

December 7, 2007

To Whom It May Concern

President Yoshihiko Nakagaki  
Electric Power Development Co., Ltd. (J-POWER)  
(Code number: 9513; First Section of the Tokyo Stock Exchange)  
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Our current view on our shareholder's proposal

As announced in our "Statement Regarding Today's media report" dated on December 4, 2007, we received a letter addressed to our CEO from The Children's Investment Master Fund ("TCI") dated November 22, 2007, which was later made public on their website .

The arguments made by TCI present a one-sided view, which ignores facts such as the steady growth of consolidated ordinary profit, a key measure which had been established as a group management target. Nor is there any recognition of the actions we have taken to improve earning power, to strengthen our balance sheet and to improve our corporate governance. In relation to TCI's comments on the management of the company, which aims to achieve growth as a listed company, while meeting its social responsibility to provide stable electricity supply, we are concerned that many of TCI's arguments may mislead our shareholders as well as investors.

The facts regarding our current management policy, our strategy, and our thoughts on corporate governance have already been explained to our shareholders, including TCI, and are summarised in the attached slides.

TCI has expressed concern with our management judgment regarding the electric tariff. However, we believe that our judgment was both appropriate and important to our ability to maintain and strengthen our competitiveness and is consistent with our responsibility to provide stable electricity supply at an appropriate price as an electric wholesaler.

We ask you for your understanding and support.

Our website (<http://www.jpowers.co.jp/>) explains our current progress against our group management plan. This press release highlights key areas, including:.

Attached :

- Our Group Management Target
- Achievement of Consolidated Ordinary Profit Target
  - Track record of enhancing efficiency
  - Continuous improvement of earning power
- Achievement of Consolidated Shareholders' Equity Ratio
- Strengthened Corporate Governance
- Steadily Reduced Total Director Compensation
- For Future – Investment Plan to Achieve Continuous Growth –