

FY2020 Financial Results

April 28, 2021

Tokyo Electric Power Company Holdings, Inc.

【 Main points of the FY2020 financial results 】

- **Operating revenue decreased** due to a decrease in power sales volume resulting from increased competition and the impact of the Covid-19 pandemic in addition to decreases in fuel adjustment amounts.
- **Ordinary income/loss decreased** due to decreases in power sales volume despite continual efforts on behalf of the entire Group to cut costs.
- **Net profit increased** due to a reactionary fall from the extraordinary loss posted last fiscal year.

【Dividends】

- There will be no year-end dividends distributed for FY2020
- We predict that no midterm or year-end dividends will be distributed for FY2021

1. Consolidated Financial Results Overview

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(Unit: Billion kWh)

	FY2020	FY2019	Comparison	
			(A)-(B)	(A)/(B) (%)
Total power sales volume	231.5	245.5	-13.9	94.3
Retail power sales volume ※1	204.7	222.5	-17.8	92.0
Wholesale power sales volume ※2	26.8	23.0	3.8	116.6

(Unit: Billion Yen)

	FY2020	FY2019	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	5,866.8	6,241.4	-374.5	94.0
Operating Income/Loss	143.4	211.8	-68.3	67.7
Ordinary Income/Loss	189.8	264.0	-74.1	71.9
Extraordinary Income/Loss	1.3	-194.3	195.7	-
Net Income Attributable to Owners of the Parent	180.8	50.7	130.1	356.8

※1 Total of EP consolidated (EP/TCS/PinT) and PG (islands, etc.)

※2 Total (excluding indirect auctions) of EP consolidated (EP/TCS/PinT), PG (including inter-regional), and RP consolidated (RP/Tokyo Electric Generation)

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2. Main Points about Core Companies

【TEPCO HD (HD)】

- Ordinary income and loss **decreased** due to a decrease in wholesale power sales to TEPCO Energy Partner, Inc. and a decrease in received dividends from core companies.
- The deficit is the result of transient effects from the split-up of TEPCO RP.

【TEPCO Fuel & Power (FP)】

- Ordinary income **increased** due to an improvement of the supply and demand balance despite the disadvantageous impact for JERA of the time-lag inherent to the fuel cost adjustment system.

【TEPCO Power Grid (PG)】

- Ordinary income **increased** as a result of a decrease in depreciation costs and an increase in consigned transmission revenue.

【TEPCO Energy Partner (EP)】

- Ordinary income **decreased** due to a decrease in electricity sales volume caused by increased competition and the Covid-19 pandemic.

【TEPCO Renewable Power (RP)】

- Ordinary income for TEPCO Renewable Power Inc. **increased** due to an increase in wholesale power sales to TEPCO Energy Partner, Inc.

3. Core Company Overview

(Unit: Billion Yen)

	FY2020	FY2019	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	5,866.8	6,241.4	-374.5	94.0
TEPCO Holdings	624.2	※ 741.8	-117.5	84.2
TEPCO Fuel & Power	8.7	9.7	-0.9	90.4
TEPCO Power Grid	2,003.8	1,759.8	244.0	113.9
TEPCO Energy Partner	5,034.3	5,642.8	-608.5	89.2
TEPCO Renewable Power	143.4	※ 121.2	22.1	118.3
Adjustments	-1,947.9	※ -2,034.0	86.1	-
Ordinary Income/Loss	189.8	264.0	-74.1	71.9
TEPCO Holdings	-7.9	※ 122.8	-130.7	-
TEPCO Fuel & Power	69.8	64.7	5.1	107.9
TEPCO Power Grid	169.0	116.6	52.3	144.9
TEPCO Energy Partner	6.4	60.0	-53.5	10.8
TEPCO Renewable Power	48.1	※ 30.1	18.0	159.8
Adjustments	-95.6	※ -130.3	34.7	-

※Numbers for the previous year have been rearranged for TEPCO HD and RP to provide a comparison with the current year

4. Consolidated Extraordinary Income/Loss

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(Unit: Billion Yen)

	FY2020	FY2019	Comparison (A)-(B)
Extraordinary Income	142.1	414.9	-272.7
Nuclear Damage Compensation and Decommissioning Facilitation Corporation Subsidies	142.1	101.6	40.4
Other	-	※2 313.2	-313.2
Extraordinary Loss	140.7	609.3	-468.5
Expenses for Nuclear Damage Compensation	※1 140.7	107.9	32.8
Other	-	※3 501.4	-501.4
Extraordinary Income/Loss	1.3	-194.3	195.7

*1 Increase in estimates of damages as a result of shipping restrictions and reputational damage, etc.

