

TRANSLATION: This is an English translation of the Japanese original, prepared only for the convenience of shareholders residing outside Japan. Please note that the notes to the financial statements are abbreviated in this translation. The original Japanese version will prevail should there be any difference in the meaning between the English version and the Japanese version. ELECTRIC POWER DEVELOPMENT CO., LTD. does not guarantee the accuracy and/or the completeness of the translation and shall have no liability for any errors or omissions therein. Names of laws of Japan herein are based on those designated in the “Japanese Law Translation Database System,” a website managed by the Ministry of Justice of Japan.



May 31, 2019

Dear Shareholder:

Toshifumi Watanabe
Representative Director President and Chief Executive Officer
Electric Power Development Co., Ltd. (J-POWER)
15-1, Ginza 6-chome, Chuo-ku, Tokyo
(Securities code: 9513)

Notice of the 67th Ordinary General Meeting of Shareholders

- 1. Date & Time:** 10:00 a.m., Wednesday, June 26, 2019 (Reception desk will open at 9:00 a.m.)
- 2. Place:** Ho-Oh-No-Ma, 2F, Tokyo Prince Hotel
3-1, Shiba-koen 3-chome, Minato-ku, Tokyo
- 3. Agenda:**

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 67th fiscal year (from April 1, 2018 to March 31, 2019), in addition to reports on the audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-consolidated Financial Statements for the 67th fiscal year (from April 1, 2018 to March 31, 2019)

Matters to be resolved:

- Proposal 1.** Appropriation of Surplus
- Proposal 2.** Election of Fourteen (14) Directors
- Proposal 3.** Election of Two (2) Audit & Supervisory Board Members

Instructions for Voting:

Please refer to the “Instructions for Exercising Voting Rights” on pages 3-5.

- Should any amendments to the appended Reference Materials for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements arise under any unavoidable circumstances, we will inform you of such amended matters

by posting them on the Company website.

- Of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Board in preparation of audit report, the following items are not provided in this document.

The following items are posted on the Company's website in accordance with laws and regulations and Article 14 of the Company's Articles of Incorporation.

- Corporate Structure and Policies
- Consolidated Statement of Changes in Equity
- Notes to Consolidated Financial Statements
- Statement of Changes in Equity
- Notes to Non-consolidated Financial Statements

The Company website: <http://www.jpowers.co.jp/english>

Instructions for Exercising Voting Rights

At a General Meeting of Shareholders, voting rights are important for shareholders to participate in the management of the Company. Shareholders are requested to exercise their voting rights by either of the following methods.

1. Attending the General Meeting of Shareholders

Please **present the enclosed Voting Form to the reception desk** upon your arrival. Please bring this booklet with you as a meeting document.

Shareholders entitled to attend the General Meeting of Shareholders are those who have 100 or more of the Company's shares as of March 31, 2019.

If you wish to attend by proxy, please refer to "Voting by Proxy" shown below.

1. Date & Time: 10:00 a.m., Wednesday, June 26, 2019
(Reception desk will open at 9:00 a.m.)
2. Place: Ho-Oh-No-Ma, 2F, Tokyo Prince Hotel
3-1, Shiba-koen 3-chome, Minato-ku, Tokyo

Voting by Proxy

If you wish to attend by proxy, you may vote by appointing **a proxy who is a shareholder of the Company entitled to vote (or if the shareholder is a corporation, an employee of the corporation)**. Please have your proxy submit a written document (a proxy statement, etc.) certifying the authority of proxy to the reception desk.

* Officers and staff will be wearing light clothing. We would deeply appreciate your kind understanding.

2. Voting in Writing (by mail)

Voting deadline: Voting Form must reach the Company by 5:30 p.m. on Tuesday, June 25, 2019

Please indicate your vote for or against each of the proposals on the enclosed Voting Form and return the Form to us without putting a stamp.

How to indicate your vote

Please indicate your vote for or against each of the proposals according to below.

Proposal 1

- ▶Vote for: Circle "贊" mark
- ▶Vote against: Circle "否" mark

Proposal 2 and 3

- ▶Vote for all candidates: Circle "贊" mark
- ▶Vote against all candidates: Circle "否" mark
- ▶Vote against only some of the candidates: Circle "贊" mark and enter the candidate No. to vote against

3. Voting via the Internet

Voting deadline: Vote must be casted by 5:30 p.m. on Tuesday, June 25, 2019

Smart Vote

You can log into the voting website without entering your voting code or password.

- (1) Please scan the QR Code printed on the lower right of the Voting Form.

* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

- (2) Please cast your vote by following the instructions on the screen.

<You can vote via Smart Vote only once.>

If you wish to change your vote, please scan again the QR Code, enter your “voting code” and “password” and vote again.

How to enter voting code and password

Voting website: <https://www.web54.net>

It is also possible to access the voting website by using a mobile phone with barcode-reading feature to read the QR Code shown right. For detailed operation, please refer to the user guide of your mobile phone.



- (1) Please access the voting website.
Click “Next.”
- (2) Enter the “voting code” printed on the Voting Form.
Click “Login” after entering the “voting code.”
- (3) Enter the “password” printed on the Voting Form.
Click “Next” after entering the “password.”
- (4) Please indicate your vote for or against each of the proposals by following the instructions on the screen.

Handling of your voting code and password

- (1) The voting code printed on the Voting Form is valid only for this General Meeting of Shareholders.
- (2) Your password is important information used to verify that the voter is the shareholder himself/herself. Please handle it with care just as your seal or security code.
- (3) If you fail to enter the correct password more than a certain number of times, your password will be rendered unusable. If you would like your password to be re-issued, please follow the guidance on the screen.

Notes

If you cast multiple votes both by mail and via the Internet, the vote submitted via the Internet shall be deemed valid.

If you vote more than once via the Internet, the vote submitted last shall be deemed valid.

Depending on the Internet environment of your devices such as computer, smartphone or mobile phone, the voting website may be unavailable for access.

For Inquiries relating to voting via the Internet, please contact:

Sumitomo Mitsui Trust Bank, Limited

Dedicated line for stock transfer agency web-support: 0120-652-031

Operating hours: 9:00 a.m. to 9:00 p.m.

For institutional investors:

Institutional investors may exercise voting rights by electronic means, using the Electric Voting Platform operated by ICJ.

REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and Reference Information

Proposal 1: Appropriation of Surplus

The most notable feature of the Company's business model is to gain investment returns from the long-term operation of power plants and other infrastructure based on the Company's long-standing operational capability, which includes the construction of power plants and the like.

Taking into account factors such as the level of profit, earnings forecasts, and financial condition, the Company strives to enhance stable and continuous returns to shareholders in line with a consolidated pay-out ratio of around 30%, except or fluctuations due to short-term factors.

For the fiscal year under review, based on this shareholder return policy, the Company intends to pay the year-end dividend of 40 yen per share. The Company also proposes other items relating to the appropriation of surplus as follows. As the Company has already paid an interim dividend of 35 yen per share in November last year, the Company proposes an annual dividend of 75 yen per share for the 67th fiscal year.

1. Items relating to the year-end dividend:

Type of dividend assets	Cash
Distribution of dividends	40 yen per share of common stock of the Company Total amount: 7,321,957,960 yen
Effective date of the distribution	Thursday, June 27, 2019

2. Other items relating to the appropriation of surplus:

Increased surplus	General reserve: 40,000,000,000 yen
Decreased surplus	Retained earnings carried forward: 40,000,000,000 yen

Proposal 2: Election of Fourteen (14) Directors



The term of office for all thirteen (13) Directors expires at the end of this meeting.

Accordingly, the Company proposes to elect fourteen (14) Directors, increasing one (1) Director to further strengthen the management structure.

This proposal was deliberated by the Nomination and Compensation Committee.

The details of the candidates for Directors are given on pages 8 through 16.

Candidate Number	Name	Current Positions at the Company
1	Reappointment Masayoshi Kitamura	Chairman and Representative Director
2	Reappointment Toshifumi Watanabe	Representative Director President and Chief Executive Officer
3	Reappointment Hitoshi Murayama	Representative Director and Executive Vice President
4	Reappointment Masato Uchiyama	Representative Director and Executive Vice President
5	Reappointment Akihito Urashima	Representative Director and Executive Vice President
6	Reappointment Yoshiki Onoi	Director and Executive Vice President
7	Reappointment Hiromi Minaminosono	Director and Executive Vice President
8	Reappointment Hiroyasu Sugiyama	Director and Executive Managing Officer
9	Reappointment Hideki Tsukuda	Director and Executive Managing Officer
10	Reappointment Makoto Honda	Director and Executive Managing Officer
11	New appointment Hitoshi Kanno	Executive Managing Officer
12	Reappointment Outside Director Independent Director Go Kajitani	Outside Director
13	Reappointment Outside Director Independent Director Tomonori Ito	Outside Director
14	Reappointment Outside Director Independent Director John Buchanan	Outside Director

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company		Number of Shares of the Company Held
1 Reappointment	 Masayoshi Kitamura (May 11, 1947)	April 1972 June 2000 June 2001 April 2002 June 2004 June 2007 June 2009 June 2016	Joined the Company Department Director of Corporate Planning & Administration Dept. Director, Department Director of Corporate Planning & Administration Dept. Director Executive Managing Director Executive Vice President and Representative Director President and Representative Director Chairman and Representative Director (current position) <Major Concurrent Positions> None	38,540 shares
Reasons for Nomination as Candidate for Director Mr. Masayoshi Kitamura is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in business development, planning, sales, nuclear power and other departments since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director, Executive Managing Director, Executive Vice President and Director, President and Director, and Chairman and Director. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.				
2 Reappointment	 Toshifumi Watanabe (March 10, 1955)	April 1977 April 2002 October 2002 June 2004 June 2006 June 2009 June 2012 June 2013 June 2016 April 2019	Joined the Company Department Director of Corporate Planning & Administration Dept. and Office Director of Privatization Office, Corporate Planning & Administration Dept. Department Director of Corporate Planning & Administration Dept. and Office Director of Privatization Office, Corporate Planning & Administration Dept. (Japanese name changed; English name unchanged) Department Director of Corporate Planning & Administration Dept. Director Executive Managing Director Director and Executive Managing Officer Executive Vice President and Representative Director President and Representative Director Representative Director President and Chief Executive Officer (current position) <Major Concurrent Positions> None	19,800 shares
Reasons for Nomination as Candidate for Director Mr. Toshifumi Watanabe is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in planning, secretarial affairs & public relations, accounting & finance, personnel & employee relations, general affairs, siting & environment, and other departments since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director, Executive Managing Director, Executive Vice President and Director, President and Director, and Director President and Chief Executive Officer. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.				

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
3 Reappointment	 Hitoshi Murayama (February 2, 1954)	April 1980 Joined the Company June 2008 Department Director of Thermal Power Dept. June 2009 Executive Officer, Department Director of Thermal Power Dept. June 2010 Executive Officer, Department Director of Thermal Power Engineering Dept. December 2011 Executive Officer, Department Director of Thermal Power Engineering Dept. (Japanese name changed; English name unchanged) June 2012 Director and Executive Managing Officer June 2015 Executive Vice President and Representative Director April 2019 Representative Director and Executive Vice President (current position) <Major Concurrent Positions> None	18,600 shares



Reasons for Nomination as Candidate for Director



Mr. Hitoshi Murayama is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of thermal power maintenance, thermal power engineering, research & development, renewable energy business, and procurement since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director and Executive Managing Officer, Executive Vice President and Director, and Director and Executive Vice President. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.



4 Reappointment	 Masato Uchiyama (July 23, 1955)	April 1978 Joined the Company March 2005 Department Director of Energy Business Dept. July 2008 Special Advisor and Department Director of Energy Business Dept. June 2009 Executive Officer, Department Director of Energy Business Dept. December 2011 Executive Managing Officer June 2013 Director and Executive Managing Officer June 2015 Executive Vice President and Director June 2016 Executive Vice President and Representative Director April 2019 Representative Director and Executive Vice President (current position) <Major Concurrent Positions> None	19,000 shares
--------------------	---	---	---------------


Reasons for Nomination as Candidate for Director

Mr. Masato Uchiyama is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of sales, accounting & finance, personnel & employee relations, planning, and general affairs since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director and Executive Managing Officer, Executive Vice President and Director, and Director and Executive Vice President, while also serving as Department Director of Energy Business. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
5 Reappointment	 Akihito Urashima (July 18, 1955)	April 1980 Joined the Company December 2009 Office Director of Ohma Nuclear Power Station Construction Office, Ohma General Management Dept. June 2010 Executive Officer, Office Director of Ohma Nuclear Power Station Construction Office, Ohma General Management Dept. June 2014 Executive Managing Officer June 2015 Director and Executive Managing Officer June 2017 Executive Vice President and Representative Director April 2019 Representative Director and Executive Vice President (current position) <Major Concurrent Positions> None	14,200 shares
Reasons for Nomination as Candidate for Director Mr. Akihito Urashima is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of thermal power engineering, thermal power maintenance, planning, and nuclear power since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director and Executive Managing Officer, Executive Vice President and Director, and Director and Executive Vice President, while also serving as Department Director of Nuclear Power Business. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.			
6 Reappointment	 Yoshiki Onoi (July 14, 1955)	April 1979 Joined the Company July 2006 Department Director of Business Planning Dept. June 2009 Executive Officer, Department Director of Business Planning Dept. January 2011 Executive Officer June 2013 Executive Managing Officer June 2015 Director and Executive Managing Officer June 2018 Executive Vice President and Director April 2019 Director and Executive Vice President (current position) <Major Concurrent Positions> None	10,300 shares
Reasons for Nomination as Candidate for Director Mr. Yoshiki Onoi is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of civil engineering, planning, and international business since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director and Executive Managing Officer, Executive Vice President and Director, and Director and Executive Vice President, while also serving as Department Director of International Business. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.			


Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
7 Reappointment	 Hiromi Minaminosono (October 19, 1956)	April 1981 Joined the Company June 2009 Department Director of Personnel & Employee Relations Dept. December 2011 Department Director of Secretarial Affairs & Public Relation Dept. and Office Director of Public Relation Office, Secretarial Affairs & Public Relation Dept. June 2012 Department Director of Secretarial Affairs & Public Relation Dept. June 2013 Executive Officer, Department Director of Secretarial Affairs & Public Relation Dept. June 2014 Executive Managing Officer, Department Director of Ohma General Management Dept. June 2016 Director and Executive Managing Officer June 2018 Executive Vice President and Director April 2019 Director and Executive Vice President (current position) <Major Concurrent Positions> None	8,020 shares
Reasons for Nomination as Candidate for Director Mr. Hiromi Minaminosono is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of personnel & employee relations, secretarial affairs & public relations, nuclear power, siting & environment, and sales since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director and Executive Managing Officer, Executive Vice President and Director, and Director and Executive Vice President, while also serving as Department Deputy Director of Energy Business and Department Deputy Director of Nuclear Power Business. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.			
8 Reappointment	 Hiroyasu Sugiyama (April 11, 1956)	April 1981 Joined the Company July 2012 Department Director of International Business Development Dept. June 2013 Executive Officer, Department Director of International Business Development Dept. June 2015 Executive Managing Officer June 2016 Director and Executive Managing Officer (current position) <Major Concurrent Positions> None	11,020 shares
Reasons for Nomination as Candidate for Director Mr. Hiroyasu Sugiyama is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of civil engineering, international business, thermal power engineering, and renewable energy business since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director and Executive Managing Officer, while also serving as Department Deputy Director of Nuclear Power Business and Department Director of Renewable Energy. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.			

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
9 Reappointment	 Hideki Tsukuda (June 7, 1957)	<p>April 1981 Joined the Company</p> <p>June 2012 Department Director of Thermal Power Engineering Dept.</p> <p>June 2013 Executive Officer, Department Director of Thermal Power Dept.</p> <p>June 2015 Executive Managing Officer</p> <p>June 2017 Director and Executive Managing Officer (current position)</p> <p><Major Concurrent Positions> None</p>	5,600 shares
<p>Reasons for Nomination as Candidate for Director</p> <p>Mr. Hideki Tsukuda is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of thermal power engineering, thermal power maintenance, research & development, and international business since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director and Executive Managing Officer. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.</p>			
10 Reappointment	 Makoto Honda (July 6, 1958)	<p>April 1982 Joined the Company</p> <p>June 2010 Department Director of Power Sales Dept.</p> <p>June 2014 Executive Officer, Department Director of Corporate Planning & Administration Dept.</p> <p>June 2016 Executive Managing Officer</p> <p>June 2017 Director and Executive Managing Officer (current position)</p> <p><Major Concurrent Positions> None</p>	5,800 shares
<p>Reasons for Nomination as Candidate for Director</p> <p>Mr. Makoto Honda is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of sales, planning, accounting & finance, procurement, and international business since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Director and Executive Managing Officer, while also serving as Department Deputy Director of International Business. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.</p>			

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
11 <div style="border: 1px solid black; padding: 2px; width: fit-content;">New appointment</div>	 Hitoshi Kanno (April 19, 1961)	April 1984 Joined the Company January 2011 Department Director of Business Planning Dept. June 2015 Executive Officer, Department Director of Business Planning Dept. October 2015 Executive Officer, Department Director of Power Business Planning & Development Dept. June 2016 Executive Officer, Department Director of Corporate Planning & Administration Dept. June 2017 Executive Managing Officer (current position) <Major Concurrent Positions> None	7,800 shares

Reasons for Nomination as Candidate for Director

Mr. Hitoshi Kanno is well-versed in overall business operations of the Company with abundant business experience he acquired through his assignments in the departments of planning, general affairs, and siting & environment since joining the Company, and has highly specialized expertise. In addition, he is highly experienced in business execution through his service as Executive Officer and Executive Managing Officer. For this career, he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and the Company has therefore nominated him as a candidate to serve as Director.

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
<p>12</p> <p>Reappointment</p> <p>Outside Director</p> <p>Independent Director</p>	 <p>Go Kajitani (November 22, 1936)</p>	<p>April 1967 Registered as an attorney at law (Dai-ichi Tokyo Bar Association) Joined KAJITANI LAW OFFICES</p> <p>April 1998 President of Dai-ichi Tokyo Bar Association, Vice President of Japan Federation of Bar Associations</p> <p>April 1999 Senior Partner of KAJITANI LAW OFFICES</p> <p>June 2003 Outside Audit & Supervisory Board Member of NICHIAS Corporation</p> <p>April 2004 President of Japan Federation of Bar Associations</p> <p>June 2007 Chairman of the Central Third-Party Committee to Check Pension Records, the Ministry of Internal Affairs and Communications</p> <p>June 2009 Outside Director of the Company (current position)</p> <p>April 2011 President of Japan Legal Support Center</p> <p>June 2011 Outside Audit & Supervisory Board Member of The Yokohama Rubber Co., Ltd.</p> <p><Major Concurrent Positions></p> <ul style="list-style-type: none"> • Attorney at law (KAJITANI LAW OFFICES) 	<p>0 shares</p>
<p>Reasons for Nomination as Candidate for Outside Director</p> <p>Mr. Go Kajitani has distinguished knowledge as an attorney at law and abundant experience in the legal profession, and has been serving as Outside Director of the Company. For this reason, the Company has judged that he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and has nominated him as a candidate to serve as Outside Director. Although he has no experience in the management of a company other than as an Outside Director/Outside Audit & Supervisory Board Member, for the aforementioned reasons, the Company has judged that he would be able to appropriately execute the duties of Outside Director.</p>			
<p>Independence of Outside Director</p> <p>The Company maintains special transactional relationships with neither Mr. Kajitani nor the entities where he concurrently serves, and he fulfils both the requirements for independent directors/auditors stipulated by the Tokyo Stock Exchange and the “Criteria to Determine the Independence of Outside Officers” established by the Company. Accordingly, the Company has appointed him as an independent director/auditor in accordance with the specifications of the Tokyo Stock Exchange.</p>			

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
13 Reappointment Outside Director Independent Director	 Tomonori Ito (January 9, 1957)	April 1979 Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.) March 1990 Vice President of Investment Banking Group, Bank of Tokyo Trust Company, New York Branch April 1994 Vice President of Emerging Market Group, The Bank of Tokyo, Ltd., New York Branch March 1995 Manager of Business Development Daini, Union Bank of Switzerland, Tokyo Branch (currently UBS) August 1997 General Manager of Tokyo Branch and Head of Investment Banking, Union Bank of Switzerland June 1998 Head of Investment Banking and Managing Director, UBS Securities Japan Co., Ltd. April 2011 Visiting Professor of Graduate School of International Corporate Strategy, Hitotsubashi University May 2012 External Director of PARCO CO., LTD. (current position) October 2012 Professor of Graduate School of International Corporate Strategy, Hitotsubashi University June 2014 Outside Director of Aozora Bank, Ltd. (current position) June 2016 Outside Director of the Company (current position) April 2018 Professor of Department of International Corporate Strategy, Graduate School of Business Administration, Hitotsubashi University (current position) <Major Concurrent Positions> <ul style="list-style-type: none"> • Professor of Department of International Corporate Strategy, Graduate School of Business Administration, Hitotsubashi University • External Director of PARCO CO., LTD. • Outside Director of Aozora Bank, Ltd. 	2,100 shares


Reasons for Nomination as Candidate for Outside Director

Mr. Tomonori Ito has abundant experience in investment banking business both inside and outside Japan, and also has distinguished knowledge acquired through researches in financial theory as Professor of Department of International Corporate Strategy, Graduate School of Business Administration, Hitotsubashi University. He also has been serving as Outside Director of the Company. For this reason, the Company has judged that he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and has nominated him as a candidate to serve as Outside Director.

Independence of Outside Director

The Company maintains special transactional relationships with neither Mr. Ito nor the entities where he concurrently serves, and he fulfils both the requirements for independent directors/auditors stipulated by the Tokyo Stock Exchange and the “Criteria to Determine the Independence of Outside Officers” established by the Company. Accordingly, the Company has appointed him as an independent director/auditor in accordance with the specifications of the Tokyo Stock Exchange.

Moreover, although MUFG Bank, Ltd. (formerly The Bank of Tokyo, Ltd.), at which he served in the past as an executive officer, is currently one of the Company’s major lenders and shareholders, he resigned from the bank in February 1995, since which time roughly 24 years have elapsed. In addition, although UBS Securities Japan Co., Ltd. (formerly Union Bank of Switzerland / UBS Securities Japan Co., Ltd.), at which he served in the past as an executive officer, was the lead managing underwriter when the Company was listed on the stock exchange, he resigned from the company in March 2011, since which time roughly 8 years have elapsed.

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
14 Reappointment Outside Director Independent Director	 John Buchanan (October 31, 1951)	<p>October 1974 Joined Lloyds Bank Group (Bank of London and South America, Lloyds Bank International, Lloyds Merchant Bank)</p> <p>January 1981 Representative, subsequently Branch Manager, Lloyds Bank International, Osaka</p> <p>August 1983 Branch Manager, Bank of London and South America, Barcelona</p> <p>October 1987 Joined S.G. Warburg & Co. Ltd.</p> <p>October 1992 Director of S.G. Warburg & Co. Ltd.</p> <p>October 1995 Joined The Sumitomo Bank, Limited, London Branch</p> <p>May 2000 Joined Daiwa Securities SB Capital Markets Europe Limited</p> <p>August 2006 Research Associate of Centre for Business Research, University of Cambridge (current position)</p> <p>June 2016 Outside Director of the Company (current position)</p> <p><Major Concurrent Positions></p> <ul style="list-style-type: none"> • Research Associate of Centre for Business Research, University of Cambridge 	0 shares

Reasons for Nomination as Candidate for Outside Director

Mr. John Buchanan has abundant experience in investment advisory business both inside and outside Japan, and also has distinguished knowledge acquired through researches concerning corporate governance at University of Cambridge. He also has been serving as Outside Director of the Company. For this reason, the Company has judged that he possesses distinguished knowledge and capability of addressing various management issues sought in a Director, and has nominated him as a candidate to serve as Outside Director.

Independence of Outside Director

The Company maintains special transactional relationships with neither Mr. Buchanan nor the entities where he concurrently serves, and he fulfils both the requirements for independent directors/auditors stipulated by the Tokyo Stock Exchange and the "Criteria to Determine the Independence of Outside Officers" established by the Company. Accordingly, the Company has appointed him as an independent director/auditor in accordance with the specifications of the Tokyo Stock Exchange.

Moreover, although Sumitomo Mitsui Banking Corporation (formerly The Sumitomo Bank, Limited), at which he served in the past as a person who executes business, is currently one of the Company's major lenders and shareholders, he resigned from the bank in April 2000, since which time roughly 19 years have elapsed. Also, although he served in the past as a person who executes business of Daiwa Securities SB Capital Markets Europe Limited, a group company of Sumitomo Mitsui Banking Corporation, he resigned from the company in August 2002, since which time roughly 17 years have elapsed.

- Notes:
1. There is no conflict of interest between any of the Director candidates and the Company.
 2. Roles and responsibilities of the Director candidates are as described in Attachments (page 42 to page 45).
 3. Mr. Go Kajitani currently serves as an Outside Director of the Company, and his term of office will be 10 years as of the end of this General Meeting of Shareholders.
 4. Mr. Tomonori Ito currently serves as an Outside Director of the Company, and his term of office will be 3 years as of the end of this General Meeting of Shareholders.
 5. Mr. John Buchanan currently serves as an Outside Director of the Company, and his term of office will be 3 years as of the end of this General Meeting of Shareholders.
 6. Mr. Tomonori Ito is scheduled to retire from the post of External Director of PARCO CO., LTD. on May 25, 2019 due to the expiration of his term of office.
 7. The Company has entered into a contract with Messrs. Go Kajitani, Tomonori Ito and John Buchanan that limits their liability for damages arising from failure to perform duties in accordance with Article 427, Paragraph 1 of the Companies Act. The limit under that contract will be the amount prescribed by the applicable laws and regulations. If they are elected, the Company plans to renew such contracts.


