

Financial Summary
1st Quarter of FY2023
(April 1, 2023 – June 30, 2023)

July 31, 2023

Tohoku Electric Power Co., Inc.

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1st Quarter of FY2023 Financial Results

Key points of financial results and forecasts

Financial Results for the first quarter of FY2023

Increase in revenue and increase in income

(First time in 4 years since FY2019)

- Operating revenue : mainly due to revisions to electricity rates and increase in fuel cost adjustment charge
- Ordinary income : mainly due to increase in income from retail electricity sales thanks to revisions of electricity rates and the time lag between fuel cost and fuel cost adjustment charge

Financial and Dividend Forecasts for FY2023

Consolidated Operating Revenue : ¥3,020.0 billion

- Increase in income from retail electricity sales thanks to revisions of electricity rates, even with decrease in income from wholesale electricity sales due to lower JEPX prices, etc.

Consolidated Ordinary Income : ¥200.0 billion

- Increase in income from retail electricity sales thanks to revisions of electricity rates, thorough streamlining, and the time lag between fuel cost and fuel cost adjustment charge, etc.

Dividend Forecast : Interim 5 yen · Year-end 10 yen

Summary of Financial Results

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- **Operating revenue** **¥633.5 billion (a year on year increase of ¥75.2 billion)**
 - Operating revenue increased mainly due to revisions to electricity rates and increase in fuel cost adjustment charge.
- **Ordinary income/loss** **¥113.0 billion (a year on year increase of ¥141.7 billion)**
 - Ordinary income/loss increased mainly due to increase in income from retail electricity sales thanks to revisions of electricity rates, and the time lag between fuel cost and fuel cost adjustment charge thanks to decline of fuel prices.
- **Net Income Attributable to Owners of Parent** **¥79.1 billion (a year on year increase of ¥110.4 billion)**

【Summary of Consolidated Financial Statements】

(billions of yen)

	FY2022/1Q (A)	FY2023/1Q (B)	Change (B) - (A)	Change (B) / (A)
Operating Revenue	558.2	633.5	75.2	113.5 %
Ordinary Income*1	(28.6)	113.0	141.7	-
	[17.3]	[57.0]	[39.7]	[328.5 %]
Net Income Attributable to Owners of Parent	(31.2)	79.1	110.4	- %
Consolidated Cash Income*2	67.6	107.3	39.7	158.8 %

	Mar. 31, 2023 (A)	Jun. 30, 2023 (B)	Change (B) - (A)
Equity ratio	10.5% [13.2%]*3	12.4% [15.2%]*3	1.9% [2.0%]
Interest-Bearing Liabilities	3,375.6	3,361.8	(13.8)

*1 Lower figures exclude time lag between fuel cost and fuel cost adjustment charges.

*2 Consolidate Cash Income = Operating income + Depreciation + Amortization of nuclear fuel + Share of profit of entities accounted for using equity method
(Operating income doesn't include time lag between fuel cost and fuel cost adjustment charges.)

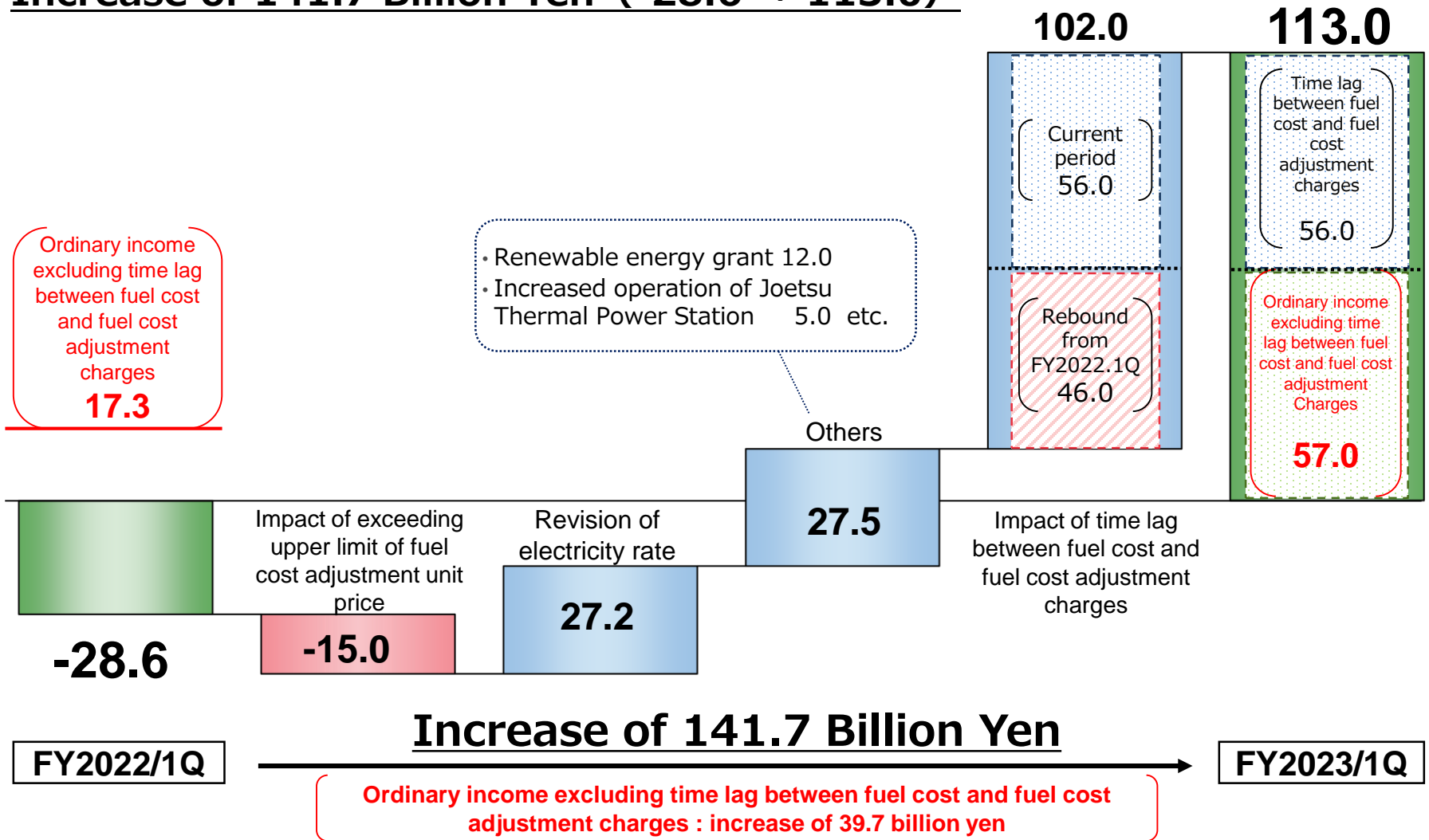
*3 Equity ratio assuming 50% of the issued amount (140 billion yen) of the issued hybrid bonds as equity capital

Changing Factors in Consolidated Ordinary Income from the Corresponding Period Last Year

✓ Consolidated ordinary income improved significantly to 113.0 billion yen, up 141.7 billion yen year on year, due to the revision of electricity rates and the time lag between fuel cost and fuel cost adjustment charge.

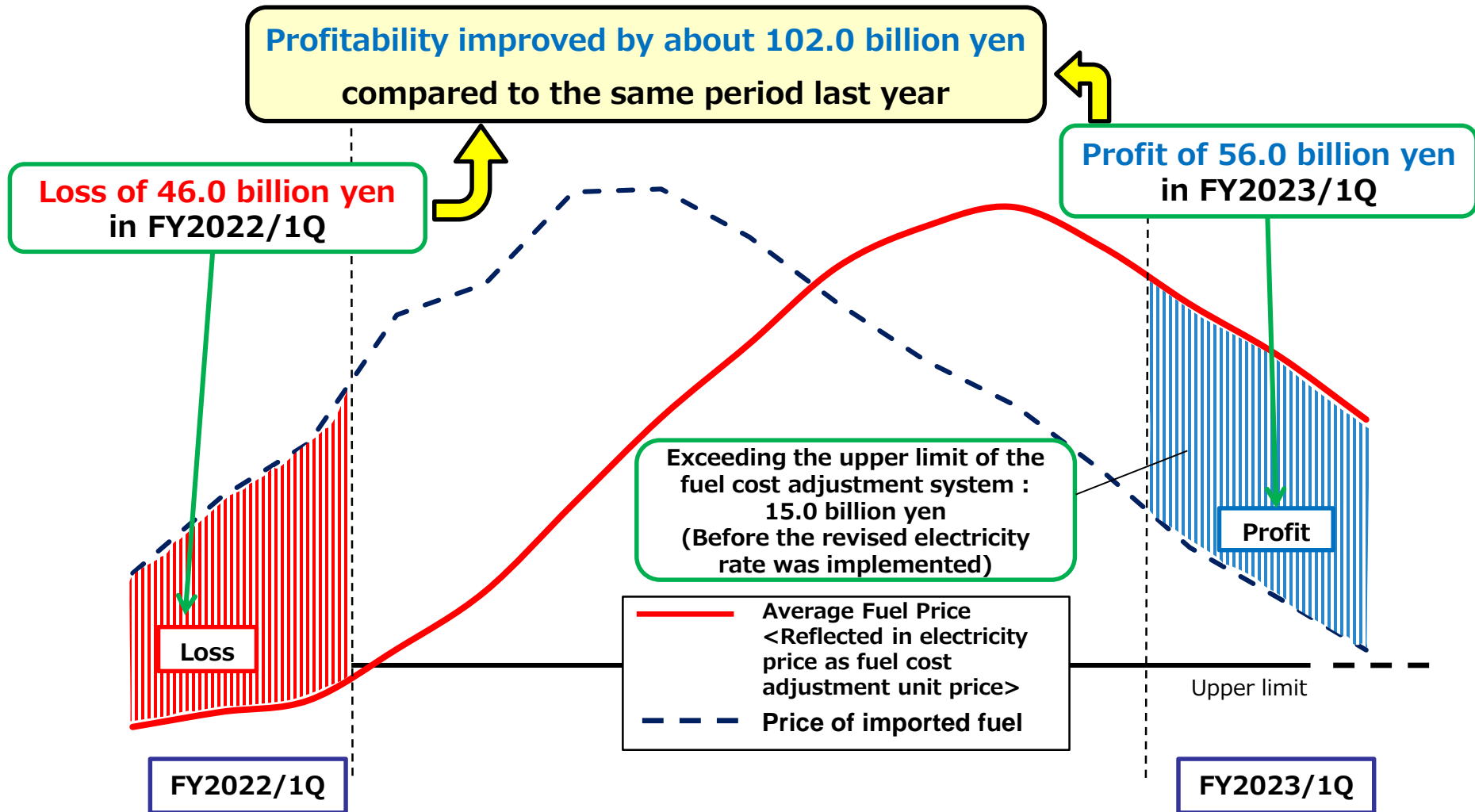
Increase of 141.7 Billion Yen (-28.6 → 113.0)

(billions of yen)



Impact of Time Lag between Fuel Cost and Fuel Cost Adjustment Charges in the First Quarter of FY2023

- ✓ The impact of the time lag in the same period of the previous year was a loss of 46.0 billion yen, but this fiscal year there was a profit of 56.0 billion yen, resulting in an improvement in profitability of 102.0 billion yen.
- ✓ The fuel cost adjustment unit price of the low-voltage regulation rate menu exceeded the upper limit, and the uncollectible income for this term was 15.0 billion yen.



➤ **Retail electricity sales**

14.5 TWh (a year on year decrease 0.9 TWh)

Retail electricity sales volume decreased due to decline in the heating demand, energy-saving, and decline in industrial demand caused by lower utilization.

➤ **Wholesale electricity sales**

2.2 TWh (a year on year decrease 0.9 TWh)

Wholesale electricity sales volume decreased due to a decrease in volume of wholesale electricity sales outside our franchise area.

(GWh)

Electricity Sales*1	FY2022/1Q (A)	FY2023/1Q (B)	Change (B) - (A)	Change (B) / (A)
Lighting (Residential)	4,542	4,105	(437)	90.4 %
Power	10,838	10,353	(485)	95.5 %
Retail Electricity Sales*2	15,380	14,458	(922)	94.0 %
Wholesale Electricity Sales*3	3,038	2,180	(858)	71.8 %
Total of Electricity Sales	18,418	16,639	(1,779)	90.3 %

*1 Individual figures of Tohoku Electric Power Co., Inc., excluding network business.

*2 Retail Electricity Sales includes electric power for business use.

