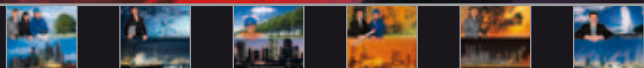


STORK®

Thermatics

>>>> 012 January 2010



Introducing Robert Nijhuis, Managing Director

**What is your professional background in the international power industry?**

Since I graduated as a Chemical Engineer, I started to work in the oil & gas industry. Initially as Process Engineer, but very soon I came into contact with rotating equipment. This has interested me all my life. Initially I only worked with centrifugal compressors but later also with gas turbines. During my time at Solar Gasturbines, approximately 15 years ago, I came into contact with the power market. Since then, I have been working in oil & gas as well as the power market. It is very interesting to see what the main differences are in the approach between these two markets.

What is your first impression about Stork Thermeq in general?

Stork Thermeq is a team of very enthusiastic people who love their job. That is the key requirement if you want to have a successful company. We have a thorough knowledge of our current products but also have plenty ideas

about interesting innovations that may change the market. The company has grown substantially in the last few years and we want to grow even further in the future. That requires a lot of attention. We are committed to do what we have promised our customers.

So which managerial actions can be expected from you?

These actions can roughly be divided to achieve the following two goals: to professionalize the organization even further to achieve sustainable growth and to make us even more customer and market focused. Several issues have already been implemented while others take a bit more time.

What are the major developments in the power sector influencing the company policy?

The global energy industry is at a key juncture in terms of its short and long term outlook. On one hand, the highly volatile commodity markets and the prevalent low prices following the global recession have resulted in an overall bleak >>>

200 ton deaerator reaches Stork harbour

During heavy snowfall at the beginning of January 2010, Stork Thermeq successfully moved an impressive 200 ton deaerator to the harbour. With a length of approximately 40 meters and a diameter of 5 meters it was a real challenge to load the deaerator during these extreme weather conditions. If you are interested in logistic craftsmanship, just visit YouTube:

www.youtube.com/watch?v=zOSasDzsrCw



Thermatics

Advanced software solutions for consultancy and engineering

Agents meeting with country presentations

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Partner in Greece

ServiceLink starts in the Greek energy market

>>> Introducing Robert Nijhuis, Managing Director

outlook for the industry in the short term. On the other hand, 2009 has been the year of the Global Climate Change Summit which, although the initial result may be disappointing for some of us, may lead to a global climate change framework thereby establishing norms to mitigate climate change, which in turn is expected to have a significant impact on the energy industry in the long term. The two main factors of global recession and climate change are threatening the energy industry by providing a negative outlook for the energy demand in the future. However, there have been signs of a global economic recovery with many of the large economies growing positively, which is expected to be the key trend in 2010. The negative outlook on the energy industry has also depressed the valuations of the companies and their assets. However, companies with strong fiscal positions are seeing this as an opportune time for mergers and acquisitions and to buy assets. With the global economy poised for recovery in 2010, the energy industry is expected to witness a positive outlook with various segments witnessing these key trends.

How does Stork Thermeq respond to the Energy Transition?

We do this in various ways, but one of our latest developments is that we have established a new business line in response to the changing market: Small Thermal Systems. This group of experts provides solutions for waste heat, which we transfer into electricity, mainly via the use of our "Modular Steam Cycle". With our MSC, waste heat is used to produce steam which, in turn, is used in a steam turbine driven generator set in order that we can sell electricity to the grid. Technically not a new solution, however the business model we are using also provides the financing for our customer. In addition the carbon footprint of the installation will be reduced significantly. This makes it even more interesting to the market, as no investments are required from our clients.

You've already met some of our agents.

What's your opinion on the international sales network?

Impressive, but we can still take a big step for-

ward. Some potential interesting markets are not yet covered by us, so there is certainly an opportunity to grow.

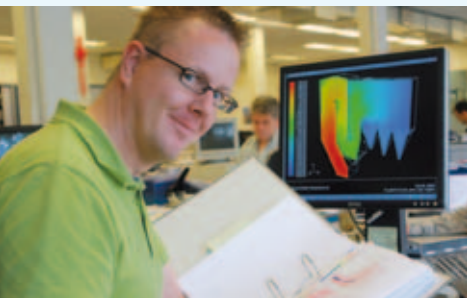
How can we improve our customer approach?

With customers, I do not only mean our external customers, but also our internal customers, i.e. our own colleagues. Our systems and processes will be more customer focused and even more efficient (e.g. our Lean Engineering project) with clearly defined roles and responsibilities. We have done this by introducing a Business Line Manager, who will not only be responsible for sales, but also for (quality) improvement programs, cost reduction programs and making sure we have a market driven R&D program. Our external customers will benefit from this as we will have a flexible organization which is able to quickly respond to market demands.

