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E-STAR ALTERNATIVE PLC. EXTRAORDINARY ANNOUNCEMENT

E-Star to acquire EETEK Group and enter Polish energy market

E-Star doubles business with acquisition

E-Star Alternative Plc. signed an agreement to purchase the equity of EETEK Group for EUR 21 million. The acquisition enables E-Star to get access to energy generation capacities of Mielec Sp.z.o.o and Gorlice Sp.z.o.o. as well as to control the electricity trading services of Euroenergetyka Sp.z.o.o. E-Star also acquires FondElec Polska Sp.z.o.o. in Poland and two Hungarian projects. The acquisition is perfectly in line with E-Star's strategy and adds an estimated EUR 5,1mn EBITDA in 2011. The revenue of E-Star is expected to grow by EUR 40mn.

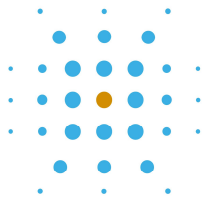
On the 16th of May, 2011 E-Star Alternative Plc. signed an agreement to acquire 100% of EETEK Group. The financial closing of the transaction is expected to be completed by 31st of May, 2011 the latest. According to the share purchase agreement E-Star assumes liability for and benefits from the business activity of EETEK Group as of 1st of January 2011.

EETEK Group has a diversified alternative energy portfolio (wind, solar, biogas and CHP based heat and electricity production) with projects spread out in 6 countries. E-Star will create significant value with restructuring and slimming EETEK's diverse operations. We will divest projects that do not fit into current strategy and will keep primarily heating projects in Poland and Hungary. With the restructuring we aim to reduce EETEK's regulatory risk due to the current high exposure to government support dependent projects. We will complete the restructuring during 2011 at an estimated cost of EUR 5mn.

Based on EETEK's geographic coverage, market segments and client portfolio, the trans-

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action fits perfectly into E-Star's strategy. E-Star enters Poland and gets access to a blue chip clientele in the industrial segment while setting strong feet in the residential heating business. E-Star gains 258 MWt heat generation capacity in Poland as well as 13,5 MWt heat capacity in Hungary. The acquisition further supports E-Star's strategy, which aims to develop co-generation capacities so that energy generation can be undertaken in the most efficient way. By co-generation E-Star gains 31 MWe electrical energy generation capacities in Poland. With the acquisition of the subsidiary Euroenergetyka Sp.z.o.o., E-Star will establish its presence on the Polish electricity trading market.

In addition to the Polish companies of the EETEK portfolio, we see significant value in Hungary at the RESZ Kft. and EPV Biogáz Kft. RESZ Kft. provides outsourced energy generation services for leading industrial customers including RÁBA (truck parts manufacturer), Audi (motor factory) and Dana (automotive parts producer). EPV Biogáz Kft. is a Hungarian project company that has the license of starting a biogas project near Pécs.

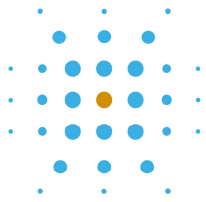
The transaction is a huge step for E-Star to fulfill its strategic objectives, namely, that Poland will contribute to its EBITDA with a 40% share by 2015. With this acquisition, E-Star doubles its size. 39% of E-Star's EBITDA is expected to come from Poland this year (Hungary will produce 26%, while Romania 35%). EETEK will produce 38% of E-Star's overall EBITDA in 2011. The workforce of E-Star will grow by 340 people, 260 in Poland and 80 in Hungary. The workforce will be a valuable addition to the engineering expertise of the company as well as it will provide the basis for the Polish organization.

E-Star's board of directors has decided that after closing the EETEK acquisition E-Star will elect Euro as the consolidated reporting currency for the group.

E-Star upgrades its financial forecast for 2011 with the following figures: we expect EBITDA approximately EUR 13,2mn in 2011 and EUR 20,5mn in 2012. Net income will reach approximately EUR 8,1mn and EUR 10,1mn respectively. Consolidated equity is expected to reach EUR 39,1mn by the end of 2011. These forecasts include acquisition and restructuring costs of EETEK Group in 2011 and also assume more conservative forecasts for the growth of the Romanian ventures. In line with the increased business activity of E-Star overhead costs will rise to EUR 4,9mn in 2011. Overhead costs have reached the level which is sufficient to manage the company in three countries. More detailed forecasts

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