

Securities Identification Code: 9501

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.

In addition, (1) the “Guide to the Exercise of Voting Rights” on pages 5 through 8 of the original Japanese version is not translated, and (2) in regard to the “Map of Venue of the General Meeting of Shareholders,” please refer to the back cover of the original Japanese version.

**NOTICE OF CONVOCATION OF
THE 94th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Tokyo Electric Power Company Holdings, Incorporated

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Pursuant to the provision of laws and regulations and Article 17 of the Articles of Incorporation, the following information is presented on our website and is therefore not stated in the documents attached to this Notice of Convocation.

1 Business Report

- “Systems for Ensuring Properness of Business Operations and Overview of Operating Status of the Systems”

2 Consolidated Financial Statements

- “Consolidated Statement of Changes in Net Assets” and “Notes to Consolidated Financial Statements”

3 Non-Consolidated Financial Statements

- “Statement of Changes in Net Assets” and “Notes to Non-Consolidated Financial Statements”

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 support for and cooperation with the management of Tokyo Electric Power Company Holdings, Incorporated and its group companies (“the Group.”)

In the Revised Comprehensive Special Business Plan (the Third Plan) announced last May, the Group set a goal of further increasing profitability and corporate value in order to carry out its responsibility to Fukushima amidst a tough business environment in which the domestic energy market will shrink due to progress in energy conservation, population decline and other factors.

In order to achieve this goal, while working on the follow through of compensation and contribution to the revitalization of Fukushima as well as the safe and steady implementation of decommissioning work, the Group is determined to make every effort on dynamic management reforms outside the conventional framework including further improving profitability through *kaizen* activities, working toward the restart of the Kashiwazaki-Kariwa Nuclear Power Station with safety as the first priority, collaborating with other companies to restructure and integrate, etc. in the fields of transmission/distribution and nuclear power, and first and foremost, establishing a new corporate culture which is based on the perspective of society, local communities and customers when conducting business.

In addition, by advancing these united efforts across organizational barriers based on the three slogans of “Hiraku,” “Tsukuru” and “Yaritogeru,” we are working to fully strengthen our “profitability” while surely achieving both assurance of safety and security as well as thorough cost reduction and stable supply of electricity.

In fiscal 2017, our circumstances still do not enable us to meet the expectations of shareholders with regard to dividends. However, we will continue working to improve our financial structure, etc. and striving to raise our rating in the market, and we sincerely ask for your continued understanding of and cooperation with management of the Group.

Takashi Kawamura,
Chairman of the Board of Directors

Tomoaki Kobayakawa,
Representative Executive Officer and President

June 5, 2018

To Our Shareholders:

**NOTICE OF CONVOCATION OF
THE 94TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

The Shareholders of Tokyo Electric Power Company Holdings, Incorporated (the “Company”) are hereby notified of and invited to the 94th Ordinary General Meeting of Shareholders (the “General Meeting”) to be held as described below.

If you are unable to attend the General Meeting in person, you can exercise your voting rights either in writing or by an electromagnetic method (e.g. via the Internet). Please review the attached Reference Materials for the General Meeting of Shareholders and **exercise your voting rights by 5:20 p.m. on Tuesday, June 26, 2018.**

[Exercise of Voting Rights in Writing]

Please indicate your vote for or against the proposals on the enclosed voting form and send us the form by return mail, ensuring that it arrives by the above deadline.

[Exercise of Voting Rights by an Electromagnetic Method (e.g. via the Internet)]

Please review the “Guide to the Exercise of Voting Rights by an Electromagnetic Method (e.g. via the Internet)” (on pages 7 and 8 of the Japanese version) and enter your vote for or against the proposals by the above deadline.

Yours very truly,

Takashi Kawamura

Chairman of the Board of Directors

Tokyo Electric Power Company Holdings, Incorporated

1-3, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo

PARTICULARS

1. Date and Time:

Wednesday, June 27, 2018 at 10:00 a.m.

The reception desk is scheduled to open at 9:00 a.m.

2. Venue:

Hall A, Tokyo International Forum

5-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

3. Agenda of the General Meeting:

Matters to be reported:

Report on Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements and the Audit Results of the Consolidated Financial Statements by the Accounting Auditor and the Audit Committee for the 2017 Fiscal Year (April 1, 2017 to March 31, 2018)

Matters to be resolved:

<Proposal by the Company (Resolution No. 1)>

Resolution No. 1 Election of 13 Directors

<Proposals by the Shareholder (Resolutions No. 2 - No. 9)>

Resolution No. 2 Partial Amendments to the Articles of Incorporation (1)

Resolution No. 3 Partial Amendments to the Articles of Incorporation (2)

Resolution No. 4 Partial Amendments to the Articles of Incorporation (3)

Resolution No. 5 Partial Amendments to the Articles of Incorporation (4)

Resolution No. 6 Partial Amendments to the Articles of Incorporation (5)

Resolution No. 7 Partial Amendments to the Articles of Incorporation (6)

Resolution No. 8 Partial Amendments to the Articles of Incorporation (7)

Resolution No. 9 Partial Amendments to the Articles of Incorporation (8)

Particulars of the Resolutions described above are as stated in the attached Reference Materials for the General Meeting of Shareholders.

4. Other Matters Having Been Determined by the Board of Directors for Convocation of the General Meeting:

If voting rights have been exercised redundantly in writing and by an electromagnetic method (e.g. via the Internet), voting by an electromagnetic method shall be deemed effective. If voting rights have been exercised more than once by an electromagnetic method, the last exercise shall be deemed effective.

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1. If you attend the General Meeting in person, please present the enclosed voting form to the receptionist at the venue. The proxy to whom a Shareholder may entrust the exercise of its voting rights shall be restricted to another one Shareholder of the Company who is entitled to vote, and from whom the Company has received written proof of the authority of proxy.
 2. Pursuant to the provisions of laws and regulations and Article 17 of the Articles

of Incorporation, the following items are presented on the Company's website below and are therefore not stated in the documents attached to this Notice of Convocation.

- “Systems for Ensuring Propriety of Business Operations and Overview of Operating Status of the Systems” of the Business Report
- “Consolidated Statement of Changes in Net Assets” and “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements
- “Statement of Changes in Net Assets” and “Notes to Non-Consolidated Financial Statements” of the Non-Consolidated Financial Statements

Accordingly, the documents attached to this Notice of Convocation form a part of the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Accounting Auditor in the preparation of the Accounting Audit Report, and a part of the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit Committee in the preparation of the Audit Report.

3. Modifications, if any, to the Reference Materials for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements will be announced on the Company's website below, etc.

The Company's Website:

<http://www.tepco.co.jp/about/ir/stockinfo/meeting.html>

REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS

<Proposal by the Company (Resolution No. 1)>

Resolution No. 1 Election of 13 Directors

As the term of office of all Directors will expire upon conclusion of the General Meeting, the election of 13 Directors is proposed based on the determination of the Nominating Committee.

The candidates for the position of Director are as follows:

(In order of the Japanese syllabary)

Candidate No.	Name		Current Position and Responsibility in the Company
1	Junji Annen	Reappointment	Outside Independent Director (Audit Committee Member)
2	Shoei Utsuda	Reappointment	Outside Independent Director (Nominating Committee Member, Compensation Committee Member)
3	Yoshinori Kaneko	Reappointment	Director (Nominating Committee Member)
4	Toshihiro Kawasaki	Reappointment	Director
5	Takashi Kawamura	Reappointment	Outside Independent Chairman (Nominating Committee Chairman, Audit Committee Member, Compensation Committee Member)
6	Hideko Kunii	Reappointment	Outside Independent Director (Compensation Committee Chairman, Nominating Committee Member)
7	Tomoaki Kobayakawa	Reappointment	Director (Nominating Committee Member) Representative Executive Officer and President (Management of all aspects of operations, Chief of the Nuclear Reform Special Task Force, in charge of Corporate Management & Planning Unit, TEPCO Research Institute)
8	Hideo Takaura	Reappointment	Outside Independent Director (Audit Committee Chairman)
9	Noriaki Taketani	Reappointment	Director (Audit Committee Member)
10	Kazuhiko Toyama	Reappointment	Outside Independent Director (Nominating Committee Member)
11	Shigenori Makino	Reappointment	Director Managing Executive Officer (General Manager of Nuclear Power & Plant Siting Division, Deputy Chief and Secretary General of the Nuclear Reform Special Task Force)

Candidate No.	Name	Current Position and Responsibility in the Company
12	Seiji Moriya Reappointment	Director
13	Ryuichi Yamashita New Appointment	Executive Officer (Assistant to Chairman, Assistant to President, in charge of Management & Planning [joint position])

Outside Candidate for Outside Director

Independent Candidate for independent director: Candidate for independent director as provided for by Tokyo Stock Exchange, Inc. The Company has submitted each of the candidates to the said Exchange as an independent director.

Reappointment	Outside	Independent
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Meetings of the Board of Directors:
15/15 (100%)

Meetings of the Audit Committee:
8/10 (80%)

1. Junji Annen

Date of Birth:
August 12, 1955

Number of Common Shares of the Company Owned:
1,008 shares

Brief Personal Record and Position

Aug. 1982 Associate Professor, School of Law of Hokkaido University
 Apr. 1985 Associate Professor, Faculty of Law of Seikei University
 Feb. 1992 Attorney at Law (to present)
 Apr. 1993 Professor, Faculty of Law of Seikei University
 Apr. 2004 Professor of Seikei University Law School (until Nov. 2007)
 Dec. 2007 Professor of Chuo Law School (to present)
 Jun. 2017 Director of the Company (to present)



Important Concurrently-held Position

Professor of Chuo Law School
 Attorney at Law
 Outside Director of MATSUI SECURITIES CO., LTD.

Reasons for Selection of the Candidate for Outside Director

Mr. Junji Annen is selected as a candidate based on the view that he would be suitable for Outside Director due to his deep insight primarily in the field of law gained as a university professor and as an attorney at law, and also his broad experience in corporate management from serving as an Outside Director. He will have served as Outside Director for the Company for one year upon conclusion of the General Meeting.

Reappointment	Outside	Independent
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Meetings of the
Board of Directors:
13/15 (87%)

Meetings of the
Nominating Committee:
4/5 (80%)

Meetings of the
Compensation Committee:
5/5 (100%)

2. Shoei Utsuda

Date of Birth:
February 12, 1943

Number of Common Shares of the Company Owned:
0 shares

Brief Personal Record and Position

Oct. 2002 Representative Director, President, Chief Executive Officer of MITSUI & CO., LTD.
Apr. 2009 Director, Chairman of the Board of MITSUI & CO., LTD.
Apr. 2015 Director of MITSUI & CO., LTD.
Jun. 2015 Counselor of MITSUI & CO., LTD. (to present)
Jun. 2017 Director of the Company (to present)



Important Concurrently-held Position

Counselor of MITSUI & CO., LTD.
Outside Director of Isetan Mitsukoshi Holdings Ltd.
Governor of Japan Broadcasting Corporation

Reasons for Selection of the Candidate for Outside Director

Mr. Shoei Utsuda is selected as a candidate based on the view that he would be suitable for Outside Director due to his abundant experience in international business, and also his broad insight into the current state of energy both in Japan and overseas, reflected in his background, having served as the President and Chairman of the Board of MITSUI & CO., LTD., etc. He will have served as Outside Director for the Company for one year upon conclusion of the General Meeting.

Reappointment

Meetings of the Board of Directors: 15/15 (100%) Meetings of the Nominating Committee: 5/5 (100%)

3. Yoshinori Kaneko

Date of Birth:
May 17, 1963

Number of Common Shares of the Company Owned:
2,618 shares

Brief Personal Record and Position

Apr. 1988 Joined Tokyo Electric Power Company, Incorporated (Currently, the Company)

Oct. 2011 General Manager, Facility Dept., Saitama Branch Office of Tokyo Electric Power Company, Incorporated

Jul. 2013 General Manager, Musashino Service Center, Tama Branch Office of Tokyo Electric Power Company, Incorporated

Jul. 2015 General Manager, Business Planning Office, Power Grid Company of Tokyo Electric Power Company, Incorporated

Apr. 2016 Vice President of TEPCO Power Grid, Incorporated

Jun. 2017 Director of the Company (to present)

Jun. 2017 Representative Director and President of TEPCO Power Grid, Incorporated (to present)

**Important Concurrently-held Position**

Representative Director and President of TEPCO Power Grid, Incorporated
Outside Director of TAKAOKA TOKO CO., LTD.

Reasons for Selection of the Candidate for Director

Mr. Yoshinori Kaneko is selected as a candidate based on the view that he would be suitable for Director due to his broad experience, insight, etc., mainly relating to the power transmission and distribution business, reflected in his background, having been involved in the management of the Company and its group.

Reappointment

Meetings of the Board of Directors:
15/15 (100%)

4. Toshihiro Kawasaki

Date of Birth:
August 21, 1965

Number of Common Shares of the Company Owned:
1,200 shares

Brief Personal Record and Position

Apr. 1988 Joined Tokyo Electric Power Company, Incorporated (Currently, the Company)

Oct. 2012 Marketing & Customer Relations Dept., Tokyo Branch Office (in charge of Energy Marketing & Sales) of Tokyo Electric Power Company, Incorporated

Jun. 2014 Inter-corporate Business Dept. of Tokyo Electric Power Company, Incorporated, seconded to Tepco Customer Service Corporation Limited (Representative Director and President)

Jul. 2015 Customer Service Company of Tokyo Electric Power Company, Incorporated, seconded to Tepco Customer Service Corporation Limited (Representative Director and President)

Apr. 2016 Smart Life & Business Service Division of TEPCO Energy Partner, Incorporated, seconded to Tepco Customer Service Corporation Limited (Representative Director and President) (until Jun. 2017)

Jun. 2017 Director of the Company (to present)

Jun. 2017 Representative Director and President of TEPCO Energy Partner, Incorporated (to present)

**Important Concurrently-held Position**

Representative Director and President of TEPCO Energy Partner, Incorporated

Reasons for Selection of the Candidate for Director

Mr. Toshihiro Kawasaki is selected as a candidate based on the view that he would be suitable for Director due to his broad experience, insight, etc., mainly relating to retail electricity business, reflected in his background, having been involved in the management of the Company and its group.