Advanced software solutions for consultancy and engineering

Demand for CFD studies

"The present computing system needs to be able to keep pace with our customers' needs. Not only was the number of jobs we were asked to take on rapidly increasing, but each job's CFD calculations (Computational Fluid



Dynamics) were becoming more and more complex," says Dr. Marco Derksen, Manager of Research and Development at Stork Thermeq. "Our existing hardware and software platform was unable to perform fast enough for us to keep up with all this. We decided to remove this bottleneck."

High Performance Computing

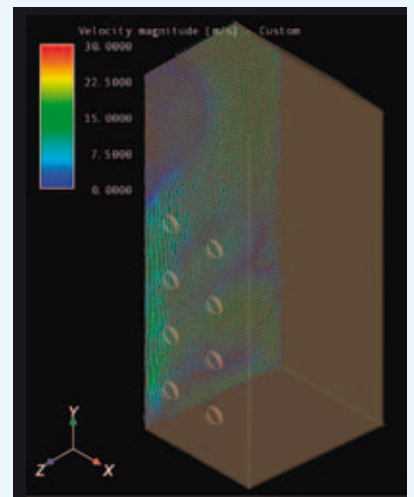
After carrying out a series of tests in conjunction with Dell and using new Dell hardware, we ultimately decided to configure a 40-core cluster that ran the newer Windows HPC Server 2008 operating system on Dell PowerEdge R610 computers. The operating system is built on the Windows Server® 2008 64-bit operating system and includes a Microsoft message passing interface (MPI).

Benefits

For Stork Thermeq, using a Windows HPC Server 2008 will help support business growth through faster performance and the ability for more thor-

ough research. "We're in a great position with the Windows HPC Server 2008, and we can only grow from here," says Derksen. "We are now able to respond far better to customer demand than in the past".

The company's migration to a Windows HPC Server 2008 is resulting in a higher quality product for its customers. "Because we can run jobs more efficiently, we're able to do more research and gain deeper insight into a particular challenge within the same amount of time," says Derksen.



In the near future, Stork Thermeq will expand its HPC research services to provide for Stork business units beyond Stork Thermeq. "We're now ready for whatever requests are made to us, whether they come from within our division or from our parent company. We have a widely accessible, fully scalable structure in place - it's just a matter of quickly adding compute nodes as needed, which we can do ourselves, with no outside experts necessary."

Partner in Greece

ServiceLink starts in the Greek energy market.



Mr. Karagiorgas, how long have you been active in the power sector?

I am a professional Mechanical Engineer and I have been active in the power sector for over 25 years. My colleague Mr. Christos Vorris has spent over 30 years with the public Greek electricity company (PPC- Public Power Corporation) in various positions in Hydro and Thermal Power Plants.

Mr. Christos, what is exactly your background as former PPC-Manager?

I obtained an Engineering Degree in the US and had a long and successful career with PPC. I started as a manager of the "LADON" Hydro plant and then, in 1982 I worked as a maintenance engineer at the PPC "ALIVERI" Thermal Power Plant, where I was responsible for Maintenance Activities for 15 years. I continued at the "St. Georges" Thermal Power Plant near Athens where I supervised the revamping and conversion to gas firing of the plant and then became Maintenance Manager.

How did you find out about Stork Thermeq and how did you contact them?

We have been familiar with Stork for a very long time since we both have spent a lot of time inside Thermal Power Plants. In early 2009, when Christos started as a consultant with ServiceLink, we thought that Stork Thermeq would be an ideal partner for us in the further development of our service activities with the power sector in Greece. A first opportunity came when we became aware of a project for power enhancement with gas turbines. After a first contact by e-mail, we paid a visit to the Stork Thermeq premises and our collaboration started. We are very confident that we will succeed in bringing in contracts for Stork Thermeq. We have recently visited several power plants in Greece with Mr. Jurjen Siegersma of Stork Thermeq. The feedback from the management of these potential customers has been extremely positive.

What kind of opportunities do you see in Greece for Stork Thermeq and its products?

We believe that there is a deaerator market for the immediate future, as well as opportunities for firing improvements with existing power plants and providing solutions for extending the life of older power plants. We look forward to having closer relations with Stork Thermeq and we have signed already our first contract in 2009. Additional projects for 2010 are in progress.

Agents meeting with country presentations

Theme: 'A tradition of improvement'

On 25 and 26 November 2009, more than 20 agents were present during the '2009 Stork Thermeq Agents Meeting'. The programme was mainly focused on the mutual transfer of knowledge. Many agents explained the situation with regard to energy production in their respective countries. Stork provided presentations on the entire supply programme and the current R&D activities. To conclude the events, a workshop was held to discuss the common action points for the future.

