

FY2021 1st Quarter Financial Results (April 1 – June 30, 2021)

Tokyo Electric Power Company Holdings, Inc.



tepcon

Overview of FY2021 1st Quarter Financial Results

(Released on July 29, 2021)

(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.

<FY2021 1st Quarter Financial Results>

- Operating revenue decreased due to a decrease in the volume of electricity sold and fuel cost adjustments and the application for the new accounting standards.
- Ordinary income/loss and quarterly net income decreased due to a negative turn in the effects of the time-lag from the fuel cost adjustment system at JERA and decrease in the volume of retail electricity sold despite Group-wide efforts to continuously cut costs.

< FY2021 Consolidated Performance Forecast >

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

1. Consolidated Financial Results

(Unit: Billion kWh)

	FY2021 Apr-Jun (A)	FY2020 Apr-Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Total Electricity Sales Volume	52.4	51.2	1.2	102.3
Retail Electricity Sales Volume ※1	42.5	47.4	-4.9	89.7
Wholesale Electricity 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)Key Factors Affecting Performance

Area demand

(Unit: Billion kWh)

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

Foreign Exchange Rate/CIF

	FY2021 Apr-Jun(A)	FY2020 Apr-Jun(B)	(A)-(B)
Foreign Exchange rate (Interbank,yen/dollar)	109.5	107.6	1.9
Crude oil price (All Japan CIF,dollar/barrel)	66.9	32.3	34.6

2. Points of Each Companies

<TEPCO Holdings>

- Ordinary income increased due to an increase in received dividends from core operating companies, etc.

<TEPCO Fuel & Power>

- Ordinary income increased due to a positive turn of the power supply and demand and an increase in profits of affiliated companies, etc. despite a negative turn in the effects of the time-lag from the fuel cost adjustment system at JERA .

<TEPCO Power Grid>

- Ordinary income decreased due to a decrease in transmission revenue and an increase in facility costs, etc.

<TEPCO Energy Partner>

- Ordinary income decreased due to a decrease in the volume of retail electricity sold as a result of increased competition and effects of daily temperatures, etc.

<TEPCO Renewable Power>

- Ordinary income decreased due to an increase in property tax, etc.

3. Overview of Each Company

(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

(Unit: Billion Yen)

	FY2021 Apr-Jun(A)	FY2020 Apr-Jun(B)	Comparison (A)-(B)
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

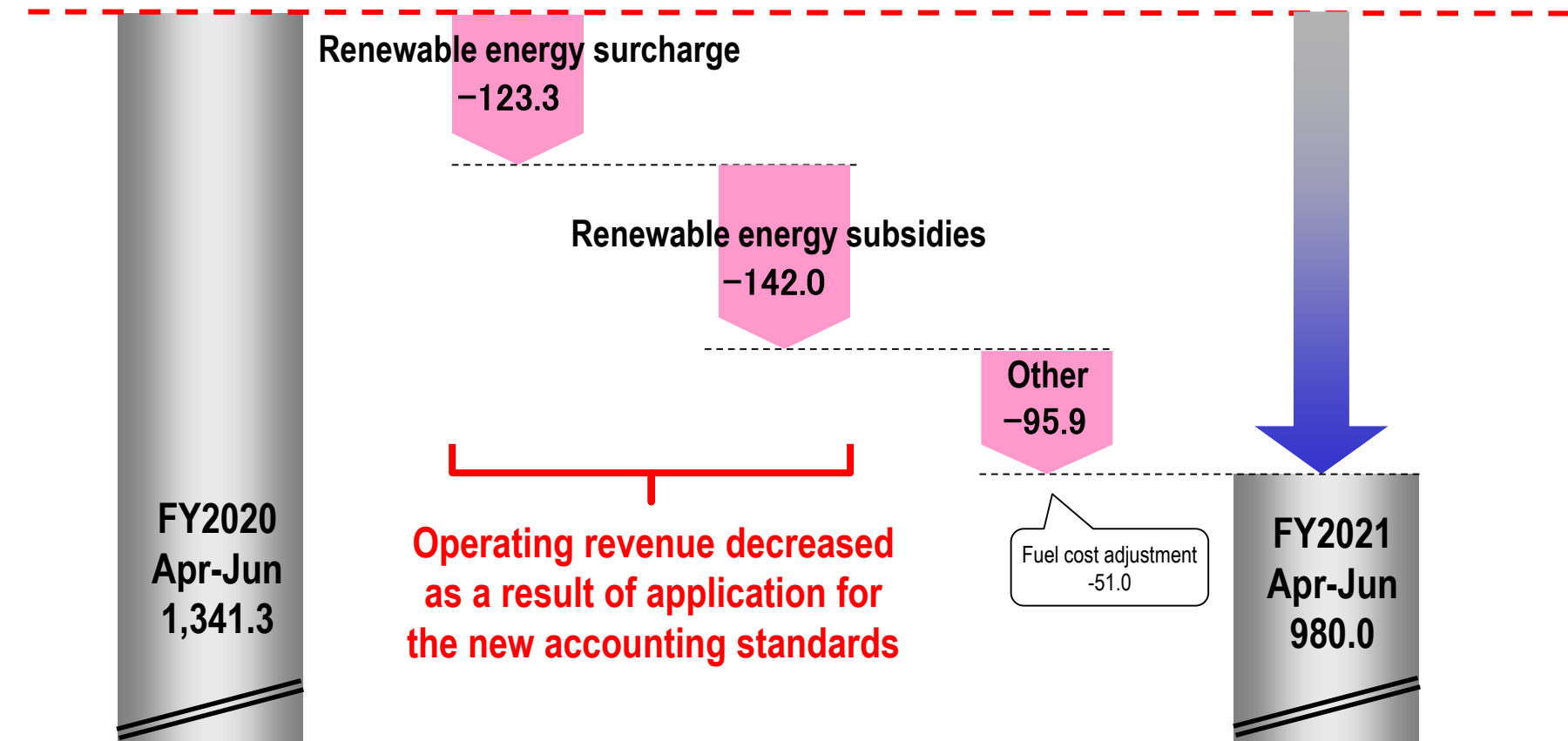
~The impact of application for new accounting standards~

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

Operating revenue

(Unit: Billion yen)

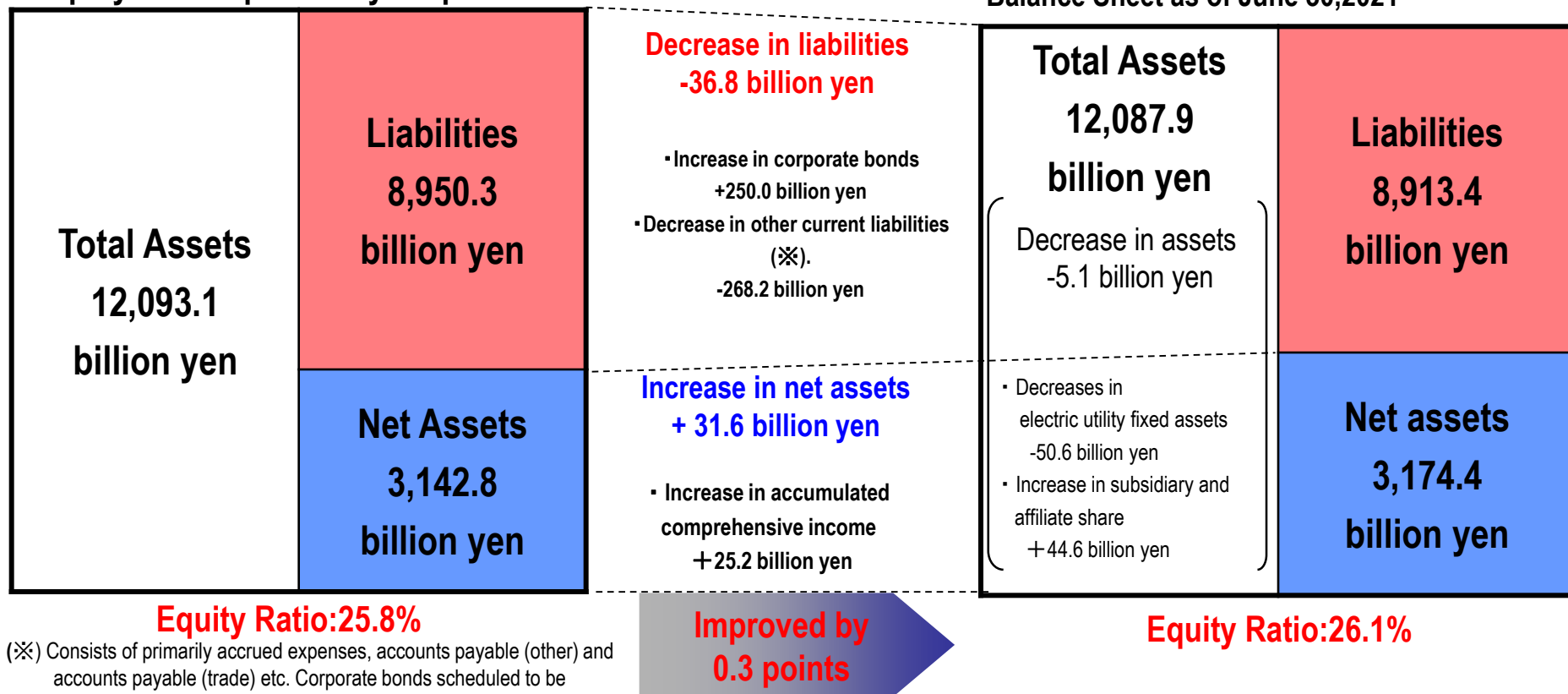
decrease in revenue:
361.2 billion yen



Operating revenue decreased
as a result of application for
the new accounting standards

6. Consolidated Financial Position

- Total assets balance decreased by 5.1 billion yen due mainly to a decrease in electric utility fixed assets.
- Total liabilities balance decreased by 36.8 billion yen due mainly to a decrease in current liabilities, such as accrued expenses.
- Total net assets balance increased by 31.6 billion yen due mainly to an increase in accumulated comprehensive income.
- Equity Ratio improved by 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

