

# **Financial Summary**

## **2<sup>nd</sup> Quarter of FY2021**

**( April 1, 2021 – September 30, 2021)**

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**October 28, 2021**



**Tohoku Electric Power Co., Inc.**



# Contents

## 2nd Quarter of FY2020 Financial Results

Key points of financial results and forecasts	....	1
Summary of Financial Results	....	2
Changing Factors in Consolidated Ordinary Income	....	3
Electricity Sales	....	4
Electricity Supply	....	5
Segment Information (Consolidated)	....	6
Major Factors and Sensitivity to Major Factors	....	7
Financial and Dividend Forecast for FY2021	....	8

## Topics

Promotion of ESG management	....	10
Service Tailored to Diversified Customer Need	....	13
Development of Renewable Energy	....	15
List of Major Renewable Energy Development/Participation Points of Our Group	....	16
Project Towards Expanding Renewable Energy	....	17
Making Steady Efforts to Restart Nuclear Power Reactors	....	18

## References

Financial Data	....	20
Other Reference Data	....	28

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## **2nd Quarter of FY2021 Financial Results**

# Key points of financial results and forecasts

## Financial Results for the Second Quarter of FY2021

### Decrease in revenue and income (First time in 5 years since 2Q 2016)

- The impact of the time lag between fuel cost and fuel cost adjustment charges
- The earthquake off the coast of Fukushima Prefecture

## Financial Forecasts and Dividend Forecasts of FY2021

### No Change from the release in July 2021

# Summary of Financial Results

- **Operating revenue**      **¥873.1 billion (a year on year decrease of ¥164.9 billion)**  
Operating revenue decreased due to the impact of the adoption of Accounting Standard for Revenue Recognition.
- **Ordinary income**      **¥39.9 billion (a year on year decrease of ¥40.6 billion)**  
Ordinary income decreased due to temporary factors such as an impact of the time lag between fuel cost and fuel cost adjustment charges and the shutdown of thermal power stations damaged by the earthquake off the coast of Fukushima Prefecture.

## 【Summary of Consolidated Financial Statements】

(billions of yen)

	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) – (B)	Change (A) / (B)
Operating Revenue*1	873.1	1038.0	(164.9)	84.1 %
	[ 873.1 ]	[ 807.7 ]	[ 65.3 ]	[ 108.1 %]
Ordinary Income*1	39.9	80.5	(40.6)	49.6 %
	[ 76.9 ]	[ 48.5 ]	[ 28.3 ]	[ 158.6 %]
Net Income Attributable to Owners of Parent	34.2	56.1	(21.9)	61.0 %
Consolidated Cash Income	175.7	171.0	4.6	102.7 %

\*1 Lower figures of operating revenue are based on Accounting Standard for Revenue Recognition. Grant under act on purchase of renewable energy sourced electricity and surcharge for promoting renewable energy sourced electricity based on Feed-in Tariff Scheme for renewable energy, which were previously recorded as operating revenue, will no longer be recorded.

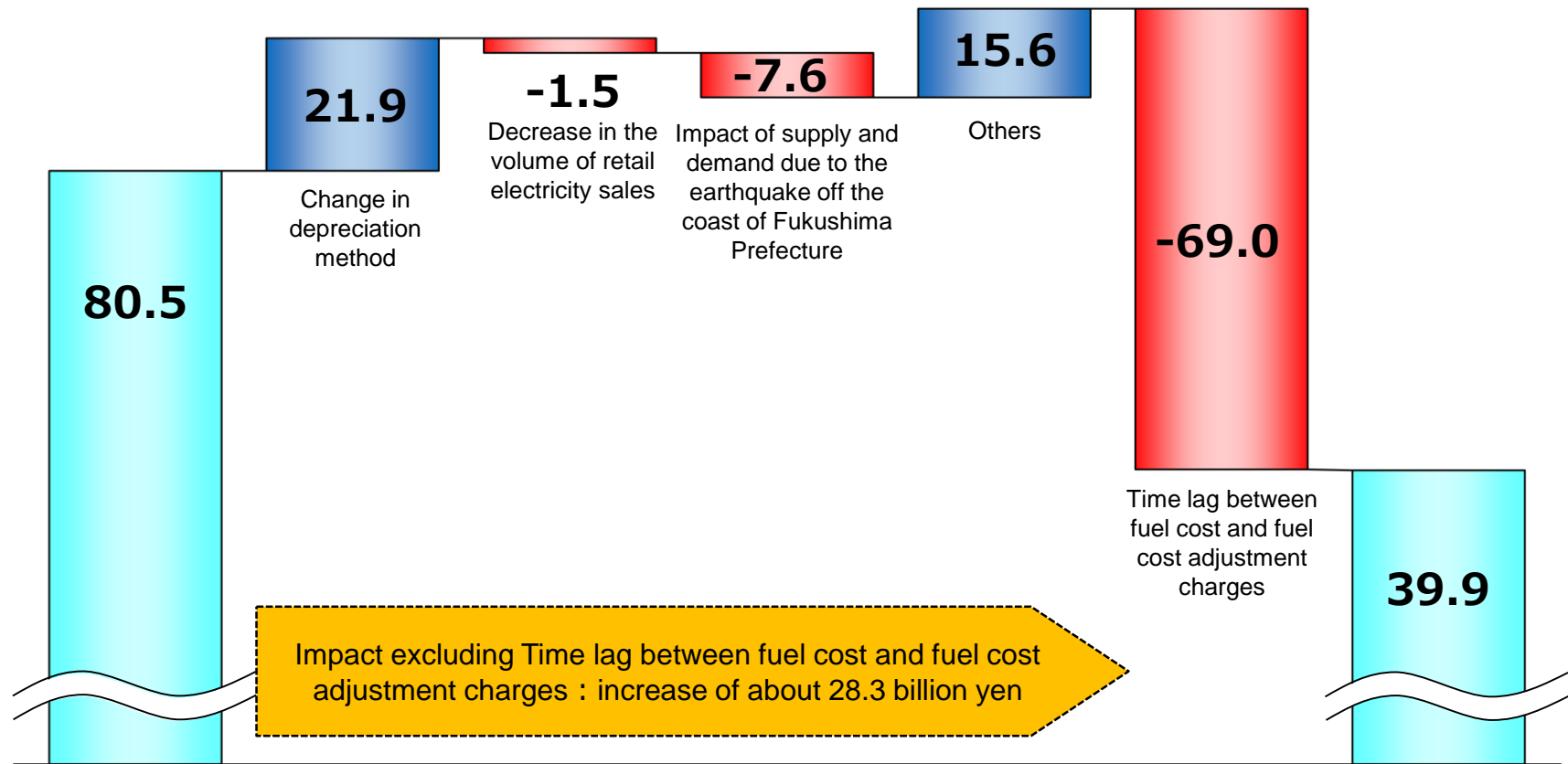
Those of ordinary income exclude time lag between fuel cost and fuel cost adjustment charges.

\*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.)

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

Decrease of 40.6 Billion Yen (80.5 → 39.9)

(billions of yen)



**FY2020/2Q**  
 Ordinary income excluding time lag impact 48.5

**FY2021/2Q**  
 Ordinary income excluding time lag impact 76.9

# Electricity Sales

## ➤ Retail electricity sales

**31.5 TWh (a year on year increase 0.9 TWh)**

Retail electricity sales volume increased due to a reaction to the significant drop resulting from COVID-19 in FY2020.

## ➤ Wholesale electricity sales

**7.6 TWh (a year on year decrease 1.7 TWh)**

Wholesale electricity sales volume decreased due to a decrease in JEPX transaction resulting from the shutdown of thermal power stations damaged by the earthquake off the coast of Fukushima Prefecture.

(GWh)

Electricity Sales*1	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)	Change (A) / (B)
Lighting (Residential)	8,887	9,462	(575)	93.9 %
Power	22,621	21,196	1,425	106.7 %
Retail Electricity Sales*2	31,509	30,658	851	102.8 %
Wholesale Electricity Sales*3	7,616	9,336	(1,720)	81.6 %
Total of Electricity Sales	39,124	39,994	(870)	97.8 %

\*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.

