

Overview of Business Activities (Value Chain)

Fuel procurement

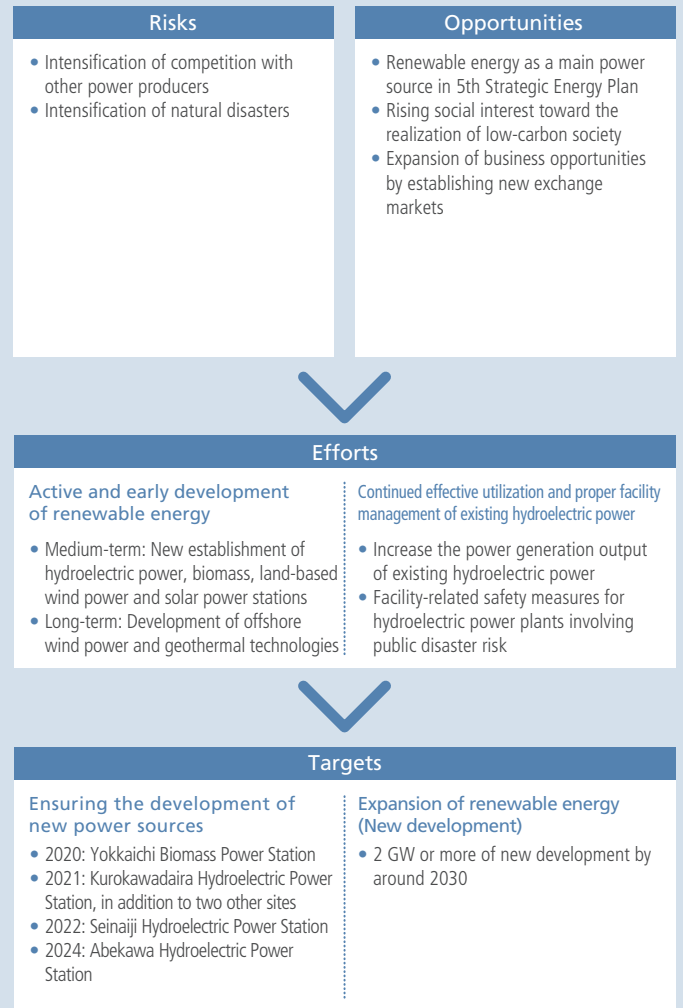
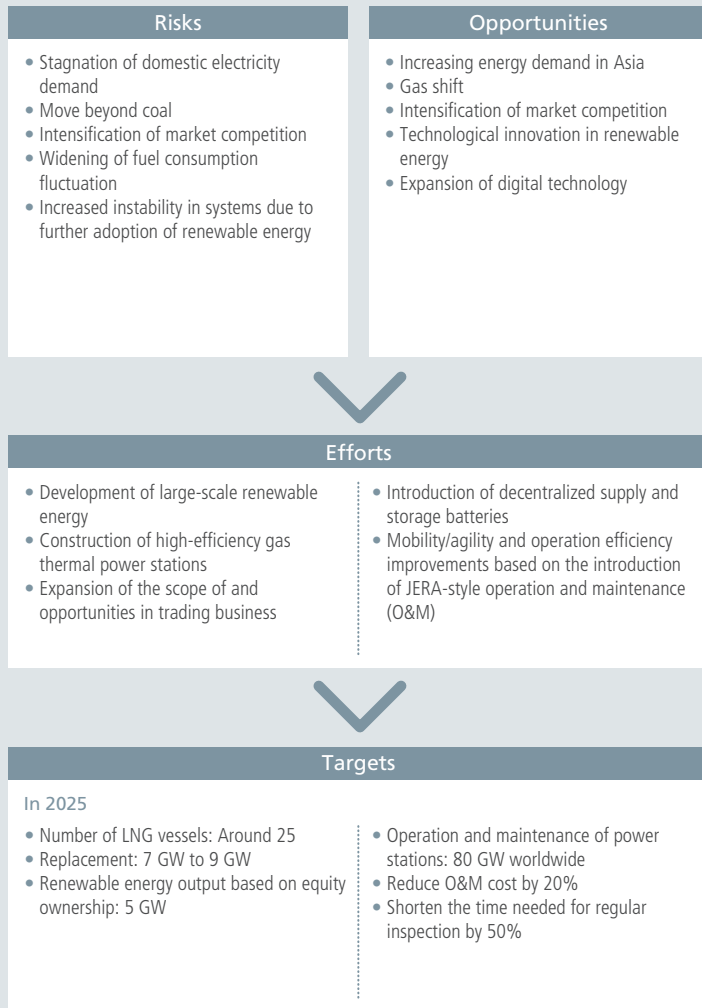
Power generation

Nuclear power

Jera

Renewable Energy Company

Initiatives toward the



Number of employees **30,321***1
(Consolidated)

Associated companies
(36 consolidated subsidiaries, 34 affiliates accounted for under the equity method)

Total **70***2

Fuel and Power Generation Business (1 in total)

*1 As of March 31, 2019 *2 As of July 1, 2019



Power Transmission/Distribution

Customer Service & Sales

Power Network Company

Customer Service & Sales Company

vision we aim to realize

Risks

- Intensification of natural disasters
- Sluggish electricity demand due to declining population, slowdown in economic growth, and other factors

Opportunities

- Increasing connection needs of renewable energy
- Advanced technology such as IoT and AI
- Diversifying needs in relation to energy as a result of digital technology
- Bidirectional flow of electricity as a result of mass connection of renewable energy
- Emergence of a new supply model where local production and consumption of electricity will occur with small-scale distributed power supplies



Efforts

- Ensuring stable supply and public safety at a higher level
- Preparation of the environment to accommodate the introduction of renewable energy
- Reasonable facility formation that is matched with changes in demand-supply structure
- Reduction of environmental load throughout business operation
- Reinforcement of business base toward the improvement of management efficiency



Targets

Reliability of supply

- Become a leading company both within Japan and worldwide with regard to providing stable electricity supply (Maintain the lowest level of frequency and duration of power outage per customer)

Wheeling fees

- Realizing Japan's best wheeling price in each voltage class

Risks

- Intensification of competition with new and other power supply companies
- Sluggish electricity demand due to declining population, slowdown in economic growth, and other factors

Opportunities

- Expansion of business domain as a result of the full liberalization of the retail markets for electric power and gas
- Rising customer needs for a wide variety of services
- Strong social demand for a low-carbon society



Efforts

- Acceleration of gas sales based on gas and power
- Enhancement of the service lineup
- Expansion of sales business in the Tokyo metropolitan area



Targets

Electrical energy sold (Entire Group)

FY2018

123.6 TWh

Latter half of the 2020s

Maintain **130.0** TWh per year

Gas and LNG sold (Entire Group)

FY2018

940 thousand tons

Latter half of the 2020s

Increase to **3,000** thousand tons per year

• Energy Business (9 in total)

• IT/Telecommunications (5 in total)

• Construction (9 in total)

• Manufacturing (6 in total)

• Transportation (2 in total)

• Real Estate (2 in total)

• Services and Others (36 in total)

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