

Jera

Energy for a New Era



New Management and Organizational Structure along with Integration of Existing Thermal Power Generation Businesses

**JERA Co., Inc.
4 February 2019**

(1) JERA's accomplishments of since its establishment

Corporate Philosophy

Building a Global Energy Company

- JERA will provide its customers with a stable supply of globally competitive energy (electricity, gas, etc.) and also enhance its enterprise value, in a spirit of equality and fairness, by creating a global energy company able to compete with peer companies in the international energy market and by expanding fair competition in Japan, taking into consideration the characteristics of Japan as a country of limited resources.

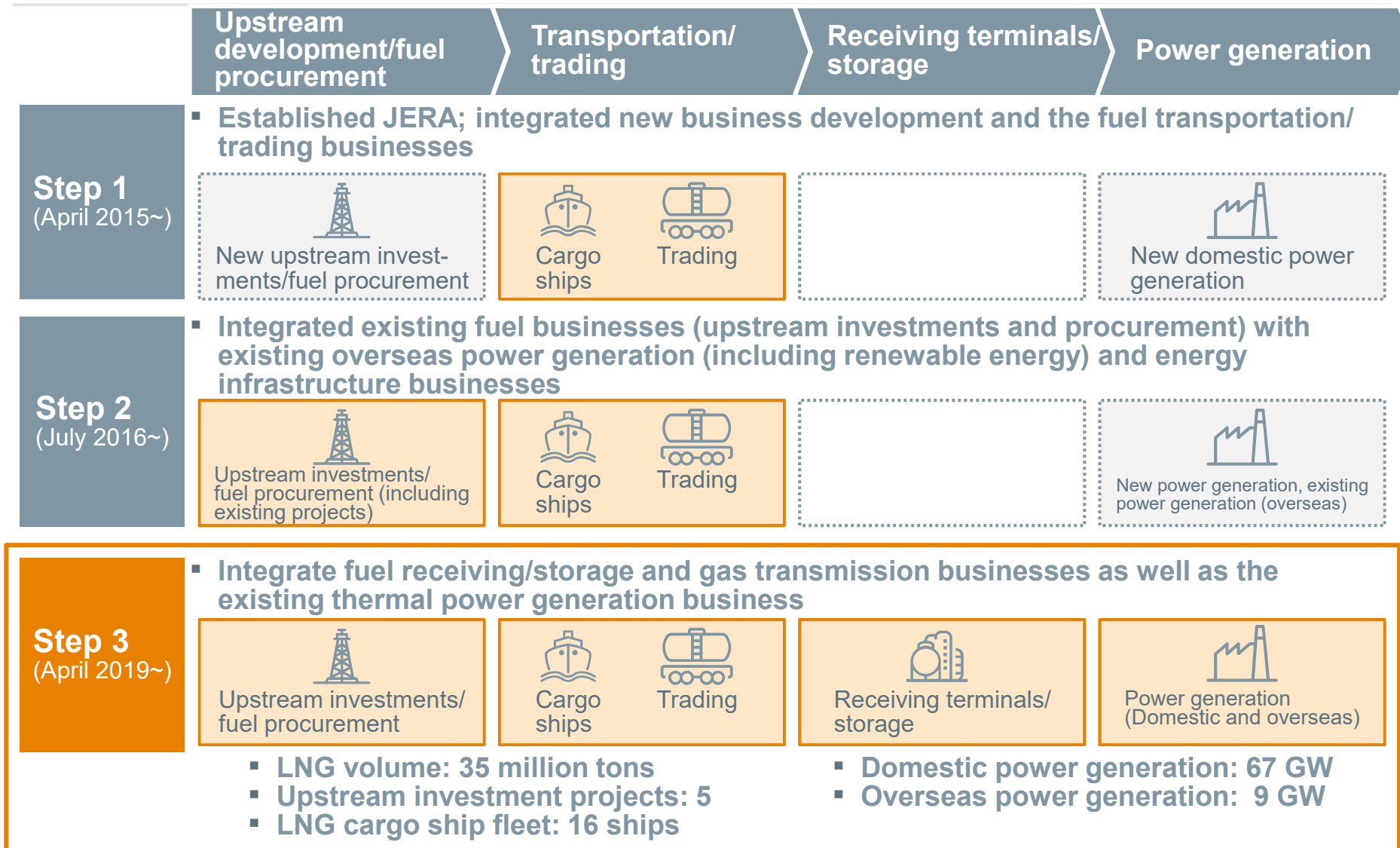
Creating a New Energy Business Model

- JERA will join together the excellent technology, personnel, facilities, and other management resources of its shareholders to create a new energy business model, and will develop an independent corporate culture, as well as healthy management and financial structures that are trusted by the market. This will enable JERA to be a company with a unique business operations and a management system that enables prompt and sound decision-making.

Strengthening the Overall Value Chain

- JERA will increase efficiency, improve competitiveness, and pursue profits our operations in all business areas along the supply chain from upstream and procurement, to power generation and sales of electricity and gas, by managing the entire supply chain in a comprehensive and optimal manner, and by using M&A and other methods to add to the management resources of the company.