*2 Variable profit from owned shares (¥199.7 billion), disaster loss allowance reimbursement (¥113.5 billion)

*3 Special disaster loss (¥394.9 billion), Fukushima Daini decommissioning loss (¥95.6 billion), impairment loss (¥10.5 billion), accidental asset loss (¥0.3 billion)

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5. Major impact on earnings from the tight supply and demand situation

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- The tight supply and demand situation this past winter had a limited impact on consolidated earnings despite the large impact it had on each individual factor.

(Unit: billion JPY))

		Recovery impact	Downturn impact	Total impact
Impact on consolidated earnings				<u>-5</u>
P G	Deficit/Surplus Imbalance Increase	35		10
	Power Interchange Increase	10		
	Procurement Expense Increase		-35	
Other	Electricity Sales Increase	55		-15
	Procurement Expense Increase		-70	

※ The scope of the impact from the tight supply and demand situation, and the extent of impact are based on fixed assumptions

※ Impact amounts have been rounded to units of 5 billion JPY

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6. Consolidated Finances

- Gross assets increased by ¥135.3 billion due to an increase in accounts receivable and unearned income.
- Outstanding liabilities decreased by ¥90.6 billion due to a decrease in accounts payable and accrued expenses.
- Net assets increased by ¥225.9 billion as a result of posting net income attributable to owners of parent.
- Capital-to-asset ratio improved 1.5 points

End of March 2020 BS

End of March 2021 BS

Assets ¥11.9578 trillion Capital-to-asset ratio: 24.3%	Liabilities ¥9.0409 trillion Net assets ¥2.9168 trillion	Liabilities decreased by ¥90.6 billion <ul style="list-style-type: none"> ▪ Decrease in accounts payable and accrued expenses -¥119.7 billion Net asset increase ¥225.9 billion <ul style="list-style-type: none"> ▪ Net income attributable to owners of parent ¥180.8 billion 	Assets ¥12.0931 trillion (Asset increase ¥135.3 billion) Increase in accounts receivable and unearned income ¥147.0 billion Capital-to-asset ratio: 25.8%	Liabilities ¥8.9503 trillion Net assets ¥3.1428 trillion
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1.5 point improvement in capital-to-asset ratio

<Reference> Income and Expenditure Statement

Area demand

(Unit: Billion kWh)

