

Financial Summary

3rd quarter of FY2011

January 27, 2012

 Tohoku Electric Power Co., Inc.

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3rd quarter of FY2011

Financial Results

Both on a consolidated basis and non-consolidated basis, revenues and income decreased

- On revenue side, ordinary revenues decreased by ¥87.4 billion, year-on-year, due to the decrease in revenues from electricity sales because of the Great East Japan Earthquake etc..
- With respect to expenses, maintenance cost decreased by thoroughgoing cost reduction, but ordinary expenses increased by ¥141.5 billion, year-on-year, due to the great increase in fuel expenses for thermal power caused by the shutdown of nuclear power stations.
- As a result, consolidated ordinary loss was ¥133.9 billion (a year-on-year decrease of ¥228.9 billion).
- Consolidated net loss was ¥167.7 billion (a year-on-year decrease of ¥218.5 billion), due to extraordinary loss of ¥90.6 billion was posted because of the Great East Japan Earthquake and the heavy rainfall in Niigata and Fukushima.

(billions of yen)

		3rd quarter of FY2011 (A)	3rd quarter of FY2010 (B)	Comparison		Consolidated/Non-consolidated of 3rd quarter of FY2011	
				(A) - (B)	(A) / (B)	Comparison	Ratio
Consolidated	Operating Revenues	1,161.6	1,248.0	(86.4)	93.1%	130.1	1.13
	Operating (Loss) Income	(106.2)	120.7	(227.0)	-	12.9	-
	Ordinary (Loss) Income	(133.9)	95.0	(228.9)	-	10.7	-
	Net (Loss) Income	(167.7)	50.7	(218.5)	-	0.3	-
Non-Consolidated	Operating Revenues	1,031.4	1,142.9	(111.4)	90.2%		
	Operating (Loss) Income	(119.2)	110.1	(229.3)	-		
	Ordinary (Loss) Income	(144.6)	84.1	(228.7)	-		
	Net (Loss) Income	(168.1)	44.5	(212.6)	-		

**Electricity Sold
Year-on-Year Compared**

**53,005 million kWh
down 7,960million kWh (-13.1%)**

(million kWh)

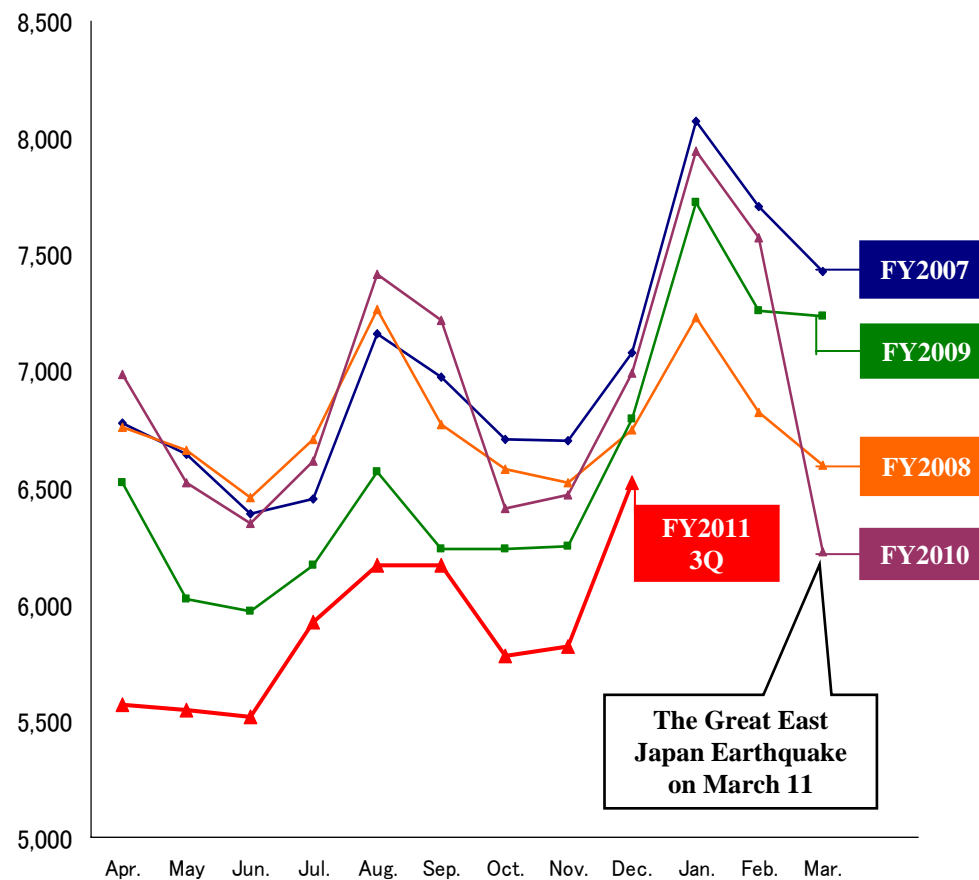
Segment	3rd quarter of FY2011 (A)	3rd quarter of FY2010 (B)	Comparison		
			(A) - (B)	(A) / (B)	
Regulated	Residential	16,500	18,236	(1,736)	90.5%
	Commercial	2,633	2,989	(356)	88.1%
	Sub-total	19,133	21,225	(2,092)	90.1%
Deregulated	33,872	39,740	(5,868)	85.2%	
Total	53,005	60,965	(7,960)	86.9%	

