

# FY2021Q1 Financial Results

July 29, 2021

Tokyo Electric Power Company Holdings, Inc.

## 【 Main points of the FY2021Q1 financial results 】

- **Operating revenue decreased** due to a decreases in electricity sales volume and fuel cost adjustments and the application of new accounting standards.
- **Ordinary income/loss and quarterly net profit decreased** due to worsening of the impact for JERA from the time-lag inherent to the fuel cost adjustment system and decreases in retail power sales volume despite continual efforts on behalf of the entire Group to cut costs

## 【 FY2021 performance forecast 】

- No changes to the forecast announced on July 21, 2021

# 1. Consolidated Financial Results Overview

(Unit: Billion kWh)

	FY2021 Apr-Jun (A)	FY2020 Apr-Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Total power sales volume	52.4	51.2	1.2	102.3
Retail power sales volume ※1	42.5	47.4	-4.9	89.7
Wholesale power sales volume ※2	9.8	3.8	6.0	258.3

(Unit: Billion Yen)

	FY2021 Apr-Jun (A)	FY2020 Apr-Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	980.0	1,341.3	-361.2	73.1
Operating Income/Loss	-11.3	57.5	-68.9	-
Ordinary Income/Loss	18.4	68.5	-50.0	27.0
Extraordinary Income/Loss	-20.6	-36.5	15.9	-
Net Income Attributable to Owners of the Parent	-3.0	29.8	-32.8	-

※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)



# <Reference> Income and Expenditure Statement

## Area demand

(Unit: Billion kWh)

	FY2021 Apr-Jun	FY2020 Apr-Jun	Comparison	
			+/-	Ratio (%)
Area demand	59.8	59.5	+0.3	100.4

## Exchange/CIF

	FY2021 Apr-Jun	FY2020 Apr-Jun	+/-
Exchange rate (Interbank)	109.5 JPY/USD	107.6 JPY/USD	+1.9 JPY/USD
Crude oil price (Japan CIF)	66.9 USD/Barrel	32.3 USD/Barrel	+34.6 USD/Barrel

## 2. Main Points about Core Companies

### 【TEPCO HD (HD)】

- Ordinary income **increased** due to an increase in dividends received from core companies.

### 【TEPCO Fuel & Power (FP)】

- Ordinary income **increased** due to improvement of the supply and demand balance and an increase in profits of subsidiaries and affiliates despite worsening of the impact for JERA from the time-lag inherent to the fuel cost adjustment system.

### 【TEPCO Power Grid (PG)】

- Ordinary income **decreased** as a result of a decrease in consigned transmission revenue and an increase in facility-related costs.

### 【TEPCO Energy Partner (EP)】

- Ordinary income **decreased** as due to a decrease in retail power sales volume caused by increased competition and the impact of daily temperatures.

### 【TEPCO Renewable Power (RP)】

- Ordinary income for TEPCO Renewable Power Inc. **decreased** due to an increase in fixed asset tax.

### 3. Core Company Overview

(Unit: Billion Yen)

	FY2021 Apr-Jun (A)	FY2020 Apr-Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	980.0	1,341.3	-361.2	73.1
TEPCO Holdings	117.2	129.2	-11.9	90.7
TEPCO Fuel & Power	1.3	1.9	-0.6	66.8
TEPCO Power Grid	409.3	410.7	-1.4	99.6
TEPCO Energy Partner	808.4	1,199.4	-391.0	67.4
TEPCO Renewable Power	41.0	39.9	1.1	102.8
Adjustments	-397.3	-440.1	42.7	-
Ordinary Income/Loss	18.4	68.5	-50.0	27.0
TEPCO Holdings	126.7	79.5	47.1	159.3
TEPCO Fuel & Power	30.1	9.2	20.8	325.1
TEPCO Power Grid	34.6	40.7	-6.0	85.0
TEPCO Energy Partner	-37.4	11.2	-48.7	-
TEPCO Renewable Power	16.1	17.8	-1.6	90.5
Adjustments	-151.6	-90.1	-61.5	-



## 4. Consolidated Extraordinary Income/Loss

6

(Unit: Billion Yen)

	FY2021 Apr-Jun	FY2020 Apr-Jun	Comparison
Extraordinary Income	-	-	-
Extraordinary Loss	20.6	36.5	-15.9
Expenses for Nuclear Damage Compensation	※ 20.6	36.5	-15.9
Extraordinary Income/Loss	-20.6	-36.5	15.9

※Increase in estimates for reputational damage and damage caused by shipping restrictions, as well as for public compensation and compensation for loss from securing residences.

