Financial Summary
2nd Quarter of FY2024
(April 1, 2024 – September 30, 2024)

October 31, 2024

Tohoku Electric Power Co., Inc.

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1. 2nd Quarter of FY2024 Financial Results

Key Points of Financial Results and Forecasts

Financial Results for the second quarter of FY2024

Decrease in revenue and Decrease in income
(First time in 3 years since FY2021)

- Operating revenue : mainly due to decrease in fuel cost adjustment charge by lower fuel price
- Ordinary income : mainly due to decrease in income by the time lag between fuel cost and fuel cost adjustment charge

Financial and Dividend Forecasts for FY2024

Same figures announced
on April 30th , 2024

Summary of Financial Results

- **Operating revenue** — **¥1,311.5 billion (a year on year decrease of ¥76.2 billion)**
  - ・・・ Operating revenue decreased mainly due to decrease in fuel cost adjustment charge by lower fuel price.
- **Ordinary income/loss** — **¥153.3 billion (a year on year decrease of ¥65.8 billion)**
  - ・・・ Ordinary income decreased mainly due to decrease in income by the time lag between fuel cost and fuel cost adjustment charge.
- **Net Income Attributable to Owners of Parent** — **¥106.0 billion (a year on year decrease of ¥49.3 billion)**

【Summary of Consolidated Financial Statements】

(billions of yen)

	FY2023/2Q (A)	FY2024/2Q (B)	Change (B) - (A)	Change (B) / (A)
Operating Revenue	1,387.8	1,311.5	(76.2)	94.5 %
Ordinary Income*1	219.1 [124.1]	153.3 [145.3]	(65.8) [21.1]	70.0 % [117.1 %]
Net Income Attributable to Owners of Parent	155.3	106.0	(49.3)	68.2 %
Consolidated Cash Income*2	228.8	257.7	28.9	112.7 %

	Mar. 31, 2024 (A)	Sep. 30, 2024 (B)	Change (B) - (A)
Equity ratio	15.4% [18.0%]*3	17.4% [20.0%]*3	2.0% [2.0%]
Interest-Bearing Liabilities	3,290.9	3,270.3	(20.5)

*1 Lower figures exclude time lag between fuel cost and fuel cost adjustment charges.

*2 Consolidate 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.)

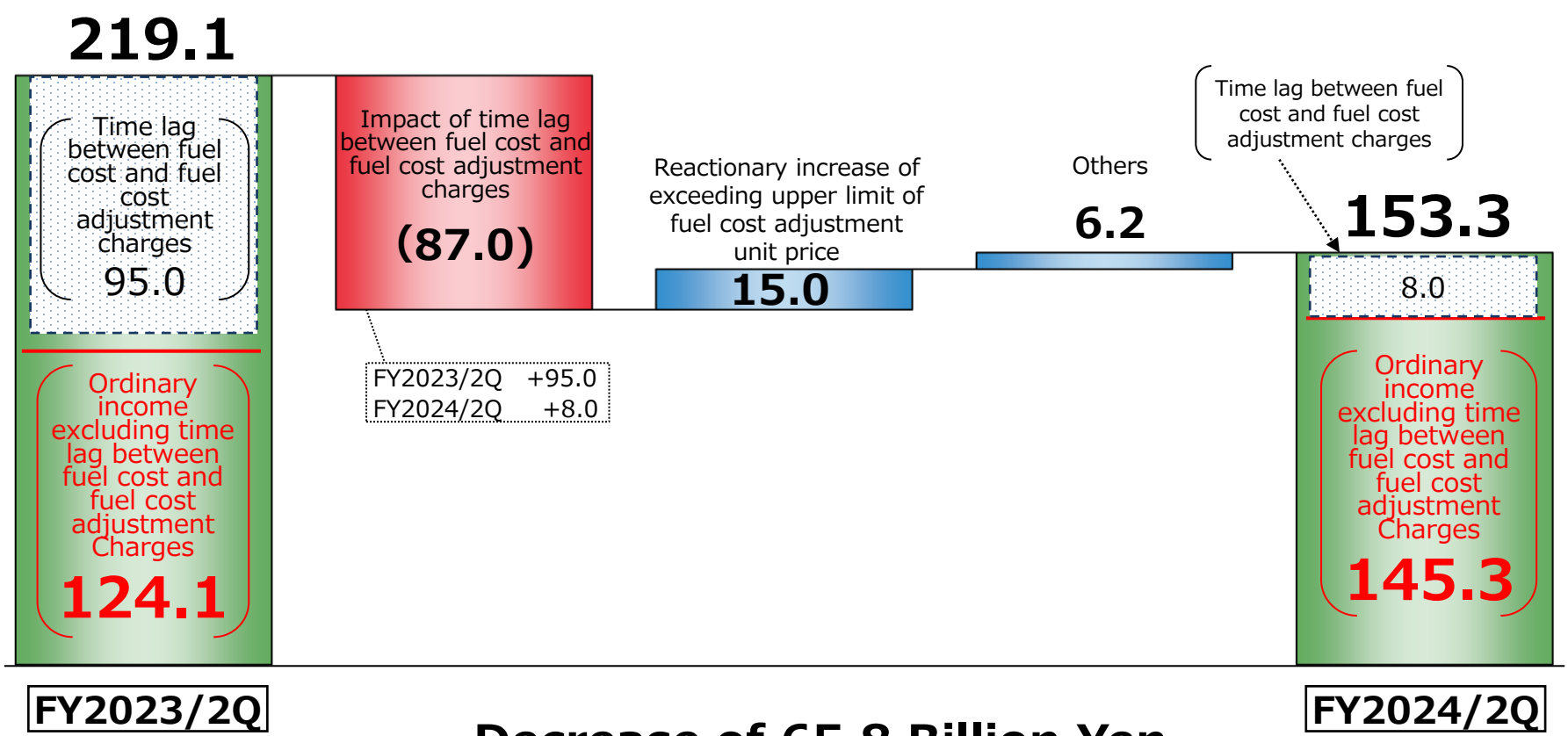
*3 Equity ratio assuming 50% of the issued amount (140 billion yen) of the issued hybrid bonds as equity capital

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

- ✓ Ordinary income decreased due to the impact of the time lag in the fuel cost adjustment system, regardless of the reactionary increase of excess of upper unit price of fuel cost adjustment system.
- ✓ Consolidated ordinary income was 153.3 billion yen, decrease of 65.8 billion yen year on year (excluding time lag between fuel cost and fuel cost adjustment charges: 145.3 billion yen, increase of 21.1 billion yen).

Decrease of 65.8 Billion Yen (219.1→153.3)

(billions of yen)

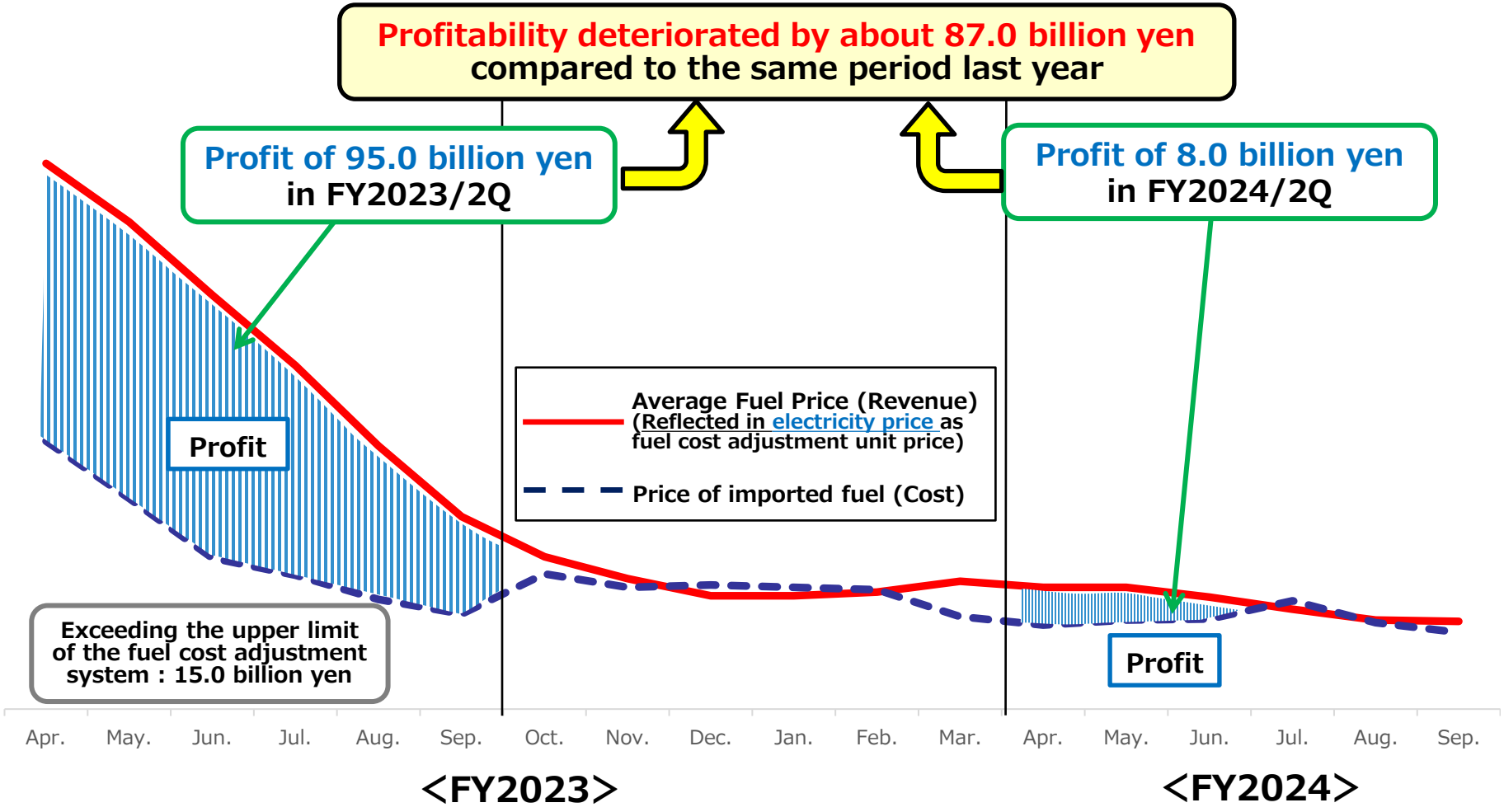


Decrease of 65.8 Billion Yen

Ordinary income excluding time lag between fuel cost and fuel cost adjustment charges : increase of 21.1 billion yen

Impact of Time Lag between Fuel Cost and Fuel Cost Adjustment Charges in the Second Quarter of FY2024

- ✓ **"The impact of the time lag"** in the same period of the previous year was a profit of 95.0 billion yen, but this fiscal year there was a profit of 8.0 billion yen, resulting in an deterioration in profitability of **87.0 billion yen**.
- ✓ With regard to **"The Impact of exceeding upper limit of fuel cost adjustment unit price "**, the fuel cost adjustment unit price of the low-voltage regulation rate menu exceeded the upper limit until the upper limit of fuel cost adjustment unit price is revised in the electricity rate revision on June 1, 2023, and the uncollectible income for this term was 15.0 billion yen. In current term, due to the resolution of such circumstances, there has been an **improvement of 15 billion yen** in income and expenditure compared to the same period last year.



Electricity Sales, Major Factors, Sensitivity to Major Factors

- **Retail electricity sales** — **29.2 TWh (a year on year decrease 1.9 TWh)**
  ・・・Retail electricity sales decreased due to the decrease in cooling demand and the increase of customers switching to competitors due to increased competition, etc.
- **Wholesale electricity sales** — **9.0 TWh (a year on year increase 2.7 TWh)**
  ・・・Wholesale electricity sales volume increased due to a increase in volume of wholesale electricity sales in the wholesale electricity trading market.

(GWh)

Electricity Sales*1	FY2023/2Q (A)	FY2024/2Q (B)	Change (B) - (A)	Change (B) / (A)
Lighting (Residential)	8,725	8,373	(352)	96.0 %
Power	22,386	20,790	(1,596)	92.9 %
Retail Electricity Sales*2	31,111	29,163	(1,948)	93.7 %
Wholesale Electricity Sales*3	6,274	9,020	2,746	143.8 %
Total of Electricity Sales	37,385	38,184	799	102.1 %

*1 Individual figures of Tohoku Electric Power Co., Inc., excluding network business.
*2 Retail Electricity Sales includes electric power for business use.
*3 Wholesale Electricity Sales includes the volume of specified power interchange.

(billions of yen)

Major Factors	FY2023/2Q (A)	FY2024/2Q (B)	Change (B) - (A)
Crude Oil CIF Price ($/bbl.)	83.6	86.7	3.1
Exchange Rate (¥/$)	141	153	12
Hydro Power Flow Rate (%)	80.4	82.5	2.1
Nuclear Power Utilization Rate(%)	-	-	-

Sensitivity to Major Factors	FY2023/2Q (A)	FY2024/2Q (B)	Change (B) - (A)
Crude Oil CIF Price ($/bbl.)	1.5	1.1	(0.4)
Exchange Rate (¥/$)	2.0	1.6	(0.4)
Hydro Power Flow Rate (%)	1.0	0.8	(0.2)

Electricity Supply

- ✓ Decrease in the amount of power generated by our hydro power plants due the longer period of periodic inspections compared to the same period last year
- ✓ On the other hand, the amount of electricity received from other companies increased due to a decrease in the number of outage days at joint thermal power plants compared to the same period last year.

(GWh)

Electricity Supply*1	FY2023/2Q (A)	FY2024/2Q (B)	Change (B) - (A)	Change (B) / (A)
Own Generated Power*2	26,518	25,928	(590)	97.8 %
Hydro	3,775	3,770	(5)	99.9 %
Thermal	22,444	22,010	(434)	98.1 %
Nuclear	–	–	–	–
Renewables	300	148	(152)	49.3 %
Power Interchanges and Purchased Power*3,4	15,814	16,260	446	102.8 %
	(3,346)	(2,559)	787	76.5 %
Used at Pumped Storage and others	(211)	(289)	(78)	137.0 %
Total of Electricity Supply*3	38,775	39,340	565	101.5 %

	FY2023/2Q (A)	FY2024/2Q (B)	Change (B) - (A)	Change (B) / (A)
Total of Renewables*4 [Percentage of Electricity Supply]	8,981 (23.2%)	8,599 (21.9%)	(382)	95.7 %

*1 Individual figures of Tohoku Electric Power Co., Inc., excluding network business.
*2 “Own Generated Power” shows sending end (electric power generated by the generator minus the electric power used in the power station).
*3 “Power Interchanges” , “Used at Pumped Storage and others” and “Total of Electricity Supply” partly include projected volume.
*4 The total value of solar power, wind power, biomass, waste, geothermal power, and hydro power generated by our company and power received by other companies.

