

FY2017 Financial Results

(April 1, 2017 – March 31, 2018)

Tokyo Electric Power Company Holdings, Inc.

Regarding Forward-Looking Statements

Certain statements in the following presentation regarding TEPCO Group's business operations may constitute "forward-looking statements." As such, these statements are not historical facts but rather predictions about the future, which inherently involve risks and uncertainties, and these risks and uncertainties could cause TEPCO Group's actual results to differ materially from the forward-looking statements herein.

(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.

Overview of FY2017 Financial Results

(Released on April 26, 2018)

< FY2017 Financial Results >

- **Ordinary revenue** increased due to an increase in electricity sales revenue caused by a rise in fuel cost adjustments etc., even though electricity sales volume decreased.
- **Ordinary expenses** increased due to increases in fuel expenses and power purchasing costs, etc.
- **Ordinary income** and **net income** were in the black for the fifth consecutive year. Despite of a rise in expenses such as fuel expenses etc., ordinary income and net income increased due to an increase in electricity sales revenue and continued group-wide cost reduction efforts.

< Dividends >

- TEPCO decided not to pay out for fiscal 2017 year-end dividends.
- No interim and year-end dividends are planned for fiscal 2018.

1. Consolidated Financial Results

(Unit: Billion Yen)

	FY2017 (A)	FY2016 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	5,850.9	5,357.7	493.2	109.2
Operating Income/ Loss	288.4	258.6	29.7	111.5
Ordinary Income/ Loss	254.8	227.6	27.2	112.0
Extraordinary Income	381.9	330.6	51.2	-
Extraordinary Loss	308.1	411.3	-103.1	-
Net Income attributable to owners of parent	318.0	132.8	185.2	239.5

2. Electricity Sales Volume/ Key Factors Affecting Performance

Electricity Sales Volume (Consolidated)

(Unit: Billion kWh)

	FY2017 (A)	FY2016 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Lighting	82.7	86.4	-3.7	95.7
Power	157.6	157.4	0.2	100.1
Total	240.3	243.8	-3.5	98.6

* Electricity Sales Volume by TEPCO Energy Partner

FY2017: 233.1 billion kWh (Lighting: 82.7 billion kWh, Power: 150.4 billion kWh)

FY2016: 241.5 billion kWh (Lighting: 86.4 billion kWh, Power: 155.1 billion kWh)

Key Factors Affecting Performance

	FY2017 (A)	FY2016 (B)	(A)-(B)
Foreign Exchange Rate (Interbank, yen/dollar)	110.9	108.4	2.5
Crude Oil Prices (All Japan CIF, dollar/barrel)	57.0	47.5	9.5
LNG Prices (All Japan CIF, dollar/barrel)	48.7	40.2	8.5

3. Ordinary Revenue (Consolidated)

	(Unit: Billion Yen)			
	FY2017 (A)	FY2016 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
(Operating Revenue)	5,850.9	5,357.7	493.2	109.2
Electricity Sales Revenue	4,574.0	4,426.2	147.7	103.3
Lighting	2,030.9	1,990.9	39.9	102.0
Power	2,543.0	2,435.3	107.7	104.4
Power Sold to Other Utilities and Suppliers	282.6	164.5	118.1	171.8
Other Revenue	772.4	674.0	98.4	114.6
(Reprinted) Grant under Act on Procurement of Renewable Electric Energy	337.4	294.0	43.3	114.8
(Reprinted) Transmission Revenue	235.9	151.4	84.5	155.8
Subsidiaries/ Affiliated Companies	270.4	155.1	115.2	174.3
Ordinary Revenue	5,899.5	5,420.0	479.5	108.8

- Decrease in electricity sales volume: - 170.0
- Rise in fuel cost adjustments: +287.0
- Renewable energy surcharge: +69.7

Total of TEPCO Holdings and three Core Operating Companies (TEPCO Fuel & Power, TEPCO Power Grid and TEPCO Energy Partner) (after eliminating offsets)

Total of subsidiaries and affiliated companies excluding three Core Operating Companies (after eliminating offsets)

4. Ordinary Expenses (Consolidated)

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(Unit: Billion Yen)