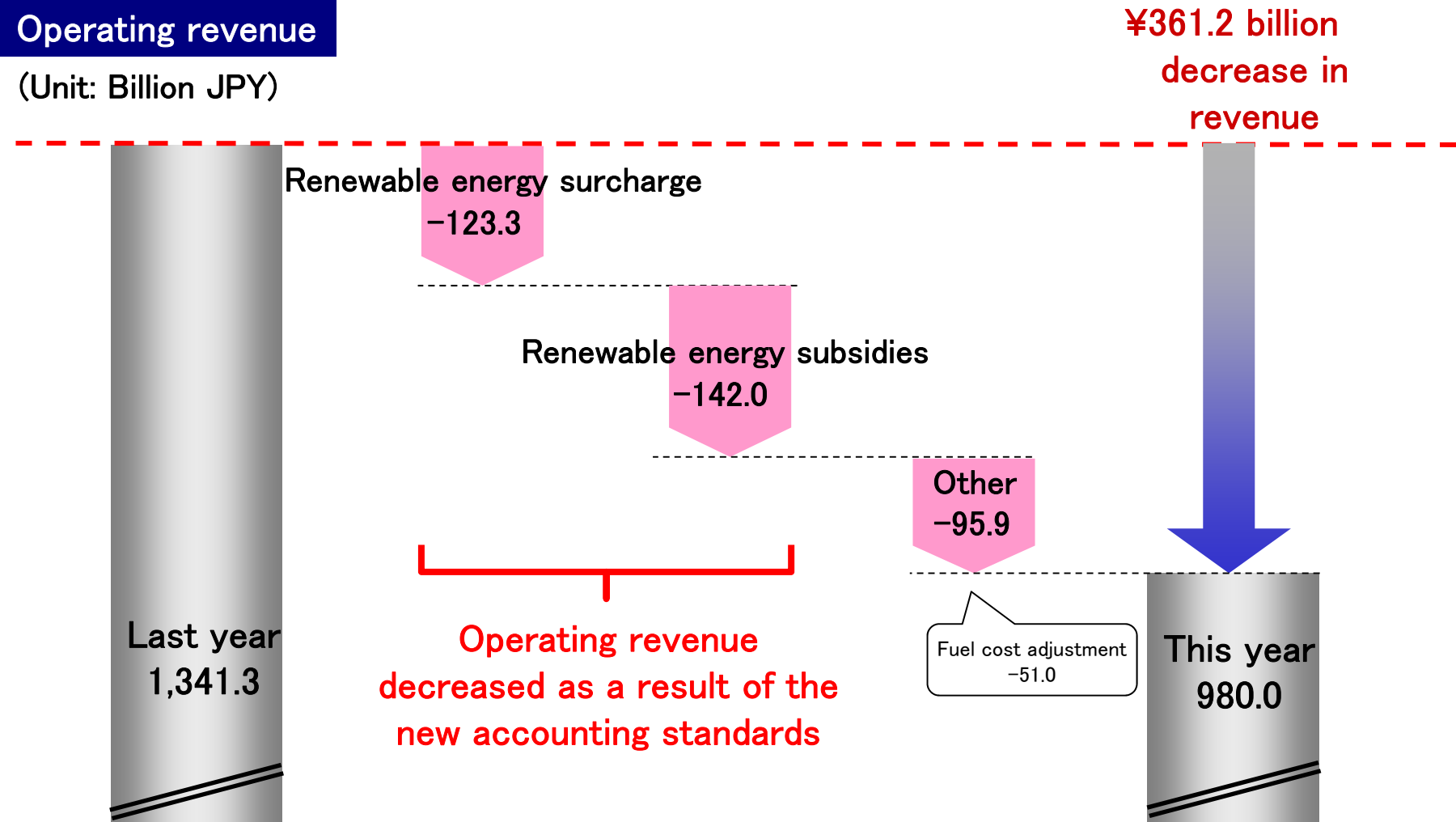
## 5. Factors for fluctuating consolidated revenue

~The impact of new accounting standards~

- Operating revenue decreased by ¥265.4 billion as a result of the new accounting standards (no impact on revenue and expenditures since expenses also decreased)

