

Corporate Profile

Company Highlight

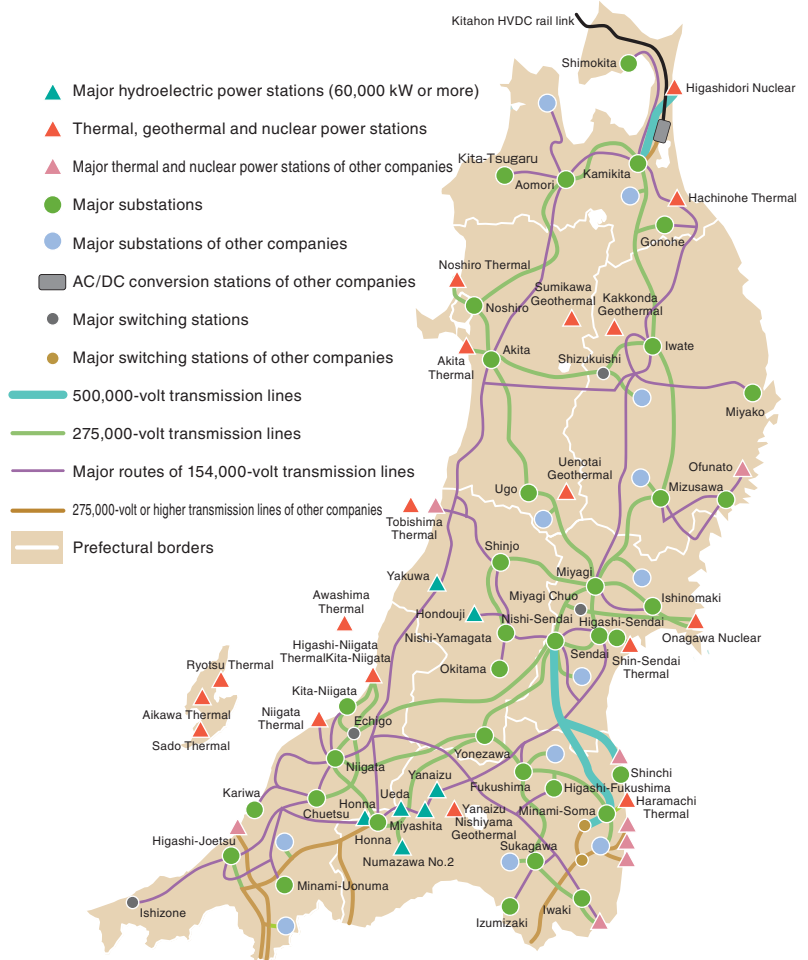
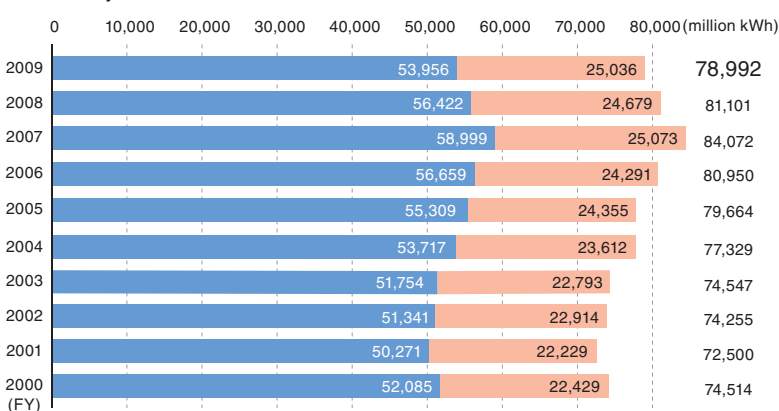
- Name of the Company: Tohoku Electric Power Co., Inc.
- Registered Head Office: 1-7-1 Honcho, Aoba-Ku, Sendai City, Miyagi 980-8550, Japan
- Date of establishment : May 1, 1951
- Equity capital : 251.4 billion yen
- Total assets : 3 trillion and 589.2 billion yen
- Gross revenues : 1 trillion and 663.3 billion yen
- Ordinary profit and loss : 43.2 billion yen
- Chair of the board : Hiroaki Takahashi
Representative Director & President : Makoto Kaiwa (as of 29th June, 2010)
- Number of shareholders : 240,578
- Service areas : Aomori Prefecture, Iwate Prefecture, Akita Prefecture, Miyagi Prefecture, Yamagata Prefecture, Fukushima Prefecture, and Niigata Prefecture
- Number of employees : 12,484
- Number of customers
Lighting/residential : 6,783 thousand
Power/commercial and industrial : 905 thousand
Total : 7,688 thousand (not including specified-scale demand)
- Number of customers (kW)
Lighting/residential : 22,308 thousand kW
Power/commercial and industrial : 5,310 thousand kW
Total : 27,618 thousand kW (not including specified-scale demand)
- Electricity sales
Lighting/residential : 25,036 million kWh
Power/commercial and industrial : 53,956 million kWh
Total : 78,992 million kWh