Aiming to become a global energy company with roots in Japan, JERA has been systematically integrating businesses according to value creation potential and the degree of difficulty



STEP 2: Delivered results with a focus on the overseas power generation and fuel businesses

Key initiatives since JERA was established

- ① Sept 2016 Announced a new domestic thermal power supply development plan (Goi, Anegasaki, Yokosuka)
- ② Dec 2016 Finalized an agreement with EDF Trading on operating a global solid fuel trading business
- ③ Jan 2017 Participation in a natural gas-fired power generation project in the State of New York (Cricket Valley)
- ④ Feb 2017 Agreed to participate in the renewable energy business in India (with ReNew)
- ⑤ June 2017 Received an "A" issuer's credit rating from R&I Inc.
- ⑥ Oct 2017 Agreed to participate in a natural gas-fired power generation project in the State of New York (Linden)
- ⑦ Oct 2017 Conclusion of an LNG Sales and Purchase HOA with Malaysia LNG
- ⑧ Dec 2017 Finalized a basic agreement on LNG portfolio optimization with EDF Trading
- ⑨ Jan 2018 Partially sold off stakes in a natural gas-fired power generation project in New York State (Cricket Valley)
- ⑩ Feb 2018 Signed a memorandum on a feasibility study on construction of a new LNG receiving terminal and gas sales business in New South Wales, Australia
- ⑪ May 2018 Signed a basic agreement on the storage battery business in the Asia Pacific region with Fluence Energy and LYON Group
- ⑫ July 2018 Finalized an agreement on LNG portfolio optimization with EDF Trading
- ⑬ Aug 2018 Finalized a basic agreement on LNG sales and purchase with ADNOC LNG
- ⑭ Aug 2018 Participation in a natural gas-fired power portfolio in the northeastern US ("Compass Portfolio")
- ⑮ Sept 2018 Finalized a basic agreement to explore joint development of a replacement plan for the Goi Thermal Power Plant
- ⑯ Dec 2018 Received an "A-" issuer's credit rating from S&P Global Ratings Japan Inc.
- ⑰ Dec 2018 Participation in an Offshore Wind Power Project in the U.K. (Gunfleet Sands)
- ⑱ Dec 2018 Participation in an Offshore Wind Power Project in Taiwan (Formosa 1)
- ⑲ Jan 2019 Received an "AA-" issuer's credit rating from JRC Ltd.

(2) Directors and Auditors

Director Candidates

| Title | Name | Current title |
|-------------------------|-------------------|---|
| Director | Shunichiro Ide | Managing Executive Officer General Manager of Shizuoka Regional Office Chubu Electric Power Co., Inc. |
| Director * 1 | Mike Winkel | Senior Advisor Boston Consulting Group (Madrid) (Former member of the Management Board, E.ON) |
| Representative Director | Satoshi Onoda | Director, Executive Vice president President of Power Generation Company Chubu Electric Power Co., Inc. Director (non-executive) JERA Co., Inc. |
| Director | Yukio Kani | Managing Director, Chief Strategy Officer, Senior Executive Vice President JERA Co., Inc. Managing Director(non-executive) TEPCO Fuel & Power, Inc. |
| Director | Hendrik Gordenker | Chairman JERA Co., Inc. |
| Director | Kazuo Sakairi | Managing Director, Head of Asia Region GCA Corporation |
| Representative Director | Toshihiro Sano | Chairman TEPCO Fuel & Power, Inc. Director (non-executive) JERA Co., Inc. |
| Director * 1 | David Macfarlane | Director (non-executive) JERA Trading Pte. Ltd. Former Managing Director, EDF Trading Ltd |
| Director * 2 | Akihisa Mizuno | Chairman Chubu Electric Power Co., Inc. |
| Director * 2 | Seiji Moriya | Director Executive Vice President and Chief Financial Officer (Assistant to the President) Tokyo Electric Power Company Holdings, Inc. President, TEPCO Fuel & Power, Inc. |

* 1 Non-executive * 2 Non-executive and representative person from shareholders

Background of Representative Director Candidates

Candidate of Chairman

Toshihiro Sano

| | |
|------------|---|
| June 2017 | Chairman, TEPCO Fuel & Power, Inc. |
| April 2016 | President, TEPCO Fuel & Power, Inc. Director, Tokyo Electric Power Company Holdings, Inc. |
| April 2015 | Director (non-executive), JERA Co., Inc. |
| June 2014 | Director and Vice President, Tokyo Electric Power Co., Inc. ("TEPCO") President, Fuel & Power Company |
| April 2013 | Managing Executive Officer, TEPCO President, Fuel & Power Company |
| June 2012 | Managing Executive Officer, TEPCO |
| June 2011 | Executive Managing Director, General Manager of Technical Development Div., TEPCO |
| June 2009 | Executive Officer, General Manager of Thermal Power Dept., TEPCO |
| June 2008 | General Manager, Thermal Power Dept., TEPCO |
| April 1977 | Joined TEPCO |
| March 1977 | B.E., Department of Mechanical Engineering, Waseda University |

