

# **Financial Summary**

## **1st Quarter of FY2019**

**( April 1, 2019 – June 30, 2019)**

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 **Tohoku Electric Power Co., Inc.**

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**1st Quarter of FY2019  
Financial Results**

# Summary of Financial Results

- Even with a decrease in the volume of retail electricity sales due to intensifying competition caused by liberalization of electricity market, consolidated operating revenue\* increased to ¥529.7 billion (a year-on-year increase of ¥41.7 billion, or a 8.6% increase), mainly due to an increase in wholesale electricity sales beyond our franchise area and a rise in fuel cost adjustment charges.
- Consolidated ordinary income increased to ¥35.1 billion (a year-on-year increase of ¥2.8 billion, or a 8.7% increase), due to cost reduction by improving productivity and efficiency and time lag between fuel cost and fuel cost adjustment charges.

\* Consolidated operating revenue includes ¥126.7 billion, total of grant under act on purchase of renewable energy sourced electricity and surcharge for promoting renewable energy sourced electricity based on Feed-in Tariff Scheme for renewable energy and the self-contracted portion due to introduction of the indirect auction. As this is recorded in expenses as well, it does not affect the Company's income.

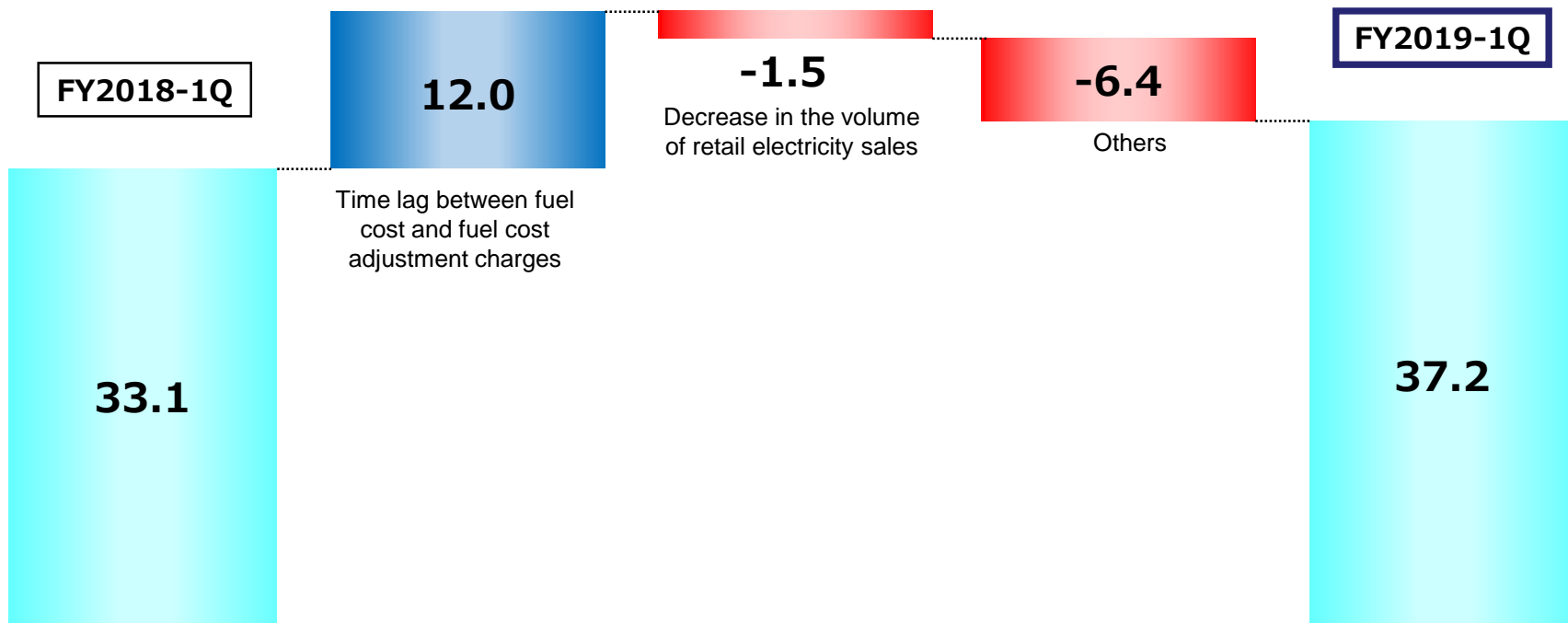
(billions of yen)

	Consolidated (A)			Non-consolidated (B)			(A) / (B) (times)	
	FY2019 1Q	FY2018 1Q	Change	FY2019 1Q	FY2018 1Q	Change	FY2019 1Q	FY2018 1Q
Operating Revenue	529.7	488.0	41.7	489.1	443.5	45.6	1.08	1.10
Operating Income	39.1	33.9	5.1	37.3	31.8	5.5	1.05	1.07
Ordinary Income	35.1	32.3	2.8	37.2	33.1	4.1	0.94	0.98
Net Income or Net Income Attributable to Owners of Parent	24.8	22.5	2.3	27.5	24.9	2.5	0.90	0.90

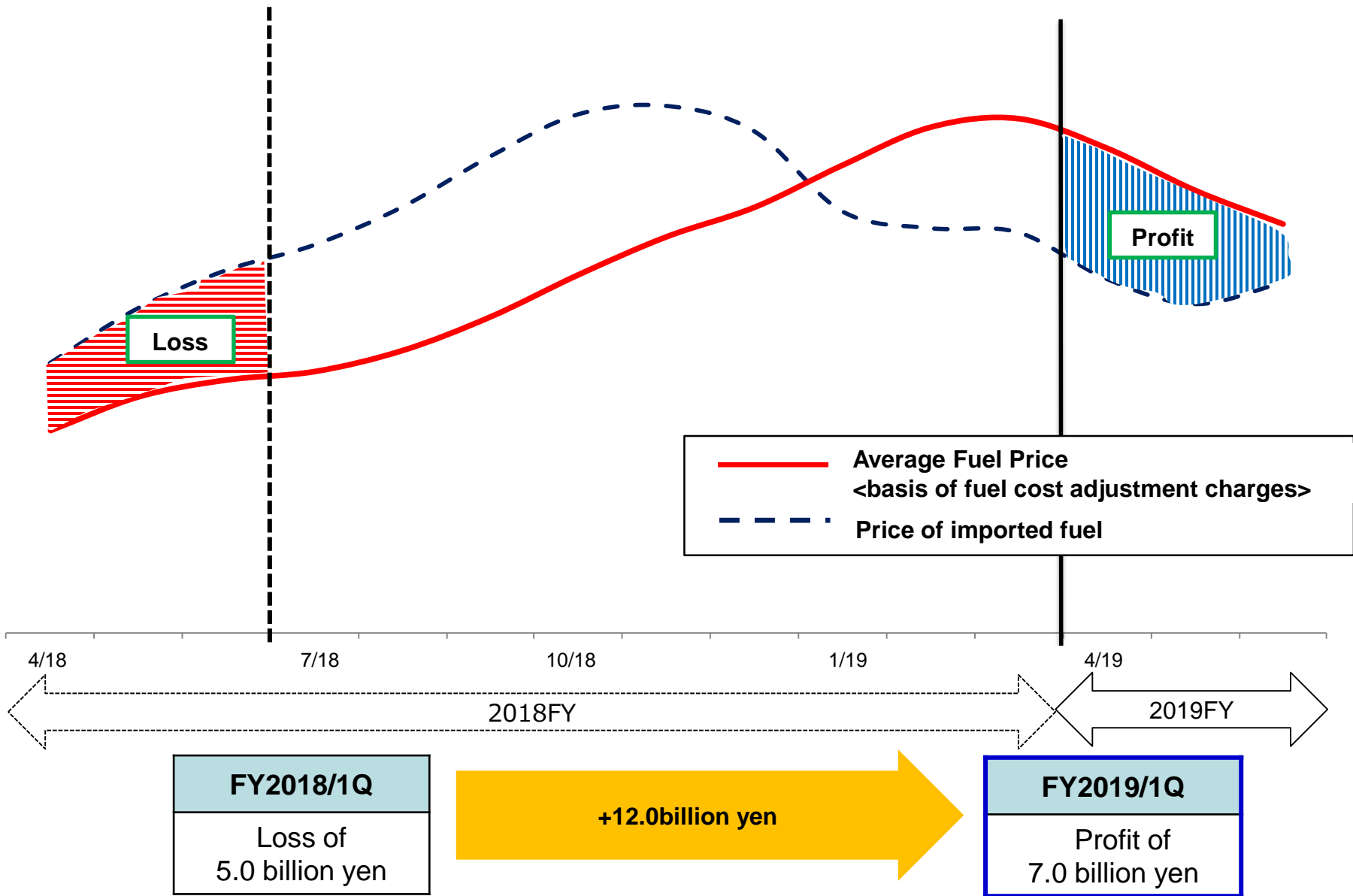
	Jun. 30, 2019	Mar. 31, 2019	Change	Jun. 30, 2019	Mar. 31, 2019	Change
Equity Ratio	18.5%	17.9%	0.6%	17.3%	16.6%	0.7%

