

Financial Summary

3rd Quarter of FY2022

(April 1, 2022 – December 31, 2022)

January 31, 2023



Tohoku Electric Power Co., Inc.



Contents

FY2022/3Q Financial Results

Key points of financial results and forecasts	••••	1
Summary of Financial Results	••••	2
Changing Factors in Consolidated Ordinary Income from the Corresponding Period Last Year	••••	3
Electricity Sales and Major Factors	••••	4
Electricity Supply	••••	5
Segment Information (Consolidated)	••••	6
Balance Sheets (Consolidated)	••••	7
Statements of Income (Consolidated)	••••	8
Financial Forecast and Dividend Forecast	••••	10
Trends of Operating Revenue, and Each Income (Consolidated)	••••	12
Retail Electricity Sales Volume by Month	••••	14
Fuel Consumption Results	••••	15

Topics

Application for electricity rate revision	••••	17
Making Steady Efforts to Restart Nuclear Power Reactors	••••	18
Current Situation of Thermal Power Stations	••••	19
Introduction of new network tariff regulation system	••••	20
Efforts towards Expanding Renewable Energy Business	••••	22
List of Major Renewable Energy Development/Participation Points of Our Group	••••	24
Attempt to Swiftly Achieve Profitability in Our Smart Society Building Business	••••	25
Initiatives for Carbon Neutrality	••••	27

**3rd Quarter of FY2022
Financial Results**

Key points of financial results and forecasts

Financial Results for the third quarter of FY2022

Increase in revenue, but decrease in income

(First time in 4 years since FY2018)

- Operating revenue : mainly due to increase in fuel cost adjustment charge
- Ordinary loss : mainly due to an increase in electricity procurement costs resulting from rising fuel prices, weakening yen and soaring JEPX prices

Financial and Dividend Forecasts for FY2022

Change in Financial and Dividend Forecasts from July 2022 release

Consolidated Operating Revenue : **¥3,080.0 billion**

- Operating revenue : mainly due to increase in fuel cost adjustment charge

Consolidated Ordinary Loss : **- ¥240.0 billion**

- Ordinary loss : mainly due to an increase in electricity procurement costs resulting from rising fuel prices, weakening yen and soaring JEPX prices

Dividend Forecast : **No dividend will be paid in FY2022**

(No revision has been made from July 2022 release)

Summary of Financial Results

- **Operating revenue** **¥2,132.4 billion (a year on year increase of ¥733.4 billion)**
 - Operating revenue increased mainly due to an increase in fuel cost adjustment charges resulting from rise in fuel prices.
- **Ordinary income/loss** **- ¥223.1 billion (a year on year decrease of ¥233.5 billion)**
 - Ordinary income/loss decreased mainly due to an increase in electricity procurement costs resulting from rising fuel prices, weakening yen and soaring JEPX prices.
- **Net Income Attributable to Owners of Parent** **- ¥230.3 billion (a year on year decrease of ¥232.8 billion)**

【Summary of Consolidated Financial Statements】

(billions of yen)

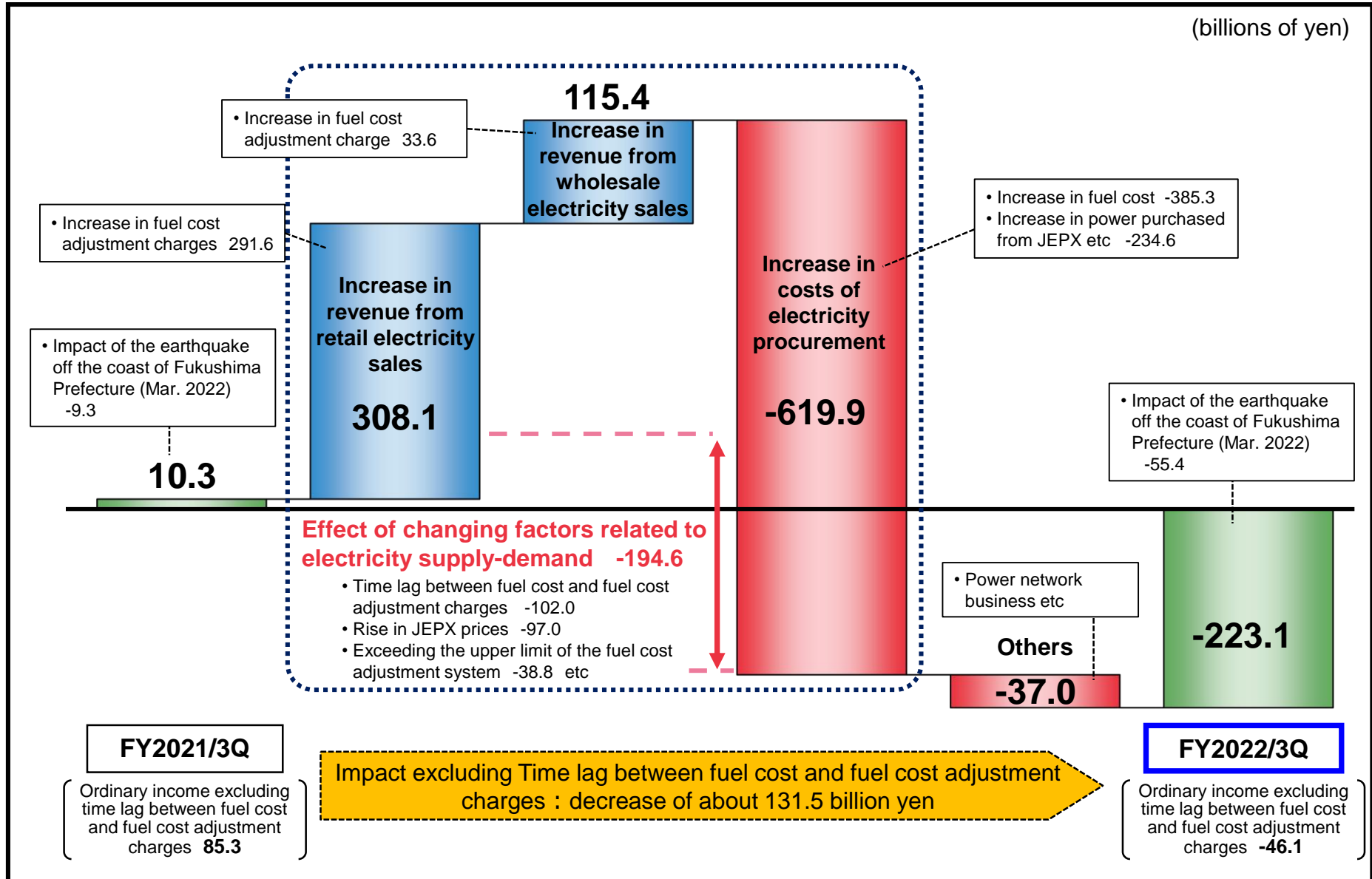
	FY2021/3Q (A)	FY2022/3Q (B)	Change (B) - (A)	Change (B) / (A)
Operating Revenue	1,398.9	2,132.4	733.4	152.4 %
Ordinary Income*1	10.3	(223.1)	(233.5)	-
	[85.3]	[(46.1)]	[(131.5)]	[-]
Net Income Attributable to Owners of Parent	2.4	(230.3)	(232.8)	-
Consolidated Cash Income*2	233.2	109.9	(123.2)	47.1 %

*1 Lower figures 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 -233.5 Billion Yen (10.3 → -223.1)



Electricity Sales and Major Factors

➤ **Retail electricity sales**

47.1 TWh (a year on year decrease 0.3 TWh)

Retail electricity sales volume decreased due to the impact of energy-saving initiatives and intensifying competition.

➤ **Wholesale electricity sales**

12.2 TWh (a year on year decrease 0.1 TWh)

Wholesale electricity sales volume decreased mainly due to a decrease in volume of wholesale electricity sales outside our franchise area.

(GWh)

Electricity Sales*1	FY2021/3Q (A)	FY2022/3Q (B)	Change (B) - (A)	Change (B) / (A)
Lighting (Residential)	13,607	13,219	(388)	97.1 %
Power	33,867	33,926	59	100.2 %
Retail Electricity Sales*2	47,474	47,145	(329)	99.3 %
Wholesale Electricity Sales*3	12,250	12,156	(94)	99.2 %
Total of Electricity Sales	59,725	59,301	(424)	99.3 %

*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.

