



GREEN FOR GROWTH FUND SOUTHEAST EUROPE

INVESTING IN ENERGY EFFICIENCY
AND RENEWABLE ENERGY

MISSION

THE MISSION OF THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE IS TO CONTRIBUTE, IN THE FORM OF A PUBLIC-PRIVATE PARTNERSHIP WITH A LAYERED RISK/RETURN STRUCTURE, TO ENHANCING ENERGY EFFICIENCY AND FOSTERING RENEWABLE ENERGIES IN THE SOUTHEAST EUROPE REGION, INCLUDING TURKEY, PREDOMINANTLY THROUGH THE PROVISION OF DEDICATED FINANCING TO BUSINESSES AND HOUSEHOLDS VIA PARTNERING WITH FINANCIAL INSTITUTIONS AND DIRECT FINANCING.

INVESTORS

THE GGF IS SUPPORTED BY LEADING DONORS, INTERNATIONAL FINANCIAL INSTITUTIONS AND PRIVATE INVESTORS.



CONTENTS

PREFACE		2
Key Figures 2011		2
Geographic Reach		2
Letter from the Chair		3
Greetings		4
FUND STORY		6
A Proven Model		7
Working with our Partners towards a Sustainable Energy Future		8
Providing Stability through Long-Term Commitment and Innovation		9
Promoting a Culture of Accountability		10
HIGHLIGHTS		12
Gaining Momentum on a Solid Growth Track		13
Bridging the Knowledge and Skills Gap in Green Finance		14
Leadership		16
Transparent, Effective Governance		17
Letter from Investment Management		18
Expertise in Greening the Local Energy Infrastructure		21
Residential Energy Efficiency Projects Gain Ground		22
Expanding the Fund's Direct Investment Activities		24
Broadening the Scope of Technical Assistance Activities		26
FINANCIAL AND OPERATIONAL RESULTS		28
Environmental Impact		28
LOOKING TO THE FUTURE		30
Leveraging Expertise and Success in the European Eastern Neighborhood Region		30
APPENDIX		32
Contact Information		32
Imprint		33
Disclaimer		33

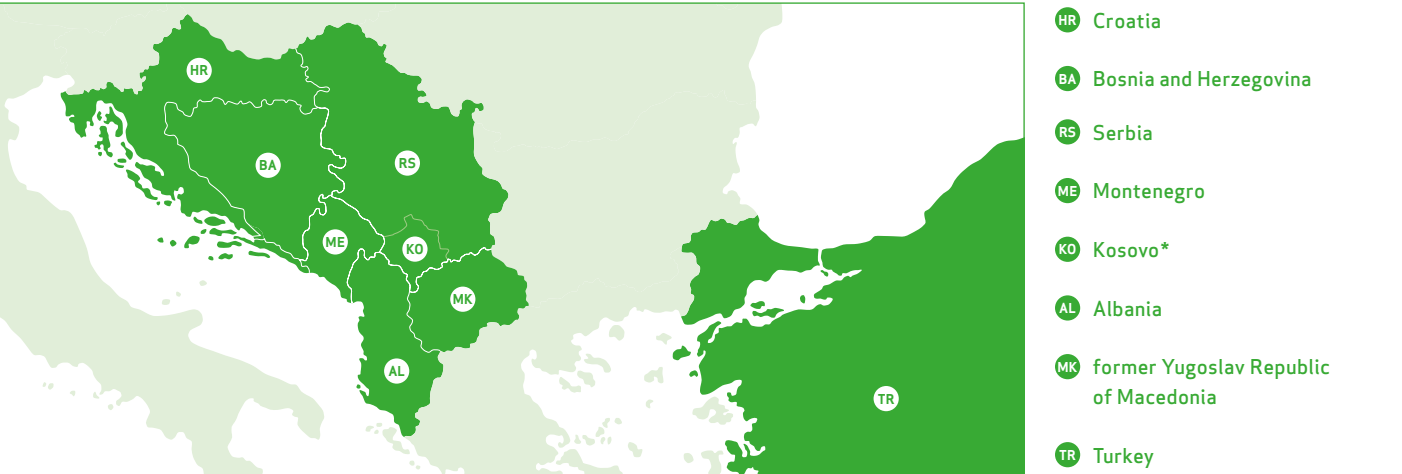


The LuxFLAG Environment Label is valid for the period ending on 31 December 2012. Investors must not rely on LuxFLAG or the LuxFLAG Label with regard to investor protection issues and LuxFLAG cannot incur any liability related to financial performance or default of "Green for Growth Fund, Southeast Europe SA, SICAV-SIF".

KEY FIGURES 2011

Total commitments (closed or approved, as at 31 December 2011)	EUR 68.5 million
Total portfolio outstanding (all investments are senior loan facilities with financial institutions)	EUR 57.5 million
Annualized CO ₂ savings through energy efficiency and renewable energy investments through the Fund's second year of operations	34,281 tons
Technical Assistance Facility projects to support partner institutions and promote energy efficiency and renewable energy finance	18
Average annualized energy savings saved through energy efficiency and renewable energy investments to date	156,727 MWh
Investors and donors to date who have committed funds to the Green for Growth Fund, Southeast Europe	8
Renewable energy projects the Fund had under review in 2011 for potential financing in 2012	7
Partner insititutions in 2011 the Fund has lent to, provided technical assistance to, or was in the final stage of screening for investment	16
Partner institutions the Green for Growth Fund, Southeast Europe has invested in to date - Sekerbank and Yapi Kredi Leasing in Turkey, IK Banka in the former Yugoslav Republic of Macedonia, Čačanska banka in Serbia, NLB Razvojna Banka Banja Luka in Bosnia and Herzegovina	5
Target partners of the Green for Growth Fund, Southeast Europe: Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, as well as Kosovo*, and Turkey	8

GEOGRAPHIC REACH



* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

LETTER FROM THE CHAIR

MAINTAINING THE MOMENTUM

DEAR INVESTORS AND PARTNERS,

The Green for Growth Fund, Southeast Europe concluded its second year of operations with a further expansion of its geographic outreach and deepening of its investment impact. We are also strengthening our ties with existing EE/RE initiatives in Southeast Europe and Turkey, and leveraging first class expertise and local networks to facilitate the implementation of energy conservation and CO₂ reduction strategies, also with regard to achieving Europe 2020 targets. Already, the Fund has emerged as an important driver in the region's energy efficiency and renewable energy finance sector.

Given its specialization and dynamic structure, the GGF is able to combine speed in investment decisions with a long-term approach to supporting its clients. In 2011 the GGF financed over 1200 projects – mainly via qualified financial institutions – to enable private households and small businesses to do their part in greening the region's economies. Some of these stories are highlighted in this report. We are also proud to feature the Fund's first approved investment in a renewable energy project: a small hydropower plant in Albania scheduled to annually produce 32 gigawatts of emissions-free energy starting 2014. We further showcase the activities of the GGF's Technical Assistance Facility, which plays a pivotal role in raising awareness and building capacities for green energy finance in the region's financial sector as well as supporting the application of international EE/RE best practices.

If the GGF has been able to accomplish so much in so little time, it is due to the convergence of three positive forces. First, the innovative public-private partnership shareholder structure ensures funding availability and continuity by leveraging the public funds provided by major energy finance investors in Europe, with the European Commission and the German Federal Ministry for Economic Development and Cooperation (BMZ) in the lead, to attract private investors. Along with funding, international financial institutions investing in the GGF, such as the European Investment Bank, the European Bank for Reconstruction and Development, the IFC and KfW also provide crucial know-how. Second, the GGF's expert Board and committees give strategic guidance, ensuring the GGF operates as effectively as possible and maximizes green development impact. These bodies also serve as an important platform for coordination and knowledge transfer, which is critical for the introduction of a relatively new topic such as green finance. Finally, the Fund benefits from the extensive experience and expertise of a professional private fund manager, both in terms of local energy market knowledge and global fund management. This combination is unique in EE/RE finance – and core to the GGF's success.

Although the eurozone debt crisis is still unfolding, and economic headwinds in the region will no doubt present more and tougher challenges throughout the region, the GGF stands on solid foundations and faces strong prospects for the years ahead. At its current rate of expansion, the Fund is projected to double in size by the end of 2012 – a goal, which, thanks to our investors and partners on the ground, we are well-equipped to achieve.

Sincerely,

Monika Beck
MONIKA BECK



Monika Beck, Chairperson of the Board of Directors

GREETINGS

EXPANDING A STRATEGIC PARTNERSHIP

Energy efficiency is a keystone of the EU's Europe 2020 Strategy for smart, sustainable and inclusive growth. It is also key in achieving long-term climate goals – in the EU and beyond. This is why improving energy efficiency and increasing the share of renewable energies is an important topic in the European Union's agenda for the enlargement region.

The European Commission is leading the way in supporting sustainable economic development in the candidate countries and the potential candidates. We will continue to work closely with all partners in the region to implement national energy strategies, energy efficiency plans and to promote regulatory reform in this area.

As a major shareholder in the Fund, the European Commission welcomes the Green for Growth Fund's contribution towards our climate goals. The Fund is an important regional initiative, which will benefit all households, companies and public authorities and help them reduce energy consumption and greenhouse emissions.

New projects were launched in 2011 and even more can be done in the coming years to tap the considerable energy saving potential in the region. The European Commission is looking forward to even more successful results of the GGF in 2012.