Reappointment	Outside	Independent	Meetings of the Board of Directors: 15/15 (100%)	Meetings of the Nominating Committee: 5/5 (100%)	Meetings of the Audit Committee: 10/10 (100%)	Meetings of the Compensation Committee: 5/5 (100%)
5. Takashi Kawamura			Date of Birth: December 19, 1939	Number of Common Shares of the Company Owned: 20,179 shares		

Brief Personal Record and Position

Jun. 2009	Representative Executive Officer, Chairman, President and Chief Executive Officer, Director of Hitachi, Ltd.
Apr. 2010	Representative Executive Officer, Chairman, Chief Executive Officer, Director of Hitachi, Ltd.
Apr. 2011	Chairman of the Board of Hitachi, Ltd.
Apr. 2014	Director of Hitachi, Ltd.
Jun. 2014	Chairman Emeritus of Hitachi, Ltd. (until Jun. 2016)
Jun. 2017	Chairman of the Company (to present)



Important Concurrently-held Position


Outside Director of Mizuho Financial Group, Inc.

Reasons for Selection of the Candidate for Outside Director

Mr. Takashi Kawamura is selected as a candidate based on the view that he would be suitable for Outside Director due to his broad experience and insight relating to corporate management, and also his deep insight relating to management reform through business restructuring, etc., and the energy business, reflected in his background, having served as the President and Chairman of the Board of Hitachi, Ltd. He will have served as Outside Director for the Company for one year upon conclusion of the General Meeting.

Reappointment	Outside	Independent	Meetings of the Board of Directors: 19/19 (100%)	Meetings of the Nominating Committee: 8/8 (100%)	Meetings of the Audit Committee: 1/2 (50%)	Meetings of the Compensation Committee: 8/8 (100%)
6. Hideko Kunii			Date of Birth: December 13, 1947	Number of Common Shares of the Company Owned: 4,596 shares		

Brief Personal Record and Position

Jun. 2005	Corporate Senior Vice President of Ricoh Company, Ltd.	
Apr. 2008	Group Executive Officer of Ricoh Company, Ltd.	
Apr. 2008	Chairperson of Ricoh Software Inc. (Currently, Ricoh IT Solutions Co., Ltd.) (until Mar. 2013)	
Apr. 2009	Associate Director of Ricoh Company, Ltd. (until Mar. 2013)	
Apr. 2012	Professor, Graduate School of Engineering Management of Shibaura Institute of Technology (until Mar. 2018)	
Apr. 2013	Deputy President of Shibaura Institute of Technology (until Mar. 2018)	
Oct. 2013	General Manager, Gender Equality Promotion Office of Shibaura Institute of Technology (until Mar. 2018)	
Jun. 2014	Director of Tokyo Electric Power Company, Incorporated (Currently, the Company) (to present)	
Apr. 2018	Guest Professor of Graduate School of Engineering Management, Shibaura Institute of Technology (to present)	

Important Concurrently-held Position

Outside Director of HONDA MOTOR CO., LTD.
Outside Director of Mitsubishi Chemical Holdings Corporation

Reasons for Selection of the Candidate for Outside Director

Ms. Hideko Kunii is selected as a candidate based on the view that she would be suitable for Outside Director due to her extensive experience and insight relating to corporate management, reflected in her background, having served as the Chairperson of Ricoh IT Solutions Co., Ltd., etc., and also her deep insight relating to promoting diversity including the active participation of women. She will have served as Outside Director for the Company for four years upon conclusion of the General Meeting.


Reappointment

Meetings of the Board of Directors: 19/19 (100%) Meetings of the Nominating Committee: 5/5 (100%)

7. Tomoaki Kobayakawa

Date of Birth: June 29, 1963 Number of Common Shares of the Company Owned: 5,286 shares

Brief Personal Record and Position

Apr. 1988	Joined Tokyo Electric Power Company, Incorporated (Currently, the Company)	
Dec. 2011	General Manager, Marketing & Customer Relations Dept., Kanagawa Branch Office of Tokyo Electric Power Company, Incorporated	
Jul. 2013	General Manager, Commercial Customer Energy Dept., Corporate Marketing & Sales Dept. of Tokyo Electric Power Company, Incorporated	
Jun. 2014	General Manager, Corporate Marketing & Sales Dept., Customer Service Company of Tokyo Electric Power Company, Incorporated	
Jun. 2015	Managing Executive Officer of Tokyo Electric Power Company, Incorporated (until Mar. 2016)	
Apr. 2016	Representative Director and President of TEPCO Energy Partner, Incorporated (until Jun. 2017)	
Jun. 2016	Director of the Company (to present)	
Jun. 2017	Representative Executive Officer and President of the Company (to present)	

Reasons for Selection of the Candidate for Director

Mr. Tomoaki Kobayakawa is selected as a candidate based on the view that he would be suitable for Director due to his broad experience, insight, etc. in all aspects of the electricity business, reflected in his background, having served as President of the Company.


Reappointment	Outside	Independent
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Meetings of the Board of Directors: 15/15 (100%) Meetings of the Audit Committee: 10/10 (100%)

8. Hideo Takaura

Date of Birth: June 19, 1949 Number of Common Shares of the Company Owned: 1,816 shares

Brief Personal Record and Position

May 1977	Japanese Certified Public Accountant (to present)	
Sep. 2006	Chief Executive Officer of PricewaterhouseCoopers Aarata (Currently, PricewaterhouseCoopers Aarata LLC, the same hereinafter)	
May 2009	Representative Partner of PricewaterhouseCoopers Aarata (until Jun. 2009)	
Jun. 2017	Director of the Company (to present)	

Important Concurrently-held Position

Japanese Certified Public Accountant
Outside Director of HONDA MOTOR CO., LTD.

Reasons for Selection of the Candidate for Outside Director

Mr. Hideo Takaura is selected as a candidate based on the view that he would be suitable for Outside Director due to his extensive experience and insight, primarily in the fields of auditing and accounting, reflected in his background, having served as Chief Executive Officer of PricewaterhouseCoopers Aarata as a Japanese Certified Public Accountant, and also his diverse experience in corporate auditing by having served as Outside Corporate Auditor. He will have served as Outside Director for the Company for one year upon conclusion of the General Meeting.

Reappointment

Meetings of the Board of Directors:
15/15 (100%)

Meetings of the Audit Committee:
10/10 (100%)

9. Noriaki Taketani

Date of Birth:
October 13, 1959

Number of Common Shares of the Company Owned:
32,566 shares

Brief Personal Record and Position

Apr. 1983 Joined Tokyo Electric Power Company, Incorporated (Currently, the Company)
Jul. 2011 Inter-corporate Business Dept. of Tokyo Electric Power Company, Incorporated
Jun. 2013 General Manager, Accounting & Treasury Dept. of Tokyo Electric Power Company, Incorporated
Jun. 2015 Managing Executive Officer of Tokyo Electric Power Company, Incorporated (until Jun. 2017)
Apr. 2016 Director of TEPCO Power Grid, Incorporated (until Jun. 2017)
Apr. 2016 Director of TEPCO Fuel & Power, Incorporated (until Jun. 2017)
Apr. 2016 Director of TEPCO Energy Partner, Incorporated (until Jun. 2017)
Jun. 2017 Director of the Company (to present)



Important Concurrently-held Position

Outside Auditor of TAKAOKA TOKO CO., LTD.
Outside Director of TOKYO ENERGY & SYSTEMS INC.

Reasons for Selection of the Candidate for Director

Mr. Noriaki Taketani is selected as a candidate based on the view that he would be suitable for Director due to his broad experience, insight, etc., mainly relating to finance and accounting, reflected in his background, having been involved in the management of the Company and its group.

Reappointment

Outside

Independent

Meetings of the Board of Directors:
13/15 (87%)

Meetings of the Nominating Committee:
4/5 (80%)

10. Kazuhiko Toyama

Date of Birth:
April 15, 1960

Number of Common Shares of the Company Owned:
6,059 shares

Brief Personal Record and Position

Apr. 2001 Representative Director and President of Corporate Directions, Inc. (until Mar. 2003)
Apr. 2007 Representative Director and CEO of Industrial Growth Platform, Inc. (to present)
Jun. 2017 Director of the Company (to present)



Important Concurrently-held Position

Representative Director and CEO of Industrial Growth Platform, Inc.
Outside Director of Panasonic Corporation

Reasons for Selection of the Candidate for Outside Director

Mr. Kazuhiko Toyama is selected as a candidate based on the view that he would be suitable for Outside Director due to his extensive experience and insight relating to corporate business restructuring, and also his thorough familiarity with corporate governance, reflected in his background, having served as the President of Corporate Directions, Inc., and CEO of Industrial Growth Platform, Inc., etc. He will have served as Outside Director for the Company for one year upon conclusion of the General Meeting.

ReappointmentMeetings of the Board of Directors:
13/15 (87%)**11. Shigenori Makino**Date of Birth:
June 30, 1969Number of Common Shares of the Company Owned:
1,008 shares**Brief Personal Record and Position**

Apr. 1992 Joined Tokyo Electric Power Company, Incorporated (Currently, the Company)

Jul. 2012 Manager, Facility Engineering Group, Nuclear Asset Management Dept. of Tokyo Electric Power Company, Incorporated

Jul. 2016 Nuclear Safety Management Dept. (resided at the Fukushima Daini Nuclear Power Station) of the Company

Dec. 2016 Chief of Nuclear Education and Training Center of the Company

Jun. 2017 Director, Managing Executive Officer of the Company (to present)

**Reasons for Selection of the Candidate for Director**

Mr. Shigenori Makino is selected as a candidate based on the view that he would be suitable for Director due to his broad experience, insight, etc., mainly relating to the nuclear power generation business, reflected in his background, having served as the Chief of Nuclear Education and Training Center of the Company, etc.

ReappointmentMeetings of the Board of Directors:
15/15 (100%)**12. Seiji Moriya**Date of Birth:
April 21, 1963Number of Common Shares of the Company Owned:
17,501 shares**Brief Personal Record and Position**

Apr. 1986 Joined Tokyo Electric Power Company, Incorporated (Currently, the Company)

Apr. 2012 Deputy General Manager, Inter-corporate Business Dept. and Manager, Inter-corporate Business Construction Group of Tokyo Electric Power Company, Incorporated

Jun. 2013 General Manager, Office of Audit Committee of Tokyo Electric Power Company, Incorporated

Apr. 2016 Managing Executive Officer of TEPCO Fuel & Power, Incorporated

Jun. 2017 Director of the Company (to present)

Jun. 2017 Representative Director and President of TEPCO Fuel & Power, Incorporated (to present)

**Important Concurrently-held Position**

Representative Director and President of TEPCO Fuel & Power, Incorporated

Reasons for Selection of the Candidate for Director

Mr. Seiji Moriya is selected as a candidate based on the view that he would be suitable for Director due to his broad experience, insight, etc., mainly relating to fuel and thermal power generation business, reflected in his background, having been involved in the management of the Company and its group.

New
Appointment

13. Ryuichi Yamashita

Date of Birth:
June 20, 1964

Number of Common Shares of the Company Owned:
0 shares

Brief Personal Record and Position

Jun. 2012	Chief of Iron and Steel Division, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry (METI)
Jul. 2014	Chief of Economic and Industrial Policy Division, Economic and Industrial Policy Bureau, METI
Jul. 2015	Chief of Policy Planning and Coordination Division, Minister's Secretariat, METI
Jun. 2016	Head of Natural Resources and Fuel Department, Agency for Natural Resources and Energy, METI
Jul. 2017	Deputy Chief of the TEPCO-NDF Liaison Office, Nuclear Damage Compensation and Decommissioning Facilitation Corporation (NDF) (to present)
Jul. 2017	Executive Officer of the Company (to present)



Important Concurrently-held Position

Deputy Chief of the TEPCO-NDF Liaison Office, Nuclear Damage Compensation and Decommissioning Facilitation Corporation

Reasons for Selection of the Candidate for Director

Mr. Ryuichi Yamashita is selected as a candidate based on the view that he would be suitable for Director due to his extensive experience, insight, etc. reflected in his background, having held important posts at METI and NDF etc.

(Notes)

1. The Company has entered into agreements with Mr. Junji Annen, Mr. Shoei Utsuda, Mr. Takashi Kawamura, Ms. Hideko Kunii, Mr. Hideo Takaura, Mr. Noriaki Taketani and Mr. Kazuhiko Toyama to limit their liabilities under Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations. In the event that the election of each candidate as Director is approved in the General Meeting, the Company will continue the above-mentioned agreement with each of them.
2. Mr. Takashi Kawamura, from June 2011 to June 2016, was an Outside Corporate Auditor for Japan Nuclear Fuel Limited, which is one of the Company's specified associated service providers.

[Reference]

Corporate Governance of the Group

Basic view on corporate governance

Tokyo Electric Power Company Holdings, Incorporated is working to develop and strengthen organizational structures and policies for thorough compliance, with laws and regulations and business ethics, appropriate and prompt decision-making, efficient business execution, and enhanced auditing and supervisory functions. To further improve the objectivity and transparency of its management, the Company has adopted a “Company with Nominating Committee, etc.” system, and is endeavouring to enhance corporate governance.

Moreover, having adopted a holding company system in April 2016, the Company is striving to further enhance its corporate value through the optimal allocation of management resources and a robust corporate governance system encompassing its entire Group.

Regarding operations of the Board of Directors and each Committee

(As of March 31, 2018)

Board of Directors

Number of Outside Directors: 6/13 (46%)

- The Board of Directors of the Company, which is a Company with Nominating Committee, etc., consists of a diverse group of personnel, with different genders, expertise, and backgrounds. Besides determining important business execution matters, the Board of Directors receives reports on important management issues and the status of execution of duties, etc. from Executive Officers, etc., and supervises business execution.
- The Board of Directors has established a Nominating Committee and an Audit Committee, the majority of which are Outside Directors, as well as a Compensation Committee, which consists only of Outside Directors.
- In fiscal 2017, the Company held 19 meetings of the Board of Directors.

Nominating Committee

Number of Outside Directors : 4/7 (57%)

Please refer to page 21 for the policy on how the Nominating Committee elects candidates for Director and Executive Officer.

- Pursuant to the Companies Act, the Nominating Committee determines the content of proposals on the election and dismissal of Directors that are submitted to the General Meeting of Shareholders.
- Although not included in the items to be discussed by the Nominating Committee as set forth in the Companies Act, the committee also discusses matters concerning personnel issues related to Executive Officers and other management personnel.
- In fiscal 2017, the Company held 8 meetings of the Nominating Committee.

Audit Committee

Number of Outside Directors: 3/4 (75%)

- The Audit Committee will, based on the audit plan, conduct audits on the compliance level and appropriateness of the business execution of Directors and Executive Officers, and verify the business operations with safety and security as the top priorities and ensurance of a stable supply, as well as the status, etc. of initiatives aimed at strengthening “profitability.”

