

Recovynyl - Overview Activities 2008

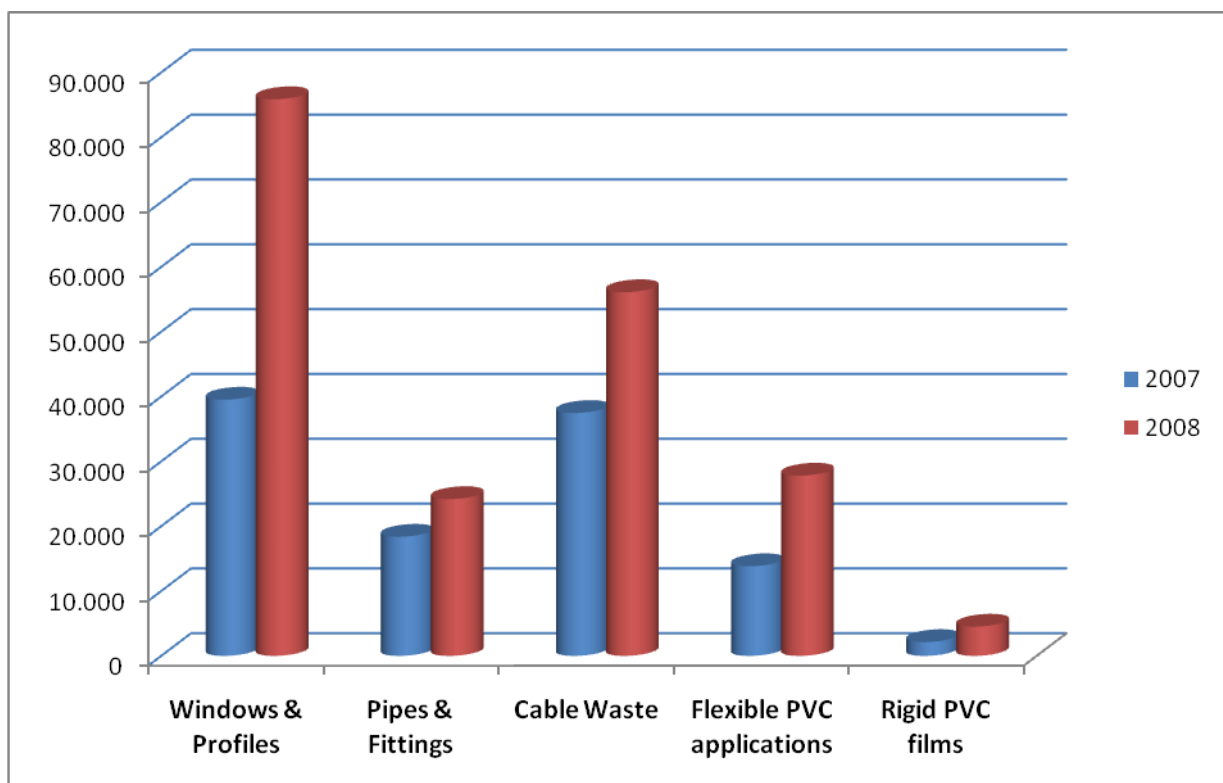
The first month of 2009 is already behind us and we would like to provide our partners with a brief overview of activities of the previous year.

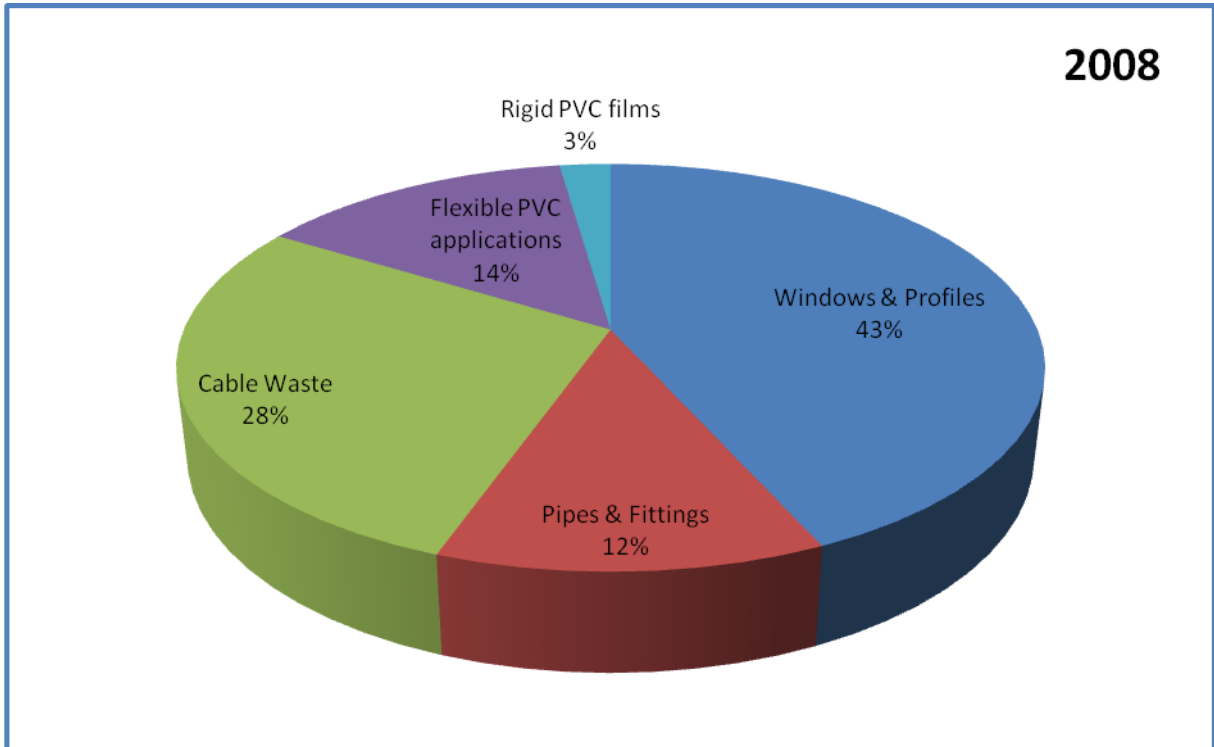
2008 was a successful year for our project. Thanks to your participation and combined efforts we managed to go through the difficult time of the financial crisis at the end of year.

