TOHOKU ELECTRIC POWER CO., INC.

July 29, 2026

Financial Results for the First Quarter of Fiscal Year ending March 31, 2027 (FY2026)

Tohoku Electric Power Co., Inc. released its financial results for the first quarter of FY2026 (April 1, 2026 through March 31, 2027) today.

【Consolidated Financial Results】

Total electricity sales volume increased to 18.8 TWh (5.6% increase year-on-year), as our retail electricity sales increased due to acquisition of new customers, although our wholesale electricity sales decreased as a result of decrease in wholesale electricity market transactions.

Operating revenue amounted to 785.3 billion yen, an increase of 249.9 billion yen (46.7%) year on year, mainly due to a rise in cross-regional transactions, including self-matched transactions associated with the indirect auction mechanism.

Despite improvement in earnings due to changes in market and sales conditions, a decrease in supply-demand balancing costs in the transmission and distribution business, and the impact of market valuation of forward power contracts, ordinary income decreased by 3.1 billion yen (5.4%) year on year to 54.4 billion yen, due to a lower capacity factor of Onagawa Unit 2 and the time-lag effect of the fuel cost adjustment system.

Net income attributable to owners of the parent was 36.1 billion yen, a decrease of 1.5 billion yen or 4.2% from the previous fiscal year.

Note 1: Self-matched transactions associated with the indirect auction mechanism

- This refers to transactions in which electricity is sold and purchased simultaneously across different areas through the wholesale power exchange while utilizing cross-regional interconnection lines.
- For example, when we sell electricity, which is generated in the Tohoku area, in the Tokyo area, we simultaneously execute a “sell” transaction in the Tohoku area and a “buy” transaction in the Tokyo area through the wholesale power exchange.
- Net sales include 155.1 billion yen of self-matched transactions associated with the indirect auction mechanism (an increase of 147.3 billion yen year on year). However, because corresponding costs from self-matched transactions are also recognized, these transactions have no impact on net earnings.

Note 2: The market valuation impact of forward power contracts and others

- To mitigate fuel price fluctuation risk and stabilize earnings, we conduct fuel and electricity trading through our trading subsidiary. Among these transactions, certain contracts scheduled for future delivery, including forward power contracts, are measured at fair value at the end of each reporting period in accordance with accounting standards.
- Results for the first quarter include a reversal of the market valuation impact of 56.5 billion yen recognized at the end of FY2025 and the market valuation impact of negative 26.8 billion yen as of the end of the first quarter. These are temporary timing differences and have no substantive impact on earnings.
- In addition, these valuation gains and losses are non-cash items and do not affect consolidated cash flows.

【Financial Forecast for FY2026】

Due to several uncertainties that could affect business performance, including trends in fuel prices associated with the situation in the Middle East and developments regarding the revisions to wheeling charges associated with the in-period adjustment application for "Revenue Outlook for Wheeling Services" at Tohoku Electric Power Network, our earnings forecast remains undetermined, as previously announced in April 2026.

We will promptly announce the forecast when reasonable calculation becomes possible.

【Dividend Forecast for FY2026】

There has been no change from the dividend forecast of 20 yen per share for both the interim and the year-end dividend, which was announced in April 2026.

Key points of financial results and forecasts

Financial Results for the first quarter of FY2026

Increase in revenue and decrease in income (first time in 4 years since FY2022)

Operating revenue	¥785.3 billion	(YoY increase of ¥249.9 billion)
Ordinary income	¥54.4 billion	(YoY decrease of ¥3.1 billion)
Net Income Attributable to Owners of Parent	¥36.1 billion	(YoY decrease of ¥1.5 billion)

Financial Forecasts for FY2026

Undetermined

Dividend Forecasts for FY2026

No change (Interim 20 yen / Year-end 20 yen)

Summary of Financial Results

- ✓ **Operating Revenue ¥785.3 billion (YoY increase of ¥249.9 billion)**
  ･･･Revenue increased due to a rise in cross-regional transactions, including self-matched transactions associated with the indirect auction mechanism.
- ✓ **Ordinary Income ¥ 54.4 billion (YoY decrease of ¥3.1 billion)**
  ･･･Despite improvement in earnings due to changes in market and sales conditions, a decrease in supply-demand balancing costs in the Network (transmission and distribution) business, and the impact of the market valuation of forward power contracts, profit decreased due to a lower capacity factor of Onagawa Unit 2 resulting from the periodic inspection and the time-lag effect of the fuel cost adjustment system.
- ✓ **Net Income Attributable to Owners of Parent**
  ¥ 36.1 billion (YoY decrease of ¥1.5 billion)