	FY2021/3Q (A)	FY2022/3Q (B)	Change (B) - (A)
Crude Oil CIF Price (\$/bbl.)	74.0	107.9	33.9
Exchange Rate (¥/\$)	110	136	26
Hydro Power Flow Rate (%)	96.2	94.3	(1.9)
Nuclear Power Utilization Rate (%)	-	-	-

Electricity Supply

(GWh)

Electricity Supply*¹	FY2021/3Q (A)	FY2022/3Q (B)	Change (B) - (A)	Change (B) / (A)
Own Generated Power* ²	44,211	41,776	(2,435)	94.5%
Hydro	6,178	5,964	(214)	96.5%
Thermal	37,599	35,361	(2,238)	94.0%
Nuclear	-	-	-	-
Renewables	434	451	17	104.1%
Power Interchanges and Purchased Power* ^{3,4}	22,786	25,220	2,434	110.7%
	(3,922)	(4,312)	(390)	110.0%
Used at Pumped Storage and others	(190)	(249)	(59)	131.4%
Total of Electricity Supply*³	62,885	62,434	(451)	99.3%

*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)

	FY2021/3Q(A)		FY2022/3Q(B)		Change (B) - (A)		Major factors for change
	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	
Power Generation and Sales	1,057.6	(1.5)	1,607.5	(230.9)	549.8	(229.4)	<ul style="list-style-type: none"> Operating revenue increased due to an increase in fuel cost adjustment charges. Ordinary income decreased due to a significant increase in electricity procurement costs resulting from rising fuel prices and JEPX price, and weakening yen.
	1,000.5		1,446.7		446.1		
Network	513.6	25.6	841.7	8.1	328.0	(17.4)	<ul style="list-style-type: none"> Operating revenue increased mainly due to an increase in the volume of wholesale supply of renewable energy. Operating income decreased due to an increase in costs of supply-demand adjustment.
	216.6		485.0		268.4		
Construction	197.2	3.1	197.5	3.9	0.2	0.8	<ul style="list-style-type: none"> Even with an increase in general construction orders related to electrical facilities, operating revenue decreased due to a decrease in construction orders of thermal power production facilities. Operating income increased thanks to a decrease in raw material costs.
	112.7		107.7		(4.9)		
Others	146.2	10.9	172.9	12.3	26.7	1.3	<ul style="list-style-type: none"> Ordinary income increased due to foreign exchange gain.
	68.9		92.8		23.9		
Subtotal	1,914.8	38.1	2,819.7	(206.4)	904.8	(244.6)	
Adjustment	(515.9)	(27.7)	(687.3)	(16.6)	(171.4)	11.0	
Total	1,398.9	10.3	2,132.4	(223.1)	733.4	(233.5)	

* Lower figures of operating revenue are sales to outside customers.

Balance Sheets (Consolidated)

7

(billions of yen)

	Mar. 31, 2022 (A)	Dec. 31 2022 (B)	Change (B) - (A)	Major factors for change
Total Assets	4,725.6	5,117.4	391.7	
Non-current Assets	3,809.1	3,841.6	32.4	
Current Assets	916.5	1,275.7	359.2	Cash and deposits : 219.5 Notes and accounts receivable – trade : 104.7
Total Liabilities	3,946.6	4,571.4	624.7	
Non-current Liabilities	2,754.0	3,417.6	663.5	Bonds : 359.7 Long-term loans : 310.5
Current Liabilities	1,192.5	1,153.7	(38.7)	
Net Assets	778.9	546.0	(232.9)	Net loss attributable to owners of parent : (230.3)
Interest-Bearing Liabilities	2,760.3	3,492.9	732.6	Bonds : 424.7 Long-term Loans : 303.9
Equity Ratio	14.8%	9.1% [11.8%]*	(5.7%)	

*Equity ratio assuming 50% of the issued amount (140 billion yen) of the issued hybrid bonds as equity capital

Statements of Income (Consolidated) (1/2)

(billions of yen)

	FY2021/3Q (A)	FY2022/3Q (B)	Change	
			(B) - (A)	(B) / (A)
Operating Revenue	1,398.9	2,132.4	733.4	152.4%
Electric utility	1,213.1	1,929.3	716.1	159.0%
Other business	185.8	203.1	17.2	109.3%
Operating Expenses	1,375.6	2,345.9	970.3	170.5%
Electric utility	1,202.1	2,153.8	951.6	179.2%
Other business	173.4	192.1	18.6	110.7%
Operating Income/loss	23.3	(213.4)	(236.8)	-
- Non-operating income	3.5	8.7	5.1	243.8%
Non-operating expenses	16.5	18.3	1.8	111.3%
Ordinary Income/loss	10.3	(223.1)	(233.5)	-
Provision or reversal of reserve for fluctuation in water levels	0.0	(0.0)	(0.1)	-
Extraordinary income	7.5	-	(7.5)	-
Extraordinary loss	6.0	-	(6.0)	-
Income taxes	6.8	4.7	(2.0)	70.2%
Net income attributable to non-controlling interests	2.5	2.5	0.0	100.0%
Net income/loss attributable to owners of parent	2.4	(230.3)	(232.8)	-

Statements of Income (Consolidated) (2/2)

9

(billions of yen)

			FY2021/3Q (A)	FY2022/3Q (B)	Change (B) - (A)	Change (B) / (A)	Major factors for change
Revenue	Electric utility operating revenue	Revenue from Electricity Sales	795.6	1,128.9	333.3	141.9%	Increase in fuel cost adjustment charge
		Lighting (Residential)	313.1	368.3	55.2	117.6%	
		Power	482.4	760.5	278.0	157.6%	
		Sales of power to other utilities and other companies	332.9	702.9	370.0	211.1%	Increase in market transaction
		Other revenue	84.5	97.4	12.8	115.2%	
		Sub total	1,213.1	1,929.3	716.1	159.0%	
	Other operating revenue	185.8	203.1	17.2	109.3%		
	[Operating Revenue]	[1,398.9]	[2,132.4]	[733.4]	[152.4%]		
	Non operating revenue	3.5	8.7	5.1	243.8%		
	Total revenue	1,402.5	2,141.1	738.6	152.7%		
Expenses	Electric utility operating expenses	Personnel	103.3	102.4	(0.8)	99.1%	
		Fuel	305.9	709.9	403.9	232.0%	Rise in CIF prices
		Maintenance	99.5	111.5	12.0	112.1%	
		Depreciation	120.6	128.9	8.2	106.8%	
		Power purchased from other utilities and other companies	383.6	906.3	522.6	236.2%	Increase in market transaction
		Taxes, etc.	61.9	64.4	2.4	104.0%	
		Nuclear power back-end cost	5.3	5.4	0.1	102.0%	
		Other expenses	121.5	124.7	3.1	102.6%	
	Sub total	1,202.1	2,153.8	951.6	179.2%		
	Other operating expenses	173.4	192.1	18.6	110.7%		
	Non operating expenses	16.5	18.3	1.8	111.3%		
Total expenses	1,392.1	2,364.3	972.1	169.8%			
[Operating Income/loss]			[23.3]	[(213.4)]	[(236.8)]	[-]	
Ordinary Income/loss			10.3	(223.1)	(233.5)	-	
Provision or reversal of reserve for fluctuation in water levels			0.0	(0.0)	(0.1)	-	
Extraordinary Income			7.5	-	(7.5)	-	Gains on sales of securities
Extraordinary loss			6.0	-	(6.0)	-	Loss on return of imbalance income and expenditure
Income taxes			6.8	4.7	(2.0)	70.2%	
Income attributable to non-controlling interests			2.5	2.5	0.0	100.0%	
Income/Loss attributable to owners of parent			2.4	(230.3)	(232.8)	-	

Financial Forecast and Dividend Forecast (1/2)

10

- **Operating revenue ¥3,080.0 billion (Increase of ¥340.0 billion compared to the previous forecast)**
Operating revenue is expected to increase mainly due to an increase in fuel cost adjustment charge resulting from rise in fuel prices.
- **Ordinary Loss - ¥240.0 billion (Decrease of ¥40.0 billion compared to the previous forecast)**
Ordinary income is expected to decrease due to an increase in electricity procurement costs resulting from rising fuel prices, weakening yen and soaring JEPX prices.

Consolidated Financial Forecasts for FY2022

(billions of yen)

	FY2022 forecast (previous) (A)	FY2022 forecast (new) (B)	Change (B) - (A)	FY2021
Operating Revenue	2,740.0	3,080.0	340.0	2,104.4
Operating Loss	(180.0)	(220.0)	(40.0)	(28.7)
Ordinary Loss	(200.0)	(240.0)	(40.0)	(49.2)
Net Loss Attributable to Owners of Parent	(180.0)	(220.0)	(40.0)	(108.3)
Consolidated Cash Income	130.0	100.0	(30.0)	257.3

Major Factors

		FY2022 forecast (previous)	FY2022 forecast (new)	FY2021
Electric power sales* (TWh)	R e t a i l	Approx. 65.5	Approx. 66.2	67.3
	Wholesale	Approx. 17.1	Approx. 16.9	16.7
	T o t a l	Approx. 82.6	Approx. 83.1	84.1
Crude Oil CIF Price (\$/bbl.)		Approx. 110	Approx. 104	77.2
Exchange Rate (¥/\$)		Approx. 130	Approx. 136	112
Nuclear Power Utilization Rate (%)		-	-	-

