



PRESS RELEASE

Thenergo presents its Annual Results 2010

04 April 2011 – 18h00 CET – Regulated information

Antwerp – Thenergo (Euronext Brussels: THEB), a developer and operator of decentralised, clean energy projects, presents its results for the year 2010.

Financial highlights

For Thenergo, 2010 was a year of thorough restructuring. In the second part of the year, Thenergo continued the reorganisation commenced during the first half of 2010. Based on our segmentation strategy, unprofitable and cash-hungry assets, as well as pending liabilities and short-term financial liabilities linked to acquisitions in 2007-2008, were reduced further. Since the end of 2009, various measures have been taken to secure the continuity of the company. In January 2010, Thenergo ended all of its Jatropa activities and pending liabilities, and the waste business (Leysen NV) was sold to Van Ganssenwinkel België NV on 3 June 2010. The wood incineration plants coupled to local heating networks in Germany (tse.AG) were sold on 30 June 2010. As the next step, the company's Binergy activities, namely the Binergy Ypres and Valmass fermentation plants based on biomass, were considered to have ended. Valmass was terminated in February 2011. The Greenpower project in Merksplas was sold. With this sale, Thenergo was able to rid itself of a liability of € 2.5 million. Divesting itself of the above-mentioned activities, which were absorbing considerable amounts of working capital or capital costs, safeguarded Thenergo's cash position.

At the same time, Thenergo implemented a cost-saving programme that resulted in a significant reduction of its recurrent overhead costs. The continued restructuring effort will contribute to a holding cost decrease of +/-81% in 2011, compared to 2009.

At the end of the year, an important compromise was reached with ParticipatieMaatschappij Vlaanderen regarding a convertible bond loan, of which an amount of € 7 million was outstanding in December 2010, namely € 6.1 million in capital and € 0.9 million interest. It was agreed to convert this debt partly in a new loan of €4 million, repayable mid 2016, and the remainder in 6.6 million shares.. The cost of this agreement, which still needed to be approved and implemented by the General Meeting of Shareholders, was valued at year closing at €2.4 million based on the then applicable market parameters. This cost is the difference between the actual value at emission of the new loan and shares, and the book value of the existing bond loan. This



agreement was approved and implemented by the General Meeting of Shareholders held on 4 February 2011 and will result in an additional cost in 2011 of €1.2 million

This drastic restructuring program, which started in December 2009, has now resulted in a clearer and transparent structure, with a substantial debt reduction as a consequence. As a result, Thenergo's consolidated gross debt for its continued operations amounted to € 32.8 million on 31 December 2010, compared to € 110.7 million on 31 December 2009. Thenergo's consolidated net debt was € 27.8 million on 31 December 2010, which includes the outstanding PMV loan for an amount of € 6.1 million at holding level. On the basis of the above completed or planned divestments, Thenergo makes a distinction between 'continued operations' and 'discontinued operations' in the presentation of its results on 31 December 2010.

in € 000	31/12/2010	31/12/2009
<u>Continued Operations</u>		
Revenue	26,387	35,707
EBITDA	3,897	1,849
EBIT	(17,112)	(17,657)
Result (continued operations)	(19,782)	(23,702)
<u>Discontinued Operations</u>		
Result (discontinued operations)	(9,291)	(21,633)
Result for the period	(29,072)	(45,335)

Thenergo's continued operations relate to the Groeikracht, Mypower, Thenergo Services and Holding segments. In 2010, Thenergo's continued operations generated revenue of € 26.4 million compared to € 35.7 million in 2009. This fall was caused by lower sale prices for electricity and combined heat/power certificates. In spite of this fall in revenue, the EBITDA increased by € 2 million to € 3.9 million. This increase can be explained on the one hand by a similar fall in natural gas prices, and the start-up of 4 new CHP installations on the other.



Turnover at Groeikracht fell from € 29.6 million to € 24.6 million due to lower sale prices for electricity and CHP certificates. However, because the price of natural gas (the fuel used in all the CHP installations in this segment) also fell significantly and 4 additional CHP installations came on stream, the recurrent EBITDA increased to € 6.8 million, compared with € 6 million in 2009.

The recurrent EBITDA margin increased from 20% in 2009 to 28% in 2010. The installed MWe capacity in the Groeikracht segment increased to 64.2 MWe at the end of 2010. In one of the Groeikracht companies a credit facility has been rescinded by Triodos with a maximum potential impact of €0.28 million. Negotiations with Triodos about this matter are ongoing.

The performance of the Mypower segment was similar to the previous year, with a moderate decrease in revenues to € 0.8 million for 2010 (€ 0.9 million in 2009). The recurrent EBITDA declined to € 0.4 million (€ 0.7 million in 2009) due to lower electricity prices.

Revenue at Thenergo Services fell from € 5.1 million in 2009 to € 0.8 million in 2010 as a result of the repositioning and the development of new services. The recurrent EBITDA fell by € -0.2 million to € -0.4 million.

