

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. Part 2 (*Explanatory Statement*) of this document comprises an explanatory statement in compliance with section 897 of the Companies Act 2006. This document relates to a Transaction which, if implemented, will result in the cancellation of the listing of IPR Shares on the Official List and of admission to trading of IPR Shares on the Main Market of the London Stock Exchange. If you are in any doubt about the Transaction, the contents of this document or what action you should take, you are recommended to seek your own personal financial, tax and legal advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

If you have sold or otherwise transferred all of your IPR Shares, please send this document, together with the reply-paid envelope (but not the personalised Forms of Proxy and Form of Election), at once to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded, distributed or transmitted (in whole or in part) in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of that jurisdiction. If you have sold or otherwise transferred only part of your holding of IPR Shares, you should retain these documents and consult the stockbroker, bank or agent through whom the sale or transfer was effected.

The release, publication or distribution of this document in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document and any accompanying documents come should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither this document nor any of the accompanying documents constitute an offer to sell or issue, nor the solicitation of an offer to buy or subscribe for, shares in any jurisdiction in which such offer or solicitation is unlawful.

**Recommended acquisition of
International Power plc (“IPR”)
by
Electrabel S.A. (“EBL”), a wholly-owned subsidiary of GDF SUEZ S.A. (“GDF SUEZ”)
to be effected by means of a
scheme of arrangement under Part 26 of
the Companies Act 2006**

IPR Shareholders should read carefully the whole of this document and the accompanying documents. Your attention is drawn to the letter from the Chairman of the IPR Independent Committee in Part 1 (*Letter from the Chairman of the IPR Independent Committee*) of this document, which contains the unanimous recommendation of the IPR Independent Directors that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolutions to be proposed at the IPR General Meeting. A letter from IPR’s Financial Advisers explaining the Scheme in greater detail is set out in Part 2 (*Explanatory Statement*) of this document.

Notices of the Court Meeting and the IPR General Meeting, both of which are to be held at ExCeL London, One Western Gateway, Royal Victoria Dock, London, E16 1XL on 7 June 2012, are set out in Part 12 (*Notice of Court Meeting*) and Part 13 (*Notice of IPR General Meeting*) of this document. The Court Meeting will start at 10.30 a.m. and the IPR General Meeting will start at 10.45 a.m. (or as soon thereafter as the Court Meeting has been concluded or adjourned).

The action to be taken by IPR Shareholders in respect of the Court Meeting and the IPR General Meeting is set out on page 6. Whether or not you intend to be present at the Court Meeting and/or the IPR General Meeting, please complete and sign both Forms of Proxy accompanying this document, the blue Form of Proxy for the Court Meeting and the white Form of Proxy for the IPR General Meeting, in accordance with the instructions set out in Part 12 (*Notice of Court Meeting*) and Part 13 (*Notice of IPR General Meeting*) of this document and return them to IPR’s registrars, Equiniti, at Aspect House, Spencer Road, Lancing, BN99 6DA as soon as possible, and in any event so as to be received not later than 48 hours (excluding any part of a day that is not a working day) before the relevant meeting. Alternatively, Forms of Proxy for the Court Meeting (but not the IPR General Meeting) may be handed to the Chairman of the Court Meeting at the commencement of that meeting. Forms of Proxy returned by fax will not be accepted. You can also submit your proxy electronically at Equiniti’s website, www.sharevote.co.uk, so as to be received by not later than 48 hours (excluding any part of a day that is not a working day) before the relevant meeting. The return of a completed Form of Proxy, the electronic appointment of a proxy or the submission of a proxy via CREST will not prevent you from attending the Court Meeting and/or the IPR General Meeting and voting in person if you so wish and if you are entitled to do so.

IPR Shareholders who hold their IPR Shares in certificated form and who wish to make an election under the Loan Note Alternative should also complete, sign and return the green Form of Election, together with their share certificate(s) in accordance with the instructions contained in Part 14 (*Notes on making a Loan Note Election*) of this document. If you hold your shares in uncertificated form and wish to make an election for the Loan Note Alternative, you must do so electronically via the procedure set out in Part 14 (*Notes on making a Loan Note Election*) of this document.

If you hold your IPR Shares in uncertificated form through CREST, you may vote using the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual (please also refer to the accompanying notes to the Notice of the IPR General Meeting set out in Part 13 (*Notice of IPR General Meeting*) of this document). Proxies submitted via CREST (under CREST participant ID RA19) must be received by IPR’s registrars, Equiniti, not later than 10.30 a.m. on 1 June 2012 in the case of the Court Meeting and by 10.45 a.m. on 1 June 2012 in the case of the IPR General Meeting or, in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting.

This scheme document (and any information incorporated into it by reference to another source) will be available on IPR’s website at www.iprplc-gdfsuez.com or on GDF SUEZ’s website at www.gdfsuez.com as soon as possible and in any event by no later than 12 noon on 15 May 2012.

You may request a hard copy of any information incorporated into this document by reference to another source by contacting IPR’s registrars, Equiniti, at Aspect House, Spencer Road, Lancing, BN99 6DA or between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0871 384 2921 from within the UK (or on +44 121 415 0296 if calling from outside the UK) with an address to which the hard copy may be sent. Calls to the 0871 384 2921 number cost 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers’ charges may vary. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones, and calls may be recorded and randomly monitored for security and training purposes.

A hard copy of any information incorporated into this document by reference to another source will not be sent to you unless requested in accordance with the procedure set out above.

Capitalised words and phrases used in this document shall have the meanings given to them in Part 10 (*Definitions*) of this document.

You should read the rest of this document and if you are in any doubt as to the action you should take, consult an independent financial adviser. In making any investment decision you must rely on your own examination of the terms of the Scheme and the Transaction, including the merits and risks involved. If you have any questions about this document, the Court Meeting or the IPR General Meeting or are in any doubt as to how to complete the Forms of Proxy and/or Form of Election, please call the IPR Shareholder helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0871 384 2921 from within the UK (or on +44 121 415 0296 if calling from outside the UK). The helpline cannot provide advice on the merits of the Transaction or the Scheme or give any financial, legal or tax advice. Calls to the 0871 384 2921 number cost 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers’ costs may vary. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones, and calls may be recorded and randomly monitored for security and training purposes.

Morgan Stanley is acting exclusively for IPR and no one else in connection with the Transaction and will not be responsible to anyone other than IPR for providing the protections afforded to the clients of Morgan Stanley or for providing advice in connection with the Transaction or any other matter referred to in this document.

Barclays is acting exclusively for IPR and no one else in relation to the Transaction and will not be responsible to anyone other than IPR for providing the protections afforded to the clients of Barclays or for providing advice in connection with the Transaction or any other matter referred to in this document. Barclays is authorised and regulated in the United Kingdom by the FSA.

Nomura is acting exclusively for IPR and no one else in relation to the Transaction and will not be responsible to anyone other than IPR for providing the protections afforded to the clients of Nomura or for providing advice in connection with the Transaction or any other matter referred to in this document. Nomura is authorised and regulated in the United Kingdom by the FSA.

Ondra Partners, which is authorised and regulated in the United Kingdom by the FSA, is acting exclusively for GDF SUEZ and EBL and no one else in connection with the Transaction and will not be responsible to anyone other than GDF SUEZ and EBL for providing the protections afforded to clients of Ondra Partners or for providing advice in connection with the Transaction or any other matter referred to in this document.

Rothschild, which is authorised and regulated in the United Kingdom by the FSA, is acting exclusively for GDF SUEZ and EBL and no one else in connection with the Transaction and will not be responsible to anyone other than GDF SUEZ and EBL for providing the protections afforded to the clients of Rothschild or for providing advice in connection with the Transaction or any other matter referred to in this document.

The statements contained in this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the contents of this document, you should consult your own legal adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

No person has been authorised to make any representations on behalf of IPR, GDF SUEZ or EBL concerning the Transaction or the Scheme which are inconsistent with the statements contained in this document and any such representations, if made, may not be relied upon as having been so authorised.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date. Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of IPR, except where otherwise expressly stated. Subject to compliance with the Takeover Code, neither IPR, GDF SUEZ nor EBL intends, or undertakes any obligation, to update any information contained in this document, except as required by applicable law.

If the Scheme is approved at the Court Meeting and the IPR General Meeting, an application will be made to the London Stock Exchange for the IPR Shares to cease to be admitted to trading on the Main Market of the London Stock Exchange.

Information for Overseas Persons

Unless otherwise determined by EBL and IPR or required by the Takeover Code, and permitted by applicable law and regulation, the Transaction will not be made available, directly or indirectly, in, into or from a jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within any jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documents relating to the Transaction are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this document and all other documents relating to the Transaction (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

It is the responsibility of each Overseas Shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Transaction, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

If EBL were to elect to implement the Transaction by means of a takeover offer, such takeover offer will be made in compliance with all applicable laws and regulations, including the US tender offer rules, to the extent applicable.

Neither this document nor any of the accompanying documents are intended to, and do not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document and the accompanying documents have been prepared in connection with a proposal in relation to a scheme of arrangement pursuant to, and for the purpose of complying with, the laws of England and Wales and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this document and the accompanying documents had been prepared in accordance with the laws of jurisdictions outside England and Wales. Nothing in this document or the accompanying documents should be relied upon for any other purpose.

Loan Note Restricted Scheme Shareholders will, under the Transaction, only be entitled to receive cash consideration for the IPR Shares they hold and they will not have the option of taking Loan Notes under the Loan Note Alternative. Any purported election for the Loan Note Alternative by such investors will be treated as invalid by EBL.

The Loan Notes that may be issued pursuant to the Loan Note Alternative have not been, and will not be, listed or traded on any stock exchange and have not been, and will not be, registered under the US Securities Act of 1933 or under any laws of any state, district or other jurisdiction of the United States; the relevant clearances have not been, nor will they be, obtained from the securities commission or similar authority of any province, territory or jurisdiction of Canada; nor have any steps been taken, nor will any steps be taken, to enable the Loan Notes to be offered in compliance with applicable securities laws of Belgium, Hong Kong, New Zealand or Japan and no regulatory clearances in respect of the Loan Notes have been, or will be, applied for in any other jurisdiction. Accordingly, unless an exemption under relevant securities laws is available, the Loan Notes are not being, and may not be, offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States, or for the account or benefit of, any Loan Note Restricted Scheme Shareholder or into a jurisdiction in which an offer of Loan Notes would constitute a violation of the relevant laws of, or require registration of the Loan Notes, in that jurisdiction or require the filing, registration or publication of a prospectus pursuant to applicable securities laws of that jurisdiction. The Loan Notes are not being offered in, and may not be transferred into, the United States and the Scheme does not constitute an offer of Loan Notes in the United States. There will be no public offer of securities in the United States. Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of the Loan Notes, or determined if this document is accurate or complete. Any representation to the contrary is a criminal offence.

Forward-looking statements

This document, including information included or incorporated by reference in this document, may contain “forward looking statements” concerning EBL, the GDF SUEZ Group and/or the IPR Group. Generally, the words “will”, “may”, “should”, “continue”, “believes”, “expects”, “intends”, “anticipates” or similar expressions identify forward looking statements. The forward looking statements involve risks and uncertainties that could cause actual results to differ materially from those suggested by them. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of EBL’s, GDF SUEZ’s or IPR’s operations and potential synergies resulting from the Transaction; and (iii) the effects of government regulation on EBL’s, GDF SUEZ’s or IPR’s business. Many of these risks and uncertainties relate to factors that are beyond the companies’ abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements which speak only as at the date of this document. Subject to compliance with the Takeover Code, none of EBL, any member of the GDF SUEZ Group nor any member of the IPR Group assume any obligation to, nor do they intend to, update these forward looking statements, except as required pursuant to applicable law.

These forward-looking statements are not guarantees of future financial performance. They have not been reviewed by the auditors of EBL, GDF SUEZ, or IPR. Such forward looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward

looking statements, which speak only as of the date hereof. All subsequent oral or written forward looking statements attributable to EBL, GDF SUEZ or IPR or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements included in this document are based on information available to EBL, GDF SUEZ and IPR on the date of this document and are made only as of the date of this document. Undue reliance should not be placed on such forward-looking statements.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm on the 10th Business Day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rounding

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Date

This document is published on 14 May 2012.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Time/date
IPR annual general meeting	15 May 2012
Record date for proposed 2011 final dividend	25 May 2012
Latest time for lodging Forms of Proxy for the:	
Court Meeting (BLUE Form of Proxy)	10.30 a.m. on 1 June 2012 ⁽²⁾
IPR General Meeting (WHITE Form of Proxy)	10.45 a.m. on 1 June 2012 ⁽³⁾
Voting Record Time	6.00 p.m. on 1 June 2012 ⁽⁴⁾
Court Meeting	10.30 a.m. on 7 June 2012
IPR General Meeting	10.45 a.m. on 7 June 2012 ⁽⁵⁾
Payment of proposed 2011 final dividend	29 June 2012
<i>Certain of the following dates are subject to change (please see Note (1) below):</i>	
Latest time for lodging of green Forms of Election and TTE Instructions in respect of the Loan Note Alternative	11.00 a.m. on 27 June 2012 ⁽¹⁾
Last day of dealings in, and for registration of transfer of, and disablement in CREST of, IPR Shares	27 June 2012 ⁽¹⁾
Scheme Record Time	7.00 p.m. on 27 June 2012 ⁽¹⁾
Court Hearing to sanction the Scheme and confirm the Capital Reduction	28 June 2012 ⁽¹⁾
Scheme Effective Date	29 June 2012 ⁽¹⁾
De-listing of IPR Shares	29 June 2012 ⁽¹⁾
Latest date for despatch of cheques in respect of cash consideration, Loan Note certificates in respect of Loan Note consideration and for settlement of cash consideration through CREST or other form of payment	13 July 2012 ⁽¹⁾
Long Stop Date	31 December 2012 ⁽⁶⁾

All references in this document to times are to times in London (unless otherwise stated).

The Court Meeting and the IPR General Meeting will each be held at ExCeL London, One Western Gateway, Royal Victoria Dock, London, E16 1XL.

- ⁽¹⁾ These times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and confirms the Capital Reduction and the date on which the Conditions are satisfied or, if capable of waiver, waived. The timetable is also dependent on when the Court Order and, in relation to the Capital Reduction, the Statement of Capital are delivered to the Registrar of Companies. IPR will give notice of any change(s) by issuing an announcement through a Regulatory Information Service and, if required by the Panel, post notice of the change(s) to IPR Shareholders and persons with information rights. A copy of any announcement amending this timetable issued pursuant to this note will be published on IPR's website in accordance with the Takeover Code.
- ⁽²⁾ It is requested that blue Forms of Proxy for the Court Meeting be lodged before 10.30 a.m. on 1 June 2012 or, if the Court Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting. However, blue Forms of Proxy not so lodged may be handed to the Chairman of the Court Meeting at the commencement of the Court Meeting.
- ⁽³⁾ White Forms of Proxy for the IPR General Meeting must be lodged before 10.45 a.m. on 1 June 2012 in order for them to be valid or, if the IPR General Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting. White Forms of Proxy cannot be handed to the Chairman of the IPR General Meeting at that meeting.
- ⁽⁴⁾ If either of the IPR Shareholder Meetings is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.00 p.m. on the date one day (excluding any part of a day that is not a working day) before the date set for the adjourned meeting.
- ⁽⁵⁾ Or as soon thereafter as the Court Meeting has been concluded or adjourned.
- ⁽⁶⁾ This date may be extended to such date as IPR, GDF SUEZ and EBL may, with the consent of the Panel, agree and the Court (if required) may allow.

ACTION TO BE TAKEN

The Court Meeting and the IPR General Meeting will be held at ExCeL London, One Western Gateway, Royal Victoria Dock, London, E16 1XL, on 7 June 2012 at 10.30 a.m. and 10.45 a.m., respectively (or, in the case of the IPR General Meeting, as soon thereafter as the Court Meeting has been concluded or adjourned). The Scheme requires approval at both of these meetings.

Please check you have received the following with this document:

- a blue Form of Proxy for use in respect of the Court Meeting on 7 June 2012;
- a white Form of Proxy for use in respect of the IPR General Meeting on 7 June 2012;
- a green Form of Election relating to the Loan Note Alternative, other than if you are a Loan Note Restricted Scheme Shareholder; and
- a reply-paid envelope for the Form of Election for use in the United Kingdom, other than if you are a Loan Note Restricted Scheme Shareholder.

If you have not received all of these documents, please contact IPR's registrars, Equiniti, on the IPR Shareholder helpline referred to below.

To vote on the Scheme

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of the Scheme Shareholders. You are therefore strongly urged to sign and return your Forms of Proxy as soon as possible.

Therefore, whether or not you plan to attend the IPR Shareholder Meetings, please complete and sign both the enclosed blue and white Forms of Proxy and return them in accordance with the instructions provided thereon as soon as possible but in any event so as to be received by:

- **no later than 10.30 a.m. on 1 June 2012 in the case of the Court Meeting (blue Form of Proxy); and**
- **no later than 10.45 a.m. on 1 June 2012 in the case of the IPR General Meeting (white Form of Proxy),**

(or, in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting). Forms of Proxy returned by fax will not be accepted. This will enable your votes to be counted at the IPR Shareholder Meetings in the event of your absence. If the blue Form of Proxy for use at the Court Meeting is not lodged by 10.30 a.m. on 1 June 2012, it may be handed to the Chairman of the Court Meeting at the commencement of that meeting. However, in the case of the IPR General Meeting, unless the white Form of Proxy is lodged by 10.45 a.m. on 1 June, it will be invalid.

As an alternative to completing and returning both Forms of Proxy, you may register the appointment of a proxy for the Court Meeting and the IPR General Meeting by accessing the website www.sharevote.co.uk. If you hold your Scheme Shares in uncertificated form (i.e. in CREST), you may vote using the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual (please also refer to the accompanying notes to the Notice of Court Meeting set out in Part 12 (*Notice of Court Meeting*) of this document and the notes to the Notice of IPR General Meeting set out in Part 13 (*Notice of IPR General Meeting*) of this document). Proxies submitted via CREST (under CREST participant ID RA19) or electronically via www.sharevote.co.uk must be received by IPR's registrars, Equiniti, not later than 10.30 a.m. on 1 June 2012 in the case of the Court Meeting and by 10.45 a.m. on 1 June 2012 in the case of the IPR General Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a working day) prior to the time and date set for the adjourned meeting).

The completion and return of a Form of Proxy, the electronic appointment of a proxy or the submission of a proxy via CREST will not prevent you from attending and voting at the Court Meeting or the IPR General Meeting, or any adjournment thereof, in person if you should wish and if you are entitled to do so.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including any Scheme Shareholders who did not vote to approve the Scheme or who voted against the Scheme at the Court Meeting.

To make an election in respect of the Loan Note Alternative

Shareholders with share certificates

A green Form of Election is enclosed with this document for use by Scheme Shareholders with share certificates (other than Loan Note Restricted Scheme Shareholders). **You should only complete and return the Form of Election if you wish to make an election under the Loan Note Alternative.** You will find an explanation of the Loan Note Alternative in paragraph 3 of Part 2 (*Explanatory Statement*) of this document and a summary of the terms of the Loan Notes in Part 4 (*Summary of the Loan Notes*) of this document. Notes on completing the Form of Election can be found in Part 14 (*Notes on making a Loan Note Election*) of this document.

Your Form of Election should be completed in accordance with the instructions printed thereon, and returned, together with your share certificate(s) by post or by hand (during normal business hours) to IPR's registrars, Equiniti, at Corporate Actions, Aspect House, Spencer Road, Lancing, BN99 6DA **as soon as possible but, in any event, so as to be received by no later than 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended).** A reply-paid envelope for use in the UK only is provided for the return of the Form of Election.

CREST shareholders

If you are a Scheme Shareholder (but not a Loan Note Restricted Scheme Shareholder) who holds Scheme Shares in CREST and wish to make an election for the Loan Note Alternative, you must do so electronically via the procedure set out in Part 14 (*Notes on making a Loan Note Election*) of this document as soon as possible but in any event, so as to ensure that a valid TTE Instruction is submitted by no later than 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended).

General

If you fail or choose not to make an election by 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended) or if your election is invalid, you will not be entitled to participate in the Loan Note Alternative and will instead be entitled to receive the cash consideration as set out in this document.

Scheme Shareholders who do not wish to receive Loan Notes should not return the Form of Election or make such election electronically.

Overseas Shareholders

The Loan Note Alternative is subject to certain restrictions in relation to non-UK resident Scheme Shareholders. Loan Note Restricted Scheme Shareholders will, under the Transaction, only be entitled to receive cash consideration for the IPR Shares they hold and they will not have the option of taking Loan Notes under the Loan Note Alternative. Any purported election for the Loan Note Alternative by such investors will be treated as invalid by EBL. These restrictions are set out in more detail in paragraph 3 of Part 2 (*Explanatory Statement*) of this document.

IPR Shareholder Helpline

If you have any queries, please call the IPR Shareholder helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0871 384 2921 from within the UK (or on +44 121 415 0296 if calling from outside the UK). Calls to the 0871 384 2921 number cost 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers' charges may vary. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that the helpline cannot provide advice on the merits of the Transaction or the Scheme or give any financial, legal or tax advice.

PART 1
LETTER FROM THE CHAIRMAN OF THE IPR INDEPENDENT COMMITTEE



14 May 2012

To all IPR Shareholders and, for information only, to participants in the IPR Share Option Schemes and holders of IPR Convertible Bonds

Dear IPR Shareholder,

**RECOMMENDED ACQUISITION OF
INTERNATIONAL POWER PLC (“IPR”) BY ELECTRABEL S.A. (“EBL”), A
WHOLLY-OWNED SUBSIDIARY OF GDF SUEZ S.A. (“GDF SUEZ”)**

1. Introduction

On 16 April 2012, the IPR Independent Committee and the board of directors of EBL announced that they had agreed the terms of a recommended cash offer to be made by EBL pursuant to which EBL will acquire the entire issued and to be issued ordinary share capital of IPR not already directly or indirectly owned by GDF SUEZ. EBL is a wholly-owned subsidiary of GDF SUEZ.

I am writing to you on behalf of the IPR Independent Directors to explain the background to, and reasons for, the Transaction and to describe the action you should now take. For the reasons set out below, the IPR Independent Directors support the Transaction and unanimously recommend that you vote in favour of the resolutions required to effect the Scheme at the Court Meeting and at the IPR General Meeting, as the IPR Independent Directors have undertaken to do in respect of their own beneficial holdings totalling 104,682 IPR Shares, representing in aggregate approximately 0.002 per cent. of IPR’s share capital.

Further information in relation to the Court Meeting and the IPR General Meeting is contained in paragraph 9 below and in paragraph 11(b) of Part 2 (*Explanatory Statement*) of this document.

2. Summary of the Terms of the Transaction

The Transaction is to be effected by way of a scheme of arrangement under Part 26 of the Companies Act 2006, which requires the approval of relevant IPR Shareholders and the sanction of the Court.

Under the Transaction, which is subject to the Conditions and further terms set out in Part 3 (*Conditions to and further terms of the Transaction*) of this document, IPR Shareholders who are not members of the GDF SUEZ Group will be entitled to receive:

for each IPR Share held 418 pence in cash

The Transaction values the entire issued and to be issued share capital of IPR at approximately £22.8 billion assuming full conversion of the IPR Convertible Bonds and exercise of all outstanding share options under the IPR Share Option Schemes¹. The Transaction represents a premium of approximately:

- 20.8 per cent. to the Closing Price per IPR Share of 345.9 pence on 29 February 2012 (being the last Business Day before press and market speculation intensified that GDF SUEZ would make an offer for IPR);
- 9.0 per cent. to the Closing Price per IPR Share of 383.4 pence on 28 March 2012 (being the last Business Day prior to the commencement of the Offer Period);
- 19.4 per cent. to the volume weighted average Closing Price per IPR Share of 350 pence over the 3 month period prior to 28 March 2012 (being the last Business Day prior to the commencement of the Offer Period); and
- 3.5 per cent. to the Closing Price per IPR Share of 403.9 pence on 13 April 2012 (being the last Business Day prior to the release of the Offer Announcement).

¹ The fully diluted share capital assumes full conversion of IPR Convertible Bonds during the relevant event enhanced conversion period and the exercise/vesting of all outstanding share options/awards under the IPR Share Option Schemes. The anticipated number of shares to be issued from full conversion of the IPR Convertible Bonds are illustrative only and based on current available market data as at 8 May 2012 (being the latest practicable date prior to publication of this document) and various other assumptions, including that the final dividend for the year ended 31 December 2011 will be paid on 29 June 2012. The actual number of shares to be issued from full conversion of the IPR Convertible Bonds will depend, inter alia, on market data as at the Effective Date.

IPR Shareholders who are on the register of members on 25 May 2012 will also be entitled to receive the proposed final dividend of 6.6 Euro cents per IPR Share, announced by the IPR Board on 8 February 2012 in respect of the year ended 31 December 2011 and which is expected to be paid to IPR Shareholders on 29 June 2012. **Due to the proximity between the payment date for the proposed 2011 final dividend and the currently expected Effective Date, the Dividend Reinvestment Plan, as administered by Equiniti Financial Services Limited (EFSL), in respect of the proposed 2011 final dividend will be suspended.** Accordingly, IPR Shareholders who have previously elected to reinvest their dividends in the acquisition of further IPR Shares pursuant to the terms of the Dividend Reinvestment Plan will instead receive the proposed 2011 final dividend in the form of a cash payment. GDF SUEZ has committed to the IPR Independent Directors to procure that EBL will vote in favour of the proposed 2011 final dividend at IPR's AGM on 15 May 2012.

Following the Transaction, IPR will be a wholly-owned, indirect subsidiary of GDF SUEZ. Accordingly, GDF SUEZ may terminate or amend IPR's dividend policy within the framework of its overall financial policy.

3. **Loan Note Alternative**

As an alternative to the cash consideration described above, IPR Shareholders (other than Loan Note Restricted Scheme Shareholders and members of the GDF SUEZ Group) will have the option of electing to receive Loan Notes under the Loan Note Alternative instead of all or part of the cash consideration to which they would otherwise be entitled on the basis that for every whole £1 in cash consideration otherwise receivable under the Scheme, such IPR Shareholders will be entitled to elect to receive £1 nominal value of Loan Notes. Further details of the Loan Note Alternative are contained in paragraph 3 of Part 2 (*Explanatory Statement*) of this document.

The IPR Independent Directors do not give any advice to IPR Shareholders as to whether, or to what extent, they should elect for the Loan Note Alternative under the Scheme as its benefits will depend on IPR Shareholders' individual tax positions. IPR Shareholders should consider whether the Loan Notes are a suitable payment alternative in light of their own personal circumstances and investment objectives and are, therefore, strongly recommended to seek their own independent financial, tax and legal advice in light of their own personal circumstances and investment objectives before deciding whether to elect for the Loan Note Alternative.

4. **The IPR Independent Committee**

The Executive Directors of IPR, being Philip Cox, Mark Williamson and Guy Richelle, and those Non-Executive Directors of IPR appointed by EBL, being Dirk Beeuwsaert, Gérard Mestrallet, Jean-François Cirelli and Isabelle Kocher, have absented themselves from all deliberations of the IPR Independent Committee in connection with the Transaction. Accordingly, the Transaction has been considered by the IPR Independent Directors forming the IPR Independent Committee.

The IPR Independent Directors are Sir Neville Simms, Bernard Attali, Tony Isaac, David Weston, Sir Rob Young and Michael Zaoui.

5. **Background to and Reasons for Recommendation**

On 16 December 2010, IPR Shareholders (at that time) voted to approve the combination of IPR and GDF SUEZ's Energy International Business Areas (outside Europe) and certain GDF SUEZ assets in the UK and Turkey to create a global leader in independent power generation.

The integration of the two businesses began immediately, has proved effective and has delivered synergy benefits ahead of target. The target of €103 million in 2011 was exceeded by 30 per cent., resulting in €135 million in synergy savings, and the 2016 target of €215 million has been raised by 5 per cent. to €225 million, while the costs of delivering these benefits remain within the original estimate.

On 29 March 2012, IPR announced that it had received a non-binding indicative proposal from GDF SUEZ to acquire the remaining IPR Shares that GDF SUEZ does not already directly or indirectly own for 390 pence in cash per IPR Share. After careful consideration, on 4 April 2012 the IPR Independent Committee announced that it would be unable to accept the indicative proposal as it undervalued IPR.

Following subsequent discussions with GDF SUEZ, on 16 April 2012 the IPR Independent Committee and the board of directors of EBL announced that they had reached agreement on the terms of a recommended acquisition of IPR by EBL, a wholly-owned subsidiary of GDF SUEZ.

Notwithstanding the successful operation of the enlarged IPR Group following completion of the Combination, the IPR Independent Directors believe that there is considerable commercial and financial logic in GDF SUEZ acquiring full ownership of IPR and that with a simplified structure and complete integration with GDF SUEZ, IPR would be able to accelerate the implementation of its strategy for the benefit of all stakeholders.

The success of the Combination and IPR's strong operational performance have resulted in significant value creation for IPR Shareholders. The cumulative effect of the terms of the Combination and the Transaction consideration of 418 pence per IPR Share would result in very strong total shareholder return across the two transactions. On the basis of the Transaction, total shareholder return (including the effect of reinvesting dividends in the acquisition of additional IPR Shares) since 16 July 2010 (the day before the announcement of discussions between GDF SUEZ and IPR in relation to the Combination) would be 78 per cent. (39 per cent. on an annualised basis).

In considering the approach from GDF SUEZ, the IPR Independent Directors have taken into account the factors mentioned above. The IPR Independent Directors consider the terms of the Transaction to be fair and reasonable for Scheme Shareholders and believe that the Transaction represents an opportunity for Scheme Shareholders to realise, in cash, the value of their investment in IPR at an attractive price that fairly reflects the future prospects for IPR.

6. GDF SUEZ'S Strategic Plans for IPR

The IPR Independent Directors note the statements set out in paragraph 9 of Part 2 (*Explanatory Statement*) of this document concerning GDF SUEZ's strategic plans for IPR, its intentions not to change IPR's existing headquarters and its assurances that redeployment within the GDF SUEZ Group will be offered to any IPR employees affected by the review undertaken following the Transaction. In light of these statements, the IPR Independent Directors are of the view that the implementation of the Transaction will provide appropriate continuity for IPR's business and its employees.

The opinion of the employee representatives of IPR, in respect of the Transaction, is set out in Part 5 (*Opinion of Employee Representatives of IPR*) of this document.

7. IPR's Current Trading and Prospects

Revenue for the three months ended 31 March 2012 was €4,257 million, up 5 per cent.. IPR's portfolio of assets continued to perform well and in line with expectations. In addition, IPR's major construction programme continued to progress across a number of projects.

IPR remains confident of delivering further growth in 2012, principally driven by full-year contributions from new plants that became operational in late 2011 as well as new capacity that is expected to come on line during 2012.

8. IPR Share Option Schemes, IPR Convertible Bonds and IPR ADRs

Information relating to the effect of the Scheme on holders of options and awards under the IPR Share Option Schemes is set out in paragraph 13 of Part 2 (*Explanatory Statement*) of this document. Appropriate proposals will be made to participants in the IPR Share Option Schemes separately.

Information relating to the effect of the Scheme on holders of IPR Convertible Bonds is set out in paragraph 14 of Part 2 (*Explanatory Statement*) of this document. Appropriate proposals will be made to the IPR Convertible Bondholders separately.

Information relating to the effect of the Scheme on holders of IPR ADRs is set out in paragraph 15 of Part 2 (*Explanatory Statement*) of this document.

9. The Scheme and the IPR Shareholder Meetings

It is intended that the Transaction will be effected by means of a scheme of arrangement between IPR and its shareholders under Part 26 of the Companies Act 2006 (although EBL reserves the right (subject to

obtaining the unanimous approval of the IPR Independent Directors) to elect to implement the Transaction by way of an Offer). The Scheme is an arrangement between IPR and Scheme Shareholders and is subject to the approval of the Court.

The purpose of the Scheme is to provide for EBL to become the holder of the entire issued and to be issued ordinary share capital of IPR not already directly or indirectly owned by GDF SUEZ. This is to be achieved as follows:

- (a) by the cancellation of the Cash Scheme Shares and the application of the reserve arising from such cancellation in paying up in full a number of new IPR Shares (which is equal to the number of Cash Scheme Shares cancelled), and issuing the same to EBL, in consideration for which the Cash Scheme Shareholders will receive cash consideration from EBL on the basis set out in paragraph 2 of this letter; and
- (b) subject to, and immediately upon, (a) being fulfilled, by the transfer of the Loan Note Scheme Shares to EBL, in consideration for which the Loan Note Scheme Shareholders will receive Loan Notes from EBL on the basis set out in paragraph 3 of this letter.

To become effective, the Scheme requires, among other things, the approval of a majority in number of the Scheme Shareholders present and voting (either in person or by proxy) at the Court Meeting representing not less than 75 per cent. in value of the relevant Scheme Shares voted, and the passing of the Transaction Special Resolution necessary to implement the Scheme at the IPR General Meeting. The Scheme must also be sanctioned by the Court and the associated Capital Reduction must be confirmed by the Court, in each case, at the Court Hearing. **It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of the Scheme Shareholders. You are therefore urged to complete and return your Forms of Proxy, electronically appoint a proxy or submit a proxy vote via CREST as soon as possible.**

Further details of the Scheme and the IPR Shareholder Meetings are set out in paragraph 11 of Part 2 (*Explanatory Statement*) of this document.

