

eeef highlights

The first quarter of 2017 saw Cardenden Heat and Power (CHAP), a subsidiary of Ore Valley Housing Association (OVHA) install and operate a wind turbine in Fife, Scotland. The Office of Gas and Electricity Markets (ofgem) granted full FiT accreditation for the turbine in March 2017 and since then the turbine has successfully generated and exported electricity to the grid. Additionally, 174 heating systems have been replaced within OVHA homes. We anticipate the final drawdown for the project to be completed in the second quarter of 2017.

To kick-off the eeef TA Facility, the first call for proposal was successfully closed on March 1st, 2017. The recently launched facility attracted interest among various public authorities seeking for support to develop their sustainable project plans. In addition to numerous early-stage TA enquiries, EEEF received 6 TA applications from public authorities. The winning applicants will be

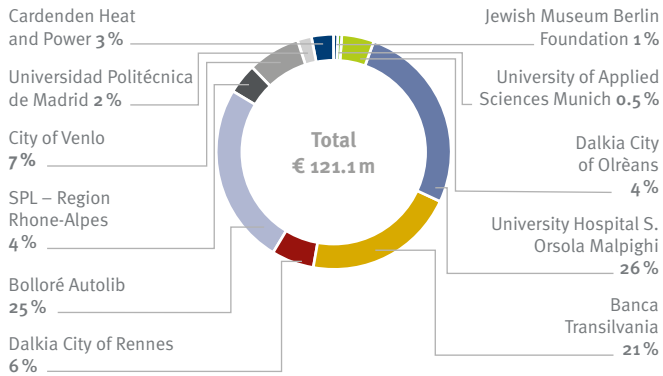
announced shortly. Going forward EEEF is open, without a deadline, for TA project proposals on a first-come-first-serve basis, subject to availability of funding and the Fund's appetite for the proposed concept.

On March 8th the Fund also attended the SEAF (Sustainable Energy Asset Evaluation and Optimisation Framework) Investor Forum in Milan, with the participation of the Investor Confidence Project. The event gave the community of ESCOs and financiers of energy efficiency investments the opportunity to discuss interactively and learn from each other on the status of the energy efficiency market across Europe and where it is going. The Forum also aimed at fostering between investors and contractors future cooperation and joint investments. eeef presented its space of activities and the new TA Facility, raising particular interest on the peculiarity the Fund has of investing alternatively in equity or debt positions.

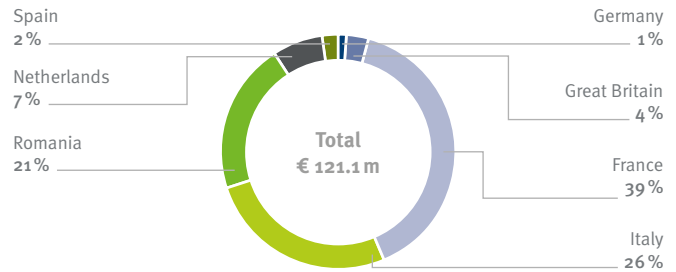
Advancing Sustainable Energy for Europe

Quarterly Fact Sheet as of 31/03/2017

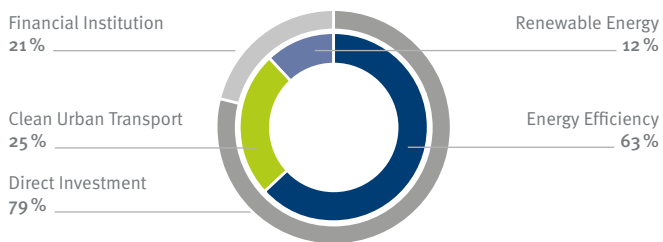
Investments by Partner Institution**



Investments by Country**

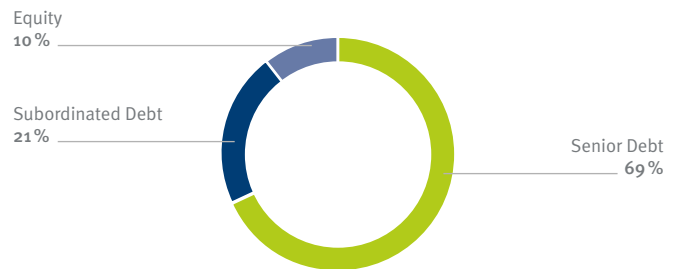


Investments by type of Partner Institution**

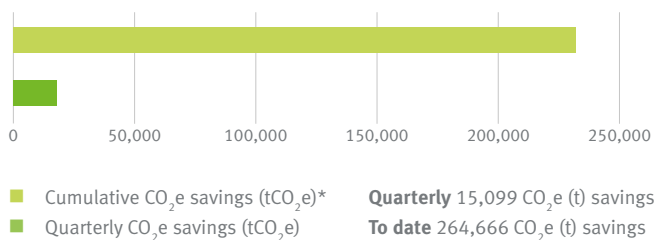


* This amount does not include repayments.
** Based on commitments signed to projects.

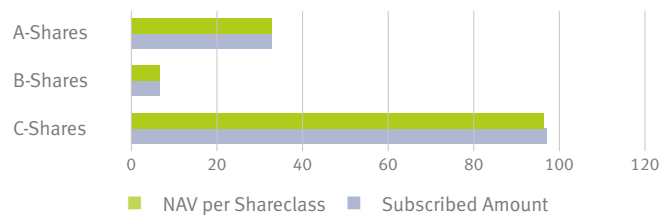
Investments by Financial Instrument



CO₂ savings (in tCO₂e)

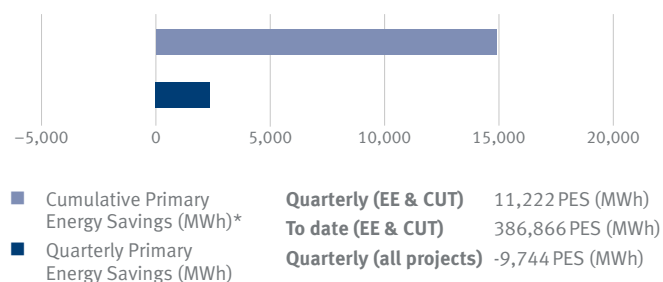


NAV as at 31/03/2017 (in € million)



Provisional values currently under year-end financial audit.

Primary Energy Savings (PES) – Quarterly (all projects) change to Quarterly (EE & CUT only)




* Cumulative data includes calculations from financial close to loan maturity, based on estimations for projects under construction and less than one year of operations and actual data for projects which have been in operation for over one year. Savings are for total project investment volume (i.e. eeef and non-eeef investments). Portfolio Primary Energy Savings CUT & EE (absolute and percentage) is for 100% energy efficiency (EE), clean urban transport (CUT) and additional capacity RE projects only.

EE – energy efficiency.
CUT – Clean urban transport.

eef closed transactions

Existing projects


	Project: Jewish Museum Berlin	Country: Germany Sector: Energy Efficiency Type of Investment: Forfeiting Total project size (€ m): 1.4 eef investment size (€ m): 0.9 Financial close: 20 March 2012 Maturity: 10 years Status: In construction
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General description

Johnson Controls' Energy Service Company (ESCO) and the Jewish Museum Berlin entered into an amended Energy Performance Contract (EPC) for both buildings of the museum with a total EPC volume of € 1.4m. Agreeing on energy efficiency measures comprising of the optimisation of heating, ventilation & air conditioning and an efficient energy management system, the project is expected to achieve a 26% reduction of CO₂ emissions compared to the baseline. It is a lighthouse project because of its innovative financing structure using forfeiting as a funding source.

Recent developments

- Project performance in line with envisaged plan


	Project: University of Applied Sciences Munich	Country: Germany Sector: Energy Efficiency Type of Investment: Forfeiting Total project size (€ m): 1.1 eef investment size (€ m): 0.6 Financial close: 15 November 2012 Maturity: 10 years Status: In operation
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General description

Johnson Controls' ESCO and the University of Applied Sciences Munich (UoM) entered into an energy performance contract (EPC) for both buildings of the UoM's campus in Munich-Pasing with a total EPC volume of € 1.1m. The ESCO and UoM agreed on energy efficiency measures comprising the acquisition of a 49.5 kW combined heat and power (CHP) plant, the optimisation of heating, lighting, metering, building management and pumping. The implementation of all measures achieves an 11.6% reduction of CO₂ emissions compared to the baseline. The ESCO guarantees the UoM certain energy savings p. a. and performs maintenance and building operation services for the 10 year contract period. This project is a role model for further energy efficiency investments in educational facilities such as schools, universities etc.

