

Tohoku Electric Power Co., Inc.

Summary of Quarterly Financial Statements (Unaudited)

(April 1, 2014 - December 31, 2014)

Information below is an English translation of the "Unaudited Quarterly Financial Release" for nine months ended December 31, 2014, 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 Third Quarter Period in FY2014 (Nine months ended December 31, 2014)

(1) Progresses of Financial Results

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
9 months ended Dec. 31, 2014	1,564,376	9.7	131,843	238.5	95,913	911.7	70,711	439.4
9 months ended Dec. 31, 2013	1,425,863	11.9	38,945	-	9,480	-	13,108	-

	Net income per share	Diluted net income per share
	Yen	Yen
9 months ended Dec. 31, 2014	141.76	141.54
9 months ended Dec. 31, 2013	26.29	26.25

(Note) Percentage figures represent changes as compared to the same period of the previous year.

(2) Changes in Financial Positions

	Total assets	Net assets	Equity ratio to total assets
	Millions of yen	Millions of yen	%
Dec. 31, 2014	4,173,526	627,727	14.0
Mar. 31, 2014	4,243,037	574,595	12.6

2. Dividends

	Cash dividends per share				
	1Q	2Q	3Q	Year-end	Annual total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2014	-	0.00	-	5.00	5.00
Year ending Mar. 31, 2015	-	5.00	-		
Year ending Mar. 31, 2015 (forecast)				10.00	15.00

3. Business Results Forecast for Consolidated FY2014 (Year ending March 31, 2015)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2014	2,170,000	6.4	153,000	78.6	105,000	168.8	78,000	127.4	156.36

(Note) Percentage figures represent changes as compared to the same period of the previous year.

(Reference) Business Results Forecast for Non-Consolidated FY2014 (Year ending March 31, 2015)

	Operating revenues		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2014	1,960,000	6.9	125,000	48.7	80,000	106.9	65,000	80.4	130.30

(Note) Percentage figures represent changes as compared to the same period of the previous year.

CONSOLIDATED BALANCE SHEETS (Unaudited)

Third Quarter FY2014 (As of December 31, 2014) and FY2013 (As of March 31, 2014)

Assets	(Millions of yen)	
Item	December 31, 2014	March 31, 2014
Fixed assets (property, plant and equipment):	3,492,167	3,536,579
Electric utility fixed assets:	2,450,222	2,490,103
Hydro power plant	172,937	177,991
Thermal power plant	331,597	302,117
Nuclear power plant	271,427	291,103
Internal combustion power plant	47,572	71,048
Transmission plant	652,417	663,930
Transformation plant	237,061	241,109
Distribution plant	621,138	621,967
General plant	94,962	98,637
Other	21,107	22,197
Other fixed assets	209,605	212,886
Construction work in progress	237,622	223,394
Construction and retirement in progress	237,622	223,394
Nuclear fuel:	158,888	153,546
Loaded nuclear fuel	34,729	34,729
Nuclear fuel under processing	124,159	118,817
Investments in and advances to:	435,827	456,648
Long-term investments	96,614	96,447
Fund for reprocessing costs of irradiated nuclear fuel	78,647	85,132
Asset for retirement benefits	774	1,249
Deferred tax assets	156,969	170,504
Other	103,606	103,805
Allowance for doubtful accounts	(785)	(491)
Current assets:	681,359	706,458
Cash and deposits	112,109	147,052
Trade notes receivable and accounts receivable	199,913	186,930
Inventories	87,697	85,747
Deferred tax assets	65,617	68,613
Other	217,142	219,007
Allowance for doubtful accounts	(1,120)	(892)
Total assets	4,173,526	4,243,037

Liabilities and net assets

(Millions of yen)

Item	December 31, 2014	March 31, 2014
Fixed liabilities:	2,659,260	2,905,467
Bonds	859,386	1,013,359
Long-term loans	1,364,683	1,446,137
Reserve for reprocessing costs of irradiated nuclear fuel	83,533	89,032
Pre-reserve for reprocessing costs of irradiated nuclear fuel	14,488	14,066
Reserve for loss on disaster	7,018	7,031
Liability for retirement benefits	159,369	160,449
Asset retirement obligations	108,311	106,476
Deferred tax liabilities on revaluation adjustments for land	1,693	1,698
Other	60,774	67,216
Current liabilities:	886,538	762,974
Current portion of long-term debt	368,999	245,231
Short-term borrowings	36,570	44,475
Trade notes and accounts payable	177,315	160,581
Accrued income taxes	35,808	29,512
Reserve for loss on disaster	1,450	2,462
Other	266,395	280,711
Total liabilities	3,545,799	3,668,441
Shareholders' equity:	568,460	518,262
Common stock	251,441	251,441
Capital surplus	26,678	26,678
Retained earnings	298,016	248,093
Treasury stock, at cost	(7,675)	(7,950)
Accumulated other comprehensive income:	15,238	17,093
Net unrealized holding gain on securities	6,704	3,235
Deferred loss on hedges	(2,430)	(1,635)
Revaluation adjustments for land	(1,228)	(1,226)
Foreign currency translation adjustments	1,447	1,180
Retirement benefits liability adjustment	10,745	15,539
Subscription rights to shares	809	670
Minority interests in consolidated subsidiaries	43,219	38,569
Total net assets	627,727	574,595
Total liabilities and net assets	4,173,526	4,243,037

CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

Third Quarter FY2014 (Nine months ended December 31, 2014) and Third Quarter FY2013 (Nine months ended December 31, 2013)

Item	(Millions of yen)	
	Nine months ended December 31,	
	2014	2013
Operating revenues:	1,564,376	1,425,863
Electric power	1,389,208	1,281,241
Other	175,167	144,621
Operating expenses:	1,432,532	1,386,918
Electric power	1,269,889	1,241,936
Other	162,643	144,981
Operating income	131,843	38,945
Other revenues:	5,167	7,144
Dividends income	855	828
Interest income	1,548	1,657
Gain from sales of fixed assets	101	153
Equity in earnings of affiliates	-	1,821
Other	2,660	2,683
Other expenses:	41,096	36,608
Interest expense	36,269	32,464
Other	4,827	4,144
Total amount of revenues	1,569,543	1,433,007
Total amount of expenses	1,473,629	1,423,527
Ordinary gain	95,913	9,480
Extraordinary gain:	14,268	16,220
Gain on revision of retirement benefit plan	14,268	16,220
Income before income taxes and minority interests	110,182	25,701
Current income taxes	9,742	2,796
Deferred income taxes	26,234	11,197
Total amount of income taxes	35,977	13,993
Income before minority interests	74,205	11,707
Minority interests in income(loss) of consolidated subsidiaries	3,493	(1,401)
Net income	70,711	13,108

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

Third Quarter FY2014 (Nine months ended December 31, 2014) and Third Quarter FY2013 (Nine months ended December 31, 2013)

Item	(Millions of yen)	
	Nine months ended December 31,	
	2014	2013
Income before minority interests	74,205	11,707
Other comprehensive income:		
Net unrealised holding gain on securities	3,567	1,553
Deferred gain (loss) on hedges	(794)	949
Foreign currency translation adjustments	270	1,292
Retirement benefits liability adjustment	(5,118)	-
Share of other comprehensive income of affiliates accounted for using equity method	(0)	1
Total other comprehensive income	(2,074)	3,796
Comprehensive income	72,130	15,504
Total comprehensive income attributable to:		
Shareholders	68,435	16,874
Minority interests	3,695	(1,370)

(Note)

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

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

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