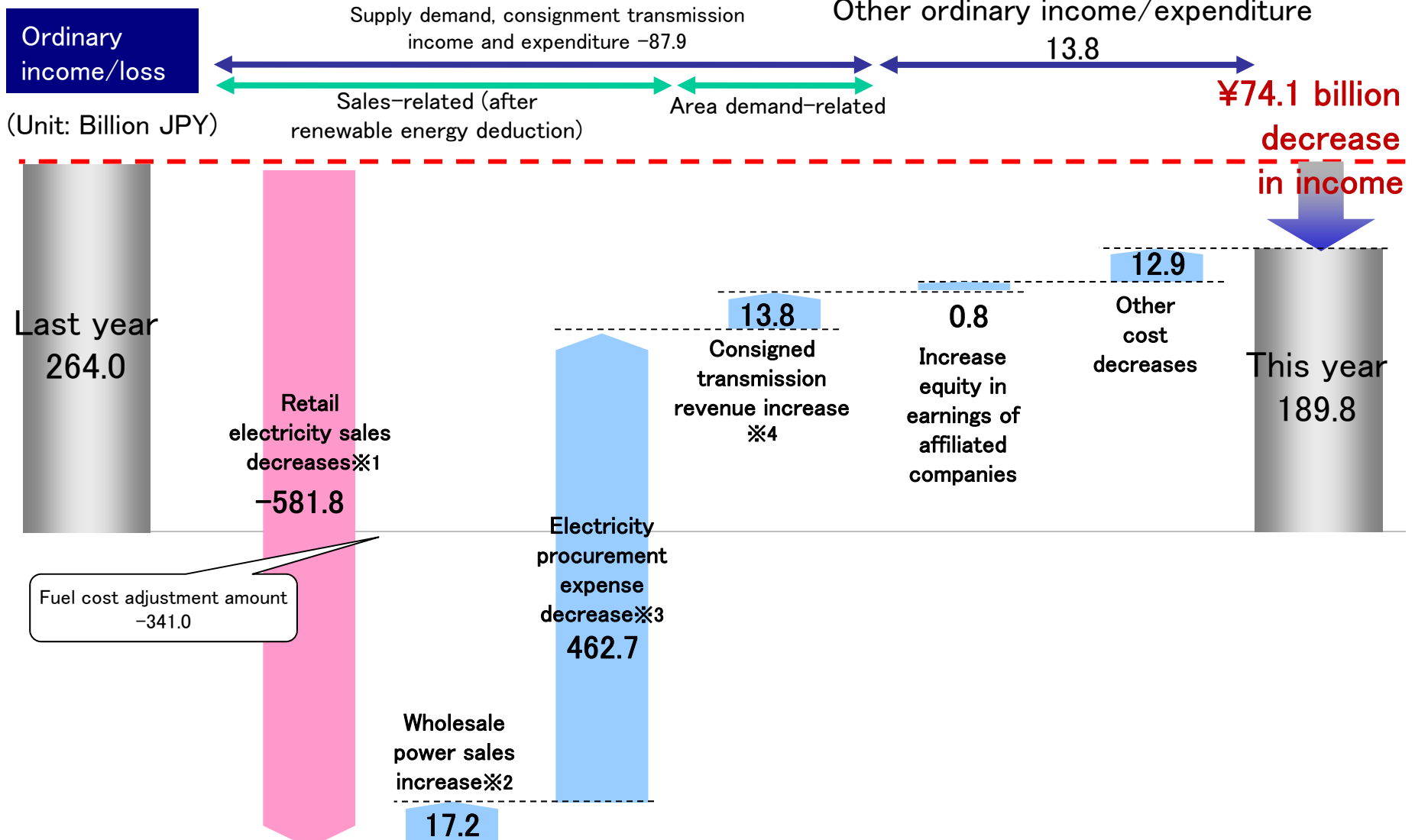
	FY2020	FY2019	Comparison	
			+/-	Ratio (%)
Area demand	266.3	269.8	-3.5	98.7

Exchange/CIF

	FY2020	FY2019	+/-
Exchange rate (Interbank)	106.1 JPY/USD	108.7 JPY/USD	-2.6 JPY/USD
Crude oil price (Japan CIF)	43.4 USD/Barrel	67.8 USD/Barrel	-24.4 USD/Barrel

(Reference) Consolidated YoY Performance Comparison ①

~Increases/Decreases~



※1 Retail power sales include the impact of consigned transmission expenses

※2 Wholesale power sales exclude the impact of indirect auctions

※3 Electricity procurement expenses exclude the impact of indirect auctions, and the revenue increase caused by an increase in deficit imbalance offsets the power source procurement expense increase.

※4 Consigned transmission income includes transactions within the Group but excludes the impact of the deficit imbalance



(Reference) Consolidated YoY Performance Comparison ② ~Figures~

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(Unit: Billion JPY)

	FY2020	FY2019	+/-
Ordinary Income	189.8	264.0	-74.1
Supply demand, consigned transmission income and expenditure	1,861.9	1,949.9	-87.9
Retail power sales※1	2,215.2	2,797.0	-581.8
Wholesale power sales※2	361.6	344.3	17.2
(-) Electricity procurement expense ※3	-2,138.4	-2,601.2	462.7
Consigned transmission income ※4	1,423.5	1,409.7	13.8
Other ordinary income/expenditure	-1,672.1	-1,685.9	13.8
Increase in equity in earnings of affiliated companies	100.6	99.7	0.8
(-) Depreciation costs	-401.8	-412.2	10.4
(-) Facility costs	-272.5	-266.3	-6.2
Other※5	-1,098.3	-1,107.1	8.7

