

Summary of the Settlement of Accounts for FY2010

April 28, 2011



The Okinawa Electric Power Company, Inc.



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Financial Results for FY2010 (Year-on-Year Comparison)

(Unit: million yen, X)

| | Consolidated (A) | | | Non-consolidated (B) | | | (A)/ (B) | |
|------------------|------------------|----------------|----------------|----------------------|----------------|----------------|----------------|----------------|
| | FY2010 Results | FY2009 Results | Rate of change | FY2010 Results | FY2009 Results | Rate of change | FY2010 Results | FY2009 Results |
| Sales | 158,494 | 162,501 | -2.5% | 150,896 | 151,825 | -0.6% | 1.05 | 1.07 |
| Operating income | 14,376 | 17,397 | -17.4% | 12,490 | 14,935 | -16.4% | 1.15 | 1.16 |
| Ordinary income | 11,042 | 13,659 | -19.2% | 9,240 | 11,315 | -18.3% | 1.19 | 1.21 |
| Net income | 8,047 | 8,950 | -10.1% | 6,872 | 7,293 | -5.8% | 1.17 | 1.23 |

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

【Revenue】

- Decrease in income from the Fuel Cost Adjustment System in Electric business.
- Decrease in sales due to the influence of change in consolidated subsidiaries.(※)
- Decrease in sales in consolidated subsidiaries.

【Expenditure】

- Increase in fuel cost and power purchase cost in Electric business.
- Decrease in expenditure due to the influence of change in consolidated subsidiaries.(※)
- Decrease in cost of sales due to decrease of sales in consolidated subsidiaries.

※“Okinawa Telecommunication Network Co., Inc.” has become an equity-method affiliate since Jan.2010.

Financial Results for FY2010

(Compared with the FY2010 Projection)

(Unit: million yen)

| | Consolidated | | | | | | Non-consolidated | | | | | |
|------------------|----------------|-------------------|---------|---------|---------|-----------------------|------------------|-------------------|---------|---------|---------|-----------------------|
| | FY2010 Results | FY2010 Projection | | | | Change Against Jan.11 | FY2010 Results | FY2010 Projection | | | | Change Against Jan.11 |
| | | Jan.11 | Oct.10 | Jul.10 | Apr.10 | | | Jan.11 | Oct.10 | Jul.10 | Apr.10 | |
| Sales | 158,494 | 158,100 | 158,300 | 159,800 | 158,900 | +0.2% | 150,896 | 149,500 | 149,700 | 150,900 | 150,000 | +0.9% |
| Operating income | 14,376 | 12,200 | 11,700 | 13,300 | 13,300 | +17.8% | 12,490 | 10,200 | 10,000 | 11,800 | 11,800 | +22.5% |
| Ordinary income | 11,042 | 9,600 | 9,000 | 10,500 | 10,500 | +15.0% | 9,240 | 7,300 | 7,000 | 9,000 | 9,000 | +26.6% |
| Net income | 8,047 | 7,100 | 6,700 | 6,700 | 6,700 | +13.3% | 6,872 | 5,500 | 5,300 | 5,800 | 5,800 | +25.0% |

[Against Jan.11 Figures]

【Revenue】

- Increase in Electricity Sales Volume in Electric business.
- Decrease in sales in consolidated subsidiaries.

【Expenditure】

- Decrease in repair and maintenance cost , other expenses in Electric business.
- Decrease in cost of sales and SGA in consolidated subsidiaries.

Trends in Electricity Sales Volume

Electricity Sales Volume

(Unit: million kWh)

| | FY2010 (Results) | FY2009 (Results) | Change | Rate of change |
|--------------------|---------------------|---------------------|------------|-------------------|
| Lighting | 2,991 | 2,916 | +75 | +2.6% |
| Power [※] | 4,530 | 4,562 | -32 | -0.7% |
| Total | 7,521 | 7,478 | +43 | +0.6% |
| Reference | Consumer Use | 6,243 | +88 | +1.4% |
| | Industrial Use | 1,278 | -45 | -3.4% |

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

<Lighting>

The demand for Lighting increased Year-on-Year due to the increased number of customers .

<Power>

The demand for Power decreased Year-on-Year due to the influence of high rate of operation of Sea Water Desalination Plant in Large industrial power in the previous year.

