

Overview of FY2016 1st Quarter Financial Results (April 1 – June 30, 2016)

(Released on July 28, 2016)

Tokyo Electric Power Company Holdings, Inc.

(Note)

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

Key Points of FY2016 1st Quarter Financial Results

< FY2016 1st Quarter Financial Results >

- Ordinary revenues decreased for the second consecutive year due to a decrease in the unit price of electricity resulting from fuel cost adjustments etc. and a decrease in electricity sales.
- Ordinary expenses decreased due to the fall of fuel prices and the continued extensive cost reduction efforts on a company wide level, therefore ordinary income achieved profits for the third consecutive year.
- However, effect caused by fuel cost adjustments decreased compared to the previous year, and ordinary profits decreased for the first time in four years.
- Although net income decreased substantially due to extraordinary loss for expenses for nuclear damage compensation, it achieved profits for the second consecutive year.

< FY2016 Full-Year Financial Forecasts >

- FY2016 full-year financial forecasts is to be determined, because the current situation makes it difficult to release an operation plan for Kashiwazaki-Kariwa Nuclear Power Station.

1. Consolidated Financial Results

2

(Unit: Billion Yen)

	FY2016 Apr-Jun(A)	FY2015 Apr-Jun(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenues	1,264.9	1,551.6	-286.6	81.5
Operating Income	143.6	228.2	-84.6	62.9
Ordinary Income	136.7	214.1	-77.3	63.9
Extraordinary Income	-	426.7	-426.7	-
Extraordinary Loss	119.9	405.6	-285.7	-
Net Income attributable to owners of parent	1.1	203.3	-202.1	0.6

2. Electricity Sales Volume/ Key Factors Affecting Performance

Electricity Sales Volume

(Unit: Billion kWh)

	FY2016 Apr-Jun*(A)	FY2015 Apr-Jun(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Lighting	19.0	19.7	-0.7	96.3
Power	37.3	38.9	-1.6	95.8
Total	56.3	58.6	-2.3	96.0

* Excluding islands. Including nation-wide sales.

Key Factors Affecting Performance

	FY2016 Apr-Jun(A)	FY2015 Apr-Jun(B)	(A)-(B)
Foreign Exchange Rate (Interbank, yen/dollar)	108.1	121.4	-13.3
Crude Oil Prices (All Japan CIF, dollar/barrel)	41.1	59.6	-18.5
LNG Prices (All Japan CIF, dollar/barrel)	34.7	53.3	-18.6

3. Ordinary Revenues (Consolidated)

(Unit: Billion Yen)

	FY2016 Apr - Jun (A)	FY2015 Apr - Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
(Operating Revenues)	1,264.9	1,551.6	-286.6	81.5
Electricity Sales Revenues	1,064.4	1,349.9	-285.4	78.9
Lighting	450.4	548.0	-97.6	82.2
Power	614.0	801.9	-187.8	76.6
Inter-regional Electricity Sales and Electricity Sales to Other Companies	23.7	44.9	-21.1	52.9
Other Revenues	155.6	131.1	24.4	118.7
(Written again) Grant under Act on Procurement of Renewable Electric Energy	82.8	56.8	25.9	145.7
Subsidiaries / Affiliated Companies	44.0	43.2	0.8	101.9
Ordinary Revenues	1,287.8	1,569.2	-281.4	82.1

- Effect of fuel cost adjustments -263.0
- Decrease in electricity sales -47.0

Total of TEPCO Holdings and three Core Operating Companies (TEPCO Fuel & Power, TEPCO Power Grid and TEPCO Energy Partner) (after intercompany elimination)

Total of subsidiaries and affiliated companies excluding three Core Operating Companies (after intercompany elimination)

4. Ordinary Expenses (Consolidated)

5

	(Unit: Billion Yen)			
	FY2016 Apr - Jun (A)	FY2015 Apr - Jun (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Personnel Expenses	88.3	91.8	-3.5	96.2
Fuel Expenses	227.8	401.8	-173.9	56.7
Maintenance Expenses	69.8	71.6	-1.8	97.4
Depreciation Expenses	136.9	142.2	-5.3	96.2
Power Purchasing Costs	222.4	251.2	-28.7	88.6
Interest Paid	20.4	22.7	-2.2	90.0
Taxes, etc.	72.1	94.1	-22.0	76.6
Nuclear Back-end Costs	13.3	14.3	-0.9	93.5
Other Expenses	266.6	233.9	32.6	114.0
(Written again) Payment under Act on Procurement of Renewable Electric Energy	100.6	66.5	34.0	151.1
Subsidiaries / Affiliated Companies	33.1	31.1	1.9	106.4
Ordinary Expenses	1,151.1	1,355.1	-204.0	84.9
(Operating Income)	(143.6)	(228.2)	(-84.6)	(62.9)
Ordinary Income	136.7	214.1	-77.3	63.9

- Effect of price fluctuations of exchange rate, CIF and others -163.0

- Decrease in thermal power generation -11.0

- Decrease of purchase from cooperative thermal power companies, IPP and others

Total of TEPCO Holdings and three Core Operating Companies (after intercompany elimination)

Total of subsidiaries and affiliated companies excluding three Core Operating Companies (after intercompany elimination)

5. Extraordinary Income/ Loss (Consolidated)

6

(Unit: Billion Yen)

	FY2016 Apr-Jun	FY2015 Apr-Jun	Comparison
Extraordinary Income	-	426.7	-426.7
Grants-in-aid from NDF*	-	426.7	-426.7
Extraordinary Loss	119.9	405.6	-285.7
Expenses for Nuclear Damage Compensation	119.9	405.6	-285.7
Extraordinary Income/ Loss	-119.9	21.1	-141.0

<Extraordinary Loss>

- Expenses for Nuclear Damage Compensation
 - Increase in the estimated amount of compensation for opportunity losses on businesses and damage to reputation among other factors

* Nuclear Damage Compensation and Decommissioning Facilitation Corporation

6. Consolidated Financial Position

- Total assets decreased 610.2 billion yen mainly due to decline in cash and deposits.
- Total liabilities decreased 592.9 billion yen mainly due to decline in interest-bearing debt.
- Equity ratio improved by 0.6%.

Balance Sheets as of Mar. 31, 2016

Total Assets 13,659.7 billion yen	Liabilities 11,441.6 billion yen
	Net Assets 2,218.1 billion yen

Equity Ratio: 16.1%

Balance Sheets as of Jun. 30, 2016

Total Assets 13,049.5 billion yen Decrease in Assets - 610.2 billion yen <ul style="list-style-type: none"> ▪ Cash and deposits -404.8 billion yen ▪ Grants-in-aid from NDF -175.7 billion yen etc. 	Liabilities 10,848.6 billion yen
	Net Assets 2,200.8 billion yen

Equity Ratio: 16.7%

Decrease in Liabilities
-592.9 billion yen

- Interest-bearing Debt - 285.4 billion yen

Increase in Net Assets
-17.2 billion yen

- Record net income attributable to owners of parent +1.1 billion yen

Improved by 0.6%