

# SIEMENS

## **Siemens Venture Capital Completes Investment in Beijing based PowerU International, Ltd.**

### **Siemens investment to boost PowerU position in China's booming energy market**

Beijing, June 28, 2007— Siemens Venture Capital (SVC) has completed an investment in PowerU International, Ltd's ([www.poweru.cn](http://www.poweru.cn)) B-round financing. PowerU, a market-leading, Beijing-based company founded in 2001, is the world's most advanced provider of chilled water cool storage technologies and solutions for airports, hotels, malls, and manufacturing facilities. The second round, completed June 14, 2007, follows an initial round of private financing which was completed December, 2003, and led by the China Environment Fund ("CEF"), the PRC's most prominent "cleantech" fund.

As PowerU's strategic investor with relevant industry background, Siemens Venture Capital's ([www.siemensventurecapital.com](http://www.siemensventurecapital.com)) investment will help expand PowerU's already significant market position. PowerU's energy storage technology is complementary to Siemens' building energy saving solutions enabling PowerU to provide better and more comprehensive value-added services in its energy efficiency solutions.

Siemens Venture Capital investment partner, Ms. Madeline Song, said: "PowerU's self-IPed chilled water cool storage and energy saving technologies have proven to be extremely reliable and competitively priced during the past six years. Their solutions have resulted in energy-saving results for a variety of customers including Shanghai's Pudong Airport; electronics factories including LG Philips; semiconductor manufacturing plants; five-star hotels and other large-scale air conditioning users. Its energy management contract service in particular provides low-entry adaptability to companies facing peak-load electrical power supply constraints. PowerU's solutions and services show a quick recognition of market opportunities and the company is already far ahead in the domestic market for chilled cool water storage. I firmly believe they will soon become a major contributor to China's growing energy management industry."

China's power generation and installation capacities are already ranked second in the world. The country's rapid economic development, however, has created a number of significant challenges for industry with peak load power growing rapidly while the network load rate is rapidly declining resulting in significant waste in resources and energy. In response, the Chinese government has introduced relative incentive policies, including: time difference power pricing, relief of capacity expenses for cool storage users, and special discount price for cool storage users.

Although the conditions for marketing cool storage are gradually maturing, for the majority of users, the payback period remains comparatively long particularly for larger projects—creating opportunities for PowerU to research and develop a new generation of large temperature difference water cool storage conditioning systems at home and abroad. The patented water cool storage solution has the advantages of both ice-storage and water storage systems. Its advantages include: small-size and the ability to operate in environments with wide temperature differences as well as cost-effective construction and operating costs. Currently, all of China's large temperature difference water cool storage systems have adopted this technology with significant performance results as well as shorter payback periods.

PowerU currently has two major models in energy management business: the sharing of energy saving and the guarantee of energy savings. Since its founding, the company has more than 50 water cool storage customers' success stories. Users include the Pudong International Airport, the LG Philips Electronics Corporation, Guilin Liangjiang International Airport, the Nanning International Hotel, and Shanghai Meiwei Electronics, Guangdong Jinbao Electronics.

#### **About Beijing PowerU Technology Limited Cooperation (PowerU)**

PowerU mainly provides water cool storage solutions and its energy management services. It grows up in Chinese specific environment. It has a unique operation concept, independent energy-saving technologies, services and management. PowerU is the most advanced provider of Chilled Water Cool Storage Technologies and cool storage conditioning solution, and the leader of water cool storage system technology in the world. All the current large difference temperature water cool storage conditioning systems in China have been constructed by applying PowerU's invention patents, which has made remarkable economic and social benefits. PowerU Energy Management Contract business has got great help and financial support from the National Development and Reform Commission / World Bank / Global Environment Facility (GEF) China Energy Saving Promotion Project.

#### **About Siemens Venture Capital**

Siemens Venture Capital (SVC) is the corporate venture organization for Siemens AG, one of the largest global electronics and engineering companies, with reported worldwide sales of 87.3 billion euros in fiscal 2006. SVC's goal is to identify and fund investments in emerging and innovative technologies that will enhance the core business scope of Siemens, particularly in the focus areas of long-term growth markets such as Energy & Environmental Care, Automation & Control, Industrial & Public Infrastructure, and Health Care. To date, we have invested over 700 million euros in more than 100 startup companies and 35 venture capital funds, making venture capital at Siemens an integral component of the Siemens innovation and growth strategy and supplementing its in-house research and development activities (5.7 billion euros and 50,000 R&D experts in 2006). SVC is located in Germany (Munich), in the U.S. (San

José, CA and Boston, MA), in China (Beijing and Shanghai), in India (Mumbai and Bangalore), and is active through Siemens' regional unit in Israel. SVC is part of a greater network at Siemens whose mission is to drive technological innovation by supporting startup companies. In addition to Siemens Venture Capital, Siemens Technology Accelerator and Siemens Technology-To-Business Center also contribute to Siemens' innovation strategy. Their individual mandates are defined according to financing stages and industry focus. More information can be found at: [www.siemensventurecapital.com](http://www.siemensventurecapital.com)

### **About the China Environment Fund**

China Environment Fund (CEF) is the first and most prominent VC fund in cleantech investment arena in China since 2002. The limited partners of CEF are prestigious international financial institutions including LESS and Asia Development Bank. The primary focuses of CEF are renewable energy, energy efficiency, environment protection, CDM, waste management, sustainable agriculture, etc.

With two China Environment Funds under management, Tsing Capital (formerly "Tsinghua Venture Capital Management") affiliated with Tsinghua Holdings, is the first and prominent VC management firm in cleantech investment in China. Mr. Don Ye, Managing Partner of Tsing Capital, was awarded Cleantech Pioneer by the Cleantech Venture Forum. Tsing Capital has been highly recognized by international and local communities for its domain expertise and successful track record.

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