■ Power Generation Infrastructure and Power Generated and Received

(Unit: thousand kW, million kWh)

| | | FY2010 | | | | FY2009 | |
|-------|-------------------------|-------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|
| | | Maximum output | Com- position ratio | Electricity generated | Com- position ratio | Electricity generated | Com- position ratio |
| OEPCC | Coal | 752 | 33.7% | 4,908 | 57.7% | 4,771 | 56.3% |
| | Oil | 1,167 | 52.3% | 1,820 | 21.4% | 1,828 | 21.6% |
| | Total | 1,919 | 86.0% | 6,728 | 79.1% | 6,599 | 77.9% |
| | Other company (coal) | 312 | 14.0% | 1,707 | 20.1% | 1,823 | 21.5% |
| | Other | — | — | 69 | 0.8% | 54 | 0.6% |
| | Total | 2,231 | 100.0% | 8,504 | 100.0% | 8,476 | 100.0% |

<Power Generation Infrastructure>

- The maximum electric power output decreased 4,510 kW
 - Ishigaki island power plant No.8 :-2,500kW
 - Miyako island power plant No.8 :-2,500kW
 - Minamidaito island wind-power generator: +490kW

<Power Generated and Received>

- Power generated and received almost unchanged from the same period of the previous year.
- Ratio of coal-fired thermal power generated by ourselves was up 1.4 point Year-on-Year.
- Ratio of coal-fired thermal power generation including those purchased from other company was 77.8%.



Non-Consolidated

- Factors in Revenue and Expenditure Changes

(Unit: million yen)

| | | FY2010 Results | FY2009 Results | Change | Rate of change | Main factors in changes |
|--------------------|--------------------------------------|----------------|----------------|----------|----------------|--|
| Ordinary revenues | Lighting | 69,840 | 69,359 | +481 | +0.7% | |
| | Power | 79,842 | 81,285 | -1,442 | -1.8% | |
| | Electricity sales | 149,683 | 150,644 | -961 | -0.6% | [Electricity sales] Electricity sales volume 1,040 Fuel Cost Adjustment System -2,203 |
| | Other income | 1,840 | 1,614 | +226 | +14.0% | |
| | (Sales) | (150,896) | (151,825) | (-928) | (-0.6%) | |
| Total | | 151,524 | 152,259 | -734 | -0.5% | |
| Ordinary expenses | Personnel | 16,322 | 16,920 | -597 | -3.5% | Retirement benefits -603 |
| | Fuel | 41,348 | 39,327 | +2,020 | +5.1% | CIF 4,426 Exchange rate -2,700 |
| | Repair and maintenance | 16,696 | 17,009 | -312 | -1.8% | Distribution -451 General -57 Transmission -56 Thermal power -31 Internal combustion 183 Transformation 100 |
| | Depreciation | 21,004 | 21,328 | -323 | -1.5% | Thermal power -889 (Kin power station -626) Transmission -313 Distribution 452 General 421 |
| | Purchased power from other utilities | 43 | — | +43 | — | |
| | Expenditure for power purchases | 15,785 | 15,105 | +680 | +4.5% | Thermal power 223 Solar power 374 |
| | Interest | 2,888 | 3,208 | -319 | -10.0% | Average balance 10 Average rate -329 |
| | Tax and other public charges | 7,105 | 7,196 | -90 | -1.3% | |
| | Other expenses | 21,088 | 20,848 | +240 | +1.2% | Business consignment expenses 1,588 Supplies expenses 271 Various expenses -1,630 |
| | (Operating expenses) | (138,406) | (136,889) | (+1,516) | (+1.1%) | |
| Total | | 142,284 | 140,943 | +1,340 | +1.0% | |
| (Operating income) | | (12,490) | (14,935) | (-2,445) | (-16.4%) | |
| Ordinary income | | 9,240 | 11,315 | -2,075 | -18.3% | |
| Income taxes | | 2,367 | 4,021 | -1,654 | -41.1% | |
| Net income | | 6,872 | 7,293 | -421 | -5.8% | |

Non-Consolidated -Trends in Data and Effects of Changes

■ Main Data

| | | FY2010 (Results) | FY2009 (Results) |
|---------------------|--------|---------------------|---------------------|
| Crude oil CIF price | \$/bbl | 84.1 | 69.4 |
| Coal CIF price | \$/t | 95.6 | 93.2 |
| Exchange rate | Yen/\$ | 85.7 | 92.9 |

