

**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 101<sup>st</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**

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From April 1, 2024 to March 31, 2025

**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.

# **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 five Audit Committee Members, including four Outside Directors. Moreover, in fiscal 2024, the Company assigned two Audit Committee Aides to assist the Audit Committee in addition to allocating eight 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 2024, the Company held 18 meetings of the Board of Directors and 19 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 2024, the Risk Management Committee met twice 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 2024, for the improvement of the free cash flow of the Group, we discussed the selection of investment targets by prioritizing individual businesses in a cross-organizational manner.
- 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 64 times in fiscal 2024.
- 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 2024, 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 2024, 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, 2024 to March 31, 2025)

(millions of yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Earned surplus	Treasury stock	
<b>Balance at the beginning of current period</b>	<b>1,400,975</b>	<b>756,317</b>	<b>1,108,857</b>	<b>(8,516)</b>	<b>3,257,632</b>
<b>Changes of items during the period</b>					
Profit attributable to owners of parent			161,278		161,278
Purchases of treasury stock				(21)	(21)
Disposal of treasury stock		(0)		1	0
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Reversal of revaluation reserve for land			0		0
Other				(1)	(1)
Net changes in items other than those in shareholders' equity					
<b>Total changes of items during the period</b>	<b>-</b>	<b>(0)</b>	<b>161,279</b>	<b>(21)</b>	<b>161,257</b>
<b>Balance at the end 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>

(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>27,319</b>	<b>39,840</b>	<b>(2,926)</b>	<b>169,573</b>	<b>19,824</b>	<b>253,630</b>	<b>26,759</b>	<b>3,538,022</b>
<b>Changes of items during the period</b>								
Profit attributable to owners of parent								161,278
Purchases of treasury stock								(21)
Disposal of treasury stock								0
Change in ownership interest of parent due to transactions with non-controlling interests								0
Reversal of revaluation reserve for land								0
Other								(1)
Net changes in items other than those in shareholders' equity	(2,589)	(5,248)	(85)	57,434	37,199	86,709	141	86,851
<b>Total changes of items during the period</b>	<b>(2,589)</b>	<b>(5,248)</b>	<b>(85)</b>	<b>57,434</b>	<b>37,199</b>	<b>86,709</b>	<b>141</b>	<b>248,108</b>
<b>Balance at the end 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>

## Notes to Consolidated Financial Statements

From April 1, 2024 to March 31, 2025

### **[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 66 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 and ASAHI HOUSE INDUSTRIES CO.,LTD. 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 46 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, Tokyo Energy Alliance Co., Ltd., TEPCO i-FRONTIERS, INC., T&T Energy Co., Ltd., Tsumagoi Storage Power Plant LLC, NTT TEPCO Data Center Special Purpose Company, Mirai Enoshima LLC, GREEN VOLT HOLDCO LTD., CENOS HOLDCO LTD., Solar Rooftop CE 9 Co., Ltd., KANDENKO CO., LTD., GREENWAY GRID GLOBAL PTE. LTD., LIXIL TEPCO Smart Partners Co., Ltd., LOGOS-TEPCO RENEWABLES JOINT VENTURE PTE. LTD., VIET HYDRO PTE. LTD., TAKAOKA TOKO 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, Houseplus Architectural Inspection, Inc., JSC Dariali Energy, Vietnam Power Development Joint Stock Company, Energy Asia Holdings Ltd., Japan Nuclear Fuel Limited, The Japan Atomic Power Company, TOKYO ENERGY & SYSTEMS INC., PT Kencana Energi Lestari Tbk, TRITON KNOLL OFTO BIDCO LIMITED, OFFSHORE WIND LIMITED, Oyasu Geothermal Co., Ltd., TRITON KNOLL OFTO LIMITED, LOGOS-TEPCO SINGAPORE 1 HOLDCO PTE. LTD., LOGOS-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., and PT GREENWAY GRID INDONESIA