Proposal 3: Election of Two (2) Audit & Supervisory Board Members


The term of office for Messrs. Mutsutake Otsuka and Kiyoshi Nakanishi, who serve as Audit & Supervisory Board Members, expires at the end of this meeting.

Accordingly, the Company proposes to elect two (2) Audit & Supervisory Board Members.

The Audit & Supervisory Board has approved this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
1 Reappointment Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	 Mutsutake Otsuka (January 5, 1943)	April 1965 Joined Japanese National Railways April 1987 Joined East Japan Railway Company, General Manager of Finance Department June 1990 Director and General Manager of Personnel Department of East Japan Railway Company June 1992 Executive Director and General Manager of Personnel Department of East Japan Railway Company June 1997 Executive Vice President and Representative Director and Director General of Corporate Planning Headquarters of East Japan Railway Company June 2000 President and Representative Director of East Japan Railway Company April 2006 Chairman and Director of East Japan Railway Company June 2007 Outside Audit & Supervisory Board Member of the Company (current position) May 2011 Vice Chairman of Nippon Keidanren April 2012 Advisor of East Japan Railway Company (current position) June 2013 Outside Director of JX Holdings, Inc. (currently JXTG Holdings, Inc.) (current position) June 2014 Outside Director of NIPPON STEEL & SUMITOMO METAL CORPORATION (currently NIPPON STEEL CORPORATION) (current position) <Major Concurrent Positions> <ul style="list-style-type: none"> • Advisor of East Japan Railway Company • Outside Director of JXTG Holdings, Inc. • Outside Director of NIPPON STEEL CORPORATION 	0 shares
Reasons for Nomination as Candidate for Outside Audit & Supervisory Board Member Mr. Mutsutake Otsuka has distinguished knowledge and abundant experience as a director of a listed company, and also has been serving as Outside Audit & Supervisory Board Member of the Company. For this reason, the Company believes that he has distinguished knowledge sought in an Audit & Supervisory Board Member, and expects him to observe the Company's management thoroughly, and therefore has nominated him as a candidate to serve as Outside Audit & Supervisory Board Member.			
Independence of Outside Audit & Supervisory Board Member The Company maintains special transactional relationships with neither Mr. Otsuka nor the entities where he concurrently serves, and he fulfils both the requirements for independent directors/auditors stipulated by the Tokyo Stock Exchange and the "Criteria to Determine the Independence of Outside Officers" established by the Company. Accordingly, the Company has appointed him as an independent director/auditor in accordance with the specifications of the Tokyo Stock Exchange.			

Candidate Number	Name (Date of Birth)	Brief Personal History, and Duties and Responsibilities at the Company	Number of Shares of the Company Held
2	 Kiyoshi Nakanishi (April 2, 1945)	April 1970 Joined Toyota Motor Co., Ltd. January 1997 General Manager of No.3 Engine Technical Department of No.4 Development Center of TOYOTA MOTOR CORPORATION June 2000 Director of TOYOTA MOTOR CORPORATION June 2003 Managing Officer of TOYOTA MOTOR CORPORATION June 2004 Adviser of TOYOTA MOTOR CORPORATION June 2004 Representative Director of GENESIS RESEARCH INSTITUTE, INC. June 2010 Adviser of GENESIS RESEARCH INSTITUTE, INC. (current position) June 2010 Adviser of Toyota Central R&D Labs., Inc. June 2010 Audit & Supervisory Board Member of TOYOTA TECNOCRAFT Co., LTD. June 2011 Outside Audit & Supervisory Board Member of the Company (current position) <Major Concurrent Positions> • Adviser of GENESIS RESEARCH INSTITUTE, INC.	0 shares
Reappointment			
Outside Audit & Supervisory Board Member			
Independent Audit & Supervisory Board Member			
Reasons for Nomination as Candidate for Outside Audit & Supervisory Board Member Mr. Kiyoshi Nakanishi has distinguished knowledge and abundant experience as a director of a listed company, and also has been serving as Outside Audit & Supervisory Board Member of the Company. For this reason, the Company believes that he has distinguished knowledge sought in an Audit & Supervisory Board Member, and expects him to observe the Company's management thoroughly, and therefore has nominated him as a candidate to serve as Outside Audit & Supervisory Board Member.			
Independence of Outside Audit & Supervisory Board Member The Company maintains special transactional relationships with neither Mr. Nakanishi nor the entities where he concurrently serves, and he fulfils both the requirements for independent directors/auditors stipulated by the Tokyo Stock Exchange and the "Criteria to Determine the Independence of Outside Officers" established by the Company. Accordingly, the Company has appointed him as an independent director/auditor in accordance with the specifications of the Tokyo Stock Exchange.			

- Notes: 1. There is no conflict of interest between the Audit & Supervisory Board Member candidates and the Company.
2. Mr. Mutsutake Otsuka currently serves as an Outside Audit & Supervisory Board Member of the Company, and his term of office will be 12 years as of the end of this General Meeting of Shareholders.
3. Mr. Kiyoshi Nakanishi currently serves as an Outside Audit & Supervisory Board Member of the Company, and his term of office will be 8 years as of the end of this General Meeting of Shareholders.
4. The Company has entered into a contract with Messrs. Mutsutake Otsuka and Kiyoshi Nakanishi that limits their liability for damages arising from failure to perform duties in accordance with Article 427, Paragraph 1 of the Companies Act. The limit under that contract will be the amount prescribed by the applicable laws and regulations. If they are elected, the Company plans to renew such contracts.

(Reference) Corporate Governance

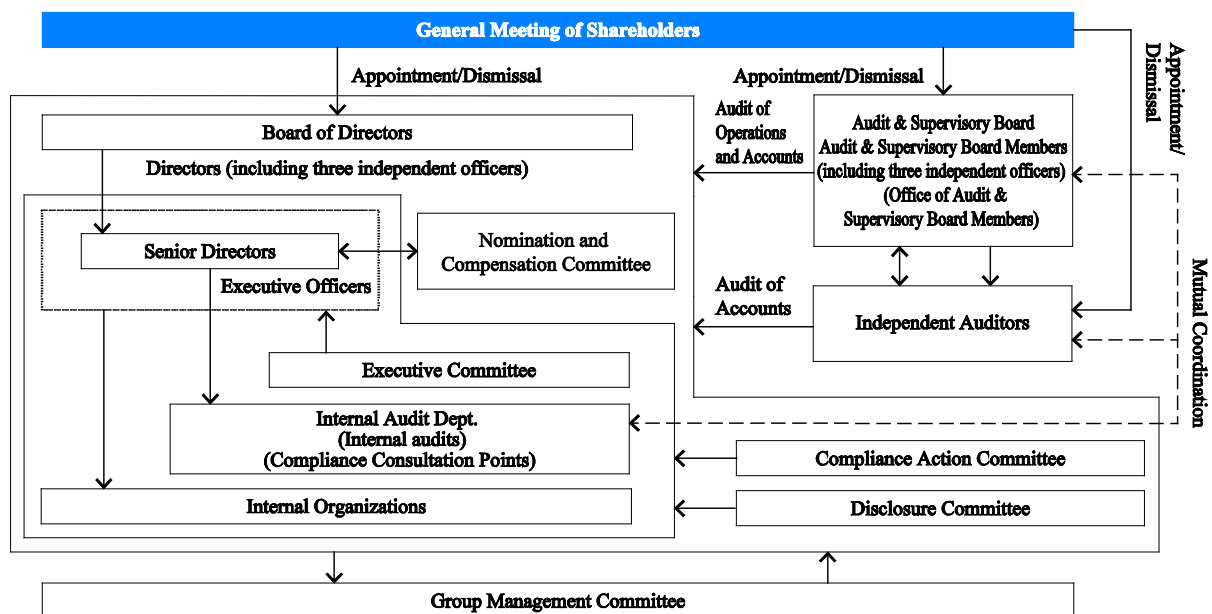
Corporate Governance System

At the Company, where a company system with an Audit & Supervisory Board structure has been adopted, Senior Directors and Executive Officers bear responsibility of executing business. The Company has also put in place a system for mutual oversight among Directors by holding meetings of the Board of Directors attended by, among others, Outside Directors who, as non-executive directors, participate in the Company's management decision-making from an independent position.

In FY2019, the Company established a Nomination and Compensation Committee, where a majority of the members are Independent Officers, thereby enhancing independence, objectivity and accountability of the Board's functions in nominating Directors and senior management and determining their remuneration.

Further, the execution of duties by Directors is constantly monitored at the meetings of the Board of Directors and other management meetings by Audit & Supervisory Board Members in attendance, including Outside Audit & Supervisory Board Members with abundant experience in such areas as the management of leading Japanese listed companies and the execution of financial administration. The Company believes that this system sufficiently supports the function of corporate governance.

Corporate Governance Structure and Internal Control System Chart (As of April 1, 2019)



Roles and Obligations of the Board of Directors

1. Based on its fiduciary responsibilities and accountability to the shareholders, the Board of Directors appropriately undertakes its roles and obligations, including
 - i) setting the broad direction of management plans, etc.
 - ii) establishing an environment that supports risk-taking by the management, and
 - iii) carrying out effective supervision of the management from an independent and objective standpoint,
in order to promote sustainable growth and enhancement of corporate value over the medium-to-long term and to improve profitability and capital efficiency
2. When establishing and publishing management plans and management strategies, the Board of Directors and the management articulate basic policies regarding revenue plans and capital policies after accurately understanding the Company's cost of capital, and endeavor to clearly and carefully explain initiatives for their realization. In addition, recognizing that a management plan is one of their commitments to the shareholders, the Board of Directors and the management understand and analyze the progress of the plan, provide explanations to shareholders, and integrate the results into the following plans.

Composition of the Board of Directors

1. The Board of Directors is composed of Directors with abundant experience, distinguished knowledge and advanced specialization, ensuring that a balance and diversity of knowledge, experience and abilities are maintained as a whole. The number of Directors, including inside and outside directors, is 14 or less.
2. In order to ensure the effectiveness of independent and objective management supervision by the Board of Directors, the Company endeavors to appoint at least 2 Independent Outside Directors who satisfy the criteria to determine the independence of Outside Officers, considering their experience, knowledge, specialization and other attributes. It then receives respective advice from a specialized and broad standpoint, through the deliberation of various kinds of proposals at the meetings of the Board of Directors.

Appointment of Directors, etc.

When nominating candidates for Director, the Board of Directors nominates persons with abundant experience, distinguished knowledge and advanced specialization who are deemed appropriate for selection as a Director after deliberations undertaken based on the recommendations of the President. The recommendation of Director candidates by the President is made after deliberation by the Nomination and Compensation Committee.

Roles and Obligations of Audit & Supervisory Board Members and the Audit & Supervisory Board

1. The Audit & Supervisory Board Members and the Audit & Supervisory Board make appropriate judgments from an independent and objective standpoint, positively and proactively exercise their authority, and appropriately express their views at meetings of the Board of Directors or to the management, in order to carry out their roles and obligations, based on their fiduciary responsibilities to the shareholders.

2. The Audit & Supervisory Board comprises a maximum of 5 Audit & Supervisory Board Members, at least half of whom are Outside Audit & Supervisory Board Members. The effectiveness of audits is enhanced by a combination of robust independence, resulting from the composition of the Audit & Supervisory Board, and the advanced information collection capabilities of the full-time Audit & Supervisory Board Members. In addition, at least 1 person with adequate knowledge of finance and accounting is appointed as an Audit & Supervisory Board Member.
3. The Audit & Supervisory Board Members and the Audit & Supervisory Board endeavor to enhance coordination with the Independent Outside Directors by means such as exchange of information as needed.

Criteria to Determine the Independence of Outside Officers

The Company has established the “Criteria to Determine the Independence of Outside Officers” and determines that an outside officer is independent when all of the following criteria are met.

Outside Officers must not fall under any of the following items:

1. Persons whose major business partner^{*1} is the Company or the Company’s subsidiaries, or persons executing business for such persons.
2. Persons who are major business partners^{*1} of the Company or the Company’s subsidiaries, or persons executing business for such persons.
3. Consultants, accounting professionals, and legal professionals who have received large amounts of money^{*2} and/or other properties other than officers’ remuneration from the Company or the Company’s subsidiaries. (If the persons that have received such properties are corporations, general partnerships, or other organizations, this means persons that belong to such organizations.)
4. Persons who fall under any of (1) to (3) below during the past ten years:
 - (1) Persons listed in paragraphs 1 to 3 above;
 - (2) Persons who execute business, or Directors who do not execute business of the Company or the Company’s subsidiaries; or
 - (3) Audit & Supervisory Board Members of the Company or the Company’s subsidiaries.
5. Persons who are close relatives of any of the persons listed in (1) to (4) below (excluding immaterial persons):
 - (1) Persons listed in paragraphs 1 to 4 above;
 - (2) Persons who executes business, or Directors who do not execute business of the Company or the Company’s subsidiaries;
 - (3) Audit & Supervisory Board Members of the Company or the Company’s subsidiaries; or
 - (4) Persons who fall under (2) or (3) above during the past ten years.

*1 “Major business partners” refer to business partners whose annual amount of transactions with the Company during the past 3 fiscal years accounted for more than 2% of the total consolidated sales of the Company or that of the other party.

