Aquila Capital

Dear Reader,

the volume of government bonds returning a negative yield continued to rise sharply over the last 6 months and currently stands at approx. USD 7,000 billion. Since the beginning of June, yields on 10-year German government bonds have reached negative territory. Investments in renewable energies can provide an investment alternative offering steady cash flow. Our current newsletter looks at the status quo of the expansion drive, the calculation of returns under the 2017 EEG amendment – which is much closer to the market – and the factors impacting the price of electricity.

We hope you find the newsletter interesting and look forward to discussing any questions that you may have.

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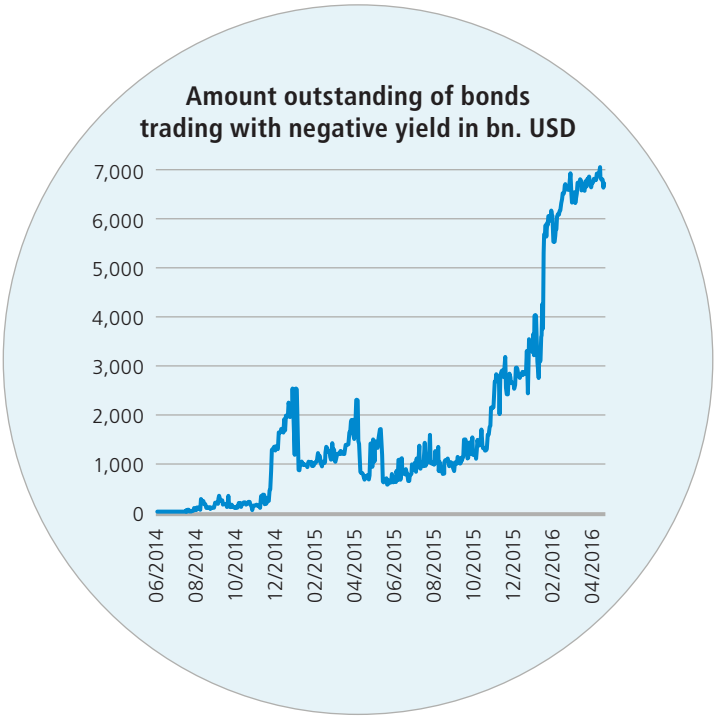


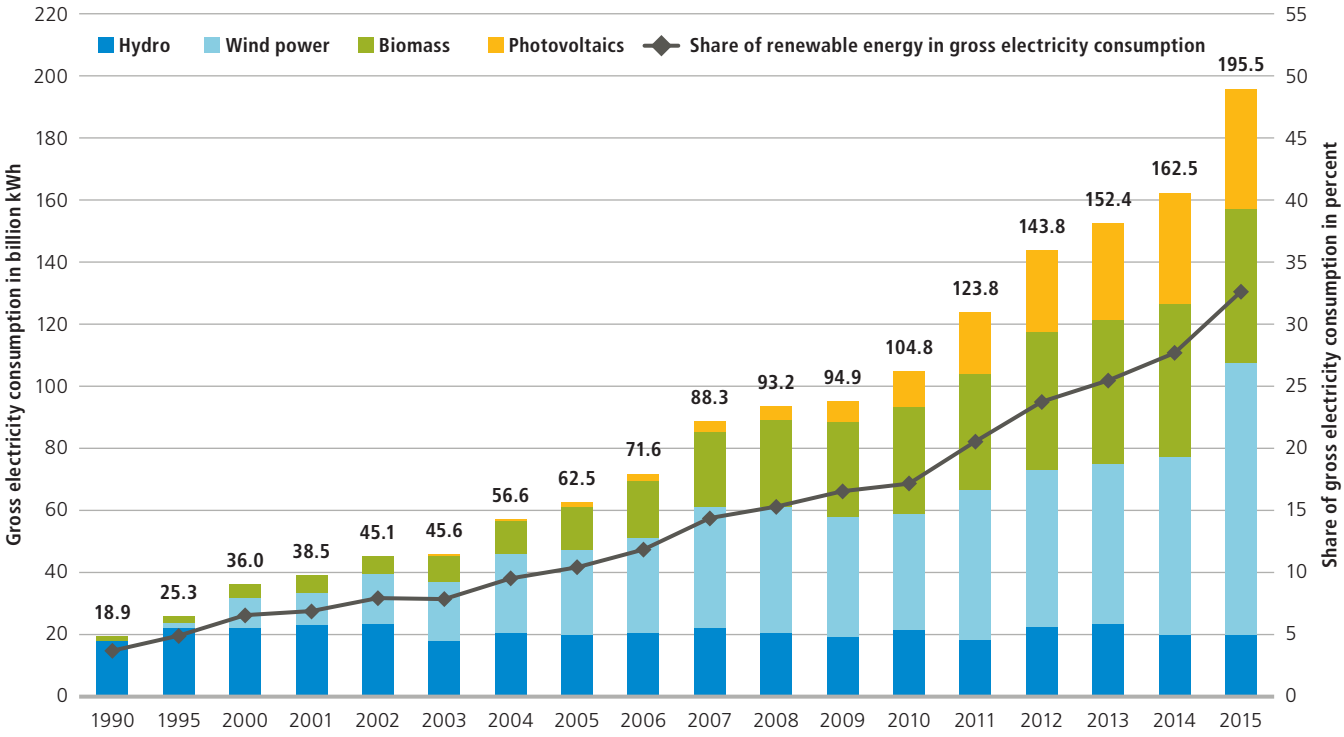
Source of the graphic: J.P. Morgan. Amount outstanding of bonds trading with negative yield within the JPM Global Government Bond Index (JPM GBI Broad Index). Converted to USD at exchange rate of 27.04.2016.

