

press release

FOR IMMEDIATE RELEASE:

STANDARD CHARTERED STRUCTURING BANK AND GLOBAL MANDATED LEAD ARRANGER IN AZURA-EDO – INDEPENDENT POWER PROJECT IN NIGERIA

- ***Azura Power completes signing of US\$1 billion 450MW gas turbine IPP***
- ***Ground breaking project will pave the way for other project financed IPPs in Nigeria***

Lagos, Nigeria – May 5, 2014: Azura Power Holdings Ltd, (“Azura” or the “Company”) announced today that it has completed the signing of the key industry contracts and confirmation on the debt financing of its flagship 450MW Azura-Edo Independent Power Project (“Azura-Edo IPP”) in Edo State, Nigeria. The US\$750 million transaction is the first of a new wave of project-financed greenfield IPPs currently being developed in Nigeria. The financing of the Azura-Edo IPP involves US\$220 million of equity and US\$530 million of debt from a consortium of local and international financiers. The announcement was made at a formal signing ceremony to mark the conclusion of the key project and financing agreements that form part of the wider transaction.

The event also showcased the US\$300 million investment being made by Seplat Petroleum Development Company PLC (“Seplat”) in new gas processing facilities at its Oben Gas Plant, which, as part of Seplat’s joint venture with the Nigerian Petroleum Development Company, will supply the Azura-Edo IPP with the project’s fuel gas requirements. In total, the investments by Azura and Seplat constitute over a \$1 billion of local and international financing into the Nigerian gas and power sector.

Azura is owned by Amaya Capital Limited and American Capital Energy & Infrastructure, and the other sponsors contributing equity to the project include the Africa Infrastructure Investment Fund 2, Aldwych International Ltd, the Asset & Resource Management Company Ltd and FMO (the Dutch development finance company). The ceremony also incorporated the signing of an Engineering, Procurement and Construction contract with Siemens and Julius Berger Nigeria; a Gas Sales and Purchase Agreement with Seplat; and an Operations & Maintenance contract with PIC Marubeni. The Federal Government of Nigeria (FGN) was also involved in signing the Grid Connection Agreement with the Gas Transportation Agreement to follow shortly. The Azura-Edo IPP is also the first Nigerian power project to benefit from the World Bank’s ‘Partial Risk Guarantee’ structure, specifically created to meet the developing needs of emerging markets world-wide, and political risk insurance for equity and commercial debt from the Multilateral Investment Guarantee Agency, also part of the World Bank group. Significantly, the overall transaction will be underpinned by financial support provided by the FGN through a Put and Call Option Agreement agreed by Dr Ngozi Okonjo-Iweala, the Coordinating Minister for the Economy and Honourable Minister of Finance complementing the Power Purchase Agreement that was signed last year between Azura and the Nigerian Bulk Electricity Trading PLC.

The Azura-Edo IPP comprises a 450MW open cycle gas turbine power station; a short transmission line connecting the power plant to a local substation and a short underground gas pipeline connecting the power plant to the country’s main gas-supply. It represents the

first phase of a 1,500MW power plant facility. The plant's location on the outskirts of Benin City is ideal because of its close proximity to Nigeria's biggest gas distribution pipeline (which makes gas feedstock easily available) and its unique accessibility to the country's high voltage transmission network (which facilitates the evacuation and distribution of power). The first phase of the plant, which is targeted to come on stream in 2017, is forecast to create over 1,000 jobs during its construction and operation.

The United Nations estimates that Nigeria's population will reach 230 million within the next 20 years, and the total grid-based power generation capacity must rise, during this period, by at least tenfold to meet the demand. Azura is, and will continue to be, a key driver in this growth in capacity.