Recent developments

- Project performance in line with envisaged plan

	Project: City of Orléans	Country: France Sector: Energy Efficiency Type of Investment: Junior Funds Total project size (€ m): 36.0 eef investment size (€ m): 5.1 Financial close: 12 March 2013 Maturity: Perpetual Status: In operation
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General description


The CHP plant with an installed capacity of 7.5 MW in electricity and 17 MW in thermal heat supplies the heat to the City of Orléans and sells the electricity via a Power Purchase Agreement (PPA) to Electricité de France (EDF) at a negotiated tariff fixed over 20 years. The plant is fired by wood biomass (90,000 tonnes p. a.) from a supply radius of less than 100 km. This project is the first equity investment of eef (majority owner of the plant with 84 %). The operation of the CHP plant achieves a reduction of CO₂ emissions by 20,500 tonnes p. a., approx. 89.1% compared to the baseline.

Recent developments


- Project performance in line with envisaged plan

eef closed transactions

Existing projects (continued)


<p>Project: University Hospital S. Orsola Malpighi</p> 	<table> <tr> <td>Country:</td> <td>Italy</td> </tr> <tr> <td>Sector:</td> <td>Energy Efficiency</td> </tr> <tr> <td>Type of Investment:</td> <td>Senior Debt</td> </tr> <tr> <td>Total project size (€ m):</td> <td>41.0</td> </tr> <tr> <td>eef investment size (€ m):</td> <td>32.0</td> </tr> <tr> <td>Financial close:</td> <td>8 May 2013</td> </tr> <tr> <td>Maturity:</td> <td>20 years</td> </tr> <tr> <td>Status:</td> <td>In operation</td> </tr> </table>	Country:	Italy	Sector:	Energy Efficiency	Type of Investment:	Senior Debt	Total project size (€ m):	41.0	eef investment size (€ m):	32.0	Financial close:	8 May 2013	Maturity:	20 years	Status:	In operation
Country:	Italy																
Sector:	Energy Efficiency																
Type of Investment:	Senior Debt																
Total project size (€ m):	41.0																
eef investment size (€ m):	32.0																
Financial close:	8 May 2013																
Maturity:	20 years																
Status:	In operation																
General description																	
<p>The project entity, Progetto ISOM S.p.A., a special purpose vehicle (SPV) which is the counterparty of eef, signed a concession agreement with the University Hospital S. Orsola Malpighi (UHSOM) in Bologna. Planned initiatives are intended to raise the energy efficiency of the entire fluid production and distribution system and reduce energy consumption via adoption of energy efficient equipment such as centrifugal chillers and absorbers, reconstruction of heat distribution networks, renovation of heat exchange substations and inclusion of a tri-generation plant for the combined production of cooling, heat and power (CCHP) sized on the basis of the energy consumption of the hospital facility which is fuelled by methane gas. The project will achieve a reduction of CO₂ emissions by 14,136 tonnes p. a., approx. 31% compared to the baseline. It has been the largest energy efficiency upgrade in Italy under a public-private partnership (PPP) framework so far and is a lighthouse project which demonstrates the positive impact of energy efficiency measures in public healthcare.</p>																	
Recent developments																	
<ul style="list-style-type: none"> • Project performance in line with envisaged plan. 																	

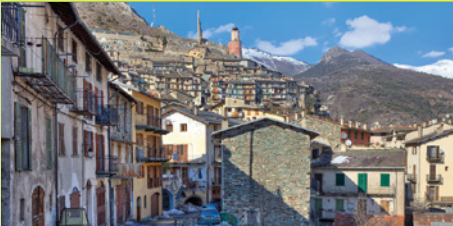
<p>Project: Banca Transilvania</p> 	<table> <tr> <td>Country:</td> <td>Romania</td> </tr> <tr> <td>Sector:</td> <td>Financial Institution</td> </tr> <tr> <td>Type of Investment:</td> <td>Subordinated Debt</td> </tr> <tr> <td>Total project size (€ m):</td> <td>25.0</td> </tr> <tr> <td>eef investment size (€ m):</td> <td>25.0</td> </tr> <tr> <td>Financial close:</td> <td>26 September 2013</td> </tr> <tr> <td>Maturity:</td> <td>10 years</td> </tr> <tr> <td>Status:</td> <td>Investment phase</td> </tr> </table>	Country:	Romania	Sector:	Financial Institution	Type of Investment:	Subordinated Debt	Total project size (€ m):	25.0	eef investment size (€ m):	25.0	Financial close:	26 September 2013	Maturity:	10 years	Status:	Investment phase
Country:	Romania																
Sector:	Financial Institution																
Type of Investment:	Subordinated Debt																
Total project size (€ m):	25.0																
eef investment size (€ m):	25.0																
Financial close:	26 September 2013																
Maturity:	10 years																
Status:	Investment phase																
General description																	
<p>Banca Transilvania (BT), one of the leading banks in Romania, and eef signed a letter of intent regarding green lending to support energy efficiency and renewable energy investments in Romania. It is the first cooperation of the eef with a financial institution and also its first transaction in Eastern Europe. With BT, eef has a strong local partner with experience in financing several energy efficiency projects.</p>																	
Recent developments																	
<ul style="list-style-type: none"> • N/A 																	

