

Press release

Norwegian small hydropower operator Småkraft to double capacity by 2022

- **Dutch pension asset manager APG increases commitment to EUR 300m**

Hamburg, 12 September 2018 – Bergen-based hydropower operator Småkraft is to double its renewable energy annual generating capacity to 2 TWh by 2022.

The growth will come from building new run-of-river power plants and acquiring existing plants. “Our nimble operating platform, transparent due diligence and track-record in concluding transactions give us a differentiating edge in the market,” **says Halle Aslaksen, managing director of Småkraft.**

Pension delivery organisation APG - on behalf of pension fund ABP and other Dutch pension fund clients - is the majority shareholder in Småkraft. Recently their commitment was extended to EUR 300m and they see this expansion as an interesting opportunity to continue to support the increase of renewables in the European energy mix.

To provide further finance for growth, Småkraft is assessing the launch of a Euro-denominated Green Bond. “We are in talks with advisers and investors to bring a first tranche to the market later this year,” **says Erik Røysem Sterud, head of finance at Småkraft.**

Tor Syverud, head of hydropower at Aquila Capital, comments: “In the next few years, the main drivers of energy prices in Scandinavia will continue to be the EU Commission’s CO2 policy, the region’s fuel mix and the planned tripling of interconnection capacity. The latter is expected to lead to less price volatility in the Nordic power market.”

Småkraft was spun off by Statkraft in 2015 and merged with Norsk Grønnkraft in 2017, creating Europe’s largest operator of small hydropower plants. The firm currently operates over 100 power plants across Norway, producing 1 TWh. Småkraft is owned by European pension funds and insurance companies through investment vehicles managed by Aquila Capital, the Hamburg-based firm with EUR 7bn in assets under management.

About Aquila Capital:

Aquila Capital develops alternative investment solutions for institutional investors worldwide. Founded in 2001 and owner-managed, the investment company considers itself a fiduciary for its clients and applies a holistic approach to managing customised real assets and financial assets.

Aquila Group's client base consists predominantly of institutional investors in Europe and Asia. Over 200 professionals located in ten 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 is available at: www.aquila-capital.de

Press enquiries Aquila Capital:

Daniela Hamann
Aquila Capital
Valentinskamp 70
20355 Hamburg
Tel: +49 40 87 5050-150
Email: daniela.hamann@aquila-capital.com

Patrick Evans / Stephen Sheppard / Nick Andrews
Citigate Dewe Rogerson
Tel: +44 (0)20 7638 9571
Email: aquila@citigatedr.co.uk