GREEN PLAINS RENEWABLE ENERGY, INC.
Form S-4/A
September 02, 2008

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As filed with the Securities and Exchange Commission on September 2, 2008

Registration No. 333-151900

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 3 to

FORM S-4/A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

GREEN PLAINS RENEWABLE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Iowa	**2860**	**84-1652107**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

9420 Underwood Ave., Suite 100
Omaha, Nebraska 68114
(402) 884-8700
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Wayne B. Hoovestol
Chief Executive Officer
Green Plains Renewable Energy, Inc.
9420 Underwood Ave., Suite 100
Omaha, Nebraska 68114
(402) 884-8700
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Michelle S. Mapes, Esq.	**David T. Quinby, Esq.**
Husch Blackwell Sanders LLP	Stoel Rives LLP
1620 Dodge Street, Suite 2100	33 South 6th Street, Suite 2100
Omaha, Nebraska 68102	Minneapolis, MN 55402
(402) 964-5000	(612) 373-8800

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective and upon completion of the mergers described herein.

If the securities being registered on this Form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer o Accelerated filer ý Non-accelerated filer o Smaller reporting company o

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Common Stock, $0.001 par value per share	11,139,000	N/A	$68,282,070	$2,683.49(3)

(1) Represents the maximum number of shares of common stock of Green Plains Renewable Energy, Inc. ("GPRE"), par value $0.001, issuable upon the completion of (i) the proposed merger of Green Plains Merger Sub, Inc., a wholly-owned subsidiary of GPRE, with and into VBV LLC; (ii) the proposed merger of IN Merger Sub, LLC, a wholly owned subsidiary of GPRE, with and into Indiana Bio-Energy, LLC ("IBE"); and (iii) the proposed merger of TN Merger Sub, LLC, a wholly owned subsidiary of GPRE, with and into Ethanol Grain Processors, LLC ("EGP"), each as described in this registration statement.

(2) Estimated solely for purposes of calculation of the registration fee in accordance with Rules 457(c) and (f) of the Securities Act of 1933, as amended, based upon the product of: (A) 11,139,000 shares, which is the maximum number of shares of GPRE common stock, which are being registered, that will be received by the unit holders of VBV, IBE and EGP in the mergers, multiplied by (B) $6.13, the average of the high and low sale prices for shares of GPRE common stock as reported on The NASDAQ Capital Market on June 19, 2008.

(3) This amount has previously been paid.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

PROXY STATEMENT/PROSPECTUS

To the Shareholders of Green Plains Renewable Energy, Inc. , 2008

Dear Shareholder:

Your company, Green Plains Renewable Energy, Inc. ("GPRE"), is holding a special meeting of shareholders in order to seek approval of certain matters in connection with an Agreement and Plan of Merger among us, VBV LLC ("VBV"), and certain other parties. Pursuant to the merger agreement, we will acquire VBV (the "VBV Merger"), Indiana Bio-Energy, LLC ("IBE"), an entity in which VBV holds a majority interest (the "IBE Merger"), and Ethanol Grain Processors, LLC ("EGP" and together with IBE, the "VBV Subsidiaries"), another entity in which VBV holds a majority interest (the "EGP Merger"). We will acquire all of the interests in IBE and EGP, other than the interests held by VBV.

In total, current equity holders of VBV, IBE and EGP will receive 10,871,472 shares and we will assume options exercisable for 267,528 shares, as consideration in the mergers.

Stoel Rives LLP has provided a legal opinion that, for U.S. federal income tax purposes, the VBV Merger will qualify as a "reorganization" and GPRE, its subsidiaries, VBV, and (depending on their individual circumstances) VBV Members generally will not recognize gain or loss as a result of the mergers. The EGP Merger and the IBE Merger, however, will be taxable to the holders of units in EGP and IBE (other than VBV) for U.S. federal income tax purposes.

The exchange ratios for the exchange of VBV, IBE and EGP units into GPRE common stock are fixed and will not change, regardless of changes in the market price of our common stock. On May 7, 2008, the date that the merger agreement was signed, the value of the common stock to be received in the mergers (including shares subject to options) was $98,023,200. As of August 29, 2008, this value was $72,292,110.

At the same time as the mergers, certain members of VBV will purchase an aggregate of 6,000,000 shares of our common stock at a price of $10.00 per share, for a total investment of $60,000,000 (the "Stock Purchase"). The Stock Purchase will be an unregistered, privately placed sale of our common stock. After completion of the mergers and the Stock Purchase, the VBV members and the minority unit holders of IBE and EGP will collectively own approximately 68.3% of our issued and outstanding stock. This will constitute a change in control of GPRE and will have a significant dilutive effect on our current shareholders.

In addition, we, our chief executive officer and the VBV Members will enter into a Shareholders' Agreement which, among other things, will provide that for so long as the VBV Members collectively maintain ownership of at least 35% of our outstanding common stock, they will, collectively, have the right to designate five nominees for election to our Board of Directors.

Our shareholders will receive no consideration in connection with the proposed mergers.

A special meeting of our shareholders will be held on October 10, 2008, to approve certain matters with respect to the mergers, as specified in the attached Notice of Special Meeting. Our Board of Directors recommends a vote "FOR" each of the proposals set forth on the Notice. As of the date of this proxy statement/prospectus, shareholders holding approximately 29% of our common stock have agreed to vote for these proposals. Approval of the mergers will require the affirmative vote of a majority of the votes cast at the meeting.

Your vote is very important, regardless of the number of shares you own. Please take the time to vote your proxy (in writing, over the Internet or by telephone) by following the instructions on your proxy card or, if your shares are held in the name of a bank or broker, please instruct your bank or broker on how to vote. The accompanying materials provide details on the special meeting, the mergers and the issuances of GPRE common stock.

We realize that this is a lengthy document, so we have provided a Summary of the proxy statement/prospectus starting on page 8. **We encourage you to read and carefully consider this proxy statement/prospectus in its entirety. For a discussion of specific risks that should be considered before casting your vote, see "Risk Factors" beginning on page 21.**

Wayne B. Hoovestol
Chief Executive Officer
Green Plains Renewable Energy, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of this transaction or the GPRE common stock to be issued in the Mergers and Stock Purchase or determined whether the registration statement is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated , 2008 and is first being mailed to GPRE shareholders on or about , 2008.

GREEN PLAINS RENEWABLE ENERGY, INC.
9420 Underwood Ave., Suite 100
Omaha, Nebraska 68114
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
October 10, 2008

A special meeting of shareholders of Green Plains Renewable Energy, Inc. ("GPRE") will be held at 9420 Underwood Ave., Suite 100, Omaha Nebraska, 68114, on October 10, 2008 at 10:00 a.m., central time. At the special meeting, the shareholders of GPRE will be asked to consider and vote on:

(1) a proposal to approve the Mergers;

(2) a proposal to approve the issuance of an aggregate of 17,139,000 shares of GPRE common stock (including shares subject to options assumed) pursuant to the Mergers and the Stock Purchase;

(3) a proposal to approve the amended and restated articles of incorporation of GPRE as follows: (i) amend Article II to increase the number of shares authorized for issuance by GPRE; and (ii) amend Article III so that it is consistent with the terms of GPRE's Bylaws, which must be amended as a condition to closing the VBV Merger, with respect to (A) imposing a supermajority shareholder vote if two-thirds of the directors do not approve certain transactions prior to GPRE's next significant transaction, and (B) altering the number of GPRE's directors and the method by which board vacancies are filled; and

(4) a proposal to adjourn the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve any of proposals 1, 2 or 3.

GPRE has fixed the close of business on August 12, 2008, as the record date for determination of shareholders entitled to notice of and to vote at the special meeting and any adjournment thereof. The accompanying proxy statement/prospectus explains the proposals to be voted on and provides specific information on the special meeting.

GPRE's Board of Directors recommends that you vote "FOR" each of the above proposals.

Whether or not you expect to attend the special meeting, your vote is very important. Please promptly complete, date, sign and return the enclosed proxy card or vote via the Internet or by telephone. If your shares are held in the name of a bank or broker, please follow the instructions furnished by them.

By Order of the Board of Directors,

Dan E. Christensen, Secretary

, 2008

GREEN PLAINS RENEWABLE ENERGY, INC.

PROXY STATEMENT/PROSPECTUS

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The following appendices also constitute part of this proxy statement/prospectus:

Appendix D	Stock Purchase Agreement between Green Plains Renewable Energy, Inc., Bioverda International Holdings Limited and Bioverda US Holdings LLC
Appendix E	Lock-up and Voting Agreements
Appendix F	Shareholders' Agreement
Appendix G	Opinion of Duff & Phelps, LLC
Appendix H	Form of Amended and Restated Bylaws of Green Plains Renewable Energy, Inc.
Appendix I	Form of Amended and Restated Articles of Incorporation of Green Plains Renewable Energy, Inc.

QUESTIONS AND ANSWERS

The following are some questions that the GPRE shareholders and VBV, IBE and EGP members may have regarding the Mergers and the other related matters and brief answers to those questions. We urge you to read carefully the entire proxy statement/prospectus, including the documents attached to this proxy statement/prospectus, because the information in this section does not provide all the information that might be important to you.

General Questions and Answers

Q: What are the "Mergers" described in this proxy statement/prospectus?

A:

On May 7, 2008, GPRE entered into an Agreement and Plan of Merger among it, Green Plains Merger Sub, Inc., a wholly-owned subsidiary of GPRE ("GP Merger Sub"), VBV LLC ("VBV") and certain other parties for limited purposes (the "VBV Merger Agreement"). Also on May 7, 2008, GPRE entered into an Agreement and Plan of Merger among it, TN Merger Sub, LLC, its wholly-owned subsidiary ("TN Merger Sub"), and Ethanol Grains Processors, LLC ("EGP"), a majority-owned subsidiary of VBV (the "EGP Merger Agreement"); and an Agreement and Plan of Merger among it, IN Merger Sub, LLC, its wholly-owned subsidiary ("IN Merger Sub"), and Indiana Bio-Energy, LLC ("IBE"), a majority-owned subsidiary of VBV (the "IBE Merger Agreement"). A copy of the VBV, EGP and IBE merger agreements are attached to this proxy statement/prospectus as Appendices A, B and C. Throughout this proxy statement/prospectus, we refer to the merger between GPRE and VBV as the "VBV Merger" and refer to the mergers between GPRE's merger subsidiaries and IBE and EGP, respectively, as the "IBE Merger" and the "EGP Merger". The VBV Merger, IBE Merger and the EGP Merger are referred to collectively as the "Mergers."

Q: Why am I receiving this proxy statement/prospectus

A:

<u>*If you are a GPRE shareholder*</u> You are receiving this proxy statement/prospectus because GPRE will be holding a special meeting of its shareholders to obtain this shareholder approval and will be soliciting your vote. This proxy statement/prospectus contains important information about the Mergers, the transactions related to the Mergers, and the special meeting, and you should read it carefully. The enclosed proxy allows you to vote your shares of GPRE without attending the special meeting. *Your vote is important. We encourage you to vote as soon as possible.*

<u>*If you are a VBV, EGP or IBE member*</u> This proxy statement/prospectus is being provided to you as part of an information statement in connection with the special meetings of the members of VBV, EGP and IBE, respectively, at which you will be asked to approve and adopt the applicable merger agreement and the transactions contemplated therein, including the merger of each of VBV, EGP, and IBE with a direct, wholly-owned subsidiary of GPRE formed for the purpose of effecting each merger, as described more fully below. GPRE is required to deliver this proxy statement/prospectus to you because GPRE is offering shares of its common stock to you in exchange for your units in VBV, EGP, or IBE, as the case may be.

Q: What will happen in the Mergers?

A:

The following transactions will occur concurrently at the closing of the Mergers:

(i) GP Merger Sub will merge with and into VBV, and the holders of VBV common units will be entitled to receive 7,498.369315 shares of GPRE common stock for each common unit they hold at the effective time of the VBV Merger;

(ii) TN Merger Sub will merger with and into EGP, and the holders of EGP units (other than VBV) will be entitled to receive 0.151658305 shares of GPRE common stock for each unit of EGP they hold at the effective time of the EGP Merger and all EGP units will be automatically cancelled when the EGP Merger becomes effective;

(iii) IN Merger Sub will merge with and into IBE, and the holders of IBE units (other than VBV) will be entitled to receive 731.9974690 shares of GPRE common stock for each unit of IBE they hold at the effective time of the IBE Merger and all IBE units will be automatically cancelled when the IBE Merger becomes effective; and

(iv) Options to purchase IBE and EGP units will be assumed by GPRE and converted into options to purchase an aggregate of 267,528 shares of GPRE common stock.

Q: What is the Stock Purchase?

A: Concurrently with the Mergers, under the terms of a separate stock purchase agreement with GPRE dated May 7, 2008 (the "Stock Purchase Agreement"), two wholly-owned subsidiaries of NTR, plc, Bioverda International Holdings Limited ("Bioverda International") and Bioverda US Holdings LLC ("Bioverda US," together with Bioverda International, the "Bioverda entities") will purchase an aggregate of 6,000,000 shares of GPRE common stock at a purchase price of $10.00 per share, for a total investment of $60,000,000 (the "Stock Purchase").

Q: How many shares of GPRE common stock will be issued in connection with the Mergers and the Stock Purchase?

A: GPRE will issue a total of 10,871,472 shares of common stock to the unit holders of VBV, EGP and IBE and assume options to purchase EGP and IBE units that will convert into the right to purchase 267,528 shares of GPRE common stock as consideration in the Mergers and issue 6,000,000 shares of common stock to the Bioverda entities in the Stock Purchase. Accordingly, we estimate that immediately after the completion of the Mergers and the Stock Purchase, the former VBV, EGP and IBE unit holders will own approximately 68.3% of the outstanding shares of GPRE common stock. This will constitute a change in control of GPRE and will have a significant dilutive effect on our current shareholders.

Q: Why are GPRE and VBV proposing the Mergers?

A: GPRE and VBV are proposing the Mergers because they believe the resulting combined enterprise will be a stronger, more competitive company capable of achieving greater financial strength, operational efficiencies, earning power, access to capital, and growth than either company would be capable of separately. GPRE and VBV believe that the Mergers may result in a number of benefits, including:

- providing the opportunity for GPRE's shareholders and the VBV, EGP and IBE members to participate in the potential growth of the combined enterprise after the Mergers;
- increasing the size and scale of the combined enterprise's operations and positioning it to become one of the lowest-cost producers of ethanol;
- enhancing the geographical diversity of the combined enterprise's operations, thereby decreasing its exposure to fluctuations in any one feedstock market, increasing its access to potential customers and allowing it to distribute its products more efficiently;
- creating synergies by combining its ethanol production facilities with IBE and EGP while eliminating duplicative functions; and
- improving access to debt and equity capital, and positioning it to participate in the potential consolidation and vertical integration of the ethanol industry.

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For a more complete description of the factors considered by the board of each company, please refer to the sections of this proxy statement/prospectus entitled "The Merger GPRE's Reasons For the Merger" and " Recommendation of the GPRE Board of Directors" and "The Merger VBV's and VBV Subsidiaries' Reasons For the Mergers" and "Recommendation of the VBV Managers and VBV Subsidiary Boards of Directors" on pages 63-64.

Q: Has the GPRE Board of Directors Approved the Mergers?

A:

After careful consideration, the GPRE board unanimously determined that the Mergers are advisable and in the best interests of GPRE and its shareholders.

Q: What is necessary to complete the Mergers?

A:

In order to complete the Mergers,

(1) GPRE's shareholders must approve the Mergers, the issuance of the shares of GPRE common stock in the Mergers and the Stock Purchase, and GPRE's amended and restated articles of incorporation;

(2) the members of VBV, EGP and IBE must approve and adopt the VBV Merger Agreement, the EGP Merger Agreement and the IBE Merger Agreement, respectively, and approve the transactions contemplated by those Merger Agreements, including the Mergers; and

(3) all other conditions to the Mergers must be satisfied or waived, including receipt of certain consents on regulatory approvals. See pages 90-91, 93 and 94 for a discussion of these conditions.

Q: When are the Mergers expected to be completed?

A:

GPRE and VBV expect to complete the Mergers as soon as possible. If the shareholders of GPRE approve the Mergers, the issuance of the GPRE common stock in the Mergers and the Stock Purchase, and the amended and restated articles of incorporation, and the unit holders of VBV, EGP and IBE approve and adopt the Merger Agreements and approve the Mergers and the other transactions contemplated by the Merger Agreements, and all closing conditions in the Merger Agreements are satisfied or waived, GPRE and VBV anticipate that the Mergers will be completed in the 2008 calendar year. The Mergers will become effective upon the filings of certain merger documents with the applicable Secretaries of State.

Q: What risks should I consider in deciding whether to vote for the proposals presented at the special meeting?

A:

You should carefully review and consider the risks set forth in the section entitled "Risk Factors" beginning on page 21.

Q: Who will be the directors of GPRE following the Mergers?

A:

Following the Mergers, GPRE will be governed by a nine-member board of directors. The Bioverda entities will together have the right, as long as they collectively own at least 32.5% of the outstanding GPRE common stock, to designate four individuals to be nominated for election as directors. The Bioverda entities' initial designees are expected to be Jim Anderson, Jim Barry, James Crowley and Michael Walsh. Similarly, as long as Wilon Holdings S.A., a current member of VBV ("Wilon"), owns at least 2.5% of the outstanding GPRE common stock, it will have the right to designate one individual to be nominated for election as a director. Wilon's initial designee is expected to be Alain Treuer. Each of the parties to the Shareholders' Agreement will vote his or its shares of GPRE common stock in favor of the nominees of the Bioverda entities and Wilon. It is anticipated that current GPRE directors Gordon Glade, Wayne Hoovestol, Gary Parker and Brian Peterson will continue to serve on the GPRE board after the Mergers. Thereafter, except for the Bioverda entities' and Wilon's designees, the directors will be nominated for election by the shareholders in accordance with GPRE's bylaws and nominating committee procedures.

Q: Who will be the executive officers of GPRE following the Mergers?

A:

Following the Mergers, the executive management team of the combined organization is expected to be composed of the members of GPRE's management team prior to the Mergers, except that Todd Becker (the current chief executive officer of VBV) will be appointed to serve as president and chief operating officer of GPRE. It is expected that Wayne Hoovestol will resign from his position as chief executive officer of GPRE not later than 12 months following the Mergers and, subject to the discretion of the board of directors, Mr. Becker will be appointed to succeed Mr. Hoovestol as chief executive officer.

Q: What are the interests of GPRE executive officers and directors in the Mergers?

A:

The GPRE executive officers and directors have certain interests in the Mergers that are different from the GPRE shareholders, including management and board positions following the Mergers. See the section entitled "The Mergers Interests of GPRE's Directors and Executive Officers" for additional discussion of these interests.

Q: Have the Mergers and the other transactions contemplated in the respective Merger Agreements been approved by VBV, EGP and IBE?

A:

The boards of each of VBV, EGP and IBE have unanimously approved and adopted the respective Merger Agreements and the Mergers and the other transactions contemplated by the respective Merger Agreements. Each of VBV, EGP, and IBE intend to hold special meetings of its members to consider and approve the applicable merger agreement, merger, and other transactions contemplated therein. The Bioverda entities and Wilon have approved the Stock Purchase.

Q: Do the GPRE shareholders have appraisal rights?

A:

GPRE shareholders do not have appraisal rights with respect to the Mergers, the proposals they are being asked to approve, or any other matter discussed in this proxy statement/prospectus.

Q: Do the VBV, IBE or EGP members have appraisal rights?

A:

None of the members of VBV, IBE or EGP have appraisal rights with respect to the Mergers or the other transactions contemplated by the Merger Agreements.

Q: What are the tax consequences of the Mergers?

A:

Subject to the discussion under "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers," in this proxy statement/prospectus, the VBV Merger has been structured as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Stoel Rives LLP has provided a legal opinion that the VBV Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code; the Internal Revenue Service ("IRS") has not provided a ruling on the matter. Assuming the VBV Merger so qualifies, for U.S. federal income tax purposes none of GPRE, VBV, GP Merger Sub, or VBV Members who are U.S. persons (as defined in "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers") will recognize gain or loss as a result of the VBV Merger. Depending on their individual circumstances, VBV Members who are non-U.S. persons (as defined in "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers") generally will not recognize gain or loss in connection with the VBV Merger and generally will not be subject to a 10% withholding tax on their receipt of GPRE common stock in exchange for VBV units pursuant to the VBV Merger. The EGP Merger and the IBE Merger will be taxable to the holders of units in EGP and IBE (other than VBV) for U.S. federal income tax purposes, although none of GPRE, any of GPRE's subsidiaries, or VBV will recognize gain or loss as a result of the EGP Merger and the IBE Merger. See the section entitled "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers" beginning on page 75 of this proxy statement/prospectus for a discussion of material U.S. federal income tax consequences of the Mergers.

Questions and Answers about the Special Meeting of GPRE Shareholders

Q: When and where will the special meeting of GPRE shareholders be held?

A:

The special meeting will take place at 9420 Underwood Ave., Suite 100, Omaha, Nebraska, 68114, on October 10, 2008 at 10:00 a.m. central time.

Q: Who may attend and vote at the special meeting?

A:

Only GPRE's shareholders of record as of the close of business on August 12, 2008, the record date, may attend and vote at the special meeting. As of the record date, GPRE had 7,821,528 shares of common stock issued and outstanding and entitled to vote. Shareholders are entitled to one vote for each share of common stock held.

Q: What will be voted on at the special meeting?

A:

The shareholders of GPRE will be asked to vote on the following proposals:

1. To approve the Mergers;

2. To approve the issuance of an aggregate of 17,139,000 shares of GPRE common stock in the Mergers (including shares subject to options assumed) and the Stock Purchase;

3. To approve the amended and restated articles of incorporation of GPRE as follows: (i) amend Article II to increase the number of shares authorized for issuance by GPRE; and (ii) amend Article III so that it is consistent with the terms of GPRE's Bylaws, which must be amended as a condition to closing the VBV Merger, with respect to (A) imposing a supermajority shareholder vote if two-thirds of the directors do not approve certain transactions prior to GPRE's next significant transaction, and (B) altering the number of GPRE's directors and the method by which board vacancies are filled; and

4. To adjourn the special meeting, if necessary, to solicit additional proxies if there are insufficient votes to approve proposals 1, 2 or 3.

Q: How does GPRE's board of directors recommend that shareholders vote on the proposals to be presented at the special meeting?

A:

After careful consideration, GPRE's board of directors unanimously determined that the Mergers are advisable, fair to and in the best interests of GPRE and its shareholders and approved the Merger Agreements and the transactions contemplated by the Merger Agreements, including the Mergers and the Stock Purchase. **Accordingly, GPRE's board of directors unanimously recommends that you vote "FOR" each of the proposals to be presented at the special meeting.**

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Q: How can I vote?

A:

If you are a shareholder of record as of the record date, you may:

- cast your vote in person by attending the special meeting of GPRE shareholders;
- cast your vote on the Internet website specified on your enclosed proxy card;
- cast your vote by telephone by calling the number specified on your enclosed proxy card; or
- complete, sign and date the enclosed proxy card and return it to GPRE in the postage-paid envelope provided with this proxy statement/prospectus.

If you vote your proxy over the Internet or by telephone, you must do so before 11:59 p.m., eastern time, on October 9, 2008. If you hold your shares of GPRE common stock in the name of a bank or broker, please follow the voting instructions provided by your bank or broker to ensure that your shares are represented at the special meeting. Please note that most banks and brokers permit their beneficial owners to vote by telephone or by Internet. *If you hold shares in street name, see the next question and answer.*

Q: If my shares are held in street name by my broker, how do I vote?

A:

If your shares are held by a bank or nominee (that is, in "street name"), you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank or broker.

Important Note: You may not vote shares held in street name by returning a proxy card directly to GPRE or by voting in person at the special meeting unless you provide a "legal proxy," which you must obtain from your bank or broker.

Q: How will my proxy be exercised with respect to the proposals to be presented?

A:

Each valid proxy received before the meeting will be voted in accordance with the indication made on the proxy card. If you sign and return your proxy card without indicating how to vote on any particular proposal, the GPRE common stock represented by your proxy will be voted in favor of that proposal.

Q: Can I revoke my proxy or change my vote even after returning a proxy card?

A:

Yes. You can revoke your proxy or change your vote before your proxy is voted at the special meeting. You can do this in one of four ways:

- you can submit a signed notice of revocation to GPRE;
- you can grant a new, valid proxy bearing a later date than your original proxy;
- you can cast a new proxy vote over the Internet or by telephone;
- if you are a holder of record, you can attend the special meeting of GPRE shareholders and vote in person, which will automatically cancel any proxy you have previously given, or you may revoke your proxy in person, however, your attendance alone will not be sufficient to revoke any proxy that you have previously given.

The notice of revocation or the valid, later dated proxy must be received before the date of the Special Meeting. If your shares are held in street name by your broker, you should contact your broker to change your vote.

Q: What constitutes a quorum at the Special Meeting?

A:

The presence, in person or by proxy, at the special meeting of holders of a majority of the outstanding shares entitled to vote constitutes a quorum. Based on 7,821,528 shares outstanding as of the record date, 3,910,764 shares will constitute a quorum.

Q: What GPRE shareholder approvals are needed to complete the Mergers?

A:

The affirmative vote of a majority of the shares cast at the special meeting at which a quorum is present is needed to approve each of the proposals. Abstentions and broker non-votes will have no impact on these votes.

Q: Are any shareholders already committed to vote in favor of these proposals?

A:

Yes. The executive officers and directors of GPRE, in their capacities as shareholders of GPRE, have each agreed to vote their respective shares of GPRE common stock in favor of the adoption and approval of each of the proposals to be presented at the special meeting. Collectively, these individuals currently beneficially own approximately 29% of the total voting power of GPRE's issued and outstanding common stock. See the section entitled "The Lock-up and Voting Agreements" beginning on page 95 of this proxy statement/prospectus.

Q: What do I need to do now?

A:

Carefully read and consider the information contained in and incorporated by reference into this proxy statement/prospectus, including its appendices, and vote the proxy card you receive by returning the completed, signed and dated proxy card in the postage-paid envelope, or vote by internet or telephone, as instructed on the proxy card. We encourage you to vote the proxy card you receive as soon as possible, even if you plan to attend special meeting of GPRE shareholders, to ensure that your shares are represented at the special meeting and voted as directed.

Q: Who should I contact if I have any questions about the Mergers, the Stock Purchase, the special meeting or proxy materials?

A:

If you have any questions about the Mergers, the Stock Purchase, the special meeting of GPRE's shareholders or you need assistance in submitting your proxy or voting your shares, please contact Scott Poor at GPRE at (402) 884-8700.

SUMMARY

This summary only provides an overview. This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. It is not a complete presentation of the relevant facts, and it is qualified by the other information in this proxy statement/prospectus. We encourage you to carefully read this entire proxy statement/prospectus because the information in this section does not provide all the important information in connection with the Mergers and the related matters on which the GPRE shareholders and the VBV and VBV Subsidiary unit holders are being asked to vote. You should carefully read this entire document and the other documents we refer to for a more complete understanding of the Mergers and the Stock Purchase. This summary and the balance of this proxy statement/prospectus contain forward-looking statements about events that are not certain to occur, and you should not place undue reliance on those statements. Please carefully read "Cautionary Information Regarding Forward-Looking Statements" on pages 45-46 of this proxy statement/prospectus. This proxy statement/prospectus contains trademarks, trade names, service marks, and service names of GPRE, VBV, and other companies.

References to "we," "us," "our," or "GPRE" in this proxy statement/prospectus refer to Green Plains Renewable Energy, Inc. and its subsidiaries. References to "VBV", "EGP" and "IBE" refer to VBV LLC, Ethanol Grain Processors, LLC and Indiana Bio-Energy, LLC, respectively. References to the "Company" or "Companies" refer to GPRE, VBV and their respective subsidiaries.

The Companies

Green Plains Renewable Energy, Inc.

GPRE, an Iowa corporation formed in June 2004, is based in Omaha, Nebraska and seeks to implement its strategy of becoming a vertically-integrated, low-cost ethanol producer. GPRE has an ethanol plant in Shenandoah, Iowa, with an expected annual operating capacity of 55 million gallons. A second ethanol plant in Superior, Iowa, became operational in July, 2008 with an expected annual operating capacity of 55 million gallons. GPRE has grain storage capacity of approximately 19 million bushels and provides complementary agronomy, seed, feed, fertilizer and petroleum services at various sites in Iowa. Its principal executive offices are located at 105 N. 31st Avenue, Suite 103, Omaha, Nebraska 68131 and its telephone number is (402) 884-8700.

Green Plains Merger Sub, Inc., TN Merger Sub, LLC and IN Merger Sub, LLC

Each of these entities is a wholly-owned subsidiary of GPRE that was recently formed solely for the purpose of effecting the Mergers. They do not conduct any business and have no material assets. Their principal executive offices have the same address and telephone number as GPRE.

VBV LLC

VBV, a Delaware limited liability company with corporate offices located in Chicago, Illinois, was formed in 2006 for the purpose of developing and operating ethanol and other biofuels production plants. VBV owns a majority interest in two companies that have ethanol plants under construction: IBE, located in Bluffton, Indiana, and EGP, located near Obion, Tennessee. VBV is actively engaged in the operational aspects of IBE and EGP, including with respect to input, hedging and infrastructure and related matters. In addition to managing certain operational aspects of IBE and EGP, VBV also markets ethanol in different geographic locations and is in the process of building a fee-based ethanol marketing business to provide this service to other ethanol plants in the industry. VBV may engage in other industry-related business activities as determined by its board and management in the future. The Bioverda entities and Wilon, each of which are described below, collectively own 100% of the issued and outstanding common units of VBV and are from time to time referred to collectively as the "VBV Members." VBV has elected to be treated as a C corporation for federal income tax purposes.

Ethanol Grain Processors, LLC

EGP is a Tennessee limited liability company formed in October 2004 and based in Rives, Tennessee. EGP is in the process of constructing a dry-mill corn based ethanol plant near Obion, Tennessee, with an expected production capacity of 110 million gallons per year. The EGP plant is expected to be operational beginning in the fourth quarter of 2008. The principal executive offices of EGP are located at 1918 McDonald Road, Rives, Tennessee 38253. VBV owns approximately 62% of the issued and outstanding units of EGP.

Indiana Bio-Energy, LLC

IBE is an Indiana limited liability company formed in October 2004 and based in Bluffton, Indiana. IBE is in the process of constructing a dry-mill corn based ethanol plant with an expected production capacity of 110 million gallons per year. The IBE plant is expected to be operational beginning in fourth quarter of 2008. The principal executive offices of IBE are located at 969 North Main Street, Bluffton, Indiana 46714. VBV owns approximately 78% of the issued and outstanding units of IBE.

The Bioverda Entities and NTR plc

Bioverda International Holdings Limited is a company organized under the laws of Ireland and Bioverda US Holdings LLC is a Delaware limited liability company, and each is a wholly-owned subsidiary of NTR plc, a public limited company registered in Ireland. Collectively, the Bioverda entities currently own 90% of the issued and outstanding common units of VBV.

NTR, plc ("NTR") is a leading international developer and operator of renewable energy and sustainable waste management projects. The company has market capitalization in excess of $2.1 billion. NTR is based in Dublin, Ireland, with its U.S. offices located in Chicago, Illinois, and with operations in Ireland, the United Kingdom and the U.S. NTR's U.S. businesses include Greenstar North, headquartered in Houston, Texas; Sterling Energy Systems, Inc., headquartered in Phoenix, Arizona; and Wind Capital Group, headquartered in St. Louis, Missouri.

The principal executive offices of NTR and Bioverda International are located at Burton Court, Burton Hall Drive, Sandyford, Dublin 18, Ireland. The principal executive offices of Bioverda US are located at One South Dearborn Street, Suite 800, Chicago, Illinois 60603.

Wilon Holdings, S.A.

Wilon Holdings, S.A., a company organized under the laws of Panama, is controlled by Alain Treuer, a Switzerland-based entrepreneur and venture capitalist. Mr. Treuer has helped develop successful businesses in diverse sectors such as telecom, renewable energy, consumer goods, Internet security and biotechnology. Wilon currently owns 10% of the issued and outstanding common units of VBV.

The principal executive offices of Wilon are located at 53rd E Street, Urbanizacion Marbella, MGM Tower 16th Floor, Panama, Republic of Panama.

The Mergers and the Merger Agreements **(See pages 54 to 81 and pages 82 to 94)**

The Merger Agreements are attached as Appendices A, B and C to this proxy statement/prospectus. We encourage you to read each of the Merger Agreements as they are the principal documents governing the Mergers.

General Structure

At the closing of the Mergers, GP Merger Sub will merge with and into VBV, with VBV as the surviving entity. IN Merger Sub will merge with and into IBE, with IBE as the surviving entity. TN

Merger Sub will merge with and into EGP, with EGP as the surviving entity. The closing of each of the Mergers will occur concurrently.

Each outstanding common unit of VBV will be converted in the VBV Merger into the right to receive 7,498.369315 shares of GPRE common stock. Each outstanding common unit of IBE (other than units held by VBV) will be converted in the IBE Merger into the right to receive 731.997469 shares of GPRE common stock. Each outstanding unit of EGP (other than units held by VBV) will be converted in the EGP Merger into the right to receive 0.1515658305 shares of GPRE common stock.

At and as of the effective time, all units in IBE and EGP will automatically be cancelled and will cease to be outstanding and each holder of an IBE and EGP unit will cease to have any rights with respect thereto, except the right to receive the IBE Merger Consideration or the EGP Merger Consideration, as appropriate, and certain dividends or other distributions in accordance with the IBE and EGP Merger Agreements.

GPRE will issue an aggregate of 10,871,472 shares of common stock in the Mergers and assume options to purchase EGP and IBE units that will convert into the right to purchase 267,528 shares of GPRE common stock upon the same terms and subject to the same conditions as the original agreement governing such option.

Conditions to Completion of the Mergers

Completion of the Mergers is subject to various customary closing conditions, including receipt of all necessary third party consents and regulatory approvals, the accuracy of representations and warranties made in the Merger Agreements, compliance with covenants in the Merger Agreements, approval of the GPRE shareholders and the members of VBV, IBE and EGP and certain other specified conditions. In addition, the provisions of GPRE's bylaws respecting certain supermajority approvals, the number of directors and the method by which board vacancies are filled must be amended, and GPRE's articles of incorporation must be restated to increase the number of shares authorized and to make them consistent with the revised bylaws, in order to consummate the VBV Merger. Certain conditions in the VBV Merger may be waived by either GPRE or VBV. Circumstances in which either GPRE or VBV may waive such conditions, for example, would include if in the business judgment of the respective board of directors, the failure to fulfill such a condition is determined at such time to not have a material adverse effect on the overall benefits of the mergers, or the risks of failure to meet such condition are outweighed by the overall benefits of the mergers, as determined by such board at such time. Neither GPRE nor VBV would waive a condition that, in the view of either company, would require either of them to resolicit shareholder or member approval.

Termination of the Merger Agreements; Termination Fee

Each of the Merger Agreements contains provisions addressing circumstances under which the parties may terminate a Merger Agreement. In addition, the VBV Merger Agreement provides, that in certain circumstances, one party must pay to the other party a termination fee of $6,000,000.

No Solicitation

The VBV Merger Agreement contains certain provisions which prohibit the solicitation of a takeover proposal from a third party of VBV or GPRE, except in certain circumstances, and governs the conduct of the parties in the event that an unsolicited takeover proposal is presented by a third party.

