

Press Release

Brussels, 31 July 2004

Tractebel EGI wins the Al Ezzel Independent Power Producer project in Bahrain

Tractebel EGI, a business division of SUEZ, won the tender to design, build, own, operate and maintain the greenfield Al Ezzel Independent Power Producer (IPP) project. The project consists of a plant of approximately 1000MW of electric capacity. The Combined Cycle Gas Turbines plant will be owned by Al Ezzel Power Company B.S.C.(c) and located in the area of the capital Manama. It is the first IPP of the privatization programme of the Government of Bahrain.

The project was awarded by the Ministry of Finance and National Economy (MOFNE) to a consortium held by Tractebel EGI and its partner Gulf Investment Corporation (GIC), following an international tendering procedure. Tractebel EGI and GIC each hold 50% of the project.

The circa 500 million USD project will sell electricity to the Ministry of Electricity and Water (MEW) under a twenty years Power Purchase Agreement (PPA) commencing on 1 May 2007. A first phase will deliver 470 MW on 30 April 2006. This PPA will secure long term dollarised revenues to Al Ezzel Power Company.

Marc Josz, Regional Manager of Tractebel EGI Middle East Asia declared: *“Bahrain needs urgently additional generating capacity. The country’s growth of power demand is 7% per year and is expected to remain strong as it is driven by the increase in population, increase in standard of living and industrial development. The output of the Al Ezzel power station will be able to cover one third of the electricity consumption of Bahrain. Moreover the Government of Bahrain has successfully created an environment conducive to attracting the private sector to invest and operate in its power sector.”*

Dirk Beeuwsaert, CEO of Tractebel EGI : *“The Al Ezzel project is uniquely attractive because it reinforces our presence in the Gulf and establishes a long-term relationship with Gulf Investment Corporation. This success – the second in one month time – proves our ability to capitalize on our existing positions in the region as well as on our extended experience as project-developers.”*

Suez has a long time presence in the region. In 1994, Tractebel EGI developed the Al Manah power plant (currently 270 MW) in the Sultanate of Oman, the first plant to be built, owned and managed by an independent power producer in the Gulf. Earlier this month, Tractebel EGI won the Sohar 585MW and 33 million imperial gallons a day Independent Water and Power Project in the Sultanate of Oman.

For information on Tractebel EGI : www.egi.tractebel.com

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