

Unaudited Financial Release (Consolidated)
(Chukan Renketsu Kessan Tanshin)

The information below is an English translation of extracts from the Chukan Renketsu Kessan Tanshin (Unaudited Financial Release [Consolidated]) which has been filed with the major Japanese stock exchanges (Osaka, Tokyo and Nagoya) for public inspection.

November 19, 2003

Unaudited Financial Release (Consolidated)
for the Six-Months Ended September 30, 2003

The Kansai Electric Power Co., Inc. (Code: 9503)
3-22 Nakanoshima 3-chome, Kita-ku, Osaka
(URL <http://www.kepc.co.jp>)
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I. Performance over the Six-Months Ended September 30, 2003 and 2002
(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Six-Months Ended Sep. 30</u>		(Million yen) <u>Year ended</u> <u>March 31</u>
	2003	2002	2003
Operating Revenues	1,276,197 (-5.0%)	1,343,958 (-1.4%)	2,615,154
Operating Income	243,355 (2.3%)	237,803 (1.7%)	325,581
Ordinary Income *	179,994 (4.8%)	171,805 (7.8%)	174,745
Net Income	108,090 (4.2%)	103,730 (-21.0%)	80,474
Net Income per Share	114.26 yen	107.80 yen	83.49yen
Fully Diluted Net Income per Share	110.76 yen	104.60 yen	81.99yen

Notes:

1. Equity in earnings (losses) of associated companies

Six-months ended September 30, 2003;	2,930 million yen
Six-months ended September. 30, 2002;	(6,313) million yen
Year ended March 31, 2003;	(4,650) million yen
2. Average number of shares outstanding

Six-months ended September 30, 2003;	946,003,214
Six-months ended September 30, 2002;	962,268,225
Year ended March 31, 2003;	958,010,034
3. No changes have been made in accounting policies.
4. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.
5. Figures in brackets are changes from the previous periods.

2. Financial Position

	(Million yen)		
	<u>As of Sep. 30</u>		<u>As of March 31</u>
	2003	2002	2003
Total Assets	7,363,654	7,478,376	7,402,327
Shareholders' Equity	1,654,920	1,662,446	1,548,131
Shareholders' Equity Ratio	22.5%	22.2%	20.9%
Shareholders' Equity per Share	1,749.00 yen	1,727.82 yen	1,636.72 yen

Notes:

Number of shares outstanding

As of September 30, 2003; 946,208,881

As of September 30, 2002; 962,165,977

As of March 31, 2003; 945,576,108

3. Statements of Cash Flows

	(Million yen)		
	<u>Six-Months ended Sep. 30</u>		<u>Year ended</u>
	2003	2002	<u>March 31</u>
Net cash provided by Operating Activities	348,210	354,249	656,040
Net cash used in Investing Activities	-149,675	-231,011	-409,591
Net cash used in Financing Activities	-199,266	-142,650	-271,343
Cash and Cash Equivalents, End of year	103,418	109,606	104,183

4. Scope of Consolidation and Application of Equity Method

Number of Consolidated Subsidiaries: 85

Number of Equity Method Applied Unconsolidated Subsidiaries: None

Number of Equity Method Applied Associated Companies: 1

5. Changes in Scope of Consolidation and Application of Equity Method

(Consolidated Subsidiaries)

(Affiliates accounted for by equity method)

Number of Newly Included: 7

Number of Newly Included: None

Number of Excluded: None

Number of Excluded: None

II. Earnings Forecasts

	(Billion yen)
	<u>Year Ending March 31, 2004</u>
Operating Revenues	2,530
Ordinary Income*	162
Net Income	88

Reference:

Forecast of Net Income per Share for the year ending March 31, 2004; 93.00 yen

Notes:

1. Key data for Earnings Forecasts

Electricity Sales	139,000 GWh (2.0% decrease from the previous period)
Exchange rate per U.S. dollar	¥ 115
CIF crude oil price per barrel	\$ 29
Nuclear usage	88.6%
Flow rate	110.5%

2. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

1.Kansai Electric Power Group

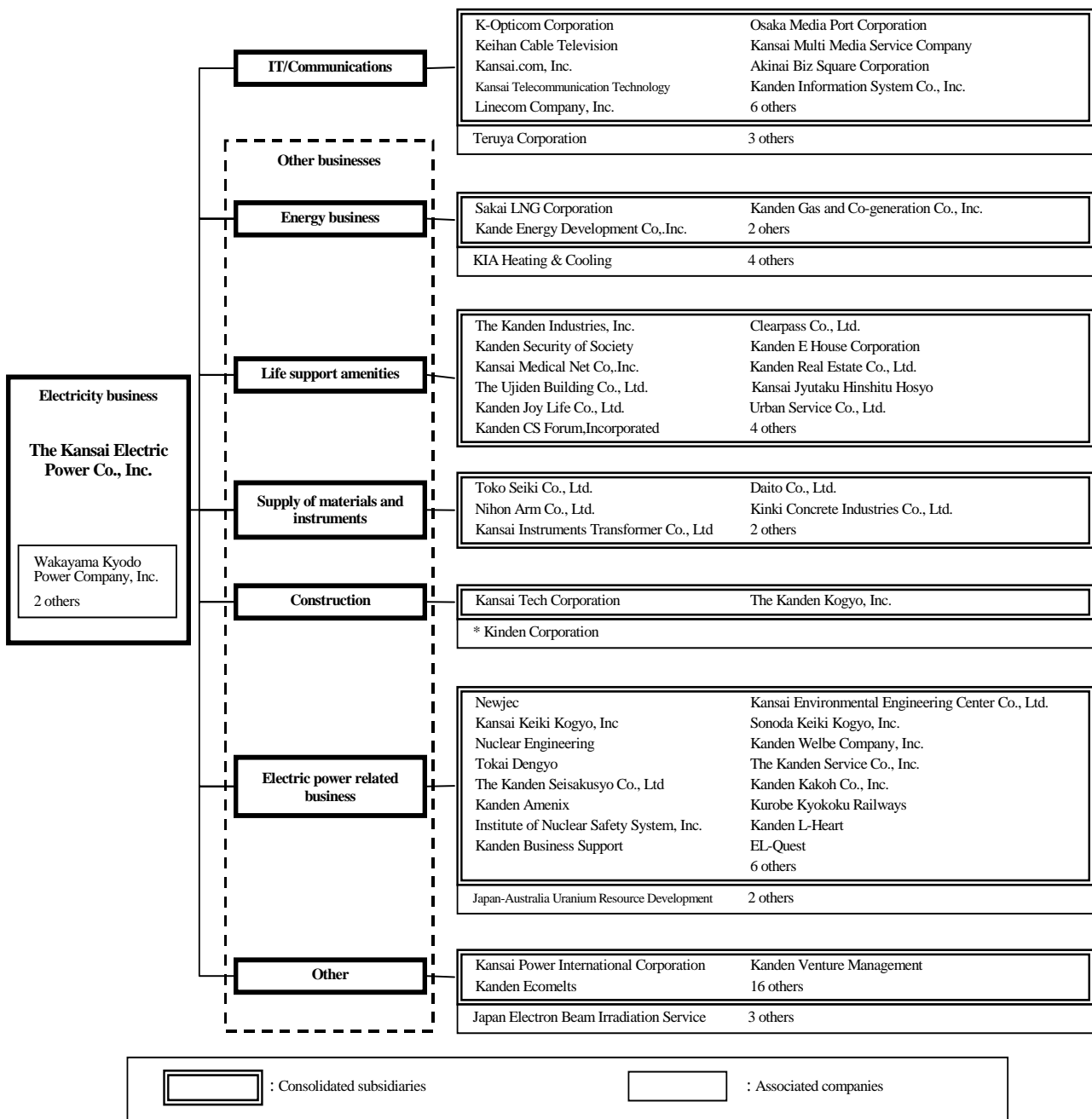
(1) Business group

[Number of group companies : 105 (Subsidiaries : 85, Associated companies : 20)]

Our business group is engaged in a variety of businesses in addition to our core business, Electricity business in order to support regional customers' lives.