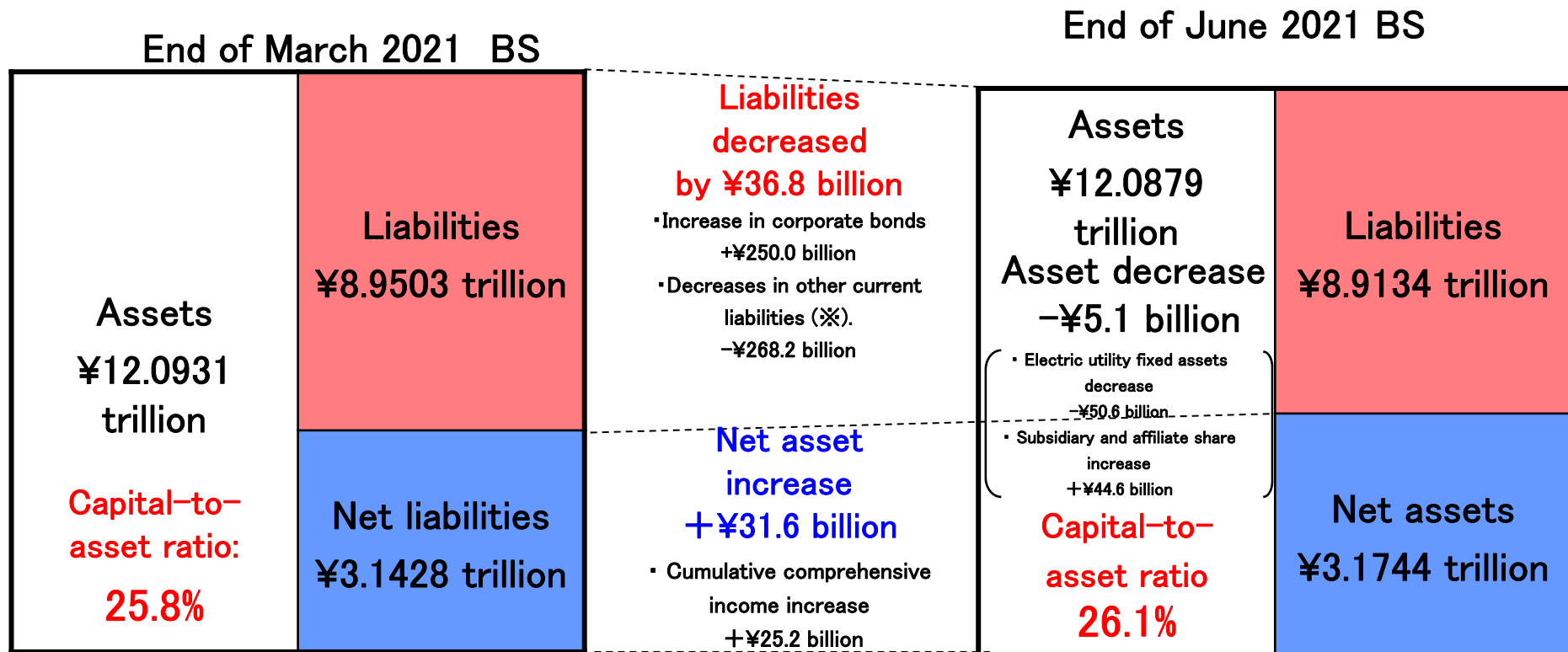
### Operating revenue

(Unit: Billion JPY)



## 6. Consolidated Finances

- Gross assets decreased by ¥5.1 billion due to decreases in electric utility fixed assets.
- Outstanding liabilities decreased by ¥36.8 billion due to decreases in current liabilities, such as accrued expenses.
- Net assets increased by ¥31.6 billion due to an increase in cumulative comprehensive income.
- Capital-to-asset ratio improved 0.3 points



(※) Consists of primarily accrued expenses, accounts payable (other) and accounts payable (trade) etc. Corporate bonds scheduled to be redeemed within one year are not included

**0.3 point improvement**

**TEPCO**



## 7. FY2021 Performance Forecast

(Unit: Billion JPY)

	FY2021 (Forecasted)	FY2020 (Actual)	+/-
Operating revenue	4,484	5,866.8	- 1,383
Operating income/loss	69	143.4	- 74
Ordinary income/loss	74	189.8	- 116
Extraordinary income / loss	-	1.3	- 1
Net Income Attributable to Owners of the Parent	67	180.8	- 114

※ No changes to the forecast announced on July 21, 2021

# (Reference) FY2021 Performance Forecast (Main Elements)

10

·(Unit: Billion kWh)

	FY2021 (Forecasted)	FY2020 (Actual)	Comparison	
			+/-	Percentage (%)
Total power sales volume	213.0	231.5	- 18.5	92.0
Retail power sales volume	186.9	204.7	- 17.8	91.3
Wholesale power sales volume	26.1	26.8	-0.7	97.3
Area demand	267.3	266.3	+ 1.0	100.4