Other Transaction Agreements

In connection with the Mergers, GPRE, the Bioverda entities, Wilon and Wayne Hoovestol will enter into a Shareholders' Agreement that provides for certain registration rights and certain governance matters of GPRE following the Mergers. In addition, the Bioverda entities and certain shareholders of GPRE have entered into Lock-Up and Voting Agreements whereby they have agreed to vote for the Mergers and to not sell their shares of GPRE common stock for a specified time period. Wilon has also entered into a Lock-up Agreement under which it has agreed not to sell its shares of GPRE common stock for a specified time period. GPRE and the Bioverda entities have also entered into a Stock Purchase Agreement whereby the Bioverda entities will purchase an aggregate of 6,000,000 shares of GPRE common stock at a purchase price of $10.00 per share concurrently with the closing of the Mergers.

The following graphic displays the relationships among the various parties to the Mergers and the Stock Purchase and their approximate ownership interests, both before the Mergers and Stock Purchase and after consummation of the Mergers and the Stock Purchase. Whole lines indicate approximate ownership percentages of the GPRE and VBV subsidiaries, both pre- and post-Mergers, and dashed lines indicate the approximate ownership percentages of the equity owners of GPRE and VBV, both pre- and post-Mergers. "Insiders" refers to GPRE officers and directors.

Pre-Merger and Stock Purchase

Post-Merger and Stock Purchase

Opinion of Financial Advisor (See pages 65-72)

GPRE engaged Duff & Phelps, LLC ("Duff & Phelps") to render an opinion to GPRE's board of directors as to the fairness, from a financial point of view, to GPRE, of the Collective Consideration (defined herein as the 10,871,472 shares of GPRE common stock and options to purchase 267,528 shares of GPRE common stock issued in conjunction with the proposed merger transactions and 6,000,000 shares of GPRE common stock issued in conjunction with the Stock Purchase) to be paid by GPRE pursuant to the proposed Mergers and the Stock Purchase (the proposed Mergers and Stock Purchase are collectively referred to herein as the "Proposed Transaction"). GPRE selected Duff & Phelps because Duff & Phelps is a leading independent financial advisory firm, offering a broad range of valuation, investment banking services and consulting services, including fairness and solvency opinions, mergers and acquisitions advisory, mergers and acquisitions due diligence services, financial reporting and tax valuation, fixed asset and real estate consulting, ESOP and ERISA advisory services, legal business solutions, and dispute consulting. Duff & Phelps is regularly engaged in the valuation of businesses and securities and the preparation of fairness opinions in connection with mergers, acquisitions and other strategic transactions. Duff & Phelps delivered a written opinion to the GPRE board of directors that, subject to the limitations, exceptions, assumptions and qualifications set forth therein, as of May 7, 2008, the proposed consideration to be paid by GPRE pursuant to the Proposed Transaction was fair to GPRE from a financial point of view. A copy of the opinion is attached as Appendix G hereto and is available for inspection and copying at the principal executive offices of GPRE. The opinion obtained by the board does not address the fairness to GPRE shareholders because no part of the Collective Consideration is being received by GPRE shareholders, and because GPRE will remain intact following the Proposed Transaction.

Material U.S. Federal Income Tax Consequences of the Mergers (See pages 75-81)

Subject to the discussion under "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers" in this proxy statement/prospectus, the VBV Merger has been structured as a reorganization within the meaning of Section 368(a) of the Code. Stoel Rives LLP has provided a legal opinion that the VBV Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code; the IRS has not provided a ruling on the matter. Assuming the VBV Merger so qualifies, for U.S. federal income tax purposes none of GPRE, VBV, GP Merger Sub, or VBV Members who are U.S. persons (as defined in "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers") will recognize gain or loss as a result of the VBV Merger. Depending on their individual circumstances, VBV Members who are non-U.S. persons (as defined in "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers") generally will not recognize gain or loss in connection with the VBV Merger and generally will not be subject to a 10% withholding tax on their receipt of GPRE common stock in exchange for VBV units pursuant to the VBV Merger. The EGP Merger and the IBE Merger will be taxable to the holders of units in EGP and IBE (other than VBV) for U.S. federal income tax purposes, although none of GPRE, any of GPRE's subsidiaries, or VBV will recognize gain or loss as a result of the EGP Merger and the IBE Merger.

Accounting Treatment of the Mergers (See page 72)

The Mergers are being accounted for as reverse mergers. GPRE will account for the Mergers under the purchase method of accounting for business combinations, with GPRE being the acquired company and VBV being the acquiring company.

Management After the Mergers (See page 56)

Following the Mergers, GPRE will be governed by a nine-member board of directors. The Bioverda entities will together have the right, as long at they collectively own at least 32.5% of the outstanding GPRE common stock, to designate four individuals to be nominated for election as directors. The Bioverda entities' initial designees are expected to be Jim Anderson, Jim Barry, James Crowley and Michael Walsh. Similarly, as long as Wilon owns at least 2.5% of the outstanding GPRE common stock, it will have the right to designate one individual to be nominated for election as a director. Wilon's initial designee is expected to be Alain Treuer. Each of the parties to the Shareholders' Agreement will vote his or its shares of GPRE common stock in favor of the nominees of the Bioverda entities and Wilon. It is anticipated that current GPRE directors Gordon Glade, Wayne Hoovestol, Gary Parker and Brian Peterson will continue to serve on the GPRE board after the Mergers. Thereafter, except for the Bioverda entities' and Wilon's designees, the directors will be nominated for election by the shareholders in accordance with GPRE's bylaws and nominating committee procedures.

Following the Mergers, the executive management team of the combined organization is expected to be composed of the members of GPRE's management team prior to the Mergers, except that Todd Becker (the current chief executive officer of VBV) will be appointed to serve as president and chief operating officer of GPRE. It is expected that Wayne Hoovestol will resign from his position as chief executive officer of GPRE not later than 12 months following the Mergers and, subject to the discretion of the board of directors, Mr. Becker will be appointed to succeed Mr. Hoovestol as chief executive officer. Employees of both companies will be integrated into a combined workforce. GPRE's corporate headquarters will remain in Omaha, Nebraska.

At the effective time of the VBV Merger, the officers and managers of VBV will each resign and following the VBV Merger, the then-current officers and directors of GPRE will serve as the officers and managers of VBV.

At the effective time of the IBE and EGP Mergers, the directors of IBE and EGP will resign and following the IBE and EGP Mergers, the then-current managers of IN Merger Sub and TN Merger Sub, will serve as the managers of IBE and EGP, respectively.

Risks Associated with GPRE, VBV and the Mergers (See pages 21-44)

The Mergers pose a number of risks to each Company and their respective shareholders or members. In addition, both GPRE and VBV are subject to various risks associated with their businesses and the ethanol industry generally. These risks are discussed in detail under the caption "Risk Factors" beginning on page 21. You are encouraged to read and carefully consider all of these risks.

The GPRE Special Meeting (See pages 47-52)

The GPRE special meeting will be held on October 10, 2008, at 10:00 a.m., central time, at 9420 Underwood Ave., Suite 100 Omaha, Nebraska, 68114. The purpose of the GPRE special meeting is to vote on the Mergers, the issuance of an aggregate of 17,139,000 shares of common stock in the Mergers and the Stock Purchase and adoption of the amended and restated articles of incorporation of GPRE, all of which requires the affirmative vote of a majority of the shares cast at a special meeting at which a quorum is present. The record date for determining shareholders entitled to vote at the special meeting is August 12, 2008. Directors and executive officers of GPRE currently hold approximately 29% of the outstanding shares of common stock have agreed to vote in favor of the Mergers.

Recommendation of GPRE's Board of Directors (See page 64)

After careful consideration, the board of directors of GPRE has unanimously determined that the Mergers and transactions contemplated by the Merger Agreements, including the Stock Purchase are advisable and that the issuance of shares of GPRE common stock pursuant to the Mergers and the Stock Purchase is fair to and in the best interests of GPRE shareholders. Therefore, the GPRE board of directors recommends that its shareholders vote "FOR" approval of the proposals to be presented at the GPRE special meeting.

***VBV and VBV Subsidiary Approvals* (see pages 52-53)**

Each of VBV, EGP and IBE will hold separate special meetings of their respective members to obtain the necessary approvals of the Merger Agreements and the Mergers.

Recommendation of the VBV Managers and VBV Subsidiary Boards of Directors (See pages 64)

After careful consideration, the board of managers of VBV and the boards of directors of each of EGP and IBE have unanimously approved the respective Merger Agreements and the Mergers, and have determined that the Mergers are advisable, fair to, and in the best interests of, VBV, EGP and IBE and their respective members.

Ownership of GPRE Common Stock by GPRE's Directors and Executive Officers (See pages 73-74)

Upon the issuance of GPRE common stock in the Mergers and the Stock Purchase, based on beneficial ownership computations as of August 12, 2008, the current directors and executive officers of GPRE will collectively beneficially own approximately 9.4% of the outstanding stock of GPRE. Alain Treuer, who is expected to become a director of GPRE as of the closing of the Mergers, will beneficially own between 3.0% and 7.6% of the outstanding stock of GPRE.

Interests of GPRE's Directors and Executive Officers (See pages 74-75)

Some GPRE directors and executive officers have interests in the Mergers that are different from or are in addition to the interests of the GPRE shareholders. These interests include the potential for positions as GPRE directors or executive officers following completion of the Mergers and vesting of equity awards upon specified circumstances under an employment agreement, and Mr. Hoovestol's rights under the Shareholders' Agreement.

Interests of VBV's, IBE's and EGP's Managers and Executive Officers (See page 75)

Upon completion of the Mergers and the issuance of GPRE common stock in the Mergers, the current managers and officers of VBV will collectively beneficially own approximately 3.0% of the outstanding stock of GPRE. Mr. Becker, the current chief executive officer of VBV who will become the president and chief operating officer of GPRE upon completion of the Mergers, has entered into an employment agreement with GPRE. Additionally, it is expected that certain of the managers and officers of VBV will serve as directors or officers of GPRE following the Mergers, and all current and former managers and officers of VBV will be entitled to certain protections from liability arising from their respective roles as officers and managers of VBV prior to the effective time of the Mergers.

NASDAQ Listing

GPRE's common stock is currently listed on the NASDAQ Capital Market and the American Stock Exchange. The Merger Agreements require that the shares of common stock to be issued in the Mergers and the Stock Purchase be listed on the NASDAQ Global Market. GPRE has filed a listing application for listing its common stock on the NASDAQ Global Market, which if approved, will take effect the first trading day following consummation of the Mergers. Approval is a condition to the completion of the Mergers. At such time, GPRE intends to delist its common stock from the American Stock Exchange.

Regulatory Approvals (See pages 72)

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act") and related rules, certain transactions, including the Mergers, may not be completed until notifications have been given and information furnished to the Antitrust Division of the Department of Justice ("Antitrust Division") and the Federal Trade Commission ("FTC") and the specified waiting period requirements have been satisfied. On June 26, 2008, GPRE and VBV filed Notification and Report Forms with the Antitrust Division and the FTC. On July 22, 2008, the Premerger Notification Office of the FTC granted early termination of all applicable waiting periods under the HSR Act in connection with the Mergers.

Restrictions on the Ability to Sell GPRE Common Stock

All shares of GPRE common stock received by VBV or VBV Subsidiary members in the Mergers should be freely transferable, except that if a VBV or VBV Subsidiary member is deemed to be an "affiliate" of GPRE under the Securities Act at the time of the special member meetings, the VBV or VBV Subsidiary member may resell those shares only in transactions permitted by Rule 144 and Rule 145 under the Securities Act or as otherwise permitted under the Securities Act.

Of the 10,871,472 shares of GPRE common stock to be issued in the Mergers, 3,373,103 shares will be freely transferable and may be resold without restriction in the public market immediately after the closing, and 7,498,369 shares of GPRE common stock to be issued to certain "affiliates" in the Mergers may be resold 90 days after the Mergers, subject to compliance with Rule 144. The Bioverda entities and Wilon have agreed not to sell their shares of GPRE stock for a certain period of time after the closing of the Mergers. GPRE expects to register the 267,528 shares of GPRE common stock issuable upon exercise of certain EGP and IBE options being assumed by GPRE in the Mergers on a registration statement on Form S-8 after the closing of the Mergers. In addition, GPRE has granted the Bioverda entities, Wilon, and Wayne Hoovestol certain rights to require that GPRE register all shares of GPRE common stock held by them for public resale, beginning 18 months after the Closing.

Comparison of Rights of Common Shareholders of GPRE and Members of VBV and the VBV Subsidiaries (See pages 107-119)

VBV and VBV Subsidiary members' rights are currently governed by the organizational documents and applicable state laws of the respective entities. Upon completion of the Mergers, the members will become shareholders of GPRE and their rights as such will be governed by Iowa law and the amended and restated articles of incorporation and amended and restated bylaws of GPRE, which are attached as Appendices H and I hereto.

Description of Common Stock

GPRE's authorized capital stock currently consists of 25,000,000 shares of common stock, $.001 par value per share. GPRE has no other authorized classes of common or preferred equity securities. As of August 12, 2008, GPRE had 7,821,528 shares of common stock outstanding.

The holders of common stock of GPRE are entitled to equal dividends and distributions per share with respect to the common stock when, as and if declared by the board of directors from funds legally available therefor. No holder of any shares of common stock has a pre-emptive right to subscribe for any securities of GPRE, nor are any shares of common stock subject to redemption or convertible into other securities of GPRE. Upon liquidation, dissolution or winding up of GPRE, and after payment of creditors, the assets will be divided pro-rata on a share-for-share basis among the holders of the shares of common stock. All shares of common stock now outstanding are fully paid, validly issued and non-assessable. Each share of common stock is entitled to one vote with respect to the election of any director or any other matter upon which shareholders are required or permitted to vote. Holders of GPRE's common stock do not have cumulative voting rights.

GPRE Selected Consolidated Financial Information

The selected historical financial information of GPRE set forth in the table below is derived from GPRE's historical consolidated financial statements. The information as of November 30, 2007, 2006, 2005 and 2004, and for the fiscal periods then ended, is derived from the consolidated financial statements which have been audited by L.L. Bradford & Company, LLC, an independent registered public accounting firm. The information as of May 31, 2008 and 2007, and for the six-month fiscal periods then ended, is derived from our unaudited consolidated financial statements. The selected historical financial information should be read in conjunction with the consolidated financial statements of GPRE, and the notes thereto, included elsewhere herein, and "GPRE Management's Discussion and Analysis of Financial Condition and Results of Operations." Historical results are not necessarily indicative of results to be expected for any future period. Amounts in the table below are presented in thousands, except per share amounts.

	Six Months Ended May 31,		Year Ended November 30,			
	2008	**2007**	**2007**	**2006**	**2005**	**2004(1)**
	(Unaudited)	**(Unaudited)**				
Statement of Operations Data:						
Revenues	$ 115,395	$	$ 24,202	$	$	$
Cost of goods sold	84,186		23,043			
Operating expenses	9,345	4,401	8,943	2,151	730	50
Operating income (loss)	21,864	(4,401)	(7,784)	(2,151)	(730)	(50)
Other income (expense)	(2,034)	1,166	351	3,395	332	
Net income (loss)	14,559	(2,909)	(7,138)	918	(398)	(50)
Earnings (loss) per common share:						
Basic	1.96	(0.48)	(1.18)	0.19	(0.42)	(0.08)
Diluted	1.96	(0.48)	(1.18)	0.19	(0.42)	(0.08)

	As of May 31,		As of November 30,			
	2008	2007	2007	2006	2005	2004
	(Unaudited)	(Unaudited)				
Balance Sheet Data:						
Cash and equivalents	$ 7,337	$ 19,300	$ 11,914	$ 43,088	$ 5,795	$ 626
Current assets	99,105	22,942	25,179	44,196	33,860	629
Total assets	300,297	125,916	180,273	96,004	34,649	629
Current liabilities	65,966	18,266	24,325	9,777	172	6
Long-term debt	111,290	21,823	63,855	330		
Total liabilities	185,635	40,089	88,180	10,107	172	6
Shareholders' equity	114,662	85,827	92,092	85,896	34,479	623

(1) Statement of operations data for the year ended November 30, 2004 does not include a full fiscal year, but rather consists of the period from June 29, 2004 (date of inception) to November 30, 2004.

VBV Selected Consolidated Financial Information

The selected historical financial information of VBV set forth in the table below is derived from VBV's historical consolidated financial statements. The information as of March 31, 2008 and 2007 is derived from the consolidated financial statements which have been audited by KPMG LLP, an independent registered public accounting firm. The information as of June 30, 2008 and 2007, and for the three-month fiscal periods then ended, is derived from VBV's unaudited consolidated financial statements. The selected historical financial information should be read in conjunction with the consolidated financial statements of VBV, and the notes thereto, included elsewhere herein, and "VBV Management's Discussion and Analysis of Financial Condition and Results of Operations." Historical results are not necessarily indicative of results to be expected for any future period. Amounts in the table below are presented in thousands.

	Three Months Ended June 30,		Year ended March 31,	September 28, 2006 (Inception) to March 31,
	2008	2007	2008	2007
	(Unaudited)	(Unaudited)		
Statement of Operations Data:				
Revenues	$ 259	$	$	$
Cost of goods sold	165			
Operating expenses	1,461	376	5,423	1,421
Operating loss	(1,367)	(376)	(5,423)	(1,421)
Other income (expense)	5	939	1,423	1,351
Minority interest in net loss	(190)	180	480	28
Net income (loss)	(1,172)	383	(3,520)	(42)

	As of June 30,		As of March 31,	
	2008	2007	2008	2007
	(Unaudited)	(Unaudited)		
Balance Sheet Data:				
Cash and equivalents	$ 1,639	$ 53,586	$ 538	$ 87,466
Current assets	7,824	55,582	5,285	89,070
Total assets	290,221	192,129	254,176	175,454
Current liabilities	32,376	17,306	26,856	2,085
Long-term debt	110,499	25,633	80,711	25,743
Minority interest	38,432	39,282	38,622	39,102
Total liabilities	181,307	82,223	146,190	66,931
Members' capital	108,914	109,906	107,986	108,523

Comparative Per Share Data

The following table shows (1) the basic and diluted earnings (loss) per common share and book value per common share data for GPRE and for VBV on a historical basis, (2) the basic and diluted earnings (loss) per common share and book value per share for GPRE on a pro forma basis and (3) the equivalent pro forma earnings (loss) per common share and book value per common share attributable to the shares of GPRE common stock issuable for VBV.

The following information should be read in conjunction with (i) the historical consolidated financial statements and related notes of GPRE and VBV included elsewhere in this proxy statement/prospectus and (ii) the unaudited pro forma combined financial statements and the accompanying notes in the section "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 100. The pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have resulted if the Mergers had been completed as of the assumed dates or of the results that will be achieved in the future.

We calculate historical book value per share as of March 31, 2008 by dividing each company's shareholders' equity by the number of common shares or units outstanding, as applicable, for GPRE and VBV at February 29, 2008 and March 31, 2008 respectively. We calculate historical book value per share as of June 30, 2008 by dividing each company's shareholders' equity by the number of common shares or units outstanding, as applicable for GPRE and VBV at May 31, 2008 and June 30, 2008, respectively. We calculate pro forma book value per common share as of March 31, 2008 and June 30, 2008 by dividing each company's pro forma shareholders' equity by the pro forma number of shares of GPRE common stock that would have been outstanding had the Mergers been completed as of March 31, 2008 and June 30, 2008, respectively.

We calculate the VBV equivalent pro forma per unit data by multiplying the pro forma per share amounts by the exchange ratio of 7,498.369315 shares of GPRE for each unit of VBV. The VBV exchange ratio of 7,498.369315 does not include the impact of 3,640,631 shares (including options) to be issued to members of IBE and EGP, other than VBV, since their interests are accounted for as minority interests in VBV's consolidated financial statements.

	Historical		Pro Forma	
	GPRE	VBV	GPRE/VBV Combined	VBV Equivalent
Basic and diluted earnings (loss) per share				
Year ended March 31, 2008	$ 0.32	$ (3,520.11)	$ (0.01)	$ (59.30)
Three months ended June 30, 2008	$ 0.61	$ (1,171.90)	$ 0.17	$ 1,250.11
Book value per share				
As of March 31, 2008	$ 14.09	$ 107,986.43	$ 11.57	$ 86,763.79
As of June 30, 2008	$ 14.66	$ 108,914.54	$ 11.56	$ 86,715.75
Cash dividends per share				
Year ended March 31, 2008	$	$	$	$
Three months ended June 30, 2008	$	$	$	$

GPRE Market Price and Dividend Information

GPRE's common stock trades under the symbol "GPRE" on the NASDAQ Capital Market and the American Stock Exchange. GPRE's shares first began to trade on March 15, 2006. The closing price of GPRE's common stock on August 29, 2008 was $6.49. The closing price of GPRE's common stock on May 6, 2008, the day before the Mergers were announced, was $9.07.

The following table sets forth, for the periods indicated, the high and low bid information of GPRE's common stock as reported by NASDAQ. Note that the over-the-counter market quotations reflect inter-dealer prices, without retail mark-up, markdown or commission, and that the quotations may not necessarily represent actual transactions in the common stock.

	High	Low
Fiscal Year Ended November 30, 2008		
Third quarter*	$ 9.50	$ 5.51
Second quarter (ended May 31, 2008)	10.64	6.69
First quarter (ended February 29, 2008)	15.84	8.22
Fiscal Year Ended November 30, 2007		
Fourth quarter	$ 17.60	$ 8.53
Third quarter (ended August 31, 2007)	20.07	15.00
Second quarter (ended May 31, 2007)	23.18	19.64
First quarter (ended February 28, 2007)	26.12	19.61
Fiscal Year Ended November 30, 2006		
Fourth quarter	$ 28.25	$ 16.63
Third quarter (ended August 31, 2006)	39.84	25.60
Second quarter** (ended May 31, 2006)	63.50	21.60

* Through August 29, 2008.

** GPRE shares first began to trade on March 15, 2006.

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Holders of Record

As of August 12, 2008, as reported to GPRE by its transfer agent, there were 1,862 holders of record of GPRE's common stock, not including beneficial holders whose shares are held in names other than their own.

Dividend Policy

To date, GPRE has not paid dividends on its common stock. The payment of dividends on the common stock in the future, if any, is at the discretion of the board of directors and will depend upon earnings, capital requirements, financial condition and other factors the board views as relevant. The payment of dividends is also limited by covenants in our loan agreements. The board does not intend to declare any dividends in the foreseeable future.

GPRE and its subsidiaries have entered into loan agreements and related agreements with lenders who have loaned GPRE funds to build its two plants, purchase grain assets and to provide funding for working capital purposes. The loan agreements contain covenants that limit to varying degrees dividends or other distributions that our principal subsidiaries may make to us.

VBV Market Price and Dividend Information

VBV LLC

There is no public trading market for VBV's units. As of August 12, 2008, there were a total of 1,000 common units issued and outstanding held by three members. VBV has not declared or paid any cash dividends on its common units and does not anticipate doing so in the immediate future. VBV currently intends to retain future earnings, if any, to operate its business.

Ethanol Grain Processors, LLC

There is no public trading market for EGP's units. As of August 12, 2008, there were a total of 39,944,116 units issued and outstanding and held by 152 members, plus outstanding options to acquire 180,884 units held by two optionees. EGP has not declared or paid any cash dividends on its units and does not anticipate doing so in the immediate future. EGP currently intends to retain future earnings, if any, to operate its business.

Indiana Bio-Energy, LLC

There is no public trading market for IBE's units. As of August 12, 2008, there were a total of 6,563 units issued and outstanding and held by 82 members, plus outstanding options to acquire 328 units held by two optionees. IBE has not declared or paid any cash dividends on its units and does not anticipate doing so in the immediate future. IBE currently intends to retain future earnings, if any, to operate its business.

RISK FACTORS

GPRE and VBV operate in an evolving industry that presents numerous risks. Many of these risks are beyond their control and are driven by factors that often cannot be predicted. You should consider the following risk factors as well as the other information herein in evaluating the Mergers and whether to vote for the proposals to be presented at the special meetings. If any of the risks described below or in the documents incorporated by reference into this proxy statement/prospectus actually occur, the respective business, financial results, financial conditions of GPRE, VBV, IBE or EGP and the stock price of GPRE could be materially adversely affected. These risk factors should be considered in conjunction with the other information included in this proxy statement/prospectus.

Risks Relating to the Mergers

Failure to complete the Mergers could negatively impact GPRE's stock price, the value of units in VBV or either of the VBV Subsidiaries, and the future business and financial results of GPRE, VBV and the VBV Subsidiaries.

Completion of the Mergers is conditioned upon, among other things, receiving the necessary shareholder and member approvals, and the satisfaction or waiver of other customary closing conditions, which are described in the section of this proxy statement/prospectus entitled "The Merger Agreements" beginning on page 82, which may not be satisfied or waived. The Merger Agreements also contain certain termination rights held by GPRE and VBV. If for any reason GPRE and VBV are unable to complete the Mergers, the Companies would be subject to a number of risks, including the following:

- GPRE may be required, under certain circumstances, to pay VBV a termination fee of $6 million;
- VBV may be required, under certain circumstances, to pay GPRE a termination fee of $6 million;
- the Companies would not realize the benefits of the proposed Mergers, including any synergies from combining the Companies;
- the diversion of the Companies' respective management team's time and attention away from day-to-day operations could have an adverse effect on the financial condition and operating results of the Companies;
- the Companies could lose otherwise attractive business opportunities due to restrictions contained in the Merger Agreements;
- the businesses of the Companies may be harmed to the extent that customers, suppliers and others believe that the Companies cannot effectively compete in the marketplace without the Mergers, or otherwise remain uncertain about the Companies;
- the Companies would continue to be exposed to the general competitive pressures and risks discussed elsewhere in this proxy statement/prospectus, which pressures and risks may be increased if the Mergers are not completed; and
- the trading price of GPRE common stock and/or the value of interests in VBV or either VBV Subsidiary may decline to the extent that the current market prices reflect a market assumption that the Mergers will be completed.

The occurrence of any of these events, individually or in combination, could have a material adverse effect on the business, financial condition and results of operations of GPRE, VBV and the VBV Subsidiaries or the trading price of GPRE common stock or value of interests in VBV or the VBV Subsidiaries.

Upon completion of the Mergers, a majority of the GPRE board of directors will consist of designees appointed by VBV's members. As a result, GPRE's strategic direction and goals after the Mergers may change significantly.

After the Mergers are completed, so long as the Bioverda entities hold 32.5% of GPRE's outstanding stock, they will be entitled to nominate four of our nine directors, and so long as Wilon holds 2.5% of GPRE's outstanding stock, it will be entitled to nominate one of our nine directors. This change in the composition of our board may cause the strategic direction and goals of GPRE to change, as compared to the strategic direction and goals of GPRE before the Mergers. Any such change in direction and goals may not be consistent with the GPRE board's past decisions.

The Mergers may be difficult to integrate, divert the attention of key personnel, disrupt the Companies' businesses, and adversely affect the Companies' financial results.

The failure of the combined Company to meet the challenges involved in integrating the operations of GPRE, VBV and the VBV Subsidiaries successfully or otherwise to realize any of the anticipated benefits of the Mergers could seriously harm the results of operations of the combined Company. Realizing the benefits of the Mergers will depend in part on the integration of operations and personnel. The integration of companies is a complex and time-consuming process that, without proper planning and implementation, could significantly disrupt the businesses of the Companies. The challenges involved in integration include the following:

- difficulties in integrating the operations, technologies, products, existing contracts, accounting processes and personnel of VBV and the VBV Subsidiaries and realizing the anticipated synergies of the combined businesses;

- developing the infrastructure needed to integrate VBV's and the VBV Subsidiaries' operations;

- diversion of financial and management resources from existing operations;

- potential loss of key employees, customers and strategic alliances from either GPRE's current business or the businesses of VBV or either VBV Subsidiary;

- unknown environmental hazards on the VBV Subsidiaries' properties;

- assumption of unanticipated problems or latent liabilities associated with VBV or the VBV Subsidiaries; and

- inability to generate sufficient revenues to offset acquisition and development costs.

The combined Company may not successfully integrate the operations of GPRE, VBV and the VBV Subsidiaries in a timely manner, or at all, and the combined Company may not realize the anticipated benefits or synergies of the Mergers to the extent, or in the timeframe, anticipated. The anticipated benefits and synergies are based on projections and assumptions, not actual experience, and assume a successful integration.

In order to be successful, the combined Company must retain and motivate key employees and failure to do so could seriously harm the combined Company.

In order to be successful, the combined Company must retain and motivate its executives and other key employees. Employees of the Companies may experience uncertainty about their future roles with the combined Company until or after strategies for the combined Company are announced or executed. These circumstances may adversely affect the combined Company's ability to retain key personnel. The combined Company also must continue to motivate employees and keep them focused on the strategies and goals of the combined Company, which may be particularly difficult due to the potential distractions of the Mergers.

If the combined Company is unable to manage growth profitably, its business and financial results could suffer.

The combined Company's future financial results will depend in part on its ability to profitably manage its core businesses, including any growth that the combined Company may be able to achieve. The combined Company will need to maintain existing customers and attract new customers, recruit, train, retain and effectively manage employees, as well as expand operations, customer support and financial control systems. If the combined Company is unable to manage its businesses profitably, including any growth that the combined Company may be able to achieve, its business and financial results could suffer.

The exchange ratios are fixed and will not be adjusted in the event of any change in GPRE's stock price. Accordingly, because the market price of GPRE common stock may fluctuate, at the time of the GPRE special meeting of shareholders, GPRE shareholders cannot be sure of the market value of the consideration that GPRE will pay in the Mergers, and at the time of the special member meetings of VBV and the VBV Subsidiaries, members of VBV and the VBV Subsidiaries cannot be sure of the market value of the consideration they will receive in the Mergers.

The exchange ratios were agreed upon in the Merger Agreements, and will not be adjusted due to any increases or decreases in the price of GPRE common stock, or the value of VBV, IBE or EGP units. In addition, no party has a right to terminate the Merger Agreements based solely upon changes in the market price of GPRE's common stock, the value of VBV units or the values of the VBV Subsidiary units, and the Merger Agreements contain no other provisions that would limit the impact of increases or decreases in the market price of such securities. As a result, any changes in the value of GPRE's common stock will have a corresponding effect on the value of the consideration that GPRE pays to the members of VBV and the VBV Subsidiaries in the Mergers.

Because the Mergers will be consummated after the GPRE special meeting, at the time of the GPRE special meeting the actual market value of the GPRE common stock that the members of VBV and the VBV Subsidiaries will receive upon completion of the Mergers will be unknown and GPRE may pay more for VBV and the VBV Subsidiaries' interests than the value calculated on the date of the GPRE special meeting. Similarly, because the date that the Mergers are completed will be later than the date of the VBV, IBE and EGP special meetings, at the time of such special meetings the actual market value of the GPRE common stock the members of VBV and the VBV Subsidiaries will receive upon completion of the Mergers or the market value of GPRE common stock at any time after the completion of the Mergers will be unknown.

The receipt of GPRE common stock in exchange for VBV units pursuant to the VBV Merger may be taxable to VBV Members for U.S. federal income tax purposes and subject to a 10% withholding tax.

The VBV Merger has been structured as a reorganization within the meaning of Section 368(a) of the Code. Stoel Rives LLP has provided a legal opinion that the VBV Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code; the IRS has not provided a ruling on the matter. The opinion furnished by Stoel Rives LLP will not bind the IRS or prevent the IRS from adopting a contrary position. If the VBV Merger does not qualify as a reorganization within the meaning of Section 368(a) of the Code, a VBV Member's receipt of GPRE common stock in exchange for VBV units generally will be taxable for U.S. federal income tax purposes and, if the VBV Member is a non-U.S. person (as defined in "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers") may be subject to a 10% withholding tax.

GPRE believes that, at the time of the VBV Merger, VBV will be a U.S. real property holding corporation ("USRPHC") and, accordingly, that VBV units will constitute U.S. real property interests ("USRPIs"). In addition, GPRE believes that, at the time of the VBV Merger, GPRE will be a

USRPHC. If GPRE is a USRPHC at the time of the VBV Merger, GPRE common stock will be treated as a USRPI with respect to a VBV Member unless the VBV Member holds (including pursuant to the applicable constructive ownership rules) no more than 5% of the GPRE common stock immediately after the VBV Merger. Receipt of GPRE common stock in exchange for VBV units by a VBV Member that is a non-U.S. person (as defined in "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers") generally would be taxable for U.S. federal income tax purposes and subject to a 10% withholding tax if the VBV Member's VBV units constituted a USRPI immediately before the VBV Merger, but the VBV Member's GPRE common stock did not constitute a USRPI immediately after the VBV Merger (either because GPRE was not a USRPHC or because the VBV Member held, including pursuant to the applicable constructive ownership rules, no more than 5% of the GPRE common stock immediately after the VBV Merger).

For more information, see "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers."

The market price of GPRE's common stock may be affected after the Mergers by factors different from those affecting the shares of GPRE, or units of VBV and the VBV Subsidiaries currently, and may decline as a result of the Mergers.

Upon completion of the Mergers, holders of VBV and VBV Subsidiary units will become holders of GPRE common stock. An investment in GPRE common stock has different risks than an investment in units of VBV, IBE or EGP.

The issuance of shares of GPRE common stock to VBV, IBE and EGP members in the Mergers, in addition to the GPRE common stock issued to the Bioverda entities under the Stock Purchase Agreement, will substantially reduce the percentage ownership interest of current GPRE shareholders and result in a change in control of GPRE.

If the Mergers and the Stock Purchase are completed, GPRE shareholders before the Mergers will own, in the aggregate, approximately 31.7% of the shares of GPRE common stock outstanding immediately after the Mergers and the Stock Purchase. The issuance of shares of GPRE common stock to VBV, IBE and EGP members in the Mergers and the issuance of GPRE common stock in the Stock Purchase will cause a significant reduction in the relative percentage interest of current GPRE shareholders in earnings, voting, liquidation value and book and market value of GPRE. In addition, current GPRE shareholders will lose voting control of the Company.

Charges to earnings resulting from the application of the purchase method of accounting may adversely affect the market value of GPRE's common stock following the Mergers.

In accordance with U.S. GAAP, the combined Company will account for the Mergers using the purchase method of accounting, which will result in charges to GPRE's earnings that could adversely affect the market value of the common stock of GPRE following completion of the Mergers. Future depreciation, amortization and potential impairment charges resulting from the Mergers could have a material impact on the combined Company's results of operations and adversely affect the market value of GPRE's common stock.

The VBV Merger Agreement limits the ability of GPRE and VBV to pursue alternatives to the VBV Merger, and in certain instances requires payment of a termination fee, which could deter a third party from proposing an alternative transaction to the VBV Merger.

The VBV Merger Agreement contains terms and conditions that make it more difficult for each of VBV and GPRE to enter into an alternative transaction to the VBV Merger. These "no shop" provisions impose restrictions on VBV and GPRE that, subject to certain exceptions, limit VBV's and

GPRE's ability to discuss, facilitate or commit to competing third party proposals to acquire all or a significant part of VBV or GPRE, as applicable. See the section entitled "The Merger Agreements VBV Merger Agreement No Solicitation" beginning on page 86.

Moreover, under specified circumstances described in the section entitled "The Merger Agreements VBV Merger Agreement Fees and Expenses" beginning on page 91, VBV could be required to pay GPRE a termination fee of $6 million, or GPRE could be required to pay VBV a termination fee of $6 million, in connection with the termination of the VBV Merger Agreement. These respective termination fees could deter a third party from proposing an alternative to the VBV Merger.

The pro forma financial statements contained in this proxy statement/prospectus are presented for illustrative purposes only and may not be an indication of the combined Company's financial condition or results of operations following the Mergers.

