

TOKYO ELECTRIC POWER COMPANY

Meeting Transcript (Presentation)

Event Date/Time: January 17, 2014

Event Name: TEPCO Investor Meeting for New Comprehensive Business Plan

Corporate Participants:

Naomi Hirose	President, Tokyo Electric Power Company, Inc.
Toshihiro Sano	Managing Executive Officer, Tokyo Electric Power Company, Inc. President, Fuel & Power Company
Toshihiro Takebe	Managing Executive Officer, Tokyo Electric Power Company, Inc. President, Power Grid Company
Takeshi Yamazaki	Managing Executive Officer, Tokyo Electric Power Company, Inc. President, Customer Service Company

Presentation

Naomi Hirose President, Tokyo Electric Power Company, Inc.

<Introduction>

It will have been soon three years since the accident occurred at our Fukushima Daiichi Nuclear Power Station in 2011. I sincerely apologize that the accident still causes anxiety and worry to people in the areas around the power station, our investors and shareholders, and of course, all of society.

I would like to explain our New Comprehensive Special Business Plan, which was approved on January 15th.

Before I discuss the specifics of this Plan, I would like to say a few things that have been on my mind.

Under this New Business Plan,

- TEPCO will stand by the victims of this disaster and provide compensation down to the last person regardless of whether the amount allocated may increase,
- we will work to upgrade living conditions and create industrial infrastructure and job opportunities to speed up the revitalization of Fukushima,
- and we will proceed steadily and safely with the long-term work of decommissioning the reactors over the next 30 to 40 years.

TEPCO will properly fulfill its responsibility to Fukushima, and this Plan allows us to resolutely reduce costs and streamline our organization as well as boost corporate value in a

competitive environment to create the financial resources for the recovery of Fukushima so that we can fulfill that responsibility.

I repeat, our highest priority and starting point is to properly fulfill our responsibility to Fukushima. On that point, no change has been made whatsoever in the current plan. The New Business Plan was approved, and I promise again that we will push forward with unwavering resolve to promote the revitalization of Fukushima.

<Page 4 and 5 – Previous Business Plan and Change of Business Environment>

First, pages 4 and 5 focus mainly on financing and consolidate details relating to the previous plan. Significant changes have occurred in the business environment since the plan was drafted, leading to the need for a thorough revision.

<Page 8 through 10 – Framework of the New Business Plan>

Please look at page 8. The New Business Plan is based on the policy and division of roles between the National Government and TEPCO regarding expenses for compensation, decontamination, and intermediate storage facilities. This plan was approved by the Cabinet on December 20th of last year, and bundles together the activities designed to accelerate revitalization. We take this step forward fully committed, and we also ask the National Government, the Nuclear Damage Liability Facilitation Fund, financial institutions, shareholders and others involved for the cooperation necessary to execute this Plan.

The upper part of page 9 and page 47 as well describes the framework within which we will fulfill our responsibility to Fukushima in a competitive environment.

Specifically, we will further expand the internal company system begun in April of last year and introduce a holding company system by April 2016, which will anticipate electric power system reforms.

This will enable us to maximize the corporate value of our group as a whole so that we can reliably fulfill our responsibility for the accident over the long term and, at the same time, each operating company will strengthen its business foundation and enhance its vitality as it competes in order to fulfill the commitment to Fukushima.

The lower part of page 9 end page 37 as well outlines the strong action we will take in streamlining management with unprecedented rigorousness to convert to a new electric utility model.

We will dig deep to make further cost reductions and work to reform procurement and cost structures. And, to fulfill our responsibility to Fukushima, we will increase corporate value throughout our entire group by competing and developing new businesses transcending regions and industries so that we can return that value to the people of Japan.

Continuing on, page 10 details the way in which TEPCO will be governed.

Currently, TEPCO is under temporary public administration by the Fund, but our aim is to gradually transition to an “autonomous management system” enabling us to demonstrate our corporate vitality to the utmost.

Specifically, TEPCO will undergo a management evaluation with regard to competitiveness and accountability concerning Fukushima. If we satisfy the evaluation criteria, steps will be taken

including a gradual decrease in voting rights held by the Fund to less than 50 percent. Thereafter as well, progress will similarly be evaluated, and Fund voting rights will be reduced to less than 33% step by step at the beginning of the 2020s. Dividends will also begin to be restored and treasury stock will start to be cancelled. Moreover, in the mid-2020s, the plan is to begin selling Fund-held shares.