## Increase of 4.1 Billion Yen (33.1 → 37.2)

(billions of yen)



■ Image of Time Lag Effect



# Electricity Supply

(GWh)

<b>Electricity Supply</b>	FY2019/1Q (A)	FY2018/1Q (B)	Change (A) - (B)	Change (A) / (B)
Own Generated Power*1	12,308	12,411	(103)	99.2%
Hydro	2,630	2,519	111	104.4%
Thermal	9,551	9,754	(203)	97.9%
Nuclear	(49)	(49)	0	99.2%
Renewables	176	187	(11)	93.9%
Power Interchanges and Purchased Power*2, 3	8,683 (1,111)	8,297 (1,203)	386 92	104.6% 92.4%
Used at Pumped Storage	(38)	(32)	(6)	118.6%
<b>Total of Electricity Supply*2</b>	<b>19,842</b>	<b>19,473</b>	<b>369</b>	<b>101.9%</b>

\*1 "Own Generated Power" shows sending end.

\*2 "Power Interchanges and Purchased Power" and "Total of Electricity Supply" include projected volume.

\*3 As for "Power Interchanges and Purchased Power", the top is Received and the bottom is Transmitted.

Received and Transmitted includes system operation.

# Electricity Sales and Major Factors

(GWh)

<b>Electricity Sales</b>	FY2019/1Q (A)	FY2018/1Q (B)	Change (A) - (B)	Change (A) / (B)
Lighting (Residential)	5,025	5,098	(73)	98.6%
Power	10,975	11,008	(33)	99.7%
Retail Electricity Sales	16,001	16,105	(104)	99.3%
Wholesale Electricity Sales*	2,963	2,833	130	104.6%
Total of Electricity Sales	18,964	18,938	26	100.1%

\* "Wholesale Electricity Sales" includes the volume of specified power interchange.

<b>Major Factors</b>	FY2019/1Q (A)	FY2018/1Q (B)	Change (A) - (B)
Crude Oil CIF Price (\$/bbl)	71.5	70.5	1.0
Exchange Rate (¥/\$)	110	109	1
Hydro Power Flow Rate (%)	93.4	97.5	(4.1)
Nuclear Power Utilization Rate (%)	-	-	-



## ■ Financial Forecasts for FY2019 (No Change from the Previous Release April 2019)

### 【Consolidated】

(billions of yen)

	Operating Revenue	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parent
FY2019 forecast	2,390.0	90.0	73.0	45.0

### 【Non-consolidated】

(billions of yen)

	Operating Revenue	Operating Income	Ordinary Income	Net Income
FY2019 forecast	2,170.0	69.0	55.0	39.0

## ■ Dividend Per Share (No Change from the Previous Release April 2019)

(yen)

	Interim	Year-end	Annual
Dividend Per Share (Forecast)	20	20	40

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# Topics

In 2019, we will make all-out efforts to develop our business based on four focal points and pave the way to achieve our goal stated in “Tohoku EPCO Group Mid-Term Management Policies (FY2017 to FY2020).”

## 1. Thoroughly enhancing “ability to produce profits”

- ✓ Maximize profitability through making use of integrated operation of power generation and sales.
- ✓ Make steady efforts to restart nuclear power reactors.

## 2. Improving further “productivity and efficiency”

- ✓ Reduce cost and seek further efficiency
- ✓ Promote work-style reform “Mina, Osu, Chikara”

## 3. Challenging “New Business Opportunities”

- ✓ Expand renewable energy business
- ✓ Enhance gas business
- ✓ Encourage efforts for digital innovation, and expand overseas business

## 4. Establishing robust “business foundations”

- ✓ Respond to legal unbundling and make further efforts to enhance our business foundations
- ✓ Promote CSR management
- ✓ Make consistent efforts to ensure safety and improve business quality, ensure stable power supply

Tohoku EPCO Group will make all-out efforts to pave the way for achieving the goal of Mid-Term Management Policies and seek further growth.

## ■ Provide a new service “Tsunagaru Denki” for family users whose FIT scheme is to be expired

- As a part of our total services “Yori, Sou, Chikara+One”, “Tsunagaru Denki” for family users whose FIT scheme\* is to be expired is scheduled to be provided from this November.

\*Feed-in Tariff Scheme (FIT): This is a system in which the electricity generated by renewable energy is purchased by electric power companies at a certain price during a certain period. The system users’ scheme is sequentially to be expired after November 2019.

### ツナガルでんき Tsunagaru Denki Service List

#### Simple Purchasing Service

～Connect with electricity produced by our customers～

- Service to purchase surplus electricity of solar power generated at home
- Purchasing price: 9 yen/kWh

#### Service to Keep our Customers’ Electricity

～Propose a new way of utilizing electricity～

- Keep our customers’ electricity and propose a new way of utilizing the electricity by sharing it with their family who live remotely or using it when necessary
- Service fee: 6,980 yen per month

#### Lease Service of Eco Cute Water Heater and Storage Battery

～Support to install equipment for better usage of electricity～

- Service to propose lease contract (10 years at the maximum) and support installing equipment for users who want to make use of solar power for supplying hot water through Eco Cute water heater, store the electricity in battery and utilize it during night time, and prepare for power outage due to the disaster

#### Looking for Testers to Participate in VPP Project for Family Users

～Project to connect with the future～

- Participatory verification project which enables our customers not only to utilize surplus solar power which is generated at home but also to experience a new initiative that leads to effective usage of renewable energy in the whole of local community

※ As for purchasing price and service price stated above, consumption tax (10%) is included.

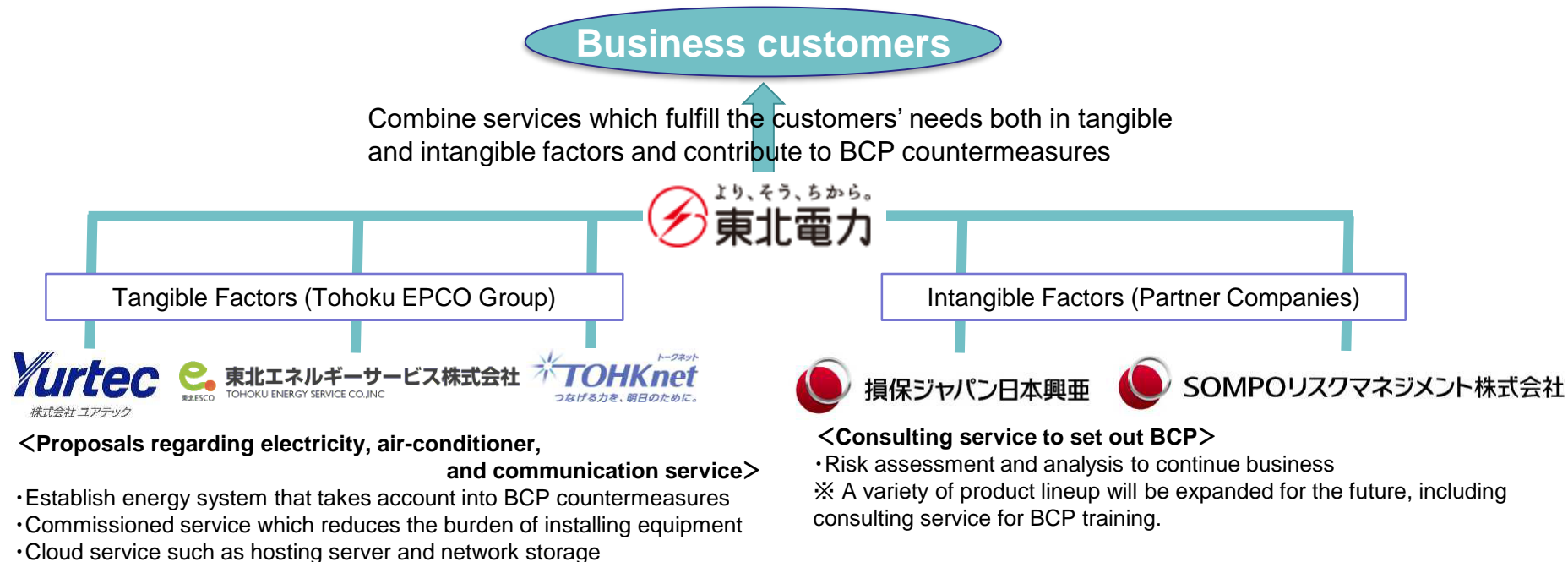
Further detail for our services will be unveiled on the web page. (<https://tsunagaru.tohoku-epco.co.jp/menu>)

