

Project Merkur Confirms Financial Close

- 396-MW German offshore wind farm development project raises EUR 1.6 billion
- Represents one of the largest project financed offshore wind projects in the country
- Strong equity consortium with Partners Group, InfraRed Capital Partners, DEME and GE
- First large-scale commercial deployment of the GE Haliade 150-6MW turbine

12 AUGUST 2016 - Hamburg, Germany: On behalf of its shareholders, Merkur Offshore GmbH is pleased to announce that the 396-megawatt Merkur offshore wind development project has confirmed financial close. Merkur is a construction-ready wind farm located approximately 45km north of the islands of Borkum, Germany, in the North Sea. It will consist of 66 turbines and once complete will generate approximately 1,750 GWh annually, enough clean energy to power around 500,000 homes. A total capital investment of ca. EUR 1.6 billion was raised from equity investors and bank lenders on a non-recourse project financing basis.

Close to EUR 500 million in equity was provided by a consortium of five sponsors comprising of Partners Group, the global private markets investment manager (with a 50% equity share on behalf of its clients); InfraRed Capital Partners, the infrastructure and real estate investment manager (with a 25% equity share on behalf of its infrastructure investors); DEME Concessions Wind, the infrastructure investment arm of the DEME Group (12.5%); GE Energy Financial Services, the energy investing arm of the industrial company (6.25%); and, L'Agence de l'environnement et de la maîtrise de l'énergie (ADEME), acting in the name and on behalf of the French State (6.25%).

Brandon Prater, Partner and Co-Head Private Infrastructure, Partners Group, stated: "With several coal-fired and nuclear power plants due to be retired across Germany by 2020, Merkur is a timely project and will contribute towards maintaining the country's energy supply, while catering to the long-term shift towards renewables in the power generation mix. On this project we have strong and experienced equipment and engineering partners, as well as equity partners, and look forward to working with them to successfully complete Merkur."

Alain Bernard, Director and Chief Executive Officer of the DEME Group, said: "With our investments in the Merkur project, DEME continues to be at the forefront of offshore wind energy developments in Germany and beyond. GeoSea, DEME's specialist in complex offshore marine engineering projects, will realize the construction of Merkur Offshore. Our specialist team in Bremen will play a major role in the execution of the project, contributing significantly to Germany's energy transition plans."

Jérôme Péresse, President and CEO of GE Renewable Energy said: "This is a significant milestone for both the Merkur Offshore project and the European offshore wind industry. Securing this funding ensures the first large-scale commercial deployment of our state-of-the-art Haliade 150-6MW offshore wind turbine in Europe. The Merkur project also



signals our continued commitment to the development of offshore wind farms around the world."

Stephane Kofman, Director, Infrastructure at InfraRed, stated: "InfraRed is pleased to be working with strong partners and is looking forward to the successful development and construction of this flagship renewable energy project. Offshore wind is a sector particularly aligned to experienced infrastructure investors such as InfraRed as it enables the application of complex structuring skills to deliver a large scale European renewable energy project that will positively contribute to a sustainable future energy source and reduce reliance on fossil fuels and nuclear power. InfraRed is pursuing similar opportunities in Europe but will also continue systematic origination activities in core target geographies including North America and Australasia."

The Merkur Offshore wind farm will be one of Germany's largest wind farms. GE will supply 66 Haliade 150-6 megawatt offshore turbines, installed by DEME, and built and operated by Merkur Offshore. Project construction will start immediately and will be undertaken by GeoSea, member of the DEME Group.

With strong project fundamentals, including contracting and secured grid connection, the debt was arranged in an unprecedented record time of four months. A group of ten leading international and local banks committed approximately EUR 1.2 billion of senior secured debt to the project. The lenders' group comprises of KfW Mittelstandsbank, under the umbrella of its German Offshore Wind Programme, as well as nine commercial lenders including: ABN Amro, Commerzbank (Modelling and Tax Bank), Deutsche Bank (Account Bank, Facility & Security Agent, Joint Hedge Coordinator as well as Sole Book Runner); KfW IPEX (Technical Bank and Markets Bank); Natixis; Rabobank (Insurance Bank); SEB (KfW Applicant Bank); SMBC and Société Générale (Documentation Bank and Joint Hedge Coordinator).

