

FY2019 2nd Quarter Financial Results (April 1 – September 30, 2019)

Tokyo Electric Power Company Holdings, Inc.



tepcon

Overview of FY2019 2nd Quarter Financial Results

(Released on October 28, 2019)

(Note)

Please note that the following is 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.

< FY2019 2nd Quarter Financial Results >

- Although electricity sales volume for TEPCO group companies decreased, operating revenue increased due to a rise in fuel cost adjustment.
- Ordinary income increased due to a gain incurred by fuel cost adjustment system time lag into income and continual cost reductions made by all Group companies.
- Both Ordinary income and net income showed a profit for seven consecutive years.
- The gain on change in equity as a result of the succession of the thermal power generation business to JERA , the loss in the decommissioning of Fukushima Daini as a result of the decision to decommission the Fukushima Daini Nuclear Power Station, and extraordinary loss on disaster of Typhoon Faxai(15th typhoon of the season) were appropriated as extraordinary income and loss.

1. Consolidated Financial Results

(Unit: Billion kWh)

	FY2019 Apr-Sep (A)	FY2018 Apr-Sep (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Electricity Sales Volume	111.8	116.1	-4.3	96.3

(Unit: Billion Yen)

	FY2019 Apr-Sep (A)	FY2018 Apr-Sep (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	3,175.6	3,055.5	120.0	103.9
Operating Income/Loss	196.6	219.6	-23.0	89.5
Ordinary Income/Loss	249.9	210.6	39.3	118.7
Extraordinary Income	367.2	-	367.2	-
Extraordinary Loss	166.4	84.6	81.8	-
Net Income attributable to owners of parent	420.6	89.6	330.9	469.0

<TEPCO Holdings>

- Ordinary income decreased due to factors including decreased wholesale power sales to TEPCO Energy Partner, etc.

<TEPCO Fuel & Power>

- Ordinary income increased due to factors including a gain incurred by fuel cost adjustment system time lag into income at JERA, which has succeeded the thermal power generation business, etc.

<TEPCO Power Grid>

- Although transmission revenue decreased, ordinary income increased due to factors including decreased maintenance expenses and depreciation.

<TEPCO Energy Partner>

- Ordinary income decreased due to intensified competition and counteraction from heat wave in the last fiscal year, etc.

3. Overview of Each Company

(Unit: Billion Yen)

	FY2019 Apr-Sep (A)	FY2018 Apr-Sep (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Operating Revenue	3,175.6	3,055.5	120.0	103.9
TEPCO Holdings	373.1	391.5	-18.3	95.3
TEPCO Fuel & Power	4.3	951.9	-947.5	0.5
TEPCO Power Grid	862.9	875.2	-12.2	98.6
TEPCO Energy Partner	2,900.8	2,855.9	44.9	101.6
Adjustments	-965.6	-2,018.9	1,053.3	-
Ordinary Income/Loss	249.9	210.6	39.3	118.7
TEPCO Holdings	162.3	173.4	-11.0	93.6
TEPCO Fuel & Power	58.4	5.2	53.2	-
TEPCO Power Grid	119.9	117.0	2.8	102.4
TEPCO Energy Partner	43.4	54.1	-10.7	80.1
Adjustments	-134.1	-139.3	5.1	-

4. Consolidated Extraordinary Income/Loss

(Unit: Billion Yen)

	FY2019 Apr-Sep (A)	FY2018 Apr-Sep (B)	Comparison (A)-(B)
※1 Extraordinary Income	367.2	-	367.2
Grants-in-aid from NDF ※3	54.0	-	54.0
Gain on reversal of provision for loss on disaster	113.5	-	113.5
Gain on change in equity	199.7	-	199.7
※2 Extraordinary Loss	166.4	84.6	81.8
Contingent property loss	0.0	-	0.0
Extraordinary Loss on Disaster	11.8	-	11.8
Expenses for Nuclear Damage Compensation	58.9	84.6	-25.7
Loss on Decommissioning Fukushima Daini	95.6	-	95.6
Extraordinary Income/Loss	200.7	-84.6	285.4

※3 Nuclear Damage Compensation and Decommissioning Facilitation Corporation

※1 Overview of Extraordinary Income

◆ Grants-in-aid from NDF (New)

Apply for changes in grant amounts based on stipulations on September 26, 2019.

◆ Gain on reversal of provision for loss on disaster

Of the costs or losses recorded as a provision for loss on disaster, the amount for Fukushima Daini Nuclear Power Station was reverted due to the decision of decommissioning.

◆ Gain on change in equity

Equity income was realized as a result of JERA taking over certain business.

※2 Overview of Extraordinary Loss

◆ Contingent property loss (New)

Considered book value on loss of destroyed property from Typhoon #15 was booked.

◆ Extraordinary loss on disaster (New)

Necessary expenses for restoration of damaged property from Typhoon #15 was booked.

◆ Expenses for nuclear damage compensation (Added)

Increase in the estimated amount of compensation for damages due to the restriction on shipping and damages due to reputation, etc.

◆ Losses on decommissioning Fukushima Daini

Losses were booked for equipment and nuclear fuel lost due to the decision of decommissioning.

5. Extraordinary Loss on Disaster and Contingent Property Loss by Typhoon

- Repairing expenses for restoration on assets which was damaged by Typhoon #15, occurred on September 2019, were booked as extraordinary loss on disaster and contingent property loss.
- Damage caused by Typhoon #19, occurred on October 2019, was not booked to this term (April – September).

(Unit : Billion Yen)

Extraordinary loss on disaster	Amount reported	
Equipment for distribution	6.0	Mainly repairing expenses for restoration of damaged equipment and retirement expenses for removing
Equipment for transmission	0.1	
Expense on measures for emergency disaster	5.5	Primarily expense related to support from other electric companies
T o t a l	11.8	
Contingent loss on property	Amount reported	
Contingent property loss	0.0	Book value on property such as lost power poles (0.06 Billion Yen)

(Reference) Situation of main damaged equipment

Equipment for distribution			Equipment for transmission
Power pole (Radix)	Distribution line (Span)	Transformer (Unit)	Pylon (Radix)
1,996	5,529	431	2

6. Consolidated Financial Position

- Total assets balance decreased by 564.1 billion yen primarily due to the transfer of thermal-power-generation facilities to JERA.
- Total liabilities balance decreased by 961.6 billion yen primarily due to the transfer of TEPCO Fuel & Power's loans to JERA.
- Total net assets balance increased by 397.5 billion yen primarily due to the appropriation of net income attributable to owners of parent.
- Equity ratio improved by 4.4 points.

Balance Sheet as of March 31, 2019

<p>Total Assets 12,757.4 billion yen</p>	<p>Liabilities 9,853.7 billion yen</p>
	<p>Net Assets 2,903.6 billion yen</p>

Equity Ratio: 22.6%

**Decrease in liabilities
-961.6 billion yen**

- Decrease in interest-bearing loans
-660.4 billion yen
(Primarily transfer of FP's loans to JERA)
- Decrease in gain on provision for loss on disaster
-103.0 billion yen
(Primarily reversal related to decommissioning of Fukushima Daini)

**Increase in net assets
+ 397.5 billion yen**

- Appropriation of net income attributable to owners of parent
+ 420.6 billion yen

**Improved by
4.4 points**

Balance Sheet as of September 30, 2019

<p>Total Assets 12,193.2 billion yen</p> <p style="font-size: 2em;">}</p> <p style="text-align: center;">Decrease in Assets -564.1 billion yen</p>	<p>Liabilities 8,892.0 billion yen</p>
<p>• Transfer of thermal-power-generation facilities - 990.6 billion yen</p> <p>• Long term investment in affiliated companies +375.3 billion yen (Stock of JERA, etc.)</p>	<p>Net Assets 3,301.2 billion yen</p>

Equity Ratio: 27.0%

Area Demand

(Unit: Billion kWh)

	FY2019 Apr-Sep (A)	FY2018 Apr-Sep (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Area Demand	134.5	137.8	-3.3	97.6

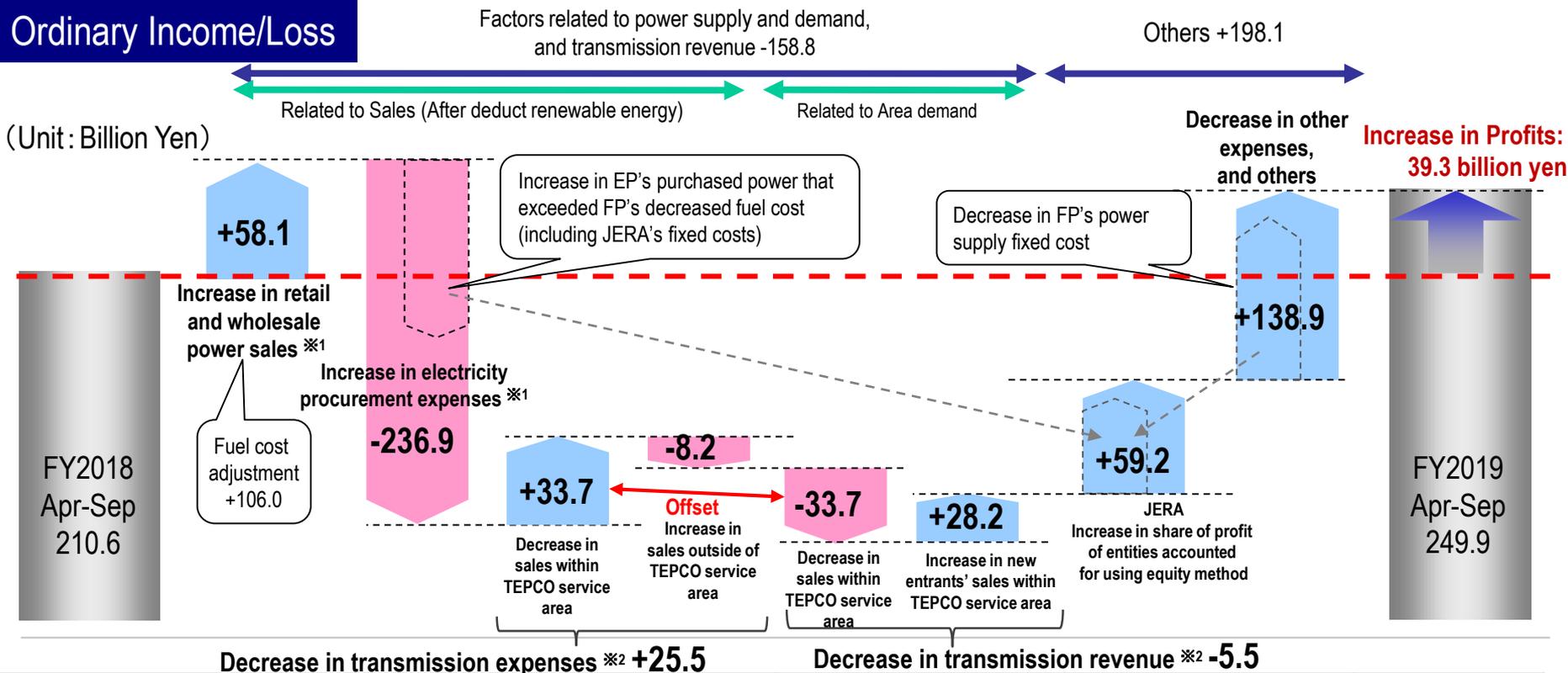
Foreign Exchange Rates / CIF

	FY2019 Apr-Sep (A)	FY2018 Apr-Sep (B)	(A)-(B)
Foreign Exchange Rate (Interbank, yen/dollar)	108.6	110.3	-1.7
Crude Oil Prices (All Japan CIF, dollar/barrel)	68.9	73.8	-4.9

