

November 4, 2011

**Notice concerning Extraordinary Income and Loss Posted in FY 2011 Second Quarter Earnings Results, Major Subsequent Events, Variance between First Half Earnings Results of FY2010 and FY2011, and Revision of the Earnings Forecasts**

As to the earnings results for the second quarter of FY2011, or the fiscal year ending March 31, 2012, released today, The Tokyo Electric Power Company Incorporated (TEPCO, TSE: 9501) hereby makes a notice concerning extraordinary income and loss posted, the company's major subsequent events, variance between first half earnings results of FY2010 and FY2011, and revision of the earnings forecasts. The details are as follows.

1. Extraordinary income

(1) Grants-in-aid from Nuclear Damage Compensation Facilitation Corporation

As TEPCO requested financial assistance grounded on an article of Law concerning Formation of a Nuclear Damage Compensation Facilitation Corporation (Law No.94 approved on August 10, 2011), the company recognized Grants-in-aid from Nuclear Damage Compensation Facilitation Corporation of 543.6 billion yen as an extraordinary income in this quarter.

(2) Gain on sales of securities

TEPCO recognized gain on sales of securities of 24.5 billion yen (24.4 billion yen on a non-consolidated basis) in this quarter.

2. Extraordinary loss

(1) Extraordinary loss on natural disaster

TEPCO recognized expenses and losses for restoring damaged facilities by the Tohoku-Chihou-Taiheiyu-Okai Earthquake in the quarter of 185.0 billion yen (184.6 billion yen on a non-consolidated basis.) For your reference, the amount of an extraordinary loss on natural disaster the company recorded in the previous quarter was 105.5 billion yen (105.3 billion yen on a non-consolidated basis.)

(2) Expenses for nuclear damage compensation

Based on the "Interim Guidelines for Judgment on the Scope of Nuclear Damage" resolved by Government's Nuclear Damages Indemnification Adjustment Committee, TEPCO estimated foreseeable portions of its nuclear damage compensation caused by a series of accidents at our Fukushima Daiichi Nuclear Power Station at 1,010.9 billion yen. TEPCO recognized the expenses for nuclear damage compensation of 890.9 billion yen, deducting the amount of the Governmental indemnity expected to be paid to the company according to Law concerning Indemnity Agreement for Nuclear Damage Compensation (Law No.148 approved on June 17, 1961) of 120 billion yen from the estimate.

3. Major subsequent events

As stated in Section 1 (1) on this document, TEPCO asked Nuclear Damage Compensation Facilitation Corporation for its financial assistance. After that, TEPCO officially applied for the grants-in-aid from the Corporation (the amount after deduction of the Governmental indemnity expected to be paid to the company according to Law concerning Indemnity Agreement for Nuclear Damage Compensation,) and today, November 4, the Corporation officially made a decision to pay out the amount TEPCO applied as funds for payments of the nuclear damage compensation. Therefore, grants-in-aid from Nuclear Damage Compensation Facilitation Corporation are to increase by 347.2 billion yen by the end of this fiscal year.

4. Variance between First Half Earnings Results of FY2010 and FY2011, and Revision of the Earnings Forecasts

(1) Variance between First Half Earnings Results of FY2010 and FY2011

<Consolidated basis>

(Unit: million yen, unless otherwise noted)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
FY2010 1 <sup>st</sup> Half Results (A)	2,710,744	235,808	201,381	92,288	68.44
FY2011 1 <sup>st</sup> Half Results (B)	2,502,752	(60,600)	(105,748)	(627,299)	(391.45)
Variance (B – A)	(207,991)	(296,408)	(307,129)	(719,588)	
Changes (%)	(7.7)	—	—	—	

<Non-consolidated basis>

(Unit: million yen, unless otherwise noted)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
FY2010 1 <sup>st</sup> Half Results (A)	2,606,468	216,693	179,388	80,170	59.38
FY2011 1 <sup>st</sup> Half Results (B)	2,389,166	(82,777)	(130,471)	(638,463)	(398.02)
Variance (B – A)	(217,302)	(299,471)	(309,860)	(718,634)	
Changes (%)	(8.3)	—	—	—	

## (2) Revision of the Earnings Forecasts

&lt;Consolidated basis&gt;

(Unit: million yen, unless otherwise noted)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
The Previous Forecast (A)	—	—	—	—	—
The Revised Forecast (B)	5,315,000	(305,000)	(400,000)	(600,000)	(374.41)
Variance (B – A)	—	—	—	—	
Changes (%)	—	—	—	—	
(Reference) FY2010 Actual Results	5,368,536	399,624	317,696	(1,247,348)	(846.64)

&lt;Non-consolidated basis&gt;

(Unit: million yen, unless otherwise noted)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
The Previous Forecast (A)	—	—	—	—	—
The Revised Forecast (B)	5,080,000	(335,000)	(410,000)	(575,000)	(358.46)
Variance (B – A)	—	—	—	—	
Changes (%)	—	—	—	—	
(Reference) FY2010 Actual Results	5,146,318	356,658	271,066	(1,258,552)	(853.33)

## (3) The Reasons for the Revision

We have not disclosed consolidated or non-consolidated earnings forecasts for FY2011 as it was extremely difficult for us to certainly estimate the full-year power demand and supply balance due to the impacts of the Tohoku-Chihou-Taiheiyu-Oki Earthquake. Today, however, we have disclosed our FY2011 full-year business performance outlook appeared on the special business plan prepared based on Article 45 of Law concerning Nuclear Damage Compensation Facilitation Corporation after an authorization by the minister in charge. TEPCO hereby announces the numbers as our full-year earnings forecasts.