



NEWS RELEASE

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Alfa Laval receives large power plant order in Saudi Arabia

Alfa Laval, a world leader in centrifugal separation, heat transfer and fluid handling, has received an order to the value of approximately MSEK 65 from National Contracting Co. Ltd (NCC), a leading power plant construction company in Saudi Arabia. The equipment is intended for the Saudi Electricity Company's Power Plant 3 (PP3) expansion project in Jeddah.

Once complete, the PP3 expansion project will meet the growing demand for power required by the citizens of Jeddah, a city with more than 3 million inhabitants. The upgrade will bring 480 MW of additional capacity to the PP3 site through eight General Electric combustion turbines, resulting in a total site capacity of 1700 MW. The expansion is scheduled to start in the beginning of 2004, with the first unit projected to come on-line in February 2005.

"This important order is a result of Alfa Laval's international presence and our ability to coordinate the resources over organizational and geographical borders," says Ulf Granstrand, Executive Vice President and head of Process Technology Division. "This strong position enables us to communicate effectively with the engineering and plant construction companies, as well as with the engine builders and the power plants."

Alfa Laval will supply the Crude Oil Treatment Plant including a crude oil preheating and recovery system, a crude oil purification system with 20 centrifugal separators and an effluent water treatment plant using one separator and fuel forwarding equipment for each turbine. The order also includes comprehensive services to be provided at site, i.e. supervision of installation, testing and commissioning, trial run and on-site training.

Alfa Laval supplied a fuel oil treatment system to the PP3 plant already in 1994. The good performance of this system, as well as the end user's satisfaction with the local service provided by Alfa Laval in Jeddah, were major factors in securing the contract.

In total, Alfa Laval has over 150 separators installed in Saudi Arabian power plants.

Editors note:

Alfa Laval is a leading global provider of specialized products and engineering solutions based on its key technologies of heat transfer, separation and fluid handling.

The company's equipment, systems and services are dedicated to assisting customers in optimizing the performance of their processes. The solutions help them to heat, cool, separate and transport products in industries that produce foods and beverages, chemicals and petrochemicals, pharmaceuticals, starch, sugar and ethanol. Alfa Laval's products are also used in power plants, aboard ships, in the mechanical engineering industry, in the mining industry and for wastewater treatment, as well as for comfort climate and refrigeration applications.

Alfa Laval's worldwide organization works closely with customers in nearly 100 countries to help them stay ahead in the global arena.

Alfa Laval is listed on the Stockholm Exchange and, in 2002, posted annual sales of about SEK 15 billion (approx. 1.7 billion euros). The company has some 9,100 employees.

For further information, please visit the Alfa Laval website at www.alfalaval.com

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