

**Unaudited Financial Release (Consolidated)
for the Six-Months Ended September 30, 2006**

The information below is an English translation of extracts from Unaudited Financial Release (Consolidated) for the second quarter that has been filed with the major Japanese stock exchanges (Osaka, Tokyo and Nagoya) for public inspection. These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

October 30, 2006

The Kansai Electric Power Co., Inc. (Code: 9503)
6-16 Nakanoshima 3-chome, Kita-ku, Osaka
(URL <http://www.kepco.co.jp>)
Company Representative: Shosuke Mori, President and Director
Contact: Yasushi Sugimoto, General Manager, Office of Financing and Accounting
Tel:+81-6-6441-8821

I. Performance over the Six-Months Ended September 30, 2006 and 2005

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Six-Months Ended Sep. 30</u>		(Million yen) Year ended <u>March 31</u>
	2006	2005	2006
Operating Revenues	1,309,239 (2.5%)	1,276,850 (-3.4%)	2,579,059
Operating Income	211,743 (-0.5%)	212,769 (-22.5%)	327,170
Ordinary Income *	186,489 (9.1%)	170,969 (-28.1%)	247,552
Net Income	117,318 (7.3%)	109,375 (53.6%)	161,049
Net Income per Share	126.63 yen	117.29 yen	172.84yen
Fully Diluted Net Income per Share	126.46 yen	117.26 yen	—

Notes:

1. Equity in earnings (losses) of associated companies
Six-months ended Sep. 30, 2006; 1,682 million yen
Six-months ended Sep. 30, 2005; 801 million yen
Year ended March 31, 2006; 3,343 million yen
2. Average number of shares outstanding
Six-months ended Sep. 30, 2006; 926,483,757
Six-months ended Sep. 30, 2005; 932,527,933
Year ended March 31, 2006; 930,134,144
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. Financial Position

	(Million yen)		
	<u>As of Sep. 30</u>		<u>As of March 31</u>
	2006	2005	2006
Total Assets	6,792,752	6,929,353	6,856,489
Net assets	1,875,856	1,743,209	1,785,985
Equity Ratio	27.5%	25.2%	26.0%
Net Assets per Share	2019.75 yen	1,869.50 yen	1,927.29 yen

Notes:

Number of shares outstanding

As of September 30, 2006; 926,425,563

As of September 30, 2005; 932,446,364

As of March 31, 2006; 926,534,580

3. Statements of Cash Flows

	(Million yen)		
	<u>Six-Months ended Sep. 30</u>		<u>Year ended March 31</u>
	2006	2005	2006
Net cash provided by Operating Activities	322,763	327,190	528,878
Net cash used in Investing Activities	-140,423	-153,939	-293,645
Net cash used in Financing Activities	-154,768	-100,115	-247,379
Cash and Cash Equivalents, End of year	83,405	141,069	55,811

4. Scope of Consolidation and Application of Equity Method

Number of Consolidated Subsidiaries: 61

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: 1

Number of Newly Included: None

Number of Excluded: 2

Number of Excluded: None

II. Earnings Forecasts

	(Billion yen)
	<u>Year Ending March 31, 2007</u>
Operating Revenues	2,600
Ordinary Income*	205
Net Income	122

Reference:

Forecast of Net Income per Share for the year ending March 31, 2007; 131.69 yen

Notes:

1. Major factors for Earnings Forecasts

Electricity Sales	147.8 Billion kWh (0.4% increase from the previous period)
Exchange rate per U.S. dollar	¥ 118
CIF crude oil price per barrel	\$ 69
Nuclear capacity factor	74.6%
Water run-off ratio	103.6%

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

※ Financial forecasts are subject to change depending upon the changes of business environments and other conditions.

Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2006	As of Mar. 31, 2006	Increase/ Decrease	As of Sep. 30, 2005
(Assets)				
Property	6,297,768	6,464,658	-166,889	6,418,754
Utility facilities	4,183,210	4,290,813	-107,602	4,396,766
Hydroelectric power production facilities	411,466	421,490	-10,024	431,388
Thermal power production facilities	525,562	549,929	-24,367	583,957
Nuclear power production facilities	363,898	370,260	-6,362	381,784
Transmission facilities	1,333,030	1,372,268	-39,237	1,409,782
Transformation facilities	471,383	484,364	-12,980	495,093
Distribution facilities	919,329	927,987	-8,658	937,973
General facilities	135,443	140,873	-5,429	143,476
Other utility facilities	23,096	23,637	-541	13,310
Other plant and equipment	476,474	480,152	-3,678	429,919
Construction in progress	244,123	250,279	-6,156	308,336
Nuclear fuel	499,357	512,407	-13,049	529,298
Loaded nuclear fuel	86,740	90,113	-3,373	95,262
Nuclear fuel in processing	412,617	422,294	-9,676	434,036
Investments and other assets	894,603	931,005	-36,402	754,434
Long-term investments	310,743	313,845	-3,101	260,212
Reserve fund for Reprocessing of irradiated nuclear fuel	104,839	136,302	-31,463	—
Deferred tax assets	280,190	282,775	-2,585	303,030
Other	200,234	199,488	746	192,811
Allowance for doubtful accounts	-1,404	-1,405	1	-1,620
Current assets	494,983	391,830	103,152	510,598
Cash and time deposits	115,911	66,804	49,107	155,633
Accounts receivable	167,852	147,940	19,911	153,985
Inventory assets	91,223	—	91,223	—
Deferred tax assets	24,164	31,101	-6,936	39,810
Other	98,497	148,395	-49,898	163,698
Allowance for doubtful Accounts	-2,666	-2,411	-254	-2,528
Total assets	6,792,752	6,856,489	-63,737	6,929,353

Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2006	As of Mar. 31, 2006	Increase/ Decrease	As of Sep. 30, 2005
(Liabilities)				
Long-term liabilities and reserves	4,098,077	4,187,689	-89,611	4,174,004
Bond	1,372,658	1,325,394	47,264	1,277,874
Long-term loans	1,391,765	1,515,731	-123,966	1,553,516
Liability for retirement benefits	362,524	377,150	-14,626	379,724
Reserve for reprocessing of irradiated nuclear fuel	646,082	649,675	-3,593	658,910
Reserve for decommissioning of nuclear power units	255,215	249,754	5,460	238,106
Deferred tax liabilities	95	287	-191	231
Other	69,736	69,695	40	65,640
Current liabilities	807,775	869,290	-61,514	992,279
Current maturities of long-term debt and other	339,011	334,371	4,639	431,296
Short-term borrowings	99,350	150,806	-51,456	171,430
Accounts payable	99,409	96,590	2,819	74,908
Accrued income tax	103,277	66,296	36,980	113,618
Deferred tax liabilities	346	—	346	—
Other	166,380	221,224	-54,844	201,025
Reserve by special laws	11,036	8,642	2,393	13,015
Reserve for fluctuations in water level	11,036	8,642	2,393	13,015
Total liabilities	4,916,889	5,065,622	-148,733	5,179,300

Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2006	As of Mar. 31, 2006	Increase/ Decrease	As of Sep. 30, 2005
(Shareholders' Equity)				
Paid in capital	—	489,320	-489,320	489,320
Capital surplus	—	66,626	-66,626	66,626
Retained earnings	—	1,181,364	-1,181,364	1,153,214
Net unrealized gain on available-for-sale securities	—	120,624	-120,624	90,949
Foreign currency translation adjustments	—	—	—	-54
Treasury stock	—	-71,951	71,951	-56,847
Total shareholders' equity	—	1,785,985	-1,785,985	1,743,209
(Net Assets)				
Shareholders' Equity	1,749,770	—	1,749,770	—
Paid in capital	489,320	—	489,320	—
Capital surplus	66,657	—	66,657	—
Retained earnings	1,266,071	—	1,266,071	—
Treasury stock	-72,279	—	-72,279	—
Unrealized gains and Adjustment	121,378	—	121,378	—
Net unrealized gain on available-for-sale securities	107,417	—	107,417	—
Deffered gains and losses on hedges	13,887	—	13,887	—
Foreign currency translation adjustments	72	—	72	—
Minority interest	4,714	—	4,714	—
Total net asset	1,875,862	—	1,875,862	—
Total liabilities and net assets	6,792,752	6,856,489	-63,737	6,929,353

Consolidated Statements of Income

(million yen)

Account		Six-Months ended Sep. 30, 2006	Six-Months ended Sep. 30, 2005	Increase/ Decrease	Year ended Mar. 31, 2006	
Ordinary revenues and expenses	Operating revenues and expenses	Operating revenues	1,309,239	1,276,850	32,388	2,579,059
		Electric	1,193,771	1,176,407	17,364	2,358,717
		Other	115,467	100,443	15,024	220,342
		Operating expenses	1,097,495	1,064,081	33,414	2,251,889
		Electric	994,757	970,284	24,472	2,048,482
		Other	102,738	93,796	8,941	203,407
		(Operating income)	211,743	212,769	-1,026	327,170
	Non-operating revenues and expenses	Non-operating revenues	11,287	6,472	4,815	17,790
		Dividends receivable	2,201	1,732	468	2,721
		Interests receivable	958	141	816	932
		Gain on sales of property, plant and equipment	1,464	—	1,464	—
		Equity in earnings of associated companies	1,682	801	881	3,343
		Other	4,981	3,795	1,185	10,792
		Non-operating expenses	36,541	48,272	-11,730	97,407
Interest expense		32,623	32,706	-82	66,712	
Other	3,918	15,566	-11,648	30,694		
Total ordinary revenues		1,320,527	1,283,322	37,204	2,596,849	
Total ordinary expenses		1,134,037	1,112,353	21,684	2,349,296	
Ordinary income		186,489	170,969	15,520	247,552	
Provision for (Reversal of) reserve for fluctuations In water level		2,393	-5,222	7,615	-9,595	
Income before income taxes and minority interests		184,096	176,191	7,904	257,148	
Income taxes-current		58,407	78,041	-19,633	93,203	
Income taxes-deferred		8,048	-11,454	19,502	3,033	
Minority interests in net income (loss)		321	229	92	138	
Net income		117,318	109,375	7,943	161,049	