GERHARD SCHUMANN-HITZLER,

Director – Financial Instruments & Regional Programmes, European Commission Enlargement Directorate General



GREATER IMPACT THROUGH COOPERATION

The goal of German development cooperation in the energy sector is to promote the creation of sustainable, decent living conditions, in particular for the poor, in our partner countries, thereby helping to secure our global future. The principle of global coordination must guide cooperation in the energy sector. Here, we share a common

goal with our strategic allies, the European Union, European Investment Bank and European Investment Fund: to actively support our partner countries in Southeast Europe and Turkey on the path towards low-carbon growth. The GGF contributes towards achieving this goal through investments that result in significant net energy savings and reductions in CO₂ emissions.

Now in its second year, the GGF has so far successfully financed energy efficiency and renewable energy investments totaling around EUR 60 million through partner banks in the Southeast Europe region, including Turkey. The Fund has also taken the first steps towards direct project financing. The BMZ extends its congratulations for this sterling achievement in such a short time. Though the credit goes to the people at the GGF, on the ground and behind the scenes, this success is also proof of a well-functioning public-private partnership between donors, international financial institutions and private entities.

DR. LEO KREUZ,

Head of the Eastern and Southeastern Europe Division; South Caucasus, German Federal Ministry for Economic Cooperation and Development



A PROVEN MODEL

THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) WAS SET UP AT THE END OF 2009 TO ADDRESS TWO IMPERATIVES FACING SOUTHEAST EUROPE AND TURKEY: ENHANCE ENERGY EFFICIENCY AND GENERATE CLEAN, RELIABLE POWER. THESE CHALLENGES, CRITICAL TO THE REGION AS ITS ECONOMIES SEEK TO MODERNIZE AND FURTHER INTEGRATE INTO THE EUROPEAN UNION, REQUIRE A REGIONAL RESPONSE WITH A CLEAR ROADMAP.

The Fund's objectives – to reduce energy consumption and CO₂ emissions by 20% – are achievable, quantifiable, and measurable. To ensure that they are not just attained, but also sustained, the GGF works through the financial sector to make green energy finance a profitable, growing business for its partner institutions (PIs). Commercial sustainability is the only way of incentivizing private institutions to act in the best interests of the environment and society. In building on this established model, which has been successful in other development finance segments, the GGF applies the best practices of Responsible Finance in this critical field.

In our 2010 Annual Report, we outlined how the GGF would achieve these goals. With another year of experience and a growing portfolio of PIs and sub-borrowers, we can now report on what the GGF is doing to achieve its objectives.

PARTNERING WITH THE FINANCIAL SECTOR

The Fund ended 2011 with financing in place for five banks in Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Serbia and Turkey, and closings with two additional banks in two countries pending. Given the Fund's focus on enabling its partners to deliver, its PIs in turn have already on-lent about 75% of the funding provided by the GGF. They also developed innovative loan products for green projects – from home insulation at the

private household level, to investments in energy efficient equipment at the small and medium enterprise level. The GGF provides intensive, tailored capacity building support through its Technical Assistance Facility, and builds on the dedication of the management and staff of its PIs to embed green energy finance as a recognized profit center for these banks.

INVESTING IN RENEWABLE ENERGY (RE) PROJECTS

In 2011 the Fund had seven RE projects under advanced review, of which three are expected to close in 2012. In late 2011, the GGF approved its first RE investment, a small hydropower project in Albania. This flagship project serves as a model for GGF's approach, which targets both developers and the local financial sector to build a mutually beneficial relationship. The Fund provides not only financing, but also expertise, as evidenced by a well-received series of project finance training seminars conducted with partner banks. These banks in turn serve as an additional delivery channel for the Fund, further enhancing its pipeline of projects.

LEVERAGING FUNDS FOR GREATER DEVELOPMENT IMPACT

As a public-private partnership, the GGF leverages the junior capital provided by the European Commission and the German Federal Ministry for Economic Cooperation and Development (BMZ), as well as mezzanine capital from international financial institutions, to attract commercially-oriented inves-

tors with a market-based, risk-adjusted return in both senior equity and notes. This enables donor agencies to reach their development finance objectives – energy savings and CO₂ reduction – much more effectively than on a standalone basis. The following example illustrates the leveraging effect:

Based on the GGF's current mix of measures financed and the countries in which it is operating, a EUR 10 million direct investment by donor agencies would annually generate energy savings of 37,000 MWh and reduce CO₂ emissions by 8,100 tons.

Leveraging that same EUR 10 million through the GGF increases potential energy savings to 295,000 MWh and CO₂ reductions to over 64,000 tons per year. This is because each EUR 10 million provided by the junior investors can support up to EUR 70 million in additional capital from development finance institutions, private investors, and noteholders.

This leveraging, matched by synergies between the Fund and its stakeholders in knowledge transfer and efficiency gains through greater scale, is an important benefit of the Fund's unique public-private partnership model.

WORKING WITH OUR PARTNERS TOWARDS A SUSTAINABLE ENERGY FUTURE

THOUGH GREENING THE ENERGY SUPPLY AND DEMAND INFRASTRUCTURE IS A GLOBAL RESPONSIBILITY, IT MUST FIRST BE ADDRESSED AT THE LOCAL AND REGIONAL LEVELS TO BE EFFECTIVE. THIS IS ESPECIALLY TRUE OF THE DYNAMIC ECONOMIES IN THE FUND'S TARGET REGION. A RECENT ENERGY COMMUNITY STUDY ESTIMATES THAT EUR 3 TO 5 BILLION OF FINANCING IS REQUIRED FOR THE REGION TO MEET THE GOALS OF THE EUROPE 2020 INITIATIVE.*

Energy networks have grown vastly in scale and scope over the preceding decades, leading to unprecedented levels of interdependence and integration. Their impact on the environment points to a development that underscores our interdependence like no other: climate change. Accordingly, the European Union has led the way with the Europe 2020 initiative to reduce its contribution to climate change: its member states must reduce their energy consumption and CO₂ emissions by 20% as well as achieve a share of 20% for renewable energy in their energy mix by 2020. Many of the Fund's target partners have also committed themselves to meeting the 20-20-20 targets, requiring significant investments in both renewable energy (RE) and energy efficiency (EE).

Within this context, the Fund continues to explore ways of assisting with a key aspect of the RE/EE investment challenge: the demand for streamlined, well-structured sources of financing supported by expertise and know-how. The small and medium enterprise (SME) sector alone would require more than EUR 1 billion in financing through 2015. For the region as a whole, EUR 3 to 5 billion would be needed over the next ten years. However, because the Fund's target partners are a diverse group of economies and societies, each market must be approached in light of its specific context. In Serbia, for instance, specific regulations

surrounding municipal financing led to a tailored white-list approach for facilitating municipal financing by local financial institutions for EE and RE projects. In other markets, RE finance remains a topic largely unexplored by local financial institutions. Consequently, the Fund organized training for interested banks on the specific issues surrounding the provision of non-recourse financing for RE projects.

Each of the Fund's partner institutions also requires a tailored approach that addresses specific aspects to ensure the success of financing as well as intensive work on the scalability of EE measures in SMEs and households. Here, the Fund continuously proposes new technical assistance solutions for meeting these needs. Our energy auditors, for instance, now team up with financial institutions to identify business opportunities, both in their existing client base and in the broader market. This way, monitoring expertise contributes towards business development. In line with the principle of complementarity, the GGF has spotlighted other underserved niches and is developing products for them. Two of these – financing new energy-efficient buildings and supporting municipal finance via financial institutions – are particularly relevant in Serbia and Bosnia and Herzegovina, two target partners into which the Fund further expanded in 2011.

PROVIDING STABILITY THROUGH LONG-TERM COMMITMENT AND INNOVATION

ADDITIONAL CAPITALIZATION NEEDS, THE IMPLICATIONS OF BASEL III REGULATIONS, AND THE POTENTIAL FOR A DISORDERLY UNWINDING OF SOVEREIGN DEBT OBLIGATIONS – THESE WERE THE MAJOR CONCERNS FOR BOTH LOCAL FINANCIAL INSTITUTIONS AND REGIONAL NETWORKS IN 2011. IN THIS CHALLENGING ENVIRONMENT THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) DEMONSTRATED ITS CRUCIAL ROLE AS A RELIABLE LONG-TERM PARTNER.

As energy efficiency (EE) and renewable energy (RE) markets mature, they face many challenges. Know-how must not only keep pace with technology, but also with the possibilities and processes for financing green development projects. A clear and predictable regulatory environment is a prerequisite for the ability to plan for the long-term and maintain business model projections, particularly with RE. Where there are challenges, the GGF facilitates open and effective coordination among project stakeholders as well as with public institutions to arrive at a quick and satisfactory resolution. Attractive feed-in tariffs are necessary to encourage investment, but must be well-crafted and implemented judiciously to ensure that markets are not distorted and political support is maintained.

Consequently, the Fund works with development organizations, international financial institutions and local initiatives to find a collaborative approach towards meeting these challenges. For instance, the Fund functions as a nexus of dialogue between potential energy service companies (ESCOs), RE project developers, financial institutions and government ministries, complementing the activities of its stakeholders.

Over the course of 2011, meetings were held with ministries and energy regulators in five of the Fund's eight target partners. Discussions were also conducted with ESCOs and RE project developers – from large international developers to small local engineering firms – in every target partner. Such exchanges help all parties identify regulatory bottlenecks and develop suitable financial products. Raising awareness of critical issues and obstacles to investment is especially important when planning small-scale RE projects and implementing sustainable EE financing products.

