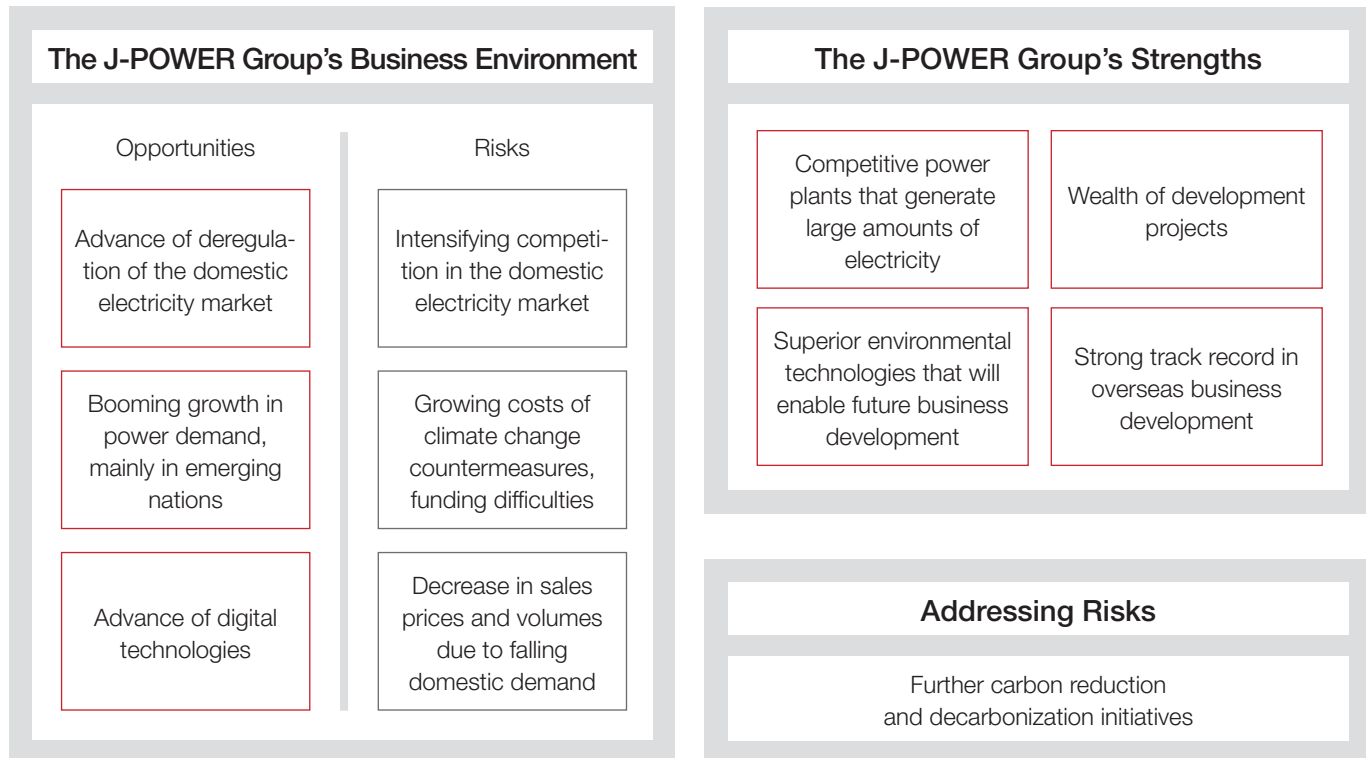


The J-POWER Group established a Medium-Term Management Plan in July 2015 to address the challenge of achieving further growth over the next decade by leveraging the increase in capital carried out in March 2015. In April 2018, the Company conducted a review of initiatives conducted under the plan thus far.

Based on this review, the Company has designated initiatives to address the risks and business opportunities arising from the tremendous changes ongoing in the business environment as well as new targets for fiscal 2020.



Key Concepts

- Realize growth in Japan by **winning out over the competition in a liberalized market**
- Enhance **overseas business expansion**
- Further **low-carbon technologies** enabling greater business growth globally

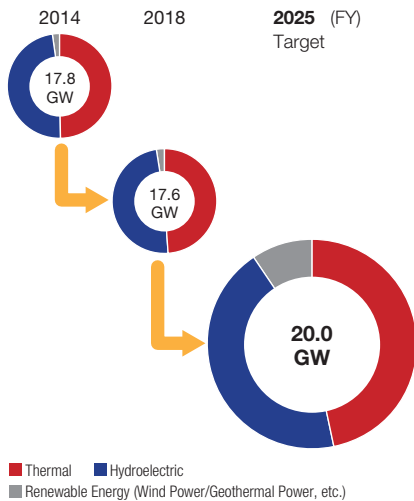
Initiatives Going Forward

- Further expansion of renewable energy (pages 18–19)
- Striving toward zero emissions in coal use (page 20–22)
- Promotion of the Ohma Nuclear Power Plant Project, with safety as a major prerequisite (pages 26–27)
- Expansion of overseas business (pages 28–29)
- Value maximization of current assets (pages 30–34)