In our non-electric business areas, we focus on three strategic business areas: IT/Communication, Energy business and Life-support amenities. Our group is also engaged in Supply of materials and instruments, Construction and Electric power related business in order to support our core business.

(2) Group structure and major group companies



Note: 1. The company with (*) is an associated company accounted for by equity method
 2. Following companies are listed on domestic stock exchanges.

Kinden Corporation Tokyo Stock Exchange (1st Section), Osaka Securities Exchange (1st Section)

(3) Subsidiaries and associated companies

Company name	Location	Capital (¥ mil)	Principal business	Ownership (%)
(Consolidated subsidiaries) K-Opticom Corporation	Kita-ku Osaka	33,000	Internet connection service, Digital cellular phone (PHS) service and lease of telecommunications facilities	100.0
Osaka Media Port Corporation	Kita-ku Osaka	24,000	Telecommunication business(Type)	99.4
Keihan Cable Television Co.	Hirakata Osaka	2,418	Cable television service and internet connection service by cable television	75.1 (8.3)
Kansai Multi Media Service Co.	Nishi-ku Osaka	2,000	Internet connection service	48.8 (10.0) 2.0*
Kansai. Com Inc.	Chuo-ku Osaka	450	Operation of internet website	55.0 (40.0)
Akinai Biz Square Co.	Kita-ku Osaka	380	Operation of a website for B-to-B e-commerce	62.0
Kansai Telecommunication Technology Co., Ltd.	Chuo-ku Osaka	200	Telecommunication business(Type)	100.0 (51.0)
Kanden Information System Co., Inc.	Nishinomiya Hyogo	90	Computer-assisted calculation and lease of computers	100.0
Linecom Co., Inc.	Nishi-ku Osaka	60	Development of technology of power line communication	51.0
Sakai LNG Co., Inc.	Sakai Osaka	1,000	Construction of Sakai LNG terminal and operation of LNG terminal	70.0
Kanden Gas and Co-generation Co., Inc.	Kita-ku Osaka	400	Gas sales agent and design of optimum systems such as co-generations	90.0
Kanden Energy Development	Kita-ku Osaka	200	Heat supply service	100.0
The Kanden Industries, Inc.	Kita-ku Osaka	810	Management and lease of real estate	100.0
Clearpass Co., Ltd	Kita-ku Osaka	450	Billing service	100.0
Kanden Security of Society	Kita-ku Osaka	400	Home security service	71.0
Kanden E House Corporation	Yodogawa-ku Osaka	300	Housing design and sale of electric appliances	100.0
Kansai Medical Net Co., Ltd.	Chuo-ku Kyoto	300	Support of health care	80.0
Kanden Real Estate Co., Ltd.	Kita-ku Osaka	290	Sale, lease and management of real estate	100.0 (32.0)
The Ujiden Building Co., Ltd.	Kita-ku Osaka	250	Lease of office	86.6 (9.7)
Kansai Jyutaku Hinsitsu Hosyo	Kita-ku Osaka	200	Performance evaluation and guarantee of new houses	62.5
Kanden Joy Life Co., Ltd.	Kita-ku Osaka	200	Construction and operation of private old people's homes and fosterage of helpers	100.0 (5.0)
Urban Service Co., Ltd.	Chuo-ku Osaka	36	Management of apartment houses	60.0 (15.0)
Kanden CS Forum, Inc.	Higashinari-ku Osaka	30	Operation of portal site and call centre Marketing service	100.0
Toko Seiki Co., Ltd	Settsu Osaka	519	Manufacture and sale of electricity measuring device	100.0
Daito Co., Ltd.	Izumisano Osaka	500	Manufacture and sale of insulator	100.0
Nihon Arm Co., Ltd	Kita-ku Osaka	412	Manufacture and sale of steel electric pole	88.5 (43.3)

Company name	Location	Capital (¥ mil)	Principal business	Ownership (%)
Kinki Concrete Industries Co., Ltd.	Kita-ku Osaka	240	Manufacture and sale of concrete product	65.0 (11.3)
Kansai Instruments Transformer Co., Ltd.	Toyonaka Osaka	20	Manufacture and sale of transformer	40.0 (20.0)
Kansai Tech Corporation	Kita-ku Osaka	786	Electrical construction, transportation and reclamation of petroleum	100.0 (23.3)
The Kanden Kogyo, Inc.	Kita-ku Osaka	300	Electrical construction and engineering	100.0
Newjec	Chuo-ku Osaka	200	Survey, design and management of construction	76.0 (2.0)
Kansai Environmental Engineering Center Co., Ltd.	Chuo-ku Osaka	20	Environmental assessment, survey of environmental preservation	100.0
Kansai Keiki Kogyo, Inc.	Kita-ku Osaka	40	Maintenance and examination of electric meters	100.0
Sonoda Keiki Kogyo, Inc.	Amagasaki Hyogo	30	Maintenance and examination of electric meters	100.0
Nuclear Engineering	Nishi-ku Osaka	100	Nuclear plant engineering	50.0
Kanden Welbe Company, Inc.	Toyama Toyama	90	Electrical and civil construction contract and management, operation and management of real estate	100.0
Tokai Dengyo	Nagoya Aichi	75	Contract and management of electrical and civil construction, operation and management of real estate	100.0
The Kanden Service Co., Inc.	Kita-ku Osaka	70	Electric pole advertising	100.0 (28.6)
The Kanden Seisakusyo Co., Ltd	Nishi-ku Osaka	30	Repair, sale and lease of automobile, waste collection, transportation and disposal	100.0 (20.0)
Kanden Kakoh Co., Inc.	Minato-ku Osaka	30	Operation, maintenance and construction of environmental preservation facilities, waste collection and disposal	100.0
Kanden Amenix	Chuo-ku Osaka	10	Sale of electric appliances	100.0
Kurobe Kyokoku Railways	Unazuki Shimoarakawa Toyama	250	Passenger and freight transportation	100.0
Institute of Nuclear Safety System, Inc.	Mihama Mikata Fukui	200	Survey and research of nuclear power safety technology	100.0
Kanden EL Heart	Suminoe-ku Osaka	200	Printing business, sale of novelties	51.0
Kanden Business Support	Kita-ku Osaka	10	Intra-group money-lending	100.0
EL Quest	Fukushima-ku Osaka	10	Development of energy saving technology and practice use research	50.0
Kansai Power International Corporation	Kita-ku Osaka	7,659	Investment in overseas electric power business and survey of overseas projects	100.0
Kanden Venture Management	Kita-ku Osaka	495	Investment in venture companies and consulting	100.0 (24.2)
Kanden Ecomelts	Chuo-ku Osaka	120	Recycling of polystyrene	90.0 (10.0)
36 others				
(Associated company accounted for by equity method) Kinden Corporation	Kita-ku Osaka	26,411	Electrical construction and engineering	41.6 (5.9)

Notes: Figures in parentheses in “ownership” represent the percentage indirectly owned by Kansai Electric and included in total ownership. Figures with asterisk in “ownership” represent the percentage owned by associated companies of Kansai Electric and excluded from total ownership.