This multi-faceted approach is mirrored in the Fund's marketing and outreach efforts towards the larger ecosystem of diverse parties required for successful project implementation. Training seminars for Western European export credit banks and local financial institutions on issues specific to RE development in the Fund's target partners are just one example, as is bringing European specialists and manufacturers together with local RE project developers.

Over 12,000 households

Energy savings from GGF investments amount to the total electricity consumption of over 12,000 households in the former Yugoslav Republic of Macedonia – almost that of Tetovo, the country's fifth largest city.



* IPA Energy + Water Economics, Study on the Implementation of the New EU Renewables Directive in the Energy Community, Final Report to Energy Community Secretariat, June 2010

PROMOTING A CULTURE OF ACCOUNTABILITY

THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) IS DEDICATED TO OPTIMUM TRANSPARENCY WITH REGARD TO IMPACT AND OUTREACH. WITH TIMELY AND ACCURATE REPORTING OF PRIMARY ENERGY AND CO₂ EMISSIONS SAVINGS A HIGH PRIORITY FOR THE FUND AND ITS MANAGEMENT, LOANS AND PROJECTS ARE INDIVIDUALLY MONITORED AND ASSESSED IN TERMS OF GREEN PERFORMANCE.

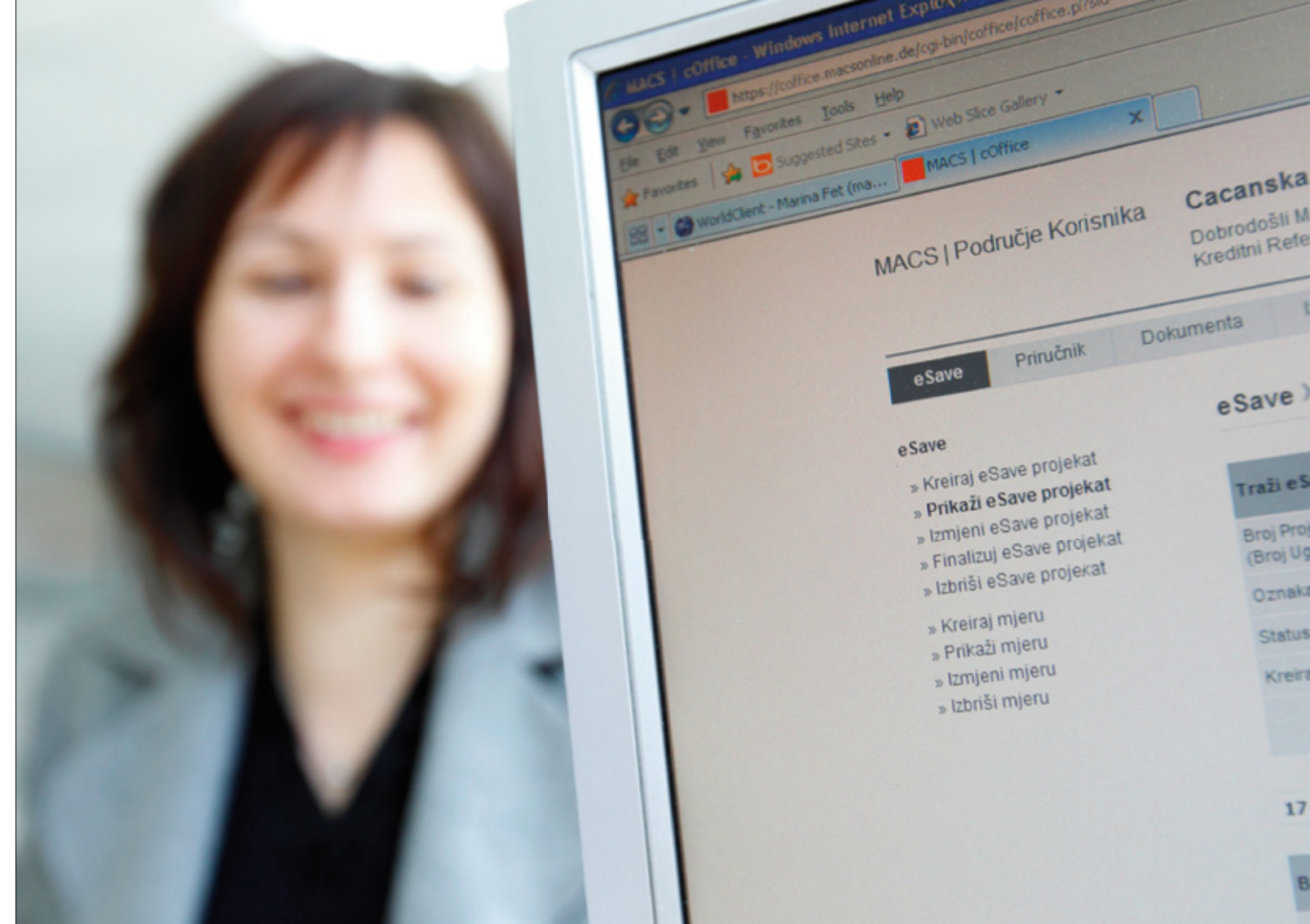
125 GWh

Total electricity production by installations in our project finance pipeline will be equal to 125 GWh, which corresponds to 5% of total electricity production of a country like Montenegro.

As a matter of principle, the GGF rigorously monitors and reports the primary energy savings and carbon emissions reductions achieved through the projects and investments it funds. This includes verifying on a regular basis that its partners comply with agreed terms, such as ensuring that funds are on-lent in a timely manner for the designated purposes and that projected energy savings and emissions reductions are achieved. For reporting purposes, final or useful

energy, i.e. the energy type available to the end-user, is converted back into primary energy. Similarly, CO₂ savings are calculated based on the specific project and take into account local specifications such as the national grid emission factor along with relevant local aspects, such as climatic zones and solar irradiation.

All GGF portfolio monitoring calculations follow relevant European Union (EU) directives on energy end-use



eSave enables Čačanska banka's loan officers to validate energy efficiency projects in minutes.



efficiency and energy services. The Fund takes a bottom-up approach to data and methods based on conservative estimates according to these directives. Projects up to an investment volume of EUR 500,000 are monitored using technical and project-specific data provided by the client as well as additional technical assumptions. Non-standard projects, and generally all projects exceeding EUR 500,000, are subject to further analysis with regard to impact and savings, and usually entail an on-site energy audit.

For energy audits, the Fund prefers to work with local engineers who are both registered as energy auditors and active in the Fund's target region.

As part of its market-enabling mission, the Fund's Technical Assistance Facility trains local engineers and auditors to GGF and EU standards. This builds knowledge and capacities at the local level, and helps lay a durable foundation for self-sufficiency in terms of energy expertise over the long-term.

Accurate and effective monitoring and reporting is ensured with eSave, a web-based application that calculates energy savings and CO₂ emission reductions for energy efficiency (EE)/renewable energy (RE) projects. Designed for partner institutions (PIs), eSave enables loan officers to handle EE/RE financing like any other credit product. The tool is customizable for

local parameters, e.g. language, and currency. Besides considerably speeding up the loan validation process at the local level, eSave is instrumental in monitoring the impact and progress of the GGF's activities throughout the region by providing a harmonized basis for comparison. eSave was developed by MACS Management & Consulting Services, the Technical Advisor to the Fund, which also maintains and continuously upgrades the application. eSave is consistently appreciated and applied by the Fund's PIs, not least because of its effective visualization capabilities. For details on the energy and CO₂ savings generated, please see "Financial and Operational Results".

HIGHLIGHTS



GAINING MOMENTUM ON A SOLID GROWTH TRACK

THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) ACHIEVED A COMMITTED INVESTMENT PORTFOLIO OF EUR 60 MILLION IN 2011 DESPITE A CHALLENGING ENVIRONMENT SHAPED BY THE GLOBAL FINANCIAL AND EUROZONE DEBT CRISES.

With the support of the Technical Assistance (TA) Facility, the Fund succeeded in keeping energy efficiency (EE) and renewable energy (RE) high on the agenda of existing and potential partner institutions (PIs) and their customers. The combination of well-designed products, focused support, and appropriate funding remains a compelling proposition for advancing EE and RE finance – even in a difficult economic environment. The GGF recognizes that demonstrating the benefits of greening households and businesses, and translating this process into investments, takes time and effort. As we continue to support our partners in expanding their outreach to clients, we are pleased to report that by year-end nearly 75 % of the Fund's loans to PIs had been disbursed to end-borrowers for EE and small-scale RE measures. This underlines the Fund's effectiveness in putting finance to work and improving the energy profile of borrowers in their daily lives.

Another positive development: the Fund added two new PIs in Bosnia and Herzegovina and Serbia to its portfolio. With additional investments approved in late 2011 and closing in 2012, the Fund is now invested in five countries with the aim to be invested in all of its eight target partners by 2012.

NLB Razvojna Banka (NLB Razvojna) is the Fund's first PI in Bosnia and Herzegovina. A tailored and multi-pronged TA package is currently being implemented to support NLB Razvojna with the development and roll-out of an EE loan product. Here, special attention is being paid to identifying and training the champions within the bank who will help sustain the green focus for the long-term.

Čačanska banka a.d. Čačak in Serbia is a good example of a bank that has integrated greening not only into its core growth strategy, but also into its institutional DNA. With the help of the TA Facility, Čačanska banka has positioned itself for green growth by conducting highly effective awareness-raising campaigns, including the "Energy Doctor" initiative for assessing energy efficiency in households and small businesses, and a student contest for generating ideas for saving energy.

