

Description of the Supplemental Material

Event Date/Time: July 31, 2013 / 06:00PM JST

Event Name: Announcement of TEPCO FY2013 First Quarter Earnings Results

* Investor meeting is not held this time.

Description

It has been more than two years and four months since accident occurred at our Fukushima Daiichi Nuclear Power Station in 2011. I sincerely apologize that the accident still causes anxiety and worry to our investors and shareholders as well as people in the areas around the power station, especially with recent outflow of contaminated water into the port at the Fukushima Daiichi Nuclear Power Station.

In this material, we would like to explain the earnings results for the first quarter of the fiscal year ending March 31, 2014 (FY2013) that TEPCO has just announced.

FY2013 1st Quarter Earnings Results (April 1 – June 30, 2013) Supplemental Material

<Slide 1 and 2 – Key Points of FY2013 First Quarter Earnings Results>

We would like to cover key points of our performance here. Please refer to the pages one and two of the supplemental material.

First, I cover operating revenues. Consolidated and non-consolidated operating revenues increased 9.8 percent year on year to 1,437.7 billion yen and 11.1 percent to 1,393.8 billion yen, respectively, due to increases in unit electricity sales prices with effects of rate revision implemented in 2012.

Regarding expenses, consolidated and non-consolidated ordinary expenses increased 2.5 percent to 1,495.3 billion yen and 3.1 percent to 1,458.9 billion yen due to fuel prices being continuously higher with sharp depreciation of the yen coupled with a situation where all the units at the nuclear power stations have been suspended, although the whole company aims to streamline business management thoroughly. Consequently, consolidated and non-consolidated ordinary incomes recorded losses of 29.4 billion yen and 41.6 billion yen, respectively.

For the first quarter earnings, while extraordinary losses from natural disasters and estimated amounts of expenses for nuclear damage compensations resulting from the Tohoku-Chihou-Taiheiyo-Okai Earthquake were recorded as extraordinary losses, TEPCO also recorded grants-in-aid from Nuclear Damage Liability Facilitation Fund as an extraordinary income. As the result, TEPCO recorded net income of 437.9 billion yen and 430.8 billion yen on consolidated and non-consolidated basis, respectively. This is due to the difference of the timings between recording of the expense for nuclear damage compensation and that of corresponding grants-in-aid from Nuclear Damage Liability Facilitation Fund. The total amount of expense for nuclear damage compensation will ultimately correspond to the total amount of grants-in-aid from Nuclear Damage Liability Facilitation Fund to be received. In this first quarter, however, a part of expense for nuclear damage compensation was recorded in fiscal 2012, while the corresponding amount of grants-in-aid was approved by the Government in fiscal 2013. As a result, TEPCO recorded the said amount of net income by the end of the first quarter of fiscal 2013. Please refer to the description for slide 5 below for detail.

Regarding full-year performance outlook of fiscal 2013, it is currently not able to be estimated due to the difficult situations that we can not announce operation plans of Kashiwazaki-Kariwa Nuclear Power Station under suspension. We will promptly announce the outlook including operating revenues, ordinary income and net income when it is possible to estimate those financial information.

<Slide 3 – FY2013 1st Quarter Electricity Sales Volume and Total Power Generated and Purchased>

Please see the total of electricity sales volumes for the first quarter in the upper table of this slide. Total electricity sales volume decreased 3.2 percent year on year to 60.4 billion kWh. This is due to decline in the use of heating with the effect of the temperature in March and April being higher than the previous year and decline of production volume.

As to the fiscal 2013 full-year electricity sales volume outlook, we have revised downward by 1.1 billion kWh to 265.9 billion kWh, 1.2-percent decrease from the previous fiscal 2013 full-year outlook of electricity sales volume taking into account the actual sales volume for the first quarter.

Detailed data of electricity sales volume and total power generated and purchased is provided on pages 22 and 23.

<Slide 4 – FY2013 1st Quarter – Comparison with Previous Fiscal Year Results>

Slide 4 presents comparisons with results of the corresponding period of fiscal 2012 on a non-consolidated basis.

The positive impact in comparison with the corresponding period of fiscal 2012 mounted up approximately

172.5 billion yen, mainly resulted from 107.3 billion yen increase in electricity sales revenues with the effect of rate increase.

On the other hand, the negative impact on the year-on-year comparison totaled approximately 80.0 billion yen, due to 32.0 billion yen increase in purchased power from other utilities/suppliers with the effect of restoration of other utilities' thermal power plants damaged by the earthquake and 11.7 billion yen increase in fuel expenses, etc.

Main factors which lowered the fuel expense include 38.0 billion yen decrease in expense as the result of increase of purchased power from other utilities/suppliers and 65.0 billion yen decrease in expense as the result of decline in price of CIF crude oil, and sharp decline of consumption of oil with the effect of commencement of trial operation of two coal generated thermal power stations in April, 2013, while sharp depreciation of the yen increased the burden by 112.0 billion yen.

As a result, non-consolidated ordinary income improved 92.4 billion yen in comparison with first quarter of fiscal 2012.

The first quarter net income improved 716.4 billion yen. This is mainly due to the effect of recording of the grants-in-aid from Nuclear Damage Liability Facilitation Fund as extraordinary income.

<Slide 5 –Financial Impact of Tohoku-Chihou-Taiheiyo-Oki earthquake [Extraordinary Income/Loss]>

This slide illustrates a breakdown of the earthquake-related extraordinary income and loss recorded by the end of the first quarter.

