

The information shown below is an English translation of excerpts from the Dai-san-shihanki Zaimu Gyouseki no Gaikyou (Renketsu), the Consolidated Financial Report for the nine months period ended December 31, 2006.

This English translation is prepared for convenience.

January 31, 2007

Consolidated Quarterly Financial Report (Financial Report for the nine months period ended December 31, 2006)

Name of Listed Company : THE CHUGOKU ELECTRIC POWER CO., INC.

Code : 9504

(URL <http://www.energia.co.jp>)

Representative : Takashi Yamashita, President

Contact : Kimitoshi Nakamura, Manager, Energia Business Division

TEL : +81-82-241-0211

Performance Over the Nine Months Period Ended December 31, 2006 (April 1, 2006 ~ December 31, 2006)

(1) Consolidated Operating Results

(Figures are rounded down to the million)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
3rd Period Ended December 31, 2006	782,047	4.2	83,831	15.9	63,364	18.9	39,986	16.7
3rd Period Ended December 31, 2005	750,699	2.0	72,307	-25.6	53,289	-27.0	34,254	-12.3
(Reference) Year Ended March 31, 2006	1,040,289		100,095		74,142		45,166	

	Earnings per Share	EPS after adjusting residual securities
	yen	yen
3rd Period Ended December 31, 2006	109.82	-
3rd Period Ended December 31, 2005	94.11	-
(Reference) Year Ended March 31, 2006	123.44	-

Note : Percentages shown for operating revenues and operating income, etc. indicate the ratio of increase or decrease compared to the same period of the previous year.

In spite of the impact of electric power rate reductions implemented from July 2006, operating revenues in this period were 782 billion yen, representing an increase of 31.3 billion yen over the same period of the previous year. This was due to the fact that operating revenues of electric power business increased due to higher electricity sales resulting from steady growth in electricity sales of large industrial power sector, and the fact that revenue from LNG sales increased, etc.

In spite of increased operation of hydro electric power stations due to abundant rainfall in the first half of the year, reduced depreciation expense, and efforts to improve management efficiency overall, operating expenses were 698.2 billion yen, up by 19.8 billion yen over the same period of the previous year. This was due to the increase in materials costs brought about by an increase in fuel prices, and other factors.

As a result, operating income was 83.8 billion yen, up by 11.5 billion yen over the same period of the previous year.

Moreover, ordinary income, obtained by adding other incomes to and subtracting other expenses, including interest expense, from operating income, were 63.3 billion yen, representing an increase of 10 billion yen over the same period of the previous year.

The net income, obtained by deducting provision for drought and income taxes, etc., was 39.9 billion yen, representing an increase of 5.7 billion yen over the same period of the previous year.

(2) Consolidated Financial Standing

	Total Assets	Net Assets	Stockholders' Equity Ratio	Book-value per Share
	million yen	million yen	%	yen
3rd Period Ended December 31, 2006	2,652,984	718,524	26.9	1,958.39
3rd Period Ended December 31, 2005	2,640,141	684,181	25.9	1,879.94
(Reference) Year Ended March 31, 2006	2,655,467	695,494	26.2	1,910.41

In spite of an increase in nuclear fuel and funds reserved for reprocessing of irradiated nuclear fuel, total assets were 2.4 billion yen lower than at the end of the previous fiscal year due to the drop in fixed assets for electric power business bought about by the advance in depreciation.

Net assets were up to 718.5 billion yen thanks to the attainment of profits in excess of dividends, etc.

(Minority interests has been included in net assets from this period, however, even when the end of this period is compared with the end of the previous fiscal year based on the same criteria, the balance is 713.5 billion yen, showing an increase of 18 billion yen over the end of the previous fiscal year).

As a result, the stockholders' equity ratio was 26.9%, up by 0.7% over the end of the previous fiscal year.

[Application of Consolidated Cash Flow]

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Cash and Cash Equivalent at the End of the Period
	million yen	million yen	million yen	million yen
3rd Period Ended December 31, 2006	99,714	-91,258	-5,927	20,491
3rd Period Ended December 31, 2005	93,495	-78,231	-18,220	21,077
(Reference) Year Ended March 31, 2006	158,096	-109,331	-55,145	17,848

In spite of increase in the paid amount of materials costs caused by an increase in fuel prices, etc., the cash flow from operating activities showed revenue of 99.7 billion yen, up by 6.2 billion yen over the same period of the previous year. This was brought about by higher revenues resulting from steady growth in electricity sales of large industrial power sector, etc.

The cash flow from investment activities showed expenditure of 91.2 billion yen mainly resulting from outlay of 94.1 billion yen on the acquisition of fixed assets.

As a result, the free cash flow, obtained by subtracting the cash flow from investment activities from the cash flow from operating activities, showed revenue of 8.4 billion yen.

Following the procurement of funds through corporate bonds and the payment of dividends, etc., the cash flow from financial activities showed expenditure of 5.9 billion yen, and the balance of cash and cash equivalents was 2.6 billion yen up on the end of the previous fiscal year.

Forecasts of Consolidated Results for the Year Ending March 31, 2007

There is no change to the full-year result forecast announced on October 31, 2006.

	Operating Revenues	Ordinary Income	Net Income
	billion yen	billion yen	billion yen
Year Ending March 31, 2007	1,060	61	36

(Reference) Forecast net income per share (full year): 98.80 yen

The above forecast was prepared based on available information on the day these materials were announced. Actual results may differ from these forecast values depending on various factors from now on.