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News'nViews



TAYLOR-DEJONGH OPEN HOUSE, MAY 8TH



To inaugurate its new office location, Taylor-DeJongh hosted an Open House 2002 on May 8th to celebrate the new office with friends and colleagues in the DC metropolitan area.

The event was well attended and received. Some of the attendees represented Ex-Im Bank, Parsons Engineering, Nissho Iwai American Corporation, OPIC, IFC, The World Bank, Bechtel Enterprises, Petroleum Finance Company, Chadbourne & Parke, Bank of America Securities, Baker & McKenzie, Vinson & Elkins, Whiting-Turner, Consolidated Contractors and many more.



NEW ADVISORY MANDATES

ALBA 5TH POTLINE EXPANSION: US\$1.7 BN ~ Bahrain



Taylor-DeJongh, Inc. has been awarded the "Phase II" Financial Advisory role by Aluminium Bahrain B.S.C. ("ALBA") for the \$1.7 billion expansion project, including a 5th pot line, an additional 400 MW of power generation, and additional facilities at its smelter in Manama, Bahrain. Taylor-DeJongh also advised on the Phase I for the project.

The scope for Taylor-DeJongh, which will be undertaken in cooperation with TDJ's Bahrain-based associate, Islamic Finance Consultants (E.C.), will include developing of the optimal financing plan, advising on the optimal capital structure, advising on hedge strategies of all types, developing the Information Memorandum, and soliciting and evaluating financing from various capital sources, including commercial banks, export credit agencies and capital markets. The firm will also provide advice on the optimal contracting plan and will manage the bid evaluation process for the financing.

In making the announcement, Terry Newendorp, Chairman and CEO, stated *"It is an honor to continue working with ALBA on this important project. They are an outstanding company, and we are pleased to be part of this major commercial expansion of their already world class facilities."*

For more press news on TDJ and ALBA Phase II, please visit our website at <http://www.taylor-dejongh.com>. ■



P.T. PAITON ENERGY ADVISORY ~ Indonesia

Taylor-DeJongh has been selected as Financial Advisor to the U.S. Export-Import Bank's Asset Management Division for the restructuring of the US\$ 2.68 billion coal-fired 1,230MW power plant in East Java, Indonesia. The project was initially completed in October of 1999. This Project is being developed by Edison Mission Energy, Mitsui, Batu Hitam Perkasa and General Electric. Richard Parry, Executive Vice President of Taylor-DeJongh noted: *"This is our first assignment with the Asset Management Division of the Ex-Im Bank. We are very pleased to be awarded this mandate and to be working with the group. We have been continuously monitoring new developments in this region since the financial crisis and are eager to be part of this transaction."*

The Project has to be restructured due to the renegotiation of the PPA by PLN, the state utility of Indonesia. TDJ provided an analytical framework in which to consider burden sharing between the equity holders and debt holders, and risk sharing by commercial banks seeking comprehensive take-out by ExIm Bank. The firm recommended a policy position to ExIm Bank in April. ExIm Bank has mandated TDJ to develop further options to the recommended position. Richard Parry and Gene Vega will lead the project's daily management from the Washington, D.C. office. ■

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NEW ADVISORY MANDATES

IBIRITERMO ~ Brazil



Taylor-DeJongh has been mandated to provide financial advisory services to both the U.S. Export-Import Bank and SACE, the Italian Export Credit Agency for the US\$ 201 million gas fired power project in Ibirite, Brazil. Exim, Sace and BNDES are considering providing limited recourse project financing to replace existing recourse debt and provide for expansion to combined cycle status by October 2003. Petrobras serves as Sponsor, fuel supplier and offtaker under the tolling agreement underlying the project. TDJ will provide financial advisory services to Ibiritermo lenders for the development, construction, and operation of the thermal power plant in Brazil.

