

# FY2021 Financial Results Summary

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April 28, 2022

Tokyo Electric Power Company Holdings, Inc.

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## 【 Main points of the FY2021 financial results 】

- **Operating revenue decreased** due to the application of new accounting standards.
- **Ordinary income decreased** due to worsening of the impact for JERA from the time-lag inherent to the fuel cost adjustment system and decreases in retail power sales volume despite continual efforts on behalf of the entire Group to improve revenue and expenditure.
- **Net profit decreased** due to the posting of loss on the return of imbalance income and expenditure, and disaster-related extraordinary loss.

## 【Dividends】

- There will be no year-end dividends distributed for FY2021
- It is predicted that there will be no midterm or year-end dividends distributed for FY2022

## 【FY2022 Performance Forecast】

- TBD

# 1. Consolidated Financial Results Overview

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(Unit: Billion Yen)

	FY2021	FY2020	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	5,309.9	5,866.8	-556.9	90.5
Operating Income/Loss	46.2	143.4	-97.2	32.2
Ordinary Income/Loss	44.9	189.8	-144.9	23.7
Extraordinary Income/Loss	-29.8	1.3	-31.2	-
Net Income Attributable to Owners of the Parent	5.6	180.8	-175.2	3.1

(Unit: Billion kWh)

	FY2021	FY2020	Comparison	
			(A)-(B)	(A)/(B) (%)
Total power sales volume	233.8	231.5	+2.3	101.0
Retail power sales volume ※1	186.5	204.7	-18.2	91.1
Wholesale power sales volume ※2	47.3	26.8	+20.5	176.4

※1 Total of EP consolidated (EP/TCS/PinT) and PG (islands, etc.)

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

**TEPCO**

# (Reference) Key Factors Affecting Performance

## Area Demand

(Unit: Billion kWh)

	FY2021	FY2020	Comparison	
			+/-	Ratio (%)
Area Demand	268.7	266.3	+ 2.4	100.9

## Exchange Rate/CIF

	FY2021	FY2020	+/-
Exchange Rate (Interbank)	112.4 JPY/USD	106.1 JPY/USD	+6.3 JPY/USD
Crude oil price (Japan CIF)	77.2 USD/barrel※	43.4 USD/barrel	+33.8 USD/barrel

