

# Overview of FY2020 1Q Financial Results

July 29, 2020

Tokyo Electric Power Company Holdings, Inc.

[Main points of the FY2020 1Q financial results]

- **Operating revenue decreased** due to increased competition and decrease in electricity sales volume caused by the impact of the COVID-19 pandemic.
- **Ordinary income/loss decreased** due to decreases in operating revenue and a worsening of the impact on JERA from the time-lag inherent to the fuel cost adjustment system despite continual efforts on behalf of the entire Group to cut costs.
- **Quarterly net profit decreased** due to a reactionary fall from the extraordinary profit posted last fiscal year.

# 1. Consolidated financial results overview

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(Unit: Billion kWh)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Electricity Sales Volume	47.4	52.2	-4.8	90.8

(Unit: Billion Yen)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	1,341.3	1,504.0	-162.7	89.2
Operating Income/Loss	57.5	51.2	6.3	112.4
Ordinary Income/Loss	68.5	98.5	-30.0	69.5
Extraordinary Income	-	313.2	-313.2	-
Extraordinary Loss	36.5	125.7	-89.1	-
Net Income Attributable to Owners of the Parent	29.8	281.6	-251.7	10.6

## 2. Main points about core companies

### [TEPCO Holdings (HD)]

- Ordinary income and loss **decreased** due to a decrease in wholesale power sales to TEPCO Energy Partner, Inc. and a decrease in received dividends from core companies.

### [TEPCO Fuel & Power (FP)]

- Ordinary income and loss **decreased** due to worsening of the impact of the time-lag inherent to the fuel cost adjustment system on JERA, which has succeeded our thermal power generation business.

### [TEPCO Power Grid (PG)]

- Ordinary income and loss **decreased** due to a decrease in consigned transmission revenue caused by a drop in power demand resulting from the COVID-19 pandemic despite decreases in depreciation costs, etc.

### [TEPCO Energy Partner (EP)]

- Ordinary income and loss **increased** due to a decrease in the amount of power purchased from TEPCO Holdings, Inc. despite the decrease in operating revenue caused by increased competition and the COVID-19 pandemic.

### [TEPCO Renewable Power (RP)]

- Ordinary income and loss **increased** due to an increase in wholesale power sales to TEPCO Energy Partner, Inc.

### 3. Core company overview

(Unit: Billion Yen)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	1,341.3	1,504.0	-162.7	89.2
TEPCO Holdings	129.2	* 163.2	-33.9	79.2
TEPCO Fuel & Power	1.9	2.1	-0.2	89.0
TEPCO Power Grid	410.7	412.3	-1.5	99.6
TEPCO Energy Partner	1,199.4	1,379.0	-179.5	87.0
TEPCO Renewable Power	39.9	* 28.8	11.0	138.4
Adjustments	-440.1	* -481.6	41.5	-
Ordinary Income/Loss	68.5	98.5	-30.0	69.5
TEPCO Holdings	79.5	* 148.2	-68.7	53.6
TEPCO Fuel & Power	9.2	45.8	-36.5	20.2
TEPCO Power Grid	40.7	42.6	-1.8	95.6
TEPCO Energy Partner	11.2	-12.0	23.2	-
TEPCO Renewable Power	17.8	* 8.1	9.6	218.2
Adjustments	-90.1	* -134.2	44.1	-

\* Numbers for April through June FY2019 rearranged by TEPCO HD and RP to provide a comparison with the current year.



## 4. Consolidated extraordinary income/loss

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(Unit: Billion Yen)

	FY2020 Apr-Jun (A)	FY2019 Apr-Jun (B)	Comparison (A)-(B)
Extraordinary Income	-	*2 313.2	-313.2
Extraordinary Loss	36.5	125.7	-89.1
Expenses for Nuclear Damage Compensation	*1 36.5	30.0	6.4
Other	-	*3 95.6	-95.6
Extraordinary Income/Loss	-36.5	187.5	-224.0

\*1 Increase in estimates of compensation needed to cover damage from harmful rumors and damages incurred as a result of orders to restrict shipping amounts