- The Audit Committee, the Internal Audit Department, and the Accounting Auditor conduct rigorous audits in their respective assigned fields, and also among other things regularly exchange opinions regarding audit plans and audit results, thereby coordinating with one another.
- In fiscal 2017, the Company held 12 meetings of the Audit Committee and 10 meetings for exchange of opinions among members of the Committee. Besides attending management meetings of the Board of Executive Officers, etc., Audit Committee members held meetings for the exchange of opinions with the Accounting Auditor and the Internal Audit Department, and conducted audits on the Company’s head office and major business locations, etc.

Compensation Committee

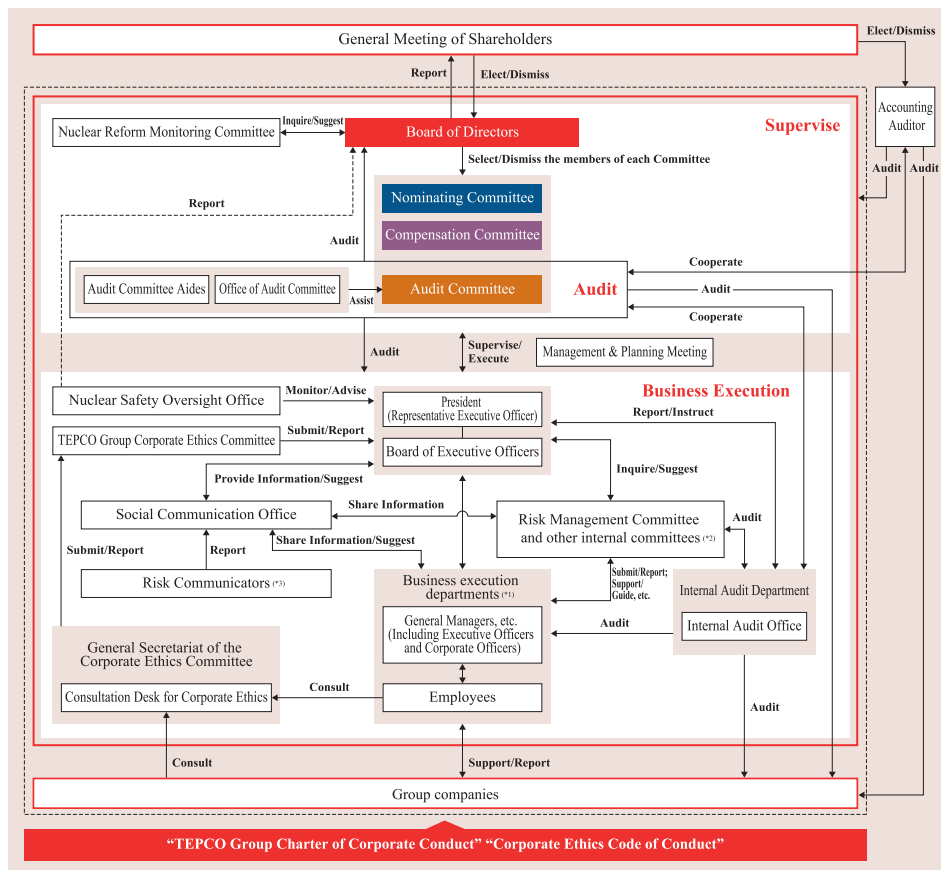
Number of Outside Directors: 3/3 (100%)

Please refer to page 55 for the policy on how the Compensation Committee determines the details of remuneration, etc. for Directors and Executive Officers.

- The Compensation Committee prescribes the policy on decisions regarding the contents of remuneration, etc. for individual Directors and Executive Officers and determines the contents of remuneration, etc. paid to individual Directors and Executive Officers as well.
- In fiscal 2017, the Company held 8 meetings of the Compensation Committee.

Organizational chart of corporate governance

(As of March 31, 2018)



(*1) Head office (Corporate offices, departments, etc.), front-line organizations (nuclear power stations, etc.)
 (*2) Investment Management Committee, etc.
 (*3) Special personnel who play the role of promoting risk communication activities

[Reference]

Policy on and Procedures for Selection of Candidates for Director and Executive Officer

<Policy>

While fulfilling the Company's responsibility for the Fukushima Daiichi Nuclear Power Station accident, the Company will, based on a mission to achieve a stable supply of electric power while ensuring safety and under competitive conditions, work on realizing the maximization of corporate value, by selecting people who possess the personalities, insights and capabilities suitable for leading business operations and management reform to achieve both "responsibility and competitiveness" as candidates for Director and Executive Officer.

In addition, the Board of Directors consists of a diverse group of Directors with varying backgrounds in terms of expertise and experience, etc., and the actual number of Directors elected is to be an appropriate number within the maximum number of 13 stipulated in the Articles of Incorporation. Among this number, regarding Outside Directors, by comparing candidates against the "Standards for Independence of Outside Directors," the Company selects candidates based on whether they fulfill the criteria for independence.

<Procedures>

In the selection of candidates for Director, pursuant to the Companies Act, the Nominating Committee, the majority of which are Outside Directors, determines the content of proposals with regard to the election of Directors that are submitted to the General Meeting of Shareholders. In the selection of Executive Officers, the Nominating Committee will hold a deliberation before a decision is made at a meeting of the Board of Directors.

Standards for Independence of Outside Directors

The Company judges that an Outside Director is independent if none of the following items applies to him/her.

1. Related-party of the Group

- A person from the Company or any of its subsidiaries

2. Major shareholder (a shareholder holding one-tenth or more of the Company's voting rights; hereinafter, the same)

- Executive of a current major shareholder of the Company ("Executive" refers to an executive as defined in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act; hereinafter, the same)
- Executive of a company of which the Company is currently a major shareholder

3. Major client or supplier

- Executive of a corporation^(*1) whose major client or supplier is the Company or any of its subsidiaries
- Executive of a corporation^(*2) that is a major client or supplier of the Company or any of its subsidiaries

4. Specialized service provider (attorney at law, certified public accountant, consultant, etc.)

- A member, etc., of an auditing corporation that is currently the Accounting Auditor of the Company or any of its subsidiaries
- A person who does not fall under any of the above, but is an attorney at law, certified public accountant, tax accountant, or other consultant who has received from the Company or any of its subsidiaries monetary consideration or other property other than remuneration for directors and/or officers averaging ¥10 million or more per year over the past three years

5. Mutually appointed officer

- A director/officer of a company that has accepted a member of the Company or any of its subsidiaries as its director/officer

6. Close relative

- A spouse or relative within the second degree of kinship (hereinafter, “close relative”) of a Director, Executive Officer, Corporate Officer, or other important employee of the Company or any of its subsidiaries
- A close relative of a person who has been a Director, Executive Officer, Corporate Officer, or other important employee of the Company or any of its subsidiaries within the last three years
- A close relative of a person to whom any of 2. through 4. above applies. However, for Executive mentioned in 2. and 3. above, this item shall apply only to a director, executive officer, corporate officer or other similar officer; and for a member, etc. mentioned in 4. above, this item shall apply only to a member or a partner.

7. Other

- A person who is likely to constantly have a substantial conflict of interest with ordinary shareholders of the Company as a whole due to circumstances other than those mentioned in 1. through 6. above.

Even for persons to whom one or more of the above apply, the Company may consider persons thought to possess independence, after reviewing their character and knowledge, etc., as candidates for the Company’s independent outside director on condition that the reason for considering those persons suitable as an independent outside director is explained externally.

*1 A client or supplier who received payments from the Company or any of its subsidiaries amounting to 2% or more of the client’s or supplier’s annual consolidated net sales in any one of the last three fiscal years

*2 A client or supplier whose payments made to the Company or any of its subsidiaries have amounted to 2% or more of the Company’s annual consolidated net sales in any one of the last three fiscal years (or in the case of a lender from whom the Company or any of its subsidiaries borrowed money, the amount of loans from such lender have amounted to 2% or more of the Company’s consolidated total assets)

The Opinion of the Board of Directors on the Proposal by the Shareholder is described after Resolution No. 9. Additionally, each of the Resolution Content and the Reasons for the Proposal is stated verbatim as proposed by the Shareholder.

<Proposal by the Shareholder (Resolutions No. 2 through No.9)>

Resolutions No. 2 through No.9 were proposed by Shareholders.

The proposing Shareholders (255 Shareholders) hold 1,904 voting rights.

Resolution No. 2 Partial Amendments to the Articles of Incorporation (1)

Resolution Content

The following new chapter shall be added to the Articles of Incorporation.

Chapter X. Withdrawal from the spent nuclear fuel reprocessing business

Article X. The Company shall withdraw from the spent nuclear fuel reprocessing business. In order to do so, the Company shall implement the following measures:

1. The Company shall not transport spent nuclear fuel to interim storage facilities on the premise of reprocessing.
2. The Company shall not transport spent nuclear fuel to reprocessing plants.
3. Regarding the storage of spent nuclear fuel at nuclear power stations, the Company shall establish a liaison council with the municipalities in whose jurisdiction the nuclear power stations are located and with other neighboring municipalities..
4. The Company shall set up a council with each business operator concerning the processing/disposal of spent nuclear fuel transported thus far, separated plutonium, etc., and high-level radioactive waste, etc.

Reasons for the Proposal

The reprocessing business will currently not start until 2021 at the earliest due to **the 23rd postponement of the Rokkasho Reprocessing Plant.**

The Company holds about eight tons of separated plutonium in Britain, France and other countries, and its disposal method has not been decided.

The Company's nuclear power stations are unlikely to be restarted. Accordingly, pluthermal is also not feasible.

Even if the Rokkasho Reprocessing Plant is started, it only separates and holds plutonium that is not likely to be used. It also goes against Japan's international commitments.

Currently, plans are in progress to transport spent fuel to Mutsu City's recycled fuel storage company, meaning following the Rokkasho Reprocessing Plant, "spent nuclear fuel that is not likely to be disposed of will also be sent" to Mutsu City. This will make the problem even more complicated and also cost huge amounts of money for transport and storage.

In order not to make matters worse than now, the Company should stop reprocessing plans and spent nuclear fuel transport.

In addition, The Company should initiate initiatives to think about what to do with spent nuclear fuel, with the municipalities in whose jurisdiction the nuclear power stations are located, residents of the neighboring area and consumers.

Resolution No. 3 Partial Amendments to the Articles of Incorporation (2)

Resolution Content

The following new chapter shall be added to the Articles of Incorporation.

Chapter X. Prohibition of investment in nuclear power-related companies

Article X. The Company shall not invest in overseas nuclear power-related companies.

Article X. The Company shall not invest in nuclear power-related entities with which companies where Directors of the Company used to work had relations in the past, as doing so may raise suspicions of conflict of interest.

Reasons for the Proposal

There are media that point out the possibility of the Company becoming involved in equity investment in Horizon Nuclear Power Ltd., a UK nuclear power-related company wholly-owned by Hitachi, Ltd. In the absence of progress in decommissioning at Fukushima, as in the case of Westinghouse, **if the Company were to make equity investments, in overseas nuclear power-related companies whose management is less than stellar, the Company would be unable to face not only shareholders, but the Fukushima refugees to whom the Company should be standing close more than anyone.**

Fortunately, the management team of Hitachi, Ltd., where Chairman Kawamura used to work, is reportedly negative on additional investment from the viewpoint of economic rationality. The Company should share this opinion and show its determination to bail out of a sinking ship.

The large power outage that occurred in October the year before last was caused by electrical leakage due to deterioration of underground cable installed 35 years ago. **For stable supply of electricity, steady inspection work is crucial.** The Company cannot afford to waste any money.

If the Company by any chance gets on board this investment, it is to be feared that Chairman Kawamura would not only tarnish his later years as did former Toshiba chairman Mr. Nishida, but that he may damage his own reputation with the humiliation of conflict of interest which is the biggest shame as a business person.

Resolution No. 4 Partial Amendments to the Articles of Incorporation (3)

Resolution Content

The following new chapters shall be added to the Articles of Incorporation.

Chapter X. Preferential connection of natural energy to transmission lines

Article X. For the dissemination of natural energy, the Company shall connect natural energy preferentially to TEPCO Power Grid Co., Ltd. over said company's own transmission lines.

Reasons for the Proposal

The Company's transmission line utilization rate is 27%, so it has plenty of capacity.

However, electric power companies are reportedly making responses such as securing the transmission line capacity for the restart of nuclear power stations and requesting exorbitant installation costs for the connection of natural energy, effectively refusing connection.

In the world, the sum of solar power generation and wind power generation exceeds 1.0 billion kW, while nuclear power generation has been flat at 0.38 billion kW for 20 years. The price of solar power plunged below 2 yen/kW at the lowest, and cannot be compared with nuclear power, which costs huge amounts of money for accident handling and compensation.

The Company should also give up nuclear power and shift to natural energy with zero fuel cost while shrinking thermal power generation which is subject to crude oil prices.

First of all, it can be said that **hammering out a policy of preferential connection of natural energy is a way of taking on its social responsibility** to prevent refusal of connection from taking place, which can be said to be harassment towards new energy.

In addition, this will be a policy which is in line with President Kobayakawa's announcement in February this year that the Company will actively invest as much to nurture renewable energy-related business as thermal power.

Resolution No. 5 Partial Amendments to the Articles of Incorporation (4)

Resolution Content

The following new chapter shall be added to the Articles of Incorporation.

Chapter X. Establishment of a Liaison Council with the municipalities in whose jurisdiction the Kashiwazaki-Kariwa Nuclear Power Station is located and with the municipalities of the neighboring area.

Article X. The Company shall freeze work for the restart of the Kashiwazaki-Kariwa Nuclear Power Station.

Article X. The Company shall establish a permanent Liaison Council for dialogue with the municipalities in whose jurisdiction the Kashiwazaki-Kariwa Nuclear Power Station is located and with the municipalities of the neighboring area.

Article X. Participating municipalities shall be the municipalities in whose jurisdiction the nuclear power station is located, all the municipalities in the UPZ

(the area where emergency protective measures are prepared) and Niigata Prefecture.

Article X. The content of the dialogue at the council shall not be limited to the restart of the Kashiwazaki-Kariwa Nuclear Power Station, but include the electric power business of the Company in general.

Article X. If the restart of the nuclear power station is rejected by the participating municipalities, then it cannot be restarted.

Reasons for the Proposal

Niigata Prefecture, where the Kashiwazaki-Kariwa Nuclear Power Station is located, is currently conducting the verification of the Fukushima Daiichi nuclear Power Station accident, etc., and holds fast to its policy not to respond to discussions on restarting the station until the work has finished. Therefore, although the review report of Japan's Nuclear Regulation Authority was completed at the end of last year, there is no chance that a local agreement can be obtained.

