

Tohoku Electric Power Co., Inc.

Summary of Quarterly Financial Statements (Unaudited)

(April 1, 2021 - September 30, 2021)

Information below is an English translation of the "Unaudited Quarterly Financial Release" for six months ended September 30, 2021, which has been filed with the Tokyo Stock Exchange, Inc. for public inspection.

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(Note) All monetary values are rounded down to the nearest units as indicated in each table.

1. Business Results for Consolidated Second Quarter Period in FY2021 (Six months ended September 30, 2021)

(1) Progresses of Financial Results

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
6 months ended Sep. 30, 2021	873,131	(15.9)	49,050	(45.1)	39,944	(50.4)	34,203	(39.0)
6 months ended Sep. 30, 2020	1,038,078	(7.3)	89,395	21.7	80,560	24.8	56,104	25.6

(Note) Comprehensive income (6 months ended September 30, 2021: 33,450 million yen -44.2%, 6 months ended September 30, 2020: 59,955 million yen 33.4%)
Percentage figures represent changes as compared to the same period of the previous year.

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
6 months ended Sep. 30, 2021	68.45	-
6 months ended Sep. 30, 2020	112.30	104.31

(2) Changes in Financial Positions

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Sep. 30, 2021	4,525,791	924,603	18.8
Mar. 31, 2021	4,471,081	901,534	18.5

(Reference) Shareholders' Equity (Sep 30, 2021: 849,133 million yen, March 31, 2021: 826,466 million yen)

2. Dividends

	Cash dividends per share				
	1Q	2Q	3Q	Year-end	Annual total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2021	-	20.00	-	20.00	40.00
Year ending Mar. 31, 2022	-	20.00			
Year ending Mar. 31, 2022 (forecast)			-	20.00	40.00

(Note) Forecast revision of dividends from the latest forecast: None

3. Business Results Forecast for Consolidated FY2021 (Year ending March 31, 2022)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share (basic)
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2021	1,810,000	-	52,000	(40.9)	35,000	(48.2)	23,000	(21.7)	46.03

(Note) Forecast revision of consolidated results from the latest forecast: None

(Reference)

1.Consolidated Cash Income for the Second Quarter Period in FY2021 (Six months ended Sep 30, 2021)

<u>Consolidated Cash Income</u>	
Millions of yen	
<u>6 months ended Sep. 30, 2021</u>	<u>175,701</u>

(Note) We've set a target for consolidated cash income identified in the Tohoku Electric Power Group Medium-/Long-Term Vision "Working alongside next."

(In FY2024, more than 320 billion yen)

Consolidated 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.)

QUARTERLY CONSOLIDATED BALANCE SHEETS (Unaudited)

Second Quarter FY2021 (as of September 30, 2021) and FY2020 (as of March 31, 2021)

Assets	(Millions of yen)	
Item	September 30, 2021	March 31, 2021
Non-current assets:	3,739,207	3,731,366
Electric utility plant and equipment:	2,455,369	2,492,694
Hydroelectric power production facilities	174,834	177,880
Thermal power production facilities	382,512	398,062
Nuclear power production facilities	236,294	247,275
Transmission facilities	572,147	579,633
Transformation facilities	248,885	251,793
Distribution facilities	689,652	680,945
General facilities	124,146	129,929
Other electric utility plant and equipment	26,895	27,173
Other non-current assets	220,764	223,546
Construction in progress:	494,249	449,526
Construction and retirement in progress	444,464	399,393
Special account related to nuclear power decommissioning	23,775	24,124
Special account related to reprocessing of spent nuclear fuel	26,009	26,009
Nuclear fuel:	174,138	174,071
Loaded nuclear fuel	30,591	30,591
Nuclear fuel in processing	143,547	143,479
Investments and other assets:	394,685	391,526
Long-term investments	111,024	109,699
Net defined benefit asset	6,204	6,191
Deferred tax assets	159,284	159,536
Other	118,455	116,389
Allowance for doubtful accounts	(284)	(290)
Current assets:	786,584	739,715
Cash and deposits	192,393	205,290
Notes and accounts receivable - trade	176,693	270,266
Inventories	78,334	65,255
Other	339,783	199,679
Allowance for doubtful accounts	(620)	(777)
Assets	4,525,791	4,471,081

Liabilities and net assets

(Millions of yen)

Item	September 30, 2021	March 31, 2021
Non-current liabilities:	2,598,848	2,518,124
Bonds payable	1,140,000	1,025,000
Long-term loans payable	1,090,770	1,117,549
Reserve for restoration costs of natural disaster	6,614	6,614
Net defined benefit liability	152,589	160,468
Asset retirement obligations	171,033	170,236
Deferred tax liabilities for land revaluation	1,310	1,323
Other	36,529	36,933
Current liabilities:	1,002,339	1,051,422
Current portion of non-current liabilities	261,421	269,587
Notes and accounts payable - trade	136,565	142,186
Accrued taxes	20,688	58,750
Other advances	323,775	323,575
Reserve for restoration costs of natural disaster	6,167	11,060
Other	253,720	246,262
Liabilities	3,601,187	3,569,547
Shareholders' equity:	842,691	819,051
Capital stock	251,441	251,441
Capital surplus	22,290	22,369
Retained earnings	573,695	550,245
Treasury shares	(4,735)	(5,004)
Accumulated other comprehensive income:	6,442	7,415
Valuation difference on available-for-sale securities	(55)	(124)
Deferred losses on hedges	(1,009)	171
Revaluation reserve for land	(906)	(902)
Foreign currency translation adjustments	579	666
Remeasurements of defined benefit plans	7,834	7,604
Non-controlling interests	75,470	75,067
Net assets	924,603	901,534
Liabilities and net assets	4,525,791	4,471,081

