



Macquarie  Cook

Introduction to Macquarie Cook

Energy Market Capabilities

August 2008





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Macquarie Group Overview





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Macquarie Group

Profile

The Macquarie Group comprises Macquarie Bank Limited and its subsidiaries and affiliates

Macquarie Cook Energy and Macquarie Cook Power are wholly-owned subsidiaries of Macquarie Bank Ltd

DIVERSIFIED, GLOBAL FINANCIAL SERVICES ORGANIZATION

- Global institution, headquartered in Australia
- Total assets under management, ~US\$232 billion
- 57%[^] of total operating income derived from international markets
- 13,200 employees in 25 countries
 - **Over 1,800 employees in the Americas**
- Macquarie Group Limited, Australian Stock Exchange-listed (ASX : MQG)
- Top 20 ASX company; market capitalization of ~US\$19 billion
- Successive years of record profits and consistent growth since 1992
- Macquarie Bank Limited ratings:
 - F1/A+ (Fitch)
 - P1/A1 (Moody's)
 - A1/A (Standard & Poor's)



[^]Excludes earnings on capital and is after directly attributable costs including fee and commission expenses.

Staff numbers as of Mar 31, 2008.



Macquarie Group

Global Offices

13,200 employees in 25 countries

EUROPE

- Amsterdam
- Dublin
- Frankfurt
- Geneva
- London
- Milan
- Munich
- Paris
- Rome
- Vienna
- Zurich

CANADA

- Calgary
- Montreal
- Toronto
- Vancouver
- Winnipeg

USA

- Atlanta
- Boston
- Carlsbad
- Charleston
- Chicago
- Denver
- Houston
- Irvine
- Jacksonville
- Los Angeles
- Miami
- New York
- San Diego
- San Francisco
- San Jose
- Savannah
- Seattle
- Troy

ASIA

- Bangkok
- Beijing
- Hong Kong
- Hsinchu
- Jakarta
- Kuala Lumpur
- Labuan
- Manila
- Mumbai
- Seoul
- Shanghai
- Singapore
- Taipei
- Tianjin
- Tokyo