【Summary of Consolidated Financial Statements】

(¥ billion)

	FY2025/1Q (A)	FY2026/1Q (B)	Change (B) – (A)	Change (B) / (A)
Operating Revenue	535.3	785.3	249.9 *1	146.7 %
Ordinary Income *2	57.6 [40.6]	54.4 [37.7]	(3.1) [(2.8)]	94.6 % [92.9 %]
Net Income Attributable to Owners of Parent	37.7	36.1	(1.5)	95.8 %

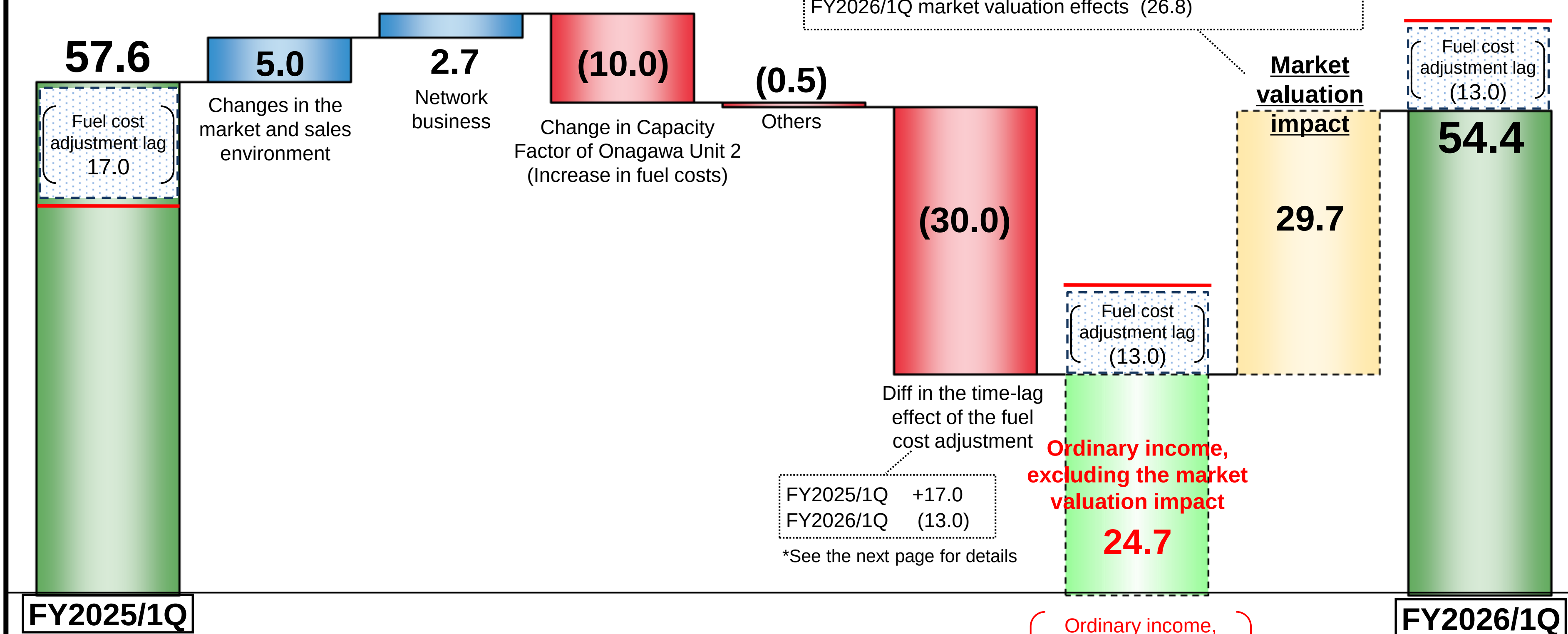
	Mar. 31, 2026 (A)	Jun. 30, 2026 (B)	Change (B) – (A)
Equity ratio (After considering hybrid bonds *3)	19.4% (21.8%)	20.0% (22.5%)	0.6% (0.7%)
Interest-Bearing Liabilities	3,479.1	3,567.2	88.0

*1 Of which, ¥147.3 billion is the increase in self-matched transactions associated with indirect auctions.
*2 Figures in [ ] exclude the time-lag effect of the fuel cost adjustment (for FY2026/1Q, the market valuation effects are also excluded).
*3 Equity ratio assuming 50% of the issued amount (¥140 billion) of the issued hybrid bonds as equity capital