※ The crude oil price for FY2021 is the most recent price announced on April 20

### 3. Core Company Overview

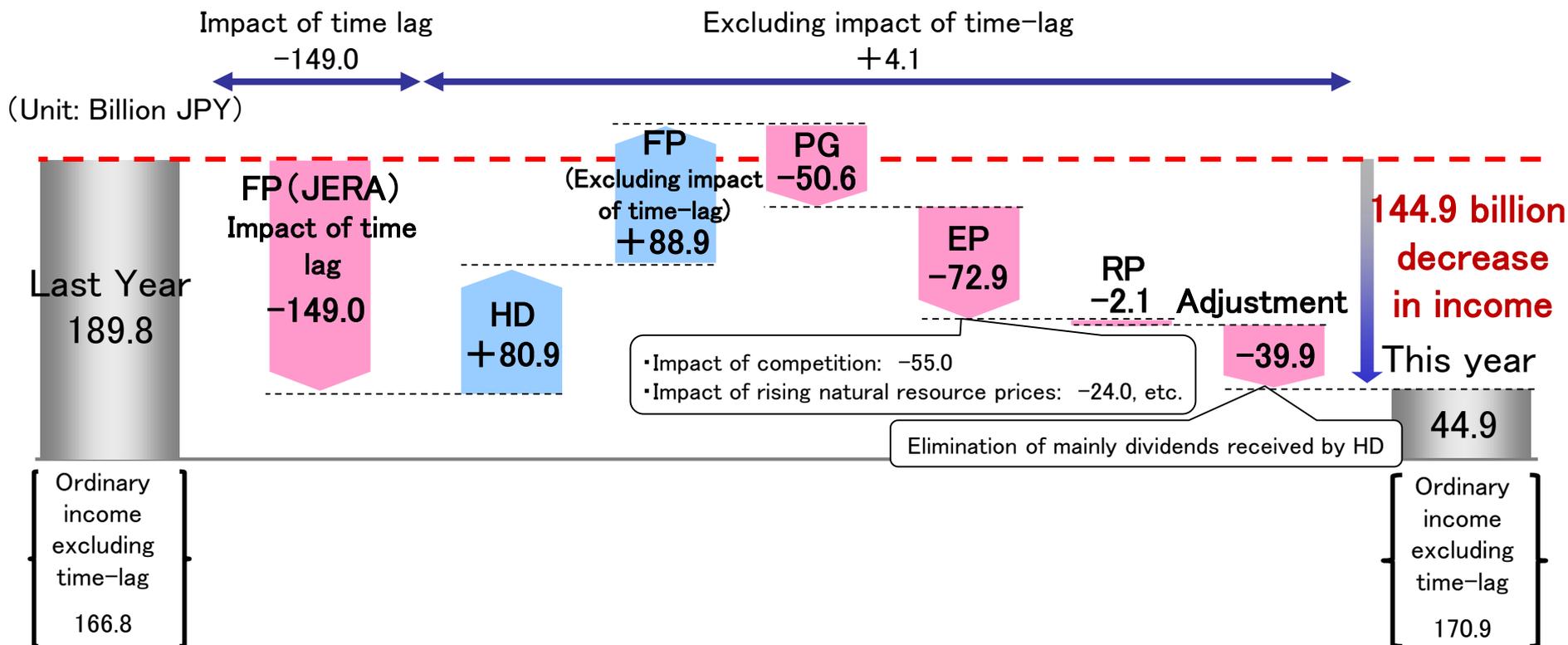
(Unit: Billion Yen)

	FY2021	FY2020	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	5,309.9	5,866.8	-556.9	90.5
TEPCO Holdings (HD)	620.0	624.2	-4.1	99.3
TEPCO Fuel & Power (FP)	5.1	8.7	-3.5	59.1
TEPCO Power Grid (PG)	1,962.3	2,003.8	-41.5	97.9
TEPCO Energy Partner (EP)	4,360.6	5,034.3	-673.7	86.6
TEPCO Renewable Power (RP)	153.1	143.4	+9.6	106.7
Adjustments	-1,791.4	-1,947.9	+156.5	-
Ordinary Income/Loss	44.9	189.8	-144.9	23.7
TEPCO Holdings (HD)	73.0	-7.9	+80.9	-
TEPCO Fuel & Power (FP)	9.6	69.8	-60.1	13.8
TEPCO Power Grid (PG)	118.3	169.0	-50.6	70.0
TEPCO Energy Partner (EP)	-66.4	6.4	-72.9	-
TEPCO Renewable Power (RP)	45.9	48.1	-2.1	95.5
Adjustments	-135.5	-95.6	-39.9	-

### 3. Main Points about Core Companies

- **HD**: Ordinary income **increased** due to an increase in dividends received from core companies.
- **FP**: Ordinary income **decreased** due to worsening of the impact for JERA from the time-lag inherent to the fuel cost adjustment system.
- **PG**: Ordinary income **decreased** as a result of an increase in facility-related costs.
- **EP**: Ordinary income **decreased** due to a decrease in retail power sales volume caused by increased competition, and the rising price of natural resources.
- **RP**: Ordinary income **decreased** due to an increase in fixed asset tax despite increases in power wholesales.