10. Action to be Taken

Notices convening the Court Meeting and the IPR General Meeting are set out in Part 12 (*Notice of Court Meeting*) and Part 13 (*Notice of IPR General Meeting*) of this document. You will find enclosed with this document a blue Form of Proxy for use at the Court Meeting and a white Form of Proxy for use at the IPR General Meeting.

Whether or not you intend to be present at either meeting, you are requested to complete and return both the enclosed Forms of Proxy for the Court Meeting (blue Form of Proxy) and for the IPR General Meeting (white Form of Proxy) in accordance with the guidance notes for completion of the Forms of Proxy provided at the end of Part 12 (*Notice of Court Meeting*) and Part 13 (*Notice of IPR General Meeting*) of this document, electronically appoint a proxy or submit a proxy vote via CREST.

If you hold your shares in certificated form, unless you are a Loan Note Restricted Scheme Shareholder, you will also find enclosed with this document a green Form of Election for use in connection with the Loan Note Alternative. If you hold your shares in uncertificated form and wish to make an election for the Loan Note Alternative, you must do so electronically via the procedure set out in Part 14 (*Notes on making a Loan Note Election*) of this document. Further notes on how to make an election for the Loan Note Alternative are set out in Part 14 (*Notes on making a Loan Note Election*) of this document.

If you have any questions relating to this document and/or the completion and return of the Forms of Proxy and/or Form of Election, please contact IPR's registrars, Equiniti, between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0871 384 2921 from within the UK or, if calling from outside the UK, +44 121 415 0296. Calls to the 0871 384 2921 number cost 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers' charges may vary. Calls to the helpline if calling from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that the helpline cannot provide advice on the merits of the Transaction or the Scheme or give any financial, legal or tax advice.

Further details in relation to the action to be taken by IPR Shareholders is set out on page 6 of this document and in paragraph 20 of Part 2 (*Explanatory Statement*) of this document.

11. Further Information

Your attention is drawn to the letter from IPR's Financial Advisers set out in Part 2 (*Explanatory Statement*) of this document (being the explanatory statement made in compliance with section 897 of the Companies Act), which gives further details about the Transaction and to the terms of the Scheme that are set out in full in Part 11 (*The Scheme of Arrangement*) of this document. Please note that reading the information in this letter is not a substitute for reading the remainder of this document.

12. Recommendation

The IPR Independent Directors, who have been so advised by each of IPR's Financial Advisers, consider the terms of the Transaction to be fair and reasonable. In providing their advice to the IPR Independent Directors, each of IPR's Financial Advisers has taken into account the commercial assessments of the IPR Independent Directors.

The IPR Independent Directors consider the terms of the Transaction to be in the best interests of Scheme Shareholders. Accordingly, the IPR Independent Directors unanimously recommend that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the Scheme to be proposed at the IPR General Meeting, as the IPR Independent Directors have irrevocably undertaken to do in respect of their own beneficial holdings totalling 104,682 IPR Shares (representing approximately 0.002 per cent. of IPR's issued share capital as at 8 May 2012 (being the latest practicable date prior to publication of this document)).

Yours sincerely,



Sir Neville Simms
Chairman of the IPR Independent Committee

PART 2
EXPLANATORY STATEMENT

Morgan Stanley  **BARCLAYS** **NOMURA**

To all IPR Shareholders and, for information only, to participants in the IPR Share Option Schemes and holders of IPR Convertible Bonds

Dear IPR Shareholder,

**RECOMMENDED ACQUISITION OF
INTERNATIONAL POWER PLC (“IPR”) BY ELECTRABEL S.A. (“EBL”), A
WHOLLY-OWNED SUBSIDIARY OF GDF SUEZ S.A. (“GDF SUEZ”)**

1. Introduction

On 16 April 2012, the IPR Independent Committee and the board of directors of EBL announced that they had agreed the terms of a recommended cash offer to be made by EBL pursuant to which EBL will acquire the entire issued and to be issued ordinary share capital of IPR not already directly or indirectly owned by GDF SUEZ. EBL is a wholly-owned subsidiary of GDF SUEZ. The Transaction is being conducted in compliance with the provisions of the existing Relationship Agreement between EBL, GDF SUEZ and IPR, which regulates the GDF SUEZ Group’s conduct as the majority shareholder of IPR.

The Transaction is to be effected by means of a scheme of arrangement of IPR under Part 26 of the Companies Act 2006, which requires the approval of Scheme Shareholders and the sanction of the Court. The Capital Reduction involved in the Scheme requires the approval of IPR Shareholders by special resolution at the IPR General Meeting and the subsequent confirmation of the Court.

Your attention is drawn to the letter from the Chairman of the IPR Independent Committee, Sir Neville Simms, set out in Part 1 (*Letter from the Chairman of the IPR Independent Committee*) of this document, which forms part of this Explanatory Statement. That letter contains, among other things, the unanimous recommendation by the IPR Independent Directors to Scheme Shareholders to vote in favour of the resolutions to approve and implement the Scheme to be proposed at the IPR Shareholder Meetings.

Your attention is also drawn to Part 3 (*Conditions to and further terms of the Transaction*), Part 4 (*Summary of the Loan Notes*), Part 5 (*Opinion of Employee Representatives of IPR*), Part 6 (*Information concerning the IPR Group*), Part 7 (*Information concerning EBL, GDF SUEZ and the GDF SUEZ Group*) and Part 8 (*Additional Information*) of this document. The Scheme is set out in full in Part 11 (*The Scheme of Arrangement*) of this document.

The IPR Independent Directors have been advised by each of IPR’s Financial Advisers in connection with the Transaction. Each of IPR’s Financial Advisers has been authorised by the IPR Independent Directors to write to you to explain the terms of the Transaction and to provide you with other relevant information. Statements made or referred to in this letter regarding GDF SUEZ’s reasons for the Transaction, information concerning the business of GDF SUEZ, the financial effects of the acquisition on GDF SUEZ, and/or intentions or expectations of or concerning the GDF SUEZ Group reflect the views of the GDF SUEZ Board. Statements made or referred to in this letter regarding the background to and reasons for the recommendation of the IPR Independent Committee, information concerning the business of IPR, and/or intentions or expectations of or concerning IPR, reflect the views of the IPR Independent Committee.

IPR Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Scheme at the Court Meeting and the Special Resolutions to be proposed at the IPR General Meeting.

2. Summary of the Terms of the Transaction

The Transaction is subject to the Conditions and further terms set out in Part 3 (*Conditions to and further terms of the Transaction*) of this document and is to be effected by way of a scheme of arrangement under Part 26 of the Companies Act 2006. This will require the approval of Scheme Shareholders and the sanction of the Court.

If the Scheme becomes effective, the Scheme Shares will be cancelled pursuant to the Capital Reduction and Scheme Shareholders on the register of members of IPR at the Scheme Record Time will be entitled to receive:

for each IPR Share held 418 pence in cash

As an alternative to the cash consideration described above, Scheme Shareholders on the register of members of IPR at the Scheme Record Time (other than Loan Note Restricted Scheme Shareholders) will have the option of electing to receive Loan Notes under the Loan Note Alternative instead of all or part of the cash consideration to which they would otherwise be entitled. Further details of the Loan Note Alternative are contained in paragraph 3 of this Part 2 (*Explanatory Statement*).

The Transaction values the entire issued and to be issued share capital of IPR at approximately £22.8 billion, assuming full conversion of IPR's Convertible Bonds and exercise of all outstanding share options under the IPR Share Option Schemes². The Transaction represents a premium of approximately:

- 20.8 per cent. to the Closing Price per IPR Share of 345.9 pence on 29 February 2012 (being the last Business Day before press and market speculation intensified that GDF SUEZ would make an offer for IPR);
- 9.0 per cent. to the Closing Price per IPR Share of 383.4 pence on 28 March 2012 (being the last Business Day prior to the commencement of the Offer Period);
- 19.4 per cent. to the volume weighted average Closing Price per IPR Share of 350 pence over the 3 month period prior to 28 March 2012 (being the last Business Day prior to the commencement of the Offer Period); and
- 3.5 per cent. to the Closing Price per IPR Share of 403.9 pence on 13 April 2012 (being the last Business Day prior to the release of the Offer Announcement).

IPR Shareholders who are on the register of members on 25 May 2012 will also be entitled to receive the proposed final dividend of 6.6 Euro cents per IPR Share, announced by the IPR Board on 8 February 2012 in respect of the year ended 31 December 2011 and which is expected to be paid to IPR Shareholders on 29 June 2012. **Due to the proximity between the payment date for the proposed 2011 final dividend and the currently expected Effective Date, the Dividend Reinvestment Plan, as administrated by Equinti Financial Services Limited (EFSL), in respect of the proposed 2011 final dividend will be suspended.** Accordingly, IPR Shareholders who have previously elected to reinvest their dividends in the acquisition of further IPR Shares pursuant to the terms of the Dividend Reinvestment Plan will instead receive the proposed 2011 final dividend in the form of a cash payment. GDF SUEZ has committed to the IPR Independent Directors to procure that EBL will vote in favour of the proposed 2011 final dividend at IPR's AGM on 15 May 2012.

Following the Transaction, IPR will be a wholly-owned indirect subsidiary of GDF SUEZ. Accordingly, GDF SUEZ may terminate or amend IPR's dividend policy within the framework of its overall financial policy.

3. **Loan Note Alternative**

As an alternative to some or all of the cash consideration which would otherwise be receivable under the Scheme, Scheme Shareholders (other than Loan Note Restricted Scheme Shareholders) will, subject to certain conditions, be able to elect to receive Loan Notes to be issued by EBL on the following basis:

for every £1 of cash consideration £1 nominal value of Loan Notes

Further details of the tax treatment that may apply to Scheme Shareholders are referred to in paragraph 5 of Part 8 (*Additional Information*) of this document, which includes certain statements about the UK tax consequences for certain UK resident Scheme Shareholders, and certain statements about the Belgian tax consequences for certain non-Belgian resident Scheme Shareholders, of electing to receive Loan Notes.

² The fully diluted share capital assumes full conversion of IPR Convertible Bonds during the relevant event enhanced conversion period and the exercise/vesting of all outstanding share options/awards under the IPR Share Option Schemes. The anticipated number of shares to be issued from full conversion of the IPR Convertible Bonds are illustrative only and based on current available market data as at 8 May 2012 (being the latest practicable date prior to publication of this document) and various other assumptions, including that the final dividend for the year ended 31 December 2011 will be paid on 29 June 2012. The actual number of shares to be issued from full conversion of the IPR Convertible Bonds will depend, inter alia, on market data as at the Effective Date.

Up to a maximum amount of £200 million (or such greater amount as EBL may decide) of Loan Notes in aggregate nominal value will be available under the Loan Note Alternative. To the extent that Scheme Shareholders validly elect to receive Loan Notes pursuant to the Loan Note Alternative which in aggregate nominal value exceed £200 million (or such greater amount as EBL may decide), the entitlement of each Scheme Shareholder who so validly elects will be scaled down pro rata amongst the relevant Scheme Shareholders and any consideration due in excess of the pro-rated amount shall be paid in cash.

The Loan Notes, which will be governed by English law, will be issued by EBL, credited as fully paid, in amounts and integral multiples of £1 and any entitlement that is not a whole multiple of £1 will be rounded down to the nearest £1 and the balance of the consideration disregarded and not paid. The Loan Notes will constitute direct, unsecured and unsubordinated obligations of EBL.

The first payment of interest will be made on the date falling one year after the Effective Date (which is expected to be on or about 29 June 2013) (the “**First Payment Date**”). On the First Payment Date, interest will be paid in respect of the period from (and including) the date on which the Loan Notes are issued, up to (but excluding) the First Payment Date. The Loan Notes shall bear interest at a rate of 0.25 per cent. per annum, and interest shall be paid (subject to any deduction or withholding required by law) annually in arrears.

Unless EBL decides otherwise, no Loan Notes will be issued by EBL if the aggregate nominal value of all Loan Notes to be issued as a result of valid elections for the Loan Note Alternative is less than £20 million. If such aggregate nominal value is less than £20 million, any such election shall, unless EBL decides otherwise, be void and the relevant Scheme Shareholders will be deemed not to have made an election under the Loan Note Alternative and shall instead receive cash consideration.

The Loan Notes may be redeemed at the option of a Loan Note Holder on not more than 60 days’ and not less than 30 days’ prior notice in writing, in minimum denominations of £1,000, unless such holder of Loan Notes has a total holding of less than £1,000, in which case such Loan Note Holder’s total Loan Note holding, but not part thereof, may be redeemed. The Loan Notes are redeemable at the option of the Loan Note Holder for cash at par on any interest payment date between the First Payment Date and the date falling three years after the Effective Date (which is expected to be on or about 29 June 2015) (the “**Final Redemption Date**”) (both dates inclusive).

On or after the First Payment Date, EBL may redeem all (but not some only) of the Loan Notes upon prior notice in writing to all Loan Note Holders of not less than 30 days, if the aggregate nominal value of the outstanding Loan Notes falls below 15 per cent. of the aggregate principal value of the Loan Notes issued. EBL may purchase any Loan Notes which have been in issue for at least six months at a price by tender available to all Loan Notes Holders alike, or otherwise by private treaty or agreement with any Loan Note Holder(s). Any Loan Notes outstanding on the Final Redemption Date will be redeemed at par together with any accrued interest (subject to any deduction or withholding required by law) due at that date.

The Loan Notes do not qualify as bonds (*obligations*) within the meaning of Article 485 of the Belgian Companies Code. Accordingly, holders of the Loan Notes shall not be entitled to rely on the provisions of the Belgian Companies Code applicable to bondholders.

Except as provided in the terms of the Loan Note Instrument, the Loan Notes will not be transferable without the prior consent of EBL, and no application will be made for them to be listed on, or dealt on, any stock exchange or other trading facility.

The Loan Notes that may be issued pursuant to the Loan Note Alternative have not been, and will not be, listed or traded on any stock exchange and have not been, and will not be registered under the US Securities Act of 1933 or under any laws of any state, district or other jurisdiction of the United States; the relevant clearances have not been, and will not be, obtained from the securities commission or similar authority of any province, territory or jurisdiction of Canada; nor have any steps been taken, nor will any steps be taken, to enable the Loan Notes to be offered in compliance with the applicable securities laws of Belgium, Hong Kong, New Zealand or Japan and no regulatory clearances in respect of the Loan Notes have been, or will be, applied for in any other jurisdiction. Accordingly, unless an exemption under relevant securities law is available, the Loan Notes are not being and may not be offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States, or for the account or benefit of, any Loan Note Restricted Scheme Shareholder or into a jurisdiction in which an offer of Loan Notes would constitute a violation of the relevant laws of, or require registration of the Loan Notes in, that jurisdiction or require the filing, registration or publication of a prospectus pursuant to applicable securities laws of that jurisdiction. The Loan Notes are not being offered in, and may not be transferred into, the United States and the Scheme does not constitute an offer of Loan Notes in the United States. There will be no public offer of securities in the United States. Neither the US Securities and Exchange Commission nor any US State Securities Commission has approved or disapproved of the Loan Notes, or determined if this document is accurate or complete. Any representation to the contrary is a criminal offence.

Further details on the terms of the Loan Notes are set out in Part 4 (*Summary of the Loan Notes*) of this document and details on how to make an election under the Loan Note Alternative are set out in Part 14 (*Notes on making a Loan Note Election*) of this document.

Rothschild has advised EBL that, in its opinion, based on market conditions on 8 May 2012 (the latest practicable date prior to publication of this document), the value of the Loan Notes (had they been in issue on that day) would have been not less than 98 pence per £1 in nominal value.

The IPR Independent Directors do not give any advice to Scheme Shareholders as to whether, or to what extent, they should elect for the Loan Note Alternative under the Scheme as its benefits will depend on Scheme Shareholders' individual tax positions. Scheme Shareholders should consider whether the Loan Notes are a suitable payment alternative in light of their own personal circumstances and investment objectives and are, therefore, strongly recommended to seek their own independent financial, tax and legal advice in light of their own personal circumstances and investment objectives before deciding whether to elect for the Loan Note Alternative.

4. Undertakings to Vote in Favour of the Scheme

GDF SUEZ and EBL have received irrevocable undertakings to vote in favour of the Scheme (or, if applicable, to accept the Offer) from the IPR Directors who hold IPR Shares in respect of the entire beneficial holdings of them and their connected persons as at the date the irrevocable undertakings were given (amounting to a total of 1,132,705 IPR Shares, representing approximately 0.022 per cent. of IPR's existing share capital) and in respect of any other IPR Shares issued or unconditionally allotted to them, further details of which are set out in paragraph 7 of Part 8 (*Additional Information*) of this document.

The undertakings from these IPR Directors will cease to be binding if:

- this document (or Offer Document, as applicable) is not published within 28 days of the date of issue of the Offer Announcement (or such later date as the Panel may agree);
- the Scheme (or Offer, as applicable) does not become effective or lapses in accordance with its terms; or
- the Scheme is withdrawn or any competing offer is made which is declared wholly unconditional or otherwise becomes effective.

For further details of the irrevocable undertakings, see paragraph 7 of Part 8 (*Additional Information*) of this document.

5. Background to and Reasons for the Transaction³

GDF SUEZ believes that the Transaction represents a major strategic step in its development and is consistent with its strategy of accelerating its development in fast growing markets and simplifying the structure of the GDF SUEZ Group.

The Transaction will allow GDF SUEZ to take full control of a unique platform for development in fast growing countries, where it intends to significantly increase its investments in the future. IPR has leading positions in regions supported by steady energy demand such as Latin America, the Middle East, South-East Asia and Australia. Following completion of the Transaction, the GDF SUEZ Group has stated that it will increase its guidance for capital expenditure in fast growing markets to between 40 per cent. and 50 per cent. of the GDF SUEZ Group's total gross capital expenditure in the medium term (versus 30 per cent. today), thereby fostering the 90GW installed capacity target outside of Europe by 2016.

GDF SUEZ believes that the Transaction will allow it to receive the full benefit of the synergies generated from the Combination.

GDF SUEZ believes that the impact of the Transaction on its earnings, on a pro forma basis for 2011, will be earnings per share accretive by 9 per cent., from €1.8 to €2.0, before taking into account the impact of disposals and GDF SUEZ's scrip dividend (mentioned below). Assuming the take up of the scrip dividend by GDF SUEZ's two leading shareholders, GDF SUEZ believes that the Transaction will be accretive by 5 per cent. before taking into account disposals. GDF SUEZ expects that the impact on its 2011 group pro forma net debt will be €8.4 billion, which will be partly mitigated by the opportunity offered to GDF SUEZ shareholders to participate in the scrip dividend option for the 2011 final dividend and the 2012 interim dividend to be proposed. The French State and Groupe Bruxelles Lambert have already committed to take

³ The statements in this paragraph, including that the Transaction is expected to be earnings per share accretive, should not be interpreted to mean that the earnings per share in the current or any future financial period will necessarily match or be greater than those for the relevant preceding financial period.

the scrip dividend option for these two dividend payments. In addition, the GDF SUEZ Group is committed to realising €3 billion from additional disposals. The disposal plan will enable the GDF SUEZ Group to meet its strategic objectives of an increased presence in fast growing markets as well as enhanced integration of its European activities.

GDF SUEZ has confirmed its objective to maintain an “A” category credit rating and its dividend policy following the Transaction. GDF SUEZ has revised its 2012 Net Recurring Income Group Share target upwards by approximately €200 million, in the range of €3.7 - 4.2 billion (vs. €3.5 - 4.0 billion announced by GDF SUEZ on 9 February 2012), due to the full integration of IPR in the second half of 2012. For the full year 2013 GDF SUEZ estimates that the increase will amount to approximately €400 million, before additional disposals. GDF SUEZ believes that the Transaction, after taking into account the impact of the scrip dividend and the additional disposals related to the Transaction, will be earnings per share accretive going forward.

6. Information on the IPR Group

IPR is a public limited company registered in England and Wales with company number 2366963. It was incorporated on 1 April 1989. The IPR Shares are listed on the Official List of the London Stock Exchange.

In February 2011, pursuant to the Combination, the Energy International division of GDF SUEZ and certain GDF SUEZ assets in the UK and Turkey were transferred to IPR in exchange for approximately 70 per cent. of the enlarged issued share capital of IPR. The Combination created an enlarged IPR which is now a leading independent electricity generating company operating across 30 countries with 75,579MW gross (43,288MW net) in operation and a significant programme of 12,820MW gross (5,868MW net) projects under construction as at 31 December 2011. The Combination also significantly enhanced IPR’s strategic positioning and growth profile and provided IPR with much greater financial strength and improved access to capital to drive growth in both the short and longer-term.

Together with power generation, IPR uses its capabilities successfully and profitably to develop closely-linked businesses. These include: wholesale production of fresh water through seawater desalination; LNG terminals and distribution; electricity retail business; open-cast coal mining; gas transportation and distribution and renewable energy.

IPR has in excess of 11,000 employees either directly or through its subsidiaries or share of joint ventures as at 31 December 2011 and achieved revenues of c. €16.17 billion in 2011.

7. IPR’s Current Trading and Prospects

Revenue for the three months ended 31 March 2012 was €4,257 million, up 5 per cent.. IPR’s portfolio of assets continued to perform well and in line with IPR’s expectations. In addition, IPR’s major construction programme continued to progress across a number of projects.

IPR remains confident of delivering further growth in 2012, principally driven by full-year contributions from new plants that became operational in late 2011 as well as new capacity that is expected to come on line during 2012.

On 19 April 2012, IPR published its interim management statement for the period 1 January 2012 to 18 April 2012. The text of this announcement is incorporated into this document by reference and is available at the following website address <http://www.iprplc-gdfsuez.com/news/press-releases/2012/19-04-2012.aspx>.

8. Information on EBL, GDF SUEZ and the GDF SUEZ Group

EBL is a wholly-owned subsidiary of GDF SUEZ incorporated in Belgium and is the entity within the GDF SUEZ Group that currently holds GDF SUEZ’s stake in IPR. GDF SUEZ is the parent company of the GDF SUEZ Group. GDF SUEZ resulted from the merger of Gaz de France and SUEZ S.A. in July 2008.

GDF SUEZ develops its businesses around a model based on responsible growth to take up today’s major energy and environmental challenges: meeting energy needs, ensuring the security of supply, combating climate change and optimizing the use of resources. The GDF SUEZ Group provides highly efficient and innovative solutions to individuals, cities and businesses by relying on diversified gas-supply sources, flexible and low-emission power generation as well as unique expertise in four key sectors: liquefied natural gas, energy efficiency services, independent power production and environmental services. The GDF SUEZ Group employs 218,900 people worldwide and achieved revenues of €90.7 billion in 2011. GDF SUEZ is listed on the Brussels, Luxembourg and Paris stock exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Stoxx 50, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, ASPI Eurozone and ECPI Ethical Index EMU.

9. GDF SUEZ's Intentions and Strategic Plans for IPR

The EBL and GDF SUEZ boards of directors attach great importance to the skills, experience and industry knowledge of the existing management and employees of IPR. The EBL and GDF SUEZ boards of directors confirm that, upon the Scheme becoming Effective, the existing contractual and statutory employment rights, including in relation to pensions, of all IPR Group employees will continue to be fully safeguarded.

EBL already owns approximately 70 per cent. of the issued share capital of IPR and IPR already constitutes GDF SUEZ's Energy International business line. A significant operational reorganisation was implemented in 2011 to maximise synergies and optimise efficiency at IPR. As a result, no significant additional cost synergies are expected to be achieved as a result of the Transaction at IPR headquarters. Following completion of the Transaction, IPR will continue to constitute GDF SUEZ's Energy International business line and there are no proposals to close IPR's London office or change the existing London and Brussels dual headquarters of the business line. Following completion of the Transaction, a review will be undertaken by GDF SUEZ and IPR to determine whether any cost savings can be achieved as a result of IPR ceasing to be listed on the Official List. Any such cost savings are not expected to be significant or to have a material impact on IPR employees. Any IPR employees affected by such cost savings will be offered redeployment within the GDF SUEZ Group.

As set out in further detail in paragraph 5 of this Part 2 (*Explanatory Statement*), as a result of the Transaction, the GDF SUEZ Group is committed to realising €3 billion of disposals as well as enhancing integration of its European activities. This plan, which may involve IPR assets, will enable the GDF SUEZ Group to meet its strategic objective of an increased presence in fast growing markets. Save as set out above, GDF SUEZ and EBL have no plans to redeploy the fixed assets of IPR.

10. Financing in Connection with the Transaction

EBL is providing the cash consideration payable under the Transaction from a combination of the New Debt Facility and cash resources.

Rothschild is satisfied that sufficient resources are available to satisfy in full the cash consideration payable to Scheme Shareholders under the terms of the Transaction.

Further details of the relevant bank facilities are set out at paragraph 8 of Part 8 (*Additional Information*) of this document.

11. Structure of the Transaction

(a) *The Scheme*

It is intended that the Transaction will be effected by way of the Scheme. The Scheme is an arrangement made between IPR and the Scheme Shareholders under Part 26 of the Companies Act 2006. This involves an application by IPR to the Court to sanction the Scheme and confirm the related Capital Reduction, in consideration for which Scheme Shareholders on the register of members of IPR at the Scheme Record Time will receive cash or, to the extent that they have validly elected to do so (and subject to certain terms and conditions), Loan Notes, in each case, from EBL on the basis set out in paragraph 2 or paragraph 3, as applicable, of this Part 2 (*Explanatory Statement*). The cancellation of the Cash Scheme Shares and subsequent issue of new IPR Shares to EBL and the transfer of the Loan Note Scheme Shares to EBL, in each case, provided for in the Scheme will result in all of the IPR Shares being held by EBL or other members of the GDF SUEZ Group.

Prior to the Scheme Record Time, IPR may allot and issue IPR Shares pursuant to either the exercise or vesting of options or awards under the IPR Share Option Schemes or the exercise by IPR Convertible Bondholders of their Conversion Rights. IPR will not issue any shares between the Scheme Record Time and the Scheme becoming Effective.

It is expected that the Scheme will become effective on 29 June 2012, subject to the satisfaction or (where applicable) waiver of all the relevant Conditions.

(b) *IPR Shareholder approvals*

The Transaction is subject to the approval of the Scheme Shareholders by the passing of a resolution at the Court Meeting. At the Court Meeting, voting will be by poll and not a show of hands and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share

held. This resolution must be approved by a majority in number of the holders of Scheme Shares present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares held by such holders.

IPR Shares in which EBL, GDF SUEZ or a member of the GDF SUEZ Group are interested will not be eligible to be voted on the resolution at the Court Meeting to approve the Scheme and the Scheme will not apply to such IPR Shares. As at 8 May 2012 (the latest practicable date prior to publication of this document), the GDF SUEZ Group was, in aggregate, interested in 3,554,347,956 IPR Shares.

You will find the Notice of Court Meeting set out in Part 12 (*Notice of Court Meeting*) of this document. It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of the Scheme Shareholders. You are therefore urged to sign and return your blue Form of Proxy as soon as possible.

In addition, the Scheme will require the approval of the Transaction Special Resolution by IPR Shareholders at the IPR General Meeting. The IPR General Meeting has been convened to consider and, if thought fit, to pass:

- (1) the Transaction Special Resolution (which requires a vote in favour of not less than 75 per cent. of the votes cast, whether in person or by proxy):
 - (i) to approve a reduction of capital and subsequent issue of new IPR Shares in accordance with the Scheme; and
 - (ii) to approve certain amendments to the IPR Articles in accordance with the Scheme and in the manner described in paragraph 11(d) below; and
- (2) to pass the Deferred Shares Special Resolution (which requires a vote in favour of not less than 75 per cent. of the votes cast, whether in person or by proxy) to approve the buy back of the Deferred Shares pursuant to the Deferred Shares SPA, as further described in paragraph 11(e) below.

Voting on the Special Resolutions will be by poll and not on a show of hands and each IPR Shareholder present in person or by proxy will be entitled to one vote for every IPR Share held.

Entitlement to attend, speak and vote at these meetings and the number of votes which may be cast at the meetings will be determined by reference to the register of members of IPR at the Voting Record Time. All IPR Shareholders whose names appear on the register of members of IPR at 6.00 p.m. on 1 June 2012 or, if either the Court Meeting or the IPR General Meeting is adjourned, on the register of members at 6.00 p.m. on the date which is one day (excluding any part of a day that is not a working day) before the date set for the adjourned meeting, shall be entitled to attend, speak and vote at the relevant meeting in respect of the number of IPR Shares registered in their name at the relevant time.

You will find the Notice of IPR General Meeting set out in Part 13 (*Notice of IPR General Meeting*) of this document. The quorum for the IPR General Meeting will be two or more IPR Shareholders present in person or by proxy.

Whether or not you vote in favour of the Scheme resolutions tabled at the Court Meeting and the IPR General Meeting, if the Scheme becomes Effective, you will be bound by the Scheme and you will receive the consideration due under the terms of the Scheme.

As soon as practicable following, and in any event by no later than 8.00 a.m. on the Business Day following the IPR Shareholder Meetings, IPR will make an announcement on a Regulatory Information Service stating whether or not the resolutions proposed at the Court Meeting and the IPR General Meeting were passed by the requisite majorities (and, if not, whether or not the Scheme has lapsed) and giving voting results in relation to the IPR Shareholder Meetings.

(c) ***The Court Hearing and the Effective Date***

The Court Hearing to sanction the Scheme and confirm the Capital Reduction is currently expected to take place on 28 June 2012. All IPR Shareholders are entitled to attend the Court Hearing in person or through counsel to support or oppose the sanctioning of the Scheme.

The Scheme will become effective as soon as copies of the Court Order and the Statement of Capital have been delivered by or on behalf of IPR to the Registrar of Companies for registration and, if the Court so orders, have been registered. This is currently expected to occur on or about 29 June 2012.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including any Scheme Shareholders who did not vote to approve the Scheme or who voted against the Scheme at the Court Meeting.

Unless the Scheme becomes Effective by no later than 31 December 2012, or such later date as IPR, GDF SUEZ and EBL may, with the consent of the Panel, agree and the Court, if required, may allow, the Scheme will not become Effective and the Transaction will not proceed.

(d) ***Amendment to the IPR Articles***

The Transaction Special Resolution contains provisions to amend the IPR Articles to ensure that any IPR Shares issued (other than to EBL, GDF SUEZ or another member of the GDF SUEZ Group) (i) between the IPR General Meeting and the Scheme Record Time will be subject to the Scheme; and (ii) after the Scheme Record Time will automatically be acquired by EBL on the same terms as under the Scheme except that there will be no entitlement to elect for the Loan Note Alternative. These provisions will avoid any person (other than a member of the GDF SUEZ Group) holding IPR Shares after dealings in such shares have ceased on the London Stock Exchange.

(e) ***Deferred Shares SPA***

IPR's issued share capital includes 21 unlisted fully-paid deferred shares of 1 pence each (the "Deferred Shares"). To simplify IPR's capital structure, it is proposed that IPR will buy-back and cancel the Deferred Shares. The Deferred Shares Special Resolution authorises IPR to complete the off-market buy-back of the Deferred Shares pursuant to the terms of the Deferred Shares SPA.

(f) ***Modifications to the Scheme***

The Scheme contains a provision for IPR and EBL to consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or additions to, or impose a condition to the Scheme which might be material to the interests of the Scheme Shareholders unless Scheme Shareholders were informed of such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances.

(g) ***Conditions***

The Scheme is subject to the Conditions, including, among other things:

- (i) the Court Meeting and the IPR General Meeting having been held by the 22nd day after the expected date of the Court Meeting as set out in the expected timetable of principal events on page 5 of this document;
- (ii) the approval of the Scheme at the Court Meeting and the passing of the Transaction Special Resolution at the IPR General Meeting;
- (iii) the Court Hearing having been held by the 22nd day after the expected date of the Court Hearing as set out in the expected timetable of principal events on page 5 of this document;
- (iv) the sanction of the Scheme and confirmation of the Capital Reduction by the Court;
- (v) regulatory approvals in respect of the Transaction having been received from the Public Service Commission of the State of New York, the Treasurer of the Commonwealth of Australia (if applicable), the Essential Services Commission of the State of Victoria and the Turkish Energy Market Regulatory Authority, as more fully described in Part 3 (*Conditions to and further terms of the Transaction*) of this document; and
- (vi) the Scheme becoming Effective by not later than 31 December 2012, or such later date (if any) as EBL, GDF SUEZ and IPR may, with the consent of the Panel, agree and the Court, if required, may allow,

provided however that, in particular, the receipt of the regulatory approvals referred to in paragraph (v) above, the deadlines for the timing of the Court Meeting, the IPR General Meeting and the Court Hearing to approve the Scheme and the effectiveness of the Scheme as set out above may each be waived by EBL.

The Transaction can only become Effective if all Conditions, including those described above, have been satisfied or, if capable of waiver, waived. If any Condition is not capable of being satisfied by the date specified therein, EBL and GDF SUEZ shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by no later than 8.00 a.m. on the Business Day following the date so specified, stating whether EBL has invoked that Condition, waived that Condition or, with the agreement of IPR, specified a new date by which that Condition must be satisfied.

(h) *Alternative means of implementing the Transaction*

EBL has reserved the right (subject to obtaining the unanimous approval of the IPR Independent Directors) to elect to implement the Transaction by way of an Offer as an alternative to the Scheme, in which case additional documents will be required to be sent to IPR Shareholders. In such event, the Offer will (unless otherwise agreed) be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments (including the inclusion of an acceptance condition set at 90 per cent. of the shares to which such Offer relates or such other percentage as EBL may, with the consent of the Panel (if required), decide).

