Third quarter 2018

Oslo, 19 October 2018

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Agenda

- **Highlights and project update**

  Raymond Carlsen, CEO

- **Financial review**

  Mikkel Tørud, CFO

- **Summary and Outlook**

  Raymond Carlsen, CEO

High construction activity and increased backlog

- Q3’18 proportionate revenues of NOK 1,259 million and EBITDA of NOK 257 million
- D&C revenues of NOK 1,077 million and EBITDA of NOK 130 million
- 35 MW Los Prados plant in Honduras grid connected and in commercial operation
- Secured 121 MW of new backlog projects in Ukraine
- Year to date cash distributions from operating assets of NOK 188 million
- Increased ownership in the three operating plants in South Africa

Our second solar plant in Honduras in commercial operation

Los Prados solar plant

- Capacity 35MW
- Equity partnership with Norfund
- 20-year power purchase agreement with state-owned utility ENEE
- Annual production 73,000 MWh
- Providing energy for more than 16,300 households

ENEE: Empresa Nacional de Energía Eléctrica.

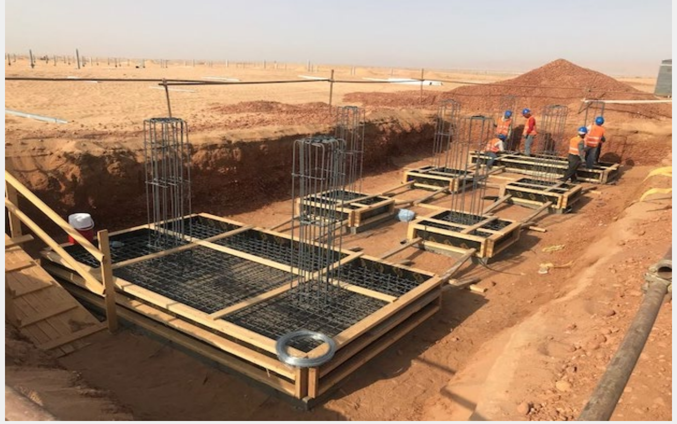
Five projects totalling 1,057 MW under construction

Malaysia, 197 MW

Mozambique, 40 MW

Brazil, 162 MW

Egypt, 400 MW



South Africa, 258 MW

Increasing project backlog to 251 MW in Ukraine

Solar in Ukraine

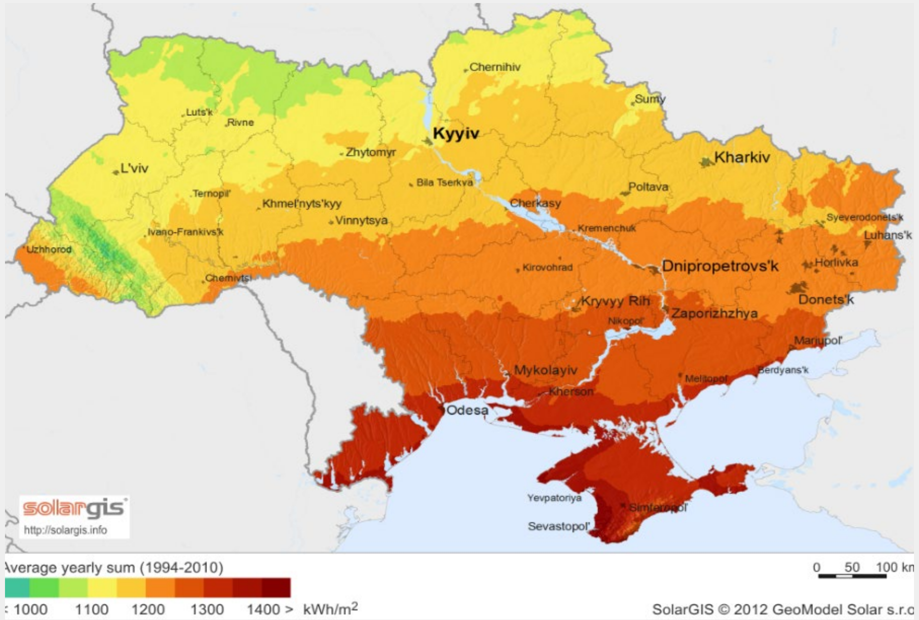
- Aiming to change energy mix - replace nuclear reactors and reduce supply of Russian gas – 11% renewables by 2020
- FiT of 15 €cents/kWh until 2030 for renewable energy embedded in law and backed by international community
- Financing from DFIs with EBRD and others available

