



## ***Press release***

### **SWAY raises NOK 150 million to realize deepwater wind turbines**

**Bergen, Norway, 11 July 2007: The floating wind turbine company SWAY has concluded a private placement of NOK 150 million. The placement provides the necessary financial platform for a commercialization of the company's unique and patented deepwater wind turbine technology. Statoil and Lyse are the major participants in the equity issue. In addition, Scatec (the company of REC-founder Alf Bjørseth) and Rosenberg Verft were significant participants in the placement.**

The company SWAY has, together with its main shareholder Inocean, developed a unique patented technology that enables the construction of floating wind turbines offshore. SWAY and its founder Eystein Borgen were awarded DnBNOR's Innovation Price in 2006 for their accomplishments. The proceeds from the equity issue provide a strong platform for commercialization of the technology.

Building of full-scale pilots for testing will be central in the further process. The first pilot can be completed within 2010. Commercial deliveries can start in 2012. – We are very pleased to have obtained the necessary financial funding, says Eystein Borgen, CEO of the company. He stresses that the progress plan is ambitious but realistic: - We are in the process of establishing a company organization and expect start-up of pilot projects already this autumn.

#### **Large shareholders are important industrial partners**

Borgen appreciates that SWAY has attracted important investors that can contribute with competence, network and experience within power production, renewable energy and complex offshore projects. – This provides an assurance for the quality of our achievements so far. In addition, these players will be important industrial partners in the implementation of our future plans, he says.

This is how the new shareholders view their investments in SWAY:

- **Statoil** works actively with business development within new and cleaner energy solutions. Our offshore competence provides a strong foundation for leading the development of future technology for renewable energy offshore, says Ann-Elisabeth Serck-Hanssen, Head of Statoil Ny energi.

- We see offshore wind as a promising energy technology, also in connection with reduction of CO2-emissions from the oil sector, says Alf Bjørseth, owner of **Scatec**. – Through our subsidiary NorWind we plan to become a significant player in this segment by investing in complementary technology companies and contribute to develop these.

- Lyse will contribute to flexible and resilient energy solutions, and sees offshore wind turbines as an exciting opportunity to strengthen both the environmental and supply security, says Product Manager Arne Aamodt in **Lyse**. Lyse has issued a pre-announcement of the development of a wind park outside Utsira, where SWAY's technology is planned to be used.

- We see this as a very interesting investment. Alternative energy must be developed, and we would like to contribute to build an offshore wind turbine industry in Norway. It adds to the excitement that we talk about an investor group where several of the investors are from the Stavanger area, says CEO of **Rosenberg**, Agnar Gravdal. Rosenberg may also get involved in the actual production of such wind turbine systems.

### **SWAY's offshore wind turbines offer unique utilisation of offshore wind**

During more than five years, SWAY has been researching how the energy resources in offshore wind could be utilised as a renewable energy source. The Norwegian Water Resource and Energy Directorate (NVE) has calculated the energy potential in Norwegian oceans with maximum water depth of 50 meter to 800 TWh annually. In comparison, the total Norwegian power consumption in 2020 is estimated to 140 TWh on an annual basis. By also being able to utilise deepwater areas further offshore, the way SWAY enables, the theoretical potential is many times larger. – In theory, the energy potential from wind power offshore in the Norwegian economic zone is several hundred times larger than the hydro power in Norway, says Borgen.

With SWAY's patented technology floating wind turbines adapted to ocean areas with deep water and rough weather conditions, such as in the North Sea, can be built. The construction utilises the strong wind offshore, while avoiding some of the challenges with wind turbines located onshore. SWAY's wind turbines offshore can be anchored in ocean areas with several hundred meters water depth and will be designed to withstand extreme weather conditions.

ProCorp ASA has been acting as SWAY's advisor in connection with the equity issue.

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Appendices:

Short CV and picture of Eystein Borgen

Data image of wind park offshore

For further information see:

[www.sway.no](http://www.sway.no)

[www.lyse.no](http://www.lyse.no)

[www.statoil.com](http://www.statoil.com)

[www.scatec.no](http://www.scatec.no)

[www.rosenbergverft.com](http://www.rosenbergverft.com)