Renewable energies in Germany

Renewable energies in Germany are used to generate both electricity and heat and also play a significant role in the transport industry. Today, renewable energies already provide a significant share of Germany's gross power consumption.[1] Measured in terms of power generation, their share increased to over 32%. The share of renewable energies used in the generation of heat increased considerably in 2015 and now accounts for 13.2% of heat consumption.

Ambitious targets have also been set for the future in the power sector, with the share of renewable energies to rise to at least 80% by 2050. Due to the 2014 EEG amendment, the energy transformation has also been more targeted with technology-specific expansion paths. Interim targets have also been incorporated whereby the share of renewable energies is to rise to between 40 and 45% by 2025 and to between 55 and 60% by 2035.[2] Wind energy is expected to make the greatest contribution.

Development of electricity generation from renewable energies in Germany



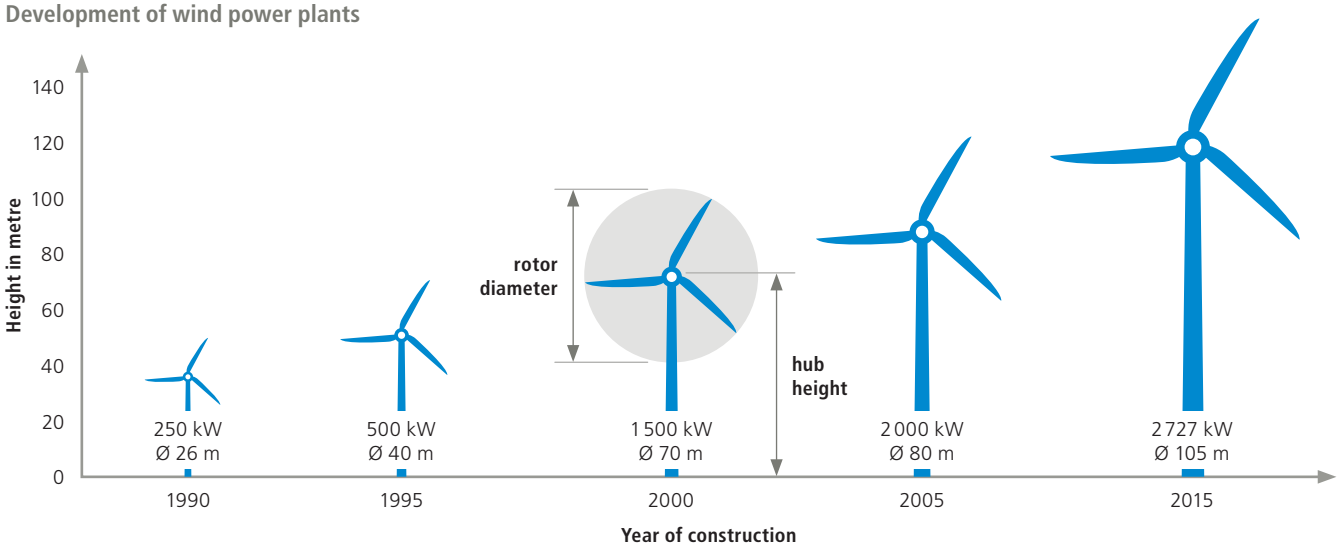
Source: Federal Ministry for Economic Affairs and Energy: Erneuerbare Energien in Zahlen 2015

Wind energy

The power generated from onshore and offshore wind plants accounted for 14.7% of gross German power consumption in 2015. The additional capacity was therefore below that from the record year of 2014. There was a net addition of 1,222 wind energy turbines with an output of 4,386 MW over the same period of the previous year. Compared with the year 2002, which saw the greatest increase in capacity until 2014, the enormous technical progress made in the turbines installed becomes apparent. Whilst 550 fewer wind power turbines were installed in 2014, their combined output was 1,500 MW higher than in 2002.[3] The following chart provides an overview of average output and size data on the turbines installed since 1990.

[1] *Federal Ministry for Economic Affairs and Energy: Renewable Energies in Germany – Trend Data 2015*
[2] *Cologne Institute for Economic Research: Five years on from Fukushima – An interim appraisal of the energy transition*
[3] *Federal Ministry for Economic Affairs and Energy: Market Analysis Wind Energy Onshore*

