

First quarter **2015**



Scatec Solar
Improving our future™

Scatec Solar

Scatec Solar is an integrated independent power producer, aiming to make solar a sustainable and affordable source of energy worldwide. Scatec Solar develops, builds, owns and operates solar power plants and delivers power from 219 MW in the Czech Republic, South Africa and Rwanda. The company is in strong growth and has a solid pipeline of projects under development in Africa, Middle East, Americas, Asia and Europe. Scatec Solar is headquartered in Oslo, Norway and listed on the Oslo Stock Exchange under the ticker symbol 'SSO'.

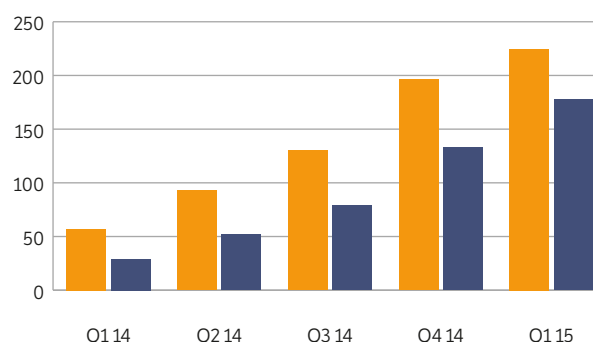
SCATEC SOLAR'S VALUE CHAIN



First quarter highlights

- Revenues of NOK 225 million (57)¹, EBITDA of NOK 178 million (29) and net profit of NOK 47 million (10)
- Awarded three projects totalling 258 MW in the fourth bidding round in South Africa – total backlog at 266 MW
- Scatec Solar's proportionate share of cash flow to equity² reached NOK 42 million driven by continued growth in Power Production
- Development and Construction revenues of NOK 242 million mainly from the Agua Fria (60 MW) and Oryx (10 MW) projects

CONSOLIDATED REVENUES AND EBITDA
NOK MILLION



KEY FIGURES

NOK MILLION	Q1 2015	Q4 2014	Q1 2014	2014
Total revenues and other income	225	196	57	476
EBITDA ²	178	133	29	293
Operating profit (EBIT)	139	94	10	191
Profit before income tax	73	6	9	60
Profit / (loss) for the period	47	5	10	49
Profit / (loss) to Scatec Solar	19	-11	-10	-18
Profit / (loss) to non-controlling interests	28	16	20	66
Total Assets	6,142	5,012	3,897	5,012
Equity (%) ³	21%	23%	13%	23%
Net interest bearing debt ²	2,725	2,401	1,6780	2,401
SSO proportionate share of cash flow to equity ² :				
Power Production	31	23	12	87
Operation & Maintenance	5	4	0	10
Development & Construction	13	31	55	179
Corporate	-7	-14	-2	-35
Total	42	44	65	240

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 reflect 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 gross margins 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 first quarter 2015 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)

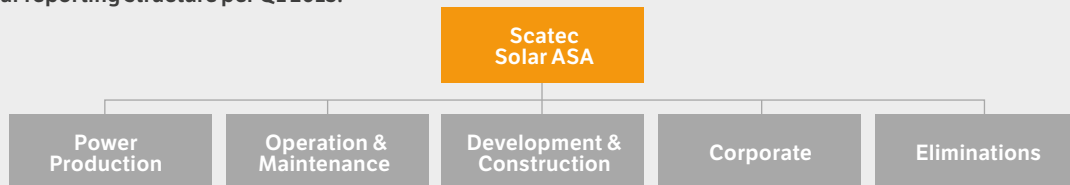
The O&M segment comprises primarily services provided to solar power plants controlled by Scatec Solar. Revenues and profits are typically generated on the basis of fixed service fees with additional profit-sharing arrangements based on plant performance.

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 of these plants have commenced or will commence in the first half of 2015. The backlog of projects with secured offtake of future power production is currently at 266 MW, while the project pipeline consists of several projects with a combined capacity of about 468 MW.

Scatec Solar reporting structure per Q1 2015:



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%): | South Africa: | USA: |
| • Kalkbult, 75 MW | • Linde, 40 MW | • Utah Red Hills, 104 MW |
| • Linde, 40 MW | • Dreunberg, 75 MW | |
| • Dreunberg, 75 MW | | |
| Rwanda (43%): | Rwanda: | Honduras: |
| • ASYV, 9 MW | • ASYV, 9 MW | • Agua Fria, 60 MW |
| Czech Republic (100%): | Czech Republic: | Jordan: |
| • Sulkov, 10 MW | • Sulkov, 10 MW | • Oryx, 10 MW |
| • Svitavy, 4 MW | • Svitavy, 4 MW | |
| • Hrusovany, 3 MW | • Hrusovany, 3 MW | Backlog |
| • Mramotice, 3 MW | • Mramotice, 3 MW | 266 MW |
| | Third-party owned: | Pipeline |
| | • 17 MW | ~ 468 MW |

Segment financials

SEGMENT FINANCIALS Q1 2015

NOK MILLION	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	224.4	0.9	0.1	-	-	225.4
Internal revenues	-	10.1	242.2	1.5	-253.8	0.0
Net income/(loss) from associates	-	-	-0.6	-	-	-0.6
Total revenues and other income	224.4	11.0	241.7	1.5	-253.8	224.8
Cost of sales	-	-	-203.6	-	203.6	-
Gross profit	224.4	11.0	38.1	1.5	-50.3	224.8
Operating expenses	-22.5	-5.0	-20.3	-10.9	11.6	-47.0
EBITDA	201.9	6.0	17.8	-9.4	-38.6	177.7
Depreciation, amortisation and impairment	-53.1	-0.4	-1.0	-0.1	15.7	-38.9
Operating profit (EBIT)	148.7	5.6	16.8	-9.5	-22.9	138.8

SEGMENT FINANCIALS Q1 2014

NOK MILLION	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	54.2	2.5	0.4	-	-	57.1
Internal revenues	9.9	0.7	319.6	1.2	-331.3	-
Net income/(loss) from associates	-	-	-0.1	-	-	-0.1
Total revenues and other income	64.1	3.2	319.9	1.2	-331.3	57.0
Cost of sales	-	-	-230.4	-	230.0	-0.4
Gross profit	64.1	3.2	89.5	1.2	-101.3	56.6
Operating expenses	-3.6	-3.1	-13.6	-9.0	1.9	-27.5
EBITDA	60.5	0.0	75.8	-7.8	-99.5	29.1
Depreciation, amortisation and impairment	-21.6	-0.3	-3.4	-	6.2	-19.1
Operating profit (EBIT)	39.0	-0.2	72.4	-7.8	-93.3	10.1

SEGMENT FINANCIALS FULL YEAR 2014

NOK MILLION	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	448.1	7.0	22.5	-	-	477.6
Internal revenues	11.4	21.6	949.5	6.2	-988.7	-
Net income/(loss) from associates	-	-	-1.2	-	-	-1.2
Total revenues and other income	459.5	28.7	970.8	6.2	-988.7	476.4
Cost of sales	-	-	-639.5	-	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

Power Production

Operating revenues in Power Production reached NOK 224 million (54) in the first quarter mainly reflecting increased power production from new solar power plants in South Africa and Rwanda.

