



Investor Presentation
ellomay
CAPITAL LIMITED

November 2017

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Forecasted Cash Flow from Projects 2018

November 1, 2017

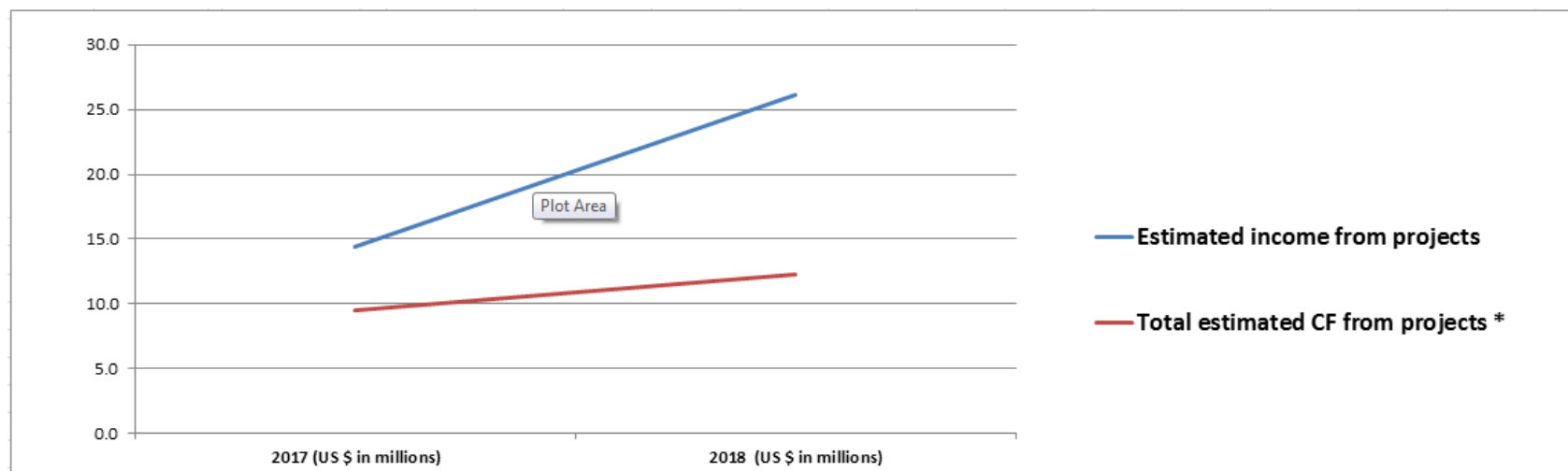
Estimated 2018 CF Projection from Projects, (US\$ in million)

	Italy and Spain PV	Talmei Yosef, Israel 9 MW PV	Waste to Energy NL <small>GGG 1.1.2018- 31.12.2018</small>	Waste to Energy NL <small>GGOT 1.4.18- 31.12.2018</small>	US \$ in millions
Projects income	14.4	4.6	4.1	3	26.1
Operating Costs and G&A of projects	-2.8	-0.6	-2.1	-1.8	-7.3
Financing Expenses, Net	-0.7	-1.2	-0.1	-0.1	-2.1
Tax Expenses	-1.3	0.0	-0.2	0.0	-1.5
Net expected CF from projects	9.6	2.8	1.7	1.1	15.2
Principal payments (project finance)	-1.4	-1.7	-0.6	-0.3	-4.0
Net expected CF from projects after debt service	8.2	1.1	1.1	0.8	11.2
Minority rights	0	0	-0.5	-0.4	-0.9
Ellomay's share of net expected CF from projects	8.2	1.1	0.56	0.41	10.3
Ellomay's expected CF from Dorad					2
Total 2018 estimated CF from projects *					12.3

Based on the following FX rates: NIS/EUR – NIS/USD – 3.51; USD/EUR – 1.181

* The CF presented in the table is presented on a per project basis and does not include corporate expenses and Series A and Series B debentures related expenses.

