TRANSLATION

Please note that the following purports to be an accurate and complete translation of the original Japanese version prepared for the convenience of the Shareholders outside Japan. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

Securities Identification Code: 9501

Report for the 2016 Fiscal Year

From April 1, 2016 to March 31, 2017

Tokyo Electric Power Company Holdings, Incorporated

Table of Contents

Information regarding the items listed below is not contained within this report. In accordance with relevant laws and regulations and with Article 17 of the Articles of Incorporation, such information has been posted separately on our website (http://www.tepco.co.jp/about/ir/stockinfo/meeting.html).

i) Notes to Consolidated Financial Statements

ii) Notes to Non-Consolidated Financial Statements

Accordingly, the Consolidated Financial Statements and the Non-Consolidated Financial Statements attached to this report are only part of the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by the Accounting Auditor and the Audit Committee for the preparation of Accounting Audit Reports and Audit Report.

TO OUR SHAREHOLDERS

First of all, we would like to express our sincere gratitude to our shareholders and all of our diverse stakeholders, particularly those in the areas around the power stations, for their enormous cooperation with and support for the management of Tokyo Electric Power Company Holdings, Incorporated ("the Company").

The Company takes a very serious view of the ongoing trouble and anxiety for all concerned due to the accident at the Fukushima Daiichi Nuclear Power Station, and since last April we have been running business operations based on a holding company system with the aim of fulfilling our responsibilities to Fukushima in addition to generating funds for the revitalization of Fukushima and enhancing the corporate value of our entire group ("the Group") overall. Under this new system, we are working as a Group using all available resources to address a range of management challenges, such as doubling productivity and integrating the fuel and thermal power generation business, and, as a result of these and other efforts, we were able to record ordinary income for fiscal 2016.

Meanwhile, in addition to intensification in competition due to the full liberalization of the retail market for electricity and gas amidst a decline in energy demand, the management environment for the Company has become extremely challenging with increases in the expenses required for compensation and decommissioning of reactors among other factors.

Therefore, believing that unprecedented cost reductions and income growth are essential, the Group will faithfully promote efforts aimed at the resumption of operations at Kashiwazaki-Kariwa Nuclear Power Station in addition to moving forward with dynamic business reforms unconstrained by precedent, such as reorganization and integration in the transmission and distribution business and the establishment of a consortium in the nuclear power business and active overseas expansion, by combining our hearts based on the Revised Comprehensive Special Business Plan with a commitment to fulfill our responsibilities to Fukushima and enhance the corporate value of the entire Group.

In fiscal 2016, our circumstances do not enable us to meet the expectations of shareholders with regard to dividends. However, we will continue working to improve the Company's financial structure and striving to raise our rating in the market, and we sincerely ask for our shareholders' understanding of and cooperation with our future business management.

Fumio Sudo,

Chairman of the Board of Directors

Naomi Hirose,

Representative Executive Officer and President

(Attached document to the NOTICE OF CONVOCATION OF THE 93RD ORDINARY GENERAL MEETING OF SHAREHOLDERS)

BUSINESS REPORT (from April 1, 2016 to March 31, 2017)

1. Matters Regarding Status of Group Operations

(1) Progress of the Business and the Earnings Results Thereof

The Company Group's Earnings Results

The Group marked fiscal 2016 with a new framework, having transitioned to a holding company system, which conducts business operations that are functionally independent and flexible, in April 2016.

Amidst a trend of decline in demand for electricity due to such factors as advances in energy conservation, the energy industry has plunged into a new era of cross-sector competition, which includes the full liberalization of the retail market in the gas business in April 2017, and the Group faced a rapidly changing business environment.

In this environment, the Company fulfilled its responsibilities related to Fukushima in addition to striving to double productivity and strengthen earning capacity with the aim of maintaining a balance of "responsibility and competitiveness" in order to be chosen by customers in a competitive market. The Company also endeavored to improve its financial structure, including increasing the equity ratio by reducing interest-bearing debt, in efforts to increase the corporate value of the entire Group.

Electricity sales volume of the Group in fiscal 2016 decreased by 2.2 percent from the previous fiscal year to 241.5 billion kWh, as a result of factors such as the impact of the full liberalization of the retail market. Looking at the breakdown, "Lighting" decreased by 3.4 percent to 86.4 billion kWh, "Power" decreased by 1.6 percent to 155.1 billion kWh compared with the previous fiscal year.

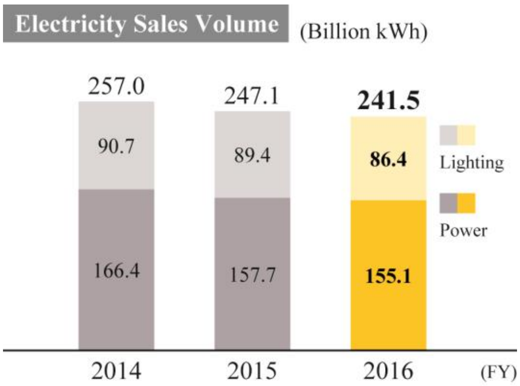
As for the consolidated revenue and expense in fiscal 2016, on the revenue side, net sales (operating revenues) decreased by 11.7 percent from the previous fiscal year to ¥5,357.7 billion, which was mainly attributable to the decrease in unit sales prices that reflected a fuel cost adjustment system and other factors. Ordinary revenues, including other revenues, totaled ¥5,420.0 billion, down 11.7 percent year on year. On the expense side, ordinary expenses decreased by 10.7 percent year on year to ¥5,192.4 billion. This was mainly attributable to the significant decrease in fuel expenses due to falling fuel prices and the appreciation in the value of yen in addition to continued Group-wide efforts to reduce costs amid the shutdown of all the Company's nuclear power stations.

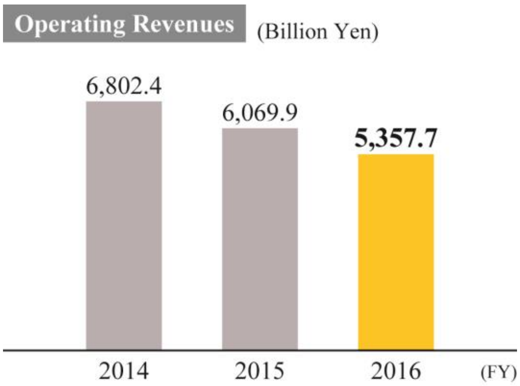
As a result, the Company recorded ¥227.6 billion in ordinary income. Profit attributable to owners of parent stood at ¥132.8 billion, which was mainly attributable to extraordinary income totaled ¥330.6 billion from grants-in-aid from the Nuclear Damage Compensation and Decommissioning Facilitation Corporation and gain on change in equity, while extraordinary loss amounted to ¥411.3 billion due to compensation for nuclear power-related damages in addition to extraordinary loss on disaster.

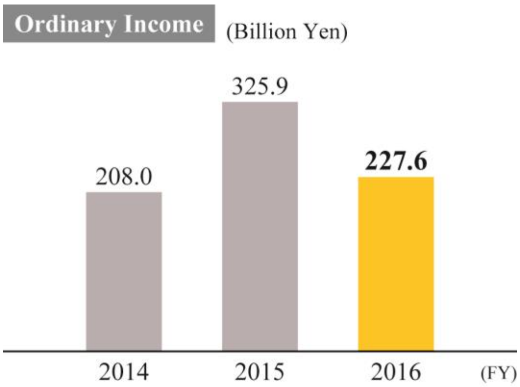
The equity ratio for fiscal 2016 was 19.1 percent compared with 16.1 percent in the previous fiscal year, and the debt equity ratio was 2.56 compared with 3.01 in the previous fiscal year.

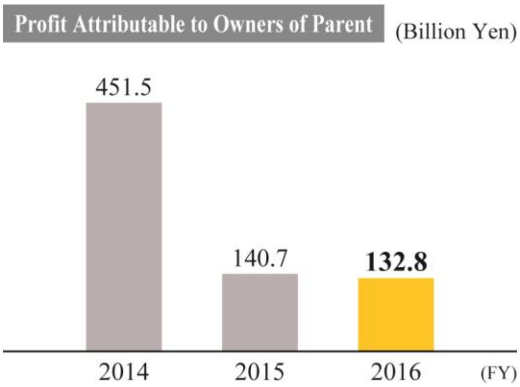
Segments results for fiscal 2016 (before elimination of intersegment transactions) are as reported on page 5 and subsequent pages.

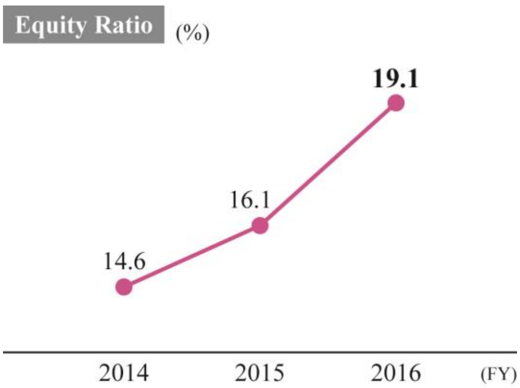
Note: Debt equity ratio is given by interest-bearing debt divided by shareholders' equity.

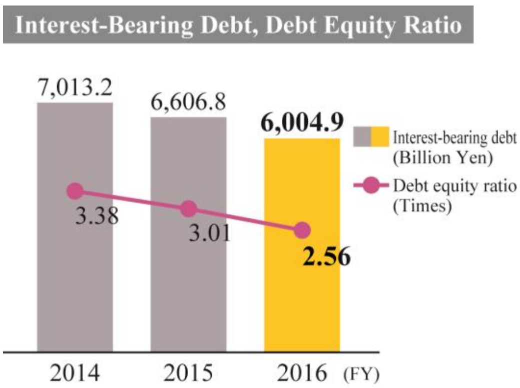

Electricity Sales Volume
(Billion kWh)
257.0
247.1
241.5
90.7
89.4
86.4
Lighting
Power
166.4
157.7
155.1
2014
2015
2016
(FY)


Operating Revenues
(Billion Yen)
6,802.4
6,069.9
5,357.7
2014
2015
2016
(FY)


Ordinary Income
(Billion Yen)
208.0
325.9
227.6
2014
2015
2016
(FY)


Profit Attributable to Owners of Parent
(Billion Yen)
451.5
140.7
132.8
2014
2015
2016
(FY)


Equity Ratio
(%)
14.6
16.1
19.1
2014
2015
2016
(FY)

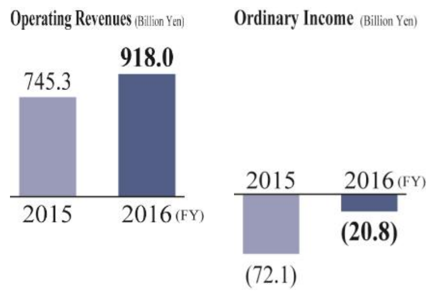

Interest-Bearing Debt, Debt Equity Ratio
7,013.2
6,606.8
6,004.9
Interest-bearing debt (Billion Yen)
Debt equity ratio (Times)
3.38
3.01
2.56
2014
2015
2016
(FY)

Holdings

Major business

Provision of common services to each core operating company and Nuclear power generation business

Earnings result by segment



Operating revenues increased by 23.2% year on year to ¥918.0 billion and ordinary expenses decreased by 3.7% to ¥1,027.6 billion.

As a result, ordinary loss was ¥20.8 billion.

Measures in fiscal 2016

Efforts towards Fukushima revitalization

The Company promoted efforts to **provide compensation to every last person,** including pursuing prompt and attentive new compensation for people who were operating agriculture and forestry businesses, where damage from the Fukushima accident is ongoing. As a result of these efforts, the Company had paid a cumulative total of approximately ¥7,205.1 billion up to March 31, 2017.

Moreover, since establishing the Fukushima Revitalization Headquarters, the cumulative number of people assigned to activities to promote revitalization such as cleanup and weeding has reached 337,000 while the cumulative number of people cooperating with decontamination, etc. by the national and local governments has reached 222,000. The Company has, in this way, continuously made concerted efforts using all available resources in activities to promote revitalization and decontamination with the aim of early return and resumption of agriculture and commerce.

Furthermore, the Company has also continued to participate actively in joint public-private sector initiatives for revitalization measures aimed primarily at rebuilding business enterprises of sufferers. Also, the entire Group worked to accelerate Fukushima revitalization, including efforts to create employment opportunities by starting work to renovate aging small- and medium-sized hydroelectric power stations and the commencement of construction of the world’s most advanced coal-fired thermal power plants through an operating company set up with other companies. The Company was also involved in the establishment of an operating company for the development and operation of a transmission network aimed at expanding introduction of renewable energy.