SOUTH AFRICA

- Cape Town
- Johannesburg

MIDDLE EAST

- Abu Dhabi
- Dubai

BRAZIL

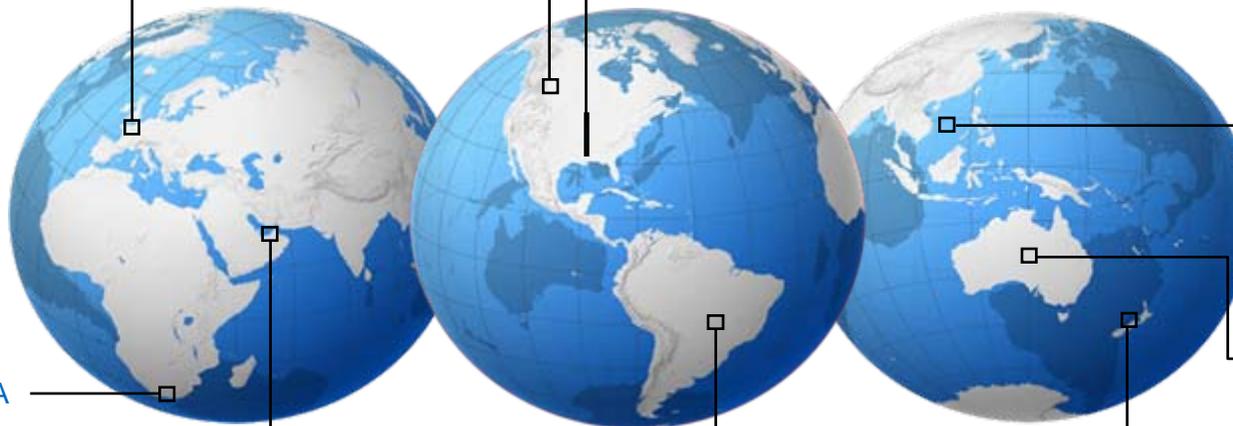
- Sao Paulo

NEW ZEALAND

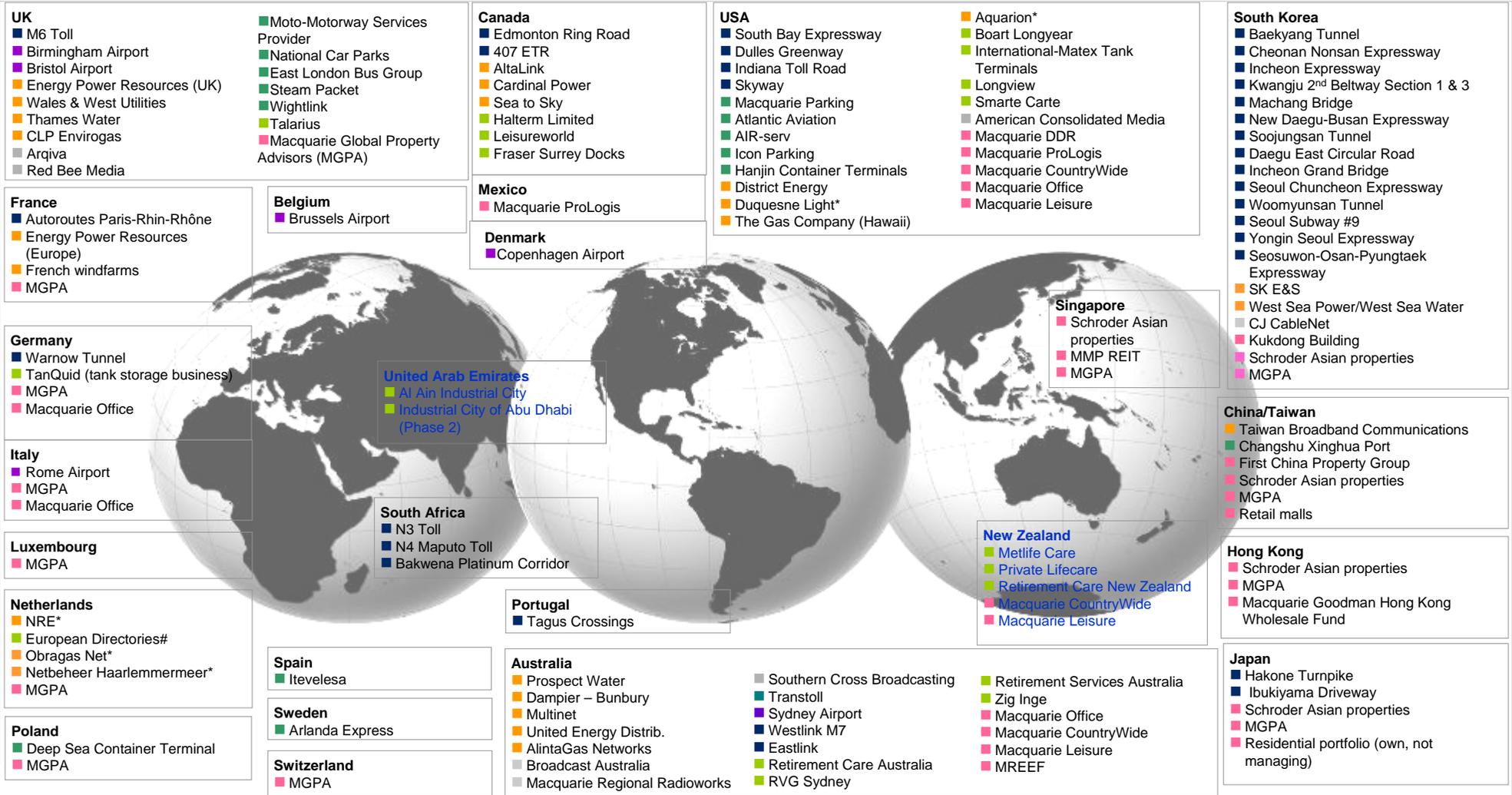
- Auckland
- Christchurch
- Wellington

AUSTRALIA

- Adelaide
- Brisbane
- Broadbeach
- Canberra
- Melbourne
- Newcastle
- Perth
- Sunshine Coast
- Sydney



Staff numbers as of
Mar 31, 2008



As at March 2007. *Subject to financial and customary closing arrangements
 #European Directories also in Sweden, Finland, Austria, Czech Republic, Slovakia, Denmark & France
 - In some cases, Macquarie or a Macquarie-managed fund has partial interest in an asset



