

Outline of the NEWCO

1. Outline of the company

Business domains	(1) Fuel procurement (2) Upstream investments (3) Fuel transportation (4) Fuel trading (5) Fuel receipt and storage, and gas transportation (6) Development of new domestic thermal power plants and scrap and build of aged domestic thermal power plants (7) Gas wholesaling and LNG supply (8) Overseas power generation and energy infrastructure (9) Any other businesses agreed by both companies
Establishment (plan)	April 2015
Fiscal Year	April to March
Investment	TEPCO: 50%, Chubu Electric:50%

※Details of NEWCO, including the trading name, location of the headquarters, management and capitalization will be announced when finalized.

2. Road map of NEWCO in expanding its business domain

April 2015	Establish NEWCO. Commence new upstream investments, integration of the process for the new fuel procurement, development of new domestic thermal power plants and scrap and build of aged domestic thermal power plants, and overseas power generation and energy infrastructure.
September 2015	Integrate fuel transportation and fuel trading businesses into NEWCO.
December 2015	Execute an agreement to integrate into NEWCO existing fuel businesses, including upstream assets, sale and purchase agreements, and fuel receipt and storage, and gas transportation facilities, and overseas power generation and energy infrastructure businesses. The integration will take place in the summer of 2016 after the introduction of a holding company structure within TEPCO.

※ TEPCO and Chubu Electric will continue to discuss the integration of their existing power stations to NEWCO.

3. Fundamental Principles of NEWCO

TEPCO and Chubu Electric will form the Alliance and establish NEWCO to serve the public interest by securing the stable supply of energy on an internationally competitive basis, thereby strengthening the industrial

competitiveness of Japan, and also to increase the respective enterprise values of both TEPCO and Chubu Electric on a corporate group basis.

Key attributes include:

- (1) Providing customers with a stable supply of energy on an internationally competitive basis, by establishing a global energy company with a strong competitive position in international energy markets; and increasing the enterprise value of both of TEPCO and Chubu Electric through a relationship that is equal and complementary
- (2) Establishment of a new energy company business model combining the highest level of management resources; ensuring that NEWCO has a self-sufficient business culture, vibrant management and financial strength that are trusted in the global market; and providing NEWCO with a corporate structure enabling independent business management and swift decision-making
- (3) Optimizing the performance of the entire business by strengthening the supply chain as a whole, from upstream investment and fuel procurement through power generation
