordinary Income	4,891	7,701	-2,809	-36.5%
Net Income	2,974	4,832	-1,858	-38.5%

■ By Segment (before eliminating internal transactions)

(Unit: million yen)

	Electric Business	Construction Business	Other Businesses
Sales	83,515	6,591	11,543
(PoP Change)	(+5,473)	(-680)	(-5,214)
Sales to outside Customers out of total	83,434	1,290	3,409
(PoP Change)	(+5,477)	(+158)	(-526)
Operating Income	5,682	-244	629
(PoP Change)	(-3,640)	(-3)	(+186)

■ Sales increased approx. 5.1billion yen

【Factor for increase】

- Increase in sales in Electric Business

■ Operating income declined approx. 3.4billion yen

【Factor for decrease】

- Increase in fuel cost in Electric Business
- Increase in power purchase cost in Electric Business

【Factor for increase】

- Increase in sales in Electric Business

■ Ordinary income declined approx. 2.8billion yen

【Factor for decrease】

- Decreased operating income mentioned above

【Factor for increase】

- Effect of consolidated subsidiary

■ Net income declined approx. 1.9billion yen

By segment

- In Construction Business sector, sales decreased due to decrease in construction orders from Electric Business.
- In Other Businesses sector, sales decreased due to the change in method of disclosure to net base.

FY2008 2Q YTD Financial Results of each Company

(Unit: Million yen)

		Sales			Operating Income			Ordinary Income			Net Income		
		FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)	Change	FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)	Change	FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)	Change	FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)	Change
The Okinawa Electric Power Co., Inc.		83,668	78,188	+5,479	5,766	9,351	-3,584	4,318	7,643	-3,324	2,729	4,879	-2,150
Construction Business	Okidenko Co., Ltd.	5,802	6,143	-340	-145	-146	+1	-118	-129	+11	-73	-103	+29
	Okiden Sekkei Co., Ltd.	281	365	-84	-14	10	-25	-10	10	-20	-6	-0	-5
	Okinawa New Energy Development Co., Inc.	282	265	+17	-21	-45	+23	-33	-51	+18	-29	-66	+36
	Okisetsubi Company, Ltd.	264	693	-429	-57	-16	-41	-57	-16	-40	-33	-11	-21
Other Businesses	Okiden Kigyo Co., Ltd.	1,968	5,020	-3,051	-24	-33	+9	4	-9	+13	-5	-29	+24
	Okinawa Plant Kogyo Co., Inc.	4,081	4,771	-689	2	218	-216	19	232	-212	17	128	-110
	Okinawa Denki Kogyo Co., Ltd.	608	956	-348	56	26	+30	58	25	+32	40	3	+37
	The Okiden Global Systems Company, Inc.	728	1,038	-310	1	-20	+22	4	-18	+22	6	-38	+44
	Okinawa Telecommunication Network Co., Inc.	1,268	1,449	-180	97	119	-21	61	77	-16	46	26	+20
	First Riding Technology Co., Inc.	585	925	-340	72	91	-19	96	82	+14	97	82	+14
	Okiden Kaihatsu Co., Inc.	1,459	1,599	-140	329	131	+198	298	96	+202	174	72	+102
	Progressive Energy Corp.	811	882	-71	47	44	+2	47	45	+2	31	21	+10
	Kanucha Community Co., Inc.	—	—	—	-38	-33	-5	-115	-86	-29	-116	-86	-29
Elimination		-13,677	-19,275	+5,598	198	-34	+232	316	-200	+516	92	-45	+138
Consolidated		88,134	83,025	+5,109	6,269	9,662	-3,393	4,891	7,701	-2,809	2,974	4,832	-1,858

Balance Sheet Comparison

(Unit: million yen)

