

Wir geben *Bi* Gas



Equity-Forum Frankfurt, 9th/10th November 2009

Agenda

I. Introduction biogas / EnviTec

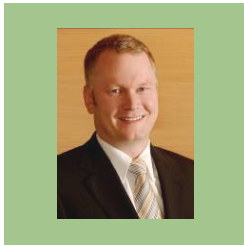
II. Growth strategy

III. Q3 2009 / News

IV. Outlook

V. Appendix

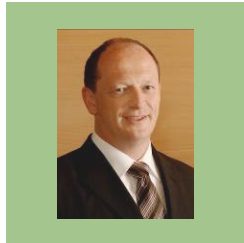
Management Statement



Olaf von Lehmden

CEO

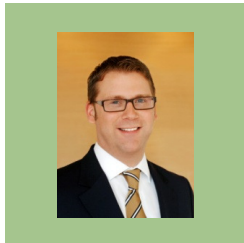
“We want to become a global leader in the development, construction and operation of biogas plants”



Kunibert Ruhe

CTO

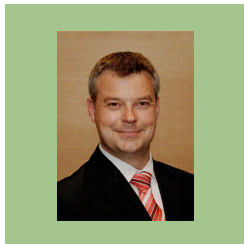
“We want to expand our technological leadership by comprehensive R&D and the on-going development of our standardized construction methods”



Jörg Fischer

CFO

“We want to grow profitably in an international context. Whilst being mindful of the risks, we are solidly funding our expansion”



Roel Slotman

CCO

“Our international growth strategy is to become Number 1 in each promising market and to ensure long-term customer satisfaction”

Biogas – an allrounder

Multifunctional

- Generation of electricity
- Cogeneration of heat
- Fuel- and natural gas substitute
- CHP + block heat and power plant combinable and highly efficient



Storable and available

- Peak load capability through the possibility of storage
- Base load capability
- Independent from weather conditions

Highly efficient

- Highest energy recovery amongst all biomass project types
- The generation of biogas can use the whole crop of certain energy crops
- Variety of feed-stocks can be processed (e.g. organic waste)



Output

- Biogas production gives a net positive carbon footprint
- Suitable for the development of decentralised energy supply
- Production premium fertilizer
- Reduction of methane emission

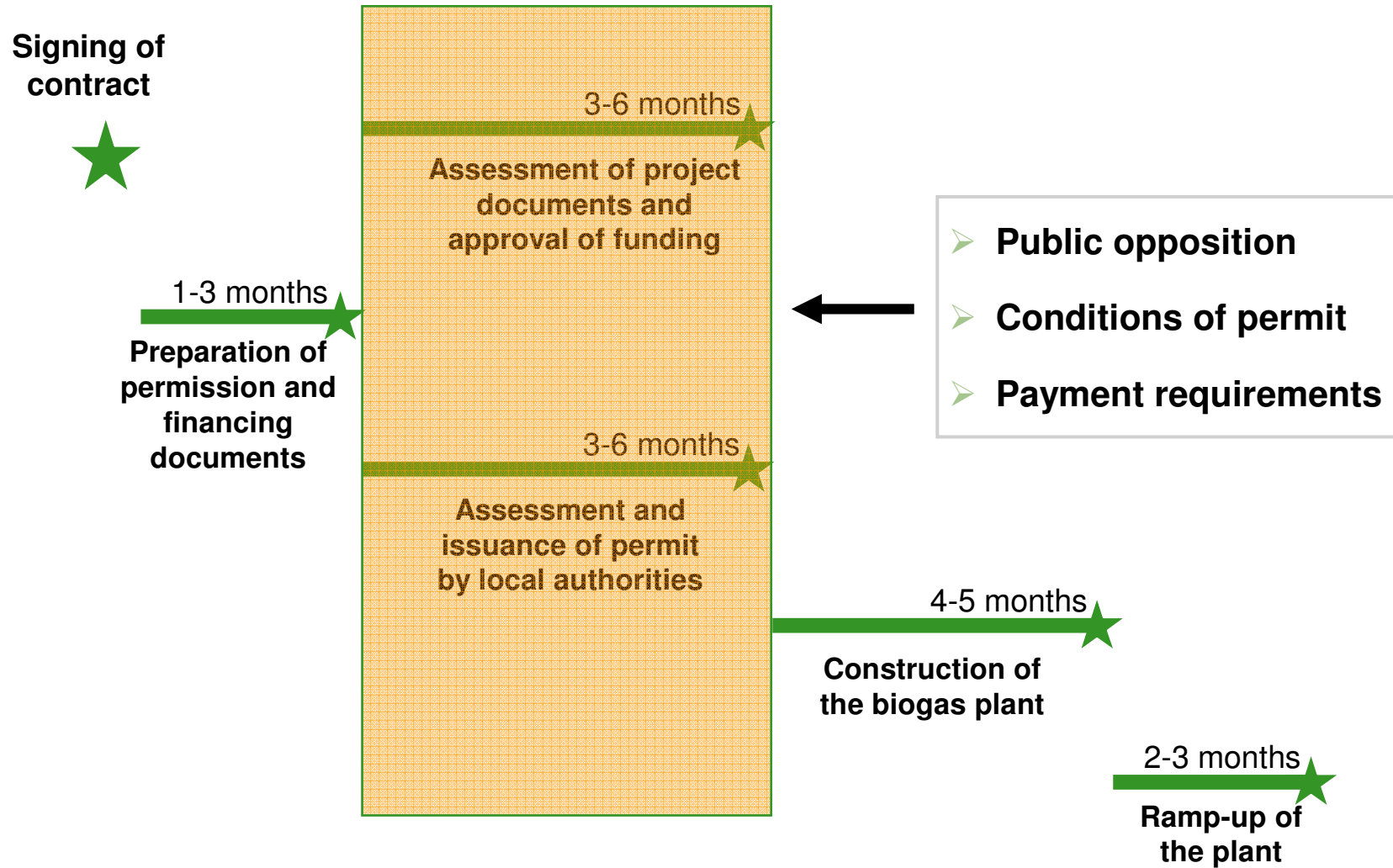
Integrated business model



Project development / Construction			Service		Generation
Project planning	Construction	Ramp-up	Service	Management	Plant shareholdings and plant operation
<ul style="list-style-type: none"> > Survey > Approvals > Contracts > Planning of whole biogas plant 	<ul style="list-style-type: none"> > Turnkey construction > Schedule supervision > Guaranteed quality > Function testing 	<ul style="list-style-type: none"> > Ramp-up support of biogas plants until 90% of expected target performance level is reached 	<ul style="list-style-type: none"> > Biological service > Technical service > Insurance > Power test runs 	<ul style="list-style-type: none"> > Management for third parties 	<ul style="list-style-type: none"> > Complete management of biogas plant > Purchase of feedstock > Logistics > Usage of generated electricity > Usage of heat for farmers, industry, municipal facilities and utilities
Target-groups	Financial investors (funds and private investors) 500 kw - 4 MW modules				Own biogas plants usually with third parties
	Commercial (utilities, municipalities, industrial) 190 kw - 4 MW modules				
	Agricultural businesses 190 kw – 625 kw modules				
<ul style="list-style-type: none"> > 276 biogas modules with 143.4 MW_{el} in operation, 29 biogas modules with 33.3 MW_{el} under construction (self-contained biogas plants) 			<ul style="list-style-type: none"> > 87 biogas modules in microbiological service > 117 biogas modules in technical service 		<ul style="list-style-type: none"> > 28 biogas modules with 14.0 MW_{el} in own operation > 4 biogas modules under construction