The pro forma financial statements have been derived from the historical financial statements of GPRE and VBV and certain adjustments and assumptions have been made regarding the combined Company after giving effect to the Mergers. The information upon which these adjustments and assumptions have been made is preliminary, and these kinds of adjustments and assumptions are difficult to make. Moreover, the pro forma financial statements do not reflect all costs that are expected to be incurred by the combined Company in connection with the Mergers. For example, the impact of any incremental costs incurred in integrating the Companies is not reflected in the pro forma financial statements. As a result, the actual financial condition and results of operations of the combined Company following the Mergers may not be consistent with, or evident from, these pro forma financial statements.

The assumptions used in preparing the pro forma financial information may not prove to be accurate, and other factors may affect the combined Company's financial condition or results of operations following the Mergers. Any potential decline in the financial condition or results of operations may cause significant variations in the stock price of the combined Company. See the section entitled "Unaudited Condensed Combined Pro Forma Financial Statements" beginning on page 100.

Risks Affecting the Businesses of the Companies

Risks Related to the Companies

The Companies have limited operating histories in the ethanol industry.

GPRE was formed in June of 2004 and its first ethanol plant, located in Shenandoah, Iowa, began operations in August 2007. GPRE's second ethanol plant, located in Superior, Iowa, is currently commissioning. Both of the VBV plants remain pre-operational and neither VBV Subsidiary has commenced any operations. None of the Companies has any other history of operations as ethanol producers. The Companies' new and proposed operations are subject to all the risks inherent in the establishment of new business enterprises. There is no assurance that the VBV Subsidiaries will be successful in their efforts to complete their respective plants and operate them. Even if the Companies successfully meet these objectives, there is no assurance that they will be able to market the ethanol and distillers grains produced or operate the plants profitably.

The Companies have a history of operating losses and may never achieve profitable operations.

At June 30, 2008, VBV, IBE and EGP, respectively, had significant accumulated deficits. VBV, IBE and EGP expect to continue to incur significant losses until they complete construction and commence operations at their ethanol plants. Even if the Companies successfully meet all of their objectives and the VBV Subsidiaries begin operations at their ethanol plants, no assurance can be given that the Companies will be able to operate profitably.

The business success of the combined Company is dependent on its ability to attract and retain key personnel.

The combined Company's ability to operate its business and implement its strategies effectively depends, in part, on the efforts of its executive officers and other key personnel. The Companies' executive officers have developed expertise in ethanol and related industries, and they have or will be hiring qualified managers and key personnel to operate their plants. However, they have limited experience in managing a vertically-integrated ethanol company. The Companies are evaluating and continuing to recruit for the areas of expertise that they need to fill in order to facilitate the management of this larger, more complex combined Company. There is no assurance that they will be successful in attracting or retaining such individuals because of the limited number of individuals with expertise in this area and a competitive market with many new plants under development. The inability to retain or recruit of any of the Companies' executive officers, managers or other key personnel would negatively impact the combined Company.

The management team of Green Plains Grain Company, LLC ("GP Grain") has significant industry experience and would be difficult to replace. These individuals possess sales, marketing, financial, risk management and administrative skills that are critical to the operation of its business. In addition, the market for employees with the required technical expertise to succeed in GP Grain's business is highly competitive and it may be unable to attract and retain qualified personnel to replace key employees should the need arise. The loss of the services of any of GP Grain's key employees or the failure to attract or retain other qualified personnel could impair its ability to operate and make it difficult to execute its internal growth strategies, thereby adversely affecting its business.

If any of the Companies' cash flow from operations is insufficient to service its respective indebtedness, then the value of GPRE's stock could be significantly reduced and its business may fail.

GPRE's and its subsidiaries', and VBV and the VBV Subsidiaries' ability to repay their respective current and anticipated future indebtedness will depend on their financial and operating performance and on the successful implementation or their respective business strategies. The Companies' financial and operational performance will depend on numerous factors including prevailing economic conditions, volatile commodity prices and financial, business and other factors beyond the Companies' control. If any of the Companies cannot pay its debt service, it may be forced to reduce or delay capital expenditures, sell assets, restructure its indebtedness or seek additional capital. If any of the Companies is unable to restructure its indebtedness or raise funds through sales of assets, equity or otherwise, the Company's ability to operate could be harmed and the value of GPRE's stock could be significantly reduced.

The Companies' lenders hold security interests in their assets, including their property and plants, which means that GPRE's shareholders would be subordinate to them in the event of a liquidation of the Companies' assets.

If the Companies fail to make debt service payments or if they otherwise default under their loan agreements, the Companies' lenders will have the right to repossess the secured assets. Such action would end the Companies' ability to continue operations and your rights as a shareholder upon a liquidation of the Companies' business would be inferior to the rights of the Companies' lenders. In the event of GPRE's insolvency, liquidation, dissolution or other winding up of its affairs, all of its indebtedness must be paid in full before any payment is made to the holders of its common stock. In such event, there is no assurance that there would be any remaining funds after the payment of all of the Company's indebtedness for any distribution to shareholders.

The Companies are subject to restrictive covenants in their respective loan agreements that may hinder their ability to operate and reduce the Company's profitability.

The Companies' loan agreements contain a number of restrictive covenants that limit the Companies' ability to, among other things:

- incur additional indebtedness;
- make capital expenditures in excess of prescribed thresholds;
- pay dividends to shareholders;
- make various investments;
- create liens on the Companies' assets;
- acquire other companies or operations;
- utilize the proceeds of asset sales; or
- merge or consolidate or dispose of all or substantially all of the Companies' assets.

The Companies are also required to maintain specified financial ratios, including minimum cash flow coverage, minimum working capital and minimum net worth. The Companies' respective loan agreements require them to utilize a portion of any excess cash flow generated by operations to prepay their respective term debt. A breach of any of these covenants or requirements could result in a default under the Companies' respective loan agreements. If any of the Companies default, and if such default is not cured or waived, the Companies' lenders could, among other remedies, accelerate their debt and declare that such debt is immediately due and payable. If this occurs, the Companies may not be able to repay such debt or borrow sufficient funds to refinance. Even if new financing is available, it may not be on terms that are acceptable. Such an occurrence could cause GPRE to cease start-up operations of the Superior plant, or cease operations at its Shenandoah plant, or cause a VBV Subsidiary to cease construction of its plant. No assurance can be given that the Companies' future operating results will be sufficient to achieve compliance with such covenants and requirements, or in the event of a default, to remedy such default.

In addition to the proceeds from the Stock Purchase, GPRE will require significant additional capital to implement its growth strategy, which may not be available to GPRE on satisfactory terms, or at all, and may subject GPRE's shareholders to substantial additional dilution.

GPRE will need to raise additional capital to execute its growth plan in future periods, make capital improvements and respond to competitive pressures. If additional financing is not available or is

not available on acceptable terms, GPRE may be unable to successfully implement its business plan, fund working capital, take advantage of business opportunities or respond to competitive pressures. Without additional financing, GPRE may need to modify or discontinue its growth plans and its capital expenditures, and reduce operating, marketing, general and administrative costs related to its continuing operations. GPRE also could be required to sell assets.

In addition, if GPRE raises additional funds through the issuance of equity or convertible or exchangeable securities, the percentage ownership of GPRE's existing shareholders will be reduced. Further, these newly-issued securities may have rights, preferences and privileges senior to those of existing shareholders. If GPRE raises additional capital by incurring indebtedness, this could constrict its liquidity, result in substantial cash outflows, adversely affect its financial health and ability to obtain financing in the future, encumber its assets or subject it to restrictive covenants that could limit its ability to operate.

Casualty losses may occur for which the Companies have not secured adequate insurance.

The Companies have acquired insurance that they believe to be adequate to prevent loss from foreseeable risks. However, events occur for which no insurance is available or for which insurance is not available on terms that are acceptable to the Companies. Loss from such an event, such as, but not limited to, earthquake, tornados, war, riot, terrorism or other risks, may not be insured and such a loss may have a material adverse effect on the Companies' operations, cash flows and financial performance.

The Companies' focus on ethanol could result in the devaluation of GPRE's common stock if revenues from the Companies' primary products decrease. The VBV Subsidiaries' businesses will not be diversified because they will be primarily dependent upon one product. As a consequence, they may not be able to adapt to changing market conditions or endure any decline in the ethanol industry.

The Companies' success is primarily linked to the profitability of producing and selling ethanol and distillers grains. The Companies' lack of business diversification means that they may not be able to adapt to changing market conditions or to handle any significant decline in the ethanol industry, which would have an adverse effect on the Companies' operations, cash flows and financial performance. Because the Companies have limited alternative revenue sources and significant capital invested in ethanol production, shareholders could lose some or all of their investment if the Companies are unable to produce and sell ethanol and distillers grains profitably or if the markets for those products decline.

Disruption or difficulties with the Companies' information technology could impair their ability to operate.

The Companies' business depends on the effective and efficient use of information technology. A disruption or failure of these systems could cause system interruptions, delays in production and a loss of critical data that could severely affect their ability to conduct normal business operations.

GPRE is subject to financial reporting and other requirements, for which its accounting, internal audit and other management systems and resources may not be adequately prepared. Any failure to maintain effective internal controls could have a material adverse effect on GPRE's business, results of operations and financial condition.

GPRE is subject to reporting and other obligations under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. Section 404 requires annual management assessment of the effectiveness of a company's internal controls over financial reporting and a report by its independent registered public accounting firm addressing the effectiveness of GPRE's internal controls over financial reporting. These reporting and other obligations place significant demands on GPRE's management, administrative, operational, internal audit and accounting resources. If GPRE is unable to meet these demands in a timely and effective fashion, its ability to comply with its financial reporting requirements and other rules that apply to it could be impaired.

In connection with the audit of GPRE's consolidated financial statements for the year ended November 30, 2007, GPRE identified a material weakness in its internal controls over financial reporting relating to month-end cutoffs of ethanol and distillers grains sales. A "material weakness" is a deficiency, or a combination of control deficiencies, that results in a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected. GPRE believes that it has remediated this weakness, although GPRE's independent auditors have not verified the remedial measures. We cannot assure you that it will have no future deficiencies or weaknesses in its internal controls over financial reporting.

Any failure to remediate any material weaknesses that GPRE may identify or to implement new or improved controls, or difficulties encountered in their implementation, could cause GPRE to fail to meet its reporting obligations. Inferior internal controls could also cause investors to lose confidence in GPRE's reported financial information, which could have a negative effect on the trading price of GPRE's common stock.

Risks Affecting the Business of GP Grain

Though GP Grain's business compliments the Companies' businesses, it does engage in business which differs from the other GPRE and VBV subsidiaries. Therefore, in addition to facing the general business risks faced by the Companies discussed above, GP Grain's business is subject to the following risks.

The operation of new ethanol plants in GP Grain's trade territory could substantially reduce the volume of corn that it buys and merchandises, which would adversely affect the operating income of its grain division.

GP Grain's largest single source of operating income is from buying corn and soybeans from producers and share-crop landlords, drying and storing these grain products, and merchandising them to various purchasers. Three ethanol plants are currently operating within or near GP Grain's trade territory at Albert City, Ashton, and Emmetsburg. Three additional ethanol plants are under construction or starting up within or near GP Grain's trade territory at Hartley, and Superior, Iowa (which is GPRE's ethanol plant) and at Welcome, Minnesota. In addition, another ethanol operator has announced its intention to construct an ethanol plant at Fairmont, Minnesota. If all of these ethanol plants are eventually constructed and operated at full capacity, GP Grain believes they would buy approximately 206 million bushels of corn each year. This compares to approximately 18 million bushels of corn GP Grain merchandized during its 2007 fiscal year.

The significant capital costs of an ethanol plant and the high costs of temporarily shutting down an ethanol plant provide strong incentives for these plants to be continuously operated, even during periods of high corn prices relative to the price of ethanol. As a result, the operators of ethanol plants often are willing to buy the corn necessary to maintain production at prices that may exceed the prices being paid by other corn end-users. In contrast, GP Grain is limited in the price that it can pay for corn by the prices at which it can sell the corn to various buyers. This disparity in corn pricing may result in GP Grain being unable to profitably buy corn during certain periods, which would reduce the annual volume of corn and its operating profits. GP Grain may also be forced to pay higher prices for corn in order to fulfill contractual grain delivery obligations, resulting in a loss on the purchase and resale of corn or a reduction in the profit margin on such corn.

It is impossible to predict the impact of the operation of these ethanol plants within or near GP Grain's trade territory on GP Grain's profitability since there is no comparable historical experience.

The markets for GP Grain's products are highly competitive.

Competitive pressures in all of GP Grain's businesses could affect the price of and customer demand for its products, thereby negatively impacting its profit margins and resulting in a loss of market share. In addition to the special risks from the ethanol industry discussed above, GP Grain's grain business also competes with other grain merchandisers, grain processors and end-users for the purchase of grain, as well as with other grain merchandisers, private elevator operators and cooperatives for the sale of grain. Many of GP Grain's competitors are significantly larger and compete in more diverse markets. The failure of GP Grain to effectively compete in its markets would reduce its profitability.

GP Grain's pension plan is subject to changes in laws and assumptions which could have a significant impact on the necessary cash flows needed to fund this plan, and introduce volatility into the annual expense of this plan.

GP Grain could be impacted by a rise in the cost of pension and other post-retirement benefits. It may be required to make cash contributions to the extent necessary to comply with minimum funding requirements under applicable law, which may change in the future. These cash flows are dependent on various assumptions used to calculate such amounts, including discount rates, long-term return on plan assets, salary increases, health care cost trend rates and other factors. These cash flows are also dependent on the future investment experience of the plan. Changes to any of these assumptions, or variance between assumed and actual investment experience, could have a significant impact on these estimates and the required annual pension contributions.

GP Grain's business may be adversely affected by conditions beyond its control, including weather conditions, political developments, disruptions in transportation, and international petroleum risks.

Many of GP Grain's business activities are dependent on weather conditions. Weather risks may result in: (i) a reduction in the sales of fertilizer and pesticides caused by too much rain during application periods, (ii) a reduction in grain harvests caused by too little or too much rain during the growing season, (iii) a reduction in grain harvests caused by too much rain or an early freeze during the harvest season, and (iv) damage to corn stored on an open pile caused by too much rain and warm weather before the corn is dried, shipped, consumed or moved into a storage structure.

National and international political developments subject GP Grain's business to a variety of security risks, including bio-terrorism, and other terrorist threats to data security and physical loss to its facilities. In order to protect itself against these risks and stay current with new government legislation and regulatory actions, GP Grain may need to incur significant costs. No level of regulatory compliance can guarantee that security threats will never occur.

If there were a disruption in available transportation due to natural disaster, strike or other factors, GP Grain may be unable to get raw materials inventory to its facilities, product to its customers, or ship grain to market. This could disrupt GP Grain's operations and cause it to be unable to meet its customers' needs or fulfill its contractual grain delivery obligations.

The international nature of petroleum production, import restrictions, embargoes and refining capacity limitations could severely impact the availability of petroleum products causing severe economic hardship on the performance of GP Grain's Petroleum Division.

Many of GP Grain's business lines are affected by the supply and demand of commodities, and are sensitive to factors outside of its control. Adverse price movements could adversely affect its profitability and results of operations.

GP Grain buys, sells and holds inventories of various commodities, some of which are readily traded on commodity futures exchanges. Weather, economic, political, environmental and technological conditions and developments, both local and worldwide, as well as other factors beyond GP Grain's control, can affect the supply and demand of these commodities and expose it to liquidity pressures due to rapidly rising or falling market prices. Changes in the supply and demand of these commodities can also affect the value of inventories held by GP Grain, as well as the price of raw materials. Increased costs of inventory and prices of raw materials could decrease profit margins and adversely affect profitability.

While GP Grain hedges the majority of its grain inventory positions with derivative instruments to manage risk associated with commodity price changes, including purchase and sale contracts, it is unable to hedge 100% of the price risk of each transaction due to timing, unavailability of hedge contracts counterparties, and third party credit risk. Furthermore, there is a risk that the derivatives GP Grain employs will not be effective in offsetting the changes associated with the risks it is trying to manage. This can happen when the derivative and the hedged item are not perfectly matched. GP Grain's grain derivatives, for example, do not hedge the basis pricing component of its grain inventory and contracts. (Basis is defined as the difference between the cash price of a commodity in a GP Grain facility and the nearest in time exchange-traded futures price.) Differences can reflect time periods, locations or product forms. Although the basis component is smaller and generally less volatile than the futures component of grain market price, significant unfavorable basis movement on a grain position as large as GP Grain's can significantly impact its profitability. In addition, GP Grain does not hedge non-grain commodities.

Since GP Grain buys and sells commodity derivatives on registered and non-registered exchanges, its derivatives are subject to margin calls. If there is a significant movement in the derivatives market, GP Grain could incur a significant amount of liabilities, which would impact its liquidity and its interest expense. There is no assurance that the efforts GP Grain takes to mitigate the impact of the volatility of the prices of commodities will be successful, and any sudden change in the price of these commodities could have an adverse affect on its liquidity and profitability.

Many of GP Grain's business segments operate in highly regulated industries. Changes in government regulations or trade association policies could adversely affect its results of operations.

Many of GP Grain's business segments are subject to government regulation and regulation by certain private sector associations, compliance with which can impose significant costs on its business. Failure to comply with such regulations can result in additional costs, fines or criminal action.

Grain production and trade flows are affected by government actions.

Production levels, markets and prices of the grains GP Grain merchandises are affected by federal government programs, which include acreage control and price support programs of the United States Department of Agriculture ("USDA"). In addition, grain sold by GP Grain must conform to official grade standards imposed by the USDA. Other examples of government policies that can have an impact on GP Grain's business include tariffs, duties, subsidies, import and export restrictions and outright embargos. Changes in government policies and producer supports may impact the amount and type of grains planted, which in turn, may impact GP Grain's ability to buy grain in its market region. Because a portion of GP Grain's grain sales are to exporters, the imposition of export restrictions could limit its sales opportunities.

GP Grain handles potentially hazardous materials in its businesses. If environmental requirements become more stringent or if GP Grain experiences unanticipated environmental hazards, it could be subject to significant costs and liabilities.

A significant part of GP Grain's business is regulated by environmental laws and regulations, including those governing the labeling, use, storage, discharge and disposal of hazardous materials. Because GP Grain uses and handles hazardous substances in its businesses, changes in environmental requirements or an unanticipated significant adverse environmental event could have a material adverse effect on its business. There is no assurance that GP Grain has been, or will at all times be, in compliance with all environmental requirements, or that it will not incur material costs or liabilities in connection with these requirements. Private parties, including current and former employees, could bring personal injury or other claims against GP Grain due to the presence of, or exposure to, hazardous substances used, stored or disposed of by GP Grain, or contained in its products. GP Grain is also exposed to residual risk because some of the facilities and land which it has acquired may have environmental liabilities arising from their prior use. In addition, changes to environmental regulations may require GP Grain to modify its existing plant and processing facilities and could significantly increase the cost of those operations.

GP Grain relies on a limited number of suppliers for its products, and the loss of one or several of these suppliers could increase its costs and have a material adverse effect on its business.

GP Grain relies on a limited number of suppliers for its products. If it is unable to obtain these raw materials and products from its current vendors, or if there were significant increases in its suppliers' prices, it could disrupt operations, thereby significantly increasing its costs and reducing profit margins.

Risks Related to GPRE's Common Stock

GPRE has been capitalized with substantial debt leverage, resulting in substantial debt service requirements that could reduce the value of GPRE's stock.

The Companies' capital structure will be highly leveraged and its debt service requirements could have important consequences which could reduce the value of GPRE's common stock, including:

- limiting the Companies' ability to borrow additional amounts for operating capital and other purposes or creating a situation in which such ability to borrow may be available on terms that are not favorable to GPRE;
- reducing funds available for operations and distributions because a substantial portion of the Companies' cash flow will be used to pay interest and principal on the Companies' debt;
- making the Company vulnerable to increases in prevailing interest rates;
- placing the Company at a competitive disadvantage because it may be substantially more leveraged than some of its competitors;
- subjecting all, or substantially all of the Companies' assets to liens, which means that there will be few, if any, assets available for shareholders in the event of a liquidation; and
- limiting the Companies' ability to adjust to changing market conditions, which could increase their vulnerability to a downturn in our business or general economic conditions.

Sales of a substantial number of shares of GPRE's common stock after completion of the Mergers could cause the price of GPRE's common stock to decline.

There will be 3,373,103 shares of GPRE common stock issued in the Mergers which will be freely transferable and may be resold without restriction immediately after the Closing, and 7,498,369 shares of GPRE common stock to be issued to certain "affiliates" in the Mergers may be resold in the public market, subject to compliance with Rule 144. In addition, GPRE has granted the Bioverda entities, Wilon and Wayne Hoovestol certain rights to demand registration of their shares for public resale, beginning 18 months after the Closing.

Sales of a substantial number of these shares in the public market, or the perception that these sales could occur, could cause the market price of GPRE's common stock to decline and could impair the ability of GPRE shareholders to sell their shares of GPRE common stock in the amounts and at such times and prices as they may desire. In addition, the sale of these shares could impair GPRE's ability to raise capital through the sale of additional equity securities.

GPRE's stock price is volatile and its stock is thinly traded.

The trading price of GPRE's common stock is subject to significant fluctuations in response to many factors, including changes in:

- its business, operations and prospects;
- its quarterly operating results;
- market assessments of its business, operations and prospects;

- federal, state and local laws, governmental regulation and other legal developments affecting the biofuels industry;
- market prices for ethanol, distillers grains or feedstocks such as corn or natural gas; and
- conditions in the biofuels industry generally.

In addition, the volume of trading in GPRE's stock is relatively low. For this reason, GPRE has few institutional shareholders and does not receive a significant amount of analyst coverage. Consequently, any investment made in GPRE's stock may be relatively illiquid for an indefinite period.

GPRE's common stock may be diluted in value and may be subject to further dilution in value.

As of August 12, 2008, GPRE had outstanding warrants exercisable for 320,014 shares of common stock at an exercise price of $60 per share and stock options exercisable for 509,000 shares of common stock at exercise prices of between $8.84 and $30 per share. GPRE will also be issuing 267,528 options and 16,871,472 shares of common stock as part of the Mergers and the Stock Purchase. If for any reason GPRE is required in the future to raise additional equity capital, if warrants are exercised or if options are granted or additional shares are issued to the Companies' employees, officers or directors, GPRE's current shareholders, the VBV and VBV Subsidiary members may suffer further dilution to their investment. There is no assurance that further dilution will not occur in the future.

Risks Related to Construction of the IBE and EGP Plants

IBE and EGP are each dependent on their respective design builders and technology providers for expertise in the commencement of operations at the IBE and EGP plants, respectively, and any loss of these relationships, or failure to perform by these builders and providers, could hinder the VBV Subsidiaries' ability to operate profitably and significantly decrease the value of an investment in GPRE.

IBE and EGP are highly dependent upon Fagen, Inc. ("Fagen") and ICM, Inc. ("ICM"), and their respective employees, who have experience in the construction, start-up and operation of ethanol plants, to design, build and start-up the IBE and EGP plants. Any loss of these relationships, particularly during the construction and start-up period for the IBE or EGP plants, may have a material adverse impact on the Companies' operations, cash flows and financial performance. There are general risks and potential delays associated with each project, including, but not limited to, fire, weather, permitting issues, and delays in the provision of materials or labor to the construction site. Although neither IBE nor EGP are aware of any parts needed to construct their plants that may be backordered, certain parts for ethanol plants have become backordered from time to time and the Companies may not be able to get delivery of necessary parts in a timely manner. Any significant delay in the planned completion date for any of these plants may have a material adverse effect on the Companies' operations, cash flows and financial performance.

Although ethanol development continues across the country, there has been a significant decline in the number of new projects over the last year. Consequently, the Companies could be exposed to risk if market conditions place their design builders and technology providers under substantial economic pressure. If IBE's or EGP's respective design builders and technology providers were to face financial difficulties, due to market conditions or any other reason, the Companies' ability to perform will be impeded, and such circumstances might have a material adverse effect on the Companies' operations, cash flows and financial performance.

Fagen will continue to employ subcontractors for key parts of the VBV Subsidiary plants.

The failure on the part of major subcontractors to perform in a satisfactory manner can present risk that either of the IBE or EGP plants will not be constructed as planned. Failure on the part of Fagen to compensate subcontractors can also present risk of claims or liens on plant assets. These claims could result in a loss of the value of GPRE common stock.

IBE or EGP may not be able to manage their respective start-up periods effectively.

IBE and EGP are each approaching construction completion and operations start-up at their respective plants under construction. Although the Companies have limited financial resources, they will need to implement operational, financial and management systems for both plants. IBE and EGP are planning to hire employees needed to operate their respective plants and will also need to train, motivate and manage those employees. Although IBE and EGP each believes that they can effectively manage the start-up and properly staff and train employees for its operations, there is no assurance that this will occur, and any failure by IBE or EGP in either of these areas could have a material adverse effect on its financial condition, cash flows, results of operations and its ability to execute its business plan.

IBE and EGP will depend on ICM for ongoing support services.

The VBV Subsidiaries are highly dependent upon ICM for ongoing support services at their plants. The process technology implemented at their plants is licensed. If the plants are built but do not operate to the level anticipated by the VBV Subsidiaries in their business plans, the VBV Subsidiaries will need to rely on ICM to adequately address such deficiencies. There is no assurance that they will be able to address such deficiencies in an acceptable manner. Failure to do so could have a material adverse effect on the Companies' operations, cash flows and financial performance.

Construction delays could result in a delay in the commencement of operations and generation of revenue, if any, from IBE's and EGP's plants.

Both IBE's plant and EGP's plant are expected to begin operations in the fourth quarter of 2008. However, any of these dates could be later under the contract each has with Fagen. Construction projects often involve delays in obtaining permits, construction delays due to weather conditions, or other events that delay the construction schedule. If it takes longer to obtain necessary permits or construct the plants than the VBV Subsidiary's anticipate, it would delay each VBV Subsidizing's ability to generate revenues at that location and make it difficult for it to meet its debt service obligations. This could reduce the value of GPRE common stock and could negatively affect its ability to execute its plan of operation.

If there are defects in the IBE or EGP plants' construction, it may negatively affect GPRE's ability to operate those plants.

There is no assurance that defects in materials and/or workmanship in either the IBE or EGP plants will not occur. Under the terms of the design-build contracts, Fagen has warranted that the material and equipment furnished to build the plants would be new, of good quality, and free from material defects in material or workmanship at the time of delivery. Though the design-build contracts require Fagen to correct all defects in material or workmanship for a period of one year after substantial completion of the plants, material defects in material or workmanship may still occur. Such defects could cause the Companies to delay the commencement of operations of any such plant or, if such defects are discovered after operations have commenced, to halt or discontinue such plant's operations. Any such event may have a material adverse effect on GPRE's operations, cash flows and financial performance.

Any material variations to the actual cost verses VBV Subsidiaries' cost estimates relating to the construction and operation of their plants could materially and adversely affect GPRE's ability to operate the plants profitably.

Fagen is constructing the IBE and EGP plants for fixed prices. There is no assurance that there will not be design changes or cost overruns associated with the construction of either of the plants. Any significant increase in the estimated construction cost of the plants may have a material adverse effect on GPRE's operations, cash flows and financial performance.

Risks Related to Ethanol Production

The ability of the subsidiaries of the Companies which produce or plan to produce ethanol (the "Producing Subsidiaries") to operate at a profit is largely dependent on prices of corn, natural gas, ethanol and distillers grains.

The Producing Subsidiaries' operations and financial condition are significantly affected by the cost and supply of grain and natural gas and by the selling price for ethanol and distillers grains. Prices and supplies are subject to and determined by market forces over which the Producing Subsidiaries have no control. The Producing Subsidiaries are heavily dependent on the price and supply of corn. There is no assurance of consistent and continued availability of feedstock. There is significant price pressure on local corn markets caused by nearby ethanol plants, livestock industries and other value-added enterprises. Additionally, the local corn supplies could be adversely affected by rising prices for alternative crops, increasing input costs, changes in government policies, shifts in global markets or damaging growing conditions such as plant disease, weather or drought.

As a result of price volatility for these commodities, the Producing Subsidiaries' operating results may fluctuate substantially. Based on recent forward prices of corn and ethanol, the Producing Subsidiaries may be operating their plants at low to possibly negative operating margins. Increases in corn prices or decreases in prices of ethanol or distillers grains prices may result in it being unprofitable to operate the Producing Subsidiaries' plants. No assurance can be given that any of the Producing Subsidiaries will be able to purchase corn at prices anywhere near the historic averages of corn in the states in which the Producing Subsidiaries' plants are located; that any of the Producing Subsidiaries will be able to purchase natural gas at, or near, its current price; that any of the Producing Subsidiaries will be able to sell ethanol at, or near, current prices; or that any of the Producing Subsidiaries will be able to sell its distillers grains at, or near, current prices. Commodities prices have been extremely volatile in the past and are expected to be extremely volatile in the future, due to factors beyond the Producing Subsidiaries' control, such as weather, domestic and global demand, shortages, export prices and various governmental policies in the U.S. and around the world.

GPRE has been and anticipates continuing after the Merger to purchase the corn for its subsidiaries from farmers in the areas surrounding the plants and in the cash market, and hedging corn through futures contracts or with options to reduce short-term exposure to price fluctuations. The Producing Subsidiaries may contract with third parties to manage their hedging activities and corn purchasing. The Producing Subsidiaries' purchasing and hedging activities may or may not lower their respective price of corn, and in a period of declining corn prices, these advance purchase and hedging strategies may result in the Producing Subsidiaries paying a higher price for corn than their competitors. Further, hedging for protection against the adverse changes in the price of corn may be unsuccessful, and could result in substantial losses. Generally, higher corn prices will produce lower profit margins.

Substantial increases in the price of corn have caused some ethanol plants to temporarily cease production or operate at a loss. The price of corn has fluctuated significantly in the past and may fluctuate significantly in the future. Increased ethanol production from new or expanded ethanol production facilities may increase the demand for corn and increase the price of corn or decrease the availability of corn in areas where we intend to source corn for their plants. The Producing Subsidiaries may have to source corn from greater distances from their plants at a higher delivered cost. If a period of high corn prices were to be sustained for some time, such pricing may have a material adverse effect on the Companies' operations, cash flows and financial performance.

The Producing Subsidiaries' revenues will also be dependent on the market prices for ethanol and distillers grains. These prices can be volatile as a result of a number of factors. These factors include the overall supply and demand of ethanol, the price of gasoline, the level of government support, and the availability and price of competing products. For instance, the price of ethanol tends to increase as the price of gasoline increases, and the price of ethanol tends to decrease as the price of gasoline decreases. However, this relationship is continually changing based on market forces and may result in reduced competitiveness of ethanol in the marketplace. Any lowering of gasoline prices will likely also lead to lower prices for ethanol and adversely affect the Producing Subsidiaries' operating results.

The VBV Subsidiaries have entered into corn purchase agreements that limit their ability to purchase corn on the open market.

IBE has contracted with Cargill Incorporated, through its AgHorizons Business Unit ("Cargill"), for all of IBE's corn supplies. EGP has contracted with Obion Grain Co. ("Obion Grain") as EGP's exclusive supplier for corn obtained in Obion County, Tennessee and the seven contiguous counties in Tennessee and Kentucky. EGP has entered into an agreement with Central States Enterprises, Inc. for its remaining corn needs. Because of IBE's corn purchase agreement with Cargill and EGP's corn purchase agreements with Obion Grain and Central States, both IBE and EGP are unable to purchase all, or any in the case of IBE, of their corn supplies on the open market, which may place the VBV Subsidiaries at a greater risk to any price fluctuations that may arise and may have a material adverse effect on the VBV Subsidiaries' operations, cash flows and financial performance.

The Producing Subsidiaries will not have marketing agreements with their equity owners to assure that the plants have a source for corn and to protect the Producing Subsidiaries from corn price fluctuations.

Many producers of ethanol have corn delivery programs that require their members or shareholders to deliver specified quantities of corn to the producer at established, formula or market prices. These agreements may protect producers from supply and price fluctuations. The Producing Subsidiaries will not have corn delivery agreements and will be required to acquire substantial quantities of corn in the marketplace based on the then-prevailing market price. If the supplies of corn available to the Producing Subsidiaries are not adequate, they may not be able to procure adequate supplies of corn at reasonable prices. This could result in a utilization of less than the full capacity of the plants, reduced revenues, higher operating costs, and reduced income or losses.

The Companies cannot provide any assurance that there will be sufficient demand for ethanol to support current ethanol prices.

The Companies believe that ethanol production is expanding at this time. To support this expansion of the industry, domestic ethanol consumption must increase dramatically. Additionally, public opinion must be supportive of continued or increased mandates in order to maintain the preferred status of ethanol in public policy. The domestic market for ethanol is largely dictated by federal mandates for blending ethanol with gasoline. At the present rate of expansion, it is probable that ethanol production will exceed levels set by federal mandate. Additionally, it is possible that ethanol production will exceed domestic blending capacity.

Ethanol production from corn has not been without controversy. There have been questions of overall economic efficiency and sustainability, given the industrialized and energy-intensive nature of modern corn agriculture. Additionally, ethanol critics frequently cite the moral dilemma of redirecting corn supplies from international food markets to domestic fuel markets and further directly link the current global food price increases to the production of ethanol and other biofuels. These claims and others have led some politicians to call for a reduction in mandated ethanol use and other changes in the law supporting ethanol production. The controversy surrounding corn ethanol is dangerous to the industry because ethanol demand is largely dictated by federal mandate. If public opinion were to erode, it is possible that the federal mandates will lose political support and the ethanol industry will be left without a market.

The governor of the state of Texas recently submitted a petition to the EPA requesting a waiver of 50 percent of the nationwide RFS mandate for the production of ethanol derived from grain, citing adverse economic impact due to higher corn prices in Texas. The administrator of the EPA can waive the RFS if the RFS would severely harm the economy or environment of a state, region or the United States or if there is an inadequate supply of renewable fuel. On August 7, 2008, the EPA denied the waiver request. If in the future the EPA grants any other waiver of the RFS with respect to ethanol derived from grain, it could have a material adverse effect on the Companies' operations and financial performance.

Beyond the federal mandates, there are limited markets for ethanol. Discretionary blending is an important secondary market. However, consumer acceptance of E85 fuels and flexible-fuel technology vehicles is needed before there will be any significant growth in market share. International markets offer possible opportunities. Ethanol has foreseeable applications as an aviation or locomotive fuel. Limited markets also exist for use of ethanol as an antiseptic, antidote or base compound for further chemical processing. All these additional markets are undeveloped.

At present, the Companies cannot provide any assurance that there will be any material or significant increase in the demand for ethanol beyond the increases in mandated gasoline blending. Increased production in the coming years is likely to lead to lower ethanol prices. Additionally, the increased production of ethanol could have other adverse effects as well. For example, the increased production could lead to increased supplies of by-products from the production of ethanol, such as distillers grains. Those increased supplies could lead to lower prices for those by-products. Also, the increased production of ethanol could result in a further increase in the demand for corn. This could result in higher prices for corn creating lower profits. There can be no assurance as to the price of ethanol, corn, or distillers grains in the future. Adverse changes affecting these prices may have a material adverse effect on the Companies' operations, cash flows and financial performance.

The Companies expect to compete with existing and future ethanol plants and oil companies, which may result in a material adverse effect on the Companies' operations, cash flows and financial performance.

GPRE operates in a very competitive environment. GPRE competes, and the Companies will compete, with large, multi-product, multi-national companies that have much greater resources than the Companies currently have or will have in the future. The Companies may face competition for capital, labor, management, corn and other resources. There is clearly a consolidation trend in the ethanol industry. As a result, firms are growing in size and scope. Larger firms offer efficiencies and economies of scale, resulting in lower costs of production. Absent significant growth and diversification, the Companies might not be able to operate profitably in a more competitive environment. No assurance can be given that the Companies will be able to compete successfully or that such competition will not have a material adverse effect on the Companies' operations, cash flows and financial performance.