The increase in revenues from the previous quarter is mainly due to the Dreunberg plant selling power at full tariff from 1 January 2015, but is also influenced by depreciation of the NOK against ZAR.

Power production totalled 117,865 MWh in the quarter, up from 41,941 MWh in the same period last year and up four percent from the previous quarter.

Overall production was positively affected by slightly higher than seasonally normal irradiation levels (i.e. sun hours). Plant availability remained high at target level of 99.9%.

Operating expenses in the segment amounted to NOK 23 million (-4) in the first quarter, up from NOK 19 million in the previous quarter. Costs increased with the commencement of the O&M contracts as the 8.5 MW ASYV plant reached Taking Over Date (TOD⁴) on 1 January 2015 and the 75 MW Dreunberg plant reached TOD on 1 February 2015.

EBITDA reached NOK 202 million (61) in the first quarter, with an EBITDA margin of 90%.

Depreciation and amortisation increased to NOK 53 million (22), due to new plants in operation.

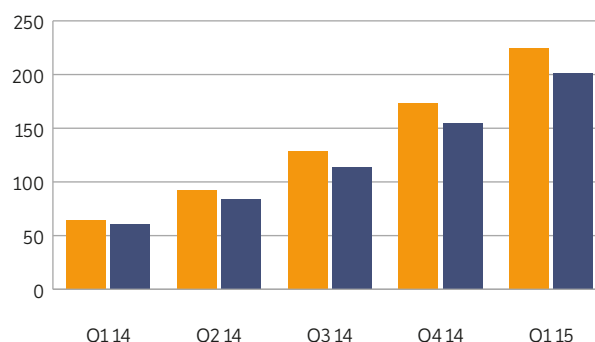
Scatec Solar's proportionate share of consolidated revenues and EBITDA in the first quarter was NOK 97 million and NOK 85 million respectively.

Scatec Solar's proportionate share of cash flow to equity⁴ from Power Production was NOK 31 million in the first quarter 2015.

See separate tables for financials for each individual project company.

POWER PRODUCTION – REVENUES AND EBITDA BY QUARTER

NOK MILLION



POWER PRODUCTION – KEY FIGURES

NOK MILLION	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
External revenues	54.2	91.2	129.0	173.7	224.4
Internal revenues	9.9	1.5	0.0	0.0	0.0
Total revenues and other income	64.1	92.7	129.0	173.7	224.4
Operating expenses	-3.6	-9.0	-15.4	-19.2	-22.5
EBITDA	60.5	83.6	113.6	154.5	201.9
D&A and impairment	-21.6	-23.1	-33.8	-44.5	-53.1
EBIT	39.0	60.5	79.8	110.0	148.7

POWER PRODUCTION – KEY RATIOS (%)

	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
EBITDA margin	94%	90%	88%	89%	90%
EBIT margin	61%	65%	62%	63%	66%

PRODUCTION (MWH)

	MW	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
Czech portfolio	20	3,701	8,130	7,045	1,810	3,628
Kalkbult	75	38,240	35,341	36,453	40,494	38,708
Dreunberg	75	-	-	9,610	39,570	46,052
Linde	40	-	867	19,024	28,523	25,943
ASYV	8.5	-	-	1,604	3,415	3,534
MWh produced	219	41,941	44,338	73,736	113,812	117,865
-net to SSO		18,997	22,251	33,119	45,627	48,322

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 Q1 2015

NOK MILLION	CZECH REPUBLIC	KALKBULT	LINDE	DREUNBERG	ASYV	SEGMENT OVERHEAD	TOTAL SEGMENT	SSO PROP. SHARE ⁵
Revenues	14.1	76.7	44.7	81.5	7.1	0.3	224.4	96.5
OPEX	-2.1	-7.8	-3.8	-4.9	-1.1	-2.7	-22.5	-11.7
EBITDA	12.0	68.9	40.9	76.6	6.0	-2.4	201.9	84.8
EBITDA margin	85 %	90 %	91 %	94 %	84 %	N/A	90 %	88 %
Net Interest expenses ⁵	-5.1	-29.7	-15.2	-31.1	-3.7	0.4	-95.6	-35.9
Normalised loan repayments ⁵	-4.9	-3.8	-6.7	-4.6	-1.7	0.0	-21.7	-11.5
Cash flow to equity ⁵	2.2	29.2	14.4	32.9	0.4	-1.3	77.8	30.8
SSO shareholding	100 %	39 %	39 %	39 %	43 %	-	-	-

PROJECT COMPANIES – FINANCIAL POSITION AND WORKING CAPITAL BREAK-DOWN

AS OF 31 MARCH 2015

NOK MILLION	IN OPERATION					UNDER CONSTRUCTION			D&C, O&M, CORPORATE & ELIMINATIONS ⁶	CONSOLIDATED
	CZECH REPUBLIC	KALKBULT	LINDE	DREUNBERG	ASYV	RED HILLS	AGUA FRIA	ORYX		
Project equity ⁵	169.9	453.9	212.5	369.6	23.5	139.8	302.3	0.9	-362.7	1,309.7
Total assets	594.5	1,650.1	887.6	1,765.0	227.3	949.4	364.8	31.8	-329.0	6,141.5
PP&E ⁶	515.3	1,288.1	702.4	1,385.5	169.8	702.1	274.1	31.0	-1,179.5	3,888.7
Cash ⁷	29.8	299.3	107.9	245.5	43.3	234.7	90.7	0.9	242.1	1,294.1
Gross debt	383.7	1,089.1	626.7	1,216.2	178.6	430.2	-	-	-	3,924.5
Net debt	353.9	789.8	518.8	970.7	135.2	195.5	-90.7	-0.9	-242.1	2,630.4
Net working capital ⁸	-17.1	-71.0	-41.8	-143.0	-38.4	-366.7	-62.5	-31.0	1,019.2	247.6

⁵ Refer to appendix for definition of this measure.

⁶ The amount of NOK 1,180 million includes capitalised development spending on projects that have not yet reached construction phase of NOK 23 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 96 million of restricted cash related to deposits for withholding tax, guarantees, VAT and rent as well as collateralised shareholders financing of NOK 28 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 11 million (3) in the first quarter.

