

Third quarter 2014

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Agenda

- Operational review
- Financial review
- Outlook

Operational review

Operational highlights

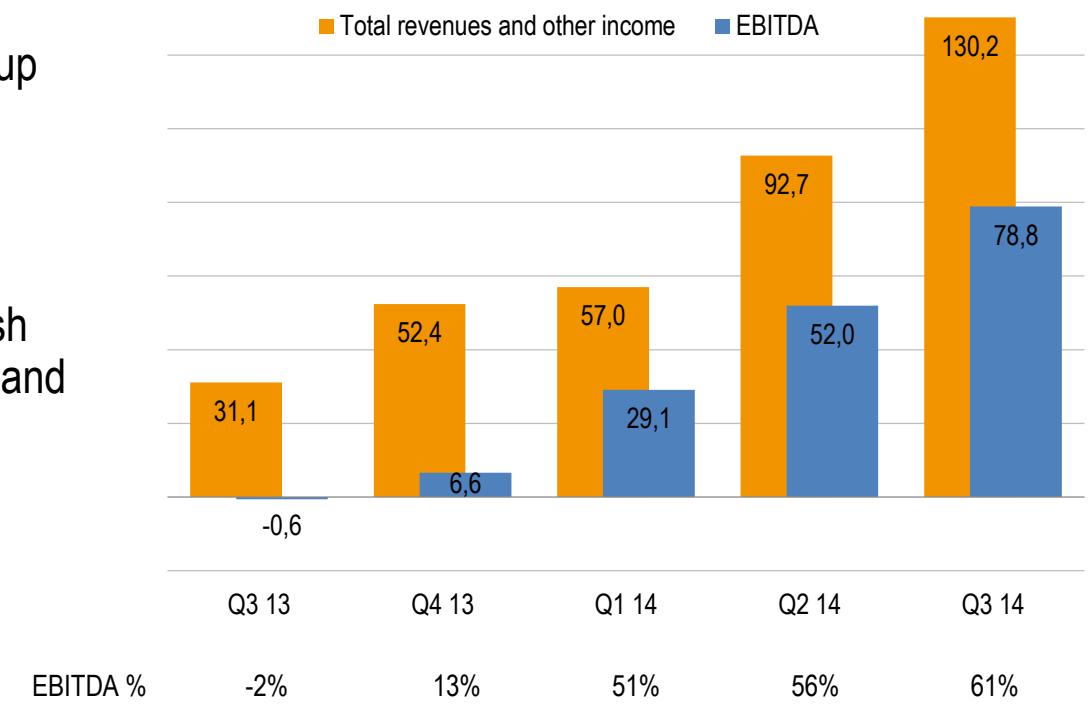
- Strong growth in power production
- Successful completion of the 40 MW Linde, 75 MW Dreunberg and 9 MW ASYV solar power plants
- Project development on track - backlog reached 214 MW
- IPO completed, raised equity of gross NOK 500 million to fund further growth



Financial highlights

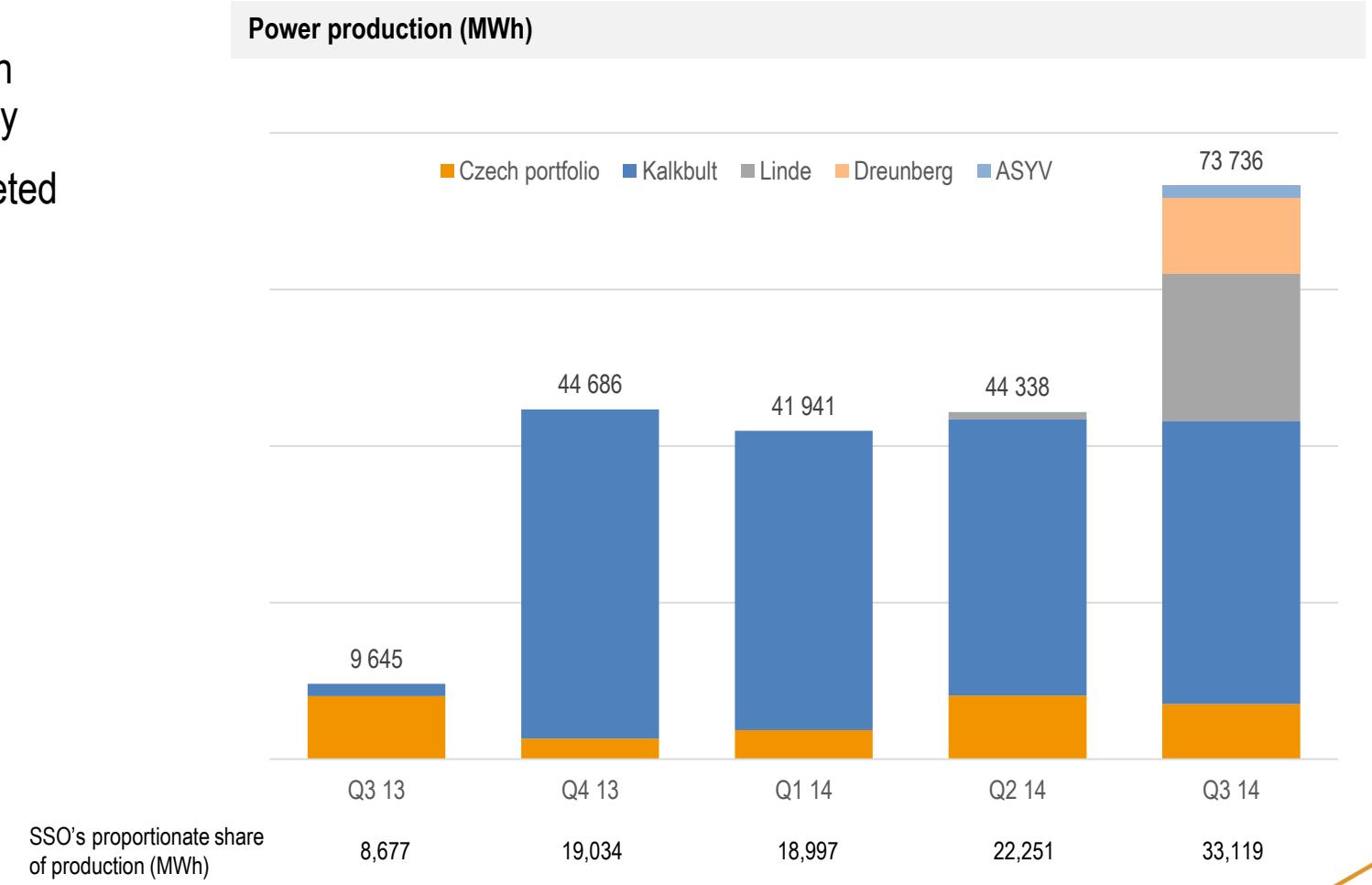
- Consolidated revenues of NOK 130 million up 40% from Q2'14
- Consolidated EBITDA of NOK 79 million up 52% from Q2'14
- Adjusted net profit to Scatec Solar of NOK 8 million
- Scatec Solar's proportionate share of cash flow to equity of NOK 30 million in Q3'14 and NOK 196 million year to date