		FY2008 2Q term end	FY2007 Term end	Change	Major factors for change (Consolidated factors)								
Assets	*	370,243	369,840	+402	Electric utility plant and equipment -8,033 Construction in progress +4,664								
	**	349,125	347,192	+1,933									
Fixed assets	*	333,732	339,527	-5,794	【Reference】 Changes in fixed assets in Electric Business <table border="1"> <thead> <tr> <th>Capital Expenditure</th> <th>Removal</th> <th>Depreciation</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>3,610</td> <td>-532</td> <td>-11,099</td> <td>-11</td> </tr> </tbody> </table>	Capital Expenditure	Removal	Depreciation	Other	3,610	-532	-11,099	-11
Capital Expenditure	Removal	Depreciation	Other										
3,610	-532	-11,099	-11										
	**	324,772	330,244	-5,472									
Current assets	*	36,510	30,313	+6,197	Inventories +4,653								
	**	24,352	16,947	+7,405									
Liabilities	*	260,844	262,814	-1,970	Interest-bearing debt -3,134								
	**	243,740	243,933	-193									
Non-current liabilities	*	199,047	203,112	-4,064	Notes and Accounts payable-trade +1,214 Accrued taxes +527								
	**	187,485	190,282	-2,797									
Current liabilities	*	61,796	59,702	+2,093									
	**	56,254	53,650	+2,603									
Net assets	*	109,399	107,026	+2,373	Net income 2,974, Dividend -524 Valuation difference on available-for-sale securities -86								
	**	105,385	103,258	+2,126									

※ *Consolidated **Non-Consolidated

※ Figures for Non-Consolidated are not an object of the review in legal disclosure

Reference: Interest-bearing debt and Capital adequacy ratio

		FY2008 2Q term end	FY2007 Term end	Change
Interest-bearing debt (million yen)	*	219,999	223,133	-3,134
	**	211,058	212,296	-1,237
Capital adequacy ratio (%)	*	29.3	28.7	+0.6
	**	30.2	29.7	+0.5

※ *Consolidated **Non-Consolidated

※ Figures for Non-Consolidated are not an object of the review in legal disclosure

State of Capex, Cash Flow, and Interest-bearing Debt

(Unit: 100 million yen)

		Consolidated			Non-Consolidated※		
		FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)	Change	FY2008 2Q YTD (Results)	FY2007 2Q YTD (Results)	Change
Capital Expenditure		88	81	+6	83	66	+17
C F	Operating Activities	94	112	-17	103	100	+3
	Investment Activities	-73	-106	+33	-82	-98	+15
	(FCF)	(21)	(5)	(+16)	(20)	(1)	(+19)
	Financial Activities	-36	1	-38	-17	-0	-17
Interest-bearing Debt Outstanding		2,199	2,333	-133	2,110	2,222	-111

※Figures for Non-Consolidated are not an object of the review in legal disclosure

- Net cash provided by Operating Activities declined due to decrease of income before taxes and increase of inventories.
(In Non-Consolidated, net cash provided by Operating Activities increased due to increase of the notes and accounts payable-trade.)
- Net cash used in Investing Activities decreased due to increase of the proceeds from sales of investment securities.
- Accordingly, Free Cash-Flow improved Period-on-Period.
- Net cash used in Financial Activities increased due to repayment for interest-bearing debt.

Annual Outlook Summary

(Unit: million yen)

	Consolidated				Non-Consolidated※			
	FY2008 Forecast		Change (A)-(B)	FY2007 (Results)	FY2008 Forecast		Change (A)-(B)	FY2007 (Results)
	Announced in Oct. 2008 (A)	Announced in Jul. 2008 (B)			Announced in Oct. 2008 (A)	Announced in Jul. 2008 (B)		
Sales	173,300	176,800	-3,500	161,521	161,000	164,000	-3,000	149,320
Operating Income	8,600	6,700	+1,900	14,809	7,300	5,700	+1,600	13,144
Ordinary Income	5,600	3,500	+2,100	10,971	4,300	2,600	+1,700	9,733
Net Income	3,300	2,100	+1,200	7,072	2,700	1,700	+1,000	6,590

※Figures for Non-Consolidated are not an object of the review in legal disclosure

Increase in Sales, Decrease in Income

【Comparison with Forecast (Jul.2008)】

- Sales decrease of 3.5 billion yen.
 - 【Factor for decrease】
 - ・Decrease in electricity sales volume in Electric Business
 - ・Reduction of the Fuel Cost Adjustment amount in the 4th quarter of FY2008 in Electric Business
 - ・Decrease in construction orders in Construction Business
- Ordinary income increase of 2.1 billion yen.
 - ・In Electric Business, fuel cost is forecast to decrease due to the oil price decline

Non-Consolidated – Revenue and Expenditure Forecast, Factors in Changes

(Unit: million yen)