7. FY2021 Consolidated Performance Forecast

(Unit: Billion yen)

	FY2021 Projection (A)	FY2020 Results (B)	(A)-(B)
Operating revenue	4,484.0	5,866.8	- 1,383.0
Operating income/loss	69.0	143.4	- 74.0
Ordinary income/loss	74.0	189.8	- 116.0
Extraordinary income/loss	-	1.3	- 1.0
Net Income Attributable to Owners of Parent	67.0	180.8	- 114.0

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

(Reference) FY2021 Consolidated Performance Forecast (Key Factors Affecting Performance)

(Unit: Billion yen)

	FY2021 Projections (A)	FY2020 Results (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Total Electricity sales volume	213.0	231.5	- 18.5	92.0
Retail Electricity sales volume	186.9	204.7	- 17.8	91.3
Wholesale Electricity sales volume	26.1	26.8	- 0.7	97.3
A r e a d e m a n d	267.3	266.3	1.0	100.4

	FY2021 Projections (A)	FY2020 Results (B)	(A)-(B)
Foreign Exchange rate (Interbank:yen per dollar)	Approx.110	106.1	Approx. + 4
C r u d e o i l p r i c e (All Japan CIF:dollar per barrel)	Approx. 62	43.4	Approx. + 19

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

Ordinary income/loss

(Units: Billion Yen)

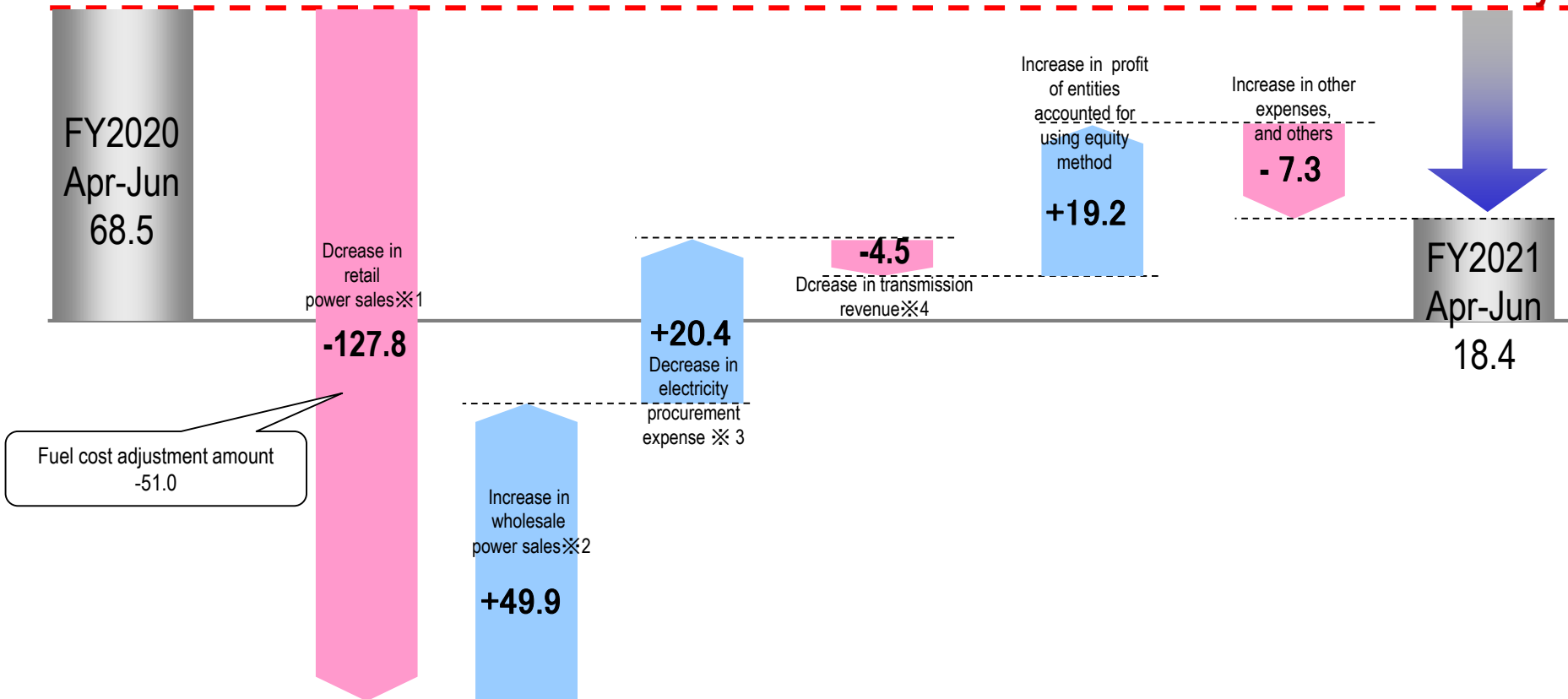
Power supply and demand,
and transmission revenue -61.9

Others +11.8

Related to sales(After deduct renewable energy)

Related to Area demand

**Decrease in Profit:
50.0 billion yen**



Fuel cost adjustment amount
-51.0

- ※1 Retail power sales include the impact of 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 Transmission revenue excludes the impact of deficit imbalance but includes transactions within the Group companies

(Reference) Consolidated Year-on-Year performance comparison ② ~Figures~

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(Units: Billion yen)

	FY2021 (A)	FY2020 (B)	(A)-(B)
Ordinary Income	18.4	68.5	-50.0
Power supply and demand, and transmission revenue	393.2	455.1	-61.9
Retail electricity sales ※1	441.8	569.6	-127.8
Wholesale electricity sales ※2	93.4	43.4	49.9
(-) Electricity procurement expense ※3	-462.1	-482.6	20.4
Transmission revenue ※4	320.1	324.6	-4.5
Others	-374.7	-386.6	11.8
Profit of entities accounted for using equity method	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

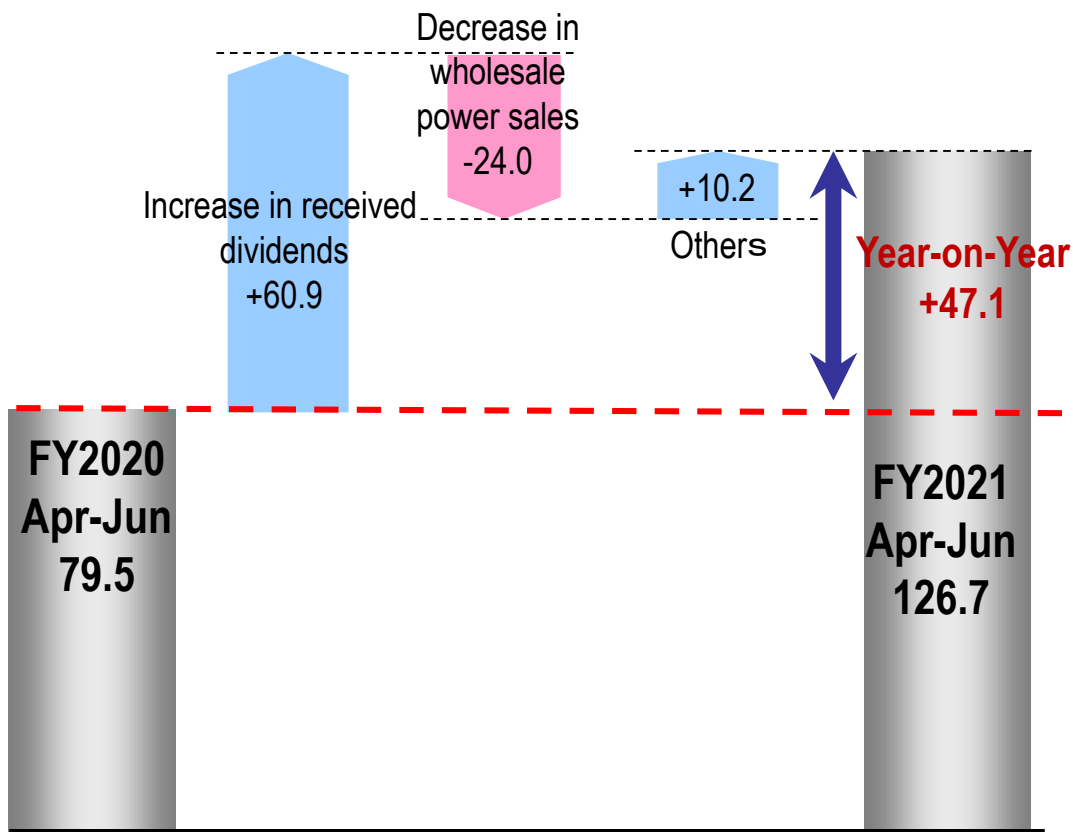
※3 Electricity procurement expenses exclude the impact of indirect auctions, and offset the revenue increase/decrease caused by an increase/decrease in deficit imbalance.

※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.

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Profit is dividend income, decommissioning charges profit, management consultation fees, wholesale power sales of nuclear power, etc.