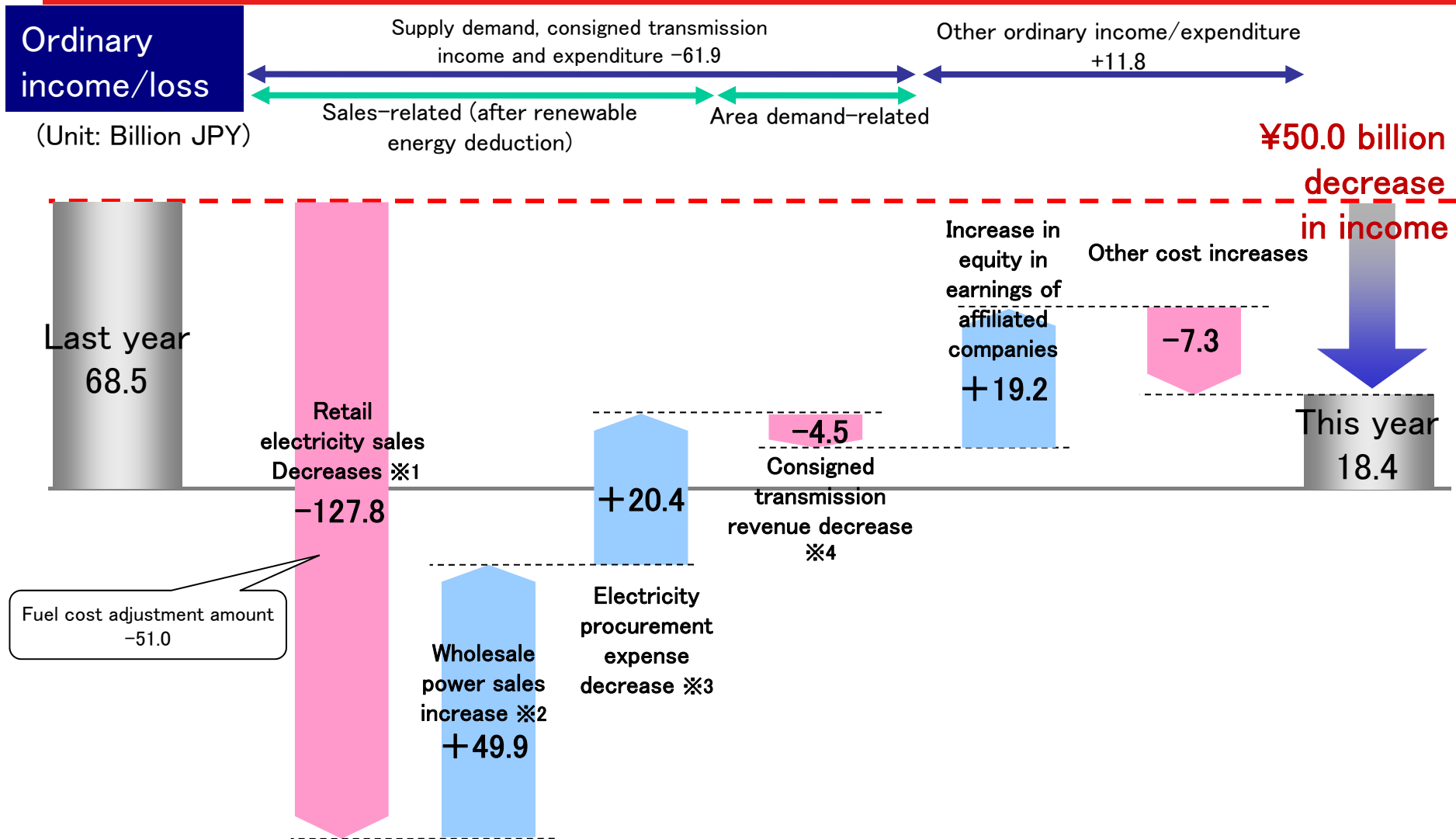
  

	FY2021 (Forecasted)	FY2020 (Actual)	+/-
Exchange rate (Interbank)	Approx.110 JPY/USD	106.1 JPY/USD	Approx. + 4 JPY/USD
Crude oil price (Japan CIF)	Approx. 62 USD/Barrel	43.4 USD/Barrel	Approx. + 19 USD/Barrel

※ No changes to the forecast announced on July 21, 2021

# (Reference) Comparison with last fiscal year (consolidated) ①

## ~Increases/Decreases~



Fuel cost adjustment amount  
-51.0

※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 offset the revenue increase/decrease caused by an increase/decrease in deficit imbalance.  
 ※4 Consigned transmission income includes transactions within the Group but excludes the impact of the deficit imbalance



# (Reference) Consolidated YoY Performance Comparison ② ~Figures~

12

(Unit: Billion JPY)

	FY2021	FY2020	+/-
Ordinary Income	18.4	68.5	-50.0
Supply demand, consigned transmission income and expenditure	393.2	455.1	-61.9
Retail power sales ※1	441.8	569.6	-127.8
Wholesale power sales ※2	93.4	43.4	+49.9
(-) Electricity procurement expense ※3	-462.1	-482.6	+20.4
Consigned transmission income ※4	320.1	324.6	-4.5
Other ordinary income/expenditure	-374.7	-386.6	+11.8
Increase in equity in earnings of affiliated companies	41.2	21.9	+19.2
(-) Depreciation costs	-99.9	-100.7	+0.7
(-) Facility costs	-63.2	-56.4	-6.8
Other ※5	-252.7	-251.4	-1.3

※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 offset the revenue increase/decrease caused by an increase/decrease in deficit imbalance.