Scatec Solar in Ukraine

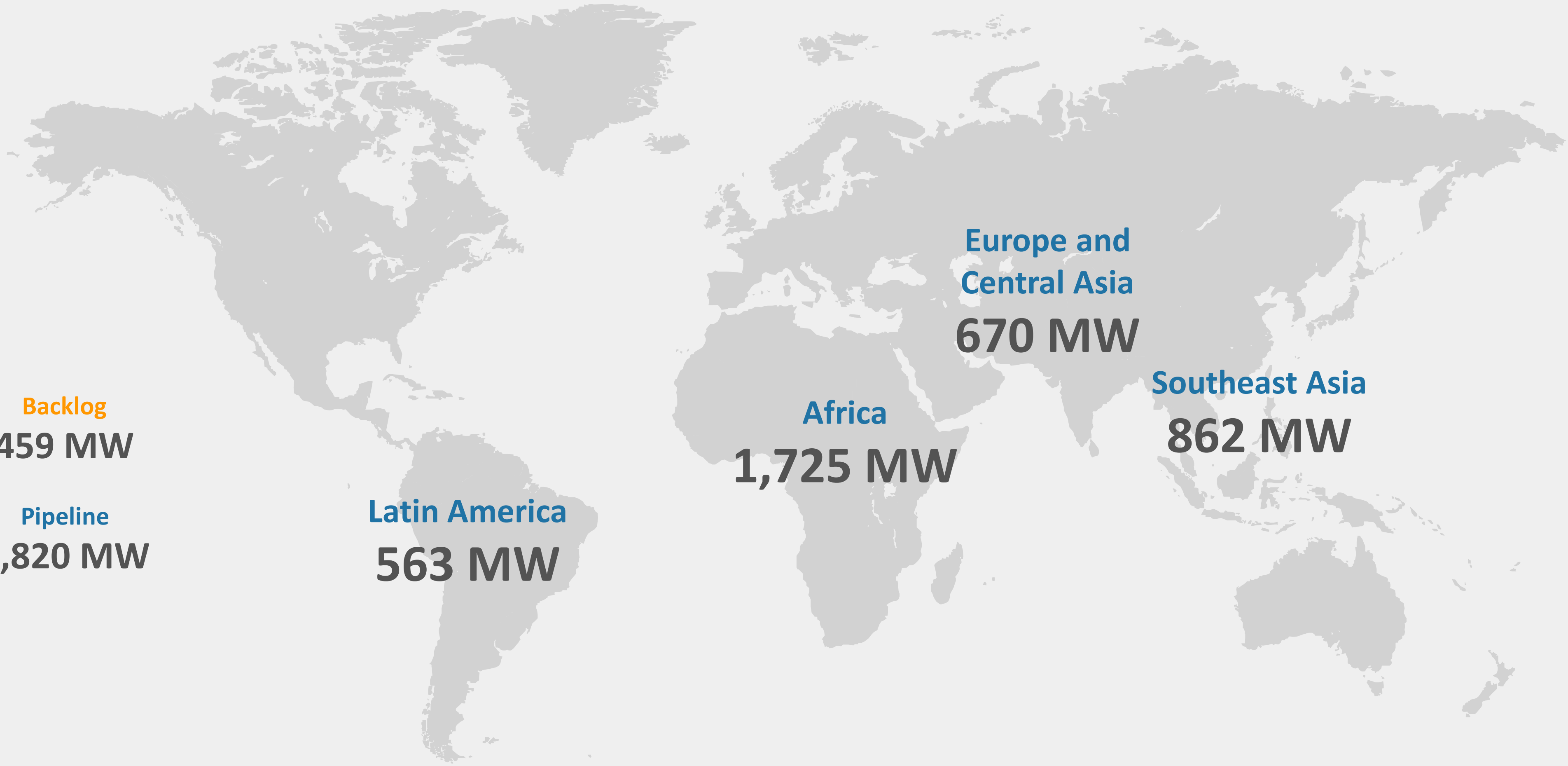
- Projects with total capacity of 251 MW secured
- Target grid connection towards end of 2019
- Additional pipeline of 220 MW

Key facts

- Feed-in Tariff 15 €cents/kWh
- Tariff valid until 2029
- Yield: 1,200 – 1,400 hours per year



Solid project backlog and pipeline of 4.3 GW



Backlog
459 MW

Pipeline
3,820 MW

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All figures are as per reporting date for third quarter 2018.

