

INFORMATION ON INTERNATIONAL POWER*

International Power was formerly named National Power PLC, an entity created in March 1990 as part of the privatisation of the UK's Central Electricity Generating Board ("CEGB"), under the Electricity Act 1989. We demerged substantially all our UK businesses into Innogy Holdings plc ("Innogy") on 2 October 2000, effective as of 30 September 2000, and retained substantially all our international businesses. Our registered office is at Senator House, 85 Queen Victoria Street, London EC4V 4DP, United Kingdom

We are an international wholesale power generator and developer with interests in 12 countries across four continents. We commenced our international activities in 1992 when we led a consortium that purchased from Electricidad de Portugal the then-unfinished 600 MW Pego power station in Portugal. Since demerger in October 2000 we have increased our international presence by building new generating as in the United States, Oman and the United Arab Emirates ("UAE"), and through the acquisition of plants in Australia, the UAE and the United Kingdom. Our operating power plants have a total capacity of 17,000 MW gross or 11,210 MW net. We currently have further capacity of 6,060 MW gross, or 1,649 MW net under construction in Australia, the UAE, Malaysia and Saudi Arabia and are in the process of developing power projects in Italy. Our net capacity in operation and under construction is 12,859 MW. We generate electricity from gas, oil and coal. We also engage in complementary activities such as mining coal and transporting gas by pipeline in Australia, desalinating water in the Middle East and providing steam for district heating systems in Europe. We sell much of the power we generate to single customers pursuant to fixed price long-term offtake agreements. However, a significant portion of the power we generate, particularly power generated by our facilities in the United States and the United Kingdom, is sold to customers through competitive merchant markets.

We are headquartered in London and, for reporting purposes, we organise our business into five segments: North America, Europe, the Middle East, Australia and the Rest of the World. We operate regional support offices in the United States, Australia, the United Kingdom and the UAE.

Facilities

We have interests in power generation facilities in operation representing in aggregate 17,498 MW (gross) and 11,210 MW (net). In addition to generating electricity, some of our plants are cogeneration facilities that also produce steam, which we sell to industrial users and district heating schemes, while others, located in the Middle East, also act as plants for desalinating water.

We sell the output either under the provisions of long-term PPAs or through direct sales into competitive markets in those countries where such a market exists.

The proportion of output from power stations that we sell into a competitive market is exposed to price fluctuations in such markets. Our various trading operations can limit our exposure to a degree by entering into hedging contracts that fix the price at which we sell output over the period of the hedging contract.

Fuel for power stations in which we have invested include natural gas, coal and oil, which are sourced either under long-term supply contracts or via market purchases.

* The information in this section does not take into account the changes which will result from completion of the Contemplated Transactions.

