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PRESS RELEASE

Date : December 9, 2009

Subject : **3 Development Finance Institutions Join the Theun-Hinboun Expansion Project (Laos)**

On 12 November 2009, the Theun-Hinboun Power Company (“THPC”) signed new loan commitments valued at US\$112.5 million with three Development Finance Institutions, PROPARCO of France, FMO of the Netherlands, and DEG of Germany (together, the “DFIs”). The loans will fund THPC expansion project, joining into the existing US\$600 million finance plan approved in October 2008.

THPC currently operates a 210 MW hydropower project, located in central Laos. The expansion project will increase its capacity to 500 MW and is scheduled to start commercial operation in March 2012. Upon completion, approximately 90% of the energy production will be sold to Thailand and 10% within Laos.

Electricity from Laos-based hydropower projects like THPC are an attractive source of renewable power for Thailand relative to alternative domestic sources of electricity like gas and coal fired projects as they offer the multiple advantages of competitive tariffs, significantly lower emissions and strategically valuable fuel diversification. Hydropower comes also as a component of the national development strategy of Laos in its goal to achieve middle income status.

Each DFI sent additional specialists on environmental and social matters to visit the project site in Laos and evaluate its E&S footprint, as part of their due diligence process. This process also involved the review of the social aspects of the project by an independent external consultant hired by the DFIs. These reviews concluded that THPC’s plans and performance are in compliance with the IFC Performance Standards (the applicable standard used in the Equator Principles), confirming the previous work and conclusions reached by the lender’s technical advisor.

THPC is owned by Electricité du Laos (EdL) (60%), Statkraft S.F. (20%), and GMS Power PCL (20%). EdL is the principal national utility company in Laos, Statkraft is the principal national utility company in Norway, and GMS Power is one of the leading private power developers in Thailand. The equity investment of Electricité du Laos was supported by a loan from the Asian Development Bank.

Since the start of commercial operations in March 1998, THPC is considered to be a regional success story of joint private and public infrastructure development. The project’s financing has been awarded in the financial press for its innovation, receiving amongst other accolades the Asia Pacific Renewables Deal of the Year Award in 2008 from Project Finance International magazine.

PROPARCO

PROPARCO is a Development Financial Institution owned by Agence Française de Développement (AFD) and private shareholders from the North and South. PROPARCO's mission is to be a catalyst for private investment in developing and emerging countries which targets growth, sustainable development and reaching the Millennium Development Goals (MDGs). PROPARCO finances operations which are economically viable, socially equitable, environmentally sustainable and financially profitable. Its sectoral strategy is tailored to the level of a country's development and focuses on the productive sector, financial systems, infrastructure and equity investments. PROPARCO invests in a geographical area ranging from major emerging countries to the less developed countries, in particular in Africa, and has high-level requirements in terms of Social and Environmental Responsibility. PROPARCO has a wide range of financial instruments to meet the specific needs of private investors in developing and emerging countries (loans, equity, guarantees and financial engineering). PROPARCO has a team of 120 people, eight regional offices and is supported by 50 AFD Group agencies worldwide. In 2008 PROPARCO committed €800M of new financing for over fifty projects in more than thirty countries.

DEG

DEG, member of KfW Bankengruppe (KfW banking group), finances investments of private companies in developing and transition countries. As one of Europe's largest development finance institutions, it promotes private business structures to contribute to sustainable economic growth and improved living conditions.

DEG fulfils its role as a development finance institution for the private sector in two ways: it is the reliable finance partner for enterprises that undertake investments. At the same time DEG focuses particular attention on these investments producing positive effects in the developing countries. DEG thus contributes to the Millennium Development Goals, which are a joint commitment of industrial and developing countries to tackle poverty in a sustainable manner.

FMO

The Netherlands Development Finance Company (FMO) is the international development bank of the Netherlands. FMO invests risk capital in companies and financial institutions in developing countries. With an investment portfolio of € 4.2 billion, FMO is one of the largest bilateral private sector development banks worldwide. Thanks in part to its relationship with the Dutch government, FMO is able to take risks which commercial financiers are not - or not yet - prepared to take. FMO's mission: to create flourishing enterprises, which can serve as engines of sustainable growth in their countries.
