District Cooling - a sustainable investment providing attractive returns

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Panama City

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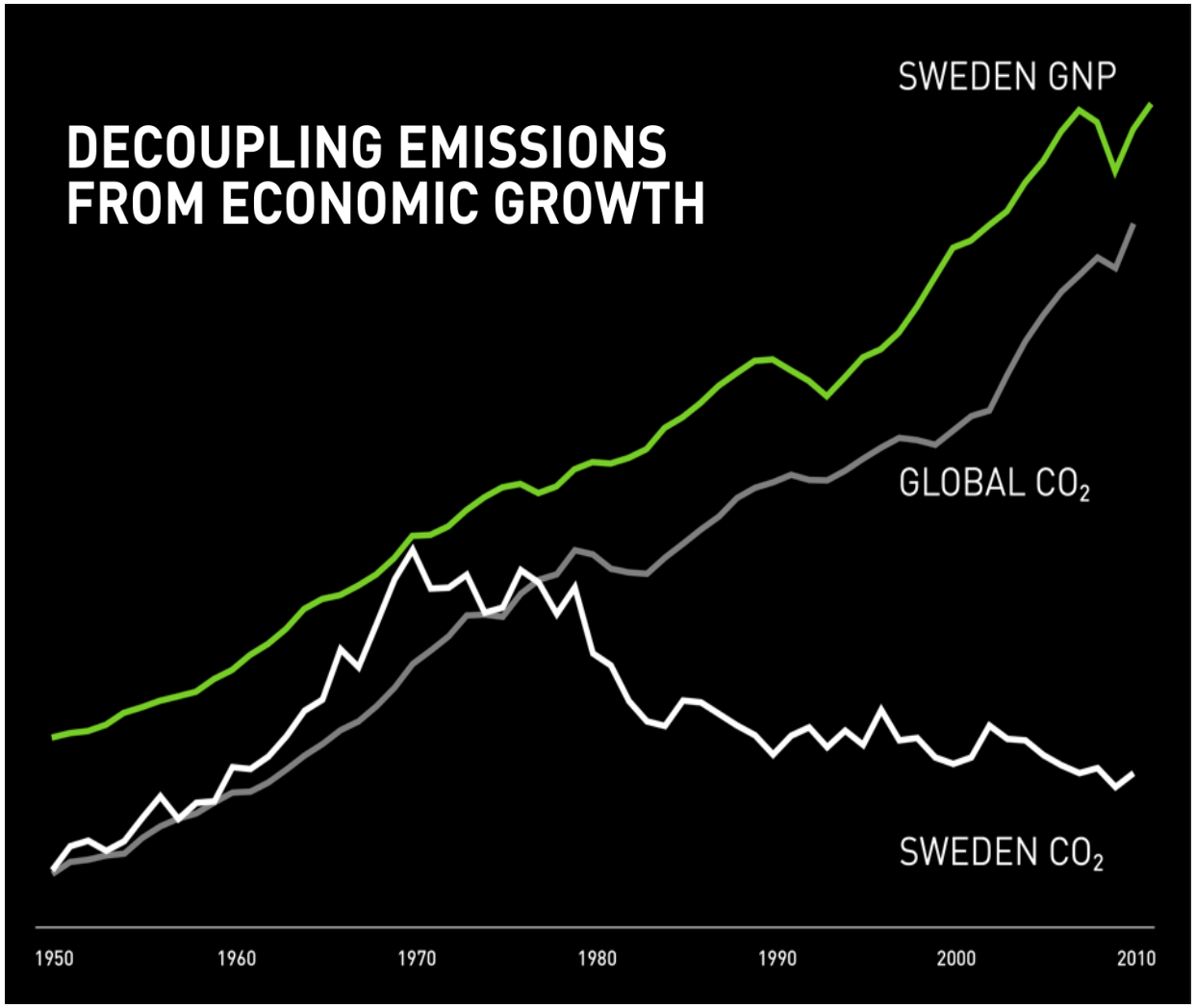
Successful combination of economic growth and environmental concern

