

August 17, 2018

The Kansai Electric Power Co., Inc.

### **Development of Deedoke Hydropower Project in the Republic of the Union of Myanmar**

The Deedoke Hydropower Project (“Project”) in the Republic of the Union of Myanmar (“Myanmar”), which a consortium including the Kansai Electric Power Co., Inc. (“Kansai”), Japan has been promoting, received a Notice To Proceed (“NTP”) <sup>i</sup> from the Ministry of Electricity and Energy (“MOEE”).

The scope of the Project includes construction of a 56MW hydropower plant at Deedoke area in Myitnge River located about 30km southeast of Mandalay, the second largest city in Myanmar, and sales of hydropower-generated electricity to the Electric Power Generation Enterprise (“EPGE”) in Myanmar. Kansai, together with its consortium partners of Andritz Hydro GmbH, a major hydropower equipment manufacturer in Austria (“Andritz”) and Shwe Taung Group, a leading infrastructure developer, contractor and operator in Myanmar (“Shwe Taung”), has been working on preparations such as project viability evaluation with the Government of Myanmar.

Kansai, together with Andritz, Shwe Taung and MOEE, hereafter will continue negotiations towards the establishment of a special purpose company (“SPC”) for construction, operation, and maintenance of the Project.

The construction is expected to start in 2019 and the operation is expected to start in 2022.

In Myanmar, power demand is expected to increase with economic growth, and it is urgent to secure supply capacity. The Project is significant in terms of solving the problem of electricity demand and can also contribute to the spread of renewable energy.

As stated in the Medium-Term Management Plan, we will be actively engaged in overseas power generation projects to make overseas business an important source of our group’s earnings utilizing the technical capabilities and knowledge that we have cultivated.

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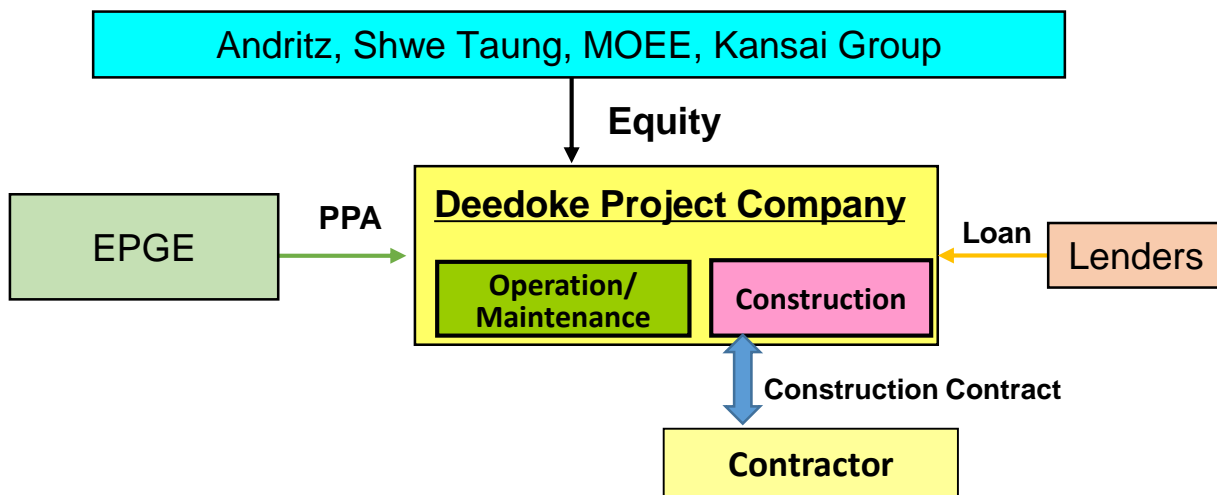
<sup>i</sup> The NTP, issued on August 16, 2018, grants the exclusive right to proceed with the development.

## Outline of Deedoke Hydropower Project

- (1) Name of Plant: Deedoke Hydropower Plant <Location>
- (2) Site: Deedoke,  
Mandalay Region,  
Republic of the Union of Myanmar
- (3) Type: Run of River
- (4) Output: 56MW
- (5) Start of Construction: 2019 (target)
- (6) Start of Operation: 2022 (target)



### <Project Scheme (plan)>



### <Outline of related companies>

- ◇ Kansai
  - Year of establishment: 1951
  - Address: 3-6-16 Nakanoshima, Kita-ku, Osaka 530-8270
  - Main business: Electric power, heat supply, telecommunications, gas supply
- ◇ Andritz
  - Year of establishment: 1852
  - Address: Eibesbrunnnergasse 20, 1120 Vienna, Austria
  - Main business: Supplier of Electromechanical systems and services for hydropower plants
- ◇ Shwe Taung
  - Year of establishment: 1990
  - Address: Yangon, Myanmar
  - Main business: construction industry, real estate business, power generation business