



AUSTRIAN ENERGY
& ENVIRONMENT



Press release

Siemens-AE&E-IHI consortium to build Mainz coal-fired CHP power plant – Advanced technology for efficient and clean coal-based power generation

Vienna, March 6, 2008. A consortium led by Siemens, comprising Austrian Energy & Environment (AE&E), a wholly owned subsidiary of Vienna listed A-TEC Industries AG, and the Japanese company IHI, will build a coal-fired combined heat and power (CHP) plant in Mainz. The supervisory board of the purchaser, Mainz-Wiesbaden AG (KMW), confirmed the contract on February 28, 2008. In July 2007, KMW had already signed a contract with Siemens covering planning, supply, erection and commissioning of the main components for this power plant. Despite increases in the number of bottlenecks prevalent worldwide in the power plant construction sector it is thus possible to set the completion date for 2013 and ensure planning security. The value of the order for the consortium totals approximately EUR 1 billion, with the Siemens share amounting to around half, with around EUR 360 million to AE&E.

The hard-coal-fired CHP plant with a gross rated capacity of over 800 megawatts (MW) will be built at the existing KMW power plant site in Mainz. “Thanks to the advanced technology the power plant will attain a very high efficiency of 46 percent and will be one of Europe’s most modern plants,” stated Michael Süss, CEO of the Siemens Energy Division Fossil Power Generation. Beside electricity the cogeneration plant will also produce 200 MW of district heat for as many as 40,000 households and approximately 30 MW process steam for industrial plants in Mainz. “We will thus achieve an optimum fuel efficiency of 60 percent,” added Süss.

“At the same time this helps the industrial plants in the vicinity to avoid some of their own emissions,” said Dr. Olaf Thun, project manager at KMW. “The site is this particularly suitable for the erection of a CHP plant. It will make a key contribution toward reliable and cost-effective power supply in the Mainz-Wiesbaden region.”

The power plant licensing phase is already underway and construction is scheduled to commence at the end of 2008/ beginning of 2009. The Siemens scope of supply encompasses key components such as the steam turbine and generator, and the electrical and I&C systems, including the associated planning, installation and commissioning. The consortium partners, the working group comprising AE&E and IHI, will supply the tower boiler, the flue-gas desulfurization plant, and other supply and disposal systems. Within the working group AE&E is also responsible for overall erection. "AE&E will be equipping the new coal-fired cogeneration Mainz-Wiesbaden power station with state-of-the-art flue gas purification technology, providing the region with a secure supply of energy – and most importantly – clean energy. Using our products and solutions guarantees compliance with the strictest emissions limits within the statutory norms, and satisfies stringent climate protection requirements as well," explains AE&E CEO Georg Gasteiger. Further key supplies such as the plant's coal handling and ash removal systems, and principal civil structures will be provided by the customer and integrated into the plant.

After the Lünen power plant the Mainz project is the second order for the construction of a coal-fired power plant featuring advanced, ultraclean technology, which the consortium has secured in Germany. Synergies will result through the deployment of identical technology in the two plants.

"Despite the very tight situation relating to planning and erection resources, and delivery bottlenecks worldwide for key components such as turbines, pumps, piping, tanks and vessels, we have succeeded together with the customer in achieving an optimized division of the scopes of supply and services," emphasized Süss. "There is thus a balanced distribution of risk among all parties involved and, at the same time, it will be possible to attain the desired cost-effectiveness and meet delivery deadlines."

The Siemens Energy Sector is the world's leading supplier of a complete spectrum of products, services and solutions for the generation, transmission and distribution of power and for the extraction, conversion and transport of oil and gas. In fiscal 2007 (ended September 30, based on IFRS), the Energy Sector had revenues of approximately EUR20 billion and received new orders totaling around EUR28 billion and posted a profit of EUR1.8 billion. The Energy Sector had a work force of 73,500 at the beginning of fiscal 2008. Further information is available at: www.siemens.com/energy.

All figures represent the sum of the nonconsolidated figures for the Power Generation and Power Transmission and Distribution Groups and for the Oil, Gas and Marine Solutions Division of the Industrial Solutions and Services Group.

About Austrian Energy & Environment

Austrian Energy & Environment AG, headquartered in Vienna, Austria, is one of the leading international suppliers of thermal generation and environmental systems. The group's product portfolio includes boilers and boiler plants, gas purification systems, waste to energy plants, turnkey biomass and industrial plants, coal gasification units, valves, and services ranging from engineering and modernisation to modification and plant operation. The group employs some 4,700 people in Vienna and Graz (Austria), Zurich (Switzerland), Cologne, Ratingen and Nuremberg (Germany), Brno (Czech Republic), Paris (France), Bilbao and Madrid (Spain), Slavonski Brod (Croatia), Moscow (Russia), Norcross (USA), Shanghai and Nanjing (China), Chennai (India), Sao Paulo (Brazil) and Sydney (Australia). It is owned by A-TEC Industries AG. For more information visit: www.aee-group.com

About A-TEC Industries

Vienna stock exchange listed A-TEC Industries AG is an international industrial group headquartered in Vienna, with flourishing Drive Technologies, Plant Construction, Mechanical Engineering and Metals Industry divisions. The group currently employs around 13,800 people, and in 2007 posted consolidated preliminary revenue about EUR 2.4 billion.

About IHI

The IHI Group in Tokyo, Japan, makes significant contributions to society by focusing on cutting-edge technology in the following business sectors: Energy, Environment and Chemical Plants, Aero-Engine and Space Technology, Logistics, Bridges and Steel Structure, Industrial Machinery and Shipbuilding and Offshore Platforms.

In the field of Energy, Environment and Chemical Plants steam boilers are one of the mayor products. Since 1950, worldwide over 500 steam generators were installed for utility companies and industrial clients. The production of high performance plants with ultra supercritical steam parameters and advanced technology, including tower type boiler, have made IHI one of the leaders in the power industry.

IHI was founded in 1853; the total group employs about 23.300 staff members and generated during the previous financial year (ended 31.03.2007) a consolidated turnover of 6.879 million Euros.

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