Development of wind power plants



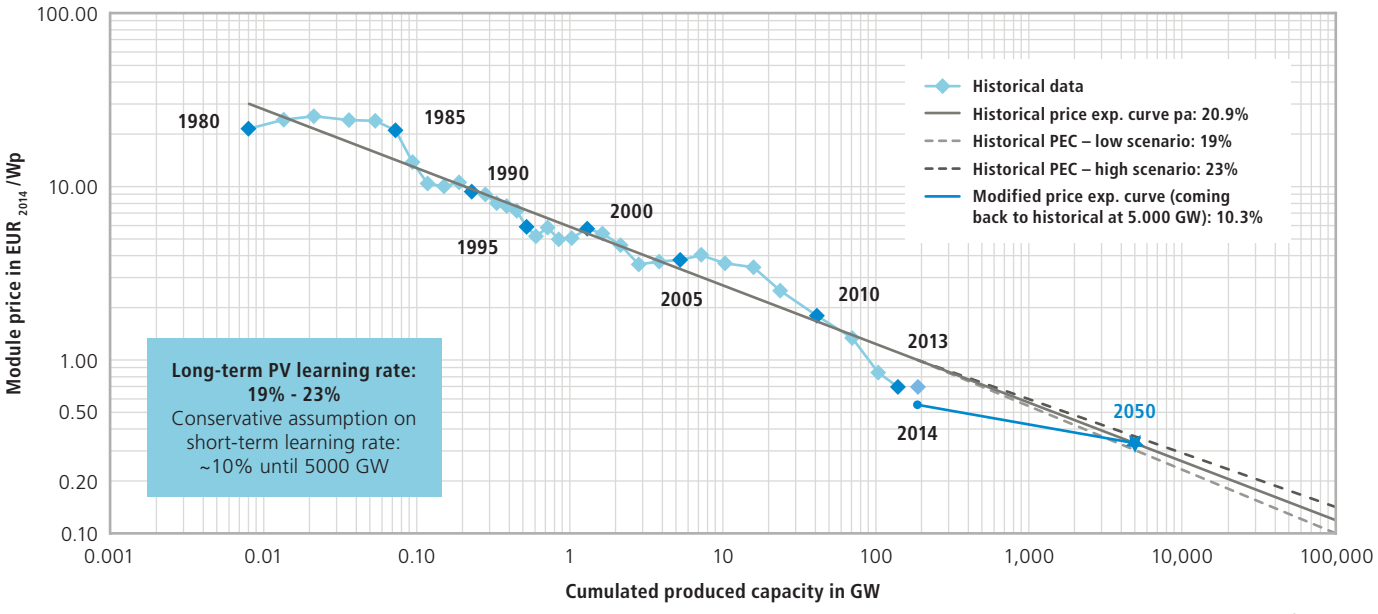
Source: Fraunhofer IEWS; Deutsche Windguard: Status des Windenergieausbaus an Land in Deutschalnd

Photovoltaics

The expansion in solar power in Germany has declined for the third year in a row, standing at 1,355 MW in 2015. The target corridor of between 2,400 and 2,600 MW for solar PV output set out in the EEG 2014 was therefore missed by some considerable margin.

In a recent study, the Fraunhofer Institute for Solar Energy Systems (ISE) assumes that solar power will soon be the cheapest form of power production in many regions of the world. This is based on the assumption that, due to learning effects, the costs of producing the modules will fall from around 550 Euro/kWp at present to 270-360 Euro/kWp by 2050. As the following chart illustrates, the Fraunhofer ISE assumes in its baseline scenario that costs will at least halve to 180-260 Euro/kWp, even without a further technological breakthrough. Comparable developments are also expected for solar inverters. According to the analysis by Fraunhofer ISE, the aggregate reduction in costs will be roughly 33% by 2025.

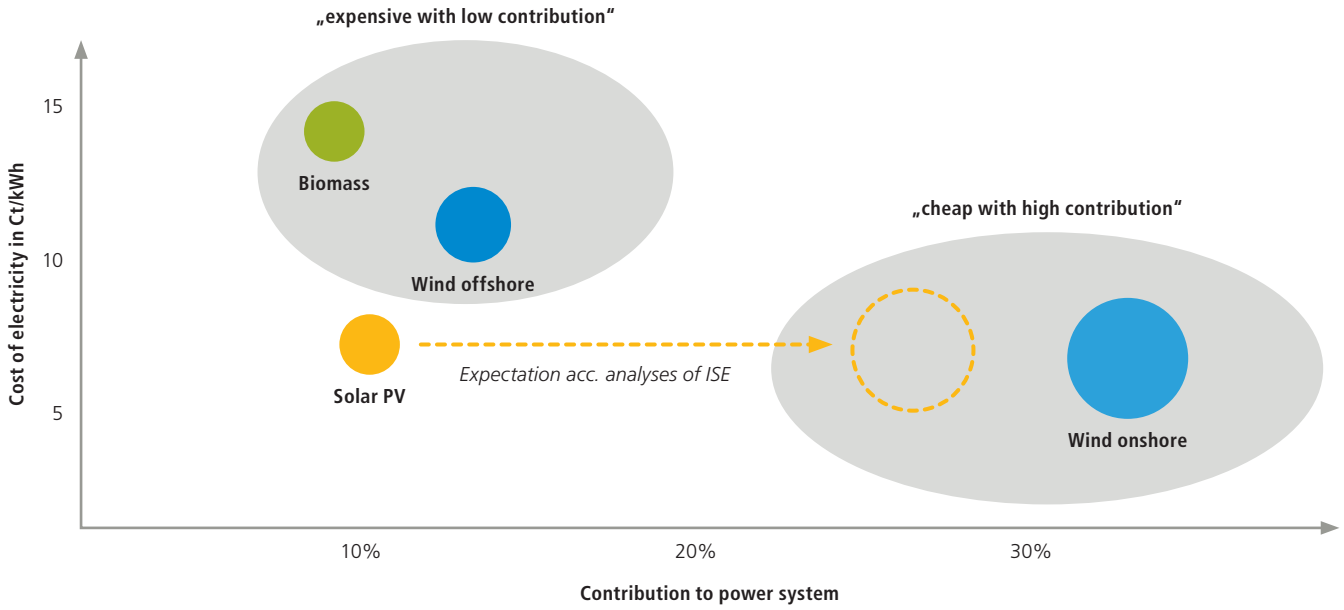
Future module prices in different scenarios based on the historical "learning rate"



Source: Fraunhofer ISE

The feed-in payment for solar parks has dropped substantially in the past. Parks which were installed in 2005 received a remuneration of 40 cents/kWh, whereas parks installed in 2014 received just 9 cents/kWh. This reflects technological progress and, in particular, the fact that solar parks in Germany can today already compete in terms of costs with onshore wind power and fossil fuels.[4]

Cost of electricity and contribution to power system per technology, in Germany in 2035



Source: Fraunhofer ISE, own illustration

Based on these analyses, the relatively low significance many studies attribute to solar power in future regional, national and international power generation is surprising. As the above chart illustrates, steadily lower costs and growing competitiveness with other energy sources mean that by 2035 photovoltaics could make a contribution to power generation in Germany comparable to that made by onshore wind power.

Hydropower

Measured in terms of its share of gross power consumption, hydropower has remained very stable and in 2015 accounted for 19.3 billion kWh, slightly below the prior-year level due to weather conditions. The comparably low share of hydropower in Germany's energy mix is due to the limited number of locations suited to commercial power generation. Expansion potential therefore arises almost exclusively from the modernisation or expansion of existing facilities.

Biomass

In 2015, biomass's share of installed power generation capacity increased to approx. 100 MW. This corresponds to roughly 8.3% of gross power consumption in Germany.

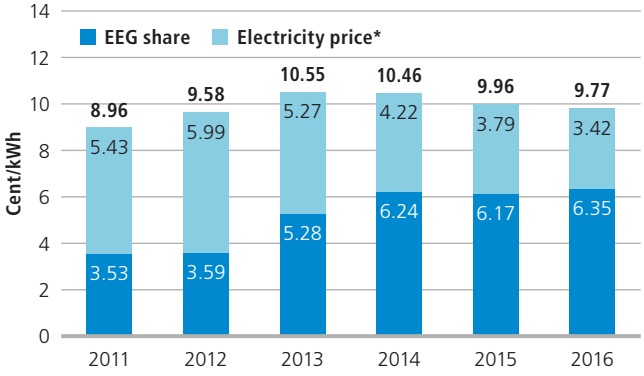
[4] *Cf. Fraunhofer ISE (2015): Current and Future Cost of Photovoltaics. Long-term Scenarios for Market Development, System Prices and LCOE of Utility-Scale PV Systems.*

EEG 2017: Evolution of the regulatory framework for renewable energies

The amendment to the EEG[5], which was approved by the German Parliament and the Federal Council on 8th of July 2016, seeks to provide a new regulatory framework for the targeted expansion of renewable energies in Germany. The core principle in the evolution of the Renewable Energies Act (EEG), which last underwent comprehensive amendment in 2014, is summarised by the Federal Government as follows: "Power generation from renewable energy sources has not been a new technology for a long time. The EEG 2017 therefore treats renewables for the first time as an established, mature technology."[6]

This was not the case in the past. The production of generation capacity from renewable energies was cost intensive when the EEG was first introduced in 2000. In order to encourage its use and technical progress, renewable energies received substantial subsidies. However, the EEG amendment in 2014 already reflected the fact that its technology has become increasingly efficient over recent years and that the production of infrastructure has become considerably cheaper. That countermeasures in promoting renewable energies in Germany were necessary is illustrated by the economic costs detailed in the below chart.

Remuneration of renewable energies



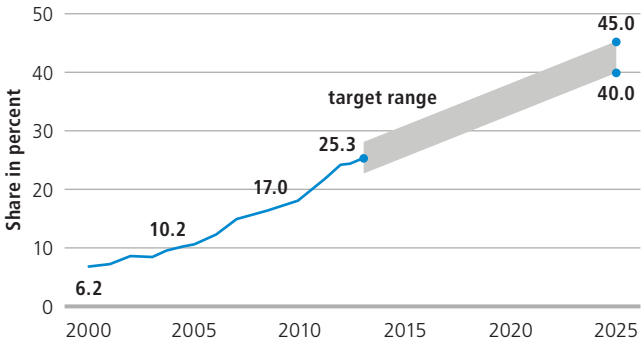
Source: BMWi; database: www.netztransparenz.de and European Energy Exchange (average futures-market of the previous year), own illustration*

In total, the remuneration paid under the EEG amendment 2014, which is comprised of a component determined in relation to the market price of electricity and the EEG reallocation charge (market premium), has fallen steadily since 2013. Nevertheless, additional production capacity in the field of wind power reached a new record level in 2015 and came in above the target corridor for the power sector in 2015, according to an analysis by the Cologne Institute for Economic Research.[7] This trend is probably one of the main reasons for the recent reform. As the net expansion of renewable energies is significantly above the projected expansion corridor, despite the significant reduction in the EEG reallocation payment and even at the currently low market price of electricity, expansion must be managed through other instruments.

Target corridor

This aims for renewable energies to account for 40 – 45% of power production in 2025, 55 – 60% in 2035 and at least 80% by 2050.

Target range for renewable energies



Source: Federal Ministry for Economic Affairs and Energy

Key elements of the EEG 2017

The EEG 2017 introduces an auction system with the aim of aligning remuneration levels for power generation from renewable energy infrastructure with market prices. The tender process will include bids for both onshore and offshore wind parks as well as for parks with a capacity of over 750 kW. Excluded from the auction system are small roof top panels and temporary plants.

Tenders

The basic principle of tenders for renewable energy projects is the same regardless of the technology. A variable market premium is indicated. On the basis of this, bids can then be submitted stating a reference value, that is, the aggregate of the market price and market premium. The lowest bid always wins the contract to supply power up to the amount stipulated in the tender. Before the tender process begins, a maximum price is also determined. Bids are to be submitted on a project basis. Only the concession for solar projects can be transferred if various requirements are fulfilled, and when doing so a reduced market premium must be accepted. In order to achieve the highest possible realisation rate, the EEG amendment provides for deadlines and penalty payments.

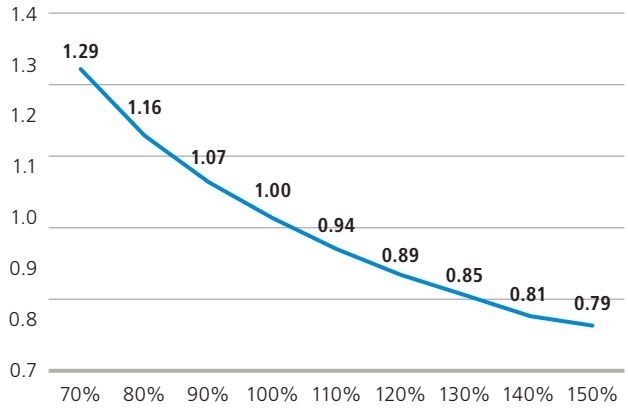
[5] *Bundesrat: Drucksache 355/16 Gesetz zur Einführung von Ausschreibungen für Strom aus Erneuerbaren Energien und zu weiteren Änderungen des Rechts der erneuerbaren Energien*
[6] *https://www.bundesregierung.de/Content/DE/Artikel/2016/05/2016-05-13-eeg-gespraech-mit-mp.html*
[7] *Cologne Institute for Economic Research: Five years on from Fukushima – An interim appraisal of the energy transition*

In addition to the general fundamental principles, further regulations for the individual renewable energies are targeted. For photovoltaics, a maximum project size of 10 MWp and upper limits for the use of agricultural land are specified – special permits for a more extensive use of arable land may be issued by the federal states. Here, the EEG amendment sets out three auctions per year. The advantage of several bidding procedures per year is that it functions as an additional management tool with respect to the targeted net expansion. This way, both the amount of electricity – the elementary benchmark on the demand side – as well as the number of realised solar power projects or dismantled solar parks can be more specifically targeted.

In the field of **onshore wind**, prototypes with a peak capacity of 100 MW as well as small projects and temporary parks are excluded. In order to participate in a tender, approval in accordance with the Federal Pollution Control Act is required. Since all previously approved parks still receive payments in accordance with the EEG 2014 until the end of 2016, the first tender for onshore projects is not scheduled to take place until March 2017 in order to integrate a sufficiently large number of potential competitors.

Although bids for onshore parks, as in the case of solar power parks, will be submitted stating a reference value, that is, the aggregate of the market price and market premium, the calculation here is more complex. In order to secure comparable terms for the whole of Germany and to encourage the expansion of the most efficient parks, the reference value is based on a reference yield model at a fictional reference location. This value is weighted at 100%, meaning that less favourable locations receive a higher market premium in percentage terms; locations with better wind conditions receive a lower market premium.

Calculation of the location factor



Source: EEG Novelle 2016 – Fortgeschriebenes Eckpunktepapier

A wind speed of 6.45m/s measured at a height of 100m is stipulated as a reference location. Bids are to be submitted on this basis using a statutory correction factor. In order to determine the individual reference yield, a report must be compiled based on the FGW directive[8] before the park is commissioned. The remuneration rate is fixed for a period of 20 years, with a review of the reference value taking place every 5 years. Based on the cabinet resolution at the beginning of June 2016,[9] the following remuneration keys apply:

Refunding key of onshore wind power

	Surcharge value									
Reference value in %	60	70	80	90	100	110	120	130	140	150
Adjustment factor	1.29	1.29	1.16	1.07	1.00	0.94	0.89	0.85	0.81	0.79
Possible compensation rates in Ct/kWh	7.74	7.74	6.96	6.42	6.00	5.64	5.34	5.10	4.86	4.74

Source: EEG amendment 2016: Presentation Core Points from 08.06.2016

The expansion of **offshore wind power** is also to be managed via the tender process and therefore determined by competition. The explicit objective is to promote cost efficiency, which is to be enhanced through the implementation of the tender process as well as the expansion corridor. Since power generation capacity must be coordinated with the expansion of power transmission infrastructure, land use and regional planning are also to be better integrated.

