

NEWS RELEASE



Lloyds TSB banks on ERG success

Horsham, West Sussex, 25 February 2008. ERG (Air Pollution Control) Ltd. has just made the final repayment to Lloyds TSB of its DTI backed SFLG (Small Firms Loan Guarantee) business loan. This milestone represents the successful culmination of a 7-year business plan which has seen ERG grow to become not only the UK's leading air pollution and odour control company, but also develop a global presence. Thanks to this success, ERG is on course to announce record turnover of close to £5M at the close of its 2008/2009 financial year at the end of February.

Today ERG supplies turnkey odour control systems and provides maintenance services under framework contracts to many of the UK water treatment companies as well as supplying air pollution control systems to diverse process industries globally. The business operates through a UK-wide organisation, and has a branch office in Jordan serving the buoyant Middle-East region. In addition, it has a network of technology licensees who represent ERG's patented V-texTM gas scrubbing technology worldwide.

In 2001, ERG chairman, David Warby, and managing director, James Scott-Bowden, led a management buy-out of the company. The newly independent ERG was a prime candidate for the DTI's government backed SFLG scheme, and successfully applied for a £150k loan from Lloyds TSB under the DTI scheme. The loan enabled ERG to implement its strategic business plan by funding investment in product development, engineering design and additional staff to grow the business.

In handing over the cheque for the final instalment, Neville James, financial controller for ERG said: "With David, James and the other directors at the helm, and with the support of all our staff, we have not only fulfilled our obligation to the bank, but also grown ERG into a leading air pollution and odour control company. Though this is the end of one financial chapter, we look forward to continuing a prosperous future partnership with Lloyds TSB".

David Gale, relationship director, Lloyds TSB, who arranged the loan in 2001, commented: "This is a great success story for the SFLG scheme. ERG had an impressive track record and a viable business plan for growth, but as a newly independent company it lacked the resources to fully exploit the opportunities open to it under the new management. We were convinced that the loan would unlock significant growth potential. ERG's subsequent performance has proved us right."

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For further information and enquiries, please contact:
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About ERG (Air Pollution Control) Ltd.

ERG (Air Pollution Control) is a leading supplier of air pollution control systems and services with a 30 year track record, providing turnkey tailor made solutions that are optimised to give the best technical solution for the lowest capital and running cost.

Based in Horsham, near Gatwick airport ERG has satellite offices around the UK, a branch office in the Middle East, and a global network of V-tex™ technology licensees.

ERG specialises in odour control systems; V-tex™ scrubbing, stripping and condensing technology; soluble contamination capture and recovery; particulate removal systems; hazardous waste flue gas cleaning systems, and VOC contamination abatement.

APC Process Engineering Ltd was acquired by ERG in early 2008. APC Process Engineering Ltd. has built up an enviable reputation and unparalleled depth of expertise over 35 years within the air pollution control market by offering turn-key systems and design consultancy to blue-chip clients across diverse processing industries, such as Pfizer, Pirelli and Westinghouse, and Alcoa.