Power generation and sales

[Power generation]

(GWh)

	Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Change(%)
Kansai Electric			
Hydroelectric	11,631	9,649	120.5
Fossil Fuel	12,076	13,571	89.0
Nuclear	37,378	40,610	92.0
Purchased (sold) power from(to) other companies	12,876 (228)	11,244 (63)	114.5 360.6
Purchased (sold) power from(to) other utility companies	9,005 (1,864)	7,974 (1,242)	112.9 150.1
Power used for pumped storage	-3,206	-2,956	108.5
Total	77,670	78,787	98.6
Losses	-6,653	-6,645	100.1
Electricity sales	71,017	72,142	98.4
Water flow rate (%)	117.1	90.9	

Note: Electricity sales include electricity used for the Company's own business.

(126GWh for Six-Months ended 2 Sep. 30, 2003 and 124GWh for Six-Months ended 2 Sep. 30, 2003)

[Number of contracts and contract demand]

		As of Sep. 30, 2003	As of Sep. 30, 2002	Change(%)
Contracts	Residential	11,747,700	11,647,561	100.9
	Commercial and industrial	1,385,369	1,407,129	98.5
	Total	13,133,069	13,054,690	100.6
Contract Demand (kW)	Residential	5,001,148	4,443,879	112.5
	Commercial and industrial	26,291,055	26,653,203	98.6
	Total	31,292,203	31,097,082	100.6

Note: Excluding the liberalized segment and sales to other companies.

[Electricity sales and revenues]

		Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Change(%)
Electricity Sales (MW h)	Residential	21,452,406	22,052,621	97.3
	Commercial and industrial	49,564,764	50,088,881	99.0
	Total	71,017,170	72,141,502	98.4
	Sales to other companies	227,844	63,190	360.6
	Sales to other utility companies	1,863,616	1,241,773	150.1
Revenues (million yen)	Residential	454,459	491,258	92.5
	Commercial and industrial	707,263	768,467	92.0
	Late payment	1,518	1,692	89.7
	Total	1,163,241	1,261,418	92.2
	Sales to other companies	1,848	726	254.4
	Sales to other utility companies	17,169	10,388	165.3

Notes:

1. Including the liberalized segment.
2. Consumption taxes are not included in revenues.

Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2003	As of Mar. 31, 2003	Increase/ decrease	As of Sep. 30, 2002
(Assets)				
Property	6,930,864	7,005,043	-74,178	7,038,393
Utility facilities	4,515,692	4,630,848	-115,156	4,812,735
Hydroelectric power production facilities	474,124	482,527	-8,402	495,446
Thermal power production facilities	403,548	423,750	-20,201	467,669
Nuclear power production facilities	453,691	476,572	-22,881	492,199
Transmission facilities	1,468,691	1,494,318	-25,626	1,530,958
Transformation facilities	557,225	574,350	-17,124	594,628
Distribution facilities	984,259	999,280	-15,020	1,046,600
General facilities	160,106	165,792	-5,685	171,152
Other utility facilities	14,043	14,256	-212	14,080
Other plant and equipment	437,361	443,867	-6,506	285,585
Construction in progress	829,186	822,748	6,437	819,154
Nuclear fuel	511,061	517,485	-6,424	508,712
Loaded nuclear fuel	102,111	101,111	1,000	94,458
Nuclear fuel in processing	408,949	416,374	-7,425	414,253
Investments and other assets	637,563	590,092	47,471	612,207
Long-term investments	189,259	155,207	34,052	202,934
Deferred tax assets	263,455	248,575	14,879	216,125
Other	187,214	187,282	-67	193,903
Allowance for doubtful accounts	-2,365	-973	-1,392	-757
Current assets	432,790	397,284	35,505	439,982
Cash and time deposits	95,333	99,015	-3,681	102,944
Accounts receivable	159,199	150,212	8,987	162,615
Deferred tax assets	34,736	32,236	2,499	46,259
Other current assets	146,562	119,729	26,832	132,664
Allowance for doubtful accounts	-3,041	-3,910	868	-4,501
Total assets	7,363,654	7,402,327	-38,672	7,478,376

Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2003	As of Mar. 31, 2003	Increase/ decrease	As of Sep. 30, 2002
(Liabilities)				
Long-term liabilities and reserves	4,584,520	4,762,736	-178,216	4,710,439
Bond	1,359,327	1,554,297	-194,970	1,547,142
Convertible bond	178,557	178,557		178,557
Long-term loans	1,921,012	1,952,364	-31,352	1,953,344
Liability for retirement benefits	324,829	290,737	34,091	289,457
Reserve for reprocessing of irradiated nuclear fuel	545,720	529,630	16,089	488,865
Reserve for decommissioning of nuclear power units	228,735	225,402	3,333	219,912
Deferred tax liabilities	395	184	211	375
Other	25,942	31,562	-5,620	32,784
Current liabilities	1,109,727	1,079,214	30,513	1,100,047
Current maturities of long-term debt and other	392,480	365,996	26,484	350,694
Short-term borrowings	170,830	221,652	-50,821	221,972
Commercial papers	159,000	85,000	74,000	84,000
Accounts payable	60,800	79,059	-18,258	67,582
Accrued income tax	131,474	93,344	38,129	144,383
Deferred tax liabilities		113	-113	
Other current liabilities	195,141	234,048	-38,906	231,414
Provision by special laws	7,088		7,088	
Provision for fluctuations in water level	7,088		7,088	
Total liabilities	5,701,336	5,841,951	-140,614	5,810,487
Minority interest	7,397	12,244	-4,846	5,442
(Shareholders' Equity)				
Paid in capital	489,320	489,320		489,320
Capital surplus	66,580	65,463	1,117	65,463
Retained earnings	1,087,160	1,003,204	83,956	1,050,522
Net unrealized gain on available-for-sale securities	40,478	19,875	20,602	57,952
Foreign currency translation adjustments	105	100	4	127
Treasury stock	-28,724	-29,832	1,108	-939
Total shareholders' equity	1,654,920	1,548,131	106,788	1,662,446
Total liabilities, minority interest and shareholders' equity	7,363,654	7,402,327	-38,672	7,478,376

Consolidated Statements of Income

(million yen)

Account		Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Increase/ Decrease	Year ended Mar. 31, 2003	
Ordinary revenues and expenses	Operating revenues and expenses	Operating revenues	1,276,197	1,343,958	-67,760	2,615,154
		Electric	1,193,728	1,283,212	-89,484	2,461,694
		Other	82,469	60,745	21,724	153,460
		Operating expenses	1,032,841	1,106,154	-73,312	2,289,572
		Electric	953,027	1,043,397	-90,370	2,141,337
		Other	79,814	62,756	17,057	148,235
	(Operating income)		243,355	237,803	5,552	325,581
	Non-operating revenues and expenses	Non-operating revenues	12,581	4,534	8,046	9,792
		Dividends receivables	1,571	1,338	232	1,730
		Interests receivable	249	219	30	462
		Gain on sales of property, plant and equipment	1,283	1,053	229	2,008
		Equity in earnings of associated companies	2,930		2,930	
		Other	6,546	1,923	4,623	5,590
		Non-operating expenses	75,943	70,532	5,411	160,628
Interest expense		53,514	55,454	-1,940	113,065	
Equity in losses of associated companies		6,313	-6,313	4,650		
Other	22,428	8,763	13,665	42,911		
Total ordinary revenues		1,288,779	1,348,492	-59,713	2,624,946	
Total ordinary expenses		1,108,785	1,176,685	-67,901	2,450,201	
Ordinary income		179,994	171,805	8,188	174,745	
Provision for fluctuations in water level		7,088		7,088		
Special Item						
Loss on discontinuance of power plant construction					62,001	
Gain on sales of securities					28,286	
Income before income taxes and minority interests		172,905	171,805	1,100	141,030	
Income taxes-current		92,270	99,106	-6,836	88,301	
Income taxes-deferred		-27,826	-31,428	3,602	-28,379	
Minority interest in net income		370	397	-26	633	
Net income		108,090	103,730	4,360	80,474	