## Support Service Startup Related with BCP

- In coordination with Tohoku EPCO Group, Sompo Japan Nipponkoa Insurance Inc., and Sompo Risk Management since March 14 2019, we started to propose support service related with BCP\* for business users.
- As for tangible factors, we identify our customers' needs regarding BCP and support BCP countermeasures, including proposing services for electricity, air-conditioner, and communication that will help restore earlier at the time of emergency. Meanwhile, regarding intangible factors, Sompo Japan Nipponkoa Insurance Inc. and Sompo Risk Management support to set out BCP such as assessing and analyzing risk in order to continue their business.

\*"BCP" is an abbreviation of "Business Continuity Plan", which means that corporates will make management plan for seeking business continuity at the time of emergency.

It aims at minimizing damage to the business and restoring important business operations when unexpected accidents including natural disaster, equipment failure, and operation system failure occur.



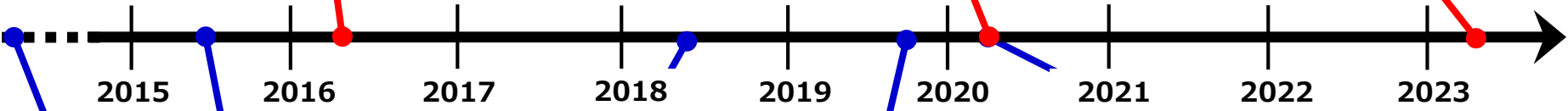
Development

**[Shin-Sendai Thermal Power Series 3]**  
**Went into full operation in July 2016**  
 •LNG  
 •1,046MW  
 •Developed as the substitute power source for Shin-Sendai No.1 and No.2  
 •By introducing the cutting-edge gas turbine, accomplished thermal efficiency of over 60%, which is the world's highest level

**Operation will start three months earlier than scheduled.**

**[Noshiro No.3]**  
Commercial operation is scheduled to start in March 2020.  
 •Coal  
 •600MW  
 •Ultra super critical system (Thermal efficiency of 44.8%)

**[Joetsu No.1]**  
 Commercial operation is scheduled in June 2023.  
 •LNG  
 •572MW  
 •Combined cycle power generation system (Thermal efficiency of over 63%)  
 •Next-generation gas turbine adopting forced air-cooled combustor system



**As high-efficient power source is developed, aging thermal power plants have been replaced.**

Abolishment

**[Shin-Sendai No.2]**  
 Abolished in October 2011  
 •Natural gas, heavy oil, crude oil  
 •600MW  
 •Commercial operation started in June 1973

**[Niigata No.4]**  
 Abolished in September 2018  
 •Heavy oil, natural gas, LNG  
 •250MW  
 •Commercial operation started in August 1969

**[Shin-Sendai No.1]**  
 Abolished in September 2015  
 •Heavy oil  
 •350MW  
 •Commercial operation started in August 1971

**Aging thermal power plants which was abolished or halted for power source abolishment plan FY2019**

**[Akita No.3]**  
Abolished in September 2019  
 •Heavy oil, crude oil  
 •350MW  
 •Commercial operation started in November 1974

**[Akita No.2]**  
Scheduled to be halted for a long-term in March 2020  
 •Heavy oil, crude oil  
 •350MW  
 •Commercial operation started in February 1972

- Due to a long-term suspension of Akita Unit 2 and abolishment of Akita Unit 3, the power station in operation after FY2020 will be limited to Akita Unit 4 (Heavy oil, crude oil/600MW/commercial operation started in July 1980) at Akita Thermal Power Plant.
- As for Akita Unit 4, we will continue its operation for the time being despite of its aging facilities as same as Unit 2 and Unit 3. Given the future prospect for demand, we will examine and take steps to abolish it.

- As for Joetsu No.1, scheduled to go into commercial operation in June 2023, we submitted construction plan that is based on Electricity Business Act to Ministry of Economy, Trade, and Industry, and launched construction on May 20<sup>th</sup>.
- With aging power plants having been replaced, we have developed state-of-the-art and cost competitive power generation facilities. As a part of this development, construction of Joetsu No.1 is underway after determination of own bid at the Thermal Power Plant Bids Working Group in January 2015.

## <Overview>

Location	1 Yachiho, Joetsu, Niigata
Fuel	LNG
System	Gas combined cycle power generation system
Output	572 megawatts
Thermal Efficiency	63% or higher

## <Image of Joetsu No.1 after construction completion>



## <Characteristics>

We introduced “next-generation gas turbine adopting forced air-cooled combustor system” to Joetsu No.1 with high cost efficiency and environment-friendliness, that we and Mitsubishi Hitachi Power Systems, Ltd. jointly developed. The gas turbine received the Minister of Economy, Trade and Industry award at the excellent energy saving equipment or system award for FY2018.

We aim to achieve thermal efficiency of 63% or more, which is the world’s highest level for gas combined cycle power generation facilities, thereby reducing the amount of fuel consumption and carbon dioxide emission and balancing high cost efficiency and less burden on the environment.

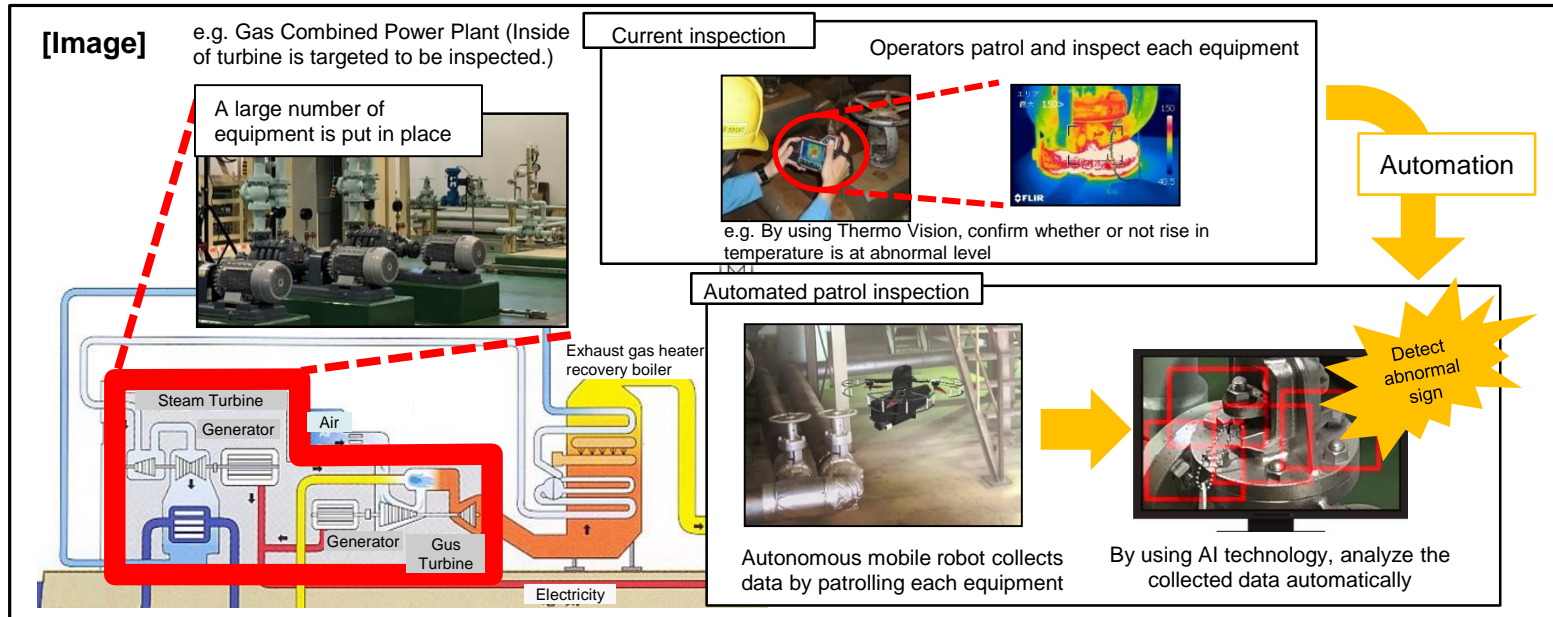
Compared to the conventional gas turbines, startup time can be shortened. Given high operability such as adjustment of power generation output and stop-start in accordance with power demand, we believe that it will contribute to the stable supply of electricity.