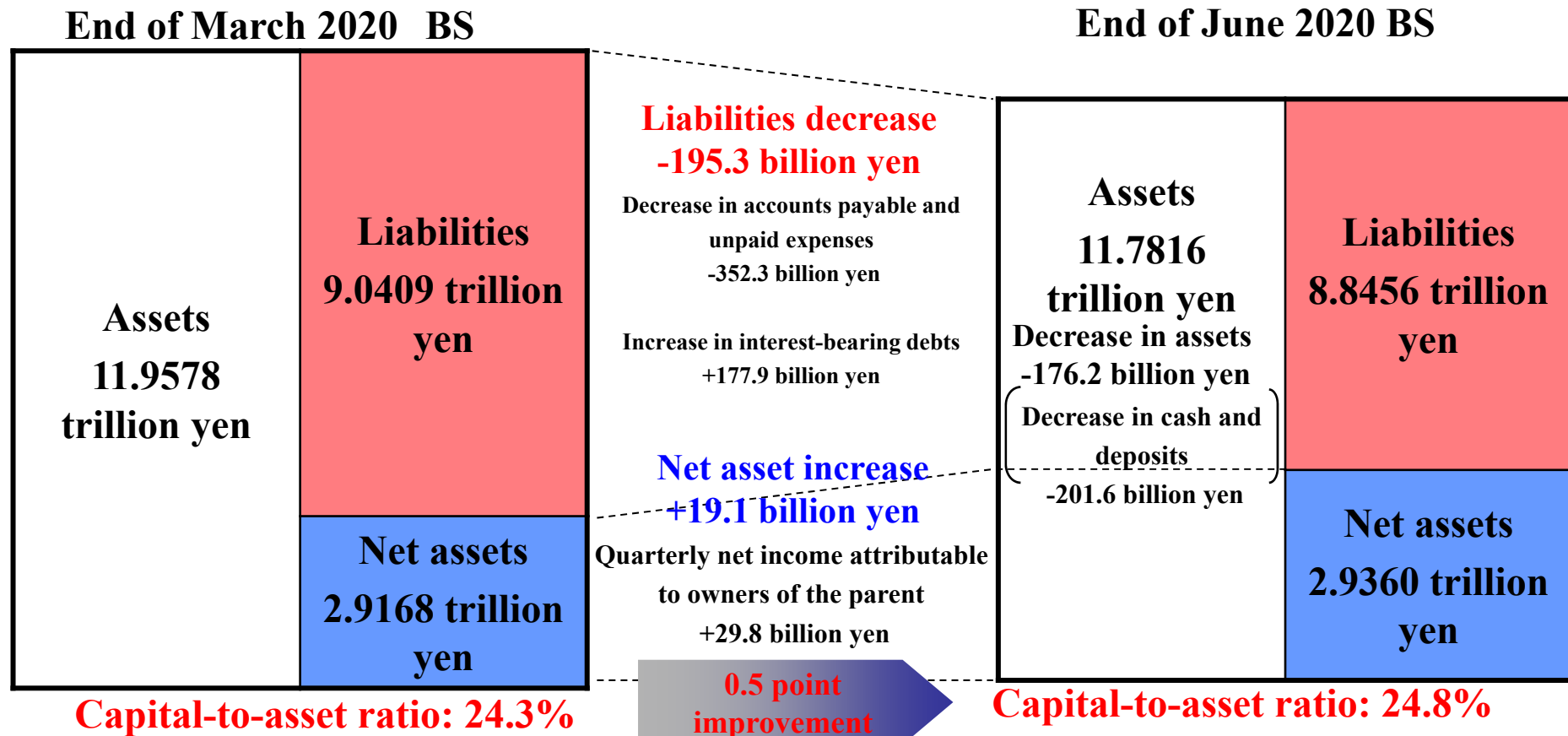
\*2 Variable profit from owned shares, disaster loss allowance reimbursement

\*3 Fukushima Daini decommissioning loss

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## 6. Consolidated finances

- Gross assets decreased to 176.2 billion yen as a result of a decrease in cash and deposits.
- Outstanding liabilities decreased to 195.3 billion yen due to a decrease in accounts payable and unpaid expenses.
- Net assets increased by 19.1 billion yen as a result of posting net quarterly income attributable to owners of parent.
- Capital-to-asset ratio improved 0.5 points.



