

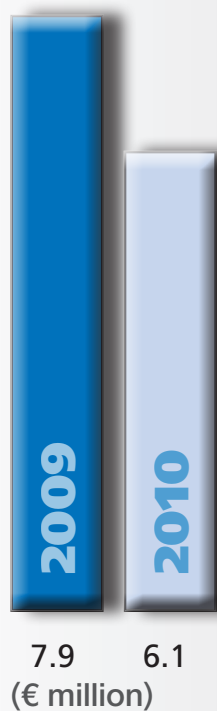


ANNUAL REPORT 2010

DBE-TEC
DBE TECHNOLOGY GmbH

IN FIGURES

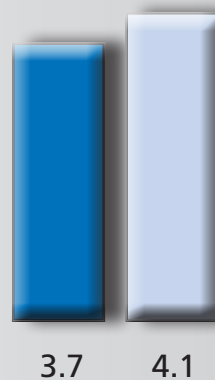
Turnover



Cost of purchased services



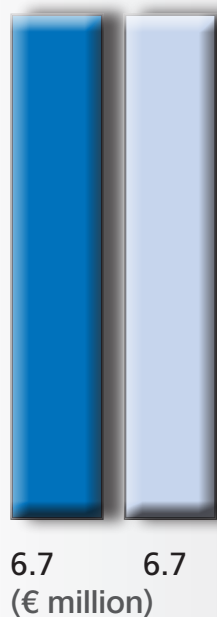
Personnel expenses



Other operating expenses



Balance Sheet total



Net income for 2009/2010



Employees as of December 31



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EXECUTIVE BODIES

ADVISORY BOARD

Dipl.-Ing. Holger Bröskamp

Chairman
Speaker of the Management Board,
GNS Gesellschaft für Nuklear-Service mbH,
Essen

Georg Büth

Managing Director,
GNS Gesellschaft für Nuklear-Service mbH,
Essen

Dipl.-Ing. Dieter Rittscher

Chairman of the Management Board,
Energiewerke Nord GmbH,
Rubenow

EXPERTS ADVISORY BOARD

Dr. rer. nat. Klaus-Jürgen Brammer

GNS Gesellschaft für Nuklear-Service mbH,
Essen

Dipl.-Soz. Jörg Liebermann

Area Manager
IG Bergbau, Chemie, Energie,
Wolfenbüttel (until 31.08.2010)

EXECUTIVE BODIES

MANAGEMENT



Managing Director
Commercial:
Dipl.-Kfm.
Borries Raapke,
Peine



Managing Director
Technical:
Assessor of Mining
Michael Ripkens,
Peine

COMPANY PROFILE

TEN YEARS OF DBE TECHNOLOGY GmbH

DBE TECHNOLOGY GmbH was established in the year 2000 as a 100 percent subsidiary of Deutsche Gesellschaft zum Bau und Betrieb von Endlagern für Abfallstoffe mbH (DBE) (German Company for the Construction and Operation of Waste Repositories) to focus and further develop the scientific and technical "know-how" of DBE and to make them available to interested parties both nationally and internationally. Since its founding more than 10 years ago, DBE TECHNOLOGY GmbH has rapidly become a nationally and internationally recognized engineering company in the area of radioactive waste disposal.

Based on over 30 years experience gained by its parent company in German nuclear waste repository projects, as well as the know-how gained through over 25 years of collaborative effort in similar national and international research projects, the company's main fields of activity today include waste disposal strategies and activities; site characterizations and evaluations; concept, design, safety, and engineering of repositories; and their closure.

In addition to this, DBE TECHNOLOGY GmbH advises and supports public and private energy, waste disposal, and mining companies as well as testing organizations and governmental authorities in all questions related to the disposal of radioactive materials, mining, and other related technical areas.

Furthermore, the company develops and tests new materials, processes, and machinery for their practical application in repositories.

Moreover, DBE TECHNOLOGY GmbH actively cooperates internationally with other companies in the waste management industry.

COMPANY PROFILE

Celebrating its 10 year anniversary and continuing a tradition established over several years, DBE TECHNOLOGY GmbH invited business partners and colleagues to an "Evening of Arts and Sciences" in Peine, which took place on 30 November, 2010.

Approximately 120 guests from 44 companies, government organizations, and various institutions used the opportunity to exchange ideas in a relaxed and informal atmosphere. As an invited speaker, Prof. Dr. Schmid from the Institute for Meteorology and Climate Research of the Karlsruhe Institute of Technology (KIT) discussed the topic of climate change, its causes, and its effect on our society. The 'Knut Richter Jazz Band' from Hanover provided light entertainment.



**EVENING OF
ARTS AND SCIENCES**

COMPANY PROFILE

Resulting from cooperative activities with domestic and foreign industrial firms, scientific and technical organizations, research institutes, and regulatory authorities, DBE TECHNOLOGY GmbH and its parent company DBE have more than three decades of experience in the area of radioactive waste disposal.

DBE TECHNOLOGY GmbH has gained a high level of expertise in all fields related to the disposal of radioactive materials, including disposal techniques and technology, repository safety, operation, and organization as well as licensing requirements. The company applies this expertise in EU projects that support other, especially Eastern European, countries in developing national waste disposal strategies. In addition to reviewing waste management processes, financing strategies and pertinent legislation are analyzed, and recommendations are made for the development of sustainable national waste disposal systems.

Related to its scope of services for energy producers and research institutions, the company participated in supervising the construction of the spent fuel interim storage facilities at the nuclear power stations Biblis (RWE) and Krümmel and Brunsbüttel (Vattenfall Europe), and was involved in the extension of the interim storage facility at the Karlsruhe research centre. For the past six years, DBE TECHNOLOGY GmbH has supported the Wiederaufarbeitungsanlage Karlsruhe Rückbau- und Entsorgungs-GmbH in collecting and documenting all relevant waste data and in demonstrating that the waste containers meet the acceptance criteria of the Konrad repository.

COMPANY PROFILE

In addition to participating in research projects in underground laboratories for clay and clay-stone in Mont Terri, Switzerland, and Bure, France, and for granite in Grimsel, Switzerland, and Äspö, Sweden, DBE TECHNOLOGY GmbH develops and researches repository concepts for different host rock and waste types. In collaboration with Russian partners, concepts have been developed for a high level waste repository near Krasnoyarsk and for a near-surface low level waste repository near St. Petersburg. For the Belgian Agency for Radioactive Waste and Enriched Fissile Materials (ONDRAF/NIRAS) and the Canadian National Waste Management Organization (NWMO) repository concepts for clay and limestone were evaluated and recommendations for optimization were provided.



