

# Tohoku Electric Power Co., Inc.

## Summary of Quarterly Financial Statements (Unaudited)

(April 1, 2017 - June 30, 2017)

Information below is an English translation of the "Unaudited Quarterly Financial Release" for three months ended June 30, 2017, 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 First Quarter Period in FY2017 (Three months ended June 30, 2017)

#### (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	%
3 months ended Jun. 30, 2017	470,605	3.2	34,834	(39.6)	29,734	(40.8)	19,805	(42.5)
3 months ended Jun. 30, 2016	455,839	(10.6)	57,698	(26.4)	50,247	(29.5)	34,432	(29.0)

(Note) Comprehensive income (3 months ended June 30, 2017: 24,754 million yen -29.2%, 3 months ended June 30, 2016: 34,959 million yen -29.9%)  
 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
3 months ended Jun. 30, 2017	39.69	37.63
3 months ended Jun. 30, 2016	68.98	65.48

#### (2) Changes in Financial Positions

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Jun. 30, 2017	4,063,764	769,678	17.4
Mar. 31, 2017	4,145,928	755,624	16.8

(Reference) Shareholders' Equity (June 30, 2017: 708,733 million yen, March 31, 2017: 694,680 million yen)

### 2. Dividends

	Cash dividends per share				
	1Q	2Q	3Q	Year-end	Annual total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2017	-	15.00	-	20.00	35.00
Year ending Mar. 31, 2018	-				
Year ending Mar. 31, 2018 (forecast)		20.00	-	20.00	40.00

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

### 3. Business Results Forecast for Consolidated FY2017 (Year ending March 31, 2018)

	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
FY2017	2,070,000	6.2	112,000	(14.1)	90,000	(14.0)	60,000	(14.2)	120.25

(Note) Forecast revision of consolidated results from the latest forecast: None  
 Percentage figures represent changes as compared to the same period of the previous year.

**(Reference) Business Results Forecast for Non-consolidated FY2017 (Year ending March 31, 2018)**

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2017	1,880,000	8.1	89,000	(11.1)	70,000	(13.0)	50,000	(16.5)	100.21

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

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

## QUARTERLY CONSOLIDATED BALANCE SHEETS (Unaudited)

First Quarter FY2017 (as of June 30, 2017) and FY2016 (as of March 31, 2017)

<b>Assets</b>	(Millions of yen)	
Item	June 30, 2017	March 31, 2017
<b>Non-current assets:</b>	<b>3,467,304</b>	<b>3,475,412</b>
Electric utility plant and equipment:	2,459,676	2,480,118
Hydroelectric power production facilities	173,114	174,905
Thermal power production facilities	373,849	379,748
Nuclear power production facilities	241,285	245,014
Transmission facilities	620,807	626,091
Transformation facilities	243,823	245,381
Distribution facilities	648,126	645,856
General facilities	109,059	111,966
Other electric utility plant and equipment	49,608	51,154
Other non-current assets	211,096	211,651
Construction in progress:	306,409	291,234
Construction and retirement in progress	306,409	291,234
Nuclear fuel:	149,218	149,201
Loaded nuclear fuel	34,729	34,729
Nuclear fuel in processing	114,488	114,471
Investments and other assets:	340,904	343,207
Long-term investments	113,841	113,134
Net defined benefit asset	2,713	2,723
Deferred tax assets	119,928	123,889
Other	104,802	105,165
Allowance for doubtful accounts	(381)	(1,706)
<b>Current assets:</b>	<b>596,460</b>	<b>670,515</b>
Cash and deposits	113,979	224,112
Notes and accounts receivable - trade	203,433	197,259
Inventories	79,259	62,911
Deferred tax assets	56,446	59,105
Other	143,738	127,575
Allowance for doubtful accounts	(395)	(450)
<b>Assets</b>	<b>4,063,764</b>	<b>4,145,928</b>

**Liabilities and net assets**

(Millions of yen)