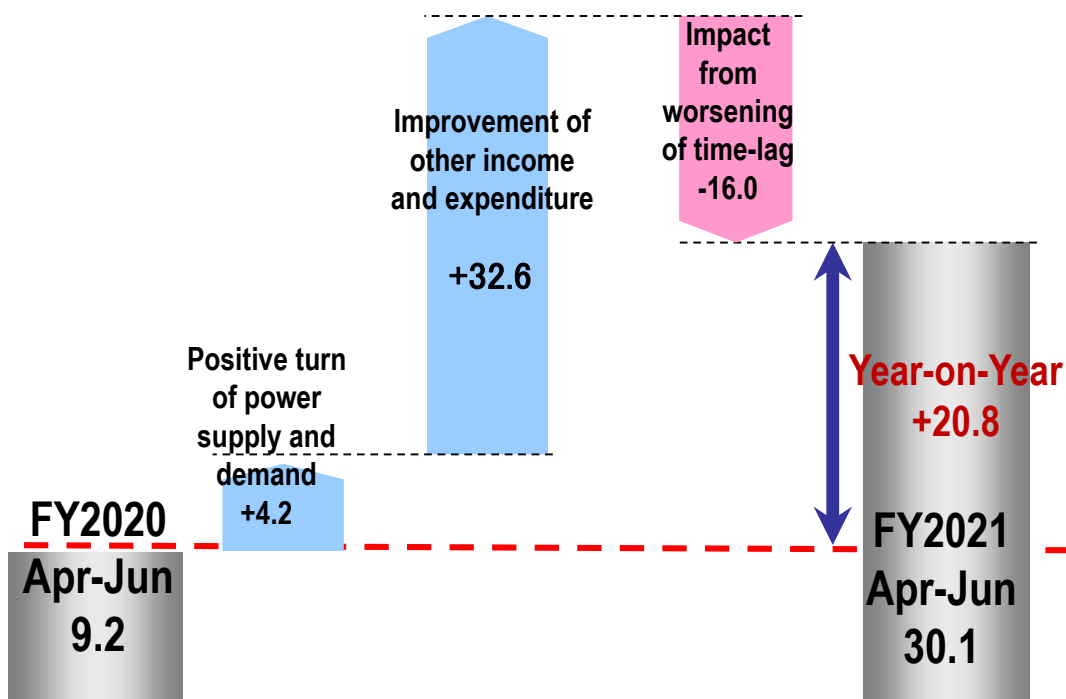
Ordinary income

(Units: Billion Yen)

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

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Main profit is profit of entities accounted for using equity method, such as generation business at JERA.

Timing Impact (JERA equity impact) (Units: Billion Yen)

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

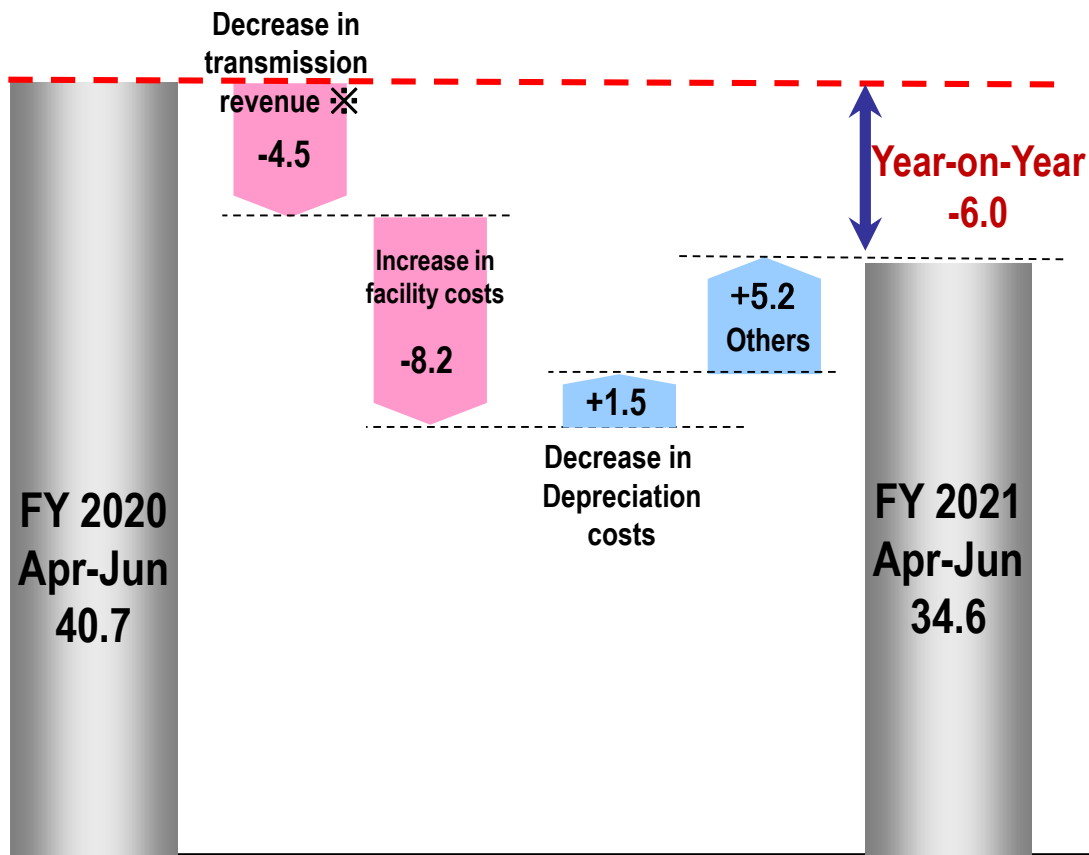
Ordinary income

(Units: Billion Yen)

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

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Operating revenue is mainly transmission revenue, and this is fluctuated by area demand.
Expenses is mainly for repairs and depreciation costs of transmission and distribution facilities.

Area demand

(Units: Billion kWh)

	FY2020	FY2021	comparison
Apr-Jun	59.5	59.8	+ 0.3

Ordinary income

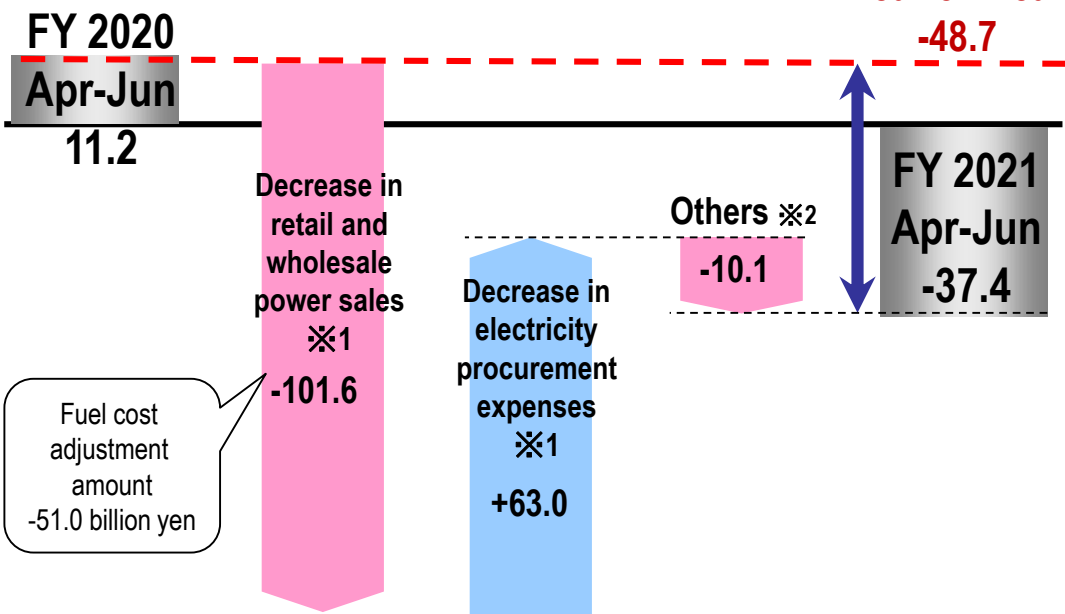
(Units: Billion Yen)

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

※ Transmission revenue excludes impact from imbalanced revenue and expenditure

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Operating revenue is mainly electricity sales revenue, and this is fluctuated by electricity sales volume.

Expenses are mainly power purchasing costs and transmission fees of connected supply.

Retail electricity sales volume (TEPCO EP on a consolidated basis)
(Units: Billion kWh)

	FY2020	FY2021	comparison
Apr-Jun	47.4	42.5	-4.9

Gas contracts (EP non-consolidated)

As of March 31, 2021	As of June 30, 2021
Approx. 1.24 million	Approx. 1.27 million

Ordinary income

(Units: Billion yen)

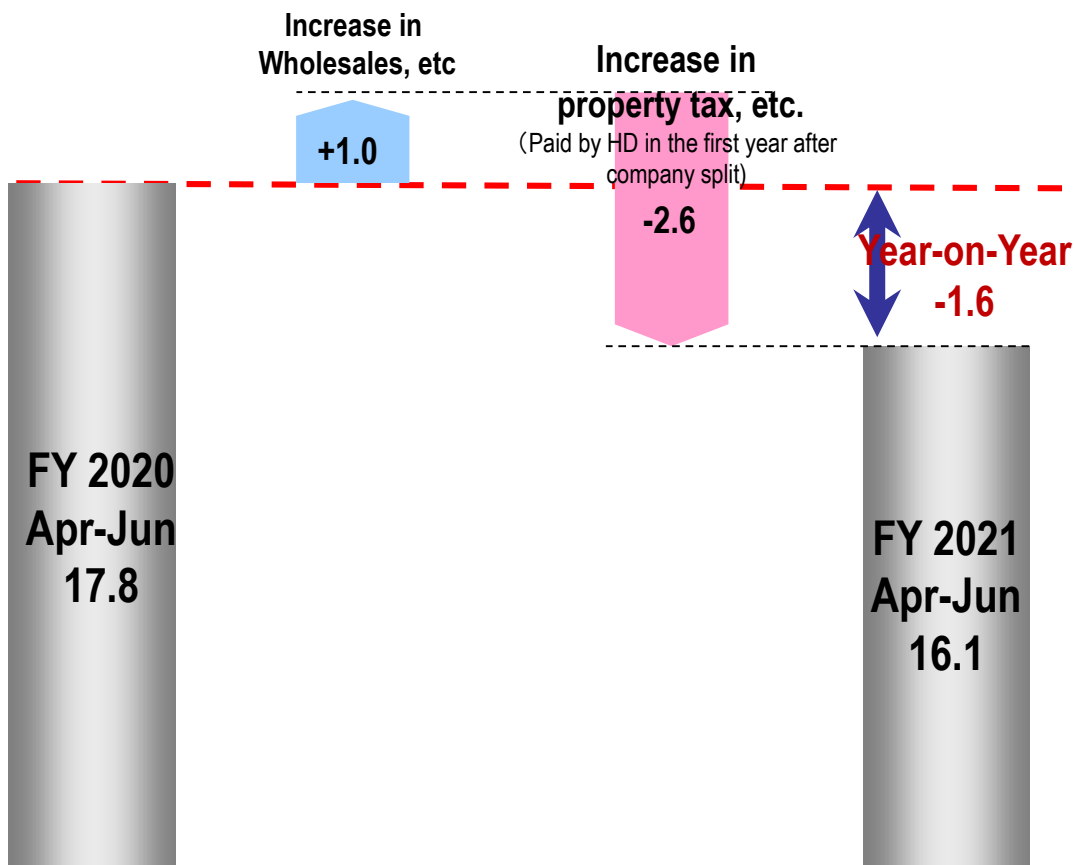
	FY2020	FY2021	comparison
Apr-Jun	11.2	-37.4	-48.7
Apr-Sep	45.9		
Apr-Dec	7.9		
Apr-Mar	6.4		

※1 Retail and wholesale power sales, and electricity procurement expenses both exclude the impact from indirect auctions. The impact of imbalance on transmission costs has been added to the electricity procurement costs after including the impact excluding the imbalance from retail and wholesale power sales.