<Reference> Consolidated Ordinary Income/Loss (Year-on-Year Comparison)

Ordinary Income/Loss

(Unit: Billion Yen)



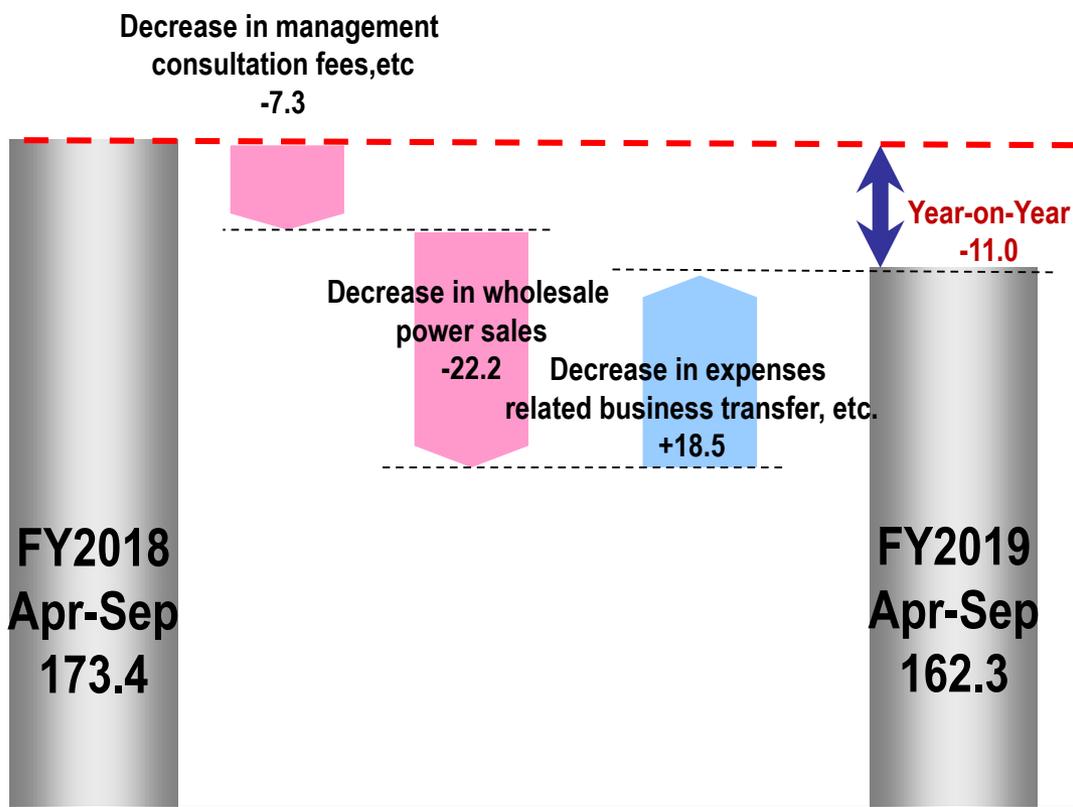
	FY2018 Apr-Sep (A)	FY2019 Apr-Sep (B)	(B)-(A)
Factors related to power supply and demand, and transmission revenue	1,136.0	977.2	-158.8
Retail and wholesale power sales	2,232.5	2,290.7	+58.1
(-) Electricity procurement expenses	-1,208.7	-1,445.7	-236.9
(-) Transmission expenses	-584.3	-558.8	+25.5
Transmission revenue	696.6	691.1	-5.5
Others	-925.4	-727.2	+198.1

※1 Expenses of retail and wholesale power sales include the effectiveness of indirect auction.

※2 Transmission expenses and transmission revenue exclude effectiveness of imbalance income/expense.

Ordinary Income/Loss

(Unit: Billion Yen)



Profit structure

Profit is dividend income, decommissioning charges profit, management consultation fees, wholesale power sales of hydro and nuclear power, etc.

Flow Rate

	FY2018	FY2019	Comparison
Apr-Sep	98.2%	98.1%	-0.1%

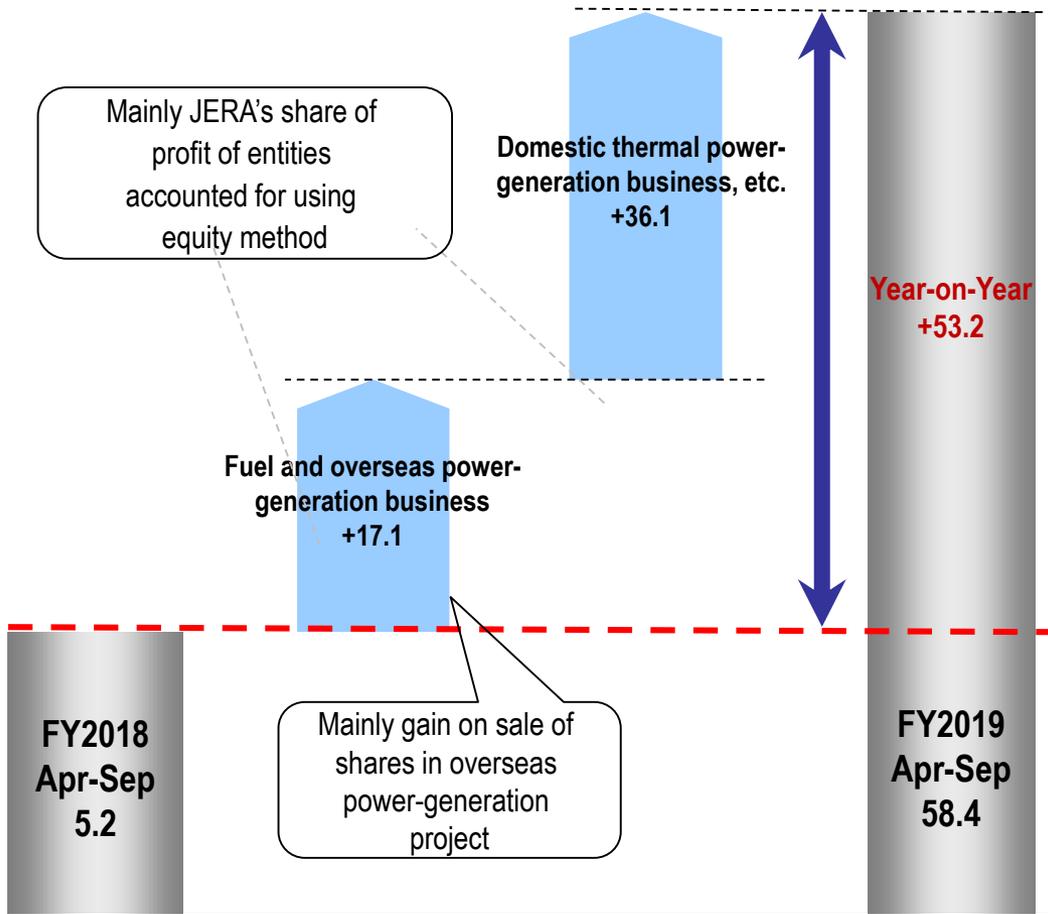
Ordinary Income

(Unit: Billion Yen)

	FY2018	FY2019	Comparison
Apr-Jun	153.8	156.4	+2.5
Apr-Sep	173.4	162.3	-11.0
Apr-Dec	178.9		
Apr-Mar	232.7		

Ordinary Income/Loss

(Unit: Billion Yen)



Profit structure

Main profit is JERA's share of profit of entities accounted for using equity method.
 Power-generation business was transferred to JERA on April 1, 2019.

(Unit: Billion Yen)

Timing impact (JERA equity impact)

	FY2019
Apr-Sep	+32.0

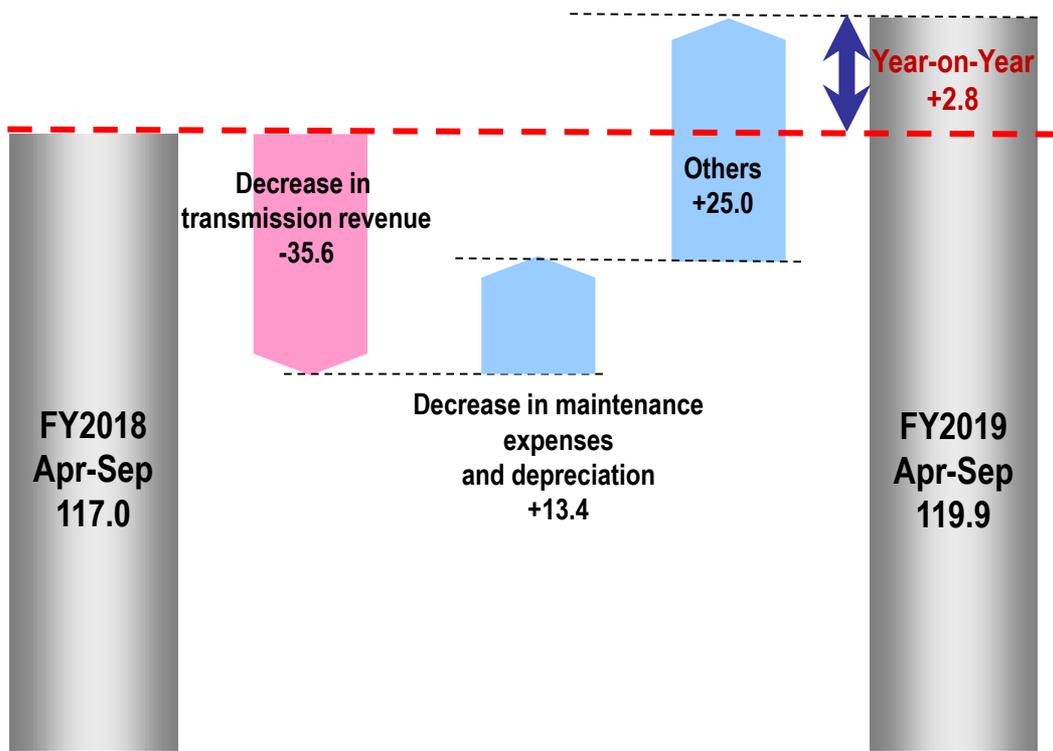
Ordinary Income

(Unit: Billion Yen)

	FY2018	FY2019	Comparison
Apr-Jun	22.4	45.8	+23.3
Apr-Sep	5.2	58.4	+53.2
Apr-Dec	3.4		
Apr-Mar	3.5		

Ordinary Income/Loss

(Unit: Billion Yen)



Profit Structure

Operating revenue is mainly transmission revenue, and this is fluctuated by area demand. Expenses is mainly for repairs and depreciation of transmission and distribution facilities.