Decommissioning of the Fukushima Daiichi Nuclear Power Station

With regard to countermeasures for contaminated water, the Company continued to pursue efforts aimed at reducing the risk of contaminated water, including **pumping up underground water through the sub-drain and the staged freezing for the land-side impermeable wall to prevent the flow of groundwater into the buildings.** Moreover, the Company steadily promoted reactor-decommissioning work aimed at removing fuel from the spent fuel pools and fuel debris from the containment vessels, including completing work to take the wall panels off the building cover of Unit 1 and **commencing work to install a cover for removing fuel from Unit 3 in addition to internally examining the containment vessels of Units 1 and 2 to obtain internal images and data, including on radiation doses.**

In addition to these efforts, the Company continuously endeavored to improve the working environment, **including the establishment of a building for cooperating companies so that people from cooperating companies and the Company may work together in close cooperation while staying in touch with work on the ground**.

Nuclear power safety

Under the "Nuclear Safety Reform Plan," the Company continued to promote **initiatives aimed at the world's highest level of safety and quality to support it.**

With regards to Kashiwazaki-Kariwa Nuclear Power Station, the Company implemented measures to enhance safety, including the strengthening of heat removal and cooling functions for the nuclear reactors through the installation of high pressure alternate cooling (HPAC) system pumps. In addition, we repeatedly conducted emergency response drills with response scenarios for a variety of conditions and working to strengthen activities for understanding through dialogue, which include providing explanations of the Company's initiatives to residents of Niigata Prefecture and listening seriously to their opinions.

Moreover, based on the results of the self-assessment of the nuclear safety reforms released in September 2016, the Company worked to **strengthen organizational governance and human resource development.** Specifically, we systemized a management model to enable the organization as a whole to address operations based on an understanding of targets and the respective roles of its members. We also established the Nuclear Education and Training Center in December 2016 to conduct effective education and training by consolidating human resource development functions related to the knowledge and skills for enhancing nuclear power safety as an organization directly under the General Manager of the Nuclear Power & Plant Siting Division.

While promoting these initiatives, the Company takes a very serious view of the fact that the efforts to change awareness conducted to date have been inadequate. This relates to the lack of information-sharing within the organization, including the problems concerning the seismic assessments for the seismic isolated building in the inspection for conformity assessment under the new regulatory standards for Kashiwazaki-Kariwa Nuclear Power Station, and the Company will take further measures to ensure provision of sincere and respectful explanations to local people.

Management of operations under the holding company system

While transitioning to a holding company system and introducing a new, full-scale governance framework, the Company has been working for **efficient management and strengthened competitiveness by formulating a group-wide management strategy and carrying out the optimum allocation of management resources.** Moreover, in addition to exploring collaboration with diverse sectors and industries and reorganization and **the further deepening of cost reductions and the roll out of *kaizen* activities aimed at doubling productivity to the entire Group under the guidance of external experts,** the Company has also been promoting improvement in the financial structure by enhancing productivity and increasing profit. In addition, the Company has worked to improve the Group's corporate value, through such means as restoring its independent fund procurement capabilities through the issuance of bonds by TEPCO Power Grid, Incorporated.

Fuel & Power

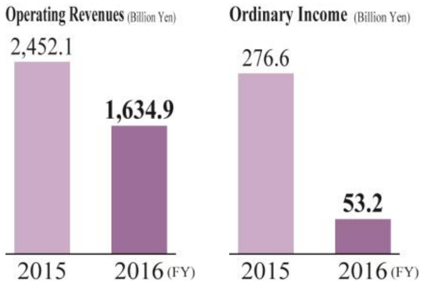
Major business

Fuel and thermal power generation business

Earnings result by segment

Operating revenues decreased by 33.3% year on year to ¥1,634.9 billion and ordinary expenses decreased by 27.4% to ¥1,599.6 billion.

As a result, ordinary income was ¥53.2 billion.



Measures in fiscal 2016

Promotion of comprehensive alliance

In the comprehensive alliance with Chubu Electric Power Co., Inc. for the entire supply chain from upstream investments and fuel procurement through power generation, the Company transferred **the fuel business and the overseas thermal power IPP business, etc. to JERA Co., Inc.** in July 2016. Furthermore, in March 2017, a basic agreement was concluded on the integration of the fuel receipt, storage, and gas transportation business and the existing thermal power generation business aimed at completing the comprehensive alliance.

Value up for thermal power stations

The Company **promoted "value-up" projects at all thermal power stations** with the aim of being a world leader in thermal power station operations and developing a new global business and worked to double productivity. In addition to achieving cost reductions including fuel costs and repair costs through such means as shortening the work process for periodic inspections by increasing work efficiency and reforming procurement, the Company implemented operational alliances with other companies aimed at upgrading thermal power station operations, among others.

Power Grid

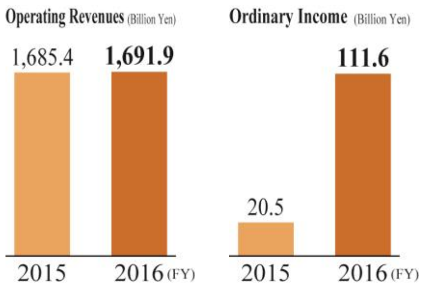
Major business

Transmission and distribution business

Earnings result by segment

Operating revenues increased by 0.4% year on year to ¥1,691.9 billion and ordinary expenses decreased by 5.0% to ¥1,594.5 billion.

As a result, ordinary income was ¥111.6 billion.



Measures in fiscal 2016

Providing stable supply while also reducing wheeling rate

After ensuring the reliability of power supply, the Company has promoted **thorough cost reduction aimed at achieving a low wheeling rate** matching international levels. Specifically, in addition to working to upgrade facility inspection methods based on the lessons learned from the Niiza underground tunnel fire accident, the Company steadily promoted cost reductions for the refurbishment of aging facilities through such means as accurately evaluating risk to identify targets and innovation in ordering and construction methods. The Company also expanded and accelerated *kaizen* activities aimed at doubling productivity and took initiatives to streamline operations.

Initiatives Aimed at Advancing the Full Liberalization of Electricity in the Retail Market

Although the installation of smart meters was delayed at the beginning of the full liberalization of electricity in the retail market, the Company eliminated the delays during September 2016 by securing additional construction capacity and other methods, and achieved 10 million smart meters installed in February 2017. In addition, the Company largely eliminated the delays in notifications of electricity consumption, which had inconvenienced many electricity retailers and consumers, from February 2017 onward as a result of promoting initiatives which included taking operational and systemic countermeasures. The Company will continue striving to improve the quality of operations.

Energy Partner

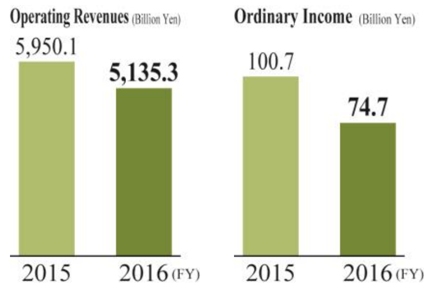
Major business

Retail electricity business

Earnings result by segment

Operating revenues decreased by 13.7% year on year to ¥5,135.3 billion and ordinary expenses decreased by 13.4% to ¥5,066.4 billion.

As a result, ordinary income was ¥74.7 billion.



Measures in fiscal 2016

Expanding nationwide sales of electric power

In collaboration with alliance partners, the Company vigorously deployed marketing activities in order to be chosen by customers nationwide through proposals of low rate plans to businesses with business sites all over Japan and families in the Chubu and Kansai regions and selling package plans with other products. As a result, electricity sales volume outside the Company's traditional service area increased approximately four-fold compared with the previous fiscal year to 2.5 billion kWh.

Responding to the full liberalization of the retail market in the gas business

The Company promoted investigations into competitive rate plans and sales methods aimed at a full-scale entry into the city gas retail business. Moreover, by December 2016, the Company had agreed with alliance partner NIPPON GAS CO., LTD. on **an annual wholesale supply of 275,000 tons of city gas**. It has also been working in partnership with the same company to construct a platform that will provide the functions and services required for the sale of city gas for household use.

(2) Issues to be Addressed

Under the Revised Comprehensive Special Business Plan based on the recommendations, etc. of the national government "Committee for Reforming TEPCO and Overcoming 1F Challenges," the Group will bear in mind its mission of "fulfilling its responsibility to Fukushima" as it aims to secure the funds for the compensation and reactor decommissioning expenses that it must meet and enhance corporate value , while always ensuring a stable supply of low cost electricity. Amid indications by the TEPCO Committee that the total amount of funds to be secured in relation to the accident at Fukushima Daiichi Nuclear Power Station is estimated to be approximately ¥22 trillion, the Group will come together to address reforms intermittently, including further increases in productivity and cost reductions and the establishment of a review framework aimed at setting up a consortium and strive to be able to meet the expectations of shareholders.

1 Efforts towards Fukushima revitalization

The Company will **ensure that every last person is promptly and attentively compensated** through such means as continuing to promote compensation by standing shoulder to shoulder with the sufferers so that the sufferers can rebuild their lives and businesses at the earliest possible opportunity.

Moreover, at the same time as ensuring thorough compensation, we will **fully cooperate with initiatives aimed at rebuilding local and industrial infrastructure being promoted by national and local governments, etc.** in order to achieve the revitalization of Fukushima at the earliest possible opportunity. Specifically, in addition to continuing activities to support residents according to the stage of reconstruction, including cleanup and weeding, in view of the cancellation of the evacuation order except for difficult-to-return zones in four towns and villages, we will contribute human and technical resources to initiatives aimed at reducing anxiety about radiation and revitalizing the living environment. Furthermore, we will cooperate with initiatives such as the construction of new industrial infrastructure for the Hamadori region, studies for the realization of the national government's Innovation Coast Concept aimed at town planning from a wide-ranging perspective, and support for the resumption of business by the Public-Private Fukushima Soso (Soma and Futaba District) Reconstruction Joint Team. In conjunction with this, the Group will rally to promote further acceleration in the revitalization of Fukushima, including continuing initiatives aimed at creating employment opportunities by constructing the world's most advanced coal-fired thermal power stations through operating companies engaged in construction and operations and contributing to expanding the introduction of renewable energy.

2 Decommissioning of the Fukushima Daiichi Nuclear Power Station and Initiatives Related to the Safety of Nuclear Power Stations

With regard to initiatives aimed at decommissioning of reactors at Fukushima Daiichi Nuclear Power Station, the Company will continue to implement countermeasures for contaminated water such as the sub-drain and the land-side impermeable wall in addition to **steadily promoting work that includes the removal of spent fuel and fuel debris.** With regard to the removal of fuel from the spent fuel pools, the Company will continue to proceed with work that includes the removal of rubble from the nuclear reactor building and the installation of a cover for removing fuel. With regard to the removal of fuel debris, we will continue to gather the necessary information, and determine the method of removal through the internal examination of the containment vessel and other means.

Moreover, in addition to strengthening management functions and engineering capabilities through an overall review of the operating framework for decommissioning work, the Company will continue working to improve the working environment and to disseminate appropriate information. Furthermore, we will proceed to construct a decommissioning promotion structure that brings together specialist knowledge and skills from inside and outside Japan, including the expansion of our cooperative relationship with The Japan Atomic Power Company, and **strengthen the foundations to support a long-term decommissioning process.**

In terms of initiatives aimed at thoroughly ensuring the safety of nuclear power, the Company will steadily implement the "Nuclear Safety Reform Plan," and seek to enhance safety awareness, technical capabilities, and communication skills.

Moreover, with the aim of resuming operations at Kashiwazaki-Kariwa Nuclear Power Station, the Company will promote measures to improve safety in addition to working to establish a team to improve the response to regulations with the cooperation of other electricity companies and improving inter-organizational collaboration on information in responding to conformity assessments under the new regulatory standards. In terms of activities for the understanding of local residents, based on the centralized decision-making of the Niigata Headquarters, we will provide thorough dissemination of information in a sincere and respectful manner by strengthening communication and actively developing the disclosure of information. In addition, we will listen to the requests of local residents and provide effective support with the aim of enhancing nuclear disaster prevention.

3 Management of operations under the holding company system

In addition to assuming responsibility and striving for compensation, decommissioning, and the revitalization of Fukushima, **as the holding company,** the Company works to **formulate group-wide management strategy and the most efficient utilization of management resources.**

In order to accomplish this, the Company performs efficient business management through such means as clarification of the division of duties with the core operating companies in addition to promoting the construction of systems for the implementation of bold corporate reforms, such as encouraging diversity, including the promotion of young and external human resources, the delegation of authority, and active participation by women. The Company will also establish a study team aimed at establishing consortium in addition to looking into ways of bearing the funds for fulfilling its responsibility to Fukushima. Additionally, the Company will continue the group-wide roll out of *kaizen* activities aimed at doubling productivity to grow profits and improve the financial structure as well as seeking to deepen cost reductions and hold down capital expenditure through such means as operational innovations, procurement reforms, and IT innovations. Moreover, the Company will restore the Group's independent fund procurement capabilities through continuing issuance of bonds and other means.