Capital Cooling – Project Developer and Investor

- Founded in 2002 by the management team of the Stockholm District Cooling system
- Extensive experience from developing District Cooling projects in Europe, Middle East and the U.S.
- Investor in the SWAC projects in Honolulu and Aruba
- Have been engaged in more than 50% of the District Cooling projects in Europe and have been responsible for the development of the world's largest District Cooling system with a total capacity of 500,000 tons in Lusail, Qatar

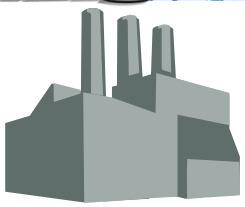
Smart Synergies in District Energy brings down CO_2 emissions



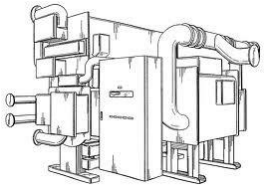
Stockholm District Energy:

- 90% of total energy reused or renewable
- Nominated as the first Green Capital in 2010

Smart Synergies – an integrated District Energy system



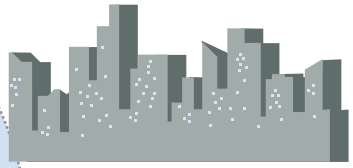
CHP
Waste to Heat



Absorption
chillers

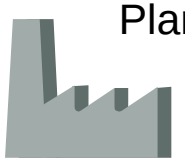
Waste heat from industries

Resort



City

Storage
tanks



Geo-Thermal
Plant

6/16°C

6/16°C

75/30°C

130/40°C

Hub

Hub

Sub-
station

4/14°C

4-20/20-25°C

130/90°C

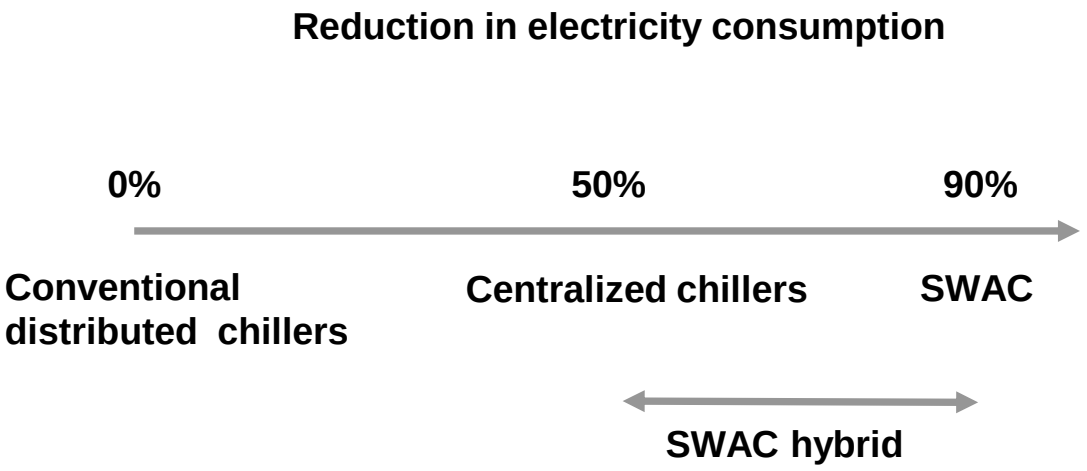
River/ Sea/
Lake

Sub-
station

Sub-
station

Lower electricity consumption is the most efficient way to go green

- District Cooling is infrastructure investments that provides large scale energy efficiency that significantly reduces the electricity used for air-conditioning
- Based on proven technology with a very long life cycle of +50 years and a minimum of re-investments
- Scale of economy as such provides twice the efficiency compared to conventional chiller
- Reduces the need for investments in new renewable power production