Financial review

Mikkel Tørud, CFO

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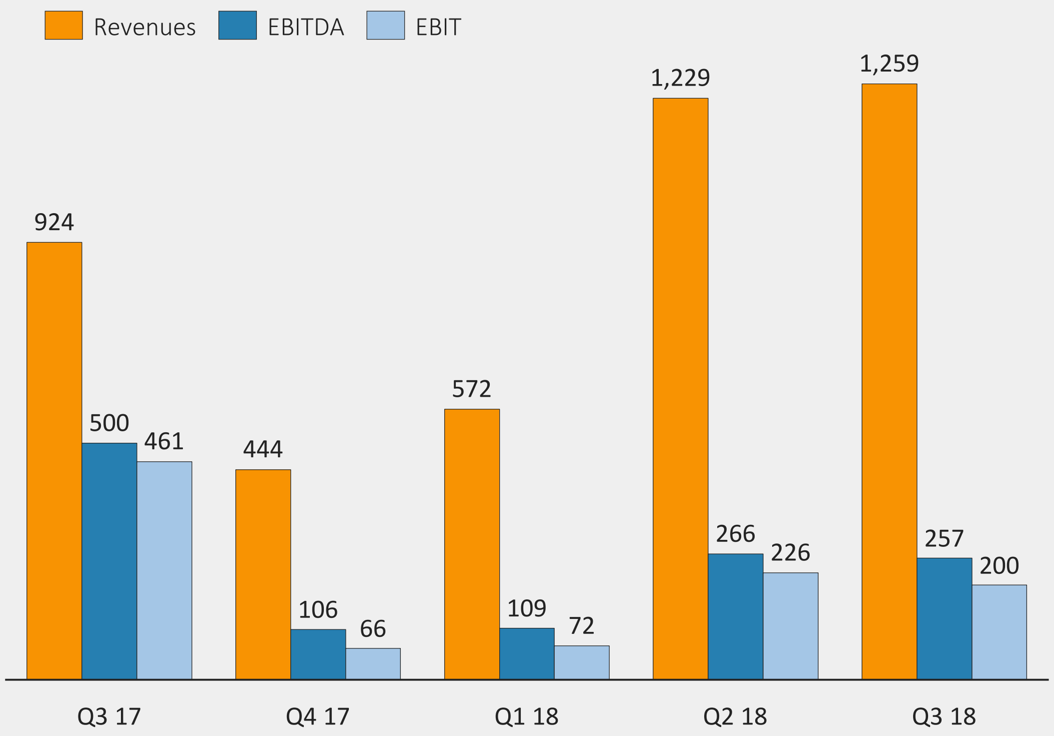
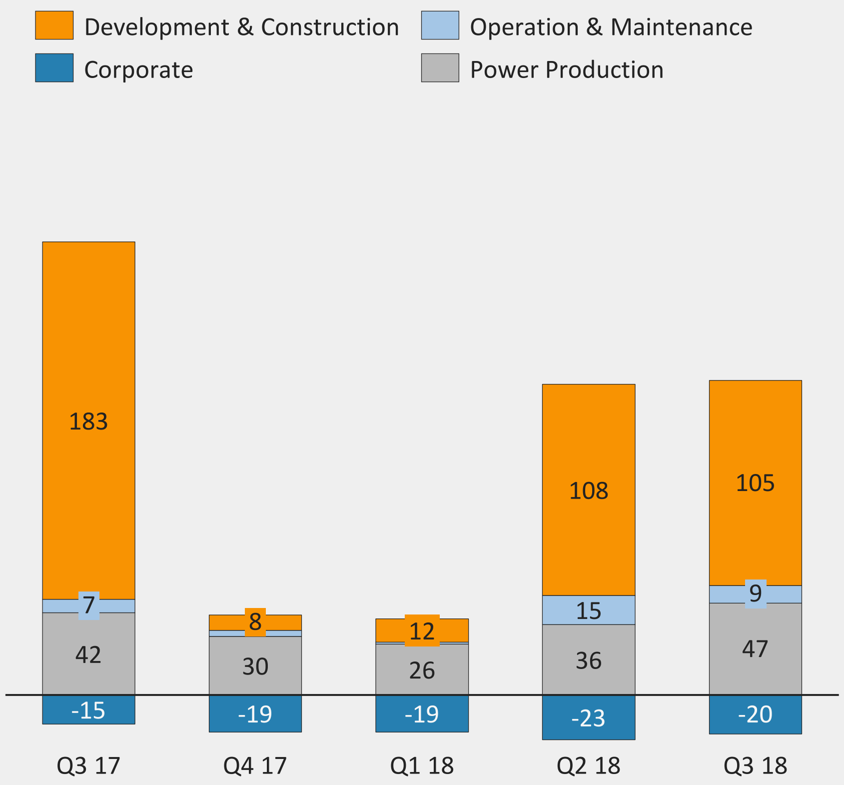
High construction activities - steady increase in cash generation

SSO proportionate financials (NOK million)



EBITDA	54%	24%	19%	22%	20%

SSO's share of cash flow to equity (NOK million)



Total	216	22	21	136	141

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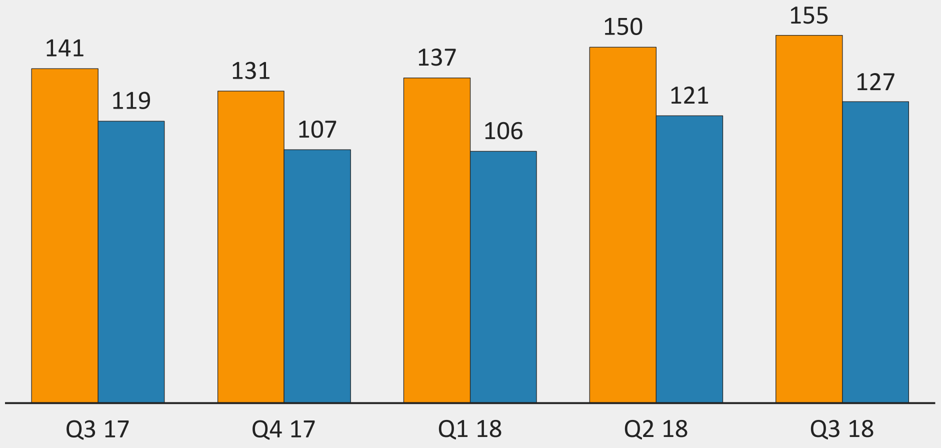
Improved performance – especially in Czech Republic

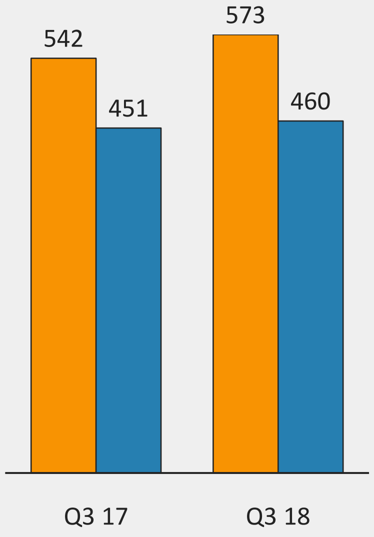
Quarterly (NOK million)



EBITDA	84%	81%	77%	81%	82%

Revenues EBITDA

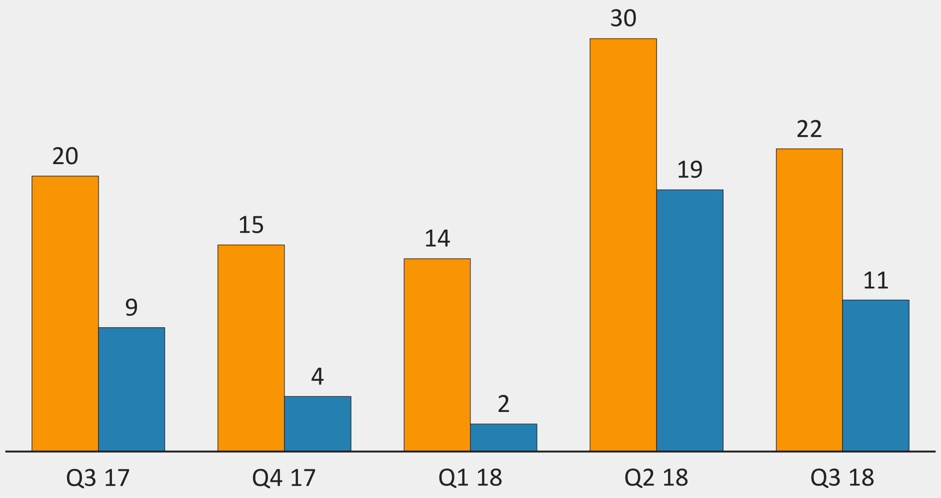
Last twelve months (NOK million)



83%	80%

Stable operations – ready to operate new power plants

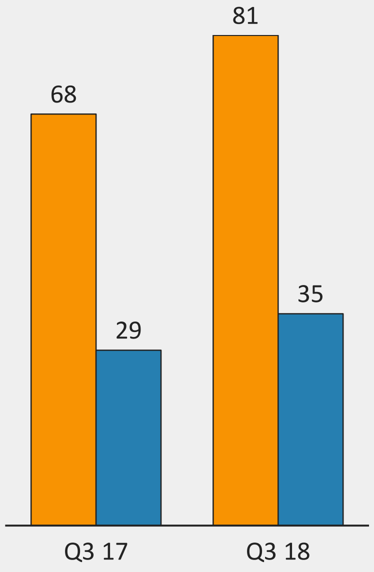
Quarterly (NOK million)



EBITDA	44%	25%	13%	63%	49%

Revenues EBITDA

Last twelve months (NOK million)



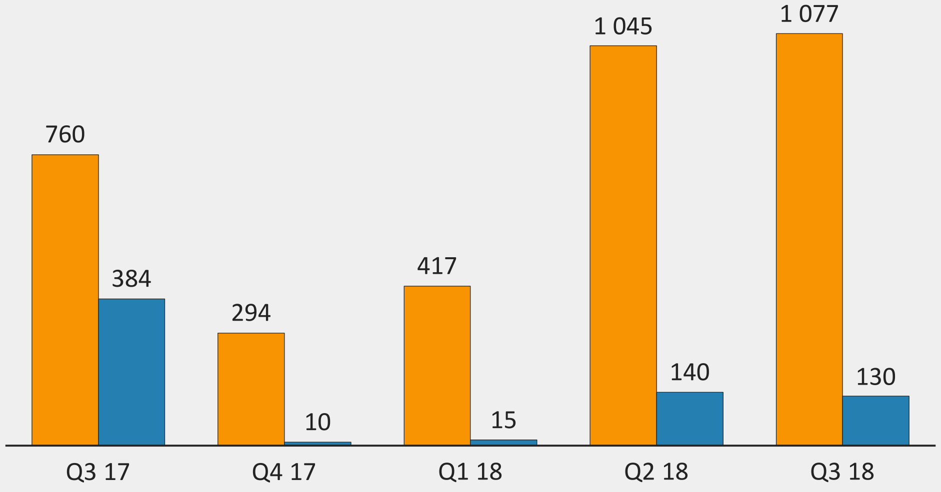
42%	44%

Note: Second quarter 2018 was positively affected by catch up of NOK 8 million related to previously unrecorded revenues of the plants in Jordan.

Development & Construction

High construction activities – satisfactory margins

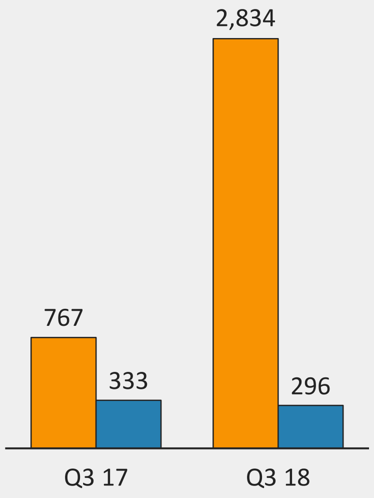
Quarterly (NOK million)



EBITDA	50%	3%	4%	13%	12%

Revenues EBITDA

Last twelve months (NOK million)



43%	10%

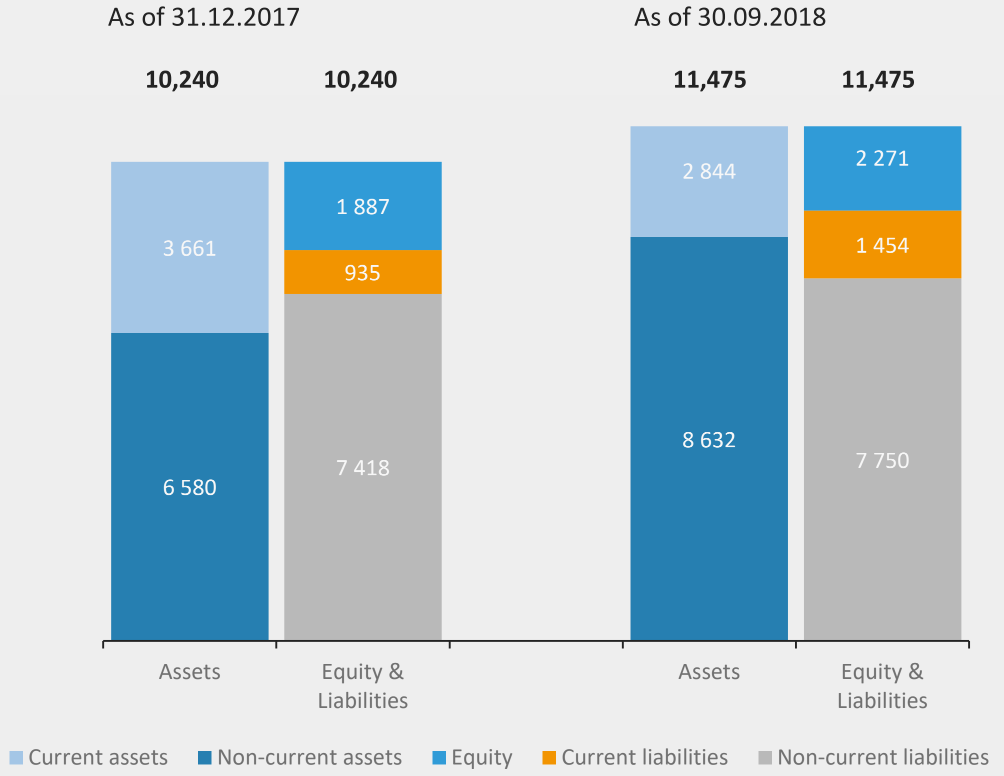
Note: The gross profit in third quarter 2017 was positively affected by the NOK 375 million gain on the partial sale of the Apodi project in Brazil.