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

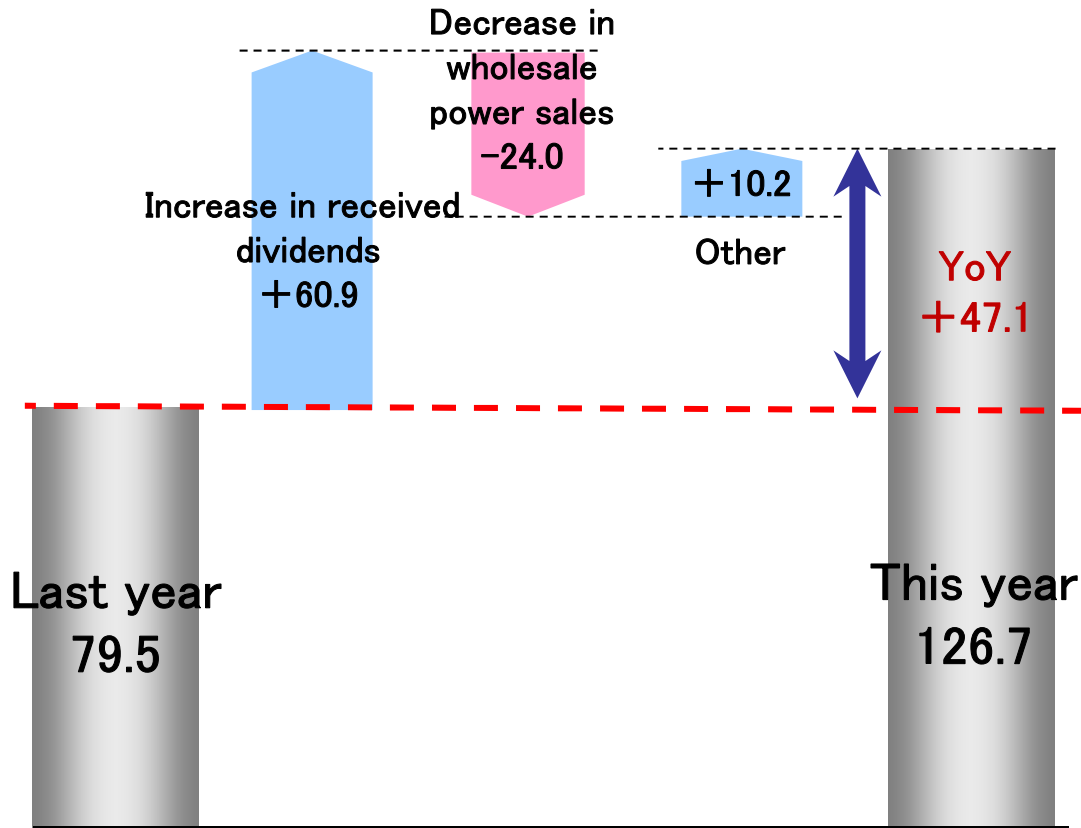
※5 Consists of primarily personnel costs, taxes and consignment costs.

**TEPCO**

# (Reference) HD YoY comparison

## Ordinary income/loss

(Unit: Billion JPY)



## Income and expenditure structure

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

## Ordinary income/loss

(Unit: Billion JPY)

	FY2020	FY2021	;/-
Apr-Jun	79.5	126.7	+ 47.1
Apr-Sep	63.3		
Apr-Dec	7.0		
Apr-Mar	-7.9		

# (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)

	FY2020	FY2021	+/-
Apr-Jun	+5.0	-11.0	-16.0

## Ordinary income/loss

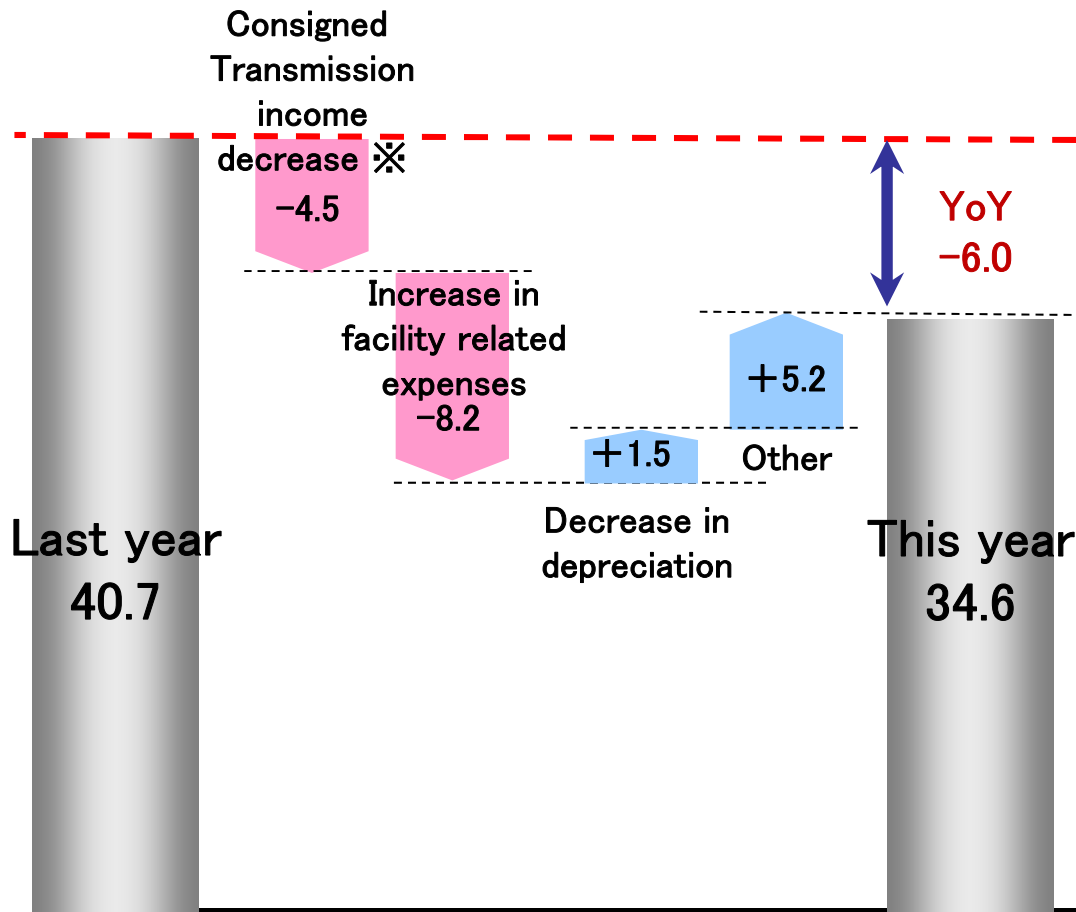
(Unit: Billion JPY)