Project Merkur was advised by Amsterdam Capital Partners (financial and equity advisor), Deutsche Bank (debt advisor), Hogan Lovells (legal advisor), EY (tax advisor), Marsh (insurance advisor) and PMC (hedging). The lenders were advised by Clifford Chance (legal), Sgurr, (technical), JLT (insurance), Poÿrÿ Management Consulting (market) and Operis (model). Finally, CMS, Norton Rose Fulbright and Allen & Overy were legal advisors to the equity sponsors.

About Merkur

Merkur is a construction-ready wind farm located in the German exclusive economic zone approximately 45km north of the islands of Borkum. In early 2015, DEME Concessions Wind took over the development of the project from former developer Windreich and was joined by GE later that year. Construction will be under a dual contract structure with GE as supplier of 66 GE Haliade 150-6 megawatt wind turbine generators and GeoSea as turnkey contractor for the entire balance of plant. Offshore foundations installation is expected to commence in August 2017, with project completion scheduled for March 2019. Once constructed, Merkur will benefit from the German offshore feed-in-tariff.



About Partners Group

Partners Group is a global private markets investment management firm with over EUR 49 billion (USD 55 billion) in investment programs under management in private equity, private real estate, private infrastructure and private debt. The firm manages a broad range of customized portfolios for an international clientele of institutional investors. Partners Group is headquartered in Zug, Switzerland, and has offices in San Francisco, Denver, Houston, New York, São Paulo, London, Guernsey, Paris, Luxembourg, Milan, Munich, Dubai, Mumbai, Singapore, Manila, Shanghai, Seoul, Tokyo and Sydney. The firm employs over 850 people and is listed on the SIX Swiss Exchange (symbol: PGHN) with a major ownership by its partners and employees. www.partnersgroup.com

About InfraRed Capital Partners

InfraRed is a leading international investment manager focused on infrastructure and real estate. It operates worldwide from offices in London, Hong Kong, New York, Paris, Seoul and Sydney. With over 120 professionals it manages in excess of USD 9bn of equity capital in multiple private and listed funds, primarily for institutional investors across the globe. InfraRed has launched 15 funds, including two companies listed on the London Stock Exchange (HICL and TRIG), six of which have been realised. To date, InfraRed has developed over 70 infrastructure projects with an aggregate capital expenditure of over US\$25bn and manages over 160 projects in social, transportation and energy infrastructure sectors. www.ircp.com

About DEME

The Belgian dredging, environmental and marine engineering group DEME is an international market leader for complex marine engineering works.

Building on 140 years of experience and know-how, DEME has organically moved into several related sectors, such as the financing of marine engineering and environmental projects, executing EPC related complex marine engineering projects including civil engineering works, the development and construction of renewable energy projects, providing services for the oil, gas and energy sector, the decontaminating and recycling of polluted soils and silts, the harvesting of marine resources, etc.

Thanks to an integrated company structure, DEME strongly emerges as a 'global solutions provider' which offers its clients overall solutions. DEME has the most modern, high-tech and versatile fleet.

DEME Group has 4,600 employees worldwide and achieved a turnover of 2.35 billion euros in 2015. More information: www.deme-group.com

About GE Energy Financial Services

A strategic GE Capital business, GE Energy Financial Services is a global energy investor that provides financial solutions that help meet the world's energy needs. Drawing on its technical know-how, financial strength and strong risk management, GE Energy





Financial Services invests in long-lived and capital intensive projects and companies. The firm has 35+ years of experience managing energy assets through multiple economic cycles, and a global portfolio that spans conventional and renewable power, and oil and gas infrastructure projects. The company is headquartered in Stamford, CT with regional hubs in London, Houston, Hong Kong and Nairobi. More information: www.geenergyfinancialservices.com; Twitter: [@GEEnergyFinServ](https://twitter.com/GEEnergyFinServ)

About GE

GE (NYSE: GE) is the world's Digital Industrial Company, transforming industry with software-defined machines and solutions that are connected, responsive and predictive. GE is organized around a global exchange of knowledge, the "GE Store," through which each business shares and accesses the same technology, markets, structure and intellect. Each invention further fuels innovation and application across our industrial sectors. With people, services, technology and scale, GE delivers better outcomes for customers by speaking the language of industry. www.ge.com.