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※4 Consigned transmission income includes transactions within the Group but excludes the impact of the deficit imbalance

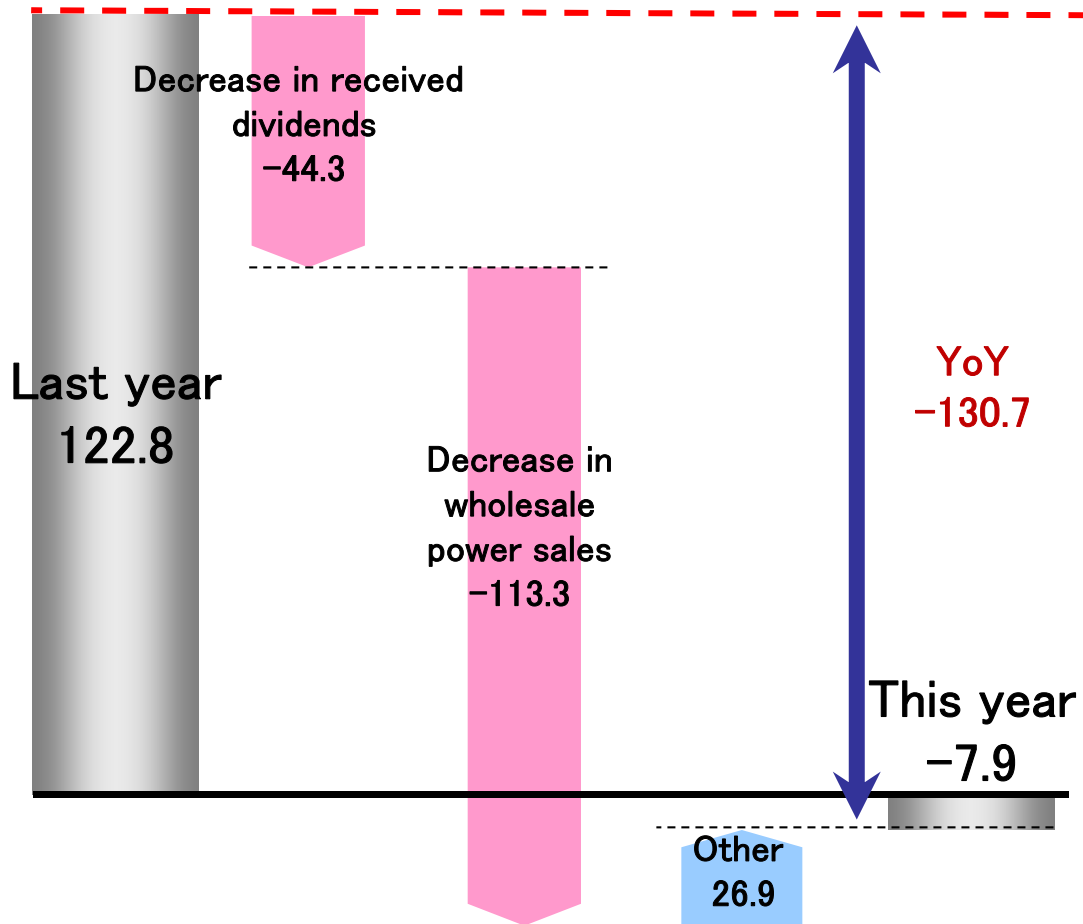
※5 Consists of primarily personnel costs, taxes and consignment costs.

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<Reference> HD YoY comparison

Ordinary income/loss

(Unit: Billion JPY)



Income and expenditure structure

Income and expenditure includes dividend income, decommissioning charge income, management support fees, and nuclear wholesale power sales, etc.

