



# Greencoat Renewables PLC

## 2018 HI Results

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# Results summary – 6 months to 30 June 2018

- Power generation of **195.3GWh**; 9% below budget due to May and June lower than average wind speeds
- Net cash generation of **€13.4m**
- Dividend cover for period of **1.7x**; paid dividends of **2.61c** in March<sup>(1)</sup>; declared dividends of **3c** for H1 2018
- Net Asset Value at 30 June of €261.4 million or **96.8cent** per share
- Acquisitions of Lisdowney, Tullynamoyle II and Dromadda More wind farms increased the portfolio to 5 wind farms, net generating capacity increased to **194MW** and GAV to **€459.7m**, as at 30 June 2018.
- **€198m** outstanding borrowings as at 30 June 2018, equivalent to **43%** of GAV

## *Post period:*

- Successful issuance of **110m** shares, raising gross proceeds of **€111m** in July 2018 and launch of 250m share issuance program
- Agreement to acquire **105MW** operating wind farm assets from Coillte

<sup>(1)</sup>Dividend relates to period from IPO to 31 December 2018



**SECTION I**

# Portfolio Background



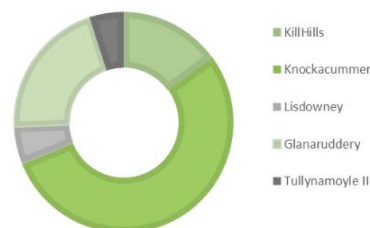
# Portfolio overview

**Operationally on budget – electricity production down 9% due to low May/June wind speeds**



Wind Farm	Turbines	PPA	Commercial Operations Date	Subsidy	Total MW
Knockacummer	Nordex	Brookfield	Dec 2014 / Jul 2015	REFIT 1	100.0
Killhills	Enercon	Brookfield	Mar 2015	REFIT 2	36.8
Dromadda More	Vestas	Supplier Lite	Mar 2018	REFIT 2	36.3
Lisdowney	Enercon	Vayu	Nov 2016	REFIT 2	9.2
Tullynamoyle II	Enercon	Bord Gais	Feb 2018	REFIT 2	11.5
<b>Total</b>					<b>194</b>

