

CORPORATE NEWS

EnviTec Biogas wins contracts in Czech Republic

Germany's neighbour offers ideal conditions for biogas

- **Contract volume totals approx. EUR 7 million**
- **High feed-in rates and 15-year guarantee make the market attractive**
- **Turnkey biogas plants for Czech farmers**

Lohne, 12 June 2008 – Germany's EnviTec Biogas AG [ISIN: DE000A0MVLS8] has crossed yet another border. In the neighbouring Czech Republic, the company will build three biogas plants with a rated electrical output totalling approx. 2.6 MW_{el}. The total contract volume amounts to roughly EUR 7 million and will be reflected in sales revenues in 2008. The first plant is to go online in late summer of this year. The order was placed by three large agricultural businesses. Just like Germany, the Czech Republic promotes renewable energy in general and biomass in particular. Since the beginning of this year, the government has granted feed-in rates of 15.5 cents per kW, which are guaranteed for 15 years. In addition, special funding is available for the construction of biogas plants.

But it is not only the favourable and reliable legal environment which makes the Czech Republic attractive for biogas. In addition, the country has a large number of agricultural businesses, most of which are much larger than their German counterparts and have sufficient input materials. This also applies to the livestock sector, which allows large quantities of liquid manure to be used for the operation of biogas plants. Up to now, liquid manure has been stored in open lagoons, from which large quantities of environmentally hazardous methane gas were released. This can be avoided in future. Moreover, larger amounts of waste from the sugar beet industry will be used, which will reduce the amounts of renewable resources used in biogas plants and cultivated on the country's farmland.

"The plants will partly be based on modern cogeneration concepts," says Hendrik van der Tol, Managing Director of EnviTec Biogas Central Europe s.r.o. In Lipa, a 500 kW_{el} plant will be built, whose exhaust heat will be fed into the district heat network and be used by the local school. The exhaust heat of a 1 MW_{el} plant built in Valovice will be converted into

electricity. This will be the first use of the Organic Rankine Cycle (ORC) process in the Czech Republic. “This will increase the energy yield by roughly 15 percent,” explains Hendrik van der Tol. In addition, the farmers can use fermentation residues instead of the fertiliser they used to purchase, which allows them to cut their costs. Two of the plants will be realised as turnkey projects, which means that EnviTec Biogas will take care of all project stages - from planning and infrastructure to the construction of the technology building to the start-up of the plant - and hand the turnkey plants over to the customer.

The Czech Republic’s commitment to renewable energies is reflected not only in high government subsidies but also in the fact that banks provide full financing for biogas plants. The issue of local energy supplies is increasingly gaining importance in the Czech Republic as a result of the EU climate protection target and the country’s exit from nuclear energy. “Our market entry has been successful. We are convinced that these contracts are only the beginning of the biogas success story in the Czech Republic,” says Olaf von Lehmden, CEO of EnviTec Biogas.

EnviTec Biogas AG covers the entire value chain for the production of biogas - including the planning and turnkey construction of biogas plants as well as their commissioning. The company provides the biological and technical service and also offers the full plant and operating management. In addition, the company also operates its own biogas plants. In Penkun, in the German state of Mecklenburg-Western Pomerania, EnviTec constructed the world's largest biogas park with an electrical connected load of 20 megawatts. Today, the company is represented in more than 14 countries throughout Europe and as well in China and India. In 2007 EnviTec generated revenues of EUR 132 million and EBIT of EUR 18 million. The EnviTec Group has about 280 employees. Since July 2007 EnviTec is listed on the Prime Standard segment of the Frankfurt Stock Exchange.

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