[8] *The FGW directive bundles all technical directives for wind power parks in order to harmonise measurement procedures and so provide comparable output data. The measurements encompass the output curve, noise emissions and electrical properties.*
[9] *Source: EEG amendment 2016: Presentation Core Points from 08.06.2016, http://www.erneuerbare-energien.de/EE/Redaktion/DE/Downloads/eeg-2016-novelle-praesentation-kernpunkte-8-6-2016.pdf?__blob=publicationFile&v=2*

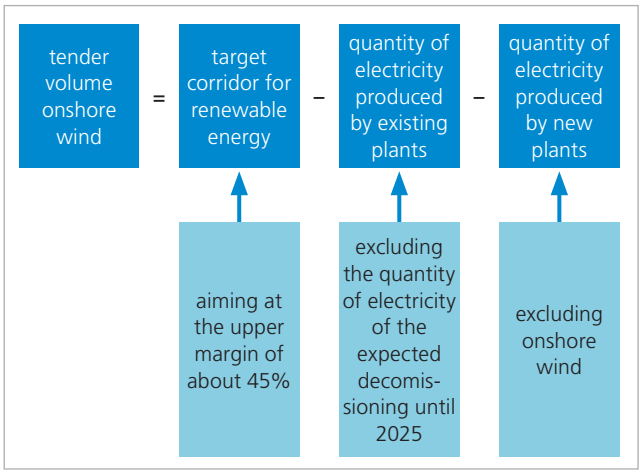
Tender volumes

The expansion capacities available for tender vary for the individual technologies. The expansion corridor as well as the additional annual capacity were detailed for offshore wind power in the EEG 2014 and have remained unchanged. By 2020, total output of 6.5 GW is to be installed and this will rise to 15 GW by 2030. For 2025, a capacity upper limit of 11 GW was set as an interim target. In order to stay on this expansion course, 500 MW are to be tendered in 2021 and 2022, 700 MW in the following three years and 840 MW per year starting in 2026.

The annual tender volume for large solar power parks was raised to 600 MW. With respect to the EEG amendment 2016, this is explained by the fact that the production capacities of structural facilities and roof-top panels now included.

Onshore wind has a regulating function in terms of maintaining the target corridor. The annual tender volume is therefore to be determined using the following formula:

Formula for the calculation of onshore wind



Source: EEG Novelle 2016 – Fortgeschriebenes Eckpunktepapier

As illustrated, the Federal Government aims to reach the upper end of the expansion corridor in 2025, with renewable energies accounting for 45% of gross power consumption. According to the Presentation of Core Points of the Energy Reform, the following volume targets for individual renewable energies are defined in order to maintain long-term production capacities:

In the years 2017-2019, the gross capacity of onshore wind is expected to grow annually by 2,800 MW, and from 2020 an additional 2,900 MW per year is to be provided. Including old facilities coming offline, net capacity per year is therefore not expected to exceed 2,500 MW. Should this nonetheless be the case, then gradual reduction levels for gross expansion are planned in order to remain within the net expansion corridor. By way of comparison: in 2015, net expansion stood close to 3,536 MW[10], in 2014 it was even over 4,200 MW[11].

Biomass was initially not included in the draft amendment to the EEG in 2016. According to media reports a number of southern states – notably Bavaria – succeeded in pushing through their demand for financial support. The amendment provides that new and existing parks with an output upwards of 100 kW are subject to the EEG. In order to reduce the system price overall, parks are to receive subsidies for only 50% of the electricity they produce. This is intended to encourage the parks to generate electricity primarily at times when the market price is high due to high demand and low supply. According to the Presentation of Core Points of the EEG Amendment, 150 MW are to be tendered annually in 2017, 2018 and 2019. In the subsequent three years, the tender volume will rise to 200 MW in each year.

Criticism

Members of the industry expect the EEG reform to result in an oligopolisation of the market as the tender model, in their view, would favour larger players.

In its current version, the EEG amendment does not show clearly why this should be the case. Firstly, there are special rules for parks with output of less than 750 kW. In addition, the four pilot tenders in the solar power sector have not revealed any trend in this direction. According to the Federal Ministry of Economic Affairs and Energy, all rounds of the pilot tenders revealed both falling prices as well as high competition. Further tender processes are planned for 2016 and 2017 on a four-month basis.

A further point of criticism is that to-date, grid expansion has not received enough attention in the EEG amendment. As stated at the beginning, expansion of the grid is crucial both within Germany as well as transnationally in order to overcome the existing physical obstacles to a common market for electricity. The establishment of a common power market is becoming increasingly important, particularly in view of increasing volatility in power production resulting from the expansion of renewable energies, as a way to export surges and smooth out production deficits.

Overall, industry members are sceptical about limits on additional production capacities, in particular those planned in Northern Germany in the field of onshore wind energy. In many peoples' opinion, this would mean that the necessary transmission infrastructure would therefore not be built to the extent necessary. Limiting expansion would not be a solution to the actual problem at hand, but instead just a reaction to a symptom. On the other hand, stronger incentives for expanding power transmission infrastructure, leading to better integration of production capacities in Northern Germany, are seen as a positive development.

[10] *Deutsche Windguard: Status of onshore wind expansion in Germany 2015.*
[11] *Leipzig Institute for Energy: Market Analysis Onshore Wind Energy, February 2015*

Conclusion

By early July 2016, the EEG only represented a key issues paper, which was adopted by the Federal Cabinet. Because of the urgency of the legal implementation, it was approved before the start of the summer break on July 8, 2016 both by the German parliament and the Federal Council. Compared to the key issues paper various adjustments were made.

