Financial Summary
FY2011

April 27, 2012

Tohoku Electric Power Co., Inc.

Tohoku Electric Power

Contents

FY2011 Financial Results

Reference

Tohoku Electric Power

FY2011 Financial Results

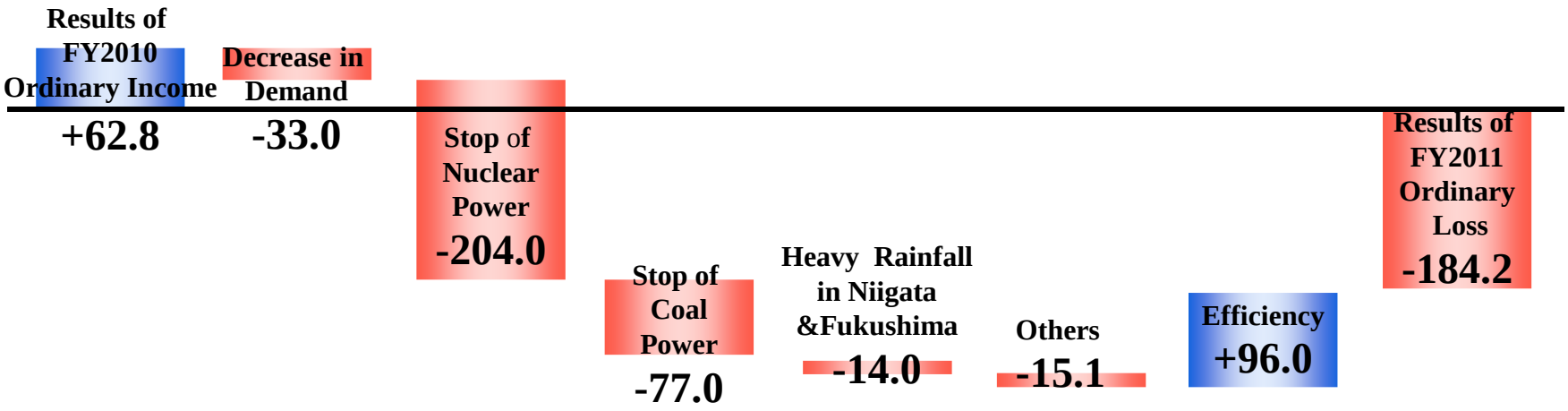
Tohoku Electric Power

Summary of Financial Results

(billions of yen)

		FY2011 (A)	FY2010 (B)	Comparison		Consolidated/Non-consolidated of FY2011	
				(A) - (B)	(A) / (B)	Comparison	Ratio
Consolidated	Operating Revenues	1,684.9	1,708.7	(23.7)	98.6%	212.6	1.14 times
	Operating (Loss) Income	(142.0)	114.6	(256.6)	—	18.0	—
	Ordinary (Loss) Income	(176.4)	80.2	(256.7)	—	7.8	—
	Net Loss	(231.9)	(33.7)	(198.1)	—	(21.6)	—
Non-Consolidated	Operating Revenues	1,472.2	1,551.5	(79.2)	94.9%		
	Operating (Loss) Income	(160.1)	96.9	(257.0)	—		
	Ordinary (Loss) Income	(184.2)	62.8	(247.1)	—		
	Net Loss	(210.2)	(33.1)	(177.1)	—		

■ Year-on-Year comparison of Ordinary (Loss) Income [Non-consolidated] (247.1) billions of yen



Electricity Sales

Electricity Sold **75,304 million kWh**
Year-on-Year Compared **down 7,402 million kWh (-8.9%)**

