

Dear Sir or Madam,  
Dear friends,



SkySails is growing! This applies not just to our team, which now has 26 highly qualified and motivated staff members, but also and particularly, to the SkySails technology: In May the new test vessel, the 55 metre long former buoy tender "Beaufort", went into operation. Thus, for the first time a ship has been equipped with a close-to-production SkySails system.

During the last year we were able to show on Jan Luiken that the SkySails technology works. With the Beaufort we will now demonstrate that the system can be

scaled for large-scale commercial applications. Hence the SkySails system on the Beaufort is suitable for towing kite areas of up to 160 square metres. We are very much looking forward to the tests, and wish you all the best.

With regards from Hamburg,

Stephan Wrage  
(managing partner)

### New SkySails test vessel has started operation



Test vessel Beaufort - before retrofitting

In May, SkySails put its new test vessel "Beaufort" into operation. The former buoy tender, of a length of just under 55m and a width of 9m, has been at Wismar for equipping since April 21<sup>st</sup>. "Besides installing the components - winch, towing point, and launch and recovery crane - during the last few weeks we have also installed 600 metres of new cable", says technical manager of SkySails, Stephan Brabeck. "Additionally we have installed hydraulic lines and measurement technology on the bridge for the SkySails test crew." Finally, the Beaufort has been painted SkySails-blue. Company founder Stephan Wrage is very happy: "Finally, we are ready to go to sea. This testing phase will again be very important to further develop the scaling of the system." Testing will start during the second quarter of 2006. One-day and multiple-day trips are planned. The tests are carried out in cooperation



After retrofitting with extended telescopic mast for large SkySails systems

with the navigation school Leer, which is supplying the crew for the Beaufort and developing a framework for applying the SkySails system to ship operation. By the end of the year, towing kite areas on the Beaufort will be scaled up to 160 square metres.

## SkySails at the Green Ship Technology Conference

On March 31<sup>st</sup>, in Wismar the functioning of the SkySails system was demonstrated to an international group of experts on the experimental vehicle "Jan Luiken" in an excursion from the "Green Ship Technology Conference". Despite occasionally high waves with storm-strength gusts and pouring rain, the demonstration was a complete success, impressing an initially sceptical expert who commented: "I have to admit, that the demonstration has convinced me - launch and recovery were carried out smoothly and the system coped with even strong gusts and rain." The partially surprised experts from all over the world observed the SkySails manoeuvres from an accompanying boat. The third annual conference of the Green Ship Technology took place from 28.03.2006 to 30.03.2006 in Hamburg, organised by Lloyd's list. Approx. 150 international participants presented and conferred about the latest developments in the area of environmentally friendly technologies for shipping.

## Third round financing almost fully placed

Since the end of January 2006, the Oltmann group from Leer has exclusively presented the third, and for the time being, final round financing of SkySails, the venture capital at sea. This has been done with great success and the third round financing is almost fully placed. André Tonn, managing partner of the Oltmann Group said "Private investors still have the opportunity to invest in the development of a future-oriented technology at an entry level of 50,000 euros."



Further information can be found at [www.oltmanngruppe.de](http://www.oltmanngruppe.de)

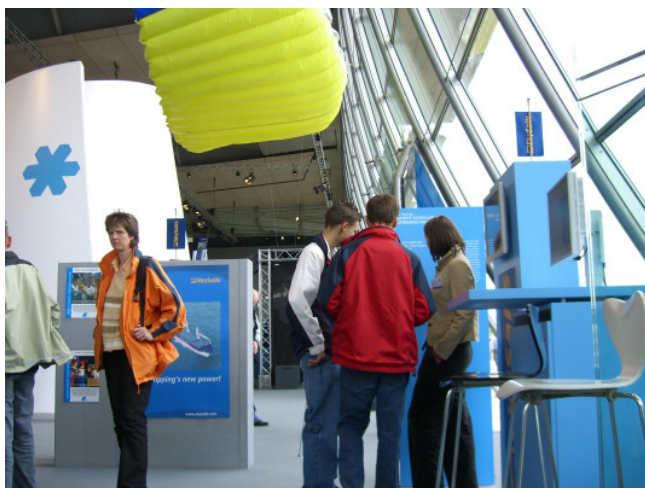
## SkySails at the SMM 2006

SkySails will present its technology to new customers at the SMM in Hamburg - shipping technology's most prominent fair. Visitors to the SMM will be able to experience the new technology closely through models and videos. The international fair for Shipbuilding, Machinery & Marine Technology (SMM) takes place from 26.09. to 29.09.2006 at the Hamburg exhibition centre. With over 1,400 businesses from over 50 nations and about 42,000 expert visitors, the SMM is the leading international fair of the maritime industry. We are happy to take your reservations to visit the SkySails exhibit now.



Please contact us at [contact@skysails.de](mailto:contact@skysails.de).

## SkySails at "Focus on Ideas" at the ThyssenKrupp Ideas Park



Chancellor Angela Merkel, prime minister of Lower Saxony Christian Wulff and EU commissioner Günter Verheugen are just a few of the prominent visitors to the ThyssenKrupp Ideas Park at the German Pavilion at the Expo centre in Hanover. From 20.05. to 28.05.2006 the TuTech GmbH attached to the Technical University Hamburg-Harburg presented the SkySails technology at the ThyssenKrupp Ideas Park. The Ideas Park is a focal point for technical-scientific ideas in Germany. The topics covered are innovations exemplary for the German economy: movement, life and environment.