



TCW

TCW Energy & Infrastructure Group
European Clean Energy Fund

***Financing Clean Energy with an
Equity Investment Fund***

February 21, 2008
United Nations Economic Commission for Europe
Geneva, Switzerland

Contents

- TCW Overview
- TCW Energy & Infrastructure Group
- European Clean Energy Fund
- Case Studies
- Questions and Answers

TCW Overview

- Established in 1971 in Los Angeles, California
- Approximately \$147.2 billion under management or committed to management as of December 31, 2007
- Over 1,400 institutional and private clients
- TCW Staff of over 650 individuals, including 385 professionals
- The TCW Group, Inc. (TCW) is an indirect subsidiary of Société Générale, S.A., and a member of the Société Générale Asset Management (SGAM) division
- Global Presence: Combined with SGAM, TCW offers strategies which invest in major world equity and fixed income markets
- Offices:

● TCW
Los Angeles
New York
Houston

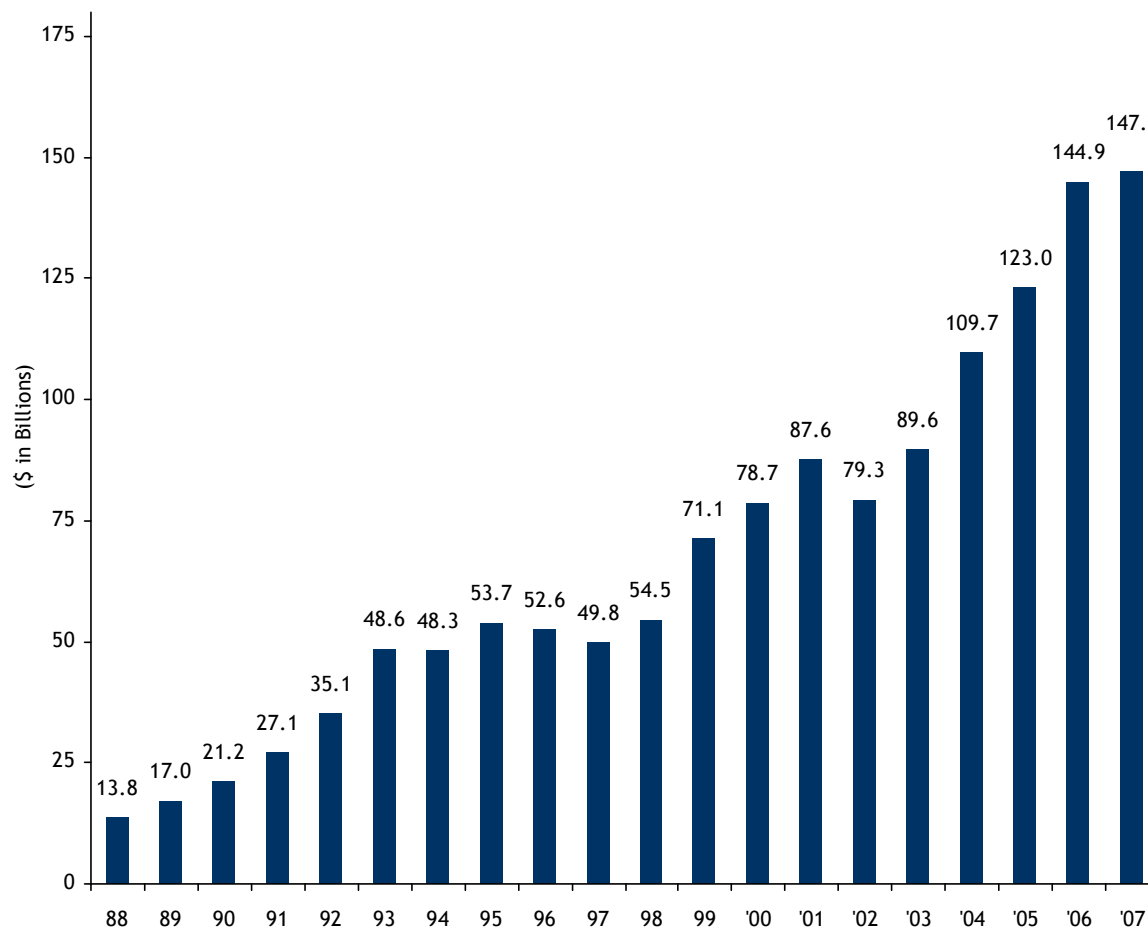
● SG Asset Management
Paris
London
Tokyo
Singapore
Sydney