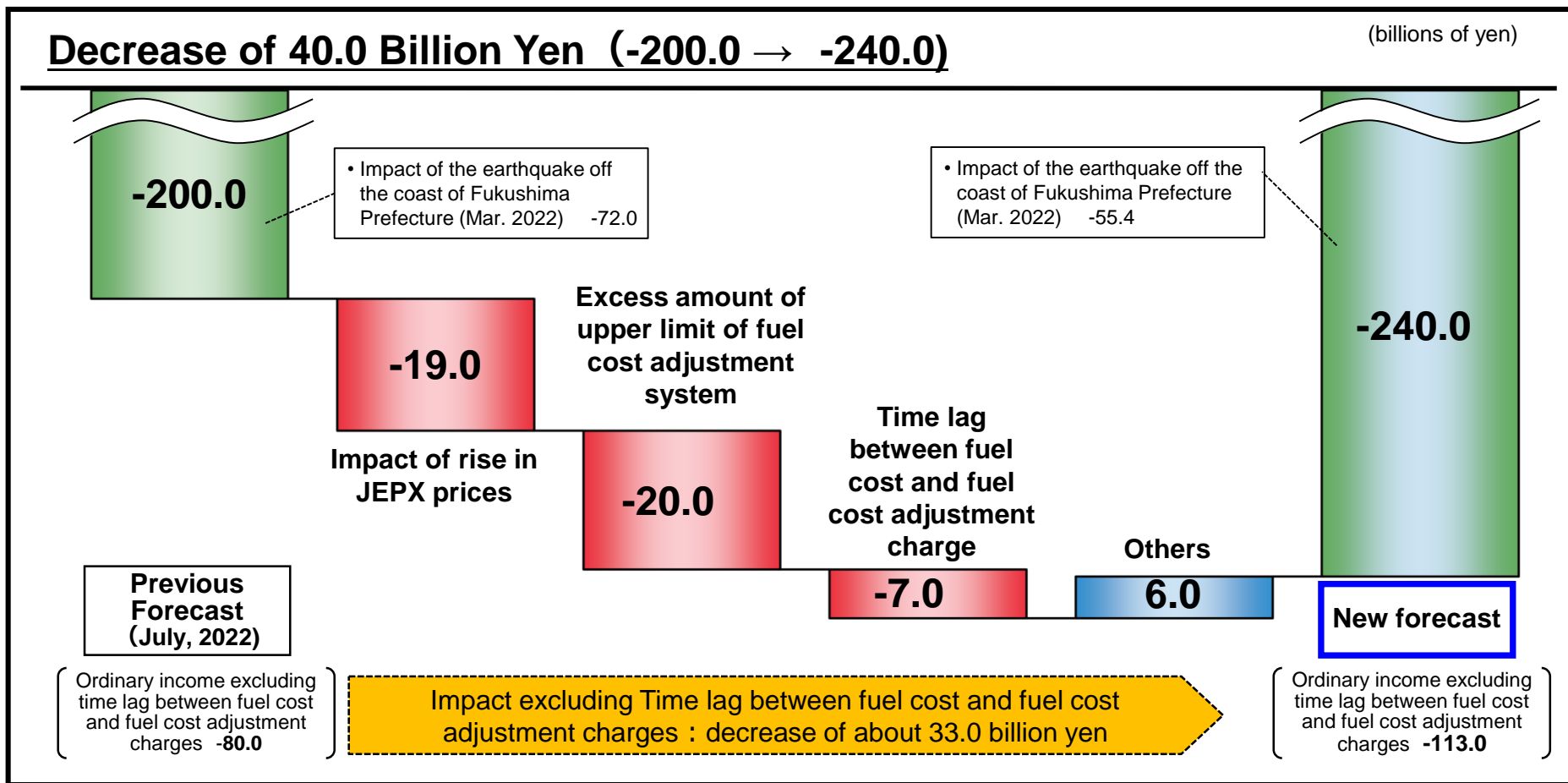
Sensitivity to Major Factors

(billions of yen)

Crude Oil CIF Price (per \$/bbl.)	Approx. 2.8
Exchange Rate (per ¥1/\$)	Approx. 6.8

* Individual figures of Tohoku Electric Power Co., Inc., excluding network business.

Changing factor of consolidated ordinary income



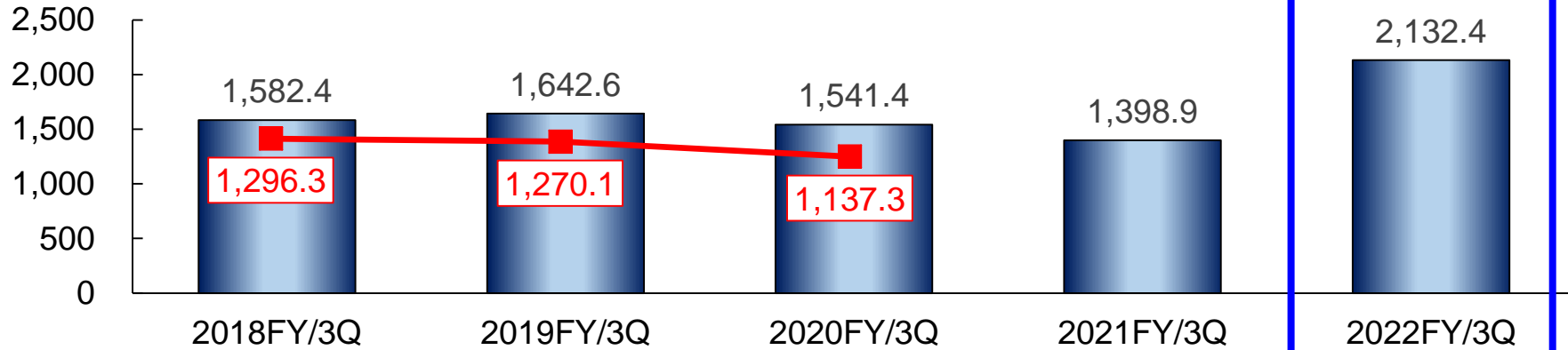
Dividend Forecast for FY2022

(No revision has been made from July 2022 release)

	(yen)		
	Interim	Year-end	Annual
FY2022 forecast	0	0	0

■ Operating Revenue

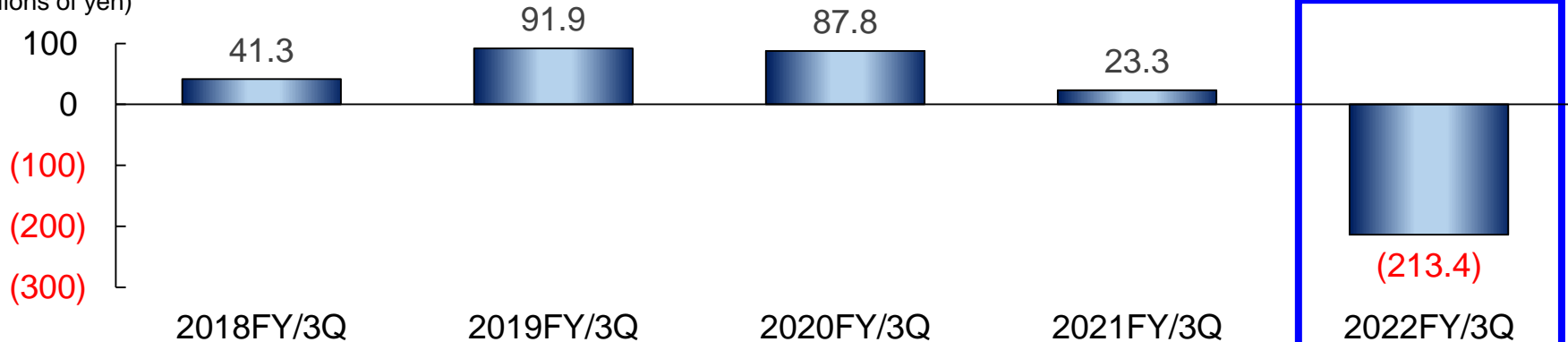
(billions of yen)



Note : Red line shows operating revenue (consolidated) excluding grant under act on purchase of renewable energy sourced electricity, the surcharge for promoting renewable energy sourced electricity, and the self-contracted portion due to indirect auction, etc. FY2021 is after the application of the "Accounting Standard for Revenue Recognition."

■ Operating Income

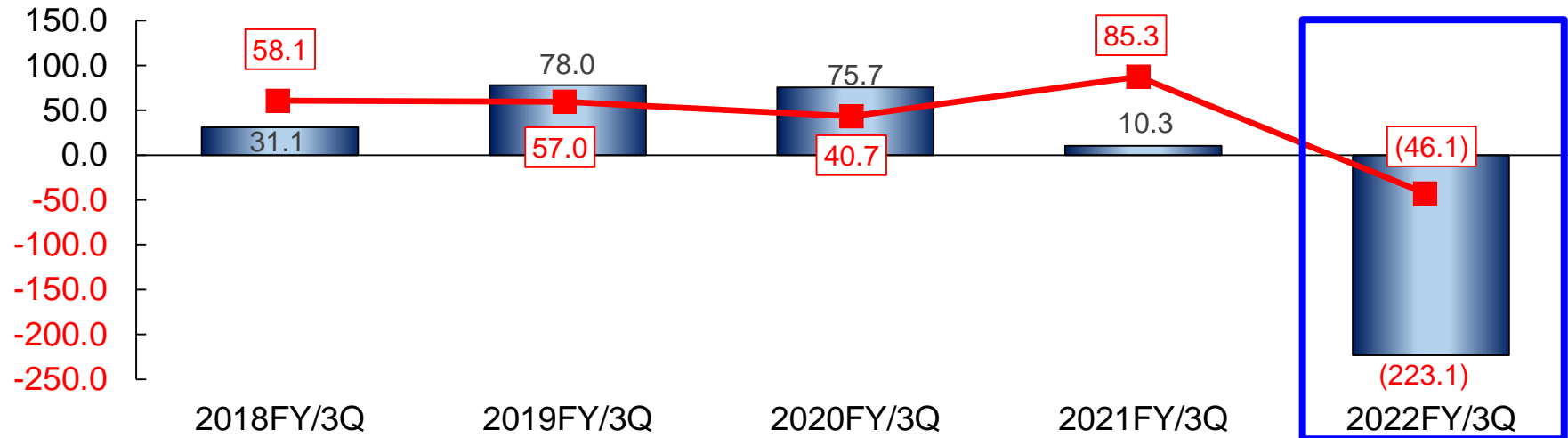
(billions of yen)



