

Tohoku Electric Power Co., Inc.

Summary of Quarterly Financial Statements (Unaudited)

(April 1, 2022 - September 30, 2022)

Information below is an English translation of the "Unaudited Quarterly Financial Release" for six months ended September 30, 2022, which has been filed with the Tokyo Stock Exchange, Inc. for public inspection.

Tohoku Electric Power Co., Inc. (Code : 9506)

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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 FY2022 (Six months ended September 30, 2022)

(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, 2022	1,339,715	53.4	(126,270)	-	(131,913)	-	(136,359)	-
6 months ended Sep. 30, 2021	873,131	(15.9)	49,050	(45.1)	39,944	(50.4)	34,203	(39.0)

(Note) Comprehensive income (6 months ended September 30, 2022: -114,535 million yen -%, 6 months ended September 30, 2021: 33,450 million yen -44.2%)
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, 2022	(272.75)	-
6 months ended Sep. 30, 2021	68.45	-

(2) Changes in Financial Positions

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Sep. 30, 2022	4,896,223	656,400	11.8
Mar. 31, 2022	4,725,651	778,980	14.8

(Reference) Shareholders' Equity (Sep 30, 2022: 576,424 million yen, March 31, 2022: 699,659 million yen)

2. Dividends

	Cash dividends per share				
	1Q	2Q	3Q	Year-end	Annual total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2022	-	20.00	-	15.00	35.00
Year ending Mar. 31, 2023	-	0.00			
Year ending Mar. 31, 2022 (forecast)			-	0.00	0.00

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

3. Business Results Forecast for Consolidated FY2022 (Year ending March 31, 2023)

	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
FY2022	2,740,000	30.2	(180,000)	-	(200,000)	-	(180,000)	-	(360.01)

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

(Reference)

1.Consolidated Cash Income for the Second Quarter Period in FY2022 (Six months ended Sep 30, 2022)

<u>Consolidated Cash Income</u>	
	Millions of yen
6 months ended Sep. 30, 2022	<u>103,380</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 FY2022 (as of September 30, 2022) and FY2021 (as of March 31, 2022)

Assets	(Millions of yen)	
Item	September 30, 2022	March 31, 2022
Non-current assets:	3,814,651	3,809,140
Electric utility plant and equipment:	2,433,823	2,470,859
Hydroelectric power production facilities	176,706	179,080
Thermal power production facilities	363,759	377,973
Nuclear power production facilities	221,331	230,008
Transmission facilities	561,845	569,910
Transformation facilities	252,164	253,411
Distribution facilities	703,044	699,964
General facilities	123,568	128,164
Other electric utility plant and equipment	31,402	32,345
Other non-current assets	220,654	224,290
Construction in progress:	625,004	566,782
Construction and retirement in progress	572,748	513,305
Special account related to nuclear power decommissioning	21,479	22,700
Special account related to reprocessing of spent nuclear fuel	30,776	30,776
Nuclear fuel:	147,477	173,371
Loaded nuclear fuel	30,591	30,591
Nuclear fuel in processing	116,885	142,779
Investments and other assets:	387,691	373,836
Long-term investments	135,822	117,035
Net defined benefit asset	6,587	6,597
Deferred tax assets	123,163	130,205
Other	123,854	121,837
Allowance for doubtful accounts	(1,734)	(1,840)
Current assets:	1,081,572	916,510
Cash and deposits	311,984	274,771
Notes and accounts receivable - trade	296,002	231,967
Inventories	133,213	91,520
Other	341,408	319,169
Allowance for doubtful accounts	(1,035)	(918)
Assets	4,896,223	4,725,651

Liabilities and net assets

(Millions of yen)

Item	September 30, 2022	March 31, 2022
Non-current liabilities:	3,035,135	2,754,009
Bonds payable	1,498,300	1,180,000
Long-term loans payable	1,163,241	1,194,940
Reserve for restoration costs of natural disaster	10,456	7,498
Net defined benefit liability	147,791	154,094
Asset retirement obligations	175,308	173,885
Deferred tax liabilities for land revaluation	1,309	1,309
Other	38,728	42,281
Current liabilities:	1,204,540	1,192,581
Current portion of non-current liabilities	343,410	282,522
Notes and accounts payable - trade	226,196	222,513
Accrued taxes	17,647	17,652
Other advances	269,678	305,379
Reserve for restoration costs of natural disaster	19,025	21,458
Other	328,581	343,055
Reserves under special laws:	148	79
Reserve for fluctuation in water levels	148	79
Liabilities	4,239,823	3,946,670
Shareholders' equity:	546,422	690,102
Capital stock	251,441	251,441
Capital surplus	22,250	22,290
Retained earnings	277,241	421,113
Treasury shares	(4,510)	(4,742)
Accumulated other comprehensive income:	30,002	9,556
Valuation difference on available-for-sale securities	2,375	1,607
Deferred losses on hedges	22,822	4,708
Revaluation reserve for land	(908)	(907)
Foreign currency translation adjustments	2,646	1,341
Remeasurements of defined benefit plans	3,067	2,807
Non-controlling interests	79,975	79,321
Net assets	656,400	778,980
Liabilities and net assets	4,896,223	4,725,651