A solid financial position

- Equity investments of about NOK 1.4 billion in the construction portfolio over the last 18 months
- Group free cash of NOK 489 million + NOK 500 million available through undrawn credit facilities
- Group* book equity strengthened to NOK 2,900 million – equity ratio of 80%

NOK million	Consolidated	SSO prop. Share	Group level*
Cash	2,041	1,444	489
Interest bearing liabilities*	-7,136	-4,537	-742
Net debt	-5,095	-3,093	-253

Consolidated financial position (NOK million)



* As defined in the corporate bond and loan agreements

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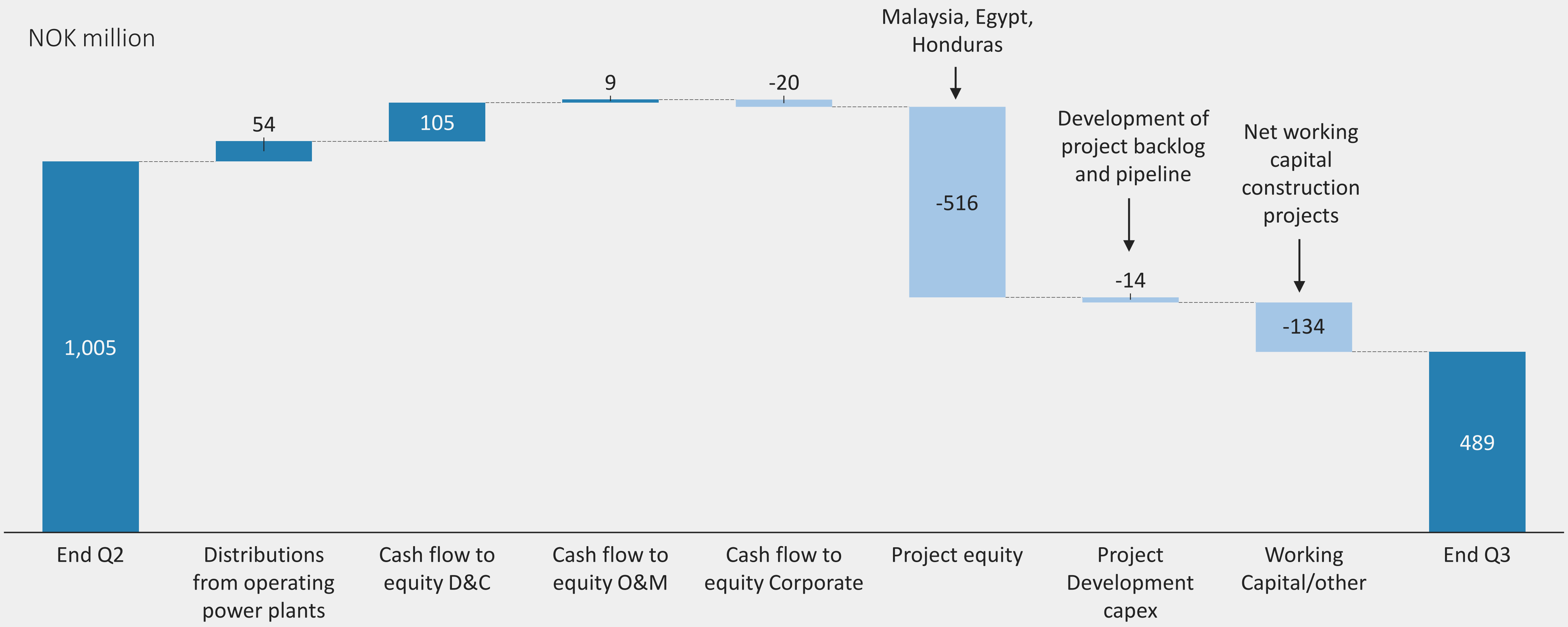
Q3'18 movement of free cash at group level



Stable project cash flows based on PPAs - allowing for a non-recourse debt structure

Managing financial risk

Power price & volume

- Tariffs fixed for 20-25 years
- Take or pay all volume produced

Counterparty

- PPAs with state owned utilities with government guarantees
- Financing partners with strong government relations
- Political risk insurance or equivalent in selected markets

Interest rate

- Project finance debt with fixed interest of 10 years or more from grid connection

Currency

- Structuring of project debt in same currency as power sales revenues
- Inflation adjusted tariffs in PPA

PPA: Power purchase agreement

Financial targets and guidance

Short term guidance

- 2018 O&M revenues of NOK 80-85 million with an EBITDA margin of around 40%
- Total D&C contract value of projects under construction of about NOK 8.0 billion
- Around 50% of the D&C contract value is expected to recognised in 2018 – balance in 2019
- Power production volumes:

GWh	Q3'18	Q4'17	Q4'18e
Proportionate	73	71	105-115
100% basis	155	167	220-240

Targets and guidance 2021

Realizing **3.5 GW** capacity

D&C contribution of NOK 2.0 – 2.5 billion

Annual cash flow from operating solar plants of NOK 750 – 850 million

Value of NOK **1.5 mill.** per MW for +2 GW

D&C gross margin; 12-15%

Equity IRR on power plant investments; 15%

Summary and Outlook

Raymond Carlsen, CEO

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Accelerating growth

Increase installed capacity to above 3.5 GW by end 2021

Effective execution of current project portfolio

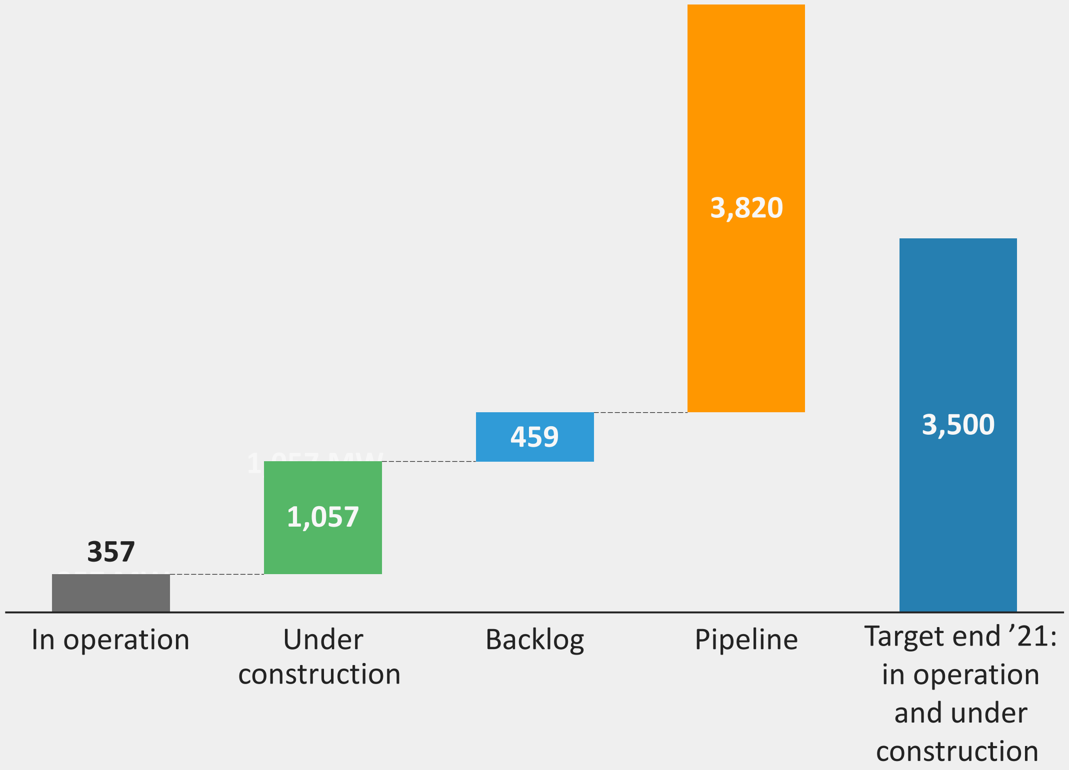
Secure growth in priority regions

Broaden commercial and technology scope

Optimise financing and asset portfolio to enhance value

Targeting 3.5 GW by end of 2021

We will more than double installed capacity



Summary

High activity - 1.1 GW under construction

Continued conversion of project pipeline to backlog

Further cost reductions and technology development will drive demand

Thank You!

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Consolidated profit & loss

NOK MILLION	Q3 18	Q3 17	YTD 18	YTD 17	FY 17
Total revenues and other income	**294.2**	**654.9**	**869.3**	**1,210.0**	**1,491.5**
OPEX	73.6	-60.4	-224.1	-176.2	-250.2
EBITDA	**220.6**	**594.5**	**645.2**	**1,033.8**	**1,241.3**
Depreciation, amortization and impairment	-78	-60.3	-202.7	-188.2	-248.1
Operating profit	**142.6**	**534.3**	**442.5**	**845.6**	**993.2**
Interest, other financial income	60.5	11.1	206.5	40.8	51.2
Interest, other financial expenses	-121.5	-119.3	-376.3	-377.1	-523.8
Foreign exchange gain/(loss)	-21.7	-14.3	-44.1	-60.5	-59.8
Net financial expenses	**-82.7**	**122.5**	**-213.9**	**-396.8**	**-532.3**
Profit before income tax	**59.9**	**411.8**	**228.6**	**448.9**	**460.9**
Income tax (expense)/benefit	-24.0	-5.0	-78.6	-9.6	-23.0
Profit/(loss) for the period	**35.9**	**406.8**	**150.0**	**439.3**	**437.9**
Profit/(loss) attributable to:					
Equity holders of the parent	14.4	383.0	94.5	374.0	339.1
Non-controlling interests	21.5	23.8	55.5	65.3	98.8
Basic and diluted EPS (NOK)	**0.13**	**3.71**	**0.88**	**3.73**	**3.36**

