

Tokyo Electric Power Company HD Announces FY2025 1st Quarter Financial Results—No Immediate Impact on Rating

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on the fact that Tokyo Electric Power Company Holdings, Incorporated (security code: 9501) has announced its recording of extraordinary loss on disaster for the first quarter of the fiscal year ending March 2026 (FY2025).

- (1) On July 31, 2025, Tokyo Electric Power Company Holdings, Incorporated (the Company) announced the financial results for the first quarter of fiscal year ending March 2026 (FY2025). Ordinary income was 101.2 billion yen (102.2 billion yen for the first quarter of FY2024), which was on par with the results for the same period of the previous fiscal year, but net income attributable to owners of the parent was a loss of 857.6 billion yen (a profit of 79.2 billion yen for the first quarter of FY2024). This was due to the recording of 903.0 billion yen as extraordinary loss on disaster for newly anticipated costs for preparatory work for debris retrieval, etc. at Fukushima Daiichi Nuclear Power Station.
- (2) The extent of the impairment of equity capital resulting from the recording of the extraordinary loss this time is significant, and the significance of the responsibilities and costs associated with Fukushima Business was once again recognized. It is also necessary to keep in mind the possibility of future additional financial burdens. However, the implementation of the Fukushima Business is the top priority for the Company's management. As demonstrated by this happening, the Fukushima Business is an ultra-long-term social challenge, and involvements with the Company by the government and Nuclear Damage Compensation and Decommissioning Facilitation Corporation, its major shareholder, are considered to continue based on the Comprehensive Special Business Plan. Therefore, there will be no change in the fundamental evaluation framework supporting the Company's rating, and JCR has determined that this happening will not immediately impact the rating.
- (3) In quantitative aspects, it is considered that the Company will keep an equity ratio at around 20%, with no immediate cash outflows, and the plan for setting aside funds for decommissioning costs will not be changed for the time being. To maintain the Fukushima Business' sustainability, it is essential to improve the profitability and cash flow generation capacity of the Economic Business. To achieve this, restart of the Kashiwazaki-Kariwa Nuclear Power Station is of critical importance and essential, and JCR will closely monitor the progress in local understanding regarding the restart and the responses of financial institutions.

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<Reference>

Issuer: Tokyo Electric Power Company Holdings, Incorporated

Long-term Issuer Rating: A Outlook: Stable

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