

Summary of the
Rating Report

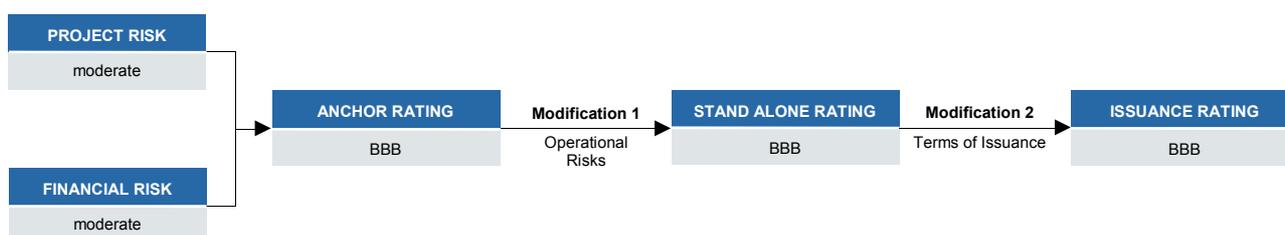
**Gode Wind 1 Investor Holding
GmbH (Project Fortuna)**
Senior Notes

11 October 2016



Issuance Rating

Gode Wind 1 Investor Holding GmbH (Project Fortuna) Senior Secured Amortising Registered Notes		11 October 2016	BBB
		Issuance Rating	
		Outlook	stable
Industry	Offshore Wind Energy	Volume	€ 556 million



PROJECT RISK	moderate
<ul style="list-style-type: none"> Highly predictable revenue stream benefiting from low resource risk and the absence of price risk Stability of German regulation leads to low regulatory risk Moderate OPEX risks due to OEM warranty agreement and largely fixed O&M costs Offshore wind lacks competitiveness compared to other renewable energy sources 	

OPERATIONAL RISKS	- 0
<ul style="list-style-type: none"> Construction risks almost eliminated Operational risks consistent with the anchor rating 	

FINANCE RISK	moderate
<ul style="list-style-type: none"> Full amortization within the regulated income period Sufficient coverage ratios for debt service under conservative rating case assumptions Financial model sustains severe downside scenarios without making use of reserve accounts Robust short-term liquidity profile 	

TERMS OF ISSUANCE	± 0
<ul style="list-style-type: none"> Senior secured status Permitted financial indebtedness at OpCo level Adequate cash distribution mechanism, reserve accounts, covenants and termination rights Adequate liquidity facilities such as DSRA and MRA 	

Rating Rationale

Euler Hermes Rating confirms Gode Wind 1 Investor Holding GmbH's (Project Fortuna) senior notes issuance rating at BBB. The key factors underlying this issuance rating are a combination of moderate project risks, moderate financial risks and adequate terms & conditions for the € 556 million bond issue.

Moderate project risk due to high cash flow visibility, low regulatory risks and low operating risks

The **project risks** are moderate in our opinion. Key drivers of our assessment are a combination of highly predictable cash flows, low regulatory and operating risks. The elimination of price risks through regulated feed-in tariffs and the mitigation of resource risks through the application of independent energy yield studies both contribute to a highly predictable and stable revenue stream in our opinion. The cash flow quality is further supported by the operations & maintenance agreement with mostly fixed conditions guaranteed by DONG Energy Wind Power A/S (DONG Energy) and supported by a yield based service warranty agreement with Siemens. Risks associated with the market-/regulatory environment are generally low as the offshore wind industry will keep benefitting from strong regulatory support by the German government in our view. We further believe that the managing risks are low given DONG Energy's long standing track record and market-leading position in offshore wind, stable credit ratings, commitment to the project and high-quality project partners. Technical risks associated with the limited track record of the wind turbine (SWT-6.0-154), uncertainties regarding the variable fraction of the O&M-budget and lack of competitiveness compared with other regulated renewable energy sources have a negative impact on the rating of project risks.

Moderate financial risk due to sufficient coverage and robust short-term liquidity

Financial risks are moderate in our opinion. Key drivers in our assessment are the sufficient coverage ratios for debt service under conservative rating case assumptions which could sustain severe downside scenarios regarding energy yield, park availability, wake losses, total O&M budget or permitted indebtedness at OpCo level without making use of reserve accounts. The scenario analysis also demonstrates a robust short-term liquidity profile which in turn indicates a low risk of default at project level.

The assessment of operational risks and terms of issuance causes no modification of the overall issuance rating

Our assessment on **operational risks** and the **terms of issuance** did not identify any relevant factors that would require a modification of the overall rating outcome. In particular, we tested for adequate terms and conditions regarding the cash distribution mechanism, reserve accounts, covenants and termination rights. The absence of financial leverage at project level, the almost eliminated construction risks, and the full amortisation within the regulated income period are positive factors in our view. A possible scenario that would permit financial indebtedness at OpCo level only has a minor negative impact on the risk assessment given the well-defined limits on priority claims.

Rating History

Project Fortuna	13 October 2015	11 October 2016	
Issuance Rating	BBB	BBB	
Stand Alone Rating	BBB	BBB	
Outlook	stable	stable	

Execution of the Rating

The rating request was submitted by General Infrastructure Partners (GIP) on 27 April 2015. Management talks took place between April 28 and October 10, 2016. This rating report was presented to the client on 12 October 2016, meaning that the rating process has now been concluded. The notation proposal and the report on which it was based were reviewed by the Rating Committee on 11 October 2016 and approved in their current form. If this rating is not made public, the rating refers to this date. If the rating assessment is published on the rating agency's website (www.eulerhermes-rating.com), it will be followed by a subsequent one-year monitoring process. During this period, the company and the environment in which it operates remain under observation. The rated company is subject to unrestricted disclosure obligations during this period. Any change in the rating agency's assessment will result in a change in the published rating, meaning that the rating as shown on the internet represents the current rating assessment at all times. Continued publication after the expiry of the monitoring period is contingent upon a follow-up rating being conducted.

The client is solely and exclusively liable for any errors or omissions in the documents and information supplied openly and willingly in response to our requests for information. The client has reviewed the rating report and confirms that all of the information which it contains is correct and complete in all significant respects, that no major aspects have been concealed and that any forward-looking statements which it may include are based on plausible, verifiable and current data and have been prepared by the client with the diligence of a prudent businessman. However, the client cannot be held liable if actual results differ from the forward-looking statements, in particular the projections, presented in this document. Changes in the economic environment and unforeseen events may impair the validity of the forward-looking statements and projections.

The rating report may not be construed as constituting a recommendation to participate in certain facilities. All recipients of the information should conduct their own independent analyses, credit assessments and other reviews and evaluations which are customary and necessary to reach a final decision about the participation in certain facilities. It should be noted that the summaries of contracts, legislation and other documents included in the report are no replacement for examination of the corresponding full texts. As of the date on which this information is published, it is not possible to guarantee that the information has not changed since being collected and that all information provided is still valid. The client is under no obligation to update the information.

The publication of this rating report may be prohibited by law in certain jurisdictions. The client therefore requests that any persons who gain possession of this information enquire about and comply with any such restrictions. The client does not assume any liability of any kind towards anyone with respect to the dissemination of this rating report in any jurisdiction whatsoever.

The client's management has submitted to Euler Hermes Rating GmbH a written letter of representation.

We have prepared this report to the best of our abilities and knowledge.

Euler Hermes Rating GmbH

Hamburg, 12 October 2016

Analysts

Torsten Schellscheidt, senior analyst and project lead
Matthias Peetz, senior analyst