	2018FY/3Q	2019FY/3Q	2020FY/3Q	2021FY/3Q	2022FY/3Q
Operating Income on Operating Revenue Ratio (Consolidated basis)	2.6%	5.6%	5.7%	1.7%	(10.0)%
Operating Income on Operating Revenue Ratio using above red line (Consolidated basis)	3.2%	7.2%	7.7%		

■ Ordinary Income

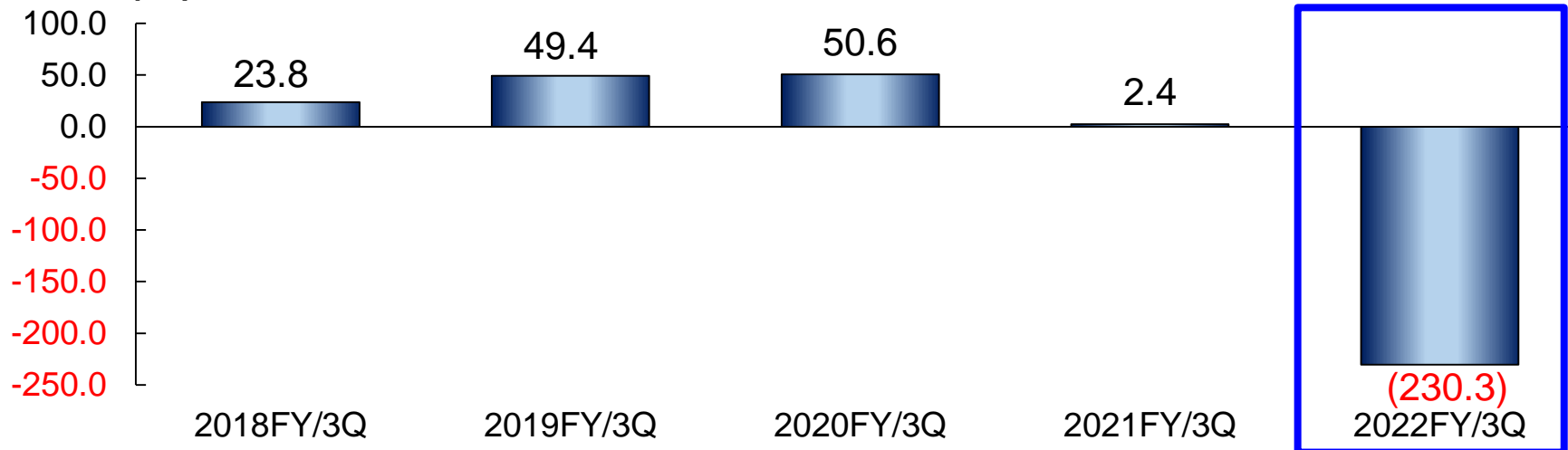
(billions of yen)



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

■ Net Income Attribute to Owners of Parent

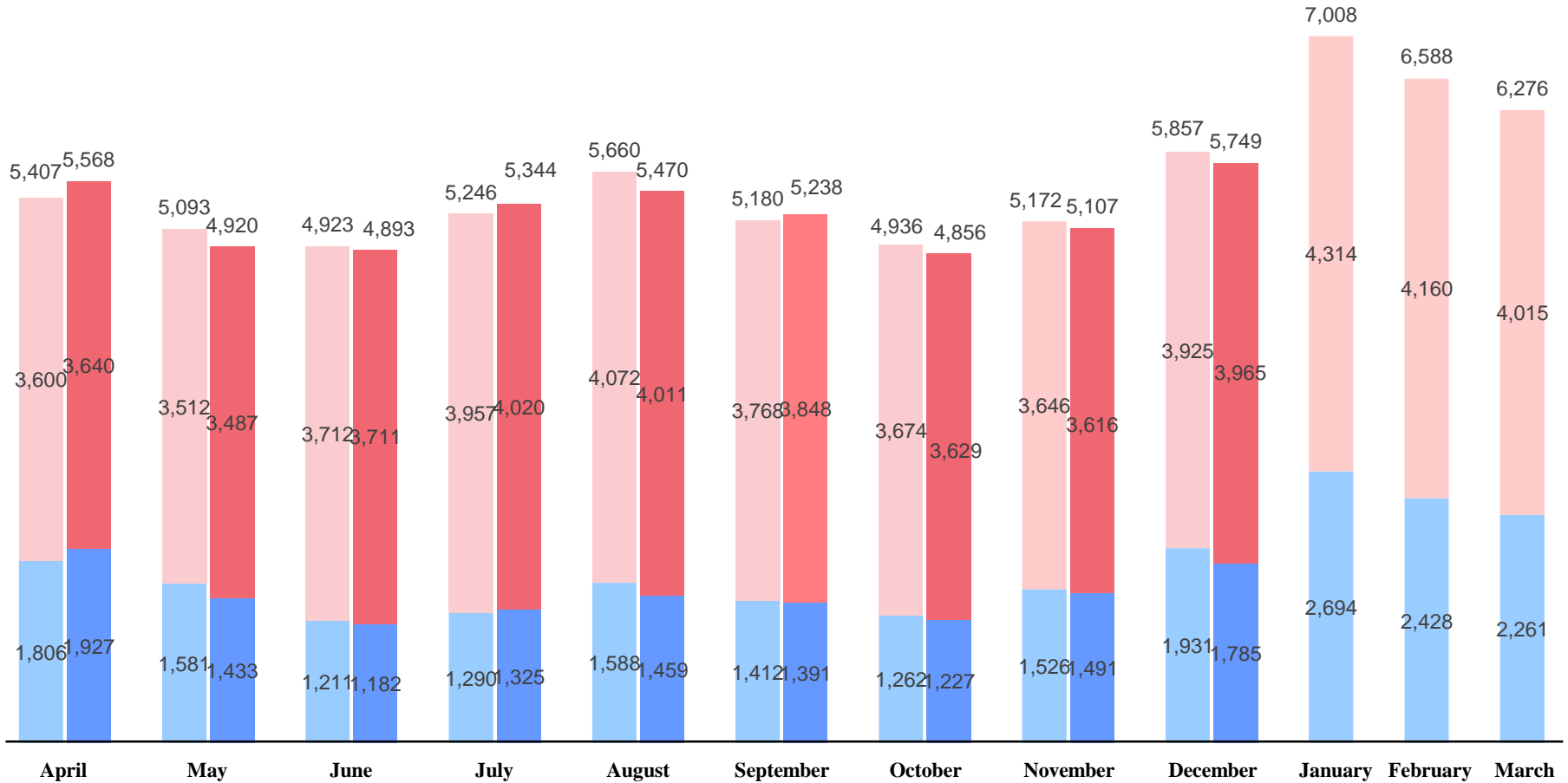
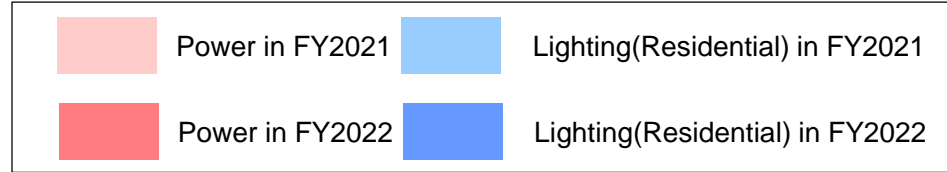
(billions of yen)



Retail Electricity Sales Volume by Month

Retail Electricity Sales Volume

(GWh)

