



MONTHLY REPORT: March 2011

CORE BUSINESS ACTIVITIES

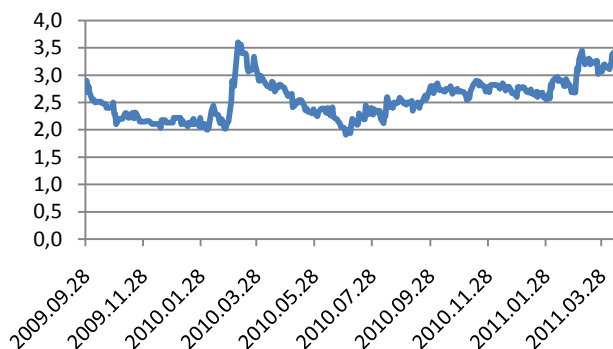
| Biogas Plants | Agricultural Production | Engineering Procurement Construction |
|---------------------|-------------------------------------|--------------------------------------|
| Own biogas projects | Provides stable supply of substrate | Biogas plants built for others |

FINANCIAL INFORMATION (PLN Thousands)

| | Previous Year 2009 | Current Year 2010 |
|------------|-----------------------|----------------------|
| Revenue | 6 753 | 90 133 |
| EBITDA | 1 401 | 5 996 |
| EBIT | 1 075 | 4 645 |
| Net Income | 333 | 2 793 |

* based on average CZK exchange rate for period, as provided by NBP

STOCK PERFORMANCE



Authorized Advisor:

CMS Corporate Management Services Sp. z o.o.
www.cms-proalfa.pl

MANAGEMENT'S DISCUSSION OF MONTHLY RESULTS

Information on trends and events in the marketplace of the issuer, which may, in the issuer's opinion, have important consequences in the future for the financial condition and results of the issuer:

In general preparation of some new projects has started during the first quarter of the year. It is evident that entrepreneurs in agricultural area are already knowledgeable in the biogas business and are able to prepare their projects well. The biogas business is also attractive for agriculture investors to diversify their portfolios, to solve organic waste or fulfill legislation demands. There is a legislation suggestion to set more restrictive rules for erosive crops, it could change corn production to crops with anti erosive effect. Such legislative change would be favorable for the BGS technology which is quite robust, flexible and universal in corps usage. The new projects subsidy will be launched in June from agricultural program SZIF. BGS Biogas is currently preparing several projects for clients, which will apply for the subsidy.

BGS Group has initiated trial energy production in biogas station Suchdol in February. The cogeneration units started very well and the energy production is increasing, currently it is on 70% of maximum capacity. The maximum capacity should be achieved during April or May. There have begun technology works in Cihost biogas station, the start of energy production is expected in July.

Information concerning how the capital raised in the private placement was used in the calendar month covered by the report, and whether any of the contributed capital was spent during the month:

In the period covered by the report there was no use of funds raised from private placement.

REVIEW OF COMPANY PORTFOLIO: OWN PROJECTS

| Power plant | MW | Monthly Production (kWh) | Projection (kWh) | Monthly perf. | Production YTD (kWh) | Projection YTD (kWh) | YTD perf. |
|-------------|------|--------------------------|------------------|---------------|----------------------|----------------------|-----------|
| Zavidkovice | 0,62 | 330931 | 369024 | 90% | 1038570 | 1071360 | 97% |
| Suchdol * | 0,56 | 110123 | | | 110123 | | |

* In Suchdol there is just trial production so far, the comparison with the projection will be possible when the normal production will be approved

REVIEW OF COMPANY PORTFOLIO: EPS PROJECTS

| Project | Size | Type |
|------------------------|----------------|------|
| Dobronin | 0,62 MW | EPC |
| Kacina | 1,60 MW | EPC |
| Zemelske druzstvo Telc | 0,62 MW | EPC |
| Agro Jesenice | 0,99 MW | EPC |
| Slavikov | 0,74 MW | EPC |
| Olešnice | 0,52 MW | EPC |
| Havlickuv Brod | 0,62 MW | EPC |
| Jihlava | 1,00 MW | EPC |
| Horni Bradlo | 0,74 MW | EPC |
| Korolupy | 0,54 MW | EPC |
| Sasov | 0,25 MW | EPC |
| Bobrova | 0,37 MW | EPC |
| Kamen | 0,74 MW | EPC |
| TOTAL | 9,31 MW | |



APPENDICES

Appendix 1: Summary of all information published by the issuer for the current period.

No. 8/2011: Monthly report for February

Appendix 2: Investor Calendar

13 May 2011: Monthly Report for April 2011

13 May 2011: Q1'2011 Results

Estimates and forward-looking statement provided in this report are indicative, and subject to change. The contents of this report should not be relied upon for the purposes of making an investment decision.