Candidate of President

Satoshi Onoda

| | |
|------------|---|
| June 2018 | Director, Executive Vice President Chubu Electric Power Co., Inc. ("CEPCO") President of Power Generation Company |
| April 2018 | Executive Vice President, CEPCO President of Power Generation Company Director (non-executive), JERA Co., Inc. |
| June 2014 | Special Advisor, CEPCO Senior Managing Director, Federation of Electric Power Companies of Japan |
| June 2013 | Director & Senior Managing Executive Officer, General Manager, Power Generation Division, CEPCO |
| July 2010 | Managing Executive Officer, General Manager, Shizuoka Regional Office, CEPCO |
| July 2009 | Managing Executive Officer, General Manager, Thermal Power Dept., Power Generation Div., CEPCO |
| July 2007 | Executive Officer, General Manager, Thermal Power Dept., Power Generation Div., CEPCO |
| July 2005 | Tokyo Branch Office, CEPCO General Manager, Federation of Electric Power Companies of Japan |
| July 2003 | General Manager, Thermal Power Dept., CEPCO |
| April 1980 | Joined CEPCO |
| March 1980 | M.Sc. in Mechanical Engineering, Keio University |

Auditor Candidates

| Title | Name | Current title |
|-------------------|------------------|---|
| Corporate Auditor | Shigeyoshi Araki | Executive Officer General Manager of Thermal Power Generation Business Dept. Power Generation Company Chubu Electric Power Co., Inc. |
| Corporate Auditor | Hideo Oishi | Executive Director, Research Institute of Capital Formation Development Bank of Japan Inc. |
| Corporate Auditor | Minako Fujiie | General Manager Tsurumi area of Kawasaki Branch Office TEPCO Power Grid, Inc. |

Directors and Auditors Due for Retirement

| Current title | Name |
|---|------------------|
| President | Yuji Kakimi |
| Managing Director, Senior Executive Vice President | Tatsunori Miwada |
| Corporate Auditor | Yutaka Ito |
| Corporate Auditor | Koji Nishimura |

(3) Corporate Governance Structure / Operational Organization & Officers

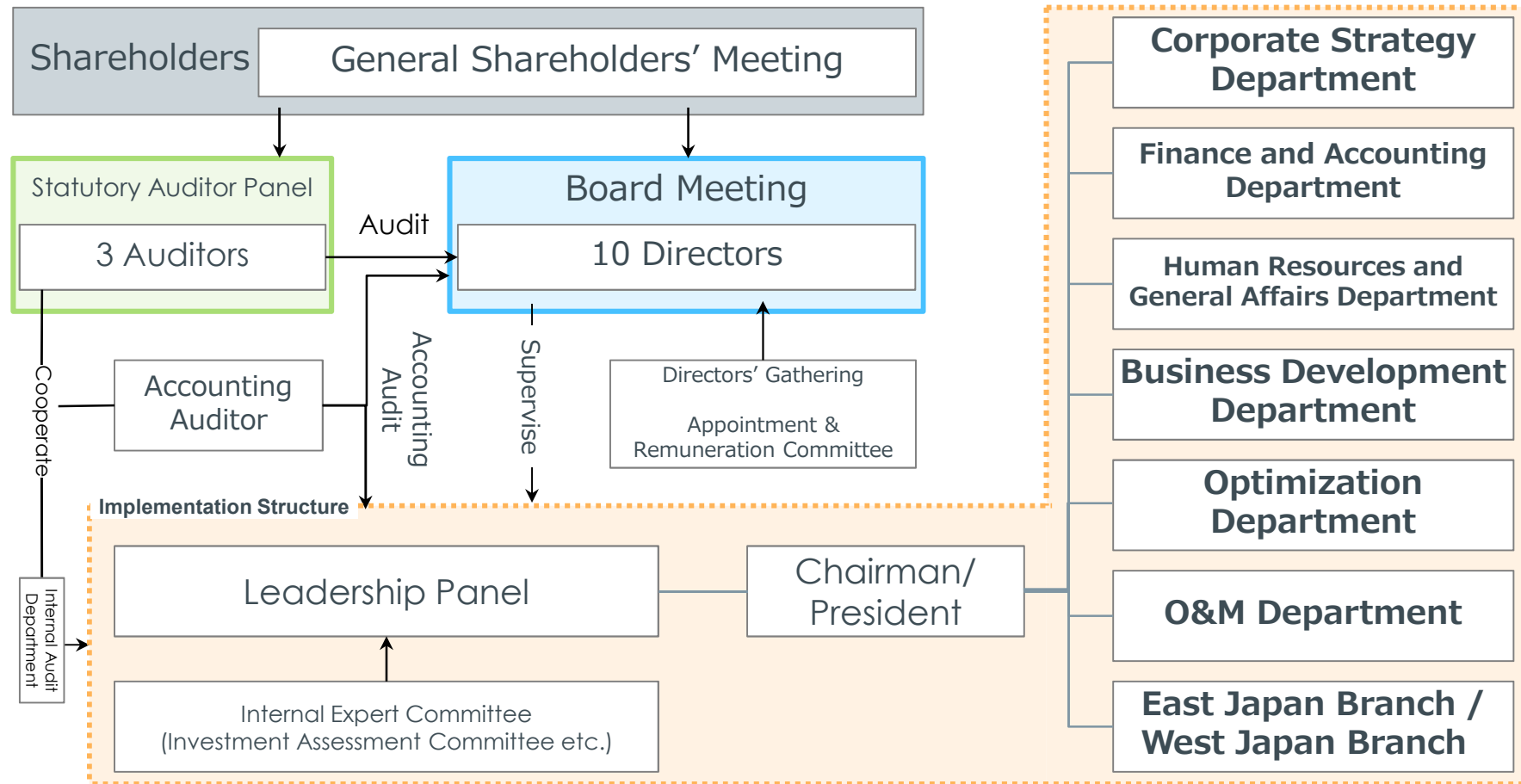
Corporate Governance & Organization

Segregation of functions – Supervision, Audit, Execution – to build a structure that enables autonomous business operation.
Function-based executional organization restructuring in line with the business model.