Nuclear power projects cannot be advanced without local agreement and understanding. That is something the Company has repeatedly expressed, and making such a proposal to the locals under the current circumstances is itself an act contrary to the principle of good faith.

Furthermore, regarding the safety measures the Company has been promoting, even Japan's Nuclear Regulation Authority cannot say that its contents are perfect, especially regarding the breakwater installed on the coast side of Units 1 to 4, in which the possibility of losing its functionality due to liquefaction cannot be ruled out.

Considering these points, **the Company shall cease efforts to restart the station, which is nothing but a huge cost and a heavy burden on management,** and through the accumulation of serious discussions with residents of the neighboring area and electric power consumers, reformulate the future direction of the nuclear power business.

Resolution No. 6 Partial Amendments to the Articles of Incorporation (5)

Resolution Content

The following new chapter shall be added to the Articles of Incorporation.

Chapter X. Investigation of the impact of radiation released by the Fukushima Daiichi Nuclear Power Station accident

Article X. The Company shall establish a Radiation Impact Investigation Committee to investigate the impact of radiation released by the Fukushima Daiichi Nuclear Power Station accident.

Reasons for the Proposal

Comprehending the impact of radiation released by the Fukushima Daiichi Nuclear Power Station accident, which the Company caused, is crucial for sincere compensation to the

sufferers. In Namie-machi and Iitate-mura in Fukushima Prefecture, the evacuation order was canceled in March last year except for difficult-to-return-to areas. However, the radiation level in the cancelled areas far exceeds the annual exposure limit of 1 mSv for the public, which is defined in Japan as well as internationally.

According to a survey by the international environmental NGO Greenpeace, in a private house in the southern part of Iitate-mura where the evacuation order was canceled, the average radiation level per hour was 0.8 μ Sv, and the maximum was 2 μ Sv per hour. These figures are 3.5 times and 8.7 times the decontamination standard, respectively. In such places the estimated annual exposure dose are 10 mSv or more. It will likely take decades for radiation to fall to levels which would allow evacuees to return to and live safely in Namie-machi and Iitate-mura.

The Company should conduct its own detailed investigation of areas where evacuation orders were canceled and areas where evacuation orders are likely to be cancelled in the future and make use of it for consideration of just compensation.

Resolution No. 7 Partial Amendments to the Articles of Incorporation (6)

Resolution Content

The following new chapter shall be added to the Articles of Incorporation.

Chapter X. Disclosure on the Fukushima Daiichi Nuclear Power Station accident site

Article X. In order to make the current situation widely known to the world and to serve a cautionary tale to future generations, the Company shall create a facility for information disclosure at the Fukushima Daiichi Nuclear Power Station.

Article X. The Company shall make full disclosure in principle regarding inspections inside the Fukushima Daiichi Nuclear Power Station.

Article X. In order to minimize radiation exposure during inspections, the Company shall disclose radiation data, etc. and establish a third party organization including local residents for auditing.

Reasons for the Proposal

Seven years have passed since the nuclear power station accident, and by the year 2017, 39,800 members of the mass media, engineers, and the general public have visited the site to see it. Many people are worried about how the site of this unprecedented accident is doing now, how pollution water countermeasures and decommissioning work are actually proceeding, and how the disposal of waste material will be handed, and the desire of society to see and learn with their own eyes is very large.

As a de-facto state-owned company, the Company has already imposed a huge burden on the people of Japan, and it is not known how much this burden will increase from now on. It goes without saying that **the Company has the responsibility to disclose information broadly to the people of Japan, make safety the top priority, and accept inspections of the site.**

Also, upon acceptance of inspections, the Company should aggressively incorporate

opinions from outside the Company, partner with private organizations and consumer groups, etc., and ask for their cooperation as a point of contact. This will create an environment allowing everyone to know the current status of the accident site, as well as increase transparency and credibility.

Resolution No. 8 Partial Amendments to the Articles of Incorporation (7)

Resolution Content

The following new chapter shall be added to the Articles of Incorporation.

Chapter X. Establishment of a Labor Standards Act Compliance Audit Committee

Article X. The Company shall establish a Labor Standards Act Compliance Audit Committee.

Article X. The departments subject to audit shall be all departments of the Company.

Article X. The Company shall give the Labor Standards Act Compliance Committee mandatory authority to survey the records necessary for auditing (*) without advanced notice and to file criminal charges with the Labor Standards Inspection Office.

*Server login information/telecommute system operation logs/video conference communication logs

Reasons for the Proposal

The Company hid a near-the-line-of-death-from-overwork of over 70 hours at the Nuclear Power Division until December last year. **The reason for the overtime work, which was preparations to restart the Kashiwazaki-Kariwa Nuclear Power Station**, is a breach of trust to the taxpayers who are investors in the Company.

If the excessive work was for restoring power transmission lines from heavy snowfall or for decommissioning, public opinion might be more sympathetic.

However, in the face of this situation, the Fukushima refugees to whom the Company should be standing close more than anyone will probably have doubts in mind about the Company's mission to "fulfill its responsibility to Fukushima." Shareholders also **feel angry that the Company "overworks its employees to move the poverty god who has no chance of being restarted."**

Because overwork occurred in the Nuclear Power Department, with its track record of hiding/falsification, it is possible that there is hidden overtime in other departments as well. Because there was a similar case in 2005 as well, and furthermore, with the current situation whereby there is no evidence of the Company's internal Ethics Committee holding an extraordinary meeting on this matter, **there is no expectation that labor and management will adhere to the Labor Standards Act and protect employees.**

In order to protect the precious health and life of employees and the peace of mind of employees' families, the Company shall waste no time in the establishment of this Audit

Committee.

Resolution No. 9 Partial Amendments to the Articles of Incorporation (8)

Resolution Content

The following new chapter shall be added to the Articles of Incorporation.

Chapter X. Prohibition of investment in and guarantee of debt of Japan Atomic Power Company

Article X. The Company shall not invest in the Japan Atomic Power Company or guarantee its debt.

Article X. As the end of March 2018, the Company shall promptly dissolve all investments to the extent made in Japan Atomic Power Company.

Reasons for the Proposal

The Japan Atomic Power Company (JAPC) is a company specialized in nuclear power generation in which nine electric power and other companies have invested, with the Company being the largest shareholder. JAPC has the Tokai Power Station and Tokai No. 2 Power Station in Ibaragi Prefecture, and the Tsuruga Power Station Unit 1 and Tsuruga Power Station Unit 2 in Fukui Prefecture. However, the Tokai Power Station is undergoing decommissioning, and the Tsuruga Power Station Unit 1 is aging, so decommissioning has been decided, while the Tsuruga Power Station Unit 2 has no chance of being restarted due to suspicions of an active fault line directly underneath. The Tokai No. 2 Power Station was damaged by the Great East Japan Earthquake and remains stopped.

Electricity generation at JAPC continues to be zero, but it has annual revenues of over 100.0 billion yen from electric power companies as maintenance fees. The Company has paid JAPC over 240.0 billion yen over 6 years.

In order to restart the Tokai No. 2 Power Station, JAPC has applied for a 20-year extension of the 40-year operating time limit, but it must pass Japan's Nuclear Regulation Authority's review by November this year. **For that purpose, it is said that the Company and Tohoku-Electric Power Co., Inc. will provide support with financing of 174.0 billion yen for the construction costs of the necessary safety measures.**

On the other hand, **it was revealed that JAPC was diverting most of the 180.0 billion yen provision for disassembling of nuclear power units for decommissioning to other uses.** The Company, which is de-facto nationalized, cannot afford to support such a company, and it should disassociate itself immediately.

The Board of Directors' Opinion on Resolutions No. 2 through No. 9

The Board of Directors **objects to each of these Proposals.**

The Companies Act entrusts, in principle, the Board of Directors to decide on matters concerning the execution of business from the viewpoint of ensuring rational and flexible business operations. The contents of each of the Proposals are matters concerning the execution of business, and it is deemed inappropriate to establish such provisions in the Articles of Incorporation.

Additional remarks regarding each of the Proposals submitted are provided below.

<Resolution No. 2>

The Company believes there is a great significance in the promotion of the nuclear fuel cycle such as maximizing the efficient use of domestically obtained resources, and it continues to cooperate to the maximum extent with Japan Nuclear Fuel Limited, which is in charge of the nuclear fuel cycle business.

<Resolution No. 3>

In order for the Company to fulfill its responsibility to Fukushima, it is necessary for it to realize further improvement in profitability and enhancement of corporate value through this improvement. The Company will aim to expand profits by, after selecting business fields and regions that can be expected to grow in the future, including the overseas nuclear power related businesses, developing those businesses while determining their viability.

<Resolution No. 4>

Regarding connection to the electric power grid and the cost burden accompanying it, in the guidelines, etc. established by the Organization for Cross-regional Coordination of Transmission Operators, JAPAN (OCCTO), etc., the Company is required to treat all power generating facilities including renewable energy generation fairly, and TEPCO Power Grid, Incorporated responds appropriately according to these rules.

In addition, at OCCTO and other organizations, discussions regarding a new system design concerning connection to the grid are currently being conducted, and if the new system is started, the Company will respond in accordance with it.

<Resolution No. 5>

The Company regards the Kashiwazaki-Kariwa Nuclear Power Station, while securing safety as the top priority, to be an important source of electric power in terms of winning out against tough competition under full liberalization of electric power retailing and steadily delivering low-cost, low-CO₂ electricity.

The Company will continue to make efforts to carefully and thoroughly explain its

measures to improve safety at the said power station to society including the municipalities concerned, with a view to obtaining everyone's understanding over this issue.

<Resolution No. 6>

In accordance with related laws and regulations, etc., in response to requests from the national government and municipalities, the Company is cooperating with dosimetric measurements, etc. at houses and sites in areas where evacuation orders have been canceled, etc.

The Company will continue to cooperate fully with the initiatives of the national government, municipalities, etc. for the reconstruction of living infrastructure and the industrial infrastructure in order to fulfill its responsibility to Fukushima.

<Resolution No. 7>

In addition to people from the region, people from the national government and municipalities and experts have visited to the Fukushima Daiichi Nuclear Power Station to inspect its inside. Moreover, regarding information on the said power station, in addition to disclosing detailed radiation data and images of the inside of the site and buildings, etc. on its website, the Company is also making efforts to disclose information broadly to everyone in society, such as explaining progress on decommissioning work, through careful communication with everyone in the region and society.

<Resolution No. 8>

Regarding the underreporting of overtime work by employees of the Company and each core operating company, the Company announced the results of the investigation of the Company in December last year and April this year. The Company solemnly accepts the results, and will strive to thoroughly manage working hours more than ever, and do its utmost to prevent recurrence, such as reviewing related systems.

<Resolution No. 9>

The Company believes that stably delivering low-cost, low-CO₂ electricity to customers is a responsibility as an electric power operator, and it believes that the Tokai No. 2 Power Station owned by JAPC is promising as an electric power supplier to fulfill such responsibility.

In addition, JAPC is also an important operator from the viewpoint of having experience and knowhow in the decommissioning of nuclear power stations, and the Company will continue to maintain capital and other relations with it, while working on the securing of stable supply of electric power and implementation of safe and steady decommissioning work over the long term.

BUSINESS REPORT (from April 1, 2017 to March 31, 2018)

▣ Matters Regarding Status of Group Operations

1. Progress of the Business and the Earnings Results Thereof

The Company Group's Earnings Results

The management environment surrounding the Group in fiscal 2017 continued to be difficult amid an anticipated decline in domestic energy demand due to factors such as the intensifying cross-sectoral and cross-regional competition with the start of full liberalization of the gas retail market, in addition to electricity, in April 2017.

Based on its Revised Comprehensive Special Business Plan (The Third Plan), in order to increase its corporate value and fulfill its responsibilities to Fukushima, the Group expanded its business areas, entering the gas business, and pressed ahead with other initiatives to augment its “profitability.”

Electricity sales volume (consolidated) of the Group in fiscal 2017 decreased by 1.4 percent from the previous fiscal year to 240.3 billion kWh, as a result of factors such as the impact of the full liberalization of the electricity retail market.

As for the consolidated revenue and expense in fiscal 2017, on the revenue side, operating revenues increased by 9.2 percent from the previous fiscal year to ¥5,850.9 billion, which was mainly attributable to the increase in unit sales prices of electricity that reflected a fuel cost adjustment system and other factors. Ordinary revenues, including other revenues, totaled ¥5,899.5 billion, up 8.8 percent year on year.

On the expense side, ordinary expenses increased by 8.7 percent year on year to ¥5,644.7 billion. This was mainly attributable to the increase in fuel expenses and power purchasing costs due to rising fuel prices, despite Group-wide efforts to reduce costs amid the continued shutdown of all the Company's nuclear power stations.

As a result, the Company recorded ¥254.8 billion in ordinary income, up 12.0 percent from the previous year. Profit attributable to owners of parent stood at ¥318.0 billion, which was attributable to extraordinary income of ¥381.9 billion from grants-in-aid from the Nuclear Damage Compensation and Decommissioning Facilitation Corporation, while extraordinary loss amounted to ¥308.1 billion due to compensation for nuclear power-related damages in addition to extraordinary loss on disaster.

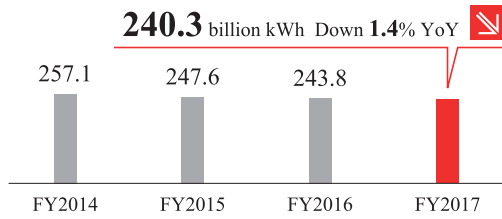
The equity ratio for fiscal 2017 was 21.1 percent compared with 19.1 percent in the previous fiscal year, and the debt equity ratio was 2.27 compared with 2.56 in the previous fiscal year, indicative of a continued progress in financial structure improvement.

In fiscal 2017 too, effort was made in fund procurement to ensure smooth business operations, including the continued issuance of bonds by TEPCO Power Grid, Incorporated.

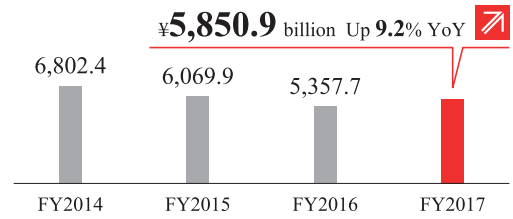
Segment results for fiscal 2017 (before elimination of intersegment transactions) are as reported on page 34 and subsequent pages.

