

camco

# Investor Presentation

Trading Update 31 December 2009

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Camco – an emission reduction company

# Camco – Emission Reduction Business

## Vision

- Creating a low emission economy

## Ambition

- Be the leading global emission reduction company

## Mission

- To generate value from emission reduction activities while supporting a low emission economy

## Role

- Excellent in policy understanding & technical delivery
- Commercially creative and astute

## Description

- 220 staff
- 5 regional hubs: Africa, North America, UK, China and Russia
- Over 500 projects (200 carbon, 300 advisory)
- 2008 revenues: ~€40m

## Recent Awards



# 1. Business Highlights

- Completed 2 structured transactions - €14.4m upfront cash proceeds
- Strong cash position €28m as of 30 December 2009
- Positive cash flow for the year
- Carbon portfolio matured
  - 80% increase in project passing first verification
  - ~70% of the CER portfolio registered as to 30 December 2009
- Scott McGregor appointed as Chief Executive of Camco

## 2. Copenhagen - Outcome

Participants demonstrated real commitment towards emission reductions world wide.

As expected there are still open questions with regard to the extent of the regulatory frame work.

- First time emerging economies made International ER commitments
- Significant financial commitment;
  - \$30bn to 2012 for emission reduction in the least developed countries
  - \$100bn/year by 2020
- Increased streamlining of CDM processes
  - More transparency, creating certainty around the process
  - Will come into effect 2nd half of 2010
- Agreement to establish a mechanism for emissions reductions from REDD

## 2. Copenhagen – Future development

Copenhagen was a step in a series of legislation, international and national, focused on subsidising cleaner energy measures

- Acceptance of international monitoring - eases potential cap and trade acceptance in the USA
- 2020 targets will be established and create more certainty around ER market
- Details of delivery mechanisms will need to be established
- Growth market in mitigation and adaptation projects as funds begin to flow
- Likely to be a form of cap and trade in emerging economies

# 3. Carbon

The carbon portfolio is maturing with a ~80% increase in “in specie” tonnes through 1st verification since September 2009. Stable pipeline and progress through the registration process

## Structured transactions

- Executed two structured forward transactions totalling 4.5m tonnes
- €14.4 million upfront payment, non recourse with respect to delivery
- Leading the market in commercial capabilities

## Maturing of the carbon portfolio

- 80% increase in “in specie” first independent verification tonnes
- ~70% of the CER portfolio now registered
- Maturing carbon portfolio, progressing through the regulatory pipeline