Area Demand

(Unit: Billion kWh)

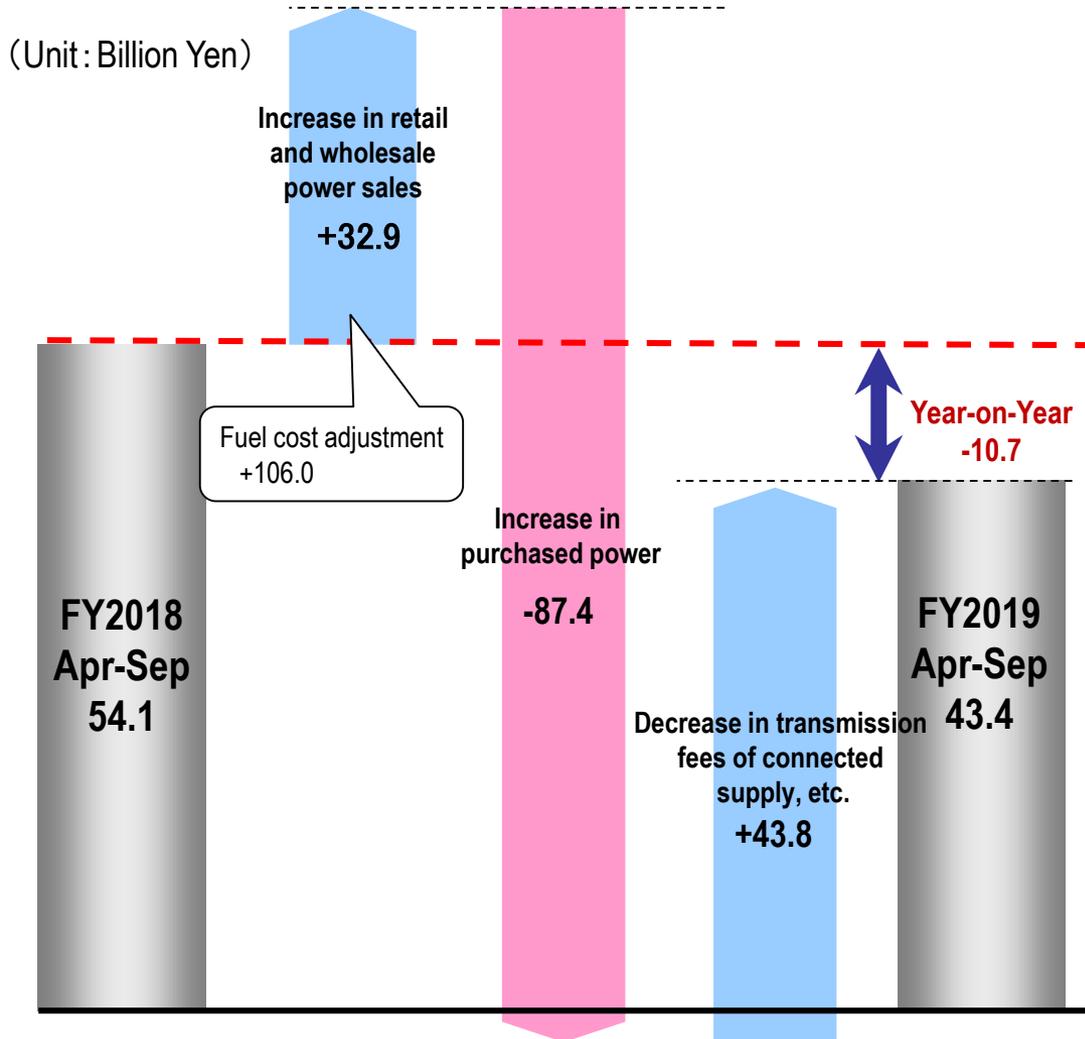
	FY2018	FY2019	Comparison
Apr-Sep	137.8	134.5	-3.3

Ordinary Income

(Unit: Billion Yen)

	FY2018	FY2019	Comparison
Apr-Jun	38.7	42.6	+3.8
Apr-Sep	117.0	119.9	+2.8
Apr-Dec	163.1		
Apr-Mar	113.9		

Ordinary Income/Loss



Profit Structure

Operating revenue is mainly electricity sales revenue, and this is fluctuated by electricity sales volume. Expenses are mainly power purchasing costs and transmission fees of connected supply.

Electricity Sales Volume

(Unit: Billion kWh)

	FY2018	FY2019	Comparison
Apr-Sep	116.1	111.8	-4.3

Gas (including Nichi gas, TEA)

As of March 31, 2019	As of September 30, 2019
Approx. 1.25 million cases	Approx. 1.66 million cases

Ordinary Income

(Unit: Billion Yen)

	FY2018	FY2019	Comparison
Apr-Jun	-8.3	-12.0	-3.6
Apr-Sep	54.1	43.4	-10.7
Apr-Dec	39.3		
Apr-Mar	72.7		

Supplemental Material

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FY2019 2nd Quarter Financial Results

Detailed Information

Consolidated Statements of Income

(Unit: Billion Yen)

	FY2019	FY2018	Comparison	
	Apr-Sep (A)	Apr-Sep (B)	(A)-(B)	(A)/(B) (%)
Operating Revenue	3,175.6	3,055.5	120.0	103.9
Operating Expenses	2,979.0	2,835.9	143.1	105.0
Operating Income / Loss	196.6	219.6	-23.0	89.5
Non-operating Revenue	85.5	27.4	58.0	311.6
Investment Gain under the Equity Method	82.2	22.1	60.1	372.0
Non-operating Expenses	32.1	36.5	-4.3	88.1
Ordinary Income / Loss	249.9	210.6	39.3	118.7
Reserve for Fluctuation in Water Levels	—	-0.4	-0.4	—
Reserve for Preparation of Depreciation of Nuclear Power Construction	0.1	0.1	0.0	135.1
Extraordinary Income	367.2	—	367.2	—
Extraordinary Loss	166.4	84.6	81.8	—
Income Tax, etc.	29.4	36.5	-7.1	80.5
Net Income Attributable to Non-controlling Interests	0.5	-0.0	0.5	—
Net Income Attributable to Owners of Parent	420.6	89.6	330.9	469.0

Financial Impact of the Great East Japan Earthquake

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(Unit: Billion Yen)

Item	FY2010 to FY2018	FY2019 Apr-Sep	Cumulative Amount
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◇ Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation

○ Grants-in-aid based on Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act	* 7,193.1	54.0	* 7,247.2
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Note: Journal Entry: Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation is debited on the balance sheet.

* Numbers above are those after deduction of a governmental indemnity of 188.9 billion yen, and Grants-in-aid corresponding to decontamination expenses of 3,585.1 billion yen respectively.

◆ Breakdown of the restoration cost and others caused by the Great East Japan Earthquake (Extraordinary Income and Loss)

● Expenses and/ or losses for Fukushima Daiichi Nuclear Power Station Units 1 through 4	1,079.1	5.7	1,084.9
● Other expenses and/ or losses	381.9	-0.0	381.8
Loss on Disaster Sub Total: (A)	1,461.0	5.7	1,466.8
○ Difference of the restoration cost caused by re-estimation due to decommissioning of Fukushima Daiichi Nuclear Power Station Units 5 and 6	32.0	—	32.0
○ Difference of the work cost caused by re-estimation due to decommissioning of Fukushima Daini Nuclear Power Station	—	113.5	113.5
Gain on reversal of provision for loss on disaster (Extraordinary Income) Sub Total: (B)	32.0	113.5	145.5
Total: (A)-(B)	1,429.0	-107.7	1,321.2

◆ Loss on Decommissioning

● Expenses and/ or losses for decommissioning of Fukushima Daiichi Nuclear Power Station Units 5 and 6	39.8	—	39.8
● Expenses and/ or losses for decommissioning of Fukushima Daini Nuclear Power Station	—	95.6	95.6

◆ Expenses for Nuclear Damage Compensation

● Compensation for individual damages - Expenses for radiation inspection, Mental distress, Damages caused by voluntary evacuations, and Opportunity losses on salary of workers etc.	2,070.6	-0.8	2,069.8
● Compensation for business damages - Opportunity losses on businesses, Damages due to the restriction on shipment, Damages due to groundless rumor and Package compensation etc.	3,045.3	33.7	3,079.0
● Other expenses - Damages due to decline in value of properties, Housing assurance damages and Decontamination costs etc.	5,845.1	358.1	6,203.3
● Amount of indemnity for nuclear accidents from the Government	-188.9	—	-188.9
● Grants-in-aid corresponding to decontamination expenses	-3,585.1	-332.1	-3,917.2
Total	7,187.0	58.9	7,246.0

Consolidated Balance Sheets

	(Unit: Billion Yen)			
	Sep. 30 2019 (A)	Mar. 31 2019 (B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Total Assets	12,193.2	12,757.4	-564.1	95.6
Fixed Assets	9,961.0	10,657.7	-696.7	93.5
Current Assets	2,232.2	2,099.7	132.5	106.3
Liabilities	8,892.0	9,853.7	-961.6	90.2
Long-term Liability	4,757.3	4,766.2	-8.9	99.8
Current Liability	4,127.4	5,080.3	-952.9	81.2
Reserve for Preparation of the Depreciation of Nuclear Plants Construction	7.3	7.1	0.1	102.0
Net Assets	3,301.2	2,903.6	397.5	113.7
Shareholders' Equity	3,310.0	2,889.6	420.3	114.5
Accumulated Other Comprehensive Income	-23.2	-0.2	-22.9	—
Non-controlling Interests	14.3	14.2	0.0	100.6

(Unit: Billion Yen)			
	<Interest-bearing debt outstanding>		
	Sep. 30 2019 (A)	Mar. 31 2019 (B)	(A)-(B)
Bonds	2,136.8	1,956.7	180.0
Long-term Debt	1,098.3	1,161.6	-63.2
Short-term Debt	1,995.1	2,772.3	-777.2
Total	5,230.3	5,890.7	-660.4

(Unit: Billion Yen)			
<Reference>			
	FY2019		(A)-(B)
	Apr-Sep (A)	Apr-Sep (B)	
ROA(%)	1.6	1.8	-0.2
ROE(%)	13.6	3.3	10.3
EPS(Yen)	262.54	55.98	206.56

ROA: Operating Income / Average Total Assets

ROE: Net Income attributable to owners of parent / Average Equity Capital

*On April 1st, 2019, TEPCO Fuel & Power Inc., succeeded its existing thermal power generation business to JERA Co., Inc. (50% investment by TEPCO Fuel & Power Inc., 50% investment by Chubu Electric Power Co., Inc.)

Consolidated Statements of Cash Flows

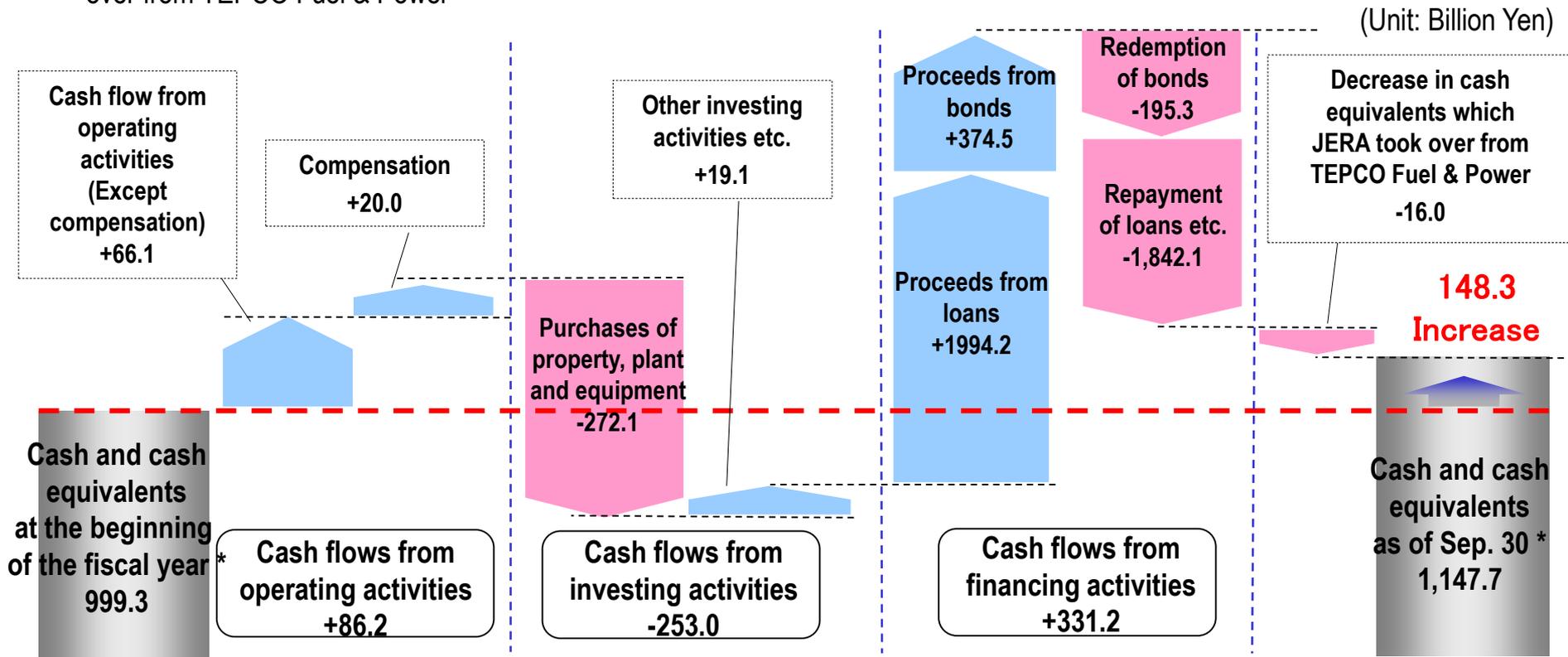
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(Unit: Billion Yen)