# <Reference> Income and expenditure statement

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## Area demand

(Unit: Billion kWh)

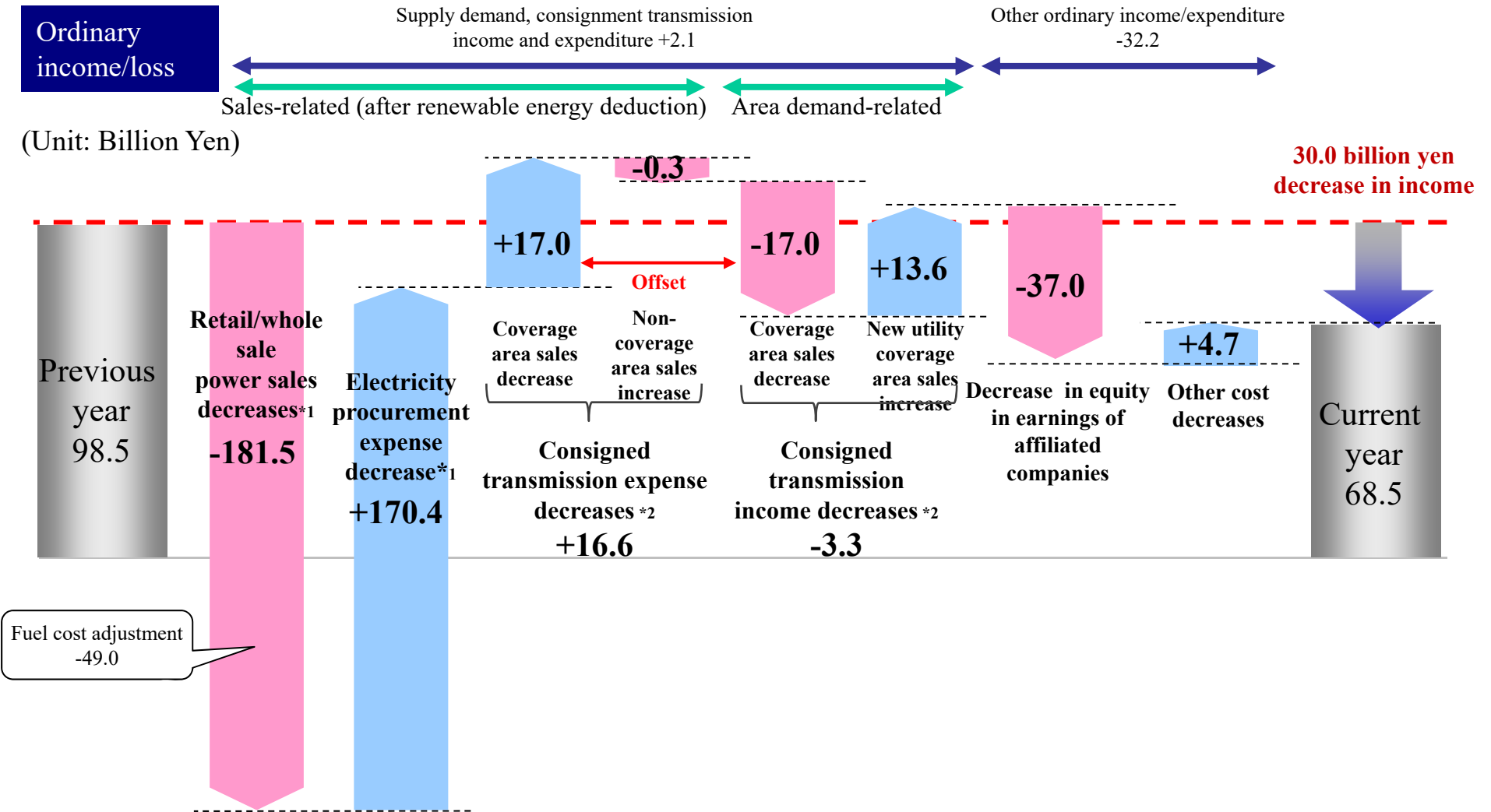
	FY2020 Apr-Jun	FY2019 Apr-Jun	Comparison	
			+/-	Ratio (%)
Area demand	59.5	62.3	-2.7	95.6