Consolidated cash flow statement

NOK MILLION	Q3 18	Q3 17	YTD 18	YTD 17	FY 17
Net cash flow from operations	60.7	190.9	1,064.6	668.2	844.1
Net cash flow from investments	-655.6	-192.4	-2,464.0	-338.1	-874.1
Net cash flow from financing	244.4	-129.4	626.8	-292.0	1,639.8
Net increase/(decrease) in cash and cash equivalents	-350.6	-130.9	-772.7	38.1	1,609.8
Effect of exchange rate changes on cash and cash equivalents	-38.1	-58.9	-49.7	-56.4	116.1
Cash and cash equivalents at beginning of the period	2,429.4	1,308.8	2,863.1	1,137.2	1,137.2
Cash and cash equivalents at end of the period	**2,040.7**	**1,118.9**	**2,040.7**	**1,118.9**	**2,863.1**

Segment results – Q3'18

Q3 2018 NOK MILLION	Power Production	Operation & Maintenance	Development & Construction	Corporate	Total
Revenues	155	22	1,077	4	**1,259**
Gross profit	155	22	160	4	**342**
EBITDA	**127**	**11**	**130**	**-11**	**257**
EBITDA %	82%	50%	12%	-	20%
EBIT	89	11	113	-12	**200**
EBIT (%)	57%	50%	10%	-	16%

Q3 2017 NOK MILLION	Power Production	Operation & Maintenance	Development & Construction	Corporate	Total
Revenues	141	20	760	3	**924**
Gross profit	141	20	405	3	**569**
EBITDA	**119**	**9**	**384**	**-11**	**500**
EBITDA %	84%	45%	50%	-	54%
EBIT	81	9	383	-11	**461**
EBIT (%)	57%	45%	50%	-	50%

Segment results – Q3'18

NOK MILLION	PROPORTIONATE POWER PRODUCTION	OPERATION & MAINTENANCE	DEVELOPMENT & CONSTRUCTION	CORPORATE	**TOTAL**	RESIDUAL OWNERSHIP INTERESTS	ELIMINATIONS	**CONSOLIDATED**
External revenues	145.9	-	-	-	**145.9**	137.5	-	**283.4**
Internal revenues	9.5	22.1	1,077.2	4.2	**1,113.0**	78.3	-1,191.3	**-**
Net gain/(loss) from sale of project assets	-	-	-	-	**-**	-	-	**-**
Net income from JV and associated companies	-	-	-	-	**-**	-	10.7	**10.7**
Total revenues and other income	**155.4**	**22.1**	**1,077.2**	**4.2**	**1,259.0**	**215.8**	**-1,180.6**	**294.2**
Cost of sales	-	-	-916.9	-	**-916.9**	1.3	915.6	**-**
Gross profit	**155.4**	**22.1**	**160.3**	**4.2**	**342.1**	**217.1**	**-265.0**	**294.2**
Personnel expenses	-3.0	-5.8	-13.0	-9.7	**-31.4**	-	-	**-31.5**
Other operating expenses	-25.7	-5.4	-16.8	-6.0	**-53.9**	-17.4	29.3	**-42.1**
EBITDA	126.8	10.9	130.4	-11.5	**256.7**	199.7	-235.8	**220.6**
Depreciation and impairment	-37.8	-0.2	-17.9	-0.8	**-56.7**	-36.6	15.4	**-78.0**
Operating profit	**89.0**	**10.8**	**112.5**	**-12.3**	**200.0**	**163.0**	**-220.4**	**142.6**

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Project companies' financials – Q3'18

Q3 2018 NOK MILLION	CZECH REPUBLIC	SOUTH AFRICA	RWANDA	HONDURAS	JORDAN	OTHER	**TOTAL**
SSO economic interest	100%	39%	54%	40%	60%		
Revenues	42	64	2	12	26	11	155
OPEX	-3	-10	-1	-2	-3	-10	-29
EBITDA	39	54	1	9	23	-1	127
Net interest expenses	-5	-22	-1	-4	-6	3	-35
Normalised loan repayments	-6	-14	-1	-5	-6	-	-32
Normalised income tax payments	-4	-5	-	-	-1	-3	-13
Cash flow to equity	22	14	-1	0	11	1	47

Q3 2017 NOK MILLION	CZECH REPUBLIC	SOUTH AFRICA	RWANDA	HONDURAS	JORDAN	OTHER	**TOTAL**
SSO economic interest	100%	39%	54%	40%	60%		
Revenues	33	68	4	11	23	3	141
OPEX	-3	-9	-1	-1	-1	-6	-22
EBITDA	30	59	3	9	22	-4	119
Net interest expenses	-5	-26	-1	-4	-7	1	-42
Normalised loan repayments	-6	-12	-2	-5	-4	-	-28
Normalised income tax payments	-3	-5	-	-	-	1	-8
Cash flow to equity	17	17	0	1	10	-2	42