Consolidated revenues and EBITDA (NOKm)



Strong growth in power production

- Linde and ASYV in operation from July
- Dreunberg completed late August



Power plants in operation – Czech Republic



Power plants in operation – SA and Rwanda

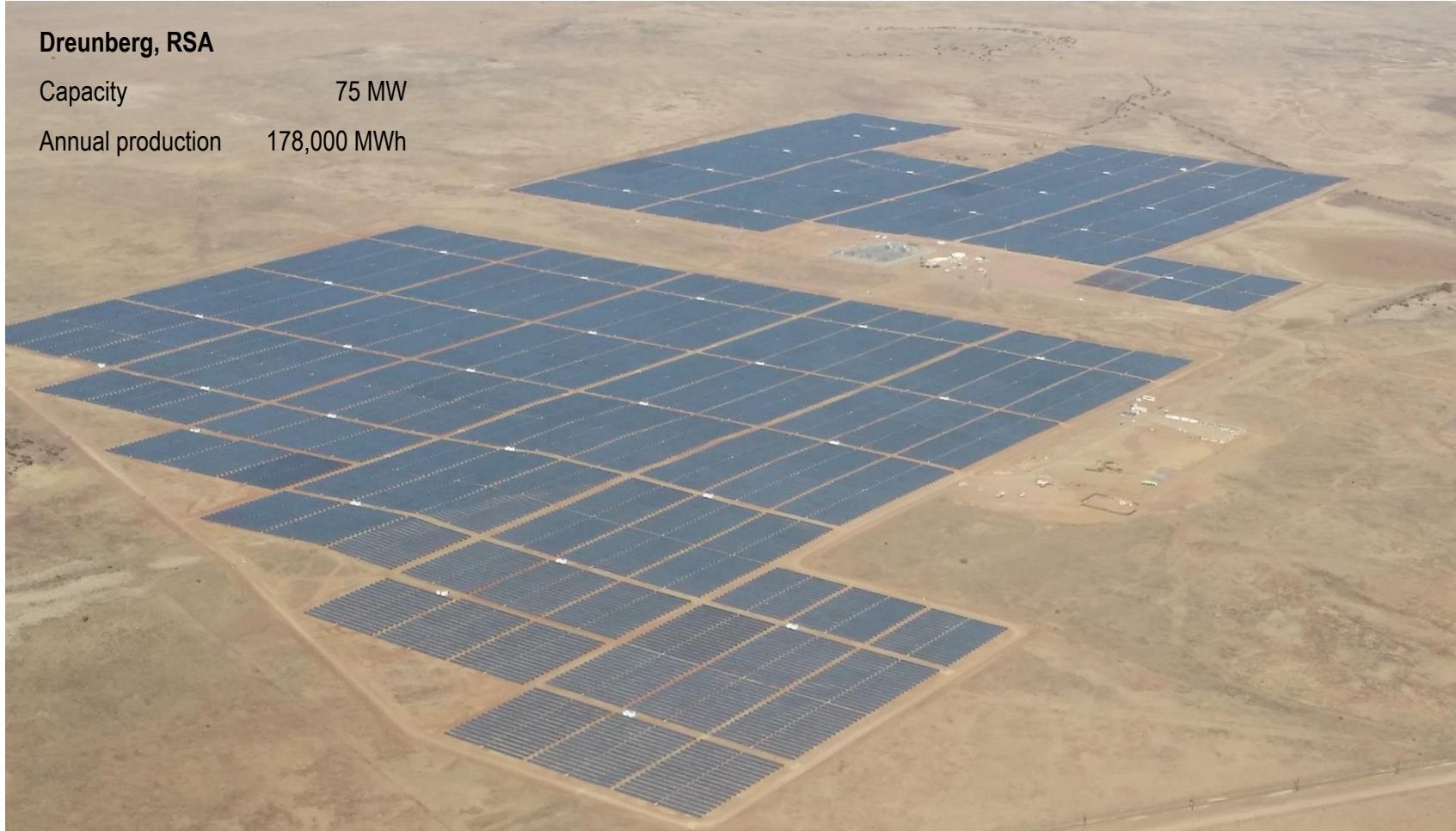


Dreunberg

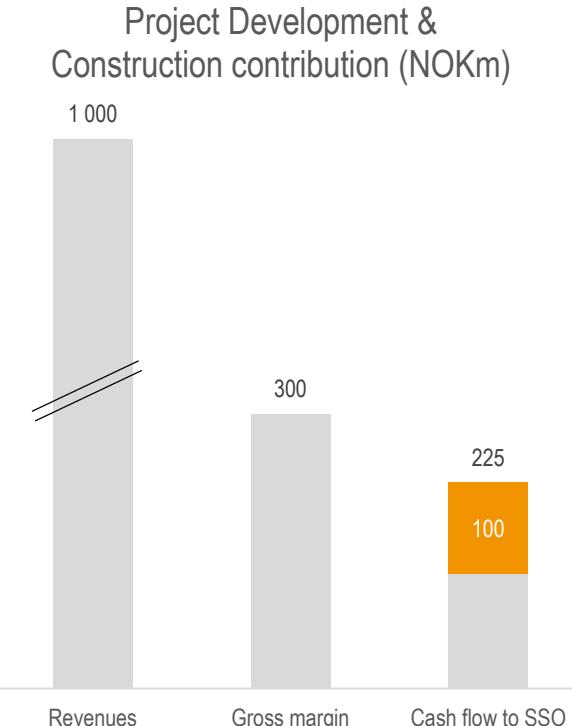
Dreunberg, RSA

Capacity 75 MW

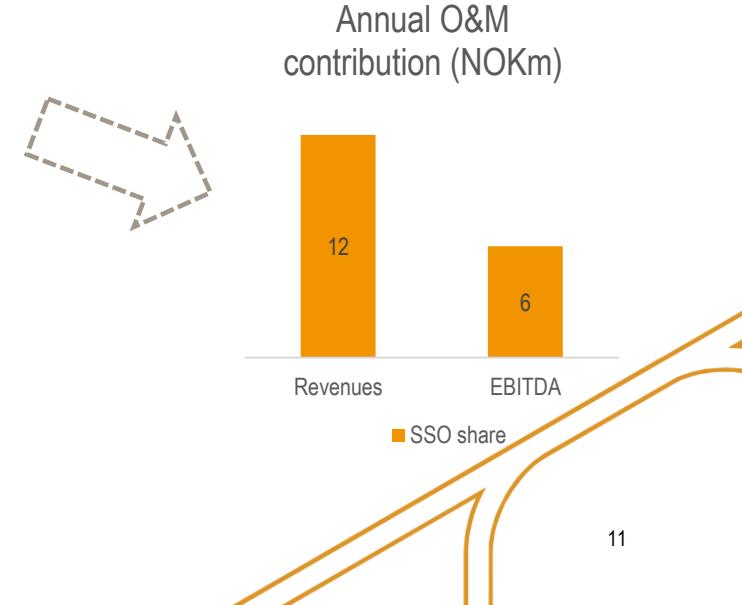
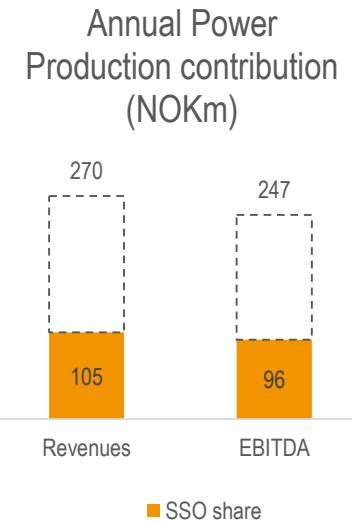
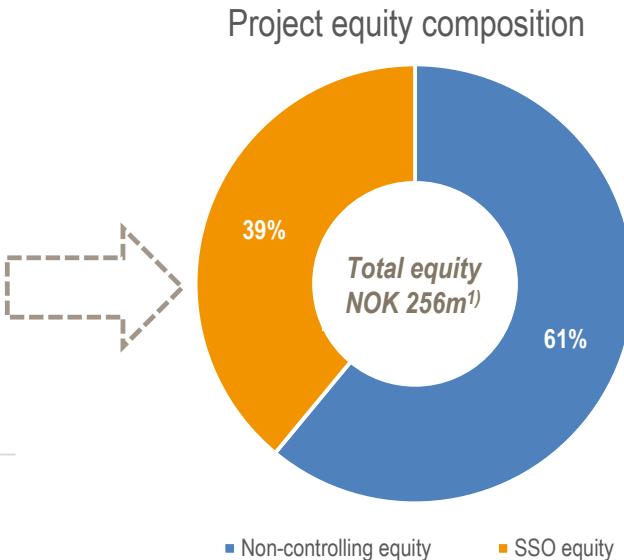
Annual production 178,000 MWh