## Exchange/CIF

	FY2020 Apr-Jun	FY2019 Apr-Jun	+/-
Exchange rate (Interbank) yen/dollar	107.6	109.9	-2.3
Crude oil price (Japan CIF) Dollar/barrel	32.2	71.5	-39.3

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# <Reference> Consolidated YoY performance comparison (1) ~Increases/Decreases~



\*1 Retail/wholesale power sales and electricity adjustment expenses include the impact of indirect auctions

\*2 Consignment transmission expenses and consigned transmission income do not include the impact of income/expenditure imbalances



## <Reference> Consolidated YoY performance comparison (2) ~Figures~

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(Unit: Billion Yen)

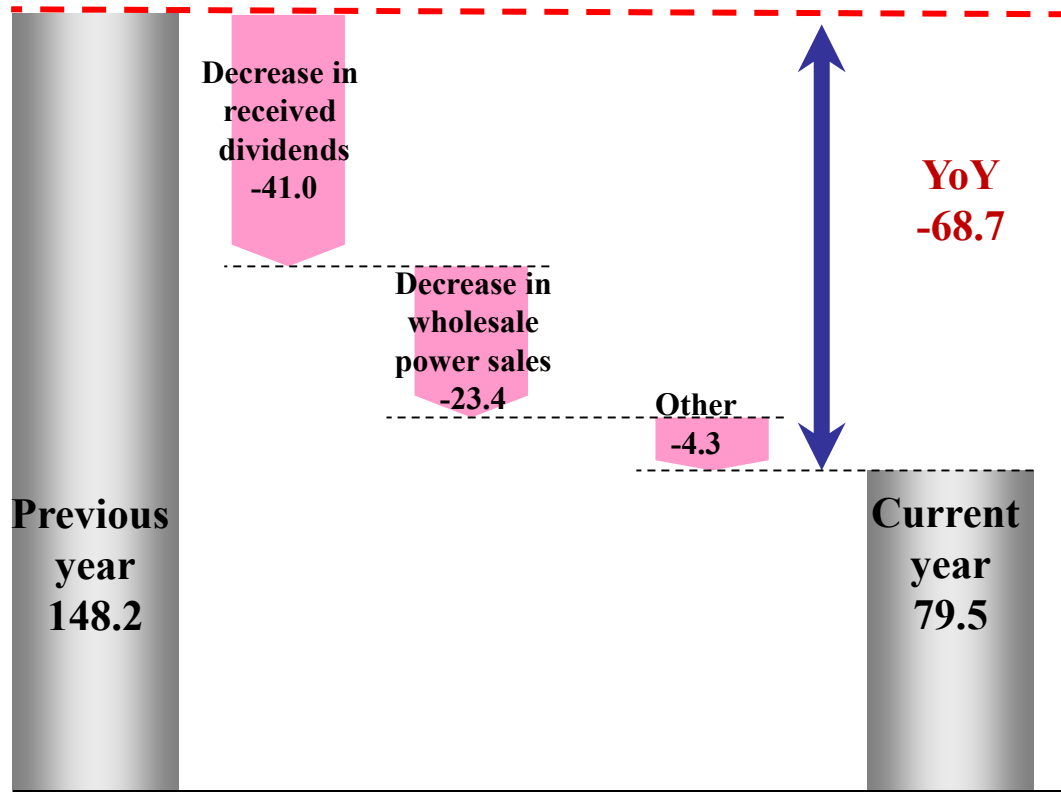
	FY2020 Apr-Jun	FY2019 Apr-Jun	+/-
Ordinary Income	68.5	98.5	-30.0
Supply demand, consignment transmission income and expenditure	444.6	442.5	+2.1
Retail/wholesale power sales	886.0	1,067.6	-181.5
(-) Electricity procurement expense	-516.4	-686.8	+170.4
(-) Consigned transmission expense	-249.6	-266.3	+16.6
Consigned transmission income	324.6	328.0	-3.3
Other ordinary income/expenditure	-376.1	-343.9	-32.2
Increase in equity in earnings of affiliated companies	21.9	58.9	-37.0
(-) Depreciation costs	-100.5	-101.9	+1.4
(-) Facility costs	-56.2	-55.4	-0.8
Other	-241.3	-245.4	+4.1