At present, the ethanol industry is primarily comprised of firms that engage exclusively in ethanol production. Oil companies, petrochemical refiners and gasoline retailers are not engaged in ethanol production to a large extent. These companies, however, form the primary distribution networks for marketing ethanol through blended gasoline. If these companies seek to engage in direct ethanol production, there will be less of a need to buy ethanol from independent ethanol producers. Such a structural change in the market could result in a material adverse effect on the Companies' operations, cash flows and financial performance.

GPRE sells a majority of its products to third-party brokers, which may reduce its ability to compete.

GPRE sells all of its ethanol and the majority of its distillers grains to third-party brokers, who are its customers for purposes of revenue recognition, pursuant to contracts with these brokers. These third-party brokers are responsible for subsequent sales, marketing, and shipping of the ethanol and distillers grains. None of the Companies currently have a sales force or distribution channel to market ethanol. Although GPRE is exploring alternative marketing strategies, GPRE is currently dependent on third-party brokers. GPRE has contracted to sell all ethanol produced at both the Shenandoah and Superior plants with Renewable Products Marketing Group, LLC ("RPMG"), though GPRE has provided notice of termination of this contract, effective September 30, 2008, with respect to Shenandoah. If RPMG breaches the contract or does not have the ability (for financial or other reasons) to purchase all of the ethanol GPRE produces, GPRE will not have any readily available means to market its ethanol.

The VBV Subsidiaries will also be dependent on third-party brokers once the IBE and EGP plants are operational. The Producing Subsidiaries' lack of an independent marketing program and reliance on third parties to market ethanol may place them at a competitive disadvantage. GPRE's or either VBV Subsidiary's failure to sell all of its ethanol and distillers grains may have a material adverse effect on the Companies' operations, cash flows and financial performance.

Similarly, GPRE is heavily dependent on third-party brokers to purchase its by-product distillers grains. GPRE's inability to independently market distillers gains may have a material adverse effect on its operations, cash flows and financial performance.

VBV intends to market the distillers grains produced at the IBE and EGP plants itself, without the use of a third-party marketer, which could lead to decreased or little profit on such sales.

VBV intends to market the distillers grains for both IBE and EGP. VBV has no experience marketing distillers grains and does not have the same types of resources as distillers grains marketers. VBV's lack of experience and resources may have a material adverse effect on VBV's and the VBV Subsidiaries' operations, cash flows and financial performance.

Markets for distillers grains depend on its continued use as animal feed

The primary use of distillers grains is animal fodder or feed additive. In recent months, Escherichia coli (E. coli) outbreaks in beef cattle have been attributed to use of distillers grains as a cattle feed. At present, there is no conclusive causal relationship between E. coli and distillers grains. However, this continued controversy could have an adverse impact on distillers grains markets. Any connection, whether based on scientific evidence or popular opinion, between distillers grains and E. coli could have a material adverse effect on the Companies' operations, cash flows and financial performance.

The price of distillers grains is affected by the price of other commodity products, such as soybeans and corn, and decreases in the price of these commodities could decrease the price of distillers grains, which will decrease the amount of revenue the Companies may generate.

Distillers grains compete with other protein-based animal feed products. The price of distillers grains may decrease when the prices of competing feed products decrease. The prices of competing animal feed products are based in part on the prices of the commodities from which these products are derived. Downward pressure on commodity prices, such as soybeans and corn, will generally cause the price of competing animal feed products to decline, resulting in downward pressure on the price of distillers grains. Decreases in the price of distillers grains will result in the Companies generating less revenue.

Engaging in hedging activities to minimize the potential volatility of commodity gas prices could result in substantial costs and expenses and additional liquidity and counterparty risk.

In an attempt to minimize the effects of the volatility of corn and natural gas costs on operating profits, GPRE has taken hedging positions in the corn and natural gas futures markets and the

Companies will likely take additional hedging positions in these commodities in the future. Hedging means protecting the price at which companies buy and sell commodity inputs and outputs in the future. It is a way to attempt to reduce the risk caused by price fluctuation. For the Companies, the effectiveness of such hedging activities is dependent upon, among other things, the Companies' ability to forecast future corn and natural gas usage requirements, and ethanol and distillers grains production levels. Customers and hedging counterparties may default on contractual obligations to purchase or sell commodities to the Companies, particularly following periods of substantial price change which the hedging transactions were intended to protect against. Additionally, substantial price changes may cause margin calls to secure the Companies' performance under exchange-traded futures contracts. Margin calls involve transferring cash to brokers with little advanced notice. As a result, the Companies may not have sufficient liquidity to meet a margin call and may be forced to liquidate the futures contract. Although the Companies will attempt to link hedging activities to sales plans and pricing activities, such hedging activities can themselves result in additional costs and risks because commodity price movements are highly volatile and are influenced by many factors that are beyond the Companies' control.

The Producing Subsidiaries' ability to successfully operate is dependent on the availability of energy and water at anticipated prices.

The Producing Subsidiaries' plants will require a significant and uninterrupted supply of electricity, natural gas and water to operate. There is no assurance that the Producing Subsidiaries will be able to secure an adequate supply of energy or water to support current and expected plant operations. If there is an interruption in the supply of energy or water for any reason, such as supply, delivery or mechanical problems, the Companies may be required to halt production. If production is halted for an extended period of time, it may have a material adverse effect on the Producing Subsidiaries' operations, cash flows and financial performance.

GPRE, EGP and IBE have each entered into an agreement with U.S. Energy Services, Inc. to negotiate and purchase natural gas and secure related natural gas pipeline capacity for their respective plants from third-party providers. There can be no assurance given that any of the Producing Subsidiaries or U.S. Energy Services will be able to obtain a sufficient supply of natural gas for their respective plants or that GPRE will be able to procure alternative sources of natural gas on acceptable terms. Higher natural gas prices may have a material adverse effect on the Producing Subsidiaries' operations, cash flows and financial performance.

The Producing Subsidiaries will also need to purchase significant amounts of electricity to operate the plants. Currently, GPRE's plants do not have an onsite electric generation capability to support plant operations. All electricity must be purchased from third-party electric utilities. GPRE has negotiated an agreement with MidAmerican Energy to supply electricity to the plant in Shenandoah for a period of five years. No assurance can be given that GPRE will be able to negotiate contract extensions at favorable rates after the five year period is over. GPRE has entered into an agreement with the Iowa Lakes Electric Cooperative and the Corn Belt Cooperative to supply electricity to the Superior plant. EGP is currently negotiating a multi-year agreement for electricity with Gibson Electric for the construction of the necessary infrastructure and provision of electricity. IBE has entered into a five-year electricity supply agreement with Bluffton Utilities. Electricity prices have historically fluctuated significantly. Sustained increases in the price of electricity in the future would increase the costs of production at the plants. As a result, these issues may have a material adverse effect on the Producing Subsidiaries' operations, cash flows and financial performance.

Sufficient availability and quality of water are important requirements to produce ethanol. GPRE anticipates that water requirements at each of its plants will be approximately 400 to 800 gallons per minute, depending on the quality of the water at the plants. GPRE believes the City of Shenandoah has sufficient capacities of water to meet GPRE's needs and GPRE has a contract with the city to supply water to the plant at a price that GPRE believes is favorable to its operations. However, no assurance can be given that a prolonged drought could not diminish the water supplies in the areas of the Shenandoah plant, or that GPRE would continue to have sufficient water supplies in the future. GPRE anticipates obtaining its water supply for the Superior ethanol plant from two wells on the site. The IBE and EGP plants will require approximately 900 to 1,200 gallons of water per minute. The VBV Subsidiaries intend to use onsite wells, supplemented by city services as necessary, for their water needs. If a drought were to occur, the Producing Subsidiaries may have to purchase water from other sources, such as the local rural water company, which would cost more. If any of the Producing Subsidiaries ever had to do this, it may have a material adverse effect on its operations, cash flows and financial performance and could even cause one or more of the Producing Subsidiaries to cease production for periods of time.

Risk of foreign competition from producers who can produce ethanol at less expensive prices than it can be produced from corn in the United States.

There is an increased risk of foreign competition in the ethanol industry. At present, there is a $0.54 per gallon tariff on foreign ethanol. However, this tariff might not be sufficient to deter overseas producers from importing ethanol into the domestic market, resulting in depressed ethanol prices. It is also important to note that the tariff on foreign ethanol is the subject of ongoing controversy and disagreement amongst lawmakers. Many lawmakers attribute growth in the ethanol industry to increases in food prices. They see foreign competition in ethanol production as a means of controlling food prices. Additionally, the tariff on ethanol has sparked international criticism because it diverts corn from export and prevents Latin American agricultural development.

Foreign competitors are likely to have lower input, energy and labor costs. International feedstocks might be less costly and more sustainable than corn. Additionally, the bulk of the domestic ethanol market is located on the coasts. It is possible that it could be cheaper to import foreign ethanol via tanker than transport the Companies' ethanol to coastal markets via rail or truck. The primary source of foreign competition is Brazil, which is the world's second largest producer after the U.S. Brazil produces ethanol from sugarcane, which as a feedstock costs about 30% to 40% less than corn. Additionally, in comparison to the U.S., the Brazilian ethanol industry is more mature and more fully developed. Much of the industrial infrastructure that the U.S. is lacking is already in place in Brazil.

Ethanol produced or processed in certain countries in Central America and the Caribbean region is eligible for tariff reduction or elimination upon importation to the United States under a program known as the Caribbean Basin Initiative. Large ethanol producers, such as Cargill, have expressed interest in building dehydration plants in participating Caribbean Basin countries, such as El Salvador, which would convert ethanol into fuel-grade ethanol for shipment to the United States. Ethanol imported from Caribbean Basin countries may be a less expensive alternative to domestically produced ethanol. Competition from ethanol imported from Caribbean Basin countries may affect the Company's ability to sell its ethanol profitably, which may have a material adverse effect on the Companies' operations, cash flows and financial performance.

If significant additional foreign ethanol production capacity is created, such facilities could create excess supplies of ethanol on world markets which may result in lower prices of ethanol throughout the world, including the U.S. GPRE believes that an increased supply of ethanol in world markets may be mitigated to some extent by increased ethanol demand, due in part to higher oil prices. Such foreign competition is a risk to the Companies' businesses. Further, if the tariff on foreign ethanol is ever lifted, overturned, expired, repealed or reduced, our ability to profitably compete with low-cost international producers is questionable. Any penetration of ethanol imports into the domestic market may have a material adverse effect on the Companies' operations, cash flows and financial performance.

Replacement technologies are under development that might result in product or process system obsolescence.

Ethanol is primarily an additive and oxygenate for blended gasoline. Although use is currently mandated, there is always the possibility that a preferred alternative product will emerge and eclipse the current market. Critics of ethanol blends argue that ethanol decreases fuel economy, causes corrosion of ferrous components and damages fuel pumps. Any alternative oxygenate product would likely be a form of alcohol (like ethanol) or ether (like MTBE). Prior to federal restrictions and ethanol mandates, MTBE was the dominant oxygenate. It is possible that other ether products could enter the market and prove to be environmentally or economically superior to ethanol. More likely, it is possible that alternative biofuel alcohols such as methanol and butanol could evolve into ethanol replacement products. Such development an ethanol replacement product may have a material adverse effect on our operations, cash flows and financial performance.

Even if ethanol remains the dominant additive and oxygenate, technological innovation could have a profound impact on the corn ethanol system. The development of cellulosic ethanol obtained from other sources of biomass such as switchgrass or fast growing poplar trees could ultimately displace corn ethanol production. Federal policies suggest a long-term political preference for cellulosic processes using alternative feed stocks such as switchgrass, silage, wood chips or other forms biomass. Cellulosic ethanol has a smaller carbon footprint because the feedstock does not require energy-intensive fertilizers and industrial production processes. Additionally, cellulosic ethanol is favored because it is unlikely that foodstuff is being diverted from the market. Several cellulosic ethanol plants are under development. At present, it is unlikely that cellulose is an economically-viable alternative to corn. However, if research and development programs persist, there is the risk that cellulosic ethanol could displace corn ethanol at some point in the future. Although there may be opportunities to incorporate cellulosic processes into the Producing Subsidiaries' existing corn ethanol plants, it must be acknowledged that innovation in cellulose might have an adverse impact on the Companies' enterprises. The Producing Subsidiaries' plants are designed as single-feedstock facilities. At present, there is limited supply of alternative feed stocks near the Producing Subsidiaries' facilities. There is limited ability to adapt the plants to a different feedstock or process system without substantial reinvestment and retooling.

GPRE's ethanol plants use ICM and Delta T process technologies in Shenandoah and Superior, respectively. The IBE and EGP plants will use ICM process technologies. These process technologies are industry standards. However, they use significant amounts of energy. There is the possibility that new process technologies will emerge that require less energy. The development of such process technologies would result in lower production costs. The Producing Subsidiaries' process technologies may become outdated and obsolete, placing the Companies at a competitive disadvantage against competitors in the industry. The development of replacement technologies may have a material adverse effect on the Companies' operations, cash flows and financial performance.

Consumer perceptions of ethanol may have a negative impact on the acceptability of ethanol in the market, reducing the Companies' revenues.

Many consumers have been exposed to the belief that ethanol production uses more energy than the ethanol produced can deliver. Others believe that ethanol damages vehicle engines. Many recent media reports state that ethanol use has caused the prices of food to increase and may even be the cause of world hunger. Some people expect that ethanol, particularly if use is mandated, will result in higher fuel and food prices. These and similar perceptions could negatively impact the acceptability and price of ethanol in the marketplace, reducing market volumes and prices, and resulting in greater competition, lower revenues for the Companies.

Risks Related to Conflicts of Interest

The Companies have conflicts of interest with their design builders, technology providers, third-party marketers and other suppliers that could result in loss of capital and reduced financial performance.

GPRE and the VBV Subsidiaries are and will continue to be advised by one or more employees or associates of their design builders and technology providers. The Producing Subsidiaries' design builders and technology providers are expected to continue to be involved in substantially all material aspects of their respective plant construction and operations for some time. Some of GPRE's design builder and technology providers have an ownership interest in GPRE. In addition, Fagen has an ownership interest in both IBE and EGP. Consequently, the terms and conditions of GPRE's, IBE's and EGP's agreements and understandings with them may not have been negotiated at arm's length. Therefore, there is no assurance that GPRE's, IBE's or EGP's arrangements with such parties are as favorable to them as could have been if obtained from unaffiliated third parties. In addition, because of the extensive role that they are expected to have in the construction and operation of the plants, it may be difficult or impossible for GPRE or either VBV Subsidiary to enforce claims that it may have against them, if a claim were to arise. If this were to occur, it may have a material adverse impact on the Companies' operations, cash flows and financial performance.

The Producing Subsidiaries' design builders and technology providers and their affiliates may also have conflicts of interest because employees or agents of the Producing Subsidiaries' design builders and technology providers are involved as owners, creditors and in other capacities with other ethanol plants in the United States. The Producing Subsidiaries cannot require design builders and technology providers to devote their full time or attention to their activities.

Aventine Renewable Energy, Inc., the ethanol marketer for all of the ethanol to be produced at the VBV Subsidiaries' plants, has an ownership interest in IBE and has appointed a director to the IBE board of directors. Cargill will be the supplier of all the corn to be used at the IBE plant, and its affiliate, Cargill Biofuels Investments, LLC, also has an ownership interest in IBE. Jackson Briner Joint Venture, LLC is providing certain construction related construction services to IBE and has an ownership interest in IBE. The Patterson Group, LLC, which provides EGP certain consulting services, is controlled by James K. Patterson, a director and unit holder of EGP. Obion Grain has an ownership interest in EGP and will have a subordinate lien on EGP's real property if EGP defaults under its corn purchase agreement with Obion Grain. In addition, Obion Grain is controlled by Dyersburg Elevator Company, James Baxter Sanders, Michael D. Miller and William H. Latimer, whom all have ownership interests in EGP, and the latter two of whom also serve as directors of the EGP board.

Though the Companies will attempt to address actual or potential material conflicts of interest as they arise or become known, none of the Companies have established any formal procedures to address or resolve conflicts of interest. There is no assurance that any conflict of interest will not have adverse consequences to the Companies' operations, cash flows and financial performance.

The Companies' board members and officers have other business interests that may receive a greater share of their time and attention than they will devote to their respective Companies.

The Companies' respective board members and officers have other business interests and responsibilities that may be given priority over the time and attention that they are willing to devote to their respective Companies. This could result in errors of management and governance that could adversely affect the Companies' operations, cash flows and financial performance.

The Companies' consultants and contractors may have financial and other interests that conflict with their interests, and they may place their interests ahead of the Companies' interests.

Entities and individuals engaged as consultants and contractors of the Companies will have financial interests that may conflict with the Companies' interests. Each of a Company's consultants and contractors is likely to be a creditor of that Company, which could affect their advice and commitment of time and resources to it. In addition, the consultants and contactors may have commitments to and financial interests in other ethanol plants located in the same geographic and market area as the Producing Subsidiaries' plants. As a result, they may have a conflict of interest as they allocate personnel, materials and other resources to the plants and others.

Risks Related to Regulation and Governmental Action

The loss of favorable tax benefits and other incentives for ethanol production and use could adversely affect the market for ethanol.

The American Jobs Creation Act of 2004 created the volumetric ethanol excise tax credit ("VEETC"). Referred to as the blender's credit, VEETC provides companies with a tax credit to blend ethanol with gasoline totaling 51 cents per gallon of pure ethanol, or approximately 5.1 cents per gallon for E10 and 43 cents per gallon on E85. VEETC expires on December 31, 2010. The Food, Conservation and Energy Act of 2008 (the "2008 Farm Bill") reduced the VEETC to 45 cents per gallon of pure ethanol beginning January 1, 2009. In addition, recent federal legislation increased support for cellulosic ethanol as an alternative to corn-derived ethanol and the amended Renewable Fuel Standard mandates an increasing level of production of biofuels which are not derived from corn. The elimination or further reduction of VEETC or other federal tax incentives to the ethanol industry would have a material adverse impact on our business by making it more costly or difficult for the Companies to produce and sell ethanol.

The Producing Subsidiaries' inability to obtain required regulatory permits and/or approvals will impede their ability and may prohibit completely their ability to successfully operate their plants.

The Producing Subsidiaries are subject to extensive air, water and other environmental regulation. The Producing Subsidiaries have had to obtain a number of environmental permits to construct and operate their plants. Ethanol production involves the emission of various airborne pollutants, including particulate (PM10), carbon dioxide (CO^2), oxides of nitrogen (N0x) and volatile organic compounds. GPRE believes it has obtained the permits necessary for operation of the Shenandoah and Superior plants. IBE and EGP each believe that it has obtained the permits necessary for the construction of their respective plants. However, EGP and IBE still need to apply for and obtain certain other permits before they can commence operations at the IBE and EGP plants, respectively. EGP and IBE each anticipates that it will be able to obtain these permits before the times that they will be needed. However, if for any reason any of these permits are not granted, construction costs for the IBE and EGP plants may increase. In addition, the governing state agencies could impose conditions or other restrictions in the permits that are detrimental to the Companies or which increase their costs above those assumed in any such project. Any such event could have a material adverse effect on the Companies' operations, cash flows and financial performance.

A change in environmental and safety regulations or violations thereof could impede GPRE's and the VBV Subsidiaries' ability to successfully operate the plants.

Currently the Environmental Protection Agency ("EPA") rules and regulations do not require the Producing Subsidiaries to obtain separate EPA approval in connection with construction and operation of the plants. Additionally, environmental laws and regulations, both at the federal and state level, are subject to change and changes can be made retroactively. It is possible that more stringent federal or state environmental rules or regulations could be adopted, which could increase the Producing Subsidiaries' operating costs and expenses. Consequently, even if the Producing Subsidiaries have the proper permits at the present time, they may be required to invest or spend considerable resources to comply with future environmental regulations. Furthermore, ongoing plant operations are governed by the Occupational Safety and Health Administration ("OSHA"). OSHA regulations may change such that the costs of operations at the plants may increase. If any of these events were to occur, they may have a material adverse impact on the Companies' operations, cash flows and financial performance.

The Producing Subsidiaries' plants will emit carbon dioxide as a by-product of the ethanol production process. The United States Supreme Court recently classified carbon dioxide as an air pollutant under the Clean Air Act in a case seeking to require the EPA to regulate carbon dioxide in vehicle emissions. Similar lawsuits have been filed seeking to require the Environmental Protection Agency ("EPA") to regulate carbon dioxide emissions from stationary sources such as the Producing Subsidiaries' ethanol plants under the Clean Air Act. The Producing Subsidiaries' plants will produce a significant amount of carbon dioxide that will be vented into the atmosphere. While there are currently no regulations applicable to the Producing Subsidiaries concerning carbon dioxide, if Iowa, Indiana or Tennessee, or the federal government, or any appropriate agency, decides to regulate carbon dioxide emissions by plants such as the Producing Subsidiaries', the Producing Subsidiaries may have to apply for additional permits or they may be required to install carbon dioxide mitigation equipment or take other steps unknown to the Companies at this time in order to comply with such law or regulation. Compliance with future regulation of carbon dioxide, if it occurs, could be costly and may prevent the Producing Subsidiaries from operating its plants profitably, which may have a material adverse impact on the Companies' operations, cash flows and financial performance.

GPRE does not have current, and in some instances any, environmental reports for GPRE's real property. There is a risk that there are unidentified costs associated with environmental liabilities at the various facilities. These liabilities, if unaddressed, could significantly devalue the facilities if they are to be sold in the future.

The loss of favorable government usage mandates affecting ethanol production could adversely affect the market for ethanol.

Federal law requires the use of oxygenated gasoline. If these mandates are repealed, the market for domestic ethanol would be diminished significantly. Additionally, flexible-fuel vehicles receive preferential treatment in meeting CAFE standards. High blend ethanol fuels such as E85 result in lower fuel efficiencies. Absent the CAFE preferences, it is unlikely that flexible-fuel vehicles could meet standards. Any change in these CAFE preferences could reduce growth of E85 markets and result in lower ethanol prices.

There has been an increase in the number of claims against the use of ethanol as an alternative energy source. Many of such claims attempt to draw a link between recently increasing global food prices and the use of corn to produce ethanol. Others claim that the production of ethanol requires too much energy. Such claims have led some, including members of Congress, to urge the modification of current government policies which affect the production and sale of ethanol in the United States, such as the VEETC, the Renewable Fuels Standard and the Energy Independence and Security Act of 2007 (the "2007 Act"). Similarly, several states which currently have laws which affect the production and sale of ethanol, such as mandated usage of ethanol, have proposed to modify or eliminate such mandates. To the extent that such state or federal laws were modified, the demand for ethanol may be reduced, which could negatively and materially affect the Companies' ability to operate profitably.

CAUTIONARY INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

The SEC encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This proxy statement/prospectus contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements included in this registration statement or made by management of GPRE or VBV, other than statements of historical fact regarding GPRE or VBV or any of their subsidiaries, are forward-looking statements within the meaning of Section 27A of the Securities Act and 21E of the Exchange Act.

Forward-looking statements include, among others, statements, goals, plans, objectives, intentions, expectations, financial condition, results of operations, future performance and business of GPRE and VBV and their subsidiaries, including, without limitation, (i) statements relating to the benefits of the merger, including future financial and operating results, cost savings, enhanced revenues and the accretion/dilution to reported earnings that may be realized from the merger, (ii) statements regarding certain of GPRE's goals and expectations with respect to shareholder value, revenue, expenses and the growth rate in such items, as well as other measures of economic performance, including statements relating to estimates of GPRE capitalization, and (iii) statements preceded by, followed by or that include the words "may", "could", "should", "would", "believe", "anticipate", "estimate", "expect", "intend", "plan", "projects", "outlook" or similar expressions. These statements are based upon the current beliefs and expectations of GPRE and/or VBV's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These forward-looking statements involve certain risks and uncertainties that are subject to change based on various factors (many of which are beyond GPRE's or VBV's control).

All forward-looking statements reflect present expectations of future events. As more fully discussed under "Risk Factors" above, the following factors, among others, could cause actual results to differ materially from that expressed in such forward-looking statements:

- that the Mergers may not ultimately close for any of a number of reasons, such as GPRE not obtaining shareholder approval or the VBV Subsidiaries not obtaining member approval;
- that GPRE will forego business opportunities while the Mergers are pending;
- that prior to the closing of the Mergers, the businesses of GPRE, VBV or the VBV Subsidiaries may suffer due to uncertainty;
- that, in the event the Mergers are completed, the combination of GPRE, VBV, and the VBV Subsidiaries may not result in a stronger company;
- that the costs related to the Mergers will exceed the forecasted benefits;
- the risk that the businesses of GPRE, VBV, and/or the VBV Subsidiaries, in connection with the Mergers, will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected;
- the risk that expected revenue synergies and cost savings from the merger may not be fully realized or realized within the expected time frame;
- the risk that revenues following the merger may be lower than expected;
- operating costs, revenue loss and business disruption following the Mergers, including, without limitation, difficulties in maintaining relationships with employees, may be greater than expected;
- the inability to obtain governmental approvals of the Mergers on the proposed terms and schedule;

- the risk that the strength of the United States economy in general and the ethanol industry specifically may be different than expected results;
- GPRE and VBV have limited operating histories in the ethanol industry;
- the VBV Subsidiary plants are still in their construction phases, may never become operational and when they become operational may never meet their anticipated capacities;
- potential litigation;
- technological changes;
- the effect of corporate restructurings, acquisitions and/or dispositions, including, without limitation, the Mergers and GPRE's merger with Great Lakes Cooperative which was consummated on April 3, 2008, and the actual restructuring and other expenses related thereto, and the failure to achieve the expected revenue growth and/or expense savings from such corporate restructurings, acquisitions and/or dispositions;
- unanticipated regulatory or judicial proceedings or rulings;
- the impact of changes in accounting principles;
- the impact on the Companies' businesses, as well as on the risks set forth above, of various domestic or international military or terrorist activities or conflicts;
- the impact of changes in state and federal energy, environmental, agricultural or trade policies, and
- the Companies' success at managing the risks involved in the foregoing.

You are cautioned not to place undue reliance on the forward-looking statements. The foregoing list of factors is not exclusive. Neither GPRE nor VBV undertakes any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this proxy statement/prospectus.

THE SPECIAL MEETING OF GPRE SHAREHOLDERS

Date, Time and Place

This proxy statement/prospectus is being furnished to holders of GPRE common stock, in connection with the solicitation, by and on behalf of the Board of Directors of GPRE, of proxies to be used at the special meeting of shareholders to be held at 10:00 a.m., central time, on October 10, 2008 at 9420 Underwood Ave., Suite 100, Omaha Nebraska, 68114 and any adjournment or postponement thereof. This proxy statement/prospectus, the notice of special meeting of shareholders, and the accompanying proxy card are being first mailed to shareholders on or about , 2008.

GPRE's principal executive offices are located at 9420 Underwood Ave., Suite 100, Omaha, Nebraska 68114.

Matters to be Voted On

At the special meeting, the GPRE shareholders will be asked to consider and vote on:

(1) a proposal to approve the Mergers;

(2) a proposal to approve the issuance of an aggregate of 17,139,000 shares of GPRE common stock (including shares subject to options assumed) pursuant to the Mergers and the Stock Purchase;

(3) a proposal to approve the amended and restated articles of incorporation of GPRE as follows: (i) amend Article II to increase the number of shares authorized for issuance by GPRE; and (ii) amend Article III so that it is consistent with the terms of GPRE's Bylaws, which must be amended as a condition to closing the VBV Merger, with respect to (A) imposing a supermajority shareholder vote if two-thirds of the directors do not approve certain transactions prior to GPRE's next significant transaction, and (B) altering the number of GPRE's directors and the method by which board vacancies are filled; and

(4) a proposal to adjourn the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve any of proposals 1, 2 or 3.

The Board of Directors recommends a vote **FOR** each of these proposals.

At the date hereof, management has no knowledge of any business that will be presented at the special meeting other than the matters discussed herein. If any other matter is properly presented at the special meeting, the persons named on the enclosed proxy card will vote in accordance with their best judgment on such matters.

Record Date, Outstanding Shares and Quorum

GPRE has fixed the close of business on August 12, 2008 as the record date for the determination of shareholders entitled to notice of and to vote at the special meeting and any adjournment or postponement thereof. There were 7,821,528 shares of common stock issued and outstanding at the close of business on the record date. Holders of record of the common stock on the record date are entitled to cast one vote per share, exercisable in person or by properly executed proxy, with respect to each proposal to be considered at the special meeting.

The presence, in person or by properly executed proxy, at the special meeting of the holders of a majority of the issued and outstanding shares of common stock entitled to vote shall constitute a quorum. Because the proxy card states how the shares will be voted in the absence of instructions by the shareholder, executed proxies bearing no instructions by the shareholder will be counted as present for quorum purposes. Broker non-votes and abstentions will count for purposes of a quorum. If a quorum is not present, the GPRE shareholders entitled to vote at the special meeting, present in person or by proxy, will have the power to adjourn the meeting until a quorum is present.

Proxy Voting and Revocability of Proxies

Shares of common stock represented by the proxies received pursuant to this solicitation and not timely revoked will be voted at the special meeting in accordance with the instructions indicated in properly executed proxies. If no instructions are indicated, such shares will be voted as recommended by the Board. If any other matters are properly presented to the special meeting for action, the person(s) named in the enclosed form(s) of proxy and acting thereunder will have discretion to vote on such matters in accordance with their best judgment.

You can revoke your proxy or change your vote before your proxy is voted at the special meeting. You can do this in one of four ways:

- you can submit a signed notice of revocation to GPRE;
- you can grant a new, valid proxy bearing a later date than your original proxy;
- you can cast a new proxy vote over the Internet or by telephone;
- if you are a holder of record, you can attend the special meeting of GPRE shareholders and vote in person, which will automatically cancel any proxy you have previously given, or you may revoke your proxy in person, however, your attendance alone will not be sufficient to revoke any proxy that you have previously given.

If your shares are held in street name by your broker, you should contact your broker to change your vote. Any written notice revoking a proxy should be sent to: Green Plains Renewable Energy, Inc., Attention: Dan E. Christensen, Secretary, 9420 Underwood Ave., Suite 100, Omaha, Nebraska 68114.

Shareholders whose shares of common stock are registered directly with GPRE's transfer agent, Action Stock Transfer, may vote via the Internet or telephone. Shareholders should refer to the enclosed proxy card for instructions on voting via the Internet or telephone. The Internet and telephone voting facilities for shareholders of record will close at 11:59 p.m., eastern time, on October 9, 2008. Shareholders whose shares are registered in the name of either a broker or bank should refer to the information forwarded by either the broker or bank to determine if Internet or telephone voting is available to them. You must provide the record holder of your shares instructions on how to vote.

Expenses and Methods of Solicitation

GPRE will bear the expense of soliciting proxies. In addition to the use of the mails, proxies may be solicited personally, or by telephone or other means of communications, by directors, officers and employees of GPRE and its subsidiaries, who will not receive additional compensation therefor. GPRE will reimburse banks, brokerage firms and nominees for their reasonable expenses in forwarding proxy solicitation materials to beneficial owners of shares held of record by such banks, brokerage firms and nominees.

Vote Required

The affirmative vote of a majority of the votes cast at the special meeting by the holders of the common stock, assuming a quorum is present, is required to approve proposals 1, 2, 3 and 4. Since only votes cast count for this purpose, broker non-votes and abstentions will not affect the outcome of the voting on any of these proposals.

Shares owned by GPRE Directors and Executive Officers

On the record date, directors and executive officers of GPRE owned and were entitled to vote 2,311,142 shares of GPRE common stock, representing approximately 29% of the outstanding shares on that date. These directors and executive officers have agreed to vote for the proposals presented in this proxy statement/prospectus. See the section "Lock-Up and Voting Agreements" on page 95.

Proposal No. 1 Proposal to Approve the Mergers

Under the Iowa Business Corporation Act, GPRE is required to obtain shareholder approval of each of the VBV Merger, the IBE Merger and the EGP Merger. Accordingly, GPRE is asking its shareholders to approve the Mergers.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSAL NO. 1

Proposal No. 2 Proposal for the Issuance of GPRE Common Stock

Under the applicable NASDAQ Stock Market rules, a company is required to obtain shareholder approval upon a change of control and prior to issuance of common stock if the common stock issued in the aggregate has voting power equal to or in excess of 20% of the voting power outstanding before such issuance of common stock. If the Mergers are completed, GPRE will issue approximately 11,139,000 shares of common stock (including shares subject to options assumed) in the Mergers, or approximately 142% of the voting power outstanding, and 6,000,000 shares of common stock in the Stock Purchase, or approximately 77% of the voting power outstanding. Because of this and the director and management changes to take place as discussed above, these transactions would be considered a change of control under the NASDAQ Stock Market rules.

Accordingly, GPRE is asking its shareholders to approve the issuance of an aggregate of 17,139,000 shares of GPRE common stock (including shares subject to options assumed) in the Mergers and the Stock Purchase.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSAL NO. 2.

Proposal No. 3 Proposal to Amend and Restate GPRE's Articles of Incorporation

Introduction:

As discussed elsewhere in this proxy statement/prospectus, two of the conditions to closing the Mergers are amending and restating GPRE's articles of incorporation, in substantially the form attached to this proxy statement/prospectus as Appendix I (the "Amended Articles") and the adoption of amended and restated bylaws for GPRE, in the form substantially attached to this proxy statement/prospectus as Appendix H (the "Amended Bylaws").

Accordingly, GPRE is seeking shareholder approval to amend its articles of incorporation to provide that (i) Article II of the articles be amended to increase the number of shares of stock authorized for issuance from 25,000,000 to 50,000,000, and (ii) Article III of the articles be amended and restated so that its terms are consistent with the Amended Bylaws which are to be adopted by the Board as part of consummation of the Mergers.

Changes to Article II:

Because GPRE presently has 7,821,528 shares of stock issued and outstanding, and the Mergers and Stock Purchase in the aggregate would require the issuance of 17,139,000 shares of stock (including shares subject to options assumed), Article II of GPRE's articles of incorporation must be amended to increase the number of authorized shares. In order to effect the Mergers and the Stock Purchase, Article II of GPRE's articles of incorporation must be amended to provide the following:

"ARTICLE II SHARES

The number of shares of stock authorized is 50,000,000 COMMON STOCK PAR VALUE $.001."

Changes to Article III:

Under applicable Iowa law and the terms of Section 8.06 of GPRE's existing bylaws GPRE's board is empowered to amend its bylaws without shareholder approval, however, under applicable Iowa law, the bylaws may not be inconsistent with GPRE's articles of incorporation. Article III of GPRE's current articles of incorporation would not be consistent with the following provisions of the Amended Bylaws, which must be adopted by GPRE's board as a condition to closing the Mergers:

- Section 3.01(f), which provides that until GPRE issues an aggregate of 6,000,000 shares of common stock (including shares issuable upon conversion of securities convertible or exercisable into, or exchangeable for, common stock, but excluding shares issued as a stock dividend or otherwise to effect a split of the common stock) to non-affiliates of GPRE after closing of the Mergers and Stock Purchase, if two-thirds of the directors do not approve a change in the number of directors, that such change must be approved by 80% of the shareholders of the shares outstanding and entitled to vote on such matter;

- Section 3.02(a), which provides that subject to Section 3.01(f) of the bylaws, two-thirds of the directors may change the number of directors on the board, and also provides that vacancies may be filled as provided in the bylaws;

- Section 3.05(a), which provides that a vacancy on the board resulting from an increase in the number of directors may be filled by either the shareholders or the board; and

- Section 3.05(b), which provides that vacancies on the board occurring due to the resignation, removal or death of a director may be filled by a vote of not less than two-thirds of the directors, provided that (i) if required by applicable law or exchange on which GPRE's common stock is listed, any such vacancy may be filled by the independent directors, and also provided that (ii the executive committee of the board must designate the nominee to fill vacancies occurring due to the resignation, removal or death of a director who was either designated for nomination by the Bioverda entities or Wilon, pursuant to the Shareholders' Agreement between GPRE, the Bioverda entities, Wilon, and Wayne Hoovestol, effective the closing date of the Mergers, and provided further that (iii) the nominating committee of the board must designate a nominee to fill vacancies occurring due to the resignation, removal or death of a director who is not either a Bioverda Nominee or a Wilon Nominee.