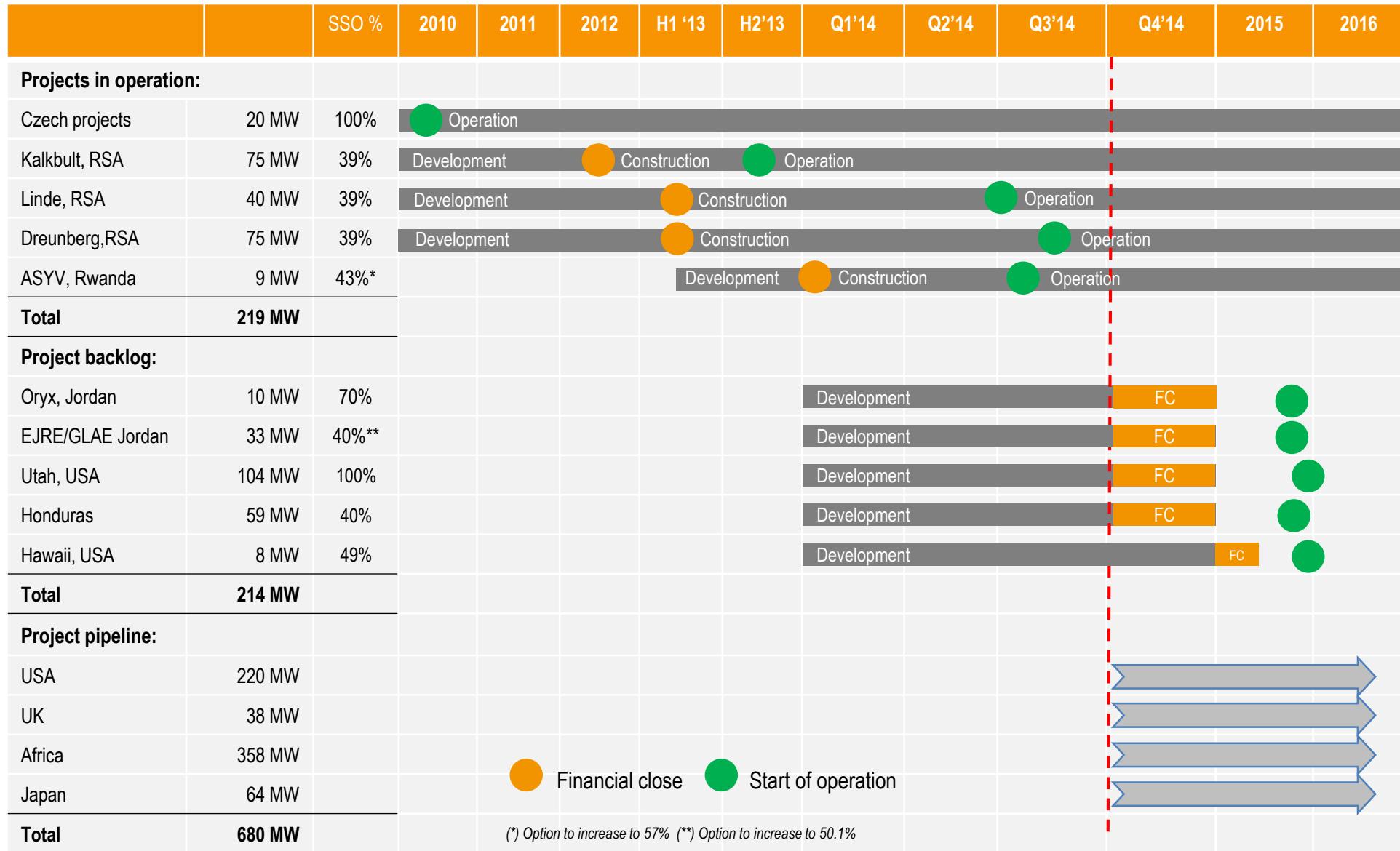
Project cash generation – Dreunberg example



- Investing NOK 100m of project D&C cash flow
- Generating annual EBITDA of some NOK 104m to SSO



Backlog & Pipeline - overview

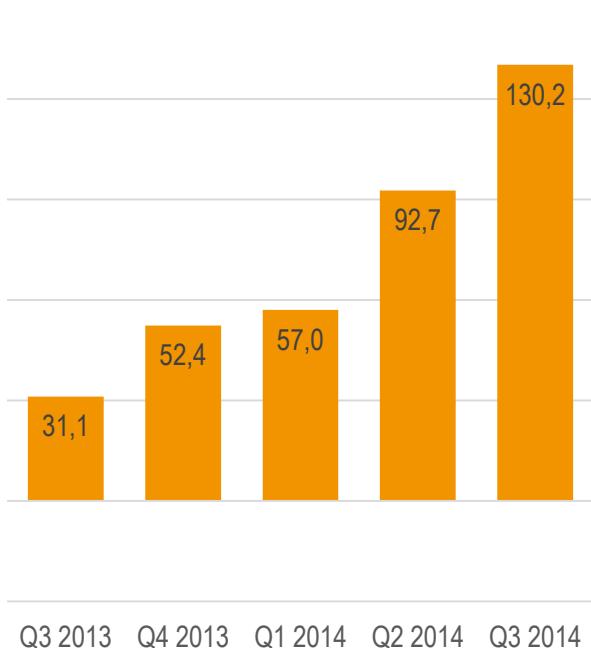


Financial review

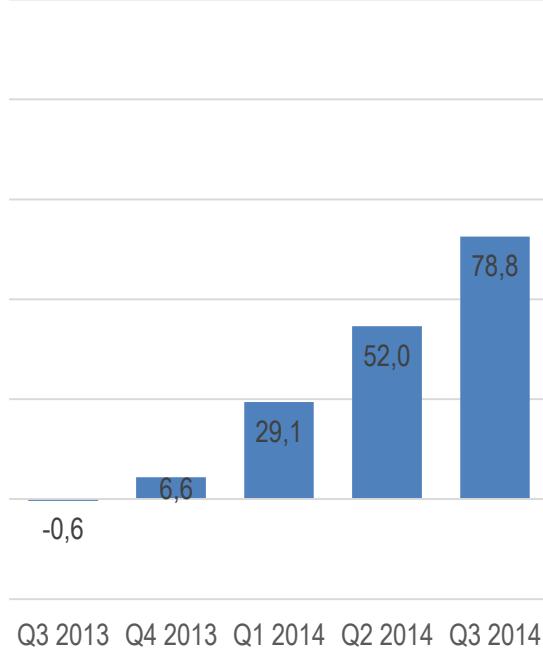
Mikkel Tørud CFO

Consolidated financials – continued growth

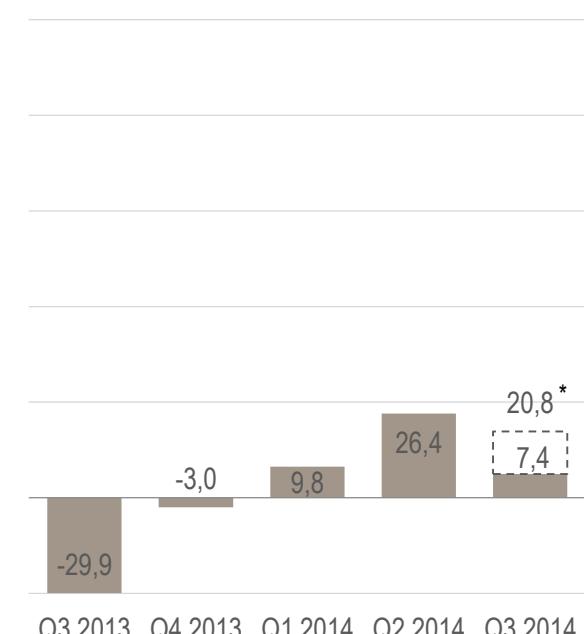
Revenues (NOKm)



EBITDA (NOKm)



Net profit/loss (NOKm)



* Adjusted for IPO costs and share based payments

- Strong growth in revenues and EBITDA
- Net profit affected by non-recurring IPO costs and non-cash share based payment
- Gains on currency and currency hedges down from previous quarter

Scatec Solar' proportionate share of P&L

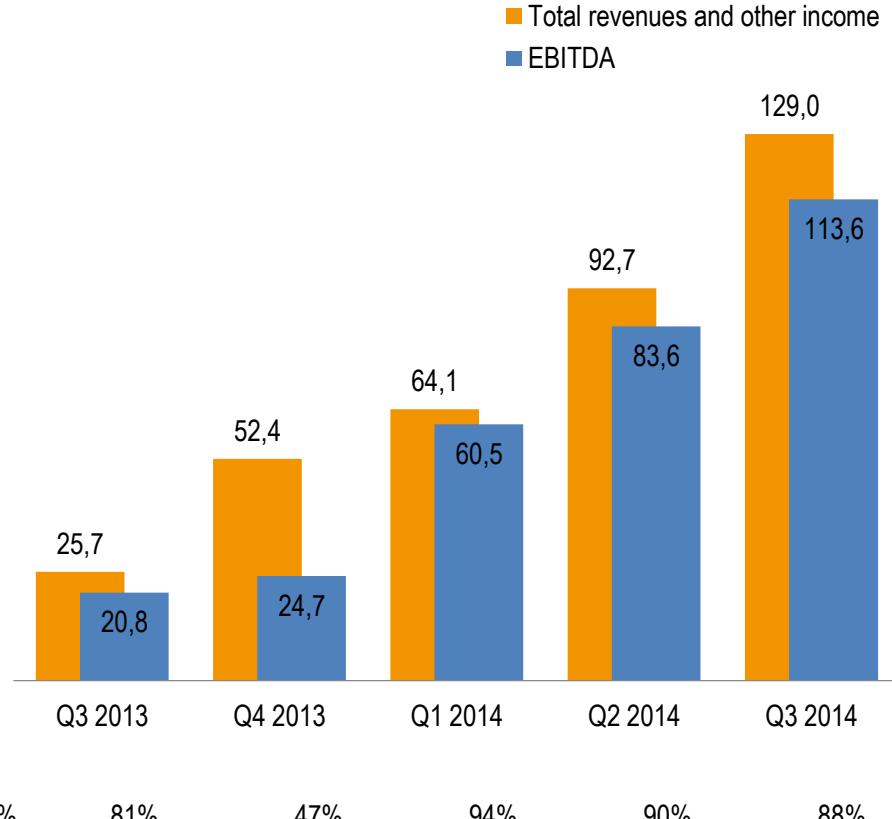
- Scatec Solar controls its solar power plants and these are therefore consolidated
- Cost of operating power plants is shared with our partners, while Scatec Solar alone invests in early phase project development
- Net profit to Scatec Solar is hence disproportionate to its share of revenues

Third quarter (NOKm)	Consolidated	SSO prop. share	%
Total revenues	130.2	68.0	52%
Cost of sales & opex	51.4	44.9	87%
EBITDA	78.8	23.1	29%
D&A & Impairments	-27.4	-13.4	49%
EBIT	51.4	9.7	19%
Net financials & tax	-44.0	-15.1	34%
Net profit	7.4	-5.4	-
Adjusted net profit*	20.8	8.0	38%

Power production

- Sale of electricity from solar power plants controlled by Scatec Solar
- Growth in revenues and profit after grid connection of the Linde, ASYV and Dreunberg power plants
- Dreunberg earning 'early revenues' - 60 % of PPA tariff until year end 2014
- Lower irradiation than normal in August and September
- Opex increasing with commencement of the O&M contracts for Kalkbult and Linde

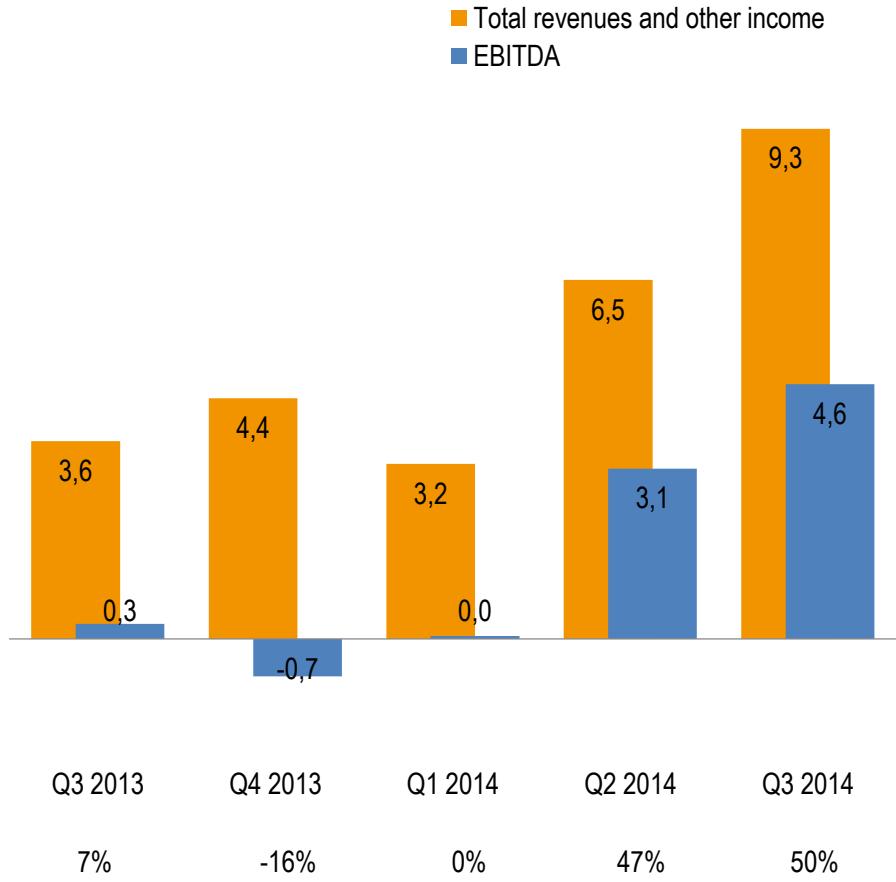
Consolidated revenues & EBITDA (NOKm)



