

SCOTTISH AND SOUTHERN ENERGY PLC
COMPLETION OF ACQUISITION OF AIRTRICITY HOLDINGS LTD

15th February 2008

Scottish and Southern Energy plc (“SSE”) has today completed the acquisition of Airtricity Holdings Ltd (“Airtricity”), following the agreement announced on 4 January 2008. The enterprise value of the business being acquired is €1,455m.

Airtricity is a well established Dublin-based renewable energy company developing and operating wind farms in the UK and Ireland, developing wind farms in continental Europe and China and supplying electricity to mainly commercial customers in Ireland.

Airtricity will continue to operate as a renewable energy business and will be led by Paul Dowling, formerly Chief Operating Officer of Airtricity and now its Chief Executive.

The combination of Airtricity’s assets with its existing assets means SSE now has (net of joint venture interests):

- a total of almost 10,500MW of electricity generation capacity;
- over 1,900MW of renewable energy capacity, including hydro, pumped storage, wind and biomass;
- almost 480MW of operating onshore wind energy capacity, making it the largest wind farm operator across the UK and Ireland;
- a portfolio of onshore wind farms and hydro schemes with full consent and/or under construction of almost 540MW (including Fairburn);
- a total of 545MW of offshore wind farm developments with consent;
- and
- an established electricity supply business operating in the all-island market.

SSE has also acquired Airtricity’s extensive portfolio of other onshore and offshore wind energy projects in the UK (which will supplement its existing



development opportunities), Ireland, Europe and China. The UK developments include the 483MW onshore wind farm proposed for Clyde, between Biggar and Moffat in southern Scotland, which is at an advanced stage in the consent process.

As a result, SSE expects to have over 3,500MW of operating renewable energy capacity, including hydro, pumped storage and biomass, in 2013, and will have a major new range of investment opportunities from which to secure growth over the next decade. Against this background, SSE will review its current target of reducing the amount of carbon dioxide per kilowatt hour of electricity, produced at power stations in which it has an ownership or contractual interest, by 20% over the ten years to 2016.

SSE's dividend target of at least 4% annual real growth in 2008, 2009 and 2010 is unchanged. The acquisition, and the investment opportunities it yields, are expected to help SSE maintain its track record of dividend growth well into the second decade of this century.

Ian Marchant, Chief Executive of SSE, said:

"I am delighted that this acquisition has been completed so quickly. Over the past few weeks, the Airtricity and SSE teams have worked very well together, and we've already laid foundations for future success. I am looking forward to working with Paul Dowling on the task of combining SSE's and Airtricity's renewable energy forces and creating an excellent platform for long-term growth that is sustainable in every sense."

NOTE: SSE will provide an update on its plans and activities in sustainable energy on 26 March.