<Page 11 through 13 – Points concerning the New Business Plan>

Please see page 11. TEPCO will establish a management base that is more conducive than ever to revitalizing Fukushima, and enables us to fulfill our responsibility for the accident over the long term. We will ensure the allocation of reserves to cut prices by up to 1 trillion yen yearly, allowing for the creation of profits on the order of 100 billion yen annually.

Furthermore, by first half of the 2030 decade, we aim to yield annual profits on the order of 300 billion yen and realize share value in excess of 4.5 trillion yen. In addition, we also aim to generate assets reducing charges by up to 300 billion yen annually.

In order to achieve this target, we have made three new pledges, as described on the upper part of page 12 and page 22 as well, concerning compensation. Regardless of whether the amount allocated for compensation increases or not, we will fulfill our responsibility and provide compensation down to the last person who has suffered.

Moreover, for the revitalization of Fukushima, as described on the lower part of page 12, we will prepare a living environment conducive to early repatriation, and will devote our energy to creating an industrial base and employment opportunities. Please see page 23 thru 26 for detail information.

Also, the upper part of page 13 describes how Fukushima Daiichi Units 5 and 6, which will be decommissioned at the end of this January, will be used in mock-up testing. A company, which we are tentatively calling the Decommissioning Company, will be established in April of this year. With these efforts and more, we are steadily proceeding with the long-term decommissioning work to be undertaken over a period of 30 to 40 years in conjunction with the National Government. We are also preparing an international platform for reactor decommissioning and nuclear safety.

Regarding the measures we will take to streamline management that are necessary for us to fulfill our responsibility to Fukushima, please see the lower part of page 13.

At this stage also, we are working on a fundamental rationalization which includes reassessing the extent of risk and procurement reforms that make use of outside experts, and these efforts have produced results. As we advance these efforts even further, we will dig deeper to cut an additional 1.4 trillion yen for ten years beyond the cost reduction targets in the original plan to achieve 4.8 trillion yen in cuts.

Such managerial efforts will increase our equity capital ratio. Our aim is to return to the market for public bond offerings in 2016.

In addition, a difficult management rationalization step that we have taken is to institute voluntary retirements of around 1,000 personnel in 2014. Along with the steps already taken so far at subsidiaries, this means the voluntary retirement of 2,000 personnel throughout our entire

TOKYO ELECTRIC POWER COMPANY

group. Moreover, mandatory retirement will be instituted for veteran management staff, and the number of full-time employees assigned to Fukushima will be 500. We will reinforce the systems on site for compensation, decontamination, revitalization promotion, and other areas by making the best use of leadership and management capabilities of our veteran managers with proven experience and performance.

Meanwhile, along with improving the treatment of employees engaged in compensation work, decommissioning, and other operations in Fukushima, we will introduce a system for reflecting outstanding achievements made by an employee in cost reduction plans in that employee's treatment depending on the individual's performance. This will allow us to both further enhance our competitiveness and rejuvenate personnel, preventing any outflow.

Pages 14 and 52 thru 62 describe the business plans of each company.

<Page 52 through 55 – Growth Strategy of Fuel & Power Company >

Toshihiro Sano Managing Executive Officer, Tokyo Electric Power Company, Inc.
President, Fuel & Power Company

The mission of the Fuel & Power Company is to boldly transform the Company's business in order to become a global competitor, which will enable us to fundamentally reduce fuel costs and pass on those benefits to our customers, as well as to generate funds for the revitalization of Fukushima.

More specifically, while maintaining and improving the integrity of our entire supply chain from upstream businesses and fuel procurement to thermal power generation, we will proceed to fundamentally enhance the entire supply chain through an expansion of its scale. This will enable us to realize a reduction in unit fuel price and a decrease in fuel consumption with improvements in the efficiency of thermal power stations so that we achieve our aim of reducing fuel costs.

To achieve this, the Fuel & Power Company will implement "inclusive alliances," which are bold efforts that defy conventional thinking. Please refer to page 52.

These inclusive alliances are the establishment of new alliance entities by our Company and partners, with which we share business strategy, through capital tie-ups in a spirit of equality.