# Electricity Supply

(GWh)

	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)	Change (A) / (B)
Own Generated Power* <sup>2</sup>	28,980	29,650	(670)	97.7 %
Hydro	4,452	4,314	138	103.2 %
Thermal	24,263	24,991	(728)	97.1 %
Nuclear	-	-	-	-
Renewables	264	345	(81)	76.5 %
Power Interchanges and Purchased Power* <sup>3,4</sup>	13,841	15,127	(1,286)	91.5 %
	(2,338)	(3,366)	1,028	69.5 %
Used at Pumped Storage and others	(105)	(34)	(71)	309.3 %
Total of Electricity Supply* <sup>3</sup>	40,377	41,377	(1,000)	97.6 %

\*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 Purchased Power" and "Total of Electricity Supply" partly include projected volume.

\*4 As for "Power Interchanges and Purchased Power", the top is Received and the bottom is Transmitted.



# Segment Information (Consolidated)

6

(billions of yen)

	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)
Operating Revenue*	873.1	1,038.0	(164.9)
Power Generation and Sales	669.8	830.4	(160.5)
	635.2	799.9	(164.7)
Network	322.1	341.2	(19.1)
	127.3	142.7	(15.4)
Construction	120.2	106.5	13.6
	69.0	57.2	11.8
Gas	18.0	15.5	2.4
	14.6	12.0	2.6
IT	22.2	25.7	(3.4)
	9.5	9.0	0.5
Others	52.6	55.6	(3.0)
	17.2	17.1	0
Adjustment	(332.0)	(337.2)	52
	-	-	-

	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)
Segment Income (Ordinary Income)	39.9	80.5	(40.6)
Power Generation and Sales	44.9	71.1	(26.2)
Network	18.3	11.1	7.2
Construction	(2.2)	(2.6)	0.4
Gas	0.7	1.5	(0.8)
IT	2.8	3.0	(0.2)
Others	3.0	2.3	0.7
Adjustment	(27.6)	(6.0)	(21.6)

\* Lower figures of operating revenue and each segment are sales to outside customers.

# Major Factors and Sensitivity to Major Factors

<b>Major Factors</b>	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)
Crude Oil CIF Price (\$/bbl.)	70.3	36.5	33.8
Exchange Rate (¥/\$)	110	107	3
Hydro Power Flow Rate (%)	95.2	93.1	2.1
Nuclear Power Utilization Rate (%)	-	-	-

(billions of yen)

<b>Sensitivity to Major Factors</b>	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)
Crude Oil CIF Price (per \$1/bbl.)	6	8	(2)
Exchange Rate (per ¥1/\$)	14	11	3
Hydro Power Flow Rate (per 1%)	4	3	1

# Financial and Dividend Forecast for FY2021

## ■ Consolidated Financial Forecasts for FY2021 (No Change from the release in July 2021)

(billions of yen)

	Operating Revenue	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parent
FY2021 forecast	1,810.0	52.0	35.0	23.0

## ■ Dividend Per Share ( No Change from the release in July 2021)

(yen)

	Interim	Year-end (Forecast)	Annual (Forecast)
Dividend Per Share	20	20	40

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# Topics

# Promotion of ESG management

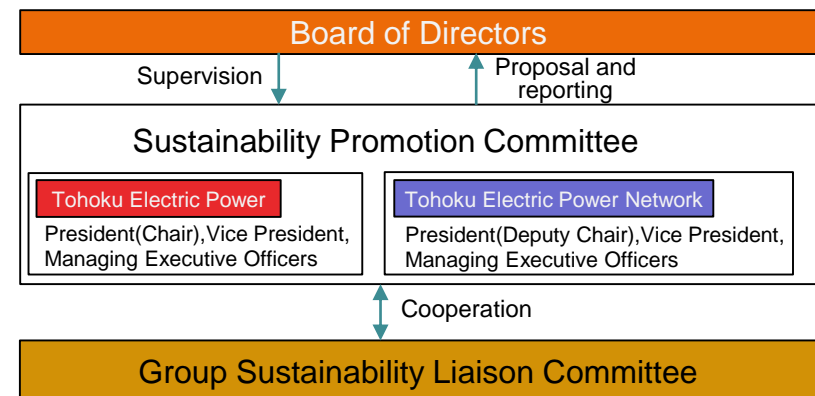
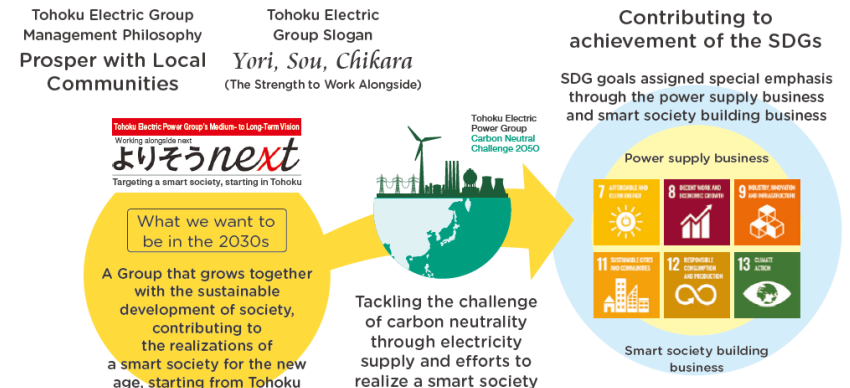
- In October 2021, we formulated the Tohoku Electric Power Group Sustainability Policy and established a sustainability promotion structure.
- These policies and systems will be used as the driving force to vigorously promote Tohoku Electric Power Group's Medium- to Long- Term Vision "Working alongside next" and Tohoku Electric Power Group Carbon Neutral Challenge 2050.

## Tohoku Electric Power Group Sustainability Policy

- ✓ The Tohoku Electric Power Group will work together to solve problems faced by communities and society through our business, and announce our commitment to "contribute to the sustainable development of society as a whole" and "increase corporate value over the medium to long term."

## Sustainability promotion structure

- ✓ From a medium- to long-term perspective, we identify issues in terms of both risks and opportunities, and reflect them in our management strategies.
- ✓ While placing importance on the perspectives of stakeholders, we check and verify the status of our initiatives and make continuous improvements.
- ✓ The board of directors will strengthen supervision and reflect the viewpoints of outside directors.
- ✓ The Vice President will be appointed as the officer in charge of sustainability to lead the efforts.

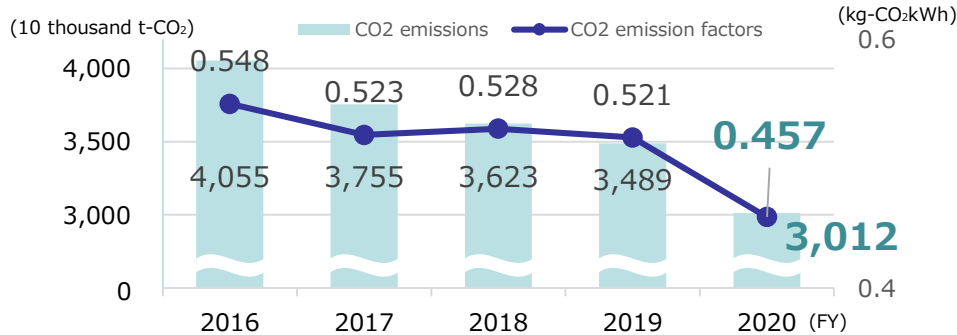


# Promotion of ESG management

## E Steady step forward towards 2050 Carbon Neutrality

We will work steadily to reduce our CO2 emissions in FY2030 by half of the FY2013 level.

【Trends in CO2 emissions and CO2 emission factors (both after adjustment)】



### CDP assessment

In CDP Climate Change Report 2020 conducted by CDP, an international NGO, which assesses corporate information disclosure in areas such as climate change, we submitted our answers to the climate change questionnaire and earned an assessment of 'A-', up one rank from the previous year.



## G Preparing Board Skills Matrix

We clarified critical skill and attributes of Directors as Board Skills Matrix, which contributes to objective and transparent selection of Directors.

To achieve Tohoku Electric Power Group's Medium- to Long- Term Vision "Working alongside next," in accordance with our policy of how to appoint the Director Candidates, we chose seven criteria that Board Candidates are expected to have in particular.

