



エネルギーを新しい時代へ

Attachment

JERA's Financial Position Reflecting the "Step 3" Integration of Shareholders' Existing Domestic Thermal Power Generation Businesses

In this document, JERA Co., Inc. ("JERA"), TEPCO Fuel & Power, Inc. ("TEPCO FP") and Chubu Electric Power Co., Inc. ("Chubu") present a summary of JERA's planned financial position after the "Step 3" integration in JERA of the existing domestic thermal power generation businesses of TEPCO FP and Chubu, in accordance with their 27 February 2018 agreement. JERA plans to announce a business plan reflecting the integration of existing domestic thermal power generation businesses prior to the integration, which will take place in April 2019.

27 March 2018

JERA Co., Inc.

TEPCO Fuel & Power, Inc.

Chubu Electric Power Co., Inc.

JERA's Business Model

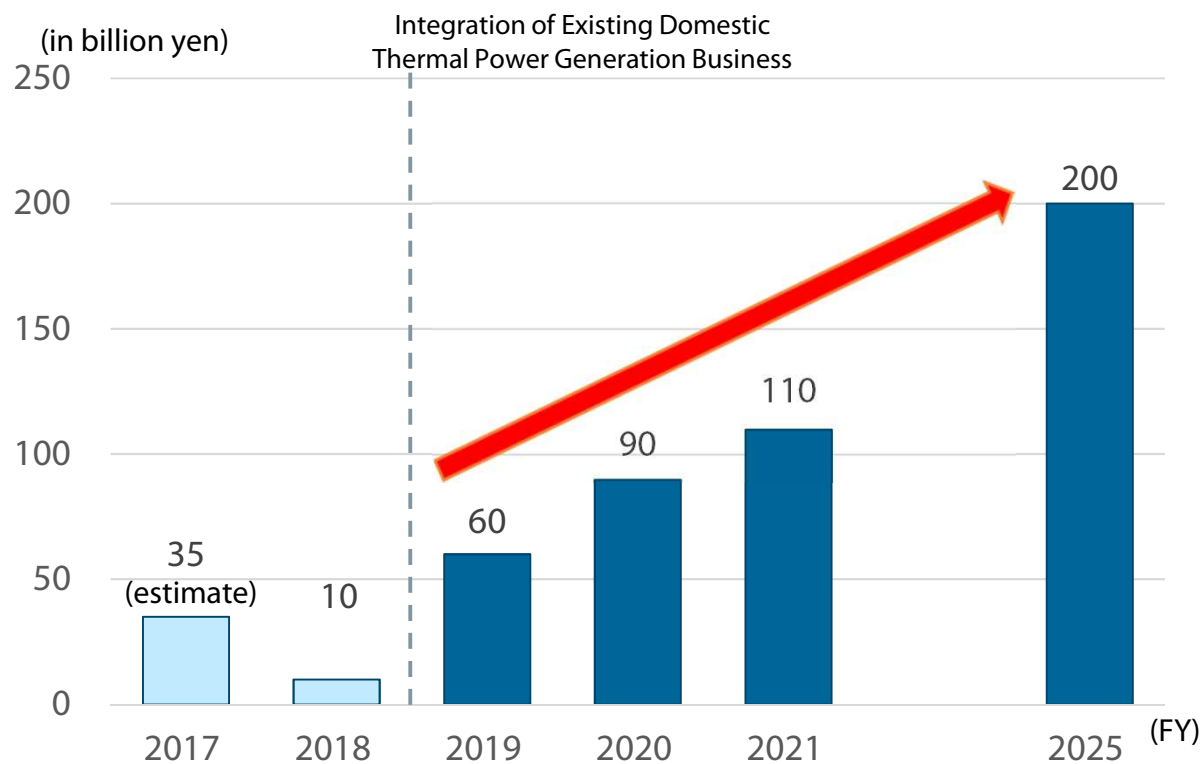
Allocation of Functional Roles and Overall Optimization Through Synergy



JERA's Financial Position

Expected Net Profit of Approximately 200 Billion Yen for FY2025

Consolidated Net Profit



Assumptions:

- Exchange rate: JPY 110/USD
- Oil price (Nominal): FY2017–FY2021 approx. 60 USD/b; FY2025 approx. 105 USD/b

