



Coillte announce the commencement of a process for the sale of wind farm assets

- **Coillte to test the market and crystallise the value of investments made in its wind farms over the last four years**
- **Invested €25m in existing operating wind farms over the last four years**
- **In the current strong market Coillte believe these assets will achieve a value in excess of €125m**
- **Later in the year, plan to announce development of future renewable energy assets that will see the reinvestment of capital from the sale of existing wind farm assets**

Thursday 22 March, 2018: Following on from Coillte's announcement last October that it would explore the potential sale of its successfully commissioned wind assets as part of an ambitious strategy to develop in excess of 1,000 MW of future renewable energy projects, the company today announced that it has commenced a formal sales process which will seek to maximise the value of its investment in its four operating wind farms. The sales process will explore investor interest in acquiring Coillte's 50% stake in each of its joint venture wind farms at Raheenleagh, Cloosh Valley and Castlepook and a 25% stake in Sliabh Bawn – in total representing a net operating capacity of 104MW on an equity basis. These wind farms were co-developed with ESB, SSE and Bord Na Móna.

Coillte has invested €25 million of equity in these operating wind farms over the last four years and expects that in the current strong market a value in excess of €125 million will be achieved. The potential disposal of these assets demonstrates Coillte's ability to substantially enhance the value of its diverse land bank, allowing the business to continually increase its return to the shareholder in line with its dividend policy.

In addition to achieving significant value from the sale, as the wind farms are located on Coillte lands, the Company will continue to receive long term land lease income throughout their operational lives.

As part of the current sales process, Coillte will also seek interest from prospective investors for the potential future acquisition of two wind farm projects currently in final planning review that have the potential to produce 90 MW of power (67.5 MW on a net equity basis).

Commenting on the announcement, Fergal Leamy, Chief Executive, Coillte said: "Today's announcement marks a critical milestone for Coillte as it illustrates the significant value that we have created over the last few years. Whether we achieve our sales price expectations or ultimately decide to retain an ongoing dividend flow from these assets, these wind farms are an impressive set of projects, delivering clean energy, demonstrable economic value and real

value to the local communities. The fact that we have realised assets with an equity investment of €25 million that may trade for a value greater than €125 million illustrates the potential value we can create from every hectare of land we own to ultimately deliver enhanced value for our shareholder, the State.

In addition to the sales process we are now launching, later in the year we expect to announce details of how we plan to develop in excess of 1,000 MW of renewable energy generating capacity over the next ten years across a pipeline of 25 projects we have identified on the Coillte estate.”

Coillte intends to recycle the capital achieved from a successful sale of the four operating wind farms back into the business with a focus on its core forestry activities, co-funding of new wind development opportunities and other strategic opportunities that will enhance the overall value of the Group.

Looking to the future, Coillte has ambitious plans to develop an exciting pipeline of future renewable energy projects with a strategic partner, while retaining ownership of the underlying land. The Coillte estate has the potential to unlock as much as 1,000MW of renewable energy generating capacity by 2030, representing approximately 33% of the future renewable energy that will be needed to power homes and businesses across Ireland. As part of the roll out of its future development pipeline, Coillte will continue to deploy a leading edge community engagement model, which uniquely includes the provision of world class recreational facilities for communities that can operate effectively with commercial forestry and an operating wind farm. This announcement confirms Coillte’s commitment to sustainability and making a significant contribution to Ireland’s renewable energy targets while also delivering an economic return and social dividend to communities across the country.

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About Coillte

Coillte, Ireland’s largest commercial forestry company, manages approximately 7% of the country’s land. Coillte operate three strong businesses from this land - its core forestry business, a wood panels manufacturing business MEDITE SMARTPLY and a land solutions business. Coillte export to over 30 countries worldwide and in the financial year 31 December 2016 generated EBITDA of €98.3 million from its €1.5 billion asset. Coillte’s vision is to be the best forestry and land solutions company in Europe. To find out more visit www.coillte.ie