TCW Assets Under Management

or Committed to Management as of December 31, 2007

TCW Historical Asset Growth



- More than 30 years of steady growth
- Stability in assets, personnel and product mix
- Solid long-term performance
- Style consistency across all strategies
- Extensive risk-management processes
- TCW Fitch/AMR rating of AA+

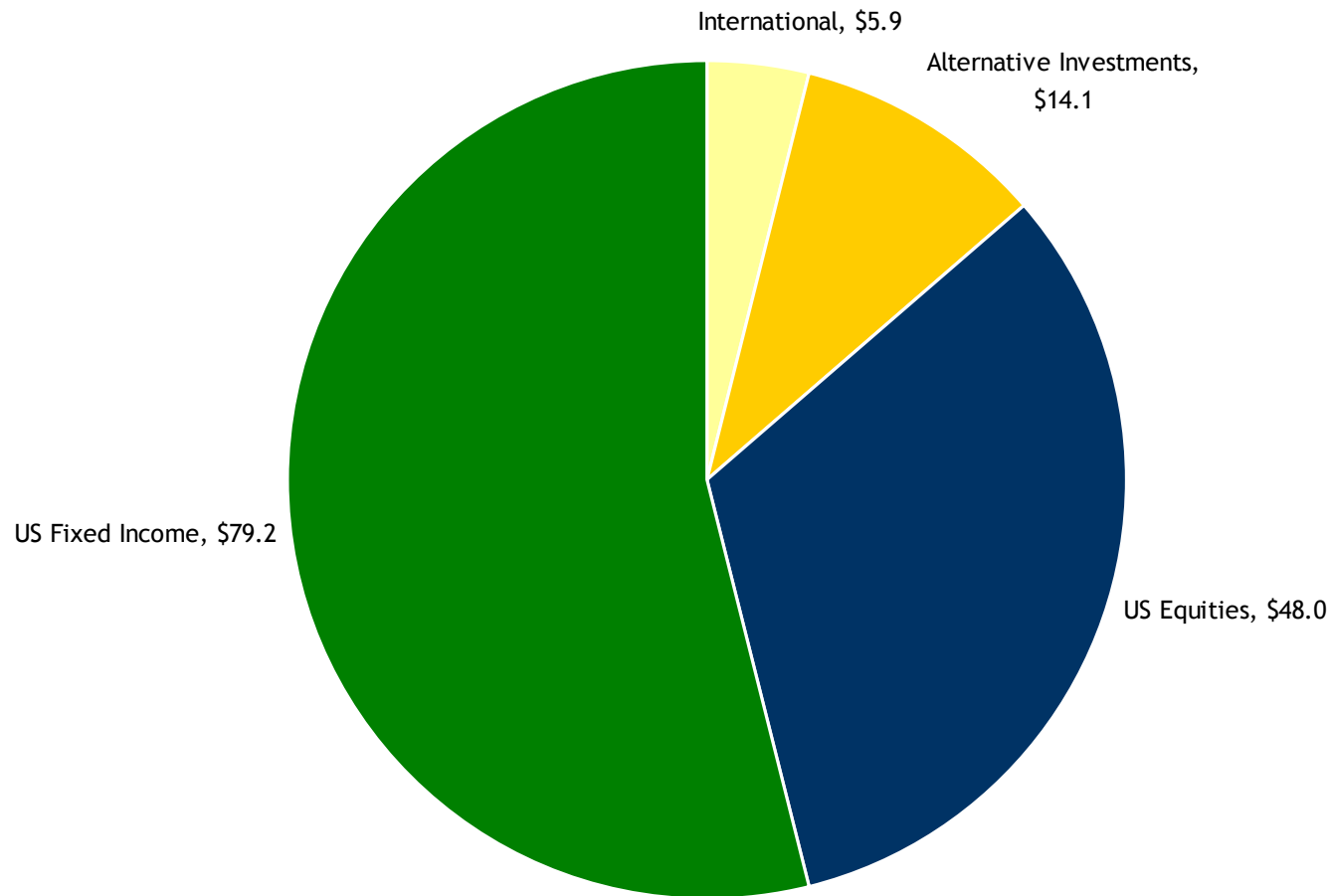


TCW Assets Under Management

or Committed to Management as of December 31, 2007

Total Assets

\$147.2 Billion



TCW Energy and Infrastructure Group

Who We Are

TCW Energy and Infrastructure Group has the longest continuous track record of any institutional manager in energy globally