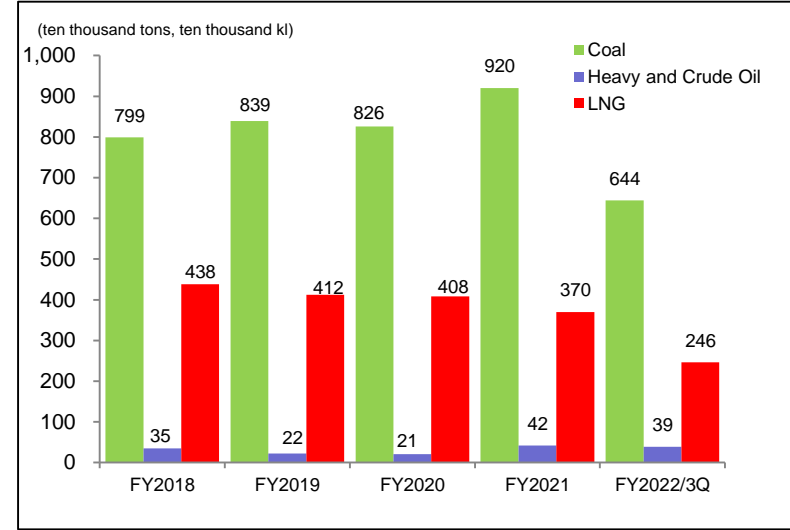


Fuel Consumption Results

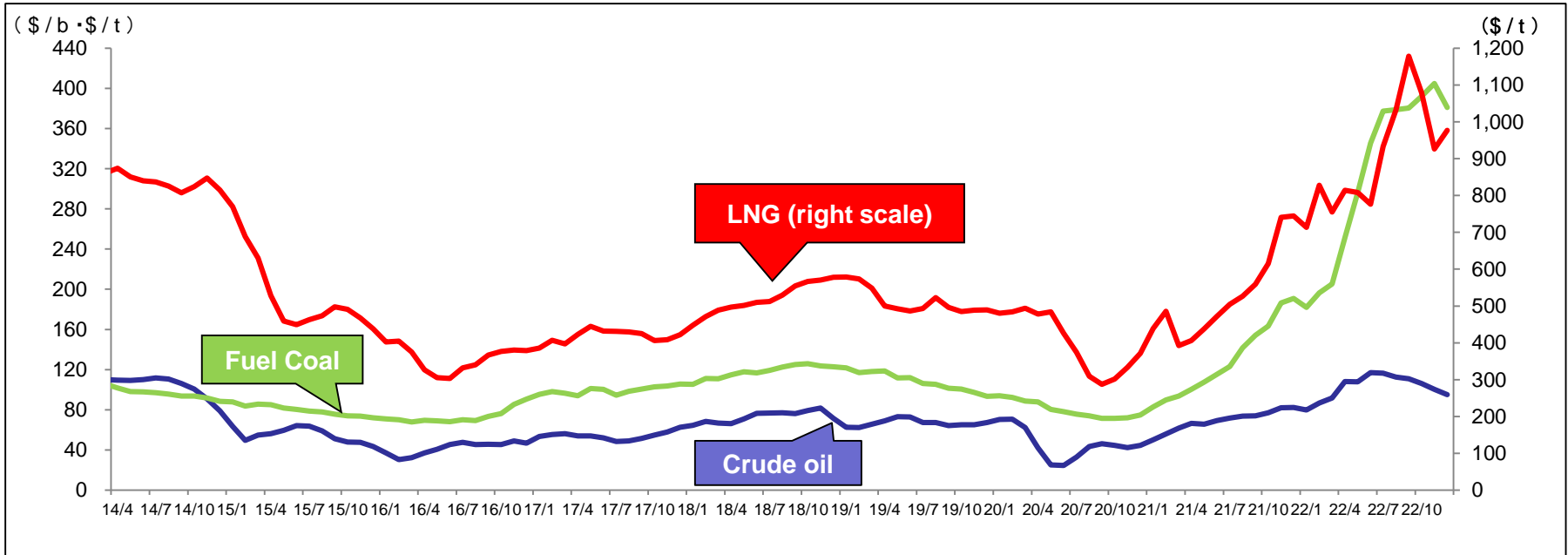
Fuel Consumption

	FY2021/3Q (A)	FY2022/3Q (B)	Change (B) - (A)	(Reference) FY2021
Coal (ten thousand tons)	704	644	(60)	920
Heavy and Crude Oil (ten thousand kl)	21	39	18	42
LNG (ten thousand tons)	260	246	(14)	370

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



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



Topics

Application for electricity rate revision

17

- Our company filed to the Ministry of Economy, Trade, and Industry for plans to raise regulated retail electricity rates in November 2022.
- In addition, we revised deregulated electricity charge for low voltage accordingly.

Regulated electricity charge

- **Submitting an application to raise regulated retail electricity rates [Applied in November 2022/ Implemented in April 2023]**
 - ✓ Since June 2022, an average fuel price has been surpassing the upper limit of fuel cost adjustment system. In order to make up for an excess amount, the cost burden on us has increased further. For these reasons, it is estimated that our loss in regulated sector would be approximately 55 billion yen for FY2022.
 - ✓ Considering such a situation, we have no choice but to raise regulated retail electricity charge. Therefore, we applied to the METI for increase in regulated retail electricity charge by an average of 32.94% from April 2023.

High voltage and extra-high voltage power

- **Revising unit cost of electricity charge [Announced in July 2022/ Implemented in November 2022]**
 - ✓ A new unit cost of electricity charge rate was applied for those who renewed their contracts from November 2022.
 - ✓ In addition, as the fuel market prices have been increasing even after revising the unit cost of electricity charge rate, it is difficult for us to continue power supply at the revised rate level. Therefore, we have been offering a market-linked electricity rate plan for those who start to have their contracts since September 2022.

Deregulated electricity charge

Low voltage

- **Abolishing the upper limit of fuel cost adjustment system [Announced in July 2022/ Implemented in November 2022]**
 - ✓ For our customers with deregulated rate plan of low-voltage, no upper limit of fuel cost adjustment cost will be applied from November 2022 (charged in December 2022). So an excess amount of the cost is passed through to the electricity charge.
- **Revising unit cost of electricity charge [Announced in November 2022/ Implemented in April 2023]**
- **Revising unit cost gap between daytime and nighttime [Timeline is same as the above]**
- **Revising standard fuel cost and others under fuel cost adjustment system [Timeline is same as the above]**
 - ✓ As we raise regulated retail electricity rates, an energy mix (composition ratio of power source) for fuel adjustment system was revised, based on the current supply cost. Accordingly, unit cost of low-voltage charge will be also revised.
 - ✓ Considering the timing of the approval for regulated cost and Wheeling Charge Provisions and other factors, we need to re-examine the contents to be announced.

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

■ Onagawa Nuclear Power Station

Conformity assessment	<ol style="list-style-type: none"> 1. Permission for application for approval of license amendment (February 26, 2020) 2. Approval for construction plan (December 23, 2021) 3. Currently, assessment on application for approval of safety regulations is underway. (Supplementary application (January 20, 2023))
Construction work on safety measures	Currently, additional ground improvement work for seawalls, installation of venting equipment for containment vessels with filters and earthquake resistant reinforcement construction on pressure control room are underway with the aim of completing the work in November 2023.
Pre-Service Operator Inspections	<p>Since May 2022, Pre-Service Operator inspections have been conducted. The main inspection process is as follows.</p> <ol style="list-style-type: none"> 1. Inspections during the fuel bundles insertion by November 2023 2. Inspections at the beginning stage of criticality reaction operations by February 2024 3. Inspections at the time of construction completion by April 2024. <p>After the inspection described in "2", the reactor start-up operation will be performed. Based on other companies' examples and our past performance, the timing of the generators running in parallel after that is assumed to be February 2024, and the resumption of commercial operation is assumed to be in April 2024.</p>



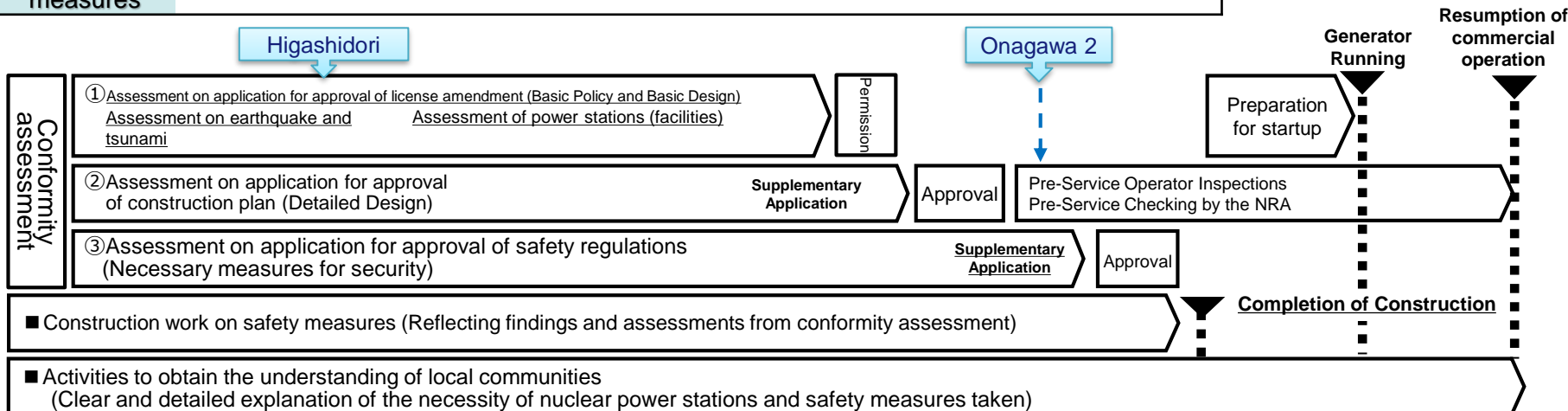
Sea wall 29m above sea level of Onagawa Nuclear Power Station



Panoramic view of Higashidori Nuclear Power Station

■ Higashidori Nuclear Power Station

Conformity assessment	<ol style="list-style-type: none"> 1. Currently, the review of the assessment of earthquake and tsunami is underway. *Assessment of ground motion and tsunami standards is underway.
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.