To make Article III of GPRE's articles of incorporation consistent with the terms of the Amended Bylaws, Article III must be amended to provide the following:

"ARTICLE III DIRECTORS

The number of directors constituting the entire board of directors shall be as set forth in the Bylaws. Directors shall serve staggered terms and shall be divided into three groups (Groups I, II, and III), as nearly equal in numbers as the then total number of directors constituting the entire Board of Directors permits, with the term of office of one Group expiring each year. The initial term of Group I shall expire at the first annual stockholders' meeting of the corporation in 2005. At that time, a director, or directors, shall be elected to serve in Group I, and to hold office for a three-year term expiring at the third succeeding annual meeting. The initial term of Group II shall expire at the second annual stockholders' meeting of the corporation in 2006. At that time, a director, or directors, shall be elected to serve in Group II, and to hold office for a three-year term expiring at the third succeeding annual meeting. The initial term of Group III shall expire at the third annual stockholders' meeting of the corporation in 2007. At that time, a new director, or directors, shall be elected to serve in Group III, for a three-year term expiring at the third succeeding annual meeting. At each annual stockholders' meeting held thereafter, directors shall be chosen for a term of three years to serve in the Group that has expired at that meeting to succeed those whose terms expire. Any vacancies in the Board of Directors for any reason shall be filled by the shareholders, and any directors so chosen shall hold office until the next election of the Group for which such directors shall have been chosen and until their successors shall be elected and qualified. Subject to the foregoing, at each annual meeting of stockholders the successors to the Group of directors whose term shall then expire shall be elected to hold office for a term expiring at the third succeeding annual meeting.

Notwithstanding any other provisions in the Articles of Incorporation or the Bylaws (and notwithstanding the fact that some lesser percentage may be specified by law, in the Articles of Incorporation or in the Bylaws), any director or the entire board of directors of the Corporation may be removed at any time, for cause only by the affirmative vote of the holders of 80% or more of the outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors (considered for this purpose as one class) cast at a meeting of the stockholders called for that purpose."

Approval:

GPRE is asking shareholders to approve the Amended Articles, which contain the changes discussed above.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSAL NO. 3.

Proposal No. 4 Adjournment of the Special Meeting

If GPRE fails to receive a sufficient number of votes to approve any of proposals 1, 2 or 3, GPRE may propose to adjourn the meeting for the purpose of soliciting additional proxies to approve such proposal. GPRE does not intend to propose to adjourn the special meeting if there are sufficient votes to approve all proposals.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSAL NO. 4.

APPROVAL OF THE MERGER AND SUBSIDIARY MERGERS BY VBV AND ITS SUBSIDIARIES

None of VBV, EGP and IBE will solicit proxies or written consents in connection with the approvals described below.

Approval of the VBV Members

VBV's board of managers intends to call a special meeting of the members of VBV to consider and vote on a proposal to approve and adopt the VBV Merger Agreement and approve the VBV Merger.

Under VBV's operating agreement, the affirmative vote of the members representing a majority in percentage interest of VBV's issued and outstanding common units is required to approve the VBV Merger Agreement and the VBV Merger, provided that such approval must include the affirmative vote of both Bioverda International and Bioverda US. As of August 12, 2008, there were 1,000 common units of VBV issued and outstanding, of which Bioverda US and Bioverda International own 900, or 90% of the issued and outstanding common units of VBV. As described further under the section entitled "The Lock-up and Voting Agreements," Bioverda International and Bioverda US have each agreed to vote their respective common units in favor of the VBV Merger Agreement and the VBV Merger. The VBV Merger cannot be completed unless the IBE members and EGP members approve their respective mergers.

Approval of the EGP Members

EGP's board of directors intends to call a special meeting of the members of EGP to consider and vote on a proposal to approve and adopt the EGP Merger Agreement and approve the EGP Merger. Under EGP's operating agreement, the proposal to adopt and approve the EGP Merger Agreement and the EGP Merger will be approved if EGP receives the affirmative vote of the members holding more than fifty percent (50%) of the units then held by all members.

As of August 12, 2008, there were 39,944,116 units issued and outstanding. VBV owns 24,764,000 units, or approximately 62% of the total issued and outstanding units. The remaining 15,180,116 units are held by 151 other members of EGP. Accordingly, VBV's vote in favor of the proposal will be sufficient to approve the EGP Merger Agreement and the EGP Merger under EGP's operating agreement and Tennessee law. VBV intends to vote in favor of the proposal to adopt and approve the EGP Merger Agreement and the EGP Merger at the EGP special meeting.

Approval of the IBE Members

IBE's board of directors intends to call a special meeting of the members of IBE to consider and vote on a proposal to approve and adopt the IBE Merger Agreement and approve the IBE Merger. Under IBE's operating agreement, the proposal to adopt and approve the IBE Merger Agreement and the IBE Merger will be approved if IBE receives the affirmative vote of the members holding at least seventy-five percent (75%) of the units of IBE then issued and outstanding.

As of August 12, 2008, there were 6,563 units issued and outstanding. VBV owns 5,113 units, or approximately 78% of the issued and outstanding units. The remaining 1,450 units are held by 81 other members of IBE. Accordingly, VBV's vote in favor of the proposal will be sufficient to approve the IBE Merger Agreement and the IBE Merger, under IBE's operating agreement and Indiana law. VBV intends to vote in favor of the approval and adoption of the IBE Merger Agreement and the IBE Merger at the IBE special meeting.

Impact of Affirmative Vote on EGP and IBE Members

At and as of the effective time, by virtue of the EGP Merger and without any action on the part of the EGP Members, each unit in EGP will be converted into the right to receive 0.151658305 fully paid and nonassessable shares of GPRE common stock (the "EGP Merger Consideration").

At and as of the effective time, by virtue of the IBE Merger and without any action on the part of the IBE members, each unit in IBE will be converted into the right to receive 731.9974690 fully paid and nonassessable shares of GPRE common stock (the "IBE Merger Consideration").

The exchange ratios for the EGP and IBE units into GPRE common stock are fixed and will not change, regardless of changes in the market price of the GPRE common stock.

At and as of the effective time, all units in IBE and EGP will automatically be canceled and will cease to be outstanding, and each holder of an IBE or EGP unit will cease to have any rights with respect thereto, except the right to receive the IBE Merger Consideration or EGP Merger Consideration, as appropriate, and certain dividends or other distributions in accordance with the IBE and EGP Merger Agreements. Except to the extent that IBE or EGP received notice of a transfer or pledge of an IBE or EGP Unit and the transfer or pledge complies with the requirements of the respective operating agreement of IBE or EGP, GPRE shall be entitled to treat the person in whose name any units issued by IBE or EGP stand on the books of IBE or EGP as the owner of that unit, and shall not be bound to recognize any equitable or other claim to, or interest in, that unit on the part of any other person.

THE MERGERS

This section of the proxy statement/prospectus describes material aspects of the Mergers. While GPRE and VBV believe that the description covers the material terms of the Mergers and the related transactions, this summary may not contain all of the information that is important to you. For a more complete understanding of the Mergers and related transactions, you should carefully read this entire proxy statement/prospectus, the attached appendices and the other documents to which this proxy statement/prospectus refers.

General Description of the Mergers

The Mergers described herein contemplate three separate merger transactions, all of which are contingent upon the others' consummation and will happen concurrently at the effective time. At the effective time, each of VBV and its majority-owned subsidiaries, EGP and IBE, will merge with wholly-owned subsidiaries of GPRE formed specifically for the purpose of effecting the Mergers. Upon completion of the Mergers, the separate corporate existence of the three GPRE merger subsidiaries will cease and each of VBV, EGP and IBE will continue as the surviving entity in the respective mergers and will become indirect wholly-owned subsidiaries of GPRE.

The current holders of VBV, IBE and EGP units are expected to receive a total of 10,871,472 shares of GPRE common stock as consideration for the Mergers. GPRE will also assume and convert outstanding options to purchase units of IBE and EGP into the right to purchase 267,528 shares of GPRE common stock.

The VBV Merger has been structured as a reorganization within the meaning of Section 368(a) of the Code. Stoel Rives LLP has provided a legal opinion that the VBV Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code; the IRS has not provided a ruling on the matter. Assuming the VBV Merger so qualifies, for U.S. federal income tax purposes none of GPRE, VBV, GP Merger Sub, or VBV Members who are U.S. persons (as defined in "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers") will recognize gain or loss as a result of the VBV Merger. Depending on their individual circumstances, VBV Members who are non-U.S. persons (as defined in "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers") generally will not recognize gain or loss in connection with the VBV Merger and generally will not be subject to a 10% withholding tax on their receipt of GPRE common stock in exchange for VBV units pursuant to the VBV Merger. The EGP Merger and the IBE Merger will be taxable to the holders of units in EGP and IBE (other than VBV) for U.S. federal income tax purposes, although none of GPRE, any of its subsidiaries, or VBV will recognize gain or loss as a result of the EGP Merger and the IBE Merger. See the section entitled "The Mergers Material U.S. Federal Income Tax Consequences of the Mergers" beginning on page 75 of this proxy statement/prospectus for a discussion of material U.S. federal income tax consequences of the Mergers.

Structure and Effects of the Mergers

At the closing of the Mergers (the "effective time"), (i) GPRE's wholly-owned subsidiary, GP Merger Sub, will merge with and into VBV, with VBV as the surviving entity and a wholly-owned subsidiary of GPRE; (ii) GPRE's wholly-owned subsidiary, IN Merger Sub, will merge with and into IBE, with IBE as the surviving entity and a subsidiary of GPRE; and (iii) GPRE's wholly-owned subsidiary, TN Merger Sub, will merge with and into EGP, with EGP as the surviving entity and a subsidiary of GPRE. The closing of the EGP and IBE Mergers will take place on the closing date of the VBV Merger.

The completion of the Mergers will occur no later than the second business day after the conditions set forth in the VBV Merger Agreement are satisfied or waived, or at such time, date and location as the parties agree in writing. It is anticipated that the effective time will occur as soon as practicable following the special meeting of GPRE shareholders. GPRE and VBV are working to complete the Mergers as soon as possible.

Upon completion of the VBV Merger, each outstanding common unit of VBV will be converted, pursuant to the terms set forth in the VBV Merger Agreement, into the right to receive 7,498.369315 shares of GPRE common stock. As of the effective time, each such unit will be automatically cancelled and each holder of such unit will cease to have any rights with respect thereto except the right to receive the merger consideration.

Upon completion of the IBE Merger, each outstanding unit in IBE (other than units held by VBV) will be converted into the right to receive 731.997469 shares of GPRE common stock. As of the effective time, each such unit will be automatically cancelled and each holder of such unit will cease to have any rights with respect thereto except the right to receive the merger consideration.

Upon completion of the EGP Merger, each outstanding unit in EGP (other than units held by VBV) shall be converted into the right to receive 0.151658305 shares of GPRE common stock. As of the effective time, each such unit shall be automatically canceled and each holder of a unit will cease to have any rights with respect thereto except the right to receive the merger consideration.

The exchange ratios for the VBV, IBE and EGP units into GPRE common stock are fixed and will not change, regardless of changes in the market price of the GPRE common stock.

Options Converted

Each outstanding option to purchase an IBE unit ("IBE Options"), whether vested or unvested, will be converted into and become the right to acquire shares of GPRE common stock. GPRE shall assume each IBE Option in accordance with its terms and conditions. From and after the effective time, each IBE Option assumed by GPRE may be exercised solely for shares of GPRE common stock. The number of shares of GPRE common stock subject to each IBE Option and the exercise price will be adjusted to take into account the IBE Merger and the merger consideration, and any restriction on the exercise of an IBE Option will continue in full force and effect and the term, exercisability, vesting schedule and other provisions will remain the same.

Each outstanding option to purchase units of EGP ("EGP Options"), whether vested or unvested, will be converted into and become the right to acquire shares of GPRE common stock. GPRE shall assume each EGP Option in accordance with its terms and conditions. From and after the effective time, each EGP Option may be exercised solely for shares of GPRE common stock. The number of shares of GPRE common stock subject to each EGP Option and the exercise price will be adjusted to take into account the EGP Merger and the merger consideration and any restriction on the exercise of an EGP Option will continue in full force and effect and the term, exercisability, vesting schedule and other provisions will remain the same.

Exchange Procedure

Following the effective time of the Mergers, GPRE will deliver to each holder of a VBV, IBE or EGP unit (except to the extent IBE or EGP received notice of a transfer or pledge in accordance with its operating agreement), a certificate representing that number of whole shares of GPRE common stock that such holder has the right to receive and the VBV, IBE and EGP units will be cancelled. After the effective time of the Mergers, outstanding VBV, IBE and EGP units will be deemed to represent only the right to receive the merger consideration.

Except to the extent that IBE or EGP received notice of a transfer or pledge of an IBE or EGP Unit and the transfer or pledge complies with the requirements of the respective operating agreement of IBE or EGP, GPRE shall be entitled to treat the person in whose name any units issued by IBE or EGP stand on the books of IBE or EGP as the owner of that unit, and shall not be bound to recognize any equitable or other claim to, or interest in, that unit on the part of any other person.

Ownership of GPRE after the Mergers and the Stock Purchase

Based on the number of shares of GPRE common stock outstanding on the record date and assuming no exercise of certain put and call agreements between the Bioverda entities and Wilon, we anticipate that the Bioverda entities will own approximately 51.6%, Wilon will own approximately 3% and the other members of the VBV subsidiaries will collectively own approximately 13.7% of the outstanding shares of GPRE common stock following the Mergers and the Stock Purchase. See "Voting Securities of VBV and its Subsidiaries and Principal Holders Thereof VBV LLC" for a description of the put and call agreements.

Other Transaction Agreements

The Shareholders' Agreement. At closing, GPRE, the Bioverda entities, Wilon, and Wayne Hoovestol will enter into a Shareholders' Agreement that provides for certain registration rights and certain governance matters of GPRE following the Mergers. See pages 96-97 for a description of the Shareholders' Agreement.

The Lock-Up and Voting Agreements. The Bioverda entities and certain shareholders of GPRE have agreed to vote for the Mergers and not sell their shares of GPRE common stock for a specified time period after the closing. Wilon has also agreed not to sell its shares of GPRE common stock for a specified time period after the closing. See pages 95 for a description of the Lock-Up and Voting Agreements.

The Stock Purchase Agreement. GPRE and the Bioverda entities have entered into a Stock Purchase Agreement whereby the Bioverda entities will purchase an aggregate of $60,000,000 of GPRE common stock on the closing date of the Mergers. Under a put and call agreement between the Bioverda entities and Wilon, dated April 1, 2008, Wilon may acquire from Bioverda US up to 17.4%, or 1,044,000 shares, of the GPRE common stock purchased by the Bioverda entities in the Stock Purchase. See pages 98-99 for a description of the Stock Purchase Agreement and "Voting Securities of VBV and its Subsidiaries and Principal Holders Thereof VBV LLC" for a description of the put and call agreement.

Management of GPRE After the Mergers

Following the Mergers, GPRE will be governed by a nine-member board of directors. The Bioverda entities will together have the right, as long at they collectively own at least 32.5% of the outstanding GPRE common stock, to designate four individuals to be nominated for election as directors. The Bioverda entities' initial designees are expected to be Jim Anderson, Jim Barry, James Crowley and Michael Walsh. Similarly, as long as Wilon owns at least 2.5% of the outstanding GPRE common stock, it will have the right to designate one individual to be nominated for election as a director. Wilon's initial designee is expected to be Alain Treuer. Each of the parties to the Shareholders' Agreement will vote his or its shares of GPRE common stock in favor of the nominees of the Bioverda entities and Wilon. It is anticipated that current GPRE directors Gordon Glade, Wayne Hoovestol, Gary Parker and Brian Peterson will continue to serve on the GPRE board after the Mergers. Thereafter, except for the Bioverda entities' and Wilon's designees, the directors will be nominated for election by the shareholders in accordance with GPRE's bylaws and nominating committee procedures.

Following the Mergers, the executive management team of the combined organization is expected to be composed of the members of GPRE's management team prior to the Mergers, except that Todd Becker (the current chief executive officer of VBV) will be appointed to serve as president and chief operating officer of GPRE. It is expected that Wayne Hoovestol will resign from his position as chief executive officer not later than 12 months following the Mergers and, subject to the discretion of the board of directors, Mr. Becker will be appointed to succeed Mr. Hoovestol as chief executive officer.

Employees of both companies will be integrated into a combined workforce. GPRE's corporate headquarters will remain in Omaha, Nebraska.

Background of the Mergers

Since its inception, GPRE has sought to grow through industry consolidation, both vertically and horizontally. Its board has pursued this growth strategy to achieve scope and scale for GPRE while also pursuing geographic diversity and diversity through vertical integration. Consistent with this strategic direction, GPRE had numerous discussions throughout 2007 with companies in the industry that were contemplating constructing ethanol plants. The board determined however that a greenfield (new construction) strategy would take too long in an industry that was rapidly evolving and becoming increasingly competitive, and would require significant debt and equity financing which was becoming increasingly more difficult to obtain in the industry.

In mid-2007, GPRE engaged in numerous meetings and discussions with four other potential merger candidates which either had operational ethanol plants or plants under construction with financing in place. GPRE was unable to reach agreement with any of these other candidates primarily due to differences over valuation or strategic direction. GPRE therefore continued to explore strategic alternatives by engaging in dialogue with other industry participants to find suitable and compatible merger candidates.

GPRE and VBV first became acquainted through an introduction by Gordon Glade, a current director of GPRE, on November 8, 2007. At that time, ethanol company equity valuations had declined substantially. Most publicly-traded ethanol companies were trading below plant replacement values, and there was downward pressure on operating margins. GPRE representatives, Wayne Hoovestol, chief executive officer, and Jerry Peters, chief financial officer, participated in a telephone conference with VBV representatives Todd Becker and Ron Gillis, which was arranged by Mr. Glade. Mr. Glade had met Todd Becker, chief executive officer of VBV, several times previously at industry events and they had discussions regarding strategic views and insights on developing a highly effective and competitive renewable energy company. Mr. Becker's view of a vertical integration strategy used to effectively position ethanol production assets to be able to leverage both corn origination and ethanol distribution was discussed. Mr. Glade introduced VBV to GPRE, as he felt both companies shared a similar view of what is required of a leading ethanol company. In that first call, both companies laid out their strategies around building a business that is involved with all parts of the ethanol value chain. Both companies came to the conclusion that they shared similar views on creating a successful enterprise. Also discussed at that meeting was the fact that both companies had been talking to several potential partners and acquisition candidates but had not identified others that shared similar views. In addition, VBV and its members were committed to deploy more investment capital in the industry to help build a vertically-integrated business. At that time, capital investment into the industry had slowed, primarily as a result of the increasing number of ethanol projects and a slowing U.S. economy, and GPRE saw the opportunity to bring in a strategic investor that was committed to renewable energy and long term growth.

A second meeting between GPRE and VBV representatives was held on January 3, 2008 in Omaha, Nebraska. Messrs. Hoovestol, Glade and Peters represented GPRE. Messrs. Becker and Gillis, along with Theodore Brombach of XMS Capital Partners, which serves as a financial advisor to VBV, represented VBV. At the second meeting, there were further discussions about the business strategies of each company and broad parameters concerning the structure, valuation, additional investment in newly-issued shares and terms of a potential business combination. With regard to the business structure the companies agreed that maintaining a public company structure would be advantageous, as the combined company executed its strategy of growth through acquisitions. Also, the parties agreed to maintain the separate debt financing structure for each plant through preserving their operating subsidiaries. Finally, providing liquidity to the VBV Subsidiary members through their receipt of

GPRE's common stock as merger consideration and minimizing the tax burden on the different owner groups to the extent possible were also identified as an important objectives. Both companies continued discussions respecting the development of a vertically integrated platform that would reduce input and output commodity risk. With grain origination assets nearly in place through the pending acquisition of Great Lakes, GPRE believed it would be well positioned to manage input price risk and develop closer relationships with agricultural producers through grain handling and seed/chemical/fuel sales. Both parties concurred that these relationships are a crucial component in securing supply from the direct source of corn. VBV had begun developing an ethanol marketing and distribution platform that would provide marketing services to other independent plants in the industry. In addition, VBV was securing positions at fuel distribution terminals in order to help secure long term demand relationships for the ethanol produced in the plants. Finally, both companies strongly believed that a core competency of any commodity-based production company needs to be price and risk management. The parties realized that a merger of their operations could create a sustainable long-term growth strategy for the company. In addition, at that meeting a high level discussion concerning relative valuation was undertaken. Mr. Brombach laid out a basic framework for valuation based on each company's expected ethanol production capacity. The parties discussed adjustments for capital structure, cash and working capital balances and other items that may impact the value of either company. At that point, Mr. Peters proposed both companies share financial information to further develop the valuation specifics. Finally, Mr. Becker reiterated that VBV members were looking to deploy more investment capital in the industry and would like to purchase newly-issued equity in GPRE to provide a strong financial position when the combination was complete.

On January 4 and January 7, 2008, Messrs. Peters and Brombach held detailed discussions concerning valuation issues and methodology. The parties discussed recent ethanol company transactions in the marketplace, noting valuation methodologies and plant characteristics that resulted in premium or discounted valuations. Both parties identified items needed to develop a valuation model that would be used to determine an exchange ratio. This model would include operational plant capacity, a per-gallon valuation that would drive the model based on current transaction values and public comparables, the impact of plant expandability on valuation, plant valuation adjustment for timing of operations, a public company valuation premium, an investor list and capital availability premium, the effect of the then-pending acquisition of Great Lakes on valuation, the quality of management and ethanol trading capability, and the structure of a debt and working capital adjustment.

The parties spoke by telephone on January 16, 2008. Messrs. Hoovestol and Peters represented GPRE and Mr. Becker represented VBV. The discussion focused on the valuation of each company and potential merger terms. There was general agreement on the valuation framework, as the parties decided the valuation of ethanol production capacity would be approximately equivalent per gallon for both companies. Each company's outstanding debt along with required funding to complete plant construction would be considered. Cash, working capital, existing risk-management positions and other assets would be valued and included in the determination of the relative value of each company's equity. A follow-up discussion was held between Messrs. Peters and Becker by telephone on January 23, 2008. On that call, the parties discussed management structure, board composition, the location of the combined company, the due diligence process, and other similar process matters that would need to be addressed with regard to a potential transaction.

On January 24, 2008, Mr. Hoovestol met with Mr. Becker in Omaha, Nebraska to discuss management, board composition, valuation and the commodity positions of each company. It was decided that Mr. Becker would eventually become CEO of GPRE after a successful transition and integration period, and a goal of one year was set to complete such integration. Both parties felt this was important to employee retention and wanted to ensure all employees would understand that this was an agreed term which was supported by both Messrs. Becker and Hoovestol. It was also determined that current chief financial officer of GPRE, Jerry Peters, would remain in that position. The current chief financial officer of VBV, Ron Gillis, would be appointed Treasurer of the new company. It was also determined that the goal was to retain as many of the current employees of both companies as possible. The board composition was also discussed, with Mr. Becker indicating that VBV members would want the ability to appoint a majority of the new board, while agreeing that certain issues would require a supermajority vote for approval. VBV also agreed that the VBV members it would appoint independent board members for their appointed positions. Initial valuation models began to be exchanged with the primary parameters agreed upon. The main point remaining was the adjustment for ongoing operations. It was decided that the favorable conversion of GPRE's corn purchases to income would be considered as a deduction from the VBV members' final share count once that number was agreed upon.

Representatives of NTR, the parent company of the two Bioverda entities, including Jim Barry, Chief Executive Officer, and Rory O'Connor, Corporate Finance and Treasury Manager, and Mr. Becker had a telephone conference on January 28, 2008 to review the possibility of a merger between GPRE and VBV. On that call, valuations were discussed as well as the terms of a possible investment of additional equity capital in GPRE.

On January 31, 2007, Mr. Peters and Mr. Becker had a telephone conference to discuss the preparation of a non-binding letter of intent ("LOI") among the parties. A draft of the LOI was provided by Mr. Becker to GPRE on February 1, 2008.

Mr. Barry and Mr. Becker met with representatives from GPRE (Messrs. Hoovestol, Glade and Peters and Brian Peterson, a director) in Chicago, Illinois on February 6, 2008. Alain Treuer, principal owner of Wilon, also participated in the meeting by telephone. The meeting allowed representatives of GPRE and VBV's members to become acquainted and discuss general business philosophy and objectives for a potential combination. It was determined at that meeting that all parties were in agreement to move forward with the potential transaction and that the draft LOI would be presented to the GPRE board of directors. At this meeting with the broader audience, the overall strategy to build a fully integrated ethanol business by combining both companies' assets and management teams was discussed. Each company again outlined its current business strategy and plan for growth to make sure that the strategies were fully aligned from a business perspective. Growth through acquisitions using stock and cash was discussed. It was also discussed that a strong balance sheet would be needed to execute on the combined company's growth strategy. The VBV members reiterated their commitment to invest further in the new company to provide that financial strength.

On February 8, 2008, the GPRE board of directors held a conference call to discuss the potential combination and the draft LOI that had been provided to the directors on February 3, 2008. All directors of GPRE, along with Mr. Peters, participated in the conference call. The board discussed strategic issues surrounding the potential merger, including valuation, control, management and alternatives. Management was directed to continue the negotiation of the LOI including terms of the registration rights, shareholders' and lock up agreements. On February 14, 2008, the GPRE board of directors received an update from GPRE management on the LOI negotiations and continued its discussion of a potential transaction with VBV.

Messrs. Becker, Hoovestol and Peters met in Omaha, Nebraska on February 18, 2008 to discuss terms of the LOI, along with management and control issues of the potential combination. At that time, discussion on the valuation issues, including the value of GPRE's open corn position, also progressed. It was agreed that the LOI would reflect a base valuation, subject to adjustment for the value of the open corn position. The base valuation was determined utilizing a consistent value per gallon for each company's expected ethanol production capacity. Adjustments were made for the forecasted debt after plant completion, total working capital, and other assets, including GPRE's expected investment in Great Lakes Cooperative. Under the base valuation, before adjustment for the value of GPRE's open corn position, GPRE's equity was valued at $127.6 million and VBV's equity (including IBE and EGP) was valued at $221.7 million. Utilizing the relative value of each company and the expected outstanding GPRE shares after the Great Lakes merger of approximately 7.8 million, the total shares of GPRE common stock to be issued to VBV, IBE and EGP under the base valuation was determined to be 13,540,000. To value GPRE's open corn position, purchase contracts were summarized by month and weighted average purchase-contract price. It was agreed that each month's weighted average contract price would be compared to the current corn price, with appropriate basis adjustments, for the applicable time period for futures contracts on the Chicago Board of Trade. The value of these contracts along with the change in value of each company's brokerage accounts would be included in the determination of the adjustment at 60 percent to account for the expected impact of income taxes. It was agreed this expected adjustment for the value of GPRE's open corn position would be reflected in the final calculation of the relative value of each company and the shares would be adjusted accordingly.

At that meeting, it was re-confirmed that there would be a chief executive officer transition and the corporate headquarters would remain in Omaha. Mr. Hoovestol continued to indicate that control issues would need to be finalized. Mr Becker indicated that VBV members were open to looking at board and control issues and were willing to have certain major decisions be decided with a supermajority structure. The LOI also included a provision that VBV's members would invest between $50 and $60 million into GPRE in conjunction with the merger. The board composition was also finalized at nine members with five appointed by VBV members. In addition, it was outlined how the board composition would be structured with some supermajority voting rights. Shareholder agreement and registration rights were also broadly outlined.

On February 22, 2008, the GPRE board of directors held a conference call to vote on the LOI. All members of the GPRE board of directors, and Mr. Peters, participated in the conference call. Following the GPRE board's affirmative vote, GPRE and VBV executed the LOI.

Messrs. Becker, Gillis, Hoovestol and Peters met in Omaha, Nebraska on March 7, 2008 to discuss the status of due diligence among the companies and the process of securing approvals from the governing boards of IBE and EGP. Alternatives were identified on how these approvals would be secured through provisions in the respective operating agreements. It was determined that meetings would be scheduled with each of the local boards within the following two weeks in order to give them an overview of the merger transaction that was contemplated.

Messrs. Becker and Hoovestol had another meeting on March 17, 2008 in Omaha, Nebraska, where they discussed the structure of the management team of the combined companies, a timeline of events to execute a definitive agreement, and due diligence requirements and planning. It was determined that due diligence requests would be circulated by each company to the other.

On March 18, 2008, Duff & Phelps provided its proposal to perform financial advisory services to GPRE in connection with the proposed transaction. GPRE engaged Duff & Phelps shortly thereafter to render an opinion to GPRE as to the fairness, from a financial viewpoint, of the proposed transaction.

Messrs. Hoovestol, Peters, Becker and Gillis held a conference call on March 24, 2008 to discuss the status of drafting definitive merger agreements and due diligence, and coordination of activities necessary to obtain necessary approvals prior to execution of the merger agreements. In addition to the definitive merger agreement, the parties discussed the need to draft shareholder agreements, lockup agreements, proxies and other ancillary documents necessary to consummate the transaction.

On March 28, 2008, Messrs. Hoovestol, Peters and Becker met in Omaha, Nebraska to discuss management, headquarters location, and executive compensation. Subsequent to that meeting, numerous discussions were held among attorneys representing GPRE and VBV to further develop specific terms of the merger, including terms of the registration rights, shareholders' and lock-up agreements.

On April 1, 2008, Messrs. Hoovestol and Peters had a telephone conference with representatives from Duff & Phelps to discuss the completion of its fairness opinion. Management provided their perspective of the merger, the combined company's strategy, and factual information related to each constituent company. Various documents related to the companies and the transactions were subsequently provided to Duff & Phelps in conjunction with its engagement.

Messrs. Becker and Brombach, and John Spence of XMS, had a telephone conference on April 3, 2008 to discuss the structure of share issuance, including registration rights, board composition and structure, shareholder agreements and the impact of GPRE's corn position on the overall transaction value to be realized by VBV.

Messrs. Becker, Brombach and Spence, along with Jim Nygaard of XMS, met in Chicago, Illinois on April 4, 2008 to discuss the plan to reach a definitive agreement, due diligence findings and the development of projected financials of the combined companies.

On April 10, 2008, Messrs. Becker, Barry, O'Connor and Treuer, along with Michael King of NTR, had a telephone conference where Mr. Becker provided the NTR and Wilon representatives an update on the negotiations with GPRE. This included an update on GPRE's corn position, shareholder agreement discussions, and a registration rights overview.

On April 10, 2008, Messrs. Becker, Hoovestol and Peters, David Quinby, outside legal counsel to VBV with Stoel Rives, and Michelle Mapes, outside legal counsel to GPRE with Husch Blackwell Sanders, had a telephone conference to discuss due diligence matters and open terms related to the proposed transaction, specifically including the break-up fee, the superior proposal provisions and the lock-up provisions.

On April 11, 2008, representatives of VBV met with the board of directors of IBE and the board of governors of EGP to provide a detailed overview of the transaction. At that meeting, a presentation was given detailing the rationale and structure of the merger between VBV and GPRE. Mr. Becker discussed with the minority members of IBE and EGP the options respecting the process to effectuate a transaction with GPRE, based on the current operating agreements. After more detailed discussions, both the IBE board of directors and EGP board of governors voted unanimously to proceed with negotiation of a transaction with GPRE utilizing a merger structure.

Messrs. Hoovestol and Peters and Ms. Mapes had a telephone conference on April 15, 2008 with representatives of Duff & Phelps to discuss valuation methodology, comparable transactions and items needed to complete the fairness opinion.

The GPRE board of directors met on the evening of April 15, 2008 to discuss terms of the proposed transaction, results of diligence completed to-date, and the timing of final consideration. In addition to the board, Mr. Peters, Ms. Mapes, Scott Poor, corporate counsel of GPRE, and Daniel Peterson of Husch Blackwell Sanders were present.

The GPRE board of directors met on April 16, 2008 to further discuss terms of the proposed transaction, results of diligence completed to-date, and the timing of final consideration. Duff & Phelps presented its preliminary analysis of valuation and transaction fairness to the board. In addition to the board, Messrs. Peters, Poor, along with Ms. Mapes and Mr. Peterson of Husch Blackwell Sanders, were present.

Messrs. Hoovestol, Peters, Becker and Gillis met with representatives of CoBank, ACB on April 21, 2008, and separately with representatives of AgStar Financial Services, ACA on April 24, 2008 to review the potential merger transaction and to discuss the requisite lender approvals involved.

On April 21 and 22, 2008, Mr. Becker was in Omaha, Nebraska meeting with representatives of GPRE to discuss merger agreement terms, final due diligence requirements, executive management structure, executive retention planning and office locations. With respect to the merger agreement terms, GPRE had been discussing the break-up fees, the superior proposal provisions and the lock-up provisions with its outside counsel, who had recommended to further negotiate those terms. The parties continued to discuss these provisions in particular, as GPRE desired to preserve the ability to proceed without a lock-up in the event of a superior proposal. After further discussions, in exchange for certain concessions by VBV, GPRE was willing to accept a break-up fee of $6 million in light of the size of the transaction and the relative positions of the parties. In addition, the final structure of the shareholder agreements, including registration rights were discussed.

On April 22, 2008, GPRE entered into a Confidentiality Agreement with Harris Group Inc. to evaluate using Harris to perform independent construction, engineering and permitting diligence on the IBE Plant. GPRE subsequently engaged Harris to provide this diligence work.

On April 23, 2008, GPRE entered into a Confidentiality Agreement with BKBM Engineers, Inc. to evaluate using BKBM to perform independent construction, engineering and permitting diligence on the EGP Plant. GPRE subsequently engaged BKBM to provide this diligence work

Messrs. Becker, Hoovestol and Peters had a telephone conference on April 28, 2008 to discuss registration rights, termination fees, management issues, board composition, due diligence items, and preparation of transaction announcement documents.

Messrs. Becker, Hoovestol, Peters, and Poor had a telephone conference on April 29, 2008 with representatives of Barretto Pacific, GPRE's investor relations consultant, and XMS to prepare the public announcement plan for the transaction.

Representatives of GPRE, accompanied by representatives from VBV, visited the IBE and EGP plant sites on April 30, 2008 and GPRE's Shenandoah and Superior plant sites on May 1, 2008.

On May 2, 2008, Messrs. Peters and Becker discussed finalization of the adjustment to the merger consideration to be issued based on the valuation of GPRE's open corn position. Mr. Peters provided an updated computation based on closing prices for corn on May 2, 2008. Based on this adjustment, the value of GPRE's equity, after adjustment for its open corn position was approximately $155.1 million. The value of VBV's equity including IBE and EGP and the number of GPRE shares outstanding did not change. As a result, the GPRE share issuance was set at 11,139,000 for all of the equity of VBV, IBE and EGP. The totalshare issuance was then converted into exchange ratios based on the total membership units (including units subject to options) of VBV, IBE, and EGP. The board of managers of VBV held a special meeting by telephone conference and unanimously authorized VBV's officers to propose to VBV's members, and recommend approval of, the merger of IBE and EGP with newlycreated subsidiaries of GPRE.

