

Electric Power Development Co., Ltd. (J-POWER)

October 29, 2004

J-POWER Taking Part in the Kaeng Khoi #2 Gas-Fired Thermal
Power Station Project in Thailand
Large Gas-Fired Thermal Power Station,
the largest-scale IPP in Thailand

The Electric Power Development Company ("J-POWER" - President:Yoshihiko Nakagaki) has finalized its decision to take part in the 1,468MW capacity gas-fired thermal power station in the District of Kaeng Khoi, Saraburi Province, Thailand through the Gulf Electric Public Company Limited (in which J-POWER has an equity share of 49%), a holding company engaged in IPP service operation in Thailand.

On October 28, 2004 a power purchase agreement (PPA) relating to this project was signed between the Electricity Generating Authority of Thailand (EGAT) and the Gulf Power Generation Company Limited, a wholly owned subsidiary of the Gulf Electric Public Company Limited. Under the terms of this agreement, the power plant is to sell the power it produces

after its commissioning to EGAT.

Hand in hand with Thailand's steady economic growth, power demand is anticipated to increase at a high rate, and this project is thus seen as being of great significance for the country's power supply and demand balance.

The project is to unfold on a schedule envisaging the start of construction work in December (2004) and the commissioning of the First Unit in March 2007 and of the Second Unit in March 2008.

Total project costs are estimated at roughly 108.4 billion yen, and approximately 27.1 billion yen of this total is to be covered by investments (J-POWER's investment share will be roughly 13.3 billion yen). The remainder of approximately 81.3 billion yen is to be covered by project finance.

J-POWER has established a 50-year record of being active in the power generation business in Japan. Abroad, J-POWER has acted as a consultant on surveys, studies, design, construction supervision and other aspects of technical cooperation related to power projects for 40 years. In recent years, the company has also deployed IPP project activities

mainly in Asia.

J-POWER has invested in 15 overseas IPP projects (11 of which are now in operation) in six countries/regions, including the present one. As many as 10 of these are in Thailand with seven of them currently in service.

Overview of the Kaeng Khoi #2 Power Station Project Plan

Location	Kaeng Khoi, Saraburi Province, Thailand (110km north of Bangkok)
Type of Power generation	Gas-fired combined cycle
Output capacity	1,468MW (734MW x 2)
Fuel	Natural Gas
Project scheme	Build, Own and Operate (BOO)
Operating Company	Gulf Power Generation Company Ltd. (GPG)
Power Purchaser and Validity of Purchase Agreement	Electricity Generating Authority of Thailand (EGAT) Valid for 25 years.
Operation and Maintenance	To be taken care of by the operating company (GPG)
Total project costs	Approx. 36.1 billion Baht (approx. 108.4 billion yen)
Project implementation schedule (planned)	December 2004 - Start of construction work March 2007 - Commissioning of #1 unit (construction period: 27 months) March 2008 - Commissioning of #2 unit (construction period: 39 months)

<Overview of the Gulf Electric Public Company Limited>

1.Name:	Gulf Electric Public Company Limited
2.Registered premises	Bangkok, Thailand (established September 1994)
3.Paid-in capital	4,574 million Baht (approx. 12.8 billion yen) (as of the end of September, 2004)
4.Equity holders	50% Electric Generating Public Company Limited (EGCO) Private company in whose equity the Electricity Generating Authority of Thailand (EGAT) has a 25% interest 1% Mit-Power (Thailand) Limited An affiliate of Mitsui & Co., Ltd. (Thai subsidiary of Mitsui & Co., Ltd.) 49% J-POWER
5. Nature of Business	Holding company established for the purpose of IPP business operation

<Overview of the Gulf Power Generation Company Limited>

1.Name	Gulf Power Generation Company Limited
2.Registered premises	Bangkok, Thailand (established October 1996)
3.Paid-in capital	577 million Baht (approx. 1.6 billion yen) (as of the end of September, 2004)
4.Shareholders	Wholly owned subsidiary of the Gulf Electric Public Company Limited
5.Description of Business	Operating company established for the purpose of the Kaeng Khoi #2 Power Station Project