Overall, the Fund has considerably diversified in the course of 2011, achieving a well-balanced portfolio of projects financed by the end of the year. Building envelope improvements represented 39.7 % of total disbursements since the GGF's inception. This is consistent with the share of residential heating, which averages

one third of total energy consumption in the target region. Process-related equipment represents 55.9 % of the portfolio, largely the result of our partners' continuous efforts in turning the current growth in the Turkish small and medium enterprise sector into a green growth success story. The EE savings and CO₂ reductions of 53 percent across the portfolio also demonstrate the potential inherent in EE/RE finance.

While financial institutions, developers and other stakeholders of EE and RE finance operate in a challenging environment, the Fund has been able to create a strong business pipeline, and contributes systematically to advancing green finance and impact in its target region. As such initial RE projects are planned for launch in 2012 and the portfolio of financial institutions has significantly broadened, the scope of TA activities will likewise further expand.

BRIDGING THE KNOWLEDGE AND SKILLS GAP IN GREEN FINANCE

SUPPORTING THE FUND'S PARTNER INSTITUTIONS (PIs) AND BRIDGING KNOWLEDGE AND SKILLS GAPS IN THE FUND'S TARGET PARTNERS, THE TECHNICAL ASSISTANCE (TA) FACILITY PLAYS A DECISIVE ROLE IN FOSTERING THE MISSION OF THE GREEN FOR GROWTH FUND, SOUTH-EAST EUROPE (GGF) AND THE ORIGATION OF INVESTMENTS.

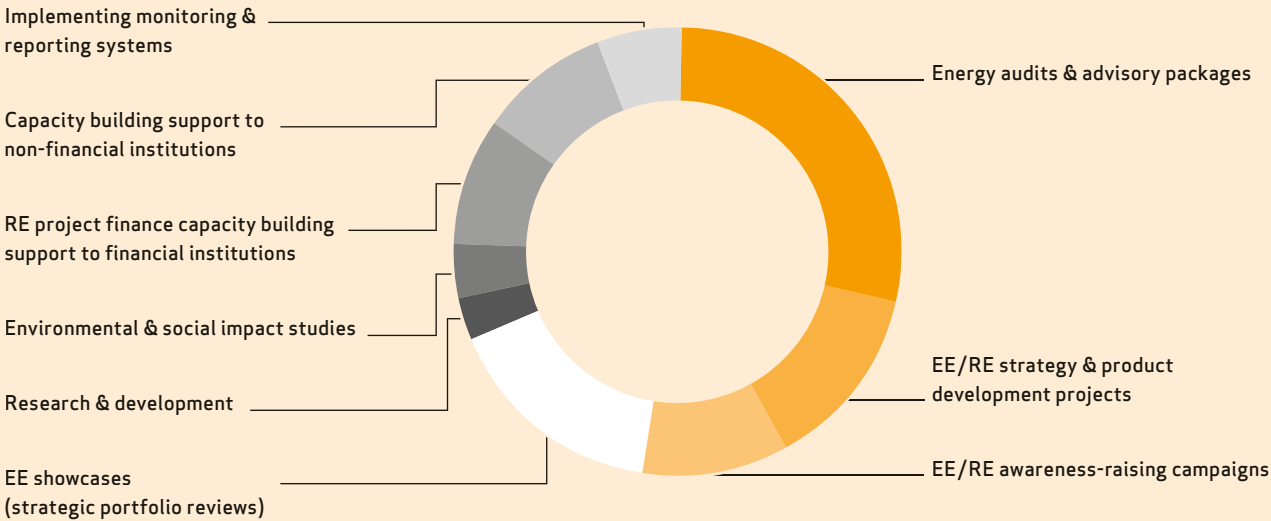
In 2011, the TA Facility approved 18 TA projects for a total value of almost EUR 1.4 million, more than three times the volume of 2010. The TA Facility actively assists the GGF's partners – financial institutions, renewable energy (RE) projects, and energy service and supply companies – by providing pragmatic TA support in capacity building to financial institutions and non-financial institutions, enabling the market for energy efficiency (EE) and RE finance, raising public awareness for greening the energy infrastructure, and conducting research and environmental impact analyses and energy audits.

TARGETED AND TAILORED SUPPORT
Introducing sustainable EE/RE lending activities presents financial institutions in the region with various new challenges. The GGF will only be able to successfully contribute to mainstreaming green finance if it accurately assesses these challenges and actively assists PIs in meeting them.

What keeps a private household, a small and medium enterprise or a corporate company from investing into EE/RE measures? What challenges does a municipality have to face? What are the obstacles to getting an RE project off the ground and keeping it on track?

The TA Facility applies significant resources to support PIs in finding ways to resolve these issues. Hands-on assistance in developing meaningful financial products as well as training bank personnel in new technologies and procedures is one example. Another is to supply the tools for evaluating EE and RE loan projects and calculating expected energy efficiency gains and CO₂ emission reductions. This in turn provides the Fund with effective monitoring and reporting to gauge progress in outreach and investment impact.

TA PROJECTS APPROVED IN 2011



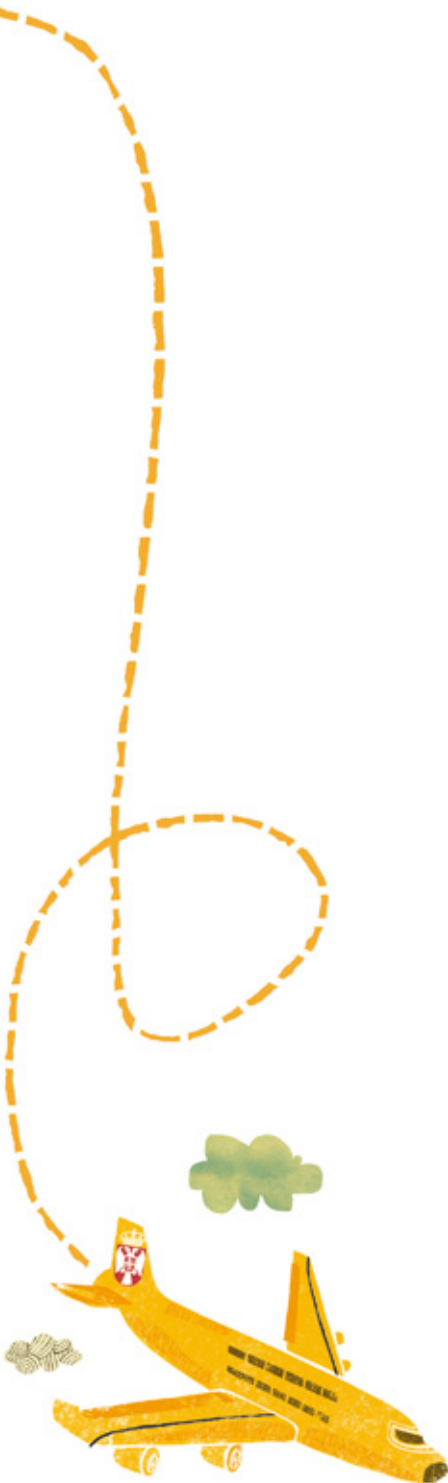
A COLLABORATIVE APPROACH

The TA Facility does not dictate capacity building measures, but develops the best support strategy in a collaborative process with each PI. The implementation of agreed measures may involve independent experts and consulting firms, and where possible the TA Facility mixes international and local expertise. This is achieved by working with qualified consultants on the ground who are selected jointly with the PI's management.

FUNDED FOR SUCCESS

Supported by grants from several development finance institutions and international finance institutions, the TA Facility is well-equipped to cover immediate and near-term needs in fulfilling its mission in the target region. In 2011, the TA Facility received a fresh contribution from the German Federal Ministry for Economic Cooperation and Development (BMZ) of EUR 1 million. Following the earlier contributions from the Development Bank of Austria

(OeEB) (EUR 0.5 million), BMZ (EUR 1 million) and the European Commission (EUR 5 million), this brings total funding to date for the TA Facility to EUR 7.5 million.



300,000 flights

GGF investments have reduced carbon emissions by an amount equal to that added to the atmosphere by the entire population of the Serbian City of Novi Sad flying to Frankfurt (300,000 flights).



BOARD OF DIRECTORS (from left to right): Olaf Zymelka (joined the Board in November 2011), Christopher Knowles, Michael Neumayr, Constanze Kreiss (left the Board in November 2011), Monika Beck (Chairperson), Dominique Courbin, Hubert Cottogni

LEADERSHIP

BOARD OF DIRECTORS

The Board of Directors of the Green for Growth Fund, Southeast Europe is comprised of experts in various fields related to development finance and green energy.

INVESTMENT COMMITTEE

Peter Coveliers, Chairperson
 Esther Gravenkoetter (joined the Committee in November 2011)
 Michael Neumayr
 Constanze Kreiss (left the Committee in November 2011)

TECHNICAL ASSISTANCE FACILITY COMMITTEE

Esther Gravenkoetter, Chairperson (joined the Committee in November 2011)
 Dirk Roos
 Ioannis Tsakiris
 Constanze Kreiss, Chairperson (left the Committee in November 2011)

TRANSPARENT, EFFECTIVE GOVERNANCE

THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) LEVERAGES THE EXPERTISE AND IN-DEPTH LOCAL KNOWLEDGE OF ITS STAKEHOLDERS, GOVERNING BODIES AND PROFESSIONAL MANAGEMENT TO EFFICIENTLY AND SEAMLESSLY DELIVER MARKET-LEADING, HIGH-IMPACT PRODUCTS AS WELL AS ACHIEVE ITS OBJECTIVES OF REDUCING ENERGY CONSUMPTION AND CO₂ EMISSIONS.

