FY2020 1st Quarter Financial Results (April 1 – June 30, 2020)

Tokyo Electric Power Company Holdings, Inc.

TEPCO

Overview of FY2020 1st Quarter Financial Results

(Released on July 29, 2020)

(Note)
Please note that the following is an accurate and complete translation of the original Japanese version prepared for the convenience of our English-speaking investors. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

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Key Points of FY2020 1st Quarter Financial Results

< FY2020 1st Quarter Financial Results >

- Operating revenue decreased due to increased competition for electricity sales and the impact of the COVID-19 pandemic and other factors.
- Ordinary income decreased due to decreases in operating revenue and the worsening impact of the fuel cost adjustment system on JERA's business performance and other factors, despite continual efforts on behalf of the entire Group to cut costs.
- Quarterly net income decreased due to a reactionary fall from the extraordinary income posted last fiscal year.

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1. Consolidated Financial Results

(Unit: Billion kWh)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Electricity Sales Volume	47.4	52.2	-4.8	90.8

(Unit: Billion Yen)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating Revenue	1,341.3	1,504.0	-162.7	89.2
Operating Income/Loss	57.5	51.2	6.3	112.4
Ordinary Income/Loss	68.5	98.5	-30.0	69.5
Extraordinary Income	-	313.2	-313.2	-
Extraordinary Loss	36.5	125.7	-89.1	-
Net Income Attributable to Owners of the Parent	29.8	281.6	-251.7	10.6

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2. Points of Each Company

<TEPCO Holdings>

- Ordinary income decreased due to a decrease in wholesale power sales to TEPCO Energy Partner, Inc. and a decrease in received dividends from core operating companies,etc.

<TEPCO Fuel & Power>

- Ordinary income decreased due to the worsening impact of the fuel cost adjustment system on JERA, which has succeeded the thermal power generation business, etc.

<TEPCO Power Grid>

- Ordinary income decreased due to a decrease in transmission revenue caused by a drop in electricity demand resulting from the COVID-19 pandemic despite decreases in depreciation costs, etc.

<TEPCO Energy Partner>

- Ordinary income increased due to a decrease in the amount of power purchased from TEPCO Holdings, Inc. and other factors despite the decrease in electricity sales volume caused by increased competition and the COVID-19 pandemic.

<TEPCO Renewable Power>

- Ordinary income increased due to an increase in wholesale power sales to TEPCO Energy Partner, Inc ,etc.

3. Overview of Each Company

(Unit: Billion Yen)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating Revenue	1,341.3	1,504.0	-162.7	89.2
TEPCO Holdings	129.2	* 163.2	-33.9	79.2
TEPCO Fuel & Power	1.9	2.1	-0.2	89.0
TEPCO Power Grid	410.7	412.3	-1.5	99.6
TEPCO Energy Partner	1,199.4	1,379.0	-179.5	87.0
TEPCO Renewable Power	39.9	* 28.8	11.0	138.4
Adjustments	-440.1	* -481.6	41.5	-
Ordinary Income/Loss	68.5	98.5	-30.0	69.5
TEPCO Holdings	79.5	* 148.2	-68.7	53.6
TEPCO Fuel & Power	9.2	45.8	-36.5	20.2
TEPCO Power Grid	40.7	42.6	-1.8	95.6
TEPCO Energy Partner	11.2	-12.0	23.2	-
TEPCO Renewable Power	17.8	* 8.1	9.6	218.2
Adjustments	-90.1	* -134.2	44.1	-

* Figures for April through June FY2019 rearranged by TEPCO HD and RP to provide a comparison with this term.

4. Consolidated Extraordinary Income/Loss

(Unit: Billion Yen)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison (A)-(B)
Extraordinary Income	-	※2 313.2	-313.2
Extraordinary Loss	36.5	125.7	-89.1
Expenses for Nuclear Damage Compensation	※1 36.5	30.0	6.4
Other	-	※3 95.6	-95.6
Extraordinary Income/Loss	-36.5	187.5	-224.0

※1 Increase in the estimated amount of compensation for damages due to the restriction on shipping and damages due to reputation, etc

※2 Gain on change in equity, Gain on reversal of provision for loss on disaster

※3 Losses on decommissioning Fukushima Daini

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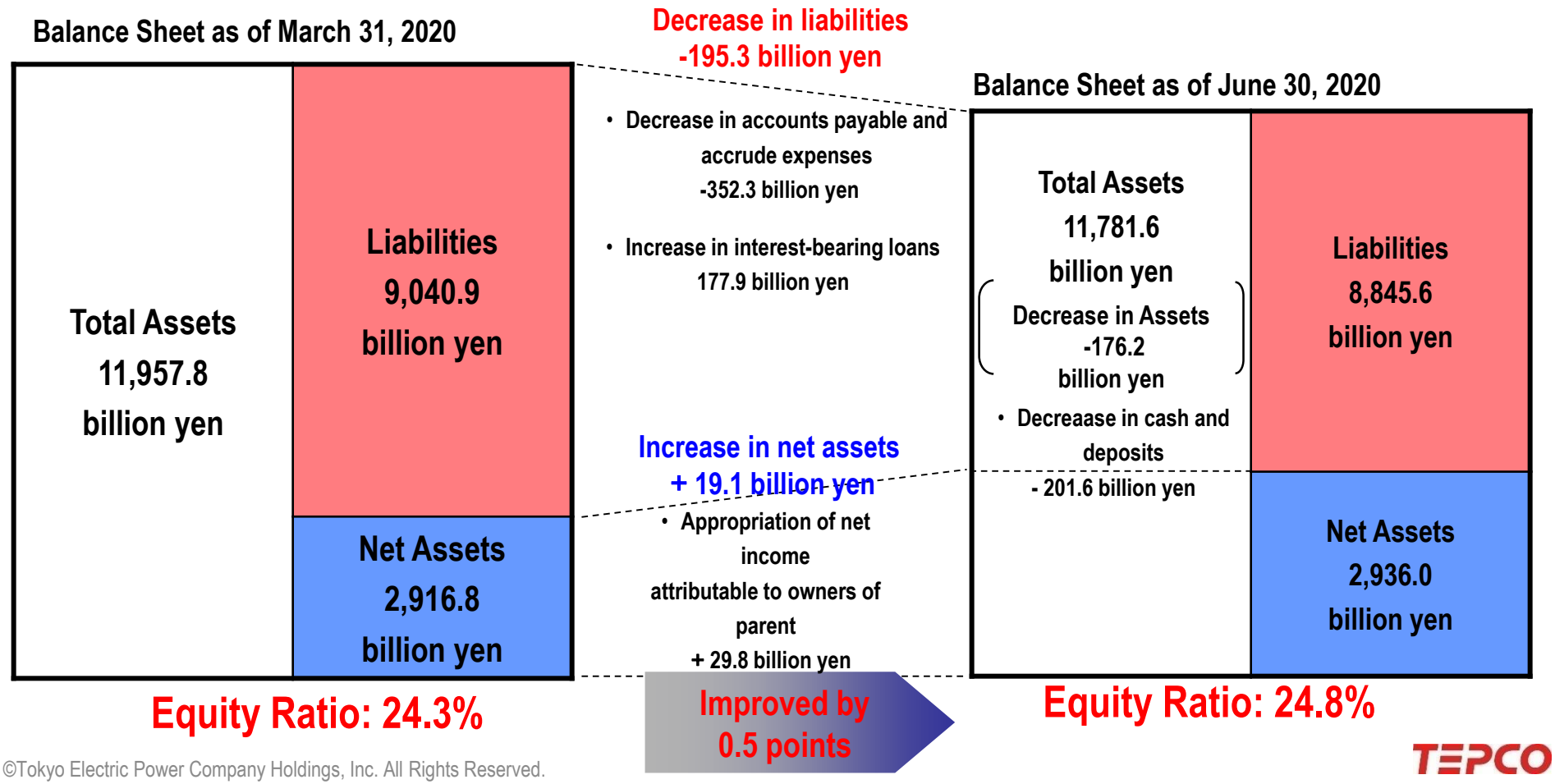
5. Consolidated Financial Position

- Total assets balance decreased 176.2 billion yen primarily due to decreases in cash and deposits.
- Total liabilities balance decreased by 195.3 billion yen primarily due to decrease in accounts payable and accrude expenses.
- Total net assets balance increased by 19.1 billion yen primarily due to the appropriation of net income attributable to owners of parent.
- Equity ratio improved by 0.5 points.



<Reference> Key Factors Affecting Performance (Results)

Area Demand

(Unit: Billion kWh)

	FY2020 Apr-Jun(A)	FY2019 Apr-Jun(B)	Comparison	
			(A)–(B)	(A)/(B) (%)
Area Demand	59.5	62.3	-2.7	95.6

Foreign Exchange Rates / CIF

	FY2020 Apr-Jun(A)	FY2019 Apr-Jun(B)	(A)–(B)
Foreign Exchange Rate (Interbank, yen/dollar)	107.6	109.9	-2.3
Crude Oil Prices (All Japan CIF, dollar/barrel)	32.2	71.5	-39.3

