

**TRANSLATION**

*Please note that the following purports to be an accurate and complete translation of the original Japanese version prepared for the convenience of the Shareholders outside Japan. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.*

**THE 102<sup>nd</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS**

**Matters not listed on the paper-based documents delivered to shareholders who requested the delivery of paper-based documents, pursuant to the provisions of laws and regulations and the Company’s Articles of Incorporation**

■ Business Report	
Matters Regarding Status of Group Operations	
• Trend in Assets and Profit/Loss.....	3
• Major Business Offices of the Company and Important Subsidiaries.....	4
• Employees.....	5
• Major Lenders.....	5
Matters Regarding Shares.....	6
Matters Regarding Corporate Officers	
• Outline of Agreements for Limitation of Liability.....	8
• Outline of Indemnity Agreements.....	8
• Outline of Directors and Officers Liability Insurance Contract.....	8
Matters Regarding Accounting Auditor.....	8
Systems for Ensuring Properness of Business Operations and Overview of Operating Status of the Systems.....	10
■ Consolidated Financial Statements	
Consolidated Statement of Changes in Net Assets.....	15
Notes to Consolidated Financial Statements.....	16

■ Non-Consolidated Financial Statements	
Balance Sheet.....	41
Statement of Income .....	42
Statement of Changes in Net Assets.....	43
Notes to Non-Consolidated Financial Statements.....	44
■ Audit Reports	
ACCOUNTING AUDIT REPORT OF THE ACCOUNTING AUDITOR CONCERNING THE NON-CONSOLIDATED FINANCIAL STATEMENTS .....	62

From April 1, 2025 to March 31, 2026

## **Tokyo Electric Power Company Holdings, Incorporated**

Pursuant to the provisions of laws and regulations and Article 17 of the Articles of Incorporation, the above matters are not listed on the paper-based documents delivered to shareholders who requested the delivery of paper-based documents.

## Matters Regarding Status of Group Operations

### Trend in Assets and Profit/Loss

Classification	FY2022	FY2023	FY2024	FY2025 (this fiscal year)
Operating revenues (Billions of yen)	8,112.2	6,918.3	6,810.3	6,328.5
Ordinary income (Billions of yen)	(285.3)	425.5	254.4	417.3
Profit attributable to owners of parent (Billions of yen)	(123.6)	267.8	161.2	(454.2)
Income per share (Yen)	(77.17)	167.18	100.67	(283.51)
Total assets (Billions of yen)	13,563.0	14,595.4	14,986.9	15,575.6

## Major Business Offices of the Company and Important Subsidiaries (as of March 31, 2026)

### i) Major Business Offices

Holdings		Fuel & Power	
Company Name	Location	Company Name	Location
Tokyo Electric Power Company Holdings, Incorporated (the Company)		TEPCO Fuel & Power, Incorporated	Chiyoda-ku, Tokyo
Head Office	Chiyoda-ku, Tokyo	Power Grid	
Fukushima Revitalization Headquarters	Futaba-machi, Futaba-gun, Fukushima	TEPCO Power Grid, Incorporated	Chiyoda-ku, Tokyo
Niigata Headquarters	Niigata-shi, Niigata	Tepco Town Planning Co., Ltd.	Minato-ku, Tokyo
Toden Real Estate Co., Inc.	Chuo-ku, Tokyo	Tokyo Densetsu Service Co., Ltd.	Taito-ku, Tokyo
TEPCO SYSTEMS CORPORATION	Koto-ku, Tokyo	Tepco Solution Advance Co., Ltd.	Minato-ku, Tokyo
Tokyo Power Technology Ltd.	Koto-ku, Tokyo	TEPCO LOGISTICS CO., LTD.	Shinagawa-ku, Tokyo
Tokyo Electric Power Services Company, Limited	Koto-ku, Tokyo	Energy Partner	
e-Mobility Power Co., Inc.	Minato-ku, Tokyo	TEPCO Energy Partner, Incorporated	Chiyoda-ku, Tokyo
Renewable Power		FAMILYNET JAPAN CORPORATION	Minato-ku, Tokyo
Company Name	Location	Japan Facility Solutions, Inc.	Shinagawa-ku, Tokyo
TEPCO Renewable Power, Incorporated	Chiyoda-ku, Tokyo	PinT, Inc.	Chiyoda-ku, Tokyo
The Tokyo Electric Generation Company, Incorporated	Taito-ku, Tokyo	Tepco Customer Service Corporation Limited	Minato-ku, Tokyo

## ii) Major Power Stations

### Holdings

Company Name	Sector	Power Station Name	Location
Tokyo Electric Power Company Holdings, Incorporated (the Company)	Nuclear Power	Kashiwazaki-Kariwa	Niigata

### Renewable Power

Company Name	Sector	Power Station Name	Location
TEPCO Renewable Power, Incorporated	Hydroelectric Power (Output of 100 MW or more)	Kinugawa, Imaichi, Shiobara	Tochigi
		Yagisawa, Tambara, Kannagawa	Gunma
		Kazunogawa	Yamanashi
		Akimoto	Fukushima
		Azumi, Midono, Shin-Takasegawa	Nagano
		Nakatsugawa Daiichi, Shinanogawa	Niigata

## Employees (as of March 31, 2026)

Business Segment	Number of Employees (Persons)
Holdings	12,994
Renewable Power	1,668
Fuel & Power	0
Power Grid	20,469
Energy Partner	3,210
Total	38,341

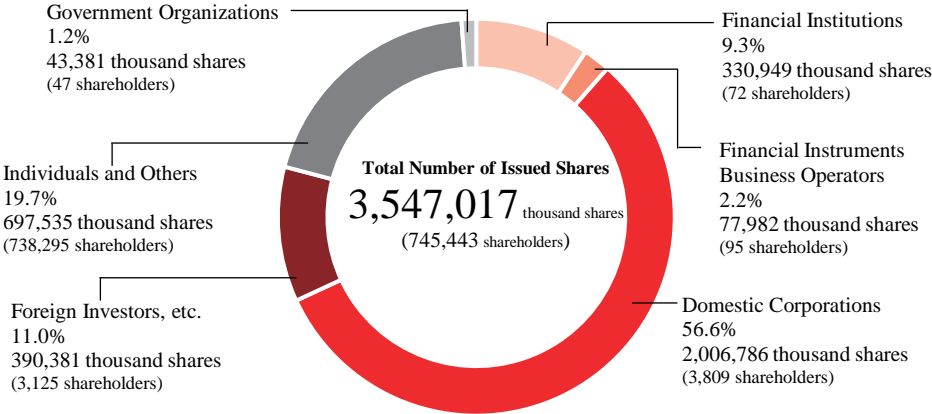
## Major Lenders (as of March 31, 2026)

Lender	Loan Balance (Billions of yen)
Sumitomo Mitsui Banking Corporation	569.9
Development Bank of Japan Inc.	553.9
Mizuho Bank, Ltd.	332.6
NIPPON LIFE INSURANCE COMPANY	283.5
MUFG Bank, Ltd.	271.4
The Dai-ichi Life Insurance Company, Limited	253.6

**Matters Regarding Shares (as of March 31, 2026)**

<b>1. Total Number of Shares Authorized to Be Issued</b>	14,100,000,000
<b>2. Total Number of Class Shares Authorized to Be Issued</b>	
Common Shares	35,000,000,000
Class A Preferred Shares	5,000,000,000
Class B Preferred Shares	500,000,000
<b>3. Total Number of Issued Shares</b>	
Common Shares	1,607,017,531
Class A Preferred Shares	1,600,000,000
Class B Preferred Shares	340,000,000
<b>4. Number of Shareholders</b>	
Common Shares	745,442
Class A Preferred Shares	1
Class B Preferred Shares	1

**Shareholdings by Owner**



## 5. Top 10 Shareholders

Name	Number of Shares Held (Thousands of shares)				Investment Ratio
	Common Shares	Class A Preferred Shares	Class B Preferred Shares	Total	
Nuclear Damage Compensation and Decommissioning Facilitation Corporation	–	1,600,000	340,000	1,940,000	54.75
The Master Trust Bank of Japan, Ltd. (Trust Account)	197,048	–	–	197,048	5.56
Custody Bank of Japan, Ltd. (Trust Account)	53,509	–	–	53,509	1.51
TEPCO Employees Shareholding Association	48,613	–	–	48,613	1.37
Tokyo Metropolitan Government	42,676	–	–	42,676	1.20
STATE STREET BANK AND TRUST COMPANY 505001	27,115	–	–	27,115	0.77
NIPPON LIFE INSURANCE COMPANY	26,400	–	–	26,400	0.75
THE BANK OF NEW YORK MELLON 140044	23,610	–	–	23,610	0.67
JP MORGAN CHASE BANK 385781	21,873	–	–	21,873	0.62
Sumitomo Mitsui Banking Corporation	17,963	–	–	17,963	0.51

(Note) Investment ratio is calculated excluding treasury stock (3,394,852 common shares).

## **Matters Regarding Corporate Officers**

### **Outline of Agreements for Limitation of Liability**

Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and Article 29, paragraph (2) of the Articles of Incorporation, the Company has entered into agreements with Directors (excluding those who are Executive Directors, etc.) which limit their responsibilities under Article 423, paragraph (1) of the Companies Act to the extent permitted by laws and regulations.

### **Outline of Indemnity Agreements**

The Company has entered into indemnity agreements with all Directors and Executive Officers pursuant to the provisions of Article 430-2, paragraph (1) of the Companies Act, under which the Company agrees to indemnify costs and losses, as provided for by item (i) and item (ii), respectively, of said paragraph, within the ranges prescribed by laws and regulations; provided, however, that the Company shall bear no obligation to indemnify any Director or Executive Officer for expenses, etc., incurred when the Company pursues their liability, etc. (except in the case of a shareholder derivative lawsuit), and the Company may demand that the Director or Executive Officer return compensation if, among others, it is found that they acted with malicious intent or gross negligence in the performance of their duties.

### **Outline of Directors and Officers Liability Insurance Contract**

The Company has entered into a directors and officers liability insurance contract as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance contract covers losses that may arise from the insured's assumption of liability incurred in the course of the execution of duties, or claims pertaining to the pursuit of such liability. However, the contract does include certain exemption clauses, for instance, not covering losses attributable to acts in violation of laws or regulations carried out by an insured with full knowledge of illegality.

The insureds of this contract include Directors, Executive Officers and Corporate Officers of the Company and Directors, Auditors, Corporate Officers, etc., of some subsidiaries, including TEPCO Renewable Power, Incorporated, TEPCO Fuel & Power, Incorporated, TEPCO Power Grid, Incorporated and TEPCO Energy Partner, Incorporated, and the insurance premiums are fully paid by the Company and the subsidiaries.

## **Matters Regarding Accounting Auditor**

**1. Name of Accounting Auditor** Ernst & Young ShinNihon LLC

**2. Amount of Compensation, etc., of Accounting Auditor**

**i) Amount of compensation, etc., paid in fiscal 2025 for audit services**

¥184 million

**ii) Total amount of cash and other profit to be paid by the Company and its subsidiaries**

¥547 million

(Notes) 1. The audit contract between the Company and the Accounting Auditor does not distinguish between the amount of compensation, etc., for audits based on the Companies Act and for audits based on the Financial Instruments and Exchange Act, and the amounts cannot be separated in practice. Therefore, the amount stated in i) above includes compensation, etc., for audits based on the Financial Instruments and Exchange Act.

2. In addition to checking the Accounting Auditor's audit plan and the implementation status of auditing, etc., the Audit Committee conducted hearings to obtain such details as the number of days of auditing

and the basis of compensation calculation, etc., from both the internal departments involved and the Accounting Auditor and approved the compensation, etc., for the Accounting Auditor after performing the necessary verification.

3. The Company commissioned the Accounting Auditor to provide advice for the English description of consolidated financial statements and other services and pays fees for services other than the audit services specified in Article 2, paragraph (1) of the Certified Public Accountants Act.

### **3. Policy for Dismissal or Non-Reappointment Decision of Accounting Auditor**

When the Accounting Auditor falls under any of the items under Article 340, paragraph (1) of the Companies Act, the policy of the Audit Committee is to dismiss the Accounting Auditor with the agreement of all members of the Audit Committee.

Moreover, in cases other than that described above, in cases when the Accounting Auditor is judged to be unsuitable for the job, such as when it is deemed to be difficult for the Accounting Auditor to accomplish its duties appropriately, the policy of the Audit Committee is to determine the content of the proposal to be submitted to the General Meeting of Shareholders concerning the dismissal or non-reappointment of the Accounting Auditor.

# **Systems for Ensuring Properness of Business Operations and Overview of Operating Status of the Systems**

## **Outline of Resolution on Establishment of Systems for Ensuring Properness of Business Operations**

### **1. Systems for Ensuring Effective Audits by the Audit Committee**

- i) As employees to support the duties of the Audit Committee, the Company shall appoint Audit Committee Aides. In addition, the Company shall establish a full-time body for assisting the duties of the Audit Committee and assign the necessary personnel.
- ii) Audit Committee Aides and members of the full-time body for assisting the duties of the Audit Committee shall comply with instructions and orders from the Audit Committee, and matters concerning their personnel shall be consulted with the Audit Committee in advance.
- iii) When discovering facts that could cause the Company significant damage, Directors and Executive Officers shall report immediately the same to a member of the Audit Committee, while also making necessary reports on matters requested by Audit Committee Members selected by the Audit Committee. A system shall also be arranged to enable necessary and appropriate reporting to the Audit Committee by a Director, Executive Officer, Corporate Officer or employee of the Company, or by a Director, Auditor, Corporate Officer or employee of a Group company or by a person who received a report from one of them. At the same time, appropriate measures shall be taken to ensure that a person who makes such a report does not receive disadvantageous treatment because of making such a report.
- iv) The Company shall establish a system that enables members of the Audit Committee to attend the meetings of the Board of Executive Officers, the Management & Planning Meeting and other important meetings and state their opinions whenever necessary. Moreover, in addition to creating the environment to achieve the cooperation of the Accounting Auditor and the internal audit body with the Audit Committee, the Company shall make arrangements to ensure the effectiveness of audits by the Audit Committee, including the payment of the expenses deemed necessary for the execution of the duties as a member of the Audit Committee.

### **2. Systems for Ensuring That Execution of Duties by Directors and Executive Officers Is in Compliance with Laws and Regulations and the Articles of Incorporation**

- i) To rigorously enforce operations of business in line with social norms and observance of corporate ethics, the Company shall draw up the “TEPCO Group Charter of Corporate Conduct” and the “Corporate Ethics Code of Conduct” and Directors and Executive Officers shall take the lead in practicing these, while ensuring their observance by Corporate Officers and employees.

Meanwhile, the “TEPCO Group Corporate Ethics Committee,” which includes external experts as its members, shall be set up to oversee corporate ethics as a whole and promote compliance-oriented management.

- ii) The Board of Directors shall meet once a month in principle and additionally as necessary to discuss and make decisions on important execution of duties in accordance with laws and regulations and the Articles of Incorporation and supervise execution of duties undertaken by Directors and Executive Officers by such means as receiving reports from Executive Officers on the status of their execution of duties on both a regular and an as-needed basis. The Board of Directors, whenever necessary, shall request Corporate Officers to report to the Board of Directors on their status of execution of duties.

Moreover, the Board of Executive Officers shall be established to assist the functions of the Board of Directors and achieve efficient and appropriate decision-making. The Board of Executive Officers shall meet once a week in principle and additionally as necessary to discuss important management matters including the agenda of meetings of the Board of Directors.

Meanwhile, Directors and Executive Officers shall always gather sufficient information and make appropriate business judgments in compliance with laws and regulations and the Articles of Incorporation.

### **3. Systems for Preservation and Management of Information on Execution of Duties by Executive Officers**

- i) The summary of the minutes of meetings of the Board of Executive Officers and other information on execution of duties by Executive Officers shall be managed appropriately in accordance with laws and regulations and internal rules in all processes from its creation to use, utilization, preservation and disposal.
- ii) An IT environment shall be established that contributes not only to information security but also to the improvement of efficiency and the assurance of appropriateness in relation to the execution of duties.

### **4. Regulations on Risk Management and Other Systems**

- i) Directors and Executive Officers shall identify and evaluate risks associated with the business activities of the Company and its Group companies on both a regular and an as-needed basis and appropriately reflect such risks in the business management plan formulated for each fiscal year. Internal rules shall also be prepared to enable risk management of the entire Group (“the Group”) to be carried out appropriately.
- ii) Such risks are basically managed as part of execution of duties by the individual body in charge of the relevant business in line with internal rules. Any risk that involves more than one body shall be managed appropriately based on discussions by a cross-organizational committee and other forums.
- iii) Concerning risks that might seriously affect corporate management, the “Risk Management Committee” chaired by the Executive Officer and President shall prevent such risk from materializing. In the event that the risk does materialize, the committee shall quickly and accurately deal with such risk in order to minimize its impact on corporate management.
- iv) Appropriate systems shall be arranged in readiness for the occurrence of a major earthquake or similar emergency disaster, including the setting up of a response body, creating a system for communication of information and carrying out periodic disaster prevention drills.
- v) The internal audit body shall audit the effectiveness of the risk management system periodically and additionally as necessary, and report the results of the audit to the Board of Executive Officers, etc. Executive Officers shall make necessary improvements based on the audit results.
- vi) The internal audit body shall report to the Board of Executive Officers, etc., as well as report directly to the Board of Directors as necessary, regarding matters confirmed by the audit.
- vii) The Management & Planning Meeting shall be established to share information on the overall management of the Company and to promote corporate reform. The Management & Planning Meeting shall be held as necessary and discuss the policy for responding to important management issues and the direction of that response.
- viii) Based on reflection on the accident at the Fukushima Daiichi Nuclear Power Station, a “Nuclear Safety Oversight Office” shall be established as a body that is directly controlled by the Executive Officer and President. Drawing on the expertise of external specialists, the Nuclear Safety Oversight Office shall monitor nuclear safety initiatives, provide advice whenever necessary and involve itself directly in the decision-making on those initiatives, and by arranging such system, the Company shall achieve improvement of management of nuclear power safety. Moreover, the Nuclear Safety Oversight Office shall report directly to the Board of Directors as necessary regarding matters of nuclear safety.

A system for communicating appropriately with the general public about the Company’s business activities in general, including nuclear power business, shall also be established.

## **5. Systems for Ensuring Efficient Execution of Duties by Executive Officers**

- i) Steps shall be taken for efficient decision-making on important management matters, including the appropriate discussions at the Management & Planning Meeting and other forums, in addition to the meetings of the Board of Executive Officers.
- ii) The responsibilities and authority of Executive Officers in their execution of duties shall be clarified in internal rules, and Executive Officers, Corporate Officers and employees shall execute their respective duties appropriately and promptly.