The negative result of € -19.7 million in 2010 for the continued operations was mainly linked to the impairment loss taken for the Groeikracht projects. These impairments arose from the expected negative developments in energy and CHP certificate prices for the Groeikracht projects. At the same time, the market for CHP certificates in 2010 shrank to such an extent that there was no demand for certificates for most of the year, and they could only be sold at their price-floor. The government's decision to expand the certificates quota has had little positive impact until now. It is to be hoped that the prices of certificates will improve in the long term following the government's decision to increase the price-floor. A future projection of these negative and uncertain developments resulted in significant impairments.

The holding cost increased in 2010 because of the costs associated with the restructuring plan.

The negative result of € -9.3 million in 2010 for the discontinued operations is mainly linked to the impairment loss taken for the spin-off of the Binergy activities and, in particular, an impairment taken on Valmass and Binergy Ypres for an amount of € -10.5 million.

In the continuation of its search for potential investors, the board of directors of Thenergo decided to continue with its drastic restructuring plan and its limitation of future cash drain at holding level, while focusing on natural gas installations and services.



Today, Thenergo's cash position stands at approximately € 1.3 million. The board of directors of Thenergo decided to continue the company as a going concern. This also implements the decision of the General Shareholders' Meeting of 4 February 2011, at which the meeting expressed the wish to see the company carry on as a going concern when the question was put to them on the basis of Article 633 of the Companies Code, and the result hereof, being

- The continuing measures to economize and to improve the yield
- The further development of the service platform as described in the business plan which is implemented according to schedule
- The search for strategic investors
- The confidence that potential covenant breaches due to booked impairments will not result in the rescission of credit facilities or the call of guarantees from Thenergo in favour of certain Groeikrachten
- The confidence that the sales of the Fertikal site will be concluded shortly, resulting in a positive effect on the cash position of €0.62 million in 2011

Thenergo is currently completing its IFRS financial statements for the year 2010. The statutory auditor has not yet completed the audit procedures for this period. An additional press release will be issued if there is any material change during the audit period. Thenergo expects to be able to publish its fully audited annual report for 2010 on 14 April 2010.

About Thenergo

Based in Belgium, Thenergo is a fully integrated and independent developer and operator of sustainable energy projects using natural gas and biogas. Thenergo creates value for its partners and shareholders as a one-stop provider of sustainable energy solutions, transforming renewable fuels into electricity and heat.

For more information, please contact:

Chris Beliën
CEO
T.: +32 3 292 96 96
Chris.Belien@thenergo.eu

Gateway House, Brusselstraat 59
B-2018 Antwerp
Belgium

This press release and the associated accounts are available on our corporate website www.thenergo.eu.



If you want to be kept informed about press releases and financial information then please register on:
www.thenergo.eu/en/press/alerts

in € 000	Comments	2010	%	2009*	%	2008*	%
Continuing operations							
Operating income		26.452		35.941		33.030	
Revenue	5	26.387	100%	35.707	100%	32.780	100%
Other income	6	65		233		250	
Operating expenses		-43.564		-53.562	-37%	-60.115	-47%
Raw materials and consumables	5	-14.967	-57%	-20.788	-58%	-15.249	-47%
Waste management costs	5	0		-4		-7	0%
Costs project development	5	-177	-1%	-3.978	-11%	-7.355	-22%
Payroll expenses	7	-2.975	-11%	-3.374	-9%	-2.959	-9%
Depreciation and amortisation	8	-4.404	-17%	-4.226	-12%	-3.181	-10%
Impairment of assets	9	-14.109		-482		0	
Impairment of goodwill	9	-2.347		-5.384		-21.996	
Costs discontinued projects		-150		-9.383		-4.719	-14%
Share-based payment expenses	10	-149		-394		-1.069	-3%
Other operating expenses	11	-4.287	-16%	-5.550	-16%	-3.580	-11%
Operating result		-17.112		-17.622	-49%	-27.086	-83%
Financial result		-2.371		-5.936		-4.394	
Interest income	12	58		160		1.056	
Interest expense	12	-3.283		-2.915		-2.317	
Other finance income or expense	12	854		-3.181		-3.133	
Share of result of associates		-53		-110		421	
Result before tax		-19.536		-23.668		-31.059	
Income tax benefit/(expense)	13	-245		4		48	
Result from the year from continuing activities		-19.782		-23.664		-31.011	
Discontinued operations	14	-9.291		-21.671		-33.004	
Result of the year from discontinued operations		-9.291		-21.671		-33.004	
Result of the year		-29.072		-45.335		-64.015	
Result attributable to							
Owners of the company							
Results from the year from continuing operations (€ 000)		-18.577		-23.062		-30.861	
Results from the year from discontinued operations (€ 000)		-9.074		-18.748		-31.290	
Results from the year from continuing and discontinued operations (€ 000)		-27.651		-41.810		-62.151	
Non-controlling interests							
Results from the year from continuing operations (€ 000)		-1.205		-602		540	
Results from the year from discontinued operations (€ 000)		-217		-2.923		-1.714	
Results from the year from continuing and discontinued operations (€ 000)		-1.422		-3.525		-1.173	