- We aim to establish an automated system of patrolling the facilities at thermal power plant, and take initiative in full-swing system development which we make use of robot and AI technology in collaboration with Nihon Unisys, Ltd.
- We will conduct full-fledged verification test to enhance each function related with drone and AI technology and continue to develop it with the aim to put in practical use at Joetsu Unit No.1 and other thermal power plants. For the future, we seek to establish high versatile system that is to be deployed to other facilities.

- Currently, operators at thermal power plant patrol and inspect the facilities on a daily basis. They take preventive measures against any troubles and support stable operation at thermal power plant through early detection of sign for abnormal equipment.
- Detecting abnormal sign partly requires a certain amount of experiences (by appearance, noise, vibration, etc.). It takes much time and labor to patrol and inspect lot of equipment which is installed in the vast precinct of power plant.

On the premise that stable supply is secured, we will examine how to streamline operations related to patrolling the facilities.

By making use of robot and AI technology, we engage in automated system development of patrolling the facilities.





## ■ Current Status of Onagawa and Higashidori Nuclear Power Station

- Concerning construction work , we are working diligently to aim for completion in FY 2020 for Onagawa Unit 2 and FY 2021 for Higashidori Unit 1.
- Concerning Conformity Assessments of plants (facilities) of Onagawa Unit 2, explanation for the issues pointed out so far have been completed by the assessment meeting on July 30. The items that remain to be explained are the stability evaluations of foundation and slope, and site topography, geology and geological structure in the assessment of earthquake and tsunami.
- Concerning Conformity Assessments of Higashidori Unit 1, our explanation that faults just below seismic critical facilities are inactive for the foreseeable future has been judged to be appropriate by the Nuclear Regulation Authority (NRA). However, we expect that it will take a certain period of time before assessments on the activity of faults within and around the premises and plants/facilities are completed.

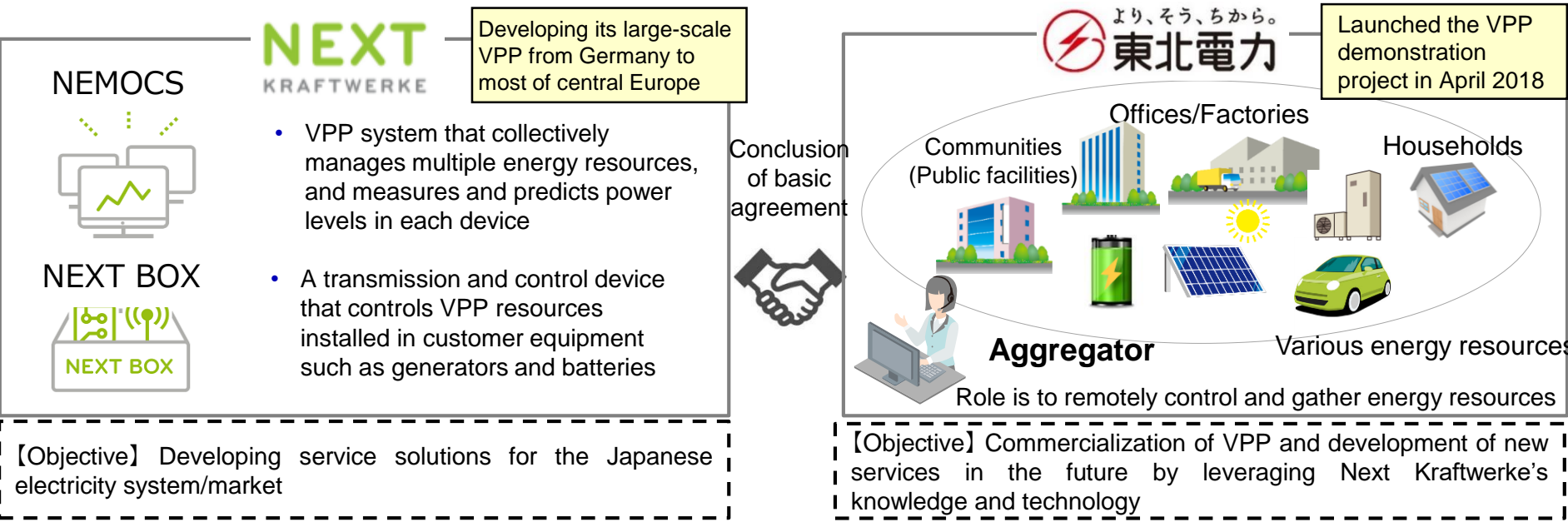
### <Current Status of Conformity Assessments>

Onagawa Unit 1	Higashidori Unit 2
<p>【Assessment of earthquake and tsunami】</p> <ul style="list-style-type: none"> <li>•The design-basis earthquake ground motions (Ss) , conceivable maximum tsunami, faults within and around the premises, and effects of volcanoes were judged appropriate.</li> <li>•We are going to explain the stability evaluations of foundation and slope, and site topography, geology and geological structure, and we will respond appropriately to finish the explanation as soon as possible.</li> </ul> <p>【Assessment of plants (facilities)】</p> <ul style="list-style-type: none"> <li>•By the assessment meeting on July 30, explanation for the issues pointed out so far have been completed.</li> </ul>	<p>【Assessment of earthquake and tsunami】</p> <ul style="list-style-type: none"> <li>•Our explanation that faults of f-1and f-2 just below seismic critical facilities, such as the reactor building, are inactive for the foreseeable future has been judged to be appropriate.</li> <li>•Other faults within and around the premises are under assessment.</li> <li>•In parallel the conceivable maximum tsunami is under assessment.</li> <li>•With regard to the evaluation of “active faults considered as hypocenters” within and around the site, a supplementary survey is being conducted for about half a year from the end of March 2019, with the aim of improving the explainability of geological data.</li> </ul> <p>【Assessment of plants (facilities)】</p> <ul style="list-style-type: none"> <li>•We are in preparation for assessment incorporating the findings obtained from other plants that are in a more advance stage of assessment and from Onagawa Unit 2 in our work.</li> </ul>

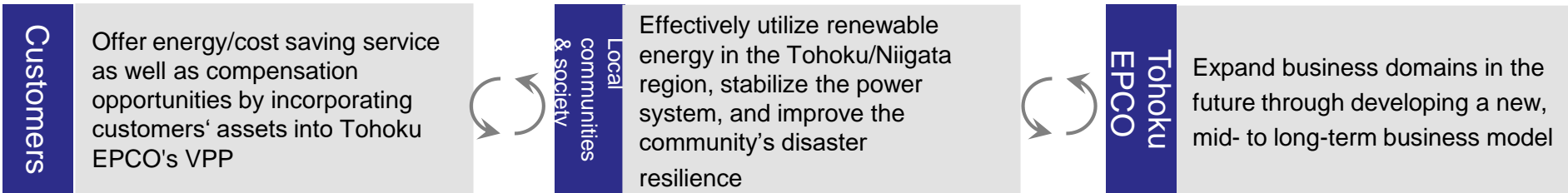
## Strategic Partnership with Next Kraftwerke in a Virtual Power Plant (VPP) Demonstration Project

➢ We agreed to enter into a basic agreement on a strategic partnership in a VPP demonstration project with the German virtual power plant (VPP) operator Next Kraftwerke which is one of the largest VPP operators in the world. The partnership marks the first time that a Japanese power utility has concluded a basic agreement with Next Kraftwerke.

