

January 30, 2019

Japan Overseas Infrastructure Investment Corporation
for Transport & Urban Development (JOIN)

JOIN supports the Thilawa Area Port Terminal Operation Project in Myanmar

Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (“JOIN”, headquartered in Tokyo, President & CEO: Takuma Hatano) has decided and received approval from the Minister of Land, Infrastructure, Transport and Tourism on January 29, 2019 to invest through a SPC (“J-SPC”) approximately JPY 200 million to Thilawa Multipurpose International Terminal Company Limited (“TMIT”) that was newly established by Kamigumi Co., Ltd. (“Kamigumi”, headquartered in Kobe City, President & COO: Yoshihiro Fukai) in Myanmar Thilawa Area Port Terminal jointly with Sumitomo Corporation (“Sumitomo Corp.”, headquartered in Tokyo, President & CEO: Masayuki Hyodo) and Toyota Tsusho Corporation (“Toyota Tsusho”, headquartered in Nagoya City, President & CEO: Ichiro Kashitani).

The terminal that will be operated by TMIT in Thilawa Area Port plot 25 and 26 (“the Terminal”) was constructed as a multipurpose terminal through Official Development Assistance by the Government of Japan (Yen Loan), while Kamigumi acquired the operational rights of the Terminal in March 2018 from Myanma Port Authority (“MPA”). The construction works on the Terminal were completed in December 2018. The Terminal is scheduled to be handed over to TMIT by the MPA in February 2019 and operations are expected to start in April 2019.

Owing to Myanmar’s transition from a military rule to a democratic government, its container cargo handling volume has increased rapidly at an annual average rate of approximately 20% over the past five years. The annual handling volume has already exceeded one million TEU (translated to 20-foot container), and the cargo volume is expected to further increase in the future.

Although Myanmar’s main port of Yangon handles about 90% of the country’s cargo volume, it is situated in shallow water, so vessels need to “wait for the tide” at two sandbars (Inner bar and Outer bar) in order to enter the port. Moreover, because it is situated near an urban area, there is a problem of having limited room for expansion in the future.

In contrast, compared to the main port of Yangon, the Thilawa Area Port has a geographical advantage as larger vessels can berth and it is not necessary for them to wait for the tide to change at the Inner bar. It is expected for more cargo to shift towards the Thilawa Area Port in the following years.

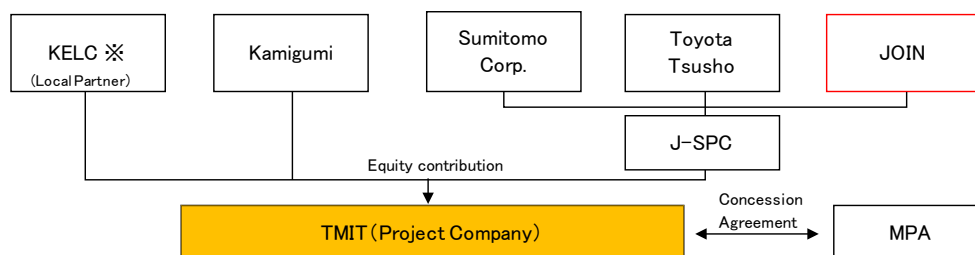
With a set of the latest Japanese cargo handling equipment technology and Kamigumi’s high-quality terminal management expertise cultivated in both the domestic and overseas market, alongside the three companies’ customers base, business base and connection with the Japanese government, the value of the Terminal will be enhanced, together with the increase of the trade volume and economic development of Myanmar.

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<Overview of the Terminal>

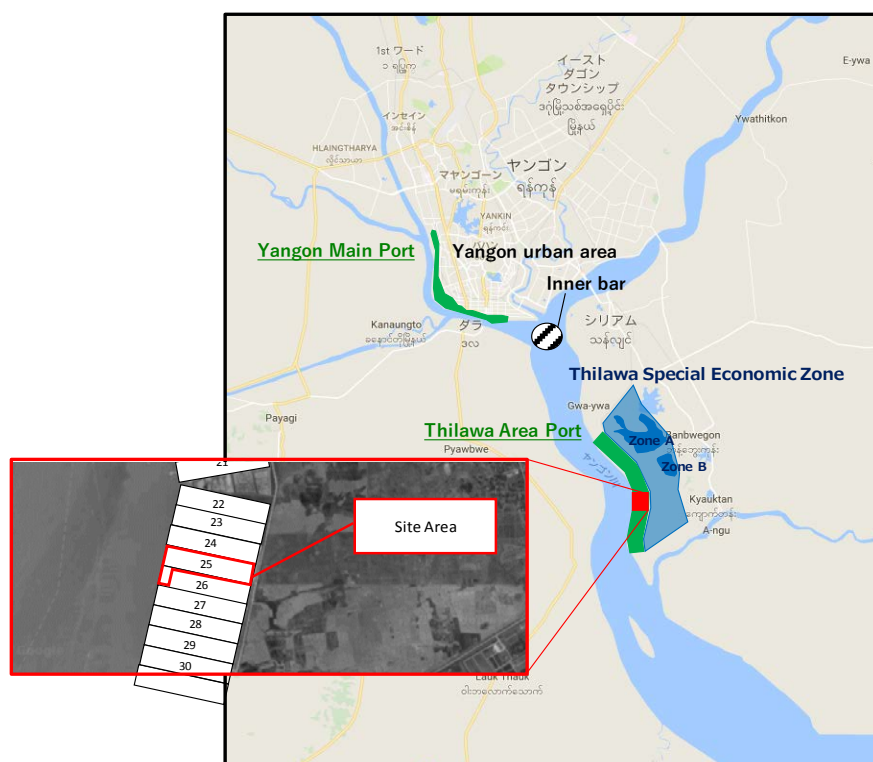
Site Area	:	165,700 m ²
Quay	:	400m (Plot 25 and 26)
Draft	:	9m
Allowable ship length/	:	200m/
Dead Weight Tonnage	:	20,000DWT
Handling Capacity	:	200,000~24,0000 TEU /year
Operation Period	:	Until the year 2056

<Business Scheme>



※ K Efficient Logistics Consortium Company Limited: one of EFR group of companies, that is well known as logistics and agent of many foreign carriers in Myanmar.

<Location Map>



Source: Edited by JOIN, based on Google maps

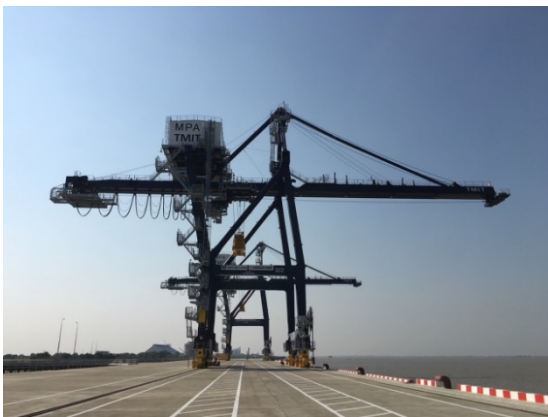
< Pictures of the Terminal >



(Full view of the terminal)



(In and out gate)



(Cargo handling equipment: Gantry crane)



(Cargo handling equipment: Transfer crane)