

PRESS RELEASE**Japan Electric Power Exchange and
European Power Exchange EPEX SPOT
to cooperate on multi-market product design****A cooperation to accompany the reform of the Japanese power market**

Tokyo / Paris, 23 June 2016. Japan Electric Power Exchange (JEPX) and European Power Exchange EPEX SPOT today announce the signature of a Memorandum of Understanding (MoU). The MoU aims at a deepened cooperation of the two exchanges regarding the design of power market products in a context of multi-zonal markets, as well as a cooperation regarding their technologies.

“We are proud to have found with EPEX SPOT an experienced partner to accompany JEPX in the reform of the Japanese power market”, states Takashi Murakami, Chairman of the JEPX Board of Directors.

“We are excited about the cooperation with JEPX”, says Jean-François Conil-Lacoste, Chairman of the Management Board of EPEX SPOT. “The Japanese electricity market is a dynamic and challenging environment and we are happy to learn from and to contribute to its further development.”

Historically, the Japanese power system has been divided into ten regions with utilities responsible for generation, transmission and distribution networks. Retail electricity prices are among the highest in the world, since utility providers aren't exposed to competition. The Japanese government has started to deregulate the sector, similar to the liberalization of the European energy market, in order to increase competition and efficiency in the market. Subsequently, liquidity on JEPX has the chance to grow and the exchange to become a key actor for providing a fair and transparent price signal.

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Japan Electric Power Exchange JEPX operates physical short-term electricity markets in Japan. Contribution to the liberalisation of Japanese electricity market is what defines JEPX's mission. In 2015, its 130 members traded 15 TWh – 2% of whole electricity consumption of Japan. JEPX is an independent nonprofit organization designated as a wholesale electric power exchange by Minister of Economy, Trade and Industry under Electricity Business Act of Japan. For more information, please visit www.jepx.org.

The European Power Exchange EPEX SPOT SE and its affiliates operate physical short-term electricity markets in Central Western Europe and the United Kingdom. The creation of a pan-European power market is what defines EPEX SPOT's mission. In 2015, its 280 members traded 566 TWh – a third of the domestic consumption in these eight countries. 49% of its equity is held by HGRT, a holding of transmission system operators. EPEX SPOT is part of EEX Group. For more information, please visit www.epexspot.com.

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