



# Energy

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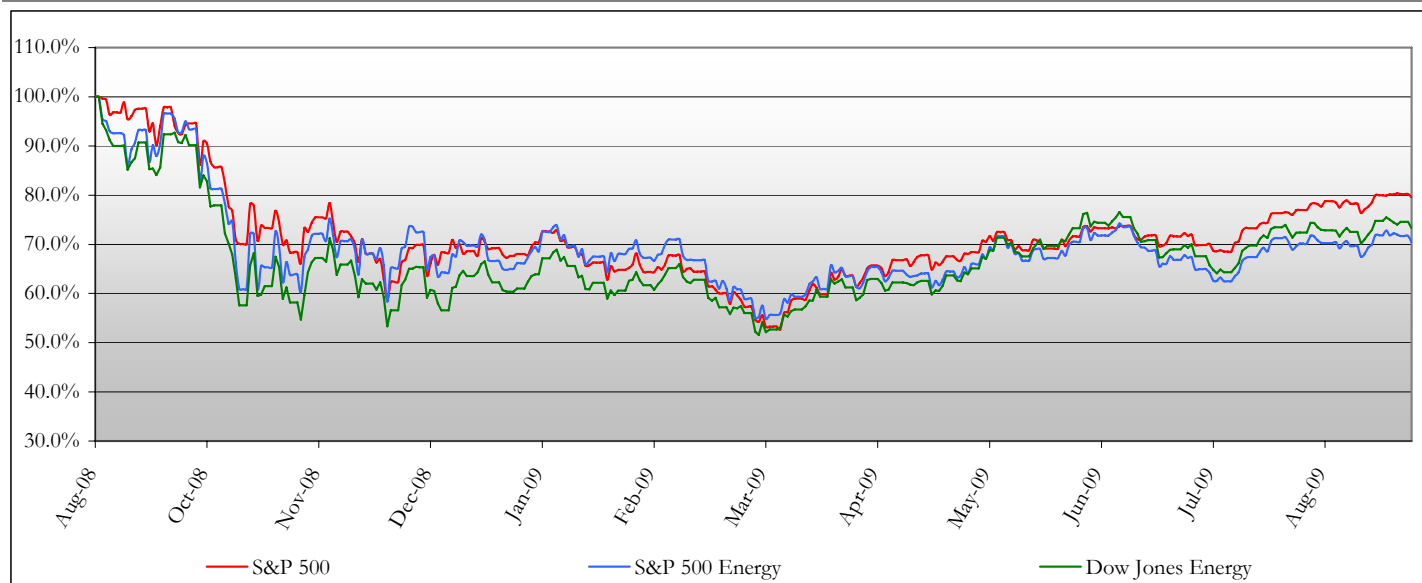
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Exhibit 1.1—Energy Indices



Source: Capital IQ

### Key Observations:

The charts and graphs contained within this newsletter depict the state and direction of the Energy industry. The key observations are summarized as follows:

1. Market Values - Overall market values have dropped 13% in the past year yet have rebounded 5% in the past 3 months.
2. Goodwill Impairment - Increased market values over the past six months has reduced the risk of impairment charges among Energy companies.
3. Market Multiples - Overall market multiples in the Energy industry have slightly increased. In the Integrated Oil & Gas sector and Exploration and Production sector. A recent surge in activity in both sectors has helped push multiples slightly higher.
4. Corporate Debt Market Efficiency - Corporate bond market efficiency has improved over the past three months as yields have declined and spreads between rated debt levels have narrowed. In addition, issuances have slightly increased to fund growth and refinancing, particularly for larger energy companies with healthy balance sheets.
5. M&A Transaction Activity - Volume has increased significantly in the last several months as commodity prices show signs of stabilizing and credit markets begin to loosen thus facilitating the purchase of smaller distressed entities by larger Energy companies. In particular, small to middle-market activity in the Exploration and Production sector has fueled the majority of M&A transactions in 2009 and depressed valuations for these smaller companies have kept total deal value low.
6. Private Equity and VC Activity - Private equity and venture capital activity has significantly decreased compared to 2008 particularly in the Exploration and Production and Equipment and Service sectors. The recent plunge in oil and gas prices has curtailed new projects and production, translating into less investment by private capital into these sectors. Currently, private capital activity has been driven by funds seeking to invest in smaller distressed companies that have had difficulty obtaining financing in the public markets. In addition, some funds have begun to look to the energy industry as a hedge against future inflation as the economy begins to recover. The largest deal within the past three months was East Resources Inc.'s \$350 million in funding from private equity firm, Kohlberg Kravis Roberts & Co.
7. Debt and Equity Underwriting Activity - Underwriting activity of equity and debt increased significantly over the past three months in the Energy industry as (i) public offerings have filled some of the void in commercial bank financing arising from commercial bank illiquidity and scaled back lending as commodity prices remain low (ii) companies that have maintained healthy balance sheets take advantage of falling debt yields to fund growth (iii) companies take advantage of falling yields and low interest rates to refinance corporate bonds.