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

- ✓ Despite improvement in earnings due to changes in market and sales conditions, a decrease in supply-demand balancing costs in the Network business, and the impact of the market valuation of forward power contracts, profit decreased due to a lower capacity factor of Onagawa Unit 2 and the time-lag effect of the fuel cost adjustment system.
- ✓ Regarding the market valuation effects, these include the reversal of the market valuation effects recorded at the end of the previous fiscal year and the market valuation effects as of the end of this quarter, but both are temporary timing differences and are substantially neutral to earnings.
- ✓ Consolidated ordinary income was ¥54.4 billion, a decrease of ¥3.1 billion year-on-year. (Excluding fuel cost adjustment time-lag and the market valuation effects, ¥37.7 billion, a decrease of ¥2.8 billion)

YoY decrease of ¥3.1 billion



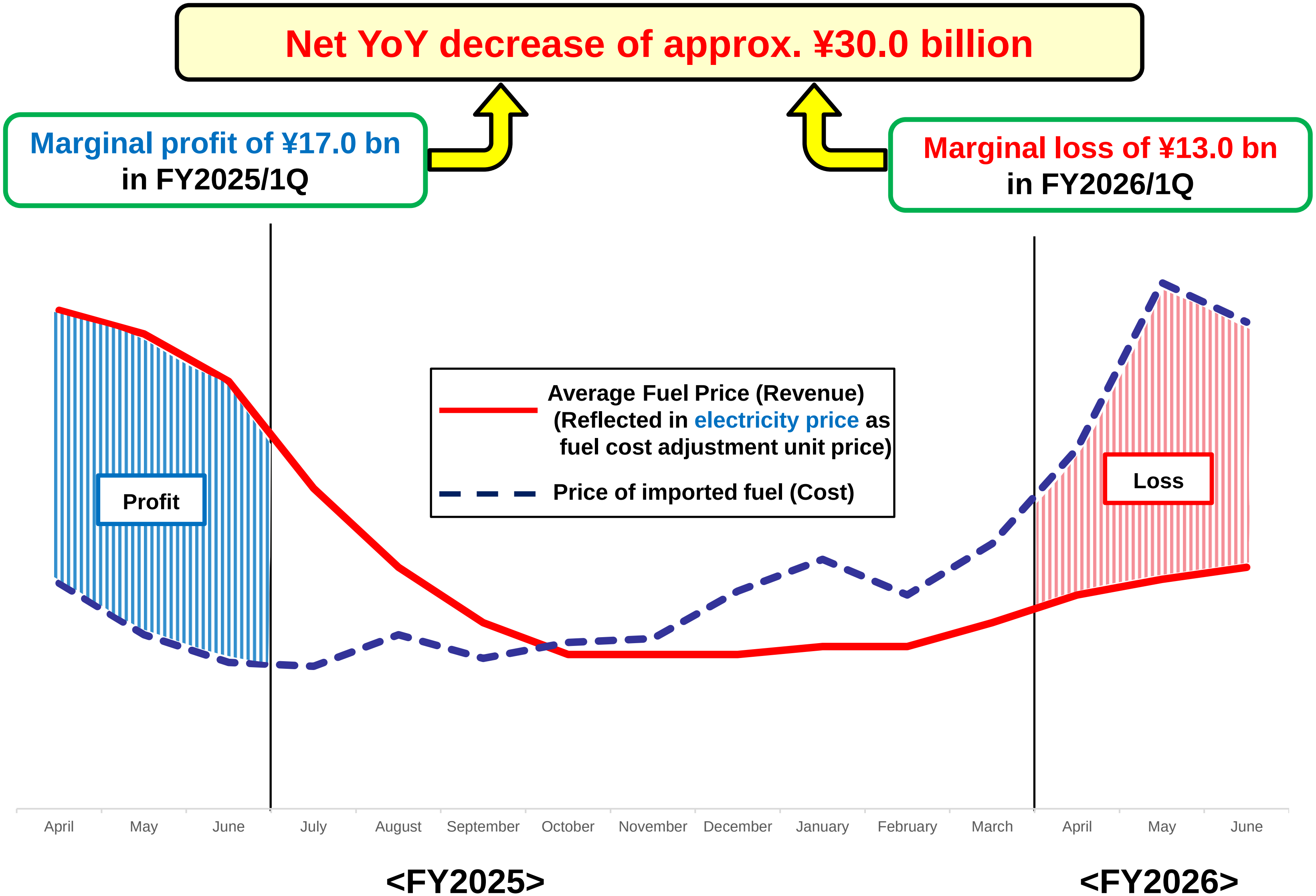
Ordinary income, excluding the fuel cost adjustment lag 40.6