COMPANY PROFILE



**EMPLOYEES OF
DBE TECHNOLOGY GmbH**

COMPANY PROFILE

Furthermore, DBE TECHNOLOGY GmbH develops safety concepts for all phases of radioactive waste disposal including corresponding safety measures. In the context of the R & D project ISIBEL, the company, together with the Bundesanstalt für Geowissenschaften und Rohstoffe (BGR) (German Federal Institute for Geosciences and Natural Resources, and the Gesellschaft für Anlagen- und Reaktorsicherheit (GRS) mbH (German Company for Plant and Reactor Safety), further developed the safety assessment concept for the final disposal of spent fuel elements and highly radioactive waste in rock salt. This safety assessment concept forms the basis for the „1. Vorläufige Sicherheitsanalyse Gorleben“. (1st Preliminary Safety Analysis Gorleben).

In Germany, the proof of the technical feasibility of intended operational processes is part of the legal requirements for licensing a repository. For this reason, all required systems and components for operating a repository were developed based on both, the repository design and associated design requirements, and tested until ready for final approval. This includes a shaft hoisting system for weights of up to 85 tonnes as well as transport and emplacement devices for emplacement operations.

The secure sealing of subsurface repositories is essential for ensuring the long-term safe isolation of radioactive wastes. DBE TECHNOLOGY GmbH develops sealing concepts that are adapted to the site-specific requirements, the radionuclide inventory destined for disposal, and the disposal concept. In this context, the company participated in the development of portions of the sealing concepts for the Asse mine on behalf of the Helmholtz Zentrum München. DBE TECHNOLOGY GmbH also developed and realized the sealing concept for the Richard repository in the Czech Republic.

COMPANY PROFILE

RESEARCH AND DEVELOPMENT

REVIEW AND APPRAISAL OF THE TOOLS AVAILABLE FOR A SAFETY ASSESSMENT OF FINAL REPOSITORIES FOR HLW (ISIBEL)

The goals of the ISIBEL R&D project were the development and optimization of a safety assessment concept for a high-level waste (HLW) repository in a salt formation that is consistent with the international state of the art in science and technology and the determination of additional research and development needs. The project was completed under the overall management of DBE TECHNOLOGY GmbH in cooperation with BGR (Bundesanstalt für Geowissenschaften und Rohstoffe, German Federal Institute for Geosciences and Natural Resources) and GRS (Gesellschaft für Anlagen- und Reaktorsicherheit (GRS) mbH, German Association for Plant and Reactor Safety).

In the course of the project, a safety assessment concept was developed based on the safe confinement of radioactive waste. The waste is considered to be safely confined if the effectiveness of the geological and geo-technical barriers can be demonstrated.

As a basis for the long-term safety assessment, features, events, and processes were identified that could be relevant to future repository evolution and from which both, likely and less likely, future site scenarios can be developed (i.e., scenario development). As a reference site, the Gorleben salt dome was chosen.

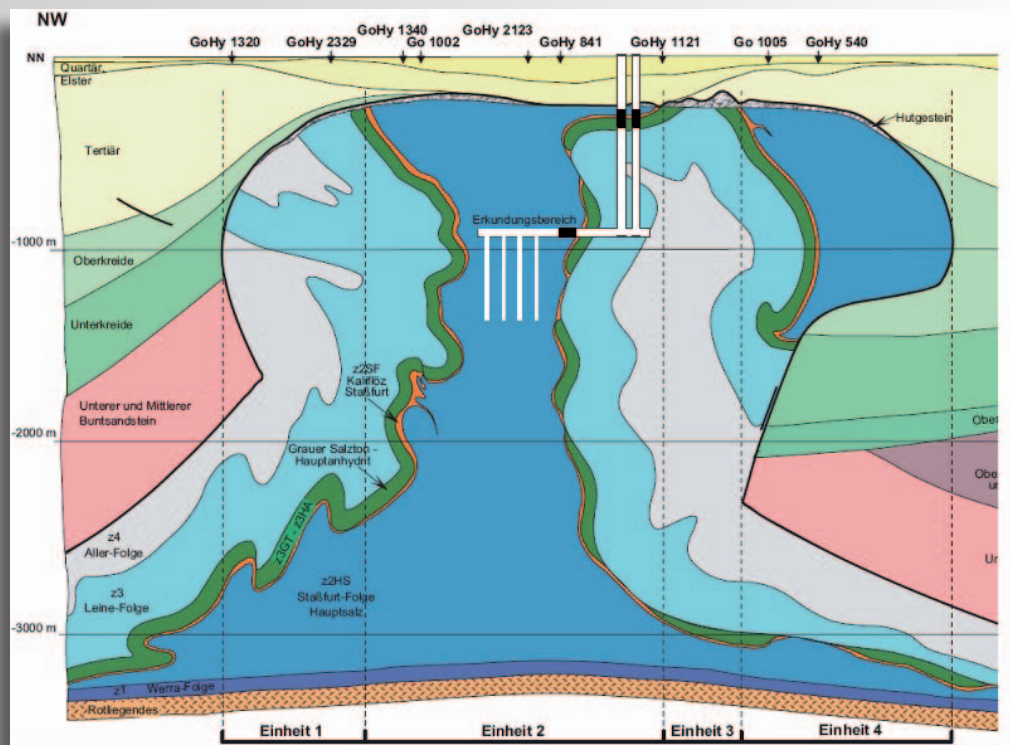
Model calculations were used to demonstrate that, if the waste is safely confined, only insignificant releases of radionuclides to the biosphere that are well below specified regu-

COMPANY PROFILE

latory limits can occur. A selection of graduated indicators was derived against which safe confinement could be evaluated. Additionally, analyses were carried out to identify how uncertainties, which are inherent in any safety assessment concept, can be reduced or how those uncertainties that cannot be avoided can be identified and treated. At the end of the project, a methodical approach for a safety assessment (safety case) of an HLW repository in a saliferous formation was developed.

The results of the work carried out during the ISIBEL R&D project significantly advanced the state of the art in science and technology regarding the safety assessment for repositories in salt formations. These results provided vital input for the development of the Preliminary Safety Analysis for an HLW repository in the Gorleben salt dome.

GEOLOGIC PROFILE OF GORLEBEN SALT DOME

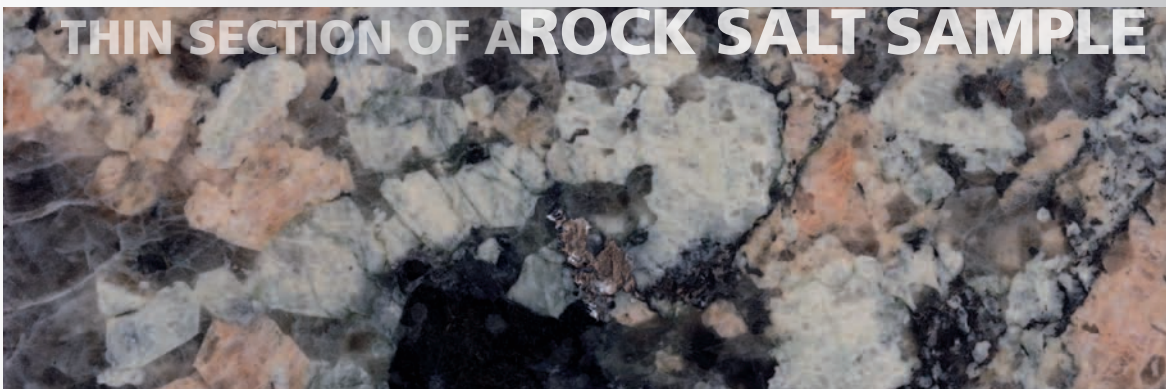


Source: BGR

COMPANY PROFILE

IMPROVEMENT OF EXCAVATION DAMAGED ZONES IN SALIFEROUS FORMATIONS (VerA)

