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Electric Power Development Co., Ltd.

J-POWER Participating in Large-scale Gas Combined-Cycle Thermal Power IPP Project in Taiwan

J-POWER has decided on an investment in the equity Chia-Hui Power Corporation (IPP Project Company) in the Chia-Yi Province of Taiwan. The IPP Project Company Chiahui Power Corp. is to construct and operate a 670,000kW output capacity gas combined-cycle thermal power plant at Ming Hsiung Hsiang, a district in Chia-Yi Province, Taiwan (some 200km southwest of Taipei). Construction work was already commenced in January 2002 and is making steady progress to meet the scheduled commissioning of the facility for commercial operation in March 2004.

J-POWER has signed a Technical Support Agreement with Chia-Yi Corporation and dispatched a number of its engineers to provide technical support in the construction and will send its technical staff after the start up.

At present, 99% of Chia-Yi's shares are in the hands of Asia Cement, Taiwan's second largest cement company with headquarters in Taipei. J-POWER has decided to acquire the equivalent of 40% of Asia Cement's equity share, with plans to pay the entire amount in a lump-sum in January 2003. Chia Hui intends to increase its capital at a later date, and J-POWER envisions that it will underwrite 40% of this increase. Ultimately, J-POWER's total investment amount will rise to approximately 8,000 million yen, an investment commitment that will be the largest amount ever invested by J-POWER in a foreign power development project.

J-POWER's investment decision is based on the following rationale:

1. Taiwan as one of the economically most advanced regions of Asia has a high investment ranking and is a low-risk, prospective candidate zone for investments. It also promises a favorable prospect for future economic growth.
2. The company has already signed a 25-year long-term power purchase agreement (PPA) with Taiwan Power Company. This means that a stable business environment has been established that can contribute to the further consolidation of J-POWER profit base.
3. Asia Cement will be J-POWER's partner in the project. Quoted on the stock exchange, it is the flagship member of the Far Eastern Group, one of the most powerful concerns of corporate Taiwan.

This means that the company is financially sound and offers a promising potential for J-POWER as an excellent partner. The company is active on a wide front in the cement business, including mainland China. It is therefore reasonable for J-POWER to look forward to many challenging business opportunities with Asia Cement.

While J-POWER has already executed over ten consulting projects in Taiwan until the present this will be its first participation in an IPP project in Taiwan.

Prior to J-POWER's decision to take part in this project, J-POWER established an Overseas Investment Company by the name of J-Power Investment Netherlands B.V. in the Netherlands in November 2002. The company is a wholly owned subsidiary of EPDC and its role is to help J-POWER make effective investment decisions as part of the Company's effort to create a system for promoting overseas investments. The present investment project is scheduled to take place through this investment subsidiary.

When the investment project goes through, the number of overseas power plants in which J-POWER is involved will reach 11 (7 in operation, 3 under construction and 1 being designed (see Note 1)

1. Outline of the Chia-HuiLNG Gas Combined-Cycle Power Plant

Location:	Ming Hsiung Hsiang, Chia-Yi Province, Taiwan
Type:	Gas Combined Cycle
Output Capacity:	675,000kW
Fuel:	Natural gas (25-year purchase agreement already signed with the China National Petroleum Corp. (CNPC))
Scheme:	Build, Own and Operate (BOO) method
Customers:	25-year power purchase agreement (PPA) already signed with Tainwan Power Company.
Operation and Maintenance:	Put out on contract to the Operation and Maintenance Company General Electric Company (GE).
Overall Operating Costs (Anticipated):	14,400 million Taiwan dollars (approx. 50 million yen, subject to an exchange rate of 3.5 yen to the Taiwan dollar)
Schedule:	Construction work already commenced in January 2002 Commissioning for commercial operation in March 2004 (schedules)

2. Outline of the Chia-Hui Power Corporation

Name:	Chiahui Power Corporation
Location:	Ming Hsiung Hsiang, Chia-Yi Province, Taiwan
Established:	April 1996
Number of Employees:	Approx. 30
Capitalization Fund:	Authorized capital 4,300 million Taiwan dollars (approx. 15,000 million yen) Paid-in capital 3,200 million Taiwan dollars (approx. 11,200 million yen)
Equity Share:	Asia Cement (incl. Affiliates) - 59% Other personal shareholders - Slightly under 1% J-POWER - 40%.
Nature of Business:	Main construction and operation entity of the Chia-Hui Gas Combined-Cycle Plant.
Directors:	3 from Asia Cement, 2 from J-POWER: Total 5 directors (after EPDC's participation)

