

Press release

Aquila Capital completes divestment of second photovoltaic project in Japan

- Aquila Capital to continue pursuing successful strategies in Japan

Hamburg, 11 April 2017 – Aquila Capital has completed the development of a photovoltaic (PV) project in Japan with an installed capacity of 38.4 MWp and has sold it to a local institutional investor. Aquila Capital additionally will manage the solar park in the operational phase.

This is the company's second project since establishing a presence in Japan in 2012 and it underlines the continuing commitment to this promising market. Aquila Capital's investment strategy involves acquiring photovoltaic projects at an early stage, developing these projects up to their full approval or construction, and then selling them to institutional investors.

Boris Beltermann, responsible for Aquila Capital's solar business in Japan, commented: "This investment reflects the current outlook in the Japanese photovoltaic market. Market-ready projects are particularly interesting for local institutional investors, so developing projects that already have secured feed-in tariffs is an attractive strategy for our investors."

More investments planned in Japan

The Japanese photovoltaic market remains active. Aquila Capital has built up resources and expertise in the country over the past few years and it will continue expanding its commitment. The company plans to acquire early-stage PV projects with a volume of more than 150 MWp and develop them until they are sufficiently mature for sale.

Even though a new feed-in tariff (FIT) system will come into effect as of April 2017, high remuneration levels remain valid for numerous projects that have already received prior approval. Regarding the latest project, Aquila Capital secured an attractive FIT of 40 Yen per kilowatt-hour through the earlier acquisition of the property area on which the PV system was developed.

Japan: Stable, legal framework and high level of sunshine

Since the reactor catastrophe in Fukushima, Japan has conducted an energy system transformation. Since 2012, this has included the adoption of a remuneration system that is similar to the one established under the German Renewable Energy Sources Act.

Boris Beltermann added: “As in Germany, the feed-in tariff is financed from electricity levies on electricity customers. This creates stable, legal and economic conditions. In addition, Japan has a relatively high level of sunshine, which is comparable to southern Germany. These conditions have led to Japan being among the largest and most lucrative solar markets in the world next to the USA, China and Germany.

“Furthermore, compared to the approval processes in European solar markets, the development risk in Japan becomes comparatively low as soon as the land has been secured.”

Strong network gives access to “off market” PV projects

In Japan, Aquila Capital cooperates closely with an established network of local partners.

About Aquila Capital

Established in 2001, Aquila Capital is committed to provide institutional investors worldwide with alternative investment solutions in real assets, financial and private markets. Applying a multi-disciplinary investment approach, Aquila Capital’s range of alternative investments is managed by dedicated specialists in their respective asset classes and underpinned by an infrastructure that combines strong operations, stringent corporate governance and a successful track record.

Aquila Capital has been dedicated to develop alternative investment solutions since its establishment. Over 200 professionals across eight offices globally are working across the whole value chain of alternative investments to generate stable, positive returns for investors.

For more information: www.aquila-capital.de

Press contact at Aquila Capital:

Katrin Rosendahl, Aquila Capital
katrin.rosendahl@aquila-capital.com
T +49 40 87 50 50 150

Patrick Evans / Stephen Sheppard / James Madsen

Citigate Dewe Rogerson

+44 (0)20 7638 9571

quila@citigatedr.co.uk