## Exhibit 1.2—Change in Worldwide Public Company Enterprise Values (\$MM)

Enterprise Value	08/31/09	05/31/09	08/31/08	08/31/07
Integrated Oil & Gas	\$1,952,421	\$1,892,291	\$2,346,581	\$2,387,644
<i>% Change</i>		3.2%	-16.8%	-18.2%
O&G Exploration and Production	\$804,894	\$789,630	\$1,031,618	\$771,792
<i>% Change</i>		1.9%	-22.0%	4.3%
O&G Refining and Marketing	\$188,039	\$187,880	\$208,933	\$238,839
<i>% Change</i>		0.1%	-10.0%	-21.3%
O&G Storage and Transportation	\$379,507	\$368,361	\$395,390	\$374,910
<i>% Change</i>		3.0%	-4.0%	1.2%
O&G Equipment and Services	\$444,303	\$435,282	\$693,563	\$595,313
<i>% Change</i>		2.1%	-35.9%	-25.4%
Alternative Energy Resources	\$263	\$266	\$345	\$378
<i>% Change</i>		-1.4%	-24.0%	-30.6%
Coal & Consumable Fuels	\$104,547	\$98,118	\$159,363	\$117,782
<i>% Change</i>		6.6%	-34.4%	-11.2%
Utilities	\$2,957,595	\$2,732,355	\$3,046,665	\$2,707,083
<i>% Change</i>		8.2%	-2.9%	9.3%
<b>Total</b>	<b>\$6,512,087</b>	<b>\$6,191,052</b>	<b>\$7,520,496</b>	<b>\$6,840,130</b>
<i>% Change</i>		5.2%	-13.4%	-4.8%

## Exhibit 1.3 - Book Value of Equity vs. Market Value of Equity (\$MM)

Book Value of Equity	08/31/09	05/31/09	08/31/08	08/31/07
Integrated Oil & Gas	\$959,061	\$932,305	\$1,015,672	\$844,233
O&G Exploration and Production	\$273,085	\$262,931	\$271,387	\$224,339
O&G Refining and Marketing	\$25,503	\$24,424	\$23,985	\$19,097
O&G Storage and Transportation	\$109,762	\$104,696	\$103,283	\$91,789
O&G Equipment and Services	\$213,556	\$204,337	\$199,730	\$148,125
Alternative Energy Resources	\$60	\$52	\$98	\$121
Coal & Consumable Fuels	\$42,041	\$40,236	\$40,617	\$25,207
Utilities	\$1,014,280	\$971,632	\$1,015,907	\$872,215
<b>Market Value of Equity</b>				
Integrated Oil & Gas	\$1,711,518	\$1,701,529	\$2,217,565	\$2,290,769
O&G Exploration and Production	\$481,882	\$470,856	\$685,621	\$498,489
O&G Refining and Marketing	\$57,634	\$55,118	\$74,634	\$46,725
O&G Storage and Transportation	\$187,764	\$175,405	\$226,282	\$227,973
O&G Equipment and Services	\$369,189	\$358,655	\$627,380	\$557,256
Alternative Energy Resources	\$54	\$40	\$124	\$156
Coal & Consumable Fuels	\$99,496	\$93,349	\$153,408	\$110,428
Utilities	\$1,537,985	\$1,400,927	\$1,874,524	\$1,793,711

