

QUARTERLY INVESTMENT REPORT: 31ST MARCH 2018

This report is provided in accordance with the requirements of section 72 of the *Clean Energy Finance Corporation Act 2012* concerning the Corporation's investments for the quarter ending 31st March 2018.

Investments

DATE	FORM OF INVESTMENT	VALUE (\$MILLION)	LENGTH OF INVESTMENT	EXPECTED RATE OF RETURN (%)	PLACE
8 February 2018	Climate Bond for energy efficient residential property	25	8 years ¹	2.5%	Australia-wide
9 February 2018	Investment in asset financing for low and zero emission vehicles	50	6 years	3.4%	Australia-wide
1 March 2018	Finance for a solar PV project	6.5	10 years	3.8%	NSW
19 March 2018	Equity in a property fund to deliver emissions reduction initiatives	100	~ 10 years	~ 8.5%	Australia-wide
28 March 2018	Finance for construction of an energy efficient hotel	39	5 years	4.9%	VIC
29 March 2018	Equity investment in an infrastructure fund to deliver emissions reduction initiatives	150	~ 15 years	~ 7.6%	Australia-wide

¹ 8 years is the expected tenor of the CEFC investment. The investment could repay in a longer period under certain circumstances, subject to a maximum legal tenor for full return of principal no later than 32 years.

Notes

Reporting Period This report covers investments contracted by the CEFC in the quarter ended 31st March 2018. Funding of an investment may take place in one or more quarters, including the period in which the investment is reported and/or subsequent quarters.

Expected rate of return includes projected loan interest and income from the investment and forecast capital growth and cash yield for equity investments. Projections and forecasts are based on assumptions made at the time the investment is committed, and as such are indicative only, given variables such as potential for material movement in assumptions between time of contractual and financial close, establishment fees and costs, floating rates, penalty fees, early repayment fees, capital growth rates for equity investments, etc.

Each investment's rate of return is expressed as a forecast annual yield, and is calculated over the lifetime of the investment. The annualised forecast lifetime yield is shown in the table above

Returns have not been adjusted for positive externalities or public policy outcomes associated with the investments.

The overall performance of the CEFC Portfolio will likely differ from an individual Investment Report and will be impacted by other factors including cash deposit rates etc.

Value (\$ million) is contracted CEFC dollars only. It is not indicative of total project funding and is not inclusive of finance contributed by project proponents or other financing parties.

Equity Investments generally have no specified investment term or end date. For the purposes of specifying the "Length of Investment" and "Expected Rate of Return" in accordance with section 72 of the CEFC Act (2012), the Corporation has included its best estimate as to the likely exit date for that investment through a liquidity event of some form, and the best estimate of likely return at that time.