Consolidated Statements of Changes in Shareholders' Equity and other Net Assets (1)

[As of September 30,2006]

(million yen)

Account	Shareholders' equity				
	Paid in capital	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity
Balance at Mar.31 2006	489,320	66,626	1,181,364	-71,951	1,665,360
Change during the priod					
Cash dividends			-32,440		-32,440
Bonuses to directors and corporate auditors			-282		-282
Net income			117,318		117,318
Increase resulting from exclusion of consolidated subsidiaries			111		111
Acquisition of treasury stock				-421	-421
Disposal of treasury stock		30		93	123
Changes in items other than shareholders' equity					
Total	—	30	84,706	-328	84,909
Balance at Sep. 30,2006	489,320	66,657	1266,071	-72,279	1,749,770

Account	Unrealized gains and adjustment			
	Net unrealized gain on available-for-sale securities	Deffered gains and losses on hedges	Total Unrealized gains and adjustment	Total Unrealized gains and Adjustment
Balance at Mar.31 2006	120,624	—	—	120,624
Change during the priod				
Cash dividends				
Bonuses to directors and corporate auditors				
Net income				
Increase resulting from exclusion of consolidate				
Acquisition of treasury stock				
Disposal of treasury stock				
Changes in items other than shareholders' equity	-13,206	13,887	72	753
Total	-13,206	13,887	72	753
Balance at Sep. 30,2006	107,417	13,887	72	121,378

Consolidated Statements of Changes in Shareholders' Equity and other Net Assets (2)

Account	Minority interest	Total net assets
Balance at Mar.31 2006	4,880	1,790,866
Change during the priod		
Cash dividends		-32,440
Bonuses to directors and corporate auditors		-282
Net income		117,318
Increase resulting from exclusion of consolidated subsidiaries		111
Acquisition of treasury stock		-421
Disposal of treasury stock		123
Changes in items other than shareholders' equity	-166	587
Total	-166	84,996
Balance at Sep. 30,2006	4,714	1,875,862

Consolidated Statements of Shareholders' Equity

(million yen)

Account	Six-Months ended Sep. 30, 2005	Year ended Mar. 31, 2006
(Capital surplus)		
Balance of capital surplus, beginning of period	66,626	66,626
Increase in capital surplus	—	—
Decrease in capital surplus	—	—
Balance of capital surplus, end of period	66,626	66,626
(Retained earnings)		
Balance of retained earnings, beginning of period	1,067,589	1,067,589
Increase in retained earnings	109,375	161,049
Net income	109,375	161,049
Decrease in retained earnings	23,751	47,275
Cash dividends	23,533	46,853
Bonuses to directors and corporate auditors	217	217
Decrease resulting from decrease of consolidated subsidiaries	—	204
Balance of retained earnings, end of period	1,153,214	1,181,364

Consolidated Statements of Cash Flows

(million yen)

Account	Six-Months ended Sep. 30, 2006	Six-Months ended Sep. 30, 2005	Increase/ Decrease	Year ended Mar. 31, 2006
Operating Activities				
Income before income taxes and minority interest	184,096	176,191	7,904	257,148
Depreciation and amortization	188,045	196,438	-8,392	402,687
Amortization of nuclear fuel	24,809	23,400	1,408	47,158
Loss on disposal of property, plant and equipment	4,517	3,693	823	11,290
Nuclear fuel transferred to reprocessing costs	10,452	530	9,921	31,524
Increase (decrease) in liability for retirement benefits	-14,488	15,756	-30,244	13,203
Provision for reprocessing of irradiated nuclear fuel	-3,593	28,231	-31,824	18,996
Provision for decommissioning of nuclear power units	5,460	4,983	476	16,632
Provision for (Reversal of) reserve for fluctuations in water level	2,393	-5,222	7,615	-9,595
Interest revenue and dividends received	-3,159	-1,874	-1,285	-3,653
Interest expense	32,623	32,706	-82	66,712
Reserve fund for reprocessing of irradiated nuclear fuel	31,463	—	31,463	-136,302
Accounts receivable	-19,984	-10,007	-9,977	-4,595
Accounts payable	333	-1,799	2,132	19,884
Other	-53,865	-42,685	-11,180	-21,045
Sub total	389,102	420,343	-31,241	710,044
Receipt of interest and cash dividends	4,039	3,010	1,029	4,676
Interest paid	-35,283	-35,357	73	-67,236
Income taxes paid	-35,094	-60,805	25,711	-118,605
Net cash provided by operating activities	322,763	327,190	-4,427	528,878
Investing activities				
Purchases of property, plant and equipment	-119,436	-130,933	11,497	-276,629
Payment for investments and advances	-18,773	-13,014	-5,758	-34,636
Proceeds from sales or collections of investments and advances	8,324	4,105	4,218	22,658
Net (increase) decrease in time deposits and other	-17,002	—	-17,002	-15,129
Other	6,464	-14,096	20,560	10,090
Net cash used in investing activities	-140,423	-153,939	13,516	-293,645