### Desired/needed skills and attributes in particular

1. Corporate Management, 2. Technology, 3. Finance and Accounting,
4. Legal and Risk Management, 5. Strategy Development and Marketing,
6. Social Communication, 7. Human Resources and Talent Development

## S Creating a workplace where diverse human resources can thrive

In April 2020, we formulated General Employers Action Plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on Advancement of Women's Activities, and set the numerical targets including achieving a paid leave utilization rate of at least 80%, boosting the numbers of women in managerial positions at least by 1.5 times (compared to the beginning of FY2019) by the end of March 2025.

As of the end of March 2021, the ratio of employees taking paid leave was approximately 80%, and the number of female managers was 1.2 times higher than at the beginning of fiscal 2019.

### Further awareness-raising and dissemination of information

The top diversity message was sent out in August 2021.



### Certification by the Ministry of Health, Labor and Welfare



**Kurumin Certification:**  
Given to companies that support their employees who are raising their children by Ministry of Health, Labor, and Welfare.

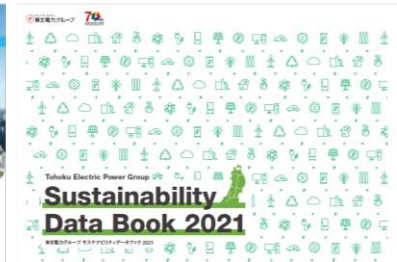
**Eruboshi Certification:**  
Designed to certify companies which empower women.

氏名	役職	指名機関 取締役委員会メンバー	性別	企業経営	テクノロジー**	財務・会計	法律・リスク管理	事業開発・マーケティング	ブランド・コミュニケーション	人事・労務
橋子 次郎	取締役会長	○	男性	●	●				●	
橋口 康二郎	取締役社長 社長執行役員	○	男性	●			●			
阿部 慎一			男性	●		●		●		
山本 俊二	取締役副社長 社長執行役員		男性	●						●
阿部 保雄			男性	●					●	●
加藤 功			男性		●				●	
石山 一弘	取締役		男性	●		●	●			
高野 広光	取締役執行役員		男性			●			●	
近藤 史朗		○	男性	●	●			●		
上橋 芳		●	男性	●				●		
川野達 修		○	男性	●	●					
永井 幹人			男性	●		●				
加藤 公樹	取締役 監査等委員		男性		●		●			
宮原 貴子		○	女性					●	●	●
小林 一生	取締役監査等委員 (社外)		男性	●		●		●		
井手 明子			女性	●				●	●	

# Promotion of ESG management

## Initiatives to enhance information disclosure

- ✓ Tohoku Electric Power Group Integrated Report 2021 was published in October 2021. The English version will be published in November.
- ✓ In addition to the status of efforts to achieve Tohoku Electric Power Group's Medium- to Long- Term Vision "Working alongside next," this report includes information on the Tohoku Electric Power Group Carbon Neutral Challenge 2050, information disclosure based on recommendations of TCFD and SASB standards, and the skill matrix of directors, from the perspective of enhancing ESG information.
- ✓ As a separate volume to the Integrated Report, the Sustainability Data Book, which contains specific ESG-related initiatives and quantitative data, was published concurrently.



### SASBスタンダードINDEX

「米国サステナビリティ会計基準審議会(SASB)」の提供する業界別スタンダード「Electric Utilities & Power Generators」に基づき、東北電力グループにおける関連業績を整理しました。SASBスタンダードは、主に米国の企業や市場を想定して作成されているため、会計メトリクスの中には当社グループの事業活動には該当しない項目も含まれますが、本スタンダードの範囲に属し、可能な限りの情報開示に努めています。

項目	指標	単位	2021年	2020年
CO <sub>2</sub> 排出量	CO <sub>2</sub> 排出量( Scope 1+2)	千トン	119.4	119.4
	CO <sub>2</sub> 排出率	CO <sub>2</sub> 排出量/発電容量	119.4	119.4
	CO <sub>2</sub> 排出率( Scope 1+2)	CO <sub>2</sub> 排出量/発電容量	119.4	119.4
環境負荷	CO <sub>2</sub> 排出率( Scope 1+2)	CO <sub>2</sub> 排出量/発電容量	119.4	119.4
	CO <sub>2</sub> 排出率( Scope 1+2)	CO <sub>2</sub> 排出量/発電容量	119.4	119.4
水資源	CO <sub>2</sub> 排出率( Scope 1+2)	CO <sub>2</sub> 排出量/発電容量	119.4	119.4
	CO <sub>2</sub> 排出率( Scope 1+2)	CO <sub>2</sub> 排出量/発電容量	119.4	119.4
労働者	CO <sub>2</sub> 排出率( Scope 1+2)	CO <sub>2</sub> 排出量/発電容量	119.4	119.4
	CO <sub>2</sub> 排出率( Scope 1+2)	CO <sub>2</sub> 排出量/発電容量	119.4	119.4

Disclosure of SASB Standards (excerpt)

## ESG Finance Initiatives

- ✓ Our company issued green bonds in FY2020 twice. We make use of the purchased fund to steadily promote the renewable energy development.
- ✓ In light of diversifying the method of procurement depending on development scale and period of each green project, we have implemented financing through green loans since FY2021.
- ✓ We continue to proactively engage in the renewable energy business while utilizing ESG financing.

### [Outline of Green Loan]






Lender	Development Bank of Japan Inc.	MUFG Bank, Ltd.
Purpose of Fund	Construction expenditure for Tamagawa No.2 Hydroelectric Power Station* in Yamagata Prefecture	Renovation expenditure of Chojahara Hydroelectric Power Station* in Yamagata Prefecture
Implementation Date	August 30, 2021	October 28, 2021
Panoramic view		

\* Power stations developed and owned by Tohoku Sustainable & Renewable Energy Co., Inc. of our group

➤ We endeavor to ensure profitability by offering various services tailored to our customers' need.







## Electricity rate options to suit customers' lifestyles

Services are expanded steadily.

<p>Save more Yorisou e-points</p>  <p>Switching to this plan from Meter-Rate Lighting B is reasonable!</p> <p><b>Yorisou e Net Value</b></p>	<p>Lead a comfortable life all day long at all electric home</p>  <p>Charge for daytime in winter is reasonable!</p> <p><b>Yorisou Season &amp; Time</b></p>	<p>Use night-time electricity effectively</p>  <p>Night-time electricity fee is reasonable!</p> <p><b>Yorisou Night 12,10,8</b></p>	<p>Diverse life style of family member</p>  <p>Reasonable plan for families consuming a large amount of electricity!</p> <p><b>Yorisou Family Value</b></p>	<p>Do housework only during weekend</p>  <p>Weekday night-time and weekend electricity fee is reasonable!</p> <p><b>Yorisou Night &amp; Holiday</b></p>	<p>Cherish a bond with Tohoku and Niigata while living in the metropolitan area</p>  <p>Reasonable plan for residents in the metropolitan area!</p> <p><b>Yorisou Denki</b></p>	<p>Use electric heater for deicing at home</p>  <p>Timesaving without snow shoveling!</p> <p><b>Yorisou Snow &amp; Home</b></p>
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## Electricity + Combined Service Package Menu

Services are expanded steadily.

<p>Packaged plan with LP gas is reasonable</p>  <p><b>カメイ</b></p>	<p>Packaged plan with city gas or LP gas is reasonable</p>  <p><b>にかほガス</b></p> <p>Cover those who live in Nikaho City or Yurihonjo City in Akita Pref.</p>	<p>Packaged plan with home security service</p>  <p><b>ALSOX</b> <b>SECOM</b></p>	<p>Packaged plan with Internet</p>  <p><b>OCN</b></p>	<p>With a set menu with Netflix</p>  <p><b>NETFLIX</b></p> <p>東北電力プロフチャ × NETFLIX</p>	<p>With a set menu of photovoltaic panels and storage batteries</p>  <p>東北電力ソーラーセンター</p>
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## Optional services to enrich your life

Services are expanded steadily.

\* Tohoku EPCO Frontier CO., Inc. also plans to offer these services

<p>Secure the electric facilities and water equipment</p>  <p>Support for living safe</p>	<p>Service to easily watch over through smartphone App</p>  <p>Yorisou Mimamori (watch over) Denki</p>	<p>Track on where the family members are even when driving</p>  <p><b>SmartDrive Families</b> スマートドライブ ファミリーズ</p>	<p>Introduction of water dispenser &amp; water delivery service</p>  <p><b>Aqua Clara</b></p>	<p>Advanced runners with smart shoes</p>  <p><b>ORPHE TRACK</b></p>	<p>Quick and easy rental of the hottest home appliances and beauty products</p>  <p><b>aliceSTYLE</b></p>	<p>Luggage storage service</p>  <p>Summary Pockets</p>	<p>Regular coffee delivery to suit your taste</p>  <p>東北電力プロフチャ × <b>PostCoffee</b></p>
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## Overview of our services (Below is a part of our services for families.)