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

	FY2022/1Q (A)	FY2023/1Q (B)	Change (B) - (A)
Crude Oil CIF Price (\$/bbl.)	110.8	84.0	(26.8)
Exchange Rate (¥/\$)	130	137	7
Hydro Power Flow Rate (%)	108.9	83.5	(25.4)
Nuclear Power Utilization Rate (%)	—	—	—

Electricity Supply

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- Increase in the amount of power generated by our thermal power plants due to the reaction to the suspension of operations caused by the Fukushima Prefecture Offshore Earthquake last year.
- Decrease in the amount of power received from other companies due to a decrease in market procurement due to the resolution of supply shortages.

(GWh)

Electricity Supply*1	FY2022/1Q (A)	FY2023/1Q (B)	Change (B) - (A)	Change (B) / (A)
Own Generated Power*2	11,418	11,590	172	101.5 %
Hydro	2,885	2,299	(586)	79.7 %
Thermal	8,382	9,136	754	109.0 %
Nuclear	—	—	—	—
Renewables	151	154	3	102.3 %
Power Interchanges and Purchased Power*3,4	8,758	6,681	(2,077)	76.3 %
	(1,454)	(1,126)	328	77.4 %
Used at Pumped Storage and others	(95)	(129)	(34)	135.0 %
Total of Electricity Supply*3	18,626	17,016	(1,610)	91.4 %

	FY2022/1Q (A)	FY2023/1Q (B)	Change (B) - (A)	Change (B) / (A)
Total of Renewables*4 [Percentage of Electricity Supply]	6,019 (32.3%)	5,157 (30.3%)	(862)	85.7 %

*1 Individual figures of Tohoku Electric Power Co., Inc., excluding network business.

*2 "Own Generated Power" shows sending end (electric power generated by the generator minus the electric power used in the power station).

*3 "Power Interchanges" and "Total of Electricity Supply" partly include projected volume.

*4 The total value of solar power, wind power, biomass, waste, geothermal power, and hydro power generated by our company and power received by other companies.

Segment Information (Consolidated)

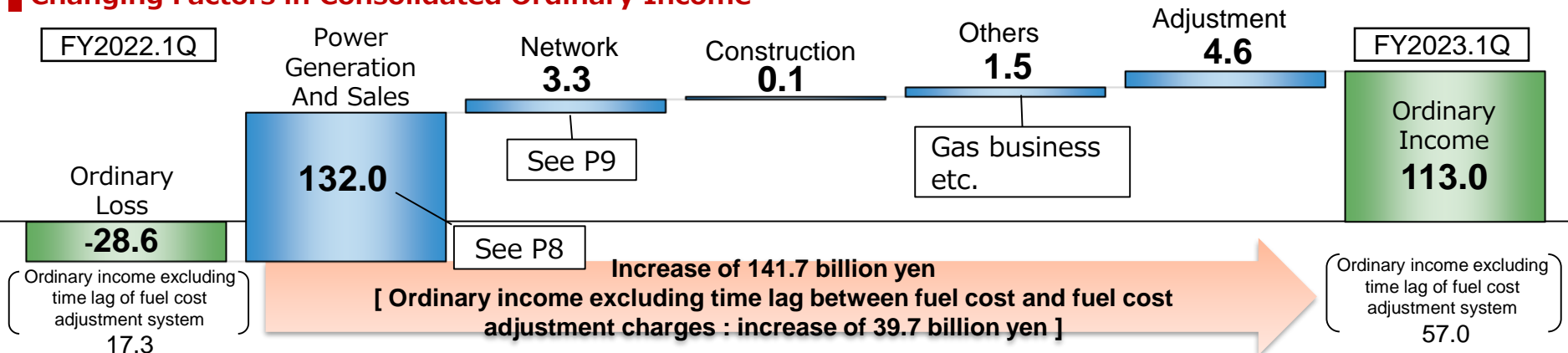
7

(billions of yen)

	FY2022/1Q(A)		FY2023/1Q(B)		Change (B) - (A)		Major factors for change
	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	
Power Generation and Sales	432.2	(24.5)	519.7	107.5	87.4	132.0	<ul style="list-style-type: none"> Operating revenue increased due to an increase in fuel cost adjustment charge and an increase in revenue from electricity sales thanks to the revision of electricity rates, etc. Ordinary income increased due to a significant decrease in electricity procurement cost resulting from a decrease in fuel procurement cost and wholesale electricity trading market rates Operating revenue decreased due to a decline in area electricity demand caused by higher temperature in early spring and industrial trends, etc. Ordinary income increased due to an increase in grants for adjustment cost of power supply and demand Operating revenue increased due to an increase of works for electricity equipment for home and for distribution and transmission, as a result, ordinary loss was reduced. Both operating revenue and ordinary income increased in income and profits mainly due to an increase in sales unit price in gas business
	395.7		496.1		100.3		
Network	216.0	9.8	185.3	13.1	(30.7)	3.3	
	107.1		80.2		(26.9)		
Construction	50.3	(1.8)	53.7	(1.7)	3.3	0.1	
	29.0		30.0		1.0		
Others	51.1	3.8	57.4	5.3	6.3	1.5	
	26.3		27.1		0.8		
Subtotal	749.8	(12.8)	816.3	124.2	66.5	137.0	
Adjustment	(191.5)	(15.8)	(182.7)	(11.1)	8.7	4.6	
Total	558.2	(28.6)	633.5	113.0	75.2	141.7	

* Lower figures of operating revenue are sales to outside customers.

Changing Factors in Consolidated Ordinary Income



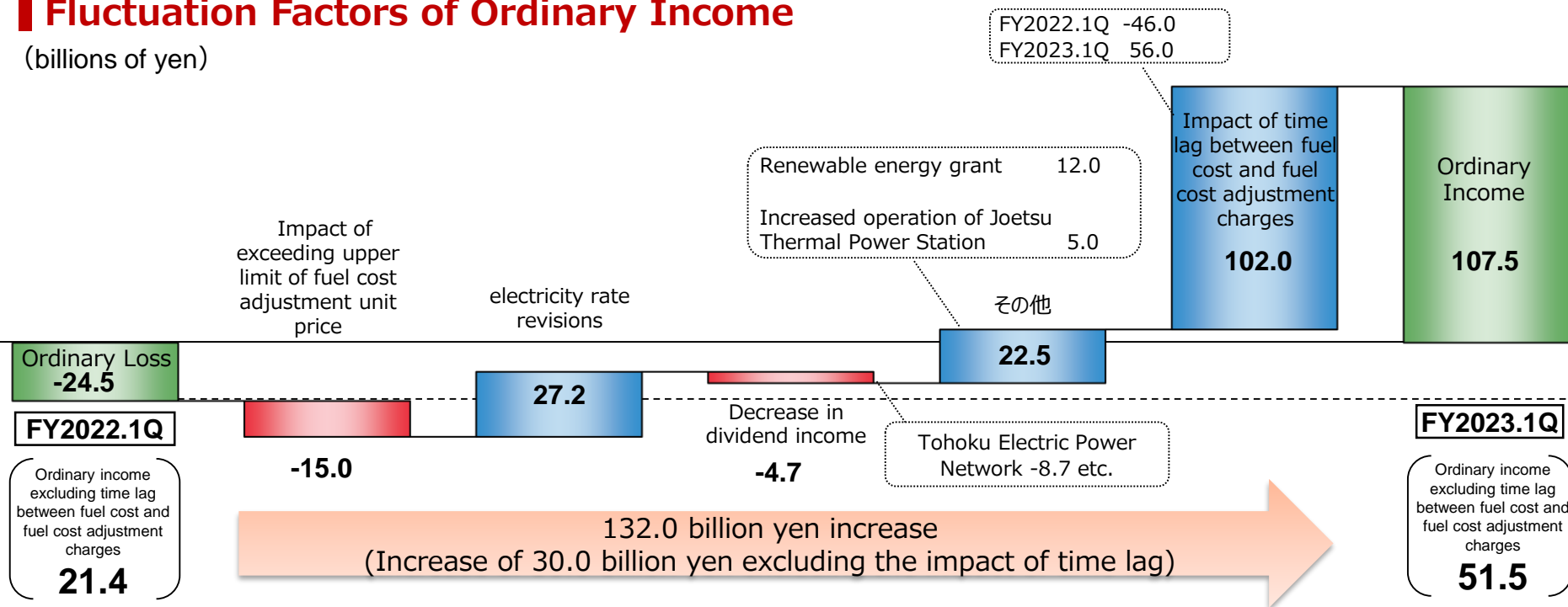
✓ Ordinary income increased by 132.0 billion yen year on year and became profitable thanks to revision of electricity rate for deregulated sector and the impact of time lag between fuel cost and fuel cost adjustment charge, even with the impact of the excess of upper limit of fuel cost adjustment unit price. (Ordinary income excluding time lag between fuel cost and fuel cost adjustment charges : increase of 30.0 billion yen)

	FY2022/1Q(A)		FY2023/1Q(B)		Change (B) - (A)	
	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income
Power Generation and Sales	432.2	-24.5	519.7	107.5	87.4	132.0
	395.7		496.1		100.3	

* Lower figures of operating revenue are sales to outside customers.

Fluctuation Factors of Ordinary Income

(billions of yen)



Segment Information (Network)

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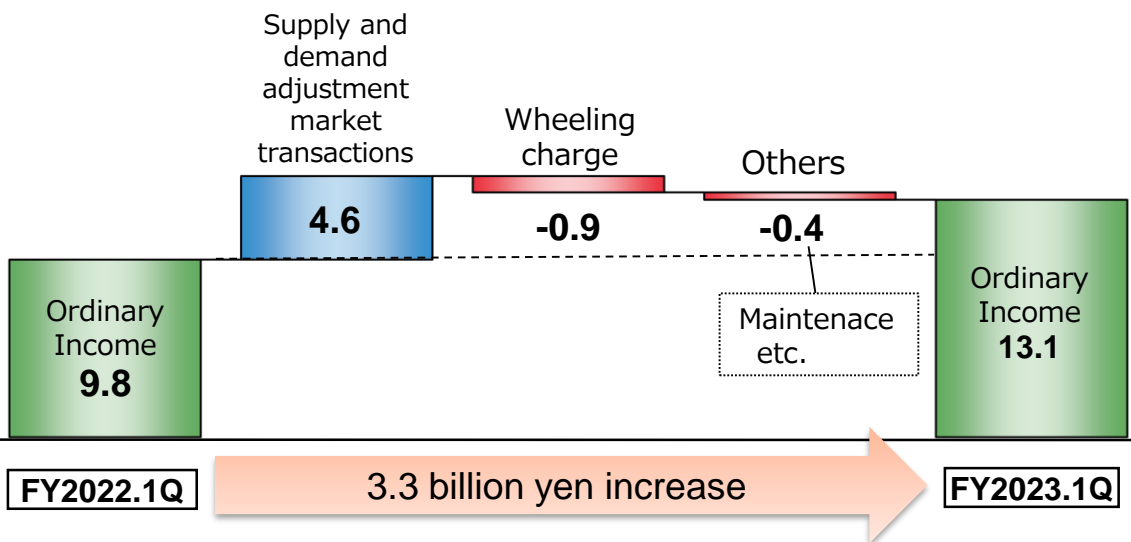
- Tohoku Area Electric Power Demand decreased by 1.2 billion kWh (93.2% year-on-year) due to high temperatures in spring and industrial trends.
- Ordinary profit increased by 3.3 billion yen year-on-year due to a decrease in procurement costs in the supply and demand adjustment market transaction, etc., despite a decrease in the standard transportation fee associated with the above.

	FY2022/1Q(A)		FY2023/1Q(B)		Change (B) - (A)	
	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income
Network	216.0	9.8	185.3	13.1	(30.7)	3.3
	107.1		80.2		(26.9)	

* Lower figures of operating revenue are sales to outside customers.