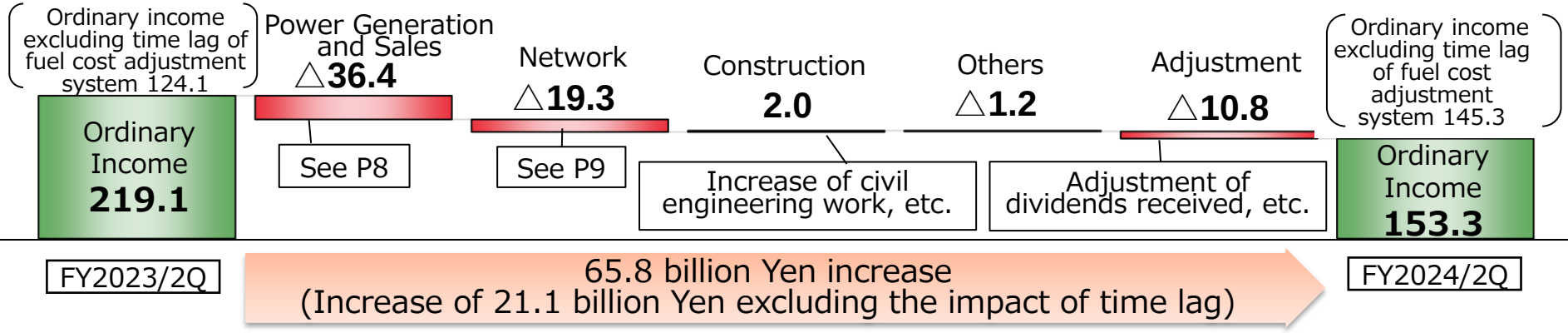
Segment Information (Consolidated)

(billions of yen)

	FY2023/2Q(A)		FY2024/2Q(B)		Change (B) - (A)		Major factors for change
	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	
Power Generation and Sales	1,139.6 1,084.9	186.0	1,034.4 984.1	149.6	(105.2) (100.8)	(36.4)	• Sales decreased due to a decrease in fuel cost adjustments by the lower fuel price, etc. • Profit decreased due to the impact of time lag in the fuel cost adjustment system, etc.
Network	412.4 181.9	36.7	416.9 202.9	17.4	4.4 21.0	(19.3)	• Increased income due to a increased renewable energy electricity wholesale supply, etc. • Decreased profit due to a increased procurement costs in demand and supply adjustment market transactions.
Construction	127.2 66.3	0.9	132.1 68.2	2.9	4.9 1.9	2.0	• Both sales and income increased due to an increase in civil engineering work.
Others	113.0 54.6	8.6	112.1 56.2	7.3	(0.9) 1.6	(1.2)	• Sales and profits decreased due to the down of the unit price in the gas business, etc.
Subtotal	1,792.4	232.3	1,695.7	177.3	(96.6)	(54.9)	
Adjustment	(404.5)	(13.1)	(384.1)	(23.9)	20.4	(10.8)	
Total	1,387.8	219.1	1,311.5	153.3	(76.2)	(65.8)	

* Lower figures of operating revenue are sales to outside customers.

Changing Factors in Consolidated Ordinary Income



Segment Information（Power generation and Sales） 8

- ✓ Ordinary income decreased by 36.4 billion yen compared to the previous fiscal year due to the impact of the time lag in the fuel cost adjustment system, regardless of the reactionary increase of excess of upper unit price of fuel cost adjustment system.
- ✓ Ordinary Income excluding the impact of time lag increased by 50.5 billion yen.

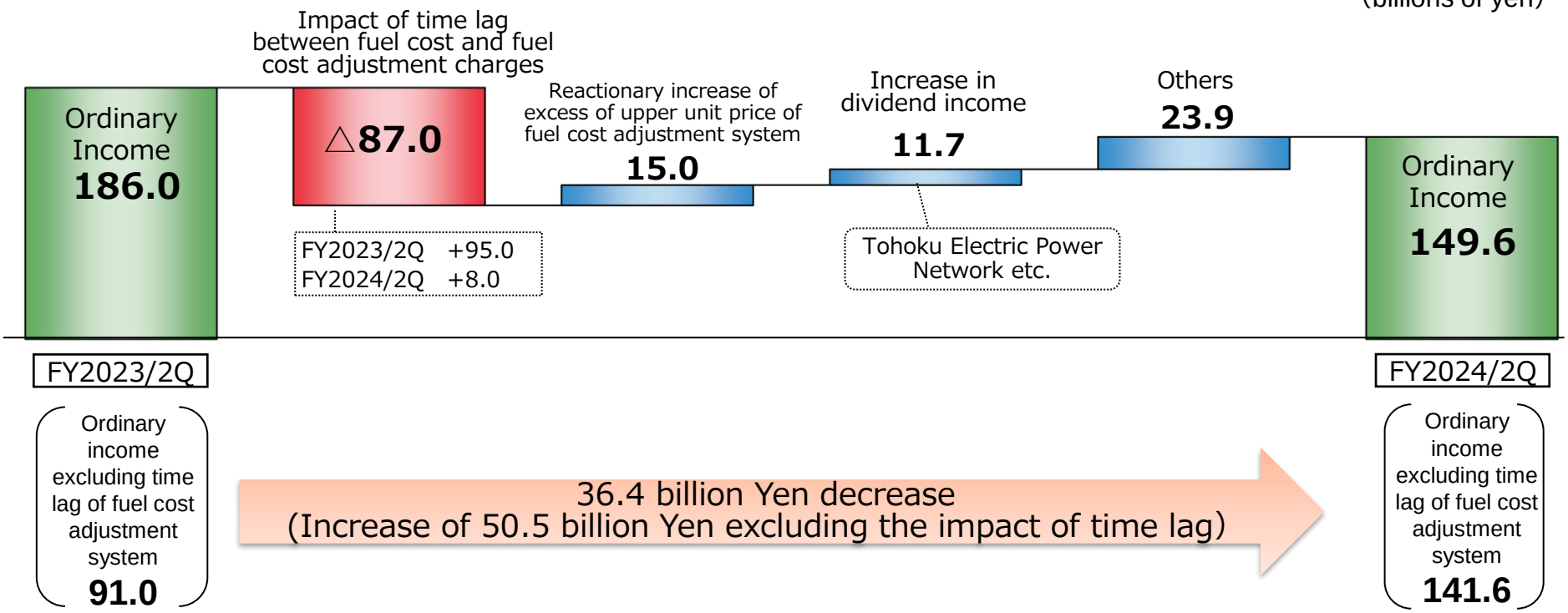
(billions of yen)

	FY2023/2Q(A)		FY2024/2Q(B)		Change (B) - (A)	
	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income
Power Generation and Sales	1,139.6	186.0	1,034.4	149.6	(105.2)	(36.4)
	1,084.9		984.1		(100.8)	

* Lower figures of operating revenue are sales to outside customers.

Fluctuation Factors of Ordinary Income

(billions of yen)



Segment Information（Network）

- ✓ Area demand decreased by 0.8TWh mainly due to lower summer temperatures compared to the same period of last year (97.7% year-on-year)
- ✓ Meanwhile, ordinary income decreased by 19.3 billion yen compared with FY2023 due to an increase of procurement costs related to securing adjustment capacity, etc.

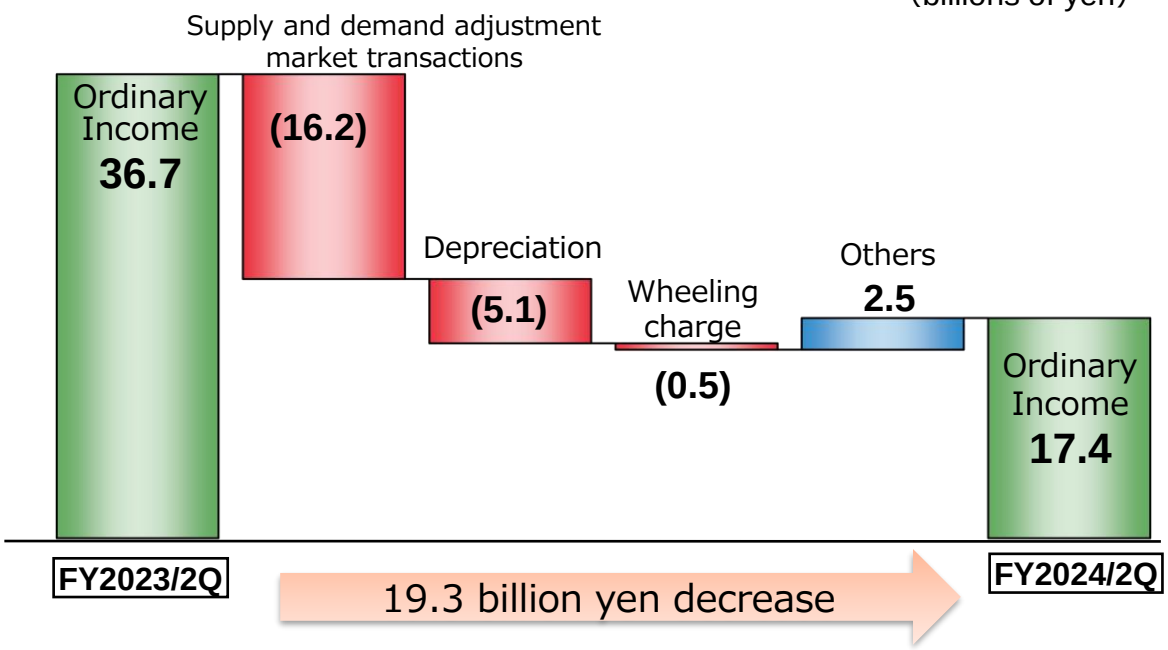
(billions of yen)

	FY2023/2Q(A)		FY2024/2Q(B)		Change (B) - (A)	
	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income	Operating Revenue*	Ordinary Income
Network	412.4 181.9	36.7	416.9 202.9	17.4	4.4 21.0	(19.3)

* Lower figures of operating revenue are sales to outside customers.

Fluctuation Factors of Ordinary Income

(billions of yen)



Tohoku Area Electric Power Demand

(TWh)

FY2023 2Q	FY2024 2Q	Changes
36.5	35.6	(0.8) [97.7%]

Results of Major Consolidated Subsidiaries

(billions of yen)

			FY2023/2Q (A)	FY2024/2Q (B)	Change (B)-(A)	Major factors for change
Power generation and Sales	Sakata Kyodo Power Co., Ltd.	Operating Revenue	30.2	25.9	(4.2)	Decrease in sales unit price (sales) Decrease in fuel cost and maintenance cost (ordinary income)
		Ordinary Income	(2.1)	0.0	2.1	
	Tohoku Sustainable & Renewable Energy Co., Inc.	Operating Revenue	4.4	5.9	1.5	Increase due to the transfer of geothermal power generation business (sales) *Business transferred on July 1, 2024. Increase in fixed asset retirement costs (ordinary income)
		Ordinary Income	1.4	0.5	(0.9)	
Construction	YURTEC CORP.	Operating Revenue	97.6	98.3	0.6	Increase in civil engineering work
		Ordinary Income	2.9	3.5	0.5	
	Tohoku Electric Power Engineering & Construction Co., Inc.	Operating Revenue	28.0	27.5	(0.5)	Decrease in nuclear power-related construction (sales) Decrease in outsourcing cost, material cost, and fixed cost (ordinary income)
		Ordinary Income	0.5	1.4	0.9	
Others	NIHONKAI LNG CO., LTD.	Operating Revenue	7.3	6.8	(0.5)	Decrease in LNG vaporization contract for Tohoku Electric Power (sales) Decrease in raw material cost (ordinary income)
		Ordinary Income	0.6	0.8	0.1	
	TOHKnet Co., Inc.	Operating Revenue	12.5	12.8	0.2	Increase in Managed Wi-Fi service for Tohoku Electric Power
		Ordinary Income	2.4	2.5	0.1	
	Toinx Co., Ltd.	Operating Revenue	15.0	14.5	(0.4)	Increase in rental price and outsourcing cost
		Ordinary Income	1.0	(0.0)	(1.1)	
	Kitanihon Electric Cable Co., Ltd.	Operating Revenue	16.7	20.0	3.2	Increase in sales of copper wires and wire scraps for general use
		Ordinary Income	0.8	1.3	0.4	

Balance Sheets (Consolidated)

(billions of yen)

	Mar. 31, 2024 (A)	Sep. 30, 2024 (B)	Change (B) - (A)	Major factors for change
Total Assets	5,388.7	5,305.0	(83.7)	
Non-current Assets	4,186.3	4,175.0	(11.3)	
Current Assets	1,202.3	1,129.9	(72.4)	Cash and deposit (95.8), etc.
Total Liabilities	4,477.6	4,299.2	(178.4)	
Non-current Liabilities	3,319.9	3,215.0	(104.8)	
Current Liabilities	1,157.7	1,084.1	(73.5)	Accounts payable and accrued expenses (116.3), etc.
Net Assets	911.0	1,005.7	94.7	Net income attributable to owners of parent 106.0, etc.
Interest-Bearing Liabilities	3,290.9	3,270.3	(20.5)	Loans (34.6), Bonds 23.0, etc.
Equity Ratio	15.4% [18.0%*]	17.4% [20.0%*]	2.0% [2.0%]	

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

Statements of Income (Consolidated)

(billions of yen)

	FY2023/2Q (A)	FY2024/2Q (B)	Change (B) - (A)	Change (B) / (A)
Operating Revenue	1,387.8	1,311.5	(76.2)	94.5 %
Electric utility	1,264.7	1,180.5	(84.2)	93.3 %
Other business	123.0	131.0	7.9	106.5 %
Operating Expenses	1,160.2	1,142.7	(17.4)	98.5 %
Electric utility	1,043.7	1,023.2	(20.4)	98.0 %
Other business	116.5	119.5	2.9	102.6 %
Operating Income	227.5	168.7	(58.7)	74.2 %
Non-operating income	5.4	2.9	(2.5)	53.4 %
Non-operating expenses	13.8	18.3	4.4	132.5 %
Ordinary Income	219.1	153.3	(65.8)	70.0 %
Income taxes	62.6	45.7	(16.9)	72.9 %
Net income attributable to non-controlling interests	1.0	1.6	0.5	149.3 %
Net income attributable to owners of parent	155.3	106.0	(49.3)	68.2 %