✓ **Enhancement of the Board's Supervisory Functions**

✓ **Enhancement of Audit Functions**

✓ **Operational Enhancement**



Operational Officer Candidates (1)

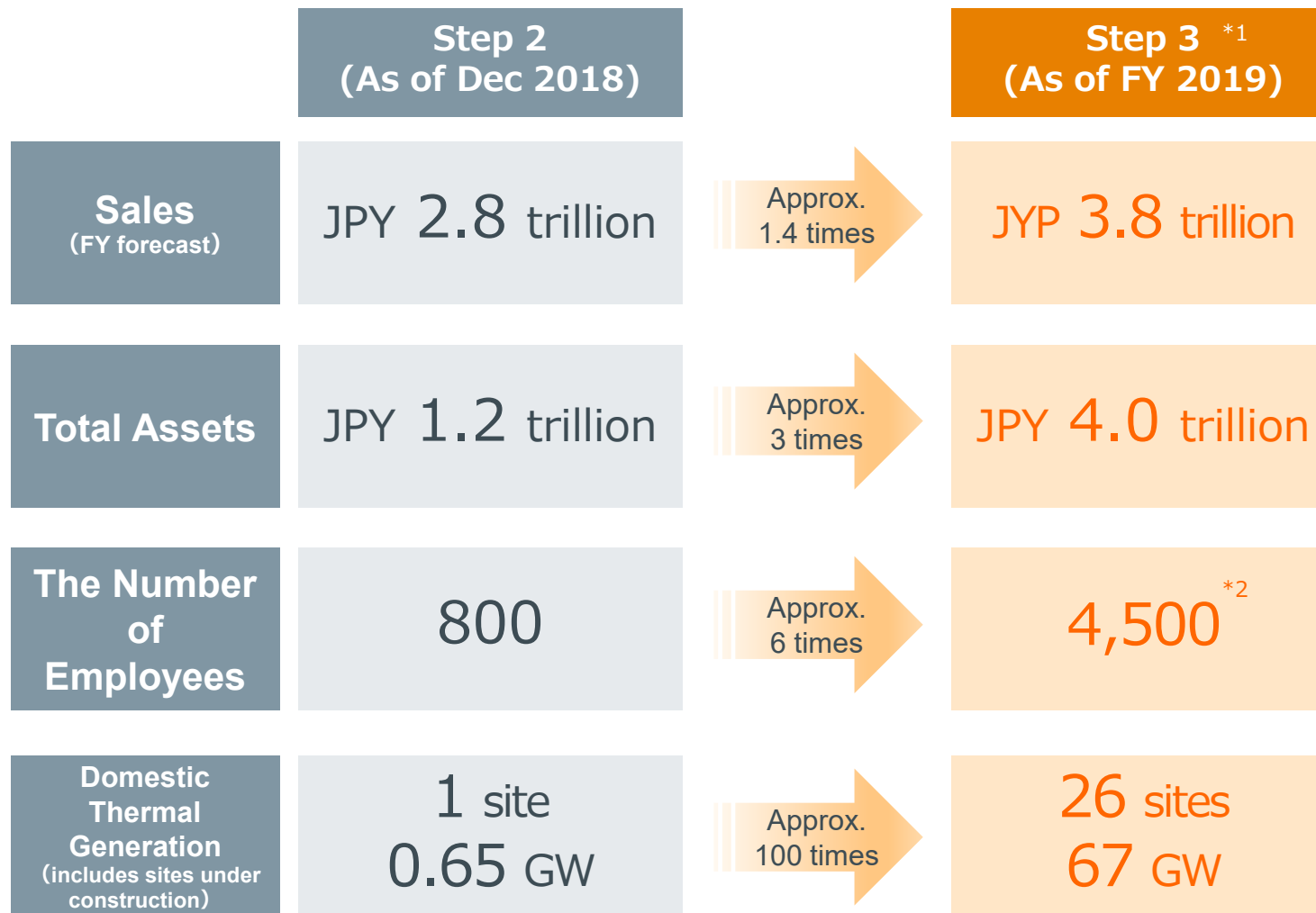
| Title | Name | New role | Current title |
|---|-------------------|---|---|
| Chairman | Toshihiro Sano | – | Chairman TEPCO Fuel & Power, Inc. Director (non-executive) JERA Co., Inc. |
| President | Satoshi Onoda | – | Director, Executive Vice president President of Power Generation Company Chubu Electric Power Co., Inc. Director (non-executive) JERA Co., Inc. |
| Senior Corporate Vice President, Director | Hendrik Gordenker | Chief Global Strategist | Chairman JERA Co., Inc. |
| Corporate Vice President, Director | Yukio Kani | Chief Operating Officer, Business Development Department | Managing Director, Chief Strategy Officer, Senior Executive Vice President JERA Co., Inc. Managing Director(non-executive) TEPCO Fuel & Power, Inc. |
| Corporate Vice President, Director | Shunichiro Ide | Chief Operating Officer, O&M Department | Managing Executive Officer General Manager of Shizuoka Regional Office Chubu Electric Power Co., Inc. |
| Managing Executive Officer | Hisahide Okuda | Chief Operating Officer, Corporate Strategy Department | General Manager Head of Strategy & Alliance Office Corporate Planning & Strategy Division Chubu Electric Power Co., Inc. |
| Managing Executive Officer, Director | Kazuo Sakairi | Chief Operating Officer, Finance and Accounting Department | Managing Director, Head of Asia Region GCA Corporation |
| Managing Executive Officer | Masahiro Takizawa | Chief Operating Officer, Human Resources and General Affairs Department | Senior Executive Vice President, General Affairs JERA Co., Inc. |
| Managing Executive Officer | Sunao Nakamura | Chief Operating Officer, Optimization Department | Senior Executive Vice President, Energy Transactions and Projects JERA Co., Inc. |