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

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Profit is mainly wholesale power sales of hydroelectric and new energies.
Expenses is mainly for depreciation and repairs.

Flow rate

(Unit: %)

	FY2020	FY2021	comparison
Apr-Jun	102.6	97.0	- 5.6

Ordinary Income

(Units: Billion yen)

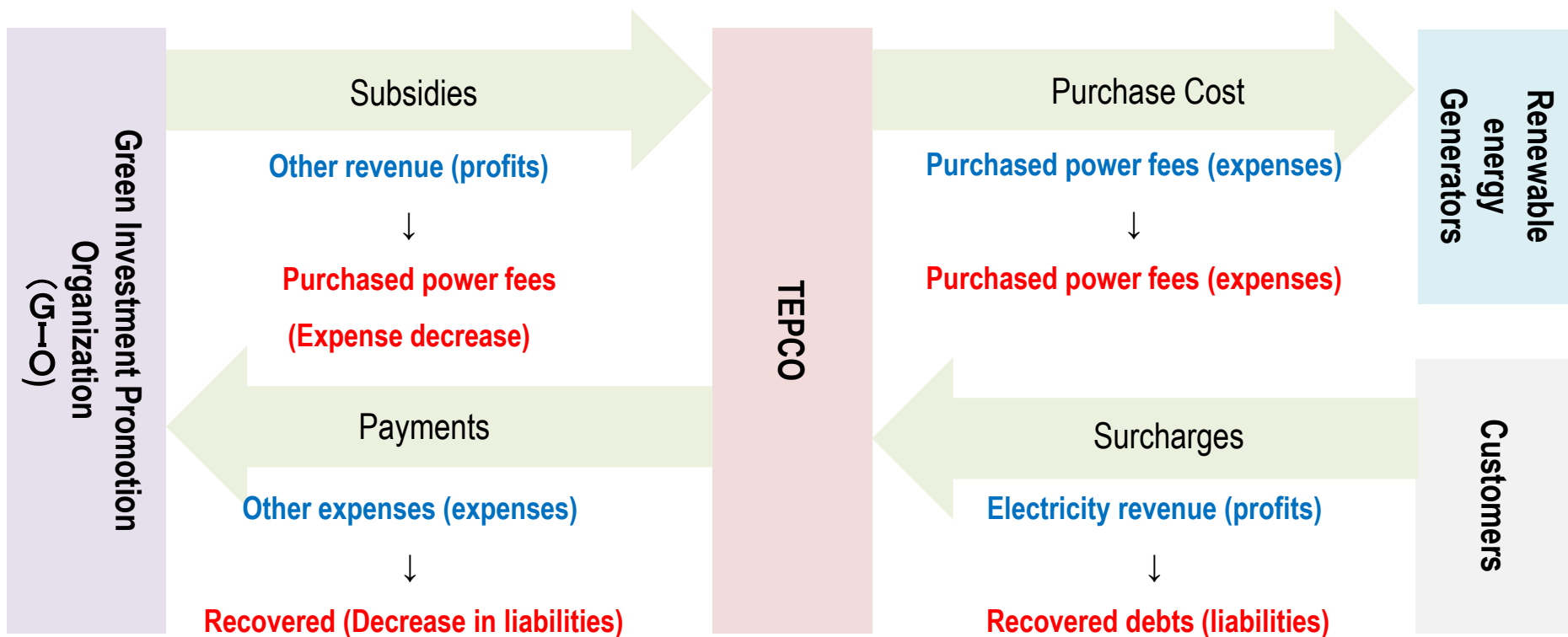
	FY2020	FY2021	comparison
Apr-Jun	17.8	16.1	-1.6
Apr-Sep	36.7		
Apr-Dec	44.1		
Apr-Mar	48.1		

- “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 after FY2021



(Reference) FY2021 Consolidated Performance Forecast (Overview of Each Company)

(Units: Billion Yen)

	FY2021 Projections (A)	FY2020 Results (B)	(A)-(B)
Operating Revenue	4,484.0	5,866.8	- 1,383.0
TEPCO Holdings	635.0	624.2	11.0
TEPCO Fuel & Power	5.0	8.7	- 4.0
TEPCO Power Grid	1,760.0	2,003.8	- 244.0
TEPCO Energy Partner	3,685.0	5,034.3	- 1,349.0
TEPCO Renewable Power	154.0	143.4	11.0
A d j u s t m e n t s	- 1,755.0	- 1,947.9	193.0
Ordinary income/loss	74.0	189.8	-116.0
TEPCO Holdings	75.0	- 7.9	83.0
TEPCO Fuel & Power	24.0	69.8	- 46.0
TEPCO Power Grid	108.0	169.0	- 61.0
TEPCO Energy Partner	8.0	6.4	2.0
TEPCO Renewable Power	40.0	48.1	- 8.0
A d j u s t m e n t s	- 181.0	- 95.6	- 85.0

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

Supplemental Material

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FY2021 1st Quarter Financial Results

Detailed Information

Consolidated Statements of Income

	(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 Expenses	991.4	1,283.7	-292.3	77.2
Operating Income / Loss	-11.3	57.5	-68.9	—
Non-operating Revenue	43.4	23.3	20.1	186.4
Investment Gain under the Equity Method	41.2	21.9	19.2	187.5
Non-operating Expenses	13.6	12.3	1.2	110.0
Ordinary Income / Loss	18.4	68.5	-50.0	27.0
Reserve for Fluctuation in Water Levels	—	0.0	-0.0	—
Provision or Reversal of Reserve for Preparation of Depreciation of Nuclear Power Construction	0.0	0.1	-0.0	67.2
Extraordinary Income	—	—	—	—
Extraordinary Loss	20.6	36.5	-15.9	—
Income Tax, etc.	0.8	1.7	-0.9	48.7
Net Income Attributable to Non-controlling Interests	-0.0	0.2	-0.2	—
Net Income Attributable to Owners of Parent	-3.0	29.8	-32.8	—

The status of Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation and Expenses for Nuclear Damage Compensation

(Unit: Billion Yen)

Item	FY2010 to FY2020	FY2021 Apr-Jun	Cumulative Amount
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◇ Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation

○ Grants-in-aid based on Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act	* 7,437.0	—	* 7,437.0
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Note: Journal Entry: Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation is debited on the balance sheet.

* Numbers above are those after deduction of a governmental indemnity of 188.9 billion yen, and Grants-in-aid corresponding to decontamination expenses of 4,695.6 billion yen respectively.

◆ Expenses for Nuclear Damage Compensation

● Compensation for individual damages ▪ Expenses for radiation inspection, Mental distress, Damages caused by voluntary evacuations, and Opportunity losses on salary of workers etc.	2,076.1	1.5	2,077.6
● Compensation for business damages ▪ Opportunity losses on businesses, Damages due to the restriction on shipment, Damages due to groundless rumor and Package compensation etc.	3,207.8	14.9	3,222.8
● Other expenses ▪ Damages due to decline in value of properties, Housing assurance damages and Decontamination costs etc.	7,036.4	4.0	7,040.4
● Amount of indemnity for nuclear accidents from the Government	-188.9	—	-188.9
● Grants-in-aid corresponding to decontamination expenses	-4,695.6	—	-4,695.6
Total	7,435.7	20.6	7,456.4

Consolidated Balance Sheets

(Unit: Billion Yen)

	Jun. 30 2021 (A)	Mar. 31 2021 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Total Assets	12,087.9	12,093.1	-5.1	100.0
Fixed Assets	10,500.6	10,518.0	-17.3	99.8
Current Assets	1,587.3	1,575.1	12.1	100.8
Liabilities	8,913.4	8,950.3	-36.8	99.6
Long-term Liability	5,555.8	5,376.4	179.3	103.3
Current Liability	3,349.1	3,565.4	-216.2	93.9
Reserve for Preparation of the Depreciation of Nuclear Plants Construction	8.5	8.4	0.0	100.9
Net Assets	3,174.4	3,142.8	31.6	101.0
Shareholders' Equity	3,120.7	3,121.4	-0.7	100.0
Accumulated Other Comprehensive Income	29.0	3.8	25.2	761.2
Share Acquisition Rights	0.0	0.0	0.0	115.4
Non-controlling Interests	24.6	17.4	7.1	141.0

<Interest-bearing debt outstanding> (Unit: Billion Yen)

	Jun. 30 2021 (A)	Mar. 31 2021 (B)	(A)-(B)
Bonds	2,955.4	2,705.4	250.0
Long-term Debt	209.6	215.9	-6.2
Short-term Debt	1,971.8	1,967.7	4.0
Total	5,136.9	4,889.0	247.8

<Reference>

	FY2021 Apr-Jun (A)	FY2020 Apr-Jun (B)	(A)-(B)
ROA(%)	-0.1	0.5	-0.6
ROE(%)	-0.1	1.0	-1.1
EPS(Yen)	-1.89	18.62	-20.51