### < Objectives of strategic partnership with Next Kraftwerke >



### Our Objectives



Details of this topic is posted here ([press release May 23, 2019](#))

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# References

# Balance Sheets (Consolidated)

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(billions of yen)

	Jun. 30, 2019 (A)	Mar. 31, 2019 (B)	Change (A) - (B)	Major factors for change
Total Assets	4,197.8	4,258.6	(60.7)	
Non-current Assets	3,593.2	3,620.9	(27.7)	
Current Assets	604.5	637.6	(33.0)	
Total Liabilities	3,350.9	3,424.9	(73.9)	
Non-current Liabilities	2,479.9	2,431.2	48.6	
Current Liabilities	871.0	993.6	(122.6)	Other advances : (28.2) Notes and accounts payable – trade : (20.4)
Net Assets	846.9	833.7	13.1	Retained earnings : 14.8
Interest-Bearing Liabilities	2,433.5	2,381.1	52.4	Bonds : 105.0 CP : (28.0) Loans : (24.5)

# Statements of Income (Consolidated)

(billions of yen)

	FY2019/1Q (A)	FY2018/1Q (B)	Comparison	
			(A) - (B)	(A) / (B)
Operating Revenue	529.7	488.0	41.7	108.6%
Electric utility	485.6	439.3	46.2	110.5%
Other business	44.1	48.6	(4.5)	90.7%
Operating Expenses	490.6	454.0	36.5	108.1%
Electric utility	446.6	406.0	40.5	110.0%
Other business	44.0	48.0	(3.9)	91.7%
Operating Income	39.1	33.9	5.1	115.2%
Non-operating income	1.7	4.2	(2.4)	41.6%
Non-operating expenses	5.6	5.7	(0.1)	98.1%
Ordinary Income	35.1	32.3	2.8	108.7%
Provision or reversal of reserve for fluctuation in water levels	-	(0.1)	0.1	-
Income taxes	10.9	9.8	1.0	111.1%
Net income attributable to non-controlling interests	-	0.1	(0.1)	-
Net loss attributable to non-controlling interests	0.5	-	0.5	-
Net Income Attributable to Owners of Parent	24.8	22.5	2.3	110.3%

# Segment Information (Consolidated)

(billions of yen)

	FY2019/1Q (A)	FY2018/1Q (B)	Change (A) - (B)
Operating Revenue	586.2 [ 529.7 ]	540.7 [ 488.0 ]	45.5 [ 41.7 ]
Electric Power Business	486.3 [ 485.6 ]	439.9 [ 439.3 ]	46.3 [ 46.2 ]
Construction Business	49.2 [ 21.6 ]	49.6 [ 25.7 ]	(0.4) [ (4.1) ]
Gas Business	10.8 [ 8.4 ]	10.0 [ 8.3 ]	0.8 [ 0.1 ]
Information Processing, Tele-communication Business	10.7 [ 4.4 ]	11.4 [ 4.7 ]	(0.6) [ (0.2) ]
Others	29.1 [ 9.5 ]	29.6 [ 9.7 ]	(0.4) [ (0.2) ]

[ ] : Operating revenue from external customers

(billions of yen)

	FY2019/1Q (A)	FY2018/1Q (B)	Change (A) - (B)
Segment Income [Operating Income]	38.4	33.7	4.7
Electric Power Business	38.4	32.5	5.8
Construction Business	(2.7)	(2.5)	(0.2)
Gas Business	0.9	0.6	0.3
Information Processing, Tele-communication Business	1.2	1.7	(0.4)
Others	0.5	1.3	(0.7)

# Balance Sheets (Non-consolidated)

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(billions of yen)

	Jun. 30, 2019 (A)	Mar. 31, 2018 (B)	Change (A) - (B)	Major factors for change
Total Assets	3,866.0	3,923.5	(57.4)	
Non-current Assets	3,451.2	3,480.9	(29.6)	Electric utility plant and equipment : (36.9)
Current Assets	414.8	442.6	(27.7)	Other accounts receivable : (26.6)
Total Liabilities	3,195.1	3,269.3	(74.2)	
Non-current Liabilities	2,413.7	2,361.4	52.2	
Current Liabilities	781.3	907.8	(126.4)	Accrued expenses : (41.8)
Net Assets	670.9	654.1	16.7	
Interest-Bearing Liabilities	2,410.7	2,357.0	53.7	Bonds : 105.0 CP : (28.0) Loans : (23.2)

# Statements of Income (Non-consolidated)

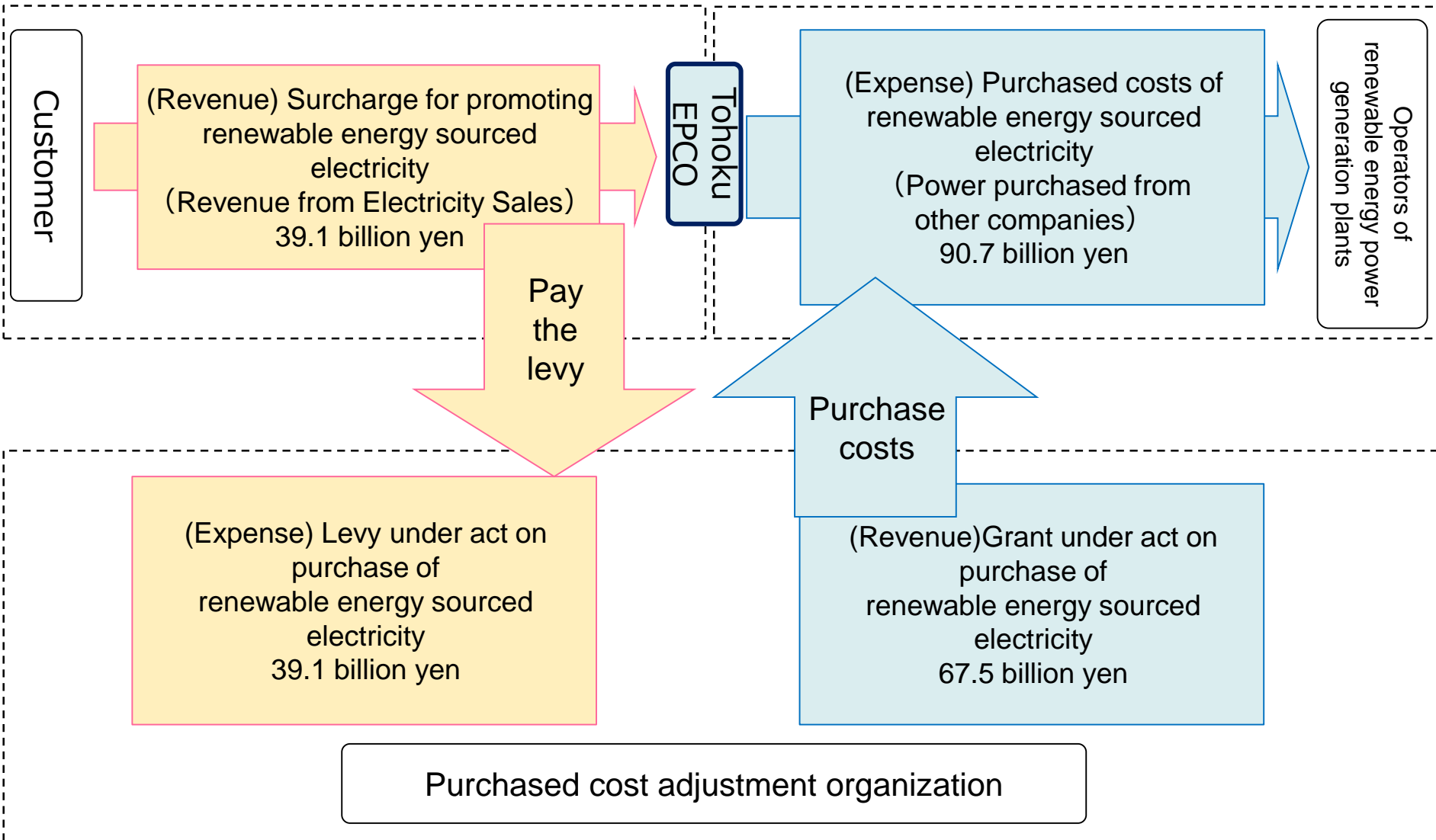
19

(billions of yen)