* Actual results of the end of March 2010 and FY2009

Major Offices and Establishments

- Head Office : 1-7-1, Honcho, Aoba-Ku, Sendai City, Miyagi Prefecture 980-8550, Japan
Tel: 022-225-2111
- Aomori Branch Office : 2-12-19 Minatomachi, Aomori City, Aomori Prefecture 030-8560, Japan
Tel: 017-742-2191
- Iwate Branch Office : 1-25 Konyacho, Morioka City, Iwate Prefecture 020-8521, Japan
Tel: 019-653-2115
- Akita Branch Office : 5-15-6 Sanno, Akita City, Akita Prefecture 010-0951, Japan
Tel: 018-863-3151
- Miyagi Branch Office : SS30 Bldg., 4-6-1 Chuo, Aoba-Ku, Sendai City, Miyagi Prefecture 980-6005, Japan
Tel: 022-225-2141
- Yamagata Branch Office : 2-1-9 Honcho, Yamagata City, Yamagata Prefecture 990-0043, Japan
Tel: 023-641-1321
- Fukushima Branch Office : 7-21 Sakaemachi, Fukushima City, Fukushima Prefecture 960-8524, Japan
Tel: 024-522-9151
- Niigata Branch Office : 84 Gobancho, Kamiokawamae-dori, Chuo-Ku, Niigata City, Niigata Prefecture 951-8633, Japan
Tel: 025-223-3151
- Tokyo Branch Office : Daini-Tekko Bldg., 1-8-2 Marunouchi, Chiyoda-Ku, Tokyo 100-0005, Japan
Tel: 03-3231-3501

Electricity Sales



URL for accessing further information on financial affairs and the environment.

- Shares and IR information:
<http://www.tohoku-epco.co.jp/ir/index-e.htm>
- Environmental Activity Report 2010 (Online version; Japanese only):
<http://www.tohoku-epco.co.jp/enviro/>

Dates of issue:

Previous: July 2009; Next: July 2011 (scheduled date)

Scope of this report

In principle, although we will be reporting the activities of Tohoku Electric Power Co., Inc., for certain activities, we have also included the actual performance results of the Tohoku Electric Power Group.

Applicable pages: P10, P12, P14, P28, P46, P52, P55, P64, P75, P79

Reporting period

Basically, the activities for FY2009 (04/01/2009 to 03/31/2010) are reported; however, some activities are from previous years and FY2010.

Referenced guidelines

- Global Reporting Initiative (GRI): Sustainability Guidelines (2006)
- Ministry of the Environment: Environment Reporting Guidelines (2007)
- Ministry of Economy, Trade and Industry: Environment Guidelines for the Interest of Stakeholders (2001)

Contact address

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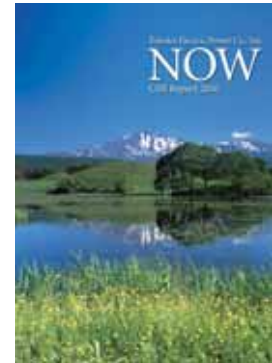
Editorial Policy

Since its foundation, Tohoku Electric Power has been performing various activities while upholding its philosophy of “the Company cannot grow without the prosperity of Tohoku region”. By publishing CSR reports since FY 2005, we have been collectively reporting the details of our Company’s CSR philosophy and activities.

In the sixth edition of this report, Makoto Kaiwa, who assumed the positions of representative director and president in June 2010, reports about our company’s management philosophy and policy based on the “Vision 2020 for the Tohoku Electric Power Group — Together with the Local Communities” and “Tohoku EPCO Group Medium-Term Business Plan.”

In addition, this report introduces topics such as “actions to achieve a low-carbon society,” “safe and stable operation of nuclear power” and “enhancement of disaster response capabilities,” which are of high interest to stakeholders of a regional electric power company, in the preface Close-Ups.

We have attached a questionnaire to this report; please send us your honest opinions and feedback.



