

April 28, 2005

Electric Power Development Co., Ltd.

J-Power to Acquire Dry Desulfurization and Denitrification  
Business of Mitsui Mining and Form Joint Venture for Activated  
Coke Business

Electric Power Development Co., Ltd. (J-Power) (President: Yoshihiko Nakagaki) signed today a contract with Mitsui Mining Co., Ltd. (Mitsui Mining) (President: Taro Yamaho) to acquire and operate Mitsui Mining's dry desulfurization and denitrification business and to create a joint venture between the companies for activated coke business.

1 J-Power acquisition of Mitsui Mining 's dry desulfurization and denitrification business

(1) Contents of agreement

J-Power will acquire Mitsui Mining's rights to related patents, expertise and intellectual properties of dry desulfurization and denitrification technology. Mitsui Mining will also transfer several experienced engineers to J-Power Entech, Inc. a J-Power group company.

(2) Objective

The contract allows J-Power to begin operating dry desulfurization and denitrification engineering business. Initially, J-Power will incorporate advanced technology in the design of a flue gas control system at its Isogo unit 2 thermal power plant (Yokohama, Kanagawa Prefecture), and this construction is scheduled to begin this August. The advanced technology will also be used in new domestic and foreign projects in the future.

[About dry desulfurization and denitrification technology]

Dry desulfurization and denitrification technology is a flue gas control system that uses activated coke as the adsorbent or catalyst. This advanced environmental technology minimizes mercury and dioxin emissions while desulfurizing and denitrating the flue gas.

[Track records of dry desulfurization and denitrification technology]

J-Power uses this technology in the flu gas control system of

its Isogo new unit 1 (Yokohama, Kanagawa Prefecture) and Takehara unit 2 (Takehara, Hiroshima Prefecture) thermal power plants. At the Isogo new unit 1, water usage was reduced 99% and electricity consumption by 40%, compared with the performance of wet flue gas desulfurizers. This advanced technology is also used in other industries such as in sintering furnaces at steel works and in incineration plants.

[Outline of J-Power Entech, Inc.]

Address: Chuo-ku, Tokyo  
Capital: 20,000,000 yen  
Established: March 2005  
President: Kenji Aiso (J-Power Engineering Division)

## 2 Joint Venture on Activated Coke Business

### (1) Contents of agreement

J-Power and Mitsui Mining will jointly establish a new company that will acquire and operate Mitsui Mining's activated coke business.

[Outline of the new company (tentative)]

Company name: To be decided  
Address: Wakamatsu-ku, Kita-kyushu, Fukuoka Prefecture  
Capital: 100,000,000 yen (J-Power 51%; Mitsui Mining 49%)  
Established: May 2005  
Production capacity: Approx. 8,000 t/y  
President: Kouichi Shimasaki (J-Power Engineering Division)

### (2) Objective

J-Power annually purchases about 2,300 tons of activated coke for its Isogo new unit 1 and the Takehara unit 2 thermal power plants. The new joint venture will ensure a stable supply of activated coke to J-Power in the future. Synergistic effects with the dry desulfurization and denitrification business are also anticipated.

[About activated coke]

Activated coke is used as the adsorbent or catalyst in dry desulfurization and denitrification systems. It is manufactured from coal by crushing and forming, dry-distilling at about 900 deg C, followed by activation. Mitsui Mining manufactures about 8,000 tons of activated coke annually.