Macquarie Group

Major Business Activities

TREASURY & COMMODITIES GROUP

- **Energy Markets (incl. Macquarie Cook)**
- Agriculture & Industrial Products
- Metals & Energy Capital
- Foreign Exchange
- Debt markets
- Futures
- Treasury
- Economic research

INVESTMENT BANKING GROUP

- Finance (including Advisory, Equity Capital Markets and Investment Banking Funds)
- Financial Products
- Macquarie Capital (leasing & asset financing)
- Institutional Stockbroking
- Research Equities

EQUITY MARKETS GROUP

- Product issuance
- Volatility trading
- Structured deals
- Cash trading
- Equity finance
- Hedge funds

REAL ESTATE GROUP

- Real estate investment management
- Real estate finance
- Real estate investment banking

BANKING & SECURITIZATION GROUP

- Banking
- Investment Lending
- Consumer Lending
- Mortgages and Debt Securitization

RETAIL FINANCIAL SERVICES GROUP

- Full service stockbroking
- Private banking
- Financial planning
- Third party product distribution
- Macquarie Wrap
- Cash Management Trust

FUNDS MANAGEMENT GROUP

- Full spectrum active fund mgr
- Global & domestic funds
- Equities
- Property
- Fixed Interest
- Cash
- Private Equity
- Responsible entity services



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Macquarie Cook – Capability Summary

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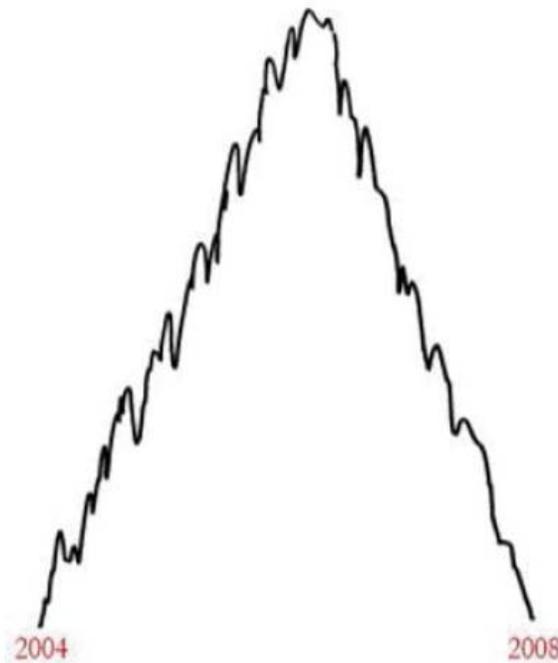


Macquarie



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Financial Crisis
If nothing else has resulted in some fantastic
emails...



We wish you a Merry Christmas

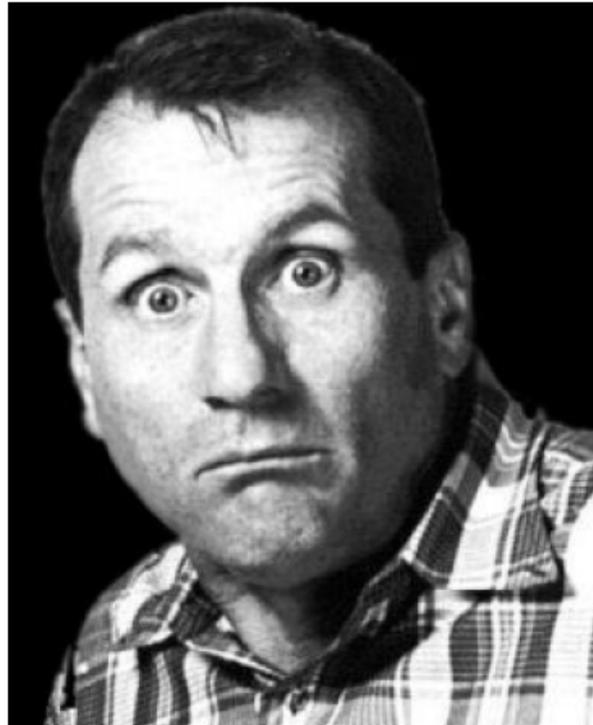




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Financial Crisis
If nothing else has resulted in some fantastic
emails...