YoY decline of ¥2.8 billion, excluding the fuel cost adjustment lag and the market valuation impact

Ordinary income, excluding the fuel cost adjustment lag and the market valuation impact 37.7

Time Lag Effect of Fuel Cost Adjustment

✓ **<u>The time-lag effect of the fuel cost adjustment</u>** decreased to marginal loss of ¥13.0 billion in FY2026/1Q, from marginal profit of ¥17.0 billion in FY2025/1Q, resulting in **<u>a YoY decrease of approx. ¥30.0 billion.</u>**



Electricity Sales and Major Factors

- ✓ **Retail electricity sales** **14.4 TWh (YoY increase of 1.2 TWh)**
  … Increase due to acquisition of new customers, etc.
- ✓ **Wholesale electricity sales** **4.5 TWh (YoY decline of 0.2 TWh)**
  … Decrease in wholesale electricity market transactions, etc.

【Electricity sales】

(GWh)

【Electricity sales】*1	FY2025/1Q (A)	FY2026/1Q (B)	Change (B) – (A)	Change (B) / (A)
Lighting (Residential)	4,141	3,966	(175)	95.8 %
Power	9,072	10,401	1,329	114.6 %
Subtotal of Retail Electricity Sales *2	13,214	14,368	1,154	108.7 %
Wholesale Electricity Sales *3	4,630	4,478	(152)	96.7 %
Total Electricity Sales	17,844	18,845	1,001	105.6 %

*1 Individual non-consolidated figures of Tohoku Electric Power Co., Inc., excluding the Network business.
*2 Retail Electricity Sales includes electric power for business use.
*3 Wholesale Electricity Sales includes specific interchange, etc., excluding self-matched transactions from indirect auctions

【Major factors】

	FY2025/1Q (A)	FY2026/1Q (B)	Change (B) – (A)
Crude Oil CIF Price ($/bbl)	75.1	112.7	37.6
Exchange Rate (¥/$)	145	160	15
Hydro Power Flow Rate (%)	111.2	82.6	(28.6)
Nuclear Power Capacity Factor (%)	30.4	13.7	(16.7)

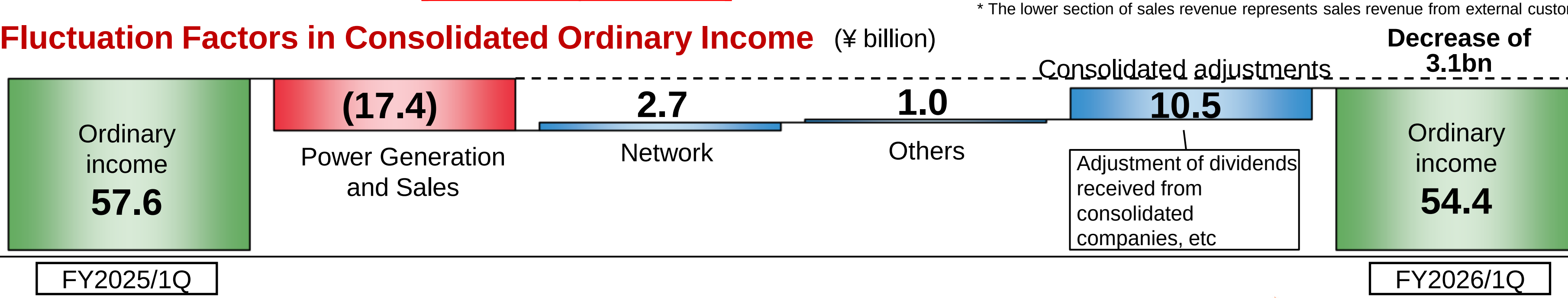
Segment Information (Consolidated)

(¥ billion)

