



July 1, 2014

Notice concerning extraordinary gain along with the change to retirement benefit systems

Tohoku Electric Power Co., Inc. (“the Company”) today announced a revision of its retirement benefit systems starting from July 1, 2014. As a result, the Company is expected to post an extraordinary gain for the second quarter of FY2014.

1. Revision of Retirement Benefit Systems

To reduce fluctuations of retirement benefits system liabilities and expenses caused by interest rate changes, the Company has revised “interest equivalent point” which is used to calculate its defined-benefit retirement pension system and its lump-sum retirement benefit plan from fixed rate (2.0%) to floating rate which links to the 10 year Japanese Government Bond yield (upper limit 5.0%, lower limit 1.5%).

2. Changes to financial result

With this revision, the Company is expected to gain 14,268 million yen as extraordinary gain for the second quarter of FY2014.