In the EEG 2017, all renewable energy plants with an installed capacity of over 750 kW (biomass over 150 kW) are regulated by the Renewable Energies Act and are therefore able to participate in tenders. In the key issues paper, 1 MW was set as a boundary. According to the Federal Ministry of Economics about 80% of new built plants will be awarded through tenders. Because of the design of several bidding rounds per year and provided degression steps when exceeding the planned target range, a more targeted renewable energy-build-up is likely. The criticism of interest groups is justified in that the restrictions particularly for wind turbines in coastal regions do not reflect direct market conditions. Instead, they result from the delay of the SuedLink project – the current route that will connect Schleswig-Holstein with Bavaria and Baden-Württemberg, which was initally expected to be finished by 2022. At present, the earliest possible start time is in the fourth quarter of 2025. Furthermore, the management of the energy generated has to be improved significantly, with "the Federal Council requesting that the new regulation amendments will assess how the conventional must-run[12] can be reduced effectively, ensuring secure power supply during the process".[13]

Those reasons for restrictions to the build-up of renewable energy capacities should only be a temporary solution. In general, it is necessary to substitute the capacity needed gradually by renewable energies - as also demanded by the Federal Council. This requires a significant improvement of power storage facilities, a decentralized energy production and sufficient power supply lines.

[12] Must-run capacity is the capacity provided by conventional power plants and is the non-stop minimum output into the grid, that is, the steady amount of electricity that must be produced.
[13] Federal Council: Journal 310/16 (Resolution, page 34)

Renewable energies: Special Infrastructure Team

Energy generation from renewables has gained significant traction over the past few years – a development that is widely supported by governments across the world. And yet, even within Europe, individual countries have struck out on their own to set up different systems. There is no doubt that the reform of Germany's Renewable Energy Act (EEG) will have an impact on the future expansion of renewable energy in Germany. What consequences individual regulations will have is difficult to predict.

We spoke with Susanne Wermter, Head of Special Infrastructure Team and Ingmar Helmke, Investment Manager Special Infrastructure Team, about the complex environment surrounding renewables.

How, in your view, is the reform of the EEG perceived by the market?

Susanne Wermter: The reformed EEG is largely viewed with criticism and there is concern that large wind project developers will be given preferential treatment over smaller players in the market. Manufacturers, project developers, suppliers and investors expect that the reform will cause a significant stagnation of the German wind power market and will result in lower installation rates in the onshore wind energy sector. This, however, is the politically intended outcome of the reformed EEG. Market participants are divided in their view as to how significant the effects will be.

What is your take on the EEG reform?

Wermter: In our view, the reform has both positive and negative aspects. Essentially, we believe that it makes sense if the support for renewables is tempered and therefore sustainable, because the economic costs are limited to a defined dimension. In that sense, we welcome the attempt to achieve the expansion targets at as low a social cost as possible. There is, however, the risk that this will lead to an over-regulation of a highly professional market that has functioned well until now and may ultimately jeopardise the achievement of the ambitious expansion targets.

A reduction in government subsidy rates means an increase in market risk. Will Germany lose its attractiveness for investments as a result?

Ingmar Helmke: Not necessarily. A key aspect of the tender process, which is being introduced by the EEG reform, is that the remuneration of a project will be fixed for 20 years, thereby systematically

Susanne Wermter
Head | Special Infrastructure Team

Susanne Wermter has over ten years of experience in the renewable energy sector. Before joining Aquila Group, Ms. Wermter spent four years working for SunEdison. Prior to that, she was responsible for financing international wind and biogas projects at Conergy. Mrs. Wermter holds a Master's Degree in Business Administration from the University of Hamburg.

Ingmar Helmke
Investment Manager | Special Infrastructure Team

Ingmar Helmke previously worked as an investment manager and advisor to the management of the Altira Group and as a sales manager for renewable energy investments at IP Bewertungs AG. He also held positions in private equity and M&A divisions of several law firms. Mr. Helmke is an attorney-at-law, holds Degrees in Law as well as in Economics and Law and is a certified banker.

Andrew Wojtek
Investment Manager | Special Infrastructure Team

Andrew Wojtek previously worked in the Mergers & Acquisition division of Macquarie Bank and has extensive experience in infrastructure transaction. Mr. Wojtek holds a Degree in Business Administration from the University St. Gallen, Switzerland.

Tim Reinsch
Investment Manager | Special Infrastructure Team

Prior to joining Aquila Group, Tim Reinsch worked as Head of Operations at Seedmatch, a crowdfunding platform and as a transaction consultant at PwC. Mr. Reintsch also volunteered as a development aid worker in Ruanda for several months. He holds a Master's Degree in Accounting and Finance from London School of Economics and Political Science.

shielding the investor from market risks. The tender process is therefore comparable with a feed-in tariff system. Going forward, prices will be determined by the market, rather than being government-mandated. In theory, therefore, the bidder who demands the least subsidy will win in the tender process.

What impact will the EEG reform have on the future installation of renewables in Germany?

Helmke: There will be fewer projects and as the pressure to invest among institutional investors will continue to remain high, we anticipate that competition for projects will further intensify.

Wermter: Aquila Capital certainly has an advantage because we have a long track record in investing in renewable energy projects and an extensive industry network. Deal sourcing was and is one of our key strengths. As an investor, we must find more comprehensive investment approaches that also offer the sellers of projects added value: by already supporting the developers ahead of the tender process, for example. That means getting involved at an earlier stage in projects, which requires both experience and expertise.

Does that mean that profitable investments are also possible with a lower level of government support?