#### Ordinary Income/Loss



※ The impact of the time-lag is felt mainly by JERA

## 4. Consolidated Extraordinary Income/Loss

(Unit: Billion Yen)

		FY2021	FY2020	Comparison (A)-(B)
Extraordinary Income		116.6	142.1	-25.5
Nuclear Damage Compensation and Decommissioning Facilitation Corporation Subsidies	※1	116.6	142.1	-25.5
Extraordinary Loss		146.4	140.7	+5.6
Expenses for Nuclear Damage Compensation	※2	117.7	140.7	-23.0
Loss on Return of Imbalance Income and Expenditure	※3	15.8	-	+15.8
Disaster-related Extraordinary Loss	※4	12.8	-	+12.8
Extraordinary Income/Loss		-29.8	1.3	-31.2

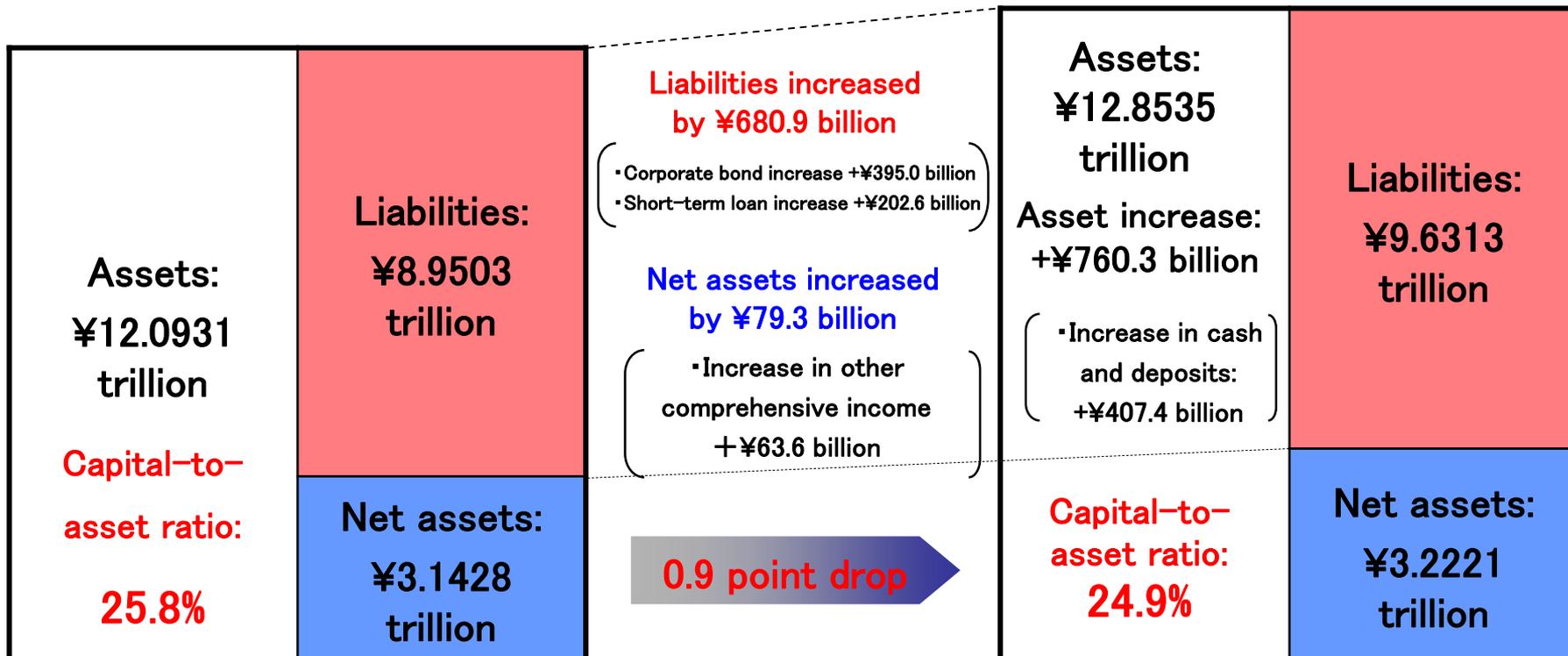
- ※1 Applications to change the amount of financial assistance were submitted on September 30, 2021 and March 22, 2022.
- ※2 Damage resulting from shipping restrictions and increases caused by extending the calculation period for reputational damage estimates, etc.
- ※3 An adjustment will be made by subtracting part of the imbalance income and expenditure seen in January 2021, which was caused by the tight supply-demand situation experienced during the winter of FY2020, from consigned transmission fees after April 2022.
- ※4 Expenses incurred to repair assets damaged during the earthquake that occurred off the coast of Fukushima Prefecture on March 16, 2022.

