



Tall Oil

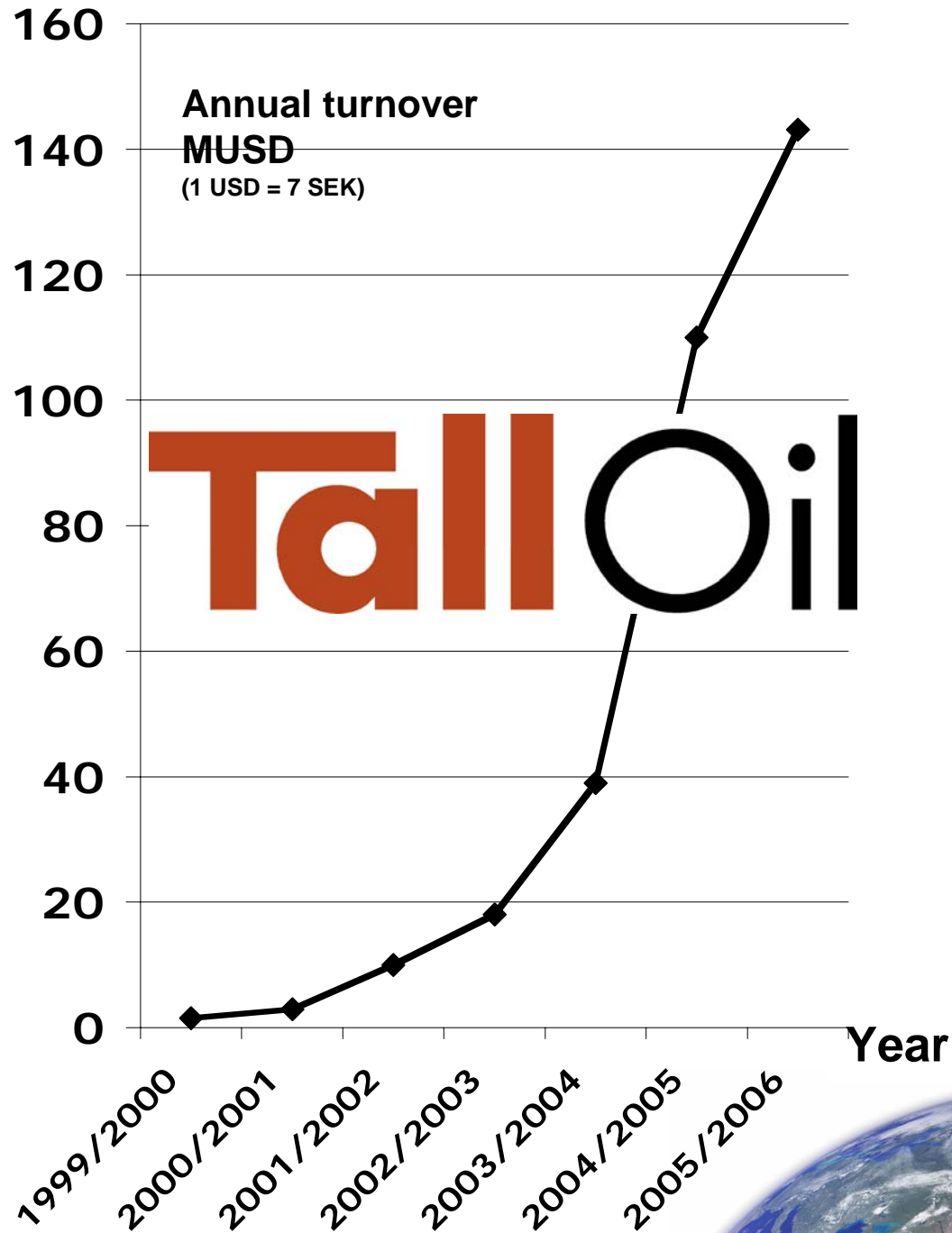
**Bio-energy Trade. Sources and Markets seen from
a company perspective**

Bo Hektor

Lappeenranta 2006-10-25



Tall Oil



Business Activities

Bio-oils (fuel oil replacement)

Renewable transportation fuels, ethanol

Solid bio-fuels

Combustion engineering

(operating under names TPS, VTS, and Fagersta)

The TalOil Group of Companies employs more than
180 professionals



Business Activities (cont.)