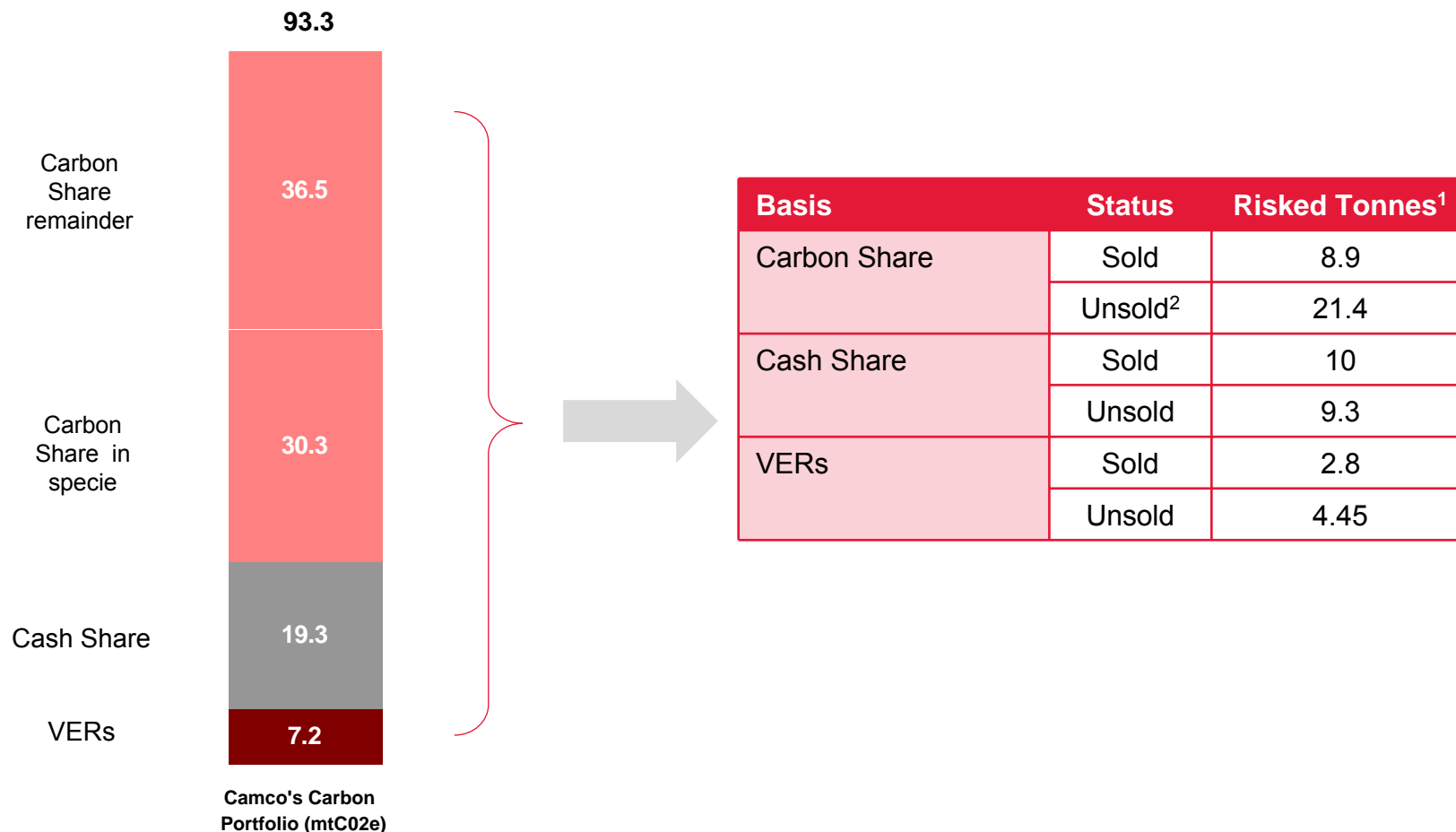
### 3. Carbon Business Unit – Portfolio

The carbon portfolio is maturing with a ~80% increase in “in specie” tonnes through 1st verification since September 2009. Stable pipeline and progress through the registration process

Stage	Risk Adjusted 25-Sep-09	Risk Adjusted 31-Dec-09	Change % Sep-Dec
Contracted	91.6	93.3	1.9%
Submitted	50.0	64.1	28.2%
Registered	49.3	50.0	1.5%
First verification	31.0	44.9	<b>44.8%</b>
Issued	8.1	8.8	9.0%
Financed	80.0	83.0	4.10%
Under Construction	77.8	82.3	5.77%
Operational	62.2	70.0	12.49%

# 3. Carbon Business Unit - Portfolio

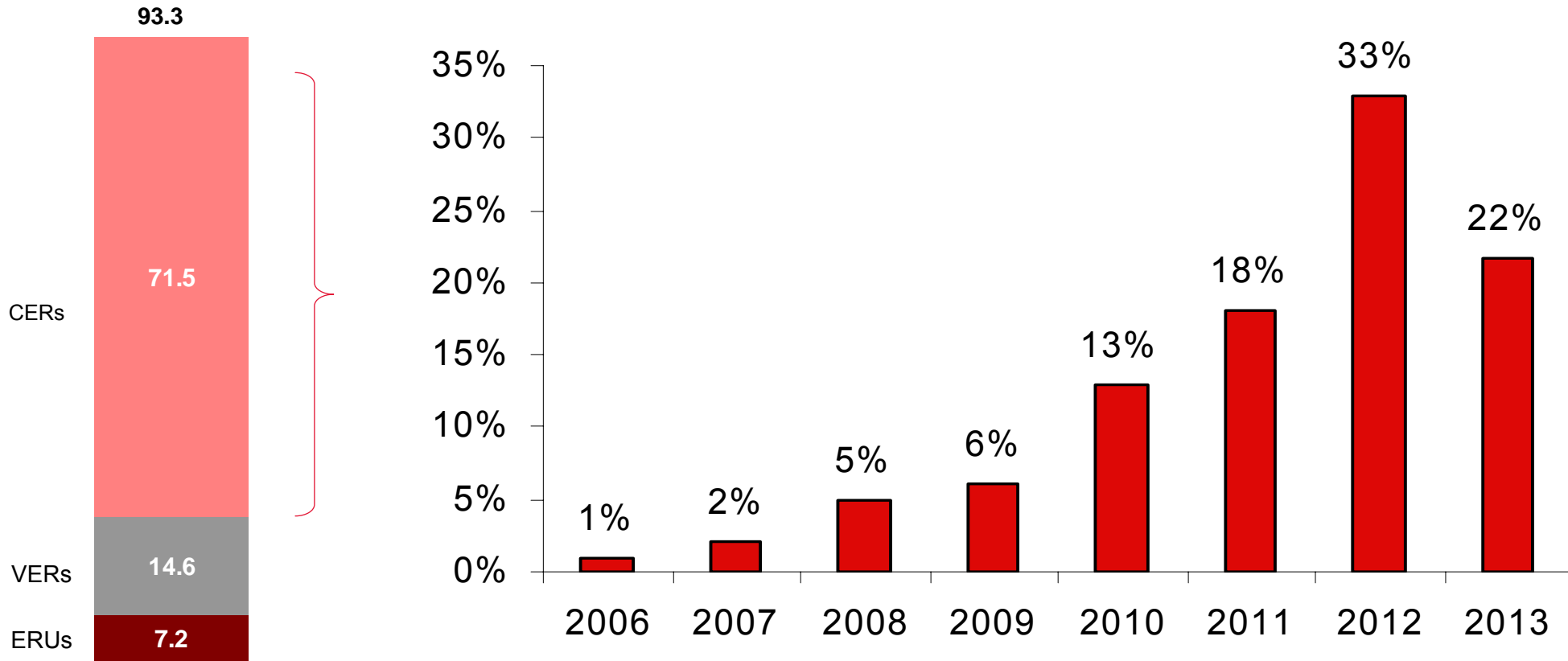
Camco continues to grow its portfolio and to move projects through the CDM registration process



