

## **EWE to sue VuB**

Oldenburg, Germany, 2 September 2008. Oldenburg-based energy group EWE is taking legal action against VNG Verwaltungs- und Beteiligungsgesellschaft (VuB). The context is today's extraordinary termination of the consortium agreement by VuB. EWE has also announced its intention to sue VuB for damages.

"We are disappointed by this move," commented EWE's CEO Dr. Werner Brinker. VuB had, he said, made public statements in recent days that it was considering cancelling the consortium agreement, but he failed to understand how the move could possibly be made in the way that it had been done. He doubted whether other VNG shareholders could ensure long-term cooperation as required by VNG or secure the economic future of an area better than EWE AG with its strong ties to municipal authorities.

Brinker announced that EWE was to take action against the termination of contract. EWE sees no reason for extraordinary termination. The company will also look into possible claims for damage compensation. "We gave VuB strong financial support in acquiring further shares in VNG in 2004 and negotiated the consortium agreement in return. If necessary, we will demand repayment of the amount involved," he explained.

Günther Boekhoff, EWE Supervisory Board chairman and a member of the VNG Supervisory Board, noted that disagreements evidently existed within VuB. "Only a few weeks ago," he mentioned, "the chairman of the VuB shareholders' meeting said in an interview that the company was keen to make a fresh start and to hold intensive talks."

When the consortium agreement was signed, EWE gave its consortium partner an assurance that they would pursue a joint strategic approach, that the partner would exert a long-term influence and that VNG would retain its Leipzig location. EWE bodies reiterated the location guarantee assurance last April.