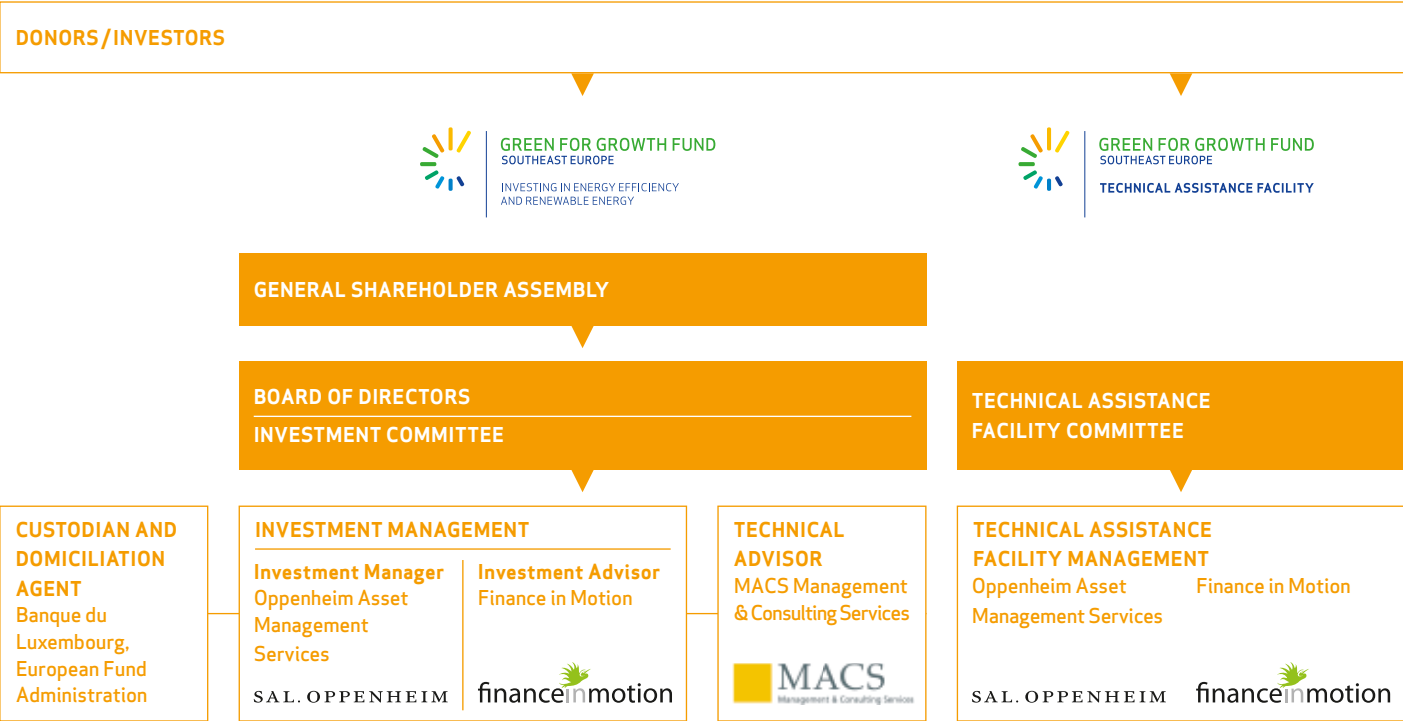
Ultimate oversight authority of the GGF rests with its shareholders and the Technical Assistance (TA) Facility donor agencies, respectively. Responsibility for the Fund’s strategic direction and management is vested in the Board of Directors, which is elected from a slate of candidates nominated by the shareholders. The Board of Directors in turn appoints the Investment Committee, which is in

charge of steering investment operations, including investment approval. Review and approval of technical assistance projects is the responsibility of the TA Facility Committee elected by the TA Facility’s donors.

Oppenheim Asset Management Services, the Investment Manager, together with Finance in Motion, the Investment Advisor, handle the

GGF’s day-to-day operations and are supported by the Technical Advisor, MACS Management and Consulting Services. Oppenheim Asset Management Services and Finance in Motion jointly manage the TA Facility’s activities. The GGF benefits from an extensive local presence in all of the countries in which it operates through its Investment Advisor.

INSTITUTIONAL STRUCTURE



LETTER FROM INVESTMENT MANAGEMENT

2011 WAS A YEAR OF GROWTH FOR THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF). GROWTH IN GEOGRAPHIC REACH, WITH INVESTMENTS IN FOUR AND TECHNICAL ASSISTANCE (TA) PROJECTS IN SEVEN OF THE FUND'S EIGHT TARGET PARTNERS. GROWTH IN THE INVESTMENT PIPELINE, WITH OVER THIRTY TRANSACTIONS UNDER ANALYSIS. AND GROWTH IN PERFORMANCE, WITH A SOLID PROFIT OF OVER EUR 900,000.

Throughout 2011, the Investment Management team reflected and enabled this growth as well, with additional resources and expertise to execute the strategy – to make the Fund a key innovator in each target partner and drive energy efficiency (EE) and renewable energy (RE) finance. In concrete terms, and based on our rigorous monitoring and reporting methodology, the 1,390 projects – to households, small businesses and corporations, as well as for RE projects – funded by the GGF are saving over 156,000 MWh of energy and 34,281 tons of CO₂ per year throughout Southeast Europe. And they will continue to save energy and reduce CO₂ emissions long after initial financing is repaid, compounding the already significant leveraging effect of the Fund's capital base.

In fact, “leveraging” is a key concept that underpins everything the GGF does. The Fund's financial structure, with the junior tranche of capital held by the European Commission and German Federal Ministry for Economic Development and Cooperation (BMZ) and a mezzanine tranche provided by international financial institutions, leverages these publicly-provided funds to attract private investors. This not only broadens the investor base and mitigates risk, but creates a more robust and sustainable funding platform. The Fund's governance leverages the sector experience of the Board and Committees, ensuring not only that the objectives of the Fund are met, but also that they are in line with European, national, and stakeholder programs to minimize duplication. At the operational level, the Fund's professional management leverages distinct but complementary skills within the team in the areas of fund management (Oppenheim Asset Management Services), in-depth knowledge of local financial and energy sectors (Finance in Motion), and specialized technical expertise (MACS Management & Consulting Services).

This leveraging also applies to the GGF's Technical Assistance Facility, which provides hands-on support to partner institutions and drives EE/RE sector initiatives in the region. Concepts tried and tested in one market, such as strategic support for banks in introducing energy efficiency products for SMEs, are adapted and improved with each tailored implementation. With five partner institutions in four countries, the GGF knows what works, and can leverage its successes (as well as learn from its challenges) in real-time.

The Fund's broad mandate in terms of geography, products, partners – mainly financial institutions, but also RE project developers – and scope uniquely qualifies the GGF as a multiplier for green energy finance. Heading into 2012 with an established track record and a strong pipeline, the Investment Management team is energized to build on the Fund's achievements, and continue leveraging its impact and outreach throughout the region. We are proud to support the implementation of this important Fund, and remain wholeheartedly committed to its objectives of mainstreaming green finance to improve energy efficiency and facilitate cleaner energy.



INVESTMENT MANAGEMENT TEAM Front row (from left to right): Florian Meister, Sylvia Wisniwski, Claudia Ploß-Dambach, Elvira Lefting, Lloyd Stevens
Back row (from left to right): Holger Roentgen, Max von Frantzius, Detlef Kroeger, Thomas Schiller

MAX VON FRANTZIUS,
Managing Director,
Oppenheim Asset
Management Services

SYLVIA WISNIWSKI,
Managing Director,
Finance in Motion

FLORIAN MEISTER,
Managing Director,
Finance in Motion

ELVIRA LEFTING,
Managing Director,
Finance in Motion

LLOYD STEVENS,
Director,
Finance in Motion

DR. THOMAS SCHILLER,
Managing Director MACS
Management and Consulting
Services (Technical Advisor)

CASE STORY 01: INSULATION LOWERS COAL CONSUMPTION

Ahmet Bayram |

Şekerbank customer | Turkey

The only surprise better than discovering the heat insulation products available from IZODER, the Turkish thermal insulation trade association, was to find out that Şekerbank offered one-year interest-free loans for energy efficiency projects.

"Last year, I burned 3 tons of coal trying to keep the house warm. Not anymore," beams Ahmet Bayram.

Annual energy savings since the insulation upgrade:

20%



Source: Şekerbank

EXPERTISE IN GREENING THE LOCAL ENERGY INFRASTRUCTURE

ŞEKERBANK, THE FUND'S FIRST PARTNER INSTITUTION, CONTINUES TO BUILD MOMENTUM IN TURKEY WITH ENERGY EFFICIENCY (EE) AND SMALL RENEWABLE ENERGY (RE) LOANS MAINLY IN THE RETAIL SECTOR. THE BANK HAS RECENTLY BEGUN TO FUND SMALL HYDRO PROJECTS, FURTHER CONSOLIDATING ITS POSITION IN GREENING THE COUNTRY'S ENERGY INFRASTRUCTURE.

Şekerbank had an early interest in EE lending, focusing on retail clients from the very beginning when the Fund set up the credit facility. Today, private households with loans for building envelope improvements, e.g. energy-saving insulation and glazing, account for 82 % of the Bank's projects financed by the Green for Growth Fund, Southeast Europe (GGF). Şekerbank has also been very successful in attracting small and medium enterprises as well as retail clients for the financing of small RE measures such as solar water heaters and solar heat pumps.