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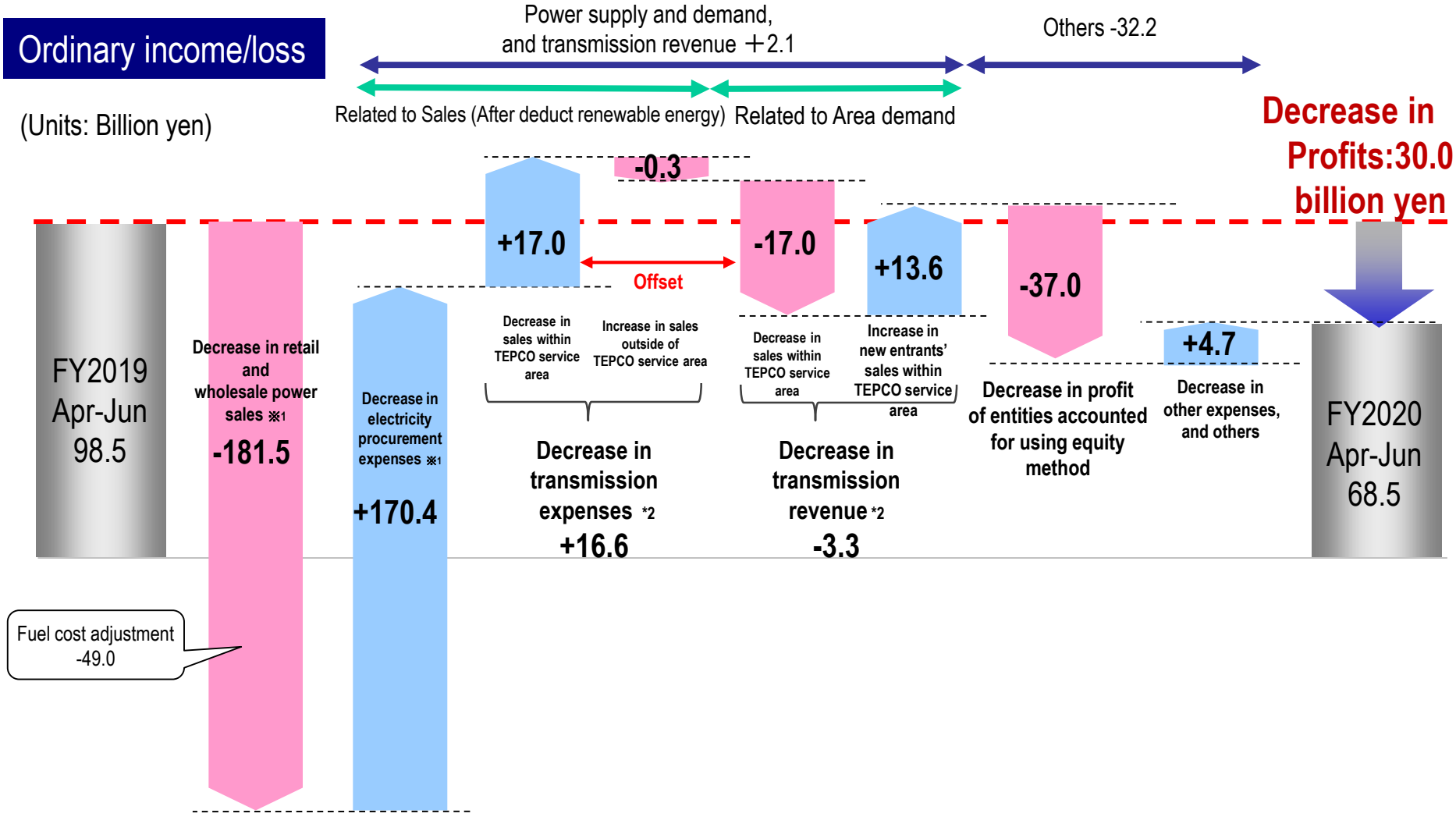
<Reference> Consolidated Year-on-Year performance comparison ① ~Increases/Decreases chart~

Ordinary income/loss

(Units: Billion yen)



※1 Expenses of retail and wholesale power sales include the effectiveness of indirect auction.

※2 Transmission expenses and transmission revenue exclude effectiveness of imbalance income/expense.

<Reference> Consolidated Year-on-Year performance comparison ② ~Figures~

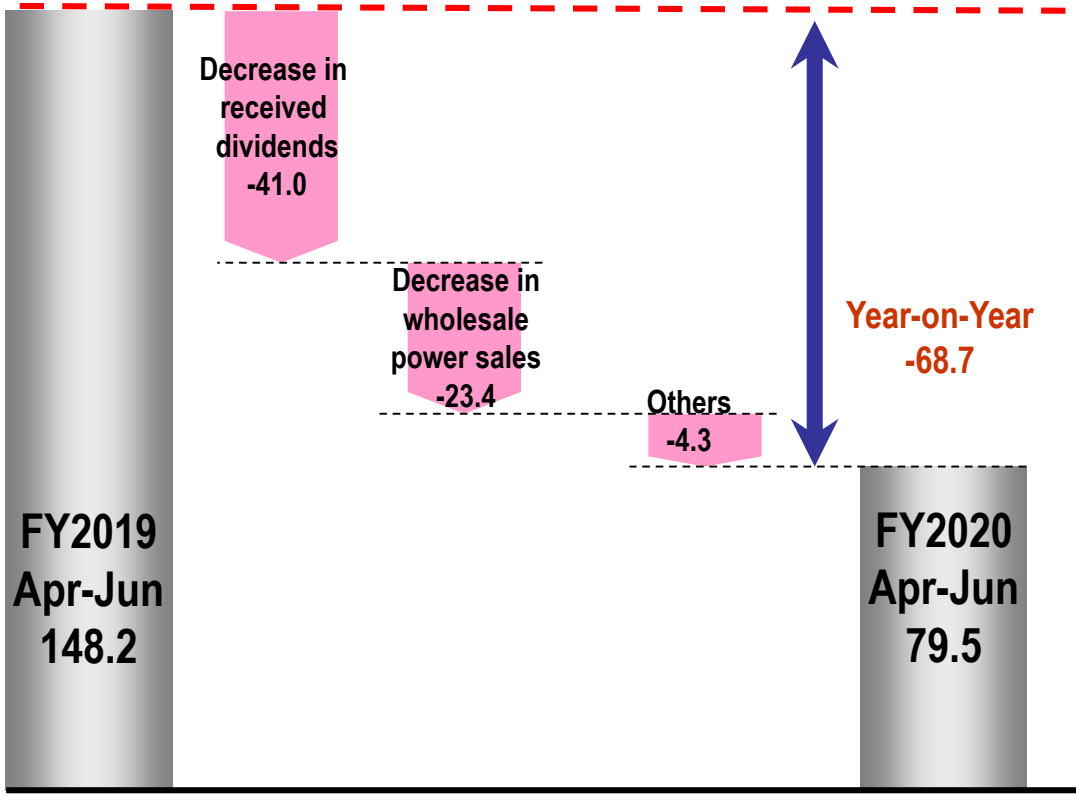
(Units: Billion yen)

		FY2020 Apr-Jun(A)	FY2019 Apr-Jun(B)	(A)–(B)
Ordinary Income		68.5	98.5	-30.0
Power supply and demand, and transmission revenue		444.6	442.5	+2.1
	Retail/wholesale power sales	886.0	1,067.6	-181.5
(△)	Electricity procurement expense	-516.4	-686.8	+170.4
(△)	Transmission expense	-249.6	-266.3	+16.6
	Transmission revenue	324.6	328.0	-3.3
Others		-376.1	-343.9	-32.2
	Profit of entities accounted for using equity method	21.9	58.9	-37.0
(△)	Depreciation costs	-100.5	-101.9	+1.4
(△)	Facility costs	-56.2	-55.4	-0.8
	Other	-241.3	-245.4	+4.1

<Reference> Year-on-Year Comparisons for TEPCO Holdings

Ordinary Income/Loss

（Unit：Billion Yen）



Profit Structure

Profit is dividend income, decommissioning charges profit, management consultation fees, wholesale power sales of nuclear power, etc.

Ordinary Income

(Units: Billion Yen)

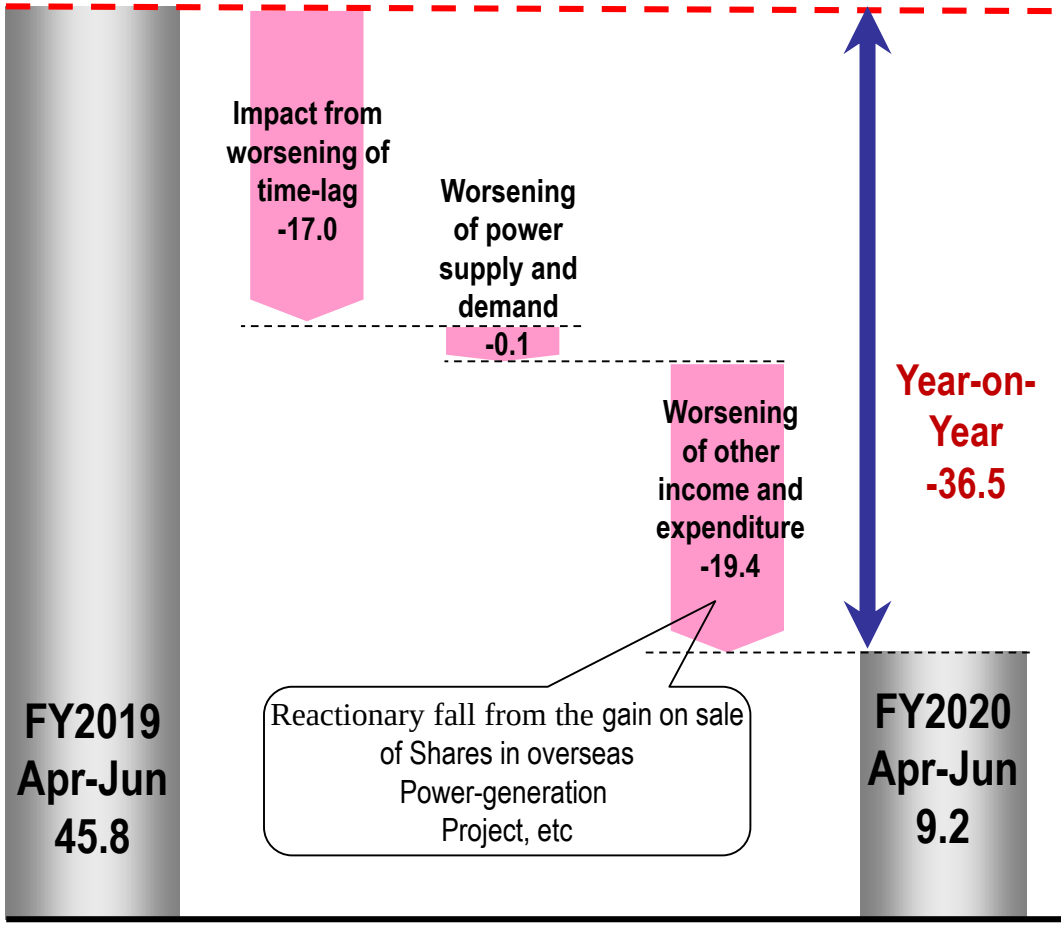
	FY2019	FY2020	Comparison
Apr-Jun	* 148.2	79.5	-68.7
Apr-Sep	162.3		
Apr-Dec	148.3		
Apr-Mar	152.9		

* Figures for April through June FY2019 rearranged by TEPCO HD and RP to provide a comparison with this term.