"This is worse than a divorce. I lost half my net worth but I still have my wife"





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*Financial Crisis
If nothing else has resulted in some fantastic
emails...*

"Somali Pirates in Discussions to Acquire Citigroup"





Macquarie Cook brings superior products and risk management services to customers in the physical energy markets of North America.



NORTH AMERICAN TRADING AND MARKETING

- Physical solutions for producers and end users
 - Power and Gas supply
 - Medium and Long Term Hedges
 - Storage and Transportation Services
 - Extensive range of financial hedge products
 - History of lasting customer relationships
 - Priority of customer transactions over proprietary trading
 - Asset acquisition and development
 - Owned by and guaranteed where agreed by Macquarie Bank Limited, a strong and diversified global services organization
- Macquarie Bank Limited ratings:
- F1/A+ (Fitch)
 - P1/A1 (Moody's)
 - A1/A (Standard & Poor's)



Macquarie Cook

Energy Market Capabilities



Power
Macquarie Cook Power ('MCP')
(Houston)



Natural Gas
Macquarie Cook Energy ('MCE')
(Los Angeles)

- Term & Cash Trading - PJM, MISO, NYISO, NEPool, CAISO and WECC
- Real-time Desk and Scheduling Services
- Long-term Power Plant Hedges
- Load Shaped Products
- Options & Derivatives
- Energy Management Services
- Basis & Location Spreads



Asset Capability
MCP & MCE
(Houston & LA)

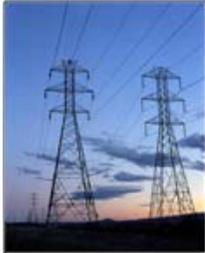
- Existing Power Generation
- Power Development
 - Greenfield
 - Brownfield
 - Repowering
- Renewable Projects
- Electric Transmission
- Nat Gas Storage & Transportation

- Nat Gas Trading
- Physical Nat Gas Marketing
- Physical Nat Gas Origination & Structuring
- Nat Gas Derivatives
- Nat Gas Transportation
- Nat Gas Storage
- Risk Management Services



Power Capability

Macquarie Cook Power Profile



Power
Macquarie Cook Power ('MCP')
(Houston)

- Term & Cash Trading - PJM, MISO, NYISO, NEPOOL, CAISO and WECC
- Real-time Desk and Scheduling Services
- Long-term Power
- Plant Hedges
- Load Shaped Products
- Options & Derivatives
- Energy Management Services
- Basis & Location Spreads

Macquarie Cook Power combines the extensive physical experience of its power trading and marketing staff to deliver superior risk management products to its customers.

- Established in 2006
- Macquarie Cook Power maintains a customer focus and the capabilities to meet physical customer needs
- Unlike many financial institutions, Macquarie Cook Power has the ability to own or dispatch physical assets. A strong physical focus is key to the Macquarie Cook Power business strategy
- Guarantees available from A rated Macquarie Bank Limited
- Currently trading physically and/or financially in PJM Interconnection, NEPOOL, NYISO, MISO, CAISO, and the entirety of WECC markets.

