



Corporate Brochure
2007-2008



日本

From Japan... J-POWER Mind

世界

...to the World Global Way

未来

... and on to the Future! Next Generation



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Shokawa Sakura Trees (Gifu Prefecture) ▶ P20



Yoshihiko Nakagaki, President

Greetings from the President

Providing power to Japan and the world backed by half a century of experience

J-POWER can look back on a proud history spanning over half a century as an electric power wholesaler with a proven track record of reliable, low-cost power supply. The nationwide network of power transmission trunk lines we have built and operate has made a significant contribution to Japan's economic development and the improvement of living standards in Japan. Our performance records as of June 2007 show that we have built and operate 67 power stations with a total output capacity of 16,380 megawatts and a transmission network of 2,400 kilometers of power lines. As part of our international commitment, over the past 47 years we have carried out 278 consulting service projects with 61 countries and regions mainly from the developing world.

On October 2, 2003, the "Electric Power Development Promotion Law", the legislation that provided the foundations for the establishment of this company, was repealed.

Subsequently in October 2004 we were listed on the first section of Tokyo Stock Exchange to become a private sector company in all aspects.

In recent years, we have experienced an adverse operating environment, due mainly to slower growth in electric power demand, further deregulation in our industry and global warming. At the same time, change has created new business opportunities. We will strive to enhance our enterprise value by reinforcing our cost-competitiveness in electricity wholesaling and building solid revenues and earnings foundations. We will also establish new operations in our core competencies of energy and the environment.

President



Power from Japan
to the world and
on into the future

Corporate
Philosophy

We aim to ensure constant stable supplies of energy to contribute to the sustainable development of Japan and the rest of the world.

Sincerity and pride in our work underlie all our corporate activities.

We build community trust by harmonizing our operations with the environment.

Profits are a growth source, and we share the benefits with society. We continuously refine our knowledge and technologies to be a leader in these areas.

We meet the challenges of tomorrow by harnessing our unique skills and enthusiasm.

The name J-POWER embodies our commitment to ensure a dependable power supply for the people of the world, now and in the future, through extensive global operations focusing on the Energy and Environment sectors. We accomplish this by utilizing our extensive experience and technological capabilities acquired through nationwide power operations in Japan and throughout the world over the past 50 years.

As of April 1, 2002, we adopted a new corporate communication name " J-POWER "

Large-scale Hydroelectric and Thermal Power Generation Using Domestic Coal

To overcome the nationwide lack of electric power, in July 1952 a bill to expedite the generation of electricity was enacted. Based on this bill, Electric Power Development Co., Ltd. was established in September of the same year, and it immediately engaged in the development of large-scale hydroelectric power generation facilities.

- Sep. 1952 Establishment of Electric Power Development Co., Ltd.
- Apr. 1956 Sakuma Power Plant begins operating
- May 1959 Tagokura Power Plant begins operating
- May 1959 Tadami Trunk Line and Minamikawagoe Substation begin operating
- Dec. 1960 Okutadami Power Plant begins operating
- Jan. 1961 Miboro Power Plant begins operating
- Oct. 1962 Chushi Trunk Line and Iyo Substation begin operating
- Nov. 1962 Planning of the Takuna Hydroelectric Power Project in Peru begins
- Jan. 1963 Wakamatsu Power Plant begins operating
- Sep. 1964 Ikehara Pumped Storage Power Plant begins operating
- Oct. 1965 Sakuma Frequency Converter Station begins operating
- Mar. 1967 Planning of the Kuwaya No. 1 (Srinagarind) Hydroelectric Power Project in Thailand begins
- May 1967 Isogo Power Plant begins operating
- Jul. 1967 Takehara Power Plant No. 1 begins operating
- Jul. 1968 Takasago Power Plant begins operating
- Sep. 1969 Hanna Line begins operating (500KV)



Sakuma Frequency Converter Station



Miboro Power Plant



Sakuma Power Plant



Tagokura Power Plant



Takasago Thermal Power Plant

Large-scale Pumped Storage Power and Large Capacity Power Transmission Lines

The importance of oil-fired thermal power increased as the base power source, and the development of nuclear power plants advanced. The summer peak power demand load became more clearly defined, and to meet this added demand, J-POWER engaged in the development of large-scale pumped storage power plants and the construction of large capacity power transmission lines.

- Nov. 1972 Shintoyone Pumped Storage Power Plant begins operating
- Jun. 1973 Numappara Pumped Storage Power Plant begins operating
- Mar. 1975 Onikobe Geothermal Power Plant begins operating
- Jul. 1978 Okukiyotsu Pumped Storage Power Plant begins operating
- Aug. 1979 Tedorigawa Power Plant No. 1 begins operating
- Dec. 1979 Kitahon HVDC Link and Hakodate and Kamikita AC/DC converter stations begin operating



Numappara Power Plant



Onikobe Geothermal Power Plant



Kitahon HVDC Link



Okukiyotsu Power Plant

Power Generation Using Imported Coal

After the two oil crises of the 1970s, there was strong demand for a diversification in energy sources. In response to this, J-POWER engaged in the construction of large-scale coal-fired thermal power plants using imported coal as fuel, the first such case in Japan.

- May 1980 Western Area Interconnecting Line begins operating
- Jan. 1981 Matsushima Thermal Power Plant begins operating
- Jul. 1982 Sakuma Power Plant No. 2 begins operating
- Mar. 1983 Takehara Thermal Power Plant No. 3 begins operating
- Nov. 1986 Ishikawa Coal Thermal Power Plant begins operating
- Apr. 1988 Shimogo Pumped Storage Power Plant begins operating



Takehara Thermal Power Plant



Matsushima Thermal Power Plant



Ishikawa Coal Thermal Power Plant

New Technology, Environment Protection Measures and International Operations

In view of the continually increasing demand for electric power, J-POWER placed emphasis on improving energy efficiency and launched an engagement in environmental preservation issues. J-POWER responded to the age of internationalization with extensive activities in Japan and overseas.

- Feb. 1990 Planning of the Lam Ta Khong Pumped Storage Project in Thailand begins
- Apr. 1990 Planning of the Masinloc Coal-Fired Thermal Power Project in the Philippines begins
- Jun. 1990 Matsuura Thermal Power Plant No. 1 begins operating
- Jul. 1992 Sign agreement to construct pilot desulfurization facility in China
- Mar. 1993 Kitahon HVDC Link reinforced
- Apr. 1994 Kurotani Power Plant (rubberized fabric dam begins operating)
- Jun. 1994 Planning of the Ham Thuan-Dam Hydropower Project in Vietnam begins
- Jul. 1994 Honshi Interconnecting Line begins operating
- Jun. 1996 Okukiyotsu Pumped Storage Power Plant No. 2 begins operating
- Jul. 1997 Satsunaigawa Power Plant begins operating
- Mar. 1999 Okinawa Yanbaru Seawater Pumped Storage Power Plant begins pilot operation



Honshi Interconnecting Line Power Cable



Matsuura Thermal Power Plant



Okinawa Yanbaru Seawater Pumped Storage Power Plant

Privatization and a Reborn "J-POWER"

J-POWER is undertaking new operations in response to the deregulation of the energy market. To implement these operations, J-POWER is engaged in bold reforms of its own organization such as the introduction of a business department system, further cost reductions, and an improvement in the strength of its financial position.