The programme of 25 November was aimed at burners for direct firing and supplementary firing. Marco Derksen also discussed the new burner developments in the field of Ultra Low NOx technology. Agents furthermore explained local market developments and translated these to sales efforts for the future. On the second day, the technical aspects of deaerators were discussed. Albert ter Maat - Manager Engineering - extensively discussed deaerator retrofits. Since



1995, Stork Thermeq has retrofitted deaerators to the so-called Spray Type concept on a world-wide scale. Jasper Sterenberg - Business Line Manager Deaerators & Swirlflash - drew attention to the sales approach for deaerators. The online Deaerator Design Tool is now used by many clients and their engineering department for the initial design of the deaerator.

Furthermore, Swirlflash was briefly discussed. The workshops regarding 'burners OEM, deaerators and retrofits' were completely focussed on the theme 'a tradition of improvement'. In small groups agents and Stork employees discussed the future marketing strategy. Following this the agents visited the Stork boiler room with the test burner installation (9 MWth).

Order highlight 3rd & 4th quarter 2009:



- Metka, Greece: Engineering, manufacturing and supply of one deaerator for Petrom's Brazi CAPP
- AZN, The Netherlands: Replacement of 9 evaporator and superheater bundles
- Ambarli Project, Turkey: 2 LP drums
- Attero, The Netherlands, manufacturing and exchange of 2 superheaters
- Makhteshim, Israël: 1 waste heat exchanger
- Electrabel, The Netherlands: exchanging HP safety valves
- SRT, The Netherlands: on-site erection of HRSG and auxiliary boiler for the Schoonebeek oilfields re-development project
- Mellach Project, Austria: 2 deaerators
- Shell, The Netherlands: Engineering study for NOx-emission reduction
- Enecogen Project, The Netherlands: 2 deaerators
- Twence, The Netherlands: revision and modification of the existing biomass boiler unit
- Essent Projects BV, The Netherlands: additional order based on EPC-contract for upgrade of the complete cooling water system for the Claus Centrale in Maasbracht.

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Two projects for the year-end donation

Independence starts where education begins

This is the central theme for the school project in the village of Samoeng, approximately 40 km northwest of Chiang Mai in the north of Thailand. By offering proper education people are able to become independent and therefore self supporting. For this project the Samoeng foundation has been set up. Initially the toilet building of the school was renovated. Later the classrooms were tiled. Many of the in total 130 children come from the surrounding mountain villages. Every day they have to walk for hours to reach their school. For these children it is very important that they get a good meal at school. The donation from Stork Thermeq will therefore be used to renovate the kitchen and canteen.

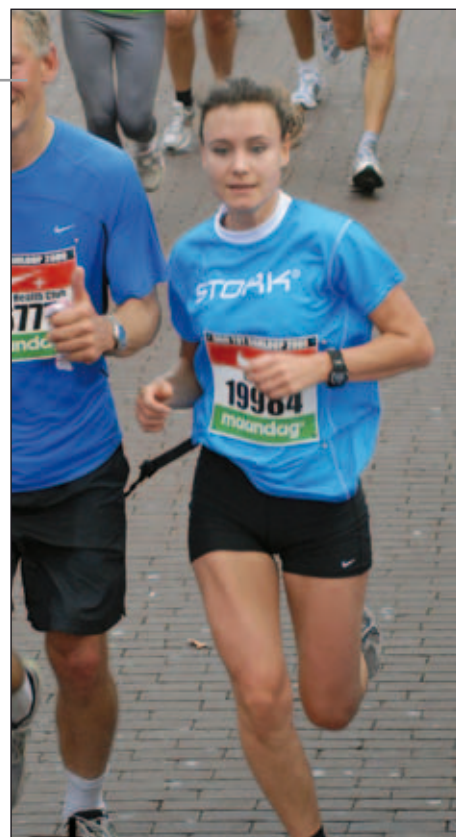
The second project is Umanconstruct, a Romanian society focussed on the successful integration of children raised in an orphanage. Part of this project covers offering housing, food, care and guidance, in order to be able to live independently. In the period from 2002 to 2010, Umanconstruct has been building a new centre for its youth work. The build is jointly realised with the efforts of the children themselves. This means that two important goals are achieved: improving the accommodation and gaining practical building experience. The construction of the last house was planned for 2009. The donation from Stork Thermeq will be used to build the main building.

100% of both donations is used for the project in question.

Stork on the run

With 270 "Storkers", there was again a strong presence at last year's DAM TO DAM business run. This Dutch running event from Amsterdam to ZaanDAM, celebrated its silver anniversary. The large number of Stork participants, wearing blue shirts, and the "heavily branded" VIP hospitality made sure that Stork was clearly visible at the event. With so many male Stork employees it was rather surprising that our Stork Thermeq trainee Bo Budé became the fastest lady.

All results are published online:
<http://evenementen.uitslagen.nl/2009/damloop>



"Bo in the winning mood"