Ordinary income/loss

(Unit: Billion JPY)

		FY2019	FY2020	+/-
Apr-Jun	※	148.2	79.5	-68.7
Apr-Sep	※	144.2	63.3	-80.9
Apr-Dec	※	121.1	7.0	-114.1
Apr-Mar	※ ※	122.8	-7.9	-130.7

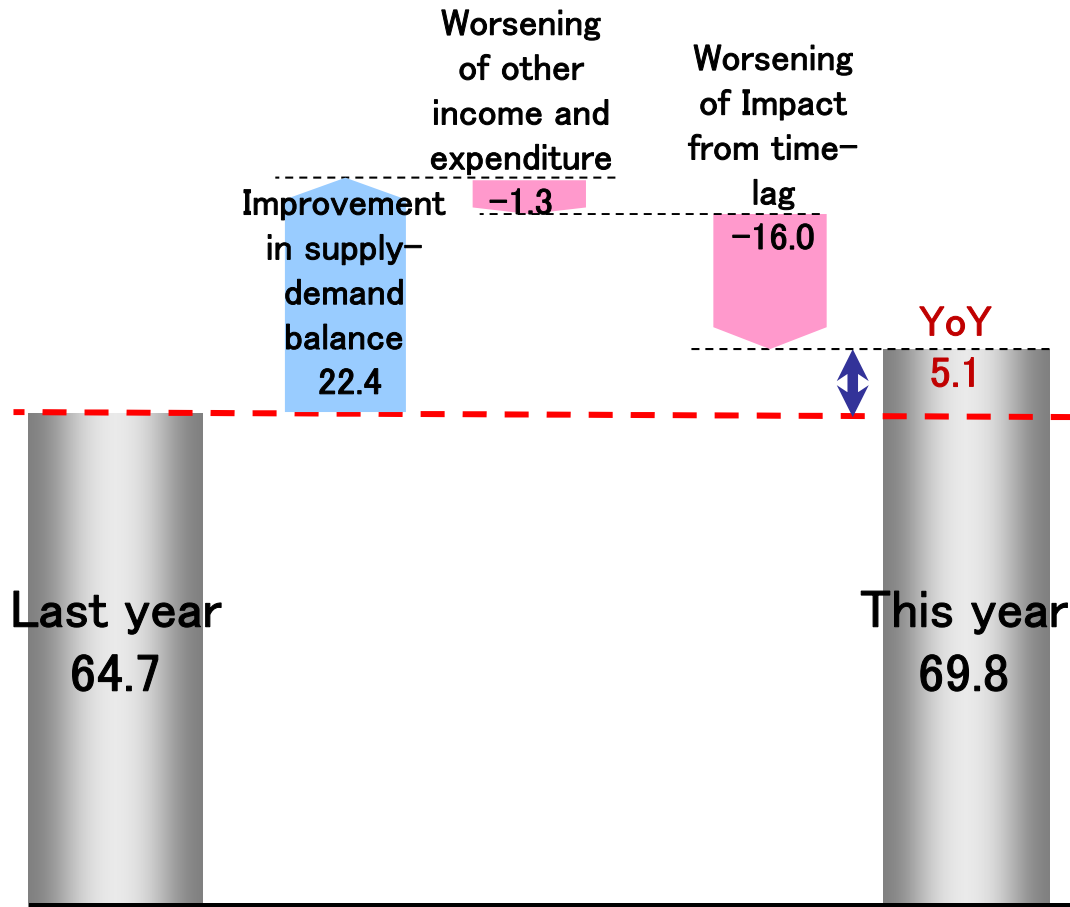
※Numbers for the previous year have been rearranged for TEPCO HD and RP to provide a comparison with the current year



<Reference> FP YoY comparison

Ordinary income/loss

(Unit: Billion JPY)



Income and expenditure structure

Primary income is equity in earnings of affiliated companies, such as JERA's supply/demand balance.

Impact of time lag (JERA share impact)

(Unit: Billion JPY)

