



PRESS RELEASE

PGGM & Ampere Equity Fund GBP 224 M refinancing of their 24.8% stake in the 367 MW Walney offshore wind farm in the Irish Sea

London – 20 December 2012

PGGM and Ampere Equity Fund, acting jointly through a dedicated investment vehicle, OPW, are pleased to announce that they have closed the refinancing of the purchase (completed in December 2010) of their 24.8% stake in the Walney offshore wind farm (situated about 14 km off the UK coast in the Irish Sea), the largest operating wind farm in the world.

A group of 4 commercial lenders: Lloyds Bank, the Royal Bank of Scotland plc, Santander, and Siemens Bank GmbH, together with the newly established UK Green Investment Bank plc ("GIB"), have provided between them facilities totaling GBP 224 M.

This financing will enable PGGM and Ampere Equity Fund to refinance on a non-recourse basis approximately 70% of the purchase price agreed with DONG Energy, the developer, operator and majority owner (with a 50.1% stake) of the project, that consists of 102 Siemens 3.6 MW turbines, for a total capacity of 367 MW. The first phase, Walney 1, was completed in July 2011, while the second, Walney 2, was commissioned in June 2012. SSE also has a 25.1% stake in the project alongside DONG Energy and OPW.

The project is expected to provide power equivalent to the consumption of around 340,000 UK households and to abate 480,000 tonnes of carbon emissions annually on current energy generation figures.

This financing marks the first loan by GIB to the UK offshore wind sector and is the first financing of a project minority stake in the commercial banking market.

“PGGM and Ampere Equity Fund are delighted with the deal which brings together institutional investors, four market leading banks and the UK Green Investment Bank to complete the financing of what is one of the UK's most important renewable energy infrastructure projects. We look forward to continuing our successful partnership with our world class utility partners, DONG Energy and SSE, and to making a significant contribution to a sustainable energy future,” according to Dennis van Alphen, Senior Investment Manager Infrastructure at PGGM and John Bromley, Chief Investment Officer at Ampere Equity Fund.

Shaun Kingsbury, CEO of the UK Green Investment Bank, said: “The UK Green Investment Bank is delighted to work with PGGM and Ampere Equity Fund, as well as DONG Energy, SSE and the syndicate of banks on its first project in the UK offshore wind sector, which is a priority sector for us. Walney was particularly attractive as it ensures that capital is recycled in the marketplace, delivers a commercial return to the bank and reduces carbon emissions in the UK.”

Marie de Graaf from Green Giraffe Energy Bankers: “We are delighted to have helped in successfully structuring this first financing by commercial banks of a minority stake in an offshore wind farm, and that GIB has provided their considerable support to the transaction. This demonstrates that it is possible for investors to take stakes in offshore wind projects and have these independently financed using limited recourse project financing. With larger offshore wind projects planned in coming years, this opens new avenues to finance these projects through separate transactions for each individual shareholder and thus to expand the investor universe able to invest in offshore wind projects.”

Mads Skovgaard-Andersen, Asset Manager at DONG Energy said: “This further evidence of the success of DONG Energy’s partnership strategy within offshore wind – achieving financial close in the current economic climate – highlights the attractive qualities of these long term, stable assets for financial investors. The transaction has been a great collaborative effort from DONG Energy, the other Walney shareholders and the lenders. We are delighted that Walney was the first offshore wind project to benefit from the support of the UK Green Investment Bank.”

OPW was advised by Green Giraffe Energy Bankers (financing), Clifford Chance (legal and tax), Chatham (hedging) and Deloitte (accounting). The lenders were advised by Mott MacDonald (technical), Norton Rose (legal), Jardine, Lloyd Thomson (insurance), PKF (model audit) and Pöyry (power market study). DONG Energy was advised by Watson, Farley Williams and SSE by Eversheds.

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For more information

PGGM is a leading Dutch pension fund service provider. PGGM offers its institutional clients: pension fund management, comprehensive asset management, policy advice and management support. Currently – on behalf of five pension funds – PGGM manages slightly in excess of EUR 128 billion for 2.5 million people. As a co-operation with more than 570,000 members, PGGM is helping to achieve a valuable future. Either alone or with strategic partners, PGGM is developing innovative future provisions by linking together pensions, care, housing and work.

For further information, see www.pggm.nl

Ampere Equity Fund, managed by Triodos Investment Management, invests exclusively in renewable energy projects. The Fund has attracted major Dutch institutional investors with a total committed capital of EUR 320 million. The full capital of the fund has been invested in a diversified portfolio of utility scale wind and solar projects in Western Europe. The Fund has a long term hold strategy to deliver optimized long term cash yield and stable value development for its investors. Triodos Investment Management is a subsidiary of Triodos Bank with over 25 years' experience in renewable energy investments.

DONG Energy is one of the leading energy groups in Northern Europe. We are headquartered in Denmark. Our business is based on procuring, producing, distributing and trading in energy and related products in Northern Europe. We have approximately 6,400 employees and generated DKK 57 billion (EUR 7.6 billion) in revenue in 2011.

For further information, see www.dongenergy.com.

UK Green Investment Bank was formed as a public company in May 2012. With £3 billion of funding from the UK Government, it is the first bank of its kind in the world. It is a “for profit” bank, whose mission is to accelerate the UK’s transition to a more green economy, and to create an enduring institution, operating independently of Government.

The bank became fully operational in October 2012 when it was granted State Aid approval by the European Commission to make investments on commercial terms. This approval covers a number of green sectors, certain of which have been chosen by the UK Government as “priority sectors”, to which at least 80% of the bank’s capital must be directed: offshore wind, waste (treatment and recycling and energy from waste), non-domestic energy efficiency, and the Green Deal. Other permitted sectors are biofuels for transport, biomass power, carbon capture and storage, marine energy and renewable heat.