

June 27, 2018

Notice of Adjustment of Conversion Price for  
¥50,000,000,000 Zero Coupon Convertible Bonds due 2018 and  
¥70,000,000,000 Zero Coupon Convertible Bonds due 2020

Tohoku Electric Power Company, Incorporated (the “Company”) hereby announces the adjustment of the conversion price for its ¥50,000,000,000 Zero Coupon Convertible Bonds due 2018 (the “2018 Bonds”) and ¥70,000,000,000 Zero Coupon Convertible Bonds due 2020 (the “2020 Bonds” and together with the 2018 Bonds, the "Bonds") as follows:

1. Adjustment of Conversion Price

| Name of issue                                             | Conversion price<br>prior to the adjustment | Conversion price<br>after the adjustment |
|-----------------------------------------------------------|---------------------------------------------|------------------------------------------|
| ¥50,000,000,000 Zero Coupon Convertible<br>Bonds due 2018 | ¥ 1,932.7                                   | ¥ 1,904.4                                |
| ¥70,000,000,000 Zero Coupon Convertible<br>Bonds due 2020 | ¥ 1,964.2                                   | ¥ 1,935.5                                |

2. Effective Date for the new Conversion Price

April 1, 2018 (Japan time)

3. Reason for the adjustment

Adjustment of Conversion Price pursuant to Condition 5.2.4 of the terms and conditions of the 2018 Bonds and 2020 Bonds respectively due to the Extraordinary Dividend (as defined in Condition 5.2.4 of each Bond) resulting from payment of an annual dividend of ¥20.00 per Share. The payment of such dividend was approved at a general meeting of shareholders on June 27, 2018. Accordingly, the aggregate amount of dividend for the fiscal year ended 31 March 2018 has become ¥40.00 per Share.

For further information, please contact:

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