	FY2020	FY2021	+/-
Apr-Jun	9.2	30.1	+ 20.8
Apr-Sep	45.3		
Apr-Dec	83.4		
Apr-Mar	69.8		

# (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)

	FY2020	FY2021	+/-
Apr-Jun	59.5	59.8	+ 0.3

## Ordinary income/loss

(Unit: Billion JPY)

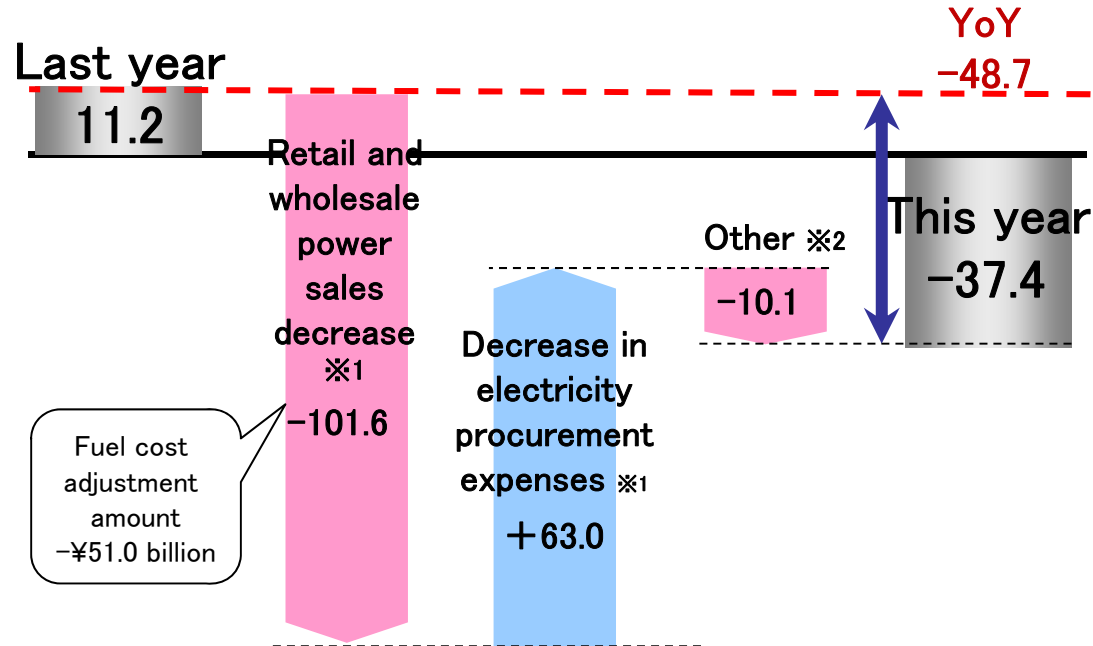
	FY2020	FY2021	+/-
Apr-Jun	40.7	34.6	-6.0
Apr-Sep	123.8		
Apr-Dec	183.6		
Apr-Mar	169.0		

※ Consigned transmission income excludes the impact of imbalanced earnings

# (Reference) EP YoY comparison

## Ordinary income/loss

(Unit: Billion JPY)



※1 Retail and wholesale power sales, and electricity procurement expenses both include 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.

※2 Includes the impact of correcting consolidated discrepancies related to the appropriation of renewable energy subsidy estimates in the last year's financial results.