*2 “Large amounts of money” refers to ten million yen or more a year, on average during the past 3 fiscal years.

(Attachments)

BUSINESS REPORT (from April 1, 2018 to March 31, 2019)

I Items Regarding the Status of J-POWER Group Operations

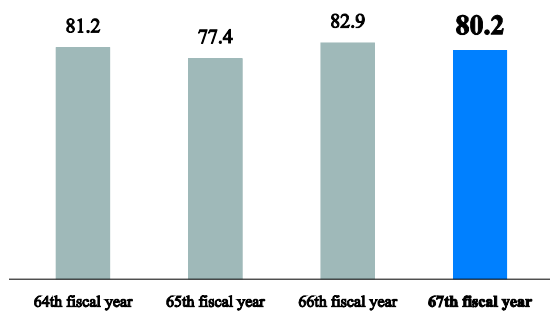
1. Trend in Assets and Profit/Loss

(millions of yen)

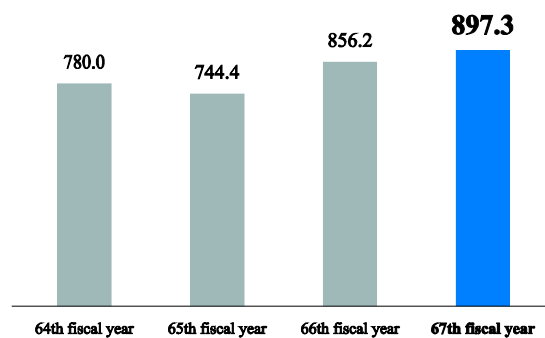
	64th Fiscal Year (FY2015)	65th Fiscal Year (FY2016)	66th Fiscal Year (FY2017)	67th Fiscal Year (FY2018)
Electricity sales volumes (TWh)	81.2	77.4	82.9	80.2
Operating revenue	780,072	744,402	856,252	897,366
Operating income	87,915	81,726	104,336	78,844
Ordinary income	58,538	67,150	102,476	68,539
Profit attributable to owners of parent	40,081	41,429	68,448	46,252
Earnings per share (yen)	218.97	226.33	373.93	252.68
Total assets	2,540,723	2,606,285	2,647,054	2,766,179
Net assets	675,433	764,019	836,124	845,582
ROE (%)	5.9	6.0	9.1	5.8
J-POWER EBITDA* (billions of yen)	193.3	170.6	196.3	168.4

* J-POWER EBITDA = Operating income + Depreciation and amortization + Share of profit of entities accounted for using equity method

■ Electricity sales volumes (TWh)



■ Operating revenue (billions of yen)



2. Overview of Operations

In the fiscal year under review that ended March 31, 2019, the overall global economy achieved a moderate recovery partly due to steady economic recovery in the U.S., despite increased uncertainty over the economic policies of certain major countries, such as the trade friction between the U.S. and China and the Brexit issues. Japan's economy continued its moderate recovery trend including a high level of corporate earnings and an ongoing pickup in consumer spending supported by improvement in the employment and income conditions.

Under these conditions, the J-POWER Group is moving ahead steadily with initiatives to realize the Medium-term Management Plan that was drawn up in July 2015.

In the electric power business, electricity sales volume from thermal power plants for the 67th fiscal year showed 3.2% decrease from the previous fiscal year to 54.9TWh, due mainly to the decrease in the load factor of thermal power plants of J-POWER (non-consolidated) from 80% to 79%. In hydroelectric power, the increase in water supply rate from 105% in the previous fiscal year to 106% resulted in 5.0% increase in electricity sales volume from the previous fiscal year to 9.7TWh. These factors, together with the increase in sales volume of electricity procured from wholesale electricity market, etc., resulted in 3.4% increase in total electricity sales volume of the electric power business from the previous fiscal year to 69.3TWh.

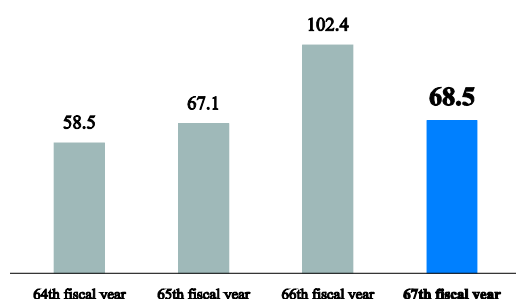
Electricity sales volume in the overseas business decreased 31.1% from the previous fiscal year to 10.9TWh.

Sales (operating revenue) increased 4.8% from the previous fiscal year to 897.3 billion yen mainly due to the increase in the fuel price and increase in sales volume of electricity procured from wholesale electricity market, etc. in the electric power business. Non-operating revenue decreased 35.1% from the previous fiscal year to 18.8 billion yen mainly due to the decrease in foreign exchange gains. Total ordinary revenue increased 3.5% from the previous fiscal year to 916.2 billion yen.

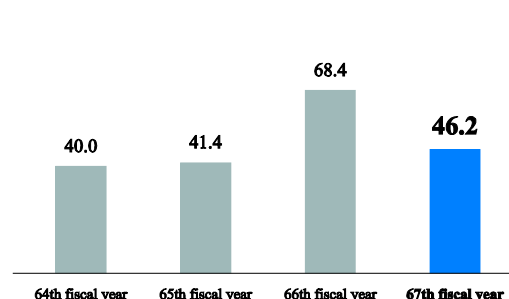
Operating expenses increased 8.9% from the previous fiscal year to 818.5 billion yen. This was mainly due to the increase in fuel costs associated with increase in the fuel price, and also due to the increase in power procurement costs. Total ordinary expenses including non-operating expenses increased 8.3% from the previous fiscal year to 847.7 billion yen.

As a result, ordinary income decreased 33.1% from the previous fiscal year to 68.5 billion yen and profit attributable to owners of parent after corporate income tax decreased 32.4% from the previous fiscal year to 46.2 billion yen.

■ Ordinary income (billions of yen)



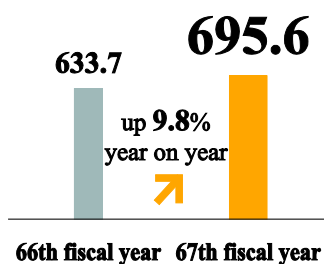
■ Profit attributable to owners of parent (billions of yen)



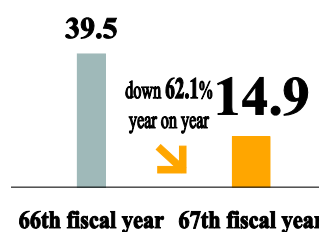
3. Major Areas of Operation

Electric Power Business	Power generation business, transmission businesses
-------------------------	--

Operating revenue (billions of yen)



Segment income (billions of yen)

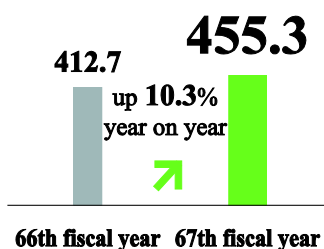


Sales (electric utility operating revenue) increased 9.8% from the previous fiscal year to 695.6 billion yen mainly due to the increase in the fuel price and increase in the sales volume of electricity procured from wholesale electricity market, etc.

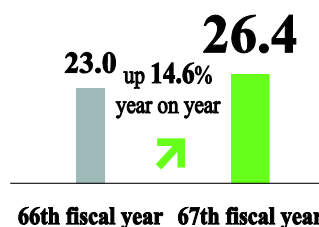
Segment income decreased 62.1% from the previous fiscal year to 14.9 billion yen due mainly to the increase in fuel costs associated with increase in fuel price, and increase in the removal cost of existing facilities.

Electric Power-Related Business	Design, construction, inspection, maintenance, and repair of power generation, transmission and transformation facilities; operation of port facilities to handle fuel and coal ash; coal mine development; import and transportation of coal; biomass fuel procurement and production; management of welfare facilities; and computer services, etc.
---------------------------------	---

Operating revenue (billions of yen)



Segment income (billions of yen)



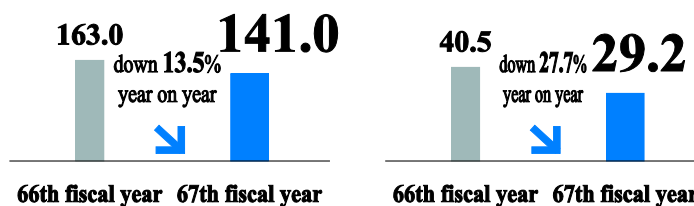
Sales (other business operating revenue) increased 10.3% from the previous fiscal year to 455.3 billion yen mainly due to the increase in sales of coal in a consolidated subsidiary.

Segment income increased 14.6% from the previous fiscal year to 26.4 billion yen due mainly to the increase in sales.

Overseas Business	Overseas power generation and its related businesses; overseas engineering and consulting business, etc.
-------------------	--

Operating revenue (billions of yen)

Segment income (billions of yen)



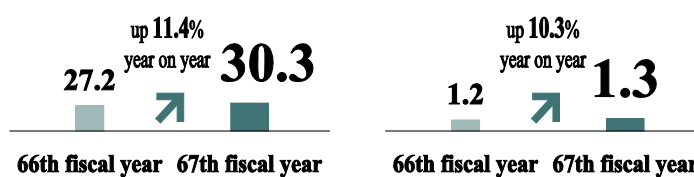
Sales (overseas business operating revenue) decreased 13.5% from the previous fiscal year to 141.0 billion yen due mainly to the decrease in electricity sales volume.

Segment income decreased 27.7% from the previous fiscal year to 29.2 billion yen due mainly to the fluctuations in foreign exchange.

Other Business	Waste power generation; cogeneration system business; environment-related businesses; IT communications; domestic engineering and consulting business; and coal sales business, etc.
----------------	--

Operating revenue (billions of yen)

Segment income (billions of yen)



Sales (other business operating revenue) increased 11.4% from the previous fiscal year to 30.3 billion yen.

Segment income increased 10.3% from the previous fiscal year to 1.3 billion yen.

4. Current Challenges

The business environment for electric power business in Japan is changing on a large scale. These changes include the formulation of the “Long-term Energy Supply and Demand Outlook” in July 2015, setting energy source mix targets for renewable energy, nuclear power and coal-fired thermal power, etc. in addition to presenting new CO₂ reduction targets to the international society. Furthermore, the full-scale liberalization of retail business and abolishment of wholesale regulations came into force in April 2016, and the unbundling of power generation and transmission is scheduled in 2020.

In addition, the business environment is expected to see further changes such as a shift toward “decarbonized society” and advancement in digital technology.

Amid these conditions, the J-POWER Group established a Medium-term Management Plan (announced on July 31, 2015) with three concepts for further growth: “Realize growth in Japan by winning out over the competition in a liberalized market,” “Enhance overseas business expansion” and “Further low-carbon technologies enabling greater business growth globally.” Under this Plan, the Group is promoting the following initiatives to create opportunities for growth amongst such radical changes in business environment, to enhance its corporate value.

(1) Further expansion of Renewable Energy

From its establishment, the J-POWER Group has been producing a large amount of electricity by hydroelectric power which largely contributes to a stable supply of electric power and reducing CO₂ emissions. While maintaining stable operation over the long term, the Group will promote further utilization of hydroelectric power (development of small- to medium-scale plants, increasing the capacity of existing plants through comprehensive renewals of main power generating machinery, etc.).

With regard to wind power, the Group will steadily promote projects (Setana-Ohsato, Nikaho No. 2, and Kuzumaki No. 2) already under construction and will also continuously find and cultivate locations with good wind conditions aiming at expanding business platform, as well as improving capacity utilization rates through more efficient maintenance and operation to enhance profitability. The Group participates in an offshore wind power business in the U.K. (Triton Knoll offshore wind project, output capacity of 860 MW, joint venture with innogy SE and The Kansai Electric Power Company, Incorporated, scheduled to start operation in FY2021) and also intends to promote initiatives for offshore wind power generation in Japan.

Also, in geothermal power, a baseload power source, the Group will continue to advance the replacement of the Onikobe Geothermal Power Station (currently under construction; output capacity of 14.9 MW, scheduled to start operation in FY2023) and the Appi Geothermal Power Plant project (currently projected; output capacity of 14.9 MW, joint venture with Mitsubishi Materials Corporation and Mitsubishi Gas Chemical Company, Inc., scheduled to start operation in spring of 2024), and take initiatives in development of new projects.

As a leader in purely-domestic CO₂-free energy with one of the largest generation capacity of renewable energy in Japan, the Group will contribute to realizing “decarbonized society.”

(2) Strive toward Zero Emission in Coal Use

The J-POWER Group will contribute to realizing a balanced energy mix through utilization of coal, a stable energy source that is widely available around the world, while contributing to realizing “decarbonized society” by striving to achieve zero emission in coal use.

To realize zero emission in coal use, the J-POWER Group will push ahead the development of the oxygen-blown integrated coal gasification combined cycle (IGCC) commercial plant, which is well-suited for separation and capture of CO₂, and may be utilized for multiple

purposes other than power generation, while also advancing R&D such as use and storage of CO₂ separated and captured (CCUS).

