

EWE increases stake in Turkish energy supply companies

Company becomes majority shareholder in Bursagaz and Kayserigaz

Oldenburg, Germany, 28 October 2008. The Oldenburg-based utility Group EWE has increased its stockholding in the regional Turkish energy suppliers, Bursagaz A.Ş., and Kayseri Doğalgaz A.Ş., in each case from 39.9 per cent to 80 per cent, thus expanding its business in Turkey. EWE acquired each stockholding of 40.1 per cent from the Turkish Çalık Group, which continues to hold a 10 per cent stake in both companies. The remaining 10 per cent stakes are retained by the municipalities of Bursa und Kayseri. As the majority shareholder, EWE is the first German energy supplier to be active in the Turkish consumer business, which will be managed in future by EWE ENERJI A.Ş., based in Istanbul. The contractual partners provided no details on the purchase price.

EWE has gained positive experience in the past through its business in Turkey. "From the start we have successfully worked together with our highly competent partner Çalık Group, with the result that we have been able to achieve very good results," explains Heiko Harms, EWE's Chief Operating Officer, who is also responsible for EWE's business in Turkey. Bursagaz und Kayserigaz are well established companies and show high growth rates in new contracts. These preconditions led EWE to take the next step and become a majority shareholder as part of the long-term planning of its activities abroad. "Our good relationships in Turkey have proved to be a competitive advantage. We were given a unique chance and have used it. As the majority shareholder we will in the future be able to exercise more influence strategically. And the new majority shareholdings create a solid basis for the future expansion of our business in Turkey as well as for further international projects," says EWE's Chief Executive Officer, Dr. Werner Brinker.

"EWE's business in Turkey is part of a long-term strategy to position the company on the international energy market and thus ensure the company's success," explains Mr. Harms further. EWE wishes to benefit from the liberalisation and internationalisation of the Turkish energy market which is proceeding briskly but is not yet complete. "The time is right. Turkey is a growth market with continuously rising demand for energy and is therefore an attractive sales market. As an energy transit country, access to Turkey's energy supply is also of crucial strategic importance to the European Union's energy supply and thus also to the security of supply in EWE's core market," Mr. Harms points out.

EWE's acquisition of 39.9 per cent of the Turkish energy supplier Bursagaz in April of last year made it the first German utility company to buy a stake in a Turkish natural gas supplier. In April of this year EWE acquired the same amount of shares in Kayserigaz.

The regional utility company Bursagaz, with 130 employees, has more than 500,000 contracts for natural gas supply in the Bursa region of north-western Turkey. Kayserigaz, with 143 employees, supplies approximately 130,000 natural gas customers in the Kayseri region, the country's largest industrial area in the centre of Turkey.

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PRESS RELEASE



EWE, with its head office in Oldenburg, is one of Germany's largest utility companies. Its range of goods and services includes electricity, gas and water supplies, energy and environmental technology, gas transportation and trading, and telecommunications and information technology. Thus, EWE provides a range of classical and innovative services at one source. EWE's network infrastructure is characterised by a high level of technical quality, security of supplies and economically efficient operation. EWE extended its core competences at an early stage to include the operation of complex networks and provide comprehensive control and telecontrol engineering know-how in a future-oriented, multi-service offering. In addition to its established business activities in northern Germany, EWE also conducts business successfully in eastern Germany, Poland and Turkey. The EWE Group employed around 4,700 staff members at the end of 2007 and recorded sales of € 4.7bn.