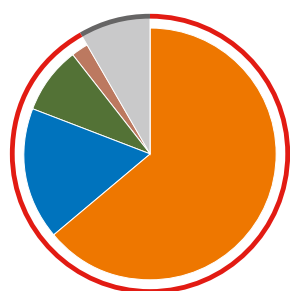


# The J-POWER Group's Electric Power Businesses — Supporting Stable Supplies of Electric Power in Japan

J-POWER's core business is wholesale electric power business operating power plants throughout Japan to supply electricity to the EPCOs in each region of Japan on a long-term basis. We also employ our power transmission and transforming facilities to provide transmission services. In addition, we are engaged in the operation of wind power plants, the wholesale supply of electricity to EPCOs by independent power producers (IPPs), the wholesale supply of electricity to power producers and suppliers (PPSs), and other kinds of business.

## Composition of Consolidated Operating Revenues

(Fiscal 2010)



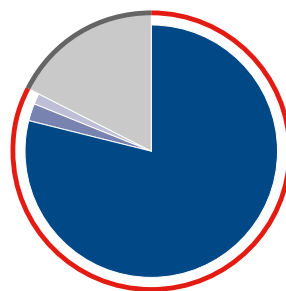
**Electric Power Business**  
¥584.4 billion 92%

**Other Electric Power Businesses**  
Thermal 64%  
Hydroelectric 17%  
Transmission 9%  
Other Electric Power Businesses 2%

**Other Businesses**  
¥51.5 billion 8%

## Consolidated Power Generation Capacity (In operation)

(As of March 31, 2011)



**Domestic**  
17,812 MW 83%

**Wholesale Electric Power Business**  
16,993 MW 79%

**IPPs, for PPSs**  
500 MW 2%

**Wind Power**  
323 MW 2%

**Overseas**  
3,738 MW 17%

Note: Includes facilities of subsidiaries and affiliates accounted for by the equity method. Capacity for all facilities is multiplied by J-POWER's investment ratio (equity ratio).

## Thermal Power

### Mainstay Operations Focused on Coal-Fired Facilities

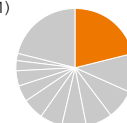
J-POWER owns seven coal-fired power generation facilities with a total capacity of 8,412 MW, making it Japan's top company in terms of coal-fired power generation capacity. Owing to the lower cost per calorie of imported coal compared with crude oil, LNG, and other fossil fuels and reflecting the use of our coal-fired facilities principally to meet

base demand, our facilities have high capacity load factors and can be said to be outstanding sources of power in terms of economy. With the objective of reducing environmental impact, we are engaged in the renovation (replacement) of aging power plants and the development of highly efficient power generation technologies.

### Share of Coal-Fired Power Generation Capacity in Japan

(As of March 31, 2011)

Electric Power Companies and Others



J-POWER  
21%

Source: Reports issued by the Agency for Natural Resources and Energy

## Hydroelectric Power

### Essential Capabilities for Meeting Peak Demand

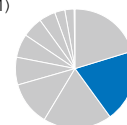
J-POWER owns 59 hydroelectric power plants with a total capacity of 8,566 MW, making it Japan's second-ranked company in terms of hydropower generation capacity. Since the Company's establishment, it has created numerous large-scale hydroelectric power

plants. Hydropower is a clean source of power that does not entail CO<sub>2</sub> emissions. Moreover, because hydroelectric power plants are able to rapidly respond to changes in electricity demand, they are used mainly in the daytime, when demand reaches its peak levels.

### Share of Hydroelectric Power Generation Capacity in Japan

(As of March 31, 2011)

Electric Power Companies and Others



J-POWER  
20%

Source: Reports issued by the Agency for Natural Resources and Energy

## Power Transmission/Transformation

### Core Elements of Japan's Electric Power Infrastructure

J-POWER has major transmission lines with a total length of 2,408 km, including lines that connect Honshu with Hokkaido, Shikoku, and

Kyushu. We also own a frequency converter station that links the different frequencies of eastern and western Japan. These facilities are

key infrastructure elements that play extremely important roles in the comprehensive management of Japan's nationwide power grid.

## Other Electric Power Businesses

### Responding to Deregulation Opportunities and Low-Carbon Society Needs

J-POWER provides wholesale power supplies to EPCOs using three IPP facilities throughout Japan with a total capacity of 522 MW and provides wholesale power supplies to PPSs using

three facilities throughout Japan with a total capacity of 322 MW. Owning 18 wind farms throughout Japan with a total capacity of 353 MW, we are Japan's second-ranked company in

terms of wind power generation capacity. All these operations are undertaken via subsidiaries and affiliates.