Aqua Connect Namie Corporation is included in the scope of application of the equity method as its importance increased. Houseplus Architectural Inspection, Inc. is included in the scope of application of the equity method as it implemented an absorption-type merger, having Houseplus Architectural Inspection, Inc. as a surviving company and Houseplus Corporation as an absorbed company. In addition, as of December 1, 2024, Houseplus Architectural Inspection, Inc. changed its trade name into Houseplus Corporation. LOGOS APAC PLATFORM SOLAR PTE. LTD., LEAPS SGP HOLDCO PTE. LTD., and LEAP SOLAR (SINGAPORE) GREENWICH PTE. LTD. are included in the scope of application of the equity method since the Company has influence over their management by having newly acquired their stocks and dispatched their directors. PT GREENWAY GRID INDONESIA is included in the scope of application of the equity method since it was newly established by GREENWAY GRID GLOBAL PTE. LTD. In addition, its director was dispatched from TEPCO Power Grid, Incorporated, the Company's consolidated subsidiary, and the Company has influence over its management. ADON RENEWABLES CORPORATION is excluded from the scope of application of the equity method as some of the stocks have been transferred.

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 and collectively on the consolidated profit/loss and the consolidated retained earnings and other indicators.

### 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).

#### (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 2025” (revised on March 27, 2025) 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, 2025

1) For the loss, etc. on the Niigataken Chuetsu-Oki Earthquake	¥4,844 million
2) For the loss, etc. on the Tohoku-Chihou-Taiheiyou-Oki Earthquake	¥599,270 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	¥592,764 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	¥5,878 million
c) Other	¥628 million
3) For the expenses required for the restoration, etc. of assets damaged by the Fukushima-Oki Earthquake that occurred in February 2021	¥257 million
Total	¥604,373 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 provision for preparation of removal of reactor cores in specified nuclear power facilities, and the approved amount as 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 sufferers in the future, 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 ¥1,522,193 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 annual. 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 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 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) 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.

### (6) 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 benefit 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) no 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.

### (7) 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 identify the whole situation of the damage of Fukushima Daiichi Nuclear Power Station Unit 1 through 4.

In addition, the relationship among the costs, asset retirement obligations and other reserves 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.”

- (8) 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 resolved on the decommissioning of the Fukushima Daiichi 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 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 the 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 suspense account for decommissioning related nuclear power facilities.

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 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 45-21-12 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 45-21-11 of the Enforcement Ordinance of Electricity Business Act, and have collected contributions for facilitating nuclear reactor decommission and paid out 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 contribution 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 ¥592,764 million, provision for preparation of removal of reactor cores in specified nuclear power facilities of ¥29,112 million and provision for removal of reactor cores in specified nuclear power facilities of ¥163,034 million in the consolidated financial statements for the fiscal year under review.

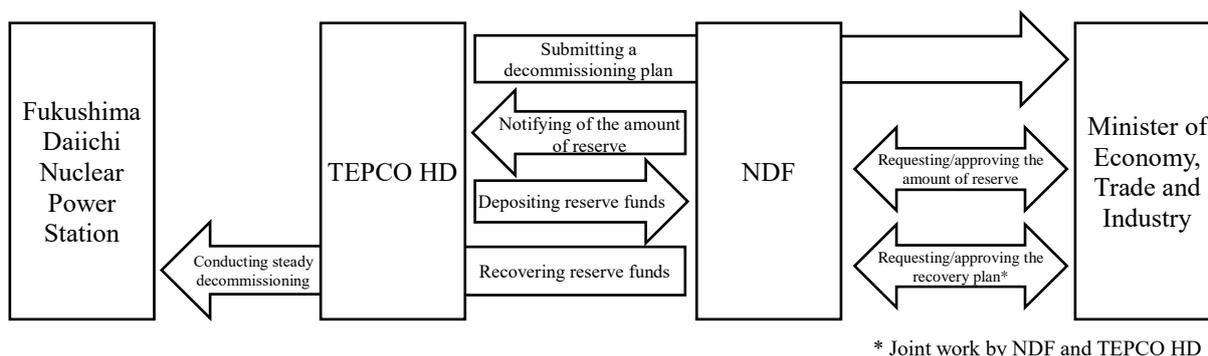
**(2) Other information on the details of accounting estimates that contributes to the understanding of users of consolidated financial statements**

**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 the approval is obtained 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 backgrounds 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 27, 2025, 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 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 increase from the time of the TMI accident to the Fukushima Daiichi Nuclear Power Station accident, foreign exchange rate, 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. Valuation of Nuclear Power Production Facilities, etc.

