



Scatec Solar

June 6, 2016

Our values

Predictable

Driving results

Changemakers


Working together



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Scatec Solar - an independent solar power producer

An independent solar power producer

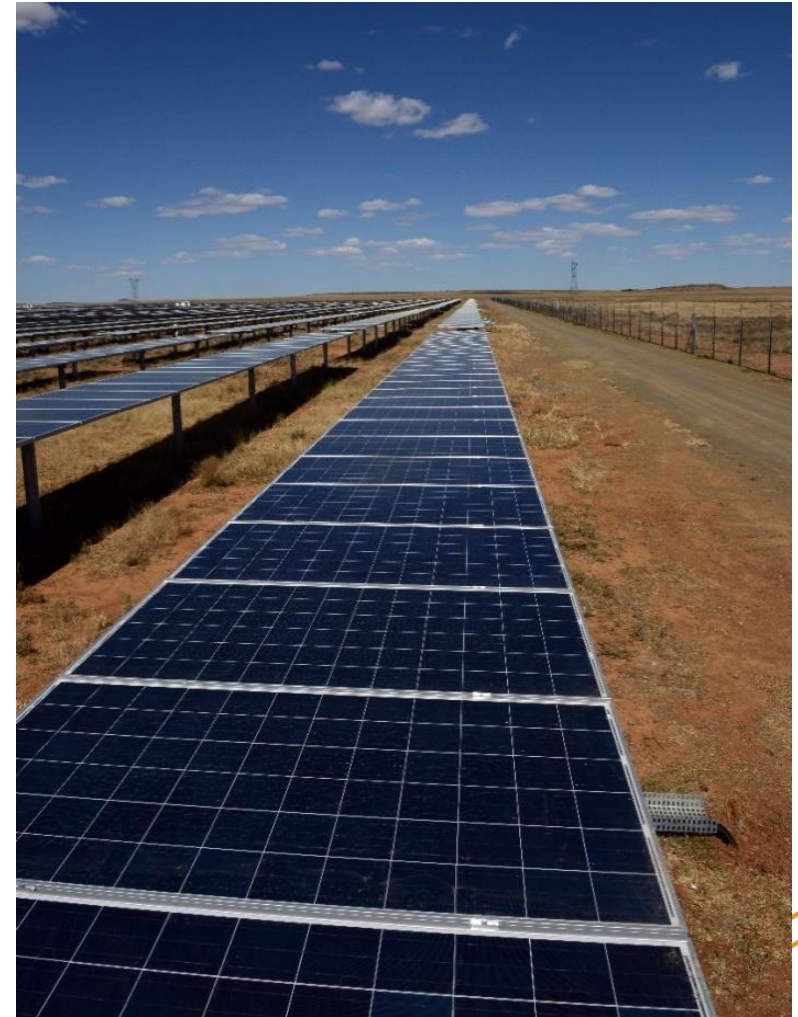
- SSO develops, builds and operates large scale solar plants
- Present in South Africa, Czech Republic, Rwanda, USA, Honduras and Jordan + global business development

Experienced and fast-growing

- Project track record of close to 600 MW
- 383 MW in operation and 43 MW under construction
- Focus on growth in emerging solar markets
 - Project backlog and pipeline of ~1.6 GW
 - Additional project opportunities of ~2.3 GW

