

Tohoku Electric Power Co., Inc.

Summary of Financial Statements (Unaudited)

(April 1, 2023 - March 31, 2024)

Information below is an English translation of the "Unaudited Financial Release" for the year ended March 31, 2024, which has been filed with the Tokyo Stock Exchange, Inc. for public inspection.

Tohoku Electric Power Co., Inc. (Code : 9506)
 1-7-1 Honcho, Aoba-ku, Sendai, Miyagi, Japan (URL : <https://www.tohoku-epco.co.jp>)
 Representative : Kojiro Higuchi, President
 Tel : +81-22-225-2111

(Note) All monetary values are rounded down to the nearest units as indicated in each table.

1. Business Results for Consolidated FY2023 (Year ended March 31, 2024)

(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, 2024	2,817,813	(6.3)	322,263	-	291,940	-	226,102	-
Year ended Mar. 31, 2023	3,007,204	42.9	(180,054)	-	(199,277)	-	(127,562)	-

(Note) Comprehensive income (FY2023: 285,835 million yen -, FY2022: -138,823 million yen -%)

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, 2024	452.13	-	32.8	5.5	11.4
Year ended Mar. 31, 2023	(255.14)	-	(20.4)	(4.0)	(6.0)

(Reference) Share of profit of entities accounted for using equity method (FY2023: 572 million yen, FY2022: 289 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, 2024	5,388,723	911,078	15.4	1,655.09
Mar. 31, 2023	5,211,914	631,099	10.5	1,097.95

(Reference) Shareholders' Equity (March 31, 2024: 827,695 million yen, March 31, 2023: 548,987 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, 2024	450,160	(333,550)	(96,050)	529,354
Year ended Mar. 31, 2023	(93,776)	(275,797)	598,465	507,896

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, 2023	-	-	-	-	-	-	-	-
Year ended Mar. 31, 2024	-	5.00	-	10.00	15.00	7,516	3.3	1.1
Year ending Mar. 31, 2025 (forecast)	-	15.00	-	15.00	30.00		11.5	

3. Business Results Forecast for Consolidated FY2024 (Year ending March 31, 2025)

	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
FY2024	2,830,000	0.4	220,000	(31.7)	190,000	(34.9)	130,000	(42.5)	259.95

(Reference)

1. Business Results for Non-consolidated FY2023 (Year ended March 31, 2024)

(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, 2024	2,253,909	(2.1)	209,957	-	201,589	-	170,062	-
Year ended Mar. 31, 2023	2,301,591	47.0	(226,876)	-	(220,820)	-	(135,427)	-

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Year ended Mar. 31, 2024	340.07	-
Year ended Mar. 31, 2023	(270.87)	-

(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, 2024	4,465,979	563,721	12.6	1,127.24
Mar. 31, 2023	4,381,030	385,757	8.8	771.50

(Reference) Shareholders' Equity (March 31, 2024: 563,721 million yen, March 31, 2023: 385,757 million yen)

* There is a difference between financial results in FY2022 and FY2023 due to an increase in profit due to the time lag effect of the fuel cost adjustment system due to a decline in fuel prices, as well as an improvement in profitability due to the review of electricity rates and the operation of the highly efficient Joetsu Thermal Power Station.

CONSOLIDATED BALANCE SHEETS (Unaudited)

FY2023 (As of March 31, 2024) and FY2022 (As of March 31, 2023)

Assets	(Millions of yen)	
Item	March 31, 2024	March 31, 2023
Non-current assets:	4,186,336	4,005,171
Electric utility plant and equipment:	2,555,037	2,558,047
Hydroelectric power production facilities	207,012	197,654
Thermal power production facilities	402,661	430,835
Nuclear power production facilities	224,175	226,884
Transmission facilities	562,392	563,895
Transformation facilities	261,503	260,078
Distribution facilities	733,673	714,451
General facilities	131,754	132,436
Other electric utility plant and equipment	31,863	31,812
Other non-current assets	232,132	225,158
Construction in progress:	759,587	578,012
Construction and retirement in progress	701,459	522,209
Special account related to nuclear power decommissioning	17,817	20,258
Special account related to reprocessing of spent nuclear fuel	40,310	35,543
Nuclear fuel:	143,637	148,160
Loaded nuclear fuel	30,591	30,591
Nuclear fuel in processing	113,045	117,569
Investments and other assets:	495,941	495,793
Long-term investments	148,900	147,367
Net defined benefit asset	35,091	6,528
Deferred tax assets	181,372	220,113
Other	131,034	125,644
Allowance for doubtful accounts	(457)	(3,861)
Current assets:	1,202,387	1,206,742
Cash and deposits	483,709	506,752
Notes and accounts receivable - trade	262,901	263,578
Inventories	92,806	136,823
Other	364,320	300,535
Allowance for doubtful accounts	(1,351)	(945)
Assets	5,388,723	5,211,914