【 Sub Segment 】

Large Industrial	17,782	20,722	(2,940)	85.8%
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(million kWh)

Changes in Demand



Large Industrial Demand Year-on-year Compared

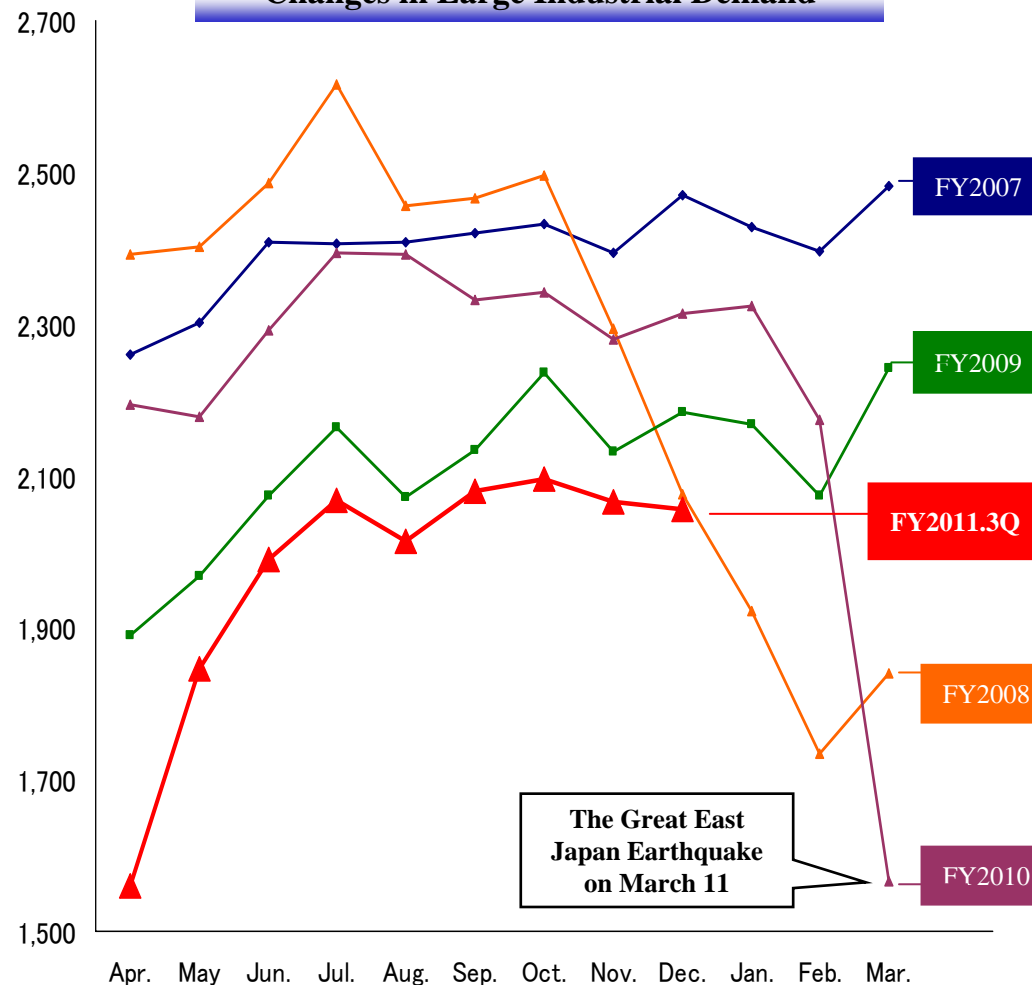
17,782 million kWh down 2,940 million kWh (-14.2%)