Recently, building on solid market knowledge and a flexible approach to energy lending, Şekerbank expanded its financing scope to include full-fledged RE projects, specifically small hydro projects. The GGF supported this initiative in view of the bank's commitment to energy lending and its increased market expertise – as well as of the market potential in RE. The Funds' Technical Assistance Facility Committee approved a project for building capacities in project screening and evaluation, specifically with regard to the hydro projects' compliance with GGF environmental and social compliance requirements. Implementation is scheduled for early 2012.



CASE STORY 02 ENERGY MAKEOVER BOTTOMS THE BOTTOM LINE

Cana Petrović |
Čačanska banka customer | Serbia
As her restaurant catering business flourished, Cana Petrović knew she had to modernize her facilities, especially heating and cooling. Čačanska banka's HIT Energy Loan enabled her to install a thermal pump and solar collectors well ahead of schedule. "Besides saving costs, it's made our business a much better workplace, too", she says.

Annual energy cost savings since the insulation upgrade:

40%



RESIDENTIAL ENERGY EFFICIENCY PROJECTS GAIN GROUND IN SERBIA

IN 2011, ČAČANSKA BANKA, THE FIRST BANK IN SERBIA TO PARTNER WITH THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF), FINANCED NO FEWER THAN 79 PROJECTS FOR REDUCING ENERGY CONSUMPTION IN PRIVATE HOUSEHOLDS AND IMPLEMENTING CLEANER PRODUCTION PROCESSES IN SMALL AND MEDIUM ENTERPRISES (SMEs).

Building on the bank's existing product portfolio for private households and SMEs, Čačanska banka and the GGF developed a range of credit products aimed specifically at encouraging investments in energy efficiency (EE). Čačanska banka is a leader in mainstreaming green finance in Serbia.

The Bank's EE projects mostly involve modernizing building envelope insulation and heating systems in homes and businesses. The portfolio has been expanded to include renewable energy (RE) loans for installing geothermal heating pumps. At the same time, the bank caters to the

supply side with financing for EE suppliers and service companies, such as manufacturers and installers of insulating doors and windows, solar water heaters, and biomass stoves.

During the year under review, Čačanska banka implemented a number of

communications campaigns to promote energy efficiency: a campaign to sensitize the public on the importance of saving energy, a student competition for the best EE project, the "Energy Doctor" program which had EE experts diagnosing the "energy health" of homes and businesses, and regional conferences on promoting EE investments. These initiatives, actively supported by the Technical Assistance Facility, advance the Fund's agenda in Serbia by supporting the greening process from the demand side – and establishing Čačanska banka as a champion of EE.



EXPANDING THE FUND'S DIRECT INVESTMENT ACTIVITIES

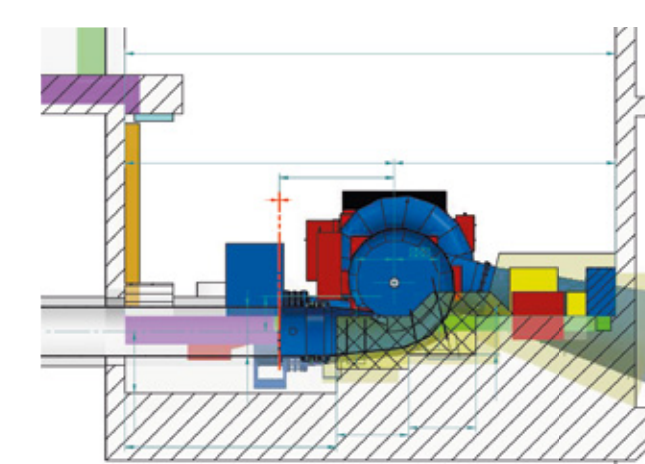
THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) FINANCES DIRECT INVESTMENT PROJECTS WITH ENERGY SERVICE COMPANIES, RENEWABLE ENERGY (RE) DEVELOPERS, MUNICIPALITIES AS WELL AS SMALL-SCALE RE AND ENERGY EFFICIENCY SERVICE AND SUPPLY COMPANIES - BROADENING THE FUND'S ROLE AS A MARKET ENABLER.

Since becoming operational in early 2010, the GGF has assessed a wide range of investment opportunities throughout its target region, developing a solid RE pipeline with projects ranging from run-of-river hydro power plants, wind farms and biomass plants to photovoltaic installations. Though the Fund promotes RE diversity throughout the target region, topographical and climatic home advantages along with infrastructure greening priorities play a part in explaining a strong focus on hydro in Albania, biomass in Croatia, wind energy in Serbia, and solar energy in the former Yugoslav Republic of Macedonia.

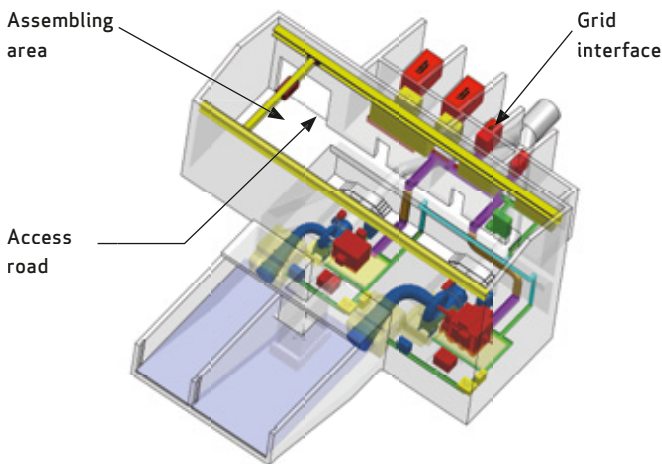
The Lengarica small-scale hydro project in Albania is a good example of the Fund's effectiveness in getting a direct

investment RE project off the ground with proper financing. It was approved by the Investment Committee in November 2011 and is scheduled to go on-stream within just 34 months. Situated near the small village of Petran, approximately 250 km south of Tirana, the power station is designed to feed 32 GWh into the grid annually, enough to meet the energy demand of about 3,000 households.

In view of low domestic energy production, reducing Albania's dependence on energy imports is a key priority. Lengarica serves as a template for the GGF in channeling the capital required for creating much-needed hydro energy capacities. Already, the government has initiated a review of investment conditions to attract more foreign investment.



A cross-section of the planned tube turbine – part of the powerhouse installation of the Lengarica hydropower plant.



Layout of the planned powerhouse of the Lengarica hydropower plant.



CASE STORY 03: POWER FOR 3,000 HOUSEHOLDS
 Lengarica hydropower plant | Albania
 The Lengarica run-of-river hydro-power plant in Albania is projected to generate 32 GWh annually as of mid-2014. Greenlighted in late 2011, this is one of the Fund's first direct investment projects in the area of renewable energy in the target region.

Annual carbon emissions savings:

2,000 tons



BROADENING THE SCOPE OF TECHNICAL ASSISTANCE

IN ITS SECOND YEAR, THE TECHNICAL ASSISTANCE (TA) FACILITY OF THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) ACTIVELY SUPPORTED THE FUND'S MISSION WITH 18 NEW PROJECTS.

CAPACITY BUILDING ASSISTANCE TO HALKBANK IN THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA
The TA Facility provided capacity building assistance to Halkbank a.d. Skopje (formerly Izvozna i kreditna banka), a GGF partner institution in the former Yugoslav Republic of Macedonia, to boost energy efficiency (EE) and renewable energy (RE) lending. The comprehensive TA package included building the bank's capacities in such areas as EE/RE strategy and product development, implementing a monitoring and reporting system for energy savings and CO₂ emission reductions, as well as energy auditing to assess energy savings and CO₂ emission reductions for non-standard EE/RE projects.



Source: Frankfurt School of Finance & Management



ENERGY AUDITOR WORKSHOP IN THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA
In line with the Fund's role as a market enabler, the GGF's TA Facility works with local as well as regional experts and companies where and when possible. With the support of the Macedonian Center for Energy Efficiency (MACEF) in the former Yugoslav Republic of Macedonia, the TA Facility organized a workshop for qualifying local experts in energy auditing to Fund standards. The workshop was a success, and the TA Facility is exploring possibilities for replicating the format in other markets.



AWARENESS RAISING CAMPAIGN IN SERBIA
Together with Čačanska Banka a.d. Čačak, a GGF partner institution in Serbia, the TA Facility conducted a campaign to raise public awareness of opportunities for conserving energy. The campaign was launched at the International Energy Fair in Belgrade, and included several regional conferences as well as innovative measures such as an "Energy Doctor" campaign and a student contest. The latter, aimed at motivating highschool students to come up with new approaches, had them submit short video clips with their ideas for raising EE awareness in their local communities.



ENVIRONMENTAL IMPACT

THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) PROVIDES ITS PARTNER INSTITUTIONS (PIs) WITH THE TOOLS AND RESOURCES TO EFFICIENTLY MONITOR ON-LENDING ACTIVITIES.

Foremost of these is eSave, which enables PIs to quickly calculate the energy savings from a broad range of standardized energy efficiency measures, and to report these to the Fund electronically. The tool is easily adaptable to local market specificities, and can also be used as a reporting-only tool to capture data from non-standard projects. Data

generated from outside the system is provided by a GGF-trained expert energy auditor. Since the system's implementation, it has been enabling quick and accurate "green performance" assessment for 1,390 projects financed by the Fund's PIs (1,202 in 2011 alone). These projects generate total annualized energy savings of 156,727 MWh

(primary energy) and emissions reductions of 34,281 tons of CO₂. On average, this amounts to 54% above baseline (e.g. replacement of obsolete and inefficient boilers, installation of wall insulation), well in excess of the minimum target of 20% set by the Fund in accordance with the European Union's Europe 2020 initiative.