- 26-year track record focused solely on companies or projects in energy or energy-related infrastructure
- 15 funds representing \$9.6 billion of capital
- More than 200 portfolio investments to date in 27 countries on six continents
- Global platform with offices in Los Angeles, Houston, New York, Sydney and London

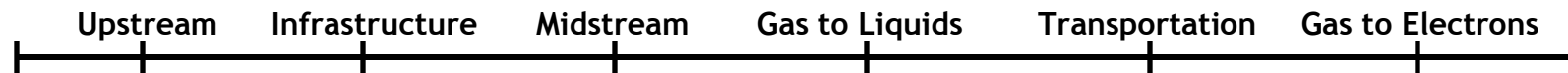
What We Do

The Energy investment strategy is to:

- Provide mezzanine debt and private equity to energy projects and companies on a global basis with an emphasis on OECD countries.
- Target one-off, negotiated private transactions with small- and mid-cap energy companies and projects secured by hard assets

Energy Value Chain

Active throughout the entire energy value chain on a global basis



Reserve-based Development,
Production Payments, Forwards
Oil Sales



Production Platforms, Drill Ships,
FPSOs, Drilling Rigs



LNG, Bio-fuels, Synfuels, Ethanol
Processed Gas (methanol,
fertilizer, DME)



LNG Regasification Terminals, Gas
Sales, Pipelines, Gas Storage



Gas and Coal Fired Power Plants,
Electricity Transmission &
Distribution

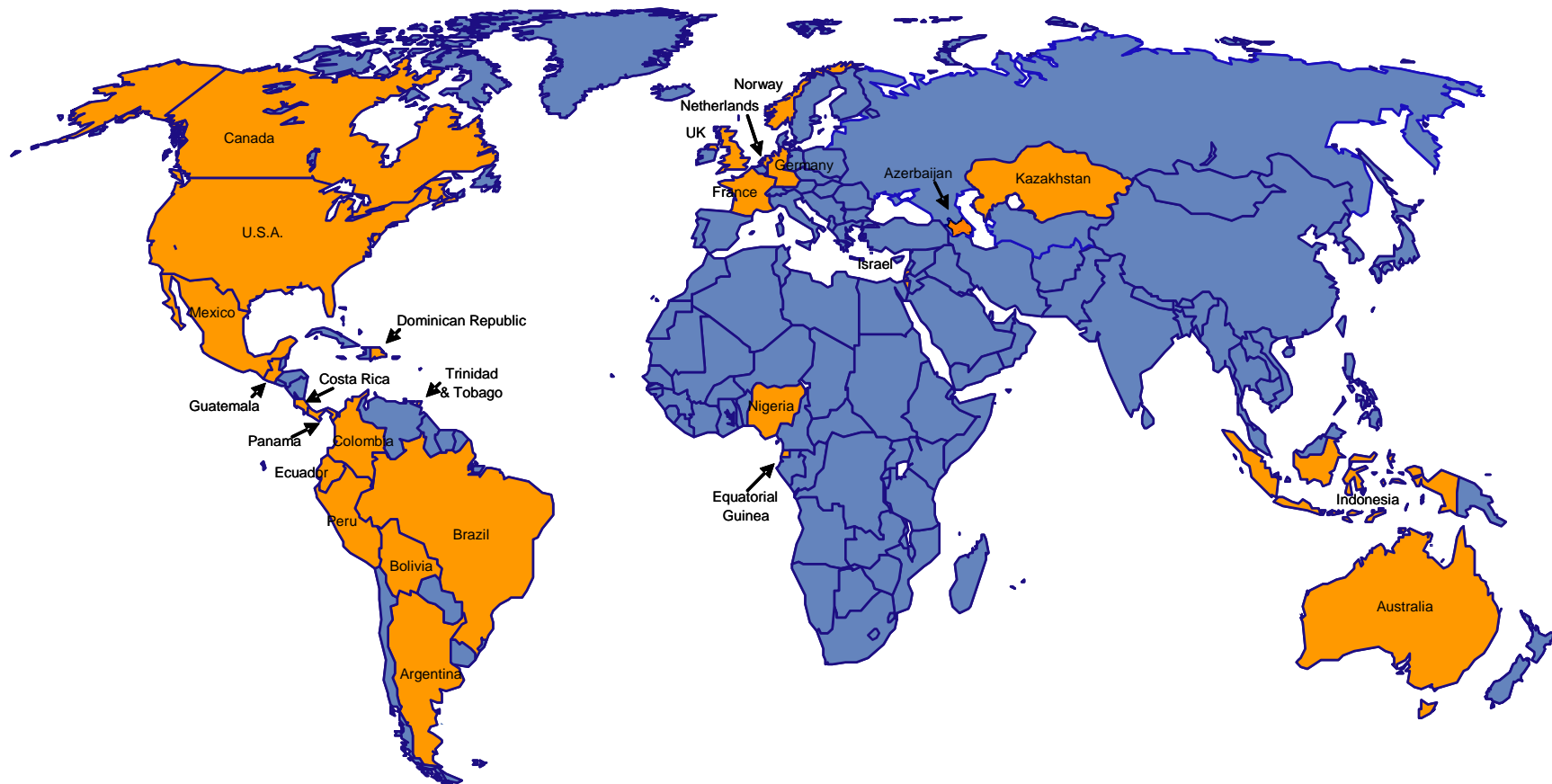


Renewable Energy



EIG Global Portfolio

Invested in 26 Countries on 6 Continents



EIG Product Platform

Broad offering of capital to industry, offering senior debt through to equity

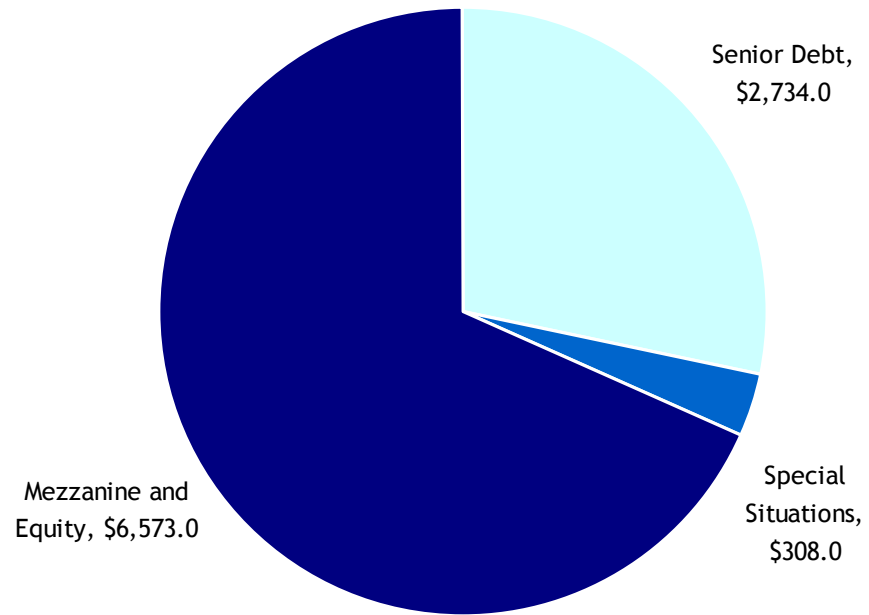
Product Platform



Active Funds

- Fund XIV, Cogen & ECEF
- GPF III
- GPF II
- TEP and Separate Accounts

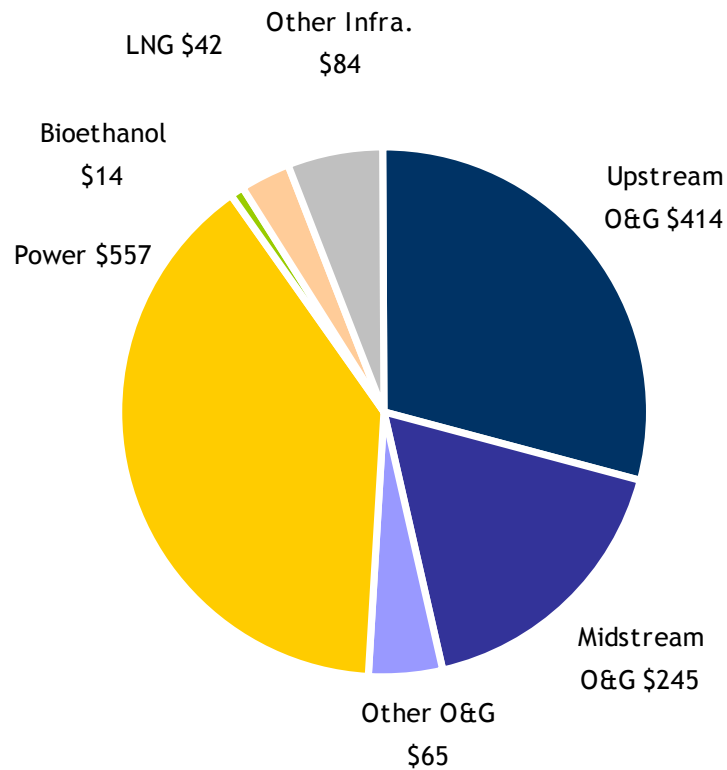
Breakdown of Committed Funds (as at December 2007)