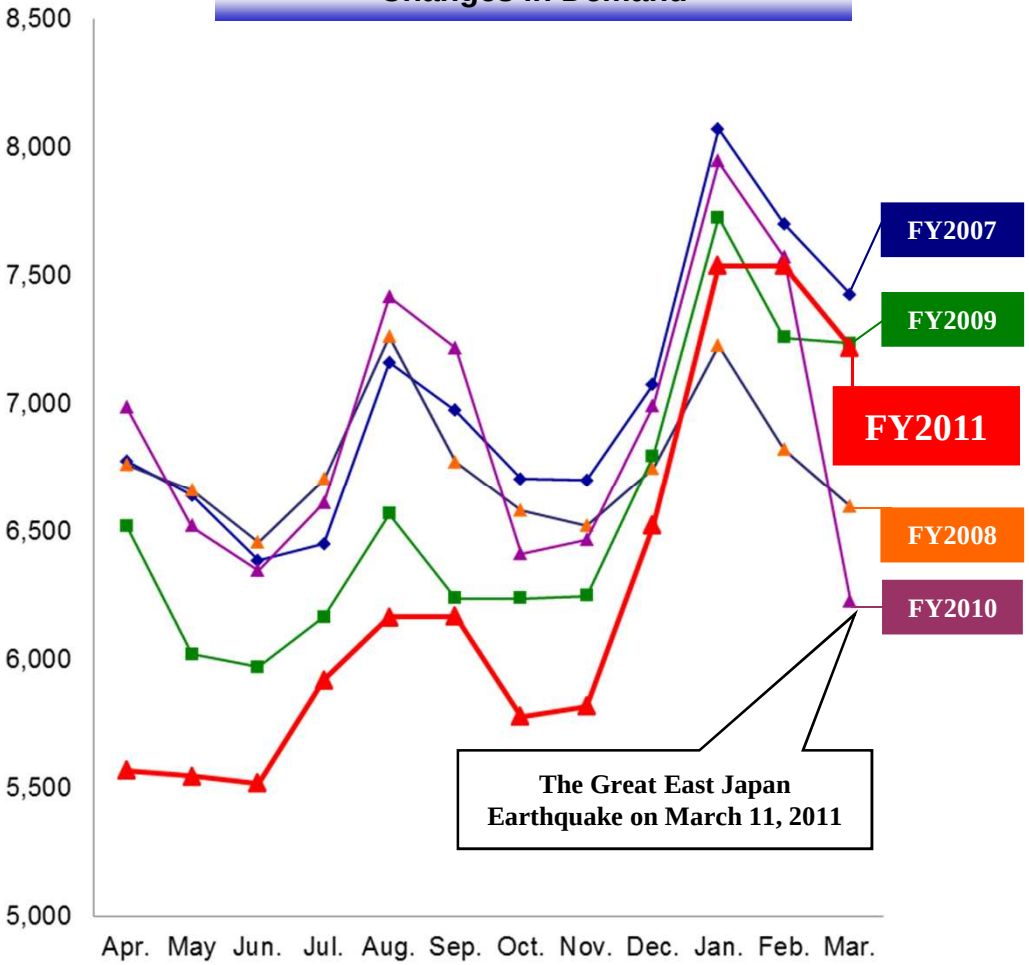
(million kWh)

Segment		FY2011 (A)	FY2010 (B)	Comparison (A) – (B)	Comparison (A) / (B)
Regulated	Residential	24,791	26,324	(1,533)	94.2%
	Commercial	3,996	4,284	(288)	93.3%
	Sub-total	28,787	30,608	(1,821)	94.1%
Deregulated		46,517	52,098	(5,581)	89.3%
Total		75,304	82,706	(7,402)	91.1%

【 Sub Segment 】

Large Industrial	24,079	26,787	(2,738)	89.9%

(million kWh)



Large Industry Sector

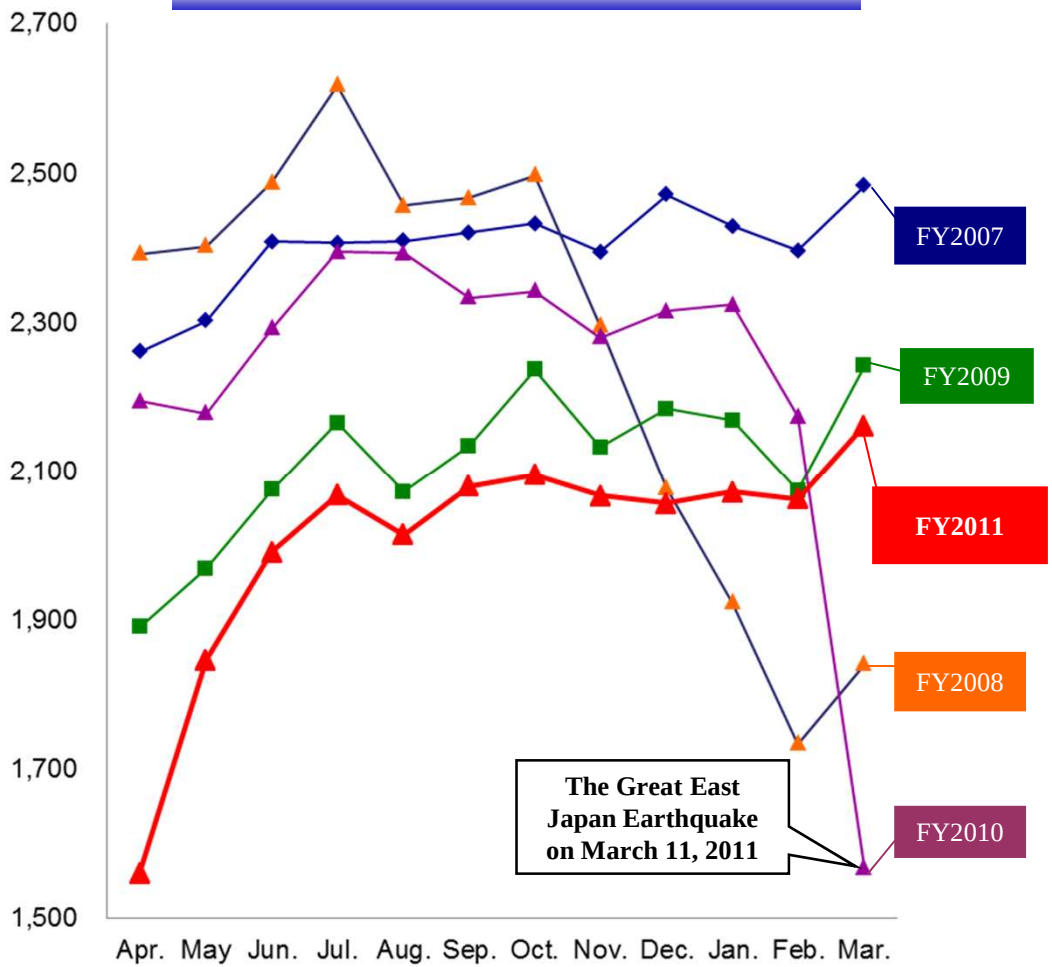
Large Industrial Demand **24,079million kWh**
Year-on-year Compared **down 2,708million kWh (-10.1%)**