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

The total amount of nuclear power production facilities, construction in progress, nuclear fuel, etc., recorded in relation to the Kashiwazaki-Kariwa Nuclear Power Station in the consolidated financial statements for the fiscal year under review is ¥1,104,375 million.

(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 carrying value of a fixed asset used for business purposes is required to be reduced to reflect its recoverability under certain conditions if the amount invested in the asset is unlikely to be recovered due to a decrease in its profitability. The Company groups nuclear power production facilities, etc., by power station, which is the smallest unit that generates independent cash flows. For the Kashiwazaki-Kariwa Nuclear Power Station, nuclear power production facilities, etc., of Units 1 through 7 are identified as a group of assets, and the asset group is tested for impairment based on the recovery of investments by electricity rates earned through power transaction agreements, revenue expected with the contract relative to the long-term decarbonization power auction of Unit 6 (bidding year: fiscal 2024), etc.

At the Kashiwazaki-Kariwa Nuclear Power Station, the Company has been making various efforts to meet new regulatory standards for nuclear power stations and gain the understanding of the local community under the Comprehensive Special Business Plan. In April 2021, due to a series of incidents such as “unauthorized use of an ID card” and “partial loss of function of nuclear protection equipment,” the Company has received an order to prohibit the transport of specified nuclear fuel material from the Nuclear Regulation Authority (“NRA”). However, in December 2023, the classification for nuclear regulatory inspections was changed to Classification I and the order to prohibit the transport of specified nuclear fuel material was lifted. In addition, the “reconfirmation of the qualification as an operator to install a nuclear power reactor” was completed. We are now in the process to steadily promote the reoperation. Meanwhile, the operation of the entire power plant has long been suspended since the operation at Unit 6 was suspended for a regular inspection in March 2012. In light of such circumstances, the Company determined that there was an indication of impairment of the asset group and then assessed whether an impairment loss should be recognized.

In such assessment, the Company estimated the total undiscounted future cash flows and compared them to the carrying value of the asset group.

As a result, the Company concluded it was not necessary to recognize an impairment loss as the total estimated undiscounted future cash flows exceeded the carrying value of the asset group.

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 included in the valuation of nuclear power production facilities, etc. at the Kashiwazaki-Kariwa Nuclear Power Station are the operational status for each unit, costs to be incurred for construction related to safety measures and future power prices, all of which involve uncertainties. For the reoperation, the Company needs to pass safety regulatory assessments given by NRA, and gain the understanding of the local government that hosts the power station. In addition, for safe and stable operation over the long term, it is necessary to continuously work on the aging management measures and receive periodic assessments by NRA. Moreover, the Company notified NRA that the targeted completion dates of the construction of the facilities to respond to specific serious accidents, etc., for Units 7 and 6 of the power plant are changed to August 2029 and September 2031, respectively. After the due date of the installation, the Company needs to suspend power generation until the completion of each facility.

As for costs to be incurred for construction related to safety measures to meet NRA's new regulatory standards for nuclear power stations, construction costs for planned construction, such as material costs and workers' labor costs, could be higher than assumed. Depending on the future progress of assessments by NRA, including for other nuclear power operators, construction costs could be higher than assumed due to more sophisticated and stricter regulatory requirements such as by revision of the new regulatory standards.

Furthermore, future power prices greatly depend on the effects of power supply and demand in Japan, crude oil prices on which fuel costs for thermal power generation are based, power prices on the Japan Electric Power Exchange including the said factors, etc.

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

As for the above uncertainties, although the best estimates have been made based on currently available information, future changes in such items could create a significant impact on the financial position and operating results of the Group. The application of impairment accounting in the future could create a significant impact on part of the aggregate amount of the said nuclear power production facilities, construction in progress, nuclear fuel, etc.