These inclusive alliances will allow us to propel forward straightaway so as to (1) strengthen our bargaining power by increasing the scale of fuel procurement, (2) expand optimal operation through an increased operational scale, and (3) increase the efficiency of aged thermal plants.

The improved bargaining power will enable us to reduce unit fuel prices and the greater efficiency of thermal power stations will allow for a decrease in fuel consumption so that we will realize an annual total cost reduction effect of approximately 650 billion yen in comparison to today's operations.

The Fuel & Power Company will proceed to select partners to realize the effects which these inclusive alliances aim to achieve. We will form inclusive alliance entities by the end of 2014.

<Page 56 through 59 – Growth Strategy of Power Grid Company >

Toshihiro Takebe Managing Executive Officer, Tokyo Electric Power Company, Inc.
President, Power Grid Company

We formulated a plan based on the understanding that our electricity transmission and distribution network guarantees the stable supply of energy, and it is a social infrastructure serving as a matrix for innovation of a variety of technologies related to energy use. Our aim is, basically, two fold.

First, particularly because TEPCO serves the Greater Tokyo Metropolitan area, the heart of Japan's economy and industry, we will assure the reliability of the power supply in the future as well in light of this responsibility. Also, we will work to thoroughly reduce costs with an eye on moderate wheeling rates, which compare favorably to international levels. In addition, we will to maximize the efficiency of our transmission and distribution network operations.

Next, in order to construct and provide an environment in which the various businesses using our transmission and distribution network, strive to create new products, services and new businesses, we will work to further improve the convenience of network use while, at the same time, increasing transparency as well as neutrality and fairness in business operations.

As for the particulars, please refer to page 56. Here, Korea is a specific example of an advanced country in this area. We will work also to reduce costs using Korea as a benchmark.

Through these efforts, we will proceed to reduce costs by a total of more than 300 billion yen in infrastructure investment and more than 150 billion yen in infrastructure-related costs by FY 2016 as compared to the previous Comprehensive Special Business Plan.

Just as with other social infrastructure, facilities age and deteriorate over the long term, so expenditures are necessary to maintain the reliability of facilities. However, so that the public will accept such expenditures, we would like to establish an assessment method so that such costs are earmarked after an objective and appropriate evaluation.

In addition, as shown on pages 57 and 58, we will work to augment our power grid, expand regional operation, install smart meters, and take other such steps.

<Page 60 through 62 – Growth Strategy of Customer Service Company >

Takeshi Yamazaki Managing Executive Officer, Tokyo Electric Power Company, Inc.
President, Customer Service Company

The Customer Service Company aims to be a futuristic infrastructure company that serves to help realize the wishes of companies and households. More specifically, there are four areas, which I will discuss, that we will focus on. Please refer to page 60.

The first area we will focus on is “total energy solutions based on electricity and gas.” To meet

TOKYO ELECTRIC POWER COMPANY

the wishes of customers who seek to minimize their energy costs, we will propose solutions, which include the procurement, construction and operation of energy facilities in combination with sales of gas and traditional “electricity” in accord with customers’ energy usage so as to minimize customers’ overall energy costs.

The second area we will focus on is offering “diverse and convenient services.” Looking ahead towards full liberalization, in addition to the continued provision of a rate menu offering a variety of electricity rates to customers, an “Electricity Housekeeping Book” will be developed into an open “Lifestyle Platform” where customers will be able to avail themselves of services from a variety of businesses so as to offer greater value-added throughout the whole of customers’ lives, lifestyles and household events.

The third area we will focus on is “competitive electricity and gas procurement.” We will reduce energy procurement costs by conducting open and fair procurement from other power producers and gas entrepreneurs through bidding and wholesale power exchanges.

The fourth area we will focus on is the “nationwide provision of services.” We will utilize the know-how built up in TEPCO’s service area from “total energy solutions based on electricity and gas,” “diverse convenient services” and “competitive electricity and gas procurement,” and expand our services throughout Japan, including nationwide electricity sales.

Through our commitment to the aforementioned priorities, we aim to increase sales with the goal of reach 770 billion yen in 10 years.

<Page 64 and 65 – Request for Cooperation from Financial Institutions and Shareholders >

Naomi Hirose President, Tokyo Electric Power Company, Inc.