Following approval by VBV's board of managers, and pursuant to their respective operating agreements, the board of directors of IBE and the board of governors of EGP each called special board meetings to consider the subsidiary mergers. The IBE board's special meeting was held on May 5, 2008. The EGP board's special meeting was held on May 5, 2008 by teleconference. On each call were Messrs. Brombach, Nygaard, Quinby, Becker and Gillis. Mr. Quinby provided a summary of the material terms the required documents that would need approval by each board. Mr. Nygaard proceeded to discuss the share conversion ratio, which gave them an indication of how many GPRE shares they would receive for each IBE or EGP unit. Mr. Becker then provided an overview of the process, final valuations, and the timeline for completion of the transaction. Mr. Becker then proceeded to call for a vote of each board to approve entering into a definitive merger agreement between each entity and GPRE. The IBE board and EGP board both voted unanimously to propose the IBE and EGP mergers to their respective members for approval.

On May 6, 2008, GPRE's board, along with Messrs. Peters and Poor and Ms. Mapes met in Omaha, Nebraska to consider the proposed VBV transaction, related documents and diligence reports from Harris, BKBM and Husch Blackwell Sanders. Representatives of Duff & Phelps presented their fairness opinion to the board. The GPRE board then met with Messrs. Barry and King of NTR, Mr. Treuer of Wilon, and Messrs. Becker and Gillis of VBV. The participants provided an overview of their respective company's operations and business strategies and shared perspectives concerning the potential combination of GPRE and VBV. Immediately following this session, the GPRE board of directors unanimously approved and recommended for approval by the shareholders of GPRE, the Mergers and the transactions contemplated thereby and authorized the respective officers to finalize and execute the Merger Agreements. In a separate meeting, the VBV board voted to authorize its officers to finalize and execute the Merger Agreements.

After the closing of financial markets on May 7, 2008, GPRE and VBV finalized and executed the Merger Agreements, Stock Purchase Agreement and Lock-Up and Voting Agreements, and the parties issued a joint press release announcing the Mergers.

GPRE's Reasons for the Mergers

GPRE is proposing the Mergers because it believes the resulting combined organization will be a stronger, more competitive company capable of achieving greater financial strength, operational efficiencies, earning power, access to capital, and growth than either company would be capable of separately. The board of directors of GPRE believes the foregoing factors are critical to GPRE fulfilling its strategies. The GPRE board discussed why it believed the combined company would be stronger and more competitive, primarily because of its increased size and cash on hand from the investment. The board further recognized the efficiencies that are expected to be achieved by having more product to market and expertise on staff so that it would be able to market its own distillers grains and ethanol thereby eliminating the costs associated with the resale of these products by third parties. Furthermore, because of the shared strategic vision GPRE has with VBV, the GPRE board believes it can implement new technologies in an industry experiencing substantial technological advancement, which will allow for more operational efficiencies, again leading to greater profitability and lower costs of production. The ability to spread the costs of management over more plants and gallons also will assist GPRE in achieving lower costs of production. Finally, with the cash investment with the Mergers and the increased revenue by adding the VBV plants, the GPRE board believes it will have access to additional lenders thereby leading to better interest rates and terms. In summary, GPRE believes that the Mergers may result in a number of benefits, including:

- providing the opportunity for GPRE's shareholders and the VBV, EGP and IBE members to participate in the potential growth of the combined enterprise after the mergers;

- increasing the size and scale of the combined enterprise's operations and positioning it to become one of the lowest-cost producers of ethanol;

- enhancing the geographical diversity of the combined enterprise's operations by operating ethanol plants in various corn growing regions in Iowa, Tennessee and Indiana, thereby decreasing its exposure to fluctuations in any one feedstock market, increasing its access to potential customers and allowing it to distribute its products more efficiently;

- creating synergies, including consolidated ethanol marketing, corn procurement, risk management and accounting functions, by combining the ethanol production facilities of GPRE, IBE and EGP, while eliminating duplicative functions thereby resulting in modest accretion to earnings per share beginning in 2009, estimated at $0.05 to $0.15 per share; and

- improving access to debt and equity capital, positioning it to participate in the potential consolidation and vertical integration of the ethanol industry.

After careful consideration, the GPRE board unanimously determined that the Mergers are advisable and in the best interests of GPRE and its shareholders.

VBV's and VBV Subsidiaries' Reasons for the Mergers

VBV's board of managers and the boards of directors of the VBV Subsidiaries believe that the terms of the respective Mergers are advisable and in the best interests of their respective members and have unanimously approved the respective Merger Agreements and the respective Mergers and recommend that their respective members vote in favor of the adoption and approval of the respective Merger Agreements and the respective Mergers.

In reaching its conclusion, the VBV board of managers and the boards of directors of the VBV Subsidiaries consulted with their management, as well as with their legal, financial and other advisors, and considered a number of potential benefits of the respective Mergers that each believes will contribute to the success of the combined Company, including the factors listed below.

- The combined Company will have substantially greater cash flow, liquidity, access to capital and financial flexibility than either company on a stand-alone basis, strengthening the combined Company's position to pursue organic growth and acquisition opportunities and to compete in the highly competitive ethanol industry while mitigating, to some extent, the risks inherent in a business substantially dependent on commodity prices.

- The combined Company would be a larger enterprise with more geographic diversity and logistical strength than either company on a stand-alone basis, and resulting in operational synergies such as reduced operating expenses, centralized management and combined industry experience.

- The enhanced geographical diversity of the combined Company's operations is expected to lessen the exposure to fluctuations in any one feedstock market, increase the access to potential customers relative to its competitors with geographically concentrated operations, and allow the combined Company to market and distribute its products more efficiently than some of its less-diversified competitors.

- The proposed merger with GPRE is consistent with their strategic goals of growing their ethanol production capacity and diversifying its business along more segments of the ethanol industry value chain. With the GPRE Shenandoah facility already in operation at full capacity and the Superior facility nearing completion of the construction phase, the merger with GPRE will allow VBV to add production capacity faster and with less uncertainty than would construction of a plant at a newly selected site location. Additionally, GPRE's grain storage and grain merchandising subsidiaries facilitate VBV's goal of seeking vertical integration strategies within the ethanol value chain.

- The Mergers provide liquidity to VBV's members and to the minority members of the VBV Subsidiaries through the exchange of their current equity interests into the publicly-traded common stock of GPRE.

On May 5 and May 6, 2008, respectively, the boards of directors of the VBV Subsidiaries and the board of managers of VBV determined by unanimous votes that the respective Mergers are advisable and in the best interests of their respective members and approved the respective Merger Agreements and the transactions contemplated by the respective Merger Agreements.

Recommendation of GPRE Board of Directors

The board of directors of GPRE recommends that the shareholders of GPRE vote for the Mergers, for the issuance of shares of GPRE common stock in the Mergers and the Stock Purchase, for the amended and restated articles of incorporation of GPRE, and for the proposal to adjourn the special meeting, if necessary.

Recommendation of the VBV Managers and VBV Subsidiary Boards of Directors

After careful consideration, the board of managers of VBV, and the boards of directors of each of IBE and EGP have unanimously approved the respective Merger Agreements, the Mergers and the other transactions contemplated thereby, and have determined that the respective Merger Agreements and the Mergers are advisable, fair to, and in the best interests of, VBV, IBE and EGP.

Opinion of Financial Advisor

GPRE engaged Duff & Phelps to render an opinion to GPRE's board of directors as to the fairness, from a financial point of view, to GPRE, of the Collective Consideration paid by GPRE in conjunction with the Proposed Transaction. Because no part of the Collective Consideration will be received by GPRE's stockholders and because GPRE is intended to remain the operating company after the Mergers, GPRE's board of directors did not seek an opinion as to the fairness of the Proposed Transactions to GPRE's stockholders. GPRE selected Duff & Phelps because Duff & Phelps is a leading independent financial advisory firm, offering a broad range of valuation, investment banking services and consulting services, including fairness and solvency opinions, mergers and acquisitions advisory, mergers and acquisitions due diligence services, financial reporting and tax valuation, fixed asset and real estate consulting, ESOP and ERISA advisory services, legal business solutions, and dispute consulting. Duff & Phelps is regularly engaged in the valuation of businesses and securities and the preparation of fairness opinions in connection with mergers, acquisitions and other strategic transactions.

On May 6, 2008, Duff & Phelps rendered its oral opinion to the GPRE board of directors, which was subsequently confirmed in a written opinion dated May 7, 2008, that, subject to the limitations, exceptions, assumptions and qualifications set forth therein, as of May 7, 2008, the proposed Collective Consideration to be paid by GPRE in the Proposed Transaction was fair, from a financial point of view, to GPRE.

The full text of the written opinion of Duff & Phelps, which sets forth, among other things, assumptions made, procedures followed, matters considered and qualifications and limitations of the review undertaken in rendering the opinion, is attached as Annex G to this proxy statement/prospectus. Shareholders are urged to read the opinion carefully and in its entirety.

The Duff & Phelps opinion is directed to the GPRE board of directors and addresses only the fairness to GPRE, from a financial point of view, of the Collective Consideration to be paid by GPRE in the Proposed Transaction. The Duff & Phelps opinion is not a recommendation as to how the board of directors, any shareholder or any other person or entity should vote or act with respect to any matters relating to the Proposed Transaction. Further, the Duff & Phelps opinion does not in any manner address GPRE's underlying business decision to engage in the Proposed Transaction or the relative merits of the Proposed Transaction as compared to any alternative business transaction or strategy. The decision as to whether to approve the Proposed Transaction or any related transaction may depend on an assessment of factors unrelated to the financial analysis on which the Duff & Phelps opinion is based.

Based upon the aggregate merger consideration of 10,871,472 shares of GPRE common stock and options to purchase 267,528 shares of GPRE's common stock and an assumed value of GPRE's common stock of approximately $9.15 per share, which was the closing price of GPRE's common stock on May 1, 2008, Duff & Phelps noted that the aggregate merger consideration (excluding the shares issued by GPRE related to the Stock Purchase) implied a total equity value for VBV of approximately $102 million.

The following is a summary of the material analyses performed by Duff & Phelps in connection with rendering its opinion. Duff & Phelps noted that the basis and methodology for the opinion have been designed specifically for this purpose and may not translate to any other purposes. While this summary describes the material information in Duff & Phelps' opinion, the material analyses performed and the material factors considered by Duff & Phelps, it does not purport to be a comprehensive description of all analyses and factors considered by Duff & Phelps. The opinion is based on the comprehensive consideration of the various analyses performed. This summary is qualified in its entirety by reference to the full text of the opinion.

In arriving at its opinion, Duff & Phelps did not attribute any particular weight to any particular analysis or factor considered by it, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Several analytical methodologies were employed by Duff & Phelps in its analyses, and no one single method of analysis should be regarded as critical to the overall conclusion reached by Duff & Phelps. Each analytical technique has inherent strengths and weaknesses, and the nature of the available information may further affect the value of particular techniques. Accordingly, Duff & Phelps believes that its analyses must be considered as a whole and that selecting portions of its analyses and of the factors considered by it, without considering all analyses and factors in their entirety, could create a misleading or incomplete view of the evaluation process underlying its opinion. The conclusion reached by Duff & Phelps, therefore, is based on the application of Duff & Phelps' own experience and judgment to all analyses and factors considered by Duff & Phelps, taken as a whole.

In connection with preparing the opinion, Duff & Phelps made such reviews, analyses and inquiries as Duff & Phelps deemed necessary and appropriate under the circumstances, including, but not limited to, the following:

- A review of the following documents:
  - Certain publicly available financial statements and other business and financial information of GPRE;
  - Certain internal financial statements and other financial and operating data concerning GPRE, and certain financial statements and other financial and operating data concerning VBV, including, among others, unaudited consolidated financial statements for VBV for the twelve-month period ended December 31, 2007 and unaudited consolidated income statements and balance sheets for VBV for the three-month period ended March 31, 2008 and the prior year period, which GPRE and VBV have respectively identified as being the most current financial statements available;
  - A draft of the VBV Merger Agreement dated May 6, 2008;
  - Drafts of the EGP Merger Agreement and the IBE Merger Agreement dated May 7, 2008;
  - A draft of the Stock Purchase Agreement dated May 7, 2008;
  - A draft of the Shareholders' Agreement;
  - A draft of the Lockup and Voting Agreement by and among GPRE and the affiliates of VBV dated May 7, 2008; and
  - A draft of the Amended and Restated Bylaws of GPRE dated May 6, 2008.
- A discussion of the operations, financial conditions, future prospects and projected operations and performance of GPRE and VBV, respectively, and regarding the Proposed Transaction with the management of GPRE;
- A review of the historical trading price and trading volume of GPRE's common stock and the publicly-traded securities of certain other companies that Duff & Phelps deemed relevant; and
- A comparison of the financial performance of GPRE and VBV with those of certain other publicly-traded companies that Duff & Phelps deemed relevant;
- A comparison of certain financial terms of the Proposed Transaction to financial terms, to the extent publicly available, of certain business combination transactions that Duff & Phelps deemed relevant; and

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- An undertaking of such other analyses and consideration of such other factors as Duff & Phelps deemed appropriate.

In its review and analysis, and in arriving at its opinion, Duff & Phelps, with GPRE's consent:

- Relied upon the accuracy, completeness, and fair presentation of all information, data and representations obtained from public sources or provided to it from private sources, including GPRE management and VBV management and did not independently verify such information;

- Assumed that any estimates, evaluations, forecasts and projections furnished to Duff & Phelps were reasonably prepared and based upon the best currently available information and good faith judgment of the person furnishing the same;

- Assumed that the final versions of all documents reviewed by Duff & Phelps in draft form conform in all material respects to the drafts reviewed;

- Assumed that information supplied to Duff & Phelps and representations and warranties made in the merger agreement and other agreements related to the Proposed Transaction are substantially accurate;

- Assumed that all of the conditions required to implement the Proposed Transaction will be satisfied and that the Proposed Transaction will be completed in accordance with the merger agreement and other agreements related to the Proposed Transaction without any material amendments thereto or any waivers of any terms or conditions thereof;

- Assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Proposed Transaction will be obtained without any adverse effect on GPRE or VBV;

- Assumed and relied upon the fact that the GPRE board of directors and GPRE have been advised by counsel as to all legal maters with respect to the Proposed Transaction;

- Assumed all procedures required by law to be taken in connection with the Proposed Transaction have been or will be duly, validly and timely taken and that the Proposed Transaction will be consummated in a manner that complies in all respects with the applicable provisions of the Securities Act, the Exchange Act, and all other applicable statutes, rules and regulations;

- Assumed, among other assumptions, that there would be no material change in regulations governing the production of ethanol, that there would be no material change in the amount of government subsidies to producers or blenders of ethanol, and that there would be no other industry-wide changes that would significantly alter the market, financial outlook, or legal operations for the ethanol industry; and

- Assumed that there would be no material change from the construction schedules represented to Duff & Phelps by GPRE's management for the remaining plants to be constructed for GPRE and VBV.

Duff & Phelps did not make any independent evaluation, appraisal or physical inspection of GPRE's or VBV's solvency or of any specific assets or liabilities (contingent or otherwise). Duff & Phelps' opinion should not be construed as a valuation opinion, credit rating, or solvency opinion, an analysis of GPRE's or VBV's credit worthiness, as tax advice, or as accounting advice. Duff & Phelps has not been requested to, and did not, (i) initiate any discussions with, or solicit any indications of interest from, third parties with respect to the Proposed Transaction, the assets, businesses or operations of GPRE, or any alternatives to the Proposed Transaction, (ii) negotiate the terms of the Proposed Transaction, and therefore, Duff & Phelps has assumed that such terms are the most beneficial terms, from GPRE's perspective, that could, under the circumstances, be negotiated among

the parties to the Proposed Transaction, or (iii) advise GPRE's board of directors or any other party with respect to alternatives to the Proposed Transaction. In addition, Duff & Phelps is not expressing any opinion as to the market price or value of GPRE's common stock or VBV's units or the VBV Subsidiaries' units either before or after announcement of the Proposed Transaction. Duff & Phelps has not made, and assumes no responsibility to make, any representation, or render any opinion, as to any legal matter.

Duff & Phelps prepared its written opinion as of May 7, 2008. The opinion was necessarily based upon market, economic, financial and other conditions as they existed and could be evaluated as of such date, and Duff & Phelps disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting its opinion coming or brought to the attention of Duff & Phelps after the date of the Duff & Phelps opinion. Notwithstanding and without limiting the foregoing, in the event that there is any change in any fact or matter affecting the opinion after the date of the Duff & Phelps opinion and prior to the completion of the Proposed Transaction, Duff & Phelps reserves the right to change, modify or withdraw its opinion.

Summary of Financial Analyses by Duff & Phelps

The following is a summary of the material financial analyses used by Duff & Phelps in connection with providing its opinion to GPRE's board of directors. The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses used by Duff & Phelps, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Rather, the analyses listed in the tables and described below must be considered as a whole; considering any portion of such analyses and of the factors considered, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying Duff & Phelps' opinion.

Discounted Cash Flow Analysis

A discounted cash flow analysis is a traditional valuation methodology used to derive a valuation of an asset by calculating the "present value" of estimated future cash flows of the asset. "Present value" refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macro-economic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors.

Duff & Phelps performed a discounted cash flow analysis by adding (i) the present value of projected "free cash flows" for VBV for the fiscal years 2009 through 2013 to (ii) the present value of the "terminal value" for VBV as of 2013. "Free cash flow" is defined as cash that is available to either reinvest or to distribute to securityholders and "terminal value" refers to the value of all future cash flows from an asset at a particular point in time.

The projected earnings before interest, taxes, depreciation, and amortization ("EBITDA") and free cash flow (defined as net operating profit after pro forma taxes, plus depreciation and amortization expense, less increases in net working capital, less capital expenditures) that Duff & Phelps prepared and used in its analysis were based on certain information prepared and provided by senior management of VBV, discussions with the senior management of GPRE, and Duff & Phelps' supplemental and alternative analysis based on discussions with GPRE's management regarding the futures markets for ethanol, corn and natural gas and projected spread differentials for each respective facility being valued.

Note that these assessments and assumptions involve numerous and significant subjective determinations which may or may not prove to be correct or complete. No representation or warranty, express or implied, is made as to the accuracy or completeness of such assessments and assumptions and none of these assessments and assumptions should be relied upon as a representation, warranty or guaranty, whether as to the past, present or future.

The projections are based on, among other things, certain assumptions regarding the prices of ethanol, corn and natural gas, upon which the results of VBV are and will be heavily dependent and which are subject to significant volatility and uncertainty. The assumptions regarding these commodity prices were used solely for purposes of preparing the projections, have not been updated to take into account any circumstances or events occurring after the date the projections were prepared and do not reflect the current expectation of VBV's management or GPRE's management as to the future course of such prices and should not be read as such.

The projected EBITDA and free cash flow figures utilized by Duff & Phelps in their analysis are presented below. EBITDA and free cash flow are not presentations made in accordance with generally accepted accounting principles in the United States of America. Duff & Phelps used EBITDA and free cash flow because Duff & Phelps believes they are measures that are generally accepted by the financial community in the valuation of securities.

Projections for VBV LLC Utilized in Fairness Analysis
($ in millions)

	FY2009	FY2010	FY2011	FY2012	FY2013
Fiscal Years Ended March 31,					
EBITDA	$ 4.1	$ 44.6	$ 59.7	$ 51.2	$ 53.1
Free Cash Flow	$ (145.0)	$ 36.5	$ 46.1	$ 39.1	$ 40.4

Duff & Phelps calculated a terminal value for VBV by capitalizing the expected cash flows after the projection period by utilizing a range of capacity multiples from $1.30 to $1.50 per gallon of projected production capacity. Duff & Phelps discounted the projected free cash flows and the terminal value for VBV using discount rates ranging from 10% to 11%. The discount rate is an estimate of VBV's weighted average cost of capital, which incorporates a target capital structure and required equity rates of returns derived from the companies in the selected public company analysis and an estimate of the long term cost of debt for VBV based on the target capital structure. The discount rate reflects the relative risk associated with the projected free cash flow as well as the rates of return that security holders could expect to realize on alternative investment opportunities.

Enterprise value is defined as market value of equity plus the book value of debt and minority interests, less cash and cash equivalents. Adjusted enterprise value is defined as enterprise value plus the estimated remaining capital requirements to complete the buildout of all plants currently in construction ("Adjusted Enterprise Value"). The discounted cash flow analysis indicated a range of Adjusted Enterprise Value for VBV of $244 million to $282 million and an implied range of equity values for VBV of $70 million to $108 million. Duff & Phelps noted that the implied merger consideration (excluding the shares issued as part of the Stock Purchase) to be paid by GPRE based on the $9.15 GPRE share price on May 1, 2008 is approximately $102 million.

Selected Public Companies' Analysis

Duff & Phelps compared certain financial information of VBV to corresponding data from four publicly-traded companies, including Aventine Renewable Energy Holdings, Inc., Biofuel Energy Corp., Pacific Ethanol, Inc., and Verasun Energy, Corp. For purposes of its analysis, Duff & Phelps selected these companies for its selected public company analysis based on its experience with companies in the ethanol industry and the selected public companies' relative similarity in business mix to that of VBV. After initially identifying Panda Ethanol Inc. as part of its' public company search, Duff & Phelps chose not to utilize it as part of its analysis due to differences in stage of business development and level of trading activity. Duff & Phelps used publicly available historical financial data and Wall Street research estimates as reported by Reuters. This analysis produced multiples of selected valuation data which Duff & Phelps utilized to estimate the value of VBV and to compare to multiples for VBV derived from the aggregate merger consideration.

Duff & Phelps analyzed projected ethanol capacity and projected EBITDA for each of the publicly-traded companies. Duff & Phelps then analyzed the peer group's trading multiples of Adjusted Enterprise Value to their respective projected capacity and projected EBITDA.

Selected Public Company Multiples as of May 1, 2008

VALUATION MULTIPLES

	Adj. EV / 2008 Capacity	Adj. EV / 2009 Capacity	Adj. EV / 2008 EBITDA	Adj. EV / 2009 EBITDA	Adj. EV / 2010 EBITDA
Peer Group					
Low	$ 1.26	$ 1.35	6.1x	6.7x	4.3x
High	$ 2.43	$ 2.43	47.9x	12.3x	4.4x
Mean	$ 1.65	$ 1.77	24.0x	8.5x	4.4x
Median	$ 1.45	$ 1.66	21.0x	7.4x	4.4x

Source: Bloomberg, Capital IQ, Reuters, SEC filings

Duff & Phelps selected valuation multiples of various financial metrics for VBV based on the historical and projected financial performance of VBV as compared to the selected public companies in order to produce a range of Adjusted Enterprise Values for VBV. As part of its' selected public company analysis, Duff & Phelps selected a multiple range of $1.35 $1.60 per gallon of projected FY2009 name-plate capacity.

Duff & Phelps' assessment of the ranges of Adjusted Enterprise Values implied by its selection of valuation multiples indicated a range of Adjusted Enterprise Values for VBV of $280 million to $330 million and range of equity values for VBV of $106 million and to $156 million. Duff & Phelps noted that the implied merger consideration (excluding the shares issued as part of the Stock Purchase) to be paid by GPRE based on the $9.15 GPRE share price on May 1, 2008 is approximately $102 million.

None of the public companies utilized in the foregoing analysis are, of course, identical to VBV. Accordingly, a complete valuation analysis cannot be limited to a quantitative review of the selected companies and involves complex considerations and judgments concerning differences in financial and operating characteristics of such companies, as well as other factors that could affect their value relative to that of VBV.

Selected M&A Transactions' Analysis

Duff & Phelps compared VBV to target companies involved in merger and acquisition transactions. Duff & Phelps searched for merger and acquisition transactions announced since January 1, 2005 in which the target company operated in the ethanol and/or biofuels industry. After selecting a preliminary set of merger and acquisition transactions and considering the recent changes in the ethanol industry and lack of meaningful valuation metrics for these transactions, Duff & Phelps selected the VeraSun Energy acquisition of US BioEnergy Corp. as the most relevant transaction.

No selected transaction used in Duff & Phelps' analysis is directly comparable to the merger of GPRE and VBV.

Duff & Phelps' preliminary set of transactions consisted of the following transactions:

Acquirer	**Target**	**Announcement Date**
VeraSun Energy	US BioEnergy Corp.	11/29/07
VeraSun Energy	ASAlliances Biofuels LLC	7/22/07
The Carlyle Group	PQ Corporation	5/31/07
US BioEnergy	Millenium Ethanol	5/31/07
Airgas Inc.	Linde Group, Majority of U.S. Pkged Gas	3/29/07
Advanced Bioenergy	Heartland Grain Fuels	11/08/06
Citigroup Venture Capital	MacDermid Inc.	8/31/06
Croda International plc	Uniqema Nederland BV	6/29/06
Thomas H. Lee Partners	Hawkeye Renewables	5/11/06
Sun Capital Partners	Noveon Inc., Food & Industrial Specialties	3/16/06
Texas Petrochemicals	Huntsman Corp, US Butadiene & MTBE	2/24/06
Israel Chemicals, Ltd.	Astaris LLC	9/01/05
Crompton Corp	Great Lakes Chemical Corp.	3/09/05

Duff & Phelps noted that it did not derive a valuation estimate from the selected transaction analysis, but rather, the implied valuation multiple of Adjusted Enterprise Value to projected capacity ($1.51 per gallon) for the Verasun/US BioEnergy transaction was considered to check the reasonableness of Duff & Phelps' selected multiples as part of the selected public company analysis ($1.35 $1.60 per gallon of projected FY2009 name-plate capacity) and the valuation multiples implied by the discounted cash flow analysis, ($1.22 $1.41 per gallon of projected FY2009 name-plate capacity) described above.

Contribution Analysis

Duff & Phelps analyzed the expected contribution percentages of each of VBV and GPRE to the post-transaction combined equity value as implied by Duff & Phelps' estimated equity value range for VBV (including the Stock Purchase) as compared to GPRE's market capitalization. The analysis did not take into consideration any possible synergies that a combined GPRE and VBV entity may realize following the consummation of the Proposed Transaction. Duff & Phelps noted that the Proposed Transaction would result in pro forma ownership of the combined GPRE and VBV entity of approximately 31% for GPRE's common shareholders and 69% for VBV's and VBV Subsidiary members. The estimated equity value contribution percentages for VBV are shown below.

Duff & Phelps Concluded Equity Value for VBV (High): 73%;

Duff & Phelps Concluded Equity Value for VBV (Midpoint): 71%; and

Duff & Phelps Concluded Equity Value for VBV (Low): 67%.

Summary of Analyses

Duff & Phelps considered the range of equity values resulting from the discounted cash flow analysis and the selected public company analysis (and the selected M&A transaction approach as a reasonableness check as previously described) and utilized its professional judgment and experience in valuing securities to select an overall concluded equity value range for VBV of $86 million to $136 million. Note, that in considering the overall fairness of the Proposed Transaction, Duff & Phelps also included the $60 million cash proceeds to GPRE related to the Stock Purchase. After considering the $60 million cash proceeds related to the Stock Purchase, the overall concluded equity value range for VBV was $146 million to $196 million. Duff & Phelps noted that the $157 million aggregate consideration paid by GPRE in the Proposed Transaction, as implied by the 17,139,000 total shares and options issued to the members of VBV and the VBV Subsidiaries (including the 10,871,472 shares and 267,528 options issued as part of the merger and 6,000,000 shares purchased by the Bioverda entities in the Stock Purchase) and the $9.15 closing GPRE share price on May 1, 2008, was within Duff & Phelps' concluded overall range of equity value indications for VBV.

Duff & Phelps' opinion and financial analyses were only one of the many factors considered by GPRE's board of directors in its evaluation of the Proposed Transaction and should not be viewed as determinative of the views of GPRE's board of directors.

Fees and Expenses

The Duff & Phelps engagement letter with GPRE, dated March 27, 2008, provided that, for its services, Duff & Phelps is entitled to receive from GPRE a fee of $150,000, which was due and payable as follows: $50,000 non-refundable retainer payable upon execution of the engagement letter, $50,000 payable upon Duff & Phelps informing GPRE that Duff & Phelps is prepared to deliver their opinion, and $50,000 payable upon delivery of the opinion. The engagement letter also provided that Duff & Phelps would be paid additional fees at its standard hourly rates for any time incurred should Duff & Phelps be called upon to support its findings subsequent to the delivery of the opinion. In addition, GPRE agreed to reimburse Duff & Phelps for its reasonable out-of-pocket expenses and to indemnify Duff & Phelps and certain related persons against liabilities arising out of Duff & Phelps' service as a financial advisor to GPRE's board of directors.

Other than the preparation of the opinion in connection with the Proposed Transaction, during the two years preceding the date of such opinion, Duff & Phelps has not had any material relationship with any party to the Proposed Transaction for which compensation has been received or is intended to be received, nor is any such material relationship or related compensation mutually understood to be contemplated. Duff & Phelps may provide valuation and financial advisory services to GPRE or GPRE's board of directors (or any committee thereof) in the future.

Accounting Treatment

GPRE will account for the Mergers under the purchase method of accounting for business combinations with VBV being the acquirer and GPRE being acquired. Under the purchase method of accounting, the total estimated purchase price is allocated to the net tangible and intangible assets of the acquired entity based on their estimated fair values as of the completion of the transaction. A final determination of these fair values may include management's consideration of a valuation prepared by an independent valuation specialist.

Regulatory Approvals

Under the HSR Act and related rules, certain transactions, including the Mergers, may not be completed until notifications have been given and information furnished to the Antitrust Division of the Department of Justice and the Federal Trade Commission and the specified waiting period requirements have been satisfied. On June 26, 2008, GPRE and VBV filed Notification and Report Forms with the Antitrust Division of the Department of Justice and the Federal Trade Commission. On July 22, 2008, the Premerger Notification Office of the Federal Trade Commission granted early termination of all applicable waiting periods under the HSR Act in connection with the merger.

Dissenters' Rights

The shareholders of GPRE will not have dissenters' rights with respect to the Mergers or the other matters voted on by the GPRE shareholders.

Resale of GPRE Common Stock

All shares of GPRE common stock received by VBV and VBV Subsidiary members in the Mergers should be freely transferable, except that if a VBV or VBV Subsidiary member is deemed to be an "affiliate" of GPRE under the Securities Act at the time of the special member meeting, the VBV or VBV Subsidiary member may resell those shares only in transactions permitted by Rule 144 and Rule 145 under the Securities Act or as otherwise permitted under the Securities Act.

Of the 10,871,472 shares of GPRE common stock to be issued in the Mergers, 3,373,103 shares will be freely transferable and may be resold without restriction in the public market immediately after the Closing, and 7,498,369 shares of GPRE common stock to be issued to certain "affiliates" in the Mergers may be resold, 90 days after the Mergers, subject to compliance with Rule 144. The Bioverda entities and Wilon have agreed not to sell their shares of GPRE common stock for a certain period of time after the closing of the Mergers. GPRE expects to register the 267,528 shares of GPRE common stock issuable upon exercise of certain EGP and IBE options being assumed by GPRE in the subsidiary mergers on a registration statement on Form S-8 after the closing of the Mergers. In addition, GPRE has granted the Bioverda entities, Wilon, and Wayne Hoovestol certain rights to require that GPRE register their shares of GPRE common stock for public resale, beginning 18 months after the Closing.

NASDAQ Listing of GPRE Common Stock

GPRE's common stock is currently listed on the NASDAQ Capital Market and the American Stock Exchange. The Merger Agreements require that the shares of common stock to be issued in the Mergers and the Stock Purchase be listed on the NASDAQ Global Market. GPRE has filed a listing application for listing its common stock on the NASDAQ Global Market, which if approved, will take effect the first trading day following consummation of the Mergers. Approval of the listing is a condition to completion of the Mergers. At such time, GPRE intends to delist its common stock from the American Stock Exchange.

Options to Acquire Units of IBE and EGP

In connection with the Mergers, GPRE has agreed to convert each outstanding option to purchase units of IBE or EGP (the "Options"), whether vested or unvested, into the right to acquire shares of GPRE common stock. GPRE will assume each Option in accordance with its terms and conditions and, from and after the effective time of the Mergers, each Option may be exercised solely for shares of GPRE common stock. The number of shares of GPRE common stock subject to each Option and the exercise price thereof will be adjusted to reflect the exchange ratio for the merger consideration in the IBE or EGP merger, as applicable. Any restriction on the exercise of an Option shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Option shall remain the same. GPRE will reserve a total of 267,528 shares of GPRE common stock for issuance upon exercise of the assumed Options. As noted above, GPRE expects to register the 267,528 shares of GPRE issuable upon exercise of the Options on a Form S-8 registration statement after the closing of the Mergers.

Ownership of GPRE Common Stock by GPRE's Directors and Executive Officers

Upon issuance of GPRE common stock in the Mergers and the Stock Purchase, based on beneficial ownership computations as of August 12, 2008, the current directors and executive officers of GPRE will collectively beneficially own approximately 9.4% of the outstanding stock of GPRE. Alain Treuer, who is expected to become a director of GPRE as of the closing of the Mergers, will beneficially own between 3% and 7.6% of the outstanding common stock of GPRE.

As defined in the GPRE Equity Incentive Plan, a "Change in Control" is triggered by a merger where the majority of the voting shares immediately prior to the merger does not constitute a majority of the shares immediately after the completion of the merger. The VBV Merger constitutes such a Change in Control, and thus triggers vesting of stock options exercisable for 30,000 shares of common stock, at an exercise price of $19.96 per share, and 8,000 shares of restricted stock, all of which are held by Jerry Peters, GPRE's Chief Financial Officer.

Interests of GPRE's Directors and Executive Officers

In considering the recommendation of the board of directors of GPRE to vote in favor of the issuance of shares of GPRE common stock in the Mergers and the Stock Purchase, shareholders of GPRE should be aware that members of the GPRE board of directors and certain of GPRE's executive officers have interests that are different from or in addition to the interests of GPRE shareholders.

Except as noted above respecting Mr. Peters' options, and as described below, neither the Mergers, the transactions contemplated by the Mergers or the Stock Purchase will trigger any change of control or other severance payments by GPRE or accelerate the vesting of any equity awards.

Governance Structure and Management Positions

Following the Mergers, GPRE will be governed by a nine-member board of directors. The Bioverda entities will together have the right, as long at they collectively own at least 32.5% of the outstanding GPRE common stock, to designate four individuals to be nominated for election as directors. The Bioverda entities' initial designees are expected to be Jim Anderson, Jim Barry, James Crowley and Michael Walsh. Similarly, as long as Wilon owns at least 2.5% of the outstanding GPRE common stock, it will have the right to designate one individual to be nominated for election as a director. Wilon's initial designee is expected to be Alain Treuer. Each of the parties to the Shareholders' Agreement will vote his or its shares of GPRE common stock in favor of the nominees of the Bioverda entities and Wilon. It is anticipated that current GPRE directors Gordon Glade, Wayne Hoovestol, Gary Parker and Brian Peterson will continue to serve on the GPRE board after the Mergers. Thereafter, except for the Bioverda entities' and Wilon's designees, the directors will be nominated for election by the shareholders in accordance with GPRE's bylaws and nominating committee procedures.

Following the Mergers, the executive management team of the combined organization is expected to be composed of the members of GPRE's management team prior to the Mergers, except that Todd Becker (the current chief executive officer of VBV) will be appointed to serve as president and chief operating officer of GPRE. It is expected that Wayne Hoovestol will resign from his position as chief executive officer not later than 12 months following the Mergers and, subject to the discretion of the board of directors, Mr. Becker is expected to be appointed to succeed Mr. Hoovestol as chief executive officer.

Mr. Hoovestol is also a party to the Shareholders' Agreement. See the discussion of the Shareholders Agreement beginning on page 96.

Employment Agreement with Jerry Peters

Under the provisions of an Employment Agreement dated June 8, 2007 between GPRE and Jerry Peters, the equity awards granted thereunder (12,000 shares of restricted stock vesting 2,000 on the date of the agreement and 2,000 on each of the next five anniversaries and options to purchase 60,000 shares of GPRE common stock vesting 15,000 on the date of the agreement and 15,000 on each of the next three anniversaries) will fully vest upon consummation of the Mergers. The Mergers will constitute a change in control as defined in the Employment Agreement.

