



Europlace

Innovation in carbon finance

Paris, Pavillon d'Armenonville, 3 July 2008

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powered by





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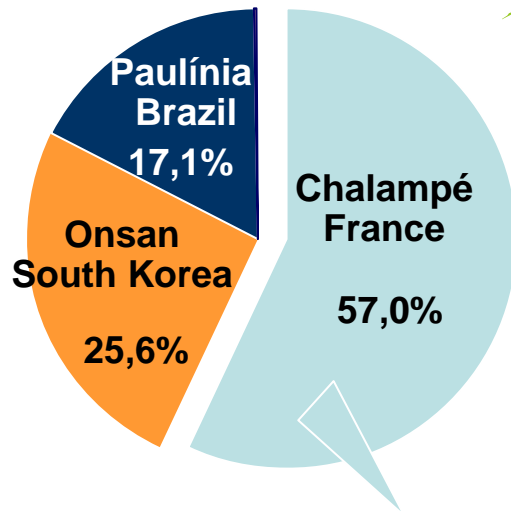
orbeo overview



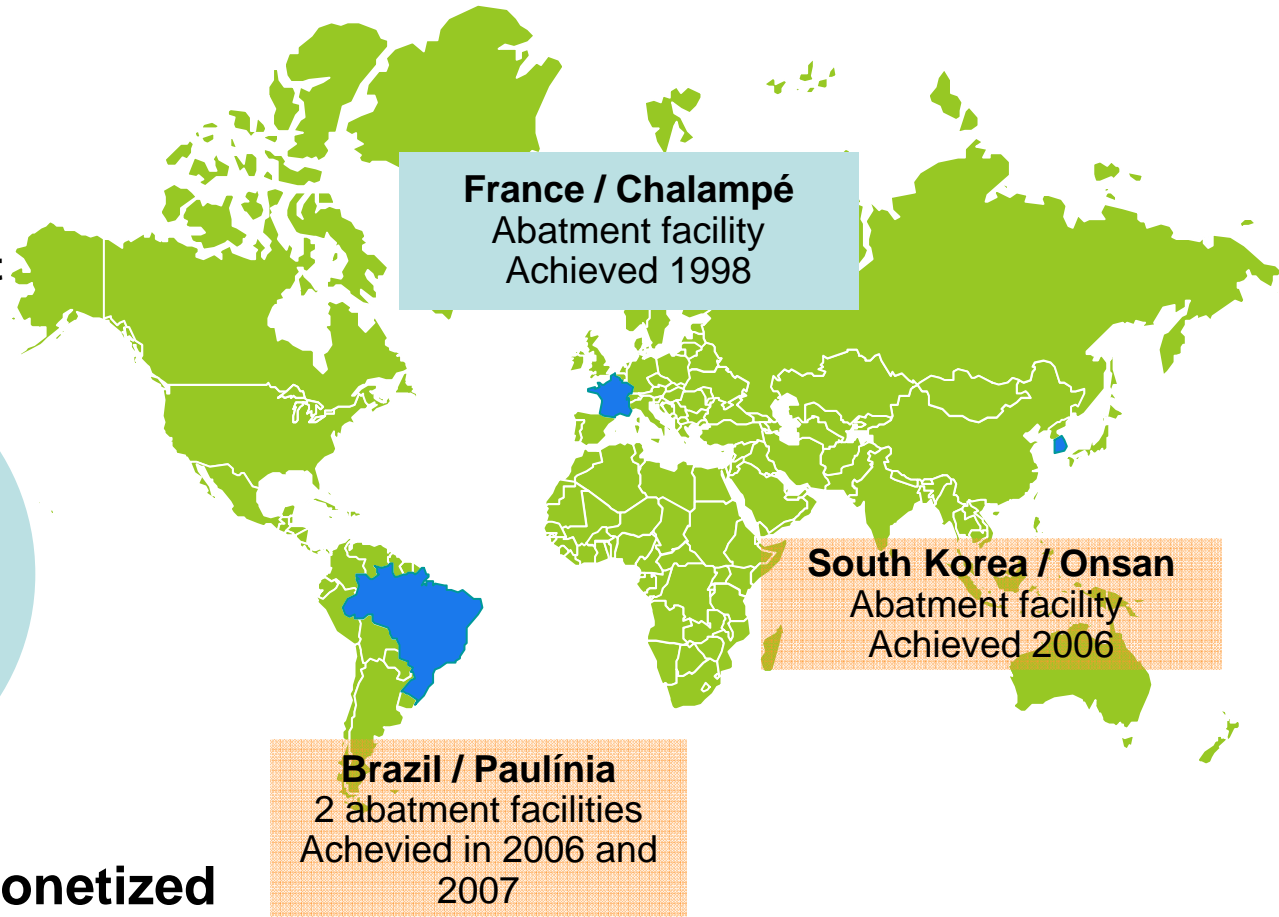


Rhodia has developed 2 of the largest CDM projects

Share of emission reductions by project



reduction non monetized





orbeo: market solutions and project expertise to fight climate change

- **July 3rd, 2006** : Creation of **orbeo**,
 - 50%-50% joint-venture between **Société Générale** and **Rhodia**
 - dedicated to CO₂ markets
- A **pioneering** joint venture between an **industrial** group and a **financial** services group in the emissions credit market
- A **unique combination** of expertise capitalising on:
 - Two large **CDM projects** developed by Rhodia (~**100 M tons CERs** / Credit Emission Reduction Units)
 - Société Générale CO₂ **trading and risk management know-how**
- A leading market participant on the CO₂ global markets and a **counterparty of choice** for both buyers and sellers of carbon products:
 - Bringing **liquidity** to the market and developing a strong expertise in **CO₂ instruments**
 - **Developing** sophisticated and varied **structures** around carbon instruments for the benefit of all players on this market
