

FOR IMMEDIATE RELEASE

## **REPUTEX ANNOUNCES AUSTRALIA'S BEST IN SECTOR "LOW CARBON" COMPANIES**

**3<sup>rd</sup> July 2008, Melbourne, Australia.** Ratings and research firm RepuTex today released a best in sector listing of Australia's best "low carbon" companies from the S&P ASX 300 Index.

The list identifies 13 leading companies that produce less carbon emissions than sector peers. These companies have naturally low carbon business models, and are therefore best positioned to minimise any liability to an Emissions Trading Scheme.

All S&P ASX 300 companies are assessed by RepuTex according to their total carbon emissions per million dollars of revenue. Companies are assigned a RepuTex Carbon Rating on a scale of AAA (reliable) to D (at risk), reflecting the company's risk/reward profile under a new low carbon economy.

The highest performing company is Babcock & Brown Wind, which received a AAA RepuTex Carbon Rating due to its high renewable energy activities. Other highly rated companies include Arrow Energy, Queensland Gas Company and Sims Group which received AA RepuTex Carbon Ratings.

"Companies with principal involvement in low carbon intensive activities are best positioned to mitigate carbon liabilities and benefit from market opportunities", said Head of Research at RepuTex, Hugh Grossman.

"In a traditionally dirty industry, Babcock and Brown Wind is able to generate electricity with 97% less emissions than its sector peers. When this is translated into life under an emissions trading scheme it will represent a considerable competitive advantage", he said.

While current discussion focuses on the shape and scope of a local emissions trading scheme, RepuTex notes that from a company and investor perspective, a company's relative emissions is the real million dollar question.

"Regardless of the shape and scope of a local scheme, at the end of the day it's a simple equation, companies with lower emissions will be better positioned. These companies will be better insulated from any carbon tax, and better positioned to benefit from constraints on competitors. Other stocks will simply be playing catch up", he said.

The financial performance of companies that produce less carbon emissions than their sector peers is being tracked by RepuTex, with returns suggesting that "carbon optimised" portfolios are getting the jump on the market.

RepuTex's Carbon Leaders Index consists of 44 S&P ASX 200 stocks that produce less carbon emissions than sector peers. Figures show that the Index has outperformed the S&P ASX 200 by 2.85% over 1 year (to the end of June), and 4.23% year to date.

Notably, outperformance has been achieved with 62% less carbon emissions than the benchmark S&P ASX 200 index.

Sector	Best in class	RepuTex Carbon Rating
Consumer Discretionary	Billabong	A-
	News Corporation	A-
Consumer Staples	Foster's Group	A-
Energy	Arrow Energy	AA
	Queensland Gas Company	AA
Financials	Westpac	A-
Health Care	Cochlear	BBB-
Industrials	Transurban Group	AA-
Information Technology	Computershare	BB+
Materials	Sims Group	AA
Property Trusts	Stockland	AA-
Telecommunications	Telstra Corporation	BBB-
Utilities	Babcock & Brown Wind Partners	AAA

**Rating Scale:**

Companies are assigned a RepuTex Carbon Rating on a scale of AAA (reliable) to D (at risk), reflecting the company's risk/reward profile under a new low carbon economy.

AAA	Reliable
AA+	Stable
AA	Stable
AA-	Stable
A+	Satisfactory
A	Satisfactory
A-	Satisfactory
BBB+	Moderate
BBB	Moderate
BBB-	Moderate
BB+	Moderate
BB	Moderate
BB-	Moderate
B+	Unstable
B	Unstable
B-	Unstable

CCC+	Vulnerable
CCC	Vulnerable
CCC-	Vulnerable
CC	At Risk
C	At Risk
D	At Risk

**About RepuTex ([www.reputex.com.au](http://www.reputex.com.au))**

RepuTex is a rating and research firm which specialises in quantifying the financial impacts of new risks such as sustainability, energy, emissions and carbon risk.

Established in 1999, RepuTex has offices in Shanghai, Hong Kong and Melbourne.

The company is chaired by the former Managing Director of Standard & Poor's Australia, Mr Graeme Lee.

RepuTex carbon analysis and underlying inputs are applied for a range of applications, notably by companies in determining and responding to carbon liabilities, as well as the financial/investment community through the distribution of data and investment indexes.

**RepuTex Indexes**

RepuTex currently maintains 11 indexes which assist investors and asset managers to measure and track the impact of sustainability risk on company performance.

Indexes are designed to be used as a basis for ETFs, index linked products and a range of tailored investment products such as warrants, certificates and derivatives.

For further information please call:

Pia De Lima, Burson-Marsteller – 0418 311 437

Lin Macdonald, Burson-Marsteller – 0408 501 381