



March 10, 2003

Mitsui Engineering & Shipbuilding Co., Ltd.

Electric Power Development Co., Ltd.

Participation in Power Supply Business for the Power Producer and Supplier

Ichihara Power Co., Ltd. ("Ichihara Power", President: Kanji Shimada), a joint venture between Mitsui Engineering & Shipbuilding Co., Ltd. ("MES", President: Takao Motoyama) and Electric Power Development Co., Ltd. ("J-POWER", President: Yoshihiko Nakagaki), signed a power supply agreement on March 1 with Nippon Steel Corporation, a Power Producer and Supplier (PPS). Ichihara Power has thus entered the power supply business for PPS's.

Ichihara Power was established in December 2002 as a joint venture between MES and J-POWER for the purpose of constructing and operating a 100MW capacity gas-turbine combined-cycle thermal power plant on the MES Chiba factory compound (Ichihara, Chiba Prefecture). Ichihara Power will commence construction work on the power plant next week on March 17. The plant is scheduled to go into commercial operation in October 2004.

MES has a proud record of gas turbine, steam turbine and diesel power plant construction and has extensive experience in power plant operation both in Japan and abroad. Its involvement in Japan's first PPS power supply project is therefore an important step in its commitment towards the aggressive expansion of its power plant operation and maintenance activities as an integral part of its ongoing Life-cycle Solution Service business.

J-POWER has acquired solid experience in power wholesale to general power operators over many years and is determined to launch out into new business areas with the confidence of being able to capitalize on this well-established know-how. Its participation in the present PPS power supply project marks a first step in this direction.

1. General Outline of Ichihara Power

Name	Ichihara Power Co., Ltd.
Representative	Kanji Shimada (Executive Officer and Manager of the New Business Division of J-POWER)
Head Office	Yawata Kaigandori 1-banchi, Ichihara, Chiba Prefecture (within the MES Chiba

	Factory compound)
Established	December 16, 2002
Capital	490 million yen (Equity share ratio: MES: 40%, J-POWER: 60%)
Nature of Business	Power supply business

2. General Outline of the Power Station

Location	Yawata Kaigandori 1-banchi, Ichihara, Chiba Prefecture (within the MES Chiba Factory compound)
Type of Plant	Gas-turbine combined-cycle
Output capacity	107.7MW
Fuel	Natural gas
Sold to	Nippon Steel Corporation on a 15 year power supply agreement
Construction	Order placed with MES
Maintenance	Entrusted to MES
Total estimated project costs	Approx. 10 billion yen
Schedule	March 2003: start of construction work October 2004: start of commercial operation (planned)

End of announcement