



NRG Energy Completes Acquisition of PowerGen's Hungarian Assets

July 1, 2001

MINNEAPOLIS, July 1, 2001 (BUSINESS WIRE)—NRG Energy, Inc. (NYSE:NRG) entered the Hungarian energy market today with its purchase of Csepel I and II from PowerGen. Located on Csepel Island in Budapest, Csepel I is a 116 megawatt (MW) thermal plant, and Csepel II is a 389 MW gas turbine power generating station. Csepel II reached commercial operation in November 2000 and is the primary facility.

"NRG made this investment in the Hungarian market because it is strong and it is strategically located in our Central Europe core market region," said Steven H. Wolf, NRG's vice president and managing director of Central & Eastern Europe. "NRG is pleased to acquire Csepel I and II, with its skilled workforce, commercial soundness, and its advanced emission-reduction technology."

In April, NRG announced its plan to purchase PowerGen's Hungarian assets and simultaneously acquired PowerGen's interest in two German energy businesses, MIBRAG and Saale Energie GmbH (SEG). With its acquisition of PowerGen's interest in SEG, NRG increased its ownership of the Schkopau power station from 200 to 400 megawatts MW.

NRG is a leading global energy company engaged primarily in the acquisition, development, construction, ownership and operation of power generation facilities. NRG owns 21,612 MW of generating assets in operation and under construction. The company's operations utilize such diverse fuel sources as natural gas, oil, coal and coal seam methane, biomass, landfill gas, and hydro, as well as refuse-derived fuel.

Certain statements included in this news release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements above include, but are not limited to, projected growth and future financial performance. Although NRG believes that its expectations are reasonable, it can give no assurance that these expectations will prove to have been correct. Factors that could cause NRG's actual results to differ materially from those contemplated in the forward-looking statements above include, among others, the following: factors affecting power generation operations such as unusual weather conditions, generator outages, changes in fuel costs or availability and environmental incidents; factors affecting the availability or cost of capital, such as, for example, changes in interest rates or changes in investor perceptions of the power generation industry, NRG or any of its subsidiaries; workforce factors; the volatility of energy prices in a deregulated market environment and the adverse impacts on the profitability of our generation facilities that may result from the imposition of price limitations and other mechanisms to address such volatility; and other business or investment considerations that may be disclosed from time to time in NRG's Securities and Exchange Commission filings or in other publicly disseminated written documents.

NRG undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. The foregoing review of factors that could cause NRG's actual results to differ materially from those contemplated in the forward-looking statements included in this news release should not be construed as exhaustive. For more information regarding these risks and uncertainties, review NRG's filings with the Securities and Exchange Commission.

More information on NRG Energy is available at www.nrgenergy.com.

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