Fluctuation Factors of Ordinary Income

(billions of yen)



Tohoku Area Electric Power Demand

(TWh)

FY2022 1Q	FY2023 1Q	Changes
18.0	16.8	(1.2) [93.2%]

Balance Sheets (Consolidated)

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(billions of yen)

	Mar. 31, 2023 (A)	Jun. 30, 2023 (B)	Change (B) - (A)	
Total Assets	5,211.9	5,121.8	(90.0)	
Non-current Assets	4,005.1	4,023.3	18.1	
Current Assets	1,206.7	1,098.5	(108.2)	Cash and deposit : (166.9)
Total Liabilities	4,580.8	4,403.5	(177.2)	
Non-current Liabilities	3,467.3	3,467.0	(0.3)	
Current Liabilities	1,113.4	936.5	(176.8)	
Net Assets	631.0	718.3	87.2	Net income attributable to owners of parent : 79.1

Interest-Bearing Liabilities	3,375.6	3,361.8	(13.8)	Bonds : (45.0) Long-term loans : 17.8
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Equity Ratio	10.5% [13.2%]*	12.4% [15.2%]*	1.9% [2.0%]
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*Equity ratio assuming 50% of the issued amount (140 billion yen) of the issued hybrid bonds as equity capital

Statements of Income (Consolidated) (1/2)

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(billions of yen)

	FY2022/1Q (A)	FY2023/1Q (B)	Change (B) - (A)	Change (B) / (A)
Operating Revenue	558.2	633.5	75.2	113.5 %
Electric utility	502.7	575.5	72.8	114.5 %
Other business	55.5	58.0	2.4	104.4 %
Operating Expenses	584.7	516.7	(67.9)	88.4 %
Electric utility	529.2	460.8	(68.3)	87.1 %
Other business	55.4	55.8	0.3	100.7 %
Operating Income	(26.4)	116.8	143.2	—
Non-operating income	2.2	2.9	0.6	129.7 %
Non-operating expenses	4.4	6.6	2.2	150.0 %
Ordinary Income	(28.6)	113.0	141.7	—
Provision of reserve for fluctuation in water levels	0.3	—	(0.3)	—
Income taxes	1.9	33.6	31.6	1,687.0 %
Net income attributable to non-controlling interests	0.3	0.2	(0.0)	78.0 %
Net income attributable to owners of parent	(31.2)	79.1	110.4	—

Statements of Income (Consolidated) (2/2)

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(billions of yen)

			FY2022/1Q (A)	FY2023/1Q (B)	Change (B) - (A)	Change (B) / (A)	Major factors for change
Revenue	Electric utility operating revenue	Revenue from Electricity Sales	321.7	383.9	62.1	119.3%	Increase in fuel cost adjustment charge
		Lighting (Residential)	120.7	100.9	(19.7)	83.6%	
		Power	201.0	282.9	81.9	140.8%	
		Sales of power to other utilities and other companies	150.7	111.1	(39.5)	73.7%	Decrease in market transaction
		Other revenue	30.2	80.4	50.2	266.3%	Increase in subsidies for mitigation of drastic changes
		Sub total	502.7	575.5	72.8	114.5%	
	Other operating revenue	55.5	58.0	2.4	104.4%		
	[Operating Revenue]	[558.2]	[633.5]	[75.2]	[113.5%]		
	Non operating revenue	2.2	2.9	0.6	129.7%		
	Total revenue	560.5	636.5	75.9	113.6%		
Expenses	Electric utility operating expenses	Personnel	33.3	33.4	0.0	100.1%	
		Fuel	143.2	158.8	15.6	110.9%	
		Maintenance	28.4	28.8	0.3	101.1%	
		Depreciation	42.9	39.7	(3.1)	92.6%	
		Power purchased from other utilities and other companies	220.6	132.6	(88.0)	60.1%	Decrease in market transaction
		Taxes, etc.	21.1	22.3	1.1	105.6%	
		Nuclear power back-end cost	1.8	1.8	0.0	102.3%	
		Other expenses	37.6	43.3	5.6	115.1%	
		Sub total	529.2	460.8	(68.3)	87.1%	
	Other operating expenses	55.4	55.8	0.3	100.7%		
	Non operating expenses	4.4	6.6	2.2	150.0%		
Total expenses	589.2	523.4	(65.7)	88.8%			
[Operating Income]			[(26.4)]	[116.8]	[143.2]	[-]	
Ordinary Income			(28.6)	113.0	141.7	-	
Provision of reserve for fluctuation in water levels			0.3	-	(0.3)	-	
Income taxes			1.9	33.6	31.6	1,687.0%	
Net income attributable to non-controlling interests			0.3	0.2	(0.0)	78.0%	
Net income attributable to owners of parent			(31.2)	79.1	110.4	-	

- **Operating revenue ¥3,020.0 billion (Increase of ¥12.8 billion compared to the previous year)**
Operating revenue is expected to increase mainly due to increase in income from retail electricity sales thanks to revisions of electricity rates, even with decrease in income from wholesale electricity sales due to lower JEPX prices.
- **Ordinary Income ¥200.0 billion (Increase of ¥399.2 billion compared to the previous year)**
Ordinary income is expected to increase mainly due to an increase in income from retail electricity sales thanks to revisions of electricity rates, thorough streamlining, and the time lag between fuel cost and fuel cost adjustment charge.

■ Consolidated Financial Forecasts for FY2023

(billions of yen)

	FY2022 (A)	FY2023 forecast (B)	Change (B) – (A)
Operating Revenue	3,007.2	3,020.0	12.8
Operating Income	(180.0)	220.0	400.0
Ordinary Income	(199.2) [(76.2)]	200.0 [132.0]	399.2 [208.2]
Net Income Attributable to Owners of Parent	(127.5)	140.0	267.5
Consolidated Cash Income	136.6	340.0	203.4

[] : Ordinary income excluding time lag between fuel cost and fuel cost adjustment charges.

■ Major Factors

		FY2022	FY2023 forecast
Electric power sales* (TWh)	Retail	65.9	Approx. 64.8
	Wholesale	15.9	Approx. 14.7
	T o t a l	81.8	Approx. 79.5
Crude Oil CIF Price (\$/bbl.)		102.7	Approx. 87
Exchange Rate (¥/\$)		136	Approx. 142
Nuclear Power Utilization Rate (%)		–	Approx. 1

* Individual figures of Tohoku Electric Power Co., Inc., excluding network business.

■ Sensitivity to Major Factors

(billions of yen)

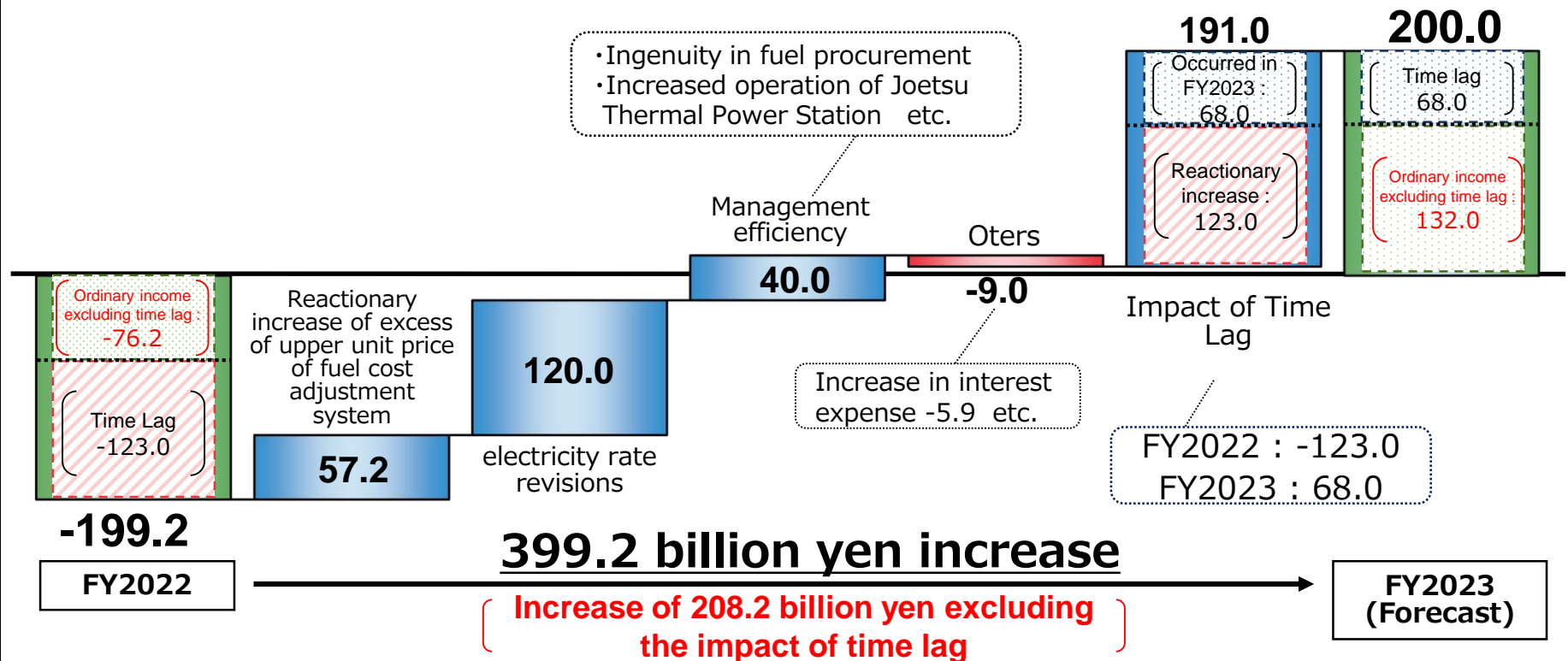
Crude Oil CIF Price (per \$/bbl.)	Approx. 2.7
Exchange Rate (per ¥1/\$)	Approx. 4.4

- ✓ Income and expenditures have significantly improved from last fiscal year and consolidated ordinary income is expected to be 200 billion yen due to an electricity rates review and streamlining including a devise of fuel procurement, and the expectation that time lag impact between fuel cost and fuel cost adjustment turns into marginal gain with a decline of fuel cost.
- ✓ Also, even where time lag impact between fuel cost and fuel cost adjustment is excluded, consolidated ordinary income of 132.0 billion yen would be secured.

■ Changing factor of consolidated ordinary income

Increase of 399.2 Billion Yen (-199.2 → 200.0)

(billions of yen)

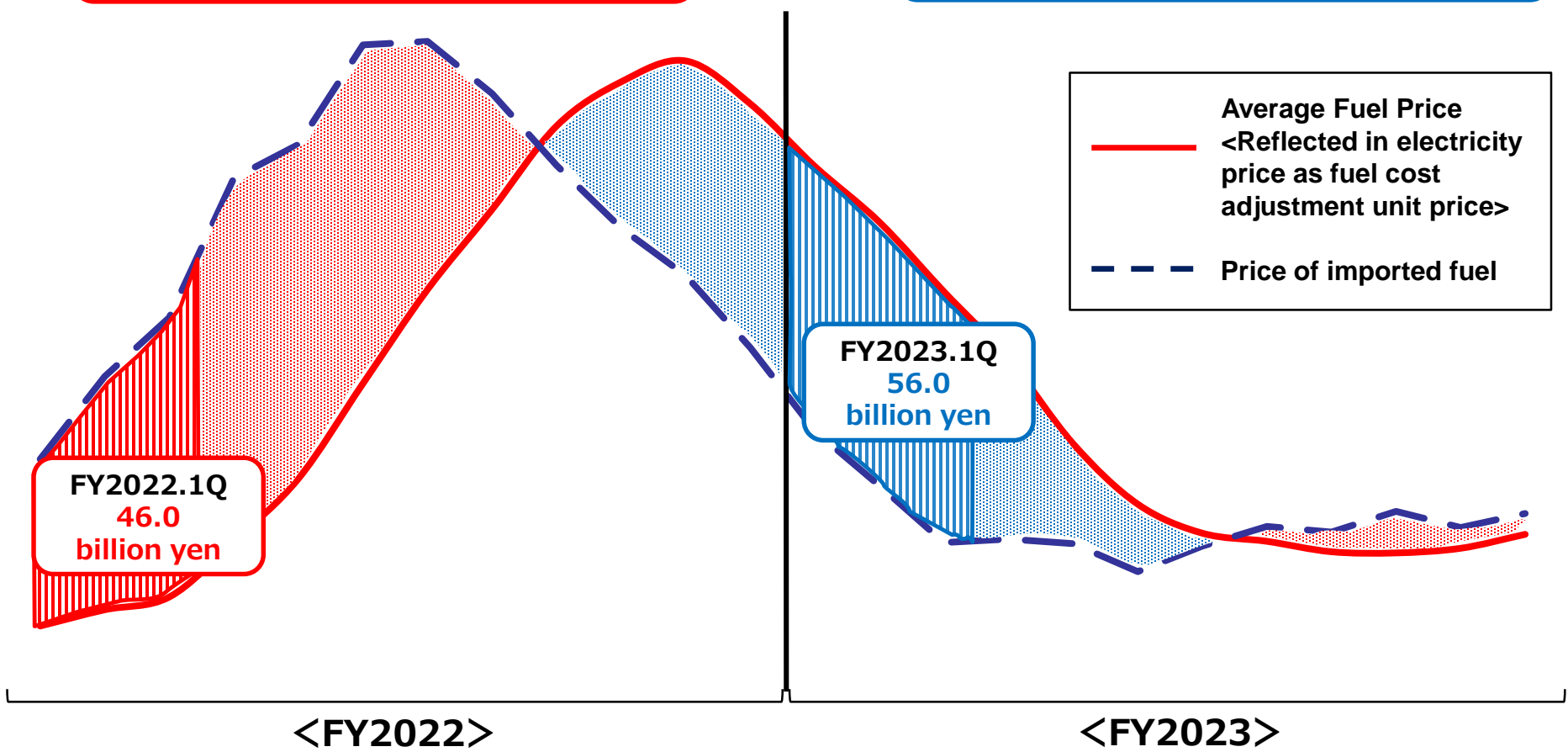


Time Lag Impact of Fuel Cost Adjustment System on Financial Forecasts

- ✓ In the previous fiscal year, the impact of fuel adjustment time lag was a loss of 123.0 billion yen, but this fiscal year is expected to be a profit of 68.0 billion yen.
- ✓ As a result of deducting this, it is expected that the balance will improve by 191.0 billion yen compared to the previous year.

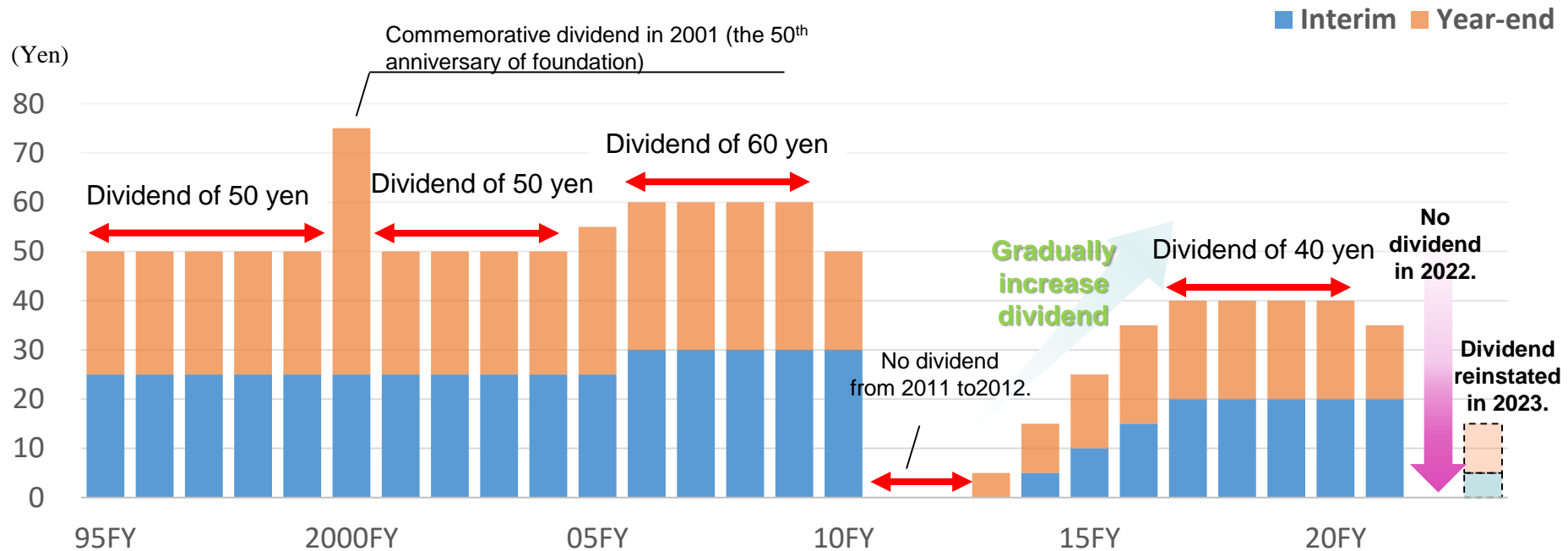
FY2022
Loss of 123.0 billion yen
(In 1 Q, loss of 46.0 billion yen)

FY2023
Profit of 68.0 billion yen
(In 1 Q, profit of 56.0 billion yen)



- Our dividend policy is based on the payment of stable dividends, which are determined by comprehensively taking into account the financial results and the medium- to long-term outlook for income and expenditure for the fiscal year under review.
- Mainly due to the significant losses in two consecutive fiscal years, FY2021 and FY2022, rapidly deteriorating financial condition including the interest-bearing debt in excess of ¥ 3.3 trillion. We have to stabilize income, expenditures, and financial position as soon as possible, improve significantly damaged equity capital, and steadily implement the reduction of increased interest-bearing debt.
- At the present time, as for the result of FY2023, significant improvement from the previous fiscal year is expected and net income of ¥140 billion in scale is expected to be secured at this time due to an increase in revenue from electricity rates as a result of electricity rates review as well as an expectation that the impact of time lag between fuel cost and fuel cost adjustment turns into marginal gain with a decline in fuel cost and streamlining of operations.
- Regarding the year-end dividend for FY2023, by taking these circumstances and the medium- to long-term outlook for income and expenditures into consideration, **"the interim dividend is ¥5 per share and the year-end dividend is ¥10 per share"**.

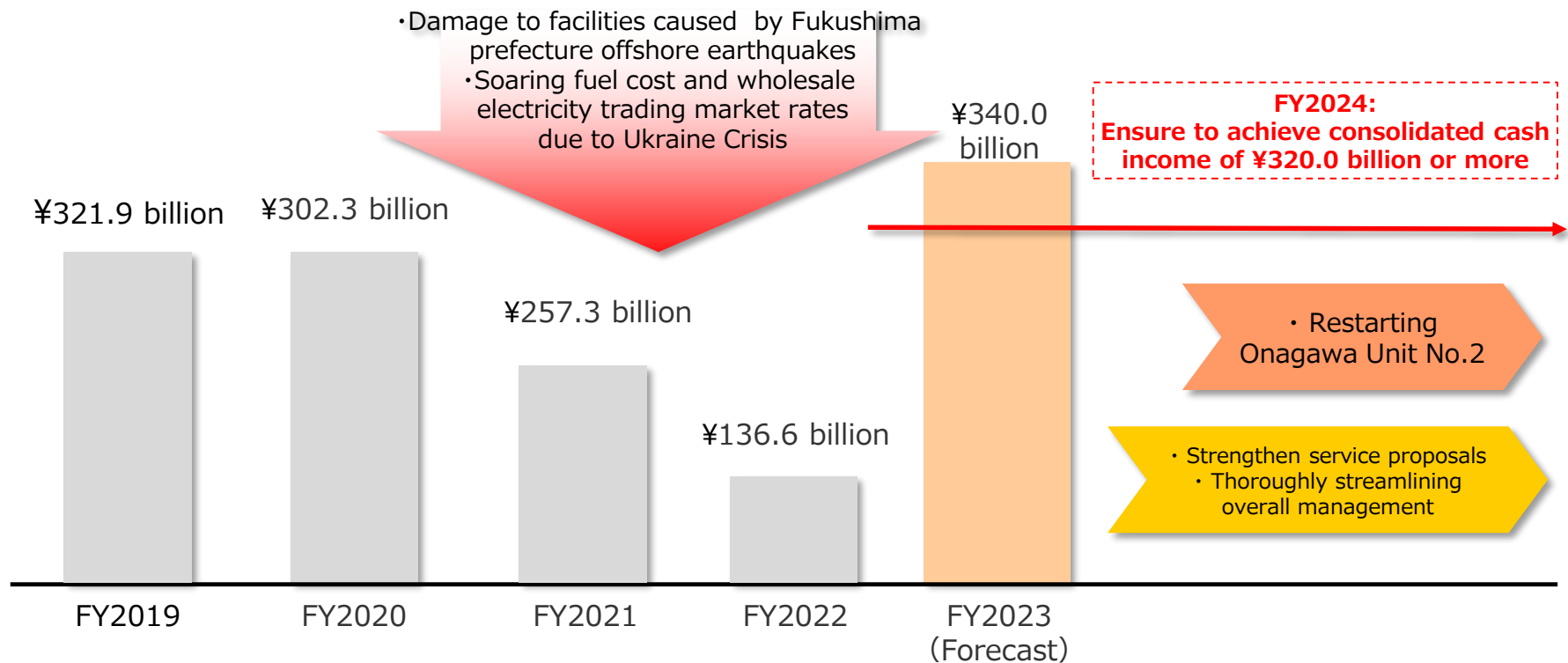
Trends of dividend per share



2 . Financial Data

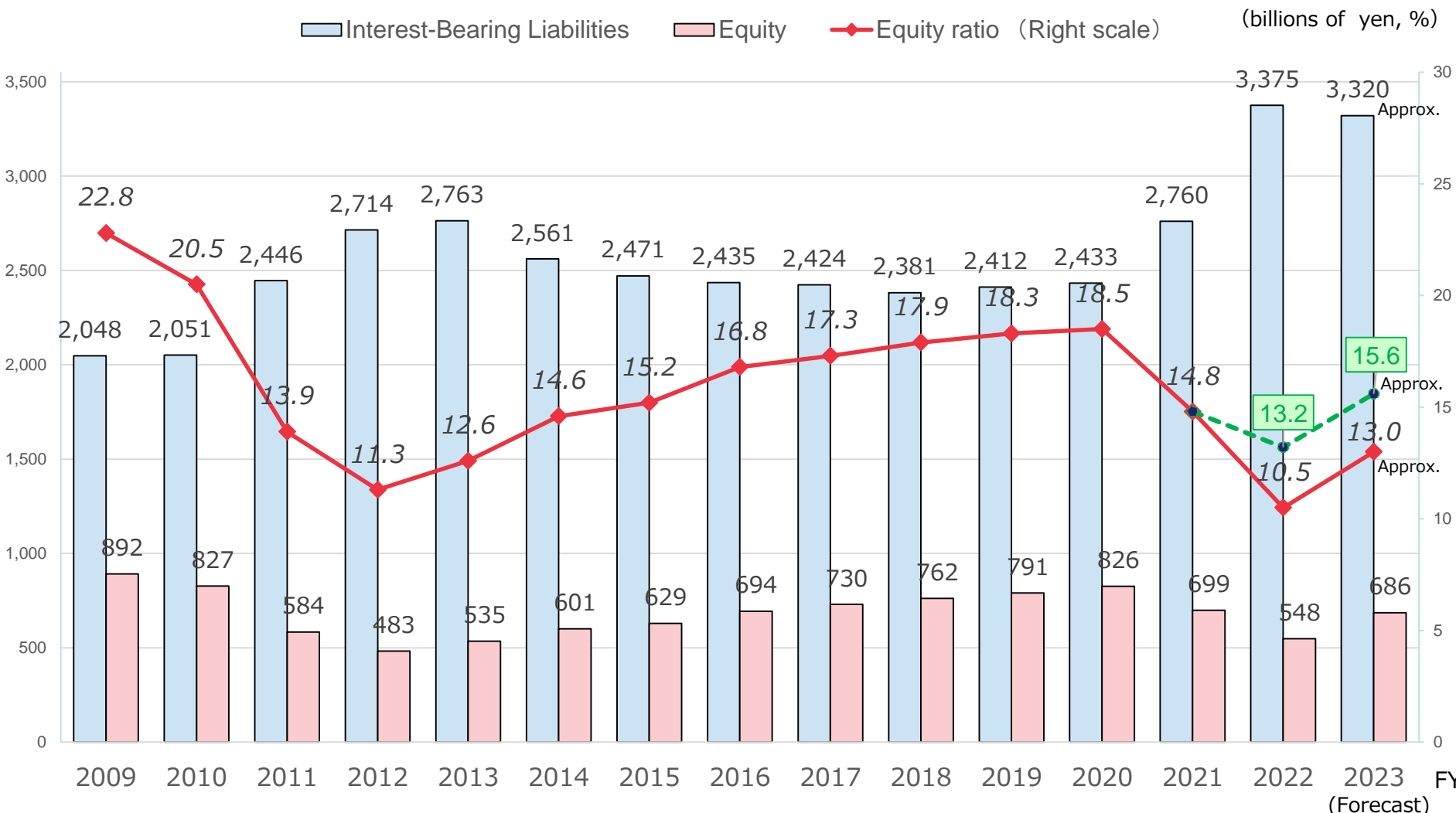
- ✓ In order to improve the ability to generate the cash profits necessary to transform the business model, we will be positioning an early recovery of financial base as a top-priority issue, we set a financial target of "FY2024: consolidated cash income of ¥320 billion or more".
- ✓ Due to the impact of Fukushima prefecture offshore earthquake and the invasion of Ukraine, consolidated cash income has remained low in recent years, but **in FY2023, it is expected to be around ¥340 billion** by reviewing electricity rates and thoroughly streamlining overall management, etc.
- ✓ In the future, we will build a long-term sustainable revenue base by steadily restarting Onagawa Unit 2. etc., as well as continuing to improve efficiency, etc. to ensure the achievement of financial targets for FY2024.

