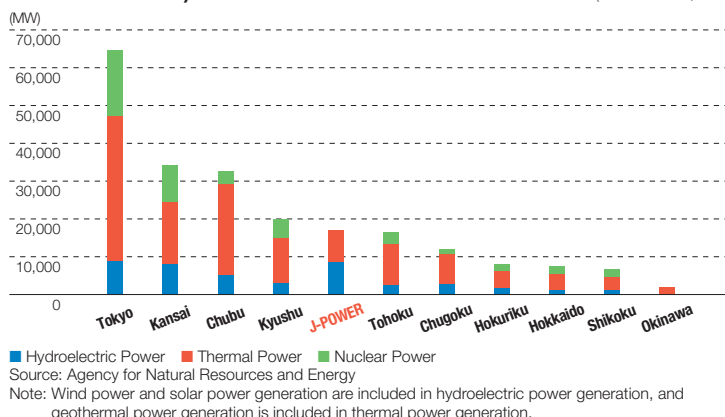


A CLOSE LOOK AT J-POWER —J-POWER's Businesses and Characteristics—

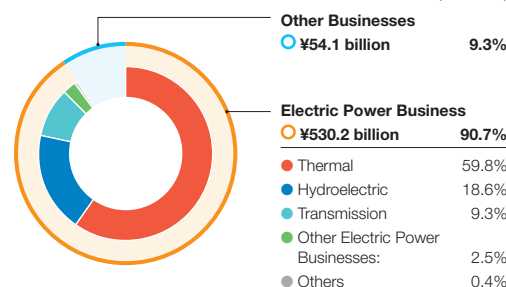
Our core business is the wholesale electric power business, where we supply electricity to Japan's 10 major electric power companies (EPCOs) through our hydroelectric and thermal power plants. Through our power transmission and transforming facilities, we also provide transmission services. In addition, we are engaged in operating wind power plants, the wholesale supply of electricity to EPCOs by IPPs, the wholesale supply of electricity to PPSs and the overseas power generation business.

POWER GENERATING CAPACITY OF J-POWER (WHOLESALE ELECTRIC POWER BUSINESS) AND 10 ELECTRIC POWER COMPANIES (As of March 31, 2010)



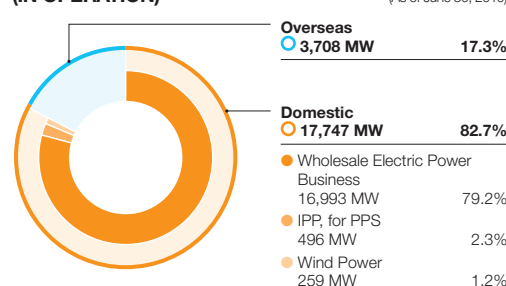
COMPOSITION OF CONSOLIDATED OPERATING REVENUES

(Fiscal 2009)



CONSOLIDATED POWER GENERATION CAPACITY (IN OPERATION)

(As of June 30, 2010)



* Includes affiliates. Capacity for all facilities is multiplied by J-POWER's investment ratio (equity ratio).

Electric Power Business

■ Wholesale Electric Power Business (Thermal Power)

We specialize in coal-fired thermal power, and own a total of **8,412 MW** of coal-fired power generation facilities, the largest share in Japan. Our coal-fired facilities boast a high load factor and superior economic efficiency, fulfilling base demand for electricity, due to the lower cost per calorie of overseas coal compared with other fossil fuels. In addition, Isogo New No. 2 Thermal Power Plant commenced commercial operations in July 2009. This facility achieves the world's highest standard for both power generation efficiency and environmental performance as a coal-fired power plant.

■ Wholesale Electric Power Business (Hydroelectric Power)

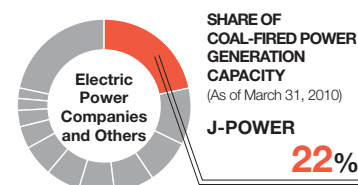
We have developed many large-scale hydroelectric power plants and now own facilities with a total capacity of **8,566 MW**, one of the largest in Japan. As these facilities are able to rapidly respond to changes in electricity demand, they are used mainly in the daytime, when demand is at its peak.

■ Power Transmission/Transformation

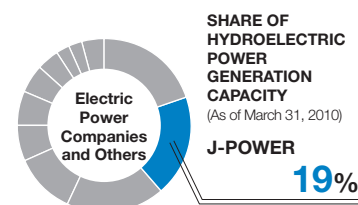
We own major transmission lines, such as those connecting Honshu with Hokkaido, Shikoku and Kyushu respectively (with a total length of 2,408 km). We also own a frequency converter station that links the different frequencies of Eastern and Western Japan. Through these facilities, we fulfill an important role in supporting Japan's power grid.