Each of the core operating companies is working on the following business strategies to fulfill our responsibilities to Fukushima, contributing to the generation of the resources for the revitalization of Fukushima and raising the corporate value of the entire Group.

a. TEPCO Fuel & Power, Incorporated

While the business environment in Japan has become challenging with the decrease in demand for energy and the rise of renewable energy, an expansion in business opportunities is also expected due to such factors as the establishment of the new electricity transaction market, the full liberalization of the gas market, and growing demand for energy outside Japan. In this environment, the Company will **supply internationally competitive energy in a stable manner with the development of JERA Co., Inc. and increasing value of thermal power stations at its core.**

With regard to the comprehensive alliance with Chubu Electric Power Co., Ltd., the Company will primarily work steadily toward completing the business integration in the first half of fiscal 2019, **generate further integration effects** through appropriate governance at JERA Co., Inc., and implement the development of a new business model through the achievement of Asia's best fuel procurement costs and profitability, development of competitive domestic power sources, and integrated development of the overseas value chain.

Moreover, the Company will build the optimal power portfolio with an eye to the future market in addition to **achieving the world's best generating costs** through the further promotion of the project to increase value and other measures to strengthen competitiveness. In addition, we will take initiatives to **build and lead a knowledge-intensive business model**, which includes the commercialization and standardization of know-how on the operation of power plants utilizing digital technology, to improve profitability.

b. TEPCO Power Grid, Incorporated

While demand for power in Japan is stagnate and wheeling revenues are expected to fall, there is a need for the construction of a transmission and distribution network that is appropriate for such factors as the steady refurbishment of aging facilities and the proliferation and acceleration of renewable energy. In this environment, while continuing to ensure reliable power supply, TEPCO Power Grid will work on unconventional and dynamic reforms to achieve business operations with world-class efficiency as well as using the surplus generated by these operations to **strengthen its financial base and technical capabilities and expand its business into the growing global energy market.**

In terms of immediate initiatives, TEPCO Power Grid will achieve Japan's most competitive wheeling rate by streamlining and improving operations in areas such as facility maintenance through the use of the latest ICT technologies, expanding company-wide *kaizen* activities aimed at doubling productivity, and introducing global procurement, etc.

In conjunction with this, in order to upgrade the transmission and distribution network and improve convenience, we will complete the installation of smart meters for all customers in addition to taking initiatives that include **a review aimed at the integrated operation of the transmission network and the augmentation of the grid's lines and upgrading of related technologies aimed at expanding the introduction of renewable energy.**

In addition, we will work to expand our business territory in and outside Japan, including the development of platform businesses to create new value such as home IoT based on information that includes electricity usage status in the home.

c. TEPCO Energy Partner, Incorporated

In a changing management environment that includes the decline in demand for energy and an intensification in competition, TEPCO Energy Partner will seek **a transformation** from being a conventional business that sells electricity **into a "business that provides utility," delivering services that lead to a comfortable and secure life and business development** as we aim to continue being a company chosen by customers.

Specifically, we will rapidly develop a platform to provide the functions and services required for gas sales with the aim of expanding sales in the gas business and stimulating the market. Use of this platform by many business operators will translate into growth in sales volume.

Moreover, we will work to develop and expand services focused on energy conservation. We will roll out a nationwide energy service business that proposes energy management systems to provide support for the optimal operation of energy-related facilities as well as contracting in an integrated manner for the planning, installation, and operation of such facilities. For households, we will partner with IT-related companies, renovation business operators and other to create products that integrate IoT with energy conservation technology in the residential sector.

Moreover, we will seek to build a sales network by increasing our alliance partners in other industries while **accelerating our nationwide electricity sales in combination with new services**.

Through these initiatives, we will **evolve the retail business from "competition" to "co-creation"** together with our alliance partners to provide new value to customers and society.

(3) Capital Expenditure

i) Amount of capital expenditure

Business Segment	Amount
	(Billions of yen)
Holdings	272.6
Fuel & Power	67.7
Power Grid	216.5
Energy Partner	13.3
Intercompany eliminations	(1.7)
Total	568.6

ii) Principal facilities completed

a. Fuel & Power

Power generation facilities

Name	Output (MW)
(Thermal)	
Yokohama Thermal Power Station, Group 8	27
Kawasaki Thermal Power Station, Group 2	685
Yokohama Thermal Power Station, Group 7	54

(Note) Portion completed during fiscal 2016 is stated for Yokohama Thermal Power Station, Group 8 (output: 108 MW) and Yokohama Thermal Power Station, Group 7 (output: 108 MW), respectively.

b. Power Grid

Substation facilities

Name	Voltage (kV)	Output (Thousand kVA)
Ohi-Futou Substation (new construction)	275	900
Kohoku Substation (expansion)	275	450

iii) Principal facilities under construction (As of March 31, 2017)

a. Holdings

Power generation facilities

Name	Output (MW)
(Hydroelectric)	
Kazunogawa Hydroelectric Power Station	400
Kannagawa Hydroelectric Power Station	1,880

b. Fuel & Power

Power generation facilities

Name	Output (MW)
(Thermal)	
Yokohama Thermal Power Station, Group 7	27
Yokohama Thermal Power Station, Group 8	54

c. Power Grid

Substation facilities

Name	Voltage (kV)	Output
Shin-Shinano Substation (expansion)	500	1,000 Thousand kVA
Shin-Shinano Substation frequency converter equipment (expansion)	Direct current 200	900 MW

iv) Principal facilities closed

a. Fuel & Power

Power generation facilities

Name	Output (MW)
(Thermal)	
Yokosuka Thermal Power Station Units 3-8	350 each

b. Power Grid

Transmission facility

Name	Voltage (kV)	Length (km)
Johoku Line (underground line)	275	20.9

(4) Financing Activities

i) Bonds

Proceeds from issuance 492.1 billion yen

Redemptions 766.8 billion yen

ii) Loans

Proceeds from loans 2,011.5 billion yen

Repayments of loans 2,337.0 billion yen

(5) Trend in Assets and Profit/Loss

Item	FY2013	FY2014	FY2015	FY2016 (this fiscal year)
Operating revenues (Billions of yen)	6,631.4	6,802.4	6,069.9	5,357.7
Ordinary income (Billions of yen)	101.4	208.0	325.9	227.6
Profit attributable to owners of parent (Billions of yen)	438.6	451.5	140.7	132.8
Basic earnings per share (Yen)	273.74	281.80	87.86	82.89
Total assets (Billions of yen)	14,801.1	14,212.6	13,659.7	12,277.6

(6) Important Subsidiaries (as of March 31, 2017)

Company Name	Capital	Ownership of the Company	Major Business
	(Billions of yen)	(%)	
TEPCO Power Grid, Incorporated	80.0	100	Transmission and distribution business
TEPCO Fuel & Power, Incorporated	30.0	100	Fuel and thermal power generation business
TEPCO Energy Partner, Incorporated	10.0	100	Retail electricity business
Toden Real Estate Co., Inc.	3.02	100	Leasing and management of real estate
The Tokyo Electric Generation Company, Incorporated	2.5	100	Power generation and electricity sales
Japan Facility Solutions, Inc.	0.49	100	Energy conservation service
TEPCO SYSTEMS CORPORATION	0.35	100	Computerized information processing; development and maintenance of software
Tokyo Power Technology Ltd.	0.1	100	Repair and operation of power generation, environmental protection and other facilities
Tepco Town Planning Co., Ltd.	0.1	100	Design and maintenance of power distribution facilities and contracting for advertisements on utility poles and other media
Tokyo Densetsu Service Co., Ltd.	0.05	100	Maintenance of transmission, transformation and other facilities
Fuel TEPCO Limited	0.04	100	Sales of petroleum products
Tokyo Electric Power Services Company, Limited	0.04	100	Design and supervision of construction of power generation, transmission, transformation and other facilities
Tepco Customer Service Corporation Limited	0.01	100	Electricity sales; information processing service for electricity rates etc.
TOKYO WATERFRONT RECYCLE POWER CO., LTD.	0.1	96.6	Industrial waste treatment; electricity sales

(Note) The Ownership of the Company includes indirect holdings through subsidiaries.

(7) Business Reorganization, Including Transfer of Business and Merger, etc.

i) In order to transition to a holding company system, on April 1, 2016, the Company had TEPCO Fuel & Power, Incorporated, TEPCO Power Grid, Incorporated, and TEPCO Energy Partner, Incorporated take over three businesses, the fuel and thermal power generation business, the transmission and distribution business, and the retail electricity business, respectively, through an absorption-type company split.

ii) Under the joint venture agreement relating to the formation of a comprehensive alliance concluded between the Company and Chubu Electric Power Co., Inc. on February 9, 2015, TEPCO Fuel & Power, Incorporated had JERA Co., Inc. take over the existing fuel business (upstream investments and fuel procurement), existing overseas thermal power IPP business, and the replacement and new construction of thermal power stations business to be conducted by Hitachinaka Generation Co., Inc. through an absorption-type company split on July 1, 2016. Accompanying this, all the shares of Tokyo Electric Power Company International B.V. and Tokyo Timor Sea Resources Inc., which were important subsidiaries of the Company, were transferred to JERA Co., Inc., so both companies are excluded from the Company's subsidiaries.

(8) Major Business Offices (as of March 31, 2017)

i) The Company's major offices

a. Head Office

Chiyoda-ku, Tokyo

b. Fukushima Revitalization Headquarters

Tomioka-machi, Futaba-gun, Fukushima

c. Niigata Headquarters

Niigata-shi, Niigata

d. Major power stations

Sector	Power Station Name	Location
Hydroelectric Power (Output of 100 MW or more)	Kinugawa, Imaichi, Shiobara	Tochigi
	Yagisawa, Tambara, Kannagawa	Gunma
	Kazunogawa	Yamanashi
	Akimoto	Fukushima
	Azumi, Midono, Shin-Takasegawa	Nagano
	Nakatsugawa Daiichi, Shinanogawa	Niigata
Nuclear Power	Fukushima Daini	Fukushima
	Kashiwazaki-Kariwa	Niigata

ii) Major offices of important subsidiaries

a. Head Office

Company Name	Location	Company Name	Location
TEPCO Power Grid, Incorporated	Chiyoda-ku, Tokyo	Tokyo Power Technology Ltd.	Koto-ku, Tokyo
TEPCO Fuel & Power, Incorporated	Chiyoda-ku, Tokyo	Tepco Town Planning Co., Ltd.	Meguro-ku, Tokyo
TEPCO Energy Partner, Incorporated	Chiyoda-ku, Tokyo	Tokyo Densetsu Service Co., Ltd.	Taito-ku, Tokyo
Toden Real Estate Co., Inc.	Taito-ku, Tokyo	Fuel TEPCO Limited	Koto-ku, Tokyo
The Tokyo Electric Generation Company, Incorporated	Taito-ku, Tokyo	Tokyo Electric Power Services Company, Limited	Koto-ku, Tokyo
Japan Facility Solutions, Inc.	Shinagawa-ku, Tokyo	Tepco Customer Service Corporation Limited	Koto-ku, Tokyo
TEPCO SYSTEMS CORPORATION	Koto-ku, Tokyo	TOKYO WATERFRONT RECYCLE POWER CO., LTD.	Koto-ku, Tokyo

b. Major power stations

Company Name	Sector	Power Station Name	Location
TEPCO Fuel & Power, Incorporated	Thermal Power (Output of 1,000 MW or more)	Kashima, Hitachinaka	Ibaraki
		Goi, Anegasaki, Sodegaura, Futtsu, Chiba	Chiba
		Ohi, Shinagawa	Tokyo
		Yokosuka, Yokohama, Minami-Yokohama, Higashi-Ohgishima, Kawasaki	Kanagawa
		Hirono	Fukushima

(Note) All units of Yokosuka Thermal Power Station are closed as of March 31, 2017.

(9) Employees (as of March 31, 2017)

Business Segment	Number of Employees
	(Persons)
Holdings	12,831
Fuel & Power	2,454
Power Grid	22,907
Energy Partner	3,868
Total	42,060

(Note) The Number of Employees column indicates the numbers of employees of the Company and consolidated subsidiaries.

