



PLANET CAPITAL

News release

H.C. Starck acquires majority holding in InDEC

H.C. Starck GmbH celebrated the acquisition of a majority holding in the Dutch producer of fuel cell components, InDEC B.V. Petten, with an official ceremony at the Selb site of its subsidiary H.C. Starck Ceramics, on April 1, 2003. Bavarian and Dutch representatives from business and politics also attended the event hosted by the mayor of Selb, Wolfgang Kreil.

H.C. Starck GmbH, Goslar, the Dutch research institute ECN (Stichting Energieonderzoek Centrum Nederland), also located in Petten, and Planet Capital, Zeist/Netherlands, a major shareholder in InDEC, initially signed a non-binding letter of intent concerning the takeover in November 2002. The transaction was ultimately concluded at the end of February 2003. H.C. Starck and ECN will also collaborate on a research project in the field of solid oxide fuel cells, better known as SOFC. (The total investment will be in the double-digit million euro range.)

The Energy Research Center of the Netherlands (ECN), is an independent, market-oriented foundation for research, development, consulting and knowledge-transfer. ECN plays a key international role in the development of sustainable energy supply. For the commercialization of promising developments, ECN then looks for competent partners like H.C. Starck who have the necessary marketing and sales infrastructure to successfully position the new technologies in the world market.

Planet Capital managed by Planet Capital Management is a Venture Capital Fund in creation, with focus on early stage, fast-growing, technological, renewable-energy technology and services ventures.

In 1999 ECN founded the subsidiary InDEC, which operates a pilot plant for the production of components for solid oxide fuel cells. As a consequence of H.C. Starck's longstanding SOFC powder development efforts, an intensive contact has existed with ECN and InDEC for several years.

This mutually beneficial cooperation will deepen through the acquisition. By combining the SOFC activities of H.C. Starck and InDEC, it will be possible to realize future synergies in materials development and component production. With InDEC ECN has thus seen the successful outcome of yet another project.

The actual series production of fuel cell components will take place at H.C. Starck's site in Selb at a later date. This project will require additional investments and new jobs will be created.

Ernst N. Jung, member of the Executive Board of expressed his enthusiasm for the acquisition: "Through this acquisition, H.C. Starck has secured excellent business prospects for this promising technology and taken a further step in forward integration."

Dr. Kees van der Klein, former Managing Director of InDEC and now a Director at ECN, says: "InDEC has found the suitable strategic partner with the right know-how to set up mass production facilities and to commercialize the fuel cell technology."

Dr. Albert Fischer, Managing Partner of Planet Capital stated that "this acquisition by H.C. Starck demonstrates that venture capital plays a pivotal role for early stage products and concepts for the energy industry."

With fuel cells chemical energy is converted into electricity in a direct electrochemical process. The resulting high efficacy for electrical energy production leads to an efficient and thus an ecologically and economically optimal use of the combustion gases. There are different kinds of fuel cell systems, but H.C. Starck and InDEC have concentrated on the production of planar ceramic components for SOFC systems. H.C. Starck/InDEC have supplied the new cells to developers of fuel cell systems that have already begun testing pre-series models of fuel cells in practice.

The potential market for the application of SOFC technology mainly targets the market for decentralized energy supply in households. Another application for the future is in vehicles, where SOFC can supplement starter batteries as a second energy source to reduce the combustion of diesel fuel and thus also emissions.

InDEC's pilot production and staff will remain in Petten. Dr. Alexander Michaelis of H.C. Starck has been appointed Managing Director of InDEC.

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