

December 17, 2004, Tokyo  
Mitsui & Co., Ltd.

### **Mitsui completes acquisition of 10 power plants from Edison Mission Energy**

Mitsui & Co., Ltd. (“Mitsui”) announces that in Los Angeles (USA) on 16 December 2004 local time, in partnership with International Power plc (a large U.K. electric utility company), it has completed the acquisition of 10 power plants from Edison Mission Energy (USA), for which the purchase agreement was signed on 29 July 2004 between the three parties. The final total acquisition price was approximately US\$2.0 billion (¥210billion). Mitsui’s ownership share in the partnership is 30% and Mitsui invests approximately US\$580million (¥61billion). Out of the acquisition price, approximately US\$800million was procured under a project finance non-recourse loan arranged by a group of commercial banks. The contract with Edison Mission Energy includes three other projects of the Philippines, Thailand, and Turkey, but the existing partner of the Philippine project has exercised a right of first refusal and a partner consent is not yet obtained for the Thai project and a condition precedent for finance is yet to be satisfied for the Turkish project. These projects are still under negotiation.

The acquired assets comprise a portfolio of international power generation assets in 6 countries around the world namely in Europe, Australia, Asia and Puerto Rico, totalling approximately 4,670MW in net capacity, among which Mitsui’s share is 1,440MW. Combining its existing portfolio (including projects under construction), Mitsui owns about 2,370MW in net capacity, positioning itself as one of the largest Asian independent power producers. Fuel type of power generation varies from gas and coal to hydro and wind. Acquired assets constitute an excellent portfolio with the assets almost all operating under long-term power purchase agreements and contracts.

With the initial objectives of warranting early stable operations of the acquired asset portfolio and further business expansion, Mitsui established a new company, “Mitsui & Co. Power & Infrastructure Development Limited”(“MPID”) (CEO Shintaro Ambe, General Manager of Power & Infrastructure Project Development Div.; Equity ¥100 million) on 1 December 2004. MPID will be filled with professional staff with expertise in the power field hired internally and externally. It will undertake management support services for the newly acquired assets and further expand its business, including but not limited to new project development and operation and maintenance services of power stations.

Mitsui regards participation into power generation business as one of its core business areas in its Mid-term Business Plan “Global Growth 2006”. Mitsui has a goal to achieve a net capacity of 6,000MW by the year 2010, and its acquisition of Edison Mission Energy’s power plant portfolio is the first step of the above-mentioned business strategy and will greatly contribute to expanding Mitsui’s business portfolio and profit basis.

Attachment: Overview of Acquired Power Generation Assets from Edison Mission Energy