Source: Capital IQ

## Exhibit 1.4– Public Market Statistics

	08/31/09	5/31/09	8/31/08	8/31/07
<b>Integrated Oil &amp; Gas</b>				
<b>EV/EBITDA</b>				
N. America	5.47 x	4.38 x	5.25 x	5.15 x
Europe	4.93 x	3.94 x	3.57 x	4.59 x
Asia Pacific	6.30 x	6.55 x	7.04 x	6.07 x
<b>Cost of Equity</b>				
N. America	10.1%	10.1%	10.4%	12.6%
Europe	11.3%	12.0%	12.8%	16.0%
Asia Pacific	9.3%	9.4%	9.5%	9.3%
<b>Implied Earnings Growth</b>				
N. America	-2.4%	-2.6%	-6.1%	-4.2%
Europe	-1.7%	-2.0%	-5.5%	-7.3%
Asia Pacific	-0.8%	-0.2%	-0.4%	-0.6%
<b>O&amp;G Exploration and Production</b>				
<b>EV/EBITDA</b>				
N. America	4.85 x	4.69 x	9.01 x	5.78 x
Europe	9.86 x	6.01 x	5.25 x	9.66 x
Asia Pacific	7.60 x	6.41 x	6.79 x	6.11 x
<b>Cost of Equity</b>				
N. America	12.1%	12.0%	9.8%	12.4%
Europe	13.4%	12.0%	9.5%	9.8%
Asia Pacific	13.6%	13.2%	11.8%	12.1%
<b>Implied Earnings Growth</b>				
N. America	0.9%	1.0%	0.4%	1.9%
Europe	3.8%	3.7%	-1.0%	-2.9%
Asia Pacific	2.5%	2.0%	-0.5%	-1.4%
<b>O&amp;G Refining and Marketing</b>				
<b>EV/EBITDA</b>				
N. America	5.24 x	4.72 x	7.42 x	5.10 x
Europe	-35.12 x	34.99 x	4.85 x	7.00 x
Asia Pacific	24.20 x	18.92 x	6.12 x	6.03 x
<b>Cost of Equity</b>				
N. America	9.9%	11.0%	7.4%	9.7%
Europe	10.6%	11.7%	11.1%	11.9%
Asia Pacific	10.0%	9.7%	6.9%	7.6%
<b>Implied Earnings Growth</b>				
N. America	-4.6%	-5.4%	-5.6%	-3.3%
Europe	2.5%	0.4%	3.5%	-5.8%
Asia Pacific	-0.3%	-0.4%	0.0%	-3.3%

Source: Capital IQ

## Exhibit 1.4 (continued) - Public Market Statistics

	08/31/09	5/31/09	8/31/08	8/31/07
<b>O&amp;G Storage and Transportation</b>				
<b>EV/EBITDA</b>				
N. America	9.75 x	9.58 x	11.48 x	10.89 x
Europe	7.15 x	6.61 x	10.47 x	10.12 x
Asia Pacific	8.50 x	8.12 x	11.42 x	11.22 x
<b>Cost of Equity</b>				
N. America	10.5%	10.5%	7.8%	8.5%
Europe	9.2%	9.3%	8.1%	8.9%
Asia Pacific	10.5%	10.5%	12.1%	10.0%
<b>Implied Earnings Growth</b>				
N. America	3.3%	3.5%	2.9%	1.8%
Europe	-0.7%	-0.8%	-1.8%	1.1%
Asia Pacific	-0.8%	-1.0%	0.0%	6.5%
<b>O&amp;G Equipment and Services</b>				
<b>EV/EBITDA</b>				
N. America	5.73 x	5.33 x	9.51 x	10.11 x
Europe	6.29 x	6.09 x	10.13 x	11.49 x
Asia Pacific	9.68 x	9.38 x	11.12 x	13.27 x
<b>Cost of Equity</b>				
N. America	11.5%	11.5%	9.6%	12.3%
Europe	11.5%	11.6%	10.4%	14.9%
Asia Pacific	12.7%	12.6%	13.7%	12.9%
<b>Implied Earnings Growth</b>				
N. America	-0.8%	-1.1%	-2.2%	1.6%
Europe	-0.9%	-1.2%	-1.9%	3.1%
Asia Pacific	4.2%	4.8%	5.0%	6.0%
<b>Alternative Energy Resources</b>				
<b>EV/EBITDA</b>				
N. America	N/A	N/A	N/A	N/A
Europe	N/A	N/A	N/A	N/A
Asia Pacific	8.73 x	10.23 x	8.95 x	7.69 x
<b>Cost of Equity</b>				
N. America	N/A	N/A	N/A	N/A
Europe	N/A	N/A	N/A	N/A
Asia Pacific	N/A	N/A	N/A	N/A
<b>Implied Earnings Growth</b>				
N. America	N/A	N/A	N/A	N/A
Europe	N/A	N/A	N/A	N/A
Asia Pacific	N/A	N/A	N/A	N/A