## **6. Systems for Ensuring That Execution of Duties by Employees Is in Compliance with Laws and Regulations and the Articles of Incorporation**

- i) Steps shall be taken to establish and rigorously enforce the “TEPCO Group Charter of Corporate Conduct” and the “Corporate Ethics Code of Conduct,” such as continuously providing training in corporate ethics and other measures, so that all employees observe them.
- ii) The Company shall establish a “Consultation Desk for Corporate Ethics” to allow for anonymous inquiries about issues around laws and regulations and corporate ethics and shall take appropriate action on cases reported based on discussions by the “TEPCO Group Corporate Ethics Committee.” The privacy of those using the Consultation Desk shall be strictly protected in accordance with internal rules.
- iii) The Company shall clarify the laws and regulations, etc., that must be observed when executing duties in internal rules and rigorously enforce the execution of duties based on the internal rules through education and training, etc.
- iv) To ensure that execution of duties by employees is in compliance with laws and regulations and the Articles of Incorporation, the internal audit body shall audit the status of execution of duties by employees periodically and at other times if necessary and report the results of the audit to the Board of Executive Officers, etc. Executive Officers shall make necessary improvements based on the audit results.
- v) Based on these initiatives, the Company shall enhance and rigorously enforce a “Climate of active compliance,” under which each employee is aware of and acts in accordance with corporate ethics and creates a workplace with a positive atmosphere, a “Mechanism of ensuring compliance,” under which internal rules are continuously improved and steps are taken to rigorously enforce them, and a “Framework for speaking out,” under which employees can speak of their own accord on work-related issues and problems and their input is positively welcomed.

## **7. Systems for Ensuring Properness of Business Operations of the Corporate Group Comprising the Company and Its Subsidiaries**

- i) Under the “TEPCO Group Charter of Corporate Conduct,” the Group shall indicate the shared direction, targets, etc. as management policy to be aimed for by the Group as a whole, and make concerted efforts to achieve them. Meanwhile, the Company shall provide appropriate support to Group companies to help them autonomously develop and operate systems to ensure the properness of their business operations.
- ii) The Company shall clarify responsibilities and authority in internal rules to facilitate efficient decision-making and appropriate and prompt execution of duties at Group companies.
- iii) The Company shall arrange a system for prior consultation and reporting from Group companies in accordance with internal rules, etc. regarding important matters in the execution of duties. Meanwhile, the Company’s Directors and Executive Officers shall exchange opinions, etc. with the Directors of Group companies at periodic meetings to ascertain the status of management at Group companies and share and resolve any management issues within the Group.
- iv) The Company shall establish an environment which facilitates the use of the “Consultation Desk for Corporate Ethics” by Group companies.
- v) The Company’s internal audit body shall conduct audits, etc. as necessary to enable the properness of business operations at Group companies to be ensured.

## **Overview of Operating Status of the Systems for Ensuring Properness of Business Operations**

### **1. Ensuring the Effectiveness of Audits by the Audit Committee**

- i) The Audit Committee comprises six Audit Committee Members, including five Outside Directors. Moreover, in fiscal 2025, the Company assigned two Audit Committee Aides to assist the Audit Committee in addition to allocating nine members of staff to the Office of Audit Committee, a full-time body for assisting the duties of the Audit Committee, and having the full-time Audit Committee Member, Audit Committee Aides and relevant staff members serve as part-time auditors for Group companies.
- ii) Based on this system, the Audit Committee carries out effective and efficient audits, including the periodic exchange of opinions with the Accounting Auditor and the internal audit body in addition to exchanging opinions with employees in frontline worksites and conducting meetings with Group companies.
- iii) The Audit Committee Members also attend the meetings of the Board of Executive Officers, the Management & Planning Meeting and other important meetings in addition to requesting the necessary reports from the Directors and Executive Officers as appropriate to check on the process for key decision-making and the status of execution of operations.

### **2. Appropriate and Efficient Execution of Duties by the Directors and Executive Officers**

- i) The Board of Directors of the Company, which is a Company with Nominating Committee, etc., holds full deliberations based on the annual topics schedule, formulated by selecting regular matters to be submitted and reported as well as important management issues in advance, makes decisions on important business execution and supervises the business execution undertaken by the Directors and Executive Officers. Moreover, the Company seeks to enhance deliberations in the Board of Directors, among others, by utilizing Director gatherings, where Outside Directors play a key role in exchanging opinions. In fiscal 2025, the Company held 18 meetings of the Board of Directors and 21 Director gatherings.
- ii) The Company strives for efficient and appropriate decision-making by deliberating and making decisions on important management issues, including matters to be submitted to the Board of Directors, at the meetings of the Board of Executive Officers, which are held once a week as a rule, and the Management & Planning Meeting, etc.
- iii) Decisions on important matters of business execution at Group companies need to be preliminarily approved by or reported to the Company based on internal rules, etc. Moreover, from the viewpoint of overall optimization, etc. in the Group, in addition to receiving regular reports on management status from Group companies, the Company has established opportunities for sharing management issues of the entire Group between its Directors and Executive Officers and the Directors of Group companies, including the holding of the “Group Management Conference.”

### **3. Risk Management**

- i) The Executive Officer and President of the Company is the person with overall responsibility for risk management at the Group, and the “Risk Management Committee,” chaired by the Executive Officer and President, provides centralized supervision. In fiscal 2025, the Risk Management Committee met once and deliberated on risks and their countermeasures in the business operations of the Group, in addition to reflecting the decisions in the Group’s business management plan and giving reports to the Board of Executive Officers and the Board of Directors. Furthermore, information on materialized risks is shared at the Board of Executive Officers, etc., and each organization receives instructions, etc., on necessary response.
- ii) In addition, risk is recognized and managed appropriately on a daily basis through such means as the “Risk Management Meetings” held by each organization at the Company, which evaluate risk in the business operations of each organization and deliberate on countermeasures. In the event that a risk materializes, the Company has also clarified the reporting channels and details in addition to ensuring that a response headquarters, etc., is established to respond in accordance with the circumstances, to enable a prompt and precise response.

- iii) Moreover, the Chief Risk Officer is improving cross-organizational risk management functions by exchanging opinions with the Company's Executive Officers and the Directors of the Group companies, etc.
- iv) In fiscal 2025, for the improvement of the free cash flow of the Group, we continuously discussed the agenda, including group-wide thorough cost reductions, selection of investment targets and the sale of the Group's owned assets, at an internal committee.
- v) The Company has established a basic policy on emergency and disaster measures with regard to emergencies and disasters that include a large-scale earthquake and is constantly promoting preparations for disaster prevention. At the same time, the Company has established a system for a united Group response in the event of a disaster, including holding disaster prevention drills, which were practiced 62 times in fiscal 2025.
- vi) The "Nuclear Safety Oversight Office" has strengthened supervision of the Company's initiatives on nuclear power safety and nuclear security by drawing on expertise of external specialists as well as conducting training and education of monitoring and evaluation staff, etc., and it gives advice as necessary. The Nuclear Safety Oversight Office also reports the results of the evaluation of the above initiatives to the Board of Directors quarterly.

#### 4. Compliance

- i) The Company has fully informed the Directors, Executive Officers, employees, etc. about the "TEPCO Group Charter of Corporate Conduct" and "Corporate Ethics Code of Conduct" through the in-house intranet, etc. Moreover, in addition to continually conducting education and awareness-raising activities, including e-learning and training, the Company rigorously enforces compliance with corporate ethics, including the assignment of corporate ethics managers to each organization to carry out activities in which corporate ethics are practiced and recognized in collaboration with the "TEPCO Group Corporate Ethics Committee."
- ii) Moreover, in order to promote compliance management as a Group, the "TEPCO Group Corporate Ethics Committee" chaired by the Executive Officer and President of the Company deliberates and decides on activities for the practice and recognition of corporate ethics as well as the operating status of the "Consultation Desk for Corporate Ethics" such as acceptance and response, etc. In fiscal 2025, the Committee met four times and a summary of the meetings was posted on the Company's website.
- iii) With the aim of assessing the awareness of employees about corporate ethics overall and improving activities for the practice and recognition of corporate ethics, the Company also implements the "Survey on Awareness of Corporate Ethics" targeting all employees once a year.
- iv) In addition, while the Group has formulated the "TEPCO Group's Human Rights Policy," to respect human rights in any aspect of the business activities, the "TEPCO Holdings Human Rights Committee" for which the Chief Human Resources Officer serves as Chairman, monitors the human rights due diligence action plan and discusses items and recommends actions regarding the status, etc., of response by consultation and report desk. In fiscal 2025, the Committee met twice and the status of the meetings was posted on the Company's website.
- v) The internal audit body audits the status of the execution of duties by employees, etc., from the perspectives of "achieving management policies and goals," "effective and efficient running of operations," "effectiveness of the risk management system," "compliance with rules and demonstration of self-cleaning functions," "effectiveness and efficiency of rules" and so on, and at the same time makes recommendations on areas that require improvement based on the audit results.
- vi) Based on these efforts and the results from verifying their effectiveness, etc., the Company formulates policies and plans concerning corporate ethics activities and rigorously enforces a "Climate of active compliance," a "Mechanism of ensuring compliance," and a "Framework for speaking out."

## Consolidated Statement of Changes in Net Assets (Period from April 1, 2025 to March 31, 2026)

(millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Earned surplus	Treasury stock	Total shareholders' equity
<b>Balance at the beginning of current period</b>	<b>1,400,975</b>	<b>756,316</b>	<b>1,270,136</b>	<b>(8,538)</b>	<b>3,418,890</b>
<b>Changes of items during the period</b>					
Profit attributable to owners of parent			(454,263)		(454,263)
Purchases of treasury stock				(13)	(13)
Disposal of treasury stock		143		1	145
Change in ownership interest of parent due to transactions with non-controlling interests		106			106
Reversal of revaluation reserve for land			50		50
Other				359	359
Net changes in items other than those in shareholders' equity					
<b>Total changes of items during the period</b>	<b>-</b>	<b>249</b>	<b>(454,213)</b>	<b>347</b>	<b>(453,616)</b>
<b>Balance at the end of current period</b>	<b>1,400,975</b>	<b>756,566</b>	<b>815,922</b>	<b>(8,190)</b>	<b>2,965,273</b>

(millions of yen)

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Unrealized gain or loss on securities	Deferred gain and loss on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
<b>Balance at the beginning of current period</b>	<b>24,729</b>	<b>34,591</b>	<b>(3,012)</b>	<b>227,007</b>	<b>57,023</b>	<b>340,339</b>	<b>26,900</b>	<b>3,786,130</b>
<b>Changes of items during the period</b>								
Profit attributable to owners of parent								(454,263)
Purchases of treasury stock								(13)
Disposal of treasury stock								145
Change in ownership interest of parent due to transactions with non-controlling interests								106
Reversal of revaluation reserve for land								50
Other								359
Net changes in items other than those in shareholders' equity	(2,492)	18,325	707	72,686	(5,195)	84,031	1,805	85,837
<b>Total changes of items during the period</b>	<b>(2,492)</b>	<b>18,325</b>	<b>707</b>	<b>72,686</b>	<b>(5,195)</b>	<b>84,031</b>	<b>1,805</b>	<b>(367,779)</b>
<b>Balance at the end of current period</b>	<b>22,236</b>	<b>52,917</b>	<b>(2,305)</b>	<b>299,694</b>	<b>51,828</b>	<b>424,371</b>	<b>28,706</b>	<b>3,418,351</b>

## Notes to Consolidated Financial Statements

From April 1, 2025 to March 31, 2026

### **[Notes, etc. Regarding Important Matters Forming the Basis of Preparation of Consolidated Financial Statements]**

#### 1. Scope of Consolidation

##### (1) Number of consolidated subsidiaries and names of major consolidated subsidiaries

Number of consolidated subsidiaries 63 companies

Major consolidated subsidiaries are as follows:

TEPCO Fuel & Power, Incorporated, TEPCO Power Grid, Incorporated, TEPCO Energy Partner, Incorporated, TEPCO Renewable Power, Incorporated, Toden Real Estate Co., Inc., TEPCO SYSTEMS CORPORATION, Tokyo Power Technology Ltd., Tokyo Electric Power Services Company, Limited, e-Mobility Power Co., Inc., Tepco Town Planning Co., Ltd., Tokyo Densetsu Service Co., Ltd., Tepco Solution Advance Co., Ltd., FAMILYNET JAPAN CORPORATION, Japan Facility Solutions, Inc., PinT, Inc., Tepco Customer Service Corporation Limited, TEPCO LOGISTICS CO., LTD., and The Tokyo Electric Generation Company, Incorporated.

##### (2) Names of entities that are not accounted for as a subsidiary even though the Company holds the majority of voting rights on its own account, etc.

House Partner Holdings Co., Ltd., Cosmolife Co., Ltd., TEPCO Timeless Capital No. 3 Limited Partnership, ASAHI HOUSE INDUSTRIES CO., LTD., CSD Co., Ltd. and TEPCO Timeless Capital No. 5 Limited Partnership are held as operating transactions for the purpose of investment development and capital gain. Judging from the requirements stipulated in the Guidance on Application of the Scope of Consolidation, these companies are not considered as subsidiaries because it is clear that the Company does not control the decision-making bodies of these companies.

#### 2. Application of Equity Method

Number of affiliates accounted for under the equity method 50 companies

Affiliates accounted for under the equity method are as follows:

KK6 Safety Measures Joint Venture Corporation, JERA Co., Inc., Deep C Green Energy (Hong Kong) Limited, TEPCO i-FRONTIERS, INC., T&T Energy Co., Ltd., Tsumagoi Storage Power Plant LLC, NTT TEPCO Data Centers TMK, Mirai Enoshima LLC, GREEN VOLT HOLDCO LTD., CENOS HOLDCO LTD., NTT TEPCO Data Centers LLC, Tokyo Energy Alliance Co., Ltd., Solar Rooftop CE 9 Co., Ltd., GREENWAY GRID GLOBAL PTE. LTD., LIXIL TEPCO Smart Partners Co., Ltd., ESR-TEPCO RENEWABLE JOINT VENTURE PTE. LTD., VIET HYDRO PTE. LTD., TAKAOKA TOKO CO., LTD., KANDENKO CO., LTD., Aqua Connect Namie Corporation, Evergreen Marketing Co., Ltd., Toranomom Energy Network Co., Ltd., Energy Pool Japan KK, Shoei Denki Sangyo Co., Ltd., Hitachi Systems Power Services, Ltd., TOKYO TOSHI SERVICE COMPANY, AT TOKYO Corporation, JSC Dariali Energy, Vietnam Power Development Joint Stock Company, Energy Asia Holdings Ltd., Houseplus Architectural Inspection, Inc., Japan Nuclear Fuel Limited, The Japan Atomic Power Company, PT Kencana Energi Lestari Tbk, TRITON KNOLL OFTO BIDCO LIMITED, OFFSHORE WIND LIMITED, TOKYO ENERGY & SYSTEMS INC., Oyasu Geothermal Co., Ltd., TRITON KNOLL OFTO LIMITED, ESR-TEPCO SINGAPORE 1 HOLDCO PTE. LTD., ESR-TEPCO SINGAPORE ASSETCO ALPHA PTE. LTD., GREEN VOLT OFFSHORE WINDFARM LTD., CENOS OFFSHORE WINDFARM LTD., LOGOS APAC PLATFORM SOLAR PTE. LTD., LEAPS SGP HOLDCO PTE. LTD., LEAP SOLAR (SINGAPORE) GREENWICH PTE. LTD., PT

GREENWAY GRID INDONESIA, Northconnect Limited, GROWTH RING GRID PTE. LTD., and White Cross Offshore Wind Holdco Ltd.

NTT TEPCO Data Centers LLC, is included in the scope of application of the equity method as it was newly established. Northconnect Limited is included in the scope of application of the equity method since we newly acquired its shares. In addition, its director was dispatched from Flotation Energy Limited, the Company's consolidated subsidiary, and the Company has influence over its management. GROWTH RING GRID PTE. LTD. is included in the scope of application of the equity method since we newly acquired its shares. In addition, its director was dispatched from TEPCO Power Grid, Incorporated, the Company's consolidated subsidiary, and the Company has influence over its management. White Cross Offshore Wind Holdco Ltd. is excluded from the scope of consolidation and is included in the scope of application of the equity method due to the partial sale of shares.

Affiliates which are not accounted for under the equity method (including JAPAN NUCLEAR SECURITY SYSTEM CO., LTD. and Nuclear Fuel Transport Company, Ltd.) have an insignificant effect individually on the consolidated profit/loss and the consolidated retained earnings and other indicators, and the overall effect is unimportant.

### 3. Accounting Policies

#### (1) Basis and method for valuation of significant assets

##### A. Long-term investments (Available-for-sale securities that are securities classified as other securities under Japanese GAAP)

Available-for-sale securities other than equity securities without market price are stated at fair value based on the market price (cost of securities sold is determined by the moving-average method), with unrealized gains or losses, net of applicable taxes, stated as a separate component of net assets.

Equity securities without market price are stated at cost determined by the moving-average method.

##### B. Inventories

Stated primarily at cost determined by the gross average method (the carrying value may be written down to market value due to a decline in the profitability).

##### C. Derivatives

Stated at fair value based on the market price.

#### (2) Depreciation and amortization method for significant depreciable and amortizable assets

Property, plant and equipment are depreciated by the straight-line method.

Intangible fixed assets are amortized by the straight-line method.

#### (3) Provision of significant reserves

##### A. Allowance for doubtful accounts

To provide against loss on bad debts including accounts receivable, the projected uncollectible amount is calculated using the loan loss ratio for general accounts receivable and each collectability for specific claims such as doubtful accounts receivable.

##### B. Reserve for loss on disaster

###### 1) For the loss, etc. on the Niigataken Chuetsu-Okai Earthquake

In order to provide for the expenses and/or losses required for the restoration, etc., of assets damaged by the Niigataken Chuetsu-Okai Earthquake, a reserve has been made at an estimated amount at the end of the fiscal year under review.

2) For the loss, etc. on the Tohoku-Chihou-Taiheiyou-Oki Earthquake

In order to provide for the expenses and/or losses required for the restoration, etc., of assets damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, a reserve has been made at an estimated amount at the end of the fiscal year under review.

Major expenses and/or losses included in reserve for loss on disaster are recognized as follows:

a) Expenses and/or losses for settling the nuclear accident and preparing for decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station

The “Medium-and-Long-Term Roadmap towards the Decommissioning, etc., of the Fukushima Daiichi Nuclear Power Station, TEPCO” (December 21, 2011) was prepared by the Government and TEPCO’s Medium-to-Long-Term Countermeasure Meeting established by the Nuclear Emergency Response Headquarters of the Government (most recently revised on December 27, 2019). The Company has established the “Medium-and-Long-Term Decommissioning Action Plan 2026” (revised on March 26, 2026) as a specific plan for achieving the main target processes, etc., specified in the Roadmap.

Regarding these expenses and/or losses, the Company records estimated amounts based on specific target periods and details of individual countermeasures, if it is possible to estimate the amounts in the normal way. However, this is not the case with expenses required for removal of reactor cores in the plan regarding the recovery of the reserve for decommissioning on which a request for approval pursuant to Article 55-9, paragraph (2) of the NDF Act has been made. The details of such expenses required for removal of reactor cores are explained in “(3) Provision of significant reserves, C. Provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities.”

For expenses and/or losses that are difficult to estimate in the normal way, the Company records estimated amounts based on the historical amounts at accidents at overseas nuclear power stations.

