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An order worth around € 1.9 billion

Alstom signs contract to build stage 3 of Shoaiba in Saudi Arabia

Further to a letter of intent of 28 June 2008, Alstom today signed a contract with Saudi Electricity Company (SEC) to build stage 3 of the Shoaiba power plant, worth around €1.9 billion.

The new 1,200 MW steam power plant will be constructed adjacent to the existing plant, located on the Red Sea coast 100 km south of Jeddah. Upon completion of the project, the Shoaiba power station will comprise 14 units of 400 MW each, with a gross total output of 5,600 MW.

Under the terms of the contract, Alstom, as leader of the consortium, will notably design, supply, install and commission the entire plant, including oil-fired boilers, STF40 steam turbines, GIGATOP turbogenerators, sea-water flue gas desulphurization and auxiliary equipment. The boilers are designed to burn both crude and heavy fuel oil and will use Alstom's advanced low NOx tangential firing technology. Alstom's consortium partner, Saudi Archirodon, will carry out all the associated civil and marine works.

Stages 1 and 2 of Shoaiba were supplied by an Alstom-led consortium on a turnkey basis. The contract to build stage 1, consisting of five 400 MW units, was signed in October 1998. Following its completion in 2003, a second contract was signed in March 2004 for stage 2, which included six 400 MW units. Stage 2 was completed in December 2007, with the last unit (number 6) commercially operational six months in advance of the agreed contract completion date.

Electric power demand in Saudi Arabia has increased tremendously in the last two decades in line with the country's rapidly growing economy, requiring massive investment in the country's power generation capacity.

During the contract signing today in Riyadh, Patrick Kron, Chairman & CEO of Alstom, said: *"With this contract, Saudi Electricity Company once again demonstrates its faith in Alstom's expertise as a reliable provider of integrated power solutions. We are delighted to be involved in a project that will supply one third of the region's electricity needs and constitutes the largest oil-fired power plant in the Middle East."*

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