Source: Capital IQ

## Exhibit 1.4 (continued) - Public Market Statistics

	08/31/09	5/31/09	8/31/08	8/31/07
<b>Coal &amp; Consumable Fuels</b>				
<b>EV/EBITDA</b>				
N. America	8.30 x	8.16 x	19.01 x	14.50 x
Europe	12.34 x	11.95 x	16.31 x	9.98 x
Asia Pacific	10.39 x	12.51 x	20.28 x	9.37 x
<b>Cost of Equity</b>				
N. America	12.9%	12.7%	10.5%	15.4%
Europe	12.5%	12.2%	10.4%	9.6%
Asia Pacific	13.7%	13.7%	9.1%	7.2%
<b>Implied Earnings Growth</b>				
N. America	3.9%	3.9%	2.6%	6.6%
Europe	-2.4%	-2.0%	-2.7%	-1.7%
Asia Pacific	1.0%	1.8%	-0.4%	3.2%
<b>Utilities</b>				
<b>EV/EBITDA</b>				
N. America	7.43 x	7.22 x	8.82 x	9.48 x
Europe	8.47 x	8.31 x	8.58 x	7.72 x
Asia Pacific	10.72 x	11.85 x	12.74 x	8.07 x
<b>Cost of Equity</b>				
N. America	9.0%	9.1%	9.4%	10.6%
Europe	10.7%	9.6%	11.2%	14.0%
Asia Pacific	6.8%	7.2%	7.4%	7.8%
<b>Implied Earnings Growth</b>				
N. America	0.0%	-0.1%	0.0%	1.5%
Europe	2.4%	1.4%	2.2%	3.3%
Asia Pacific	2.4%	2.1%	2.3%	3.7%

Source: Capital IQ

## Exhibit 1.5 - EBITDA/Aggregate Debt

EBITDA/Aggregate Debt	08/31/09	05/31/09	08/31/08	08/31/07
Integrated Oil & Gas	119.0%	159.1%	224.8%	219.1%
O&G Exploration and Production	79.8%	86.2%	74.2%	70.1%
O&G Refining and Marketing	51.6%	56.5%	58.4%	49.7%
O&G Storage and Transportation	21.4%	21.5%	20.9%	21.0%
O&G Equipment and Services	66.1%	67.9%	68.9%	82.4%
Alternative Energy Resources	13.5%	13.9%	13.5%	14.3%
Coal & Consumable Fuels	67.7%	59.9%	48.6%	40.7%
Utilities	23.5%	22.4%	24.4%	26.0%

## Exhibit 1.6 - U.S. Corporate Bond Yields

Rating	Median Yield % (# of companies)							
	8/31/09		5/31/09		8/31/08		8/31/07	
<b>AAA</b>	1.87%	(276)	2.21%	(271)	6.28%	(282)	5.91%	(527)
Energy	5.10%	(4)	5.98%	(4)	5.49%	(12)	5.38%	(27)
Other	1.87%	(272)	2.21%	(267)	4.65%	(270)	5.45%	(500)
<b>AA</b>	3.35%	(829)	4.46%	(880)	4.14%	(1,024)	5.56%	(1,057)
Energy	5.15%	(4)	6.23%	(3)	5.27%	(4)	5.50%	(4)
Other	3.35%	(825)	4.46%	(877)	4.14%	(1,020)	5.56%	(1,053)
<b>A</b>	4.60%	(2,982)	5.88%	(3,011)	5.56%	(3,085)	5.69%	(3,016)
Energy	4.90%	(26)	5.93%	(27)	5.91%	(37)	5.75%	(47)
Other	4.60%	(2,956)	5.88%	(2,984)	5.56%	(3,048)	5.69%	(2,969)
<b>BBB</b>	5.89%	(2,972)	7.45%	(2,942)	6.47%	(2,908)	5.97%	(2,856)
Energy	5.49%	(11)	6.95%	(11)	6.27%	(10)	5.93%	(10)
Other	5.89%	(2,961)	7.45%	(2,931)	6.47%	(2,898)	5.97%	(2,846)
<b>BB</b>	8.02%	(940)	9.00%	(911)	7.72%	(870)	6.99%	(906)
Energy	7.82%	(3)	8.76%	(3)	7.42%	(3)	7.01%	(3)
Other	8.02%	(937)	9.00%	(908)	7.72%	(867)	6.99%	(903)
<b>B</b>	9.49%	(864)	11.03%	(812)	9.11%	(809)	8.18%	(863)
Energy	9.57%	(7)	11.63%	(5)	8.92%	(4)	7.98%	(4)
Other	9.49%	(857)	11.03%	(807)	9.11%	(805)	8.18%	(859)
<b>CCC</b>	13.97%	(622)	20.23%	(632)	13.64%	(626)	9.78%	(636)
Energy	13.82%	(2)	20.05%	(3)	11.08%	(4)	10.58%	(6)
Other	13.97%	(620)	20.23%	(629)	13.64%	(622)	9.78%	(630)
<b>CC</b>	34.39%	(91)	27.71%	(96)	15.38%	(102)	9.28%	(99)
Energy	13.83%	(0)	17.57%	(0)	8.06%	(0)	7.79%	(0)
Other	34.39%	(91)	27.71%	(96)	15.38%	(102)	9.28%	(99)
<b>C</b>	33.26%	(38)	41.16%	(39)	15.35%	(37)	10.35%	(26)
Energy	N/A	(0)	N/A	(0)	N/A	(1)	N/A	(0)
Other	33.26%	(38)	41.16%	(39)	15.35%	(36)	10.35%	(26)