CO₂ REDUCTION AND ENERGY SAVINGS BY TYPE OF PARTNER INSTITUTION as at 31 December 2011

Total energy savings and carbon emissions reductions to date with GGF investments (as at Q4 2011) amounted to 54%, by far exceeding the Fund's minimum target of 20%, which is the benchmark for the Europe 2020 initiative. The 1,390 projects (EUR 42.5 million) financed translated into estimated annual energy savings of 156,727 MWh or 34,281 metric tons of CO₂ emissions.

MEASURE	PI TYPE	SUBLOAN VOLUME (EUR)	CO ₂ REDUCTION (TCO ₂)	CO ₂ REDUCTION (%)	ENERGY SAVINGS (MWH/YR)	ENERGY SAVINGS (%)
Renewable energy usage (SMEs* and households)	FI**	496,227	488	87%	1,727	90%
Building envelope improvements	FI**	16,866,103	25,529	60%	120,938	60%
Heating supply systems	FI**	244,936	2,751	74%	8,334	64%
Heating distribution improvements	FI**	32,293	43	20%	139	20%
Process-related equipment	FI**	23,764,148	5,470	33%	25,589	33%
Energy services and supply businesses***	FI**	1,126,749	-	0%	-	0%
Total		42,530,456	34,281	54%	156,727	53%

Source: Finance in Management Information System

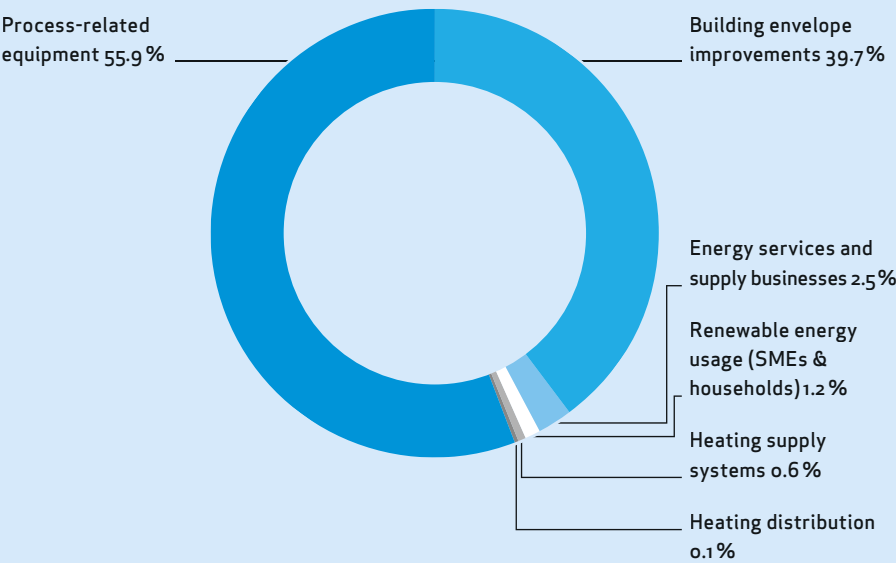
* SMEs = small and medium enterprises

** FI = Financial institution

*** Supplying energy efficiency equipment is eligible for GGF financing. However, to preclude double counting of savings when such equipment is actually purchased and installed, the GGF takes the conservative approach of assigning no savings to supplier financing. Savings are assessed and calculated only from the point at which the equipment is put into operation by the end-user.

MEASURES FINANCED

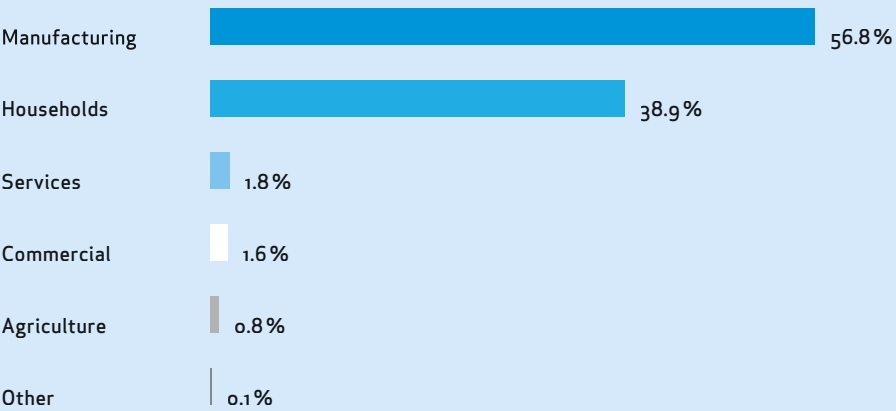
since inception in December 2009 (based on loan amount disbursed)



Projects financed by the GGF in 2011 mainly fell into two categories: process-related equipment, i.e. replacement of older, inefficient equipment with more modern energy-efficient technology; and building envelope improvements, e.g. wall insulation and energy-saving glazing. Together, these two groups of measures accounted for over 95% of the projects supported by the Fund. Through its Technical Assistance Facility, the GGF continues to work with PIs in developing innovative products to further diversify the product mix.

SECTORS FINANCED

since inception in December 2009 (based on loan amount disbursed)



The mix of end-borrowers reflects the GGF's success in addressing the needs of households as well as those of small and medium enterprises. Small manufacturing operations are the Fund's largest credit customers (by loan volume), and mainly use GGF-backed financing to buy new equipment and to upgrade their premises. Households also benefit from GGF financing for energy efficiency investments in wall insulation and energy-efficient windows, but also small in solar water heaters.

LEVERAGING EXPERTISE AND SUCCESS IN THE EUROPEAN EASTERN NEIGHBORHOOD REGION

REPLICATING THE ACHIEVEMENTS OF THE GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) IN ITS CORE REGION OF SOUTHEAST EUROPE, INCLUDING TURKEY, IN THE NEIGHBORING EUROPEAN EASTERN NEIGHBORHOOD REGION (ENR) IS A KEY INITIATIVE IN INCREASING THE FUND’S IMPACT AND LEVERAGE.

After a successful first two years in operation, the GGF is following through on a strong start, building its portfolio, developing innovative approaches to technical assistance, and achieving a substantial environmental impact in energy and CO₂ emissions savings. 2012 is already showing strong pro-

gress with the planned closing of the first renewable energy direct investment, and a pipeline that will more than double the portfolio outstanding in Southeast Europe. This further diversifies the Fund’s geographic reach and increases its impact throughout the core region.

Based on detailed market analyses conducted by the stakeholders and confirmed by the Investment Management consortium, the Fund has identified significant market demand in the nearby ENR comprised of Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. These countries share many of the chal-

lenges faced in the Southeast Europe region, including outdated manufacturing equipment, poor quality housing stock, and high energy intensity (energy consumed per euro of economic output). At the same time, these countries are in various stages of joining the European Union energy infrastructure, including the Energy Community.

This presents the GGF with an excellent opportunity to leverage the successes it achieved in its core region. Expanding its area of operations to the ENR will also enable the Fund to take advantage

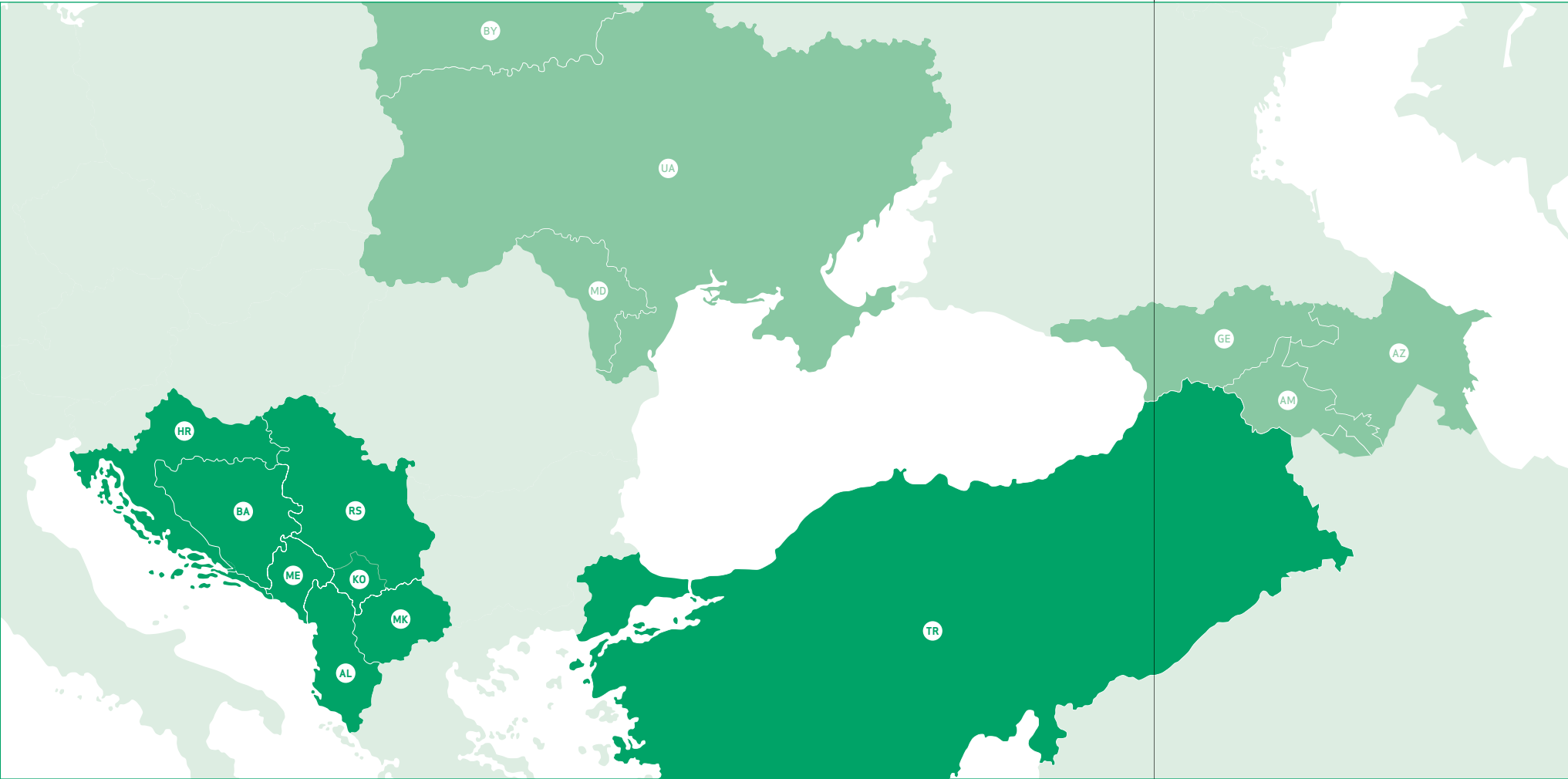
of the resources its stakeholders and Investment Advisor, Finance in Motion, already have on the ground. As demonstrated in the Southeast Europe region, the GGF’s activities will complement existing initiatives in the ENR region. The Board of Directors is currently in the advanced stages of vetting the planned expansion which, if approved by the shareholders and regulator, will be set for implementation in mid-summer 2012.