As per 31/10/2009

Typical project planning process in Germany for a 500kw plant

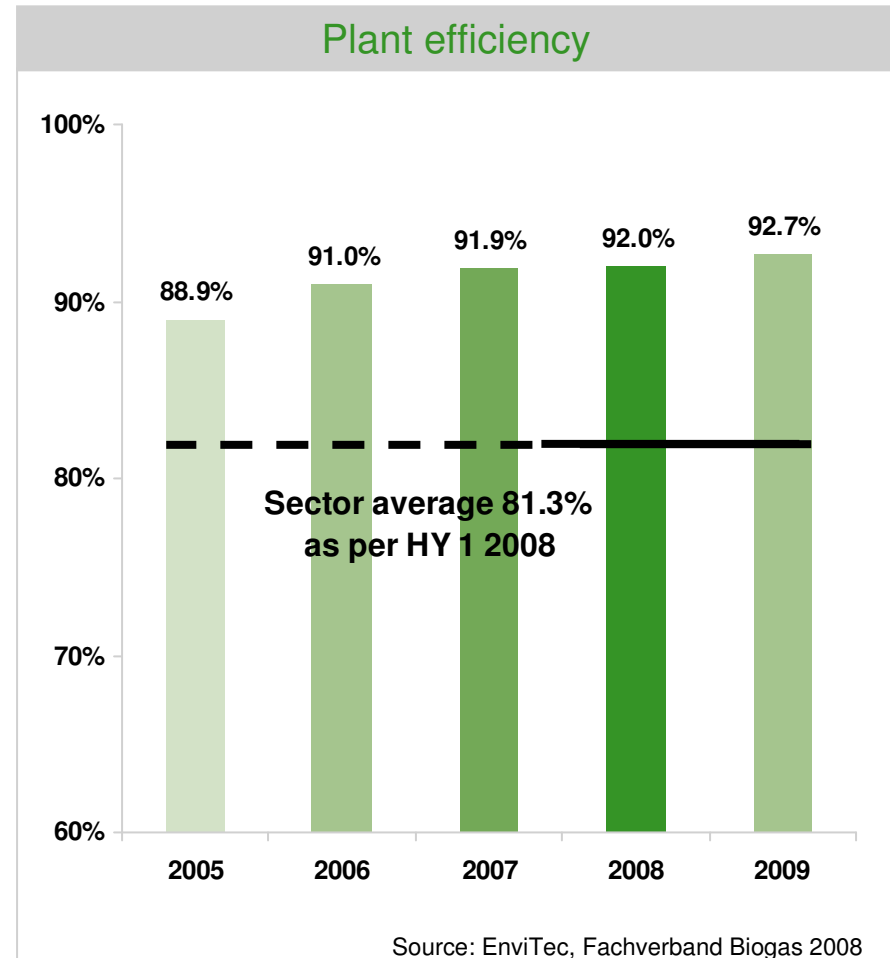


USP – High technical competence

EnviTec customer satisfaction

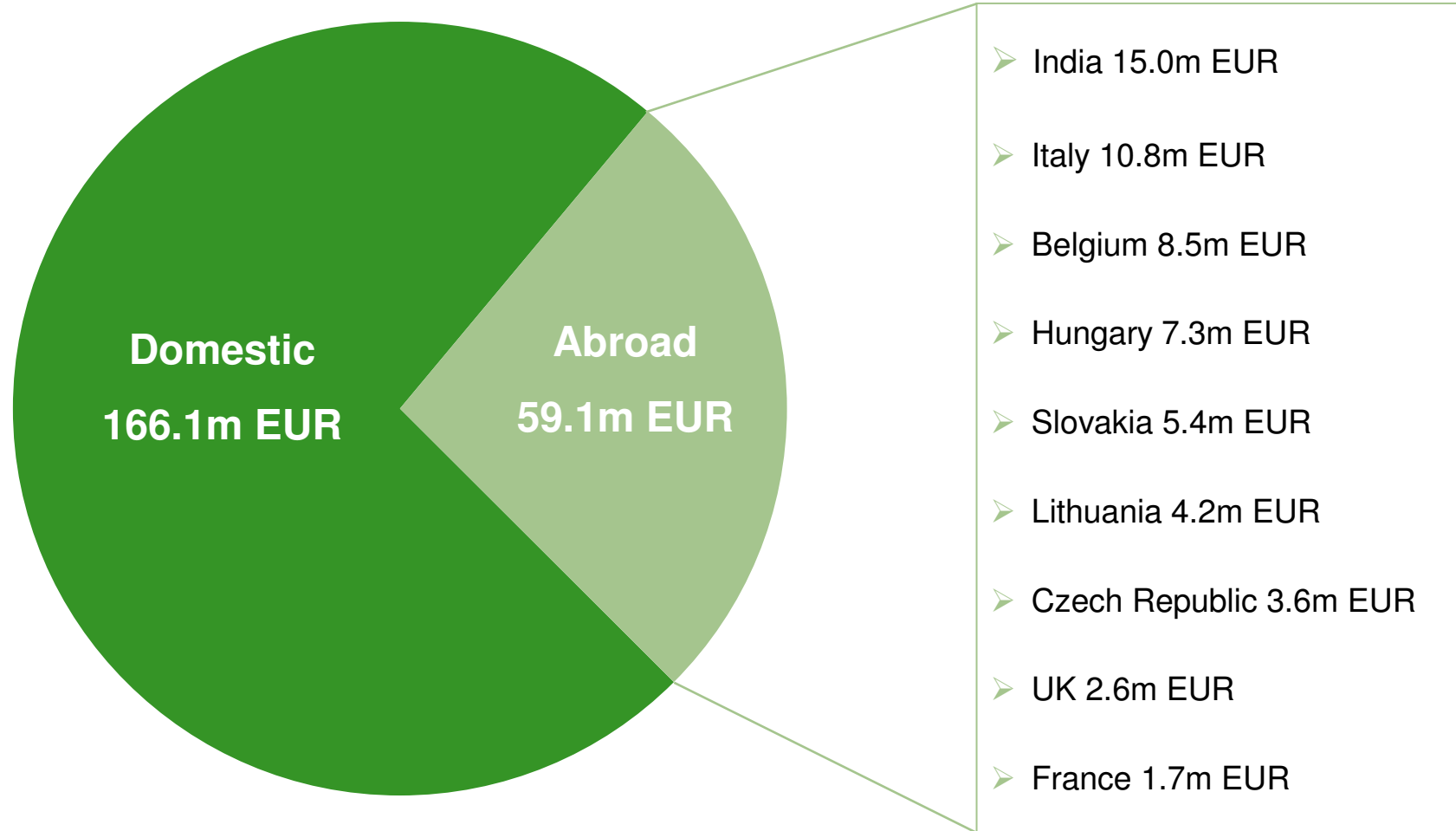
- High quality of the installation
- Very good security standard of the plant
- Comprehensive construction support
- High profitability
- Comprehensive technical competence

* Results of a customer survey conducted by HAWK University of Applied Sciences and Arts



