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This report reviews KPMG member firms’ activities in the Energy & Natural Resources (ENR) industries in 2005. It is intended for the key stakeholders of KPMG’s ENR practice – the leadership team, members of KPMG’s ENR practice, our member firms’ ENR clients – and the wider ENR community, extending to industry bodies and others interested in the industry. The report has been designed to give readers a snapshot of our strategies towards these industry segments, our organization’s performance in implementing them, and insights about our common vision to make KPMG member firms the leaders and employers of choice in ENR audit, tax, and advisory worldwide.

Introduction to KPMG’s Global Energy & Natural Resources (ENR) Practice

KPMG’s Global ENR practice is dedicated to assisting a wide range of organizations, from global supermajors to next-generation leaders, in dealing with industry trends and business issues, and meeting compliance requirements. Our member firms have a distinctive portfolio of service offerings, extending from Audit and Advisory to Financial, Risk, and Tax. These service offerings are tailored to the needs of our clients, and our industry professionals strive to deliver them to the highest standards.

KPMG’s Global ENR practice is organized through a global leadership team aligned with KPMG’s overall organization and member firms’ ENR practices. The global leadership team focuses on our strategies, reputation, and performance, supported by an executive group dedicated to driving their implementation, and measuring and communicating our performance. Our management team focuses on providing account management, proposals, marketing, knowledge management, and administrative support to KPMG member firms’ client service teams operating in the ENR industries.

KPMG’s ENR professionals help our member firms’ clients address the complexities and challenges that change brings, by grouping industry segments including Oil & Gas, Power & Utilities, Mining and Forestry under the sector umbrella of ENR. Where there is commonality we aim to bring critical mass and where there is a need for industry understanding and insight, we operate through KPMG’s network, including our Centers of Excellence. These Centers, located in key cities around the world, hold our industry experience and are the “eyes and ears” of the group, sharing information through our network.
1 Overview of 2005
The ENR practice is one of KPMG’s fastest growing and the third-largest industry sector within the KPMG network of firms.

Global Revenues for KPMG’s Energy and Natural Resources Practice

Our industry focus provides us with deep knowledge of our firms’ clients and their businesses, together with a keen and informed perspective on the issues they face. The result is a local service capability delivered on a global basis in each region where ENR companies operate.

KPMG’s relationship with the ENR industry is marked by total commitment to serving our firms’ clients and understanding their complex and constantly changing markets. This commitment is the product of three key attributes:

- Industry focus and insights—how we seek to add value
- Local delivery supported by our global approach to consistency
- Distinctive capability—The KPMG Way

Our growth is highlighted by our professional services market share. KPMG member firms represent over 60 percent market penetration of Global 1200 ENR companies.

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Our Strategies

Our annual ENR strategies are based on a set of aspirations set in 2003.

By the end of the 2006 financial year, KPMG’s ENR practice intends to be recognized as a clear leader globally and in each market in which our member firms operate. We will know this because:

• Leading professionals want to work in KPMG’s ENR practice.
• We will continue to increase our market share; ENR will maintain its position as KPMG’s fastest-growing industry sector.
• The portfolio of offerings is market led, and focused on assisting KPMG firms’ clients achieve their goals.
• Our firms’ business processes help keep KPMG firms’ knowledge, reputation, and performance among the leaders.
• Our performance and reputation in ENR will be exceptional and sustained.

Strategic priorities in 2004–05 were to:

• Continue to win profitable business with our firms’ clients.
• Drive targeting of companies identified as Regional ENR Accounts.
• Strive for consistency of reputation and performance. Balance global coverage and market position of ENR across KPMG’s regions through Centers of Excellence for all ENR segments.
• Strengthen our relationship with leading ENR industry bodies.
• Develop further experience and qualifications in sub segments: nuclear, renewables, oil services, coal, Liquefied Natural Gas (LNG), carbon capture, and water.

Our revenue goal for Fiscal Year 2006 was US$1 billion. We achieved this a year early in 2005. We have stretched our goals for 2006 and plan to renew our aspirations up to 2010 as part of our 2006 planning cycle. We review our strategic approach annually.

Executive Team

Our Executive Team for ENR is listed on the back cover of this report. Our team interfaces across our business, aligning resources and direction of our practices by working with our wider network of ENR country leaders. Partners in our member firms take responsibility for the following:

• Regions – Europe, Middle East and Africa; Americas; and key countries in the Asia Pacific Region.
• Segments – Oil & Gas, Power & Utilities, Mining and Forestry.
• Functions – Audit, Tax, and Advisory.
• Infrastructure – Marketing and Knowledge Management.

Global Consistency - Local Delivery

KPMG’s ENR teams in 144 countries hold many key relationships with ENR companies. They aim to bring the best capability from across KPMG’s network of firms to serve each client.

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Our Key Functions

Audit
KPMG’s Audit function can help our firms’ ENR clients with:
• Financial statements audit
• IFRS conversion skills includingIAS39 implications
• Insight into extractive industry’s reserves reporting
• Compliance

Advisory
Advisory services are split into two distinct areas:
Risk Advisory and Financial Advisory.

Risk Advisory
KPMG’s Risk Advisory services can support ENR teams in the areas of:
• Internal audit
• Enterprise risk management
• Information risk management
• Global sustainability services (GSS). This team works closely with KPMG’s ENR practice in the areas of renewable energy, greenhouse gas emissions, and environmental due diligence.

Financial Advisory
KPMG’s Financial Advisory services bring the best experience to our firms’ clients in the areas of:
• Transaction Services
• Corporate Finance
• Forensic
• Valuations

In 2005 KPMG’s Global Transaction Services practice completed a number of asset disposals, restructurings, evaluations, acquisitions, and strategic alliances for leading players and private equity entrants in the ENR sector.

Tax
KPMG’s Global Tax practice has identified ENR as a priority industry sector and is investing in a core team of tax specialists who are coordinating our global methodologies and toolkits for the sector. The Global Tax practice is sharing its experience with our firms’ clients and focusing on the areas of:
• International Corporate Tax
• Transfer Pricing
• Indirect Tax
• Mergers & Acquisitions

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KPMG’s ENR professionals aim to bring added value to our firms’ clients and targets through various initiatives, and keep them informed of topical issues, changes in the regulatory environment, and related KPMG firms’ service offering. Examples include:

- KPMG in Canada launched a Quarterly Oil & Gas Update conference call that is linked to a KPMG extranet. The objectives were to develop a mechanism to connect with our firms’ clients and targets on a regular basis, and develop a format to deliver technical updates from the accounting, reporting, regulatory, and tax areas. The Oil & Gas conference call now attracts over 100 people who listen in each quarter and visit the KPMG extranet. The response to this initiative has been very positive.

- KPMG in the U.S.’s TaxWatch is a series of thought leadership events developed to provide a high level of current tax developments and legislative changes and explain how those changes could affect our clients. The events, which include conference calls, live web-based video and audiocasts, and seminars, are scheduled several times each month, focusing on all areas of Tax.

- Recognizing the challenges that audit committees face in meeting their demanding responsibilities, KPMG in the U.S. created the Audit Committee Institute (ACI) in 1999 to serve as a resource for audit committee members and senior management. Through its programs, more than 17,000 directors and officers have attended the ACI’s semi-annual Roundtable series. The ACI’s other initiatives include presentations, numerous publications and surveys, a biweekly electronic publication entitled KPMG’s Audit Committee Insights, and its Web site at www.kpmg.com/aci.

- The 404 Institute was established by KPMG in the U.S. to provide an open forum for the exchange of ideas and a venue for the development of research and leading practices related to meeting the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. The 404 Institute is designed to lead and facilitate topical discussions, seminars, conferences, forums, academic research, and thought leadership. To help leverage and communicate the work of the Institute, an informative Web site has been developed: www.404institute.com.

These initiatives demonstrate our firms’ understanding of and respect for our clients’ time, and show that regular communications via suitable media helps keep KPMG top of mind.
Key Initiatives

Responding to Industry Growth: BRICS Countries

The following are some of the key initiatives that helped KPMG’s ENR practice achieve its strategic priorities.

KPMG’s Global ENR practice sees the BRICS countries as a priority and this has been reflected by our teams in BRICS economies being among the fastest growing and largest in our global practice. These teams have benefited from KPMG investments designed to help develop local experience and the availability of the Global ENR practice leadership in these countries.

Given the continuing and increasing importance of the Middle East on the global energy scene, KPMG’s Global ENR practice has chosen to include Saudi Arabia in the BRICs economies – BRICS.

Supported by resources drawn from the wider network of KPMG member firms, we have strengthened our ENR capability in these countries:

- **Brazil** – Rio de Janeiro became KPMG’s 11th Oil & Gas Center of Excellence and Sao Paulo was appointed a Power & Utilities Center of Excellence. Early in 2006, KPMG in Brazil was proud to win the Petrobras audit and was invited to speak at a special World Economic Forum regional summit in Rio de Janeiro.

- **Russia** – KPMG in Russia numbers amongst its audit clients LUKoil, TransNeft and RAO UES Rossiya, and amongst its advisory clients GazProm, RosNeft and Norilsk Nickel. The practice advises many foreign companies which are establishing joint ventures in Russia. We are also the only one of the “Big Four” to be a partner of the annual Russian Economic Forum held in London. In 2006 our strong presence in Russia was reflected by being the only one of the “Big Four” asked to attend the G8 Energy Summit in Moscow. Roger Munnings, KPMG’s Global ENR Chairman, has been located in Russia/CIS for ten years.

- **India** – Partha Bardhan has recently been appointed as KPMG’s Global Risk Advisory Leader for Oil & Gas. KPMG in India’s main clients include ONGC, Indian Oil, Hindustan Petroleum, GAIL, APDISCOM, MPDISCOM, LANCO, and Reliance Energy. KPMG in India has also advised a number of Indian state governments on power restructuring. Partha Bardhan accompanied the Indian delegation to the 18th World Petroleum Congress in Johannesburg in 2005. In early 2006 the practice released its India ENR Outlook at the second Energy APAC in Beijing.

- **China** – Nelson Fung leads KPMG in China’s ENR practice, and Peter Fung leads the Oil & Gas practice. Carsten Oehler has relocated from the German firm’s Power & Utilities practice to boost our Risk Advisory skills. Khoon Ming Ho leads the ENR tax network. Major Chinese firm clients include Sinopec and Shenhua (see case study on page 23). In 2005 KPMG’s Global ENR practice met in Beijing at the inaugural Energy APAC event, of which KPMG was a sponsor, and Mining practice Lead Partner Lee Hodgkinson attended the China Mining Conference. These events will be repeated in 2006 when we will also release updated publications: China Energy Outlook and China Mining Outlook.
• Saudi Arabia – In 2005 Tim Rockell, KPMG’s Global ENR practice Executive Director, relocated from the U.K. firm to KPMG’s Saudi firm to build relationships with Saudi Aramco and develop our Oil & Gas practice in the country’s Eastern Province. During 2005, KPMG in Saudi Arabia won a significant project with Saudi Aramco and was appointed auditor of the new petrochemical joint venture with Sumitomo Chemicals and PETRORabigh. KPMG in Saudi Arabia are also auditors or advisors to other joint venture partners with Aramco on upstream projects and the downstream mega projects being rolled out in the Kingdom.

Global Consistency – Local Delivery
Our goal for the BRICS countries is to have KPMG member firms’ develop relationships, bringing resources from overseas as necessary. The ENR practice is targeting work with organizations based in the BRICS that are investing and operating in other BRICS countries.

KPMG has created a range of advisory services to assist our member firms’ ENR clients better control spend on major capital projects. Particularly in the Oil & Gas sector, but with direct applicability to the whole of ENR, this service brings together existing skills and experience from KPMG member firms. The Major Projects Advisory Services’ offering is designed to examine key strategic and operational risk areas and, with established methodology, helps the client control specific key areas of potential value leakage on large capital projects.

The ENR sector must attract massive new investment over the next quarter of a century (US$17 trillion according the International Energy Agency). There is a real risk that the required investment in the energy sector will fail to materialize, leading to unpredictable financial, social, and environmental consequences.

In a white paper, Michael Bray from KPMG in Australia advocates a strategy for closing the investment gap by implementing a new model of business reporting and communications. He outlines how many of the key capital markets issues for the energy sector, including rapidly increasing energy demand, greater complexity in energy supply, more intensity in cross-sector capital competition, and major limitations in current reporting, should lead to a new “fit-for-purpose” business reporting and communications model. This will require a paradigm change, not an incremental change. It will combine existing statutory reporting obligations with an expanded range of voluntary disclosures within a consistent discipline framework and become a source of competitive advantage for the sector in the race for capital.
New Financial Reporting Challenges: IFRS and International Energy Accounting Forum

During 2005 ENR companies in the European Union, Australia, New Zealand, and elsewhere were working hard on the first-time implementation of International Financial Reporting Standards (IFRS). KPMG's ENR professionals supported our firms' clients in their implementation programs and monitored IFRS developments to help promote awareness and consistent interpretation across the KPMG network of firms. KPMG partners participated in the International Energy Accounting Forum formed by leading energy groups to address IFRS issues, and published articles on IFRS issues specifically affecting the industry.

The Global ENR IFRS network, led by Juliette Lowes of KPMG in the UK, has continued to assess the impact of International Reporting Standards on the Extractive Industries Sector. Conference calls have been held bimonthly to identify and debate issues. KPMG member firms have been represented on a number of working parties including the U.K. Oil Industry Accounting Committee and Institute of Chartered Accountants in England and Wales (ICAEW). In June 2005, First Impressions: IFRS 6 Exploration for and Evaluation of Mineral Resources was published and used to facilitate discussions with clients and targets. Since then, a number of technical papers have been prepared with the objective of agreeing a KPMG position on some of the more challenging areas.

At an international level KPMG is involved with the IASB's agenda to develop further guidance for the Extractive Industries; Riaan Dawel, KPMG in South Africa, and Lee Hodgkinson, KPMG in Canada, are both closely involved in these activities. Alison Kitchen, KPMG in Australia, has also been leading a number of developments in response to IFRS.
2.1 Oil and Gas

KPMG member firms are among the leading professional service providers to the oil and gas industry, providing Audit, Tax, and Advisory services to 60 percent of the Global 1200 – listed oil and gas companies. Our firms have a leading oil and gas audit client base, with European-based global majors, North American-based independents, refining and service companies, as well as national oil companies across many regions.
KPMG’s Oil and Gas Centers of Excellence Network

KPMG’s Oil and Gas Centres of Excellence Network of Oil & Gas practitioners provides our member firms’ clients with access to industry knowledge, skills, resources, and technical developments.

With the addition of Rio de Janeiro in 2005, we have established 11 dedicated Oil & Gas Centers of Excellence in key locations across the world. These Centers are a direct response to the rapidly evolving oil and gas sector and the specific challenges resulting for industry players. By raising the bar on our member firms’ service to the industry, we have expanded our involvement globally and have recently extended our Oil & Gas network to include the top 34 major oil and gas countries across the globe.

Oil and Gas Centers of Excellence Network Map

Centers of Excellence  KPMG's Oil and Gas Professional Network
Industry Events and Publications

In addition to our activities at the 18th World Petroleum Congress and KPMG’s Global Energy Conference, KPMG’s Oil & Gas practice has been an active contributor to the industry for many years. The practice has strong associations with the American Petroleum Institute, the Independent Petroleum Association of America, the Domestic Petroleum Council, the Canadian Association of Petroleum Producers (CAPP), and the Australian Petroleum Production and Exploration Association (APPEA). A chart highlighting further KPMG industry involvement can be found in this report (see page 36), as can a summary of KPMG firms’ activities at various events (see page 39).

In order to support the international network’s activities, a wide array of KPMG publications have been produced, including:

- **Global Oil & Gas Centers of Excellence**: produced by KPMG’s Global ENR practice for our member firms and their clients.
- **KPMG and the Oil & Gas Industry**: produced by KPMG’s Global ENR practice for our member firms and their clients.
- **Current Oil & Gas Topics**: an accounting, tax, and advisory publication produced three times a year for executives in the industry.
- **International Survey of Corporate Responsibility**: tailored to the oil and gas industry.
- **International Tax Review – Oil & Gas Guide**: produced by KPMG’s ENR Tax Group practice.
- Guidance papers on some of the key issues facing oil and gas companies in transitioning to IFRS.
- Focused commentaries to our member firms’ clients on:
  - Key issues impacting the oil and gas sector
  - Indirect tax and duty issues
  - Helping to improve IT spend
  - Petroleum resource rent tax issues
  - Avoiding capital cost blowouts
  - China Energy Outlook
  - India Energy Outlook

Key member firm relationships were forged in 2005 with the following clients:

- Kuwait Oil Company
- Petrobras
- Repsol YPF
- Saudi Aramco
- Woodside
Reserves Reporting


The study, entitled In Search of Reasonable Certainty: Oil and Gas Reserves Disclosure, aimed to answer some of the questions around how reliable disclosed reserves figures are and whether the current system of disclosure meets the needs of investors.

KPMG was pleased to be invited to take part in the CERA study, which, because of CERA’s reputation brought together leading players in the industry worldwide. We support the findings of the study; however, we also take the view that reporting for oil companies could benefit from not only better and more consistent reporting of relatively certain oil reserves but also being wider ranging in its coverage of the way value is generated.

KPMG is also involved in the second phase of the CERA project, released in 2006.

Jimmy Daboo, KPMG in the U.K, led our response to these studies and brought a European viewpoint to the project. He also participated in the Reserves and Resources roundtable session at the 18th World Petroleum Congress and is a member of the United Nations Ad Hoc Committee on Oil Reserves.

Case Study

Disposal of BP’s Petrochemical Segment

Over a period of 18 months, KPMG firms’ assisted in the separation and parallel US IPO and trade sale disposal process of the Innovene group. Innovene comprises a number of petrochemical sites across the world, plus two refineries in Grangemouth, Scotland, and Lavera, France. Our activities were divided into three main elements:

• Due diligence on Innovene, providing a commentary on the results, strengths, and weaknesses of the business.
• Preparation of robust ‘audit ready’ financials under the SEC’s carve-out rules, and complying with U.S. GAAP.
• Support to BP during the trade sale process, including answering bidder questions and advising on the sale of purchase agreement.

Critical to the success of each of these elements was the blending together of the skills and knowledge of the KPMG team, comprising a core team of Transaction Services (from KPMG firms in the U.K., U.S., Germany, France, and China), Audit, Financial Modeling, Corporate Finance, Forensic, and Tax.

This project, along with others in the sector, establishes KPMG firms among the leaders in international petrochemicals transactions.

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2.2 Power and Utilities

KPMG member firms are among the leading professional service providers to the power and utilities industry, providing Audit, Tax, and Advisory services to over 60 percent of those in the Global 1200.

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KPMG's Professional Services Market Penetration of Global 1200-listed Power and Utilities Companies

KPMG's Power and Utilities Centers of Excellence
KPMG's Global ENR practice has established 12 dedicated Power & Utilities Centers of Excellence in key locations across the world. These Centers create a framework for delivering KPMG member firms’ services and insights in a consistent, high-quality, and timely manner.

Power and Utilities Centers of Excellence Map
Industry Events and Publications

Among other events we are involved in, KPMG in Germany sponsors and is a member of the advisory board of one of Europe’s largest power and utilities forums, the E-World Energy and Water Trade Fair and Congress, held annually in Essen, Germany.

KPMG in the U.S. Share Forum Programs are exclusive conferences sponsored by the U.S. firm and designed specifically for senior executives in the power and utilities industry. The objective of these forums is to provide an environment for sharing information that can help companies better navigate the rapidly changing marketplace. Through interactive presentations and facilitated breakout discussions on current issues and strategies for a global environment, participants will receive useful advice for their organizations. We conduct regular scheduled share forums for Tax Executives, Chief Risk Officers, Chief Financial Officers, and Audit Executives. A share forum for Chief Accounting Officers is under development.

In order to support our international network’s activities, a wide range of KPMG publications have been produced, including:

- **Global Power & Utilities Centers of Excellence**: produced by KPMG’s Global ENR practice for our member firms and their clients.
- **Current Power & Utility Topics**: an accounting, tax, and advisory newsletter produced three times a year for executives in the industry.
- **International Survey of Corporate Responsibility**: research tailored to power and utilities organizations.
- **Guidance papers on the key issues facing power and utilities companies in transition to IFRS**.
- **KPMG and the Power and Utilities Sector**: produced by KPMG’s Global ENR practice for our member firms and their clients.

In addition to KPMG’s own publications, we forged a sponsorship-based relationship with World Power, a leading annual energy publication that is distributed to 20,000 energy executives globally. The publication features updates on developments and issues in the energy industry (see page 35).
Focus and Investment in the Industry - KPMG in the United States, Risk Advisory Services Professional Hires

KPMG in the U.S. has one of the fastest-growing Power & Utilities practices of any of the major advisory organizations, providing advisory, tax, and audit services to many of the largest power and utilities companies in the U.S. The Power & Utilities practice is the top priority and investment area in our U.S. firm. During the past three years, KPMG in the U.S. has added a substantial number of advisory, tax, and audit professionals to the practice, and are committed to continuing this growth. At the start of 2006* we had over 400 professionals working in this industry in the U.S. firm.

U.S./firm: ENR Risk Advisory Services Professional Hires

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Professionals</th>
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<tr>
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<td>264</td>
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<td>2005</td>
<td>325</td>
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<td>2006*</td>
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* 2006 figure is projected

Source: Power & Utilities Qualification Statement, KPMG in the U.S., 2006

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KPMG’s International Nuclear Task Force

Around the world, the nuclear industry is enjoying resurgence. Nuclear generation is a complex subject, with many interdependencies. There are, however, some relatively separable aspects that are capable of consideration in a reasonably clean manner, many of which need early action if the critical path toward the creation of new generating facilities is not to be hindered. These include:

- The appetite for investment in the sector, both at equity and senior debt levels.
- The role of the operators and the private sector in general.
- The skill base that currently exists and its projection out over the construction and operating cycle.
- The licensing and planning process.
- Dealing with nuclear waste and decommissioning.

As the world turns its attention to the nuclear debate, we have formed a Nuclear Task Force offering audit, tax, and advisory services to the global nuclear industry.

In 2005 KPMG in the U.K. commissioned an online survey on the U.K.’s future dependence on nuclear power, resulting in interesting media coverage, and are presenting and chairing a discussion panel at the Westminster Energy Forum.

In 2005 KPMG in France was appointed as an auditor of Electricité de France. Along with being auditors of Areva, KPMG in France now audits the entire nuclear value chain in France.
Renewables

In 2005 KPMG in the UK’s Corporate Finance Team started working on a number of global projects spread across the renewables spectrum - from tidal power to wind farm development and energy from waste plants. Our biggest project raised 1 billion Euros for a European-based renewables company.

Water

KPMG in Australia is developing a water segment in the region including the following initiatives:

- Support for major infrastructure and desalination plants in the region.
- KPMG in Australia and Australian Water Association Water Master class on Water Pricing.
- Sponsorship of the Australian Water Association.
- National Water Commission panel member.

Case Study

Restructuring of the Indian Power Sector

The Indian power sector is in the midst of a transformation with changes in industry structure, the introduction of competition and private participation. There are also large anticipated investments in generation, transmission, and distribution; including 100 GW capacity addition in generation by 2022 and US$15-20 billion in transmission. KPMG in India is assisting the utilities to adapt to these changes, as well as assisting the private sector in new investment areas.

Our Indian practice is currently advising the two large Indian states of Andhra Pradesh and Madhya Pradesh on their power sector restructuring, under a program funded by the U.K. Department for International Development. The assignments involve institutional strengthening and capacity building in regulatory and policy areas, people- and process-related efficiency improvements, and adoption of IT for greater transparency and accountability. KPMG has been involved in the state of Andhra Pradesh since 2003, and the state power utilities, which at one point were suffering huge financial losses, have since witnessed a turnaround. This is being seen as a model success story for other Indian states to follow.
2.3 Mining

KPMG member firms' provide audit services to BHP Billiton and professional services to nearly 60 percent of mining companies listed on the Global 1200. Today KPMG's Global Mining practice services our global network's clients.
KPMG's Professional Services
Market Penetration of Global 1200-listed Mining Companies

KPMG's Mining Centers of Excellence
Our ten dedicated Mining Centers of Excellence continue to provide services in key locations across the world.

Mining Centers of Excellence Map

Industry Events and Publications
KPMG’s ENR practice has been an active contributor to the industry for many years. The practice has strong relationships and is a member of various national, regional and industry-sponsored councils, and associations.

In order to support our international network’s global events, various thought leadership publications are produced:

- **Global Mining Centers of Excellence**: produced by KPMG’s Global ENR practice for our member firms and their clients.
- **Mining – A Survey of Global Reporting Trends 2006**: KPMG’s triennial survey due to be released in December 2006.
- **Mining Taking AIM**: KPMG’s guide for mining companies considering listing on the Alternative Investment Market (AIM).
- **Guidance papers on the key issues facing mining companies in transitioning to IFRS**.
Case Studies

China - Shenhua
Shenhua is a world-leading integrated coal-based energy enterprise focusing on mining and power generation. Currently China’s largest coal producer and export coal producer, it operates 21 coal mines and 9 power plants, and is the only coal-based energy company in China with integrated large-scale rail and port facilities. Production has grown from 60 million tons in 2002 to 101 million tons in 2004. Total revenues have grown from U.S.$2.6 billion in 2002 to U.S.$4.8 billion in 2004. Profit in that time has grown from U.S.$154 million to U.S.$108 billion.

Shenhua floated its shares on the Hong Kong Stock Exchange in June 2005 amid persistent energy shortages in China. Thanks to its unique strengths and bright growth prospects, Shenhua raised about US$3.3 billion from its global offering, making it the world’s largest IPO in the first half of 2005. KPMG in China’s team, acting as auditors and reporting accountants on the IPO, started working on the engagement in April 2004 and required some 200 staff from the offices across China and Hong Kong SAR (Special Administrative Region).

Australia–Hope Downs – Perth’s Corporate Finance Team in Landmark Deal
Western Australia has been the focus of substantial growth and activity in both the mining and oil and gas sector, driven by demand from China and other regions. KPMG’s ENR team in Australia has played key roles on many of the major projects.

2005 saw KPMG’s Corporate Finance team complete the landmark deal between Gina Rinehart’s Hancock Prospecting Pty Ltd and Rio Tinto Limited in relation to the Hope Downs Iron Ore Project.

Hope Downs, a key asset of Hancock Prospecting, is a world-class iron ore project located in the Pilbara region of Western Australia. Upon execution of formal agreements on July 1, 2004, Hancock and Rio publicly announced their intention to pursue development of the Project via a 50/50 unincorporated Joint Venture.

KPMG firms acted as financial adviser to Hancock in relation to the transaction, and were responsible for assisting in securing equity and debt offers to the project as well as structuring and negotiating the deal with Rio Tinto.

The state government approval to proceed with the project has now been secured, finance is in place, and development is underway on a 40 million tonne per annum operation.
Case Studies

India – Korea’s POSCO: Assistance in Selecting a Mining Partner

POSCO is a Korean steel major, which is planning to set up a large integrated steel manufacturing plant in India. The company planned to enter into a joint venture (JV) agreement with a leading Indian mining company to develop and operate its iron ore mines. POSCO requested that KPMG in India conduct an evaluation of various companies involved in iron ore mining in India, and identify the potential J V partner.

KPMG in India followed a systematic approach to meet the client’s expectations. First, we developed a list of evaluation criteria in line with the specific requirements of the client. We then collated and evaluated publicly available data for the nine major mining companies in India.

To carry out the next level of evaluation, we short-listed three companies. KPMG in India approached the management of these candidates and sought detailed quantitative and qualitative information about their operations, financial position, ownership pattern, management strength, and experience in the state where the client was planning to set up its operations. Based on our analysis, we recommended the client invite the top three companies for face-to-face discussions to make a final decision on the best-fit candidate.

The client received detailed information and insights about the major mining companies in India. This helped them in making an informed choice about the most suitable partner to manage its mining operations.

UK Alternative Investment Market (AIM) Listings

2005 continued to see much activity with extractive industry companies listing on AIM. KPMG in the U.K. has been involved in a number of listings in this sector and has built upon its experience. Many of the companies listed have subsequently been retained as audit clients.
Events

Global Mining Industry Forum, Canada
In 2005 KPMG in Canada and INCO Limited hosted a Global Mining Share Forum called Controls Transformation: An Executive Forum on Sarbanes-Oxley (S-O) 404 in the Mining Industry. The event, which was the first Mining Forum focusing on S-O 404, provided an opportunity for executives from leading mining companies to share their S-O experiences as well as ideas as to how they are managing their processes on a go-forward basis.

KPMG’s Canadian firm repeated this forum, as The Cost of Compliance: A Mining Executive Forum, in Toronto in September 2006.

China Mining Conference, Beijing
Lee Hodgkinson, our Global Mining Sector Leader, attended the 2005 China Mining Conference. We will be repeating our attendance at the conference in 2006, where we are planning to launch our China Mining Outlook.

Mining Indaba, South Africa
KPMG was involved in the 2005 Mining Indaba, Africa’s most important mining event, and our involvement was enhanced in 2006.

The 2006 Mining Indaba was held in Cape Town in February. The event has raised billions of dollars and introduces the international investment community to mining interests throughout Africa. The event attracts over 2,000 delegates from 50 countries and hosts over 100 exhibitors. The continent’s best resource for financing, new business, and industry news, it has spawned the African Mining Partnership and many new government mining policies and initiatives.

To coincide with this prestigious conference, KPMG in South Africa’s ENR practice celebrated the launch of its Canadian Public Accountability Board (CPAB) registration with a breakfast. This registration permits the South African firm to audit and issue reports on financial statements for listed Canadian companies, in accordance with Canadian accounting regulations within South Africa. In particular, this venture is aimed at targeting mining and exploration companies that are listed or considering listing on the Toronto Stock Exchange. The registration with CPAB provides KPMG in South Africa the ability to express an audit opinion locally on Canadian reporting issuers operating out of South Africa (or the African region) without jeopardizing the quality of service.
2.4 Forestry

KPMG’s global network of member firms is one of the world’s leading auditors and advisors to the global forestry and paper industry, providing professional services to 67 percent of those in the Global 1200.9

The Global 1200 is a list produced by KPMG International and is a combination of the Financial Times Global 500, the BusinessWeek Global 1000 and the Fortune Global 500 company lists published annually.

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KPMG's Forestry practice has the technical skills, the industry-focused teams, and the global resources to provide the in-depth advice and follow-through that today's business environment requires. KPMG's global network has long had a commitment to an extensive involvement with the forest industry, comprising audit, tax and advisory professionals who focus primarily on companies in the industry. Our dedication to the industry is evidenced by KPMG's two Centers of Excellence for the Forestry Industry based in Vancouver, Canada and Portland U.S.. The role of the centers includes development of a worldwide market focus, recruiting experienced personnel, staying abreast of issues affecting the local and global forestry industry, developing products that add value to the industry, and providing thought leadership.

KPMG member firms act as advisers and contributors to both government and non-governmental initiatives including Global Reporting Initiative (GRI), World Business Council for Sustainable Development (WBCSD), Institute of Social and Ethical Accountability (SE&A), and the U.K. Advisory Committee on Business and the Environment (ACBE).

KPMG member firms' Performance Registrar Inc. provides management system assessment, training, and forest certification services to assist forestry companies in meeting the requirements of nationally and internationally recognized standards. These standards include the international environmental and quality management system standards (ISO 14001 and ISO 9001), and sustainable forestry management (SFM) standards such as the Canadian Standards Association (CSA SFM-2809) and the American Forest and Paper Association Sustainable Forestry Initiative (SFI®).

Professionals in KPMG's Forestry Industry practice are also involved with many industry organizations, sponsoring conferences, conducting studies, and participating on various committees, including Forest Products Association of Canada and the Canadian Sustainability Forestry Certification Coalition.

Additionally, the practice maintains linkages with KPMG's involvement in high-profile global initiatives such as the World Business Council for Sustainable Development and the World Economic Forum.

To support our global network of member firms, thought leadership publications produced include:

- Legislative and regulatory advisory practice letters on matters such as property tax, silviculture, softwood lumber, and accounting and reporting rules.
- Regular newsletters that provide in-depth analysis of issues and trends impacting the forestry industry.
3 Events and Activities in 2005

Delegates at the annual KPMG Global Energy Conference, Houston, Texas, U.S.
The 18th World Petroleum Congress (WPC) held in Johannesburg in September 2005, was one of the world’s largest gatherings of key players in the industry. The congress is held every three years and attracts senior-level attendees.

For the first time in its 72-year history, the WPC was held in Africa - a fitting tribute at a time when the continent’s influence on the world’s energy industry has never been greater. The 18th WPC overall theme was ‘Shaping the Energy Future: Partners in Sustainable Solutions’.

KPMG International was delighted to be involved as a sponsor and was pleased that so many of our firms’ partners from around the world were in attendance at the event and so heavily involved in the technical and social programs during the congress such that KPMG had one of the largest professional services delegations present.

We held a networking reception and Roger Munnings was pleased to introduce Trevor Munday, Deputy Chief Executive of Sasol Limited as our keynote speaker.

Sustainability – the idea of sustaining natural resources for future generations – is a concept that brings children to mind: our children in years to come, and their children, and their children too.

At KPMG we also understand that our youth are the custodians of the future environment. So we decided it would be apt to bring children into our participation of the 18th WPC and asked them to express their views on sustainability.

We held an essay competition for Grade 10-12s with the theme: ‘Sustainable Solutions for the Petroleum Industry to Support a New Generation’. For many of the entrants, English was not their mother tongue, which made their efforts to address this difficult question in English all the more impressive.

We also launched an art competition specifically for children in South Africa. We asked children between the ages of 6 and 17 to share their insights, hopes, and dreams for a positive future built on the idea of sustainability.

Our involvement with the WPC also led us to a third community project. One of our core values is our commitment to our communities, and we were proud to have commissioned the Tunga Embroidery Studio to decorate 6,000 colorful, hand-embroidered banyards for the WPC delegates.
KPMG’s Third Global Energy Conference, Houston, U.S.  
May 2005

This day-and-a-half global conference is held each May in Houston, Texas. The conference focuses on the financial issues that matter to senior executives in the oil and gas industry. The conference offers insights and understanding into these issues and how they might impact the future of the industry. The attendees range from chief financial officers, controllers, tax directors, internal audit directors, audit committee members, general counsel to industry analysts, and investment and commercial bankers. Keynote presentations at the May 2005 conference were made by The Honorable James A. Baker, III, former Secretary of State, and Jefferson F. Allen, Chief Executive Officer, Premcor.

Concurrent sessions included Sarbanes-Oxley 404 – Lessons Learned; Tax Legislative Update; The Compliance Challenge: Insights from Outside Counsel, Regulators, and General Counsel; Asia Pacific Region: Opportunities/Challenges; Mergers & Acquisitions – Managing Financial and Tax Risks in a Global Market; and US Accounting Updates.

Our Global Energy Conference goes from strength to strength, and in 2006 The Honorable George Bush, 41st President of the United States, and Fred J. Fowler, Group Executive and President, Duke Energy, joined the conference as keynote speakers.

KPMG in Australia’s Sponsorship of APPEA Conference, Perth, Australia  
April 2005

The Australian Oil & Gas Centre of Excellence continues its leading support for the oil and gas industry by sponsoring the opening ceremony of APPEA’s major oil and gas conference. KPMG was heralded during the opening ceremony, attended by 1,700 participants, as being a key contributor to the industry, and we presented several papers, received significant publicity, hosted a booth, and held an exclusive dinner for our clients and companies during the conference.
KPMG was a gold sponsor of the inaugural Energy APAC Conference, held in Beijing on March 7-8. This event provided insights into the future investment in renewable energy and critical issues confronting global oil, gas, and petrochemical industries. We launched our first China Energy Outlook at the event, and Roger Munnings, Global ENR Chairman and partner in KPMG’s Russian firm, chaired the second day of the conference. KPMG hosted a well-attended speaker dinner during the conference, and the event was followed by a Global ENR Executive Team Meeting on March 9.

The event successfully brought together delegates to discuss the issues and we agreed to sponsor Energy APAC 2006, held in Beijing on March 13-14.

For the fifth consecutive year KPMG’s ENR practice was an exhibitor, sponsor and speaker at the international congress and trade exhibition ‘E-world – Energy & Water’. Many of our European-based member firms’ professionals and clients attended the event.

Members of KPMG’s Global ENR practice presented seminars and technical sessions during the congress. Krzysztof Rozen, KPMG in Poland, presented on Poland’s Coal-Based Power Generation, and other KPMG firms’ professionals spoke on Unbundling and Emissions Trading.

To coincide with the exhibition, we held a dinner at the Folkwang Museum in Essen. Poland was the guest country for the evening, and speakers included colleagues from KPMG in Poland and their clients, who reported on their experience concerning the development of the energy markets. Around 80 participants attended the dinner; this included clients, such as RiWE, Eon, and RAG, as well as public services and KPMG colleagues from around Europe.
Relevant and Incisive Publications

Evidencing our thought leadership in support of our clients, and as part of our preferred practice service, KPMG firms regularly produce focused commentaries on a wide variety of subjects affecting many major corporations as well as those of specific interest to the ENR industry. They aim to provide interpretation, insight and practical guidance.

These publications range from white papers and surveys through to opinion pieces and regulatory analyses. Examples of topics recently covered include:

- Indirect tax and duty.
- Helping to improve IT spend.
- Petroleum resource rent tax.
- Avoiding capital cost blowouts.

<table>
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<tr>
<th>Publications</th>
<th>Details</th>
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<tbody>
<tr>
<td>Guide to Accounting for Business Combinations</td>
<td>• Assists companies with the adoption of the Financial Accounting Standards Board (FASB) statements. • Provides analyses and interpretative guidance. • Guidance papers specifically for oil and gas companies transitioning to IFRS. • Produced by KPMG International.</td>
</tr>
<tr>
<td>Illustrative Financial Statements: First-Time Adoption in 2005 - International Financial Reporting Standards</td>
<td>• Assists in the transition from previous GAAP to IFRS as issued by the International Accounting Standards Board. • Pragmatic advice for preparing a first set of financial statements. • Produced by KPMG International Financial Reporting Group, part of KPMG IFRG Limited.</td>
</tr>
<tr>
<td>IFRS Reporting - Financial Instruments Accounting</td>
<td>• Provides a broad overview of existing IAS 32 and 39 to address accounting for financial instruments. • Emphasis is on practical application of the standards. • Produced by KPMG International.</td>
</tr>
<tr>
<td>The Compliance Journey - Making Compliance Sustainable</td>
<td>• Second publication in the series. • Describes how an organization can progress along four stages of Sarbanes-Oxley compliance. • Produced by KPMG International.</td>
</tr>
<tr>
<td>Shaping the Audit Committee Agenda</td>
<td>• Guidance for effective Audit Committees. • Gives practical advice on the implementation of corporate governance. • Produced by KPMG in the U.S.</td>
</tr>
<tr>
<td>IFRS Guidance Papers</td>
<td>• Guidance papers specifically for oil and gas companies transitioning to IFRS. • Produced by KPMG's oil and gas IFRS issues group, KPMG International.</td>
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</table>
### Publications

<table>
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<tr>
<th>Publication</th>
<th>Description</th>
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<tbody>
<tr>
<td>Current Oil &amp; Gas Topics</td>
<td>An accounting, tax, and advisory publication produced three times a year. Produced by KPMG in the U.S.</td>
</tr>
<tr>
<td>Current Power &amp; Utility Topics</td>
<td>An accounting, tax, and advisory publication produced three times a year. Produced by KPMG in the U.S.</td>
</tr>
<tr>
<td>International Tax Review</td>
<td>Oil and gas guide produced by KPMG's tax Group, KPMG International.</td>
</tr>
<tr>
<td>International Survey of Corporate Sustainability Reporting</td>
<td>Survey on corporate sustainability reporting in the oil and gas and power and utilities sectors. Produced by KPMG International.</td>
</tr>
<tr>
<td>Australian Energy News</td>
<td>Support material for KPMG's APPEA sponsorship and the Perth Oil &amp; Gas Center of Excellence. Produced by KPMG in Australia.</td>
</tr>
</tbody>
</table>

These publications are just a small sample of the large number that KPMG produces each year to assist our firms' clients.
World Power 2005

For the fifth consecutive year KPMG International sponsored the annual World Power publication. Introduced by Hans Joachim Fröh, KPMG in Germany, the publication included articles written by KPMG firm’s partners on IFRS; the Polish Coal Power Market, and an innovative building cooling system in Canada.

Industry Training

In addition to training received by ENR professionals around the world, the Shell account team has created its own training initiative.

The KPMG/GShell Academy serves as an on-line store for KPMG firms’ collective knowledge of the oil and gas industry and of Shell. Our aim is to enable members of the worldwide Shell engagement teams to be fully briefed on Shell’s industry, structure, activities, strategy, goals, processes, people, and culture.

The primary objective of the KPMG/GShell Academy is to help ensure safeguarding of KPMG’s corporate knowledge and experience in order to help each KPMG team member rotating onto a Shell engagement gain such familiarity that the time investment by the client is limited.

KPMG in the U.K. has continued to run a series of annual internal oil and gas training days and much of the material has been updated to reflect IFRS developments as well as the broader issues facing businesses in the Extractive Industries.
<table>
<thead>
<tr>
<th>Industry body/initiative</th>
<th>KPMG firms’ involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cambridge Energy Research Associates</td>
<td>• KPMG's contributed a robust, independent view to the initial paper on reserves and publicly supported the findings. • We contributed to the second paper.</td>
</tr>
<tr>
<td>Governmental and nongovernmental sustainability initiatives</td>
<td>Acting as adviser and contributor to: • Global Reporting Initiative • Institute of Social and Ethical Accountability • U.K. Advisory Committee on Business Environment • U.K. Department and International Development - Extractive Industries Transparency Initiative • UN Ad Hoc Committee on Oil Reserves • World Business Council for Sustainable Development.</td>
</tr>
<tr>
<td>Australian Water Association</td>
<td>• KPMG G in Australia is a sponsor.</td>
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<tr>
<td>Russian Economic Forum</td>
<td>• KPMG G in Russia is a key sponsor of this annual event in Europe. Roger Munnings has chaired the opening plenary session for the past 3 years.</td>
</tr>
<tr>
<td>International Energy Accounting Forum</td>
<td>• Chris Jenkins, our European, Middle East, and Africa region (EMEA) ENR lead, attended the forum in 2005.</td>
</tr>
<tr>
<td>World Petroleum Council</td>
<td>• KPMG G International was a sponsor of the 18th World Petroleum Congress in 2005 and is working with the council to be a sponsor of the 19th WPC in Madrid in 2008.</td>
</tr>
<tr>
<td>World Energy Council</td>
<td>• KPMG G International is a Patron of the Council. • KPMG G International was a sponsor of the 18th World Economic Congress in Sydney in 2004, and is a sponsor of the 20th Congress in Rome in 2007. • Michael Bray, KPMG G in Australia, is a Member of WEC Communications and Outreach Committee. • Tim Rockell, KPMG G in Saudi Arabia, chaired a task force for establishing a framework for the inaugural WEC yearbook in 2006. • KPMG G's are members of WEC aligned National Industry Associations in the following countries: • Australia • Canada • Germany • Japan • U.K. • U.S. • Wayne Chidicki, our Global Oil &amp; Gas Leader, KPMG G Canada, is a Board Member of the Energy Council of Canada • Michael Bray, KPMG G in Australia, is Vice Chairman, Energy Council of Australia</td>
</tr>
</tbody>
</table>
## 4 Services Portfolio