- Feb. 2000 Honshi Interconnecting Line reinforced
- Jun. 2000 Anan-Kihoku HVDC Link begins operating (jointly owned with Kansai Electric Power Co., Inc. and Shikoku Electric Power Co., Inc.)
- Jul. 2000 Tachibanawan Thermal Power Plant begins operating
- Oct. 2000 PFI power project at the Kanamachi Water Filtration Plant begins operating
- Dec. 2000 Tomamae Winvilla Wind Farm begins operating
- Dec. 2001 Nikaho Kogen Wind Farm begins operating
- Apr. 2002 New No. 1 Unit of Isogo Thermal Power Plant begins operating
- Jan. 2003 Commence commercial operation of TLP Gas Cogeneration Project in Thailand
- Mar. 2003 Tokyo Bayside Wind Power Plant begins operating
- Jun. 2003 Okutadami (Extension) Power Plant, Otori (Extension) Power Plant, and Okutadami-Dam ecological flow hydropower plant begin operating
- Oct. 2003 Repeal of the "Electric Power Development Promotion Law"
- Dec. 2003 Green Power Kuzumaki Wind Farm begins operating
- Oct. 2004 Listed on first section of Tokyo Stock Exchange
- Feb. 2005 Aso-Nishihara Wind Farm begins operating
- Feb. 2005 Nagasaki-Shikamachi Wind Farm begins operating
- Mar. 2005 Tahara Bayside Wind Farm begins operating
- Apr. 2005 Commence commercial operation of Bay Side Energy (PPS) Ichihara Power Plant
- Apr. 2005 Commence commercial operation of Tosa (IPP) Power Plant
- Apr. 2005 Participation in CBK Hydroelectric Project in the Philippines
- Dec. 2005 Setana Seaside Wind Power Farm begins operating
- Apr. 2006 Participation in Tenaska Frontier Power Project in the U.S.A.
- Nov. 2006 Participation in Elwood Energy Power Project in the U.S.A.
- Feb. 2007 Koriyama-Nunobiki Kogen Wind Farm begins operating
- May 2007 Commence operation of No.1 Unit of Kaeng Khoi No. 2 Gas-Fired Thermal Power Station in Thailand



Koriyama-Nunobiki Kogen Wind Farm



Chiahui Gas Combined Cycle Power Plant (Taiwan)

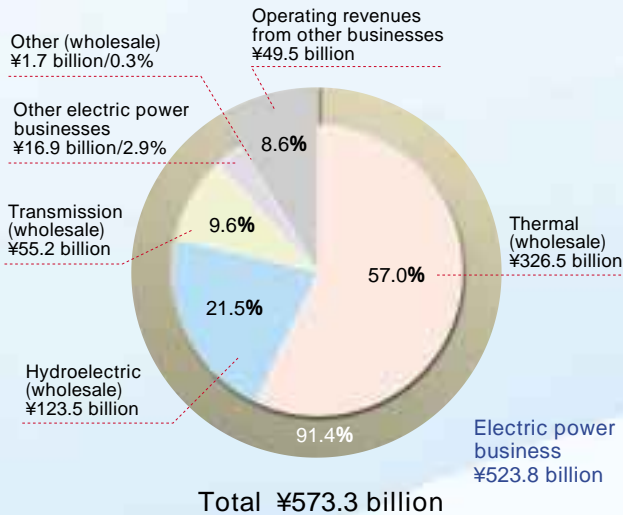


Isogo Thermal Power Plant

What's J-POWER

Composition of Operating Revenues

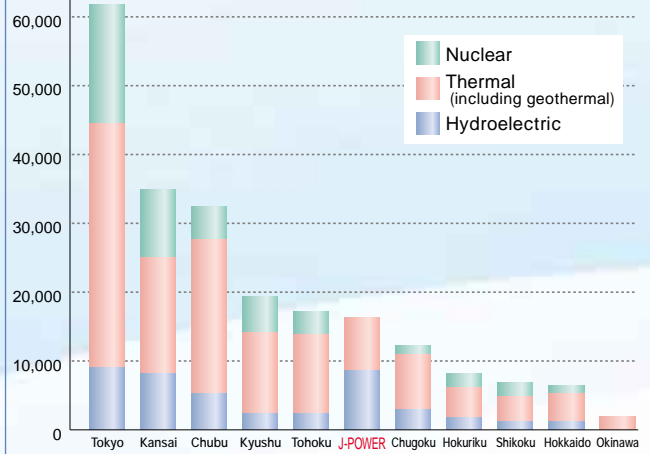
(FY 2006)



Power Generation Capacity of J-POWER and Japan's 10 Electric Power Companies

(Unit: MW)

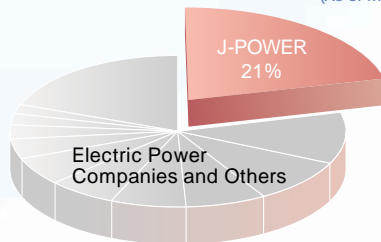
(As of March 31, 2007)



Source: "Denryoku Chosa Tokei Geppo" (Monthly Report on Electric Power Statistics), Japan Electric Association

Share of Coal-Fired Power Generation Capacity

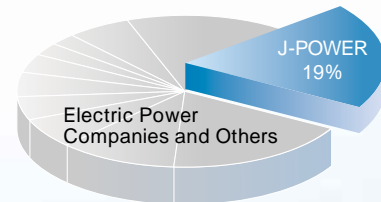
(As of March 31, 2007)



Source: Company and public sources (Agency for Natural Resources and Energy (ANRE))

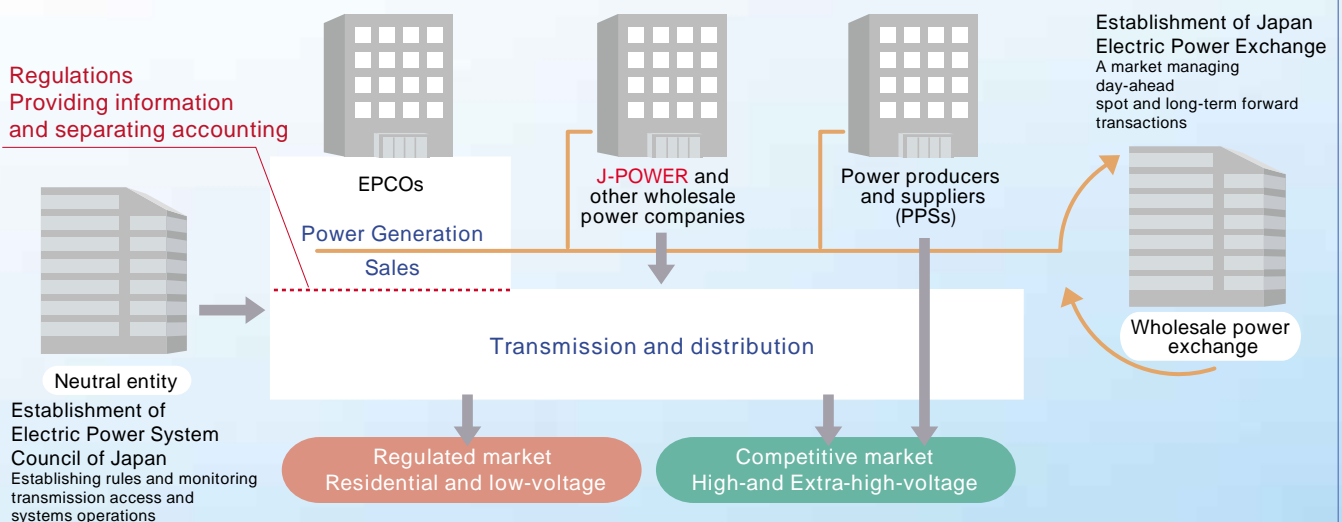
Share of Hydroelectric Power Generation Capacity

(As of March 31, 2007)



Source: "Denryoku Chosa Tokei Geppo" (Monthly Report on Electric Power Statistics), Japan Electric Association

Japan's Electric Power Industry Structure



J-POWER's Facilities and Equipment

J-POWER generates electricity at 67 power station locations throughout Japan and operates 2,400 kilometers of power transmission lines

Wholesale Electric Power Facilities

(As of June 30, 2007)

