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Vattenfall starts partnership in French hydropower

Vattenfall has reached a consortium agreement with three partners in France to be well prepared for the coming hydro concessions later this year. On the occasion of the renewal of French hydroelectric concessions, the four partners, ArcelorMittal, Rhodia, SNCF and Vattenfall join forces under the name Force Hydro to bid for the concessions tender to be launched by the French state in 2012.

By targeting 2000 MW of the 5300 MW expected to be renewed in the coming years, Force Hydro aims to become a key player in large hydro power generation in France.

The partnership is led by Vattenfall, the third largest European hydro power producer with 11,320 MW installed capacity in Sweden, Germany and Finland. Active on the French market since the liberalization in 2000, Vattenfall has already supplied more than 50 TWh of electricity power to French industrial costumers.

Frédéric de Maneville, President of Vattenfall France and spokesperson of Force Hydro, comment:

"This industrial partnership between ArcelorMittal, Rhodia, SNCF and Vattenfall gathers the required competencies to succeed in the competition process for the renewal of hydro concessions. It shows our commitment to pioneering energetic solutions on the long term, both from the producer and the consumers perspective. Together, we will deploy our know-how to become the third hydro force on the French territory."

Around Vattenfall gather key players of the French industry sector. Their need for power consumption and their commitment to sustainable management of their growth encourages them to focus on renewable energy. ArcelorMittal, Rhodia and SNCF will therefore be able to invest in renewable electricity generation and secure their peak load needs on the long term, in a global approach to environmental responsibility.

Vattenfall discloses the information provided herein pursuant to the Swedish Securities Market Act.

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FORCE HYDRO

un partenariat autour de

VATTENFALL 

About ArcelorMittal

ArcelorMittal is the world's leading integrated steel and mining company, with a presence in more than 60 countries. In 2010, ArcelorMittal had revenues of \$78.0 billion and crude steel production of 90.6 million tonnes, representing approximately 6 per cent of world steel output. In France, ArcelorMittal has 20 000 employees in over 50 industrial sites. Its power consumption was 5.2 TWh in 2010. www.arcelormittal.com

About SNCF Group

SNCF is a world leader in mobility and logistics with a presence in 120 countries and a total workforce of over 240,000 generating revenue of €30.5 billion in 2010. In France, SNCF includes 215,000 employees across the country. Its power consumption was close to 9 TWh in 2010. www.sncf.com

About Rhodia

Rhodia, member of the Solvay group, is a specialty chemical company resolutely committed to sustainable development. care markets, consumer goods and industrial markets. Rhodia employs around 14 000 people worldwide and generated sales of €5.23 billion in 2010. www.rhodia.com

About Vattenfall

Vattenfall is one of the largest producers of electricity and heat in Europe. In terms of electricity and heat, the Group operates at all levels of the value chain: production, distribution and sale. Third largest hydro power producer in Europe, with 34 TWh generated in 2010, Vattenfall is also a leader in offshore wind, being the second largest operator worldwide. www.vattenfall.com