Income and Expenditure Comparison Table (Consolidated)

(billions of yen)

			FY2023/2Q (A)	FY2024/2Q (B)	Change (B) − (A)	Change (B) ／ (A)	Major factors for change
Revenue	Electric utility operating revenue	Revenue from Electricity Sales	807.6	730.7	(76.8)	90.5%	
		Lighting (Residential)	221.0	233.3	12.2	105.5%	
		Power	586.5	497.4	(89.1)	84.8%	Decrease in fuel cost adjustments.
		Sales of power to other utilities and other companies	287.8	344.9	57.1	119.9%	Increase in contributions for securing capacity
		Other revenue	169.3	104.7	(64.5)	61.9%	Decrease in subsidies for mitigation of drastic changes
		Sub total	1,264.7	1,180.5	(84.2)	93.3%	
	Other operating revenue		123.0	131.0	7.9	106.5%	
	[Operating Revenue]		[1,387.8]	[1,311.5]	[(76.2)]	[94.5%]	
	Non operating revenue		5.4	2.9	(2.5)	53.4%	
	Total revenue		1,393.2	1,314.4	(78.8)	94.3%	
Expenses	Electric utility operating expenses	Personnel	72.7	64.4	(8.3)	88.5%	
		Fuel	360.7	295.2	(65.4)	81.8%	Decrease in CIF price
		Maintenance	72.7	76.4	3.7	105.1%	
		Depreciation	83.3	85.6	2.2	102.7%	
		Power purchased from other utilities and other companies	314.6	361.9	47.3	115.0%	Increase in contributions for securing capacity
		Taxes, etc.	45.9	45.1	(0.7)	98.4%	
		Nuclear power back-end cost	3.7	2.7	(1.0)	72.9%	
		Other expenses	89.8	91.6	1.7	102.0%	
		Sub total	1,043.7	1,023.2	(20.4)	98.0%	
	Other operating expenses		116.5	119.5	2.9	102.6%	
	Non operating expenses		13.8	18.3	4.4	132.5%	
	Total expenses		1,174.1	1,161.1	(12.9)	98.9%	
[Operating Income]			[227.5]	[168.7]	[(58.7)]	[74.2%]	
Ordinary Income			219.1	153.3	(65.8)	70.0%	
Income taxes			62.6	45.7	(16.9)	72.9%	
Net income attributable to non-controlling interests			1.0	1.6	0.5	149.3%	
Net income attributable to owners of parent			155.3	106.0	(49.3)	68.2%	

Statements of Cash Flows (Consolidated)

(billions of yen)

	FY2023/2Q (A)	FY2024/2Q (B)	Change (B) - (A)	Major factors for change
Cash Flows from Operating Activities	174.0	133.3	(40.7)	Income before income taxes (65.8) Income taxes paid (32.2)
Cash Flows from Investing Activities	(166.9)	(189.3)	(22.4)	Purchase of non-current assets (18.8)
Cash Flows from Financing Activities	(1.3)	(29.5)	(28.2)	CP (45.0) Loan (37.7) Bonds 58.0
Net Cash Flows	6.4	(85.8)	(92.2)	
Cash and cash equivalents at end of the period	514.3	443.5	(70.8)	
Free Cash Flows*	7.0	(56.0)	(63.1)	

* ＊Our definition;
Free Cash Flows = (Cash Flows from Operating Activities) + (Cash Flows from Investing Activities)
The calculation method of free cash flow was revised from the second quarter of the current fiscal year, and the revised calculation method was applied retroactively to the same period of the previous year.

Financial and Dividend Forecasts for FY2024

✓ Financial and dividend forecasts for FY2024 are same as announced on April 30th , 2024.
(Major Factors and Sensitivity remains unchanged as well.)

■ Consolidated Financial Forecasts for FY2024

(billions of yen)

	FY2023 (A)	FY2024 forecast (B)	Change (B) – (A)
Operating Revenue	2,817.8	2,830.0	12.2
Operating Income	322.2	220.0	(102.2)
Ordinary Income	291.9 [197.9]	190.0 [200.0]	(101.9) [2.1]
Net Income Attributable to Owners of Parent	226.1	130.0	(96.1)
Consolidated Cash Income	420.3	440.0	19.7

※ [ ] : Ordinary income excluding time lag between fuel cost and fuel cost adjustment charges

■ Major Factors

		FY2023	FY2024 forecast
Electric power sales* (TWh)	Retail	641	Approx. 613
	Wholesale	151	Approx. 214
	Total	792	Approx. 827
Crude Oil CIF Price ($/bbl.)		86	Approx. 90
Exchange Rate (¥/$)		145	Approx. 150
Nuclear Power Utilization Rate (%)		–	Approx. 14.8

* Individual figures of Tohoku Electric Power Co., Inc., excluding network business

(billions of yen)

■ Sensitivity to Major Factors

Crude Oil CIF Price (per $1/bbl.)	Approx. 2.3
Exchange Rate (per ¥1/$)	Approx. 3.7
Nuclear Power Utilization Rate (1%)	Approx. 2.8

■ Forecast of Dividend Per Share

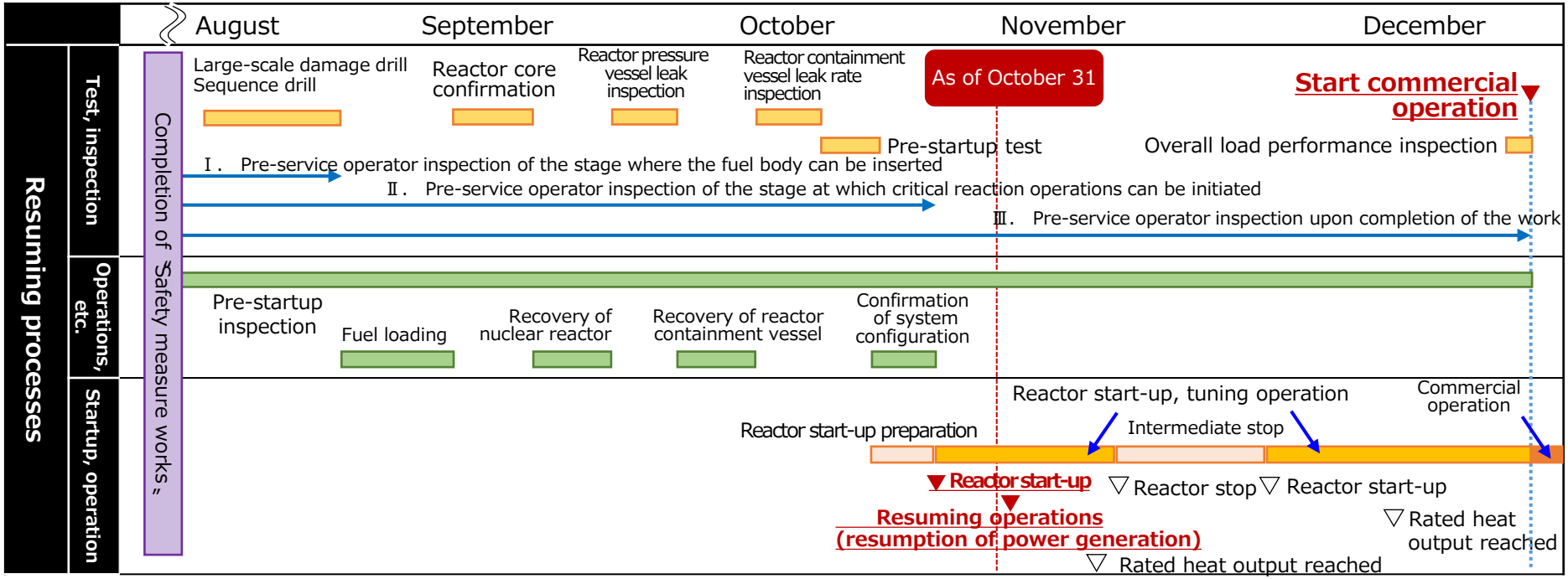
	Interim	Year-end	Total
FY2023	5 Yen	10 Yen	15 Yen
FY2024	15 Yen	(15 Yen)	(30 Yen)

※ ( ) :Forecasts

2. Key Points in the 2nd Quarter of FY2024

Current Status of Onagawa Nuclear Power Station Unit 2

- For Onagawa Nuclear Power Station Unit 2, safety measure work was completed on May 27 this year. We are working toward resuming operations (resumption of power generation) through various types of training.
- On September 9, we completed fuel loading and started up the reactor on October 29. Currently, various inspections, tests, and operations are underway in preparation for the restart of operations (resumption of power generation), and progress is being made smoothly. At this time, the station is expected to restart operations (resumption of power generation) on around November 7*.



*As this will be the first time that the turbines have been started up and the generators have been connected in parallel since the earthquake, we will be carefully checking the status of the plant, and the time required for this check has been factored in. On the other hand, depending on the situation at the plant, there is a possibility that it will be restarted sooner.

❶Various types of training (photo shows a scene from a large-scale damage drill)



❷Fuel loading (photo shows the insertion of a fuel assembly into the reactor)

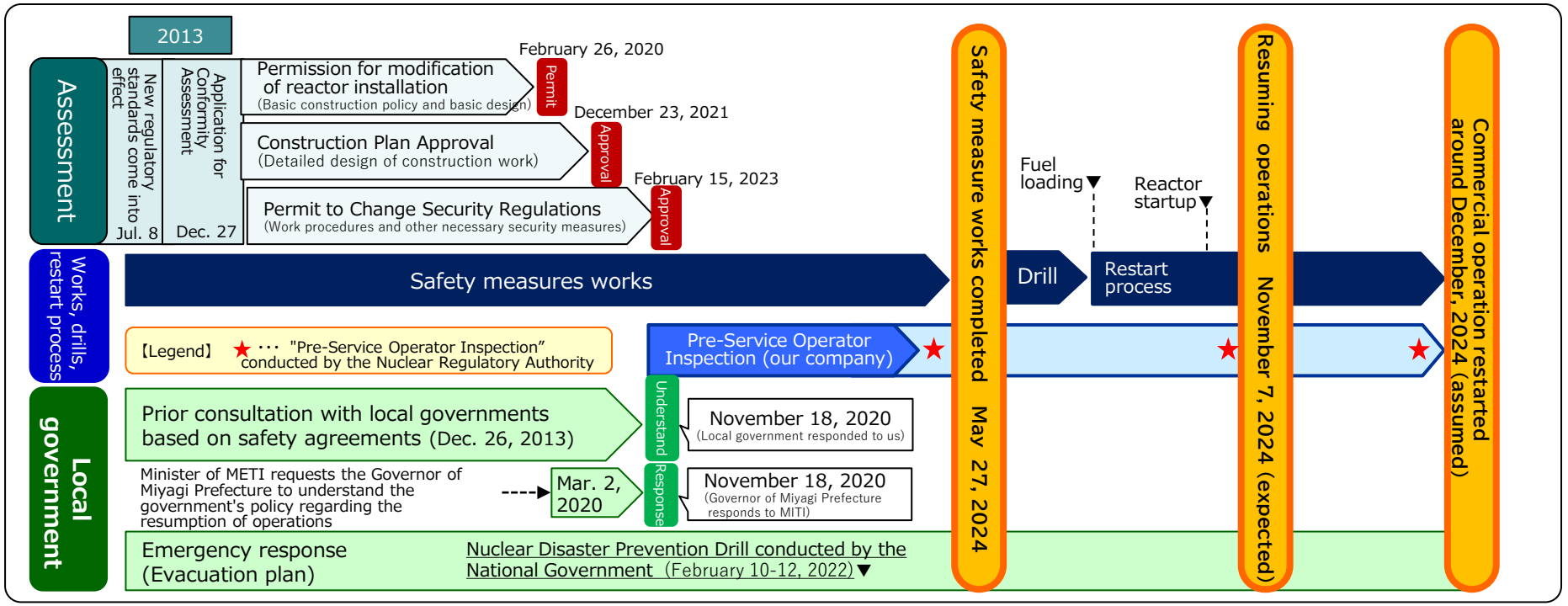


❸Reactor start-up operation (photo shows operation simulator training)



Efforts towards the resumption of Onagawa Nuclear Power Station Unit 2 & Effects of resumption of operations

- The Onagawa Nuclear Power Station submitted an application for conformity assessment to the new regulatory standards in 2013, and after a 10-year review process, safety work was completed in May of this year, and the reactor started up on October 29, 2024. During this period, with the understanding of the local community, the entire company has responded with sincerity and care, placing the highest priority on ensuring safety.
- The main benefits expected from the resumption of nuclear power operations include (1) lower fuel costs, (2) stable supply and optimal power source composition, and (3) CO2 reduction effects and non-fossil value, and we believe the positive impact on our business will be very large.
- We will continue to place the highest priority on safety assurance, and we will take firm action in each and every process toward restarting operations for the first time in 13 years, while striving to further improve the safety level of nuclear power generation.



Expected effects of restarting Onagawa Unit 2

① Fuel cost reduction effect (balance improvement)

- Fuel cost reduction effect of thermal power generation
  - **Approx. 7 billion yen per month**
  - **Approx. 60 billion yen per year**

② Stable supply and optimal power supply configuration

- **Contributes significantly to stable power supply and increased supply capacity, while achieving a well-balanced power supply configuration**

③ CO2 reduction effect & non-fossil value

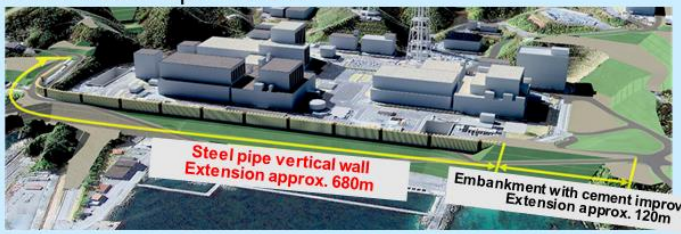
- Assumption is that **the restart of Onagawa Unit 2 will reduce our overall CO2 emissions by approximately 3 million tons per year.**

(Reference) Safety Measures Works Implemented at Onagawa Unit 2

- Based on the lessons learned from the accident at TEPCO'S Fukushima Daiichi Nuclear Power Station and the latest findings from overseas, we have implemented various safety measure works to comply with the new regulatory standards, which have been significantly tightened. Particularly, earthquake and tsunami countermeasures were strengthened based on the "regional characteristics" of the station which is located on the Pacific Ocean side along the Japan Trench and requires greater consideration of the impact of earthquakes and tsunamis.