## 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)

	FY2020	FY2021	+/-
Apr-Jun	47.4	42.5	-4.9

## Gas contracts (EP alone)

End of Mar 2021	End of Jun 2021
Approx. 1.24 million	Approx. 1.27 million

## Ordinary income/loss

(Unit: Billion JPY)

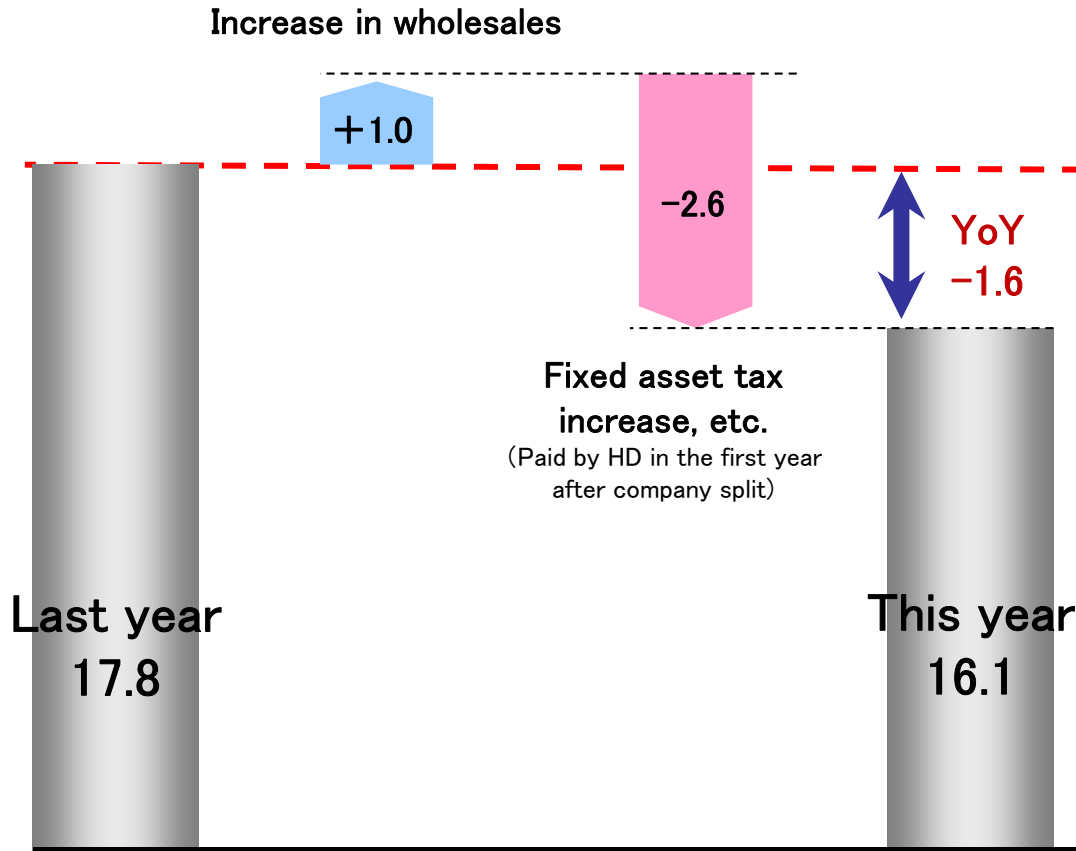
	FY2020	FY2021	+/-
Apr-Jun	11.2	-37.4	-48.7
Apr-Sep	45.9		
Apr-Dec	7.9		
Apr-Mar	6.4		



# (Reference) RP YoY Comparison

## Ordinary income/loss

(Unit: Billion JPY)



## Income and expenditure structure

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

## Flow rate

(Unit: %)

