

Summary of Comments Made at a Press Conference by Masataka Shimizu, FEPC Chairman, on November 12, 2010

Today, I would like to report on two subjects as Chairman of FEPC.

1. Agreement on Japan's Winning an Order for the Nuclear Power Project in Vietnam

First, I would like to speak on Japan's winning an order for the nuclear power project in Vietnam.

As we have informed earlier, Japan was nominated as a partner in a project to construct nuclear power plants in Ninh Thuan Province, Vietnam, at a summit held in Hanoi on October 31.

We are delighted and encouraged by this achievement, thanks to coordinated efforts by electric power utilities, the government and plant manufacturers.

I sincerely thank the Japanese government and all those concerned who assisted us.

This is a historical agreement as our first export of nuclear power technology to an emerging country. The project will be a milestone for measuring the success of exporting infrastructure packages overseas, which is one of the most important pillars in the government's New Growth Strategy.

The real project is yet to begin. The Japan Atomic Power Company is going to conduct a feasibility study while International Nuclear Energy Development of Japan, Co., Ltd., founded by nine electric companies, three plant manufacturers and Innovation Network Corporation of Japan, is going to lead an investigation of the details of construction, operation and maintenance.

Exporting nuclear power plants is a huge, long-term project that will take about 10 years from winning the order to commissioning, and as long as 60 to 70 years including the service life of the plants. This requires not only private-sector activities for delivering excellent technology and know-how from Japan but also government-level preparations such as signing a bilateral nuclear power agreement and establishing safety regulations.

We are fully committed to industry-wide efforts to enhance the safety and reliability of nuclear power operations in Vietnam, using our operating and service experience gained over many decades. We expect the Japanese government to continue to support us in these efforts.

2. Electricity Supply and Demand Forecast for This Winter

Next, I would like to present the electricity supply and demand forecasts for this winter.

Based on the three-month weather forecast from the Meteorological Agency and past trends, and totaled over the 10 electric power companies of Japan, we expect a peak demand this winter of about 155.33 million kW.

We plan to meet this demand by securing the supply capacity of 183.78 million kW, which will ensure a stable supply with a reserve capacity ratio of 18%.

This is all for today. Thank you for your kind attention.