(10) Major Lenders (as of March 31, 2017)

Lender	Loan Balance
	(Billions of yen)
Development Bank of Japan Inc.	907.9
Sumitomo Mitsui Banking Corporation	842.9
Mizuho Bank, Ltd.	331.5
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	200.2
Sumitomo Mitsui Trust Bank, Limited	150.0
NIPPON LIFE INSURANCE COMPANY	109.9

2. Matters Regarding Shares (as of March 31, 2017)

(1) Total Number of Shares Authorized to be Issued

Total Number of Shares Authorized to be Issued	14,100,000,000

(2) Total Number of Class Shares Authorized to be Issued

Common Shares	35,000,000,000
Class A Preferred Shares	5,000,000,000
Class B Preferred Shares	500,000,000

(3) Total Number of Issued Shares

Common Shares	1,607,017,531
Class A Preferred Shares	1,600,000,000
Class B Preferred Shares	340,000,000

(4) Number of Shareholders

Common Shares	736,193
Class A Preferred Shares	1
Class B Preferred Shares	1

(5) Top 10 Shareholders

Name	Number of Shares Held				Investment Ratio
	Common Shares	Class A Preferred Shares	Class B Preferred Shares	Total	
	(Thousands of shares)	(Thousands of shares)	(Thousands of shares)	(Thousands of shares)	(%)
Nuclear Damage Compensation and Decommissioning Facilitation Corporation	–	1,600,000	340,000	1,940,000	54.74
The Master Trust Bank of Japan, Ltd. (Trust Account)	53,964	–	–	53,964	1.52
TEPCO Group Employees Shareholding Association	49,314	–	–	49,314	1.39
Japan Trustee Services Bank, Ltd. (Trust Account)	46,758	–	–	46,758	1.32
Tokyo Metropolitan Government	42,676	–	–	42,676	1.20
Sumitomo Mitsui Banking Corporation	35,927	–	–	35,927	1.01
Japan Trustee Services Bank, Ltd. (Trust Account 5)	31,162	–	–	31,162	0.88
Japan Trustee Services Bank, Ltd. (Trust Account 9)	29,218	–	–	29,218	0.82
NIPPON LIFE INSURANCE COMPANY	26,400	–	–	26,400	0.74
Mizuho Bank, Ltd.	23,791	–	–	23,791	0.67

(Note) Investment ratio is calculated excluding treasury stock (3,159,827 common shares).

3. Matters Regarding Corporate Officers

(1) Names, etc. of Directors and Executive Officers (as of March 31, 2017)

i) Directors

Name	Position and Responsibility in the Company Important Concurrently-held Positions	
Fumio Sudo	Chairman of the Board of Directors	Nominating Committee Member, Audit Committee Member, Compensation Committee Member Honorary Adviser of JFE Holdings, Inc., Outside Director of TAISEI CORPORATION, Outside Director of Takeda Pharmaceutical Company Limited
Naomi Hirose	Director	Nominating Committee Member
Toshihiro Sano	Director	Representative Director and President of TEPCO Fuel & Power, Incorporated
Takafumi Anegawa	Director	
Toshiro Takebe	Director	Nominating Committee Member Representative Director and President of TEPCO Power Grid, Incorporated
Tomoaki Kobayakawa	Director	Representative Director and President of TEPCO Energy Partner, Incorporated
Keita Nishiyama	Director	Nominating Committee Member Chief of the TEPCO-NDF Liaison Office, Nuclear Damage Compensation and Decommissioning Facilitation Corporation (NDF)
Yuji Masuda	Director	Audit Committee Chairman Outside Auditor of TAKAOKA TOKO CO., LTD., Outside Auditor of TOKYO ENERGY & SYSTEMS INC.
Yoshiaki Fujimori	Director	Nominating Committee Member, Compensation Committee Member Advisor of LIXIL Group Corporation, Outside Director of Takeda Pharmaceutical Company Limited, Director of Boston Scientific Corporation
Hideko Kunii	Director	Compensation Committee Chairman, Nominating Committee Member, Compensation Committee Member Deputy President of Shibaura Institute of Technology, Professor of Graduate School of Engineering Management and General Manager of Gender Equality Promotion Office of the same Institute, Outside Director of HONDA MOTOR CO., LTD. Outside Director of Mitsubishi Chemical Holdings Corporation
Yasuchika Hasegawa	Director	Nominating Committee Chairman Chairman of the Board of Takeda Pharmaceutical Company Limited, Outside Director of Asahi Glass Co., Ltd.

(Notes) 1. Fumio Sudo, Yoshiaki Fujimori, Hideko Kunii and Yasuchika Hasegawa are Outside Directors as provided for in Article 2, Item 15 of the Companies Act and are independent directors as provided for in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

2. In order to ensure that the audit is performed effectively, Yuji Masuda, who has extensive operational experience at the Company, has been appointed a full-time Audit Committee Member.

3. The Company engages in business transactions that are mainly related to civil engineering and construction work at power stations with TAISEI CORPORATION where Fumio Sudo serves as Outside Director.
4. Director Hiroya Masuda (Nominating Committee Chairman) resigned on July 8, 2016.
5. Director Masahiko Sudo (Nominating Committee Chairman, Audit Committee Member) passed away on November 5, 2016.

ii) Executive Officers

Name	Position and Responsibility in the Company Important Concurrently-held Positions	
Naomi Hirose	Representative Executive Officer and President	Management of all aspects of operations Chief of the Nuclear Reform Special Task Force, Corporate Management & Planning Unit
Hiroshi Yamaguchi	Representative Executive Officer and Executive Vice President	Management of all aspects of operations Chief Technology Officer in charge of safety management, Engineering & Environment Strategy Unit, Renewable Power Company Outside Director of TAKAOKA TOKO CO., LTD.
Yoshiyuki Ishizaki	Representative Executive Officer and Executive Vice President	Management of all aspects of operations Representative of Fukushima Revitalization Headquarters, General Manager of Fukushima Division, Deputy General Manager of Nuclear Power & Plant Siting Division Representative Director and Executive Vice President of Japan Football Village Company, Incorporated
Takafumi Anegawa	Managing Executive Officer	General Manager of Nuclear Power & Plant Siting Division, Deputy Chief and Secretary General of the Nuclear Reform Special Task Force
Motomi Iki	Managing Executive Officer	President of Business Solution Company
Naohiro Masuda	Managing Executive Officer	President of Fukushima Daiichi D&D Engineering Company, Chief Decommissioning Officer
Koichi Kimura	Managing Executive Officer	Representative of Niigata Headquarters, General Manager of Niigata Division, Deputy General Manager of Nuclear Power & Plant Siting Division
Seiichi Fubasami	Managing Executive Officer	In charge of Management & Planning (joint position), General Manager of Corporate Planning Office, Corporate Management & Planning Unit
Hiroshi Okamoto	Managing Executive Officer	President of TEPCO Research Institute, in charge of Inter-regional Power Exchange Promotion Office
John Crofts	Managing Executive Officer	Chief of Nuclear Safety Oversight, Head of Nuclear Safety Oversight Office
Noriaki Taketani	Managing Executive Officer	Internal Audit Office, Inter-corporate Business Management Office, Accounting & Treasury Office
Shinichiro Kengaku	Managing Executive Officer	Chief of the New Growth Task Force, in charge of Public Relations & Corporate Communications Unit Outside Director, SPARX Group Co., Ltd.

Name	Position and Responsibility in the Company Important Concurrently-held Positions	
Mitsushi Saiki	Managing Executive Officer	Deputy General Manager of Fukushima Division, Deputy General Manager of Nuclear Power & Plant Siting Division, in charge of Secretary Office, Corporate Affairs & Legal Office, Organizations, Employee Relations & Human Resources Office
Tomomichi Seki	Managing Executive Officer	In charge of IoT, Corporate Systems Office
Keita Nishiyama	Executive Officer	Assistant to Chairman, In charge of Management & Planning (joint position)

(Notes) 1. Naomi Hirose, Takafumi Anegawa and Keita Nishiyama concurrently serve as Director.

2. The important concurrently-held positions of Executive Officers serving concurrently as Director are stated in the table i) Directors.

(2) Outline of Agreements for Limitation of Liability

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 29, Paragraph 2 of the Articles of Incorporation, the Company has entered into agreements with Directors (excluding those who are Executive Directors, etc.) which limit their responsibilities under Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations.

(3) Total Amount of Remunerations, etc.

	Number of Persons	Amount of Remuneration, etc.
	Persons	Millions of yen
Directors	7	78
Executive Officers	14	314

(Notes) 1. The Company does not pay to Directors who concurrently serve as Executive Officer the remuneration paid to Directors. Therefore, "Number of Persons" for "Directors" stated above does not include the number of Directors who concurrently serve as Executive Officer.

2. The above includes ¥56 million in remuneration, etc. for six Outside Directors.

(4) Policy for the Determination of Remuneration, etc. for Directors and Executive Officers

The main duty of each Director and Executive Officer of the Company is to minimize the burden on the people by enhancing corporate value based on a strong commitment to achieving stable supply of electric power beyond the world's highest level of safety ensurance and under competitive conditions, while fulfilling the Company's responsibility for the Fukushima Daiichi Nuclear Power Station accident. In order to achieve this, the basic policies for the determination of remuneration are securing outstanding human resources capable of leading business operations and management reform to achieve both "responsibility and competitiveness," clarifying responsibilities and outcomes and increasing incentives for improved performance and increase in the stock value.

The remuneration system for Directors and that of Executive Officers are different based on the different roles of Directors, who are in charge of supervising corporate management, and Executive Officers, who are in charge of executing business operations. Directors who concurrently serve as Executive Officer receive only the remuneration paid to Executive Officers.

i) Remuneration paid to Directors

The remuneration paid to Directors comprises only basic remuneration.

<Basic remuneration>

The amount of basic remuneration paid to each Director is determined taking into consideration whether he/she is full time or part time, the committee to which he/she belongs and job description.

ii) Remuneration paid to Executive Officers

The remuneration paid to Executive Officers comprises basic remuneration and productivity-linked remuneration.

<Basic remuneration>

The amount of basic remuneration paid to each Executive Officer is determined based on his/her specific rank, whether he/she holds the right to represent the Company and his/her job description.

<Productivity-linked remuneration>

The amount of productivity-linked remuneration is determined according to results of the Company and personal performance.

iii) Level of remuneration to be paid

When determining the level of remuneration to be paid to Directors and Executive Officers, the Company takes into consideration its management environment, the remuneration levels of other companies, etc. and the current salaries of employees, etc., with the aim of setting remuneration at levels commensurate with their abilities and responsibilities to be required as Directors and Executive Officers.

(5) Major Activities of Outside Directors

Name	Key Activities
Fumio Sudo	He attended 25 out of 25 meetings of the Board of Directors, eight out of eight meetings of the Nominating Committee, 11 out of 11 meetings of the Audit Committee and five out of five meetings of the Compensation Committee, and made comments whenever needed utilizing his experience and insight, etc. primarily as an enterprise manager.
Yoshiaki Fujimori	He attended 24 out of 25 meetings of the Board of Directors, two out of two meetings of the Nominating Committee and five out of five meetings of the Compensation Committee, and made comments whenever needed utilizing his experience and insight, etc. primarily as an enterprise manager.
Masahiko Sudo	He attended 15 out of 15 meetings of the Board of Directors, one out of one meeting of the Nominating Committee and seven out of seven meetings of the Audit Committee, and made comments whenever needed utilizing his experience and expert knowledge, etc. primarily as an attorney at law.
Hideko Kunii	She attended 25 out of 25 meetings of the Board of Directors, four out of four meetings of the Nominating Committee, four out of four meetings of the Audit Committee and five out of five meetings of the Compensation Committee, and made comments whenever needed utilizing her experience and insight, etc. primarily as an enterprise manager.
Hiroya Masuda	He attended eight out of eight meetings of the Board of Directors and five out of five meetings of the Nominating Committee, and made comments whenever needed utilizing his experience and insight, etc. primarily related to government administration.
Yasuchika Hasegawa	He attended 25 out of 25 meetings of the Board of Directors and seven out of eight meetings of the Nominating Committee, and made comments whenever needed utilizing his experience and insight, etc. primarily as an enterprise manager.

4. Matters Regarding Accounting Auditor

(1) Name of Accounting Auditor

Ernst & Young ShinNihon LLC

(2) Amount of Compensation, etc. of Accounting Auditor

i) Amount of compensation, etc. paid in fiscal 2016 for audit services

103 million yen

ii) Total amount of cash and other profits to be paid by the Company and its subsidiaries

285 million yen

(Notes)
1. The audit contract between the Company and the Accounting Auditor does not distinguish between the amount of compensation for audits based on the Companies Act and for audits based on the Financial Instruments and Exchange Act, and the amounts cannot be separated in practice. Therefore, the amount stated in i) includes compensation for audits based on the Financial Instruments and Exchange Act.
2. In addition to checking the Accounting Auditor's audit plan and the implementation status of auditing, etc. the Audit Committee conducted hearings to obtain such details as the number of days of auditing and the compensation calculation process, etc. from both the internal departments involved and the Accounting Auditor and approved the compensation, etc. for the Accounting Auditor after performing the necessary verification.
3. The Company contracts the Accounting Auditor for advisory and other services on internal control related to financial reporting and pays fees for services other than the audit services in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(3) Policy for Dismissal or Non-Reappointment Decision of Accounting Auditor

When the Accounting Auditor falls under any of the items under Article 340, Paragraph 1 of the Companies Act, the policy of the Audit Committee is to dismiss the Accounting Auditor with the agreement of all members of the Audit Committee.

