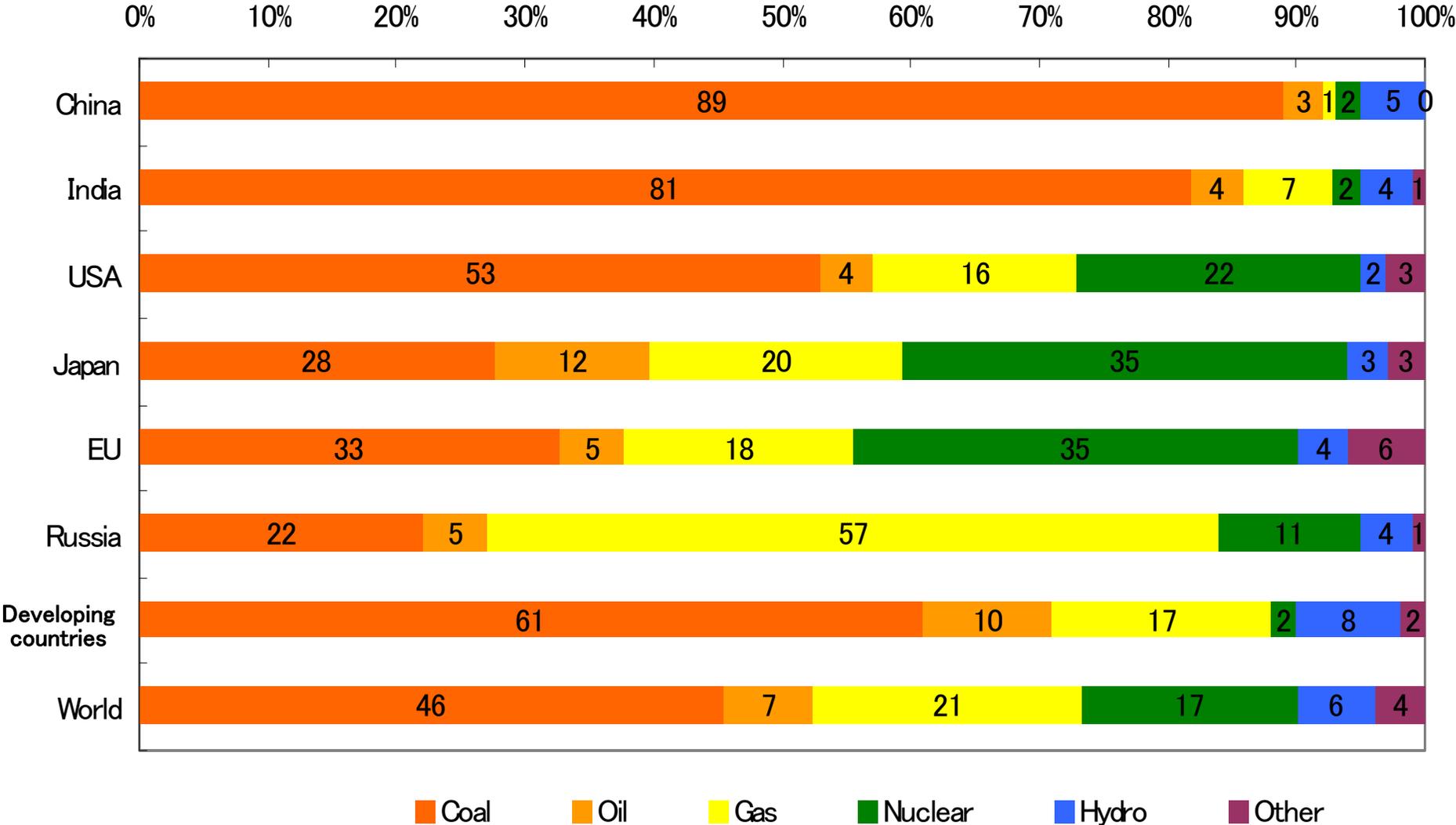


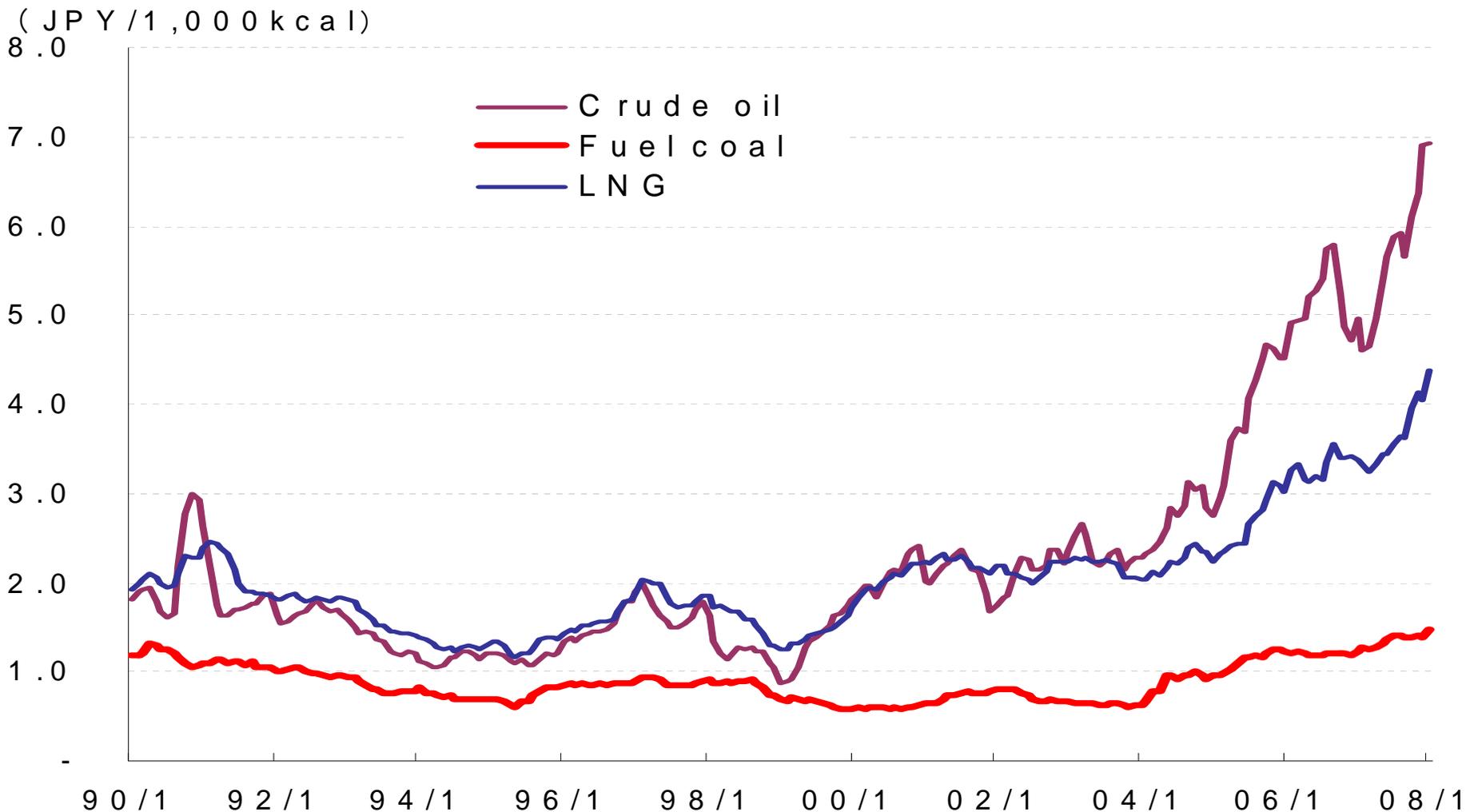
# APPENDIX

# Electricity generation by fuel in major countries(2005)



Source: IEA World Energy Outlook 2007

# Calorific unit price by fossil fuel (imports)



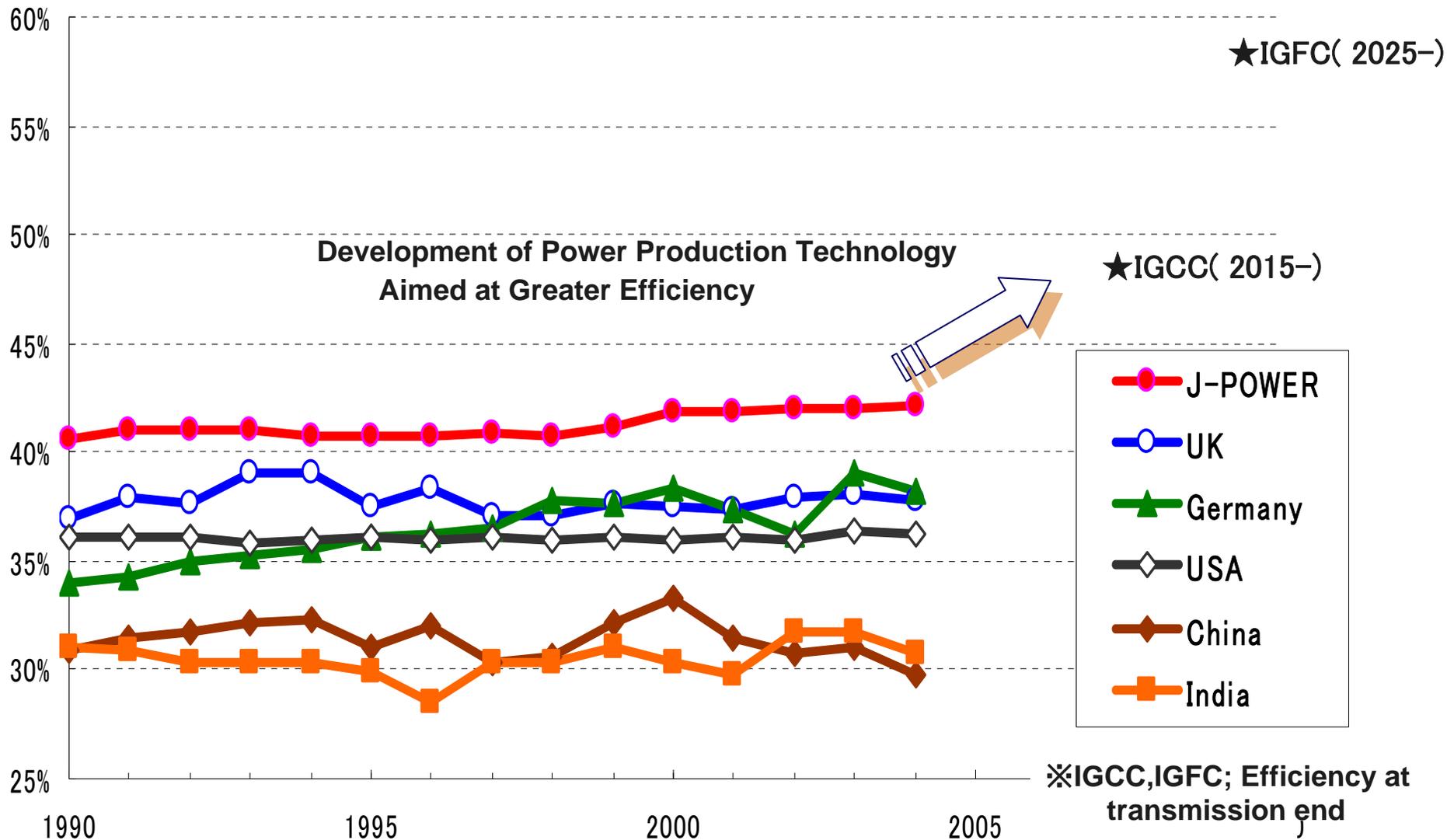