Helmke: Absolutely. We've had good experiences with investments in countries whose subsidy systems include significantly higher market price components. In addition to the feed-in tariff system used in Germany and France, there are incentive systems, as seen in the Netherlands and in Belgium. These include a fixed remuneration component in addition to the market price. In the quota system, utilities are required to cover a certain share of the electricity that they distribute with renewables. Evidence of this is provided by renewable energy certificates. Utilities therefore can operate renewable energy plants themselves or buy certificates on the market. By selling the certificates, operators of renewable energy plans therefore are provided with an additional source of revenue.

And does this system work?

Helmke: Yes, it does, as demonstrated by the increased installation of renewables over the past few years. Sweden and Norway, who have resolutely implemented the quota system, are on a good course to achieving their jointly formulated expansion target of 28.4 TWh p. a. of electricity from renewables by 2020, despite the fact that energy prices in the two countries are among the lowest in Europe. The combined sum of the energy and the certificate price is significantly lower than comparable expected market values in Germany, even after the EEG reform has been implemented. As a result, only projects with excellent wind locations are being implemented in Sweden and Norway. In addition, investment and ongoing operating costs are significantly lower in the two countries. Optimising electricity generation costs, the "levelised costs of energy" is therefore becoming increasingly important and is being implemented much more consistently.

Wermter: It is likely that the EEG reform will inevitably lead to an optimisation of costs. This makes sense from a macroeconomic perspective, as the economic costs are considerably lower in the significantly more competitive Scandinavian system. The share of the subsidy surcharge for consumers in Sweden, for example, is less than 0.5 ct/kWh; in Germany it is over 6 ct/kWh.

Norway and Sweden therefore are attractive target locations for professional investors even without fixed subsidy rates?

Wermter: Yes. We have been actively investing in the Scandinavian market for more than five years and have made several investments in wind farms and hydropower plants in Sweden and Norway on behalf of investors. It goes without saying that the greater influence of the market price risk has to be considered. Ultimately, the achievable return on equity in Scandinavia is attractive for financial investors, which tends to be no longer the case in several feed-in tariff markets.

Helmke: In addition, energy price and certificate hedging strategies – like fixed-priced power purchase agreements, for example – are a well-established instrument used in the Swedish and Norwegian market. This enables market price risks to be considerably reduced for financial investors. But it depends on the right balance, as the current, low energy price level also offers significant market opportunities and as hedging also always entails corresponding costs.

What are the implications of the higher market-price component on your investment approach?

Wermter: Overall, investments in Scandinavian renewable energy projects are more complex than investments in markets with a feed-in tariff subsidy system. An in-depth analysis of the subsidy system, each energy market, energy policy and other influencing factors on the energy price, such as economic growth, the coal and gas price and, last but not least, the price for CO^2 emission rights is crucial. Investments in Scandinavia are more challenging on the whole but well manageable with the right experience.

Helmke: We have seen several announcements for large renewables projects and transactions by other infrastructure investors in Sweden and Norway over the past few weeks and months. Our competitors' increasing interest in this market reaffirms our assessment of its attractiveness.

Certain subsidy systems therefore are no exclusion criterion for making investments.

Helmke: No. Having a thorough understanding of the subsidy system, enables working with it. It is important for the subsidy system to have a state guarantee to be no subsequent adjustments or restrictions with a retroactive effect. One should therefore only invest in politically and economically stable countries and to diversify across a variety of energy markets and subsidy regimes.

Wermter: Photovoltaics in Germany is a good example of how the regime can directly impact the appraisal of a project. Photovoltaic investments in Germany have increasingly lost their attractiveness for financial investors because of the EEG's reform plan to restrict the size of photovoltaic plants to 10 MW. The low transaction volume does not justify the effort and expense involved in making the investment. Therefore we see investment opportunities in Germany predominantly in the secondary market if the conditions are right. In our view, other markets in Europe tend to be more attractive, especially France. Southern European countries may be an option in the medium to long term – provided that long-term energy purchase agreements can be secured. Japan, North America and Canada are also interesting for photovoltaic investments.

Have you also looked at investment opportunities in other technologies alongside new regions?

Wermter: We see offshore wind as very exciting. Experience from the first years in operation of the German offshore projects are above expectations. The technology has now been tried and tested, the industry is professional and established and project sizes are interesting for institutional investors. We anticipate interesting investment opportunities here in the future.

Ms Wermter, Mr Helmke, many thanks for the interview.

Contact | Aquila Group

Germany

Hamburg (HQ)
Valentinskamp 70
20355 Hamburg
Tel.: +49 (0)40 87 50 50-100
E-Mail: info@aquila-capital.com
www.aquila-capital.com

Frankfurt
Neue Mainzer Straße 75
60311 Frankfurt/Main

Munich
Josephspitalstraße 15
80331 Munich

Great Britain

London
17 Grosvenor Street
London W1K 4QG

Singapore

Singapore
No 8 Eu Tong Sen Street
#19-89 The Central
Singapore 059818

New Zealand

Feilding
8 Manchester Square
Feilding, 4702

Czech Republic

Prague
Palladium
Náměstí Republiky 1
110 00 Praha 1

Luxembourg

Senningerberg
Airport Center Luxembourg
5, Heienhaff
1736 Senningerberg

Spain

Madrid
Av. de Burgos 12, pl 13
Madrid 28036

Switzerland

Zurich
AQ Investment AG
Poststrasse 3
8001 Zurich

A publication of Aquila Capital Management GmbH.