- **orbeo**
 - A **regulated Investment Services Provider** (Investment Firm category) duly authorised by the French banking authorities to provide financial services
 - A French Société par Actions Simplifiée, with a share capital of EUR 30,246,000.00





an integrated business model providing a full range of products and services

- orbeo offers comprehensive solutions to manage greenhouse gas exposure on a worldwide basis, along the whole carbon value chain:

from America to Asia

from project to market

from industrial to financial

Origination

Identification and implementation of greenhouse gas emissions reduction projects

- Rhodia's projects (about 100 millions CERs over 2007-2012)
- Other Kyoto projects
- Voluntary market



Trading

Financial Instruments

- Bilateral transactions
- Transactions via Exchanges: BlueNext, ECX, CCX, MCeX

Marketing

Risk Management solutions

- Kyoto credits (CER and ERU)
- European allowances (EUA)
- VER
- Options

Within a consortium of buyers led by ECF, orbeo has purchased 1,100,000 CERs from Yang Quan Coal Industry (Group) Co., Ltd

The transaction was arranged by Natixis Environnement & Infrastructures.

DECEMBER 2006 CN

Best Trading Company Kyoto Project Credits

DECEMBER 2007 UK

Best Trading Company for European ETS allowances (EUA)

Awarded to:

FEBRUARY 2008 UK

Emissions Europe House of the Year

Awarded to:

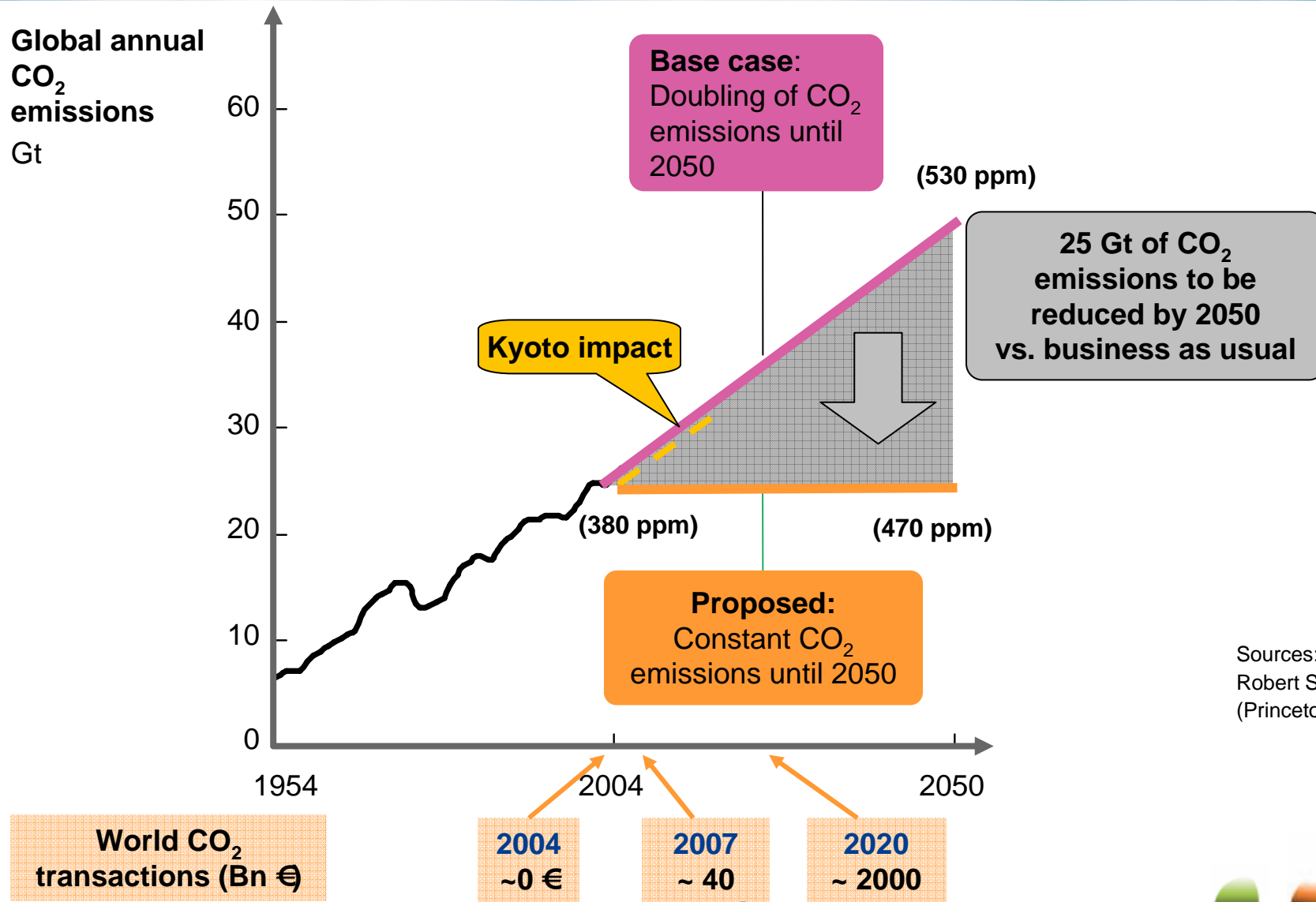
JUNE 2008 UK

Delivery of 9,769,000 CERs over the period 2007-2013 arranged by:

MARCH 2007 & APRIL 2008 JP



The carbon market could be the first commodities market in the 21st century



Sources: EIA;
Robert Socolow
(Princeton University)





orbeo committed with BlueNext

- BlueNext is a combination of different expertises coming from its parent companies (Caisse des Dépôts and NYSE Euronext):
 - Sales force (global clientele in the energy and financial communities)
 - International presence (NYSE Euronext's international network of marketplaces - North America, Asia)
 - Know how on commodities & especially carbon trading coming from PowerNext
 - Carbon expertise and know-how about register from Caisse des Dépôts
- **orbeo** is keen to provide liquidity on the market → **orbeo** supports BlueNext activities
 - In May 2008, **orbeo** signed a market making agreement on BlueNext for futures EUA contracts
 - **orbeo** member of BlueNext spot and BlueNext futures





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Appendix





our shareholders

-  **SOCIETE GENERALE**
Corporate & Investment Banking

- One of the most profitable corporate and investment banks in the Euro zone
- Serves corporate clients, financial institutions, public sector and investors all over the world
- **Recognised expertise** in Euro Capital Markets, **Derivatives**, Structured Finance

-  **Rhodia**

- A global speciality chemical group, committed to Sustainable Development
- Partner of major players in the automotive, tire, electronics, perfume, health & beauty and home care markets
- Has developed two of the largest CDM projects to date in Korea and in Brazil
- About **100 Mt CO₂e of CER** will be generated from 2007 to 2013





glossary english / french

- | | | | |
|--------------|--|---------------|---|
| ○ AAU | Assigned Amount Unit
(allocation : country) | ○ UQA | Unité de Quantité Attribuée
(quota : pays) |
| ○ CDM | Clean Development Mechanism | ○ MDP | Mécanisme de Développement Propre |
| ○ CER | Certified Emission Reduction
(credit : CDM's projects) | ○ URCE | Unité de Réduction Certifiée d'Emission
(crédit : projets de MDP) |
| ○ EUA | European Union Allowance
(allocation: European industry,
just for use in European trading
system, not in Kyoto) | ○ EUA | Quota de l'Union Européenne
(quota : industrie européenne, utilisé
uniquement dans le système d'échange
européen et non dans le Protocole de
Kyoto) |
| ○ ERU | Emission Reduction Unit
(credit : JI's projects) | ○ URE | Unité de Réduction d'Emission
(crédit : projets de MOC) |
| ○ ETS | Emission Trading Scheme | ○ ETS | Système d'Echange d'Emissions |
| ○ JI | Joint Implementation | ○ MOC | Mise en Oeuvre Conjointe |
| ○ NAP | National Allocation Plans | ○ PNAQ | Plan National d'Allocation des Quotas |





main greenhouse gases

GAS	GWP ⁽¹⁾ or CO2 Equivalent
CO₂	1
CH₄	21
N₂O	310
SF₆	23,900
Hydrofluorocarbons HFC's	140 to 11,700
Perfluorocarbon PFC's	6,500 to 9,200

(1) Global Warming Potential – factors defined by ICC-Intergovernmental Panel for Climate Change (1996)