In addition, the estimates of these losses and/or expenses are classified into those that can be estimated and those that are difficult to estimate in the normal way, and the details of methods for estimating the respective losses and/or expenses and uncertainties included in their estimates are explained in “[Notes Regarding Significant Accounting Estimates], 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station.”

b) Expenses for disposal of nuclear fuel in processing, within expenses and/or losses for decommissioning of the Fukushima Daiichi Nuclear Power Station Units 1 through 4

For disposal costs of nuclear fuel in processing which are not expected to be used, the Company has recorded the estimated value based on agreements, etc., for those whose specific work, etc., is scheduled. On the other hand, for those whose specific work, etc., is under consideration, the Company has recorded the present value (discount rate 4.0%) of the costs that are estimated to be required in the future.

In addition, disposal costs of loaded nuclear fuel have been included in other under long-term liabilities.

3) For the expenses required for the restoration, etc. of assets damaged by the Fukushima-Oki Earthquake that occurred in February 2021

In order to provide for the expenses required for the restoration, etc., of assets damaged by the Fukushima-Oki Earthquake that occurred in February 2021, a reserve has been made at an estimated amount at the end of the fiscal year under review.

*Additional Information*

• Breakdown of reserve for loss on disaster as of March 31, 2026

1) For the loss, etc. on the Niigataken Chuetsu-Oki Earthquake	¥4,821 million
2) For the loss, etc. on the Tohoku-Chihou-Taiheiyou-Oki Earthquake	¥1,245,001 million
Of which:	
a) Expenses and/or losses for settling the nuclear accident and preparing for decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station	¥1,236,897 million
b) Expenses for disposal of nuclear fuel in processing, within expenses and/or losses for decommissioning of the Fukushima Daiichi Nuclear Power Station Units 1 through 4	¥7,484 million
c) Other	¥619 million
3) For the expenses required for the restoration, etc. of assets damaged by the Fukushima-Oki Earthquake that occurred in February 2021	¥115 million
Total	¥1,249,938 million

C. Provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities

In order to provide for the expenses and/or losses required for the restoration, etc., of assets damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, among the amount set in the plan regarding the recovery of the reserve for decommissioning on which a request for approval pursuant to Article 55-9, paragraph (2) of the NDF Act was made, expenses required for removal of reactor cores have been recorded. Moreover, of the requested amount, the amount not yet approved has been recorded as a provision for preparation of removal of reactor cores in specified nuclear power facilities, and the approved amount as a provision for removal of reactor cores in specified nuclear power facilities.

In addition, the details of uncertainties related to the estimates of these losses and/or expenses are explained in “[Notes Regarding Significant Accounting Estimates], 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station.”

*Additional Information*

• Reserve for decommissioning

The Company has recorded the amount deposited upon receiving notification from Nuclear Damage Compensation and Decommissioning Facilitation Corporation (hereinafter, the “NDF”) in accordance with the provision of Article 55-3, paragraph (1) of the NDF Act as a reserve for decommissioning.

Moreover, the reserve has been deposited with NDF in accordance with the provisions of the NDF Act since the fiscal year ended March 31, 2019 in order to ensure appropriate and steady implementation of decommissioning, etc., by licensed decommissioning operators. The details of the reserve and related schematic diagram, and the relationship among the relevant reserve and provisions are explained in “[Notes Regarding Significant Accounting Estimates], 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station.”

#### D. Reserve for compensation for nuclear power-related damages

##### 1) Method of recording reserves and provisions for compensation and decontamination

In order to provide for expenses required for compensation payments for nuclear damage concerning the accident, etc., at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, the Company has recorded the estimated compensation amounts at the end of the fiscal year under review as reserve for compensation for nuclear power-related damages. The estimated compensation amounts are based on the Interim Guidelines on Nuclear Damage decided at the Dispute Reconciliation Committee for Nuclear Damage Compensation and other state guidelines on compensation and laws such as the Act on Special Measures on Handling of Radioactive Materials Pollution, as well as the Company's criteria for compensation taking these state guidelines and laws into consideration, actual compensation claims, objective statistical data, etc.

In addition, the Company has recorded a reasonable amount estimated at the end of the fiscal year under review, although it might vary from now on, depending on newly decided state guidelines on compensation, the formulation of the Company's criteria for compensation, more accurate reference data, agreements with those who have suffered damage, etc.

##### 2) Offsetting regarding reserve for decontamination

As for the provision for expenses required for compensation payments for decontamination concerning the nuclear damage, reserve for compensation for nuclear power-related damages has been offset by the same amount of grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation at the end of the fiscal year under review in accordance with the Electric Utility Accounting Ordinance.

Specifically, ¥188,926 million received as indemnifications pursuant to the provisions of the Indemnification Contract Act and ¥1,557,983 million receivables relating to the amount of financial assistance applied pursuant to the provision of the NDF Act corresponding to the compensation obligations owed by the Company to the state under the Act on Special Measures on Handling of Radioactive Materials Pollution, etc. (obligations recognized on or after January 1, 2015) have been deducted from the grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation and reserve for compensation for nuclear power-related damages at the end of the fiscal year under review.

#### (4) Recognition of significant revenues

##### A. Electric utility operating revenues

Electric utility operating revenues include electricity charges for residential, commercial and industrial users, sales of power to other companies, and revenues from wheeling.

##### 1) Electricity charges for residential, commercial and industrial users

Electricity charges for residential, commercial and industrial users are the charges for electricity sold by the Group's main retail electricity company, TEPCO Energy Partner, Incorporated, and others to customers such as general households, offices, and factories.

These are classified as either "residential" (electricity charges for residential users) or "commercial and industrial" (electricity charges for commercial and industrial users), depending on the type of electric equipment used by the customer, transmission method, etc.

Electricity rates and other supply conditions for supplying electricity to customers are stipulated in various types of electricity supply and demand provisions, etc. and supplying electricity in accordance with such provisions, etc. is the performance obligation.

The supply of electricity based on such provisions, etc. is generally performed over a contract period of one year, and revenue is recognized over a certain period of time in accordance with the satisfaction of the performance obligation to supply electricity. Specifically, electricity usage is determined by meter reading and measuring, which are usually conducted monthly, and revenue is recognized at that time. In addition, since the number of contracts is considerably large, meter reading and measuring are conducted periodically over a period of

about 20 days in a month in each dispersed area, and electricity rates are calculated monthly based on the electricity consumption data using the unit prices, etc. stipulated in the relevant electricity supply and demand provisions, etc.

In addition, TEPCO Energy Partner, Incorporated is subject to a transitional rate system for a portion of its electricity rates based on the Electricity Business Act, and the Electric Utility Accounting Ordinance will apply during the period when the said rate system is in effect. Under the Electric Utility Accounting Ordinance, electricity charges for residential, commercial and industrial users are recognized as revenue in the amount of completed survey and determination based on meter reading and measuring.

Therefore, as of the end of the fiscal year, the portion of the electric rates that has not been metered since the previous meter reading date is not estimated and recorded as revenue.

## 2) Sales of power to other companies

Sales of power to other companies are the total charges including electricity and non-fossil values sold through the Japan Electric Power Exchange (hereinafter referred to as “JEPX”), and the charges for electricity sold to electricity retailers, general electricity transmission and distribution utilities, electricity generation utilities, etc. (hereinafter referred to as “electricity retailers, etc.”)

With respect to electricity and non-fossil value transactions for next-day trading, pre-market trading, forward trading, etc. sold through JEPX, the method of determining unit prices and other trading conditions are stipulated in the trading regulations stipulated by JEPX, and the performance obligation is to supply electricity and deliver non-fossil values in accordance with such regulations.

Various transactions through JEPX are executed, delivered, and settled in accordance with the trading regulations stipulated by JEPX. For each delivery period of various transactions, revenue is recognized over a certain period for forward trading, which can be weekly, monthly, and annually. For next-day trading, pre-market trading, and non-fossil value transactions, revenue is recognized at a point in time.

Rates and other supply conditions of electricity sold to electricity retailers, etc. are stipulated in the contracts between relevant parties, and supplying electricity to electricity retailers, etc. in accordance with such contracts is the performance obligation.

The supply of electricity is generally performed over a contract period of one year, and revenue is recognized monthly over a certain period of time in accordance with the satisfaction of the performance obligation to supply electricity.

## 3) Revenues from wheeling

Revenues from wheeling include charges for the use of transmission and distribution-related facilities owned by the Group’s transmission and distribution company, TEPCO Power Grid, Incorporated, and charges for the supply of electricity resulting from the electricity quantity adjustment conducted by TEPCO Power Grid, Incorporated, etc. Charges for the use of transmission and distribution-related facilities are for the use of such facilities by subscribers such as electricity retailers and other general electricity transmission and distribution utilities. Charges for the supply of electricity resulting from the electricity quantity adjustment are related to the power generation adjustment supply agreement with the power generation contractor and the suppressed demand adjustment supply agreement with the suppressed demand contractor, and are the charges for supplying the deficient amount of electricity generated or demand controlled.

When electricity retailers or general electricity transmission and distribution utilities, etc., use transmission and distribution-related facilities, and when electricity is supplied to a power generation contractor or a suppressed demand contractor, the rates and other energy supply conditions stipulated in the general provisions for transmission services, etc., apply, and it is the performance obligation to allow them to use transmission and distribution-related facilities or to supply the quantity of electricity adjusted in accordance with such provisions.

The use of transmission and distribution-related facilities and electricity quantity adjustment supply are generally performed over a contract period of one year, and revenue is recognized monthly over a certain period of time in accordance with the satisfaction of the performance obligation regarding the use of transmission and distribution-related facilities or electricity quantity adjustment supply.

B. Other operating revenues

Other operating revenues include gas supply business operating revenues.

Gas supply business operating revenues

Gas supply business operating revenues are the charges for gas sold by the Group's main retail electricity company, TEPCO Energy Partner, Incorporated, to customers such as general households, offices, and factories.

Gas rates and other supply conditions for supplying gas to customers are stipulated in various types of gas supply and demand provisions and the main contract tariffs, etc. and supplying gas in accordance with such provisions, etc. is the performance obligation.

The supply of gas based on such provisions, etc. is generally performed over a contract period of one year, and revenue is recognized over a certain period of time in accordance with the satisfaction of the performance obligation to supply gas. Specifically, gas usage is determined by meter reading, which is usually conducted monthly, and revenue is recognized at that time. In addition, since the number of contracts is considerably large, meter reading is conducted periodically over a period of about 20 days in a month in each dispersed area, and gas rates are calculated monthly based on the gas consumption data using the unit prices, etc. stipulated in the relevant gas supply and demand provisions and the main contract tariffs, etc.

However, as of the end of the fiscal year, the portion of the gas rates that has not been metered since the previous meter reading date is estimated and recorded as revenue.

(5) Significant hedge accounting method

A. Hedge accounting method

Deferred hedge accounting is adopted. For those that meet the requirements for special treatment for interest rate swaps, the special treatment is adopted.

B. Hedging means and targets

1) Hedging means

Interest rate swap and fuel price swap

2) Hedging targets

Targets are part of the amount of interest expenses on long-term loans and the part of power purchase payables for interest rate swaps and fuel price swaps, respectively.

C. Hedging policy

We aim to hedge the risks of interest rate and fuel price fluctuations in accordance with our internal regulations on derivative transactions.

D. Evaluation method of hedging effectiveness

The effectiveness of the hedge is judged by comparing the cumulative total of the market fluctuations or the cash flow fluctuations for the target of hedging and that of the market fluctuations or the cash flow fluctuations for the hedge mean.

In addition, for those evaluated as highly effective and interest rate swaps for which special treatment is applied, evaluation of effectiveness is not conducted.

(6) Method of recording expenses for contribution of reprocessing of spent nuclear fuel

For costs required for reprocessing spent nuclear fuel, etc., contributions specified in Article 5, paragraph (2) of the Revision of Spent Fuel Reprocessing Act in accordance with the provision of Article 3 of the GX Decarbonization Electricity Act have been recorded as expenses according

to the amount of spent nuclear fuel generated by the operation. The Company is deemed to have fulfilled the responsibility for bearing the costs as a nuclear operator by paying the contributions to the Nuclear Reprocessing and Decommissioning facilitation Organization of Japan, and the organization conducts reprocessing and other treatments.

In addition, contributions related to reprocessing of spent nuclear fuel have been recorded as special account related to reprocessing of spent nuclear fuel.

(7) Accounting for retirement benefits

In order to provide for retirement benefits to employees, an asset or liability has been recorded based on the projected benefit obligations and the fair value of the plan assets at the end of the fiscal year under review.

In determining retirement benefit obligations, the straight-line basis has been used as the method of attributing expected retirement benefits to periods through the end of the fiscal year under review.

All past service costs are mainly expensed when incurred.

Actuarial gains and losses are amortized using the straight-line method mainly over a certain period (three years) not longer than the average remaining years of service of the employees when they occur, commencing in the fiscal year in which they occur.

Unrecognized actuarial gains and losses and unrecognized past service costs, after adjusting for tax effects, are stated in remeasurements of defined benefit plans in accumulated other comprehensive income under net assets.

(8) Method of recording costs required for the decommissioning of commercial power reactors

For costs required for the decommissioning of commercial power reactors, contributions for nuclear reactor decommissioning stipulated in Article 11, paragraph (2) of the Revision of Spent Fuel Reprocessing Act as amended by the provision of Article 3 of the GX Decarbonization Electricity Act are recorded as expenses for contribution for nuclear reactor decommissioning.

The Company is deemed to have fulfilled the responsibility for bearing the costs as a nuclear operator by paying the contributions to the Nuclear Reprocessing and Decommissioning facilitation Organization of Japan, and the organization shall be financially responsible for securing, managing and paying the funds required for decommissioning of power reactors.

In addition, as for Fukushima Daiichi Nuclear Power Station, it is designated as a specified nuclear power facility in accordance with Article 64-2, paragraph (1) of the Act on Regulation of Nuclear Reactors, etc., and is out of the scope of a “decommissioning nuclear reactor” stipulated in Article 2, paragraph (5) of the Revision of Spent Fuel Reprocessing Act.

*Additional Information*

• Method of recording decommissioning costs of the Fukushima Daiichi Nuclear Power Station

Regarding costs related to the decommissioning of the Fukushima Daiichi Nuclear Power Station, it is estimated in accordance with the Ordinance on Reserve for Decommissioning Costs (hereinafter referred to as the “Old Ordinance on Reserve for Decommissioning Costs”) before the enforcement of the Ordinance Amending GX Decarbonization Electricity Act, and the total estimated amount is recorded as asset retirement obligations. The Company has recorded the amount reasonably estimated to the extent possible at the end of the fiscal year under review, although it might vary from now on, since it is difficult to identify the whole situation of the damage of Fukushima Daiichi Nuclear Power Station Units 1 through 4.

In addition, the relationship among the costs, asset retirement obligations and other reserves is explained in “[Notes Regarding Significant Accounting Estimates], 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station.”

(9) Method of recording amortization of suspense account for decommissioning related nuclear power facilities and contribution for facilitating nuclear reactor decommission

The decommissioning accounting system has been established to facilitate the implementation of decommissioning of nuclear power reactors, among other purposes. Accordingly, the remaining carrying value, etc., of a reactor decommissioned in line with changes in the energy policy and safety regulations, etc. shall be recovered through wheeling charges collected from general electricity transmission and distribution utilities applying the accounting system.

A. Amortization of suspense account for decommissioning related nuclear power facilities

The Board of Directors made a resolution on the decommissioning of the Fukushima Daini Nuclear Power Station Units 1 through 4 at the Board of Directors meeting held on July 31, 2019, and the Company submitted a request for approval of a suspense account for decommissioning related nuclear power facilities to the Minister of Economy, Trade and Industry on the same day in accordance with the provision of the Electric Utility Accounting Ordinance and obtained approval on August 19, 2019.

Moreover, due to the enforcement of the GX Decarbonization Electricity Act and Ordinance Amending GX Decarbonization Electricity Act on April 1, 2024, the Ordinance on Reserve for Decommissioning Costs was abolished and the Electric Utility Accounting Ordinance was amended.

Accordingly, the Company has recorded the amount equivalent to expenses for contribution of reprocessing of spent nuclear fuel incurred in relation to the decommissioning of the reactor and costs required for dismantling the nuclear fuel and the amount equivalent to the amount required for provision for decommissioning of nuclear power facilities after the deduction of the amount accumulated up to the fiscal year prior to the enforcement of the Ordinance Amending GX Decarbonization Electricity Act in a suspense account for decommissioning related nuclear power facilities.

The suspense account for decommissioning related nuclear power facilities is amortized according to the payment of contributions from general electricity transmission and distribution utilities pursuant to the provisions of Article 8 of the Supplementary Provisions to the Ordinance Amending Enforcement Ordinance of Electricity Business Act and Article 9 of the Supplementary Provisions to the Ordinance Amending GX Decarbonization Electricity Act.

B. Contribution for facilitating nuclear reactor decommission

For the suspense account for decommissioning related nuclear power facilities and the amount required for provision for decommissioning of nuclear power facilities, the Company submitted a request for approval of contributions for facilitating nuclear reactor decommission to the Minister of Economy, Trade and Industry in accordance with the provisions of Article 45-21-16 of the Enforcement Ordinance of Electricity Business Act and obtained the approval on July 22, 2020. Accordingly, effective October 1, 2020, TEPCO Power Grid, Incorporated and Tohoku Electric Power Network Co., Inc. revised the general provisions for wheeling services, etc., in accordance with the provisions of Article 45-21-15 of the Enforcement Ordinance of Electricity Business Act, and have collected contributions for facilitating nuclear reactor decommissioning work and paid them to the Company.

Pursuant to the Electric Utility Accounting Ordinance, the Company has recorded contributions for facilitating nuclear reactor decommissioning paid by the general electricity transmission and distribution utilities as contributions received for facilitating nuclear reactor decommission.

**[Notes Regarding Significant Accounting Estimates]**

1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station

(1) Amount recorded in the consolidated financial statements for the fiscal year under review

The Company has recorded reserve for loss on disaster of ¥1,236,897 million, provision for preparation of removal of reactor cores in specified nuclear power facilities of ¥250,034 million and provision for removal of reactor cores in specified nuclear power facilities of ¥180,976 million in the consolidated financial statements for the fiscal year under review.

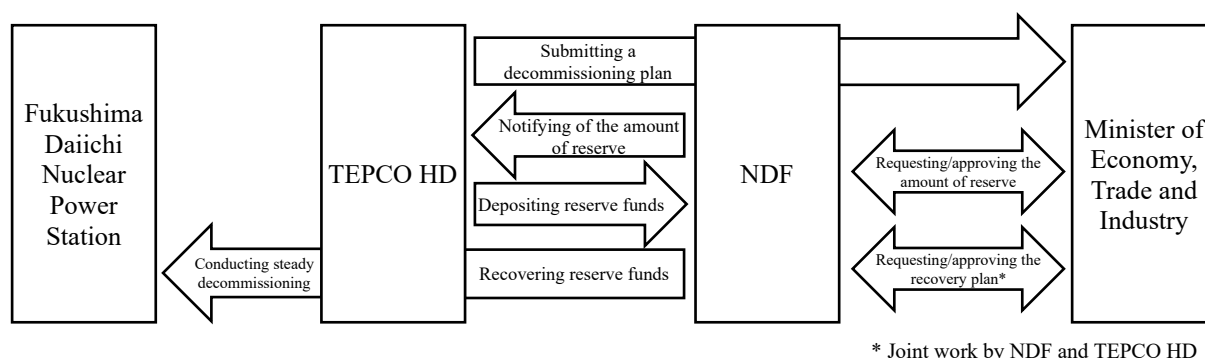
(2) Other information on the details of accounting estimates that contributes to the understanding of users of consolidated financial statements

A. Method for calculating the amount recorded in the consolidated financial statements for the fiscal year under review

1) Premise of estimation associated with decommissioning

The Company (or “TEPCO HD” in this section) deposits the amount of funds specified by NDF for decommissioning (reserve for decommissioning) and works with NDF to draw up a plan to recover the funds required for assumed decommissioning work.