Measures to protect against tsunamis

■ Breakwater uplift work

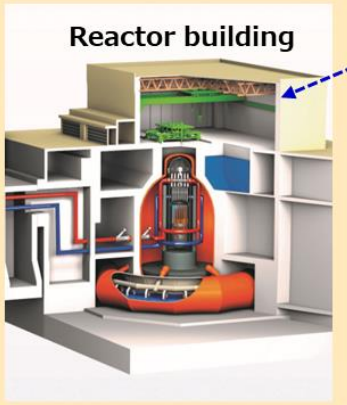




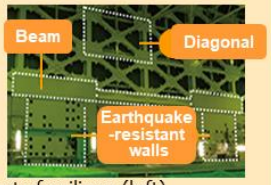


Measures to protect against earthquakes

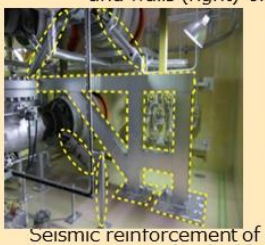
■ Seismic reinforcement work







Seismic reinforcement of ceilings (left) and walls (right) on operational floors





Seismic reinforcement of main steam piping (left) and in-building piping (right)

Measures to secure power supply

■ Deployment of gas turbine generator (electrical goods building)



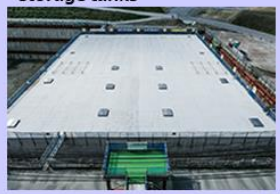


Current Status



Measures to ensure cooling function

■ Installation of freshwater storage tanks



■ Deployment of large-capacity water pump vehicles



■ Installation of high-pressure alternative water injection system





Measures to reduce the impact of accidents

■ Installation of containment venting equipment with filter



Promote business development based on the future management development of “Working alongside next+PLUS"

- In April of this year, we formulated a vision “Working alongside next+PLUS” for future business development toward 2030.
- In the first half of the fiscal year under review, based on the vision set forth above, the Group is developing the following businesses with a focus on electricity and energy.

Power generation and wholesale

Replacement of Higashi-Niigata Thermal Power Station with high-efficiency combined-cycle power generation facilities

・We are moving forward with a replacement plan for Higashi Niigata Thermal Power Station Units 1 and 2 from the perspective of building an optimal power source portfolio.
・In the "Long-term Decarbon Power Supply Auction (First Bidding)," the results of which were announced on April 26 of this year, Higashi Niigata Unit 6, which will be the first unit for the development of this replacement plan, was the successful bidder. While utilizing the national system, we will strive to de-carbon thermal power sources and improve power source competitiveness.



[Outline of replacement plan for Higashi Niigata Thermal Power Station]

	Current situation		After renewal	
Unit number	No. 1	No. 2	No. 6	No. 7
Power generation method	Steam power generation system (conventional thermal power)		Combined cycle system	
Output	600,000 kW	600,000 kW	650,000 kW class	650,000 kW class
Fuel used	LNG		LNG (Consider future utilization of hydrogen and ammonia)	
Start of operation	Apr. 1977	Jun. 1983	FY2030 (planned)	FY2035 (planned)

Results of the Long-term Decarbon Power Supply Auction

Name of Power Supply	Higashi-Niigata Thermal Power Station Unit No. 6
Bidding power supply	LNG fired
Auction capacity	615,849 kW

Energy Solutions

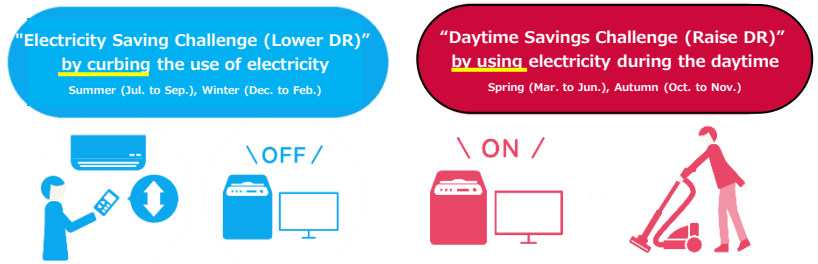
Started providing the "Exems SOLA” , a service for visualizing greenhouse-gas emissions

・On September 20, we began offering "Exems SOLA" to corporate customers as a new service.
・In addition to the Exems SOLA, we support our customers' carbon neutral initiatives by providing various solution services from our group.



Launched a new demand response service

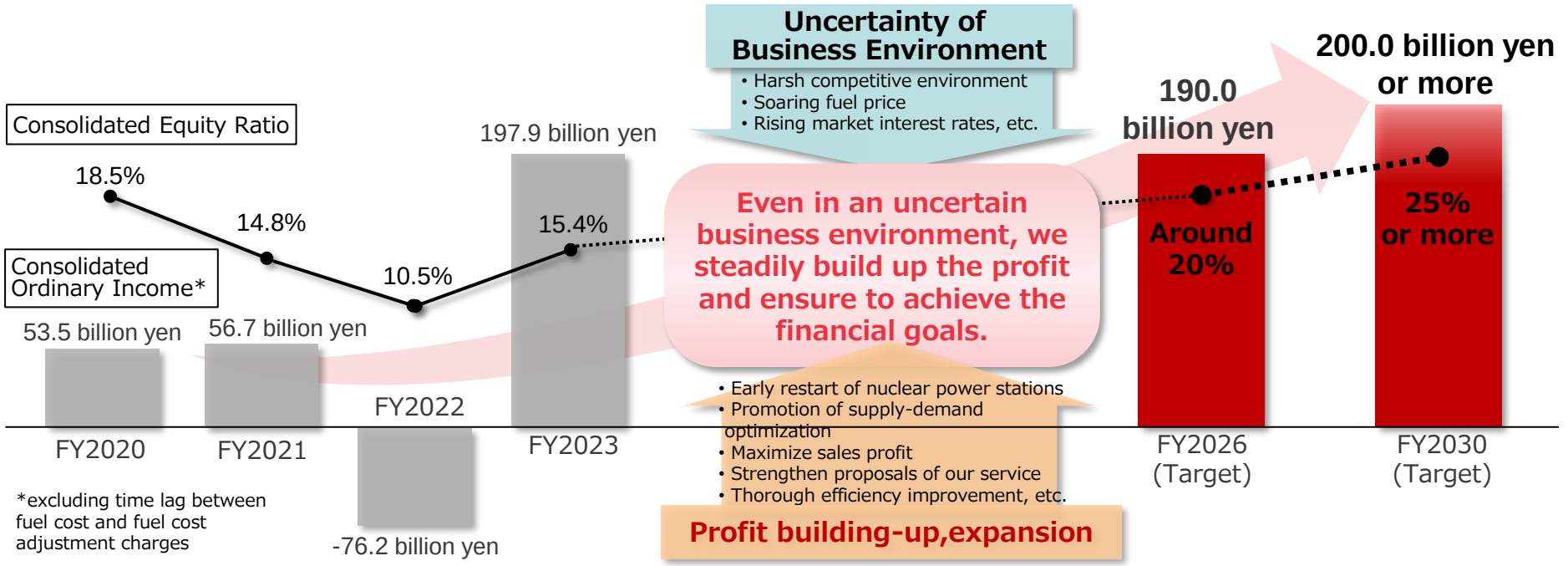
・On October 1, we began offering a new demand response service for customers using electricity at low voltage (households, shops, etc.), offering special benefits to customers who use electricity during daytime hours when the electricity supply exceeds their electricity demand, such as an increase in the amount of solar power generated.
・Released Eco Challenges (Behavioral Transformation and Equipment Control Type) to encourage a shift in demand to daytime hours with the aim of reducing the output control of renewable energy.



3. Financial Goals

Financial Goals

- ✓ In April 2024, we formulated new financial goals aimed at early recovery of our financial foundation, enhancing risk tolerance, and creating a “favorable cycle of profit, investment, and growth.” These goals target fiscal years 2026 and 2030 and consist of profit indicators (consolidated ordinary income), financial soundness indicators (consolidated equity ratio), and profitability indicators (consolidated ROIC).
- ✓ Despite the uncertain business environment, including factors like fuel prices and competitive dynamics, we will steadily accumulate and expand profits, ensuring the achievement of our objectives through initiatives such as early resumption of nuclear power and further supply-demand optimization.



New financial target			
〔Target indicators〕	〔FY2026〕	〔FY2030〕	〔Background of the Target〕
Consolidated ordinary income	¥ 190.0 billion	¥200.0 billion or more	FY2026 : A profit level for accomplishing ”a consolidated equity ratio of around 20%”. FY2030 : A targeted profit level for forming “favorable cycle of profit, investment, and growth"
Consolidated equity ratio	Around 20%	25% or more	A Level that we can respond to business risks such as natural disasters, etc.
Consolidated ROIC	Around 3.5%※	3.5% or more※	A level that is well above the capital cost and can realize creation of corporate value.

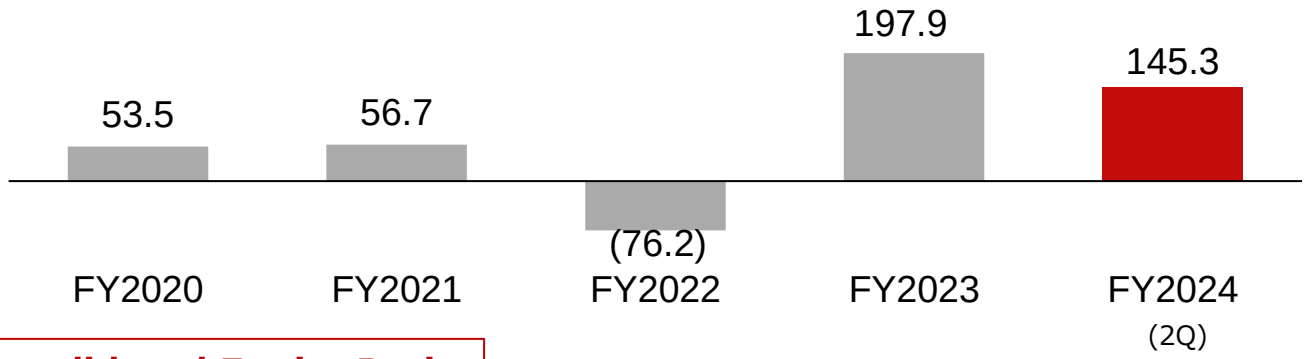
* Consolidated ROE will be 8% or more when the target is achieved.

Trends of Financial Indicators (Consolidated)

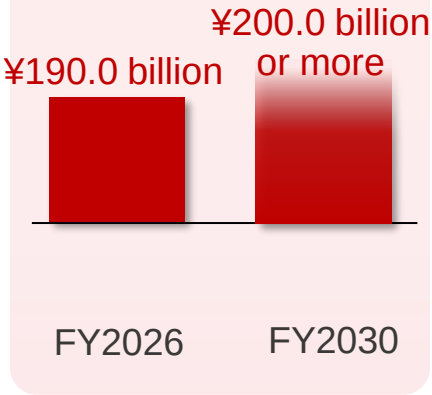
Consolidated Ordinary Income

excluding time lag between fuel cost and fuel cost adjustment charges

(billions of yen)

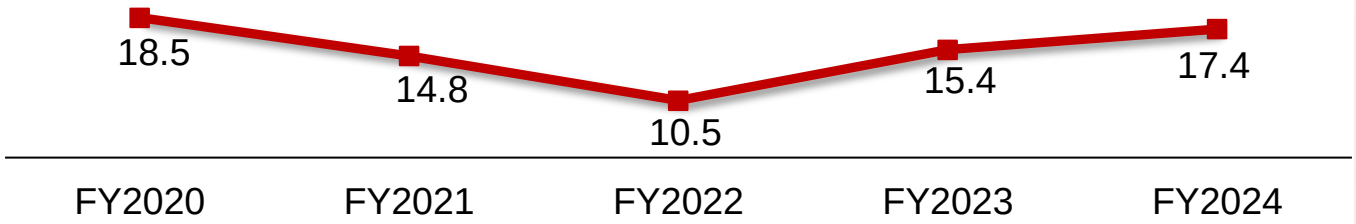


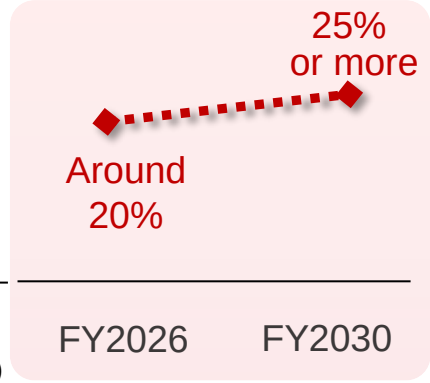
(Reference) Financial Target



Consolidated Equity Ratio

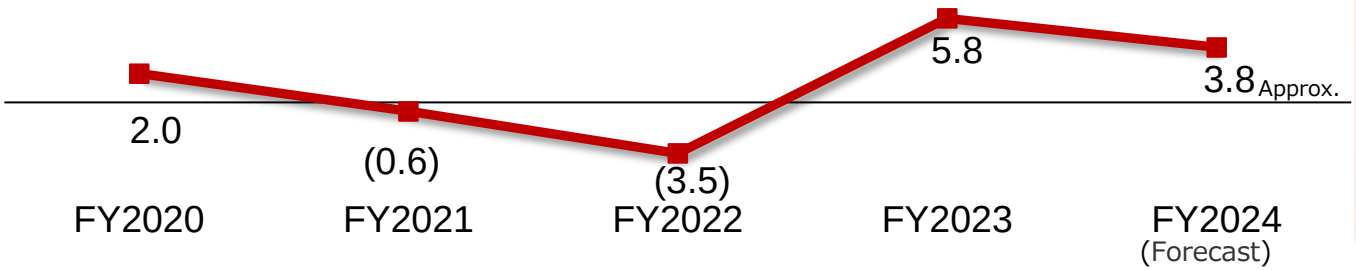
(%)

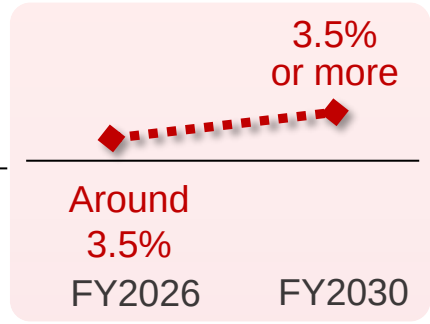




Consolidated Return On Invested Capital (ROIC)

(%)