### A discount plan that combines electricity and other services.

Combining Electricity offered by Tohoku EPCO Frontier Co., Inc. with the world's largest streaming service Netflix, a bundling service called Simple Electricity with Netflix is provided for the first time in Japan. (This service is designed to cover our customers within Tohoku region and Niigata prefecture from November 1.)

In conjunction with the launch of this service, a start-up campaign will be held from November 1, 2021 to December 31, 2021.



■SIMPLE electricity with Netflix  
Japan's First Bundle Service for Electricity and Netflix

### The third period of 70th anniversary campaign is underway

As a part of 70<sup>th</sup> anniversary campaign to show gratitude to our customers, Toku Matsuri (discount period) is set up. If a customer switches to the covered plan, basic electricity charge for the next three months is free of charge.

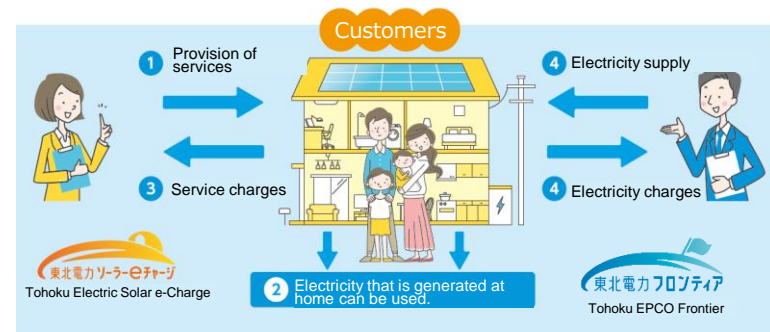


(The plan is available from September 13 to December 27.)

### Services using photovoltaic generation and storage systems

We will install solar panel and storage battery, which is owned by Tohoku Electric Solar e-Charge, to our customers' houses as a part of package without any initial cost, and use eco-friendly electricity.

Sales of "Aozora Charge Service with Simple e-Denki," a combined electricity rate plan provided by Tohoku EPCO Frontier, will begin on November 1, 2021 for customers in the six Tohoku prefectures and Niigata Prefecture.



### Packaged rates and plans combined with city gas or LP gas and electricity

Combining with Shiogama City gas and our electricity rates and plans, as well as becoming membership in Shiogama gas, you can save Inde Gas points which can be exchanged to various goods and points every month. This is a reasonable plan.



Get 20 points per month when you sign up for gas and electricity.

# Development of Renewable Energy

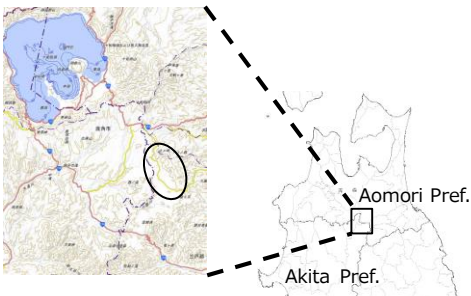
- While putting wind power generation as our main pillar, we aim at developing 2 million kW renewable energy as early as possible from FY2030 onwards and plan to make an investment of ¥ 10-20 billion annually.
- Through developing power resources and supporting power generation in a sustainable and stable way, we will make use of the potential renewable energy in Tohoku region and Niigata prefecture and expand the introduction of renewable energy.

## Current status

### In-house independent feasibility study

- ✓ We conducted a feasibility study on the development of the Takko wind power project.
- ✓ The facility will be an onshore wind farm with an output of 75.6MW at the maximum. Operation is scheduled to commence from FY2027 onwards.

Major Entity of Development	Tohoku Electric Power
Number of Facilities	18 plants at maximum
Start of Construction	2025 onwards



### Participation in the second dedicated Biomass-fired power generation project of the Company

- ✓ We participated in investment in the Niigata East Port Biomass Generation GK.
- ✓ This project is a 50 MW dedicated biomass-fired power station scheduled to start operation in October 2024. We will be responsible for the owner's engineering work during design and construction, as well as operation and maintenance work after the start of operation.

Company Name	Niigata East Port Biomass Power GK
Sponsor	Equis (80%), Tohoku Electric Power (20%)
Place	Seirou-machi, Kitakanbara-gun, Niigata-ken
Materials in Use	Wood pellets, palm kernel shells



### Training center in O&M business

- ✓ Joined by Tohoku Renewable Energy Services, we set up a training center in the precinct of Akita Thermal Power Station of Tohoku Electric Power.
- ✓ We will contribute to the continuous operation of renewable energy sources by utilizing the Group's expertise in maintenance technology, safety, security, and quality control, and by training human resources.
- ✓ The center will open and start training in October, 2022.

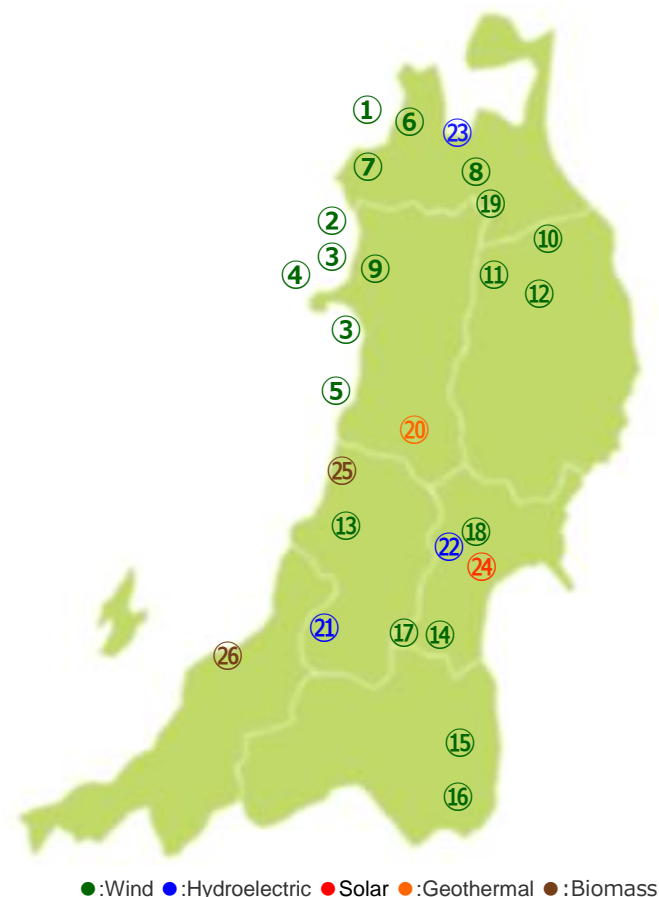
### Development/participation results (as of the end of September, 2021)

Total output share  
Approx. **600** MW

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

(As of October 2021)

	Project Name	Output	Scheduled Commercial Operation Date	
Offshore Wind	① Tsugaru Offshore Wind	Approx.480MW	After FY2028	
	② Happo-Noshiro Offshore Wind	Approx.155MW	After FY2024	
	③ Akita and Noshiro Port Offshore Wind	Approx. 140MW	2022	
	④ Northern Akita Offshore Wind	448MW(Max)	After FY2025	
	⑤ Akita Yurihonjo Offshore Wind	Approx.700MW	TBD	
Onshore Wind	⑥ Windfarm Tsugaru	121.6MW	April 2020	
	⑦ Fukaura Wind	Approx.70MW	After FY2024	
	⑧ Shichinohe-Towada Wind	Approx.31MW	Dec. 2021	
	⑨ Noshiro-Yamamoto Regional Wind	Approx.100MW	After FY2023	
	⑩ Oritsumedake South 1 Wind	Approx.44MW	Jan. 2023	
	⑪ Inaniwa Takko Wind	Approx.100MW	After FY2025	
	⑫ Inaniwa Wind	Approx.100MW	After FY2025	
	⑬ Tsuruoka Hachimoriyama Wind	Approx.14MW	Nov. 2021	
	⑭ Shiroishi Kosugo Wind	Approx.38MW	After FY2024	
	⑮ Southern Abukuma Wind	Approx.90MW	After FY2025	
	⑯ Tabito Central Windfarm	Approx.54.6MW	After FY2027	
	⑰ Inego-Toge Windfarm	Approx.79.8MW	After FY2027	
	⑱ Miyagi Kami Windfarm	Approx.42MW	April 2024	
	⑲ Takko Wind (tentative name)	Approx. 75.6MW(Max)	After FY2027	
	Geothermal	⑳ Kijiyama (tentative name)	14.9MW	2029
	Hydroelectric	㉑ Tamagawa No.2 Hydroelectric	14.6MW(Max)	Oct. 2022
		㉒ Naruse River	2.3MW(Max)	FY2034
		㉓ Shin-Kamimatsuzawa	9.4MW(Max)	Nov. 2031
	Solar	㉔ Miyagi Osato Solar Park	37.5MW	Oct. 2021
Biomass	㉕ Chokai-Minami	52.9MW	Oct. 2024	
	㉖ Niigata East Port	50MW	Oct. 2024	