Consolidated Earnings Results for Fiscal 2017

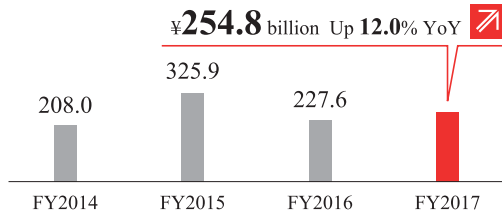
Electricity Sales Volume (Consolidated)



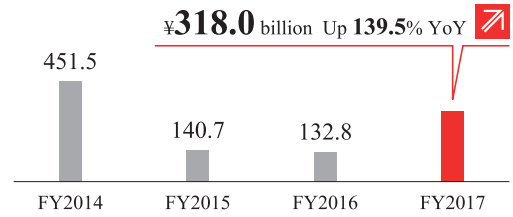
Operating Revenues



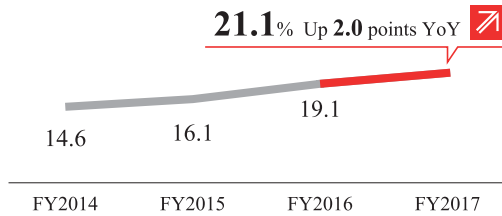
Ordinary Income



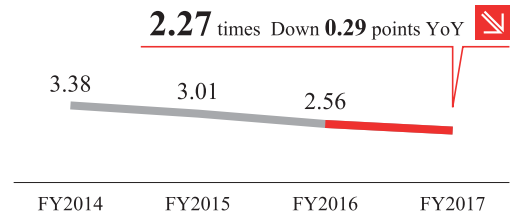
Profit Attributable to Owners of Parent



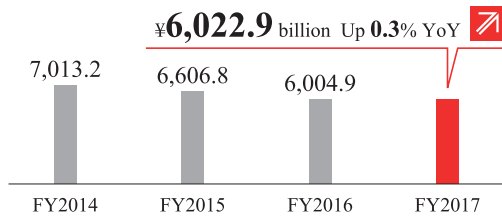
Equity Ratio



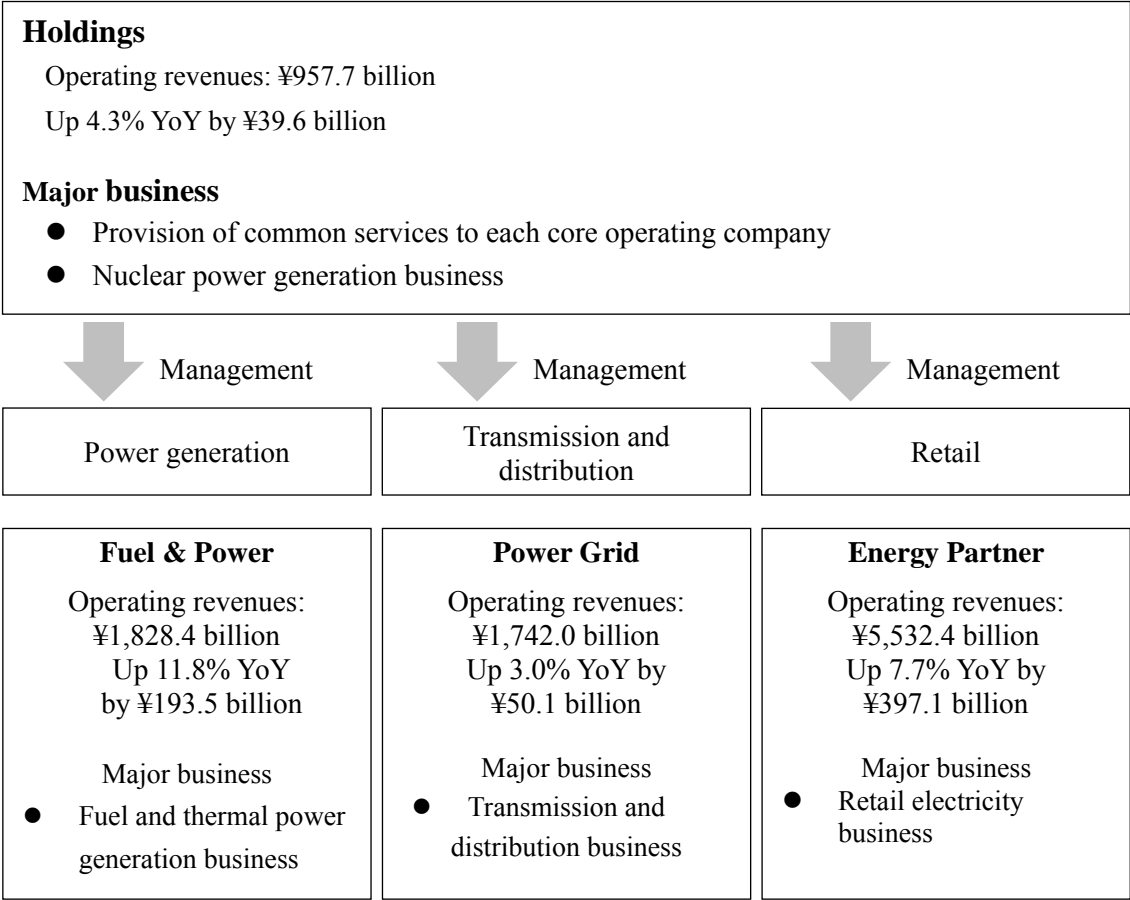
Debt Equity Ratio



Interest-Bearing Debt



TEPCO Group



Holdings

Major business

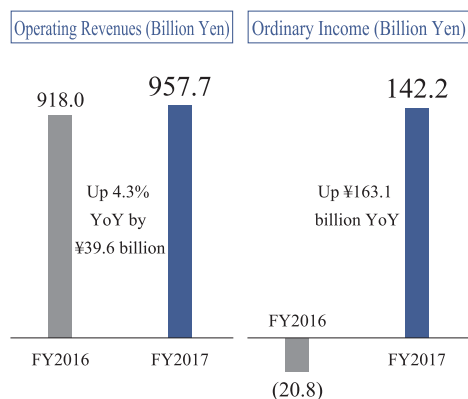
Provision of common services to each core operating company and nuclear power generation business

Earnings result by segment

On the revenue side, operating revenues increased by 4.3 percent from the previous fiscal year to ¥957.7 billion, mainly attributable to contribution received for nuclear reactor decommission from TEPCO Power Grid, Incorporated. Ordinary revenues, including other revenues, totaled ¥1,143.0 billion, up 13.5 percent year on year, due mainly to an increase in non-operating revenues attributable to dividends from each of the core operating companies.

On the expense side, ordinary expenses decreased by 2.6 percent from the previous year to ¥1,000.7 billion, due mainly to thorough efforts to reduce costs.

As a result, ordinary income increased by ¥163.1 billion from the previous fiscal year to ¥142.2 billion.



Measures in fiscal 2017

<Fukushima>

Efforts towards Fukushima revitalization

To ensure that every last person is compensated, the Company continued to implement efforts to compensate sufferers promptly and attentively, making door-to-door visits when requested, and as of the end of fiscal 2017, the Company has paid a cumulative total of ¥8,163.2 billion.

Moreover, with the aim of facilitating early return and resumption of agriculture and commerce, the Company has implemented activities to measure air radiation dose on trains operating on the JR Joban Line, schools and other locations, as well as to offer assistance at community events. As of the end of fiscal 2017, the cumulative number of people cooperating with decontamination, etc. by the national and local governments has reached 282,000, while the cumulative number of people assigned to activities to promote revitalization has reached 408,000.

In addition to these efforts, in light of the fact that harmful rumors regarding products of Fukushima Prefecture still continue to circulate, in order to take greater initiative and responsibility in the work to dispel these rumors as the party concerned in the accidents, the Company has formulated its “Action Plan to combat Harmful Rumors,” and also strengthened its structure and organization. It also engaged in sales promotion activities to introduce products of Fukushima in the Tokyo metropolitan area.

Decommissioning of the Fukushima Daiichi Nuclear Power Station

The land-side impermeable wall, one of the countermeasures for contaminated water, maintained stable freezing, and along with the sub-drain system and other elements that comprise our multilayered measures, the Company was able to reduce the amount of contaminated water generated by rainwater and groundwater.

Moreover, in preparation for the removal of fuel from the spent fuel pool in Unit 3, the Company completed work to install fuel handling machine and a cover on the upper section of the reactor building. In addition, the Company implemented examinations using robots, etc. with a view to removing fuel debris, and in January 2018, succeeded in obtaining images of objects believed to be fuel debris, and in collecting data on radiation doses, etc., in Unit 2, thus making steady progress with its reactor decommissioning work. In terms of its business structure, the Company

has reviewed its organizational structure and has worked to reinforce project management, in order to carry out decommissioning work more strategically.

In addition to these efforts, the Company continued its effort to improve the working environment, including building a heliport for the emergency transport of the sick and wounded, and taking steps to reduce the radiation dose in the premises through decontamination and paving works, etc.

<Energy service>

Efforts towards nuclear power safety and restart of Kashiwazaki-Kariwa Nuclear Power Station

With regard to Kashiwazaki-Kariwa Nuclear Power Station, the Company obtained a reactor installment alteration license for Units 6 and 7 in December 2017, and steadily implemented measures to enhance safety, including the establishment of water supply and cooling methods as well as the diversification of power sources. In addition, effort was made to hold respectful dialogue with local residents through activities at the communication booths set up in various parts of Niigata Prefecture, visits on individual homes in Kashiwazaki and Kariwa, local briefing sessions and other public relations and consultation activities.

Furthermore, under the Nuclear Safety Reform Plan, the Company also worked to create an operating framework that places safety as the top priority, focusing on strengthening the governance of the organization as a whole and developing human resources. Specifically, this included activities to help all employees working in nuclear power-related departments to correctly understand the ideal types of behavior (fundamentals) that comprise the code of conduct for their respective business fields, and initiatives to enable top management and leaders from nuclear power-related departments to receive advice and guidance directly from overseas experts with extensive practical experience in nuclear power management, etc. for use in strengthening governance.

Management of Group operations and efforts towards enhancement of “profitability”

Under the holding company system, each core operating company has been conducting autonomous and flexible business operations, while promoting productivity enhancement and thorough cost reduction through *kaizen* activities among other measures. As a result, a cost reduction of ¥843.6 billion was achieved in fiscal 2017 compared to the level before the earthquake disaster.

Moreover, in anticipation of changes in the business environment, the “Mirai (future) Business Committee” was set up under the direct control of the Company President to consider how the energy business can improve its earning capacity in the future, and propose ways of creating new value. Using this forum, company-wide, cross-divisional discussions were held on the future power portfolio and efforts to enhance corporate value in the transmission and distribution, and nuclear power fields.

In addition to these, the Company implemented a range of measures to enhance “profitability.” This included a review of its organizational structure with the objective of developing human resources to create “profitability,” collaborations with companies in and outside Japan possessing expertise in AI and IoT which are critical to the energy business going forward, and involvement in overseas business.

Fuel & Power

Major business

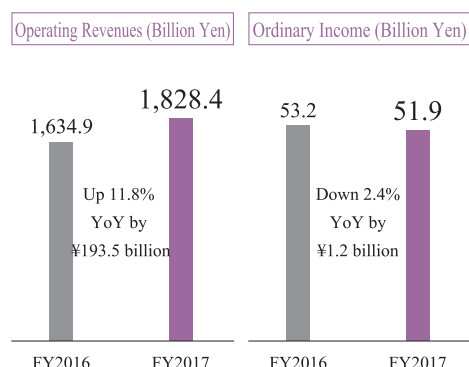
Fuel and thermal power generation business

Earnings result by segment

On the revenue side, operating revenues increased by 11.8 percent from the previous fiscal year to ¥1,828.4 billion, mainly attributable to an increase in thermal power electricity sales revenue due to rising fuel prices despite a decline in electricity sales volume. Ordinary revenues, including other revenues, totaled ¥1,848.4 billion, up 11.8 percent year on year.

On the expense side, ordinary expenses increased by 12.3 percent from the previous year to ¥1,796.4 billion, due mainly to an increase in fuel expenses from rising fuel prices despite the shortening of periodic inspections and other efforts to reduce costs.

As a result, ordinary income decreased by 2.4 percent from the previous fiscal year to ¥51.9 billion.



Measures in fiscal 2017

Efforts towards completion 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 has gradually integrated the fuel business, the overseas thermal power IPP business and the replacement and new construction of thermal power stations business, etc. into JERA Co., Inc. It is thus pursuing efforts to realize integration effects such as competitive fuel procurement capitalizing on economies of scale, and steady implementation of environmental impact assessment procedures relating to the replacement and new construction of thermal power stations in multiple locations, etc.

Amid these developments, with respect to the integration of the existing thermal power generation business, etc., which will be the final step of this comprehensive alliance, a joint-venture contract was concluded between the Company and Chubu Electric Power Co., Inc. in June 2017. Then in February 2018, a related agreement was concluded stipulating the scope of assets to be transferred, the schedule and other matters. Subsequent to prescribed procedures, by April 2019, a value chain extending all the way from upstream investments and fuel procurement to power generation as well as wholesale of electricity and gas will be completed within JERA Co., Inc.

Value up for thermal power stations, and O&M reform

At the thermal power stations, the Company continued to promote value-up projects with the aim of achieving power generating costs that are among the most inexpensive in the world. The Company endeavored to reduce costs and improve efficiency by shortening periodic inspections, reviewing and standardizing work procedures, etc., to increase productivity, and strengthening its price negotiation capabilities for procurement. In addition, effort was also made to establish the Company's own operation method incorporating the results of these initiatives.

Also, the Company promoted the development and commercialization of operation and maintenance (O&M) services that utilize the expertise it has accumulated in the thermal power generation business, such as providing human resource development support services to power companies overseas, in a move to capture new revenue opportunities. Furthermore, the Company

worked to develop an optimal fuel procurement, power source composition and electricity wholesale portfolio reflecting future market forecasts.

Power Grid

Major business

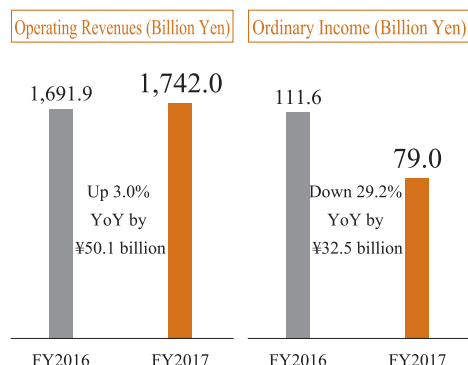
Transmission and distribution business

Earnings result by segment

On the revenue side, operating revenues increased by 3.0 percent year on year to ¥1,742.0 billion, mainly attributable to an increase in wheeling revenues, as area demand increased by 1.7 percent from the previous fiscal year to 276.6 billion kWh due to the effect of temperature, etc. Ordinary revenues, including other revenues, totaled ¥1,758.2 billion, up 3.0 percent year on year.

