Fourth quarter
2014

Scatec Solar
Improving our future™

About Scatec Solar

Scatec Solar is an integrated independent solar power producer, aiming to make solar power a sustainable and affordable source of energy worldwide. Scatec Solar develops, builds, owns and operates solar power plants, and has an installation track record of close to 400 MW.

The company is growing rapidly, and is delivering power from 220 MW of solar power plants in the Czech Republic, South Africa and Rwanda. Financing has been secured for an additional 207 MW of projects in USA, Honduras and Jordan, all to be realised in 2015.

The company has a global presence with a solid backlog and pipeline of projects under development in Americas, Africa, Middle East and Europe. Scatec Solar is headquartered in Oslo, Norway and listed on the Oslo Stock Exchange under the ticker symbol 'SSO'.

To learn more, visit www.scatecsolar.com

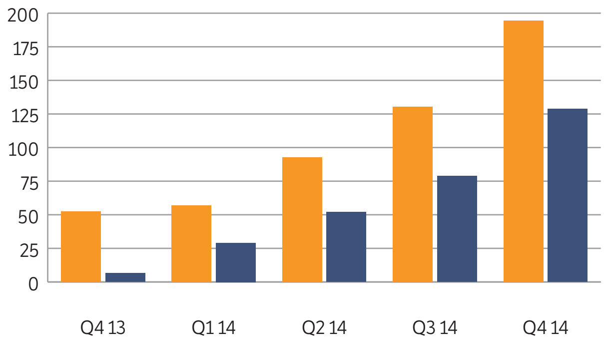
Scatec Solar's positioning in the value chain

	Scatec Solar				
	DEVELOPMENT & CONSTRUCTION			OPERATION & MAINTENANCE	POWER PRODUCTION
PV equipment manufacturing	**Project development**	**Financing**	**Construction**	**Operations**	**IPP**
• Chemical processing & assembly • Rapid technology development • Cost reductions	• Site development • System design • Business case • Permitting • Grid connection • PPA negotiation / tender / FiT secured	• Detailed design & engineering • Component tendering • Debt / Equity structuring • Due Diligence	• Project management • Supplier and construction monitoring • Quality assurance • Funding and cash flow management	• Maximize performance and availability • Maintenance and repair	• Asset management • Financial and operational optimization

Highlights

- Strong growth in Power Production - fourth quarter consolidated revenues of NOK 196 million (55)[1], operating profit of NOK 94 million (-16) and net profit of NOK 5 million (-3)
- Reached full production for Dreunberg (75 MW) at the end of November 2014 with Commercial Operation Date[2] achieved on December 31, 2014 as expected
- Recognised project development revenues for the 104 MW Utah project of NOK 103 million, of which NOK 20 million impacts consolidated revenues
- Scatec Solar's proportionate share of cash flow to equity[2] reached NOK 44 million (160) in the quarter and NOK 240 million (425) for the full year 2014
- Financing secured for 207 MW of solar power plant projects in the US, Honduras and Jordan - all to be completed in 2015

CONSOLIDATED REVENUES AND EBITDA
NOK MILLION



KEY FIGURES

NOK MILLION	Q4 2014	Q3 2014	Q4 2013	FULL YEAR 2014	FULL YEAR 2013
Total revenues and other income	**196.5**	130.2	55.0	476.4	129.0
EBITDA [2]	**133.0**	78.8	6.6	292.9	-16.9
Operating profit (EBIT)	**94.3**	51.4	-15.6	191.0	-74.7
Profit before income tax	**6.1**	12.9	-2.6	59.6	18.1
Profit / (loss) for the period	**4.9**	7.4	-3.0	48.5	-7.6
Profit / (loss) to Scatec Solar	**-11.0**	**-5.4**	**3.2**	**-17.9**	**-34.7**
Profit / (loss) to non-controlling interests	**15.9**	12.8	-6.2	66.4	27.1
Total Assets	**5 011.8**	4 063.1	3 524.5	5 011.8	3 524.5
Equity (%) [3]	**23%**	14%	11%	23%	11%
Net interest bearing debt [2]	**2 400.9**	2 429.1	1 373.2	2 400.9	1 373.2
SSO proportionate share of cash flow to equity [2]:					
Power Production	**22.8**	25.9	-2.1	86.7	10.3
Operation & Maintenance	**3.8**	3.4	-0.5	9.6	0.5
Development & Construction	**31.4**	11.6	167.3	178.5	430.8
Corporate	**-13.8**	-11.3	-4.5	-34.6	-17.0
Total	**44.3**	**29.6**	**160.2**	**240.1**	**424.5**

Consolidated revenues and profits are mainly generated in the Power Production segment. Activities in Operation & Maintenance and Development & Construction mainly reflect deliveries to other companies controlled by Scatec Solar (with from 39% to 100% ownership), for which revenues and profits are eliminated in the Consolidated Financial Statements.

1 Numbers in brackets refer to comparable information for the corresponding period last year.
2 See appendix for definition of this measure.
3 The book value of consolidated assets reflects eliminations of internal margins generated through project development and construction, operation and maintenance, whereas the consolidated debt includes non-recourse debt in project companies at full amount. This reduces the consolidated equity and equity ratio.

Financial review

SEGMENT REVIEW

Scatec Solar is an integrated independent solar power producer; developing, constructing, operating, maintaining and owning solar power plants.

Scatec Solar reports on three operating business segments; Power Production (PP), Operation & Maintenance (O&M), and Development & Construction (D&C), as well as on Corporate and Eliminations.

Revenues and costs related to deliveries of development and construction, and operation and maintenance services to companies deemed to be controlled by Scatec Solar are eliminated in the Consolidated Group Financial Statements. The underlying value creation in each segment is hence reflected only in the segment reporting.

Power Production (PP)

As per the fourth quarter 2014 the PP segment comprised the Kalkbult (75 MW), Linde (40 MW), and Dreunberg (75 MW) plants in South Africa, the ASYV (9 MW) plant in Rwanda, and four plants in the Czech Republic (20 MW). The plants produce electricity for sale under 20-25 year power purchase agreements (PPA) or feed-in tariff (FiT) schemes.

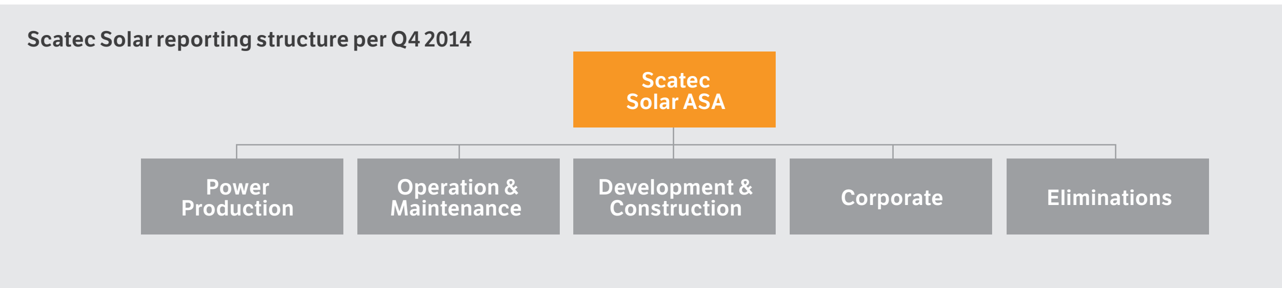
Operation & Maintenance (O&M)

The O&M segment comprises services provided both to solar power plants controlled by Scatec Solar and to third-party owned solar power plants designed and constructed by Scatec Solar. Revenues and profits are typically generated on the basis of fixed service fees with additional profit-sharing arrangements based on plant performance.

Development & Construction (D&C)

The D&C segment comprises development activities in a number of projects globally as well as construction of solar power plants developed by the company. Revenues and profits are recognised based on percentage-of-completion of the construction contracts.

Financing has been secured for 207 MW of power plants and construction has commenced or will commence in the first quarter 2015. The backlog of projects with secured offtake of future power production is currently at 8.5 MW, while the project pipeline consists of several projects with a combined capacity of about 660 MW.



	Power Production	Operation & Maintenance	Development & Construction	Corporate	Eliminations
Main activities	• Ownership and management of power producing assets	• Technical and operational services	• Project development • Engineering and Procurement • Construction management • Quality assurance	• Corporate services • Management • Group finance	• Elimination of revenue and profits from internal transactions
Assets / projects with revenues recognized	South Africa (39%): • Kalkbult, 75 MW • Linde, 40 MW • Dreunberg, 75 MW Rwanda (43%): • ASYV, 9 MW Czech Republic (100%): • Sulkov, 10 MW • Svitavy, 4 MW • Hrusovany, 3 MW • Mramotice, 3 MW	South Africa: • Kalkbult, 75 MW • Linde, 40 MW Czech Republic: • Sulkov, 10 MW • Svitavy, 4 MW • Hrusovany, 3 MW • Mramotice, 3 MW Third-party owned: • 17 MW	South Africa: • Linde, 40 MW • Dreunberg, 75 MW Rwanda: • ASYV, 9 MW USA: • Utah Red Hills, 104 MW Backlog 8.5 MW Pipeline ~ 660 MW		

Segment financials

SEGMENT FINANCIALS Q4 2014

NOK MILLION	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	173.7	1.4	20.4	0.0	0.0	**195.5**
Internal revenues	0.0	8.2	98.3	-0.6	-106.0	**0.0**
Net income/(loss) from associates	0.0	0.0	1.0	0.0	0.0	**1.0**
Total revenues and other income	173.7	9.6	119.6	-0.6	-106.0	**196.5**
Cost of sales	0.0	0.0	-51.9	0.0	49.8	**-2.1**
Gross profit	173.7	9.6	67.7	-0.6	-56.2	**194.4**
Operating expenses	-19.2	-4.5	-27.0	-18.3	7.7	**-61.4**
EBITDA	154.5	5.1	40.7	-18.9	-48.5	**133.0**
Depreciation, amortisation and impairment	-44.5	-0.3	-7.6	-0.1	13.7	**-38.7**
Operating profit (EBIT)	110.0	4.8	33.2	-18.9	-34.7	**94.3**

SEGMENT FINANCIALS FULL YEAR 2014

NOK MILLION	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	448.1	7.0	22.5	0.0	0.0	**477.6**
Internal revenues	11.4	21.6	949.5	6.2	-988.7	**0.0**
Net income/(loss) from associates	0.0	0.0	-1.2	0.0	0.0	**-1.2**
Total revenues and other income	459.5	28.7	970.8	6.2	-988.7	**476.4**
Cost of sales	0.0	0.0	-639.5	0.0	634.4	**-5.1**
Gross profit	459.5	28.7	331.3	6.2	-354.3	**471.3**
Operating expenses	-47.2	-15.8	-89.4	-53.8	27.8	**-178.4**
EBITDA	412.2	12.9	241.9	-47.6	-326.5	**292.9**
Depreciation, amortisation and impairment	-122.9	-1.2	-15.4	-0.4	38.1	**-101.9**
Operating profit (EBIT)	289.3	11.7	226.4	-48.0	-288.4	**191.0**

SEGMENT FINANCIALS Q4 2013

NOK MILLION	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	52.4	2.6	0.0	0.0	0.0	**55.0**
Internal revenues	0.0	1.8	878.5	2.4	-882.7	**0.0**
Net income/(loss) from associates	0.0	0.0	-2.6	0.0	0.0	**-2.6**
Total revenues and other income	52.4	4.4	875.9	2.4	-882.7	**52.4**
Cost of sales	0.0	0.0	-615.6	0.0	615.5	**-0.1**
Gross profit	52.4	4.4	260.3	2.4	-267.1	**52.3**
Operating expenses	-27.6	-5.1	-30.4	-8.6	25.9	**-45.8**
EBITDA	24.7	-0.7	229.9	-6.2	-241.2	**6.6**
Depreciation, amortisation and impairment	-22.7	-0.1	-6.1	0.0	6.7	**-22.1**
Operating profit (EBIT)	2.0	-0.8	223.8	-6.2	-234.5	**-15.6**

SEGMENT FINANCIALS FULL YEAR 2013

NOK MILLION	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	106.0	9.9	16.2	0.0	0.0	**132.2**
Internal revenues	0.0	4.1	1 812.2	8.0	-1 824.3	**0.0**
Net income/(loss) from associates	0.0	0.0	-3.2	0.0	0.0	**-3.2**
Total revenues and other income	106.0	13.9	1 825.2	8.0	-1 824.3	**129.0**
Cost of sales	0.0	0.0	-1 153.5	0.0	1 141.2	**-12.3**
Gross profit	106.0	13.9	671.7	8.0	-683.1	**116.6**
Operating expenses	-40.1	-13.4	-82.5	-31.3	33.8	**-133.5**
EBITDA	65.9	0.5	589.2	-23.3	-649.3	**-16.9**
Depreciation, amortisation and impairment	-45.5	-0.2	-23.4	0.0	11.3	**-57.8**
Operating profit (EBIT)	20.4	0.4	565.8	-23.3	-638.0	**-74.7**

Power Production

Operating revenues in Power Production reached NOK 174 million (52) in the fourth quarter mainly reflecting increased power production.

Power production totalled 113 812 MWh in the quarter, up from 44 686 MWh in the same period last year and up 54% from the previous quarter.

Production increased after the 75 MW Dreunberg plant reached full production at the end of November and a full quarter of production at the 40 MW Linde plant, partly offset by lower production at the Czech portfolio.

All solar plants have performed well with respect to plant availability and efficiency. However, production was affected by lower than seasonally normal irradiation levels (i.e. sun hours).

The 75 MW Dreunberg plant generated "early revenues" until end of 2014. "Early revenues" is based on 60% of the agreed tariff. Full revenues for the Dreunberg plant will be recognised from the Commercial Operation Date (COD[4]), which was achieved as expected on 31 December 2014.

Operating expenses in the segment amounted to NOK 19 million in the fourth quarter. Costs increased with the commencement of the O&M contract for the 40 MW Linde plant with effect from the Taking Over Date (TOD[4]) on 5 September 2014.

The O&M contracts for Dreunberg and ASYV will commence at TOD[4] and will increase operating expenses when effective later in the first quarter 2015.

EBITDA reached NOK 155 million (25) in the fourth quarter, with the EBITDA margin increasing to 89%.

Depreciation and amortisation increased to NOK 45 million (23), due to new plants in operation.

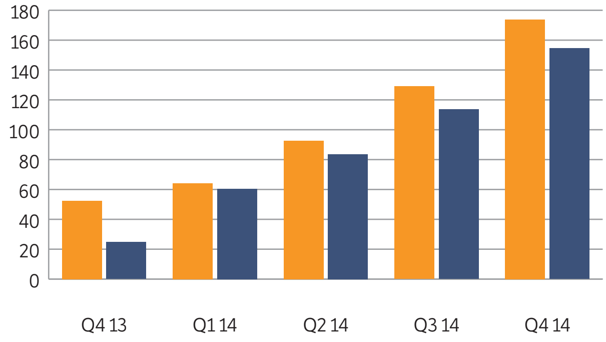
Scatec Solar's proportionate share of revenues and EBITDA in the fourth quarter was NOK 76 million and NOK 64 million respectively.

For the full year 2014, revenues amounted to NOK 459 million (106). EBITDA amounted to NOK 412 million (66) for the year as a whole, and EBIT to NOK 289 million (20). The growth in revenues and EBITDA reflects the start of production at new solar power plants in South Africa and Rwanda.

See separate tables for financials for each individual project company.

POWER RODUCTION
– REVENUES AND EBITDA BY QUARTER

NOK MILLION



POWER PRODUCTION – KEY FIGURES

NOK MILLION	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
External revenues	52.4	54.2	91.2	129.0	173.7
Internal revenues	0.0	9.9	1.5	0.0	0.0
Total revenues and other income	**52.4**	**64.1**	**92.7**	**129.0**	**173.7**
Operating expenses	-27.6	-3.6	-9.0	-15.4	-19.2
EBITDA	**24.7**	**60.5**	**83.6**	**113.6**	**154.5**
D&A and impairment	-22.7	-21.6	-23.1	-33.8	-44.5
EBIT	**2.0**	**39.0**	**60.5**	**79.8**	**110.0**

POWER PRODUCTION – KEY RATIOS (%)

	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
EBITDA margin	47%	94%	90%	88%	89%
EBIT margin	4%	61%	65%	62%	63%

PRODUCTION (MWH)

	MW	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
Czech portfolio	20	2 634	3 701	8 130	7 045	1 810
Kalkbult	75	42 051	38 240	35 341	36 453	40 494
Dreunberg	75				9 610	39 570
Linde	40			867	19 024	28 523
ASYV	8.5				1 604	3 415
MWh produced	219	44 686	41 941	44 338	73 736	113 812
-net to Scatec Solar		19 034	18 997	22 251	33 119	45 627

Scatec Solar directly and/or indirectly owns 100% of the Czech portfolio of solar power plants, 43% of ASYV in Rwanda and 39% of Kalkbult, Linde and Dreunberg in South Africa.

4 Refer to appendix for definition of project milestones.

PROJECT COMPANIES – KEY FINANCIALS Q4 2014

NOK MILLION	CZECH REPUBLIC	KALKBULT	LINDE	DREUNBERG	ASYV	OTHER	ELIM.	TOTAL SEGMENT	SSO PROP. SHARE
Revenues	6.9	74.5	45.7	39.6	6.8	3.9	-3.8	173.7	76.1
OPEX	-2.9	-11.4	-4.7	-1.5	-0.4	-2.0	3.8	-19.2	-12.0
EBITDA	3.9	63.1	41.0	38.1	6.4	-1.9	-	154.5	64.1
EBITDA margin	57%	85%	90%	96%	94%	49%	-	89%	84%
Net Interest expenses [5]	-4.8	-36.6	-16.6	-16.0	-2.4	-	-	-76.4	-32.9
Cash flow to equity [5]	-3.6	21.1	20.1	18.9	3.6	1.5	-	61.6	22.8
SSO shareholding	100%	39%	39%	39%	43%	-	-	-	-

PROJECT COMPANIES – KEY FINANCIALS FY 2014

NOK MILLION	CZECH REPUBLIC	KALKBULT	LINDE	DREUNBERG	ASYV	OTHER	ELIM.	TOTAL SEGMENT	SSO PROP. SHARE
Revenues	75.7	250.0	75.3	48.6	8.4	5.2	-3.8	459.5	230.0
OPEX	-10.4	-28.1	-6.3	-1.8	-0.7	-3.6	3.8	-47.3	-28.5
EBITDA	65.3	221.9	69.0	46.7	7.8	1.5	-	412.2	201.5
EBITDA margin	86%	89%	92%	96%	92%	29%	-	90%	88%
Interest expenses	-19.6	-104.6	-29.9	-22.0	-4.5	-	-	-180.6	-82.6
Cash flow to equity [5]	25.4	96.2	33.0	21.4	3.0	1.5	-	180.6	86.7
SSO Shareholding	100%	39%	39%	39%	43%				

PROJECT COMPANIES – FINANCIAL POSITION AND WORKING CAPITAL BREAK-DOWN

	POWER PRODUCTION							
NOK MILLION	CZECH REPUBLIC	KALKBULT	LINDE	DREUNBERG	ASYV	UTAH	D&C, O&M, CORPORATE & ELIMINATIONS [6]	CONSOLIDATED
Project equity [5]	186.2	422.8	196.3	344.2	20.1	50.5	-42.1	**1 176.6**
Total assets	577.8	1 544.1	868.3	1 636.4	200.8	198.9	-28.9	**5 011.8**
PP&E [6]	538.8	1 266.4	690.3	1 339.5	154.4	181.5	-1 136.0	**3 049.2**
Cash [7]	39.0	217.9	96.2	178.1	33.2	5.6	478.7	**1 049.1**
Gross debt	398.2	1 056.6	607.9	1 183.2	157.6	46.5	-	**3 450.0**
Net debt	359.2	838.7	511.7	1 005.1	116.7	40.8	-478.7	**2 400.9**
Net working capital [8]	-9.1	23.9	36.5	19.5	-4.7	-31.6	-98.3	**-48.2**

5 Refer to appendix for definition of this measure.

6 The amount of NOK 1 136 million includes capitalised development spending on projects that have not yet reached construction phase of NOK 50.7 million.

7 Cash in project companies includes cash in proceeds accounts, debt service reserve accounts and cash available for redistribution to project company shareholders. Cash in D&C, O&M and Corporate include NOK 115.5 million of restricted cash related to restricted deposits for withholding tax, guarantees, VAT and rent as well as collateralised shareholders financing of NOK 26.6 million.

8 Net working capital includes trade and other receivables, other current assets, trade and other payables, income tax payable, other current liabilities and intercompany receivables and payables.

Operation & Maintenance

Revenues in the Operation & Maintenance segment reached NOK 10 million (4) in the fourth quarter.

O&M services to Scatec Solar's power plants are in a start-up phase. The organisation is in place to serve all solar power plants, while in the fourth quarter revenues were recognised for 152 MW of 237 MW as the O&M contracts for Dreunberg and ASYV will commence at TOD, which is expected later in the first quarter 2015.

Compared with the third quarter, O&M revenues increased by NOK 0.3 million mainly reflecting the O&M contract for Linde (effective early September 2014).

Operating expenses amounted to NOK 5 million (5).

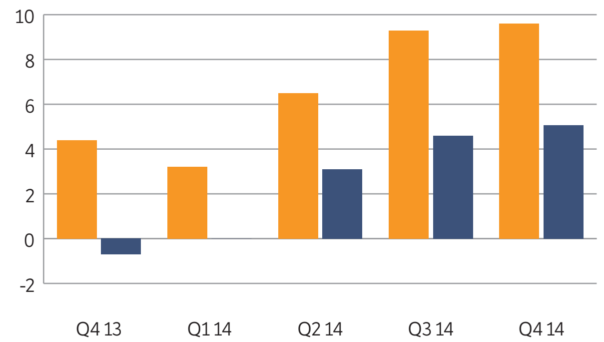
The EBITDA increased to NOK 5 million (-1) in the fourth quarter, corresponding to an EBITDA-margin of 53% (-16%).

Depreciation and amortisation in the quarter amounted to NOK 0.3 million (0.1), and EBIT was NOK 5 million (-1).

For the full year, revenues increased to NOK 29 million (14), while operating expenses increased to NOK 16 million (13). EBITDA amounted to NOK 13 million (1) for the full year, and EBIT to NOK 12 million (0).

O&M contracts for third parties are considered non-core for Scatec Solar and some of these contracts have been terminated over the last few quarters. At the end of the fourth quarter, the company had O&M contracts of 17 MW of third-party owned power plants.

OPERATION & MAINTENANCE – REVENUES AND EBITDA BY QUARTER



OPERATION & MAINTENANCE – KEY FIGURES

NOK MILLION	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
External revenues	2.6	2.5	1.6	1.6	1.4
Internal revenues	1.8	0.7	5.0	7.7	8.2
Total revenues and other income	**4.4**	**3.2**	**6.5**	**9.3**	**9.6**
Operating expenses	-5.1	-3.1	-3.4	-4.6	-4.5
EBITDA	**-0.7**	**0.0**	**3.1**	**4.6**	**5.1**
D&A and impairment	-0.1	-0.3	-0.3	-0.3	-0.3
EBIT	**-0.8**	**-0.2**	**2.8**	**4.3**	**4.8**

OPERATION & MAINTENANCE – KEY RATIOS (%)

	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
EBITDA margin	-16%	0%	47%	50%	53%
EBIT margin	-18%	-7%	43%	47%	50%

PORTFOLIO OVERVIEW – MW AT END OF PERIOD

	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
Portfolio (MW)	71	71	146	167	152
Of which third-party	51	51	51	32	17

O&M-contracts are included at Taking Over Date (TOD).
Refer to appendix for definition of project milestones.

Development & Construction

Revenues in the Development & Construction (D&C) segment amounted to NOK 120 million (876) in the fourth quarter.

During the quarter, financial close was reached for the 104 MW Utah Red Hills project. Scatec Solar has developed the project as well as structured the project's financing, which includes tax equity, debt financing and sponsor equity. At financial close all rights and permits were transferred to the project company which will own and operate the solar power plant, and this generated total development revenues of NOK 103 million for the D&C segment. Land rights were transferred to a third party who will own the land and lease it back to the project company. Hence, NOK 20 million of the NOK 103 million of total development revenue is external to the SSO Group.

Minor construction activities on the Linde and Dreunberg plants in South Africa added NOK 14 million to the fourth quarter revenues.

Construction revenues are recognised on a percentage-of-completion (PoC) basis, and defined as cost incurred over total expected cost. At the end of the fourth quarter PoC for Linde was 100%, for Dreunberg 98% and for ASYV 99%.

Cost of sales related to both project execution and project development amounted to NOK 52 million (616) in the fourth quarter, generating a gross margin of 57% (30%).

Operating expenses were NOK 27 million (30) in the fourth quarter. Operating expenses related to construction was NOK 5 million while operating expenses for early stage project development was NOK 12 million. Included in operating expenses is a write-down of NOK 8 million related to a former external sale of a development project.

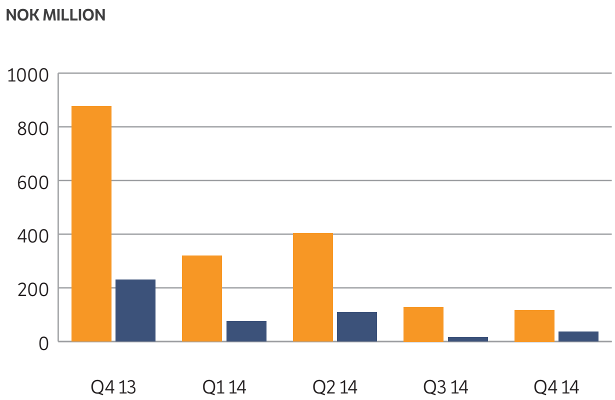
The introduction of the utility moratorium on renewable energy in Japan has halted progress on projects in Scatec Solar's pipeline in the country. It is highly uncertain when and how the Japanese government will move forward with utility scale solar. This has led to a decision for Scatec Solar to discontinue further project development activities in Japan and the Group recognised a restructuring provision of NOK 2 million in the fourth quarter.

EBITDA declined to NOK 41 million (230) in the fourth quarter. Depreciation, amortisation and impairment amounted to NOK 8 million (6), and EBIT was NOK 33 million (224). This includes impairment losses of NOK 7 million (6) related to development projects in Japan.

For the full year, revenues amounted to NOK 971 million (1 825), with a gross margin of 34% (37%). Operating expenses increased to NOK 89 million (83). EBITDA was NOK 242 million (589) and EBIT NOK 226 million (566).

Revenue and profit development going forward will depend on timing for commencement and pace of execution of the project backlog and pipeline. See also, the 'Outlook' section.

DEVELOPMENT & CONSTRUCTION – REVENUES AND EBITDA BY QUARTER



DEVELOPMENT & CONSTRUCTION – KEY FIGURES

NOK MILLION	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
External revenues	0.0	0.4	0.1	1.6	**20.4**
Internal revenues	878.5	319.6	402.6	129.0	**98.3**
Net income associated	-2.6	-0.1	-0.1	-1.9	**1.0**
Total revenue and other income	**875.9**	**319.9**	**402.6**	**128.7**	**119.6**
Cost of sales	-615.6	-230.4	-266.5	-90.7	**-51.9**
Gross profit	260.3	89.5	136.1	38.0	**67.7**
Operating expenses	-30.4	-13.6	-26.6	-22.2	**-27.0**
EBITDA	**229.9**	**75.8**	**109.4**	**15.8**	**40.7**
D&A and impairment.	-6.1	-3.4	-1.1	-3.4	**-7.6**
EBIT	**223.8**	**72.4**	**108.3**	**12.4**	**33.2**

KEY RATIOS (%)

	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
Gross margin	30%	28%	34%	30%	**57%**
EBITDA margin	26%	24%	27%	12%	**34%**
EBIT margin	26%	23%	27%	10%	**28%**

CONSTRUCTION PROJECTS – MILESTONES[10]

	CAPACITY	Q4'14	Q1'15	Q2'15	2H'15	1H'16
Dreunberg	75 MW	COD	TOD			
ASYV	9 MW		TOD			
Red Hills, Utah	104 MW					SOP
Agua Fria	60 MW				SOP	
Oryx	10 MW				SOP	
EJRE	11 MW				SOP	
GLAE	22 MW				SOP	

10 See "Definitions" for definition of project milestone.

Corporate & Eliminations

Corporate activities includes corporate services, management and group finance. The segment reported an operating loss of NOK -19 million (-6) in the fourth quarter 2014.

CORPORATE – KEY FIGURES

NOK MILLION	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
Total revenues	2.4	1.2	3.1	2.5	**-0.6**
Operating expenses	-8.6	-9.0	-8.5	-18.0	**-18.3**
D&A and impairment	0.0	0.0	-0.3	0.1	**0.1**
EBIT	-6.2	-7.8	-5.7	-15.5	**-18.9**

Corporate expensed NOK 8 million of IPO costs in the fourth quarter 2014. Further, the corporate segment was charged NOK 1 million relating to the share incentive plan, which was introduced in the third quarter 2014, in addition another NOK 3 million of the share incentive plan is charged to the Power Production and Development & Construction segments.

For the full year, the operating loss amounted to NOK -48 million (-23).

ELIMINATIONS – KEY FIGURES

NOK MILLION	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14
Revenues	-882.7	-331.3	-412.2	-139.2	**-106.0**
Cost of sales	615.5	230.0	265.3	89.4	**49.8**
Operating expenses	25.9	1.9	8.0	10.2	**7.7**
EBITDA	-241.2	-99.5	-138.8	-39.7	**-48.5**
D&A	6.7	6.2	8.0	10.1	**13.7**
EBIT	-234.5	-93.3	-130.8	-29.6	**-34.7**

Profits (i.e. revenues and expenses) generated in the D&C segment are eliminated in the consolidated income statement and reduces the consolidated book value of the solar power plants. The profits generated through project development and plant construction is hence improving the consolidated operating profit through lower depreciation charges over the economic life of the solar power plants. In the fourth quarter this effect amounted to NOK 14 million (7), and for the full year NOK 38 million (11).

The internal revenues generated in the Corporate and O&M segments are eliminated in the consolidated income statement with corresponding elimination of operating expenses, amounting to NOK 8 million (4) in the fourth quarter.

CONSOLIDATED INCOME STATEMENT

Revenues

Scatec Solar reported consolidated revenues of NOK 196 million in the fourth quarter 2014, up from NOK 52 million in the same period last year, with the growth reflecting sales of electricity from new solar power plants in South Africa and Rwanda as well as NOK 20 million of revenues from sale of land to a third party as part of the financial close of the 104 MW Utah Red Hills project. Net revenues included NOK 1 million (-3) of income from associated companies in the fourth quarter.

For the full year, revenues amounted to NOK 476 million (129).

Operating expenses

Consolidated operating expenses amounted to NOK 61 million (46) in the fourth quarter. This comprised of approximately NOK 15 million for operation of existing power plants, NOK 14 million for development of new projects, NOK 5 million related to construction of power plants, NOK 11 million of corporate expenses, NOK 10 million of write down of receivables and restructuring provisions and NOK 8 million in non-recurring, special items (IPO costs).

Operating expenses also include NOK 4 million related to share-based payment. See note 10 for information on the plan.

Personnel expenses accounted for NOK 19 million (16) and other operating expenses for NOK 42 million (30).

For the full year, consolidated operating expenses amounted to NOK 178 million (133). The increase in operating expenses primarily reflects commencement of operations of new solar power plants in South Africa and in Rwanda, increased spending on development and construction activities as well as increased capacity and activity at the corporate level. Additionally, the IPO, restructuring of Germany and Japan and the introduction of a retention and share incentive programme represented operating expenses of NOK 31 million in 2014.

Operating profit

Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to NOK 133 million (7) in the fourth quarter, and NOK 293 million (-17) for the full year. The increase primarily reflects commencement of production at the Kalkbult, Linde, Dreunberg and ASYV power plants.

Depreciation, amortisation and impairment amounted to NOK 39 million (22) in the fourth quarter and NOK 102 million (58) for the full year. The increases are mainly explained by commencement of asset depreciation of Kalkbult, Linde, Dreunberg and ASYV and NOK 7 million of impairment of development projects in Japan in fourth quarter 2014. Total impairment losses in 2014 was NOK 14 million (22).

Operating profit (EBIT) was NOK 94 million (-16) in the fourth quarter, and NOK 191 million (-75) for the full year.

Net financial items

Net financial items amounted to NOK -88 million (13) in the fourth quarter, and NOK -131 million (93) for the full year. The increase mainly reflects debt financing of the growing asset base as well as non-cash foreign exchange losses mainly related to intercompany balances.

Financial income amounted to NOK 15 million (8) in the fourth quarter and NOK 55 million (130) for the full year, including interest income on IPO proceeds and collateralised equity commitments for projects under construction. 2013 included gains on mark-to-market revaluations of open EUR and USD forward exchange contracts of NOK 108 million. The foreign exchange contracts are carried at fair value and will fluctuate with changes in the exchange rates throughout the contract period.

Financial expenses amounted to NOK 90 million (59) in the fourth quarter and NOK 249 million (101) for the full year. Interest expenses on the Kalkbult, Linde, Dreunberg, ASYV and Czech plants amounted to NOK 86 million in the fourth quarter.

Foreign exchange losses amounted to NOK -13 million (64) in the fourth quarter. These are mainly non-cash and related to intercompany balances. Full year 2014 gave gains of NOK 62 million (64), primarily reflecting gains on realised forward exchange contracts.

Profit before tax and net profit

Profit before income tax was NOK 6 million (-3) in the fourth quarter and NOK 60 million (18) for the full year.

Income tax expense was NOK 1 million (0) in the fourth quarter and NOK 11 million (26) for the full year. The underlying tax rates in the countries of operation are in the range of 19%-35%. The effective tax rate is primarily influenced by intercompany transactions subject to different statutory tax rates as well as valuation allowances related to tax losses carried forward in France and Japan. Net profit was NOK 5 million (-3) in the fourth quarter and NOK 49 million (-8) for the full year.

A profit of NOK -11 million (3) was attributable to the equity holders of Scatec Solar for the fourth quarter and NOK -18 million (-35) for the full year. A profit of NOK 16 million (-6) was attributable to non-controlling interests in the fourth quarter and NOK 66 million (27) for the full year.

Non-controlling interests (NCI) represent financial investors in the individual solar power plants, and partners in some development projects. The allocation of profits between NCI and Scatec Solar is generally affected by the fact that NCI only have shareholdings in solar power plants, while Scatec Solar also carries the cost of project development and corporate functions.

Impact of foreign currency changes in fourth quarter

During fourth quarter 2014 the NOK depreciated against the Group's main foreign currencies (ZAR, CZK and USD). This positively impacted consolidated revenues by approximately NOK 10 million quarter on quarter. At the same time the currency movements increased operating expenses, deprecations, interest expense and tax, reducing the net impact of the currency movements on net profit in the quarter to approximately NOK 2 million.

The quarter-on-quarter net foreign currency gains/losses was down NOK 31 million, from a gain of NOK 18 million in the third quarter compared to a loss of NOK 12 million in the fourth quarter. These currency effects are to a large extent related to non-cash gains/losses on intercompany balances.

Following the depreciation of the NOK in the fourth quarter, the Group has recognised a foreign currency translation gain in other comprehensive income related to the conversion of the subsidiaries' statements of financial position from the respective functional currencies to the Group's reporting currency.

CONSOLIDATED CASH FLOW

Net cash flow from consolidated operating activities amounted to NOK 48 million in the fourth quarter 2014 (194). Compared to the EBITDA of NOK 133 million, this amount is affected by NOK 68 million of taxes paid in the quarter, short term financing of associated companies and projects under development.

Net negative cash flow from consolidated investing activities was NOK -132 million (-430), driven mainly by property, plant and equipment investments in the Utah, Linde and Dreunberg solar power plants.

Net cash flow from financing activities was NOK 391 million (534), including net proceeds of NOK 485 million from share capital increase. Furthermore NOK 62 million (542) was drawn for non-recourse project financing, while NOK 43 million (0) was repaid on the corporate overdraft facility.

In 2014, net negative cash flow from consolidated operating activities was NOK -96 million (301), while the net negative cash flow from consolidated investing activities was NOK -910 million (-1 306). Net cash flow from consolidated financing activities amounted to NOK 972 million (1 868), including proceeds of NOK 702 million (1 803) from non-recourse project financing.

Refer to note 6 for a detailed cash overview.

SCATEC SOLAR PROPORTIONATE SHARE OF CASH FLOW TO EQUITY

"Scatec Solar proportionate share of cash flow to equity" defined as EBITDA minus interest expenses, normalised debt instalments and tax (i.e. before changes in Net Working Capital), is a non-GAAP measure that seeks to estimate the company's ability to generate funds for equity investments in new solar power plant projects and/or for shareholder dividends over time.

NOK MILLION	Q4 2014	FY 2014	FY 2013
Power production	22.8	86.7	10.3
Operation & Maintenance	3.8	9.6	0.5
Development & Construction	31.4	178.5	430.8
Corporate	-13.8	-34.6	-17.0
Total	**44.3**	**240.1**	**424.5**
SSO project equity investments	-26.2	-35.1	-320.4
Dividends to corporate shareholders	-	-42.2	-

"Scatec Solar proportionate share of cash flow to equity" was NOK 44 million in the fourth quarter and NOK 240 million for 2014.

Scatec Solar invested NOK 26 million in Red Hills, Utah in the fourth quarter. Additionally NOK 9 million was invested in ASYV, Rwanda in the first quarter, leading the total equity investments to NOK 35 million in 2014.

Scatec Solar paid dividends to its shareholders of NOK 42 million in the third quarter.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In the consolidated statement of financial position, the solar power plant assets are valued at the Group's cost reflecting elimination of margins generated through the project development and construction phase. At the same time, the ring-fenced non-recourse debt held in the entities owning the power producing assets is consolidated at full value. These accounting principles reduces consolidated equity ratio.

Total equity was NOK 1 177 million (399) as of 31 December 2014, representing an increase of NOK 616 million during the fourth quarter and an increase of NOK 778 million during the year. The increase is mainly due to net proceeds from the IPO of NOK 485 million and capital increase from non-controlling interests of NOK 223 million. The equity was reduced after the General Meeting's approval of a dividend of NOK 42 million in the second quarter 2014.

The book equity ratio increased to 23.5% from 13.8% at the end of the third quarter and 11.3% at the end of 2013. Adjusted for assets and debt related to the solar power project companies, the equity ratio was approximately 83% at the end of December 2014.

Total assets amounted to NOK 5 012 million (3 524) as of 31 December 2014, which was an increase of NOK 949 million during the fourth quarter and NOK 1 488 million during the year. The increase is mainly related to non-current assets, which reflects investments in the South African and Rwandan projects.

Non-current assets amounted to NOK 3 751 million (2 318) as of 31 December 2014, an increase of NOK 549 million during fourth quarter and NOK 1 433 million during the year. PP&E in project companies accounted for 84% of the year on year increase.

Current assets amounted to NOK 1 261 million (1 207), which was an increase of NOK 400 million during fourth quarter and NOK 54 million during the year – mainly explained by increased cash and cash equivalents.

Cash and cash equivalents was NOK 1 049 million, compared with NOK 666 million at the end of the third quarter and NOK 1 025 million at year-end 2013.

Of the total cash and cash equivalents of NOK 1 049 million, NOK 528 million was cash in project companies that includes restricted cash in proceeds accounts, debt service reserve accounts and cash available for redistribution to project company shareholders. This cash is only available to the Group through distributions as determined by shareholder and non-recourse financing agreements. During the first quarter 2015 the first distribution is expected from the Kalkbult power plant. Other restricted cash amounted to NOK 116 million, of which NOK 27 million was collateralised shareholder financing of project companies not yet distributed; NOK 406 million was free cash.

Financial assets in the balance sheet primarily comprise currency and interest rate derivatives in the South African project companies.

Total liabilities increased to NOK 3 835 million from NOK 3 503 million at the end of the third quarter and NOK 3 126 million at the end of 2013.

Total non-current liabilities amounted to NOK 3 439 million at the end of 2014, compared with NOK 3 071 million at the end of third quarter and NOK 2 462 million at year-end 2013. NOK 3 337 million of this was non-recourse project financing pledged only to the assets and performance of each individual project, compared with NOK 2 975 million at the end of the third quarter and NOK 2 377 million at the end of 2013.

Total current liabilities decreased to NOK 396 million, from NOK 431 million at the end of the third quarter and NOK 664 million at the end of 2013. The decrease mainly reflects settlement of trade payables in the D&C segment.

PLANTS UNDER CONSTRUCTION, PROJECT BACKLOG AND PIPELINE

Scatec Solar has a target to grow its base of producing assets to gross 750 MW by the end of 2016.

Refer to the appendix for a description of the criteria for inclusion of projects to the backlog and pipeline.

Plants Under Construction

In the fourth quarter 2014, financing was secured for projects totalling 207 MW in Jordan, Honduras and the US. Construction of these solar power plants have commenced or will commence in the first quarter 2015. More details on these projects can be found below.

Total gross investment required to realise the 207 MW is estimated at USD 443 million, and Scatec Solar equity investments represent close to USD 60 million.

Oryx, Jordan, 10 MW

The 10 MW Oryx solar power plant in Jordan is a project developed by Scatec Solar and a local developer. A fixed price 20-year PPA was signed with the National Electric Power Company (Nepco) in March 2014.

Total gross investment in the plant is estimated to USD 35 million. The plant is expected to generate 25 000 MWh per year with revenues of about USD 4 million per year.

Scatec Solar will initially own 90% of the project company, with a local developer holding 10%. The local Jordanian utility Kingdom Electricity holds an option to acquire 20% of the power plant at COD.

EJRE/GLAE, Jordan, 33 MW

The 11 MW GLAE and the 22 MW EJRE solar power plants are developed by Greenland Alternative Energy and European Jordanian Renewable Energy respectively. Fixed price 20-year PPAs were signed with the National Electric Power Company (Nepco) in March 2014.

Total gross investments in the plants are estimated to USD 100 million. The plants are expected to generate a combined 78 500 MWh per year with revenues of about USD 13 million per year.

Scatec Solar will own 40% of the project companies (with an option to increase to 50.1%), with Greenland Alternative Energy and European Jordanian Renewable Energy each holding 30% of the projects respectively.

Scatec Solar will provide EPC services for the three projects in Jordan. In addition, Scatec Solar will provide Operations and Maintenance services to the plants.

All three projects in Jordan have secured debt financing from EBRD and Proparco of USD 100 million (debt ratio of 75%).

Red Hills, USA, 104 MW

Scatec Solar has developed and owns 100% of the 104 MW Red Hills solar power project in Utah, USA. The Utah Public Service Commission approved a 20-year PPA with PacifiCorp in March 2014.

The total investment in the plant is estimated at USD 188 million. The plant is expected to generate about 210 000 MWh per year and revenues of about USD 14 million per year.

