

CIP Company Presentation

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Intro to Copenhagen Infrastructure Partners



- **Founded in 2012 by senior executives from the energy industry and PensionDanmark, and owned by five partners with substantial experience in infrastructure investments (80+ years, EUR~30bn worth of transactions & contracts)**
- **CIP leadership instrumental in the industrialization of European offshore wind, and has been involved in 15+ offshore wind farm projects since 2008**
- **CIP staff have been involved in 15 offshore wind farm projects. 40 people specialized in offshore wind**
- **Manages three infrastructure funds, with approx. Euro 3,5Bn (JPY 415Bn)**
- **Investors in the funds include 19 institutional investors from Europe (EIB, PensionDanmark and others)**
- **CIP's activities started out in Europe and has now entered the North American market where we have acquired an offshore wind site in Massachusetts as well as a portfolio of 600MW onshore wind.**
- **CIP expect to enter the offshore market in Asia and are here in Japan to understand the market and if CIP's offshore wind competences and finances can be deployed.**
- **CIP can provide financing of offshore wind and brings specialist offshore wind competences to all phases from development, construction and operation.**
- **Flexible in structuring JV partnerships**

Investors in Copenhagen Infrastructure II



- Final Close 1 July 2015 with EUR ~2,000m in total commitment
- The Limited Partners include some of the largest institutional investors in the European countries

CIP currently involved in two offshore projects; **Veja Mate** and **Beatrice** both under construction. Have invested Euro 1,5Bn (JPY 178Bn) in offshore wind to date and more in the pipeline

Scylla installing the world's largest MP



MP uplifted



Beatrice
Capacity: 664MW
Partners: SSE and CIP
Turbine: Siemens 7MW
Foundations: Jackets
Status: Under Construction

Beatrice

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Veja Mate

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Veja Mate
Capacity: 402 MW
Partners: Highland Group, CIP and Siemens Project Ventures
Turbine: Siemens 6MW
Foundations: Monopiles
Status: Under Construction

Investment Policy

Energy infrastructure

- Investments in mainly **energy related infrastructure** with **predictable** and **attractive cash flows** and **low correlation to the business cycle**:
 - a. Energy production assets (e.g., biomass, onshore & offshore wind, thermal)
 - b. Transmission and distribution assets (e.g. power, gas)
 - c. Other utility supply business assets (e.g. sewage, water, waste)
 - d. Transport and communication assets (primarily regulated businesses)

Early involvement

- Involved in the investments at an **early stage** in order to take on a very active role in structuring and optimizing the project
- Key project decisions are taken in the development phase and therefore important for CIP to be involved early stage

Industrial partnership approach

- **Industrial partnership approach** with focus on creating **long term partnerships** (20+ years)
- **Focus on deals negotiated with industrial partners** on an exclusive basis

De-risking focus

- Significant focus on **de-risking** projects
 - a. Choosing **stable regulatory regimes** (Northwestern Europe and US main geographies, exploring Asia)
 - b. Primarily **regulated or contracted income** (some market exposure can be taken)
 - c. **Diversification** with respect to technology and geography
 - d. **Limited outright construction risk exposure**
 - e. **Limited leverage**

Long term horizon

- **Long term investment horizon** (current funds have 20 year lifetime)
- **Buy-and-hold strategy** (assets are not acquired with a view to make a short term exit)

Evaluation of offshore wind investments – follow a risk based approach

Market risks:

Regulatory	Are the renewable targets in place and a stable subsidy framework
Political risk	Are there political/market risks associated with the project.
Power market	How is the power market working. Is there a route to market (PPA).

Technical and contractual risks:

Grid infrastructure	Is grid available, can it be delivered on time for wind farm. What happens if grid infrastructure is not ready when the wind farm is delivered.
Port Infrastructure	Is a suitable port available, can it be delivered on time for wind farm
Consents	Is the consents process transparent, will there be significant consenting issues which will result in mitigation that increases CAPEX or reduces weather window
Supply Chain and contracting	Is there a supply chain that can deliver the project, can the supply chain be developed. Is the right technology available
Physical characteristics	Is there long term data for the wind resource and are the extreme weather conditions (typhoons). Are the ground conditions suitable both considering water depth, geological conditions and distance to shore and port (O&M and construction)

~1300 Ton Monopile for Veja Mate on a Self-propelled Modular Transporter