Gene Vega will lead the project's daily management from the Washington, D.C. office while Cristina Salpietro will support the SACE activities on the project from the London office. ■



FINANCIAL ADVISORY TO IONICS ~ Trinidad & Tobago

Taylor-DeJongh has been mandated by IONICS to provide financial advisory services in connection with a desalination facility in the Caribbean. The mandate includes auditing the company's financial model, advising Ionics on the optimization of its investment, and advising on asset valuation. The desalination facility has a capacity of 109,090 cubic meters per day and is the largest in the western hemisphere. ■

POWERLINE TRANSMISSION ADVISORY ~ Kenya



Power Engineers, Inc. (Hailey, Idaho) and Taylor-DeJongh have been awarded the TDA feasibility study for the Kenya Transmission Projects by the Kenya Power and Lighting Company (KPLC). TDJ staff will assist with the economic and financial evaluation of four transmission related projects and provide project financial advisory services as needed to assess the best financing approach for each of these projects. This is the first time TDJ has teamed with PEI. ■



SAUDI OFFSET LIMITED PARTNERSHIP ~ Saudi Arabia



Taylor-DeJongh has been mandated to provide financial advisory services to the Saudi Offset Limited Partnership (SOLP), which includes Raytheon Company, Thales, and Lucent Technologies. SOLP is developing a company that will offer high-speed, reliable, cost-effective wireless data services in Saudi Arabia. Newco will employ Qualcomm's CDMA2000 1xEV (3G or 'Third Generation') technology to offer high-speed wireless packet data, multi-media, and other data services at transmission speeds over 10 times the existing wireline service available to most users in Saudi Arabia. ■

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NEW ADDITIONS TO TAYLOR-DEJONGH TEAM

In the past months, Taylor-DeJongh has added two new members to its team, William E. Begley and John E. Hehir. William Begley manages the new Houston office and John Hehir joins the Washington, DC office as Vice President.

William Begley has over 20 years of international energy industry and consulting experience, including extensive petroleum and electric utility work, with a focus on energy trading, marketing and risk management in regulated and deregulated environments. He has developed energy marketing and trading entities in Europe, Latin America and Australia and participated in the privatization of portions of the energy sector in New Zealand, Portugal and Australia.

He was previously the Energy & Utilities Managing Director for Heidrick & Struggles (Houston, TX), the Director of International Energy Consulting for PricewaterhouseCoopers (Houston, TX), and has held senior management positions with BP and Salomon.

John Hehir has over 15 years of experience at ABN AMRO Bank, and was most recently a Senior Vice President in the bank's Integrated Energy team, based in Houston. In addition to various postings in Chicago, New York and Amsterdam, he spent 4 years at the Brazilian Headquarters in Sao Paulo, where he initiated the Latin American Oil & Gas Project Finance practice, building upon an existing Power Project Finance practice. There he developed a team which originated and closed financings for Sponsors including Petrobras, PDVSA and Exxon-Mobil, and which undertook financial advisory assignments for clients including Unocal Corporation, Kellogg, Brown & Root Development Corporation, Thyssen Rheinstahl Technik, Odebrecht and others. Mr. Hehir was the first banker to be admitted to the Brazilian Institute of Petroleum, and worked within its Finance Committee in exploring potential investment regime changes.

TAYLOR-DEJONGH OPENS A HOUSTON OFFICE

Taylor-DeJongh has opened an office in Houston to focus on the energy sector, corporate and project finance, and mergers and acquisition activities in the US and globally. Mr. William Begley, Managing Director of Energy, will lead this office, and has already been working on a number of energy advisories, including a European Gas project, Alaska North Slope gas pipeline, and several asset acquisitions and divestitures.

TDJ's Houston office will also work on cross-border transactions, work-outs and restructurings, and asset management. *"There is considerable opportunity for independent corporate, structured and project finance services in these markets. TDJ has consistently been ranked as one of the leading international energy advisory firms by the trade press and industry. I am delighted to join this premier organization and look forward to expanding TDJ's presence in Houston and global reach,"* stated Mr. Begley.

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Taylor-DeJongh is an international project development and finance company with over 20 years of international experience and over \$50 Bn of projects financed. Power, oil & gas, telecommunications, infrastructure development and privatizations are the focus of company's financing activities. The company is headquartered in Washington, DC with branch offices in Houston, London, Madrid and affiliated offices in Bahrain and Damman.

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