3. 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 ¥273,525 million and net defined benefit asset of ¥237,858 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, (6) 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 2.0% 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 change 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. ¥6,500 million	Approx. ¥2,100 million
Per 1.0% variation in return on plan assets	Approx. ¥5,700 million	Approx. ¥1,900 million

**[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)	¥6,737 million

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

Bonds (including current portion)	¥3,165,000 million
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- (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 ¥4,739 million

Current assets

Cash on hand and in banks ¥80 million

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Total ¥4,823 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 ¥35,387 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 ¥19,701,590 million

3. Guarantee Liabilities, etc.

(1) Guarantee liabilities

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

Japan Nuclear Fuel Limited ¥73,489 million

Oyasu Geothermal Co., Ltd. ¥324 million

Transmission and Distribution IT &OT Systems LLC ¥4,659 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. ¥4,634 million

C. Guarantee of loans from financial institutions to employees under a property accumulation owner house loan system, etc. ¥59,608 million

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Total ¥142,716 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. However, of the costs for the measures, the Company cannot reasonably

estimate the costs, etc. that were under discussion between the Company and the national government with regard to the appropriate sharing as the specific measures, etc. were not identifiable at the end of the fiscal year under review.

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, 2025

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 (¥525,412 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.

#### 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, 2025, their fair value and the difference are as shown below:

(millions of yen)

	Recorded amount in the consolidated balance sheet (*2)	Fair value (*2)	Difference
(1) Investment securities (*3) (*4) (*5) Available-for-sale securities	13,880	13,880	—
(2) Bonds (*6)	[3,535,000]	[3,383,303]	151,696

(\*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	50,385
Other	5,119
Total	55,505

- (\*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 ¥65 million.
- (\*6) Bonds and Long-term loans include “Current portion of long-term debt” in the consolidated balance sheet.

### 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	13,880	–	–	13,880
Total assets	13,880	–	–	13,880

#### (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	–	3,383,303	–	3,383,303
Total liabilities	–	3,383,303	–	3,383,303

(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. The fair value of bonds, for which reference statistical prices cannot be referenced, is determined as the present value of principal and interest discounted using the interest rate to be applied for a similar bond, and classified as Level 2 fair value.

## [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	796,224	3,781	2,344,472	5,379,011	212,196	8,735,686		
Electric utility operating revenues	615,402	3,781	2,236,780	4,996,195	208,265	8,060,425		
Gas supply business operating revenues	–	–	–	304,021	–	304,021		
Other operating revenues	180,822	–	107,691	78,794	3,931	371,239		
Revenue generated from sources other than contracts with customers	–	–	751	180,850	–	181,601		
Total	796,224	3,781	2,345,223	5,559,862	212,196	8,917,288	(2,106,896)	6,810,391

(\*) Due to the “project to curb dramatic changes in electricity and gas charges” and the “urgent support to survive in a heat wave” implemented under the “comprehensive economic measures for completely overcoming deflation” and the “project to ease the burden of electricity and gas rates” executed under the “comprehensive economic measures for people’s peace of mind and safety and sustainable growth,” 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 ¥181,601 million, is classified

as “the amount of revenue generated from sources other than contracts with customers.” The breakdown is ¥751 million and ¥180,850 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 values sold through JEPX, and the charges for electricity sold to 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 annual. For next-day trading, pre-market trading, and non-fossil value transactions, revenue is recognized at a point in time.

Charges for electricity and non-fossil value 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	620,115	648,168
Contract assets	11,396	15,319
Contract liabilities	9,929	14,510

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	521,738
Expected time of fulfillment of performance obligations	
Within one year	57,769
More than one year but within three years	139,206
Over three years	324,762

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.

**[Notes Regarding per Share Information]**

1. Net Assets per Share	¥1,722.28
(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	¥3,786,130 million
Amounts to be deducted from total net assets	¥1,026,900 million
Of which amount paid for preferred stock	¥1,000,000 million
Of which non-controlling interests	¥26,900 million
Net assets attributable to common stock as of March 31, 2025	¥2,759,230 million
Number of shares of common stock as of March 31, 2025	
which was used to calculate net assets per share	1,602,075 thousand shares
2. Income per share	¥100.67

**[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-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 3, 2025, the Company submitted to NDF an application to change the amount of financial assistance from the required amount of compensation as of that date to the estimated amount 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 15, 2024, has been recorded as grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation.
  - (2) For decontamination
 

A total of ¥89,439 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 ¥10,054 million and short-term loans of ¥1,996,820 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 ¥542,175 million.

### 5. Amendment of Electric Utility Accounting Ordinance Due to the Enforcement of the GX Decarbonization Electricity Act

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.