Operational Officer Candidates (2)

| Title | Name | New role | Current title |
|----------------------------|------------------|---|--|
| Managing Executive Officer | Masayuki Ishida | Head of the East Japan Branch | Director, Executive Vice President, Chief Kaizen Officer, TEPCO Fuel & Power, Inc. |
| Managing Executive Officer | Tatsunori Miwada | Head of the West Japan Branch | Managing Director, Senior Executive Vice President, Power Generation Business JERA Co., Inc. |
| Managing Executive Officer | Sami BEN JAMAA | Global Chief Information and Digital Officer Corporate Strategy Department | Corporate Strategy Department, Global Chief Information Officer JERA Co., Inc. |
| Managing Executive Officer | Hiroki Sato | Senior Operating Officer, Business Development Department | Chief LNG Transactions Officer, Senior Executive Vice President JERA Co., Inc. |
| Managing Executive Officer | James H. Vigil | Senior Operating Officer, Business Development Department | Former Senior General Manager, North West Shelf Liaison Company Tokyo (Seconded from Chevron Corporation) |
| Managing Executive Officer | Toshiro Kudama | Business Development Department, Seconded to JERA Energy Development Asia (To be appointed as CEO) | Chief Power Development Officer, Senior Executive Vice President JERA Co., Inc. |
| Managing Executive Officer | Tetsuya Watabe | Senior Operating Officer, Optimization Department | Executive Officer Chief Operating Officer of Business Planning Office. Power Generation Company Chubu Electric Power Co., Inc. |
| Managing Executive Officer | Shintaro Uzawa | Senior Operating Officer, O&M Department | Managing Director Executive General Manager of Operation & Maintenance Div. and Executive General Manager of Thermal Power Operations Dept., TEPCO Fuel & Power, Inc. |

(4) Direction of Growth in Step 3

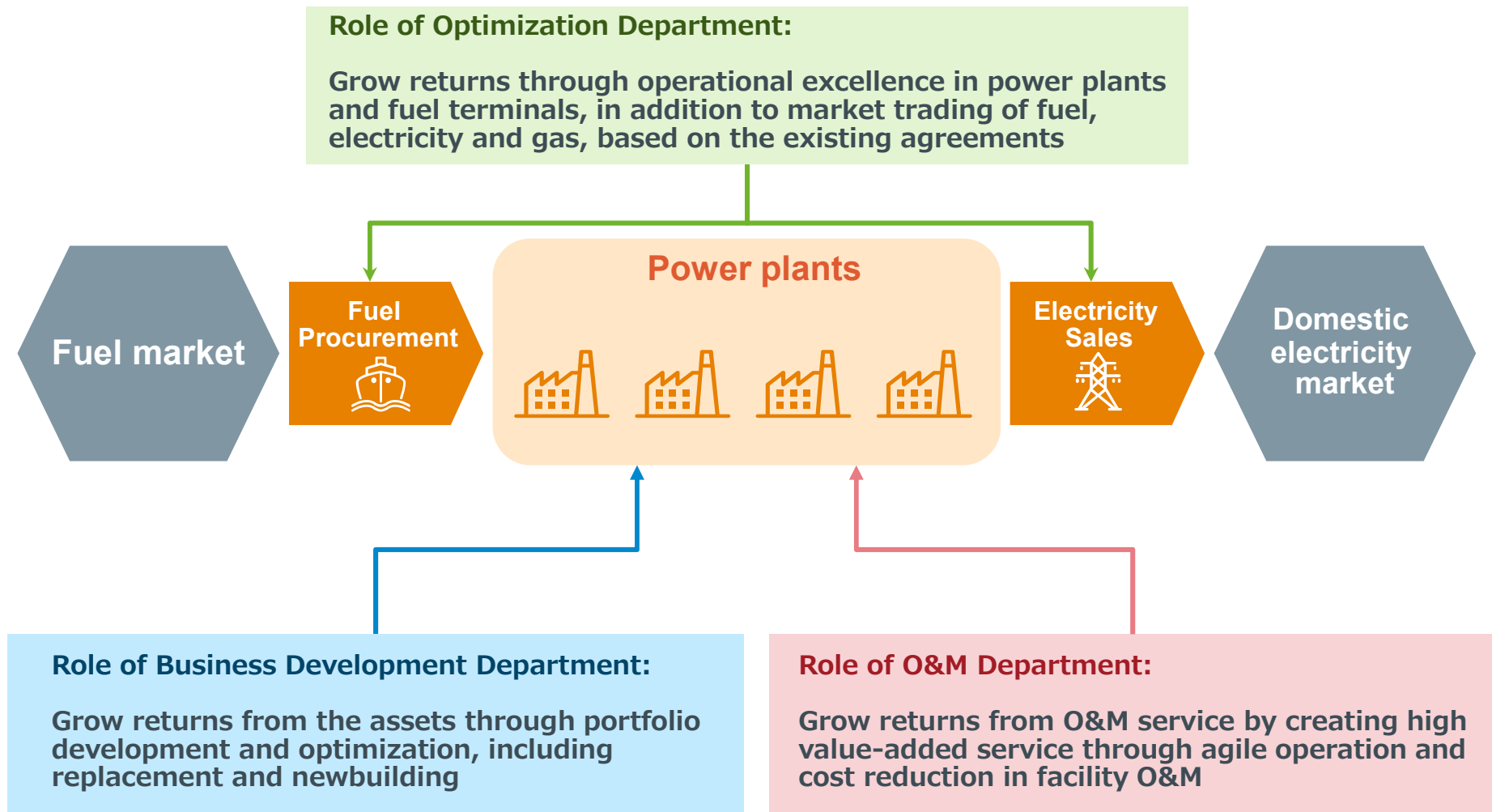
JERA in Step 3: Growth in Business Scale