Consolidated Statements of Shareholders' Equity

(million yen)

Account	Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Year ended Mar. 31, 2003
(Capital surplus)			
Balance of capital surplus, beginning of period	65,463	65,463	65,463
Increase in capital surplus	1,117		
Surplus from transaction in treasury stock	1,117		
Decrease in capital surplus			
Balance of capital surplus, end of period	66,580	65,463	65,463
(Retained earnings)			
Balance of retained earnings, beginning of period	1,003,204	971,427	971,427
Increase in retained earnings	108,090	103,730	80,474
Net income	108,090	103,730	80,474
Decrease in retained earnings	24,134	24,635	48,698
Cash dividends, 25 yen per share	23,647	24,067	48,129
Bonuses to directors and corporate auditors	487	568	568
	1,087,160	1,050,522	1,003,204

Consolidated Statements of Cash Flows

(million yen)

Account	Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Increase/ decrease	Year ended Mar. 31, 2003
Operating Activities				
Income before income taxes and minority interest	172,905	171,805	1,100	141,030
Depreciation and amortization	192,725	197,468	-4,742	413,951
Amortization of nuclear fuel	27,299	30,605	-3,305	57,292
Loss on disposal of property, plant and equipment	7,758	5,972	1,786	17,584
Loss on discontinuance of power plant construction				62,001
Nuclear fuel transferred to reprocessing costs	4,089	17,132	-13,042	14,871
Increase (decrease) in liability for retirement benefits	34,091	12,711	21,380	13,000
Provision for reprocessing of irradiated nuclear fuel	16,089	5,451	10,638	46,216
Provision for decommissioning of nuclear power units	3,333	6,868	-3,535	12,358
Provision for fluctuations in water level	7,088		7,088	
Interest revenue and dividends received	-1,820	-1,558	-262	-2,193
Interest expense	53,514	55,454	-1,940	113,065
Gain on sales of securities				-28,286
Accounts receivable	-9,007	-14,278	5,271	1,166
Accounts payable	-18,258	-26,074	7,815	-14,709
Other	-43,249	17,046	-60,296	31,695
Sub total	446,560	478,605	-32,044	879,045
Receipt of interest and cash dividends	2,628	2,063	565	3,149
Interest paid	-57,024	-60,759	3,735	-114,627
Income taxes paid	-43,953	-65,659	21,705	-111,526
Net cash provided by operating activities	348,210	354,249	-6,038	656,040
Investing activities				
Purchases of property, plant and equipment	-150,575	-228,454	77,878	-415,846
Payment for investments and advances	-15,780	-14,282	-1,497	-38,621
Proceeds from sales or collections of investments and advances	6,386	3,436	2,949	36,577
Payment for purchase of investments in subsidiaries net of cash acquired		-464	464	-7,247
Other	10,293	8,754	1,539	15,545
Net cash used in investing activities	-149,675	-231,011	81,335	-409,591

Account	Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Increase/ decrease	Year ended Mar. 31, 2003
Financing Activities				
Proceeds from issuance of bonds		59,416	-59,416	98,849
Redemption of bonds	-150,268	-115,582	-34,685	-208,032
Proceeds from long-term debt (exclusive of bonds)	67,428	68,565	-1,137	158,353
Repayments of long-term debt (exclusive of bonds)	-115,071	-83,985	-31,086	-196,812
Proceeds from short-term borrowings	176,771	224,232	-47,461	453,634
Repayments of short-term borrowings	-228,319	-304,973	76,653	-534,663
Proceeds from issuance of commercial papers	785,000	603,000	182,000	828,000
Repayments of commercial papers	-711,000	-569,000	-142,000	-793,000
Purchases of treasury stock				-29,670
Dividends paid	-23,636	-24,060	423	-48,113
Other	-170	-264	94	110
Net cash used in financing activities	-199,266	-142,650	-56,616	-271,343
Foreign currency translation adjustments on cash and cash equivalents	-33	-65	31	-4
Net increase (decrease) in cash and cash equivalents	-765	-19,476	18,711	-24,899
Cash and cash equivalents, beginning of period	104,183	129,083	-24,899	129,083
Cash and cash equivalents, end of period	103,418	109,606	-6,187	104,183

(Summary of significant accounting policies)

1. Scope of Consolidation
Number of consolidated subsidiaries: 85 (all subsidiaries)
Newly consolidated subsidiaries in the six-months ended Sep. 30, 2003 are as follows.
Kansai Medical Net Co., Inc., Kanden CS Forum, Incorporated and 3 others
Refer to “Kansai Electric Power Group” for names of principal subsidiaries.
2. Application of the equity method
Number of associated companies accounted for by the equity method: 1 (Kinden Corporation)
Investments in the remaining affiliated companies are stated at cost, and had the equity method been applied to the investments in these companies, there would have been an immaterial effect on the accompanying consolidated financial statements
3. Consolidated subsidiaries' fiscal-year end
The first half of the fiscal year of seven consolidated subsidiaries (for the first half of the fiscal year ended September 30, 2003) is June 30. The Kansai Electric Power Co., Inc. (“the Company”) consolidates such subsidiaries' financial statements using their financial results for the first half of the fiscal year ended June 30. The effect of any significant transactions during the period between the subsidiaries' fiscal period-end and the Company's fiscal period-end are reflected in the consolidated financial statements.
4. Accounting standards
 - (1) Valuation of principal assets
 - a. Held-to-maturity debt securities, which management has the positive intent and ability to hold to maturity, are reported at amortized cost.
 - b. Available-for-sale securities whose fair value is readily determinable are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported as a separate component of shareholders' equity. Available-for-sale securities whose fair value is not readily determinable are reported at cost. The cost of securities sold is determined by the moving-average method.
 - c. All derivatives are reported at fair value.
 - d. Inventories, mainly fuel, are stated at cost determined by the average method.
 - (2) Method of depreciation of principal property
Most of consolidated subsidiaries adopt the same methods of depreciation of principal property. Depreciation is principally computed by the declining-balance method based on the estimated useful lives of the assets.
 - (3) Accounting standard for principal reserves
 - a. Allowance for doubtful accounts
To protect against potential losses from uncollectible accounts receivable, the Company and consolidated subsidiaries (“the Companies”) provides for uncollectible accounts based on the Companies' past credit loss experience and an evaluation of potential losses in the receivables outstanding.
 - b. Liability for retirement benefits
Liability for retirement benefits is accounted for based on the projected benefit obligations and plan assets at the balance sheet date. Prior service cost is being amortized by the straight-line method over a period of principally 3 years. Actuarial gains or losses are being recognized by the straight-line method over a period of principally 3 years.
 - c. Reserve for reprocessing of irradiated nuclear fuel
The Company has accrued costs for the reprocessing of irradiated nuclear fuel in accordance with accounting methods accepted by the regulatory authority. The Company provides for the reprocessing of irradiated nuclear fuel at 60% of the amount, which would be required to reprocess all the irradiated nuclear fuel as of the balance sheet date.
 - d. Reserve for decommissioning of nuclear power units
The Company has accrued costs for decommissioning of nuclear power units in accordance with accounting methods accepted by the regulatory authority.

