

# Tohoku Electric Power Co., Inc.

## Summary of Quarterly Financial Statements (Unaudited)

(April 1, 2020 - December 31, 2020)

Information below is an English translation of the "Unaudited Quarterly Financial Release" for nine months ended December 31, 2020, 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 FY2020 (Nine months ended December 31, 2020)

#### (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	%
9 months ended Dec. 31, 2020	1,541,467	(6.2)	87,841	(4.5)	75,723	(2.9)	50,617	2.4
9 months ended Dec. 31, 2019	1,642,652	3.8	91,935	122.3	78,017	150.8	49,424	107.5

(Note) Comprehensive income (9 months ended December 31, 2020: 57,301million yen 10.0%, 9 months ended December 31, 2019: 52,076million yen 55.7%)  
Percentage figures represent changes as compared to the same period of the previous year.

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
9 months ended Dec. 31, 2020	101.32	94.81
9 months ended Dec. 31, 2019	98.98	91.98

#### (2) Changes in Financial Positions

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Dec. 31, 2020	4,393,416	899,549	18.8
Mar. 31, 2020	4,323,099	864,177	18.3

(Reference) Shareholders' Equity (Dec. 31, 2020: 827,471million yen, March 31, 2020: 791,121 million yen)

### 2. Dividends

	Cash dividends per share				
	1Q	2Q	3Q	Year-end	Annual total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2020	-	20.00	-	20.00	40.00
Year ending Mar. 31, 2021	-	20.00	-		
Year ending Mar. 31, 2021 (forecast)				20.00	40.00

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

### 3. Business Results Forecast for Consolidated FY2020 (Year ending March 31, 2021)

	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
FY2020	2,080,000	(7.4)	72,000	(38.1)	55,000	(45.0)	33,000	(47.7)	66.06

(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) Consolidated Cash Income for the Third Quarter Period in FY2020 (Nine months ended Dec. 31, 2020)**

Consolidated Cash Income	
	Millions of yen
9 months ended Dec. 31, 2020	224,468

(Note) We've set a minimum target for consolidated cash income of 320 billion yen in FY2024 identified in the Tohoku Electric Power Group Medium-/Long-Term Vision.

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.)

**4. Business Results Forecast for Consolidated FY2020**

(Millions of yen)

	Operating revenue	Operating income	Ordinary income	Net income attributable to owners of parent
FY2020 forecast	2,080,000	72,000	55,000	33,000

There are no revisions to the Business Results Forecast for Consolidated FY2020 announced on October 28, 2020.

Business performance may fluctuate due to various factors, such as the impact on the electricity sales resulting from COVID-19.

**(2) The Impact of COVID-19 on Business Results for Consolidated Third Quarter Period in FY2020**

It is estimated that operating revenue decreased by 28.0 billion yen and ordinary income decreased by 1.2 billion yen.

And it is estimated that retail electricity volume decreased by 1.7 TWh.

(Status of corporate electricity sales volume)

commercial	Although electricity sales decreased significantly in the first quarter period due to business closure request, it has been gradually recovering since then. However, certain negative impacts due to the movement to refrain from going out have been continuing.
industrial	Although the operating level in iron and automotive industries remained sluggish until the second quarter, it has been recovering since then. However, certain negative impacts due to the stagnant economic activity have been continuing.

Third Quarter FY2020 (as of December 31, 2020) and FY2019 (as of March 31, 2020)

<b>Assets</b>	(Millions of yen)	
Item	December 31, 2020	March 31, 2020
<b>Non-current assets:</b>	<b>3,685,906</b>	<b>3,679,082</b>
Electric utility plant and equipment:	2,471,687	2,504,659
Hydroelectric power production facilities	174,189	187,035
Thermal power production facilities	393,406	402,870
Nuclear power production facilities	243,006	254,447
Transmission facilities	584,636	589,116
Transformation facilities	253,492	255,044
Distribution facilities	669,108	670,135
General facilities	126,829	118,187
Other electric utility plant and equipment	27,018	27,821
Other non-current assets	219,853	226,872
Construction in progress:	435,486	403,472
Construction and retirement in progress	389,945	357,778
Special account related to nuclear power decommissioning	24,298	24,451
Special account related to reprocessing of spent nuclear fuel	21,243	21,243
Nuclear fuel:	181,440	174,331
Loaded nuclear fuel	30,591	30,591
Nuclear fuel in processing	150,849	143,740
Investments and other assets:	377,437	369,745
Long-term investments	102,193	99,462
Net defined benefit asset	3,911	3,844
Deferred tax assets	157,129	159,568
Other	114,522	107,199
Allowance for doubtful accounts	(318)	(328)
<b>Current assets:</b>	<b>707,509</b>	<b>644,017</b>
Cash and deposits	170,219	244,010
Notes and accounts receivable - trade	251,338	224,649
Inventories	60,555	67,374
Other	225,702	108,450
Allowance for doubtful accounts	(305)	(466)
<b>Assets</b>	<b>4,393,416</b>	<b>4,323,099</b>

