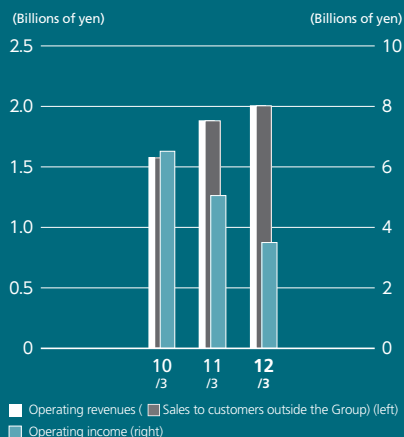


Segment Operating Revenues/ Segment Income*



* Segment income is stated in terms of ordinary income.

Business Overview

Overseas Business



Overseas Business

Performance Highlights

Centered mainly on the Company's overseas consulting business, operating revenues increased 6.6% year on year, to ¥2.0 billion.

Reflecting the equity in earnings of affiliates arising from overseas power generation projects, segment income decreased 30.7%, to ¥3.4 billion, due mainly to the impact of currency exchange rates.

Overview of Operations and Salient Features

The J-POWER Group has been involved in the overseas consulting business since 1960. Since that time, it has undertaken long-term consulting business throughout the world, including environmental impact assessments, the transfer of desulfurization and denitrification technologies in thermal power generation, and the planning, design, and construction supervision of hydroelectric power and power transmission projects.

Subsequently, amid the ongoing deregulation of the world's electric power industries, J-POWER established a dedicated in-house organization in 1997, commenced activities that would lead to an overseas power genera-

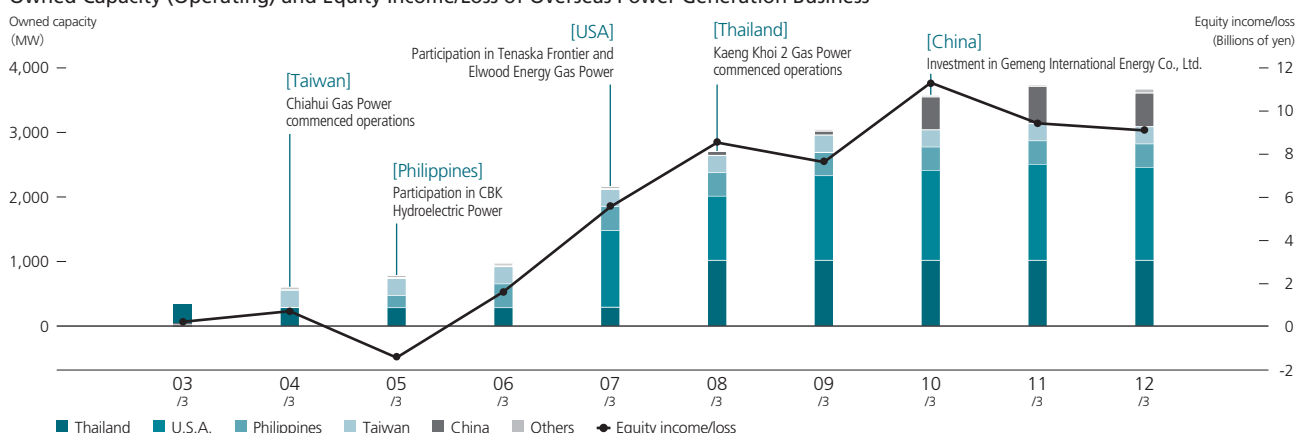
tion business that participates in business, and injected capital and technologies into overseas markets where ongoing strong demand was expected.

At first, the focus was on participation in joint venture-model small businesses based on partial involvement in such operations and the building of power plants as comparatively small-scale injections of capital. Amid intense competition, experience and results were steadily gained, and the Company expanded its business participation to major capital investments and green field projects. In 2005, a subsidiary was established in the United

States, where full-scale business development was commenced. In 2008, J-POWER began operations at the large-scale Kaeng Khoi 2 gas combined cycle power plant, in which it had been involved since construction.

Through this step-by-step approach, J-POWER is redoubling its efforts to make its overseas power generation business into a second area alongside its domestic business. The Company currently has 29 projects in operation in seven countries and regions worldwide, including Thailand, the United States, China, Taiwan, and the Philippines, bringing its overseas owned capacity to 3,672 MW.