- e. Reserve for fluctuations in water level

A reserve for fluctuations in water level is provided for insufficient water levels, in years in which the volume of water for generating hydroelectric power is abundant and available for future generation, in accordance with the Japanese Electric Utility Law and related accounting regulations.
- (4) Leases

All leases are accounted for as operating leases. Under 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 operation lease transactions.
- (5) Hedging activities
 - a. Methods of hedging accounting

For derivatives used for hedging purposes, if such derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on those derivatives are deferred until maturity of the hedged transactions.
 - b. Hedging instruments, hedged items and hedging policies

The Companies use principally foreign exchange forward contracts, currency swaps, interest rate swaps and commodity (fuel) price swaps in the normal course of business, to manage their exposures to fluctuations in foreign exchange, interest rate, commodity fuel price and so on. The Companies do not enter into derivatives for trading or speculative purposes.
 - c. Method of assessing effectiveness of hedges

The post-testing of the effectiveness of hedges is conducted after every fiscal term-end. The post-testing is omitted if the correlation and effectiveness between the heading instruments and the hedged items are extremely high.
- (6) Others
 - a. Consumption taxes

Consumption taxes are excluded from revenues and expenses.
- 5. Cash Equivalents

Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents principally include time deposits, certificate of deposits, commercial paper and mutual funds investing in bonds that represent short-term investments, all of which mature or become due within three months of the date of acquisition.

(Notes to the consolidated balance sheet)

1. Accumulated depreciation of tangible assets	8,479,637 million yen
2. Co-guarantees of loans and bonds of other companies	225,908 million yen
Note receivable endorsed	17 million yen

(Segment information)

1. Industry segment information

[Six-months ended Sep. 30, 2003]

(million yen)

	Electric Power	IT/ Communications	Other	Total	Eliminations/ Corporate	Consolidated
Sales and operating income						
Operating revenues						
(1) Sales to customers	1,193,728	31,066	51,402	1,276,197		1,276,197
(2) Intersegment sales	4,138	23,937	88,295	116,371	-116,371	
Total	1,197,866	55,003	139,698	1,392,568	-116,371	1,276,197
Operating expenses	960,212	51,989	139,090	1,151,292	-118,450	1,032,841
Operating income	237,654	3,014	607	241,276	2,079	243,355

[Six-months ended Sep. 30, 2002]

(million yen)

	Electric Power	IT/ Communications	Other	Total	Eliminations/ Corporate	Consolidated
Sales and operating income						
Operating revenues						
(1) Sales to customers	1,283,212	16,406	44,339	1,343,958		1,343,958
(2) Intersegment sales	4,198	17,558	102,449	124,206	-124,206	
Total	1,287,411	33,964	146,788	1,468,164	-124,206	1,343,958
Operating expenses	1,048,063	36,684	146,349	1,231,097	-124,943	1,106,154
Operating income	239,347	-2,719	438	237,066	736	237,803

[Year ended March 31, 2003]

(million yen)

	Electric Power	IT/ Communications	Other	Total	Eliminations/ Corporate	Consolidated
Sales and operating income						
Operating revenues						
(1) Sales to customers	2,461,694	32,957	120,503	2,615,154		2,615,154
(2) Intersegment sales	9,664	43,388	230,271	283,324	-283,324	
Total	2,471,358	76,345	350,774	2,898,479	-283,324	2,615,154
Operating expenses	2,155,224	81,853	339,343	2,576,421	-286,848	2,289,572
Operating income	316,134	-5,508	11,430	322,057	3,523	325,581

Notes: 1. Industry segments are classified based on the type of business.

2. Principal products and business of each industry segment

Industry segment	Principal products and business
Electric power	Supply of electricity
IT/Communications	Telecommunication (type , type), Lease of telecommunication facilities, Computer-assisted calculation, Lease of computers
Other	Electrical and civil constructions, Repair, sale and lease of automobiles, Waste collection, transportation and disposal, Manufacture and sale of steel electric pole, Operation and management of real estate, Lease of office rooms, Gas supply business , Heat supply business

2. Geographic segment information

Geographic segment information is not disclosed because generally accepted accounting principles in Japan do not require such disclosure if sales of foreign operations represent less than 10% of total sales.

3. Sales to foreign customers

Sales to foreign customers are not disclosed because generally accepted accounting principles in Japan do not require such disclosure if sales to foreign customers represent less than 10% of total sales.

(Investment securities)

[Six-months ended Sep. 30, 2003]

1. Held-to-maturity debt securities with fair value (as of Sep. 30, 2003) (million yen)

	Carrying amount	Fair value	Unrealized gains/losses
Government and municipal bonds, etc.	6,764	7,036	271
Corporate bonds	4,623	4,720	96
Others	1,101	1,012	-88
Total	12,489	12,768	279

2. Available-for-sale securities with fair value (as of Sep. 30, 2003) (million yen)

	Cost	Carrying amount	Unrealized gains/losses
Equity securities	19,741	77,796	58,055
Debt securities			
Government and municipal bonds, etc.	981	985	4
Corporate bonds	1,544	1,555	10
Others			
Others			
Total	22,266	80,337	58,070

3. Held-to-maturity and available-for-sale securities whose fair value is not readily determinable.(million yen)

Held-to-maturity securities	Commercial papers	1,999
	Unlisted foreign bonds	100
Available-for-sale securities	Equity securities (excluding securities listed or traded over-the-counter)	79,867
	Fund certificates	3,047
	Other	6,001

[Year ended March 31, 2003]

1.Held-to-maturity debt securities with fair value (as of March 31, 2003) (million yen)

	Carrying amount	Fair value	Unrealized gains/losses
Government and municipal bonds, etc.	6,681	7,175	494
Corporate bonds	4,511	4,645	134
Others	410	400	-9
Total	11,602	12,222	619

2.Available-for-sale securities with fair value (as of March 31, 2003) (million yen)

	Cost	Carrying amount	Unrealized gains/losses
Equity securities	21,046	50,022	28,975
Debt securities			
Government and municipal bonds, etc.	981	1,029	47
Corporate bonds	1,437	1,443	6
Others			
Others			
Total	23,465	52,495	29,030

3.Held-to-maturity and available-for-sale securities whose fair value is not readily determinable.(million yen)

Held-to-maturity securities	Unlisted foreign bonds	400
Available-for-sale securities	Equity securities (excluding securities listed or traded over-the-counter)	71,538
	Fund certificates	3,062
	Other	5,292

[Six-months ended Sep. 30, 2002]

1. Held-to-maturity debt securities with fair value (as of Sep. 30, 2002) (million yen)

	Carrying amount	Fair value	Unrealized gains/losses
Government and municipal bonds, etc.	6,166	6,578	411
Corporate bonds	4,387	4,465	78
Others	110	95	-14
Total	10,664	11,139	475

2. Available-for-sale securities with fair value (as of Sep. 30, 2002) (million yen)

	Cost	Carrying amount	Unrealized gains/losses
Equity securities	25,832	112,458	86,625
Debt securities			
Government and municipal bonds, etc.	971	989	17
Corporate bonds	680	680	
Others			
Others	1,562	1,584	22
Total	29,046	115,711	86,665

3. Held-to-maturity and available-for-sale securities whose fair value is not readily determinable. (million yen)

Held-to-maturity securities	Commercial papers	999
	Unlisted foreign bonds	450
Available-for-sale securities	Equity securities (excluding securities listed or traded over-the-counter)	57,274
	Fund certificates	3,062
	Other	6,033

Unaudited Financial Release (Non-Consolidated)
(Chukan Kessan Tanshin)

The information below is an English translation of extracts from the Chukan Kessan Tanshin (Unaudited Financial Release [Non-Consolidated]) which has been filed with the major Japanese stock exchanges (Osaka, Tokyo and Nagoya) for public inspection.