(million yen)

Account	Six-Months ended Sep. 30, 2006	Six-Months ended Sep. 30, 2005	Increase/ Decrease	Year ended Mar. 31, 2006
Financing Activities				
Proceeds from issuance of bonds	109,599	79,503	30,095	149,241
Redemption of bonds	-118,365	-37,400	-80,965	-59,870
Proceeds from long-term debt (exclusive of bonds)	100,303	65,369	34,933	140,159
Repayments of long-term debt (exclusive of bonds)	-162,245	-97,311	-64,933	-307,026
Proceeds from short-term borrowings	122,010	171,516	-49,506	327,426
Repayments of short-term borrowings	-173,466	-172,375	-1,091	-349,515
Proceeds from issuance of commercial papers	215,000	189,000	26,000	212,000
Repayments of commercial papers	-215,000	-257,000	42,000	-280,000
Purchases of treasury stock	-417	-17,781	17,363	-32,884
Dividends paid	-32,410	-23,516	-8,893	-46,839
Other	223	-120	343	-72
Net cash used in financing activities	-154,768	-100,115	-54,653	-247,379
Foreign currency translation adjustments on cash and cash equivalents	22	35	-13	60
Net increase (decrease) in cash and cash equivalents	27,593	73,171	-45,578	-12,086
Cash and cash equivalents, beginning of period	55,811	67,898	-12,086	67,898
Cash and cash equivalents, end of period	83,405	141,069	-57,664	55,811

(Segment information)

<Industry segment information>

[Six-months ended Sep. 30, 2006]

(million yen)

	Electric Power	IT/ Communications	Other	Total	Eliminations/ Corporate	Consolidated
Sales and operating income						
Operating revenues						
(1) Sales to customers	1,193,771	40,724	74,743	1,309,239	—	1,309,239
(2) Intersegment sales	5,594	21,481	103,949	131,025	-131,025	—
Total	1,199,365	62,206	178,692	1,440,265	-131,025	1,309,239
Operating expenses	1,002,002	57,236	169,750	1,228,929	-131,433	1,097,495
Operating income	197,363	4,969	9,002	211,335	407	211,743

[Six-months ended Sep. 30, 2005]

(million yen)

	Electric Power	IT/ Communications	Other	Total	Eliminations/ Corporate	Consolidated
Sales and operating income						
Operating revenues						
(1) Sales to customers	1,176,407	35,992	64,451	1,276,850	—	1,276,850
(2) Intersegment sales	4,541	22,635	97,841	125,017	-125,017	—
Total	1,180,948	58,627	162,292	1,401,868	-125,017	1,276,850
Operating expenses	979,489	57,369	153,458	1,190,317	-126,236	1,064,081
Operating income	201,459	1,258	8,833	211,551	1,218	212,769

[Year ended March 31, 2006]

(million yen)

	Electric Power	IT/ Communications	Other	Total	Eliminations/ Corporate	Consolidated
Sales and operating income						
Operating revenues						
(1) Sales to customers	2,358,717	74,366	145,976	2,579,059	—	2,579,059
(2) Intersegment sales	10,192	51,094	221,399	282,685	-282,685	—
Total	2,368,909	125,460	367,375	2,861,745	-282,685	2,579,059
Operating expenses	2,069,207	120,751	346,357	2,536,315	-284,426	2,251,889
Operating income	299,702	4,709	21,017	325,429	1,740	327,170

**Unaudited Financial Release (Non-Consolidated)
for the Six-Months Ended September 30, 2006**

The information below is an English translation of extracts from Unaudited Financial Release (Non-Consolidated) for the second quarter that has been filed with the major Japanese stock exchanges (Osaka, Tokyo and Nagoya) for public inspection. These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

October 30, 2006

The Kansai Electric Power Co., Inc. (Code: 9503)
6-16 Nakanoshima 3-chome, Kita-ku, Osaka
(URL <http://www.kepco.co.jp>)
Company Representative: Shosuke Mori, President and Director
Contact: Yasushi Sugimoto, General Manager, Office of Financing and Accounting
Tel:+81-6-6441-8821

I. Performance over the Six-Months Ended September 30, 2006 and 2005

(Figures are rounded down to the nearest million yen)

1. Results of Operations

	<u>Six-Months Ended Sep. 30</u>		(Million yen) Year Ended <u>March 31</u>
	2006	2005	2006
Operating Revenues	1,222,353 (2.1%)	1,196,737 (-4.1%)	2,403,587
Operating Income	195,525 (-2.2%)	199,971 (-26.0%)	294,877
Ordinary Income *	168,681 (4.1%)	161,986 (-30.2%)	219,283
Net Income	103,959 (-1.1%)	105,139 (-17.9%)	143,548
Net Income per Share	112.17 yen	112.71 yen	154.14

Notes:

1. Average number of shares outstanding
Six-months ended Sep. 30, 2006; 926,811,365
Six-months ended Sep. 30, 2005; 932,863,272
Year ended March 31, 2006; 930,469,502
2. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.
3. Figures in brackets are changes from the previous periods.