As for the method to record costs required for the decommissioning of commercial power reactors stipulated in the Act on Regulation of Nuclear Reactors, etc., the Company used to record them as asset retirement obligations and apply paragraph (8) of the Guidance on Asset Retirement Obligations to the assets corresponding to asset retirement obligations. Then, the total estimated decommissioning costs of nuclear power facilities approved by the Minister of Economy, Trade and Industry pursuant to the provisions of the Ordinance on Reserve for Decommissioning Costs were expensed over the expected operational period of each facility on a straight-line basis. (It is a method used when a reactor is decommissioned in line with changes in the energy policy and safety regulations, etc., and the decommissioning is approved by the Minister of Economy, Trade and Industry upon application by the nuclear power operator, and under which decommissioning costs are charged to income over the period from the month, to which the decommissioning date of the specified nuclear power facility belongs, to the month ten years later on a straight-line basis.) However, after the date of the enforcement of Ordinance Amending GX Decarbonization Electricity Act, 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.

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.

Nuclear power generation business operators had been responsible for securing the fund required for the decommissioning of commercial power reactors that they each own. However, they shall be fulfilling the responsibility by paying contributions for nuclear reactor decommissioning to Nuclear Reprocessing and Decommissioning facilitation Organization of Japan (NuRO) every fiscal year in accordance with the GX Decarbonization Electricity Act. NuRO became financially responsible for securing, managing and paying the funds required for decommissioning of power reactors.

Thus, the Company reversed the assets corresponding to asset retirement obligations of ¥120,021 million and asset retirement obligations of ¥746,414 million during the fiscal year under review.

The Company records ¥662,589 million, which should be paid to NuRO as the expenses required for the decommissioning promotion work pursuant to the provision of Article 10, paragraph (1) of the Supplementary Provisions to the GX Decarbonization Electricity Act, as the contribution payable for nuclear reactor decommissioning and treats the amount as expenses in accordance with the provision of Article 7 of the Supplementary Provisions to the Ordinance Amending GX Decarbonization Electricity Act. The amount of asset retirement obligations reversed in accordance with the above provisions is deducted from the expenses. This has no impact on profits.

Moreover, in accordance with the provision of Article 8 of the Supplementary Provisions to the Ordinance Amending GX Decarbonization Electricity Act, ¥36,197 million is recorded in the suspense account for decommissioning related nuclear power facilities.

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)
Guidance on Asset Retirement Obligations	Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21, March 25, 2011)
Nuclear Damage Compensation Act	Act on Compensation for Nuclear Damage (Act No. 147, June 17, 1961)

Abbreviations	Names of laws and regulations, etc.
Company Accounting Ordinance	Ordinance on Accounting of Companies (Ordinance of the Ministry of Justice No. 13 of 2006)

**Statement of Changes in Net Assets (Period from April 1, 2024 to March 31, 2025)**

(millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus		Earned legal reserve	Earned surplus	
		Capital legal reserve	Other capital surplus		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>190</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			(0)			
Net changes in items other than those in shareholders' equity						
<b>Total changes of items during the period</b>	<b>-</b>	<b>-</b>	<b>(0)</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>35</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>(1,223,637)</b>	<b>(7,718)</b>	<b>2,158,509</b>	<b>852</b>	<b>2,159,362</b>	
<b>Changes of items during the period</b>						
Provision of reserve for special disaster	(0)				-	
Profit	(63,157)		(63,157)		(63,157)	
Purchases of treasury stock		(21)	(21)		(21)	
Disposal of treasury stock		1	0		0	
Net changes in items other than those in shareholders' equity				964	964	
<b>Total changes of items during the period</b>	<b>(63,157)</b>	<b>(20)</b>	<b>(63,179)</b>	<b>964</b>	<b>(62,214)</b>	
<b>Balance at the end 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>	

## Notes to Non-Consolidated Financial Statements

From April 1, 2024 to March 31, 2025

### **[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, 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) no 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 2025” (revised on March 27, 2025) 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, 2025	
A. For the loss, etc. on the Niigataken Chuetsu-Oki Earthquake	¥4,844 million
B. For the loss, etc. on the Tohoku-Chihou-Taiheiyou-Oki Earthquake	¥599,259 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	¥592,764 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	¥5,878 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	¥257 million
Total	¥604,361 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 provision for preparation of removal of reactor cores in specified nuclear power facilities, and the approved amount as 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 sufferers in the future, 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 ¥1,522,193 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 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 Unit 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 the 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.