<p>Project: City of Rennes</p> 	<table> <tr> <td>Country:</td> <td>France</td> </tr> <tr> <td>Sector:</td> <td>Energy Efficiency</td> </tr> <tr> <td>Type of Investment:</td> <td>Junior Funds</td> </tr> <tr> <td>Total project size (€ m):</td> <td>47.6</td> </tr> <tr> <td>eef investment size (€ m):</td> <td>7.3</td> </tr> <tr> <td>Financial close:</td> <td>12 December 2013</td> </tr> <tr> <td>Maturity:</td> <td>Perpetual</td> </tr> <tr> <td>Status:</td> <td>In operation</td> </tr> </table>	Country:	France	Sector:	Energy Efficiency	Type of Investment:	Junior Funds	Total project size (€ m):	47.6	eef investment size (€ m):	7.3	Financial close:	12 December 2013	Maturity:	Perpetual	Status:	In operation
Country:	France																
Sector:	Energy Efficiency																
Type of Investment:	Junior Funds																
Total project size (€ m):	47.6																
eef investment size (€ m):	7.3																
Financial close:	12 December 2013																
Maturity:	Perpetual																
Status:	In operation																
General description																	
<p>The fund has completed its second equity transaction, investing in Rennes Biomasse Energie, which operates a combined heat and power facility with an electrical output of 9.8 MWe and thermal output of 22 MWth over 20 years. This junior fund investment has been realised through the purchase of 85% of the shares of Rennes Biomasse Energie by eef. Dalkia France is co-investor along with eef and is shareholder of the remaining 15% of Rennes Biomasse Energie. The plant supplies 21,000 households in the city with green heat. The facility is estimated to save 37,063 tonnes of CO₂ per year.</p>																	
Recent developments																	
<ul style="list-style-type: none"> • Project performance in line with envisaged plan 																	

eeef closed transactions

Existing projects (continued)


<p>Project: Bolloré</p> 	<table> <tr> <td>Country:</td> <td>France</td> </tr> <tr> <td>Sector:</td> <td>Clean Urban Transport</td> </tr> <tr> <td>Type of Investment:</td> <td>Senior Debt</td> </tr> <tr> <td>Total project size (€ m):</td> <td>30.0</td> </tr> <tr> <td>eeef investment size (€ m):</td> <td>30.0</td> </tr> <tr> <td>Financial close:</td> <td>23 December 2013</td> </tr> <tr> <td>Maturity:</td> <td>5 years</td> </tr> <tr> <td>Status:</td> <td>In operation</td> </tr> </table>	Country:	France	Sector:	Clean Urban Transport	Type of Investment:	Senior Debt	Total project size (€ m):	30.0	eeef investment size (€ m):	30.0	Financial close:	23 December 2013	Maturity:	5 years	Status:	In operation
Country:	France																
Sector:	Clean Urban Transport																
Type of Investment:	Senior Debt																
Total project size (€ m):	30.0																
eeef investment size (€ m):	30.0																
Financial close:	23 December 2013																
Maturity:	5 years																
Status:	In operation																
General description																	
<p>The French company Bolloré signed a bond subscription agreement for floating rate notes worth € 30m issued by Bolloré and purchased by the eeef with a maturity of 5 years. eeef's investment is used to finance electric cars and required infrastructure used in Bolloré's European electric car rental concession. This transaction is within the framework of a green transportation initiative for the cities of Paris, Lyon and Bordeaux.</p>																	
Recent developments																	
<ul style="list-style-type: none"> • N/A 																	