Registration of waste in 2008 went quite smooth resulting in 12.365 lines of PVC supplies entered. Thanks to your co-operation we closed our year with 191kt registered tons of PVC waste. The total volume has been financially settled by quarter and audited (in majority) at the end of the end of the year. The quarterly results looked as the following:

Quarter	Volume kt
Quarter 1	33.150
Quarter 2	48.879
Quarter 3	47.688
Quarter 4	62.675
TOTAL 2008	191.392

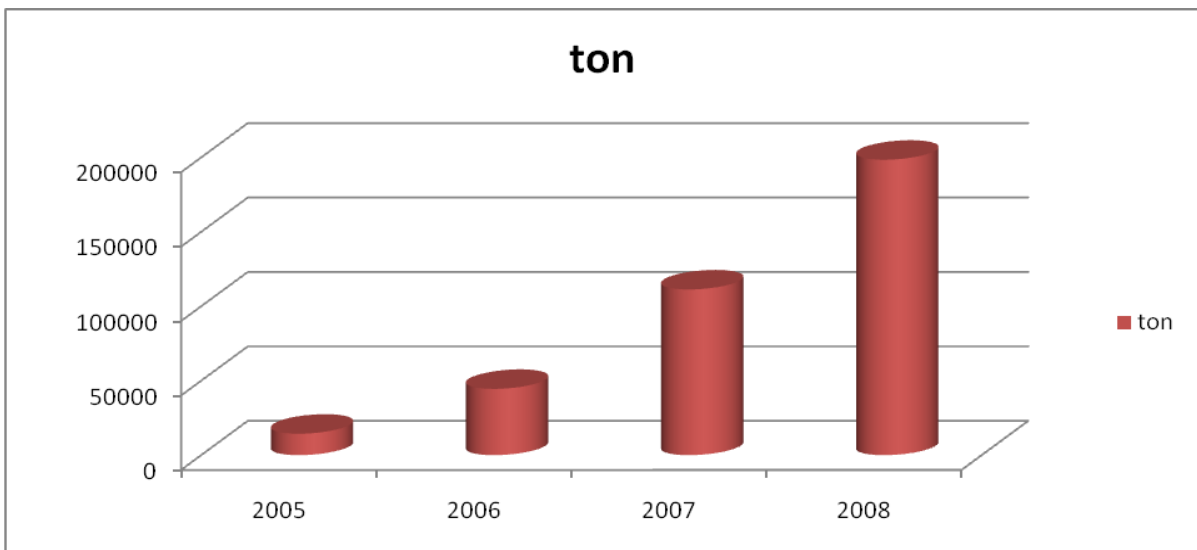
Thanks to particular features of the system we are able to present also a schema representing the registered PVC waste volume per application in 2008





As you also know 2008 has been a year of introduction of Reach regulations. The deadline for the final REACH pre-registration was 1st December 2008. In regard to REACH legislation, we have noticed that some smallest recycling companies, unable to conform to the REACH norms started delivering their waste to the bigger or more developed and better organised firms. For some of our partners it became maybe a problematic issue but most of the companies we co-operate with were able to comply with the new Reach requirements. In a meantime, many supportive meeting and workshops have been organised in 2008 in order to help in introduction and launching of the pre-registration norms.

2008 budget has been realised in accordance with our preliminary goals and assumptions. The 78% grow has been executed versus realisation of 2007.



As far as our activities are concerned we extended the scope of our market participation by creating a network in new countries like Austria, and Portugal. In some countries we also applied new local agents responsible for propagation of Recovinyl's concept in Germany, Czech, Spain and Portugal.

Recovinyl is now present in 13 countries and spreading its concept towards new markets and new potential partners.

We would like to thank all our partners for your continuous input and smooth cooperation. Hopefully we can progress with our activity and survive trouble-free the worldwide economic crisis of 2009.

We are looking forward to co-operating with you further,

Yours faithfully,

Management of Recovinyl