



## **PRESS RELEASE**

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# **Ormat Announces Closing of Acquisition of the Bouillante Geothermal Power Plant in the Island of Guadeloupe**

*The power plant is expected to generate approximately €20 million of annual revenues*

RENO, Nev. July 5, 2016, Ormat Technologies, Inc. (NYSE:ORA) announced today it has closed its previously announced acquisition of Geothermie Bouillante SA (GB). GB owns and operates the 14.75 MW Bouillante geothermal power plant located in Guadeloupe Island, a French territory in the Caribbean. The Bouillante plants currently generate approximately 10 MW with an expansion potential to up to 45 MW of capacity.

Ormat has signed an Amended and Restated Investment Agreement (the “Investment Agreement”) and Shareholders Agreement with Sageos holding (Sageos), a fully owned subsidiary of Bureau de Recherches Géologiques et Minières (BRGM). Under the agreements, Ormat together with Caisse des Dépôts et Consignations (CDC), a French state-owned financial organization, acquired approximately 80% interest in GB in the proportion of 75% to Ormat and 25% to CDC (i.e., approximately 60% acquired by Ormat and approximately 20% acquired by CDC). Given the deal structure Ormat and CDC will gradually increase their combined interest in GB to 85% and Sageos will hold the remaining balance.

Pursuant to the above agreements, Ormat paid approximately €16.7 million (approximately \$18.6 million, based on current foreign currency exchange rates) to Sageos for approximately 60% interest in GB. In addition, Ormat is committed to further invest €7.5 million in the next two years, which will increase its interest to 63.75%. The cash will be used mainly for the enhancement of the power plant.

Ormat plans modifications to the existing equipment as well as to further develop the asset, with a potential of reaching a total of 45 MW in phased development, by 2021. Under the Investment Agreement, Ormat will pay Sageos an additional amount of up to €12 million subject to the achievement of agreed production thresholds and capacity expansion within a defined time period.

Bouillante power plant sells its electricity under a new 15-year Power Purchase Agreement (PPA) that was entered into force in February 2016 with Électricité de France S.A. (EDF) the French electric utility. Ormat plans to optimize the use of the resource at the existing facilities and recover its current production to its design capacity of 14.75 MW by mid-2017. Upon completion of the enhancement, the plant is expected to generate approximately €20 million of annual revenues.

“This acquisition marks another achievement in our strategic plan to expand our business to new geographies,” noted Isaac Angel, Chief Executive Officer. “CDC is an ideal partner for Ormat, as CDC is proficient with the French regulation and experienced in investments that serve the economic development of France. Together with BRGM and its commitment to the geothermal development, and with Ormat’s experience in the geothermal industry, we can empower the local economy by generating direct and indirect jobs and provide Guadeloupe residents renewable, dependable, and cost-effective electricity.”

### **About Bureau de Recherches Géologiques et Minières (BRGM).**

The BRGM is the French geological survey and France's public reference institution in earth science applications for the management of surface and subsurface resources and risks. Its activities are geared to scientific research, support to public policy development and international cooperation.

### **About Caisse des Depots Group (CDC)**

CDC and its subsidiaries are a state-owned group, a long-term investor dedicated to serving the public interest and regional economic development. Its vocation was reaffirmed by the law on modernisation of the economy of 4 August 2008. Widely recognised for its expertise in managing its areas of competence, the group focuses its efforts on four major areas of transition strategically vital to France's long-term development: territorial, ecology and energy, digital, demographic and social.

### **About Ormat Technologies**

With over five decades of experience, Ormat Technologies, Inc. is a leading geothermal company and the only vertically integrated company engaged in geothermal and recovered energy generation (REG), with the objective of becoming a leading global provider of renewable energy. The company owns, operates, designs, manufactures and sells geothermal and REG power plants primarily based on the Ormat Energy Converter - a power generation unit that converts low-, medium- and high-temperature heat into electricity. With 72 U.S. patents, Ormat's power solutions have been refined and perfected under the most grueling environmental conditions. Ormat has 450 employees in the United States and over 600 overseas. Ormat's flexible, modular solutions for geothermal power and REG are ideal for the vast range of resource characteristics. The company has engineered, manufactured and constructed power plants, which it currently owns or has installed to utilities and developers worldwide, totaling over 2,000 MW of gross capacity. Ormat's current 697 MW generating portfolio is spread globally in the U.S., Guatemala and Kenya.

### **Ormat's Safe Harbor Statement**

Information provided in this press release may contain statements relating to current expectations, estimates, forecasts and projections about future events that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally relate to Ormat's plans, objectives and expectations for future operations and are based upon its management's current estimates and projections of future results or trends. Actual future results may differ materially from those projected as a result of certain risks and uncertainties. For a discussion of such risks and uncertainties, see "Risk Factors" as described in Ormat Technologies, Inc.'s Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 26, 2016.

These forward-looking statements are made only as of the date hereof, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.