

The J-POWER Group's Electric Power Businesses

Supporting Stable Supplies of
Electric Power in Japan

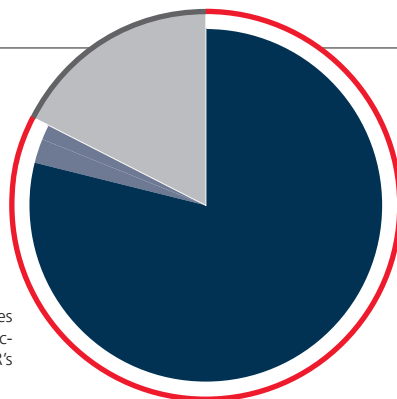
J-POWER's core business is wholesale electric power business operating power plants throughout Japan to supply electricity to the electric power companies (EPCOs) in each region of Japan on a long-term basis. We also employ our power transmission and transforming facilities to provide transmission services. 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.

Consolidated Power Generation Capacity (In operation)

(As of March 31, 2012)

Overseas **17%** 3,672MW

Domestic **83%** 17,813MW



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).

● Wholesale Electric Power Business	16,993 MW	79%
Thermal	8,427 MW*	39%
Hydroelectric	8,566 MW	40%
● Other Electric Power Business	820 MW	4%
IPPs, for PPSs	496 MW	2%
Wind Power	324 MW	2%

*Includes geothermal power generation

Wholesale Electric Power Business

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. The special feature of coal-fired thermal power generation is the lower cost per calorie of imported coal compared with crude oil, LNG, and other fossil fuels. 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.

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 CO₂ 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.

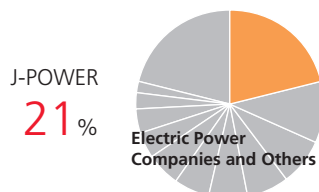
Power Transmission/Transformation

Core Elements of Japan's Electric Power Infrastructure

J-POWER has major transmission lines with a total length of approximately 2,400 km, including trunk 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.

Share of Coal-Fired Power Generation Capacity in Japan

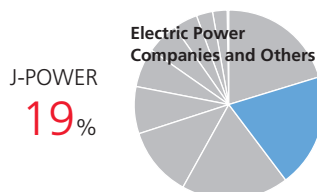
(As of March 31, 2012)



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

Share of Hydroelectric Power Generation Capacity in Japan

(As of March 31, 2012)



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

Other Electric Power Business

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.