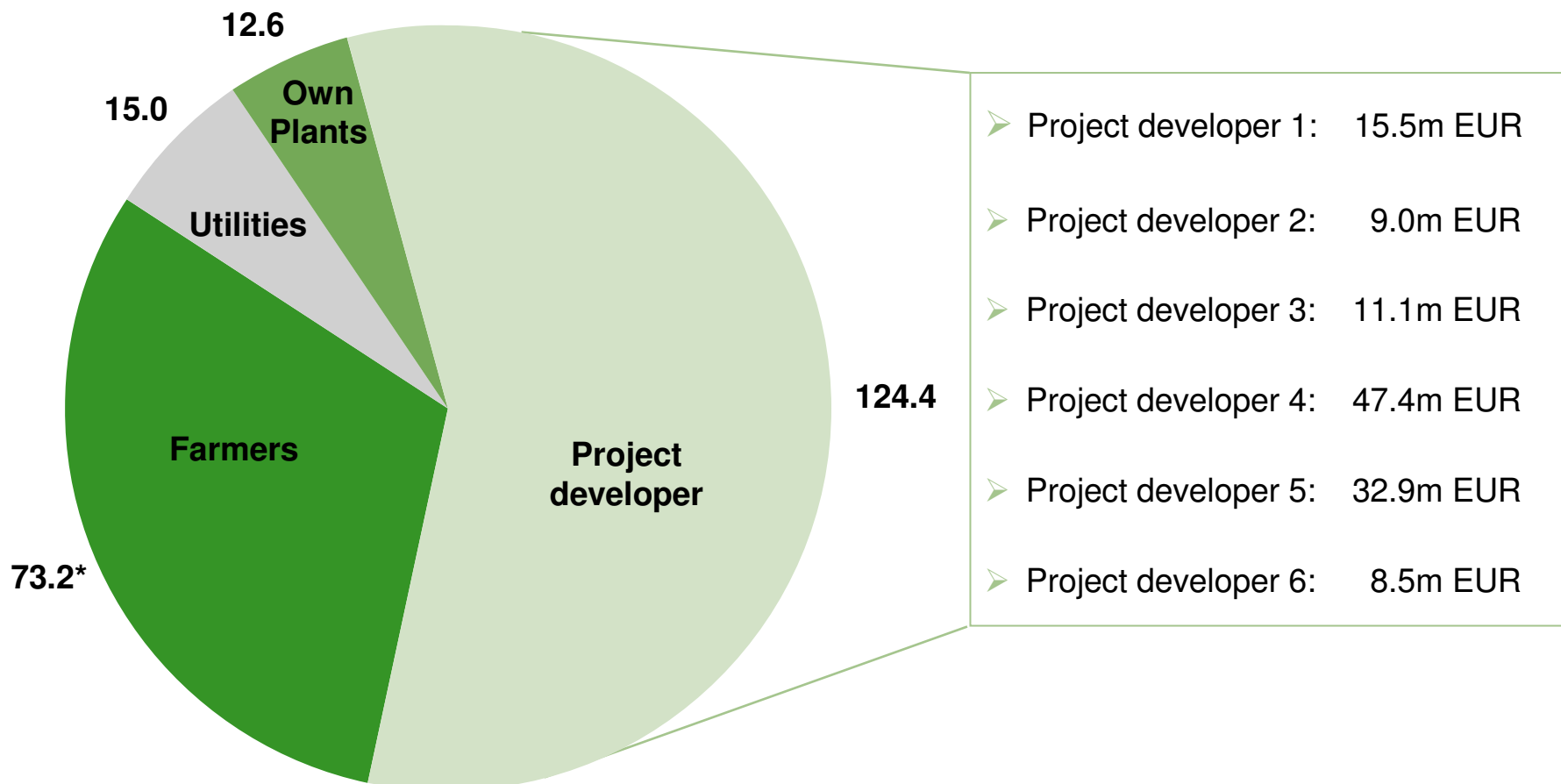
Order backlog – geographical breakdown

Total backlog 225.2m EUR



Order backlog – breakdown of customer base

Total backlog 225.2m EUR



*in m EUR

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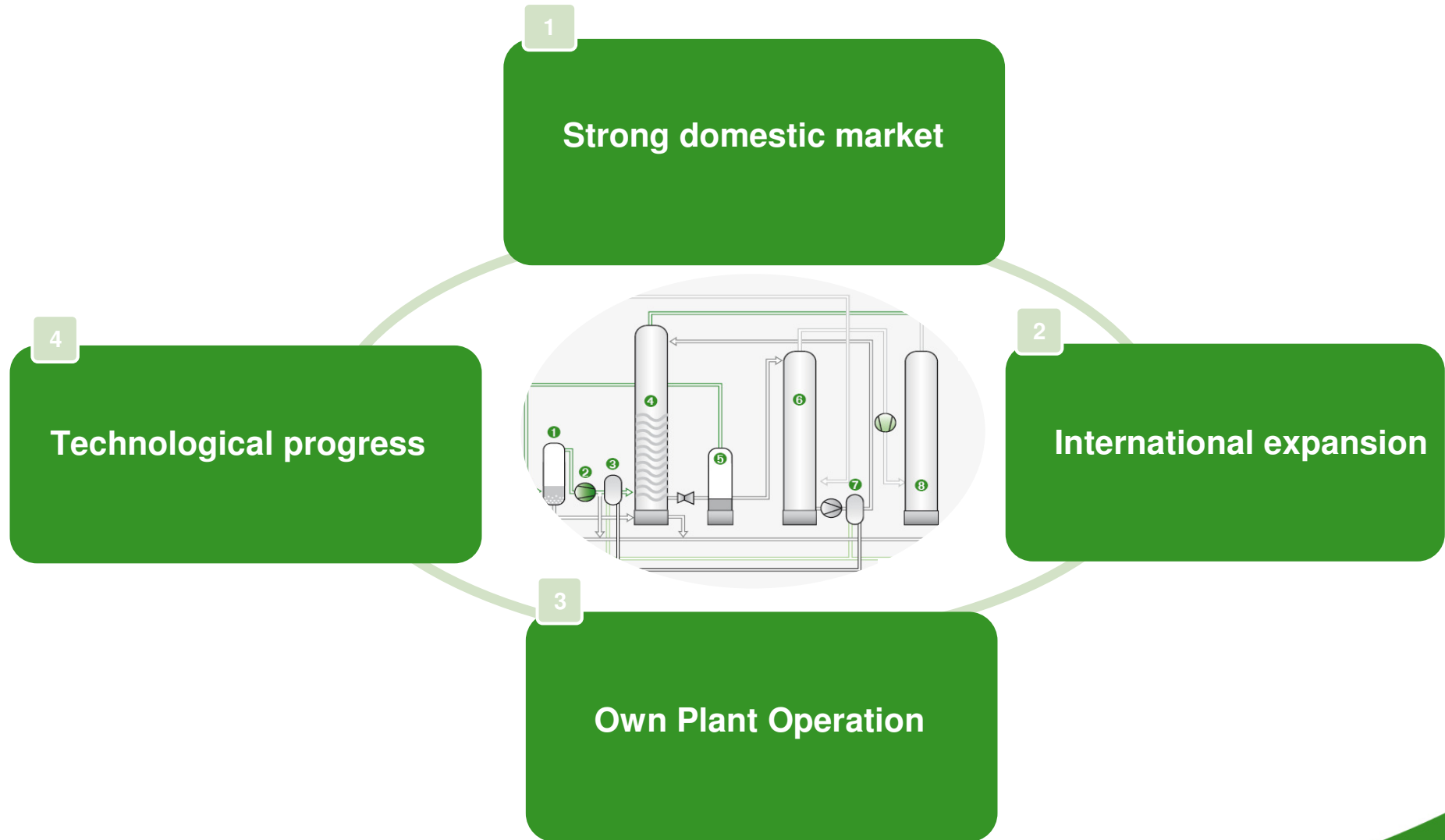
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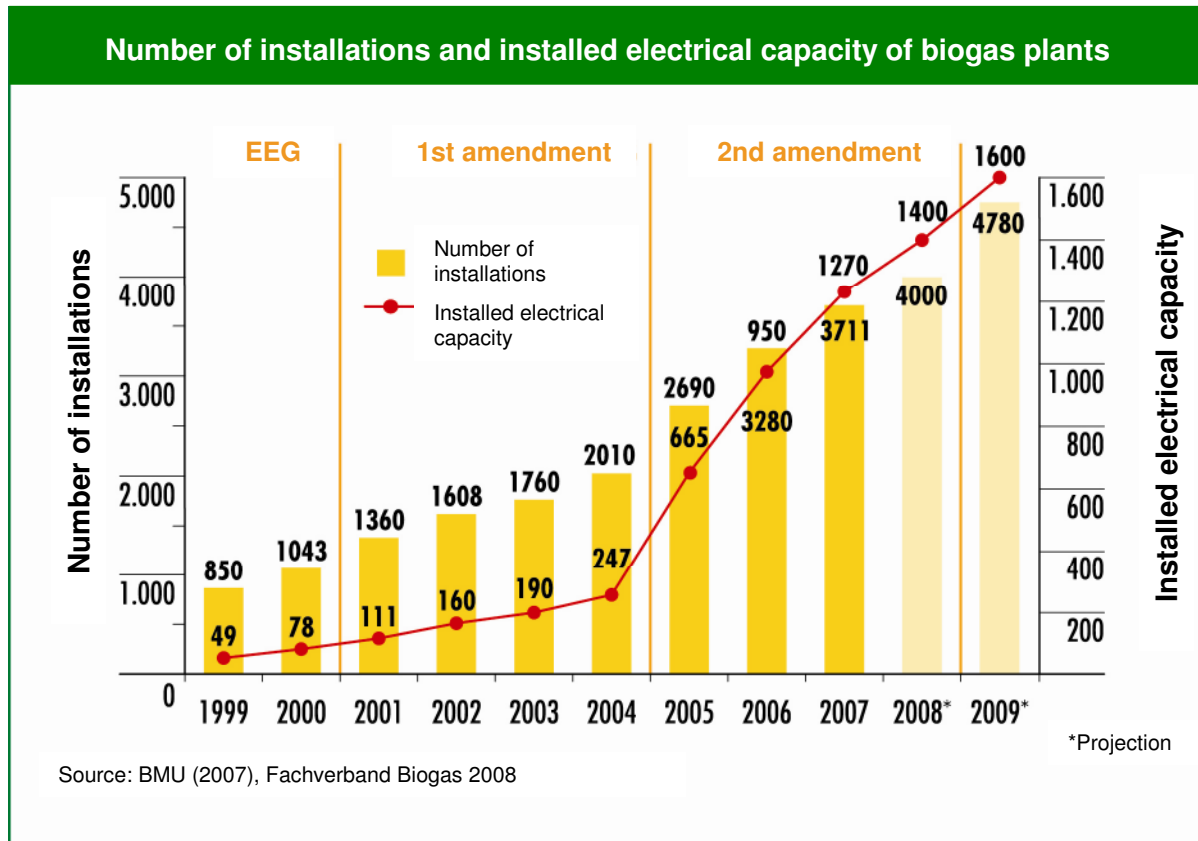
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Growth drivers of EnviTec



Overview biogas market in Germany



Contribution from biogas for German electrical output at approx. 1.5% (8 bln kWh/a).

approx. 3.2% of agricultural areas used for the production of biogas.

Potential for biogas is estimated to approx. 6,000MWeI in 2030.

approx. 3.8 bln kWh heat generated from biogas plants; = 0.4% total consumption.

approx. 50% of the input material are NawaRos; thereof 79% maize.

Biogas targets of German government's coalition agreement

Clear commitment to renewables and to the existing EEG

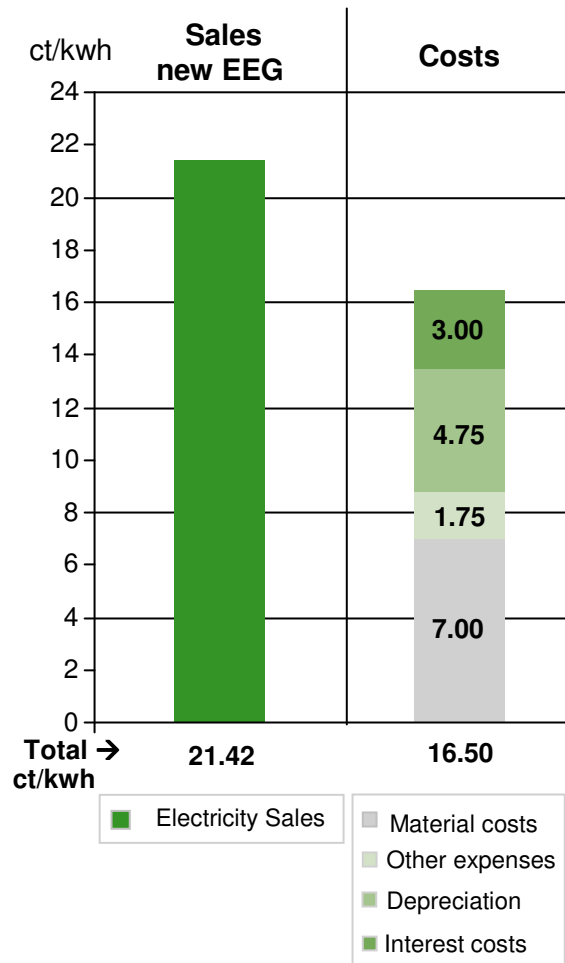
German companies' technological leadership in this field is to be expanded

