

## **CORNERSTONE LAYING CEREMONY AT EUROPEAN BATTERIES' LI-ION BATTERY FACTORY IN VARKAUS, FINLAND**

Construction works of an advanced lithium-ion battery factory are well on their way in Varkaus, Finland. The traditional cornerstone laying ceremony was held on February 9, 2009. The honorary guests included Finland's Minister of Employment and Economy, Mauri Pekkarinen and three Members of Finland's Parliament.

When completed, the factory will manufacture safe and eco-friendly high-capacity batteries for industrial, energy and transportation needs. The factory will utilize world's most advanced lithium-battery technology, which has been developed in close co-operation with EB's American technology partner, K2 Energy Solutions, Inc. The companies are working in close co-operation in developing the most efficient, safe battery chemistry for high-capacity batteries in order to create world's leading high-capacity battery product.

The demand for efficient and intelligent electric energy storages is growing fast as the usage of fossil-based fuels has become unsustainable. Electric energy storages are more efficient, more durable, lighter and eco-friendlier than traditional batteries.

European Batteries Oy is one of the first manufacturers of high-capacity batteries in the world. These batteries will be integrated with the intelligent battery management and controlling system developed and patented by Oy Finnish Electric Vehicle Technologies Ltd (FEVT). This provides the new opportunities for energy storage solutions in i.e. mobile industrial machines, vehicles and energy production.

European Batteries Oy is owned by private equity investors, FEVT and EB's key personnel.

### Varkaus Factory

The construction works will be completed and test production started in the fall 2009. Process equipment will be installed by the end of 2009 and the actual production will start at the beginning of 2010.

Factory's capacity will be increased to the planned 100 MAh by the end of 2012. The expansion will be performed in phases by adding production equipment and extending the factory building. After the expansion the factory will employ 200 people.



PRESS RELEASE  
February 9, 2009

The total investment of the Varkaus factory project is 30 million euro. It is financed in co-operation with Tekes, North-Savo TE-center, Finnvera Plc, Nordea Bank Finland Plc, OP-Bank Varkaus and private investors and is partly funded by the European Union. The factory building itself will be leased from Mid-Savo's Industrial Village Oy. Project development was started in 2006 in co-operation with Mid-Savo's Development Company and it fully supports the energy technology focus of the economical strategy of the City of Varkaus.

More information on the factory project:

Mika Räsänen

CEO European Batteries Oy

Mob: +358 50 352 9984

@europeanbatteries.com

Allan Hahtala

CEO, Mid-Savo's Industrial Village Oy

Mob: +358 400 670 484

@navitas.fi

More information on the intelligent battery management systems:

Martti Alatalo

CEO Oy Finnish Electric Vehicle Technologies Ltd

Mob: +358 50 444 0830

@fevt.com