■ Joetsu Thermal Power Station Unit No.1, which achieved thermal efficiency of the world's highest level, started its commercial operation. In addition, we completed restoration of all power generation facilities, which was damaged by the earthquake off the coast of Fukushima in March 2022.

■ Starting operation at Joetsu Thermal Power Station Unit No.1

- ✓ As the conventional thermal power stations have been aging and competition has been intensifying, we started commercial operation **as a cost-competitive and state-of-the-art thermal power source on December 1, 2022.**
- ✓ By introducing a next-generation gas turbine that is based on a forced air-cooled combustor system utilizing cutting-edge technology, **we achieved thermal efficiency of 63.62%, the world's highest level for gas combined cycle power generation facilities. It was recognized by a third-party organization as the most efficient combined cycle power plant.**
- ✓ By reducing the amount of fuel consumption and CO2 emissions, we could realize high economic efficiency and less burden on environment.
- ✓ As for inspection of equipment, **we introduced autonomous patrol system which combines robot, drone, and AI technology.** While autonomously moving, a robot will collect each data and judge if there's any anomaly by itself. If any anomaly is detected, the result will be send to an operator. Therefore, the system will improve inspection accuracy and also contribute to reduce the burden on operators.



Whole View of the Joetsu Thermal Power Station



Autonomous walking Robot

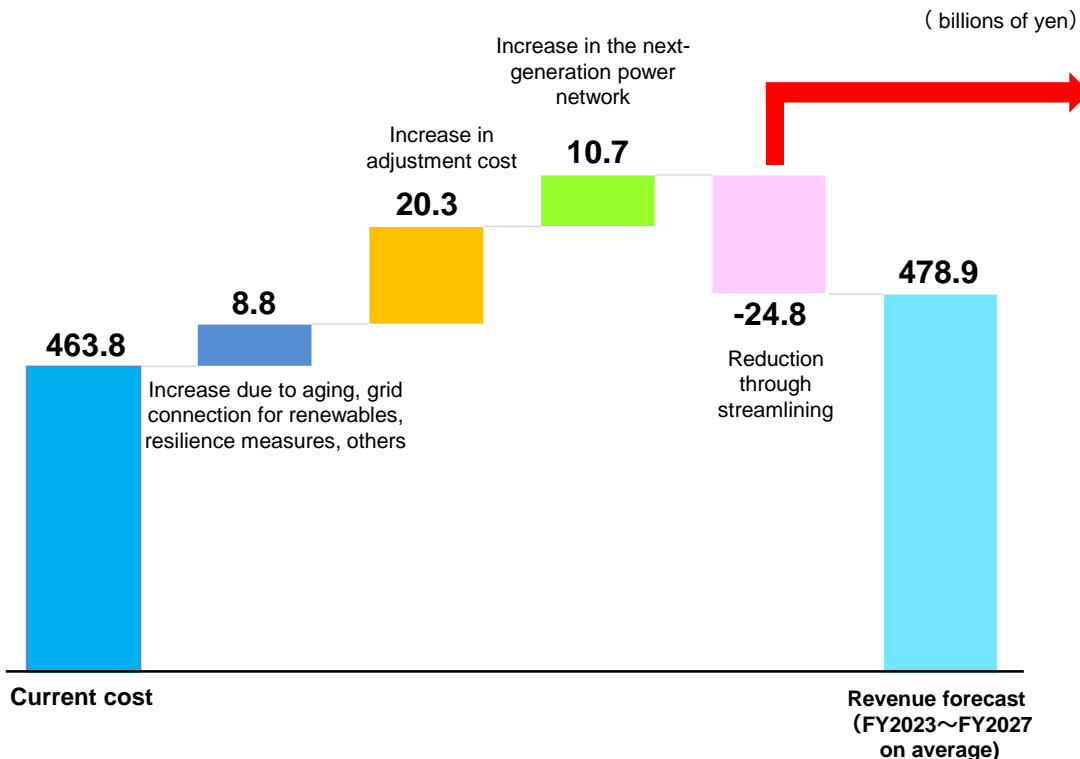
■ Current situation of restoring power plants hit by the earthquake off the coast of Fukushima in March 2022

- ✓ Our power stations were hugely damaged at the time, but we finally completed restoration of all the power generation facilities when Shinchi Thermal Power Station Unit No.2 was reconstructed in January 2023.

	Power stations hit by the earthquake (Date of restoration)
Tohoku Electric Power	Shinsendai No.3-2 (March 17), Shinsendai No. 3-1 (March 25), Haramachi No.1 (May 10), Haramachi No.2 (July 13), Sendai No.4 (November 24),
Soma Kyodo Power	Shinchi No.1 (November 11), Shinchi No.2 (January 13, 2023)

- Looking ahead to a new network tariff regulation system called ‘Revenue Cap’ which is to be introduced in April 2023, Tohoku Electric Power Network Co., Inc. submitted their business plans and revenue forecast for FY2023 through FY 2027 to the Ministry of Economy, Trade, and Industry in July 2022. Then, the METI examined them through.
- Based on the examination, the approved revenue forecast (revenue cap) increased by 15.1 billion yen to 478.9 billion yen (an average figure of the next five years), from the current cost of wheeling charge (463.8 billion yen). Based on this, our company sought the government to approve the Wheeling Charge Provisions regarding a hike of wheeling charge in December 2022. (The approved Wheeling Charge Provisions will be applied from April 1, 2023.)
- Tohoku Electric Power Network Co., Inc. will continuously work on reducing the cost by further enhancing efficiency, as well as balancing stable power supply.

<Factors behind the fluctuation of “revenue forecast” >



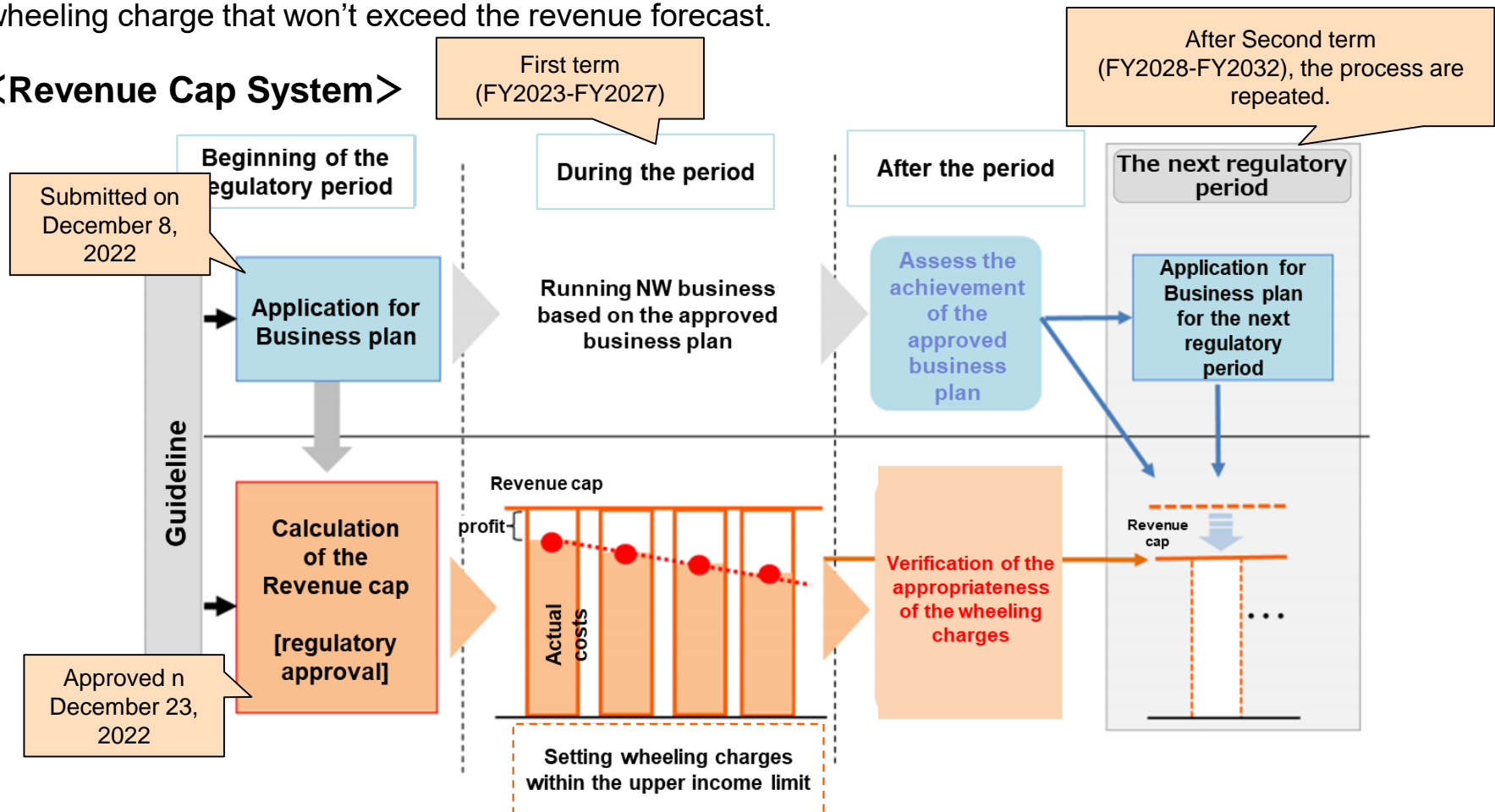
<Our efforts to seek efficiency>

Item	Major action
Effective HR allocation	Centralization of operation, outsourcing, and others
Efficient purchase of materials and equipment	Price reduction by alliance, expanding reuse of removed materials, and others
Increasing construction efficiency	Rational countermeasures against damages from snow and thunder, careful selection of depleted transformer replacement construction, and others
Others	Efficient system maintenance cost, direct management of inspection operation, and others