Operation & Maintenance

- O&M service to Scatec Solar's power plants in a start up phase
- O&M contracts and revenues mainly from 95 MW of 220 MW in Q3'14
- Overperformance bonus of NOK 4 million recognised in the quarter
- Organisation in place to serve all Scatec Solar controlled solar plants
- From early 2015, expected annual revenues of NOK 50-55 million based on current plant performance

Consolidated revenues & EBITDA (NOKm)

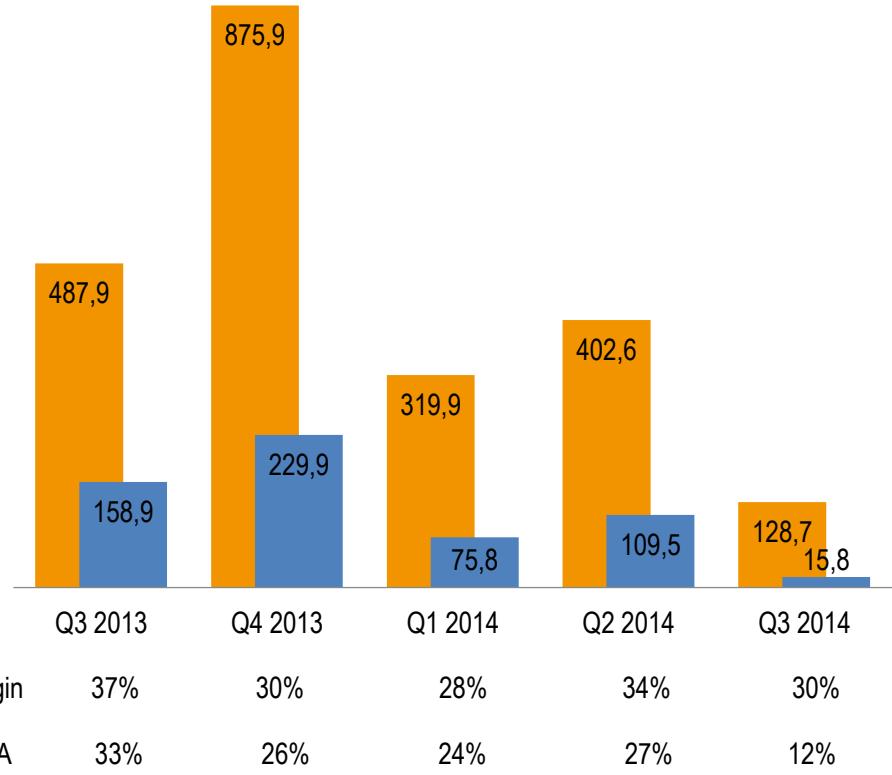


Development & Construction

- D&C revenues and margins reflect project development and power plant construction activities
- Lower revenues and margins in Q3'14 as the Linde and Dreunberg projects are being completed
- Expensed NOK 12 million for early phase development of new projects
- Revenues and margins set to grow with start of construction of backlog projects

Consolidated revenues & EBITDA (NOKm)