On the expense side, ordinary expenses increased by 5.3 percent from the previous year to ¥1,679.2 billion, due mainly to the recording from fiscal 2017 of contribution for decommissioning which will be used to fund the decommissioning reserve, despite the streamlining of facility maintenance and other efforts to reduce costs.

As a result, ordinary income decreased by 29.2 percent from the previous fiscal year to ¥79.0 billion.



Measures in fiscal 2017

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, the Company rigorously eliminated waste and loss, by such means as effecting a significant reduction in working time through labor-saving and automation of facility inspection and on-site tasks using drones, various sensors, smart meters and other digital technology, as well as through a drastic review of procedures and methods for various construction work. The Company thus took initiatives to further streamline operations while maintaining the maintenance level and safety of the facilities.

For the refurbishment of aging facilities, the Company worked to ensure a stable supply while also reducing wheeling rate, through such means as accurately evaluating risk to identify targets and innovation in ordering and construction methods.

Efforts towards expanding business areas

To create new value by making full use of the techniques, expertise and assets cultivated in the transmission and distribution business, the Company strived to expand its business areas in and outside Japan, making forays into areas such as the IoT platform business and consulting business overseas.

Specifically, Energy Gateway Co., Ltd. was established in February 2018 with the objective of launching a business in which electricity usage and other types of measurement data from various sensors are collected, analyzed and processed to be provided to service operators as an IoT platform. In conjunction, as part of initiatives toward the provision of this new service, demonstration experiments were commenced in collaboration with housing companies, etc. on a service to offer comfortable homes using the IoT platform.

Furthermore, the Company also worked to develop its business on the international stage, and in July 2017, established TEPCO IEC, Inc., the principal business of which is the design and consulting work related to electric power control systems and their peripherals.

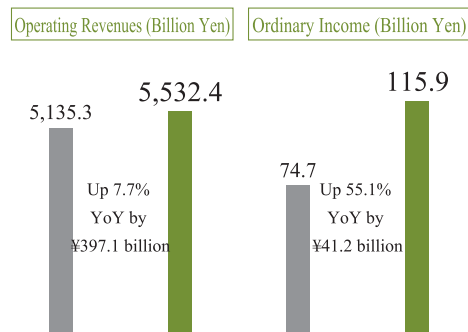
Energy Partner

Major business

Retail electricity business

Earnings result by segment

On the revenue side, operating revenues increased by 7.7 percent year on year to ¥5,532.4 billion, mainly attributable to an increase in unit sales prices that reflected a fuel cost adjustment system and other factors, despite the decrease in electricity sales volume (consolidated) of 1.4 percent from the previous fiscal year to 240.3 billion kWh. Ordinary revenues, including other revenues, totaled ¥5,540.3 billion, up 7.8 percent year on year.



On the expense side, ordinary expenses increased by 7.4 percent from the previous fiscal year to ¥5,424.3 billion. This was mainly attributable to the increase in power purchasing costs due to rising fuel prices, despite the streamlining of power supply procurement and other efforts to reduce costs.

As a result, ordinary income increased by 55.1 percent from the previous fiscal year to ¥115.9 billion.

Measures in fiscal 2017

Developing nationwide sales of electric power and new services

Together with its alliance partners, the Company evolved the retail business from “competition” to “co-creation” and accelerated its business development.

With respect to nationwide sales of electric power, the Company expanded its sales offices in the Kansai region in August 2017, and at the same time, worked to expand sales and fortify ties with alliance partners through the subsidiary, Tepco Customer Service Corporation Limited. As a result, electricity sales volume (consolidated) outside the Company’s traditional service area increased by approximately three times compared with the previous fiscal year to 7.6 billion kWh.

Moreover, as a new service, the Company rolled out a service for corporate customers that provides support for the optimal operation of energy-related facilities, etc. In addition, for households, the Company promoted an energy-saving renovation business through an alliance with partners in other industries and also worked to promote the spread of Net Zero Energy Houses (ZEH) that can reduce net energy consumption to zero or less. In this way, the Company provided services to make people’s lives comfortable and secure.

Full-scale entry into the city gas retail business

With the full liberalization of the gas retail market in April 2017, the Company began selling gas to households in the Tokyo metropolitan area. As a result of initiatives to increase recognition and active promotion of sales of package plans with electricity, the number of subscribers for the household gas service, as of the end of fiscal 2017, reached approximately 150,000, exceeding the initial target.

Moreover, to provide new operators wishing to enter the city gas business with a business management base such as necessary functions and know-how for the procurement and sales of gas, in August 2017, the Company established Tokyo Energy Alliance Co., Ltd. as a joint venture with its alliance partner, NIPPON GAS CO., LTD. This has given the Company the ability to provide services tailored to the providers’ needs, such as formalities for wholesale supply and wheeling of city gas, security duties, and sales and maintenance of gas equipment, via a city gas business platform.

2. Issues to be Addressed

In order to further expand its earning capacity and thus improve its corporate value so that it can fulfill its responsibilities to Fukushima based on the Revised Comprehensive Special Business Plan (The Third Plan), the Group selected the three slogans “*Hiraku*,” “*Tsukuru*” and “*Yaritogeru*” under which it made the following five declarations: “We will accomplish the project Fukushima with a spirit of acting independently”; “We will open up the organization and gain trust”; “We will exercise our individual capabilities to drive the business forward”; “We will shape the future of energy”; and “We will create profitability.” By evolving and improving on all initiatives based on these declarations, the Group will rally to be able to meet the expectations of shareholders.

Holdings

<Fukushima>

Efforts towards Fukushima revitalization

The Company will continue to ensure that every last person is promptly and attentively compensated based on its “three pledges” to enable the sufferers to rebuild their lives and businesses at the earliest possible opportunity.

Moreover, by continuing our involvement in activities to promote revitalization and decontamination, etc. in response to requests from national and local governments, etc., we will continue to fully cooperate with initiatives aimed at rebuilding local and industrial infrastructure. With the progress in the development of bases for the revitalization in the difficult-to-return zones, the Company too will aim to relocate its Fukushima Revitalization Headquarters, currently located in Tomioka-machi, to Futaba-machi by around 2020, and will contribute to the restoration of town functions and activation of regional economies, etc.

Additionally, to create more opportunities for people to come into touch with and experience “Fukushima” so as to dispel unfounded rumors, we will work as a Group, using all available resources, to further accelerate the revitalization of Fukushima, such as by engaging in activities to promote the handling of goods produced in Fukushima by restaurant, retail and other industries, and expanding activities to effectively provide accurate information on the safety of those products.

Decommissioning of the Fukushima Daiichi Nuclear Power Station

With regard to countermeasures for contaminated water at Fukushima Daiichi Nuclear Power Station, the Company will steadily promote initiatives to reduce the amount of contaminated water produced, secure sufficient tank storage capacity and reduce risks of leakage, among other activities, to reliably reduce mid- and long-term risks.

Regarding the removal of fuel from the spent fuel pools, by the time removal work at Unit 3 commences around the middle of fiscal 2018, the Company will take thorough measures to ensure safety, respond appropriately to the conditions that are newly identified, and proceed carefully with the work. With regard to the removal of fuel from Units 1 and 2 as well, we will proceed with preparations with a view to commencing removal work in fiscal 2023.

As for the removal of fuel debris, the Company will implement internal examination of the containment vessel on an ongoing basis, and at the same time, based on the basic policy of using the “partial submersion-side” access method to approach the bottom of the containment vessel, confirm whether results to date of research and development can be applied in the actual site to determine the specifics of the preparation work.

The Company will stick firmly to its stance of placing top priority on safety with emphasis on reducing risks while optimizing reactor decommissioning work as a whole, as it endeavors to further improve communication with the local community and the general public.

<Energy service>

Establishment of a nuclear power operation system and efforts towards restart of Kashiwazaki-Kariwa Nuclear Power Station

In the nuclear power business, the Company will strive to establish a corporate culture that constantly scrutinizes safety with the determination to “never forget the Fukushima nuclear accident and to become a nuclear power company that continues to maintain unparalleled safety through constant efforts to ensure day-by-day safety improvement.”

With regard to our business operation system, we will turn our nuclear power business into an internal company so that we can earn greater trust, as well as address a variety of issues in an integrated fashion, accomplishing tasks in an independent and responsible way, thereby establishing a local-first framework where safety is given first priority.

As for efforts towards the restart of Kashiwazaki-Kariwa Nuclear Power Station, the Company will respond sincerely and carefully to the assessments of applications for approval of construction plans and change in safety regulations, while continuing to steadily implement measures to enhance safety, including the establishment of water supply and cooling methods as well as the diversification of power sources. Furthermore, based on the Niigata Headquarters Action Plan—“Protect, Prepare & Respond” announced in March 2018, we will listen intently to what local residents have to say as we work to improve and reinforce our nuclear power disaster prevention, and contribute to regional activation as a member of the community.

In addition to these efforts, the Company will seek to enhance collaboration and cooperation with other companies to solve common issues facing nuclear operators that will lead to improved corporate value and safety, etc. For example, the Higashidori Nuclear Power Station, which is currently under construction, is a promising site from a long-term perspective, offering potential for expansion. We will consider its use within the framework of establishing a joint venture, and will continue to approach potential partners while obtaining the consent of the local community in the area and other stakeholders.

Management of Group operations and improvement of “profitability”

In order to make optimal use of management resources within the Group, the Company will create a mechanism for the governance and monitoring of the entire Group. At the same time, by expanding the business into new areas, including overseas business, we will enhance the profitability and expand the profit of the Group as a whole.

In particular, we will leverage our expertise, technological capabilities and other advantages we have accumulated to date as an electric power supplier to promote our renewable energy business in and outside Japan, contributing to the achievement of a low-carbon society.

As for our efforts to improve our corporate value through cooperation with other companies, which includes reorganization and integration in the fields of transmission and distribution and nuclear power, we will continue to work with other electricity companies and stakeholders, and further our examinations.

Furthermore, with respect to human resources, the Company’s vital assets, we will establish a common platform, based on which all personnel can be managed for optimal assignment, to streamline existing businesses and utilize in new businesses. In addition, the Company will endeavor to improve “profitability” and employee vitality through efforts to encourage shorter working hours, systems to enable employees with childcare and nursing care commitments to work from home, diversity promotion and skills development support.

Through these initiatives, the Group will aim to become a global utility company recognized throughout the world, shaping the future of energy and providing customers with new value.

Reference

The Group's "environmental, social and governance (ESG)" initiatives

"Environmental, social and governance (ESG)" initiatives of the Group, including details provided in this Business Report, are available in the "Environmental, Social and Governance (ESG) Information" section of the Company's website, and the "Integrated Report" presented on the same site.

Our Website: ESG

<http://www.tepco.co.jp/en/corpinfo/esg/index-e.html>

Fuel & Power

With regard to the comprehensive alliance with Chubu Electric Power Co., Inc., the Company will steadily transfer its licenses and contracts, etc. and press ahead with procedures for the transfer of the business toward completing the business integration in April 2019. In conjunction, the Company will establish an appropriate governance framework as a shareholder, while also securing autonomous business operation and prompt decision making capabilities for JERA Co., Inc. as a global energy company. Through these initiatives, integration effects will be realized at an early stage to supply internationally competitive energy in a stable manner, and to attain an improvement in the corporate value of the Group.

Moreover, the Company will promote value-up projects at its thermal power stations with a view to strengthening competitiveness. The Company will also establish an optimal portfolio in such fields as fuel procurement and electricity wholesale, implement a market-responsive operation with the agility and flexibility to adapt to changes in the market and facility conditions, and make proactive effort in the wholesale of electricity and gas to users outside the Group, thus acquiring an overwhelming competitive edge. In addition, the Company will provide operation and maintenance services that utilize the expertise and assets it has accumulated to date, and seek other means of expanding its business areas to create a knowledge-intensive business.

Power Grid

While tackling "three challenges" of strengthening the base for power transmission and distribution business, creating new value from the power transmission and distribution network, and expanding business areas, the Company will also accelerate its business development with an eye on cooperation and collaboration with other companies through reorganization and integration, etc.

Besides making effective use of existing facilities, the Company will invest in measures that will streamline facilities and address the problem of aging facilities simultaneously, expand procurement of global materials and equipment, and aim for an optimal facility scheme based on innovative ideas that are free from conventional notions. At the same time, the Company will promote the upgrade of its facility maintenance by introducing ICT, robots and other leading-edge technologies with the goal of strengthening its base for power transmission and distribution business to achieve Japan's most competitive wheeling rate by fiscal 2018 (reduction of ¥50.0 billion yen or more compared to fiscal 2016).

Moreover, while directing its efforts to the areas of inter-regional power exchange, expansion of the connectable capacity with renewable energy and establishment of a smart network, the Company will also produce a strong and flexible transmission and distribution network that offers high security, stability and convenience, thereby creating new value for the transmission and distribution network.

In addition, the Company will expand its business areas and achieve further growth by linking transmission and distribution facilities, such as smart meter systems, and human resources with IoT platform services, common metering, overseas business and other positive developments.

Energy Partner

Viewing the changes in the business environment of the new era of competition as a tremendous opportunity, the Company will actively pursue cooperation with various alliance partners and expand its nationwide sales of electricity. In addition, by promoting businesses that generate new added value such as gas, energy conservation and IoT services, the Company will change its revenue structure into one that does not simply sell electricity, but also provides utility, such as energy conservation, comfort, security and safety, transforming itself into “an integrated energy service company” transcending conventional boundaries.

For the gas business, from April 2018, we will begin offering city gas rate plans to businesses and individual business owners, and will further reinforce our sales network through Tokyo Energy Alliance Co., Ltd., a company that we established jointly with NIPPON GAS CO., LTD. The Company will thus aim to achieve its target of 1 million subscribers for the household gas service by the end of fiscal 2019, a year ahead of schedule.

We will also work to expand our business areas by promoting our platform businesses that allows other operators to provide electricity and other value-added services in addition to city gas, as well as our energy-saving renovation business, and business to provide various services utilizing our customer contact points.