	FY2019 Apr-Sep (A)	FY2018 Apr-Sep (B)	Comparison (A)-(B)
Cash flow from operating activities	86.2	210.6	-124.4
Income / loss before income taxes and minority interests	450.6	126.2	324.3
Depreciation and amortization	209.5	269.7	-60.2
Increase (decrease) in decommissioning reserve fund*	-14.1	-27.0	12.8
Interest expenses	21.8	27.5	-5.7
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	-54.0	-	-54.0
Expenses for nuclear damage compensation	58.9	84.6	-25.7
Decrease (increase) in notes and accounts receivable trade*	-67.8	-101.6	33.7
Increase (decrease) in notes and accounts payable trade**	60.0	14.7	45.2
Interest expenses paid	-20.3	-29.0	8.7
Payments for extraordinary loss on disaster due to the Great East Japan Earthquake	-17.9	-11.7	-6.1
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation received	269.6	433.9	-164.3
Payments for nuclear damage compensation	-249.5	-402.2	152.7
Others	-560.4	-174.4	-385.9
Cash flows from investing activities	-253.0	-271.0	18.0
Purchases of property, plant and equipment	-272.1	-295.2	23.1
Others	19.1	24.2	-5.0
Cash flows from financing activities	331.2	-64.6	395.8
Proceeds from issuance of bonds	374.5	409.4	-34.9
Redemption of bonds	-195.3	-466.8	271.4
Repayment of long-term loans	-63.1	-123.5	60.3
Proceeds from short-term loans	1,994.2	1,698.0	296.1
Repayment of short-term loans	-1,775.9	-1,580.2	-195.7
Others	-2.9	-1.5	-1.4
Effect of exchange rate changes on cash and cash equivalents	0.0	-0.0	0.1
Net increase (decrease) in cash and cash equivalents**	164.4	-125.1	289.5
Cash and cash equivalents at the beginning of the fiscal year	999.3	1,184.3	-185.0
Decrease(increase) in cash and cash equivalents due to change in scope of consolidation**	-16.0	-	-16.0
Cash and cash equivalents at the end of the quarter	1,147.7	1,059.2	88.4

* Minus denotes an increase. ** Minus denotes a decrease.

- Cash and cash equivalents as of September 30, 2019 increased 148.3 billion yen to 1,147.7 billion yen.
 - Cash flows from operating activities increased 86.2 billion yen mainly due to income before income taxes and minority interests
 - Cash flows from investing activities decreased 253.0 billion yen mainly due to purchases of property, plant and equipment
 - Cash flows from financing activities increased 331.2 billion yen mainly because proceeds from bonds/ loans exceeded redemption of bonds / repayment of loans
 - Moreover, cash and cash equivalents decreased 16.0 billion yen mainly due to decrease in cash equivalents which JERA took over from TEPCO Fuel & Power



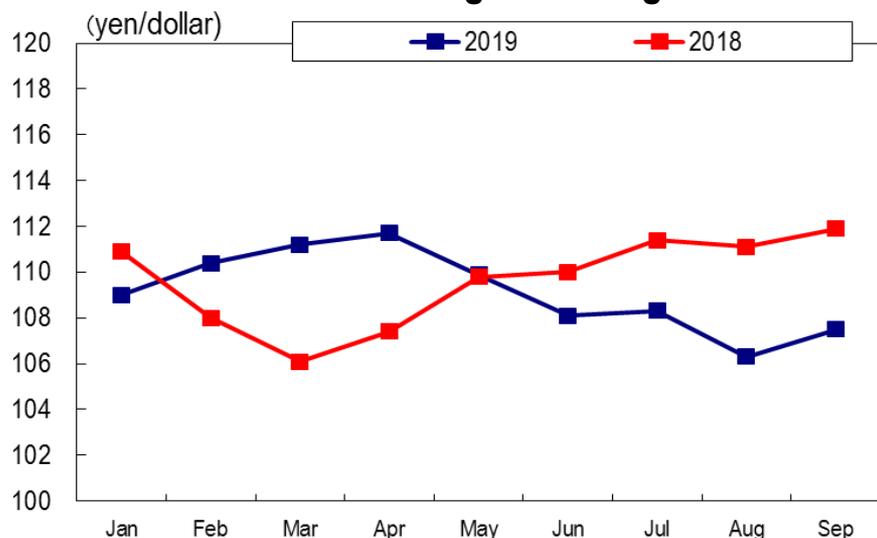
* Including expenses for compensation 3.8 billion yen

* Including expenses for compensation 23.9 billion yen

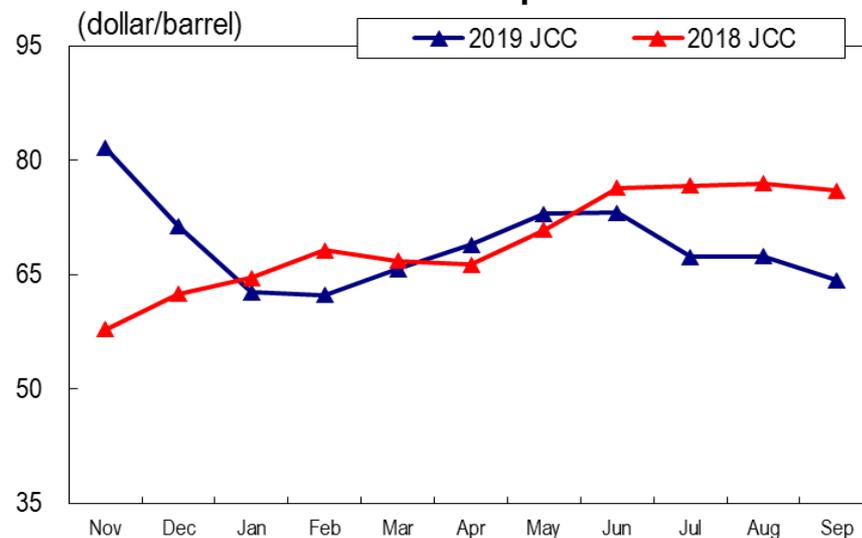
Key Factors Affecting Performance (Results)

	FY2019 Apr-Sep	FY2018 Apr-Sep	[Reference] FY2018
Electricity Sales Volume (Billion kWh)	111.8	116.1	230.3
Gas Sales Volume (Million ton)	0.88	0.77	1.77
Foreign Exchange Rate (Interbank; yen per dollar)	108.6	110.3	110.9
Crude Oil Prices (All Japan CIF; dollars per barrel)	68.9	73.8	72.1
Nuclear Power Plant Capacity Utilization Ratio (%)	-	-	-

<Fluctuation of Foreign Exchange Rate>



<Fluctuation of All Japan CIF>



Seasonal Breakdown of Electricity Sales Volume and Total Power Generated

Electricity Sales Volume

		Unit Billion kWh							
		FY2019							
	Apr-Jun	Jul	Aug	Sep	Jul-Sep	Apr-Sep			
Lighting	15.25	4.68	6.56	5.76	17.00	32.25			
Power	36.92	13.56	14.88	14.17	42.61	79.53			
Total	52.17	18.24	21.43	19.93	59.61	111.78			

		Unit Billion kWh						[Ref.] Year-on-year Comparison	
		FY2018							
	Apr-Jun	Jul	Aug	Sep	Jul-Sep	Apr-Sep	Jul-Sep	Apr-Sep	
Lighting	15.60	6.04	7.37	6.33	19.74	35.34	86.1%	91.3%	
Power	37.01	14.75	15.10	13.87	43.73	80.74	97.4%	98.5%	
Total	52.60	20.79	22.48	20.20	63.47	116.07	93.9%	96.3%	

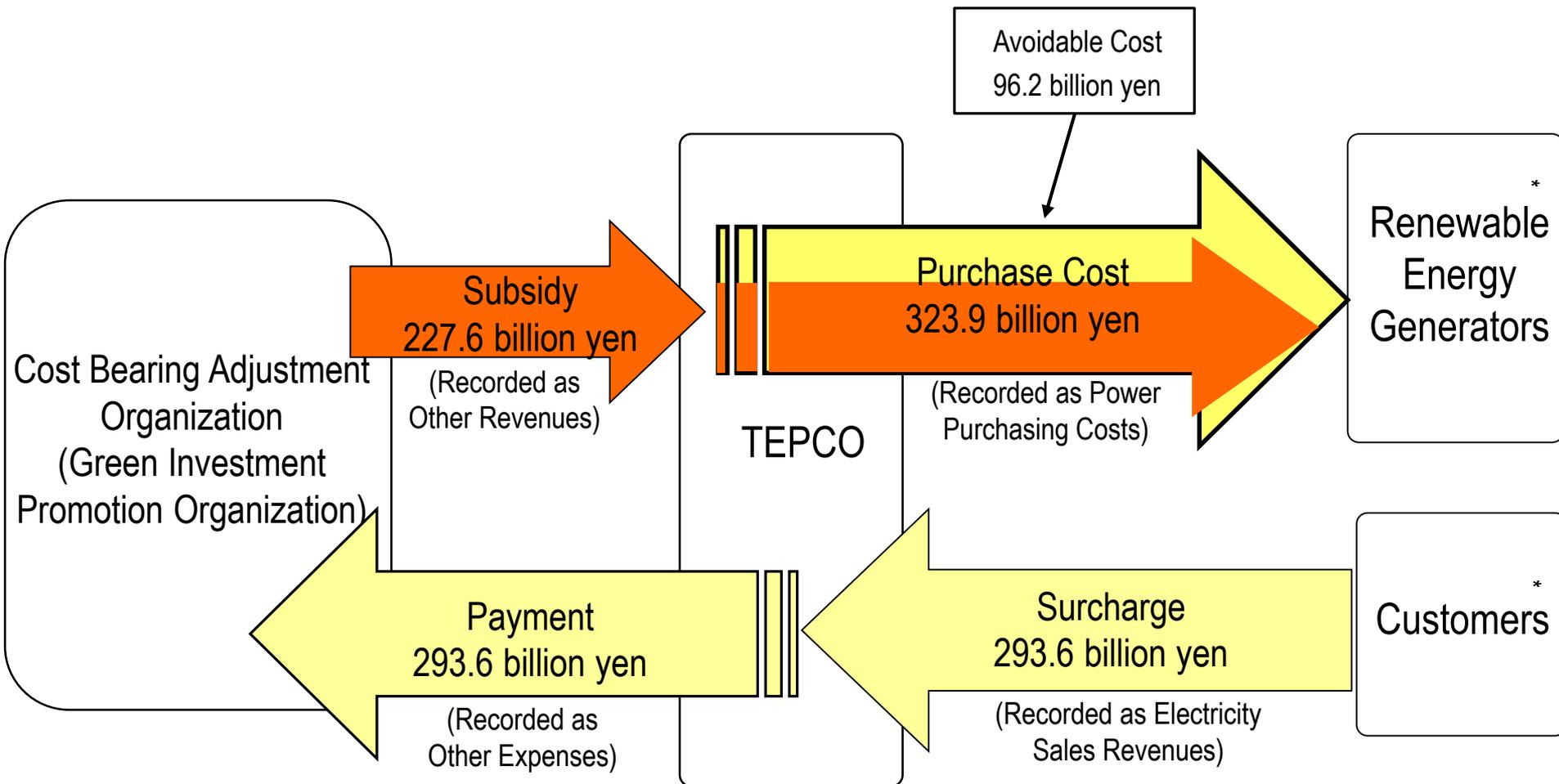
Total Power Generated

		Unit Billion kWh							
		FY2019							
	Apr-Jun	Jul	Aug	Sep	Jul-Sep	Apr-Sep			
Hydroelectric	2.91	1.07	1.06	1.01	3.13	6.04			
Thermal	0.04	0.02	0.02	0.01	0.05	0.08			
Nuclear	-	-	-	-	-	-			
Renewable etc.	0.02	0.01	0.01	0.01	0.02	0.04			
Total	2.96	1.09	1.08	1.03	3.20	6.16			

