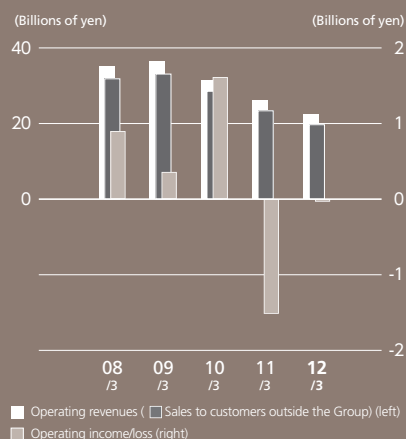


## Segment Operating Revenues/ Segment Income/Loss\*



■ Operating revenues (Sales to customers outside the Group) (left)  
■ Operating income/loss (right)

\* 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.

## Business Overview

Other Business



## Other Business

Fuel Production Facilities,  
Hiroshima City Seibu Water Reclamation Center  
(Hiroshima Prefecture)

## Performance Highlights

In fiscal 2011, operating revenues decreased 14.5% year on year, to ¥22.3 billion, mainly owing to a drop in revenues from telecommunications construction work by consolidated subsidiaries. Segment income increased ¥1.5 billion from the previous consolidated fiscal year to a loss of ¥3 million, due mainly to a decline in sales cost.

## Overview of Operations and Salient Features

Aiming to make full use of the management resources and know-how at its disposal, J-POWER is developing diverse businesses. These include telecommunications, coal sales, and environmental businesses through its consolidated subsidiaries and affiliates.

J-POWER's coal sales business sells coal the Company has procured to users in Japan and overseas, thereby contributing to improvements in the overall coal value chain. With a view to utilizing biomass fuel at its coal-fired thermal power plants, J-POWER's environment-related business undertakes the recycling of sewage sludge into solid fuel.

In addition to these operations, J-POWER is active in a business that generates power from waste materials and innovative power generation businesses—through cogeneration systems—and is also involved in the technical consulting service business in Japan.

### ► Main Projects under Other Business

(As of March 31, 2012)

Project Name	Location	Business	Ownership (%)	Year Operation Commenced
<b>Kanamachi Filtration Plant PFI*1 Business</b>	Tokyo Metropolitan Area	Cogeneration at Kanamachi Filtration Plant of Tokyo Metropolitan Government's Bureau (Gas turbine generator output: 12.28kW)	20%	2000
<b>Narumi Plant PFI Business</b>	Aichi Prefecture	Repair and maintenance work at Narumi Plant in Nagoya (General waste processing capacity: 530t/day)	11%	2009
<b>Hiroshima City Seibu Water Reclamation Center/ Sewage Sludge Fuel Project</b>	Hiroshima Prefecture	Integrated DBO-type*2 sewage sludge-based biofuels recycling project, from the construction of biofuel processing facilities to mixed combustion in J-POWER's coal-fired thermal power plants (Sludge processing capacity: 100t/day)	34%	2012
<b>Kumamoto Sewage Sludge Solid Fuel Project</b>	Kumamoto Prefecture	Integrated DBO-type*2 sewage sludge-based biofuels recycling project, from the construction of biofuel processing facilities to mixed combustion in J-POWER's coal-fired thermal power plants (Sludge processing capacity: 50t/day)	Business corporation establishment in preparation	2013 (Planned)
<b>Osaka City Hirano Sewage Treatment Plant/Sludge and Solid Fuel Project</b>	Osaka Prefecture	Integrated PFI-type*1 sewage sludge-based biofuels recycling project, from the construction of biofuel processing facilities to mixed combustion in J-POWER's coal-fired thermal power plants (Sludge processing capacity: 150t/day)	60%	2014 (Planned)
<b>Omuta Waste-Fueled Power Plant</b>	Fukuoka Prefecture	Recycling power generation using solid fuel (RDF: Refuse derived fuel) made by compressing and forming general waste (Output: 20.6MW, RDF processing capacity: 315t/day)	45.2%	2002

\*1 PFI (Private finance initiative) projects: This is a method of conducting public-sector projects from construction through the operating stages by drawing on private-sector funding, management know-how, technology, and other resources.

\*2 DBO (Design, build, operate): A system whereby the public sector finances projects and then commissions the private sector to undertake their design, construction, and operation