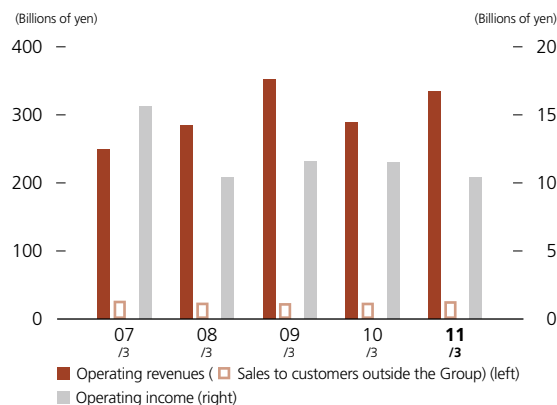


## Segment Overview

### Segment Operating Revenues/Segment Income\*



\* In fiscal years through the year ended March 31, 2009 (fiscal 2008), segment income is stated in terms of operating income. From the fiscal year ended March 31, 2010 (fiscal 2009), segment income is stated in terms of ordinary income.

### Performance Highlights

In fiscal 2010, operating revenues increased 16% year on year, to ¥334.6 billion, owing to factors including a rise in consolidated subsidiaries' sales of coal to the parent company. Reflecting a rise in cost of sales, segment income decreased 10%, to ¥10.4 billion.



Clermont Coal Mine

### Coal Mining Projects

(As of June 30, 2011)

Mine Name	Location	Loading Port	Production Volume	Investment Ratio	Commercial Production
Blair Athol	Queensland	Dalrymple Bay	Approx. 10 million t/yr	10%	1984
Ensham	Queensland	Gladstone	Approx. 6 million t/yr	10%	1993
Clermont	Queensland	Dalrymple Bay	Approx. 12 million t/yr	15%	2010
Narrabri	New South Wales	Newcastle	Approx. 6 -7 million t/yr	7.5%	2010

Note: Investment through a subsidiary, J-POWER AUSTRALIA PTY., LTD.  
Production volume represents figures for peak production.

### Overview of Operations

We are developing electric power-related businesses that are required for the operation of power generation, transmission, and transformation facilities and that complement and contribute to the smooth and efficient implementation of our electric power business, including those undertaking the design, construction, inspection, and maintenance of power generation facilities; those importing coal, those employing their own vessels to transport coal, and those engaged in other kinds of operations.

For the power-generation facilities of its domestic wholesale electric power business, J-POWER conducts maintenance in close partnership with its subsidiaries. In addition, through its subsidiaries, J-POWER has invested in four mines in Australia to ensure stable, long-term supplies of coal to fuel thermal power generation.

### Outlook

Growth in demand for energy resources in such countries as China and India and instability in the Middle East are among the factors increasing the tightness of the global supply, causing the prices of energy resources to surge rapidly. In view of this situation, the Company is planning stable coal procurement by expanding its upstream presence with respect to ownership of coal mines and securing diversified sources of procurement.