2. Dividends

	Interim dividend per share	Year-end dividend per share	Annual dividend per share
Fiscal 2006	25.00 yen	35.00 yen	60.00 yen
Fiscal 2007	30.00 yen	—	—
Fiscal 2007 (Forecast)	—	30.00 yen	60.00 yen

3. Financial Position

	As of Sep. 30		(Million yen) As of March 31
	2006	2005	2006
Total Assets	6,199,632	6,362,599	6,268,884
Net Assets	1,673,207	1,575,272	1,599,578
Equity Ratio	27.0%	24.8%	25.5%
Net Assets per Share	1,805.45 yen	1,688.79 yen	1,725.64 yen

Notes:

1. Number of shares outstanding
 - As of September 30, 2006; 926,754,022
 - As of September 30, 2005; 932,781,310
 - As of March 31, 2006; 926,872,118
2. Number of treasury stock
 - As of September 30, 2006; 35,944,706
 - As of September 30, 2005; 29,917,418
 - As of March 31, 2006; 35,826,610

II. Earnings Forecasts

	(Billion yen)
	Year Ending March 31, 2007
Operating Revenues	2,400
Ordinary Income*	180
Net Income	109

Reference:

Forecast of Net Income per Share for the year ending March 31, 2007; 117.61 yen

Notes:

1. Major factors for Earnings Forecasts
Refer to page 2 about major factors.
2. Ordinary Income means Income before Provision for/Reversal of Reserve for Fluctuations in Water Level, Special Item and Income Taxes.

* Financial forecasts are subject to change depending upon the changes of business environments and other conditions.

Non-Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2006	As of Mar. 31, 2006	Increase/ Decrease	As of Sep. 30, 2005
(Assets)				
Property	5,820,663	5,989,097	-168,433	5,959,177
Utility facilities	4,293,145	4,402,339	-109,193	4,509,577
Hydroelectric power production facilities	416,550	426,730	-10,180	436,731
Thermal power production facilities	528,510	553,073	-24,563	587,303
Nuclear power production facilities	366,442	372,632	-6,190	384,038
Internal combustion engine power production facilities	2,200	2,353	-153	2,507
Transmission facilities	1,353,025	1,392,712	-39,686	1,430,524
Transformation facilities	481,046	494,227	-13,180	505,142
Distribution facilities	986,358	995,636	-9,278	1,006,189
General facilities	138,068	143,637	-5,569	146,283
Facilities loaned	20,942	21,334	-391	10,857
Incidental business facilities	20,256	18,209	2,046	19,719
Non-operating facilities	5,176	9,330	-4,154	9,547
Construction in progress	240,162	245,132	-4,970	258,402
Nuclear fuel	499,357	512,407	-13,049	529,298
Loaded nuclear fuel	86,740	90,113	-3,373	95,262
Nuclear fuel in processing	412,617	422,294	-9,676	434,036
Investments and other assets	762,564	801,676	-39,111	632,631
Long-term investments	273,255	281,659	-8,403	234,159
Investments in and advances to subsidiaries and associated companies	131,917	129,771	2,145	129,205
Reserve fund for reprocessing of irradiated nuclear fuel	104,839	136,302	-31,463	—
Long-term prepaid expenses	21,413	20,643	769	22,406
Deferred tax assets	231,286	233,414	-2,127	247,201
Allowance for doubtful accounts	-147	-114	-32	-342
Current assets	378,968	279,787	99,180	403,421
Cash and time deposits	92,509	46,477	46,032	130,223
Accounts receivable	134,883	112,838	22,044	129,726
Other accounts receivable	8,642	10,842	-2,200	12,142
Fuel, materials and supplies	64,763	44,559	20,204	40,032
Prepaid expenses	9,309	716	8,593	11,578
Short-term receivables from subsidiaries and associated companies	16,414	9,199	7,215	13,339
Deferred tax assets	16,444	22,744	-6,299	33,347
Other	38,262	34,373	3,889	35,459
Allowance for doubtful accounts	-2,262	-1,963	-298	-2,428
Total assets	6,199,632	6,268,884	-69,252	6,362,599