The plan is then submitted to the Minister of Economy, Trade and Industry for approval, and after obtaining the approval the reserve for decommissioning is recovered and spent on actual decommissioning work. Reserves and provisions for expenses and/or losses incurred in relation to decommissioning work are recorded in the consolidated balance sheet in three accounts: reserve for loss on disaster, provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities.



Relationship among reserve for loss on disaster, provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities

Target of reserve/provision	Status of the recovery plan	Name of reserve/provision
The amount set in the recovery plan as expenses required for removal of reactor cores	Before Minister's approval	Provision for preparation of removal of reactor cores in specified nuclear power facilities
	After Minister's approval	Provision for removal of reactor cores in specified nuclear power facilities
Other		Reserve for loss on disaster

2) Methods for making accounting estimates

a) Reserve for loss on disaster

The method of recording major expenses and/or losses included in reserve for loss on disaster and other related matters are as follows:

I. Expenses and/or losses for settling the nuclear accident and preparing for decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station

In consideration of the background explained in “[Notes, etc. Regarding Important Matters Forming the Basis of Preparation of Consolidated Financial Statements], 3. Accounting Policies, (3) Provision of significant reserves, B. Reserve for loss on disaster,” for expenses and/or losses that can be estimated in the normal way, the Company has recorded estimated amounts (excluding expenses required for removal of reactor cores in the plan regarding the recovery of the reserve for decommissioning on which a request for approval under Article 55-9, paragraph (2) of the NDF Act was made) based on specific target periods and details of individual countermeasures. Meanwhile, for expenses and/or losses that are difficult to estimate in the normal way because the specific content of future construction work, etc., cannot be anticipated at the end of the fiscal year under review, the Company has recorded estimated amounts based on the historical amounts at accidents at overseas nuclear power stations.

II. Expenses for disposal of nuclear fuel in processing, within expenses and/or losses for decommissioning of the Fukushima Daiichi Nuclear Power Station Units 1 through 4

The details are explained in “[Notes, etc. Regarding Important Matters Forming the Basis of Preparation of Consolidated Financial Statements], 3. Accounting Policies, (3) Provision of significant reserves, B. Reserve for loss on disaster.”

b) Provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities

The details are explained in “[Notes, etc. Regarding Important Matters Forming the Basis of Preparation of Consolidated Financial Statements], 3. Accounting Policies, (3) Provision of significant reserves, C. Provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities.”

In addition, as for estimates of decommissioning costs of the Fukushima Daiichi Nuclear Power Station including damaged reactors, the Company has recorded the expenses for restoring reactors to a state similar to normal reactors as reserve for loss on disaster, provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities, while the decommissioning costs as normal reactors have been recorded as asset retirement obligations. The former has uncertainties listed below, and the latter is estimated pursuant to the Old Ordinance on Reserve for Decommissioning Costs.

B. Major assumptions used in the calculation of the amounts recorded in the consolidated financial statements for the fiscal year under review

The major assumptions and their uncertainties included in reserve for loss on disaster, provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities are as follows:

1) Expenses and/or losses that can be estimated in the normal way

The Medium-and-Long-Term Decommissioning Action Plan, released on March 26, 2026, details the main work processes for decommissioning. Based on such information, associated expenses were estimated at the end of the fiscal year under review.

The decommissioning of the Fukushima Daiichi Nuclear Power Station is an unprecedented undertaking and entails uncertainty in itself, yet the progress in conceptual considerations, etc., has made it easy to plan specific construction work and other tasks approximately over the

next three years. After that period, however, specific considerations for many of the future tasks have yet to be carried out. Among other things, devices for full-scale retrieval of fuel debris are still in the planning stage. Accordingly, numerous assumptions have to be incorporated into estimates of costs for long-term construction work and other tasks. The latest estimates involve assumptions for each of the work processes, based on the status of on-going research by the government and other institutions as well as specifications of similar tasks already carried out in the past. Assumptions used as the premise of estimation may need to be reviewed, depending on future research progress, more detailed identification of on-site conditions, availability of new technological insight based on a step-by-step approach, etc. These factors could create new tasks, impose changes on an anticipated work method, necessitate review of the scope of work, alter unit costs of various tasks, etc., thereby changing the estimates of decommissioning costs.

2) Expenses and/or losses that are difficult to estimate in the normal way

With regard to expenses and/or losses that are difficult to estimate in the normal way due to the inability to anticipate the specific content of construction work and other tasks at this stage, the Company has recorded estimated amounts based on the historical amounts of expenses incurred at the Three Mile Island Nuclear Power Station (hereinafter “TMI”) accident in the U.S.A., which is a similar example.

The latest estimates incorporated the historical expenses incurred at TMI as well as the rate of commodity price increases from the time of the TMI accident to the Fukushima Daiichi Nuclear Power Station accident, foreign exchange rates, etc., and the number of reactor units from which fuel debris must be retrieved, etc. This is mainly based on the assumption that the types, scope and volume of tasks required for decommissioning are proportionate to the number of nuclear generating units, etc. However, TMI and Fukushima Daiichi Nuclear Power Station are different in terms of the volume of fuel debris and the locations of such debris inside reactors, which causes differences in the degree of debris removal difficulty, etc., and conditions. Accordingly, the types, scope and volume of tasks assumed in the estimates may differ from those of the actual tasks. Also, considering that the decommissioning of damaged reactors is a very limited and extended operation, even if the types, scope and volume of tasks may remain constant, changes may occur in the level of commodity prices and the level of technological innovation, etc., thus potentially altering the estimates of decommissioning costs.

C. Impact on the consolidated financial statements for the next fiscal year

For the above reasons, there are uncertainties in the estimates although the best estimates have been made for both expenses and/or losses that can be estimated in the normal way and those that are difficult to estimate in the normal way. This points to the possibility that future changes in these conditions could create a significant impact on the financial position and operating results of the Group for the next fiscal year.

2. Net Defined Benefit Liability and Asset

(1) Amount recorded in the consolidated financial statements for the fiscal year under review

The Company has recorded net defined benefit liability of ¥251,642 million and net defined benefit asset of ¥282,484 million in the consolidated financial statements for the fiscal year under review.

(2) Other information on the details of accounting estimates that contributes to the understanding of users of consolidated financial statements

A. Method for calculating the amount recorded in the consolidated financial statements for the fiscal year under review

Methods for making accounting estimates

The details are explained in “[Notes, etc. Regarding Important Matters Forming the Basis of Preparation of Consolidated Financial Statements], 3. Accounting Policies, (7) Accounting for retirement benefits.”

In addition, the discount rate used in calculating retirement benefit obligations is mainly determined based on the yield of AA-rated corporate bonds at the end of the fiscal year (benchmark rate), and 3.0% was used for the fiscal year under review. Furthermore, the expected long-term return on plan assets is determined based on fund management policy, portfolio of plan assets held, and past management performance, etc., and 2.5% was mainly used for the fiscal year under review.

**B. Major assumptions used in the calculation of the amounts recorded in the consolidated financial statements for the fiscal year under review**

Retirement benefit obligations for employees and related expenses are estimated based on rational assumptions on the discount rate, workforce turnover, mortality rate, expected long-term return on plan assets, base rates for actuarial calculations, etc. Differences with actual performance and changes in assumptions could affect future retirement benefit obligations and expenses.

Any changes in the benchmark rate would cause adjustment to the discount rate, and subsequently change the retirement benefit obligations. However, the retirement benefit obligations would not be changed in accordance with the materiality threshold if the obligations are not expected to change by 10% or greater.

In addition, movements in financial markets could also change the fair value of equity and debt securities held as pension assets

**C. Impact on the consolidated financial statements for the next fiscal year**

For the above reasons, there are uncertainties in the estimates although the best estimates have been made. This points to the possibility that future changes in these conditions could create a significant impact on the financial position and operating results of the Group for the next fiscal year.

Under the accounting policy, actuarial gains and losses are mainly amortized on a straight-line basis over three years, commencing in the fiscal year in which they occur. The impact of such changes is as outlined below:

	Impact on retirement benefit obligations	Impact on retirement benefit expenses (annual)
Per 0.1% change in discount rate	Approx. ¥5,300 million	Approx. ¥1,700 million
Per 1.0% variation in return on plan assets	Approx. ¥5,700 million	Approx. ¥1,900 million

**[Notes Regarding Changes in Accounting Estimates]**

Changes in Estimates for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc., of the Fukushima Daiichi Nuclear Power Station

Regarding the expenses and/or losses required for the restoration, etc. of assets damaged by the Tohoku-Chihou-Taiheiyu-Oki Earthquake, at its meeting held on July 23, 2025, NDF's Sub-Committee for the Evaluation of Fuel Debris Retrieval Methods, based on the established fuel debris retrieval methods, discussed the preparation process for fuel debris retrieval, for which a certain technical basis can be shown, and presented the way how the retrieval should be prepared. Therefore, we revised the estimate of expenses and/or losses.

As a result, in the fiscal year under review, the expenses for retrieval preparations, etc. newly expected of ¥903,000 million are recorded as extraordinary loss on disaster, and loss before income taxes increased by the same amount.

## [Notes to Consolidated Balance Sheet]

### 1. Assets Pledged as Collateral and Collateralized Debts

- (1) All of the Company's property is pledged as general collateral for bonds and loans from Development Bank of Japan Inc.

Bonds (including current portion) ¥240,000 million

Loans from Development Bank of Japan Inc.  
(including current portion) ¥2,174 million

- (2) All of the property of TEPCO Power Grid, Incorporated is pledged as general collateral for bonds

Bonds (including current portion) ¥2,861,000 million

- (3) Pursuant to the Nuclear Damage Compensation Act, the Company has made a deposit as a measure of compensation for damages to be paid as the nuclear operator for cooling of nuclear reactors and treatment of accumulated water, etc., of the Fukushima Daiichi Nuclear Power Station.

Current assets:

Other ¥120,000 million

- (4) Assets pledged as collateral in connection with certain consolidated subsidiaries' participation in overseas businesses, etc.

Assets pledged as collateral

Fixed assets

Investments and other

Long-term investments ¥3 million

Long-term investments in subsidiaries and  
affiliates ¥4,896 million

Current assets:

Cash on hand and in banks ¥83 million

---

Total ¥4,983 million

- (5) Assets pledged as collateral for loans, etc. from financial institutions to investees of certain consolidated subsidiaries

Fixed assets

Investments and other

Long-term investments ¥35,657 million

Obligation of the consolidated subsidiaries is limited to the invested amounts, etc., even in case of default of any of the investees.

### 2. Accumulated Depreciation of Property, Plant and Equipment ¥19,939,561 million

### 3. Guarantee Liabilities, etc.

#### (1) Guarantee liabilities

A. Guarantees of loans from financial institutions to the following companies	
Japan Nuclear Fuel Limited	¥106,000 million
Oyasu Geothermal Co., Ltd.	¥347 million
Transmission and Distribution IT &OT Systems LLC	¥4,578 million
B. Guarantee liabilities related to the option agreement or the exclusive negotiation agreement for seabed lease rights with affiliates GREEN VOLT OFFSHORE WINDFARM LTD. and CENOS OFFSHORE WINDFARM LTD.	¥5,083 million
C. Guarantee liabilities for the deferred consideration, contingent consideration and expenses related to the acquisition of Northconnect Limited by an affiliate, CENOS OFFSHORE WINDFARM LTD	¥2,467 million
D. Guarantee liabilities related to the geotechnical investigation outsourcing agreement with an affiliate, GREEN VOLT OFFSHORE WINDFARM LTD.	¥845 million
E. Guarantee liabilities related to the service agreement regarding submarine cable production, etc., and part purchase, production and transport agreement for extra-high-voltage substations of an affiliate, Mirai Enoshima LLC	¥883 million
F. Guarantee liabilities related to the contractual obligation with the customer for Tohoku Electric Power Co., Inc.'s lease transaction of energy-saving equipment.	¥50 million
G. Guarantee of loans from financial institutions to employees under a property accumulation owner house loan system, etc.	¥50,372 million
Total	¥170,629 million

#### (2) Contingent liabilities

Contingent liabilities related to the compensation for nuclear power-related damages

After the start of the release of water treated by Multi-nuclide Removal Equipment, etc. (ALPS-treated water) into the ocean, damage has occurred due to foreign governments' import embargoes, etc. However, at the end of the fiscal year under review, due to reasons such as the Company not being able to confirm the full damage status, we cannot reasonably estimate the amount of compensation except for the cases that allow us to calculate a reasonable amount with available data such as the records of the claims for damages.

Moreover, the waste treatment and decontamination measures, etc., have proceeded under the national fiscal measures pursuant to the Act on Special Measures on Handling of Radioactive Materials Pollution. Of the costs for the measures, those costs, etc. that were under discussion between the Company and the national government with regard to the appropriate sharing of the costs because the specific measures, etc. were not identifiable at the end of the fiscal year under review cannot reasonably be estimated.

In addition, NDF will provide necessary financial assistance to an applying nuclear operator based on the NDF Act with regard to the above-stated nuclear damage compensation.

## [Notes to Consolidated Statement of Changes in Net Assets]

Class and Total Number of Shares Issued as of March 31, 2026

Common stock	1,607,017,531 shares
Preferred stock - Class A	1,600,000,000 shares
Preferred stock - Class B	340,000,000 shares

## [Notes Regarding Financial Instruments]

### 1. Matters Concerning Status of Financial Instruments

As for financing, the Company tries to raise funds with certainty to meet the Group's capital investments, etc., required for the operation of the electric power and other businesses by borrowing from financial institutions, issuance of bonds and other means.

The Company uses only short-term deposits, etc. to manage funds.

Investment securities consist mainly of equity securities. The fair values of listed equity securities are monitored on a quarterly basis.

Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation (¥513,265 million recorded in the consolidated balance sheet) is a receivable of funds pertaining to the granting of funds stipulated in Article 41, paragraph (1), item (i) of the NDF Act. The fair value, etc., of this receivable is not presented because such funds are granted from NDF in the amount necessary to pay compensation for the nuclear damage caused by the accident, etc., at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake and are based on the amounts required for the compensation.

Notes, accounts receivable, and contract assets - trade are exposed to the credit risk of customers. In compliance with internal rules, the Group monitors due dates and outstanding balances for each customer and follows up on the collection of receivables that become past due by, among others, sending a reminder.

Interest-bearing debts include loans that are exposed to interest rate fluctuation risk. The Company hedges this risk by utilizing interest rate swaps for certain loans.

For derivative transactions, the Company uses interest rate swaps to hedge the fluctuation risk of interest rates of loans, and future trading and swap transaction, etc. to hedge the fluctuation risk of fuel prices and power market prices. In addition, regarding hedge accounting, the hedging means and targets, policy, effectiveness evaluation methods, etc., are described in "[Notes, etc. Regarding Important Matters Forming the Basis of Preparation of Consolidated Financial Statements], 3. Accounting Policies, (5) Accounting for important hedge accounting method."

### 2. Matters Concerning Fair Value, etc. of Financial Instruments

For the recorded amount of financial instruments in the consolidated balance sheet as of March 31, 2026, their fair value and the difference are as shown below:

	Recorded amount in the consolidated balance sheet (*2)	Fair value (*2)	Difference
(1) Investment securities (*3) (*4) (*5) Available-for-sale securities	13,198	13,198	—
(2) Bonds (*6)	[3,541,000]	[3,279,295]	261,704
(3) Derivative transactions (*7)	28,425	28,425	—

(\*1) "Cash" is omitted from the notes, and "Cash in banks," "Notes, accounts receivable, and contract assets - trade," "Short-term loans" and "Notes and accounts payable - trade" are omitted because the fair values approximate their book values due to their short maturities.

(\*2) Figures shown in square brackets represent liabilities.

(\*3) Investment securities are included in "Long-term investments" in the consolidated balance sheet.

- (\*4) Equity securities without market price are not included in “(1) Investment securities Available-for-sale securities.” The amounts of such financial instruments recorded in the consolidated balance sheet are as follows:

Classification	Recorded amount in the consolidated balance sheet (millions of yen)
Unlisted equity securities	51,382
Other	4,730
Total	56,112

- (\*5) Investment in partnership, etc., that records the net amount corresponding to equity holding on the consolidated balance sheet, is not included in “(1) Investment securities Available-for-sale securities.” The amount of such financial instruments recorded in the consolidated balance sheet is ¥52 million.
- (\*6) Bonds and Long-term loans include “Current portion of long-term debt” in the consolidated balance sheet.
- (\*7) Amounts of claims and obligations accrued from derivative transactions are indicated on a net basis.

### 3. Matters Concerning the Breakdown, etc. of Fair Value of Financial Instruments by Appropriate Classification

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to determine fair value.

- Level 1 Fair Value: Fair value determined based on (unadjusted) quoted market prices in markets active with identical assets or liabilities
- Level 2 Fair Value: Fair value determined using directly or indirectly observable inputs other than Level 1 inputs
- Level 3 Fair Value: Fair value determined using significant unobservable inputs

When using multiple inputs which have a significant impact on determining fair value, the fair value is classified to the lowest priority level in determining fair value among the levels to which each of those inputs belongs.

#### (1) Financial instruments included in the consolidated balance sheet at fair value

Classification	Fair value (millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Equity securities	13,198	–	–	13,198
Total assets	13,198	–	–	13,198
Derivative transactions	–	28,425	–	28,425

#### (2) Financial instruments other than those included in the consolidated balance sheet at fair value

Classification	Fair value (millions of yen)			
	Level 1	Level 2	Level 3	Total
Bonds	–	3,279,295	–	3,279,295
Total liabilities	–	3,279,295	–	3,279,295

- (Note) Explanation of valuation techniques used to determine fair value and inputs used to determine fair value  
Investment securities

Listed equity securities are valued using quoted market prices. Since listed equity securities are traded in active markets, their fair value is classified as Level 1 fair value.

#### Bonds

For bonds for which reference can be made to the reference statistical prices published by the Japan Securities Dealers Association, the fair value is valued using such reference statistical prices and is classified as Level 2 fair value.

#### Derivative transactions

Calculation is based on the prices provided by customers, etc., and the market price is classified as Level 2 market price.

### **[Notes Regarding Revenue Recognition]**

#### 1. Revenue Disaggregation Information

Information on disaggregation of revenue arising from contracts with customers

##### Segment overview

The five segments are “Holdings,” “Fuel & Power,” “Power Grid,” “Energy Partner,” and “Renewable Power.”