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 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 45-21-12 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 45-21-11 of the Enforcement Ordinance of Electricity Business Act, and have collected contributions for facilitating nuclear reactor decommission and paid out 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 contribution 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 ¥592,764 million, provision for preparation of removal of reactor cores in specified nuclear power facilities of ¥29,112 million, and provision for removal of reactor cores in specified nuclear power facilities of ¥163,034 million in the non-consolidated financial statements for the fiscal year under review.

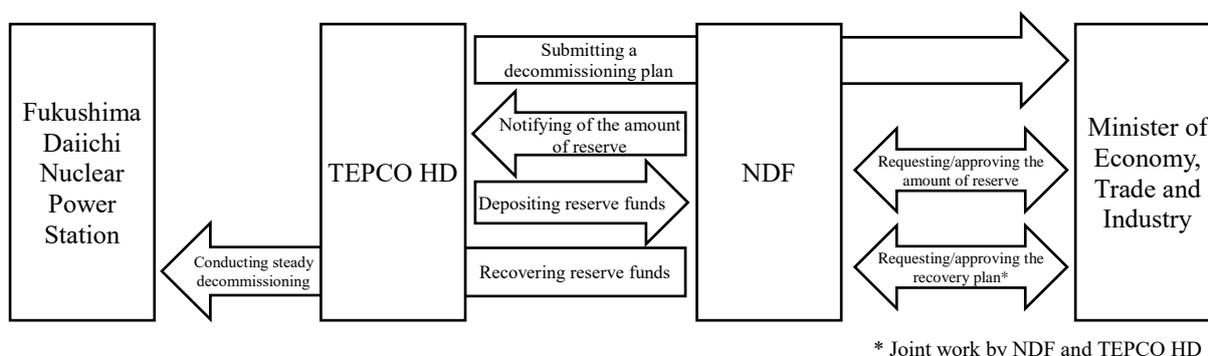
(2) Other information on the details of accounting estimates that contributes to the understanding of users of non-consolidated financial statements

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.



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 a 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 27, 2025, 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 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 increase from the time of the TMI accident to the Fukushima Daiichi Nuclear Power Station accident, foreign exchange rate, 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. Valuation of Nuclear Power Production Facilities, etc.

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

The total amount of nuclear power production facilities, construction in progress, nuclear fuel, etc., recorded in relation to the Kashiwazaki-Kariwa Nuclear Power Station in the non-consolidated financial statements for the fiscal year under review is ¥1,104,375 million.

(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 carrying value of a fixed asset used for business purposes is required to be reduced to reflect its recoverability under certain conditions if the amount invested in the asset is unlikely to be recovered due to a decrease in its profitability. The Company groups nuclear power production facilities, etc., by power station, which is the smallest unit that generates independent cash flows. For the Kashiwazaki-Kariwa Nuclear Power Station, nuclear power production facilities, etc., of Units 1 through 7 are identified as a group of assets, and the asset group is tested for impairment

based on the recovery of investments by electricity rates earned through power transaction agreements, revenue expected with the contract relative to the long-term decarbonization power auction of Unit 6 (bidding year: fiscal 2024), etc.

At the Kashiwazaki-Kariwa Nuclear Power Station, the Company has been making various efforts to meet new regulatory standards for nuclear power stations and gain the understanding of the local community under the Comprehensive Special Business Plan. In April 2021, due to a series of incidents such as “unauthorized use of an ID card” and “partial loss of function of nuclear protection equipment,” the Company has received an order to prohibit the transport of specified nuclear fuel material from the Nuclear Regulation Authority (“NRA”). However, in December 2023, the classification for nuclear regulatory inspections was changed to Classification I and the order to prohibit the transport of specified nuclear fuel material was lifted. In addition, the “reconfirmation of the qualification as an operator to install a nuclear power reactor” was completed. We are now in the process to steadily promote the reoperation.

Meanwhile, the operation of the entire power plant has long been suspended since the operation at Unit 6 was suspended for a regular inspection in March 2012. In light of such circumstances, the Company determined that there was an indication of impairment of the asset group and then assessed whether an impairment loss should be recognized.