Mr. Sundeep Bahanda, co-founder of Amaya Capital and Dr. David Ladipo, Managing Director of Azura, said in a joint statement: *"We are extremely proud to have completed the signing of the key industry contracts and debt financing of the Azura project and are now fully focused on starting the construction of the power plant by the summer. This is an historic day for all Nigerians as we have shown that an indigenously developed power project can attract the world's best-in-class financing and operating partners from both Nigeria and around 14 countries across the world. We are building the leading power development company in West Africa with the intention of creating a multi-asset indigenous power generation company operating to world class standards in both development and operations and providing much needed electricity to the people of Nigeria."*

Also speaking at the event the Co-ordinating Minister for the Economy and Honourable Minister of Finance, Dr. Ngozi Okonjo-Iweala, CFR said: *"The completion of this transaction marks a major step forward in the power sector reform process with the creation of a strong and robust model for project financed power sector transactions. The strength of the model is evidenced by the level of investor interest in the project, with significant international capital now committed to the project following four years of hard work. I would like to congratulate the project developers and the funding partners for their commitment and dedication to instituting a world class process and structure for others to follow."*

The Managing Director and Chief Executive Officer of NBET, Mr. Rumundaka Wonodi remarked that *"The transaction, which is NBET's first greenfield project, is important to the Nigerian power sector reform process. It is significant in that it sets the precedent for other independent power plants to follow. Projects such as these help achieve Mr. President's power reform targets as it paves the way for millions of Nigerians to access power in the medium term. NBET is committed to working in partnership with local and international investors and development partners. The NBET-Azura PPA guarantees that NBET will off-take 100% of Azura Edo's power output for the next 20 years."*

Speaking on behalf of the Global Mandated Lead Arranger, Mrs Bola Adesola, the CEO of Standard Chartered Bank Nigeria said: *"We are proud to have played a leading role in structuring the financing for this ground breaking transaction, which creates a template for other similar transactions. Our advisory, structuring and financial contribution to this transaction forms part of the Bank's USD2billion pledge to President Obama's 'Power Africa' campaign launched last year, which aims to bring electricity to more than 20 million Africans within 5 years. We are on course to exceed our USD2 billion target well ahead of time, which is more than 20% of the total private sector commitment."*

The Honourable Minister of Power, Prof. Chinedu Nebo, OON said: *"The Azura power project is a veritable example of how IPPs should be executed. The holistic approach adopted by Azura that led to an unusual networking of professionals and institutions - and the due diligence that fetched the concurrence of all parties involved - is a landmark achievement. We hail the masterful display of expertise that has brought the project to this take-off point."*

Marie-Francoise Marie-Nelly, World Bank Country Director for Nigeria said *"The Azura-Edo IPP exemplifies a coordinated package of support from the World Bank, IFC and MIGA, coming together as the World Bank Group, to catalyze the significant private investment needed to increase Nigeria's power supply for long term economic growth, job creation and shared prosperity"*.

The fundraising was led by Standard Chartered Bank as Global Mandated Lead Arranger, with the International Finance Corporation (IFC), Financierings-Maatschappij voor Ontwikkelingslanden (FMO), Rand Merchant Bank (RMB) and First City Monument Bank (FCMB) acting as Mandated Lead Arrangers and the Core Lender Group.

As Structuring Bank, Standard Chartered has facilitated a balanced, diverse capital structure comprised of equity, senior and subordinated debt. The Lender group consists of a mix of commercial banks, multilaterals and DFIs, international and local commercial banks. Standard Chartered is lending its expertise in the administration of the transaction via its additional role as 'Joint Documentation Bank'. Loan draw-downs are expected to commence from May 2014 and should be concluded within 3 months.

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Notes for Editors:

ABOUT AZURA POWER HOLDINGS

Founded by Amaya Capital, Azura is a world-class power development company that was created to build a platform for the development, construction, acquisition and operation of power generation facilities initially in Nigeria and over time, West Africa. Azura utilizes its project development, industry and financing capabilities, in addition to the capital and expertise of Amaya and its partners, to develop early and late stage opportunities in the power sector. Azura announced an investment by American Capital Energy & Infrastructure in December 2013. For further information, please refer to www.azurawa.com.