Backward appliance of section 19 of the 2009 Act will be revoked

Future EEG amendments will put greater weight on the use of organic residues

New government has put a focus on the feeding of biomethane into local gas grids

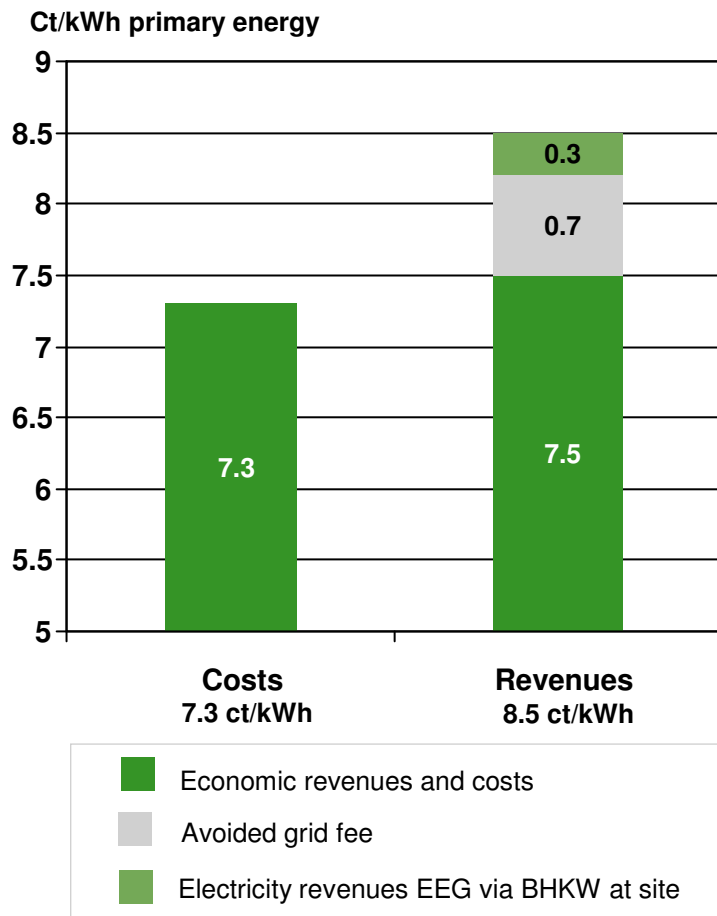
Scenario of a 500kw NawaRo-plant



- 10,000 tonnes of feedstock
- 4.15 mln kWh p.a. electricity-production + 2.08mln kWh heat usage
- Investment cost EURm 2.4, ET part EURm 1.5
- 2009: EBT at 4.92 ct/kwh, respectively at EUR 204,180.00*
- RoE (before tax) of 34.1%
- Alternatively a substantial reserve in terms of feedstock-prices evolves from higher feed-in tariffs

*526kW * 8.760h * 90% availability

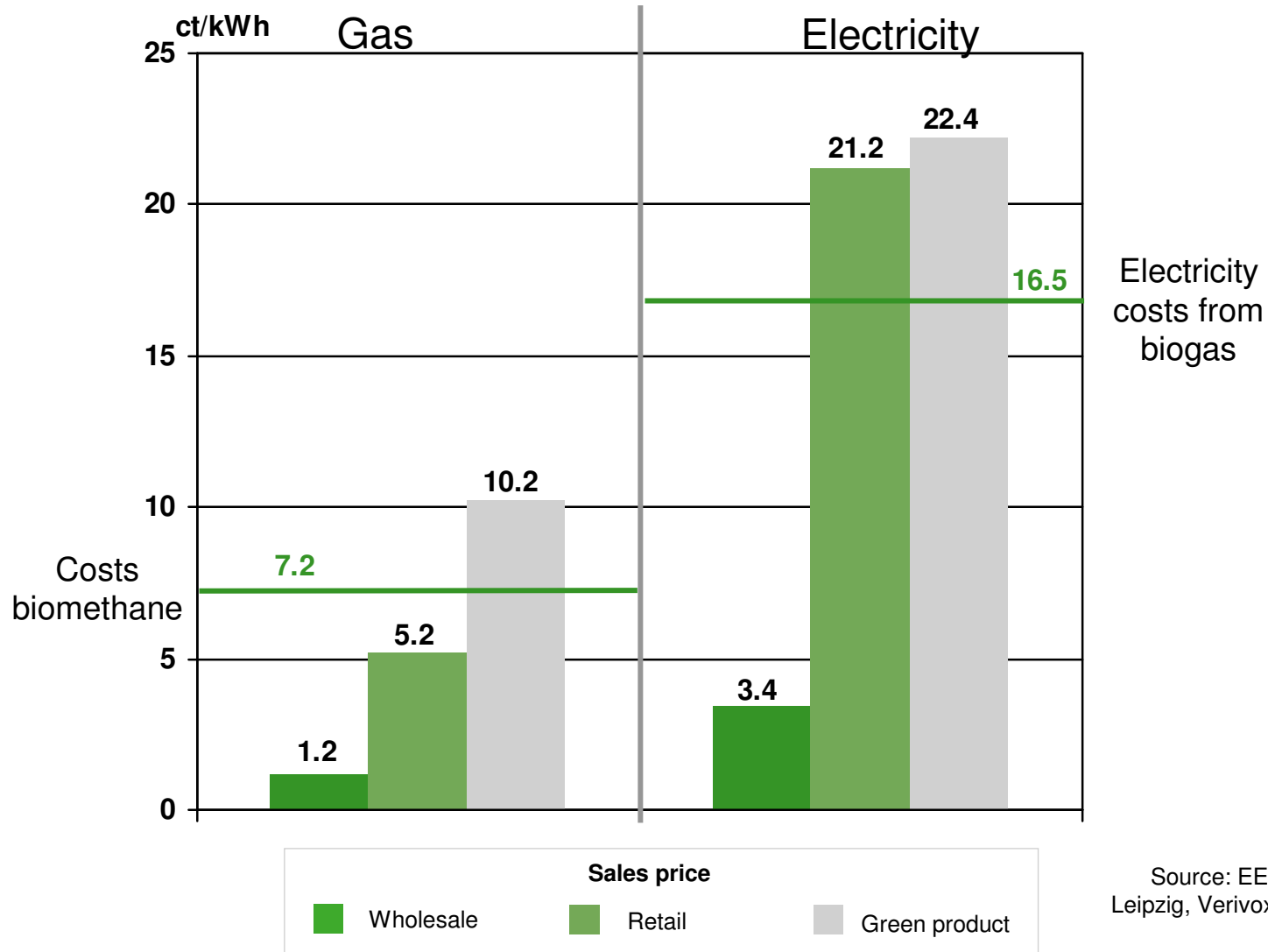
Scenario commercialisation free refinement plant 350Nm³ biomethane

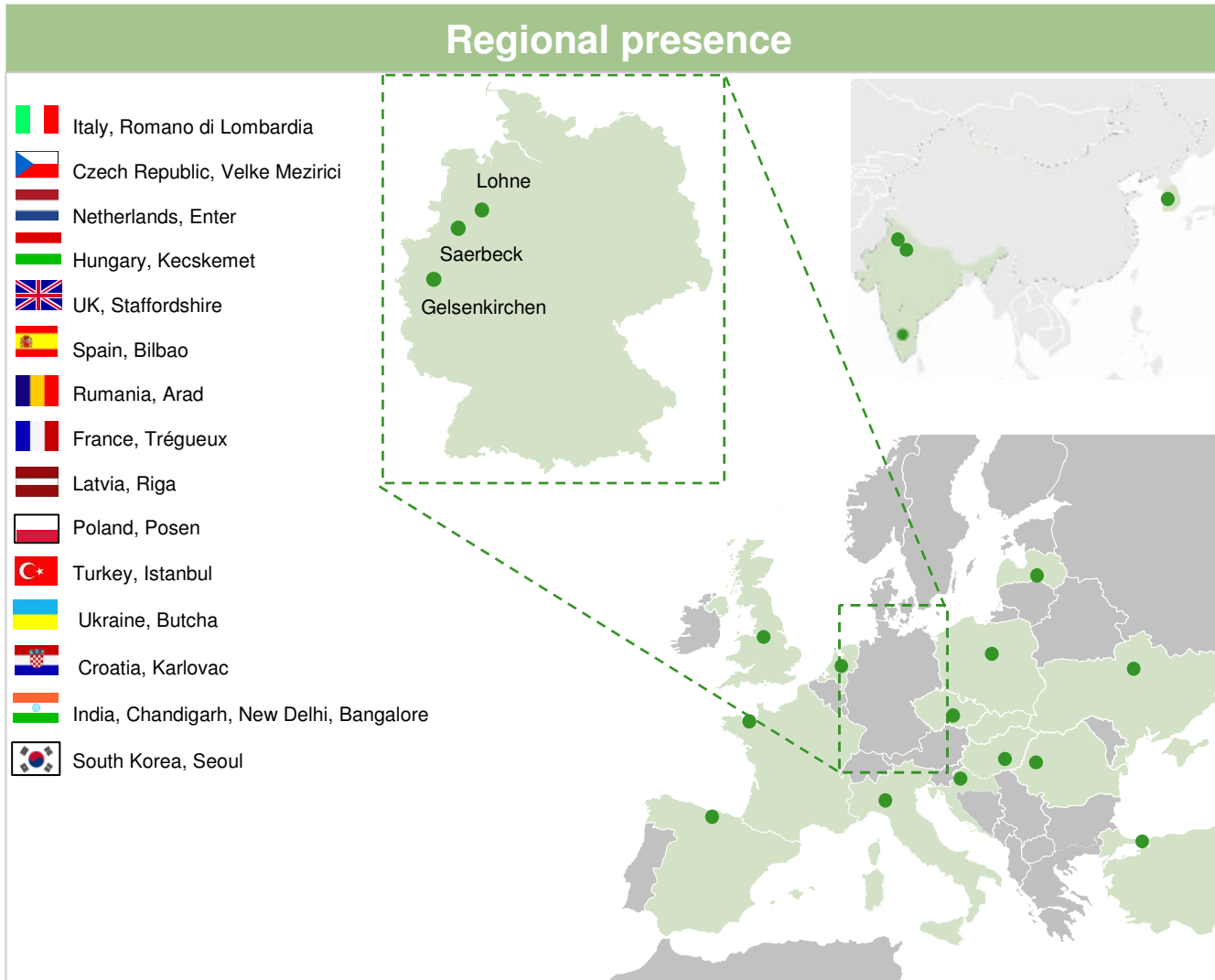


Source: own calculation

- EBIT of 1.2 ct/kWh biomethane at approx. EUR 312,000 with a volume of produced gas of approx. 26m kWh/a.
- RoE before tax of approx. 26% at the beginning.
- KfW-promotion of 30% on investment costs for gas refinement <350Nm³ refined biogas is possible.
- “Natural Hedge” compared to inflation.