Note: until January 2008

Source: The Energy Data and Modeling Center

# Thermal efficiency of coal-fired power generation in major countries

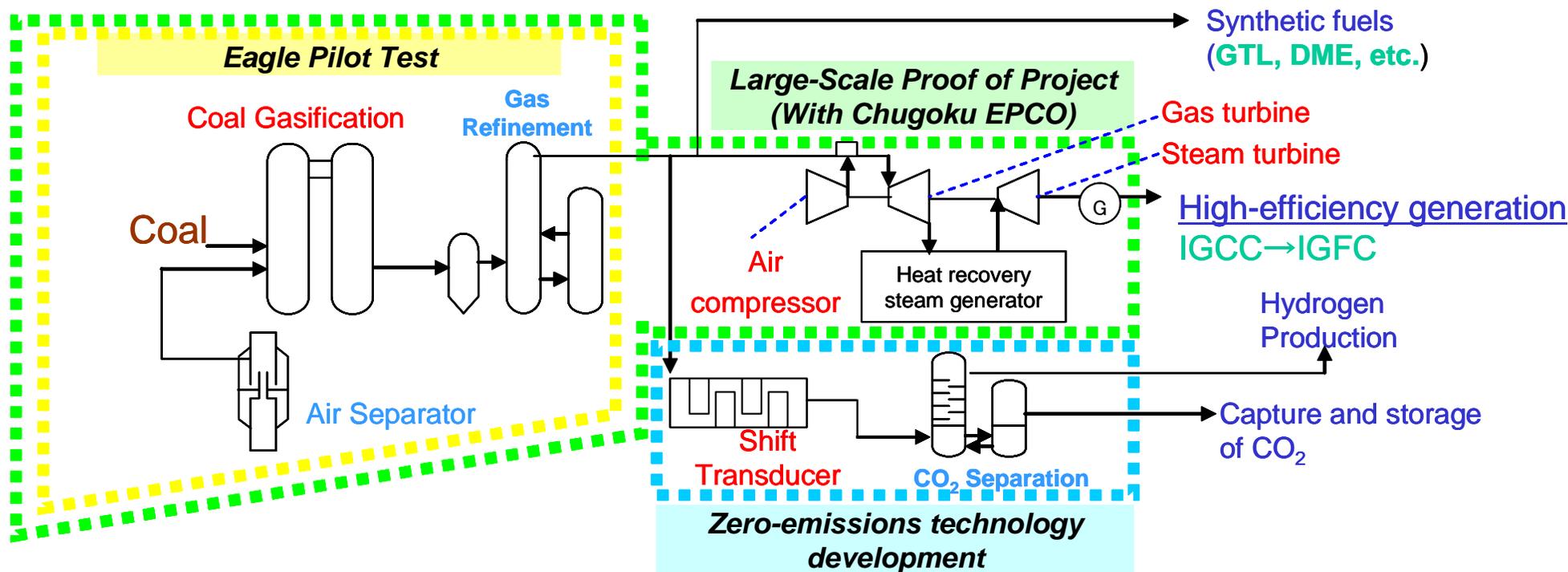


Thermal Efficiency at generation end (LHV)



Source : Ecofys Comparison of Power Efficiency on Grid Level 2007

# Development of Coal-Fired Power Technology for Next -Generation



## ▶ Results and outlook of the EAGLE Project

- ✓ Step1 Pilot Test (FY1995-2006)

”Development of Japanese oxygen-blown entrained bed coal gasifier” “Establishment of gas clean-up technology”: All development goals achieved

- ✓ Step2 Zero-emissions technology development (FY2007-2009)

“Demonstration of CO<sub>2</sub> capture technology” “Coal type expansion testing”

## ▶ Large-Scale Proof of Project

- ✓ Currently in discussion with Chugoku Electric Power; accelerating discussions for commercialization of technology