3. Outline of J-POWER's Overseas Investment Company

Name:	J-Power Investment Netherlands B.V.
Dated Established:	November 25, 2002
Location:	Amsterdam, Netherlands
Capitalization Fund:	Authorized capital 70 million Euro (approx. 8,800 million yen, subject to an exchange rate of 125 yen to the Euro)
Equity Holding:	100%-owned by J-POWER
Purpose:	Investing in foreign projects
Service Operation:	Ordinary administration entrusted to the local subsidiary of a Japanese Bank.
Directors:	CEO (not permanently stationed): 2 CEO (permanently stationed): 1

Reference Data 1:

Current Status of J-POWER's Involvement in Overseas IPP Projects

Project in Commercial Operation

1. Leyte Geothermal Power Plant, Philippines (49,000kW)

-J-POWER's share in investment equity: 10%

- Plant put into commercial operation in January 1998 (J-POWER's capital participation goes back to May 1997)
2. Thai Oil Power Gas Combined-Cycle Plant, Thailand (Electric power: 114,000kW and steam: 141.5 tons/hour)
 - J-POWER's share in investment equity: 19%
 - Plant put into commercial operation in April 1998 (J-POWER's capital participation goes back to April 2001)
 3. Independent Power Gas-Fired Thermal Power Plant (700,000kW)
 - J-POWER's share in investment equity: 110%
 - Plant put into commercial operation in August 2000 (J-POWER's capital participation goes back to April 2001)
 4. Tianshi Debris-Fired Power Plant, China (50,000kW)
 - J-POWER's share in investment equity: 24%
 - Plant put into commercial operation in May 2001 (J-POWER's capital participation goes back to December 2000)
 5. Gulf Gas Cogeneration Plant, Thailand (Electric power: 107,000kW. Steam: 32 tons/hour)
 - J-POWER's share in investment equity: 49% (Indirect investment through Gulf Electric Company)
 - Plant put into commercial operation in September 1998 (J-POWER's capital participation goes back to November 2001)
 6. Nong Khae Gas Cogeneration Plant, Thailand (Electric power 127,000kW. Steam 26 tons/hour)
 - J-POWER's share in investment equity: 49% (Indirect investment through Gulf Electric Company)
 - Plant put into commercial operation in December 2000 (J-POWER's capital participation goes back to November 2002)
 7. Samutprakran Gas Cogeneration Plant, Thailand (Electric power 127,000kW. Steam 26 tons/hour)
 - J-POWER's share in investment equity: 49% (Indirect investment through Gulf Electric Company)
 - Plant put into commercial operation in August 1999 (J-POWER's capital participation goes back to November 2002)

Projects Under Construction

8. Rayong Gas Cogeneration Plant, Thailand (Electric power 105,000kW. Steam 30 tons/hour)
 - J-POWER's share in investment equity: 20%
 - Plant under construction and scheduled to be put into commercial operation in January 2003, as of now.
9. Roi Et Rice Chaff Fired Thermal Power Plant, Thailand (9,995kW)

-J-POWER's share in investment equity: 26%

-Plant under construction and scheduled to be put into commercial operation in April 2003, as of now.

10. Chia-Hui Gas Combined-Cycle Thermal Power Plant, Taiwan (670,000kW)

-J-POWER's share in investment equity: 40% (Indirect investment through J-Power Investment)

-Plant under construction and scheduled to be put into commercial operation in March 2004, as of now.

Projects Being Planned

11. Ramagundam Coal-Fired Thermal Power Plant, India (520,000kW)

-J-POWER's share in investment equity: 11%

-The schedule is to execute the work by establishing a separate local subsidiary for supervising the installation work during the construction period and for plant operation and maintenance after completion.

-At present, the final adjustments are being made to the financing loan agreements of the Indian banking consortium and the construction work is to be commenced as soon as these adjustments have been finalized.

-The plant is scheduled to be put into commercial operation in 2005.

End of announcement