*1: Estimate value: The figure of total assets is as of the end of FY2019. The number of employees and domestic thermal generation is as of the beginning of FY2019.

*2: Regarding the companies to succeed to businesses in April 2019, only employees seconded from JERA are indicated.

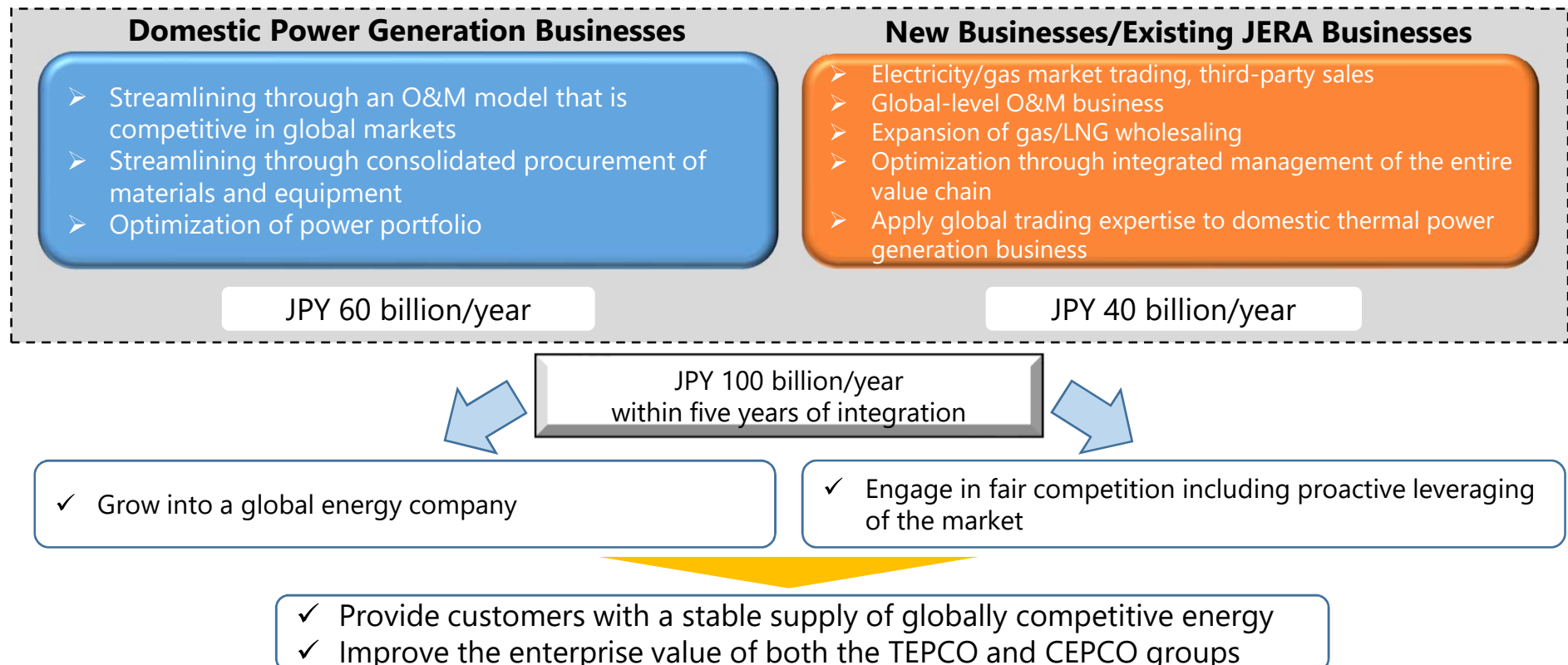
Business model for Japanese domestic thermal power generation business will be rebuilt in Step 3



