

**Abandonment of Takasago Thermal Power Plant New Unit No.1/No. 2
Replacement Plan**

Electric Power Development Co., Ltd. (hereafter “J-POWER”) has been proceeding with the Takasago Thermal Power Plant New Unit No.1/No. 2 Replacement Plan (hereinafter, “Replacement Plan”) at the Takasago Thermal Power Plant (Takasago-city, Hyogo prefecture).

However, J-POWER has now decided to abandon the Replacement Plan after re-evaluation of the business environment and business feasibility of the Replacement Plan, as the initial goal of the project to increase supply capacity is losing significance due to the expected decline in electric power demand in the Kansai area where the Replacement Plan is located.

Until now, J-POWER has been proceeding with the Replacement Plan with support from many related parties. J-POWER would like to express its gratitude for the support provided to date and offers its deepest apologies for not bringing the Replacement Plan to fruition.

J-POWER will continue to efficiently maintain and operate the existing Takasago Thermal Power Plant so that it will make a contribution as an important power supply capacity through its continued operation.

Overview of the Replacement Plan

1) Existing Plant

Capacity: 500MW (250MW x 2 units)

Generation type: Sub-critical coal-fired thermal power

Location: Takasago-city, Hyogo prefecture

Start of operation: 1968 (Unit No.1), 1969 (Unit No.2)

2) Replacement Plan

Capacity: 1,200MW (600MW x 2 units)

Generation type: USC (Ultra-supercritical) coal-fired thermal power

Location: Next to the existing plant

Start of construction work: FY2018 (scheduled)

Start of operation: FY2021 (New Unit No.1, scheduled), On and after FY2027 (New Unit No.2)