		FY2019/1Q (A)	FY2018/1Q (B)	Comparison		Major factors for change
				(A) - (B)	(A) / (B)	
Revenue	Revenue from Electricity Sales	329.8	322.1	7.6	102.4%	
	Lighting (Residential)	131.7	128.5	3.2	102.5%	
	Power	198.0	193.6	4.3	102.3%	
	Sales of power to other utilities and other companies	66.1	45.6	20.4	144.8%	Increase in indirect auction
	Grant under Act on Purchase of Renewable Energy Sourced Electricity	67.5	51.8	15.6	130.1%	Increase in purchased volume from solar
	Other revenue	30.7	30.6	0.1	100.5%	
	[Operating Revenue]	[ 489.1 ]	[ 443.5 ]	[ 45.6 ]	[ 110.3% ]	
	Total revenue	494.2	450.3	43.8	109.7%	
Expenses	Personnel	34.2	38.7	(4.5)	88.4%	
	[Amortization of actuarial gain or loss]	[ 0.8 ]	[ 5.0 ]	[ (4.1) ]	[ 17.7% ]	
	Fuel	69.0	66.7	2.2	103.4%	
	Maintenance	34.2	30.6	3.5	111.7%	
	Depreciation	48.8	49.5	(0.6)	98.7%	
	Power purchased from other utilities and other companies	161.7	126.8	34.9	127.5%	Increase in purchased volume from solar
	Interest	4.4	4.8	(0.4)	91.2%	
	Taxes, etc.	20.2	20.0	0.2	101.1%	
	Nuclear power back-end cost	2.3	2.6	(0.2)	90.2%	
	Levy under Act on Purchase of Renewable Energy Sourced Electricity	39.1	37.5	1.5	104.1%	
	Other expenses	42.5	39.4	3.1	107.9%	
	Total expenses	456.9	417.1	39.7	109.5%	
	[Operating Income]	[ 37.3 ]	[ 31.8 ]	[ 5.5 ]	[ 117.5% ]	
	Ordinary Income	37.2	33.1	4.1	112.4%	
	Provision or reversal of reserve for fluctuation in water levels	-	(0.1)	0.1	-	
	Income taxes	9.7	8.2	1.4	116.9%	
	Net Income	27.5	24.9	2.5	110.3%	

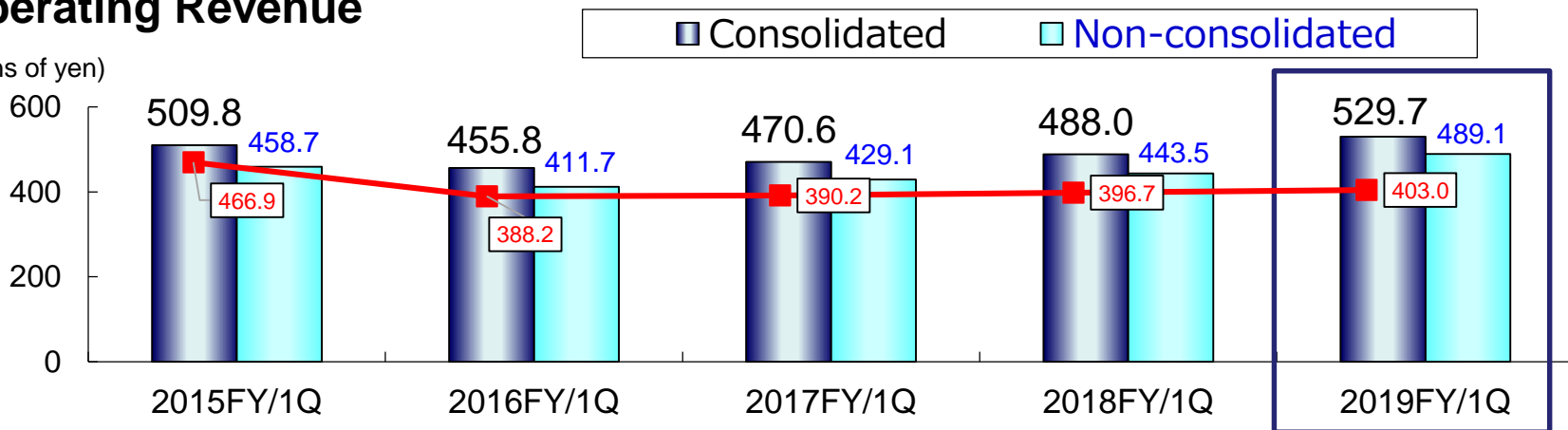


■ FY2019/1Q



## Operating Revenue

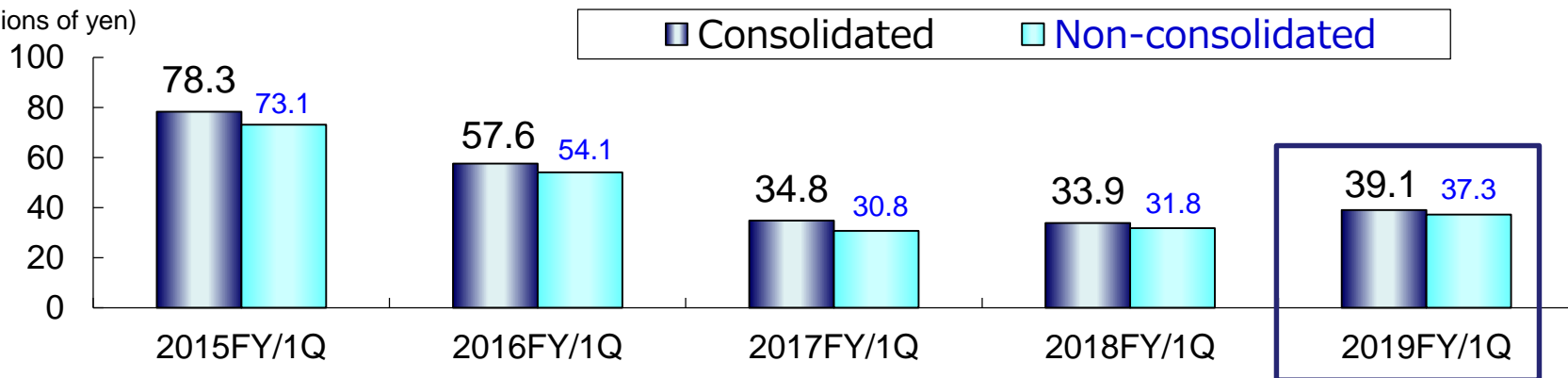
(billions of yen)



Note : Red line shows operating revenue (consolidated) excluding grant under act on purchase of renewable energy sourced electricity, the surcharge for promoting renewable energy sourced electricity, and the self-contracted portion due to indirect auction.

## Operating Income

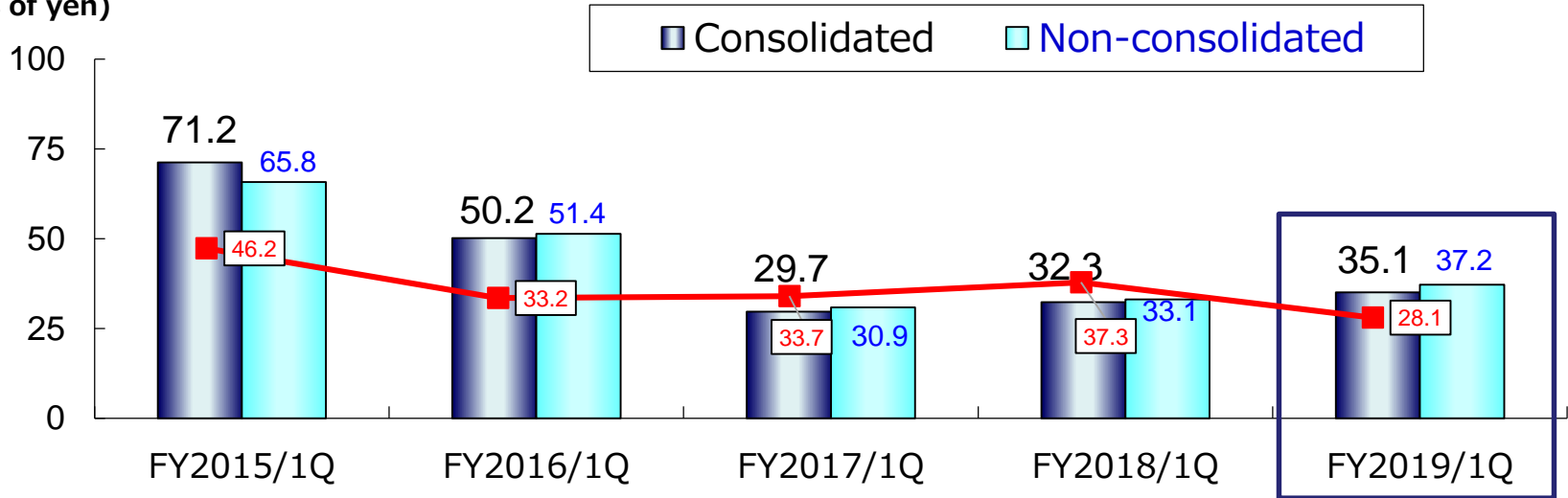
(billions of yen)