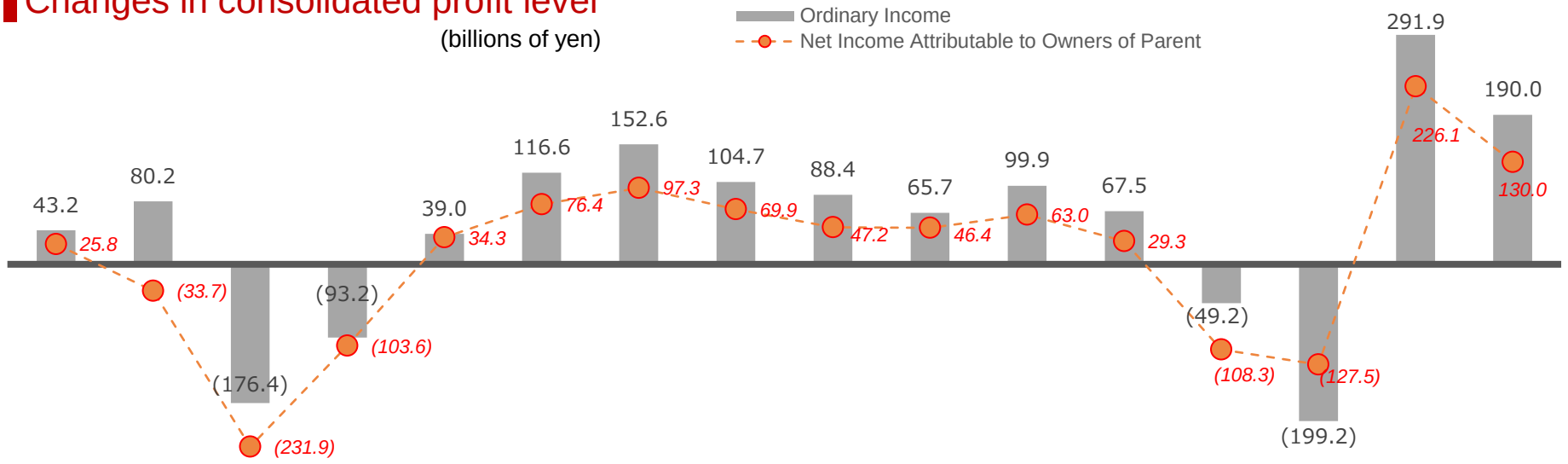




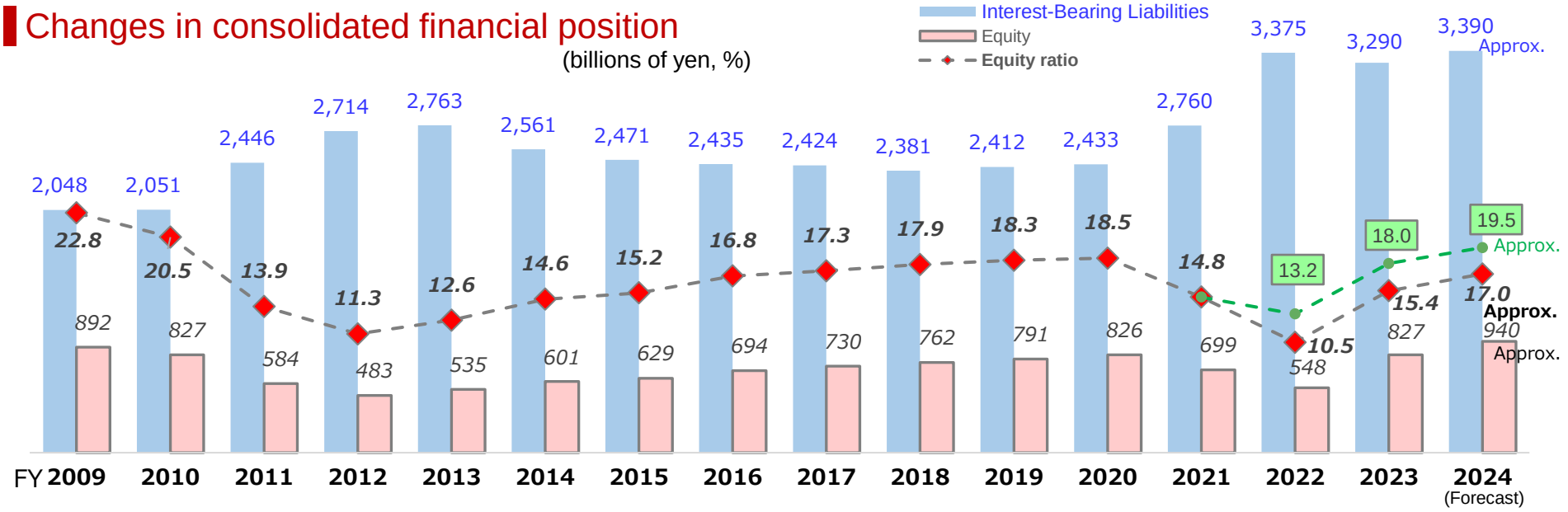
4. Financial Data

Trends in profit levels and financial position

Changes in consolidated profit level



Changes in consolidated financial position



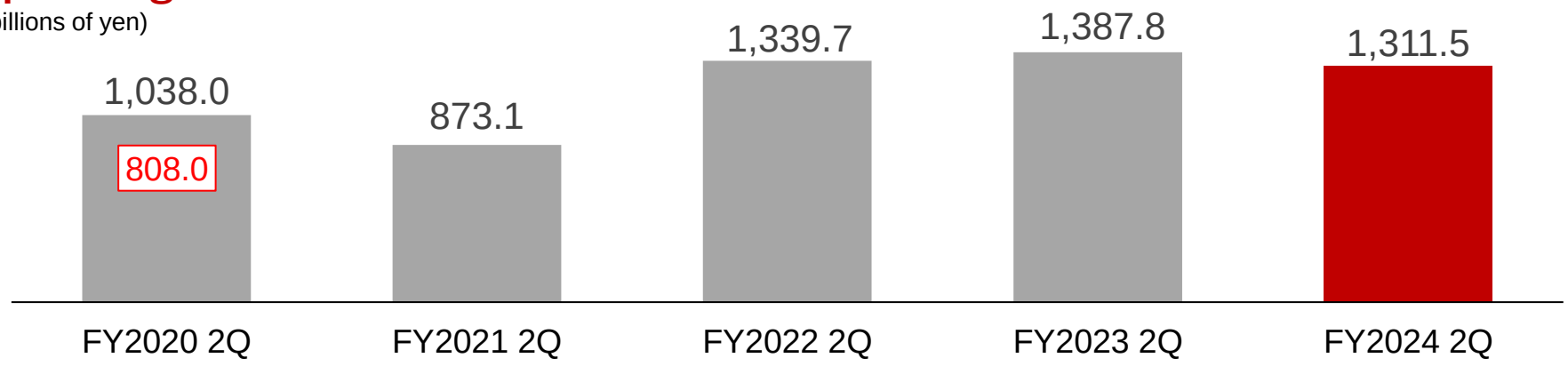
Note : Green line shows equity ratio assuming 50% of the issued amount (140.0 billion yen) of the issued hybrid bonds as equity capital

Reference:FY2024 Consolidated Interest-Bearing Liabilities (average of opening and closing period) /Consolidated cash income ratio is expected to be approximately 7.6 times.

Trends of Operating Revenue and Each Income (Consolidated) (1/2)

Operating Revenue

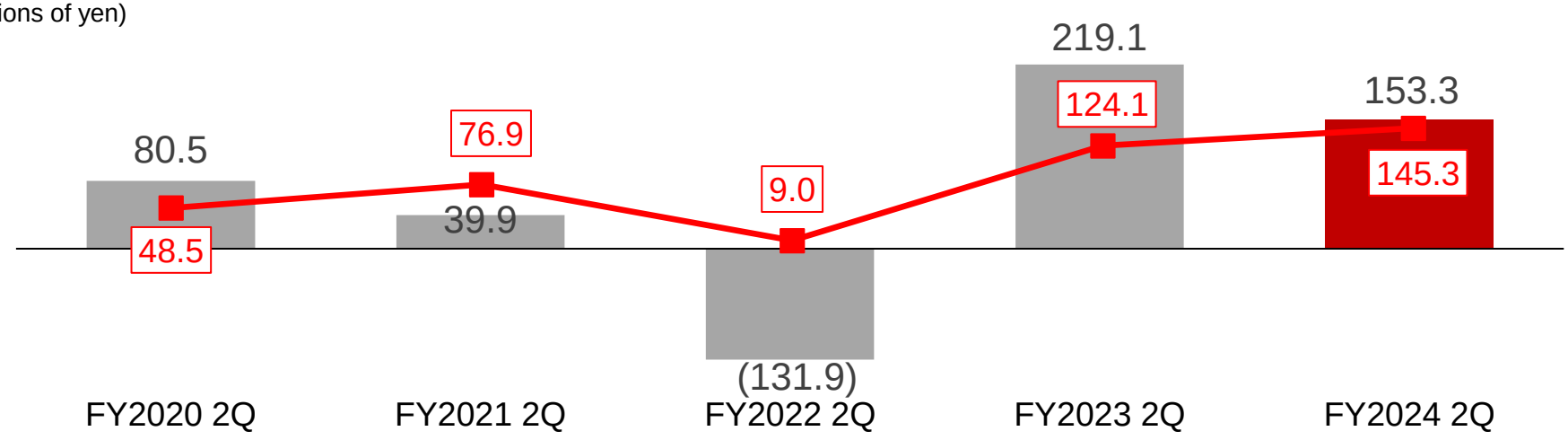
(billions of yen)



Note : Red number shows operating revenue (consolidated) excluding grant under act on purchase of renewable energy sourced electricity, the surcharge for promoting renewable energy sourced electricity, and the self-contracted portion due to indirect auction, etc. FY2021 is after the application of the "Accounting Standard for Revenue Recognition."

Ordinary Income

(billions of yen)

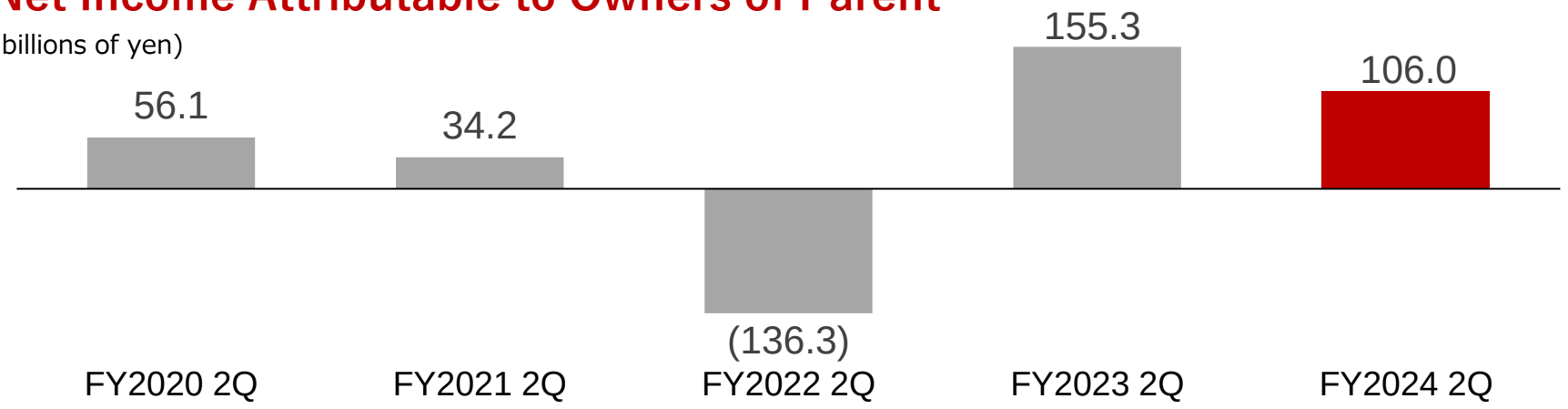


Note：Red line shows ordinary income (consolidated) excluding Impact of time lag between fuel cost and fuel cost adjustment charges.

Trends of Operating Revenue and Each Income (Consolidated) (2/2)

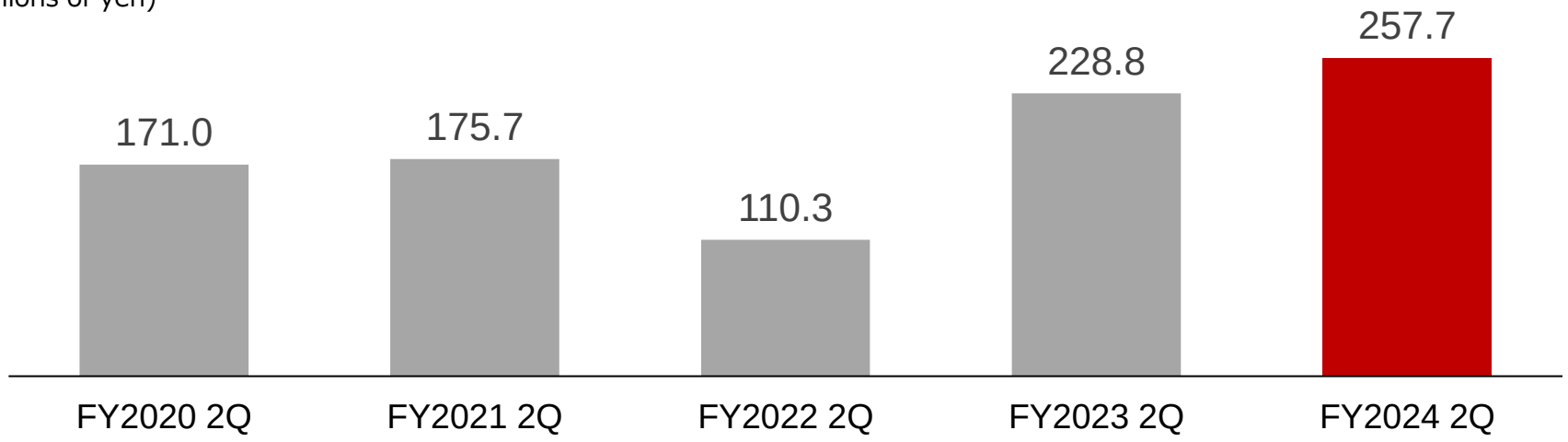
Net Income Attributable to Owners of Parent

(billions of yen)



Consolidated Cash Income*

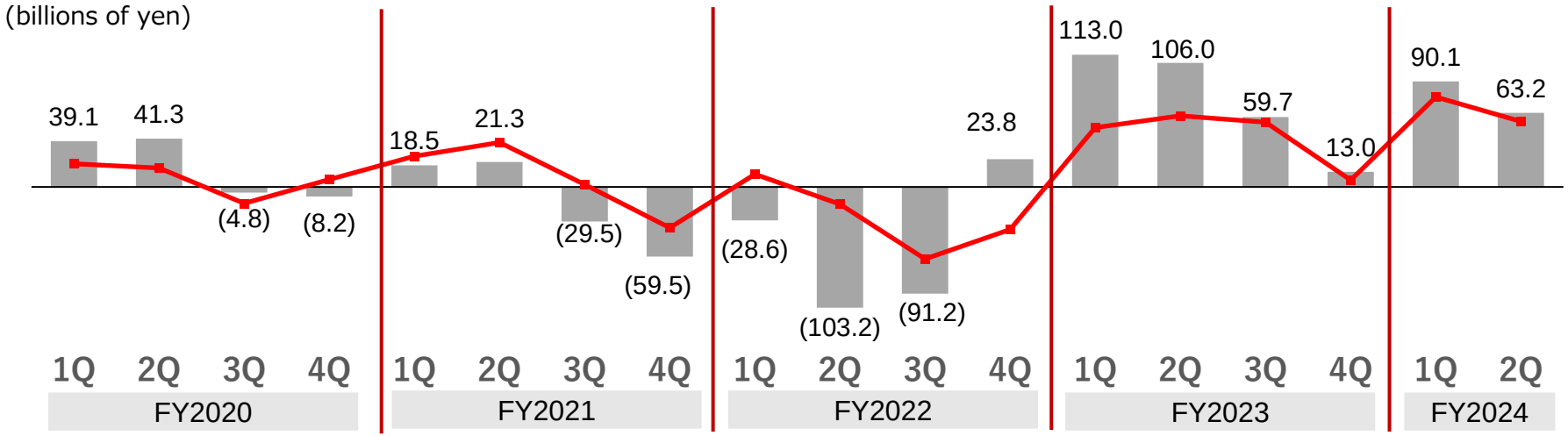
(billions of yen)



* 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.)