(million kWh)

	FY2011 (A)	FY2010 (B)	Comparison	
			(A) – (B)	(A) / (B)
Food Products	1,427	1,593	(166)	89.6%
Paper/Pulp	754	1,027	(273)	73.4%
Chemicals	2,000	2,201	(201)	90.8%
Ceramics	676	721	(45)	93.7%
Steel	2,326	2,892	(566)	80.4%
Nonferrous Metals	3,503	3,847	(344)	91.1%
Machinery and Equipment Manufacturing	7,455	8,053	(598)	92.6%
Others	5,938	6,453	(515)	92.0%
Total	24,079	26,787	(2,708)	89.9%

(million kWh)

Changes in Large Industrial Demand



Electricity Generated and Purchased

(million kWh)

		FY2011 (A)	FY2010 (B)	Comparison (A) - (B)	Comparison (A) / (B)
Electricity Generated and Purchased	Own Generated power	58,546	72,657	(14,111)	80.6%
	Hydro	6,427	8,233	(1,806)	78.1%
	Thermal	51,081	42,883	8,198	119.1%
	Nuclear	—	20,690	(20,690)	—
	Renewable	1,038	851	187	122.0%
	Purchased Power	20,334	22,541	(2,207)	90.2%
	Power Interchanges (Transmitted)	(6,965)	(20,864)	13,899	33.4%
	Power Interchanges (Received)	10,989	16,055	(5,066)	68.4%
	Used at Pumped Storage	(327)	(99)	(228)	331.3%
	Total, Generated and Purchased	82,577	90,290	(7,713)	91.5%

Major Factors, Sensitivity to Major Factors（Non-consolidated）

		FY2011 (A)	FY2010 (B)	Comparison (A) - (B)
Major Factors	Crude Oil CIF Price ($/bbl.)	114.2	84.2	30.0
	Exchange Rate (¥/$)	79	86	(7)
	Hydro Power Flow Rate (%)	96.6	102.2	(5.6)
	Nuclear Power Capacity Factor (%)	0.0	72.1	(72.1)

（billions of yen）

		FY2011 (A)	FY2010 (B)	Comparison (A) - (B)
Sensitivity to Major Factors	Crude Oil CIF Price (per $1/bbl.)	3.3	2.0	1.3
	Exchange Rate (per ¥1/$)	5.9	2.8	3.1
	Hydro Power Flow Rate (per 1%)	1.0	0.7	0.3
	Nuclear Power Capacity Factor (per 1%)	2.7	1.7	1.0

Tohoku Electric Power

Comparison Statements of Revenue & Expense (Non-consolidated)

(billions of yen)

		FY2011 (A)	FY2010 (B)	Comparison (A) - (B)	Comparison (A) / (B)	Items
Revenues	Residential	534.6	547.0	(12.3)	97.7%	Decrease in Electric sales volume; (119.0) Rise in electricity rate; 79.6
	Commercial	758.0	785.1	(27.1)	96.5%	
	Sub Total	1,292.7	1,332.2	(39.4)	97.0%	
	Sales of Power to Other Utilities	136.5	184.6	(48.0)	74.0%	Thermal power;(23.9), Nuclear power;(14.5)
	Other Revenues	61.3	41.1	20.2	149.2%	Dividends income;12.8
	[Operating Revenues]	〔1,472.2〕	〔1,551.5〕	〔(79.2)〕	〔94.9%〕	
	Total Revenues	1,490.6	1,558.0	(67.3)	95.7%	
Expenses	Personnel	161.1	161.8	(0.6)	99.6%	
	Fuel	512.4	293.0	219.3	174.9%	Rise in crude oil CIF price;130.9, Increase in electricity generated by thermal power;117.8 Appreciation of the yen;(29.4)
	Maintenance	134.3	180.6	(46.3)	74.4%	Distribution; (19.7),Thermal power; (15.9), Transmission; (4.1)
	Depreciation	214.1	219.5	(5.4)	97.5%	Thermal power;(10.6), Nuclear power;(4.1), Transmission;7.8
	Power Purchased from other utilities	145.3	139.4	5.9	104.3%	Power Interchanges;41.3, Nuclear power;(29.9)
	Power Purchased from other companies	223.6	189.1	34.4	118.2%	Private power generation;30.9,Sakata Kyodo Power;7.7
	Interest	38.0	38.7	(0.7)	98.1%	
	Taxes, etc.	76.4	84.3	(7.8)	90.7%	Electric power development promotion tax;(2.7), property tax;(2.5)
	Nuclear Power Back-end Cost	6.8	24.1	(17.3)	28.2%	Reprocessing costs of irradiated nuclear fuel;(7.0) Decommissioning costs of nuclear power units;(5.2)
	Other Expenses	162.5	164.1	(1.6)	99.0%	
	Total Expenses	1,674.9	1,495.1	179.8	112.0%	
[Operating (Loss) Income]		〔(160.1)〕	〔96.9〕	〔(257.0)〕	〔－〕	
Ordinary (Loss) Income		(184.2)	62.8	(247.1)	－	
Extraordinary Loss		102.1	110.6	(8.4)	92.4%	The Great East Japan Earthquake; (19.0) The heavy rainfall in Niigata and Fukushima;18.5
Net (Loss) Income		(210.2)	(33.1)	(177.1)	－	