■ Effects of Changes

(Unit: 100 million yen)

| | | FY2010 (Results) | FY2009 (Results) |
|------------------------|---------|---------------------|---------------------|
| Crude oil CIF price ※ | 1\$/bbl | 2.4 | 2.6 |
| Coal CIF price ※ | 1\$/t | 1.7 | 1.9 |
| Exchange rate ※ | 1Yen/\$ | 4.2 | 3.6 |
| Electric energy demand | 1% | 6.8 | 7.1 |
| Interest rate | 1% | 0.7 | 0.8 |

※ Figures for effects of changes do not include data of expenditure for power purchase



Consolidated - Factors in Revenue and Expenditure Changes

(Unit: million yen)

| | FY2010 (Results) | FY2009 (Results) | Change | Rate of change |
|---------------------|---------------------|---------------------|--------|-------------------|
| Sales | 158,494 | 162,501 | -4,007 | -2.5% |
| Operating income | 14,376 | 17,397 | -3,021 | -17.4% |
| Ordinary income | 11,042 | 13,659 | -2,617 | -19.2% |
| Net income | 8,047 | 8,950 | -903 | -10.1% |

■ By Segment (before eliminating internal transactions)

(Unit: million yen)

| | Electric business | Other |
|--|----------------------|----------|
| Sales | 150,896 | 43,383 |
| (YoY change) | (-928) | (+729) |
| Sales to outside customers out of total | 150,745 | 7,749 |
| (YoY change) | (-800) | (-3,206) |
| Operating income | 12,490 | 2,168 |
| (YoY change) | (-2,445) | (-158) |

※ “Electric business” is the required reportable segment. And the disclosure segments are “Electric business” and “Other (Business except for Electric business)” from FY2010.

■ Sales decreased approx. 4.0 billion yen

【Factors for decrease】

- Decrease in electricity sales in Electric business
- Decrease in sales due to the influence of change in consolidated subsidiaries
- Decrease in sales in consolidated subsidiaries

■ Operating income decreased approx. 3.0 billion yen

【Factors for decrease】

- Decrease in sales
- Increase in fuel cost in Electric business
- Increase in power purchase cost in Electric business

【Factors for increase】

- Decrease in personnel cost in Electric business
- Decrease in depreciation cost in Electric business

■ Ordinary income decreased approx. 2.6 billion yen

【Factor for decrease】 · Decrease in Operating income

【Factor for increase】 · Decrease in interest expenses

■ Net income decreased approx. 0.9 billion yen

【Factor for decrease】 · Decrease in Ordinary income

【Factor for increase】 · Decrease in income taxes

By segment

- In “Other” segment, sales increased due to an increase in construction orders from Electric business, although there was influence of change in consolidated subsidiaries and decrease in sales to outside customers.



FY2010 Financial Results of each Company

(Unit: million yen)