Owned Capacity (Operating) and Equity Income/Loss of Overseas Power Generation Business



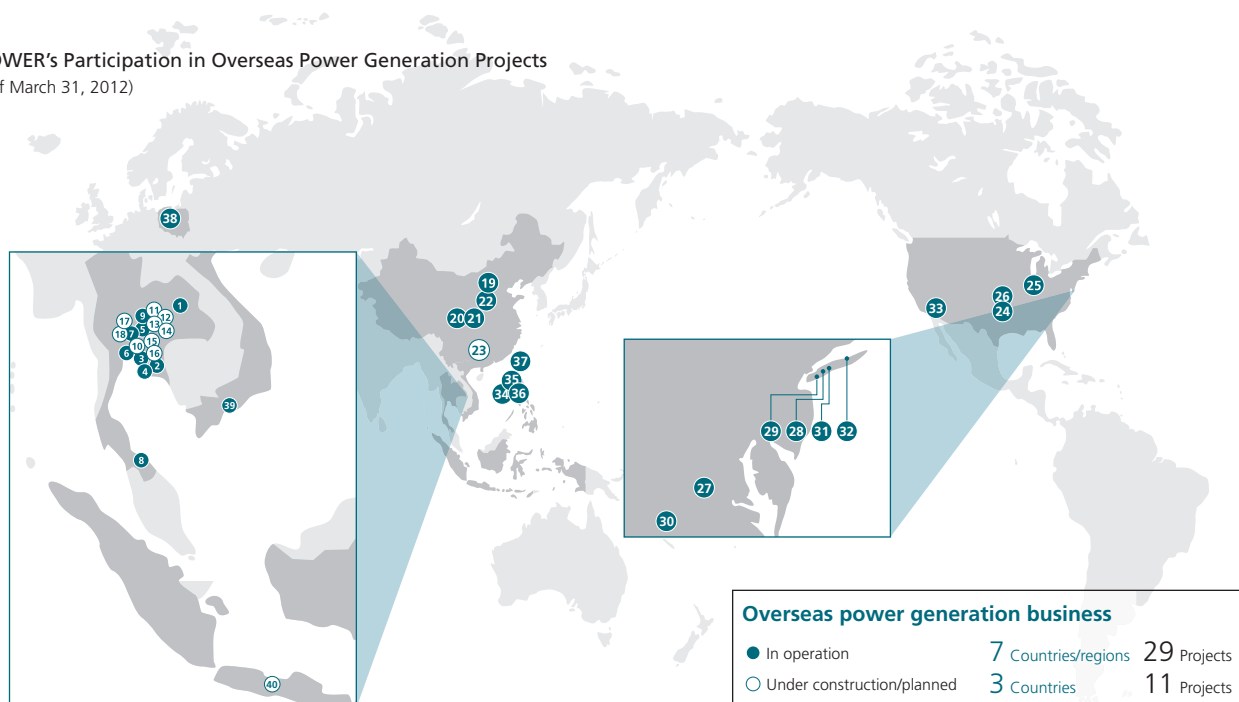
Note: Owned capacity [left]: Output is calculated by the total project capacity multiplied by J-POWER's equity ratio, and this is the amount recorded for the fiscal year-end.

Business Overview

Overseas Business

► J-POWER's Participation in Overseas Power Generation Projects

(As of March 31, 2012)