# 5. Consolidated Finances

- Gross assets increased by ¥760.3 billion due to increases in cash and deposits.
- Outstanding liabilities increased by ¥680.9 billion due to increases in corporate bonds and short-term loans.
- Net assets increased by ¥79.3 billion due to the increase of other comprehensive income.
- Capital-to-asset ratio worsened by 0.9 points

End of March 2021 BS

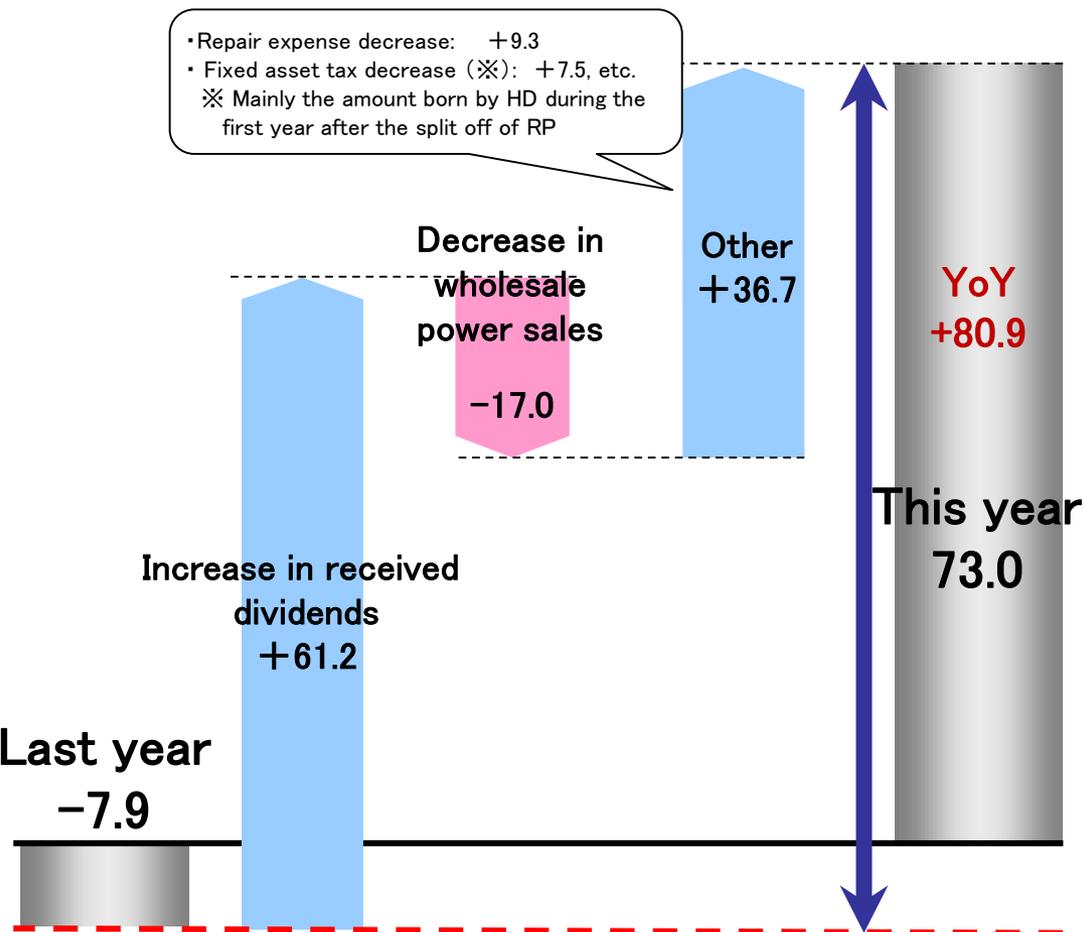
End of March 2022 BS



# (Reference) HD YoY comparison

## Ordinary income/loss

(Unit: Billion JPY)