（Reference） Amortization of Actuarial Difference, Fuel Consumption（Non-consolidated）

Amortization of actuarial difference for retirement and severance benefits

（billions of yen）

Occurred	Accrual	Amortization（Fiscal Year）				
		FY2010	FY2011	FY2012	FY2013	FY2014
FY2007	29.6	9.8				
FY2008	34.5	11.5	11.5			
FY2009	(31.0)	(10.3)	(10.3)	(10.3)		
FY2010	14.5		4.8	4.8	4.8	
FY2011	3.2			1.0	1.0	1.0
Total		11.0	6.0	(4.4)	5.9	1.0

※ Amortization of costs by straight –line method over 3 years from the fiscal year following the year of occurrence

Increase and Decrease of Fuel Consumption

		FY2011 (A)	FY2010 (B)	Comparison (A)－(B)
Coal	(kt)	3,314	7,305	(3,991)
Heavy/Crude Oil	(Ml)	1,860	567	1,293
LNG	(kt)	4,894	2,790	2,104

Balance Sheets（Non-consolidated）

(billions of yen)

	Mar. 31, 2012 (A)	Mar. 31, 2011 (B)	Comparison (A) - (B)	Items
Total Assets	3,875.0	3,700.8	174.1	
Fixed Assets	3,478.3	3,430.6	47.6	Transmission plant; 116.2 Construction work in progress; (89.8)
Current Assets	396.7	270.1	126.5	Short-term investment; 77.0
Liabilities	3,398.1	3,003.7	394.3	
Net Assets	476.9	697.0	(220.1)	

Interest-Bearing Liabilities	2,396.8	2,010.2	386.5	Loans; 477.4 Bonds; (58.9) CP;（32.0）

Statements of Income, Balance Sheets (Consolidated)

(billions of yen)

Statements of Income

	FY2011 (A)	FY2010 (B)	Comparison (A) - (B)	Items
Operating Revenues	1,684.9	1,708.7	(23.7)	Electric power; (83.2), Other; 59.4
Operating Expenses	1,826.9	1,594.0	232.8	Electric power; 174.2, Other; 58.6
Operating (Loss) Income	(142.0)	114.6	(256.6)	
Ordinary (Loss) Income	(176.4)	80.2	(256.7)	
Extraordinary Loss	105.3	123.1	(17.7)	The Great East Japan Earthquake;(26.7) The heavy rainfall in Niigata and Fukushima; 18.5
Net Loss	(231.9)	(33.7)	(198.1)	

(billions of yen)

Balance Sheets

	Mar. 31, 2012 (A)	Mar. 31, 2011 (B)	Comparison (A) - (B)	Items
Total Assets	4,196.8	4,028.8	167.9	
Fixed Assets	3,608.0	3,591.8	16.2	Transmission plant; 113.8 Construction work in progress; (91.5)
Current Assets	588.7	437.0	151.7	Short-term investment;71.1
Liabilities	3,566.9	3,152.3	414.6	
Net Assets	629.8	876.4	(246.6)	
Interest-Bearing Liabilities	2,446.9	2,051.8	395.1	Loans;486.0, Bonds; (58.9),CP; (32.0)

Extraordinary Loss（Consolidated）

（billions of yen）

	FY2011 (A)	FY2010 (B)	Comparison (A) - (B)
The Great East Japan Earthquake	82.5	109.3	(26.7)
Generating Facilities	75.3	70.1	5.1
Supply Facilities	5.1	29.3	(24.1)
Consolidated Subsidiaries	2.0	9.8	(7.7)
The Heavy rainfall in Niigata and Fukushima	18.5	-	18.5
Generating Facilities	16.5	-	16.5
Supply Facilities	1.9	-	1.9
Impairment loss on fixed assets	4.2	2.5	1.7
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	6.5	(6.5)
Loss on valuation of securities	-	4.7	(4.7)
Total	105.3	123.1	(17.7)

Statements of Cash Flows（Consolidated）

(billions of yen)

