

PRESS RELEASE
FOR IMMEDIATE RELEASE

Bujagali Wins Africa Power Deal of the Year for 2007

Kampala, Uganda, 11 March 2008. Bujagali Energy Limited (BEL) today announced that its Bujagali Hydropower Project (“Bujagali”) was recently awarded the Africa Power Deal of the Year 2007 by Euromoney “Project Finance Magazine”. BEL received the award at the 9th Annual Euromoney Project Finance Awards Dinner held on 6 March in London, UK. On hand to receive the awards were BEL directors accompanied by representatives of its lenders and advisors.

Bujagali is an US\$860 million project, including about \$88 million of owner contingency and debt service reserve, involving the construction of a 250MW hydroelectric facility on the River Nile, 10km downstream of the existing Kiira and Naluubale hydroelectric power stations in Uganda. The project will contribute significantly to sustainable development as it will not only reduce Uganda’s carbon dioxide emissions but will also re-utilize water already used for power generation at the upstream Kiira and Naluubale power plants.

The citation accompanying the award, which is featured in the March 2008 issue of the global Project Finance & Infrastructure Finance Magazine, hailed Bujagali as one of the largest financings in Uganda and recognized it for the transparent manner under which the Government of Uganda selected BEL as the sponsor. Other features highlighted include the recognition of the complex negotiations for the Engineering, Procurement and Construction (EPC) contract as well as the financing arrangements; efforts to ensure that the project directly benefitted the local communities, including electrification of areas in the vicinity of the project site; and comprehensive environmental impact assessment as well as resettlement plan undertaken.

BEL is a special purpose company, co-owned by an affiliate of Sithe Global Power, LLC (“Sithe Global”), Industrial Promotion Services (K) (“IPS”) which is an affiliate of the Aga Khan Fund for Economic Development (“AKFED”), and the Government of Uganda.

Upon receiving the award, the BEL and IPS (K) Chairman, Mr. Nizar Juma, remarked, “This award is an important tribute to, as well as just reward for, the Sithe Global, IPS/AKFED and Government of Uganda teams that so resiliently negotiated the about 60 documents and



agreements that underpin Bujagali, a project that portends great hopes for Uganda's economic and social development".

Bruce Wrobel, Sithe Global's Chairman and CEO, said "The Bujagali project deserves this recognition. It is a compelling project that will close an energy supply gap in Uganda that has impeded the country's social and economic development. It also highlights the impact that private investment can make in increasing the supply of lower cost, clean, reliable energy that will help generate employment and improve the quality of life in the Uganda."

Bujagali reached financial close in December 2007 and has experienced enhanced construction activities following the issuance of the full notice to proceed to the EPC contractor, Salini. The project, which is expected to yield a levelized tariff of US¢6.5/kWh compared to up to US¢31/kWh for emergency thermal generation, is estimated to be about two months ahead of schedule. The first unit is expected to be commissioned during the fourth quarter of 2010, with full commissioning due in early 2011.

The lenders for the project comprise European Investment Bank, International Finance Corporation ("IFC"), African Development Bank ("AfDB"), Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ("FMO"), Societe de Promotion et de Participation pour la Cooperation Economique ("Proparco")/Agence Francaise de Developpement ("AFD"), DEG-Deutsche Investitions-und Entwicklungsgesellschaft MBH ("DEG") and KfW. Barclays/ABSA Capital and Standard Chartered Bank are providing commercial debt under an International Development Association ("IDA") Partial Risk Guarantee while MIGA will provide insurance guarantee cover for Sithe Global's equity. The Bujagali project represents one of the largest private power sector investments ever made in Sub-Saharan Africa.

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Bujagali Energy Limited

BEL is a special purpose company, co-owned by (a) Industrial Promotion Services (K) (“IPS”), an affiliate of the Aga Khan Fund for Economic Development (“AKFED”), (b) an affiliate of Sithe Global Power, LLC (“Sithe”), itself an affiliate of the Blackstone Group and (c) the Government of Uganda.

BEL’s mandate is to build, own, operate and eventually transfer the Bujagali hydroelectric power plant to the Government of Uganda. For more information, please visit <http://www.bujagali-energy.com/default.htm>.

