

MEDIA RELEASE**1 June 2007**

NEW CARBON COST WILL IMPACT ALL AUSTRALIAN BUSINESSES

The value and operations of all Australian businesses, not just the big emitters, will be affected by a national carbon trading scheme, RepuTex ratings and research agency said today.

Responding to the release today of Prime Minister John Howard's Emissions Trading Task Group report, RepuTex's Head of Carbon Research, Jerome Suere, said the scheme would have a flow-on impact on all small and medium-sized businesses.

"The price on carbon will have a direct impact on the big emitters in the energy, mining, utilities and heavy industries sectors," Mr Suere said. "This is well understood.

"What is less well known is that this 'carbon cost' will flow-on to all businesses. This means that all companies must become carbon efficient to remain competitive."

Mr Suere said carbon efficiency will be the "new driver of competitiveness" in a low-carbon economy.

"All businesses must now consider the carbon content of their products and services and how this affects their bottom line," Mr Suere said.

"Businesses should not delay in developing and implementing a carbon management strategy to safeguard and improve their competitiveness.

"Investors will now not only have to identify carbon efficient companies but also reassess their investments integrate new carbon market forces. Investors now expect companies to anticipate the emerging carbon risk and adapt accordingly to safeguard and improve shareholder value.

"The cost of carbon has wider implications for a company's value. Current valuations do not reflect the flow on cost of carbon. The companies that are beginning to effectively manage their carbon risk are well placed to increase their competitiveness and grow their bottom-line profit.

"Companies that fail to become carbon efficient risk their competitiveness and value."

RepuTex recently announced the world's first Climate Change Growth Index, which identifies and tracks the companies best able to address climate change risks and maximise opportunities for growth.

END

For further information / media interviews please contact:

Pia De Lima, Burson-Marsteller – 0418 311 437 or (03) 9426 1314

Lin Macdonald, Burson-Marsteller – 0408 501 381 or (03) 9426 1317

Jerome Suere, Head of Carbon Research, RepuTex, (03) 9654 7099

About RepuTex www.reputex.com.au

RepuTex is Australasia's leading investment research and ratings agency with operations in Australia, Hong Kong and China. Specialising in "enhanced risk" analysis, the company is a pioneer and internationally recognised leader in investment research attached to corporate governance, climate change, and carbon risk, regulatory and physical exposures. Established in 1999, RepuTex has offices in Melbourne, Shanghai and Hong Kong and has ratings in the market for over 800 companies globally.

In Australia, RepuTex covers the S&P ASX 300 Index in "real time", delivering quantitative risk data to the financial community. Regionally RepuTex also covers China A class stocks, and Hong Kong H class shares, delivering analysis to the global markets. RepuTex assesses a company's capacity to adapt to and mitigate emerging exposures, providing a systematic process to quantify performance, and price future risk. This type of risk analysis works as an adjunct to traditional financial research, providing a "fundamental [+]" stock selection process. The RepuTex Group is chaired by Mr Graeme Lee former Managing Director of Standard & Poor's Australia.