QUARTERLY CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

Second Quarter FY2021 (Six months ended September 30, 2021) and Second Quarter FY2020 (Six months ended June 30, 2020)

Item	(Millions of yen)	
	Six months ended September 30,	
	2021	2020
Operating revenue:	873,131	1,038,078
Electric utility operating revenue	760,347	942,118
Other business operating revenue	112,784	95,960
Operating expenses:	824,081	948,682
Electric utility operating expenses	715,677	855,627
Other business operating expenses	108,403	93,054
Operating income	49,050	89,395
Non-operating income:	2,258	2,222
Dividend income	317	379
Interest income	145	88
Gain on sales of goods	874	179
Share of profit of entities accounted for using equity method	-	647
Other	921	927
Non-operating expenses:	11,365	11,057
Interest expenses	7,258	7,960
Share of loss of entities accounted for using equity method	847	-
Other	3,258	3,097
Ordinary revenue	875,390	1,040,300
Ordinary expenses	835,446	959,740
Ordinary income	39,944	80,560
Extraordinary income:	7,516	-
Gain on sales of securities	7,516	-
Income before income taxes	47,460	80,560
Income taxes - current	12,728	25,767
Income taxes - deferred	215	(1,498)
Income taxes	12,943	24,268
Net income	34,516	56,291
Net income attributable to non-controlling interests	313	186
Net income attributable to owners of parent	34,203	56,104

QUARTERLY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

Second Quarter FY2021 (Six months ended September 30, 2021) and Second Quarter FY2020 (Six months ended September 30, 2020)

Item	(Millions of yen)	
	Six months ended September 30,	
	2021	2020
Net income	34,516	56,291
Other comprehensive income:		
Valuation difference on available-for-sale securities	41	(271)
Deferred gains or losses on hedges	(716)	300
Foreign currency translation adjustments	(104)	428
Remeasurements of defined benefit plans	179	3,205
Share of other comprehensive income of entities accounted for using equity method	(465)	0
Other comprehensive income	(1,066)	3,664
Comprehensive income	33,450	59,955
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	33,234	59,738
Comprehensive income attributable to non-controlling interests	216	217

CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

Second Quarter FY2021 (Six months ended September 30, 2021) and Second Quarter FY2020 (Six months ended September 30, 2020)

(Millions of yen)

Item	Six months ended September 30,	
	2021	2020
Cash flows from operating activities:		
Income before income taxes	47,460	80,560
Depreciation	90,498	113,049
Decommissioning costs of nuclear power units	3,555	3,495
Amortization of special account related to nuclear power decommissioning	348	31
Loss on retirement of non-current assets	1,588	1,919
Increase (decrease) in net defined benefit liability	(7,349)	(3,198)
Interest and dividend income	(462)	(467)
Interest expenses	7,258	7,960
Decrease (increase) in notes and accounts receivable - trade	24,279	(7,292)
Decrease (increase) in accounts receivable - other	(45,675)	(448)
Decrease (increase) in inventories	(14,498)	9,722
Increase (decrease) in notes and accounts payable - trade	(5,500)	(38,391)
Other, net	(75,629)	(63,105)
Subtotal	25,872	103,835
Interest and dividend income received	463	468
Interest expenses paid	(7,302)	(8,135)
Income taxes paid	(35,512)	(15,799)
Net cash provided by operating activities	(16,478)	80,368
Cash flows from investing activities:		
Purchase of non-current assets	(121,107)	(135,350)
Payments of investment and loans receivable	(13,197)	(13,646)
Collection of investment and loans receivable	10,341	12,991
Other, net	(4,570)	45,719
Net cash used in investing activities	(128,534)	(90,286)
Cash flows from financing activities:		
Proceeds from issuance of bonds	174,430	179,528
Redemption of bonds	(50,000)	(75,000)
Proceeds from long-term loans payable	43,242	27,100
Repayments of long-term loans payable	(89,466)	(60,430)
Increase in short-term loans payable	4,257	2,800
Decrease in short-term loans payable	(4,301)	(2,800)
Proceeds from issuance of commercial papers	342,000	58,000
Redemption of commercial papers	(277,000)	(48,000)
Cash dividends paid	(9,532)	(9,959)
Dividends paid to non-controlling interests	(645)	(637)
Other, net	(1,909)	(2,916)
Net cash used in financing activities	131,074	67,683
Effect of exchange rate change on cash and cash equivalents	326	142
Net increase(decrease) in cash and cash equivalents	(13,611)	57,908
Cash and cash equivalents at beginning of the period	209,593	252,322
Cash and cash equivalents at end of the period	195,982	310,230

(Note)

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

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

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