



TERNA Lecture 2009

SIAG GROUP

SIAG Schaaf Industrie AG

Dr. Alexander Hufnagl, COO

Berlin, 9 November 2009



About SIAG

SIAG GROUP:

- Established in 1996
- Workforce approximately 2,000
- 10 production sites
in Germany, the Czech Republic,
France, Egypt, USA



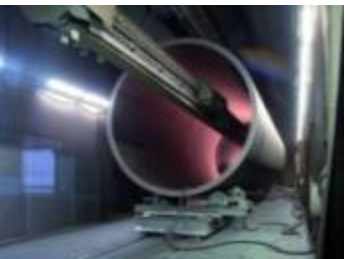
Business Units:

- Onshore and offshore wind energy
- Environmental engineering & power engineering
- Mechanical engineering

Experience gained in Egypt as an international component manufacturer



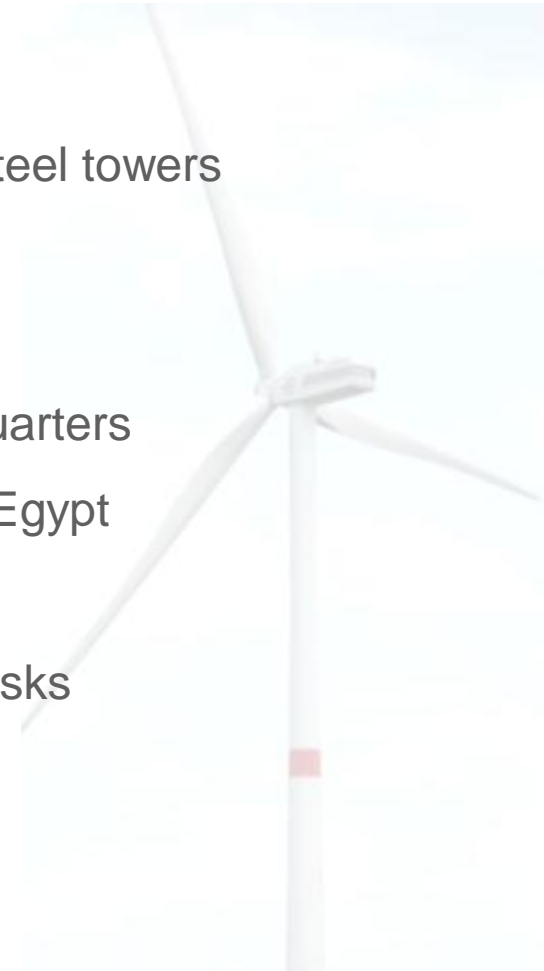
What kind of technology transfer has been provided?



- Foundation of a Joint Venture (50/50)
- Construction of a shop to produce tubular steel towers for wind turbines
- Transfer of production technology
- Training of local staff at our German headquarters
- Deployment of German staff to the plant in Egypt
- Set-up of a quality management system
- Definition of processes and management tasks



Planned technology transfer approach

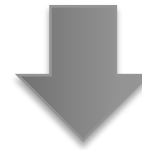




Reasons for technology transfer / our objective



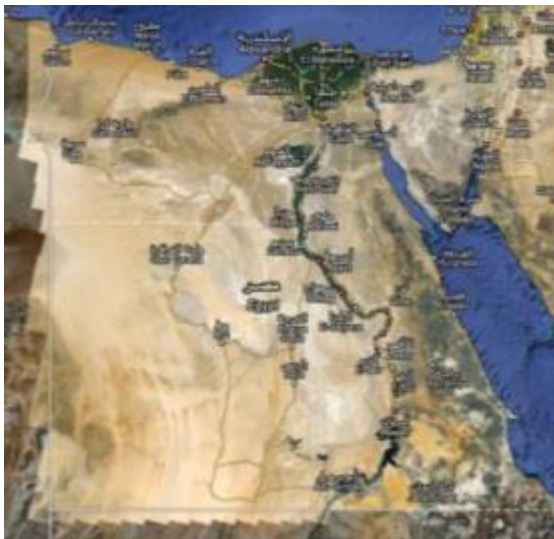
- To establish a regional site to serve the MENA market and the Mediterranean region
- To reduce transport costs
- To work in a low cost country



To achieve market leadership as a supplier to the wind energy industry in MENA countries



Why Egypt?



- Egypt is well positioned both locally and in the MENA region
- There is good availability of qualified staff
- It is a low cost country
- The Egyptian government supports investments in renewable energy
- ELSEWEDY is a strong joint venture partner

Improvement activities of the Egyptian government



- Further infrastructure enhancement
- More commitment to implementation
- Faster implementation
- Reduced customs and import formalities





Local Content: an opportunity or a hurdle?

- Local Content is mandatory from the perspective of logistics and economics
- Politics play a less important role

Learning from experience

What has been/is good?

- Sustained positive attitude towards the project on both sides
- Agreement on objectives
- Open dialogue between Egyptian and German staff
- Well-qualified workforce

What has been/is difficult?

- Language issues
- However excellent command of English at management level
- Different cultures
- Different sense of time / level of commitment

Expectations

Despite some initial difficulties, our expectations
were met!





Thank you for your attention!

www.siag-group.com

Board

Alexander Hufnagl, Dr.-Ing., is a member of the Board of SIAG Schaaf Industrie AG. He serves as COO and is responsible for production and technology.



Personal details

Dr.-Ing.
 Date of birth: 29 April 1957
 Nationality: German
 Languages spoken: German (mother tongue), English
 Personal: married, two children

Education

1977 to 1982
 Studied mechanical engineering at Clausthal-Zellerfeld Technical University, Germany
1983 to 1985
 Research assistant at Clausthal-Zellerfeld Technical University, Germany
 awarded a doctorate in mechanical engineering (Dr.-Ing.)

Professional experience

- **Since 2008** Board Member, COO SIAG Schaaf Industrie AG
- **Until 2007** MD, DKV Euro Service GmbH & Co. KG, Dusseldorf, Germany
- **Until 1999** CEO, Thyssen Aufzüge Berlin GmbH, Berlin, Germany
- **Until 1996** Head of the international airport technology unit, Thyssen Henschel, Kassel, Germany
- **Until 1990** Production engineering, Thyssen Henschel, Kassel, Germany
 Focused on project management, production reengineering, head of job scheduling and capacity planning