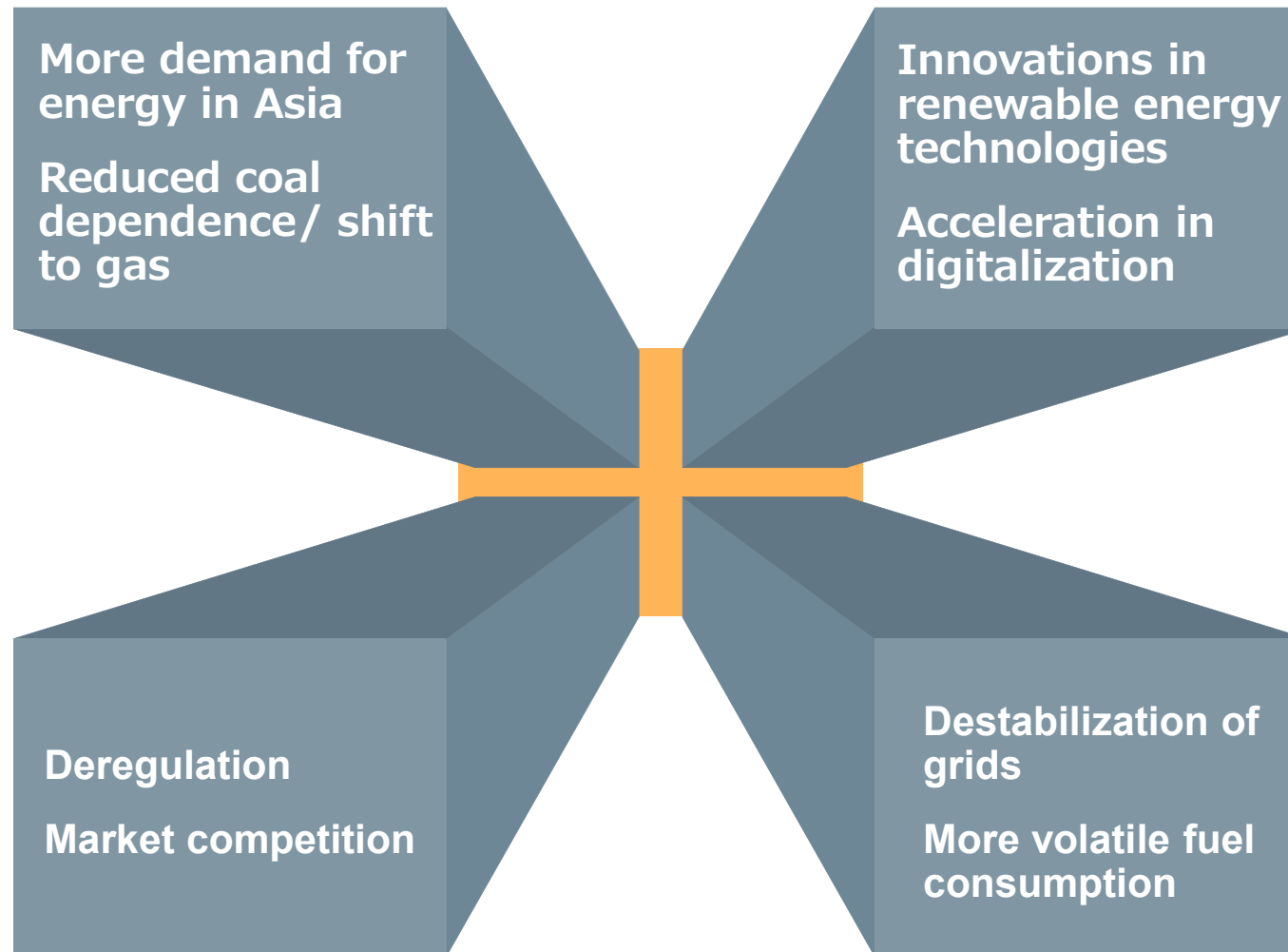
Integration Synergy Effects

- The integration synergy target is 100 billion yen/year within 5 years from Step 3 integration
- Early realization of integration effects is possible by implementing cost reduction initiatives through O&M efficiency improvement and consolidated procurement of materials and equipment
- Deep dive into optimization of the energy portfolio and comprehensive value chain management after the integration to ensure the rapid realization of synergies

Reference: JERA's 27 March 2018 announcement on post-integration synergy effects



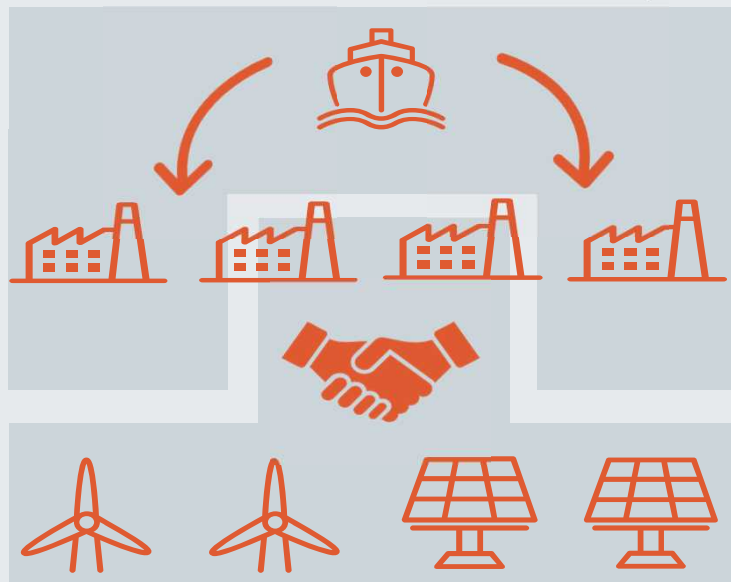
The world is undergoing an energy transition