	FY2019	FY2020	+/-
Apr-Mar	39.0	23.0	-16.0

Ordinary income/loss

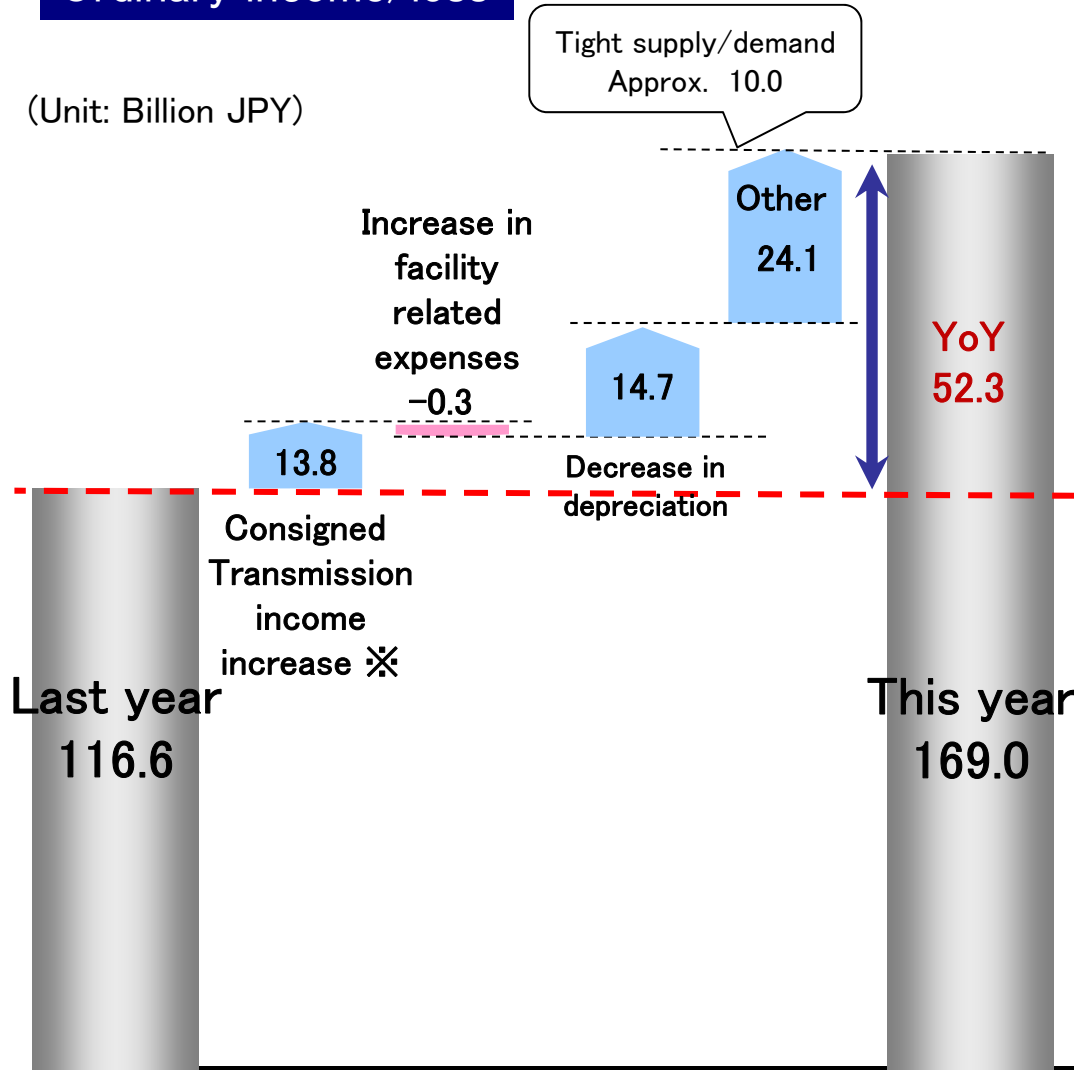
(Unit: Billion JPY)

	FY2019	FY2020	+/-
Apr-Jun	45.8	9.2	-36.5
Apr-Sep	58.4	45.3	-13.1
Apr-Dec	62.3	83.4	21.0
Apr-Mar	64.7	69.8	5.1

<Reference> PG YoY comparison

Ordinary income/loss

(Unit: Billion JPY)



Income and expenditure structure

Revenue is primarily from consigned transmission income and fluctuates with area demand. Costs are primarily maintenance costs for transmission and distribution equipment, and depreciation costs

Area demand

(Unit: Billion kWh)