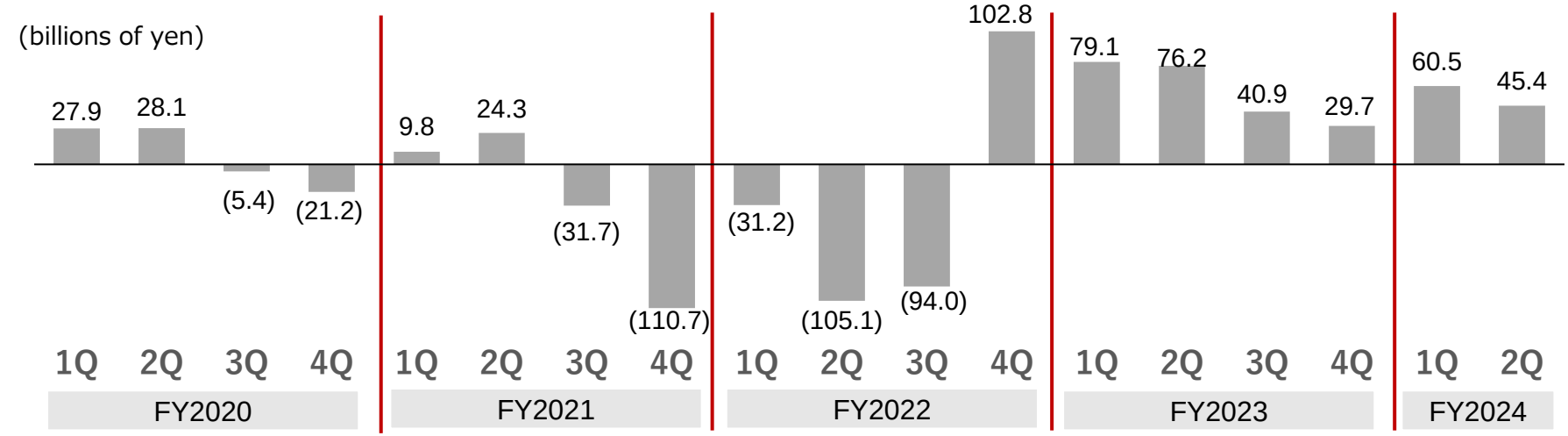
Trends of Quarterly Income (Consolidated)

Ordinary Income



Note：Red line shows ordinary income (consolidated) excluding Impact of time lag between fuel cost and fuel cost adjustment charges.

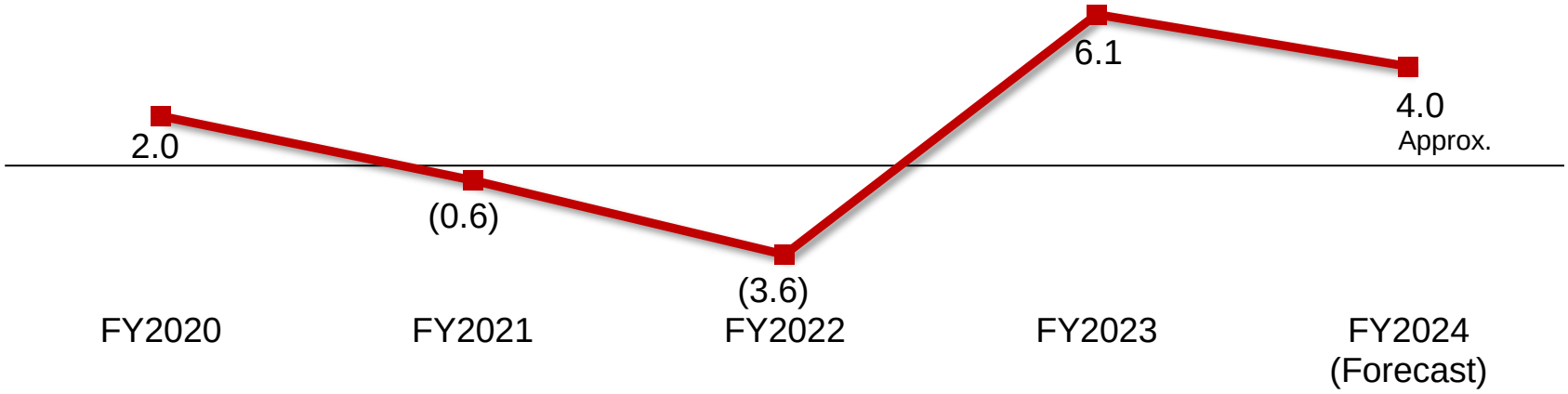
Net Income Attributable to Owners of Parent



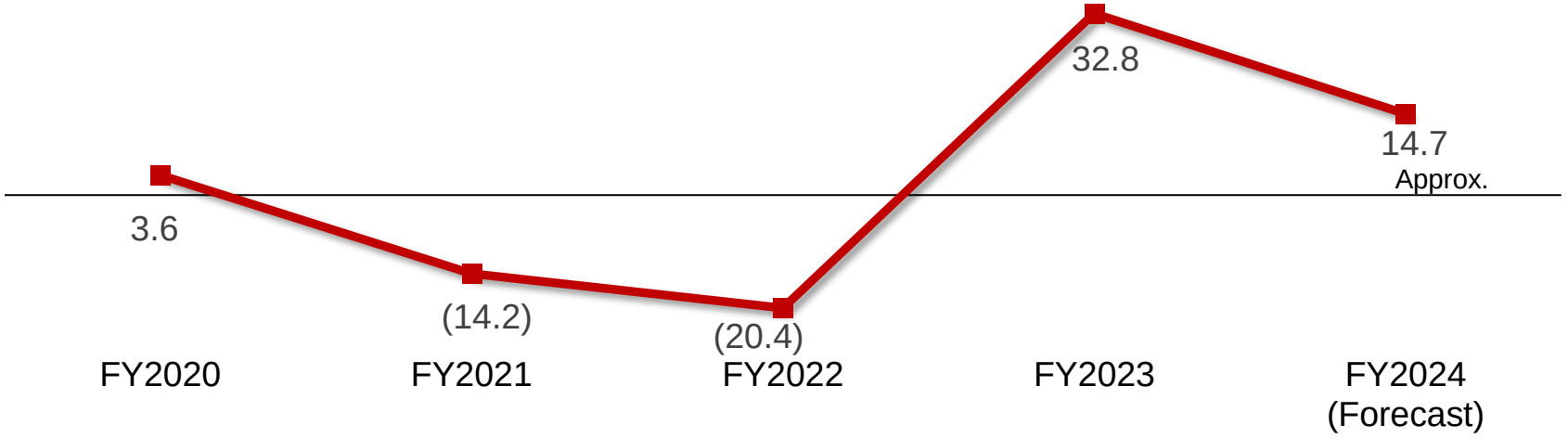
Trends of Financial Indicators（Consolidated）（1） 29

Return On Assets（ROA） [Operating Income / Total Assets (average of opening and closing period)× 100]

(%)

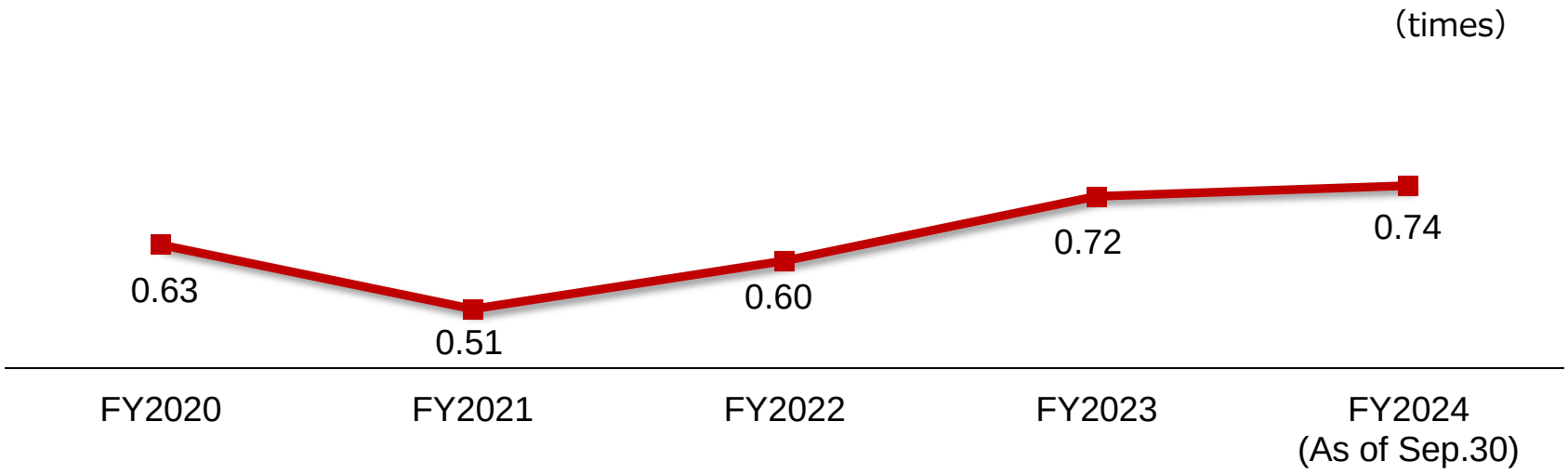


Return On Equity（ROE） [Net Income / Equity (average of opening and closing period)× 100] (%)

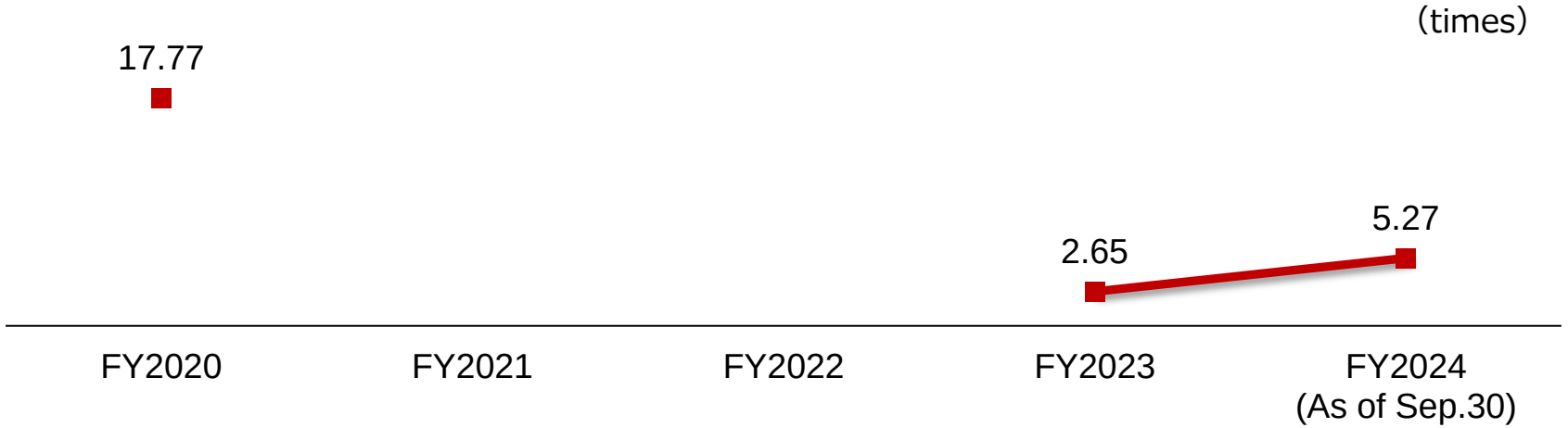


Trends of Financial Indicators（Consolidated）(2)

Price Book-value Ratio（PBR） [Stock price of each fiscal year end/ Net assets per share]



Price Earnings Ratio（PER） [Stock price of each fiscal year end / Net earnings per share]