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# <Reference> HD YoY comparison

## Ordinary income/loss

(Unit: Billion Yen)



## Income and expenditure structure

Income and expenditure includes dividend income, decommissioning charge income, management support fees, and nuclear wholesale power sales, etc.

## Ordinary Income

(Unit: Billion Yen)

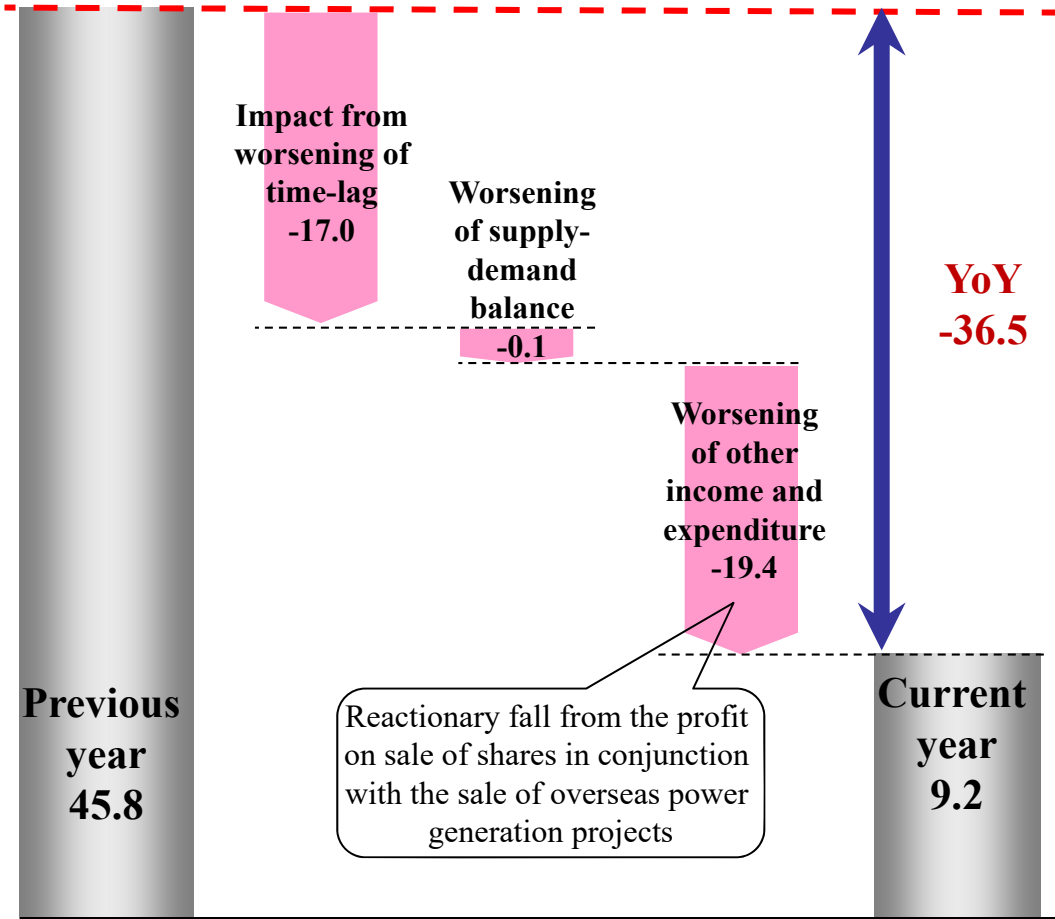
	FY2019	FY2020	+/-
Apr-Jun	* 148.2	79.5	-68.7
Apr-Sep	162.3		
Apr-Dec	148.3		
Apr-Mar	152.9		

\* Numbers for April through June FY2019 rearranged by TEPCO HD and RP to provide a comparison with the current year.