Non-Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2006	As of Mar. 31, 2006	Increase/ Decrease	As of Sep. 30, 2005
(Liabilities)				
Long-term liabilities and reserves	3,760,243	3,867,251	-107,008	3,850,220
Bond	1,373,458	1,326,194	47,264	1,278,794
Long-term loans	1,077,388	1,217,611	-140,222	1,249,065
Long-term obligations	7,679	7,348	330	9,075
Long-term obligations to subsidiaries and affiliates	23	—	23	—
Liability for retirement benefits	355,487	371,011	-15,524	374,741
Reserve for reprocessing of irradiated nuclear fuel	646,082	649,675	-3,593	658,910
Reserve for decommissioning of nuclear power units	255,215	249,754	5,460	238,106
Other	44,908	45,655	-747	41,526
Current liabilities	755,144	793,411	-38,266	924,090
Current maturities of long-term debt	299,962	287,442	12,519	394,538
Short-term borrowings	96,750	146,750	-50,000	167,871
Accounts payable-trade	72,966	65,362	7,603	54,259
Other accounts payable	12,939	19,713	-6,773	9,766
Accrued expenses	82,365	102,829	-20,464	103,864
Accrued income tax	98,271	58,841	39,430	109,466
Deposits received	5,887	5,609	277	3,951
Short-term obligations to subsidiaries and affiliates	69,889	68,723	1,165	47,383
Advances received	15,625	14,415	1,210	12,165
Other	486	23,722	-23,236	20,823
Reserve by special laws	11,036	8,642	2,393	13,015
Reserve for fluctuations in water level	11,036	8,642	2,393	13,015
Total liabilities	4,526,424	4,669,306	-142,882	4,787,326

Non-Consolidated Balance Sheets

(million yen)

Account	As of Sep. 30, 2006	As of Mar. 31, 2006	Increase/ Decrease	As of Sep. 30, 2005
(Shareholders' Equity)				
Paid in capital	—	489,320	-489,320	489,320
Capital surplus	—	67,031	-67,031	67,031
Additional paid-in capital	—	67,031	-67,031	67,031
Retained earnings	—	1,013,920	-1,013,920	998,830
Legal reserves	—	122,330	-122,330	122,330
Voluntary reserves	—	657,024	-657,024	657,024
Reserve for losses on overseas investment, etc.	—	24	-24	24
Reserve for adjustment of cost fluctuation	—	207,000	-207,000	207,000
General reserve	—	450,000	-450,000	450,000
Unappropriated retained earnings at the end of the term	—	234,566	-234,566	219,476
Net unrealized gain on available-for-sale securities	—	101,109	-101,109	76,791
Treasury stock	—	-71,804	71,804	-56,701
Total shareholders' equity	—	1,599,578	-1,599,578	1,575,272
(Net Assets)				
Shareholders' Equity	1,569,536	—	1,569,536	—
Paid in capital	489,320	—	489,320	—
Capital surplus	67,053	—	67,053	—
Additional paid-in capital	67,031	—	67,031	—
Other capital surplus	22	—	22	—
Retained earnings	1,085,309	—	1,085,309	—
Legal reserves	122,330	—	122,330	—
Other retained earnings	962,979	—	962,979	—
Reserve for losses on overseas investment, etc.	14	—	14	—
Reserve for adjustment of cost fluctuation	207,000	—	207,000	—
General reserve	530,000	—	530,000	—
Retained earnings carried forward	225,964	—	225,964	—
Treasury stock	-72,147	—	-72,147	—
Unrealized gains and Adjustment	103,670	—	103,670	—
Net unrealized gain on available-for-sale securities	90,240	—	90,240	—
Deffered gains and losses on hedges	13,430	—	13,430	—
Total net asset	1,673,207	—	1,673,207	—
Total liabilities and net assets	6,199,632	6,268,884	-69,252	6,362,599

Non-Consolidated Statements of Income

(million yen)

Account		Six-Months ended Sep. 30,2006	Six-Months ended Sep. 30,2005	Increase/ Decrease	Year ended Mar. 31, 2006			
Ordinary revenues and expenses	Operating revenues and expenses	Operating revenues	1,222,353	1,196,737	25,615	2,403,587		
		Electricity business revenues	1,199,365	1,180,948	18,417	2,368,909		
		Residential	481,522	472,155	9,367	989,390		
		Commercial and industrial	684,826	683,253	1,573	1,326,112		
		Sold power to other utilities	8,483	3,917	4,565	10,353		
		Sold power to other companies	4,877	3,252	1,624	5,948		
		Transmission revenues	4,318	2,806	1,511	6,365		
		Settlement revenues among utilities	1,064	1,261	-197	2,666		
		Other electricity revenues	13,344	14,069	-725	26,976		
		Revenues from loaned facilities	929	231	697	1,096		
		Incidental business revenues	22,987	15,789	7,197	34,677		
		Heat supply business revenues	—	455	-455	866		
		Steam supply business revenues	1,071	775	296	1,489		
		Gas supply business revenues	16,187	10,134	6,683	23,237		
		Fuel sales business revenues	2,284	2,335	-51	4,574		
		Other	2,813	2,088	724	4,509		
		-----		-----	-----	-----	-----	
				Operating expenses	1,026,827	996,766	30,061	2,108,709
				Electricity business expenses	1,002,002	979,489	22,513	2,069,207
				Hydro electric power production expenses	29,988	30,247	-258	67,594
				Thermal power production expenses	223,317	181,583	41,734	415,275
				Nuclear power production expenses	144,841	154,415	-9,573	326,295
				Internal combustion engine power production expenses	929	631	298	1,393
				Purchased power from other utilities	56,259	57,101	-842	123,476
				Purchased power from other companies	155,121	134,566	20,255	281,126
				Transmission expenses	86,271	88,434	-2,163	185,395
				Transformation expenses	41,890	41,342	547	88,676
				Distribution expenses	100,363	98,294	2,069	200,494
				Selling expenses	47,956	47,047	908	96,839
				Cost of loaned facilities	517	25	492	529
				General and administrative expenses	70,298	102,298	-31,999	195,920
				Promotion of power-resources development tax	30,810	30,133	676	59,724
		Enterprise tax	13,489	13,479	10	26,693		
		Transferred cost of electricity for construction and incidental business	-54	-112	58	-227		
		Incidental business expenses	24,824	17,276	7,547	39,502		
		Heat supply business expenses	—	393	-393	704		
		Steam supply business expenses	1,073	746	326	1,479		
		Gas supply business expenses	17,677	11,252	6,425	26,824		
		Fuel sales business expenses	2,286	2,346	-59	4,599		
		Other	3,785	2,536	1,248	5,895		
		(Operating income)	195,525	199,971	-4,445	294,877		

