

28 January 2016

NextEnergy Solar Fund Limited (the "Company")

Net Asset Value Update

- NAV as at 31 December 2015 of £275.2m (30 September 2015: £289.0m)
- NAV per share of 99.0p (30 September 2015: 104.0p)
- Interim dividend of 3.125p per share paid on 18 December 2015
- Power price forecasts reduced to reflect volatile market conditions
- Asset revaluations post-acquisition and performance and portfolio improvements mitigated effect of lower power price forecasts
- Reaffirmed dividend target of 6.25p per share (including 3.125p interim) for current financial year

NESF, the specialist investment company that invests in operating solar power plants in the UK, announces its Net Asset Value ("NAV") as at 31 December 2015.

The Company's NAV was £275.2m as at 31 December 2015, compared to £289.0m as at 30 September 2015. The NAV per share amounted to 99.0p as at 31 December 2015, compared to 104.0p as at 30 September 2015.

The change in NAV per share was mainly due to a downward revision of the Company's power price forecasts as well as the payment of an interim dividend on 18 December 2015. The impact of these factors was mitigated by an increase in valuation of new assets included in the NAV, and improvements in specific assets and the operating performance of the portfolio.

NESF has revised its power price forecast downwards by an average of 6.1% over a 20-year period from the forecast used for the 30 September 2015 NAV. The reduction in the power price forecast accounts for a reduction in NAV of almost £10.0m (c.3.4% of 30 September 2015 NAV). The NAV also declined due to the interim dividend totalling £8.7m (3.125p per share) paid to shareholders on 18 December 2015.

During the period 30 September 2015 to 31 December 2015, the Company's portfolio of assets increased from 19 to 25, of which four are still valued at cost. At 31 December, NESF's portfolio amounted to c.276MW spread over the 25 assets. In January 2016, the Company increased the portfolio to c.329MW over 28 assets.

Between 30 September 2015 and 31 December 2015, the portfolio performed satisfactorily, albeit with significantly lower irradiation levels registered across the asset base compared to the previous year. During the period NESF improved selected commercial terms for Glebe Farm, its largest asset, which led to a positive NAV impact of 1.2p per share taking into account the reduced power price forecasts.

In addition, the valuation of two new assets at market value contributed positively to the Company's NAV. The Company did not revise other key NAV valuation drivers, such as the discount rate (currently 7.5%) or its inflation forecasts.

NESF has posted the Company's updated factsheet on its website today.

Kevin Lyon, Chairman of NESF, commented:

"We have continued to grow the Company's asset base deploying the equity raised as well as the financial debt secured. In conjunction with this growth, the Company has focused on its existing portfolio with a view to extracting further value where possible. These core activities have enabled us to mitigate the impact of further reductions in our power price forecasts resulting from a variety of external factors, including weather and commodity related developments as well as demand drivers.

"We continue to assess acquisition targets from among our large pipeline of growth opportunities, with the intention of securing the most attractive projects identified.

"NESF expects to continue paying its dividends from operating cash flows in line with previous guidance, with a target of 6.25p per share for the current financial year, of which 3.125p was paid to shareholders as an interim dividend in December 2015. We continue to invest excess cash generated by the portfolio in the Company's operations."

For further information:

NextEnergy Capital Limited 020 3239 9054

Michael Bonte-Friedheim

Aldo Beolchini

Cantor Fitzgerald Europe 020 7894 7667

Sue Inglis

Shore Capital 020 7408 4090

Bidhi Bhoma

Anita Ghanekar

Macquarie Capital (Europe) Limited 020 3037 2000

Ken Fleming

Nick Stamp

MHP Communications 020 3128 8100

Andrew Leach

Jamie Ricketts

Gina Bell

Notes to Editors:*NextEnergy Solar Fund (NESF)*

NESF is a specialist investment company that invests in operating solar power plants in the UK. Its objective is to secure attractive shareholder returns through RPI-linked dividends and long-term capital growth. The Company achieves this by acquiring solar power plants on agricultural, industrial and commercial sites.

NESF has raised equity proceeds of £285.4m since its initial public offering on the main market of the London Stock Exchange in April 2014. It also has credit facilities of £168.1m in place (Macquarie: £100m, Bayersische Landesbank: £45.4m and NIBC: £22.7m).

NESF is differentiated by its access to NextEnergy Capital Group (NEC Group), its Investment Manager, which has a strong track record in sourcing, acquiring and managing operating solar assets. WiseEnergy is NEC Group's specialist operating asset management division, providing solar asset management, monitoring and other services to over 1,200 utility-scale solar power plants with an installed capacity in excess of 1.5 GW.

Further information on *NESF*, *NEC Group* and *WiseEnergy* is available at www.nextenergysolarfund.com, www.nextenergycapital.com and www.wise-energy.eu.