## Income and expenditure structure

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

## Ordinary income/loss

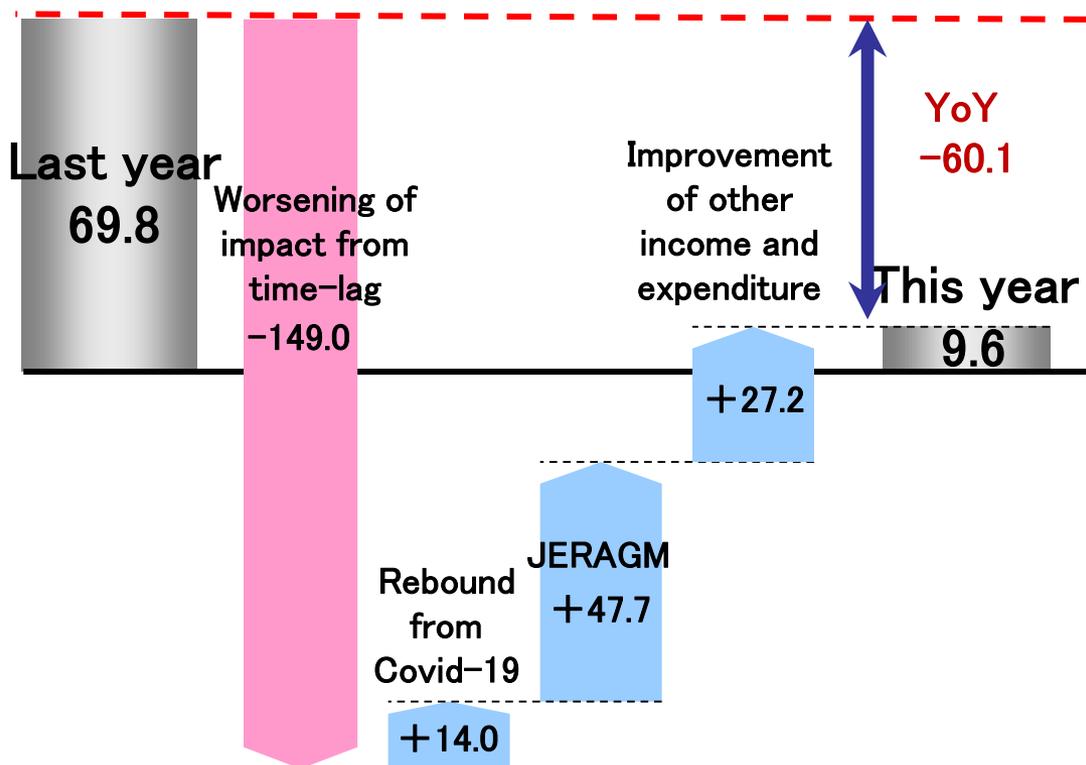
(Unit: Billion JPY)

	FY2020	FY2021	+/-
Apr-Jun	79.5	126.7	+ 47.1
Apr-Sep	63.3	98.0	+ 34.7
Apr-Dec	7.0	72.0	+ 64.9
Apr-Mar	-7.9	73.0	+ 80.9

# (Reference) FP YoY comparison

## Ordinary income/loss

(Unit: Billion JPY)



## Income and expenditure structure

Primary income is equity in earnings of affiliated companies, such as from JERA's supply/demand balance.

(Unit: Billion JPY)

## Impact of time lag (JERA share impact)

	FY2020	FY2021	+/-
Apr-Mar	+ 23.0	-126.0	-149.0

## Ordinary income/loss

(Unit: Billion JPY)

	FY2020	FY2021	+/-
Apr-Jun	9.2	30.1	+ 20.8
Apr-Sep	45.3	7.3	-37.9
Apr-Dec	83.4	-9.3	-92.7
Apr-Mar	69.8	9.6	-60.1

# (Reference) PG YoY comparison

## Ordinary income/loss

(Unit: Billion JPY)

Consigned transmission  
income increase ※

+10.8

-23.5

-1.5

Other

-36.4

YoY  
-50.6

Increase in  
facility related  
expenses

Increase in  
depreciation

- Repair expense increase: -13.4
- Fixed asset removal cost  
Increase: -10.0

Decrease caused by rebound from tight  
supply-demand situation during the winter  
of FY2020: -10.0, etc.