		FY2008 Forecast (Oct.2008)	FY2008 Forecast (Jul.2008)	FY2007 (Results)	Change From Forecast Jul.2008	Change From FY2007 Results
Ordinary Revenues	Total sales of Electricity	160,000	163,000	148,290	-3,000	+11,710
	Other income	1,800	1,700	1,503	+100	+297
	(Sales)	(161,000)	(164,000)	(149,320)	(-3,000)	(+11,680)
	Total	161,800	164,700	149,793	-2,900	+12,007
Ordinary Expenses	Personnel	16,200	16,300	16,234	-100	-34
	Fuel	55,400	59,800	41,468	-4,400	+13,932
	Repair and Maintenance	15,000	15,000	16,049	0	-1,049
	Depreciation	22,600	22,400	23,398	+200	-798
	Expenditure for Power Purchases	18,000	18,100	13,581	-100	+4,419
	Interest	3,500	3,500	3,731	0	-231
	Tax and Other Public Charges	7,300	7,300	7,001	0	+299
	Other Expenses	19,500	19,700	18,594	-200	+906
(Operating Expenses)	(153,700)	(158,300)	(136,176)	(-4,600)	(+17,524)	
Total	157,500	162,100	140,060	-4,600	+17,440	
(Operating income)		(7,300)	(5,700)	(13,144)	(+1,600)	(-5,844)
Ordinary income		4,300	2,600	9,733	+1,700	-5,433
Income tax		1,600	900	3,142	+700	-1,542
Net income		2,700	1,700	6,590	+1,000	-3,890

■ Electricity Sales Volume

(Unit: million kWh)

Lighting	2,905	2,946	2,945	-41	-40
Power	4,540	4,534	4,546	+6	-6
Total	7,445	7,480	7,491	-35	-46

Comparison with Forecast (Jul.2008)

■ Sales are forecast to be approx. 161.0 billion yen (-3.0 bn. yen)

[Total sales of Electricity] (-3.0bn.yen,-1.8%)

- Decrease in electricity sales volume in the 2Q YTD of FY2008
- Reduction of the Fuel Cost Adjustment amount in the 4th quarter of FY2008

■ Operating income is forecast to be approx. 7.3 billion yen (+1.6 bn. yen)

[Fuel cost](-4.4bn.yen,-7.4%)

- Oil price decline
- Fuel-shift from oil to coal

■ Ordinary income is forecast to be approx. 4.3 billion yen (+1.7 bn. yen)

■ Net income is forecast to be approx. 2.7 billion yen (+1.0 bn. yen)

Comparison with FY2007 Results

■ Sales are expected to increase of 11.7 billion yen

[Total sales of Electricity](+11.7bn.yen,+7.9%)

- Increase income from the Fuel Cost Adjustment System

■ Operating income is expected to decrease of 5.8 billion yen

[Fuel cost] +13.9 bn.yen,+33.6%)

- Increase due to rising fuel price

[Power Purchases cost] (+4.4 bn.yen,+32.5%)

- Increase due to rising Coal price

■ Ordinary income is expected to decrease of 5.4 billion yen

■ Net income is expected to decrease of 3.9 billion yen

Non-Consolidated

- Trends in Data and Effects of Changes (FY2008 Forecast)

■ Main Data

		FY2008 Forecast (Oct.2008)	FY2008 Forecast (Jul.2008)	FY2007 (Results)
Crude Oil CIF Price	\$/bbl	110.0	125.0	78.7
Coal CIF Price	\$/t	110.0	107.0	67.2
Exchange Rate	Yen/\$	105.0	105.0	114.4

■ Effects of Changes

(Unit: 100 million yen)

		FY2008 Forecast (Oct.2008)	FY2008 Forecast (Jul.2008)	FY2007 (Results)
Crude Oil CIF Price ※	1\$/bbl	2.7	3.0	3.2
Coal CIF Price ※	1\$/t	2.1	2.0	2.1
Exchange Rate ※	1Yen/\$	5.0	5.5	3.4
Electric Energy Demand	1%	6.2	6.0	6.6
Interest Rate	1%	0.8	0.8	0.9

※ Figures for effects of Changes do not include data of Expenditure for Power Purchase

Consolidated – Revenue and Expenditure Forecast, Factors in Changes

(Unit: million yen)

	FY2008 Forecast		FY2007 Results	Change	
	Oct.2008	Jul.2008		From Forecast Jul.2008	From FY 2007 Results
Sales	173,300	176,800	161,521	-3,500	+11,778
Operating Income	8,600	6,700	14,809	+1,900	-6,209
Ordinary Income	5,600	3,500	10,971	+2,100	-5,371
Net Income	3,300	2,100	7,072	+1,200	-3,772

