

**Notice Regarding Establishment of a Subsidiary Associated with Preparation for Spinning off the Division of the Power Transmission and Transformation Business**

Electric Power Development Co., Ltd. (hereafter, "J-POWER") hereby gives notice that during a board of directors meeting held today, March 29, 2019, it decided to establish a subsidiary, associated with preparation for spinning off the division of the power transmission and transformation business.

1. Purpose of the establishment of the subsidiary

J-POWER plans to spin off the division of the power transmission and transformation business to respond to the legal separation of the power transmission sector prescribed in the Electricity Utilities Business Law and to secure further neutrality of the power transmission and transformation sectors.

2. Overview of the newly established Subsidiary

1) Company Name	Electric Power Development Electricity Transmission Business Division Co., Ltd	
2) Address	15-1, Ginza 6-Chome, Chuo-ku, Tokyo	
3) Name and Title of Representative	Ryou Suzuki Director	
4) Description of Business	Transmission Business, and others	
5) Stated Capital	5 million yen	
6) Establishment Date	April 1st, 2019(Scheduled)	
7) Shareholding Percentage of Major Shareholders	J-POWER	100%
8) Relationship between J-POWER and the Newly Established Subsidiary	Capital Relationship	Scheduled to establish a subsidiary which J-POWER interests 100% of Equity
	Personal Relationship	Scheduled to send Director from J-POWER to the subsidiary
	Business Relationship	There is no business relationship between the subsidiary and J-POWER because the subsidiary has not started business yet

3. Impact on J-POWER's consolidated performance

The impact of establishment of the subsidiary on business performance is minimal.

Details on spin-off will be promptly disclosed as details are decided.