Mission & Vision

| | |
|-------------|---|
| Mission | To provide cutting edge solutions to the world's energy issues |
| Vision 2025 | Global Leader in LNG and renewables sparking the transition to a clean energy economy |

Through enhancing the LNG value chain and undertaking large-scale renewable development, construct a complementary relationship between LNG-fired power and renewables. Provide stable, economic and clean energy.

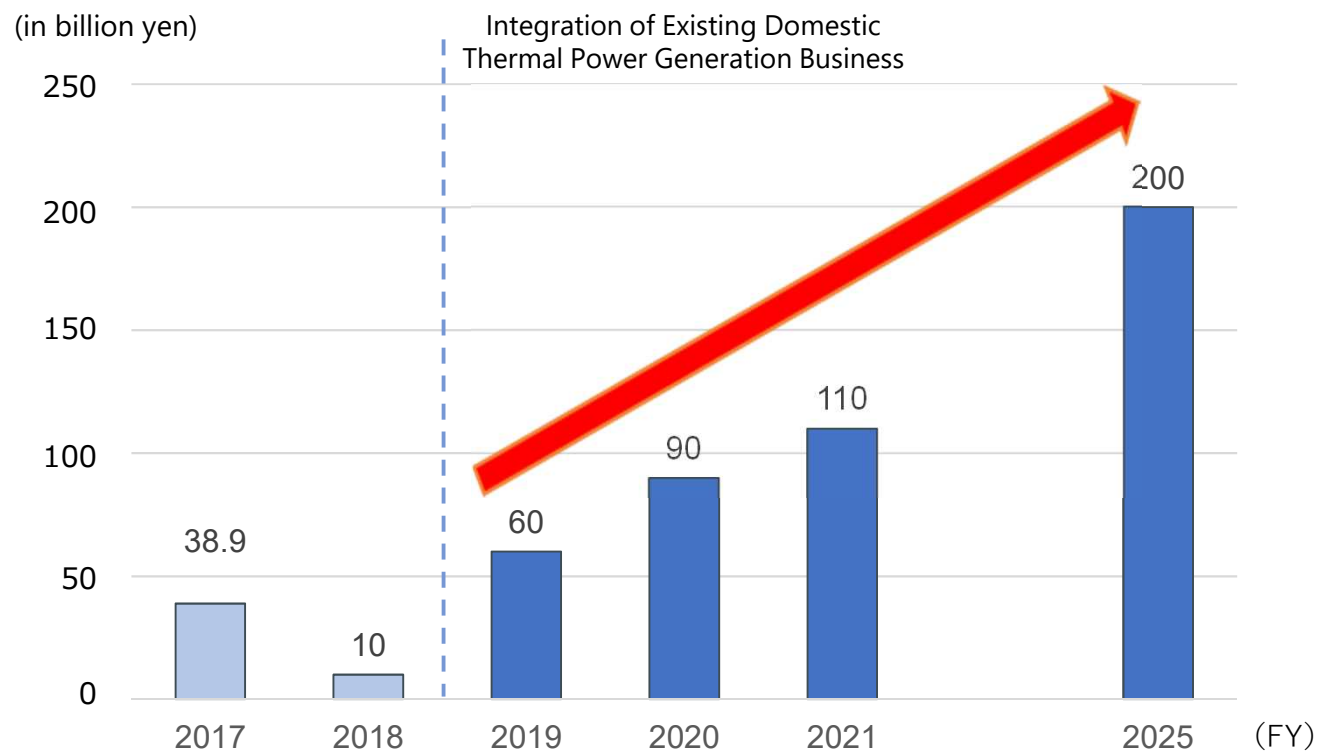


- Flexible LNG-fired power supply complementing intermittent renewable energy
- Flexible fuel procurement backed by resource trading
- Balanced development of portfolio of renewable resources promoting diversification from solar PV into offshore wind and others
- Stable renewable power supply with energy storage technologies

JERA's Financial Position

- No major change in the profit forecast from the last year's release (net profit of 200 billion yen in FY 2025).
- Details will be finalized prior to the 1 April 2019 Step 3 integration and will be released in a due course.

Reference: Consolidated net profit released on 27 March 2018



Assumptions:

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

Forward-Looking Statements

The information in this presentation may contain forward-looking statements. Forward-looking statements include statements relating to: (i) plans; (ii) business and management strategies; and (iii) performance forecasts, and are based on then-current data at the time of issuance of this document. Forward-looking statements involve risks and uncertainties including but not limited to economic conditions, competitive landscape, government laws and regulations, exchange rate and so on that could significantly affect the expected results, and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied herein. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements.