

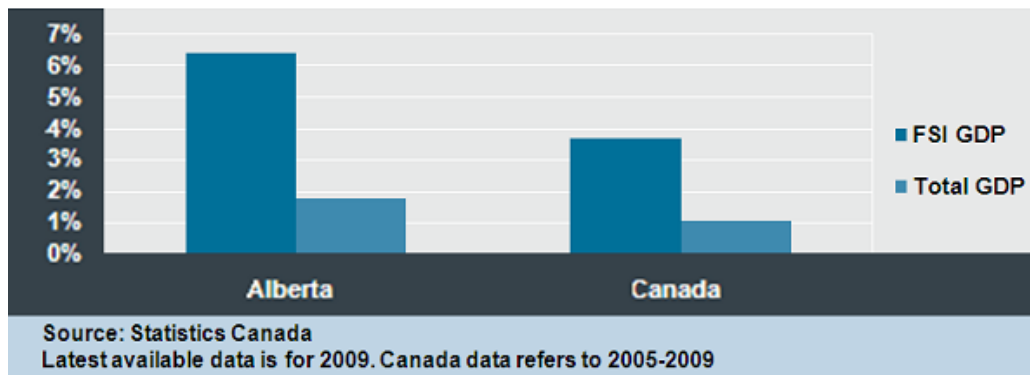
Financial Services

Alberta: A Rising Financial Centre

The financial services industry is one of the largest and fastest growing sectors in Alberta. Between 2002 and 2010, its average annual GDP growth of 5.9% significantly outpaced the overall Alberta economy (1.8%) and Canada's financial services sector as a whole (3.7%). In 2010, the financial industry contributed over \$8.4 billion to the provincial economy.

During this time, the city of Calgary has increasingly attracted investment banking and asset management activity focusing on the oil and gas sector, while Edmonton has developed a wealth management and pension management industry to support the prosperity of the province.

FSI GDP Growth, 2004-2009



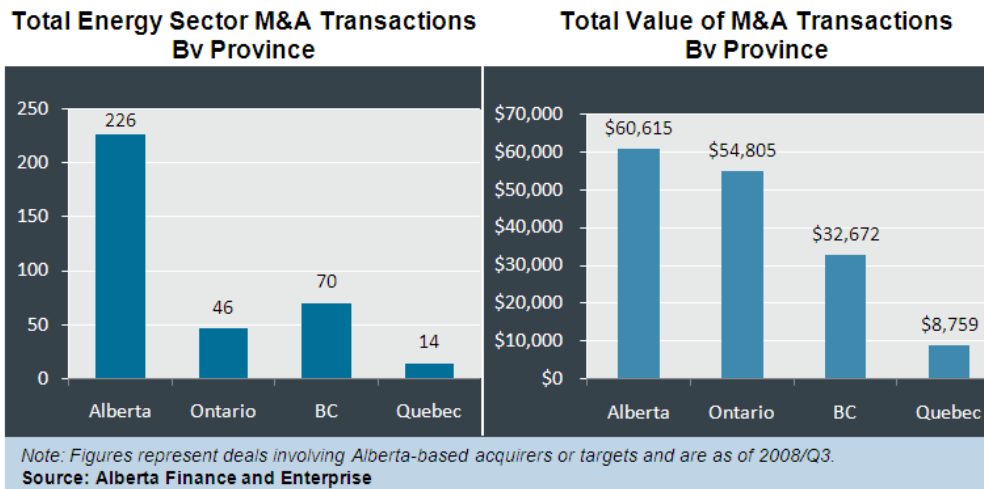
Alberta is home to growing levels of local capital, including local private equity and other investment capital that supports local businesses. There is also a sizeable amount of institutional capital under management in the province. Much of this is in the form of pension, endowment and other funds managed on behalf of the Government of Alberta. Alberta's financial services industry manages over \$100 billion in assets and facilitates over \$75 billion in capital investments every year. Over 4,000 financial services firms are active in Alberta, including all six large Canadian banks, four major Alberta-headquartered financial institutions, and most of the top 20 global investment banks.

Financing the Energy Sector

Alberta's financial services industry has largely been built around servicing the transaction and financing needs of the energy sector. The concentration of capital-intensive companies, high deal velocity, and large deal size makes Alberta an attractive market for financial services firms. Alberta offers:

- One of the three largest petroleum reserves in the world.
- About 70% of Canada's crude oil production and 80% of its natural gas.
- The world's largest recoverable oil sands deposits, with an estimated output of 1.5 million barrels per day in 2009 and expected to more than double to 3 million barrels per day by 2018 – and possibly even 6 million barrels per day by 2027.

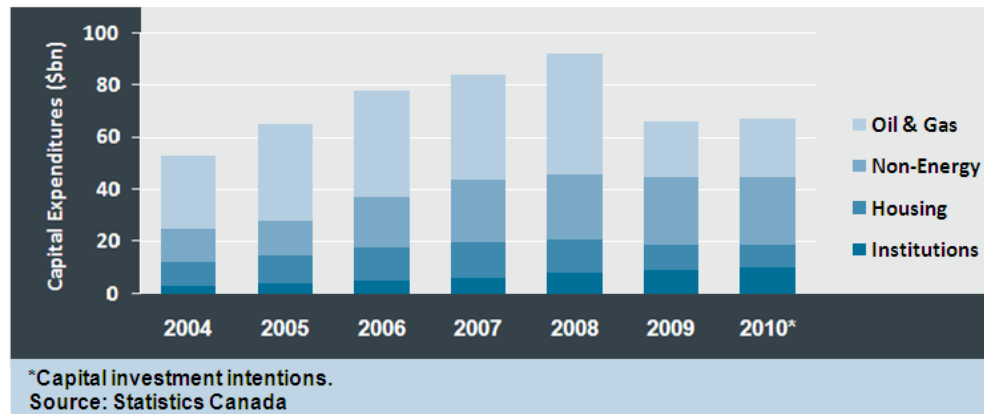
Beyond its high levels of spending and record revenues, Alberta's energy industry is also a trading hub (approximately 8% of all assets are traded, compared to 1% – 2% average in other jurisdictions). The high volume of deal-flow in recent years has turned Calgary into Canada's capital of mergers and acquisitions (M&A) and the investment banking community has gained valuable experience that can now be leveraged in other sectors and jurisdictions. There are close to four times as many M&A deals completed in Alberta than in any other Canadian province.



A Leading Destination for Capital Investment

Alberta is a leading destination for capital investment in Canada. From 2004 through 2009, total capital investment in Alberta totalled almost \$433 billion, much of which to support the development of the province's vast oil sands resources. Capital expenditures in the province are expected to hit \$68.3 billion in 2010, of which \$1.6 billion were attributed to firms in the finance and insurance sector. In 2009, per capita investment in Alberta was \$18,024, almost double the Canadian national average of \$9,174.

Total Investment in Alberta, by Industry Sector



In addition to the large amounts of capital invested in the energy sector, Alberta has experienced significant growth in infrastructure investments during the past decade. Since 2000, investments in infrastructure have exceeded \$270 billion, and a further \$174 billion is expected over the next decade. The ongoing integration of this infrastructure execution expertise with the province's financial services sector is expected to create a world-class hub for efficiently pricing debt or equity for large infrastructure-related investments.

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