Moreover, in cases other than that described above, in cases when the Accounting Auditor is judged to be unsuitable, such as when it is deemed to be difficult for the Accounting Auditor to accomplish its duties appropriately, the policy of the Audit Committee is to determine the content of the proposal to be submitted to the General Meeting of Shareholders concerning the dismissal or non-reappointment of the Accounting Auditor.

(4) Business Suspension Order to Which the Accounting Auditor Was Subject During Past Two Years

i) Subject of administrative order	Ernst & Young ShinNihon LLC
ii) Content of administrative order	Suspension from accepting new engagements for three months from January 1, 2016 to March 31, 2016

iii) Reason for administrative order

- In regard to the audit of financial documents for TOSHIBA CORPORATION for the fiscal years ended March 31, 2010, 2012 and 2013, Ernst & Young ShinNihon LLC's seven certified public accountants, in negligence of due care, attested that the financial statements contained no material misstatement, when in fact the statements contained material misstatement.
- The audit corporation's operation of services was found to be grossly inappropriate.

5. Systems for Ensuring Properness of Business Operations and Overview of Operating Status of the Systems

Outline of Resolution on Establishment of Systems for Ensuring Properness of Business Operations

(1) Systems for Ensuring Effective Audits by the Audit Committee

i) As employees to support the duties of the Audit Committee, the Company shall appoint Audit Committee Aides. In addition, the Company shall establish a full-time body for assisting the duties of the Audit Committee and assign the necessary personnel.

ii) Audit Committee Aides and members of the full-time body for assisting the duties of the Audit Committee shall comply with instructions and orders from the Audit Committee, and matters concerning their personnel shall be consulted with the Audit Committee in advance.

iii) When discovering facts that could cause the Company significant damage, Directors and Executive Officers shall report immediately the same to a member of the Audit Committee, while also making necessary reports on matters requested by Audit Committee Members selected by the Audit Committee. A system shall also be arranged to enable necessary and appropriate reporting to the Audit Committee by a Director, Executive Officer, Corporate Officer or employee of the Company, or by a Director, Auditor, Corporate Officer or employee of a Group company or by a person who received a report from one of them. At the same time, appropriate measures shall be taken to ensure that a person who makes such a report does not receive disadvantageous treatment because of making such a report.

iv) The Company shall establish a system that enables members of the Audit Committee to attend the meetings of the Board of Executive Officers, the Management & Planning Meeting and other important meetings and state their opinions whenever necessary. Moreover, in addition to creating the environment to achieve the cooperation of the Accounting Auditor and the internal audit body with the Audit Committee, the Company shall make arrangements to ensure the effectiveness of audits by the Audit Committee, including the payment of the expenses deemed necessary for the execution of the duties as a member of the Audit Committee.

(2) Systems for Ensuring that Execution of Duties by Directors and Executive Officers is in Compliance with Laws and Regulations and the Articles of Incorporation

i) To rigorously enforce operations of business in line with social norms and observance of corporate ethics, the Company shall draw up the “TEPCO Group Charter of Corporate Conduct” and the “Corporate Ethics Code of Conduct” and Directors and Executive Officers shall take the lead in practicing these, while ensuring their observance by Corporate Officers and employees.

Meanwhile, the “TEPCO Group Corporate Ethics Committee,” which includes external experts as its members, shall be set up to oversee corporate ethics as a whole and promote compliance-oriented management.

ii) The Board of Directors shall meet once a month in principle and additionally as necessary to discuss and make decisions on important execution of duties in accordance with laws and regulations and the Articles of Incorporation and supervise execution of duties undertaken by Directors and Executive Officers by such means as receiving reports from Executive Officers on the status of their execution of duties on both a regular and an as-needed basis. The Board of Directors, whenever necessary, shall request Corporate Officers to report to the Board of Directors on their status of execution of duties.

The Board of Executive Officers shall be established to assist the functions of the Board of Directors and achieve efficient and appropriate decision-making. The Board of Executive

Officers shall meet once a week in principle and additionally as necessary to discuss on important management matters including the agenda of meetings of the Board of Directors.

Directors and Executive Officers shall always gather sufficient information and make appropriate business judgments in compliance with laws and regulations and the Articles of Incorporation.

(3) Systems for Preservation and Management of Information on Execution of Duties by Executive Officers

i) The summary of the minutes of meetings of the Board of Executive Officers and other information on execution of duties by Executive Officers shall be managed appropriately in accordance with laws and regulations and internal rules in all processes from its creation to use, utilization, preservation and disposal.

ii) An IT environment shall be established that contributes not only to information security but also to the improvement of efficiency and the assurance of appropriateness in relation to the execution of duties.

(4) Regulations on Risk Management and Other Systems

i) Directors and Executive Officers shall identify and evaluate risks associated with the business activities of the Company and its Group companies on both a regular and an as-needed basis and appropriately reflect such risks in the business management plan formulated for each fiscal year. Internal rules shall also be prepared to enable risk management of the entire group to be carried out appropriately.

ii) Such risks are basically managed as part of execution of duties by individual body in charge of the relevant business in line with internal rules. Any risk that involves more than one body shall be managed appropriately based on discussions by cross-organizational committee and other forums.

iii) Concerning risks that might seriously affect corporate management, the “Risk Management Committee” chaired by the Executive Officer and President shall prevent such risk from materializing. If the risk does materialize, the committee shall quickly and accurately deal with such risk in order to minimize its impact on corporate management.

iv) Appropriate systems shall be arranged in readiness for the occurrence of a major earthquake or similar emergency disaster, including the setting up of a response body, creating a system for communication of information and carrying out periodic disaster prevention drills.

v) The internal audit body shall audit the effectiveness of the risk management system periodically and additionally as necessary, and report the results of audit to the Board of Executive Officers, etc. The Executive Officers shall make necessary improvements based on the audit results.

vi) The Management & Planning Meeting shall be established to share information on the overall management of the Company and to promote corporate reform. The Management & Planning Meeting shall be held as necessary and discuss on the policy for responding to important management issues and the direction of that response.

vii) Based on reflection on the accident at the Fukushima Daiichi Nuclear Power Station, a “Nuclear Safety Oversight Office” shall be established as a body that is directly controlled by the Executive Officer and President. Drawing on the expertise of external specialists, the Nuclear Safety Oversight Office shall monitor nuclear safety initiatives, provide advice whenever necessary and involve itself directly in the decision-making on those initiatives, and by arranging such system the Company shall achieve improvement of management of nuclear power safety. Moreover, the Chief of Nuclear Safety Oversight shall report directly to the Board of Directors as necessary regarding matters of nuclear safety.

A system for communicating appropriately with the general public about the Company's business activities in general, including nuclear power business, shall also be established.

(5) Systems for Ensuring Efficient Execution of Duties by Executive Officers

i) Steps shall be taken for efficient decision-making on important management matters, including the appropriate discussions at the Management & Planning Meeting and other forums, in addition to by the Board of Executive Officers.

ii) The responsibilities and authority of Executive Officers in their execution of duties shall be clarified in internal rules, and Executive Officers, Corporate Officers and employees shall execute their respective duties appropriately and promptly.

(6) Systems for Ensuring that Execution of Duties by Employees is in Compliance with Laws and Regulations and the Articles of Incorporation

i) Steps shall be taken to establish and rigorously enforce the "TEPCO Group Charter of Corporate Conduct" and the "Corporate Ethics Code of Conduct," such as continuously providing training in corporate ethics and other measures, so that all employees observe them.

ii) The Company shall establish a "Consultation Desk for Corporate Ethics" to allow for anonymous inquiries about issues around laws and regulations and corporate ethics and shall take appropriate action on cases reported based on discussions by the "TEPCO Group Corporate Ethics Committee." The privacy of those using the Consultation Desk shall be strictly protected in accordance with internal rules.

iii) The Company shall clarify the laws and regulations, etc. that must be observed when executing duties in internal rules and rigorously enforce the execution of duties based on internal rules through education and training, etc.

iv) To ensure that execution of duties by employees is in compliance with laws and regulations and the Articles of Incorporation, the internal audit body shall audit the status of execution of duties by employees periodically and at other times if necessary and report the results of audit to the Board of Executive Officers, etc. Executive Officers shall make necessary improvements based on the audit results.

v) Based on these initiatives, the Company shall enhance and rigorously enforce a "Climate of active compliance," under which each employee is aware of and acts in accordance with corporate ethics and creates a workplace with a positive atmosphere, a "Mechanism of ensuring compliance" under which internal rules are continuously improved and steps are taken to rigorously enforce them, and a "Framework for speaking out," under which employees can speak of their own accord on work-related issues and problems and their input is positively welcomed.

(7) Systems for Ensuring Properness of Business Operations of the Corporate Group Comprising the Company and its Subsidiaries

i) Under the "TEPCO Group Charter of Corporate Conduct," the Group shall indicate the shared direction and targets, etc. as management policy to be aimed for by the Group as a whole, and make concerted efforts to achieve them. Meanwhile, the Company shall provide appropriate support to Group companies to help them autonomously develop and operate systems to ensure the properness of their business operations.

ii) The Company shall clarify responsibilities and authority in internal rules to facilitate efficient decision-making and appropriate and prompt execution of duties at Group companies.

iii) The Company shall arrange a system for prior consultation and reporting from Group companies in accordance with internal rules, etc. regarding important matters in the execution of duties. Meanwhile, the Company's Directors and Executive Officers shall exchange opinions, etc. with the Directors of Group companies at periodic meetings to ascertain the status of management at Group companies and share and resolve any management issues within the Group.

iv) The Company shall establish an environment which facilitates the use of the "Consultation Desk for Corporate Ethics" by Group companies.

v) The Company's internal audit body shall conduct audits, etc. as necessary to enable the properness of business operations at Group companies to be ensured.

Overview of Operating Status of the Systems for Ensuring Properness of Business Operations

(1) Ensuring the Effectiveness of Audits by the Audit Committee

i) The Audit Committee comprises three Audit Committee Members, including two Outside Directors. Moreover, in fiscal 2016, the Company assigned two Audit Committee Aides to assist the Audit Committee in addition to allocating seven members of staff to the Office of Audit Committee, a full-time body for assisting the duties of the Audit Committee, and having the full-time Audit Committee Members, Audit Committee Aides and relevant staff members serve as part-time auditors for Group companies.

ii) Based on this system, the Audit Committee carries out effective and efficient audits, including the periodic exchange of opinions with the Accounting Auditor and the internal audit body in addition to exchanging opinions with employees in frontline worksites and conducting meetings with Group companies.

iii) The Audit Committee Members also attend the meetings of the Board of Executive Officers, the Management & Planning Meeting and other important meetings in addition to requesting the necessary reports from the Directors and Executive Officers as appropriate to check on the process for key decision-making and the status of execution of operations.

(2) Appropriate and Efficient Execution of Duties by the Directors and Executive Officers

i) The Board of Directors of the Company, which is a Company with Nominating Committee, etc., holds full deliberations, makes decisions on important business execution and supervises the business execution undertaken by the Directors and Executive Officers. Moreover, the Company aims to enhance the deliberations of the Board of Directors by utilizing the Outside Directors Meeting where mainly Outside Directors exchange opinions. In fiscal 2016, the Company held 25 meetings of the Board of Directors and 22 Outside Directors Meetings.

ii) The Company strives for efficient and appropriate decision-making by deliberating and making decisions on important management issues, including matters to be submitted to the Board of Directors, at the meetings of the Board of Executive Officers, which are held once a week as a rule, and the Management & Planning Meeting, etc.

iii) Decisions on important matters of business execution at Group companies need to be approved in advance by, or reported, etc., to the Company based on internal rules, etc. Moreover, from the viewpoint of overall optimization, etc. in the Group, in addition to receiving regular reports on management status from Group companies, the Company has established opportunities for sharing management issues of the entire Group between its Directors and Executive Officers and the Directors of Group companies, including the holding of the “Group Management Presentation.”