12. **IPR Directors and the effect of the Scheme on their interests**

Details of the interests of the IPR Directors in IPR Shares are set out in paragraph 4 of Part 8 (*Additional Information*) of this document.

The IPR Directors who hold IPR Shares have irrevocably undertaken to vote in favour of the Scheme as described in paragraph 4 above.

Other than as set out in paragraph 13 below, in common with the other participants in the IPR Share Option Schemes, the Scheme will not affect the interests of the IPR Directors who are participants in those IPR Share Option Schemes.

Save as set out in this document, there are currently no proposed changes to the service contracts of any IPR Director and no proposed termination payment for any IPR Director and the effect of the Scheme on the interests of the IPR Directors does not differ from its effect on the like interests of any other Scheme Shareholder.

13. **IPR Share Option Schemes**

The Scheme will not be a triggering event for the purposes of the Approved Executive Share Option Plan (“**Approved ESOS**”), the Unapproved Executive Share Option Plan (“**Unapproved ESOS**”), the 2002 Global Executive Share Option Plan (“**Global ESOS**”), the Save As You Earn Plan (“**UK SAYE Plan**”), the Global Sharesave Plan (“**Global SAYE Plan**”), the 2010 UK Sharesave Plan (“**UK 2010 SAYE Plan**”) and the 2010 Global Sharesave Plan (“**Global 2010 SAYE Plan**”).

All outstanding options (other than those granted on 24 May 2002) granted under the Approved ESOS, Unapproved ESOS and Global ESOS plans have already vested and these options remain exercisable as permitted by the rules of those plans until the tenth anniversary of grant.

Options granted under the Approved ESOS and the Unapproved ESOS on 24 May 2002 did not meet their performance criteria and so are only exercisable in certain cases of termination of employment. To the extent participants are unable to exercise their options they will lapse on 23 May 2012 (being the tenth anniversary of grant).

Outstanding options granted under the UK SAYE Plan, the Global SAYE Plan, the UK 2010 SAYE Plan and the Global 2010 SAYE Plan will remain subject to the rules of the relevant plans. Participants may not normally exercise their options until they have completed their associated savings contract (which will usually be three or five years from the date of commencement of the savings contract) and then not more than six months thereafter. Special provisions allow early exercise in certain cases of termination of employment. When participants exercise their options under these plans, they will be entitled to receive a cash payment of 92 pence per IPR Share to compensate them for not having received the special dividend of 92 pence per IPR Share paid at the time of the Combination.

Participants in the PSP will be given a choice. They can have the Scheme treated as a triggering event, in which case, as a result of the decision taken by the IPR remuneration committee on 9 May 2012, vesting will be subject to the satisfaction of performance conditions and time pro-rating up to the Effective Date. The number of IPR Shares per award will first be pro-rated for time and the relevant performance conditions

will then be applied to this reduced number of IPR Shares in order to calculate the level of vesting. The IPR remuneration committee will meet again after the Effective Date to determine the actual number of IPR Shares which will vest on this basis.

Alternatively, EBL has agreed that participants can elect for their awards to continue up to the original vesting date, and the PSP Rules will be amended, subject to the Scheme becoming Effective, to permit this. In this case, the level of vesting will be the same as under the first choice above. However, participants will only be entitled to receive these IPR Shares, which will then be subject to the automatic transfer provisions in IPR's Articles, on the original vesting date, provided they comply with the terms of the amended PSP Rules (including the provisions on termination of employment) during that period. In addition, participants who elect for this choice will be granted a conditional cash award under a new incentive arrangement with the amount of cash being equal to the value (at 418 pence per IPR Share) of the IPR Shares in the original PSP award which did not vest due to the above time pro-rating. This conditional cash award will vest at the end of the original PSP award vesting period, subject to continued employment and the satisfaction of new performance conditions which will be chosen by the IPR remuneration committee.

IPR Shares held on behalf of participants in the 2010 UK Share Incentive Plan (“SIP”) will be subject to the Scheme in the same way as other IPR Shares held by IPR Shareholders. EBL has agreed to compensate SIP participants for any liabilities to income tax and national insurance contributions incurred as a result of the disposal of their IPR Shares under the Scheme.

Holders of options and awards under the IPR Share Option Schemes will be sent further details of the impact (if any) of the Scheme on their options and awards, and any alternatives available to them, as soon as practicable after the issue of this document.

As the Scheme will apply only to Scheme Shares in issue at the Scheme Record Time, it is proposed to amend the IPR Articles at the IPR General Meeting to provide that, if the Transaction completes, any IPR Shares issued after the Scheme Record Time will be automatically transferred to EBL on a basis which reflects the terms of the Transaction. Consequently, participants in the IPR Share Option Schemes who acquire IPR Shares after the Scheme Record Time will be entitled to receive the same cash consideration as under the Scheme. Loan Notes will not be available in these circumstances.

14. **IPR Convertible Bonds**

IPR currently has three series of convertible bonds in issue, the 2013 Convertible Bonds, the 2015 Convertible Bonds and the 2023 Convertible Bonds. This paragraph 14 summarises the proposals that are intended to be made to IPR Convertible Bondholders pursuant to Rule 15 of the Takeover Code. A notice containing further details of the proposals being made to holders of each series of IPR Convertible Bonds, including the recommendation of the IPR Independent Directors, and the actions to be taken by IPR Convertible Bondholders, will be made available to IPR Convertible Bondholders through the facilities of Euroclear Banking S.A./N.A., Clearstream Banking S.A. and published via a Regulatory Information Service in due course.

Under each series of IPR Convertible Bonds, IPR Convertible Bondholders currently have the right to convert their IPR Convertible Bonds into exchangeable redeemable preference shares in the Relevant Convertible Bond Issuer (“**Conversion Rights**”). Upon conversion, the preference shares will be immediately exchanged for IPR Shares at the applicable exchange price under the terms and conditions of the relevant series of IPR Convertible Bonds.

IPR Convertible Bondholders may elect to exercise Conversion Rights either before or after the Scheme becomes Effective. The applicable exchange price will vary depending on when Conversion Rights are exercised.

IPR Convertible Bondholders who exercise their Conversion Rights and are entered on the register of members of IPR before the Scheme Record Time will participate in the Scheme as holders of IPR Shares and will receive the Offer Price for each resulting IPR Share held at the same time as all other Scheme Shareholders.

EBL and IPR have agreed that the Scheme becoming Effective will amount to a “**Relevant Event**” under the terms and conditions of each series of IPR Convertible Bonds. The terms and conditions of each series of IPR Convertible Bonds contain provisions whereby the exchange price may be adjusted downwards in certain circumstances, including, for a limited 60 day period only, following a Relevant Event. This 60 day period is referred to below as the Special Conversion Period. The effect of the exchange price adjustment is that IPR Convertible Bondholders may receive an enhanced number of IPR Shares per IPR Convertible Bond than they would have had they converted outside the Special Conversion Period.

IPR Convertible Bondholders who exercise their Conversion Rights during the Special Conversion Period may receive an enhanced number of IPR Shares reflecting an adjustment to the exchange price made in respect of the Scheme becoming Effective. IPR Convertible Bondholders who exercise their Conversion Rights prior to the Effective Date but who are issued IPR Shares following the Scheme Record Time will, provided that the Scheme becomes Effective, be treated in the same manner as IPR Convertible Bondholders who exercise their Conversion Rights during the Special Conversion Period including as to the applicable exchange price.

IPR Convertible Bondholders who exercise their Conversion Rights following the expiry of the Special Conversion Period will not receive an enhanced number of IPR Shares as any exchange price adjustment (if any) as described in the paragraph above will only be applicable for a limited period during the Special Conversion Period.

Any IPR Convertible Bondholders who exercise their Conversion Rights so as to convert their IPR Convertible Bonds into IPR Shares following the Scheme Record Time will have the resulting IPR Shares automatically acquired by EBL pursuant to an amendment to the IPR Articles and instead of receiving IPR Shares will receive the Offer Price per IPR Share in cash.

In addition to the Conversion Rights described above, following the occurrence of a Relevant Event under each series of IPR Convertible Bonds, IPR Convertible Bondholders will, for a limited period of 60 days following the Relevant Event, have the right to put their IPR Convertible Bonds to the Relevant Convertible Bond Issuer. On the Relevant Event Put Date (as defined in the terms and conditions of the relevant series of IPR Convertible Bonds) the Relevant Convertible Bond Issuer will redeem the IPR Convertible Bonds at their principal amount, together in each case with interest accrued to the date fixed for redemption. In addition, each Relevant Convertible Bond Issuer has certain existing redemption rights under the terms of the IPR Convertible Bonds which it may decide to exercise following the expiry of the Special Conversion Period.

15. IPR ADRs

IPR ADR holders will not be entitled to attend either the Court Meeting or the IPR General Meeting but may vote in such meetings by returning a voting instruction card (which will be sent out in due course) to the ADR Depositary or by instructing their financial intermediary to do so. In addition, if an IPR ADR holder withdraws the IPR Shares underlying their IPR ADRs from the deposit programme in sufficient time to be entered on the IPR register of members, they may attend and vote at the IPR Shareholder Meetings as Scheme Shareholders. However, any withdrawal of IPR Shares underlying the IPR ADRs may result in the incurrance of cancellation fees, other expenses and taxes by the holder.

Following the Effective Date, IPR's ADR program will terminate.

16. Dealing, Suspension and De-Listing

Dealings in IPR Shares on the London Stock Exchange are currently expected to cease at the close of business on 27 June 2012. No transfers of IPR Shares will be registered after the time at which dealings in IPR Shares on the London Stock Exchange cease. Prior to the Effective Date, IPR will make an application to the FSA for the listing of the IPR Shares to be cancelled and for the IPR Shares to cease to be admitted to trading on the Main Market of the London Stock Exchange. Such cancellation is expected to take effect on the Effective Date. On the Effective Date, share certificates in respect of IPR Shares will cease to be valid and entitlements to IPR Shares held within the CREST system will be cancelled.

17. Settlement of Consideration

Subject to the Scheme becoming Effective, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be effected in the manner described below.

(a) *Scheme Shares in uncertificated form*

Where, at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in uncertificated form, settlement of the cash consideration to which such Scheme Shareholder is entitled will be paid through CREST in pounds sterling as soon as practicable after the Effective Date and in any event within 14 calendar days (or within such other time period as may be approved by the Panel) after the Effective Date, in accordance with the CREST payment arrangements.

As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course.

EBL reserves the right to pay any cash consideration to all or any Scheme Shareholders who hold Scheme Shares in uncertificated form at the Scheme Record Time in the manner referred to in sub-paragraph (b) below if, for any reason, it wishes to do so.

(b) ***Scheme Shares in certificated form***

Where, at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in certificated form, settlement of the cash consideration to which such Scheme Shareholder is entitled will be made in pounds sterling by cheque drawn on a branch of a clearing bank in the United Kingdom.

Cheques in respect of cash consideration will be despatched by first class post (or by such other method as may be approved by the Panel) at the risk of the person entitled thereto within 14 calendar days (or within such other time period as may be approved by the Panel) after the Effective Date. Cheques will be sent to Scheme Shareholders at the address appearing in IPR's register of members at the Scheme Record Time or, in the case of joint holders, to the holder whose name appears first in such register in respect of the joint holding concerned.

On the Effective Date, each certificate representing a holding of IPR Shares subject to the Scheme will cease to be valid. Following settlement of the consideration to which a Scheme Shareholder is entitled under the Scheme, such Scheme Shareholder will be bound on the request of IPR either (i) to destroy such IPR share certificates or (ii) to return such IPR share certificates to IPR, or to any person appointed by IPR, for cancellation.

(c) ***Loan Notes***

Where Loan Notes are issued to Loan Note Scheme Shareholders, certificates for the Loan Notes (in the form contained in the instrument constituting the Loan Notes) will be despatched by first class post (or by such other method as may be approved by the Panel) as soon as practicable and in any event within 14 calendar days (or such other time period as may be approved by the Panel) after the Effective Date to Loan Note Scheme Shareholders at the address appearing in IPR's register of members at the Scheme Record Time or, in the case of joint holders, to the holder whose name appears first in such register in respect of the joint holding concerned. Each Loan Note Scheme Shareholders's aggregate entitlement to Loan Notes will be rounded down to the nearest £1 and the balance of the consideration disregarded and not paid to such holder.

(d) ***Right to withdraw or amend Loan Note Elections***

A Scheme Shareholder who has returned a Form of Election and subsequently wishes to withdraw or amend such election must notify IPR's registrars, Equiniti in writing by no later than 11.00 a.m. on 26 June 2012 (or such later time (if any) to which the right to withdraw an election may be extended). Such notice must contain an original signature and clearly specify whether the election is to be withdrawn or amended. Any notices of this nature should be sent to Equiniti at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. If the election was made through a TTE Instruction, Equiniti should be contacted as soon as possible to seek to arrange electronic withdrawal or amendment.

(e) ***General***

All documents and remittances sent to Scheme Shareholders in accordance with this paragraph 17 will be sent at the risk of the person entitled thereto.

Mandates in force at the Effective Date relating to the payment of dividends and other instructions given by the Scheme Shareholders in respect of their Scheme Shares will be deemed revoked as from the Effective Date.

Save with the consent of the Panel, settlement of the consideration to which any Scheme Shareholder is due under the Scheme will be implemented in full in accordance with the terms set out in this Part 2 (*Explanatory Statement*) without regard to any lien, right of set off, counterclaim or analogous right to which EBL may otherwise be, or claim to be, entitled against any such Scheme Shareholder.

18. Overseas Shareholders

The release, publication or distribution of this document in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose

possession this document and any accompanying documents come should inform themselves about, and observe, any applicable restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of such jurisdictions.

Neither this document nor the accompanying documents are intended to, and do not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. Nothing in this document or the accompanying documents should be relied upon for any other purpose.

The implications of the Transaction for persons resident in, or citizens of, jurisdictions outside the United Kingdom may be affected by the laws of the relevant jurisdictions. Such Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

This document and the accompanying documents have been prepared for the purposes of complying with English law and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. **Overseas Shareholders should consult their own legal and tax advisers with regard to the legal and tax consequences of the Scheme in light of their own particular circumstances.**

If, in respect of any Scheme Shareholder, EBL is advised that the allotment and issue of Loan Notes would or might infringe the laws of any jurisdiction outside the United Kingdom, or would or might require EBL or IPR to obtain any governmental or other consent or to effect any registration, filing or other formality with which, in the opinion of EBL or IPR, it would be unable to comply or which it regards as unduly onerous, then such Scheme Shareholder shall be a Loan Note Restricted Scheme Shareholder and no Loan Note Election made by such Scheme Shareholder shall be of any effect.

In particular, Scheme Shareholders who are citizens, residents or nationals of Belgium, Canada, Hong Kong, Japan, New Zealand or the United States shall be Loan Note Restricted Scheme Shareholders and any Loan Note Election made by such Scheme Shareholders shall be of no effect.

All IPR Shareholders (including, without limitation, nominees, trustees or custodians) who would, or otherwise intend to, forward this document and its accompanying documents to any jurisdiction outside the United Kingdom, should seek appropriate independent professional advice before taking any action.

19. **UK and Belgium Tax**

A summary of certain UK tax consequences of the implementation of the Scheme for certain UK tax resident Scheme Shareholders is set out in paragraph 5 of Part 8 (*Additional Information*) of this document.

A summary of certain Belgian tax consequences of acquiring, holding and disposing of the Loan Notes by certain Scheme Shareholders who are non-residents of Belgium is also set out in paragraph 5 of Part 8 (*Additional Information*) of this document.

Such summaries are intended as a guide only. Scheme Shareholders who are in any doubt about their tax position or who are resident or otherwise subject to tax outside the UK or who are resident or otherwise subject to tax in Belgium are strongly advised to consult their own professional tax advisers concerning the tax consequences of the Scheme in light of their own particular circumstances.

20. **Action to be Taken**

IPR Shareholders will find enclosed with this document a blue Form of Proxy to be used in connection with the Court Meeting and a white Form of Proxy to be used in connection with the IPR General Meeting. As an alternative to completing and returning both Forms of Proxy, you may register the appointment of a proxy for the Court Meeting and the IPR General Meeting by accessing the website www.sharevote.co.uk. If you hold IPR Shares in CREST, you may instead appoint a proxy by completing and transmitting a CREST Proxy Instruction to IPR's registrars Equiniti. Guidance notes to assist you to complete the Forms of Proxy or to register the appointment of a proxy electronically or to complete and transmit a CREST Proxy Instruction are set out in Part 12 (*Notice of Court Meeting*) and Part 13 (*Notice of IPR General Meeting*) of this document.

Whether or not you intend to attend the Court Meeting and/or the IPR General Meeting, you are requested to complete and return both Forms of Proxy in accordance with the guidance notes set out

in Part 12 (Notice of Court Meeting) and Part 13 (Notice of IPR General Meeting) of this document or to register the appointment of a proxy electronically or, if you hold IPR Shares in CREST, to complete and transmit a CREST Proxy Instruction. Completed Forms of Proxy should be returned to IPR's registrars, Equiniti, at Aspect House, Spencer Road, Lancing BN99 6DA, so as to arrive by the times specified below on 1 June 2012. This will enable your votes to be counted at the Court Meeting and the IPR General Meeting in your absence.

If the blue Form of Proxy for the Court Meeting is not lodged so as to be received by 10.30 a.m. on 1 June 2012, it may be handed to the Chairman of the Court Meeting at the commencement of the Court Meeting. However, in the case of the IPR General Meeting, unless the white Form of Proxy is lodged so as to be received by 10.45 a.m. on 1 June 2012, it will be invalid. The completion and return of a Form of Proxy or the transmittal of an electronic proxy registration or CREST Proxy Instruction will not prevent you from attending the Court Meeting or the IPR General Meeting and voting in person, if you so wish and are so entitled.

It is important that as many votes as possible are cast at the Court Meeting so that the Court may be satisfied that there is a fair representation of Scheme Shareholder opinion. You are therefore strongly encouraged to sign and return the blue Form of Proxy for the Court Meeting as soon as possible. You are also encouraged to sign and return the white Form of Proxy for the IPR General Meeting at the same time as the blue Form of Proxy for the Court Meeting or alternatively register a proxy electronically or, if you hold IPR Shares in CREST, via a CREST Proxy Instruction.

Scheme Shareholders (other than Loan Note Restricted Scheme Shareholders) who wish to make an election under the Loan Note Alternative should also complete the enclosed green Form of Election in accordance with the instructions printed thereon and return it, together with their share certificate(s) to IPR's Registrars, Equiniti, by post or, during normal business hours only, by hand to Equiniti, Corporate Actions, Aspect House, Spencer Road, Lancing, BN99 6DA, so as to arrive by no later than 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended). Scheme Shareholders who hold Scheme Shares in CREST and wish to make an election for the Loan Note Alternative must do so electronically via the procedure set out in Part 14 (*Notes on making a Loan Note Election*) of this document as soon as possible but, in any event, so as to ensure that a valid TTE Instruction is submitted by no later than 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended). Further notes on how to complete the Form of Election are set out in Part 14 (*Notes on making a Loan Note Election*) of this document.

If you have any questions relating to this document or the completion and return of your Forms of Proxy and/or Form of Election, please contact IPR's registrars, Equiniti, between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0871 384 2921 from within the UK (or on +44 121 415 0296 if calling from outside the UK). Calls to the 0871 384 2921 number cost 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers' charges may vary. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that the helpline cannot provide advice on the merits of the Transaction or the Scheme or give any financial, legal or tax advice.

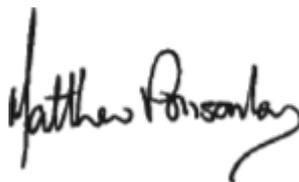
21. Further Information

The terms of the Scheme are set out in full in Part 11 (*The Scheme of Arrangement*) of this document. Your attention is also drawn to the further information contained (or incorporated by reference) in this document which forms part of this Explanatory Statement.

Yours faithfully



Simon Smith
Managing Director,
for and on behalf of,
Morgan Stanley



Matthew Ponsonby
Managing Director,
for and on behalf of,
Barclays



William Vereker
Managing Director,
for and on behalf of,
Nomura

PART 3
CONDITIONS TO AND FURTHER TERMS OF THE TRANSACTION

Part A: Conditions of the Scheme

The Transaction will be conditional upon the Scheme becoming unconditional and becoming effective, subject to the Takeover Code, by no later than the Long Stop Date or such later date (if any) as EBL, GDF SUEZ and IPR may, with the consent of the Panel, agree and the Court, if required, may allow.

1. The Scheme will be conditional upon:
 - 1.1 (i) approval of the Scheme by a majority in number of the Scheme Shareholders entitled to vote and present and voting, either in person or by proxy, at the Court Meeting or any adjournment of such meeting, representing no less than 75 per cent. in value of the Scheme Shares so voted; and (ii) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting as set out in the expected timetable of principal events on page 5 of this document (or such later date as may be agreed by EBL and IPR);
 - 1.2 (i) the Transaction Special Resolution being duly passed by the requisite majority at the IPR General Meeting (or any adjournment thereof), and (ii) the IPR General Meeting being held on or before the 22nd day after the expected date of the IPR General Meeting as set out in the expected timetable of principal events on page 5 of this document (or such later date as may be agreed by EBL and IPR); and
 - 1.3 (i) the sanction of the Scheme and confirmation of the Capital Reduction by the Court (in either case with or without modification but subject to any such modification being on terms acceptable to IPR and EBL) and (a) the delivery of copies of the Court Order and the requisite Statement of Capital attached thereto to the Registrar of Companies for registration and (b) if the Court so orders for the Scheme to become Effective, registration of the Court Order confirming the Capital Reduction and registration of the Statement of Capital with the Registrar of Companies and (ii) the Court hearing to sanction the Scheme being held on or before the 22nd day after the expected date of the Court Hearing as set out in the expected timetable of principal events on page 5 of this document (or such later date as may be agreed by EBL and IPR).
2. In addition, subject to Part B below and to the requirements of the Panel, the Transaction will be conditional upon the following Conditions and, accordingly, the Court Order will not be delivered to the Registrar of Companies unless such Conditions (as amended if appropriate) have been satisfied (and continue to be satisfied pending the commencement of the Court hearing to sanction the Scheme) or, where relevant, waived prior to the Scheme being sanctioned by the Court in accordance with Condition 1.3 above:

Anti-trust and regulatory clearances

- (a) EBL and GDF SUEZ having received an effective order from the Public Service Commission of the State of New York (“PSC”), either: (i) declaring that the PSC need not review the Transaction pursuant to New York Public Service Law (“PSL”) Section 70; or (ii) authorising the Transaction pursuant to PSL Section 70;
- (b) either:
 - (i) receipt of a notice in writing issued by, or on behalf of, the Treasurer of the Commonwealth of Australia (Treasurer) stating that there are no objections to the Transaction either unconditionally or on conditions which are in form and substance reasonably satisfactory to EBL; or
 - (ii) the Treasurer becoming precluded from making an order in respect of the Transaction under the *Foreign Acquisitions and Takeovers Act 1975* (Cth);
- (c) receipt of a determination in writing of the Essential Services Commission of the State of Victoria either:
 - (i) pursuant to section 34(1) of the *Essential Services Commission Act 2000* (Vic) and section 68(8)(b)(ii) of the *Electricity Industry Act 2000* (Vic), stating that:
 - (A) it is satisfied that the Australian Competition and Consumer Commission has considered the Transaction and has made a notification that it does not intend to review the Transaction pursuant to section 50 of the *Competition and Consumer Act 2010* (Cth); and
 - (B) the effect of such a determination is that the Transaction will not create, or cause GDF SUEZ, EBL or any other person to hold, a prohibited interest for the purposes of section 68 of the *Electricity Industry Act 2000* (Vic); or

- (ii) otherwise pursuant to section 34(1) of the *Essential Services Commission Act 2000* (Vic) and the *Electricity Industry Act 2000* (Vic), stating that the effect of such a determination is that the Transaction will not create, or cause GDF SUEZ, EBL or any other person to hold, a prohibited interest for the purposes of section 68 of the *Electricity Industry Act 2000* (Vic).;
- (d) Izmit Gaz Dagitim Sanayi ve Ticaret A.S. (“**Izgaz**”) having received the prior consent from the Turkish Energy Market Regulatory Authority giving approval to 10 per cent. or more change in the indirect shares of Izgaz on terms satisfactory to EBL, acting reasonably;

Notifications, waiting periods and authorisations

- (e) all material notifications, filings or applications which are reasonably necessary having been made in connection with the Transaction and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Transaction and all Authorisations deemed reasonably necessary by EBL in any jurisdiction for or in respect of the Transaction and, except pursuant to Chapter 3 of Part 28 of the *Companies Act 2006*, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, IPR or any other member of the IPR Group by any member of the Wider GDF SUEZ Group having been obtained in terms and in a form reasonably satisfactory to EBL from all appropriate Third Parties and all such Authorisations reasonably necessary to carry on the business of any member of the IPR Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Transaction becomes otherwise wholly unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

Regulatory

- (f) no antitrust regulator or Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
 - (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider GDF SUEZ Group or by any member of the Wider IPR Group of all or any material part of its businesses, assets or property or impose any material limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their material assets or properties (or any part thereof);
 - (ii) except pursuant to Chapter 3 of Part 28 of the *Companies Act 2006*, as a result of any change of law or regulation which comes into force on or after 16 April 2012, require any member of the Wider GDF SUEZ Group or the Wider IPR Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider IPR Group or any asset owned by any Third Party (other than in the implementation of the Transaction);
 - (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider GDF SUEZ Group directly or indirectly to acquire, hold or to exercise effectively all or any material rights of ownership in respect of shares or other securities in IPR or on the ability of any member of the Wider IPR Group or any member of the Wider GDF SUEZ Group directly or indirectly to hold or exercise effectively all or any material rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider IPR Group;
 - (iv) otherwise adversely and materially affect any or all of the business, assets, profits or prospects of any member of the Wider IPR Group or any member of the Wider GDF SUEZ Group;
 - (v) make the Transaction, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, IPR by any member of the Wider GDF SUEZ Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly materially prevent or prohibit, restrict, restrain, or delay or otherwise interfere with the implementation of, or impose material additional conditions or obligations with

respect to, or otherwise materially challenge, impede, interfere or require material amendment of the Transaction or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, IPR by any member of the Wider GDF SUEZ Group;

- (vi) require, prevent or materially delay a divestiture by any member of the Wider GDF SUEZ Group of any shares or other securities (or the equivalent) in any member of the Wider IPR Group or any member of the Wider GDF SUEZ Group; or
- (vii) impose any material limitation on the ability of any member of the Wider GDF SUEZ Group of any member of the Wider IPR Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider GDF SUEZ Group and/or the Wider IPR Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Transaction or the acquisition or proposed acquisition of any IPR Shares or otherwise intervene having expired, lapsed or been terminated;

Certain matters arising as a result of any arrangement, agreement, etc.

- (g) save as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider IPR Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Transaction or the acquisition or the proposed acquisition by any member of the Wider GDF SUEZ Group of any shares or other securities (or the equivalent) in IPR or because of a change in the control or management of any member of the Wider IPR Group or otherwise, could or might reasonably be expected to result in:
 - (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider IPR Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider IPR Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
 - (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Wider IPR Group being adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
 - (iv) any liability of any member of the Wider IPR Group to make any severance, termination, bonus or other payment to any of its directors, or other officers;
 - (v) the rights, liabilities, obligations, interests or business of any member of the Wider IPR Group or any member of the Wider GDF SUEZ Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider IPR Group or any member of the Wider GDF SUEZ Group in or with any other person or body or firm or company (or any arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
 - (vi) the value of, or the financial or trading position or prospects of, any member of the Wider IPR Group being prejudiced or adversely affected; or
 - (vii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider IPR Group other than trade creditors or other liabilities incurred in the ordinary course of business,

in each case to an extent that is material in the context of the Wider IPR Group taken as a whole, and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider IPR Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might result in any of the events or circumstances as are referred to in Conditions (g)(i) to (vii);

Certain events occurring since 31 December 2011

- (h) save as Disclosed, no member of the Wider IPR Group having since 31 December 2011:
- (i) issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of IPR Shares out of treasury (except, where relevant, as between IPR and wholly owned subsidiaries of IPR or between the wholly owned subsidiaries of IPR and except for the issue or transfer out of treasury of IPR Shares on the exercise of employee share options or vesting of employee share awards in the ordinary course under the IPR Share Option Schemes);
 - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than (1) the final dividend of 6.6 Euro cents per IPR Share for the year ended 31 December 2011 and (2) any dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly owned subsidiary of IPR to IPR or any of its wholly owned subsidiaries;
 - (iii) other than pursuant to the Transaction (and except for transactions between IPR and its wholly owned subsidiaries or between the wholly owned subsidiaries of IPR and transactions in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider IPR Group taken as a whole;
 - (iv) save for transactions between IPR and its wholly owned subsidiaries or between the wholly owned subsidiaries of IPR and except for transactions in the ordinary course of business disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any asset which is material in the context of the Wider IPR Group as a whole or authorised, proposed or announced any intention to do so;
 - (v) (save for transactions between IPR and its wholly owned subsidiaries or between the wholly owned subsidiaries of IPR) issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness which is material in the context of the Wider IPR Group as a whole;
 - (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) except in the ordinary course of business which is of a long term, unusual or onerous nature or magnitude or which is or which involves or could involve an obligation of a nature or magnitude which is reasonably likely to be materially restrictive on the business of the Wider IPR Group as a whole which is, in each case, material in the context of the Wider IPR Group as a whole;
 - (vii) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or, except for salary increases, bonuses or variations of terms in the ordinary course, senior executive of any member of the Wider IPR Group;
 - (viii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider IPR Group which are material in the context of the Wider IPR Group taken as a whole;
 - (ix) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;
 - (x) waived, compromised or settled any claim which is material in the context of the Wider IPR Group as a whole;

- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider IPR Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider IPR Group taken as a whole;
- (xii) made any material alteration to its memorandum or articles of association or other incorporation documents;
- (xiii) except as in relation to changes made or agreed as a result of, or arising from, changes to legislation, made or agreed or consented to any change to the terms of the trust deeds and rules constituting the pension scheme(s) established for its directors, employees or their dependants or to the benefits which accrue, or to the pensions which are payable, thereunder, or to the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined or to the basis upon which the liabilities (including pensions) of such pension schemes are funded or made, or agreed or consented to, to an extent which is in any such case material in the context of the Wider IPR Group;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business, in each case to an extent which is material in the context of the Wider IPR Group taken as a whole;
- (xv) (other than in respect of a member of the Wider IPR Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xvi) (save for transactions between IPR and its wholly owned subsidiaries or between the wholly owned subsidiaries), made, authorised, proposed or announced an intention to propose any change in its loan capital which is material in the context of the Wider IPR Group taken as a whole;
- (xvii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities which is material in the context of the Wider IPR Group taken as a whole; or
- (xviii) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (h);

No adverse change, litigation, regulatory enquiry or similar

- (i) save as Disclosed, since 31 December 2011 there having been:
 - (i) no adverse change and no circumstance having arisen which would or might be expected to result in any adverse change in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider IPR Group which is material in the context of the IPR Group;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider IPR Group or to which any member of the Wider IPR Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider IPR Group, in each case which might reasonably be expected to have a material adverse effect on the Wider IPR Group taken as a whole;
 - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider IPR Group having been threatened, announced or instituted

or remaining outstanding by, against or in respect of any member of the Wider IPR Group, in each case which might reasonably be expected to have a material adverse effect on the Wider IPR Group taken as a whole;

- (iv) no contingent or other liability having arisen or become apparent to EBL or GDF SUEZ or increased other than in the ordinary course of business which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects of any member of the Wider IPR Group to an extent which is material in the context of the Wider IPR Group taken as a whole; and
- (v) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider IPR Group which is reasonably necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Wider IPR Group taken as a whole;

No discovery of certain matters regarding information, liabilities and environmental issues

- (j) save as Disclosed, EBL not having discovered:
 - (i) that any financial, business or other information concerning the Wider IPR Group publicly announced prior to the date of the Offer Announcement or disclosed at any time to any member of the Wider GDF SUEZ Group by or on behalf of any member of the Wider IPR Group after 3 February 2011 and prior to the date of the Offer Announcement is misleading, contains a misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading, in any such case to a material extent;
 - (ii) that any member of the Wider IPR Group or any partnership, company or other entity in which any member of the Wider IPR Group has a significant economic interest and which is not a subsidiary undertaking of IPR is, subject to any liability, whether actual or contingent, and which is material in the context of the Wider IPR Group taken as a whole;
 - (iii) that any member of the Wider IPR Group has not, in the period since 3 February 2011, complied in any material respect with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider IPR Group which liability is material in the context of the Wider IPR Group taken as a whole;
 - (iv) that in the period since 3 February 2011, there has been a material disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Wider IPR Group which liability is material in the context of the Wider IPR Group taken as a whole;
 - (v) that circumstances have occurred in the period since 3 February 2011 (whether as a result of making the Offer Announcement or otherwise) which would be reasonably likely to lead to any Third Party instituting (or whereby any member of the Wider IPR Group would be likely to be required to institute), an environment audit or take any steps which would in any such case be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now owned, occupied or made use of by any member of the Wider IPR Group, which liability is material in the context of the Wider IPR Group taken as a whole.