As one of such R&D initiatives, at OSAKI CoolGen Corporation, a joint venture with The Chugoku Electric Power Co., Inc., the Group had been working on demonstration test operation of the oxygen-blown IGCC (Phase 1) since 2017. The test completed in February 2019, achieving targets in all testing items including basic performance, controllability and operability.

In addition, detailed design of the CO₂ separation and capture facilities is going forward targeting to commence demonstration test of the oxygen-blown IGCC technology with CO₂ separation and capture (Phase 2) in FY2019. The Phase 2 test is to be followed by further demonstration test on the system incorporating a fuel cell (Phase 3). We plan to utilize the separated and captured CO₂ for agricultural purposes, etc.

(3) Promotion of the Ohma Nuclear Power Project, with safety as a major prerequisite

The J-POWER Group is constructing the Ohma Nuclear Power Plant (output capacity of 1,383 MW, start of operation to be determined) which uses uranium-plutonium mixed oxide (MOX) fuel in Ohma-machi, Shimokita-gun, Aomori Prefecture.

The power plant will meet social needs for securing a baseload power source to support stable energy supply and for measures to address global warming issues, while also playing a central role in the nuclear fuel cycle to utilize plutonium. The Group will continuously pursue further enhancement of safety. In addition, the Group will continue to improve information disclosure and mutual communication to gain the understanding and trust from the local community.

On December 16, 2014, the Company submitted to Nuclear Regulation Authority (NRA) an application for permission for alteration of reactor installment license and an application for construction plan approval in order to undergo review of compliance with the new safety standards for nuclear power plants. Currently the Group is sincerely and appropriately responding to compliance reviews by NRA and will aim to restart full-scale construction work at an early stage by continuously and steadily taking the necessary safety measures, etc.

(4) Expansion of Overseas Power Generation Business

The Group will steadily advance construction work at Central Java coal-fired thermal power (output capacity of 2,000 MW, joint venture with PT. ADARO POWER and ITOCHU Corporation) in Indonesia, and Triton Knoll offshore wind power in the U.K. (see (1)), in accordance with the construction plan.

The Group will take firm steps in projects under construction and endeavor to improve profitability in overseas power generation business including existing projects. In order to achieve 10 GW target for overseas owned capacity launched in the Medium-term Management Plan, the Group will work to develop new projects including renewable energy in Asia where there is robust energy demand, in addition to Thailand, the U.S. and China, where the Group has already established its business platform.

(5) Value Maximization of Current Assets

(a) Being competitive in the market

Deregulation of the domestic electricity market is progressing, which leads to relaxed regulations and increased competition. The J-POWER Group will play its expected role in activating the wholesale electricity market, which is essential to create market competition,

by supplying power to the baseload power market, etc.

In addition, in this period of ever-increasing volumes of electricity being sold to the wholesale electricity market, the value of electricity will be measured by reliability, flexibility and non-fossil value. With stable supply and safety as the major prerequisites, the Group will strengthen production function by enhancing cost competitiveness, improving flexibility of operation to better respond to market needs, and optimizing maintenance works, and diversify ways of sales in order to maximize its corporate value.

Further, in anticipation of drastic changes in the industrial structure with the advance of digital technology, the Group will work to create new business by utilizing digital technology and expanding networks with startups.

(b) Enhancing reliability and nationwide improvement of power grid

The J-POWER Group will maintain and enhance reliability of power grid such as its interconnecting lines, expand the Sakuma frequency converter facilities and related facilities, and contribute to stable supply, enhanced resilience, and furthermore, nationwide improvement of power network.

Reference: Major projects under development (as of April 30, 2019)

	Project	Output Capacity	Remarks
Wind	Setana Osato*1	50MW	Start of operation : FY2019 (planned)
	Nikaho No.2	41.4MW	Start of operation : FY2019 (planned)
	Kuzumaki No.2	44.6MW	Start of operation : FY2020 (planned)
	Minami Ehime No.2	Max. 40.8MW	Under environmental impact assessment
	Kaminokuni No.2	Phase I 41.5MW (Max. 120.4MW)	Start of construction work : May 2019 (planned)
	Hibikinada Offshore*2	Max. 220MW	Under environmental impact assessment
	Seiyo Yusuhara	Max. 180MW	Under environmental impact assessment
	Kita-Kagoshima	Max. 215MW	Under environmental impact assessment
	Wajima	Max. 90.3MW	Under environmental impact assessment
	Youra	Max. 64.5MW	Under environmental impact assessment
	Kunimiyama	Max. 94.6MW	Under environmental impact assessment
	New Tomamae Replacement	30.6MW	Start of construction work: FY2020 (planned)
	New Sarakitomanai Replacement	14.9MW	Under environmental impact assessment
	New Shimamaki Replacement	4.3MW	Start of construction work: FY2020 (planned)
Hydro	Shinkatsurazawa/ Kumaoui	21.9MW	Start of operation: FY2022 (planned)
	Ashoro Repowering	40.0→42.3MW	Completion of repowering: FY2022 (planned)
Geo-thermal	Wasabizawa*3	42MW	Start of operation: FY2019 (planned)
	Onikobe Replacement	14.9MW	Start of operation: FY2023 (planned)
	Appi*4	14.9MW	Start of operation : Around spring in 2024 (planned)
Thermal	Takehara New Unit No.1	600MW	Start of operation: FY2020 (planned)
	Kashima Power (Coal-fired)*5	645MW	Start of operation: FY2020 (planned)
	Yamaguchi Ube Power	-	Plan under review
Nuclear	Ohma	1,383MW	Under review of compliance with the new safety standards
T&D	Expansion of Sakuma Frequency Converter Station and relevant facilities	300MW	Increase of capacity: 300MW→600MW
Overseas	Central Java IPP (Indonesia, coal-fired)*6	2,000MW	Start of operation: FY2020 (planned)
	Triton Knoll (U.K., offshore wind)*7	860MW	Start of operation: FY2021 (planned)

*1 J-POWER's equity ratio: 90% Joint venture with Hokutaku

*2 J-POWER's equity ratio: 40% Joint venture with Kyuden Mirai Energy Company, Hokutaku, Saibu Gas, and Kyudenko Corporation

*3 J-POWER's equity ratio: 50% Joint venture with Mitsubishi Materials Corporation and Mitsubishi Gas Chemical Company

*4 J-POWER's equity ratio: 15% Joint venture with Mitsubishi Materials Corporation and Mitsubishi Gas Chemical Company

*5 J-POWER's equity ratio: 50% Joint venture with NIPPON STEEL CORPORATION

*6 J-POWER's equity ratio: 34% Joint venture with PT. ADARO POWER and ITOCHU Corporation

*7 J-POWER's equity ratio: 25% Joint venture with innogy SE and Kansai Electric Power

Reference: Environmental Initiatives

Based on our Corporate Philosophy—“We will meet people’s needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world”—the J-POWER Group engages in business conduct aimed at harmonizing energy supply and the environment.

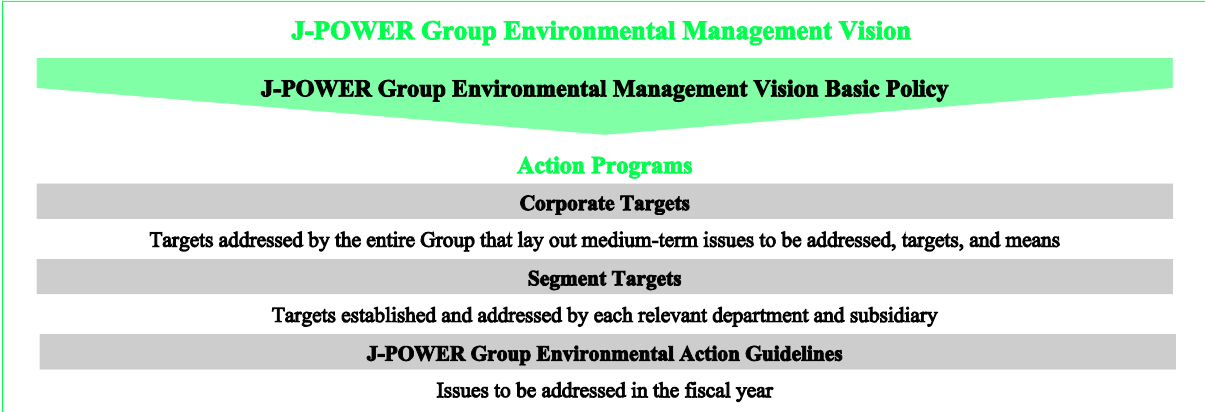
Specifically, under our Corporate Conduct Rules and the J-POWER Group Environmental Management Vision, we regard contribution to the reduction of CO₂ emissions on a global scale and the preservation of local environments as important issues.

The J-POWER Group is implementing a medium-term management plan for the period leading up to 2025. Initiatives going forward under this plan include the expansion of renewable energy and strive toward zero emission in coal use as well as the promotion of the Ohma Nuclear Power Plant Project with safety as a major prerequisite.

In line with these policies, the J-POWER Group is promoting specific initiatives that address global environmental issues, including those concerning climate change, as well as initiatives directed at coexistence with the local environment.

J-POWER Group Environmental Management Vision

The J-POWER Group has established the J-POWER Group Environmental Management Vision, comprising the J-POWER Group Environmental Management Vision Basic Policy and Action Programs. The Action Programs are made up of Corporate Targets and Segment Targets as well as the J-POWER Group Environmental Action Guidelines formulated each year.



J-POWER Group Environmental Management Vision Basic Policy

The J-POWER Group adheres to the following Basic Policy.

Basic Stance

As an energy supplier, we will contribute to the sustainable development of Japan and the rest of the world by harmonizing our operations with the environment and ensuring the constant supply of energy essential to human life and economic activity.

Addressing Global Environmental Issues

Directing our most intensive efforts toward ensuring a stable energy supply, we will also steadily advance initiatives toward lower carbon emissions and decarbonization both domestically and internationally and will contribute to the reduction of CO₂ emissions on a global scale.

To that end, we will work from medium- and long-term perspectives with technologies as our central focus to realize a stable energy supply and reduction in CO₂ emissions domestically and internationally through measures including carbon reduction and decarbonization in coal-fired thermal power generation, research and development of next-generation low-carbon and decarbonization technologies, and expanding CO₂-free power generation facilities. Our ultimate aim is the achievement of zero emissions through such measures as CO₂ capture and storage.

Addressing Local Environmental Issues

We will seek to operate in harmony with local environments by adopting measures to reduce the environmental impact of our operations while working to save, recycle, and reuse resources in order to limit waste.

Ensuring Transparency and Reliability

We will ensure that our business activities comply with all applicable laws and regulations, disclose a wide range of environmental information, and enhance communication with stakeholders.

5. Capital Investment

Total Capital Investment during the 67th Fiscal Year: 107,780 million yen

Major Facilities under Construction

Segment	Type	Name	Capacity
Electric Power Business	Power Generation (Nuclear Power)	Ohma Nuclear Power Plant	1,383 MW
Electric Power Business	Transmission	Ohma Main-Transmission Line	500 kV, 61 km in length
Electric Power Business	Power generation (Thermal Power)	Takehara Thermal Power Plant New Unit No. 1	600 MW

Note: Descriptions are based on investment balance.

6. Research and Development Activities

The J-POWER Group aims to continue stable supply of high quality power at low costs. In order to utilize the technological expertise it has developed through electric power business and to better respond to the changing business environment, research and development activities of the Group focus on the following areas, which would serve response to decarbonized society, corporate value enhancement based on ESG (environment, society and governance), and enhancement of competitiveness.

Total amount of research and development expenses in the fiscal year under review was 15.3 billion yen.

Principal areas of the research and development activities are as follows.

- Carbon Reduction and decarbonization technology (oxygen-blown Integrated Coal Gasification Combined Cycle (IGCC), mixed combustion with biomass fuel, CO₂ capture, utilization and storage, hydrogen production, floating offshore wind power, etc.)
- Environmental technology (environmental protection technology for reservoirs, etc.)
- Technology to improve competitiveness (optimization of maintenance and operation of power plant, etc.)
- Nuclear power related technology (full MOX-ABWR technology)
- Distribution related technology (system simulation technology, etc.)

7. Financing Activities

The following issuance of bonds, and long-term loans has been made in order to fund capital investment and pay down interest-bearing debt.

Category	Amount	Remarks
Bonds	120,000 million yen	Domestic straight bonds
Long-term Loans	79,720 million yen	
Total	199,720 million yen	

8. Major Lenders (as of March 31, 2019)

Lender	Loan Balance at End of this Fiscal Year
Mizuho Bank, Ltd.	101,860 million yen
Sumitomo Mitsui Banking Corporation	93,563 million yen
MUFG Bank, Ltd.	74,592 million yen
The Norinchukin Bank	55,500 million yen
Nippon Life Insurance Company	51,900 million yen

Note: In addition to those listed above, there are two other major loans for overseas business projects under loan syndication arrangements (175,081 million yen in total).

