

PRESS RELEASE

Flora EcoPower plans expansion into Thailand

Negotiations with European supplier / Letter of intent has been signed / Jatropha plants expected to cover 120,000 hectares (297,000 acres) / First harvest expected for 2009

Munich, May 13, 2008. Flora EcoPower Holding AG (FEP) in Munich, a producer of biogenic non-food oils, is currently negotiating with a European supplier on the use of approx. 50,000 hectares (124,000 acres) for growing Jatropha plants in Thailand, an area that is to be expanded to 120,000 hectares (297,000 acres) in all.

A letter of intent, assuring FEP of negotiations, was signed on May 9, 2008. The company is confident that negotiations will be concluded over the next few months. The land is situated in the northeast of Thailand and has a good infrastructure. FEP wants to use the entire area of 120,000 hectares (297,000 acres) for a gradual expansion of Jatropha crops; at the moment, approx 46,000 hectares (114,000 acres) is used for this purpose. The company is expecting to manufacture over 50,000 tonnes of high-quality Jatropha oil in 2009. Moreover, FEP is planning to take over the local workforce and to create new jobs in the area. Like in Africa, the company wants to realise its social responsibility and sees itself as a long-term partner.

Peter Korak, CEO of FEP, says: "We are already operating in Ethiopia and Madagascar, and we are now looking to diversify further. By moving into Asia, we are gaining access to new markets, with an opportunity to expand our production volumes and to spread our risks wider than we have been. As there is a considerable demand for good-quality biogenic oils throughout the world, we are highly confident about the implementation of our growth strategy."

FEP is particularly keen to ensure that the arable land that is used should not be suitable for food crops. "Let's be quite clear about it," says Peter Korak, "we are not competing with food production. This is also true for our new project in Thailand." The biogenic oil made by FEP is largely used in the pharmaceutical and cosmetics industries and achieves attractive prices in the global marketplace. The company's activities lead to greater welfare among the local population, so that FEP is seen as a popular partner in Africa. FEP now wants to continue this success in Asia.

The company

Flora EcoPower Holding AG (FEP) is based in Munich and has set itself the aim of becoming a worldwide market leader in Castor and Jatropha plants for the production of non-food oils.

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