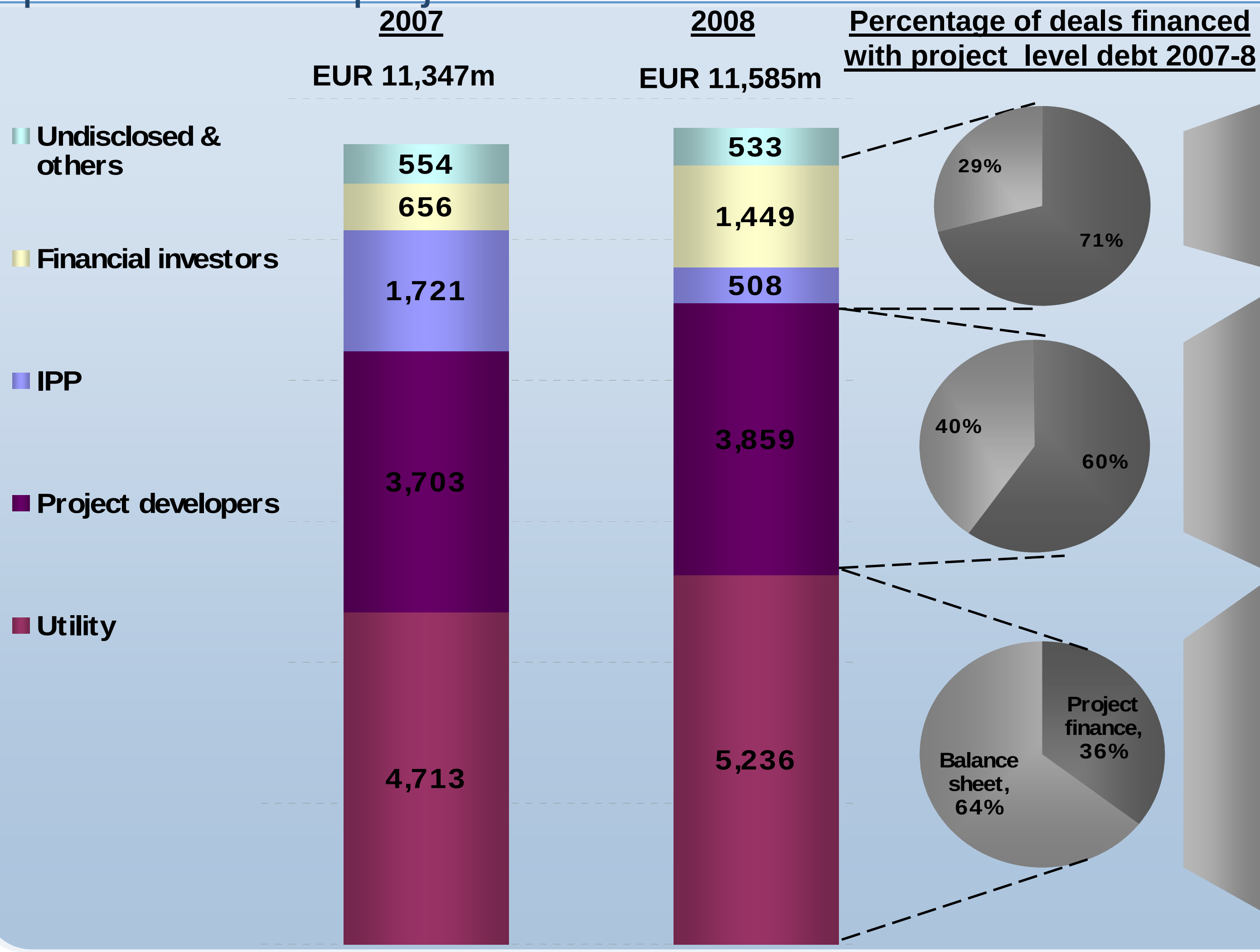
Project developers and utilities dominate capital spending; smaller sponsors depend more on project financing

