From: Julie Thompson Sent: 27 February 2008 15:10

To: stefan.hofsaess@siemens.com; Joachim Enenkel (joachim.enenkel@bilfinger.de)

Subject: Sent on behalf of Willie Gallagher - URGENT

Sent on behalf of Willie Gallagher

Joachim and Stefan

I am writing to you from South Africa where I've just had a telephoned briefing from my team, and I have to record my deepest concern on the apparent lack of progress in bringing the contract negotiations to a close. Many commitments have been made about delivery of the required documents and plans necessary to effect the closure of this process, and, to the great frustration of my team, there has been continual failure to meet these commitments, to the extent that the date of 13th March for contract signing is now looking under peril. As I write we still have not received a copy of your proposed programme nor have we received your promised detailed breakdown of schedule 4. These are only two examples of many and this has my team questioning the motivation of BBS in closing out this deal. The net result of this is that I am facing the wholly unacceptable and project threatening task of reporting to the City of Edinburgh Council on March 13 that we are not yet in a position to sign off the contract.

The purpose of this email is to alert you to the graveness of the position, as with all things I am certain that there will be a different perspective from your team as to why we are where we are, but whatever the true reasons are the indisputable fact is that we are not making the requisite progress. To this end I would like you to commit to the delivery of the items, that we will detail again for your team this afternoon, by the end of this week, none of which should be a surprise. Further I would ask that you also commit that your senior representatives, including Richard Walker and Michael Flynn are onsite, full time, **prepared and empowered** to broker the conclusion of this process together with all appropriate supporting staff from Monday 3rd March at Citypoint, Edinburgh and in effect to sit at the table until we are done, you have the reciprocal commitment from my team.

On my return to Edinburgh on Monday I will review the need for us to meet in Germany next week, in the meantime I would be grateful for your fullest support on this matter.

Yours Sincerely

Willie Gallagher

Willie Gallagher Chairman tie limited Citypoint 65 Haymarket Terrace Edinburgh EH12 5HD

Tel: +44 (0)131 Fax: +44 (0)131 622 8301 Email: willie.gallagher@tie.ltd.uk