	FY2017 (A)	FY2016 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Personnel Expenses	324.5	332.9	-8.4	97.5
Fuel Expenses	1,339.4	1,162.4	177.0	115.2
Maintenance Expenses	318.7	319.9	-1.2	99.6
Depreciation	550.2	551.3	-1.0	99.8
Power Purchasing Costs	1,095.9	935.1	160.8	117.2
Interest Paid	63.3	75.7	-12.4	83.6
Taxes, etc.	304.8	300.4	4.3	101.4
Nuclear Back-end Costs	47.4	49.0	-1.5	96.8
Other Expenses	1,386.0	1,316.1	69.9	105.3
(Reprinted) Payment under Act on Procurement of Renewable Electric Energy	541.8	472.0	69.7	114.8
Subsidiaries/ Affiliated Companies	214.0	149.1	64.8	143.5
Ordinary Expenses	5,644.7	5,192.4	452.3	108.7
(Operating Income)	(288.4)	(258.6)	(29.7)	111.5
Ordinary Income	254.8	227.6	(27.2)	112.0

• Effect of price fluctuations: + 213.0
(Exchange rate: + 28.0
Fuel prices (CIF): + 181.0)
• Decrease in thermal power generation: - 36.0

• Increase of purchase from solar power generation, etc.

Total of TEPCO Holdings and three Core Operating Companies (after eliminating offsets)

Total of subsidiaries and affiliated companies excluding three Core Operating Companies (after eliminating offsets)

5. Extraordinary Income/ Loss (Consolidated)

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(Unit: Billion Yen)

	FY2017	FY2016	Comparison
Extraordinary Income	381.9	330.6	51.2
Grants-in-aid from NDF*	381.9	294.2	87.7
Gain on change in equity	–	36.4	-36.4
Extraordinary Loss	308.1	411.3	-103.1
Extraordinary loss on disaster	21.3	19.3	1.9
Expenses for Nuclear Damage Compensation	286.8	392.0	-105.1
Extraordinary Income/ Loss	73.8	-80.6	154.4

* Nuclear Damage Compensation and Decommissioning Facilitation Corporation

<Extraordinary Income>

Grants-in-aid from NDF

- Application for financial support from NDF in May and June 2017 and March 2018

<Extraordinary Loss>

Extraordinary loss on disaster

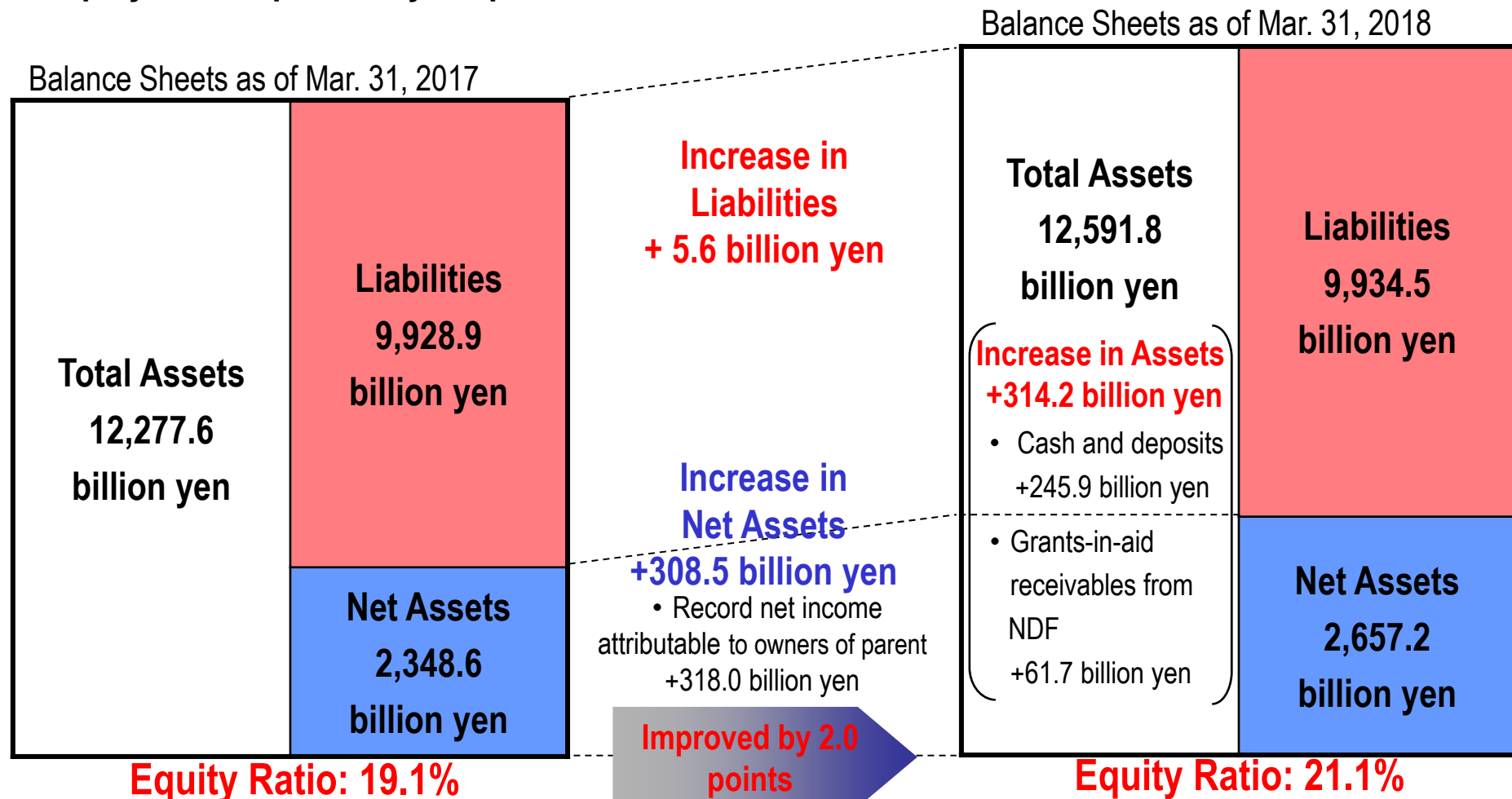
- Increase in the estimated amount of expenses for decommissioning Fukushima Daiichi NPS etc.