The main business descriptions of each segment are as follows:

##### [Holdings]

Management support; efficient provision of shared services to the core operating companies (TEPCO Fuel & Power, Incorporated, TEPCO Power Grid, Incorporated, TEPCO Energy Partner, Incorporated, and TEPCO Renewable Power, Incorporated); nuclear power generation, etc.

##### [Fuel & Power]

Sales of electricity from thermal power generation; procurement of fuel; development of thermal power sources; investment in fuel business

##### [Power Grid]

Supply of electricity through transmission, transformation, and distribution; construction and maintenance of transmission, distribution, and communication facilities; survey, acquisition, and maintenance of facilities land, buildings, etc.

##### [Energy Partner]

Proposal of optimal total solutions in line with customer requirements; provision of enhanced customer services; procurement of inexpensive power supplies

##### [Renewable Power]

Sales of electricity generated from renewable energy sources; maintenance and management of facilities; new development of and investment in renewable energy power sources in Japan and overseas

(millions of yen)

	Segment					Total	Adjustment	Amount recorded in consolidated financial statements
	Holdings	Fuel & Power	Power Grid	Energy Partner	Renewable Power			
Revenue disaggregation information (*)								
Revenue from contracts with customers	826,853	3,701	2,294,019	4,857,594	189,218	8,171,387		
Electric utility operating revenues	610,990	3,701	2,184,518	4,499,108	184,833	7,483,151		
Gas supply business operating revenues	–	–	–	281,833	–	281,833		
Other operating revenues	215,862	–	109,501	76,653	4,385	406,402		
Revenue generated from sources other than contracts with customers	–	–	348	132,072	–	132,421		
Total	826,853	3,701	2,294,368	4,989,666	189,218	8,303,808	(1,975,234)	6,328,574

(\*) Due to the “project to curb dramatic changes in electricity and gas charges” implemented under the “comprehensive economic measures for people’s peace of mind and safety and sustainable growth,” the “emergency package to respond to the U.S. tariff measures” and the “comprehensive economic measures to achieve a ‘strong economy,’” the Company offers discounts on electricity and gas charges using the discount unit rates set by the national government. The subsidy received as the fund (hereinafter referred to as the “Subsidy”), which is ¥132,421 million, is classified as “the amount of revenue generated from sources other than contracts with customers.” The breakdown is ¥348 million and ¥132,072 million for Power Grid and Energy Partner, respectively.

In addition, the amount of revenue generated from sources other than contracts with customers other than the Subsidy is immaterial and is therefore not displayed separately from revenue from contracts with customers.

## 2. Basic Information to Understand Revenues

### (1) Electric utility operating revenues

Electric utility operating revenues include electricity charges for residential, commercial and industrial users, sales of power to other companies, and revenues from wheeling.

#### A. Electricity charges for residential, commercial and industrial users

Electricity charges for residential, commercial and industrial users are the charges for electricity sold by the Group’s main retail electricity company, TEPCO Energy Partner, Incorporated, and others to customers such as general households, offices, and factories.

These are classified as either “residential” (electricity charges for residential users) or “commercial and industrial” (electricity charges for commercial and industrial users), depending on the type of electric equipment used by the customer, transmission method, etc.

Electricity rates and other supply conditions for supplying electricity to customers are stipulated in various types of electricity supply and demand provisions, etc. and supplying electricity in accordance with such provisions, etc. is the performance obligation.

The supply of electricity based on such provisions, etc. is generally performed over a contract period of one year, and revenue is recognized over a certain period of time in accordance with the satisfaction of the performance obligation to supply electricity. Specifically, electricity usage is determined by meter reading and measuring, which are usually conducted monthly, and revenue is recognized at that time.

In addition, since the number of contracts is considerably large, meter reading and measuring are conducted periodically over a period of about 20 days in a month in each dispersed area, and electricity rates are calculated monthly based on the electricity consumption data using the unit prices, etc. stipulated in the relevant electricity supply and demand provisions, etc.

Electricity rates are generally collected by the 30th day counting from the following day after the meter reading/measuring.

In addition, TEPCO Energy Partner, Incorporated is subject to a transitional rate system for a portion of its electricity rates based on the Electricity Business Act, and the Electric Utility Accounting Ordinance will apply during the period when the said rate system is in effect. Under the Electric Utility Accounting Ordinance, electricity charges for residential, commercial and industrial users are recognized as revenue in the amount of completed survey and determination based on meter reading and measuring.

Therefore, as of the end of the fiscal year, the portion of the electric rates that has not been metered since the previous meter reading date is not estimated and recorded as revenue.

Moreover, the levy for the promotion of renewable energy power generation is not included in the transaction price in revenue recognition, since it corresponds to the amount to be collected for third parties.

#### B. Sales of power to other companies

Sales of power to other companies are the total charges including electricity and non-fossil fuel values sold through JEPX, and the charges for electricity sold to electricity retailers, etc.

With respect to electricity and non-fossil fuel value transactions for next-day trading, pre-market trading, forward trading, etc. sold through JEPX, the method of determining unit prices and other trading conditions are stipulated in the trading regulations stipulated by JEPX, and the performance obligation is to supply electricity and deliver non-fossil fuel values in accordance with such regulations.

Various transactions through JEPX are executed, delivered, and settled in accordance with the trading regulations stipulated by JEPX. For each delivery period of various transactions, revenue is recognized over a certain period for forward trading, which can be weekly, monthly, and annually. For next-day trading, pre-market trading, and non-fossil fuel value transactions, revenue is recognized at a point in time.

Charges for electricity and non-fossil fuel values are generally collected on the date that falls after two financial institution business days counting from the next day after payment obligations arise based on the contract.

Rates and other supply conditions of electricity sold to electricity retailers, etc. are stipulated in the contracts between relevant parties, and supplying electricity to electricity retailers, etc. in accordance with such contracts is the performance obligation.

The supply of electricity is generally performed over a contract period of one year, and revenue is recognized monthly over a certain period of time in accordance with the satisfaction of the performance obligation to supply electricity.

Electricity rates are generally collected by the end of the following month after the quantity supplied is determined.

#### C. Revenues from wheeling

Revenues from wheeling include charges for the use of transmission and distribution-related facilities owned by the Group's transmission and distribution company, TEPCO Power Grid, Incorporated, and charges for the supply of electricity resulting from the electricity quantity adjustment conducted by TEPCO Power Grid, Incorporated, etc. Charges for the use of transmission and distribution-related facilities are for the use of such facilities by subscribers such as electricity retailers and other general electricity transmission and distribution utilities.

Charges for the supply of electricity resulting from the electricity quantity adjustment are related to the power generation adjustment supply agreement with the power generation contractor and

the suppressed demand adjustment supply agreement with the suppressed demand contractor, and are the charges for supplying the deficient amount of electricity generated or demand suppressed. When electricity retailers or general electricity transmission and distribution utilities, etc., use transmission and distribution-related facilities, and when electricity is supplied to a power generation contractor or a suppressed demand contractor, the rates and other energy supply conditions stipulated in the general provisions for wheeling services, etc., apply, and it is the performance obligation to allow them to use transmission and distribution-related facilities or to supply the quantity of electricity adjusted in accordance with such provisions.

The use of transmission and distribution-related facilities and the electricity quantity adjustment supply are generally performed over a contract period of one year, and revenue is recognized over a certain period of time in accordance with the satisfaction of the performance obligation of the use of transmission and distribution-related facilities or electricity quantity adjustment supply. Specifically, usage of transmission and distribution-related facilities or electricity quantity adjustment supply is determined by meter reading and measuring, which are usually conducted monthly, and revenue is recognized at that time. In addition, since the number of contracts is considerably large, meter reading and measuring are conducted periodically over a period of about 20 days in a month in each dispersed area, and usage rates are calculated monthly based on the consumption data using the unit prices, etc., stipulated in the general provisions for wheeling services, etc.

In addition, TEPCO Power Grid, Incorporated is subject to the Electric Utility Accounting Ordinance based on the Electricity Business Act. Under the Electric Utility Accounting Ordinance, revenues from wheeling are recognized as revenues in the amount of completed survey and determination of usage based on meter reading and measuring. Rates are generally collected by the 30th day counting from the following day after the obligation to pay arises after the amount is determined by meter reading and measuring.

(2) Other operating revenues

Other operating revenues include gas supply business operating revenues.

Gas supply business operating revenues

Gas supply business operating revenues are the charges for gas sold by the Group's main retail electricity company, TEPCO Energy Partner, Incorporated, to customers such as general households, offices, and factories.

Gas rates and other supply conditions for supplying gas to customers are stipulated in various types of gas supply and demand provisions and the main contract tariffs, etc. and supplying gas in accordance with such provisions, etc. is the performance obligation.

The supply of gas based on such provisions, etc. is generally performed over a contract period of one year, and revenue is recognized over a certain period of time in accordance with the satisfaction of the performance obligation to supply gas. Specifically, gas usage is determined by meter reading, which is usually conducted monthly, and revenue is recognized at that time. In addition, since the number of contracts is considerably large, meter reading is conducted periodically over a period of about 20 days in a month in each dispersed area, and gas rates are calculated monthly based on the gas consumption data using the unit prices, etc. stipulated in the relevant gas supply and demand provisions and the main contract tariffs, etc.

Gas rates are generally collected by the 30th day counting from the following day after the meter reading.

However, as of the end of the fiscal year, the portion of the gas rates that has not been metered since the previous meter reading date is estimated and recorded as revenue.

### 3. Information to Understand the Amount of Revenue in the Current and Subsequent Periods

#### (1) Balance of contract assets, contracts liabilities, etc.

(millions of yen)

	Balance at the beginning of current period	Balance at the end of current period
Claims arising from contracts with customers	648,168	578,121
Contract assets	15,319	10,631
Contract liabilities	14,510	17,054

The contract liability balance as of the beginning of the fiscal year under review is generally recognized as revenue in the fiscal year under review, and the amount carried forward is immaterial. In addition, the amount of revenue recognized in the fiscal year under review from performance obligations satisfied in prior years is also immaterial.

#### (2) Transaction price allocated to remaining performance obligations

The transaction prices allocated to the remaining performance obligations are as follows:

(millions of yen)

	Current period
Total transaction price allocated to unfulfilled performance obligations	691,508
Expected time of fulfillment of performance obligations	
Within one year	65,627
More than one year but within three years	215,706
Over three years	410,174

Applying the practical expedient, such amounts do not include the transaction prices for remaining performance obligations with an initially expected contract period of one year or less, and for remaining performance obligations for which revenue is recognized in the amount that the Company has the right to charge, such as contracts that charge a fixed rate based on the time of service rendered.

(Note) The total amount of transaction price expected to be recognized as revenue at the end of current period does not include the revenue from long-term decarbonized power source auction. The revenue from the long-term decarbonized power source auction is the amount of the agreed-upon capacity securing contract, after deducting approximately 90% of revenue earned from wholesale markets, non-fossil fuel markets, etc., during the same period as the refund. However, the amount is not included in the note because it is difficult to estimate the portion with a high possibility that no reduction in recorded revenue will occur until the uncertainty is resolved, since the refund fluctuates with future market prices and uncertainty regarding the amount of variable consideration is resolved retrospectively.

## [Notes Regarding per Share Information]

1. Net Assets per Share	¥1,491.01
(Note) Net assets per share are calculated by deducting the amount paid for preferred stock by NDF, etc., from total net assets. The basis of the calculation is as follows:	
(Basis of the calculation)	
Total net assets on the consolidated balance sheet	¥3,418,351 million
Amounts to be deducted from total net assets	¥1,028,706 million
Of which amount paid for preferred stock	¥1,000,000 million
Of which non-controlling interests	¥28,706 million
Net assets attributable to common stock as of March 31, 2026	¥2,389,645 million
Number of shares of common stock as of March 31, 2026 which was used to calculate net assets per share	1,602,702 thousand shares
2. Loss per Share	¥283.51

## [Other Notes]

1. The consolidated financial statements have been prepared in conformity with the Company Accounting Ordinance and according to the Electric Utility Accounting Ordinance.
2. Compensation for Nuclear Power-Related Damages and Grants-in-Aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation
  - (1) For compensation and decontamination
    - A. Compensation for nuclear power-related damages

Regarding nuclear damage caused by the accident, etc., at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyoku-Oki Earthquake, the Company has paid compensation under the Nuclear Damage Compensation Act, and the difference between the estimated compensation amount and the estimated amount for the previous fiscal year has been recorded as compensation for nuclear power-related damages.
    - B. Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation

On March 13, 2026, the Company submitted to NDF an application to change the amount of financial assistance to the estimated amount, which is the required amount of compensation as of that date after the deduction of the amount of compensation measures in accordance with the provisions of Article 43, paragraph (1) of the NDF Act. As a result, the difference from the amount in the application on March 3, 2025 has been recorded as grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation.
  - (2) For decontamination

A total of ¥78,880 million of financial assistance applied pursuant to the provisions of the NDF Act corresponding to the compensation obligations owed by the Company to the state under the Act on Special Measures on Handling of Radioactive Materials Pollution, etc. (obligations recognized on or after January 1, 2015) has been deducted from compensation for nuclear power-related damages and grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation for the fiscal year under review in accordance with the Electric Utility Accounting Ordinance.

### *Additional Information*

- Method of recording special contribution paid to Nuclear Damage Compensation and Decommissioning Facilitation Corporation

In receiving the financial assistance, the recipient shall pay a special contribution defined by NDF pursuant to the provisions of Article 52, paragraph (1) of the NDF Act, but the Company

has not recorded such an amount, except for that notified from NDF as applicable to the fiscal year under review, since the amount is determined by resolution of the steering committee of NDF every fiscal year in light of the Company's revenue and expenditures and requires the approval of the competent minister.

3. Financial Covenants

Financial covenants on the financial position and operating results of the Company and its Group companies are attached to the current portion of long-term debt of ¥10,242 million and short-term loans of ¥2,037,274 million.

4. Fixed Assets Necessary for Decommissioning Nuclear Reactors and Fixed Assets Requiring Maintenance Even After the Decommission of Nuclear Reactors

The carrying value of the fixed assets necessary for decommissioning nuclear reactors and fixed assets requiring maintenance even after the decommission of nuclear reactors is ¥541,628 million.

Note: Abbreviations for laws and regulations, etc., used in these notes are as follows:

Abbreviations	Names of laws and regulations, etc.
Guidance on Application of the Scope of Consolidation	Guidance on Determining a Subsidiary and an Affiliate (Accounting Standards Board of Japan (“ASBJ”) Guidance No. 22, March 25, 2011)
NDF Act	Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act (Act No. 94, August 10, 2011)
Interim Guidelines on Nuclear Damage	Interim Guidelines on Criteria for Determining Nuclear Damage Indemnification Coverage Due to the Accident at the Fukushima Daiichi and Daini Nuclear Power Stations, TEPCO (August 5, 2011)
Act on Special Measures on Handling of Radioactive Materials Pollution	Act on Special Measures concerning the Handling of Environmental Pollution by Radioactive Materials Discharged by the Nuclear Power Plant Accident Accompanying the Earthquake that Occurred off the Pacific Coast of the Tohoku Region on March 11, 2011 (Act No. 110, August 30, 2011)
Electric Utility Accounting Ordinance	Ordinance on Accounting at Electric Utilities (Ordinance of the Ministry of International Trade and Industry No. 57 of 1965)
Indemnification Contract Act	Act on Contract for Indemnification of Nuclear Damage Compensation (Act No. 148, June 17, 1961)
Electricity Business Act	Electricity Business Act (Act No. 170 of 1964)
GX Decarbonization Electricity Act	Act for Partial Revision of the Electricity Business Act and Other Acts for Establishing Electricity Supply Systems for Realizing a Decarbonized Society (Act No. 44, 2023)
Revision of Spent Fuel Reprocessing Act	Act on Reprocessing of Spent Fuel in Nuclear Power Generation, etc., and Promotion of Decommissioning of Power Reactors (Act No. 48, 2005)
Act on Regulation of Nuclear Reactors, etc.	Act on the Regulation of Nuclear Source Material, Nuclear Fuel Material and Reactors (Act No. 166, June 10, 1957)
Ordinance Amending GX Decarbonization Electricity Act	Ministerial Ordinance on Arrangement of Relevant Ministerial Ordinances, etc., Incidental to Enforcement of the Act for Partial Revision of the Electricity Business Act and Other Acts for Establishing Electricity Supply Systems for Realizing a Decarbonized Society (Ordinance of the Ministry of Economy, Trade and Industry No. 21, 2024)
Ordinance on Reserve for Decommissioning Costs	Ministerial Ordinance concerning Reserve for Decommissioning Costs of Nuclear Power Units (Ordinance of the Ministry of International Trade and Industry No. 30 of 1989)
Ordinance Amending Enforcement Ordinance of Electricity Business Act	Ministerial Ordinance for Partial Revision of the Ordinance for Enforcement of the Electricity Business Act (Ordinance of the Ministry of Economy, Trade and Industry No. 77 of 2017)
Enforcement Ordinance of Electricity Business Act	Ordinance for Enforcement of the Electricity Business Act (Ordinance of the Ministry of International Trade and Industry No. 77 of 1995)
Nuclear Damage Compensation Act	Act on Compensation for Nuclear Damage (Act No. 147, June 17, 1961)
Company Accounting Ordinance	Ordinance on Accounting of Companies (Ordinance of the Ministry of Justice No. 13 of 2006)

**Balance Sheet** (as of March 31, 2026)

		(millions of yen)	
Description	Amount	Description	Amount
<b>Assets</b>		<b>Liabilities and Net assets</b>	
<b>Fixed assets:</b>	<b>7,581,379</b>	<b>Long-term liabilities:</b>	<b>3,841,322</b>
Electric utility fixed assets:	955,799	Bonds	240,000
Nuclear power production facilities	912,280	Long-term loans	50,522
General facilities	43,448	Contribution payable for nuclear reactor decommissioning	621,662
Facilities leased to others	71	Lease obligations	3,914
Non-current assets - incidental	15	Long-term due to subsidiaries and affiliates	16,051
Other facilities	37	Accrued pension and severance costs	71,599
Facilities in progress:	1,807,800	Provision for preparation of removal of reactor cores in specified nuclear power facilities	250,034
Construction in progress	1,301,534	Provision for removal of reactor cores in specified nuclear power facilities	180,976
Retirement in progress	38	Reserve for loss on disaster	1,249,820
Suspense account for decommissioning related nuclear power facilities	86,994	Reserve for compensation for nuclear power-related damages	520,447
Special account related to reprocessing of spent nuclear fuel	419,233	Asset retirement obligations	378,932
Nuclear fuel:	526,392	Miscellaneous long-term liabilities	257,361
Loaded nuclear fuel	82,481	<b>Current liabilities:</b>	<b>4,215,500</b>
Nuclear fuel in processing	443,911	Current portion of long-term debt	14,201
Investments and other:	4,291,334	Short-term loans	970,190
Long-term investments	44,179	Commercial papers	62,000
Long-term investments in subsidiaries and affiliates	2,881,711	Accounts payable - trade	2,238
Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	513,265	Accounts payable - other	87,795
Reserve for decommissioning	748,465	Accrued expenses	174,356
Long-term prepaid expenses	36,528	Accrued taxes	5,234
Prepaid pension cost	68,570	Deposits	1,085
Allowance for doubtful accounts	(1,387)	Short-term due to subsidiaries and affiliates	2,895,669
<b>Current assets:</b>	<b>1,810,540</b>	Advance payments received	2,098
Cash on hand and in banks	693,986	Reserve for loss on disaster	115
Accounts receivable - trade	32,589	Miscellaneous current liabilities	514
Other receivables	43,096	<b>Total liabilities</b>	<b>8,056,822</b>
Supplies	44,231	<b>Shareholders' equity:</b>	<b>1,335,075</b>
Prepaid expenses	1,305	Capital stock	1,400,975
Short-term due from subsidiaries and affiliates	831,300	Capital surplus:	743,589
Miscellaneous current assets	170,343	Capital legal reserve	743,555
Allowance for doubtful accounts	(6,312)	Other capital surplus	33
		Earned surplus:	(801,738)
		Earned legal reserve	169,108
		Other earned surplus:	(970,846)
		Reserve for special disaster	191
		General reserve	1,076,000
		Unappropriated retained earnings	(2,047,038)
		Treasury stock	(7,751)
		<b>Valuation, translation adjustment and others:</b>	<b>21</b>
		Unrealized gain or loss on securities	21
		<b>Total net assets</b>	<b>1,335,096</b>
<b>Total assets</b>	<b>9,391,919</b>	<b>Total liabilities and net assets</b>	<b>9,391,919</b>