Integrated across the downstream value chain

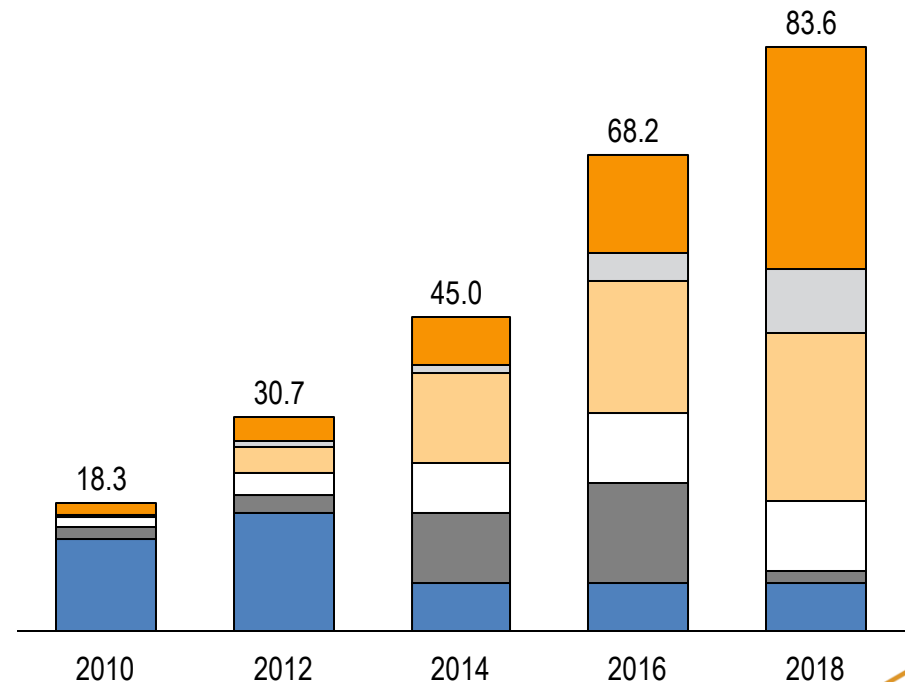
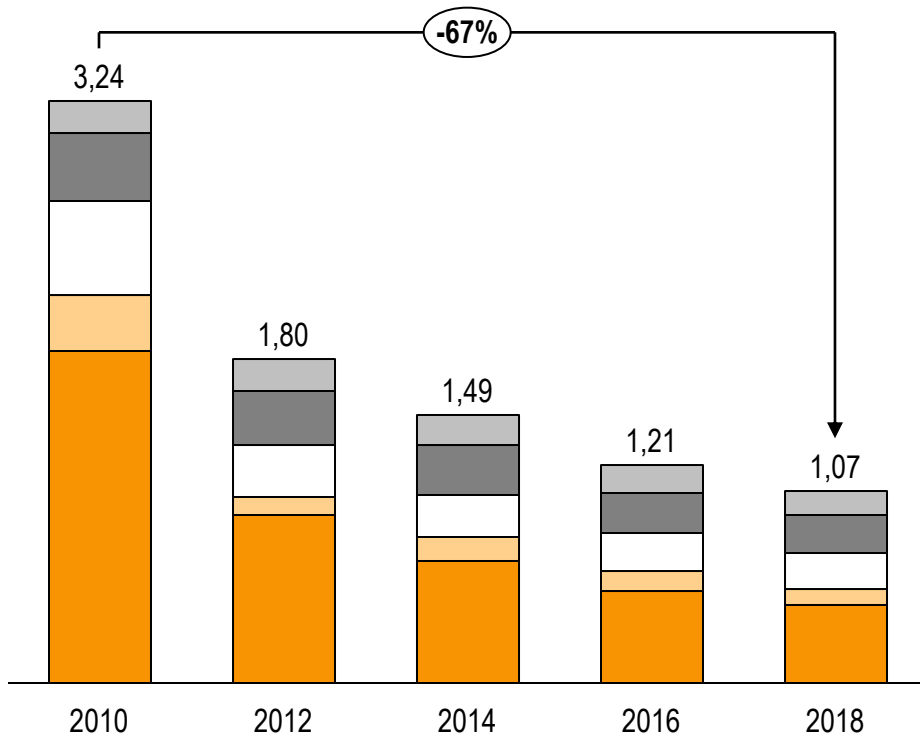
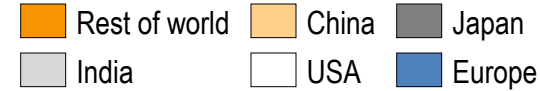
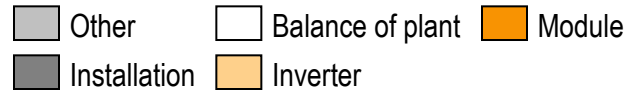
- Generating margins through all project stages
- Assets with strong and predictable long-term cash flows



Cost reductions drives strong demand growth

Total system cost (USD / Watt) *

Annual installed volume - GW



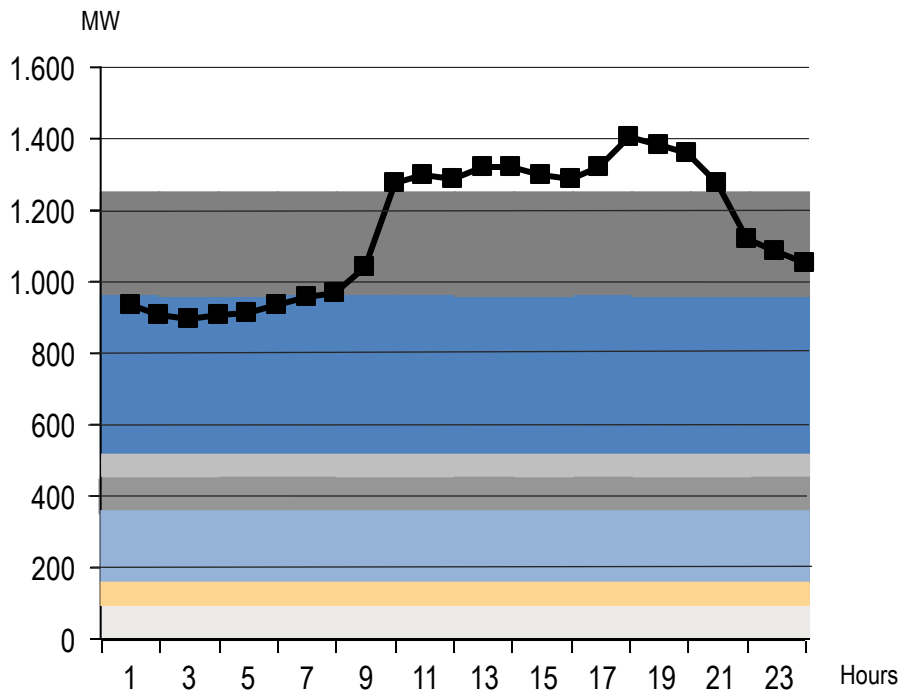
* System cost will vary from market to market depending on system size, market maturity, bankability etc.

Source: Bloomberg New Energy Finance, Q1 2016 PV Market Outlook

Solar PV is competitive

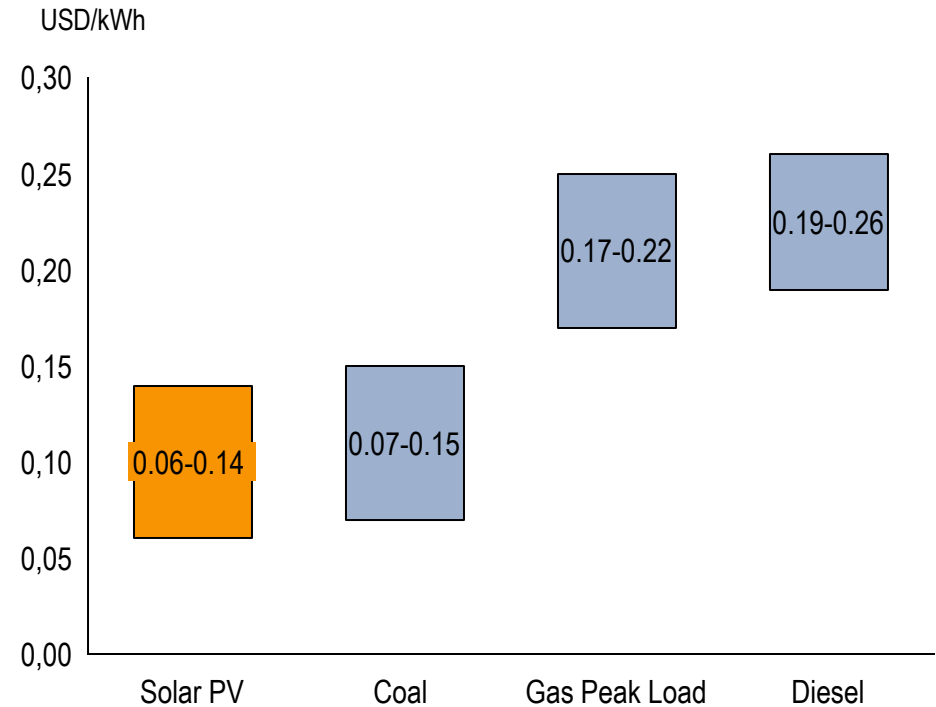
Example load-curve and energy-mix

Oil
 Geo
 Pmin Hydro
 Pmin Coal
 Hydro
 Coal
 Pmin Geo
 Demand



Illustrative dispatch graph showing dispatch of coal and oil-fired power plants

Cost of alternative energy sources – (LCOE)



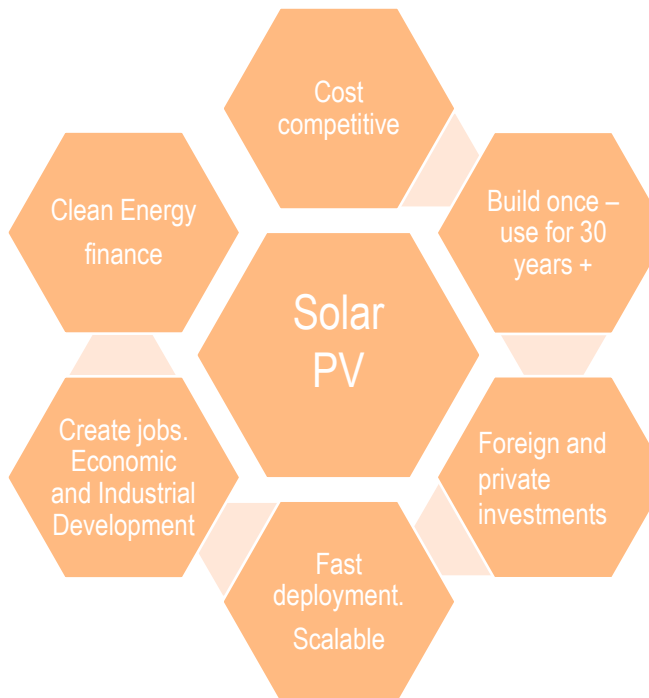
Source: Lazard Capital, LCOE v 9.0, Scatec Solar

Multiple drivers of demand for solar

The government agenda:



How we address them:



Examples:



South Africa



Egypt



Mali







Iran



Bangladesh

Integrated Independent Power Producer

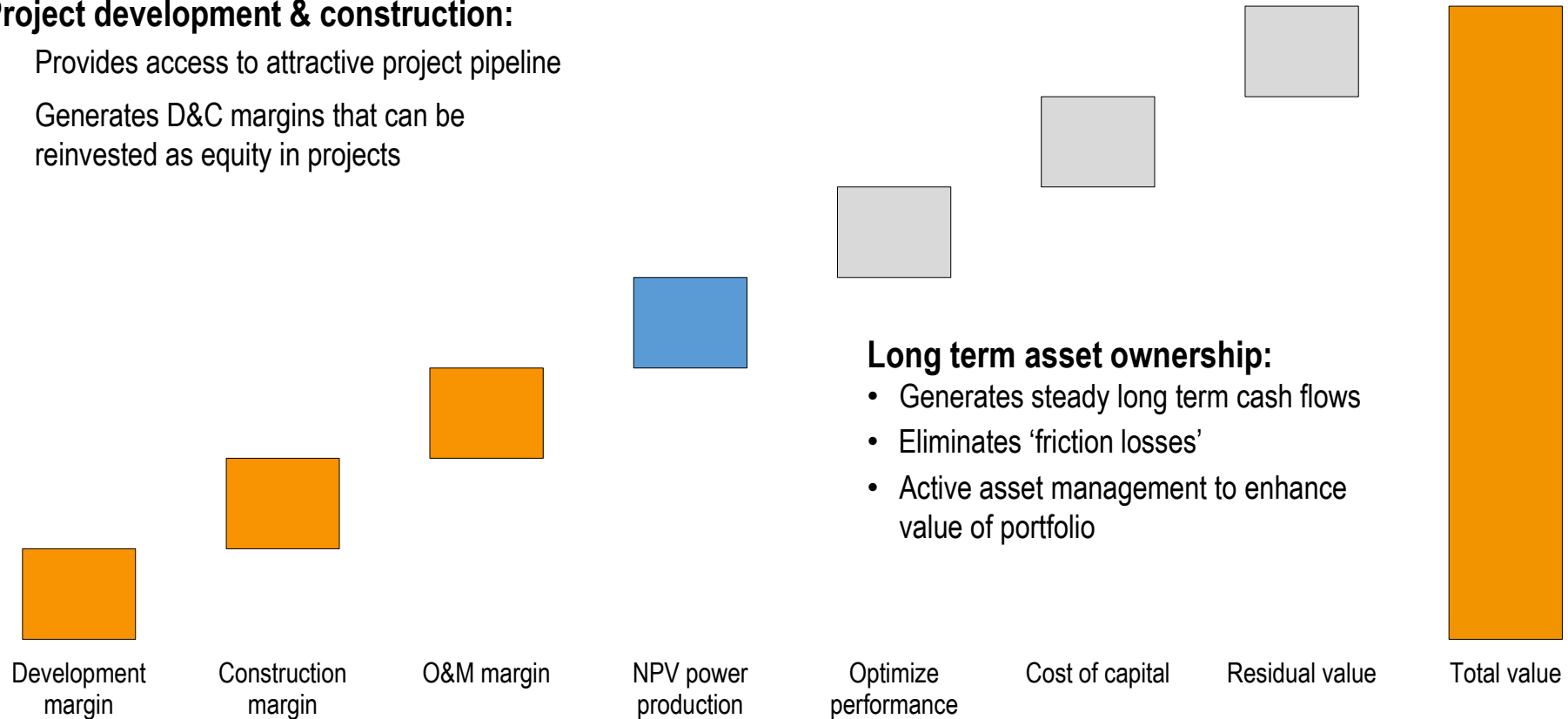
Scatec Solar develops, builds, owns & operates solar plants for 20 years

Phases	Origination	Development	Structuring	Delivery	Power Production O&M
Key activities	<ul style="list-style-type: none"> • Opportunity  <ul style="list-style-type: none"> • Analysis & Intelligence • Business opportunity • Partnerships • Commercial viability 	<ul style="list-style-type: none"> • Pipeline  <ul style="list-style-type: none"> • Site control • PPA and support agreements • Business case • Regulatory approvals/permits 	<ul style="list-style-type: none"> • Backlog  <ul style="list-style-type: none"> • Equity, debt structuring • Engineering 	<ul style="list-style-type: none"> • Construction  <ul style="list-style-type: none"> • Procurement • Construction Management 	<ul style="list-style-type: none"> • Operation  <ul style="list-style-type: none"> • Operation & Maintenance • Asset management

The integrated model captures the full project value

Project development & construction:

- Provides access to attractive project pipeline
- Generates D&C margins that can be reinvested as equity in projects



Long term asset ownership:

- Generates steady long term cash flows
- Eliminates 'friction losses'
- Active asset management to enhance value of portfolio

Norwegian and international partners key for our success

Norfund partnership:

- Project development and investment partnership
- Norfund (with KLP) are equity co-investors in South Africa, Rwanda and Honduras

IFC partnership:

- Project development and investment partner in West Africa, South Asia

GIEK partnership

- Project finance
- Guarantees and bonds

Project finance partners

- Multilateral development banks and commercial institutions

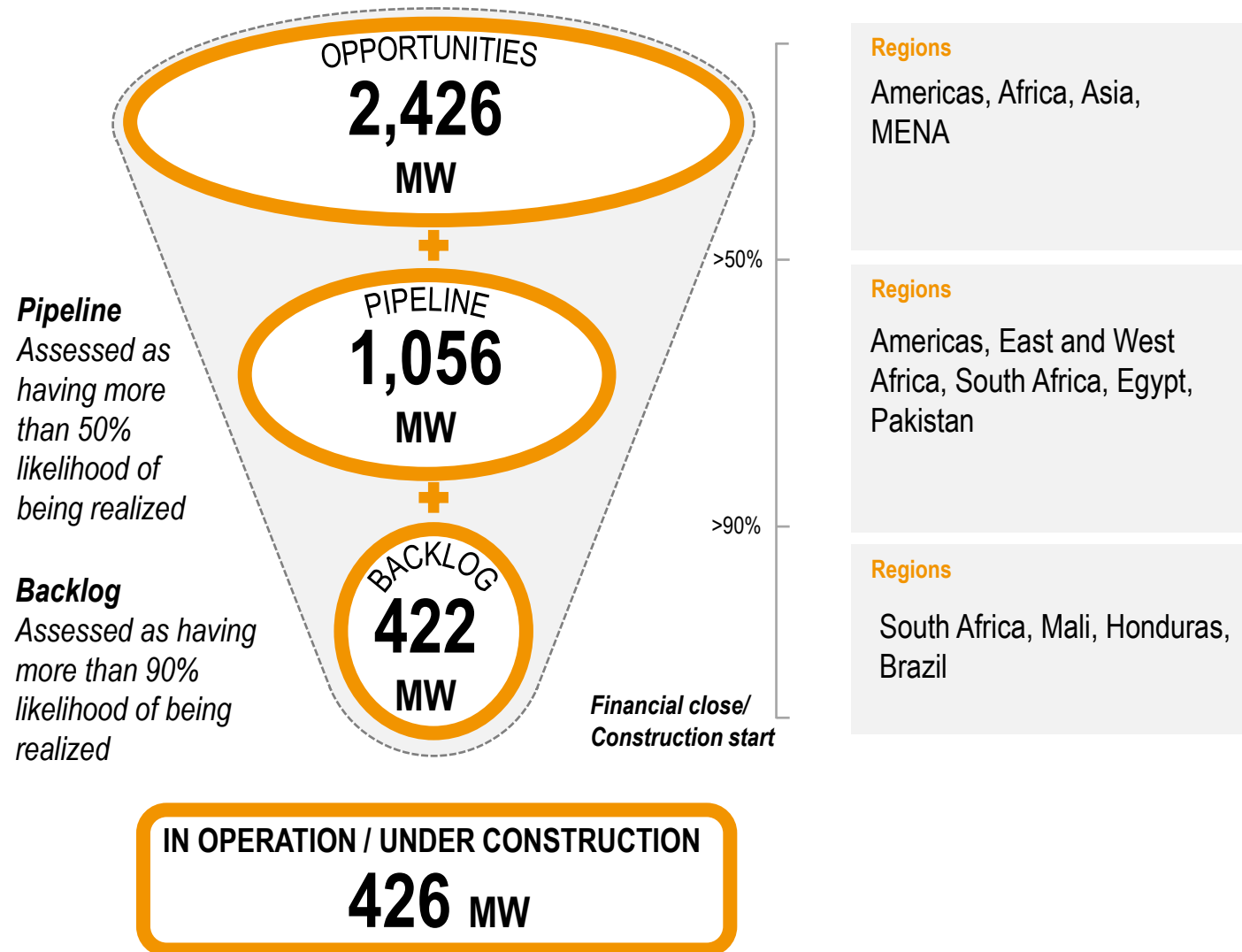
Climate finance partners

Key benefits:

- Access to lower cost of capital
- Expanded network for project origination
- Risk mitigation