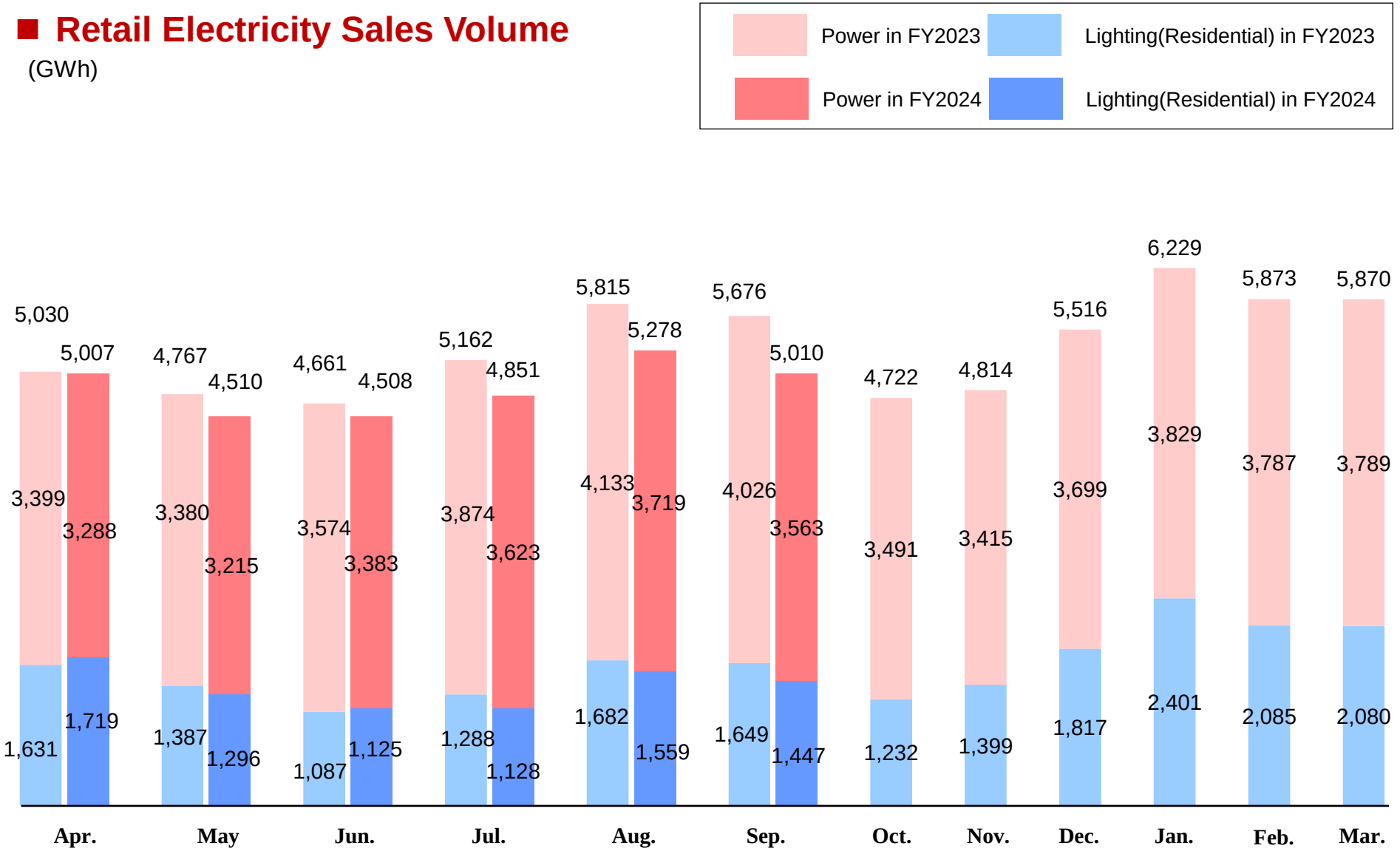


Note : Price Earnings Ratio cannot be calculated for FY2021 and FY2022 due to net loss.
For FY2024 Net earnings per share, we use the financial forecast announced on April 30, 2024.

Retail Electricity Sales Volume by Month

Retail Electricity Sales Volume

(GWh)

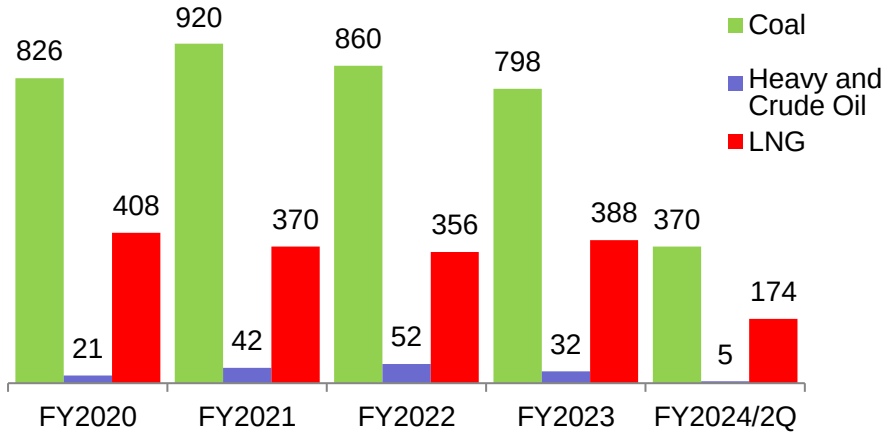


Fuel Consumption Results

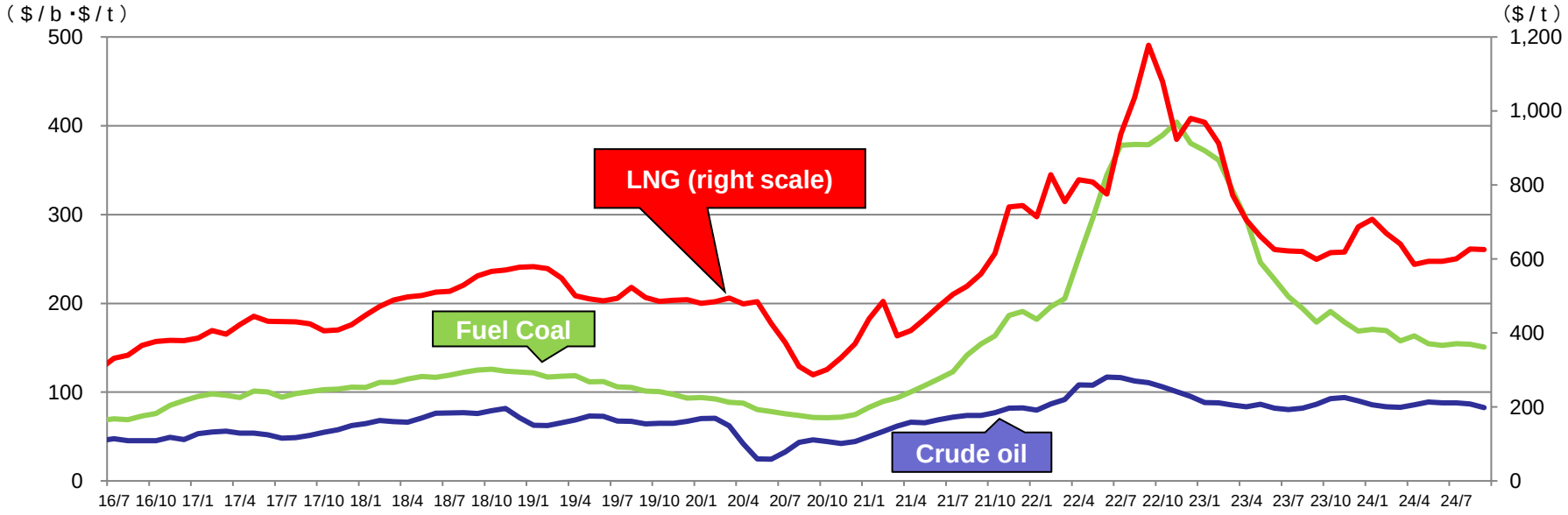
Fuel Consumption

	FY2023/ 2Q	FY2024/ 2Q	Change	(Referrence) FY2023
Coal (ten thousand tons)	344	370	26	798
Heavy and Crude Oil (ten thousand kl)	11	5	(6)	32
L N G (ten thousand ton)	187	174	(13)	388

(ten thousand tons, ten thousand kl)



[Reference] Historical CIF Prices of Crude Oil, Fuel Coal and LNG



5. Main Initiatives in the 2nd Quarter of FY2024

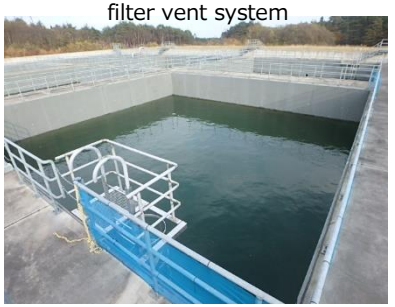
The status of efforts towards the resumption of Nuclear Power Reactors

Onagawa Nuclear Power Station Unit 2

Conformity assessment	1. Permission for application for approval of license amendment (February 26, 2020) 2. Approval for construction plan (December 23, 2021) 3. Approval of safety regulations (February 15, 2923)
Construction work on safety measures	Construction work on safety measures was completed on May 27, 2024.
Pre-Service Operator Inspections	The main inspection process is as follows: 1. Inspections during the fuel bundles insertion: Completed 2. Inspections at the beginning stage of criticality reaction operations: Completed 3. Inspections at the time of construction completion: To be completed on December 2024 After the inspection described in "2", the reactor start-up operation was performed on October 29, 2024. The timing of the generators running in parallel is assumed to be around November 7, 2024.



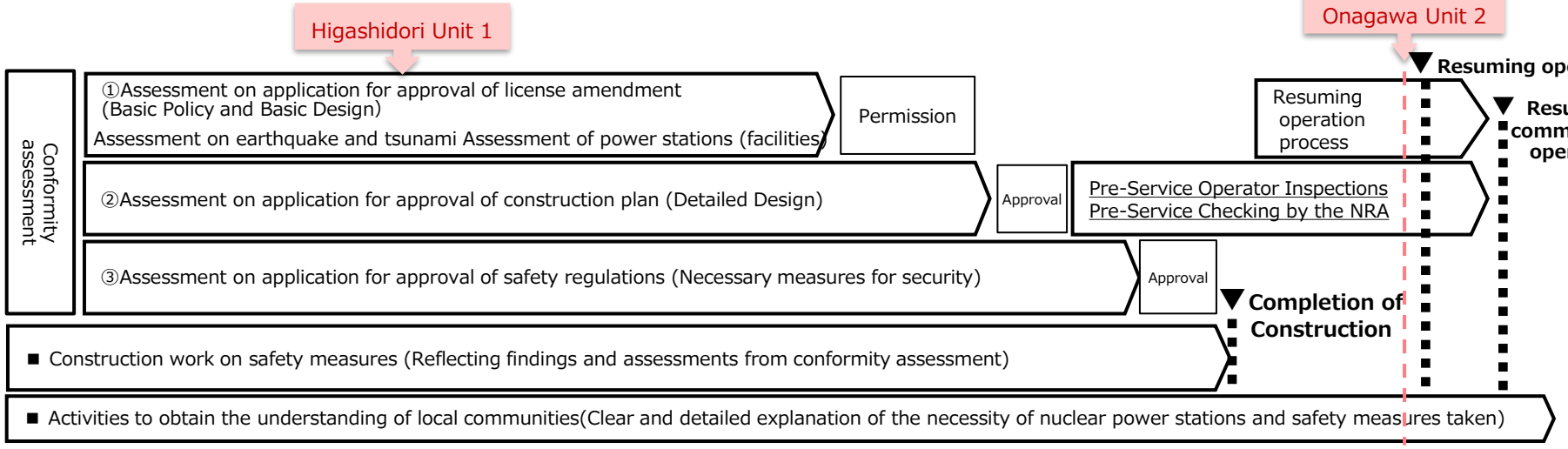
Onagawa Nuclear Power Station
Reactor containment vessel
filter vent system



Higashidori Nuclear Power
Station Fresh water tanks

Higashidori Nuclear Power Station Unit 1

Conformity assessment	(Assessment of earthquake, tsunami, and volcanoes) Review for earthquake and tsunami has been completed and the review for volcanoes is currently underway. (Assessment of plant facilities) Currently, preparations are being made for the assessment, especially for “the tsunami with extremely small probability of occurrence but with large impact on power stations (PRA tsunami).“ Countermeasures are under consideration and impact on screening and construction are being evaluated.
Construction work on safety measures	Currently earthquake resistant construction and installation of venting equipment for containment vessels with filters and emergency response facilities are underway.



Green Business Development Status

**Development/participation results*
(as of end of September, 2024)**

Total output share Approx. **800** MW

New development target*

Early 2030s **2,000** MW or more

* Includes increased output from renewal of existing power sources and in-house development by Corporate PPA.

Power stations under development / participation

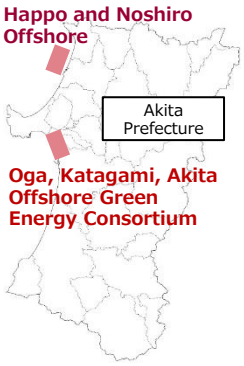
(As of end of Sep., 2024)

	Project Name (●:Independent development in our group)	Prefecture	Output (MW)	Scheduled Commercial Operation Dat	In operation (★)
Offshore Wind	Aomori Offshore Wind	Aomori	TBD	TBD	
	Iwate Kuji-shi Floating Offshore Wind	Iwate	Feasibility study	Feasibility study	
	Off the southern coast of Akita Prefecture Offshore Floating Wind Demonstration	Akita	Approx.30	Autumn, 2029	
	Offshore Happo and Noshiro, Akita	Akita	375	June 2029	
	Akita and Noshiro Port Offshore Wind	Akita	138.6	Jan. 2023	★
	Offshore Wind Power Project Off Oga City, Katagami City, and Akita City in Akita Prefecture	Akita	315	June 2028	
Onshore Wind	● Nakatombetsu Onshore Wind	Hokkaido	48	April 2030	
	Green Power Fukaura	Aomori	73.6	Feb. 2024	★
	●Takko Wind	Aomori	Approx.75.6	After FY2029	
	Shimokita Wind	Aomori	96	After 2027	
	Oonakadai-bokujyo Wind	Aomori	4	After FY2025	
	Fukamochi Wind	Aomori	94.6	After FY2031	
	Windfarm Tsugaru	Aomori	121.6	April 2020	★
	JRE Shichinohe-Towada Wind	Aomori	30.5	Dec. 2021	★
	Inaniwa Takko Wind	Iwate	Approx.100	After FY2025	
	Inaniwa Wind	Iwate	Approx.100	After FY2025	
	JRE Oritsumedake South 1 Wind	Iwate	44.18	Jan. 2023	★
	Noshiro-Yamamoto Regional Wind	Akita	96.6	Mar. 2025	
	●Shiroishi Kosugo Wind	Miyagi	Approx.38	After FY2026	
	JRE Miyagi Kami Windfarm	Miyagi	Approx.42	May 2024	★
	Inego-Toge Windfarm	Miyagi	58.8	May 2028	
	JRE Sakata Wind Replace	Yamagata	Approx.27.5	2026	
	JRE Tsuruoka Hachimoriyama Wind	Yamagata	13.6	Nov. 2021	★
	Southern Abukuma Wind	Fukushima	Approx.90	After FY2025	
	Tabito Central Windfarm	Fukushima	Approx.54.6	After FY2027	
	Fukui Kunimidake Wind	Fukui	37.8	May 2027	
Geothermal	●Kijiyama	Akita	14.9	2029	
Hydro	●Shin-Kamimatsuzawa	Aomori	9.4	FY2031	
	●Naruse River	Miyagi	2.3	FY2034	
	●Tamagawa No.2	Yamagata	14.6	Nov. 2022	★
Solar	Miyagi Osato Solar Park	Miyagi	37.5	Oct. 2021	★
	Power Plant Tsuhaze	Mie	35	Feb. 2023	★
Biomass	Chokai-Minami	Yamagata	52.9	Oct. 2024	
	Niigata East Port	Niigata	50	Oct. 2024	