When excavating underground openings, a loss of pressure in the surrounding rock formation occurs resulting in the formation of a pervasively fractured excavation damaged zone in the rock surrounding the opening. In the post-operational phase of a repository, the excavation damaged zone (EDZ) forms, at least temporarily until it has healed, a potential migration path for brines, which, if coming into contact with waste, could lead to a release of radionuclides. Sealing systems, i.e. barriers, are to prevent the intrusion of brines and/or the release of contaminated fluids in a repository. The sealing capabilities of these barriers are influenced by the characteristics

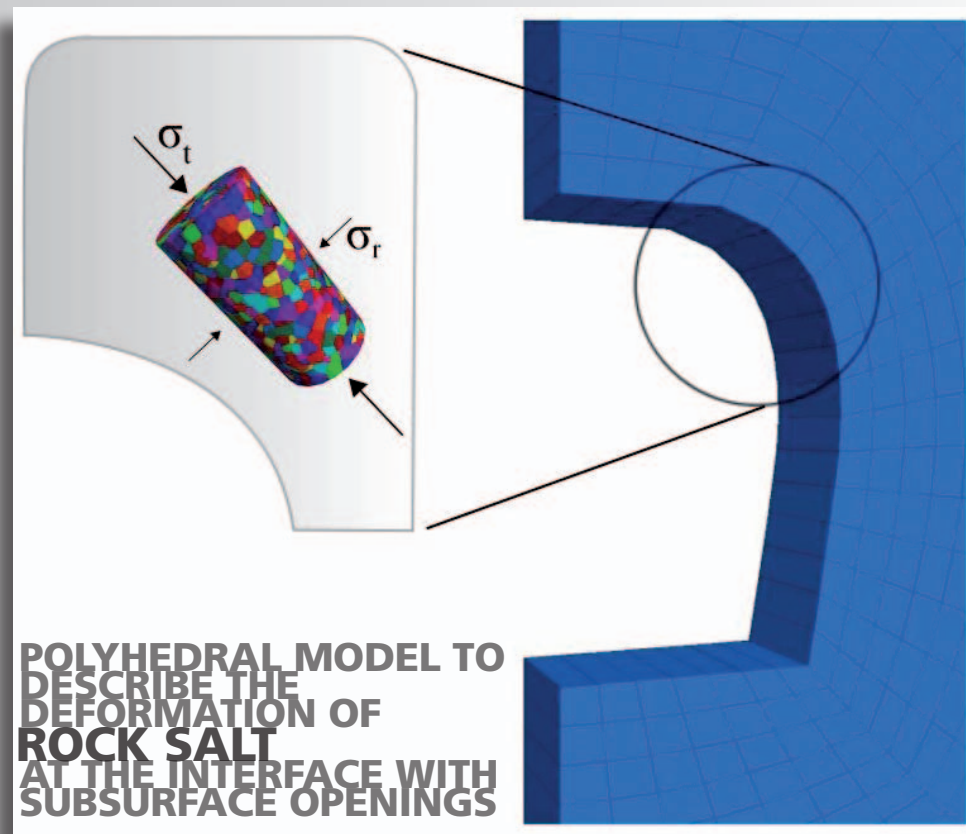


of the EDZ. Since salt deforms plastically, healing processes in the EDZ are expected. However, these processes can currently not be quantified with respect to either their speed or their effect on permeability. Since the healing processes occur over extremely long time frames, confirmation testing is not feasible. In the VerA R&D project, studies are thus being conducted to assess the possibility of sealing the EDZ by injecting sealants.

COMPANY PROFILE

The goal of the project is to develop a confirmatory test to assess the efficacy of sealants in the EDZ near the engineered seals. By means of subsurface and laboratory testing, the sealant sodium silicate is analysed in terms of its mechanical and chemical stability in rock salt formations.

Changes in permeability in the EDZ subsequent to the injection of sealants are evaluated by numerical models. Polyhedral finite elements, which are suitable for small-scale, hydraulic-mechanical 3D process modelling, are used to represent the crystalline structure of the salt. These model calculations are intended to form the basis for assessing the effectiveness of sealing performance with respect to engineering compliance criteria.



COMPANY PROFILE

INTERNATIONAL PROJECTS

RESEARCH ON THE ROBUSTNESS OF THE SAFETY CASE FOR HLW REPOSITORY SYSTEMS IN MAGMATIC HOST ROCKS (URSEL)

The scientific and technical issues associated with the disposal of radioactive materials are of considerable complexity, and their development involves considerable effort and high costs. For this reason, international cooperation is an indispensable component of repository research. Such a cooperative technical agreement was reached in 2001 between the Russian Ministry for Atomic Energy (MINATOM, now the State Atomic Energy Corporation ROSATOM), and the Federal Republic of Germany, with the technical coordination of the German activities being assigned to DBE TECHNOLOGY GmbH.

The goal of the joint R&D project URSEL is to develop a methodical approach for the safety assessment of a repository for highly radioactive waste and long-lived low and medium level radioactive waste in magmatic rocks. In addition to this, the Russian repository concept will be optimized and the robustness of the repository system and safety case evaluated. The reference site for the studies is a potential repository in the Krasnoyarsk region of Russia.

The magmatic host rock in the Krasnoyarsk region has a complex geological structure. The precise locations and future development of the fracture systems, many of which are water-bearing, are important for the long-term safety assessment but are relatively poorly understood and hard to predict.

COMPANY PROFILE

Source: VNIPI PT



Further exploratory drilling is intended to expand the geologic knowledge. The URSEL R&D project will analyse if further retention functions of the geologic barrier can be utilized in radioactive waste disposal and which requirements have to be met by the geotechnical barriers in order to be able to demonstrate the long-term safety of the site, taking into account its future development.