The first quarter revenues were recognised based on O&M contracts totalling 236 MW after TOD for Dreunberg in South Africa on 1 February, 2015 and ASYV in Rwanda on 1 January, 2015.

Operating expenses reached NOK 5 million (3), broadly in line with the previous quarter.

The EBITDA increased to NOK 6 million (0) in the first quarter, corresponding to an EBITDA-margin of 55% (0%).

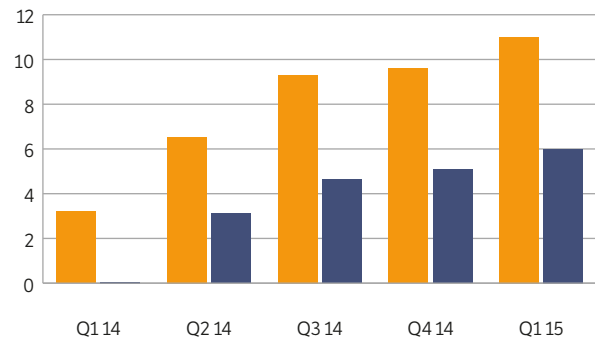
Depreciation and amortisation in the quarter amounted to NOK 0.4 million (0.3), and EBIT was NOK 6 million (-0.2).

Scatec Solar's proportionate share of cash flow to equity from Operation & Maintenance was NOK 4.5 million in the first quarter 2015.

At the end of the first quarter, the company had O&M contracts of 17 MW of third-party owned power plants.

OPERATION & MAINTENANCE – REVENUES AND EBITDA BY QUARTER

NOK MILLION



OPERATION & MAINTENANCE – KEY FIGURES

NOK MILLION	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
External revenues	2.5	1.6	1.6	1.4	0.9
Internal revenues	0.7	5.0	7.7	8.2	10.1
Total revenues and other income	3.2	6.5	9.3	9.6	11.0
Operating expenses	-3.1	-3.4	-4.6	-4.5	-5.0
EBITDA	0.0	3.1	4.6	5.1	6.0
D&A and impairment	-0.3	-0.3	-0.3	-0.3	-0.4
EBIT	-0.2	2.8	4.3	4.8	5.6

OPERATION & MAINTENANCE – KEY RATIOS (%)

	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
EBITDA margin	0%	47%	50%	53%	55%
EBIT margin	-7%	43%	47%	50%	51%

PORTFOLIO OVERVIEW – MW AT END OF PERIOD

MW	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
Portfolio (MW)	71	146	167	152	236
Of which third-party	51	51	32	17	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 242 million (320) in the first quarter.

During the quarter construction started for the 60 MW Agua Fria project in Honduras and the 10 MW Oryx project in Jordan.

Scatec Solar has developed the Oryx project together with a local developer. 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 23 million for the D&C segment.

Agua Fria and Oryx generated revenues of NOK 191 million, and both projects are scheduled for start of operations in the second half of 2015.

Minor completion work on Dreunberg in South Africa and on ASYV in Rwanda added NOK 28 million to the first 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 first quarter PoC for Dreunberg was 100%, for ASYV 100%, for Agua Fria 24% and for Oryx 4%.

Cost of sales related to both project execution and project development amounted to NOK 204 million (230) in the first quarter, generating a gross margin of 16% (28%). The reduced gross margin is reflecting execution of construction contracts with lower margins than in 2014.

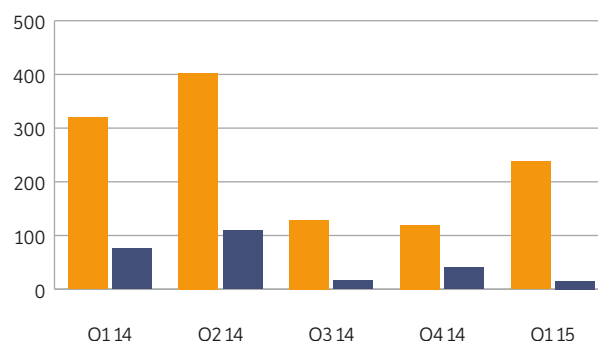
Operating expenses were NOK 20 million (14) in the first quarter. This comprised of approximately NOK 11 million for early stage development of new projects, NOK 6 million related to construction of power plants and NOK 3 million of write down of receivables related to a former sale of a solar power plant in France.

EBITDA was NOK 18 million (76) in the first quarter. Depreciation, amortisation and impairment amounted to NOK 1 million (3.4), and EBIT was NOK 17 million (72). The lower EBITDA and EBIT reflect reduced gross margins and increased operating expenses compared to the first quarter 2014.

Scatec Solar's proportionate share of cash flow to equity from Development & Construction was NOK 13.3 million in the first quarter 2015.

DEVELOPMENT & CONSTRUCTION – REVENUES AND EBITDA BY QUARTER

NOK MILLION



DEVELOPMENT & CONSTRUCTION – KEY FIGURES

NOK MILLION	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
External revenues	0.4	0.1	1.6	20.4	0.1
Internal revenues	319.6	402.6	129.0	98.3	242.2
Net income associated	-0.1	-0.1	-1.9	1.0	-0.6
Total revenues and other income	319.9	402.6	128.7	119.6	241.7
Cost of sales	-230.4	-266.5	-90.7	-51.9	-203.6
Gross profit	89.5	136.1	38.0	67.7	38.1
Operating expenses	-13.6	-26.6	-22.2	-27.0	-20.3
EBITDA	75.8	109.4	15.8	40.7	17.8
D&A and impairment	-3.4	-1.1	-3.4	-7.6	-1.0
EBIT	72.4	108.3	12.4	33.2	16.8

KEY RATIOS (%)

	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
Gross margin	28%	34%	30%	57%	16%
EBITDA margin	24%	27%	12%	34%	7%
EBIT margin	23%	27%	10%	28%	7%

CONSTRUCTION PROJECTS – MILESTONES¹⁰

	CAPACITY	Q1'15	Q2'15	H2'15	H1'16
Dreunberg	75 MW	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 include corporate services, management and group finance. The segment reported an operating loss of NOK -10 million (-8) in the first quarter 2015.

CORPORATE – KEY FIGURES

NOK MILLION	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
Total revenues	1.2	3.1	2.5	-0.6	1.5
Operating expenses	-9.0	-8.5	-18.0	-18.3	-10.9
D&A and impairment	0.0	-0.3	0.1	0.1	-0.1
EBIT	-7.8	-5.7	-15.5	-18.9	-9.5

In the first quarter the corporate segment was charged NOK 2 million relating to the share incentive plan, which was introduced in the third quarter 2014, in addition another NOK 2 million of the share incentive plan is charged to the Power Production and Development & Construction segments.