EIG Investment Breakdown – FYE 2007 \$1.42 Billion

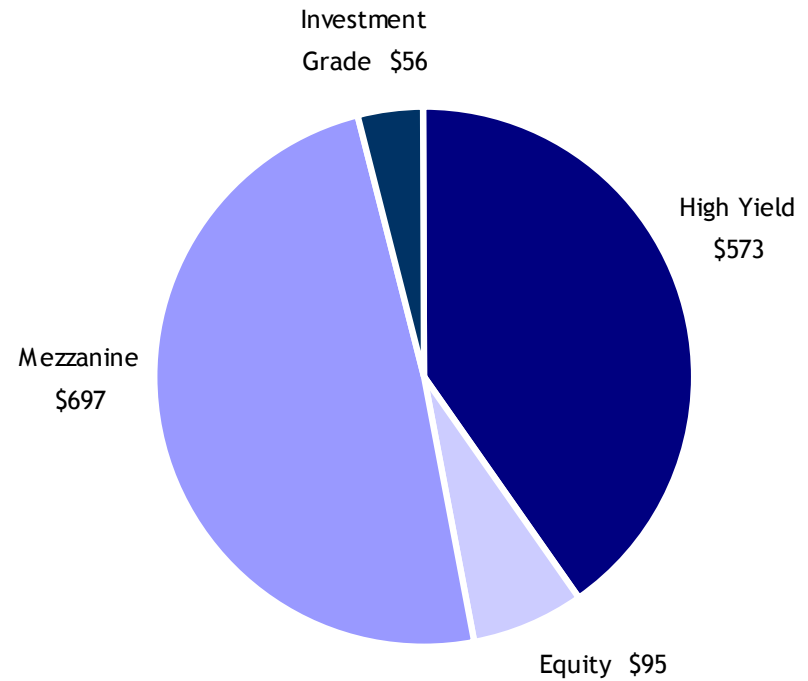
Investments By Sub-Sector

As at Dec 2007, In \$ Millions



Investments By Ranking

As at Dec, In \$ Millions



European Clean Energy Fund - Overview

- **Purpose:** Invest in clean energy projects and companies across Europe
- **Size:** €354 million
- **First closing:** Q2/2006
- **Investment period:** 4 years
- **Life:** 10 years
- **Investment type:** Mezzanine and Equity
- **Regional focus:** Western, Central and Eastern Europe
- **Investment range:** €10-50 million
- **Currency:** primarily Euro; other European currencies
- **Leverage:** No
- **Collateral:** Yes
- **Investors:** European and North American institutional investors
- **Legal structure:** English Limited Partnership