# <Reference> FP YoY comparison

## Ordinary income/loss

(Unit: Billion Yen)



## Income and expenditure structure

Primary income is from JERA's equity in earnings of affiliated companies.

## Impact of time-lag (JERA share impact)

(Unit: Billion Yen)

	FY2019	FY2020	+/-
Apr-Jun	+22.0	+5.0	-17.0

## Ordinary income

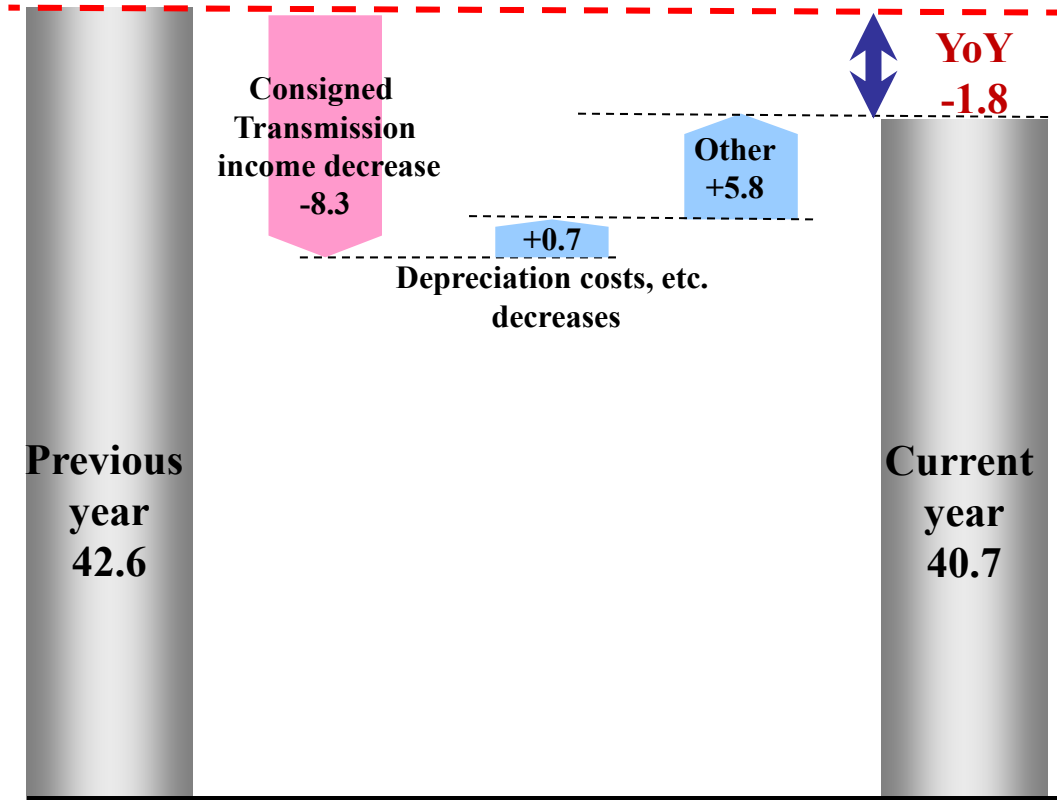
(Unit: Billion Yen)

	FY2019	FY2020	+/-
Apr-Jun	45.8	9.2	-36.5
Apr-Sep	58.4		
Apr-Dec	62.3		
Apr-Mar	64.7		

# <Reference> PG YoY comparison

## Ordinary income/loss

(Unit: Billion Yen)



## Income and expenditure structure

Revenue is primarily from consigned transmission income and fluctuates with area demand. Costs are primarily maintenance costs for transmission and distribution equipment, and depreciation costs.

