

Fortum to divest 500 MW of solar power plants in India – agreement with Actis for solar investments

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Fortum has signed an agreement to divest the 250-MW Pavagada II and the 250-MW Rajasthan solar power plants in India to Actis, a global infrastructure investment firm. The total consideration from the divestment on a debt and cash-free basis, including the effect of deconsolidating of the net debt, is expected to be approximately EUR 280 million, most of which will be recorded during 2021. The divestment is expected to have a positive impact of approximately EUR 20 million on the City Solutions segment's results. The divestment will be completed and the capital gain recorded in three tranches; during the second half of 2021 and the first half of 2022.

The parties have also signed a comprehensive agreement targeting further investments in solar power plants in India.

"I am very happy to announce the transaction with Actis, a large and reputable global investor with a strong presence in the energy sector. We can utilise the strong competencies Fortum has gained over the years in solar development and construction, while utilising the financial strength and track record of Actis to realise the investment potential," says **Per Langer**, Executive Vice President of Fortum's City Solutions division.

"This is an important step for Actis as we further strengthen our presence in India building on our achievements to date. We are pleased to be entering into this transaction with a firm of Fortum's calibre and competence," says **Mikael Karlsson**, Partner and Head of Energy Infrastructure at Actis.

Since 2013, Fortum has developed and constructed 680 MW of solar power in India. Over time, the majority of this capacity has been divested to enable further investments with a limited equity exposure, in line with the build-operate-transfer business model.

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Fortum

Fortum is a European energy company with activities in more than 40 countries. We provide our customers with electricity, gas, heating and cooling as well as smart solutions to improve resource efficiency. Together with our subsidiary Uniper, we are the third largest producer of CO2-free electricity in Europe. Close to 20,000 professionals and a combined balance sheet of

approximately EUR 60 billion, we have the scale, competence and resources to grow and to drive the energy transition forward. Fortum's share is listed on Nasdaq Helsinki and Uniper's share on the Frankfurt Stock Exchange. www.fortum.com