

EXTRAORDINARY INFORMATION

Budapest, 27 September 2016

The Company sees a major drop in its interest rate risks

PannErgy Plc hereby advises capital market actors that in view of the investment loans taken out for the Győr Project in a total amount of nearly HUF 7 billion the Company has succeeded in replacing its variable interest rates based on 3-monthly EURIBOR and 3-monthly BUBOR for fixed interest rates, for over the still remaining tenors (approximately 7 years) by means of interest rate swap (IRS) transactions, with reliance on the current, extremely low interest environment.

As a result of these transactions, the now fixed interest rates will not change even in the case of any future increase in market interest rates, and therefore the Company does not carry this risk any longer. The average weighted fixed interest rate of the loan for the Győr Project has been established at 2.55%. 80% of the total volume of loans has been denominated in euro, whereas the remaining tranche is kept in Hungarian forint, which mitigates PannErgy's group-level foreign exchange exposure.

PannErgy Plc

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