(million kWh)

	3 rd quarter of FY2011 (A)	3 rd quarter of FY2010 (B)	Comparison	
			(A) - (B)	(A) / (B)
Food Products	1,085	1,259	(174)	86.2%
Paper/Pulp	584	804	(220)	72.6%
Chemicals	1,489	1,625	(136)	91.6%
Ceramics	485	571	(86)	84.9%
Steel	1,618	2,276	(658)	71.1%
Nonferrous Metals	2,537	2,985	(448)	85.0%
Machinery and Equipment Manufacturing	5,627	6,248	(621)	90.1%
Others	4,357	4,954	(597)	87.9%
Total	17,782	20,722	(2,940)	85.8%

(million kWh)

Changes in Large Industrial Demand



(million kWh)

		3rd quarter of FY2011 (A)	3rd quarter of FY2010 (B)	Comparison	
				(A) - (B)	(A) / (B)
Electricity Generated and Purchased	Own Generated power	41,678	54,083	(12,405)	77.1%
	Hydro	5,318	6,458	(1,140)	82.4%
	Thermal	35,603	29,508	6,095	120.7%
	Nuclear	—	17,474	(17,474)	—
	Renewable	757	643	114	117.7%
	Purchased Power	13,607	16,886	(3,279)	80.6%
	Power Interchanges (Transmitted)	(4,748)	(16,246)	11,498	29.2%
	Power Interchanges (Received)	8,346	12,191	(3,845)	68.5%
	Used at Pumped Storage	(288)	(80)	(208)	361.0%
	Total, Generated and Purchased	58,595	66,834	(8,239)	87.7%
Major Factors	Crude Oil CIF Price (\$/bbl)	113.0	79.4	33.6	
	Exchange Rate (¥/\$)	79	87	(8)	
	Hydro Power Flow Rate (%)	101.0	103.5	(2.5)	
	Nuclear Power Capacity Factor (%)	0.0	80.9	(80.9)	

Comparison Statements of Revenue & Expense (Non-consolidated)

		3rd quarter of FY2011 (A)	3rd quarter of FY2010 (B)	Comparison		Items
				(A) - (B)	(A) / (B)	
Revenues	Residential	360.3	385.6	(25.3)	93.4%	Decrease in Electric sales volume; (128.1) Rise in electricity rate; 58.0
	Commercial	551.9	596.8	(44.8)	92.5%	
	Sub Total	912.2	982.4	(70.1)	92.9%	
	Sales of Power to Other Utilities	98.1	134.9	(36.8)	72.7%	Thermal power;(20.5), Nuclear power;(5.4)
	Other Revenues	27.7	29.9	(2.1)	92.8%	
	[Operating Revenues]	[1,031.4]	[1,142.9]	[(111.4)]	[90.2%]	
	Total Revenues	1,038.2	1,147.3	(109.1)	90.5%	
Expenses	Personnel	123.3	120.2	3.1	102.6%	Retirement Benefit;1.7
	Fuel	349.4	193.4	156.0	180.7%	Rise in crude oil CIF price;91.6, Increase in electricity generated by thermal power;86.4, Appreciation of the yen;(22.4)
	Maintenance	87.1	135.2	(48.1)	64.4%	Thermal power; (16.8), Distribution; (16.0) Nuclear power; (9.3)
	Depreciation	160.0	159.6	(0.3)	100.2%	
	Power Purchased from other utilities	110.2	93.9	16.3	117.4%	Power Interchanges;32.8, Nuclear power;(6.6)
	Power Purchased from other companies	157.5	139.4	18.0	112.9%	Sakata Kyodo Power;8.7
	Interest	28.5	29.4	(0.8)	97.0%	
	Taxes, etc.	55.7	62.4	(6.7)	89.2%	
	Nuclear Power Back-end Cost	5.2	18.8	(13.5)	28.1%	Reprocessing costs of irradiated nuclear fuel;(5.2) Decommissioning costs of nuclear power units;(4.2)
	Other Expenses	105.4	110.2	(4.8)	95.6%	
	Total Expenses	1,182.8	1,063.1	119.6	111.3%	
[Operating (Loss) Income]		[(119.2)]	[110.1]	[(229.3)]	[-]	
Ordinary (Loss) Income		(144.6)	84.1	(228.7)	-	
Extraordinary Loss		89.7	9.7	79.9	919.6%	The Great East Japan Earthquake; 72.0, The heavy rainfall in Niigata and Fukushima; 17.6
Net (Loss) Income		(168.1)	44.5	(212.6)	-	