Asset Scale Sustains Profits

Significant Increase in Assets through Business Integration

Total Assets and Net Assets

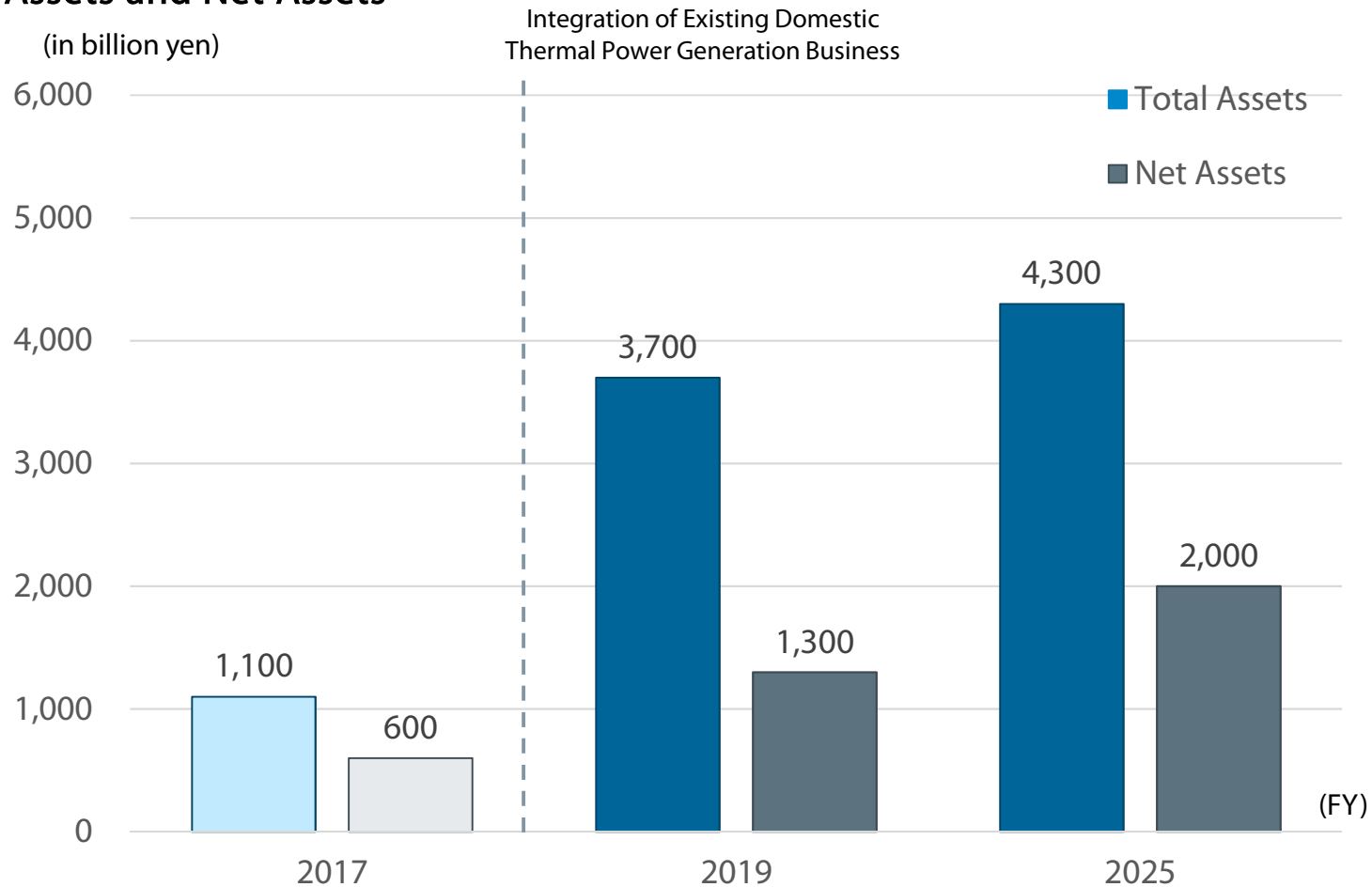
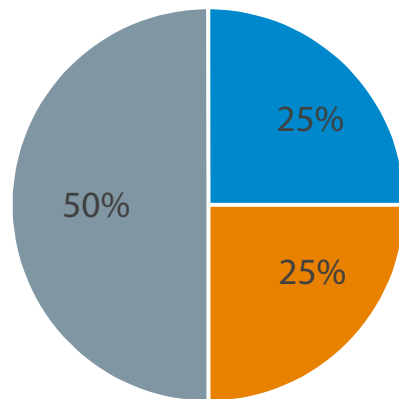


