



MENA INFRASTRUCTURE FUND ACQUIRES 32.8% OF UPC

- *Competitive auction process results in successful infrastructure fund investment*
- *Establishes MENA Infrastructure Fund as a leading infrastructure investor in the region*

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MENA Infrastructure Fund, the infrastructure equity fund sponsored by HSBC, Waha Capital and Dubai International Capital, has acquired 32.8% of United Power Company SAOG (UPC) for \$26.5 million.

UPC is listed on the Muscat Securities Market, with 40% of its equity capital being publicly traded. MENA Infrastructure Fund has acquired 32.8% of the founders' shareholding in the company from GDF Suez, the French energy giant in a competitive auction process pursuant to a requirement by the Omani electricity regulator for GDF Suez to divest its shareholding in UPC. Following the transaction, MENA Infrastructure Fund becomes the largest shareholder in UPC.

UPC owns and operates a 270 megawatt power station in Oman, the first independent power project to be developed in the Middle East with private sector participation.

The acquisition marks the Fund's second investment, having acquired an equity stake in Egypt's Alexandria International Container Terminals in 2008.

"This acquisition further establishes MENA Infrastructure Fund as a leading infrastructure investor in the region," said Mark Lemmon, CEO of the Fund. "Oman has been a pioneer in the Middle East in achieving a significant role for the private sector in the country's utilities and infrastructure, and this transaction marks the first time that a pure financial investor has acquired an Omani infrastructure asset. Following on from the Fund's earlier investment in Alexandria Container Terminal, the UPC transaction delivers a healthy diversity of sector, geography, and business model for the Fund's investors."

(more)

The UPC power plant, located in Manah, 180km south west of Muscat, has been operational since 1996, and has a further ten years of Power Purchase Agreement contract remaining with the Omani Power and Water Procurement Company. The company is debt-free, has strong cash-flows, and scope for future expansion.

MENA Infrastructure Fund is a USD500 million infrastructure equity fund established in 2006. At its first close in September 2007, it raised commitments aggregating USD300 million. Its investors include leading international and regional financial institutions and pension funds.

MENA Infrastructure Fund targets a broad range of investments within the infrastructure asset class, including utilities, transportation, social infrastructure and public private partnerships. Across this spectrum the Fund makes investments in projects and companies in their early stages of development, as well as being a provider of capital to companies which are in their operational or growth phases. The Fund is a long term investor and seeks to work with leading developers and operators of infrastructure assets.

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Notes to Editors:

About MENA Infrastructure Fund:

The MENA Infrastructure Fund is a specialist US\$500 million private equity fund established in the Dubai International Finance Centre (DIFC) and regulated by the Dubai Financial Services Authority (DFSA). It is a regional investor, targeting investments in the infrastructure and energy sectors across the Middle East and North Africa.

The Fund is sponsored by three prominent business groups in the MENA region: DICAM (a wholly owned subsidiary of Dubai International Capital), HSBC Bank Middle East and Waha Capital. A dedicated investment team leverages the support of these strong and experienced sponsors to deliver investment opportunities to its investors, along with capital and financial expertise to the companies in which it invests. For more information on MENA Infrastructure Fund, please visit www.menaif.com.