| Current Status | Project Name | Electricity Generation Source | Output Capacity (MW) | Ownership | Participation Year | Power Purchaser | Validity of Purchase Agreement |
|----------------------------|----------------------------------|------------------------------------|--------------------------------|-----------|--------------------|--|----------------------------------|
| Thailand | | | | | | | |
| In operation | ① Roi-Et | Biomass (Chaff) | 10 | 24.7% | FY2000 | Electricity Generating Authority of Thailand | 21 years |
| | ② Rayong | Gas (Combined Cycle)* ¹ | 112 | 20.0% | FY2000 | Electricity Generating Authority of Thailand/ Companies in the industrial park | 21 years |
| | ③ Thailoil Power | Gas (Combined Cycle)* ¹ | 113 | 19.0% | FY2001 | Electricity Generating Authority of Thailand/Thai Oil Public Co., Ltd., etc. | 25 years |
| | ④ Independent Power | Gas (Combined Cycle) | 700 | 10.6% | FY2001 | Electricity Generating Authority of Thailand | 25 years |
| | ⑤ Gulf Cogeneration (Kaeng Khoi) | Gas (Combined Cycle)* ¹ | 110 | 49.0% | FY2001 | Electricity Generating Authority of Thailand/ Companies in the industrial park | 21 years |
| | ⑥ Samutprakarn | Gas (Combined Cycle)* ¹ | 117 | 49.0% | FY2002 | Electricity Generating Authority of Thailand/ Companies in the industrial park | 21 years |
| | ⑦ Nong Khae | Gas (Combined Cycle)* ¹ | 120 | 49.0% | FY2002 | Electricity Generating Authority of Thailand/ Companies in the industrial park | 21 years |
| | ⑧ Yala | Biomass (Rubber Wood Waste) | 20 | 49.0% | FY2003 | Electricity Generating Authority of Thailand | 25 years |
| | ⑨ Kaeng Khoi 2 | Gas (Combined Cycle) | 1,468 | 49.0% | FY2004 | Electricity Generating Authority of Thailand | 25 years |
| Subtotal 9 projects | | | 2,770 (Owned: 1,020 MW) | | | | |
| Under construction | ⑩-⑬ 7 SPP Projects | Gas (Combined Cycle)* ¹ | Total 780 | 90.0% | FY2007 | Electricity Generating Authority of Thailand/ Companies in the industrial park | 25 years |
| | ⑰ Nong Saeng | Gas (Combined Cycle) | 1,600 | 90.0% | FY2007 | Electricity Generating Authority of Thailand | 25 years |
| In planning stage | ⑱ U-Thai (formerly Samet Tai) | Gas (Combined Cycle) | 1,600 | 90.0% | FY2007 | Electricity Generating Authority of Thailand | 25 years |
| China | | | | | | | |
| In operation | ⑲ Tianshi | Coal Waste | 50 | 24.0% | FY2000 | Shanxi Province Power Corporation | Renewed for 1 year* ³ |
| | ⑳ ㉑ Hanjiang (Xihe/Shuhe) | Hydroelectric | 450 | 27.0% | FY2007 | Shaanxi Electric Power Company | Renewed for 1 year* ³ |
| | ㉒ Gemeng* ² | Mainly Coal | 5,569 | 7.0% | FY2009 | Shanxi Province Power Corporation | — |
| Subtotal 4 projects | | | 6,069 (Owned: 523 MW) | | | | |
| Under construction | ㉓ Hezhou* ⁴ | Coal | 2,000 | 17.0% | FY2007 | Guanxi Power Grid Co. | Renewed for 1 year* ³ |

*² Gemeng International Energy Co., Ltd., is an electric power company that owns 14 power generation companies.

*³ Although power purchase agreements are renewed every year, J-POWER makes other agreements with power purchasers for continuous power purchase during operations.

*⁴ Hezhou No. 1 (1,000 MW) commenced operations in August 2012.



Gulf Cogeneration, Kaeng Khoi
(Thailand)



Green Country
(U.S.A.)



Hezhou
(China)



Birchwood
(U.S.A.)



CBK, Kalayaan
(Philippines)

| Current Status | Project Name | Electricity Generation Source | Output Capacity (MW) | Ownership | Participation Year | Power Purchaser | Validity of Purchase Agreement |
|------------------------|--------------------------------------|-------------------------------|-------------------------|-----------|--------------------|--|--------------------------------|
| U.S.A. | | | | | | | |
| In operation | 24 Tenaska Frontier | Gas (Combined Cycle) | 830 | 31.0% | FY2006 | Exelon Generation Company, LLC | 20 years |
| | 25 Elwood Energy | Gas (Simple Cycle) | 1,350 | 25.0% | FY2006 | Exelon Generation Company, LLC/ Constellation | Valid to 2012/ 2016/2017 |
| | 26 Green Country | Gas (Combined Cycle) | 795 | 50.0% | FY2007 | Exelon Generation Company, LLC | 20 years |
| | 27 Birchwood | Coal | 242 | 50.0% | FY2008 | Virginia Electric and Power Company | 25 years |
| | 28 Pinelawn | Gas (Combined Cycle) | 80 | 50.0% | FY2008 | Long Island Power Authority | Valid to 2025 |
| | 29 Equus | Gas (Simple Cycle) | 48 | 50.0% | FY2008 | Long Island Power Authority | Valid to 2017 |
| | 30 Fluvanna | Gas (Combined Cycle) | 885 | 15.0% | FY2008 | Shell Energy North America | Valid to 2024 |
| | 31 Edgewood | Gas (Simple Cycle) | 80 | 50.0% | FY2009 | Long Island Power Authority | Valid to 2018 |
| | 32 Shoreham | Jet Fuel (Simple Cycle) | 80 | 50.0% | FY2009 | Long Island Power Authority | Valid to 2017 |
| | 33 Orange Grove | Gas (Simple Cycle) | 96 | 50.0% | FY2007 | San Diego Gas & Electric | 25 years |
| Subtotal 10 projects | | | 4,486 (Owned: 1,438 MW) | | | | |
| Other Countries/Region | | | | | | | |
| In operation | 34-36 CBK (Philippines) (3 projects) | Hydroelectric | 728 | 50.0% | FY2004 | National Power Corporation | 25 years |
| | 37 Chiahui (Taiwan) | Gas (Combined Cycle) | 670 | 40.0% | FY2002 | Taiwan Power Company | 25 years |
| | 38 Zajaczkowo (Poland) | Wind Power | 48 | 45.0% | FY2006 | ENERGA OBROT S.A. | 15 years |
| | 39 Nhon Trach 2 (Vietnam) | Gas (Combined Cycle) | 750 | 5.0% | FY2008 | Vietnam Electricity | Contract under negotiation |
| Subtotal 6 projects | | | 2,196 (Owned: 691 MW) | | | | |
| In planning stage | 40 Central Java (Indonesia) | Coal | 2,000 | 34.0% | FY2011 | PT PLN | 25 years |