(billions of yen)

	Dec. 31, 2011 (A)	Mar. 31, 2011 (B)	Comparison (A) - (B)	Items
Total Assets	3,710.0	3,700.8	9.1	
Fixed Assets	3,478.6	3,430.6	47.9	Transmission plant; 121.6 Construction work in progress; (131.9)
Current Assets	231.3	270.1	(38.8)	Cash and Deposits; (55.2)
Liabilities	3,192.1	3,003.7	188.3	
Net Assets	517.9	697.0	(179.1)	
Interest-Bearing Liabilities	2,187.1	2,010.2	176.9	Loans; 197.8 CP; 88.0 Bonds; (108.9)

(billions of yen)

Statements of Income		3rd quarter of FY2011 (A)	3rd quarter of FY2010 (B)	Comparison (A) - (B)	Items
Operating Revenues		1,161.6	1,248.0	(86.4)	Electric power; (112.6), Other; 26.2
Operating Expenses		1,267.8	1,127.2	140.5	Electric power; 115.5, Other; 24.9
Operating Income		(106.2)	120.7	(227.0)	
Ordinary Income		(113.9)	95.0	(228.9)	
Extraordinary Loss		90.6	9.8	80.7	The Great East Japan Earthquake; 72.9 The heavy rainfall in Niigata and Fukushima; 17.6
Net Income		(167.7)	50.7	(218.5)	

(billions of yen)

Balance Sheets		Dec. 31, 2011 (A)	Mar. 31, 2011 (B)	Comparison (A) - (B)	Items
Total Assets		4,053.5	4,028.8	24.6	
Fixed Assets		3,635.5	3,591.8	43.7	Transmission plant; 122.0 Construction work in progress; (116.5)
Current Assets		417.9	437.0	(19.1)	Cash and deposits; (63.8)
Liabilities		3,356.0	3,152.3	203.6	
Net Assets		697.4	876.4	(179.0)	
Interest-Bearing Liabilities		2,227.2	2,051.8	175.4	Loans; 196.3, CP; 88.0, Bonds; (108.9)

(billions of yen)

	3rd quarter of FY2011 (A)	3rd quarter of FY2010 (B)	Comparison (A) - (B)
Sales	1,161.6	1,248.0	(86.4)
Electric Power Business	1,022.5 [1,021.0]	1,135.2 [1,133.7]	(112.7) [(112.6)]
Construction Business	167.2 [74.8]	149.4 [51.7]	17.8 [23.0]
Gas Business	32.9 [26.6]	25.0 [18.6]	7.8 [7.9]
Information Processing, Tele-communication Business	31.8 [13.0]	29.3 [11.8]	2.5 [1.1]
Others	84.7 [26.1]	97.2 [32.0]	(12.4) [(5.9)]

* [] = Net sales to outside customers.