Through these initiatives, we will strengthen our service quality and sales capabilities from a customer-oriented perspective, to reform ourselves into a business group with the ability to create “profitability.”

3. Capital Expenditure

i) Amount of capital expenditure

Business Segment	Amount
	(Billions of yen)
Holdings	275.9
Fuel & Power	73.0
Power Grid	244.3
Energy Partner	11.9
Intercompany eliminations	(2.5)
Total	602.7

ii) Principal facilities completed

a. Fuel & Power

Power generation facilities

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

iii) Principal facilities under construction (As of March 31, 2018)

a. Holdings

Power generation facilities

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

b. Power Grid

Transmission facility

Name	Voltage (kV)	Length (km)
Hida-Shinano Direct Current Main Transmission Line (overhead line, newly established)	Direct current 200	88.9

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) Goi Thermal Power Station Units 1-6	1,886

b. Power Grid**Substation facilities**

Name	Voltage (kV)	Output (Thousand kVA)
Shin-Sakado Substation (Transformer 4)	500	1,500

4. Financing Activities**i) Bonds**

Proceeds from issuance 523.6 billion yen

Redemptions 1,499.8 billion yen

ii) Loans

Proceeds from loans 4,437.3 billion yen

Repayments of loans 3,444.2 billion yen

5. Trend in Assets and Profit/Loss

Item	FY2014	FY2015	FY2016	FY2017 (this fiscal year)
Operating revenues (Billions of yen)	6,802.4	6,069.9	5,357.7	5,850.9
Ordinary income (Billions of yen)	208.0	325.9	227.6	254.8
Profit attributable to owners of parent (Billions of yen)	451.5	140.7	132.8	318.0
Income per share (Yen)	281.80	87.86	82.89	198.52
Total assets (Billions of yen)	14,212.6	13,659.7	12,277.6	12,591.8

6. Important Subsidiaries (as of March 31, 2018)

Company Name	Capital (Billions of yen)	Ownership of the Company (%)	Major Business
Holdings			
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
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
Tokyo Electric Power Services Company, Limited	0.04	100	Design and supervision of construction of power generation, transmission, transformation and other facilities
Fuel & Power			
TEPCO Fuel & Power, Incorporated	30.0	100	Fuel and thermal power generation business
Fuel TEPCO Limited	0.04	100	Sales of petroleum products
TOKYO WATERFRONT RECYCLE POWER CO., LTD.	0.1	96.6	Industrial waste treatment; electricity sales
Power Grid			
TEPCO Power Grid, Incorporated	80.0	100	Transmission and distribution business
Tepeco 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
Energy Partner			
TEPCO Energy Partner, Incorporated	10.0	100	Retail electricity business
Japan Facility Solutions, Inc.	0.49	100	Energy conservation service
Tepeco Customer Service Corporation Limited	0.01	100	Electricity sales; information processing service for electricity rates etc.

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

7. Major Business Offices of the Company and Important Subsidiaries (as of March 31, 2018)

i) Major Business Offices

Holdings

Company Name	Location
Tokyo Electric Power Company Holdings, Incorporated (the Company)	
Head Office	Chiyoda-ku, Tokyo
Fukushima Revitalization Headquarters	Tomioka-machi, Futaba-gun, Fukushima
Niigata Headquarters	Niigata-shi, Niigata
Toden Real Estate Co., Inc.	Taito-ku, Tokyo
The Tokyo Electric Generation Company, Incorporated	Taito-ku, Tokyo
TEPCO SYSTEMS CORPORATION	Koto-ku, Tokyo
Tokyo Power Technology Ltd.	Koto-ku, Tokyo
Tokyo Electric Power Services Company, Limited	Koto-ku, Tokyo

Fuel & Power

Company Name	Location
TEPCO Fuel & Power, Incorporated	Chiyoda-ku, Tokyo
Fuel TEPCO Limited	Koto-ku, Tokyo
TOKYO WATERFRONT RECYCLE POWER CO., LTD.	Koto-ku, Tokyo

Power Grid

Company Name	Location
TEPCO Power Grid, Incorporated	Chiyoda-ku, Tokyo
Tepco Town Planning Co., Ltd.	Meguro-ku, Tokyo
Tokyo Densetsu Service Co., Ltd.	Taito-ku, Tokyo

Energy Partner

Company Name	Location
TEPCO Energy Partner, Incorporated	Chiyoda-ku, Tokyo
Japan Facility Solutions, Inc.	Shinagawa-ku, Tokyo
Tepco Customer Service Corporation Limited	Koto-ku, Tokyo

ii) Major Power Stations

Holdings

Company Name	Sector	Power Station Name	Location
Tokyo Electric Power Company Holdings, Incorporated (the Company)	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

Fuel & Power

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

8. Employees (as of March 31, 2018)

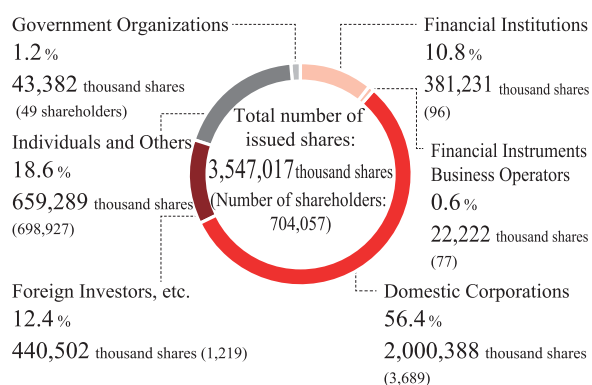
Business Segment	Number of Employees (Persons)
Holdings	13,689
Fuel & Power	2,428
Power Grid	21,423
Energy Partner	3,985
Total	41,525

9. Major Lenders (as of March 31, 2018)

Lender	Loan Balance (Billions of yen)
Sumitomo Mitsui Banking Corporation	1,034.8
Development Bank of Japan Inc.	924.0
Mizuho Bank, Ltd.	558.3
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	352.6
Sumitomo Mitsui Trust Bank, Limited	218.9
NIPPON LIFE INSURANCE COMPANY	182.7

2 Matters Regarding Shares (as of March 31, 2018)

1. 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	704,056
Class A Preferred Shares	1
Class B Preferred Shares	1



5. Top 10 Shareholders

Name	Number of Shares Held (Thousands of shares)				Investment Ratio
	Common Shares	Class A Preferred Shares	Class B Preferred Shares	Total	
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)	61,566	–	–	61,566	1.74
TEPCO Group Employees Shareholding Association	51,155	–	–	51,155	1.44
Tokyo Metropolitan Government	42,676	–	–	42,676	1.20
Japan Trustee Services Bank, Ltd. (Trust Account)	42,543	–	–	42,543	1.20
Japan Trustee Services Bank, Ltd. (Trust Account 9)	36,823	–	–	36,823	1.04
Sumitomo Mitsui Banking Corporation	35,927	–	–	35,927	1.01
Japan Trustee Services Bank, Ltd. (Trust Account 5)	30,506	–	–	30,506	0.86
STATE STREET BANK WEST CLIENT – TREATY 505234	27,616	–	–	27,616	0.78
NIPPON LIFE INSURANCE COMPANY	26,400	–	–	26,400	0.74

(Note) Investment ratio is calculated excluding treasury stock (3,193,573 common shares).

3 Matters Regarding Corporate Officers

1. Names, etc. of Directors and Executive Officers

i) Directors (as of March 31, 2018)

Name	Position in the Company	Responsibility in the Company and Important Concurrently-held Positions
Takashi Kawamura	Chairman of the Board of Directors	Nominating Committee Chairman, Audit Committee Member, Compensation Committee Member Outside Director of Mizuho Financial Group, Inc.
Tomoaki Kobayakawa	Director	Nominating Committee Member
Seiji Moriya	Director	Representative Director and President of TEPCO Fuel & Power, Incorporated
Yoshinori Kaneko	Director	Nominating Committee Member Representative Director and President of TEPCO Power Grid, Incorporated, Outside Director of TAKAOKA TOKO CO., LTD.
Toshihiro Kawasaki	Director	Representative Director and President of TEPCO Energy Partner, Incorporated
Shigenori Makino	Director	
Keita Nishiyama	Director	Nominating Committee Member General Manager of the Management Reform Support Office, Nuclear Damage Compensation and Decommissioning Facilitation Corporation (NDF)
Noriaki Taketani	Director	Audit Committee Member Outside Auditor of TAKAOKA TOKO CO., LTD., Outside Auditor of TOKYO ENERGY & SYSTEMS INC.
Hideko Kunii	Director	Compensation Committee Chairman, Nominating 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
Shoei Utsuda	Director	Nominating Committee Member, Compensation Committee Member Counselor of MITSUI & CO., LTD., Outside Director of Isetan Mitsukoshi Holdings Ltd., Outside Director of Nomura Research Institute, Ltd., Governor of Japan Broadcasting Corporation
Hideo Takaura	Director	Audit Committee Chairman Certified Public Accountant, Outside Director of HONDA MOTOR CO., LTD.
Junji Annen	Director	Audit Committee Member Professor of Chuo Law School, Attorney at Law, Outside Director of MATSUI SECURITIES CO., LTD.
Kazuhiko Toyama	Director	Nominating Committee Member Representative Director and CEO of Industrial Growth Platform, Inc., Outside Director of Panasonic Corporation

(Notes) 1. Takashi Kawamura, Hideko Kunii, Shoei Utsuda, Hideo Takaura, Junji Annen, and Kazuhiko Toyama 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. Noriaki Taketani has years of operational experience in the Company's Accounting Department, and Hideo Takaura and Junji Annen, as a Certified Public Accountant and an attorney at law respectively, have considerable knowledge regarding finance and accounting.
3. In order to ensure that the audit is performed effectively, Noriaki Taketani, who has extensive operational experience at the Company, has been appointed a full-time Audit Committee Member.
4. Shoei Utsuda resigned from his position as Outside Director of TOKYO BROADCASTING SYSTEM HOLDINGS, INC. on February 28, 2018.

ii) Executive Officers (as of March 31, 2018)

Name	Position in the Company	Responsibility in the Company and Important Concurrently-held Positions
Tomoaki Kobayakawa	Representative Executive Officer and President	Management of all aspects of operations Chief of the Nuclear Reform Special Task Force In charge of Profitability Creation Unit, Corporate Management & Planning Unit, TEPCO Research Institute
Naomi Hirose	Executive Officer and Vice Chairman (Fukushima Affairs)	Fukushima Affairs
Seiichi Fubasami	Representative Executive Officer and Executive Vice President	Management of all aspects of operations In charge of Management & Planning (joint position), Corporate Planning Office, Inter-regional Power Exchange Promotion Office, Engineering & Environment Strategy Unit, Renewable Power Company
Mitsushi Saiki	Managing Executive Officer	In charge of safety management, Deputy General Manager of Nuclear Power & Plant Siting Division (In charge of Aomori), in charge of Safety Promotion Office, Secretary Office, Organizations, Employee Relations & Human Resources Office, Corporate Affairs & Legal Office, Business Solution Company
Yoshihito Morishita	Managing Executive Officer	In charge of 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.
Tomomichi Seki	Managing Executive Officer	In charge of IoT, General Manager of Corporate Systems Office, Corporate Management & Planning Unit

Name	Position in the Company	Responsibility in the Company and Important Concurrently-held Positions
Naohiro Masuda	Managing Executive Officer	President of Fukushima Daiichi D&D Engineering Company, Chief Decommissioning Officer
John Crofts	Managing Executive Officer	Chief of Nuclear Safety Oversight, Head of Nuclear Safety Oversight Office
Makoto Okura	Managing Executive Officer	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 Co. INC.
Masaya Kitta	Managing Executive Officer	Representative of Niigata Headquarters, General Manager of Niigata Division, Deputy General Manager of Nuclear Power & Plant Siting Division
Shigenori Makino	Managing Executive Officer	General Manager of Nuclear Power & Plant Siting Division, Deputy Chief and Secretary General of the Nuclear Reform Special Task Force
Ryuichi Yamashita	Executive Officer	Assistant to Chairman, Assistant to President, in charge of Management & Planning (joint position) Chief of the TEPCO-NDF Liaison Office, Nuclear Damage Compensation and Decommissioning Facilitation Corporation (NDF)

(Notes) 1. Tomoaki Kobayakawa and Shigenori Makino concurrently serve as Director.

2. Keita Nishiyama resigned from his position as Executive Officer on July 12, 2017.

(Reference)

The status of Executive Officers as of April 1, 2018 are as follows.

Executive Officers

Name	Position in the Company	Responsibility in the Company
Tomoaki Kobayakawa	Representative Executive Officer and President	Management of all aspects of operations Chief of the Nuclear Reform Special Task Force In charge of Corporate Management & Planning Unit, TEPCO Research Institute
Naomi Hirose	Executive Officer and Vice Chairman (Fukushima Affairs)	Fukushima Affairs
Seiichi Fubasami	Representative Executive Officer and Executive Vice President	Management of all aspects of operations In charge of Management & Planning (joint position), Corporate Planning Office, Inter-regional Power Exchange Promotion Office, Engineering & Environment Strategy Unit, Renewable Power Company

Name	Position in the Company	Responsibility in the Company
Naohiro Masuda	Executive Officer and Executive Vice President	In charge of disaster prevention and safety management, Safety Promotion Office
Mitsushi Saiki	Managing Executive Officer	In charge of Secretary Office, Profitability Creation Unit, Corporate Affairs & Legal Office, Business Solution Company
Yoshihito Morishita	Managing Executive Officer	In charge of Internal Audit Office, Inter-corporate Business Management Office, Accounting & Treasury Office
Shinichiro Kengaku	Managing Executive Officer	Chief of the New Growth Task Force, General Manager of Social Communication Office, in charge of Corporate Communications Office, International Affairs Office
Tomomichi Seki	Managing Executive Officer	In charge of IoT, CIO Office, Digital Risk Management Office
Akira Ono	Managing Executive Officer	President of Fukushima Daiichi D&D Engineering Company, Chief Decommissioning Officer, General Manager of Project Planning Department
John Crofts	Managing Executive Officer	Chief of Nuclear Safety Oversight, Head of Nuclear Safety Oversight Office
Makoto Okura	Managing Executive Officer	Representative of Fukushima Revitalization Headquarters, General Manager of Fukushima Division, Deputy General Manager of Nuclear Power & Plant Siting Division
Masaya Kitta	Managing Executive Officer	Representative of Niigata Headquarters, General Manager of Niigata Division, Deputy General Manager of Nuclear Power & Plant Siting Division
Shigenori Makino	Managing Executive Officer	General Manager of Nuclear Power & Plant Siting Division, Deputy Chief and Secretary General of the Nuclear Reform Special Task Force
Issei Sou	Managing Executive Officer	Deputy General Manager of Nuclear Power & Plant Siting Division (in charge of Aomori), General Manager of Plant Siting & Regional Relations Department, Fukushima Division, Niigata Division
Ryuichi Yamashita	Executive Officer	Assistant to Chairman, Assistant to President, in charge of Management & Planning (joint position)

(Note) Tomoaki Kobayakawa and Shigenori Makino concurrently serve as Director.