	2015FY/1Q	2016FY/1Q	2017FY/1Q	2018FY/1Q	2019FY/1Q
Operating Income on Operating Revenue Ratio (Consolidated basis)	15.4%	12.7%	7.4%	7.0%	7.4%
Operating Income on Operating Revenue Ratio using above red line (Consolidated basis)	16.8%	14.9%	8.9%	8.6%	9.7%

### ■ Ordinary Income

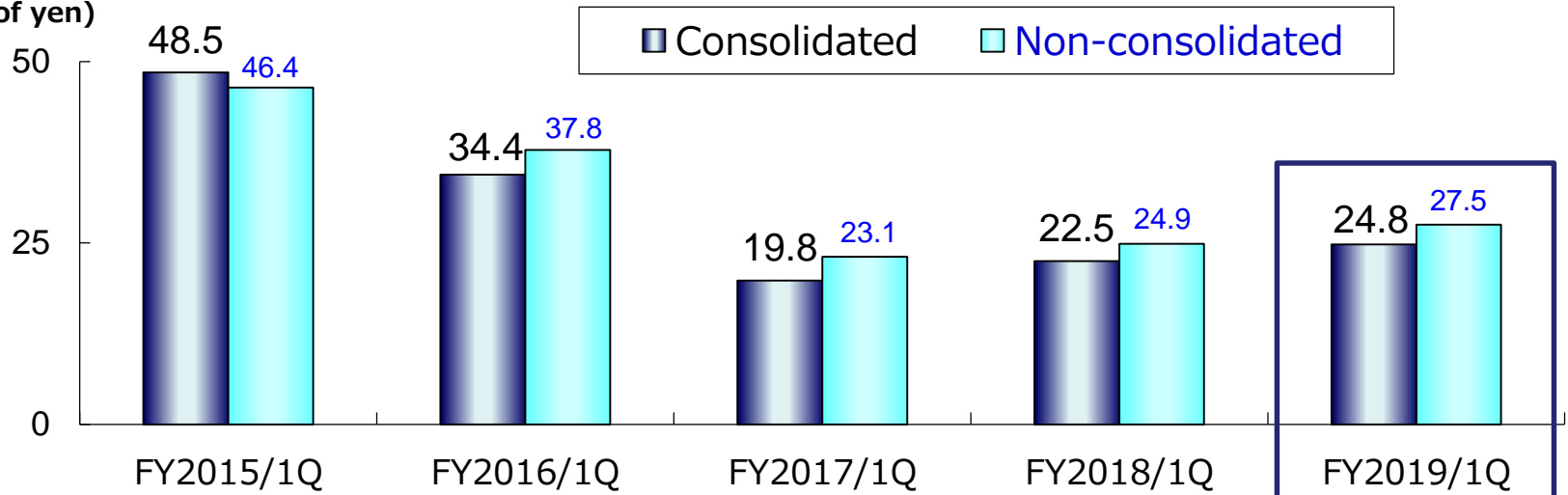
(billions of yen)



Note : Red line shows operating revenue (consolidated) excluding time lag between fuel cost and fuel cost adjustment charges.

### ■ Net Income or Net Income Attribute to Owners of Parent

(billions of yen)



# Current Status of Conformity Assessments (1/2)

(As of June 30, 2019)

		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	Number of conformity assessment meetings
Oragawa Unit 2	Assessment of plants (facilities)		▼Application (Dec. 2013)				▼Full-fledged conformity assessment (from Oct. 2017) ▼On-site survey (Nov. 2017)		167
	Assessment of earthquake and tsunami			▼On-site survey (Jan. 2015)					
		Conformity assessment							
		Conformity assessment							
Higashidori Unit 1	Assessment of plants (facilities)		▼Application (Jun. 2014)						19
	Assessment of earthquake and tsunami			▼Start of hearing (from Jun. 2015)	▼Supplementary survey of faults in the premises (from Oct. 2015)	▼Additional supplementary survey of faults in the premises (from Apr. 2016)	▼On-site survey (Nov. 2017)	▼Supplementary survey of faults within and around premises (from Mar. 2019)	
		Conformity assessment							
		Conformity assessment							
		▼Submission of report on additional geological survey (Jan. 2014)		▼Completion of experts' evaluation statement (Mar. 2015)		▼Our explanation that faults just below seismic critical facilities are inactive for the foreseeable future has been judged to be appropriate (May. 2018)			
		Experts Meeting on faults in the premises							

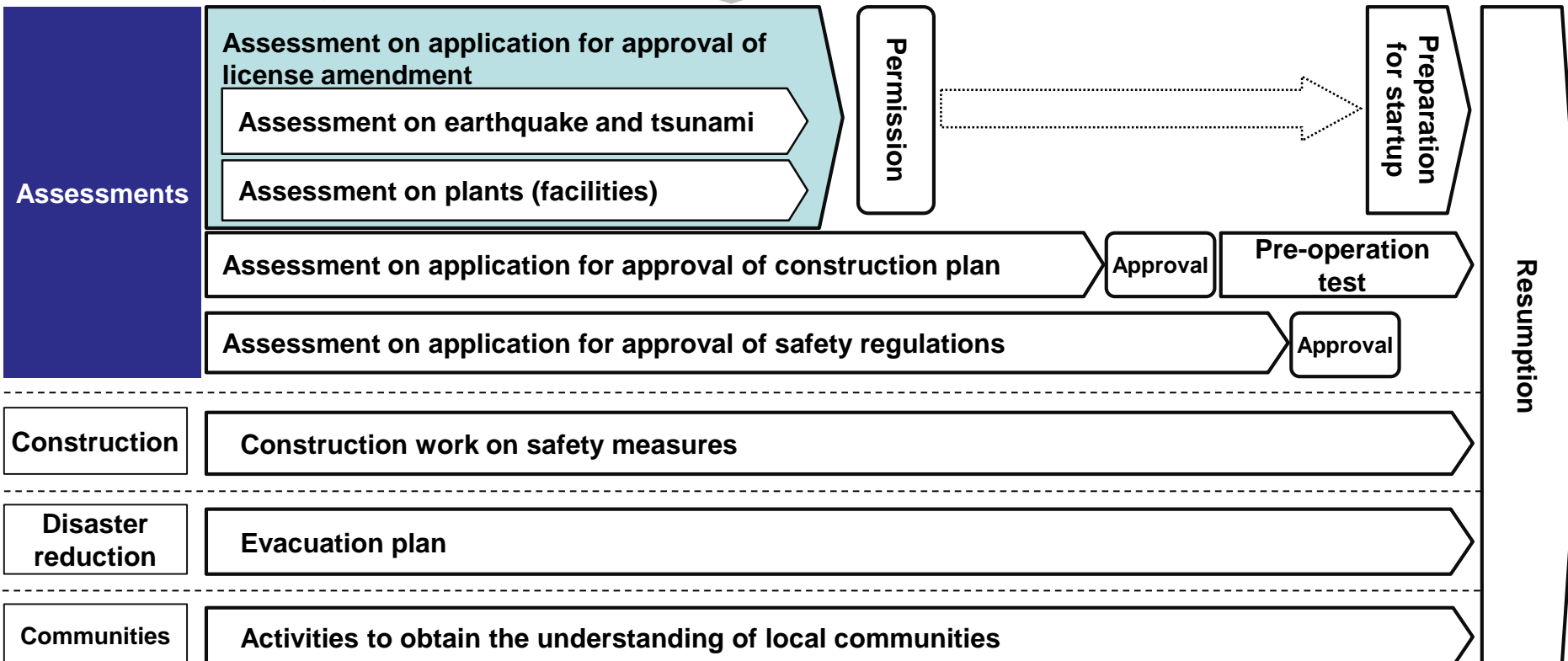
## ■ Conformity Assessments and Process of Resumption of Nuclear Power Reactors

(as of June 30, 2019)

- 27 units (11 companies including us) submitted applications for conformity assessments.
- Of them, 12 pressurized water reactors (PWR, 3 companies) were authorized permission of license amendment, and 9 of them were approved their safety and resumed operation.
- Concerning boiling water reactors (BWR), including our Onagawa Unit 2 and Higashidori Unit 1, Tokyo Electric Power Company Holdings, Inc.'s Kashiwazaki-Kariwa Unit 6 and 7 were authorized permission of license amendment in December 2017, Japan Atomic Power Company's Tokai No.2 were authorized permission in September 2018. (Construction plan of Tokai No.2 was approved in October 2018.)