COMPANY PROFILE

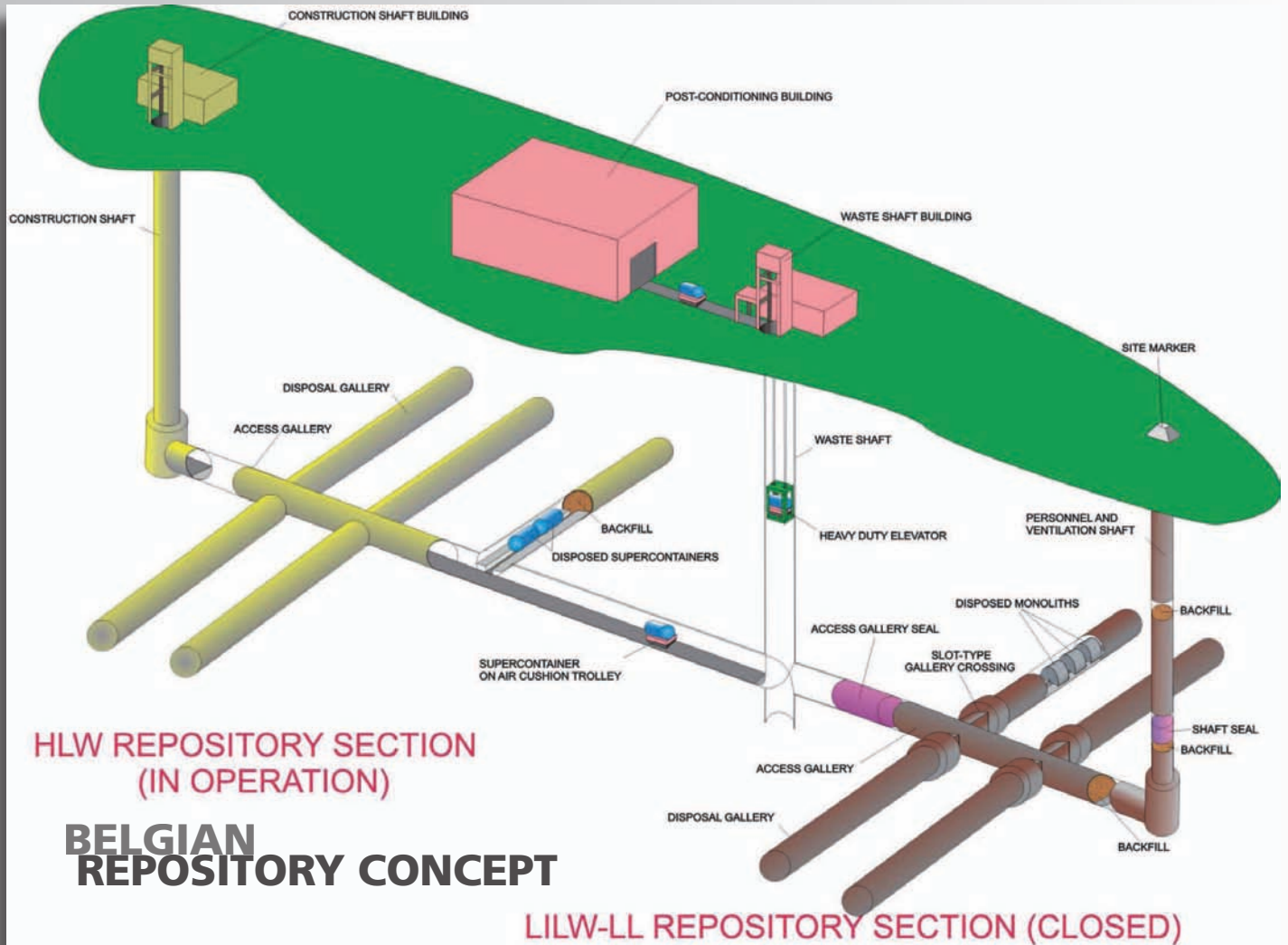
FEASIBILITY STUDIES FOR THE BELGIAN REPOSITORY CONCEPT

The Belgian repository programme stipulates a step-wise decision-making process for the determination of both the final repository concept and the repository site. After the government has in principle decided to construct a repository in a geologic formation (probably in clay), the decision to start the site selection process is expected to be made in 2013 and the final site selection seven years later.

In order to provide scientific input to the political decision, ONDRAF/NIRAS is to demonstrate the technical feasibility of a repository for long-lived, low and medium level as well as high level radioactive waste in clay formations. A comprehensive safety and feasibility study will be completed by the end of 2012 after which the decision to initiate the site selection process will be made. To this end, DBE TECHNOLOGY GmbH was retained by ONDRAF/NIRAS in 2009 as part of an international tendering process to analyse the technical feasibility of various aspects of the Belgian repository concept. The work includes optimizations of the shaft design, the underground transport of waste containers, and the backfilling of the disposal galleries. Additionally, safety assessments for the shaft transport and subsurface handling of waste packages are to be completed.

COMPANY PROFILE

Source: ONDRAF / NIRAS



COMPANY PROFILE

COLLABORATION IN LARGE-SCALE PROJECTS

SUPPORT OF ASSE-GMBH IN THE CLOSURE OF THE ASSE RESEARCH MINE

Until the end of the 1990s, the former potash and rock salt mine Asse was used to research the disposal of radioactive materials. From 1965-1978, approximately 126,000 drums containing low and medium level radioactive waste were disposed off at the facility.

PREPARATIONS FOR THE CONSTRUCTION OF A REPOSITORY SEAL



COMPANY PROFILE

In 1988, the first brine intrusions into the underground facility were observed which, beginning in the 1990s, resulted in efforts to stabilize the underground openings and to initiate preparations for closing the facility. Since January 1, 2009, the Asse facility has been operated by the newly established Asse-GmbH which retained DBE TECHNOLOGY GmbH to carry out portions of the planning activities and support functions related to the closure of the Asse facility. This work is being completed as part of the hazard prevention and emergency planning activities and in 2010 consisted of:

- Planning and construction supervision of sealing systems designed to seal potential pathways for brine intrusions into the salt rock; the work focused on verifying and documenting that the barrier performance requirements were met.
- Planning and installation of injection boreholes and completion of concrete injections; the injections are to seal fractures and gaps in the rock. The drilling and injection equipment for the required work was procured. Additionally, based on material research studies, new injection materials were developed which meet the requirements of the mining law. Initial injection work was carried out at different locations.

COMPANY PROFILE

- Planning and construction supervision during the installation of Mg buffers in the disposal chambers; the Mg buffers reduce the solubility of radionuclides in the waste in the event of a brine intrusion. The functionality of the material to be used and its technical manageability were examined and demonstrated. Radar was used to inspect the contours of several disposal chambers, and cracks were identified. The acquisition of equipment required for the work activities and of the radiological monitoring equipment was initiated.
- Tender documents for the refurbishment of the shaft hoist tower at the Asse 2 shaft were compiled.
- The customer was supported in the plan approval process by developing system description documents for use in the safety assessment for the Asse II shaft facility.

COMPANY PROFILE



**INJECTION WORK 750m-DEPTH
ASSE RESEARCH MINE**

COMPANY PROFILE

WASTE MANAGEMENT SERVICES

MATERIAL DECLARATION OF RADIOACTIVE WASTE

The GKSS-Forschungszentrum Geesthacht GmbH (now: Helmholtz-Zentrum Geesthacht – Zentrum für Material- und Küstenforschung GmbH) operated two research reactors, the last of which was shut down in 2010. The neutrons generated in the reactors were used for material-physics and material-science research as well as in reactor safety research. The radioactive waste resulting from the operation and decommissioning of the research reactors is stored in casks at the research centre. It is intended to deliver this waste to the interim storage site of the Wiederaufarbeitungsanlage Karlsruhe Rückbau- und Entsorgungs-GmbH where the waste will be appropriately conditioned for disposal in a repository prior to being placed in interim storage.