Source: Capital IQ

## Exhibit 1.7 - U.S. Corporate Bond Yields

Difference between:	8/31/2009	5/31/2009	8/31/2008	8/31/2007
AA and AAA	1.49%	2.25%	-2.13%	-0.35%
A and AA	1.25%	1.41%	1.42%	0.13%
BBB and A	1.29%	1.58%	0.91%	0.27%
BB and BBB	2.13%	1.54%	1.25%	1.03%
B and BB	1.47%	2.04%	1.39%	1.19%
CCC and B	4.48%	9.20%	4.54%	1.60%
CC and CCC	20.42%	7.48%	1.74%	-0.50%
C and CC	-1.13%	13.45%	-0.03%	1.07%

Difference between:	8/31/2009	5/31/2009	8/31/2008	8/31/2007
AAA	-4.02%	-5.24%	-0.19%	-0.06%
AA	-2.54%	-2.99%	-2.33%	-0.41%
A	-1.29%	-1.58%	-0.91%	-0.27%
<b>BBB Yield</b>				
BB	2.13%	1.54%	1.25%	1.03%
B	3.60%	3.58%	2.64%	2.22%
CCC	8.08%	12.78%	7.17%	3.82%
CC	28.50%	20.26%	8.91%	3.31%
C	27.37%	33.71%	8.88%	4.39%

Source: Capital IQ

## Exhibit 2.1—M&amp;A Transaction Volume and Values - Through 8/31/2009 (\$MM)

	2009	2008	2007	2006	2005
<b>M&amp;A Transaction Volume</b>					
Integrated Oil & Gas	5	3	3	7	2
O&G Exploration and Production	197	440	431	375	312
O&G Refining and Marketing	9	40	32	43	82
O&G Storage and Transportation	18	41	54	54	22
O&G Equipment and Services	35	139	172	143	89
Alternative Energy Resources	9	21	17	12	4
Coal & Consumable Fuels	38	61	44	40	37
Utilities	93	190	187	192	142
<b>Total Deal Count</b>	<b>404</b>	<b>935</b>	<b>940</b>	<b>866</b>	<b>690</b>
<b>M&amp;A Transaction Values</b>					
Integrated Oil & Gas	\$26,418	\$3,130	\$7,044	\$5,271	\$3,178
O&G Exploration and Production	\$16,601	\$91,899	\$114,712	\$130,028	\$41,932
O&G Refining and Marketing	\$2,720	\$18,634	\$13,129	\$21,326	\$52,774
O&G Storage and Transportation	\$2,787	\$17,690	\$50,455	\$17,523	\$3,113
O&G Equipment and Services	\$2,924	\$37,892	\$39,556	\$17,778	\$10,346
Alternative Energy Resources	\$194	\$2,069	\$255	\$375	\$2,065
Coal & Consumable Fuels	\$4,530	\$8,725	\$9,548	\$4,016	\$1,373
Utilities	\$91,797	\$82,739	\$247,770	\$94,843	\$86,890
<b>Total Deal Value</b>	<b>147,972</b>	<b>262,777</b>	<b>482,468</b>	<b>291,160</b>	<b>201,671</b>

## Exhibit 2.2—Key M&amp;A Multiples - Through 8/31/2009

	2009	2008	2007	2006	2005
<b>EV/EBIT:</b>					
Integrated Oil & Gas	10.33 x	12.49 x	18.41 x	7.27 x	8.16 x
O&G Exploration and Production	7.24 x	55.85 x	25.25 x	23.34 x	16.60 x
O&G Refining and Marketing	8.91 x	26.26 x	23.95 x	10.12 x	8.43 x
O&G Storage and Transportation	22.42 x	17.76 x	19.82 x	46.81 x	16.32 x
O&G Equipment and Services	12.98 x	28.76 x	18.53 x	43.02 x	40.69 x
Alternative Energy Resources	N/A	N/A	N/A	N/A	N/A
Coal & Consumable Fuels	24.79 x	27.97 x	N/A	30.50 x	30.28 x
Utilities	13.34 x	13.66 x	14.55 x	15.96 x	18.20 x
<b>EV/EBITDA:</b>					
Integrated Oil & Gas	6.16 x	8.58 x	13.15 x	4.89 x	6.02 x
O&G Exploration and Production	7.63 x	13.80 x	10.64 x	12.26 x	8.56 x
O&G Refining and Marketing	5.65 x	14.89 x	16.31 x	7.74 x	6.91 x
O&G Storage and Transportation	11.43 x	12.58 x	15.43 x	N/A	10.59 x
O&G Equipment and Services	6.04 x	14.01 x	13.59 x	18.95 x	19.49 x
Alternative Energy Resources	N/A	N/A	N/A	N/A	N/A
Coal & Consumable Fuels	6.07 x	10.29 x	21.00 x	24.63 x	17.48 x
Utilities	9.59 x	9.27 x	10.55 x	10.21 x	11.48 x

