

Dec. 21, 2011
Electric Power Development Co., Ltd.
Mitsui & Co., Ltd.
Development Bank of Japan Inc.

Participation in a Power Plant Project in Hezhou, China

Electric Power Development Co., Ltd. ("J-POWER"; head office: Chuo-ku, Tokyo; President: Masayoshi Kitamura), Mitsui & Co., Ltd. ("Mitsui"; head office: Chiyoda-ku, Tokyo; President & CEO; Masami Iijima) and the Development Bank of Japan Inc. ("DBJ"; head office: Chiyoda-ku, Tokyo; President: Toru Hashimoto) will jointly participate in a power plant project in Hezhou (the "Project") being developed by China Resources Power Holdings Co., Ltd. ("CR Power"; head office: Hong Kong).

This Project is an IPP project in which an ultra supercritical (USC) coal-fired thermal power plant (1 GW x 2 units) will be newly constructed in Hezhou City, Guangxi Zhuang Autonomous Region, China, and this power plant will be the first such facility in this autonomous region. Compared to conventional power plants, USC power plants have higher thermal efficiency and reduced emissions of carbon dioxide. Therefore this Project will contribute to the stable supply of electricity, energy conservation and improvement of the environment in the rapidly developing Huanan region.

J-POWER, DBJ and Mitsui (the "Three Japanese Companies") signed agreements with CR Power in August 2010 to participate and jointly promote this Project. Further, in December 2010, J-POWER and DBJ invested in "JM Energy," a corporation established in Hong Kong as the investment company for this Project, and Mitsui subscribed convertible corporate bonds (the "Corporate Bonds"). Recently, Chinese government clearance has been obtained to permit the investment by Mitsui by way of conversion of the Corporate Bonds to common stock of the JM Energy, and thus the Three Japanese Companies will take a stake in this Project through JM Energy. (See the Scheme Diagram in Attachment 2).

Going forward, the Three Japanese Companies will jointly work to improve the Project's value and collaborate with CR Power in preparation for the start of operation of the No. 1 unit in August 2012 and the No. 2 unit in November 2012.

J-POWER will contribute to improving the profitability of this Project by applying its extensive knowledge of the construction and operation of previous coal-fired thermal power plants, and the experience it has developed through IPP projects and consulting projects in China. At present J-POWER has a stake in 28 currently-operating overseas IPP projects with a total capacity of approximately 3.55 GW (equity generation capacity), and going forward, in addition to this Project, J-POWER will steadily promote development projects in countries such as Thailand (9 projects, 3.98 GW) and Indonesia (1 project, 2 GW).

Mitsui will contribute to the development of a smooth operating structure for this Project by exploiting the know-how in project operations it has developed through numerous overseas IPP projects. In addition, this Project will be the first IPP project in China for Mitsui, and participation in this Project will bring the worldwide total net generation capacity of IPP projects in which Mitsui has a stake to approximately 5.7 GW, including projects which are currently under development. As world electricity demand increases in the future, Mitsui will contribute to the development of the world economy by further expanding its power projects as the core of its infrastructure business.

DBJ plans to provide optimal financial solutions for J-POWER and Mitsui's development of new power businesses in overseas, and at the same it will contribute to the transition to a low carbon society, and prevention of global warming, by improving generating efficiency in China. Going forward, DBJ will provide sophisticated financial services which integrate investment and loans, and work hard to address the issues faced by customers in preventing global warming, and dealing with other issues in the energy/environment field.

Attachment 1: Overview of Hezhou Power Plant Project, and Overview of CR Power

Attachment 2: Scheme Diagram

Overview of the Hezhou Power Plant Project

- Site location: Hezhou City, Guangxi Zhuang Autonomous Region, China
- Generation method: Coal-fired USC^{*1} generation unit (25 MPa, 600°C)
- Rated capacity: 2 GW (1 GW x 2 units)
- Electricity to be sold to: Guanxi Power Grid Co. ^{*2}
- Start of construction: August 2010
- Start of operation: August 2012 for No. 1 unit, and November 2012 for No. 2 unit

*1 Abbreviation for "Ultra Super Critical." This increases generating efficiency by setting steam conditions to high temperature and high pressure. For this Project, steam pressure will be 25 MPa, and steam temperature 600°C.

*2 Power distribution company supplying power to the Guangxi Zhuang Autonomous Region, which is under the control of the China Southern Power Grid Company which manages the supply of power to the southern regions of China.