Higashidori Unit 1

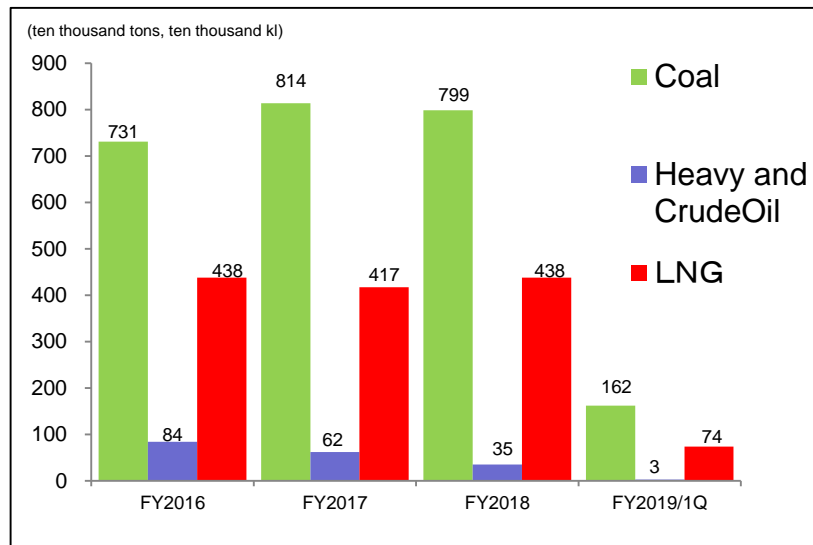
Our Onagawa Unit 2



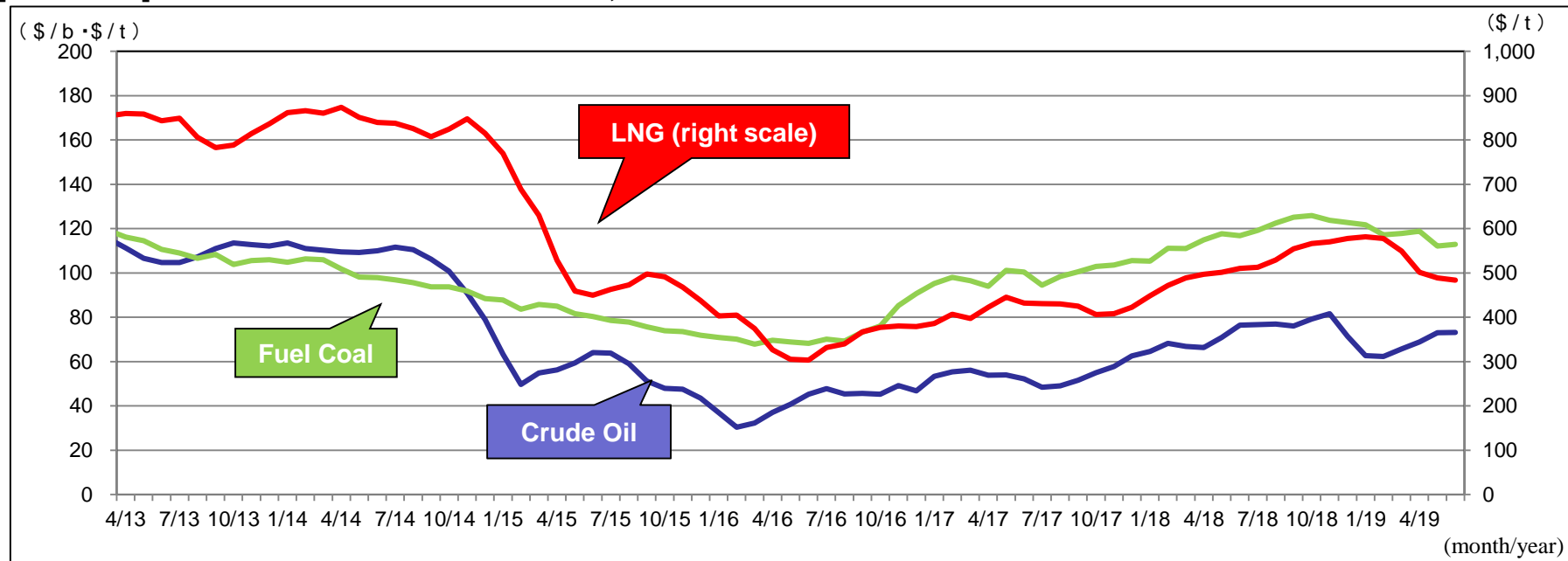
# Fuel Consumption Results

## Fuel Consumption

	FY2019/1Q (A)	FY2018/1Q (B)	Change (A) - (B)	(Reference) FY2018
Coal (ten thousand tons)	162	160	2	799
Heavy and Crude Oil (ten thousand kl)	3	3	0	35
LNG (ten thousand tons)	74	75	(1)	438



## [Reference] Historical CIF Prices of Crude Oil, Fuel Coal and LNG

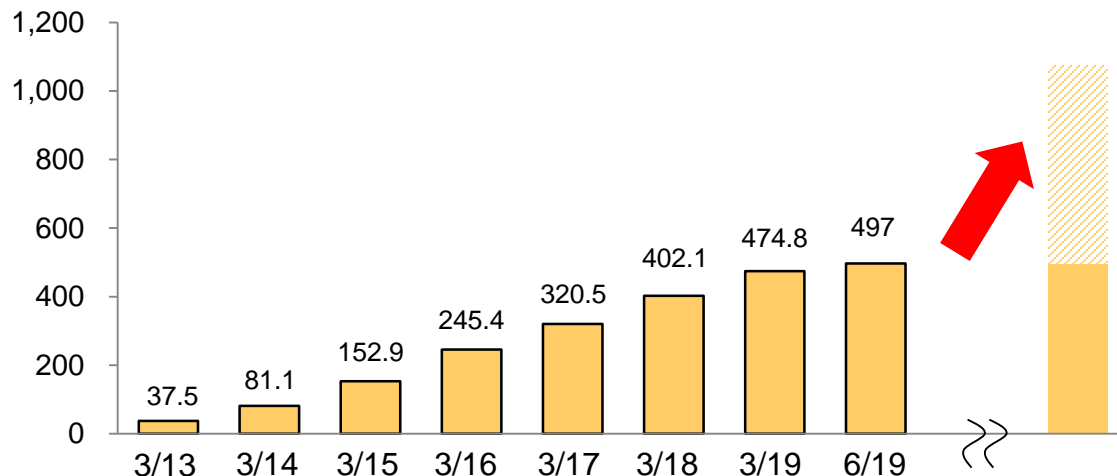


## ■ Current and Expected Grid Access Volume of Solar and Wind within our Service Area

(as of June 30, 2019)

### [Solar]

[10 megawatts]

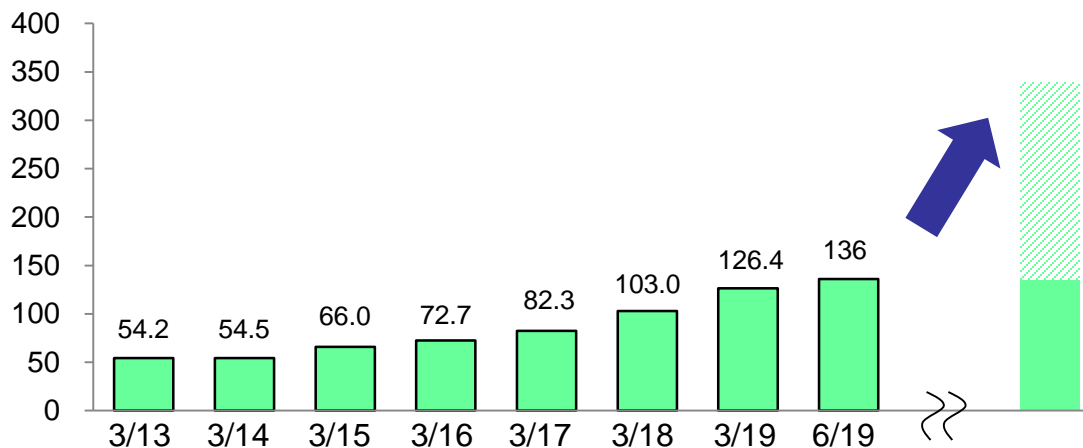


Expected grid access volume: 5,770 megawatts

(Reference :  
New rule: 3,890 megawatts)

### [Wind]

[10 megawatts]



Expected grid access volume: 2,030 megawatts

(Reference :  
New rule: 970 megawatts)

(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.