Cover
View of Mt. Chokai from Toyamori-pond,
Nikaho-shi, Akita Prefecture

July 2010

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Greater deal of trust from local

It is my pleasure to announce to you that I, Makoto Kaiwa, have assumed the office of president of Tohoku Electric Power.

Upon presenting this report to you, “Tohoku Electric Power NOW—CSR Report 2010”, I would like to extend my greetings to you.

Our goal—Developing together with local communities

The circumstances surrounding the management environment of the electric power industry today is facing structural changes never seen before, such as the transition to a depopulating society, increasing acceleration of efforts to realize a low-carbon society, and intensifying competition for acquiring resources.

However, some things never change regardless of how the times change: Our policy that has been passed on since the foundation of the Company; “We cannot develop without the development of the Tohoku region” and our ambition to “be an essential part of the region and develop together with the region.”

In June 2009, we formulated “Vision 2020 for the Tohoku Electric Power Group—Together with the Local Communities” which shows the direction of our long-term management.

In this vision, we set forth our determination to contribute to society by stably providing optimal energy services, mainly electricity, at low prices while staying based in the Tohoku region (the six Tohoku prefectures and Niigata prefecture) as before. Through this approach, we aim to persistently develop together with the local communities, actively adapt to changes, and create our unique value together with the local communities. We believe that this is how we can fulfill our social responsibility (CSR) going forward.

To realize Vision 2020, which represents our very corporate social responsibilities, we will expand our business based on the “Tohoku EPCO Group Medium-Term Business Plan (FY 2010 to 2014)” and by focusing on “evolving our business management” and “opening up the future.”

In particular, by balancing what we should “succeed,” “change,” and “address going forward,” we will advance our efforts for all our business activities—specifically, the promotion of nuclear energy generation based on safe and stable operation, prospective efforts to realize a low-carbon society, and the promotion of environmentally-friendly, energy-saving, and highly efficient electrification such as heat pump.

Your trust supports our business

The trust of our many stakeholders, such as our customers and shareholders who support Tohoku Electric Power, is indispensable for us to carry out our business.

For this reason, based on each and every employee's recognition that corporate social responsibility is related to all of our business activities, we have been making continuous efforts focused on cooperation with local communities, supporting local revitalization, complying with corporate ethics and laws, and raising of environmental awareness.

The details of these efforts are presented in the accompanying pages of this report. In order to provide better services that will satisfy you more than ever, we will strive to gain your trust in our Company by emphasizing our motto as “using our inventiveness with a renewed sense of commitment everyday” and making efforts to “continue” as well as “stepping up” our CSR activities on a daily basis and we will aim to become an electric power company that is trusted by all of its stakeholders.

communities

Your opinion is the source of our energy

We prepared this CSR report based on the precious opinions we have received from our various stakeholders as well as our strong ambition to "share more information about our activities" and "make our stakeholders feel more familiar with the Tohoku Electric Power Group". By taking our stakeholders' opinions to heart and making continuous efforts to

respond to those opinions, we intend to further improve our activities going forward.

We appreciate your reading this report and would like to ask for the honest feedback from all of our stakeholders.

Representative Director & President
Tohoku Electric Power Co., Inc.

Makoto Kaiwa

Message from the President



Tohoku Electric Power Group Management

In June 2009, we formulated “Vision 2020 for the Tohoku Electric Power Group—Together with the Local Communities” which shows the direction of our long-term management. This vision is our milestone to continuously develop and flourish together with local communities while fulfilling our corporate mission to “stably supply energy,” “conform to environmental requirements,” and maintain “economic efficiency” even under an uncertain management environment. In Vision 2020, we specified “mutual prosperity with local communities” and “promotion of creative management” as our management principles and stated to aim for a management that will create unique values in cooperation with local communities while developing together with the local communities and actively adapting to changes. In addition, we described the goal of our company group and set out five guidelines for business management in “A Compound Energy Service Company Advancing Together with Local Communities—Tohoku

Vision 2020 for the Tohoku Electric Power Group — Together with the Local Communities

Management philosophy

Mutual prosperity with local communities

Promoting creative management

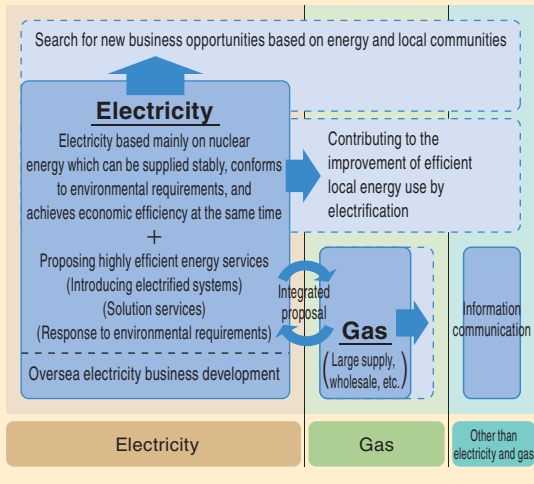
Image of the corporate group

An energy service conglomerate that walks together with local communities

– Ask Tohoku Electric Power Group for energy solutions –

We provide high-quality energy services focused on electricity and gas that can contribute to the improvement of efficient local energy use, with the basic premise of securing safety.