	FY2011 (A)	FY2010 (B)	Comparison (A) - (B)	Items
Cash Flow from Operating Activities	(61.3)	332.5	(393.9)	Loss before income taxes and minority interests; (239.8) Reversal of reserve for loss on disaster ;(113.2)
Cash Flow from Investing Activities	(278.4)	(246.5)	(31.9)	
Cash Flow from Financing Activities	382.2	(29.5)	411.8	Loans; 486.0 [Proceeds; 796.3 Repayment;(310.3)] Bonds;(50.7) [Proceeds;(49.8) , Redemption;(0.9)] C P ; (43.0) [Proceeds;(165.0), Redemption;122.0]
Net Cash Flow	42.3	56.4	(14.0)	
Free Cash Flow	(305.6)	121.4	(427.1)	

Note; Our definition of the free cash flow =(Cash flow from operating activities) + (Cash flow from investing activities) – (Interest and dividend income) – (Interest expense)

Segment Information（Consolidated）

(billions of yen)

	FY2011 (A)	FY2010 (B)	Comparison (A) - (B)
Sales ※1	1,684.9	1,708.7	(23.7)
Electric Power	1,457.6	1,540.7	(83.1)
	1,455.0	1,538.2	(83.2)
Construction	286.4	229.3	57.1
	135.5	84.2	51.2
Gas	49.2	36.4	12.7
	40.6	27.2	13.4
IT	43.5	43.3	0.1
	17.4	16.4	0.9
Others	117.5	134.9	(17.3)
	36.2	42.4	(6.2)
Operating (loss) income	(142.0)	114.6	(256.6)
Electric Power	(159.4)	98.0	(257.4)
Construction	9.5	4.2	5.3
Gas	2.3	2.6	(0.2)
IT	4.5	5.1	(0.6)
Others	1.7	6.0	(4.2)

＊1 Lower is net sales to outside customers.

【Major Consolidated Subsidiaries】

(billions of yen)

	FY2011		Year-on-year	
	Sales	Operating income (loss)	Sales	Operating income (loss)
[Electric Power] Tousei Kougyo Co., Inc.	2.6	0.1	(0.2)	(0.1)
Sakata Kyodo Power Co., Ltd.	38.7	0.0	7.7	(0.0)
[Construction] Yurtec Corp.	189.2	5.1	35.9	3.3
Tohoku Electric Engineering & Construction Co., Inc.	73.9	3.0	13.9	1.1
[Gas] Nihonkai LNG Co., Ltd.	17.1	1.5	(0.0)	(0.4)
[IT] Tohoku Intelligent Telecommunication Co., Inc.	22.7	3.9	0.2	(0.3)
Tohoku Information Systems Co., Inc.	21.3	0.4	(0.0)	(0.4)
[Others] Kitanihon Electric cable Co., Ltd.	26.8	(0.2)	(1.3)	(0.3)

＊2 Before elimination of inter-companies transaction

Reference

Tohoku Electric Power

Current Situation of Power Stations

2 Noshiro Thermal

Situation	Unit	Output	Fuel
In Operation	No.1	600 MW	Coal
	No.2	600 MW	

3 Akita Thermal

Situation	Unit	Output	Fuel
In Operation	No.2	350 MW	Heavy oil, Crude oil
	No.3	350 MW	
	No.4	600 MW	
Expected Operation in Jul.2012	No.5	333 MW	Light oil

A Sakata Kyodo Power Unit 1 and 2

Situation	Power Purchased	Fuel
In Operation	700 MW	Coal

4 Higashi-Niigata Thermal

Situation	Unit	Output	Fuel
In Operation	No.1	600 MW	Gas
	No.2	600 MW	
	No.3 series	1,210 MW	
	No.4 series	1,700 MW	
	Minato No.1	350 MW	
	Minato No.2	350 MW	
In Operation	Minato No.3 series	53.8 MW	Light oil
Expected Operation in Jul.2012	No.5	339 MW	Gas

5 Niigata Thermal

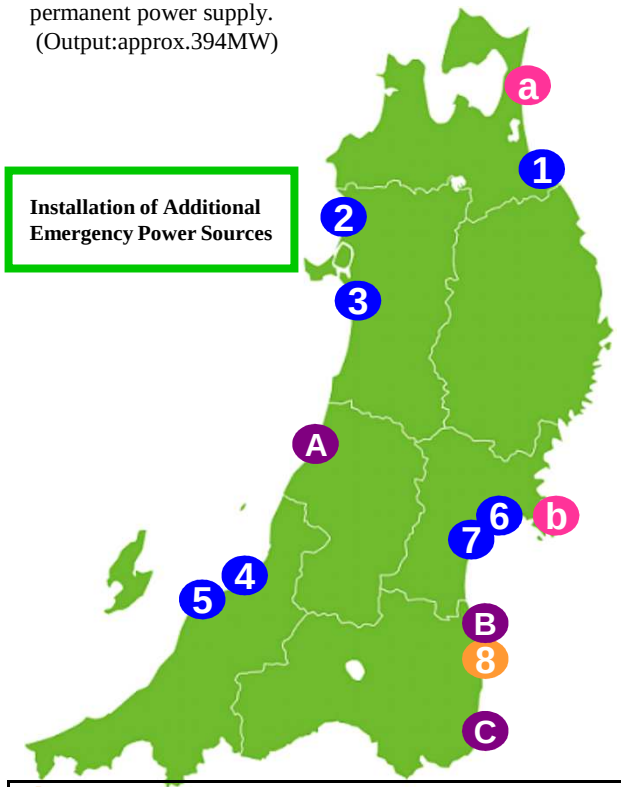
Situation	Unit	Output	Fuel
In Operation	No.4	250 MW	Gas
	No.5 series	109 MW	
In Operation	No.6	34 MW	Gas