Renewable Energy

- Wind
- Solar
- Hydro-electric
- Biomass
- Geothermal

Energy Efficiency

Natural Gas

- Pipeline
- Storage
- Liquefied natural gas (LNG)
- Power generation
- Cogeneration
- Combined heat & power

Waste-to-Energy

Clean Coal

ECEF – Investment Style

Mezzanine

- Debt instrument
 - Note
 - Loan
- Current Income
 - Cash
 - Payment-In-Kind
- Self-amortizing/bullet
- Long tenors (up to 20 years)
- Equity kicker
 - Warrants
 - Cash flow participation
 - Equity option
- Collateral/security

Equity

- Minority Stake (preferred equity)
- Controlling Stake

ECEF – Target Investments

Strategic / Financial

- Strong sponsor and management
 - Industry experience
 - Track record
- Technology
 - Commercially proven
- Capitalization:
 - Adequate cash and contingent equity commitments
 - Conservative senior debt financing structure
- Predictable cash flow:
 - Long-term off-take / supply contracts
 - Protected margins
 - Managed merchant risk
- Collateral
 - Pledge of assets, contracts and insurance policies
 - Share / Accounts pledge
 - Intercreditor agmts.

Operations

- Robust contractual framework
- Greenfield and operating assets
- Fully consented project (limited permitting risk in some cases)
- No (or limited) development risk
- Operating risk:
 - Experienced operator
 - Performance-based compensation
- Construction risk:
 - Turnkey, fixed-price contract
 - Experienced, creditworthy contractor
 - Performance guarantees, liquidated damages

Market

- Stable and reliable legal and regulatory framework
- Currency risk:
 - Same currency on revenue and expense side
 - Mismatch mitigation (hedging)
- Interest rate risk
 - Fixed rate
 - Interest rate swap

ECEF – Due Diligence

- Comprehensive risk assessment, risk analysis and mitigation
 - Legal
 - Contractual
 - Regulatory
 - Technical (technology/construction/operations)
 - Industry/market/sector
 - Resources (wind/biomass/hydrology/molecules)
 - Commercial
 - Financial
 - Tax
- Documentation
 - English law for investment contracts (note/loan agreement, warrant purchase agreement)
 - Local law for security documents (mortgage, pledges, guarantees)

Case Study – Wind

Investment Summary

Issuer	Breeze 3
Committed Investment	€35,000,000
Initial Funding Date	April 2007
Sector	Wind
Project Location	Germany / France
Ranking	Subordinated



Background

The Breeze III transaction is a securitization of a portfolio of wind farms in construction or operations in Germany and France. The transaction was structured by HVB, the German bank, and offered to ECEF and other investors as a capital markets operation.

Case Study - Biofuels

Investment Summary

Issuer	AB Bioenergy France S.A.
Committed Investment	€10,000,000
Initial Funding Date	July 2007
Sector	Biofuels
Project Location	France
Ranking	Subordinated



Background

AB Bioenergy is building a 200 million liters p.a. corn-fed bioethanol production facility in the southwest of France at a total cost of approximately €200 million. Financing comprises €102.2 million of senior debt and €15 million of subordinated notes. ECEF underwrote a €10 million participation in the subordinated notes.

Case Study – Liquefied Natural Gas

Investment Summary

Issuer	Confidential
Committed Investment	€30,000,000
Initial Funding Date	October 2007
Sector	LNG Regasification
Project Location	Europe, North America
Ranking	Subordinated



Background

The Company is developing a portfolio of LNG regasification terminals in Europe and North America. Financing comprises €300 million Equity PIK Loan facility. ECEF underwrote a €30 million participation in the subordinated notes.

Contact Information

Address:

TCW Energy and Infrastructure Group - Europe
c/o Société Générale Asset Management
9th Floor, Exchange House, Primrose Street
London EC2A 2EF

Main Switchboard: +44 (0) 207 090 2500

Fax: +44 (0) 207 090 2936

Jean-Daniel Borgeaud jean-daniel.borgeaud@tcw.com

Mark Vickers [+44 \(0\) 207 090 2694](tel:+44(0)2070902694)
mark.vickers@tcw.com

Natasha Knechtel [+44 \(0\) 207 090 2692](tel:+44(0)2070902692)
natasha.knechtel@tcw.com