About Sithe Global

Sithe Global Power, LLC is owned approximately 80% by Blackstone SGP Capital Partners (Cayman) IV L.P., an affiliate of The Blackstone Group and management, led by CEO Bruce Wrobel, with the remaining approximately 20% stake held by the investment funds managed by Reservoir Capital Group. Blackstone purchased an 80% ownership interest in Sithe Global in 2005 with the objective of facilitating Sithe Global Power’s plans to develop, finance, construct and operate electric power generation facilities in the U.S. and certain international markets. Sithe Global has a portfolio of power plant projects in various stages of development and construction, including the 880MW gas-fired Combined Cycle Goreway project under construction in Brampton, Ontario, the 1,500 MW Desert Rock facility, a coal-fired project in New Mexico, the 750 MW Toquop facility, a coal-fired project in Nevada, and the 300 MW River Hill facility, a waste coal-fired project in Pennsylvania, a 1,000MW project in Italy, and projects in Africa, the Middle East and other regions totaling approximately 5,000 MW of generating capacity. Sithe Global also continues to pursue other opportunities within Africa.



Sithe Global Power is led by a seasoned management and technical team with extensive independent power project development experience, and a proven record of identifying project development and acquisition opportunities which create substantial value for its investors. The Sithe Global management team has successfully developed over 50 power plant projects in nine countries with a capital investment in excess of \$5 billion.

Further details may be obtained from website www.sitheglobal.com.

About Industrial Promotion Services (K) Ltd. (“IPS”)

IPS is the infrastructure and industrial development of the Aga Khan Fund for Economic Development (AKFED). IPS has operations in Kenya, Uganda, Tanzania and DR Congo and is also actively pursuing investment opportunities in Rwanda, Mozambique and Madagascar. Outside the East and Central Africa region, IPS also operates in Cote d’Ivoire, Burkina Faso, Mali and Senegal, Tajikistan, Afghanistan, Kyrgyzstan, Pakistan and Canada.

AKFED is an international development agency dedicated to promoting entrepreneurship and building economically sound enterprises in the developing world. AKFED focuses on building enterprises in parts of the world that lack sufficient foreign direct investment. It also makes bold but calculated investments in situations that are fragile and complex.

IPS’s involvement in power comprises 288MW Azito gas power plant in Cote D’Ivoire; concessionaire for Energie du Mali (power & water utility); Kenya’s 75 MW diesel plant; and a vertically integrated off-grid utility involved in generation, distribution and sale of electricity in the West Nile district of Uganda. IPS companies in East Africa have a total workforce of about 8,500 employees

IPS is also a partner in the \$650m submarine cable (SEACom) which reached financial close in November 2007. The cable will link countries in the Eastern and Southern Africa coast to international cables in South Africa, India and Europe. In doing so it will provide access to cheap communications to all Southern and Eastern Africa countries, which currently do not have access to submarine cable.



Co-investors in IPS's interest in Bujagali are AKFED and Jubilee Investment Company Ltd., a subsidiary of Jubilee Holdings Limited (JHL). Established in 1937 JHL is the oldest insurance company in Kenya. It is quoted on the Nairobi Stock Exchange and boasts the highest shareholders' funds in the Kenyan insurance industry. AKFED owns 38% of JHL.

Further details may be obtained from website www.akdn.org

About Blackstone:

The Blackstone Group (NYSE:BX) is a leading global alternative asset manager and provider of financial advisory services. Its alternative asset management businesses include the management of corporate private equity funds, real estate opportunity funds, funds of hedge funds, mezzanine funds, senior debt funds, proprietary hedge funds and closed-end mutual funds. Blackstone is an experienced and active investor in the energy sector, including investments in Premcor, Inc., one of the largest independent refiners of petroleum products in the U.S. prior to its acquisition by Valero in 2005; Texas Genco, a Houston-based wholesale electric power generating company; Foundation Coal (NYSE:FCL), a U.S. coal mining company; and Kosmos Energy, an oil exploration company. The Blackstone Group also provides various financial advisory services, including mergers and acquisitions advisory, restructuring and reorganization advisory and fund placement service. Further information is available at www.blackstone.com.

About Reservoir:

Reservoir Capital Group is a privately held investment firm with an opportunistic 'hybrid' investment approach. Reservoir invests directly in public securities and private investments, as well as in partnership with investment teams through the creation of hedge funds and private equity firms in which the Reservoir funds are an owner. Reservoir's investment funds currently have over \$3 billion under management.