

Press release



Az Zour North : first independent water and power project for the Group in Kuwait

December 13, 2013

GDF SUEZ is pleased to announce, together with its consortium partners, that financial close has been achieved for the Az Zour North Independent Water & Power Project (IWPP) in Kuwait, the country's first Private Public Partnership project. The consortium, which owns 40% of the project and comprises GDF SUEZ (17.5%), Sumitomo (17.5%) and A.H. Al Sagar & Brothers (5%), was selected as successful bidder by Kuwait's Partnerships Technical Bureau (PTB) in January 2013. The remaining 60% is owned by Kuwaiti Government entities.

The consortium will construct a gas- fired combined cycle power plant of 1,500 MW and an associated water desalination plant with a capacity of 107 MIGD (486 thousand m³/day). All of the plant's output will be purchased by the Kuwait Ministry of Electricity and Water under a 40- year long- term Energy Conversion and Water Purchase Agreement (ECWPA). The plant is expected to start commercial operation in the fourth quarter of 2016.

Gérard Mestrallet, Chairman and CEO of GDF SUEZ, said: *"We are delighted to have reached financial close on this project, which is a pioneering IWPP in Kuwait. This is an important achievement as it marks our entry into the Kuwait market and it demonstrates GDF SUEZ's ability to develop and invest in major projects in the Middle East. Az Zour North will further strengthen our presence in the region, which continues to experience high demand for energy and offers opportunities for further growth."*

The total project cost of USD1.8 billion will be funded by a mix of project finance debt and equity in an approximate 80:20 ratio.

In addition, GDF SUEZ and Sumitomo will undertake the operation & maintenance (O&M) for the Az Zour North plant on a 50:50 basis. The EPC contractors will be Hyundai Heavy Industries and SIDEM.

Kuwait plans to nearly double its generation capacity by 2017 in an effort to meet an anticipated peak demand of 25 GW by 2025. The capacity of Az Zour North will account for around 10% of Kuwait's installed power generation capacity and around 20% of its installed desalination capacity.

Notes to Editors

A 50% share of the Az Zour North project, which is owned by Government entities, will be distributed to Kuwaiti citizens through an Initial Public Offering (IPO), reducing the Government share in the project to not less than 10%.

With this project, GDF SUEZ is now present in all the Gulf Cooperation Council (GCC) countries. The Group currently has a direct equity interest in 25.5 GW of power capacity and 4.8 million m³/day of desalination capacity in operation and under construction in the GCC countries. It is the region's leading independent power operator and desalinated water producer, with almost 20 years of experience.

About GDF SUEZ

GDF SUEZ develops its businesses (power, natural gas, energy services) 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, fighting against climate change and maximizing 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: independent power production, liquefied natural gas, renewable energy and energy efficiency services. GDF SUEZ employs 138,200 people worldwide and achieved revenues of €82 billion in 2012. The Group is listed on the Paris, Brussels and Luxembourg stock exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe and Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20).

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