Assets



Turbines



**195.3GWh** output from 1 January 2018 to 30 June 2018



**SECTION 2**

# Financial Performance



# Financial performance – 6 months to 30 June 2018

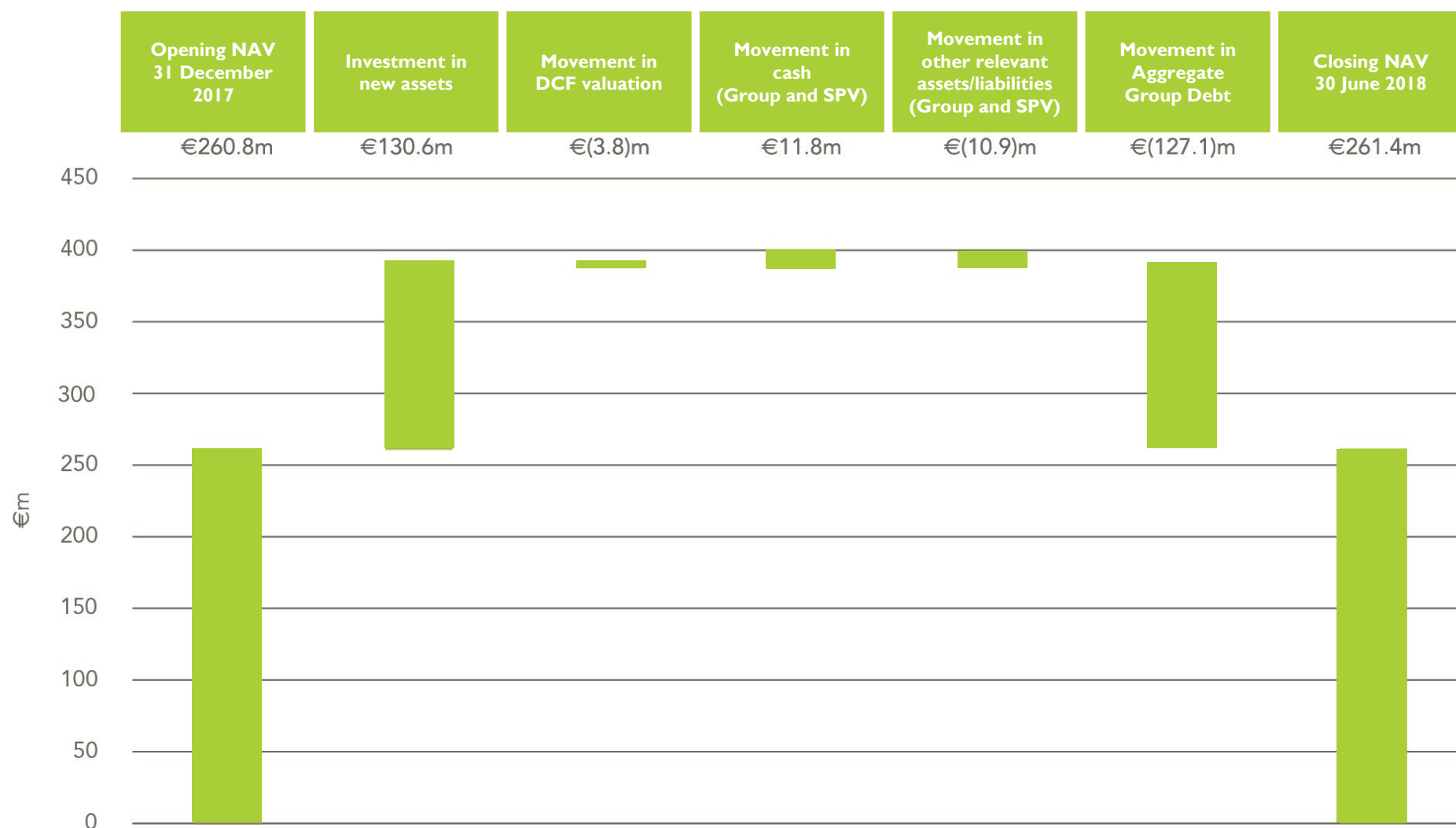
Group and wind farm SPV cash flows	For the six months ended 30 June 2018
Net cash generation	13,394
Dividends paid	(11,097)
Project Capex & PSO Cashflow <sup>(1)</sup>	5,778
Acquisitions <sup>(2)</sup>	(121,670)
Acquisition costs	(982)
Equity issuance	–
Equity issuance costs	(121)
Net drawdown under debt facilities	127,061
Upfront finance costs	(547)
<b>Movement in cash (Group and wind farm SPVs)</b>	<b>11,816</b>
Opening cash balance (Group and wind farm SPVs)	23,202
<b>Ending cash balance (Group and wind farm SPVs)</b>	<b>35,018</b>
Net cash generation	13,394
Dividends <sup>(3)</sup>	8,100
Dividend cover	1.7x

(1) These cashflows reflect residual capital expenditure from acquired SPVs (covered by the vendor of the SPVs) and REFIT working capital movements with the PSO relating to the wind farm SPVs.

(2) Excludes acquired cash.

(3) February 2018 dividend has been adjusted for dividend cover calculation as it relates to a period longer than 3 months.

# Movement in NAV



Shares in issue	270,000,000	270,000,000
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NAV/Share (cent)	96.6	96.8
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**SECTION 3**

# Acquisitions



# H1 2018 acquisitions: executing against the growth opportunity

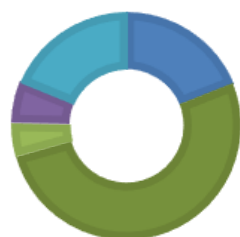


40%+ increase in portfolio over 12 months

IPO  
137MW

+ 40%+

Q2 2018  
194MW



■ Killhills  
■ Knockacummer  
■ Lisdowney  
■ Tullynamoyle 2  
■ Dromadda More

## 3 Dromadda More 36.3MW – acquired May 2018

- Seller: Impax Asset Management (large scale international developer)
- Located in Co. Kerry
- Project operational since April 2018
- Vestas turbines with long-term O&M contract

## 4 Lisdowney 9.2MW – acquired February 2018

- Seller: Local land owners / developer
- Located in Co. Kilkenny
- Project operational since November 2016
- Enercon turbines with long-term O&M contract

## 5 Tullynamoyle 2 11.5MW – acquired April 2018

- Seller: Local land owners / developer
- Located in Co. Leitrim
- Project operational since February 2018
- Enercon turbines with long-term O&M contract

# Post-period acquisitions: Coillte portfolio



## Very high quality portfolio

- Strategic partnerships and opportunity
- High load factors
- Experienced utility operators
- Long-term contracts



### A Raheenleagh wind farm – 35.2MW (50%)

- 11 Siemens 3.2MW turbines, with long term O&M contracts
- Co-owned with ESB
- Project operational since November 2016



### B Cloosh Valley wind farm – 108MW (50%)

- 36 Siemens 3.0MW turbines, with long term O&M contracts
- Co-owned with SSE
- Project operational since September 2017



### C Castlepook wind farm – 33.2MW (50%)

- 14 Nordex 2.9MW turbines, with long term O&M contracts
- Co-owned with ESB
- Project operational since March 2018



### D Sliabh Bawn wind farm – 64MW (25%)

- 20 Siemens 3.2MW turbines, with long term O&M contracts
- Co-owned with Bord Na Mona (50%) and Coillte (25%)
- Project operational since March 2017

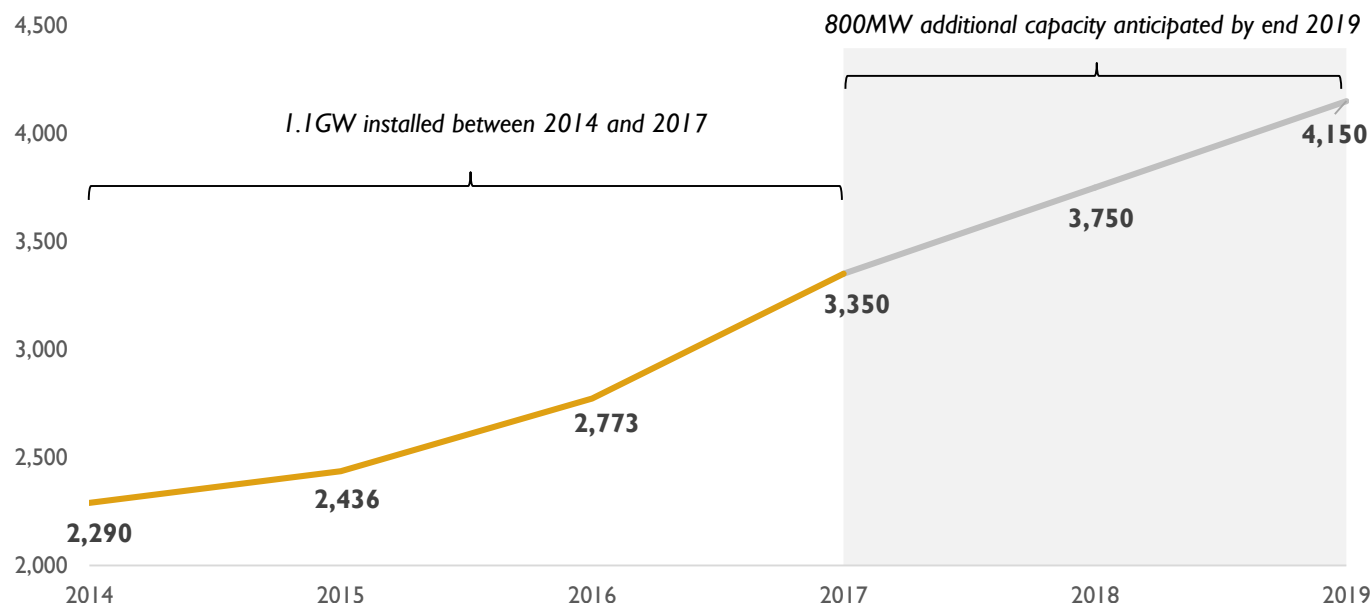


# Long term growth opportunities

c. €8bn<sup>(1)</sup> operational assets by 2020 with 1GW+ of newly built REFIT assets since 2014

## Irish wind: A large and growing market

Republic of Ireland Cumulative Installed Wind Power 2014-2019 (MW)



(1) Republic of Ireland estimated asset base  
Source: Eirgrid all Ireland generation capacity statement 2017-2026 and Greencoat Capital data

