

# Tohoku Electric Power Co., Inc.

## Summary of Financial Statements (Unaudited)

(April 1, 2020 - March 31, 2021)

Information below is an English translation of the "Unaudited Financial Release" for the year ended March 31, 2021, 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 FY2020 (Year ended March 31, 2021)

#### (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	%
Year ended Mar. 31, 2021	2,286,803	1.8	87,919	(24.4)	67,522	(32.5)	29,380	(53.4)
Year ended Mar. 31, 2020	2,246,369	0.1	116,350	39.1	99,966	52.1	63,074	35.7

(Note) Comprehensive income (FY2020: 59,284 million yen 16.4%, FY2019: 50,294 million yen -8.7%)

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

	Net income per share (basic)	Net income per share (diluted)	Net income / Equity	Ordinary income / Total assets	Operating income / Operating revenue
	Yen	Yen	%	%	%
Year ended Mar. 31, 2021	58.81	55.88	3.6	1.5	3.8
Year ended Mar. 31, 2020	126.32	117.38	8.1	2.3	5.2

(Reference) Share of profit of entities accounted for using equity method (FY2020: -325 million yen, FY2019: 534 million yen)

(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-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2021	4,471,081	901,534	18.5	1,654.46
Mar. 31, 2020	4,323,099	864,177	18.3	1,584.30

(Reference) Shareholders' Equity (March 31, 2021: 826,466 million yen, March 31, 2020: 791,121 million yen)

#### (3) Situations of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended Mar. 31, 2021	217,617	(254,961)	(5,774)	209,593
Year ended Mar. 31, 2020	371,525	(310,627)	6,719	252,322

### 2. Dividends

	Cash dividends per share					Dividends paid for the year	Dividends payout ratio	Dividends / Net assets
	1Q	2Q	3Q	Year-end	Annual total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended Mar. 31, 2020	-	20.00	-	20.00	40.00	19,974	31.7	2.6
Year ended Mar. 31, 2021	-	20.00	-	20.00	40.00	20,034	68.0	2.5
Year ending Mar. 31, 2022 (forecast)	-	-	-	-	-		-	

(Note) The dividends for both interim and year-end FY2021 have yet to be determined at this time.

### 3. Business Results Forecast for Consolidated FY2021 (Year ending March 31, 2022)

	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
FY2021	1,770,000	-	-	-	-	-	-	-	-

(Note) Financial forecasts for the year ending March 31, 2022 are in line with the Accounting Standard for Revenue Recognition.

This is why the rate of increase(decrease) in operating revenue in FY2020 before applying the standard cannot be announced.

In addition, it is difficult to reasonably determine the estimates of income because the restoration time of the thermal power plant due to earthquake off the coast of Fukushima Prefecture in February 2021 is unclear. Therefore, the forecasts for FY2021 are undecided.

These forecasts will be promptly disclosed as soon as certain conditions are met and we can reasonably assess the estimates.

#### (Reference)

#### 1. Consolidated Cash Income for FY2020 (year ended March 31, 2021)

Consolidated Cash Income	
Millions of yen	
Year ended Mar. 31, 2021	302,378

(Note) We've set a target for consolidated cash income identified in the Tohoku Electric Power Group Medium-/Long-Term Vision "Working alongside next."

(In FY2024, more than 320 billion yen)

Consolidated 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.)

#### 2. Business Results for Non-consolidated FY2020 (Year ended March 31, 2021)

##### (1) Progresses of Financial Results

	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended Mar. 31, 2021	1,734,962	(14.6)	5,742	(93.9)	4,607	(94.1)	(6,645)	-
Year ended Mar. 31, 2020	2,031,978	0.3	94,026	56.0	78,013	66.6	51,659	28.1

  

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Year ended Mar. 31, 2021	(13.30)	(12.73)
Year ended Mar. 31, 2020	103.46	96.12

(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-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2021	3,668,849	656,840	17.9	1,314.89
Mar. 31, 2020	3,962,777	683,710	17.2	1,366.96

(Reference) Shareholders' Equity (March 31, 2021: 656,840 million yen, March 31, 2020: 682,590 million yen)

\* There is a difference between financial results in FY2019 and FY2020 due to a decrease in retail electricity sales resulting from COVID-19, the separation of network business and the impact of earthquake off the coast of Fukushima Prefecture in February 2021.