On behalf of the GKSS-Forschungszentrum Geesthacht GmbH, DBE TECHNOLOGY GmbH analysed the material composition of the waste including the nonradioactive pollutants relevant to water law (e.g. copper, nickel, chrome, aluminium), which is required for the eventual disposal of the wastes in the Konrad repository. Additionally, a draft of a standard operating procedure was developed for the characterization of future radioactive waste arisings, which is to ensure that all necessary information needed for delivery to a conditioning plant and/or an interim storage facility, and for the eventual delivery to the Konrad repository is gathered immediately.

COMPANY PROFILE



**THE DBE TECHNOLOGY
GmbH BOOTH AT
THE ANNUAL MEETING ON
NUCLEAR TECHNOLOGY
(JAHRESTAGUNG KERntechnik)**

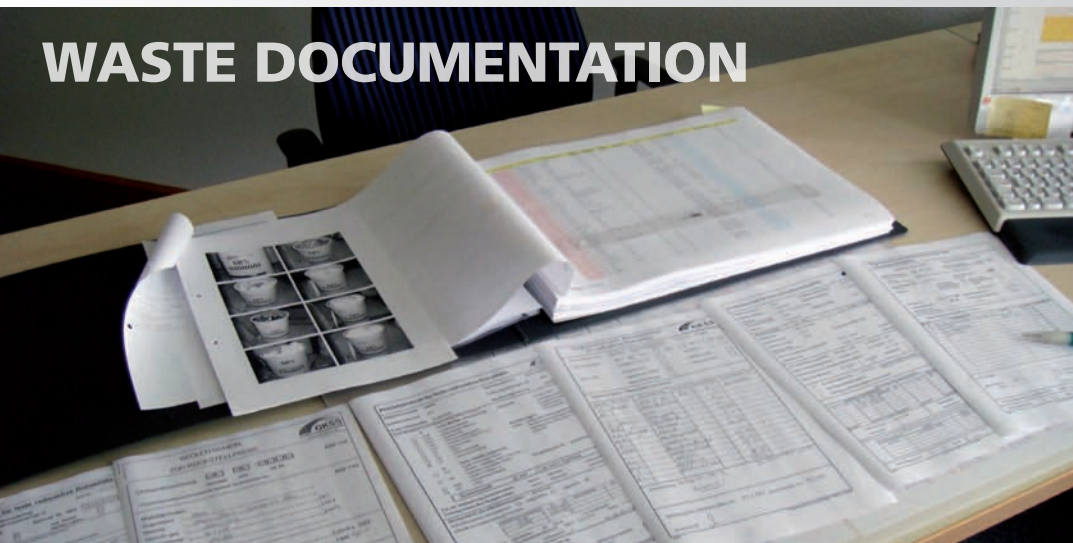
DBE TEC
DBE TECHNOLOGY GmbH

COMPANY PROFILE

COMPILATION OF FINAL STORAGE DOCUMENTATION FOR RADIOACTIVE WASTE

The Central Decontamination Department (Hauptabteilung Dekontaminationsbetriebe / HDB) of Wiederaufarbeitungsanlage Karlsruhe Rückbau- und Entsorgungs-GmbH carries out the disposal of radioactive waste from the operation and decommissioning of research reactors from institutes associated with the Research Centre Karlsruhe, Reprocessing Plant Karlsruhe, the European Institute for Transuranium Elements as well as from the Baden-Wuerttemberg Federal-State Collection Centre. The HDB interim storage site currently holds approximately 62,000 m³ of low and medium level radioactive waste. The compilation of appropriate waste documentation demonstrating that the HDB waste meets the technical acceptance criteria for disposal at the future Konrad repository is a requirement for its disposal at the Konrad repository. Since 2004, DBE TECHNOLOGY GmbH, as part of a working group together with Studsvik GmbH Co. KG and Kraftanlagen Heidelberg GmbH, has developed the required documentation for the waste stored in the HDB interim storage site.

WASTE DOCUMENTATION



COMPANY PROFILE



The scope of the contract includes the following tasks:

- Checking and preparing the declaration and processing of legacy waste.
- Compilation of appropriate documentation for waste containers pursuant to the technical acceptance criteria for the Konrad repository in coordination with the regulatory authorities.
- Compilation of waste declarations for substances hazardous to water in the waste packages pursuant to the requirements for the Konrad repository.
- Monitoring of remedial conditioning activities for waste which has not been suitably conditioned for disposal.
- Preparation of documents for the approval of waste containers or individual shielding systems consistent with atomic law requirements.

Based on the large quantity of waste containers in the HDB interim storage facility, these activities are anticipated to continue for several years.

COMPANY PROFILE

INTERNATIONAL WORKSHOPS

WASTE ACCEPTANCE CRITERIA FOR THE DISPOSAL OF VERY LOW AND LOW LEVEL RADIOACTIVE WASTE

On behalf of the International Atomic Energy Agency (IAEA), DBE TECHNOLOGY GmbH hosted a workshop on the Acceptance Criteria for the Disposal of Very Low and Low Level Radioactive Waste in Peine from 28 until 30 September 2010. The event was sponsored by the 'Network of Excellence in Low Level Radioactive Waste' (DISPONET).



COMPANY PROFILE

The network was established by IAEA to address increasing support needs of UN member states with respect to the disposal of low and medium level radioactive waste. The goal of the DISPONET network is to increase the effectiveness of a transfer of knowledge from countries with highly developed waste disposal programmes to countries that have only recently started to develop their own waste disposal programmes. In this context, designers, builders, and operators of repositories as well as regulatory authorities use DISPONET to exchange ideas in support of continuous development and improvement in waste disposal programmes.



The waste acceptance criteria for a repository are derived from the results of site-specific safety assessments. The goal of the workshop in Peine was two-fold: on the one hand to report on practical experience with waste acceptance systems, and on the other, to introduce and discuss effective concepts for the development and implementation of waste acceptance systems for different types of repository sites. Additionally, the development of waste acceptance criteria for new waste-forms and waste streams and their relationship to repository concepts was presented. The selection of suitable parameters and the derivation of measurable confirmatory parameter values are essential prerequisites for an effective waste acceptance system.

32 representatives from 25 countries participated in the workshop. A tour of the Konrad repository, which is under construction, was included in the workshop.

COMPANY PROFILE

GERMAN-AMERICAN WORKSHOP ON SALT REPOSITORY RESEARCH, DESIGN, AND OPERATION

A German-American workshop on research, design, construction, and operation of repositories in deep salt formations took place in Jackson/ Mississippi, USA, from May 25 until 28, 2010. The workshop was organized and led by Sandia National Laboratories and Mississippi State University (USA) with support from DBE TECHNOLOGY GmbH and, representing the German Federal Ministry of Economics and Technology, the Project Management Agency Karlsruhe, Technology and Waste Management Division (PTKA-WTE).