2017 Vs. 2018 (US\$ in million)

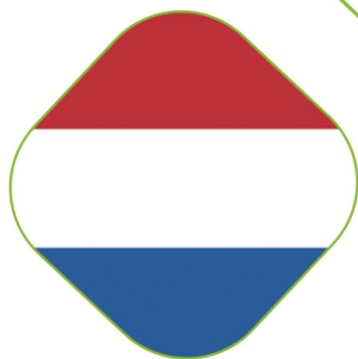


	2017 (US \$ in millions)	2018 (US \$ in millions)
Estimated income from projects	14.4	26.1
Total estimated CF from projects *	9.5	12.3

Based on the following FX rates: NIS/EUR – NIS/USD – 3.51; USD/EUR – 1.181

* The CF presented in the table is presented on a per project basis and does not include corporate expenses and Series A and Series B debentures related expenses.

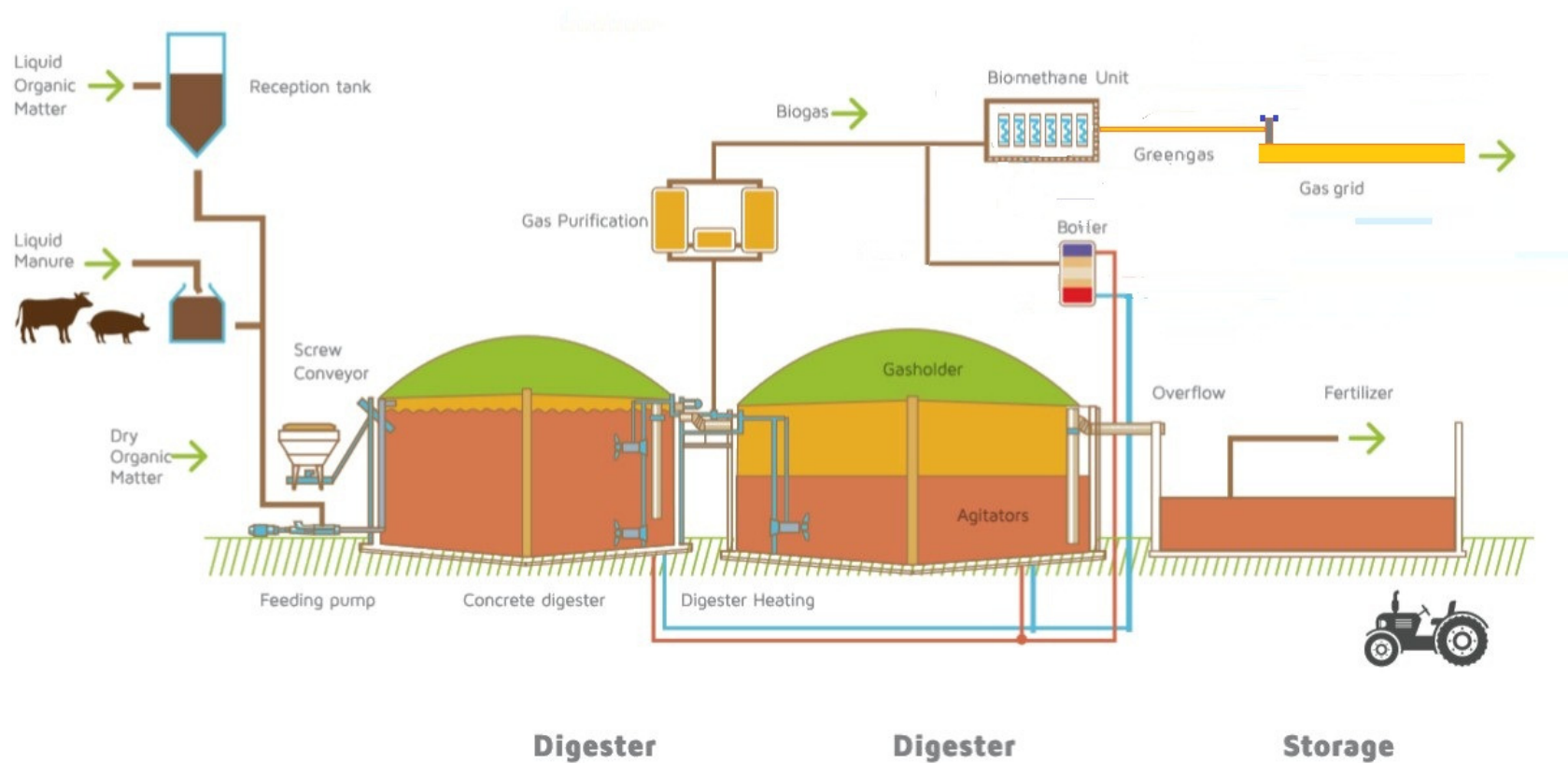
**Biogas Project in the
Netherlands**
Groen Gas Goor