Path to grid parity?





International expansion – focussed growth

EnviTec Biogas



Czech Republic

- Established market for EnviTec
- Base to develop the Slovakian and other Central European markets
- Favourable market conditions with grant programs
- Already 4 plants built and 3 under construction



United Kingdom

- Strong commitment of UK Government
- Dual market (waste materials and energy crops) in terms of feedstocks
- Favourable feed-in-tariff structure expected with ~17ct/kWh for electricity and ~6 ct/kWh for co-generated heat



Italy

- 28 ct/kWh feed-in-tariff for electricity from biogas
- 2 crops of maize silage per year
- High interest in all customer segments
- Already 2 plants built



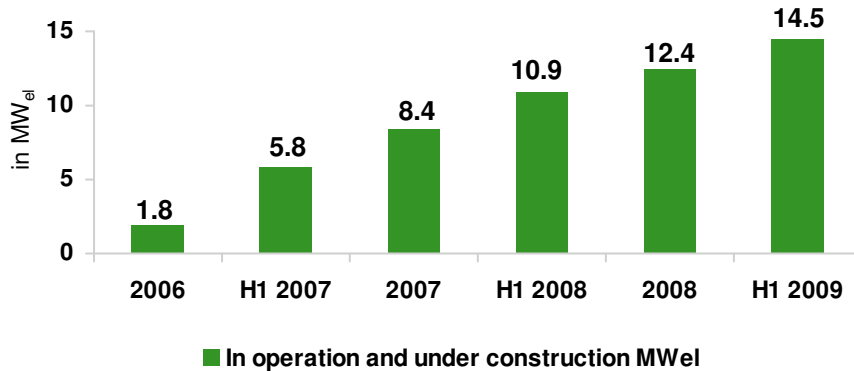
Belgium

- Strong relationship with project developer
- Big waste-to-energy projects as references
- Variety of feed-stocks can be processed under the remuneration regime
- Already 5 plants built and 2 under construction

Growth driver – own plant operation

Development of own plant portfolio

Installed capacity



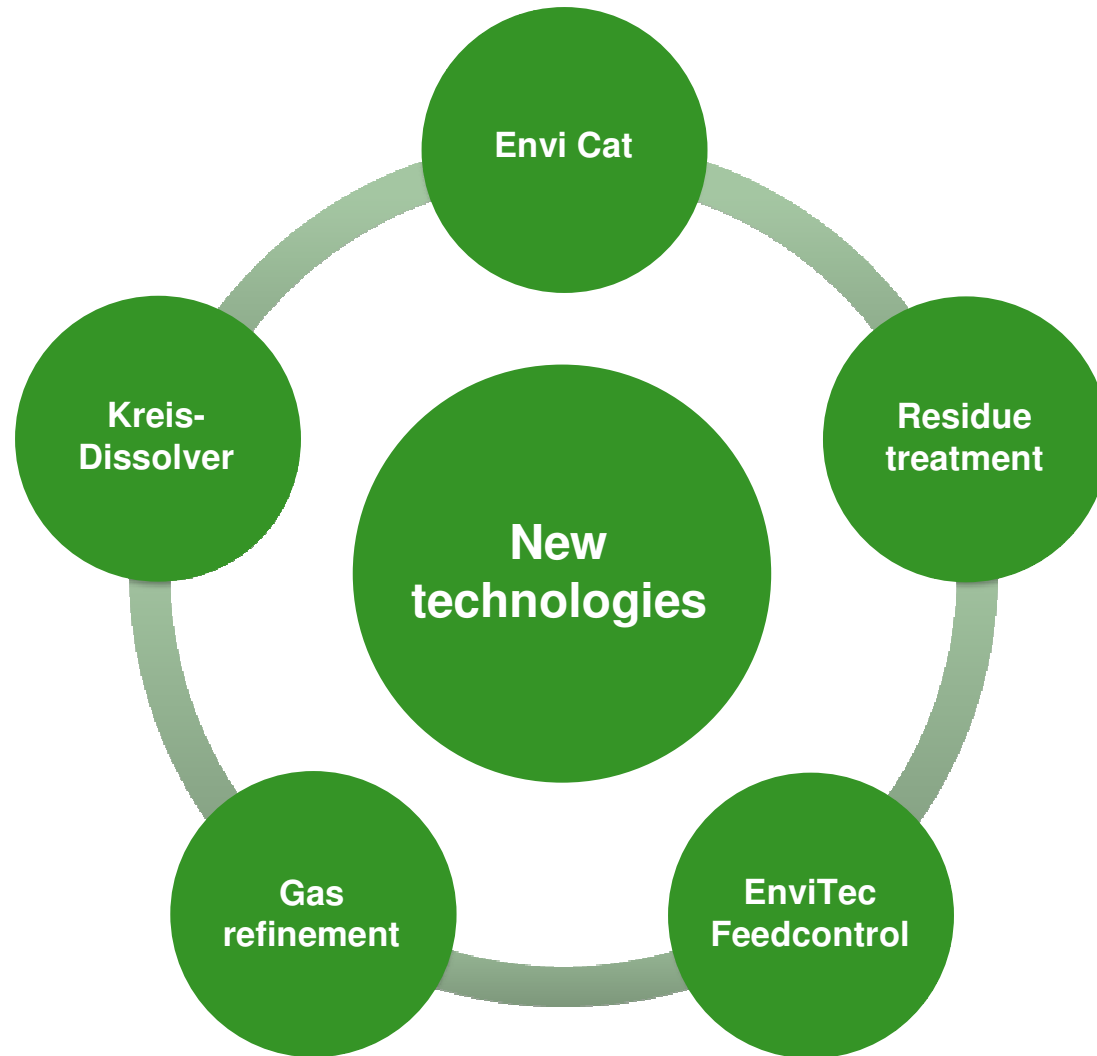
Comments

- Use of high leverage via debt financing in the area of 70%-75%
- Co-operation with local partners (Joint Ventures with feedstock supplier)
- EnviTec share \geq 50%

Drivers

- Attractive returns
- Expansion of own plant operations into new growth markets
- Door opener in pioneer markets
- Steady and secure cashflow stream
- Significant increase in revenues expected for the domestic own plant operation segment due to new EEG legislation
- Plant operation know-how contributes to Biogas plant construction competence