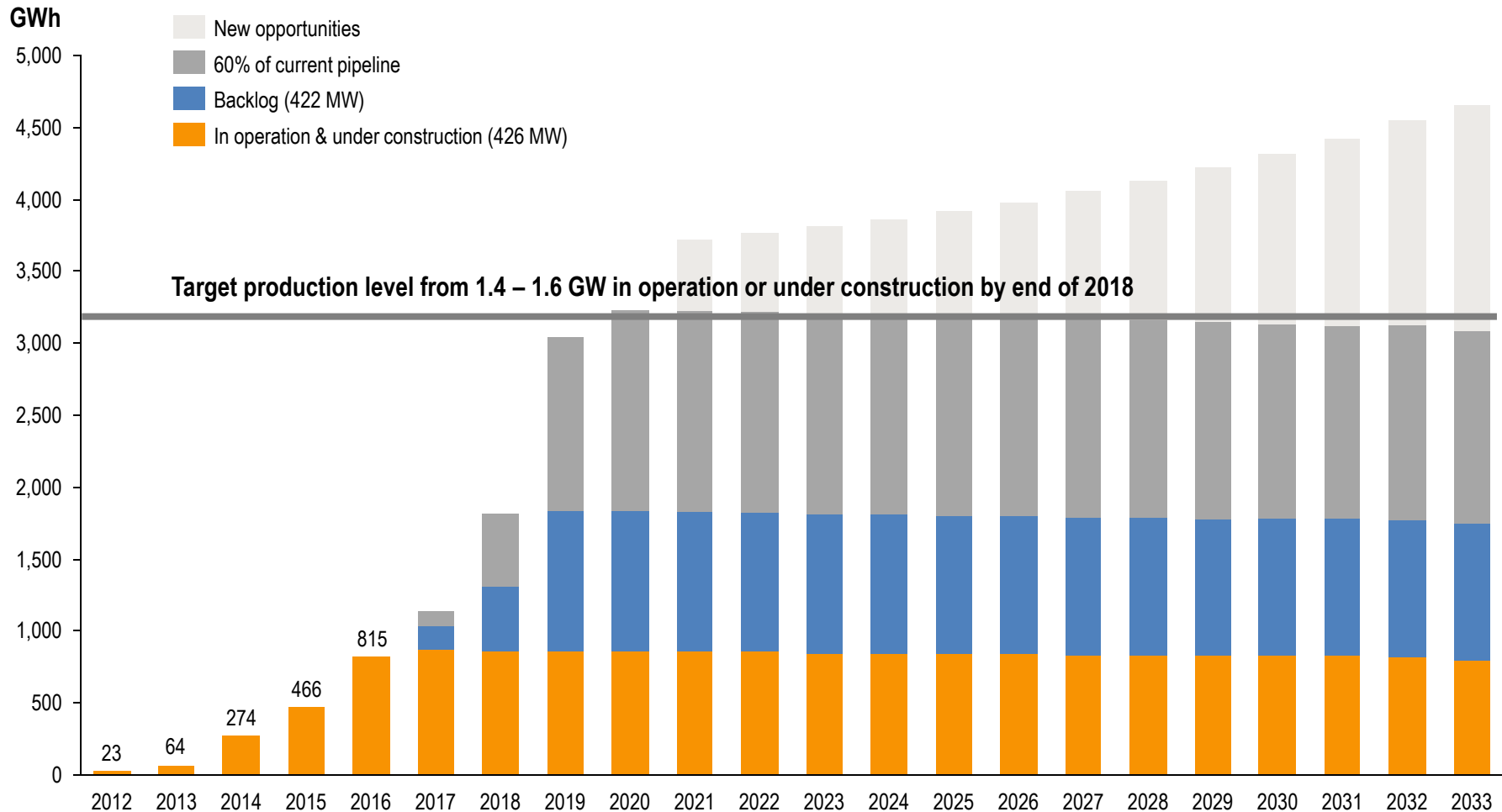


Solid project pipeline in attractive markets



Set for future growth in power production

- Power production set to reach more than 3 TWh per year with current growth targets
- Contract length of 20 to 25 years



Positive market outlook

- The global market for PV is expected to grow significantly in the years to come
- Emerging economies will continue to take advantage of lower cost renewables
- Lower oil and gas prices have limited impact on the appetite for renewables
- Market transformation opens up for new business offerings
- Scatec Solar is strengthening its position as a leading emerging market player





Scatec Solar
Improving our future™

Thank you

Our values

Predictable

Driving results

Change makers

Working together