## Area demand

(Unit: Billion kWh)

	FY2019	FY2020	+/-
Apr-Jun	62.3	59.5	-2.7

## Ordinary income

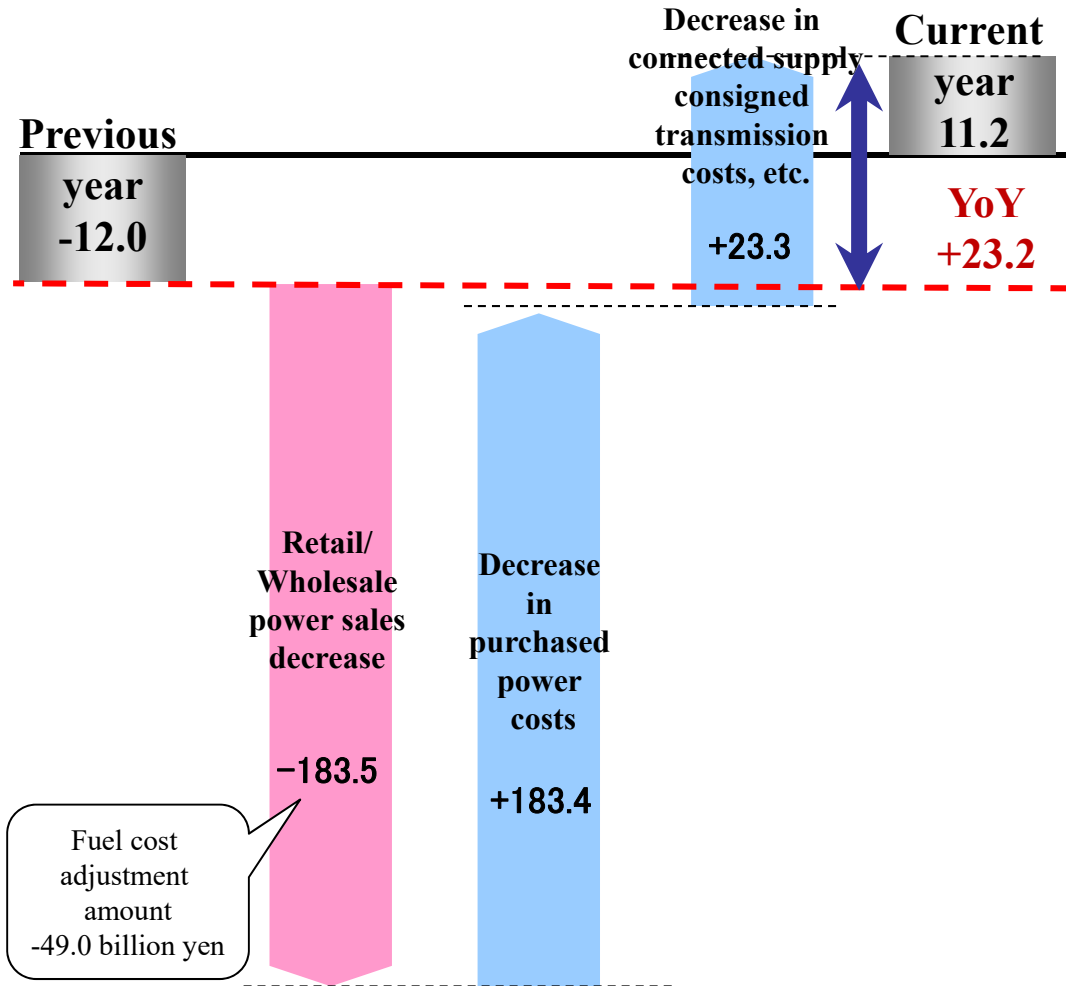
(Unit: Billion Yen)

	FY2019	FY2020	+/-
Apr-Jun	42.6	40.7	-1.8
Apr-Sep	119.9		
Apr-Dec	175.3		
Apr-Mar	116.6		

# <Reference> EP YoY comparison

## Ordinary income/loss

(Unit: Billion Yen)



## Income and expenditure structure

Revenue is primarily from electricity charges and fluctuates with power sales volume. Costs are primarily purchased power fees and connected supply consigned transmission costs.