Part B: Certain further terms of the Transaction

Subject to the requirements of the Panel, or if required, the Court, EBL reserves the right to waive:

- (i) any of the Conditions set out in the above Condition 1 for the timing of the Court Meeting, the IPR General Meeting and the Court Hearing. If any such deadline is not met, EBL or GDF SUEZ will make an

announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with IPR to extend the deadline in relation to the relevant Condition; EBL is not permitted to invoke the timing element contained within Condition 1 if the non satisfaction of that Condition is caused by any act or failure to act by EBL (other than a refusal by EBL to agree an extension); or

(ii) in whole or in part, all or any of the above Conditions 2(a) to (j) (inclusive).

If EBL or GDF SUEZ is required by the Panel to make an offer for IPR Shares under the provisions of Rule 9 of the Code, EBL or GDF SUEZ may make such alterations to any of the above Conditions and terms of the Transaction as are necessary to comply with the provisions of that Rule.

The Scheme will be governed by the laws of England and Wales. The Scheme will be subject to applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the UKLA.

EBL shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 2(a) to (j) (inclusive) by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions (or any of them) of the Transaction may at an earlier date have been waived (if capable of waiver) or fulfilled and that there are, at such earlier date, no circumstances indicating that any of such Condition may not be capable of fulfilment.

EBL reserves the right to elect, with (a) the unanimous approval of the IPR Independent Directors and (b) the consent of the Panel (where necessary) to implement the Transaction by way of a takeover offer as it may determine in its absolute discretion. In such event, the acquisition will be implemented on substantially the same terms so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments (including an acceptance condition set at ninety per cent. of the shares to which such offer relates or such lesser percentage as EBL may, with the consent of the Panel (if required), decide) (the “**General Offer Acceptance Condition**”).

The availability of the Transaction to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

The Transaction is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.

Under Rule 13.5 of the Code, EBL may not invoke a condition to the Transaction so as to cause the Transaction not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to EBL in the context of the Transaction. The conditions contained in paragraph 1 of Part A and, if applicable, the General Offer Acceptance Condition set out in Part B are not subject to this provision of the Takeover Code.

The Transaction and the Scheme are governed by the law of England and Wales and are subject to the jurisdiction of the English courts and to the Conditions and further terms set out in this Part 3 (*Conditions to and further terms of the Transaction*).

IPR Shares which will be acquired under the Transaction will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of the Offer Announcement (other than the final dividend of 6.6 Euro cents per IPR Share for the year ended 31 December 2011 announced on 8 February 2012).

PART 4
SUMMARY OF THE LOAN NOTES

In this Part 4, the following capitalised terms shall mean:

“**Connected Person**” shall have the meaning given to that expression in section 1122 of the Corporation Tax Act 2010;

“**Family Trust**” means, as regards any particular individual Loan Note Holder or deceased or former individual Loan Note Holder, a trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or whosoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Loan Notes in question is for the time being vested in any person other than that individual Loan Note Holder and/or their Connected Persons, and for this purpose a person shall be considered to be beneficially interested if such Loan Note or the income accruing thereto is or may become liable to be transferred, paid, applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons; and

“**Group Company**” means a holding company, a subsidiary or a subsidiary of such holding company (as such terms are defined by section 1159 and Schedule 6 of the Companies Act 2006) and “**Group Companies**” means any or all of them.

1. Introduction

As an alternative to some or all of the cash consideration which would otherwise be receivable under the Scheme, Scheme Shareholders (other than Loan Note Restricted Scheme Shareholders) will, subject to the conditions and further terms set out below and on the green Form of Election and the provisions of the Loan Note Instrument, be able to elect to receive Loan Notes to be issued by EBL. Scheme Shareholders are referred to paragraph 5 of Part 8 (*Additional Information*) of this document which includes certain statements about the UK tax consequences for certain UK tax resident Scheme Shareholders, and certain statements about the Belgian tax consequences for certain non-Belgian resident Scheme Shareholders, of electing to receive Loan Notes. The Loan Notes do not qualify as bonds (*obligations*) within the meaning of Article 485 of the Belgian Companies Code and, accordingly, Loan Note Holders shall not be entitled to rely on the provisions of the Belgian Companies Code applicable to bondholders.

2. Loan Note Instrument

The rights and obligations attaching to the Loan Notes will be set out in the Loan Note Instrument substantially in the form already prepared and initialled for the purpose of identification by Clifford Chance LLP, Solicitors for IPR, with such modifications or additions, if any, as may be agreed prior to the execution thereof between EBL and IPR. The issue of the Loan Notes will be conditional on the Scheme becoming Effective. The Loan Note Instrument will contain provisions, among other things, to the effect set out below.

3. Conditions

- 3.1 Unless EBL decides otherwise, no Loan Notes will be issued by EBL if the aggregate nominal value of all Loan Notes to be issued as a result of valid elections for the Loan Note Alternative is less than £20 million. If such aggregate nominal value is less than £20 million, any such election shall, unless EBL decides otherwise, be void and the relevant Scheme Shareholders will be deemed not to have made an election under the Loan Note Alternative and shall instead receive cash consideration.
- 3.2 Up to a maximum amount of £200 million (or such greater amount as EBL may decide) of Loan Notes in aggregate nominal value will be available under the Loan Note Alternative. To the extent that Scheme Shareholders validly elect to receive Loan Notes pursuant to the Loan Note Alternative which in aggregate nominal value exceed £200 million (or such greater amount as EBL may decide), the entitlement of each Scheme Shareholder who so validly elects will be scaled down pro rata amongst the relevant Scheme Shareholders and any consideration due in excess of the pro rated amount shall be paid in cash.

4. Form and Status

- 4.1 Subject to the conditions in paragraph 3 above, the Loan Notes will be issued by EBL in amounts and integral multiples of £1 in nominal amount and will constitute unsecured and unsubordinated obligations of

EBL. The balance of any entitlement that is not a whole multiple of £1 will be rounded down to the nearest £1 and the balance of the consideration will be disregarded and not paid. The Loan Note Instrument will not contain any restrictions on borrowing, disposing or charging of assets by EBL.

- 4.2 The Loan Notes will be in registered form. A registrar (the “**Registrar**”) shall be appointed by EBL to keep a record of the Loan Note Holders in a register (the “**Register**”). The Registrar shall act in the name of and on behalf of EBL. The Register and Registrar are further detailed in Section 8 of the Loan Note Instrument.
- 4.3 Each Loan Note Holder will be entitled without charge to one loan note certificate (the “**Loan Note Certificate(s)**”) for the aggregate amount of Loan Notes registered in his name in the Register. Loan Note Certificates are delivered by the Registrar to Loan Note Holders as an acknowledgment of a registration. Title to the Loan Notes passes only on due registration on the Register and any payment due on the Loan Notes whether of principal or interest will be made only to the duly registered Loan Note Holder. The Loan Note Certificates are further described in Section 7 of the Loan Note Instrument.

5. **Interest**

- 5.1 The first payment of interest on the Loan Notes will be made on the date falling one year after the Effective Date (which is expected to be on or about 29 June 2013) (the “**First Payment Date**”) in respect of the period from and including the day on which the relevant Loan Notes are issued up to but excluding the First Payment Date. Thereafter, interest on the Loan Notes will be payable (subject to any deduction or withholding required by law) annually in arrears on each anniversary of the First Payment Date or, if such a day is not a Business Day, on the immediately preceding Business Day (“**Interest Payment Dates**”). The period from and including the First Payment Date or any subsequent Interest Payment Date up to but excluding the next following Interest Payment Date being, an “**Interest Period**”.
- 5.2 The rate of interest on the Loan Notes for each Interest Period will be 0.25 per cent. per annum.
- 5.3 Each instalment of interest shall be calculated on the basis of a 365 day year and the actual number of days elapsed in the relevant Interest Period.
- 5.4 EBL will not gross up payments of interest on the Loan Notes or otherwise to compensate for any amounts it is required to deduct or withhold from payments of interest for or on account of tax, if applicable.

6. **Repayment, Purchase and Redemption**

- 6.1 A Loan Note Holder may require EBL to repay the whole or any part of the principal amount of his holding of Loan Notes at par, together with accrued interest (subject to any deduction or withholding required by law) up to but excluding the date of repayment, in minimum denominations of £1,000, unless the holder of Loan Notes has a total holding of less than £1,000, in which case the total Loan Note holding, but not part thereof, may be redeemed. The Loan Notes are redeemable at the option of the Loan Note Holder for cash at par on any Interest Payment Date falling between the First Payment Date and the date falling three years after the Effective Date (which is expected to be on or about 29 June 2015), both dates inclusive, by giving not more than 60 days’ and not less than 30 days’ prior notice in writing to the Registrar accompanied by the Loan Note Certificate(s) for all of the Loan Notes to be repaid.
- 6.2 If, on or after the First Payment Date, the principal amount of all Loan Notes outstanding is equal to or less than 15 per cent. of the aggregate principal amount of all Loan Notes issued, EBL shall be entitled on giving the remaining holders of Loan Notes not less than 30 days’ prior notice in writing expiring on an Interest Payment Date, to redeem all (but not some only) of the Loan Notes then in issue at par together with accrued interest (subject to any deduction or withholding required by law) up to but excluding the date of redemption.
- 6.3 Any Loan Notes not previously repaid, redeemed or purchased will be repaid in full at par on the date falling three years after the Effective Date (which is expected to be on or about 29 June 2015), together with accrued interest (subject to any deduction or withholding required by law) up to but excluding that date.
- 6.4 EBL may at any time after the date falling six months after the latest date of issue of any Loan Notes purchase any Loan Notes then in issue at any price by tender (available to all Loan Note Holders alike), private treaty or otherwise by agreement with the relevant Loan Note Holder(s).
- 6.5 Any Loan Notes repaid, redeemed or purchased will be cancelled and will not be available for re-issue.

7. **Repayment on Default**

- 7.1 Each Loan Note Holder will be entitled to require all or part (being £1 in nominal amount or any integral multiple thereof) of the Loan Notes held by him from time to time to be repaid immediately at par together with accrued interest (subject to any deduction or withholding required by law):
- (a) if any principal or interest payable on any of the Loan Notes held by that Loan Note Holder is not paid in full within 30 days after the due date for payment;
 - (b) on the winding up, dissolution or the starting of insolvency proceedings in respect of EBL; or
 - (c) on the taking of possession by an administrator or similar officer over, or an administration order being made in respect of, the whole or substantially the whole of the undertaking or property of EBL unless the same is paid out or discharged within 30 days.

8. **Registration and Transfer**

- 8.1 The Loan Notes will be registered (and transferable only as described in paragraph 8.6 below) in amounts or integral multiples of £1, provided that transfers of Loan Notes will not be registered during the ten Business Days immediately preceding an Interest Payment Date or while the register of Loan Note Holders is closed. Loan Note Certificates in respect of the Loan Notes will be issued to Loan Note Holders.
- 8.2 No application has been made or is intended to be made to any stock exchange for the Loan Notes to be listed or otherwise traded.
- 8.3 The Loan Notes will not be issued to any Loan Note Restricted Scheme Shareholders.
- 8.4 The Loan Notes have not been and will not be registered under the US Securities Act of 1933 or under any laws of any state, district or other jurisdiction of the United States. Accordingly, Loan Notes may not be offered or sold in the United States.
- 8.5 Unless EBL otherwise determines, the relevant clearances and registrations have not been, nor will they be obtained from the securities commission or similar authority of any province, territory or jurisdiction of Canada, nor have any steps been taken, nor will any steps be taken, to enable the Loan Notes to be offered in compliance with the applicable securities laws of Belgium, Hong Kong, New Zealand or Japan and no regulatory clearances in respect of the Loan Notes have been, or will be, applied for in any other jurisdiction. Accordingly, unless an exemption under relevant securities law is available, the Loan Notes are not being and may not be offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States, or to, or for the account or benefit of, any Loan Note Restricted Scheme Shareholder or into a jurisdiction in which an offer of Loan Notes would constitute a violation of the relevant laws of, or require registration of the Loan Notes in that jurisdiction or require the filing, registration or publication of a prospectus pursuant to the applicable securities laws of that jurisdiction.
- 8.6 Loan Notes may not be transferred except:
- (a) by a Loan Note Holder to a Connected Person of that Loan Note Holder;
 - (b) by a person entitled to Loan Notes by transmission to a Connected Person of the person from whom he derives his entitlement;
 - (c) in the case of Loan Notes held by the trustees of a Family Trust in that capacity to:
 - (i) the new trustees of that Family Trust on any change of trustees; or
 - (ii) a person who has an immediate beneficial interest under the Family Trust or to a Connected Person of that beneficiary,but, for the avoidance of doubt, a trustee of a Family Trust may not transfer any Loan Notes held by him in that capacity to a Connected Person of his except where permitted under sub-paragraph (i) or (ii) above; or
 - (d) by a Loan Note Holder to a Group Company of that Loan Note Holder.

9. **Prescription**

Amounts in respect of interest and/or principal on any Loan Notes which remain unclaimed by the relevant Loan Note Holder for a period of five years from the date on which the relevant payment first becomes due shall revert to EBL and the relevant Loan Note Holder shall cease to be entitled thereto.

10. Modification

EBL shall have the power, with the consent of all holders of Loan Notes from time to time, to make any abrogation, modification or compromise or arrangement in respect of the rights of Loan Note Holders against EBL and to make any amendment to the provisions of the Loan Note Instrument. EBL may, with the consent of its financial advisers, amend the provisions of the Loan Note Instrument, without such sanction or consent, if such amendment is of a formal, minor or technical nature or to correct a manifest error and provided that such amendment is not materially prejudicial to the interests of the Loan Note Holders.

11. Substitution of Debtor

The Loan Note Instrument will contain provisions entitling EBL, subject to certain conditions, to substitute in place of EBL any GDF SUEZ Group Company or GDF SUEZ Group Companies as the principal debtor or debtors under the Loan Note Instrument or any instrument expressed to be supplemental thereto and the Loan Notes. In such event, EBL will unconditionally guarantee the principal debtor or debtors' obligations under the Loan Notes.

12. Currency Conversion

Loan Note Holders may opt to require EBL to pay, to him/her in lieu of and in satisfaction of the principal amount of the Loan Notes to be redeemed, an amount of Euro on the basis set out in the Loan Note Instrument.

13. Governing Law and Jurisdiction

13.1 The Loan Notes and the Loan Note Instrument and any non-contractual obligations arising out of or in connection with them will be governed by and construed in accordance with English law.

13.2 The courts of Belgium are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Loan Notes and the Loan Note Instrument and accordingly any proceedings arising out of or in connection with the Loan Notes and/or the Loan Note Instrument will be brought in such courts.

The above represents a summary of the terms of the Loan Notes and is subject to the detailed provisions of the Loan Note Instrument which will govern the rights and obligations of EBL and the Loan Note Holders with respect to the Loan Notes.

PART 5
OPINION OF EMPLOYEE REPRESENTATIVES
OF IPR

The elected employee representatives note that a significant operational reorganisation was implemented as part of the original acquisition in February 2011 to maximise synergies and optimise efficiency at IPR. In consequence, no significant additional cost synergies are expected as a result of this Transaction at IPR headquarters.

We understand that, after completion of the Transaction, a review will be carried out by GDF SUEZ and IPR to establish whether any further cost savings may be made as a result of IPR ceasing to be a listed company. This review is not expected to lead to substantial savings nor have a material impact on employees but to the extent that any are affected, they will be offered redeployment within the GDF SUEZ Group.

We also note that GDF SUEZ has confirmed that the change in ownership from 70 per cent. to 100 per cent. will not change the existing arrangement of dual headquarters in London and Brussels or the industrial organisation.

Additionally, in the Offer Announcement dated 16 April 2012 circulated to IPR Shareholders, we note the statements:

- the existing contractual and statutory rights, including in relation to pensions, of all IPR employees will continue to be fully safeguarded; and
- participants in IPR Share Option Schemes will be contacted regarding the effect of the offer on their rights under IPR Share Option Schemes and appropriate proposals will be made to such participants in due course.

Based on all of the above, we infer that the acquisition is unlikely to have a significant effect on employment within IPR.

PART 6
INFORMATION CONCERNING THE IPR GROUP

Part A: The IPR Group

IPR is a public limited company registered in England and Wales with company number 2366963. It was incorporated on 1 April 1989. The IPR Shares are listed on the Official List of the London Stock Exchange.

In February 2011, pursuant to the Combination, the Energy International division of GDF SUEZ and certain GDF SUEZ assets in the UK and Turkey were transferred to IPR in exchange for approximately 70 per cent. of the enlarged issued share capital of IPR. The transaction created an enlarged IPR which is now a leading independent electricity generating company operating across 30 countries with 75,579MW gross (43,288MW net) in operation and a significant programme of 12,820MW gross (5,868MW net) projects under construction as at 31 December 2011. The transaction also significantly enhanced IPR's strategic positioning and growth profile and provided IPR with much greater financial strength and improved access to capital to drive growth in both the short and longer-term.

Together with power generation, IPR uses its capabilities successfully and profitably to develop closely-linked businesses. These include wholesale production of fresh water through seawater desalination; LNG terminals and distribution; electricity retail business; open-cast coal mining; gas transportation and distribution; and renewable energy.

IPR has in excess of 11,000 employees either directly or through its subsidiaries or share of joint ventures at 31 December 2011 and achieved revenues of c. €16.17 billion in 2011. IPR had a market capitalisation of approximately £20.6 billion as at 15 April 2012.

Part B: Financial information relating to IPR

The below table sets out the financial information in respect of IPR as required by Rule 24.3(a)(iv) and Rule 24.3(e) of the Takeover Code.

The documents referred to in the below table, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code. All documents referred to below are available in "read-only" format for reviewing or downloading free of charge on IPR's website at www.iprplc-gdfsuez.com.

<i>Information incorporated by reference</i>	<i>Page reference</i>	<i>Website address where reference material published</i>
IPR Interim Management Statement for 1 January 2012 to 18 April 2012	–	http://www.iprplc-gdfsuez.com/~media/Files/International-Power-Plc/pdf-content/2012/ims-19-04-2012.pdf
Consolidated Financial Statements for IPR for the year ended 31 December 2011	Annual Report 2011 pages 117-231	http://annualreport2011.iprplc-gdfsuez.com/assets/downloads/pdfs/IP-2011-Financial-statements.pdf
Consolidated Financial Statements for IPR for the year ended 31 December 2010	Annual Report 2010 pages 113-192	http://annualreport2010.iprplc-gdfsuez.com/assets/downloads/pdfs/IP-2010-ALL-Fin-Statements.pdf

Part C: Other Information relating to IPR

The documents referred to in the below table, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code. All documents referred to below are available in “read-only” format for reviewing or downloading free of charge on IPR’s website at www.iprplc-gdfsuez.com.

<i>Information incorporated by reference</i>	<i>Page reference</i>	<i>Website address where reference material published</i>
Summary of Merger Deed dated 13 October 2010 between IPR, EBL and GDF SUEZ	Combination Circular pages 66-70	Please click http://www.iprplc-gdfsuez.com/site-services/contactus.aspx , then the link to the “ <i>Microsite</i> ”. Once you have read and, if appropriate, accepted the terms of the disclaimer, click “ <i>ACCEPT</i> ”, then select the tab “ <i>Transaction Documents</i> ” and click the link “ <i>Circular (including Notice of General Meeting) dated 19 November 2010</i> ”.
Summary of Relationship Agreement dated 13 October 2010 between IPR, EBL and GDF SUEZ amended and restated	Combination Circular pages 70-73	Please click http://www.iprplc-gdfsuez.com/site-services/contactus.aspx , then the link to the “ <i>Microsite</i> ”. Once you have read and, if appropriate, accepted the terms of the disclaimer, click “ <i>ACCEPT</i> ”, then select the tab “ <i>Transaction Documents</i> ” and click the link “ <i>Circular (including Notice of General Meeting) dated 19 November 2010</i> ”.
Summary of Electrabel Services Agreement dated 13 October 2010 between IPR and EBL	Combination Circular page 73	Please click http://www.iprplc-gdfsuez.com/site-services/contactus.aspx , then the link to the “ <i>Microsite</i> ”. Once you have read and, if appropriate, accepted the terms of the disclaimer, click “ <i>ACCEPT</i> ”, then select the tab “ <i>Transaction Documents</i> ” and click the link “ <i>Circular (including Notice of General Meeting) dated 19 November 2010</i> ”.
Summary of International Power Services Agreement dated 19 November 2010 between IPR and EBL	Combination Circular pages 73-74	Please click http://www.iprplc-gdfsuez.com/site-services/contactus.aspx , then the link to the “ <i>Microsite</i> ”. Once you have read and, if appropriate, accepted the terms of the disclaimer, click “ <i>ACCEPT</i> ”, then select the tab “ <i>Transaction Documents</i> ” and click the link “ <i>Circular (including Notice of General Meeting) dated 19 November 2010</i> ”.
Summary of Expatriates Services Agreement dated 13 October 2010 between IPR and EBL	Combination Circular page 74	Please click http://www.iprplc-gdfsuez.com/site-services/contactus.aspx , then the link to the “ <i>Microsite</i> ”. Once you have read and, if appropriate, accepted the terms of the disclaimer, click “ <i>ACCEPT</i> ”, then select the tab “ <i>Transaction Documents</i> ” and click the link “ <i>Circular (including Notice of General Meeting) dated 19 November 2010</i> ”.

Part D: IPR ratings information

Prior to the Offer Period, IPR had been assigned a rating of BBB- by S&P and Baa3 by Moody’s. Since the Offer Period began, S&P has upgraded IPR to A (outlook stable) to equalise IPR’s rating with that of GDF SUEZ in line with S&P’s parent-subsiary criteria. Moody’s has placed IPR’s rating under review for an upgrade whilst it determines whether IPR’s credit quality should become more closely aligned with that of GDF SUEZ.

PART 7 INFORMATION CONCERNING EBL, GDF SUEZ AND THE GDF SUEZ GROUP

Part A: The GDF SUEZ Group

EBL is a wholly-owned subsidiary of GDF SUEZ incorporated in Belgium and is the entity within the GDF SUEZ Group that currently holds GDF SUEZ's stake in IPR. GDF SUEZ is the parent company of the GDF SUEZ Group. GDF SUEZ (formerly known as Gaz de France) resulted from the merger of Gaz de France and SUEZ in July 2008. Gaz de France was incorporated as a French public industrial and commercial enterprise in 1946. Its registered number is 542 107 651 RCS Nanterre. Its registered headquarters are at 1 place Samuel de Champlain, 92400 Courbevoie, Paris, France. GDF SUEZ became a limited liability company in 2004 and its shares were publicly floated in 2005.

GDF SUEZ develops its businesses around a responsible-growth model to take up great challenges, responding to energy needs, ensuring the security of supply, combating climate change, and optimising the use of resources. The GDF SUEZ Group provides high-performance, innovative energy solutions to individuals, municipalities, and businesses, relying upon a diversified natural gas supply portfolio, a flexible, low CO₂-emitting production base, and unique expertise in four key sectors; liquefied natural gas, energy efficiency services, independent power production, and environment services. GDF SUEZ employs 218,900 people worldwide and achieved revenues of €90.7 billion in 2011. GDF SUEZ is listed on the Paris, Brussels and Luxembourg stock exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Stoxx 50, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, ASPI Eurozone and ECPI Ethical Index EMU.

Following the merger of SUEZ and Gaz de France in July 2008, SUEZ Environment Company (“**SE Company**”), the subsidiary operating SUEZ's environmental activities, was listed on Euronext Paris and 65 per cent. of its share capital was distributed to SUEZ shareholders. As at 31 December 2009 (post-merger), GDF SUEZ held an interest of 35.41 per cent. in SE Company.

The operations of SE Company are managed in accordance with a shareholders' agreement between GDF SUEZ, Groupe Bruxelles Lambert and SE Company, among others, which provides for the management and governance mechanics of SE Company as well as a reciprocal right of first refusal between the parties for any proposed divestment of shares in SE Company (subject to certain exceptions). The shareholders' agreement grants GDF SUEZ control of SE Company which entitles GDF SUEZ to fully consolidate SE Company in its financial statements.

Part B: GDF SUEZ's current trading and prospects

GDF SUEZ's results for Q1 2012 were released on 23 April 2012 and GDF SUEZ reported revenue of €28.2 billion (Q1 2011: €25.5 billion), EBITDA of €5.82 billion (Q1 2011: €5.51 billion) and net debt of €37.1 billion (year end 2011: €37.6 billion).

The following are edited details of the statements made by GDF SUEZ in the announcement of its Q1 2012 results released on 23 April 2012.

The trends in revenue and EBITDA growth reflects:

- improvement in profitability from both the GDF SUEZ Energy International business line and the GDF SUEZ Energy Europe business;
- very strong growth in results from the GDF SUEZ Global Gas & LNG business, especially relating to GDF SUEZ's exploration—production activities;
- a slight decrease in results from the GDF SUEZ Infrastructure business;
- stability in the GDF SUEZ Energy Services business; and
- a decrease in operational performance of SUEZ ENVIRONMENT due to disposals and lower volumes of waste in Europe.

The full announcement of GDF SUEZ's Q1 2012 results can be viewed on GDF SUEZ's website at www.gdfsuez.com/en/finance/investors/results/2012-results/2012-results/.

Part C: Effect of the Transaction on GDF SUEZ's earnings, assets and liabilities⁴

GDF SUEZ currently fully consolidates IPR in its financial statements and the approximate 30 per cent. interest in IPR that EBL does not own is captured in the "Non-controlling interest" line item in the "Statements of Financial Position" and in the "Income Statements" in the GDF SUEZ consolidated financial statements. Upon the Transaction becoming Effective, GDF SUEZ will indirectly own 100 per cent. of IPR. Therefore, in the "Income Statements" in the GDF SUEZ consolidated financial statements, the approximate 30 per cent. interest in IPR that EBL did not previously own will be captured in the "Net income Group share" line item instead of in the "Non controlling interest" line item, and GDF SUEZ will in addition recognize the interest expense, net of tax, related to the financing of the Transaction. The Transaction will result in an increase of GDF SUEZ's net financial debt and a decrease in the "Total Equity" line item (including the "Non-controlling interests" line item) in the "Statements of Financial Position" in the GDF SUEZ consolidated financial statements.

GDF SUEZ believes that the impact of the Transaction on its earnings, on a pro forma basis for 2011, will be earnings per share accretive by 9 per cent., from €1.80 to €2.00, before taking into account the impact of disposals and GDF SUEZ's scrip dividend (mentioned below). Assuming the take up of the scrip dividend by GDF SUEZ's two leading shareholders, GDF SUEZ believes that the Transaction will be accretive by 5 per cent. before taking into account disposals. GDF SUEZ expects that the impact on its 2011 pro forma net debt will be €8.4 billion, which will be partly mitigated by the opportunity offered to GDF SUEZ shareholders to participate in the scrip dividend option for the 2011 final dividend and any 2012 interim dividend to be proposed. The French State and Groupe Bruxelles Lambert have already committed to take the scrip dividend option for these two dividend payments. In addition, the GDF SUEZ Group is committed to realising €3 billion of additional disposals. The disposal plan will meet the GDF SUEZ Group's strategic objectives of an increased presence in fast growing markets as well as enhanced integration of its European activities.

GDF SUEZ has confirmed its objective to maintain an "A" category credit rating and its dividend policy following the Transaction. GDF SUEZ has revised its 2012 Net Recurring Income Group Share target upwards by approximately €200 million, in the range of €3.7 - €4.2 billion (vs. €3.5 - €4.0 billion announced by GDF SUEZ on 9 February 2012), due to the full integration of IPR in the second half of 2012. For the full year 2013, GDF SUEZ estimates that the increase will amount to approximately €400 million, before additional disposals. GDF SUEZ believes that the Transaction, after taking into account the impact of the scrip dividend and the additional disposals related to the Transaction, will be earnings per share accretive going forward.

Part D: EBL

EBL was incorporated and registered as a Belgian limited liability company in 1905. It is registered with the Register of Legal Entities of Brussels under number 0403.170.701. Its registered headquarters are at Boulevard Simon Bolivar 34, 1000 Brussels. It is a wholly-owned subsidiary of GDF SUEZ. Originally a Belgian private electricity producer, distributor and transporter, EBL has become a large international power company principally in its capacity as a power producer (including producing power from nuclear assets) and a power supplier. Since the GDF SUEZ Energy International Reorganisation, EBL holds the assets that comprise the GDF SUEZ Energy International business line including the GDF SUEZ Group's approximate 70 per cent. shareholding in IPR.

⁴ The statements in this paragraph, including that the Transaction is expected to be earnings per share accretive, should not be construed as a profit forecast or be interpreted to mean that the earnings per share in the current or any future financial period will necessarily match or be greater than those for the relevant preceding financial period.

Part E: Financial information relating to GDF SUEZ and EBL

The following table sets out the financial information in respect of the GDF SUEZ Group (which includes GDF SUEZ and EBL) as required by Rule 24.3(a)(iv) and 24.3(b)(i) of the Takeover Code.

The documents referred to in the table, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code. All documents referred to below are available in “read-only” format for reviewing or downloading free of charge on GDF SUEZ’s website at www.gdfsuez.com.

<i>Information incorporated by reference</i>	<i>Website address where reference material published</i>
Consolidated Q1 2012 results	www.gdfsuez.com/en/finance/investors/results/2012-results/2012-results/
Consolidated Financial Statements for GDF SUEZ for the year ended 31 December 2011	www.gdfsuez.com/en/finance/investors/results/2011-half-year-results/2011-annual-results/
Consolidated Financial Statements for GDF SUEZ for the year ended 31 December 2010	www.gdfsuez.com/en/finance/investors/results/2010-results/2010-results/

Part F: GDF SUEZ and EBL ratings and outlooks

GDF SUEZ

Prior to the Offer Period, GDF SUEZ had been assigned a rating of AA-1 (outlook stable) by S&P and A1/P-1 (outlook stable) by Moody’s. Since the Offer Period began, S&P has reaffirmed both its rating and outlook, while Moody’s has placed GDF SUEZ under review for downgrade (with maximum potential impact being one-notch) to have time to assess the impact of the Transaction on GDF SUEZ’s credit metrics and offsetting measures, especially its asset disposal plan.

EBL

Prior to the Offer Period, EBL had been assigned a rating of A3/P-2 (outlook stable) by Moody’s. Since the Offer Period began, Moody’s has placed EBL’s rating on review for downgrade, as it incorporates a degree of uplift from GDF SUEZ, as well as to have time to review the impact of the Transaction on EBL’s own capital structure.

PART 8
ADDITIONAL INFORMATION

1. Responsibility

- (a) The IPR Directors, whose names are set out in paragraph 2(a) below, accept responsibility for the information contained in this document other than the information for which responsibility is taken by others pursuant to paragraphs 1(b) to 1(d) below. Accordingly, the IPR Directors do not accept any responsibility for the GDF SUEZ Information (as defined below), the EBL Information (as defined below), the IPR Independent Directors recommendation to Scheme Shareholders set out in paragraph 12 of Part 1 (*Letter from the Chairman of the IPR Independent Committee*) of this document or the opinion of the employee representatives of IPR as set out in Part 5 (*Opinion of Employee Representatives of IPR*) of this document. To the best of the knowledge and belief of the IPR Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The IPR Independent Directors accept responsibility for their views and opinions set out in this document, including their recommendation to Scheme Shareholders set out in paragraph 12 of Part 1 (*Letter from the Chairman of the IPR Independent Committee*) of this document. The IPR Independent Directors do not accept any responsibility for the GDF SUEZ Information (as defined below), the EBL Information (as defined below) or the opinion of the employee representatives of IPR as set out in Part 5 (*Opinion of Employee Representatives of IPR*) of this document. To the best of the knowledge and belief of the IPR Independent Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (c) The GDF SUEZ Directors, whose names are set out in paragraph 2(b) below, accept responsibility for the information contained in this document relating to the GDF SUEZ Group (excluding information relating to the IPR Group other than information contained in the consolidated accounts for the GDF SUEZ Group), the GDF SUEZ Directors, their immediate families, related trusts and persons connected with them and statements of intention or opinion by GDF SUEZ including, without limitation, the background to and reasons for the Transaction as set out in paragraph 5 of Part 2 (*Explanatory Statement*), GDF SUEZ's intentions and strategic plans for IPR set out in paragraph 9 of Part 2 (*Explanatory Statement*) and the information concerning EBL, GDF SUEZ and the GDF SUEZ Group set out in Part C of Part 7 (*Information concerning EBL, GDF SUEZ and the GDF SUEZ Group*) of this document (together, the “**GDF SUEZ Information**”). To the best of the knowledge and belief of the GDF SUEZ Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (d) The EBL Directors, whose names are set out in paragraph 2(c) below, accept responsibility for the information contained in this document relating to EBL, the EBL Directors, their immediate families, related trusts and persons connected with them and the statements of intention or opinion by EBL (together, the “**EBL Information**”). To the best of the knowledge and belief of the EBL Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

- (a) The directors of IPR and their positions in IPR are as follows:

<u>Name</u>	<u>Position</u>
Dirk Beeuwsaert	Non-executive Chairman (GDF SUEZ Appointed Director)
Philip Cox	Executive Director (CEO)
Mark Williamson	Executive Director (CFO)
Guy Richelle	Executive Director (COO)
Sir Neville Simms	Deputy Chairman and Senior Independent Non-Executive Director
Bernard Attali	Independent Non-Executive Director
Tony Isaac	Independent Non-Executive Director
David Weston	Independent Non-Executive Director
Sir Rob Young	Independent Non-Executive Director
Michael Zaoui	Independent Non-Executive Director
G�rard Mestrallet	GDF SUEZ Appointed Non-Executive Director
Jean-Fran�ois Cirelli	GDF SUEZ Appointed Non-Executive Director
Isabelle Kocher	GDF SUEZ Appointed Non-Executive Director

The registered office of IPR and the business address of each of the directors of IPR is Senator House, 85 Queen Victoria Street, London EC4V 4DP.