	FY2019	FY2020	+/-
Apr-Mar	269.8	266.3	-3.5

Ordinary income/loss

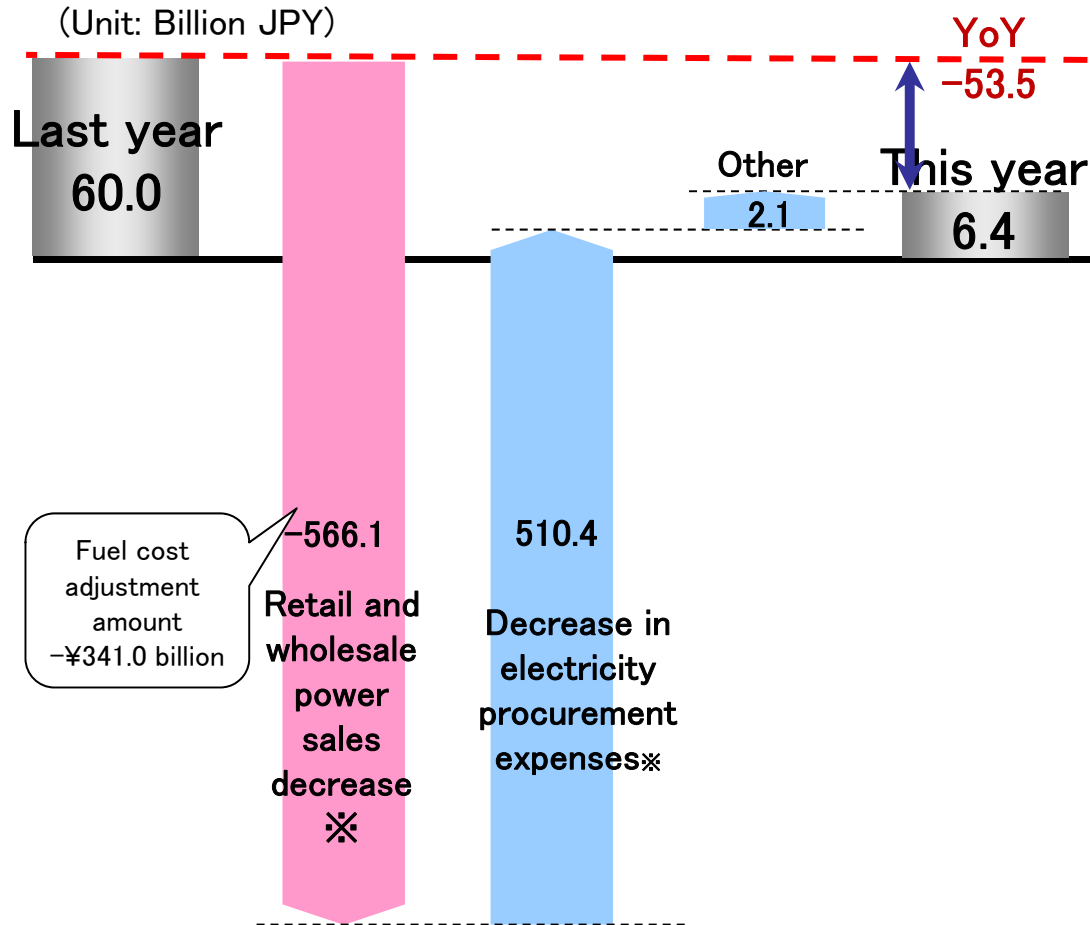
(Unit: Billion JPY)

	FY2019	FY2020	+/-
Apr-Jun	42.6	40.7	-1.8
Apr-Sep	119.9	123.8	3.9
Apr-Dec	175.3	183.6	8.2
Apr-Mar	116.6	169.0	52.3

※ Consigned transmission income excludes the impact of imbalance income/expenditure.

<Reference> EP YoY comparison

Ordinary income/loss



Income and expenditure structure

Revenue is primarily from electricity charges and fluctuates with power sales volume. Costs are primarily purchased power fees and connected supply consigned transmission costs.