■ Total revenues and other income
■ EBITDA



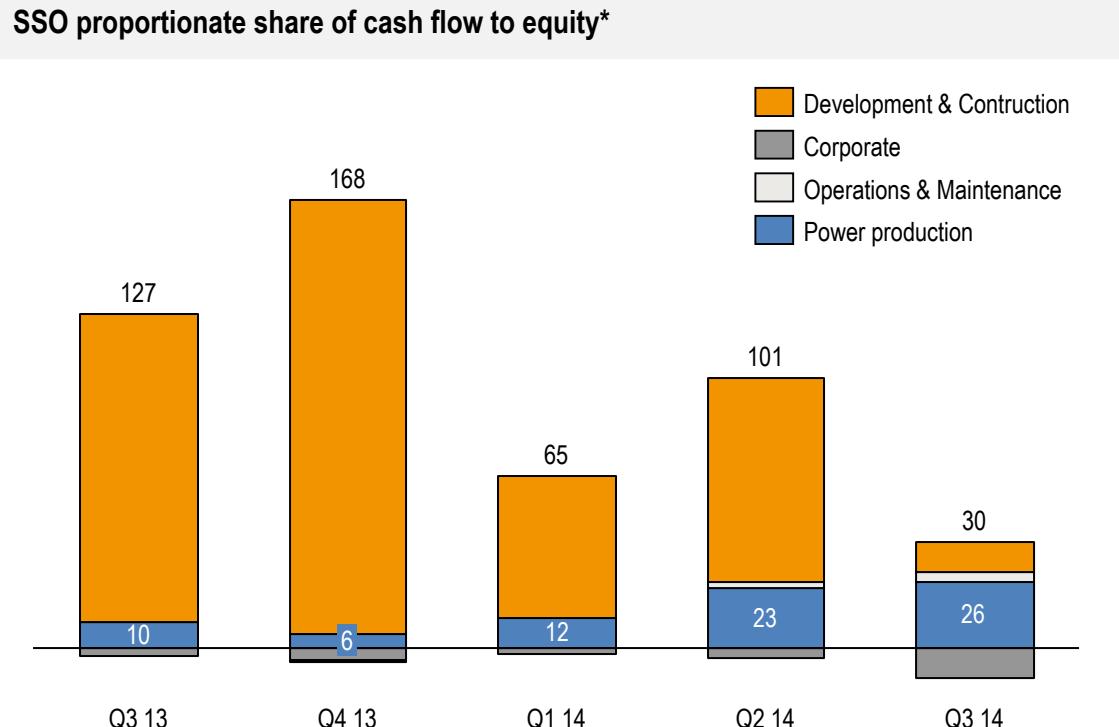
Segment financials and cash flow

Q3 - NOK million	Power Prod.	O&M	D&C	Corporate	Elim.	Consolidated
Total revenues	129.0	9.3	128.7	2.5	-139.2	130.2
Cost of sales	0.0	0.0	-90.7	0.0	89.3	-1.4
Gross profit	129.0	9.3	38.0	2.5	-49.9	128.8
Operating expenses	-15.4	-4.7	-22.2	-18.0	10.2	-50.0
EBITDA	113.5	4.6	15.8	-15.5	-39.7	78.8
D&A and impairment	-33.8	-0.3	-3.4	-0.1	10.1	-27.4
EBIT	79.8	4.3	12.4	-15.5	-29.6	51.4
						Total
Total cash flow to equity*:	50.2	3.4	11.6	-11.3		53.9
Scatec Solar share of CF to equity	25.9	3.4	11.6	-11.3		29.6

- Consolidated revenues and gross profit mainly represents value creation in Power Production segment
- O&M, D&C and Corporate revenues are internal to the group and hence eliminated
- Cash are still generated to Scatec Solar in all segments

Solid cash flow generation

- Strong cash flow generation from D&C in South Africa over the past couple of years
- Continued growth in cash flow from Power Production
- D&C cash flow set to increase with the start of construction of the new power plants

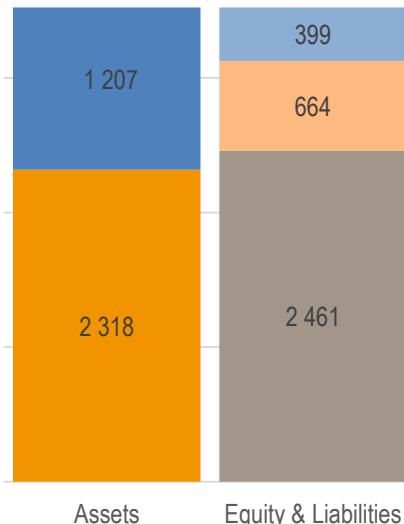


Financial position

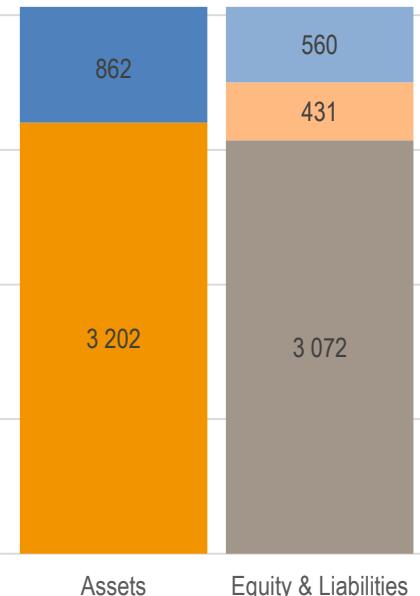
- Cash position of NOK 666 million of which NOK 111 million free cash, before IPO proceeds
- All non-current interest bearing liabilities is non-recourse project financing
- Eliminated D&C margin reduces asset values in the balance sheet - leads to;
 - Lower book equity value
 - Reduced depreciation over time

Financial positon (NOKm)

As of 31.12.2013



As of 30.09.2014



■ Non-current liabilities ■ Current liabilities ■ Equity ■ Non-current assets ■ Current assets

Summary

- Continued strong growth in revenues and margins
- Steady increase in cash flow from Power Production and Operation & Maintenance
- D&C cash flow set to increase again with execution of the backlog
- Solid financial position – NOK 500 million of IPO proceeds available to fund further growth



Outlook

Outlook

Key priorities

- Maintain solid performance at existing 220 MW of solar power plants
- Target Q4 production of 120,000 MWh, up from 74,000 MWh in Q3'14
- Secure financial close and execution of the 214 MW backlog projects – all to be in operation by end of 2015
- Continue to grow the backlog

	Capacity	Total investment (USDm)	Gross annual revenues (USDm)	SSO ownership
Oryx, Jordan	10 MW	34	4	70%
EJRE/GLAE, Jordan	33 MW	100	13	40%*
Red Hills, USA	104 MW	180	14	100%
Hawaii, USA	8 MW	34	3	49%
Honduras	59 MW	120	20	40%
Total	214 MW	468	54	

Thank you

Our values

- Predictable
- Driving results
- Change makers
- Working together

Consolidated profit & loss

(NOK million)	Q3 14	Q2 14	Q3 13	9M 14	9M 13
Total revenues	130.2	92.7	31.1	279.9	76.6
Gross profit	128.8	91.5	31.0	276.9	64.3
EBITDA	78.8	52.0	-0.6	159.9	-23.4
Depreciation, amortization and impairment	-27.4	-16.7	-23.0	-63.2	-35.7
Operating profit	51.4	35.3	-23.6	96.7	-59.1
Interest, other financial income	8.3	8.3	11.3	40.2	121.7
Interest, other financial expenses	-65.3	-36.1	-19.5	-158.6	-42.5
Foreign exchange gain/(loss)	18.4	23.8	-1.2	75.2	0.6
Net financial expenses	-38.5	-3.9	-9.4	-43.2	79.8
Profit before income tax	12.9	31.3	-33.0	53.5	20.7
Income tax (expense)/benefit	-5.4	-4.9	3.1	-9.8	-25.3
Profit/(loss) for the period	7.4	26.4	-29.9	43.7	-4.6
Profit/(loss) attributable to:					
Equity holders of the parent	-5.4	8.2	-19.3	-6.9	-37.9
Non-controlling interests	12.8	18.3	-10.5	50.6	33.3
Basic and diluted EPS (NOK)	-0.08	0.13	-0.30	-0.11	-0.58

