



## Press release

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### **The heating reform: Techem Energy Services from Germany offers trend-setting solutions**

#### **New Techem headquarters for China will be opening in Peking / Techem now also with commitments in Korea**

Techem, a German company which has specialised in consumer-friendly recording and billing of heat, water and cold, will open its new headquarters for China in Peking during the next few days.

Techem was founded in Frankfurt am Main in 1952 and has played a major role in the German energy sector ever since then. The 1970s were decisive for the company's development: following the first oil price crisis, the German government decided to introduce the billing of heating costs according to consumption. Since then, heating consumption is measured and billed individually in Germany. Every citizen needs only to pay for his actual consumption. "The result was overwhelming. Energy consumption dropped by 20 percent within just a few years", so Rainer Kordes, Managing Director of Techem China.

Techem developed and became Germany's largest provider of services for the consumption-dependent billing of heating costs. The company with its headquarters in Eschborn, close to Frankfurt, is active in more than 20 countries worldwide and takes care of more than 42 million measurement devices for eight million households. Techem operates particularly successfully in the East European countries: they take over Techem's predetermined route of saving energy following the opening of the markets.

Techem offers all the prerequisites to serve a market of the order of magnitude of China. However, it may well take several years until China can also implement the consumer-orientated billing of heating costs: the logistics and technology questions are highly complex. Techem can contribute their entire know-how here for the adaptation of heating systems and allocation of heating costs in already existing buildings. The Germans already support a Chinese State company which is improving the performance of heating systems and the allocation of heating costs.

Techem also plans to support heat suppliers and property management in their endeavours to improve the quality of energy supplies. Reduced energy consumption in buildings influences the energy suppliers' income, however it causes lower operating costs. However, at the same time it leads to lower operating costs and better performance. The capacity which this releases can be used to serve new clients. Moreover, transparent and fair billing improves the customers' payment practices and the suppliers increase their turnover.

Techem is also a leading provider of energy contracting services. This means that energy systems for business and residential properties are run professionally and minimises their costs.

"What makes Techem so unique", according to Rainer Kordes, "is the connection of technological and administrative-technical expert knowledge to save energy consumption by distribution and consumption. Thus, a balance is always struck between supply and consumption", Rainer Kordes continues.

Following China, Techem also became involved in South Korea. A corresponding joint venture was initiated there with the Korean company Wizit. Wizit is the leading manufacturer of electricity, gas, heating and water meters in Korea. The objectives of the cooperation in Korea are billing services and selling meters, especially for heating.

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