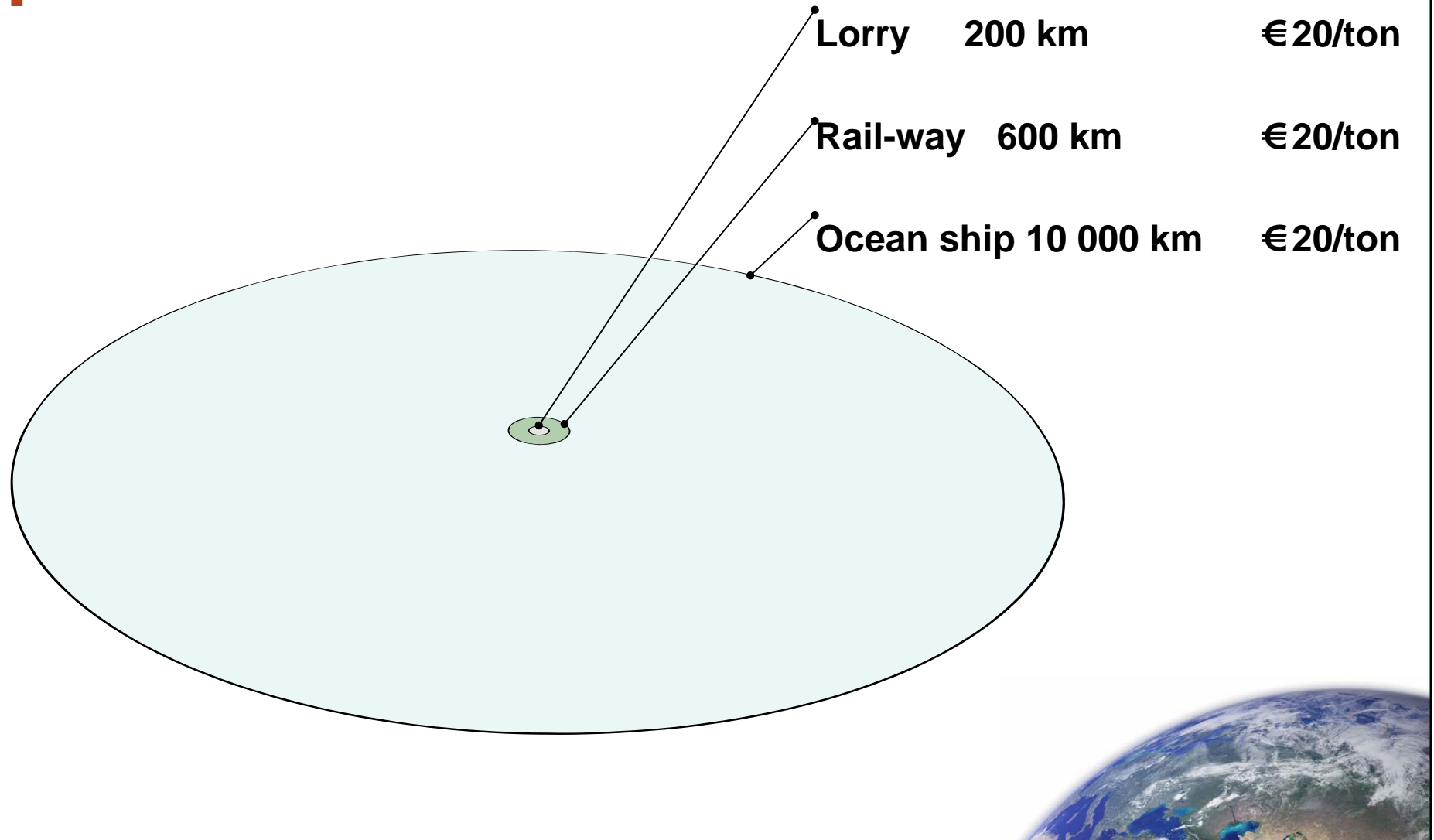
We have production and/or other business activities in the following countries or regions:

- Sweden, Finland and The Baltic States
- UK, The Netherlands and Luxembourg
- Russia
- Canada & USA
- South America



Transport Costs

(general example)



Why B.C. Canada?

- Excess of woody biomass
- Efficient forestry and wood industry sectors
- Well functioning infrastructure
- Experience of large scale production and export projects
- Social environment and language



Russia

- Large resources of raw material and land
- 6+ months of winter
- Language
- Business culture
- Bureaucracy
- Safety and comfort



National Commitments; renewable Power

	National goal 2010	Percent renewable production 2003	Difference	Total electricity production 2003, TWh	Absolute difference, TWh	New added /substituted capacity*, GW
France	21,0%	13,0%	-8,0%	566,9	-45,4	7,559
Italy	25,0%	12,8%	-12,2%	293,9	-35,9	5,976
United Kingdom	10,0%	2,8%	-7,2%	398,6	-28,7	4,783
Germany	12,5%	7,9%	-4,6%	599,5	-27,6	4,596
Sweden	60,0%	40,0%	-20,0%	135,6	-27,1	4,520
Spain	29,4%	22,3%	-7,1%	262,9	-18,7	3,111
Austria	78,0%	59,5%	-18,5%	63,2	-11,7	1,949
Finland	35,0%	21,8%	-13,2%	84,2	-11,1	1,852
Poland	7,5%	1,6%	-5,9%	151,6	-8,9	1,491
The Netherlands	12,0%	4,7%	-7,3%	96,8	-7,1	1,178
Greece	20,1%	9,6%	-10,5%	58,5	-6,1	1,024
Slovakia	31,0%	12,0%	-19,0%	32,1	-6,1	1,017
Czech Republic	8,0%	2,8%	-5,2%	83,2	-4,3	0,721
Portugal	45,6%	36,4%	-9,2%	46,9	-4,3	0,719



TallOil's Conclusions

- Demand for Bioenergy is increasing in Europe
- Retrofit of large Oil/Coal Plants to bioenergy is a cost efficient way to meet targets
- Secured supply is required to support investments
- TallOil's combined competence enables us to implement integrated retrofit/supply projects