Indemnification and Insurance

The directors and executive officers will also have the right to continued indemnification and insurance coverage following completion of the Mergers for acts and omissions occurring before the Mergers.

Interests of VBV's, IBE's and EGP's Managers and Executive Officers

Employment Agreement with Todd Becker

GPRE has entered into an employment agreement with Todd Becker, as President and Chief Operating Officer, effective generally as of the closing of the Mergers and the Stock Purchase. See "Employment Arrangements" beginning on page 135 for a description of Mr. Becker's employment agreement.

Interests of Certain VBV Managers

Alain Treuer, a current manager of VBV, will beneficially own approximately 3% of the outstanding common stock of GPRE following the Mergers by virtue of his controlling ownership of Wilon. Under the Put and Call Agreement (GPRE), Mr. Treuer has the right to acquire additional shares of GPRE common stock from Bioverda US and, if fully exercised, would result in Mr. Treuer beneficially owning approximately 7.7% of the outstanding common stock of GPRE. Additionally, at the effective time of the Mergers, Mr. Treuer will be designated by Wilon as its nominee to GPRE's board of directors under the terms of the Shareholders' Agreement.

Michael Walsh, a current manager of VBV, will be designated by the Bioverda entities, at the effective time of the Mergers, as one of the four Bioverda nominees to GPRE's board of directors under the terms of the Shareholders' Agreement.

Manager and Officer Indemnification and Insurance

Under the terms of the VBV Merger Agreement, all rights of the current or former managers and officers of VBV and the VBV Subsidiaries to indemnification for acts or omissions occurring prior to the completion of the Mergers (as provided in their respective organizational documents in effect immediately prior to the effective time of the Mergers) shall survive the Mergers and be assumed by the surviving entities.

In addition, VBV has agreed to purchase a six year prepaid insurance policy providing substantially equivalent protections and benefits to the current and former managers and officers of VBV as does its current liability insurance.

Material U.S. Federal Income Tax Consequences of the Mergers

Following is a summary of material federal income tax consequences of the Mergers to GPRE; to the VBV Members; to VBV; to holders of units in the VBV Subsidiaries ("Subsidiary Units") other than VBV (the "Subsidiary Holders,"); and to Option holders (collectively with the VBV Members, VBV and the Subsidiary Holders, the "Holders"). This summary applies to GPRE and the Holders, other than Subsidiary Holders and Option holders who are not "U.S. persons," as defined below. As used in this summary, a "U.S. person" is: a U.S. citizen or resident alien as determined pursuant to the Code; a corporation (or other entity treated as a corporation for federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia; an estate, the income of which is subject to federal income taxation regardless of its source; and a trust if it (i) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person. As used in this summary, a "non-U.S. person" is an individual, corporation, estate, or trust that is not a U.S. person.

This summary is based on the Code, the regulations that have been issued by the U.S. Department of Treasury pursuant to its authority under the Code (the "Treasury Regulations"), and judicial and administrative determinations and pronouncements, all as in effect as of the date of this summary. These authorities are subject to change at any time and any such changes could have retroactive effect so as to alter the conclusions described in this summary. Furthermore, all of these authorities are subject to differing interpretations. No advance ruling has been obtained or sought from the IRS regarding the federal income tax consequences of the Mergers. Stoel Rives LLP has provided a legal opinion that the VBV Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Neither the statements in this summary nor the opinion, however, are binding on the IRS or a court. As a result, there can be no assurance that the tax consequences described herein will not be challenged by the IRS or sustained by a court if so challenged.

This summary does not address aspects of taxation other than U.S. federal income taxation. It also does not address all aspects of U.S. federal income taxation that may apply to Holders who are subject to special rules under the Code, including, among others, persons who hold their units through entities that are partnerships or trusts for federal income tax purposes or other pass-through entities, tax-exempt organizations, financial institutions, broker-dealers, insurance companies, persons having a "functional currency" other than the U.S. Dollar, persons who received units as compensation or who hold their units as part of a straddle, wash sale, hedging, conversion or other integrated or risk reduction transaction, and certain U.S. expatriates. Finally, this summary does not address the state, local or foreign tax considerations applicable to the Mergers.

This discussion is not intended to be, and should not be construed as, tax advice to Holders. The tax consequences of the transactions to each Holder are based upon its particular circumstances, which may differ from those of other Holders. Accordingly, some or all of the following discussion may not apply to a Holder's particular situation. Each Holder is strongly urged to consult its own tax adviser with respect to the federal, state, local and foreign tax consequences of the Mergers to the Holder based upon the Holder's particular circumstances.

VBV Merger

Reorganization Treatment Generally

Stoel Rives LLP has delivered its opinion that, for U.S. federal income tax purposes, the VBV Merger will qualify as a reorganization under Section 368(a) of the Code. This opinion has been rendered on the basis of certain assumptions, including assumptions regarding the absence of certain changes in existing facts and completion of the VBV Merger in accordance with this proxy statement/prospectus and the VBV Merger Agreement. The opinion is based upon representations, including those contained in a representation letter of GPRE and Merger Sub and a representation letter of VBV, and on covenants. If any of those assumptions or representations is inaccurate, incomplete or untrue or if any of the covenants is breached, the conclusions contained in the opinion could be affected. The opinion is not binding on the IRS or the courts, and no rulings will be sought.

The following is a summary of the opinion of Stoel Rives LLP as to the material U.S. federal income tax consequences of the exchange of VBV units for GPRE common stock pursuant to the VBV Merger, subject to limitations and qualifications contained in the opinion:

- The VBV Merger will constitute a "reorganization" within the meaning of Section 368(a) of the Code;

- None of VBV, GPRE, or GP Merger Sub will recognize gain or loss as a result of the VBV Merger for U.S. federal income tax purposes;

- If a VBV Member is a U.S. person, then for U.S. federal income tax purposes, (i) no gain or loss will be recognized by the VBV Member solely as a result of the exchange of its VBV units solely for GPRE common stock pursuant to the VBV Merger, (ii) the aggregate tax basis of the shares of GPRE common stock received by the VBV Member in exchange for VBV units pursuant to the VBV Merger will be the same as the aggregate tax basis of the VBV units exchanged for the GPRE common stock pursuant to the VBV Merger, and (iii) the holding period of the shares of GPRE common stock received by the VBV Member in exchange for VBV units pursuant to the VBV Merger will include the holding period of the VBV units exchanged for the GPRE common stock pursuant to the VBV Merger; and

- If (a) a VBV Member is a non-U.S. person, (b) GPRE is a "U.S. real property holding corporation" within the meaning of Section 897(c)(2) of the Code, and (c) a VBV Member holds (either directly or indirectly, after the application of the constructive ownership rules of Section 318 of the Code as modified by Section 897(c)(6)(C) of the Code) more than 5% of the outstanding shares of GPRE common stock immediately after the VBV Merger, then for U.S. federal income tax purposes, (i) no gain or loss will be recognized by the VBV Member solely as a result of the exchange of its VBV units solely for GPRE common stock pursuant to the VBV Merger, (ii) the aggregate tax basis of the shares of GPRE common stock received by the VBV Member in exchange for VBV units pursuant to the VBV Merger will be the same as the aggregate tax basis of the VBV units exchanged for the GPRE common stock pursuant to the VBV Merger, and (iii) the holding period of the shares of GPRE common stock received by the VBV Member in exchange for VBV units pursuant to the VBV Merger will include the holding period of the VBV units exchanged for the GPRE common stock pursuant to the VBV Merger.

Treatment of VBV Members who are U.S. Persons

If the VBV Merger qualifies as a reorganization under Section 368(a) of the Code and a VBV Member is a U.S. person, then the opinion with respect to U.S. persons described above would apply. GPRE will not deduct and withhold pursuant to the Foreign Investment in Real Property Tax Act ("FIRPTA") with respect to payments for a VBV Member's VBV units if the VBV Member furnishes to GPRE a properly completed certificate that states that the VBV Member is not a foreign person and otherwise complies with the applicable regulations.

Treatment of VBV Members who are Non-U.S. Persons

Pursuant to FIRPTA, any gain recognized by a foreign person on the disposition of a U.S. real property interest ("USRPI") generally is subject to U.S. federal income tax. As an aid in collecting this tax, any person who acquires a USRPI from a foreign person generally must deduct and withhold 10% of the amount realized by the foreign person. For this purpose, "foreign person" generally includes nonresident alien individuals, foreign corporations, foreign partnerships, foreign trusts, foreign estates, and foreign governments.

Common stock issued by a U.S. corporation generally will be treated as a USRPI unless it is established that the corporation was not a U.S. real property holding corporation ("USRPHC") during the relevant statutory period (generally, the five-year period ending on the date of disposition). A corporation generally is a USRPHC if the fair market value of its USRPIs is at least 50% of the aggregate fair market value of its USRPIs, its interests in real property located outside the U.S., and its other assets that are used or held for use in a trade or business. Pursuant to an exemption (the "5% ownership exemption"), if any class of stock of a corporation is regularly traded on an established securities market, stock of that class is treated as a USRPI only with respect to a foreign person owning more than 5% of the stock of that class. For purposes of determining whether a foreign person owns more than 5% of the stock of any class, certain constructive ownership rules apply, including a rule treating the ownership of certain options to acquire stock as the ownership of stock.

GPRE believes that, at the time of the VBV Merger, VBV will be a USRPHC and therefore VBV units will constitute USRPIs. In addition, GPRE believes that, at the time of the VBV Merger, GPRE will be a USRPHC. Because GPRE's common stock is regularly traded on an established securities market, if GPRE is a USRPHC at the time of the VBV Merger, GPRE common stock will be treated as a USRPI with respect to all VBV Members that hold (including pursuant to the applicable constructive ownership rules) more than 5% of the GPRE common stock immediately after the VBV Merger.

Special rules apply to the disposition of USRPIs in certain exchanges that otherwise qualify for nonrecognition treatment for U.S. federal income tax purposes ("nonrecognition transactions"). Pursuant to these rules, if (i) the VBV Merger qualifies as a reorganization pursuant to Section 368(a) of the Code, (ii) a VBV Member is a non-U.S. person, (iii) the VBV Member's VBV units constitute a USRPI immediately before the VBV Merger, and (iv) the VBV Member's GPRE common stock constitutes a USRPI immediately after the VBV Merger, then the VBV Member's exchange of its VBV units for GPRE common stock pursuant to the VBV Merger generally will not be taxable for U.S. federal income tax purposes and the VBV Member generally will not be subject to a 10% withholding tax on the GPRE common stock received pursuant to the VBV Merger if certain conditions are met. These conditions are:

- the VBV Member files a U.S. federal income tax return for its taxable year in which the VBV Merger occurs and provides certain information and certifications with the return, as described in applicable Treasury Regulations;

- the VBV Member would be subject to U.S. federal income tax on the disposition of the GPRE stock immediately following the VBV Merger, without reduction or exemption under an applicable tax treaty; and

- as described in applicable regulations, the VBV Member notifies GPRE that the VBV Member is not required to recognize any gain or loss with respect to the transfer because it is a nonrecognition transaction and GPRE timely provides a copy of the notice to the Internal Revenue Service.

If (i) a VBV Member is a non-U.S. person, (ii) the VBV Member's VBV units constitute a USRPI immediately before the VBV Merger, and (iii) the VBV Member's GPRE common stock does not constitute a USRPI immediately after the VBV Merger (either because GPRE is not a USRPHC or because the 5% ownership exemption applies), the VBV Member's exchange of its VBV units for GPRE common stock generally will be taxable for U.S. federal income tax purposes and the VBV Member generally will be subject to a 10% withholding tax on the GPRE common stock received in exchange for its VBV units pursuant to the VBV Merger.

The IBE Merger and the EGP Merger

Amount of Gain or Loss Recognized on the IBE Merger and the EGP Merger by GPRE and VBV

Stoel Rives LLP has delivered its opinion that, for U.S. federal income tax purposes, none of GPRE, any of its subsidiaries, or VBV will recognize gain or loss as a result of the EGP Merger and IBE Merger.

Amount of Gain or Loss Recognized on the IBE Merger and the EGP Merger by Subsidiary Holders

Each Subsidiary Holder's exchange of Subsidiary Units for GPRE common stock pursuant to the subsidiary mergers will be taxable for federal income tax purposes. Each Subsidiary Holder will recognize gain from the applicable subsidiary merger in an amount equal to the excess of (i) its "amount realized" for federal income tax purposes, which equals the sum of the amount of cash consideration received (including any amounts of cash withheld), the fair market value of the GPRE common stock and any other property received, and its share of the applicable VBV Subsidiary's pre-subsidiary merger liabilities attributable to its interest in the VBV Subsidiary, over (ii) its adjusted tax basis in its interest in the VBV Subsidiary (including the basis attributable to its share of pre-subsidiary merger liabilities of the VBV Subsidiary).

Each Subsidiary Holder's entire interest in the applicable VBV Subsidiary will terminate as a result of the subsidiary merger. Accordingly, each Subsidiary Holder will be allocated its share of the VBV Subsidiary's income, gain, loss and deduction for the final period during which it is a Subsidiary Holder. The income and gain of the VBV Subsidiary for such period could include items of capital gain and items of ordinary income. For purposes of calculating the gain or loss that a Subsidiary Holder will recognize as a result of the subsidiary merger, any income or gain of the VBV Subsidiary allocated to the Subsidiary Holder with respect to the final period during which it is a Subsidiary Holder will increase its adjusted tax basis in its interest in the VBV Subsidiary, and any loss or deduction of the VBV Subsidiary allocated to the Subsidiary Holder with respect to that period will reduce its adjusted tax basis in its interest in the VBV Subsidiary.

Character of Gain or Loss Recognized on the IBE and the EGP Merger by Subsidiary Holders

Except as described in the following paragraph, any gain or loss that a Subsidiary Holder recognizes as a result of a subsidiary merger, computed as described above, generally will be capital gain or loss. Capital gain or loss generally will be treated as long-term capital gain or loss to the extent that the Subsidiary Holder has held its interest in the VBV Subsidiary for more than one year.

Notwithstanding this general rule, however, it is possible that a Subsidiary Holder could recognize ordinary income or loss as a result of a subsidiary merger pursuant to the special rules of Code Section 751. Pursuant to Code Section 751, a Subsidiary Holder generally will recognize ordinary income (or loss) to the extent of the amount of ordinary income (or loss) that would have been allocated to the Subsidiary Holder if the VBV Subsidiary had sold all of its inventory and unrealized receivables immediately before the subsidiary merger. In addition, a portion of the gain resulting from the subsidiary merger recognized by a Subsidiary Holder who is an individual or a taxable trust or estate may be characterized as unrecaptured Section 1250 gain, subject to an increased capital gain tax rate of 25%. Treasury Regulations provide rules for determining the amount of unrecaptured Section 1250 gain for a partner selling a partnership interest with a long-term holding period. GPRE believes that neither IBE nor EGP owns material assets that constitute inventory or unrealized receivables pursuant to Code Section 751 or that have unrecaptured Section 1250 gain associated with them.

Basis in Subsidiary Holders' Subsidiary Units

In general, each Subsidiary Holder's basis in its Subsidiary Units at the time of the subsidiary merger will be determined according to the rules described below. If a Subsidiary Holder acquired its Subsidiary Units by contribution of property and/or money to a VBV Subsidiary, its initial tax basis in its Subsidiary Units equaled the sum of:

- the amount of money contributed and the increase in its share of VBV Subsidiary's liabilities in connection with the acquisition of its Subsidiary Units; and

- its adjusted tax basis in any other property contributed, less the amount of any money distributed to it at that time, the amount of any of its liabilities assumed by the VBV Subsidiary, and the amount of liabilities encumbering contributed property that the VBV Subsidiary took subject to in connection with the Subsidiary Holder's acquisition of its Subsidiary Units.

Other rules, including the "disguised sale rules," also may affect initial basis. Each Subsidiary Holder is urged to consult its own tax adviser regarding the calculation of its initial basis in its Subsidiary Units.

Each Subsidiary Holder's initial tax basis in its Subsidiary Units generally is increased by:

- its allocable share of the VBV Subsidiary's taxable and tax-exempt income during the period it held its Subsidiary Units; and

- increases in its allocable share of the Subsidiary's liabilities.

Each Subsidiary Holder's basis in its Subsidiary Units generally is decreased, but not below zero, by:

- its share of distributions made by the VBV Subsidiary during the period it held its Subsidiary Units;

- decreases in its allocable share of the VBV Subsidiary's liabilities;

- its share of the VBV Subsidiary's losses during the period it held its Subsidiary Units; and

- its share of the VBV Subsidiary's nondeductible expenditures during the period it held its Subsidiary Units that are not properly chargeable to capital account.

The VBV Subsidiaries generally do not have all of the information necessary to compute a Subsidiary Holder's adjusted tax basis in its Subsidiary Units, and thus each Subsidiary Holder, together with its own tax adviser, will be responsible for computing that amount and the amount of gain, if any, that it would recognize as a result of the applicable subsidiary merger.

Amount of Gain or Loss Recognized on the IBE Merger and the EGP Merger by Optionholders

In the subsidiary mergers, options to purchase IBE units and EGP units will be converted into options to purchase GPRE common stock (the "GPRE Options"). The Options will be treated as partnership options for U.S. federal income tax purposes.

A partnership option with an exercise price below the value of the partnership interest subject to the option on the date of grant may be a deferral of compensation subject to unfavorable tax consequences pursuant to Section 409A of the Code. These consequences include recognition of gross income when the option becomes exercisable, without regard to whether the option actually is exercised, an additional tax equal to 20 percent of the amount includible in gross income, and an interest charge.

Because the Options were granted in connection with performance of services, and the GPRE Options also will be in connection with performance of services, conversion of the Options into GPRE

Options should not be taxable to the holders of Options for U.S. federal income tax purposes, although to the extent that the Options or the GPRE Options constitute a deferral of compensation pursuant to Section 409A of the Code, they may be taxable pursuant to Section 409A. Options that were granted at a discount generally will constitute a deferral of compensation pursuant to Section 409A of the Code, and the GPRE Options into which those Options will be converted also will constitute a deferral of compensation pursuant to Section 409A of the Code. In the case of Options that were not granted at a discount, and thus do not constitute a deferral of compensation pursuant to Section 409A of the Code, the GPRE Options into which they will be converted, however, will nonetheless constitute a deferral of compensation pursuant to Section 409A of the Code if the conversion of Options into GPRE Options is treated for purposes of Section 409A of the Code as the grant of new options. Under applicable IRS guidance, it is unclear whether conversion of a Option into a GPRE Option pursuant to the subsidiary mergers should be treated for purposes of Section 409A of the Code as the grant of a new option.

Backup Withholding

Backup withholding at the applicable rate may apply with respect to GPRE common stock transferred to a Subsidiary Holder or GPRE options transferred to a holder of Options pursuant to a subsidiary merger, unless the Subsidiary Holder or holder of Options, as applicable (i) is a corporation or comes within specified other exempt categories and, when required, demonstrates this fact, or (ii) provides a properly completed IRS Form W-9 (or successor or substitute form) showing its correct taxpayer identification number, certifying that the it has not lost the exemption from backup withholding, and otherwise complies with applicable requirements of the backup withholding rules. A Subsidiary Holder or holder of Options that does not provide its correct taxpayer identification number may be subject to penalties imposed by the IRS. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the Subsidiary Holder's or Option holder's U.S. federal income tax liability, provided it furnishes specified required information to the IRS.

FIRPTA Withholding

A transferee of a USRPI is not required to deduct and withhold pursuant to FIRPTA if, before or at the time of the transfer, the transferor furnishes to the transferee a certification that states that the transferor is not a foreign person and otherwise complies with the applicable regulations (a "certificate of non-foreign status"). Accordingly, GPRE will not deduct and withhold pursuant to FIRPTA with respect to payments for a Subsidiary Holder's Subsidiary Units or conversions of a Option holder's Options if the Subsidiary Holder or holder of Options, as applicable, furnishes to GPRE a properly completed certificate of non-foreign status.

To ensure compliance with Treasury Department Circular 230, the Holders, GPRE, and the VBV Subsidiaries are hereby notified that: (i) the discussions of federal tax issues in this summary are not intended or written to be relied upon, and cannot be relied upon, by the Holders, GPRE, or the VBV Subsidiaries for the purpose of avoiding penalties that may be imposed on the Holders, GPRE, or the VBV Subsidiaries under the Code; (ii) these discussions are being used in connection with the promotion or marketing (within the meaning of Circular 230) of the transactions or matters addressed herein; and (iii) each of the Holders, GPRE, and the VBV Subsidiaries should seek advice based on their particular circumstances from an independent tax advisor.

THE MERGER AGREEMENTS

The following summary describes certain material provisions of the VBV Merger Agreement, the IBE Merger Agreement and the EGP Merger Agreement. The full text of each of the Merger Agreements is attached as Appendix A, B and C to this proxy statement/prospectus and is incorporated herein by reference. This summary may not contain all of the information that is important to you, and you are encouraged to read carefully each entire merger agreement. The following description is subject to, and is qualified in its entirety by reference to, the applicable Merger Agreement.

The representations and warranties described below and included in each of the Merger Agreements were made by the applicable parties to the other. These representations and warranties were made as of specific dates and may be subject to important qualifications, limitations and supplemental information in disclosure schedules agreed to by the parties in connection with negotiating the terms of the Merger Agreements. In addition, the representations and warranties may have been included in the Merger Agreements for the purpose of allocating risk among the parties rather than to establish matters as facts. Accordingly, you should not rely on the representations and warranties as characterizations of the actual state of facts, since they are modified in important part by the underlying disclosure schedules. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the Merger Agreements.

VBV Merger Agreement

Structure of the VBV Merger

At closing, GPRE's wholly-owned subsidiary, GP Merger Sub, will merge with and into VBV. Upon completion of the VBV Merger, VBV will be the surviving entity and become a wholly-owned subsidiary of GPRE.

Effective Time of the VBV Merger

The completion of the VBV Merger will occur no later than the second business day after the conditions set forth in the VBV Merger Agreement are satisfied or waived, or at such time, date and location as the parties agree in writing. It is anticipated that the effective time will occur as soon as practicable following the special meetings of GPRE, VBV, EGP and IBE. GPRE and VBV are working to complete the Mergers as soon as possible. The VBV Merger becomes effective upon filing of the Certificate of Merger with the Secretary of State of Delaware.

Officers and Directors

Following the Mergers, GPRE will be governed by a nine-member board of directors. The Bioverda entities will together have the right, as long at they collectively own at least 32.5% of the outstanding GPRE common stock, to designate four individuals to be nominated for election as directors. The Bioverda entities' initial designees are expected to be Jim Anderson, Jim Barry, James Crowley and Michael Walsh. Similarly, as long as Wilon owns at least 2.5% of the outstanding GPRE common stock, it will have the right to designate one individual to be nominated for election as a director. Wilon's initial designee is expected to be Alain Treuer. Each of the parties to the Shareholders' Agreement will vote his or its shares of GPRE common stock in favor of the nominees of the Bioverda entities and Wilon. It is anticipated that current GPRE directors Gordon Glade, Wayne Hoovestol, Gary Parker and Brian Peterson will continue to serve on the GPRE board after the Mergers. Thereafter, except for the Bioverda entities' and Wilon's designees, the directors will be nominated for election by the shareholders in accordance with GPRE's bylaws and nominating committee procedures.

The executive management team of the combined organization is expected to be composed of members of GPRE's management prior to the Mergers. For a period of up to twelve months after the closing date, Wayne Hoovestol will serve as chief executive officer of GPRE, subject to the discretion of GPRE's board of directors. As of the effective time, Todd Becker is expected to be appointed to serve as president and chief operating officer of GPRE, provided that Mr. Hoovestol shall resign, and Mr. Becker shall be appointed, as chief executive officer, not later than the first anniversary of the closing date, subject to the GPRE board's discretion. At the effective time, the then-current officers of GPRE will become the managers and officers of VBV. It is anticipated that substantially all employees of VBV, EGP and IBE will be retained by those entities immediately after the Mergers.

Conversion of VBV Units

Under the terms of the VBV Merger Agreement, GP Merger Sub will merge with and into VBV with VBV surviving the merger as a wholly-owned subsidiary of GPRE. Upon completion of the VBV Merger, each outstanding VBV common unit will be converted into the right to receive 7,498.369315 shares of GPRE common stock. This exchange ratio is fixed and will not change, regardless of changes in the market price of GPRE common stock.

Exchange Procedures

Following the effective time of the VBV Merger, GPRE will deliver to each holder of a VBV common unit a certificate representing that number of whole shares of GPRE common stock that such holder has the right to receive and the VBV common unit will be cancelled and thereafter deemed to represent only the right to receive the merger consideration.

Representations and Warranties

VBV made a number of representations and warranties to GPRE in the VBV Merger Agreement regarding aspects of its and the VBV Subsidiaries' businesses, financial condition and structure, as well as other facts pertinent to the Merger, including representations and warranties relating to the following subject matters:

- organization, qualification to do business, good standing and requisite power of VBV and the VBV Subsidiaries;
- VBV's capital structure and the absence of restrictions or encumbrances with respect thereto;
- authority to enter into the VBV Merger Agreement and consummate the transactions under the VBV Merger Agreement, and the enforceability of the VBV Merger Agreement;
- information with respect to the VBV Subsidiaries;
- the vote of members required to complete the VBV Merger;
- governmental and regulatory approvals and other consents required to complete the VBV Merger;
- the effect of entering into and carrying out the obligations of the VBV Merger Agreement on material contracts;
- absence of any conflict with any applicable legal requirements resulting from the execution of the VBV Merger Agreement or the completion of the merger;
- the inapplicability of appraisal rights and of state takeover statutes to the VBV Merger;
- financial statements;

the absence of certain changes and events, including any material adverse effect on VBV or the VBV Subsidiaries, since March 31, 2008;

the absence of certain undisclosed liabilities and obligations;

taxes;

- good and valid title to or valid leasehold interests in all personal properties and assets free and clear of all liens;
- good and valid title to all real property, whether owned or leased;
- validity of and compliance with real property leases;
- condition of real property;
- intellectual property;
- condition of assets and inventory;
- compliance with applicable legal requirements;
- litigation;
- product warranties and liability;
- employee benefit plans and labor relations;
- environmental matters;
- agreements, contracts and commitments;
- insurance;
- transactions between VBV, the VBV Subsidiaries and their affiliates;
- approval by its board of managers;
- payment, if any, required to be made to brokers and agents on account of the VBV Merger;
- certain SEC filing matters; and
- the full disclosure by VBV of all material facts necessary to make the statements in the VBV Merger Agreement not misleading.

GPRE and GP Merger Sub each made a number of representations and warranties to VBV in the VBV Merger Agreement, including representations and warranties relating to the following subject matters:

- corporate organization, qualification to do business, good standing and corporate power of GPRE and GP Merger Sub;

corporate authorization to enter into the VBV Merger Agreement and consummate the transactions under the VBV Merger Agreement, and the enforceability of the VBV Merger Agreement;

GPRE subsidiaries;

absence of any conflict with any applicable legal requirements resulting from the execution of the VBV Merger Agreement and the completion of the VBV Merger;

the effect of entering into and carrying out the obligations of the VBV Merger Agreement on material contracts;

governmental and regulatory approvals required to complete the VBV Merger;

GPRE's capital structure;

GPRE's SEC filings and financial statements;

the absence of certain changes and events, including any material adverse effect on GPRE since November 30, 2007;

opinion of a financial advisor;

- the absence of certain undisclosed liabilities and obligations;
- taxes;
- good and valid title to or valid leasehold interests in all personal properties and assets free and clear of all liens;
- good and valid title to all real property, whether owned or leased;
- validity of and compliance with real property leases;
- condition of real property;
- intellectual property;
- condition of assets and inventory;
- compliance with applicable legal requirements;
- litigation;
- product warranties and liability;
- employee benefit plans and labor relations;
- environmental matters;
- agreements, contracts and commitments;
- insurance;
- transactions between GPRE, the GPRE Subsidiaries and their respective affiliates;
- payment, if any, required to be made to brokers and agents on account of the Mergers;
- information with respect to GPRE's commodity position; and
- the full disclosure by GPRE of all material facts necessary to make the statements in the VBV Merger Agreement not misleading.

Conduct of Business Prior to Completion of the VBV Merger

Under the VBV Merger Agreement, each of GPRE and VBV has agreed that, until the earlier of the completion of the VBV Merger or termination of the VBV Merger Agreement, or unless the other party consents in writing, it will carry on its business in the ordinary course, in substantially the same manner as previously conducted and in compliance with all applicable legal requirements, pay its debts and taxes when due and pay or perform other material obligations when due, keep available the services of key employees and preserve relationships with customers and suppliers.

Each of GPRE and VBV also agreed that, until the earlier of the completion of the VBV Merger or termination of the VBV Merger Agreement, or unless the other party consents in writing, it will not, subject to specified exceptions, do any of the following:

- declare, set aside, or pay any dividends on or make any other distributions (whether in cash, stock, property or otherwise) in respect of any limited liability company interest or capital stock, split, combine or reclassify the same or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for any limited liability company interest or capital stock, or purchase, redeem or otherwise acquire, directly or indirectly, any limited liability company interest or capital stock, any other securities thereof or any rights, warrants or options or security that consists of a right to acquire the same;

- issue, deliver, sell, grant, pledge or otherwise encumber any limited liability company interest or capital stock or any other equity interests;

amend its organizational documents;

acquire or agree to acquire by merging or consolidating with, or by purchasing assets of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof; or otherwise acquire or agree to acquire any assets which are significant;

sell, transfer, lease, license, mortgage, pledge, encumber or otherwise dispose of any properties or assets or enter into or amend any material lease of real property;

incur any indebtedness for borrowed money or guarantee any such indebtedness of another person, issue or sell any debt interests or options, warrants, calls or other rights to acquire any debt interests, enter into any other agreement to maintain any financial statement condition, or enter into any arrangement having the economic effect of any of the foregoing, subject to certain exceptions;

except as allowed, make or agree to make any new capital expenditures outside the ordinary course of business;

pay, discharge or satisfy any claims, liabilities or obligations (whether absolute, accrued, contingent or otherwise), or litigation, other than the payment of certain amounts in the ordinary course of business, cancel any material indebtedness or waive certain rights or benefits;

adopt, or amend in any material respect, any employee benefit plan, agreement or arrangement, employment or consulting agreement or any other compensatory plan or policy with or for the benefit of any current or former director, officer, employee, agent or consultant;

make material increases in pay or benefits, except in the ordinary course;

transfer or license to any person or entity or otherwise extend, amend or modify in any material respect any rights to intellectual property;

modify, amend, waive or terminate any contract or agreement, including any joint venture agreement, or waive, release or assign any material rights or claims thereunder;

make or change any tax election or settle or compromise any material tax liability;

liquidate or dissolve or adopt a plan of complete or partial liquidation or dissolution;

except as required by GAAP or the SEC, make any change in accounting methods, principles or practices;

take certain actions with respect to the construction of plants; and

take certain actions with respect to open market positions, or agree, commit or resolve to do any of the foregoing.

No Solicitation

The VBV Merger Agreement provides that each party will not, nor will it authorize or permit any of its subsidiaries or any of its or their respective managers, directors, officers, employees, or representatives, directly or indirectly through another person to:

solicit, initiate or encourage, or take any other action designed to, facilitate, any inquiries or the making of any takeover proposal, as described below; or

enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any person any information with respect to, or otherwise cooperate in any way with, any takeover proposal.

The VBV Merger Agreement provides that the term "takeover proposal" with respect to the applicable party means any inquiry, proposal or offer from any person relating to, or that could reasonably be expected to lead to:

- any direct or indirect acquisition or purchase, in one transaction or a series of transactions, of assets (including equity securities of any subsidiary) or businesses that constitute 10% or more of the revenues, net income or assets of the applicable party and its subsidiaries, taken as a whole, 25% or more of the revenue, net income or assets of a VBV Subsidiary (solely with respect to a VBV takeover proposal) or 10% or more of any class of equity securities of the applicable party;

- any tender offer or exchange offer that if consummated would result in any person beneficially owning 10% or more of any class of equity securities of the applicable party; or

- any merger, consolidation, business combination, recapitalization, liquidation, dissolution, joint venture, or similar transaction involving the applicable parry or any of its subsidiaries pursuant to which any person or the shareholders of any person would own 10% or more of any class of equity securities or of any resulting parent company

in each case other than the transactions contemplated by the VBV Merger Agreement.

The VBV Merger Agreement provides that, notwithstanding the restrictions described above, if at any time prior to the time the GPRE shareholders or VBV members have approved the Mergers, as applicable:

- the party receives a bona fide written takeover proposal that the managers or board of directors reasonably determines (after consultation with outside counsel and a financial advisor) constitutes or is reasonably likely to lead to a superior proposal, as defined below; and

- such takeover proposal was not solicited after the date of the VBV Merger Agreement and was made after the date of the VBV Merger Agreement and did not otherwise result from a breach by the applicable party of the no solicitation provisions described above.

The applicable party may:

- furnish information with respect to itself and its subsidiaries to the person making such takeover proposal pursuant to a customary confidentiality agreement that is not less restrictive to such person than the confidentiality provisions of the confidentiality agreement between GPRE and VBV does not provide an exclusive right to negotiate and contains "standstill" terms; and

- participate in discussions or negotiations with the person making such takeover proposal (and its representatives) regarding such takeover proposal, provided that notice is promptly given to the other party.

The VBV Merger Agreement provides that the term "superior proposal" means any bona fide offer made by a third party that if consummated would result in such person (or its shareholders) owning, directly or indirectly, more than 80% of the VBV common units, VBV Subsidiary units, or GPRE common stock then outstanding (or of the shares of the surviving entity in a merger or the direct or indirect parent of the surviving entity in a merger) or all or substantially all of the assets of VBV or GPRE or their subsidiaries, as applicable, which the VBV managers or GPRE board of directors reasonably determines (after consultation with a financial advisor) to be:

- more favorable to the VBV members or VBV Subsidiary members or GPRE shareholders, as applicable from a financial point of view than the Merger (taking into account all of the terms and conditions of such proposal and the merger agreement (including any changes to the financial terms of the merger agreement proposed by the other party in response to such offer or otherwise)); and

- reasonably capable of being completed on or before December 31, 2008, taking into account all financial, legal, regulatory and other aspects of such proposal.

The VBV Merger Agreement provides further that neither the managers of VBV nor the board of directors of GPRE nor any committee thereof may

- withdraw (or qualify or modify in a manner adverse to the other party), or publicly propose to withdraw (or qualify or modify in a manner adverse to the other party), their approval, adoption or recommendation of the merger agreement, the merger or the other transactions contemplated by the VBV Merger Agreement;

- approve, adopt or recommend, or propose publicly to approve, adopt or recommend, any takeover proposal; or

- approve, adopt or recommend, or publicly propose to approve, adopt or recommend, or allow itself or any of its subsidiaries to execute or enter into, any letter of intent, memorandum of understanding, agreement in principle, merger agreement, acquisition agreement, option agreement, joint venture agreement, partnership agreement or other similar contract constituting or related to, or that is intended to or could reasonably be expected to lead to, any takeover proposal.

Notwithstanding the above, at any time prior to the time GPRE shareholders or VBV members have approved the Merger, the VBV managers or the GPRE board of directors, as applicable, may, in response to a takeover proposal that they reasonably determine (after consultation with outside counsel and a financial advisor) constitutes a superior proposal, as described above, and that was unsolicited and made after the date of the VBV Merger Agreement and that did not otherwise result from a breach of the no solicitation provisions of the VBV Merger Agreement, cause VBV or GPRE, as applicable, to make an adverse recommendation, as described above, provided that a party should not be entitled to exercise its right to make an adverse recommendation if it is in breach of these obligations and until after tenth business day following the other party's receipt of notice that the party intends to make an adverse recommendation and specifying the reasons therefore, including the terms of any superior proposal. If such notice is given within ten business days of the date of the VBV member meeting or GPRE shareholder meeting, the applicable party, subject to the requirements of applicable law, must postpone such meeting to a date and time to ensure that the other party has ten business days notice following receipt of the notice of a superior proposal.