Power sales volume (EP consolidated)

(Unit: Billion kWh)

	FY2019	FY2020	+/-
Apr-Mar	222.3	204.5	-17.8

Gas contracts (EP alone)

End of Mar 2020	End of Mar 2021
Approx. 1.12 million	Approx. 1.24 million

Ordinary income/loss

(Unit: Billion JPY)

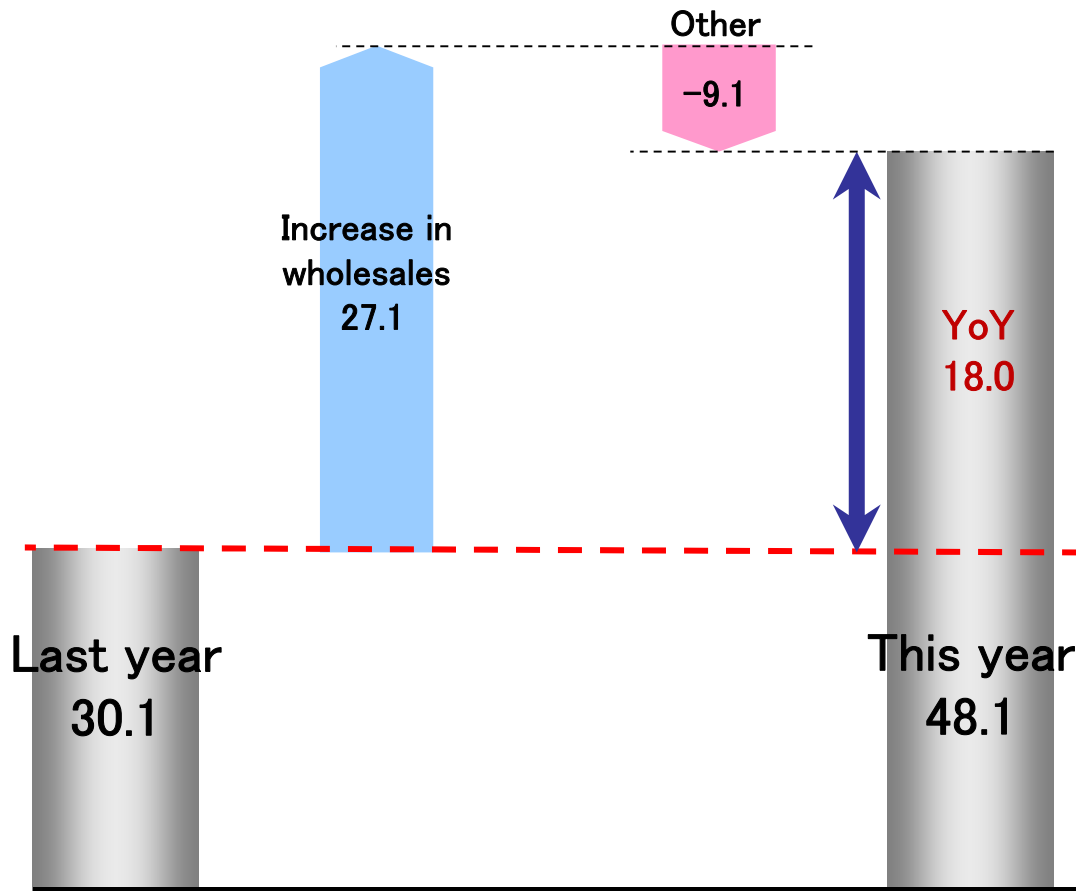
	FY2019	FY2020	+/-
Apr-Jun	-12.0	11.2	23.2
Apr-Sep	43.4	45.9	2.4
Apr-Dec	54.6	7.9	-46.6
Apr-Mar	60.0	6.4	-53.5

※ Retail and wholesale power sales, and electricity procurement expenses both exclude the impact from indirect auctions. The impact of consigned transmission costs has been included in retail and wholesale power sales after deducting the imbalance, and the impact of the imbalance has been included in electricity procurement costs.

(Reference) RP YoY Comparison

Ordinary income/loss

(Unit: Billion JPY)



Income and expenditure structure

Most income comes from the wholesale of hydroelectric and new energies. Costs are primarily from depreciation and maintenance.

Flow rate

(Unit: %)

	FY2019	FY2020	+/-
Apr-Mar	105.5	98.7	-6.8

Ordinary income/loss

(Unit: Billion JPY)

		FY2019	FY2020	+/-
Apr-Jun	※	8.1	17.8	9.6
Apr-Sep	※	18.1	36.7	18.5
Apr-Dec	※	27.1	44.1	16.9
Apr-Mar	※※	30.1	48.1	18.0

※Numbers for the previous year have been rearranged for TEPCO HD and RP to provide a comparison with the current year.