

December 26, 2007

The Kansai Electric Power Co., Inc.

Notice of Revision of the Financial Forecasts for FY ending March 31, 2008
(Consolidated and Non-consolidated)

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: Momosuke Ozuku, General Manager, Office of Financing and Accounting

Tel: +81-6-6441-8821

Kansai Electric Power Co., Inc. (the Company) announces that the Company has revised its financial forecasts for FY ending March 31, 2008 (from April 1, 2007 to March 31, 2008) announced on October 30, 2007, based on recent circumstances and its performance as below.

1. Revision of the Financial Forecasts

(1) Consolidated (from April 1, 2007 to March 31, 2008)

(billion yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previous Forecast (A)	2,670	200	170	111	119.86yen
Revised Forecast (B)	2,670	160	130	70	75.84yen
Difference (B-A)	—	-40	-40	-41	-44.02yen
Change (%)	—	-20.0%	-23.5%	-36.9%	-36.7%
(Reference) Previous FY (actual)	2,596.3	271.6	231.6	147.9	159.69yen

(2) Non-Consolidated (from April 1, 2007 to March 31, 2008)

(billion yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previous Forecast (A)	2,460	170	140	91	98.23yen
Revised Forecast (B)	2,460	130	100	50	54.15yen
Difference (B-A)	—	-40	-40	-41	-44.08yen
Change (%)	—	-23.5%	-28.6%	-45.1%	-44.9%
(Reference) Previous FY (actual)	2,396.8	228.2	189.3	117.6	126.97yen

2. Reason for the Revision

The Company revised its financial forecasts for the following reasons.

- Increase in fossil fuel cost due to recent rise of oil price.

- Increase in fossil fuel cost due to more generated power from thermal power plants, resulting largely from covering the influence of the extension of inspection period for Takahama Unit 2.
- Prepare for the extraordinary loss related to Reserve for Decommissioning of Nuclear Power Units according to the revision of government regulations, 25 billion yen, which is estimated based on the total generated power from nuclear power plants until previous FY end.

<Major Factors>

	Previous Forecast (A)	Revised Forecast (B)	Change (B-A)
Electricity Sales (TWh)	149.5	149.5	—
Exchange rate [TTM] (yen/\$)	Approx. 117	Approx. 117	—
All Japan CIF Crude Oil Price (\$/barrel)	Approx. 69	Approx. 75	Approx. 6
Nuclear Capacity Factor (%)	78.0	74.6	-3.4
Water Run-off Ratio (%)	91.1	89.4	-1.7

(Notes)

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