ROA: Operating Income / Average Total Assets

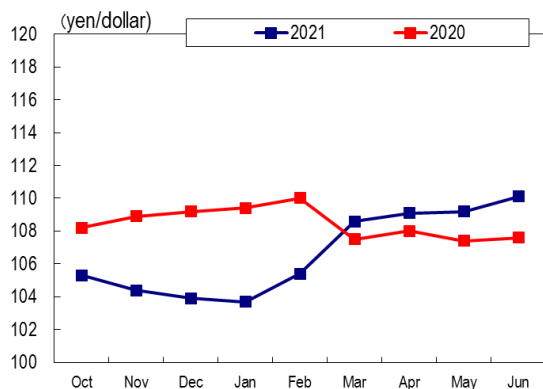
ROE: Net Income attributable to owners of parent / Average Equity Capital

Key Factors Affecting Performance (Results)

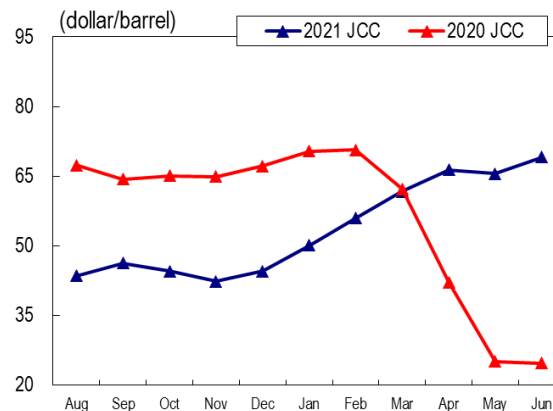
※1 Total of EP consolidated (EP/TCS/PinT) and PG (islands, etc.)
 ※2 Total (excluding indirect auctions) of EP consolidated (EP/TCS/PinT), PG (including inter-regional), and RP consolidated (RP/Tokyo Electric Generation)

	FY2021 Apr-Jun	FY2020 Apr-Jun	[Reference] FY2020
Total Electricity Sales Volume (Billion kWh)	52.4	51.2	231.5
Retail Electricity Sales Volume (Billion kWh) ※1	42.5	47.4	204.7
Wholesale Electricity Sales Volume (Billion kWh) ※2	9.8	3.8	26.8
Gas Sales Volume (Million ton)	0.46	0.46	2.10
Foreign Exchange Rate (Interbank; yen per dollar)	109.5	107.6	106.1
Crude Oil Prices (All Japan CIF; dollars per barrel)	66.9	32.3	43.4
Nuclear Power Plant Capacity Utilization Ratio (%)	-	-	-

<Fluctuation of Foreign Exchange Rate>



<Fluctuation of All Japan CIF>



Retail Electricity Sales Volume (EP consolidated)

Unit: Billion kWh

	FY2021				[Ref.]Year-on-year Comparison (Apr-Jun)
	Apr	May	Jun	Apr-Jun	
Lighting	4.81	4.17	3.91	12.89	
Power	9.95	9.34	10.31	29.60	
Total	14.76	13.52	14.22	42.49	
	FY2020				[Ref.]Year-on-year Comparison (Apr-Jun)
	Apr	May	Jun	Apr-Jun	
Lighting	5.96	4.63	4.31	14.90	86.5%
Power	11.04	10.00	11.43	32.47	91.2%
Total	17.00	14.63	15.74	47.37	89.7%

Total Power Generated

Unit: Billion kWh

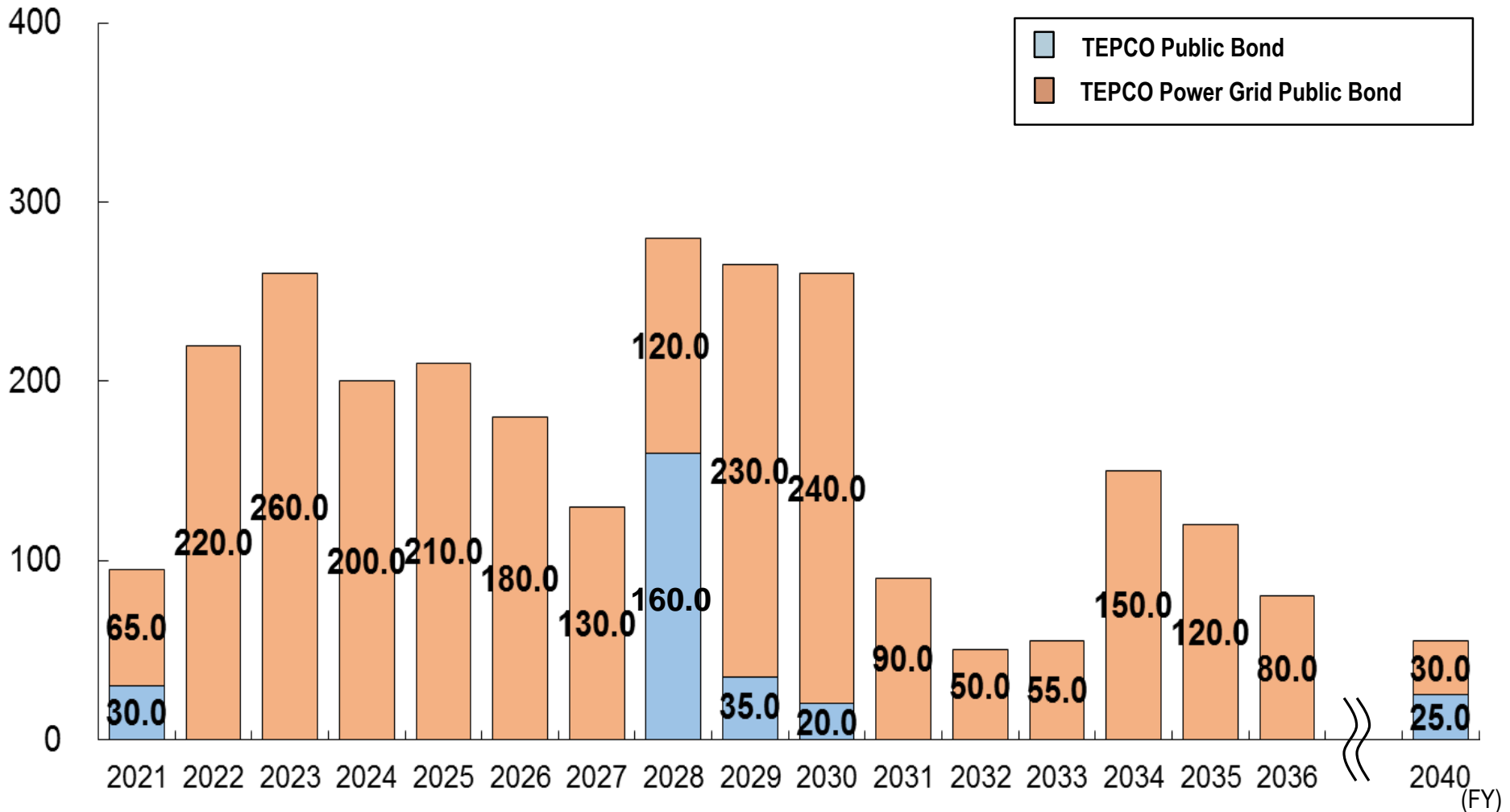
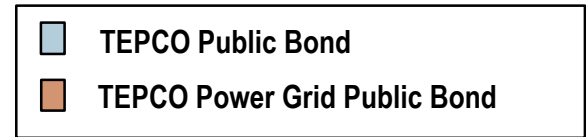
	FY2021				[Ref.]Year-on-year Comparison (Apr-Jun)
	Apr	May	Jun	Apr-Jun	
Hydroelectric	1.20	1.38	1.11	3.69	
Thermal	0.01	0.01	0.01	0.03	
Nuclear	-	-	-	-	
Renewable etc.	0.01	0.01	0.00	0.02	
Total	1.22	1.40	1.13	3.74	
	FY2020				[Ref.]Year-on-year Comparison (Apr-Jun)
	Apr	May	Jun	Apr-Jun	
Hydroelectric	1.23	1.37	1.17	3.78	97.8%
Thermal	0.01	0.01	0.01	0.03	99.2%
Nuclear	-	-	-	-	-
Renewable etc.	0.01	0.00	0.00	0.02	122.4%
Total	1.25	1.39	1.19	3.82	97.9%

※Total power generated includes part of consolidated subsidiaries.

Schedules for Public Bond Redemption

(Billion Yen)

Amount at Maturity (As of Jun. 30, 2021)



Note: There is no redemption amount for Apr. - Jun. of fiscal 2021.

Series of efforts including physical protection

- ✓ Regarding “incomplete safety measures work” at Kashiwazaki-Kariwa Nuclear Power Station, a project team of Head Office and station members were established to lead the “general inspection”.
- ✓ As far as we could confirm incomplete work, a total of 76 areas of incomplete construction have been found in fire protection processing of penetrations (approx. 8000 penetrations in the field were investigated) to the present time.
- ✓ In addition to investigations of penetrations that are difficult to be seen directly (stored in metal boxes), work to incorporate the field status in the before-use operator inspection guideline is necessary (continued until autumn).

List of incomplete construction work

Disclosed date	Work description	Incomplete items	Notes
January 27	Fire protection equipment installation work	Units 6&7 control building damper installation work (7 units)	Work executed on April 26, 2021
February 15		Unit 7 reactor building fire sensor installation work (5 units)	Work executed on February 19, 2021
February 26	Flooding protection processing	Floor penetration waterproofing work for Unit 7 reactor building pipes (1 penetration)	Work executed on March 31, 2021
March 3	Fire protection processing (penetrations)	Wall penetration fire protection work for Units 6&7 radwaste building pipes (4 penetrations)	Work being executed
June 10		Penetration fire protection work for gaps at control building and radwaste building in addition to the above (72 penetrations)	

Efforts for physical protection

- ✓ Direct causes, root causes and signs of deterioration of safety culture and nuclear security culture elements (including third-party assessment) regarding “partial loss of physical protection functions” and “misuse of ID” as well as the action plan for improvement measures will be reported to the Nuclear Regulation Authority by September 23, 2021.