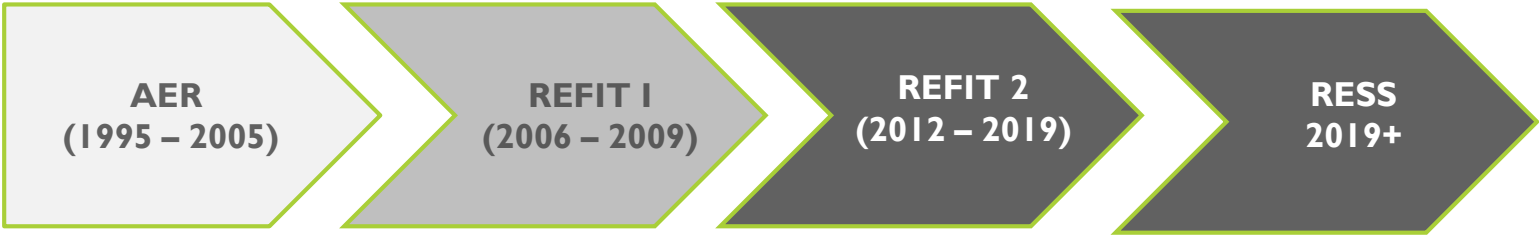
- Substantial growth in the past 5 years
- Development ongoing for post REFIT 2 projects
- RESS framework now outlined for growth beyond 2020 as a successor to REFIT 2
- Continued evidence of developers seeking to recycle capital

**SECTION 4**

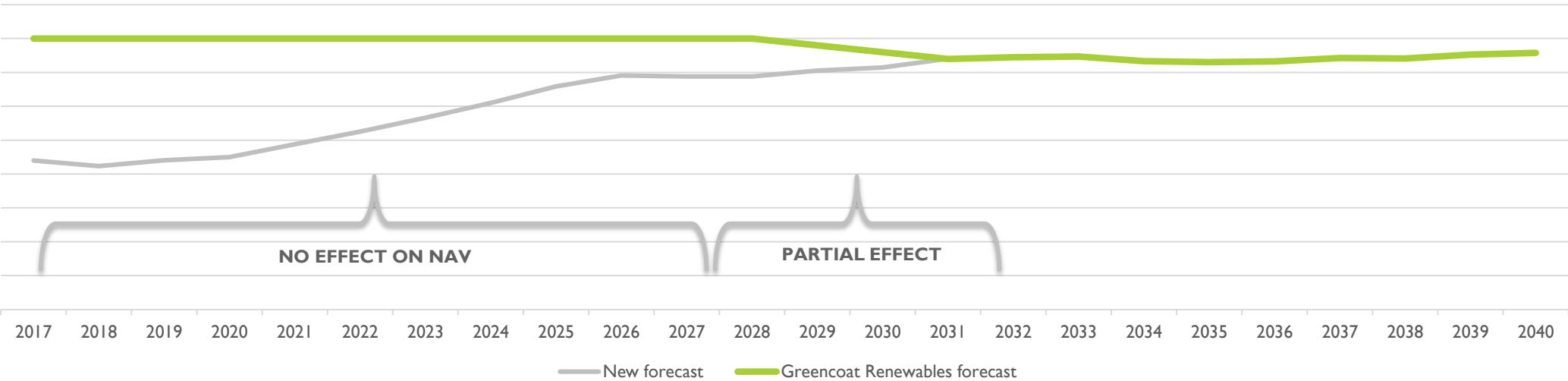
# Regulation



REFIT provides a stable and supportive regulatory regime



REFIT protects Greencoat Renewables from wholesale power price volatility during REFIT period





**RESS provides strong growth opportunity for Irish renewable market for next 7+ years**

## Structure

- Two way “CfD” type structure
- Expectation for 15 year contract

## Technology

- Will include a mix of technologies – onshore wind, offshore wind and solar

## Timing

- First auctions planned for 2019 (delivery by end of 2020)
- 4 follow on auctions out until 2025

## Scale

- 13,500GWh planned under 5 auctions – (representing c.4GW of onshore wind)

	Auction Capacity (GW/hrs)	Auction Year	Delivery Year	Single Technology
RESS 1	1,000	2019	2020	No
RESS 2	3,000	2020	2022	Yes
RESS 3	3,000	2021	2025	Tbc
RESS 4	4,000	2023	2027	Tbc
RESS 5 (possible)	2,500	2025	2030	Tbc



