



January 27, 2012

Tohoku EPCO Group Medium-Term Business Plan (FY2012-2016)

Tohoku Electric Power Co., Inc. (hereinafter, Tohoku EPCO), has formulated a new medium term business plan for the FY2012-2016.

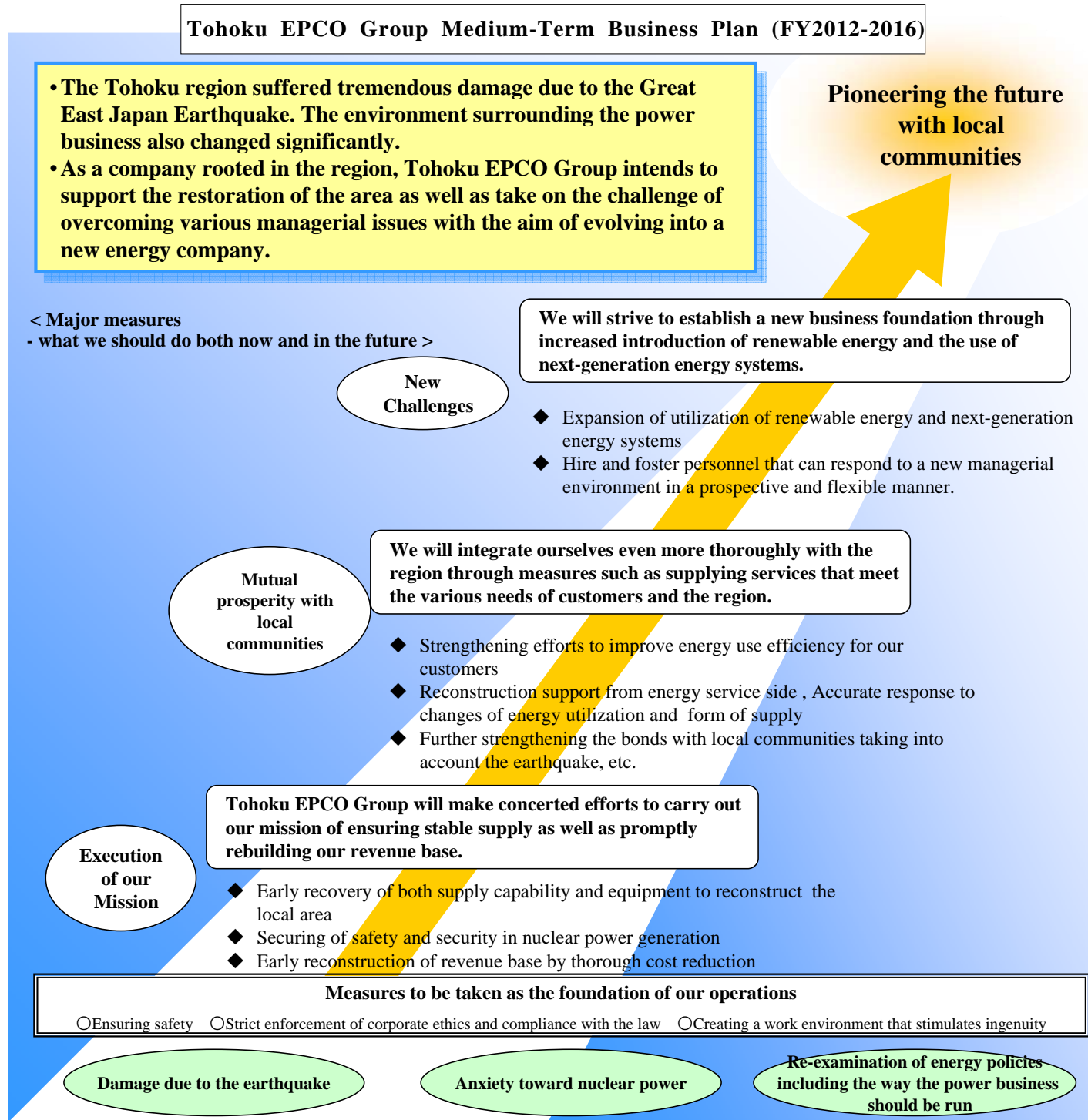
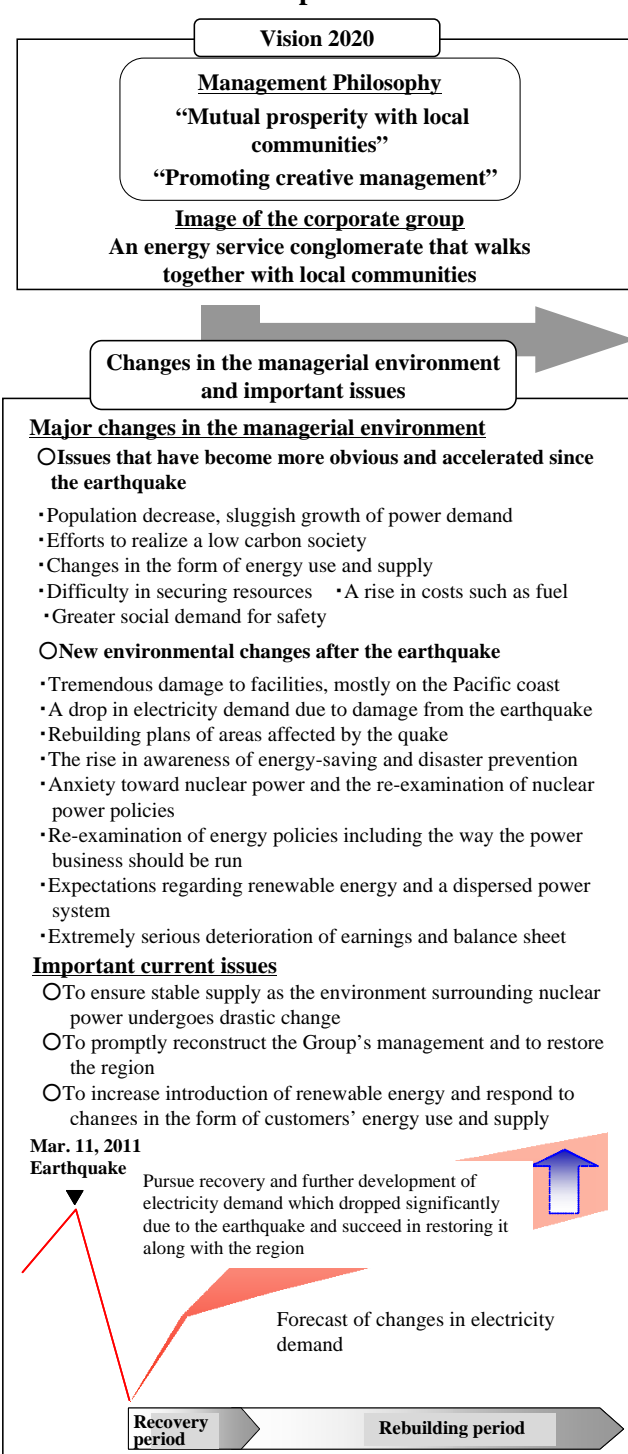
We are going to make every effort to realize the corporate slogan “Pioneering the future with local communities” with group companies, based on major measures of this business plan.