	FY2025/1Q (A)		FY2026/1Q (B)		Change (B)-(A)		Major factors for change
	Operating Revenue *	Ordinary Income	Operating Revenue *	Ordinary Income	Operating Revenue *	Ordinary Income	
Power Generation and Sales	453.5	79.7	665.3	62.3	211.8	(17.4)	• Revenue increased due to an increase in self-matched transactions associated with indirect auctions, etc. • Despite the impact of the market valuation of forward power contracts, profit decreased due to a lower capacity factor of Onagawa Unit 2 and the time-lag effect of the fuel cost adjustment system, etc.
	424.5		639.8		215.3		
Network	196.2	(11.2)	227.1	(8.5)	30.8	2.7	• Revenue increased due to an increase in wholesale supply of renewable energy electricity, etc. • Loss narrowed due to a decrease in supply-demand balancing costs, etc.
	99.9		134.0		34.0		
Others	33.1	0.6	39.5	1.7	6.4	1.0	• In the comprehensive facility engineering business, revenue and profit increased due to an increase in nuclear-related work, etc.
	10.9		11.3		0.4		
Subtotal	682.9	69.1	932.0	55.5	249.1	(13.6)	
Adjustment	(147.5)	(11.5)	(146.7)	(1.0)	0.7	10.5	
Total	535.3	57.6	785.3	54.4	249.9	(3.1)	

* The lower section of sales revenue represents sales revenue from external customers.

Fluctuation Factors in Consolidated Ordinary Income (¥ billion)



Ordinary income excluding the fuel cost adjustment lag 40.6

Excluding fuel cost adjustment time lag and the market valuation impact : ¥2.8 billion deterioration in ordinary income

Ordinary income excluding the fuel cost adjustment lag and the market valuation impact 37.7

Balance Sheets (Consolidated)

(¥ billion)

	Mar. 31, 2026 (A)	Jun. 30, 2026 (B)	Change (B) - (A)	Major factors for change
Total Assets	5,731.8	5,681.7	(50.1)	
Non-current Assets	4,473.2	4,470.5	(2.7)	
Current Assets	1,258.5	1,211.1	(47.3)	Cash and deposits (96.4) Accounts receivable 24.7, etc.
Total Liabilities	4,596.1	4,520.2	(75.8)	
Non-current Liabilities	3,392.0	3,438.3	46.3	Long-term borrowings 74.7, etc.
Current Liabilities	1,204.0	1,081.8	(122.2)	Accounts payable (51.5) Accrued expenses (35.8), etc.
Net Assets	1,135.7	1,161.5	25.7	Net income attributable to owners of parent 36.1, etc.

	Mar. 31, 2026 (A)	Jun. 30, 2026 (B)	Change (B) - (A)	Major factors for change
Interest-Bearing Liabilities	3,479.1	3,567.2	88.0	Long-term borrowings 58.8, Bonds 30.0, etc.

	Mar. 31, 2026 (A)	Jun. 30, 2026 (B)	Change (B) - (A)
Equity Ratio (After considering hybrid bonds *)	19.4% (21.8%)	20.0% (22.5%)	0.6% (0.7%)

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

Financial and Dividend Forecast for FY2026

■ FY2026 Financial Forecast

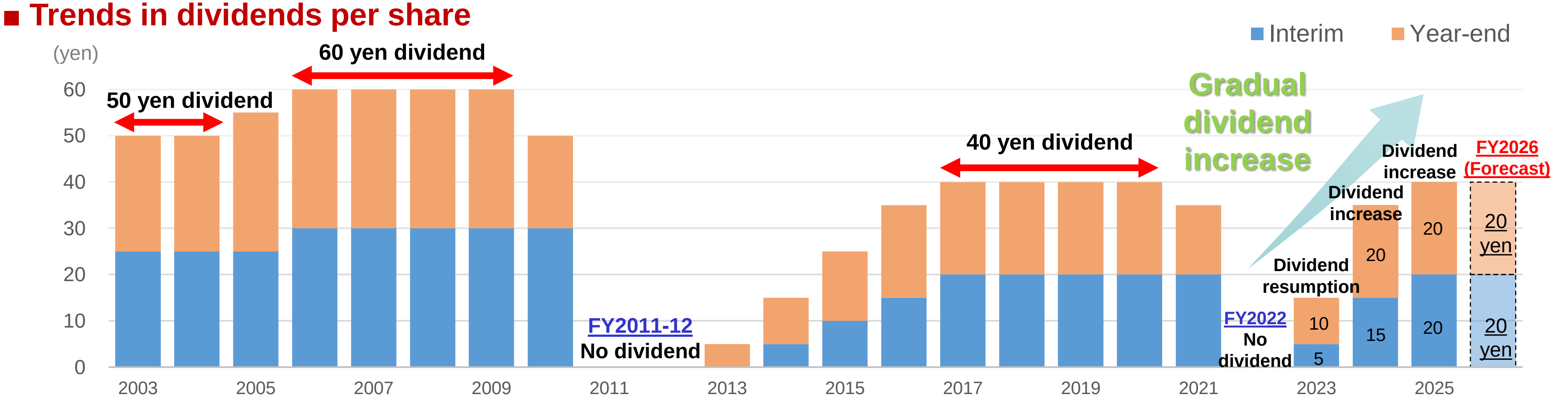
- Geopolitical risks are rising again, including the resumption of fighting in the Middle East region, and the outlook for fuel prices remains uncertain. Additionally, there are multiple uncertain factors that could affect business performance, including revisions to wheeling charges associated with the in-period adjustment application for "Revenue Outlook for Wheeling Services" at Tohoku Electric Power Network, and trends in supply-demand balancing-related income and expenditure. Therefore, the forecast is undetermined.
- We will promptly announce the forecast when reasonable calculation becomes possible.