Source: Capital IQ

# Energy

## M&A Summary - Noted Transactions

Summer 2009

### Exhibit 3 - Noted M&A Transactions - 5/31/2009 - 8/31/2009 (\$MM)

Group	Buyer	Target	Amount	Target Territory
Integrated Oil & Gas	Suncor Energy Inc.	Petro-Canada	\$19,478.1	N. America
O&G Exploration and Production	BG Group PLC	EXCO Resources Inc., Haynesville Shale and Certain Other Assets in East Texas and North Louisiana	\$727.0	N. America
	Bonavista Energy Trust	EnCana Corp., Natural Gas Weighted Properties in Central Alberta	\$623.8	N. America
	Vermilion Energy Trust	Working Interest in Corrib Field	\$400.0	Europe
O&G Refining and Marketing	PetroChina International (Singapore) Pte. Ltd.	Singapore Petroleum Co. Ltd.	\$1,016.4	Asia Pacific
	HKN Inc.	UniPure Corporation	\$2.2	N. America
	GreenMan Renewable Fuel and Alternative Energy Inc.	American Power Group, Inc.	\$1.5	N. America
O&G Storage and Transportation	BG LNG Services LLC	Exco Operating Company LP, Midstream Gas-Gathering and Transportation Assets	\$269.2	N. America
	Magellan Midstream Partners LP	Longhorn Pipeline Holdings LLC	\$250.0	N. America
	Southcross Energy LLC	Assets in Mississippi, Alabama and South Texas	\$218.0	N. America
O&G Equipment and Services	Clean Harbors Canada Inc.	Eveready Inc.	\$416.6	N. America
	DryShips Inc.	Primelead Shareholders Inc.	\$330.0	Europe
	Inflexion Private Equity; F&C Private Equity Trust PLC; HSBC Private Equity (UK); F&C Asset Management PLC	Viking Moorings Ltd.	\$279.3	Europe
Alternative Energy Resources	Sofipa SGR SpA; Sofipa Equity Fund II	Roen Est SPA	\$11.7	Europe
	National Wind Solutions Inc.	Biodiesel Plant In Atascosa County	\$3.0	N. America
Coal & Consumable Fuels	Alpha Natural Resources Inc.	Foundation Coal Holdings Inc.	\$2,062.3	N. America
	Noble Group Ltd.	Gloucester Coal Ltd.	\$302.9	Asia Pacific
	TCW Asset Management Company	National Coal of Alabama Inc.	\$19.0	N. America
Utilities	Enel SpA	Endesa SA	\$12,114.3	Europe
	BlueBay Asset Management PLC; Credit Suisse Asset Management (Switzerland); Strategic Value Partners LLC	EDF Energy PLC, Eggborough Coal Plant	\$303.2	Europe
	Multiple Buyers	Verbundnetz Gas Verwaltungs- und Beteiligungsgesellschaft mbH	\$154.0	Europe

Source: Capital IQ

Exhibit 4 - PE & VC Deals Count & Dollar Volume - Through 8/31/2009 (\$MM)

	2009	2008	2007	2006	2005
<b>PE &amp; VC Transaction Volume</b>					
Integrated Oil & Gas	1	1	-	1	-
O&G Exploration and Production	17	70	81	79	56
O&G Refining and Marketing	-	6	15	10	6
O&G Storage and Transportation	2	3	3	4	2
O&G Equipment and Services	3	30	26	36	27
Alternative Energy Resources	8	15	20	7	3
Coal & Consumable Fuels	15	34	48	33	13
Utilities	32	70	58	38	14
<b>Total Deal Count</b>	<b>78</b>	<b>229</b>	<b>251</b>	<b>208</b>	<b>121</b>
<b>PE &amp; VC Transaction Values</b>					
Integrated Oil & Gas	\$350	\$1	\$0	\$2	\$0
O&G Exploration and Production	\$328	\$5,229	\$4,101	\$4,270	\$2,921
O&G Refining and Marketing	\$0	\$23	\$287	\$325	\$455
O&G Storage and Transportation	\$3	\$103	\$75	\$215	\$8
O&G Equipment and Services	\$8	\$635	\$705	\$1,165	\$327
Alternative Energy Resources	\$165	\$129	\$132	\$140	\$16
Coal & Consumable Fuels	\$191	\$1,063	\$711	\$1,069	\$491
Utilities	\$1,188	\$4,898	\$2,417	\$1,119	\$415
<b>Total Deal Value</b>	<b>\$2,234</b>	<b>\$12,081</b>	<b>\$8,426</b>	<b>\$8,305</b>	<b>\$4,633</b>

