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Press Release

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Representative Director & Chief Executive
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Announcement Regarding Agreement of Joint Development of a Coal-fired Power Plant

Idemitsu Kosan Co.,Ltd. (Representative Director & CEO: Takashi Tsukioka), Kyushu Electric Power Company Inc. (President: Michiaki Uriu), and Tokyo Gas Co., Ltd. (Representative Director and President: Michiaki Hirose) have all agreed to jointly proceed with preparations for the development of a coal-fired power plant. As a result of this, the plan is to establish a special purpose company (SPC) aiming for May this year.

In accord with full liberalization of the electric power retailing, we, the three companies, will make use of the strengths in the value chains that we each possess to implement a more safe, stable, and competitive electric power supply to meet social demands and expectations as energy companies. Furthermore, we will do our best with regard to environmental measures and contribute to the regional economy as well.

[Overview of the Special Purpose Company]

1. Company Name: (Tentative Name) Chiba Sodegaura Power Co., Ltd.
2. Head Office Location: Sodegaura-City, Chiba Prefecture
3. Date of Establishment: Planned for May 2015
4. Executive Officers: Directors from all three companies will be dispatched
5. Capital at Establishment: 996 million yen (498 million yen in capital, 498 million yen in capital reserve)
6. Percentage Ownership: Equal share between the three companies

[Project Overview of Power Plant]

1. Planned Construction Site: 3-1 Nakasode, Sodegaura-City, Chiba Prefecture
2. Applied Technology: USC (Ultra supercritical pressure boiler)
3. Scale of Power Generation: 2,000 MW maximum (1,000 MW x 2)

4. Fuel: Coal (The plan is to also consider means including biomass mixed combustion)
5. Start of Operation: Mid 2020s (planned)

[Anticipated Earnings]

This decision has no impact on FY2014 consolidated forecasts.

(Location map)