		Unit Billion kWh						[Ref.] Year-on-year Comparison	
		FY2018							
	Apr-Jun	Jul	Aug	Sep	Jul-Sep	Apr-Sep	Jul-Sep	Apr-Sep	
Hydroelectric	3.37	1.21	1.13	1.03	3.37	6.73	92.9%	89.7%	
Thermal	39.12	18.54	17.61	13.55	49.71	88.82	0.1%	0.1%	
Nuclear	-	-	-	-	-	-	-	-	
Renewable etc.	0.02	0.01	0.01	0.01	0.02	0.04	82.7%	80.1%	
Total	42.50	19.76	18.75	14.58	53.10	95.60	6.0%	6.4%	

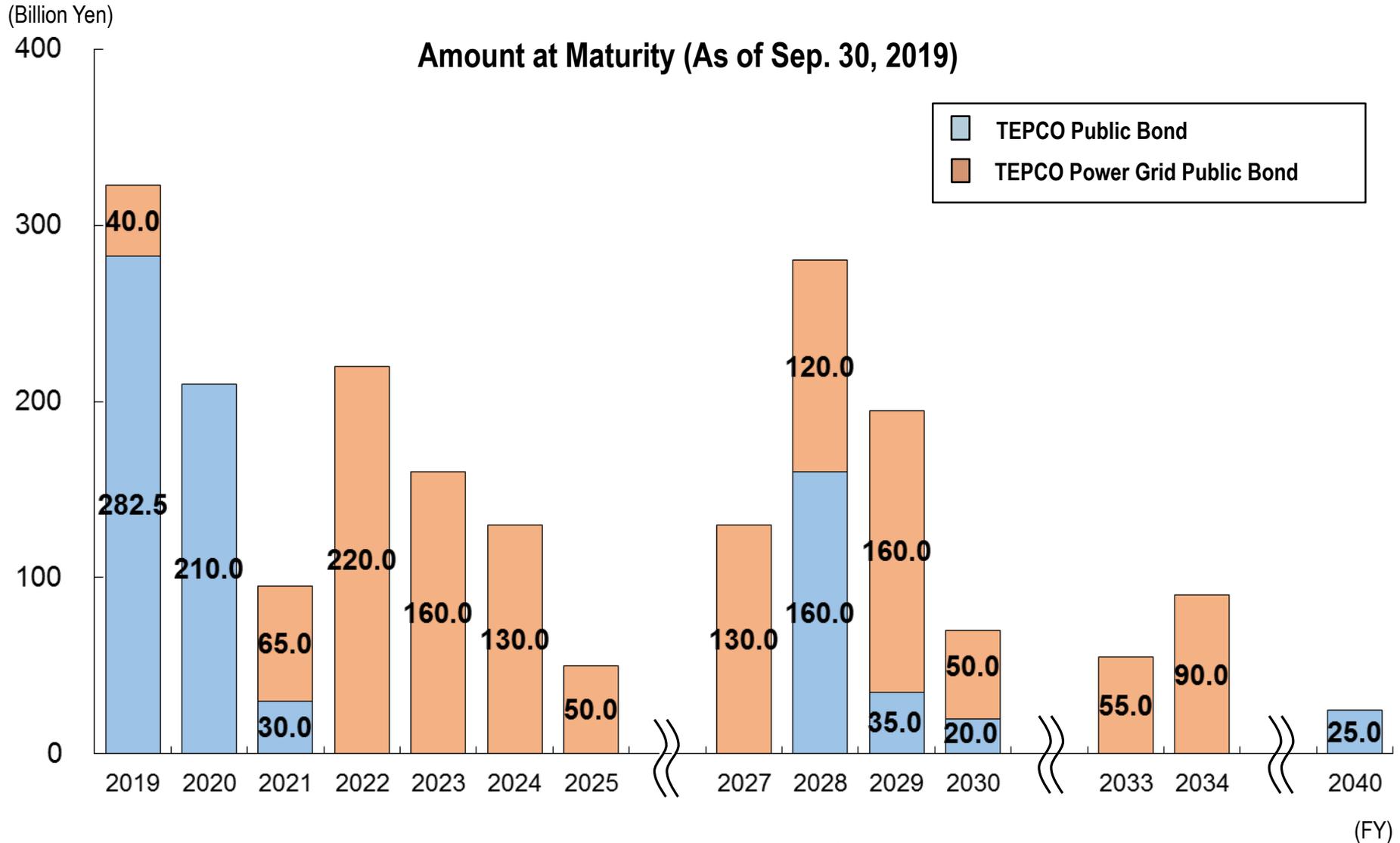
*On April 1st, 2019, TEPCO Fuel & Power Inc., succeeded its existing thermal power generation business to JERA Co., Inc. (50% investment by TEPCO Fuel & Power Inc., 50% investment by Chubu Electric Power Co., Inc.)

(FY2019 Apr.- Sep.)



* Including TEPCO Group Companies

Schedules for Public Bond Redemption



Note: The amount redeemed for Apr.- Sep. of fiscal 2019 totaled 152.5 billion yen.

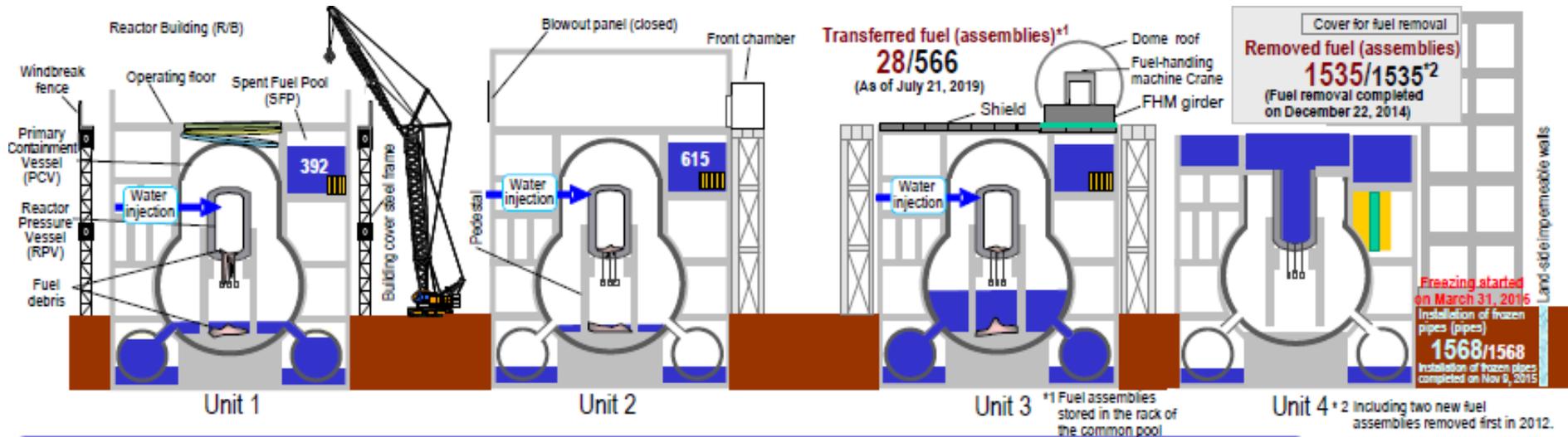
The Current Status of Fukushima Daiichi Nuclear Power Station and Future Initiatives

Current Situation and Status of Units 1 through 4

- At Units 1, 2 and 3, it was evaluated that the comprehensive cold shutdown condition had been maintained, judging from the temperatures of the reactors and spent fuel pools as well as the density of radioactive materials. To facilitate the removal of spent fuel, preparation works are underway.
- To formulate the removal of fuel debris, investigation of the inside of Primary Containment Vessel was planned and is underway.

Current Situation

✓Please visit our website for latest information about the progress of decommissioning, etc.



<p>Works towards removal of spent fuel and fuel debris</p>	<p>[Spent fuel removal]</p> <ul style="list-style-type: none"> • Planning to cover the spent fuel pool to remove the fallen roof on the south side (Unit 3 side). Started severing and removing the north side roof steel beams using a large cutter on September 17, 2019. <p>[Fuel debris removal]</p> <ul style="list-style-type: none"> • Discussing the optimization of the severing time in the future based on data obtained in building an access route for PCV internal investigations. Also considering installing additional dust monitors using the piping around the PCV head to strengthen dust concentrating monitoring around the PCV. 	<p>[Spent fuel removal]</p> <ul style="list-style-type: none"> • Started moving and clearing residual equipment and materials that will obstruct fuel-handling machine installation on September 10, 2019. Large residual objects are cleared and moved into containers, and containers and residual objects left on the operating floor are moved outside the floor. <p>[Fuel debris removal]</p> <ul style="list-style-type: none"> • In February 2019, investigation by touching deposits was conducted, and it was confirmed that pebble-form deposits can be held and moved and that hard rock-form deposits that cannot be held may exist. Images that will help estimate the contour and size of the deposits were acquired. • Obtained video that will be useful in estimating the shape and size of the sediment by having the investigation unit approach the sediment. 	<p>[Spent fuel removal]</p> <ul style="list-style-type: none"> • The regular inspection of the fuel-handling machine started July 24 was completed September 2, 2019. • The tensile truss and mast were found to be malfunctioning. The tensile truss was adjusted and the mast rotating motor will be replaced. <p>[Fuel debris removal]</p> <ul style="list-style-type: none"> - Analyzing the image data obtained from the pedestal internal survey of July 2017, damage of multiple structures and the structures assumed as core internals, is confirmed. The review of fuel extraction will be continued based on the obtained information. 	<p>[Spent fuel removal]</p> <ul style="list-style-type: none"> - Fuel removal from the SFP was completed in December, 2014.
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● The revised version of the Mid-and-Long-Term Roadmap is available via our website.