QUARTERLY CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

Second Quarter FY2022 (Six months ended September 30, 2022) and Second Quarter FY2021 (Six months ended September 30, 2021)

Item	(Millions of yen)	
	Six months ended September 30,	
	2022	2021
Operating revenue:	1,339,715	873,131
Electric utility operating revenue	1,214,853	760,347
Other business operating revenue	124,861	112,784
Operating expenses:	1,465,985	824,081
Electric utility operating expenses	1,343,008	715,677
Other business operating expenses	122,977	108,403
Operating (loss)income	(126,270)	49,050
Non-operating income:	5,243	2,258
Dividend income	361	317
Interest income	172	145
Gain on sales of goods	1,356	874
Foreign exchange gains	1,782	100
Other	1,570	821
Non-operating expenses:	10,885	11,365
Interest expenses	7,711	7,258
Share of loss of entities accounted for using equity method	262	847
Other	2,911	3,258
Ordinary revenue	1,344,958	875,390
Ordinary expenses	1,476,871	835,446
Ordinary (loss)income	(131,913)	39,944
Provision or reversal of reserve for fluctuation in water levels:	68	-
Provision of reserve for fluctuation in water levels	68	-
Extraordinary income:	-	7,516
Gain on sales of securities	-	7,516
(Loss)income before income taxes	(131,981)	47,460
Income taxes - current	3,286	12,728
Income taxes - deferred	(159)	215
Income taxes	3,126	12,943
Net (loss)income	(135,108)	34,516
Net income attributable to non-controlling interests	1,250	313
Net (loss)income attributable to owners of parent	(136,359)	34,203

QUARTERLY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

Second Quarter FY2022 (Six months ended September 30, 2022) and Second Quarter FY2021 (Six months ended September 30, 2021)

Item	(Millions of yen)	
	Six months ended September 30,	
	2022	2021
Net (loss)income	(135,108)	34,516
Other comprehensive income:		
Valuation difference on available-for-sale securities	765	41
Deferred gains or losses on hedges	17,849	(716)
Foreign currency translation adjustments	1,525	(104)
Remeasurements of defined benefit plans	168	179
Share of other comprehensive income of entities accounted for using equity method	264	(465)
Other comprehensive income	20,573	(1,066)
Comprehensive income	(114,535)	33,450
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	(115,913)	33,234
Comprehensive income attributable to non-controlling interests	1,378	216

CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

Second Quarter FY2022 (Six months ended September 30, 2022) and Second Quarter FY2021 (Six months ended September 30, 2021)

(Millions of yen)

Item	Six months ended September 30,	
	2022	2021
Cash flows from operating activities:		
(Loss)Income before income taxes	(131,981)	47,460
Depreciation	95,913	90,498
Decommissioning costs of nuclear power units	3,626	3,555
Amortization of special account related to nuclear power decommissioning	1,220	348
Loss on retirement of non-current assets	593	1,588
Increase (decrease) in net defined benefit liability	(6,302)	(7,349)
Increase (decrease) in reverse for fluctuation in water levels	68	-
Interest and dividend income	(534)	(462)
Interest expenses	7,711	7,258
Decrease (increase) in notes and accounts receivable - trade	(66,275)	24,279
Decrease (increase) in inventories	(41,646)	(14,498)
Increase (decrease) in notes and accounts payable - trade	2,547	(5,500)
Other, net	(45,346)	(121,305)
Subtotal	(180,405)	25,872
Interest and dividend income received	531	463
Interest expenses paid	(7,275)	(7,302)
Income taxes paid	(4,360)	(35,512)
Net cash provided by operating activities	(191,509)	(16,478)
Cash flows from investing activities:		
Purchase of non-current assets	(156,170)	(121,107)
Payments of investment and loans receivable	(21,061)	(13,197)
Collection of investment and loans receivable	43,101	10,341
Other, net	(4,056)	(4,570)
Net cash used in investing activities	(138,186)	(128,534)
Cash flows from financing activities:		
Proceeds from issuance of bonds	436,250	174,430
Redemption of bonds	(60,000)	(50,000)
Proceeds from long-term loans payable	42,338	43,242
Repayments of long-term loans payable	(72,789)	(89,466)
Increase in short-term loans payable	89,106	4,257
Decrease in short-term loans payable	(95,820)	(4,301)
Proceeds from issuance of commercial papers	177,000	342,000
Redemption of commercial papers	(140,000)	(277,000)
Cash dividends paid	(7,515)	(9,532)
Dividends paid to non-controlling interests	(969)	(645)
Other, net	(2,030)	(1,909)
Net cash used in financing activities	365,569	131,074
Effect of exchange rate change on cash and cash equivalents	503	326
Net increase(decrease) in cash and cash equivalents	36,377	(13,611)
Cash and cash equivalents at beginning of the period	278,420	209,593
Cash and cash equivalents at end of the period	314,797	195,982

(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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