**CONSOLIDATED BALANCE SHEETS (Unaudited)**

FY2020 (As of March 31, 2021) and FY2019 (As of March 31, 2020)

<b>Assets</b>	(Millions of yen)	
Item	March 31, 2021	March 31, 2020
<b>Non-current assets:</b>	3,731,366	3,679,082
Electric utility plant and equipment:	2,492,694	2,504,659
Hydroelectric power production facilities	177,880	187,035
Thermal power production facilities	398,062	402,870
Nuclear power production facilities	247,275	254,447
Transmission facilities	579,633	589,116
Transformation facilities	251,793	255,044
Distribution facilities	680,945	670,135
General facilities	129,929	118,187
Other electric utility plant and equipment	27,173	27,821
Other non-current assets	223,546	226,872
Construction in progress:	449,526	403,472
Construction and retirement in progress	399,393	357,778
Special account related to nuclear power decommissioning	24,124	24,451
Special account related to reprocessing of spent nuclear fuel	26,009	21,243
Nuclear fuel:	174,071	174,331
Loaded nuclear fuel	30,591	30,591
Nuclear fuel in processing	143,479	143,740
Investments and other assets:	391,526	369,745
Long-term investments	109,699	99,462
Net defined benefit asset	6,191	3,844
Deferred tax assets	159,536	159,568
Other	116,389	107,199
Allowance for doubtful accounts	(290)	(328)
<b>Current assets:</b>	739,715	644,017
Cash and deposits	205,290	244,010
Notes and accounts receivable - trade	270,266	224,649
Inventories	65,255	67,374
Other	199,679	108,450
Allowance for doubtful accounts	(777)	(466)
<b>Assets</b>	<b>4,471,081</b>	<b>4,323,099</b>

**Liabilities and net assets**

(Millions of yen)

Item	March 31, 2021	March 31, 2020
<b>Non-current liabilities:</b>	<b>2,518,124</b>	<b>2,457,197</b>
Bonds payable	1,025,000	865,000
Long-term loans payable	1,117,549	1,190,302
Reserve for restoration costs of natural disaster	6,614	5,061
Net defined benefit liability	160,468	189,968
Asset retirement obligations	170,236	165,848
Deferred tax liabilities for land revaluation	1,323	1,330
Other	36,933	39,685
<b>Current liabilities:</b>	<b>1,051,422</b>	<b>1,001,724</b>
Current portion of non-current liabilities	269,587	372,388
Notes and accounts payable - trade	142,186	144,616
Accrued taxes	58,750	33,253
Other advances	323,575	205,984
Reserve for restoration costs of natural disaster	11,060	2,613
Other	246,262	242,869
<b>Liabilities</b>	<b>3,569,547</b>	<b>3,458,921</b>
<b>Shareholders' equity:</b>	<b>819,051</b>	<b>809,454</b>
Capital stock	251,441	251,441
Capital surplus	22,369	22,390
Retained earnings	550,245	542,187
Treasury shares	(5,004)	(6,564)
<b>Accumulated other comprehensive income:</b>	<b>7,415</b>	<b>(18,332)</b>
Valuation difference on available-for-sale securities	(124)	197
Deferred losses on hedges	171	(618)
Revaluation reserve for land	(902)	(895)
Foreign currency translation adjustments	666	(288)
Remeasurements of defined benefit plans	7,604	(16,727)
Subscription rights to shares	-	1,120
Non-controlling interests	75,067	71,935
<b>Net assets</b>	<b>901,534</b>	<b>864,177</b>
<b>Liabilities and net assets</b>	<b>4,471,081</b>	<b>4,323,099</b>