Source: Capital IQ

# Energy

## Private Equity & VC Noted Transactions

Summer 2009

### Exhibit 5 - Noted PE & VC Transactions - 5/31/2009 - 8/31/2009 (\$MM)

Group	Investor	Target	Amount	Target Territory
Integrated Oil & Gas	Kohlberg Kravis Roberts & Co.	East Resources Inc.	\$350.0	N. America
O&G Exploration and Production	Undisclosed Investors	Alange Energy Corp.	\$128.6	N. America
	Platinum Management (NY) LLC; Platinum Partners Value Arbitrage Fund LP	Black Elk Energy LLC	\$40.0	N. America
	Undisclosed Investors	Laricina Energy Ltd.	\$83.8	N. America
O&G Equipment and Services	Undisclosed Investor	Paintearth Energy Services Inc.	\$0.1	N. America
Alternative Energy Resources	Rockfield Energy LLP	Imperative Energy Ltd	\$43.9	Europe
	Crédit Agricole Private Equity; Capenergie; SA Louis Dreyfus & Cie	Direct Energie Renouvelable	\$29.3	Europe
Coal & Consumable Fuels	Harris & Harris Group Inc.; VantagePoint Venture Partners; Lightspeed Venture Partners; Braemar Energy Ventures; The Roda Group	Solazyme Inc.	\$57.0	N. America
	Noble Group Ltd.; Libra Advisors LLC; Diverso Management Ltd; RAB Capital PLC; Jupiter Asset Management Limited	TMO Renewables Limited	\$17.5	Europe
	Hawkeye Energy Holdings LLC	Advanced Bioenergy LLC	\$5.0	N. America
Utilities	JEMB Realty Corp.; United States Power Fund III LP; EIF Management LLC; SNC Lavalin Group Inc.; SUEZ Energy North America Inc.	Astoria Energy LLC	\$400.0	N. America
	Southern Company	Alabama Power Co.	\$135.0	N. America
	Multiple Investors	China Wind Power International Corp.	\$25.1	N. America

Source: Capital IQ

Exhibit 6.1 - Equity Underwriting Activity - Through 8/31/2009 (\$MM)

	2009	2008	2007	2006	2005
<b>Equity Underwriting Volume</b>					
Integrated Oil & Gas	4	2	7	10	3
O&G Exploration and Production	87	51	123	103	69
O&G Refining and Marketing	4	2	10	18	12
O&G Storage and Transportation	24	16	30	29	47
O&G Equipment and Services	11	8	17	44	37
Alternative Energy Resources	-	-	-	-	-
Coal & Consumable Fuels	17	9	26	32	22
Utilities	21	18	25	22	27
<b>Total Deal Count</b>	<b>168</b>	<b>106</b>	<b>238</b>	<b>258</b>	<b>217</b>
<b>Equity Underwriting Value</b>					
Integrated Oil & Gas	\$531	\$276	\$1,286	\$2,121	\$1,157
O&G Exploration and Production	\$10,560	\$9,661	\$9,061	\$6,252	\$7,173
O&G Refining and Marketing	\$970	\$249	\$834	\$2,821	\$2,044
O&G Storage and Transportation	\$5,262	\$3,743	\$5,655	\$4,932	\$7,096
O&G Equipment and Services	\$796	\$553	\$1,536	\$6,379	\$6,095
Alternative Energy Resources	\$0	\$0	\$0	\$0	\$0
Coal & Consumable Fuels	\$945	\$753	\$608	\$970	\$2,030
Utilities	\$15,526	\$6,331	\$4,807	\$4,057	\$8,847
<b>Total Deal Value</b>	<b>\$34,589</b>	<b>\$21,567</b>	<b>\$23,788</b>	<b>\$27,532</b>	<b>\$34,442</b>
<b>Security Type</b>					
Equity	\$34,589	\$21,567	\$23,788	\$27,532	\$34,442
Debt	\$78,322	\$76,613	\$34,902	\$40,160	\$26,908
<b>Total Underwriting Value</b>	<b>\$112,911</b>	<b>\$98,179</b>	<b>\$58,689</b>	<b>\$67,691</b>	<b>\$61,349</b>

Source: Capital IQ

Exhibit 6.2 - Debt Underwriting Activity - Through 8/31/2009 (\$MM)

