

# Fortum to sell share of 185-MW Indian solar portfolio – aiming at further solar investments

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Fortum has signed an agreement to sell a 54% share of its solar power company operating four solar power plants in India to UK Climate Investments (40%) and Elite Alfred Berg (14%). Elite Alfred Berg has the option to buy up to an additional 16% from Fortum. The total capacity of this portfolio is 185 MW. In this partnership, Fortum will retain a significant minority ownership in the solar power company and continue to provide operation and maintenance services based on a long-term agreement.

The total consideration from the divestment of the 54% stake on a debt and cash free basis, including the effect of deconsolidating Fortum's minority part of the net debt, is expected to be approximately EUR 150 million. The positive impact on Fortum's results from selling part of the solar portfolio will be approximately EUR 20 million and will be booked in the M&A and Solar & Wind Development unit. The transaction is subject to regulatory approvals in the EU and is expected to close in the beginning of the third quarter 2018.

"The agreement with Elite Alfred Berg and UK Climate Investments is an important step in our solar strategy. Our ambition is to continue the partnership also for future solar power projects. The arrangement frees up capital for further investments and enables Fortum to continue to utilise its key competencies to develop, construct and operate solar power plants in India," says Kari Kautinen, SVP, M&A and Solar & Wind Development at Fortum.

"This project demonstrates the growing maturity of India's secondary market for renewables – creating an environment in which private investors have confidence to invest in new greenfield projects that will accelerate the decarbonisation of India's economy," says Richard Abel, Managing Director of UK Climate Investments. "We are delighted and honoured to start co-operation with Fortum and UK Climate Investments regarding investments into renewable energy assets on behalf of our investor clients," says Daniel Pasternack, CEO of Elite Alfred Berg.

As communicated previously Fortum seeks to allocate EUR 200–400 million of its growth capital to solar projects in India.

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## Distribution:

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Key media

[www.fortum.com](http://www.fortum.com)

## UK Climate Investments

UKCI is a £200 million pilot investment programme mandated to invest in India and across sub-Saharan Africa. It is targeting transformational green projects where UKCI capital can mobilise additional private sector investment on a sustainable basis to help the world's developing economies adapt to climate change and promote cleaner, greener growth. UK Climate Investments LLP (UKCI) is a joint venture between the Green Investment Group and the UK Government's Department for Business, Energy and Industrial Strategy. [www.greeninvestmentgroup.com](http://www.greeninvestmentgroup.com)

## Elite Alfred Berg

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## Fortum

Fortum is a leading clean-energy company that provides its customers with electricity, heating and cooling as well as smart solutions to improve resource efficiency. We want to engage our customers and society to join the change for a cleaner world. We employ some 9,000 professionals in the Nordic and Baltic countries, Russia, Poland and India. In 2017, our sales were EUR 4.5 billion and 61% of our electricity generation was CO2 free. Fortum's share is listed on Nasdaq Helsinki. [www.fortum.com](http://www.fortum.com)

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