Power Generation Facilities

Hydroelectric Power Plants	Number 59	Capacity 8,555,500 kW
Thermal Power Plants	Number 8	Capacity 7,824,500 kW
Total Number	67	Total Capacity 16,380,000 kW

Transmission Lines

	Total Lines 2,407.6 km
Extra-high-voltage power transmission lines	1,973.4 km
DC power transmission lines	267.2 km

Substations

Number 3	Capacity 4,292,000 kVA
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Frequency Converter Station

Number 1	Capacity 300,000 kW
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AC/DC Converter Stations

Number 4	Capacity 2,000,000 kW
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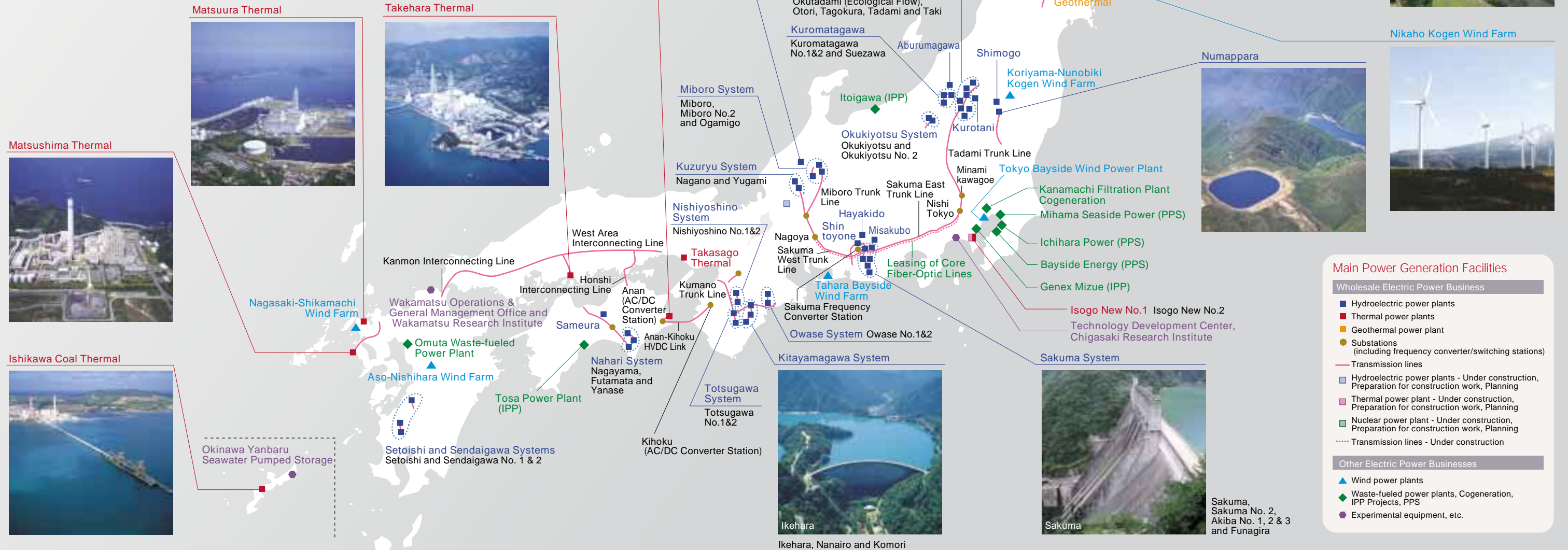
Telecommunications Network

	Total circuit length 5,856 km
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New Businesses

Wind Power Plants	Number 9	Capacity 210,530 kW
Cogeneration	Number 1	Capacity 12,280 kW
IPP	Number 3	Capacity 522,000 kW
PPS	Number 3	Capacity 322,420 kW
RDF	Number 1	Capacity 20,600 kW
Total Number	17	Total capacity 1,087,830 kW

* New business operations are all facilities owned by J-POWER subsidiaries and affiliates



Main Power Generation Facilities

Wholesale Electric Power Business

- Hydroelectric power plants
- Thermal power plants
- Geothermal power plant
- Substations (including frequency converter/switching stations)
- Transmission lines
- Hydroelectric power plants - Under construction, Preparation for construction work, Planning
- Thermal power plant - Under construction, Preparation for construction work, Planning
- Nuclear power plant - Under construction, Preparation for construction work, Planning
- Transmission lines - Under construction

Other Electric Power Businesses

- Wind power plants
- Waste-fueled power plants, Cogeneration, IPP Projects, PPS
- Experimental equipment, etc.

From Japan ...



Supporting the daily life of the people with a half-century of extensive experience

The leading hydroelectric power sector company in Japan

We have half a century of experience in the construction and operation of hydroelectric power plants. The start of our large-scale hydroelectric power plant development program was in 1956, when we commenced the commercial operation of Sakuma Hydroelectric Power Plant. We also operate a program of developing pumped storage power plants with excellent power output adjustment capabilities to meet peak demand. We now have 59 hydroelectric power facilities located nationwide, and a nearly 20% share of all hydroelectric power capacities in Japan.

A major feature of J-POWER is its high level of technological competence in the field of power plant development. We have the highest levels of technology in Japan, especially in the construction of dams and large-scale underground structures.



Kanmon Interconnecting Line

Transmission lines, substations and communications integrate Japan's electric power systems

J-POWER plays a major role in the integrated operation of Japan's nationwide electric power systems by linking up different regions with its 2,400 kilometers of power transmission lines and 8 substations.

Our network of extra-high voltage interconnecting lines and equipment cover the whole of Japan from Honshu to Hokkaido, Shikoku, and Kyushu. Moreover, with the introduction of our Sakuma Frequency Converter Station, it became possible to link up electric power between different hertz power systems (the 50-hertz power system in East Japan and the 60-hertz power system in West Japan). These are important facilities that enable electric power sharing over a wider area in Japan.

J-POWER's electric power facilities are connected up by a communications network comprising microwave radio circuits, telephone links utilizing fiber-optic cables, and data communication link computer systems, and they contribute greatly to the stability of Japan's electric power systems.

J-POWER Mind

Supporting a better lifestyle

J-POWER supports the life of many people in Japan by producing electric power using hydroelectric, coal-fired and other thermal power stations at 67 locations throughout Japan. We are committed to ensuring an efficient supply of stable electric power by utilizing our extremely reliable technological capabilities developed over a half century of experience in this sector, and we give people a sense of security and peace of mind.



Central Load Dispatching Center



Sea water pumped storage power plant

Sea water pumped storage power generation uses the sea as the lower reservoir and pumps sea water up to a higher level reservoir.

J-POWER undertakes the operation and maintenance of the world's first sea water pumped storage power generation plant (maximum capacity 30,000 kW) in Okinawa.

Micro-hydropower

Japan is blessed with plentiful water resources and there are many small-scale unused hydropower resources. Micro-hydropower utilizes existing sediment control dams and small water heads of a few meters on agricultural irrigation channels to exploit unused hydropower resources. In addition to large-scale hydropower facilities, J-POWER also places emphasis on these small-scale hydropower resources.

One way we do this is by focusing on micro-hydropower, a resource that does not require major development work, is environment friendly, and does not emit CO₂.



Seeking to maintain a balance between environmental preservation and economical power generation

Coal-fired power generation utilizing advanced technological capabilities

J-POWER entered the coal-fired power field to support the domestic coal industry by constructing and operating thermal power plants burning domestic coal.

We also constructed the first thermal power plants in Japan burning imported coal to diversify sources of energy.

Currently we operate 7 coal-fired power plants nationwide with a combined capacity of 7,812,000 kW, which is approximately equivalent to 21% of coal-fired thermal power capacities in Japan, or the largest share in the country. We procure coal imported from several countries including Australia.

Coal-fired thermal power is competitive in price and we strive to ensure continuous cost reductions to sustain its competitive edge.

