

August 19, 2015

Tokyo Electric Power Company, Incorporated
Mitsubishi Heavy Industries, Ltd.
Mitsubishi Corporation
Mitsubishi Electric Corporation
Joban Joint Power Co., Ltd.

Conclusion of a Letter of Intent to Develop
World's Most Advanced Coal-Fired Thermal Power Plants in Fukushima
Prefecture

Tokyo Electric Power Company, Incorporated (TEPCO), Mitsubishi Heavy Industries, Ltd., Mitsubishi Corporation, Mitsubishi Electric Corporation, Joban Joint Power Co., Ltd., today concluded a letter of intent to promote the development of the world's most advanced coal-fired thermal power plants in Fukushima. The project is currently being undertaken by TEPCO as part of its contribution to revitalization in the prefecture.

The project was launched with the aim of creating an industrial base and opening up job opportunities^{*1} in Fukushima as part of moves to support local economic recovery. The project will, at the same time, be a global leader in next-generation clean coal technology through the introduction of the integrated coal gasification combined-cycle (IGCC)^{*2} in plant operations.

The project aims to construct and operate two 540 MW class IGCC facilities in Fukushima: one at TEPCO's Hirono Thermal Power Station and the other at Joban Joint Power Company's Nakoso Thermal Power Station.

Drawing on the skills and knowledge gained in the power generation business, the five companies are committed to creating an industrial base in the prefecture, to be achieved by executing construction works and procuring relevant materials as well as through follow-up surveillance assessments once operations have commenced, all with the goal of contributing to speedy revitalization in Fukushima.

The letter of intent allows the five partners to move on to practical considerations for the early realization of the project. Operating as the "Fukushima Revitalization Power Consortium", the companies will be working to implement the project with operations slated to start in the early 2020's, and with the support and cooperation of local residents, the national government and Fukushima's prefectural and local governments.

*¹ Creating an industrial base and opening up job opportunities

From the start of relevant environmental assessment through to implementation of operations, the project is expected to generate an economic ripple effect in Fukushima Prefecture estimated at 80 billion yen per plant over the next few decades, with employment opportunities for up to 2,000 persons/day at the peak of construction.

*² Integrated coal gasification combined-cycle (IGCC)

IGCC systems generate power using a combined-cycle format incorporating coal gasification

and both gas and steam turbines. IGCC systems offer enhanced generation efficiency**, as well as reductions in carbon dioxide (CO₂) emissions of about 15% in comparison with the latest conventional coal fired power plant.

** Thermal efficiency: approximately 48% (net thermal efficiency based on a lower heating value basis.)

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Outlines of Project to Create the World's Most Advanced Coal-Fired Thermal Power Plants and the Related Letter of Intent

1. Aim and purpose

To make, among the five companies, a full consideration and examination of the abovementioned project to construct and operate 540 MW class IGCC plants, one each in Hirono town and Nakoso town, in Fukushima prefecture.

<Hirono>

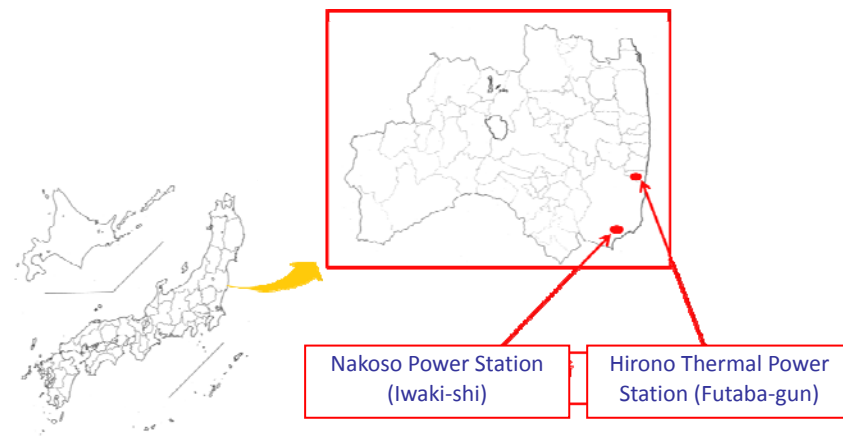
- Hirono Thermal Power Station, TEPCO

Location: 58, Futatsunuma, Shimokitaba, Hirono-machi, Futaba-gun, Fukushima Prefecture, Japan

<Nakoso>

- Nakoso Power Station, Joban Joint Power Co., Ltd.

Location: 20, Oshima, Sanuka-machi, Iwaki-shi, Fukushima Prefecture, Japan



2. Vision

In an effort to realize the start of operations in the early 2020's, the five companies will seek to make steady progress in studying and examining the project by making use of their respective strengths.

Reference Information / Company Outlines

1 Tokyo Electric Power Company, Incorporated

- (1) Head Office : 1-1-3 Uchisaiwai-cho, Chiyoda-ku, Tokyo, Japan
- (2) Established : May 1, 1951
- (3) Capital : 1,400.9 billion yen (as of March 31, 2015)
- (4) Major Business : Electric power supplier and its related businesses, and gas fueling business, etc.
- (5) No. of Employees : 33,853 (Non-consolidated, as of March 31, 2015)
- (6) Representative : Naomi Hirose, President

2 Mitsubishi Heavy Industries, Ltd.

- (1) Head Office : 16-5 Konan 2-chome, Minato-ku, Tokyo, Japan
- (2) Established : January 11, 1950
- (3) Capital : 265.6 billion yen (as of March 31, 2015)
- (4) Major Business : Engineering, manufacture and sale of ships, power systems, environmental improvement equipment, industrial machinery, aircraft, space systems, air-conditioners, etc.
- (5) No. of Employees : 81,845 (consolidated, as of March 31, 2015)
- (6) Representative : Shunichi Miyanaga, President and CEO

3 Mitsubishi Corporation

- (1) Head Office : 3-1, Marunouchi 2-Chome, Chiyoda-ku, Tokyo, Japan
- (2) Established : July 1, 1954
- (3) Capital : 204.4 billion yen (as of March 31, 2015)
- (4) Major Business : Mitsubishi Corporation (MC) is a global integrated business enterprise that develops and operates businesses across virtually every industry including industrial finance, energy, metals, machinery, chemicals, foods, and environmental business. MC's current activities are expanding far beyond its traditional trading operations as its diverse business ranges from natural resources development to investment in retail business, infrastructure, financial products and manufacturing of industrial goods.
- (5) No. of Employees : 71,994 (consolidated, as of March 31, 2015)
- (6) Representative : Ken Kobayashi, President and CEO

4 Mitsubishi Electric Corporation

- (1) Head Office : 2-7-3, Marunouchi, Chiyoda-ku, Tokyo, Japan
- (2) Established : January 15, 1921
- (3) Capital : 175.8 billion yen (as of March 31, 2015)
- (4) Major Business : Development, manufacture, sales and service of energy and electric systems, industrial automation systems, information and communication systems, electronic devices, home appliances, etc
- (5) No. of Employees : 129,249 (consolidated, as of March 31, 2015)
- (6) Representative : Masaki Sakuyama, President and CEO

5 Joban Joint Power Co., Ltd.

- (1) Head Office : Kanda-sudacho 1-1, Chiyoda-ku, Tokyo, Japan
- (2) Established : December 23, 1955
- (3) Capital : 56 billion yen (as of March 31, 2015)
- (4) Major Business : Wholesale power supply activities, etc by thermal power generation
- (5) No. of Employees : 234 (as of March 31, 2015)
- (6) Representative : Toshiaki Koizumi, President