<Trends of Consolidated Cash Income>



Trends of Financial Position (Consolidated)

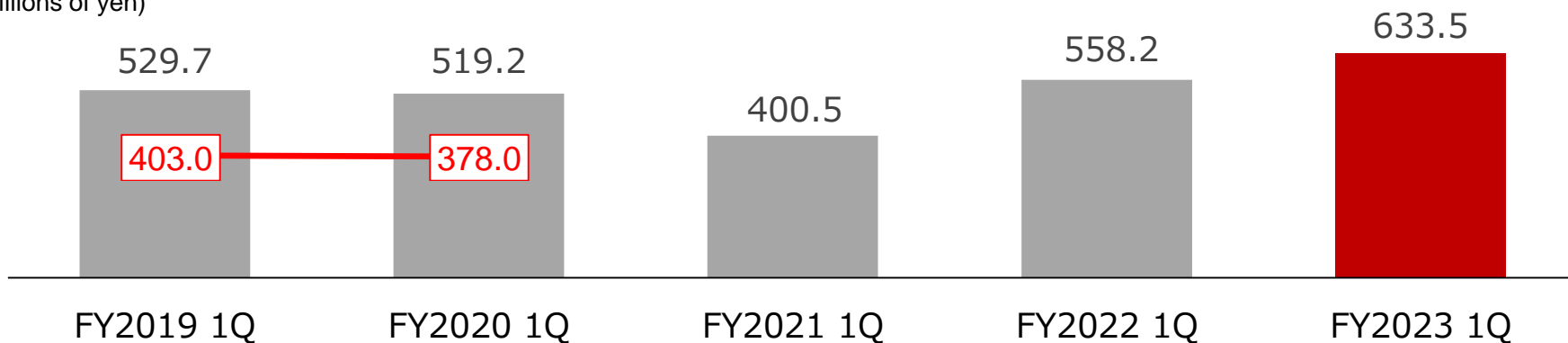
- ✓ Equity-ratio is expected to improve slightly because income and expenditures will improve significantly in FY2023 compared to last fiscal year.
- ✓ Meanwhile, interest-bearing debt balance rose to a level above that in the period immediately after the Great East Japan Earthquake, and given unexpected occurrence of natural disaster and fluctuation risk of soaring fuel cost in recent years, it is recognized that financial condition is still in a difficult situation.



Note : Green line shows equity ratio assuming 50% of the issued amount (140.0 billion yen) of the issued hybrid bonds as equity capital

Operating Revenue

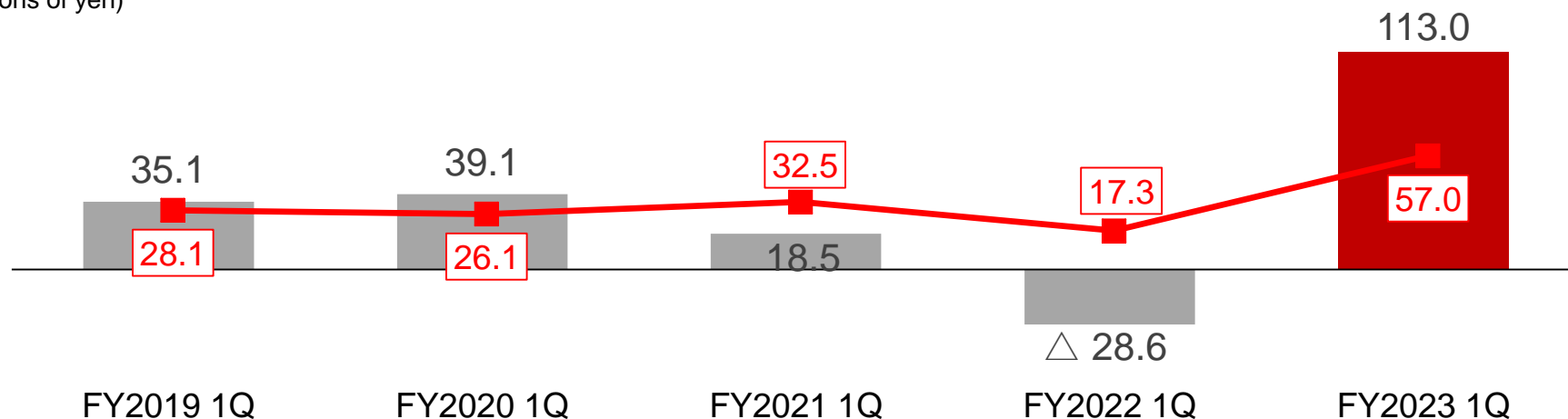
(billions of yen)



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, etc. FY2021 is after the application of the "Accounting Standard for Revenue Recognition."

Ordinary Income

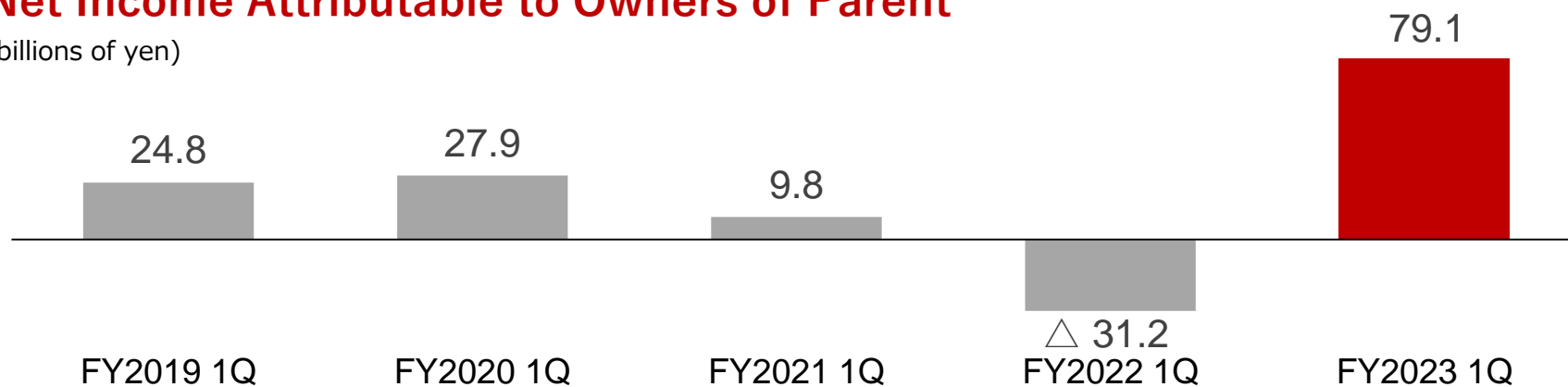
(billions of yen)



Note : Red line shows ordinary income (consolidated) excluding Impact of time lag between fuel cost and fuel cost adjustment charges.

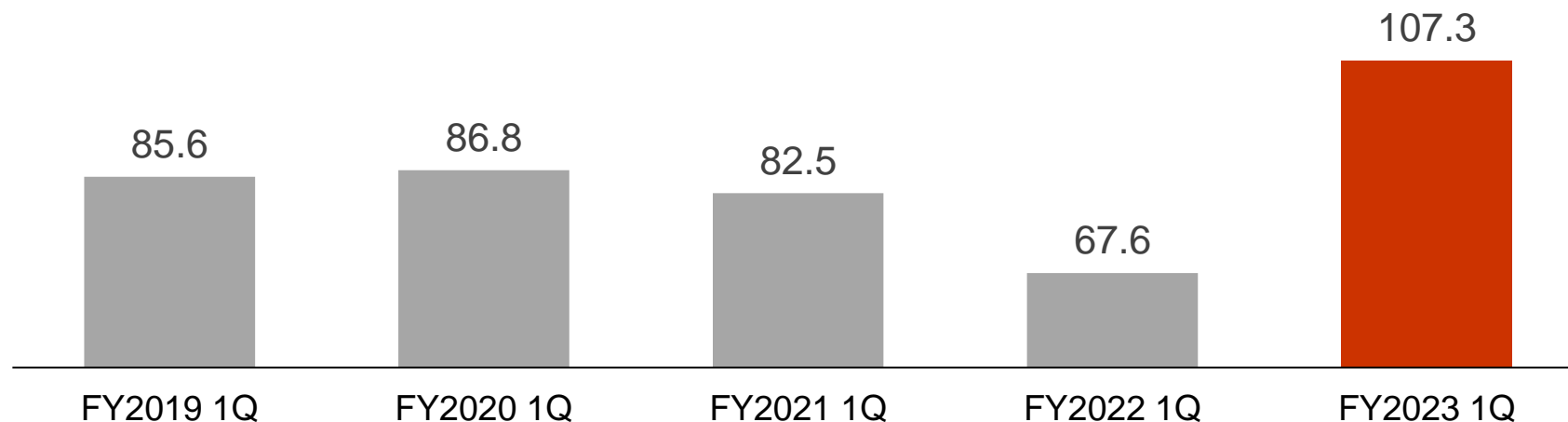
Net Income Attributable to Owners of Parent

(billions of yen)



Consolidated Cash Income*

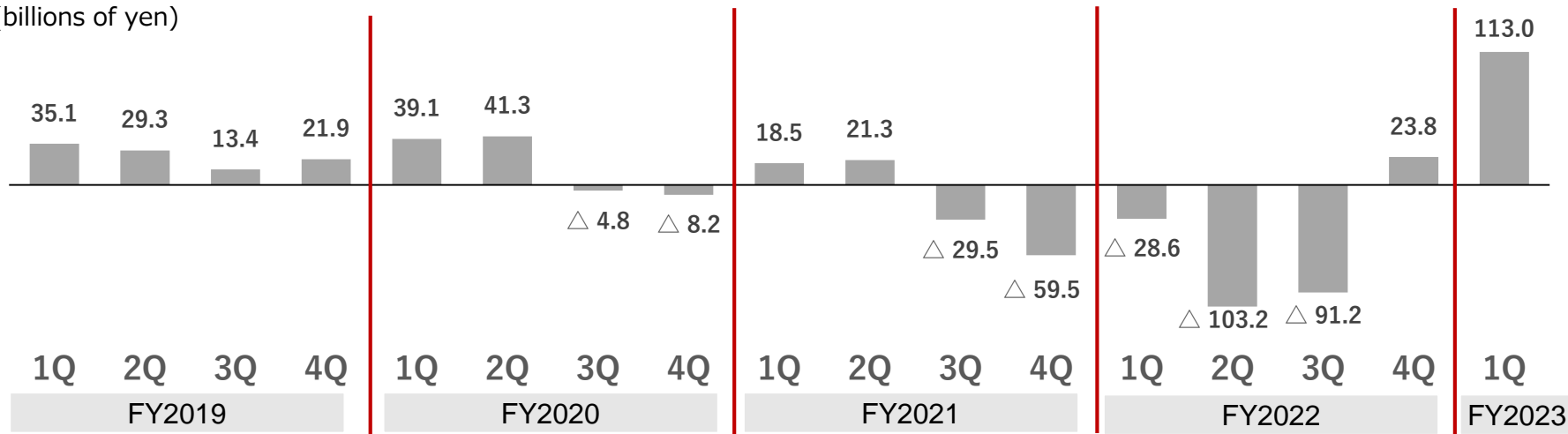
(billions of yen)



* Operating income + Depreciation + Amortization of nuclear fuel + Share of profit of entities accounted for using equity method
(Operating income doesn't include time lag between fuel cost and fuel cost adjustment charges.)

