

July 23, 2010
Electric Power Development Co., Ltd.

Decision by Thai Government regarding J-POWER IPP Project in Thailand

J-POWER (Electric Power Development Co., Ltd., President: Masayoshi Kitamura) has confirmed that the Thai Government decided on the guideline below in relation to the country's Power Development Plan at a Cabinet meeting held on July 20, 2010.

With regard to the IPP (Independent Power Producer) project that a local subsidiary of J-POWER has promoted in Samet Tai sub-district, Chachoengsao province in Thailand:

- As a solution to resolve the problem of location, the location planned for construction of the power plant should be changed;
- In line with the above, the Power Purchase Agreement (PPA) with the Electricity Generating Authority of Thailand (EGAT) should be revised.

J-POWER and its local subsidiary have been promoting power development in Samet Tai sub-district. However, owing to the opposition of some local residents, J-POWER and its local subsidiary strove to resolve this issue while seeking cooperation with the Thai government.

This decision by the Thai government may indicate that the planned location for construction will be changed as a solution to resolve this problem. Going forward, J-POWER will confirm the details of this decision and then study the feasibility and economic potential of the project in the event that the planned location for construction of the power plant is changed.

However, as this decision has made it difficult to carry out this IPP project in Samet Tai sub-district, J-POWER intends to post loss provisions relating to expenses and other items required for development at this location in the first quarter of the fiscal year ending March 31, 2011. The amount of loss provisions to be posted is estimated at 4.7 billion yen on a consolidated basis.

Attached Material: Outline of J-POWER IPP Project in Samet Tai, Thailand

(Attachment)

Outline of J-POWER IPP Project in Samet Tai, Thailand

J-POWER has successfully won a bid for gas thermal power generation plant (Samet Tai site 1,600MW) through its local subsidiary in an IPP bid solicitation held in Thailand in October 2007 (please refer to our press release dated December 10, 2007).

In regard to this project, the local subsidiary entered into a Power Purchase Agreement (PPA) with the Electricity Generating Authority of Thailand (EGAT) in October 2008, and pursued development activities, beginning with site activities and an environmental impact assessment, with the aim of starting commercial operation in March 2013. However, owing to the opposition of some local residents, J-POWER and its local subsidiary strove to resolve this issue while seeking cooperation with the Thai government.

Location: Samet Tai sub-district, Chachoengsao province (about 80 km east of Bangkok)

Type: Gas thermal power plant

Output: 1,600MW (800MW x 2 systems)

Start of commercial operation: 2013 (estimated)

Business company: Siam Energy Co., Ltd. (90% owned by J-POWER)