9. Major Subsidiaries (as of March 31, 2019)

Company Name	Head Office Location	Capital (millions of yen)	Equity Share (%)	Main Businesses
Electric Power Business				
J-POWER Supply and Trading Co., Ltd.	Chuo-ku, Tokyo	2,400	100	Power supply business
Mihama Seaside Power Co., Ltd.	Chiba-shi, Chiba Pref.	914	100	Thermal power business
J-Wind Kaminokuni Co., Ltd.	Kaminokuni-cho, Hi Yamagun, Hokkaido	217	100	Wind power business
J-Wind Co., Ltd.	Chuo-ku, Tokyo	100	100	Wind power business
J-Wind NIKAHO Co., Ltd.	Chuo-ku, Tokyo	5	100	Wind power business
J-Wind KUZUMAKI Co., Ltd.	Chuo-ku, Tokyo	5	100	Wind power business
J-Wind SETANA Co., Ltd.	Chuo-ku, Tokyo	5	90	Wind power business
Nagasaki-Shikamachi Wind Power Co., Ltd.	Sasebo-shi, Nagasaki Pref.	490	70	Wind power business
ITOIGAWA POWER Inc.	Itoigawa-shi, Niigata Pref.	1,006	64	Thermal power business
Electric Power-Related Businesses				
J-POWER AUSTRALIA PTY. LTD.	Australia	548 (million AUD)	100	Investment in coal mines in Australia
JPec Co., Ltd.	Chuo-ku, Tokyo	500	100	Construction, technical development, design, consulting, maintenance, and research for thermal and nuclear power plants; unloading and transporting of coal at thermal power plants; sales of fly ash; shipping of coal for thermal power plants; research and planning of environmental conservation
JPHYTEC Co., Ltd.	Chiyoda-ku, Tokyo	500	100	Construction, technical development, design, consulting, maintenance, and research for hydroelectric power plants, substations, and transmission lines; surveying of and compensation for construction sites; civil engineering, construction management, and construction services
JP Business Service Corporation	Koto-ku, Tokyo	450	100	Operation of welfare facilities; facility maintenance; business process outsourcing; development of computer software
J-POWER RESOURCES Co., Ltd.	Chuo-ku, Tokyo	450	100	Imports, sales and transportation of coal
J-POWER EnTech Inc.	Minato-ku, Tokyo	177	100	Engineering services for atmospheric and water pollutant removal equipment
KEC Corporation	Bunkyo-ku, Tokyo	110	100	Construction and maintenance of electronic and communications facilities

Company Name	Head Office Location	Capital (millions of yen)	Equity Share (%)	Main Businesses
J-Wind Service Co., Ltd.	Chuo-ku, Tokyo	50	100	Maintenance and operation of wind power plants
JP Design Co., Ltd.	Chiyoda-ku, Tokyo	20	100	Design, management, and research for electric power facilities and other facilities, and construction consulting
Miyazaki Wood Pellet Co., Ltd.	Kobayashi-shi, Miyazaki Pref.	300	98	Operation of manufacturing facilities of wood pellets and procurement of forest offcut
JM Activated Coke, Inc.	Kitakyushu-shi, Fukuoka Pref.	490	90	Manufacturing, sales, and marketing of activated coke
EPDC CoalTech and Marine Co., Ltd.	Chuo-ku, Tokyo	20	100 (100)	Marine transportation of ash and fly ash
Overseas Business				
JP Renewable Europe Co., Ltd.	U.K.	247 (million GBP)	100	Management of investments
J-Power Investment Netherlands B.V.	The Netherlands	57 (million USD)	100	Management of investments
J-POWER Consulting (China) Co., Ltd.	China	6 (million RMB)	100	Management of investments, research and development of projects
J-POWER North America Holdings Co., Ltd.	U.S.A.	1 (USD)	100	Management of investments
J-POWER Holdings (Thailand) Co., Ltd.	Thailand	25,257 (million bahts)	100 (100)	Management of investments
J-POWER Generation (Thailand) Co., Ltd.	Thailand	39 (million bahts)	100 (100)	Management of investments, research and development of projects
J-POWER USA Investment Co., Ltd.	U.S.A.	32 (USD)	100 (100)	Management of investments
J-POWER USA Development Co., Ltd.	U.S.A.	1 (USD)	100 (100)	Management of investments, research and development of projects
Gulf JP Co., Ltd.	Thailand	32,890 (million bahts)	60 (60)	Management of investments
Gulf JP UT Co., Ltd.	Thailand	11,933 (million bahts)	60 (60)	Thermal power business
Gulf JP NS Co., Ltd.	Thailand	11,104 (million bahts)	60 (60)	Thermal power business

Company Name	Head Office Location	Capital (millions of yen)	Equity Share (%)	Main Businesses
Gulf JP NNK Co., Ltd.	Thailand	1,490 (million bahts)	60 (60)	Thermal power business
Gulf JP CRN Co., Ltd.	Thailand	1,440 (million bahts)	60 (60)	Thermal power business
Gulf JP NK2 Co., Ltd.	Thailand	1,370 (million bahts)	60 (60)	Thermal power business
Gulf JP TLC Co., Ltd.	Thailand	1,365 (million bahts)	60 (60)	Thermal power business
Gulf JP KP1 Co., Ltd.	Thailand	1,360 (million bahts)	60 (60)	Thermal power business
Gulf JP KP2 Co., Ltd.	Thailand	1,275 (million bahts)	60 (60)	Thermal power business
Gulf JP NLL Co., Ltd.	Thailand	1,384 (million bahts)	45 (45)	Thermal power business
Other Businesses				
Kaihatsu Hiryou Co., Ltd.	Takehara-shi, Hiroshima Pref.	450	100	Production and sales fertilizer using ash
Japan Network Engineering Co., Ltd.	Chuo-ku, Tokyo	50	100	Telecommunications; operation and maintenance of telecommunications facilities
Omuta Plant Service Co., Ltd.	Omuta-shi, Fukuoka Pref.	50	100	Operation and maintenance of a waste-fueled power generation plant
J-Power Latrobe Valley Pty. Ltd	Australia	100 (AUD)	100	Implementation of demonstration tests in Australian brown coal hydrogen pilot test project
Greencoal Saikai Co., Ltd.	Saikai-shi, Nagasaki Pref.	100	60	Operation of an ordinary waste-based fuel manufacturing facility
Biocoal Osaka-Hirano Co., Ltd.	Osaka-shi, Osaka Pref.	50	60	Construction and operation of a sewage sludge-based fuel manufacturing facility

Notes: 1. The percentages in parentheses present indirect holding ratios.

2. The Company has 71 consolidated subsidiaries, including the major subsidiaries as listed above, and 95 affiliates accounted for by the equity method.

10. Major Business Locations (as of March 31, 2019)

The Company's Major Offices and Power Plants

(a) Head Office

Name	Location
Head Office	Chuo-ku, Tokyo

(b) Offices

Name	Location
Regional Headquarters	East Regional Headquarter Kawagoe-shi, Saitama Pref.
	Chubu Regional Headquarter Kasugai-shi, Aichi Pref.
	West Regional Headquarter Osaka-shi, Osaka Pref.
Regional Transmission System & Telecommunications Center	North Regional Transmission System & Telecommunications Center Nanae-cho, Kameda-gun, Hokkaido Pref.
	East Regional Transmission System & Telecommunications Center Kawagoe-shi, Saitama Pref.
	Central Regional Transmission System & Telecommunications Center Kasugai-shi, Aichi Pref.
	West Regional Transmission System & Telecommunications Center Kurashiki-shi, Okayama Pref.

(c) Power Plants

Sector	Power Plant Name (Location)
Hydroelectric Power (Output of 100 MW or more)	Okutadami, Tagokura, Otori, Shimogo (all in Fukushima Pref.), Okukiyotsu, Okukiyotsu #2 (both in Niigata Pref.), Numappara (Tochigi Pref.), Shintoyone (Aichi Pref.), Sakuma (Shizuoka Pref.), Miboro (Gifu Pref.), Nagano (Fukui Pref.), Tedorigawa #1 (Ishikawa Pref.), Ikehara (Nara Pref.), Sendaigawa #1 (Kagoshima Pref.) (47 other power plants with output below 100 MW)
Thermal Power	Isogo (Kanagawa Pref.), Takasago (Hyogo Pref.), Takehara (Hiroshima Pref.), Tachibanawan (Tokushima Pref.), Matsuura, Matsushima (both in Nagasaki Pref.), Ishikawa Coal Thermal (Okinawa Pref.)

Location of Major Subsidiaries

Head office locations of major subsidiaries are provided in “9. Major Subsidiaries” on pages 35 to 37.

11. Employees (as of March 31, 2019)

Employees of the J-POWER Group

Segment	Number of Employees
Electric Power Business	2,373
Electric Power-Related Businesses	4,002
Overseas Business	633
Other Businesses	182
Total	7,190

Notes: 1. The number of employees represents a number of employees at work.

2. The number of temporary employees is omitted as it is less than 10% of the total.

Employees of the Company

Number of Employees	Change Since Previous FY	Average Age	Average Years of Service
2,445	+38	40.9	19.6

Notes: 1. The number of employees represents a number of employees at work, and does not include 629 employees on loan, etc.

2. The number of temporary employees is omitted as it is less than 10% of the total.

II Items Regarding Stock of the Company

Stock Status (as of March 31, 2019)

1. Number of authorized shares 660,000,000
2. Number of shares issued 183,051,100
(including 2,151 shares of treasury stock)
3. Number of shareholders 31,266
4. Major shareholders (top 10 shareholders)

Name of Shareholders	Number of shares held (thousands)	Shareholding ratio (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	11,773	6.43
The Master Trust Bank of Japan, Ltd. (Trust Account)	10,024	5.48
Nippon Life Insurance Company	9,152	5.00
Japan Trustee Services Bank, Ltd. (Trust Account 9)	6,760	3.69
Mizuho Bank, Ltd.	6,055	3.31
JP MORGAN CHASE BANK 385632	5,416	2.96
Sumitomo Mitsui Banking Corporation, Ltd.	4,295	2.35
J-POWER Employees Shareholding Association	3,912	2.14
MUFG Bank, Ltd.	3,331	1.82
Japan Trustee Services Bank, Ltd. (Trust Account 5)	3,120	1.70

Note: The above shareholding ratios are calculated excluding treasury stock.

III Items Regarding Directors/Audit & Supervisory Board Members of the Company

1. Directors and Audit & Supervisory Board Members (as of March 31, 2019)

Title	Name	Roles and responsibilities of the current position and other major concurrent positions
Chairman and Representative Director	Masayoshi Kitamura	<ul style="list-style-type: none"> • Company-wide compliance
President and Representative Director	Toshifumi Watanabe	
Executive Vice President and Representative Director	Hitoshi Murayama	<ul style="list-style-type: none"> • General operations: Production/technology oversight • Procurement Dept.
Executive Vice President and Representative Director	Masato Uchiyama	<ul style="list-style-type: none"> • General operations • Department Director of Energy Business (delegation of administrative works) • Corporate Planning & Administration Dept. • Accounting & Finance Dept. • General Affairs Dept.
Executive Vice President and Representative Director	Akihito Urashima	<ul style="list-style-type: none"> • General operations • Department Director of Nuclear Power Business (delegation of administrative works)
Executive Vice President and Director	Yoshiki Onoi	<ul style="list-style-type: none"> • General operations • Department Director of International Business (delegation of administrative works)
Executive Vice President and Director	Hiromi Minaminosono	<ul style="list-style-type: none"> • General operations • Department Deputy Director of Nuclear Power Business (delegation of administrative works) • Secretarial Affairs & Public Relation Dept. • Personnel & Employee Relations Dept. • Siting & Environment Dept. • Nuclear Power Management Dept.
Director and Executive Managing Officer	Hiroyasu Sugiyama	<ul style="list-style-type: none"> • Department Director of Renewable Energy (delegation of administrative works) • Department Deputy Director of Nuclear Power Business (delegation of administrative works) • Civil & Architectural Engineering Dept. • Thermal Power Engineering Business and International Business (matters under special assignment)
Director and Executive Managing Officer	Hideki Tsukuda	<ul style="list-style-type: none"> • Thermal Power Dept. • Thermal Power Engineering Dept. • Research & Development Dept. • International Business (matters under special assignment)
Director and Executive Managing Officer	Makoto Honda	<ul style="list-style-type: none"> • Department Deputy Director of International Business (delegation of administrative works) • Accounting & Finance Dept. • Procurement Dept. • International Business Management Dept. • International Business Development Dept. • Corporate Planning & Administration (matters under special assignment)

Title	Name	Roles and responsibilities of the current position and other major concurrent positions
Outside Director	Go Kajitani	<ul style="list-style-type: none"> • Attorney at law (KAJITANI LAW OFFICES)
Outside Director	Tomonori Ito	<ul style="list-style-type: none"> • Professor of Department of International Corporate Strategy, Graduate School of Business Administration, Hitotsubashi University • External Director of PARCO CO., LTD. • Outside Director of Aozora Bank, Ltd.
Outside Director	John Buchanan	<ul style="list-style-type: none"> • Research Associate of Centre for Business Research, University of Cambridge
Senior Audit & Supervisory Board Member (Full-time)	Naori Fukuda	
Outside Senior Audit & Supervisory Board Member (Full-time)	Hiroshi Fujioka	<ul style="list-style-type: none"> • Audit and Supervisory Committee Member (Outside Director) of The Nishi-Nippon City Bank, Ltd.
Senior Audit & Supervisory Board Member (Full-time)	Shinichi Kawatani	
Outside Audit & Supervisory Board Member	Mutsutake Otsuka	<ul style="list-style-type: none"> • Advisor of East Japan Railway Company • Outside Director of JXTG Holdings, Inc. • Outside Director of NIPPON STEEL & SUMITOMO METAL CORPORATION
Outside Audit & Supervisory Board Member	Kiyoshi Nakanishi	<ul style="list-style-type: none"> • Adviser of GENESIS RESEARCH INSTITUTE, INC.