ELIMINATIONS – KEY FIGURES

NOK MILLION	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
Revenues	-331.3	-412.2	-139.2	-106.0	-253.8
Cost of sales	230.0	265.3	89.4	49.8	203.6
Operating expenses	1.9	8.0	10.2	7.7	11.6
EBITDA	-99.5	-138.8	-39.7	-48.5	-38.6
D&A	6.2	8.0	10.1	13.7	15.7
EBIT	-93.3	-130.8	-29.6	-34.7	-22.9

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 first quarter this effect amounted to NOK 16 million (6).

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 12 million (2) in the first quarter.

CONSOLIDATED INCOME STATEMENT

Revenues

Scatec Solar reported consolidated revenues of NOK 225 million in the first quarter 2015, up from NOK 57 million in the same period last year, with the growth reflecting sales of electricity from new solar power plants in South Africa and Rwanda. Net revenues included NOK -1 million (0) of income from associated companies in the first quarter.

Operating expenses

Consolidated operating expenses amounted to NOK 47 million (27) in the first quarter. This comprised of approximately NOK 17 million for operation of existing power plants, NOK 11 million for early stage development of new projects, NOK 6 million related to construction of power plants, NOK 11 million of corporate expenses and NOK 3 million of write down of receivables related to a former sale of a solar power plant in France.

Operating expenses also include NOK 4 million related to share-based payment. See note 23 in the annual report for information on the plan.

Personnel expenses accounted for NOK 18 million (14) and other operating expenses for NOK 29 million (14).

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.

Operating profit

Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to NOK 178 million (29) in the first quarter. The increase primarily reflects commencement of production at Linde, Dreunberg and ASYV.

Depreciation, amortisation and impairment amounted to NOK 39 million (19) in the first quarter. The increases are mainly explained by commencement of asset depreciation of Linde, Dreunberg and ASYV.

Operating profit (EBIT) was NOK 139 million (10) in the first quarter.

Net financial items

NET FINANCIAL ITEMS – KEY FIGURES

NOK MILLION	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15
Interest income	5.4	8.0	7.1	13.5	12.7
Forward exchange contracts	-	-	-	-	-
Other financial income	18.1	0.3	1.2	1.1	0.2
Financial income	23.5	8.3	8.3	14.6	13.0
Interest expenses	-27.1	-28.1	-49.0	-86.7	-95.8
Forward exchange contracts	-27.7	-7.6	-10.7	-0.8	-3.0
Other financial expenses	-2.4	-0.5	-5.5	-2.6	-2.4
Financial expenses	-57.2	-36.1	-65.3	-90.0	-101.1
Foreign exchange gains/(losses)	32.9	23.8	18.4	-12.8	22.2
Net financial expenses	-1.0	-3.9	-38.5	-88.2	-66.0

Net financial items amounted to NOK -66 million (-1) in the first quarter. The increase mainly reflects debt financing of the growing asset base as well as lower non-cash foreign exchange gains mainly related to intercompany balances.

Financial income amounted to NOK 13 million (24) in the first quarter, including interest income on IPO proceeds and collateralised equity commitments for projects under construction.

Financial expenses amounted to NOK 101 million (57) in the first quarter. Interest expenses on the Kalkbult, Linde, Dreunberg, ASYV and Czech plants amounted to NOK 96 million in the first

quarter. The Group incurred losses of NOK 3 million on mark-to-market revaluations of open EUR and USD forward exchange contracts in the first quarter (27). The foreign exchange contracts have now expired.

Foreign exchange gains amounted to NOK 22 million (33) in the first quarter. These are mainly non-cash and related to intercompany balances.

Profit before tax and net profit

Profit before income tax was NOK 73 million (9) in the first quarter.

Income tax expense was NOK 26 million (0) in the first quarter, corresponding to an effective tax rate of 35.4%. 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 allowance related to tax losses carried forward. Net profit was NOK 47 million (10) in the first quarter.

A profit of NOK 19 million (-10) was attributable to the equity holders of Scatec Solar for the first quarter. A profit of NOK 28 million (20) was attributable to non-controlling interests in the first quarter.

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 the quarter

During first quarter 2015 the NOK continued depreciating against the Group's main foreign currencies (ZAR, CZK and USD). This positively impacted consolidated revenues by approximately NOK 17 million quarter on quarter. At the same time the currency movements increased operating expenses, depreciations, interest expense and tax, reducing the net impact of the currency movements on net profit in the quarter to approximately NOK 4 million.

The quarter-on-quarter net foreign currency gains/losses were up NOK 35 million, from a loss of NOK 13 million in the fourth quarter 2014 compared to a gain of NOK 22 million in the first quarter 2015. 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 first 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 457 million in the first quarter 2015 (119). Compared to the EBITDA of NOK 178 million, the cash flow is primarily affected by improved working capital related to supplier credits provided for the construction of the Red Hills and Agua Fria solar power plants.

Net negative cash flow from consolidated investing activities was NOK -685 million (-400), driven mainly by property, plant and equipment investments in the Red Hills and Agua Fria solar power plants.

Net cash flow from financing activities was NOK 453 million (249), including net proceeds of NOK 365 million (261) from non-recourse financing. Furthermore NOK 94 million (16) was received in capital contributions from non-controlling interest.

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	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Power Production	11.8	23.1	25.9	22.8	30.8
Operation & Maintenance	0.0	2.3	3.4	3.8	4.5
Development & Construction	54.7	79.1	11.6	31.4	13.3
Corporate	-1.9	-3.8	-11.3	-13.8	-6.9
Total	64.6	100.7	29.6	44.3	41.7
SSO project equity investments	-8.8	-	-	-26.2	-262.0
Distributions from project companies	1.0	3.0	10.1	6.2	8.7
Dividends to corporate shareholders	-	-42.3	-	-	-

"Scatec Solar proportionate share of cash flow to equity" was NOK 42 million in the first quarter (65). The decrease compared to first quarter 2014 is explained by lower activity and gross margins in the D&C segment partly offset by increased cash flow from the Power Production and Operation and Maintenance segments.

Scatec Solar invested NOK 85 million in Red Hills, Utah in the first quarter. Additionally NOK 121 million was invested in Agua Fria, Honduras and NOK 56 million in Oryx, Jordan leading to a total equity investments of NOK 262 million in the first quarter 2015.

A dividend from Kalkbult of ZAR 72 million was distributed in April 2015. This dividend covered earnings from start of production in September 2013 through 2014.

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 1,310 million (1,177) as of 31 March 2015, representing an increase of NOK 133 million during the first quarter. The increase is mainly due to profit for the period as well as capital increase from non-controlling interests in the Agua Fria project company of NOK 96 million.

As a result of the construction activities in the US, Honduras and Jordan and hence increased total assets, the book equity ratio decreased to 21.3% from 23.5% at the end of the fourth quarter. Adjusted for assets and debt related to the solar power project companies, the equity ratio was above 70% at the end of March 2015.

Total assets amounted to NOK 6,142 million (5,012) as of 31 March 2015, which was an increase of NOK 1,130 million during the first quarter. The increase is mainly related to non-current assets, which reflects investments in the US, Honduras and Jordanian projects.

Non-current assets amounted to NOK 4,595 million (3,751) as of 31 March 2015, an increase of NOK 844 million during first quarter. PP&E in project companies accounted for 99% of the quarter on quarter net increase.

Current assets amounted to NOK 1,546 million (1,261), which was an increase of NOK 285 million during first quarter – mainly explained by increased cash and cash equivalents.

Cash and cash equivalents was NOK 1,294 million, compared with NOK 1,049 million at the end of the fourth quarter 2014.

Of the total cash and cash equivalents of NOK 1,294 million, NOK 717 million was cash in project companies in operation, and NOK 326 million was cash in project companies under construction. The project company cash includes restricted cash in proceeds accounts, debt service reserve accounts and cash available for redistribution to project company shareholders. The cash in project companies in operations is only available to the Group through distributions as determined by shareholder and non-recourse financing agreements. Other restricted cash amounted to NOK 96 million, of which NOK 28 million was collateralised shareholder financing of project companies not yet distributed. NOK 155 million was free cash at the corporate level.

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

Total liabilities increased to NOK 4,832 million from NOK 3,835 million at the end of the fourth quarter 2014.

Total non-current liabilities amounted to NOK 4,012 million at the end of first quarter 2015, compared with NOK 3,439 million at the end of fourth quarter 2014. NOK 3,823 million of this was non-recourse project financing pledged only to the assets and performance of each individual project, compared with NOK 3,337 million at the end of 2014.

Total current liabilities increased to NOK 820 million, from NOK 396 million at the end of the fourth quarter 2014. The increase mainly reflects increased trade payables related to the construction projects in the D&C segment.

PROJECT BACKLOG, PIPELINE AND OPPORTUNITIES

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, pipeline and opportunities.

PROJECT STAGE (IN MW)	Q3 2014*	Q4 2014*	Q1 2015*
In operation	219	219	219
Under construction**	-	164	207
Project backlog	214	8	266
Project pipeline	700	660	468
Project opportunities	700	700	1,700

* Status per reporting date.

** Q1 2015 includes the 22 MW EJRE/GLAE projects with expected start of construction in the second quarter 2015.

Project backlog

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

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 has been 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 in this project.

Financial close is expected in the second half of 2015.

Uppington, South Africa, 258 MW

On 13 April 2015, Scatec Solar was awarded three projects with a combined capacity of 258 MW in the fourth bidding round under the REIPPP programme (Renewable Independent Power Producer Programme) in South Africa.

With the award Scatec Solar will sign a 20 year PPA with Eskom, the utility owned by the South African state.

The total gross investment in the plants is expected to total approximately ZAR 4,600 million. The plants are expected to generate 645,000 MWh per year with revenues of starting at about ZAR 790 million per year based on a partially inflation adjusted tariff.

The plants are located in Uppington in the Northern Cape region, and project financing is already arranged for as part of the bid preparations. Financial close is expected later in 2015, while construction start is expected in early 2017 to align with the timeline of required grid construction activities in the area.

Scatec Solar will build, own and operate the solar power plants with a 42 percent shareholding. Norfund will hold 18 percent of the equity, while the balance will be held by a Trust channelling dividends from the projects to economic development initiatives in the local communities

Pipeline

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

Scatec Solar currently has a project pipeline of a number of projects with a gross capacity of about 468 MW.

PIPELINE – TARGETED START OF CONSTRUCTION

	CAPACITY (MW)	2015	2016	2017
MENA	60		60	
Americas	283	53	230	
Africa	125		88	37
Total pipeline	468	53	378	37

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 60 MW project from the FiT program is in the project 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 is included in the project pipeline.

Furthermore, Scatec Solar is completing a due diligence on a project portfolio in Honduras (Americas). This portfolio is in total 53 MW and the projects already have secured PPAs with the ENEE, the national utility company. The portfolio is also added to the pipeline.

The pipeline of 200 MW in the US (Americas) has been fairly stable since the fourth quarter 2014 and the company is continuing its work to secure off-take agreements for projects in Utah and Georgia.

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

Scatec Solar has together with Norfund signed a joint development agreement with Electricidade de Mozambique (EDM) for the development of a 35 MW project. This project is included in the project pipeline.

An agreement for sale of project rights in the UK is expected to be closed in the second quarter.

Project opportunities

Project opportunities are defined as projects where a feasibility study and a business case evaluation have been made.

Scatec Solar currently holds project opportunities with a combined capacity of 1,700 MW across Americas, Africa and MENA.

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 are 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 are expected to range between 15 and 20%.
- Annual cash flow to Scatec Solar 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 currency exchange rates as of 1 February 2015.

Scatec Solar has not hedged the expected cash distributions from the project companies.

Power Production (PP)

Power Production revenues are expected to decrease from the first quarter to the second quarter driven by normal seasonally lower solar irradiation in South Africa at this time of the year.

Second quarter power production is hence expected to reach 95,000 MWh, down from 118,000 MWh in the first quarter.

Operation and Maintenance (O&M)

O&M revenues and operating profit are expected to increase somewhat from the first quarter to the second quarter 2015, as O&M bonus revenues based on power plants overperformance is expected to increase in the quarter, and as the first quarter only reflects two months of revenues for the Dreunberg O&M contract.

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 (irrespective of irradiation levels).

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

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 commenced for Red Hills (104 MW), Agua Fria (60 MW) and Oryx (10 MW) in the first quarter 2015 and

construction of EJRE/GLAE (33 MW) is expected to commence in the second quarter 2015. The Agua Fria and Oryx projects are planned to be completed in the second half of 2015, while Red Hills and EJRE/GLAE are planned to be completed early 2016.

D&C revenues are expected to increase in the second quarter as more projects will contribute with progress.

Total contract value for projects under construction (excluding Red Hills) is approximately USD 170 million. Scatec Solar has outsourced most of the EPC services for the Red Hills project but remains construction manager.

Corporate & Eliminations

Corporate costs are expected to remain fairly stable quarter on quarter.

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

The Scatec Solar Annual Report for 2014 was published on April 10, 2015 and is available on the company website.

The Annual General Meeting will be held on May 7, 2015. Reference is made to separate Notice to the AGM issued on April 14, 2015 and is also available on the company website.

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 Board of Directors has proposed to the Annual General Meeting to distribute dividends of NOK 0.27 per share for 2014, totalling 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, credit risk, liquidity risk and to some extent interest rate risk. All risks are sought to be mitigated through risk management systems.

For further information refer to the Annual Report 2014.

RELATED PARTIES

Note 24 in the annual report for 2014 provides details of transactions with related parties and the nature of these transactions. Additionally, in 2015 Scatec Solar recognised capital contributions of NOK 96 million from non-controlling interests in project companies. As of 31 March 2015, NOK 112 million of the 2014 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 first quarter 2015.

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	Q1 2015	Q1 2014	FULL YEAR 2014
Revenues	2	225,358	57,129	477,609
Net income/(loss) from associated companies	2	-587	-109	-1,183
Total revenues and other income		224,771	57,020	476,426
Cost of sales	2	-	-403	-5,118
Gross profit		224,771	56,617	471,308
Personnel expenses	2	-18,457	-13,834	-69,686
Other operating expenses	2	-28,583	-13,660	-108,736
Depreciation, amortisation and impairment	2,3	-38,946	-19,050	-101,859
Operating profit		138,785	10,073	191,027
Interest and other financial income	4,5	12,921	23,520	54,799
Interest and other financial expenses	4,5	-101,108	-57,194	-248,557
Net foreign exchange gain/(losses)	4,5	22,171	32,903	62,310
Net financial expenses		-66,016	-771	-131,448
Profit before income tax		72,769	9,302	59,579
Income tax (expense)/benefit	7	-25,751	486	-11,062
Profit/(loss) for the period		47,018	9,788	48,517
Profit/(loss) attributable to:				
Equity holders of the parent		19,496	-9,725	-17,923
Non-controlling interests		27,522	19,512	66,440
		47,018	9,787	48,517
Basic and diluted earnings per share (NOK)		0.21	-0.15	-0.25
Weighted average no of shares (in thousand)		93,816	64,960	72,807

The interim financial information has not been subject to audit.

Interim consolidated statement of comprehensive income

NOK THOUSAND	Q1 2015	Q1 2014	FULL YEAR 2014
Profit/(loss) for the period	47,018	9,788	48,517
Other comprehensive income:			
Items that may subsequently be reclassified to profit or loss			
Net movement of cash flow hedges	-28,751	12,515	-86,997
Income tax effect	8,053	-3,504	24,359
Foreign currency translation differences	7,009	62,650	117,750
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	-13,689	71,661	55,112
Total comprehensive income for the period, net of tax	33,329	81,449	103,629
Attributable to:			
Equity holders of the parent	-1,085	61,381	74,449
Non-controlling interests	34,414	20,068	29,180
	33,329	81,449	103,629

The interim financial information has not been subject to audit.

Interim consolidated statement of financial position

NOK THOUSAND	NOTES	AS OF 31 MARCH 2015	AS OF 31 DECEMBER 2014
ASSETS			
Non-current assets			
Deferred tax assets	7	400,029	402,011
Property, plant and equipment – in solar projects	3	3,888,301	3,049,193
Property, plant and equipment – other	3	13,340	13,231
Goodwill		21,350	22,169
Financial assets	4,5	7,204	23,868
Investments in associated companies		55,708	25,841
Other non-current assets	9	209,411	214,401
Total non-current assets		4,595,343	3,750,715
Current assets			
Trade and other receivables		157,102	126,122
Other current assets		94,965	82,897
Financial assets	4,5	42	2,946
Cash and cash equivalents	6	1,294,072	1,049,106
Total current assets		1,546,181	1,261,071
TOTAL ASSETS		6,141,524	5,011,785

The interim financial information has not been subject to audit.

Interim consolidated statement of financial position

NOK THOUSAND	NOTES	AS OF 31 MARCH 2015	AS OF 31 DECEMBER 2014
EQUITY AND LIABILITIES			
Equity			
Share capital		2,345	2,345
Share premium		797,587	794,142
Total paid in capital		799,932	796,487
Retained earnings		-187,732	-207,227
Other reserves		19,929	40,511
Total other equity		-167,803	-166,716
Non-controlling interests		677,537	546,811
Total equity	8	1,309,666	1,176,582
Non-current liabilities			
Deferred tax liabilities	7	74,467	82,640
Non-recourse project financing	4	3,823,208	3,337,265
Financial liabilities	4,5	23,374	14,886
Other non-current liabilities	9	91,283	4,646
Total non-current liabilities		4,012,332	3,439,437
Current liabilities			
Trade and other payables		407,512	69,947
Income tax payable	7	50,018	41,543
Non-recourse project financing	4	195,887	112,786
Financial liabilities	4,5	30,054	25,773
Other current liabilities		136,056	145,717
Total current liabilities		819,526	395,766
Total liabilities		4,831,858	3,835,203
TOTAL EQUITY AND LIABILITIES		6,141,524	5,011,785

The interim financial information has not been subject to audit.

Oslo, 5 May 2015
The Board of Directors of Scatec Solar ASA

Interim consolidated statement of changes in equity

NOK THOUSAND	OTHER RESERVES					TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	FOREIGN CURRENCY TRANSLATION	HEDGING RESERVES			
At 31 December 2013	1,624	301,286	-147,074	-71,602	19,741	103,976	294,640	398,616
Profit for the period	-	-	-9,725	-	-	-9,725	19,512	9,788
Other comprehensive income	-	-	-	67,591	3,514	71,106	556	71,661
Total comprehensive income	-	-	-9,725	67,591	3,514	61,381	20,068	81,449
Capital increase from NCI*	-	-	-	-	-	-	15,921	15,921
At 31 March 2014	1,624	301,286	-156,799	-4,011	23,255	165,357	330,629	495,986
At 1 April 2014	1,624	301,286	-156,799	-4,011	23,255	165,357	330,629	495,986
Profit for the period	-	-	-8,198	-	-	-8,198	46,928	38,729
Other comprehensive income	-	-	-	49,210	-27,943	21,266	-37,816	-16,549
Total comprehensive income	-	-	-8,198	49,210	-27,943	13,068	9,112	22,180
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*	-	-	-	-	-	-	207,070	207,070
At 31 December 2014	2,345	794,142	-207,227	45,199	-4,688	629,771	546,811	1,176,582
At 1 January 2015	2,345	794,142	-207,227	45,199	-4,688	629,771	546,811	1,176,582
Profit for the period	-	-	19,495	-	-	19,495	27,523	47,018
Other comprehensive income	-	-	-	-12,339	-8,242	-20,581	6,891	-13,690
Total comprehensive income	-	-	19,495	-12,339	-8,242	-1,086	34,414	33,328
Share-based payment	-	3,445	-	-	-	3,445	-	3,445
Capital increase from NCI*	-	-	-	-	-	-	96,312	96,312
At 31 March 2015	2,345	797,587	-187,732	32,859	-12,930	632,129	677,537	1,309,666

The interim financial information has not been subject to audit.