New Development Projects in Thailand and Indonesia

J-POWER is advancing the development of new power generation development projects, with a total output of 3,980 MW, in a current total of nine locations in Thailand: two IPP projects (at Nong Saeng and U-Thai) each of 1,600 MW and seven Small Power Producer (SPP) projects totaling 780 MW. The commercial operation dates of the seven SPPs are all scheduled for 2013; those of the two IPPs are in 2014 and 2015. Having signed a 25-year power purchase agreement (PPA) with the Electricity Generating Authority of Thailand (EGAT), J-POWER is undertaking the construction, operation and maintenance of these power plants.

In Indonesia, J-POWER won a new coal-fired thermal power IPP project in 2011, following an international competitive tender process in cooperation with other companies. The project involves the building of a coal-fired thermal power plant in central Java that at 2,000 MW will be the largest IPP operations in Asia; commercial operations are expected to start in 2016 or 2017. J-POWER signed a long-term PPA with PT PLN (PLN), Indonesia's state-owned electricity company, and will sell electricity to PLN for 25 years from the start of operations. J-POWER will apply its ultra-supercritical (USC) technology as it undertakes the project's construction as well as operation and maintenance. The project is expected to

contribute to the stabilization of Indonesia's power supply, a decrease in environmental impact, and to a shift to and the spread of advanced technologies. The belief is that the project will also serve as a model of high-efficiency power generation in Asia for years to come.

As things stand, in 2017, when all the new power generation projects in Thailand, Indonesia, and elsewhere are planned to have come online, the forecast is that J-POWER's owned capacity will double to around 8,000 MW.

► For details about the decision-making and implementation process as well as the management system, including that for overseas business, please see page 38.

► Project Overview

(As of June 30, 2012)

| Country | Project Name/ Type/Output | Operation Commencement | Ownership | Overview | Degree of Completion |
|-----------|---|---------------------------------------|-----------|--|-------------------------|
| Thailand | SPP Type: Gas-fired Output: 780 MW (110 MW×6; 120 MW×1) | 2013 (Planned) | 90% | <ul style="list-style-type: none"> Projects based on SPP program Constructing gas-fired power plants at seven locations in or close to industrial parks in Saraburi Province, etc. Sale of electricity to EGAT and customers on the industrial parks for 25 years from the commencement of operations (also supply of steam to customers on the industrial parks) | Approx. 70–90% |
| | Nong Saeng IPP Type: Gas-fired Output: 1,600 MW | 2014 (Planned) | 90% | <ul style="list-style-type: none"> Projects won by tender based on Thailand's 2007 Electric Power Development Plan Construction of 1,600 MW gas-fired power plants at Nong Saeng in Saraburi Province and at U-Thai in Ayutthaya Province | Approx. 30% |
| | U-Thai IPP Type: Gas-fired Output: 1,600 MW | 2015 (Planned) | 90% | <ul style="list-style-type: none"> Sale of electricity to EGAT for 25 years from the commencement of operations | Planning stage |
| Indonesia | Central Java Type: Coal-fired Output: 2,000 MW | No. 1 2016 No. 2 2017 (Planned) | 34% | <ul style="list-style-type: none"> Preferential negotiating rights for new coal-fired power plant development project (total cost of around U.S.\$4 billion) won by international competitive tender in June 2011 Construction of highly efficient, coal-fired power plant utilizing USC technologies in north central Java Sale of electricity to PLN for 25 years from the commencement of operations | Planning stage |



KP1 SPP Project
(Thailand)



NNK SPP Project
(Thailand)



Nong Saeng IPP
(Thailand)