Renewable geothermal energy

Geothermal energy is renewable, totally domestic energy and emits almost no carbon dioxide.

In 1975, J-POWER started operating the Onikobe Geothermal Power Plant in Miyagi Prefecture (Capacity 12,500 kW).



Onikobe Geothermal Power Plant



Tachibanawan Thermal Power Plant



Coal Being Unloaded from a Collier Vessel at Ishikawa Coal Thermal Power Plant

Coal ash utilization technology

Coal ash is a by-product of coal-fired thermal power stations. Utilizing its properties, this ash is recycled as a concrete admixture, a backfill material, and as fertilizer, etc. Fly ash is designated for use as a concrete admixture by JIS (Japanese Industrial Standards) and is used extensively, especially in concrete dams. Clinker ash is used as lightweight banking material.

In addition, we have developed a ground improvement method using a coal ash and cement. This has made it possible to improve ground from low strength to high strength.

This method has been used for the Tachibanawan Thermal power plant cooling water channel construction work and other civil engineering work.



Concrete dam (Tagokura Dam)



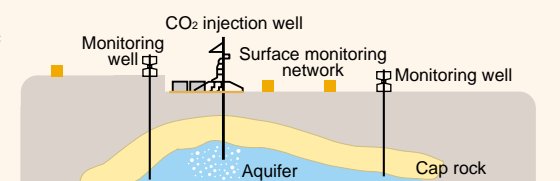
Fertilizers



Earth retaining excavation work using ground improvement method employing coal ash

CO₂ geologic storage technology

As measures against global warming, we are studying the possibilities of CO₂ geologic storage close to thermal power plants in coordination with national projects. In addition, we are also making steady progress in the development of necessary fundamental technology such as simulation technology to predict CO₂ behavior underground and monitoring technology.



Conceptual drawing of CO₂ underground sequestration

Dry type desulfurization and denitrification system

In the dry type desulfurization and denitrification system (ReACT: Regenerative Activated Coke Technology), activated coke is continuously regenerated to remove SO_x, NO_x, and dust in the flue gas. We have installed this system in large commercial power plants including Takehara Thermal power plant Unit 2 and new Isogo Thermal power plant Unit 1.

In 2005, we established a subsidiary named J-POWER EnTech engaged in ReACT system engineering. J-POWER EnTech supplied the system to our new Isogo Thermal power plant Unit 2, and also provides the system to steel plants in Japan.





Ohma Nuclear Power Plant (Conceptual drawing)

The quest for advances utilizing accumulated technology

Developing new technology

Utilizing its massive accumulation of technology, built up over half a century, J-POWER is engaged in the development of new technology leading to a reduction of GHG gases, a cause of global warming.

As an approach to high-efficient utilization of coal and the future realization of zero emission power plants, J-POWER is currently engaged in the development of multi-purpose coal gasification technology, which is the EAGLE (Coal Energy Application for Gas, Liquid & Electricity) Project.

Oxygen-blown coal gasification technology is an essential technology for the multi-purpose use of coal gas in high-efficiency power generation technologies such as IGCC (*1) or IGFC (*2) and in synfuel or hydrogen production. It is expected that the combination of technology for CO₂ separation and recovery from coal gas with CO₂ storage technology will achieve major reductions in CO₂ emissions and contribute greatly to the prevention of global warming.

*1 - Integrated Coal Gasification Combined Cycle

*2 - Integrated Coal Gasification Fuel Cell Combined Cycle



Multiple Coal Energy Applications for Gas, Liquid and Electricity (EAGLE) Pilot Test Plant

Safety - Our top priority in developing nuclear energy

Since 1954 we have undertaken surveys and studies on nuclear power development. Currently we are engaged in planning the construction of the Ohma Nuclear Power Plant in Ohma-machi, Shimokita-gun, Aomori Prefecture. Ohma Nuclear Power Plant, aimed to be a full MOX advanced boiling water reactor (full-MOX ABWR) is supported by the Japanese government and Electric Power Companies (EPCOs) This facility's role is to expand the flexibility of plutonium usage (Plutothermal) plans for light-water reactors in Japan. Currently, nuclear power accounts for about one third of all electricity generated in Japan. Nuclear power generation has many excellent features and plays an important role in ensuring a stable supply of electric power.

In addition to the stable nature of fuel supply and prices, it is almost entirely free of carbon dioxide emissions. Thus, this is extremely environmentally friendly technology in terms of preventing global warming. As energy resources are scarce in Japan, the basic nuclear power policy is to establish a nuclear fuel cycle system in which the spent uranium and plutonium are recycled and reused.

Advanced Boiling Water Reactor (ABWR)

The ABWR at Ohma Nuclear Power Plant is a leading edge facility. ABWR utilizes construction and operation expertise from nearly 100 BWR plants worldwide and the latest cutting edge technology. The Japanese government, domestic and international manufacturers, and the EPCOs are cooperating in the development of ABWRs.

ABWRs offer the following advantages: Enhanced safety and reliability, Reduced occupational radiation exposure, Reduced radioactive waste, Enhanced operability and maneuverability, and Improved economy.

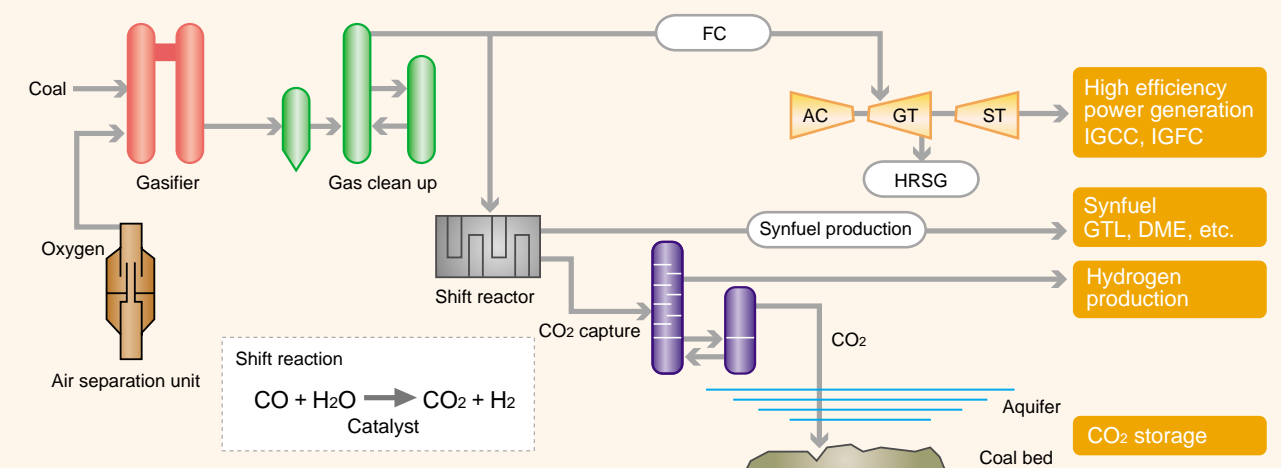
Uranium is the prime fuel for most ABWR systems, but the facility at our Ohma Nuclear Power Plant is designed to use MOX fuel for the whole reactor core. Our design efforts include developing large capacity main steam safety relief valves.

Construction Plan of Ohma Nuclear Power Plant

Location : Ohma-machi, Shimokita-gun, Aomori Prefecture
 Power Generating Capacity : 1,383,000 kW
 Site Area Approx. : 1,300,000 m²
 Type of Reactor : Advanced Boiling Water Reactor(ABWR)
 Type of Fuel : Low enriched uranium and mixed oxide of uranium and plutonium (MOX*)

*MOX : Mixed Oxide fuel

Diversity of oxygen-blown coal gasification technology



FC: Fuel Cell

AC: Air Compressor

GT: Gas Turbine

ST: Steam Turbine

HRSG: Heat Recovery Steam Generator

GTL: Gas to Liquids

DME: Dimethyl Ether



... to the World

Opening up new international operation sectors with 47 years of experience

Reliable consultant in the area of power engineering business

By the early 1960s, J-POWER had amassed a wealth of high-level technical expertise developed and refined through its domestic power business. J-POWER decided to begin offering its services as an international consultant. In the 47 years since then, J-POWER has been involved in 278 projects in 61 countries and regions (as of the end of June 2007) establishing a global presence by providing reliable engineering consultancy services throughout the world.