In such assessment, the Company estimated the total undiscounted future cash flows and compared them to the carrying value of the asset group.

As a result, the Company concluded it was not necessary to recognize an impairment loss as the total estimated undiscounted future cash flows exceeded the carrying value of the asset group.

**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 included in the valuation of nuclear power production facilities, etc. at the Kashiwazaki-Kariwa Nuclear Power Station are the operational status for each unit, costs to be incurred for construction related to safety measures and future power prices, all of which involve uncertainties.

For the reoperation, the Company needs to pass safety regulatory assessments given by NRA, and gain the understanding of the local government that hosts the power station. In addition, for safe and stable operation over the long term, it is necessary to continuously work on the aging management measures and receive periodic assessments by NRA. Moreover, the Company notified NRA that the targeted completion dates of the construction of the facilities to respond to specific serious accidents, etc., for Units 7 and 6 of the power plant are changed to August 2029 and September 2031, respectively. After the due date of the installation, the Company needs to suspend power generation until the completion of each facility.

As for costs to be incurred for construction related to safety measures to meet NRA’s new regulatory standards for nuclear power stations, construction costs for planned construction, such as material costs and workers’ labor costs, could be higher than assumed. Depending on the future progress of assessments by NRA, including for other nuclear power operators, construction costs could be higher than assumed due to more sophisticated and stricter regulatory requirements such as by revision of the new regulatory standards.

Furthermore, future power prices greatly depend on the effects of power supply and demand in Japan, crude oil prices on which fuel costs for thermal power generation are based, power prices on the Japan Electric Power Exchange including the said factors, etc.

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

As for the above uncertainties, although the best estimates have been made based on currently available information, future changes in such items could create a significant impact on the financial position and operating results of the Company. The application of impairment accounting in the future could create a significant impact on part of the aggregate amount of the said nuclear power production facilities, construction in progress, nuclear fuel, etc.

### 3. 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 ¥78,031 million and prepaid pension costs of ¥56,545 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 2.0% 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. ¥1,800 million	Approx. ¥600 million
Per 1.0% variation in return on plan assets	Approx. ¥1,600 million	Approx. ¥500 million

## [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) ¥6,737 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 ¥4,890,180 million

### 3. Guarantee Liabilities, etc.

- (1) Guarantee liabilities

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

Japan Nuclear Fuel Limited ¥73,489 million

- B. Guarantee of loans from financial institutions to employees under a property accumulation owner house loan system, etc. ¥58,671 million

Of this guarantee, ¥40,049 million is the guarantee portion for which there are joint and several guarantors other than the Company.

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Total ¥132,161 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. However, of the costs for the measures, the Company cannot reasonably estimate the costs, etc. that were under discussion between the Company and the national government with regard to the appropriate sharing as the specific measures, etc. were not identifiable at the end of the fiscal year under review.

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
¥364,130 million	¥835,138 million
Long-term monetary payables	Short-term monetary payables
¥409,291 million	¥2,491,644 million

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

Energy facility service business	Dedicated fixed assets	¥16 million
Shared office business	Dedicated fixed assets	¥0 million

**[Notes to Statement of Income]**

Transactions with Subsidiaries and Affiliates

Operating transactions	
Expenses	¥146,510 million
Revenues	¥595,256 million
Non-operating transactions	¥191,523 million

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

Number of Treasury Stock as of March 31, 2025	3,372,997 shares
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**[Notes Regarding Tax Effect Accounting]**

Deferred tax assets mainly arise from shares of subsidiaries and affiliates due to restructuring, etc., contribution payable for nuclear reactor decommissioning, and reserve for loss on disaster, 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, only deferred tax liabilities on unrealized gain or loss on securities are 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, except for unrealized gain or loss on securities.