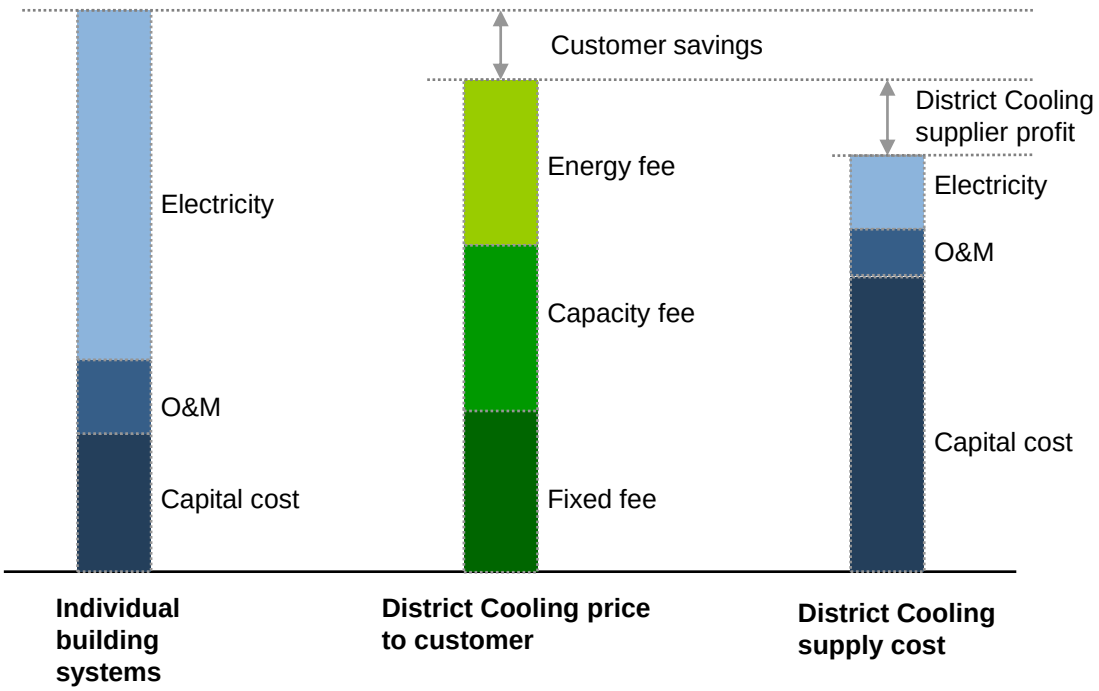
Significant reduction of CO_2 emissions

- … and especially with SWAC!

City	CO_2 Reductions 2010 tons/year	Capacity MW	Technical solution
Stockholm	123,000	250	Sea water, heat pumps, chillers, storage
Honolulu*	84,000	100	SWAC
Paris	62,000	290	Chillers, river, geothermal heat pumps, storage
Aruba*	35,000	35	SWAC
Helsinki	25,000	130	Sea water, absorption, heat pumps, chillers
Montego Bay*	23,000	27	SWAC
Puerto Plata*	21,000	24	SWAC
Gothenburg	21,000	60	Absorption, chillers, river
Barcelona	11,000	69	Absorption, chillers, sea water, storage
Vienna	10,000	57	Absorption, chillers, river

*** Estimated**

District Cooling Value Creation



Key elements for maximizing the value of each investment

Location

- Selection of locations providing for high revenue customers and low cost for producing and distributing District Cooling is critical

System Design

- Optimization of cooling sources and technologies to minimize the total supply cost including capital requirement and operating costs

Contracting & Procurement

- Minimizing construction cost and hence capital requirement by means of efficient procedures