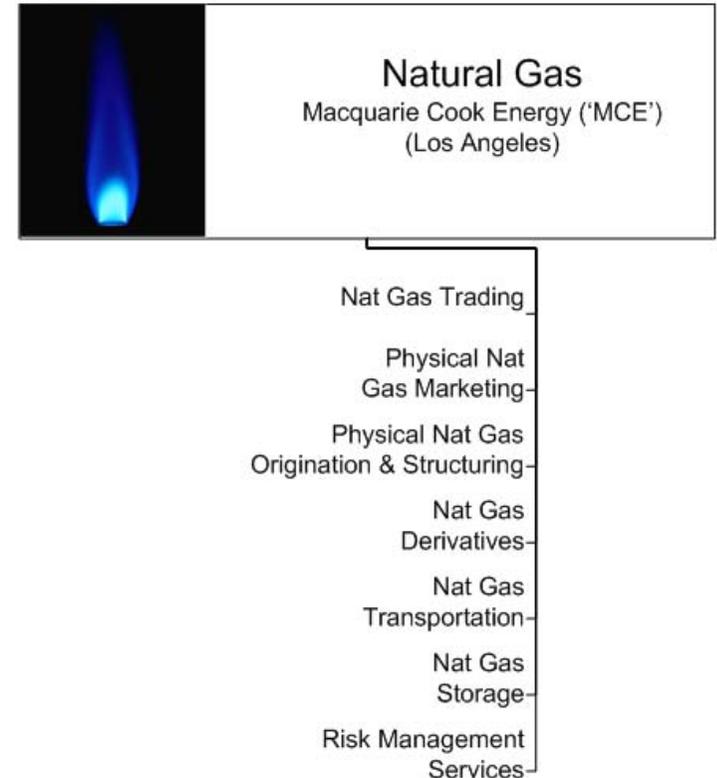


Natural Gas Capability

Macquarie Cook Energy Profile

Macquarie Cook Energy’s core business is focused on the full range of physical natural gas in North America, including transportation, storage, balancing, and ultimately receipt or delivery of physical natural gas from production to the end user.

- Macquarie Cook Energy - Founded in 1990, as an energy trading and marketing company headquartered in Los Angeles
- A successful 17 year track record of serving North America’s largest natural gas producers, utilities, industrial users, and other large wholesale energy players at all major points in the United States and Western Canada while maintaining a low risk, focused and tightly controlled trading operation
- Offering a full range of financial products in natural gas
- Active at all major pricing points across North America, trading more than 2.8 billion cubic feet of gas per day
- Evolved from a West Coast, short term, physical natural gas player to a full service, physical and financial player with long dated deal capacity, and North American market coverage
- Expansion of marketing and trading business into Canada





- Existing Power Generation
- Power Development
 - Greenfield
 - Brownfield
 - Repowering
- Renewable Projects
- Electric Transmission
- Nat Gas Storage & Transportation

Macquarie Cook has experienced staff that are actively seeking asset acquisition and development opportunities that complement its trading, marketing and origination activities.

- Macquarie Cook seeks to make investments in North American:
 - Power Generation – Fossils and Renewables;
 - Electric Transmission; and
 - Gas Storage and Transportation.
- Willing to accept:
 - Merchant commodity risk; and
 - Development, construction and operational risk.
- A preference for investments that allow Macquarie Cook to fully utilize its commodity trading and optimization capabilities
- Geographic preference for the West, Midwest, Mid Atlantic and Northeast
- Development interests include: Greenfield, brownfield and re-powering projects, equipment, transmission lines, gas storage and transportation



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Asset Investments

- 600 MW Avenal high efficiency gas fired power plant in southern California - \$20MM development project
- Site option agreement to develop a biomass power plant at an abandoned paper mill adjacent to a hydroelectric plant in central Vermont. We provided a financial hedge for price support of the electricity sales
- Development financing for 25MW biomass development project in Indiana
- Providing Physical Power Plant – energy management services
- Development partner in 400MW solar power project
- Final negotiating stage of financing documents for these year end transactions:
 - 25MW biomass development financing with debt instrument converting to equity at a site in Rockford, Minneapolis
 - Providing a Revolving Credit Facility with warrants for two – 12.5MW biomass plants in southern California



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Carbon Finance Capability

Environmental Financial Products

Unlocking carbon offset potential assists renewable energy development and low-carbon projects worldwide.

- Carbon finance team based in New York, London, Sydney, Hong Kong & Beijing
- Team includes environmental finance industry pioneers, transacted over 100 million tons of Kyoto compliance
- Proven track record navigating intricacies of the carbon offset creation process - concept through documentation, financing, implementation and monetization.
- Experience to provide integrated carbon finance solutions will maximize potential environmental revenue streams
- Currently developing wide range of environmental credits including Renewable Energy Credits (RECs), pre-compliance carbon offsets for the Western Climate Initiative, California's Climate Action Registry's "CARROTS", The Chicago Climate Exchange and RGGI (Regional Greenhouse Gas Initiative) in the Northeastern US



Recent carbon finance project included the Taiyanggong CCGT power plant - built to provide cleaner power for the 2008 Beijing Olympics





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Contact Details

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| HOUSTON – POWER MARKETING / ORIGATION | | HOUSTON – ASSETS & DEVELOPMENT | |
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