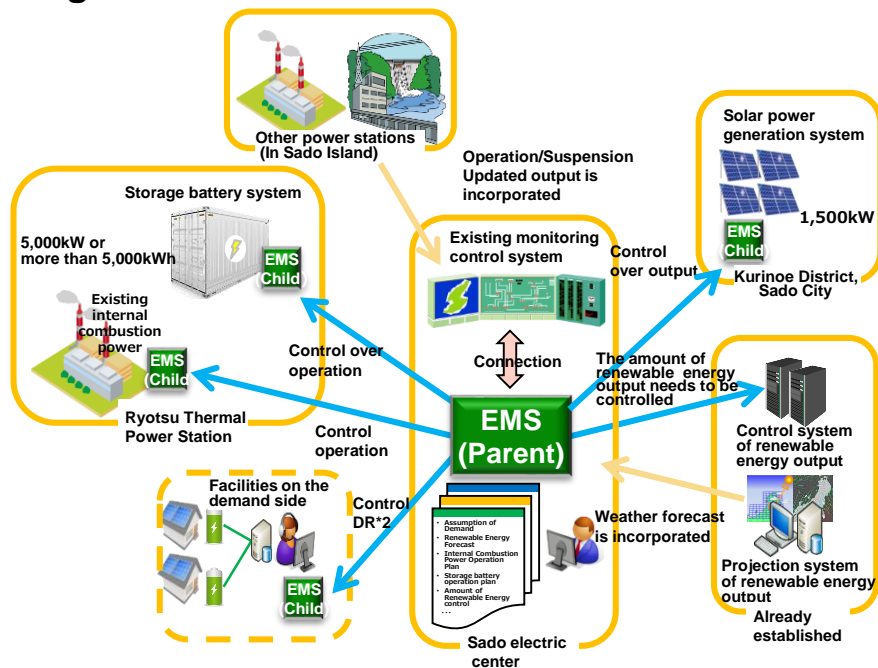


●:Wind ●:Hydroelectric ●:Solar ●:Geothermal ●:Biomass

\* These projects include surveys of potential development

- In order to further expand the renewable energy use in Sado Island, as a pioneering project to 'Concept for Niigata renewable energy island in Niigata Prefecture', Tohoku Electric Power Network Co., Ltd. will take an initiative in realizing the optimal demand control which combines storage battery, internal combustion power energy, and Energy Management System (EMS).\*1
- As the internal combustion power generation is major power source in Sado Island, there is no interconnection with main island and the demand for electricity is limited within the island. There has been a concern that the connection to massive renewable energy through this project may cause an interruption of power supply. While maintaining stable power supply, we aim at maximizing renewable energy.

## ■ Diagram of our initiatives



## 【Overview of project (Plan)】

Period of Construction	Start of construction : FY2022 Start of Operation : FY2024	
Facilities, Place (Scale)	EMS (New)	Sado Electric Center
	Solar power generation (New)	Kurinoe District, Sado City (1,500kW)
	Internal combustion power generation (existing)	Ryotsu Thermal Power Station
	Storage batteries (New)	In the precinct of Ryotsu Thermal Power Station (5,000kW or more than 5,000kWh)
	Facilities on the demand side	Under consideration

\* 1 This system is designed to project the amount of consumed electricity and generated renewable energy in the island, centralize the output of solar power generation and internal combustion power generation, and properly control the amount of charged and discharged storage battery and the output adjustment of internal combustion power generation.

\* 2 Demand Response (DR): The owner of energy resources on the demand side or the third party change the power demand pattern by controlling the energy resources.

# Making Steady Efforts to Restart Nuclear Power Reactors

➤ We steadily implemented initiatives to improve safety while obtaining the understanding of the local communities.

## ■ Onagawa Nuclear Power Station

Conformity assessment	On February 26, 2020, we received permission for application for approval of license amendment. The application for approval of construction plan is currently under review.
Construction work on safety measures	Currently, additional ground improvement work for seawalls, installation of venting equipment for containment vessels with filters and earthquake resistant construction are underway with the aim of completing the work in FY2022.



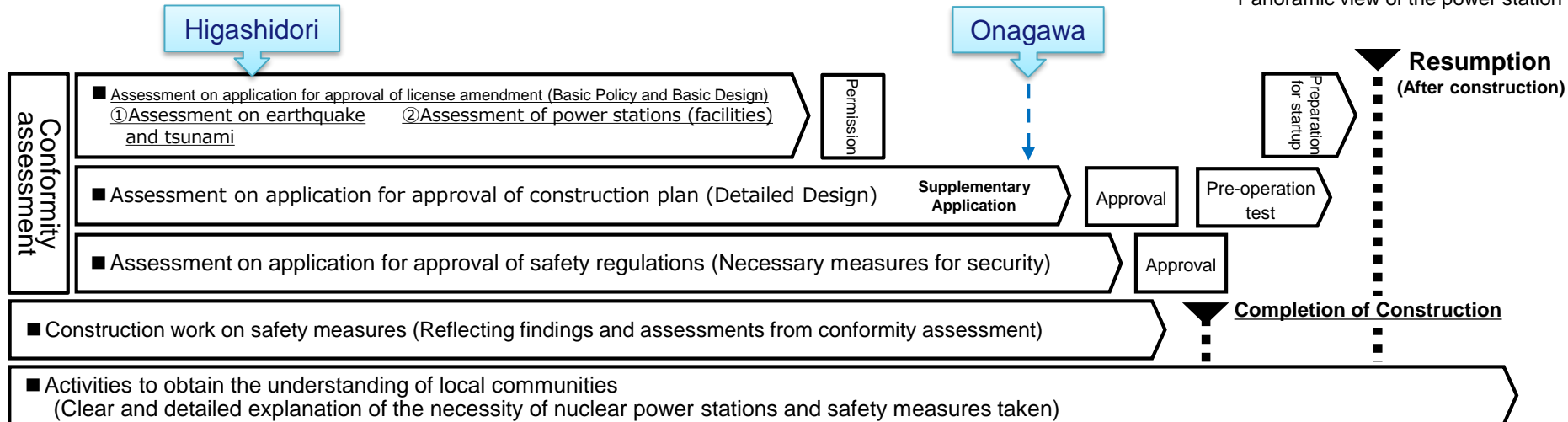
Sea wall 29m above sea level

## ■ Higashidori Nuclear Power Station

Conformity assessment	Currently, the review of the assessment of earthquake and tsunami is underway. To formulate the standard ground motion for seismic design, the identification of epicenter is being evaluated.
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.