Liabilities and net assets

(Millions of yen)

Item	March 31, 2024	March 31, 2023
Non-current liabilities:	3,319,923	3,467,390
Bonds payable	1,570,700	1,575,700
Long-term loans payable	1,383,710	1,499,437
Reserve for restoration costs of natural disaster	3,142	7,227
Net defined benefit liability	125,070	163,259
Asset retirement obligations	192,844	179,135
Deferred tax liabilities for land revaluation	1,279	1,297
Other	43,175	41,333
Current liabilities:	1,157,721	1,113,424
Current portion of non-current liabilities	331,680	303,713
Notes and accounts payable - trade	231,281	254,947
Accrued taxes	62,601	21,528
Other advances	276,910	276,088
Reserve for restoration costs of natural disaster	4,217	6,320
Other	251,030	250,825
Liabilities	4,477,645	4,580,815
Shareholders' equity:	779,963	555,227
Capital stock	251,441	251,441
Capital surplus	23,291	22,250
Retained earnings	509,385	286,048
Treasury shares	(4,154)	(4,512)
Accumulated other comprehensive income:	47,731	(6,239)
Valuation difference on available-for-sale securities	7,598	2,910
Deferred gains/losses on hedges	7,153	697
Revaluation reserve for land	(937)	(919)
Foreign currency translation adjustments	5,533	2,897
Remeasurements of defined benefit plans	28,383	(11,824)
Non-controlling interests	83,383	82,111
Net assets	911,078	631,099
Liabilities and net assets	5,388,723	5,211,914

CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

FY2023 (Year ended March 31, 2024) and FY2022 (Year ended March 31, 2023)

(Millions of yen)

Item	Year ended March 31,	
	2024	2023
Operating revenue:	2,817,813	3,007,204
Electric utility operating revenue	2,531,759	2,716,930
Other business operating revenue	286,054	290,274
Operating expenses:	2,495,550	3,187,259
Electric utility operating expenses	2,228,642	2,906,927
Other business operating expenses	266,907	280,331
Operating Income (Loss)	322,263	(180,054)
Non-operating income:	9,642	7,657
Dividend income	769	697
Interest income	708	355
Gain on sales of goods	1,920	2,590
Gain on sales of securities	1,983	1,032
Share of profit of entities accounted for using equity method	572	289
Other	3,689	2,692
Non-operating expenses:	39,966	26,880
Interest expenses	24,544	18,824
Other	15,422	8,056
Ordinary revenue	2,827,456	3,014,862
Ordinary expenses	2,535,516	3,214,140
Ordinary Income (Loss)	291,940	(199,277)
Provision or reversal of reserve for fluctuation in water levels:	-	(79)
Reversal of reserve for fluctuation in water levels	-	(79)
Income (Loss) before income taxes	291,940	(199,198)
Income taxes - current	43,415	6,629
Income taxes - deferred	18,086	(82,680)
Income taxes	61,502	(76,051)
Net Income (Loss)	230,438	(123,146)
Net income attributable to non-controlling interests	4,336	4,415
Net income (loss) attributable to owners of parent	226,102	(127,562)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

FY2023 (Year ended March 31, 2024) and FY2022 (Year ended March 31, 2023)

Item	(Millions of yen)	
	Year ended March 31,	
	2024	2023
Net income (loss)	230,438	(123,146)
Other comprehensive income:		
Valuation difference on available-for-sale securities	4,963	1,348
Deferred gains/losses on hedges	6,465	(4,683)
Foreign currency translation adjustments	2,732	1,696
Remeasurements of defined benefit plans	41,188	(14,711)
Share of other comprehensive income of entities accounted for using equity method	46	673
Other comprehensive income (loss)	55,396	(15,676)
Comprehensive income (loss)	285,835	(138,823)
Comprehensive income attributable to:		
Comprehensive income (loss) attributable to owners of parent	280,090	(143,347)
Comprehensive income attributable to non-controlling interests	5,744	4,524

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Unaudited)

FY2023 (Year ended March 31, 2024) and FY2022 (Year ended March 31, 2023)

FY2023

(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 gains/losses on hedges
Balance at the beginning of current period	251,441	22,250	286,048	(4,512)	555,227	2,910	697
Changes of items during the period							
Changes in parent's ownership interests arising from transactions with non-controlling interests		1,040			1,040		
Dividends of surplus			(2,505)		(2,505)		
Net income attributable to owners of parent			226,102		226,102		
Purchases of treasury shares				(297)	(297)		
Disposal of treasury shares			(277)	655	378		
Reversal of revaluation reserve for land			17		17		
Net changes of items other than shareholders' equity						4,687	6,456
Total changes of items during the period	-	1,040	223,336	358	224,735	4,687	6,456
Balance at the end of current period	251,441	23,291	509,385	(4,154)	779,963	7,598	7,153