**Liabilities and net assets**

(Millions of yen)

Item	December 31, 2020	March 31, 2020
<b>Non-current liabilities:</b>	<b>2,532,423</b>	<b>2,457,197</b>
Bonds payable	1,005,000	865,000
Long-term loans payable	1,132,448	1,190,302
Reserve for restoration costs of natural disaster	5,061	5,061
Net defined benefit liability	185,201	189,968
Asset retirement obligations	167,624	165,848
Deferred tax liabilities for land revaluation	1,323	1,330
Other	35,763	39,685
<b>Current liabilities:</b>	<b>961,442</b>	<b>1,001,724</b>
Current portion of non-current liabilities	255,876	372,388
Notes and accounts payable - trade	131,853	144,616
Accrued taxes	36,344	33,253
Other advances	350,266	205,984
Reserve for restoration costs of natural disaster	1,586	2,613
Other	185,515	242,869
<b>Liabilities</b>	<b>3,493,866</b>	<b>3,458,921</b>
<b>Shareholders' equity:</b>	<b>840,316</b>	<b>809,454</b>
Capital stock	251,441	251,441
Capital surplus	22,390	22,390
Retained earnings	571,482	542,187
Treasury shares	(4,998)	(6,564)
<b>Accumulated other comprehensive income:</b>	<b>(12,844)</b>	<b>(18,332)</b>
Valuation difference on available-for-sale securities	(619)	197
Deferred losses on hedges	184	(618)
Revaluation reserve for land	(902)	(895)
Foreign currency translation adjustments	391	(288)
Remeasurements of defined benefit plans	(11,898)	(16,727)
Subscription rights to shares	-	1,120
Non-controlling interests	72,078	71,935
<b>Net assets</b>	<b>899,549</b>	<b>864,177</b>
<b>Liabilities and net assets</b>	<b>4,393,416</b>	<b>4,323,099</b>

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

Third Quarter FY2020 (Nine months ended December 31, 2020) and Third Quarter FY2019 (Nine months ended December 31, 2019)

Item	(Millions of yen)	
	Nine months ended December 31,	
	2020	2019
Operating revenue:	1,541,467	1,642,652
Electric utility operating revenue	1,391,108	1,487,487
Other business operating revenue	150,358	155,165
Operating expenses:	1,453,626	1,550,717
Electric utility operating expenses	1,309,401	1,400,544
Other business operating expenses	144,225	150,173
Operating income	87,841	91,935
Non-operating income:	6,097	4,716
Dividend income	819	846
Interest income	169	187
Share of profit of entities accounted for using equity method	972	1,345
Other	4,136	2,336
Non-operating expenses:	18,215	18,634
Interest expenses	11,793	13,202
Other	6,421	5,431
Ordinary revenue	1,547,565	1,647,369
Ordinary expenses	1,471,841	1,569,351
Ordinary income	75,723	78,017
Extraordinary loss:	-	5,300
Contingent loss	-	388
Loss on disaster	-	4,911
Income before income taxes	75,723	72,716
Income taxes - current	22,866	14,694
Income taxes - deferred	1,047	8,170
Income taxes	23,913	22,864
Net income	51,810	49,851
Net income attributable to non-controlling interests	1,192	427
Net income attributable to owners of parent	50,617	49,424

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

Third Quarter FY2020 (Nine months ended December 31, 2020) and Third Quarter FY2019 (Nine months ended December 31, 2019)

Item	(Millions of yen)	
	Nine months ended December 31,	
	2020	2019
Net income	51,810	49,851
Other comprehensive income:		
Valuation difference on available-for-sale securities	(792)	228
Deferred gains or losses on hedges	802	376
Foreign currency translation adjustments	677	(188)
Remeasurements of defined benefit plans	4,802	1,808
Share of other comprehensive income of entities accounted for using equity method	0	(0)
Other comprehensive income	5,490	2,224
Comprehensive income	57,301	52,076
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	56,113	51,655
Comprehensive income attributable to non-controlling interests	1,187	421

**(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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