EU 27 new build wind asset finance 2007-2008 by type of sponsor and sponsors use of project finance: EURm and %



Trends

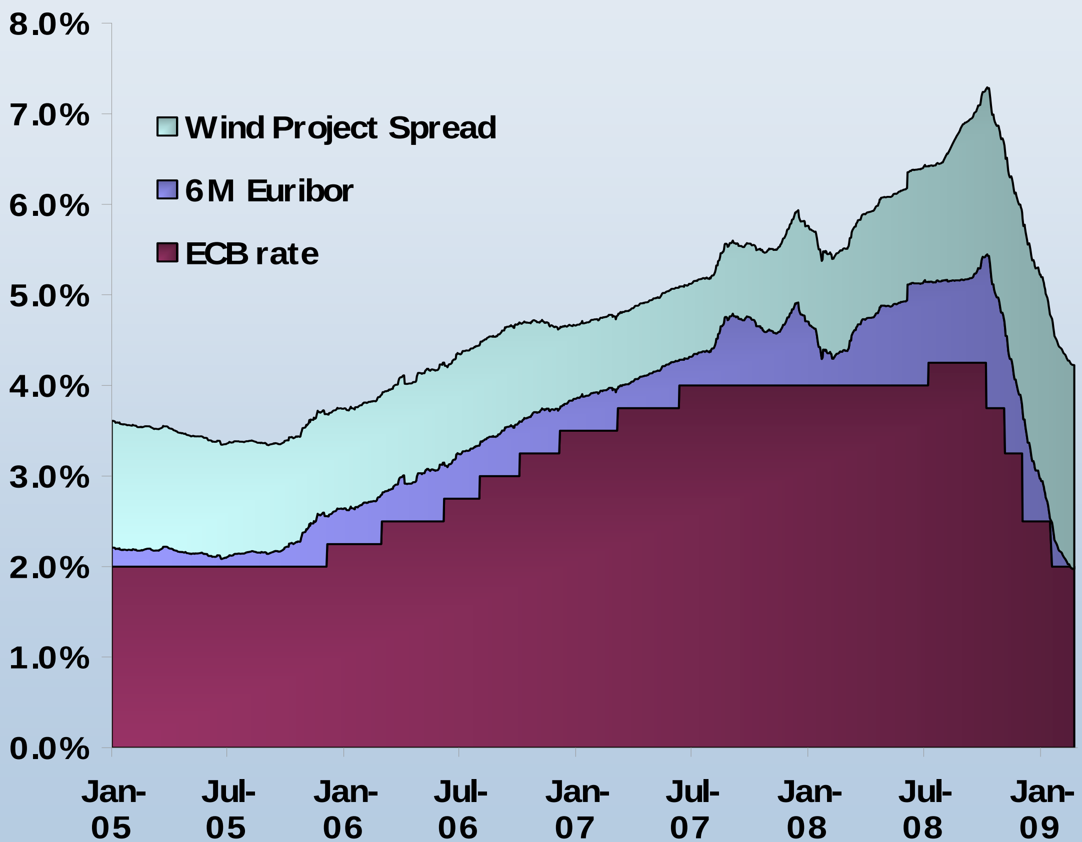
- Infrastructure funds: keen interest, new funds being raised
- Project debt: Severely undermined banks choosing key relationships
- Private equity: Actively investigating opportunities in equity and junior debt
- Equity capital markets: Closed to pure play wind companies
- Project debt: Severely undermined very selective lending
- Equity capital markets: Open to secondary offerings/rights issues
- Debt capital markets: Open to large players, strong appetite for utility bonds
- Project debt: Severely undermined, looking to build on key relationships with cross sell opportunities

Notes: Rebased to July 2004. Wind asset price index benchmarks public acquisition prices (enterprise value) of commissioned wind asset globally.

