



SSE Venture Capital Limited
October 2009

Scottish and Southern Energy

- We provide energy to nine million customers, delivering electricity to 5.53 million homes, offices and businesses and, via SGN, distribute gas to 3.47 million customers.
- We operate a range of non-regulated energy-related businesses including gas storage, electrical and mechanical contracting, multi-utility connections, metering and telecoms.
- Group operating profit £1.55 bn (2008-9)
- £10.3bn market capitalisation*
- 18,000 employees*

* As at 26 August 2009

Our Purpose

Our purpose: to provide people with the energy they need – in a reliable and sustainable way.

Our strategy: to deliver sustained real growth in the dividend payable to shareholders through the efficient operation of, and investment in, a balanced range of regulated and non-regulated energy-related businesses.

SSE - Ventures

- Formed in February 2007
- A wholly owned subsidiary of SSE
- To provide financial investment to assist companies to meet their full potential
- To deliver tangible value to SSE through investment
- To provide links and benefits to other SSE Group businesses, e.g. Generation, Energy Services, SEC, etc.
- To assist in meeting future requirements for sustainability and climate change

Ventures - What do we do?

Our objective is to develop and grow SSE's portfolio of investments in SMEs which provide products and services that will strategically support SSE's group businesses.

Ventures - Investment Strategy

- Indirect investments through Venture Capital Funds and capital investment in funds, such as Sigma, Scottish Enterprise Co-Venturing Fund and VantagePoint Venture Partners.
- Direct investments through partnership and minority stakes in companies mainly providing cleantech technologies and services, such as Solarcentury, Rocktron and Geothermal International.

Ventures - Why?

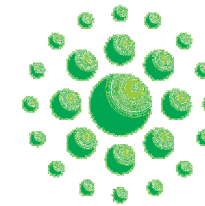
- Return on investment
- Strategic collaboration
- Support future competitive position
- Building progressive, sustainable brand
- Develop staff 'know how'
- Developing entrepreneurial culture

Ventures - What differentiates us from the other investors?

SSE's competitive advantage:

- Balance sheet
- Industry - commercial, financial and technical experience
- Potential synergies with our businesses
- Brand
- Route to market
- Ability to take a long term view
- Commercial networks

SSE Ventures



SSE Ventures – fund investments


Sigma Scottish GP No 2 Limited


Sigma GP No 3 Limited



VANTAGEPOINT
CLEANTECH PARTNERS II, L.P.



Ventures - Investment Procedure

- Initial contact with companies seeking investment
- Screening and discussions on type and scope of technology service, including Confidentiality Agreement
- More detailed discussion, leading to Memorandum of Understanding
- Due Diligence: legal, financial, commercial, the competition, regulatory, technical, health and safety and environmental, the management team, risk review
- Investment appraisal
- Approval of investment
- Management of investment
- Follow up funding

Ventures - Contact Us

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