(3) Risk Management

i) The Executive Officer and President of the Company is the person with overall responsibility for risk management at the Group, and the Risk Management Committee, chaired by the Executive Officer and President, provides centralized supervision. In fiscal 2016, the Risk Management Committee met 11 times and deliberated on risk in the business operations of the Group, including changes in the management environment and suit, in addition to reporting regularly a summary of its deliberations to the Board of Directors.

ii) In addition, risk is recognized and managed appropriately on a daily basis through such means as the “Risk Management Meetings” held by each organization at the Company, which evaluate risk in the business operations of each organization and deliberate on countermeasures. In the event that a risk materializes, the Company has also clarified the reporting channels and details in addition to ensuring that a response headquarters, etc. is established to respond in accordance with the circumstances, to enable a prompt and precise response.

iii) The Company has established a basic policy on emergency and disaster measures with regard to emergencies and disasters that include a large-scale earthquake and is constantly promoting preparations for disaster prevention. At the same time, the Company has established a system for a united Group response in the event of a disaster, including holding disaster prevention drills 11 times in fiscal 2016.

iv) "The Nuclear Safety Oversight Office," headed by a foreign specialist in nuclear power safety, has strengthened supervision of the Company's initiatives on nuclear power safety by engaging external specialists, training and educating monitoring and evaluation staff, etc., and it provides recommendations as necessary. The Chief of Nuclear Safety Oversight who serves as Head of Nuclear Safety Oversight Office also reports the results of the evaluation of the above initiatives to the Board of Directors quarterly or as necessary.

(4) Compliance

i) The Company has fully informed the Directors, Executive Officers, and employees, etc. about the "TEPCO Group Charter of Corporate Conduct" and "Corporate Ethics Code of Conduct" through the in-house intranet, etc. Moreover, in addition to continually conducting education and awareness raising activities, including e-learning and training, the Company rigorously enforces compliance with corporate ethics, including the assignment of corporate ethics managers to each organization to carry out activities for the practice and establishment of corporate ethics in collaboration with the "TEPCO Group Corporate Ethics Committee."

ii) Moreover, in order to promote compliance management as a Group, the "TEPCO Group Corporate Ethics Committee" chaired by the Executive Officer and President of the Company deliberates and decides on activities for the practice and establishment of corporate ethics and the cases at the "Consultation Desk for Corporate Ethics" and the response, etc. In fiscal 2016, the Committee met four times and a summary of meetings was posted on the Company's website in addition to being reported to the Board of Directors.

iii) With the aim of assessing the awareness of employees about corporate ethics overall and improving activities for the practice and establishment of corporate ethics, the Company also implements the "Survey on Awareness of Corporate Ethics" targeting all employees once a year.

iv) The internal audit body audits the status of the execution of duties by employees, etc. from the perspectives of "achieving management policies and goals," "effective and efficient running of operations," "accurate reporting," and "compliance with rules," and at the same time makes recommendations on areas that require improvement based on the audit results.

v) Based on these efforts and the results from verifying their effectiveness, etc., the Company formulates policies and plans concerning corporate ethics activities and rigorously enforces a "Climate of active compliance," a "Mechanism of ensuring compliance," and a "Framework for speaking out."

<Activities of the Audit Committee>

In order to compensate the people affected by the Fukushima Daiichi Nuclear Power Station accident and promote revitalization of Fukushima, decontamination and decommissioning while at the same time as steadily continuing the business in an environment that has rapidly transformed into one of free competition due to electric power systems reform, the Company has to establish management base and raise corporate value through efforts to implement the New Comprehensive Special Business Plan. In other words, the Company is required to constantly achieve both “responsibility and competitiveness.”

As the Company is subject to such unusual circumstances, in addition to the fact that fiscal 2016 was the first year for the full liberalization of electric power retail and the transition to a holding company system, the Audit Committee has endeavored to audit the performance of duties by the Executive Officers and Directors with an awareness that one of its basic roles is to help to bring about an increase in the corporate value of the Company and the Group in order to constantly achieve both “responsibility and competitiveness” in particular.

The Audit Committee comprises three Audit Committee Members, including two Outside Directors, and assigns two Audit Committee Aides and seven members of staff assisting it. Full-time Audit Committee Members, Audit Committee Aides and staff members also serve as part-time auditors for the Company’s major affiliates. Under this system, the Audit Committee implemented a range of audit activities that include exchanging opinions with staff on the ground at frontline worksites, etc. based on the audit plan. In these audit activities, the Audit Committee put particular emphasis on whether personnel, goods, money, time and information were utilized effectively in terms of the corporate governance and activities of the Company and the Group, whether such utilization was effective enough from the perspective of raising corporate value and whether there was anything impeding effective utilization. The Audit Committee also made proposals, requests, etc. for improvements and their prompt implementation as appropriate.

In addition, the Audit Committee will also confirm the status, etc. of initiatives aimed at the Revised Comprehensive Special Business Plan based on the recommendations, etc. of the national government “Committee for Reforming TEPCO and Overcoming 1F Challenges.”

(Main results of activities by the Audit Committee in fiscal 2016)

i)	Audit Committee meeting	: 11 times
ii)	Attendance at management meeting such as meeting of the Board of Executive Officers	: 106 times
iii)	Meeting for exchange of opinions between Committee members	: 12 times
iv)	Meeting for exchange of opinions with the internal audit body	: 4 times
v)	Meeting for exchange of opinions with Accounting Auditor	: 5 times
vi)	Meeting for exchange of opinions with external experts	: 4 times
vii)	Audits of head office and major business locations	: 27 times at 27 locations
viii)	Interviews at Group companies	: 12 companies
ix)	Fact finding surveys and exchange of opinions at frontline worksites, etc.	: 13 locations and 102 persons

Consolidated Balance Sheet (as of March 31, 2017)

Assets	
Description	Amount (millions of yen)
Fixed assets:	**10,293,859**
Electric utility fixed assets:	6,791,086
Hydroelectric power production facilities	415,728
Thermal power production facilities	1,060,332
Nuclear power production facilities	816,184
Transmission facilities	1,655,098
Transformation facilities	690,766
Distribution facilities	2,005,542
Other electric utility fixed assets	147,434
Other facilities	191,153
Facilities in progress:	840,444
Construction in progress and retirement in progress	840,444
Nuclear fuel:	647,902
Loaded nuclear fuel	120,486
Nuclear fuel in processing	527,415
Investments and other:	1,823,272
Long-term investments	95,442
Long-term investments in subsidiaries and affiliates	934,672
Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	531,974
Net defined benefit asset	131,611
Other	132,186
Allowance for doubtful accounts	(2,614)
Current assets:	**1,983,740**
Cash on hand and in banks	941,383
Notes and accounts receivable - trade	512,680
Inventories	156,771
Other	386,038
Allowance for doubtful accounts	(13,133)
Total assets	**12,277,600**

Liabilities and Net Assets	
Description	Amount (millions of yen)
Long-term liabilities:	**6,117,969**
Bonds	1,706,182
Long-term loans	1,712,603
Reserve for loss on disaster	467,692
Reserve for compensation for nuclear power-related damages	694,396
Net defined benefit liability	386,392
Asset retirement obligations	773,600
Other	377,100
Current liabilities:	**3,804,342**
Current portion of long-term debt	1,779,988
Short-term loans	860,152
Notes and accounts payable - trade	181,137
Accrued taxes	192,070
Other	790,993
Reserves:	**6,608**
Reserve for preparation of the depreciation of nuclear power construction	6,608
Total liabilities	**9,928,920**
Shareholders' equity:	**2,329,061**
Capital stock	1,400,975
Capital surplus	743,123
Earned surplus	193,404
Treasury stock	(8,442)
Accumulated other comprehensive income:	**14,373**
Unrealized gain or loss on securities	5,109
Deferred gain and loss on hedges	(1,871)
Revaluation reserve for land	(2,301)
Foreign currency translation adjustments	17,098
Remeasurements of defined benefit plans	(3,662)
Non-controlling interests	**5,244**
Total net assets	**2,348,679**
Total liabilities and net assets	**12,277,600**

Consolidated Statement of Income (Period from April 1, 2016 to March 31, 2017)

Expenses

Description	Amount (millions of yen)
Operating expenses:	**5,099,053**
Electric utility operating expenses	4,862,241
Other operating expenses	236,812
Operating income	258,680
Non-operating expenses:	**93,349**
Interest expenses	75,588
Other	17,761
Total ordinary expenses	**5,192,403**
Ordinary income	**227,624**
Provision for or reversal of reserve for preparation of the depreciation of nuclear power construction:	**505**
Provision for reserve for preparation of the depreciation of nuclear power construction	505
Extraordinary loss:	**411,342**
Compensation for nuclear power-related damages	392,006
Extraordinary loss on disaster	19,335
Profit before income taxes	**146,471**
Income taxes:	**13,350**
Income taxes – current	15,352
Income taxes – deferred	(2,002)
Profit	**133,120**
Profit attributable to non-controlling interests	**309**
Profit attributable to owners of parent	**132,810**

Revenues

Description	Amount (millions of yen)
Operating revenues:	**5,357,734**
Electric utility operating revenues	5,095,037
Other operating revenues	262,696
Non-operating revenues:	**62,293**
Dividends received	2,531
Interest revenues	10,155
Equity income under the equity method	26,186
Gain on sales of fixed assets	7,029
Other	16,390
Total ordinary revenues	**5,420,027**
Extraordinary income:	**330,694**
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	294,234
Gain on change in equity	36,459

Consolidated Statement of Changes in Net Assets (Period from April 1, 2016 to March 31, 2017)

(millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Earned surplus	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	**1,400,975**	**743,125**	**60,803**	**(8,430)**	**2,196,473**
Changes of items during the period					
Profit attributable to owners of parent			132,810		132,810
Purchases of treasury stock				(14)	(14)
Disposal of treasury stock		(1)		2	0
Reversal of revaluation reserve for land			(209)		(209)
Other				0	0
Net changes in items other than those in shareholders' equity					
Total changes of items during the period	**–**	**(1)**	**132,601**	**(12)**	**132,587**
Balance at the end of current period	**1,400,975**	**743,123**	**193,404**	**(8,442)**	**2,329,061**

(millions of yen)

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Unrealized gain or loss on securities	Deferred gain and loss on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated other comprehen-sive income		
Balance at the beginning of current period	**3,618**	**(14,668)**	**(2,510)**	**20,768**	**(7,406)**	**(198)**	**21,864**	**2,218,139**
Changes of items during the period								
Profit attributable to owners of parent								132,810
Purchases of treasury stock								(14)
Disposal of treasury stock								0
Reversal of revaluation reserve for land								(209)
Other								0
Net changes in items other than those in shareholders' equity	1,491	12,796	209	(3,669)	3,744	14,571	(16,619)	(2,047)
Total changes of items during the period	**1,491**	**12,796**	**209**	**(3,669)**	**3,744**	**14,571**	**(16,619)**	**130,540**
Balance at the end of current period	**5,109**	**(1,871)**	**(2,301)**	**17,098**	**(3,662)**	**14,373**	**5,244**	**2,348,679**

Balance Sheet (as of March 31, 2017)

Assets	
Description	Amount (millions of yen)
Fixed assets:	**9,566,062**
Electric utility fixed assets:	1,260,629
Hydroelectric power production facilities	416,427
Nuclear power production facilities	821,479
Renewable power production facilities	16,680
General facilities	5,965
Facilities leased to others	76
Other facilities	31
Facilities in progress:	621,915
Construction in progress	621,507
Retirement in progress	407
Nuclear fuel:	648,225
Loaded nuclear fuel	120,625
Nuclear fuel in processing	527,600
Investments and other:	7,035,260
Long-term investments	39,146
Long-term investments in subsidiaries and affiliates	6,369,654
Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	531,974
Long-term prepaid expenses	58,836
Prepaid pension cost	36,963
Allowance for doubtful accounts	(1,313)
Current assets:	**1,458,845**
Cash on hand and in banks	788,738
Accounts receivable - trade	36,446
Other receivables	128,035
Supplies	50,200
Prepaid expenses	2,431
Short-term due from subsidiaries and affiliates	303,235
Miscellaneous current assets	149,830
Allowance for doubtful accounts	(73)
Total assets	**11,024,908**