Proposing energy services that meet customer needs by mobilizing the full potential of Tohoku Electric Power Group



Direction of business operation

1 Promoting to supply energy focused on nuclear energy
— stably supplying energy, conforming to environmental requirements, and achieving economic efficiency at the same time —

- (1) Achieving the best mix of energy sources by steadily promoting nuclear energy
- (2) Managing businesses to improve the utilization of nuclear power stations

2 Efforts to improve the efficiency of local energy use

- (1) Contributing to local communities by making proposals to improve the efficiency of energy use
- (2) Developing technologies in order to adapt to changes in the forms of energy use and supply and searching for business possibilities

3 Promoting business operations to achieve a more stable balance of payment

- (1) Reinforcing the ability to respond to uncertain factors affecting the balance of payments
- (2) Promoting corporate group management to demonstrate collective strength
- (3) Establishing a corporate culture that ensures safety and a stable supply

4 Training employees who will drive future growth

- (1) Recruiting and training employees who can adapt to future environmental changes
- (2) Making efforts to utilize ideas of individual employees in management

5 Strengthening cooperation to grow with local communities

- (1) Promoting activities enabling mutual growth with the Tohoku region
- (2) Promoting communication with local communities leading to smooth business operations

Prospects of the management environment

General trends in the economic society

- Shifting to a depopulating society
- Making efforts to create a low-carbon society
- Shifting to an era in which securing of resources is becoming difficult
- Seeking for a new order for global economy

Effects on our management

- Changes in energy demands due to changes in the forms of energy use and supply
- Increase in costs to respond to global warming
- Need to run businesses and cooperate with local communities based on social changes in the Tohoku region

Vision and Mid-term Business Plan

Electric Power: The Energy Specialist.”

To carry out the measures for realizing Vision 2020 as a unified group based on the guidelines specified in the vision, we formulated the “Tohoku EPCO Group Medium-Term Business Plan (FY 2010 to 2014)” as a policy for the first five years. By focusing on the eight main measures specified in this medium-term business plan, we will put all the corporate group's efforts together to realize Vision 2020 and address the current challenges.

We believe that the promotion of the guidelines and measures specified in Vision 2020 and the medium-term business Plan in itself represents our CSR efforts (see p.35 for related article).

Tohoku EPCO Group Medium-Term Business Plan (FY2010 – 2014)

Following the Tohoku EPCO Group Medium-Term Business Plan, we will realize Vision 2020, achieve an ideal balance of stably supplying energy, conforming to environmental requirements and maintaining economic efficiency, and expand our businesses as a unified group by focusing on the following main measures, while adapting to changes in the management environment and steadily addressing the current challenges in order to develop together with local communities.

Key measures

1 Steadily boost nuclear power generation by stronger, unified operations of the whole Group

Related articles in this report: P19-26

5 Increase profitability by streamlining and combining resources of the entire Group

Related articles in this report: P63-64

2 Operate facilities by simultaneously achieving stably supplying energy, conforming to environmental requirements, and achieving economic efficiency

Related articles in this report: P7-18, P27-30, P64, P67-69

6 Establish a corporate climate of greater safety and quality of operations

Related articles in this report: P19-26, P32, P41-43, P81-82

3 Create electrification market by encouraging customers to be more energy efficient

Related articles in this report: P73-74

7 Secure and develop human resources as a growth engine and build a work environment that encourages creativity

Related articles in this report: P77-84

4 Proactively work toward a low-carbon society

Related articles in this report: P7-18, P49

8 Strengthen ties with the community through discussions and events

Related articles in this report: P57-62

Actions on key measures

Evolve business operations

We must strengthen, or “evolve”, our core operations by adapting previous measures and operations to the changing environment, strengthening those which are to be continued, and reviewing those which need improvement

Open the future

We must “open” the future through new actions to proactively adapt to the changing business environment, including the trend toward a low-carbon society and possible demand fluctuations.