1. This amount will fluctuate as additional tonnes are contracted and conservative write downs occur
2. Average buy price is in the range of €7.50-8.50

# 3. Carbon Business Unit – Issuance

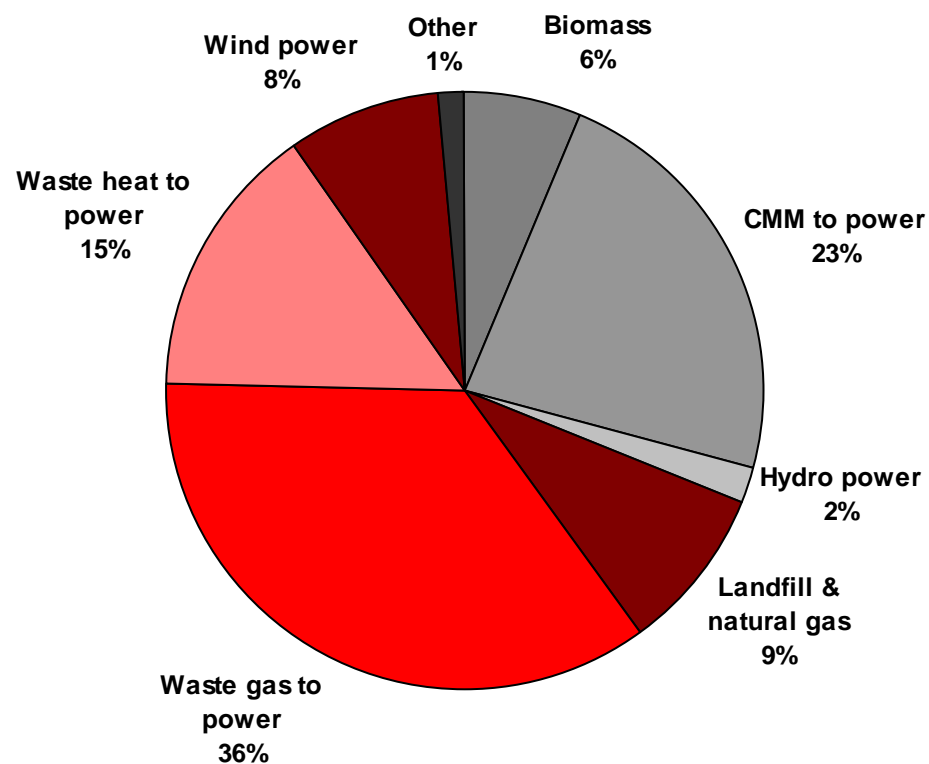
Estimated CER issuance over time %



# 3. Carbon Business Unit – Diversified Portfolio

Camco's portfolio is increasingly diverse with the focus of origination activities being on non-cyclical, low risk, power generation projects

Breakdown of CER portfolio by technology



# 4. Advisory

**Unit has gone through deep restructuring, moving the business towards profitability**

## **Restructuring**

- Deep cost cutting on all levels, mainly support functions
- New management has been appointed
- Regionalised focus of the business, emphasis on profitability

## **Bearing fruits**

- Team is winning large contracts with private and government entities
- Exceeding internal management sale targets
- Improving market conditions could create a resurgence in demand in the UK and China

# 5. Investment

Unit has been moving towards project development focusing on the US and China

## Recent developments

- Secured funding for expansion and development of our Vanadium Redox flow battery
- Expanding activities in energy efficiency - signed agreements with US players
- China investment team is continuing to expand activities across the region
- Camco is building an investable pipe-line in key markets