(billions of yen)

	3rd quarter of FY2011 (A)	3rd quarter of FY2010 (B)	Comparison (A) - (B)
Operating (loss) income	(106.2)	120.7	(227.0)
Electric Power Business	(115.8)	111.2	(227.0)
Construction Business	1.4	(0.2)	1.7
Gas Business	1.9	1.6	0.3
Information Processing, Tele-communication Business	4.4	3.8	0.6
Others	1.6	4.1	(2.4)

■ Projection for FY2011

▪ Both on a consolidated basis and non-consolidated basis, revenues and income will decrease

- Because of the measure of the thoroughgoing cost reduction, Maintenance and Overhead costs are decreased, but Electric Sales are decreased drastically by the Great East Japan Earthquake.
- The suffered power stations have still stopped, Fuel costs of Thermal power and purchased electric power from other companies will increase.

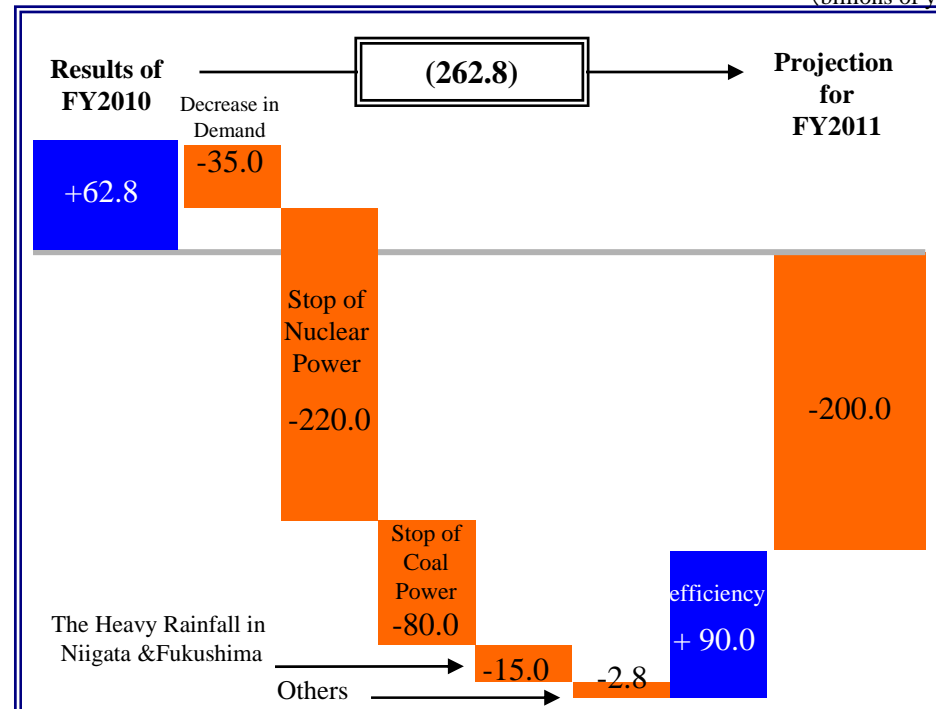
■ Estimate of Dividend for FY2011

- The year-end dividend in the 2011 fiscal year plans "non-dividend" in view of the severe earnings prospect of the full fiscal year.

(billions of yen)

		Projection for FY2011(A)	Results of FY2010 (B)	Comparison (A)-(B)
Consolidated	Operating Revenues	1,630.0	1,708.7	(78.7)
	Operating (Loss) Income	(170.0)	114.6	(284.6)
	Ordinary (Loss) Income	(200.0)	80.2	(280.2)
	Net (Loss) Income	(250.0)	(33.7)	(216.2)
Non-consolidated	Operating Revenues	1,450.0	1,551.5	(101.5)
	Operating (Loss) Income	(175.0)	96.9	(271.9)
	Ordinary (Loss) Income	(200.0)	62.8	(262.8)
	Net (Loss) Income	(240.0)	(33.1)	(206.8)

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



		Projection for FY2011 (A)	Results of FY2010 (B)	Comparison (A)-(B)
Major Factors	Electric Power Sales (billion kWh)	Approx.74.1	82.7	Approx.(8.6)
	Residential (billion kWh)	Approx.24.2	26.3	Approx.(2.1)
	Commercial (billion kWh)	Approx.49.9	56.4	Approx.(6.5)
	Crude Oil CIF Price (\$ / bbl)	Approx.112	84.2	Approx.27.8
	Exchange Rate (¥ / \$)	Approx.79	86	Approx. (7)
	Hydro Power Flow Rate (%)	Approx.100	102.2	Approx. (2.2)