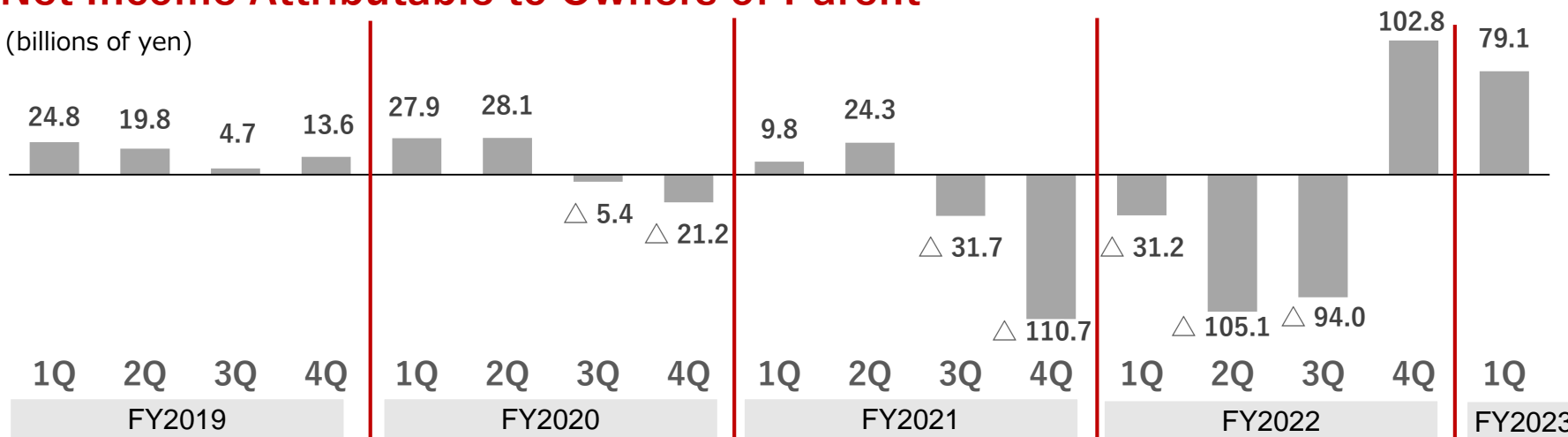
Ordinary Income

(billions of yen)



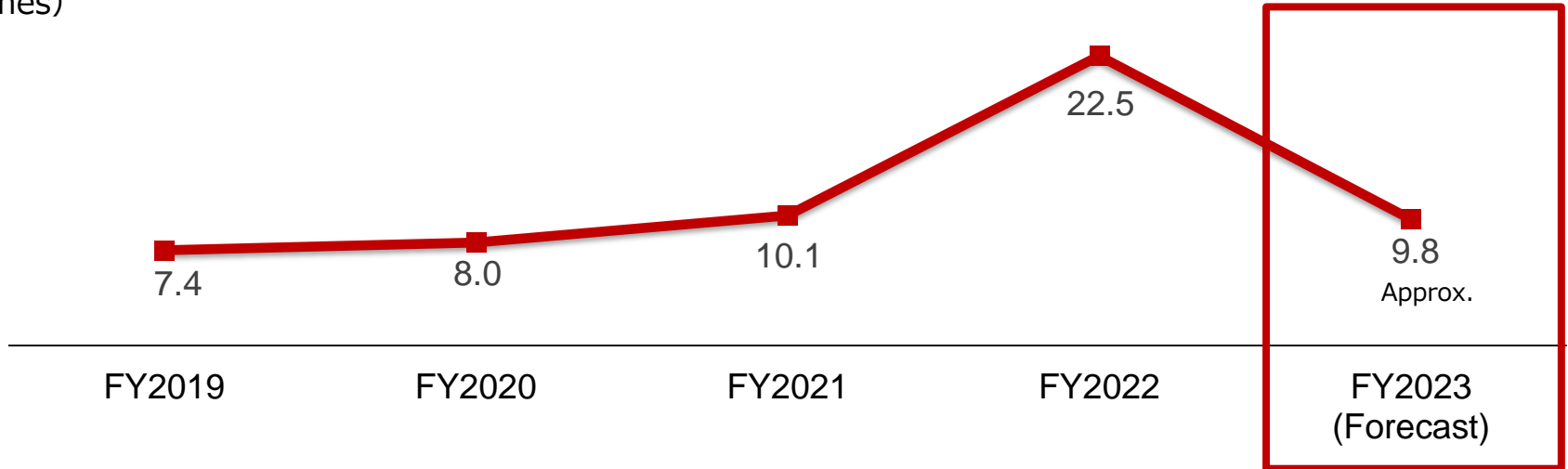
Net Income Attributable to Owners of Parent

(billions of yen)



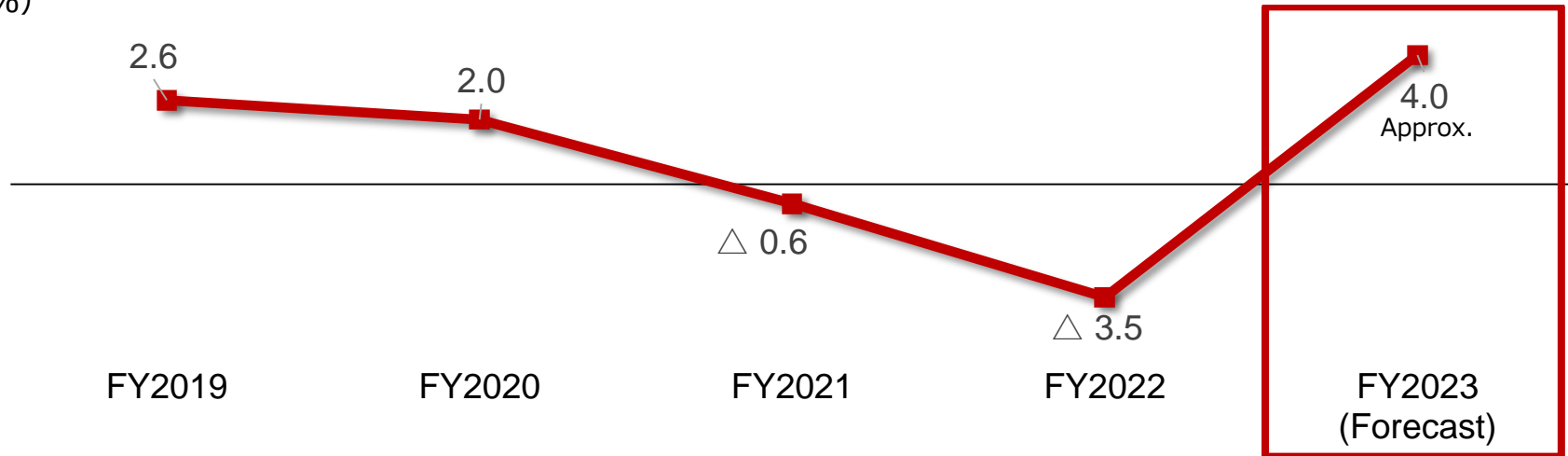
Consolidated interest-bearing debt / cash income ratio

(times)



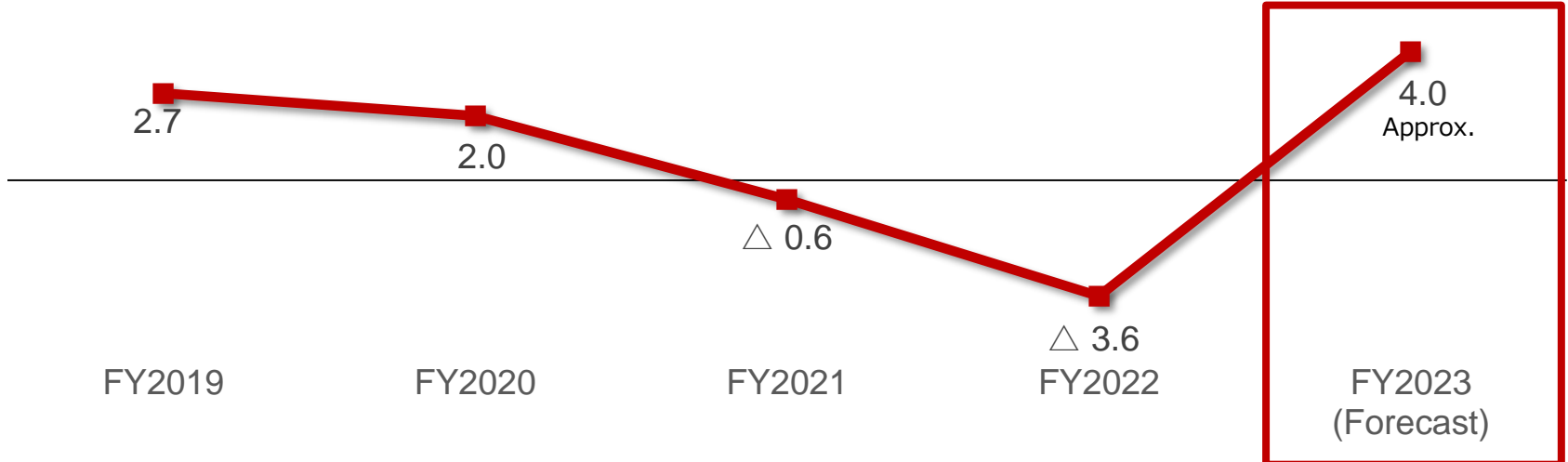
Return On Invested Capital (ROIC)

(%)



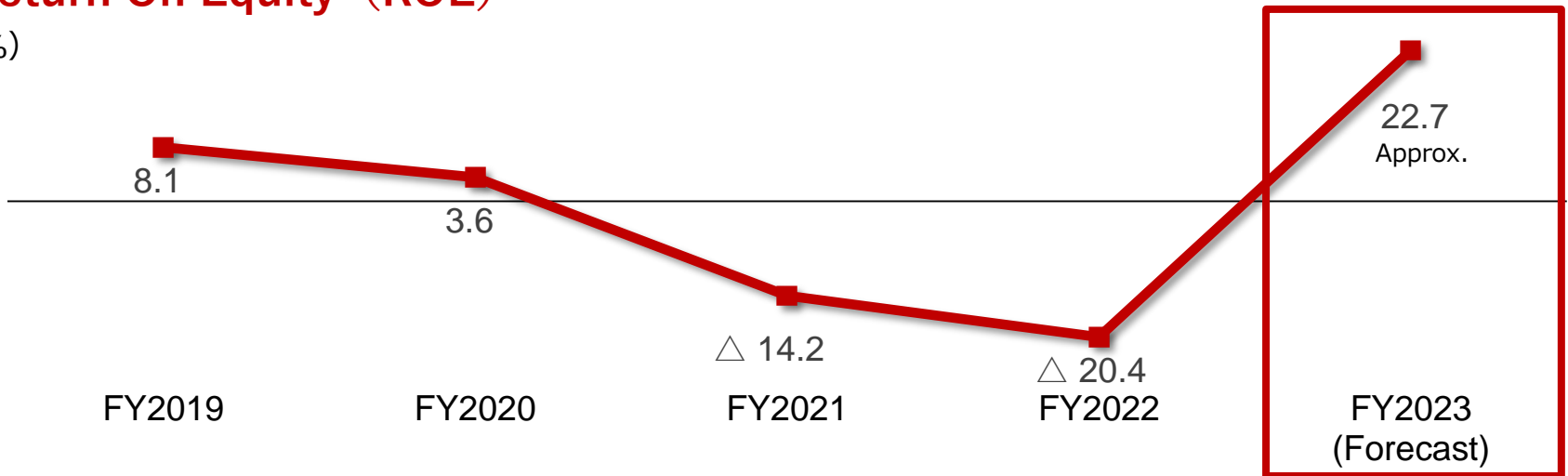
Return On Assets (ROA)

(%)



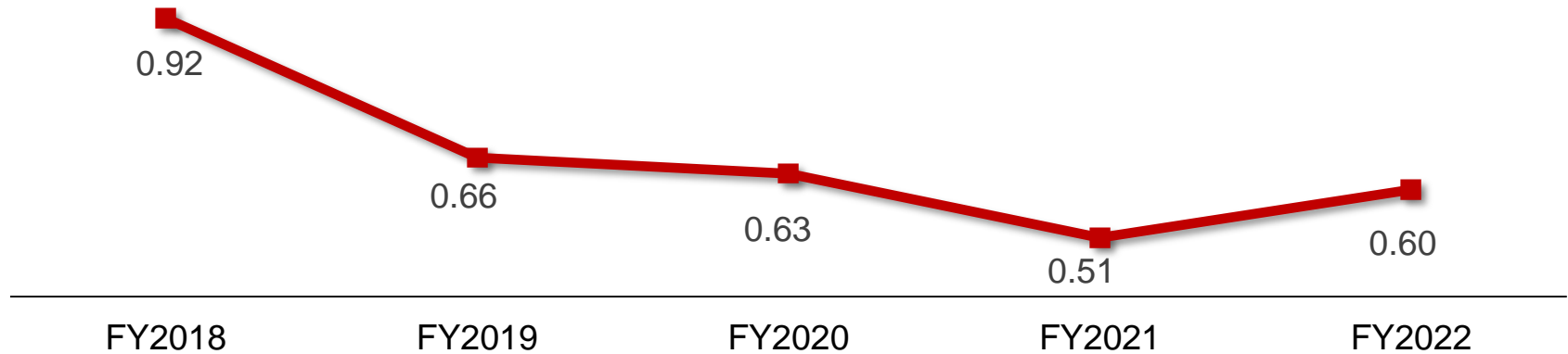
Return On Equity (ROE)