- (b) The directors of GDF SUEZ and their positions in GDF SUEZ are as follows:

<u>Name</u>	<u>Position</u>
G�rard Mestrallet	Chairman and Chief Executive Officer
Jean-Fran�ois Cirelli	Vice-Chairman and President
Albert Fr�re	Vice-Chairman and Independent Director
Edmond Alphand�ry	Independent Director
Jean-Louis Beffa	Independent Director
Aldo Cardoso	Independent Director
Ren� Carron	Independent Director
Paul Desmarais, Jr.	Independent Director
Fran�oise Malrieu	Independent Director
Lord Simon of Highbury	Independent Director
Bruno B�zard	Director (Representative of the French State)
Olivier Bourges	Director (Representative of the French State)
Ramon Fernandez	Director (Representative of the French State)
Pierre Mongin	Director (Representative of the French State)
St�phane Pallez	Director (Representative of the French State)
Alain Beullier	Employee Representative Director
Anne-Marie Mourer	Employee Representative Director
Patrick Petitjean	Employee Representative Director
Gabrielle Prunet	Employee Shareholders Representative Director

The registered office of GDF SUEZ and the business address of each of the directors of GDF SUEZ is 1 place Samuel de Champlain, 92400 Courbevoie, France. GDF SUEZ is a limited liability company incorporated in France with company number 542 107 651 RCS Nanterre.

- (c) The directors of EBL and their positions in EBL are as follows:

<u>Name</u>	<u>Position</u>
G�rard Mestrallet	Chairman
Dirk Beeuwsaert	Vice-Chairman and Managing Director
Jean-Fran�ois Cirelli	Vice-Chairman
Isabelle Kocher	Vice-Chairman
Sophie Dutordoir	Director General-Manager
Harold Bo�l	Independent Director
St�phane Brimont	Director
Alain Chaigneau	Director
Jean-Marie Dauger	Director
Didier Engels	Director
G�rald Fr�re	Director
Jean-Pierre Hansen	Director
Thierry de Rudder	Independent Director
Baroness Lutgart Van den Berghe	Independent Director
Gerimus SPRL/BVBA represented by Baron Tony Vandeputte	Independent Director

The registered office of EBL and the business address of each of the directors of EBL is Boulevard Simon Bolivar, 1000 Brussels, Belgium. EBL is a Belgian limited liability company incorporated in Belgium and registered with the Register of Legal Entities of Brussels under number 0403.170.701.

3. Market quotations

Set out below are the Closing Prices of IPR Shares taken on:

- (a) the first dealing day in each of the six months immediately before the date of this document;
- (b) 28 March 2012 (the last dealing day before the commencement of the Offer Period); and

(c) 8 May 2012 (the latest practicable date prior to publication of this document).

<u>Date</u>	<u>IPR Shares</u> <i>(pence)</i>
1 December 2011	336.0
3 January 2012	344.2
1 February 2012	338.7
1 March 2012	350.1
28 March 2012	383.4
2 April 2012	404.9
1 May 2012	418.0
8 May 2012	417.7

4. Interests and dealings

For the purposes of this paragraph 4:

“**acting in concert**” with a party means any such person acting or deemed to be acting in concert with that party for the purposes of the Takeover Code and/or the Transaction. Persons who will be presumed to be acting in concert with other persons include:

- (a) a company, its parent, subsidiaries and fellow subsidiaries and their associated companies and companies of which such companies are associated companies, all with each other (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status);
- (b) a company with any of its directors (together with their close relatives and related trusts);
- (c) connected advisers (and persons controlling, controlled by or under the same control as such connected advisers) with their clients; and
- (d) the pension funds of the company or any company covered in (a) above;

“**arrangement**” includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature relating to relevant securities which may be an inducement to deal or refrain from dealing;

“**connected advisers**” includes an organisation which (i) is advising EBL, GDF SUEZ or IPR (as the case may be) in relation to the Transaction; (ii) is corporate broker to EBL, GDF SUEZ or IPR (as the case may be); (iii) is advising a person acting in concert with EBL, GDF SUEZ or IPR (as the case may be) in relation to the Transaction or in relation to the matter which is the reason for that person being a member of the concert party or (iv) is advising a relevant company in relation to the Transaction;

“**control**” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the capital of a company which are currently exercisable at a general meeting, irrespective of whether such interest or interests give de facto control;

“**dealing**” includes: (i) the acquisition or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities; (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities; (iii) subscribing or agreeing to subscribe for securities; (iv) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights; (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities; (vi) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and (vii) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;

“**derivative**” includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;

“**disclosure date**” means, 8 May 2012, being the latest practicable date prior to publication of this document;

“**disclosure period**” means the period commencing on 29 March 2011 (the date twelve months prior to the commencement of the Offer Period) and ending on the disclosure date;

a person has an “**interest**” or is “**interested**” in securities if he has a long economic exposure, whether absolute or conditional, to changes in the price of those securities (but not if he only has a short position in such securities) and in particular covers: (i) legal title and beneficial ownership (i.e. the ability to exercise, or control the exercise of, voting rights); (ii) the right, option or obligation to acquire, call for or take delivery of securities under an option or derivative; and (iii) the situation where a person holds a derivative referenced to, or which may result in, a long position in securities; and

“**relevant securities**” includes (i) IPR Shares and any other securities of IPR conferring voting rights; (ii) equity share capital of IPR or, as the context requires, EBL and/or GDF SUEZ; (iii) securities of IPR or, as the context requires, EBL and/or GDF SUEZ carrying conversion or subscription rights into any of the foregoing.

(a) ***Persons acting in concert with EBL***

In addition to the GDF SUEZ Directors (together with their close relatives and related trusts), the EBL Directors (together with their close relatives and related trusts) and members of the GDF SUEZ Group, the persons who are acting in concert with EBL for the purposes of the Transaction, and which are required to be disclosed are:

<u>Name</u>	<u>Type of company</u>	<u>Registered Office</u>	<u>Relationship with EBL</u>
Rothschild	Private Limited Company	New Court, St Swithin’s Lane, London EC4N 8AL	Connected Adviser
Ondra Partners	Limited Liability Partnership	Level 23, 125 Old Broad Street, London EC2N 1AR	Connected Adviser
HSBC Life (International) Limited	Public Limited Company	6 Front Street, Hamilton HM11, Bermuda	Under the same control as an adviser to Substantial Shareholder
The French State	Government	—	Substantial Shareholder

(b) ***Persons acting in concert with IPR***

In addition to the IPR Directors (together with their close relatives and related trusts) and members of the IPR Group (and their related pension funds), the persons who are acting in concert with IPR for the purposes of the Transaction, and which are required to be disclosed are:

<u>Name</u>	<u>Type of company</u>	<u>Registered Office</u>	<u>Relationship with IPR</u>
Morgan Stanley	Public Limited Company	25 Cabot Square Canary Wharf London E14 4QA	Connected Adviser
Nomura	Public Limited Company	1 Angel Lane London EC4R 3AB	Connected Adviser
Barclays	Public Limited Company	1 Churchill Place, London E14 5HP	Connected Adviser
Barclays Stockbrokers Ltd	Private Company limited by shares	1 Churchill Place, London E14 5HP	Under the same control as a Connected Adviser
Barclays Private Bank Trust Ltd	Private Company limited by shares	PO Box 248 39-41 Broad Street, St Helier JE4 5PS, Jersey	Under the same control as a Connected Adviser
Barclays Wealth Trustees (Jersey) Ltd	Private Company limited by shares	PO Box 248 39-41 Broad Street, St Helier JE4 5PS, Jersey	Under the same control as a Connected Adviser
Barclays Wealth Trustee (Guernsey) Ltd	Private Company limited by shares	PO Box 671 Level 1, Regency Court, Gategny Esplanade St Peter Port, GYI 3ST, Guernsey	Under the same control as a Connected Adviser

<u>Name</u>	<u>Type of company</u>	<u>Registered Office</u>	<u>Relationship with IPR</u>
Barclays Bank Trust Co Ltd	Private company limited by shares	1 Churchill Place, London, E14 5HP	Under the same control as a Connected Adviser
Barclays Bank plc (France)	Branch office of Barclays	1 Churchill Place, London, E14 5HP	Under the same control as a Connected Adviser
Barclays Bank S.A.U	Private company limited by shares	Plaza De Colon, 1, 28046, Madrid, Spain	Under the same control as a Connected Adviser
Barclays Bank (Suisse) SA	Private company limited by shares	Chemin de Grange Canal 18-20 PO Box 3941, 1211 Geneva, Switzerland	Under the same control as a Connected Adviser

(c) ***Interests and Dealings in Relevant Securities of GDF SUEZ and EBL***

As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of GDF SUEZ held by IPR, the directors of IPR and their close relatives and related trusts were as follows:

<u>Name</u>	<u>Number of GDF SUEZ shares</u>	<u>% of GDF SUEZ's existing share capital</u>	<u>Nature of Interest</u>
Gérard Mestrallet	18,714	0.00	Proprietary
Jean-François Cirelli	6,357	0.00	Proprietary
Dirk Beeuwsaert	51,759	0.00	Proprietary
Isabelle Kocher	7,081	0.00	Proprietary
Guy Richelle	2,907	0.00	Proprietary
Susan Stewart ⁽¹⁾	126	0.00	Proprietary

¹ Susan Stewart is Guy Richelle's spouse

Share Options/awards

<u>Name</u>	<u>Scheme</u>	<u>Maximum Number of GDF SUEZ shares under option/award</u>	<u>Date of grant</u>	<u>Exercise price per GDF SUEZ share (€)</u>	<u>Exercise period/vesting date</u>	
Gérard Mestrallet	Stock-Options	314,841	17.11.2004	16.84	17.11.2008-16.11.2012	
		408,899	09.12.2005	22.79	09.12.2009-08.12.2013	
		403,504	17.01.2007	36.62	17.01.2011-16.01.2015	
Gérard Mestrallet	Performance Shares	87,000	13.01.2011		15.03.2014	
Jean-François Cirelli	Performance Shares	60,000	13.01.2011		15.03.2014	
Dirk Beeuwsaert	Stock-Options	90,513	17.11.2004	16.84	17.11.2008-16.11.2012	
		89,215	09.12.2005	22.79	09.12.2009-08.12.2013	
		83,888	17.01.2007	36.62	17.01.2011-16.01.2015	
		83,901	14.11.2007	41.78	14.11.2011-13.11.2015	
		80,000	12.11.2008	32.74	12.11.2012-11.11.2016	
	Dirk Beeuwsaert	Performance Shares	38,000	13.01.2011		15.03.2014
			38,000	06.12.2011		15.03.2015
		Free Shares	11	23.08.2007		23.08.2012
			10	01.06.2008		01.06.2012
			20	08.07.2009		08.07.2013
	16	24.08.2010		24.08.2015		
	25	22.06.2011		23.06.2015		

<u>Name</u>	<u>Scheme</u>	<u>Maximum Number of GDF SUEZ shares under option/award</u>	<u>Date of grant</u>	<u>Exercise price per GDF SUEZ share (€)</u>	<u>Exercise period/vesting date</u>
Isabelle Kocher	Stock-Options	8,622	17.11.2004	16.84	17.11.2008-16.11.2012
		13,276	09.12.2005	22.79	09.12.2009-08.12.2013
		15,928	17.01.2007	36.62	17.01.2011-16.01.2015
		17,312	14.11.2007	41.78	14.11.2011-13.11.2015
		12,800	12.11.2008	32.74	12.11.2012-11.11.2016
		6,196	10.11.2009	29.44	10.11.2013-09.11.2017
	Performance Shares	15,000	06.12.2011		15.03.2015
Free Shares	20	08.07.2009		08.07.2011	
	10	22.06.2011		23.06.2013	
Guy Richelle	Stock-Options	2,598	20.11.2002	15.71	20.11.2006-20.11.2012
		8,622	17.11.2004	16.84	17.11.2008-16.11.2012
		5,630	09.12.2005	22.79	09.12.2009-08.12.2013
		6,266	17.01.2007	36.62	17.01.2011-16.01.2015
		17,312	14.11.2007	41.78	14.11.2011-13.11.2015
		16,300	12.11.2008	32.74	12.11.2012-11.11.2016
		21,200	10.11.2009	29.44	10.11.2013-09.11.2017
	Performance Shares	902	12.11.2008		15.03.2013
		2,467	10.11.2009		15.03.2014
	Free Shares	8,060	13.01.2011		15.03.2015
		11	23.08.2007		23.08.2012
		10	01.06.2008		01.06.2012
		20	08.07.2009		08.07.2013
25	22.06.2011		23.06.2015		
Philip Cox	Performance Shares	15,000	06.12.2011		15.03.2015
	Free Shares	25	22.06.2011		23.06.2015
Mark Williamson	Free Shares	25	22.06.2011		23.06.2015

(d) *Interests and dealings in Relevant Securities of IPR*

- (i) As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of IPR held by EBL and GDF SUEZ were as follows:

<u>Name</u>	<u>Number of IPR Shares</u>	<u>% of IPR's existing share capital</u>	<u>Nature of interest</u>
EBL	3,554,347,956 ⁽¹⁾	69.75	Proprietary

¹ Of this holding, legal title to 7 IPR Shares is held by Sopranor S.A., a member of the GDF SUEZ Group, and legal title to a further 7 IPR Shares is held by Genfina SCRL, a member of the GDF SUEZ Group, with EBL having beneficial ownership of such 14 IPR Shares.

- (ii) As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of IPR held by the directors of EBL and the directors of GDF SUEZ and their close relatives and related trusts were as follows:

<u>Name</u>	<u>Number of IPR Shares</u>	<u>% of IPR's existing share capital</u>	<u>Nature of interest</u>
Thierry de Rudder (EBL Director)	29,327	0.00	Proprietary

- (iii) As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of IPR held by persons acting in concert with EBL (including members of the GDF SUEZ Group but excluding EBL's Directors and GDF SUEZ's Directors) were as follows:

<u>Name</u>	<u>Number of IPR Shares</u>	<u>% of IPR's existing share capital</u>	<u>Nature of interest</u>
HSBC Life (International) Limited	173,260	0.00	Principal

- (iv) As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of IPR held by the IPR Directors and their close relatives and related trusts were as follows:

<u>Name</u>	<u>Number of IPR Shares</u>	<u>% of IPR's existing share capital</u>	<u>Nature of interest</u>
Philip Cox	1,028,023	0.02	Proprietary
Sir Neville Simms ⁽¹⁾	50,000	0.00	Proprietary
Tony Isaac ⁽²⁾	25,501	0.00	Proprietary
David Weston ⁽³⁾	2,000	0.00	Proprietary
Sir Rob Young ⁽⁴⁾	1,900	0.00	Proprietary
Michael Zaoui	25,281	0.00	Proprietary

¹ Held through a nominee account with Pershing Nominees Limited

² Tony Isaac's interest is beneficially held by his spouse, Janice Isaac

³ Held through a nominee account with Idealing.com Limited

⁴ Held through a nominee account with James Capel (Nominees) Ltd

Share Options/awards

<u>Name</u>	<u>Scheme</u>	<u>Maximum Number of IPR Shares under option/ award</u>	<u>Date of grant</u>	<u>Exercise price per IPR Share (£)</u>	<u>Exercise period/ vesting date</u>
Phillip Cox	Unapproved ESOS	149,859 (unapproved options)	24.05.2002	£1.7450	01.01.2005 to 23.05.2012
	Approved ESOS	17,191 (approved options)	24.05.2002	£1.7450	01.01.2005 to 23.05.2012
	PSP	498,050	16.09.2011	Nil	01.01.2014
Mark Williamson	Unapproved ESOS	35,415	24.05.2002	£1.7450	01.01.2005 to 23.05.2012
	PSP	225,023	16.09.2011	Nil	01.01.2014
Guy Richelle	PSP	225,023	16.09.2011	Nil	01.01.2014

- (v) As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of IPR held by persons acting in concert with IPR (excluding the IPR Directors) were as follows:

<u>Name</u>	<u>Number of IPR Shares</u>	<u>% of IPR's existing share capital</u>	<u>Nature of interest</u>
Barclays Stockbrokers Ltd	516	0.00	Principal Positions
Barclays Private Bank & Trust Ltd	275,000	0.01	Discretionary
Barclays	21,018	0.00	Principal Positions
Barclays Wealth Trustees (Jersey) Ltd	11,550	0.00	Discretionary
Barclays Wealth Trustees (Guernsey) Ltd	5,755	0.00	Discretionary
Barclays Bank Trust Co Ltd	17,675	0.00	Discretionary
Barclays Bank Plc (France)	293,479	0.01	Principal Positions
Barclays Bank SA	103,010	0.00	Principal Positions
Barclays Bank (Suisse) SA	8,000	0.00	Principal Positions

- (vi) As at the close of business on the disclosure date, the following dealings in relevant securities of IPR (including the exercise of options and/or the vesting of awards under the IPR Share Option Schemes) by persons acting in concert with IPR, and persons with whom IPR or any person acting in concert with IPR has any arrangement, have taken place during the Offer Period:

<u>Name</u>	<u>Date</u>	<u>Transaction</u>	<u>Number of IPR Shares</u>	<u>Price (£)</u>
Barclays Bank plc (France)	20.04.2012	Sale	51,000	4.1736
Barclays Bank Trust Co Ltd	16.04.2012	Sale	40	4.1700
Barclays Bank Trust Co Ltd	24.04.2012	Transfer out of discretionary management	5,595	N/A

(e) **General**

Save as disclosed above, none of EBL, GDF SUEZ, any other member of the GDF SUEZ Group, any of the EBL Directors, any close relatives of such directors or any related trusts nor any person acting in concert with EBL, or any person with whom EBL or any person acting in concert with EBL has an arrangement, was interested, had any rights to subscribe or had any short positions in respect of any relevant securities on the disclosure date nor has any such person dealt in any relevant securities during the disclosure period.

- (i) Save as disclosed above, none of IPR, any of the IPR Directors, any close relatives of such directors or any related trusts nor any person with whom IPR or any person acting in concert with IPR has an arrangement, was interested, had any rights to subscribe or had any short positions in respect of any relevant securities of IPR on the disclosure date nor has any such person dealt in any relevant securities of IPR during the Offer Period.
- (ii) Save as disclosed above, none of IPR, any of the IPR Directors, any close relatives of such directors or any related trusts, was interested in, directly or indirectly, nor had any rights to subscribe for, or any short position in relation to, any relevant securities of GDF SUEZ or EBL and nor has any such person dealt in any relevant securities of GDF SUEZ or EBL during the Offer Period.
- (iii) Save as disclosed above, neither EBL nor any person acting in concert with EBL has borrowed or lent any relevant securities of IPR during the disclosure period, save for any borrowed shares which have either been on-lent or sold.
- (iv) Save as disclosed above, neither IPR nor any person acting in concert with IPR has borrowed or lent any relevant securities of IPR during the disclosure period, save for any borrowed shares which have either been on-lent or sold.
- (v) Save as disclosed above, neither EBL nor any person acting in concert with EBL has entered into or taken any action to unwind any financial collateral arrangements in respect of any relevant securities of IPR during the disclosure period.
- (vi) Save as disclosed above, neither IPR nor any person acting in concert with IPR has entered into or taken any action to unwind any financial collateral arrangements in respect of any relevant securities of IPR during the disclosure period.

(vii) Save as disclosed above, neither EBL nor any person acting in concert with EBL has any arrangements in relation to any relevant securities.

5. Taxation

5.1 UK Taxation

The following statements relate only to UK tax, and are a general guide based on current UK tax legislation and published practice of HMRC at the date of this document (both of which are subject to change, possibly with retrospective effect). They are not exhaustive and relate only to certain UK tax consequences of the implementation of the Scheme for Scheme Shareholders. These statements relate solely to Scheme Shareholders who (a) are resident (and, in the case of individuals, ordinarily resident and domiciled) in the UK for UK tax purposes (b) are the absolute beneficial owner of their Scheme Shares (c) hold their Scheme Shares as an investment and (d) do not hold (either alone or together with connected persons) more than five per cent. of, or of any class of, shares in or debentures of IPR.

These statements may not apply to certain categories of shareholders such as (but not limited to) traders, dealers in securities, insurance companies and collective investment schemes.

Special tax provisions may apply to Scheme Shareholders who have acquired or who acquire their Scheme Shares by exercising options or awards under the IPR Share Option Schemes. This summary does not apply to such Scheme Shareholders.

Your tax treatment will depend on your particular circumstances. If you are in any doubt as to your tax position or if you are or may be subject to tax in a jurisdiction other than the UK you should consult your own professional advisers.

(A) Disposal of Scheme Shares

CGT—Cash Consideration

To the extent a Scheme Shareholder receives cash under the terms of the Scheme, that Scheme Shareholder will be treated as making a disposal (or, where a Scheme Shareholder receives both cash and Loan Notes, part disposal) of Scheme Shares for the purpose of UK capital gains tax or UK corporation tax on chargeable gains (as applicable) (“CGT”) upon cancellation of the Scheme Shares under the Scheme. Depending on the Scheme Shareholder’s particular circumstances (including the availability of exemptions, reliefs or allowable losses) this may give rise to an immediate chargeable gain (or an allowable loss).

Where a Scheme Shareholder who is an individual receives both cash and Loan Notes, and the amount of the cash consideration is “small” compared with the value of his or her Scheme Shares, HMRC’s published practice is that the individual should not (to the extent the amount of cash does not exceed the individual’s base cost in his or her Scheme Shares) be treated as having disposed of the shares in respect of which the cash was received. Instead, the individual should reduce the base cost of his or her Scheme Shares, with the effect that the gain (or allowable loss) which would otherwise have arisen should be “rolled over” into the Loan Notes as described below.

Where a Scheme Shareholder which is a company receives both cash and Loan Notes, and the amount of cash consideration received by the company is “small” compared with the value of such company’s Scheme Shares, the company should not realise an immediate chargeable gain (or allowable loss) in respect of the cash consideration. Instead the gain that would otherwise have arisen should be “held over” as described below.

HMRC’s published practice is that cash consideration should generally be “small” for the above purposes if either it is less than £3,000 in total, or it is not more than 5 per cent. of the value of the relevant Scheme Shareholder’s Scheme Shares immediately before they are cancelled under the Scheme.

Where a Scheme Shareholder receives both cash and Loan Notes, and the cash consideration is not “small”, the amount of the immediate chargeable gain (or allowable loss) in respect of the cash consideration would be calculated on the basis of an apportionment of the Scheme Shareholder’s base cost in the Scheme Shares by reference to market value at the date of disposal.

CGT—Loan Note Consideration

For a Scheme Shareholder who is an individual, the Loan Notes should not be qualifying corporate bonds for CGT purposes. As a result, to the extent an individual receives Loan Notes under the Scheme, he or she will not be treated as making a disposal of Scheme Shares. Instead, the gain (or allowable loss) which would otherwise have arisen will be “rolled over” into the Loan Notes, which means that the Loan Notes will be treated as the same asset as the Scheme Shares, acquired at the same time and for the same consideration as those Scheme Shares. A subsequent disposal or part disposal of Loan Notes (including a redemption) may give rise to a chargeable gain (or an allowable loss) depending on the individual’s particular circumstances.

For a Scheme Shareholder which is a company within the charge to UK corporation tax, the Loan Notes will be qualifying corporate bonds for CGT purposes. As a result, to the extent such a company receives Loan Notes under the Scheme, the company should calculate the amount of any chargeable gain (or allowable loss) that would have arisen had there been a disposal of the Scheme Shares for a consideration equal to the market value of those Scheme Shares immediately before they were exchanged for Loan Notes. The amount of this chargeable gain (or allowable loss) so calculated will be “held over” and brought into the charge to CGT on a subsequent disposal or part disposal of the Loan Notes (including a redemption).

You are advised to consult your own professional advisers as to whether it is desirable for you to elect to receive Loan Notes under the Scheme having regard to your particular circumstances.

CGT—General

For a Scheme Shareholder who is an individual, CGT is currently charged at a rate of either 18 per cent. or 28 per cent. depending on the total amount of the individual’s taxable income.

Individuals are generally entitled to an annual exempt amount for CGT purposes.

If an individual is only temporarily resident outside the UK for CGT purposes at the date of disposal, the individual could, on becoming resident or ordinarily resident for tax purposes in the UK again, be liable to UK tax on chargeable gains in respect of disposals made while the individual was temporarily resident outside the UK.

For a Scheme Shareholder which is a company, CGT is charged at the corporation tax rate applicable to the company. Indexation allowance may be available to a company to reduce the amount of a chargeable gain on a disposal of Scheme Shares. Where a company receives Loan Notes in exchange for Scheme Shares, no indexation allowance will be available for the period of ownership of the Loan Notes.

(B) Loan Notes

The following statements assume that there is no substitution of EBL as issuer of the Loan Notes pursuant to condition 13 of the Loan Note Instrument.

Withholding Tax

EBL understands, on the basis of current law and practice, that interest on the Loan Notes is unlikely to have a UK “source”. As a result, EBL (as issuer of the Loan Notes) does not expect to be required to deduct or withhold any amount for or on account of UK income tax from payments of interest it makes on the Loan Notes.

Credit for UK or Belgian Withholding Tax (if applicable)

In the event that EBL is required to deduct or withhold any amount from payments of interest for or on account of UK income tax, credit should generally be available for the amount of such income tax.

In the event that EBL is required to deduct or withhold any amount for or on account of Belgian withholding tax from payments of interest (see the Belgian Taxation section below) credit should generally be available for the amount of such withholding tax, but only up to the amount of UK income or corporation tax due on the interest. The credit may be subject to limitations and, in particular, may not be available where a Loan Note Holder fails to take steps to claim an available exemption or other relief from Belgian withholding tax (see the Belgian Taxation section below).

If any deduction or withholding for or on account of tax is required by law from any payment on the Loan Notes, the payment will be made after such deduction or withholding, and neither EBL nor any other person will be required to gross up or otherwise compensate Loan Note Holders for such deduction or withholding.

Interest Income and CGT

For a Loan Note Holder who is an individual, the gross amount of interest received on the Loan Notes will form part of the individual's income for the purposes of UK income tax.

As mentioned above, a disposal or part disposal of Loan Notes (including a redemption) by an individual may give rise to a chargeable gain (or an allowable loss) for CGT purposes depending on the individual's particular circumstances, including the amount of any gain or loss which is "rolled over" from his or her Scheme Shares. A disposal or part disposal of Loan Notes by an individual may also give rise to an income tax liability on an amount representing interest accrued on the Loan Notes at the date of disposal.

For a Loan Note Holder which is a company, profits and gains including interest in respect of the Loan Notes will generally be brought into account for UK corporation tax under the loan relationships code, broadly in accordance with the company's accounting treatment (applying UK generally accepted accounting practice). As mentioned above, a disposal or part disposal of Loan Notes (including a redemption) by a company will also result in any "held over" chargeable gain or allowable loss in respect of its Scheme Shares being brought into account for CGT purposes.

(C) Stamp Duty and SDRT

No UK stamp duty or stamp duty reserve tax ("**SDRT**") will be payable by Scheme Shareholders as a consequence of the implementation of the Scheme.

No stamp duty or SDRT should be payable by Scheme Shareholders on the issue or transfer of, or agreement to transfer, Loan Notes.

5.2 Belgian Taxation

The following is a general description of certain Belgian tax considerations of acquiring, holding and disposing of the Loan Notes by Scheme Shareholders who are non-residents of Belgium. It is intended as a guide only and does not purport to be a complete analysis of all Belgian tax considerations relating to the Loan Notes. The summary is based upon the law as in effect on the date of this document and is subject to any change in law that may take effect before or after such date.

For the purpose of this summary, a Belgian resident is (i) an individual subject to Belgian personal income tax (i.e. an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident), (ii) a company subject to Belgian corporate income tax (i.e. a company that has its registered office, its main establishment, its administrative seat or its seat of management in Belgium); or (iii) a legal entity subject to Belgian legal entities tax (i.e. an entity other than a company subject to corporate income tax having its registered office, its main establishment, its administrative seat or its seat of management in Belgium).

For the purpose of this summary, a non-resident is a person that is not a Belgian resident.

The following statements assume that there is no substitution of EBL as issuer of the Loan Notes pursuant to condition 13 of the Loan Note Instrument.

Belgian Withholding Tax on the Loan Notes

The interest component of payments on the Loan Notes made by or on behalf of EBL to a non-resident is generally subject to Belgian withholding tax at a rate of 21 per cent.

For Belgian income tax purposes, interest includes (i) periodic interest income, (ii) amounts paid by the issuer in excess of the issue price (upon full or partial redemption, whether or not at maturity, or upon purchase by the issuer), and (iii) if the Loan Notes qualify as fixed income securities pursuant to Article 2, § 1, 8 of the Belgian Income Tax Code 1992 ("**ITC 1992**"), in case of a sale of the Loan Notes to any third party, excluding EBL, the pro rata of accrued interest corresponding to the holding period.

Interest on the Loan Notes paid to a non-resident Loan Note Holder should generally be exempt from Belgian withholding tax provided that EBL continues to qualify as a ‘financial company’ in the sense of article 105, 1°, c) of the Royal Decree implementing the Belgian Income Tax Code (“RD/ITC”) during the whole coupon period of the relevant interest payment (cf. article 107, § 2, 5°, b) RD/ITC) and provided that the Loan Note Holder provides EBL with a certificate confirming that (cf. article 117 § 6 RD/ITC):

- he/she is the owner or usufructory of the Loan Notes;
- he/she is a non-resident of Belgium; and
- he/she has not allocated the Loan Notes to a professional activity in Belgium.

The certificate should be filed with EBL each time an interest payment is due and prior to any interest payment date.

If no withholding tax exemption can be applied, the 21 per cent. withholding tax rate may be reduced pursuant to an applicable double tax treaty provided the relevant formalities are complied with.

If any deduction or withholding for or on account of tax is required by law from any payment on the Loan Notes, the payment of interest will be made to the Loan Note Holders after such deduction or withholding, and neither EBL nor any other person will be required to gross up or otherwise compensate Loan Note Holders for such deduction or withholding.

Interest, Capital Gains and Income Tax

Scheme Shareholders who are non-residents of Belgium and who are not holding the Loan Notes through a permanent establishment or fixed base in Belgium, will not become liable for any Belgian tax on income or capital gains by reason only of the acquisition or disposal of the Loan Notes, other than the possible applicable Belgian withholding tax on interest as described above.

Tax on Stock Exchange Transactions

A stock exchange tax (*Taxe sur les opérations de bourse / Taks op de beursverrichtingen*) is normally due on the secondary purchase and sale of debt securities if purchased or sold in Belgium through a professional intermediary. The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is 0.09 per cent. with a maximum amount of €650 per transaction and per party. However, secondary purchases and sales by and for the account of a non-resident are exempt from this tax provided an affidavit confirming the non-resident status is provided to the professional intermediary in Belgium.

6. Bases of calculation and sources of information

In this document, unless otherwise stated or the context otherwise requires, the bases and sources used are as set out in Part 9 (*Sources of Information and Bases of Calculation*) of this document.

7. Irrevocable Commitments

As at the close of business on 8 May 2012 (the latest practicable date prior to publication of this document) EBL and its concert parties had procured the following irrevocable commitments in relation to relevant securities of IPR to vote in favour of the Scheme, and in favour of any resolutions required to give effect to the Scheme at the Court Meeting and the resolutions at the IPR General Meeting (or, if applicable, to accept the Offer):

<u>Name</u>	<u>Number of IPR Shares</u>	<u>% of IPR's existing share capital</u>
Philip Cox	1,028,023	0.02
Sir Neville Simms ⁽¹⁾	50,000	0.00
Tony Isaac ⁽²⁾	25,501	0.00
David Weston ⁽³⁾	2,000	0.00
Sir Rob Young ⁽⁴⁾	1,900	0.00
Michael Zaoui	25,281	0.00
TOTAL	<u>1,132,705</u>	<u>0.02</u>

¹ Held through a nominee account with Pershing Nominees Limited

² Relates to 25,501 shares held in the name of his spouse, Janice Isaac

³ Held through a nominee account with Idealing.com Limited

⁴ Held through a nominee account with James Capel (Nominees) Ltd

8. Financing and Cash Confirmation

EBL is providing the cash consideration payable under the Transaction from a combination of the New Debt Facility (summarised at paragraph 8.1 below) and cash resources.

Rothschild is satisfied that sufficient resources are available to satisfy in full the cash consideration payable to Scheme Shareholders under the terms of the Transaction.

8.1 New Debt Facility

GDF SUEZ and EBL have entered into a EUR 6,000,000,000 French law facilities agreement dated 4 May 2012 (the “**Facilities Agreement**”). The obligations of EBL under the Facilities Agreement are guaranteed by GDF SUEZ under a French law first demand guarantee (garantie autonome). The lenders under the Facilities Agreement as at the date of this document are Banco Bilbao Vizcaya Argentaria S.A., acting through its Paris Branch, Banco Santander, S.A., Bank Of America, N.A. Paris Branch, The Bank Of Tokyo-Mitsubishi UFJ, Ltd., BNP Paribas SA, Citibank Europe plc, Citibank International plc, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Luxembourg S.A., Fortis Bank SA/NV, HSBC Bank PLC, ING Belgium S.A., Succursale en France, J.P. Morgan Securities Ltd, Mizuho Corporate Bank Nederland N.V., Natixis, The Royal Bank of Scotland plc and Unicredit Bank AG.