■ FY2026 Dividend Forecast ... **No change** from the previous forecast (annual dividend: 40 yen)

(For reference, the message presented on Financial Summary FY2025 (April 30, 2026) is reproduced below.)

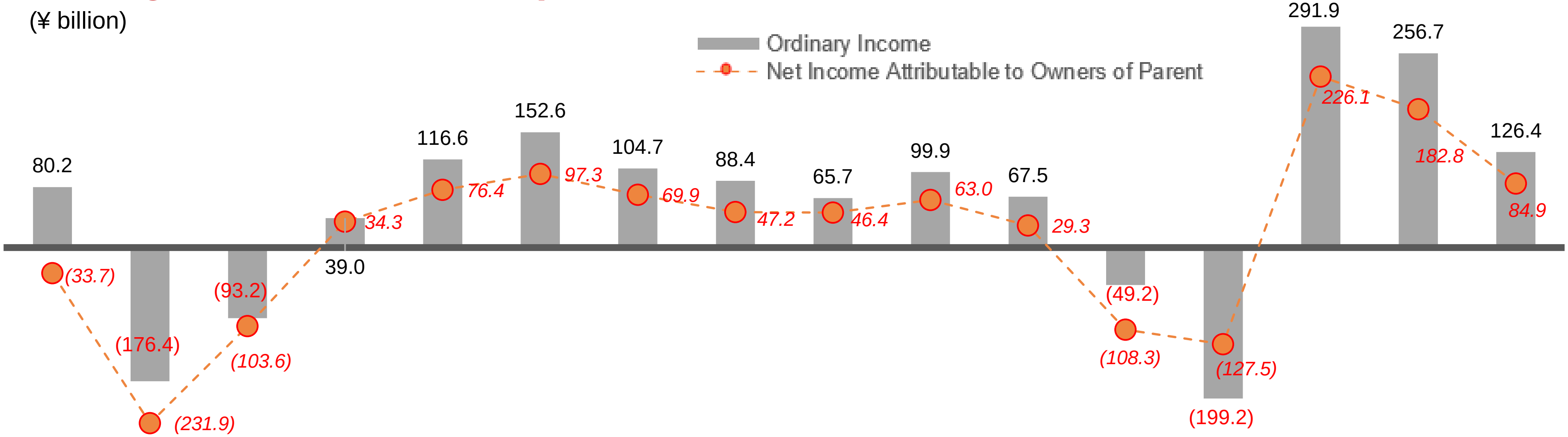
- Regarding profit distribution, we make comprehensive decisions based on the current fiscal year's performance and medium- to long-term earnings outlook, while maintaining stable dividends as a basic policy and targeting a DOE (Dividend on Equity) of 2%.
- Under this policy, **the FY2025 dividend was set at ¥40 per share for the full year (equivalent to a 2.1% DOE).**
- For FY2026, although the earnings forecast has been set as "undetermined", **we believe it is important to ensure predictability for shareholders and have set the annual dividend forecast at "40 yen per share " which is considered distributable at this time, taking into account the DOE level of 2% at the end of FY2025,**
- Due to the impact of soaring fuel prices stemming from the Ukraine crisis, which significantly eroded shareholders' equity during FY2021-22, we have set a target of achieving an equity ratio of approximately 20% by FY2026 and have been working to accumulate profits. **During this period, we have steadily raised dividend levels in line with capital recovery, targeting a DOE of 2%.**
- **The equity ratio recovered to 19.4% at the end of FY2025, and we will continue to examine future dividend policy throughout FY2026, comprehensively considering the medium- to long-term business environment, earnings and financial outlook, and capital market reception.**

