

March 28, 2013

### **Cancellation of Plan to Build Namie-Odaka Nuclear Power Plant**

Tohoku Electric Power Co., Inc. (“the Company”) has decided to cancel the plan to build the Namie-Odaka nuclear power plant at the resolution of a board of directors meeting held today.

The Company has promoted the plan to build the Namie-Odaka nuclear power plant for over forty years in collaboration with, and with strong support from many parties including Namie Town and Minami Soma City (former Odaka Town) as well as the Japanese government and the Fukushima prefectural government, ever since the plan was originally announced in 1968.

For Japan, which lacks energy resources, nuclear power generation has been regarded as a key electricity resource in terms of electricity supply stability, energy security and global environmental problems, etc. In line with government policy, the Company has tried hard to promote the plan to build a reliable nuclear power plant for local residents with the highest priority on ensuring safety.

However, after the accident at Tokyo Electric Power Company's Fukushima Daiichi Nuclear Power Station following the Great East Japan Earthquake, the Namie Town Assembly withdrew its endorsement in the resolution, and the Minami-Soma City Assembly set aside the resolution and passed the bill for cancelling the construction plan. Therefore, given the feelings and position of local residents, it is quite difficult for the Company to promote the plan to build a nuclear plant in the Namie-Odaka area.

In addition, the Company has not acquired part of the land required for the projected Namie-Odaka nuclear power plant. Therefore, if the Company were to build the plant as planned, the Company would need to complete the full acquisition of the site, then compensate fishery right holders for the losses caused by the construction of the plant and assess the effect on the environment. As it is likely to take a considerable amount of time before commencement of operations of this nuclear power plant, the Company judges it inappropriate to promote the plan to build the Namie-Odaka nuclear power plant any longer.

In view of the above points, the Company has finally determined to cancel the plan to build the Namie-Odaka nuclear power plant.

Based upon this decision, the Company expects to incur a one-time charge of approximately ¥18 billion in the fiscal year ending March 31, 2013. Therefore, the Company today announced a revision of the forecast of financial results for fiscal 2012.