

First Climate launches new Luxembourg subsidiary

First Climate marks its new asset management license with the opening of its Luxembourg subsidiary.

Bad Vilbel – Frankfurt / Luxembourg, October 23, 2008 – First Climate, one of Europe's leading carbon asset management companies has today announced the launch of the First Climate Asset Management S.A. in Luxembourg. The new subsidiary has received a comprehensive asset management license from the Luxembourg financial services authority CSSF. This license enables the First Climate Asset Management S.A. to act as a private portfolio manager, distributor of UCI (Undertakings for Collective Investments) units or shares and registrar agent, as domiciliary agent of companies and as administrative agent of the financial sector. By opening an office in the second largest fund center in the world, First Climate is further developing its customer base among institutional investors in Europe, providing carbon investment advisory, asset management and administration services.

The carbon market continues to grow rapidly, reaching a size of \$60 billion in 2007, almost doubling from just \$33 billion in 2006. Institutional investors are increasingly looking for ways to participate in this new and largely uncorrelated asset class. First Climate already is advisor to two Luxembourg regulated SICARs, Climate Change Investment I and II, and plans to expand its carbon asset advisory capacities from its new base in Luxembourg.

Martin Schulte and Ralph Brödel are heading the Luxembourg subsidiary and are responsible for developing this new location. Prior to joining First Climate, Martin Schulte was a senior associate with KWF Business Consultants S.A. and the CEO of Hypo Pfandbrief Bank International in Luxembourg and has several years of experience working in Treasury, Derivatives and Bond Markets and Bank Management in Germany, Luxembourg and Ireland. Ralph Brödel joins First Climate from Aareal Bank's Dublin Branch where he was General Manager, responsible for risk control, operations, accounting and compliance. Prior to that, he spent several years in Derivatives Trading and Risk Controlling positions in Germany and Luxembourg, culminating in his position as Member of the Board of Hypo Pfandbrief Bank International.

Commenting on their appointment to the First Climate Asset Management S.A., Markus Hübener, CEO of First Climate Group said: "We are delighted that, as regulated asset managers under the Luxembourg jurisdiction, we are now in a position to develop additional innovative and sophisticated investment products to respond to the increased demand we are seeing among our customers and investors. We have ambitious plans to grow the carbon advisory business, and with Martin and Ralph we have a team with extensive industry knowledge and international experience. They will drive forward the development of our carbon asset management business." Martin Schulte, Managing Director of the First Climate Asset Management S.A., commented: "I am looking forward to working with First Climate at this exciting stage in the development of the carbon market. By opening this new office, we are in an excellent position to benefit from the many advantages of the Luxembourg financial markets."

The new office can be contacted at:

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First Climate is one of Europe's leading carbon asset management companies. With offices on four continents and more than ten years' experience in the market, it is one of the few intermediaries to cover the entire carbon credit value chain. First Climate develops, finances, and implements CDM, JI, and VER projects, purchases the resulting carbon credits, and customizes trading solutions for companies subject to the EU ETS. As investment advisor to several institutional investors, First Climate structures and develops carbon funds and related products. In the voluntary market, the company provides VERs verified according to the highest international standards. First Climate is one of the main sponsors of the Gold Standard Version 2.

Contact

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