<Reference> Year-on-Year Comparisons for TEPCO Fuel & Power

Ordinary Income/Loss

(Unit : Billion Yen)



Profit Structure

Main profit is JERA's share of profit of entities accounted for using equity method.

Timing Impact (JERA equity impact)

(Units: Billion Yen)

	FY2019	FY2020	Comparison
Apr-Jun	+22.0	+5.0	-17.0

Ordinary income

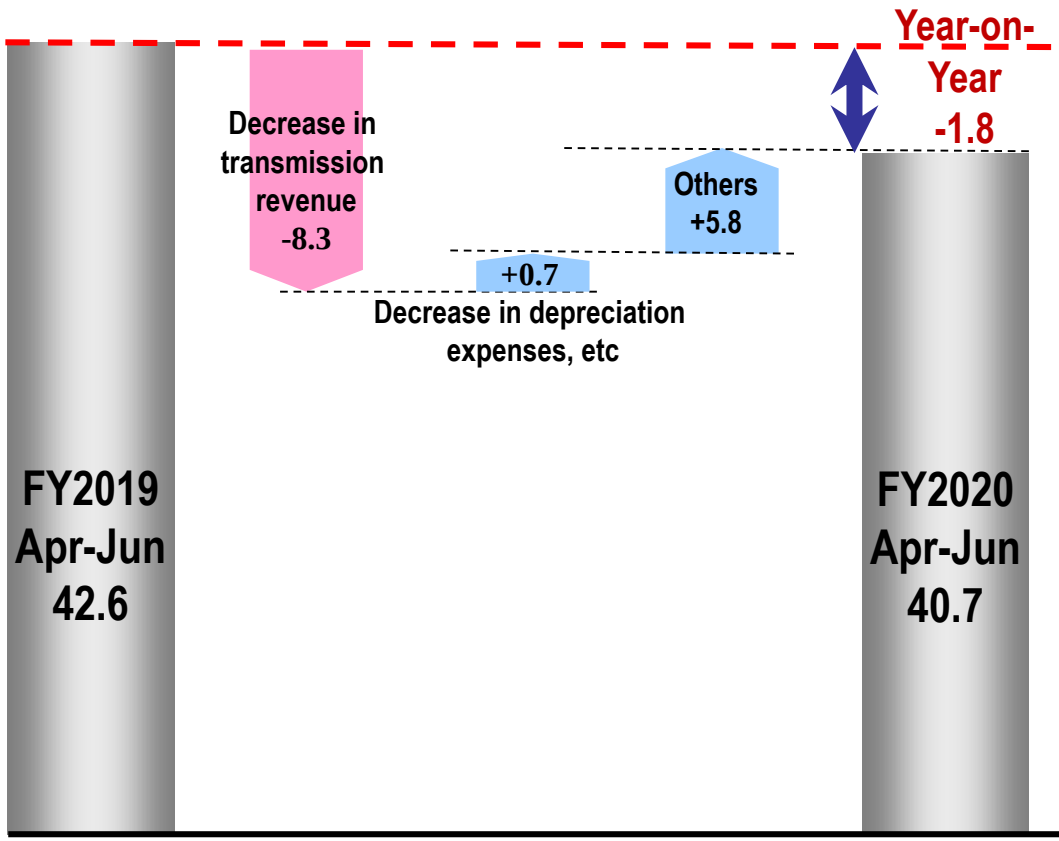
(Units: Billion Yen)

	FY2019	FY2020	Comparison
Apr-Jun	45.8	9.2	-36.5
Apr-Sep	58.4		
Apr-Dec	62.3		
Apr-Mar	64.7		

<Reference> Year-on-Year Comparisons for TEPCO Power Grid

Ordinary Income/Loss

（Unit：Billion Yen）



Profit Structure

Operating revenue is mainly transmission revenue, and this is fluctuated by area demand.
Expenses is mainly for repairs and depreciation of transmission and distribution facilities.

Area demand

（Units: Billion kWh）

	FY2019	FY2020	Comparison
Apr-Jun	62.3	59.5	-2.7

Ordinary income

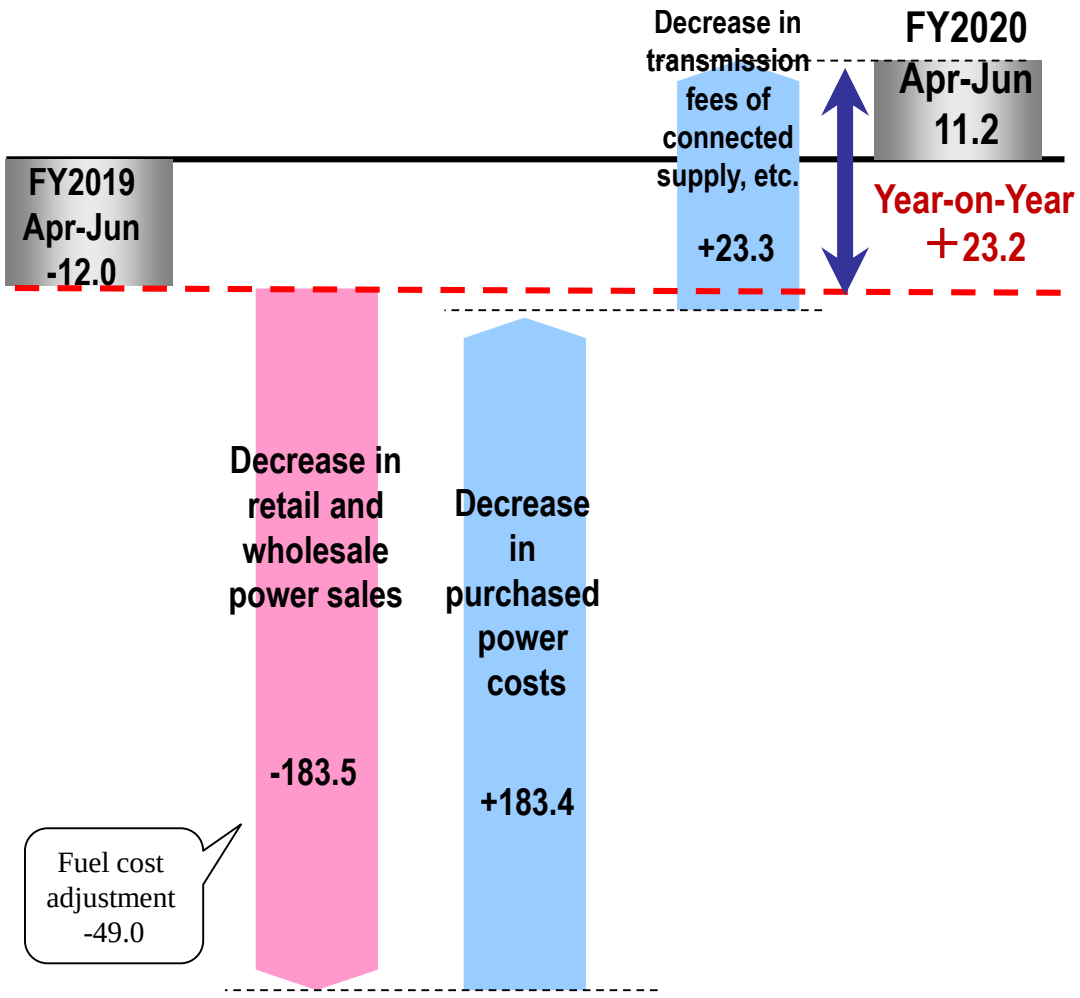
（Units: Billion Yen）

	FY2019	FY2020	Comparison
Apr-Jun	42.6	40.7	-1.8
Apr-Sep	119.9		
Apr-Dec	175.3		
Apr-Mar	116.6		

<Reference> Year-on-Year Comparisons for TEPCO Energy Partner

Ordinary Income/loss

(Units: Billion Yen)



Profit Structure

Operating revenue is mainly electricity sales revenue, and this is fluctuated by electricity sales volume. Expenses are mainly power purchasing costs and transmission fees of connected supply.

Electricity sales volume

(Units: Billion kWh)

	FY2019	FY2020	Comparison
Apr-Jun	52.2	47.4	-4.8

Gas contracts (Non-consolidated basis of EP)

As of March 31, 2020	As of June 30, 2020
Approx. 1.13 million	Approx. 1.16 million

Ordinary income

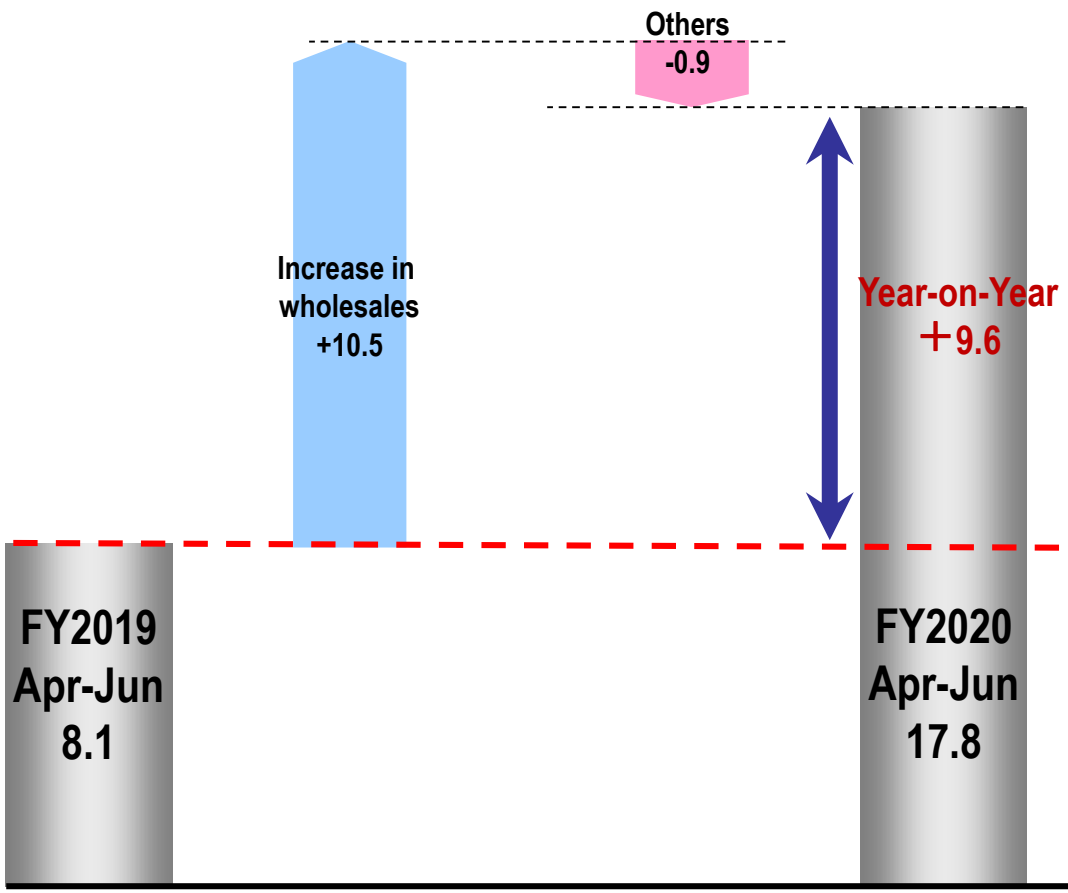
(Units: Billion Yen)

