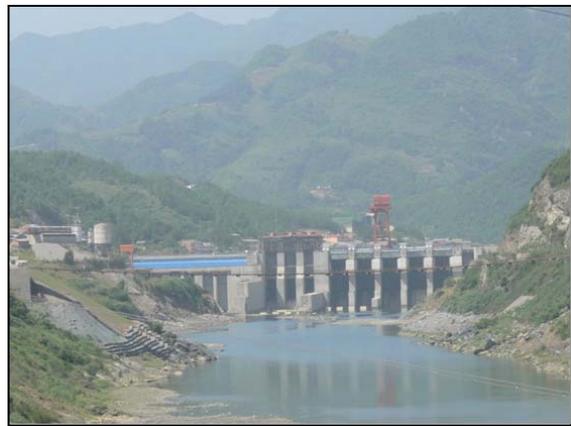


**Participation in Integrated Water Power Development Project in Hanjiang, China**

-- J-POWER's 2<sup>nd</sup> IPP Venture in China --

J-POWER (Electric Power Development Company, President: Yoshihiko Nakagai) concluded an equity assignment agreement on November 15, 2007 with Shaanxi Provincial Hydropower Development Co., Ltd. (SPHDC) and Shaanxi Ankang State-Owned Assets Operation Co., Ltd. (SASAO). Under the agreement, J-POWER will acquire a 27% interest in Shaanxi Hanjiang Investment & Development Co., Ltd. (SHIDC), the owner and operator the Hanjiang Integrated Water Power Development Project in Shaanxi Province, PRC. To lay the groundwork for its new participation in SHIDC as a foreign capital entity, J-POWER entered a joint-venture agreement with four current shareholders of SHIDC. This agreement is required under The Law of the People's Republic of China on Chinese-Foreign Equity Joint Ventures.

SHIDC is implementing an integrated river water power development in Shaanxi Province, PRC. The largest shareholder among the five current owners is Datang Shaanxi Power Generation Co., Ltd. A public notification on the assignment of SHIDC as a nationally owned asset was posted earlier this year after two of the other shareholders, SPHDC and SASAO, expressed intentions to assign their equity of the company. J-POWER succeeded in its bid and was granted permission to conclude an assignment agreement (for the acquisition of a 25% interest from SPHDC and a 2% interest from SASAO). Before SHIDC can be converted into a joint-venture company partly owned by a foreign capital entity, The Law of the People's Republic of China on Chinese-Foreign Equity Joint Ventures requires J-POWER to conclude a joint-venture agreement with the other shareholders. The license acquisition procedure will soon commence in China, and SHIDC is expected to formally become a joint-venture company by around January 2008.



Xihe Hydropower Plant

J-POWER is already invested in the Tianshi Debris-Fired Power Station (25MW×2) in Shanxi Province, PRC. The acquisition of interest in SHIDC will therefore be its second investment project in China. J-POWER established a "China Office" within its International Division at the beginning of November 2007. Henceforth the company will actively promote its power generation business in China through this office. Once J-POWER acquires its interest in SHIDC, it will be invested in 19 overseas IPP projects, 16 operating and 3 under construction, in 6 countries and regions.

Attached Reference Materials:

1. Outline of Hanjiang Integrated Water Power Development Project
2. Table of J-POWER's Overseas IPP Projects

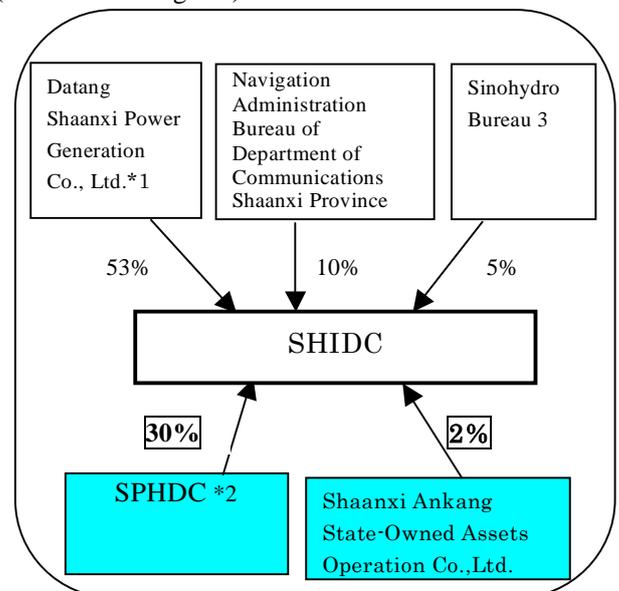
## Outline of Hanjiang Integrated Water Power Development Project