(%)

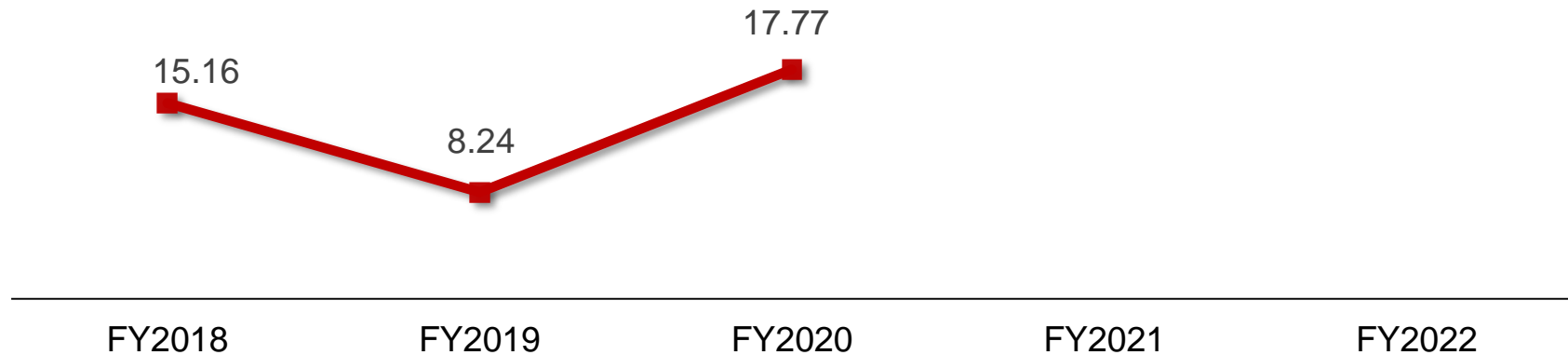


Price Book-value Ratio (PBR)

(times)

**Price Earnings Ratio (PER)**

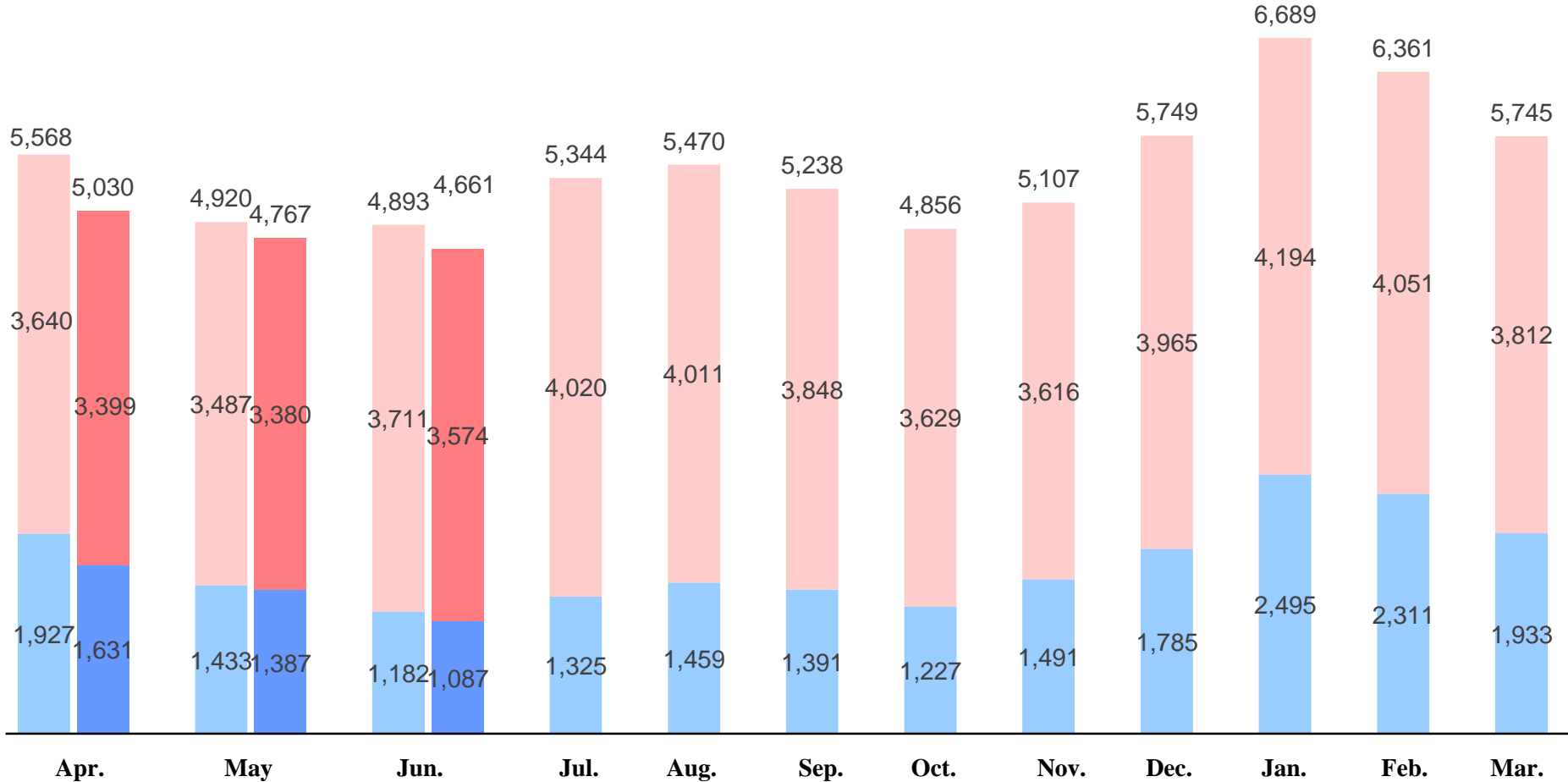
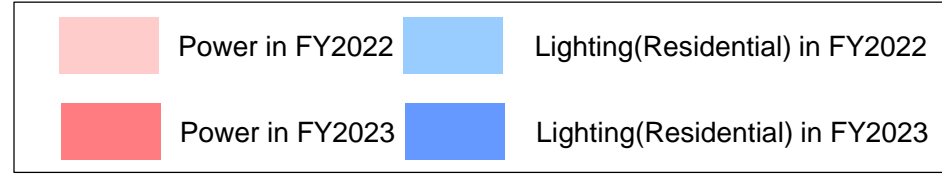
(%)



Note : Price Earnings Ratio cannot be calculated for FY2021 and FY2022 due to net loss.

Retail Electricity Sales Volume by Month

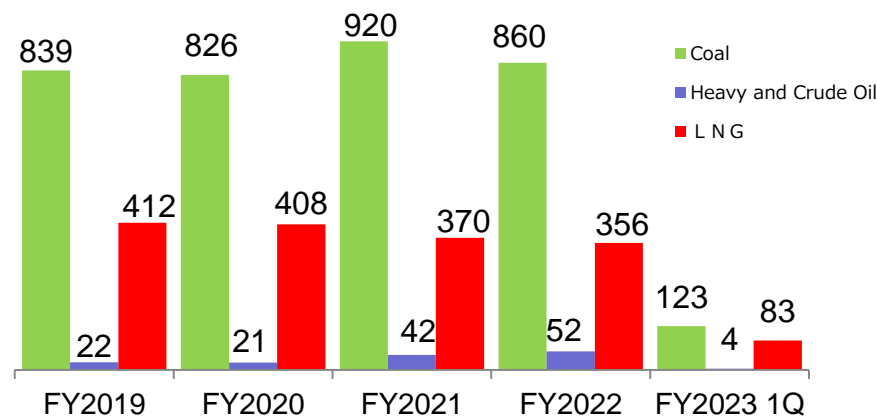
■ Retail Electricity Sales Volume (GWh)



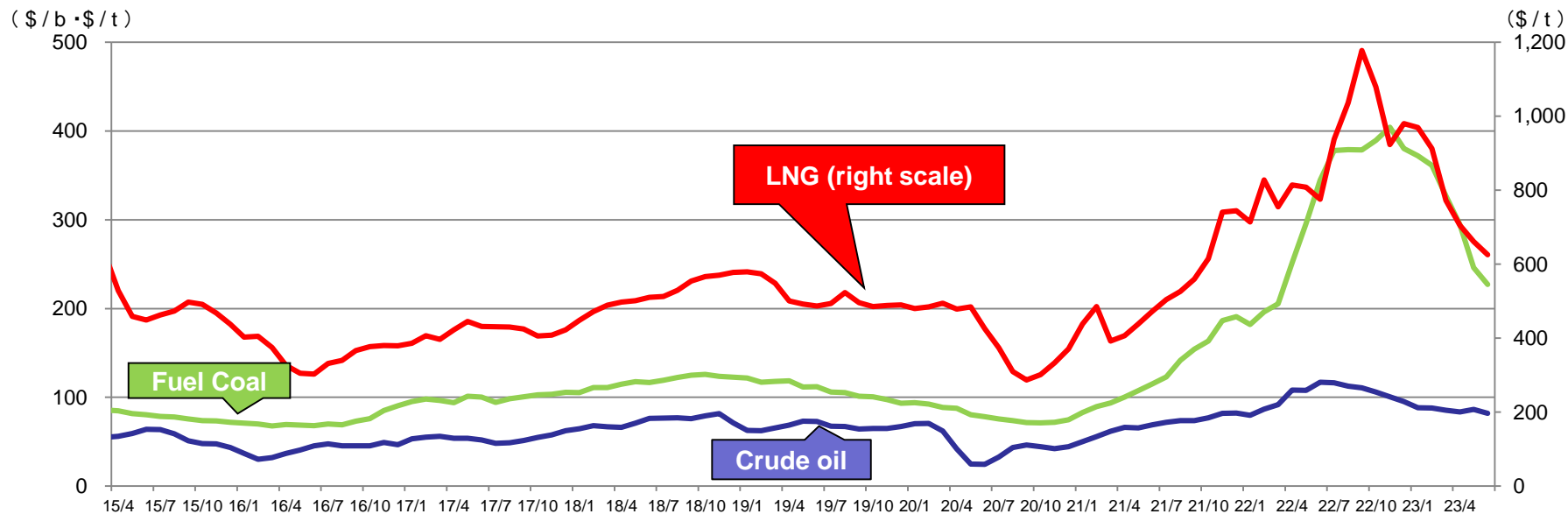
Fuel Consumption

	FY2022/ 1Q	FY2023/ 1Q	Change	(Reference) FY2022
Coal (ten thousand tons)	114	123	9	860
Heavy and Crude Oil (ten thousand kl)	12	4	(8)	52
LNG (ten thousand ton)	73	83	10	356

(ten thousand tons, ten thousand kl)



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



3. Main Initiatives in the 1st Quarter of 2023

Financial and management information

date	Theme
4/17	Receipt of the administrative guidance from Ministry of Economy, Trade and Industry (Agency for Natural Resources and Energy) on the case of unauthorized browsing of renewable energy business management system
4/17	Receipt of the Order for Business Improvement from Electricity and Gas Market Surveillance Commission on improper handling of customer information of Power Producer and Supplier, etc.
5/10	Partial transfer of shares of Tohoku Electric Manufacturing Co., Ltd.
5/12	Submission of the report to the Order for Business Improvement from Electricity and Gas Market Surveillance Commission
5/12	Submission of the report to the administrative guidance from Ministry of Economy, Trade and Industry (Agency for Natural Resources and Energy)
5/16	Amendment request for the price increase in retail regulated fees, etc.
5/19	Authorization to increase electricity rates for the customers in regulated department(P.31)
5/19	Revision of "Liberalized Electricity Rates for Low Voltage Sector" with an approval for increase in retail regulated fees
5/19	Notification of change in supply agreement on low voltage power with remote islands, etc. (Press release by Tohoku Electric Power Network Inc.)
6/1	Implementation of "Summer energy-saving action" by Tohoku Electric Power and Tohoku EPCO Frontier
6/2	Issue of 559th bond for individual investors
6/19	Start offering a set plan of Sendai CATV's "Cable TV", "Internet" and Tohoku Electric Power's "Electricity"
6/28	Result of 99th Regular Stockholders Meeting
6/29	Receipt of "Handling of Personal Information, etc. (administrative guidance and request for report, etc.)" regarding the improper handling of customer information of Power Producer and Supplier, etc. from the Personal Information Protection Commission