In addition to the non-solicitation provisions described above, each party must promptly advise the other orally and in writing of any takeover proposal, the material terms and conditions of any such takeover proposal as promptly as reasonably practicable (and in any event within 48 hours) after the receipt of notice of a takeover proposal (including any changes thereto) and the identity of the person making any such takeover proposal. Each party must keep the other party fully informed in all material respects of the status and details (including any change to the terms thereof) of any takeover proposal and must provide to the other party as soon as practicable after receipt or delivery thereof copies of all correspondence and other written material sent or provided from any person that describes any of the terms or conditions of any takeover proposal.

The foregoing non-solicitation provisions do not prohibit either party from taking and disclosing to its members or shareholders a position contemplated by Rule 14e 2(a) under the Exchange Act or a statement required under Rule 14a-9 under the Exchange Act or making any disclosure that is required by applicable law, except that in no event may VBV, the VBV managers, GPRE or its board of directors or any committee thereof take, or agree or resolve to take, any action prohibited by the merger agreement's no solicitation provisions (provided, that any accurate disclosure of factual information to the VBV or VBV Subsidiary members or the GPRE shareholders that is required to be made under applicable federal securities laws will not be considered a prohibited action under the merger agreement's no solicitation provisions).

Other Agreements

Reasonable Efforts. Each party agreed to use all reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the merger and the transactions contemplated by the VBV Merger Agreement, including using all reasonable efforts to accomplish the following:

- the taking of all reasonable acts necessary to cause the conditions precedent set forth in the VBV Merger Agreement to be satisfied;
- the obtaining of all necessary actions, waivers, consents and approvals from governmental entities;
- defending of any lawsuits challenging the VBV Merger; and
- the obtaining of all necessary consents, approvals or waivers from third parties.

Employee Benefits. GPRE agreed that all employees who continue with GPRE or VBV shall be eligible to participate in ongoing benefit plans, subject to the ability of GPRE to terminate such plans. GPRE agreed to use reasonable efforts to enter into employment agreements with Mr. Hoovestol and Mr. Becker.

Registration Statement and Approvals. GPRE is required to use reasonable efforts to prepare and file and have declared effective this registration statement, mail this proxy statement/prospectus to the GPRE shareholders and hold a shareholder meeting as promptly as practicable. VBV is required to take such steps as necessary to seek and obtain the approval of the VBV and VBV Subsidiary members.

Environmental Matters. The parties have agreed to address certain environmental matters at the GPRE plants prior to closing. These include conducting certain environmental assessments and cost sharing agreements with respect to the assessments or additional work.

Director and Officer Indemnification and Insurance

GPRE has agreed that all rights to indemnification for acts or omissions occurring prior to the completion of the VBV Merger existing immediately prior to the VBV Merger in favor of the current or former managers or officers of VBV or the VBV Subsidiaries as provided in their organizational documents shall survive the Merger and be assumed by the surviving entity. VBV will purchase a six year prepaid insurance policy providing substantially equivalent benefits as the current liability insurance.

Indemnification Obligations

The VBV members agreed to jointly and severally indemnify GPRE against any actions brought by any of the members of the VBV Subsidiaries in connection with the Mergers, with the total liability limited to $500,000. If at least 50% of such members vote at a duly held meeting in favor of their respective mergers, GPRE's rights to indemnification with respect to the VBV Subsidiaries will terminate.

Conditions to Completion of the VBV Merger

The respective obligations of GPRE and GP Merger Sub, on one hand, and VBV, on the other, to complete the VBV Merger and the transactions contemplated by the VBV Merger Agreement, including the VBV Merger, are subject to the satisfaction of the following conditions:

- the VBV Merger Agreement must be approved and adopted, and the Mergers and other transactions contemplated by the VBV Merger Agreement must be approved, by the requisite vote of the members of VBV and the VBV Subsidiaries, as applicable, and the shareholders of GPRE;

- the necessary authorizations, consents and approvals must be obtained. Such authorizations, consents and approvals are of the nature of lender approvals under material loan documents and all such lender consents are material. The lenders whose consents are deemed material are First National Bank of Omaha; Farm Credit Services of America with CoBank as its agent, Farm Credit Services of Mid-America with CoBank, as its agent; AgStar Financial Services, as agent for the City of Bluffton, Indiana; and the Tennessee Valley Authority;

- no temporary restraining order, injunction or other order issued by any governmental entity shall be in effect preventing the consummation of the VBV Merger;

- the registration statement, of which this proxy statement/prospectus is a part, must be declared effective by the SEC and may not be the subject of any stop order;

- any shares of GPRE's common stock to be issued in connection with the Mergers (including with respect to the Stock Purchase) must be authorized for listing on the Nasdaq Global Market, subject to official notice of issuance;

- the conditions to the Mergers of the VBV Subsidiaries must be satisfied; and

- the GPRE articles of incorporation and bylaws must be amended and restated, as required.

In addition, the obligation of VBV to consummate and effect the VBV Merger is subject to the satisfaction or waiver of each of the following conditions:

- the representations and warranties of GPRE and GP Merger Sub provided in the VBV Merger Agreement must be true and correct in all material respects at and as of the Closing Date, except for inaccuracies that could not reasonably be expected to have a material adverse effect;

- GPRE and GP Merger Sub must have performed or complied in all material respects with all agreements and covenants required by the VBV Merger Agreement to be performed or complied with by either such party on or prior to the date the VBV Merger is to be completed;

- GPRE must have received the resignations of the five GPRE directors as required by the VBV Merger Agreement. Other than the anticipated resignation of Mr. Hoovestol within 12 months following the mergers, no other officer departures are expected;

- All conditions to completing the Stock Purchase shall be satisfied;

- the requisite parties must have executed the Shareholders' Agreement;

- GPRE must have provided certain real estate title policies; and
- GPRE must have obtained acceptable directors' and officers' liability insurance.

The obligations of GPRE and GP Merger Sub to consummate and effect the VBV Merger are subject to the satisfaction or waiver of each of the following conditions:

- the representations and warranties of VBV provided in the VBV Merger Agreement must be true and correct in all material respects at and as of the closing date, except for inaccuracies that could not reasonably be expected to have a material adverse effect;

- VBV must have performed or complied in all material respects with all agreements and covenants required by the VBV Merger Agreement to be performed or complied with by it at or prior to the date the VBV Merger is to be completed;
- each of the Bioverda entities must have entered into the Shareholders' Agreement;
- each of the VBV members must have entered into the Lock Up Agreement;
- all conditions to the Stock Purchase must have been satisfied; and
- GPRE must have received the resignations of the appropriate officers and managers of VBV and the VBV Subsidiaries.

Termination of the VBV Merger Agreement

The VBV Merger Agreement may be terminated in accordance with its terms at any time prior to the completion of the VBV Merger, whether before or after the approval of shareholders of GPRE:

- by mutual written consent duly authorized by the board of directors of GPRE and the board of managers of VBV;
- by either VBV or GPRE if the VBV Merger shall not have been consummated by December 31, 2008, except that this right to terminate the VBV Merger Agreement shall not be available to any party whose action or failure to act has been a principal cause of or resulted in the failure of the VBV Merger to occur on or before such date and such action or failure to act constitutes a material breach of the VBV Merger Agreement;
- by either VBV or GPRE if a governmental entity shall have issued an order, decree or ruling or taken any other action (including the failure to have taken an action), in any case having the effect of permanently restraining, enjoining or otherwise prohibiting the VBV Merger, which order, decree, ruling or other action is final and nonappealable;
- by either VBV or GPRE if the required approval of the members of VBV or shareholders of GPRE contemplated by the VBV Merger Agreement shall not have been obtained;
- by GPRE, if VBV shall have breached any of its representations or warranties or failed to perform any covenant, which would give rise to a failure of a closing condition or cannot be cured within 30 calendar days, or in the event the VBV managers have withdrawn their recommendation or VBV has violated the non-solicitation provisions of the VBV Merger Agreement;
- by VBV, if GPRE shall have breached any of its representations or warranties or failed to perform any covenant, which would give rise to a failure of a closing condition or cannot be cured within 30 calendar days, or in the event the GPRE board of directors has withdrawn their recommendation or GPRE has violated the non-solicitation provisions of the VBV Merger Agreement; or
- if the cost estimated identified in the environmental assessments respecting certain GPRE properties exceeds $5,000,000.

Fees and Expenses

The VBV Merger Agreement provides that regardless of whether the VBV Merger is completed, except as set forth below, GPRE and VBV will each pay their own expenses incurred in connection with the VBV Merger, except that GPRE and VBV will share equally the filing fee under the HSR Act and certain environmental investigation costs.

In addition, VBV must pay to GPRE a termination fee of $6 million in each of the following circumstances:

- the VBV Merger Agreement is terminated by GPRE in accordance with the terms and subject to the conditions described above in " No Solicitation"; or

- prior to the closing date, a takeover proposal is made to VBV or directly to the VBV members generally or otherwise becomes publicly known or any person publicly announces an intention, whether or not conditional, to make a takeover proposal, the VBV Merger Agreement is terminated by either GPRE or VBV pursuant to their respective rights (but only if the approval of VBV members has not been obtained) and within 6 months after such termination, VBV enters into a definitive agreement to consummate, or consummates, the transactions contemplated by any takeover proposal.

GPRE must pay VBV a termination fee of $6 million in each of the following circumstances:

- the VBV Merger Agreement is terminated by VBV in accordance with the terms and subject to the conditions described above in " No Solicitation"; or

- prior to GPRE shareholders approving the transactions contemplated by the VBV Merger Agreement, a takeover proposal is made to GPRE or directly to the GPRE shareholders generally or otherwise becomes publicly known or any person publicly announces an intention, whether or not conditional, to make a GPRE takeover proposal, the VBV Merger Agreement is terminated by either GPRE or VBV pursuant to their respective rights (but only if a vote to obtain GPRE shareholder approval or the GPRE shareholder meeting has not been held) and within six months after such termination, GPRE enters into a definitive agreement to consummate, or consummates, the transactions contemplated by any takeover proposal.

Amendment, Extension and Waiver

The VBV Merger Agreement may be amended, at any time, by the parties, before or after approval of the GPRE shareholders, provided that after any such approval, no amendment can be made that requires further approval without such approval having been obtained. The VBV Merger Agreement may not be amended except by an instrument in writing signed on behalf of each of VBV and GPRE.

At any time prior to the closing either VBV or GPRE, may:

- extend the time for the performance of any of the obligations or other acts of the other parties hereto;

- waive any inaccuracies in the representations and warranties made to such party contained in the VBV Merger Agreement or in any document delivered pursuant thereto; and

- waive compliance with any of the agreements or conditions for the benefit of such party contained in the VBV Merger Agreement.

Any agreement to any extension or waiver will be valid only if set forth in an instrument in writing signed on behalf of such party. Delay in exercising any right under the VBV Merger Agreement shall not constitute a waiver of such right.

IBE Merger Agreement

Structure of the IBE Merger and Closing

Concurrently with the VBV Merger, IN Merger Sub will merge with and into IBE. Upon completion of the IBE Merger, IBE will be the surviving entity and a wholly-owned subsidiary of GPRE.

Officers and Directors

The directors of IBE will resign effective as of the closing and the manager of IN Merger Sub shall become the manager of the surviving entity.

Conversion of IBE Units, Option Conversion

Upon completion of the IBE Merger, each unit in IBE (other than units owned by VBV) shall be converted into the right to receive 731.997469 shares of GPRE common stock. As of the effective time, each such unit shall be automatically cancelled and each holder of such unit shall cease to have any rights with respect thereto except the right to receive the merger consideration. This exchange ratio is fixed and will not change, regardless of changes in the market price of GPRE's common stock.

Each outstanding IBE Option, whether vested or unvested, shall be converted into and become the right to acquire shares of GPRE common stock. GPRE shall assume each IBE Option in accordance with its terms and conditions. From and after the effective time, each IBE Option assumed by GPRE may be exercised solely for shares of GPRE common stock. The number of shares of GPRE common stock subject to each IBE Option and the exercise price shall be adjusted to take into account the IBE Merger and the IBE Merger consideration, and any restriction on the exercise of an IBE Option shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions shall remain the same.

Exchange Procedure

Promptly after the effective time of the IBE Merger, and following receipt by GPRE of the unit certificate(s) and appropriate submittals from each holder of an IBE unit, GPRE will deliver to each such IBE unit holder (except to the extent it received notice of a transfer or a pledge in accordance with its operating agreement) a certificate representing the number of whole shares of GPRE common stock to which such holder is entitled under the IBE Merger Agreement.

Except to the extent that IBE or EGP received notice of a transfer of an IBE or EGP Unit and the transfer or pledge complies with the requirements of the respective operating agreement of IBE or EGP, GPRE shall be entitled to treat the person in whose name any units issued by IBE or EGP stand on the books of IBE or EGP as the owner of that unit, and shall not be bound to recognize any equitable or other claim to, or interest in, that unit on the part of any other person.

Representations and Warranties

Each party to the agreement made certain representations and warranties with respect to the authorization of the transaction and any obligations with respect to broker's fees. In addition, GPRE and IN Merger Sub also made representations about noncontravention of existing statutes, regulations or orders of governmental entities and organizational documents or agreements. The representations and warranties made by GPRE in the VBV Merger Agreement are incorporated into the IBE Merger Agreement.

Conditions to Closing

The respective obligations of each party to complete the IBE Merger are subject to the completion of the VBV Merger and the vote or approval of the members of IBE holding at least 75% of the IBE Units.

Termination of IBE Merger Agreement

The IBE Merger Agreement shall terminate if the VBV Merger Agreement is terminated. In the event of a termination, the IBE Merger Agreement shall become void and have no effect, without any liability or obligation on the part of any party.

The EGP Merger Agreement

Structure of the EGP Merger and Closing

At closing of the EGP Merger, TN Merger Sub will merge with and into EGP. EGP will be the surviving entity and a wholly-owned subsidiary of GPRE. The closing of the EGP Merger will take place concurrently with the VBV Merger.

Officers and Directors

The directors of EGP will resign effective as of the closing and the manager of TN Merger Sub shall become the manager of the surviving entity.

Conversion of EGP Units, Option Conversion

Upon completion of the EGP Merger, each unit in EGP (other than units owned strictly by VBV) shall be converted into the right to receive 0.151658305 shares of GPRE common stock. As of the effective time, each such unit shall be automatically canceled and each holder of a unit shall cease to have any rights with respect thereto except the right to receive the merger consideration. This exchange ratio is fixed and will not change, regardless of changes in the market price of GPRE's common stock.

Each outstanding EGP Option, whether vested or unvested, shall be converted into and become the right to acquire shares of GPRE common stock. GPRE shall assume each EGP Option in accordance with its terms and conditions. From and after the effective time, each EGP Option may be exercised solely for shares of GPRE common stock. The number of shares of GPRE common stock subject to each EGP Option and the exercise price shall be adjusted to take into account the EGP Merger and the EGP Merger consideration and any restriction on the exercise of an EGP Option shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions shall remain the same.

Exchange Procedures

Promptly after the effective time of the EGP Merger, and following receipt by GPRE of the unit certificate(s) and appropriate submittals from each holder of an EGP unit (other than VBV), GPRE will deliver to each such EGP unit holder (except to the extent it received notice of a transfer or pledge in accordance with its operating agreement) a certificate representing that number of whole shares of GPRE common stock to which such holder is entitled under the EGP Merger Agreement.

Except to the extent that IBE or EGP received notice of a transfer or pledge of an IBE or EGP Unit and the transfer or pledge complies with the requirements of the respective operating agreement of IBE or EGP, GPRE shall be entitled to treat the person in whose name any units issued by IBE or EGP stand on the books of IBE or EGP as the owner of that unit, and shall not be bound to recognize any equitable or other claim to, or interest in, that unit on the part of any other person.

Representations and Warranties

Each party to the agreement made certain representations and warranties with respect to the authorization of the transaction and any obligations with respect to broker fees. In addition, GPRE and TN Merger Sub also made representations about noncontravention of existing statutes, regulations or orders of governmental entities and organizational documents or agreements. The representations and warranties of GPRE in the VBV Merger Agreement are incorporated into the EGP Merger Agreement.

Conditions to Closing

The respective obligations of each party to complete the EGP Merger is subject to the completion of the VBV Merger and the vote or approval of the members of EGP holding at least a majority of the EGP units.

Termination of EGP Merger Agreement

The EGP Merger Agreement shall terminate if the VBV Merger Agreement is terminated. In the event of a termination, the EGP Merger Agreement shall become void and have no effect, without any liability or obligation on the part of any party.

THE LOCK-UP AND VOTING AGREEMENTS

In connection with the execution of the VBV Merger Agreement, certain affiliates of GPRE and VBV have entered into Lock-up and Voting Agreements setting forth, among other things, their respective obligations to vote in favor of the Mergers and the transactions related to the Mergers. The following summary is qualified in its entirety by reference to the provisions of the Lock-up and Voting Agreements, each of which are attached to this proxy statement/prospectus as Appendix E.

The current executive officers and directors of GPRE, Wayne B. Hoovestol, Jerry L. Peters, Robert D. Vavra, Dan E. Christensen, Brian D. Peterson, Gordon F. Glade, David A. Hart, R. Stephen Nicholson, Gary R. Parker and Michael A. Warren, in their capacities as shareholders of GPRE (the "named GPRE shareholders"), have entered into an agreement with VBV, referred to as the GPRE Lock-Up and Voting Agreement, pursuant to which each named GPRE shareholder agreed to vote his respective shares of GPRE common stock in favor of the adoption and approval of the VBV Merger Agreement and any actions required in furtherance thereof at the GPRE special meeting. Collectively, these individuals beneficially own approximately twenty-nine percent (29%) of the total voting power of GPRE's issued and outstanding common stock.

The Bioverda entities have entered into an agreement with GPRE, referred to as the VBV Lock-Up and Voting Agreement, pursuant to which the they agree to vote their respective units of VBV, representing ninety percent (90%) of the total voting power of VBV common units, in favor of the adoption and approval of the VBV Merger Agreement and any actions required in furtherance thereof.

In addition, under the GPRE and VBV Lock-up and Voting Agreements, the named GPRE shareholders (with respect to GPRE) and the Bioverda entities (with respect to VBV) have each agreed to vote against:

- Any action or agreement that would result in a breach in any respect of any covenant or any other obligation or agreement of such party under the VBV Merger Agreement; or

- Any action involving such party which is intended or could reasonably be expected to impede, interfere with, delay, postpone or materially adversely affect the transactions contemplated by the VBV Merger Agreement.

For a period of 90 days following the completion of the Mergers, the named GPRE shareholders agree not to sell, transfer, pledge, assign or otherwise dispose of their shares of GPRE common stock to which the voting arrangements described above apply, and the Bioverda entities agree not to sell, transfer, pledge, assign or otherwise dispose of the shares of GPRE common stock they receive in connection with the Merger and the transactions contemplated thereby, in each case subject to certain exceptions. Wilon has also entered into just this portion of the Lock-Up and Voting Agreement.

The Lock-Up and Voting Agreements will generally terminate upon the earlier of 90 days after the date on which the VBV Merger is completed or the termination of the VBV Merger Agreement.

THE SHAREHOLDERS' AGREEMENT

In connection with the execution of the VBV Merger Agreement, and as a condition to closing the Mergers, GPRE, Wayne B. Hoovestol, in his capacity as a GPRE shareholder, the Bioverda entities and Wilon have agreed to enter into a Shareholders' Agreement as of the effective time of the Mergers, that will govern certain rights and obligations of the parties as among themselves. The following summary is qualified in its entirety by reference to the provisions of the Shareholder's Agreement, which is attached to this proxy statement/prospectus as Appendix F. For the purposes of this summary, Mr. Hoovestol, the Bioverda entities and Wilon are referred to collectively as "holders," "sellers" or "selling holders," and any shares of GPRE common stock beneficially owned by them at any time during the term of the Shareholders' Agreement (which includes the 10 million shares issued to the Bioverda entities in the Stock Purchase) are referred to as the "registrable securities."

Registration Rights

Under the Shareholders' Agreement, at any time after 18 months following the closing of the Mergers:

- the holders of at least 30% of the registrable securities subject to the agreement may request that GPRE file a Form S-1 registration statement with respect to at least 20% of their registrable securities.

- the holders of at least 20% of the registrable securities subject to the agreement may request that GPRE file a Form S-3 registration statement with respect to registrable securities having an anticipated aggregate offering price of at least $5 million dollars.

In both cases, if GPRE believes in its good faith judgment that such registration statement would be materially detrimental to GPRE and its shareholders, GPRE shall have the right to defer taking action with respect to the filing such registration statement for a period of not more than 75 days after such request. GPRE may invoke this right two times in any 12-month period.

GPRE shall not be obligated to file a Form S-1 registration statement (i) during a period that is 30 days before and 90 days after the effective date of a GPRE-filed registration statement; (ii) after GPRE has effected two registration statement under the Shareholders' Agreement; or (iii) if the request for registration can be effected on a Form S-3 registration. Additionally, GPRE shall not be obligated to file a Form S-3 registration statement (i) during a period that is 30 days before and 90 days after the effective date of a GPRE filed registration statement; or (ii) if GPRE has effected two Form S-3 registrations within the 12 months preceding such request. In no event shall GPRE be obligated to effect more than four registrations under the Shareholders' Agreement.

In the event GPRE proposes to register any of its common stock, it shall be obligated to give notice to the holders of registrable securities under the Shareholders' Agreement to allow them to piggyback onto such registration, and include such holders' registrable securities in such registration. In any offering by GPRE involving an underwriting of GPRE shares, GPRE shall not be required to include any holders' registrable securities unless the holders agree to the terms agreed to by GPRE and then only in such amounts as the underwriters determine will not jeopardize the success of the offering by GPRE.

If the registration request by holders includes a request to distribute registrable securities by means of an underwriting, the holders must make such a request of GPRE. All holders proposing to distribute their securities through such underwriting shall be party to an underwriting agreement and if a limit is imposed on the number of shares to be underwritten, then all holders shall be allocated their proportionate share of such underwriting. If, as a result of an underwriter cutback, fewer than 50% of the registrable securities requested to be registered by the holders are included in such registration, then that registration shall not be counted toward the maximum number of registrations permitted under the Shareholders' Agreement.

When required to effect a registration, GPRE is obligated to, among other things, (i) prepare and file with the SEC the applicable registration statement, amendments and supplements as necessary; (ii) take other usual and customary actions to provide information to the holders, and effect such registration; (iii) use its commercially reasonable efforts to cause the registrable securities to be listed on a national securities exchange or trading system, and (iv) pay all such expenses of such registration other than (a) selling expenses, underwriting discounts, selling commissions, and stock transfer taxes related to the selling holders' shares, and (b) fees of selling holders' legal counsel.

GPRE and the selling holders agree to indemnify the other, under certain circumstances, from any loss, damage or liability to which a party may become subject under federal and state securities laws in connection with their respective obligations under the Shareholders' Agreement. GPRE further agrees (i) to make and keep available adequate current public information, and (ii) that it shall not, for a period two years after the date of the Shareholders' Agreement, without the consent of the holders of the majority of registrable securities covered by the agreement, allow any holder or prospective holder to include such securities in any registration or allow any holder or prospective holder to initiate a demand for registration. The registration rights granted under the Shareholders' Agreement shall terminate upon the fifth anniversary of the date of the agreement.

Voting and Board Provisions

The Shareholders' Agreement also provides that the parties to the agreement will cause the GPRE board of directors, following the Mergers, to be comprised of not more than nine directors, unless such increase is approved by at least six of the directors then serving. Of the nine directors, the Bioverda entities will have the collective right to designate four individuals to be nominated by the board to stand for election (the "Bioverda Nominees") and Wilon will have the right to designate one individual to be nominated by the board to stand for election (the "Wilon Nominee"). The right of the Bioverda entities and Wilon to designate director nominees shall continue so long as they own shares representing not less than 32.5% and 2.5%, respectively, of the outstanding common stock of GPRE.

GPRE shall cause the Bioverda Nominees and Wilon Nominee to be nominated for election as directors of GPRE at each meeting of GPRE's shareholders where the election of directors is held. In addition, GPRE shall solicit proxies for the election of such Nominees and recommend that shareholders vote in favor of each Nominee. Additionally, each of Bioverda International, Bioverda US, Wilon and Wayne Hoovestol agree to vote in favor of all Nominees to the board of directors. If a vacancy on the board of directors of GPRE is created as a result of the resignation, removal or death of a Nominee, then any of the parties entitled to designate a Nominee shall be entitled to request a special meeting of the shareholders for the purpose of electing directors, and the GPRE shall be required to call such meeting.

The Shareholders' Agreement also provides that each committee of the GPRE board of directors shall, subject to applicable director independence rules, include at least two Bioverda Nominees or one Bioverda Nominee and one Wilon Nominee.

From the date of the Shareholders' Agreement until such time as GPRE has issued an aggregate of at least 6,000,000 shares of common stock to non-affiliates of GPRE, the Bioverda entities and Wilon agree to vote or cause to be voted, their shares of GPRE common stock in favor of four independent nominees proposed by GPRE in accordance with the GPRE nominating committee policy, in the same proportion as the shareholders of GPRE not affiliated with Bioverda and Wilon.

Other Matters

The Shareholders' Agreement also provides that GPRE will indemnify the directors nominated by the Bioverda entities and Wilon in a manner that is equivalent to what is currently provided by GPRE to its directors, and further provides that GPRE will compensate and reimburse those directors consistent with GPRE' compensation policies.

Additionally, the parties to the Shareholders' Agreement agree that, following the effective time of the mergers, the headquarters of GPRE will remain in Omaha, Nebraska until such time as determined otherwise by GPRE's board of directors.

STOCK PURCHASE AGREEMENT

In connection with the VBV Merger Agreement, GPRE and the purchasers described below entered into a Stock Purchase Agreement dated May 7, 2008. The following summary of the Stock Purchase Agreement is qualified in its entirety by reference to the provisions of the Stock Purchase Agreement, which is attached as Appendix D hereto.

The Purchase of GPRE Shares

Concurrently with the closing of the Mergers, Bioverda International and Bioverda US (together, the "purchasers") agree to purchase 5,400,000 and 600,000 shares, respectively, of GPRE common stock at a purchase price of $10.00 per share, for a total purchase price of $60,000,000.

Representations and Warranties of the Purchasers

Each purchaser made certain representations and warranties to GPRE, including with respect to their authority to enter into the Stock Purchase Agreement, and certain investment representations with respect to the acquisition of the shares. GPRE made certain representations and warranties to the purchasers including the authorization of the transaction, noncontravention with outstanding statutes, regulations or orders of governmental entities or the conflict or breach of agreements and contracts and certain representations with respect to registration exemptions under the Securities Act of 1933. In addition, the representations and warranties of GPRE in the VBV Merger Agreement are incorporated by reference into the Stock Purchase Agreement.

Covenants Relating to Conduct of Business

The covenants that GPRE made in the VBV Merger Agreement with respect to the conduct of its business are incorporated by reference into the Stock Purchase Agreement.

Other Agreements

Each party agrees to use its reasonable best efforts to consummate the transactions contemplated by the Stock Purchase Agreement. The covenants of GPRE with respect to non-solicitation and corporate governance matters set forth in the VBV Merger Agreement are incorporated by reference into the Stock Purchase Agreement.

Closing

The closing of the sale and purchase of the shares shall take place on the closing date of the Mergers if specified closing conditions are met.

Conditions to Obligations to Close

Each party's obligation to close the purchase and sale of the shares is subject to completion of the Mergers. GPRE's obligations to close are also conditioned upon the representations and warranties of each individual purchaser being true and correct in all material respects as of the closing date and the execution of the Lock-Up and Voting Agreements.

The purchasers' obligations to close are subject to the satisfaction of the following conditions:

- Representations and warranties of GPRE, except for inaccuracies that do not and could not reasonably be expected to result in a material adverse effect, shall be true and correct in all respects as of the closing date;

- GPRE shall have performed and complied with all of its covenants under the Stock Purchase Agreement in all material respects;

No material adverse change, as defined in the Stock Purchase Agreement, shall have occurred between the date of GPRE's last filed periodic report pursuant to the Exchange Act and the closing date;

GPRE shall have obtained any and all necessary consents, permits and waivers; and

GPRE shall have executed and delivered the Shareholders' Agreement.

Termination of the Agreement

The Stock Purchase Agreement may be terminated at any time prior to the closing of the Mergers, whether before or after the approval of GPRE's shareholders, by (i) the mutual consent of GPRE and a majority of the purchasers; (ii) by a majority of the purchasers if the conditions to the obligation of the purchasers to close have not been met (as described above); and (iii) if the VBV Merger Agreement is terminated by VBV or GPRE under certain limited circumstances provided for in the VBV Merger Agreement.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS AND RELATED NOTES THERETO

The following unaudited pro forma condensed combined financial statements are based upon the combined historical financial position and results of operations of GPRE and VBV. The unaudited pro forma condensed combined financial statements give effect to the Mergers and the Stock Purchase and the other transactions contemplated thereby.

Basis of Presentation

GPRE will account for the Mergers under the purchase method of accounting for business combinations pursuant to Statement of Financial Accounting Standard ("SFAS") No. 141. Under the purchase method of accounting in a business combination effected through an exchange of equity interests, the entity that issues the equity interests is generally the acquiring entity. In some business combinations (commonly referred to as reverse acquisitions), however, the acquired entity issues the equity interests. SFAS No. 141 requires consideration of the facts and circumstances surrounding a business combination that generally involve the relative ownership and control of the entity by each of the parties subsequent to the merger. Based on a review of these factors, the Mergers will be accounted for as a reverse acquisition, i.e., GPRE will be considered the acquired company and VBV will be considered the acquiring company. As a result, GPRE's assets and liabilities will be incorporated into VBV's balance sheet based on the fair values of the net assets acquired which should equal the consideration paid for the acquisition. Further, the Company's operating results will not include GPRE's results prior to the date of closing. The Company's fiscal year end will change to VBV's fiscal year end of March 31 following the closing. SFAS No. 141 also requires an allocation of the acquisition consideration to individual assets and liabilities including tangible assets, financial assets, separately recognized intangible assets, and goodwill. Although VBV will be considered the acquiring entity, the Company intends to retain its name of Green Plains Renewable Energy, Inc.

The unaudited pro forma combined balance sheet of GPRE as of June 30, 2008 combines the balance sheets of GPRE as of May 31, 2008, and VBV as of June 30, 2008, after giving effect to the pro forma adjustments, and has been prepared as if the Mergers and the Stock Purchase had occurred on June 30, 2008. The adjustments included in the unaudited pro forma condensed combined financial statements represent GPRE's preliminary determination of the purchase price allocation based upon available information and there can be no assurance that the actual adjustments will not differ significantly from the pro forma adjustments reflected in the pro forma financial information. The unaudited pro forma combined statements of operations for the year ended March 31, 2008, combines the statements of operations for GPRE for the twelve months ended February 29, 2008, with VBV for the fiscal year ended March 31, 2008, after giving effect to the pro forma adjustments, and has been prepared as if the Mergers and the Stock Purchase had occurred as of the beginning of the period. The unaudited pro forma combined statements of operations for the fiscal quarter ended June 30, 2008, combines the statements of operations for GPRE for the three months ended May 31, 2008, with VBV for the three months ended June 30, 2008, after giving effect to the pro forma adjustments, and has been prepared as if the Mergers and the Stock Purchase had occurred as of the beginning of the fiscal year ended March 31, 2008.

The unaudited pro forma condensed combined financial information is provided for informational purposes only and is not necessarily indicative of the consolidated results of operations of GPRE had the Mergers and the Stock Purchase occurred on the dates indicated above, or that may be realized in the future. The unaudited pro forma condensed combined financial information should be read in conjunction with "GPRE Management's Discussion and Analysis of Financial Condition and Results of Operations" and "VBV Management's Discussion and Analysis of Financial Condition and Results of Operations", and with the historical financial statements of GPRE and the related notes thereto, as well as the historical financial statements of VBV and the related notes thereto, which are included in this proxy statement/prospectus.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF JUNE 30, 2008

(in thousands)

	GPRE May 31, 2008	VBV June 30, 2008	Pro Forma Adjustments	Pro Forma at June 30, 2008
Current assets				
Cash and cash equivalents	$ 7,337	$ 1,639	$ 60,000 d	$ 68,976
Trade accounts receivable, net	10,713			10,713
Inventories	64,579	1,846		66,425
Derivative financial instruments	5,042			5,042
Corn purchase contracts			21,189 b	21,189
Other current assets	11,435	4,338		15,773
Total current assets	99,106	7,823	81,189	188,118
Property, plant and equipment, net	188,818	273,495	(60,153)b	402,160
Other assets	12,373	8,903	(4,954)b	16,322
Total assets	$ 300,297	$ 290,221	$ 16,082	$ 606,600
Current liabilities				
Current maturities of long-term debt	$ 32,017	$ 6,593	$	$ 38,610
Accounts payable and accrued liabilities	29,989	25,782		55,771
Other current liabilities	3,960			3,960
Total current liabilities	65,966	32,375		98,341
Long-term debt and other	112,217	110,499		222,716
Deferred income taxes	7,452		(7,452)b	
Total liabilities	185,635	142,874	(7,452)	321,057
Minority interests		38,432	(38,432)a	
Stockholders' equity				
Common stock; historically, 25,000,000 shares authorized, 7,819,528 shares issued and outstanding; and pro forma, 50,000,000 shares authorized, 24,691,000 shares issued and outstanding	8		3 a	25
			8 c	
			6 d	
Additional paid-in capital	106,763		38,429 a	290,252
			(28,575)b	
			113,641 c	
			59,994 d	
Retained earnings (accumulated deficit)	7,891		(7,891)b	(4,734)
			(4,734)c	
Members' capital		108,915	(108,915)c	
Total stockholders' equity	114,662	108,915	61,966	285,543

	GPRE	VBV		
Total liabilities and stockholders' equity	$ 300,297	$ 290,221	$ 16,082	$ 606,600

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

FOR THE FISCAL YEAR ENDED MARCH 31, 2008

(in thousands, except per share amounts)

	GPRE	VBV		Pro Forma
	Twelve Months Ended February 29, 2008	Fiscal Year Ended March 31, 2008	Pro Forma Adjustments	Fiscal Year Ended March 31, 2008
Revenues	$ 62,046	$	$	$ 62,046
Cost of goods sold	45,143			45,143
Gross profit	16,903			16,903
Operating expenses	11,014	5,423	(573)e	16,030
			166 f	
Operating income (loss)	5,889	(5,423)	407	873
Other income (expense):				
Interest income	813	1,418		2,231
Interest expense, net of amounts capitalized	(2,107)	(3)		(2,110)
Net loss on derivative financial instruments	(1,349)			(1,349)
Other, net	29	8		37
Total other income (expense)	(2,614)	1,423		(1,191)
Income (loss) before income taxes	3,275	(4,000)	407	(318)
Minority interest		(480)	480 g	
Income tax provision (benefit)	1,258		(1,385)h	(127)
Net income (loss)	$ 2,017	$ (3,520)	$ 1,312	$ (191)
Earnings per share:				
Basic	$ 0.32	$ (3,520.11)	n/a	$ (0.01)
Diluted	$ 0.32	(3,520.11)	n/a	$ (0.01)
Weighted average shares outstanding:				
Basic	6,383	1	n/a	24,121