	FY2020	FY2021	+/-
Apr-Jun	102.6	97.0	- 5.6

## Ordinary income/loss

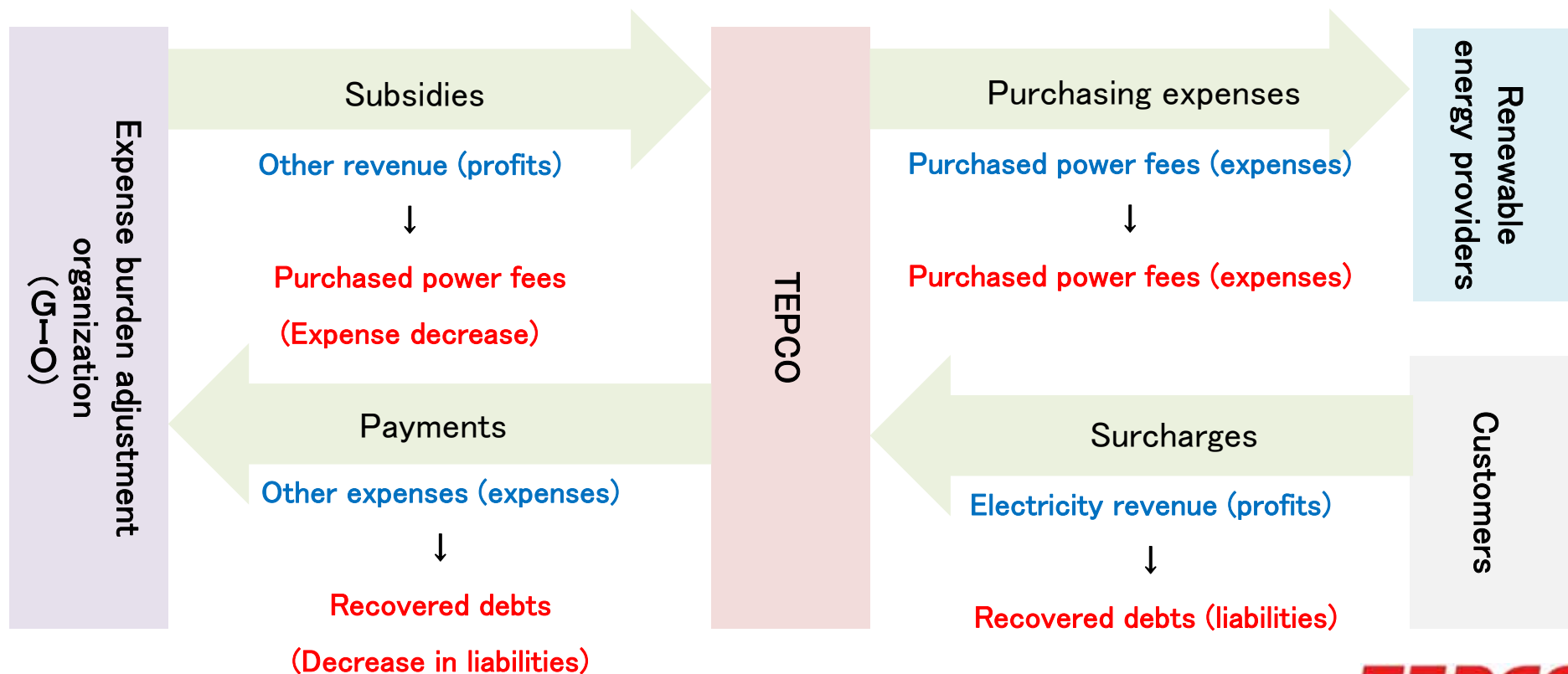
(Unit: Billion JPY)

	FY2020	FY2021	+/-
Apr-Jun	17.8	16.1	-1.6
Apr-Sep	36.7		
Apr-Dec	44.1		
Apr-Mar	48.1		

## (Reference) Application of new accounting standards

- “Accounting standards for revenue recognition” went into effect in FY2021 and some transactions that were posted as revenue (sales) must now be listed in a different category (changes were also made to what can be posted as expenses so there was no impact on revenue and expenditure).
- Surcharges and payments are posted as increases/decreases in recovered debts (liabilities) since they are paid to the GIO.
- Subsidies are posted as decreases in expenses due to revision of the electric operators accounting rules in accordance with the new accounting standards.

< Diagram of the feed-in tariff system for renewable energies >   
 Blue: Accounting category until FY2020   
 Red: Accounting category as of FY2021



# (Reference) FY2021 Performance Forecast (Core company overview)

19

(Unit: Billion JPY)

	FY2021 (Performance forecast)	FY 2020 (Actual)	+/-
<b>R e v e n u e</b>	<b>4,484</b>	<b>5,866.8</b>	<b>- 1,383</b>
<b>T E P C O H o l d i n g s</b>	<b>635</b>	<b>624.2</b>	<b>+ 11</b>
<b>T E P C O F u e l &amp; P o w e r</b>	<b>5</b>	<b>8.7</b>	<b>- 4</b>
<b>T E P C O P o w e r G r i d</b>	<b>1,760</b>	<b>2,003.8</b>	<b>- 244</b>
<b>T E P C O E n e r g y P a r t n e r</b>	<b>3,685</b>	<b>5,034.3</b>	<b>- 1,349</b>
<b>T E P C O R e n e w a b l e P o w e r</b>	<b>154</b>	<b>143.4</b>	<b>+ 11</b>
<b>A d j u s t m e n t s</b>	<b>- 1,755</b>	<b>- 1,947.9</b>	<b>+ 193</b>
<b>Ordinary income/loss</b>	<b>74</b>	<b>189.8</b>	<b>-116</b>
<b>T E P C O H o l d i n g s</b>	<b>75</b>	<b>- 7.9</b>	<b>+ 83</b>
<b>T E P C O F u e l &amp; P o w e r</b>	<b>24</b>	<b>69.8</b>	<b>- 46</b>
<b>T E P C O P o w e r G r i d</b>	<b>108</b>	<b>169.0</b>	<b>- 61</b>
<b>T E P C O E n e r g y P a r t n e r</b>	<b>8</b>	<b>6.4</b>	<b>+ 2</b>
<b>T E P C O R e n e w a b l e P o w e r</b>	<b>40</b>	<b>48.1</b>	<b>- 8</b>
<b>A d j u s t m e n t s</b>	<b>- 181</b>	<b>- 95.6</b>	<b>- 85</b>

※ No changes to the forecast announced on July 21, 2021