- Notes: 1. Messrs. Go Kajitani, Tomonori Ito and John Buchanan who serve as Outside Directors of the Company, were appointed by the Company as independent director/auditor specified in the regulations of the Tokyo Stock Exchange.
2. KAJITANI LAW OFFICES has no special relationship with the Company.
3. Graduate School of Business Administration, Hitotsubashi University, PARCO CO., LTD. and Aozora Bank, Ltd. have no special relationship with the Company.
4. Mr. Tomonori Ito, who serves as a Director, is scheduled to retire from the post of External Director of PARCO CO., LTD. on May 25, 2019 due to the expiration of his term of office.
5. Centre for Business Research, University of Cambridge has no special relationship with the Company.
6. Messrs. Hiroshi Fujioka, Mutsutake Otsuka and Kiyoshi Nakanishi, who serve as Outside Audit & Supervisory Board Members of the Company, were appointed by the Company as independent director/auditor specified in the regulations of the Tokyo Stock Exchange.
7. Mr. Hiroshi Fujioka, who serves as an Outside Senior Audit & Supervisory Board Member of the Company, has a high level of knowledge in the area of finance and accounting as he has had long experience in the administration of fiscal and financial issues, etc.
8. The Nishi-Nippon City Bank, Ltd. has no special relationship with the Company.
9. Mr. Shinichi Kawatani, who serves as a Senior Audit & Supervisory Board Member of the Company, has a high level of knowledge in the area of finance and accounting as he has had long experience in the departments of accounting & finance in the Company.
10. East Japan Railway Company and JXTG Holdings, Inc. have no special relationship with the Company.

11. NIPPON STEEL & SUMITOMO METAL CORPORATION and the Company established, by joint capital investment, “Kashima Power Co., Ltd.,” to promote a plan to construct a coal-fired thermal power plant (645 MW).
12. NIPPON STEEL & SUMITOMO METAL CORPORATION has changed its trade name to NIPPON STEEL CORPORATION on April 1, 2019.
13. Mr. Kiyoshi Nakanishi, who serves as an Outside Audit & Supervisory Board Member, retired from the post of Outside Audit & Supervisory Board Member of TOYOTA CUSTOMIZING & DEVELOPMENT Co., Ltd. (former Toyota Technocraft Co., Ltd.) on June 20, 2018.
14. GENESIS RESEARCH INSTITUTE, INC. and TOYOTA CUSTOMIZING & DEVELOPMENT Co., Ltd. (former Toyota Technocraft Co., Ltd.) have no special relationship with the Company.

15. The positions and responsibilities of Inside Directors as of April 1, 2019 are as follows. In addition, as Executive Officers positions with special titles; President and Chief Executive Officer, and Executive Vice President, were created on the same day.

Title	Name	Responsibilities
Chairman and Representative Director	Masayoshi Kitamura	<ul style="list-style-type: none"> ● Company-wide compliance
Representative Director President and Chief Executive Officer	Toshifumi Watanabe	
Representative Director and Executive Vice President	Hitoshi Murayama	<ul style="list-style-type: none"> ● General operations (Production/technology oversight) ● Digital Innovation Dept. ● Procurement Dept.
Representative Director and Executive Vice President	Masato Uchiyama	<ul style="list-style-type: none"> ● General operations ● Department Director of Energy Business (delegation of administrative works) ● Corporate Planning & Administration Dept. ● Accounting & Finance Dept. ● General Affairs Dept.
Representative Director and Executive Vice President	Akihito Urashima	<ul style="list-style-type: none"> ● General operations ● Department Director of Nuclear Power Business (delegation of administrative works)
Director and Executive Vice President	Yoshiki Onoi	<ul style="list-style-type: none"> ● General operations ● Department Director of International Business (delegation of administrative works)
Director and Executive Vice President	Hiromi Minaminosono	<ul style="list-style-type: none"> ● General operations ● Department Deputy Director of Nuclear Power Business (delegation of administrative works) ● Secretarial Affairs & Public Relation Dept. ● Personnel & Employee Relations Dept. ● Siting & Environment Dept.
Director and Executive Managing Officer	Hiroyasu Sugiyama	<ul style="list-style-type: none"> ● Department Director of Renewable Energy (delegation of administrative works) ● Department Deputy Director of Nuclear Power Business (delegation of administrative works) ● Civil & Architectural Engineering Dept. ● Renewable Energy Business Strategy Dept. ● Thermal Power Engineering Business and International Business (matters under special assignment)
Director and Executive Managing Officer	Hideki Tsukuda	<ul style="list-style-type: none"> ● Thermal Power Dept. ● Thermal Power Engineering Dept. ● International Business (matters under special assignment)
Director and Executive Managing Officer	Makoto Honda	<ul style="list-style-type: none"> ● Department Deputy Director of International Business (delegation of administrative works) ● Accounting & Finance Dept. ● Procurement Dept. ● International Business Management Dept. ● International Business Development Dept. ● Corporate Planning & Administration (matters under special assignment)

2. Policy for the Determination of Remuneration for Directors and Audit & Supervisory Board Members

The Company has established a policy for determining the amount of remuneration for Directors and Audit & Supervisory Board Members as follows:

By resolution at the 54th Ordinary General Meeting of Shareholders held on June 28, 2006, total remuneration for Directors was capped at 625 million yen annually (a fixed monthly salary calculated according to position and a performance-linked bonus paid once a year. Employee salaries for Directors who serve in dual capacity as employees are excluded).

By resolution at the 54th Ordinary General Meeting of Shareholders held on June 28, 2006, total remuneration for the Audit & Supervisory Board Members was capped at 120 million yen annually (a fixed monthly salary calculated according to position).

Directors' remuneration is determined by means of discussion at meetings of the Board of Directors within the cap prescribed above, and Audit & Supervisory Board Members' remuneration by means of consultation among Audit & Supervisory Board Members within the cap prescribed above.

3. Directors' and Audit & Supervisory Board Members' Remuneration

	Category	Number of Persons	Total Amount
Directors	Directors (excluding Outside Directors)	11	395 million yen
	Outside Directors	3	28 million yen
	Total	14	424 million yen
Audit & Supervisory Board Members	Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	2	67 million yen
	Outside Audit & Supervisory Board Members	3	51 million yen
	Total	5	118 million yen
Total		19	543 million yen

Notes: 1. The Directors' remuneration includes a performance-linked bonus of 47 million yen for this fiscal year.

2. The number of Directors includes one Director who retired from office at the end of 66th Ordinary General Meeting of Shareholders held on June 27, 2018.

3. The Company established voluntary Nomination and Compensation Committee on April 1, 2019.

Remuneration of Directors is determined by means of discussion at meetings of the Board of Directors, after comprehensively taking into account corporate performances, his or her position, and other factors, in the light of the characteristics of the Company's business, namely, aiming to recover investment through the long-term operation of power plants, etc. based on proposals by the President after deliberation by the Nomination and Compensation Committee.

4. Items Regarding Outside Directors/Audit & Supervisory Board Members

Major Concurrent Positions of Outside Officers and Their Relationships with the Company

Details of major concurrent positions of Outside Directors/Audit & Supervisory Board Members and their relationships with the Company are described under “1. Directors and Audit & Supervisory Board Members” on pages 42 to 44.

Key Activities in this Fiscal Year

Name (Title)	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings	Key Activities
Go Kajitani (Outside Director)	100% (12/12)	—	He made comments primarily based on his distinguished knowledge and a wide range of experience as an attorney at law.
Tomonori Ito (Outside Director)	92% (11/12)	—	He made comments primarily based on his distinguished knowledge and abundant experience in investment banking business both inside and outside Japan, and researches in financial theory.
John Buchanan (Outside Director)	100% (12/12)	—	He made comments primarily based on his distinguished knowledge and abundant experience in investment advisory business both inside and outside Japan, and researches concerning corporate governance.
Hiroshi Fujioka (Outside Senior Audit & Supervisory Board Member)	100% (12/12)	100% (12/12)	He made comments primarily based on his distinguished knowledge and abundant experience in the administration of fiscal and financial issues, etc.
Mutsutake Otsuka (Outside Audit & Supervisory Board Member)	100% (12/12)	100% (12/12)	He made comments primarily based on his distinguished knowledge and abundant experience in the management of a listed company.
Kiyoshi Nakanishi (Outside Audit & Supervisory Board Member)	92% (11/12)	92% (11/12)	He made comments primarily based on his distinguished knowledge and abundant experience in the management of a listed company.

5. Overview of Limitation of Liability Contracts

In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has entered into contracts with its Outside Directors and Outside Audit & Supervisory Board Members that limit their liability for damages arising from failure to perform duties. The limit under these contracts is the amount prescribed by the applicable laws and regulations.

IV Status of Accounting Auditors

1. Name of Accounting Auditors

Ernst & Young ShinNihon LLC

2. Amount of Accounting Auditor Compensation in this Fiscal Year

Segment	Amount Paid
Amount of compensation paid in this fiscal year	110 million yen
Total amount owed to Accounting Auditor by the Company and its subsidiaries in the form of cash or other financial benefit	177 million yen

- Notes: 1. According to the Auditing Agreement between the Company and its Accounting Auditor, no separation is made in auditor compensation between auditing under the Companies Act and auditing under the Financial Instruments and Exchange Act, and since the two cannot, in fact, be distinguished, the amount noted above represents total compensation for services under both categories in the current fiscal year.
2. After examining the accounting audit plan for the fiscal year including the number of days for audit and the allocation of personnel, the assessment and evaluation of the audit in the previous fiscal year, the appropriateness of the audit conducted by the Accounting Auditor, and the grounds for calculating the estimate of the compensation, the Audit & Supervisory Board gave its consent to the amount of Accounting Auditor's compensation.
3. Certain consolidated subsidiaries of the Company use the accounting audit services of other audit firms.

3. Non-audit Services

The Company has entrusted its Accounting Auditor to provide certain services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan (non-audit services), such as an advisory service for the introduction of accounting policy for the revenue recognition.

4. Policy Regarding Dismissal or Non-reelection of Accounting Auditors

When it is acknowledged that an Accounting Auditor is subject to the Items of Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board will dismiss the Accounting Auditor with the consent of all Audit & Supervisory Board Members. Besides the foregoing, if the Accounting Auditor is deemed unable to adequately perform its duties, or there is another justifiable reason, the Audit & Supervisory Board shall set a proposal for dismissal or non-reelection of the Accounting Auditor to be presented to the General Meeting of Shareholders.

(Attachments)

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET (as of March 31, 2019)

(millions of yen)

Assets	
Non-current assets	2,401,671
Electric utility plant and equipment	944,323
Hydroelectric power production facilities	351,141
Thermal power production facilities	302,274
Internal combustion engine power production facilities	2,967
Renewable power production facilities	44,169
Transmission facilities	150,699
Transformation facilities	29,833
Communication facilities	8,552
General facilities	54,684
Overseas business facilities	312,128
Other non-current assets	94,836
Construction in progress	582,083
Construction and retirement in progress	582,083
Nuclear fuel	74,514
Nuclear fuel in processing	74,514
Investments and other assets	393,785
Long-term investments	313,339
Deferred tax assets	53,321
Other	27,123
Current assets	364,508
Cash and deposits	121,187
Notes and accounts receivable - trade	84,686
Short-term investments	66,000
Inventories	53,483
Other	39,149
Total assets	2,766,179

CONSOLIDATED BALANCE SHEET (as of March 31, 2019) (Continued)

(millions of yen)

Liabilities	
Non-current liabilities	1,622,378
Bonds payable	614,992
Long-term loans payable	852,269
Lease obligations	1,106
Other provision	30
Net defined benefit liability	57,790
Asset retirement obligations	29,023
Deferred tax liabilities	19,455
Other	47,709
Current liabilities	298,219
Current portion of non-current liabilities	159,335
Short-term loans payable	15,278
Notes and accounts payable - trade	25,457
Accrued taxes	17,155
Other provision	678
Asset retirement obligations	368
Other	79,946
Total liabilities	1,920,597
Net Assets	
Shareholders' equity	777,699
Capital stock	180,502
Capital surplus	119,927
Retained earnings	477,276
Treasury stock	(7)
Accumulated other comprehensive income	19,760
Valuation difference on available-for-sale securities	12,482
Deferred gains or losses on hedges	(7,293)
Foreign currency translation adjustment	17,551
Remeasurements of defined benefit plans	(2,979)
Non-controlling interests	48,123
Total net assets	845,582
Total liabilities and net assets	2,766,179