Consolidated cash flow statement

(NOK million)	Q3 14	Q3 13	9M 14	9M 13	FY 2013
Net cash flow from operations	-258.4	-90.3	-137.6	106.3	301.1
Net cash flow from investments	-122.6	-354.0	-777.6	-877.2	-1,306.4
Net cash flow from financing	146.7	501.5	574.2	1,334.0	1,868.3
Net increase/(decrease) in cash and cash equivalents	-234.2	57.2	-340.9	563.1	862.9
Effect of exchange rate changes on cash and cash equivalents	-19.0	17.8	-18.3	-8.7	-10.8
Cash and cash equivalents at beginning of the period	919.3	652.6	1,025.4	173.2	173.2
Cash and cash equivalents at end of the period	666.1	727.6	666.1	727.6	1,025.4

Project companies – financials – year to date 2014

(NOK million)	Czech Republic	Kalkbult	Linde	Dreunberg	ASYV	Other	Total segment	SSO prop. share
SSO shareholding	100%	39%	39%	39%	43%			
Revenues	68.8	175.5	29.6	8.9	1.7	1.2	285.7	154.0
EBITDA	61.3	158.7	28.0	8.6	1.4	-0.4	257.7	137.5
Interest expenses	-14.8	-68.0	-13.3	-6.0	-2.1	-	-104.2	-49.7
Cash flow to equity *	29.0	75.1	12.9	2.5	-0.5	-0.0	119.0	63.8

(NOK million)	Power production						D&C, O&M, Corporate & Eliminations**	Consolidated
	Czech Republic	Kalkbult	Linde	Dreunberg	ASYV			
Net debt	320.9	768.0	471.6	976.5	134.2		-241.7	2,429.4
Project equity	177.9	303.9	168.3	181.6	16.3		-287.6	560.4
Total assets	582.0	1,381.5	765.9	1,299.4	175.7		-141.6	4,063.1
PP&E	484.0	1,136.2	613.0	1,180.9	136.9		-940.1	2,611.1

* Cash flow to equity: is EBITDA less normalised (i.e. average quarterly) loan and interest repayments, less normalised income tax payments.

** The amount of NOK 952.7 million includes development projects that have not yet reached construction phase of NOK 60.2 million.

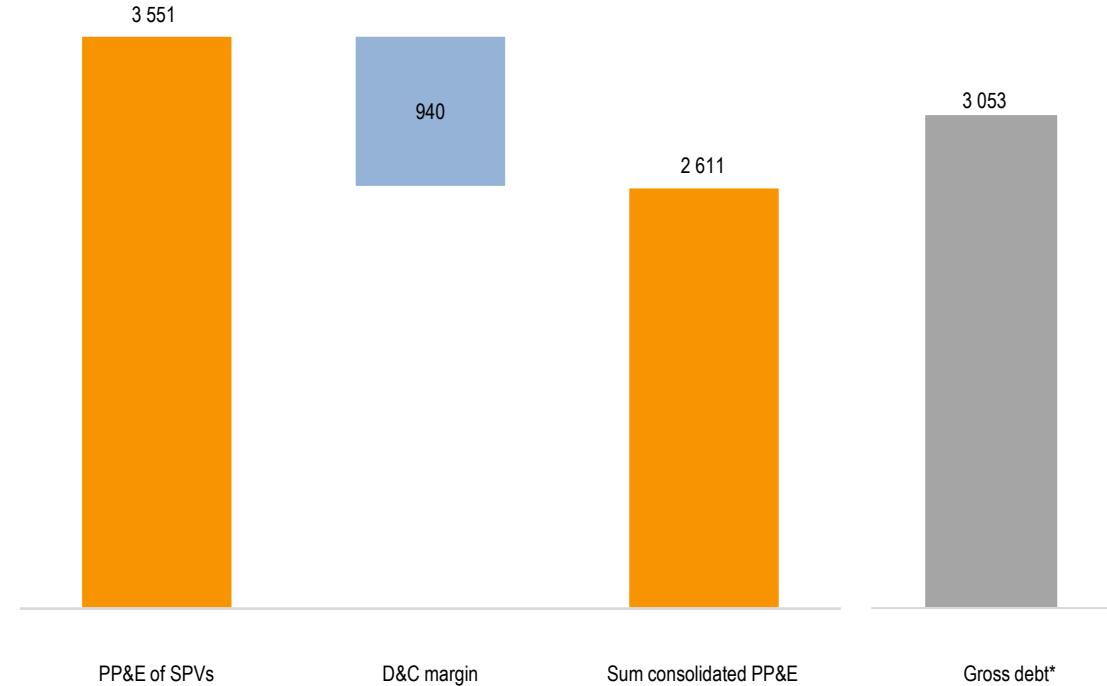
D&C margins reduces consolidated PP&E

- Margins created through D&C of power plants are eliminated in consolidated financial statement
- Elimination booked against PP&E in consolidated financial statements

Leads to:

- A negative effect on consolidated equity short term as corresponding non-recourse finance is included at full value
- Improves consolidated net profit over time through reduced depreciation

Build up of PP&E as per 30.09.2014 – NOKm



* Does not include corporate overdraft facility of NOK 43 million