



ASIA POWER CORPORATION LIMITED
(Company Registration No:-199701487C)

INCORPORATION OF A SUBSIDIARY

The Board of Directors of Asia Power Corporation Limited (the "**Company**") is pleased to announce that the Company has set up a wholly-owned subsidiary in China, namely Hainan Asiapower Investment Management Co., Ltd 海南亚电投资管理有限公司 (the "Subsidiary") with an initial issued and paid up capital of US\$1,600,000. The principal activities of the Subsidiary are i) energy resources and wind power projects' development, construction, management and consulting services. ii) electric infrastructure construction. iii) electric automation products development, manufacturing and distribution.

The abovementioned subscription was funded by internal resources.

The abovementioned transaction is not expected to have any material effect on the net earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2009.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect on the abovementioned transaction.

The Company has decided to relocate its operational headquarter to Haikou City, Hainan Province to improve operational efficiency and to achieve cost saving.

By Order of the Board

Sha Guangwen
Executive Director & Chief Executive Officer
03 June 2009