TOHOKU ELECTRIC POWER CO., INC.

April 25, 2018

Electricity Supply & Demand Report for FY2017

1. Electricity Demand (See Table 1)

For FY2017, the heating demand was increased year-on-year, thanks to more cold days in winter than the previous year. Nevertheless, a decrease in contract demand and a decrease in the cooling demand due to more cold summer days in latter half of summer lowered the electric power sold in total. As a result, electric power sold in FY2017 totaled 72,003GWh, which was 97.0% compared to the previous year.

The details are as follows:

– Lighting (Residential)

Power demand in the lighting (residential) sector was 99.5% compared to the previous year. An increase in heating demand caused by cold winter could not offset a decrease in contract demand.

– Power

Despite an increase in heating demand caused by more cold days in winter than the previous year, power demand in the power sector was 95.7% compared to the previous year due to a decrease in contract demand and a decrease in the cooling demand caused by more cold summer days in latter half of summer.

(Table 1)

(Unit: GWh)

Segments	Actual GWh, Current year (A)	Actual GWh, Previous year (B)	Year-to-year (%) (A/B)
Lighting (Residential)	23,889	24,004	99.5
Power	48,114	50,255	95.7
Total of electricity sales	72,003	74,258	97.0

2. Electricity Supply (See Table 2)

Our generated and purchased power in FY2017 totaled 78,377 GWh, which was 96.7% compared to the previous year.

(Power generated by our own hydro power stations)

Our hydro power generated output was up to 8,412 GWh, an increase of 1,498 GWh from the previous year, owing to a high water flow rate of 108.3%, which was up 22.7% from the year-before.

(Power generated by our own thermal power stations)

Due to differences in operational conditions and other factors, our thermal power generated output was up to 56,522 GWh, an increase of 176 GWh from the previous year.

(Power generated by our own nuclear power stations)

All units of the Onagawa Nuclear Power Station and unit 1 of the Higashidori Nuclear Power Station have been shut down because of a regular inspection; therefore, there was no generated output from our nuclear power stations.

(Power generated by our own facilities using renewables and new energy)

Owing to differences in operational conditions in geothermal power stations and other factors, generated output of renewables and new energy was 842 GWh, a decrease of 58 GWh from the previous year.

(Power purchased from other companies)

Differences in operational conditions in other companies' thermal power stations and other factors decreased the amount of net power purchased from others companies to 20,393 GWh, a decrease of 2,530 GWh from the previous year.

(Table 2)

Summary of power supply for FY2017

(Unit: GWh)

Segments			Actual GWh, Current year (A)	Actual GWh, Previous year (B)	Difference (A-B)	Year-to-year (%) (A/B)
Power generated by our own stations	Hydroelectric	Natural inflow	7,809	6,382	1,427	122.3
		Reservoir/Pumped storage	603	532	71	113.5
		Subtotal	8,412	6,914	1,498	121.7
	Thermal		56,522	56,346	176	100.3
	Nuclear		0	0	0	-
	Renewables		842	900	(58)	93.5
	Subtotal		65,776	64,160	1,616	102.5
Power purchased from other companies			20,393*	22,923	(2,530)*	89.0*
Interchanged power (Net)			(7,704)*	(5,991)	(1,713)*	128.6*
Pumping-up power			(88)	(47)	(41)	189.5
Total			78,377*	81,045	(2,668)*	96.7*
Water flow rate			108.3	85.6	22.7	-

*Including projected power supply for imbalances of new power companies.

With competition intensifying due to the full-scale liberalization of retail electricity sales started on April 1, 2016, a correlation between regional economic trends and our electric power demand is dwindling, so we have decided to discontinue Electricity Supply & Demand Report.

We also inform you that "Electricity Sales Volume" announced in the quarterly financial results announcement is issued in the same manner as before.