Current efforts

- 1 Factual investigation and cause analysis of individual items (partial loss of physical protection equipment function)
- 2 General inspection of the entire physical protection work exceeding individual items
- 3 Analysis of issues of the entire organizations such as “organizational culture” and “organizational management and resource distribution”

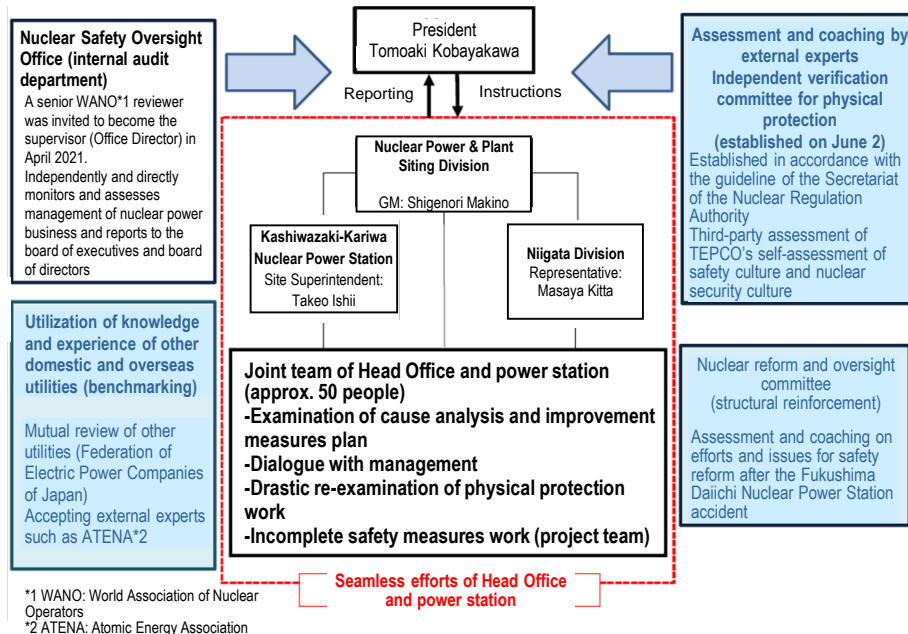
Direction of drastic reformation measures

Based on the cause analysis of the series of inappropriate items,

- ① Seamless management of Head Office and site
- ② Introduce frameworks and systems for accomplishing projects
- ③ Enhance resources and improve quality for drastic enhancement of physical protection
- ④ Re-examine personnel allocation and rotation and utilize external experts
- ⑤ Improve vitality in the field and improve work environment

Reformation plan such as establishing the governance to support the aforementioned will be examined in detail.

(Reference) Current Implementation framework



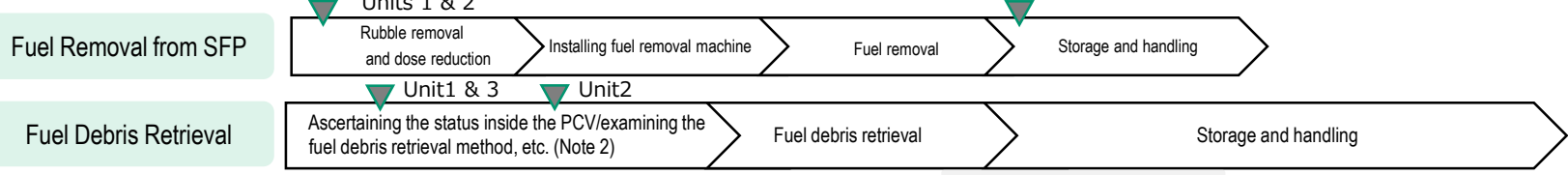
The Current Status of Fukushima Daiichi Nuclear Power Station and Future Initiatives

Current Situation and Status of Units 1 through 4

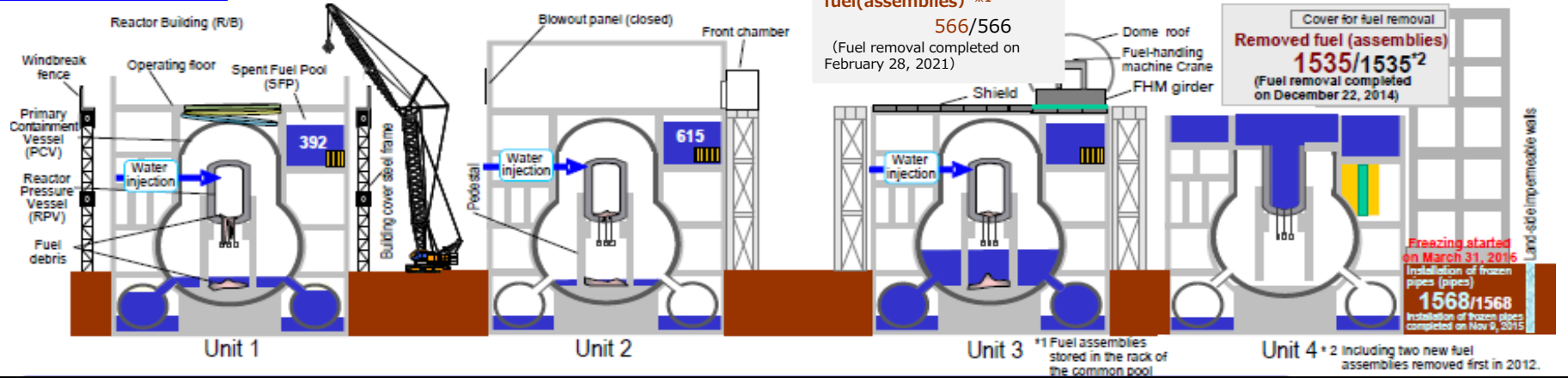
- ✓ Spent fuel removal from Units 3 & 4 is complete.
- ✓ Currently, preparation for Units 1 & 2 spent fuel removal and Units 1-3 fuel debris retrieval is being conducted.

Main decommissioning work and steps

✓ Please visit our website for latest information about the progress of decommissioning, etc.



Current Situation



<p>Works towards removal of spent fuel and fuel debris</p>	<p>[Spent fuel removal] -In order to set the large cover to the reactor building, demolition of the interfering building cover (remaining part) began in December 2020 and was completed in June 2021 as planned. As it is aimed to complete setting the large cover in around FY2023, work will be conducted in a planned manner.</p> <p>[Fuel debris removal] -Regarding building the access route for internal investigation of the primary containment vessel, work to cut interfering objects using AWJ (drilling machine) was resumed since interfering objects were investigated and the route for putting in the underwater robot was secured.</p>	<p>[Spent fuel removal] -The method by which a small opening is drilled into the south side of the building to access the inside was selected as the method for removing the fuel in light of the results of the refueling floor investigation and to control dust scattering and reduce work exposure. -Currently, underground embedded objects are being removed as part of preparatory work. After this, the ground will be improved, aiming to start setting the assembly base in the first half of FY2022.</p> <p>[Fuel debris removal] -The performance test of the fuel debris experimental retrieval apparatus and confirmation test for combination with the enclosure, which were conducted in the UK taking into consideration COVID-19 infection status and immigration restrictions, ended at the end of June 2021. -The experimental retrieval apparatus arrived in Japan on July 10, 2021, and it is planned to conduct its performance confirmation test and mock-up test.</p>	<p>[Spent fuel removal] -Spent fuel removal work was completed for Unit 3, the first among units in which the core had melted. (February 2021)</p> <p>[Fuel debris removal] -As decommissioning progresses, samples are now able to be taken during the containment vessel internal investigation, similarly to the investigations in Units 1 and 2. Analysis of the samples taken from the containment vessel found information that may be helpful in accident progression analysis.</p>	<p>[Spent fuel removal] - Fuel removal from the SFP was completed in December, 2014.</p>
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● Please visit the company webpage for the revised Mid-and-Long-Term Roadmap.

- ✓ **Setting out a basic principle of “coexistence of reconstruction and decommissioning”**, while there has been gradual progress of **residents’ return** and **reconstruction efforts** in surrounding area.
(giving priority on early risk reduction and ensuring safety)
 - **Coexist with local communities.**
 - **“Optimize the whole decommissioning tasks”**, by reviewing the work process of 10 years.
- ✓ **Total period of decommissioning is unchanged: “within 30-40 years”**

① Fuel debris retrieval



Determine first implementing Unit and the method for fuel debris retrieval.

Start trial retrieval at Unit 2 within 2021, by partial submersion method and side access

The scale of the retrieval will be gradually enlarged.

② Fuel removal from pool



Change in the methods to suppress the dust dispersion at Unit 1 and 2

Postpone fuel removal for 4-5 years at Unit 1, and for 1-3 years at Unit 2

Aim at the completion of fuel removal from all Units 1-6, within 2031

③ Contaminated water countermeasures

- The volume of contaminated water generated has been significantly suppressed.