Non-Consolidated Statements of Income

Account		Six-Months ended Sep. 30, 2006	Six-Months ended Sep. 30, 2005	Increase/ Decrease	Year ended Mar. 31, 2006	
Ordinary revenues and expenses	Non-operating revenues and expenses	Non-operating revenues	8,509	5,883	2,625	12,637
		Financial revenues	4,118	2,766	1,351	3,876
		Dividend received	3,233	2,721	512	3,134
		Interest received	884	45	838	741
		Other non-operating revenues	4,391	3,116	1,274	8,760
		Non-operating expenses	35,353	43,868	-8,515	88,231
		Financial expenses	30,744	30,974	-229	63,190
		Interest expenses	30,386	30,678	-291	62,632
		Bond issue expenses	358	—	358	—
		Amortization of bond issue expenses	—	271	-271	509
		Amortization of bond issue discount	—	25	-25	49
		Other non-operating expenses	4,608	12,894	-8,285	25,040
		Total ordinary revenues		1,230,862	1,202,621	28,240
Total ordinary expenses		1,062,180	1,040,635	21,545	2,196,941	
Ordinary income		168,681	161,986	6,695	219,283	
Provision for (Reversal of) reserve for fluctuations in Water Level		2,393	-5,222	7,615	-9,595	
Income before income taxes		166,288	167,209	-920	228,879	
Income taxes-current		55,351	75,720	-20,368	88,357	
Income taxes-deferred		6,977	-13,649	20,627	-3,026	
Net income		103,959	105,139	-1,179	143,548	
Retained income brought from the previous term		—	114,337	-114,337	114,337	
Interim dividends		—	—	—	23,319	
Unappropriated retained earnings at the end of the term		—	219,476	-219,476	234,566	

Non-Consolidated Statements of Changes in Shareholders' Equity and other Net Assets (1)

[As of September 30, 2006]

(million yen)

Account	Shareholders' equity				
	Paid in capital	Capital surplus		Retained earnings	
		Additional paid-in capital	Other Capital surplus	Legal reserves	Other retained earnings
					Reserve for losses on overseas investment etc
Balance at Mar.31 2006	489,320	67,031	—	122,330	24
Change during the period					
Increase(Decrease) in reserve for losses on overseas investment etc					-9
Increase (decrease) in general reserve					
Cash dividends					
Bonuses to directors and corporate auditors					
Net income					
Acquisition of treasury stock					
Disposal of treasury stock			22		
Changes in items other than shareholders' equity					
Total	—	—	22	—	-9
Balance at Sep. 30, 2006	489,320	67,031	22	122,230	14

Account	Shareholders' equity				
	Retained earnings			Treasury stock	Total Shareholders' equity
	Other retained earnings		Retained earnings carried forward		
Reserve for adjustment of cost fluctuation	General reserve				
Balance at Mar.31 2006	207,000	450,000	234,566	-71,804	1,498,468
Change during the period					
Increase(Decrease) in reserve for losses on overseas investment etc			9		—
Increase(decrease) in general reserve		80,000	-80,000		—
Cash dividends			-32,440		-32,440
Bonuses to directors and corporate auditors			-130		-130
Net income			103,959		103,959
Acquisition of treasury stock				-417	-417
Disposal of treasury stock				74	96
Changes in items other than shareholders' equity					
Total	—	80,000	-8,601	-343	71,068
Balance at Sep. 30, 2006	207,000	530,000	225,964	-72,147	1,569,536

Non-Consolidated Statements of Changes in Shareholders' Equity and other Net Assets (2)

Account	Unrealized gains and adjustment			Total net assets
	Net unrealized gain on available-for-sale securities	Deffered gains and losses on hedges	Total Unrealized gains and adjustment	
Balance at Mar.31 2006	101,109	—	101,109	1,599,578
Change during the priod				
Increase(Decrease) in reserve for losses on overseas investment etc				—
Increase(decrease) in general reserve				—
Cash dividends				-32,440
Bonuses to directors and corporate auditors				-130
Net income				103,959
Acquisition of treasury stock				-417
Disposal of treasury stock				96
Changes in items other than shareholders' equity	-10,869	13,430	2,560	2,560
Total	-10,869	13,430	2,560	73,629
Balance at Sep. 30,2006	90,240	13,430	103,670	1,673,207

October 30, 2006
The Kansai Electric Power Co., Inc.