(billions of yen)

		Projection for Y2011 (A)	Results of FY2010 (B)	Comparison (A)-(B)
Sensitivity to Major Factors	Crude Oil CIF Price (per\$1 / bbl)	Approx.3.3	2.0	Approx.1.3
	Exchange Rate (per¥1 / \$)	Approx.5.8	2.8	Approx.3.0
	Hydro Power Flow Rate (%)	Approx.1.0	0.7	Approx.0.3

**The Great East Japan Earthquake
~Current Situation and our efforts~**

■ Thermal Power Stations Resumed Operation

	Unit	Output・Fuel	Recovery Situation	Resumption of operation (test)	Last Prediction
Shin-Sendai Station	No.1	350MW・Heavy oil	according to plan	Dec.11 2011	In Dec. 2011
Sendai Station	No.4	446MW・Gas	Acceleration of a schedule	Dec.20 2011	In Mar.2012
Soma Kyodo Power (Shinchi Station)	No.1	1,000MW・Coal ※	according to plan	Dec.27 2011 (Aim to restore fully at summer in 2012)	In Jan.2012
	No.2	1,000MW・Coal ※	according to plan	Dec.19 2011 (Aim to restore fully at summer in 2012)	In Dec. 2011
Joban Joint Power (Nakoso Station)	No.7	250MW・Coal ※	according to plan	Dec.12 2011	In Dec. 2011

※Half of power is made available to Tohoku Electric Power Company.

■ Thermal Power Stations under Work to Resumption

	Unit	Output・Fuel	Recovery Situation	Prospect of Resumption
Haramachi Station	No.1	1,000MW・Coal	During recovery efforts	Restore by the summer of 2013 (Aim to further acceleration of schedule)
	No.2	1,000MW・Coal		
Joban Joint Power (Nakoso Station)	No.6	175MW・Heavy Oil ※	Under Periodic Inspection	Restore by the summer of 2012

※Half of power is made available to Tohoku Electric Power Company.

■ New work and Decommission plant

	Unit	Output・Fuel	Situation
Shin-Sendai Station	No.2	600MW・Gas	Decommission on Oct.31 2011
	No.3 series	980MW・Gas	Start to Construct from Nov.30 2011 (It will start half amount of commercial operation in 2016 and 2017.)

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.420MW)



⑧ Haramachi Thermal			
Situation	Unit	Output	Fuel
Expected Resumption by summer of 2013	No.1	1,000 MW	Coal
	No.2	1,000 MW	

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

Thermal Power Stations Resumed Operation

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

※Expected to restore fully at summer in 2012

C Joban Joint Power (Nakoso) Unit 7, 8 and 9		
Situation	Power Purchased	Fuel
In Operation	725 MW	Coal

※Unit 6 (87.5 MW power purchased) is expected to resume operation by summer in 2012

Test Resumption in Dec.11. 2011
Resumption in Dec.27. 2011



Shin-Sendai station unit No.1
(Dec.2011)

Tests for Resumption



Test Resumption in Dec.20 2011
Plan to Resumption in Feb. 2012



Sendai Station unit No.4
(Dec.2011)

Turbine building 1F Air presser



Immediately after the Earthquake



Present situation
(Dec.2011)

Turbine building 1F Entrance



Immediately after the Earthquake



Present situation
(Dec.2011)

Current Condition of the Industrial Demand in a Stricken Area

Production Restoration of the Main Disaster Factories

Sector	Customer	Place (pref.)	Current Condition
Food Products	Asahi Breweries (Fukushima Plant)	Fukushima	Resumption of Shipment (since Dec.2011)
	Kirin Brewery (Sendai Plant)	Miyagi	Resumption of Shipment (since Nov.2011)
Paper/Pulp	Mitsubishi Paper Mills (Hachinohe Plant)	Aomori	Operation of products have recovered at the level before the Earthquake in Nov.2011.
Ceramics	Taiheiyo Cement (Ofunato Plant)	Iwate	Resumption of Shipment (since Dec.2011)
Steel	Ito Steel (Ishinomaki Plant)	Miyagi	Operation of products have recovered at the level before the Earthquake in Dec.2011.

