



енергетичний Альянс

Press Release

Energy Alliance Completes Successful Cogeneration Project at Ukraine's No. 1 Glass Bottle Maker

Kyiv, Ukraine – July 30, 2004 – Energy Alliance, the country's first privately owned energy services company (ESCO), commissioned a natural gas-fired cogeneration power station at Hostomel Glass Plant today. Manufactured by F.G. Wilson, the power station is comprised of two generators capable of producing a combined total output of 2,000 kilowatt/hour of electricity and 2.15 Gkal/hour of heat. The power station, engineered, financed, and installed by Energy Alliance, will significantly improve the energy efficiency and lower the cost of production of Ukraine's leading glass bottles manufacturer. Representatives of Ukrainian federal and local government bodies, the business community, the U.S. diplomatic mission and international financial institutions operating in Ukraine attended the ribbon-cutting ceremony.

“This is a highly cost-effective solution for an energy-intensive enterprise such as Hostomel Glass Plant,” said Chairman of Supervisory Council of Hostomel Glass Plant Dmytro Oliynyk. “Through the use of this power station, we will be able to meet approximately 57% of our overall energy needs while significantly reducing our energy costs, making our products even more competitive. At the same time, heat generated by the cogeneration unit will be supplied to residents of adjacent apartment buildings.”

Energy Alliance was founded in 2003 as a full service provider of energy efficiency solutions to Ukrainian commercial industrial enterprises, which operate in one of the most energy intensive economies in the world. The company offers customized turnkey solutions, including financing, to help reduce the energy costs of its clients. In February 2004, Energy Alliance received a \$10 million loan from the European Bank of Reconstruction (EBRD) to finance such projects.

Energy Alliance's Director Maxim Burtovy stated, “We are very pleased with the outcome of our first cogeneration project. The professional work of our engineers, high quality equipment provided by our suppliers, and long-term financing provided by our company, have all contributed to an excellent solution to Hostomel Glass Plant's challenging energy needs. We look forward to providing similar results at other Ukrainian companies in the near future.”

Energy Alliance is owned by a group of companies, including Western NIS Enterprise Fund (WNISEF); Hostomel Glass Plant; and Turbo-Spektr. WNISEF (www.wnisef.org) is the largest private equity fund in the region, investing in securities of private companies with outstanding growth potential and the ability to build competitive advantages in the marketplace. Since inception, the cumulative investment commitment of WNISEF totals \$93.4 million to 28 companies (23 companies with \$79.4 million in Ukraine and five companies with \$14 million in Moldova), employing over 18,000 people.

OJSC Hostomel Glass Plant (www.gostomelglass.com) is the largest glassware manufacturer in Ukraine. The company's sales amounted to UAH70 million in H1 2004. The quality management system is certified for compliance with ISO 9001:2000. Hostomel Glass Plant undergoes annual international audits, and business accounting is performed in accordance with International Accounting Standards (IAS). The company received two loans from the European Bank for Reconstruction and Development (EBRD) for business expansion. In 2004 the company has been recognized by the State Tax Administration of Ukraine as “One of Ukraine's 100 Most Diligent Taxpayers – 2003”.

For additional information, please contact:

Maxim Burtovy
Director
Energy Alliance
Phone: +380 (44) 537-2517
Fax: +380 (44) 537-2517
E-mail: mburtovy@wnisefk.com