	2009	2008	2007	2006	2005
<b>Debt Underwriting Volume</b>					
Integrated Oil & Gas	23	10	7	5	1
O&G Exploration and Production	29	20	12	8	4
O&G Refining and Marketing	8	1	1	1	-
O&G Storage and Transportation	15	23	6	6	8
O&G Equipment and Services	10	11	8	4	1
Alternative Energy Resources	-	-	-	-	-
Coal & Consumable Fuels	-	2	1	2	1
Utilities	76	130	43	60	56
<b>Total Deal Count</b>	<b>161</b>	<b>197</b>	<b>78</b>	<b>86</b>	<b>71</b>
<b>Debt Underwriting Value</b>					
Integrated Oil & Gas	\$21,642	\$7,469	\$4,737	\$6,395	\$206
O&G Exploration and Production	\$12,381	\$10,391	\$4,688	\$9,070	\$2,094
O&G Refining and Marketing	\$5,162	\$197	\$500	\$50	\$0
O&G Storage and Transportation	\$5,588	\$8,920	\$2,971	\$3,461	\$3,522
O&G Equipment and Services	\$6,051	\$5,036	\$9,210	\$1,545	\$275
Alternative Energy Resources	\$0	\$0	\$0	\$0	\$0
Coal & Consumable Fuels	\$0	\$850	\$500	\$1,572	\$150
Utilities	\$27,498	\$43,748	\$12,297	\$18,067	\$20,660
<b>Total Deal Value</b>	<b>\$78,322</b>	<b>\$76,613</b>	<b>\$34,902</b>	<b>\$40,160</b>	<b>\$26,908</b>
<b>Security Type</b>					
Equity	\$35,309	\$21,567	\$23,788	\$27,532	\$34,442
Debt	\$78,322	\$76,613	\$34,902	\$40,160	\$26,908
<b>Total Underwriting Value</b>	<b>\$113,631</b>	<b>\$98,179</b>	<b>\$58,689</b>	<b>\$67,691</b>	<b>\$61,349</b>

Source: Capital IQ

**Energy**  
**Debt & Equity Underwriting Noted Transactions**

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**Exhibit 7 - Noted Underwriting Transactions - 5/31/2009 - 8/31/2009 (\$MM)**

Group	Issuer	Net Amount	Offering Type	Issuer Territory
Integrated Oil & Gas	Enterprise Products Operating LLC	\$498.0	Debt	N. America
	Questar Market Resources Inc.	\$297.5	Debt	N. America
	Tesoro Corporation	\$282.5	Debt	N. America
O&G Exploration and Production	Nexen Inc.	\$690.0	Debt	N. America
	Quicksilver Resources Inc.	\$568.3	Debt	N. America
	Petrohawk Energy Corporation	\$550.1	Equity	N. America
O&G Refining and Marketing	Valero Energy Corp.	\$694.8	Equity	N. America
	Tesoro Corporation	\$282.5	Debt	N. America
	Western Refining Inc.	\$194.0	Debt	N. America
O&G Storage and Transportation	TransCanada Corp.	\$1,358.9	Equity	N. America
	Plains All American Pipeline LP	\$497.3	Debt	N. America
	Boardwalk Pipelines LP	\$347.1	Debt	N. America
O&G Equipment and Services	Rowan Companies Inc.	\$493.5	Debt	N. America
	Exterran Holdings Inc.	\$316.5	Debt	N. America
	Cal Dive International Inc	\$161.9	Equity	N. America
Coal & Consumable Fuel	Arch Coal Inc.	\$284.1	Equity	N. America
	Patriot Coal Corporation	\$89.8	Equity	N. America
	China Qinfa Group Limited	\$79.4	Equity	Asia Pacific
Utilities	China Resources Power Holdings Co. Ltd.	\$775.6	Equity	Asia Pacific
	NRG Energy Inc.	\$677.9	Debt	N. America
	Dominion Resources Inc.	\$605.3	Debt	N. America

Source: Capital IQ

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## The Salter Group

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*Sources of information utilized in the preparation of this newsletter include Capital IQ and Morningstar. 'EV' and 'Ent Val' mean 'Enterprise Value' which is obtained from Capital IQ. 'EBITDA' means earnings before interest and taxes and also are calculated on a last twelve months' basis. 'Aggregate Debt' is calculated on a last twelve months' basis. 'EV/EBITDA' and is calculated as enterprise value divided by EBITDA. 'EV/EBITDA' on pages 4-6 are calculated using the value weighted average. Cost of Equity is calculated using the capital asset pricing model ("CAPM") with the variables calculated as follows: the market risk premium was determined based on information from Morningstar,  $b$  is calculated using stock price information from Capital IQ over a two-year period relative to the native country's major index and adjusted for prospective expectations, and the risk free rate is calculated from the yield of a 10-year generic treasury bond in each country. Corporate bond yields calculated using the median yield to maturity of all outstanding bonds as of each specified date. Corporate bonds are segmented by S&P credit ratings as of the most recent rating date.*

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