1 Hachinohe Thermal

Situation	Unit	Output	Fuel
In Operation	No.3	250 MW	Heavy oil, Crude oil
Expected Operation in Jul.2012	No.5*	274 MW	Light oil
In Operation	Solar	1.5 MW	

*We will convert Unit 5 to combined-cycle system as a permanent power supply.
(Output:approx.394MW)

Installation of Additional Emergency Power Sources



a Higashidori Nuclear

Situation	Unit	Output
Under regular inspection	No.1	1,100 MW

b Onagawa Nuclear

Situation	Unit	Output
Under regular inspection	No.1	524 MW
	No.2	825 MW
	No.3	825 MW

6 Sendai Thermal

Situation	Unit	Output	Fuel
In Operation	No.4	446 MW	Gas

7 Shin-Sendai Thermal

Situation	Unit	Output	Fuel
In Operation	No.1	350 MW	Heavy Oil

B Soma Kyodo Power (Shinchi) Unit 1 and 2

Situation	Power Purchased	Fuel
In Operation	1,000 MW	Coal

C Joban Joint Power (Nakoso) Unit 6, 7, 8 and 9

Situation	Power Purchased	Fuel
In Operation	812.5 MW	Coal

※Unit 6 (87.5 MW power purchased；Heavy Oil) resumes receiving in Apr.21,2012

8 Haramachi Thermal

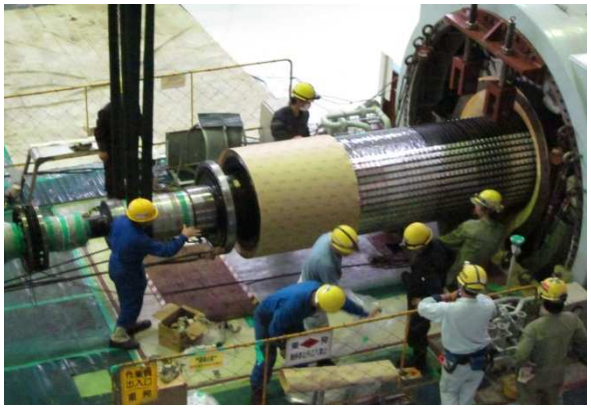
Situation	Unit	Output	Fuel
Expected Resumption by summer of 2013 We are considering early resumption as soon as possible.	No.1	1,000 MW	Coal
	No.2	1,000 MW	

Recovery Condition of Haramachi Thermal Power Station

- Now, the Haramachi thermal power station has completed all withdrawal of the rubble of premises, large-sized apparatus, etc., and about 3,000 workers are engaged in repair work, such as check of the dynamo and steam turbine and the installation work of an electric board, etc.
- Around the summer of this year when the peak time is expected, about 3,500 workers will organized to restoration work.
- We are considering the early resumption as soon as possible, aiming at resumption of operations before the summer of 2013.

【 Construction process】

Contents	FY2011	FY2012	FY2013
Withdrawal of rubble, apparatus, etc.	（Completion）		
Equipment production			
Check and repair			
Installation adjustment and trial run			



Check of Dynamo Unit No.1

Check of Steam turbine Unit No.2

Restoration of Electric precipitator Unit No.1

Current Conditions of Soma Kyodo Power (Shinchi Station) and Installations of Additional Emergency Power Sources

Soma Kyodo Power (Shinchi Station)

Unit No.1, 2 achieved rated output (1,000MW×2) on March 20, 2012.

Boiler turbine building

Switchyard

Soma port

Installations of Additional Emergency Power Sources

Hachinohe Thermal Unit No.5 (Mar.2012)

Akita Thermal Unit No.5 (Mar.2012)

Higashi-Niigata Thermal Unit No.5 (Mar.2012)