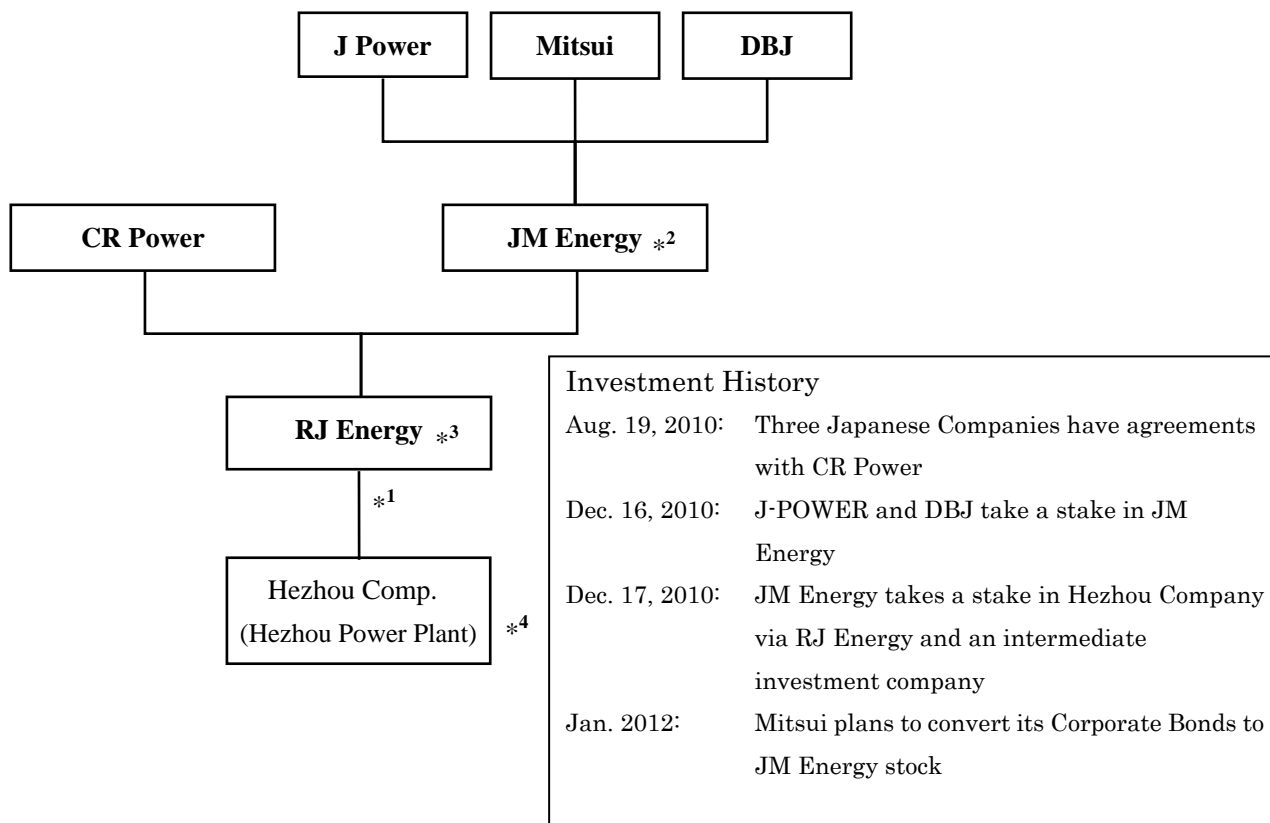


Overview of CR Power

- Company name: China Resources Power Holdings Company Limited
- Location: Hong Kong
- Date established: August 27, 2001
- Capital: HK\$ 10 billion (HK\$ 1 = approx. ¥10)
- Shareholder composition: China Resources (Holdings) Co., Ltd. ^{*} 63.86% and public shareholders 36.14%
- Overview: The firm under the control of China Resources (Holdings) Co., Ltd. is primarily involved in the wholesale electricity business. The company owns power plant interests at 53 locations with an equity capacity of 21.05 GW (as of the end of June 2011). Sales are HK\$ 48.6 billion.

* China Resources (Holdings) Co., Ltd. is Chinese state-owned enterprise which was established in Hong Kong in 1938. Firms under its control are involved in the electricity business in mainland China and Hong Kong, and in businesses such as real estate, retail and pharmaceuticals.

Scheme Diagram



*1 Investment by RJ Energy in the Hezhou Company via an intermediate investment company

*2 Overview of JM Energy

Company name: JM Energy Co., Limited

Location: Hong Kong

Date established: May 5, 2010

*3 Overview of RJ Energy

Company name: Resources J Energy Investment Limited.
(Chinese name: 潤捷能源投資有限公司)

Location: Hong Kong

Date established: August 17, 2010

*4 Overview of Hezhou Company

Company name: China Resources Power (Hezhou) Co., Ltd.

Location: Guangxi Zhuang Autonomous Region

Date established: January 11, 2008