(540m³/day (May 2014) → 170m³/day (average of FY2018))



Keep current target of reducing the contaminated water generation **to 150m³/d within 2020.**

Set new target of reducing the contaminated water generation **to 100m³/d within 2025.**

* Handling of ALPS treated water will be continuously discussed in a comprehensive manner

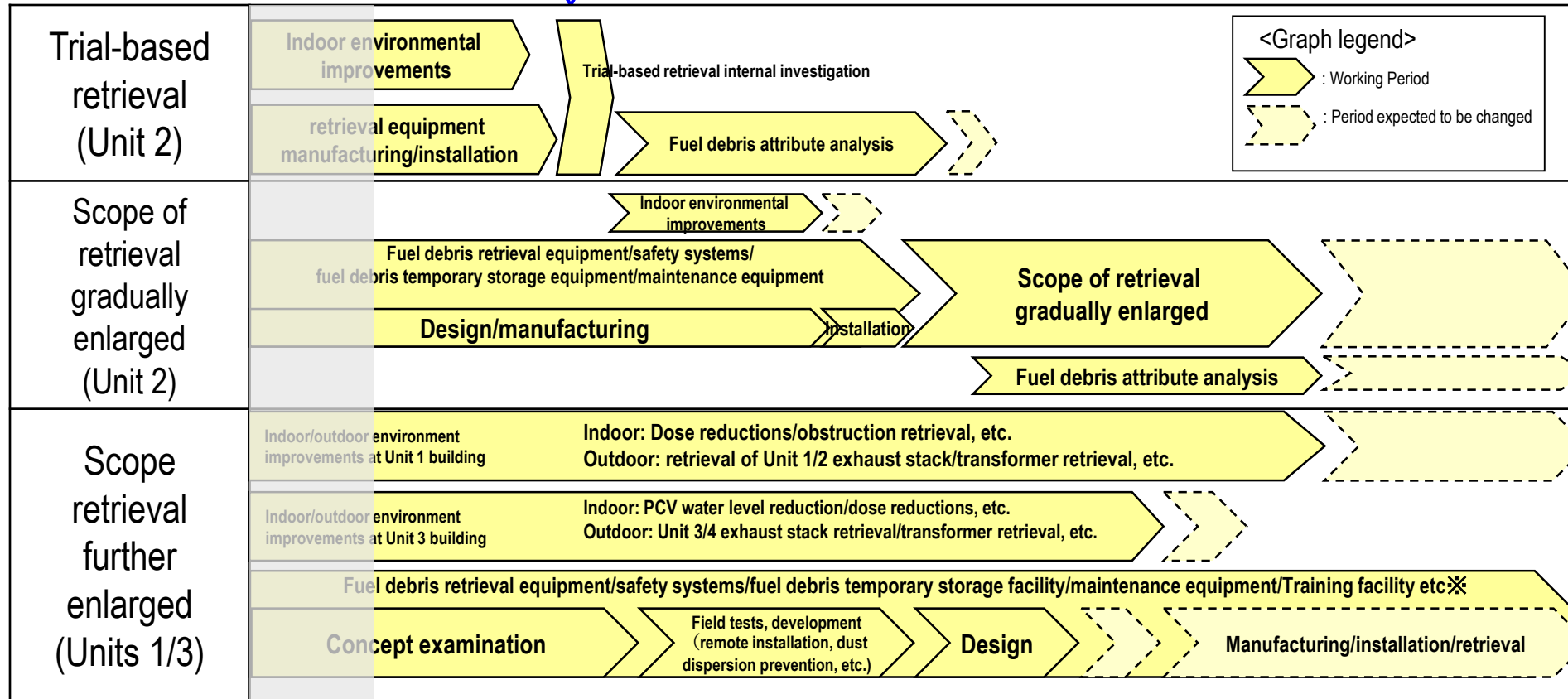
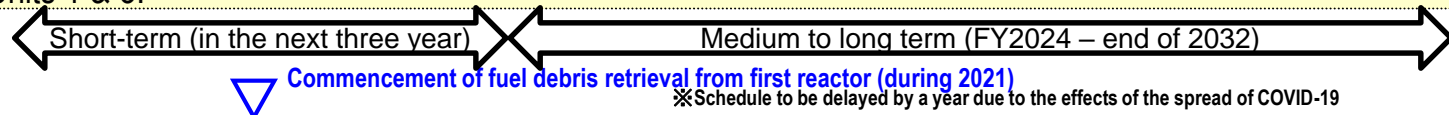
【Source】 Decommissioning/contaminated water countermeasures Fukushima Council Meeting Materials (December 27, 2019)

Note: This materials is created based on the “Cabinet Meeting Material on Decommissioning and Contaminated Water Measures” disclosed on December 27, 2019, and supplementary information is as follows.

1. It has been decided to conduct some of the performance confirmation tests for fuel debris retrieval at Unit 2 in the UK considering the COVID-19 infection status and immigration restrictions in the UK and Japan and status of operation confirmation of the experimental retrieval apparatus. Through these efforts, we will strive to keep the schedule delay to less than a year or so while placing the highest priority on safety.
2. The volume of contaminated water generated reduced to 140m³/d within 2020, so that we achieved the target within 2020.

Fuel Debris Retrieval Schedule and Process Based upon the Mid-to-Long Term Decommissioning Implementation Plan 2021

- ✓ On March 25, 2021, the Mid-and-Long Term Decommissioning Action Plan 2021 was published, an updated version of the Mid-and-Long Term Decommissioning Action Plan 2020 given the results of FY2020.
- ✓ At Unit 2, the scale of retrieval was gradually expanded from trial retrieval, and the knowledge obtained will be used to further expand the scale of retrieval from Units 1 & 3.



※These tasks shall be carried out for Unit 3 first and then examined with the intention doing the same for Unit 1

Contaminated Water Management

- In December 2013, the government's Nuclear Disaster Response Headquarters arranged a set of preventative and multi-tiered measures based on the three basic policies for addressing contaminated water issues.

<Main countermeasures>

Eliminate contamination sources

- Multi-nuclide removal equipment, etc.
- Remove contaminated water from the trench

Isolate water from contamination

- Pump up groundwater by groundwater bypass
- Pump up groundwater near buildings
- Land-side frozen impermeable walls
- Waterproof pavement

Prevent leakage of contaminated water

- Enhance soil by adding sodium silicate
- Sea-side impermeable walls
- Increase the number of (welded-joint) tanks

Treatment of stagnant water in buildings

- Additional work on the stagnant water transfer device

< Major Progress >

✓ Please visit our website for the latest information.

Subdrain operation

- Groundwater pumped up through wells near reactor building (Subdrain system) are discharged after purification by dedicated facilities and quality test. (A cumulative total of 1,110,288 tons of groundwater has been discharged as of 15:00 on July 18, 2021).
- Reinforcement and recovery work was conducted on the subdrain pit to increase the stable pumping capacity of the subdrain. Operation has been restarted starting with subdrains for which updating work was completed. Transfer pipes have been duplexed by installing additional pipes and other ancillary facilities in order to make sure that the subdrain will be operable even if the subdrain transfer pipes are being cleaned.

Land-side frozen impermeable walls

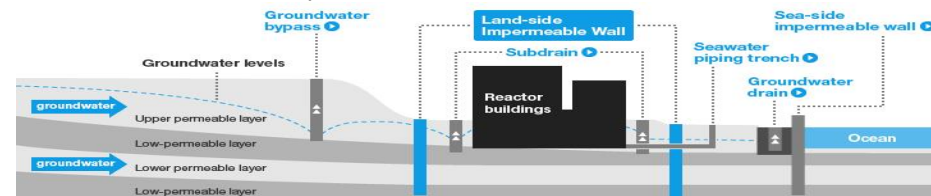
- In March 2018, the land-side impermeable walls were considered completed as the underground temperature had declined below 0°C in almost all areas.
- After auxiliary construction was completed in unfrozen areas deep underground, started maintenance management operation for all areas in February 2019.
- The Committee on Countermeasures for Contaminated Water Treatment clearly recognized the effect of the land-side impermeable walls to shield groundwater and confirmed that a water-level management system, including the functions of subdrains, etc., to stably control groundwater and isolate the buildings from groundwater had been established.

On the amount of contaminated water generated

- The amount of contaminated water generated in 2020 was approx. 140 m³/day, meeting the Mid-and-Long Term Roadmap target (keep amounts at around 150 m³/day in 2020). Efforts will be continued to achieve the goal of keeping the amount of contaminated water generated to less than 100 m³/day (by 2025)

On the treatment of inbuildings stagnant water

- Completed treatment of inbuildings stagnant water in all buildings except the Units 1-3 reactor building, process main building and the high temperature incinerator building and achieved the Mid-and-Long Term Roadmap target. Efforts will be continued to achieve the goal of reducing the reactor building stagnant water to around half of the levels at the end 2020 by FY2022 to FY2024.



TEPCO Holdings' Response Regarding the Handling of ALPS Treated Water

- 1 TEPCO Holdings' Approach to the Discharge of ALPS Treated Water

- ✓ The “Basic Policy on handling of ALPS treated water at the Tokyo Electric Power Company Holdings’ Fukushima Daiichi Nuclear Power Station” (hereinafter government policy) was decided at the 5th Inter-Ministerial Council for Contaminated Water, Treated Water and Decommissioning Issues held on April 13, 2021.
- ✓ TEPCO will work to ensure that responses based on this government policy will be implemented.

<TEPCO Holdings' Approach to the Discharge of ALPS Treated Water>

Basic position

- In discharging ALPS treated water*¹ into the sea, we will ensure that the discharged water is safe by conforming to safety standards based on laws, and relevant international laws and practices, while conducting radiation impacts assessments on people and the environment*². Thus we will secure the safety of the public, the surrounding environment as well as agricultural, forestry and fishery products.

Strengthening and enhancing the scope of monitoring

- In discharging ALPS treated water into the sea, we will further expand and strengthen our sea area monitoring efforts to minimize the adverse impacts on reputation.
- Objectivity and transparency of monitoring will be secured by asking for the cooperation of experts and the people in the agricultural, forestry, and fishery industry.

Preventing leaks from tanks

- On-site tank that store ALPS treated water will be continuously monitored for leaks and will be maintained and managed appropriately in preparation for natural disasters.

Information dissemination and minimizing rumors

- To dispel concerns and foster understanding domestically and internationally, we will continuously provide accurate information in a highly transparent manner, regarding the impacts on the environment such as the results of measurements/analysis on the concentration of radioactive materials in the ALPS treated water before discharge; status of the discharge and the results of sea area monitoring; as well as the results of assessment of the radiation impact on the public and the environment.
- To minimize the adverse impacts on reputation, we will do our utmost in supporting industries that may be subject to potential adverse impacts on reputation at each stage from production, processing, distribution, and consumption (cultivating new markets).