* Non-controlling interests.

Interim consolidated statement of cash flow

NOK THOUSAND	NOTES	Q1 2015	Q1 2014	FULL YEAR 2014
Cash flow from operating activities				
Profit before taxes		72,769	9,302	59,579
Taxes paid	7	-	-15,507	-100,549
Depreciation and impairment	3	38,903	19,050	101,859
Net income from associated companies		-587	109	1,183
Interest and other financial income	4	-12,921	-23,520	-54,799
Interest and other financial expenses	4	95,760	57,194	248,557
Unrealised foreign exchange (gain)/loss	4	-33,330	39,902	24,986
(Increase)/decrease in trade and other receivables		-30,980	3,642	-100,650
(Increase)/decrease in other current assets		-10,749	-31,588	22,340
Increase/(decrease) in trade and other payables		337,565	4,311	-371,864
Increase/(decrease) in current liabilities		-6,329	3,955	83,091
Increase/(decrease) in financial assets and other changes	5,9	6,446	52,397	-10,200
Net cash flow from operating activities		456,547	119,247	-96,467
Cash flow from investing activities				
Interest received	4	12,921	5,382	34,012
Investments in property, plant and equipment	3	-668,865	-405,005	-923,315
Investments in associated companies		-29,283	-	-20,489
Net cash flow from investing activities		-685,227	-399,623	-909,792
Cash flow from financing activities				
Proceeds from capital increase non-controlling interests		93,868	15,921	105,100
Proceeds from share capital increase		-	-	484,595
Interest paid	4	-4,306	-27,054	-257,579
Proceeds from non-recourse project financing	4	364,857	261,054	701,882
Repayment of non-recourse project financing	4	-1,381	-1,029	-19,780
Proceeds of corporate overdraft facility	4	123	-	43,355
Repayment of corporate overdraft facility	4	-	-	-43,355
Dividends paid to equity holders of the parent company		-	-	-42,230
Net cash flow from financing activities		453,161	248,893	971,988
Net increase/(decrease) in cash and cash equivalents		224,481	-31,484	-34,271
Effect of exchange rate changes on cash and cash equivalents		20,487	-22,588	58,016
Cash and cash equivalents at beginning of the period	6	1,049,106	1,025,362	1,025,362
Cash and cash equivalents at end of the period	6	1,294,072	971,292	1,049,106
Cash in project companies in operation	6	717,169	248,909	527,980
Cash in project companies under construction	6	326,224	273,598	1,933
Other restricted cash	6	95,965	331,151	115,540
Free cash	6	154,714	117,634	403,653
Total cash and cash equivalents	6	1,294,072	971,292	1,049,106

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 5 May 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 Financial 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 2014. Standards and interpretations mentioned in note 27 of the Group's annual report 2014 with effective date from financial year 2015, 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 new project companies

Scatec Solar's value chain comprises all downstream activities such as project development, financing, construction and operations, as well as having an asset management role through ownership of the solar power plants. Normally Scatec Solar enters into partnerships for the shareholding of the project companies owning the power plants. To be able to utilise the business model fully, Scatec Solar seeks to obtain operational control of the project companies. Operational control is obtained through governing bodies, shareholder agreements and other contractual arrangements. Other contractual arrangements may include Scatec Solar's role as the developer of the project, EPC provider (construction), operation and maintenance service provider and asset management service provider.

Scatec Solar would normally seek to undertake the following distinct roles in its projects:

- As the largest shareholder providing equity financing to the project
- As (joint) developer, including obtaining project rights, land permits, off-take agreements and other local approvals
- As EPC supplier, responsible for the construction of the project
- As provider of operation and maintenance services to the projects, responsible for the day-to-day operations of the plant
- As provider of management services to the project companies

During first quarter 2015 the construction of the Agua Fria (Honduras), Oryx (Jordan) and Red Hills (USA) solar power plants commenced. Scatec Solar has a shareholding of 40%, 90% and 100% in the respective project companies. Even though none of the projects Scatec Solar is involved with are identically structured, the five roles/activities described above constitute the main and relevant activities which affect the variable return. When

assessing whether Scatec Solar controls a project company as defined by IFRS 10 Consolidated Financial Statements, all of the above agreements are analysed.

For the three project companies referred to above, Scatec Solar has concluded that it through its involvement has the power to control the entities. Furthermore, Scatec Solar is exposed to variable returns and has the ability to affect those returns through its power over the companies. Refer to note 2 of the 2014 annual report for information on other judgements.

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 2014 as described in Note 27 Summary of significant accounting policies.

Q1 2015

NOK THOUSAND	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	224,352	885	121	-	-	225,358
Internal revenues	-	10,138	242,189	1,509	-253,836	-
Net income/(loss) from associates	-	-	-587	-	-	-587
Total revenues and other income	224,352	11,023	241,723	1,509	-253,836	224,771
Cost of sales	-	-	-203,581	-	203,581	-
Gross profit	224,352	11,023	38,142	1,509	-50,255	224,771
Personnel expenses	-2,897	-2,208	-7,723	-5,629	-	-18,457
Other operating expenses	-19,570	-2,777	-12,574	-5,309	11,647	-28,583
Depreciation and impairment	-53,141	-431	-1,001	-61	15,688	-38,946
Operating profit	148,744	5,607	16,844	-9,490	-22,920	138,785

Q1 2014

NOK THOUSAND	POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	ELIMINATIONS	TOTAL
External revenues	54,231	2,477	421	-	-	57,129
Internal revenues	9,875	714	319,581	1,153	-331,323	-
Net income/(loss) from associates	-	-	-109	-	-	-109
Total revenues and other income	64,106	3,191	319,893	1,153	-331,323	57,020
Cost of sales	-	-	-230,401	-	229,998	-403
Gross profit	64,106	3,191	89,492	1,153	-101,325	56,617
Personnel expenses	-506	-1,435	-7,764	-4,129	-	-13,834
Other operating expenses	-3,069	-1,708	-5,883	-4,867	1,867	-13,660
Depreciation and impairment	-21,552	-269	-3,435	-	6,206	-19,050
Operating profit	38,979	-221	72,410	-7,843	-93,252	10,073

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

Note 3 Property, plant and equipment

The Group operates solar power plants in Europe, Africa and North America. During first quarter 2015, three solar power plants were under construction (Agua Fria in Honduras, Oryx in Jordan and Red Hills in the US). 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 22,966 thousand at 31

March 2015 (31 December 2014: NOK 50,666 thousand).