Source: New Energy Finance,

Project economics have benefited from reductions in central bank rates and recent compression of EURIBOR spreads

Debt pricing for typical 50MW European wind farm: %



- Economics of projects have benefited from a reduction in the total costs of debt between July 2007 and January 2009
- <u>However, the primary issue is capital rationing</u>

Notes: Data as of 12 February 2009; Spread data in basis points (100 bps = 1%)

Source: New Energy Finance, Bloomberg

Increasing momentum towards clean energy investments

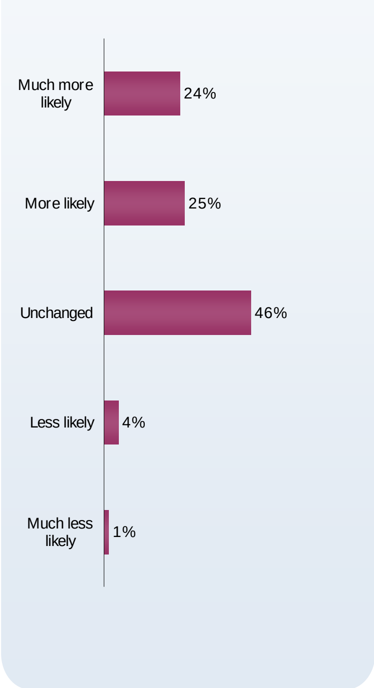
These are among the conclusions in a survey from New Energy Finance and Deutsche Bank Climate Change Advisors of more than a hundred institutional managers and owners, in total representing more than $ 1 trillion of invested assets.

The survey found that some 49% of institutional investors were either “more likely” or “much more likely” to increase their exposure to clean energy than they were a year ago. Another 46% said their intentions were unchanged, while just 5% said they were “less likely” or “much less likely” to invest more in clean energy.

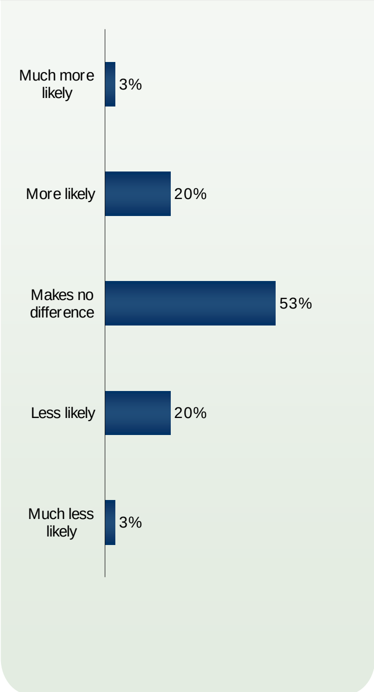
The current turmoil in financial markets seems to have had little impact on appetite for the sector; 23% of respondents are now ‘more likely’ or ‘much more likely’ to invest in low carbon-related opportunities, 23% are ‘less likely’ or ‘much less likely’ to, with the remainder stating that it makes no difference.

As far as 2012 is concerned, a full 75% of institutional investors said they were likely to have more money invested in the sector by then than they do now, while just 3% expected to have less invested in clean energy.

