



Técnicas Reunidas is awarded by MGT Teesside Power to design and build the Tees REP Power Plant in Teesside, United Kingdom

MGT Teesside Ltd, a UK based company, has selected Técnicas Reunidas (TR), in a consortium with Samsung C&T, for the execution of a contract to build a new 299 MWe power plant with combined heat and power in Teesside, United Kingdom.

The power plant will consist of the installation of one steam generator followed by a steam turbine with a total gross power output of 299 MWe. The main steam generation system is composed of a Circulating Fluidized Bed (CFB) boiler using wood pellets and chips as main fuel. The scope also includes all necessary balance of plant, including fuel handling and the necessary abatement systems to fulfill latest emission standards.

The total contract value of the power plant will be close to EUR 700 million of which TR's contract share is approximately 70%. It covers the services for engineering, procurement, construction, commissioning and start-up of the power plant, up to commercial operation. The power plant commercial operations are expected to begin in 2020. Notice to proceed that has been received today 11th August 2016 following contract signature on August 10th 2016.

This will be the first contract in the UK for TR following a strong commercial effort over the last years in this market, which is expected to present other opportunities in the power generation business in the mid-term.

MGT Teesside Ltd is owned 50% by Macquarie Group and 50% by the Danish fund PKA Ltd. Macquarie is a global financial services organization and PKA is one of the largest pension service providers for labor market pension funds in Denmark.

The award of this contract will reinforce the competitive position of TR as one of the few companies in the world able to work in areas as diverse as oil and gas, power generation, oil refining and petrochemical industry. Since 1960, TR has designed and constructed more than 1,000 industrial plants in over 60 countries.

Macquarie Group (Macquarie) is a global provider of banking, financial, advisory, investment and funds management services. Founded in 1969, Macquarie operates in more than 64 office locations in 28 countries and employs more than 14,300 people. Assets under management total



TECNICAS REUNIDAS

approximately £256 billion at 31 March, 2016. For more information, visit www.macquarie.com.

PKA is one of the largest pension funds in Denmark with 275,000 members and assets of more than £28 billion. PKA has invested around £2 billion in climate-related projects, including wind farms, green bonds and the Danish Climate Investment Fund. The aim is that climate-related projects will be 10% of total investments in 2020.

MGT Power is a UK independent power station developer focused on large-scale sustainable biomass projects. Its management team has experience in UK and overseas power generation projects totaling c.15 GWe. The team has a long history in biomass supply and sustainable sourcing. MGT Power's investors include Capeview Capital and Ecofrontier of South Korea.