YIELD COMPRESSION AND RETURNS
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Introduction to Greencoat Capital

Private Equity
- Growth capital for companies

Infrastructure
- Listed UK wind fund
- Private markets solar funds
- Listed European renewables fund

£3bn under management across the Greencoat Platform
Revenue profile

### Illustrative cash flow

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume x Price</td>
<td>100</td>
</tr>
<tr>
<td>Revenue</td>
<td>100</td>
</tr>
<tr>
<td>Less</td>
<td></td>
</tr>
<tr>
<td>Costs</td>
<td>20</td>
</tr>
<tr>
<td>High Free Cash Flow</td>
<td>80</td>
</tr>
</tbody>
</table>

**Note:** For illustrative purposes only, these examples are no guarantee of future performance.

### Gross cash flows (£100m investment)

![Graph showing cash flow over time with different inflation scenarios.]  
- **Inflation +1.0%**
- **Base Case**
- **Inflation -1.0%**

### 25 year power price sensitivities (Gross project IRR)

<table>
<thead>
<tr>
<th>Scenario</th>
<th>IRR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pöyry high</td>
<td>9.6%</td>
</tr>
<tr>
<td>Pöyry central</td>
<td>7.0%</td>
</tr>
<tr>
<td>£45 flat real</td>
<td>6.1%</td>
</tr>
<tr>
<td>£40 flat real</td>
<td>5.3%</td>
</tr>
<tr>
<td>Pöyry low</td>
<td>3.9%</td>
</tr>
</tbody>
</table>
The spectrum of operational assets

Renewable Energy Infrastructure

<table>
<thead>
<tr>
<th>Class</th>
<th>Size</th>
<th>Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK biomass</td>
<td>4 GW; £6bn</td>
<td>8-10% unlevered</td>
</tr>
<tr>
<td></td>
<td>11 GW; £25bn</td>
<td>7-8% unlevered</td>
</tr>
<tr>
<td>UK onshore wind</td>
<td>6 GW; £25bn</td>
<td>7.5-8.5% unlevered</td>
</tr>
<tr>
<td>UK offshore wind</td>
<td>8 GW of GM; £12bn</td>
<td>6-7% unlevered</td>
</tr>
</tbody>
</table>

1 Greencoat Capital LLP’s allocation policy states that for all UK wind projects above 10MW, Greencoat UK Wind PLC (“UKW”) will have priority.
Evolution

New technologies, yes. Infrastructure assets…? Not yet and maybe never

The key to success?

Source: Time Out London
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