Grounds for the workshop were the current considerations in the USA to rapidly develop alternative solutions to waste disposal after suspension of the Yucca Mountain Project. Rock salt appears to be a well-suited alternative host formation based on the positive experience obtained since 1999 from the operation of the WIPP repository (Waste Isolation Pilot Plant, New Mexico) for transuranic waste derived from military applications. This repository was constructed in a salt formation at a depth of 650 m. Tests are currently ongoing to see whether additional salt deposits are suitable for the disposal of radioactive waste. In Germany, with the exploration of the Gorleben salt deposit and the operation and pending closure of the Morsleben repository, research in rock salt as a repository for radioactive waste has a history of over 40 years.



COMPANY PROFILE

The goal of the workshop was to intensify German-American cooperation in the area of repository research in rock salt; to coordinate a potential, mutually beneficial research programme; and to increase joint efforts related to the programme. 26 scientists from the USA and 15 from Germany participated in the workshop. The current status of repository research in salt formations in both Germany and the USA was presented at the workshop. Safety assessments, modelling of groundwater flow and radionuclide transport, repository concepts and designs, geo-technical barriers as well as site and host rock characterization activities were discussed in six working sessions.



MANAGEMENT REPORT

Business Development/Situation in the Financial Year

In the tenth year of its existence, the Company continued its successful development in the current financial year. Turnover amounted to € 6.1 million. After settlement of a large-scale contract with a large portion of third-party services in the previous year, turnover was on the usual level in 2010 (previous year: € 7.9 million). Net income for the year amounts to € 0.5 million. As of December 31, 2010, the volume of orders on hand was € 16.8 million. Due to the high degree of specialization of the Company's activities, the macro-economic situation had no material influence on its business development and incoming orders. The main activities are, and will be, services for domestic and international customers, above all national and international research and development projects for the final storage of radioactive waste as well as services aimed at supporting Asse-GmbH. The Company organized two workshops with international participants in the reporting year. In Jackson (Mississippi, USA),



MANAGEMENT REPORT

experts met to discuss the topic of 'Salt Repository Research, Design and Operation'. In Peine, the topic of 'Acceptance Criteria for the Disposal of Very Low and Low Level Radioactive Waste' was discussed. The two workshops indicate the international reputation of the Company.

Our cooperation in the First Preliminary Safety Analysis Gorleben commissioned by the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety is of particular importance. Together with five other institutions, the Company is working on a comprehensively documented prediction of the suitability of the Gorleben site.

The requirements of environmentally compatible acting are taken account of by DBE TECHNOLOGY GmbH's activities, which specifically concern the environmental impact.

Management continues to be performed in a joint function by the managing directors of the sole shareholder, Deutsche Gesellschaft zum Bau und Betrieb von Endlagern für Abfallstoffe mbH (DBE).

RESULTS OF OPERATIONS, NET ASSETS AND FINANCIAL POSITION

Results of operations

Although turnover declined by € 1.8 million, net income for the year remained stable. The overall performance of DBE TECHNOLOGY GmbH declined by € 1.5 million to € 6.2 million compared to the previous year. This decline is mainly due to a large-scale order settled in the previous year. Correspondingly, cost of purchased services also decreased by € 2.0 million. In all, the profit on ordinary activities increased slightly compared to the previous year and now amounts to € 0.7 million.

MANAGEMENT REPORT

Personnel expenses rose by € 0.4 million to € 4.1 million. This is due to an increase in the average number of staff when compared to the previous year as well as to a general increase in staff compensation. Other operating expenses declined by € 0.1 million to € 1.0 million in comparison with the previous year.

Net interest income increased slightly compared to the previous year. Besides interest income from financial investments, it also includes the interest portions from the valuation of other provisions which resulted from the first-time application of the German Accounting Law Modernization Act (BilMoG).

The income tax expense increased slightly compared to the previous year and now amounts to € 0.2 million. This amount includes a small amount of income from deferred taxes which, within the framework of the first-time application of the German Accounting Law Modernization Act (BilMoG), resulted from the different amounts stated in the balance sheet and the tax accounts as of December 31, 2010, for other provisions.

Net assets and financial position

The balance sheet total moved insignificantly in comparison with the previous year and continues to amount to € 6.7 million.

In inventories on the assets side of the balance sheet, projects in process rose by € 0.1 million to € 2.6 million.

Receivables and other assets moved only insignificantly in comparison with the previous year and now amount to € 0.7 million.

The item cash on hand, bank balances declined by € 0.2 million to € 3.2 million when

MANAGEMENT REPORT

compared to the reporting date of the previous year but continues to reflect the good liquidity position of the Company. Deferred tax assets of € 0.1 million are the result of the first-time application of the German Accounting Law Modernization Act (BilMoG). The Company made use of its capitalization option pursuant to Section 274 (1) Clause 2 HGB (German Commercial Code). The deferred tax assets are subject to the distribution ban set forth in Section 268 (8) Clause 2 HGB.

On the liabilities side, equity capital decreased by 0.2 million to € 1.7 million. The main reason for this was the decline in revenue reserves, due to a later distribution of € 0.3 million from the appropriation of profits for the year 2008 as well as to an allocation of € 0.1 million from the first-time application of the German Accounting Law Modernization Act (BilMoG).

Provisions rose by € 0.2 million to € 0.9 million in a year on year comparison. The rise refers mainly to other provisions.

Liabilities remained almost stable in a year on year comparison. The largest item included therein is formed by prepayments received which are mainly the result of advances made for contracts not yet completed and not yet finally invoiced.

The equity ratio declined from 27.6 % in the previous year to 24.8 % in the reporting year. This percentage change is the result of the aforementioned decline in revenue reserves. As of the reporting date, equity capital financed fixed assets and 59.6 % of inventories (previous year: 69.9 %).

The Company was solvent at all times in the past financial year and has remained so at all times since.

MANAGEMENT REPORT

HUMAN RESOURCES AND SOCIAL REPORT

The Company's workforce amounted to 49 employees as of December 31, 2010. The Company receives assistance from DBE employees in the processing of work within the context of the agency and service agreement concluded with DBE. The support provided consists mainly of commercial services.

The Company is included in the occupational safety concept and the compliance organization of DBE.

RESEARCH AND DEVELOPMENT

A main focus of operations continues to be on research and development contracts. With a view to the future, this ensures that the necessary know-how for the establishment of sites for the final storage of radioactive waste on the basis of state-of-the-art technology is maintained and further developed in association with DBE, both nationally and internationally. In the reporting year, the Company cooperated in eight national and international research and development contracts.

