



PRESS RELEASE

Thenergo presents Half Year Results for 2011

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Antwerp – Thenergo (Euronext Brussels: THEB), a developer and operator of decentralised, clean energy projects, presents its results for the first half of 2011.

In 2010 Thenergo organised its operations into the Groeikracht, MyPower, Services and Holding segments. Groeikracht includes the CHP units in the horticulture sector and makes up the majority of Thenergo's operational activities. MyPower deals with energy production for industry and relates to the Biocogen power plant. The Services segment provides services to its own installations and to third parties, including both technical services and energy trading.

The operating results deriving from the above activities are strongly influenced by electricity, gas and certificate prices.

At the start of 2011 sales of electricity developed positively, which translated into improved profits at the end of the first quarter. The price of electricity rose compared to the average for 2010 from just above € 50 per Mwh to approximately € 60 per MWh. In the following months, however, this positive trend moved back to the level of 2010.

Gas prices developed in the same way in early 2011 as electricity prices, which caused an increase in our main operating cost item. This cost item rose compared to the same period in 2010 by 31%. During the second quarter, gas prices did not fall to the same extent as those of electricity, which resulted in a fall in the gross margin.

A third factor influencing the operating results, and more particularly business revenues, are CHP certificate prices. The realisation in 2010 that the market for these certificates had dried up due to lack of demand has not changed to this day. The result is that the majority of certificates are sold at the guarantee price of € 27 per certificate.

Operating results are also influenced by the number of hours that installations run and the amount of heat bought by our project partners. The number of hours and the amount of heat bought decreased because of the warm weather in the spring of 2011 compared to 2010. This negative



trend in turnover was however compensated on the one hand by the fact that three engines (5.4 MWe) were operational for the entire first half of 2011, contrary to H1 2010, and on the other hand by higher energy prices.

The net result for the period fell among other things because of a one-off financial cost of € -1,250k, which resulted from the capital increase decided by the General Meeting of Shareholders held on 4 February 2011. Other non-recurring costs are the write-down of assets for an amount of € -1,532 for the Binergy Meer project, the write-down of trade receivables for an amount of € -413, the costs of the administrative processing of hedging contracts for an amount of € -448, taxes for an amount of € -355k and other financial costs and interests for an amount of € -1,177.

The Half Year Results can be summarised as follows:

in € 000	1H 2011	1H 2010
Continued Operations		
Revenue	€ 14,187	€ 13,387
REBITDA	€ 1,648	€ 2,150
REBIT	€ 254	€ 19
Result (continued operations)	€ -4,938	€ -1,959
Result (discontinued operations)	€ -77	€ -13,128
Result for the period	€ -5,015	€ -15,087

Thenergo encountered difficult market conditions during H1 2011. It is clear from the changes in energy prices that the difference between the price of gas and electricity has greatly diminished. At the same time, the market for certificates now only reflects the base price. These factors directly impact on the profitability of the Groeikracht units, as can be seen in the results.



Also our partners in the Groeikracht units, namely horticulture companies who purchase heat, are having a very difficult year. Large amounts of vegetables appeared on the market thanks to the exceptionally good spring weather. This phenomenon was reinforced by the late start to the vegetable season in Southern Europe. Added to this were the after-effects of the Ehec bacteria and the fact that Central European countries closed their borders to foreign vegetables. Selling prices for vegetables fell far below the growers' production costs. This situation landed our partners in difficulties, so that they could not or could hardly pay for the heat delivered by the Groeikracht units. This had a negative effect on the solvency of the Groeikracht units and their capacity to pay for the services provided by Thenergo, as well as to pay any dividends to Thenergo. While we initially hoped that this situation would last but a short time, it now turns out that the entire vegetable season has been affected.

On 30 June 2011, Thenergo NV had € 1.37 million in available cash. The Board of Directors decided to report the half-year results on a continuous basis. This also implements the decision of the General Shareholders' Meeting held on 4 February 2011, where the meeting expressed the wish to see the company carry on as a going concern following the question put to them on the basis of Article 633 of the Companies Code, and the implementation of that decision.

Thenergo Group has provided guarantees with regard to the financing agreements at the level of its subsidiaries. The guarantees that have been provided in relation to credit agreements if credit agreements are breached amount to € 1.5 million.

The Board of Directors decide that it would adopt on a short term a strategy that would take account of these circumstances, which would be directed at:

- reducing the cost structure further
- negotiating with all stakeholders about the approach and how to get through this difficult period, to avoid discontinuity
- if necessary dispose of assets
- present a business plan that would create new shareholder value
- obtain cash from shareholders and investors for that purpose.



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 fuels into electricity and heat.

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