

5 April 2016

## **NextEnergy Solar Fund Limited (the "Company")**

### **Acquisition of a portfolio of five operating plants totalling 84.2MWp**

- Acquisition contracts for a portfolio of five operating plants totalling 84.2MWp ("Portfolio") for £97.9 million executed
- Completion of acquisition expected by mid-April
- Portfolio comprises Great Wilbraham (38.1MWp), Branston (18.9MWp), Bottom Plain (10.1MWp), Emberton (9.0MWp) and Berwick (8.2MWp) (the "Plants")
- All plants connected and accredited under 1.4 Renewable Obligation Certificate ("ROC") regime
- NESF has put in place a long-term fully-amortising project financing ("Project Financing") of £55 million, with expiry in 2034, in conjunction with the acquisition
- Remainder of acquisition value financed via a combination of NESF's available cash from operations and existing revolving credit facility ("RCF")
- NESF has now secured 33 assets totalling 414 MWp with a total investment value of £480 million since its IPO in April 2014

NESF is pleased to announce the signing of the share purchase agreement to acquire the Portfolio for a total net consideration of £97.9 million (including transaction costs) plus working capital. The Company expects the transaction to complete by mid-April.

The acquisition will be partially financed via a long-term fully-amortising project financing, secured solely by the Portfolio, of £55 million. The Project Financing has been arranged for NESF by Macquarie Infrastructure Debt Investment Solutions ("MIDIS") and expires in 2034. The Company will fund the remainder of the total net consideration from available cash from operations and via a further drawdown from its existing RCF.

Great Wilbraham (Cambridgeshire), Branston (Lincolnshire), Emberton (Buckinghamshire) and Berwick (East Sussex) were accredited for 1.4 ROCs during March 2015 and Bottom Plain (Dorset) was accredited for 1.4 ROCs during December 2014.

Following acquisition of the Portfolio, NESF will own 33 solar power plants with a total installed capacity of 414 MWp and an investment value of £480 million. The portfolio is broadly diversified from a geographical perspective and based on technology suppliers and service partners. NESF will own the largest solar portfolio among LSE-listed renewable energy funds once the acquisition is finalised.

At completion, NESF will have drawn financial debt facilities of £216.6 million, split between £100.4 million of long-term fully-amortising project financing and £116.2 million of short-term facilities. The Company's NAV at 31 December 2015 amounts to £275.2 million.

NESF has been informed by NextEnergy Capital Limited (“NEC”), the Investment Advisor, that NEC is putting in place a share purchase plan to acquire shares in the Company. The Company has been informed by NEC that it intends to begin purchasing shares for the plan shortly.

Kevin Lyon, Chairman of NESF, commented:

*“We are particularly pleased with this acquisition. The Portfolio is high quality, with good technology and commercial counterparts, and has been performing solidly since connection. We have secured it at attractive returns for the Company.*

*In conjunction with this acquisition, we are putting in place additional long-term fully-amortising debt financing. At completion, our financial structure, with debt-to-GAV of c. 44%, will be close to the level we have been targeting. Of the total debt in place, c.£100 million is long-term fully-amortising debt secured at attractive terms and conditions to the Company.*

*Beyond this acquisition, our operating performance over the portfolio for the financial year to date has been above expectations, demonstrating our ability to manage our portfolio effectively and efficiently. We expect the acquired Portfolio to contribute to this outperformance going forward.”*

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**Notes to Editors:***NextEnergy Solar Fund (NESF)*

NESF is a specialist investment company that invests in operating solar power plants in the UK. Its objective is to secure attractive shareholder returns through RPI-linked dividends and long-term capital growth. The Company achieves this by acquiring solar power plants on agricultural, industrial and commercial sites.

NESF has raised equity proceeds of £285.4m since its initial public offering on the main market of the London Stock Exchange in April 2014. It also has credit facilities of £223.1m in place (Macquarie: £100m, arranged by MIDIS: £55.0m, Bayerische Landesbank: £45.4m and NIBC: £22.7m).

NESF is differentiated by its access to NextEnergy Capital Group (NEC Group), its Investment Manager, which has a strong track record in sourcing, acquiring and managing operating solar assets. WiseEnergy is NEC Group's specialist operating asset management division, providing solar asset management, monitoring and other services to over 1,200 utility-scale solar power plants with an installed capacity in excess of 1.5 GW.

Further information on *NESF*, *NEC Group* and *WiseEnergy* is available at [www.nextenergysolarfund.com](http://www.nextenergysolarfund.com), [www.nextenergycapital.com](http://www.nextenergycapital.com) and [www.wise-energy.eu](http://www.wise-energy.eu).