■ Trends in dividends per share

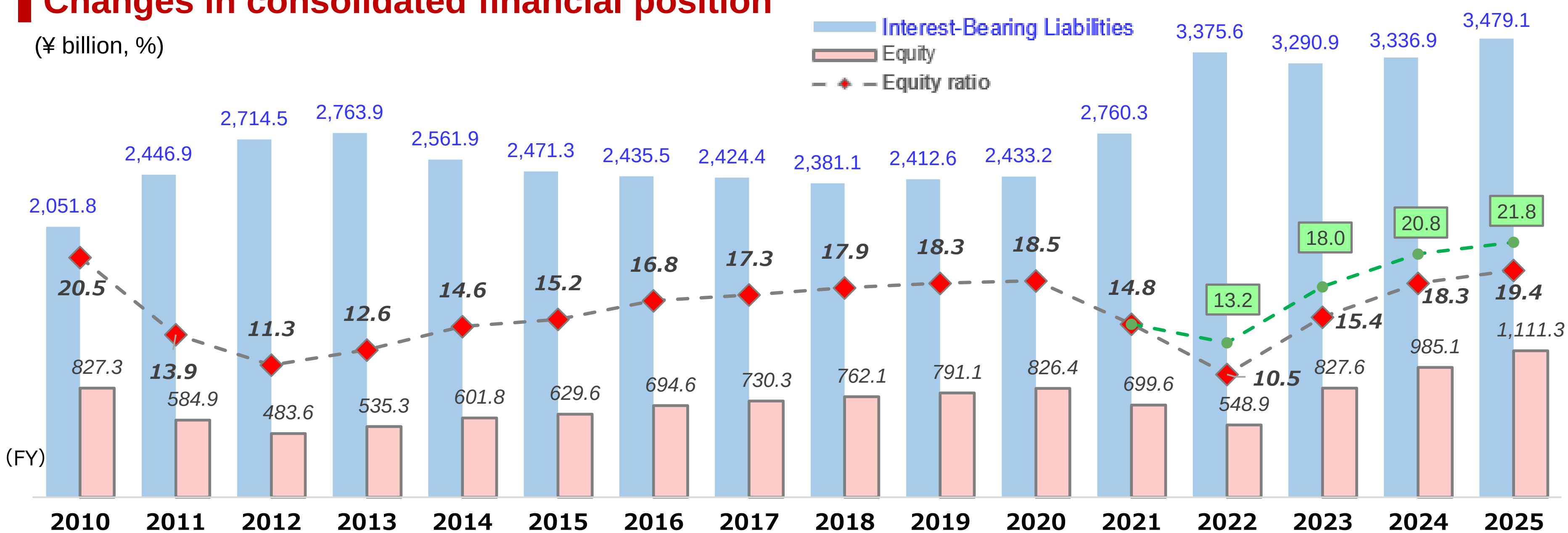


Trends in profit levels and financial position

Changes in consolidated profit level



Changes in consolidated financial position



Note : Green line shows equity ratio assuming 50% of the issued amount (¥140.0 billion) of the issued hybrid bonds as equity capital

July 29, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Tohoku Electric Power Company, Incorporated
Listing: Tokyo Stock Exchange
Securities code: 9506
URL: https://www.tohoku-epco.co.jp/
Representative: Kazuhiro Ishiyama Representative Director & President
Inquiries: Noriko Minagawa Manager of the Accounting and Finance Dept.
Telephone: +81-22-225-2111
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	785,304	46.7	60,093	(6.6)	54,483	(5.4)	36,127	(4.2)
June 30, 2025	535,380	(12.9)	64,369	(31.5)	57,609	(36.1)	37,725	(37.7)

Note: Comprehensive income For the three months ended June 30, 2026: ¥ 36,312 million [(3.5) %]
For the three months ended June 30, 2025: ¥ 37,612 million [(43.9) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	72.21	-
June 30, 2025	75.42	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	5,681,750	1,161,516	20.0
March 31, 2026	5,731,856	1,135,730	19.4

Reference: Equity
As of June 30, 2026: ¥ 1,137,120 million
As of March 31, 2026: ¥ 1,111,340 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	20.00	-	20.00	40.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		20.00	-	20.00	40.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	-	-	-	-	-	-	-	-	-

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies( )

Excluded: - companies( )

