



Aker Kvaerner and Praj win contract for world-scale bioethanol project in the UK

Pune/Oslo, 26th June 2007:

Aker Kvaerner has been selected by British Petroleum (BP), Associated British Foods Plc (ABF) and DuPont to execute the Front End Engineering and Design (FEED) for a planned new world-scale bioethanol plant in the UK. Aker Kvaerner's joint venture partner, Praj Industries (Praj) from India will provide the technology and process package. BP and ABF subsidiary British Sugar Plc will each own 45 percent of the new grass roots facility planned for BP's Saltend site, near Hull, with DuPont owning the remaining 10 percent. The world-scale wheat to ethanol plant will produce some 420 million litres of fuel ethanol a year. The contract value to Aker Kvaerner is not disclosed.

"BP is already a leading and very committed player in the biofuels market, and we see this new facility as a very important milestone as we move towards the 2010 Renewable Fuel Obligation," says Phil New, Head of BP Biofuels. "Aker Kvaerner's engineering capability combined with the technology expertise of Praj offers an integrated and customised solution to our requirements."

"This is a very exciting project to be involved with. It represents a significant development in the UK's progress in renewable fuels, and brings together specialists who are at the forefront of the biofuels industry," adds Ronald van der Vlist, SVP Aker Kvaerner-Praj Biofuels (Managing Director of BioEnergy). "A commitment to delivering environmentally-sound solutions is a long-term priority for Aker Kvaerner, and biofuels is therefore a core business for the company."

Using bioethanol technology provided by Praj Industries, the grass roots plant will seek to utilise locally grown wheat as feedstock to produce the fuel ethanol. The award of this project underlines the co-operation between Aker Kvaerner and Praj, which was recently reinforced by the formation of the BioEnergy Joint Venture (JV) - announced 12 June 2007.

"This is indeed a very good start for the Aker Kvaerner and Praj JV in Europe and this is a very distinguished opportunity for Praj to supply technology to one of the largest plants to be set up in the UK," said Pramod Chaudhari, Chairman Praj Industries.

"The Aker Kvaerner and Praj JV will ensure better value to customer's setting up biofuel projects, as we will work in absolute cohesion, end-to-end. And the award of this contract demonstrates that project developers and sponsors have recognized our strength."

Work on this preparatory phase of the project begins immediately and should be completed by the end of 2007. Subject to the necessary regulatory approvals, construction on the plant would commence next year, with commissioning and start-up scheduled for late 2009.

The award of the FEED scope follows the successful completion of the feasibility study for this complex, which was completed by Aker Kvaerner and Praj in December 2006.



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Aker Kvaerner has been a long term engineering partner for BP at the Hull site – the largest producer of acetic acid in Europe – and has executed a range of EPC projects at this site and also at other BP sites worldwide.

Aker Kvaerner is also a long-standing engineering partner for DuPont globally. Praj is currently providing the process license to the British Sugar Wissington bioethanol plant in the UK.

Biofuels help to reduce overall emissions of greenhouse gases and are a sustainable alternative to fossil fuels. Bioethanol can be blended in various proportions in petrol. Using bioethanol can reduce overall carbon dioxide emissions compared to a traditional petrol-only engine.

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The parent company in the group is Aker Kværner ASA. Aker Kvaerner has aggregated annual revenues of approximately NOK 50 billion and employs approximately 23 000 people in about 30 countries.

Aker Kvaerner is part of Aker (www.akerasa.com), a group of premier companies with a focus on energy, maritime and marine-resources industries. The Aker companies share a common set of values and long traditions of industrial innovation. As an industrial owner with a 40.1 per cent holding in Aker Kvaerner, Aker ASA takes an active role in the development of its holdings.)

Aker Kvaerner's **Process and Construction** business area is a world leader in the project management, design and construction of major projects spanning refining, petrochemical processing, metals and mining, power generation, and acid plants. From initial concept through technology development, process technology application, design, procurement, construction, commissioning, operations, maintenance, modification and decommissioning, we provide our customers with the full life cycle of services. Process and Construction provides sound local expertise, combined with the depth and strength of global project operations.

AK Process is a trading name of Aker Kvaerner Projects Ltd., the legal entity responsible for the execution of the work. AK Process is one of the core businesses of the Aker Kvaerner group in Europe. AK Process serves the onshore oil & gas, petrochemical and biofuels industries. We provide our customers with services covering the entire value chain of a project, from technology development and selection through to engineering, project management, procurement, construction, and complete life cycle support. Our extensive capabilities are offered through a variety of commercial arrangements from reimbursable services to lump-sum turnkey supply. Also offered are consultancy services in reliability, business modelling and environmental, health, safety and risk management.

Praj Industries Ltd is a global Indian company that offers innovative solutions to significantly add value in alcohol and brewery technology and related wastewater treatment systems for customers in India and around the world. Praj is a Knowledge-based company with expertise and experience in bio-processes and engineering. It delivers know how, license, engineering design, plant & equipment, project management, commissioning and customer care and turnkey projects. Led by an accomplished and caring leadership, Praj is a socially responsible corporate citizen. www.praj.net

BioEnergy Europa B.V. is an Aker Kvaerner – Praj company. Praj holds 60 percent in BioEnergy, while Aker Kvaerner holds 40 percent of the shareholding. BioEnergy offers European customers access to customised solutions for their biofuels projects - providing the technology package, engineering services, equipment and systems, project management services, construction and erection services, and commissioning, as well as turnkey biofuel plant.

BP is one of the world's largest energy companies, providing its customers with fuel for transportation, energy for heat and light, retail services and petrochemicals products for everyday items. It is the largest oil and gas producer in the U.S. and one of the largest refiners. BP has a global network of around 25,000 service stations, 1,300 of which are in the UK.

Press release



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British Sugar Plc is the UK's leading supplier of sugar products to the food manufacturing and consumer markets. Recognised as the most efficient sugar producer in Europe, the company has considerable expertise in asset utilization, energy efficiency and process technology. With operations in Poland and China, British Sugar has considerable experience in operating in developing countries and in joint venture operations.

DuPont is a science-based products and services company. Founded in 1802, DuPont puts science to work by creating sustainable solutions essential to a better, safer, healthier life for people everywhere. Operating in more than 70 countries, DuPont offers a wide range of innovative products and services for markets including agriculture and food; building and construction; communications; and transportation.

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