	FY2019	FY2020	Comparison
Apr-Jun	-12.0	11.2	+23.2
Apr-Sep	43.4		
Apr-Dec	54.6		
Apr-Mar	60.0		

<Reference> Year-on-Year Comparisons for TEPCO Renewable Power

Ordinary Income/loss

(Units: Billion Yen)



Profit structure

Profit is mainly wholesale power sales of hydroelectric and new energies.
Expenses is mainly for depreciation and repairs.

Flow rate

(Unit : %)

	FY2019	FY2020	Comparison
Apr-Jun	90.8	101.9	+11.1

Ordinary Income

(Units: Billion Yen)

	FY2019	FY2020	Comparison
Apr-Jun	* 8.1	17.8	+9.6
Apr-Sep	-		
Apr-Dec	-		
Apr-Mar	-		

* Figures for April through June FY2019 rearranged by TEPCO HD and RP to provide a comparison with this term.

Supplemental Material

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FY2020 1st Quarter Financial Results

Detailed Information

Consolidated Statements of Income

(Unit: Billion Yen)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating Revenue	1,341.3	1,504.0	-162.7	89.2
Operating Expenses	1,283.7	1,452.7	-169.0	88.4
Operating Income / Loss	**57.5**	**51.2**	**6.3**	**112.4**
Non-operating Revenue	23.3	61.1	-37.8	38.1
Investment Gain under the Equity Method	21.9	58.9	-37.0	37.3
Non-operating Expenses	12.3	13.8	-1.4	89.4
Ordinary Income / Loss	**68.5**	**98.5**	**-30.0**	**69.5**
Reserve for Fluctuation in Water Levels	0.0	—	0.0	—
Reserve for preparation of depreciation of nuclear power construction	0.1	0.0	0.0	140.8
Extraordinary Income	—	313.2	-313.2	—
Extraordinary Loss	36.5	125.7	-89.1	—
Income Tax, etc.	1.7	4.1	-2.3	42.9
Net Income attributable to non-controlling interests	0.2	0.2	-0.0	97.1
Net Income attributable to owners of parent	**29.8**	**281.6**	**-251.7**	**10.6**

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Consolidated Balance Sheets

(Unit: Billion Yen)

	Jun. 30 2020 (A)	Mar. 31 2020 (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Total Assets	**11,781.6**	**11,957.8**	**-176.2**	**98.5**
Fixed Assets	10,116.7	10,171.8	-55.0	99.5
Current Assets	1,664.8	1,786.0	-121.1	93.2
Liabilities	**8,845.6**	**9,040.9**	**-195.3**	**97.8**
Long-term Liability	5,131.7	4,858.6	273.1	105.6
Current Liability	3,706.1	4,174.7	-468.6	88.8
Reserve for Fluctuation in Water Levels	0.0	—	0.0	—
Reserve for Preparation of the Depreciation of Nuclear Plants Construction	7.6	7.5	0.1	101.4
Net Assets	**2,936.0**	**2,916.8**	**19.1**	**100.7**
Shareholders' Equity	2,970.4	2,940.4	29.9	101.0
Accumulated Other Comprehensive Income	-51.2	-40.2	-10.9	—
Share Acquisition Rights	0.0	0.0	0.0	400.0
Non-controlling Interests	16.8	16.6	0.1	100.9

<Interest-bearing debt outstanding> (Unit: Billion Yen)

	Jun. 30 2020 (A)	Mar. 31 2020 (B)	(A)-(B)
Bonds	2,395.4	2,214.6	180.7
Long-term Debt	719.6	727.5	-7.9
Short-term Debt	1,977.8	1,972.6	5.1
Total	5,092.9	4,914.9	177.9

<Reference>

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	(A)-(B)
ROA(%)	0.5	0.4	0.1
ROE(%)	1.0	9.3	-8.3
EPS(Yen)	18.62	175.76	-157.14

ROA: Operating Income / Average Total Assets

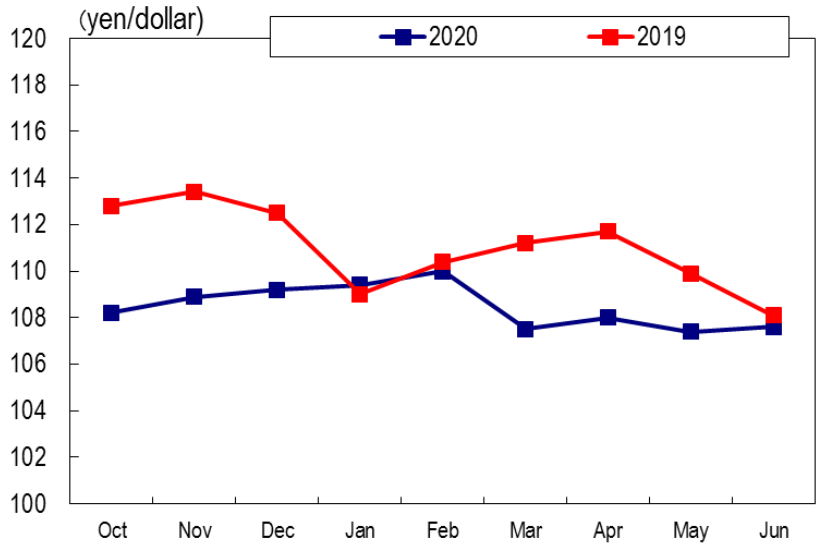
ROE: Net Income attributable to owners of parent / Average Equity Capital

Key Factors Affecting Performance

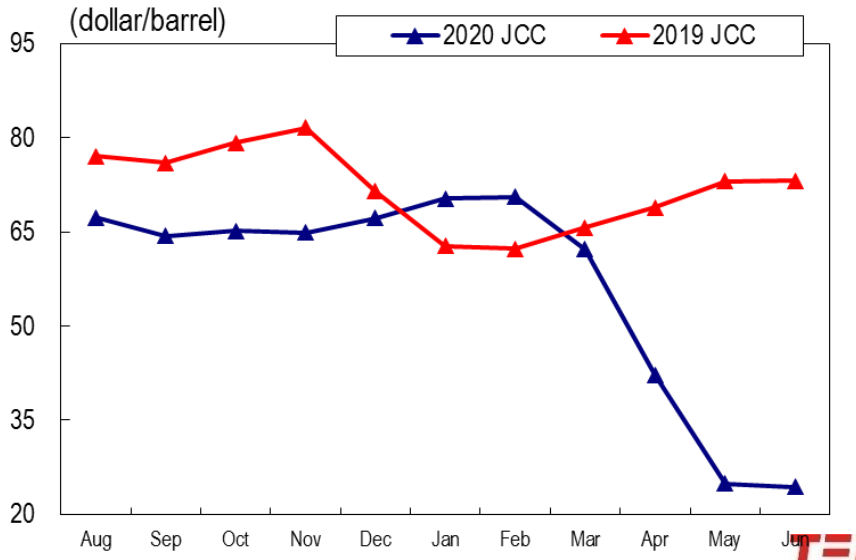
Key Factors Affecting Performance (Results)

	FY2020 Apr-Jun	FY2019 Apr-Jun	[Reference] FY2019
Electricity Sales Volume (Billion kWh)	47.4	52.2	222.3
Gas Sales Volume (Million ton)	0.46	0.39	2.17
Foreign Exchange Rate (Interbank; yen per dollar)	107.6	109.9	108.7
Crude Oil Prices (All Japan CIF; dollars per barrel)	32.2	71.5	67.8
Nuclear Power Plant Capacity Utilization Ratio (%)	-	-	-

<Fluctuation of Foreign Exchange Rate>



<Fluctuation of All Japan CIF>



Seasonal Breakdown of Electricity Sales Volume and Total Power Generated

Electricity Sales Volume

Unit: Billion kWh

	FY2020			
	Apr	May	Jun	Apr-Jun
Lighting	5.96	4.63	4.31	14.90
Power	11.04	10.00	11.43	32.47
Total	17.00	14.63	15.74	47.37

	FY2019				[Ref.]Year-on-year Comparison (Apr-Jun)
	Apr	May	Jun	Apr-Jun	
Lighting	5.88	4.96	4.41	15.25	97.7%
Power	12.19	11.87	12.86	36.92	87.9%
Total	18.07	16.83	17.27	52.17	90.8%

