



Paris, 8 August 2006

## Press Release

### **VELCAN ENERGY BECOMES ELIGIBLE FOR INVESTMENT BY FCPI (FRENCH FUNDS FOR INNOVATION)**

On the 17th of July 2006, the French Government Agency OSEO ANVAR's recognized the innovative character of the projects presented by the company Velcan Energy.

The purpose of that "innovative business" certification is to enable funds for innovation (Fonds Communs de Placement pour l'Innovation) to invest in the Company and classify this investment in the share of their funds that they must invest by Law into innovative companies if they want to keep their favourable tax treatment. The innovative character has been approved for a 3 year period.

**Velcan Energy** is a French company specializing in "green" energy production, mostly involving electricity generation using biomass combustion and hydroelectric technologies. Velcan Energy has two sources of revenue: sale of energy (electricity and steam) and sale of CDM credits.

**Velcan Energy** operates in Brazil through its subsidiary Velcan Desenvolvimento Energético do Brasil Ltda and in India through its subsidiary Velcan Energy India Pvt Ltd.

Velcan Energy is listed on the Paris Stock Market (Euronext, MLVEL) and is a member of the Paris CDM credit exchange, Powernext Carbon.

#### **Shareholders:**

Financière Saint Merri SA (leading shareholder Crédit Agricole)  
Private investment funds in France and UK

#### **Sites:**

France: Paris (Velcan Energy SA)  
India: Bangalore (Velcan Energy India Pvt Ltd)  
Brazil: Sao Paulo (Velcan Desenvolvimento Energético do Brasil Ltda)

**Workforce: 80**

#### **Contact details**

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**Velcan Energy**

Jean-Luc Rivoire  
Chairman  
+33 (0)1 42 68 51 08

**Velcan Energy**  
75 bd Haussmann, 75008 Paris, France – [www.velcan.fr](http://www.velcan.fr)

**Velcan Energy** is a green energy producer.  
**Velcan Energy** is listed on the Euronext Paris stock market (code MLVEL).

**Disclaimer**

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