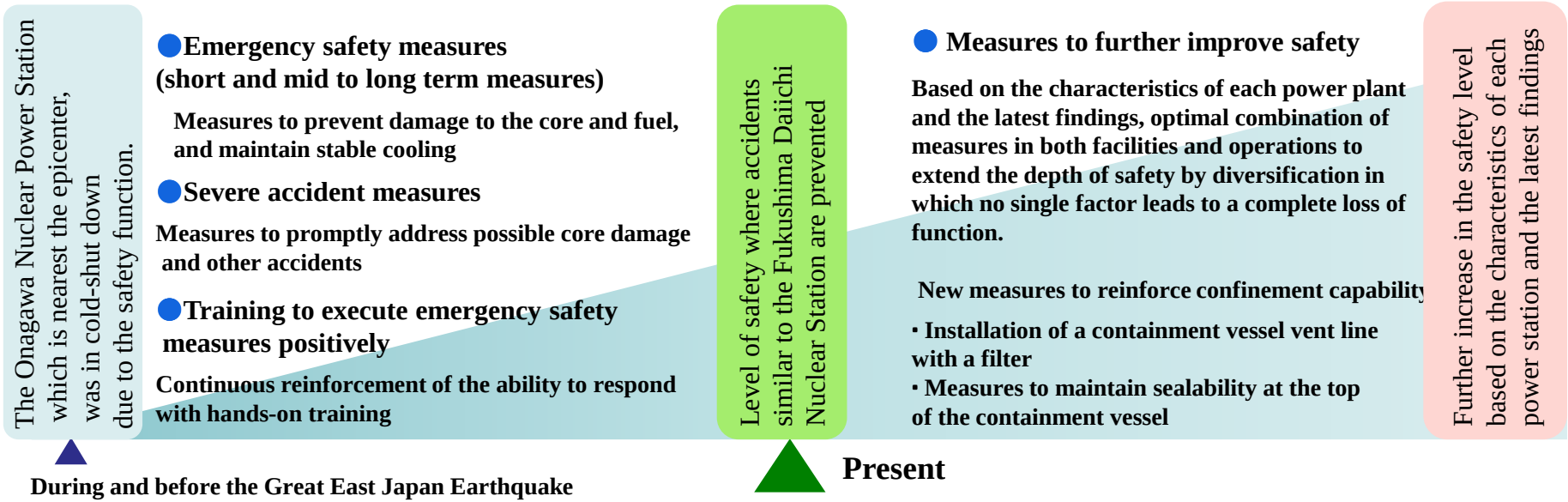
Situation of Thoroughness of the Safety Measures of Nuclear Power Stations

Viewpoints for Improving the Safety of Nuclear Power

Based on the lessons from the Great East Japan Earthquake and the accident at the Tokyo Electric Power Company's Fukushima Daiichi Nuclear Power Station, we have been maintaining and strengthening safety to prevent similar accidents.

- "Water Stop" to prevent or alleviate damage to the safety functions from a tsunami
- "Reinforcement of the Power and Monitoring Functions and Cooling Capability" to secure cooling
- "Reinforcement of Confinement Capability" to keep radioactive materials in the containment vessel or in the reactor building as possible and to restrict the effects outside the power station in the event of core damage, etc.

