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Sithe Global and IPS establish a New Hydroelectric Station in Uganda

New York, New York, December 21, 2007—Sithe Global Power, LLC, through its special purpose affiliate SG Bujagali Holdings, Ltd., (collectively, “Sithe Global”) announced today with its partner, Industrial Promotion Services (K) (“IPS”), an affiliate of the Aga Khan Fund for African Development (“AKFED”), that their jointly owned special purpose company, Bujagali Energy Limited (“BEL”), a Ugandan company, has closed financing on a USD 682MM construction debt facility for the 250 MW Bujagali hydroelectric station located on the Nile River in Uganda, Africa. Multilateral and bilateral debt will be provided by 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. Commercial debt will be provided by Standard Chartered Bank and Barclays/Absa Capital with Partial Risk Guarantee cover provided by International Development Association. The construction debt facilities committed for the project include USD 90MM in contingency and debt service reserve. A total of USD 190.9MM of equity for the Bujagali Project is being funded by Sithe Global, IPS and the Government of Uganda (“GOU”). Sithe Global’s equity, which comprises approximately 65% of the total sponsor equity commitment/ownership in the project, is being funded by its majority owner, The Blackstone Group, together with investment funds managed by Reservoir Capital Group and Sithe Global management. Sithe Global has also secured Covered Risk insurance for its equity investment from the Multilateral Investment Guarantee Agency. IPS’s equity, which comprises approximately 35% of the total sponsor equity commitment/ownership in the project, is being funded by AKFED, Jubilee Investment Company Limited and by IPS itself. Additional equity is being provided by the GOU. The Bujagali project is being undertaken as a “Public Private Partnership” between the GOU and the State-owned transmission company, Uganda Electricity Transmission Company Limited (“UETCL”) on the one hand, and Sithe Global and IPS on the other. Sithe Global and IPS were selected pursuant to a competitive international bidding process.

Uganda has one of the lowest rates of electrification in the world and currently faces a serious economic crisis due to the lack of power generating facilities capable of producing electricity at affordable prices. Uganda’s electricity demand growth has outstripped the capacity of existing hydroelectric power generation facilities on the Nile River, causing severe disruptions to Uganda’s economic activities and forcing reliance on expensive emergency generators that burn diesel transported by tanker trucks over long distances. The Bujagali project will provide substantial additional hydroelectric power generation capacity, producing power at a levelized cost of approximately USD 6.5 cents versus the current approximately USD 31 cents cost of diesel generation units, thus addressing a national policy priority and facilitating Ugandan economic growth.

The Bujagali project will be comprised of a dam and hydropower station of 250 MW capacity on the Nile, 10 KM from the outflow of Lake Victoria, downstream of the existing Nalubaale and Kiira dams. The project will provide power from an indigenous and renewable resource with low carbon dioxide emissions, re-utilizing water already used for power generation at the upstream dams and therefore contributing to sustainable development. BEL will make available generating capacity and will sell

power to UETCL under a power purchase agreement. The five generating units will be commissioned sequentially as each becomes available, ensuring that the benefits of the project will be delivered to the people of Uganda at the earliest opportunity. The first unit is expected to be commissioned during the fourth quarter of 2010. When fully commissioned, the Bujagali project will double Uganda's effective generation capacity. It represents one of the largest private power sector investments ever made in Sub-Saharan Africa.

The project is already under construction and approximately two to three months ahead of schedule as a result of a USD 75MM bridge loan that was advanced to BEL by the GOU. Proceeds from the GOU loan were used to finance engineering design, detailed site investigations, construction of permanent civil works, construction of camp-site and offices as well as the procurement of equipment, all of which provides a basis for an accelerated commissioning under the full notice to proceed that was issued today by BEL to the Contractor. The GOU has been repaid its loan in connection with this financial closing.

Hailing the attainment of the project's financial close as an historic event for the people of Uganda, the Minister for Energy and Mineral Development, Mr. Daudi Migereko, said, "This is a great tribute to public private partnership and a just reward for sacrifices that the Government has made on behalf of the people of Uganda. The Government has created an environment that has enabled blue chip lenders and BEL to commit financing for the project while at the same time safeguarding the interests of Ugandans through the GOU's equity ownership in the project as a result of its contribution of certain valuable assets, such as land and intellectual property, which had been previously developed. The loan refunded by BEL will now be returned to the Energy Fund for appropriate reutilization."

Recalling His Highness the Aga Khan's quote during the foundation stone-laying ceremony for the project, "Think of the difference it will make when the supply of power is adequate to the needs, and massive load-shedding becomes a distant memory", Mr. Lutaf Kassam, the Group Managing Director of IPS remarked that "adequate and affordable power supply will restore the competitiveness of the Ugandan manufacturers thereby creating jobs, reducing poverty and improving the quality of life".

Bruce Wrobel, Sithe Global's Chairman and CEO, said, "Sithe Global is excited to be participating in a project that will have such far reaching but positive impacts to the Ugandan economy. Reliable power, especially of the clean and renewable variety, is one of the most important factors a potential investor considers when exploring a new opportunity for investment. We are proud to be adding to Uganda's already attractive investment outlook."

David Foley, a Senior Managing Director of The Blackstone Group with primary responsibility for Blackstone's investments in the energy sector, said "Blackstone is proud to invest alongside the Aga Khan Group and the Government of Uganda in the Bujagali project, which we believe will provide investors with favorable returns while providing significant economic benefits to the people of Uganda. Blackstone expects to continue to invest substantial equity in support of Sithe Global's growth plan as the company funds the construction of other power projects in its portfolio."

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 Mr. 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'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 880 MW 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; the 300 MW River Hill facility, a waste coal-fired project in Pennsylvania; a 1,000 MW project in Italy; and projects in Africa, the Middle East and other regions totaling approximately 5,000 MW of generating capacity.

About Industrial Promotion Services (K) Ltd.

IPS is the infrastructure and industrial development arm of AKFED. IPS has operations in Kenya, Uganda, Tanzania and Democratic Republic of the Congo and is also actively pursuing investment opportunities in Rwanda, Mozambique and Madagascar. Outside the East Africa and Central Africa regions, IPS also operates in Cote d'Ivoire, Burkina Faso, Mali and Senegal, as well as Tajikistan, Afghanistan, Kyrgyzstan, Pakistan and Canada.

IPS's involvement in power comprises: the 288 MW 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 approximately 8,500 employees

About the Aga Khan Fund for Economic Development

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.

AKFED operates as a network of affiliates with more than 90 separate project companies employing over 30,000 people. The Fund is active in 16 countries in the developing world: Afghanistan, Bangladesh, Burkina Faso, the Democratic Republic of the Congo, India, Ivory Coast, Kenya, Kyrgyz Republic, Mali, Mozambique, Pakistan, Senegal, Syria, Tajikistan, Tanzania and Uganda.

AKFED's areas of interest comprise aviation, financial, industrial and infrastructure development, media and tourism promotion services. Further details on IPS and AKFED may be obtained from the website www.akdn.org.

About Sithe Global Power, LLC

Sithe Global is a privately held international independent power development and construction company which focuses on certain target markets in North America, Europe, Mexico, Africa and the Middle East. Sithe Global 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 more than 50 power plant projects in nine countries with a capital investment in excess of \$5 billion.

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.

For IPS/AKFED

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