**Statement of Income** (Period from April 1, 2025 to March 31, 2026)

(millions of yen)

Description	Amount	Description	Amount
<b>Expenses</b>		<b>Revenues</b>	
<b>Operating expenses:</b>	<b>671,772</b>	<b>Operating revenues:</b>	<b>622,048</b>
Electric utility operating expenses:	668,965	Electric utility operating revenues:	619,286
Nuclear power production expenses	533,290	Sales of power to other companies	253,612
Purchased power from other suppliers	4	Contribution received for compensation	22,261
Selling expenses	20	Contribution received for facilitating nuclear reactor decommission	19,719
Expenses on facilities leased to others	0	Contribution received for nuclear reactor decommission	120,582
General and administrative expenses	106,457	Electric utility miscellaneous revenues	203,105
Intra-area wheeling charges	4,327	Revenues on facilities leased to others	4
Amortization of suspense account for decommissioning related nuclear power facilities	19,448	Incidental business operating revenues:	2,762
Enterprise tax	5,431	Operating revenues - energy facility service business	1,411
Transferred costs of electricity for construction and incidental business	(14)	Operating revenues - consulting business	108
Incidental business operating expenses:	2,806	Operating revenues - shared office business	1,242
Operating expenses - energy facility service business	1,558		
Operating expenses - consulting business	67	<b>Non-operating revenues:</b>	<b>213,530</b>
Operating expenses - shared office business	1,180	Financing revenues:	210,649
Operating loss	49,723	Dividends received	188,325
<b>Non-operating expenses:</b>	<b>58,691</b>	Interest revenues	22,323
Financing expenses:	54,788	Other non-operating revenues:	2,881
Interest expenses	54,788	Gain on sales of fixed assets	6
Stock issuance expenses	0	Miscellaneous revenues	2,874
Other non-operating expenses:	3,903	<b>Total ordinary revenues</b>	<b>835,579</b>
Loss on disposal of fixed assets	12		
Other losses	3,891	<b>Extraordinary income:</b>	<b>90,024</b>
<b>Total ordinary expenses</b>	<b>730,464</b>	Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	81,863
<b>Ordinary income</b>	<b>105,115</b>	Gain on sales of securities	8,161
<b>Extraordinary loss:</b>	<b>996,666</b>		
Extraordinary loss on disaster	913,893		
Compensation for nuclear power-related damages	82,772		
<b>Loss before income taxes</b>	<b>801,526</b>		
<b>Income taxes:</b>	<b>(41,284)</b>		
Income taxes - current	(41,284)		
<b>Loss</b>	<b>760,242</b>		

**Statement of Changes in Net Assets** (Period from April 1, 2025 to March 31, 2026)

(millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus		Earned surplus		
		Capital legal reserve	Other capital surplus	Earned legal reserve	Other earned surplus:	
					Reserve for special disaster	General reserve
<b>Balance at the beginning of current period</b>	<b>1,400,975</b>	<b>743,555</b>	<b>35</b>	<b>169,108</b>	<b>191</b>	<b>1,076,000</b>
<b>Changes of items during the period</b>						
Provision of reserve for special disaster					0	
Profit						
Purchases of treasury stock						
Disposal of treasury stock			(1)			
Net changes in items other than those in shareholders' equity						
<b>Total changes of items during the period</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>0</b>	<b>-</b>
<b>Balance at the end of current period</b>	<b>1,400,975</b>	<b>743,555</b>	<b>33</b>	<b>169,108</b>	<b>191</b>	<b>1,076,000</b>

(millions of yen)

	Shareholders' equity				Valuation, translation adjustment and others	Total net assets
	Earned surplus	Treasury stock	Total shareholders' equity	Unrealized gain or loss on securities		
	Other earned surplus					
	Unappropriated retained earnings					
<b>Balance at the beginning of current period</b>	<b>(1,286,795)</b>	<b>(7,739)</b>	<b>2,095,330</b>	<b>1,817</b>	<b>2,097,148</b>	
<b>Changes of items during the period</b>						
Provision of reserve for special disaster	(0)		-		-	
Profit	(760,242)		(760,242)		(760,242)	
Purchases of treasury stock		(13)	(13)		(13)	
Disposal of treasury stock		1	0		0	
Net changes in items other than those in shareholders' equity				(1,795)	(1,795)	
<b>Total changes of items during the period</b>	<b>(760,242)</b>	<b>(12)</b>	<b>(760,255)</b>	<b>(1,795)</b>	<b>(762,051)</b>	
<b>Balance at the end of current period</b>	<b>(2,047,038)</b>	<b>(7,751)</b>	<b>1,335,075</b>	<b>21</b>	<b>1,335,096</b>	

## Notes to Non-Consolidated Financial Statements

From April 1, 2025 to March 31, 2026

### **[Notes Regarding Matters Concerning Significant Accounting Policies]**

#### 1. Basis and Method for Valuation of Assets

- (1) Available-for-sale securities (securities classified as other securities under Japanese GAAP) included in long-term investments

Available-for-sale securities other than equity securities without market price are stated at fair value based on the market price (cost of securities sold is determined by the moving-average method), with unrealized gains or losses, net of applicable taxes, stated as a separate component of net assets.

Equity securities without market price are stated at cost determined by the moving-average method.

- (2) Securities included in long-term investments in subsidiaries and affiliates

Stated at cost determined by the moving-average method.

- (3) Inventories

Stated primarily at cost determined by the moving-average method (the carrying value may be written down to market value due to a decline in the profitability).

#### 2. Depreciation and Amortization Method for Fixed Assets

Property, plant and equipment are depreciated by the straight-line method.

Intangible fixed assets are amortized by the straight-line method.

#### 3. Provision of Reserves

- (1) Allowance for doubtful accounts

To provide against loss on bad debts including accounts receivable, the projected uncollectible amount is calculated using the loan loss ratio for general accounts receivable and each collectability for specific claims such as doubtful accounts receivable.

- (2) Accrued pension and severance costs

In order to provide for retirement benefits to employees, accrued pension and severance costs have been recorded based on the projected benefit obligations and plan assets at the end of the fiscal year under review.

In determining retirement benefit obligations, the straight-line basis has been used as the method of attributing expected retirement benefit to periods through the end of the fiscal year under review.

All past service costs are expensed when incurred.

Actuarial gains and losses are amortized using the straight-line method over a certain period (three years) not longer than the average remaining years of service of the employees when they occur, commencing in the fiscal year in which they occur.

- (3) Reserve for loss on disaster

##### A. For the loss, etc. on the Niigataken Chuetsu-Oki Earthquake

In order to provide for the expenses and/or losses required for the restoration, etc., of assets damaged by the Niigataken Chuetsu-Oki Earthquake, a reserve has been made at an estimated amount at the end of the fiscal year under review.

B. For the loss, etc. on the Tohoku-Chihou-Taiheiyou-Oki Earthquake

In order to provide for the expenses and/or losses required for the restoration, etc., of assets damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, a reserve has been made at an estimated amount at the end of the fiscal year under review.

Major expenses and/or losses included in reserve for loss on disaster are recognized as follows:

- 1) Expenses and/or losses for settling the nuclear accident and preparing for decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station

The “Medium-and-Long-Term Roadmap towards the Decommissioning, etc., of the Fukushima Daiichi Nuclear Power Station, TEPCO” (December 21, 2011) was prepared by the Government and TEPCO’s Medium-to-Long-Term Countermeasure Meeting established by the Nuclear Emergency Response Headquarters of the Government (most recently revised on December 27, 2019). The Company has established the “Medium-and-Long-Term Decommissioning Action Plan 2026” (revised on March 26, 2026) as a specific plan for achieving the main target processes, etc., specified in the Roadmap.

Regarding these expenses and/or losses, the Company records estimated amounts based on specific target periods and details of individual countermeasures, if it is possible to estimate the amounts in the normal way. However, this is not the case with expenses required for removal of reactor cores in the plan regarding the recovery of the reserve for decommissioning on which a request for approval pursuant to Article 55-9, paragraph (2) of the NDF Act has been made. The details of such expenses required for removal of reactor cores are explained in “3. Provision of Reserves, (4) Provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities.”

For expenses and/or losses that are difficult to estimate in the normal way, the Company records estimated amounts based on the historical amounts at accidents at overseas nuclear power stations.

In addition, the estimates of these losses and/or expenses are classified into those that can be estimated and those that are difficult to estimate in the normal way, and the details of methods for estimating the respective losses and/or expenses and uncertainties included in their estimates are explained in “[Notes Regarding Accounting Estimates], 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station.”

- 2) Expenses for disposal of nuclear fuel in processing, within expenses and/or losses for decommissioning of the Fukushima Daiichi Nuclear Power Station Units 1 through 4

For disposal costs of nuclear fuel in processing which are not expected to be used, the Company has recorded the estimated value based on agreements, etc., for those whose specific work, etc., is scheduled. On the other hand, for those whose specific work, etc., is under consideration, the Company has recorded the present value (discount rate 4.0%) of the costs that are estimated to be required in the future.

In addition, disposal costs of loaded nuclear fuel have been included in miscellaneous long-term liabilities.

C. For the expenses required for the restoration, etc. of assets damaged by the Fukushima-Oki Earthquake that occurred in February 2021

In order to provide for the expenses required for the restoration, etc., of assets damaged by the Fukushima-Oki Earthquake that occurred in February 2021, a reserve has been made at an estimated amount at the end of the fiscal year under review.

*Additional Information*

• Breakdown of reserve for loss on disaster as of March 31, 2026	
A. For the loss, etc. on the Niigataken Chuetsu-Oki Earthquake	¥4,821 million
B. For the loss, etc. on the Tohoku-Chihou-Taiheiyou-Oki Earthquake	¥1,244,998 million
Of which:	
1) Expenses and/or losses for settling the nuclear accident and preparing for decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station	¥1,236,897 million
2) Expenses for disposal of nuclear fuel in processing, within expenses and/or losses for decommissioning of the Fukushima Daiichi Nuclear Power Station Units 1 through 4	¥7,484 million
3) Other	¥616 million
C. For the expenses required for the restoration, etc. of assets damaged by the Fukushima-Oki Earthquake that occurred in February 2021	¥115 million
Total	¥1,249,935 million

(4) Provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities

In order to provide for the expenses and/or losses required for the restoration, etc., of assets damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, among the amount set in the plan regarding the recovery of the reserve for decommissioning on which a request for approval pursuant to Article 55-9, paragraph (2) of the NDF Act was made, expenses required for removal of reactor cores have been recorded. Moreover, of the requested amount, the amount not yet approved has been recorded as a provision for preparation of removal of reactor cores in specified nuclear power facilities, and the approved amount as a provision for removal of reactor cores in specified nuclear power facilities. In addition, the details of uncertainties related to the estimates of these losses and/or expenses are explained in “[Notes Regarding Accounting Estimates], 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station.”

*Additional Information*

• Reserve for decommissioning

The Company has recorded the amount deposited upon receiving notification from Nuclear Damage Compensation and Decommissioning Facilitation Corporation (hereinafter, the “NDF”) in accordance with the provision of Article 55-3, paragraph (1) of the NDF Act as a reserve for decommissioning.

Moreover, the reserve has been deposited with NDF in accordance with the provisions of the NDF Act since the fiscal year ended March 31, 2019 in order to ensure appropriate and steady implementation of decommissioning, etc., by licensed decommissioning operators. The details of the reserve and related schematic diagram, and the relationship among the relevant reserve and provisions are explained in “[Notes Regarding Accounting Estimates], 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station.”

(5) Reserve for compensation for nuclear power-related damages

A. Method of recording reserves and provisions for compensation and decontamination

In order to provide for expenses required for compensation payments for nuclear damage concerning the accident, etc., at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, the Company has recorded the estimated compensation amounts at the end of the fiscal year under review as reserve for compensation for nuclear power-related damages. The estimated compensation amounts are based on the Interim Guidelines on Nuclear Damage decided at the Dispute Reconciliation Committee for Nuclear Damage Compensation and other state guidelines on compensation and laws such as the Act on Special Measures on Handling of Radioactive Materials Pollution, as well as the Company's criteria for compensation taking these state guidelines and laws into consideration, actual compensation claims, objective statistical data, etc.

In addition, the Company has recorded a reasonable amount estimated at the end of the fiscal year under review, although it might vary from now on, depending on newly decided state guidelines on compensation, the formulation of the Company's criteria for compensation, more accurate reference data, agreements with those who have suffered damage, etc.

B. Offsetting regarding reserve for decontamination

As for the provision for expenses required for compensation payments for decontamination concerning the nuclear damage, reserve for compensation for nuclear power-related damages has been offset by the same amount of grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation at the end of the fiscal year under review in accordance with the Electric Utility Accounting Ordinance.

Specifically, ¥188,926 million received as indemnifications pursuant to the provisions of the Indemnification Contract Act and ¥1,557,983 million receivables relating to the amount of financial assistance applied pursuant to the provision of the NDF Act corresponding to the compensation obligations owed by the Company to the state under the Act on Special Measures on Handling of Radioactive Materials Pollution, etc. (obligations recognized on or after January 1, 2015) have been deducted from the grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation and reserve for compensation for nuclear power-related damages at the end of the fiscal year under review.

4. Recognition of Significant Revenues

Electric utility operating revenues

Electric utility operating revenues include sales of power to other companies and electric utility miscellaneous revenues.

(1) Sales of power to other companies

Sales of power to other companies is the amount collected from the Group's main retail electricity business company, TEPCO Energy Partner, Incorporated, under the power supply agreement related to nuclear power generation.

Rates and other supply conditions for supplying electricity, etc., are stipulated in the facility agreement for power supply and the power supply agreement, etc., and supplying electricity in accordance with such agreement, etc., is the performance obligation.

Since the agreement is to be generally performed over a contract period of one year, revenue is recognized monthly over a certain period of time in accordance with the satisfaction of the performance obligation.

(2) Electric utility miscellaneous revenues

The main component of electric utility miscellaneous revenues is fees related to management guidance provided to the Group's main subsidiaries: TEPCO Fuel & Power, Incorporated, TEPCO Power Grid, Incorporated, TEPCO Energy Partner, Incorporated, and TEPCO Renewable Power, Incorporated.

The matters and details of management guidance, the amount of remuneration, and other conditions are stipulated in the management guidance agreement, and the performance obligation is to provide management guidance to each company in accordance with the said agreement.

Management guidance is generally performed over a contract period of one year, and revenue is recognized monthly over a certain period of time in accordance with the satisfaction of the performance obligation of management guidance.

#### 5. Method of Recording Expenses for Contribution of Reprocessing of Spent Nuclear Fuel

For costs required for reprocessing spent nuclear fuel, etc., contributions specified in Article 5, paragraph (2) of the Revision of Spent Fuel Reprocessing Act in accordance with the provision of Article 3 of the GX Decarbonization Electricity Act have been recorded as expenses according to the amount of spent nuclear fuel generated by the operation. The Company is deemed to have fulfilled the responsibility for bearing the costs as a nuclear operator by paying the contributions to the Nuclear Reprocessing and Decommissioning facilitation Organization of Japan, and the organization conducts reprocessing and other treatments.

In addition, contributions related to reprocessing of spent nuclear fuel have been recorded as a special account related to reprocessing of spent nuclear fuel.

#### 6. Method of Recording Costs Required for the Decommissioning of Commercial Power Reactors

For costs required for the decommissioning of commercial power reactors, contribution for nuclear reactor decommissioning stipulated in Article 11, paragraph (2) of the Revision of Spent Fuel Reprocessing Act as amended by the provision of Article 3 of the GX Decarbonization Electricity Act is recorded as expenses for contribution for nuclear reactor decommissioning.

The Company is deemed to have fulfilled the responsibility for bearing the costs as a nuclear operator by paying the contributions to the Nuclear Reprocessing and Decommissioning facilitation Organization of Japan, and the organization shall be financially responsible for securing, managing and paying the funds required for decommissioning of power reactors.

In addition, as for Fukushima Daiichi Nuclear Power Station, it is designated as a specified nuclear power facility in accordance with Article 64-2, paragraph (1) of the Act on Regulation of Nuclear Reactors, etc., and is out of the scope of a “decommissioning nuclear reactor” stipulated in Article 2, paragraph (5) of the Revision of Spent Fuel Reprocessing Act.

#### *Additional Information*

- Method of recording decommissioning costs of the Fukushima Daiichi Nuclear Power Station

Regarding costs related to the decommissioning of the Fukushima Daiichi Nuclear Power Station, it is estimated in accordance with the Ordinance on Reserve for Decommissioning Costs (hereinafter referred to as the “Old Ordinance on Reserve for Decommissioning Costs”) before the enforcement of the Ordinance Amending GX Decarbonization Electricity Act, and the total estimated amount is recorded as asset retirement obligations.

The Company has recorded the amount reasonably estimated to the extent possible at the end of the fiscal year under review, although it might vary from now on, since it is difficult to understand the entire damage situation of Fukushima Daiichi Nuclear Power Station Units 1 through 4.

In addition, the relationship among the costs, asset retirement obligations and other reserves are explained in “[Notes Regarding Accounting Estimates], 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station.”

7. Method of Recording Amortization of Suspense Account for Decommissioning Related Nuclear Power Facilities and Contribution for Facilitating Nuclear Reactor Decommission

The decommissioning accounting system has been established to facilitate the implementation of decommissioning of nuclear power reactors, among other purposes. Accordingly, the remaining carrying value, etc., of a reactor decommissioned in line with changes in the energy policy and safety regulations, etc., shall be recovered through wheeling charges collected from general electricity transmission and distribution utilities applying the accounting system.

(1) Amortization of suspense account for decommissioning related nuclear power facilities

The Board of Directors resolved on the decommissioning of the Fukushima Daini Nuclear Power Station Units 1 through 4 at the Board of Directors meeting held on July 31, 2019, and the Company submitted a request for approval of a suspense account for decommissioning related nuclear power facilities to the Minister of Economy, Trade and Industry on the same day in accordance with the provision of the Electric Utility Accounting Ordinance and obtained approval on August 19, 2019.