# CO2 Capture Technologies in Coal-Fired power Station

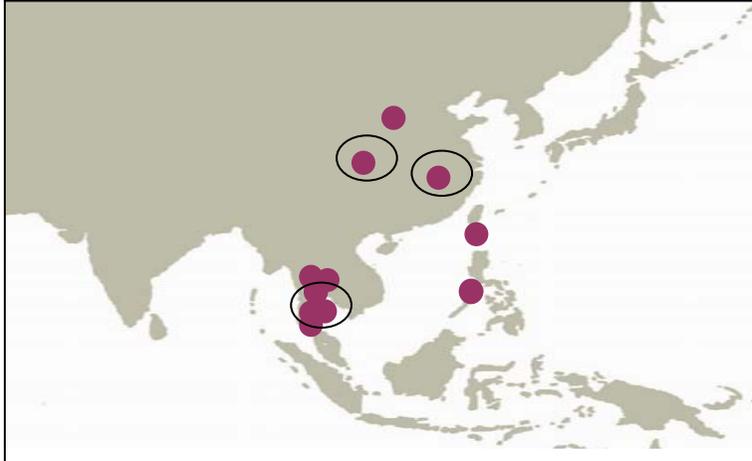
<p><b>Pulverized coal-fired</b> - Post combustion -</p>	<p><b>Pulverized coal-fired</b> - Oxyfuel combustion -</p>	<p><b>Coal gasification combined cycle</b> - Pre combustion -</p>
<p style="text-align: center;"><b>CO2 Capture</b></p> <p style="text-align: center;"><b>Boiler</b>                      <b>ST</b></p>	<p style="text-align: center;"><b>CO2 Capture Not Necessary</b></p> <p style="text-align: center;"><b>Boiler</b>                      <b>ST</b></p>	<p style="text-align: center;"><b>CO2 Capture</b></p> <p style="text-align: center;"><b>Gasifier</b>                      <b>GT</b>                      <b>ST</b></p>
<ul style="list-style-type: none"> <li>· Separate CO2 from the flue gases (CO2 concentration 12~15%) produced by the combustion of coal in air</li> </ul>	<ul style="list-style-type: none"> <li>· Use oxygen instead of air for combustion of coal to produce mainly CO2 flue gas</li> </ul>	<ul style="list-style-type: none"> <li>· Coal gases (mainly CO and H2) converted CO2 and H2 by shift reactor and CO2 can be separated</li> </ul>

# Overseas Business: Update



## ▶ United States

- ✓ May 2007: Electric power joint venture established with John Hancock Life Insurance (J-POWER USA Generation)
- ✓ August 2007: Agreed to acquire Green Country power plant (Gas, 795MW, 50%, USA)



## ▶ Asia

- ✓ May 2007: Operation commenced at Kaeng Khoi No. 2 power plant #1 (Gas, 734MW, 49%, Thailand)
- ✓ Nov. 2007/Acquired interest in Hanjiang Integrated Water Power Project (450MW, 27%, China)
- ✓ Dec. 2007/Successful bid for 2 new IPPs in Thailand (Gas thermal, total 3,200MW, operations planned to begin between 2012-2014)
- ✓ Mar. 2008/Agreement to participate in Xinchang Coal-Fired (USC) (1,320MW, 10%, China. Start operations in 2010.)



## ▶ Europe

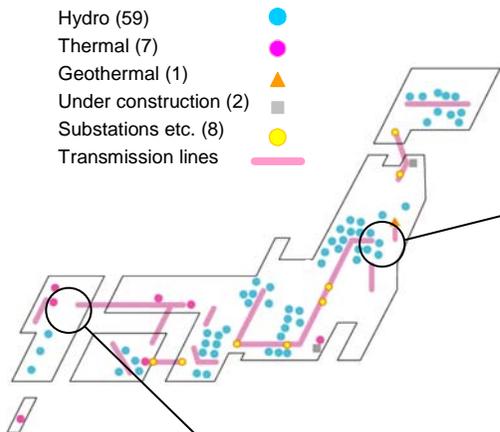
- ✓ April 2007: Start of construction on Zajaczkowo wind farm (Wind, 48MW, 45%, Poland)
- ✓ June 2007: Sale of Spanish wind farms (Wind, 64MW, 50%, Spain)

\* Information in parentheses corresponds to: fuel type, generation capacity, J-POWER ownership, and location respectively

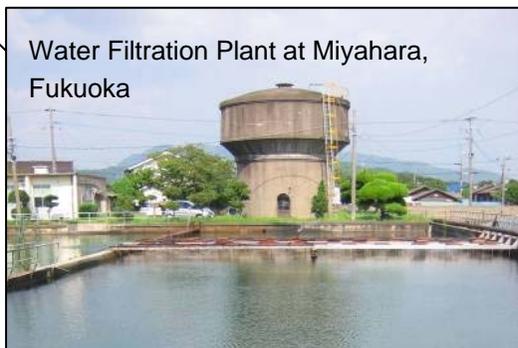
# Business Diversification: Update



- Hydro (59)
- Thermal (7)
- Geothermal (1)
- Under construction (2)
- Substations etc. (8)
- Transmission lines