**SECTION 5**

# Gearing and Capital Structure





## Capital structure has provided platform for growth and allowed control of gearing

- 3-year **€250m** Revolving Credit Facility with an accordion extension to **€300m**
  - Syndicate of five domestic and international banks: **AIB**, **BNP Paribas**, **Commerzbank**, **RBC** and **Santander**
- **€198m** outstanding borrowings as at 30 June 2018, equivalent to **43%** of GAV

## Post-period activity

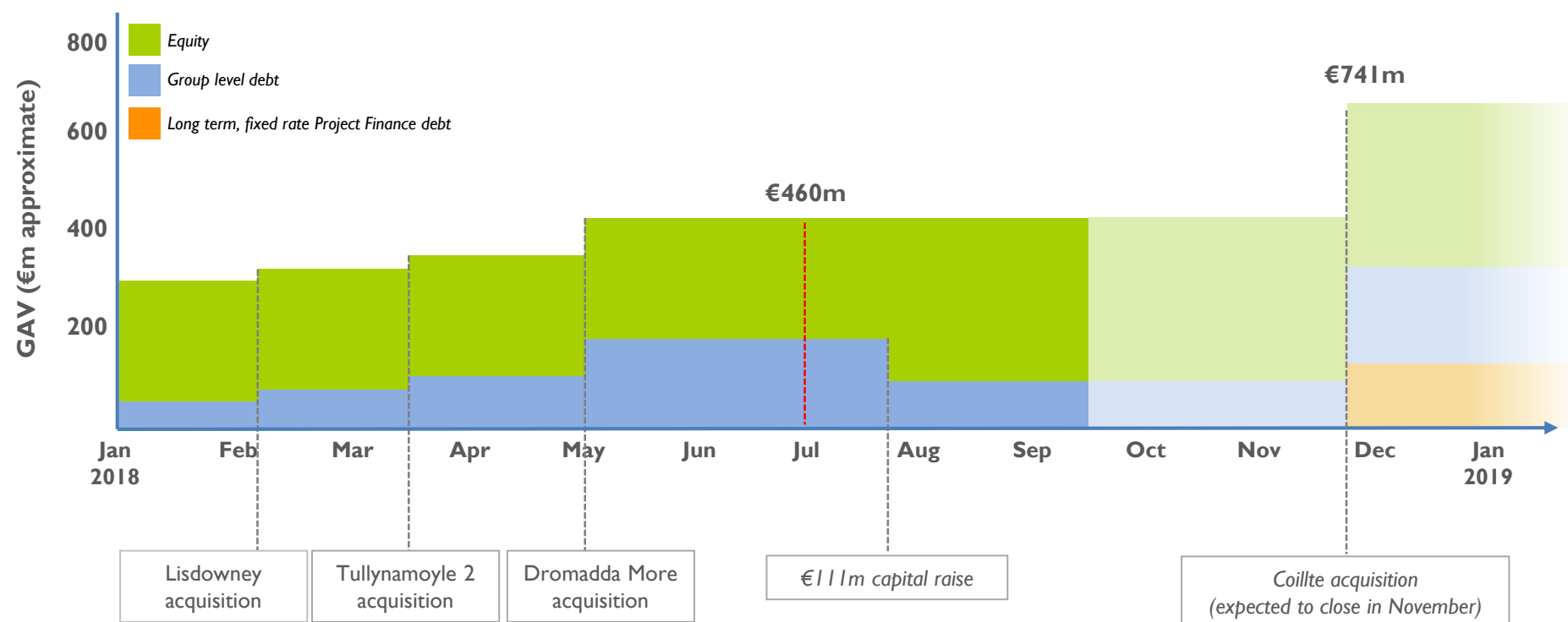
- Follow-on **equity raise** in July, with **€109m** proceeds used to pay down Revolving Credit Facility
- Acquisition of Coillte assets (closing expected November 2018)
  - Plan to draw down on RCF of **€136m**, expected to leave RCF drawn at **€225m – 30%** of GAV
  - Assets have existing **€144m<sup>(1)</sup>** of long term, fixed rate project finance debt – **19%** of GAV
- Post acquisition closing, gearing of **50%**, in appropriate “sweet spot”

<sup>(1)</sup> Represents the proportion of project finance debt balance attributable to GRP interests at December 2018



# Capital structure - positioned for growth

Capital structure is cost effective, flexible, and allows near term cash acquisitions