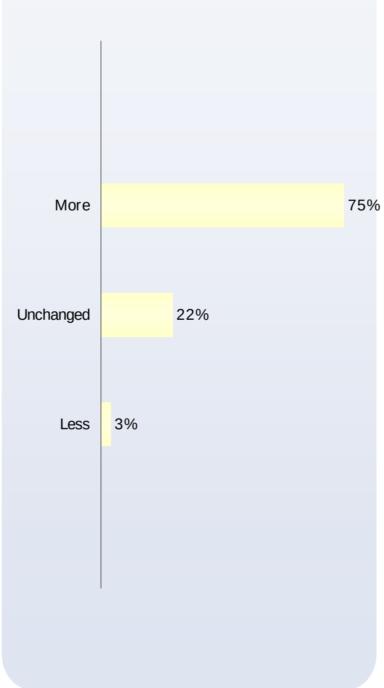
Compared to 1 year ago



Impact of current turmoil



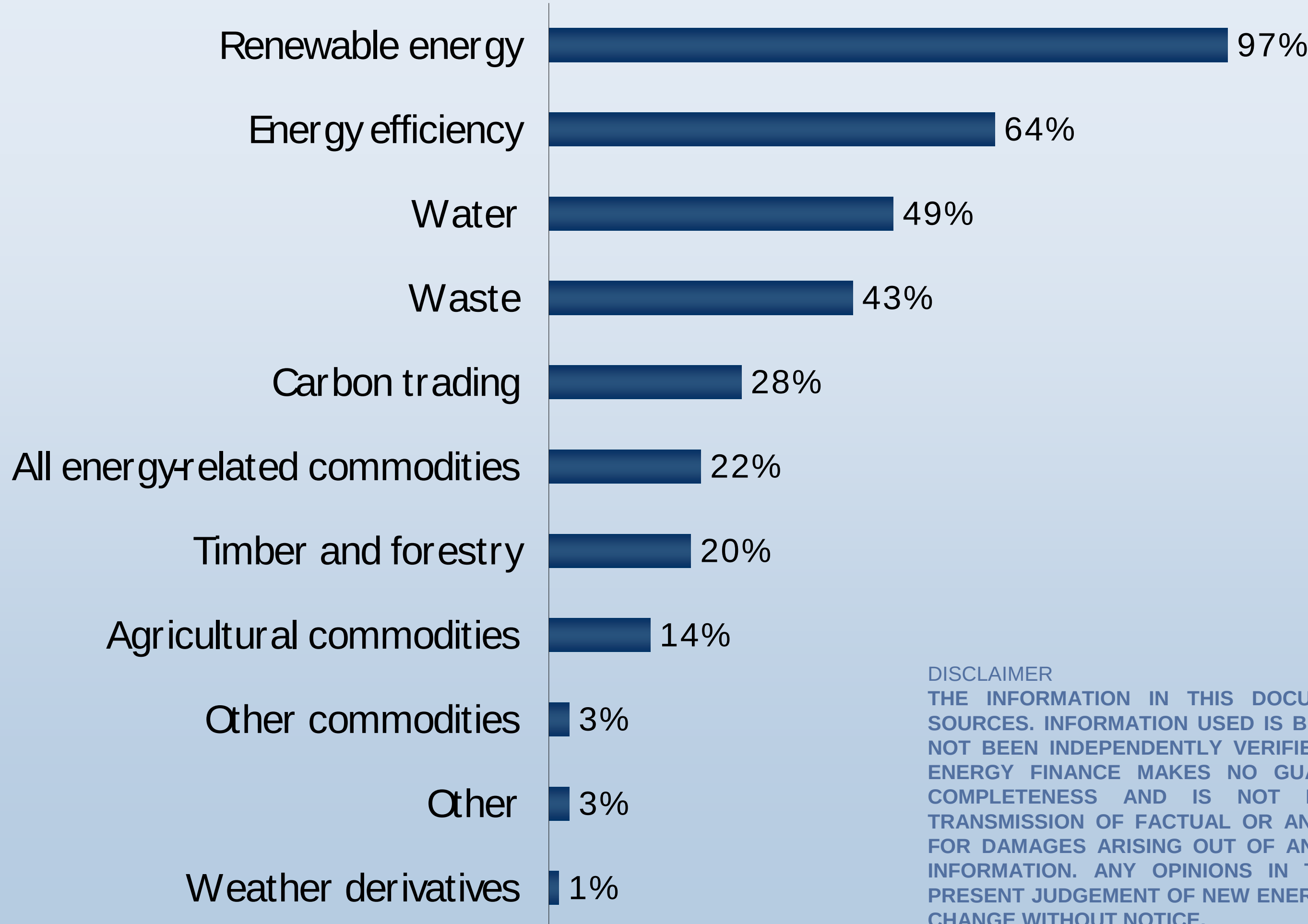
Expectations for 2012



Source: New Energy Finance

The sectors subject to the most interest from investors were renewable energy (97%), energy efficiency (64%), water (49%) and waste (43%).

Investment themes of interest



Source: New Energy Finance