Illustration of Profit Structure by Business

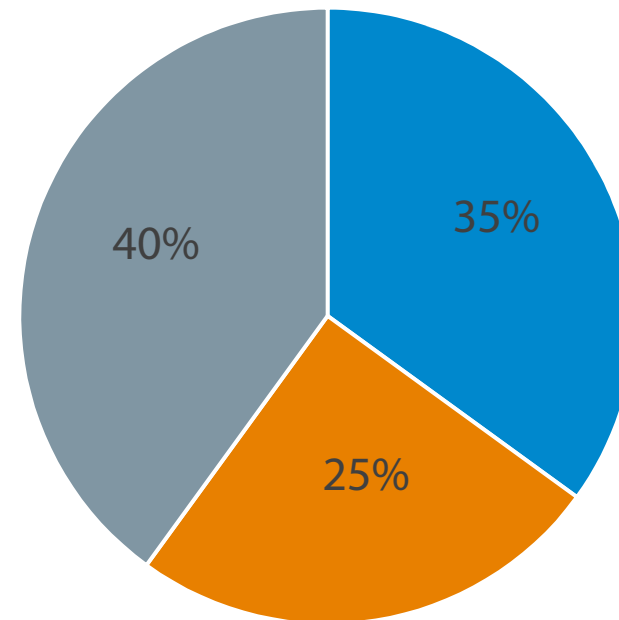
In FY 2025, the fuel and overseas power generation businesses are expected to account for more than half of profits.

FY2019

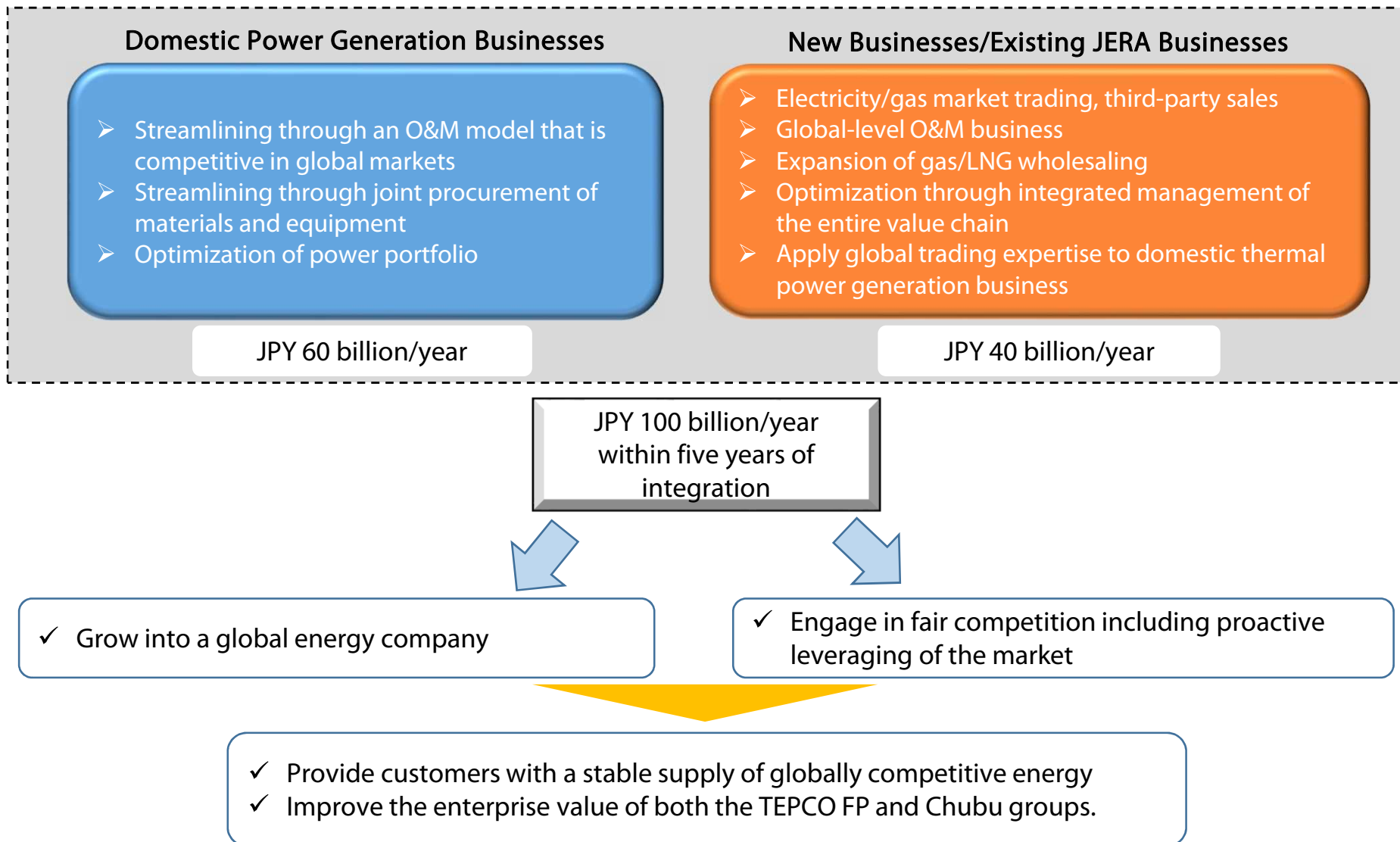


- Fuel Business
- Overseas Power Generation Business
- Domestic Power Generation and Gas Businesses

