

# Investing for the Future



new**resource**bank

## Parsing the Investment Interest in Green

NAESCO Annual Conference

October 2007

Presented by Peter Liu

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## NRB – Our DNA

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Founded by entrepreneurs to serve entrepreneurs...

SYBASE®



Lotus.

Interface



Driscoll's

Triodos Bank



WRHAMBRECHT+CO



GreenBiz.com

MENDOCINO WINE Co.



MENLO EQUITIES

rosecompanies

Greenopia

the urban dweller's guide to green living

dfj | ELEMENT

SUNPOWER

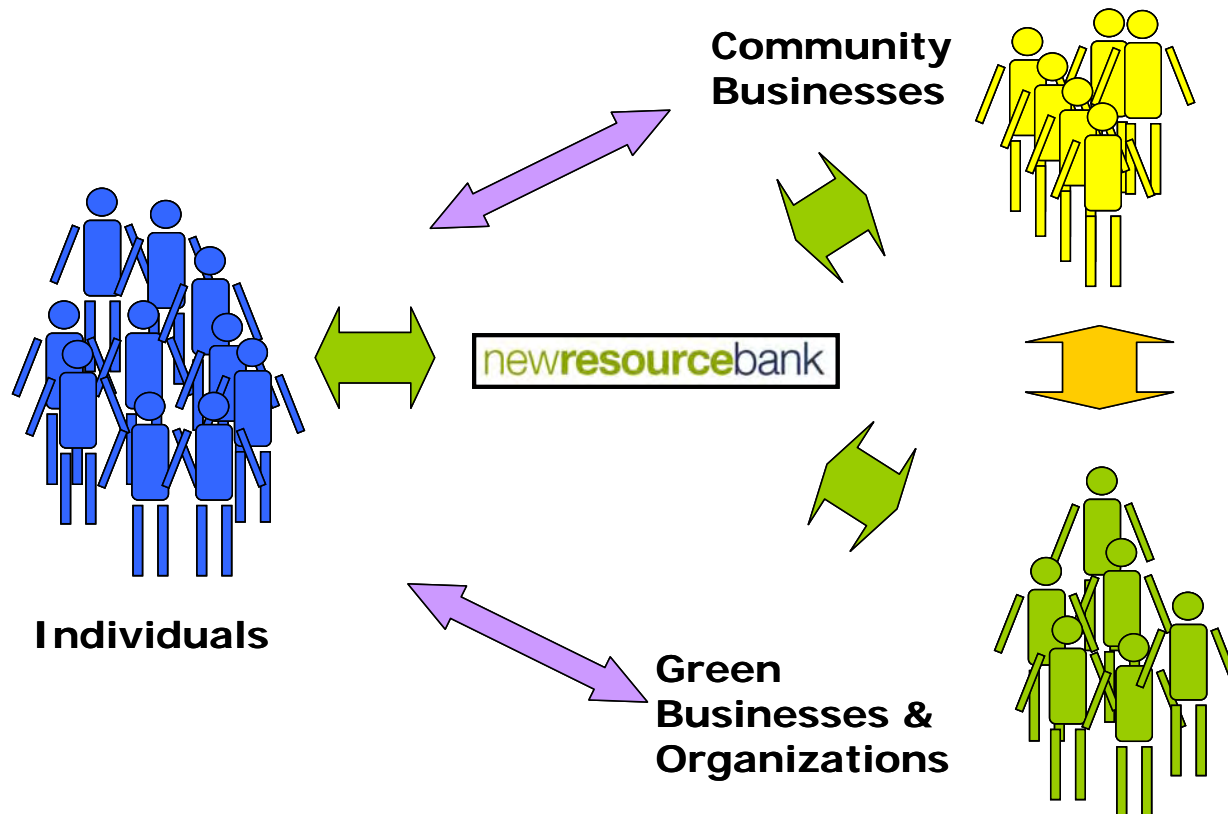


## Met with Clearly Defined Strategy...

A **NEW** standard in customer service

Financing sustainable **RESOURCES** in our community

A **BANK** that does more with your money



# Financing Green – Our Clients

**BrightSourceEnergy™**

**mkd michelle kaufmann designs**

let the green in

**BORREGO SOLAR**

**greenvolts™**

**BEARTOOTH CAPITAL**

**PHYSIC VENTURES**  
health, wellness & sustainable living

**VERITABLE VEGETABLE**

**SOLARIA**

**method**

**BLUE HORIZON Organic Seafood Co.**

**SOCIAL VENTURE NETWORK**

**PACIFIC COMMUNITY VENTURES**  
Fueling Business Growth and Economic Opportunity Across Communities

**GreenHomeGuide**

**NEW LEAF PAPER**  
Environmentally Responsible, Economically Sound

**attune™**

**GREENMONT CAPITAL PARTNERS**

**SUSTAINABLE SPACES**

**KEEPER.**

**SUNPOWER**

## Leads to a Recognized Brand of Banking

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Zero to over \$130 MM in assets in 12 months

San Francisco Chronicle

TIME



GreenBiz.com



Marketplace



AMERICAN BANKER

FORTUNE



ContraCostaTimes.com

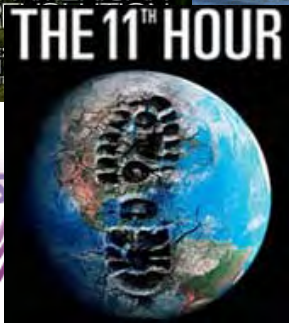
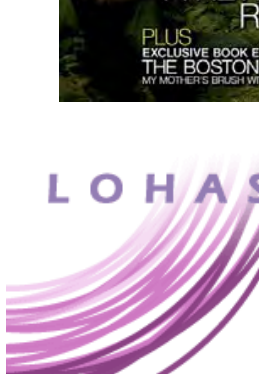


# New Market Realities...

Green is the New Red White and Blue....Thomas Friedman, NY Times



REPUBLICANS FOR ENVIRONMENTAL PROTECTION



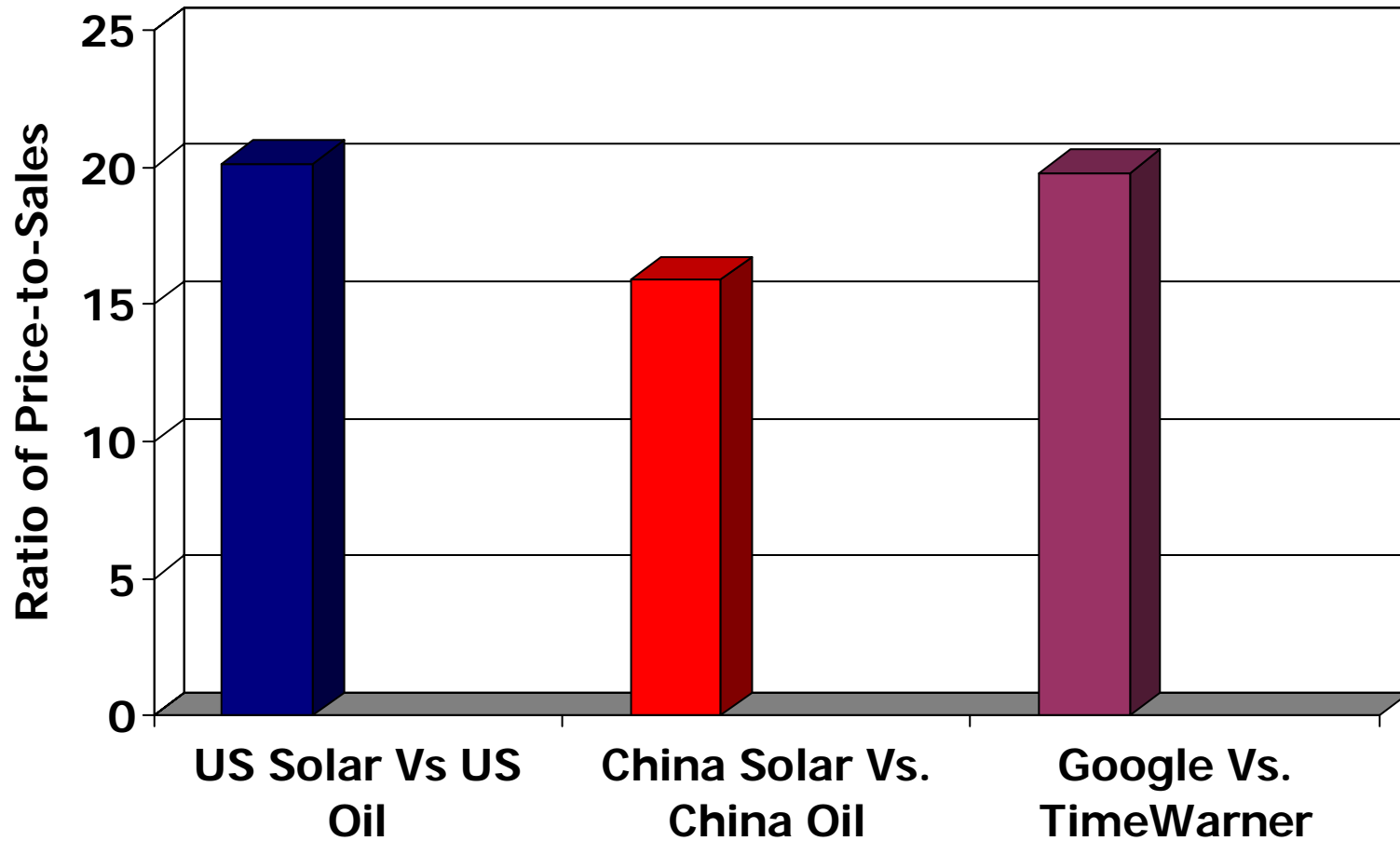
Everyone is talking about Global Warming. But California is actually doing something about it. Governor Arnold Schwarzenegger

## The Value of Investment: Green with Envy?

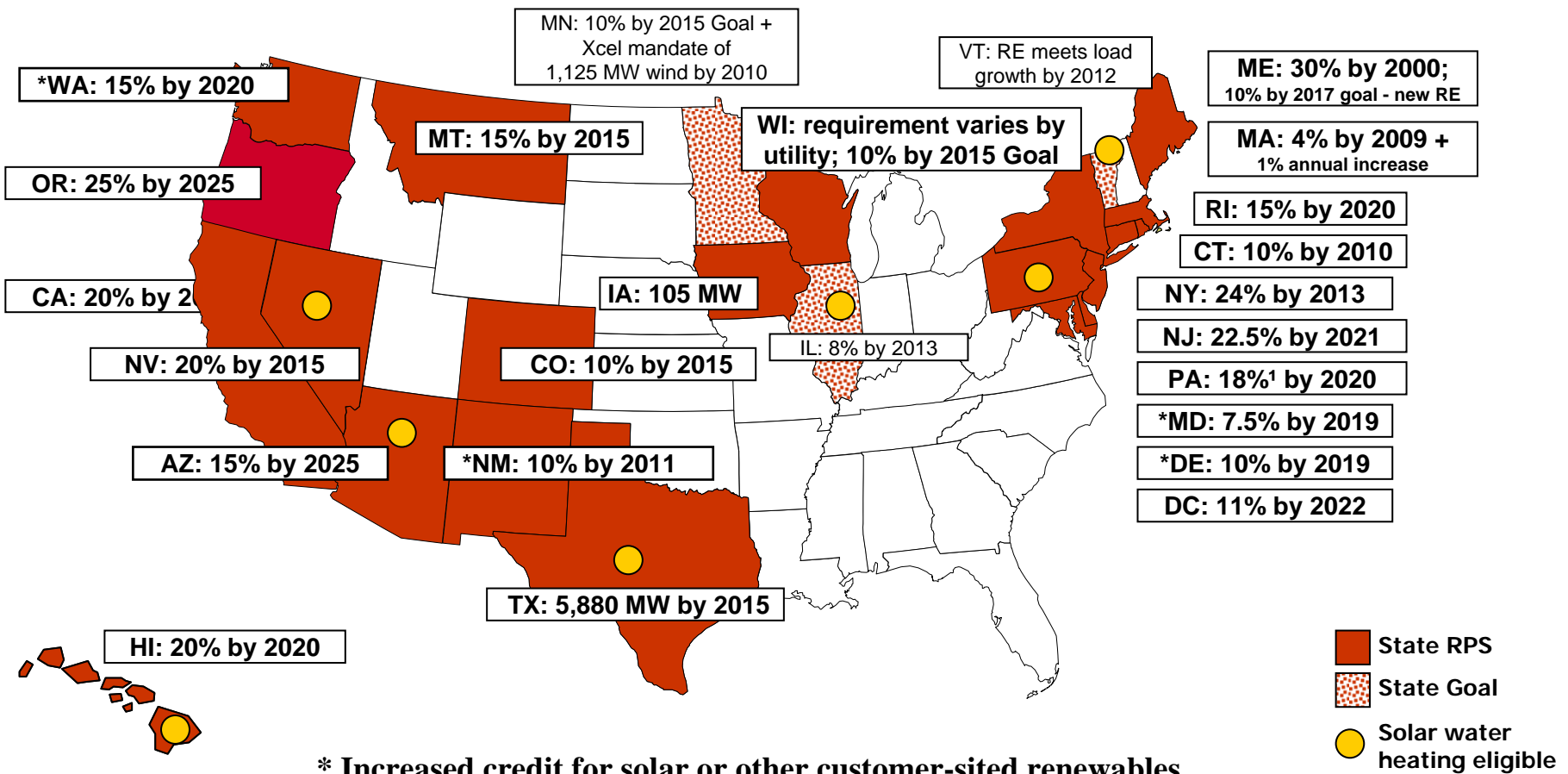
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- Top two publicly traded US Solar companies
  - \$20 BN market cap, \$1 BN projected sales
  
- Top two publicly traded Chinese Solar companies
  - \$11 BN market cap, \$700MM projected sales
  
- Top two IPO'ed demand technology companies
  - \$1.5 BN market Cap, \$60 MM projected sales
  
- Top two publicly traded US oil companies
  - \$721 BN market cap, \$600 BN projected revs

## Is there a Green Exuberance?



# Fundamental Trends – Convincing Demand



\* Increased credit for solar or other customer-sited renewables  
 PA: 8% Tier I (renewables)

...that's Attracting Entrepreneurs & Investors...



TESLA MOTORS



**khosla ventures**  
venture assistance, strategic advice, venture capital



## VC's Jumping On...

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<b>Year</b>	<b>Total Venture Investments (US\$ Billions)</b>	<b>Energy Technology Investments (US\$ Millions)</b>	<b>Energy Technology Percentage of Venture Total</b>
<b>1999</b>	<b>59</b>	<b>568</b>	<b>0.8%</b>
<b>2000</b>	<b>103</b>	<b>1,329</b>	<b>1.3%</b>
<b>2001</b>	<b>41</b>	<b>932</b>	<b>2.3%</b>
<b>2002</b>	<b>21</b>	<b>566</b>	<b>2.7%</b>
<b>2003</b>	<b>18</b>	<b>547</b>	<b>3.0%</b>
<b>2004</b>	<b>20</b>	<b>716</b>	<b>3.3%</b>
<b>2005</b>	<b>22</b>	<b>917</b>	<b>4.2%</b>
<b>2006</b>	<b>26</b>	<b>2,425</b>	<b>9.4%</b>

## Changing Mindset Even in the Most Tradition Sectors

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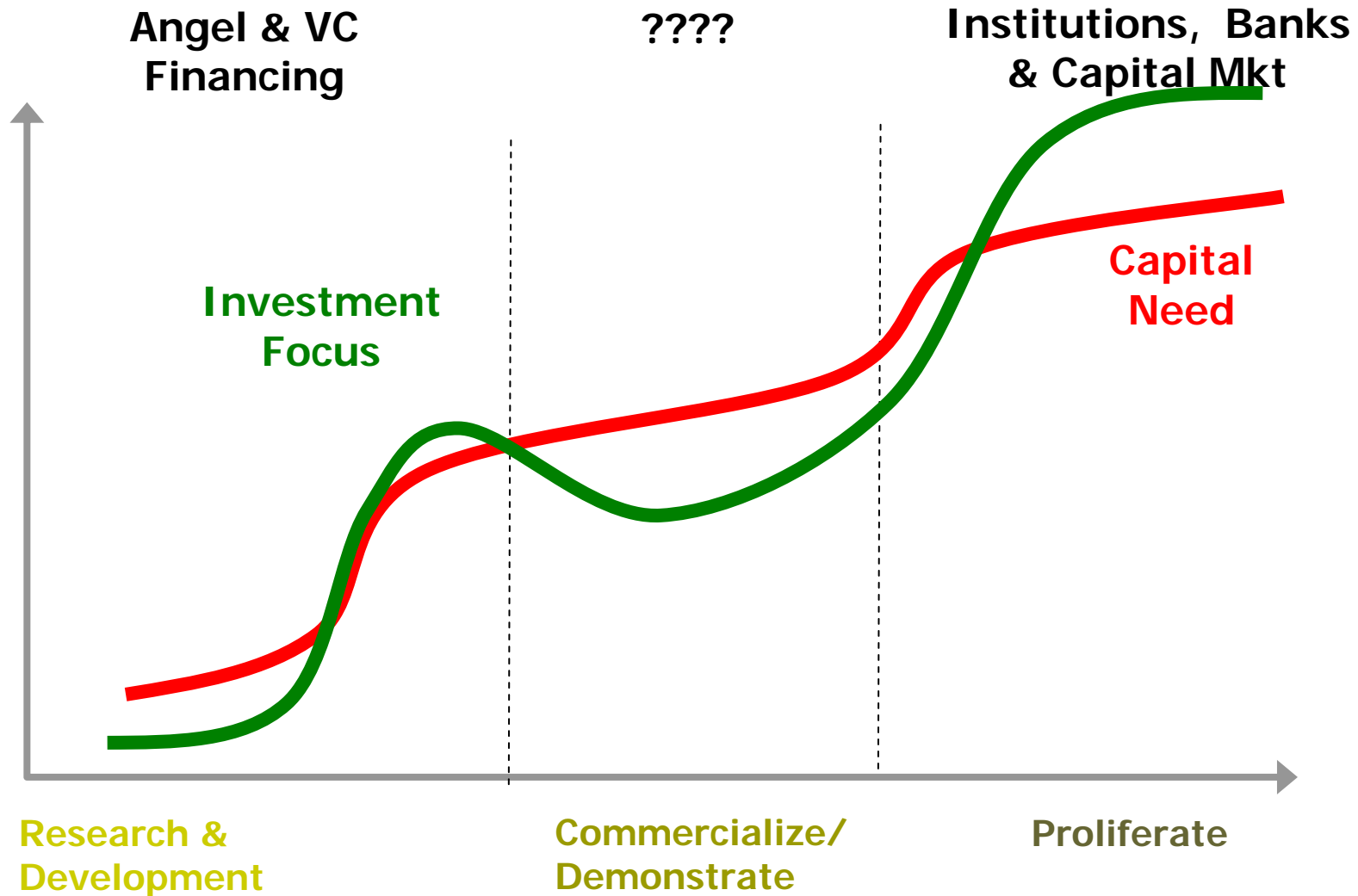
### The new vocabulary of green buildings investment thesis

- Before
  - Experimental
  - Costly
  - Architectural statement
  - Fringe
  - Ecological
- Today & the Future?
  - Certified
  - NPV+
  - Consumer driven
  - Differentiation
  - High performance

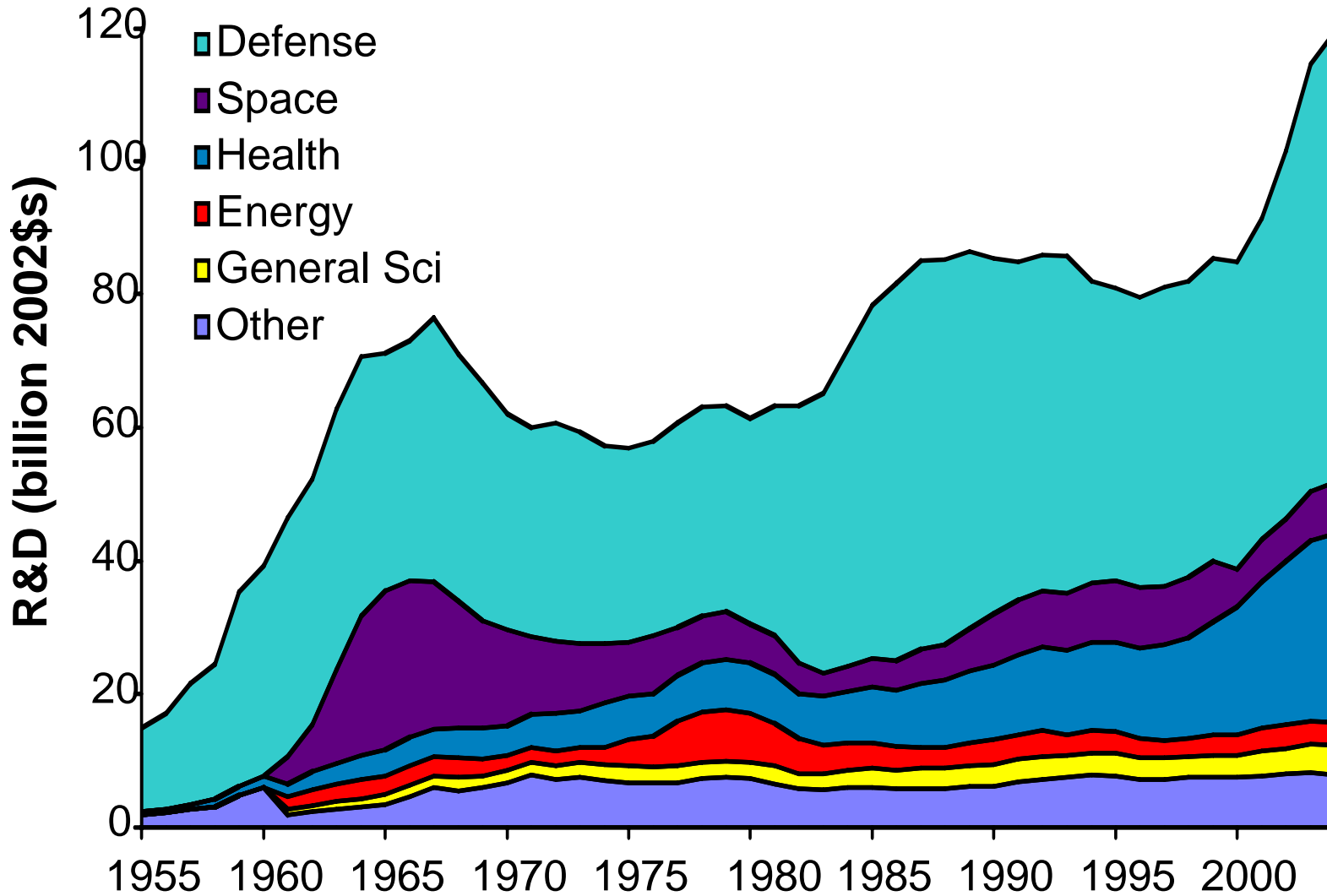
...leads to new investment views on green buildings



# Challenges & Gaps in Capital for Green Innovation

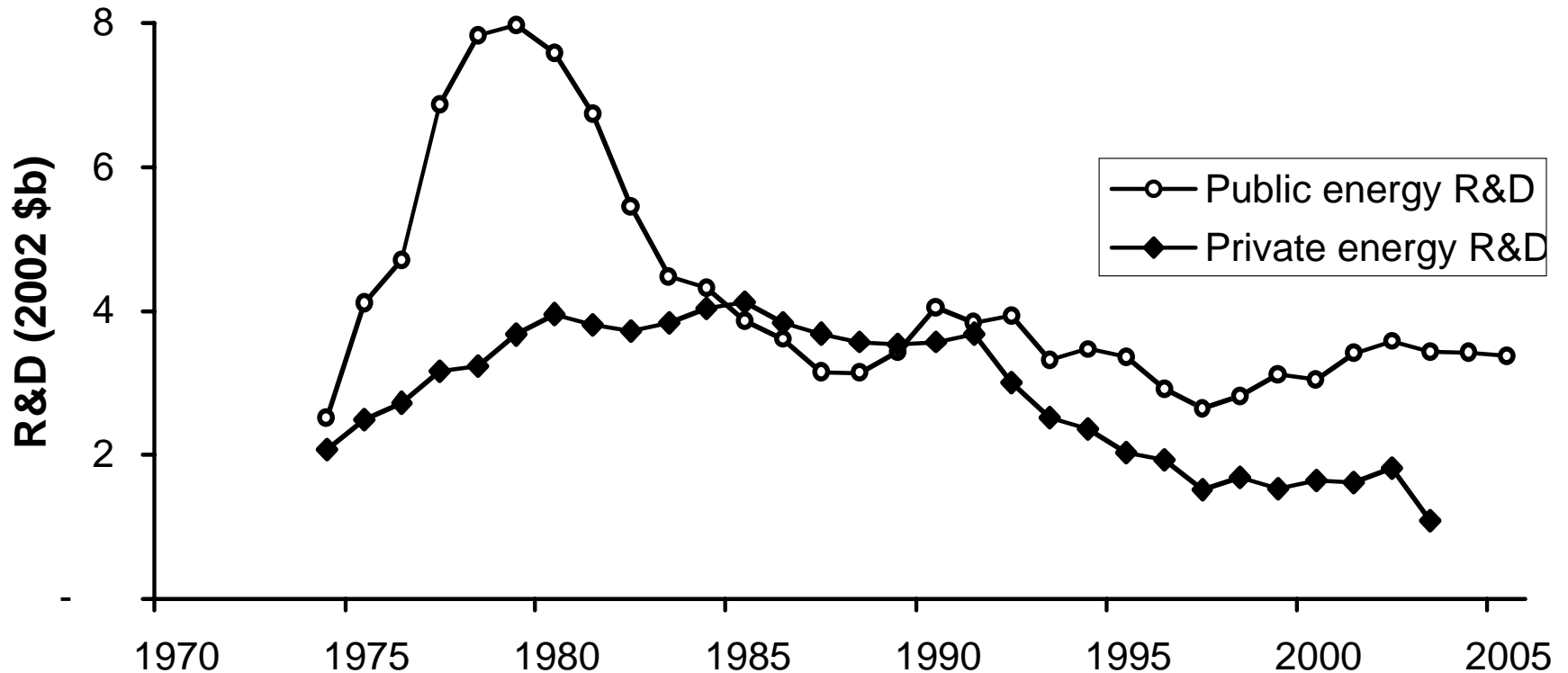


# Is the Innovation Pipeline Full? Federal R&D Spending



Margolis & Kammen, *Science*, 1999

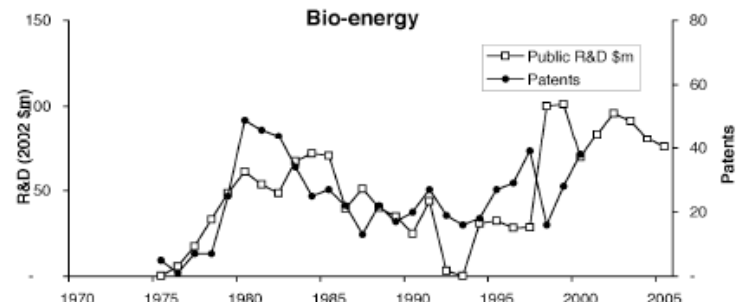
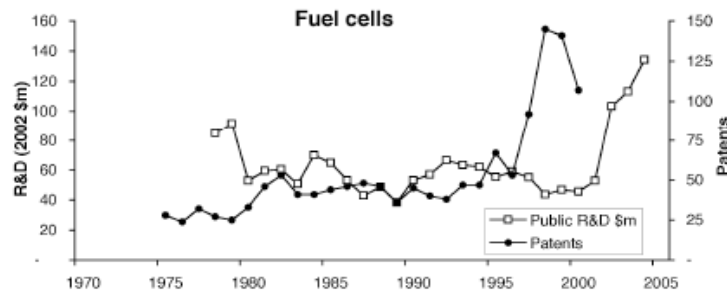
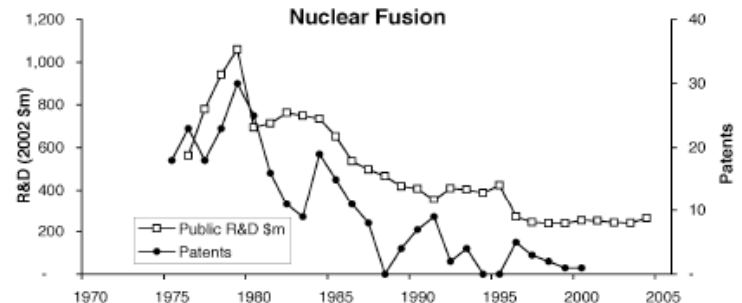
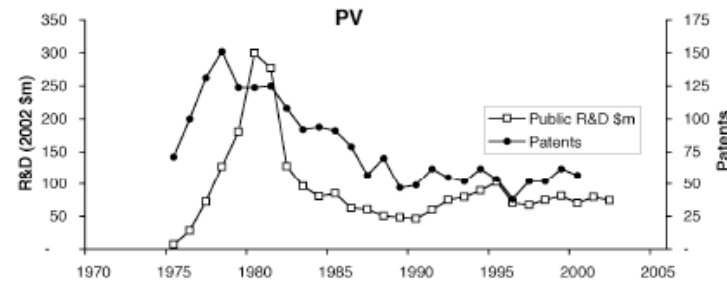
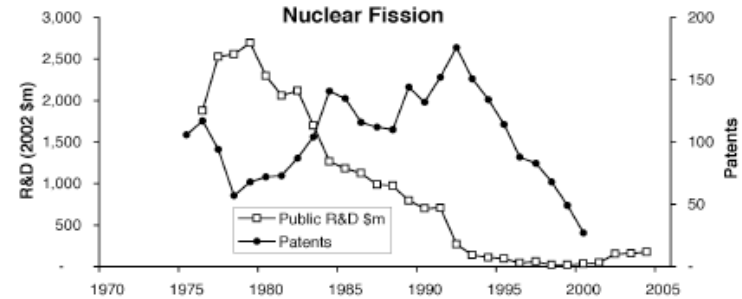
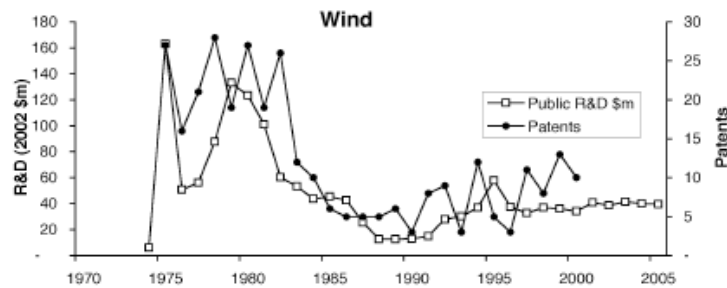
## How about the Private Sector?



Kammen and Nemet (2005)

"Reversing the incredible shrinking energy R&D budget," *Issues in Science & Technology*, Fall, 84 - 88.

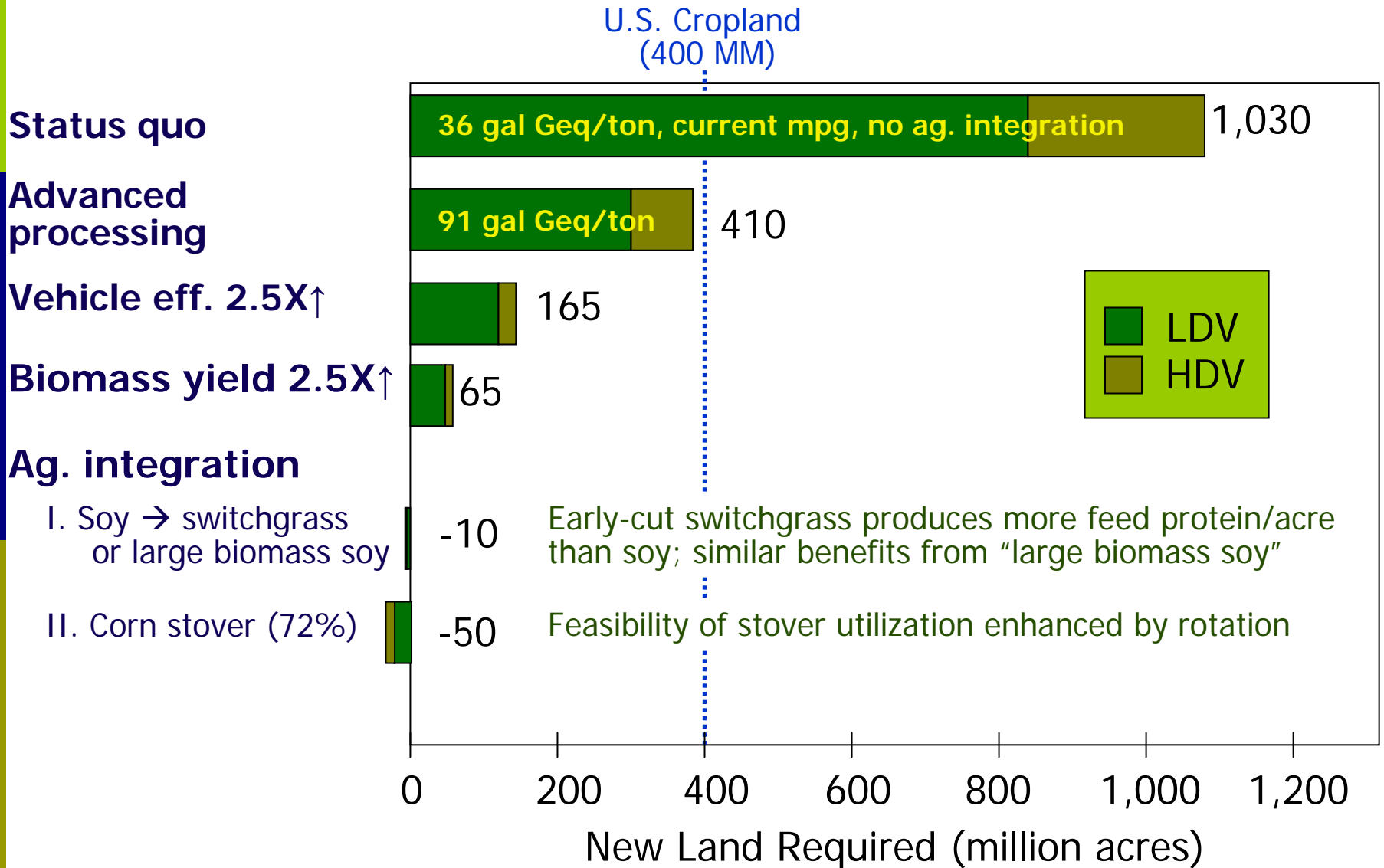
# R&D Spending and Patents



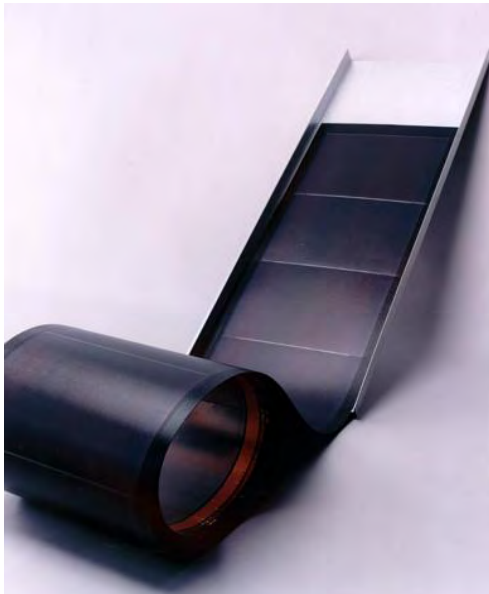
Kammen and Nemet (2005)

“Reversing the incredible shrinking energy R&D budget,” *Issues in Science & Technology*, Fall, 84 - 88. And Nemet, dissertation, 2007

# Land Required to Satisfy Current U.S. Mobility Demand



## This is Just the Beginning of a Long Road...



The Stone Age Didn't End Because We Ran Out of Stones

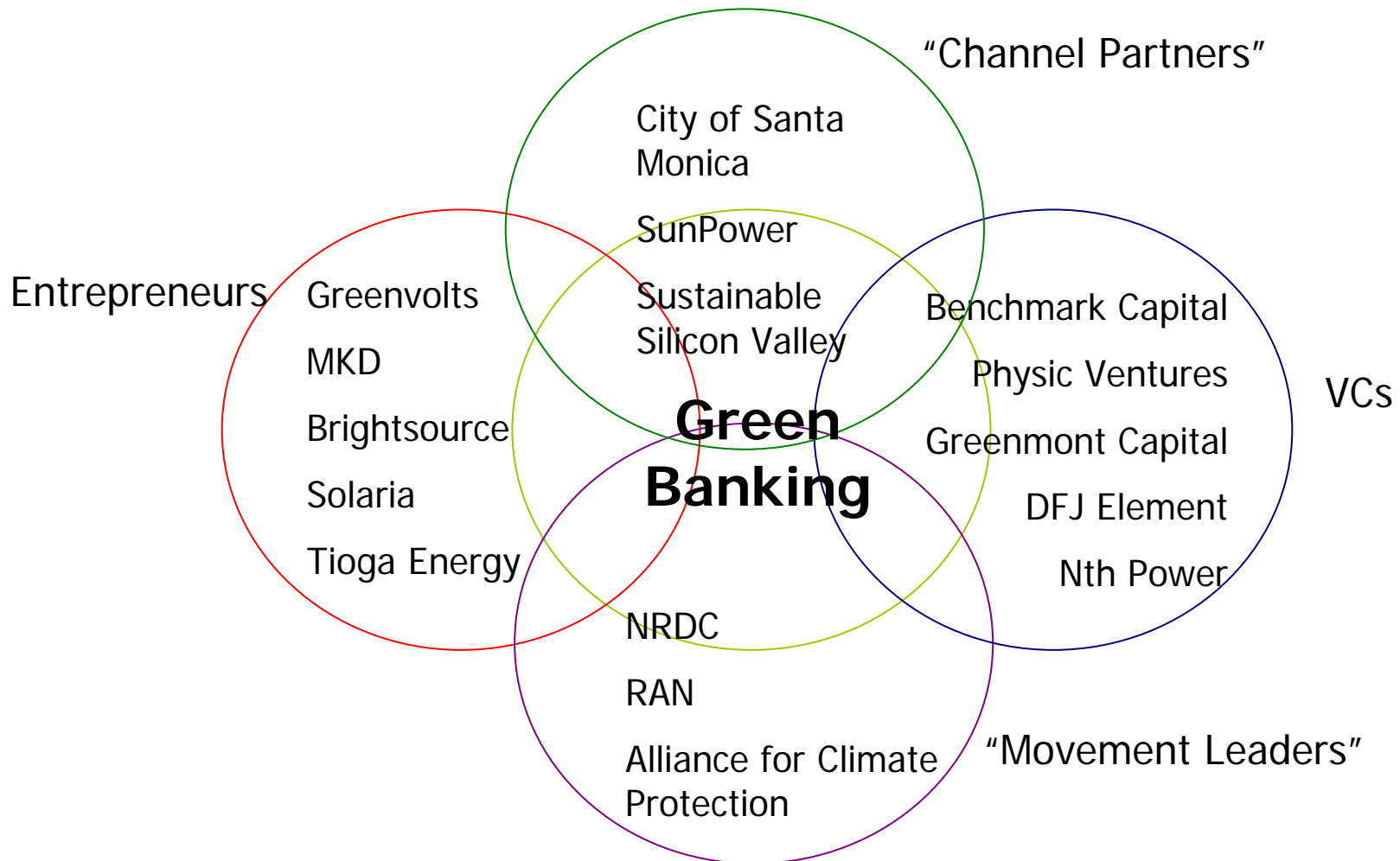


BP Chooses UC Berkeley for \$500MM Energy Bioscience Institute...

Virgin Fuels to invest \$400MM...

# Green Investing from Our View: The Power of Collaboration

Working within an “eco-system” of capital, ideas and talent



## Our Customer and Community's View of NRB...

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"New Resource Bank is what banking ought to be..." *Adam Taylor, bank consumer client on Evolvist.com*

"I am happy to sing [NRB's] praises any time..." *Michelle Kaufmann, Founder MKDesigns*

"When will New Resource Bank open a branch in my community?" *Most often asked question on info@newresourcebank.com*

"I am writing to invite you to testify at a hearing of the U.S. House of Representatives Committee on Small Business entitled, "*Small Businesses at the Forefront of the Green Revolution...*The committee would value testimony on how New Resource Bank is financing energy efficient-ventures and its recommendations..." *Rep. Nydia Valazquez, Committee Chairwoman*

"Redefining the future of banking..." *California Banker*

## Thank You

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open an account today | for a brighter future at | [www.newresourcebank.com](http://www.newresourcebank.com)

thinkgreen bankgreen

newresourcebank

The advertisement features a young boy with glasses looking up at a glowing lightbulb. The text 'open an account today | for a brighter future at | www.newresourcebank.com' is at the top. 'thinkgreen' and 'bankgreen' are on either side of the lightbulb. The 'newresourcebank' logo is at the bottom.

- a **new** standard in customer service
- financing sustainable **resources** in our community
- a **bank** that does more with your money