Liabilities and Net Assets	
Description	Amount (millions of yen)
Long-term liabilities:	**5,905,612**
Bonds	1,616,182
Long-term loans	1,706,623
Long-term accrued liabilities	9,043
Lease obligations	4,256
Long-term due to subsidiaries and affiliates	417,528
Accrued pension and severance costs	96,031
Reserve for loss on disaster	466,964
Reserve for compensation for nuclear power-related damages	694,396
Asset retirement obligations	772,891
Miscellaneous long-term liabilities	121,695
Current liabilities:	**3,349,894**
Current portion of long-term debt	1,735,676
Short-term loans	858,423
Accounts payable - trade	3,500
Accounts payable - other	57,963
Accrued expenses	244,249
Accrued taxes	2,337
Deposits	903
Short-term due to subsidiaries and affiliates	446,123
Advance payments received	569
Miscellaneous current liabilities	146
Reserves:	**6,608**
Reserve for preparation of the depreciation of nuclear power construction	6,608
Total liabilities	**9,262,115**
Shareholders' equity:	**1,762,784**
Capital stock	1,400,975
Capital surplus:	743,604
Capital legal reserve	743,555
Other capital surplus	48
Earned surplus:	(374,153)
Earned legal reserve	169,108
Other earned surplus:	(543,261)
Reserve for overseas investment losses	224
Reserve for special disaster	123
General reserve	1,076,000
Unappropriated retained earnings	(1,619,609)
Treasury stock	(7,642)
Valuation, translation adjustment and others:	**8**
Unrealized gain or loss on securities	8
Total net assets	**1,762,793**
Total liabilities and net assets	**11,024,908**

Statement of Income (Period from April 1, 2016 to March 31, 2017)

Expenses	
Description	Amount (millions of yen)
Operating expenses:	**833,122**
Electric utility operating expenses:	832,266
Hydroelectric power production expenses	65,763
Nuclear power production expenses	603,761
Renewable power production expenses	1,598
Selling expenses	2
Expenses on facilities leased to others	2
General and administrative expenses	150,731
Electric power development promotion tax	0
Enterprise tax	10,406
Electric power cost transfer account	(0)
Incidental business operating expenses:	856
Operating expenses - consulting business	856
Operating loss	34,485
Non-operating expenses:	**91,535**
Financing expenses:	81,242
Interest expenses	81,226
Stock issuance expenses	0
Bond issuance expenses	15
Other non-operating expenses:	10,293
Loss on disposal of fixed assets	26
Other losses	10,267
Total ordinary expenses	**924,658**
Ordinary income	**5,873**
Provision for or reversal of reserve for preparation of the depreciation of nuclear power construction:	**505**
Provision for reserve for preparation of the depreciation of nuclear power construction	505
Extraordinary loss:	**411,342**
Extraordinary loss on disaster	19,335
Compensation for nuclear power-related damages	392,006
Loss before income taxes	**111,738**
Income taxes:	**(71,647)**
Income taxes - current	(71,647)
Loss	**40,091**

Revenues	
Description	Amount (millions of yen)
Operating revenues:	**798,637**
Electric utility operating revenues:	797,859
Sales of power to other companies	627,683
Revenues from contracts to recover back-end costs related to past years' power generation	30,963
Electric utility miscellaneous revenues	139,197
Revenues on facilities leased to others	15
Incidental business operating revenues:	777
Operating revenues - consulting business	777
Non-operating revenues:	**131,895**
Financing revenues:	124,966
Dividends received	50,384
Interest revenues	74,582
Other non-operating revenues:	6,928
Gain on sales of fixed assets	11
Miscellaneous revenues	6,917
Total ordinary revenues	**930,532**
Extraordinary income:	**294,234**
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	294,234

Statement of Changes in Net Assets (Period from April 1, 2016 to March 31, 2017)

(millions of yen)

	Shareholders' equity					
		Capital surplus		Earned surplus		
					Other earned surplus	
	Capital stock	Capital legal reserve	Other capital surplus	Earned legal reserve	Reserve for overseas investment losses	Reserve for special disaster
Balance at the beginning of current period	**1,400,975**	**743,555**	**50**	**169,108**	**298**	**131**
Changes of items during the period						
Reversal of reserve for overseas investment losses					(74)	
Provision of reserve for special disaster						12
Decrease by corporate division-split-off type						(21)
Profit						
Purchases of treasury stock						
Disposal of treasury stock			(1)			
Net changes in items other than those in shareholders' equity						
Total changes of items during the period	**–**	**–**	**(1)**	**–**	**(74)**	**(8)**
Balance at the end of current period	**1,400,975**	**743,555**	**48**	**169,108**	**224**	**123**

(millions of yen)

	Shareholders' equity				Valuation, translation adjustment and others	Total net assets
	Earned surplus					
	Other earned surplus					
	General reserve	Unappropriated retained earnings	Treasury stock	Total shareholders' equity	Unrealized gain or loss on securities	
Balance at the beginning of current period	**1,076,000**	**(1,579,601)**	**(7,629)**	**1,802,889**	**(2,385)**	**1,800,504**
Changes of items during the period						
Reversal of reserve for overseas investment losses		74		-		-
Provision of reserve for special disaster		(12)		-		-
Decrease by corporate division-split-off type		21		-		-
Profit		(40,091)		(40,091)		(40,091)
Purchases of treasury stock			(14)	(14)		(14)
Disposal of treasury stock			2	0		0
Net changes in items other than those in shareholders' equity					2,394	2,394
Total changes of items during the period	**–**	**(40,007)**	**(12)**	**(40,105)**	**2,394**	**(37,710)**
Balance at the end of current period	**1,076,000**	**(1,619,609)**	**(7,642)**	**1,762,784**	**8**	**1,762,793**

ACCOUNTING AUDIT REPORT OF THE ACCOUNTING AUDITOR CONCERNING THE CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Auditors

May 15, 2017

The Board of Directors

Tokyo Electric Power Company Holdings, Incorporated

Ernst & Young ShinNihon LLC

Ryuzo Shiraha (seal)
Certified Public Accountant
Designated and Engagement Partner

Yoshio Yukawa (seal)
Certified Public Accountant
Designated and Engagement Partner

Mikio Shimizu (seal)
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to consolidated financial statements of Tokyo Electric Power Company Holdings, Incorporated (the "Company") applicable to the fiscal year from April 1, 2016 through March 31, 2017.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements from an independent standpoint based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected and applied depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used by management and how they are applied and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the corporate group, which consisted of Tokyo Electric Power Company Holdings, Incorporated and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2017 in conformity with accounting principles generally accepted in Japan.

Emphasis of Matter

1. As discussed in “Other Notes, 2. Compensation for Nuclear Power-related Damages and Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation,” regarding nuclear damages caused by a series of accidents at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, the Company is implementing the compensation with Government support under the Act on Compensation for Nuclear Damage (Act No. 147 of June 17, 1961).

   The Company has recorded compensation for nuclear power-related damages of ¥392,006 million, which is the difference between the estimated amount for the previous year and that of this year which is ¥6,749,153 million after deducting ¥188,926 million of receipt of compensation pursuant to the provision of the “Act on Contract for Indemnification of Nuclear Damage Compensation” (Act No. 148 of June 17, 1961) and ¥1,526,096 million of grants-in-aid applied pursuant to the provision of the “Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act” (Act No. 94 of August 10, 2011; hereinafter the “Act on Corporation”) (hereinafter the “Grants-in-aid”) corresponding to the compensation liability owed by the Company to the state based on the “Act on Special Measures concerning the Handling of Environmental Pollution by Radioactive Materials Discharged by the Nuclear Power Plant Accident Accompanying the Earthquake that Occurred off the Pacific Coast of the Tohoku Region on March 11, 2011” (Act No. 110 of August 30, 2011), etc. (a liability recognized on or after January 1, 2015, hereinafter the “Cost of Decontamination, etc.”) from ¥8,464,177 million of the estimated compensation based on the “Interim Guidelines on Criteria for Determining Nuclear Damage Indemnification Coverage Due to the Accident at the Fukushima Daiichi and Daini Nuclear Power Stations, TEPCO” (August 5, 2011) and other state guidelines on compensation decided at the Committee for Adjustment of Compensation for Nuclear Damages Disputes, as well as the Company’s criteria for compensation taking the state guidelines into consideration, actual compensation claims and objective statistical data.

   The Company has recorded the estimated compensation amounts as far as reasonable estimation is possible at this moment, although they might vary from now on, depending on newly decided state guidelines on compensation, the formulation of the Company’s criteria for compensation, more accurate reference data and agreements with the people who suffered damage in the future.

   On the other hand, for the purpose of speedy and appropriate implementation of compensation, Nuclear Damage Compensation and Decommissioning Facilitation Corporation (hereinafter the “Corporation”) will provide necessary financial assistance to an applying nuclear operator based on the Act on Corporation.

   Based on the provision of Article 43, Paragraph 1 of the Act on Corporation, the Company submits an application for financial support of the compensation for nuclear damages as the estimated amount for the required compensation amount as of the application date for financial support. On December 27, 2016, the Company submitted an application for a change of the amount of financial support to ¥8,366,405 million, which was the estimated amount as of that date, and recorded ¥294,234 million as Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation for the year ended March 31, 2017. This amount is calculated as the difference between ¥6,651,381 million, which is the balance after deducting ¥188,926 million of receipt of compensation and ¥1,526,096 million of Grants-in-aid corresponding to the Cost of Decontamination, etc. from the aforesaid estimated amount as of December 27, 2016, and the amount applied on March 18, 2016.

In receiving the financial assistance, the recipient shall pay a special contribution defined by the Corporation pursuant to the provision of Article 52, Paragraph 1 of the Act on Corporation, but the Company has not recorded such an amount, except for that notified from the Corporation as applicable to the fiscal year, since the amount is determined by resolution of the steering committee of the Corporation every fiscal year in light of the Company's status of revenue and expense and requires the approval of the minister in charge.

2. As discussed in "Notes to Consolidated Balance Sheet, 3. Guarantee Liabilities, etc., (2) Contingent liabilities, Contingent liabilities related to nuclear damage compensation," regarding nuclear damage caused by a series of accidents at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, the Company implements the compensation with Government support under the Act on Compensation for Nuclear Damage (Act No. 147 of June 17, 1961). The Company has recorded a reserve for compensation for nuclear power-related damages as of the end of the fiscal year regarding the amounts possible to make reasonable estimates based on the "Interim Guidelines on Criteria for Determining Nuclear Damage Indemnification Coverage Due to the Accident at the Fukushima Daiichi and Daini Nuclear Power Stations, TEPCO" (August 5, 2011, hereinafter the "Interim Guidelines") and other state guidelines on compensation decided at the Committee for Adjustment of Compensation for Nuclear Damages Disputes, as well as the Company's criteria for compensation taking the state guidelines into consideration, actual compensation claims and objective statistical data, but has not recorded any reserve for indirect damage and losses and/or damage on certain tangible assets for which reasonable estimation is not possible using the Interim Guidelines and currently available data, etc. Furthermore, treatment of wastes and decontamination measures have proceeded under the national fiscal measures based on the "Act on Special Measures concerning the Handling of Environmental Pollution by Radioactive Materials Discharged by the Nuclear Power Plant Accident Accompanying the Earthquake that Occurred off the Pacific Coast of the Tohoku Region on March 11, 2011" (Act No. 110 of August 30, 2011). Costs for these measures have been estimated within a reasonably determinable range based on past experience in acceptance of claims, available data and others. However, the Company cannot estimate the amount of compensation reasonably for costs, etc. that are under discussion between the Company and the national government with regard to the appropriate sharing of the costs, under the current circumstances where specific measures are not identifiable.

3. As discussed in "Notes, etc. regarding Important Matters Forming the Basis of Preparation of Consolidated Financial Statements, 3. Accounting Policies, (3) Provision of significant reserves, A. Reserve for loss on disaster, Additional Information- Estimates of expenses and/or losses related to Mid-and-long Term Roadmap within the expenses and/or losses for settling the nuclear accident and preparing for decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station," before nuclear power plants can be scrapped, nuclear fuels in the reactors must be removed, but the specific contents of the work will be decided after the status of inside of the reactors has been confirmed and also in consideration of the progress of necessary research and development activities, etc. Accordingly, the Company has recorded the amounts including fuel removal costs within the range of reasonable estimates possible at this moment for expenses and/or losses related to Mid-and-long Term Roadmap, although they might vary from now on.

4. As discussed in "Notes, etc. regarding Important Matters Forming the Basis of Preparation of Consolidated Financial Statements, 3. Accounting Policies, (6) Method of Recording Decommissioning Costs of Nuclear Power Units, Additional Information- Estimated amount of decommissioning costs of the Fukushima Daiichi Nuclear Power Station Units 1 through 4,"

regarding the estimated amount of decommissioning costs of the Fukushima Daiichi Nuclear Power Station Units 1 through 4, the Company has recorded the estimated amount as far as reasonable estimation is possible at this moment, although it might vary from now on, since it is difficult to identify the whole situation of the damage.

Our opinion is not qualified in respect of these matters.

Conflict of Interest

Our firm and the engagement partners have no interest in the Company which should be disclosed in compliance with the provisions of the Certified Public Accountants Act.