Koriyama-Nunobiki Kogen Wind Power, Fukushima Prefecture



Water Filtration Plant at Miyahara, Fukuoka

## ▶ Renewable energy

- ✓ Top class in wind power generation in Japan
- ✓ February 2007: Koriyama-Nunobiki Kogen wind power plant (66MW), Japan's largest wind farm, commenced operation

## ▶ Non-Electric Business (Others)



(Al-Jimi Plant)

## ▶ Non-Electric Businesses: PFI/PPP-type Projects

- ✓ July 2007: Acquisition of water filtration plant from Mitsui Mining Co., Ltd.
- ✓ Joint venture with Veolia Water Group (J-POWER's ownership: 51%)
- ✓ J-POWER's launch into the new areas of long-term O&M management and water quality management, areas necessary for water utility business

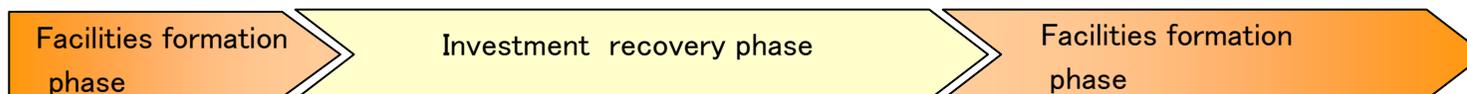
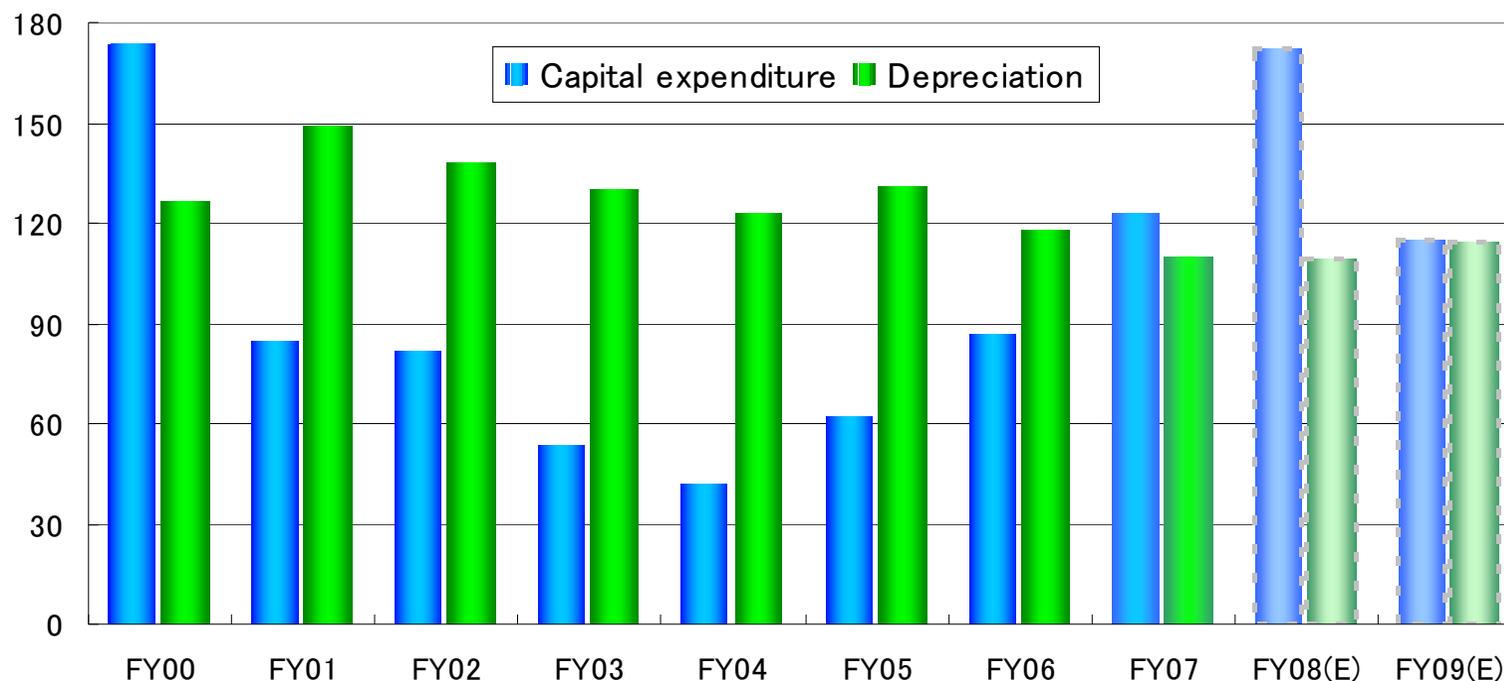
- ✓ Oct. 2007 / Participate in UAE district cooling project
- ✓ JV with Sumitomo Trading and Tabreed (the local district cooling operator) Capitalized at 5 bil. Yen (J-Power share is 30%)