The Facilities Agreement provides for two single currency term loan facilities. Facility A is a EUR 4,000,000,000 facility (“**Facility A**”) and Facility B is a EUR 2,000,000,000 facility (“**Facility B**”, and together with Facility A, the “**Facilities**”). Both Facilities are made available on a ‘certain funds’ basis, which means that during the availability period (being the period from and including the Effective Date to the earlier of (a) the date falling four months after the Effective Date, (b) the date on which the Scheme lapses or is withdrawn or the competent court refuses to sanction the Scheme or rejects it and (c) the date falling seven months after the date of the Facilities Agreement) the rights of the lenders to cancel their commitments, exercise any right, power or discretion to terminate, cancel or suspend the obligation to make any loan, accelerate any loan or exercise any right of set-off or counterclaim in respect of any loan can only be exercised in limited circumstances. These include certain major events of default, including certain insolvency events in relation to GDF SUEZ and EBL, breaches of major representations and failure to comply with certain major covenants.

The proceeds of the Facilities can be used to finance or refinance (a) consideration payable to the holders of IPR Shares (including IPR Shares resulting from the conversion of the IPR Convertible Bonds) pursuant to the Scheme; (b) payments (directly or via intercompany loans to International Power (Jersey) Limited, International Power Finance (Jersey) II Limited or International Power Finance (Jersey) III Limited) to the holders of the IPR Convertible Bonds either to acquire shares in IPR following conversion of the IPR Convertible Bonds or to redeem the IPR Convertible Bonds; (c) following the Effective Date, payments for acquisitions of shares in IPR following the exercise of options under the IPR Share Option Schemes at a time when such exercise gives the holder the right to acquire shares in IPR following the Scheme; and (d) Scheme costs and any other fees, costs and expenses incurred in connection with the Facilities Agreement or the related transaction. Loans drawn under the Facilities Agreement bear interest at the aggregate of (a) an agreed margin per annum; (b) EURIBOR; and (c) mandatory costs, if any. The margin on both Facilities is subject to a step-up mechanism and such margin will increase from 0.50 per cent. to 1.50 per cent. per annum in respect of Facility A and 0.50 per cent. to 1.20 per cent. per annum in respect of Facility B. The step-up is automatic on fixed dates (being the dates falling six months, nine months, twelve months, fifteen months and eighteen months after the date of the Facilities Agreement in respect of Facility A, and the dates falling six months, twelve months and twenty-four months after the date of the Facilities Agreement in respect of Facility B) and does not depend on any trigger. Interest on overdue amounts is charged at a rate of 1.00 per cent. per annum above the rate otherwise applicable to loans drawn down under the Facilities Agreement. Certain fees are also payable in connection with the Facilities Agreement including arrangement and participation fees, a ticking fee, a commitment fee payable on the undrawn, uncanceled amount of each lender’s commitment, an agency fee, and, in the event GDF SUEZ elects to exercise any of its extension options in respect of either or both of the Facilities, an extension fee.

Each loan made under the Facilities Agreement is repayable in full on the final maturity date applicable to the relevant Facility. Each of the Facilities has an initial scheduled maturity date of 4 May 2013, but this is subject to an option for GDF SUEZ to extend in respect of either or both of the Facilities by one year on the first anniversary of the Facilities Agreement, and, in respect of Facility B only, an additional year on the second anniversary of the Facilities Agreement.

Loans may be voluntarily prepaid and the Facilities Agreement provides for mandatory prepayment/cancellation in certain instances, including on a change of control of GDF SUEZ (which will occur if any person or group of persons acting in concert gains control of GDF SUEZ), and (to the extent of such proceeds) upon receipt of certain debt and disposals proceeds.

The Facilities Agreement contains customary covenants which limit the ability of GDF SUEZ and EBL, subject to certain exceptions, from, among other things:

- (i) creating or permitting to subsist any security securing financial indebtedness over any of its assets, with the exception of various permitted security interests, including a general exception for security securing other indebtedness not exceeding 15 per cent. of GDF SUEZ's total consolidated assets (as determined by reference to its most recent consolidated financial statements);
- (ii) in the case of GDF SUEZ, disposing of any of its assets, with certain exceptions including an exception for disposals made in the ordinary course of business for fair market value, an exception for intra-group transfers and a general exception for disposals where the aggregate net consideration for all disposals does not exceed 15 per cent. of GDF SUEZ's total consolidated assets (as determined by reference to its most recent consolidated financial statements);
- (iii) in the case of GDF SUEZ, merging with any other entity save in specific circumstances; and,
- (iv) in the case of GDF SUEZ, changing the general nature of its business from that carried on at the date of the Facilities Agreement.

The Facilities Agreement also contains undertakings, pursuant to which GDF SUEZ and EBL must:

- (i) obtain, comply with and do all that is necessary to maintain in full force and effect any authorisation required under any relevant law or regulation to enable it to comply with the Facilities Agreement and certain related finance documents and to ensure the legality, validity, enforceability or admissibility in evidence of such documents;
- (ii) comply in all respects with all laws to which they are subject, if failure to do so would materially impair its ability to perform its obligations under the Facilities Agreement or certain related finance documents; and
- (iii) ensure that all taxes are paid when due and payable, unless the amount or applicability of such taxes are disputed in good faith and adequate reserves have been (or will be) made for their payment.

The Facilities Agreement also contains undertakings in respect of the Scheme, pursuant to which EBL and/or GDF SUEZ must (or use reasonable endeavours to ensure IPR will), among other things:

- (i) post this document and notice of the meeting of the IPR Shareholders to the IPR Shareholders by 14 May 2012 (or such later date as the Panel may permit);
- (ii) ensure this document corresponds in all material respects to the terms and conditions of the Scheme as set out in the Offer Announcement;
- (iii) ensure that an office copy of the Court Order is delivered to the Registrar of Companies for England & Wales as soon as reasonably practicable and in any event within seven days of the date of the Court Order;
- (iv) not, without the consent of the majority lenders, amend, waive or vary, in whole or in part, any term or condition of the Scheme in any material respect which would be reasonably likely to be prejudicial to the lenders, save as required by the Panel or the Court;
- (v) comply with the Takeover Code and this document (save as required by the Panel and/or the Court Order and subject to any waivers granted by the Panel) and all other applicable laws and regulations material in the context of the Scheme;
- (vi) ensure that no action is taken which would or may require an increase in the price per share above that specified in the Offer Announcement or above the level agreed from time to time between GDF SUEZ and the mandated lead arrangers, except with the prior consent of the mandated lead arrangers;
- (vii) refrain from making any public announcement containing any information or statement concerning the finance parties, the Facilities or the Facilities Agreement without the prior approval of the majority lenders, save for any announcement required by law or regulation or as envisaged in this document;

- (viii) keep the lenders informed as to the status and progress of the Scheme and promptly deliver to the facility agent a copy of any document, announcement or other material information in respect of the Scheme that it makes public; and
- (ix) if GDF SUEZ becomes aware of any event which, if not waived, would entitle it (with or without the consent of any other party) to lapse the Scheme or terminate this document, it shall promptly notify the facility agent of such event.

The Facilities Agreement also contains customary representations, warranties and conditions precedent.

The Facilities Agreement contains various events of default, including non-payment, failure to comply with covenants, misrepresentations, cross-default (in relation to non-payment of other financial indebtedness in an amount of EUR 250,000,000 or more) and certain insolvency events. If any event of default is outstanding, the lenders may cancel any undrawn commitments and/or demand immediate repayment of all amounts outstanding under the Facilities. However, as described above, during the availability period of the Facilities such rights are only exercisable by the lenders in more limited circumstances.

9. Material contracts

(a) *EBL*

Save as disclosed in paragraph 9(d) below, there have been no contracts entered into by EBL or any of its subsidiaries during the period commencing on 29 March 2010 (the date two years before the commencement of the Offer Period) and ended on 8 May 2012 (the latest practicable date prior to publication of this document) which are outside the ordinary course of business and which are or may be considered material.

(b) *GDF SUEZ*

Save as disclosed below and in paragraph 9(d) below, there have been no contracts entered into by GDF SUEZ or any of its subsidiaries during the period commencing on 29 March 2010 (the date two years before the commencement of the Offer Period) and ended on 8 May 2012 (the latest practicable date prior to publication of this document) which are outside the ordinary course of business and which are or may be considered material:

Entry of a 30 per cent. non-controlling shareholder in the GDF SUEZ Group's Exploration & Production business and disposal of the GDF SUEZ Group's interest in GDF SUEZ LNG Liquefaction

On 10 August 2011, GDF SUEZ and China Investment Corporation ("**CIC**") signed a Memorandum of Understanding concerning cooperation across multiple businesses and regions, in particular in Asia Pacific (the "**Cooperation Agreement**"). Pursuant to the Cooperation Agreement, GDF SUEZ and CIC entered into an agreement on 31 October 2011 for the sale of a 30 per cent. non-controlling interest in the GDF SUEZ Group's Exploration & Production business ("**GDF SUEZ E&P**") to an indirect wholly-owned subsidiary of CIC (the "**Sale Agreement**"). Under the terms of the Sale Agreement, CIC also agreed to acquire all the shares in GDF SUEZ LNG Liquefaction S.A., which holds a 10 per cent. stake in the Atlantic LNG facility based in Trinidad and Tobago.

Prior to completion of the transaction and in accordance with the Sale Agreement, the GDF SUEZ Group carried out measures to restructure GDF SUEZ E&P International ("**EPI**") (the holding company for GDF SUEZ E&P) and reduce its net debt to USD 1 billion (€749 million).

The sales became effective on 20 December 2011, once the outstanding conditions precedent had been met. These included approval from certain regulatory authorities and measures to restructure EPI's net debt.

Through an indirect wholly-owned subsidiary, CIC acquired a 30 per cent. interest in the share capital of EPI for USD 3,257 million (€2,491 million) on 20 December 2011. The GDF SUEZ Group retains exclusive control of GDF SUEZ E&P.

Also on 20 December 2011, the GDF SUEZ Group completed the sale of its interest in GDF SUEZ LNG Liquefaction S.A. to another indirect, wholly-owned subsidiary of CIC for consideration of USD 879 million (€672 million). Commitments made by the GDF SUEZ Group prior to the sale to purchase liquefied natural gas from Atlantic LNG remain in force.

The Sale Agreement contained customary warranties and indemnities subject to certain limitations on liability.

(c) **IPR**

Save as disclosed below and in paragraph 9(d) below, there have been no contracts entered into by IPR or any of its subsidiaries during the period commencing on 29 March 2010 (the date two years before the commencement of the Offer Period) and ending on 8 May 2012 (the latest practicable date prior to publication of this document) which are outside the ordinary course of business and which are or may be considered material.

7.25 per cent. €247,224,000 Senior Unsecured Notes 2017 (the “2017 Notes”)

On 11 May 2010, International Power Finance (2010) plc, a wholly-owned subsidiary of IPR, issued the 7.25 per cent. Senior Unsecured Notes 2017. The notes are irrevocably and unconditionally guaranteed by IPR. Unless previously redeemed or cancelled, the notes shall be redeemed on 11 May 2017 at their principal amount (together with accrued interest).

At any time, upon not less than 30 nor more than 60 days’ notice to the holders of the notes, International Power Finance (2010) plc may redeem all or part of the notes, at a redemption price equal to 100 per cent. of the principal amount thereof plus the redemption premium specified in the terms and conditions of the notes, together with accrued and unpaid interest to the redemption date.

International Power Finance (2010) plc or IPR must also make an offer to repurchase the notes, at a purchase price equal to 101 per cent. of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase, if a “change of control” occurs (as specified in the terms and conditions of the notes). The Transaction will not result in EBL becoming the beneficial owner of a majority of the voting power of the voting stock of IPR as EBL is already the beneficial owner of a majority of the voting power of the voting stock of IPR. As the Transaction does not amount to a “change of control” for the purposes of the note, IPR is not required to make an offer to repurchase the notes as a result of the Transaction.

(d) **Material contracts between IPR and the GDF SUEZ Group**

The description of the following material contracts contained within pages 66 to 74 of the Combination Circular are incorporated into this document by reference:

- (i) Merger Deed;
- (ii) Relationship Agreement;
- (iii) Electrabel Services Agreement;
- (iv) International Power Services Agreement; and
- (v) Expatriates Services Agreements.

The table at Part C of Part 6 (*Information concerning the IPR Group*) of this document sets out the website address and page numbers at which the Combination Circular and description of the above material contracts can be found.

Financing Framework Agreement

The financing framework agreement was entered into on 13 October 2010 and amended and restated on 26 January 2011 and 23 December 2011. It sets out the principal terms and conditions of the financing arrangements put in place between EBL, members of the GDF SUEZ Group which are not part of the IPR Group and the IPR Group (other than publicly listed subsidiaries). Under the financing framework agreement, EBL committed to provide (or to procure that other members of the GDF SUEZ Group provide) financing to the IPR Group, with an undertaking provided by GDF SUEZ to procure that EBL complies with its obligations thereunder and that if EBL fails to pay or deliver or procure the payment or delivery of any of its commitments thereunder GDF SUEZ will itself make payment or delivery of such commitments.

The financing provided pursuant to the financing framework agreement consists of loans to meet IPR’s annual financing requirements, loans that replaced certain project financings within the IPR Group, a guarantee facility to help meet the operational requirements of the IPR Group and a cash pooling facility to provide the IPR Group with liquidity.

The financing framework agreement divides the loans and guarantees to be granted thereunder into four tranches as follows:

- Tranche A: In a maximum annual amount equal to (i) the aggregate financing needs of the IPR Group as set out in the annual budget of IPR for each financial year of IPR and approved by the IPR Board plus (ii) the aggregate amount of any other financings approved by GDF SUEZ and IPR, each in accordance with its own corporate governance rules. This tranche is for general corporate purposes (including acquisitions) and the extension of credit support to IPR's project financed subsidiaries and is available until 31 December 2013 with provision for extension.
- Tranche B: In the amount of £955,000,000, for the financing of the early redemption or reimbursement, on or shortly after completion of the Combination of certain project finance indebtedness and subordinated indebtedness of the IPR Group. This tranche was available for a period of six months commencing on completion of the Combination and expired on 2 August 2011.
- Tranche C: In the amount of £1,197,000,000, for the financing of the redemption or reimbursement, on or shortly prior to its maturity, of certain project finance indebtedness of the IPR Group. This tranche is available for a period commencing on or shortly prior to the earliest maturity date of the indebtedness to be repaid under this tranche and ending on the latest maturity date of such indebtedness.
- Tranche D: In the amount of £850,000,000, by way of guarantees to be issued by EBL, directly or indirectly through (subject to certain requirements) any other member of the GDF SUEZ Group which is not part of the IPR Group. This tranche is available until 31 December 2013 with provision for extension.

The financing framework agreement also sets out the agreed basis upon which the GDF SUEZ intragroup financing company GDF SUEZ CC, or its parent company Compagnie Européenne de Financement S.A., may be used to effect lending within the IPR Group.

The financing framework agreement further provides for the treatment of certain GDF SUEZ guarantees which were in place in respect of the assets that were transferred to the IPR Group as part of the Combination.

Pursuant to the financing framework agreement, those members of the IPR Group with average annual net negative or positive balances of at least £5,000,000 (each a "**Participant Company**") and together the "**Participant Companies**") are required to enter into cash pooling arrangements with EBL or another financial vehicle or entity within the GDF SUEZ Group which is not part of the IPR Group (the "**Centralising Entity**"), pursuant to which they will agree to contribute all of their cash to the cash pool, in excess of a minimum balance which may be agreed on a case by case basis. The cash pooling arrangements continue until 31 December 2013 (with provision for extension), and provide short term liquidity to the Participant Companies up to an amount of £250,000,000 for short term working capital requirements ("**Tranche 1**") and up to £150,000,000 for margin calls related to trading activities ("**Tranche 2**").

The financing framework agreement terminates on the date on which all of the commitment periods relating to the loans and guarantees which it grants have expired without renewal, the obligations of the members of the IPR Group under the financing framework agreement and the documents to be entered into pursuant to the financing framework agreement have been discharged and the obligations, commitments or undertakings of EBL, GDF SUEZ and each lender, guarantor and Centralising Entity under such documents have expired or have been fully cancelled and terminated in accordance with their terms.

10. Service Contracts and Remuneration

Save as disclosed below, there are no service contracts in force between any director or proposed director of IPR and IPR or any of its subsidiaries and no such contract has been entered into or amended during the six months preceding the date of this document.

Executive Directors' service contracts

The following Executive Directors have written service contracts with IPR. The service contracts do not have a fixed term but provide for summary termination in appropriate circumstances or otherwise either party giving the required notice as follows:

<u>Name</u>	<u>Date of current contract</u>	<u>Notice period from IPR</u>	<u>Notice period from Executive Director</u>
Philip Cox	7 February 2012	12 months	6 months
Mark Williamson ⁽¹⁾	23 February 2004	12 months	6 months
Guy Richelle	6 May 2011	12 months	6 months

¹ In accordance with the announcement to shareholders on 16 December 2011, Mark Williamson will step down from the Board and leave his role as Chief Financial Officer of IPR at the AGM.

The Executive Directors' service contracts do not provide for payments to be made upon termination of employment on proper notice. However, in the case of each Executive Director, IPR is entitled in its discretion to terminate without giving the required period of notice by paying in lieu. In the case of Philip Cox, payment in lieu would be up to 12 months' salary, pension allowance, car allowance and insurance benefits and, in addition, he would be eligible for a pro rata annual performance bonus and a long-term incentive award pro-rated on the basis of time served and subject to satisfaction of any applicable performance conditions. Philip Cox's service contract was amended to include this provision on 7 February 2012. It replaced provisions that provided for a payment in lieu equal to 125 per cent. of base salary, a separate liquidated damages arrangement which also paid 125 per cent. of base salary in the event of a termination without cause and an expired change of control arrangement, all of which were included in his previous service contract dated 25 February 2003.

In the case of Mark Williamson and Guy Richelle, their service contracts provide that IPR may at its discretion terminate without giving the required notice by paying 125 per cent. of base salary in lieu in 12 equal monthly instalments and subject to such instalments being reduced having regard to any salary from any full time alternative employment (in the case of Mark Williamson) and to any remuneration and benefits from any employment, engagement or appointment (in the case of Guy Richelle) during the relevant period.

The salaries of the Executive Directors are reviewed annually. Philip Cox's base salary is currently £863,200 per annum, Mark Williamson's base salary is currently £520,000 per annum and Guy Richelle's base salary is currently £520,000 per annum. These salaries were increased on 1 January 2012 from their previous levels of £830,000, £500,000 and £500,000 respectively.

The maximum annual bonus opportunity for the Executive Directors is 154 per cent. of base salary for Philip Cox and 132 per cent. of base salary for Mark Williamson and Guy Richelle.

The Executive Directors are entitled to a non-pensionable annual salary supplement equal to 33 per cent. of their respective salaries. In addition, each Executive Director is entitled to membership of IPR's private medical insurance scheme. Philip Cox is also entitled to a car allowance of £15,000 per annum, and Mark Williamson and Guy Richelle each to a car allowance of £12,000 per annum.

The Executive Directors participate in the PSP. The Executive Directors do not participate in any commission or profit sharing arrangements with IPR or any of its subsidiaries.

Geert Peeters is the Deputy Chief Financial Officer of IPR and is not a director of IPR at the date of this document. He is being proposed for appointment as Chief Financial Officer of IPR at the AGM and for appointment to the IPR Board. Geert Peeters is presently employed by IPR-GDF SUEZ North America Inc, a wholly-owned subsidiary of IPR, under a contract of employment dated 1 January 2008. If Geert Peeters is appointed as a director of IPR at the AGM, it is expected that he would enter into a new service contract with IPR which would contain similar provisions to those contained in the service contracts of the current Executive Directors with regard to the components of his remuneration, notice periods and benefits.

Non-Executive Directors' letters of appointment

All of the existing Non-Executive Directors have letters of appointment with IPR for an initial period of three years from their date of appointment, other than Sir Neville Simms who is currently appointed as Deputy Chairman of IPR for a period of two years from 1 January 2012, subject to reappointment at each annual general meeting of IPR. The current position is as follows:

<u>Non-Executive Director</u>	<u>Date of commencement of appointment</u>	<u>Expected termination of appointment</u>
Dirk Beeuwsaert	3 February 2011	AGM in 2014
Sir Neville Simms	1 January 2012	AGM in 2014
Bernard Attali	3 February 2011	AGM in 2014
Tony Isaac	3 February 2011	AGM in 2014
David Weston	3 February 2011	AGM in 2014
Sir Rob Young	3 February 2011	AGM in 2014
Michael Zaoui	3 February 2011	AGM in 2014
G�rard Mestrallet	3 February 2011	AGM in 2014
Jean-Fran�ois Cirelli	3 February 2011	AGM in 2014
Isabelle Kocher	8 December 2011	AGM in 2014

The fee structure for the Non-Executive Directors as at 8 May 2012 (the latest practicable date prior to publication of this document) is as follows:

- a single consolidated fee from IPR, with no additional fees for committee membership, of  315,000 per annum payable to Dirk Beeuwsaert and an additional fee of approximately  107,000 per annum for serving on the board of Tractebel Energia;
- a single consolidated fee of  160,000 for Sir Neville Simms (which includes participation in board committees and a premium for his role as Deputy Chairman and Senior Independent Director) and an additional annual fee of US\$150,000 for serving as a director and chairman of Oasis International Power LLC, an IPR associated company;
- a basic annual fee of  55,000 for each Non-Executive Director;
- a fee of  15,000 per annum for chairing the audit committee or the remuneration committee (the Chairman of a committee will not receive an additional fee for participating in that committee);
- a fee of  11,000 per annum for chairing any other board committee (the Chairman of a committee will not receive an additional fee for participating in that committee);
- a fee of  6,000 for participation in the audit committee or the remuneration committee; and
- a fee of  5,000 for participation in any other board committee.

Non-Executive Directors do not receive any bonus from IPR or any of its subsidiaries, do not participate in IPR's share based incentive schemes, are not eligible to join IPR's pension scheme and do not participate in any commission or profit sharing arrangements with IPR or any of its subsidiaries. The Non-Executive Directors' letters of appointment do not provide for the payment of any benefits upon termination of appointment.

11. **Other Information**

- (a) Except as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between EBL or any concert party of EBL and any of the directors, recent directors, shareholders or recent shareholders of IPR or any person interested or recently interested in shares of IPR having any connection with or dependence on the Transaction.
- (b) Except as disclosed in this document, no agreement, arrangement or understanding of whatever nature whether formal or informal (including indemnity or option arrangements) relating to relevant securities which may be an inducement to deal or refrain from dealing exists between IPR or any concert party of IPR and any other person.
- (c) Except as disclosed in this document, there is no agreement, arrangement or understanding by which any securities acquired in pursuance of the Transaction will be transferred to any other person, but EBL reserves the right to transfer any such shares to any member of the GDF SUEZ Group.
- (d) Morgan Stanley has given and not withdrawn its written consent to the issue of this document with the inclusion of the letter from IPR's Financial Advisers and the references to Morgan Stanley's name in the form and context in which they appear.

- (e) Barclays has given and not withdrawn its written consent to the issue of this document with the inclusion of the letter from IPR's Financial Advisers and the references to Barclays' name in the form and context in which they appear.
- (f) Nomura has given and not withdrawn its written consent to the issue of this document with the inclusion of the letter from IPR's Financial Advisers and the references to Nomura's name in the form and context in which they appear.
- (g) Rothschild has given and not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which they appear.
- (h) Ondra Partners has given and not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which they appear.
- (i) Except as disclosed in this document, there has been no significant change in the financial or trading position of IPR since 31 December 2011 (the date to which the latest audited accounts of IPR were prepared).
- (j) No management incentivisation arrangements, as envisaged by Rule 16.2 of the Takeover Code, are proposed in connection with the Transaction.

12. Fees and Expenses

GDF SUEZ and EBL estimate that the aggregate fees and expenses expected to be incurred by GDF SUEZ and EBL in connection with the Transaction will be €39.72 million (excluding applicable VAT). Set out below are the estimates of fees and expenses (excluding applicable VAT) expected to be incurred in relation to:

	<u>€</u>
(a) financing arrangements	approximately €19 million
(b) financial and corporate broking advice	approximately €15 million
(c) legal advice	approximately €5 million
(d) public relations advice	approximately €0.5 million
(e) other costs and expenses	approximately €0.22 million

IPR estimates that the aggregate fees and expenses expected to be incurred by IPR in connection with the Transaction will be £29 million (excluding applicable VAT). Set out below are the estimates of fees and expenses (excluding applicable VAT) expected to be incurred in relation to:

	<u>£</u>
(a) financial and corporate broking advice	approximately £23 million
(b) legal advice	approximately £2.2 million
(c) accounting and tax advice	approximately £0.25 million
(d) public relations advice	approximately £0.8 million
(e) other professional services	approximately £2 million
(f) other costs and expenses	approximately £0.75 million

13. Documents available for inspection

Copies of the following documents are available for inspection at IPR's website: www.iprplc-gdfsuez.com until the Effective Date:

- (a) this document, the Forms of Proxy and the Form of Election;
- (b) the Articles of Association (*statuts*) of EBL;
- (c) the Articles of Association of IPR together with the draft of the amended Articles of Association of IPR;
- (d) the irrevocable commitments to vote in favour of the Transaction referred to in paragraph 7 above;

- (e) the documents in respect of the financing arrangements referred to in paragraph 8 above;
- (f) the Combination Circular;
- (g) the Deferred Shares SPA;
- (h) the written consents referred to in paragraph 11 above;
- (i) a draft (subject to modification) of the Loan Note Instrument; and
- (j) the opinion letter from Rothschild relating to the valuation of the Loan Notes referred to in paragraph 3 of Part 2 (*Explanatory Statement*) of this document.

IPR Shareholders, persons with information rights and any other person to whom a copy of this document has been sent will not automatically be sent a copy of any document incorporated into this document by reference. IPR will, however, upon the written or oral request of any such person, provide without charge a copy of any documents incorporated by reference into this document. Exhibits to documents incorporated by reference into this document or documents referred to in documents incorporated by reference into this document are not incorporated into and do not form part of this document and, accordingly, will not be provided unless they are specifically incorporated by reference into this document.

Requests for copies of any such documents should be made in writing to:

International Power plc, Company Secretary, Senator House, 85 Queen Victoria Street, London, EC4V 4DP or by telephone on:

+44 (0)207 320 8600.

Dated: 14 May 2012

PART 9
SOURCES OF INFORMATION AND BASES OF CALCULATION

Unless otherwise stated in this document:

1. The value attributed to the fully diluted share capital of IPR as stated in paragraph 2 of Part 1 (*Letter from the Chairman of the IPR Independent Committee*) and paragraph 2 of Part 2 (*Explanatory Statement*) of this document is based on 5,095,702,403 IPR Shares in issue, outstanding options/awards in respect of 6,170,437 IPR Shares under the IPR Share Option Schemes and full conversion of the IPR Convertible Bonds in respect of approximately 351 million IPR Shares, in each case as at 8 May 2012, being the latest practicable date prior to publication of this document. The total shares from full conversion of the IPR Convertible Bonds is illustrative only and the actual figure will depend, inter alia, on market data as at the Effective Date.
2. The volume weighted average Closing Price per IPR Share of 350 pence over the three month period prior to 28 March 2012 is derived from data provided by Bloomberg.
3. All other prices for IPR Shares represent Closing Prices on the relevant date(s), each of which have been derived from the Daily Official List.
4. The references to synergy savings in paragraph 5 of Part 1 (*Letter from the Chairman of the IPR Independent Committee*) of this document, are extracted from IPR's 2011 Annual Report.
5. Unless otherwise stated, the financial information relating to IPR is extracted from the audited consolidated financial statements of IPR for the financial year to 31 December 2011 and the IPR Interim Management Statement for 1 January 2012 to 18 April 2012, as applicable, in each case, prepared in accordance with IFRS.
6. Unless otherwise stated, the financial information relating to GDF SUEZ is extracted from the audited consolidated financial statements of GDF SUEZ for the year ended 31 December 2011 and the consolidated Q1 2012 results of GDF SUEZ, as applicable, in each case, prepared in accordance with IFRS.
7. The number of IPR Shares in respect of which options/awards are outstanding under the IPR Share Option Schemes is 6,170,437 IPR Shares as at 8 May 2012, being the latest practicable date prior to publication of this document.
8. Based on current available market data as at 8 May 2012 and various other assumptions, including that the final dividend for the year ended 31 December 2011 will be paid on 29 June 2012 and that all IPR Convertible Bondholders will convert their IPR Convertible Bonds during the “**Relevant Event**” period, GDF SUEZ will be required to cash out IPR Convertible Bondholders, at the Offer Price, in respect of a total of approximately 351 million IPR Shares. This figure is illustrative only and the actual figure will depend, *inter alia*, on market data as at the Effective Date.
9. The total shareholder return calculations at paragraph 5 of Part 1 (*Letter from the Chairman of the IPR Independent Committee*) are sourced from Datastream as of market close on 13 April 2012 and adjusted for the Offer Price and the proposed final dividend for the year ended 31 December 2011 of 6.6 Euro cents per IPR Share translated at an exchange rate of €1.2109 to £1, the €/£ exchange rate as of market close on 12 April 2012 as sourced from the Bank of England website. For the avoidance of doubt, the calculations assume reinvestment of dividends except for the proposed final dividend for the year ended 31 December 2011 payable on 29 June 2012.
10. The statements relating to earnings, synergies, dividend policy, economic performance and future prospects contained in paragraph 5 of Part 2 (*Explanatory Statement*) and Part C of Part 7 (*Information concerning EBL, GDF SUEZ and the GDF SUEZ Group*) of this document are the views and opinions of GDF SUEZ and EBL only.