[Reference] Overview of Revenue Cap system

- Against the backdrop of changing situation surrounding transmission and distribution operators, a new network tariff regulation system called 'Revenue Cap' is planned to be introduced from April 2023 in order to ensure that necessary investment is steadily implemented by transmission and distribution operators in order to secure stable power supply.
- Under a new network tariff regulation system, based on the government's policies, each transmission and distribution operator is expected to formulate its business plan that contains a target during regulated period.
- Each transmission and distribution operator calculates an essential cost to achieve its business plan as a revenue forecast (revenue cap) and obtain an approval from the government. At the same time, they set a wheeling charge that won't exceed the revenue forecast.

<Revenue Cap System>

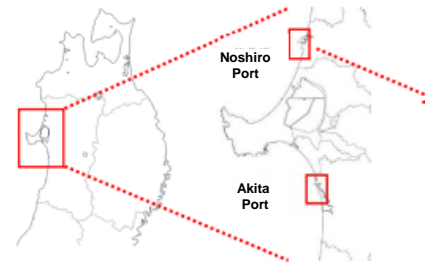


- As for renewable energy, we further accelerate our initiatives in new development of 2GW early in the 2030 and onwards, and promote PPA and O&M business including maintenance of renewable energy.

Starting operation at Noshiro Port Offshore Wind Farm

- We participated and invested in the Japan’s first large-scale offshore wind farm project through a special-purpose company, “Akita Offshore Wind Corporation (AOW).”
- Noshiro Port Offshore Wind Farm started commercial operation on December 22, 2022 and Akita Port Offshore Wind Farm on January 31, 2023, both of which are based on the feed-in tariff on December 22, 2022.

	Akita Port Offshore Wind	Noshiro Port Offshore Wind
Site Location	Akita Port in Akita prefecture	Noshiro Port in Akita prefecture
Output	Approximately 140MW <small>*4.2MW/windmill (Akita Port : 13 windmills, Noshiro Port : 20 windmills)</small>	
Project Cost	Approximately 100 billion yen	
Generation Type	Bottom-fixed offshore wind farm	
Operating Company	Akita Offshore Wind Corporation	



Provided by Akita Offshore Wind Corporation

Expanding O&M business through Tohoku Electric Power RENES

- We engage in operation and maintenance of renewable energy power generation business through Tohoku Electric Power RENES by leveraging our group’s strengths, including lots of business bases in all prefectures in the Tohoku and Niigata regions and technical skills and expertise cultivated through our electric power business.
- In December 2022, “Akita Juku, Tohoku Electric Power RENES Training Center” where training for safely working at height in a turbine is provided was established on the site of Akita Thermal Power Station. (The service is to start this March.)
- In addition, “Noshiro Juku, Tohoku Electric Power RENES Training Center” where maintenance training is provided plans to be open on the site of Noshiro Thermal Power Station in March 2023.



Entrance of training center



Image of training

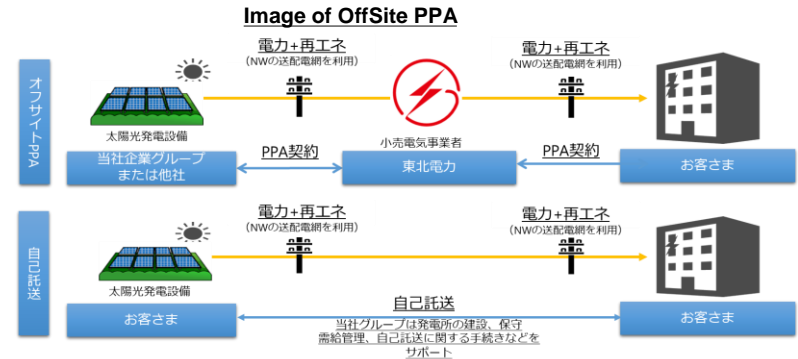
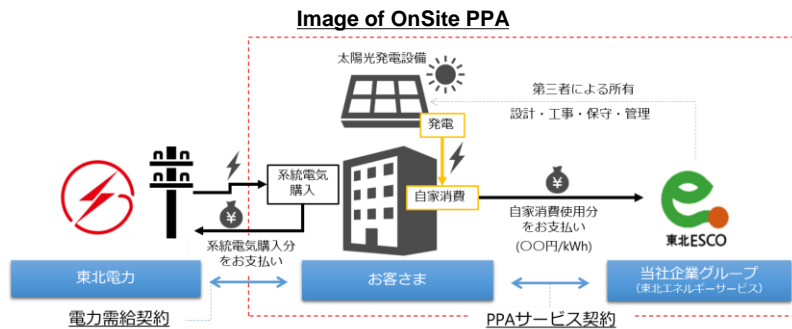
Outline of Training

- First Aid** : Training in first aid for injuries, CPR, and others
- Manual Handling** : Training to transport heavy objects safely
- Working at height** : Vertical ladder rescue training, emergency descent training
- Fire Awareness & Basic Fire Fighting training** : Initial firefighting training, escape training

Promoting Corporate PPA*

- ✓ As one of sales policies towards building a smart society, which is articulated in Tohoku Electric Power Group’s Medium- to Long-Term Vision “Working Alongside Next”, we aim to “promptly commercialize our services such as offering distributed energy to customers and installing storage batteries”.
- ✓ Regarding corporate PPA business*, we have mainly provided onsite PPA service so far. However, we will examine and accelerate to commercialize offsite PPA service going forward.
- ✓ As a part of our initiatives in offsite PPA business, we set up Office of Corporate PPA to lead corporate PPA business of the entire group.

* Corporate PPA: PPA (Power Purchase Agreement) is a direct and long-term contract between electricity producers and corporate consumers (demand side). The electricity producers procure and supply renewable energy electricity that is generated at newly established solar farms at fixed price for a long period.



Construction of carport style solar power plant at Sendai Airport

In collaboration with Toyota Tsusho Corporation and TOKYU LAND CORPORATION, carport style solar power plant is under construction in a customer parking lot at Sendai Airport. All the electricity generated at the facility will be utilized at an airport passenger terminal building. (PPA is planned to be concluded.)

Installed area	Approximately 8,763㎡ (planned)
Output	Panel capacity 1,771.2kW, PCS capacity 1,595.5kW
Start of construction	November 30, 2022
Start of operation	April 2023 (planned)



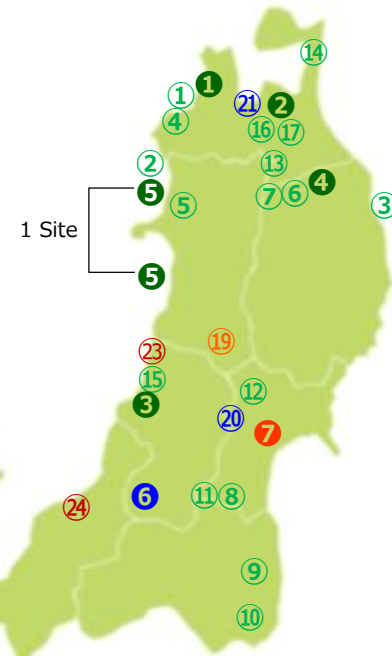
Under construction

(As of January 31)

	Project Name	Output	Scheduled Commercial Operation Date
Offshore Wind	① Tsugaru Offshore Wind	Approx.480MW	After FY2028
	② Happo-Noshiro Offshore Wind	Approx.356MW	After FY2028
	③ Kuji City Floating Offshore Wind	TBD	TBD
Onshore Wind	④ Fukaura Wind	Approx.70MW	Feb. 2024
	⑤ Noshiro-Yamamoto Regional Wind	Approx.100MW	After FY2023
	⑥ Inaniwa Takko Wind	Approx.100MW	After FY2025
	⑦ Inaniwa Wind	Approx.100MW	After FY2025
	⑧ Shiroishi Kosugo Wind	Approx.38MW	After FY2026
	⑨ Southern Abukuma Wind	Approx.90MW	After FY2025
	⑩ Tabito Central Windfarm	Approx.54.6MW	After FY2027
	⑪ Inego-Toge Windfarm	Approx.58.8MW(Max)	May 2028
	⑫ Miyagi Kami Windfarm	Approx.42MW	FY2024
	⑬ Takko Wind (tentative name)	Approx.75.6MW(Max)	After FY2027
	⑭ Shimokita	Approx.96MW	After FY2027
	⑮ JRE Sakata Replace	Approx.27.5MW(Max)	FY2026
	⑯ Oonakadai-bokujyo Wind	Approx.4MW	Nov. 2024
	⑰ Fukamochi Wind	Approx.94.6MW(Max)	After FY2030
	⑱ Fukui Kunimidake Wind	Approx.37.8MW(Max)	May 2027
Geothermal	⑲ Kijiyama (tentative name)	14.9MW	2029
Hydroelectric	⑳ Naruse River	2.3MW(Max)	FY2034
	㉑ Shin-Kamimatsuzawa	9.4MW(Max)	Nov. 2031
Solar	㉒ Tsuhaze	35MW	Mar. 2023
Biomass	㉓ Chokai-Minami	52.9MW	Oct. 2024
	㉔ Niigata East Port	50MW	Oct. 2024