MANAGEMENT REPORT

RISK MANAGEMENT

The Company's reporting and controlling systems are kept in accordance with the existing DBE systems. Risks arising from order processing are dealt with promptly by means of order-related controls. The Company has adequate insurance cover for risks that normally need to be covered. This is achieved primarily through contractual inclusion in the insurance cover of DBE. There are no risks threatening the existence of the Company as a going concern. Significant events after the reporting date did not occur.

OUTLOOK

At € 16.8 million, the order volume continues to be at a high level as of December 31, 2010. Capacity utilization is guaranteed at 100 % for 2011 and at approx. 60 % for 2012. The Company's activities continue to focus on expanding and intensifying the core competence of the DBE / DBE TECHNOLOGY GmbH Group in order to be able to offer correspondingly competent services on a national and international basis.

Provided that orders on hand remain stable, a consistently positive level of earnings is expected for 2011 and for the medium term.

HEAD OFFICE PEINE



GENERAL DISCLOSURES

The Company is a medium-sized corporation as defined by Section 267 (2) and (4) HGB. The annual financial statements of DBE TECHNOLOGY GmbH are prepared on a voluntary basis in accordance with the provisions for large corporations.

In order to improve the clarity of presentation, some individual items of the balance sheet and income statement have been combined. They are reported separately in the notes to the financial statements.

The income statement has been prepared using the type of expenditure format.

With regard to recognition and valuation regulations, the law concerning the modernization of accounting law (referred to in the following as BilMoG) is applicable for the first time in relation to the Company's annual financial statements for financial year 2010. The option of early adoption has not been utilized.

The introduction of the BilMoG may result in changes in the measurement and disclosure of balance sheet items of the previous year in the so-called BilMoG opening balance sheet as of January 1, 2010. In accordance with Article 67 (8) Clause 2 EGHGB (Introductory Law to the German Commercial Code), the previous year figures have not been adjusted in the course of initial adoption.

The first-time application of the BilMoG has resulted in the structure of the balance sheet being extended to include the item deferred tax assets.

ANNEX

ACCOUNTING AND VALUATION METHODS

Intangible assets and tangible assets are reported at acquisition costs. Intangible assets, which include exclusively software, are amortized over a period of three to five years. Tangible assets are written down straight line over their expected useful lives. Low-value items with acquisition or manufacturing costs of between € 150 and up to € 1,000 are combined in a year-based collective item and written down uniformly over five years.

Projects in process are valued at directly attributable manufacturing costs at the lowest value permitted by tax law.

Prepayments made are reported at nominal value.

Recognizable individual risks concerning receivables are accounted for by value adjustments. Other assets are stated at nominal value.

Provisions are stated at the settlement amount required according to reasonable commercial assessment.

Provisions with a term of more than one year are discounted using the average market interest rate of the previous seven financial years which corresponds to their residual term.

In other provisions, the provisions for revenue risks from the invoicing of services were discounted using the average market interest rate of 4.36 % as of December 31, 2010 which was published by the German Federal

Bank. The computation of the provisions was based on average terms of five years.

The remaining provisions also take into account all recognizable risks and contingent obligations.

Liabilities are reported at their settlement amounts.

Amounts denominated in foreign currencies are translated into euros at current rates in accordance with the lower of cost or market principle.

Deferred taxes are recognized in relation to the differences between the figures shown in the balance sheet and the tax accounts if such differences will probably be reversed in subsequent financial years. Deferred tax assets and deferred tax liabilities are shown as non-netted figures.

The Company utilizes the capitalization option set forth in Section 274 (1) Clause 2 HGB and reports deferred tax assets.

In accordance with the changeover regulations (Article 67 (6) Clause 1 EGHGB), the effect of the initial recognition of deferred taxes as of January 1, 2010 is shown in the revenue reserves.

The deferred taxes are calculated using an effective tax rate of 30.0 % (15.82 % for corporation tax including solidarity surcharge and 14.18 % for trade tax) which will probably be applicable at the point at which the differences are reversed. The tax rate for trade tax is based on the trade tax assessment rate of 405 %.

ANNEX

NOTES TO THE BALANCE SHEET

Assets

(1) Fixed assets

The development of fixed assets is reflected in the Addendum to the Annex.

(2) Receivables and other assets

Other assets include mainly reimbursement claims on the tax office concerning corporation and turnover tax prepayments.

All receivables are due within one year.

(3) Deferred tax assets

The item deferred tax assets which is reported separately and as a non-netted figure on the balance sheet is the result of the following temporary differences.

	12/31/2010 Difference balance sheet vs. tax accounts	12/31/2010 Deferred tax assets
Balance sheet item	T€	T€
Other provisions	<u>304</u>	<u>91</u>

At the balance sheet date, the deferred taxes stated on the balance sheet amount to € 0.1 million. The Company utilizes the capitalization option pursuant to Section 274 (1) Clause 2 HGB.

Equity and liabilities

(4) Subscribed capital

The subscribed capital remains unchanged at € 0.5 million. It is fully paid in and held to 100 % by Deutsche Gesellschaft zum Bau und Betrieb von Endlagern für Abfallstoffe mit beschränkter Haftung (DBE), Peine.

(5) Capital reserves

Capital reserves originate from other contributions made by the shareholder in previous years.

(6) Revenue reserves

The first-time application of the BilMoG resulted in the following changeover effects which were allocated to the revenue reserves.

	Increase in revenue reserves T€	Decrease in revenue reserves T€
Release of provisions for revenue risks from the invoicing of services	63	0
Recognition of deferred tax assets with no effect on income from first-time application of Section 274 HGB	66	0
Effect on revenue reserves as of January 1, 2010	<u>129</u>	<u>0</u>

The net income for the previous year in the amount of € 0.5 million and the amount of € 0.3 million allocated to revenue reserves in the previous year were distributed to the sole shareholder.

ANNEX

(7) Tax provisions

Tax provisions refer to trade tax charges which are not covered by prepayments.

(8) Other provisions

Other provisions amount to € 0.8 million at the balance sheet date. They include revenue risks from the invoicing of services for research and development contracts (€ 0.5 million), vacation not yet taken (€ 0.1 million) and other commitments (€ 0.2 million).

The process of changing over the provisions for revenue risks from the invoicing of services for research and development contracts in accordance with the BilMoG as of January 1, 2010 (BilMoG opening balance sheet) resulted in surplus cover of € 0.1 million compared with the previous figure shown as of December 31, 2009. The amount of the surplus cover was reversed in accordance with Article 67 (1) Clause 3 EGHGB and was included directly in revenue reserves.

(9) Liabilities

All liabilities from prepayments received concern contractually agreed prepayments from customers.

Payables to affiliated companies fully relate to payables to the sole shareholder, resulting from current ordinary business.

Other liabilities mainly include liabilities from taxes in the amount of € 0.4 million.

All liabilities are unsecured and due within one year.

Contingent liabilities

As of the balance sheet date, contingent liabilities existed to the total amount of T€ 32 (previous year T€ 32) from a framework guarantee agreement relating to the assumption of a contract performance guarantee.