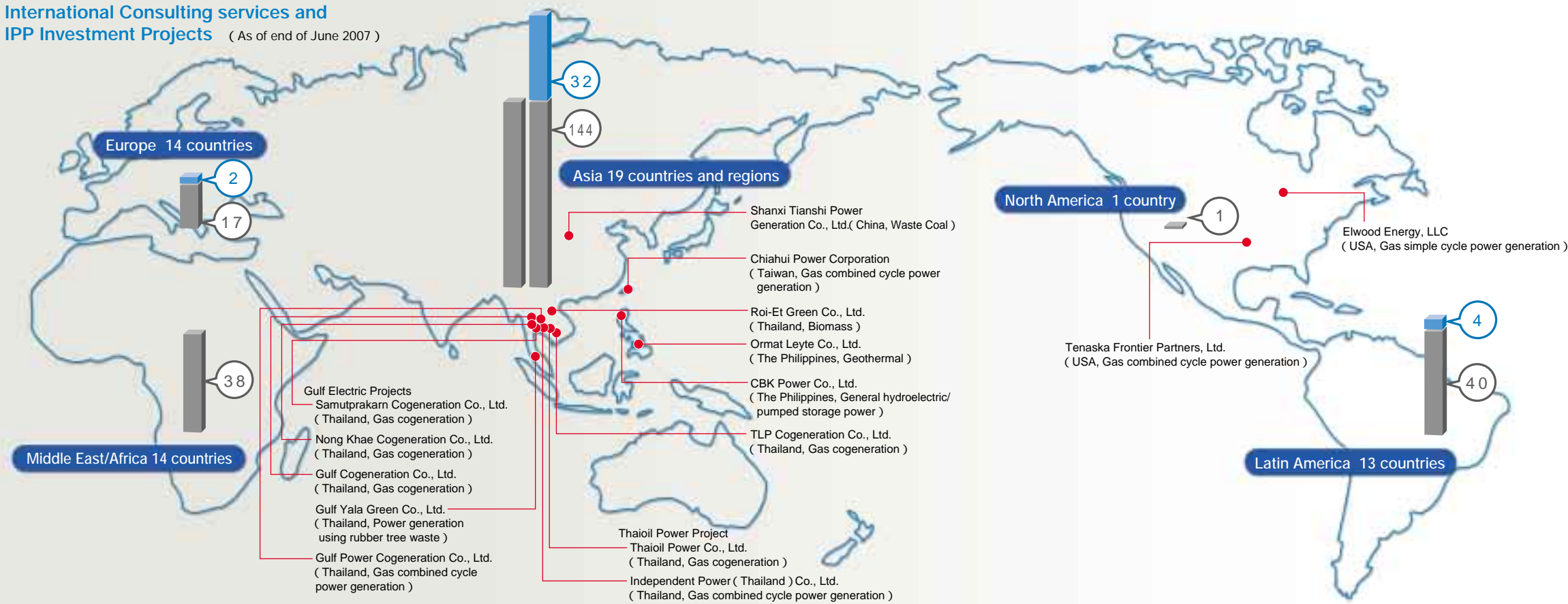
In addition to conventional power facilities development, J-POWER has recently diversified its consulting services into the following business areas: renewable energy, rural electrification, operation and maintenance improvement, organization reform, power sector reform and national power master plan. J-POWER also works in areas not directly related to electric power utilities such as irrigation, flood control and water supply.

Global Way

Global power business operations

J-POWER is actively engaged in a broad spectrum of business operations in this closely linked global village serving the needs of mankind. One of its core operations is providing consulting services on technological cooperation in the area of electric power development and environmental preservation. Another important element is its IPP (Independent Power Producer) business including participation by capital injection and providing technology, and J-POWER utilizes its extensive experience and know-how gained over 47 years in international projects.

International Consulting services and IPP Investment Projects (As of end of June 2007)



- International Consulting Projects: 61 countries and regions, 278 projects
- IPP investment projects: Operating - 15

Legend:
 Blue bar: Number of ongoing projects - 38
 Grey bar: Number of completed projects - 240



Yuncan Hydroelectric Power Plant (Peru)



Bakreswar Coal-Fired Thermal Power Plant (India)



Srinagarind Power Plant (Thailand)

Responding to the world's growing need for electricity

Taking an active lead in IPP project investments

The Independent Power Producer (IPP) scheme has become a major form of project development in the world's power generation sector, as it fits well with today's privatization and liberalization trends in the electricity supply industry. We are actively engaged in this investment-type business, leveraging our global business know-how acquired through our extensive international consulting business.

We are participating in 15 power projects in operation in 5 countries and regions with a total gross capacity of about 5,700MW. In addition, we are also participating in 2 other projects now under construction with a total gross capacity of about 780MW. (As of the end of June 30, 2007)

Our overseas operational IPP projects include Chiahui gas combined cycle power plant in Taiwan, and 9 IPPs are in operation in Thailand including Kaeng Khoi No. 2 gas-fired combined cycle power plant. In addition, a geothermal and hydroelectric power plants in the Philippines and gas thermal power plants in the USA are also in operation.

To maximize our corporate value, we will continue to expand our international IPP business.

Thailand, the USA and China are, and will remain, our primary markets, but we are also actively seeking business opportunities in other Asian areas.

For this, we have subsidiaries and local offices in these markets engaged in marketing and business development.

Our competitive advantages in the IPP business are the engineering and managerial know-how acquired through our successful domestic power development track record, and our international reputation established through the excellent results achieved during our 47 years of overseas consulting services. With these major advantages, J-POWER will continue seeking business opportunities in the global IPP market.



Tianshi Power Generation Project (China) [IPP]



Kalayaan Pumped Storage Power Plant (Philippines) [IPP]



Chiahui Gas Combined Cycle Power Plant (Taiwan) [IPP]



Kaeng Khoi No.2 Gas-Fired Combined Cycle Power Plant (Thailand) [IPP]



...and on
to the Future!

Next Generation

Creativity and technological capabilities are the source of power

Utilizing the know-how and technology accumulated over a 50-year period through its mainly power generation related operations, under the key words of " Energy " and " the Environment " J-POWER is boldly taking up the challenge of opening up new business domains and engaging in environmental preservation on a global scale. J-POWER is also actively engaged in technological development to access new business opportunities.



A positive approach to new business domains

Wind Power Development

Wind power is now spotlighted as a clean and renewable energy resource, and its development is accelerating.

J-POWER runs 9 wind power farms in Japan with a total power generation capacity of 210,530kW including Tomamae Winvilla Power Farm(Hokkaido)

J-POWER has been actively making inroads into foreign wind power development. A wind power farm in Poland, the Zajaczkowo Windfarm(48,000 kW) is now under construction and operations are scheduled to commence from July 2008.

Following on from this, J-POWER is studying site conditions, including wind conditions, at promising sites in Japan and also overseas with the aim of development.



Koriyama-Nunobiki Kogen Wind Farm

Recycling & biomass power generation operations

J-POWER is engaged in recycling power generation using solid fuel (RDF: Refuse Derived Fuel) made by compressing and forming ordinary waste in Omuta City, Fukuoka Prefecture.