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Production Chain of a Biogas Facility

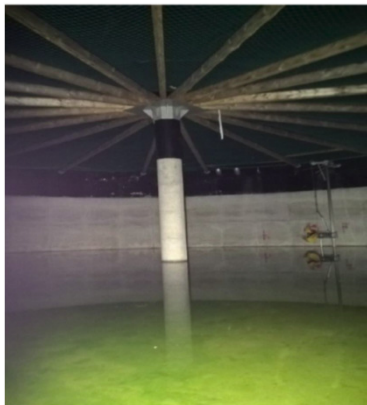


The Goor Project also includes a CHP (combined heat and power) system for the manufacturing of electricity and heat

The Goor Project



** Goor Site*



** Inside a digester*



** Upgrading Room*



** Upgrading Room*

The construction of the project is advancing as planned (completion expected during November 2017)

The Goor Project – General Details

The Goor Project is the first project out of the biogas projects planned in connection with the cooperation with Ludan

Expected Annual Facility Output

- Manufacturing Hours – Approx. 8,000 hours (8,766 hours X efficiency rate of 91%)
 - Gas Manufacturing Scope – 3 million M³
 - Electricity Manufacturing Scope – 5.6 million KWH
 - Heat Manufacturing Scope – 10,800 GJ
- Supplied to the national electricity grid*
- For internal use as part of the gas purification process*

Construction of the Facility

- Expected construction cost (CAPEX) – Approx. Euro 9.7 million
- Expected construction duration – Approx. one year
- Status – facility testing stage, take over planned for mid November 2017

The Goor Project – Main Agreements

- Financing Agreement
- Feedstock Agreement
- Off-take Agreements – sale of gas, electricity and green certificates

The Goor Project – Financing Agreement

Principles of the Agreement:

- Financing Bank – Coöperatieve Rabobank U.A.
- Scope of Senior Debt – Euro 5.6 million for 12 years (A and B Facilities)
- LTC of approx. 60%
- Fixed annual interest for 5 years of 3% (Facility A) and 2.5% (Facility B – Green Loan)
- Equity / shareholders loans – Approx. Euro 4.1 million¹

1. Ellomay's portion of the equity is 51%

The Goor Project – Feedstock Agreement

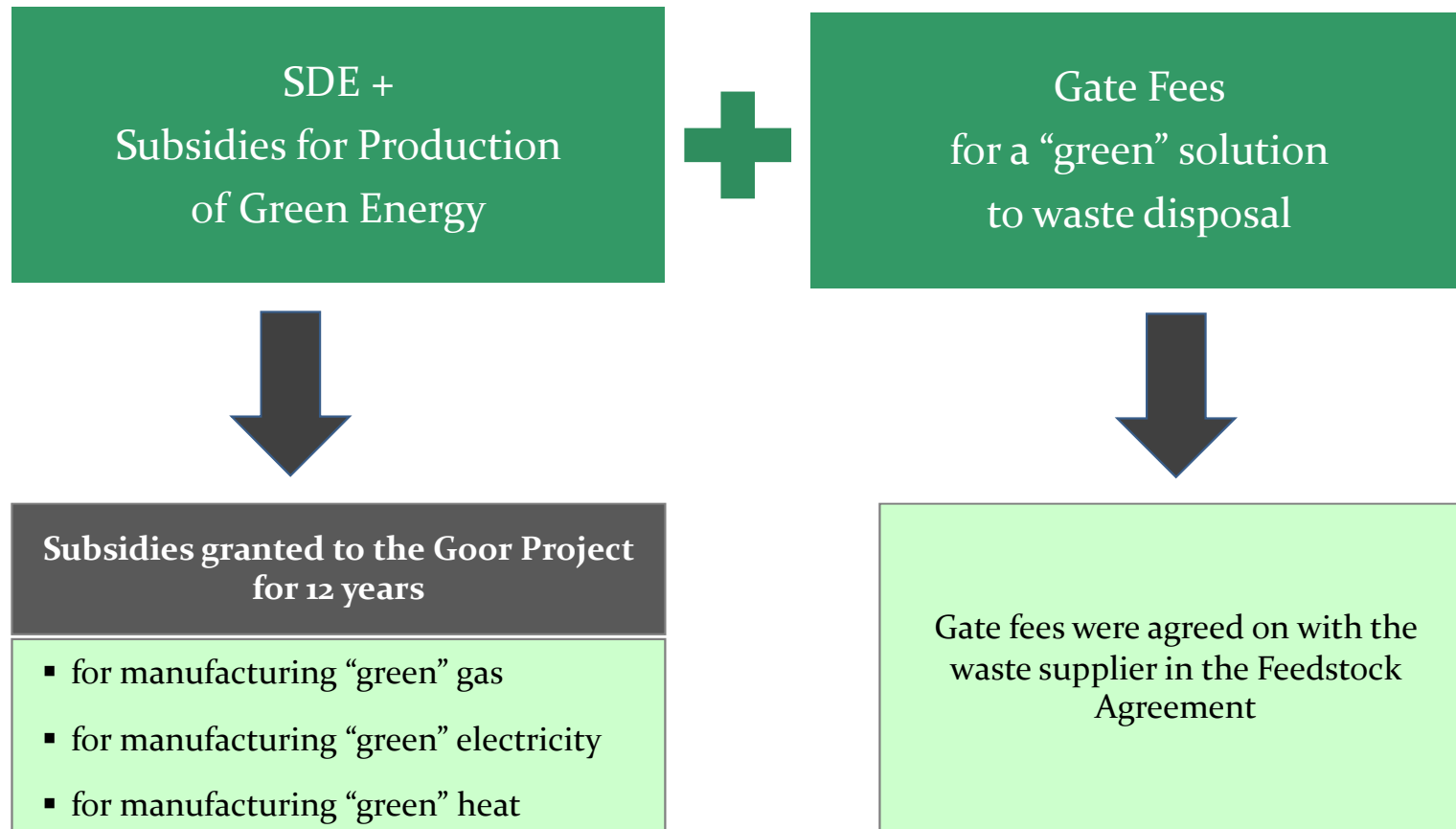
Principles of the Agreement:

- Supplier – Oude Lenferink
- Supplying all of the waste required in order to operate the facility
- “Gate Fee” price – payment from the supplier to the project for receiving the waste (as the facility provides the supplier with a waste disposal solution)
- Other waste price – payment to the supplier for providing other types of waste that the facility requires
- Payment for removal of the digestate from the facility

The Goor Project – Off take Agreements

Agreement		Undertaking to Purchase Energy	Price Undertakings
Agreement for the sale of gas	➤	Undertaking to purchase energy for the duration of the subsidy (12 years)	Market prices (SPOT)
Agreement for the sale of electricity			
Agreement for the sale of green certificates from the production of “green” gas	➤	Undertaking to purchase green certificates for 12 years	Fixed price for 12 years
Agreement for the sale of green certificates from the production of “green” gas	➤	Undertaking to purchase green certificates for 12 years	Fixed price for 3 years

The Goor Project - Regulation



The Involvement of the Company in the Project

The Process	Details
The EPC / O&M Agreements	Commercial negotiation and drafting agreements in consultation with legal counsel and an international technical/engineering consultant
The Feedstock Agreement	<ul style="list-style-type: none">▪ In-depth analysis of the waste requirements of the project and waste availability▪ Commercial/technical/legal negotiations using an international technical/engineering consultant
Inspection of Facility Construction	Ongoing inspection of meeting the construction schedule, analysis of monthly progress reports and visits to the site for quality assurance – all through engineers on our behalf
Approval of Payments to Contractor	Approval of payments to the contractor based on meeting milestones set in the EPC agreement through engineers on our behalf

talasol
SOLAR S.L.



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Ellomay Capital's Purchase of Talasol

- On April 2017 Ellomay entered, through one of the its subsidiaries, into a share purchase agreement (the "SPA") pursuant to which it purchased and acquired the entire share capital of a Spanish company, Talasol Solar S.L. ("Talasol"), that is promoting the development and construction of a photovoltaic plant with a peak capacity of 300 MW in the municipality of Talaván, Cáceres, Spain (the "Project").
- The SPA provides that the purchase price for Talasol's shares is Euro 10 million (approximately \$10.9 million), payment of which is subject to the non-occurrence of customary conditions subsequent in these type of transactions. From the total amount of the purchase price, an amount of Euro 2 million (approximately \$2.18 million) will be retained and withheld by Ellomay until the earlier of the commissioning of the Project or the third anniversary of the SPA.
- The SPA includes customary representations and warranties. The SPA includes several conditions subsequent, the occurrence of any of which by June 30, 2018 will allow Ellomay to automatically terminate the SPA. These conditions include receipt of certain regulatory approvals and entry into certain material agreements with third parties. The SPA further provides the sellers with rights to terminate the SPA in the event the regulatory approvals are granted and Ellomay or Talasol fail to take certain actions required in order to advance the Project.