Appropriate compensation

- If reputational damage is incurred as a result of the discharge of ALPS treated water despite these

*¹ Water that has been purified and treated in ALPS until levels of radioactive materials excluding tritium is lower than the regulatory standard value for safety.

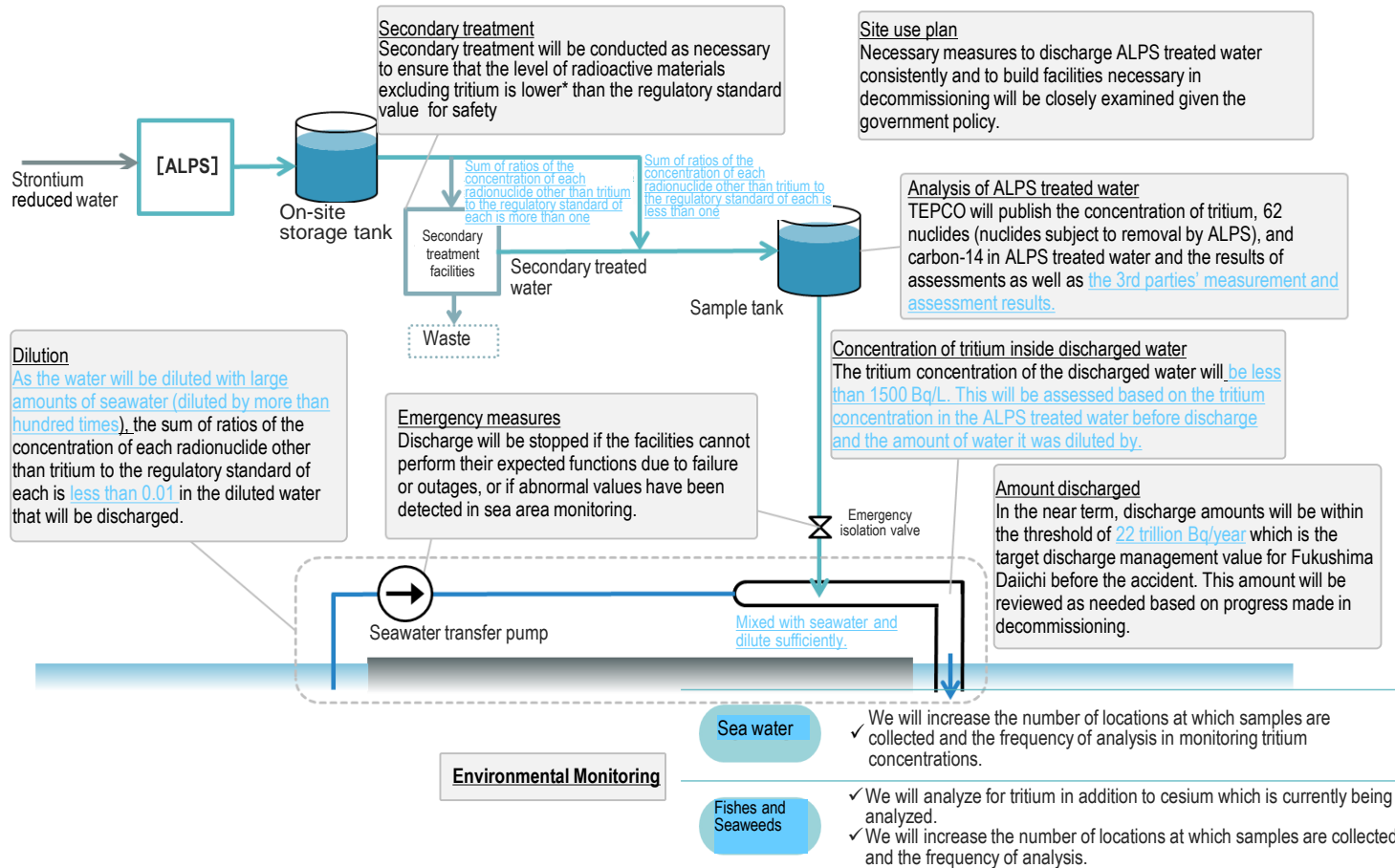
*² Includes any latent effects the ALPS treated water may have on the marine environment

TEPCO Holdings' Response Regarding Handling of ALPS Treated Water

- 2 Design and Operation of Necessary Facilities/Schedule

Necessary equipment for ocean discharge is being designed

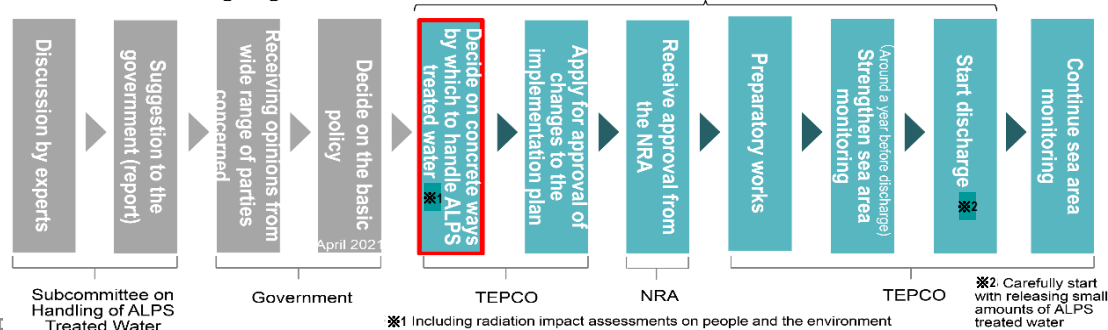
Design and use of necessary equipment for ocean discharge is being examined while referencing the opinions of persons concerned with the major premise to comply with the Act on the Regulation of Nuclear Source Material, Nuclear Fuel Material and Reactors and other laws.



Schedule

We will continue to examine specific decisions on equipment handling. We will also continue to transmit information and hold dialogue with parties concerned in each stage of preparation, start of discharge and after discharge of ALPS treated water into the ocean.

<Reference> Plan going forward



Other Initiatives

<TEPCO Holdings>

- May 11,2021 The “transmission line inspection drone automatic flying system”, jointly developed with Blue innovation Co., Ltd. and TEPCO SYSTEMS CORPORATION, is to be introduced in June 2021 for inspection work of transmission lines owned by TEPCO PG.
- May 14,2021 Became the first electric power company to be certified as the “certified DX operator” in accordance with the DX certification system established by the Ministry of Economy, Trade and Industry (acquired certification on May 1, 2021).
- May 28, 2021 “Tokyo Electric Power Timeless Capital, Inc.” specialized in business investment was established in order to improve capabilities of business investment and enhance earning power of the TEPCO Group through business investment to various areas.
- June 1,2021 Concluded an agreement for acquiring the “Certificate of Green Power” for electricity used for running electric work vehicles (EV/PHEV) of the TEPCO Group, with Japan Natural Energy Company Limited.
- June 7,2021 Commenced trial run of the P2G system in project “H2-YES” with Yamanashi Prefecture, Toray Industries, Inc. and TAKAOKA TOKO CO., LTD at the Electricity Storage Technical Research Site in Komekurayama, Kofu City, which is a commissioned project of the New Energy and Industrial Technology Development Organization (hereinafter referred to as NEDO) that has been undergoing technological development with the aim to reduce the use of fossil fuel by producing green hydrogen with electricity produced by renewable energy.
- July 1,2021 TEPCO Timeless Capital No.1 Investment Limited Partnership, which makes buyout funds for medium sized companies and small and medium enterprises that mainly develop business in Japan, was established with TEPCO funding around 10 billion yen and with Tokyo Electric Power Timeless Capital, Inc. as the operating company.
- July 12,2021 Agreement to become a “Tokyo 2020 Official Contributor” was concluded with the Tokyo Organising Committee of the Olympic and Paralympic Games.

<TEPCO Power Grid>

- May 31,2021 In order to jointly respond to inquiries sent through chats, partnership with 10 general power transmission and distribution companies including Okinawa Electric Power Company, Incorporated is to begin for the “Kanazawa Mazeru Digital Contact Center” which was opened in September 2020 with 9 general power transmission and distribution companies (partnership began on June 4, 2021).
- June 18,2021 Applied for the “Feasibility study for technological development for stabilization of next-generation electricity network for large-volume adoption of renewable energy and technological development for control of distributed energy resources to mitigate congestion of power systems” advertised by NEDO, jointly with Mitsubishi Research Institute, Inc., Kansai Electric Power Co., Inc., Kansai Transmission and Distribution, Inc., KYOCERA Corporation and Waseda University, and was selected.
- June 25,2021 Rental house “CROSSCEED OSAKI” was completed, which renovated a former company-owned house of TEPCO near JR Osaki Station as part of the “real estate project” that began in 2019 to utilize company-owned assets.

<TEPCO Energy Partner>

- April 27,2021 “Mutual agreement on SDGs utilizing electric automobiles” was concluded with Honjo City, Nissan Motor Co., Ltd., Saitama Nissan Motor, Nissan Satio Saitama Kita, Nissan Prince Saitama Sales, CAINZ and TEPCO PG Kumagaya Branch Office to strengthen the mutual partnership to realize a sustainable society aiming for SDGs.

<TEPCO Renewable Power>

- May 27,2021 Created an advertisement plan to call for offshore wind power generation operators off the coast of Choshi, Chiba Prefecture in accordance with the “Act on Promoting the Utilization of Sea Areas for the Development of Marine Renewable Energy Power Generation Facilities” through “Choshi Offshore Wind Farm K.K.” which is jointly owned with Ørsted, and submitted the plan to the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism.
- May 31,2021 Regarding development of offshore wind power generation considered off the coast of Yuza Town, Yamagata Prefecture, “(Tentative name) Document of consideration toward the environment in the planning stage for offshore wind power generation business off the coast of Yuza Town, Akumi-gun, Yamagata Prefecture”, which consists of environmental considerations in order to develop a highly feasible business plan while considering the environmental impact, was submitted to the Minister of Economy, Trade and Industry, and also submitted to the Governor of Yamagata Prefecture to gather opinions from the viewpoint of environmental conversation.