CONSOLIDATED STATEMENT OF INCOME (from April 1, 2018 to March 31, 2019)

(millions of yen)

Ordinary revenue	
Operating revenue	897,366
Electric utility operating revenue	693,790
Overseas business operating revenue	141,024
Other business operating revenue	62,551
Non-operating income	18,894
Dividend income	1,592
Interest income	1,357
Share of profit of entities accounted for using equity method	9,657
Gain on sales of securities	1,999
Other	4,287
Total ordinary revenue	916,261
Ordinary expenses	
Operating expenses	818,521
Electric utility operating expenses	652,781
Overseas business operating expenses	112,003
Other business operating expenses	53,737
[Operating income	78,844]
Non-operating expenses	29,200
Interest expenses	26,377
Other	2,822
Total ordinary expenses	847,722
Ordinary income	68,539
Profit before income taxes	68,539
Income taxes - current	17,149
Income taxes - deferred	(3,947)
Profit	55,337
Profit attributable to non-controlling interests	9,084
Profit attributable to owners of parent	46,252

(Attachments)

NON-CONSOLIDATED FINANCIAL STATEMENTS

NON-CONSOLIDATED BALANCE SHEET (as of March 31, 2019)

(millions of yen)	
Assets	
Non-current assets	2,015,859
Electric utility plant and equipment	922,427
Hydroelectric power production facilities	363,959
Thermal power production facilities	309,185
Transmission facilities	153,577
Transformation facilities	31,156
Communication facilities	9,255
General facilities	55,293
Incidental business facilities	2,361
Non-operating facilities	409
Construction in progress	559,618
Construction in progress	558,080
Retirement in progress	1,538
Nuclear fuel	74,514
Nuclear fuel in processing	74,514
Investments and other assets	456,527
Long-term investments	54,408
Long-term investment for subsidiaries and affiliates	348,888
Long-term prepaid expenses	21,034
Deferred tax assets	32,195
Current assets	195,956
Cash and deposits	12,060
Accounts receivable - trade	36,832
Other accounts receivable	1,242
Short-term investments	66,000
Supplies	39,175
Prepaid expenses	2,213
Short-term receivables from subsidiaries and affiliates	15,694
Other current assets	22,737
Total assets	2,211,815

NON-CONSOLIDATED BALANCE SHEET (as of March 31, 2019) *(Continued)*

(millions of yen)

Liabilities	
Non-current liabilities	1,293,525
Bonds payable	614,992
Long-term loans payable	606,370
Long-term accrued liabilities	5,269
Lease obligations	221
Long-term debt to subsidiaries and affiliates	1,636
Provision for retirement benefits	43,561
Asset retirement obligations	6,149
Other non-current liabilities	15,324
Current liabilities	296,013
Current portion of non-current liabilities	140,789
Short-term loans payable	14,750
Accounts payable - trade	5,612
Accounts payable - other	14,329
Accrued expenses	15,116
Accrued taxes	5,512
Deposits received	498
Short-term debt to subsidiaries and affiliates	94,200
Other advances	658
Other current liabilities	4,545
Total liabilities	1,589,538

NON-CONSOLIDATED BALANCE SHEET (as of March 31, 2019) *(Continued)*

(millions of yen)

Net Assets	
Shareholders' equity	613,807
Capital stock	180,502
Capital surplus	109,904
Legal capital surplus	109,904
Retained earnings	323,408
Legal retained earnings	6,029
Other retained earnings	317,379
Reserve for special disaster	71
Exchange-fluctuation preparation reserve	1,960
General reserve	262,861
Retained earnings brought forward	52,486
Treasury stock	(7)
Valuation and translation adjustments	8,469
Valuation difference on available-for-sale securities	11,313
Deferred gains or losses on hedges	(2,843)
Total net assets	622,277
Total liabilities and net assets	2,211,815

NON-CONSOLIDATED STATEMENT OF INCOME (from April 1, 2018 to March 31, 2019)

(millions of yen)

Ordinary revenue	
Operating revenue	646,958
Electric utility operating revenue	633,617
Sold power to other suppliers	580,652
Transmission revenue	49,497
Other electricity revenue	3,467
Incidental business operating revenue	13,340
Operating revenue - consulting business	2,152
Operating revenue - coal sale business	10,130
Operating revenue - other businesses	1,057
Non-operating income	51,469
Financial revenue	46,227
Dividends income	45,532
Interest income	695
Non-operating revenue	5,242
Gain on sales of non-current assets	0
Miscellaneous revenue	5,241
Total ordinary revenue	698,428
Ordinary expenses	
Operating expenses	628,279
Electric utility operating expenses	615,712
Hydroelectric power production expenses	64,834
Thermal power production expenses	415,484
Purchased power from other suppliers	17,110
Transmission expenses	33,540
Transformation expenses	5,756
Selling expenses	1,036
Communicating expenses	4,340
General and administrative expenses	63,434
Expenses for third party's power transmission service	2,195
Enterprise tax	7,980

NON-CONSOLIDATED STATEMENT OF INCOME

(from April 1, 2018 to March 31, 2019) (Continued)

	(millions of yen)
Incidental business operating expenses	12,567
Operating expenses - consulting business	1,713
Operating expenses - coal sale business	10,089
Operating expenses - other businesses	764
[Operating income	18,678]
Non-operating expenses	15,742
Financial expenses	13,569
Interest expenses	13,118
Bond issuance cost	451
Non-operating expenses	2,172
Loss on sales of non-current assets	6
Miscellaneous expenses	2,166
Total ordinary expenses	644,022
Ordinary income	54,405
Profit before income taxes	54,405
Income taxes	1,621
Income taxes-current	3,278
Income taxes-deferred	(1,657)
Profit	52,784

(Attachments)

AUDIT REPORTS

THE AUDIT REPORT OF INDEPENDENT AUDITORS **CONCERNING THE CONSOLIDATED FINANCIAL STATEMENTS**

Report of Independent Auditors

May 14, 2019

The Board of Directors

Electric Power Development Co., Ltd.

Ernst & Young ShinNihon LLC

Ryuzo Shiraha

Certified Public Accountant

Designated and Engagement Partner

Koki Takahashi

Certified Public Accountant

Designated and Engagement Partner

Katsuhiko Saito

Certified Public Accountant

Designated and Engagement Partner

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of Electric Power Development Co., Ltd. (the "Company") applicable to the 67th fiscal year from April 1, 2018 through March 31, 2019.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit from an independent position. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the J-POWER Group, which consisted of the Company and consolidated subsidiaries, applicable to the 67th fiscal year ended March 31, 2019 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

THE AUDIT REPORT OF INDEPENDENT AUDITORS
CONCERNING THE NON-CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Auditors

May 14, 2019

The Board of Directors
Electric Power Development Co., Ltd.

Ernst & Young ShinNihon LLC
Ryuzo Shiraha
Certified Public Accountant
Designated and Engagement Partner
Koki Takahashi
Certified Public Accountant
Designated and Engagement Partner
Katsuhiro Saito
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules of Electric Power Development Co., Ltd. (the “Company”) applicable to the 67th fiscal year from April 1, 2018 through March 31, 2019.

Management’s Responsibility for the Financial Statements and the Related Supplementary Schedules

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the financial statements and the related supplementary schedules based on our audit from an independent position. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the related supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the related supplementary schedules. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements and the related supplementary schedules, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity’s preparation and fair presentation of the financial statements and the related supplementary schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of Electric Power Development Co., Ltd. applicable to the 67th fiscal year ended March 31, 2019 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

REPORT OF THE AUDIT & SUPERVISORY BOARD

Audit Report

The Audit & Supervisory Board, hereby reports as follows regarding the performance of duties by the Directors of the Electric Power Development Co., Ltd. (the “Company”) during its 67th fiscal year, from April 1, 2018 to March 31, 2019. This Audit Report was prepared as the consensus of opinion of all Audit & Supervisory Board Members, based on reports prepared by each Audit & Supervisory Board Member, and as a result of subsequent deliberations.

1. Method of the audits by the individual Audit & Supervisory Board Members and the Audit & Supervisory Board; content of audits
 - (1) In addition to receiving reports on the progress in and results of audits by the individual Audit & Supervisory Board Members, based on the Audit & Supervisory Board’s policies and audit plans, the Audit & Supervisory Board also received reports from the Directors and the Accounting Auditors regarding the performance of their duties, and requested explanations from them as necessary.
 - (2) In accordance with the auditing standards, policies, and plans set forth by the Audit & Supervisory Board, each of the Audit & Supervisory Board Members worked to communicate with the Directors, the Internal Audit Department, and other employees in collecting information and establishing an appropriate audit environment, and audits were implemented as follows:
 - (i) Audit & Supervisory Board Members participated in meetings of the Board of Directors and other key meetings, received reports from the Directors and other employees regarding the performance of their duties, and when necessary, requested explanations of those reports. Audit & Supervisory Board Members also reviewed key decision documents, and conducted surveys of the operations and assets of both the head office and other local offices. Regarding subsidiaries, Audit & Supervisory Board Members worked to communicate with Directors, Audit & Supervisory Board Members, and other parties at those subsidiaries, and when necessary conducted hearings regarding the status of their performance of duties, including surveys of operations and assets.
 - (ii) Audit & Supervisory Board Members were responsible for monitoring and verifying the status of creation and operation of various corporate structures, including those necessary to ensure that Directors’ duties are executed in compliance with laws and regulations, and the Articles of Incorporation, and those needed for ensuring the fair performance of operations of the J-POWER Group comprising the Company as a stock corporation and its subsidiaries as described in the Business Report, namely decisions by the Board of Directors regarding the establishment of systems as set forth in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act (the internal control system).
 - (iii) Additional consideration was given to the policies set forth in Article 118, Item 3 (a) of the Ordinance for Enforcement of the Companies Act, as noted in the Business Reports, based on the status of deliberations at the meeting of Board of Directors and other key meetings.
 - (iv) While also monitoring and reviewing the audit of the Accounting Auditor to ensure they maintained an independent position and conducted their audits fairly, Audit & Supervisory Board Members received reports from them regarding the performance of their duties, and when necessary, asked for further explanation regarding those reports. Audit & Supervisory Board Members also received notice from the Accounting Auditor in accordance with “the system for ensuring appropriate execution of their duties” (as enumerated in each Item of Article 131 of the Company Accounting Regulation Ordinance) in compliance with the “Quality Control Standards Relating to Auditing” (adopted by the Business Accounting Deliberations Council in October 28, 2005), and, where necessary, Audit & Supervisory Board Members requested further explanation regarding that notice.

Based on the above methods, Audit & Supervisory Board Members proceeded to review the Business Report and supplemental statements, the non-consolidated financial statements (consist of the

non-consolidated balance sheets, the non-consolidated statements of income, the non-consolidated statement of changes in shareholders' equity, and notes on significant accounting policies used in preparation of the non-consolidated financial statements) with supplemental statements, and the consolidated financial statements (consist of the consolidated balance sheets, the consolidated statements of income, the consolidated statement of changes in shareholders' equity, and notes on significant accounting policies used in preparation of the consolidated financial statements) for the fiscal year under review.

2. Audit Results

(1) Results of Audit of Business Reports, etc.

- (i) The Audit & Supervisory Board confirms that the Business Reports and supplemental statements conformed to the applicable laws and regulations, and the Articles of Incorporation, and that they accurately present the situation of the Company.
- (ii) With respect to the performance of duties by Directors, the Audit & Supervisory Board found no improper acts or important violation of applicable laws and regulations or the Articles of Incorporation.
- (iii) The Audit & Supervisory Board confirms that decisions by the Board of Directors regarding the Company's internal control systems to be fair and adequate, and found no areas that require mention regarding the description of the internal control systems in the Business Report and the performance of duties by Directors.
- (iv) The Audit & Supervisory Board found no items that need to be pointed out regarding the Basic Policy Regarding Control of the Company, noted in the Business Report.

(2) Results of Audit of Non-consolidated Financial Statements and Supplemental Statements

The Audit & Supervisory Board confirms that the methods used and results achieved by the Accounting Auditor, Ernst & Young ShinNihon LLC, to be fair and adequate.

(3) Results of Audit of Consolidated Financial Statements

The Audit & Supervisory Board confirms that the methods used and results achieved by the Accounting Auditor, Ernst & Young ShinNihon LLC, to be fair and adequate.

May 15, 2019

Audit & Supervisory Board
Electric Power Development Co., Ltd.

Naori Fukuda (seal)
Senior Audit & Supervisory Board Member (Full-time)

Hiroshi Fujioka (seal)
Senior Audit & Supervisory Board Member (Full-time)

Shinichi Kawatani (seal)
Senior Audit & Supervisory Board Member (Full-time)

Mutsutake Otsuka (seal)
Audit & Supervisory Board Member

Kiyoshi Nakanishi (seal)
Audit & Supervisory Board Member

Note: Senior Audit & Supervisory Board Member Hiroshi Fujioka, Audit & Supervisory Board Members Mutsutake Otsuka and Kiyoshi Nakanishi are Outside Audit & Supervisory Board Members as stipulated in Article 2, Item 16 and Article 335, Paragraph 3 of the Companies Act.