



PRESS RELEASE

for immediate release

Macquarie Group and First Climate form strategic cooperation to further develop CDM opportunities in China

Combining market position and access to strengthen worldwide Clean Development Mechanism (CDM) project portfolio

London / Zurich – Frankfurt, November 6, 2008 – Macquarie Group, a global provider of banking, financial, advisory, investment and funds management services, and First Climate AG, a fully integrated carbon asset management company, today announced a broad strategic cooperation designed to strengthen and expand their respective pipelines of emission reduction projects in China. First Climate's current pipeline of projects in China includes the whole range of emission reduction projects, such as wind, hydro, industrial gases and waste heat projects.

The cooperation agreement covers project sourcing and development as well as the management and sharing of the resultant Certified Emission Reductions. The companies have further agreed to explore joint financing opportunities in CDM projects.

China currently accounts for 60% of carbon credit trading under the CDM developed under the Kyoto Protocol. In a rapidly expanding competitive market, drawing on the respective expertise that the alliance partners bring is expected to strengthen both companies' market position, enabling better service to our partners in China.

"We are excited to be working closely with First Climate to source and develop CDM projects in China. First Climate has been able to build up a substantial project portfolio; their technical expertise will help Macquarie to better access the substantial deal potential in China. Both our companies are now better placed to capitalise on the many opportunities we see", says John Marlow, Head of Environmental Financial Products within Macquarie's Treasury and Commodities Group.

"This new strategic alliance offers an important milestone for our mutual businesses' development in China" says Thomas Stetter, Member of the Executive Board of First Climate AG. "Macquarie Group has had an active presence in China since 1995. The Group's extensive risk management experience, relationships and resources will prove an added benefit in expanding our existing portfolio of projects in China."

The projects jointly sourced and managed under the Macquarie/First Climate cooperation will be available for customers via Macquarie Bank's diverse range of financial services and First Climate's portfolio of carbon asset management products.

The **Macquarie Group** is a market leader in Australia and New Zealand for investment and financial services. In Asia, Macquarie offers a full range of investment, financial market and advisory products and services. Macquarie has been active in China since 1995 and offers services including property structured finance



advisory, corporate finance advisory and market research. Macquarie's Environmental Financial Products team has a strong presence across Asia, Europe and the US, and is pursuing and executing emissions-related transactions and investments across these regions.

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.

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