Total Power Generated

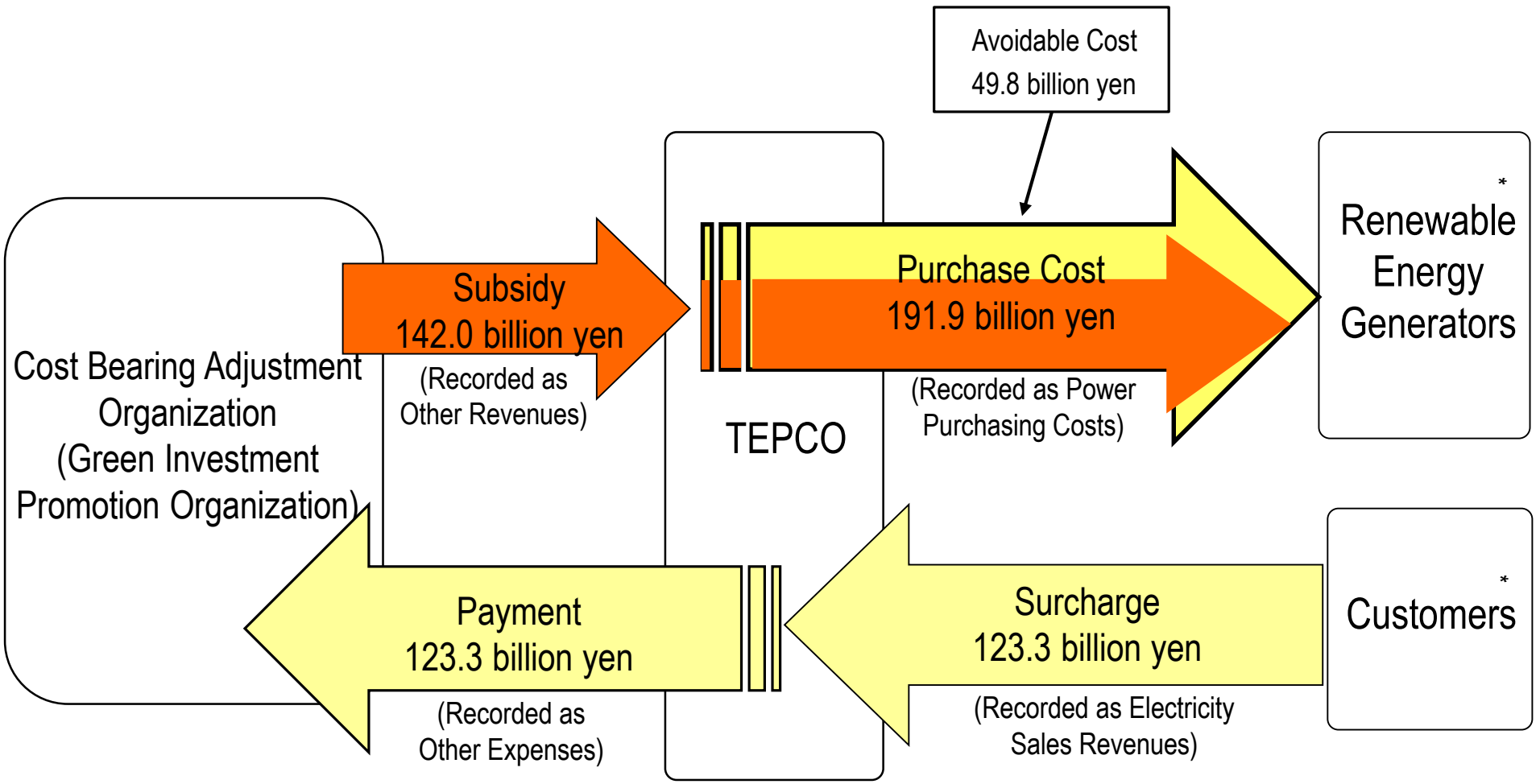
Unit: Billion kWh

	FY2020			
	Apr	May	Jun	Apr-Jun
Hydroelectric	1.15	1.28	1.09	3.52
Thermal	0.01	0.01	0.01	0.03
Nuclear	-	-	-	-
Renewable etc.	0.01	0.00	0.00	0.02
Total	1.16	1.30	1.11	3.57

	FY2019				[Ref.]Year-on-year Comparison (Apr-Jun)
	Apr	May	Jun	Apr-Jun	
Hydroelectric	0.90	1.06	0.95	2.91	120.8%
Thermal	0.01	0.01	0.01	0.04	97.1%
Nuclear	-	-	-	-	-
Renewable etc.	0.01	0.01	0.01	0.02	86.3%
Total	0.91	1.08	0.97	2.96	120.3%

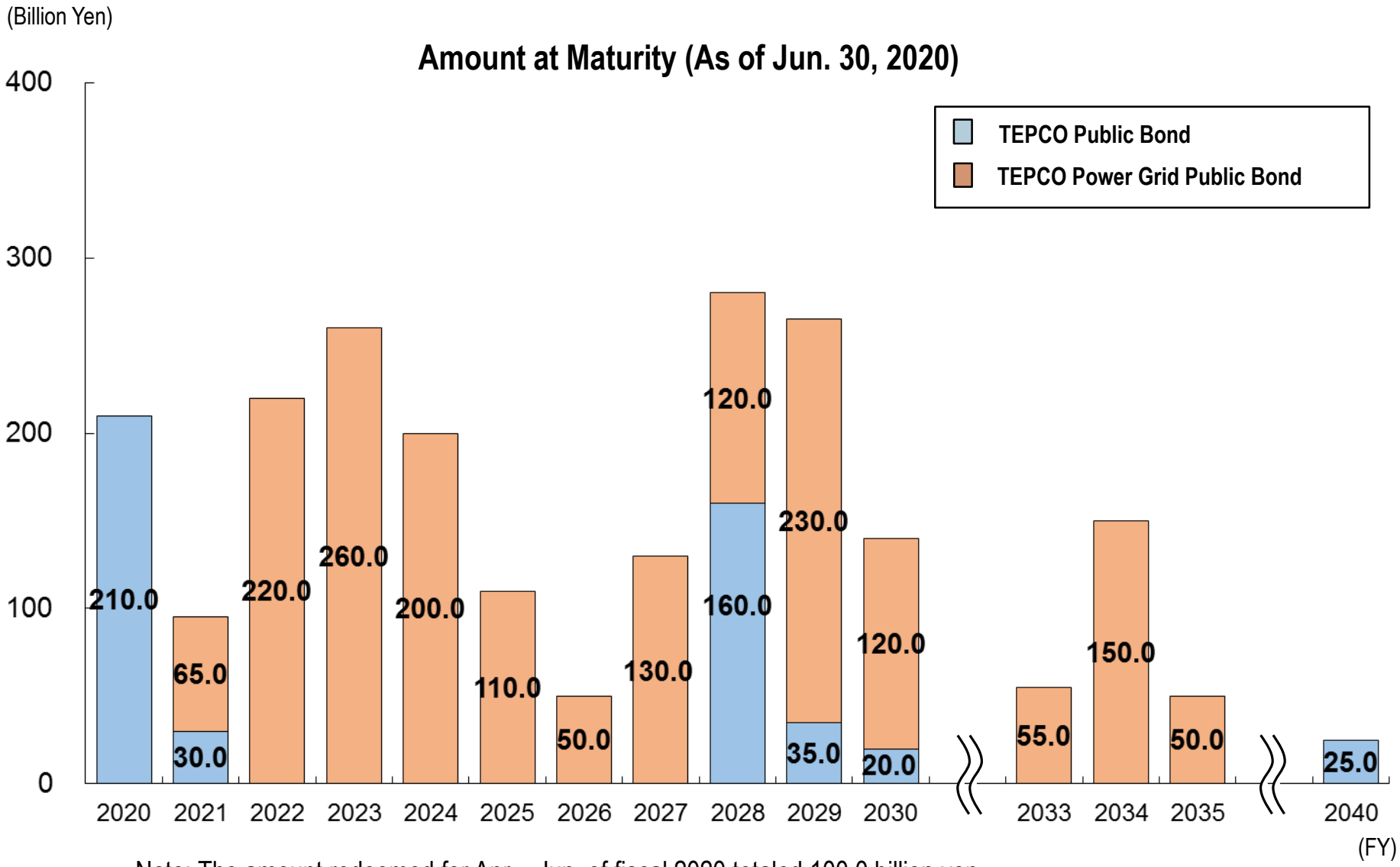
Feed-in Tariff Scheme for Renewable Energy

(FY2020 Apr. – Jun.)



* Including TEPCO Group Companies

Schedules for Public Bond Redemption



Note: The amount redeemed for Apr. - Jun. of fiscal 2020 totaled 100.0 billion yen.

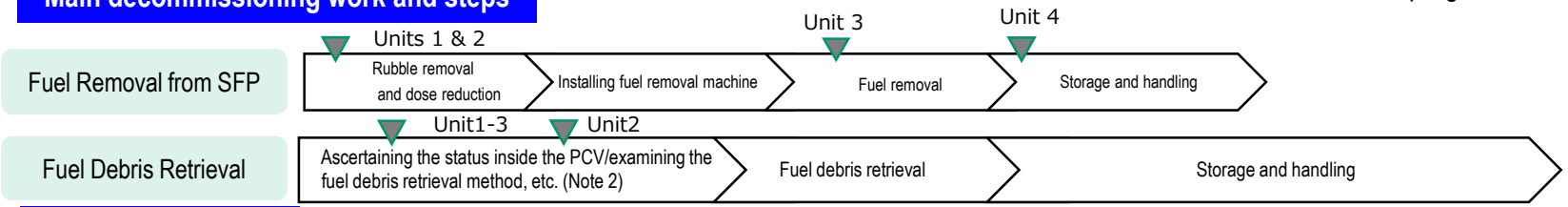
The Current Status of Fukushima Daiichi Nuclear Power Station and Future Initiatives

Current Situation and Status of Units 1 through 4

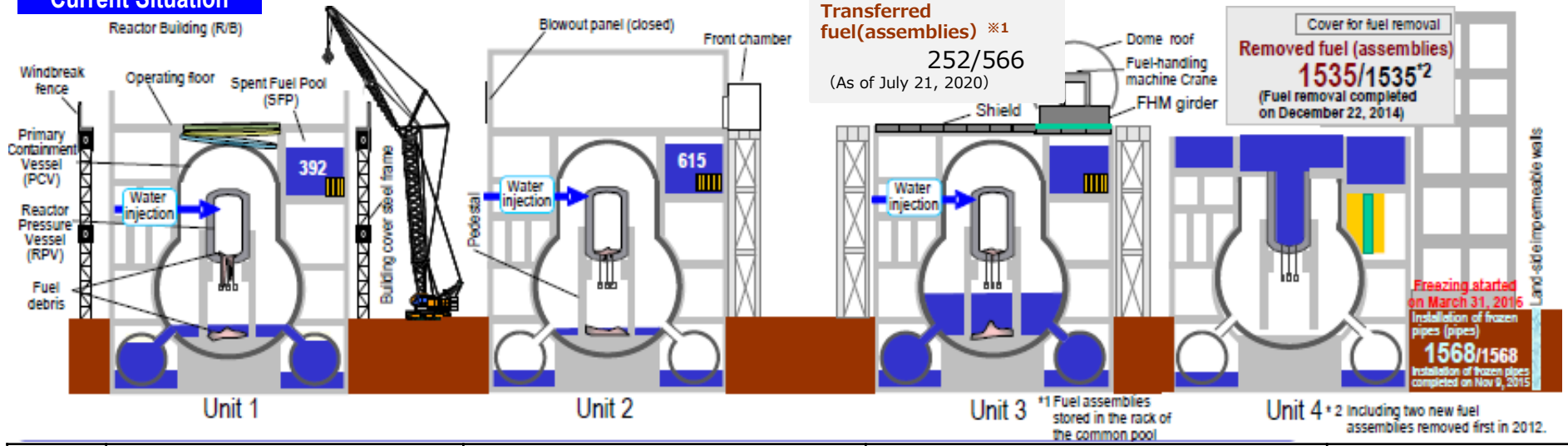
- At Units 1, 2 and 3, it was evaluated that the comprehensive cold shutdown condition had been maintained, judging from the temperatures of the reactors and spent fuel pools as well as the density of radioactive materials. Fuel removal from the spent fuel pool is being implemented at Unit 3 and preparation working toward the start of fuel removal at Units 1 and 2 is also being carried out.