	Accumulated other comprehensive income				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	(919)	2,897	(11,824)	(6,239)	82,111	631,099
Changes of items during the period						
Changes in parent's ownership interests arising from transactions with non-controlling interests						1,040
Dividends of surplus						(2,505)
Net income attributable to owners of parent						226,102
Purchases of treasury shares						(297)
Disposal of treasury shares						378
Reversal of revaluation reserve for land						17
Net changes of items other than shareholders' equity	(17)	2,636	40,208	53,971	1,272	55,243
Total changes of items during the period	(17)	2,636	40,208	53,971	1,272	279,979
Balance at the end of current period	(937)	5,533	28,383	47,731	83,383	911,078

FY2022

(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 gains/losses on hedges
Balance at the beginning of current period	251,441	22,290	421,113	(4,742)	690,102	1,607	4,708
Changes of items during the period							
Changes in parent's ownership interests arising from transactions with non-controlling interests		(39)			(39)		
Dividends of surplus			(7,512)		(7,512)		
Net loss attributable to owners of parent			(127,562)		(127,562)		
Purchases of treasury shares				(8)	(8)		
Disposal of treasury shares			(1)	237	236		
Reversal of revaluation reserve for land			11		11		
Net changes of items other than shareholders' equity						1,303	(4,011)
Total changes of items during the period	-	(39)	(135,064)	229	(134,874)	1,303	(4,011)
Balance at the end of current period	251,441	22,250	286,048	(4,512)	555,227	2,910	697

	Accumulated other comprehensive income				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	(907)	1,341	2,807	9,556	79,321	778,980
Changes of items during the period						
Changes in parent's ownership interests arising from transactions with non-controlling interests						(39)
Dividends of surplus						(7,512)
Net income attributable to owners of parent						(127,562)
Purchases of treasury shares						(8)
Disposal of treasury shares						236
Reversal of revaluation reserve for land						11
Net changes of items other than shareholders' equity	(11)	1,556	(14,632)	(15,796)	2,790	(13,006)
Total changes of items during the period	(11)	1,556	(14,632)	(15,796)	2,790	(147,881)
Balance at the end of current period	(919)	2,897	(11,824)	(6,239)	82,111	631,099

CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

FY2023 (Year ended March 31, 2024) and FY2022 (Year ended March 31, 2023)

(Millions of yen)

Item	Year ended March 31,	
	2024	2023
Cash flows from operating activities:		
Income before income taxes	291,940	(199,198)
Depreciation	191,554	193,452
Decommissioning costs of nuclear power units	8,405	8,051
Amortization of special account related to nuclear power decommissioning	2,441	2,441
Loss on retirement of non-current assets	5,184	4,523
Increase (decrease) in net defined benefit liability	(38,022)	9,164
Increase (decrease) in remeasurements of defined benefit plans	57,184	(20,414)
Increase (decrease) in reverse for fluctuation in water levels	-	(79)
Interest and dividend income	(1,477)	(1,052)
Interest expenses	24,544	18,823
Decrease (increase) in notes and accounts receivable - trade	(28)	(31,346)
Decrease (increase) in accounts receivable - other	(43,712)	(31,791)
Decrease (increase) in inventories	41,352	(45,288)
Increase (decrease) in notes and accounts payable - trade	(21,825)	30,779
Other, net	(36,429)	(6,901)
Subtotal	481,112	(68,837)
Interest and dividend income received	1,433	1,054
Interest expenses paid	(24,446)	(18,073)
Income taxes paid	(7,938)	(7,919)
Net cash provided by operating activities	450,160	(93,776)
Cash flows from investing activities:		
Purchase of non-current assets	(357,236)	(308,188)
Payments of investment and loans receivable	(27,230)	(50,619)
Collection of investment and loans receivable	43,021	71,546
Other, net	7,894	11,464
Net cash used in investing activities	(333,550)	(275,797)
Cash flows from financing activities:		
Proceeds from issuance of bonds	94,647	553,314
Redemption of bonds	(160,000)	(95,000)
Proceeds from long-term loans payable	110,589	442,753
Repayments of long-term loans payable	(138,305)	(182,879)
Increase in short-term loans payable	22,350	103,342
Decrease in short-term loans payable	(14,317)	(108,937)
Proceeds from issuance of commercial papers	60,000	283,000
Redemption of commercial papers	(60,000)	(383,000)
Cash dividends paid	(2,593)	(7,581)
Dividends paid to non-controlling interests	(2,903)	(1,997)
Other, net	(5,516)	(4,546)
Net cash used in financing activities	(96,050)	598,465
Effect of exchange rate change on cash and cash equivalents	897	584
Net increase(decrease) in cash and cash equivalents	21,457	229,476
Cash and cash equivalents at beginning of the period	507,896	278,420
Cash and cash equivalents at end of the period	529,354	507,896

(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.