To our partner financial institutions, I would like to request your cooperation.

- So that credit lines are maintained with all partner financial institutions via refinancing efforts and other means,
- And to request that our partners engage in sincere discussions with the Fund and TEPCO as early as possible, and not adopt private placement methods for new loans

In addition, I would like to request your consent for

- The shift to a holding company system
- The establishment of special-purpose companies and transfer of funds including replacement through alliance
- And, for the protection of existing bond rights when the shift is made to a holding company system. A method will be employed in which the bonds of subsidiary companies, which are respectively secured by their total assets, will be issued to the holding company.

Furthermore, I would like to request that new lines of credit be made available which are needed to meet the call for 2 trillion yen in financing anticipated to be required over the medium to long term.

Also, I would like to ask our shareholders for their patience with the continued non-payment of dividends over the near term, for their approval of the change to a holding company system and conversion of preferred shares to common shares, and for their acceptance of the further dilution of common shares following the sell-off of converted shares.

<Page70 through 72 – Income and Expenditure Projection >

With regard to the resumption of operations at the Kashiwazaki-Kariwa Nuclear Power Station, our top priority is safety. We are straightforwardly addressing the inspection by the Nuclear Regulation Authority, and it is our intention to provide sincere explanations in response to the concerns of everyone in the siting communities and to obtain their understanding. So, no date has yet been set for the resumption of operations.

Nevertheless, in reformulating our income and expenditure plan for the next 10 years, we have no choice but to set provisional dates based on a certain approach, so we have consulted the examples of other companies and the estimated periods of time for NRA inspections, and made the assumption that Units 1, 5, 6 and 7 would be restarted successively beginning in July of this year.

Work on countermeasures based on the new regulatory standards for Units 2 thru 4 is estimated to be fully underway in the future, and operations are projected to resume in the years after the first four units are restarted, so no decision has been made concerning the resumption of operations at Units 2 thru 4. As noted on page 71 of the material, we have not factored in the resumption of operations of these units.

However, restarting a unit has a significant effect on performance, so, provisional calculations have been made as shown in the table on page 72, which include cases factoring in the assumption that units will be successively restarted.

These are only assumptions for income and expenditure projections, and they do not constitute any sort of foregone conclusion about when a unit may actually be restarted. Once again, we are making safety our top priority, and we want to provide sincere explanations to the residents of siting communities and for the NRA inspections.

<FY2013 Full-Year Earnings Forecast >

Please look at the Tokyo Stock Exchange disclosure material for the full-year earnings forecast. The consolidated forecast is as given here. Non-consolidated operating revenues increased 11.5% year-on-year to 6,434 billion yen due to an increase in unit electricity charges and fuel cost adjustments, and, despite the sharp rise in fuel prices, emergency cost cuts were enacted, resulting in an estimated non-consolidated ordinary income of 27 billion yen, the first balance in the black in three years.

In addition, net income is estimated to be 665 billion yen on a non-consolidated basis due to grants-in-aid from the Nuclear Damage Liability Facilitation Fund and ordinary income.

In heading toward the end of the fiscal year, we cannot discount the possibility that our accounts may take a turn for the worse due to a further weakening of the yen and rise in the CIF price. We will not take anything for granted and continue to give our utmost to cutting costs.

< In Closing >

To be frank, this new Business Plan is very austere, but it manages to provide a vision of what we are aiming for.

This plan will be impossible to realize without the understanding and cooperation of many people, including our shareholders, financial institutions as well as the National Government and local municipalities.

I am determined to continue to lead and bring together our group companies and all employees as we make the utmost effort to fulfill our responsibility to Fukushima, and, in that effort, I humbly request your understanding and cooperation.

<End of Presentation>

Disclaimer:

In the meeting upon which this event transcript is based, Tokyo Electric Power Company may make projections or other forward-looking statements regarding a variety of items. As such, these statements are not historical facts but rather predictions about the future, which inherently involve risks and uncertainties, and these risks and uncertainties could cause the company's actual results to differ materially from the forward-looking statements (performance projections) herein. Although the company may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

(Note)

Please note that the above to be an accurate and complete translation of the original Japanese version prepared for the convenience of our English-speaking investors. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail.