



Lending for Sustainable Energy

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SEFI Roundtable

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- Founded South Africa 1974
- Dual-listed in Johannesburg and London
 - Market cap : c. €4.5 billion;
 - Assets : €27 billion
 - Assets under management : > €50 billion
- Project Finance teams:
 - Johannesburg, South Africa
 - Sydney, Australia
 - London, UK
- Acquired European Capital 2002

Investec: Renewable Energy Experience



- Equity provider
 - Shareholder in Viridis Clean Energy
- Mezzanine/Subordinated debt provider
 - > €200 million over the last year . . .
 - . . . in projects totalling almost 2,000MW
- Countries
 - Clear tariff and regulatory structures
 - Strong government support
 - UK, France, Germany, Italy, Spain, Portugal, US, Canada
- Technologies: **PROVEN!**

Opportunities and Appetite: 1



- Greenfield developments
 - Product: Equity, mezzanine debt
 - Why?:
 - Equity gap
 - Recycle equity
 - Additional experience
 - Target: small-mid cap developers
 - **Example:** Falck Renewables – Cefn Croes, UK

Opportunities and Appetite: 2



- Portfolio financing
 - Product: Mezzanine debt, “corporate” debt
 - Why?:
 - Increase leverage
 - Release capital
 - Enhance returns
 - Target: Active developers
 - **Example:** IVPC, Italy

Opportunities and Appetite: 3



- Acquisition financing
 - Product: Equity, mezzanine debt
 - Why?:
 - Increase leverage
 - Additional capital
 - Enhance returns
 - Target: Financial investors, energy companies
 - **Example:** Elettra, Italy

Risks and Issues



- Continuing, consistent political support
- Technology - new and evolutionary
- Finance – pushing the envelope
 - Risk allocation
 - Appropriate commercial structures?
 - Complacent due diligence

Conclusion



- New opportunities
- New risks
- BUT, need to maintain basics