| | | Sales | | | Operating income | | | Ordinary income | | | Net income | | |
|---|--|---------------------|---------------------|--------|---------------------|---------------------|--------|---------------------|---------------------|--------|---------------------|---------------------|--------|
| | | FY2010 (Results) | FY2009 (Results) | Change | FY2010 (Results) | FY2009 (Results) | Change | FY2010 (Results) | FY2009 (Results) | Change | FY2010 (Results) | FY2009 (Results) | Change |
| The Okinawa Electric Power Co., Inc. | | 150,896 | 151,825 | -928 | 12,490 | 14,935 | -2,445 | 9,240 | 11,315 | -2,075 | 6,872 | 7,293 | -421 |
| Other | Okidenko Co., Inc. | 15,554 | 14,851 | +703 | 578 | 289 | +288 | 657 | 344 | +313 | 376 | 194 | +182 |
| | Okiden Kogyo Co., Inc. | 5,286 | 5,054 | +232 | 135 | 29 | +106 | 181 | 70 | +110 | 78 | 30 | +47 |
| | Okinawa Plant Kogyo Co., Inc. | 10,833 | 9,938 | +895 | 287 | 481 | -194 | 311 | 509 | -198 | 145 | 656 | -511 |
| | Okinawa Denki Kogyo Co., Inc. | 1,273 | 1,053 | +220 | 131 | 72 | +59 | 136 | 78 | +57 | 96 | 48 | +47 |
| | Okiden Kaihatsu Co., Inc. | 3,539 | 3,554 | -14 | 537 | 624 | -87 | 492 | 571 | -78 | 282 | 336 | -54 |
| | The Okiden Global Systems Co., Inc. | 2,455 | 2,198 | +256 | 62 | 61 | +1 | 79 | 72 | +7 | 22 | 28 | -5 |
| | Okinawa Enetech Co., Inc. | 844 | 915 | -71 | 12 | 39 | -27 | 12 | 39 | -26 | 76 | 25 | +50 |
| | Okinawa New Energy Development Co., Inc. | 561 | 573 | -12 | -101 | 2 | -104 | -130 | -20 | -110 | -123 | -37 | -85 |
| | Okisetsubi Co., Ltd. | 1,058 | 970 | +88 | 13 | 9 | +4 | 13 | 10 | +3 | 12 | 9 | +2 |
| | First Riding Technology, Inc. | 1,319 | 1,282 | +36 | 389 | 306 | +83 | 374 | 354 | +20 | 395 | 393 | +2 |
| | Progressive Energy Corp. | 1,675 | 1,726 | -50 | 85 | 107 | -22 | 85 | 106 | -21 | 32 | 57 | -25 |
| | Kanucha Community Co., Inc. | — | — | — | -26 | -46 | +19 | -282 | -268 | -14 | -645 | -268 | -376 |
| Okinawa Telecommunication Network Co., Inc. | — | 1,792 | -1,792 | — | 245 | -245 | — | 197 | -197 | — | 134 | -134 | |
| Elimination (Include investment gain/loss by equity method) | | -36,804 | -33,233 | -3,570 | -222 | 237 | -459 | -131 | 277 | -408 | 425 | 47 | +377 |
| Consolidated | | 158,494 | 162,501 | -4,007 | 14,376 | 17,397 | -3,021 | 11,042 | 13,659 | -2,617 | 8,047 | 8,950 | -903 |

※ "Okinawa Telecommunication Network Co., Inc." has become an equity-method affiliate since Jan.2010.



Balance Sheet Comparison

(Unit: million yen)

| | | FY2010 Term end | FY2009 Term end | Change | Major factors for change (Consolidated factors) | | | | | | | | |
|-------------------------|---------|--------------------|--------------------|---------|---|-------|---------|--------------|-------|--------|--------|---------|------|
| Assets | * | 385,159 | 365,299 | +19,859 | Electric utility plant and equipment -6,142 Construction in progress +26,672 Investments and other assets -1,743 [Reference] Changes in fixed assets in Electric business | | | | | | | | |
| | ** | 368,596 | 349,308 | +19,288 | | | | | | | | | |
| Fixed assets | * | 353,026 | 334,968 | +18,058 | <table border="1"> <thead> <tr> <th>Capex</th> <th>Removal</th> <th>Depreciation</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>17,238</td> <td>-1,672</td> <td>-21,004</td> <td>-704</td> </tr> </tbody> </table> | Capex | Removal | Depreciation | Other | 17,238 | -1,672 | -21,004 | -704 |
| | Capex | Removal | Depreciation | Other | | | | | | | | | |
| 17,238 | -1,672 | -21,004 | -704 | | | | | | | | | | |
| ** | 348,974 | 330,116 | +18,858 | | | | | | | | | | |
| Current assets | * | 32,132 | 30,330 | +1,801 | Inventories +2,090 | | | | | | | | |
| | ** | 19,621 | 19,191 | +430 | | | | | | | | | |
| Liabilities | * | 259,102 | 245,648 | +13,454 | Bonds +20,000 Long-term loans +7,049 Other non-current liabilities +1,409 (provisions for PCB waste treatment +1,466) | | | | | | | | |
| | ** | 250,840 | 237,204 | +13,635 | | | | | | | | | |
| Non-current liabilities | * | 204,473 | 174,149 | +30,324 | Current maturities of long-term debt -17,563 Accrued taxes -2,503 Short-term loans -1,565 | | | | | | | | |
| | ** | 198,500 | 168,024 | +30,475 | | | | | | | | | |
| Current liabilities | * | 54,629 | 71,499 | -16,869 | | | | | | | | | |
| | ** | 52,339 | 69,180 | -16,840 | | | | | | | | | |
| Net assets | * | 126,056 | 119,651 | +6,405 | Net income 8,047, Dividend -1,048 Valuation difference on available-for-sale securities -194 | | | | | | | | |
| | ** | 117,756 | 112,103 | +5,653 | | | | | | | | | |