Rating committee

Kai Gerdes, director
Dörte Mählmann, director

Principal sources of information

- Financial model of Project Fortuna prepared by KPMG/ DONG Energy
- Project Fortuna Acquisition Due Diligence, April 2015, prepared by SgurrEnergy
- Assessment of Energy Production of the proposed Gode Wind 1 offshore wind farm, 6 March 2014, prepared by GL Garrad Hassan
- Technical Due Diligence Review on the Project Fortuna in the German EEZ, 11 April 2014, prepared by GL Garrad Hassan
- Project Fortuna - Gode Wind 1 offshore wind farm (GOW1) yield estimate, 13 November 2013, prepared by DONG Energy
- Project Fortuna – Insurance Due Diligence Report – Update – V2. 25 February 2015, prepared by Willis
- Heads of Agreements, 15 April 2015, between Global Infrastructure Management, LLC and DONG Energy Wind Power A/S
- Preliminary Senior Bond Term Sheet, 18 May 2015
- Common Terms Agreement
- Project Fortuna – Legal Review Report. 30 April 2015, prepared by Clifford Chance
- Project Fortuna – Draft Strawman Structure Report, 8 May 2015, prepared by Deloitte
- Share Purchase Agreement
- Investor HoldCo Account Pledge Agreement
- Account Bank Agreement
- Agency Agreement
- Direct Agreement SHA
- Security Trust and Intercreditor Agreement
- Direct Agreement CA
- Direct Agreement OMA
- Construction Agreement
- Operation and Maintenance Agreement
- Power Purchase Agreement I,
- Equity Commitment Letter (CA Price)
- Equity Commitment Letter (Decommissioning)
- Shareholder Loan (HoldCo Partnership)
- Shareholder Loan Agreement (Parent to HoldCo)
- Parent Company Guarantee Rescission Amount Guarantee
- Parent Company Guarantee Shareholders Agreement Guarantee
- Shareholder Agreement
- Master Definition Agreement
- Subscription Agreement
- Project Fortuna, Conditions of Issue
- Equity Commitment Letter from Global Infrastructure Partners (GIP),
- Letter of Credit (National Australian Bank)
- GIP Portfolio Breakdown, 28 September 2012

Rating methodology

Projektratingmethodik der Euler Hermes Rating GmbH vom Dezember 2014
<http://www.ehrg.de/seiten/Projektrating-Methodik%202014.pdf>

Appendix 1: Rating notations

category	explanation
AAA	AAA rated companies demonstrate an excellent credit quality. Such companies are characterized by an extremely positive future outlook and are viewed as being “first class” business partners. Although the various security elements can certainly change, such changes – to the extent this can be assessed - are highly unlikely to adversely affect the fundamentally strong position of such companies.
AA	AA rated companies demonstrate very high quality with respect to future security. Along with the AAA rated companies, this group forms the so-called “quality class.” Security margins may, however, be comparatively thinner, the solidity of the security elements may fluctuate more or individual assessment components may indicate a greater long-term risk than is the case for AAA rated companies.
A	A rated companies demonstrate high quality with respect to future security. They show many favourable features which secure their future. Nevertheless, there may be isolated factors which reveal a slightly increased susceptibility to the worsening of circumstances and general economic conditions in the future.
BBB	BBB rated companies demonstrate reasonable quality with respect to future security. Compared to A rated companies, however, it is more likely that worsening of general economic conditions could weaken the capability of fulfilling financial obligations.
BB	BB rated companies still have structures adequate to secure their future. Yet they are subject to greater insecurities. Negative business developments or changes in the general financial and economic conditions can make it impossible for them to fulfil their financial obligations in a suitable manner.
B	B rated companies lack the usual structures to secure their future. Negative business developments or changes in the general financial and economic conditions will most likely make it impossible for them to fulfil their financial obligations in a suitable manner.
CCC	CCC rated companies have structures which greatly endanger the security of their future. Capital service is in jeopardy. Such a company is dependent on a favourable development of general economic conditions if it is to be able to meet its financial obligations in the long term.
CC	Companies receiving a CC rating have very little security for their future. Capital service is in great jeopardy.
C	C rated companies have the least future security of all. The basic conditions enabling such debtors to fulfil their financial obligations are extremely poor. Default is imminent.
D	Companies with a D rating are already in default of payment or have filed for bankruptcy. The D rating is irrelevant for the future; it documents solely the bankruptcy of the company.
SD	If an issuer defaults with respect to a certain financial liability or class of liabilities but is still able to honour its payment obligations under other financial liabilities or classes of liabilities within the requisite period, it is assigned SD (selective default) status.
NR	A debtor or an issuer not rated by Euler Hermes Rating is classified as NR (Not Rated).
PLUS (+) MINUS (-)	Rating notations from AA to CCC may be complemented by a PLUS (+) or MINUS (-) if required, in order to show their relative position within the respective rating category.

Appendix 2: Definitions and financial ratios

Debt Service Coverage Ratio (DSCR)

DSCR
Numerator
Cash flow Available for Debt Service
Denominator
Debt Service

Annual Debt Service Coverage Ratio (ADSCR)

ADSCR
Numerator
Annual Cash flow Available for Debt Service
Denominator
Annual Debt Service

Loan Life Coverage Ratio (LLCR)

LLCR
Numerator
Net Present Value of Cash flow Available for Debt Service
Denominator
Outstanding Debt