There were no significant impairment losses during first quarter 2015. 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.

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 2014	2,870,939	178,254	13,231	3,062,424
Additions	30,276	729,018	1,461	760,755
Disposals	-	-	-367	-367
Transfers	5,597	-5,597	-	-
Depreciation	-37,447	-	-1,018	-38,465
Impairment losses	-	-456	-25	-481
Effect of foreign exchange currency translation adjustments	76,293	41,425	58	117,776
Carrying value at 31 March 2015	2,945,658	942,643	13,340	3,901,641
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 repayment plan for the debt is a sculpted annuity; hence the sum of loan and interest repayments are not stable from year to year. Repayments are normally made twice a year. Refer to note 5 in the 2014 Annual Report for more information. The maturity date for the loans ranges from 2028 to 2036. NOK 195,887 thousand 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 first quarter 2015, the Group drew down NOK 364,857 thousand of non-recourse debt as part of the construction of the solar power plant in the US.

NOK THOUSAND	Q1 2015	Q1 2014	FULL YEAR 2014
Interest income	12,742	5,382	34,013
Forward exchange contracts	-	-	-
Other financial income	179	18,138	20,786
Financial income	12,921	23,520	54,799
Interest expenses	-95,779	-27,053	-190,802
Forward exchange contracts	-2,954	-27,700	-46,744
Other financial expenses	-2,375	-2,441	-11,011
Financial expenses	-101,108	-57,194	-248,557
Foreign exchange gains/(losses)	22,171	32,903	62,310
Net financial expenses	-66,016	-771	-131,448

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 10 in the annual report for 2014 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 March 2015	NON-CURRENT FINANCIAL INVESTMENTS	DERIVATIVE FINANCIAL INSTRUMENTS (ASSET)	DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITY)	TOTAL FAIR VALUE
NOK THOUSAND				
Fair value based on prices quoted in an active market (Level 1)	-	-	-	-
Fair value based on price inputs other than quoted prices (Level 2)	-	7,246	-53,305	-46,059
Fair value based on unobservable inputs (Level 3)	1,662	-	-	1,662
Total fair value at 31 March 2015	1,662	7,246	-53,305	-44,397

31 December 2014	NON-CURRENT FINANCIAL INVESTMENTS	DERIVATIVE FINANCIAL INSTRUMENTS (ASSET)	DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITY)	TOTAL FAIR VALUE
NOK THOUSAND				
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

Note 6 Cash and cash equivalents

NOK THOUSAND	31 MARCH 2015	31 DECEMBER 2014
Cash in project companies in operation	717,169	527,980
Cash in project companies under construction	326,224	1,933
Other restricted cash	95,965	115,540
Free cash	154,714	403,653
Total cash and cash equivalents	1,294,072	1,049,106

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 27,970 thousand and NOK 26,579 thousand at 31 March 2015 and 31 December 2014 respectively) as well as restricted deposits for withholding tax, guarantees, VAT and rent.

Cash in project companies comprise shareholder financing and draw down on a term loan facility by the Red Hills and Agua Fria project companies to settle outstanding external EPC invoices of approximately the same amount.

Reconciliation of movement in free cash

NOK THOUSAND	Q1 2015	Q1 2014	FULL YEAR 2014
Free cash at beginning of period	403,653	296,509	296,510
Net free cash flow from operations outside non-recourse financed companies	4,379	-171,063	121,917
Equity contributions/collateralised for equity commitments in project companies	-262,035	-8,847	-35,090
Distributions from project companies	8,717	1,034	20,317
Free cash at end of the period	154,714	117,634	403,653

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 March 2015, the Group has not drawn on the facility.

Note 7 Income tax expense

For the first quarter ended 31 March 2015, the effective income tax rate was primarily influenced by intercompany transactions subject to different statutory tax rates as well as valuation allowance related to tax losses carried forward in France.

Effective tax rate

NOK THOUSAND	Q1 2015	Q1 2014	FULL YEAR 2014
Profit before income tax	72,769	9,302	59,579
Income tax (expense)/benefit	-25,751	486	-11,062
Equivalent to a tax rate of (%)	35.4	-5.2	18.6

Movement in deferred tax

NOK THOUSAND	Q1 2015	Q1 2014	FULL YEAR 2014
Net deferred tax at beginning of period	319,371	232,750	232,750
Recognised in the consolidated statement of profit or loss	-10,861	16,971	30,076
Deferred tax on financial instruments recognised in OCI	8,053	-3,504	24,359
Recognised in the consolidated statement of changes in equity	2,434	1,335	12,851
Deferred taxes on withholding taxes	-	-	726
Translation differences	6,565	885	18,609
Net deferred tax at end of period	325,562	248,437	319,371

Note 8 Dividend

For 2014, the Board of Directors proposed a dividend of NOK 0.27 per share, totalling NOK 25,330 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 share will be trading excluding dividend rights (ex-date) on the day following the Annual General Meeting to be held 7 May 2015. The dividend is expected to be paid on or about 15 June 2015.

Note 9 Non-current receivables/liabilities - related parties

As of 31 March 2015, Scatec Solar has receivables on non-controlling interests of NOK 174,177 thousand (12,332). NOK 111,823 million of 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 13,106 thousand (0) and Scatec Energy (US) of NOK 19,357 thousand (10,259). In addition the Group has receivables of NOK 2,942 thousand on related parties regarding the construction of three solar power plants in Jordan (425).

As part of the shareholder financing of the Agua Fria project company, the shareholders have issued both equity and shareholder loans. The total shareholder loans from non-controlling interests amounts to NOK 90,683 as of 31 March 2015. The loans carry an interest of 11% and the maturity date is January 2031. The shareholder loans from non-controlling interests are presented as other non-current liabilities.

Note 10 Subsequent events

A dividend from Kalkbult of ZAR 72 million was distributed in April 2015. The dividend covered earnings from start of production in September 2013 through 2014.

Definitions

Backlog

Project backlog 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.

Opportunities

Project opportunities are defined as projects that have not yet reached a 50% likelihood of reaching financial close and subsequent realisation. However, the company has verified feasibility and business cases for the projects.

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 defined as “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 been 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.

Normalised loan repayments: are calculated as the annual repayment divided by four quarter. However, loan repayments are normally made bi-annually. Loan repayments will vary from year to year as the payment plan is a sculpted annuity.

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