# Capital Expenditure Plan for the Wholesale Power Business (Non-consolidated)



(Unit: Billion yen)	FY2007	FY2008 (E)	FY2009 (E)
Generation Assets	93.6	98.9	81.9
Transmission /Substation	12.0	20.0	16.9
Other	17.2	53.2	15.9
<b>Total</b>	<b>122.9</b>	<b>172.1</b>	<b>114.8</b>

(billion yen)



✓ Tachibanawan Thermal (2,100MW)

✓ Isogo New No.1 Thermal (600MW)

✓ Isogo New No.2 Thermal (600MW)

✓ Ohma Nuclear (1,383MW)

# 【Major financial data : Consolidated】



(Unit: ¥ billion)

	FY2003	FY2004	FY2005	FY2006	FY2007
<b>《 P L 》</b>					
Operating revenues	569.9	594.4	621.9	573.3	587.8
(EBITDA) ※1	263.5	237.2	236.5	200.2	165.7
Operating income	132.1	111.9	101.5	77.1	50.7
Ordinary income	44.4	57.1	67.9	55.5	42.9
Net income	27.6	35.6	43.6	35.2	29.3
<b>《 B S 》</b>					
Shareholder's equity	359.6	391.3	433.0	461.2	466.4
Assets	2,076.1	2,021.7	1,964.7	1,999.8	2,013.1
Interest-bearing debt	1,592.9	1,498.0	1,408.2	1,421.5	1,423.9
<b>《 C F 》</b>					
Cash flows from operating activities	179.9	172.6	174.0	157.2	136.3
Cash flows from investing activities	-64.5	-60.6	-72.3	-155.4	-152.5
Cash flows from financing activities	-147.5	-111.8	-103.6	-2.2	17.2
FCF ※2	115.4	112.1	101.6	1.8	-16.3
<b>Depreciation</b>	131.4	125.3	135.0	123.1	115.0
<b>Capital expenditures</b>	46.2	50.9	60.9	90.7	122.1
<b>《Group Employees》 ※3</b>	5,871	5,925	5,868	6,494	6,524

※1 EBITDA = Operating income + Depreciation

※2 FCF = Cash flow from operating activities + Cash flow from investing activities

※3 All subsidiaries were made consolidated subsidiaries in FY2006, which became a primal cause of year-on-year increase in FY2006.

# 【Key ratios and Primary data】



【 Key ratios : Consolidated】	FY2003	FY2004	FY2005	FY2006	FY2007
Ordinary Income/Operating Revenues(%)	7.8%	9.6%	10.9%	9.7%	7.3%
Shareholders' equity ratio(%)	17.3%	19.4%	22.0%	23.1%	23.2%
D/E ratio	4.4	3.8	3.3	3.1	3.1
ROE(%)※3	10.5%	9.5%	10.6%	7.9%	6.3%
ROA(%)※4	2.1%	2.8%	3.4%	2.8%	2.1%
EPS(¥)	304.9※1	255.0	260.8※2	211.1	176.0
BPS(¥)	2,590.0	2,818.0	2,598.9※2	2,769.0	2,800.2

※1: We've expanded shareholder equity by increasing capital through a third-party allocation of shares in December 2003.

