

## Succession of Interest-bearing Liabilities in the Absorption-type Split

With regard to Chubu Electric Power's interest-bearing liabilities, such liabilities the succeeding company should appropriately bear in conjunction with the absorption-type split will be transferred to the succeeding company as provided below. Meanwhile, liabilities pertaining to Chubu Electric Power's existing general mortgage bonds will not be transferred to the succeeding company. It has been judged that no issues exist in the fulfillment of obligation concerning corporate bond liabilities on and after the day in which the absorption-type split takes effect. This is because Chubu Electric Power's interest-bearing liabilities are expected to decline as a result of transferring due interest-bearing liabilities to the succeeding company.

Bondholders are not required to engage in any administrative procedures for the handling in question.

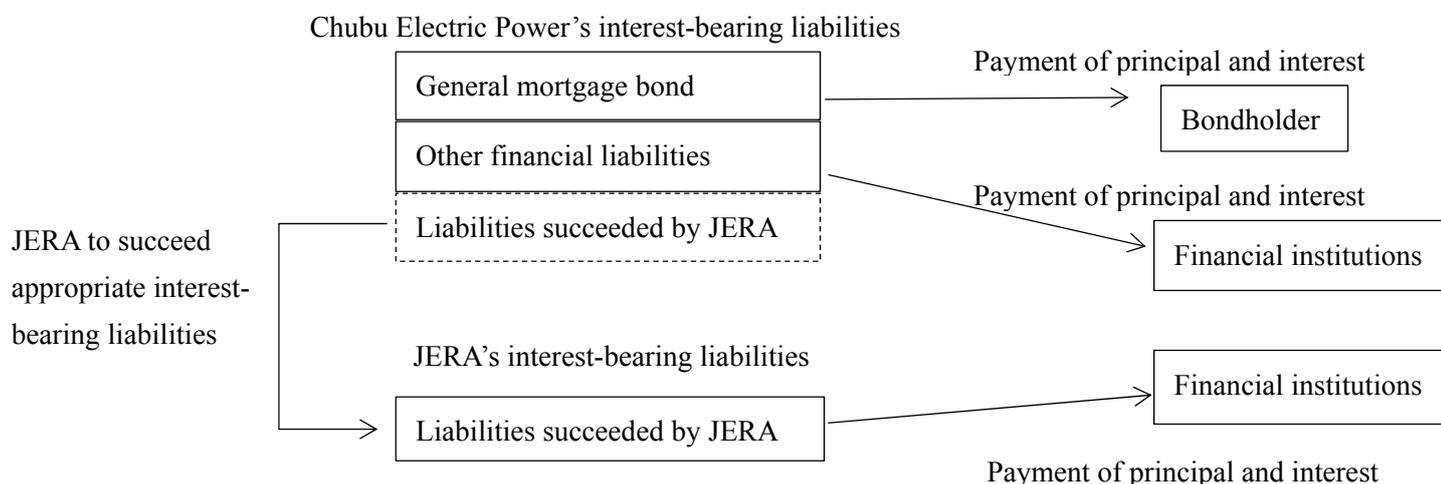
### 1. Handling of general mortgage bond liabilities on the day in which the absorption-type split takes effect

Chubu Electric Power will continue to bear the general mortgage bond liabilities remaining on the day prior to when the absorption-type split takes effect.

### 2. Method of succession of interest-bearing liabilities under the absorption-type split

Interest-bearing liabilities the succeeding company should appropriately bear will be transferred to the succeeding company. The succeeding company will bear payment obligations of principal and interest pertaining to the transferred interest-bearing liabilities.

[Example of interest-bearing liability succession]



### 3. Others

Chubu Electric Power will consider steps that would have no issues to fulfill the obligation concerning corporate bond liabilities in the event of implementing legal unbundling of the power transmission and distribution sector, the deadline of which is stipulated by the Electricity Business Act as April 2020.