<table>
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<tr>
<th>Client business issues/risks</th>
<th>KPMG services</th>
<th>Service description</th>
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<tbody>
<tr>
<td><strong>Audit</strong></td>
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<tr>
<td>• Quality reporting</td>
<td>- Financial statement audit</td>
<td>- Provision of statutory financial statements audits</td>
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<tr>
<td></td>
<td>- Health, Safety, and Environmental (HSE) report</td>
<td>- Provision of assurance services in relation to HSE reports</td>
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<tr>
<td>• Compliance with accounting standards</td>
<td>- International Financial Reporting Standards (IFRS) advisory</td>
<td>- Preparing and managing the change to IFRS</td>
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<td></td>
<td>- U.S. accounts and reporting</td>
<td>- Provision of training</td>
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<tr>
<td>• IT projects implementation</td>
<td>- IT risk management</td>
<td>- Compliance with U.S. GAAP and SEC requirements</td>
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<tr>
<td>• Hydrocarbon emissions</td>
<td>- Hydrocarbon emission audits</td>
<td>- Pre- and post-implementation reviews of major ERP systems</td>
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<tr>
<td>• J V ventures (J V)</td>
<td>- J V audit</td>
<td>- Automated controls reviews</td>
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<tr>
<th>Client business issues/risks</th>
<th>KPMG services</th>
<th>Service description</th>
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<tr>
<td><strong>Tax</strong></td>
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<tr>
<td>• Tax managed in accordance with business strategy</td>
<td>- Helping to improve performance</td>
<td>- International taxation structuring compliance and advice</td>
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<td></td>
<td>- Transfer pricing</td>
<td>- Manage transfer pricing exposure</td>
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<td>- Estimating future tax liabilities</td>
<td>- Provision assistance</td>
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<tr>
<td>• Compliance</td>
<td>- Indirect and local taxes</td>
<td>- Sales and local taxes, customs and duties</td>
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<td></td>
<td>- Directors’ and employees’ taxes</td>
<td>- Support for international executives and staff</td>
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<td></td>
<td>- Pensions</td>
<td>- Provision of audit and compliance for pensions</td>
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<tr>
<td>• Global mergers &amp; acquisitions</td>
<td>- Acquisition tax planning</td>
<td>- Structural planning</td>
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<td></td>
<td>- Disposal tax planning</td>
<td>- Planning exit strategies</td>
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<td></td>
<td>- Post-transaction integration</td>
<td>- Tax-efficient strategies</td>
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<td></td>
<td>- Business-focused strategies</td>
<td>- Immediate concerns handled</td>
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<tr>
<td>• Outsourcing</td>
<td>- Global outsourcing</td>
<td>- Proactive planning advice</td>
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<td>Client business issues/risks</td>
<td>KPMG services</td>
<td>Service description</td>
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<tr>
<td>Advisory</td>
<td>• Major transaction management</td>
<td>- Transaction services</td>
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<td>- Valuations</td>
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<td>- Project finance and debt advisory services</td>
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<td>• Board assurance as to operation of</td>
<td>- Internal audit</td>
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<td>business model and controls</td>
<td>- Regulatory reform</td>
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<td>- Internal audit services to handle significant control and monitoring issues</td>
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<td>- Issue recognition and advisory</td>
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<td>• Effective board oversight</td>
<td>- Performance measurement</td>
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<td>- Board reporting</td>
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<td>• Real-time assurance on capital</td>
<td>- Monitoring expenditure for capital-intensive projects</td>
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<td>expenditure management</td>
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<td>• Improvements in corporate governance</td>
<td>- Corporate governance advisory</td>
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<td>- Advice on compliance, preferred practices and Sarbanes-Oxley implementation</td>
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<td>• Ensuring business continuity and the</td>
<td>- Business continuity management</td>
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<td>capability to recover</td>
<td>- Forensic advisory</td>
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<td></td>
<td>- Assessing and guiding knowledge management</td>
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<td></td>
<td>• Issue recognition and strategy</td>
<td>- Information systems governance, security and risk management</td>
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<td>development</td>
<td>- Forensic accounting and witness services</td>
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<td></td>
<td>• Reporting and communications</td>
<td>- Advising on greenhouse gas emissions controls and energy trading</td>
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<td>- Advice on environmental and stakeholder issues, including sustainability</td>
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<td>reporting reviews, global reporting initiative developments and greenhouse gas</td>
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<td>issues and audits</td>
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<tr>
<td></td>
<td>• Protection of intellectual property</td>
<td>- Performance insight</td>
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<td>- Advising on brand, processes and intellectual property rights</td>
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<td>• Management of the finance function</td>
<td>- Transforming the finance function</td>
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<td>- Advisory on shared service centers</td>
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<td>- Advising on immediate needs such as meeting new IFRS accounting standards,</td>
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<td>integrating systems and coping with new applications</td>
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<td>- Assisting clients to create a shared service centre (outsourced or internal)</td>
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<td>and to find performance improvements by offering qualified staff, standardised</td>
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<td>and controlled processes, and accounting systems harden and software</td>
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### 2006 Events and Publications Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Event/Publication</th>
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<tbody>
<tr>
<td>February 7-9</td>
<td>Mining Indaba, Cape Town, South Africa</td>
</tr>
<tr>
<td>February 14-16</td>
<td>E-World, Essen, Germany</td>
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<tr>
<td>March 13-14</td>
<td>Energy APAC, Beijing • China Energy Outlook 2006 release • India Energy Outlook release</td>
</tr>
<tr>
<td>March 13-14</td>
<td>GB Energy Event, Moscow, Russia</td>
</tr>
<tr>
<td>March 31</td>
<td>Launch, World Power 2006</td>
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<tr>
<td>April 5-6</td>
<td>World Economic Forum on Latin America, São Paulo, Brazil</td>
</tr>
<tr>
<td>April 26-28</td>
<td>ENR Global Tax Steering Committee Meeting and Share Forum, Madrid, Spain</td>
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<tr>
<td>May 7-10</td>
<td>47th APPEA Annual Conference, Gold Coast, Australia</td>
</tr>
<tr>
<td>May 23-24</td>
<td>KPMG’s Global Energy Conference, Houston, U.S.</td>
</tr>
<tr>
<td>June 6-7</td>
<td>KPMG’s EMRA region ENR Meeting, Amsterdam, The Netherlands, held alongside the 23rd World Gas Conference, Amsterdam</td>
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<tr>
<td>June 21</td>
<td>Launch of World Energy Council’s inaugural yearbook World Energy in 2006 Central, Canada</td>
</tr>
<tr>
<td>August 8-11</td>
<td>KPMG’s ENR practice’s Tax Master class, Houston, U.S.</td>
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<tr>
<td>September 13-15</td>
<td>Iberoamericas Tax Summit and ENR Global Tax Steering Committee Meeting, Buenos Aires, Argentina</td>
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<tr>
<td>October 16-18</td>
<td>KPMG’s Global ENR practice’s Executive Team Meeting, Tokyo, Japan</td>
</tr>
<tr>
<td>November 11-12</td>
<td>KPMG’s Middle East and Southern Asia region (MESA) Tax Conference and ENR practice’s Global Tax Steering Group Committee Meeting, Dubai, U.A.E.</td>
</tr>
<tr>
<td>November 14-16</td>
<td>China Mining Conference, Beijing, China</td>
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<tr>
<td>November 17-18</td>
<td>Energy and Minerals Business Council Meeting, to coincide with the G20 Summit, Melbourne, Australia</td>
</tr>
<tr>
<td>November 27</td>
<td>World Oil and Gas Congress Workshop, London, UK</td>
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See you in Rome, November 2007 for the 20th World Energy Congress
KPMG's Global Energy Conference will offer a forum for sharing knowledge on topics affecting your business. Please join us next May in Houston, Texas as industry luminaries share their insights on the challenges and opportunities facing the industry. For more information, please contact Greg Bergman, Marketing Director, Energy & Chemicals at 214-840-2426 or visit www.kpmgglobalenergyconference.com.
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