New Extensions of Factories

Sector	Customer	Place (pref.)	Start of Operation	Mainly Product
Machinery	TOYOTA MOTOR TOHOKU CORPORATION	Miyagi	the End of 2012	Engine assembly
	Aisin Takaoka Co., Ltd.	Miyagi	the Spring of 2012	Brake parts
	Toyotetsu Tohoku K.K.	Miyagi	Dec. 2011	Press body parts
	DENSO HIGASHI NIHON CORPORATION	Fukushima	Oct. 2011	Car air conditioner
	Tokyo Electron Limited	Miyagi	Oct. 2011	Semiconductor making equipment
	Tungaloy Corporation	Fukushima	Nov. 2011	Cemented carbide tools

(from newspaper etc.)

Current Condition Surrounding Safety at Nuclear Power Stations

Onagawa Nuclear Power Station

- Detailed assessments are underway regarding the “Analysis and assessment of seismic data records obtained during the 2011 off the Pacific coast of Tohoku Earthquake, etc. and impact assessments of critical facilities requiring seismic safety” submitted to the relevant Government authorities on July 28, 2011.

- Examine if the major facilities requiring seismic safety can securely maintain their specific functions even if any parts undergo deformation due to seismic motion. Currently underway is an integrity assessment to detect if any pieces of equipment of not only the major but the other seismic safety critical facilities may undergo deformation during seismic motion and the like.
- Analyses are also being continued on some elements which exceeded the design basis earthquake ground motion Ss to enhance simulation analysis of earthquake ground motion.

- We have implemented second-level assessment for stress test since Oct. 27, 2011.

- Construction of coastal levees was begun on Dec. 1, 2011.(Expected completion in April 2012)

Higashidori Nuclear Power Station

- “Safety assessment of the nuclear power facilities when hit by earthquake ground motion and tsunami waves in light of the knowledge gathered from the 2011 off the Pacific coast of Tohoku Earthquake is underway for scheduled submission by March 2012.

- “Assessments of earthquake ground motion and tsunami” and “Fault activity assessment in our concerned areas” are proceeding.

- We submitted the results of the first-level assessment for stress test on Dec. 27, 2011 and have been implementing second- level assessment activities since Oct. 27, 2011.

[Outline of the results of first-level assessment]

- A sufficient safety margin was confirmed with respect to the safety critical facilities and equipment against events that might occur beyond the assumed design basis.
- There were improvements achieved concerning the safety margin as well as multiple and diverse safety features on the critical facilities at our plant thanks to our safety measures taken immediately after the accidents which crippled the TEPCO’s Fukushima No.1 Nuclear Power Plant.

<p>Execution of our Mission</p>	<ul style="list-style-type: none"> ■ Early Reconstruction of Revenue Base by thorough cost reduction <p>We are going to carefully select overhead expenses and investments, and thus drastically reexamine the cost structure securing both safety and stable energy supply.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Results in FY2011 (Seeking further efficiency compared to the target at the 2nd quarter report)</p> <ul style="list-style-type: none"> ◆ Cost Reduction (compared to the pre-quake level) : ▪ Capital expenditure: ¥ 98 billion ▪ Maintenance: ¥ 61 billion ▪ Overhead costs : ¥ 29 billion <p><small>*Except for the post-earthquake restoration cost</small></p> </div> <ul style="list-style-type: none"> ■ Early recovery of both supply capability and equipment to reconstruct the local area ■ Securing of safety and security in nuclear power generation
<p>Mutual prosperity with local communities</p>	<ul style="list-style-type: none"> ■ Strengthening efforts to improve energy use efficiency for our customers ■ Reconstruction support from energy service side Accurate response to changes of energy utilization and form of supply ■ Further strengthening the bonds with local communities taking into account the earthquake etc.
<p>New Challenges</p>	<ul style="list-style-type: none"> ■ Expansion of utilization of renewable energy and next generation energy systems (Our goal is to expand capacity of wind power interconnection up to approx.2000MW around FY2020.)

To Realize the Corporate Slogan "Pioneering the future with local communities"

(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.

Tohoku Electric Power Co., Inc. hereby disclaim any responsibility or liability in relation to consequences resulting from decisions made by investors.