Reference: Interest-bearing debt and Capital adequacy ratio

| | | FY2010 Term end | FY2009 Term end | Change |
|-------------------------------------|----|--------------------|--------------------|--------|
| Interest-bearing debt (million yen) | * | 208,392 | 200,883 | +7,508 |
| | ** | 206,775 | 198,726 | +8,049 |
| Capital adequacy ratio (%) | * | 32.6 | 32.5 | +0.1 |
| | ** | 31.9 | 32.1 | -0.2 |

※ *Consolidated **Non-consolidated

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

(Unit: 100 million yen)

| | | Consolidated | | | Non-consolidated | | |
|-----------------------------------|----------------------|---------------------|---------------------|--------|---------------------|---------------------|--------|
| | | FY2010 (Results) | FY2009 (Results) | Change | FY2010 (Results) | FY2009 (Results) | Change |
| Capital expenditure | | 476 | 319 | +156 | 486 | 310 | +176 |
| C F | Operating activities | 271 | 390 | -119 | 260 | 362 | -102 |
| | Investing activities | -350 | -304 | -45 | -346 | -300 | -45 |
| | (FCF) | (-78) | (86) | (-165) | (-85) | (62) | (-148) |
| | Financing activities | 62 | -101 | +164 | 68 | -84 | +153 |
| Interest-bearing debt outstanding | | 2,083 | 2,008 | +75 | 2,067 | 1,987 | +80 |

【Operating activities】 (-11.9bn.yen)

- Decrease in income before taxes
- Increase in expenditure due to increase of Inventories
- Increase in expenditure due to decrease of trade notes and accounts payables

【Investing activities】 (-4.5 bn.yen)

- Increase in capital expenditure

Accordingly, free cash-flow decreased 16.5 billion yen.

Annual Outlook Summary

(Unit: million yen, X)

| | Consolidated (A) | | | | Non-consolidated (B) | | | | (A)/(B) | |
|------------------|----------------------|---------------------|--------|----------------------------------|----------------------|---------------------|--------|----------------------------------|----------------------|---------------------|
| | FY2011 (Forecast) | FY2010 (Results) | Change | FY2011 1st half (Forecast) | FY2011 (Forecast) | FY2010 (Results) | Change | FY2011 1st half (Forecast) | FY2011 (Forecast) | FY2010 (Results) |
| Sales | 171,300 | 158,494 | +8.1% | 87,800 | 162,300 | 150,896 | +7.6% | 84,100 | 1.06 | 1.05 |
| Operating income | 13,700 | 14,376 | -4.7% | 9,200 | 12,200 | 12,490 | -2.3% | 9,400 | 1.12 | 1.15 |
| Ordinary income | 10,500 | 11,042 | -4.9% | 7,800 | 9,000 | 9,240 | -2.6% | 8,000 | 1.17 | 1.19 |
| Net income | 7,000 | 8,047 | -13.0% | 5,400 | 6,100 | 6,872 | -11.2% | 5,500 | 1.15 | 1.17 |

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

【Revenue】

- Increase in income from the Fuel Cost Adjustment System in Electric business.
- Increase in sales in consolidated subsidiaries.

【Expenditure】

- Increase in fuel cost and power purchase cost in Electric business.

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

■ Electricity Sales Volume

(Unit: million kWh)

| | FY2011 (Forecast) | FY2010 (Results) | Change | Rate of change |
|----------|----------------------|---------------------|--------|-------------------|
| Lighting | 2,973 | 2,991 | -18 | -0.6% |
| Power | 4,591 | 4,530 | +61 | +1.3% |
| Total | 7,564 | 7,521 | +43 | +0.6% |