Panoramic view of the power station



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# References

# Balance Sheets (Consolidated)

20

(billions of yen)

	Sep. 30, 2021 (A)	Mar. 31, 2021 (B)	Change (A) - (B)	Major factors for change
Total Assets	4,525.7	4,471.0	54.7	
Non-current Assets	3,739.2	3,731.3	7.8	
Current Assets	786.5	739.7	46.8	
Total Liabilities	3,601.1	3,569.5	31.6	
Non-current Liabilities	2,598.8	2,518.1	80.7	Bonds : 115.0
Current Liabilities	1,002.3	1,051.4	(49.0)	
Net Assets	924.6	901.5	23.0	

Interest-Bearing Liabilities	2,583.1	2,433.2	149.9	Bonds : 125.0 CP : 65.0 Loans : (40.0)
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Equity Ratio	18.8%	18.5%	0.3%
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# Statements of Income (Consolidated)

(billions of yen)

	FY2021/2Q (A)	FY2020/2Q (B)	Comparison	
			(A) - (B)	(A) / (B)
Operating Revenue	873.1	1,038.0	(164.9)	84.1%
Electric utility	760.3	942.1	(181.7)	80.7%
Other business	112.7	95.9	16.8	117.5%
Operating Expenses	824.0	948.6	(124.6)	86.9%
Electric utility	715.6	855.6	(139.9)	83.6%
Other business	108.4	93.0	15.3	116.5%
Operating Income	49.0	89.3	(40.3)	54.9%
Non-operating income	2.2	2.2	0.0	101.6%
Non-operating expenses	11.3	11.0	0.3	102.8%
Ordinary Income	39.9	80.5	(40.6)	49.6%
Extraordinary Income	7.5	-	7.5	-
Income taxes	12.9	24.2	(11.3)	53.3%
Net income attributable to non-controlling interests	0.3	0.1	0.1	167.9%
Net income attributable to owners of parent	34.2	56.1	(21.9)	61.0%



# Statements of Income (Consolidated)

22

(billions of yen)

			FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)	Change (A) / (B)	Major factors for change
Revenue	Electric utility operating revenue	Revenue from Electricity Sales	514.9	603.9	(89.0)	85.3%	Decrease due to adoption of Accounting Standard for Revenue Recognition
		Lighting (Residential)	201.1	241.6	(40.4)	83.3%	Decrease in meter rate lighting service
		Power	313.7	362.3	(48.5)	86.6%	
		Sales of power to other utilities and other companies	189.5	136.4	53.0	138.9%	
		Grant under Act on Purchase of Renewable Energy Sourced Electricity	-	153.6	(153.6)	-	Decrease due to adoption of Accounting Standard for Revenue Recognition
		Other revenue	55.8	48.0	7.7	116.2%	
		Sub total	760.3	942.1	(181.7)	80.7%	
	Other operating revenue	112.7	95.9	16.8	117.5%		
	[Operating Revenue]	[ 873.1 ]	[ 1,038.0 ]	[ (164.9) ]	[ 84.1% ]		
	Non operating revenue	2.2	2.2	0.0	101.6%		
Total revenue	875.3	1,040.3	(164.9)	84.1%			
Expenses	Electric utility operating expenses	Personnel	70.3	75.2	(4.8)	93.6%	
		Fuel	172.3	119.9	52.3	143.7%	Increase in CIF price
		Maintenance	59.4	59.4	0.0	100.1%	
		Depreciation	80.2	102.2	(22.0)	78.5%	Decrease due to change in depreciation method
		Power purchased from other utilities and other companies	206.8	297.2	(90.3)	69.6%	Decrease due to adoption of Accounting Standard for Revenue Recognition
		Taxes, etc.	41.9	41.4	0.4	101.1%	
		Nuclear power back-end cost	3.5	3.4	0.0	101.6%	
		Levy under Act on Purchase of Renewable Energy Sourced Electricity	-	76.7	(76.7)	-	Decrease due to adoption of Accounting Standard for Revenue Recognition
		Other expenses	80.9	79.7	1.1	101.4%	
	Sub total	715.6	855.6	(139.9)	83.6%		
Other operating expenses	108.4	93.0	15.3	116.5%			
Non operating expenses	11.3	11.0	0.3	102.8%			
Total expenses	835.4	959.7	(124.2)	87.0%			
[Operating Income]	[ 49.0 ]	[ 89.3 ]	[ (40.3) ]	[ 54.9% ]			
Ordinary Income	39.9	80.5	(40.6)	49.6%			
Extraordinary Income	7.5	-	7.5	-	Gain on sales of securities (Stocks of group companies)		
Income taxes	12.9	24.2	(11.3)	53.3%			
Income attributable to non-controlling interests	0.3	0.1	0.1	167.9%			
Profit attributable to owners of parent	34.2	56.1	(21.9)	61.0%			

# Statements of Cash Flows (Consolidated)

(billions of yen)

	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)	Major factors for change
Cash Flows from Operating Activities	(16.4)	80.3	(96.8)	
Cash Flows from Investing Activities	(128.5)	(90.2)	(38.2)	
Cash Flows from Financing Activities	131.0	67.6	63.3	CP : 55.0 Bonds : 19.9 Loan : (12.9)
Net Cash Flows	(13.6)	57.9	(71.5)	
Cash and cash equivalents at end of the period	195.9	310.2	(114.2)	
Free Cash Flows*	(138.1)	(2.2)	(135.9)	

\*Our definition;

Free Cash Flows = (Cash Flows from Operating Activities) + (Cash Flows from Investing Activities) – (Interest and dividend income) – (Interest expenses)

# Results of Major Consolidated Subsidiaries

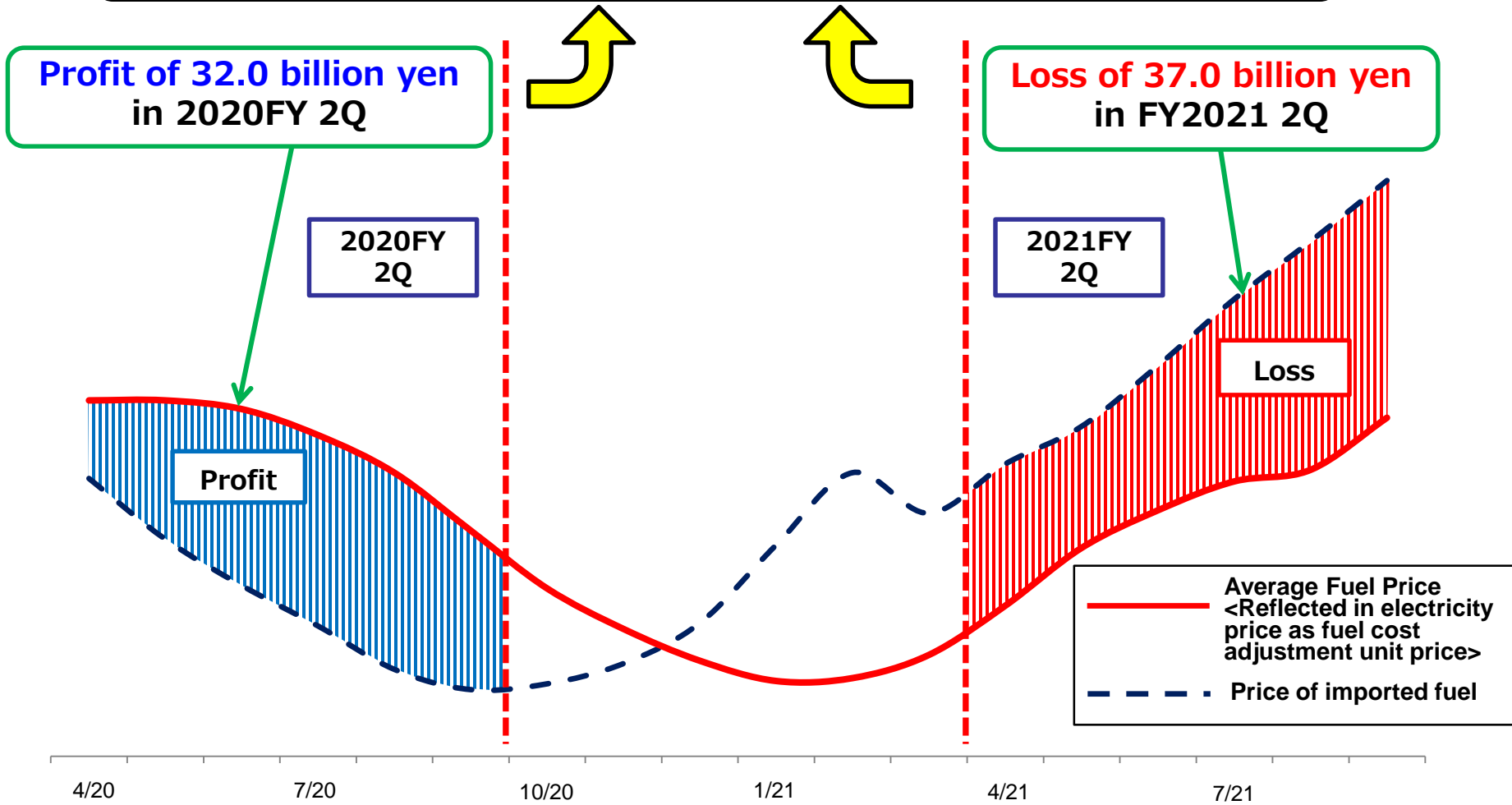
(billions of yen)