<p>Project: Société Publique Locale Efficacité énergétique (SPL)</p> 	<table> <tr> <td>Country:</td> <td>France</td> </tr> <tr> <td>Sector:</td> <td>Energy efficiency measures, public buildings upgrades</td> </tr> <tr> <td>Type of Investment:</td> <td>Senior Debt</td> </tr> <tr> <td>Total project size (€ m):</td> <td>approx. 25</td> </tr> <tr> <td>eeef investment size (€ m):</td> <td>5.0</td> </tr> <tr> <td>Financial close:</td> <td>3 April 2014</td> </tr> <tr> <td>Maturity:</td> <td>5 years</td> </tr> <tr> <td>Status:</td> <td>Implementation phase</td> </tr> </table>	Country:	France	Sector:	Energy efficiency measures, public buildings upgrades	Type of Investment:	Senior Debt	Total project size (€ m):	approx. 25	eeef investment size (€ m):	5.0	Financial close:	3 April 2014	Maturity:	5 years	Status:	Implementation phase
Country:	France																
Sector:	Energy efficiency measures, public buildings upgrades																
Type of Investment:	Senior Debt																
Total project size (€ m):	approx. 25																
eeef investment size (€ m):	5.0																
Financial close:	3 April 2014																
Maturity:	5 years																
Status:	Implementation phase																
General description																	
<p>The Société Publique Locale d'Efficacité Énergétique (SPL) signed a mid-term loan agreement for € 5m to finance the refurbishment of public buildings during their construction phase and to pave the way for raising further long term financing. The SPL was initiated by the Région Rhône-Alpes as a private special purpose company under the French Commercial Code, but operating with public capital. It is associated with a number of public authorities in the region and is dedicated to implementing energy-efficient refurbishment projects of public buildings (high schools, schools and gymnasiums), including renewable energy production. By setting an example of upgrading public buildings, while going beyond standard thermal regulations, the SPL is thinking ahead and aims to achieve its long-term objectives of energy savings and greenhouse gas reduction.</p>																	
Recent developments																	
<ul style="list-style-type: none"> • N/A 																	

<p>Project: City of Venlo</p> 	<table> <tr> <td>Country:</td> <td>The Netherlands</td> </tr> <tr> <td>Sector:</td> <td>Energy Efficiency</td> </tr> <tr> <td>Type of Investment:</td> <td>Senior Debt</td> </tr> <tr> <td>Total project size (€ m):</td> <td>9.1</td> </tr> <tr> <td>eeef investment size (€ m):</td> <td>8.5</td> </tr> <tr> <td>Financial close:</td> <td>3 April 2014</td> </tr> <tr> <td>Maturity:</td> <td>15 years</td> </tr> <tr> <td>Status:</td> <td>In operation</td> </tr> </table>	Country:	The Netherlands	Sector:	Energy Efficiency	Type of Investment:	Senior Debt	Total project size (€ m):	9.1	eeef investment size (€ m):	8.5	Financial close:	3 April 2014	Maturity:	15 years	Status:	In operation
Country:	The Netherlands																
Sector:	Energy Efficiency																
Type of Investment:	Senior Debt																
Total project size (€ m):	9.1																
eeef investment size (€ m):	8.5																
Financial close:	3 April 2014																
Maturity:	15 years																
Status:	In operation																
General description																	
<p>The City of Venlo signed a long-term financing contract for € 8.5m to finance street lighting upgrades with the objective of equipping a minimum of 16,000 lighting points with LED lights (73% of the total lighting points of the city) and achieving more than 40% energy savings. The existing public lighting is the largest consumer of electricity with approximately 36% of total consumption of the municipality. The large-scale street lighting upgrade is a further sign of the city's commitment towards environmental sustainability including, among other things, being one of the first cities in the world to support the principle of 'Cradle to Cradle' (C2C), a framework for using sustainable energy resources only, phasing out conventional energy sources.</p>																	
Recent developments																	
<ul style="list-style-type: none"> • Project performance in line with envisaged plan 																	

eeef closed transactions

Existing projects (continued)

<p>Project: Universidad Politécnica de Madrid</p> 	<p>Country: Spain Sector: Energy Efficiency Type of Investment: Forfeiting Total project size (€ m): 2.5 eeef investment size (€ m): 2.5 Financial close: 18 November 2015 Maturity: 9 years Status: In operation</p>
General description	
<p>eeef provided financing for the replacement of existing oil boilers providing hot water and heating to the Universidad Politécnica de Madrid (“UPM”). The retrofit of new gas boilers, thermal valves and thermal PV solutions will be completed in 32 buildings of the UPM. The project will realise 27 % of Primary Energy Savings and 45 % CO₂e savings annually compared to baseline. The transaction resulted from the public tendering process launched by the UPM earlier this year. Ingeniería y Servicios de Eficiencia Energética S.L. (“Enertika”) was awarded with the nine year mandate, and the Energy Management Contract (“EMC”) was signed on the 4th of September 2015. The EMC will consist of measures to provide and install the technology required to upgrade existing infrastructure and perform operation and maintenance services as required to ensure optimal performance of the new technology.</p>	
Recent developments	
<ul style="list-style-type: none"> • Project performance in line with envisaged plan 	

