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 (Persons)	Amount of Remuneration, etc. (Millions of yen)
Directors	11	86
Executive Officers	19	310

- (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 ¥63 million in remuneration, etc. for nine Outside Directors.
3. The amount of remuneration, etc. paid to Executive Officers includes the ¥2 million difference between the productivity-linked remuneration paid for fiscal 2016, to the 13 Executive Officers in office in fiscal 2016 and paid in fiscal 2017, and the productivity-linked remuneration included in the amount of remuneration, etc. disclosed in the fiscal 2016 business report.

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
Takashi Kawamura	He attended 15 out of 15 meetings (100%) of the Board of Directors, 5 out of 5 meetings (100%) of the Nominating Committee, 10 out of 10 meetings (100%) of the Audit Committee and 5 out of 5 meetings (100%) of the Compensation Committee, and made comments whenever needed utilizing his experience and insight, etc. primarily as an enterprise manager.
Hideko Kunii	She attended 19 out of 19 meetings (100%) of the Board of Directors, 8 out of 8 meetings (100%) of the Nominating Committee, 1 out of 2 meetings (50%) of the Audit Committee and 8 out of 8 meetings (100%) of the Compensation Committee, and made comments whenever needed utilizing her experience and insight, etc. primarily as an enterprise manager.
Shoei Utsuda	He attended 13 out of 15 meetings (87%) of the Board of Directors, 4 out of 5 meetings (80%) of the Nominating Committee and 5 out of 5 meetings (100%) of the Compensation Committee, and made comments whenever needed utilizing his experience and insight, etc. primarily as an enterprise manager.
Hideo Takaura	He attended 15 out of 15 meetings (100%) of the Board of Directors and 10 out of 10 meetings (100%) of the Audit Committee, and made comments whenever needed utilizing his experience and professional knowledge, etc. primarily as a Certified Public Accountant.
Junji Annen	He attended 15 out of 15 meetings (100%) of the Board of Directors and 8 out of 10 meetings (80%) of the Audit Committee, and made comments whenever needed utilizing his experience and professional knowledge, etc. primarily as an attorney at law.
Kazuhiko Toyama	He attended 13 out of 15 meetings (87%) of the Board of Directors and 4 out of 5 meetings (80%) of the Nominating Committee, and made comments whenever needed utilizing his experience and insight, etc. primarily as an enterprise manager.

㊦ 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 2017 for audit services

109 million yen

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

325 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 confirmation services related to financial covenants 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.

The following is published on the Company's website:

<http://www.tepco.co.jp/about/ir/stockinfo/meeting.html>

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

Consolidated Financial Statements

Consolidated Balance Sheet (as of March 31, 2018)

		(millions of yen)	
Description	Amount	Description	Amount
Assets		Liabilities and Net assets	
Fixed assets:	10,365,667	Long-term liabilities:	5,274,312
Electric utility fixed assets:	6,669,336	Bonds	1,377,833
Hydroelectric power production facilities	399,096	Long-term loans	1,307,342
Thermal power production facilities	1,016,890	Provision for preparation of removal of reactor cores in specified nuclear power facilities	1,929
Nuclear power production facilities	865,747	Reserve for loss on disaster	442,402
Transmission facilities	1,576,154	Reserve for compensation for nuclear power-related damages	600,647
Transformation facilities	664,734	Net defined benefit liability	386,735
Distribution facilities	2,021,792	Asset retirement obligations	784,581
Other electric utility fixed assets	124,921	Other	372,839
Other facilities	198,262	Current liabilities:	4,652,768
Facilities in progress:	925,538	Current portion of long-term debt	1,824,498
Construction in progress and retirement in progress	881,113	Short-term loans	1,581,266
Special account related to reprocessing of spent nuclear fuel	44,425	Notes and accounts payable - trade	208,576
Nuclear fuel:	660,368	Accrued taxes	131,566
Loaded nuclear fuel	120,509	Other	906,859
Nuclear fuel in processing	539,858	Reserves:	7,477
Investments and other:	1,912,161	Reserve for fluctuation in water levels	581
Long-term investments	129,869	Reserve for preparation of the depreciation of nuclear power construction	6,895
Long-term investments in subsidiaries and affiliates	917,745	Total liabilities	9,934,558
Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	593,701	Net Assets	
Net defined benefit asset	147,499	Shareholders' equity:	2,644,226
Other	127,044	Capital stock	1,400,975
Allowance for doubtful accounts	(3,698)	Capital surplus	743,121
Current assets:	2,226,156	Earned surplus	508,584
Cash on hand and in banks	1,187,283	Treasury stock	(8,454)
Notes and accounts receivable - trade	587,907	Accumulated other comprehensive income:	7,158
Inventories	160,240	Unrealized gain or loss on securities	8,679
Other	301,869	Deferred gain and loss on hedges	(454)
Allowance for doubtful accounts	(11,144)	Revaluation reserve for land	(2,291)
		Foreign currency translation adjustments	(7,846)
		Remeasurements of defined benefit plans	9,072
		Non-controlling interests	5,880
Total assets	12,591,823	Total net assets	2,657,265
		Total liabilities and net assets	12,591,823

Consolidated Financial Statements

Consolidated Statement of Income (Period from April 1, 2017 to March 31, 2018)

(millions of yen)

Description	Amount	Description	Amount
Expenses		Revenues	
Operating expenses:	5,562,469	Operating revenues:	5,850,939
Electric utility operating expenses	5,188,433	Electric utility operating revenues	5,454,304
Other operating expenses	374,036	Other operating revenues	396,634
Operating income	288,470	Non-operating revenues:	48,635
Non-operating expenses:	82,244	Dividends received	646
Interest expenses	63,247	Interest revenues	1,605
Other	18,997	Equity income under the equity method	38,052
Total ordinary expenses	5,644,714	Other	8,332
Ordinary income	254,860	Total ordinary revenues	5,899,575
		Extraordinary income:	381,987
Provision or reversal of reserve for fluctuation in water levels	581	Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	381,987
Reserve for fluctuation in water levels	581		
Provision for or reversal of reserve for preparation of the depreciation of nuclear power construction:	287		
Provision for reserve for preparation of the depreciation of nuclear power construction	287		
Extraordinary loss:	308,161		
Compensation for nuclear power-related damages	286,859		
Extraordinary loss on disaster	21,302		
Profit before income taxes	327,817		
Income taxes:	9,552		
Income taxes – current	20,882		
Income taxes – deferred	(11,330)		
Income	318,265		
Profit attributable to non-controlling interests	187		
Profit attributable to owners of parent	318,077		

Non-Consolidated Financial Statements

Balance Sheet (as of March 31, 2018)

		(millions of yen)	
Description	Amount	Description	Amount
Assets		Liabilities and Net assets	
Fixed assets:	7,678,711	Long-term liabilities:	4,701,057
Electric utility fixed assets:	1,294,899	Bonds	887,833
Hydroelectric power production facilities	399,794	Long-term loans	1,303,094
Nuclear power production facilities	871,863	Long-term accrued liabilities	7,611
Renewable power production facilities	15,647	Lease obligations	6,917
General facilities	7,517	Long-term due to subsidiaries and affiliates	417,541
Facilities leased to others	76	Accrued pension and severance costs	105,999
Other facilities	31	Provision for preparation of removal of reactor cores in specified nuclear power facilities	1,929
Facilities in progress:	699,433	Reserve for loss on disaster	441,890
Construction in progress	654,768	Reserve for compensation for nuclear power-related damages	600,647
Retirement in progress	239	Asset retirement obligations	783,460
Special account related to reprocessing of spent nuclear fuel	44,425	Deferred tax liabilities	332
Nuclear fuel:	660,604	Miscellaneous long-term liabilities	143,797
Loaded nuclear fuel	120,625	Current liabilities:	2,525,865
Nuclear fuel in processing	539,978	Current portion of long-term debt	1,282,026
Investments and other:	5,023,743	Short-term loans	236,290
Long-term investments	35,802	Accounts payable - trade	3,044
Long-term investments in subsidiaries and affiliates	4,311,331	Accounts payable - other	70,687
Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	593,701	Accrued expenses	206,811
Long-term prepaid expenses	42,434	Accrued taxes	13,979
Prepaid pension cost	41,336	Deposits	1,616
Allowance for doubtful accounts	(863)	Short-term due to subsidiaries and affiliates	696,998
Current assets:	1,526,463	Advance payments received	78
Cash on hand and in banks	1,057,486	Miscellaneous current liabilities	14,331
Accounts receivable - trade	49,666	Reserves:	6,895
Other receivables	24,498	Reserve for preparation of the depreciation of nuclear power construction	6,895
Supplies	44,466	Total liabilities	7,233,818
Advance payments	0	Shareholders' equity:	
Prepaid expenses	468	Capital stock	1,970,500
Short-term due from subsidiaries and affiliates	203,084	Capital surplus:	1,400,975
Miscellaneous current assets	146,843	Capital legal reserve	743,602
Allowance for doubtful accounts	(52)	Other capital surplus	743,555
Total assets	9,205,175	Earned surplus:	46
		Earned legal reserve	(166,421)
		Other earned surplus:	169,108
		Reserve for overseas investment losses	(335,530)
		Reserve for special disaster	149
		General reserve	135
		Unappropriated retained earnings	1,076,000
		Treasury stock	(1,411,815)
		Valuation, translation adjustment and others:	855
		Unrealized gain or loss on securities	855
		Total net assets	1,971,356
		Total liabilities and net assets	9,205,175

Non-Consolidated Financial Statements

Statement of Income (Period from April 1, 2017 to March 31, 2018)

(millions of yen)

Description	Amount	Description	Amount
Expenses		Revenues	
Operating expenses:	835,826	Operating revenues:	840,235
Electric utility operating expenses:	835,073	Electric utility operating revenues:	839,488
Hydroelectric power production expenses	64,116	Sales of power to other companies	552,537
Nuclear power production expenses	633,434	Revenues from contracts to recover	
Renewable power production expenses	1,499	back-end costs related to past years'	
Selling expenses	1	power generation	30,963
Expenses on facilities leased to others	4	Contribution received for nuclear reactor	
General and administrative expenses	126,949	decommission	126,834
Enterprise tax	9,067	Electric utility miscellaneous revenues	129,138
Electric power cost transfer account	(0)	Revenues on facilities leased to others	14
Incidental business operating expenses:	753	Incidental business operating revenues:	747
Operating expenses - consulting business	753	Operating revenues - consulting business	747
Operating income	4,408	Non-operating revenues:	179,443
Non-operating expenses:	64,675	Financing revenues:	177,683
Financing expenses:	60,788	Dividends received	129,970
Interest expenses	60,739	Interest revenues	47,712
Stock issuance expenses	0	Other non-operating revenues:	1,759
Bond issuance expenses	49	Gain on sales of fixed assets	23
Other non-operating expenses:	3,886	Miscellaneous revenues	1,736
Loss on disposal of fixed assets	0	Total ordinary revenues	1,019,679
Other losses	3,885	Extraordinary income:	381,987
Total ordinary expenses	900,502	Grants-in-aid from Nuclear Damage	
Ordinary income	119,176	Compensation and Decommissioning	
Provision for or reversal of reserve for		Facilitation Corporation	381,987
preparation of the depreciation of nuclear			
power construction:	287		
Provision for reserve for preparation of			
the depreciation of nuclear power			
construction	287		
Extraordinary loss:	326,692		
Extraordinary loss on disaster	21,302		
Compensation for nuclear power-related			
damages	286,859		
Loss on valuation of securities	18,530		
Income before income taxes	174,184		
Income taxes:	(33,546)		
Income taxes – current	(33,546)		
Income	207,731		

Audit Reports

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

Report of Independent Auditors	
	May 15, 2018
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
<p>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, 2017 through March 31, 2018.</p>	
<p><i>Management’s Responsibility for the Consolidated Financial Statements</i></p> <p>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.</p>	
<p><i>Auditors’ Responsibility</i></p> <p>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.</p> <p>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</p>	

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 damage caused by a series of accidents at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyu-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 ¥286,859 million, which is the difference between the estimated amount for the previous year and that of this year which is ¥7,036,013 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 ¥3,167,286 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 ¥10,392,227 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, etc.

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, etc.

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 March 27, 2018, the Company submitted an application for a change of the amount of financial support to ¥10,389,583 million, which was the estimated amount as of that date, and recorded ¥381,987 million as Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation for the fiscal year ended March 31, 2018. This amount is calculated as the difference between ¥7,033,369 million, which is the balance after deducting ¥188,926 million of receipt of compensation and ¥3,167,286 million of Grants-in-aid corresponding to the Cost of Decontamination, etc. from the aforesaid estimated amount as of March 27, 2018, and the amount applied on December 27, 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, etc.. but has not recorded any reserve for indirect damage and loss 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, etc. 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, etc. 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 stations 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 the amount recorded based on the actual amount learned from the overseas nuclear power station accident, 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, 2018

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 94th fiscal year from April 1, 2017 through March 31, 2018.

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 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 damage 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).

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on the Act on Corporation.

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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, etc., but has not recorded any reserve for indirect damage and loss 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, etc. 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, etc. 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 stations 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 the amount recorded based on the actual amount learned from the overseas nuclear power station accident, 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, 2017 to March 31, 2018, 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 “Revised Comprehensive Special Business Plan (The Third Plan)” and “FY 2017 TEPCO Group Operation Plan,” as well as the status of initiatives concerning decommissioning of the Fukushima Daiichi Nuclear Power Station, efforts towards Fukushima revitalization, business operations placing top priority on safety and assurance, ensuring of stable power supply, and efforts to enhance “profitability,” 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.

May 21, 2018

Audit Committee

Tokyo Electric Power Company Holdings, Incorporated

Hideo Takaura (seal)
Audit Committee Chairman

Junji Annen (seal)
Audit Committee Member

Takashi Kawamura (seal)
Audit Committee Member

Noriaki Taketani (seal)
Audit Committee Member

(Note) Audit Committee Members Hideo Takaura, Junji Annen and Takashi Kawamura are Outside Directors as stipulated in Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.

End