**CONSOLIDATED STATEMENTS OF INCOME (Unaudited)**

FY2020 (Year ended March 31, 2021) and FY2019 (Year ended March 31, 2020)

(Millions of yen)

Item	Year ended March 31,	
	2021	2020
Operating revenue:	2,286,803	2,246,369
Electric utility operating revenue	2,067,053	2,022,251
Other business operating revenue	219,749	224,117
Operating expenses:	2,198,883	2,130,018
Electric utility operating expenses	1,995,653	1,916,492
Other business operating expenses	203,230	213,525
Operating income	87,919	116,350
Non-operating income:	6,110	8,724
Dividend income	874	943
Interest income	240	224
Gain on sales of securities	2,674	3,249
Share of profit of entities accounted for using equity method	-	534
Other	2,320	3,773
Non-operating expenses:	26,506	25,108
Interest expenses	15,453	17,331
Share of loss of entities accounted for using equity method	325	-
Other	10,728	7,777
Ordinary revenue	2,292,913	2,255,093
Ordinary expenses	2,225,390	2,155,127
Ordinary income	67,522	99,966
Extraordinary loss:	13,027	6,198
Contingent loss	4	550
Loss on disaster	13,023	5,648
Income before income taxes	54,495	93,768
Income taxes - current	31,222	20,414
Income taxes - deferred	(9,678)	8,287
Income taxes	21,544	28,702
Net income	32,951	65,065
Net income attributable to non-controlling interests	3,570	1,991
Net income attributable to owners of parent	29,380	63,074

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

FY2020 (Year ended March 31, 2021) and FY2019 (Year ended March 31, 2020)

Item	(Millions of yen)	
	Year ended March 31,	
	2021	2020
Net income	32,951	65,065
Other comprehensive income:		
Valuation difference on available-for-sale securities	(251)	(2,939)
Deferred gains or losses on hedges	790	290
Foreign currency translation adjustments	960	(470)
Remeasurements of defined benefit plans	24,832	(11,019)
Share of other comprehensive income of entities accounted for using equity method	2	(2)
Other comprehensive income	26,333	(14,141)
Comprehensive income	59,284	50,924
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	55,135	48,959
Comprehensive income attributable to non-controlling interests	4,148	1,965

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Unaudited)

FY2020 (Year ended March 31, 2021) and FY2019 (Year ended March 31, 2020)

FY2020

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred losses on hedges
Balance at the beginning of current period	251,441	22,390	542,187	(6,564)	809,454	197	(618)
Changes of items during the period							
Changes in parent's ownership interests arising from transactions with non-controlling interests		(21)			(21)		
Dividends of surplus			(20,004)		(20,004)		
Net income attributable to owners of parent			29,380		29,380		
Purchases of treasury shares				(1,431)	(1,431)		
Disposal of treasury shares			(1,325)	2,991	1,665		
Reversal of revaluation reserve for land			7		7		
Net changes of items other than shareholders' equity						(322)	790
Total changes of items during the period	-	(21)	8,057	1,560	9,596	(322)	790
Balance at the end of current period	251,441	22,369	550,245	(5,004)	819,051	(124)	171

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	(895)	(288)	(16,727)	(18,332)	1,120	71,935	864,177
Changes of items during the period							
Changes in parent's ownership interests arising from transactions with non-controlling interests							(21)
Dividends of surplus							(20,004)
Net income attributable to owners of parent							29,380
Purchases of treasury shares							(1,431)
Disposal of treasury shares							1,665
Reversal of revaluation reserve for land							7
Net changes of items other than shareholders' equity	(7)	954	24,332	25,748	(1,120)	3,132	27,760
Total changes of items during the period	(7)	954	24,332	25,748	(1,120)	3,132	37,356
Balance at the end of current period	(902)	666	7,604	7,415	-	75,067	901,534