ABOUT AMAYA CAPITAL Amaya Capital, established in 2009, is a principal investment firm focused on large scale projects in West Africa. Unlike a typical private equity fund, Amaya does not manage third party funds but rather invests as a principal from an early development stage in a pro-active manner using the capital, capabilities, and resources of its founders and associates. Amaya has interests in the gas and power sectors in Nigeria. For further information, please refer to www.amayacap.com

ABOUT AMERICAN CAPITAL ENERGY & INFRASTRUCTURE American Capital Energy and Infrastructure, a subsidiary of American Capital, Ltd., is a private equity group that invests in energy projects in high growth markets, with a focus on Africa, Asia and Latin America. American Capital has US\$ 93 billion of total assets under management. For further information, please refer to www.acei.com

ABOUT AIIM

AIIM is a manager and advisor of a group of niche funds designed to invest long-term institutional equity into African infrastructure projects. AIIM was established in 2000 as a joint venture between Macquarie and the Old Mutual Investment Group (South Africa) (“OMIGSA”), to manage the South Africa Infrastructure Fund (“SAIF”). The Macquarie Group is a global pioneer of infrastructure private equity investing. AIIM has access to this global expertise and has positioned itself as one of the leading infrastructure investment managers in the African market. AIIM is a co-investor in the pioneering Lekki Toll Road Concession. Please see www.macquarie.com/za/macquarie_funds_group.htm

ABOUT ALDWYCH INTERNATIONAL

Aldwych International Ltd is an experienced and successful IPP focused solely on sub-Saharan Africa. Its majority shareholder is Pan African Infrastructure Development Fund (“PAIDF”). The vision for Aldwych and PAIDF is to create a financing platform for infrastructure development that will accelerate Africa’s growth. Aldwych is an equity owner in the Rabai power plant in Kenya, the largest shareholder in the 300MW Lake Turkana Kenyan Wind Farm Project and is also the operator of the 600MW Kelvin power plant in Johannesburg. See more at www.aldwych-international.com

ABOUT ASSET & RESOURCE MANAGEMENT COMPANY

Established in 1994, ARM is one of Nigeria’s most innovative and respected non-bank financial institutions. Focused on Traditional Asset Management and Specialised Funds, ARM’s superior research quality, asset management experience, and value-adding financial advisory services, are well-known. ARM comprises non-pension asset management, life insurance, pension fund administration, stock broking/execution services, trust services, real estate management/development, infrastructure finance/development, private equity, and hospitality/retail. Headquartered in Lagos, Nigeria, ARM manages assets in excess of US\$3 billion. ARM is registered with the Nigerian SEC, and sponsored the pioneering Lekki Toll Road Concession in Lagos. ARM was awarded “2013 Best Fund Manager in Nigeria” by Capital Finance International, and has an Augusto & Co AA- investment manager rating. Please see www.arm.com.ng

ABOUT FMO

FMO is the Dutch development bank. It supports sustainable private sector growth in developing and emerging markets by investing in ambitious companies. FMO believes a strong private sector leads to economic and social development, empowering people to employ their skills and improve their quality of life. FMO specializes in sectors where its contribution can have the highest long-term impact - financial institutions; energy and agribusiness, food & water. For further information, please see www.fmo.nl

ABOUT STANDARD CHARTERED

We are a leading international banking group, with more than 86,000 employees and a 150-year history in some of the world's most dynamic markets. We bank the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East, where we earn around 90 per cent of our income and profits. Our heritage and values are expressed in our brand promise, Here for good. Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges as well as the Bombay and National Stock Exchanges in India. In Africa, Standard Chartered covers 37 markets - 16 of those markets have a well-established branch network, contributing to a history of more than 150 years on the continent.

For more information please visit www.sc.com Hear from Standard Chartered's experts and comment on our blog at ourviews.sc.com. Follow Standard Chartered on Twitter, LinkedIn and Facebook.