Technical progress



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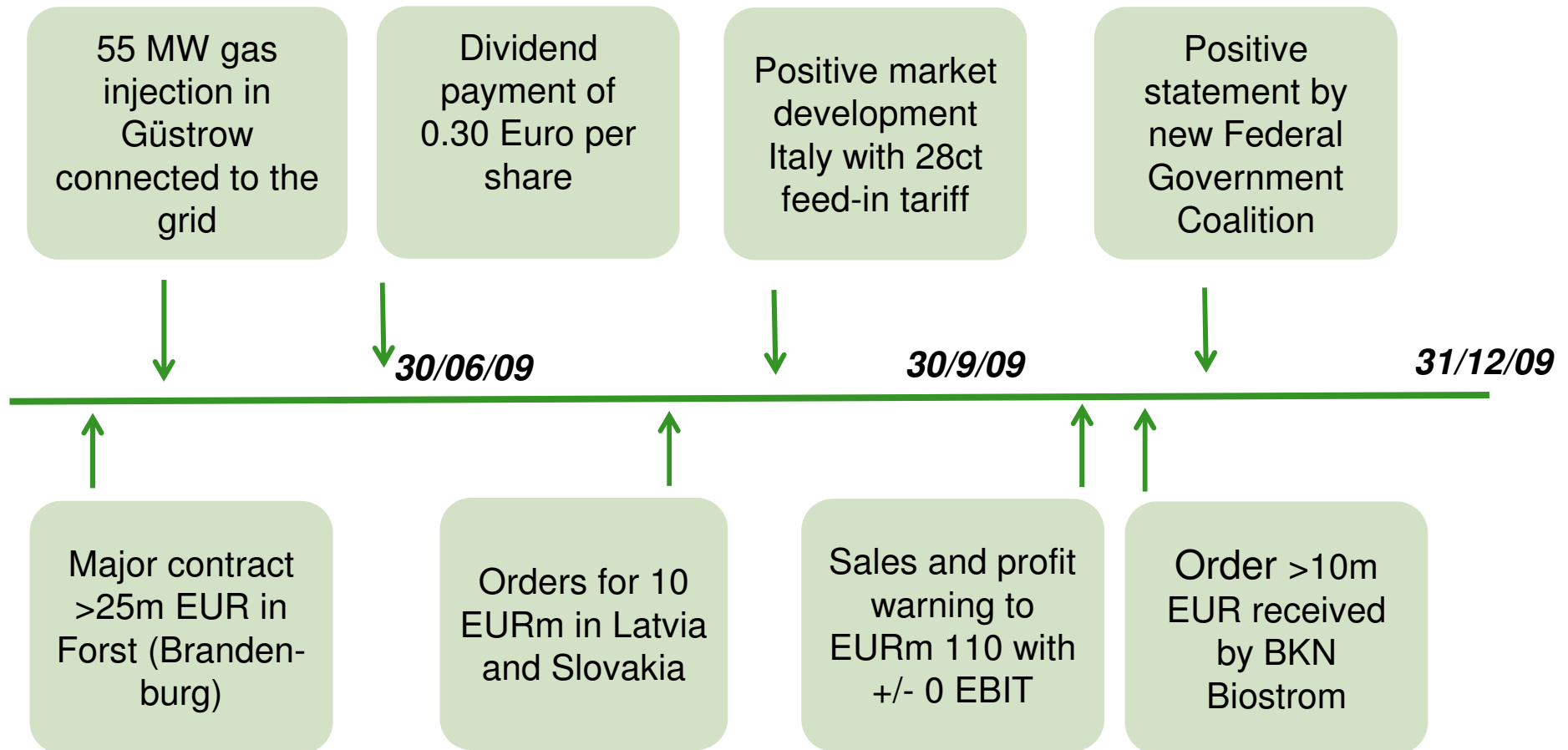
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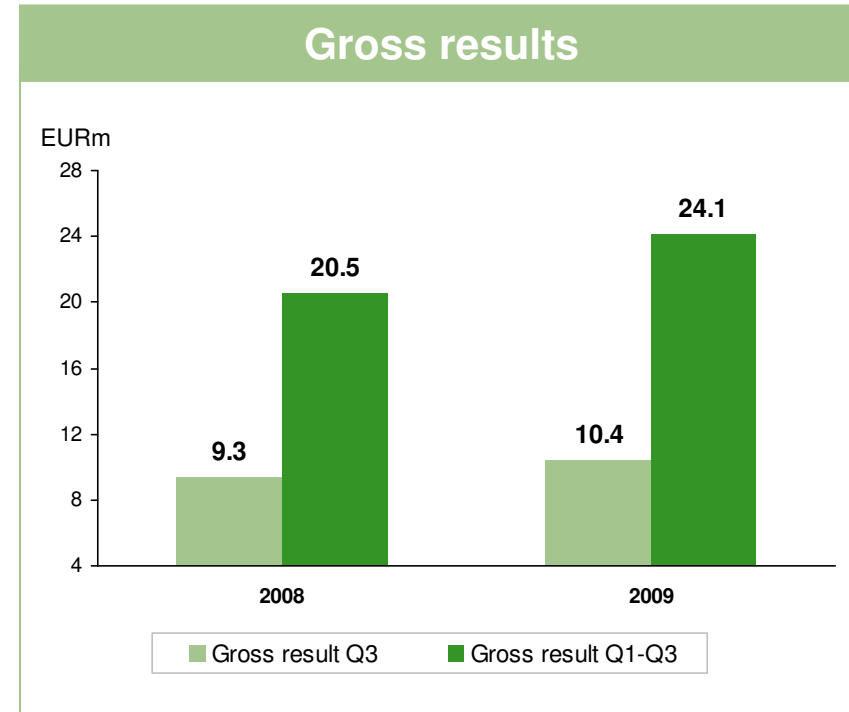
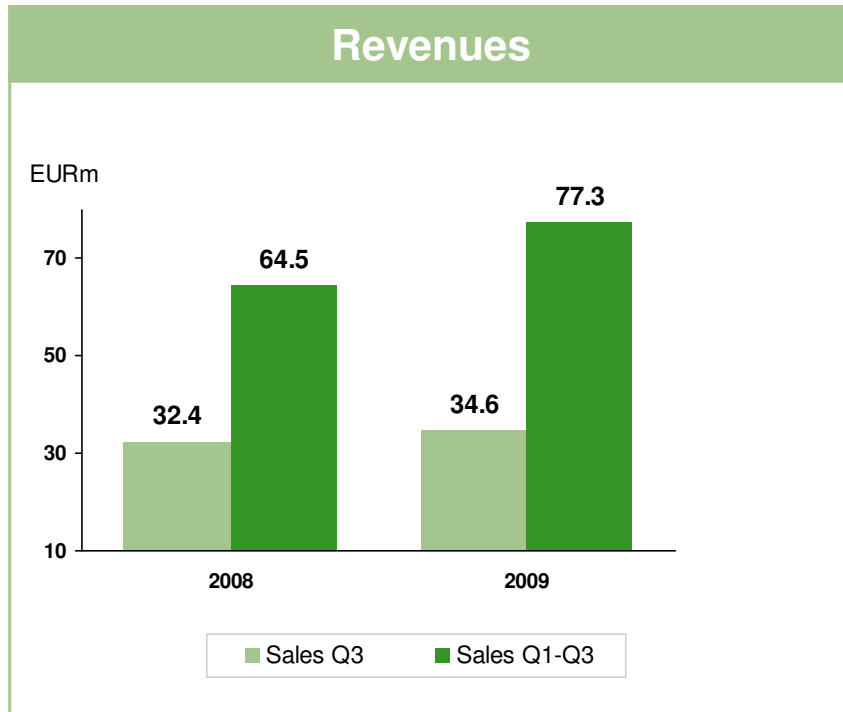
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Recent developments and newsflow

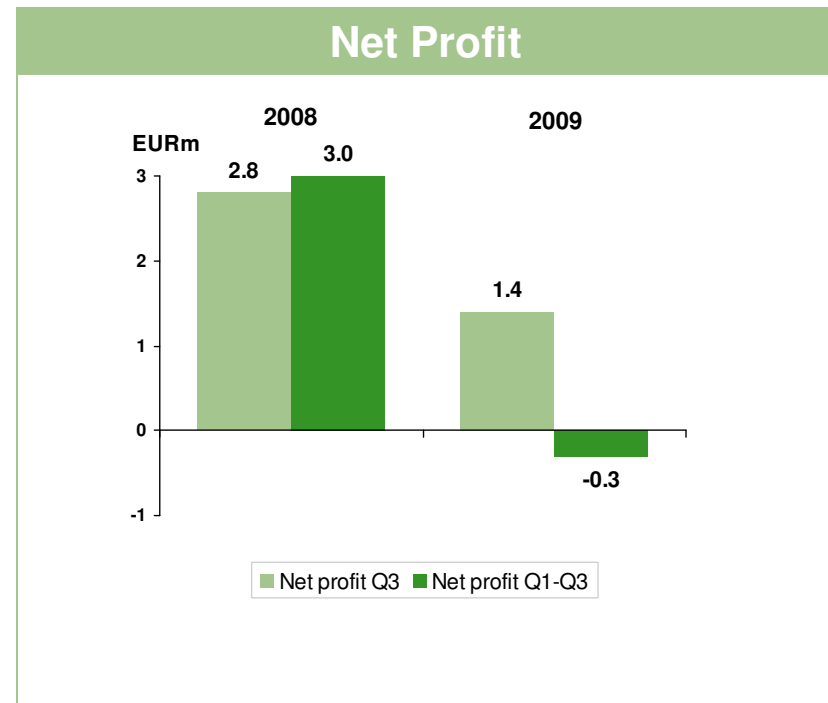
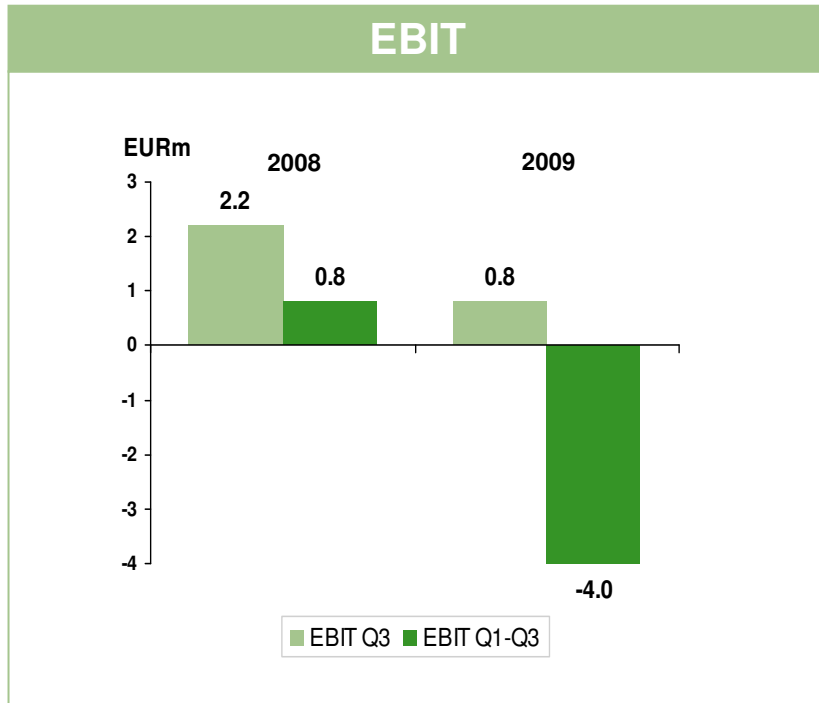


Preliminary Results Q3 - Revenues and Gross results



- Increase in sales of 6.7% for Q3, 19.8% for Q1-Q3
- Gross margin continues to be strong at approximately 30%
- We maintained a high capacity in order to execute the expected order pipeline in the second half of 2009 and in 2010

Preliminary Results Q3 – EBIT and Net Profit

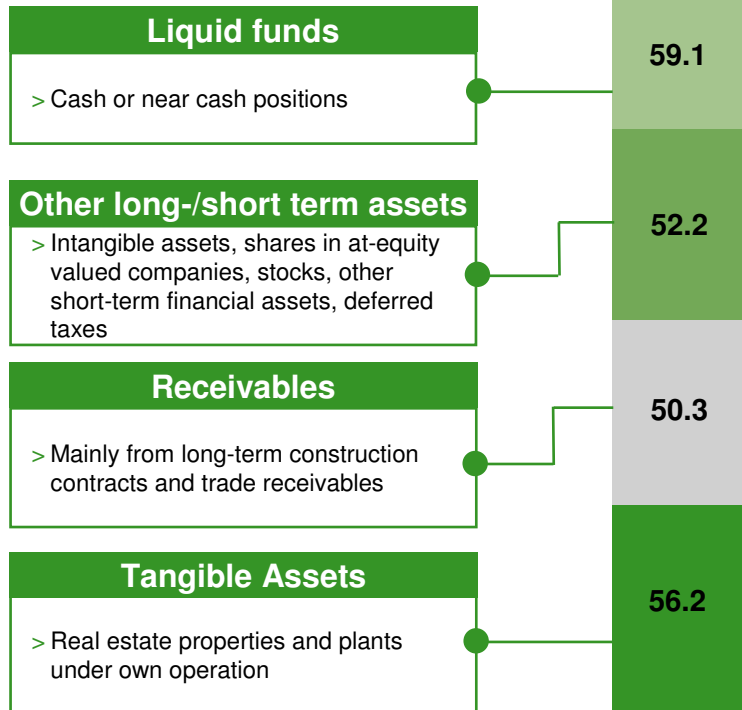


- Non-recurrent costs of 1.1 EURm in Q1-Q3 2009 put pressure on EBIT
- Negative impact of back dating appliance of §19 EEG reduces EBIT by approx. EURm 2 for Q1-Q3
- Financial result remains positive with 0.6 EURm for Q3, 1.5 EURm for Q1-Q3 2009

