

August 7, 2009

Electric Power Development Co., Ltd.

J-POWER Participates in China's Gemeng International Energy Co., Ltd.

-J-POWER's 4th IPP in China-

Today, Electric Power Development Co., Ltd. (J-POWER, President: Masayoshi Kitamura) announces its decision to acquire a 7% interest in Gemeng International Energy Co., Ltd. (Shanxi Province, People's Republic of China, hereafter "Gemeng") through a transaction with Deutsche Capital Hong Kong, Ltd. (hereafter, "Deutsche Bank"), holder of a 19% stake in Gemeng, and the signing of an agreement for the sale and purchase of equity with Deutsche Bank in the city of Taiyuan, Shanxi Province.

J-POWER entered into negotiations for, and decided this acquisition based on the following:

- 1) All of Gemeng's current power generation assets are coal-fired, and the company's future development plans include a large number of coal-fired facilities, providing ample opportunities for J-POWER to utilize its knowledge in this area;
- 2) J-POWER has a long history of partnering with Gemeng, and a strong trust relationship with the company built through its participation in the Tianshi project with Gemeng in its previous incarnation as the Shanxi International Electricity Group Co., Ltd.
- 3) This project will enable J-POWER to deepen its ties with Shanxi Province, China's largest coal-producing region, and potentially expand its business in the future by capturing new opportunities utilizing the highly efficient, environmentally harmonized coal-fired power generation technology that is its specialty.

This project marks J-POWER's fourth IPP in China.

J-POWER's Business Growth in China

October 2000	Participation in the Tianshi coal waste-fired power generation project.
November 2007	Participation in the Hanjiang, Shaanxi integrated water power development project
March 2008	Participation in the Xinchang high-efficiency, large-scale coal-fired power generation project
April 2008	Establishment of subsidiary J-POWER Consulting (China) Co., Ltd.

(Attachment)

1. Overview of Gemeng International Energy Co., Ltd.

Overview of Gemeng International Energy Co., Ltd.

Company name: Gemeng International Energy Co., Ltd.
 Established: April, 2007
 Location: Taiyuan, Shanxi Province, China



Capitalization: 10.0 billion yuan

Shareholders: Shanxi International Energy Group Co., Ltd. 47%
 Korea Electric Power Corporation 34%
 Deutsche Bank 19%

Chairman: Guo Ming

Management objectives: Through sharing of all investor's expertise in investment, construction and operation of power generation facilities, the company will participate in energy-related deals (power generation, mining, and other deals), to the extent allowed by law.

History: Based on its strength as China's largest coal-producing region, the Shanxi government aims to nurture power generation enterprises, and to achieve this goal over the short term, looked to introduce foreign investment in establishing the company.
 Gemeng's assets at the time of its formation were largely complied through acquisition of assets in which Shanxi International Energy Co., Ltd., which is 100% owned by the Shanxi government, was the largest investor.

Current assets: 10 power generation companies (34 units, approximate output of 4.3 million kW)

Revenue: 3.25 billion yuan (2008)

Change in investment breakdown with J-POWER participation (as planned)

Investors (current)		Investors (new)	
Shanxi Energy	47%	Shanxi Energy	47%
KEPCO	34%	KEPCO	34%
Deutsche Bank	19%	Deutsche Bank	9%
		J-POWER	7%
		Chugoku Elec.	3%
Total	100%	Total	100%