November 19, 2003

**Unaudited Financial Release (Non-Consolidated)
for the Six-Months Ended September 30, 2003**

The Kansai Electric Power Co., Inc. (Code: 9503)
3-22 Nakanoshima 3-chome, Kita-ku, Osaka
(URL <http://www.kepc.co.jp>)
Company Representative: Yohsaku Fuji, President and Director
Contact: Tetsuro Maeda, General Manger, Office of Financing and Accounting
Tel:+81-6-6441-8821

I. Performance over the Six-Months Ended September 30, 2003 and 2002
(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Six-Months Ended Sep. 30</u>		(Million yen) <u>Year Ended</u> <u>March 31</u>
	2003	2002	2003
Operating Revenues	1,204,651 (-6.8%)	1,292,650 (-0.9%)	2,482,743
Operating Income	237,670 (-0.7%)	239,418 (4.3%)	315,575
Ordinary Income *	172,463 (-5.8%)	183,092 (16.4%)	186,559
Net Income	105,654 (-9.7%)	116,969 (-11.5%)	97,277
Net Income per Share	111.63 yen	121.51 yen	101.36 yen

Notes:

1. Average number of shares outstanding

Six-months ended September 30, 2003;	946,506,271
Six-months ended September 30, 2002;	962,593,541
Year ended March 31, 2003;	962,593,541
2. No changes have been made in accounting policies.
3. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.
4. Figures in brackets are changes from the previous periods.

2. Dividends

	<u>Six Months Ended Sep. 30</u>		<u>Year Ended</u>
	2003	2002	<u>March 31</u> 2003
Semi Annual Interim Dividends per Share	25.00 yen	25.00 yen	
Annual Dividends per Share			50.00 yen

3. Financial Position

	<u>As of Sep. 30</u>		(Million yen) <u>As of March 31</u>
	2003	2002	2003
Total Assets	6,735,844	7,022,571	6,772,316
Shareholders' Equity	1,427,362	1,434,162	1,324,806
Shareholders' Equity Ratio	21.2%	20.4%	19.6%
Shareholders' Equity per Share	1,507.58 yen	1,490.05 yen	1,400.42 yen

Notes:

1. Number of shares outstanding
 - As of September 30, 2003; 946,788,303
 - As of September 30, 2002; 962,491,293
 - As of March 31, 2003; 945,901,733
2. Number of treasury stock
 - As of September 30, 2003; 1 15,910,425
 - As of September 30, 2002; 207,435
 - As of March 31, 2003; 16,796,995

II. Earnings Forecasts

	(Billion yen) <u>Year Ending March 31, 2004</u>
Operating Revenues	2,360
Ordinary Income*	170
Net Income	105

Reference:

Forecast of Net Income per Share for the year ending March 31, 2004; 110.90 yen

Notes:

1. Key data for Earnings Forecasts

Electricity Sales	139,000 GWh (2.0% decrease from the previous period)
Exchange rate per U.S. dollar	¥ 114
CIF crude oil price per barrel	\$ 29
Nuclear usage	88.6%
Flow rate	110.5%

2. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

Non-Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2003	As of Mar. 31, 2003	Increase/ decrease	As of Sep. 30, 2002
(Assets)				
Property	6,459,485	6,539,762	-80,276	6,731,800
Utility facilities	4,635,649	4,753,211	-117,561	4,937,289
Hydroelectric power production facilities	479,956	488,485	-8,528	501,494
Thermal power production facilities	407,013	427,463	-20,450	471,596
Nuclear power production facilities	456,340	479,422	-23,082	495,043
Internal combustion engine power production facilities	3,264	3,482	-218	3,667
Transmission facilities	1,490,750	1,516,620	-25,870	1,553,739
Transformation facilities	568,475	586,029	-17,554	606,694
Distribution facilities	1,055,814	1,071,836	-16,021	1,119,995
General facilities	163,182	169,018	-5,835	174,559
Facilities loaned	10,851	10,851		10,497
Incidental business facilities	13,634	12,517	1,117	10,708
Non-operating facilities	9,241	6,828	2,413	5,607
Construction in progress	783,229	792,008	-8,778	806,779
Nuclear fuel	511,061	517,485	-6,424	508,712
Loaded nuclear fuel	102,111	101,111	1,000	94,458
Nuclear fuel in processing	408,949	416,374	-7,425	414,253
Investments and other assets	506,669	457,711	48,958	462,703
Long-term investments	163,235	131,578	31,656	180,726
Investments in and advances to subsidiaries and associated companies	132,026	133,104	-1,077	118,852
Deferred charges	19,988	16,044	3,944	18,276
Deferred tax assets	192,317	177,885	14,432	145,003
Allowance for doubtful accounts	-898	-902	3	-155
Current assets	276,359	232,554	43,804	290,770
Cash and time deposits	30,506	30,702	-196	32,018
Accounts receivable	131,939	111,851	20,087	140,188
Other accounts receivable	12,968	15,605	-2,637	12,372
Fuel, materials and supplies	37,234	37,723	-488	44,119
Prepaid expenses	11,288	148	11,139	3,547
Short-term receivables from subsidiaries and associated companies	11,083	3,873	7,210	9,603
Deferred tax assets	28,391	23,616	4,775	38,956
Other current assets	15,420	11,181	4,238	12,739
Allowance for doubtful accounts	-2,474	-2,149	-324	-2,773
Total assets	6,735,844	6,772,316	-36,471	7,022,571

