



8 Years of Continuous Growth Spurs New Investment from Two Saudi Government Investment Entities

Sanabil and Saudi PPA Acquire 19.4% Equity Stake in ACWA Power

Riyadh: 12 January 2013

ACWA Power International (“ACWA Power”) today announced the closing of a private placement transaction of a new issue of c. 89.5 million primary equity shares to Sanabil Direct Investment Company (“Sanabil”) which is owned by Saudi Arabian Investment Company subsequently owned by the Public Investment Fund (“PIF”); and Saudi Public Pension Agency (“PPA”). Sanabil and PPA will consequently own 13.72% and 5.71% equity stakes respectively and will each be entitled to a seat on the Board of Directors.

H.E. Mohammed bin Abdullah Al-Kharashi - Governor of PPA said “PPA seeks attractive investments in successful National companies who demonstrate a long-term ability to generate sustainable returns. Based on the due diligence performed by PPA ACWA Power has become successful, in record time, through management of its portfolio of assets which contains some of the Kingdom’s largest water desalination and power generation plants in addition to its success in international markets in a short time period. Also, ACWA Power has demonstrated its long-term vision by investing in renewable energy facilities such as its projects in Morocco, Bulgaria and South Africa. PPA has taken up a 5.71% share in ACWA Power’s paid up capital.

Ibrahim bin Muhammed Alromaih, CEO of Sanabil stated: “Sanabil’s investment in ACWA Power is consistent with its strategy to invest in the growth of Saudi private companies that contribute to the local economy. With the constantly increasing demand for power and water in Saudi Arabia, ACWA Power plays an important role in helping our nation fulfill these critical needs. Through this investment, Sanabil is pleased to become a long-term partner of ACWA Power and to contribute to its long-term success and development.”

Mohammad A. Abunayyan, Chairman of ACWA Power said “We are pleased that Sanabil and PPA have joined ACWA Power as new investors. This will have a significant positive impact on the strength of the company’s financial position and on its business



by accelerating the execution of its strategic and expansion plans to become the prime international developer of power generation and water desalination plants both in Saudi Arabia and globally.”

Paddy Padmanathan, President and CEO of ACWA Power stated "We are proud of the company's increasing contribution to the Saudi national economy. As a leader in the power and desalinated water industry, ACWA Power has been able to compete with well-established international companies operating in the field of power generation and water desalination for decades and has successfully won major local and international bids. Today, its portfolio of assets includes some of the world's largest plants in their respective categories such as Qurayyah IPP, Shuaibah IWPP in Saudi Arabia and Ouarzazate CSP IPP in Morocco. In each and every bid ACWA Power has won, it submitted a significantly lower tariff than the other competing bidders, thus delivering large savings to the local economy over the life of the respective purchase agreements.

Mr. Abunayyan added “ACWA Power's track record of success would not have been achieved without the vision of the Saudi Government under the leadership of the Custodian of the Two Holy Mosques, who has encouraged companies like ACWA Power to actively add value to the national economy and outreach for global successes. We are proud of our staff, who have proven their ability to successfully compete with, and fairly and squarely overcome their counterparts of companies with a long history of international experience. ACWA Power's experts have demonstrated their ability to deliver projects on time, and in some instances, a few months earlier than the contracted date”.

From its humble beginnings in 2004 when it won Saudi Arabia's first IWPP project, ACWA Power has demonstrated consistently rapid growth. Today, ACWA Power has a diversified portfolio of 19 assets in 8 countries across 3 continents, with a contracted gross capacity of c.13,000 MW of power generation and 2.37 million cubic meters per day of desalinated water production, and a total investment in excess of USD 17 billion (SAR 63 billion).

Mr. Abunayyan concluded by saying “This partnership did not come over night. We view it as a reinforcement of the success that ACWA Power has achieved in the power and water industry. We believe that Sanabil and PPA joining ACWA Power as shareholders is a quantum leap for the company's bright future. Such a strategic milestone is a new starting point for ACWA Power to move to a wider business horizon”.



Notes to the editor

ACWA Power

ACWA Power International (ACWA Power) is a developer, investor, co-owner and operator of plants with a contracted gross production capacity of 13,000 MW of power and 2.37 million cubic meters per day of desalinated water with an investment value in excess of USD 17 billion providing employment to more than 2,300 people.

The company is incorporated in the Kingdom of Saudi Arabia and is privately owned. ACWA Power's core business is the delivery of electricity and desalinated water from assets in which the company has a meaningful stake enabling operational control.

A complete team of multidisciplinary professionals at ACWA Power have single handedly completed numerous transactions taking the role of the Lead Developer. The key success factors in ACWA Power's growth has been the ability to consistently select the optimal technical solution, partner with the most efficient engineering, procurement and construction (EPC) service provider and implement an effective operation and maintenance strategy.

Business cases and financial models are twinned with the most competitive equity and debt financing with the primary objective of delivering electricity and desalinated water in a sustainable manner at the lowest possible cost to our customers in our target markets.

ACWA Power has also established competence in acquiring and integrating existing/brown field assets and staff into the company and increasing value through enhancing operational efficiency and improving asset performance.

The current portfolio of assets and investments delivers 5,000 MW of power and 2.25 m³/day in Saudi Arabia; 1,600 MW of power in Jordan; and 450 MW of power and 91,000 m³/day of desalinated water in Oman and 60MWp using Photovoltaic technology in its solar plant in Karadzhalovo, Bulgaria. An additional 5,200 MW of power generation capacity is under construction in Saudi Arabia and 835 MW of advanced power development in Turkey and 50 MW through its Bokpoort CSP Project in South Africa and 45,460 m³/day by the Barka Water Expansion project in Oman. The portfolio includes the world's first two sea going barge mounted, self-contained desalination plants each capable of producing 25,000 m³/day of water.

From its hub in Saudi Arabia, the company is expanding throughout MENA, into Jordan, Egypt and further afield to Turkey, Morocco and Southern Africa



For more information please contact:

Hani N. Alsaigh

Corporate Communication Director

Tel: +966 1 2835544

Mob: +966555231490

halsaigh@acwapower.com | www.acwapower.com