Efforts to further improve safety while extending the depth of safety functions

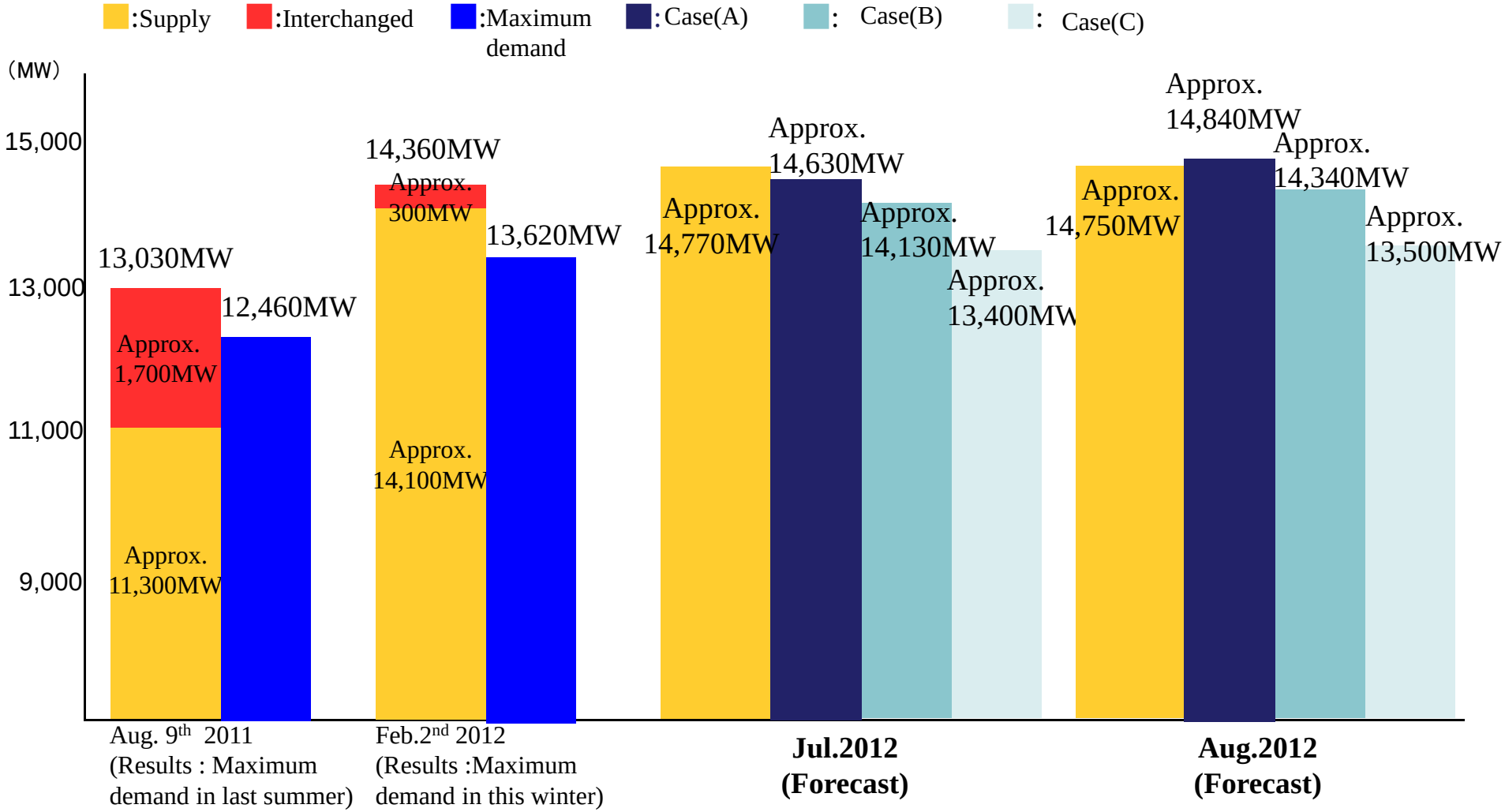


- Higashidori Nuclear Power Station: The results of the primary evaluation of the stress test are currently under consideration by the government.
- Onagawa Nuclear Power Station: Construction of coastal levees was completed on April 26. Further seismic tolerance improvement measures are conducted voluntarily.

•The Higashidori Nuclear Power Station is planning to install an antiseismic building in fiscal 2016 in order to strengthen the command and control capabilities in the event of a large earthquake.

Forecast of Electricity Supply and Demand in This Summer

- Forecast of supply in this summer (July and August) in case of without resumption of nuclear power.
- Forecast of Maximum Demand in 3 cases
  - Case(A) Record heat wave like 2010
  - Case(B) Record heat wave like 2010 & saving electricity
  - Case(C) Normal temperature & saving electricity



Efforts for Rehabilitation Projects and Smart Grids

■ After the earthquake, with growing expectations for the introduction of renewable energy sources, the need for disaster prevention and energy self-sufficiency has become obvious in the disaster-hit areas.

■ Responding to local needs, we will work with people in the disaster areas for rehabilitation through the "Project for Promoting the Introduction of Smart Communities“ by the Ministry of Economy, Trade and Industry (METI).

■ In addition, we will take on the challenge of establishing new bases for the electric power business by expanding the introduction of renewable energy sources and utilizing next-generation energy systems such as smart grids.

■ **Project to Build the Smart Community Master Plan -- Tohoku Electric Power is participating as a joint business partner.**

Area	Name	Joint Enterprise (except for Tohoku-epco.)
Kamaishi City (Iwate pref.)	Kamaishi City Creating Master Plans for Smart Community	Kamaishi City, Nippon Steel Engineering Co.,Ltd
Ishinomaki City (Miyagi pref.)	Ishinomaki Creating Master Plan for Smart Community	Ishinomaki City, Toshiba Corp.
Aizuwakamatsu City (Fukushima pref.)	Aizuwakamatsu Areas Creating Master plans for Promoting Introduction of Smart Communities	Aizuwakamatsu City, Fujitsu Ltd.

Efforts to Increase Management Efficiency

■ Facing revenue challenges, the company is pouring all its energies into restoring the affected facilities and assuring the supply capacity. Under the leadership of the President, who is chairing the "Management Efficiency Promotion Conference," the company is carrying out urgent and significant cost reductions in all its operations.

■ In fiscal 2011, with the exception of disaster rehabilitation, the company has cut approximately 90.0 billions of yen from work on facilities and 96.0 billions of yen from maintenance costs and overhead costs.

■ In fiscal 2012, we also expect an increase in fuel costs for thermal power stations due to the shutdown of nuclear power stations, emergency capital investment to maintain supply capacity, and the increase in the cost of restoring the disaster-hit facilities. In spite of these, we will pursue management efficiency in all fields by investigating all cost and investment spending without exception.

■ Achievements and Major Content of Cost Reductions in Fiscal 2011

(Compared to the initial plan, with the exception of disaster prevention)

(billions of yen)

Contents		Reduction	Major Contents
Investment	Capital expenditure	90.0	■ Cancellation and review of implementation schedule for planned work that assumes a stable supply and ensures safety ■ Cutting construction costs by investigating methods and content
Expenses	Maintenance	65.0	
	Overhead costs	31.0	■ Review of and reduction in advertising, outsourcing, research, and education costs ■ Reducing expenditure for daily consumables, business trips, and other expenses ■ Saving labor costs including bonuses

(Note)

This presentation solely constitutes reference material for the purpose of providing the readers with relevant information to evaluate our company.

The information contains forward-looking statements based on assumptions and projections about the future with regard to our company. As such, the readers are kindly asked to refrain from making judgment by depending solely on this information.

The forward-looking statements inherently involve a degree of risks and uncertainties. Consequently, these risks and uncertainties could cause the actual results and performance to differ from the assumed or projected status of the company.

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