Main decommissioning work and steps

✓Please visit our website for latest information about the progress of decommissioning, etc.



Current Situation



Works towards removal of spent fuel and fuel debris	[Spent fuel removal] -Covered the Unit 1 spent fuel pool. -The fuel handling equipment support/overhead crane support are scheduled to be installed within 2020. [Fuel debris removal] -Interfering objects in the primary containment vessel are being severed in order to deploy the internal investigation robot inside the reactor vessel.	[Spent fuel removal] -On June 10 and 11, 2020, an internal investigation of the Unit 2 spent fuel pool was conducted for the first time since after the earthquake. [Fuel debris removal] -A device for starting retrieval of Unit 2 fuel debris, to be conducted on a trial basis in 2021, is being developed.	[Spent fuel removal] -Unit 3 fuel removal has been progressing smoothly since it was resumed May 26, 2020. 252 out of 566 fuel assemblies have been removed. [Fuel debris removal] -Planning to gradually lower the primary containment vessel water level to improve earthquake resistance specifically in the suppression chamber within the primary containment vessel.	[Spent fuel removal] - Fuel removal from the SFP was completed in December, 2014.

Key points of the revised “the Mid-and-Long-Term Roadmap”

●Please visit the company webpage for the revised Mid-and-Long-Term Roadmap.

- ✓ **Setting out a basic principle of “coexistence of reconstruction and decommissioning”,** while there has been gradual progress of **residents’ return** and **reconstruction efforts** in surrounding area.
  (giving priority on early risk reduction and ensuring safety)
  - ➢ **Coexist with local communities.**
  - ➢ **“Optimize the whole decommissioning tasks”, by reviewing the work process of 10 years.**
- ✓ **Total period of decommissioning is unchanged: “within 30-40 years”**

①Fuel debris retrieval

Determine first implementing Unit and the method for fuel debris retrieval.
Start trial retrieval at Unit 2 within 2021, by partial submersion method and side access
The scale of the retrieval will be gradually enlarged.

②Fuel removal from pool

Change in the methods to suppress the dust dispersion at Unit 1 and 2
Postpone fuel removal **for 4-5 years at Unit 1**, and **for 1-3 years at Unit 2**
Aim at the completion of fuel removal from all Units 1-6, within 2031

③Contaminated water countermeasures

- The volume of contaminated water generated has been significantly suppressed.
  (540m^3/day (May 2014) → 170m^3/day (average of FY2018))

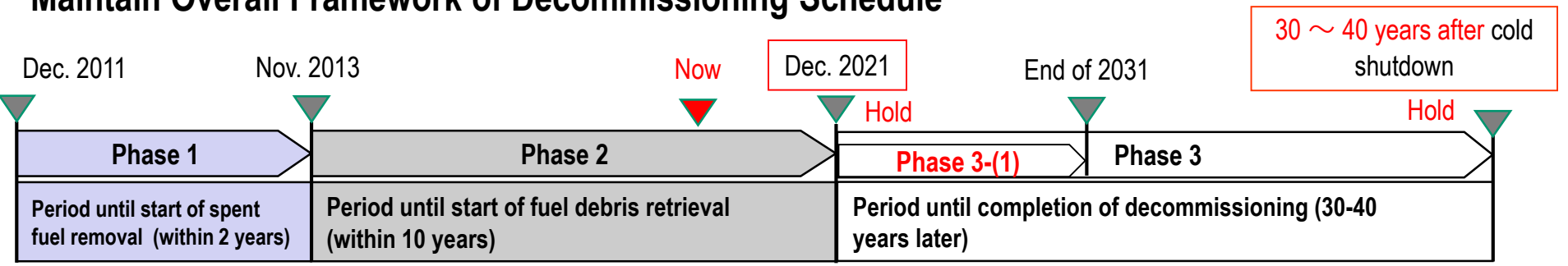
Keep current target of reducing the contaminated water generation **to 150m^3/d within 2020.**
Set new target of reducing the contaminated water generation **to 100m^3/d within 2025.**

* Handling of ALPS treated water will be continuously discussed in a comprehensive manner

【Source】Decommissioning/contaminated water countermeasures Fukushima Council Meeting Materials (December 27, 2019)

Major milestones of Mid-and-Long-Term Roadmap

Maintain Overall Framework of Decommissioning Schedule



Major milestones		Roadmap (Sept. 2017)	Revised Roadmap	
Contaminated water management	Reduce to about 150 m³/day	Within 2020	Within 2020	
	Reduce to about 100m³/day or less (Further reduction of generation)	—	Within 2025	NEW
Stagnant water treatment	Complete stagnant water treatment in buildings*	Within 2020	Within 2020(*)	
	Reduce the amount of stagnant water in buildings to about a half of that in the end of 2020	—	FY2022 - 2024	NEW
Fuel removal	Complete of fuel removal from Unit 1-6	—	Within 2031	NEW
	Complete of installation of the large cover at Unit 1	—	Around FY2023	NEW
	Start fuel removal from Unit 1 (Methods have changed to ensure safety and prevent dust scattering)	Around FY2023	FY2027 – 2028	REVISED
	Start fuel removal from Unit 2	Around FY2023	FY2024 - 2026	REVISED
Fuel debris retrieval	Start fuel debris retrieval from the first Unit (Start from Unit 2, expanding the scale gradually)	Within 2021	Within 2021	
Waste management	Technical prospects concerning the processing/disposal policies and their safety	Around FY2021	Around FY2021	
	Eliminating temporary storage areas outside for rubble and other waste	—	Within FY2028	NEW

※ Excluding the reactor buildings of Units 1-3, process main buildings, and High temperature incineration building.

【Source】Decommissioning/contaminated water countermeasures Fukushima Council Meeting Materials (December 27, 2019)

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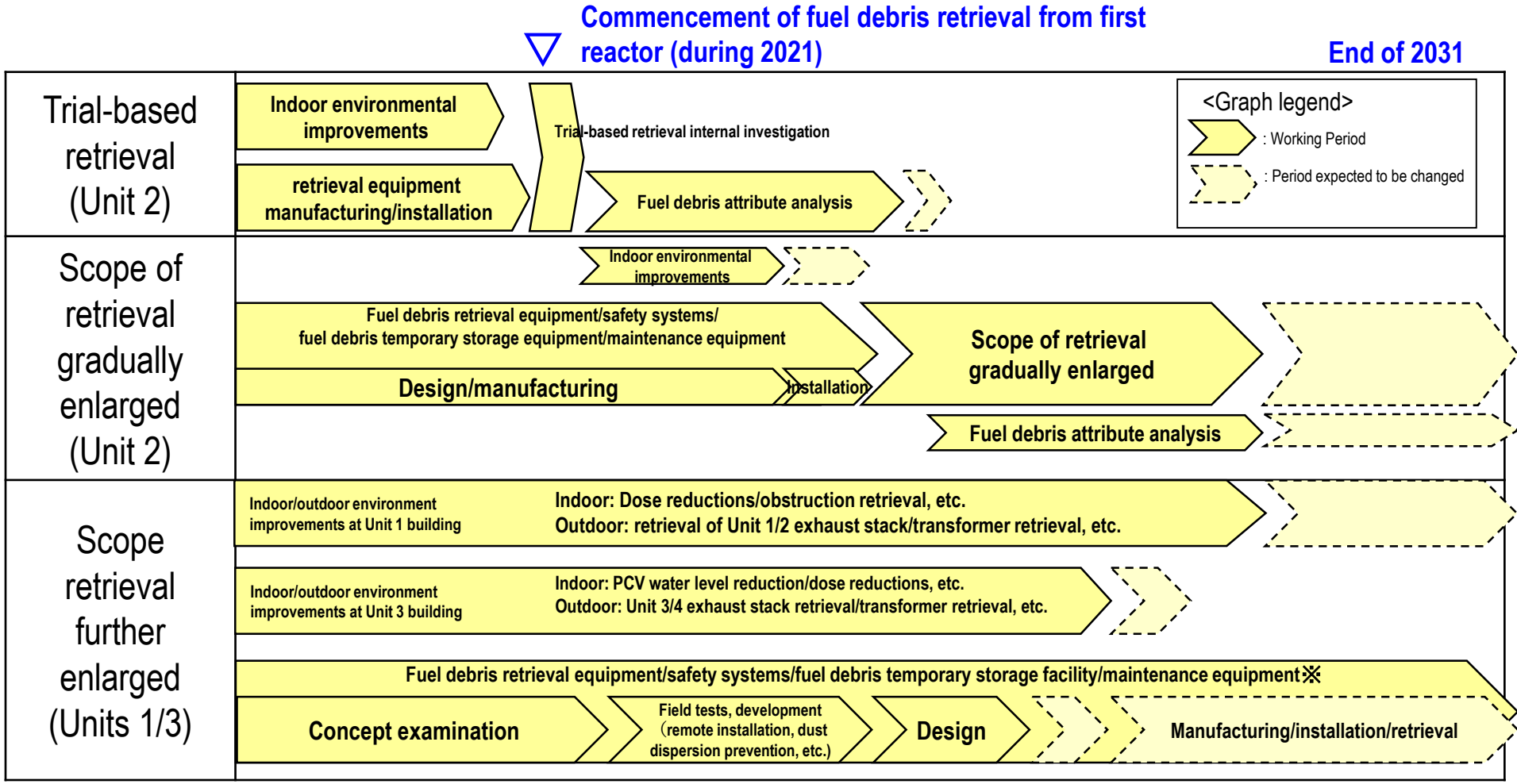
Fuel Debris Retrieval Schedule and Process Based upon the Mid-to-Long Term Decommissioning Implementation Plan 2020

- By 2031, the scale of retrieval will be gradually enlarged at Unit 2 and preparations will be made to further enlarge the scale of retrieval.