FY2025



Integration Synergy Effects



JERA in 2025

Growth Targets for FY2025:

		As of March 2018	Assets to be Integrated in JERA	FY2025
Power Generation Business	Domestic Power Generation Capacity	650MW ¹	66,000MW	New Development Approx. 9,000MW
	Overseas Power Generation Capacity (Development Output)	8,000MW ²	—	Approx. 15,000MW
	Renewables Development Capacity (Reshown)	400MW	—	Approx. 3,000MW
Fuel Business	LNG Physical Transaction Volume	35 MTPA	—	Approx. 35 MTPA
	Number of Upstream Investment Projects	5 projects	—	Approx. 10 projects
	Number of LNG Vessels	16 vessels	—	Approx. 25 vessels

¹ Under construction

² Includes power generation capacity under construction.

(Reference) Major Achievements Since Step 2 (July 2016)

1.	September 2016	Public announcement of plans to develop thermal power generation in Japan (Goi, Anegasaki, Yokosuka) ¹
2.	December 2016	Signing of binding agreement for the joint venture acquisition of EDF Trading's coal and freight business
3.	January 2017	Acquired equity interest in a natural gas-fired thermal power generation project in New York State (Cricket Valley)
4.	February 2017	Agreement to acquire an equity interest in renewable energy business in India (ReNew)
5.	June 2017	Obtained a credit rating from R&I (Rating: A)
6.	October 2017	Agreement to acquire an equity interest in a natural gas-fired thermal power cogeneration project in New Jersey (Linden)
7.	October 2017	Conclusion of a LNG sales and purchase HOA with Malaysia LNG
8.	December 2017	Signing of a non-binding agreement for an LNG optimization joint venture with EDF Trading
9.	January 2018	Partial sale of equity interest in the Cricket Valley Gas Thermal IPP Project in New York State
10.	February 2018	Signing of an MOU to conduct a joint feasibility study regarding the establishment of an LNG import terminal and gas supply project in New South Wales, Australia

¹ Subsequent to the public announcement, environmental impact assessment procedures are underway at each site

(Reference) Assets Subject to Integration in JERA in Step 3

Assets Subject to Integration		TEPCO FP	Chubu	
Assets	Thermal Power Generation Businesses	Existing Thermal Power Generation	15 Locations ¹	10 Locations ²
		Generation Capacity ³ (MW)	42,960	23,410
		Electricity Generated ⁴ (Billion kWh)	190.2	110.2
	Fuel Receipt/Storage/ Gas Transmission Businesses	LNG Terminal	Owned terminals: 2 locations ⁵ Joint terminals: 2 locations ⁶	Owned terminals: 3 locations ⁷ Joint terminals: 1 location ⁸
		Tank Capacity (million kL)	2.98	1.93
		Payout Amount ⁴ (million tons)	22.57	12.77
	Related Companies	Subsidiaries	6 companies ⁹	2 companies ¹⁰
		Affiliated companies	4 companies ¹¹	2 companies ¹²

¹ Futtsu, Chiba, Goi, Anegasaki, Sodegaura, Yokohama, Yokosuka, Kawasaki, Minami-Yokohama, Higashi-Ogishima, Oi, Shinagawa, Hitachinaka, Hirono

² Shin-Nagoya, Yokkaichi, Chita, Taketoyo, Nishi-Nagoya, Atsumi, Chita Daini, Kawagoe, Hekinan, Joetsu

³ As of 1 January 2018

⁴ Results for FY2016

⁵ Futtsu LNG Terminal, Higashi-Ogishima LNG Terminal

⁶ Sodegaura LNG Joint Terminal, Negishi LNG Joint Terminal

⁷ Kawagoe LNG Terminal, Yokkaichi LNG Center, Joetsu LNG Terminal

⁸ Chita LNG Joint Terminal

⁹ Bio Fuel Co., Inc., Fuel TEPCO, Tokyo Waterfront Recycle Power Co., Ltd., Kawasaki Steam Net Co., Ltd., Nanso Service Co., Ltd., Ogishima Gas Supply Co., Ltd.

¹⁰ Chita L.N.G Co., Ltd., Chita Berth Co., Inc.

¹¹ Kimitsu Cooperative Thermal Power Company, Inc., Kashima Kyodo Electric Power Co., Ltd., Soma Kyodo Power Company, Ltd., Joban Joint Power Co., Ltd.
(Only equity method affiliated companies)

¹² Kasumi Berth Co., Inc., Aichi Kinuura Bio K.K.



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