For the extraordinary income, TEPCO recognized grants-in-aid from Nuclear Damage Liability Facilitation Fund of 666.2 billion yen, which was applied on May 31 and approved on June 25, 2013, by the end of the first quarter of fiscal 2013. As a result, the cumulative amount was 3,789.3 billion yen so far. TEPCO has recognized the expense for nuclear damage compensation of 563.8 billion yen as extraordinary loss by the end of fiscal 2012. In addition to this, it also recognized the estimated amount of nuclear damage compensation for the period up to when TEPCO made application for the grants-in-aid (May 31, 2013) of 102.4 billion yen. By totaling these two figures, TEPCO applied for and approved by the Government the grants-in-aid of 666.2 billion yen in the first quarter of fiscal 2013 and the same amount was recorded as extraordinary income by the end of the first quarter.

As for the extraordinary loss, we recognized losses from natural disasters of 10.0 billion yen including amounts allocated to preventive measures against ocean pollution by the end of the first quarter of fiscal 2013, totaling 1,365.3 billion yen so far. Expenses for nuclear damage compensations of 183.6 billion yen were recorded in the first quarter of fiscal 2013. As a result, the cumulative amount was 3,870.5 billion yen so far.

<Slide 6 – FY2013 Business Performance Outlook– Key Factors Affecting Performance and Financial Impact>

As mentioned first in this description, we have not decided fiscal 2013 full-year business performance outlook. Therefore, we have not estimated financial impacts of the fiscal 2013 full-year projection.

<Slide 7-- Fuel Consumption and Procurement>

In this page, you can see the recent actual fuel consumption results and outlook.

The amounts of consumption of coal and LNG have increased, while those of oil have decreased. This is due to increase of operation of coal and LNG generated thermal power plants for their economic efficiency.

Especially, the consumption of coal has increased as the trial operations of Unit 2 of Hitachinaka Thermal Power Station and Unit 6 of Hirono Thermal Power Station have started.

In respect to the outlook of fiscal 2013 on fuel consumption, it is currently not able to be estimated due to the difficult situations that we can not announce operation plans of Kashiwazaki-Kariwa Nuclear Power Station under suspension.

<Slides 8 – Implementation of the Streamlining policy>

This slide shows targets and progress situations of cost reduction and asset disposal that are pillar of our streamlining policies.

TEPCO, its subsidiaries and affiliated companies implement cost reduction activities together and expect to achieve the annual targets in fiscal 2013. The original plans of cost reduction for fiscal 2013 are 271.9 billion yen for TEPCO and 28.0 billion yen for its subsidiaries and affiliated companies. In addition to these targets, we aim to achieve further cost reduction of 100.0 billion yen and 10.0 billion yen, respectively.

Regarding asset disposal, we have been disposing real estates, securities, subsidiaries and affiliated companies and plan to sell these assets of 707.4 billion yen in total during the period of fiscal 2011 to fiscal 2013.

<Slide 9 – Efforts for Installation of Smart Meters>

TEPCO promotes the introduction of smart meters as a part of streamlining policy announced in the Comprehensive Special Business Plan. It targets to start installation of smart meters from fiscal 2014 aiming to install approximately 27.0 million (total number of houses, buildings and others in its service area) smart meters by the end of fiscal 2023 at the latest.

On May 1, 2013, TEPCO established the New Growth Task Force as an organization in charge of development and proposal of new services that provide the customers with opportunities to experience the

advantages of smart meters.

Further, the Smart Meter Promotion Office was established on June 19, 2013 in order to smoothly promote the installation of smart meters.

<Slide 10 and 11 – Efforts towards Nuclear Reform>

These slides are regarding TEPCO's efforts towards nuclear reform.

On July 26, TEPCO's Nuclear Reform Special Task Force briefed on the state of progress of the "Reassessment of Fukushima Nuclear Accident and Nuclear Safety Reform Plan" (the "Reform Plan") at the fourth Nuclear Reform Monitoring Committee. As a result, it was confirmed that the Reform Plan has been steadily implemented in TEPCO and the Committee reported its findings to the Board of Directors.

<After slide 12 – FY2013 1st Quarter Earnings Results (Detailed Information), Fukushima Daiichi Nuclear Power Stations and Kashiwazaki-Kariwa Nuclear Power Station>

These slides show detailed information of fiscal 2013 first quarter earnings results, the current status and future initiatives of Fukushima Daiichi Nuclear Power Station and Kashiwazaki-Kariwa Nuclear Power Station.

On pages 19 and 20 are regarding segment information, etc. Following the introduction of in-house company system, we have changed the segment to be reported from "Electricity business" to four categories; "Fuel & Power", "Power Grid", "Customer Service", and "Corporate".

The chart in lower part of Page 20 shows main transactions of each in-house company with external entities as well as in-house companies and the corporate within TEPCO. The Customer Service Company recognizes electricity sales revenues received from customers as its operating revenues, while it procure electric power from other in-house companies and corporate for hydro, thermal and nuclear power purchasing cost. It also pays intracompany wheeling service charges to the Power Grid Company.

Fuel & Power Company recognizes the thermal electric power charges as its operating revenues and pays fuel expenses to external entities.

As the result of these transactions, income and expenditures of in-house companies, etc. recorded deficits in operating income for the first quarter of fiscal 2013 except for the Power Grid Company. We have estimated that this is mainly due to increase in fuel expenses in line with depreciation of the yen.

TEPCO will strengthen the competitiveness of each company by thorough and detailed management of cost and earnings of each company via the introduction of management accounting.

<End of Description>

Disclaimer:

In this description, Tokyo Electric Power Company may make projections or other forward-looking statements regarding a variety of items. 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 the company's actual results to differ materially from the forward-looking statements (performance projections) herein. Although the company may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

(Note)

Please note that the above to be 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.