※These tasks shall be carried out for Unit 3 first and then examined with the intention doing the same for Unit 1

Contaminated Water Management

- In December 2013, the government's Nuclear Disaster Response Headquarters arranged a set of preventative and multi-tiered measures based on the three basic policies for addressing contaminated water issues.

<Main countermeasures>

Eliminate contamination sources

- Multi-nuclide removal equipment, etc.
- Remove contaminated water from the trench

Isolate water from contamination

- Pump up groundwater by groundwater bypass
- Pump up groundwater near buildings
- Land-side frozen impermeable walls
- Waterproof pavement

Prevent leakage of contaminated water

- Enhance soil by adding sodium silicate
- Sea-side impermeable walls
- Increase the number of (welded-joint) tanks

Treatment of stagnant water in buildings

- The work to circulate and purify stagnant water inside the buildings started on the Units 3/4 side in February 2018 and on the Units 1/2 side in April 2018.

< Major Progress>

✓Please visit our website for the latest information.

Subdrain operation

➢Groundwater pumped up through wells near reactor building (Subdrain system) are discharged after purification by dedicated facilities and quality test. (A cumulative total of 934,619 tons of groundwater has been discharged as of 15:00 on July 20, 2020).

➢Construction work for reinforcement and restoration of the subdrain pit is being conducted so that pumping amount of the subdrain can be stably secured. The reinforced pits began to be used, starting from pits whose construction work was completed. In regard to the restored pits, construction work planned for 3 pits has been completed and the pits began to be used on December 26, 2018.

Land-side frozen impermeable walls

➢In March 2018, the land-side impermeable walls were considered completed as the underground temperature had declined below 0℃ in almost all areas.

➢The Committee on Countermeasures for Contaminated Water Treatment clearly recognized the effect of the land-side impermeable walls to shield groundwater and confirmed that a water-level management system, including the functions of subdrains, etc., to stably control groundwater and isolate the buildings from groundwater had been established.

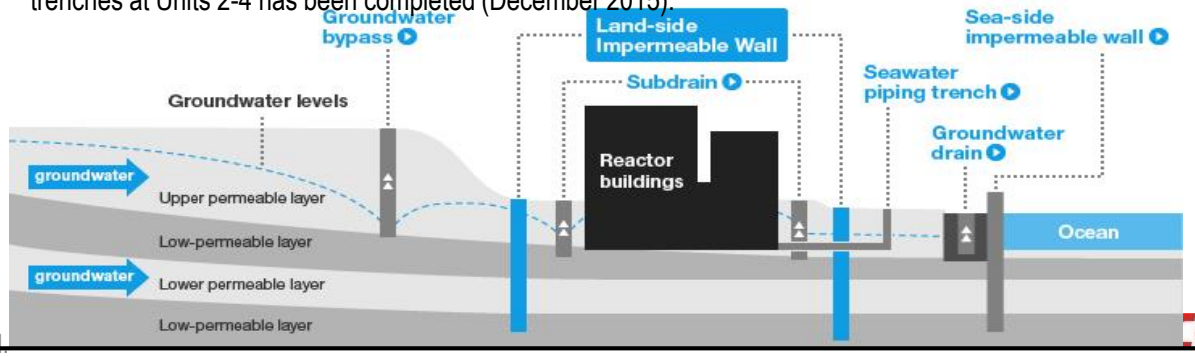
➢Investigations and countermeasures will be conducted to further reduce the generated contaminated water.

Sea-side impermeable walls

➢On October 26, 2015, the seaside impermeable walls were completed to be closed.

Removal of contaminated water in trenches

➢The work to remove approx. 10,000 tons of contaminated water from seawater pipe trenches and fill the trenches at Units 2-4 has been completed (December 2015).



The Current Status of Kashiwazaki-Kariwa Nuclear Power Station and Future Initiatives

Main Measures to Secure Safety – 1 [Outline]

◆ We promote the following measures to secure further safety after the Great East Japan Earthquake.

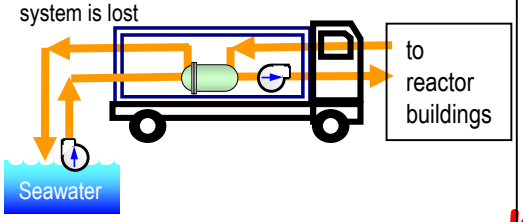
I. Installation of flooding embankment [banks]

- Install flooding embankment (banks) to prevent Tsunami from invading the site and to protect light oil tanks, buildings and other facilities in the power station

III. Further enhancement of heat removal and cooling function

(5) Installation of alternative submerged pumps and seawater heat exchanging system

- Install alternative submerged pumps and other equipments to continue to operate residual heat removal system even if cooling function of sea water system is lost



III. Further enhancement of heat removal and cooling function

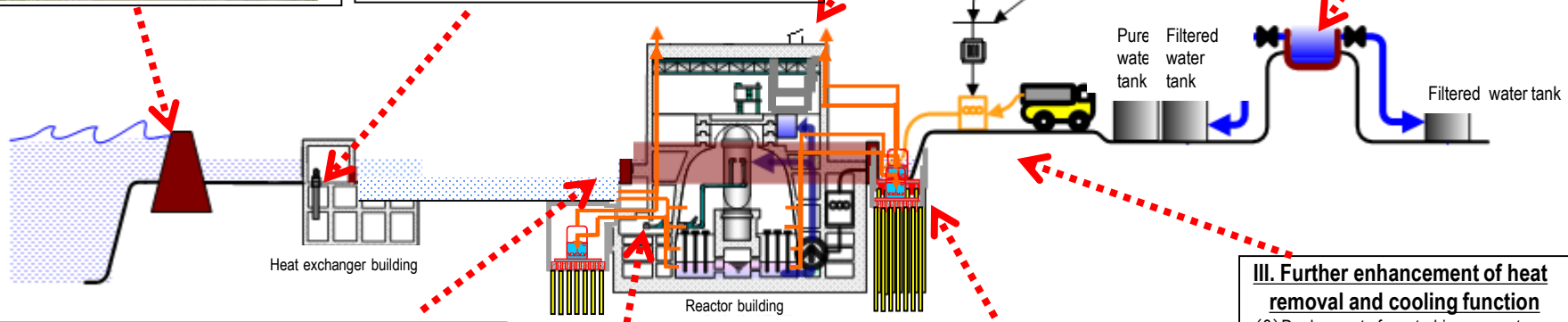
(8) Installation of top venting on reactor buildings

- Install top venting system to prevent hydrogen from piling up in a reactor buildings

III. Further enhancement of heat removal and cooling function

(1) Installation of water source

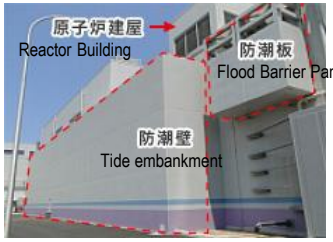
- Install a freshwater reservoir in the power station to secure stable supply of coolant water for reactors and spent fuel pools



II. Countermeasures against Inundation into buildings

(1) Installation of tide embankments (flood barrier panel included)

- Install tide embankments around reactor buildings containing critical equipments in order to prevent Tsunami from damaging power facilities and emergency diesel generators and to secure safety of the power plant



II. Countermeasures against Inundation into buildings

(2) Installation of water tight doors

- Install water tight doors at reactor buildings and turbine buildings to protect equipments from water

III. Further enhancement of heat removal and cooling function

(12) Installation of warehouses for emergency on high ground

- Install a warehouse for equipments and materials for emergency in case of Tsunami

III. Further enhancement of heat removal and cooling function

(7) Installation of filtered vent

- Control of radioactive pollution emitted upon containment vessel venting
- Installation of underground filtered vent for backfitting

III. Further enhancement of heat removal and cooling function

(11) Additional environment monitoring equipments and monitoring cars

- Prepare additional monitoring cars to continuously measure radiation dose at the site

III. Further enhancement of heat removal and cooling function

(3) Deployment of gas turbine generators and power supply cars

- Deploy gas turbine generators and power supply cars to ensure that power can be supplied and the residual heat removal system pump operated in a blackout.

(4) Installation of high voltage power distribution board for emergency and permanent cables for reactor buildings

- Install high voltage power distribution board for emergency and permanent cables for reactor buildings to secure power supply in case of station black out (losing all AC power), and to secure stable supply of power to residual heat removal system

Main Measures to Secure Safety - 2 [Implementation Status]