Customer Offer

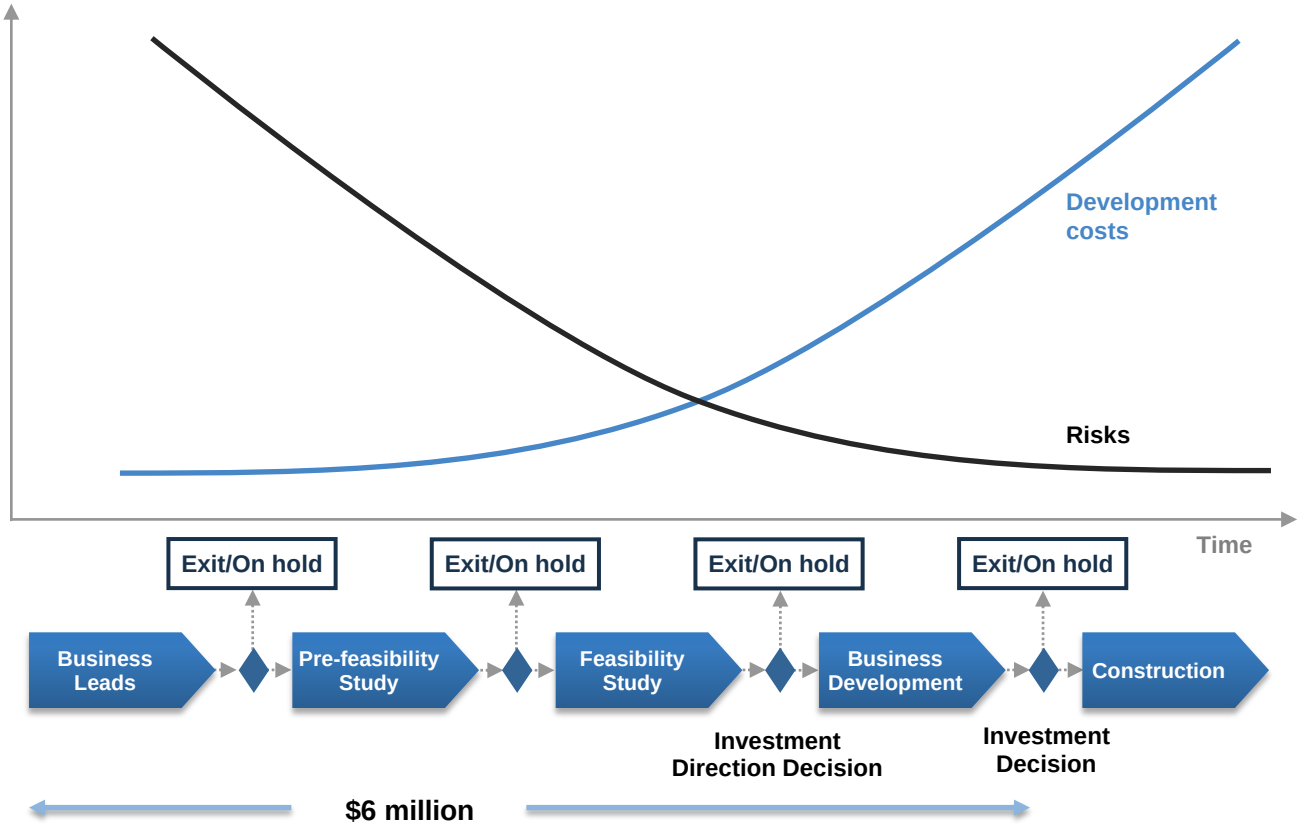
- Customer savings and cost stability as compared to the current alternative with individual building systems and dependency on volatile electricity prices
- Price structures and service levels adapted for different customer segments

District Cooling Investment Characteristics

- District Cooling is investing in infrastructure
  - Long term – at least 25 years calculated economical life time
  - High up front investments
  - Long stable cash flows

- Return on Investments
  - Total Investment $50 - $350 million
  - Calculated lifetime 25 years
  - No calculated residual value
  - Project IRR 10-15 %
  - IRR on equity (70/30 ratio) 17-25 %

Risk Mitigation – Address the Biggest Risks First



Phase	Leads & Pre-feasibilty	Feasibility	Business Development	Construction
Cost	0.3 million	$1.5 million	$4.2 million	
Risk	100%	80%	50 %	<10%

Thank You

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