Capital structure enabling growth



Whilst maintaining target gearing

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# Appendix





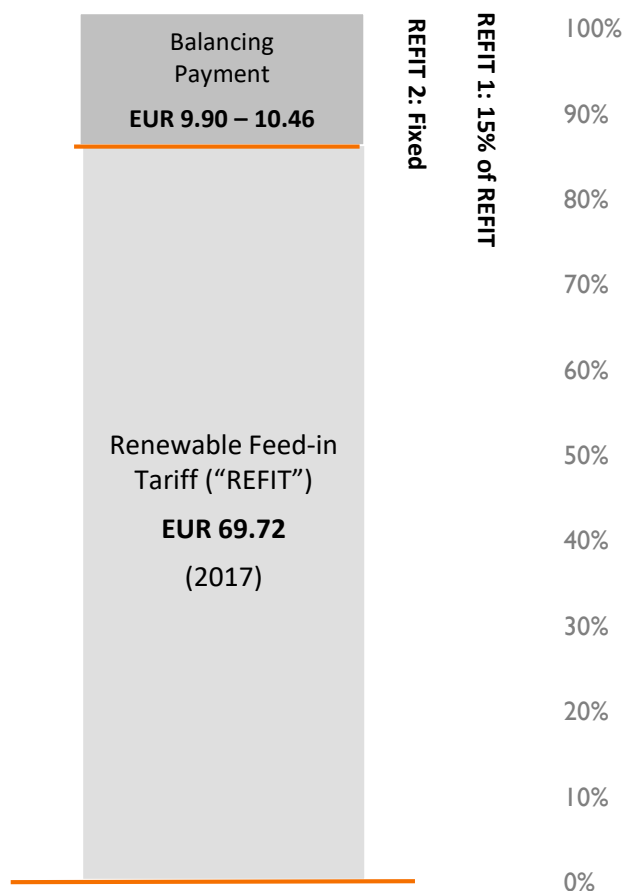
# Portfolio overview

Wind Farm	Turbines	PPA	Commercial Operations Date	Subsidy	Windfarm Size	% Interest	GRP Net MW	Forecast Net Load Factor
Knockacummer	Nordex	Brookfield	Dec 2014 / Jul 2015	REFIT 1	100.0	100%	100.0	33.1%
Killhills	Enercon	Brookfield	Mar 2015	REFIT 2	36.8	100%	36.8	27.0%
Dromadda More	Vestas	Supplier Lite	Mar 2018	REFIT 2	36.3	100%	36.3	35.5%
Lisdowney	Enercon	Vayu	Nov 2016	REFIT 2	9.2	100%	9.2	38.8%
Tullynamoyle II	Enercon	Bord Gais	Feb 2018	REFIT 2	11.5	100%	11.5	26.7%
Raheenleagh	Siemens	ESB	Nov 2016	REFIT 2	36.5	50%	18.3	n.d.
Cloosh Valley	Siemens	SSE	Sep 2017	REFIT 2	108	50%	54.0	n.d.
Castlepook	Siemens	ESB	Mar 2018	REFIT 2	33.2	50%	16.6	n.d.
Sliabh Bawn	Siemens	Supplier Lite	Mar 2017	REFIT 2	64	25%	16.0	n.d.
<b>Total</b>							<b>299MW</b>	

## Irish REFIT scheme

- Fixed price REFIT regime 15 years:**

- REFIT 1 – €80/MWh floor price (index linked) with market upside
- REFIT 2 – €79/MWh floor price (of which €70 index linked) with market upside



## I-SEM background

- I-SEM is the new market structure being introduced in October 2018
- Allows Irish market to be integrated within a pan-European electricity market
- Requires all generators to be “balanced” and to forecast accurately
- Cost of balancing borne by generator

## Impact on GRP

- Fully known by GRP and priced into M&A valuation /understood
- Operationally, requires update to PPAs and/or appointment of new PPA providers



## **Bertrand Gautier**

- 25 years+ operational, investment and finance experience, of which 8 exclusively renewables
- Member of Greencoat Capital UK Wind (“UKW”) Investment Committee
- Joined Greencoat Capital in 2010



## **Paul O'Donnell**

- 15 years + investment and renewables experience
- 9 years in the Irish energy sector
- Joined Greencoat Capital in 2009



**c. €3.0bn AUM and multiple fund strategies (listed wind, unlisted solar, PE)**



**Highly experienced investment manager in renewable infrastructure**

**Deep presence in the Irish market**



**GREENCOAT**  
RENEWABLES