Expenses for Nuclear Damage Compensation

- Increase in the estimated amount of compensation for damage to reputation etc., and other factors

6. Consolidated Financial Position

- Total assets increased 314.2 billion yen primarily due to increases in cash and deposits.
- Total net assets increased 308.5 billion yen primarily due to a record net income attributable to owners of parent.
- Equity ratio improved by 2.0 points.



7. FY2018 Full-Year Financial Forecasts

- Operating revenue will increase to approx. 6,099 billion yen, an increase of 249 billion yen year-on-year due to a rise in fuel cost adjustments, etc.
- Ordinary income will increase to approx. 285 billion yen due to an increase in operating revenue despite rising fuel expenses. Net income will be approx. 252 billion yen.

	(Unit: Billion Yen)		
	FY2018 Projections (released on Apr. 26, 2018) (A)	FY2017 Results (B)	Comparison (A)-(B)
Operating Revenue	6,099	5,850.9	249
Ordinary Income/ Loss	285	254.8	31
Extraordinary Income/ Loss	-	73.8	-74
Net Income attributable to owners of parent	252	318.0	-66

* Projections for Ordinary Income and Net Income attributable to owners of parent reflect a provisional special contribution of 50 billion yen to the NDF for compensation.

8. FY2018 Full-Year Financial Forecasts (Key Factors Affecting Performance/ Financial Impact)

Key Factors Affecting Performance

	FY2018 Projections (released on Apr. 26, 2018)	FY2017 Results
Electricity Sales Volume (billion kWh) [consolidated]	233.4	240.3
Crude Oil Prices (All Japan CIF; dollars per barrel)	Approx. 65	57.0
Foreign Exchange Rate (Interbank; yen per dollar)	Approx. 115	110.9
Nuclear Power Plant Capacity Utilization Ratio (%)	—	—

Financial Impact (Sensitivity)

	FY2018 Projections (released on Apr. 26, 2018)	FY2017 Results
(Unit: Billion Yen)		
<Fuel Expenses>		
Crude Oil Prices (All Japan CIF; 1 dollar per barrel)	Approx. 18	Approx. 15
Foreign Exchange Rate (Interbank; 1 yen per dollar)	Approx. 12	Approx. 11
Nuclear Power Plant Capacity Utilization Ratio (1%)	—	—
<Interest Paid>		
Interest Rate 1% (Long-term / Short-term)	Approx. 28	Approx. 28