■ By Segment (Forecast)

(Unit: million yen)

	Electric Business	Construction Business	Other Businesses
Sales	160,700	18,000	23,700
(YoY Change)	(+11,675)	(-1,737)	(-9,239)
Sales to outside Customers out of total	160,500	5,000	7,800
(YoY Change)	(+11,668)	(+472)	(-361)
Operating Income	7,200	200	1,300
(YoY Change)	(-5,892)	(-389)	(-144)

※ before eliminating internal transactions

Comparison with forecast (Jul.2008)

- **Sales are forecast to be approx. 173.3billion yen. (-3.5bn.yen)**
【Factors for decrease】
 - ・ Decrease in electricity sales in Electric Business.
 - ・ Decrease in construction orders in Construction Business.
- **Operating income is forecast to be approx. 8.6billion yen (+1.9bn.yen)**
【Factor for increase】
 - ・ Decrease in fuel cost in Electric Business.
- **Ordinary income is forecast to be approx. 5.6billion yen (+2.1bn.yen)**
- **Net income is forecast to be approx. 3.3 billion yen (+1.2bn.yen)**

Comparison with FY 2007

- **Sales are expected to increase of 11.8billion yen**
【Factor for increase】
 - ・ Increase in electricity sales in Electric Business.
- **Operating income is expected to decrease of 6.2 billion yen**
【Factor for decrease】 Increase in fuel cost in Electric Business.
- **Ordinary income is expected to decrease of 5.4 billion yen**
- **Net income is expected to decrease of 3.8 billion yen**

By segment

- In Construction Business segment, sales are forecast to decrease due to decrease in construction orders from Electric Business.
- In Other Businesses sector, sales decreased due to the change in method of disclosure to net base.

FY2008 Financial Outlook of each Company

(Unit: Million yen)

		Sales			Operating Income			Ordinary Income			Net Income		
		FY2008 Forecast (Oct.08)	FY2007 Results	Change	FY2008 Forecast (Oct.08)	FY2007 Results	Change	FY2008 Forecast (Oct.08)	FY2007 Results	Change	FY2008 Forecast (Oct.08)	FY2007 Results	Change
The Okinawa Electric Power Co., Inc.		161,000	149,320	+11,679	7,300	13,144	-5,844	4,300	9,733	-5,433	2,700	6,590	-3,890
Construction Business	Okidenko Co., Ltd.	15,636	16,804	-1,168	183	552	-368	230	597	-366	128	314	-185
	Okiden Sekkei Co., Ltd.	945	966	-21	20	53	-33	20	53	-33	10	18	-8
	Okinawa New Energy Development Co., Inc.	618	783	-165	23	34	-11	0	19	-19	2	1	+0
	Okisetsubi Company, Ltd.	1,355	1,599	-243	0	8	-7	0	9	-8	0	3	-3
Other Businesses	Okiden Kigyo Co., Ltd.	4,172	9,716	-5,543	29	64	-35	82	89	-6	34	24	+10
	Okinawa Plant Kogyo Co., Inc.	7,948	9,453	-1,505	168	303	-135	178	323	-145	72	80	-8
	Okinawa Denki Kogyo Co., Ltd.	979	2,167	-1,187	58	94	-36	60	95	-35	65	48	+17
	The Okiden Global Systems Company, Inc.	1,883	2,516	-633	11	91	-80	15	97	-82	15	57	-42
	Okinawa Telecommunication Network Co., Inc.	2,541	3,146	-604	169	290	-120	100	209	-109	86	153	-67
	First Riding Technology Co., Inc.	1,189	1,699	-510	102	161	-59	154	164	-9	154	154	+0
	Okiden Kaihatsu Co., Inc.	3,764	3,178	+586	628	473	+154	566	414	+152	368	259	+109
	Progressive Energy Corp.	1,582	1,604	-22	73	70	+2	73	71	+2	49	40	+9
	Kanucha Community Co., Inc.	—	—	—	-122	-78	-44	-305	-196	-108	-314	-197	-117
Elimination		-30,315	-41,435	+11,119	-46	-456	+410	122	-709	+831	-74	-478	+404
Consolidated		173,300	161,521	+11,778	8,600	14,809	-6,209	5,600	10,971	-5,371	3,300	7,072	-3,772

