

**Notice concerning the Valuation Losses (Impairment Losses) of Securities  
at the End of the Third Quarter of Fiscal 2008**

We hereby announce that Electric Power Development Co., Ltd. (J-POWER) intends to post valuation losses (impairment losses) of securities classified as “other securities with market value” for the first to third quarters (April 1, 2008 – December 31, 2008) of the year ending March 31, 2009. This is in line with impairment accounting practices requiring the losses of securities whose market value has declined considerably and is not expected to recover.

In impairment accounting for securities holdings at the end of a fiscal quarter, the Company applies the quarterly reversal method. Therefore, losses posted for the year ending March 31, 2009 may vary, or no losses may be posted for the year depending on the market value of the securities on the last day of the fiscal year.

1. Total amount of securities' valuation losses (impairment losses) for the first to the third quarter of the year ending March 31, 2009

(Unit: million yen)

|   | Consolidated      | Non-consolidated  |
|---|-------------------|-------------------|
| (A) Securities' valuation losses (impairment losses) for the first to the third quarter of the year ending March 31, 2009 | 14,283            | 14,283            |
| (B) Net assets for the year ending March 31, 2008 (A/B x 100)   | 468,118<br>(3.1%) | 404,842<br>(3.5%) |
| (C) Ordinary income for the year ending March 31, 2008 (A/C x 100)  | 42,873<br>(33.3%) | 22,083<br>(64.7%) |
| (D) Net income for the year ending March 31, 2008 (A/D x 100)   | 29,311<br>(48.7%) | 14,761<br>(96.8%) |

Reference:

- 1) The Company's fiscal closing date is March 31.
- 2) The difference between the acquisition costs and the carrying values of “other securities with market value” is recognized in unrealized gain (loss) on securities and reported as a “component of net assets.”
- 3) The Company recorded a securities' impairment loss of 3,329 million yen (consolidated and non-consolidated) for the first half of the year ending March 31, 2009.

2. Outlook

The Company plans to record the above estimated losses as extraordinary losses (consolidated and non-consolidated) in quarterly results for the third quarter of the year ending March 31, 2009. The outlook for consolidated and non-consolidated full-year results for the year ending March 31, 2009 is currently being calculated and will be announced once the amount has been determined.