Financing for the project was closed in December 2014, with a combination of a tax equity investment from Google of approximately USD 84 million and a term loan from Prudential of approximately USD 73 million. The project will be eligible for a US investment tax credit representing 30% of the total investment.

The tax equity structure implies that Scatec Solar's ultimate equity investment, net of the development premium realised in the transaction, will be approximately USD 23 million, or 20% of the shareholder financing in the project. At the same time, Scatec Solar expects to receive more than half of the net cash flow generated by the plant after debt service.

Scatec Solar is not taking role as EPC contractor for this project, but will deliver services related to construction and asset management to the project company.

Agua Fria, Honduras, 60 MW
Scatec Solar has together with Norfund secured participation in a 60 MW project in Honduras. The project has been developed by PEMSA, a local developer. Scatec Solar and Norfund have been invited into the project to complete development, finance and construct the power plant.

The project, which has a PPA with Empresa Nacional de Energía Eléctrica (ENEE), the government owned utility, will generate approximately 110 000 MWh annually with revenues of about USD 20 million per year.

The total gross investment in the project is estimated to USD 120 million. The project will be financed with 70% debt. Scatec Solar will retain a 40% ownership stake in the project, while Norfund will hold a 30% ownership stake and PEMSA the remaining 30%. Export Credit Norway (Eksportkreditt Norge), The Norwegian Export Credit Guarantee Agency (GIEK) and Corporación Interamericana para el Financiamiento de Infraestructura, S.A. (CIFI) will provide the debt financing for the project.

Backlog

Waihonu, USA, 8 MW
The 8 MW Waihonu solar power project in Hawaii, USA is developed and owned jointly by Scatec Solar (49%) and the solar project developer Meridian (51%). Sale of power will be formalised in a PPA with the local utility Hawaiian Electric Company (HECO), based on the Feed in Tariff secured for the projects.

The total gross investment in the plant is expected to be approximately USD 34 million. The plant is expected to generate 12 700 MWh per year with revenues of about USD 3 million per year. Scatec Solar will not take the role as EPC contractor.

Financial close is targeted for the first half of 2015.

Pipeline

Scatec Solar currently has a project pipeline of 15 projects with a gross capacity of about 660 MW. Furthermore, the company has verified feasibility and business cases for an additional 700 MW.

PIPELINE – TARGETED START OF CONSTRUCTION

	CAPACITY (MW)	2015E	2016/17E
MENA	50		50
Americas	250	220	30
Africa ex South Africa	100	50	50
South Africa	258	-	258
Total pipeline	**658**	**270**	**388**

In Egypt (MENA), Scatec Solar has participated and been shortlisted in both the 10x20 MW Kom-Ombo tender program and the 2 GW MERE FiT program. One 50 MW project from the FiT program has been qualified for the pipeline, while there are significant additional opportunities in Egypt.

In Mexico (Americas), Scatec Solar has signed a development agreement with a local project developer. This development agreement includes a 30 MW project in Baja California which has been included in the project pipeline.

The pipeline of 220 MW in the US (Americas) has been stable since the third quarter and the company is continuing its work to secure off-take agreements for projects in Utah and Georgia.

In Africa outside South Africa, the pipeline consists of projects across Namibia, Burkina Faso, Ghana, Mali and the Ivory Coast.

In South Africa, Scatec Solar has submitted three projects of 86 MW each in the fourth award round under the REIPPP (Renewable Independent Power Producer Programme). The preferred bidder's list of the REIPPP is expected to be announced early 2015.

In the UK, Scatec Solar has secured permits for solar power plants totalling 7.5 MW. Based on the relative small size of the portfolio and the narrowing margins for utility scale solar in the UK, Scatec Solar has decided to sell the project rights and discontinue further project development activities in the country. Closing of the sale of project rights is expected shortly.

The introduction of the utility moratorium on renewable energy in Japan has halted progress on projects in Scatec Solar pipeline in the country. It is highly uncertain when and how the Japanese government will move forward with utility scale solar. This has led to a decision for Scatec Solar to discontinue further project development activities in Japan.

See also the 'Outlook'-section.

OUTLOOK

The following targets have been set for Scatec Solar, and is in line with earlier communication:

- Target to own gross 750 MW of power plants by the end of 2016.
- Investments in new solar power plants is expected to yield average equity IRR of 15% nominal after tax. 10% is set as a minimum threshold for new investments.
- Project development & construction (D&C) gross margins is expected to range between 15 and 20%.
- Annual cash flow to SSO equity is expected to be NOK 140-160 million from Power Production and Operation & Maintenance based on the installed capacity of 219 MW and based on current currency exchange rates.

Scatec Solar has not hedged the expected cash distributions from the project companies and the recent depreciation of NOK against the ZAR, CZK and USD, has increased the expected annual cash flow to SSO equity by approximately 10%.

Power Production (PP)

Power Production revenues are expected to increase from the fourth quarter 2014 to the first quarter 2015. The main reason for the growth is that Dreunberg (75 MW) reached COD 31.12.2014 and will now charge 100% of the agreed tariff, up from 60% in the previous quarter.

First quarter power production is expected to remain fairly stable compared to the fourth quarter 2014, with production of approximately 113 000 MWh in the first quarter 2015, as there are no new power plants being commissioned and no significant seasonal effects between these two quarters.

Operation and Maintenance (O&M)

O&M revenues and operating profit are expected to increase somewhat from the fourth quarter 2014 to the first quarter 2015, as the O&M contracts for both the ASYV and Dreunberg plants are expected to take effect from late in the first quarter 2015.

For 2015 Scatec Solar expects annual O&M revenues of NOK 55-60 million based on current O&M contract portfolio.

The majority of the internal O&M contracts include performance bonus provisions, securing the company up to 50% of revenues generated above pre-defined performance levels.

Development & Construction (D&C)

D&C revenues and margins are dependent on timing of commencement and pace of execution of the company's project backlog and pipeline.

Construction activities has commenced for Utah (104 MW) and Honduras (60 MW) and construction is expected to commence for Oryx (10 MW) and ERJE/GLAE (22 MW) later in the first quarter 2015.

Total construction contract value for these projects (excluding Utah) is approximately USD 170 million and the projects are expected to be completed in the second half of 2015. Scatec Solar has outsourced most of the EPC services for the Utah Red Hills project but remains construction manager.

Corporate & Eliminations

Recurring corporate costs are expected to remain fairly stable.

Elimination will continue to reflect D&C and O&M revenues and costs related to internal deliveries to project companies managed and consolidated by Scatec Solar.

SHAREHOLDER MATTERS

On 2 October 2014, the shares of Scatec Solar ASA were listed on the Oslo Stock Exchange under the "SSO" ticker. The offering comprised 36.3 million shares, of which 26.3 million were new shares. Subsequent to the share issue Scatec Solar has 93.8 million shares outstanding.

Gross proceeds from the shares offering was NOK 499 million. After completion of the offering, Scatec Solar had approximately 650 shareholders. A list of the Company's 20 largest shareholders is available on www.scatecsolar.com.

DIVIDEND POLICY

The company's objective is to pay shareholders consistent and growing cash dividends. A share of free cash distributed from the project companies will be used to pay regular cash dividends that are sustainable on a long term basis. As earlier communicated, the company intends to announce its first dividend in the first half year 2015, distributing approximately NOK 25 million. From 2015 the company intends to allocate 50% of free cash received from the project companies to dividends.

There can be no assurances that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the above. In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account legal restrictions, the Group's capital requirements and financial condition, general business conditions, any restrictions that borrowing arrangements or other contractual arrangements may place on the Company's ability to pay dividends and the maintaining of appropriate financial flexibility.

RISK

Scatec Solar has entered into long-term fixed price contracts for the sale of electricity from all its current solar power plants, and the entry into such contracts is a prerequisite for financing and construction of the projects in the backlog and pipeline. All existing electricity sales contracts are entered into with state-owned utilities typically under regulation of various state programs to promote renewable energy. As a consequence, Scatec Solar is to a certain degree subject to political risk in the countries it operates.

The main economic risk going forward relate to operational performance of existing power plants, timely completion of solar plants under construction and progress in the transitioning of projects in backlog through financial close and into construction.

Scatec Solar has established a solid project pipeline, but further growth of the company will depend on a number of factors such as project availability, access to financing, component availability and pricing, price development for alternative sources of energy and the regulatory framework in the relevant markets.

In terms of specific financial risks, Scatec Solar is mainly exposed to currency risk and credit risk and to some extent interest rate risk and liquidity risks. All risks are sought to be mitigated through risk management systems.

For further information refer to the Annual Report 2013.

RELATED PARTIES

Note 19 in the annual report for 2013 provides details of transactions with related parties and the nature of these transactions. Additionally, in 2014 Scatec Solar recognised capital contributions of NOK 223 million from non-controlling interests in project companies. As of 31 December 2014, NOK 104 million of these capital contributions are not yet received and is presented as receivables on related parties in the statement of financial position. No other significant changes occurred in the nature or presentation of related party transactions during 2014.

FORWARD LOOKING STATEMENTS

This condensed interim report contains forward-looking statements based upon various assumptions. These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risk and uncertainties because they relate to events and depend on circumstances that will occur in the future. Although Scatec Solar believes that these assumptions were reasonable when made, the Company cannot assure that the future results, level of activity or performances will meet these expectations.

Condensed interim financial information

Interim consolidated statement of profit or loss

NOK THOUSAND	NOTES	Q4 2014	Q4 2013	FULL YEAR 2014	FULL YEAR 2013
Revenues	2	195 470	54 990	477 609	132 163
Net income/(loss) from associated companies	2	1 010	-2 591	-1 183	-3 191
Total revenues and other income		196 480	52 398	476 426	128 972
Cost of sales	2	-2 115	-51	-5 118	-12 331
Gross profit		194 365	52 347	471 308	116 641
Personnel expenses	2,10	-19 331	-15 667	-69 686	-50 886
Other operating expenses	2,8,11,14	-42 067	-30 104	-108 736	-82 607
Depreciation, amortisation and impairment	2,3	-38 687	-22 135	-101 859	-57 836
Operating profit		94 280	-15 558	190 027	-74 688
Interest and other financial income	4,5	14 633	8 065	54 799	129 755
Interest and other financial expenses	4,5	-89 992	-58 747	-248 557	-101 258
Net foreign exchange gain/(losses)	4,5	-12 842	63 623	62 310	64 242
Net financial expenses		-88 200	12 941	-131 448	92 739
Profit before income tax		6 080	-2 617	59 579	18 052
Income tax (expense)/benefit	7	-1 224	-333	-11 062	-25 603
Profit/(loss) for the period		4 856	-2 950	48 517	-7 551
Profit/(loss) attributable to:					
Equity holders of the parent		-10 993	3 208	-17 923	-34 678
Non-controlling interests		15 849	-6 159	66 440	27 127
		4 856	-2 950	48 517	-7 551
Basic and diluted earnings per share (NOK)	12	-0.12	0.05	-0.25	-0.53
Weighted average no of shares (in thousand)	12	93 816	64 960	72 807	64 960

The interim financial information has not been subject to audit.

Interim consolidated statement of comprehensive income

NOK THOUSAND	Q4 2014	Q4 2013	FULL YEAR 2014	FULL YEAR 2013
Profit/(loss) for the period	4 856	-2 950	48 517	-7 551
Other comprehensive income:				
Items that may subsequently be reclassified to profit or loss				
Net movement of cash flow hedges	-49 606	6 167	-86 997	125 280
Income tax effect	13 884	-1 728	24 359	-35 079
Foreign currency translation differences	66 203	-35 723	117 750	-53 560
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	30 481	-31 283	55 112	36 642
Total comprehensive income for the period, net of tax	35 337	-34 234	103 629	29 091
Attributable to:				
Equity holders of the parent	44 720	-19 391	74 449	-48 029
Non-controlling interests	-9 384	-14 842	29 180	77 120
	35 337	-34 234	103 629	29 091

The interim financial information has not been subject to audit.

Interim consolidated statement of financial position

NOK THOUSAND	NOTES	AS OF 31 DECEMBER 2014	AS OF 31 DECEMBER 2013
ASSETS			
Non-current assets			
Deferred tax assets	7	402 011	313 644
Property, plant and equipment – in solar projects	3	3 049 193	1 857 294
Property, plant and equipment – other	3	13 231	8 715
Goodwill		22 169	20 566
Financial assets	4,5	23 868	79 921
Investments in associated companies		25 841	6 321
Other non-current assets	13	214 401	31 397
Total non-current assets		3 750 715	2 317 859
Current assets			
Trade and other receivables		126 122	25 472
Other current assets		82 897	105 237
Financial assets	4,5	2 946	50 552
Cash and cash equivalents	6	1 049 106	1 025 362
Total current assets		1 261 071	1 206 623
TOTAL ASSETS		5 011 785	3 524 482

The interim financial information has not been subject to audit.

Interim consolidated statement of financial position

NOK THOUSAND	NOTES	AS OF 31 DECEMBER 2014	AS OF 31 DECEMBER 2013
EQUITY AND LIABILITIES			
Equity			
Share capital		2 345	1 624
Share premium		794 142	301 286
Total paid in capital		796 487	302 910
Retained earnings		-207 227	-147 074
Other reserves		40 511	-51 860
Total other equity		-166 716	-198 934
Non-controlling interests		546 811	294 640
Total equity	9,10	1 176 582	398 616
Non-current liabilities			
Deferred tax liabilities	7	82 640	80 894
Non-recourse project financing	4	3 337 265	2 376 968
Financial liabilities	4,5	14 886	-
Other non-current liabilities		4 646	3 608
Total non-current liabilities		3 439 437	2 461 470
Current liabilities			
Trade and other payables		69 947	441 811
Income tax payable	7	41 543	91 881
Non-recourse project financing	4	112 786	21 572
Financial liabilities	4,5	25 773	16 298
Other current liabilities		145 717	92 834
Total current liabilities		395 766	664 396
Total liabilities		3 835 203	3 125 866
TOTAL EQUITY AND LIABILITIES		5 011 785	3 524 482

The interim financial information has not been subject to audit.

Oslo, 10 February 2015

The Board of Directors of Scatec Solar ASA

Interim consolidated statement of changes in equity

				OTHER RESERVES				
NOK THOUSAND	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	FOREIGN CURRENCY TRANSLATION	HEDGING RESERVES	TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY
At 1 January 2013	1 624	301 286	-112 396	-21 044	-17 465	**152 005**	10 517	**162 522**
Profit for the period	-	-	-34 678	-	-	**-34 678**	27 127	**-7 551**
Other comprehensive income	-	-	-	-48 554	35 203	**-13 351**	49 993	**36 642**
Total comprehensive income	-	-	-34 678	-48 554	35 203	**-48 029**	77 120	**29 091**
Dividend to equity holders of the company	-	-	-	-	-	**-**	-800	**-800**
Capital increase from NCI*	-	-	-	-	-	**-**	207 803	**207 803**
At 31 December 2013	1 624	301 286	-147 074	-69 598	17 738	**103 976**	294 640	**398 616**
At 1 January 2014	1 624	301 286	-147 074	-69 598	17 738	**103 976**	294 640	**398 616**
Profit for the period	-	-	-17 923	-	-	**-17 923**	66 440	**48 517**
Other comprehensive income	-	-	-	116 801	-24 429	**92 372**	-37 260	**55 112**
Total comprehensive income	-	-	-17 923	116 801	-24 429	**74 449**	29 180	**103 629**
Share capital increase	721	498 480	-	-	-	**499 201**	-	**499 201**
Transaction cost, net after tax	-	-14 607	-	-	-	**-14 607**	-	**-14 607**
Share-based payment	-	8 982	-	-	-	**8 982**	-	**8 982**
Dividend to equity holders of the company	-	-	-42 230	-	-	**-42 230**	-	**-42 230**
Capital increase from NCI*	-	-	-	-	-	**-**	222 991	**222 991**
At 31 December 2014	2 345	794 142	-207 227	47 203	-6 691	**629 771**	546 811	**1 176 582**

The interim financial information has not been subject to audit.

* Non-controlling interests

Interim consolidated statement of cash flow

NOK THOUSAND	NOTES	Q4 2014	Q4 2013	FULL YEAR 2014	FULL YEAR 2013
Cash flow from operating activities					
Profit before taxes		6 079	-2 618	59 579	18 052
Taxes paid	7	-67 967	-2 324	-100 549	-133 116
Depreciation and impairment	3	38 687	22 135	101 859	57 835
Net income from associated companies		-1 010	2 591	1 183	3 191
Interest and other financial income	4	-14 633	-8 065	-54 799	-90 613
Interest and other financial expenses	4	89 992	58 747	248 557	62 116
Foreign exchange (gain)/loss	4	34 145	-63 623	24 986	-64 242
(Increase)/decrease in trade and other receivables		-41 375	6 000	-100 650	-2 807
(Increase)/decrease in other current assets		22 460	142 354	22 340	-11 610
Increase/(decrease) in trade and other payables		-1 125	-25 331	-371 864	414 411
Increase/(decrease) in current liabilities		20 382	-21 191	83 091	38 921
Increase/(decrease) in financial assets and other changes	13	-37 525	86 103	-10 200	8 942
Net cash flow from operating activities		48 110	194 779	-96 467	301 080
Cash flow from investing activities					
Interest received	4	13 544	3 461	34 012	13 845
Investments in property, plant and equipment	3	-136 946	-432 012	-923 315	-1 313 765
Investments in associated companies		-8 809	-705	-20 489	-6 497
Net cash flow from investing activities		-132 212	-429 256	-909 792	-1 306 417
Cash flow from financing activities					
Proceeds from capital increase non-controlling interests	4	36 316	8 127	105 100	207 804
Proceeds from share capital increase	14	484 595	-	484 595	-
Interest paid	4	-142 397	-11 200	-257 579	-44 798
Proceeds from non-recourse project financing	4	62 430	541 352	701 882	1 803 047
Repayment of non-recourse project financing	4	-6 817	-4 001	-19 780	-16 003
Proceeds of corporate overdraft facility	4	-	-	43 355	-
Repayment of corporate overdraft facility	4	-43 355	-	-43 355	-80 964
Dividends paid to equity holders of the parent company	9	-	-	-42 230	-
Dividends paid to non-controlling interests		-	-	-	-800
Net cash flow from financing activities		390 772	534 280	971 988	1 868 286
Net increase/(decrease in cash and cash equivalents		306 608	299 803	-31 484	862 948
Effect of exchange rate changes on cash and cash equivalents		76 337	-2 080	58 016	-10 795
Cash and cash equivalents at beginning of the period	6	666 098	727 641	1 025 362	173 209
Cash and cash equivalents at end of the period	6	1 049 106	1 025 364	1 049 106	1 025 362

The interim financial information has not been subject to audit.

Notes to the condensed interim consolidated financial statements

Note 1 Organisation and basis for preparation

Corporate information
Scatec Solar ASA is incorporated and domiciled in Norway. The address of its registered office is Karenslyst Allé 49, NO-0279 Oslo, Norway. Scatec Solar was established on 2 February 2007.

Scatec Solar ASA ("the Company"), its subsidiaries and investments in associated companies ("the Group" or "Scatec Solar") is one of the world's leading independent solar power producers. The Company is pursuing an integrated business model across the complete life cycle of utility-scale solar photovoltaic (PV) power plants including project development and design, financing, engineering, procurement, construction management, operation and maintenance, and asset management.

The condensed interim consolidated financial statements were authorised for issue by the Board of Directors on 10 February 2015.

The interim financial information has not been subject to audit.

Basis of preparation
These condensed interim consolidated financial statements are prepared in accordance with recognition, measurement and presentation principles consistent with International Financing Reporting Standards as adopted by the European Union ("IFRS") for interim reporting under International Accounting Standard ("IAS") 34 Interim Financial Reporting. These condensed interim consolidated financial statements are unaudited.

These condensed interim consolidated financial statements are condensed and do not include all of the information and notes required by IFRS for a complete set of consolidated financial statements. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements.

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2013. Standards and interpretations mentioned in note 2 of the Group's annual report 2013 with effective date from financial year 2014, do not have a significant impact on the Group's condensed interim consolidated financial statements.

The functional currency of the companies in the Group is determined based on the nature of the primary economic environment in which each company operates. The functional currency of the parent company Scatec Solar ASA and the presentation currency of the Group is Norwegian kroner (NOK). All amounts are presented in NOK thousands unless otherwise stated.

As a result of rounding adjustments, the figures in some columns may not add up to the total of that column.

Significant estimates and judgements
The preparation of condensed interim consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the condensed interim financial statements:

Consolidation of project company in Rwanda
During first quarter 2014 the construction of the ASYV solar power plant commenced. Throughout the construction phase Scatec Solar has a shareholding of 43% in the project company. One year subsequent to the commercial operation date Scatec Solar's shareholding will increase to 57% as part of a shareholders agreement. However, based on Scatec Solar's ability to direct the relevant activities in the project company, the Group concluded that the project company is under the control of Scatec Solar as defined by IFRS 10. Consequently, the project company is consolidated with a non-controlling interest of 57%.

Estimates and assumptions
The estimates and underlying assumptions are reviewed on an ongoing basis, considering the current and expected future market conditions. Changes in accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Seasonality in operations
Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. The Group's operating results are affected by external factors, such as weather conditions. The power production at the PV solar parks is directly affected by seasonal changes in solar irradiance which is normally at its highest during the summer months. This effect is to a certain degree offset in the consolidated revenues due to the fact that the Group operates PV solar parks on both the northern and southern hemisphere.

Note 2 Operating segments

Operating segments align with internal management reporting to the Group's chief operating decision maker, defined as the Group management team. The operating segments are determined based on differences in the nature of their operations, products and services. Scatec Solar manages its operations in three segments; Power Production (PP), Operation and Maintenance (O&M) and Development and Construction (D&C).

Financing and operation of solar power plants is ring-fenced in project companies with a non-recourse project finance structure - where Scatec Solar contributes with the required equity, either alone or together with co-investors. For companies where Scatec Solar is deemed to have a controlling interest in accordance with IFRS 10, revenues, expenses, assets and liabilities are included on a 100% basis in the condensed interim Financial Statements and presented correspondingly in the Power Production segment reporting.

Power Production

The Power Production segment manages the Group's power producing assets, and derives its revenue from the production and sale of solar generated electricity based on long-term Power Purchase Agreements or Feed-in-Tariffs. Finance and operation of the plants is ring-fenced in project companies with a non-recourse finance structure. This implies that the project debt is only secured and serviced by project assets and the cash flows generated by the project, and that there is no obligation for project equity investors to contribute additional funding in the event of a default. Free cash flows after debt service are distributed from these project companies to Scatec Solar, and any other project equity investors in accordance with the shareholding and the terms of the finance documents.

Operation and Maintenance

The Operation and Maintenance segment delivers services to ensure optimised operations of the Group's solar power producing assets through a complete and comprehensive range of services for technical and operational management. Revenues are based on service agreements with a periodic base fee as well as a potential performance bonus.

Development and Construction

The Development and Construction segment derives its revenue from the sale of development rights and construction services to project companies set up to operate the Group's solar power plants. These transactions are primarily made with companies that are under the control of the Group and hence are being consolidated. Revenues from transfer of development rights are recognised upon the transfer of title. Revenues from construction services are based on fixed price contracts and are accounted for using the percentage of completion method.

Corporate

Corporate consists of the activities of corporate services, management and group finance.

No segments have been aggregated to form these reporting segments. Revenues from transactions between the D&C, O&M and PP segments, where Scatec Solar is deemed to hold a controlling interest, are presented as Internal Revenues in the segment reporting and eliminated in the consolidated statement of profit or loss. These transactions are based on international contract standards and terms negotiated at arm's length with lenders and co-investors in each project company.

The management team assesses the performance of the operating segments based on a measure of gross profit and operating profit. The measurement basis for the segment data follows the accounting policies used in the consolidated financial statement for 2013 as described in Note 2 Summary of significant accounting policies.

Q4 2014

NOK THOUSAND	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	173 720	1 371	20 369	9	-	**195 470**
Internal revenues	-	8 243	98 257	-550	-105 951	**-**
Net income/(loss) from associates	-	-	1 010	-	-	**1 010**
Total revenues and other income	173 720	9 614	119 637	-541	-105 951	**196 480**
Cost of sales	-	-	-51 897	-	49 783	**-2 115**
Gross profit	173 720	9 614	67 740	-541	-56 168	**194 366**
Personnel expenses	-2 584	-1 831	-9 689	-5 228	-	**-19 331**
Other operating expenses	-16 623	-2 709	-17 313	-13 115	7 693	**-42 067**
Depreciation and impairment	-44 475	-313	-7 576	-66	13 741	**-38 687**
Operating profit	110 039	4 762	33 162	-18 949	-34 733	**94 280**

Q4 2013

NOK THOUSAND	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	52 374	2 616	-	-	-	**54 990**
Internal revenues	-	1 767	878 495	2 412	-882 674	**-**
Net income/(loss) from associates	-	-	-2 591	-	-	**-2 591**
Total revenues and other income	52 374	4 383	875 904	2 412	-882 674	**52 398**
Cost of sales	-	-	-615 581	-	615 530	**-51**
Gross profit	52 374	4 383	260 323	2 412	-267 144	**52 347**
Personnel expenses	-1 690	-958	-9 493	-3 526	-	**-15 667**
Other operating expenses	-25 935	-4 108	-20 887	-5 090	25 917	**-30 104**
Depreciation and impairment	-22 711	-67	-6 095	-	6 737	**-22 135**
Operating profit	2 038	-750	223 848	-6 204	-234 490	**-15 558**

Full year 2014

NOK THOUSAND	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	448 064	7 025	22 511	9	-	**477 609**
Internal revenues	11 386	21 630	949 490	6 208	-988 713	**-**
Net income/(loss) from associates	-	-	-1 183	-	-	**-1 183**
Total revenues and other income	459 450	28 654	970 818	6 217	-988 713	**476 426**
Cost of sales	-	-	-639 524	-	634 406	**-5 118**
Gross profit	459 450	28 654	331 294	6 217	-354 307	**471 309**
Personnel expenses	-4 993	-6 590	-37 623	-20 480	-	**-69 686**
Other operating expenses	-42 257	-9 189	-51 798	-33 330	27 838	**-108 736**
Depreciation and impairment	-122 901	-1 180	-15 430	-429	38 081	**-101 859**
Operating profit	289 299	11 695	226 443	-48 022	-288 388	**191 027**

Full year 2013

NOK THOUSAND	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	106 040	9 888	16 235	-	-	**132 163**
Internal revenues	-	4 057	1 812 187	8 040	-1 824 284	**-**
Net income/(loss) from associates	-	-	-3 191	-	-	**-3 191**
Total revenues and other income	106 040	13 945	1 825 232	8 040	-1 824 284	**128 972**
Cost of sales	-	-	-1 153 521	-	1 141 190	**-12 331**
Gross profit	106 040	13 945	671 711	8 040	-683 094	**116 641**
Personnel expenses	-5 309	-2 742	-30 970	-11 865	-	**-50 886**
Other operating expenses	-34 754	-10 634	-51 571	-19 482	33 835	**-82 607**
Depreciation and impairment	-45 538	-161	-23 416	-	11 279	**-57 836**
Operating profit	20 439	408	565 754	-23 308	-637 980	**-74 688**

Note 3 Property, plant and equipment

The Group operates solar power plants in Europe, Africa and North America. During 2014, three solar power plants were under construction (Linde and Dreunberg in South Africa and ASYV in Rwanda). The Linde, ASYV and Dreunberg solar power plants reached COD 30 June, 26 July and 31 December 2014 respectively. The power plants which are in production at period end, are transferred from solar power plants under construction to solar power plants in the table below.

The carrying value of development projects that have not yet reached the construction phase was NOK 50 666 thousand at 31 December 2014 (31 December 2013: NOK 37 335 thousand).

During first quarter 2014, the Group incurred impairment losses of NOK 3 201 thousand. The impairment losses relate to two development projects in South Africa. There were no impairment losses in first quarter 2013. During second quarter 2014 the Group incurred impairment losses of NOK 748 thousand related to the close-down of the German operations, see note 8 for further information. There were no impairment losses in second quarter 2013. During third quarter 2014, the Group incurred impairment losses of NOK 3 009 thousand. The impairment losses relate to a development project in France. During third quarter 2013 the Group decided to abandon a solar power project in Italy and incurred an impairment loss of NOK 16 507 thousand. During fourth quarter 2014, the Group decided to restructure the operations in Japan and incurred an impairment loss of NOK 6 760 thousand on development projects. During fourth quarter 2013 the Group impaired several smaller projects in China, France, Italy, West-Africa and North America totalling NOK 5 773 thousand.

All impairment losses are recognized in the Development & Construction segment.

NOK THOUSAND	SOLAR POWER PLANTS	SOLAR POWER PLANTS UNDER CONSTRUCTION	MACHINERY AND EQUIPMENT	TOTAL
Carrying value at 31 December 2013	1 174 726	682 568	8 715	**1 866 009**
Additions	25 325	977 685	8 096	**1 011 106**
Transfers	1 477 568	-1 477 568	-	**-**
Depreciation	-85 176	-	-2 965	**-88 141**
Impairment losses	-	-12 970	-748	**-13 718**
Effect of foreign exchange currency translation adjustments	278 496	8 539	133	**287 168**
Carrying value at 31 December 2014	2 870 939	178 254	13 231	**3 062 424**
Estimated useful life (years)	20-25	N/A	3-5	

Note 4 Net financial expenses and liabilities

Scatec Solar uses non-recourse financing for constructing and/or acquiring assets, exclusively using as guarantee the assets and cash flows of the special purpose vehicle carrying out the activities financed. Compared to corporate financing, non-recourse financing has certain key advantages, including a clearly defined and limited risk profile. In this respect, the banks recover the financing solely through the cash flows generated by the projects financed. For four of the five companies operating in the Czech Republic, the non-recourse financing agreements include a cross default clause within the Czech group.

The project companies' assets are pledged as security for the non-recourse financing. The maturity date for the loans ranges from 2019 to 2036, with the majority of the facilities maturing from December 2028 to December 2036. NOK 113 million of the Group's total non-recourse debt is due within 12 months and is presented as current in the statement of financial position.

During 2014, the Group drew down approximately NOK 721 million of non-recourse debt as part of the construction of the solar power plants in South Africa, Rwanda and the US. In addition, the Group entered in July 2014 into an overdraft facility of NOK 100 million. As of 31 December the Group has not drawn on this facility.

NOK THOUSAND	Q4 2014	Q4 2013	FULL YEAR 2014	FULL YEAR 2013
Interest income	13 544	7 617	34 013	13 845
Forward exchange contracts	-	-	-	108 387
Other financial income	1 089	448	20 786	7 523
Financial income	14 633	8 065	54 799	129 755
Interest expenses	-86 651	-27 001	-190 802	-44 798
Forward exchange contracts	-755	-24 593	-46 744	-32 297
Other financial expenses	-2 585	-7 153	-11 011	-24 163
Financial expenses	-89 991	-58 747	-248 557	-101 258
Foreign exchange gains/(losses)	-12 842	63 623	62 310	64 242
Net financial expenses	-88 200	12 941	-131 448	92 739

Note 5 Significant fair value measurements

Derivative financial instruments (including interest rate swaps and forward exchange contracts) are valued at fair value on Level 2 of the fair value hierarchy, in which the fair value is calculated by comparing the terms agreed under each derivative contract to the market terms for a similar contract on the valuation date. Note 23 in the annual report for 2013 provides details for each class of financial assets and financial liabilities, and how these assets and liabilities are grouped.

There are no significant changes for the presentation of these categories in the period, and there are no significant differences between total carrying value and fair value at reporting date. The presented table below summarises each class of financial instruments recognised in the condensed consolidated statement of financial position, split by the Group's basis for fair value measurement.