This year  
118.3

Last year  
169.0

※ Consigned transmission income excludes the impact of imbalance income and expenditure.

## 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)

	FY2020	FY2021	+/-
Apr-Mar	266.3	268.7	+ 2.4

## Ordinary income/loss

(Unit: Billion JPY)

	FY2020	FY2021	+/-
Apr-Jun	40.7	34.6	-6.0
Apr-Sep	123.8	106.6	-17.1
Apr-Dec	183.6	163.5	-20.0
Apr-Mar	169.0	118.3	-50.6

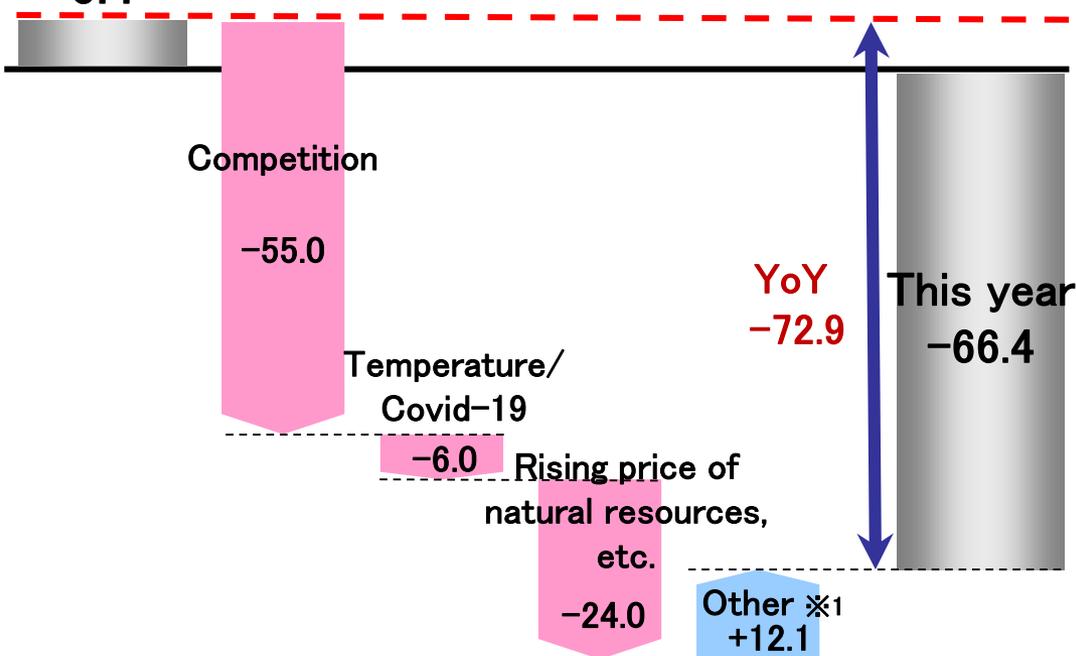
# (Reference) EP YoY comparison

## Ordinary income/loss

(Unit: Billion JPY)

Last year

6.4



※1 Includes the impact of correcting consolidated result discrepancies related to the appropriation of renewable energy subsidy estimates made during the previous term.