1. Basic Approach toward Revision

- (1) Maintain approach that prioritizes safety and emphasizes risk reduction
- (2) Optimize overall decommissioning so new revelations about field conditions which come to light as the decommissioning work progresses are taken into account
- (3) Emphasize and further enhance communication with the community and society

2. Key Revision Points

(1) Fuel debris removal

NDF compared and reviewed several removal methods, as well as drafted and announced technical recommendations which was submitted to the government at the end of August



Based on the recommendations, a fuel debris removal policy was decided on

- Shift to atmospheric and cross-dyke methods, and move ahead on lower PCV work
- Proceed step-by-step (starting small, advancing in phases)

(2) Fuel removal from pools

Based on work progress, newly required work was clarified from the standpoint of ensuring safety



Proceed with work prudently by addressing field conditions as they are identified as well as implementing measures to thoroughly ensure safety while adding additional measures as necessary. Optimize overall decommissioning work and make improvements that keep pace with the environment around buildings.

(3) Contaminated water countermeasures

Preventive and multilayered countermeasures have been advanced, including sub-drains, sea-side impermeable walls, frozen-soil walls, etc. and the quantity of water flowing into buildings has been significantly reduced



Appropriately maintain and manage preventive and multilayered countermeasures, and reliably implement such measures. Thoroughly integrate operation of the frozen-soil wall and sub-drains, and reduce quantity of contaminated water generated. Steadfastly maintain the current policy for handling liquid waste.

(4) Waste countermeasures

At the end of August, the NDF drafted and announced technical recommendations which was submitted to the government regarding the “basic approach”



Based on recommendations, consolidate the “basic approach.”

- Thoroughly ensure safety (containment and isolation)
- Along with ascertaining properties and conditions, select methods for advanced processing

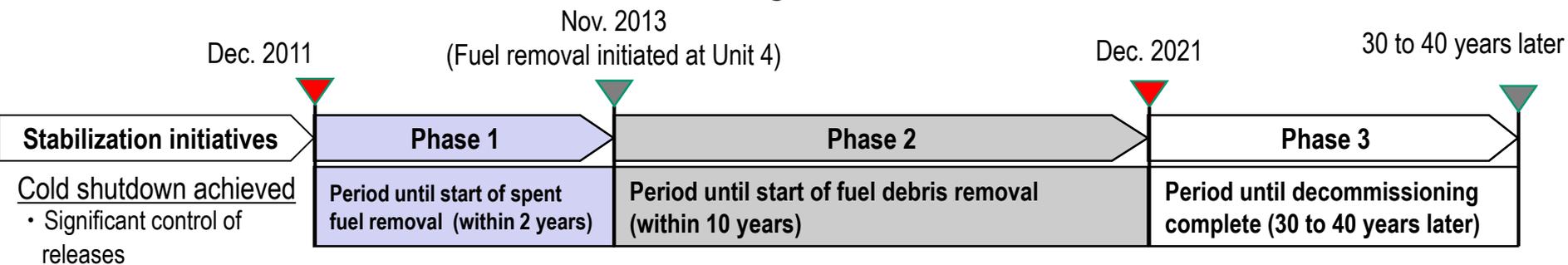
(5) Communication

As people return home and areas are rehabilitated, more conscientious information transmission and communication is necessary



Further strengthen communication. In addition to meticulous transmission of information, enhance interactive communication.

Maintain Overall Framework of Decommissioning Schedule



Milestones indicate progress on countermeasures in an easy-to-understand manner

Contaminated water countermeasures	Hold quantity of contaminated water generated to 150 m ³ /day	End of 2020	Average for FY2018:170 m ³
	Store all water cleaned through treatment systems, etc. in welded tanks	FY 2018	Completed(March 2019)
Stagnant water treatment	①Cut off all throughholes between Units 1 and 2 as well as Units 3 and 4	End of 2018	Completed(September 2019)
	②Reduce quantity of radioactive materials in stagnant water inside of buildings to 1/10 the level it was at the end of FY2014	FY 2018	Reduced to 2/10 ※
	③Complete treatment of stagnant water inside buildings	End of 2020	Being treated
Fuel removal	①Start retrieving fuel at Unit 1	Goal of FY 2023	Rubble is being removed
	②Start retrieving fuel at Unit 2	Goal of FY 2023	Refueling floor is being investigated
	③Start retrieving fuel at Unit 3	Around mid-FY2018	Started removal (April 2019)
Fuel debris removal	①Finalize method for retrieving fuel debris for first unit	FY 2019	Containment vessel bottom sediment contact investigation(February 2019). Sampling of small amounts is scheduled.
	②Start retrieving fuel debris at first unit	End of 2021	
Waste countermeasures	Treatment and disposal policy, and technical prospects pertaining to such safety	Around FY 2021	Conducting technical discussions

※ 2/10 of the amount of radioactive material calculated at the end of FY2014 (assuming that the concentrations in the retained water in each building is equal). The water will continue to be treated given new developments (concentrations of radioactive nuclides detected when treating the retained water were higher than expected, Areas in the bottom of the building had especially high concentrations).

【Source】 Decommissioning/contaminated water countermeasures Fukushima Council Meeting Materials (September 30, 2019)

- In December 2013, the government's Nuclear Disaster Response Headquarters arranged a set of preventative and multi-tiered measures based on the three basic policies for addressing contaminated water issues.

<Main countermeasures>

Eliminate contamination sources

- Multi-nuclide removal equipment, etc.
- Remove contaminated water from the trench

Isolate water from contamination

- Pump up groundwater by groundwater bypass
- Pump up groundwater near buildings
- Land-side frozen impermeable walls
- Waterproof pavement

Prevent leakage of contaminated water

- Enhance soil by adding sodium silicate
- Sea-side impermeable walls
- Increase the number of (welded-joint) tanks

Treatment of stagnant water in buildings

- The work to circulate and purify stagnant water inside the buildings started on the Units 3/4 side in February 2018 and on the Units 1/2 side in April 2018.

< Major Progress >

✓Please visit our website for the latest information.

Subdrain operation

- Groundwater pumped up through wells near reactor building (Subdrain system) are discharged after purification by dedicated facilities and quality test. (A cumulative total of 505,590 tons of groundwater has been discharged as of 00:00 on October 18, 2019).
- Construction work for reinforcement and restoration of the subdrain pit is being conducted so that pumping amount of the subdrain can be stably secured. The reinforced pits began to be used, starting from pits whose construction work was completed. In regard to the restored pits, construction work planned for 3 pits has been completed and the pits began to be used on December 26, 2018.

Land-side frozen impermeable walls

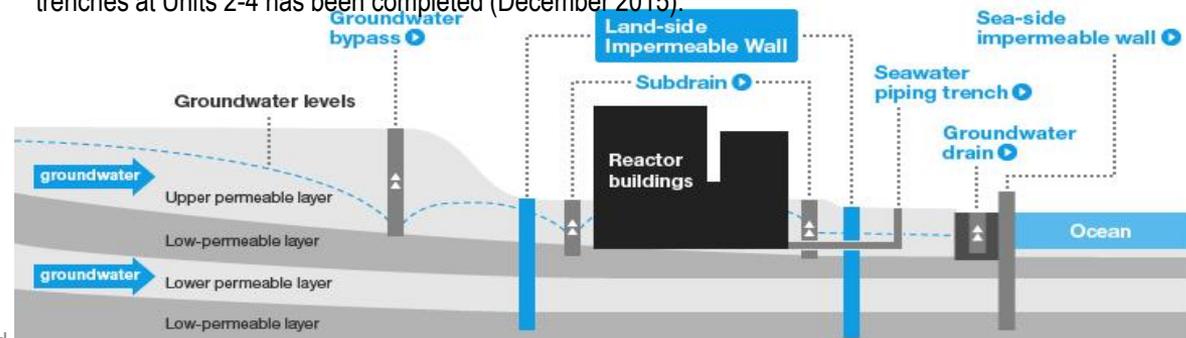
- In March 2018, the land-side impermeable walls were considered completed as the underground temperature had declined below 0°C in almost all areas.
- The Committee on Countermeasures for Contaminated Water Treatment clearly recognized the effect of the land-side impermeable walls to shield groundwater and confirmed that a water-level management system, including the functions of subdrains, etc., to stably control groundwater and isolate the buildings from groundwater had been established.
- Investigations and countermeasures will be conducted to further reduce the generated contaminated water.

Sea-side impermeable walls

- On October 26, 2015, the seaside impermeable walls were completed to be closed.

Removal of contaminated water in trenches

- The work to remove approx. 10,000 tons of contaminated water from seawater pipe trenches and fill the trenches at Units 2-4 has been completed (December 2015).



The Current Status of Kashiwazaki-Kariwa Nuclear Power Station and Future Initiatives

Main Measures to Secure Safety – 1 [Outline]

◆ We promote the following measures to secure further safety after the Great East Japan Earthquake.

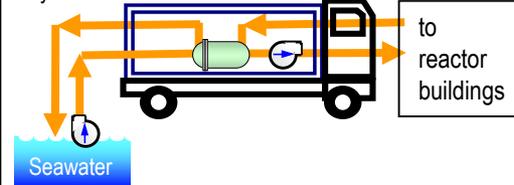
I. Installation of flooding embankment [banks]

- Install flooding embankment (banks) to prevent Tsunami from invading the site and to protect light oil tanks, buildings and other facilities in the power station



III. Further enhancement of heat removal and cooling function

- (5) Installation of alternative submerged pumps and seawater heat exchanging system
- Install alternative submerged pumps and other equipments to continue to operate residual heat removal system even if cooling function of sea water system is lost

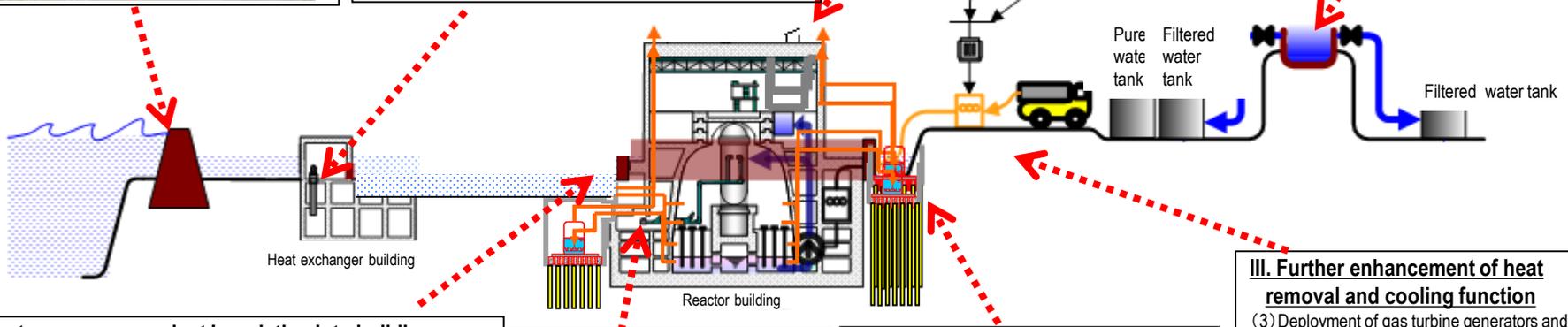


III. Further enhancement of heat removal and cooling function

- (8) Installation of top venting on reactor buildings
- Install top venting system to prevent hydrogen from piling up in a reactor buildings

III. Further enhancement of heat removal and cooling function

- (1) Installation of water source
- Install a freshwater reservoir in the power station to secure stable supply of coolant water for reactors and spent fuel pools



II. Countermeasures against Inundation into buildings

- (1) Installation of tide embankments (flood barrier panel included)
- Install tide embankments around reactor buildings containing critical equipments in order to prevent Tsunami from damaging power facilities and emergency diesel generators and to secure safety of the power plant



II. Countermeasures against Inundation into buildings

- (2) Installation of water tight doors
- Install water tight doors at reactor buildings and turbine buildings to protect equipments from water