Item	June 30, 2017	March 31, 2017
<b>Non-current liabilities:</b>	<b>2,472,110</b>	<b>2,547,870</b>
Bonds payable	790,484	800,240
Long-term loans payable	1,305,587	1,368,116
Reserve for restoration costs of natural disaster	5,034	5,034
Net defined benefit liability	183,070	185,287
Asset retirement obligations	120,086	119,410
Deferred tax liabilities for land revaluation	1,425	1,426
Other	66,422	68,353
<b>Current liabilities:</b>	<b>821,976</b>	<b>842,433</b>
Current portion of non-current liabilities	305,467	262,665
Notes and accounts payable - trade	112,003	131,688
Accrued taxes	17,102	24,235
Other advances	232,590	239,789
Reserve for restoration costs of natural disaster	308	376
Other	154,503	183,677
<b>Liabilities</b>	<b>3,294,086</b>	<b>3,390,303</b>
<b>Shareholders' equity:</b>	<b>726,023</b>	<b>716,226</b>
Capital stock	251,441	251,441
Capital surplus	26,535	26,558
Retained earnings	455,374	445,547
Treasury shares	(7,327)	(7,320)
<b>Accumulated other comprehensive income:</b>	<b>(17,290)</b>	<b>(21,546)</b>
Valuation difference on available-for-sale securities	7,601	6,462
Deferred losses on hedges	(1,859)	(1,883)
Revaluation reserve for land	(941)	(940)
Foreign currency translation adjustments	573	186
Remeasurements of defined benefit plans	(22,665)	(25,371)
Subscription rights to shares	879	879
Non-controlling interests	60,065	60,064
<b>Net assets</b>	<b>769,678</b>	<b>755,624</b>
<b>Liabilities and net assets</b>	<b>4,063,764</b>	<b>4,145,928</b>

**QUARTERLY CONSOLIDATED STATEMENTS OF INCOME (Unaudited)**

First Quarter FY2017 (Three months ended June 30, 2017) and First Quarter FY2016 (Three months ended June 30, 2016)

Item	(Millions of yen)	
	Three months ended June 30,	
	2017	2016
Operating revenue:	470,605	455,839
Electric utility operating revenue	426,876	409,127
Other business operating revenue	43,729	46,711
Operating expenses:	435,771	398,141
Electric utility operating expenses	394,394	354,375
Other business operating expenses	41,376	43,765
Operating income	34,834	57,698
Non-operating income:	1,386	1,955
Dividend income	349	338
Interest income	64	320
Share of profit of entities accounted for using equity method	-	884
Other	973	412
Non-operating expenses:	6,487	9,406
Interest expenses	5,607	6,426
Share of loss of entities accounted for using equity method	239	-
Other	640	2,979
Ordinary revenue	471,992	457,794
Ordinary expenses	442,258	407,547
Ordinary income	29,734	50,247
Income before income taxes	29,734	50,247
Income taxes - current	4,151	6,152
Income taxes - deferred	5,163	8,888
Income taxes	9,315	15,041
Net income	20,418	35,206
Net income attributable to non-controlling interests	613	774
Net income attributable to owners of parent	19,805	34,432

**QUARTERLY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)**

First Quarter FY2017 (Three months ended June 30, 2017) and First Quarter FY2016 (Three months ended June 30, 2016)

Item	(Millions of yen)	
	Three months ended June 30,	
	2017	2016
Net income	20,418	35,206
Other comprehensive income:		
Valuation difference on available-for-sale securities	1,165	(1,608)
Deferred gains or losses on hedges	23	(230)
Foreign currency translation adjustments	386	(632)
Remeasurements of defined benefit plans	2,759	2,225
Share of other comprehensive income of entities accounted for using equity method	0	(1)
Other comprehensive income	4,335	(247)
Comprehensive income	24,754	34,959
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	24,061	34,176
Comprehensive income attributable to non-controlling interests	693	782

**(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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