ESG

date	Theme
4/24	Started reinforcement work of Imabetsu Trunk Line in earnest (Press release by Tohoku Electric Power Network Inc.)
4/27	Execution of consolidation agreement on the promotion of carbon neutral between Tohoku Electric Power Co., Inc. and The 77 Bank, Ltd. toward the realization of decarbonization in local community and local companies
4/27	Implementation of fundraising by Green Loan
4/28	Participation in "GX League"
5/19	Started expansion works of Higashihanamaki Substation in earnest (Press release by Tohoku Electric Power Network Inc.)
5/25	Started preparation of environment assessment related to the replacement of Higashi-Niigata Thermal Power Station(P.31)
5/31	Selected the group for which Tohoku Electric Power supports under the community development support system "Machizukuri Genkijyuku" in FY2023 and started the support the activities of general incorporated association "Child-raising platform MaRU" working to eliminate solitary child care.
6/29	Implementation of fundraising by Green Loan

Renewable energy

Date	Theme
4/7	Started supplying "Yamagata hydraulic power premium" to Kahoku Town Hall and issued a certificate.
4/27	Promoting sophistication of system control using FH2R toward implementation of "Power-to-Gas". Extended the NEDO technical development project toward the practical application of energy storage and utilization using hydrogen
4/28	Started supplying "Akita E ne! Option hydraulic power 100%" to "Prestige International Inc." and issued a certificate.
5/8	Started installation work of "Storage battery system" in Ryotsu Thermal Power Station (Press release by Tohoku Electric Power Network Inc.)
5/12	Conclusion of agreement on off-site corporate PPA service in which renewable energy power will be introduced in "77 Solar Park Tomiya".
5/19	Additional recruitment of "Yamagata Creation of Hope Power" utilizing the power from Yamagata Prefectural hydraulic power station
6/2	Started supplying "Yamagata hydraulic power premium" to Ashino Kogyo Inc. and issued a certificate.
6/9	Started supplying "Akita E ne! Option hydraulic power 100%" to "Prestige International Inc." and issued a certificate.

Nuclear power

Date	Theme
4/28	Report on Tohoku Electric Power's response as of end of March 2023 to the confirmation and request from Aomori Prefecture that received the report from Aomori Prefecture Nuclear Safety Verification Commission
5/12	Injuries in the premises of Onagawa Nuclear Power Station
5/31	Amendment of application for permission to change the installation of a nuclear reactor for installation of the facility to address specific major accidents in Onagawa Nuclear Power Station Unit No.2
6/14	Fire occurred in the premises of Onagawa Nuclear Power Station
6/23	Causes and countermeasures for the fire occurred in the premises of Onagawa Nuclear Power Station

Smart society realization project

Date	Theme
4/25	Implementation of demand response service demonstration for home at Izumi Park Town Asahi
4/28	Implementation of open innovation program "TOHOKU EPCO OPEN INNOVATION PROGRAM 2023" for realizing smart society
6/22	Started Tohoku Electric Power's living service "Mowing and pruning service". If you are having troubles with weeds, please feel free to contact us.
6/22	Started Tohoku Electric Power's living service "Extermination of harmful insects and vermin service". If you are having troubles with harmful insects and vermin, please feel free to contact us.
6/22	Expanded coverage area for Tohoku Electric Power's living service "Vacant house management service" to help the management of precious vacant house filled with many memories

Financial and Management Information

Revision of electricity rates (Press releases on May 19, etc.)

- We raised electricity rates for the customers in regulated department on June 1, 2023.
- Overall regulatory rates were raised by ¥8.31 per kWh on average, including tax (25.47%), by also reflecting the change in transportation rates reviewed in April 2023.

ESG

Commencement of preparations for environmental impact assessment regarding the replacement of Higashi Niigata Thermal Power Station (Press release on May 25)

- We decided to consider the replacement of Higashi Niigata Thermal Power Station Unit No. 1 and 2 with high-efficiency power generation equipment with lower CO2 emissions and began preparations for environmental impact assessment as part of the consideration.
- The replacement is expected to reduce fuel consumption and CO2 emissions per kWh by approximately 30% compared to conventional models and to improve the competitiveness of our thermal power sources.

	Current status	After renewal
Location	Seiro-cho, Kitakanbara, Niigata	The same
Power generation system	Steam power generation system (conventional thermal power)	Combined cycle system
Output	1.2 GWh (0.6 GWh x 2 units)	1.3 GWh (0.65 GWh x 2 units)
Fuel	LNG	The same*
Operation start time	Unit No.1: April 1977 Unit No.2: June 1983	FY2030 onward

*At the power station after renewal, utilization of carbon neutral fuel including hydrogen and ammonia will be considered in the future.

Renewable energy

Conclusion of agreement on Off-site Corporate PPA Service (Press release on May 12)

- The 77 Bank, Ltd.(hereinafter referred to as “77 Bank”) and Tohoku Energy Service Co., Inc.(a subsidiary of Tohoku Electric Power Co., Inc.) concluded an agreement on “Off-site Corporate PPA (power purchase agreement) Service”.
- 77 Bank shall install a solar power station named “77 Solar Park Tomiya” on land owned by 77 Bank, and the electricity generated from renewable energy shall be delivered to 77 Bank’s head office building and some other branches.



Completed image of “77 Solar Park Tomiya”

Smart society realization project

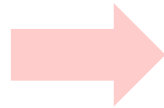
Demonstration of demand response service for home in Izumi Park Town Asahi (Press release on Apr. 25)

- Tohoku Electric Power Co., Inc., Tohoku EPCO Solar e Charge Co., Inc. (a subsidiary of Tohoku Electric Power Co., Inc.), and Panasonic Corporation began recruiting participants for a demonstration of demand response service for home in Izumi Park Town Asahi in Izumi-ku, Sendai.

List of Major Renewable Energy Development/Participation Points of Our Group

Development/participation results
(as of the end of June, 2023)

Total output share **650** MW



New developments target

In early 2030s **2,000** MW

List of power plants

(As of June 30)

	Project Name	Output	Scheduled Commercial Operation Date
Offshore Wind	Aomori Offshore Wind	TBD	TBD
	Akita Offshore Wind	TBD	TBD
	Iwate Floating Offshore Wind	TBD	TBD
	Akita and Noshiro Port Offshore Wind	138.6MW	Noshiro : Dec. 2022 Akita : Jan. 2023
Onshore Wind	Fukaura Wind	73.6MW	Feb. 2024
	Noshiro-Yamamoto Regional Wind	96.6MW	Mar. 2025
	Inaniwa Takko Wind	Approx.100MW	After FY2025
	Inaniwa Wind	Approx.100MW	After FY2025
	Shiroishi Kosugo Wind	Approx.38MW	After FY2026
	Southern Abukuma Wind	Approx.90MW	After FY2025
	Tabito Central Windfarm	Approx.54.6MW	After FY2027
	Inego-Toge Windfarm	Approx.58.8MW	May 2028
	Miyagi Kami Windfarm	Approx.42MW	April 2024
	Takko Wind (tentative name)	Approx.75.6MW	After FY2027
	Shimokita	Approx.96MW	After 2027
	JRE Sakata Replace	Approx.27.5MW	2026
	Oonakadai-bokujo Wind	Approx.4MW	Nov. 2024
	Fukamochi Wind	Approx.94.6MW	After FY2030
	Fukui Kunimidake Wind	Approx.37.8MW	May 2027
	Windfarm Tsugaru	121.6MW	April 2020
	Shichinohe-Towada Wind	30.5MW	Dec. 2021
	Tsuruoka Hachimoriyama Wind	13.6MW	Nov. 2021
	Oritsumedake South 1 Wind	44.2MW	Jan. 2023
	Geothermal	Kijiyama	14.9MW
Hydroelectric	Naruse River	2.3MW	FY2034
	Shin-Kamimatsuzawa	9.4MW	FY2031
	Tamagawa No.2 Hydroelectric	14.6MW	Nov. 2022
Solar	Power Plant Tsuhaze	35MW	Feb. 2023
	Miyagi Osato Solar Park	37.5MW	Oct. 2021
Biomass	Chokai-Minami	52.9MW	Oct. 2024
	Niigata East Port	50MW	Oct. 2024

Major power plants already in operation



【Akita and Noshiro Port Offshore Wind】
Output 138,600kW
(Operation Started : Jan.2023)

Photo provided by Akita Offshore Wind Corporation



【Windfarm Tsugaru】
Output 121,600kW
(Operation Started : Apr.2020)

Photo provided by Green Power Investment Corporation



【Tamagawa No.2 Hydroelectric】
Output 14,600kW
(Operation Started : Nov.2022)



【Power Plant Tsuhaze】
Output 35,000kW
(Operation Started : Feb. 2023)

Onagawa Nuclear Power Station

Conformity assessment	<ol style="list-style-type: none"> 1. Permission for application for approval of license amendment (February 26, 2020) 2. Approval for construction plan (December 23, 2021) 3. Approval of safety regulations (February 15, 2023)
Construction work on safety measures	Currently, additional ground improvement work for seawalls, installation of venting equipment for containment vessels with filters and earthquake resistant reinforcement construction on pressure control room are underway with the aim of completing the work in November 2023.
Pre-Service Operator Inspections	<p>Since May 2022, Pre-Service Operator inspections have been conducted. The main inspection process is as follows.</p> <ol style="list-style-type: none"> 1. Inspections during the fuel bundles insertion by November 2023 2. Inspections at the beginning stage of criticality reaction operations by February 2024 3. Inspections at the time of construction completion by April 2024. <p>After the inspection described in "2", the reactor start-up operation will be performed. Based on other companies' examples and our past performance, the timing of the generators running in parallel after that is assumed to be February 2024, and the resumption of commercial operation is assumed to be in April 2024.</p>



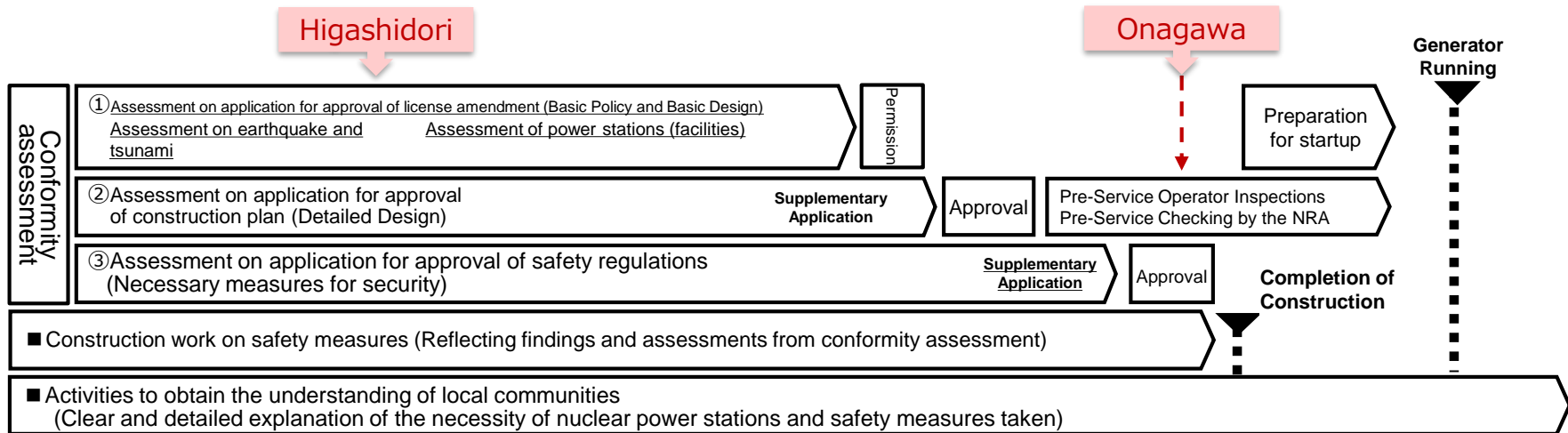
Onagawa Nuclear Power Station



Higashidori Nuclear Power Station

Higashidori Nuclear Power Station

Conformity assessment	Currently, the review of the assessment of earthquake and tsunami is underway. Assessment of ground motion and tsunami standards is underway.
Construction work on safety measures	Currently earthquake resistant construction and installation of venting equipment for containment vessels with filters and emergency response facilities are underway with the aim of completing the work in FY2024.



(Note)

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

The information contains forward-looking statements based on assumptions and projections about the future with regard to our group. 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 our group.

We hereby disclaim any responsibility or liability in relation to consequences resulting from decisions made by investors.