III. Further enhancement of heat removal and cooling function

- (12) Installation of warehouses for emergency on high ground
- Install a warehouse for equipments and materials for emergency in case of Tsunami

III. Further enhancement of heat removal and cooling function

- (7) Installation of filtered vent
- Control of radioactive pollution emitted upon containment vessel venting
- Installation of underground filtered vent for backfitting

III. Further enhancement of heat removal and cooling function

- (11) Additional environment monitoring equipments and monitoring cars
- Prepare additional monitoring cars to continuously measure radiation dose at the site

III. Further enhancement of heat removal and cooling function

- (3) Deployment of gas turbine generators and power supply cars
- Deploy gas turbine generators and power supply cars to ensure that power can be supplied and the residual heat removal system pump operated in a blackout.
- (4) Installation of high voltage power distribution board for emergency and permanent cables for reactor buildings
- Install high voltage power distribution board for emergency and permanent cables for reactor buildings to secure power supply in case of station black out (losing all AC power), and to secure stable supply of power to residual heat removal system

Main Measures to Secure Safety - 2 [Implementation Status]

As of October 10, 2019

Item	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7
I . Installation of flooding embankment [banks]	Completed *2				Completed		
II . Countermeasures against inundation into buildings							
(1) Installation of tide embankments (flood barrier panel included)	Completed	Completed	Completed	Completed	All closed under 15 meters above sea level		
(2) Installation of water tight doors on reactor buildings, etc.	Completed	Under consideration	Under construction	Under consideration	Completed	Completed	Completed
(3) Countermeasures against inundation into heat exchanger buildings	Completed	Completed	Completed	Completed	Completed	-	
(4) Installation of tide barriers for switching stations*1	Completed						
(5) Reliability improvement of inundation countermeasures (countermeasures against flooding inside buildings)	Under construction	Under consideration	Under construction	Under consideration	Under construction	Under construction	Under construction
III . Further enhancement of heat removal and cooling function							
(1) Installation of water source	Completed						
(2) Installation of storage water barrier	Completed	Under consideration	Under consideration	Under consideration	Completed	Completed	Completed
(3) Deployment of gas turbine generators and power supply cars	Completed					Under construction	Under construction
(4)-1 Installation of high voltage power distribution board for emergency	Completed						
(4)-2 Installation of permanent cables for reactor buildings	Completed	Completed	Completed	Completed	Completed	Completed	Completed
(5) Installation of alternative submerged pumps and seawater heat exchanging system	Completed	Completed	Completed	Completed	Completed	Completed	Completed
(6) Installation of alternative high pressure water injection system	Under construction	Under consideration	Under consideration	Under consideration	Under construction	Under construction	Under construction
(7) Installation of aboveground filter vent	Under construction	Under consideration	Under consideration	Under consideration	Under construction	Under construction	Under construction
(8) Installation of top venting on reactor buildings*1	Completed	Completed	Completed	Completed	Completed	Completed	Completed
(9) Installation of hydrogen treatment system in reactor buildings	Completed	Under consideration	Under consideration	Under consideration	Completed	Completed	Completed
(10) Installation of facilities to fill water up to the top of containment vessels	Completed	Under consideration	Under consideration	Under consideration	Completed	Completed	Completed
(11) Additional environment monitoring equipment and monitoring cars	Completed						
(12) Installation of warehouses for emergency on high ground*1	Completed						
(13) Improvement of earthquake resistance of pure water tanks on the Ominato side*1	-				Completed		
(14) Installation of large-capacity water cannons, etc.	Completed				Under construction		
(15) Multiplexing and reinforcing access roads	Completed				Under construction		
(16) Environmental improvement of the seismic isolated building	Under construction						
(17) Reinforcement of the bases of transmission towers*1 and earthquake resistance of the switchboards*1	Completed						
(18) Installation of tsunami monitoring cameras	Under construction				Completed		
(19) Installation of Corium Shield	Under consideration	Completed	Completed				

*1 TEPCO's voluntary safety measures *2 Additional measures are under consideration

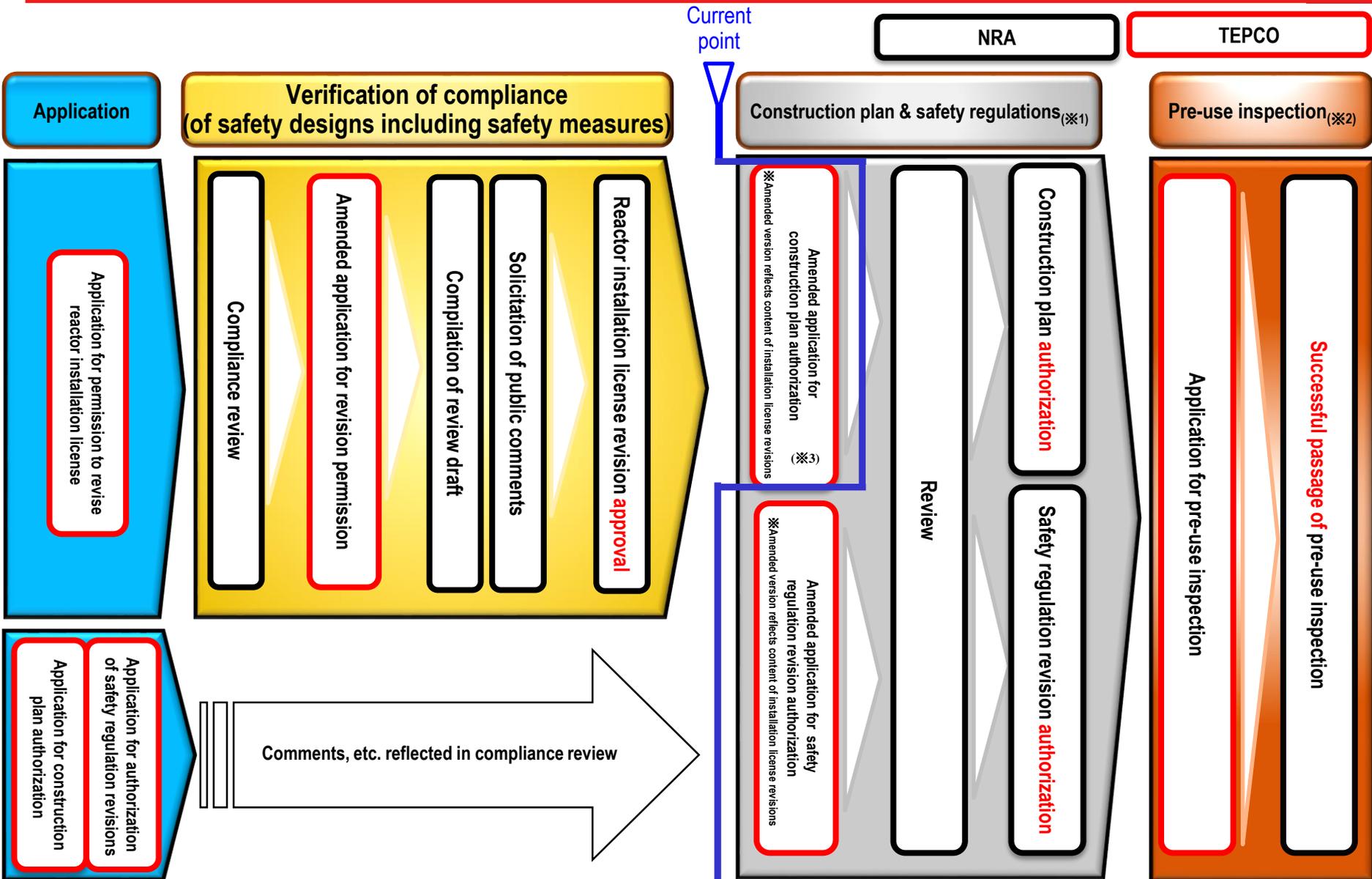
Latest Review Status

- On September 27, 2013, the applications for permission changes in reactor installation were presented to receive the regulatory standard compliance examination for Units 6 and 7.
- After the application for permission changes in reactor installation was presented, amended applications for revision of the reactor installation license, which reflect changes sought as discussed review meetings held, were submitted to the Nuclear Regulation Authority (NRA) on June 16, August 15, September 1 and December 18, in 2017.
- On December 27, 2017, the NRA approved TEPCO's application for revision of its reactor installation license.
- Amended application for authorization of a construction plan (first) for Unit 7 was submitted on December 13, 2018.
- Amended application for authorization of a construction plan (second) for Unit 7 was submitted on July 5, 2019.

Upcoming Reviews

- The pending amended applications for authorization of a construction plan and authorization of safety regulation revision will be submitted as soon as preparations are complete (submission time is unknown at present).

Key License/Permit Steps in Enforcement of New Regulatory Requirements



※1: Basic matters for safety of a nuclear power plant are stated, which an operator must observe.
 ※2: Inspection conducted by the central government to verify that construction has been carried out in the manner determined by the construction plan.
 ※3: Amended application for authorization of a construction plan (partial) was submitted

Other Initiatives

- ✓ The renewable energy power generation business of TEPCO will be spun off on April 1, 2020, to facilitate specialization in renewable energy power sources for enhancing the awareness of the TEPCO Group about renewable energy, to bring about clarification of responsibility and authority for quick decision-making with respect to collaboration with partners within and outside of Japan, and large scale investment, and furthermore, to ensure flexibility for procuring funds to support those investments.
- ✓ We shall aim for profit target of 100 billion yen in FY2030.

Specialization in renewable energy power sources

- Enhancement in the awareness of the TEPCO Group about renewable energy
- Contributing to a low-carbon society through “renewable energy” x “electrification”
- Enhancement of initiatives of the Management in terms of Environment (E), Society (S) and Governance (G)

Surge in profits leveraging the value of renewable energy

- Leveraging ESG investment such as issuing green bonds, etc.
- Acceleration of decision-making
- Clarification of income and expenditure by segment

