

Aquila Capital acquires six Norwegian hydropower plants

- Acquisition adds further scale to Aquila Capital European Hydropower Fund portfolio

London, 24 March 2017 – Alternative Investment Company Aquila Capital has acquired six run-of-river hydro power plants from the Norwegian energy company BKK AS. The power plants, located near Bergen, produce approximately 70 gigawatt hours (GWh) of electricity per year, equivalent to the average consumption of about 3,500 households. The assets will be operated and managed by Småkraft AS, which is 100% financed by investment vehicles managed by Aquila Capital. Småkraft AS specialises in the operation and development of smaller run-of-river power plants in Norway. The purchase price has not been disclosed.

The Nordic region is a highly attractive market for hydropower investments with a large number of existing run-of-river power plants, a mature renewable energy sector and a stable legal framework. There are a growing number of opportunities for professional investors to increase their exposure to this market as local energy suppliers are divesting assets in order to develop increasingly specialized strategies. The sale of BKK AS to Aquila Capital underlines this trend as it reflects the former's long-term repositioning towards owning larger power plants.

Tor Syverud, Head of Hydropower at Aquila Capital, said: "We are delighted to have acquired this portfolio of high quality hydro power plants. We have been active in Scandinavia for several years now during which time we have established an extensive local network and a strong pipeline of target investments."

Wenche Teigland, CEO at BKK Production, added: "Through Småkraft AS Aquila Capital already has a significant presence in the local area. We have every confidence that these hydropower assets will be managed to the highest possible standard going forward. All agreements and commitments with landowners will continue in their existing form."

Roman Rosslenbroich, CEO and Co-Founder of Aquila Capital, said: "Run-of-river plants have among the best conversion efficiencies of all energy sources, with an efficiency factor exceeding 90 percent. They use proven, mature technology that, if well maintained, can produce energy for many decades. The long-term stable cash flows produced by hydropower are uncoupled from volatile carbon energy types as well as other traditional asset classes such as equities and bonds, providing investors with strong diversification benefits."

"By integrating the newly acquired plants into the portfolio managed by Småkraft, we can also ensure very low operating costs," continued Rosslenbroich.

Contact:

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
aquila@citigatedr.co.uk

Notes to editors

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 and stringent corporate governance.

Over 200 professionals across nine offices globally implement efficient investment strategies via fund structures and individual mandates. The Aquila Group comprises Aquila Capital Investmentgesellschaft mbH, which is licensed by the Federal Financial Supervisory Authority (BaFin) to act as an alternative investment fund manager in Germany, and Alceda Fund Management S.A., which is licensed as an alternative investment fund manager and UCITS management company in Luxembourg by the Commission de Surveillance du Secteur Financier (CSSF).

Further information can be found at www.aquila-capital.com.