



STRASSER CAPITAL



EURO 30 million Green Loan structured to satisfy Climate Bonds certification standards successfully placed as first tranche of the MEP Green Financing Programme for Solar Leases

Strasser Capital is again at the forefront of financial innovation for sustainable energy and distributed generation solar projects by placing, together with its partner NIBC Bank Deutschland AG, Europe's first Climate Bond Certified long-term loan secured against a granular portfolio of residential solar PV leases to Delta Lloyd Asset Management.

- First issue of a certified 20-year green senior secured fixed rate loan in Europe for long-term financing of a solar lease business model
- Strasser Capital opens the market of the private energy transition to institutional investors
- Innovative financing model for the MEP Solar Lease business model secures long-term institutional large-scale investor
- Strasser Capital positions itself as a “first mover” on the new market of issuers of green investment products backed by small-ticket solar lease contracts
- Further asset financing for the MEP Solar Lease business model secured

Munich, 10th Jan. 2017 – Strasser Capital has successfully placed the first green loan tranche (30 million euro) of its MEP Green Financing Programme to the Dutch asset manager Delta Lloyd Asset Management. The transaction has been structured to meet the Climate Bonds Standards v2.0 and is Climate Bond Certified by the Climate Bonds Initiative (CBI). The 30 million euro tranche is secured by a highly granular pool of MEP Solar Leases. Strasser Capital is the first to offer institutional investors a long-term participation in MEP Werke's business model and the German energy transition through a transparent and sustainable green financing programme structured as a green bond or loan. The MEP Green Financing Programme will be used to refinance existing sources of debt capital of MEP which have been used to finance the scale-up of its solar lease portfolio. By means of the MEP Solar Lease model, households in Germany can produce their own solar energy at a competitive long-term fixed price, thereby supporting the accessibility of renewable energy technologies to consumers in Germany.

“As investors we are convinced that MEP will contribute to bringing this innovative financing concept to the forefront of the energy transition from traditional to renewable energy sources in Germany. We are delighted that with Strasser Capital we have found not only a partner who searches for new solutions, but also one that is able to implement them strategically and consistently,” states Tamer Fawaz, Portfolio Manager at Delta Lloyd Asset Management.

“Throughout the world investors are looking for certified and rated green investment and financing opportunities. The MEP green loan has a fixed interest rate and is secured by a



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granular, diversified portfolio of 20-year solar lease receivables which makes it the perfect investment for long-term investors such as pension funds or insurance companies,” says Konstantin Strasser, CEO and founder of Strasser Capital. Ulrich Bogner, Director Corporate Finance and Investments, adds: “With our partner bank NIBC as well as our advisors dwf, Hexagon Finance and Advisory Ltd. and Clifford Chance, we were able to develop this unique financing solution for the photovoltaic sector. We are honoured that we were able to commit the renowned Dutch asset manager Delta Lloyd Asset Management as long-term investor.” The independent certification by Climate Bonds Initiative facilitated the due diligence process and to date, there has been no comparable financing structure for a solar lease portfolio in Europe.

After successful conclusion of the financing contracts with Delta Lloyd Asset Management, further asset financing for the MEP solar lease business model has been secured. NIBC Bank Deutschland AG granted MEP a second senior loan warehouse facility to enable the further growth of the portfolio, after which a second fixed rate financing product can be issued.

According to United Nations estimates, green investments of USD 90 trillion equivalent will be needed from now until 2030 to generate the financial resources necessary to fight climate change. The first green bonds were structured in 2007 by the European Investment Bank and the green bond/financing issuance market has now grown to more than USD 690 billion according to Climate Bonds Initiative.

Statements of our business partners

Thom Rasser, CEO of NIBC Bank Deutschland AG:

"This successful refinancing proves MEP's long-term business model and we are delighted to have worked with Strasser Capital in this innovative financing and look forward to further long-term financings from the MEP Green Financing Programme."

As partner bank of Strasser Capital, NIBC Bank Deutschland AG was responsible for structuring the innovative MEP Green Financing Programme.

Sean Kidney CEO Climate Bonds Initiative:

"This is green finance leadership from Strasser Capital and marks a positive start to 2017. We need other financial institutions to follow and develop well-structured green securitization models and build market depth. The announcement from Strasser shows what is possible, well done!"

Strasser Capital's green loan transaction is Climate Bond Certified by the Climate Bonds Initiative.

Dr. Arne Klüwer, partner at Clifford Chance:

"This is the first structure combining whole business securitisation with traditional mobile lease receivables financing techniques and constitutes an innovative blueprint for a new asset class."

Clifford Chance acted as advisor of NIBC Bank Deutschland AG and the investor Delta Lloyd Asset Management for the green loan transaction.

Rick Gambetta, Managing Director, Hexagon Finance and Advisory Limited:

"MEP's Solar Lease portfolio, with its granularity and predictable income stream, is a natural asset class for long-term asset-backed financing. Hexagon is extremely pleased to have advised on this transaction, the first distributed generation solar PV financing transaction closed outside the U.S."

Hexagon acted as joint arranger and adviser to MEP Werke and Strasser Capital for the green loan transaction.



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Dr. Mathias Reif, Partner and Head of Corporate & M&A Germany at dwf:

“MEP and its management have already in the past seized chances, where others only saw issues. This Climate Bond certified green loan is another example for the leading role of MEP in the field of innovative financing transactions.”

dwf acted as legal advisor of MEP Werke and Strasser Capital for the green loan transaction.

About MEP Werke and Strasser Capital

MEP Werke, the biggest subsidiary of Strasser Capital, is headquartered in Munich, Germany. It is one of Germany's leading decentralized energy providers as well as market leader in end-to-end service for photovoltaics and specializes in leasing solar power systems to German residential homeowners at a fixed monthly rate. The parent company and private equity investor Strasser Capital specializes in clean energy investments and financing solutions throughout the EU, with a focus on solar energy. Together with their partner bank NIBC, MEP and Strasser Capital developed a unique financing structure, a long-term note issuance programme that is secured on a granular portfolio of MEP solar lease receivables.

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