## 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.

(Unit: Billion kWh)

## Power sales volume (EP consolidated)

	FY2020	FY2021	+/-
Retail	204.5	186.3	-18.2

Competition: -17.6, temperature impact: -0.6, Covid-19 impact: +1.9, Other: -1.9

## Gas contracts (EP alone)

End of March 2021	End of March 2022
Approx. 1.24 million	Approx. 1.32 million

## Ordinary income/loss

(Unit: Billion JPY)

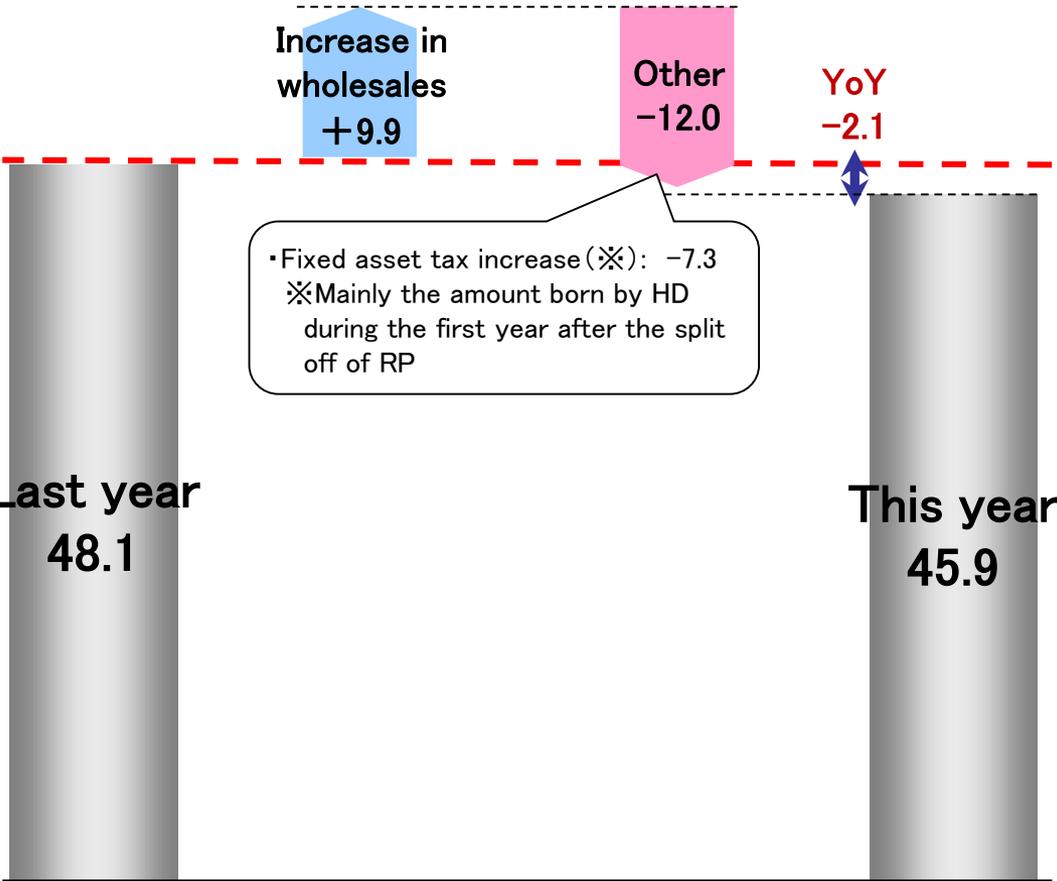
	FY2020	FY2021	+/-
Apr-Jun	11.2	-37.4	-48.7
Apr-Sep	45.9	5.8	-40.0
Apr-Dec	7.9	-42.3	-50.3
Apr-Mar	6.4	-66.4	-72.9

**TEPCO**

# (Reference) RP YoY Comparison

## Ordinary income/loss

(Unit: Billion JPY)