Participation in offshore wind power generation projects

Consortium Name	Oga, Katagami, Akita Offshore Green Energy Consortium	Happo and Noshiro Offshore Wind Power GK
Constituent Companies	JERA Co., Inc. (Representative company), Electric Power Development Co., Ltd., Tohoku Electric Power Co., Inc., ITOCHU Corporation	ENEOS Renewable Energy (Representative company) , Iberdrola Renewables Japan, Tohoku Electric Power (and Akita Bank participates as an investor)
Generation facility output	315MW	375MW
Type and number of units	Bottom-mounted, 21 units (15MW/unit)	Bottom-mounted, 25 units (15MW/unit)
Scheduled start of operation	June, 2028	June, 2029

【Map of planned project area】



Development status of Corporate PPA business

【Major orders received】

Customer Name	Start of supply (including expected timing)	Output (kW)	Power source type
The 77 Bank, Ltd.	Oct. 2024	Approx. 2,000	Solar
JR East Japan Railway Company	Feb. 2024	1,200	Wind
Bourbon Corporation	Feb. 2024	Approx. 2,000	Solar
Nichirei Corporation	Mar. 2024	1,980	Solar

Main Initiatives in FY2024/2Q （1）
(Excerpts from press releases and notices)

Financial and management information

Date	Theme
4/30	Formulation of future management development "Working alongside next +PLUS" in Tohoku Electric Power Group mid- to long-term vision
5/7	Building of alumni-network - Building good relationship with retirees for creating sustainable corporate value
6/26	Results of the 100th annual shareholders meeting
7/31	Summary of schedule of operating expenses for power generation and retail power business for FY2023
9/27	Publication of "Tohoku Electric Power Group Integrated Report 2024"

Power generation and wholesale (April-July notice)

Date	Theme
4/22	Review of completion dates of safety measure work for Higashidori Nuclear Power Station Unit 1
4/26	Successful biding in Long-Term Decarbonized Power Supply Auction for Higashi-Niigata Thermal Power Station Unit 6
4/30	Report on our response to the confirmation and request from Aomori Prefecture which is corresponded to a report from Aomori Prefecture Nuclear Safety Verification Committee (as of end of March 2024)
5/27	Completion of construction work on safety measure for Onagawa Nuclear Power Station Unit 2
5/30	Tohoku Electric Power and TOPPAN Edge jointly started the sales of liquid leak detection system utilizing printed wiring and RFID technology - Batter-less equipment for a variety of liquids including oil, water, and chemicals
5/31	Application for approval of design and construction plan for additional storage of spent fuel transportation container for Onagawa Nuclear Power Station
6/3	"Restart process" and "Disclosure of information during the restart process" of Onagawa Nuclear Power Station Unit 2
6/5	Permission for modification of reactor installation for installation of a permanent DC power supply system (3rd system) on site, etc. at Onagawa Nuclear Power Station Unit 2
6/12	Completion of the 3rd periodic operator inspection in Onagawa Nuclear Power Station Unit 1
6/12	Unplanned activation of emergency gas treatment system in Onagawa Nuclear Power Station Unit 2
6/21	Causes and countermeasures related to unplanned activation of emergency gas treatment system in Onagawa Nuclear Power Station Unit 2
6/27	Application for approval of long-term facility management plan for Onagawa Nuclear Power Station Unit 2
7/1	Decommissioning of Akita Thermal Power Station Unit 4
7/5	Receipt of approval for prior consultation regarding installation, etc. of a permanent DC power supply system (3rd system) on site, etc. at Onagawa Nuclear Power Station Unit 2
7/18	Review of the restart process of Onagawa Nuclear Power Station Unit 2
7/23	Changes to the FY2024 Supply Plan (Power Supply Development Plan) - New development of Higashi-Niigata Thermal Power Station Unit 6, etc. recorded. -

Main Initiatives in FY2024/2Q （2）
(Excerpts from press releases and notices)

Power generation and wholesale (August-September notice)

Date	Theme
8/9	Occurrence of people in poor physical condition at Onagawa Nuclear Power Station
8/26	Implementation of bidding for the wholesale sale of electricity which set FY2025 as the starting year for receipt of benefits
9/3	Start date of fuel loading at Onagawa Nuclear Power Station
9/3	Start date of fuel loading operations at Onagawa Nuclear Power Station
9/13	Unplanned operation of emergency gas treatment system at Onagawa Nuclear Power Station
9/17	JOGMEC contracted to perform design work for a CCS project in the Higashi-Niigata area in FY2024 under the “Design Work for Advanced CCS Project, etc.” project
9/19	Causes and countermeasures for unplanned operation of the emergency gas treatment system at Onagawa Nuclear Power Station
9/25	Utilization of revenues from the sale of non-fossil certificates
9/26	Application for Design and Construction Plan Approval for Specific Major Accident Response Facilities (2nd time) at Onagawa Nuclear Power Station

Green business

Date	Theme
4/3	Nichirei’s introduction of Off-site Corporate PPA Service utilizing electricity generated from low-voltage solar power stations
4/8	Start of "Akita E-ne ! Option Hydric Power 100%" supply to “Akita Bank” and issuance of certificates
4/11	Start of "Akita E-ne ! Option Hydric Power 100%" supply to “Granopt” and issuance of certificates
4/25	Tohoku Electric Power and Tokyu Power Supply agree to collaborate on renewable energy aggregation business
5/1	Establishment of "Yokote Yuzawa Forest Cycle Corporation" - Operating woody biomass power generation fueled by wood from Akita Prefecture and building resource recycling system for local production and consumption
5/2	Start operation of JRE Miyagi Kamimachi Windfarm
5/9	Start of "Akita E-ne ! Option Hydric Power 100%" supply to “Ecosystem Hanaoka Corporation” and issuance of certificates
5/30	Tohoku Electric Power Frontier: Exclusion of consolidation agreement between the three parties including Yokohama-shi, Tokyu Power Supply, and Tohoku Electric Power Frontier
6/11	NEDO Green Innovation Fund Project: Adoption of floating offshore wind power demonstration project
6/18	Start of "Akita E-ne ! Option Hydric Power 100%" supply to “Alfresa Fine Chemical Corporation” and issuance of certificates
6/28	Start of "Akita E-ne ! Option Hydric Power 100%" supply to “Takakichi Construction Corporation” and issuance of certificates
9/2	Tohoku Electric Power RENES: "Start of providing training of GWO-LWA/ONL (Limited access to onshore wind turbines)"
9/18	Green Innovation Fund Project/Ceremony to hand over the grant decision notice
9/18	Periodic review results of Tohoku Electric Power Green/Transition Finance

Main Initiatives in FY2024/2Q （3）
(Excerpts from press releases and notices)

Energy and solution service

Date	Theme
4/1	Kamei and Tohoku Electric Power add eligible electricity rate menus to set plans
5/31	Tohoku Electric Power and Tohoku Electric Power Frontier offer demand response service to support "affordable and ecological" use of electricity
6/3	Campaign titled "Now is the best time to change plans" - 15% discount on electricity bill for two months when you subscribe to an eligible rate plan
7/1	Combined sales of city gas and electricity under the conclusion of agency consignment agreement
7/17	Tohoku Electric Power Frontier: Provision of "Power of water - Iwate e electricity" -Power to cultivate Iwate for the Next Generation
7/18	Application for approval of special measures for electricity rates with the implementation of “Electricity and Gas Rate Support"
7/30	Special measures on electricity rates for customers affected by the heavy rains that began on July 25, 2024
8/1	Release of “e-House Builders” information content for electrified homes
8/27	Business alliance to create new business for AI services
9/4	Tohoku Electric Power Company's Housecleaning Campaign - 10% discount off regular price for a limited time
9/20	Launched “Exems SOLA,” a service for visualization of greenhouse gas emissions - Total support for carbon neutral initiatives
9/20	Started sales of “Much closer, Hokuriku Gas + Electricity”
9/26	Commencement of new demand response service by Tohoku Electric Power and Tohoku Electric Power Frontier - Working with customers to use renewable energy without waste

Power transmission and distribution

Date	Theme
4/23	Start operation of abnormality detection of bolts and nuts on power transmission towers utilizing drone and AI (Press release by Tohoku Electric Power Network)
4/25	Continuation of demonstration tests related to patrol inspection of power distribution facilities utilizing customers' eyes - Continuation of the event “Holy war over power transmission tower in Tohoku region and Niigata prefecture”.- (Notice from Tohoku Electric Power Network)
5/15	Review of calculation parameters from April 2025 for the supply and demand adjustment market (Notice from Tohoku Electric Power Network)
5/17	Installation status of smart meter (Notice from Tohoku Electric Power Network)
6/3	Start of full-scale construction of installation of Tokiwa Main Line Miyagi Marumori switchyard (Press release by Tohoku Electric Power Network)
6/3	Electricity supply and demand forecast for this summer (Notice from Tohoku Electric Power Network)
7/18	Development of the Declaration of Conduct for Electric Power Transmission and Distribution Compliance (Notice from Tohoku Electric Power Network)
8/8	Joint validation of the use of AI technology to prevent occupational accidents (Press release by Tohoku Electric Power Network)
9/2	Started full-scale construction of new Marumori Iwaki main line and new Miyagi Marumori switchyard for Shinchi access line (Press release by Tohoku Electric Power Network)

Management and Financial Information

Publication of the Tohoku EPCo Group Integrated Report 2024

(Notice on September 27)

・This year, the report includes detailed descriptions of business development indicated in the future management development “Working alongside next +PLUS” in Tohoku Electric Power Group medium to long-term vision, and new financial targets, etc. as well as enhancing the descriptions of "Carbon neutral strategy", "DX strategy" and "Human resource strategy", which are related to strengthening the management base.





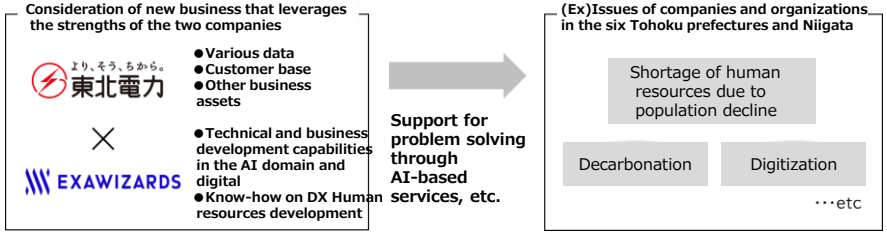
Energy Solutions Services

Business alliance for the creation of new AI servicing businesses

(Press release on August 27)

・Entered into a business alliance with Exawizards, Inc. to create new businesses for AI services.

・ By bringing together our business assets including various data and customer base and Exawizards's service planning capabilities in the area of AI domain and know-how on DX human resources development, we will study new businesses to solve problems in the six Tohoku prefectures and Niigata Prefecture, and create new business value in the energy business.



Transmission and distribution-related

Conducted joint verifications to prevent occupational accidents through the use of AI techniques

(Press release of Tohoku Electric Power Network on August 8)

・Tohoku Electric Power Network, Hokuriku Electric Power Transmission and Distribution Co., Ltd., and SWCC Co., Ltd. jointly verified the use of AI technology to prevent occupational accidents in the electric power industry.
・Tohoku Electric Power Network and Hokuriku Electric Power Transmission and Distribution Co., Inc. will share their occupational accident data and use SWCC’s AI technology for predicting occupational accidents to improve the site environment and realize safety and security for construction workers.

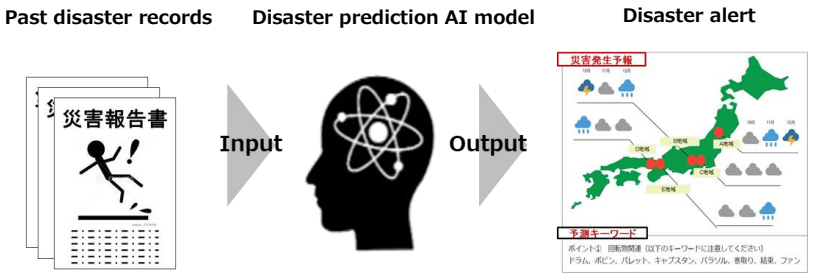


Image of AI Analysis for Occupational Accident Forecasts

Commencement of full-scale construction of new Marumori Iwaki trunk line and the installation of Shinchi Access Line Miyagi Marumori Opening and Closing Station

(Press release of Tohoku EPCo Network on September 2)

・As part of construction to integrate power lines connecting between Tohoku and Tokyo into two routes, the Marumori Iwaki Trunk Line Construction and the Shinchi Access Line Miyagi Marumori Opening and Closing Station Construction Project commenced.
・The two routes of the Tohoku-Tokyo interconnection line are the construction works of transmission lines mainly carried out by Tohoku Electric Power Network with the aim of expanding wide-area transactions of electric power and introducing renewable energy.

[Wide Area System Development Plan for Tohoku-Tokyo Interconnection Line]

Construction project	Outline of Facilities	Construction start ※1	Start of use
Change in connection of Soma Futaba Lines	500kV 16km	June 2022	June 2026
Establishment of Miyagi Marumori Opening and Closing Office	500kV 10 line	October 2022	November 2027 ※2
Establishment of Miyagi Marumori Line	500kV 79km	September 2022	November 2027
Shinchi Access Line Miyagi Marumori Opening and Closing Office	500kV 1km	September 2024	July 2026
Miyagi Chuo Substation 500kV withdrawal	500kV 2 lines	December 2024	November 2027
Joban Line Miyagi Marumori Opening and Closing Office	500kV 1km	June 2024	July 2026
Establishment of Marumori Iwaki Line	500kV 64km	April 2024 ※3	November 2027

(Note)

This presentation solely constitutes reference material for the purpose of providing the readers with relevant information to evaluate our group. The information contains forward-looking statements based on assumptions and projections about the future with regard to our group.

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 our group.

We hereby disclaim any responsibility or liability in relation to consequences resulting from decisions made by investors.

‘ 2Q ‘ in this presentation refers to the period from April to September, and ‘ fiscal year ‘ refers to the period from April to March of the following year.