

Tokyo Electric Power Company Holdings, Inc.

April 28, 2022

Notice concerning Extraordinary Income and Loss and the Difference Between the Consolidated Earnings Forecast and Actual Performance

As to the financial results for consolidated the fiscal year ending March 31, 2022 released today, Tokyo Electric Power Company Holdings, Incorporated (hereinafter TEPCO HD) hereby makes a notice concerning extraordinary income and loss.

There was a difference between the consolidated earnings forecast for the full fiscal year ending in March 2022 as announced on January 31, 2022, and the actual performance announced today. Details are as described below.

1. Extraordinary Income

Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation

TEPCO HD applied for changes in grant amounts based on stipulations in the Nuclear Damage Compensation Facilitation Corporation Act (August 10, 2011, Act No. 94). As a result, it recognized 116.6 billion yen as grants-in-aid from the Nuclear Damage Compensation and Decommissioning Facilitation Corporation. (In the third consolidated quarter, 29.8 billion yen was recorded as extraordinary income.)

2. Extraordinary Loss

(1) Extraordinary loss on disaster

Extraordinary loss on disaster of 12.8 billion yen was recorded due mainly to the expenses required to restore assets damaged by an earthquake struck off the coast of Fukushima Prefecture in March 2022.

(2) Expenses for nuclear damage compensations

Based on the Governmental compensation guidelines such as the “Interim Guidelines for the Scope of Nuclear Damage due to the Accident at Fukushima Daiichi and Daini Power Stations” adopted by the Dispute Reconciliation Committee for Nuclear Damage Compensation, TEPCO HD has updated the estimate of its nuclear damage compensations caused by the accident at Fukushima Nuclear Power Stations so far. Thus, 117.7 billion yen, the difference between the revised estimate and the fiscal 2020 estimate, was additionally recorded as the expenses for nuclear damage compensations by the end of the fiscal 2021. (In the third consolidated quarter, 66.3 billion yen was recorded as expenses for nuclear damage compensation.)

(3) Loss on return of imbalance income and expenditure

Regarding the imbalance income and expenditure in January 2021 as a result of the tightening of electricity demand and supply in the winter of FY2020, we have applied for special approval (measures pursuant to provisions in paragraph 2, Article 18 of the Electricity Business Act) based on the discussions and conclusions reached in the Electricity and Gas Basic Policy Subcommittee under the Electricity and Gas Industry Committee of the Advisory Committee. As a temporary measure, the portion of imbalance charges of January 2021 borne by retail electricity operators that exceed a certain level will be deducted from the wheeling charges after April 2022. This amount estimated to total 15.8 billion yen was recorded as a loss on return of imbalance income and expenditure. (In the third consolidated quarter, 16.3 billion yen was recorded as loss on return of imbalance income and expenditure.)

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3. Difference between the consolidated earnings forecast and actual performance

(1) Difference between the consolidated earnings forecast for the full fiscal year ending in March 2022 (April 1, 2021 – March 31, 2022) and the actual performance

(Unit: Million Yen, unless otherwise noted)

	Operating Revenue	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parents	Net Income per Share (yen)
The Previous Forecast (A)	5,051,000	19,000	-16,000	-41,000	-25.59
FY2021 (B)	5,309,924	46,230	44,969	5,640	3.52
Variance (B) – (A)	258,924	27,230	60,969	46,640	
Changes (%)	5.1	143.3	-	-	
(Reference) FY2020 Actual	5,866,824	143,460	189,880	180,896	112.90

(2) Reason for the difference

Operating revenue was higher than the previous forecast due to increases in the fuel cost adjustment price and the total power sales volume.

Operating income and ordinary income were also higher than the previous forecasts due to an increase in investment gain on equity method and a smaller-than-expected impact of intensifying competition.

Despite the recording of extraordinary loss on disaster for expenses incurred to repair assets damaged during the earthquake that occurred on March 16, 2022 in Fukushima Prefecture, net income attributable to owners of parents was higher than the previous forecast as the extraordinary loss was more than offset by the positive impact of ordinary income.

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<Reference>

Breakdown of Extraordinary Income (Consolidated)

(Unit: Billion Yen)

Breakdown	Amount
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	116.6
Total	116.6

Breakdown of Extraordinary Loss (Consolidated)

(Unit: Billion Yen)

Breakdown	Amount
Extraordinary loss on disaster	12.8
Expenses for Nuclear Damage Compensations	117.7
Loss on return of imbalance income and expenditure	15.8
Total	146.4

Status of Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation and Expenses for Nuclear Damage Compensations

(Unit: Billion Yen)

	Cumulative amount at the time of application on March 22, 2022	Cumulative amount at the time of application on March 22, 2021	FY2021
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	(A) 7,553.6	(B) 7,437.0	(A) - (B) 116.6

(Unit: Billion yen)

	Cumulative amount as of March 31, 2022	Cumulative amount as of March 31, 2021	FY2021
Expenses for Nuclear Damage Compensations	(C) 7,553.5	(D) 7,435.7	(C) - (D) 117.7

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