	FY2021/2Q		Year-on-year	
	Sales	Operating Income	Sales	Operating Income
<b>[ Power generation and Sales ]</b>				
Sakata Kyodo Power Co., Ltd.	17.9	(1.1)	4.5	(0.0)
Tohoku Sustainable & Renewable Energy Co., Inc.	5.0	2.2	0.1	0.5
<b>[ Construction ]</b>				
Yurtec Corp.	91.4	0.4	13.9	0.8
Tohoku Electric Power Engineering & Construction Co., Inc.	28.4	(0.7)	(0.3)	0.4
<b>[ Gas ]</b>				
Nihonkai LNG Co., Ltd.	5.4	0.5	(0.0)	(0.2)
<b>[ IT ]</b>				
Tohoku Intelligent Telecommunication Co., Inc.	11.9	2.2	0.4	0.7
Tohoku Information Systems Co., Inc.	9.2	0.5	(1.4)	0.2
<b>[ Others ]</b>				
Kitanihon Electric Cable Co., Ltd.	13.8	0.5	0.1	0.3

\* The amounts before elimination of inter-company transaction

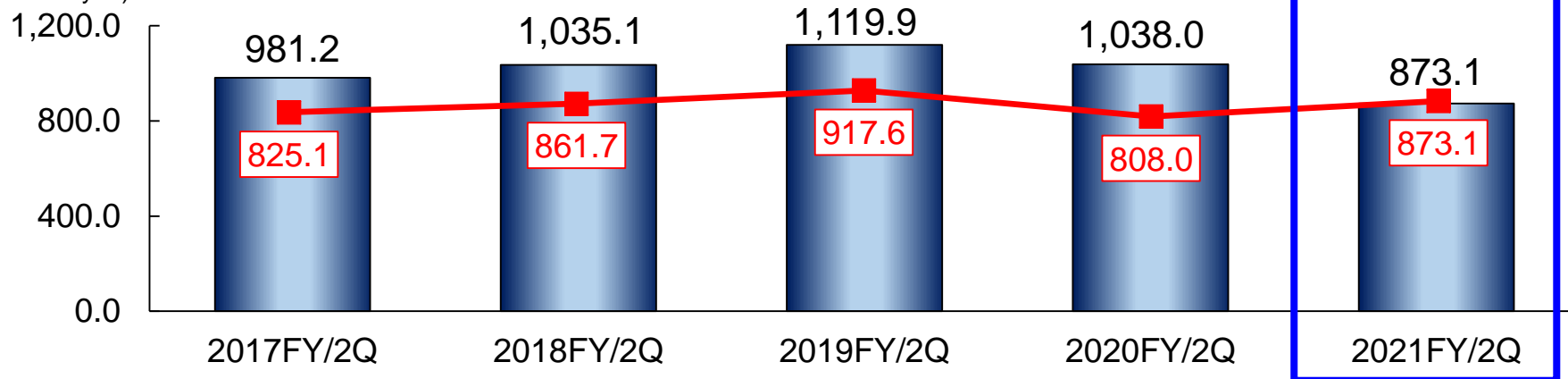
## Image of Time Lag Effect

The effect of pushing down income by about **69.0 billion yen** compared to the same period of the previous year due to the upward trend in fuel prices



## Operating Revenue

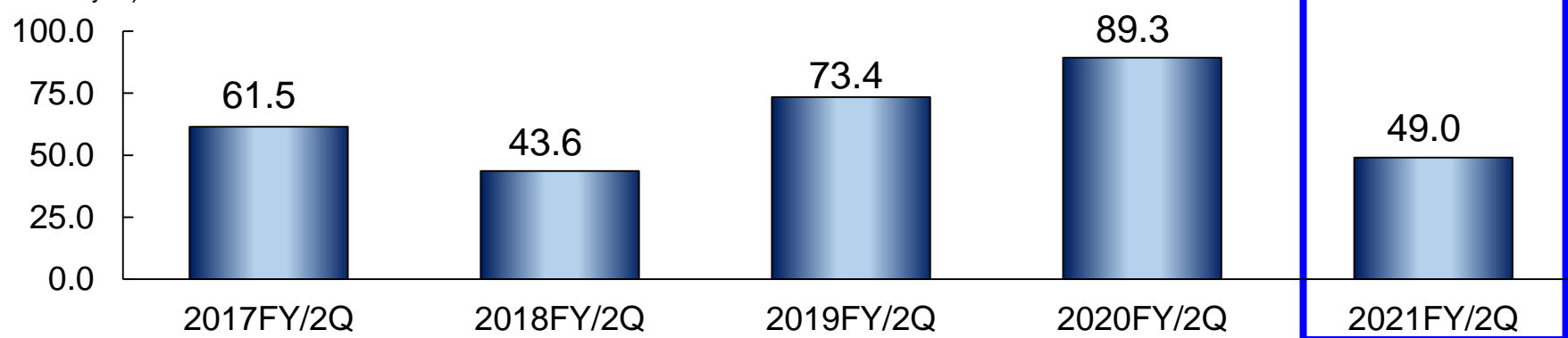
(billions of yen)



Note : Red line shows operating revenue (consolidated) based on Accounting Standard for Revenue Recognition (excluding only Grant under act on purchase of renewable energy sourced electricity and surcharge for promoting renewable energy sourced electricity based on Feed-in Tariff Scheme for renewable energy)

## Operating Income

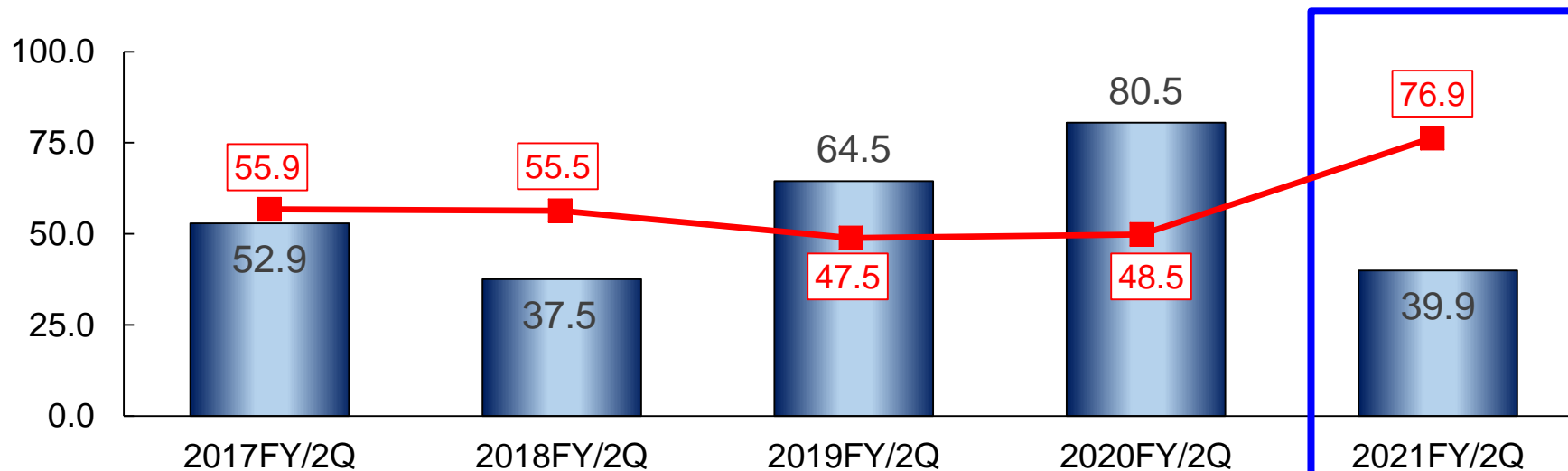
(billions of yen)



	2017FY/2Q	2018FY/2Q	2019FY/2Q	2020FY/2Q	2021FY/2Q
Operating Income on Operating Revenue Ratio (Consolidated basis)	6.3%	4.2%	6.6%	8.6%	5.6%
Operating Income on Operating Revenue Ratio using above red line (Consolidated basis)	7.5%	5.1%	8.0%	11.1%	5.6%