1. Growth Targets of Power Generation Assets

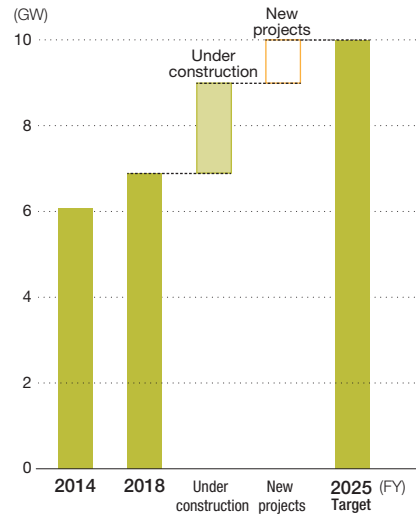
Domestic Power Generation Capacity:
FY2025 Target **20 GW**

Composition of Domestic Power Generation Assets



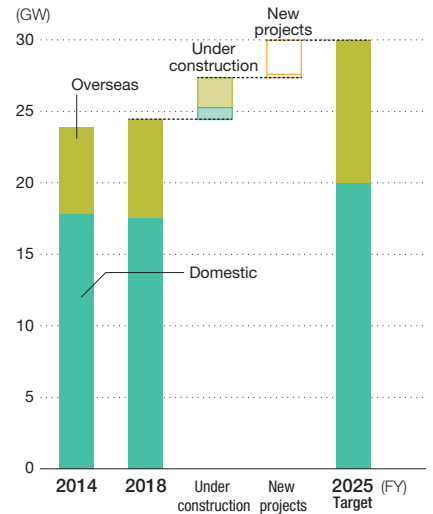
Overseas Owned Capacity:
FY2025 Target **10 GW**

Owned Capacity (Overseas)



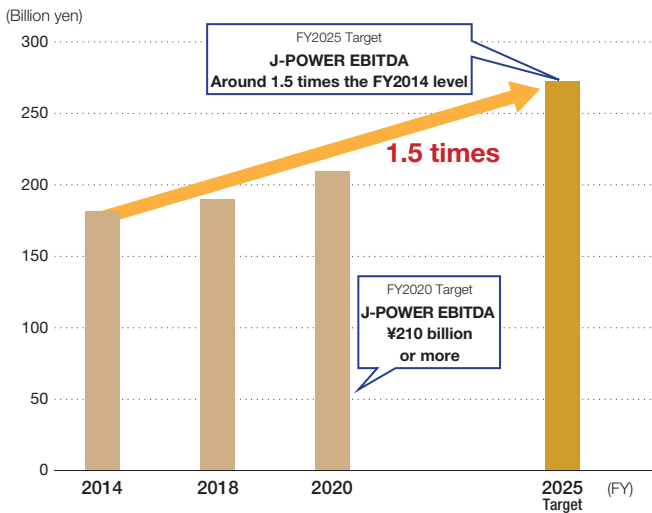
Domestic/Overseas Owned Capacity:
FY2025 Target **30 GW**

Owned Capacity (Total)



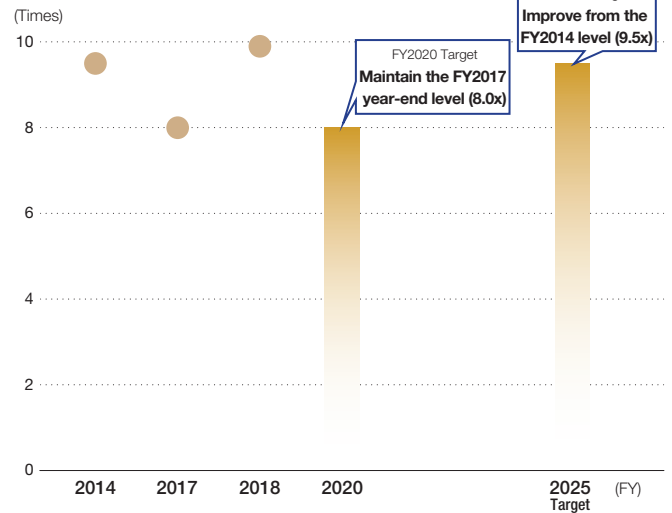
2. Growth and Soundness Indicators Targets

Growth Indicator: J-POWER EBITDA*



* J-POWER EBITDA = Operating income + Depreciation and amortization + Equity in earnings of affiliates

Soundness Indicator: Interest-Bearing Debt/ J-POWER EBITDA



3. Shareholder Returns

Shareholder Returns

During the period leading up to fiscal 2020, in light of the significant changes to its business environment, the J-POWER Group has been striving to ensure stable dividends while forming a competitive business asset portfolio and maintaining and improving its financial soundness. However, in anticipation of changes in its business environment, such as industry liberalization in Japan, the Company formulated a new shareholder return policy in fiscal 2017. Under the new policy, we increased the per-share dividend in fiscal 2017, from ¥70 to ¥75.

Our Approach to Shareholder Returns

Taking into account such factors as the level of profit, earnings forecasts, and our financial condition, we strive to enhance stable, ongoing returns to shareholders in line with a consolidated payout ratio of around 30%, excluding factors causing short-term profit fluctuations.