NOTES TO THE INCOME STATEMENT

(10) Turnover

	2010 T€	2009 T€
Project preparation work and engineering services for industrial companies	5,125	5,990
Income from billing domestic research and development contracts	951	1,395
Income from international contracts	39	547
	<u>6,115</u>	<u>7,932</u>

All income from project preparation work and engineering services for industrial companies was generated in Germany.

(11) Other operating income

Other operating income mainly relates to the release of provisions no longer needed (T€ 39; previous year € 0.2 million) as well as to costs passed on in the course of ordinary business activities and a reimbursement of contributions from Bergbau-Berufsgenossenschaft (professional mining association) for the year 2009 (T€ 36; previous year T€ 21).

ANNEX

(12) Cost of purchased services

Cost of purchased services includes costs of external services with regard to project preparation work.

(13) Personnel expenses

	2010 T€	2009 T€
Salaries	3,303	3,050
Social security and pension benefits (of which relating to pensions)	773 (3)	684 (3)
	<u>4,076</u>	<u>3,734</u>

(14) Other operating expenses

The item consists largely of expenses incurred for services provided within the scope of the agency and service agreement concluded with the parent company, rental and travel costs and general administration expenses.

(15) Net interest income

Net interest income is structured as follows:

	2010 T€	2009 T€
Other interest and similar income	20	44
Income from the discounting of other provisions	40	0
Interest and similar expenses	14	2
Interest expense from the compounding of other provisions	1	0
	<u>45</u>	<u>42</u>

Other interest and similar income results from the short-term investment of liquid assets.

(16) Taxes on income

Taxes on income include corporation tax (including solidarity surcharge) in the amount of € 0.1 million (previous year € 0.1 million) and trade tax in the amount of € 0.1 million (previous year € 0.1 million).

Income from deferred taxes (T€ 25) is the result of different amounts stated in the balance sheet and the tax accounts as of December 31, 2010.

OTHER DISCLOSURES

Number of staff on an annual average

The Company employed 46 people on an annual average (previous year 41).

Remuneration

The separately listed Advisory Board and Management Board members received no remuneration for their activities.

Fee of the auditor of the financial statements

The fee of the auditor of the financial statements recorded in the financial year as expense is reported in the consolidated financial statements of DBE.

Amounts banned for distribution within the meaning of Section 268 (8) Clause 2 HGB

At the balance sheet date, the following amounts were banned for distribution:

Deferred tax assets	T€	91
less other deferred tax liabilities	T€	0
Total amount banned for distribution	T€	<u>91</u>

ANNEX

Appropriation of Net Income

Subject to the approval of the sole shareholder, total net income for the year amounting to € 0.5 million shall be distributed.

Group Affiliation

DBE TECHNOLOGY GmbH, Peine, is under the uniform control of DBE. In its capacity as parent company, DBE prepares consolidated financial statements for the smallest and the largest group of companies. The Company's annual financial statements are included in these consolidated financial statements. The consolidated financial statements are filed with the operator of the electronic Federal Gazette and published in the electronic Federal Gazette.

Auditor's Report

The auditor, PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Hanover, provided the annual financial statements of the Company as of December 31, 2010 with an unqualified auditor's report dated May 31, 2011.

ADDENDUM TO THE ANNEX

DBE TECHNOLOGY GmbH, Peine

Balance sheet as of December 31, 2010

Assets	Notes	12/31/2010 T€	12/31/2009 T€
A. Fixed assets	(1)		
I. Intangible assets		31	26
II. Tangible assets		58	49
		89	75
B. Current assets			
I. Inventories			
1. Projects in process		2,630	2,547
2. Finished projects		28	0
		2,658	2,547
II. Receivables and other assets	(2)		
1. Trade receivables		658	563
2. Other assets		42	157
		700	720
III. Cash on hand, bank balances		3,185	3,388
		6,543	6,655
C. Prepaid expenses and deferred charges		9	1
D. Deferred tax assets	(3)	91	0
		6,732	6,731

Balance sheet as of December 31, 2010

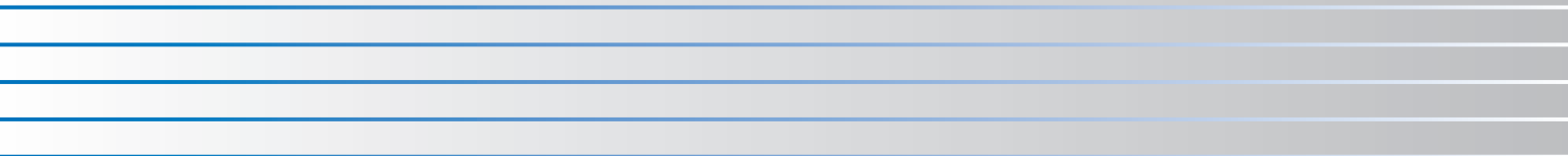
Equity and liabilities T€	Notes T€	12/31/2010	12/31/2009
A. Equity			
I. Subscribed capital	(4)	511	511
II. Capital reserves	(5)	179	179
III. Revenue reserves	(6)	519	692
IV. Net income for the year		463	473
1,672	1,855		
B. Provisions			
1. Tax provisions	(7)	30	0
2. Other provisions	(8)	826	652
		856	652
C. Liabilities			
	(9)		
1. Prepayments received		3,673	3,751
2. Trade payables		64	154
3. Payables to affiliated companies		8	93
4. Other liabilities		459	226
		4,204	4,224
		6,732	6,731

Income Statement from January 1 to December 31, 2010

	Notes	2010 T€	2009 T€
1. Turnover	(10)	6,115	7,932
2. Changes in inventories		83	-244
3. Other operating income	(11)	133	382
		6,331	8,070
4. Cost of purchased services	(12)	611	2,558
5. Personnel expenses	(13)	4,076	3,734
6. Amortization and depreciation		46	43
7. Other operating expenses	(14)	986	1,137
		5,719	7,472
		612	598
8. Net interest income	(15)	45	42
9. Profit on ordinary activities		657	640
10. Taxes on income	(16)	182	160
11. Other taxes		12	7
		194	167
12. Net income for the year		463	473

Fixed-Asset Movement Schedule Financial Year 2010

	Acquisition or manufacturing costs				Valuation adjustments				Book values	
	As of 01/01/2010	Additions	Disposals	As of 12/31/2010	Accumulated amortization/ depreciation 01/01/2010	Additions	Disposals	Accumulated amortization/ depreciation 12/31/2010	As of 12/31/2010	As of 12/31/2009
	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€
Intangible assets										
- Concessions, industrial property and similar rights and assets, and licenses in such rights and assets	87	28	0	115	61	23	0	84	31	26
Tangible assets										
- Other equipment, factory and office equipment	163	31	11	183	114	22	11	125	58	49
Fixed assets, total	250	59	11	298	175	45	11	209	89	75





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DBE-TEC
DBE TECHNOLOGY GmbH



INTERIOR
HEAD OFFICE **PEINE**