<u>Plant</u>	<u>Fuel</u>	<u>Gross Capacity MW power</u>	<u>Net Capacity MW power</u>	<u>Gross Capacity MW heat desal⁽⁴⁾ (MIGD)⁽⁵⁾ steam (millions lbs/hr)</u>	<u>Net Capacity⁽⁶⁾ MW heat desal⁽⁴⁾ (MIGD)⁽⁵⁾ steam (millions lbs/hr)</u>
<i>North America</i>					
Hartwell, Georgia, USA.....	Gas (OCGT) ⁽¹⁾	310	155		
Oyster Creek, Texas, USA.....	Gas (Cogen/CCGT) ⁽²⁾	425	213	100 MW	50 MW
Hays, Texas, USA ⁽³⁾⁽⁷⁾	Gas(CCGT)	1,100	1,100		
Midlothian I and II, Texas, USA ⁽³⁾	Gas(CCGT)	1,650	1,650		
Blackstone, Massachusetts, USA ⁽³⁾	Gas(CCGT)	570	570		
Milford, Massachusetts, USA.....	Gas(CCGT)	160	160		
Bellingham, Massachusetts, USA ⁽³⁾	Gas(CCGT)	570	570		
North America total in operation		<u>4,785</u>	<u>4,418</u>	<u>100 MW</u>	<u>50MW</u>
<i>Europe</i>					
EOP, the Czech Republic ⁽⁸⁾	Coal/ Gas	585	580	1,945 MW	1,925 MW
Deeside, United Kingdom ⁽⁹⁾	Gas(CCGT)	500	500		
Rugeley, United Kingdom.....	Coal	1,050	1,050		
Tejo Energia (Pego), Portugal.....	Coal	600	270		
Uni-Mar (Marmara), Turkey.....	Gas(CCGT)	480	160		
Europe total in operation		<u>3,215</u>	<u>3,215</u>	<u>1,945 MW</u>	<u>1,925 MW</u>
<i>Middle East</i>					
Al Kamil, Oman ⁽¹⁰⁾	Gas(CCGT)	285	285	-	-
Arabian Power Company (Umm Al Nar), UAE.....	Gas(CCGT)/ desalination	870	174	162 MIGD	32 MIGD
Middle East total in operation		<u>1,155</u>	<u>459</u>	<u>162 MIGD</u>	<u>32 MIGD</u>
<i>Australia</i>					
Hazeiwood, Victoria.....	Coal	1,635	1,500		
Syngren, South Australia	Various(CCGT)	360	360		
Pelican Point, South Australia.....	Gas(CCGT)	485	485		
SEA Gas pipeline, South Australia ⁽¹¹⁾		n/a	n/a		
Australia total in operation		<u>2,480</u>	<u>2,345</u>		
<i>Rest of World</i>					
HUBCO, Pakistan.....	Oil	1,290	214		
KAPCO, Pakistan.....	Gas(CCGT)	1,600	575		
Malakoff, Malaysia ⁽⁸⁾	Gas(CCGT)	2,863	529		
Thai National Power (Pluak Daeng), Thailand.....	Gas(Cogen)	110	110	20 MW	20 MW
Rest of World total in operation		<u>5,863</u>	<u>1,428</u>	<u>20 MW</u>	<u>20 MW</u>
Total in operation around the world		<u>17,498</u>	<u>11,210</u>	<u>2,065 MW</u> <u>162 MIGD</u>	<u>1,995 MW</u> <u>32 MIGD</u>
Under Construction					
Arabian Power Company (Umm Al Nar Expansion) UAE	Gas(CCGT)/ desalination	1,550	310	25 MIGD	5 MIGD
Shuweihat S1, UAE	Gas(CCGT)/ desalination MIGD	1,500	300	100 MIGD	20 MIGD
Tihama Power Generation Company, Saudi Arabia	Gas(Cogen)	1,074	644	4.5m/lbs/hr	2.7m/lbs/hr
Malakoff, Malaysia	Coal	1,890	349		
Canunda, Australia	Wind	46	46		
TOTAL under construction		<u>6,060</u>	<u>1,649</u>	<u>125 MIGD</u> <u>4.5m/lbs/hr</u>	<u>25 MIGD</u> <u>2.7m/lbs/hr</u>

Notes:

- (1) Open cycle gas turbine. Turbines, generally fuelled by natural gas or diesel oil, are used to drive generators to produce electricity.
- (2) Combined cycle gas turbine. Turbines, generally fuelled by natural gas, are used to drive generators to produce electricity. The exhaust gases are then passed through a boiler to produce steam, which in turn drives an additional turbine coupled to a generator.
- (3) Capacity shown for these assets is the nameplate capacity.
- (4) "desal" means desalination.
- (5) "(MIGD)" means million imperial gallons per day.
- (6) Net capacity—group share of gross capacity.
- (7) The generation capacity at Hays, Texas was mothballed in January 2004.
- (8) Gross capacity amounts shown for EOP and Malakoff represents the actual net interest owned directly or indirectly by EOP and Malakoff, respectively.
- (9) The 250 MW mothballed unit at Deeside was returned to service in October 2003.
- (10) By way of an IPO in Oman we have offered 35 per cent, of the shares in Al Kamil. The IPO offer period is due to close on 25 August 2004.
- (11) 687 km gas pipeline from Victoria to South Australia.