PART 10 DEFINITIONS

The following definitions apply throughout this document, other than in Part 11 (*The Scheme of Arrangement*), Part 12 (*Notice of Court Meeting*) and Part 13 (*Notice of IPR General Meeting*) of this document, unless the context requires otherwise:

“ 2013 Convertible Bonds ”	the 3.25 per cent. €230,000,000 guaranteed convertible bonds due 2013 issued by International Power Finance (Jersey) II Limited
“ 2015 Convertible Bonds ”	the 4.75 per cent. €700,000,000 guaranteed convertible bonds due 2015 issued by International Power Finance (Jersey) III Limited
“ 2023 Convertible Bonds ”	the 3.75 per cent. US\$228,262,000 guaranteed convertible bonds due 2023 issued by International Power (Jersey) Limited
“ 7.25 per cent. Senior Unsecured Notes 2017 ”	the 7.25 per cent. €247,224,000 guaranteed senior notes due 2017 issued by IPR Finance (2010) plc
“ ADR Depository ”	the Bank of New York, as depository, under the deposit agreement between IPR, the ADR Depository and the holders and beneficial owners of IPR ADRs
“ AGM ”	the annual general meeting of IPR to be held on 15 May 2012
“ Authorisations ”	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals
“ Barclays ”	Barclays Bank plc, acting through its investment bank
“ Business Day ”	a day (other than a Saturday, Sunday or UK public holiday) on which banks are open for business in London, Paris and Brussels
“ Capital Reduction ”	the reduction of IPR’s share capital associated with the cancellation and extinguishing of the Cash Scheme Shares provided for by the Scheme under section 648 of the Companies Act 2006
“ Cash Scheme Shareholders ”	holders of Cash Scheme Shares
“ Cash Scheme Shares ”	Scheme Shares other than Loan Note Scheme Shares
“ certificated ” or “ in certificated form ”	a share or other security which is not in uncertificated form (that is, not in CREST)
“ Closing Price ”	the closing, middle market quotation of a share as derived from the Daily Official List
“ Combination ”	the combination of IPR and GDF SUEZ’s Energy International Business Areas (outside Europe) and certain GDF SUEZ assets in the UK and Turkey, approved by IPR Shareholders on 16 December 2010
“ Combination Circular ”	the circular issued by IPR in connection with the Combination dated 19 November 2010
“ Companies Act 2006 ”	the Companies Act 2006, as amended
“ Conditions ”	the conditions to the implementation of the Transaction set out in Part 3 (<i>Conditions to and further terms of the Transaction</i>) of this document and “ Condition ” means such one or more of them as the context may require

“Conversion Rights”	the conversion rights of IPR Convertible Bondholders described in paragraph 14 of Part 2 (<i>Explanatory Statement</i>) of this document
“Court”	the High Court of Justice in England and Wales
“Court Hearing”	the hearing at which the Court sanctions the Scheme and confirms the Capital Reduction which forms part of it
“Court Meeting”	the meeting of the Scheme Shareholders convened at the direction of the Court pursuant to Part 26 of the Companies Act 2006 at which a resolution will be proposed to approve the Scheme, including any adjournment thereof
“Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act 2006 and confirming the Capital Reduction under section 648 of the Companies Act 2006
“CREST”	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations)
“CREST Proxy Instruction”	a properly authenticated CREST message appointing and instructing a proxy to attend and vote in place of an IPR Shareholder at the Court Meeting and/or the IPR General Meeting and containing the information required to be contained in the CREST manual
“Daily Official List”	the daily official list of the London Stock Exchange
“Dealing Disclosure”	has the same meaning as in Rule 8 of the Takeover Code
“Deferred Shares”	21 unlisted fully-paid deferred shares of 1 pence each in the capital of IPR
“Deferred Shares SPA”	the sale and purchase agreement entered into or proposed to be entered into to effect the off-market buyback of the Deferred Shares for an aggregate consideration of £3.00
“Deferred Shares Special Resolution”	the special resolution to be proposed at the IPR General Meeting to approve the Deferred Shares SPA
“Disclosed”	the information disclosed by, or on behalf of IPR, (i) in the annual report and accounts of the IPR Group for the financial year ended 31 December 2011; (ii) in the Offer Announcement; (iii) in this document; (iv) in any other announcement to a Regulatory Information Service by, or on behalf of IPR prior to the publication of the Offer Announcement; or (v) as otherwise disclosed to GDF SUEZ or EBL (or its respective officers, employees, agents or advisers) prior to the date of the Offer Announcement
“Dividend Reinvestment Plan”	the dividend reinvestment plan operated by IPR relating to the reinvestment of dividends paid on IPR Shares
“EBL”	Electrabel S.A., a wholly-owned subsidiary of GDF SUEZ
“EBL Directors”	the directors of EBL whose names appear in paragraph 2(c) of Part 8 (<i>Additional information</i>) of this document and an “EBL Director” being any one such director
“Effective”	in the context of the Transaction: (i) if the Transaction is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Transaction is implemented by way of the Offer, the Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code

“ Effective Date ”	the date on which the Transaction becomes Effective pursuant to its terms
“ Election Return Time ”	the latest time by which any Loan Note Election may be made, being 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended by IPR and EBL)
“ Equiniti ”	Equiniti Limited, being IPR’s registrars
“ Escrow Agent ”	IPR’s registrars, Equiniti, in its capacity as a CREST receiving agent
“ Euro ”, “ EUR ” and “ € ”	the lawful currency of the member states of the European Union that adopt a single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on the European Union
“ Euroclear ”	Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited)
“ Excluded Shares ”	any IPR Shares beneficially owned by and/or registered in the name of EBL or any other subsidiary undertaking of GDF SUEZ immediately prior to the Scheme Record Time
“ Executive Directors ”	collectively the chief executive officer, chief operating officer and chief financial officer of IPR at the date of this document, and each an “ Executive Director ”
“ Explanatory Statement ”	the explanatory statement (in compliance with Part 26 of the Companies Act 2006) relating to the Scheme, as set out in Part 2 (<i>Explanatory Statement</i>) of this document
“ Facilities Agreement ”	the facilities agreement described in paragraph 8 of Part 8 (<i>Additional Information</i>) of this document
“ Form of Election ”	the green form of election relating to the Loan Note Alternative which accompanies this document
“ Forms of Proxy ”	the blue form of proxy for use at the Court Meeting and the white form of proxy for use at the IPR General Meeting, both of which accompany this document and a “ Form of Proxy ” means either of them as the context requires
“ FSA ”	the Financial Services Authority or its successor from time to time
“ FSMA ”	the Financial Services and Markets Act 2000 (as amended from time to time)
“ GDF SUEZ ”	GDF SUEZ S.A.
“ GDF SUEZ Board ”	the board of directors of GDF SUEZ
“ GDF SUEZ Directors ”	the directors of GDF SUEZ whose names appear in paragraph 2(b) of Part 8 (<i>Additional Information</i>) of this document and a “ GDF SUEZ Director ” being any one such director
“ GDF SUEZ Energy International Reorganisation ”	the reorganisation of the corporate structure of certain aspects of the GDF SUEZ Group
“ GDF SUEZ Group ”	GDF SUEZ and its subsidiary undertakings and where the context permits, each of them

“ IPR ”	International Power plc, registered in England and Wales (no. 2366963)
“ IPR ADRs ”	the American Depositary Receipts of IPR, each representing an American Depositary Share of IPR which evidences ten IPR Shares
“ IPR Articles ”	the articles of association of IPR in force from time to time
“ IPR Board ”	the board of directors of IPR
“ IPR Convertible Bondholders ”	the holders of IPR Convertible Bonds
“ IPR Convertible Bonds ”	(a) the 2013 Convertible Bonds; (b) the 2015 Convertible Bonds; and (c) the 2023 Convertible Bonds
“ IPR Directors ”	the directors of IPR whose names appear in paragraph 2(a) of Part 8 (<i>Additional Information</i>) of this document and an “ IPR Director ” being any one such director
“ IPR’s Financial Advisers ”	Morgan Stanley, Barclays and Nomura
“ IPR General Meeting ”	the general meeting of IPR Shareholders (and any adjournment thereof) convened for the purposes of considering and, if thought fit, approving the Special Resolutions
“ IPR Group ”	IPR and its subsidiary undertakings and where the context permits, each of them
“ IPR Independent Committee ”	the committee of the IPR Board established for the purposes of the Transaction, comprised of the IPR Independent Directors
“ IPR Independent Directors ”	the independent directors of IPR as at the date of this document being Sir Neville Simms, Bernard Attali, Tony Isaac, David Weston, Sir Rob Young and Michael Zaoui, and an “ IPR Independent Director ” being any one such director
“ IPR Shareholder Meetings ”	the Court Meeting and the IPR General Meeting
“ IPR Shareholders ”	holders of IPR Shares
“ IPR Share Option Schemes ”	the 2002 Performance Share Plan, the Approved Executive Share Option Plan, the Unapproved Executive Share Option Plan, the Save As You Earn Plan, the Global Sharesave Plan, the 2010 UK Sharesave Plan, the 2010 Global Sharesave Plan, the 2010 UK Share Incentive Plan and the 2002 Global Executive Share Option Plan
“ IPR Shares ”	the existing unconditionally allotted or issued and fully paid Ordinary Shares and any further Ordinary Shares which are unconditionally allotted or issued before the Scheme becomes Effective

“Listing Rules”	the rules and regulations made by the FSA in its capacity as the UKLA under FSMA and contained in the UKLA’s publication of the same name
“Loan Notes”	the 0.25 per cent. unsecured loan instruments 2015 of EBL to be issued by EBL pursuant to the Loan Note Alternative, summary particulars of which are set out in Part 4 (<i>Summary of the Loan Notes</i>) of this document and in the Loan Note Instrument. This reference to “Loan Notes” shall not mean that the Loan Notes qualify as bonds (<i>obligations</i>) within the meaning of Article 485 of the Belgian Companies Code and accordingly Loan Note Holders shall not be entitled to rely on the provisions of the Belgian Companies Code applicable to bondholders
“Loan Note Alternative”	the alternative whereby Scheme Shareholders (other than Loan Note Restricted Scheme Shareholders) may elect, subject to certain limitations and conditions, to receive Loan Notes in lieu of part or all of the cash consideration to which they would otherwise be entitled under the Scheme
“Loan Note Certificates”	the certificates issued in respect of the Loan Notes
“Loan Note Election”	an election under the Loan Note Alternative
“Loan Note Instrument”	the instrument constituting the Loan Notes
“Loan Note Holders”	holders of the Loan Notes and a “ Loan Note Holder ” being any such holder of Loan Notes
“Loan Note Restricted Scheme Shareholders”	a Scheme Shareholder whose Loan Note Election shall be of no effect, as determined by IPR or EBL in accordance with clause 6 of the Scheme and including any Scheme Shareholder who is a citizen, resident or national of Canada, Hong Kong, Japan, New Zealand, the United States or a resident of Belgium
“Loan Note Scheme Shareholders”	holders of the Loan Note Scheme Shares
“Loan Note Scheme Shares”	Scheme Shares (if any) in respect of which: (a) valid elections for the Loan Note Alternative have been made in accordance with the Scheme; and (b) Loan Notes are to be issued in accordance with the terms of the Loan Note Alternative
“London Stock Exchange”	London Stock Exchange plc, together with any successor(s) thereto
“Long Stop Date”	31 December 2012, or such later date as GDF SUEZ, EBL and IPR may, with the consent of the Panel, agree and the Court (if required) may allow
“Main Market”	the main market for listed securities
“Morgan Stanley”	Morgan Stanley & Co. International plc
“Net Recurring Income Group Share”	net income excluding restructuring costs, mark-to-market, impairment, disposals, other non-recurring items and nuclear contribution in Belgium
“New Debt Facility”	the two single currency term loan facilities provided pursuant to the Facilities Agreement as more fully described in paragraph 8 of Part 8 (<i>Additional Information</i>) of this document
“Nomura”	Nomura International plc

“Non-Executive Directors”	the IPR Directors from time to time other than the Executive Directors, and each a “Non-Executive Director”
“Offer”	should EBL elect (subject to obtaining the unanimous consent of the IPR Independent Directors) to implement the proposed acquisition by EBL of the entire issued and to be issued ordinary share capital of IPR not already directly or indirectly owned by GDF SUEZ by way of a takeover offer (as defined in section 974 of the Companies Act 2006), the recommended offer to be made by or on behalf of EBL to acquire all of the IPR Shares not already owned directly or indirectly by GDF SUEZ on the terms and subject to the Conditions set out in Part 3 (<i>Conditions to and further terms of the Transaction</i>) of this document and to be set out in the Offer Document and, where the context admits, any subsequent revision, variation, extension or renewal of such Offer
“Offer Announcement”	the announcement made on 16 April 2012 detailing the recommended proposed acquisition by EBL of the entire issued and to be issued ordinary share capital of IPR not already directly or indirectly owned by GDF SUEZ
“Offer Document”	should EBL elect to make the Offer, the document to be sent to IPR Shareholders which will contain, <i>inter alia</i> , the terms and conditions of the Offer
“Offer Period”	the period commencing on 29 March 2012 with the announcement made by IPR that it had received a non binding indicative proposal from GDF SUEZ to acquire the issued and to be issued ordinary share capital in IPR not already owned by GDF SUEZ as a majority shareholder, and ending on 8 May 2012 (being the latest practicable date prior to publication of this document)
“Offer Price”	418 pence per Share
“Official List”	the official list maintained by the UK Listing Authority
“Ondra Partners”	Ondra LLP
“Opening Position Disclosure”	has the same meaning as in Rule 8 of the Takeover Code
“Ordinary Shares”	ordinary shares of 50 pence each in IPR
“Overseas Shareholders”	Scheme Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
“Panel”	the Panel on Takeovers and Mergers
“pounds”, “pence”, “sterling” and “£”	the lawful currency of the United Kingdom
“PSP”	IPR 2002 performance share plan
“Registrar of Companies”	the Registrar of Companies in England and Wales
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
“Regulatory Information Service”	any of the services set out in schedule 12 of the Listing Rules
“Relationship Agreement”	the relationship agreement dated 13 October 2010 between IPR, EBL and GDF SUEZ in relation to the Combination as amended and restated

“Relevant Convertible Bond Issuer”	means: (i) in respect of the 2013 Convertible Bonds, International Power Finance (Jersey) II Limited; (ii) in respect of the 2015 Convertible Bonds, International Power Finance (Jersey) III Limited; and (iii) in respect of the 2023 Convertible Bonds, International Power (Jersey) Limited
“Rothschild”	N M Rothschild & Sons Limited
“Scheme”	the proposed scheme of arrangement to be made under Part 26 of the Companies Act 2006 to effect the proposed acquisition by EBL of the entire issued and to be issued ordinary share capital of IPR not already directly or indirectly owned by GDF SUEZ, between IPR and the Scheme Shareholders, as set out in Part 11 (<i>The Scheme of Arrangement</i>) of this document with or subject to any modification, addition or condition approved or imposed by the Court and agreed by IPR and EBL
“Scheme Record Time”	7.00 p.m. on the Business Day immediately prior to the date of the Court Hearing
“Scheme Shareholders”	holders of Scheme Shares
“Scheme Shares”	the IPR Shares: <ul style="list-style-type: none"> (a) in issue at the date of this document; (b) if any, issued after the date of this document and prior to the Voting Record Time; (c) if any, issued at or after the Voting Record Time but before the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the Scheme and/or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme, <p>in each case, excluding the Excluded Shares</p>
“Significant Interest”	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in Section 548 of the Companies Act 2006) of such undertaking
“Special Conversion Period”	the period of 60 days following the Effective Date or, if later, 60 days following the date on which notice of the Effective Date is given to IPR Convertible Bondholders under the terms and conditions of the IPR Convertible Bonds
“Special Resolutions”	the Transaction Special Resolution and the Deferred Shares Special Resolution
“Statement of Capital”	the statement of capital (approved by the Court) showing with respect to IPR’s share capital, as altered by the Court Order confirming the Capital Reduction, the information required by section 649 of the Companies Act 2006
“subsidiary”, “subsidiary undertaking” and “undertaking”	shall be construed in accordance with the Companies Act 2006
“Takeover Code”	the Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time

“Third Party” and “Third Parties”	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction
“Transaction”	the proposed acquisition by EBL of the entire issued and to be issued ordinary share capital of IPR not already directly or indirectly owned by GDF SUEZ to be effected by means of the Scheme, or should EBL so elect (subject to obtaining the unanimous consent of the IPR Independent Directors), by means of the Offer
“Transaction Special Resolution”	the special resolution to be proposed at the IPR General Meeting in connection with the reduction of capital, subsequent issue of new IPR Shares and amendments to the IPR Articles
“TTE Instruction”	a transfer to escrow instruction given by a holder of uncertificated scheme shares through CREST
“UK Listing Authority” or “UKLA”	the UK Listing Authority, being the Financial Services authority acting in its capacity as the competent authority for the purposes of Part VI FSMA
“uncertificated” or “in uncertificated form”	in relation to a share or other security, a share or other security which is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US” or “USA”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
“Voting Record Time”	6.00 p.m. on 1 June 2012 or, if the Court Meeting is adjourned, 6.00 p.m. on the date which is one day (excluding any part of a day that is not a working day) before the date of such adjourned meeting
“Wider GDF SUEZ Group”	GDF SUEZ and associated undertakings and any other body corporate, partnership, joint venture or person in which GDF SUEZ and any such undertakings (aggregating their interests) have a Significant Interest
“Wider IPR Group”	IPR and associated undertakings and any other body corporate, partnership, joint venture or person in which IPR and any such undertakings (aggregating their interests) have a Significant Interest

All times referred to in this document are London times unless otherwise stated. Reference to the singular include the plural and vice versa.

Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

**PART 11
THE SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE NO. 3584 OF 2012
CHANCERY DIVISION
COMPANIES COURT**

**IN THE MATTER OF INTERNATIONAL POWER PLC
AND
IN THE MATTER OF THE COMPANIES ACT 2006**

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between
International Power plc
and
the Scheme Shareholders
(as hereinafter defined)

PRELIMINARY

- (a) In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the following meanings:

“Business Day”	a day (other than a Saturday, Sunday or UK public holiday) on which banks are open for business in London, Paris and Brussels;
“Capital Reduction”	the reduction of IPR’s share capital associated with the cancellation and extinguishing of the Cash Scheme Shares provided for by this Scheme under section 648 of the Companies Act 2006;
“Cash Scheme Shares”	Scheme Shares other than Loan Note Scheme Shares but including Loan Note Scheme Shares treated as Cash Scheme Shares pursuant to clause 3.5;
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST);
“Companies Act 2006”	the Companies Act 2006 (as amended);
“Company” or “IPR”	International Power plc, a company incorporated in England and Wales (registered number 2366963), whose registered office is at Senator House, 85 Queen Victoria Street, London EC4V 4DP;
“Court”	the High Court of Justice in England and Wales;
“Court Hearing”	the hearing at which the Court sanctions the Scheme and confirms the Capital Reduction which forms part of it;
“Court Meeting”	the meeting of the holders of the Scheme Shares, convened by order of the Court pursuant to Part 26 of the Companies Act 2006 to consider and, if thought fit, approve this Scheme with or without modification, including any adjournment thereof;

“Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act 2006 and confirming the Capital Reduction under section 648 of the Companies Act 2006;
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear is the Operator (as defined in the Uncertificated Securities Regulations 2001);
“Deferred Shares”	the existing unconditionally allotted and issued and fully paid deferred shares of 1 pence each in the capital of IPR;
“EBL”	Electrabel S.A., a wholly-owned subsidiary of GDF SUEZ, whose registered office is at Boulevard Simon Bolivar 34, 1000 Brussels;
“Effective Date”	the date on which this Scheme becomes effective in accordance with its terms;
“Election Return Time”	the latest time by which any Loan Note Election may be made, being 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended by IPR and EBL);
“Euroclear”	Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited);
“Excluded Shares”	any IPR Shares beneficially owned by and/or registered in the name of EBL or any other subsidiary undertaking of GDF SUEZ immediately prior to the Scheme Record Time;
“Form of Election”	the green form of election relating to the Loan Note Alternative which accompanies the Scheme Document;
“GDF SUEZ”	GDF SUEZ S.A., whose registered office is at 1 place Samuel de Champlain, 92400 Courbevoie, France;
“GDF SUEZ Group”	GDF SUEZ and its subsidiary undertakings;
“holder”	includes a person entitled by transmission;
“IPR Convertible Bonds”	means: <ul style="list-style-type: none"> (a) the 3.25 per cent. €230,000,000 guaranteed convertible bonds due 2013 issued by International Power Finance (Jersey) II Limited; (b) the 3.75 per cent. US\$228,262,000 guaranteed convertible bonds due 2023 issued by International Power (Jersey) Limited; and (c) the 4.75 per cent. €700,000,000 guaranteed convertible bonds due 2015 issued by International Power Finance (Jersey) III Limited;
“IPR Registrars”	Equiniti Limited;
“IPR Share Option Schemes”	the 2002 Performance Share Plan, the Approved Executive Share Option Plan, the Unapproved Executive Share Option Plan, the Save As You Earn Plan, the Global Sharesave Plan, the 2010 UK Sharesave Plan, the 2010 Global Sharesave Plan, the 2010 UK Share Incentive Plan and the 2002 Global Executive Share Option Plan;
“IPR Shares”	the existing unconditionally allotted or issued and fully paid Ordinary Shares and any further Ordinary Shares which are unconditionally allotted or issued before the Scheme becomes effective;

“Loan Notes”	the 0.25 per cent. unsecured loan instruments 2015 of EBL to be issued by EBL pursuant to the Loan Note Alternative, summary particulars of which are set out in Part 4 (<i>Summary of the Loan Notes</i>) of the Scheme Document and in the Loan Note Instrument. This reference to “Loan Notes” shall not mean that the Loan Notes qualify as bonds (obligations) within the meaning of Article 485 of the Belgian Companies Code and accordingly holders of Loan Notes shall not be entitled to rely on the provisions of the Belgian Companies code applicable to Bondholders;
“Loan Note Alternative”	the alternative whereby Scheme Shareholders (other than Loan Note Restricted Scheme Shareholders) may elect, subject to certain limitations and conditions, to receive Loan Notes in lieu of part or all of the cash consideration to which they would otherwise be entitled under this Scheme;
“Loan Note Election”	an election under the Loan Note Alternative;
“Loan Note Instrument”	the instrument constituting the Loan Notes;
“Loan Note Restricted Scheme Shareholders”	means a Scheme Shareholder whose Loan Note Election shall be of no effect, as determined by IPR or EBL in accordance with clause 6 of this Scheme and including any Scheme Shareholder who is a citizen, resident or national of Canada, Hong Kong, Japan, New Zealand, the United States or a resident of Belgium;
“Loan Note Scheme Shareholders”	holders of the Loan Note Scheme Shares;
“Loan Note Scheme Shares”	Scheme Shares (if any) in respect of which: (a) valid elections for the Loan Note Alternative have been made in accordance with this Scheme; and (b) Loan Notes are to be issued in accordance with the terms of the Loan Note Alternative;
“New IPR Shares”	the new Ordinary Shares to be allotted and issued in accordance with clause 1.2 of this Scheme;
“Ordinary Shares”	ordinary shares of 50 pence each in the capital of IPR;
“Panel”	the Panel on Takeovers and Mergers;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Scheme”	this scheme of arrangement in its present form or with or subject to any modification, addition or condition which IPR and EBL may agree and which the Court may approve or impose;
“Scheme Document”	the circular dated 14 May 2012 sent by IPR to holders of IPR Shares and persons with information rights of which this Scheme forms a part;
“Scheme Record Time”	7.00 p.m. on the Business Day immediately prior to the date of the Court Hearing;
“Scheme Shareholders”	holders of Scheme Shares;
“Scheme Shares”	IPR Shares: <ul style="list-style-type: none"> (i) in issue at the date of the Scheme Document; (ii) if any, issued after the date of the Scheme Document but prior to the Voting Record Time; and

(iii) if any, issued at or after the Voting Record Time but before the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the scheme and/or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by this Scheme,

in each case, excluding the Excluded Shares;

“Share Options”	options or awards to acquire Ordinary Shares pursuant to any of the IPR Share Option Schemes;
“Statement of Capital”	the statement of capital (approved by the Court) showing with respect to IPR’s share capital, as altered by the Court Order confirming the Capital Reduction, the information required by section 649 of the Companies Act 2006;
“subsidiary undertaking”	shall be construed in accordance with the Companies Act 2006;
“TTE Instruction”	a transfer to escrow instruction given by a holder of uncertificated Scheme Shares through CREST;
“uncertificated” or “in uncertificated form”	recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST; and
“Voting Record Time”	6.00 p.m. on 1 June 2012 or if the Court Meeting is adjourned, 6.00 p.m. on the date which is one day (excluding any part of a day that is not a working day) before the date of such adjourned meeting;

and where the context so admits or requires, the plural includes the singular and vice versa.

References to clauses are to clauses of this Scheme.

- (b) The share capital of IPR at 8 May 2012 (being the latest practicable date prior to publication of the Scheme Document) is £2,547,851,201.21 divided into 5,095,702,403 Ordinary Shares and 21 Deferred Shares all of which are credited as fully paid. IPR did not hold any Ordinary Shares in treasury at the date of this Scheme.
- (c) Share options/awards to acquire up to 6,170,437 Ordinary Shares have been awarded and remain outstanding as at 8 May 2012 (being the latest practicable date prior to publication of the Scheme Document) pursuant to the IPR Share Option Schemes.
- (d) Conversion rights into Ordinary Shares exist under the terms of the IPR Convertible Bonds. The number of Ordinary Shares to be issued pursuant to the exercise of such conversion rights will depend upon the application of the applicable formulae in the relevant IPR Convertible Bonds at the time of conversion.
- (e) At the date of this Scheme, 3,554,347,956 Ordinary Shares are registered in the name of or beneficially owned by EBL and other members of the GDF SUEZ Group.
- (f) EBL has agreed to appear by Counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

THE SCHEME

1. Cancellation of the Cash Scheme Shares

- 1.1 The share capital of the Company shall be reduced by cancelling and extinguishing all of the Cash Scheme Shares.
- 1.2 Subject to and forthwith upon the reduction of capital referred to in clause 1.1 taking effect and notwithstanding anything to the contrary in the Company's articles of association, the reserve arising in the books of account of the Company as a result of the reduction of capital referred to in clause 1.1 shall be capitalised and applied in paying up in full at par such number of New IPR Shares as is equal to the aggregate number of Cash Scheme Shares cancelled pursuant to clause 1.1 of this Scheme, which shall be allotted and issued credited as fully paid (free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto) to EBL and/or its nominee(s) (as EBL may direct).

2. Consideration for cancellation of the Cash Scheme Shares

Subject to, and in consideration for, the cancellation of the Cash Scheme Shares and the allotment and issue of the New IPR Shares as provided in clause 1, EBL shall (subject to, and in accordance with, the remaining provisions of this Scheme) pay to or for the account or benefit of the holders of Cash Scheme Shares (as appearing in the register of members of the Company at the Scheme Record Time):

for each Scheme Share held 418 pence in cash

3. Loan Note Alternative

- 3.1 Conditional on and subject to the remainder of this clause 3 and clause 4 of this Scheme, if any Scheme Shareholder (other than a Loan Note Restricted Scheme Shareholder) validly elects for the Loan Note Alternative in respect of all or some of his Scheme Shares, EBL shall, in consideration for the transfer of his Loan Note Scheme Shares, and subject as herein provided, allot and issue Loan Notes to such Loan Note Scheme Shareholder (as appearing in the register of members of IPR at the Scheme Record Time) on the following basis:

for every £1 of cash consideration	£1 nominal of Loan Notes
otherwise receivable under this Scheme	

- 3.2 Elections made by Scheme Shareholders under the Loan Note Alternative will not affect the entitlements of Scheme Shareholders who do not make any such election.
- 3.3 An election under the Loan Note Alternative (a "**Loan Note Election**") will only be accepted in respect of all shares held by a Scheme Shareholder, or such whole number of shares as is less than all of the shares held by a Scheme Shareholder, in each case, at the Scheme Record Time. Loan Notes will be issued in amounts and integral multiples of £1 in nominal amount for every £1 of cash consideration to which such Scheme Shareholder would otherwise be entitled and any entitlement that is not a whole multiple of £1 will be rounded down to the nearest £1 and the balance of the consideration disregarded and not paid to such holder.
- 3.4 In the case of Scheme Shareholders who hold Scheme Shares in certificated form, a Loan Note Election shall be made by completion of a Form of Election which shall be signed by the Scheme Shareholder or his duly authorised agent and in the case of joint holders by or on behalf of all such holders. The instructions, terms and provisions contained in or deemed to be incorporated in the Form of Election constitute part of the terms of this Scheme. To be effective, the Form of Election must be completed and returned, together with the relevant share certificate(s), in accordance with the instructions printed thereon so as to arrive by no later than the Election Return Time at Equiniti, Corporate Actions, Aspect House, Spencer Road, Lancing, BN99 6DA. In the case of Scheme Shareholders who hold Scheme Shares in uncertificated form, a Loan Note Election shall be made by delivery of a TTE Instruction validly electing for the Loan Note Alternative by the Election Return Time.
- 3.5 If valid Loan Note Elections would result in the issue of less than £20 million nominal value of Loan Notes in aggregate, EBL will not, unless it determines otherwise in its sole discretion, issue any Loan Notes. If no Loan Notes are issued as a result of this clause 3.5, Scheme Shareholders who have made a Loan Note Election shall be treated as if such election had not been made and shall receive the cash to which they would have been entitled under this Scheme had such Loan Note Election not been made and clause 4 shall not apply.

- 3.6 The maximum nominal amount of Loan Notes which will be issued under the Loan Note Alternative is £200 million (or such greater amount as EBL may decide). If valid Loan Note Elections are received in respect of a greater aggregate nominal amount of Loan Notes, each such Loan Note Election will be scaled down pro-rata amongst the relevant shareholders and each such Loan Note Election shall be valid only in respect of the number of Loan Note Scheme Shares so scaled down. Any consideration due in excess of the pro-rated amount shall be paid in cash.
- 3.7 If a Form of Election or TTE Instruction is received after the Election Return Time or is received before such time but is not, or is deemed not to be, valid or complete in all respects at such time, then such election shall be void unless the Company and EBL, in their absolute discretion, elect to treat as valid in whole or in part any such election.
- 3.8 The Loan Notes will be constituted by an instrument substantially in the form already prepared and initialled for the purpose of identification by Clifford Chance LLP, solicitors for the Company, with such modifications or additions, if any, as may be agreed prior to the execution thereof between EBL and the Company.

4. Acquisition of Loan Note Scheme Shares

- 4.1 Subject to, and immediately upon, the cancellation of the Cash Scheme Shares in accordance with clause 1.1, the allotment of the New IPR Shares referred to in clause 1.2 and the registration of such shares in the name of EBL and/or its nominee(s) but subject to clause 3, EBL and/or its nominee(s) shall acquire the Loan Note Scheme Shares fully paid, with full title guarantee, free from all liens, equities, charges, encumbrances and other interests and together with all rights at the date of this Scheme or thereafter attached to such Loan Note Scheme Shares including the right to receive and retain all dividends and other distributions declared, made or paid thereon on or after the date of this Scheme other than the right to the final dividend for the 31 December 2011 financial year to be paid on 29 June 2012.
- 4.2 For such purposes, the Loan Note Scheme Shares shall be transferred to EBL and/or its nominee(s) and, to give effect to such transfer, any person may be appointed by EBL as attorney to execute as transferor an instrument or instruction of transfer of any Loan Note Scheme Shares and every instrument or instruction of transfer so executed shall be effective as if it had been executed by the holder or holders of the Loan Note Scheme Shares thereby transferred.

5. Settlement of consideration

- 5.1 Not more than 14 calendar days after the Effective Date (or such other period as may be approved by the Panel), EBL shall:
- (a) in the case of Cash Scheme Shares which at the Scheme Record Time are held in certificated form, despatch or procure the despatch to the persons entitled thereto or as they may direct, in accordance with the provisions of clause 5.2, of cheques for the sums payable to them respectively in accordance with clause 2;
 - (b) in the case of Cash Scheme Shares which at the Scheme Record Time are held in uncertificated form, procure the making of a CREST assured payment obligation in favour of the persons entitled thereto in accordance with clause 2 in accordance with the CREST payment arrangements in respect of the cash consideration due to the relevant holder, **provided that** EBL may (if, for any reason, it wishes to do so) make payment of the said sums by cheque as aforesaid; and
 - (c) in the case of Loan Note Scheme Shares against the execution of any instrument or instruction of transfer referred to in clause 4, issue the Loan Notes which it is required to issue pursuant to clause 3 and despatch Loan Note certificates to the Loan Note Scheme Shareholders so entitled in accordance with the provisions of clause 5.2.
- 5.2 All deliveries of notices, cheques and certificates required to be made pursuant to this Scheme shall be effected by posting the same by first class post in pre-paid envelopes (or by such other method as may be approved by the Panel) addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of the Company at the Scheme Record Time (or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in the said register in respect of such joint holding at such time), and none of IPR, EBL or their respective agents or the IPR Registrars shall be responsible for any loss or delay in the transmission of any notice, certificate, cheque or payment sent in accordance with this clause 5.2 which shall be sent at the risk of the person entitled thereto.
- 5.3 All cheques shall be in pounds sterling drawn on a UK clearing bank and payments shall be made to the persons entitled thereto or, in the case of joint holders, to that one of the joint holders whose name stands first in the register of members of IPR in respect of such joint holding at the Scheme Record Time or to such

other persons (if any) as such persons may direct in writing and the encashment of any such cheque or the making of any such assured CREST payment obligation as is referred to in clause 5.1(b) shall be a complete discharge of EBL's obligation to pay the monies represented thereby.

6. Overseas Shareholders

The provisions of clauses 2, 3, 4 and 5 shall be subject to any prohibition or condition imposed by law. If in the case of any Scheme Shareholder EBL is advised that the issue of Loan Notes pursuant to clause 3 of this Scheme would or may infringe the law of a country or territory outside the United Kingdom or would or may require compliance by the Company or EBL (as the case may be) with any governmental or other consent or any registration, filing or other formality with which the Company or EBL (as the case may be) is unable to comply or which the Company or EBL (as the case may be) in its absolute discretion regards as unduly onerous, then no Loan Note Election made by such Scheme Shareholder shall be of any effect and the omission to send a Form of Election to such Scheme Shareholder shall not constitute a breach by the Company or EBL (as the case may be) of any of their respective obligations under this Scheme.

7. Share certificates and cancellations

With effect from and including the Effective Date:

- 7.1 all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder thereof shall be bound at the request of the Company to deliver up the same to the Company or as it may direct to destroy the same;
- 7.2 Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form; and
- 7.3 as regards all certificated Scheme Shares, appropriate entries will be made in the Company's register of members to reflect their cancellation or transfer.

8. The Effective Date

- 8.1 This Scheme shall become effective as soon as a copy of the Court Order and the Statement of Capital shall have been delivered to the Registrar of Companies for registration and, if the Court so orders for the Scheme to become effective, when such copy and the Statement of Capital shall have been registered.
- 8.2 Unless this Scheme shall become effective on or before midnight on 31 December 2012 or such later date if any as IPR, GDF SUEZ and EBL may, with the consent of the Panel, agree and the Court, if required, may allow, this Scheme shall never become effective.

9. Modification

EBL and IPR may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

10. Governing Law

This Scheme is governed by the laws of England and Wales and is subject to the exclusive jurisdiction of the English courts.

Dated 14 May 2012

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

Solicitors for IPR

PART 12
NOTICE OF COURT MEETING
INTERNATIONAL POWER PLC

IN THE HIGH COURT OF JUSTICE No. 3584 of 2012
CHANCERY DIVISION
COMPANIES COURT

Registrar Derrett

IN THE MATTER OF INTERNATIONAL POWER PLC (“**IPR**”)

AND

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 8 May 2012 made in the above matters, the Court has directed a Meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares (as defined in the Scheme of Arrangement hereinafter mentioned) for the purpose of considering and, if thought fit, approving (with or without modification) a Scheme of Arrangement proposed to be made between (i) IPR and (ii) the holders of Scheme Shares and that the Court Meeting will be held at ExCeL London, One Western Gateway, Royal Victoria Dock, London E16 1XL on 7 June 2012 at 10.30 a.m. at which place and time all Scheme Shareholders (as defined in the Scheme of Arrangement hereinafter mentioned) are requested to attend.

A copy of the said Scheme of Arrangement and a copy of the Explanatory Statement required to be furnished pursuant to Part 26 of the Companies Act 2006 are incorporated in the document of which this Notice forms part.

The said Scheme Shareholders may vote in person at the Court Meeting or they may appoint another person, whether or not a member of IPR, as their proxy to attend and vote in their stead.