## 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: %)

	FY2020	FY2021	+/-
Apr-Mar	98.7	97.4	-1.3

## Ordinary income/loss

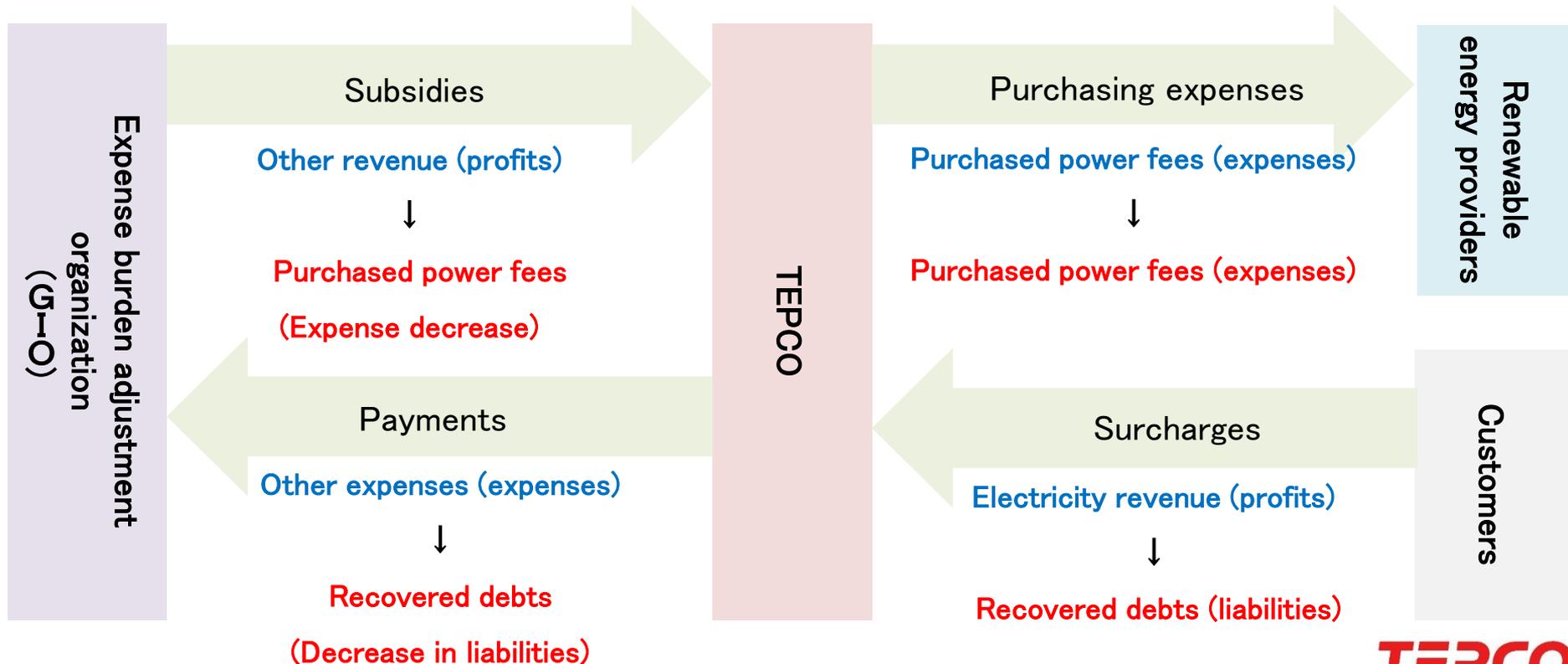
(Unit: Billion JPY)

	FY2020	FY2021	+/-
Apr-Jun	17.8	16.1	-1.6
Apr-Sep	36.7	35.0	-1.6
Apr-Dec	44.1	40.5	-3.6
Apr-Mar	48.1	45.9	-2.1

# (Reference) Application of new accounting standards

- “Accounting standards for revenue recognition” went into effect in FY2021 and some transactions that were posted as revenue (sales) must now be listed in a different category (changes were also made to what can be posted as expenses so there was no impact on revenue and expenditure).
- Surcharges and payments are posted as increases/decreases in recovered debts (liabilities) since they are paid to the GIO.
- Subsidies are posted as decreases in expenses due to revision of the electric operators accounting rules in accordance with the new accounting standards.

< Diagram of the feed-in tariff system for renewable energies > [Blue: Accounting category until FY2020](#)  
[Red: Accounting category as of FY2021](#)



# (Reference) Factors causing fluctuation in consolidated sales

## ~Impact of the application of new accounting standards~

- Sales decreased by ¥1.0132 trillion as a result of application of new accounting standards  
(No impact on income and expenditure since costs will also decrease)

### Sales

(Unit: Billion JPY)