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 (NDF)	Receipt of contributions, financial assistance, consultation and management of reserve for decommissioning, etc. pursuant to the NDF Act	50.09% 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)	263,700	Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	525,412
					Payment of contributions (*2)	137,550	Accrued expenses	137,550
					Deposit of reserve for decommissioning (*3)	260,183	Reserve for decommissioning	712,208

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	132,729

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)	120,128	Short-term due from subsidiaries and affiliates	120,128
					Bond subscription (*2)	1,244	Long-term investments in subsidiaries and affiliates	245,631
					Receipt of bond interest (*3)	7,193	Short-term due from subsidiaries and affiliates	1,040
					Lending of funds (*4)	185,646	Long-term investments in subsidiaries and affiliates	18,589
							Short-term due from subsidiaries and affiliates	178,985
					Receipt of deposit of funds (*5)	–	Short term due to subsidiaries and affiliates	1,540,949
					Payment of interest (*6)	13,316		
Debt guarantee received (*7)	724,203	–	–					

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 a regulated rate 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 Borrowing and lending of funds Interlocking directorate	Sale of electricity (*1)	299,367	Short term due to subsidiaries and affiliates	27,758
					Bond subscription (*2)	172	Long-term investments in subsidiaries and affiliates	1,107
					Lending of funds (*3)	835,087	Long-term investments in subsidiaries and affiliates	1,778
							Short-term due from subsidiaries and affiliates	434,163
					Borrowing of funds (*4)	–	Long-term due to subsidiaries and affiliates	400,000
					Receipt of deposit of funds (*5)	–	Short-term due to subsidiaries and affiliates	503,010

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 bonds, etc. issued 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	107,971

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	¥684.16
(*) 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	¥2,097,148 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, 2025	¥1,097,148 million
Number of shares of common stock as of March 31, 2025 which was used to calculate net assets per share	1,603,644 thousand shares
2. Loss per Share	¥39.38

## [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 3, 2025, the Company submitted to NDF an application to change the amount of financial assistance from the required amount of compensation as of that date to the estimated amount 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 15, 2024 has been recorded as grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation.

#### (2) For decontamination

A total of ¥89,439 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 ¥10,054 million and short-term loans of ¥678,605 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 ¥542,175 million.

#### 4. Amendment of Electric Utility Accounting Ordinance Due to the Enforcement of the GX Decarbonization Electricity Act

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.

As for the method to record costs required for the decommissioning of commercial power reactors stipulated in the Act on Regulation of Nuclear Reactors, etc., the Company used to record them as asset retirement obligations and apply paragraph (8) of the Guidance on Asset Retirement Obligations to the assets corresponding to asset retirement obligations. Then, the total estimated decommissioning costs of nuclear power facilities approved by the Minister of Economy, Trade and Industry pursuant to the provisions of the Ordinance on Reserve for Decommissioning Costs were expensed over the expected operational period of each facility on a straight-line basis. (It is a method used when a reactor is decommissioned in line with changes in the energy policy and safety regulations, etc., and the decommissioning is approved by the Minister of Economy, Trade and Industry upon application by the nuclear power operator, and under which decommissioning costs are charged to income over the period from the month, to which the decommissioning date of the specified nuclear power facility belongs, to the month ten years later on a straight-line basis.) However, after the date of the enforcement of Ordinance Amending GX Decarbonization Electricity Act, 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.

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.

Nuclear power generation business operators had been responsible for securing the funds required for the decommissioning of commercial power reactors that they each own. However, they shall be fulfilling the responsibility by paying contributions for nuclear reactor decommissioning to Nuclear Reprocessing and Decommissioning facilitation Organization of Japan (NuRO) every fiscal year in accordance with the GX Decarbonization Electricity Act. NuRO became financially responsible for securing, managing and paying the funds required for decommissioning of power reactors.

Thus, the Company reversed the assets corresponding to asset retirement obligations of ¥120,021 million and asset retirement obligations of ¥746,414 million during the fiscal year under review.

The Company records ¥662,589 million, which should be paid to NuRO as the expenses required for the decommissioning promotion work pursuant to the provision of Article 10, paragraph (1) of the Supplementary Provisions to the GX Decarbonization Electricity Act, as a contribution payable for nuclear reactor decommissioning and treats the amount as expenses in accordance with the provision of Article 7 of the Supplementary Provisions to the Ordinance Amending GX Decarbonization Electricity Act. The amount of asset retirement obligations reversed in accordance with the above provisions is deducted from the expenses. This has no impact on profits.

Moreover, in accordance with the provision of Article 8 of the Supplementary Provisions to the Ordinance Amending GX Decarbonization Electricity Act, ¥36,197 million is recorded in the suspense account for decommissioning related nuclear power facilities.

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)
Guidance on Asset Retirement Obligations	Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21, March 25, 2011)