■ Revenue and Expenditure

(Unit: million yen)

| | | FY2011 (Forecast) | FY2010 (Results) | Change | Rate of change |
|----------------------|---|----------------------|---------------------|-----------|-------------------|
| Ordinary revenues | Electricity sales | 161,300 | 149,683 | +11,616 | +7.8% |
| | Other income | 1,400 | 1,840 | -440 | -23.9% |
| | (Sales) | (162,300) | (150,896) | (+11,403) | (+7.6%) |
| | Total | 162,700 | 151,524 | +11,175 | +7.4% |
| Ordinary expenses | Personnel | 16,500 | 16,322 | +177 | +1.1% |
| | Fuel | 51,200 | 41,348 | +9,851 | +23.8% |
| | Repair and maintenance | 16,400 | 16,696 | -296 | -1.8% |
| | Depreciation | 22,100 | 21,004 | +1,095 | +5.2% |
| | Purchased power from other utilities | — | 43 | -43 | -100.0% |
| | Expenditure for power purchases | 17,000 | 15,785 | +1,214 | +7.7% |
| | Interest | 3,000 | 2,888 | +111 | +3.8% |
| | Tax and other public charges | 7,300 | 7,105 | +194 | +2.7% |
| | Other expenses | 20,200 | 21,088 | -888 | -4.2% |
| | (Operating expenses) | (150,100) | (138,406) | (+11,693) | (+8.4%) |
| Total | 153,700 | 142,284 | +11,415 | +8.0% | |
| (Operating income) | | (12,200) | (12,490) | (-290) | (-2.3%) |
| Ordinary income | | 9,000 | 9,240 | -240 | -2.6% |
| Income taxes | | 2,900 | 2,367 | +532 | +22.5% |
| Net income | | 6,100 | 6,872 | -772 | -11.2% |

■ Sales : 162.3 billion yen (+11.4 bn. yen)

[Electricity sales]

Increase in income from the Fuel Cost Adjustment System

[Other income]

Decrease in other electricity revenues

■ Operating income : 12.2 billion yen (-0.3 bn. yen)

■ Ordinary income : 9.0 billion yen (-0.2 bn. yen)

【Factors for decrease】

[Fuel cost] Rise in fuel prices

[Power purchase cost] Rise in coal prices

[Depreciation]

Start of operations of power generation facilities

【Factors for increase】

[Sales] Increase in electricity sales

[Other expenses] Decrease in environmental expenditure

[Repair and maintenance]

Decrease in periodic maintenance cost

■ Net income : 6.1 billion yen (-0.8 bn. yen)

Non-Consolidated

- Trends in Data and Effects of Changes (FY2011 Forecast)

■ Main Data

| | | FY2011 (Forecast) | FY2010 (Results) |
|---------------------|--------|----------------------|---------------------|
| Crude oil CIF price | \$/bbl | 110.0 | 84.1 |
| Coal CIF price | \$/t | 121.0 | 95.6 |
| Exchange rate | Yen/\$ | 85.0 | 85.7 |

■ Effects of Changes

(Unit: 100 million yen)

| | | FY2011 (Forecast) | FY2010 (Results) |
|------------------------|---------|----------------------|---------------------|
| Crude oil CIF price ※ | 1\$/bbl | 2.6 | 2.4 |
| Coal CIF price ※ | 1\$/t | 1.7 | 1.7 |
| Exchange rate ※ | 1Yen/\$ | 5.6 | 4.2 |
| Electric energy demand | 1% | 6.8 | 6.8 |
| Interest rate | 1% | 0.6 | 0.7 |

※ 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)

| | FY2011 (Forecast) | FY2010 (Results) | Change | Rate of change |
|---------------------|----------------------|---------------------|---------|-------------------|
| Sales | 171,300 | 158,494 | +12,805 | +8.1% |
| Operating income | 13,700 | 14,376 | -676 | -4.7% |
| Ordinary income | 10,500 | 11,042 | -542 | -4.9% |
| Net income | 7,000 | 8,047 | -1,047 | -13.0% |

■ By Segment (Forecast)

(Unit: million yen)

| | Electric business | Other |
|--|----------------------|----------|
| Sales | 162,300 | 40,600 |
| (YoY Change) | (+11,403) | (-2,783) |
| Sales to outside customers out of total | 162,100 | 9,200 |
| (YoY Change) | (+11,354) | (+1,450) |
| Operating income | 12,200 | 1,700 |
| (YoY Change) | (-290) | (-468) |

※ before eliminating internal transactions

Comparison with FY2010

■ Sales : 171.3 billion yen (+12.8 bn. yen)

【Factors for increase】

- Increase in electricity sales in Electric business
- Increase in sales in consolidated subsidiaries

■ Operating income : 13.7 billion yen (-0.7 bn. yen)

【Factors for decrease】

- Increase in fuel cost in Electric business
- Increase in power purchase cost in Electric business
- Increase in depreciation cost in Electric business

■ Ordinary income : 10.5 billion yen (-0.5 bn. yen)

■ Net income : 7.0 billion yen (-1.0 bn. yen)

-
- In “Other” segment, sales and operating income are expected to decrease due to a decrease in construction orders from Electric business, although sales to outside customers is expected to increase.