ACCOUNTING AUDIT REPORT OF THE ACCOUNTING AUDITOR CONCERNING THE NON-CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Auditors

May 15, 2017

The Board of Directors

Tokyo Electric Power Company Holdings, Incorporated

Ernst & Young ShinNihon LLC

Ryuzo Shiraha (seal)
Certified Public Accountant
Designated and Engagement Partner

Yoshio Yukawa (seal)
Certified Public Accountant
Designated and Engagement Partner

Mikio Shimizu (seal)
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets, the notes to non-consolidated financial statements and the related supplementary schedules of Tokyo Electric Power Company Holdings, Incorporated (the "Company") applicable to the 93rd fiscal year from April 1, 2016 through March 31, 2017.

Management's Responsibility for the Non-consolidated Financial Statements and the Related Supplementary Schedules

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements and the related supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the non-consolidated financial statements and the related supplementary schedules from an independent standpoint based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements and the related supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and the related supplementary schedules. The procedures selected and applied depend on the auditors' judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements and the related supplementary schedules, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the non-consolidated financial statements and the related supplementary schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used by management and how they are applied and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the non-consolidated financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of Tokyo Electric Power Company Holdings, Incorporated applicable to the 93rd fiscal year ended March 31, 2017 in conformity with accounting principles generally accepted in Japan.

Emphasis of Matter

1. As discussed in "Other Notes, 1. Compensation for Nuclear Power-related Damages and Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation," regarding nuclear damages caused by a series of accidents at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, the Company is implementing the compensation with Government support under the Act on Compensation for Nuclear Damage (Act No. 147 of June 17, 1961).

   The Company has recorded compensation for nuclear power-related damages of ¥392,006 million, which is the difference between the estimated amount for the previous year and that of this year which is ¥6,749,153 million after deducting ¥188,926 million of receipt of compensation pursuant to the provision of the "Act on Contract for Indemnification of Nuclear Damage Compensation" (Act No. 148 of June 17, 1961) and ¥1,526,096 million of grants-in-aid applied pursuant to the provision of the "Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act" (Act No. 94 of August 10, 2011; hereinafter the "Act on Corporation") (hereinafter the "Grants-in-aid") corresponding to the compensation liability owed by the Company to the state based on the "Act on Special Measures concerning the Handling of Environmental Pollution by Radioactive Materials Discharged by the Nuclear Power Plant Accident Accompanying the Earthquake that Occurred off the Pacific Coast of the Tohoku Region on March 11, 2011" (Act No. 110 of August 30, 2011), etc. (a liability recognized on or after January 1, 2015, hereinafter the "Cost of Decontamination, etc.") from ¥8,464,177 million of the estimated compensation based on the "Interim Guidelines on Criteria for Determining Nuclear Damage Indemnification Coverage Due to the Accident at the Fukushima Daiichi and Daini Nuclear Power Stations, TEPCO" (August 5, 2011) and other state guidelines on compensation decided at the Committee for Adjustment of Compensation for Nuclear Damages Disputes, as well as the Company's criteria for compensation taking the state guidelines into consideration, actual compensation claims and objective statistical data.

   The Company has recorded the estimated compensation amounts as far as reasonable estimation is possible at this moment, although they might vary from now on, depending on newly decided state guidelines on compensation, the formulation of the Company's criteria for compensation, more accurate reference data and agreements with the people who suffered damage in the future.

   On the other hand, for the purpose of speedy and appropriate implementation of compensation, Nuclear Damage Compensation and Decommissioning Facilitation Corporation (hereinafter the "Corporation") will provide necessary financial assistance to an applying nuclear operator based on the Act on Corporation.

Based on the provision of Article 43, Paragraph 1 of the Act on Corporation, the Company submits an application for financial support of the compensation for nuclear damages as the estimated amount for the required compensation amount as of the application date for financial support. On December 27, 2016, the Company submitted an application for a change of the amount of financial support to ¥8,366,405 million, which was the estimated amount as of that date, and recorded ¥294,234 million as Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation for the year ended March 31, 2017. This amount is calculated as the difference between ¥6,651,381 million, which is the balance after deducting ¥188,926 million of receipt of compensation and ¥1,526,096 million of Grants-in-aid corresponding to the Cost of Decontamination, etc. from the aforesaid estimated amount as of December 27, 2016, and the amount applied on March 18, 2016.

In receiving the financial assistance, the recipient shall pay a special contribution defined by the Corporation pursuant to the provision of Article 52, Paragraph 1 of the Act on Corporation, but the Company has not recorded such an amount, except for that notified from the Corporation as applicable to the fiscal year, since the amount is determined by resolution of the steering committee of the Corporation every fiscal year in light of the Company's status of revenue and expense and requires the approval of the minister in charge.

2. As discussed in "Notes to Non-consolidated Balance Sheet, 3. Guarantee Liabilities, etc., (2) Contingent liabilities, Contingent liabilities related to nuclear damage compensation," regarding nuclear damage caused by a series of accidents at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, the Company implements the compensation with Government support under the Act on Compensation for Nuclear Damage (Act No. 147 of June 17, 1961). The Company has recorded a reserve for compensation for nuclear power-related damages as of the end of the fiscal year regarding the amounts possible to make reasonable estimates based on the "Interim Guidelines on Criteria for Determining Nuclear Damage Indemnification Coverage Due to the Accident at the Fukushima Daiichi and Daini Nuclear Power Stations, TEPCO" (August 5, 2011, hereinafter the "Interim Guidelines") and other state guidelines on compensation decided at the Committee for Adjustment of Compensation for Nuclear Damages Disputes, as well as the Company's criteria for compensation taking the state guidelines into consideration, actual compensation claims and objective statistical data, but has not recorded any reserve for indirect damage and losses and/or damage on certain tangible assets for which reasonable estimation is not possible using the Interim Guidelines and currently available data, etc. Furthermore, treatment of wastes and decontamination measures have proceeded under the national fiscal measures based on the "Act on Special Measures concerning the Handling of Environmental Pollution by Radioactive Materials Discharged by the Nuclear Power Plant Accident Accompanying the Earthquake that Occurred off the Pacific Coast of the Tohoku Region on March 11, 2011" (Act No. 110 of August 30, 2011). Costs for these measures have been estimated within a reasonably determinable range based on past experience in acceptance of claims, available data and others. However, the Company cannot estimate the amount of compensation reasonably for costs, etc. that are under discussion between the Company and the national government with regard to the appropriate sharing of the costs, under the current circumstances where specific measures are not identifiable.

3. As discussed in "Notes to Matters regarding Significant Accounting Policies, 3. Provision of Reserves, (2) Reserve for loss on disaster, Additional Information- Estimates of expenses and/or losses related to Mid-and-long Term Roadmap within the expenses and/or losses for settling the nuclear accident and preparing for decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station," before nuclear power plants can be scrapped, nuclear fuels in the reactors must be removed, but the specific contents of the work will be decided after the status of inside of the reactors has been confirmed and also in consideration of the progress of necessary research and development activities, etc. Accordingly, the Company has recorded the amounts including fuel removal costs within the range of reasonable estimates possible at this moment for expenses and/or

losses related to Mid-and-long Term Roadmap, although they might vary from now on.

4. As discussed in “Notes to Matters regarding Significant Accounting Policies, 5. Method of Recording Decommissioning Costs of Nuclear Power Units, Additional Information- Estimated amount of decommissioning costs of the Fukushima Daiichi Nuclear Power Station Units 1 through 4,” regarding the estimated amount of decommissioning costs of the Fukushima Daiichi Nuclear Power Station Units 1 through 4, the Company has recorded the estimated amount as far as reasonable estimation is possible at this moment, although it might vary from now on, since it is difficult to identify the whole situation of the damage.

Our opinion is not qualified in respect of these matters.

Conflict of Interest

Our firm and the engagement partners have no interest in the Company which should be disclosed in compliance with the provisions of the Certified Public Accountants Act.

REPORT OF THE AUDIT COMMITTEE

Audit Report

Having examined the performance of duties by the Directors and Executive Officers of Tokyo Electric Power Company Holdings, Incorporated (the "Company") during the fiscal year from April 1, 2016 to March 31, 2017, the Audit Committee hereby reports as follows regarding the method and the results of the audit.

1. Method and Content of the Audit

In deciding auditing policies and allocation of work duties, etc., the Audit Committee considered that the most important matters were the confirmation of progress in the important measures incorporated in the "New Comprehensive Special Business Plan" and "FY 2016 TEPCO Group Action Plan," as well as the status of initiatives concerning decommission of the Fukushima Daiichi Nuclear Power Station, efforts towards Fukushima revitalization, efforts to secure competitiveness under the holding company system, and revenue and expense and financial condition of the entire Group, etc. On that basis, while conforming to the auditing standards for the Audit Committee set forth by the Audit Committee, the auditing policies, the allocation of work duties, etc., we endeavored to facilitate mutual understanding with the Directors and Executive Officers, the Internal Audit Department and other employees, etc., endeavored to collect information and to improve the auditing environment, and in liaison with the Internal Audit Department and other internal control departments, attended the important meetings, received reports on their status of work executed from the Directors and Executive Officers and the Accounting Auditor and requested their explanations as necessary, inspected material internal decision-making documents, etc., and investigated the status of operations and assets of the headquarters and major business sites.

In addition, we received regular reports and requested explanations as necessary from the Directors and Executive Officers and employees, etc. and expressed opinions, covering the substance of decisions made by the Board of Directors with regard to the matters set forth in Article 416, Paragraph 1, Item 1, (b) and (e) of the Companies Act of Japan and the status of construction and operation of the system actually developed on the basis of those decisions (the "internal control system"). With respect to the Internal Control Over Financial Reporting under the Financial Instruments and Exchange Act of Japan, we received reports on the internal control evaluation and status of the audits by the Executive Officers, etc. and the Ernst & Young ShinNihon LLC and requested their explanations as necessary. With respect to subsidiaries, we endeavored to facilitate mutual understanding and exchange information with their directors and corporate auditors, etc. and collected reports from the subsidiaries on their business as necessary.

Based on the above methods, the Business Report and its supplementary schedules for the fiscal year under review were examined.

In addition, we monitored and examined whether the independence of the Accounting Auditor was maintained and whether an appropriate audit was being undertaken, received reports from the Accounting Auditor on the status of the performance of duties, and requested explanations as necessary. We also received notice from the Accounting Auditor that "Systems for Ensuring Proper Execution of Duties" (as enumerated in each Item of Article 131 of the Ordinance on Accounting of Companies) were duly developed in line with the "Quality control standards for auditing" (October 28, 2005, Business Accounting Council), and requested explanations as necessary.

Based on the above methods, we examined the non-consolidated financial statements for the fiscal year under review (the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets, and the notes to non-consolidated financial statements) and their supplementary schedules, and the consolidated financial statements for the fiscal year under review (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets, and the notes to consolidated financial statements).

2. Results of the Audit

(1) Results of the Audit of Business Reports, etc.

i) The Audit Committee confirms that the Business Report and its supplementary schedules conform to the applicable laws and regulations and the Articles of Incorporation, and that they fairly present the state of the Company.

ii) The Audit Committee found no improper acts or no material facts constituting a violation of any applicable laws and regulations or the Articles of Incorporation in connection with the performance of duties by the Directors and Executive Officers.

iii) The Audit Committee confirms that the substance of the decisions made by the Board of Directors regarding the Company's internal control systems to be fair and adequate, and found no matters that require mention regarding the description of the internal control systems in the Business Report and the performance of duties by the Directors and Executive Officers, including the Internal Control Over Financial Reporting under the Financial Instruments and Exchange Act of Japan.

(2) Results of the Audit of the Non-consolidated Financial Statements and its Supplementary Schedules

The Audit Committee confirms that the methods used and the conclusions reached by the Accounting Auditor, Ernst & Young ShinNihon LLC, to be fair and adequate.

(3) Results of the Audit of the Consolidated Financial Statements

The Audit Committee confirms that the methods used and the conclusions reached by the Accounting Auditor, Ernst & Young ShinNihon LLC, to be fair and adequate.

The Audit Committee will also examine strictly the sure implementation of the "Revised Comprehensive Special Business Plan" based on the recommendations, etc. of the national government "Committee for Reforming TEPCO and Overcoming 1F Challenges," including addressing the challenges to the various aspects of management caused by the accident at the Fukushima Daiichi Nuclear Power Station.

May 22, 2017

Audit Committee
Tokyo Electric Power Company Holdings, Incorporated

Yuji Masuda (seal)
Audit Committee Chairman

Hideko Kunii (seal)
Audit Committee Member

Fumio Sudo (seal)
Audit Committee Member

(Note) Audit Committee Members Hideko Kunii and Fumio Sudo are Outside Directors as stipulated in Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.

End