FY2019

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred losses on hedges
Balance at the beginning of current period	251,441	22,558	499,132	(6,788)	766,343	3,072	(908)
Changes of items during the period							
Changes in parent's ownership interests arising from transactions with non-controlling interests		(168)			(168)		
Dividends of surplus			(19,971)		(19,971)		
Net income attributable to owners of parent			63,074		63,074		
Purchases of treasury shares				(20)	(20)		
Disposal of treasury shares			(88)	244	155		
Reversal of revaluation reserve for land			41		41		
Net changes of items other than shareholders' equity						(2,875)	290
Total changes of items during the period	-	(168)	43,055	223	43,110	(2,875)	290
Balance at the end of current period	251,441	22,390	542,187	(6,564)	809,454	197	(618)

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	(854)	179	(5,666)	(4,176)	1,013	70,530	833,711
Changes of items during the period							
Changes in parent's ownership interests arising from transactions with non-controlling interests							(168)
Dividends of surplus							(19,971)
Net income attributable to owners of parent							63,074
Purchases of treasury shares							(20)
Disposal of treasury shares							155
Reversal of revaluation reserve for land							41
Net changes of items other than shareholders' equity	(41)	(468)	(11,061)	(14,156)	107	1,404	(12,644)
Total changes of items during the period	(41)	(468)	(11,061)	(14,156)	107	1,404	30,465
Balance at the end of current period	(895)	(288)	(16,727)	(18,332)	1,120	71,935	864,177



**CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**

FY2020 (Year ended March 31, 2021) and FY2019 (Year ended March 31, 2020)

(Millions of yen)

Item	Year ended March 31,	
	2021	2020
<b>Cash flows from operating activities:</b>		
Income before income taxes	54,495	93,768
Depreciation	228,784	227,019
Decommissioning costs of nuclear power units	7,593	7,269
Amortization of special account related to nuclear power decommissioning	327	63
Loss on retirement of non-current assets	10,164	13,577
Increase (decrease) in net defined benefit liability	(6,211)	(6,465)
Interest and dividend income	(1,115)	(1,167)
Interest expenses	15,453	17,331
Decrease (increase) in notes and accounts receivable - trade	(47,795)	4,009
Decrease (increase) in inventories	2,134	11,022
Increase (decrease) in notes and accounts payable - trade	(2,453)	4,111
Increase (decrease) in deposits received	(45,647)	25,735
Other, net	33,771	4,322
Subtotal	249,501	400,597
Interest and dividend income received	1,115	1,168
Interest expenses paid	(15,791)	(17,448)
Income taxes paid	(17,207)	(12,791)
Net cash provided by operating activities	217,617	371,525
<b>Cash flows from investing activities:</b>		
Purchase of non-current assets	(296,701)	(317,323)
Payments of investment and loans receivable	(21,805)	(15,191)
Collection of investment and loans receivable	23,079	16,233
Other, net	40,466	5,653
Net cash used in investing activities	(254,961)	(310,627)
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of bonds	229,340	234,278
Redemption of bonds	(185,000)	(95,000)
Proceeds from long-term loans payable	120,600	150,325
Repayments of long-term loans payable	(172,444)	(218,039)
Increase in short-term loans payable	3,400	15,856
Decrease in short-term loans payable	(3,400)	(15,800)
Proceeds from issuance of commercial papers	198,000	217,000
Redemption of commercial papers	(171,000)	(257,000)
Cash dividends paid	(19,966)	(19,918)
Dividends paid to non-controlling interests	(1,050)	(1,054)
Other, net	(4,252)	(3,927)
Net cash used in financing activities	(5,774)	6,719
Effect of exchange rate change on cash and cash equivalents	389	(237)
Net increase(decrease) in cash and cash equivalents	(42,728)	67,379
Cash and cash equivalents at beginning of the period	252,322	184,942
Cash and cash equivalents at end of the period	209,593	252,322

**(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.

Tohoku Electric Power Co., Inc. hereby disclaim any responsibility or liability in relation to consequences resulting from decisions made by investors.