Name of Power Plant	Xihe Hydropower Plant	Shuhe Hydropower Plant
Location	Ankang City, Shaanxi Province	
Power Source	Hydraulic Power	Hydraulic Power
Output capacity	180MW (60MW×3)	270MW (45MW×6)
Operation Start-up	December 2006	Planned in 2009 (under construction)
Operating Company	Shaanxi Hanjiang Investment & Development Co., Ltd. (SHIDC)	
Users	Shaanxi Province Grid Corporation (a local subsidiary of the State Grid Corporation of China, which controls the power distribution network of all of PRC but the southern district)	
Operation and Maintenance	Shaanxi Hanjiang Investment & Development Co., Ltd. (SHIDC)	

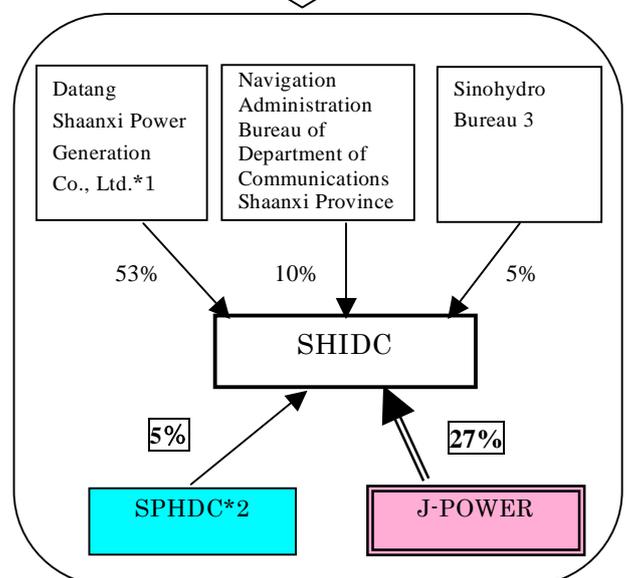
(Location of Power Plant)



(Schematic Diagram)



(Assignment of Equity)



〈\*1: Outline of Datang Shaanxi Power Generation Co., Ltd.〉

1. Head Office: Xian City, Shaanxi Province
2. Outline: A power generation company 100% owned by China Datang Corporation, one of the 5 major power companies in China.

〈\*2: Outline of Shaanxi Provincial Hydropower Development Co., Ltd.〉

1. Head Office: Xian City, Shaanxi Province
2. Outline: A water power development company 100% owned by Shaanxi Provincial Investment Group Co., Ltd. (an entity 100% owned by the provincial government).

**J-POWER Overseas IPP Project List**

(As of November 16, 2007)

※ Overseas IPP projects invested by J-POWER: 6 countries/region, 16 operating & 3 under construction  
(Projects in Operation)

Country/ Region	Project Name	Power Source	Output (10,0 00kW)	Share of J-POWER (%)
USA	Tenaska Frontier	Gas (Combined cycle)	83.0	31
	Elwood Energy	Gas (Simple cycle)	135.0	25
	Green Country	Gas (Combined cycle)	79.5	50
Philippines	CBK	Water	72.8	50
China	Tianshi	Coal waste	5.0	24
	Hanjiang (Xihe)	Water	18.0	27
Thailand	Roi-Et	Biomass (Chaff)	1.0	25
	Rayong	Gas (Combined cycle)	11.2	20
	Thaioil Power	Gas (Combined cycle)	11.3	19
	Independent Power	Gas (Combined cycle)	70.0	11
	Gulf Cogeneration (Kaeng Khoi)	Gas (Combined cycle)	11.0	49
	Samutprakarn	Gas (Combined cycle)	11.7	49
	Nong Khae	Gas (Combined cycle)	12.0	49
	Yala	Biomass (Rubber wood waste)	2.0	49
	Kaeng Khoi 2 (No. 1 Plant)	Gas (Combined cycle)	73.4	49
Taiwan	Chiahui	Gas (Combined cycle)	67.0	40
<b>Total</b>	<b>5 Countries/Region</b>	<b>16 projects</b>	<b>663.9</b>	<b>2,347,000 kW</b>

(Under Construction)

Country/Region	Project Name	Power Source	Output (10,0 00kW)	Share of J-POWER (%)
China	Hanjiang (Shuhe)	Water	27.0	27
Thailand	Kaeng Khoi 2 (No. 2 Plant)	Gas (Combined cycle)	73.4	49
Poland	Zajaczhowo	Wind power	4.8	45
<b>Total</b>	<b>3 Countries/Region</b>	<b>3 projects</b>	<b>105.2</b>	<b>454,000 kW</b>