Moreover, due to the enforcement of the GX Decarbonization Electricity Act and Ordinance Amending GX Decarbonization Electricity Act on April 1, 2024, the Ordinance on Reserve for Decommissioning Costs was abolished and the Electric Utility Accounting Ordinance was amended.

Accordingly, the Company has recorded the amount equivalent to expenses for contribution of reprocessing of spent nuclear fuel incurred in relation to the decommissioning of the reactor and costs required for dismantling the nuclear fuel and the amount equivalent to the amount required for provision for decommissioning of nuclear power facilities after the deduction of the amount accumulated up to the fiscal year prior to the enforcement of the Ordinance Amending GX Decarbonization Electricity Act in the suspense account for decommissioning related nuclear power facilities.

The suspense account for decommissioning related nuclear power facilities is amortized according to the payment of contributions from general electricity transmission and distribution utilities pursuant to the provisions of Article 8 of the Supplementary Provisions to the Ordinance Amending Enforcement Ordinance of Electricity Business Act and Article 9 of the Supplementary Provisions to the Ordinance Amending GX Decarbonization Electricity Act.

(2) Contribution for facilitating nuclear reactor decommission

For the suspense account for decommissioning related nuclear power facilities and the amount required for provision for decommissioning of nuclear power facilities, the Company submitted a request for approval of contributions for facilitating nuclear reactor decommission to the Minister of Economy, Trade and Industry in accordance with the provisions of Article 45-21-16 of the Enforcement Ordinance of Electricity Business Act and obtained the approval on July 22, 2020. Accordingly, effective October 1, 2020, TEPCO Power Grid, Incorporated and Tohoku Electric Power Network Co., Inc. revised the general provisions for wheeling services, etc., in accordance with the provisions of Article 45-21-15 of the Enforcement Ordinance of Electricity Business Act, and have collected contributions for facilitating nuclear reactor decommission and paid them to the Company.

Pursuant to the Electric Utility Accounting Ordinance, the Company has recorded contributions for facilitating nuclear reactor decommission paid out by the general electricity transmission and distribution utilities as contributions received for facilitating nuclear reactor decommission.

8. Accounting for Retirement Benefits

Unrecognized actuarial gains and losses on retirement benefits are accounted for differently from those in the consolidated financial statements.

**[Notes Regarding Accounting Estimates]**

1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station

(1) Amount recorded in the non-consolidated financial statements for the fiscal year under review

The Company has recorded reserve for loss on disaster of ¥1,236,897 million, provision for preparation of removal of reactor cores in specified nuclear power facilities of ¥250,034 million, and provision for removal of reactor cores in specified nuclear power facilities of ¥180,976 million in the non-consolidated financial statements for the fiscal year under review.

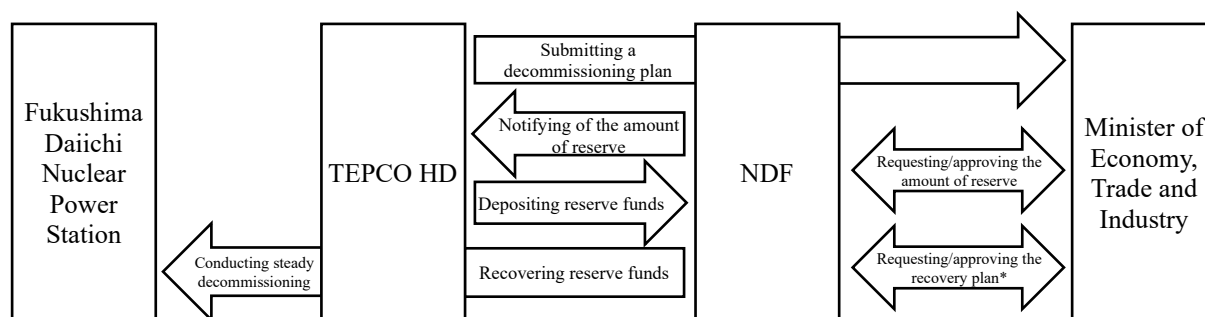
(2) Other information on the details of accounting estimates that contributes to the understanding of users of non-consolidated financial statements

A. Method for calculating the amount recorded in the non-consolidated financial statements for the fiscal year under review

1) Premise of estimation associated with decommissioning

The Company (or “TEPCO HD” in this section) deposits the amount of funds specified by NDF for decommissioning (reserve for decommissioning) and works with NDF to draw up a plan to recover the funds required for assumed decommissioning work.

The plan is then submitted to the Minister of Economy, Trade and Industry for approval, and after obtaining the approval the reserve for decommissioning is recovered and spent on actual decommissioning work. Reserves and provisions for expenses and/or losses incurred in relation to decommissioning work are recorded in the non-consolidated balance sheet in three accounts: reserve for loss on disaster, provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities.



\* Joint work by NDF and TEPCO HD

Relationship among reserve for loss on disaster, provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities

Target of reserve/provision	Status of the recovery plan	Name of reserve/provision
The amount set in the recovery plan as expenses required for removal of reactor cores	Before Minister's approval	Provision for preparation of removal of reactor cores in specified nuclear power facilities
	After Minister's approval	Provision for removal of reactor cores in specified nuclear power facilities
Other		Reserve for loss on disaster

2) Methods for making accounting estimates

a) Reserve for loss on disaster

The method of recording major expenses and/or losses included in reserve for loss on disaster and other related matters are as follows:

I. Expenses and/or losses for settling the nuclear accident and preparing for decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station

In consideration of the backgrounds explained in “[Notes Regarding Matters Concerning Significant Accounting Policies] 3. Provision of Reserves (3) Reserve for loss on disaster,” for expenses and/or losses that can be estimated in the normal way, the Company has recorded estimated amounts (excluding expenses required for removal of reactor cores in the plan regarding the recovery of the reserve for decommissioning on which a request for approval under Article 55-9, paragraph (2) of the NDF Act was made) based on specific target periods and details of individual countermeasures. Meanwhile, for expenses and/or losses that are difficult to estimate in the normal way because the specific content of future construction work, etc., cannot be anticipated at the end of the fiscal year under review, the Company has recorded estimated amounts based on the historical amounts at accidents at overseas nuclear power stations.

II. Expenses for disposal of nuclear fuel in processing, within expenses and/or losses for decommissioning of the Fukushima Daiichi Nuclear Power Station Units 1 through 4

The details are explained in “[Notes Regarding Matters Concerning Significant Accounting Policies], 3. Provision of Reserves, (3) Reserve for loss on disaster.”

b) Provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities

The details are explained in “[Notes Regarding Matters Concerning Significant Accounting Policies], 3. Provision of Reserves, (4) Provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities.”

In addition, as for estimates of decommissioning costs of the Fukushima Daiichi Nuclear Power Station including damaged reactors, the Company has recorded the expenses for restoring reactors to a state similar to normal reactors as reserve for loss on disaster, provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities, while the decommissioning costs as normal reactors have been recorded as asset retirement obligations. The former has uncertainties listed below, and the latter is estimated pursuant to the Old Ordinance on Reserve for Decommissioning Costs.

B. Major assumptions used in the calculation of the amounts recorded in the non-consolidated financial statements for the fiscal year under review

The major assumptions and their uncertainties included in reserve for loss on disaster, provision for preparation of removal of reactor cores in specified nuclear power facilities and provision for removal of reactor cores in specified nuclear power facilities are as follows:

1) Expenses and/or losses that can be estimated in the normal way

The Medium-and-Long-Term Decommissioning Action Plan, released on March 26, 2026, details the main work processes for decommissioning. Based on such information, associated expenses were estimated at the end of the fiscal year under review.

The decommissioning of the Fukushima Daiichi Nuclear Power Station is an unprecedented undertaking and entails uncertainty in itself, yet the progress in conceptual considerations, etc., has made it easy to plan specific construction work and other tasks approximately over the next three years. After that period, however, specific considerations for many of the future tasks have yet to be carried out. Among other things, devices for full-scale retrieval of fuel debris are still almost in the planning stage. Accordingly, numerous assumptions have to be

incorporated into estimates of costs for long-term construction work and other tasks. The latest estimates involve assumptions for each of the work processes, based on the status of on-going research by the government and other institutions as well as specifications of similar tasks already carried out in the past. Assumptions used as the premise of estimation may need to be reviewed, depending on future research progress, more detailed identification of on-site conditions, availability of new technological insight based on a step-by-step approach, etc. These factors could create new tasks, impose changes on an anticipated work method, necessitate review of the scope of work, alter unit costs of various tasks, etc., thereby changing the estimates of decommissioning costs.

2) Expenses and/or losses that are difficult to estimate in the normal way

With regard to expenses and/or losses that are difficult to estimate in the normal way due to the inability to anticipate the specific content of construction work and other tasks at this stage, the Company has recorded estimated amounts based on the historical amounts of expenses incurred at the Three Mile Island Nuclear Power Station (hereinafter “TMI”) accident in the U.S.A., which is a similar example.

The latest estimates incorporated the historical expenses incurred at TMI as well as the rate of commodity price increases from the time of the TMI accident to the Fukushima Daiichi Nuclear Power Station accident, foreign exchange rates, etc., and the number of reactor units from which fuel debris must be retrieved, etc. This is mainly based on the assumption that the types, scope and volume of tasks required for decommissioning are proportionate to the number of nuclear generating units, etc. However, TMI and Fukushima Daiichi Nuclear Power Station are different in terms of the volume of fuel debris and the locations of such debris inside reactors, which causes differences in the degree of debris removal difficulty, etc., and conditions. Accordingly, the types, scope and volume of tasks assumed in the estimates may differ from those of the actual tasks. Also, considering that the decommissioning of damaged reactors is a very limited and extended operation, even if the types, scope and volume of tasks may remain constant, changes may occur in the level of commodity prices and the level of technological innovation, etc., thus potentially altering the estimates of decommissioning costs.

C. Impact on the non-consolidated financial statements for the next fiscal year

For the above reasons, there are uncertainties in the estimates although the best estimates have been made for both expenses and/or losses that can be estimated in the normal way and those that are difficult to estimate in the normal way. This points to the possibility that future changes in these conditions could create a significant impact on the financial position and operating results of the Company for the next fiscal year.

2. Accrued Pension and Severance Costs and Prepaid Pension Cost

(1) Amount recorded in the non-consolidated financial statements for the fiscal year under review

The Company has recorded accrued pension and severance costs of ¥71,599 million and prepaid pension costs of ¥68,570 million in the non-consolidated financial statements for the fiscal year under review.

(2) Other information on the details of accounting estimates that contributes to the understanding of users of non-consolidated financial statements

A. Method for calculating the amount recorded in the non-consolidated financial statements for the fiscal year under review

Methods for making accounting estimates

The details are explained in “[Notes Regarding Matters Concerning Significant Accounting Policies], 3. Provision of Reserves, (2) Accrued pension and severance costs.”

In addition, the discount rate used in calculating retirement benefit obligations is determined based on the yield of AA-rated corporate bonds at the end of the fiscal year (benchmark rate), and 3.0% was used for the fiscal year under review. Furthermore, the expected long-term return on

plan assets is determined based on fund management policy, portfolio of plan assets held, and past management performance, etc., and 2.5% was used for the fiscal year under review.

**B. Major assumptions used in the calculation of the amounts recorded in the non-consolidated financial statements for the fiscal year under review**

Retirement benefit obligations for employees and related expenses are estimated based on rational assumptions on the discount rate, workforce turnover, mortality rate, expected long-term return on plan assets, base rates for actuarial calculations, etc. Differences with actual performance and changes in assumptions could affect future retirement benefit obligations and expenses.

Any changes in the benchmark rate would cause adjustment to the discount rate, and subsequently change the retirement benefit obligations. However, the retirement benefit obligations would not be changed in accordance with the materiality threshold if the obligations are not expected to change by 10% or greater.

In addition, movements in financial markets could also change the fair value of equity and debt securities held as pension assets

**C. Impact on the non-consolidated financial statements for the next fiscal year**

For the above reasons, there are uncertainties in the estimates although the best estimates have been made. This points to the possibility that future changes in these conditions could create a significant impact on the financial position and operating results of the Company for the next fiscal year.

Under the accounting policy, actuarial gains and losses are amortized on a straight-line basis over three years, commencing in the fiscal year in which they occur. The impact of such changes is as outlined below:

	Impact on retirement benefit obligations	Impact on retirement benefit expenses (annual)
Per 0.1% change in discount rate	Approx. ¥1,500 million	Approx. ¥500 million
Per 1.0% variation in return on plan assets	Approx. ¥1,600 million	Approx. ¥500 million

**[Notes Regarding Changes in Accounting Estimates]**

Changes in Estimates for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc., of the Fukushima Daiichi Nuclear Power Station

Regarding the expenses and/or losses required for the restoration, etc. of assets damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, at its meeting held on July 23, 2025, NDF's Sub-Committee for the Evaluation of Fuel Debris Retrieval Methods, based on the established fuel debris retrieval methods, discussed the preparation process for fuel debris retrieval, for which a certain technical basis can be shown, and presented the way how the retrieval should be prepared. Therefore, we revised the estimate of expenses and/or losses.

As a result, in the fiscal year under review, the expenses for retrieval preparations, etc. newly expected of ¥903,000 million are recorded as extraordinary loss on disaster, and loss before income taxes increased by the same amount.

**[Notes to Balance Sheet]**

**1. Assets Pledged as Collateral and Collateralized Debts**

(1) All property is pledged as general collateral for bonds and loans from Development Bank of Japan Inc.

Bonds	¥240,000 million
Loans from Development Bank of Japan Inc. (including current portion)	¥2,174 million

- (2) Pursuant to the Nuclear Damage Compensation Act, the Company has made a deposit as a measure of compensation for damages to be paid as the nuclear operator for cooling of nuclear reactors and treatment of accumulated water, etc., of the Fukushima Daiichi Nuclear Power Station.

Miscellaneous current assets ¥120,000 million

2. Accumulated Depreciation of Property, Plant and Equipment ¥4,961,575 million

3. Guarantee Liabilities, etc.

- (1) Guarantee liabilities

- A. Guarantees of loans from financial institutions to the following companies

Japan Nuclear Fuel Limited ¥106,000 million

- B. Guarantee of loans from financial institutions to employees under a property accumulation owner house loan system, etc.

¥49,582 million

Of this guarantee, ¥34,298 million is the guarantee portion for which there are joint and several guarantors other than the Company.

---

Total ¥155,582 million

- (2) Contingent liabilities

Contingent liabilities related to the compensation for nuclear power-related damages

After the start of the release of water treated by Multi-nuclide Removal Equipment, etc. (ALPS-treated water) into the ocean, damage has occurred due to foreign governments' import embargoes, etc. However, at the end of the current period, due to reasons such as the Company not being able to confirm the full damage status, we cannot reasonably estimate the amount of compensation except for the cases that allow us to calculate a reasonable amount with available data such as the records of the claims for damages.

Moreover, the waste treatment and decontamination measures, etc., have proceeded under the national fiscal measures pursuant to the Act on Special Measures on Handling of Radioactive Materials Pollution. Of the costs for the measures, those costs, etc. that were under discussion between the Company and the national government with regard to the appropriate sharing of the costs because the specific measures, etc. were not identifiable at the end of the fiscal year under review cannot reasonably be estimated.

In addition, NDF will provide necessary financial assistance to an applying nuclear operator based on the NDF Act with regard to the above-stated nuclear damage compensation.

4. Monetary Receivables and Payables to Subsidiaries and Affiliates

Long-term monetary receivables	Short-term monetary receivables
¥360,609 million	¥859,070 million
Long-term monetary payables	Short-term monetary payables
¥14,436 million	¥2,896,297 million

5. Amount of Fixed Assets Relating to Incidental Businesses Indicated in the Statement of Income

Energy facility service business      Dedicated fixed assets      ¥15 million

## [Notes to Statement of Income]

### Transactions with Subsidiaries and Affiliates

Operating transactions	
Expenses	¥152,043 million
Revenues	¥547,899 million
Non-operating transactions	¥239,116 million

## [Notes to Statement of Changes in Net Assets]

Number of Treasury Stock as of March 31, 2026	3,394,852 shares
---	------------------

## [Notes Regarding Tax Effect Accounting]

Deferred tax assets mainly arise from reserve for loss on disaster, shares of subsidiaries and affiliates due to restructuring, etc., and contribution payable for nuclear reactor decommissioning, and deferred tax liabilities mainly arise from grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation and Provision for Decommissioning of Nuclear Power Units. In addition, deferred tax assets are not presented in the balance sheet because a valuation allowance is credited in an amount equal to the net deferred tax assets after offsetting expected reversal of taxable and deductible temporary differences.

Accounting for income taxes and local income taxes and accounting for tax effect accounting associated with these

The group tax sharing system is applied. In addition, accounting of income taxes and local income taxes and accounting for and disclosure of tax effect accounting related to these are conducted in accordance with the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System.

## [Notes Regarding Related Party Transactions]

### 1. Major Shareholders

Category	Name	Description of business or occupation	Ownership (owned) percentage of voting rights, etc.	Relationship	Transaction	Transaction amount (million yen)	Account	Fiscal year-end balance (million yen)
Major shareholder	Nuclear Damage Compensation and Decommissioning Facilitation Corporation	Receipt of contributions, financial assistance, consultation and management of reserve for decommissioning, etc., pursuant to the NDF Act	50.08% directly (owned)	Receipt of financial assistance, payment of contributions and deposit of reserve for decommissioning pursuant to the NDF Act	Receipt of grants-in-aid (*1)	137,100	Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	513,265
					Payment of contributions (*2)	107,550	Accrued expenses	107,550
					Deposit of reserve for decommissioning (*3)	262,073	Reserve for decommissioning	748,465

The terms and conditions of transactions and determination policies, etc. of them

- (\*1) Receipt of grants-in-aid is financial assistance given under the provision of Article 41, paragraph (1) of the NDF Act.
- (\*2) Payment of contributions is made under the provisions of Article 38, paragraph (1) and Article 52, paragraph (1) of the NDF Act.
- (\*3) Reserve for decommissioning is deposited under the provision of Article 55-3, paragraph (1) of the NDF Act.

## 2. Subsidiaries

Category	Name	Description of business or occupation	Ownership (owned) percentage of voting rights, etc.	Relationship	Transaction	Transaction amount (million yen)	Account	Fiscal year-end balance (million yen)
Subsidiary	TEPCO Fuel & Power, Incorporated	Management of business activities conducted by affiliates operating fuel and thermal power generation business	100.0% directly (ownership)	Borrowing and lending of funds Interlocking directorate	Receipt of deposit of funds (*)	-	Short-term due to subsidiaries and affiliates	145,546

The terms and conditions of transactions and determination policies, etc. of them

(\*) Receipt of deposit of funds is related to the CMS (cash management system), and the interest rate has been reasonably determined in view of market rates. In addition, since the transactions are conducted repetitively, disclosure of the transaction amount is omitted.