As of July 8, 2020

Item	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7
Ⅰ. Installation of flooding embankment [banks]	Completed *2				Completed		
Ⅱ. Countermeasures against inundation into buildings							
(1) Installation of tide embankments (flood barrier panel included)	Completed	Completed	Completed	Completed	All closed under 15 meters above sea level		
(2) Installation of water tight doors on reactor buildings, etc.	Completed	Under consideration	Under construction	Under consideration	Completed	Completed	Completed
(3) Countermeasures against inundation into heat exchanger buildings	Completed	Completed	Completed	Completed	Completed	–	
(4) Installation of tide barriers for switching stations*1	Completed						
(5) Reliability improvement of inundation countermeasures (countermeasures against flooding inside buildings)	Under construction	Under consideration	Under construction	Under consideration	Under construction	Under construction	Under construction
Ⅲ. Further enhancement of heat removal and cooling function							
(1) Installation of water source	Completed						
(2) Installation of storage water barrier	Completed	Under consideration	Under consideration	Under consideration	Completed	Completed	Completed
(3) Deployment of gas turbine generators and power supply cars	Completed					Under construction	Under construction
(4)-1 Installation of high voltage power distribution board for emergency	Completed						
(4)-2 Installation of permanent cables for reactor buildings	Completed	Completed	Completed	Completed	Completed	Completed	Completed
(5) Installation of alternative submerged pumps and seawater heat exchanging system	Completed	Completed	Completed	Completed	Completed	Completed	Completed
(6) Installation of alternative high pressure water injection system	Under construction	Under consideration	Under consideration	Under consideration	Under construction	Under construction	Under construction
(7) Installation of aboveground filter vent	Under construction	Under consideration	Under consideration	Under consideration	Under construction	Under construction	Under construction
(8) Installation of top venting on reactor buildings*1	Completed	Completed	Completed	Completed	Completed	Completed	Completed
(9) Installation of hydrogen treatment system in reactor buildings	Completed	Under consideration	Under consideration	Under consideration	Completed	Completed	Completed
(10) Installation of facilities to fill water up to the top of containment vessels*1	Completed	Under consideration	Under consideration	Under consideration	Completed	Completed	Completed
(11) Additional environment monitoring equipment and monitoring cars	Completed						
(12) Installation of warehouses for emergency on high ground*1	Completed						
(13) Improvement of earthquake resistance of pure water tanks on the Ominato side*1	–				Completed		
(14) Installation of large-capacity water cannons, etc.	Completed						
(15) Multiplexing and reinforcing access roads	Completed				Under construction		
(16) Environmental improvement of the seismic isolated building	Under construction						
(17) Reinforcement of the bases of transmission towers*1 and earthquake resistance of the switchboards*1	Completed						
(18) Installation of tsunami monitoring cameras	Under construction				Completed		
(19) Installation of Coriumu Shield	Under consideration	Under consideration	Under consideration	Under consideration	Under consideration	Completed	Completed

*1 TEPCO's voluntary safety measures *2 Additional measures are under consideration

Compliance Review under the New Regulatory Requirements

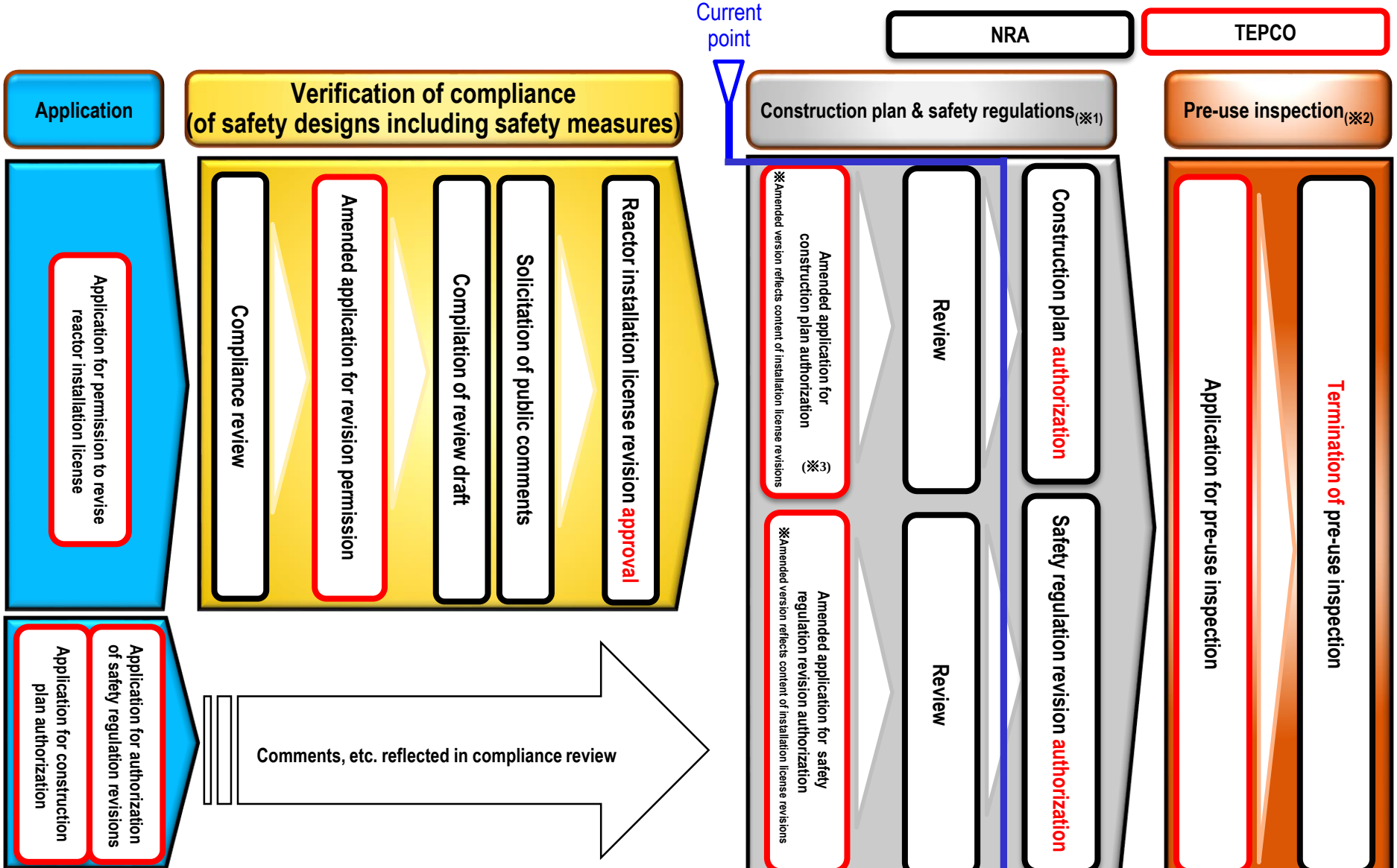
Latest Review Status

- On September 27, 2013, the applications for permission changes in reactor installation were presented to receive the regulatory standard compliance examination for Units 6 and 7.
- After the application for permission changes in reactor installation was presented, amended applications for revision of the reactor installation license, which reflect changes sought as discussed review meetings held, were submitted to the Nuclear Regulation Authority (NRA) on June 16, August 15, September 1 and December 18, in 2017.
- On December 27, 2017, the NRA approved TEPCO's application for revision of its reactor installation license.
- Amended application for authorization of a construction plan (first) for Unit 7 was submitted on December 13, 2018.
- Amended application for authorization of a construction plan (second) for Unit 7 was submitted on July 5, 2019.
- Amended application for authorization of safety regulation revision was submitted on March 30,2020.

Upcoming Reviews

- Amended application for authorization of a construction plan will be submitted as soon as preparations for the final amendment is complete. (date of submission is to be determined at current time).
- Given changes in the law put into effect on April 1, 2020, the amended application for authorization of safety regulation revision will be submitted again in time with the final amendment to the amended application for authorization of a construction plan based on progress made in the review.

Key License/Permit Steps in Enforcement of New Regulatory Requirements



※1: Basic matters for safety of a nuclear power plant are stated, which an operator must observe.

※2: The operator checks for themselves that construction will be implemented according to the construction plan. The results are inspected by the NRA.

※3: Amended application for authorization of a construction plan (partial) was submitted.

※4:Given the revisions of laws and regulations, amended application for authorization of safety regulation revision will be resubmitted based on the status of review.

Other Initiatives

Main Efforts to Increase Corporate Value-1

<TEPCO Holdings>

June 3, 2020 Established a company jointly with Toshiba Energy Systems & Solutions Corporation to conduct Kashiwazaki Kariwa Nuclear Power Station Unit 6 safety measures work and signed a memorandum on operating and designing projects related to safety measures and to manage safety measures work appropriately.

June 9, 2020 Signed a collaboration agreement with Nomura Real Estate Development Co., Ltd. to jointly provide remote work office services. Shared office spaces are attracting attention in light of the promotion of remote work in the "New Normal" proposed by the government as a measure to prevent the spread of the COVID-19.

June 11, 2020 Decided to participate in the ESG Disclosure Study Group (a general incorporation association) established in late June 2020 that conducts research into ESG-related information disclosure with the goal of creating a mechanism to harmonize sustainable development of society and corporations growing and enhancing their corporate value.

June 15, 2020 Signed an Agreement on Mutual Cooperation in a Disaster with Tokyo metropolitan government to increase local regions' ability to respond to disasters through mutual cooperation in sharing human resources and information, and to ensure early recovery through smooth cooperation during large scale power outages caused by natural disasters.

<TEPCO Power Grid>

June 29, 2020 Decided to develop and verify the control system to realize the Japanese version of a "Connect and Manage" mechanism that allows new power generators to access the electric power grid even if transmission line capacity is lacking by having them abide by certain conditions such as controlling output during times of the day when the system is congested,.

July 13, 2020 Started discussions with Hulic Co., Ltd. and Kandenko on a business partnership on developing a data center in meteropolitan areas.

TEPCO

Main Efforts to Increase Corporate Value-2

<TEPCO Energy Partner>

May 21, 2020 Established the “e5 Consortium” with six other companies including Mitsui O.S.K. Lines, Ltd. and Mitsubishi Corporation. Its aim is to build a new shipping infrastructure service through various initiatives to develop, build and spread the use of a zero-emission electric propulsion ship.

May 29, 2020 Added the Living Assistance Service to relevant new TEPCO price plans with no added monthly charge (starting June 1, 2020). The Living Assistance Service is a service that allows customers to call for help around the clock for common troubles around the house (plumbing-related, keys and locks, windows, and electrical equipment) and to receive help that may include replacement of parts that cost up to ¥20,000 for free.

June 30, 2020 Saisai Seikatsu Company, a joint venture of TEPCO Energy Partner, Inc., Fuyo General Lease Co.,Ltd. and Farmship, Inc. completed construction of a vegetable factory that is sustained completely on artificial light, specifically primarily LED lights, in Fujieda city, Shizuoka Prefecture. This joint venture is aiming to solve the societal issues facing Japanese agriculture industry such as abnormal or bad weather and other risks in food production and distribution which include the impact caused by the spread of COVID-19. (Factory started operation in July 1, 2020)

<TEPCO Renewable Power>

May 29, 2020 Established a consortium with Sumitomo Corporation, Venti Japan Inc., Kato Construction Co., Ltd., INPEX Corporation, JR-EAST Energy Development Co., Ltd., Japan Petroleum Exploration Co., Ltd., Narita Construction for an off-shore wind power development business off the coast of Noshiro city, Mitane town, Oga city in Akita Prefecture whose public bidding has been scheduled to start soon.