## ■ Ordinary Income

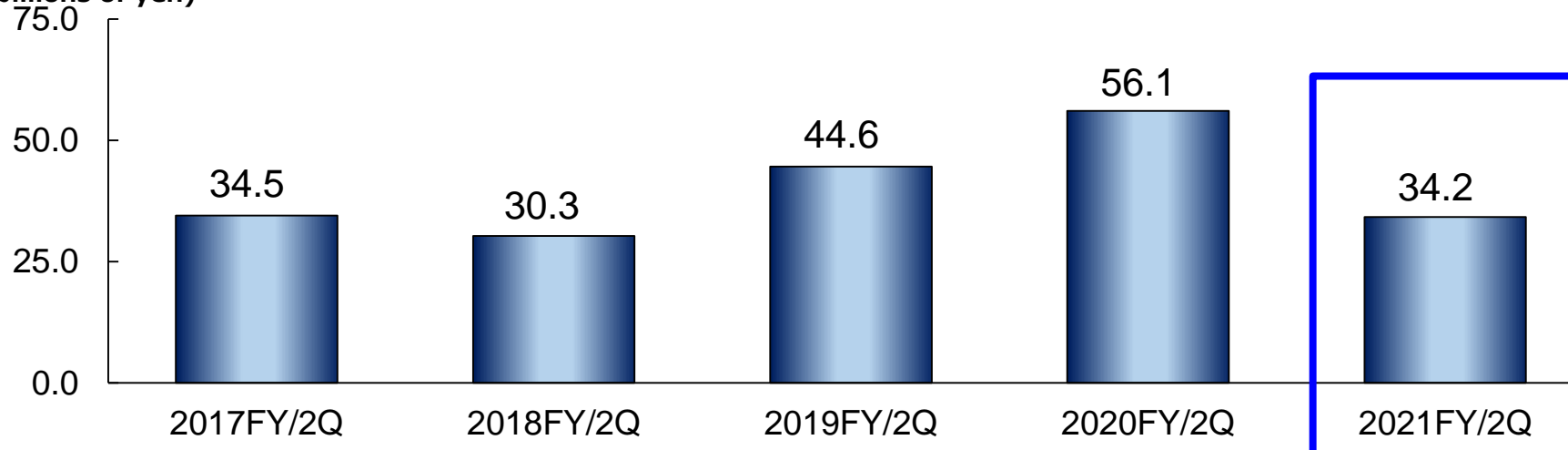
(billions of yen)



Note : Red line shows operating revenue (consolidated) excluding time lag between fuel cost and fuel cost adjustment charges.

## ■ Net Income or Net Income Attribute to Owners of Parent

(billions of yen)



# Retail Electricity Sales Volume by Month

(GWh)

	FY2021												
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Lighting (Residential)	1,806	1,581	1,211	1,290	1,588	1,412	—	—	—	—	—	—	8,887
Power	3,600	3,512	3,712	3,957	4,072	3,768	—	—	—	—	—	—	22,621
Retail Electricity Sales	5,407	5,093	4,923	5,246	5,660	5,180	—	—	—	—	—	—	31,509

(GWh)

	FY2020												
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Lighting (Residential)	2,043	1,664	1,307	1,310	1,500	1,639	1,422	1,554	1,939	2,880	2,425	2,287	21,969
Power	3,465	3,234	3,414	3,542	3,726	3,813	3,559	3,459	3,796	4,196	3,930	3,848	43,983
Retail Electricity Sales	5,508	4,899	4,721	4,852	5,226	5,452	4,982	5,013	5,734	7,076	6,355	6,135	65,952

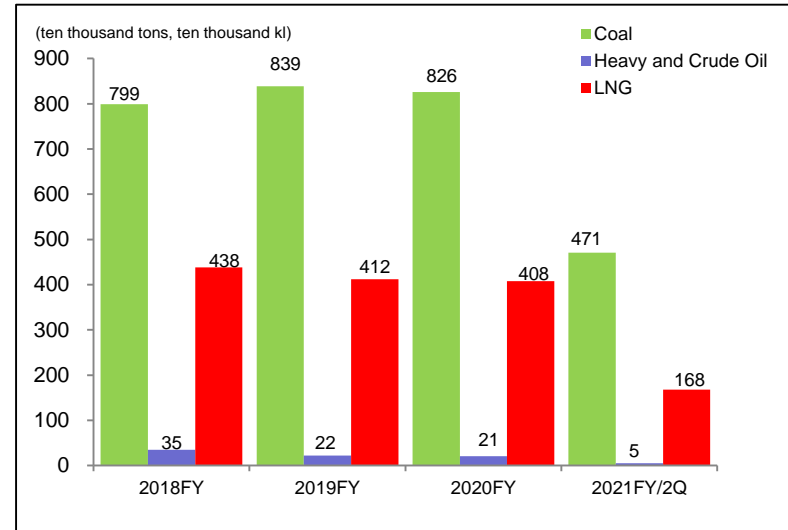
\*Total may not match due to rounding.

# Fuel Consumption Results

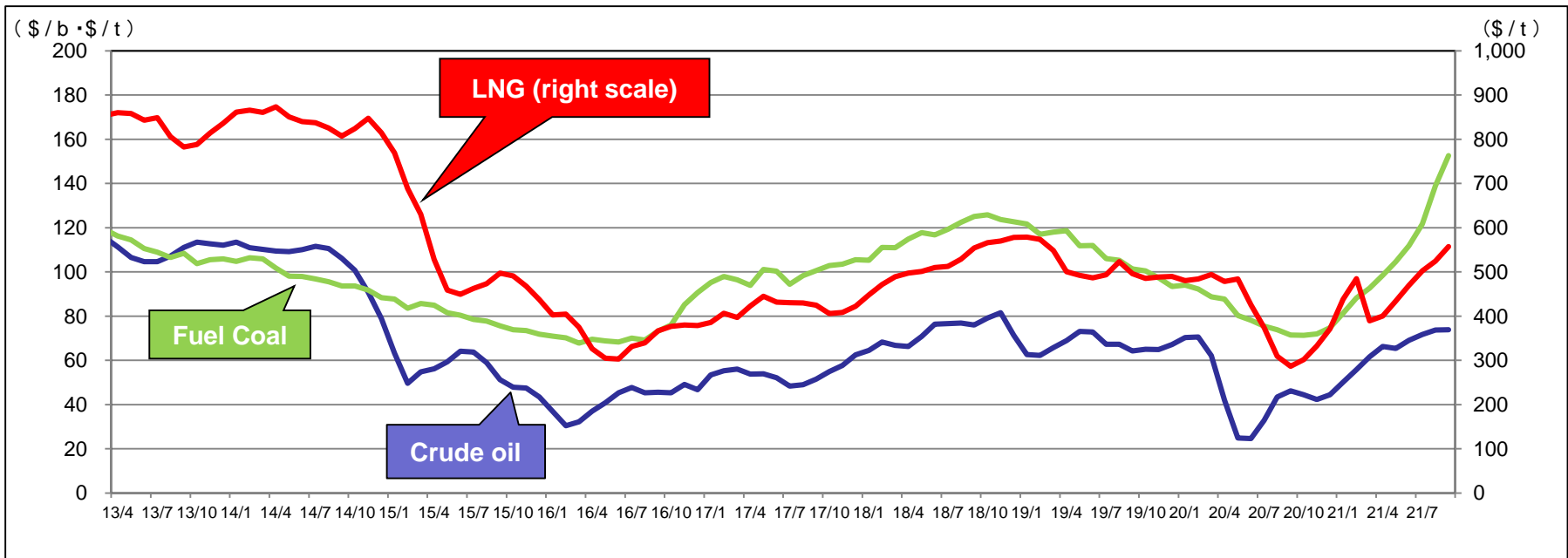
## Fuel Consumption

	FY2021/2Q (A)	FY2020/2Q (B)	Change (A) - (B)	(Reference) FY2020
Coal (ten thousand tons)	471	463	8	826
Heavy and Crude Oil (ten thousand kl)	5	8	(3)	21
LNG (ten thousand tons)	168	179	(11)	408

\*Above figures are fuel consumption of Tohoku EPCO and remote island



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





(Note)

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

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

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