

Siemens buys a 20% stake in Micropower-Comerc, a company that wants to revolutionize the market by offering battery storage through performance contracts

- **Micropower-Comerc reduces energy costs and provides energy resilience for customers in Brazil by delivering battery storage through long term service agreements.**
- **Targeting large commercial and industrial electricity consumers, Micropower-Comerc offers battery storage as a service with zero upfront investment from clients.**

Effective from 05 July 2019, Siemens Financial Services (SFS) – Siemens investment arm, acquired a 20% stake in the Brazilian company. The parties did not disclose the value of the transaction.

Siemens, a leader in smart infrastructure solutions, strengthens its market position in the distributed energy space by partnering with Micropower-Comerc Energia S.A.. Micropower-Comerc offers its customers battery storage as a service (“bSaaS”), delivering energy bill savings to its customers, while providing back-up power much faster and cleaner than a diesel generator. Siemens will contribute to the partnership with Micropower-Comerc through engineering design, customized software, a digital operations platform, and digital tools. There is no need for the client to invest in equipment and/or installation; services will be paid from the savings generated by battery storage.

Large electricity consumers, such as box store retailers, shopping centers, hotels, and industries, can reduce their energy costs significantly by using storage to shift consumption from peak to off-peak times, when the cost of electricity is much less

expensive. In addition, Micropower-Comerc's service improves energy resilience due to reduced downtime and avoiding losses caused by distribution network outages.

Siemens can remotely monitor the system installed on client sites through its recently inaugurated MindSphere Application Center in Jundiai. Siemens digital tools and services based on the IoT MindSphere platform offer many benefits to distributed generation solution providers. MindSphere based tools will be applied to optimize system operations and management, such as anticipating the need for maintenance or improving the dispatch schedule to maximize savings. Storage located on-site ties into multiple other applications, such as electric vehicle charging, energy efficiency, and smart buildings.

"The Brazilian energy market today faces a challenge of the energy quality in certain areas of the country, where large consumers are susceptible to blackouts and power outages that hurt their business. The Micropower-Comerc and Siemens distributed storage solutions offer not only direct customer benefits, but also encourage society overall to increase its use of clean energy," says Sergio Jacobsen, Senior Vice President of Smart Infrastructure at Siemens Brazil.

In addition to introducing the "b-SaaS" (battery storage as a service) concept to the Brazilian market, the new service reinforces the use of clean energy in the country, since Brazil burns more than 2 billion liters of diesel and oil products annually to generate electricity during peak hours. By leveraging more on-site storage solutions, customers can reduce their carbon footprint and emissions, as well as encourage the use of more renewables in the country. Leading corporations have made environmental goals a priority in their organizations. It's worth pointing out that battery activation takes under 1 second in the case of a power outage vs. 30 to 90 seconds with a diesel generator.

"Brazil is rich in renewable sources and this is another solution that aims to take advantage of all the potential in the country, which is one of the first to invest in this type of technology. I am sure this partnership with Siemens will bring so many benefits to our customers, mainly in reducing energy costs" says Marco Krapels, CEO of MPC.

"As battery pricing continues to decline, distributed energy storage will become a major part of the new energy economy. This is already happening in many parts of

the world such as California, Australia and Germany, and the partnership between Micropower-Comerc and Siemens will make this technology more broadly available in Brazil”, said Krapels. “It allows our customers to have superior back-up power while our software-controlled battery systems generate savings during peak demand hours. Just like horses were replaced by cars by 1920, diesel generators will be replaced by smart batteries. The future is distributed, and storage plays a key role in this transformation.”

Siemens Financial Services (SFS), Siemens' investment arm, now owns a 20% stake in Micropower-Comerc. This transaction represents the company's first “bSaaS” investment, positioning SFS to replicate this investment model globally.

“We have high expectations for transforming the distributed energy resources sector in Brazil along with Micropower-Comerc. The agility of the Micropower-Comerc team in the execution of the business plan, combined with the Siemens brand, software and data capabilities are a winning combination,” says David Taff, Senior Investment Manager, SFS Brazil.

McDonald's is today one of the clients in Brazil that already use the Micropower-Comerc's solution. “Micropower-Comerc has already installed lithium-ion batteries in Brazil including a system installed in one of our units in São Paulo”, said David Grinberg, Head of Communications from McDonald's Arcos Dorados “The Micropower-Comerc system allows us to reduce our energy cost and eliminates the need for a diesel generator which reduces harmful emissions in our communities”.

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Siemens Financial Services (SFS) is the financing arm of Siemens. For further information, please visit www.siemens.com/finance.

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