50 %

Close to half of the Technical Assistance Facility’s capacity building projects were implemented by consultants and consulting companies from the target region.



PROPOSED EXPANSION OF THE TARGET REGION OF THE GGF



- HR Croatia
- BA Bosnia and Herzegovina
- RS Serbia
- ME Montenegro
- KO Kosovo*
- AL Albania
- MK former Yugoslav Republic of Macedonia
- TR Turkey
- BY Belarus
- UA Ukraine
- MD Moldova
- GE Georgia
- AM Armenia
- AZ Azerbaijan

* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

CONTACT INFORMATION

DONOR AGENCIES AND INTERNATIONAL FINANCIAL INSTITUTIONS

KfW Entwicklungsbank
Karsten Meier
Palmengartenstr. 5–9
60325 Frankfurt am Main, Germany
T +49 (0) 69 74 31 42-55
E karsten.meier@kfw.de

European Investment Bank
Peter Coveliers
Boulevard Konrad Adenauer 98–100
2950 Luxembourg, Luxembourg
T +352 (0) 43 79 87-403
E covelier@eib.org

PRIVATE INVESTORS IN THE INVESTMENT FUND

Oppenheim Asset Management Services S.à r.l.
Thomas Albert
4 rue Jean Monnet
2180 Luxembourg, Luxembourg
T +352 (0) 22 15 22-450
F +352 (0) 22 15 22-94 50
E thomas.albert@oppenheim.lu

PRIVATE DONORS TO THE TECHNICAL ASSISTANCE FACILITY

Finance in Motion GmbH
Theodor-Stern-Kai 1
60596 Frankfurt am Main, Germany
T +49 (0) 69 97 78 76 50-0
F +49 (0) 69 97 78 76 50-10
E energy.investments@finance-in-motion.com

FINANCIAL INSTITUTIONS

ALBANIA/BOSNIA AND HERZEGOVINA
Finance in Motion GmbH
Kralja Tvrtka 12/2
71000 Sarajevo, Bosnia and Herzegovina
T +387 (0) 33 56 11-90
F +387 (0) 33 56 11-91
E bosnia_and_herzegovina@finance-in-motion.com
E albania@finance-in-motion.com

CROATIA/TURKEY
Finance in Motion GmbH
Ilica 1, c/o Bardek, Lisac, Mušec, Skoko, Šarolić
10000 Zagreb, Croatia
E croatia@finance-in-motion.com
E turkey@finance-in-motion.com

FORMER YUGOSLAV REPUBLIC OF MACEDONIA
Finance in Motion GmbH
Maksim Gorki 20/3
1000 Skopje, former Yugoslav Republic of Macedonia
T +389 (0) 2 31 32-628
F +389 (0) 2 31 32-627
E fyr_macedonia@finance-in-motion.com

KOSOVO
Finance in Motion GmbH
Zija Shemsiu 6 (Ulpiana)
10000 Prishtina, Kosovo
T +381 (0) 38 54 41-08
F +381 (0) 38 54 41-09
E kosovo@finance-in-motion.com

MONTENEGRO
Finance in Motion GmbH
Bulevar Svetog Petra Cetinjskog 114
81000 Podgorica, Montenegro
T +382 (0) 20 22 83-41
F +382 (0) 20 22 83-40
E montenegro@finance-in-motion.com

SERBIA
Finance in Motion GmbH
Dragoslava Jovanovića 3
11000 Belgrade, Serbia
T +381 (0) 11 32 32-329
F +381 (0) 11 33 42-257
E serbia@finance-in-motion.com

RENEWABLE ENERGY PROJECTS

Finance in Motion GmbH
Theodor-Stern-Kai 1
60596 Frankfurt am Main, Germany
T +49 (0) 69 97 78 76 50 - 0
F +49 (0) 69 97 78 76 50 - 10
E energy.investments@finance-in-motion.com

OTHER PARTNER INSTITUTIONS

Finance in Motion GmbH
Theodor-Stern-Kai 1
60596 Frankfurt am Main, Germany
T +49 (0) 69 97 78 76 50-0
F +49 (0) 69 97 78 76 50-10
E energy.investments@finance-in-motion.com

CONSULTANTS

Finance in Motion GmbH
Theodor-Stern-Kai 1
60596 Frankfurt am Main, Germany
T +49 (0) 69 97 78 76 50-44
F +49 (0) 69 97 78 76 50-10
E ta@finance-in-motion.com

IMPRINT

PUBLISHER
Green for Growth Fund, Southeast Europe (GGF)
To download or order a printed version, please go to www.ggf.lu

CONCEPT, LAYOUT, LITHOGRAPHY AND PRODUCTION
Liebchen+Liebchen Kommunikation GmbH (www.lplusl.de)
Finance in Motion GmbH (www.finance-in-motion.com)

DISCLAIMER

The Fund is a specialized investment fund governed by Luxembourg law and is reserved for institutional, professional or other well-informed investors as defined by Luxembourg law. The adequacy or accuracy of the issue document or the assets held in the Fund have however not been approved or disapproved by any authority. The information given herein constitutes neither an offer nor a solicitation of any action based on it, not does it constitute a commitment of the Fund to offer its shares to any investor. No guarantee is given or intended as to the completeness, timeliness or adequacy of the information provided herein. No investment may be made except upon the basis of the current issue document of the Fund, which is obtainable free of charge from Oppenheim Asset Management Services S.à r.l., 4 rue Jean Monnet, L-2180 Luxembourg.

Shares or notes of the Fund have not been and will not be registered under the United States Securities Act of 1933, as amended, or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the “United States”). The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Accordingly, except as provided for below, no shares or notes of the Fund are being offered to US Persons or persons who are in the United States at the time the shares or notes of the Fund are offered or sold. For the purposes of this Prospectus, a US Person includes, but is not limited to, a person (including a partnership, corporation, limited liability company or similar entity) that is a citizen or a resident of the United States of America or is organized or incorporated under the laws of the United States of America. Certain restrictions also apply to any subsequent transfer of shares or notes of the Fund in the United States or to US Persons. Should a shareholder or noteholder become a US Person, they may be subject to US withholding taxes and tax reporting. If you are in any doubt as to your status, you should consult your financial or other professional adviser.

All forward-looking statements have been compiled on a best efforts basis, taking into account multiple variables which may be subject to change, including, without limitation, exchange rates, general developments in banking markets and regulations, interest rate benchmarks, and others. Actual developments could differ from the expectations expressed in forward-looking statements. Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall or rise and investors may not get the amount originally invested. The Fund is under no obligation to update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

Neither the Fund nor any of its shareholders, directors, officers, employees, advisors or agents makes any representation or warranty or gives any undertaking of any kind, express or implied, as to the actuality, timeliness, adequacy, accuracy, correctness, reliability, completeness or suitability for any investor of any opinions, forecasts, projections, assumptions and any other information contained in, or otherwise in relation to, this document or assumes any undertaking to supplement any such information as further information becomes available or in light of changing circumstances. No liability of any kind whatsoever is assumed by the Fund or any of its shareholders, directors, officers, employees, advisors or agents in relation to any such opinions, forecasts, projections, assumptions or any other information contained in, or otherwise in relation to, this document. The content of this information is subject to change without prior notice.

This document does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. The information in this document does not and shall not be construed to constitute the provision of investment, legal, tax or any other advice. It has been prepared without regard to the individual financial and other circumstances of persons who receive it.

© GREEN FOR GROWTH FUND, SOUTHEAST EUROPE (GGF) 2012. ALL RIGHTS RESERVED.
Translation, reprinting, transmission, distribution, presentation, use of illustrations and tables or reproduction or use in any other way is subject to permission of the copyright owner acknowledging the source.