Outlook of Capex, Cash Flow, and Interest-bearing Debt

(Unit: 100million yen)

		Consolidated			Non-Consolidated※		
		FY2008 (Forecast)	FY2007 (Results)	Change	FY2008 (Forecast)	FY2007 (Results)	Change
Capital Expenditure		212	185	+27	205	171	+33
C F	Operating Activities	251	297	-46	236	288	-52
	Investment Activities	-203	-181	-22	-195	-183	-12
	(FCF)	(47)	(116)	(-69)	(40)	(104)	(-64)
	Financial Activities	-37	-106	+69	-13	-105	+92
Interest-bearing Debt Outstanding		2,205	2,231	-26	2,120	2,122	-2

※Figures for Non-Consolidated are not an object of the review in legal disclosure

- Net cash provided by Operating Activities is expected to decrease due to decrease of depreciation cost and net Income before income taxes.
- Net cash used in Investing Activities is expected to increase due to increase in capital expenditures.
- Accordingly, Free Cash-Flow is expected to decrease year-on-year.
- Net cash used in Financial Activities is forecast to decrease due to increase in borrowing.

[Reference]

Trends in Financial Indicators (Non-Consolidated)

		2003	2004	2005	2006	2007
Sales	Million yen	134,756	137,210	143,653	147,201	149,320
Operating Income	Million yen	15,207	16,945	18,296	13,690	13,144
EBITDA	Million yen	46,567	44,658	43,359	37,009	36,542
Ordinary Income	Million yen	7,790	11,587	14,063	10,096	9,733
Net Income	Million yen	5,594	7,591	9,163	6,398	6,590
ROA (Operating Income/Assets)	%	3.9	4.5	5.1	3.9	3.7
ROA (Net Income/Assets)	%	1.4	2.0	2.5	1.8	1.9
Capital Adequacy Ratio	%	20.4	23.2	26.5	28.1	29.7
Interest-bearing Debt Outstanding	100 million yen	2,677	2,454	2,285	2,217	2,122
Total Assets	Million yen	379,692	367,861	356,659	354,113	347,192
Total Assets Turnover	X	0.35	0.37	0.40	0.41	0.43
Shareholders' Equity	Million yen	77,591	85,247	94,339	99,392	103,258
ROE	%	7.5	9.3	10.2	6.6	6.5
Return on Sales (Operating Income/Sales)	%	11.3	12.4	12.7	9.3	8.8
Return on Sales (Net Income/Sales)	%	4.2	5.5	6.4	4.3	4.4
D/E ratio	X	3.45	2.88	2.42	2.23	2.06

[Reference]

Trends in Financial Indicators (Consolidated)

		2003	2004	2005	2006	2007
Sales	Million yen	148,626	150,768	157,080	159,395	161,521
Operating Income	Million yen	16,859	17,474	19,816	15,482	14,809
EBITDA	Million yen	50,343	47,568	46,393	40,394	39,610
Ordinary Income	Million yen	8,811	11,318	15,437	11,739	10,971
Net Income	Million yen	5,496	7,614	9,975	6,418	7,072
ROA (Operating Income/Assets)	%	4.1	4.4	5.1	4.1	4.0
ROA (Net Income/Assets)	%	1.3	1.9	2.6	1.7	1.9
Capital Adequacy Ratio	%	19.7	22.2	25.6	27.1	28.7
Interest-bearing Debt Outstanding	100 million yen	2,796	2,564	2,392	2,326	2,231
Total Assets	Million yen	402,407	392,158	378,666	376,071	369,840
Total Assets Turnover	X	0.37	0.38	0.41	0.42	0.43
Shareholders' Equity	Million yen	79,447	86,959	96,899	101,914	106,150
ROE	%	7.1	9.2	10.9	6.5	6.8
Return on Sales (Operating Income/Sales)	%	11.3	11.6	12.6	9.7	9.2
Return on Sales (Net Income/Sales)	%	3.7	5.1	6.4	4.0	4.4
D/E ratio	X	3.52	2.95	2.47	2.28	2.10

※Shareholders' Equity : Subtract 'Shares of Minor Shareholders' from 'Net Assets'

This document includes statements concerning future results. Such statements are based on calculations and predictions and are neither definite nor guaranteed. Please be aware that future results may change in accordance with changes in assumptions related to the management environment and the like.

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