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	502,882,585 shares
As of March 31, 2026	502,882,585 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	2,519,592 shares
As of March 31, 2026	2,571,728 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	500,332,800 shares
Three months ended June 30, 2025	500,195,916 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Non-current assets	4,473,289	4,470,553
Electric utility plant and equipment	3,074,850	3,056,233
Hydroelectric power production facilities	219,470	217,407
Thermal power production facilities	368,663	358,223
Nuclear power production facilities	635,695	628,223
Transmission facilities	561,177	563,618
Transformation facilities	273,496	272,678
Distribution facilities	806,862	808,129
General facilities	143,718	142,686
Other electric utility plant and equipment	65,765	65,264
Other non-current assets	204,034	202,431
Construction in progress	503,640	513,304
Construction and retirement in progress	437,062	446,323
Special account related to nuclear power decommissioning	16,016	15,117
Special account related to reprocessing of spent nuclear fuel	50,561	51,863
Nuclear fuel	141,730	143,062
Loaded nuclear fuel	29,132	31,040
Nuclear fuel in processing	112,597	112,021
Investments and other assets	549,033	555,522
Long-term investments	159,379	162,812
Retirement benefit asset	93,581	94,256
Deferred tax assets	93,310	85,623
Other	206,254	216,350
Allowance for doubtful accounts	(3,491)	(3,519)
Current assets	1,258,566	1,211,196
Cash and deposits	594,509	498,100
Notes and accounts receivable - trade	183,377	207,004
Short-term investments	66,189	70,709
Inventories	91,678	90,203
Other	323,264	345,587
Allowance for doubtful accounts	(452)	(407)
Total	5,731,856	5,681,750

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities and net assets		
Non-current liabilities	3,392,028	3,438,348
Bonds payable	1,611,695	1,586,695
Long-term borrowings	1,493,847	1,568,616
Contribution payable for nuclear reactor decommissioning	124,295	124,295
Reserve for restoration costs of natural disaster	3,343	3,343
Retirement benefit liability	106,951	105,775
Other	51,895	49,621
Current liabilities	1,204,096	1,081,885
Current portion of non-current liabilities	385,035	423,999
Notes and accounts payable - trade	180,418	195,091
Accrued taxes	49,661	25,252
Reserve for restoration costs of natural disaster	593	584
Other	588,387	436,957
Total liabilities	4,596,125	4,520,233
Shareholders' equity	1,013,075	1,039,232
Share capital	251,441	251,441
Capital surplus	23,286	23,286
Retained earnings	742,296	768,403
Treasury shares	(3,948)	(3,898)
Accumulated other comprehensive income	98,265	97,888
Valuation difference on available-for-sale securities	18,388	19,472
Deferred gains or losses on hedges	17,627	20,534
Revaluation reserve for land	(896)	(897)
Foreign currency translation adjustment	7,748	9,707
Remeasurements of defined benefit plans	55,397	49,071
Non-controlling interests	24,390	24,395
Total net assets	1,135,730	1,161,516
Total	5,731,856	5,681,750

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Operating revenue	535,380	785,304
Electric utility operating revenue	502,192	735,083
Other business operating revenue	33,188	50,221
Operating expenses	471,010	725,211
Electric utility operating expenses	438,774	691,246
Other business operating expenses	32,236	33,964
Operating profit	64,369	60,093
Non-operating income	3,581	6,492
Dividend income	384	1,454
Interest income	278	561
Share of profit of entities accounted for using equity method	2,157	2,871
Other	761	1,604
Non-operating expenses	10,341	12,102
Interest expenses	7,151	9,553
Other	3,189	2,548
Total ordinary revenue	538,962	791,797
Total ordinary expenses	481,352	737,313
Ordinary profit	57,609	54,483
Provision or reversal of reserve for water shortage	95	-
Provision of reserve for water shortage	95	-
Profit before income taxes	57,514	54,483
Income taxes - current	20,911	8,762
Income taxes - deferred	(1,504)	9,027
Total income taxes	19,406	17,790
Profit	38,107	36,693
Profit attributable to non-controlling interests	382	565
Profit attributable to owners of parent	37,725	36,127

Quarterly Consolidated Statement of Comprehensive Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	38,107	36,693
Other comprehensive income		
Valuation difference on available-for-sale securities	849	1,031
Deferred gains or losses on hedges	(1,322)	2,793
Foreign currency translation adjustment	1,091	1,959
Remeasurements of defined benefit plans, net of tax	(1,266)	(6,260)
Share of other comprehensive income of entities accounted for using equity method	151	95
Total other comprehensive income	(495)	(380)
Comprehensive income	37,612	36,312
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	37,239	35,751
Comprehensive income attributable to non-controlling interests	372	560