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SUEZ Energy International

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SAUDI ARABIA - SUEZ Energy International wins tender for world's largest power and desalination project

- **contract brings Group's total power capacity in Middle East to 8,200 MW**
- **SUEZ is now the leading developer in the region**
- **construction and operation of world's largest independent water and power plant in the most important power market of the region and world's largest desalination market**

SUEZ Energy International, in a consortium with Gulf Investment Corporation and Arabian Company for Water & Power Projects today signed the BOOT (build, own, operate, transfer) contract for a 2,750 MW and 800,000 m³/day Independent Water and Power Project (IWPP), located in Jubail, north east of Saudi Arabia. The consortium will own 60% of the project.

The Marafiq IWPP was awarded by the Power and Water Utility Company for Jubail and Yanbu (Marafiq) and will be built to supply water and electricity to industrial and non-industrial customers in the Jubail Industrial City and eastern province. The sale of the plant's entire energy and water output to the off-taker Marafiq is guaranteed in a 20 year Power and Water Purchase Agreement.

Total project cost is estimated at USD 3.4 billion which will be funded by a mix of debt and equity in the ratio of 82:18; the contract will generate a total turnover of USD 8.5 billion, over 20 years.

The Marafiq project represents approximately 10% of current total installed capacity in Saudi Arabia of 29,000 MW, which is planned to increase to 60,000 MW by 2020 to meet the Kingdom's rapidly increasing energy demand.

The Marafiq IWPP will also be a substantial contributor to the country's water supply when it comes online in July 2009.

Dirk Beeuwsaert, CEO of SUEZ Energy International, commented, "*The SEI team's technically innovative approach proved to be an important factor in SUEZ's success and differentiates us from the competition in the region. This huge project contains organisational, technological, financial and commercial features that result in a tariff giving considerable value to the off-taker Marafiq.*"



“Winning this contract strengthens our reputation as successful developer in the region. The Group is now the leading private developer in the Middle East managing 8,200 MW of installed power capacity.”

Note to Editors

SUEZ Energy International’s activities and investments in the Gulf Region started in 1994 with the development of the first independent power producer (“IPP”) in the Gulf Region, the Al Manah project in Oman. In Abu Dhabi, SUEZ Energy International is one of the three founding shareholders in Taweelah A1, one of the largest power and water desalination plants in operation in the world. In 2004 the Group won the public tender for both the Sohar IWPP in Oman and the Al Ezzel IPP in Bahrain. Also in Bahrain, SUEZ completed this year the acquisition of the Al Hidd IWPP. In December 2006 it signed the Barka2 Rusail contract in Oman.

For more information about SUEZ Energy International and SUEZ, visit:
www.suezenergyint.com and www.suez.com.

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