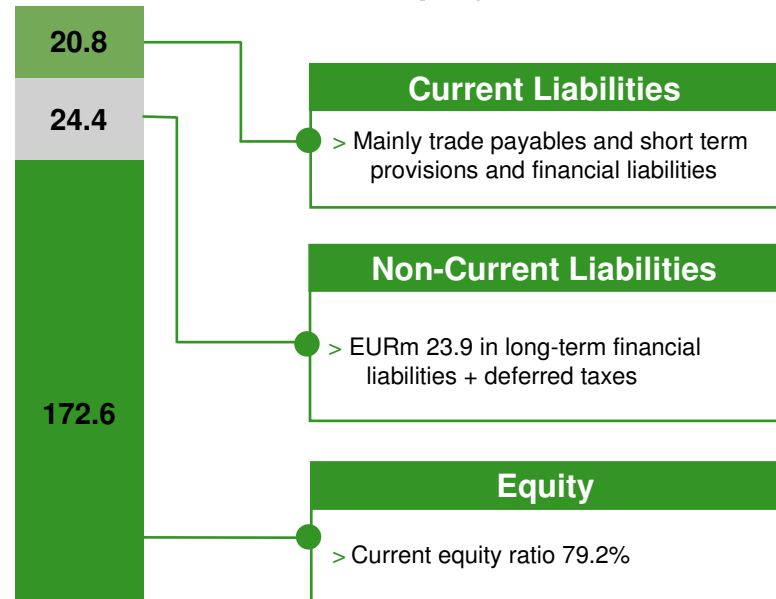
Balance sheet as per 30/09/09

Balance sheet total EURm 217.8

Assets



Equity and Liabilities



EUR mln

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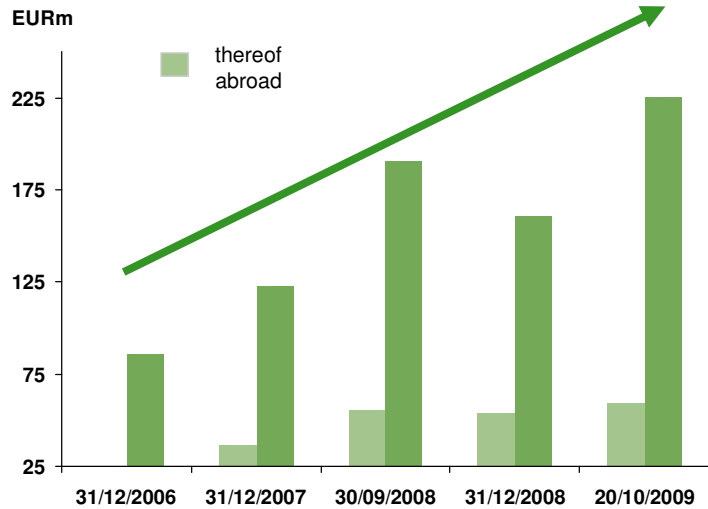
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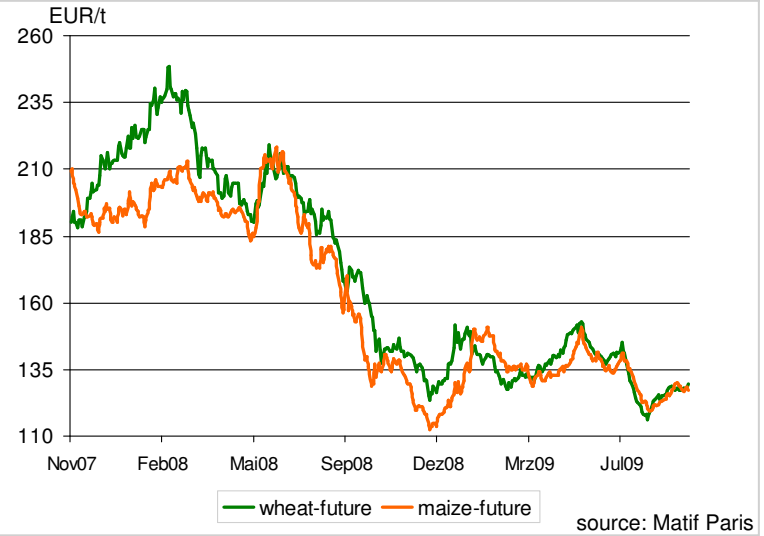
Market environment



High order pipeline



Low input costs

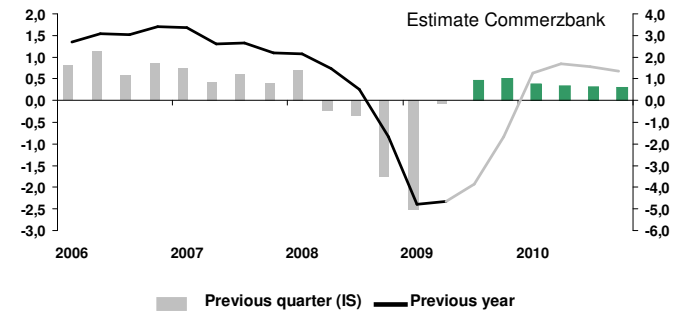


Financing

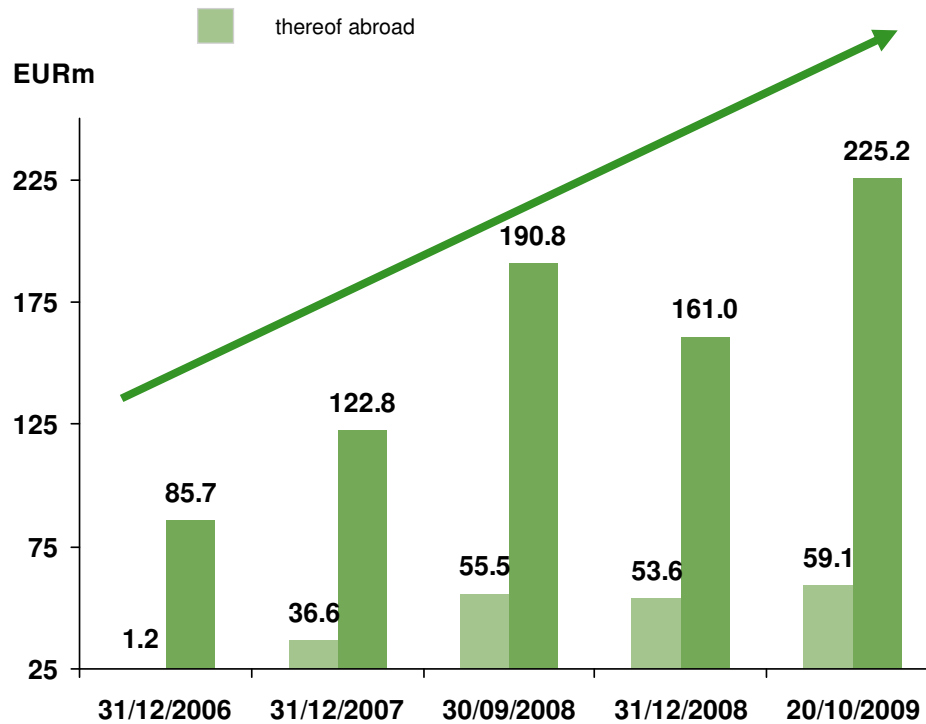
	EnviTec	Clients
Equity	high cash position + refinancing of own plants	agri.capital acquired 60m € equity to finance biogas projects
Debts	40m € framework agreement with OLB bank for own plant operation	NAWARO AG secured KfW-financing in the amount of 80m € for Güstrow

Eurozone turnaround

Real GDP (Variation to previous quarter/year)



Development of the order pipeline



Outlook

- Rebuild trust
- Revenue guidance 2009 EURm 110
- EBIT projection 2009 of +/- 0
- Order pipeline of EURm 225.2
- More focussed international growth
- Solid growth story with close look at cost
- Increasing positive impact from own plant operation to continue in 2010
- Strong order intake in the field of gas injection expected