※2: Effective March 1, 2006, we carried out a 1.2-for-1 stock split.

These figures are calculated based on the assumption that the said stock split was carried out at the beginning of that year.

※3: ROE=Consolidated current net income / The average of consolidated shareholders' equity at the beginning and the end of the period

※4: ROA=Consolidated ordinary income / The average of consolidated total assets at the beginning and the end of the period

【 Primary data 】	FY2003	FY2004	FY2005	FY2006	FY2007
Coal:					
Amount purchase (10 thousand ton) ※1	1,828	1,969	2,136	1,890	2,075
Load factor of coal-fired thermal power plants (%)	75%	77%	84%	75%	81%
Water supply rate (%)	109%	118%	90%	112%	85%
Australian coal price (FOB, US\$) ※2	26.75	45.00	52.5~54.0	52.0~53.0	55.0~56.0
Average Exchange rate (¥/US\$) ※3	113	108	113	117	114

※1: Reference price

※2: TTM

# 【Electric Power sales and revenues, Generation capacity : Consolidated】



	FY2003	FY2004	FY2005	FY2006	FY2007
<b>Electric power sales (million kWh)</b>					
Wholesale electric power business	58,787	60,517	62,627	58,672	60,787
Hydroelectric	10,850	11,172	8,583	10,633	8,287
Thermal	47,937	49,345	54,044	48,039	52,499
Other electric power business	517	965	1,701	1,657	1,683
Total	59,305	61,483	64,328	60,329	62,469
<b>Electric power revenues (billion yen)</b>					
Wholesale electric power business	453.5	476.3	495.1	450.0	457.3
Hydroelectric	135.8	137.1	126.8	123.5	114.6
Thermal	317.7	339.2	368.3	326.5	342.7
Other electric power business	4.5	8.7	16.5	16.9	17.7
Transmission	63.4	61.2	58.3	55.2	54.9
Total	521.3	546.2	569.8	522.1	529.9
<b>Generation capacity (MW)</b>					
Wholesale electric power business	16,375	16,375	16,375	16,380	16,380
Hydroelectric	8,551	8,551	8,551	8,556	8,556
Thermal	7,825	7,825	7,825	7,825	7,825
Other electric power business	134	375	495	560	560
Total	16,509	16,750	16,870	16,940	16,940

# 【 Revenues and Expenses : Consolidated 】



( Unit:¥ billion)

	FY2003	FY2004	FY2005	FY2006	FY2007
Operating revenues	569.9	594.4	621.9	573.3	587.8
Electric power operating revenues	522.9	548.0	573.2	523.8	531.8
Other operating revenues	46.9	46.4	48.7	49.5	56.0
Operating expenses	437.7	482.5	520.4	496.1	537.1
Electric power operating expenses	386.5	431.7	469.7	444.5	477.9
Personnel expenses	42.2	33.8	21.3	27.2	37.8
Fuel cost	85.9	116.6	160.8	149.9	191.6
Repair expense	28.7	47.5	38.7	41.2	30.4
Outsourcing expenses	26.2	34.0	31.4	31.8	30.3
Depreciation and amortization cost	128.4	122.0	131.5	118.6	110.4
Others	75.1	77.8	86.0	75.8	77.4
Other operating expenses	51.3	50.8	50.7	51.7	59.2
Operating income	132.1	111.9	101.5	77.1	50.7
Non-operating revenues	4.1	3.9	7.6	13.0	21.5
Non-operating expenses	91.8	58.7	41.2	34.6	29.4
Interest expenses	83.5	50.9	35.7	22.6	22.7
Others	8.2	7.8	5.4	12.1	6.6
Ordinary income	44.4	57.1	67.9	55.5	42.9

The following contains statements that constitute forward-looking statements, plans for the future and management targets, etc. relating to the Company and/or J-POWER group. These statements are made based on certain assumptions of future events, and there exist possibilities that such assumptions are objectively incorrect and that actual results may differ from those in the statements as a result of various factors.

Furthermore, information and data other than those concerning the Company and its subsidiaries/affiliates are quoted from public information, and the Company has not verified and will not ensure its accuracy or appropriateness.

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