Flexibility for procuring funds

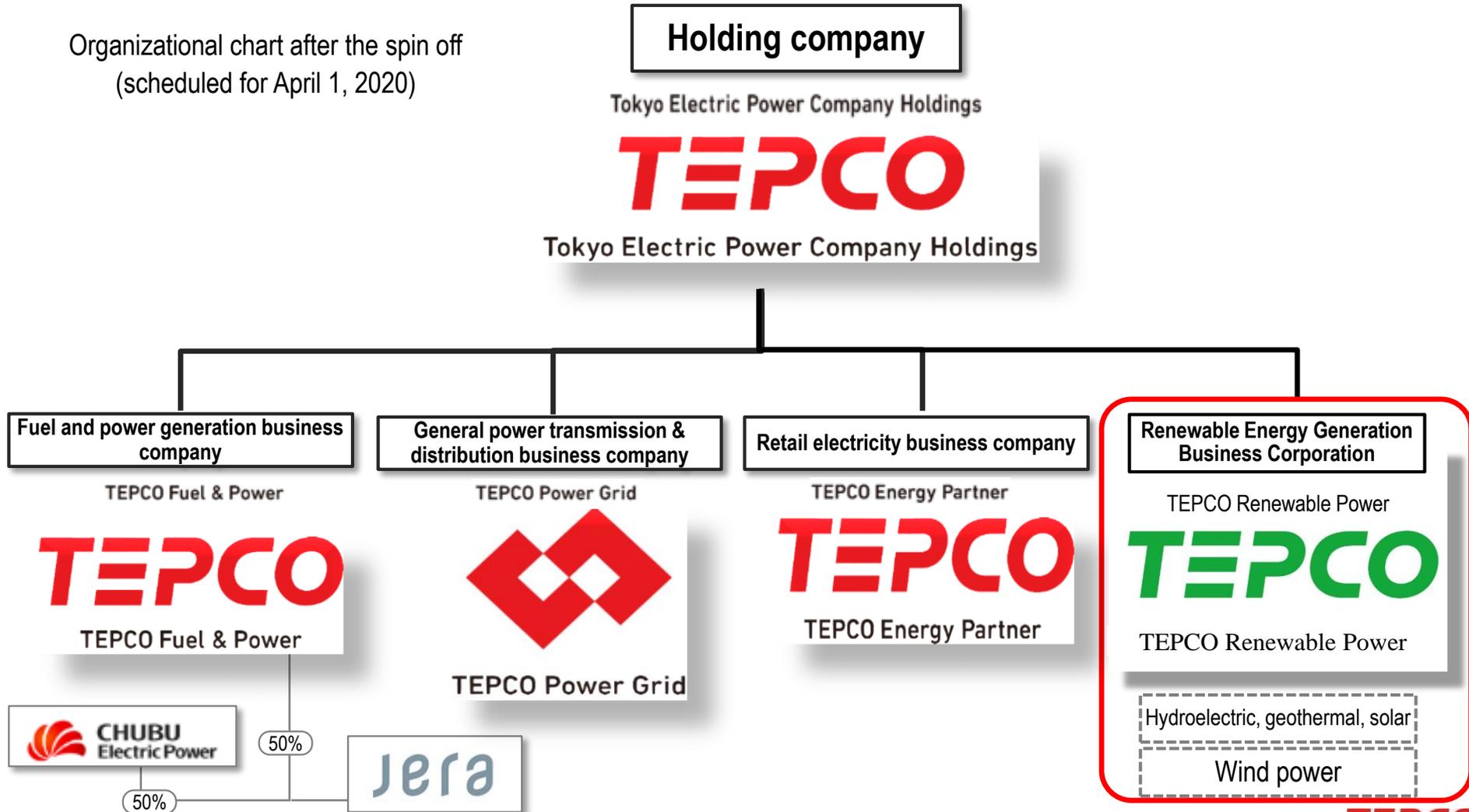
Clarification of responsibility and authority

Improvement of Profitability

Tokyo Electric Power Group organization after the spin off of the renewable energy power generation business

- ✓ Aim to maximize corporate value while fulfilling the mission of supplying energy stably by optimizing the corporate structure, leveraging TEPCO's entire value chain from fuel procurement, generation, transmission and distribution to retail.

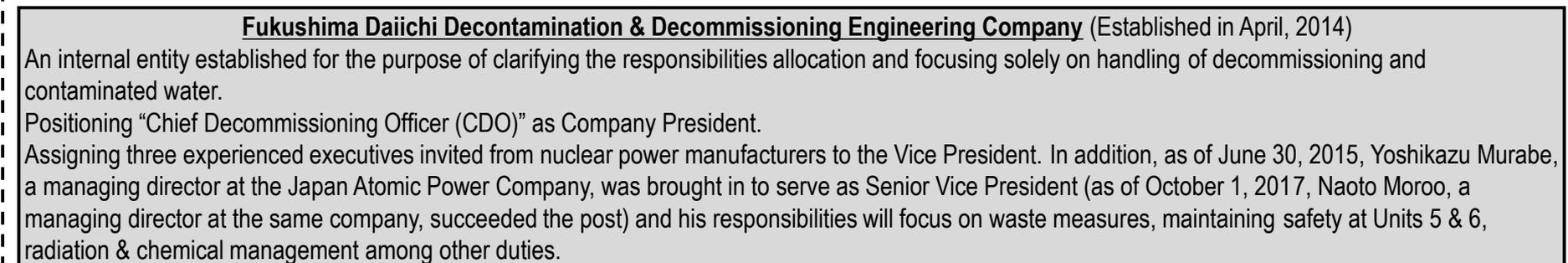
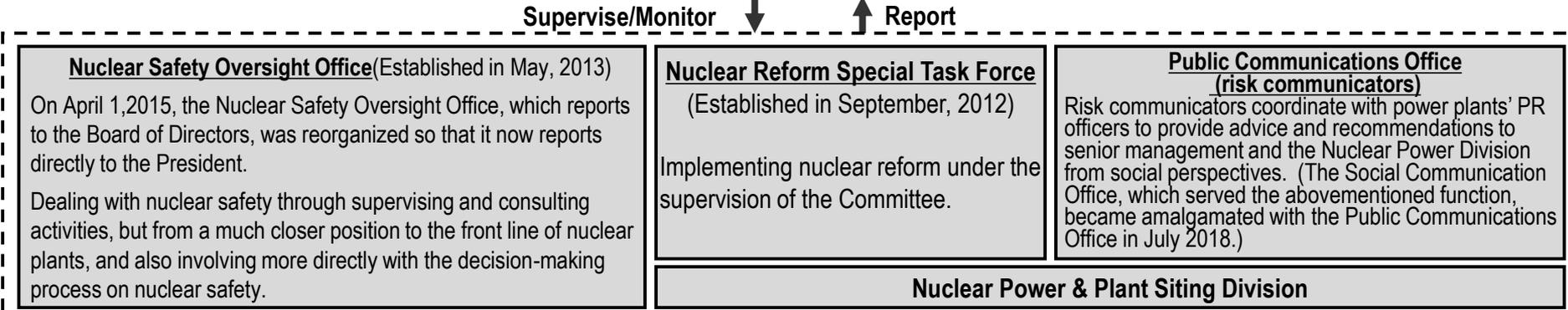
Organizational chart after the spin off
(scheduled for April 1, 2020)



- Framework for Nuclear Reform

- Since April 2013, TEPCO has advanced the Nuclear Safety Reform Plan so that it may realize its determination that “the Fukushima nuclear accident will never be forgotten and we will be a nuclear operator which continues to create unparalleled safety and increase the level of that safety to be greater today than yesterday and still greater tomorrow than today.”
- The Mid-and-Long-Term Roadmap for decommissioning Fukushima Daiichi NPS was revised in September 2017 and permission received to revise the reactor installation license for Kashiwazaki-Kariwa NPS Units 6 & 7. TEPCO will now reassess its plans to take into account items pointed out and suggested by the Nuclear Reform Monitoring Committee and faithfully implement these items.

<Framework for Nuclear Reform>



Efforts towards Nuclear Reform – 2

- Report on Status of the Nuclear Safety Reform Plan

- ✓With respect to the Nuclear Safety Reform Plan, in addition to measures to make up for the inadequacies in "safety awareness", "interaction capabilities", "technical capabilities" that were the underlying factors of the accident, and to enhance these factors, initiatives for strengthening the governance across the organization are being undertaken as well.
- ✓Reviewed the assessment results for "strengthening human resource development" and "improving communication" in the self assessment for priority challenges, and reported the results to the Nuclear Reform Monitoring Committee.

Recent main initiatives, etc. ※

Initiatives for strengthening governance	<ul style="list-style-type: none"> - In order to become an organization with the world's highest level of safety, each CFAM (Corporate Functional Area Manager) and SFAM (Site Functional Area Manager) develop the focused self-assessment plan (2-year plan) and perform the self-assessment for areas defined in the management model -Held a meeting for nuclear department personnel on April 2 in which nuclear leaders gave an overview of the FY2019 work plan. To achieve the goals, stations and the head office have held meetings concentrating on explaining their organization's initiatives of the plan to foster teamwork among personnel.
Initiatives for enhancing safety awareness	<ul style="list-style-type: none"> -Radiation Control CFAM visited St. Lucie and Monticello Nuclear Power Stations in the US to benchmark the remote monitoring system being implemented at Fukushima Daiichi. TEPCO will be actively adopting good practices such as using the remote monitoring system in operating plants.
Initiatives for enhancing interaction capabilities	<ul style="list-style-type: none"> - Given the mistakes in reporting regarding the earthquake, all members of Kashiwazaki Kariwa NPP have started participating in visiting all homes in Kashiwazaki-City and Kariwa-Village. Using this opportunity to communicate directly with the community, the station is fostering personnel's awareness of disseminating information from the local's point of view. -The TEPCO Decommissioning Archive Center that opened in November 30, 2018 has received 20,000 visitors as of May 21, 2019. The Center will continue to actively disseminate information, periodically updating exhibits.
Initiatives for enhancing technical capabilities	<ul style="list-style-type: none"> - Of the new employees that started at TEPCO in FY2019, 38 were assigned to Fukushima Daiichi, 15 to Fukushima Daini and 47 to Kashiwazaki Kariwa. The new employees participated in training regarding reactor safety, radiation safety, work safety, fundamental theory, plant equipment as well as field training and shift training. They are gaining practical knowledge to improve their individual technical capabilities. -The operating division is conducting "actual equipment training" in which operators went to operating domestic PWR plants to experience a plant in operation. Five operators from Kashiwazaki Kariwa went to Ikata Nuclear Power Station of Shikoku Electric Power Company, Incorporated, in the first quarter of this year. The operators are using this precious opportunity to develop a feel for operating a plant.

※From the Nuclear Safety Reform Plan FY2019 First quarter progress report" released in August 20, 2019

<TEPCO Holdings>

- August 7, 2019 Finalized a policy to spin off the renewable generation business on April 1, 2020
Announced in October 1, 2019 that the name of the new company will be TEPCO Renewable Power Co., Inc.. The new company will aim for a development scale of 6 to 7 GW domestic and abroad and promote the use of renewable energy as primary energy sources
- August 27, 2019 Agreed to establish a joint venture “e-Mobility Power Co., Inc” with Chubu Electric Power Company, Incorporated. that supports the next-generational mobility society, realizing “charging services that allow all customers to charge anywhere and whenever at reasonable rates”
- August 28, 2019 Signed a letter of intent to discuss launching a nuclear power(BWR) joint venture with Chubu Electric Power Company, Incorporated. Hitachi,Ltd. and Toshiba Corporation.
- August 29, 2019 Submitted to the METI Minister a “(provisional) Choshi Offshore Wind Power Generation Business Plan Step-by-step Environmental Impact Statement”, a document compiling environmental considerations for the development of domestic offshore wind power
- September 24, 2019 Established the EV Promotion Office on October 1, 2019 to promote the electrification of TEPCO vehicles, cooperate with and support electrification of vehicles used by companies and municipalities, and develop new business areas to support the next-generational mobility society
- October 8, 2019 Started the “*Discover Fukushima!* Campaign –Tasting Fall in Fukushima” to communicate the deliciousness and appeal of Fukushima-made foods and battle the damage caused by rumors (from October 11-December 20, 2019)

<TEPCO Power Grid>

September 3, 2019 Established TEPCO Solutions Advance to concentrate the TEPCO group's technological expertise and knowledge of operations and seconded work in order to further reduce costs, increase quality and enhance competitiveness, as well as develop services beyond energy services that tackle our customers' daily problems, leveraging the TEPCO's network closely tied to the local community.

<TEPCO Energy Partner>

August 9, 2019 Established TEPCO's first overseas branch, TEPCO Energy Partner International(Thailand) Co., Ltd. in Bangkok, the capital of Thailand, to develop an energy service business for Japanese companies in Thailand.

August 22, 2019 Started receiving applications for household electricity services in Tohoku and Kyushu areas on August 23, 2019.

August 20, 2019 Established the Renewable Energy Marketing and Sales Department on September 1, 2019 to create a rate plan with an increased renewable energy ratio to meet our customers' needs. An example of a rate plan is the "aqua premium" that provides electricity from hydroelectric power stations that is carbon neutral to respond to the diversifying and sophisticating tastes of customers.

October 1, 2019 Established "T&T Energy" with TOKAI CORPORATION to retail city gas in Tokai three prefectures of Aichi, Gifu and Mie, expanding retail areas for city gas in household.