Non-Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2003	As of Mar. 31, 2003	Increase/ decrease	As of Sep. 30, 2002
(Liabilities)				
Long-term liabilities and reserves	4,286,991	4,472,993	-186,001	4,556,947
Bond	1,361,067	1,556,037	-194,970	1,548,637
Convertible bond	178,637	178,637		178,637
Long-term loans	1,660,408	1,704,733	-44,325	1,843,469
Long-term obligations	10,439	10,784	-345	11,145
Liability for retirement benefits	301,608	267,476	34,131	266,082
Reserve for reprocessing of irradiated nuclear fuel	545,720	529,630	16,089	488,865
Reserve for decommissioning of nuclear power units	228,735	225,402	3,333	219,912
Other	375	290	84	196
Current liabilities	1,014,402	974,516	39,886	1,031,460
Current maturities of long-term debt	366,374	337,183	29,190	345,209
Short-term borrowings	167,871	218,472	-50,601	218,472
Commercial papers	159,000	85,000	74,000	84,000
Accounts payable-trade	42,041	44,131	-2,089	46,051
Other accounts payable	14,390	28,427	-14,036	14,740
Accrued expenses	90,728	105,152	-14,423	133,280
Accrued income tax	126,669	85,862	40,807	140,292
Deposits received	2,403	2,905	-501	2,694
Short-term obligations to subsidiaries and affiliates	23,766	53,017	-29,251	25,968
Advances received	14,475	12,599	1,876	18,065
Other current liabilities	6,680	1,764	4,915	2,685
Provision by special laws	7,088		7,088	
Provision for fluctuations in water level	7,088		7,088	
Total liabilities	5,308,482	5,447,509	-139,027	5,588,408
(Shareholders' Equity)				
Paid in capital	489,320	489,320		489,320
Capital surplus	67,031	65,463	1,567	65,463
Additional paid-in capital	67,031	65,463	1,567	65,463
Retained earnings	865,392	783,647	81,745	827,401
Legal reserves	122,330	122,330		122,330
Voluntary reserves	527,030	477,031	50,000	477,031
Reserve for losses on overseas investment, etc.	30	31		31
Reserve for adjustment of cost fluctuation	207,000	207,000		207,000
General reserve	320,000	270,000	50,000	270,000
Unappropriated retained earnings at the end of the term	216,031	184,285	31,746	228,039
Net unrealized gain on available-for-sale securities	33,761	16,067	17,693	52,362
Treasury stock	-28,142	-29,692	1,549	-384
Total shareholders' equity	1,427,362	1,324,806	102,556	1,434,162
Total liabilities and shareholders' equity	6,735,844	6,772,316	-36,471	7,022,571

Non-Consolidated Statements of Income

(million yen)

Account		Six-Months ended Sep. 30,2003	Six-Months ended Sep. 30,2002	Increase/ Decrease	Year ended Mar. 31, 2003			
Ordinary revenues and expenses	Operating revenues and expenses	Operating revenues	1,204,651	1,292,650	-87,998	2,482,743		
		Electricity business revenues	1,197,866	1,287,411	-89,545	2,471,358		
		Residential	455,425	492,330	-36,904	995,426		
		Commercial and industrial	707,816	769,087	-61,271	1,426,323		
		Sold power to other utilities	17,169	10,388	6,780	16,511		
		Sold power to other companies	1,848	726	1,121	1,394		
		Transmission revenues	2,515	2,301	214	5,195		
		Other electricity revenues	12,823	12,312	511	25,978		
		Revenues from loaned facilities	267	264	2	529		
		Incidental business revenues	6,785	5,238	1,546	11,384		
		Heat supply business revenues	686	643	43	1,270		
		Steam supply business revenues	609	638	-29	1,201		
		Gas supply business revenues	4,729	3,619	1,110	8,015		
		Other	760	337	422	897		
		-----		966,981	1,053,232	-86,250	2,167,168	
				Electricity business expenses	960,212	1,048,063	-87,851	2,155,224
				Hydro electric power production expenses	32,668	35,893	-3,225	78,502
				Thermal power production expenses	123,891	150,622	-26,730	315,001
				Nuclear power production expenses	147,651	153,106	-5,455	347,116
				Internal combustion engine power production expenses	1,090	1,234	-144	2,617
				Purchased power from other utilities	74,935	87,911	-12,976	171,848
				Purchased power from other companies	112,855	115,705	-2,849	235,616
				Transmission expenses	83,802	93,007	-9,204	184,190
				Transformation expenses	46,315	53,781	-7,465	108,444
				Distribution expenses	96,276	101,972	-5,695	200,308
				Selling expenses	44,983	54,049	-9,065	102,188
				Cost of loaned facilities	28	34	-6	69
				General and administrative expenses	150,701	154,270	-3,568	318,639
				Promotion of power-resources development tax	31,794	32,222	-427	63,355
				Enterprise tax	13,443	14,430	-986	27,676
				Transferred cost of electricity for construction and incidental business	-227	-178	-49	-351
				Incidental business expenses	6,769	5,168	1,600	11,944
		Heat supply business expenses	487	539	-52	1,090		
		Steam supply business expenses	497	505	-8	1,003		
		Gas supply business expenses	4,724	3,483	1,241	8,121		
		Other	1,058	639	419	1,728		
		(Operating income)	237,670	239,418	-1,748	315,575		

Account		Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Increase/ Decrease	Year ended Mar. 31, 2003	
Ordinary revenues and expenses	Non-operating revenues and expenses	Non-operating revenues	8,600	4,660	3,940	8,057
		Financial revenues	2,534	2,544	-9	2,932
		Dividend received	2,469	2,472	-2	2,789
		Interest received	65	72	-7	142
		Other non-operating revenues	6,065	2,115	3,949	5,125
		Non-operating expenses	73,807	60,986	12,820	137,073
	Non-operating expenses	Financial expenses	51,285	54,829	-3,543	111,488
		Interest expenses	51,285	54,575	-3,290	111,072
		Amortization of bond issue expenses		226	-226	389
		Amortization of bond issue discount		27	-27	27
		Other non-operating expenses	22,521	6,157	16,364	25,584
		Total ordinary revenues	1,213,252	1,297,311	-84,058	2,490,800
	Total ordinary expenses	1,040,788	1,114,218	-73,430	2,304,241	
Ordinary income	172,463	183,092	-10,628	186,559		
Provision for Fluctuations in Water Level		7,088		7,088		
Special item						
Loss on discontinuance of power plant construction					62,001	
Gain on sales of securities					28,286	
Income before income taxes		165,375	183,092	-17,717	152,844	
Income taxes-current		88,946	96,555	-7,609	82,992	
Income taxes-deferred		-29,225	-30,432	1,206	-27,425	
Net income		105,654	116,969	-11,314	97,277	
Retained income brought from the previous term		110,493	111,070	-576	111,070	
Retirement of treasury stock		116		116		
Interim dividends					24,062	
Unappropriated retained earnings at the end of the term		216,031	228,039	-12,007	184,285	

(Summary of significant accounting policies)

1. Valuation of investment securities
 - (1) Investments in subsidiaries and associated companies are reported at cost.
 - (2) Held-to-maturity debt securities, which management has the positive intent and ability to hold to maturity, are reported at amortized cost. Available-for-sale securities whose fair value is readily determinable are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported as a separate component of shareholders' equity. Available-for-sale securities whose fair value is not readily determinable are reported at cost. The cost of securities sold is determined by the moving-average method.
2. Fuel, materials and supplies
Fuel, materials and supplies are stated at cost determined by the average method and the moving-average method.
3. Method of depreciation of principal property
Depreciation is principally computed by the declining-balance method based on the estimated useful lives of the assets.
4. Accounting standard for principal reserves
 - (1) Allowance for doubtful accounts
To protect against potential losses from uncollectible accounts receivable, the Company provides for uncollectible accounts based on the company's past credit loss experience and an evaluation of potential losses in the receivables outstanding.
 - (2) Liability for retirement benefits
Liability for retirement benefits is accounted for based on the projected benefit obligations and plan assets at the balance sheet date. Prior service cost is being amortized by the straight-line method over a period of 3 years. Actuarial gains or losses are being recognized by the straight-line method over a period of 3 years.
 - (3) Reserve for Reprocessing of Irradiated Nuclear Fuel
The Company has accrued costs for the reprocessing of irradiated nuclear fuel, in accordance with accounting methods accepted by the regulatory authority. The Company provides for the reprocessing of irradiated nuclear fuel at 60% of the amount, which would be required to reprocess all the irradiated nuclear fuel as of the balance sheet date.
 - (4) Reserve for Decommissioning of Nuclear Power Units
The Company has accrued costs for decommissioning of nuclear power units in accordance with accounting methods accepted by the regulatory authority.
 - (5) Reserve for fluctuations in water level
A reserve for fluctuations in water level is provided for insufficient water levels, in years in which the volume of water for generating hydroelectric power is abundant and available for future generation, in accordance with the Japanese Electric Utility Law and related accounting regulations
5. Leases
All leases are accounted for as operating leases. Under 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 operation lease transactions.
6. Hedging activities
 - (1) Methods of hedging accounting
For derivatives used for hedging purposes, if such derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on those derivatives are deferred until maturity of the hedged transactions.