We undertake these operations on a PFI (Private Finance Initiative) or PPP (Public - Private Partnership) basis in the area of recycling plants (waste incineration facilities, etc.) which require long-term stable operations. We are currently participating in a project involving repair and maintenance work at Narumi Plant in Nagoya (scheduled to commence service in July 2009)

Other projects include our engagement in the development of combined combustion technology. This involves combining biomass fuel with coal fuel at an existing coal-fired power plant. And we are engaged in verification tests involving combined combustion experiments using dried sewage sludge fuel (bio-solid fuel) at Matsuura Thermal Power Plant and tests at Matsushima Thermal Power Plant to manufacture carbonized fuel from general waste.



Omuta waste-fueled Power Plant

We are also engaged in verification tests of low temperature carbonization conversion of sewage sludge to produce (biomass) fuel.

Electric power energy supply business

J-POWER is engaged in electric power operations supplying power to designated power producers and suppliers (PPS) We have constructed three gas thermal power plants in Chiba Prefecture. In April 2005, Bayside Energy commenced

operations, and in October 2005 Mihama Seaside Power also went into operation.

In the area of IPP projects, we entered into joint project agreements with Toa Oil Co., Ltd. in July 2001 and Taiheiyo Cement Corporation in March 2003. We are engaged in these operations at three locations.

In April 2005, we commenced operations at Tosa Power plant.

We are also engaged in a standing model PFI project at Kanamachi Filtration Plant in Tokyo, and this plant supplies electric power and steam using cogeneration equipment. In this way, we provide on-site type energy supply services.

Infrastructure and water environment operations

J-POWER is also proactively engaged in PFI/PPP operations in the water and sewage infrastructure area. We have already participated in the Samukawa water purification plant waste water treatment facilities, a designated project (Kanagawa Prefecture) and Edogawa water purification plant waste water treatment facilities construction project (Tentative name, Chiba Prefecture)

From July 2007, we have been engaged in integrated drinking water operations through a stake in Fresh Water Miike, a company engaged in utility water operations in the Omuta-city area of Fukuoka Prefecture.

Thus, we are engaged in the construction and operation of facilities utilizing private sector funds and know-how. In the water environment sector, we also provide the optimal solutions for on-site water treatment services.

Underground facilities development and utilization engineering

Through the development of its own power plants, J-POWER has constructed many tunnels and underground spaces. From this, we have amassed extensive integrated engineering experience from planning, surveys, design, acquisition of authorizations to order placement for construction work, construction work supervision, and operational management. In this way, we have accumulated vast amounts of diverse technologies in areas such as underground survey work, large-scale underground space design, and groundwater behavior analysis.

We utilize this experience and technology in the area of the energy storage sector including underground storage facilities for petroleum and LP gas as well as for compressed air underground storage and power generation.

We are committed to acquiring experience and technology relating to groundwater space utilization, and we will use this to provide greatly enhanced engineering services.

Other undertakings

J-POWER is also engaged in business operations such as fiber optic leasing service utilizing its own power transmission lines.

New Business Projects

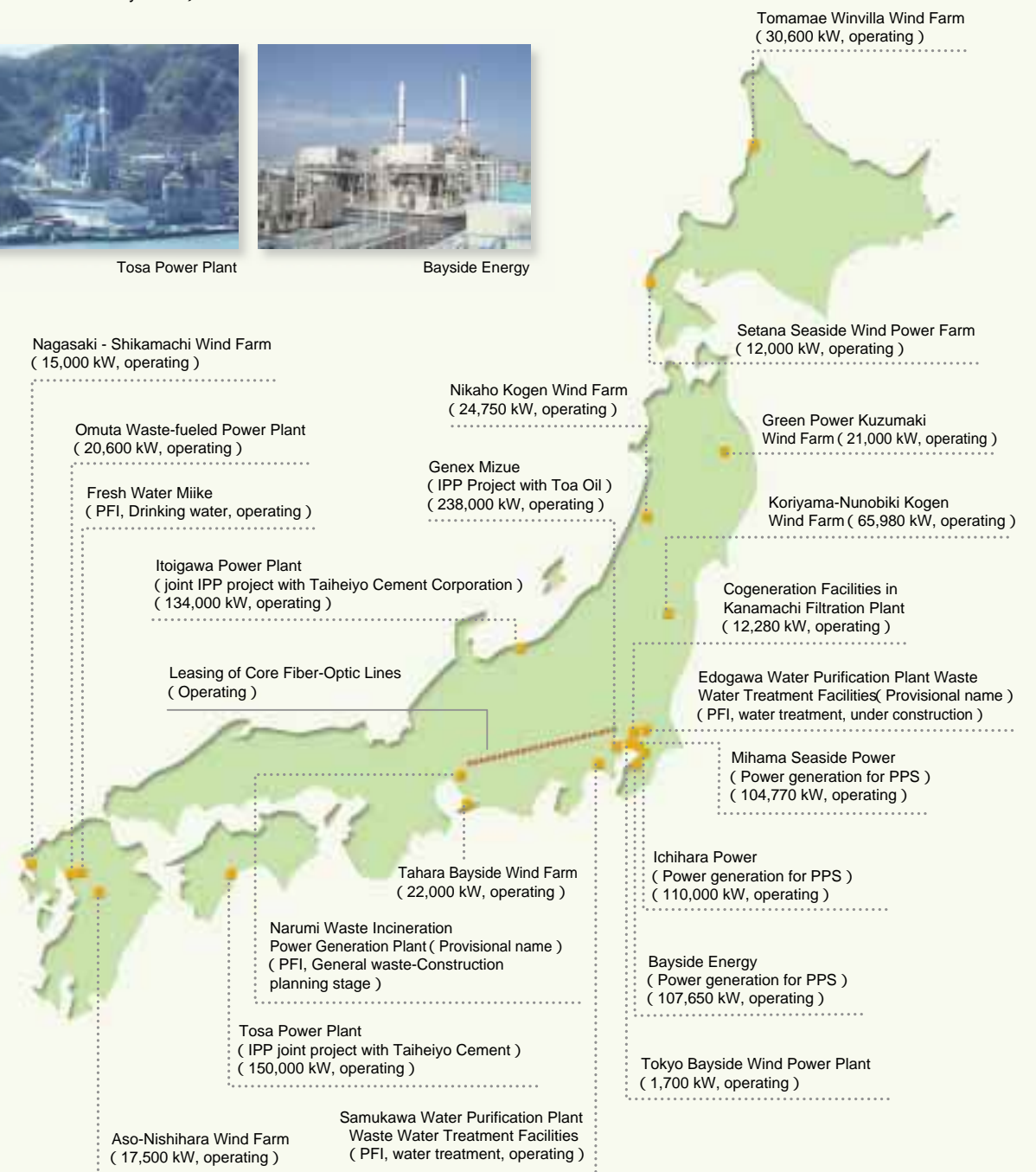
(As of end of July 2007)



Tosa Power Plant



Bayside Energy



J-POWER Group Environmental Management Vision Basic Policy

[Basic Stance]

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

[Efforts Relating to Global Environmental Issues]

In accordance with the principles of the United Nations Framework Convention on Climate Change (FCCC), we will cost-effectively address issues relating to climate change on a global scale. We will continue to reduce CO₂ emissions per electric power sales with an economically viable combination of maintenance and improvement of the efficiency of energy use, development of low CO₂ emission power sources, development/transfer/dissemination of new technologies and utilization of the Kyoto Mechanisms. Furthermore, we will continue to work towards our ultimate goal of "Zero CO₂ emissions" through the capture and storage of CO₂.

[Efforts Relating to Local Environmental Issues]

We will take measures to reduce the environmental impact of our operations by saving, recycling and reusing resources to limit the generation of waste, and by fostering good community relations.

[Ensuring Transparency and Reliability]

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

Restoration of wetlands as part of power station expansion works

In the original expansion plans for the Okutadami and Otori power stations (Fukushima and Niigata prefectures), it was intended to bury the excavated rock in low ground areas downstream from the Okutadami dam on the left side of the site. However, in this area there was an ecosystem dependant on the mountainous wetlands. To achieve the two objectives of waste rock disposal and preservation of the wetland ecosystem, we created an alternative wetland area.