Financial Highlights

1. Consolidated Financial Results

	Six-Months ended Sep. 30, 2006	Six-Months ended Sep. 30, 2005	Change
Operating Revenue (Billion yen)	1,309.2	1,276.8	2.5%
Operating Income (Billion yen)	211.7	212.7	-0.5%
Ordinary Income* (Billion yen)	186.4	170.9	9.1%
Net Income (Billion yen)	117.3	109.3	7.3%
Net Income per Share (Yen)	126.63	117.29	9.34

Number of consolidated subsidiaries: 61
Number of affiliates accounted by equity method: 1

2. Non-Consolidated Financial Results

	Six-Months ended Sep. 30, 2006	Six-Months ended Sep. 30, 2005	Change
Operating Revenue (Billion yen)	1,222.3	1,196.7	2.1%
Operating Income (Billion yen)	195.5	199.9	-2.2%
Ordinary Income (Billion yen)	168.6	161.9	4.1%
Net Income (Billion yen)	103.9	105.1	-1.1%
Net Income per Share (Yen)	112.17	112.71	-0.54

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	
	2006 (A)	2005 (B)			(A)	(B)
	¥ million	¥ million	¥ million	%	%	%
Ordinary revenues (Operating revenues)	1,230,862 (1,222,353)	1,202,621 (1,196,737)	28,240 (25,615)	102.3 (102.1)	100.0	100.0
Residential	481,522	472,155	9,367	102.0	39.1	39.3
Commercial and industrial	684,826	683,253	1,573	100.2	55.7	56.8
Sub total	1,166,349	1,155,408	10,940	100.9	94.8	96.1
Other	64,513	47,213	17,299	136.6	5.2	3.9
Ordinary expenses	1,062,180	1,040,635	21,545	102.1	100.0	100.0
Personnel expenses	104,484	136,101	-31,616	76.8	9.8	13.1
Fuel	176,041	131,257	44,783	134.1	16.6	12.6
Back-end expenses of nuclear power	41,335	43,158	-1,823	95.8	3.9	4.1
Maintenance	97,922	96,364	1,558	101.6	9.2	9.3
Taxes other than income Taxes	78,990	80,647	-1,656	97.9	7.4	7.7
Depreciation	154,283	167,802	-13,518	91.9	14.5	16.1
Purchased power	211,380	191,667	19,712	110.3	19.9	18.4
Interest expenses	30,386	30,678	-291	99.0	2.9	2.9
Other	167,355	162,957	4,398	102.7	15.8	15.8
Ordinary income	168,681	161,986	6,695	104.1		
Provision for/reversal of reserve for fluctuations in water level	2,393	-5,222	7,615	—		
Income before income taxes	166,288	167,209	-920	99.4		
Current income taxes	55,351	75,720	-20,368	73.1		
Deferred income taxes	6,977	-13,649	20,627	—		
Net income	103,959	105,139	-1,179	98.9		

Major factors (Non-Consolidated)

The Kansai Electric Power Co., Inc.

		Six-Months Ended Sep. 30, 2006	Six-Months Ended Sep. 30, 2005	Increase /decrease
Electricity Sales	Residential (Billion kWh)	24.0	23.3	0.7
	(Change, %)	(103.1)	(101.0)	
	Commercial and industrial (Billion kWh)	51.5	51.0	0.5
(Change, %)	(101.0)	(98.9)		
Total (Billion kWh)	75.5	74.3	1.3	
(Change, %)	(101.7)	(99.5)		
Nuclear capacity factor (%)		77.9	74.1	3.8
Water run-off ratio (%)		105.8	90.6	15.2
CIF crude oil price per barrel (U.S. dollar)		67.8	53.1	14.7
Exchange rate[TTM] per U.S. dollar (Yen)		115	109	6
Ordinary income (Billion yen)		168.6	161.9	6.6
(Change, %)	(104.1)	(69.8)		
Net income (Billion yen)		103.9	105.1	-1.1
(Change, %)	(98.9)	(82.1)		

Notes:

1. Figures of Ordinary income and Net income are rounded down to the nearest 100 million yen
2. CIF crude oil price for 6 months ended Sep. 30, 2006 is quick estimation of foreign trade statistics released on Oct. 25, 2006.

*Sensitivity of major factors (Six-Months Ended September 30, 2006)

Nuclear capacity factor	1%	3.2 billion yen
Water run-off ratio	1%	0.7 billion yen
CIF Crude oil price per barrel	\$1	1.9 billion yen
Exchange rate[TTM] per U.S. dollar	¥1	1.8 billion yen