Agreements, Permits, Authorizations and Licenses - Status



Executed on January
3, 2012 and June 13,
2013

Land lease agreements
with the Town Council
of Talaván



Granted on June 2017

Administrative
Authorization

Declaration of
Public Utility

Expected to be executed
before the end of 2017

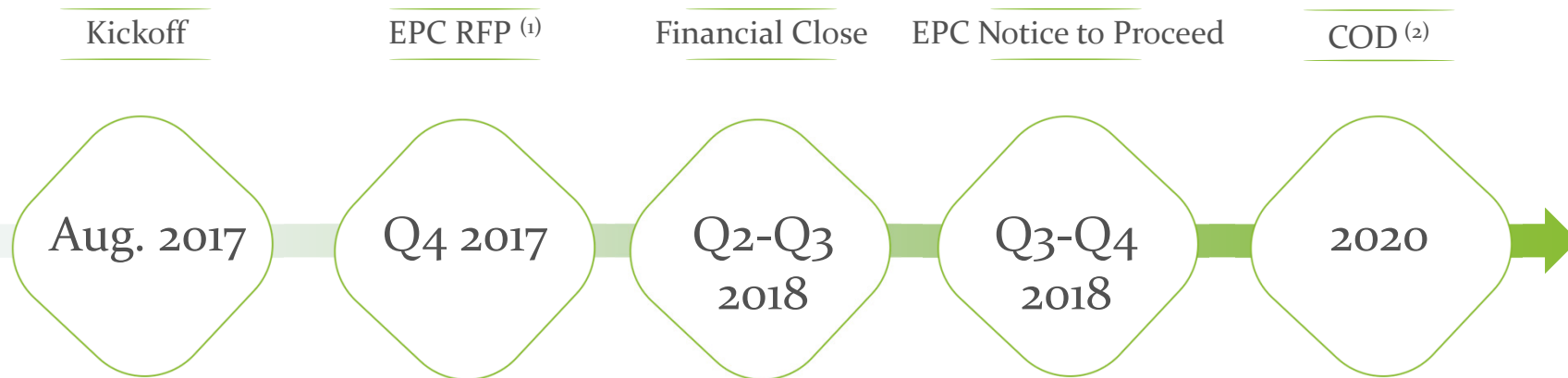
Assignment
Contract
with REE
("contrato
de encargo de
proyecto")

Technical Access
Contract
with REE
("contrato técnico de
acceso")

Expected to be
executed during Q2
2018

Construction
Contract with REE
("contrato de
construcción")

Estimated Project's Key Milestones



- (1) Submission of RFP documents. Bids submission expected in the beginning of Q1 2018, and closing of the EPC contract expected by financial close.
- (2) COD will be finally determined during Q2-Q3 2018, when the construction contract with REE is expected to signed.

Initial Estimation of Key Economic Parameters

CAPEX ⁽¹⁾

~200
Million Euro

Production ⁽²⁾

490-565
GWh
per annum

Revenues ⁽²⁾

20-25
Million Euro
per annum

NOI ⁽³⁾

14-19
Million Euro
per annum

- (1) Based on an initial study performed by Ellomay's technical advisors, the Project's CAPEX including development costs (approximately Euro 20 million) and interest (approximately Euro 7 million) is expected to be approximately Euro 200 million, depending on the terms of the EPC agreement that will be executed in connection with the Project and other factors. Tendering the EPC contract is expected to reduce the EPC costs.
- (2) The Project is expected to produce approximately 565GWh per year, and based on the "base case" scenario of a prices projection study is expected to yield revenues of approximately Euro 20-25 million per year. Talasol is negotiating long-term off take agreements with a short list of reputable off-takers with at least an investment grade credit rating.
- (3) Ellomay expects that the Project's operating and G&A expenses will amount to an aggregate of approximately Euro 6 million and, therefore, revenues net of such expenses are currently expected to be approximately Euro 19 million per year.

Thank You