31 December 2014 NOK THOUSAND	NON-CURRENT FINANCIAL INVESTMENTS	DERIVATIVE FINANCIAL INSTRUMENTS (ASSET)	DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITY)	TOTAL FAIR VALUE
Fair value based on prices quoted in an active market (Level 1)	-	-	-	-
Fair value based on price inputs other than quoted prices (Level 2)	-	26 814	-40 659	-13 845
Fair value based on unobservable inputs (Level 3)	3 120			3 120
Total fair value at 31 December 2014	3 120	26 814	-40 659	10 725

31 December 2013 NOK THOUSAND	NON-CURRENT FINANCIAL INVESTMENTS	DERIVATIVE FINANCIAL INSTRUMENTS (ASSET)	DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITY)	TOTAL FAIR VALUE
Fair value based on prices quoted in an active market (Level 1)	-	-	-	-
Fair value based on price inputs other than quoted prices (Level 2)	-	130 427	-16 298	114 174
Fair value based on unobservable inputs (Level 3)	2 529	-	-	2 529
Total fair value at 31 December 2013	2 529	130 427	-16 298	116 703

Note 6 Cash and cash equivalents

NOK THOUSAND	31 DECEMBER 2014	31 DECEMBER 2013
Cash in project companies	527 980	380 935
Other restricted cash	115 540	347 917
Free cash	405 586	296 509
Total cash and cash equivalents	1 049 106	1 025 362

Cash in project companies includes restricted cash in proceeds accounts, debt service reserve accounts, disbursements accounts, maintenance and insurance reserve accounts and similar. These cash and cash equivalents are only available to the Group through distributions as determined by shareholder and non-recourse financing agreements.

Other restricted cash comprises collateralised shareholder financing of project companies not yet distributed to the project companies (NOK 26 579 thousand and NOK 225 532 thousand at 31 December 2014 and 31 December 2013 respectively) as well as restricted deposits for withholding tax, guarantees, VAT and rent.

Reconciliation of movement in free cash

NOK THOUSAND	Q4 2014	Q4 2013	FULL YEAR 2014	FULL YEAR 2013
Free cash at beginning of period	111 327	47 411	296 510	94 452
Net free cash flow from operations outside non-recourse financed companies	326 685	241 401	136 215	499 499
Equity contributions/collateralised for equity commitments in project companies	-26 243	-15 229	-35 090	-320 367
Distributions from project companies	6 183	22 926	20 317	22 926
Free cash at end of the period	405 586	296 509	405 586	296 510

In the second quarter of 2014, Scatec Solar entered into an overdraft facility of NOK 100 million with a tenor of 1 year and a guarantee facility of NOK 150 million with a tenor of 3 years, both with Nordea Bank Norge ASA. Both facilities have a covenant requiring Scatec Solar's equity ratio to be above 30% - where the equity ratio is calculated excluding assets and debt related to non-recourse project company financing. The terms of the facility is NIBOR 7 days plus 2.5% per year. Per 31 December 2014, the Group has not drawn on the facility.

Note 7 Income tax expense

For the fourth quarter and the year ended 31 December 2014, the effective income tax rate was primarily influenced by intercompany transactions subject to different statutory tax rates as well as valuation allowances related to tax losses carried forward in France and Japan. In addition, the year ended 31 December 2014 is affected by refund of withholding tax related to dividends received from a subsidiary in 2012.

For the year ended 31 December 2013, the income tax rate was mainly influenced by valuation allowances, permanent differences, tax in previous years and use of previously unrecognised losses carried forward.

NOK THOUSAND	Q4 2014	Q4 2013	FULL YEAR 2014	FULL YEAR 2013
Profit before income tax	6 080	-2 617	59 579	18 052
Income tax (expense)/benefit	-1 224	-333	-11 062	-25 603
Equivalent to a tax rate of (%)	20.1	-12.7	18.6	141.8

Movement in deferred tax

NOK THOUSAND	Q4 2014	Q4 2013	FULL YEAR 2014	FULL YEAR 2013
Deferred tax at beginning of period	271 131	183 877	232 750	126 990
Recognised in the consolidated statement of profit or loss	6 908	52 643	30 076	144 484
Deferred tax on financial instruments recognised in OCI	13 884	-1 727	24 359	-35 079
Recognised in the consolidated statement of changes in equity	8 646	-	12 851	-
Deferred taxes on witholding taxes	726	-	726	-
Translation differences	18 077	-2 043	18 609	-3 645
Deferred tax at end of period	319 371	232 750	319 371	232 750

Note 8 Restructuring provision

A decision was made in April 2014 to close down the Group's subsidiary located in Regensburg, Germany. The termination of the German activities will occur gradually and is expected to be completed within the fiscal year 2014. A provision of NOK 6 967 thousand related to severance pay, onerous contracts, legal fees and impairments was made in the second quarter. At 31 December the remaining provision is NOK 1 220 thousand, mostly related to onerous contracts.

Following the moratorium which was introduced in Japan, Scatec Solar has deemed it necessary to make changes to the current operations in the country. A restructuring process was initiated in the fourth quarter and a provision of NOK 1 803 thousand has been recognised. Further, impairment losses of NOK 6 760 thousand related to development projects in Japan were expensed during fourth quarter.

Note 9 Dividend

For 2013, the Board of Directors proposed a dividend of NOK 3 per share, totalling NOK 42 230 thousand. Distribution of dividends is resolved by a majority vote of the Annual General Meeting of the shareholders of the Company, and on the basis of a proposal from the Board of Directors. The Annual General Meeting has the power to reduce, but cannot increase the dividend proposed by the Board of Directors. The proposed dividend was approved by the Annual General Meeting 25 April 2014 and paid to the shareholders in July 2014.

Note 10 Retention and share incentive plan

The General Meeting adopted in July 2014 a retention and share incentive plan. Certain key employees were invited to participate in the one-time plan and were awarded the right to subscribe to a specific number of shares at their nominal value. The shares issued are subject to a lock-up period of approximately two years. The plan meets the definition of an equity settled share based payment transaction and is accounted for in accordance with IFRS 2. The total fair value of the plan is NOK 36 304 thousand (including social security tax) and will be expensed over the vesting period. During the fourth quarter 2014 the Group expensed NOK 3 776 thousand as a personnel expense. The corresponding year to date expense is NOK 9 871 thousand.

Note 11 Arbitral verdict

The arbitral proceedings with the insolvency administrator of the assets of a sub-contractor, as further described in note 20 in the annual report, was concluded in July 2014. All claims from the claimant were dismissed by the tribunal and Scatec Solar was awarded a compensation of approximately NOK 975 thousand to cover its expenses.

Note 12 Earnings per share (EPS)

On 13 August 2014, an extraordinary General Meeting was held to convert Scatec Solar AS from a private limited liability company to a public limited liability company. The General Meeting also adopted a share split in the ratio of 1:40 by reducing the nominal value from NOK 1 to NOK 0.025. The earnings per share calculations for prior period financial statements are restated and based on the current number of shares. Further, the issuance of 2 531 new shares in relation to the retention and share incentive plan adopted in July 2014 and the issuance of 26 315 790 new shares in relation to the IPO in October 2014 is considered in the calculation of the weighted average number of shares in the EPS denominator.

Note 13 Non-current receivables on related parties

As of 31 December 2014, Scatec Solar has receivables on non-controlling interests of NOK 104 313 thousand (0). The receivables relates to committed but not paid equity in project companies.

Further included in other non-current receivables are loans provided to the equity consolidated companies SSO GE ltd (UK) of NOK 13 096 thousand (0) and Scatec Energy (US) of NOK 15 664 thousand (11 128).

Note 14 Initial Public Offering (IPO)

On 2 October 2014, the shares of Scatec Solar ASA were listed on the Oslo Stock Exchange under the ticker "SSO". The offering comprised 36.3 million shares, of which 26.3 million new shares. Gross proceeds from the new shares are NOK 499 million. After completion of the offering Scatec Solar had approximately 650 shareholders. A list of the Company's 20 largest shareholders is available on www.scatecsolar.com.

The total transaction costs for the IPO and share issuance amounted to approximately NOK 35 million, of which NOK 15 million is recognised in equity, net after tax.

15. Subsequent events

There were no significant subsequent events at the date of the approval of the fourth quarter interim consolidated financial statements.

Responsibility statement

We confirm to the best of our knowledge, that the condensed interim financial statements for the period 1 January 2014 to 31 December 2014 has been prepared in accordance with IFRS as adopted by EU, and that the information gives a true and fair view of the Group's assets, liabilities, financial position and result for the period. We also confirm that presented information provides a fair overview of important events that have occurred during the period, and their impact on the financial statements, key risk and uncertainty factors that Scatec Solar is facing during the next accounting period.

Oslo, 10 February 2015
The Board of Directors of Scatec Solar ASA

John Andersen Jr.
Chairman

Alf Bjørseth
Board member

Akihiko Nakazono
Board member

Cecilie Amdahl
Board member

Mari Thjømøe
Board member

Raymond Carlsen
CEO

Definitions

Backlog
Project pipeline is defined as projects with a secure off-take agreement assessed to have more than 90% likelihood of reaching financial close and subsequent realisation.

Pipeline
Project pipeline is defined as projects assessed to have more than 50% likelihood of reaching financial close and subsequent realisation.

Definition of project milestones
Financial close (FC): The date on which all conditions precedent for drawdown of debt funding has been achieved and equity funding has been subscribed for, including execution of all project agreements. Notice to proceed for commencement of construction of the solar power plant will normally be given directly thereafter. Projects in Scatec Solar "backlog" are classified as "under construction" upon achievement of financial close.

Start of Production (SOP): The first date on which the solar power plant generates revenues through sale of power under the off-take agreement. Production volumes and/or the price of the power may be lower than when commercial operation date (COD) is reached. This milestone is regulated by the off-take agreement with the power off-taker. This milestone may be reached prior to COD if the construction of a power plant is completed earlier than anticipated in the off-take agreement.

Commercial Operation Date (COD): A scheduled date when certain formal key milestones have be reached, typically including grid compliance, approval of metering systems and technical approval of plant by independent engineers. Production volumes have reached normalised levels sold at the agreed off-taker agreement price. This milestone is regulated by the off-taker agreement with the power off-taker.

Take Over Date (TOD): The date on which the EPC contractor hands over the power plant to the project company. COD must have been reached, in addition to delivery of training and all technical documentation before TOD takes place. The responsibility for Operations & Maintenance (O&M) of the plant is handed over from the EPC contractor to the O&M contractor at the TOD. This milestone will normally occur shortly after the COD date.

Definition of Non-IFRS financial measures
Net interest bearing debt (NIBD): is defined as total interest bearing debt, less cash and cash equivalents

EBITDA: is defined as operating profit adjusted for depreciation, amortisation and impairments.

Adjusted equity ratio: is an approximation to the Group's equity ratio excluding assets, liabilities and equity pertaining to non-recourse financing of the solar power project companies.

SSO prop. share: is defined as the equity holders of the parent company's proportionate share of consolidated revenues, expenses, profits and cash flows.

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

Scatec Solar proportionate share of cash flow to equity: is defined as the Company's proportionate share of EBITDA less normalised (i.e. normalised over each calendar year) loan repayments and interest payments, less normalised income tax payments for Power Production. For D&C, O&M and Corporate it is defined as EBITDA less normalised income tax. The definition implies changes in net working capital and investing activities are excluded from the figure.

Project equity: is defined as equity and shareholder loans.

Net interest expense: is defined as interest income less interest expenses.

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