Category	Name	Description of business or occupation	Ownership (owned) percentage of voting rights, etc.	Relationship	Transaction	Transaction amount (million yen)	Account	Fiscal year-end balance (million yen)
Subsidiary	TEPCO Power Grid, Incorporated	General power transmission and distribution business, etc.	100.0% directly (ownership)	Receipt of contribution for nuclear reactor decommission as funds for reserve for decommissioning pursuant to the NDF Act Borrowing and lending of funds Debt guarantee received	Receipt of contribution for nuclear reactor decommission (*1)	120,582	Short-term due from subsidiaries and affiliates	120,582
					Bond subscription (*2)	-	Long-term investments in subsidiaries and affiliates	241,818
					Receipt of bond interest (*3)	5,499	Short-term due from subsidiaries and affiliates	1,019
					Lending of funds (*4)	195,882	Long-term investments in subsidiaries and affiliates	17,400
							Short term due from subsidiaries and affiliates	179,161
					Receipt of deposit of funds (*5)	-	Short term due to subsidiaries and affiliates	1,468,057
					Payment of interest (*6)	16,793		
Debt guarantee received (*7)	724,159	-	-					

The terms and conditions of transactions and determination policies, etc. of them

(\*1) Receipt of contribution for nuclear reactor decommission is the amount received from TEPCO Power Grid, Incorporated (hereinafter “TEPCO PG”) by the Company (or “TEPCO HD” in this section) as funds to be applied to the reserve for decommissioning stipulated in Article 55-3, paragraph (1) of the NDF Act, based on the policy that “The TEPCO Group as a whole will manage to raise funds for the decommissioning business using all its resources, but according to the optimal assignment of roles within the Group, TEPCO PG will pay to TEPCO HD the rationalized part of the power transmission and distribution business under regulated rates as the funds required for decommissioning” in the Comprehensive Special Business Plan formulated together with NDF.

- (\*2) Bond subscription is related to ICBs (inter-company bonds) issued by TEPCO PG for which the interest rate has been determined on equal terms with bonds, etc., issued by the Company.
- (\*3) Receipt of bond interest is related to ICBs issued by TEPCO PG.
- (\*4) Lending of funds is financing to TEPCO PG by way of ICLs (inter-company loans) for which the interest rate has been determined on equal terms with the Company's loans.
- (\*5) Receipt of deposit of funds is related to the CMS (cash management system), and the interest rate has been reasonably determined in view of market rates. In addition, since the transactions are conducted repetitively, disclosure of the transaction amount is omitted.
- (\*6) For payment of interest, the interest rate has been reasonably determined in view of market rates.
- (\*7) Debt guarantee received is related to debts guaranteed by TEPCO PG on the Company's loans. In addition, the Company has paid guarantee fees taking into account the credit standing.

Category	Name	Description of business or occupation	Ownership (owned) percentage of voting rights, etc.	Relationship	Transaction	Transaction amount (million yen)	Account	Fiscal year-end balance (million yen)
Subsidiary	TEPCO Energy Partner, Incorporated	Retail electricity business, etc.	100.0% directly (ownership)	Sale of electricity	Sale of electricity (*1)	253,611	Accounts receivable - trade	30,121
					Bond subscription (*2)	-	Long-term investments in subsidiaries and affiliates	357
				Borrowing and lending of funds Interlocking directorate	Lending of funds (*3)	837,231	Long-term investments in subsidiaries and affiliates	1,695
					Borrowing of funds (*4)	-	Short-term due from subsidiaries and affiliates	434,175
					Receipt of deposit of funds (*5)	-	Short-term due to subsidiaries and affiliates	400,000
						-	Short-term due to subsidiaries and affiliates	594,109

The terms and conditions of transactions and determination policies, etc. of them

- (\*1) The sales price has been determined in light of power generating costs and market conditions, etc., after discussion.
- (\*2) Bond subscription is related to ICBs (inter-company bonds) issued by TEPCO Energy Partner, Incorporated for which the interest rate has been determined on equal terms with loans by the Company.
- (\*3) Lending of funds is financing to TEPCO Energy Partner, Incorporated by way of ICLs (inter-company loans) for which the interest rate has been determined on equal terms with the Company's loans.
- (\*4) For borrowing of funds, the interest rate has been reasonably determined in view of market rates.
- (\*5) Receipt of deposit of funds is related to the CMS (cash management system), and the interest rate has been reasonably determined in view of market rates. In addition, since the transactions are conducted repetitively, disclosure of the transaction amount is omitted.

Category	Name	Description of business or occupation	Ownership (owned) percentage of voting rights, etc.	Relationship	Transaction	Transaction amount (million yen)	Account	Fiscal year-end balance (million yen)
Subsidiary	TEPCO Renewable Power, Incorporated	Renewable energy power generation business, etc.	100.0% directly (ownership)	Borrowing and lending of funds Interlocking directorate	Receipt of deposit of funds (*)	-	Short-term due to subsidiaries and affiliates	115,842

The terms and conditions of transactions and determination policies, etc. of them

(\*) Receipt of deposit of funds is related to the CMS (cash management system), and the interest rate has been reasonably determined in view of market rates. In addition, since the transactions are conducted repetitively, disclosure of the transaction amount is omitted.

## [Notes Regarding per Share Information]

1. Net Assets per Share	¥208.96
(*) Net assets per share are calculated by deducting the amount paid for preferred stock by NDF from total net assets. The basis of the calculation is as follows:	
(Basis of the calculation)	
Total net assets on the balance sheet	¥1,335,096 million
Amounts to be deducted from total net assets	¥1,000,000 million
Of which amount paid for preferred stock	¥1,000,000 million
Net assets attributable to common stock as of March 31, 2026	¥335,096 million
Number of shares of common stock as of March 31, 2026	
which was used to calculate net assets per share	1,603,622 thousand shares
2. Loss per Share	¥474.08

## [Notes Regarding Revenue Recognition]

Basic information to understand revenues

Electric utility operating revenues

Electric utility operating revenues include sales of power to other companies and electric utility miscellaneous revenues.

### (1) Sales of power to other companies

Sales of power to other companies is the amount collected from the Group's main retail electricity business company, TEPCO Energy Partner, Incorporated, under the power supply agreement related to nuclear power generation.

Rates and other supply conditions for supplying electricity, etc., are stipulated in the facility agreement for power supply and the power supply agreement, etc., and supplying electricity in accordance with such agreement, etc., is the performance obligation.

Since the agreement is to be generally performed over a contract period of one year, revenue is recognized monthly over a certain period of time in accordance with the satisfaction of the performance obligation.

Rates are collected by the end of the month following the month in which the obligation to pay arises.

### (2) Electric utility miscellaneous revenues

The main component of electric utility miscellaneous revenues is fees related to management guidance provided to the Group's main subsidiaries: TEPCO Fuel & Power, Incorporated, TEPCO Power Grid, Incorporated, TEPCO Energy Partner, Incorporated, and TEPCO Renewable Power, Incorporated.

The matters and details of management guidance, the amount of remuneration, and other conditions are stipulated in the management guidance agreement, and the performance obligation is to provide management guidance to each company in accordance with the said agreement.

Management guidance is generally performed over a contract period of one year, and revenue is recognized monthly over a certain period of time in accordance with the satisfaction of the performance obligation of management guidance.

Management guidance fees are collected by the end of the month following the month in which claims arising from the contract are finalized and payment obligations arise.

## [Other Notes]

### 1. Compensation for Nuclear Power-Related Damages and Grants-in-Aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation

#### (1) For compensation and decontamination

##### A. Compensation for nuclear power-related damages

Regarding nuclear damage caused by the accident, etc., at the Fukushima Daiichi Nuclear Power Station damaged by the Tohoku-Chihou-Taiheiyou-Oki Earthquake, the Company has paid compensation under the Nuclear Damage Compensation Act, and the difference between the estimated compensation amount and the estimated amount for the previous fiscal year has been recorded as compensation for nuclear power-related damages.

##### B. Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation

On March 13, 2026, the Company submitted to NDF an application to change the amount of financial assistance to the estimated amount, which is the required amount of compensation as of that date after the deduction of the amount of compensation measures in accordance with the provisions of Article 43, paragraph (1) of the NDF Act. As a result, the difference from the amount in the application on March 3, 2025 has been recorded as grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation.

#### (2) For decontamination

A total of ¥78,880 million of financial assistance applied pursuant to the provisions of the NDF Act corresponding to the compensation obligations owed by the Company to the state under the Act on Special Measures on Handling of Radioactive Materials Pollution, etc., (obligations recognized on or after January 1, 2015) has been deducted from compensation for nuclear power-related damages and grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation for the fiscal year under review in accordance with the Electric Utility Accounting Ordinance.

#### *Additional Information*

- Method of recording special contribution paid to Nuclear Damage Compensation and Decommissioning Facilitation Corporation

In receiving the financial assistance, the recipient shall pay a special contribution defined by NDF pursuant to the provisions of Article 52, paragraph (1) of the NDF Act, but the Company has not recorded such an amount, except for that notified from NDF as applicable to the fiscal year under review, since the amount is determined by resolution of the steering committee of NDF every fiscal year in light of the Company's revenue and expenditures and requires the approval of the competent minister.

### 2. Financial Covenants

Financial covenants on the financial position and operating results of the Company and its Group companies are attached to the long-term loans of ¥10,242 million and short-term loans of ¥698,174 million.

### 3. Fixed Assets Necessary for Decommissioning Nuclear Reactors and Fixed Assets Requiring Maintenance Even After the Decommission of Nuclear Reactors

The carrying value of the fixed assets necessary for decommissioning nuclear reactors and fixed assets requiring maintenance even after the decommission of nuclear reactors is ¥541,628 million.

Note: Abbreviations for laws and regulations, etc., used in these notes are as follows:

Abbreviations	Names of laws and regulations, etc.
NDF Act	Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act (Act No. 94, August 10, 2011)
Interim Guidelines on Nuclear Damage	Interim Guidelines on Criteria for Determining Nuclear Damage Indemnification Coverage Due to the Accident at the Fukushima Daiichi and Daini Nuclear Power Stations, TEPCO (August 5, 2011)
Act on Special Measures on Handling of Radioactive Materials Pollution	Act on Special Measures concerning the Handling of Environmental Pollution by Radioactive Materials Discharged by the Nuclear Power Plant Accident Accompanying the Earthquake that Occurred off the Pacific Coast of the Tohoku Region on March 11, 2011 (Act No. 110, August 30, 2011)
Electric Utility Accounting Ordinance	Ordinance on Accounting at Electric Utilities (Ordinance of the Ministry of International Trade and Industry No. 57 of 1965)
Indemnification Contract Act	Act on Contract for Indemnification of Nuclear Damage Compensation (Act No. 148, June 17, 1961)
GX Decarbonization Electricity Act	Act for Partial Revision of the Electricity Business Act and Other Acts for Establishing Electricity Supply Systems for Realizing a Decarbonized Society (Act No. 44, 2023)
Revision of Spent Fuel Reprocessing Act	Act on Reprocessing of Spent Fuel in Nuclear Power Generation, etc., and Promotion of Decommissioning of Power Reactors (Act No. 48, 2005)
Act on Regulation of Nuclear Reactors, etc.	Act on the Regulation of Nuclear Source Material, Nuclear Fuel Material and Reactors (Act No. 166, June 10, 1957)
Ordinance Amending GX Decarbonization Electricity Act	Ministerial Ordinance on Arrangement of Relevant Ministerial Ordinances, etc., Incidental to Enforcement of the Act for Partial Revision of the Electricity Business Act and Other Acts for Establishing Electricity Supply Systems for Realizing a Decarbonized Society (Ordinance of the Ministry of Economy, Trade and Industry No. 21, 2024)
Ordinance on Reserve for Decommissioning Costs	Ministerial Ordinance concerning Reserve for Decommissioning Costs of Nuclear Power Units (Ordinance of the Ministry of International Trade and Industry No. 30 of 1989)
Ordinance Amending Enforcement Ordinance of Electricity Business Act	Ministerial Ordinance for Partial Revision of the Ordinance for Enforcement of the Electricity Business Act (Ordinance of the Ministry of Economy, Trade and Industry No. 77 of 2017)
Enforcement Ordinance of Electricity Business Act	Ordinance for Enforcement of the Electricity Business Act (Ordinance of the Ministry of International Trade and Industry No. 77 of 1995)
Nuclear Damage Compensation Act	Act on Compensation for Nuclear Damage (Act No. 147, June 17, 1961)
Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System	Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (Practical Solution No. 42, August 12, 2021)

# ACCOUNTING AUDIT REPORT OF THE ACCOUNTING AUDITOR CONCERNING THE NON-CONSOLIDATED FINANCIAL STATEMENTS

## Report of Independent Auditor

May 20, 2026

The Board of Directors  
Tokyo Electric Power Company Holdings, Incorporated

Ernst & Young ShinNihon LLC  
Tokyo Office

Atsushi Kasuga  
Certified Public Accountant  
Designated and Engagement Partner

Masayasu Iida  
Certified Public Accountant  
Designated and Engagement Partner

Kazuyuki Maekawa  
Certified Public Accountant  
Designated and Engagement Partner

### *Opinion*

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the notes to non-consolidated financial statements, and the related supplementary schedules (hereinafter, collectively, the “non-consolidated financial statements, etc.”) of Tokyo Electric Power Company Holdings, Incorporated (the “Company”) applicable to the 102<sup>nd</sup> fiscal year from April 1, 2025 through March 31, 2026.

In our opinion, the above non-consolidated financial statements, etc. present fairly, in all material respects, the financial position and results of operations of the Company, applicable to the fiscal year ended March 31, 2026, in accordance with accounting principles generally accepted in Japan.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the “Auditor’s Responsibility for the Audit of the Non-consolidated Financial Statements, etc.” section of our report. We are independent of the Company in accordance with the regulations on professional ethics in Japan (including the provisions applicable to audits of financial statements of public interest entities), and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Emphasis of Matter*

1. As described in “Notes to Balance Sheet, 3. Guarantee Liabilities, etc., (2) Contingent liabilities, Contingent liabilities related to the compensation for nuclear power-related damage,” since the start of the release of ALPS-treated water into the ocean damage due to import embargoes and other measures taken by foreign governments has occurred. However, as of the end of the fiscal year under review, the full extent of the damage has not been confirmed, and therefore the amount of

compensation cannot be reasonably estimated except for the amount that can be reasonably calculated based on available data such as actual claims for damages.

Furthermore, treatment of wastes and decontamination measures, etc. have proceeded under the national fiscal measures based on the “Act on Special Measures concerning the Handling of Environmental Pollution by Radioactive Materials Discharged by the Nuclear Power Plant Accident Accompanying the Earthquake that Occurred off the Pacific Coast of the Tohoku Region on March 11, 2011” (Act No. 110 of August 30, 2011). Of the costs for the measures, those costs, etc. that were under discussion between the Company and the national government with regard to the appropriate sharing of the costs because the specific measures, etc. were not identifiable at the end of the fiscal year under review cannot reasonably be estimated.

In addition, Nuclear Damage Compensation and Decommissioning Facilitation Corporation will provide necessary financial assistance to a nuclear operator applying for such nuclear damage compensation based on the “Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act” (Act No. 94 of August 10, 2011).

2. As described in “Notes Regarding Accounting Estimates, 1. Reserves and Provisions for Expenses and/or Losses for Settling the Nuclear Accident and Preparing for Decommissioning, etc. of the Fukushima Daiichi Nuclear Power Station, (2) Other information on the details of accounting estimates that contributes to the understanding of users of non-consolidated financial statements, B. Major assumptions used in the calculation of the amounts recorded in the non-consolidated financial statements for the fiscal year under review,” cost estimates based on the Medium-and-Long-Term Decommissioning Action Plan, released on March 26, 2026, and decommissioning cost estimates recorded as general estimates based on historical costs of accidents that occurred at overseas nuclear power stations may change.
3. As described in “Notes Regarding Matters Concerning Significant Accounting Policies, 6. Method of Recording Costs Required for the Decommissioning of Commercial Power Reactors, Additional Information, Method of recording decommissioning costs of the Fukushima Daiichi Nuclear Power Station,” the estimated amount of decommissioning costs of the Fukushima Daiichi Nuclear Power Station Units 1 through 4 may change from now on because it is difficult to identify the whole situation of the damage.

Our opinion is not qualified in respect of these matters.

#### *Other Information*

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, the Audit Committee is responsible for overseeing the Executive Officers’ and Directors’ performance of duties with respect to the design and operation of the reporting process for the other information.

The scope of our audit opinion on the non-consolidated financial statements, etc. does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the non-consolidated financial statements, etc. is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the non-consolidated financial statements, etc. or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

If we determine there to be material errors in the other information based on the work we have performed, we are required to report those facts.

There are no matters to report regarding the other information.

*Responsibility of Management and the Audit Committee for the Non-consolidated Financial Statements, etc.*

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. on the going concern basis of accounting and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern where necessary.

The Audit Committee is responsible for overseeing the execution of duties by the Executive Officers and Directors in designing and operating the financial reporting process.

*Auditor's Responsibility for the Audit of the Non-consolidated Financial Statements, etc.*

Our responsibility is to express an opinion on the non-consolidated financial statements, etc. in our audit report from an independent standpoint based on our audit by obtaining reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision-making of users of the non-consolidated financial statements, etc.

As part of an audit in accordance with auditing standards generally accepted in Japan, we perform the following by exercising professional judgment and maintaining professional skepticism throughout the audit:

- We identify and assess the risks of material misstatement, whether due to fraud or error, and then design and perform audit procedures responsive to those risks. The procedures selected and applied depend on the auditor's judgment. Further, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion;
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the non-consolidated financial statements, etc. is not expressing an opinion on the effectiveness of the internal control;
- We evaluate the appropriateness of accounting policies and their method of application adopted by management, as well as the reasonableness of accounting estimates made by management and adequacy of related disclosures in the notes;
- We conclude on the appropriateness of management's use of the going concern basis of accounting to prepare the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the going concern basis of accounting. If we conclude that a material uncertainty as to the ongoing concern basis of accounting exists, we are required to draw attention in our audit report to the related disclosures in the notes to non-consolidated financial statements, etc. or, if such disclosures in the notes are inadequate, to express a qualified opinion with an excepted matter on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause an entity to cease to continue as a going concern;
- and
- We evaluate whether the overall presentation, structure and content of the non-consolidated financial statements, etc., including the related disclosures in the notes, and the non-consolidated financial statements, etc. represent the underlying transactions and accounting events in a manner that achieves fair presentation, in addition to whether the presentation of the non-consolidated

financial statements, etc. and related disclosures in the notes are in accordance with accounting principles generally accepted in Japan.

We communicate with the Audit Committee regarding the planned scope and timing of the audit, significant audit findings including any significant deficiencies in internal control that we identify during our audit, and any other matters required by the auditing standards.

We also provide the Audit Committee with a statement that we have complied with the regulations on professional ethics in Japan regarding independence, and to communicate with the Audit Committee all matters that may reasonably be thought to have an effect on our independence, and where applicable, related measures taken to eliminate factors that may hinder our independence, or related safeguards applied to mitigate factors that may hinder our independence to an acceptable level.

*Conflict of Interest*

We or the engagement partners have no interest in the Company which should be disclosed in accordance with the Certified Public Accountants Act.