FY2011 Financial Outlook of each Company

(Unit: million yen)

| | | Sales | | | Operating income | | | Ordinary income | | | Net income | | |
|---|--|-----------------|----------------|---------|------------------|----------------|--------|-----------------|----------------|--------|-----------------|----------------|--------|
| | | FY2011 Forecast | FY2010 Results | Change | FY2011 Forecast | FY2010 Results | Change | FY2011 Forecast | FY2010 Results | Change | FY2011 Forecast | FY2010 Results | Change |
| The Okinawa Electric Power Co., Inc. | | 162,300 | 150,896 | +11,403 | 12,200 | 12,490 | -290 | 9,000 | 9,240 | -240 | 6,100 | 6,872 | -772 |
| Other | Okidenko Co., Inc. | 15,012 | 15,554 | -542 | 337 | 578 | -241 | 383 | 657 | -274 | 221 | 376 | -154 |
| | Okiden Kigyo Co., Inc. | 4,776 | 5,286 | -509 | 107 | 135 | -27 | 154 | 181 | -26 | 70 | 78 | -7 |
| | Okinawa Plant Kogyo Co., Inc. | 9,234 | 10,833 | -1,599 | 73 | 287 | -214 | 90 | 311 | -221 | 51 | 145 | -93 |
| | Okinawa Denki Kogyo Co., Inc. | 1,060 | 1,273 | -213 | 76 | 131 | -55 | 80 | 136 | -56 | 51 | 96 | -45 |
| | Okiden Kaihatsu Co., Inc. | 3,846 | 3,539 | +306 | 536 | 537 | -1 | 500 | 492 | +8 | 288 | 282 | +6 |
| | The Okiden Global Systems Co., Inc. | 2,134 | 2,455 | -320 | 56 | 62 | -6 | 65 | 79 | -14 | 38 | 22 | +15 |
| | Okinawa Enetech Co., Inc. | 940 | 844 | +95 | 20 | 12 | +7 | 20 | 12 | +7 | 10 | 76 | -66 |
| | Okinawa New Energy Development Co., Inc. | 627 | 561 | +66 | -57 | -101 | +44 | -84 | -130 | +46 | -84 | -123 | +38 |
| | Okisetsubi Co., Ltd. | 1,100 | 1,058 | +41 | 13 | 13 | +0 | 14 | 13 | +0 | 13 | 12 | +1 |
| | First Riding Technology, Inc. | 1,373 | 1,319 | +54 | 377 | 389 | -12 | 354 | 374 | -19 | 354 | 395 | -41 |
| | Progressive Energy Corp. | 1,267 | 1,675 | -407 | 29 | 85 | -56 | 29 | 85 | -55 | 20 | 32 | -11 |
| Elimination (Include investment gain/loss by equity method) | | -32,373 | -36,804 | +4,430 | -70 | -248 | +178 | -108 | -413 | +304 | -137 | -220 | +83 |
| Consolidated | | 171,300 | 158,494 | +12,805 | 13,700 | 14,376 | -676 | 10,500 | 11,042 | -542 | 7,000 | 8,047 | -1,047 |

※The figures for "Kanucha Community Co., Inc." are included in "Elimination", due to the company's dissolution in March.2011.

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

(Unit : 100 million yen)

| | | Consolidated | | | Non-consolidated | | |
|-----------------------------------|----------------------|----------------------|---------------------|--------|----------------------|---------------------|--------|
| | | FY2011 (Forecast) | FY2010 (Results) | Change | FY2011 (Forecast) | FY2010 (Results) | Change |
| Capital expenditure | | 503 | 476 | +27 | 504 | 486 | +17 |
| C F | Operating activities | 288 | 271 | +16 | 280 | 260 | +19 |
| | Investing activities | -436 | -350 | -86 | -431 | -346 | -85 |
| | (FCF) | (-148) | (-78) | (-69) | (-151) | (-85) | (-65) |
| | Financing activities | 148 | 62 | +86 | 157 | 68 | +88 |
| Interest-bearing debt outstanding | | 2,247 | 2,083 | +163 | 2,240 | 2,067 | +172 |

【Operating activities】 (+1.6 bn. yen)

- Decrease in income taxes paid

【Investing activities】 (-8.6 bn. yen)

- Increase in capital expenditure

Accordingly, free cash-flow decreases Year-on-Year.