<p>Project: Cardenden Heat & Power (CHAP)</p> 	<p>Country: United Kingdom Sector: Energy Efficiency, Renewable Energy Type of Investment: Senior Loan Total project size (€ m): 5.5 eeef investment size (€ m): 4.34 Financial close: 31 October 2016 Maturity: 16 years Status: In operation</p>
General description	
<p>The project involves the replacement of gas boilers in residential buildings owned by Ore Valley Housing Association (OVHA) and small wind farms in the Fife Region in Scotland developed by CHAP. OVHA is a Scottish Housing Association, a registered social landlord with charitable status operating in central Fife, while CHAP is a subsidiary of OVHA. The boilers will be leased to OVHA and the wind plants will benefit of the national Feed in Tariff. The senior debt facility provided by eeef is complemented by junior funds from the Scotland’s Renewable Energy Investment Fund (REIF) and equity from OVHA/CHAP. Overall, the project’s target is to achieve cumulative annual savings of 99% for primary energy and 96% for CO₂e compared to baseline.</p>	
Recent developments	
<ul style="list-style-type: none"> • First disbursement in November 2016. • Implementation of boilers and wind turbine completed in March 2017. 	

Advancing Sustainable Energy for Europe Quarterly Fact Sheet as of 31/03/2017

EC Technical Assistance development

Please note eef was providing grant money under the European Commission TA Facility until 31 March 2014. This facility came to an end using almost € 14.2m of the Facility, by committing the

funds to project development works of 16 public beneficiaries in eight countries.

Public authority	Country	Description of the investment programme	Total size of the investment programme (EURm)	TA volume approved (EUR)	Estimation of CO ₂ reduction (tonnes per annum)	Status	Probability of eef funding	EEEF share (EURm)
 City of Santander	Spain	EE – Public lighting / building retrofit	10.0	452,560	2,464	closed	50%	10
 City of Cordoba	Spain	EE – Public lighting / building retrofit	18.0	754,240	6,824	Q1/2017	0%	other sources of funding
 Cabildo of La Palma	Spain	Public lighting / building retrofit / clean urban transport	8.0	871,940	4,347	H1/2017	30%	7.5
 City of Terrassa	Spain	Public lighting / building retrofit / clean urban transport / PV	18.1	623,467	9,113	H1/2017	90%	11
 City of Marbella	Spain	Public lighting / building retrofit / PV	9.5	456,662	5,459	H1/2017	50%	5
 Région Rhône-Alpes	France	EE – Building retrofit	25.0	1,125,000	1,000	Q4/2016	100%	financing is closed
 Municipality of Ringkøbing-Skjern	Denmark	RE – Biomass	173.3	1,917,500	21,600	terminated	0%	project is not realising
 Ore Valley Housing Association	UK	EE – District heating	4.6	1,728,150	22,400	closed	100%	4.5
 City of Elche	Spain	Public lighting / building retrofit / clean urban transport / PV / Biomass	20.4	782,367	8,983	terminated	0%	project is not realising
 City of Venlo	Netherlands	EE – Public lighting	9.1	425,000	672	Q1/2017	100%	financing is closed
 University of Liège	Belgium	EE – Building retrofit	30.0	1,500,000	3,200	H1/2017	0%	other sources of funding
 Limerick and Clare Education and Training Board	Ireland	Building retrofit / PV / micro wind	16.4	335,835	2,850	terminated	0%	project is not realising
 Groupement de Redéploiement Economique de la province de Liège	Belgium	EE – Building retrofit	40.0	2,000,000	6,030	H1/2017	0%	other sources of funding
 CIMAC (Comunidade Intermunicipal do Alentejo Central)	Portugal	Public lighting / building retrofit / clean urban transport / PV / Biomass	10.8	540,000	6,500	H1/2017	50%	9
 Municipality of Zaanstad	Netherlands	EE – Open and smart energy network	9.3	463,860	4,500	terminated	0%	project is not realising
 Roscommon County Council	Ireland	EE – Biomass district heating	6.6	184,275	333	TA refund	0%	project is not realising
Total:			409.1	14,160,856	106,275			47.0

* based upon materialised project savings

Investors



Disclaimer

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