



International Power

International Power plc
Senator House
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This document is important and requires your immediate attention

If you are in any doubt as to the action you should take, you should consult immediately your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in International Power plc, please send this document and the accompanying documents to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

11 April 2005

Dear Shareholder

I am pleased to enclose International Power's Annual Report to shareholders for the year ended 31 December 2004. Also included with this letter is our notice of Annual General Meeting (AGM) together with notes explaining the business of the AGM.

As promised last year, we return to London for this year's AGM. The Meeting will be held on Tuesday 17 May 2005 at the Park Lane Sheraton Hotel, Piccadilly, London W1 commencing at 2.30 pm. Details of how to reach this venue are set out on page 8 of the notice of AGM. For those of you who are unable to join the Meeting, I would urge you to complete and return your Proxy Form, either electronically or by post, in accordance with the guidance notes set out on pages 6 and 7 of the attached notice, as your voice is important to us.

International Power plc is recommending the payment of a final dividend of 2.5p on 8 July 2005. Payment of this dividend, to shareholders with a record date of 27 May 2005, can be paid directly into a nominated bank account. This is cheaper for your Company as well as being quicker and more convenient for yourselves.

If there are existing bank details registered on your holding(s) which have not changed since July 2000, no further action will be required. If the details are no longer correct or no mandate details are present, please complete a new bank mandate instruction for each of your registered holdings, ensuring that each request is signed by authorised signatories.

The completed bank mandate requests should be returned to our registrars at the following address by no later than 15 May 2005: Lloyds TSB Registrars, The Causeway, Worthing BN99 6DA.

In 2004 we achieved a financial result in line with our earnings guidance issued last year. We also made good progress in resolving the difficult issues which I referred to last year and were then able to make a substantial acquisition which we expect to significantly enhance shareholder value in the years ahead.

I look forward to welcoming you to the Annual General Meeting.

Yours sincerely

Sir Neville Simms
Chairman