Development/participation results
(as of the end of January, 2023)Total output share **650** MW

*Value in case of all commercialization



(Fukui, Fukui)
 ⑱ Fukui Kunimidake
 (Tsu, Mie)
 ㉒ Tsuhaze

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

Operation started

	Project Name	Output	Operation Date
Onshore Wind	① Windfarm Tsugaru	121.6MW	April 2020
	② Shichinohe-Towada Wind	30.5MW	Dec. 2021
	③ Tsuruoka Hachimoriyama Wind	13.6MW	Nov. 2021
	④ Oritsumedake South 1 Wind	Approx.44MW	Jan. 2023
	⑤ Akita and Noshiro Port Offshore Wind	Approx.140MW	After Jan. 2023
Hydroelectric	⑥ Tamagawa No.2 Hydroelectric	14.6MW(Max)	Nov. 2022
Solar	⑦ Miyagi Osato Solar Park	37.5MW	Oct. 2021

- In November 2022, we launched a new members-only ecommerce store, “Tohoku Electric Power Life Service Store” which provide services to help our customers’ lives as an initiative to achieve smart society building.
- In the “Tohoku Electric Power Life Service Store”, you can easily access to useful services that enable you to achieve safe and secure lives. That includes support for those in trouble with keys, windows, and construction tools, as well as maintenance services for vacant house.
- Going forward, we aim to provide services that can solve problems in a daily life, based on a sense of safety and confidence that we have cultivated through our local-based electric power business for more than 70 years.

“Tohoku Electric Power Life Service Store”

- ✓ In November 2022, we renewed a part of our web page and launched this service store.
- ✓ At this store, you can easily access to various services that will help achieve your safe and secure lives.
- ✓ As we roll out new services, we started to offer the two below.



Services that we offer

○ Trouble support for keys, windows, construction tools

- ✓ Response to troubles such as lost keys, damaged windows, door defects, and others around the clock throughout a year. The service requires only a small amount of monthly installments.



○ Maintenance service for vacant houses

- ✓ When home owners lives far away from the sites and it is difficult to keep their home by themselves, this will help to check the current status of vacant houses and report a result with photos in accordance with owners’ request.



- Thorough “Tohoku Electric Power Frontier Co., Ltd.” established in April 2021, we are developing package sales of “electricity and services” to solve customer problems and expand our earning base.
- In the "Smart Challenge for Energy Conservation," we also provide services that support customers' energy conservation, such as "air conditioner cleaning" and "inner window renovation.”

Concept of service development in Tohoku Electric Power Frontier and a series of services

<Concept of service development>

Add excitement to electricity service

We will provide excitement
that you never felt before

for your family members and yourselves.

Through our services that will add color to your lives,
Tohoku Electric Power Frontier will deliver you
something new to your lives one after another.

Enjoy
your time



Enjoy your
time with
your family

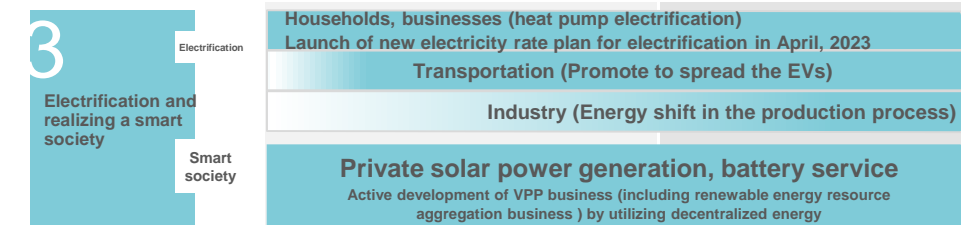
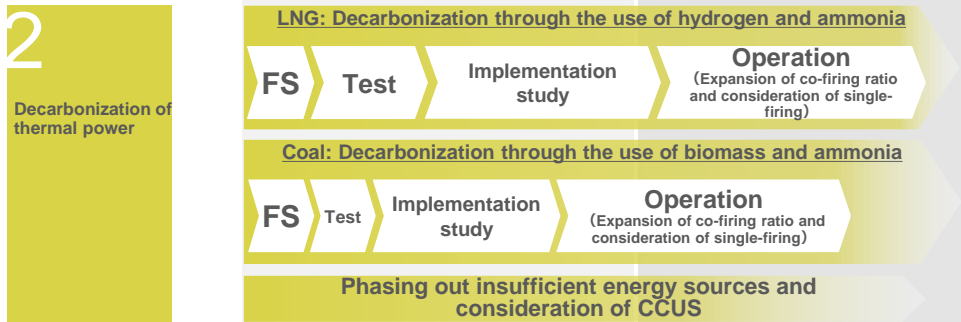
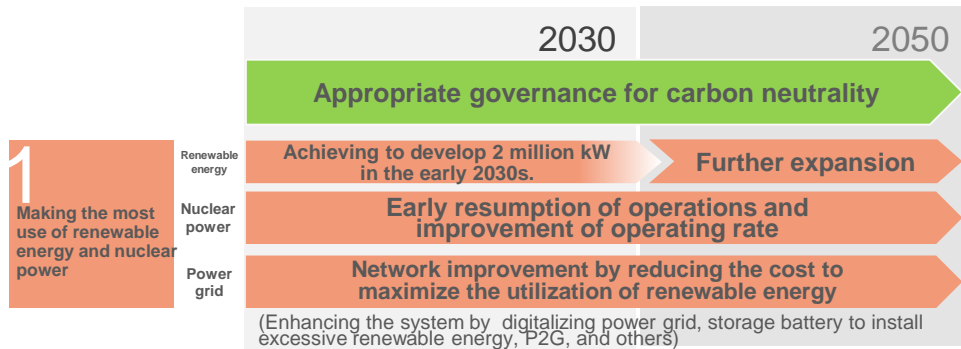
Make your own time as well as
keeping time with your family

<Major Services>

House-keeping consulting service	トキメグくらしの家計ご相談サービス
Lease service of private cars	東北電力 フロンティアで乗る
Service to sell craft beer	おうちが クラフト ビール
Camp experience and rental service of camping gear	CAMP FRONTIER
Rental and delivery service of camping gear	hinata レンタル
Subscription service of picture books	WORLDBRARY Personal
Service to shop second-hand children's clothes	キャリ-オン CARRY ON
Regular delivery service of customized coffee	PostCoffee®
Rental service that makes your lives comfortable	calice STYLE
Insurance service for simple life	東北電力フロンティア くらしのシンプル保険
Delivery service of drinking water	Aqua Clara
Box storage and delivery service	サマリ-ポケット

- We work to realize a carbon-neutral society, focusing on three measures “Maximum use of renewable energy and nuclear power,” “De-carbonization of thermal power,” “Electrification and realization of a smart society.”

Roadmap to 2030 and 2050



Main Efforts

Initiatives towards decarbonization of thermal power generation

- Feasibility study regarding establishing low-carbon fuel ammonia supply chain from Australia to Japan

Business partners	Contents
JOGMEC, Marubeni Corporation, Hokuriku EPCO, KANSAI EPCO, Hokkaido EPCO, Woodside Energy	In addition to CO2 that is produced from natural gas in the process of making ammonia, regarding low carbon ammonia combined with CO2 reduction countermeasures such as CCS, CCU, and afforestation, we implemented feasibility study for the whole supply chain.

- Examination and study regarding establishing CCS supply chain

Business partners	Contents
Mitsubishi Gas Chemical, Nomura Research Institute	Mainly in the eastern port of Niigata, we examined rational equipment specification for collecting CO2 and how to transport collected CO2.

- Examination of business collaboration towards introducing hydrogen and ammonia

Business partners	Contents
JERA, Kyushu EPCO, Chugoku EPCO, Shikoku EPCO	Collaboration towards establishing and expanding supply chain of hydrogen for fuel and ammonia (Joint purchasing, transportation, storage, and others)

Results of CDP assessment

- ✓ In CDP Climate Change Report conducted by CDP, an international NGO, which promotes and assesses corporate information disclosure in December 2022, **we earned an assessment of “A-”**. (up one rank from FY2021)
- ✓ We also responded to **the CDP water security questionnaire** for the first time, and **earned an assessment of “B”**.



(Note)

This presentation 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.

We hereby disclaim any responsibility or liability in relation to consequences resulting from decisions made by investors.