

BID FOR 60% EQUITY INTEREST IN SHOAIBA PHASE 3 INDEPENDENT WATER AND POWER PROJECT

Khazanah Nasional Berhad ("Khazanah"), Tenaga Nasional Berhad ("TNB") and Malakoff Berhad ("MB") are pleased to announce that together with Arabian Company for Water And Power Projects Limited ("ACWA") (the "Bidder Consortium") they have submitted a bid for a 60% equity interest in the Shoaiba Phase 3 Independent Water and Power Project in the Kingdom of Saudi Arabia, ("KSA") (the "Project") on 5th March 2005.

If the Bidder Consortium is successful in its bid, Khazanah will together with TNB and Malakoff form a Malaysian Consortium Company to invest in the Bidder Consortium. The interests of the parties in the Malaysian Consortium are as follows :-

Consortium members	Percentage of equity interest in the Malaysian Consortium Company	Percentage of effective shareholding in Bidder Co
Khazanah	40	20
Malakoff	40	20
TNB	20	10

The Bidder Co will hold a 60% interest in the company to undertake the Project whilst the balance will be held by agencies of the Government of KSA.

The Project, to be developed on a Build Own and Operate basis, will be located adjacent to the existing Shoaiba generation and desalination complexes 110 km south of Jeddah, on the western Red Sea coast of Saudi Arabia. The indicative project timetable is for construction to commence towards end-2005 with Project Commercial Operation Date scheduled 3 years later.

This will be the first Independent Water and Power Project to be developed under the privatization program in the Kingdom of Saudi Arabia and represents a major development in the country's water and power sector.

ACWA, Malakoff and TNB will be incorporating a limited liability company in KSA to undertake the operations and maintenance for the Project.

Details of the bid will be announced at the appropriate juncture.

This announcement is dated 22 March 2005.