[Reference]

Trends in Financial Indicators (Non-Consolidated)

| | | 2006 | 2007 | 2008 | 2009 | 2010 |
|--|-----------------|---------|---------|---------|---------|---------|
| Sales | Million yen | 147,201 | 149,320 | 161,239 | 151,825 | 150,896 |
| Operating income | Million yen | 13,690 | 13,144 | 12,006 | 14,935 | 12,490 |
| EBITDA | Million yen | 37,009 | 36,542 | 34,485 | 36,263 | 33,495 |
| Ordinary income | Million yen | 10,096 | 9,733 | 8,889 | 11,315 | 9,240 |
| Net income | Million yen | 6,398 | 6,590 | 3,635 | 7,293 | 6,872 |
| | | | | | | |
| ROA (Operating income/Assets) | % | 3.9 | 3.7 | 3.5 | 4.3 | 3.5 |
| ROA (Net income/Assets) | % | 1.8 | 1.9 | 1.1 | 2.1 | 1.9 |
| Capital adequacy ratio | % | 28.1 | 29.7 | 30.7 | 32.1 | 31.9 |
| Interest-bearing debt outstanding | 100 million yen | 2,217 | 2,122 | 2,060 | 1,987 | 2,067 |
| | | | | | | |
| Total assets | Million yen | 354,113 | 347,192 | 343,999 | 349,308 | 368,596 |
| Total assets turnover | X | 0.41 | 0.43 | 0.47 | 0.44 | 0.42 |
| Shareholders' equity | Million yen | 99,392 | 103,258 | 105,503 | 112,103 | 117,756 |
| ROE | % | 6.6 | 6.5 | 3.5 | 6.7 | 6.0 |
| Return on sales (Operating income/Sales) | % | 9.3 | 8.8 | 7.4 | 9.8 | 8.3 |
| Return on sales (Net income/Sales) | % | 4.3 | 4.4 | 2.3 | 4.8 | 4.6 |
| D/E ratio | X | 2.23 | 2.06 | 1.95 | 1.77 | 1.76 |



[Reference]

Trends in Financial Indicators (Consolidated)

| | | 2006 | 2007 | 2008 | 2009 | 2010 |
|--|-----------------|---------|---------|---------|---------|---------|
| Sales | Million yen | 159,395 | 161,521 | 173,136 | 162,501 | 158,494 |
| Operating income | Million yen | 15,482 | 14,809 | 14,086 | 17,397 | 14,376 |
| EBITDA | Million yen | 40,394 | 39,610 | 37,938 | 39,740 | 35,815 |
| Ordinary income | Million yen | 11,739 | 10,971 | 10,717 | 13,659 | 11,042 |
| Net income | Million yen | 6,418 | 7,072 | 5,604 | 8,950 | 8,047 |
| | | | | | | |
| ROA (Operating income/Assets) | % | 4.1 | 4.0 | 3.8 | 4.8 | 3.8 |
| ROA (Net income/Assets) | % | 1.7 | 1.9 | 1.5 | 2.4 | 2.1 |
| Capital adequacy ratio | % | 27.1 | 28.7 | 30.2 | 32.5 | 32.6 |
| Interest-bearing debt outstanding | 100 million yen | 2,326 | 2,231 | 2,144 | 2,008 | 2,083 |
| | | | | | | |
| Total assets | Million yen | 376,071 | 369,840 | 365,557 | 365,299 | 385,159 |
| Total assets turnover | X | 0.42 | 0.43 | 0.47 | 0.44 | 0.42 |
| Shareholders' equity | Million yen | 101,914 | 106,150 | 110,334 | 118,614 | 125,413 |
| ROE | % | 6.5 | 6.8 | 5.2 | 7.8 | 6.6 |
| Return on sales (Operating income/Sales) | % | 9.7 | 9.2 | 8.1 | 10.7 | 9.1 |
| Return on sales (Net income/Sales) | % | 4.0 | 4.4 | 3.2 | 5.5 | 5.1 |
| D/E ratio | X | 2.28 | 2.10 | 1.94 | 1.69 | 1.66 |

※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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