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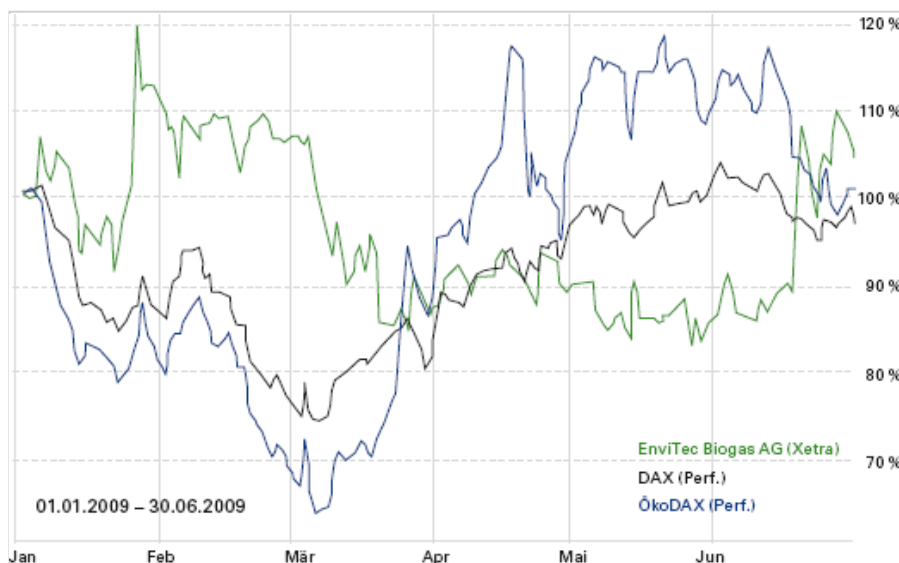
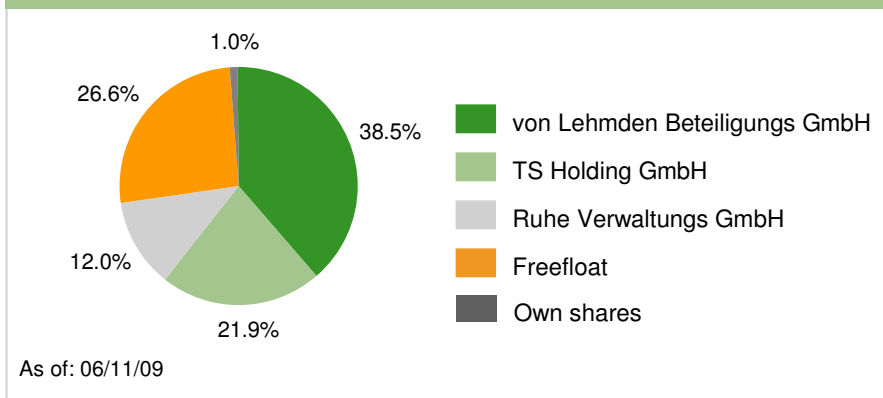
EnviTec at a glance



Company data

Name	EnviTec Biogas AG
Headquarter	Lohne (Lower Saxony)
Year of foundation	2002
Employees	377 (thereof 60 abroad)
Sector	Renewable energy / biogas

Shareholder structure



Share data

ISIN	DE000A0MVL88
Ticker	ETG
Amount of shares	15,000,000
Market Cap	180 EURm (12€/share)
Listing date	12th of July 07
Exchange segment	Prime Standard, Öko Dax



















EEG amendment ensures growth for German biogas market

Feed-in Tariffs EEG 2009				
In cent / kwh	Trend	Up to 150 kw	>150 – 500 kw	>500kw – 5 MW
Base tariff	↑↔	11.67	9.18	8.25
Formaldehyde-Bonus	new	1.0	1.0	-
Nawaro-Bonus	↑	7.0	7.0	4.0
Manure-Bonus	new	4.0	1.0	-
Conservation-Bonus	new	2.0	2.0	-
Technology-Bonus	↔	2.0	2.0	2.0
CHP-Bonus	↑	2.0 - 3.0	2.0 - 3.0	2.0 - 3.0
Max. feed-in tariff	↑	28.67	25.08	17.25

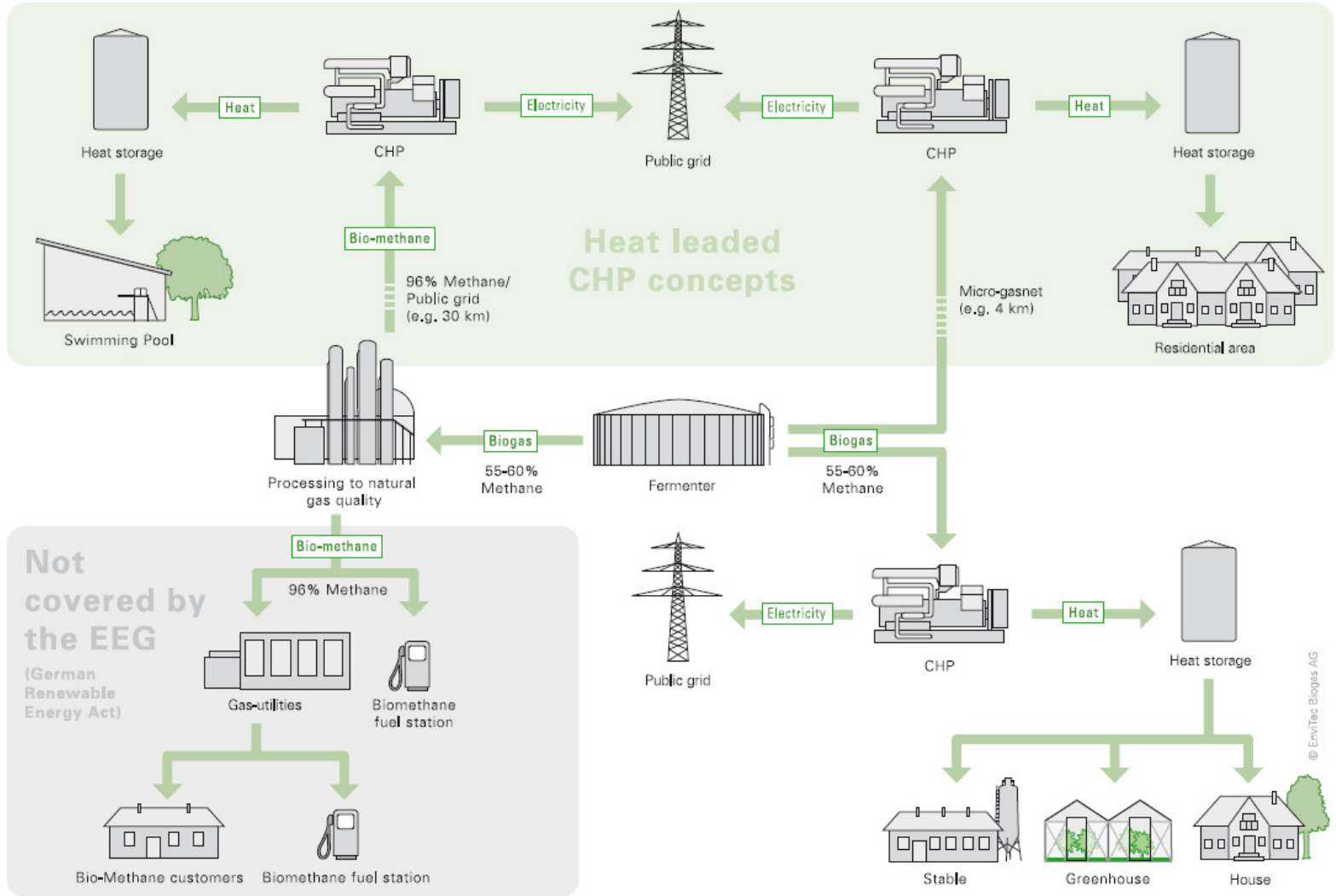
Comments
<ul style="list-style-type: none"> > Feed-in tariffs based on start of operation in 2009 > Guaranteed base tariff for 20 years > EEG amendment provides biogas operators with legal certainty in terms of remuneration and feedstocks > Greater flexibility in the procurement of raw materials > Together with new Gas Grid Access Directive, the feeding of biogas into the natural gas grid is supported

Example 500 kw plant		
Bonus-type	2008	2009
Base-Tariff	9.80ct	9.97ct
Nawaro-Bonus	6.00ct	7.00ct
Manure-Bonus	0.00ct	1.95ct
Formaldehyde-Bonus	0.00ct	1.00ct
CHP-Bonus	1.00ct	1.50ct
Technology-Bonus	0.00ct	0.00ct
total	16.80ct	21.42ct
	2009 surplus/kwh	4.62ct
	surplus/€ p.a.	192,000
	Price equivalent € /t corn-silage	20.00

Development in other European Countries

Promotion of biogas-production in selected European countries				
Country		Tariff €ct/kwh	Duration	Comments
Netherlands		15.2  17.7	12 years	Wide range of input materials
Croatia		16.0	12 years	No restriction on input materials; tariffs linked to inflation
Poland		14.0	n.a.	Subsidies of up to 50%; increase of payment expected
Slovakia		15.0	15 years	Wide range of input materials; subsidies of up to 50%
Latvia		15.0  21.0	10 years	Subsidies on investment of up to 50%
Czech Republic		14.5	20 years	Subsidies of up to 50%; tax free operation in first 2 years
France		12.0  14.4	15 years	No restriction on input materials; subsidies of up to 40%
Italy		28.0	15 years	Wide range of input materials
Belgium		16.6  21.1	10-15 years	Payment and input materials depend on region and country
Romania		13.1  21.5	n.a.	Subsidies on investments of up to 50%
UK		18.0	Until 2027	Wide range of input materials
Spain		10.3  14.3	15 years	Organic by-products will be compensated

Commercialisation of biogas



Financial calendar and contact data

Financial calendar	
Equity-Forum 2009 Preliminary results	10.11.2009
Results Q3 2009	26.11.2009
Results FY 2009	28.04.2010
Results Q1 2010	27.05.2010
Annual General Meeting	24.06.2010
Results Q2 2010	26.08.2010
Equity-Forum 2010 Preliminary results	November 2010
Results Q3 2010	25.11.2010

Contact data	
For further information please contact:	
IR Manager	Olaf Brandes
Address	EnviTec Biogas AG Industriering 10a 49393 Lohne Germany
E-mail contact	o.brandes@envitec-biogas.de
Internet	www.envitec-biogas.de
Phone	+49 (0) 44 42 – 80 65 - 118
Fax	+49 (0) 44 42 – 80 65 - 103

Many thanks for your attention !