A blue Form of Proxy for use at the Court Meeting is enclosed with this Notice. If you wish to appoint a proxy, please see “*Guidance Notes for Completion of the Blue Proxy Form and electronic proxy voting*” below.

Completion and return of a Form of Proxy will not prevent a Scheme Shareholder from attending and voting at the Court Meeting.

In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the Register of Members of IPR in respect of the joint holding.

It is requested that forms appointing proxies be returned by post or (during normal business hours only) by hand to IPR’s registrars, Equiniti, at Aspect House, Spencer Road, Lancing, BN99 6DA by 10.30 a.m. on 1 June 2012 or, in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting, but if forms are not so returned they may be handed to the Chairman of the Court Meeting at the commencement of the Court Meeting.

CREST members who wish to appoint a proxy or proxies through the CREST Electronic Proxy Appointment Service may do so for the Court Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (“**Euroclear**”) and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by IPR’s agent (ID RA19) by 10.30 a.m. on 1 June 2012 or, in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which IPR’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

IPR may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Only those shareholders registered in the register of members of IPR as at 6.00 p.m. on 1 June 2012 or, in the event that the Court Meeting is adjourned, in the register of members at 6.00 p.m. on the date which is one day (excluding any part of a day that is not a working day) before the day of any adjourned meeting shall be entitled to attend or vote in respect of the number of shares registered in their name at the relevant time. Changes to entries in the relevant register of members after 6.00 p.m. on 1 June 2012 or, in the event that the Court Meeting is adjourned, after 6.00 p.m. on the date which is one day (excluding any part of a day that is not a working day) before the day of any adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the Court Meeting.

By the said order, the Court has appointed Sir Neville Simms or, failing him, Tony Isaac or, failing him, Michael Zaoui to act as Chairman of the Court Meeting and has directed the Chairman to report the result of the Court Meeting to the Court.

The Scheme of Arrangement will be subject to the subsequent approval of the Court.

DATED: 14 May 2012

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

Solicitors for IPR

GUIDANCE NOTES FOR COMPLETION OF THE BLUE PROXY FORM AND ELECTRONIC PROXY VOTING

The guidance notes set out below should be read in conjunction with the blue Form of Proxy accompanying this notice of Court Meeting (the “**Blue Proxy Form**”) or if you are proposing to register the appointment of a proxy for the Court Meeting electronically:

1. Scheme Shareholders entitled to attend and vote at the Court Meeting are entitled to appoint one or more proxies to attend, to speak and to vote in their place. If you wish to appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. If you wish to appoint a proxy please use the Blue Proxy Form enclosed with this Notice of Court Meeting. In the case of joint shareholders, only one need sign the Blue Proxy Form. The vote of the senior joint shareholder will be accepted to the exclusion of the votes of the other joint shareholders. For this purpose, seniority will be determined by the order in which the names of the shareholders appear in the register of members of IPR in respect of the joint shareholding. The completion and return of the Blue Proxy Form will not stop you from attending and voting in person at the Court Meeting should you wish to do so and are so entitled. A proxy need not be a shareholder of IPR.
2. You can appoint the Chairman of the Court Meeting, or any other person, as your proxy. If you wish to appoint someone other than the Chairman, cross out the words ‘the Chairman of the Court Meeting or’ on the Blue Proxy Form and insert the name of your appointee. You can instruct your proxy how to vote on the resolution by signing in the appropriate box. Unless otherwise instructed, your proxy may vote as he/she thinks fit.

If you are appointing a proxy in relation to less than your full voting entitlement, please enter in the box next to the proxy holder’s name the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if the Blue Proxy Form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).

To appoint more than one proxy, you may photocopy the Blue Proxy Form or obtain (an) additional Blue Proxy Form(s) by contacting IPR’s registrars, Equiniti on **0871 384 2921**⁶ or, if calling from outside the UK, **+44 121 415 0296**⁷. Please indicate in the box next to the proxy holders name the number of shares in respect of which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All Blue Proxy Forms must be signed and should be returned together in a single envelope, rather than posted separately.

3. Alternatively, shareholders are given the option to register the appointment of a proxy for the Court Meeting electronically by accessing the website www.sharevote.co.uk. This website is operated by IPR’s registrars, Equiniti. Full details of the proxy voting procedure are given on the website and shareholders are advised to read the terms and conditions relating to the use of this facility before appointing a proxy through it. Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged in any way. If you want to appoint more than one proxy electronically then please contact IPR’s registrars, Equiniti on **0871 384 2921**⁶ or, if calling from outside the UK, **+44 121 415 0296**⁷.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service for the Court Meeting and any adjournment(s) thereof may do so by using the procedures described in the CREST Manual (available at www.euroclear.com/CREST). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK and Ireland Limited’s specifications and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA19) by the latest time for receipt of proxy appointments specified below. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner

⁶ Lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday (except UK public holidays). Calls to this number are charged at 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers’ costs may vary.

⁷ Calls from outside the UK will be charged at applicable international rates.

prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

IPR may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

We request that all messages relating to the appointment of a proxy or an instruction to a previously appointed proxy, which are to be transmitted through CREST, be transmitted so as to be received by Equiniti (ID RA19) by no later than 10:30 a.m. on 1 June 2012.

5. A corporation should execute the Blue Proxy Form under its common seal or otherwise in accordance with Section 44 of the Companies Act 2006 (as amended) or by signature on its behalf by a duly authorised officer or attorney whose power of attorney or other authority should be enclosed with the Blue Proxy Form.
6. **We request that the Blue Proxy Form and any power of attorney (or a notarially certified copy thereof) under which it is executed (if the proxy is to be appointed by submission of a hard copy of the Blue Proxy Form) be received by Equiniti at Aspect House, Spencer Road, Lancing, BN99 6DA by no later than 10:30 a.m. on 1 June 2012. Alternatively, the Blue Proxy Form may be handed to the Chairman of the Court Meeting at the commencement of the Court Meeting.** On completing the Blue Proxy Form, detach it, sign it and return it to Equiniti. As postage has been pre-paid, no stamp is required. You may, if you prefer, return the Blue Proxy Form in a sealed envelope to the address referred to above.
7. **Other than the appointment of a proxy through CREST (see note above), we request that electronic proxy voting instructions be submitted using the website www.sharevote.co.uk by no later than 10:30 a.m. on 1 June 2012.** Any electronic communication sent by a shareholder that is found to contain a computer virus will not be accepted.
8. You may not use any electronic address provided in either this Notice of Court Meeting or any related documents (including the Blue Proxy Form) to communicate with IPR for any purpose other than those expressly stated.

PART 13
NOTICE OF IPR GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of International Power plc (the “**Company**” or “**IPR**”) will be held at ExCeL London, One Western Gateway, Royal Victoria Dock, London E16 1XL on 7 June 2012 at 10.45 a.m. (or as soon thereafter as the meeting of Scheme Shareholders (as defined in the Scheme) of the Company convened by direction of the Court (as defined in the Scheme) for the same place and date shall have been concluded or adjourned) (the “**General Meeting**”) for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as special resolutions.

TRANSACTION SPECIAL RESOLUTION

1. THAT for the purpose of giving effect to the scheme of arrangement dated 14 May 2012 between the Company and the holders of the Scheme Shares (as defined in the said scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman hereof, in its original form or subject to such modification, addition or condition agreed between the Company and Electrabel S.A. (“**EBL**”) and approved or imposed by the Court (the “**Scheme**”):
 - (a) the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
 - (b) the share capital of the Company be reduced by cancelling and extinguishing all of the Cash Scheme Shares (as defined in the Scheme) in accordance with the terms of the Scheme;
 - (c) subject to and forthwith upon the reduction of share capital referred to in paragraph (b) above taking effect and notwithstanding anything to the contrary in the articles of association of the Company:
 - (i) the reserve arising in the books of account of the Company as a result of the reduction of share capital referred to in paragraph (b) above be capitalised and applied in paying up in full at par such number of new ordinary shares of 50 pence each as shall be equal to the aggregate number of Cash Scheme Shares cancelled pursuant to paragraph (b) above with each new ordinary share having the rights set out in the Company’s articles of association, which shall be allotted and issued, credited as fully paid, to EBL and/or its nominee(s) in accordance with the Scheme; and
 - (ii) conditional upon the Scheme becoming effective in accordance with its terms, the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to allot the new ordinary shares referred to in paragraph (c)(i) above, provided that: (1) the maximum aggregate nominal amount of relevant securities that may be allotted under this authority shall be the aggregate nominal amount of the said new ordinary shares referred to in paragraph (c)(i) above; (2) this authority shall expire (unless previously revoked, varied or renewed) on the fifth anniversary of this resolution; and (3) this authority shall be in addition, and without prejudice, to any other authority under the said section 551 previously granted and in force on the date on which this resolution is passed;
 - (d) with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new article 148:

“Scheme of Arrangement

148(A) In this article, the “**Scheme**” means the scheme of arrangement under Part 26 of the Companies Act 2006 dated 14 May 2012, between the Company and certain of the shareholders of the Company in its original form or with or subject to any modification, addition or condition agreed by the Company and Electrabel S.A. (“**EBL**”) and which the Court may think fit to approve or impose and (save as defined in this article) expressions defined in the Scheme shall have the same meanings in this article.

- (B) Notwithstanding any other provision of these articles, if the Company issues any ordinary shares (other than to EBL, its nominee(s) or any other subsidiary undertaking of GDF SUEZ S.A.) after the adoption of this article and on or before the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme and the holders of such shares shall be bound by the Scheme accordingly, provided that if the Scheme does not become effective by 31 December 2012, or such later date as the Company may determine, the articles will be amended by the deletion of this article 148.”; and

- (e) with effect from the Effective Date (as defined in the Scheme), the articles of association of the Company be altered by the adoption and inclusion of the following as new article 148(C) to (F):
- “(C) Subject to the Scheme becoming effective, if any ordinary shares in the Company are issued to any person after the Scheme Record Time (as defined in the Scheme), other than:
- (i) under the Scheme;
 - (ii) to EBL or its nominee(s) or to any of GDF SUEZ S.A.’s subsidiary undertakings; or
 - (iii) to holders (the “**Convertible Bondholders**”) of: (a) the US\$228,262,000 3.75 per cent. guaranteed convertible bonds issued by International Power (Jersey) Limited convertible into fully paid 3.75 per cent. exchangeable redeemable preference shares of International Power (Jersey) Limited; (b) the €230,000,000 3.25 per cent. guaranteed convertible bonds issued by International Power Finance (Jersey) II Limited convertible into fully paid 3.25 per cent. exchangeable redeemable preference shares of International Power Finance (Jersey) II Limited; or (c) the €700,000,000 4.75 per cent. guaranteed convertible bonds issued by International Power Finance (Jersey) III Limited convertible into 4.75 per cent. exchangeable redeemable preference shares of International Power Finance (Jersey) III Limited, which are each guaranteed by the Company and in each case will be exchangeable immediately upon issue for ordinary shares in the Company (the “**Convertible Bonds**”), who have exercised their conversion rights under the terms of the Convertible Bonds,
- (a “**New Member**”), the said shares (the “**New Member Shares**”) shall, subject to article 148(E), be issued on terms that they shall (on the Effective Date (as defined in the Scheme) or, if later, on issue) be immediately transferred to EBL or its nominee(s) in consideration (subject as hereinafter provided) of and conditional on the payment by EBL to the New Member of 418 pence in cash per ordinary share.
- (D) Subject to the Scheme becoming effective, if any ordinary shares in the Company are issued after the Scheme Record Time (as defined in the Scheme) to Convertible Bondholders who have exercised their conversion rights under the terms of the Convertible Bonds, other than ordinary shares in the Company which are issued subject to the Scheme or to EBL or its nominee(s) or any of GDF SUEZ S.A.’s subsidiary undertakings, the said shares (the “**Bondholder Shares**”) shall, subject to article 148(E), be issued on terms that they shall (on the Effective Date (as defined in the Scheme) or, if later, on issue) be immediately transferred to EBL or its nominee(s) in consideration (subject as hereinafter provided) of and conditional on the payment by EBL to the holder of such Bondholder Shares of 418 pence in cash per ordinary share. Cash paid to acquire ordinary shares in the Company pursuant to the operation of this article 148(D), will be paid:
- (i) in the case of cash to be paid pursuant to conversion notices received from Convertible Bondholders at any time before the end of the 60 day period following holders of Convertible Bonds receiving a notice that the Scheme has become effective (the “**Special Conversion Period**”), not later than 14 days following the expiry of the Special Conversion Period; and
 - (ii) in the case of cash to be paid pursuant to the exercise of conversion rights after the expiry of the Special Conversion Period, as soon as practicable after conversion and in any event within 14 days of conversion.
- (E) On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the value of the cash payment per share to be paid under paragraph (C) or (D) of this article shall be adjusted by the directors of the Company in such manner as they reasonably determine to be appropriate to reflect such reorganisation or alteration. References in this article to ordinary shares in the Company shall, following such adjustment, be construed accordingly.
- (F) To give effect to any transfer of New Member Shares and/or Bondholder Shares required pursuant to paragraph (C) or (D) of this article, the Company may appoint any person as attorney for the New Member and/or holder of Bondholder Shares to transfer the New Member Shares and/or Bondholder Shares to EBL or its nominee(s) and do all such other acts and things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the New Member Shares and/or Bondholder Shares in EBL or its nominee(s) and pending such vesting to exercise all such rights attaching to the New Member Shares and/or Bondholder Shares as EBL may direct. If an attorney is so appointed, the New Member and/or holder of Bondholder Shares shall not thereafter (except to the extent that the attorney fails to act in accordance with the directions of EBL) be entitled to exercise any rights attaching to the New Member Shares and/or

Bondholder Shares unless so agreed by EBL and the attorney shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member and/or holder of Bondholder Shares (or any subsequent holder) in favour of EBL or its nominee(s) and the Company may give a good receipt for the purchase price of the New Member Shares and/or Bondholder Shares and may register EBL or its nominee(s) as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member and/or holder of Bondholder Shares for the New Member Shares and/or Bondholder Shares respectively. EBL shall send a cheque drawn on a UK clearing bank in favour of the New Member and/or holder of Bondholder Shares (or any subsequent holder) for the cash purchase price of such New Member Shares and/or Bondholder Shares within 14 days of transfer in the case of New Member Shares and in accordance with article 148(D) in the case of Bondholder Shares.”.

DEFERRED SHARES SPECIAL RESOLUTION

2. THAT the directors of the company be and are hereby authorised to implement the off-market buyback and cancellation of 21 unlisted fully-paid deferred shares in the capital of the Company (the “**Deferred Shares**”), pursuant to the terms of the sale and purchase agreement entered into or proposed to be entered into between the Company and the registered holder of the Deferred Shares (the “**Deferred Shares SPA**”) as more fully described in paragraph 11(e) of Part 2 (*Explanatory Statement*) of the circular to shareholders dated 14 May 2012 for the purposes of Section 694 of the Companies Act 2006, and that any director be authorised to do all necessary acts and things on behalf of the Company to effect the purchase of the Deferred Shares on and subject to the terms of the Deferred Shares SPA, such authority to expire on 31 December 2012.

Registered Office
Senator House
85 Queen Victoria Street
London EC4V 4DP

By order of the Board
François Graux
Secretary

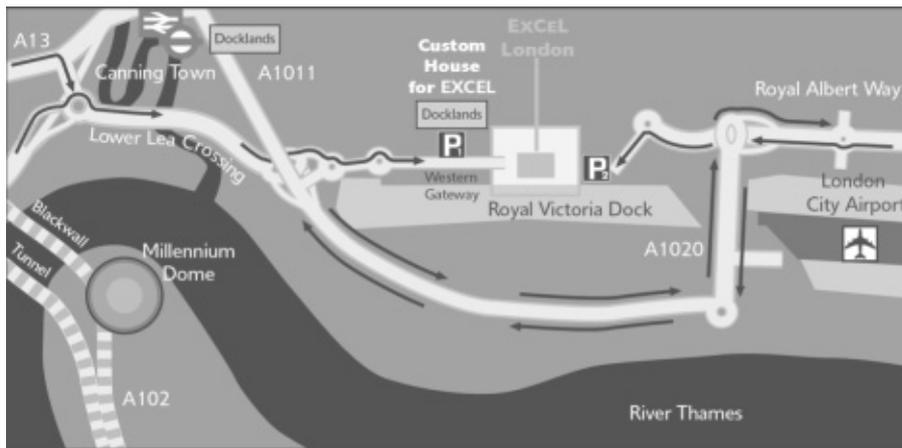
Dated 14 May 2012

Notes:

1. IPR shareholders entitled to attend and vote at this general meeting (the “**General Meeting**”) are entitled to appoint one or more proxies to attend, to speak and to vote in their place. If you wish to appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. A proxy need not be a shareholder of the Company. If you wish to appoint a proxy, please see “*Guidance notes for completion of the White Proxy Form and electronic proxy voting*”, below.
2. To be entitled to attend and vote at the General Meeting and in accordance with Regulation 41 of the Regulations (and for the purpose of the determination by the Company of the votes they may cast), IPR shareholders must be registered in the register of members of the Company as at 6.00 p.m. on 1 June 2012 (or in the event of any adjournment, on the date which is one day (excluding any part of a day that is not a working day) before the time of the adjourned meeting) and such shareholders shall be entitled to attend, speak and to vote at the General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after 6.00 p.m. on 1 June 2012 shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.
3. In accordance with Section 325 of the Companies Act 2006 (the “**Act**”), the right to appoint proxies does not apply to persons nominated to receive information rights under Section 146 of the Act. Persons nominated to receive information rights under Section 146 of the Act who have been sent a copy of this Notice of IPR General Meeting do not have a right to appoint any proxies by reason of such nomination, but they may have a right under an agreement with the registered shareholder by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this General Meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to that shareholder as to the exercise of voting rights. Nominated persons should contact the registered shareholder by whom they were nominated in respect of these arrangements.
4. Any corporation which is a shareholder of IPR can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

5. Any shareholder attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:
 - (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - (b) the answer has already been given on a website in the form of an answer to a question; or
 - (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
6. A copy of this Notice of IPR General Meeting and the information required by section 311A of the Act can be found on IPR's website www.iprplc-gdfsuez.com.
7. At 8 May 2012 (being the latest practicable date prior to publication of this document) the issued share capital of the Company consisted of 5,095,702,403 ordinary shares of 50 pence each carrying one vote each and 21 deferred shares of 1 pence each which do not carry any rights to vote (the "**Deferred Shares**"). Therefore, the total voting rights of the Company as at 8 May 2012 were 5,095,702,403.
8. Copies of the Company's existing articles of association as proposed to be amended by the Transaction Special Resolution set out in this notice are available for inspection at the offices of the Company at Senator House, 85 Queen Victoria Street, London, EC4V 4DP during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), until the opening of business on the day on which the meeting is held, and will also be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting.
9. A copy of a sale and purchase agreement for the Company to buy-back the Deferred Shares is available for inspection at the registered office of the Company at Senator House, 85 Queen Victoria Street, London, EC4V 4DP during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), until the opening of business on the day on which the meeting is held, and will also be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting.
10. Voting on all of the resolutions at the General Meeting will be conducted on a poll rather than a show of hands.

How to get to the Court Meeting and the IPR General Meeting



ExCeL London
One Western Gateway
Royal Victoria Dock
London E16 1XL

By Underground and Docklands Light Railway (DLR)

The Jubilee Line is recommended as the quickest route to ExCeL London.

Alight at Canning Town to change onto the DLR (upstairs from the Jubilee Line level—trains normally depart from platform 3) for the quick two-stop journey to Custom House for ExCeL.

ExCeL London is located in zone 3 and London Underground tickets are valid on the DLR.

Use DLR trains in the direction of Beckton—do not use DLR services in the direction of Woolwich Arsenal or King George V from Canning Town.

By bus

The public bus service 147 departs from bay B of Canning Town station to Custom House.

By car

There is easy access from the M25, M11, A406 and A13. For satellite navigation use postcode E16 1DR. The venue is outside the congestion charge zone.

There is parking for 2,500 cars. In addition, there are 150 disabled parking spaces, located within close proximity of the venue. Spaces are available to blue badge holders only and are charged at the normal rate. For enquiries please call +44 (0)20 7069 4568.

It is recommended that you pay for your parking before leaving the centre at one of the many pay points in the Boulevard, which accept both cash and cards.

By air

London City Airport is about five minutes drive away from ExCeL.

GUIDANCE NOTES FOR COMPLETION OF THE WHITE PROXY FORM AND ELECTRONIC PROXY VOTING

The guidance notes set out below should be read in conjunction with the white Form of Proxy accompanying this Notice of IPR General Meeting (the “**White Proxy Form**”) or if you are proposing to register the appointment of a proxy electronically:

1. Shareholders entitled to attend and vote at the General Meeting are entitled to appoint one or more proxies to attend, to speak and to vote in their place. If you wish to appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. If you wish to appoint a proxy please use the White Proxy Form enclosed with this Notice of IPR General Meeting. In the case of joint shareholders, only one need sign the White Proxy Form. The vote of the senior joint shareholder will be accepted to the exclusion of the votes of the other joint shareholders. For this purpose, seniority will be determined by the order in which the names of the shareholders appear in the register of members in respect of the joint shareholding. The completion and return of the White Proxy Form will not stop you from attending and voting in person at the General Meeting should you wish to do so and are so entitled. A proxy need not be a shareholder of the Company.
2. You can appoint the chairman of the General Meeting, or any other person, as your proxy. If you wish to appoint someone other than the chairman, cross out the words ‘the Chairman of the General Meeting or’ on the White Proxy Form and insert the name of your appointee. You can instruct your proxy how to vote on the resolutions by placing an ‘x’ (or entering the number of shares which you are entitled to vote) in the ‘For’ or ‘Against’ boxes as appropriate. If you wish to abstain from voting please place an ‘x’ in the box which is marked ‘Vote withheld’. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of the votes ‘For’ and ‘Against’ a resolution. If you do not indicate on the White Proxy Form how your proxy should vote, he/she can exercise his/her discretion as to whether, and if so how, he/she votes on the resolution, as he/she will do in respect of any other business (including amendments to the resolutions) which may properly be conducted at the General Meeting.

If you are appointing a proxy in relation to less than your full voting entitlement, please enter in the box next to the proxy holder’s name the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this White Proxy Form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).

To appoint more than one proxy, you may photocopy the White Proxy Form or obtain (an) additional White Proxy Form(s) by contacting IPR’s registrars, Equiniti on **0871 384 2921**⁸ or, if calling from outside the UK, **+44 121 415 0296**⁹. Please indicate in the box next to the proxy holders name the number of shares in respect of which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All White Proxy Forms must be signed and should be returned together in a single envelope, rather than posted separately.

3. Alternatively, shareholders are given the option to register the appointment of a proxy for the General Meeting electronically by accessing the website www.sharevote.co.uk. This website is operated by IPR’s registrars, Equiniti. Full details of the proxy voting procedure are given on the website and shareholders are advised to read the terms and conditions relating to the use of this facility before appointing a proxy through it. Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged in any way. If you want to appoint more than one proxy electronically then please contact IPR’s registrars, Equiniti on **0871 384 2921**⁸ or, if calling from outside the UK, **+44 121 415 0296**⁹.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service for the General Meeting and any adjournment(s) thereof may do so by using the procedures described in the CREST Manual (available at www.euroclear.com/CREST). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK and Ireland Limited’s specifications and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of

⁸ Lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday (except UK public holidays). Calls to this number are charged at 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers’ costs may vary.

⁹ Calls from outside the UK will be charged at applicable international rates

whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time for receipt of proxy appointments specified below. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy, which are to be transmitted through CREST, must be transmitted so as to be received by Equiniti (ID RA19) by no later than 10.45 a.m. on 1 June 2012.

5. A corporation should execute the White Proxy Form under its common seal or otherwise in accordance with Section 44 of the Act or by signature on its behalf by a duly authorised officer or attorney whose power of attorney or other authority should be enclosed with the White Proxy Form.
6. **In order to be effective, the White Proxy Form and any power of attorney (or a notarially certified copy thereof) under which it is executed must (if the proxy is to be appointed by submission of a hard copy of the White Proxy Form) be received by Equiniti at Aspect House, Spencer Road, Lancing, BN99 6DA by no later than 10.45 a.m. on 1 June 2012.** On completing the White Proxy Form, detach it, sign it and return it to Equiniti. As postage has been pre-paid, no stamp is required. You may, if you prefer, return this card in a sealed envelope to the address referred to above.
7. **Other than the appointment of a proxy through CREST (see note above), electronic proxy voting instructions must be submitted using the website www.sharevote.co.uk by no later than 10.45 a.m. on 1 June 2012.** Any electronic communication sent by a shareholder that is found to contain a computer virus will not be accepted.
8. You may not use any electronic address provided in either this Notice of IPR General Meeting or any related documents (including the White Proxy Form) to communicate with IPR for any purpose other than those expressly stated.

PART 14
NOTES ON MAKING A LOAN NOTE ELECTION

1. MAKING AN ELECTION

1.1 Shares held in certificated form

You should note that if you hold Scheme Shares in certificated form and are not a Loan Note Restricted Scheme Shareholder and you wish to make an election under the Loan Note Alternative you must complete and sign the green Form of Election in accordance with the instructions printed thereon and return it, together with your share certificate(s), to Equiniti at Corporate Actions, Aspect House, Spencer Road, Lancing, BN99 6DA, so as to be received by no later than 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended). A reply-paid envelope, for use in the UK only, is enclosed for your convenience. The instructions printed on, or deemed to be incorporated in, the Form of Election constitute part of the terms of the Scheme.

If you wish to receive cash for all the IPR Shares that you hold at the Scheme Record Time and do not wish to make an election under the Loan Note Alternative, do not return the Form of Election.

Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.

You should complete a separate Form of Election for Scheme Shares held in certificated form, but under different designations, if you wish to make an election under the Loan Note Alternative in respect of such Scheme Shares.

Please telephone the IPR Shareholder helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0871 384 2921 from within the UK (or on +44 121 415 0296 if calling from outside the UK) if you need further copies of the Form of Election. Calls to the 0871 384 2921 number cost 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers' charges may vary. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Please note that calls to this number may be monitored or recorded. No advice on the merits of the Transaction or the Loan Note Alternative nor any financial, legal or tax advice can be given.

1.2 Shares held in uncertificated form (that is, in CREST)

If your Scheme Shares are in uncertificated form and you are not a Loan Note Restricted Scheme Shareholder and you wish to elect for the Loan Note Alternative you should NOT complete a green Form of Election but instead take (or procure to be taken) the actions set out below to transfer the Scheme Shares in respect of which you wish to elect for the Loan Note Alternative to the relevant escrow account using a transfer to escrow instruction ("**TTE Instruction**") specifying Equiniti (in its capacity as a CREST participant under the participant ID referred to below) as the escrow agent ("**Escrow Agent**"), as soon as possible and in any event so that the TTE Instruction settles no later than 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended).

If you are a CREST personal member or other CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participation ID and the member account ID under which your Scheme Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to your Scheme Shares. You should send (or, if you are a CREST personal member or other CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear which must be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to the other information that is required for a TTE Instruction to settle in CREST, the following details:

- the number of Scheme Shares to be transferred to escrow (see below);
- your member account ID;
- your participant ID;
- the participant ID of the Escrow Agent. This is 2RA11;
- the member account ID of the Escrow Agent for the Loan Notes is RA100801;

- the ISIN number of the Scheme Shares. This is GB0006320161;
- the intended settlement date. This should be as soon as possible and in any event by the Election Return Time;
- the corporate action number for the Transaction. This is allocated by Euroclear and can be found by viewing the relevant corporate action details on screen in CREST;
- CREST standard delivery instructions priority of 80; and
- a contact name and telephone number (in the shared note file of the TTE Instruction).

To elect for the Loan Note Alternative:

- (a) in the field relating to the number of Scheme Shares to be transferred to escrow, you should insert the number of Scheme Shares in respect of which you wish to make an election for the Loan Note Alternative; and
- (b) the member account ID of the Escrow Agent for the Loan Notes is RA100801.

After settlement of the TTE Instruction, you will not be able to access the Scheme Shares in CREST for any transaction or for charging purposes. If the Scheme becomes Effective, the Escrow Agent will transfer the Scheme Shares to EBL or its nominees. You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedure outlined above.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Scheme Shares to settle prior to the Election Return Time. In this regard you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Please note that, if (i) you elect for the Loan Note Alternative in respect of Scheme Shares which are held in CREST and (ii) you fail to give the TTE Instructions to settle prior to the Election Return Time in accordance with the instructions set out above, your election for the Loan Note Alternative will to that extent be invalid and you will receive cash as if you had not elected for the Loan Note Alternative.

2. OTHER PROVISIONS RELATING TO THE LOAN NOTE ALTERNATIVE

The Loan Note Alternative is made available on the basis of £1 nominal value of Loan Notes for every £1 cash to which a Scheme Shareholder would otherwise be entitled to under the Scheme, and any entitlement that is not a whole multiple of £1 will be rounded down to the nearest £1 and the balance of the consideration will be disregarded and not paid to such holder.

An election for Loan Notes instead of all or part of any cash consideration to which a Scheme Shareholder may become entitled should be in respect of such whole number of Scheme Shares as held by such Scheme Shareholder in relation to which such Scheme Shareholder wishes to receive Loan Notes.

IPR, EBL and Equiniti reserve the right at their sole discretion to determine that any Scheme Shareholder electing for the Loan Note Alternative is a Loan Note Restricted Scheme Shareholder and to refuse to issue Loan Notes to that Scheme Shareholder. In such event, the relevant Scheme Shareholder shall only be entitled to receive cash consideration as set out in this document. Neither IPR, nor EBL nor Equiniti will be liable to any Scheme Shareholder for making any such determination.

3. GENERAL

Persons who have made valid elections under the Loan Note Alternative will not be entitled to transfer their Scheme Shares after the Scheme Record Time.

No election under the Loan Note Alternative will be valid unless, in the case of certificated shares, a green Form of Election is completed in all respects and, together with the relevant share certificate(s) submitted, or in the case of uncertificated shares, an appropriate TTE Instruction is settled, in each case, by 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended).

If any Form of Election, in the case of certificated shares, or TTE Instruction, in the case of uncertificated shares, to make an election under the Loan Note Alternative is either received after 11.00 a.m. on 27 June 2012 (or such later time (if any) to which the right to make an election may be extended) or is received before such time and date but is not valid or complete in all respects at such time and date, such election shall, for all purposes, be void and the holder of Scheme Shares purporting to make such election shall not, for any purpose, be entitled to receive any variation of consideration under the Loan Note Alternative and the relevant holder of Scheme Shares will, upon the Scheme becoming Effective, only be entitled to receive the cash consideration due under the Scheme in respect thereof.

Without prejudice to any other provision of this Part 14 or the Form of Election or otherwise, EBL and IPR reserve the right in their absolute discretion to treat as valid in whole or in part any election for the Loan Note Alternative which is not entirely in order.

No acknowledgements of receipt of any Form of Election or other documents will be given. All communications, notices, other documents and remittances to be delivered by or to or sent to or from holders of Scheme Shares (or their designated agent(s)) or as otherwise directed will be delivered by or to or sent to or from such holders of Scheme Shares (or their designated agents(s)) at their risk.

EBL and IPR and/or their respective agents reserve the right to notify any matter to all or any Scheme Shareholders with (i) registered addresses outside the UK or (ii) whom EBL, IPR and/or their respective agents know to be nominees, trustees or custodians for such Scheme Shareholders by announcement in the UK or paid advertisement in any daily newspaper published and circulated in the UK or any part thereof, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such Scheme Shareholders to receive or see such notice. All references in this document to notice in writing, or the provision of information in writing, by or on behalf of EBL, IPR and/or their respective agents shall be construed accordingly. No such document shall be sent to an address outside the United Kingdom where it would or might infringe the laws of that jurisdiction or would or might require EBL or IPR to obtain any governmental or other consent or to effect any registration, filing or other formality with which, in the opinion of EBL and IPR, it would be unable to comply or which it regards as unduly onerous.

The Form of Election and TTE Instructions and all elections thereunder or pursuant thereto and all contracts made pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing shall be governed by and construed in accordance with English law.

Signature by or on behalf of a holder of Scheme Shares of a Form of Election or the submission by or on behalf of a holder of Scheme Shares of a TTE Instruction will constitute his submission, in relation to all matters arising out of or in connection with the Scheme and the Form of Election, or TTE Instruction to the jurisdiction of the courts of England and Wales and his agreement that nothing shall limit the rights of IPR to bring any action, suit or proceeding arising out of or in connection with the Scheme and the Form of Election or TTE Instruction in any other manner permitted by law or in any court of competent jurisdiction.

If the Scheme does not become Effective in accordance with its terms, any election made shall cease to be valid.

Neither EBL, IPR nor any of their respective advisers or any person acting on behalf of either of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of elections under the Scheme on any of the bases set out in this Part 14 or otherwise in connection therewith.

Helpline

If you have any questions relating to this document or the completion and return of the Forms of Proxy or the Form of Election please call the IPR Shareholder helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0871 384 2921 from within the UK (or on +44 121 415 0296 if calling from outside the UK). Calls to the 0871 384 2921 number cost 8 pence per minute (excluding VAT) from a UK BT landline. Other network providers' charges may vary. Calls to the helpline from outside the UK will be charged at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Please note that the helpline cannot provide advice on the merits of the Transaction or the Scheme or give any financial, legal or tax advice.

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