- (2) Hedging instruments, hedged items and hedging policies

The Company uses principally foreign exchange forward contracts, currency swaps, interest rate swaps and commodity (fuel) price swaps in the normal course of business, to manage its exposures to fluctuations in foreign exchange, interest rate, commodity (fuel) price and so on. The Company does not enter into derivatives for trading or speculative purposes.

- (3) Method of assessing effectiveness of hedges

The post-testing of the effectiveness of hedges is conducted after each fiscal year-end. The post-testing is omitted if the correlation and effectiveness between the hedging instruments and hedged items are extremely high.

7. Others

- (1) Consumption taxes

Consumption taxes are excluded from revenues and expenses.

(Notes to the non-consolidated balance sheet)

- | | |
|--|-----------------------|
| 1. Accumulated depreciation of tangible assets | 8,181,811 million yen |
| 2. Co-guarantees of loans and bonds of other companies | 349,102 million yen |

(Changes in numbers of shares outstanding)

	<u>Shares</u>
Number of shares outstanding at the beginning of term	945,901,733
Increase	
Share distribution of treasury stock by stock swap*	1,005,296
Decrease	
Purchase of treasury stock (less than 1 unit per shareholder)	118,547
Purchase of fractional stock by stock swap*	179
Number of shares outstanding at the end of term	946,788,303

*We delivered treasury stock as we made Daito Co., Ltd. and Toko seiki Co., Ltd. wholly owned subsidiaries in all-share deals.

Daito Co., Ltd.	415,041
Toko Seiki Co., Ltd.	590,255

(Interim Dividend)

An interim dividend of ¥23,669 million (¥25 per share) will be paid on December 10, 2003.

(Investment securities)

The carrying amounts and aggregate fair values of investments in subsidiaries and associated companies whose fair values are available are as follows:

[As of September 30, 2003]

(million yen)

	Carrying amount	Market value	Unrealized gain
Subsidiaries			
Associated companies	11,954	44,452	32,498
Total	11,954	44,452	32,498

[As of March 31, 2003]

(million yen)

	Carrying amount	Market value	Unrealized gain
Subsidiaries	622	942	319
Associated companies	11,954	34,673	22,718
Total	12,577	35,615	23,038

[As of September 30, 2002]

(million yen)

	Carrying amount	Market value	Unrealized gain
Subsidiaries	622	919	297
Associated companies	11,954	44,808	32,853
Total	12,577	45,727	33,150

November 19, 2003
The Kansai Electric Power Co., Inc.

Financial Highlights

1. Consolidated Financial Results

	Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Change
Operating Revenue (Billion yen)	1,276.1	1,343.9	-5.0%
Operating Income (Billion yen)	243.3	237.8	2.3%
Ordinary Income* (Billion yen)	179.9	171.8	4.8%
Net Income (Billion yen)	108.0	103.7	4.2%
Net Income per Share (Yen)	114.26	107.80	6.46

Number of consolidated subsidiaries: 85
Number of affiliates accounted by equity method: 1

2. Non-Consolidated Financial Results

	Six-Months ended Sep. 30, 2003	Six-Months ended Sep. 30, 2002	Change
Operating Revenue (Billion yen)	1,204.6	1,292.6	-6.8%
Operating Income (Billion yen)	237.6	239.4	-0.7%
Ordinary Income (Billion yen)	172.4	183.0	-5.8%
Net Income (Billion yen)	105.6	116.9	-9.7%
Net Income per Share (Yen)	111.63	121.51	-9.88

Note:

1. Figures are rounded down to the nearest 100 million yen.
2. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

Revenues and Expenses(Non-Consolidated)

The Kansai Electric Power Co., Inc.

	Six-Months ended Sep. 30		(A)	(B)	(A)/(B)	Percentage of total	
	2003 (A)	2002 (B)				(A)	(B)
	¥ million	¥ million	¥ million	%	%	%	
Ordinary revenues	1,213,252	1,297,311	-84,058	93.5	100.0	100.0	
Residential	455,425	492,330	-36,904	92.5	37.5	37.9	
Commercial and industrial	707,816	769,087	-61,271	92.0	58.4	59.3	
Sub total	1,163,241	1,261,418	-98,176	92.2	95.9	97.2	
Other	50,010	35,893	14,117	139.3	4.1	2.8	
Ordinary expenses	1,040,788	1,114,218	-73,430	93.4	100.0	100.0	
Personnel expenses	174,653	185,881	-11,228	94.0	16.8	16.7	
Fuel	91,752	101,275	-9,523	90.6	8.8	9.1	
Maintenance	74,190	89,352	-15,162	83.0	7.1	8.0	
Taxes other than income taxes	83,605	85,430	-1,824	97.9	8.0	7.7	
Depreciation	166,643	183,262	-16,618	90.9	16.0	16.4	
Purchased power	187,790	203,616	-15,825	92.2	18.0	18.3	
Interest expenses	51,285	54,575	-3,290	94.0	4.9	4.9	
Other	210,867	210,822	44	100.0	20.4	18.9	
Ordinary income	172,463	183,092	-10,628	94.2			
Provision for/reversal of reserve for fluctuations in water level	7,088		7,088				
Income before income taxes	165,375	183,092	-17,717	90.3			
Current income taxes	88,946	96,555	-7,609	92.1			
Deferred income taxes	-29,225	-30,432	1,206	96.0			
Net income	105,654	116,969	-11,314	90.3			

Major factors (Non-Consolidated)

The Kansai Electric Power Co., Inc.

		Six-Months Ended Sep. 30, 2003	Six-Months Ended Sep. 30, 2002	Increase /decrease
Electricity Sales	Residential (100GWh)	215	221	-6
	(Change, %)	(97.3)	(99.7)	
	Commercial and industrial (100GWh)	496	501	-5
	(Change, %)	(99.0)	(99.0)	
	Total (100GWh)	710	721	-11
	(Change, %)	(98.4)	(99.2)	
CIF crude oil price per barrel (U.S. dollar)		28.4	25.6	2.8
Exchange rate[TTM] per U.S. dollar (Yen)		118	123	-5
Nuclear Usage (%)		87.1	94.7	-7.6
Flow rate (%)		117.1	90.9	26.2
Ordinary income (Billion yen)		172.4	183.0	-10.6
	(Change, %)	(94.2)	(116.4)	
Net income (Billion yen)		105.6	116.9	-11.3
	(Change, %)	(90.3)	(88.5)	

Note: Figures of Ordinary income and Net income are rounded down to the nearest 100 million yen

*Sensitivity of major factors (Six-Months Ended September 30, 2003)

Exchange rate[TTM] per U.S. dollar	¥1	0.7 billion yen
CIF Crude oil price per barrel	\$1	1.5 billion yen
Flow rate	1%	0.4 billion yen
Nuclear usage	1%	2.0 billion yen