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Headline Acquisition of Canadian Wind Farm Developer
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International Power Signs Agreement to Acquire Canadian Wind Farm Developer

(London - 30 September 2009) International Power plc today announces that it has entered into an agreement to acquire AIM PowerGen Corporation (AIM), one of Canada's largest independent wind farm developers, from Renewable Energy Generation Limited for an enterprise value of C\$189 million (£109 million), with a total cash consideration of C\$119 million (£69 million).

The AIM portfolio is concentrated in Ontario, with 40MW of wind farms in operation and 40MW under construction (the Harrow project) which is on plan for completion in the first half of 2010. The construction cost of this 40MW is expected to be an additional C\$52 million (£30 million) which will be funded from a credit approved project finance facility. In addition, AIM has an advanced development pipeline of 1,200MW in Ontario and across Canada. Canada has a strong commitment to renewable generation, with markets such as Ontario providing a supportive regulatory environment, including 20-year off-take contracts with feed-in tariffs.

Philip Cox, CEO of International Power, said, "This acquisition adds a high-quality wind portfolio of operational and development assets, with an experienced development team, to our North American business. It represents an excellent opportunity for International Power to establish a platform for future growth in the attractive Canadian renewables sector. The Green Energy Act and feed-in tariff programme recently enacted by the government of Ontario provides a good basis for long-term investment in Ontario and was a key driver of our interest in AIM."

The cash consideration will be funded from existing cash resources of International Power. The acquisition is expected to be completed by the end of the year and is subject to the approval of the shareholders of Renewable Energy Generation Limited. The acquisition is expected to be immediately free cash flow positive, and earnings accretive once the 40MW Harrow project construction programme completes in 2010.

Notes to Editors:

An exchange rate of £1: C\$1.73 has been applied in this announcement.

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About International Power

International Power plc is a leading independent electricity generating company with 33,227MW gross (21,358MW net) in operation and 3,290MW gross (988MW net) under construction. International Power has power plants in operation or under construction in Australia, the United States of America, the United Kingdom, Belgium, the Czech Republic, France, Germany, Italy, the Netherlands, Portugal, Spain, Turkey, Bahrain, Oman, Qatar, Saudi Arabia, the UAE, Indonesia, Pakistan, Puerto Rico and Thailand. International Power is listed on the London Stock Exchange with ticker symbol IPR. Company website: www.ipplc.com.

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