■ Other Electric Power Businesses

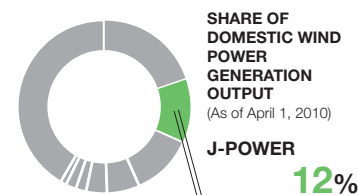
Our subsidiaries and affiliates are engaged in operating wind power plants, the wholesale supply of electricity to EPCOs by IPPs and the wholesale supply of electricity to PPSs. In terms of our owned capacity of wind power generation facilities, we command one of the largest shares of Japan's wind power market.



Source: Prepared by J-POWER based on reports issued by the Agency for Natural Resources and Energy.



Source: Reports issued by The Agency for Natural Resources and Energy.



Source: Japanese Wind Power Association and materials from other wind power companies

Electric Power-Related Businesses

We operate businesses that complement and contribute to the smooth and efficient implementation of our electric power business. We conduct design, construction, and inspections, maintenance and repair of electric power facilities. We are also active in coal mine development and coal imports, as well as transportation and other related businesses which support the operations of our power generation facilities and power transmission and transforming facilities. These businesses are characterized by a large volume of intra-Group transactions.

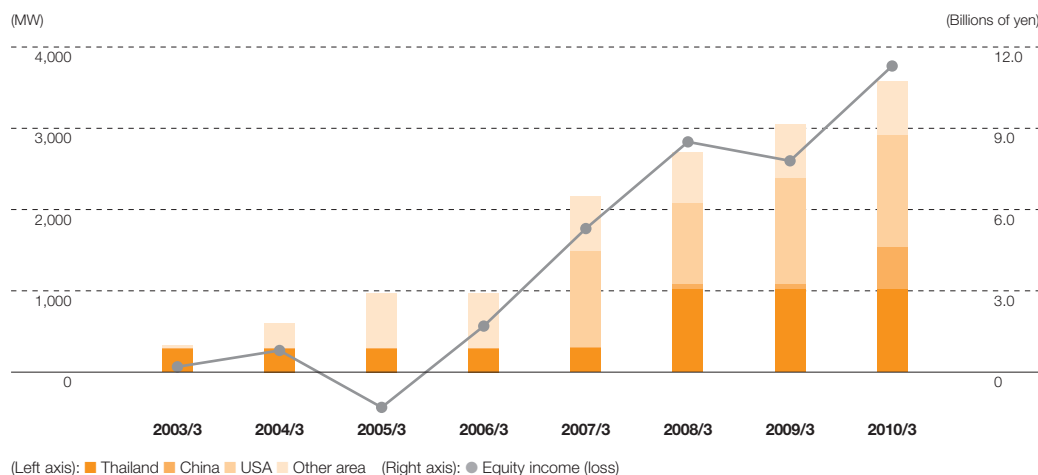


Other Businesses

Fully utilizing the Group's management resources and know-how, we operate businesses that include overseas power generation, new power businesses in Japan, such as waste-fueled power generation and co-generation, environmental businesses, the telecommunications business, domestic and overseas engineering and consulting, and the sale of coal.

In overseas business, we began conducting technological consulting services in the 1960s, and have executed a total of **312 projects** in 63 countries and regions (as of June 30, 2010). Also, we started developing the overseas power generation business in the late 1990s and now own power generation facilities in 6 countries and regions, mainly Thailand, the U.S. and China. These facilities have a total capacity of **3,708 MW**, which accounts for approximately 20% of our consolidated capacity (as of June 30, 2010, owned capacity basis). J-POWER is strengthening its hand overseas so as to develop the overseas power generation business into a second major area, next to the wholesale electric power business in Japan.

OWNED CAPACITY OF OVERSEAS POWER GENERATION PROJECTS/EQUITY INCOME (LOSS)



Owned capacity (in operation): Capacity reported at fiscal year-end calculated by multiplying total capacity of project by J-POWER's investment ratio (equity ratio).

* Change in reporting segments

From the first quarter of the fiscal year ending March 31, 2011, J-POWER has adopted the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17) and the Implementation Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Implementation Guidance No. 20).

As a result, J-POWER has changed its reporting segments to the following four segments. The "electric power business" segment is centered on the wholesale electric power business, but also includes the wind power generation business, wholesale electricity supply by IPPs to electric power companies, and wholesale electricity supply for PPSs conducted by J-POWER's subsidiaries and affiliates. The "electric power-related business" segment operates businesses that complement and contribute to the smooth and efficient implementation of our electric power business. The "Overseas Business" segment is engaged in overseas power generation and related businesses. The "Other Businesses" segment conducts coal sales and other operations utilizing the Group's management resources and know-how.