



## PRESS RELEASE

GDF SUEZ

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### **GDF SUEZ : Preferred Bidder for 415MW power plant in Mongolia**

GDF SUEZ, through its wholly-owned subsidiary International Power, is pleased to announce that, together with consortium partners, it has been selected as preferred bidder for the combined heat and power plant CHP5 in Ulaanbaatar, the capital of Mongolia.

Following financial close the consortium will build and operate a coal-fired CHP plant with an electricity capacity of 415MW and a steam of 587MW. The plant will have three circulating fluidised bed boilers that use efficient pollutant control measures to significantly reduce emissions of particulates. The plant is expected to start operation in 2015.

The entire output from the plant will be purchased by the Mongolian government under a 25-year Power Purchase Agreement. The steam produced will be used for city heating in Ulaanbaatar.

The total project cost will be funded by a mix of debt and equity in a 75:25 ratio. The consortium comprises International Power (30%), Sojitz Corp (30%), POSCO ENERGY (30%) and Newcom LLC (10%). The project will be constructed under an EPC contract.

The new plant will support the rising energy demand in Mongolia, which is largely driven by the mining sector and the abundant supply of natural resources, together with a growing population.

The current size of the Mongolia electricity market is 856MW and the GDP growth is expected to be on average ca. 15% in 2012 - 2013<sup>1</sup>.

In Asia, International Power is primarily active in power generation (9,618MW in operation and 2,906MW projects under construction<sup>2</sup>) and holds major positions in Thailand, Singapore, Indonesia and Pakistan.

The Asia Pacific region is a key development platform for all of GDF SUEZ activities : power, gas, environmental and energy services. The Group has set ambitious industrial objectives in the area :

- Increase installed capacity by 25% in 2013<sup>3</sup>.
- Accelerate development in new countries (India, Indonesia, Laos, Mongolia, the Philippines and Vietnam)
- Further develop LNG sales

<sup>1</sup> Source : Global Insight, June 2012

<sup>2</sup> Figures at 100% at 31 December 2011

<sup>3</sup> Compared with June 2011



#### *Background on consortium partners*

- *Sojitz Corporation : Japan's sixth largest trading corporation*
- *POSCO ENERGY : South Korea's largest private power producer*
- *Newcom LLC : leading Mongolian conglomerate involved in telecommunications, civil aviation, renewable energy, real estate and construction & mining equipment*

#### **About GDF SUEZ**

*GDF SUEZ develops its businesses around a model based on responsible growth to take up today's major energy and environmental challenges: meeting energy needs, ensuring the security of supply, combating climate change and optimizing the use of resources. The Group provides highly efficient and innovative solutions to individuals, cities and businesses by relying on diversified gas-supply sources, flexible and low-emission power generation as well as unique expertise in four key sectors: liquefied natural gas, energy efficiency services, independent power production and environmental services. GDF SUEZ employs 218,900 people worldwide and achieved revenues of €90.7 billion in 2011. The Group is listed on the Brussels, Luxembourg and Paris stock exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Stoxx 50, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, ASPI Eurozone and ECPI Ethical Index EMU.*

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