In the preservation of the wetland ecosystem, we have tried to ensure that both the original wetlands and the newly created wetlands can exist for as long as possible. By carefully implementing the wetlands transfer process, we have encouraged the flora and fauna to move from the old to the new wetlands in a natural process.

For this project, we received the FY 2005 Environment Award of the Japan Society of Civil Engineers.

We have confirmed that rare dragonfly species continue to exist in the recreated wetlands and at the newly created lake located downstream from the wetlands. In FY 2007 we intend to conduct studies on changes in the flora and fauna in the newly created wetlands.



Restored Wetlands as Part of the Okutadami and Otori Power Station Expansion Project

We contribute to the sustainable development of Japan and the world by harmonizing our operations with the environment.

Efforts Relating to Global Environmental Issues

Implementing measures to prevent global warming is a top management priority, which is why J-POWER is so proactive in establishing and implementing policies to address this issue. Specifically, we are engaged in an economically viable and rational combination of the following 4 methods. This takes into account factors such as cost-effectiveness on a global scale, and in this way we will be able to reduce the emission of CO₂ per power sales unit on a sustainable basis.

Maintenance and improvement of energy efficiency

We are engaged in maintaining and improving the sustainability and improvement of energy efficiency by ensuring stable operation of hydroelectric, geothermal, wind power and recycling power generation as well as by improving thermal efficiency of thermal power plants.

Development of various types of power generation with less CO₂ emissions

We are promoting development of various types of power generation with less CO₂ emissions such as nuclear power generation and renewable energy power generation.

Development, transfer and dissemination of technology

We are expediting the development, transfer and dissemination of high efficiency coal combustion technology. In addition, we are aiming to achieve our ultimate goal of "Zero CO₂ emission", and we are engaged in the development of CO₂ recovery and sequestration technology.

Utilization of the Kyoto Mechanisms

We are promoting proactive utilization of the Kyoto Mechanisms introduced under the Kyoto Protocol, which seeks to implement effective measures to prevent global warming on a worldwide scale.

Efforts Relating to Local Environmental Issues

Reducing emissions to alleviate environment load

We take measures to reduce the impact created by our corporate

activities on the local environment including the atmosphere and water quality, and we employ the latest technology and knowledge to implement environment conservation measures to prevent air pollution, water pollution, and noise and vibration at coal thermal power stations, etc.

Recycling and reuse of resources

To establish a recycling-based society, J-POWER makes effective use of the waste it generates. It curbs the amount of waste produced and ensures appropriate disposal. In addition, J-POWER is engaged in environment recycling operations such as the appropriate disposal of waste, environment preservation measures and promoting the use of unused energy resources.

Ensuring Transparency and Reliability

Environmental management

J-POWER has introduced an Environmental Management System (EMS) that conforms to the ISO 14001 environmental management standard. We use this system at all our facilities. In FY 2004, we acquired ISO 14001 certification at all our thermal power plants and at our geothermal power plant. In addition, during FY 2005, we acquired this certification for each headquarters (Hokkaido, East, Chubu and West headquarters) including hydroelectric and power transmission and substation bases.

Environment-related Communications

Our environment conservation activities are published in our Sustainability Report. We release a wide range of environment related information through our PR activities.

We place great emphasis on communication activities, such as active participation in local environment conservation activities.

J-POWER Group Sustainability Report is available on our website www.jpowers.co.jp

Shokawa Sakura Trees

There are two large Sakura, or cherry trees, at the Nakano observation platform near Miboro lakeside, and these trees are said to be over 450 years old. They are both Azuma Higan Sakura cherry trees. Originally, these cherry trees were in the precincts of Shorenji and Korinji Buddhist temples, which are now submerged under the dam lake.

For the local village people, these trees were a beloved feature of their life for many years. So, in 1959, the late first President of J-POWER, Tatsunosuke Takasaki, visited this site during the dam construction. He felt it would be a pity for these two magnificent cherry trees to be submerged under the lake. J-POWER requested the leading researcher in the field of cherry trees, the late Shintaro Sasabe, the Sakura doctor, to undertake the transplanting of these two trees, and this was successfully accomplished. This was a major transplantation project without precedent worldwide that many experts in the field said would be impossible, and it was completed in December 1960. These trees are now known as the Shokawa Sakura, and since that time, we have cared for these trees.



Financial Data

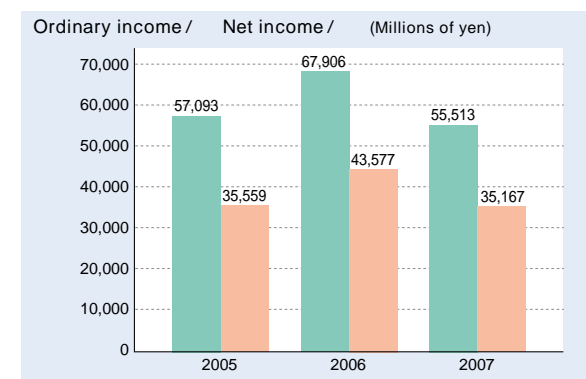
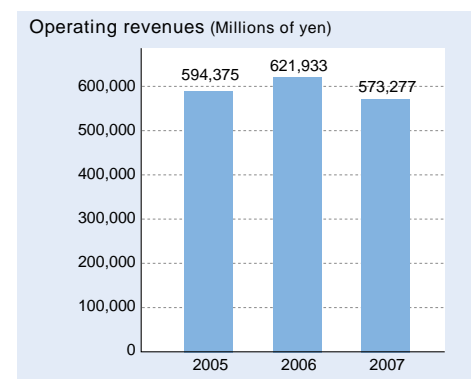
Consolidated Balance Sheets (As of March 31, 2007)

Assets			Liabilities, Minority Interests and Shareholders' Equity		
	2007	2006		2007	2006
Property, Plant and Equipment	1,861,818	1,827,868	Long-term liabilities	1,193,139	1,215,033
Power plant	1,351,994	1,438,443	Current liabilities	341,844	313,999
Other property, plant and equipment	33,682	28,336	Reserves under special laws	2,155	1,399
Construction in progress	248,710	199,524	Total liabilities	1,537,140	1,530,432
Investments and other assets	227,430	161,564	Shareholders' equity	444,956	-
Current assets	137,976	136,798	Valuation and translation adjustments	16,230	-
			Minority interests	1,468	-
			Total net assets	462,654	-
			Minority interests	-	1,206
			Common stock	-	152,449
			Capital surplus	-	81,849
			Retained earnings	-	182,760
			Unrealized gain on other securities	-	14,050
			Foreign currency translation adjustments	-	1,935
			Treasury stock	-	17
			Total shareholders' equity	-	433,028
Total assets	1,999,794	1,964,667	Total Liabilities and Net Assets	1,999,794	1,964,667

Consolidated Statement of Income (From April 1, 2006 to March 31, 2007)

Expenses			Revenues		
	2007	2006		2007	2006
Operating expenses	496,136	520,464	Operating revenues	573,277	621,933
(Operating income)	(77,141)	(101,469)	Non-operating revenues	13,011	7,620
Non-operating expenses	34,639	41,182	Total ordinary revenues	586,289	629,553
Total ordinary expenses	530,775	561,646			
Ordinary income	55,513	67,906			
(Provision for) reversal of reserve for fluctuation in water levels	756	399			
Income before income taxes and minority interests	54,757	68,305			
Income taxes - current	18,461	26,151			
Income taxes - deferred	1,431	1,488			
Minority interests or losses	302	65			
Net income	35,167	43,577			

Performance in graph form (Consolidated)



Consolidated Statement of Cash Flows (From April 1, 2006 to March 31, 2007)