[Attachment]

Tohoku EPCO Group Medium-Term Business Plan (FY2012-2016)

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I Outline of the Group Medium-Term Business Plan



II Major measures

Execution of our Mission

Tohoku EPCO Group will make concerted efforts to carry out our mission of ensuring stable supply as well as promptly rebuilding our revenue base.

- ◆Early recovery of both supply capability and equipment to reconstruct the local area

In order to support the restoration of the region, we will make the utmost efforts to promptly recover our supply capabilities as well as restoring facilities that were damaged by the Great East Japan Earthquake, etc..

- ◆Securing of safety and security in nuclear power generation

Nuclear power generation will continue to be an important source of energy from the perspective of energy security and the realization of a low carbon society.

In light of the Great East Japan Earthquake and the Fukushima Dai-ichi Nuclear Power Plant accident, we will ensure the safety of nuclear power generation and strive to restore the trust of local citizens.

- ◆Early reconstruction of revenue base by thorough cost reduction

As we seek to ensure safety and stable supply at the same time, we intend to carefully select expense and investment expenditure concerning all operations across the Group and carry out a fundamental review of our cost structure in an effort to promptly rebuild our revenue base.

Mutual prosperity with local communities

Through the supply of services that meet the various needs of customers as well as the region, we will integrate ourselves even more thoroughly with the region.

- ◆Strengthening efforts to improve energy use efficiency for our customers

With a focus on heat-pump electrification that is environment-friendly and highly energy-saving, we intend to make proposal activities that accurately meet customers' needs after the earthquake, such as the rise in energy-saving awareness and disaster prevention measures.

- ◆Reconstruction support from energy service side, Accurate response to changes of energy utilization and form of supply

With regard to local governments' plans for reconstruction after the earthquake, we intend to support the region's restoration from the energy service side based on a fundamental stance of "Think Together."

We intend to actively capture the changes in the form of energy use and supply, which are expected to accelerate following the earthquake, and to make the most of the Group's know-how and managerial resources in order to accurately meet the needs of our customers and the region.

- ◆Further strengthening the bonds with local communities taking into account the earthquake, etc.

Under the belief we have held since our establishment of "We cannot grow without the prosperity of Tohoku," we intend to support measures for the improvement of the vitality of the regions that were affected by the earthquake, etc., in cooperation with other relevant institutions.

From the employees of our frontline offices to senior management, all the staff of our Group will be actively involved in the region in order to strengthen our relationship with the region.

New Challenges

We will take on the challenge of establishing a new business foundation through increased introduction of renewable energy and the use of next-generation energy systems.

- ◆Expansion of utilization of renewable energy and next generation energy systems

While seeking to maintain a stable supply of power, we will increase the introduction of renewable energy, for which great potential exists in the Tohoku area. In particular, we aim to expand the capacity of wind power interconnection up to approx. 2,000MW around FY2020 in Tohoku region.

As our group, we will strive to capture business opportunities in renewable energy and next-generation energy systems such as smart grids in an effort to establish a new business foundation.

- ◆Hire and foster personnel that can respond to a new managerial environment in a proactive and flexible manner

We intend to hire and develop personnel that can respond to a new managerial environment in a proactive and flexible manner without being tied to conventional ways of thinking.

Furthermore, as a responsible business operator in charge of providing a stable supply of energy in the region, we will continue to develop personnel that possess a sense of mission as well as possess solid technique and skills and are able to support our operations.

Measures to be taken as the foundation of our operations

We will continue to make efforts so that "ensuring safety," "strict enforcement of corporate ethics and compliance with the law," and "creating a work environment that stimulates ingenuity" will be firmly fixed in the Group as the foundation of our business operations.