## Electricity sales volume (Unit: Billion kWh)

	FY2019	FY2020	+/-
Apr-Jun	52.2	47.4	-4.8

## Gas contracts (EP only)

End of March 2020	End of June 2020
Approx. 1.13 million	Approx. 1.16 million

## Ordinary income (Unit: Billion Yen)

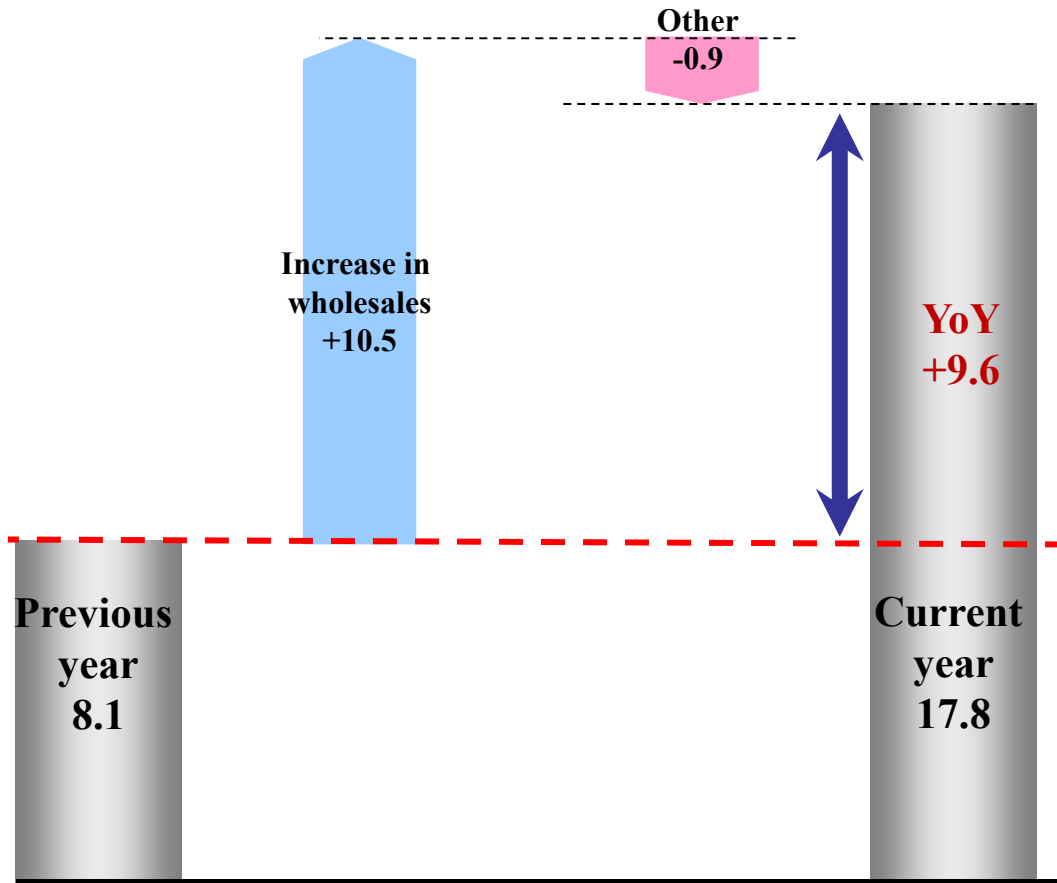
	FY2019	FY2020	+/-
Apr-Jun	-12.0	11.2	+23.2
Apr-Sep	43.4		
Apr-Dec	54.6		
Apr-Mar	60.0		



# <Reference> RP YoY Comparison

## Ordinary income/loss

(Unit: Billion Yen)



## Income and expenditure structure

Most income comes from the wholesale of hydroelectric and new energies. Costs are primarily from depreciation and maintenance.

## Flow rate

(Unit: %)

	FY2019	FY2020	+/-
Apr-Jun	90.8	101.9	+11.1

## Ordinary Income

(Unit: Billion Yen)

	FY2019	FY2020	+/-
Apr-Jun	* 8.1	17.8	+9.6
Apr-Sep	-		
Apr-Dec	-		
Apr-Mar	-		

\* Numbers for April through June FY2019 rearranged by TEPCO HD and RP to provide a comparison with the current year.