	2007	2006
Cash flows from operating activities	157,241	173,954
Cash flows from investing activities	155,407	72,326
Cash flows from financing activities	2,168	103,613
Foreign currency translation adjustments on cash and cash equivalents	331	291
Net (decrease) in cash and cash equivalents	3	1,693
Cash and cash equivalents at beginning of year	28,874	30,221
Increase in cash from the addition of consolidated subsidiaries	5,704	346
Cash and cash equivalents at end of the period	34,575	28,874

* Consolidated Subsidiaries
 Itoigawa Power Inc./ Ichihara Power Co., Ltd./ Nikaho-Kogen Wind Power Co., Ltd./ Green Power Kuzumaki Co., Ltd./ Nagasaki-Shikamachi Wind Power Co., Ltd./ Green Power Aso Co., Ltd./ J-Wind Tahara Co., Ltd./ Dream-Up Tomamae Co., Ltd./ JPHYTEC Co., Ltd./ JPEC Co., Ltd./ KEC Corporation/ EPDC CoalTech and Marine Co., Ltd./ KDC Engineering Co., Ltd./ J-POWER RESOURCES Co., Ltd./ J-POWER Australia Pty. Ltd./ JP Business Service Corporation/J-Power Investment Netherlands B.V./ J-POWER Genex Capital Co., Ltd./ Bay Side Energy Co., Ltd./ Green Power Setana Co., Ltd./ JP Enterprise Co., Ltd./ Global Shipping Co., Ltd./ Kaihatsu Hiryo Co., Ltd./ Telesystem Co., Ltd./ Green Service Co., Ltd./ EM CARRIERS S.A./ EM MARITIME S.A./ MT Densetsu Co., Ltd./ Takehara Kiden Co., Ltd./ Kyushu Kiden Koji Co., Ltd./ Yokohama Kiden Co., Ltd./ Suiryoku Kiden Koji Co., Ltd./ KM SODEN Engineering Co., Ltd./ Kansai Kiden Co., Ltd./ Kaihatsu Hiryo Hanbai Co., Ltd./ Ecogenomics, Inc./ Japan Network Engineering Co., Ltd./ Omuta Plant Service Co., Ltd./ J-POWER Business Capital Co., Ltd./ Green Power Koriyama Nunobiki Co., Ltd./ J-POWER INVESTMENT U.K. LIMITED/ J-POWER North America Holdings Co., Ltd./ J-POWER USA Development Co., Ltd./ J-POWER USA Investment Co., Ltd./ J-POWER Frontier GP, LLC/ J-POWER USA Investment GP, LLC/ J-POWER Frontier Partners, L.P./ J-POWER Frontier Capital, L.P./ J-POWER Frontier, L.P./ Montana Grimes Frontier, L.P./ Montana Grimes County, LLC/ J-POWER Holdings (Thailand) Co., Ltd./ J-POWER Generation (Thailand) Co., Ltd./ J-POWER EnTech Co., Inc./ JM Activated Coke, Inc.

Electric Power Sales (Year ended March 31, 2007)

Income from Electric Power Sales 60,329 GWh*
 * Power sales do not include those from pumped storage power generation

Corporate Data

Category of Business:
Electric Utility

Date of incorporation:
September 16, 1952

Paid-in capital:
¥152,449,600,000

Employees:
2,174 (As of March 31, 2007)

Corporate Network (As of June 2007)

Head Office

6-15-1, Ginza Chuo-ku, Tokyo 104-8165, Japan Tel: 81-3-3546-2211
 Website: www.jpowers.co.jp E-mail: webmaster@jpowers.co.jp

Overseas Offices

Washington Office
1101 17th street, N.W., Suite 802,
Washington D.C.20036, U.S.A.
Tel: 1-202-429-0670 Fax: 1-202-429-1660

Beijing Office
3006 Chang Fu Gong Office Bldg., Jia-26,
Jian Guo Men Wai Da Jie, Beijing 100022, PRC
Tel: 86-10-6513-7091/7092 Fax: 86-10-6513-3371

Kuala Lumpur Office
Letter Box No.38, 16th Floor, UBN Tower, 10,
Jalan P. Ramlee 50250 Kuala Lumpur, Malaysia
Tel: 60-3-2031-8133 Fax: 60-3-2031-0133

Hanoi Office
9F Sun Red River Building
23 Phan Chu Trinh Street
Hoan Kiem District
Hanoi Vietnam
Tel: 84-4-933-3930 Fax: 84-4-933-3937

Purulia Office
WESEB PPSP Administrative Bld.,
Patherdhi Village,P.O.Bagmundi,
Purulia Dist.,West Bengal State 723152
INDIA
Tel:91-3252-25-0611/0649 Fax:91-3252-25-0611

Upper Kotomale H.E.P.P Office
Walker Place,Talawakelle,
Nuwara Eliya SriLanka
Tel:94-52-225-8884 ~ 7 Fax:94-52-225-8684

Dai Ninh Hydropower Project Office
Dai Ninh-Ninh Gia,Duc Trong Dist,
Lam Dong Province
Lam Dong Vietnam
Tel:84-63-846563 Fax:84-63-846563

Directors and Statutory Auditors (As of July 2007)

President
Yoshihiko Nakagaki

Executive Vice Presidents
Shinichiro Ota
Kiyoshi Sawabe
Masayoshi Kitamura
Masashi Hatano

Executive Managing Directors
Yasuo Maeda
Kanji Shimada
Yoshihiko Sakanashi
Minoru Hino

Executive Directors
Masaharu Fujitomi
Toshifumi Watanabe
Tomoo Kosugi
Koichi Tazawa

Senior Corporate Auditors
Masayuki Hori
Akio Ushio

Corporate Auditors
Yasuo Matsushita
Mutsutake Otsuka
Hideaki Miyahara

Major Group Companies (As of end of June, 2007)

Company	Location	Tel./Website	Main Business
JP Business Service Corporation	Kouto-ku, Tokyo, Japan	(81)3-3642-9771 http://www.jpbs.co.jp	Operation of public welfare facilities; building maintenance; administrative, labor, and accounting services; computer software development.
JPHYTEC Co., Ltd.	Chiyoda-ku, Tokyo, Japan	(81)3-3237-2323 http://www.jphytec.co.jp	Construction, engineering, design, consulting, and maintenance inspections for hydropower plants and power transmission facilities; real estate indemnity, land surveying, civil engineering work, general architecture, project management.
JPEC Co., Ltd.	Chuo-ku, Tokyo, Japan	(81)3-5203-0361 http://www.jpcc.co.jp	Construction, engineering, design, consulting, and maintenance inspections for thermal and nuclear power plants; unloading and transport of coal for thermal plants, sales of fly ash, and marine transport of coal fuel for electricity generation; study, implementation, and maintenance management of forestation landscaping, environmental protection studies and planning.
KEC Corporation	Bunkyo-ku, Tokyo, Japan	(81)3-3816-8211 http://www.kec.co.jp	Installation and maintenance of electronic and communications equipment
KDC Engineering Co., Ltd.	Nakano-ku, Tokyo, Japan	(81)3-5371-9588 http://www.kdc.co.jp	Civil engineering, general architecture, power generation facility design, project supervision.
J-POWER RESOURCES Co., Ltd.	Chuo-ku, Tokyo, Japan	(81)3-3246-1961 http://www.eoc.co.jp	Coal surveying, prospecting, and development, and related investments.
J-POWER EnTech Co., Inc.	Minato-ku, Tokyo, Japan	(81)3-3597-2761 http://www.jpowers.co.jp/entech	Engineering of equipment for removal of atmospheric and water pollutants.



Electric Power Development Co., Ltd.

15-1, Ginza 6-chome, Chuo-ku, Tokyo 104-8165, JAPAN Tel:+81-3-3546-2211

<http://www.jpower.co.jp>

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