ALBIOMA

PRESS RELEASE
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ANNUAL RESULTS

First contract in Brazil posts excellent business and operating performances

Strong growth in net income, Group share excluding non-recurring items (+18%), and in the dividend (+7%)

Return to robust growth with three new contracts

Albioma's Board of Directors, chaired by Jacques Pétry, met on 3 March 2015 and approved the Group's consolidated financial statements for the 2014 financial year.

CONSOLIDATED KEY FIGURES FOR 2014

	Excluding retroactive payments and non-recurring items			Reported	
In € millions	**2014**	**2013**	***% change***	**2014**	**2013**
Revenue	354.0	364.3	*-3%*	354.0	364.3
EBITDA	125.6	123.2[1]	*2%*	129.0	136.3[1]
Net income, Group share	38.0	32.3[2]	*18%*	38.0	42.6

Notes

1. EBITDA 2013 restated for the share of earnings of equity associates.
2. Excluding gain on disposal of the Wind Power business.

EBITDA grew slightly, by 2% (excluding retroactive payments and non-recurring items), compared with 2013. The very strong contribution made by the Rio Pardo Termoelétrica contract in Brazil offset the impact of the technical incidents at the Reunion Island and Guadeloupe plants in the first half and the contractual decrease in Albioma Le Moule's fixed premium.

Net income, Group share, increased by a strong 18% to €38 million (excluding retroactive payments, non-recurring items and the gain on the disposal of the Wind Power business in 2013).

Jacques Pétry, Chairman & Chief Executive Officer, reports:

"We ended 2014 with strong results, boosted by the remarkable performance of our first Brazilian project, thus confirming the attractiveness of our offer for the sugar and ethanol industry in Brazil.

2014 also featured renewed growth in the French overseas territories with the signing of two contracts, one in Galion, Martinique and the other in Saint-Pierre, Reunion Island.

These 100% biomass projects illustrate the significant role played by Albioma in the energy transition of the territories we serve.

Albioma thus confirms its status as a renewable energy producer combining strong growth momentum, high profitability and substantial dividend payouts."

ROBUST OPERATING PERFORMANCE

BRAZIL

Outstanding performance in 2014

Rio Pardo Termoelétrica, Albioma's first bagasse-fuelled cogeneration plant in Brazil, recorded an excellent year in 2014, at both the operating and economic levels.

Exported electricity came to 105 GWh, increasing by a strong 31% compared with 2013 (80 GWh).

Albioma's technical expertise enabled it to achieve a significant improvement in the plant's performance. Optimised operation of the turbines, improvements in the boiler efficiency and in the fuel quality, together with efficient control of the sugar refinery's own consumption, resulted in a 30% increase in exported electricity per tonne of sugar cane in 2014 compared with 2013.

The Group also benefited, in 2014, from favourable macroeconomic conditions linked to very low levels of hydro-electric reservoirs, which resulted in exceptionally high electricity prices on the spot market and an upwards trend in long-term prices. Over the year as a whole, production was sold at an average price of 541 BRL/MWh. For the medium term, the sale of 60% of the plant's forecast electricity production out to 2016 has already been contracted at high prices.

Brazil's EBITDA contribution came to €12 million in 2014.

These results validate the position taken by Albioma in the Brazilian market and support its industrial approach as a partner to the sugar and ethanol industry.

Brazil is Albioma's priority for international expansion, with a total investment goal of €400 million from 2014 to 2023. Albioma is currently in discussions with several possible Brazilian partners and confirms its target of launching one new project every 12 to 18 months.

FRANCE

Thermal Biomass: good plant availability and solid performances

The Thermal Biomass activity in France performed well in 2014, with an availability rate of 90.1% for the year, compared with 92.3% in 2013, due to the technical incidents in the first half which weighed on availability at the Albioma Bois-Rouge plant in Reunion Island and the Albioma Le Moule plant in Guadeloupe.

The call-out rate at the Galion peaking plant remained high in 2014 at 24.5%, although it was down relative to the exceptionally high level recorded in 2013 (33.6%).

Thermal Biomass production in France totalled 2.1 TWh, compared with 2.2 TWh in 2013.

EBITDA for the Thermal Biomass activity in France thus came to €84.3 million in 2014, compared with €108.8 million in 2013 (2013 EBITDA included €15.6 million retroactive payments and non-recurring items).

In 2015, Albioma will request compensatory price adjustments from EDF for the extra costs incurred since 2013 resulting from changes in the regulations applicable to combustion by-products and for the cost of building and operating emission treatment facilities made necessary by the new European Industrial Emissions Directive (IED), which comes into force at the end of 2019.

The production of the Le Moule plants in Guadeloupe, affected by a strike action by some of the workforce since 21 January 2015 resumed on 14 February 2015 thanks to non-striking employees. The total cost resulting from interrupted production at the two facilities is estimated at €3 million. Social dialogue is continuing to resolve the conflict.

Solar Power: good performance

Thanks to good sunshine conditions in all regions, electricity production for the year came to 96.5 GWh, stable relative to the previous year.

Solar Power EBITDA came to €36.6 million (including €3.9 million relating to dispute settlement), up from €31.4 million in 2013.

In the fourth quarter of 2014, Albioma brought into service its first photovoltaic plant with stocking facilities (1 MWc), as roofing of a supermarket in Reunion Island, bringing its total installed photovoltaic capacity to 71 MWc.

Anaerobic Digestion: a fragile emerging sector

In France, the potential market for anaerobic digestion of farm and food-processing waste is considerable and is one of the priorities of draft energy transition legislation. However, numerous players in the anaerobic digestion sector, including Albioma, have encountered operating and economic difficulties.

In 2014, Albioma brought into service three pioneer plants (total capacity of 3 MW) and gave priority to resolving the operating difficulties. The three plants continue to ramp up.

Development of new projects is currently suspended until the Group has overcome the operating challenges and there is a more favourable pricing framework.

In these conditions, impairments of assets were recorded with a negative impact of €4.6 million on Group share of net income in 2014.

MAURITIUS

A satisfactory performance

The Thermal Biomass activity performed very well in Mauritius. The plant availability rate was 93.2%, with production of 1.1 TWh, unchanged relative to 2013.

In application of AMF recommendation no. 2011-16, the share of net earnings of the Mauritian entities, consolidated using the equity method, was included in the Group’s operating income (EBITDA and EBIT). It amounted to €2.8 million in 2014.

A VERY SOUND FINANCIAL SITUATION

At the end of 2014, consolidated gross debt was up slightly by 3% to €539 million due to the acquisition of Rio Pardo Termoelétrica in Brazil and an increase in corporate debt. In June 2014, the Group strengthened its balance sheet through the private placement of an €80 million issue of "Euro PP" bonds, with an annual coupon of 3.85%, maturing in 2020, thereby refinancing its corporate debt on excellent terms. Project debt decreased by 2% relative to 2013, ending 2014 at €459 million.

Cash totalled €109 million (including €6 million of guarantee deposits) at end-2014, stable compared with end-2013. Consolidated net financial debt amounted to €431 million, up by 4% compared with 2013.

Albioma currently has the appropriate financial leeway to implement its ambitious investment programme out to 2023.

A RETURN TO ROBUST GROWTH WITH THREE NEW CONTRACTS

The growth strategy approved by Albioma's General Meeting of Shareholders in March 2012 is bearing fruit with three major 100% biomass contracts signed in French overseas territories and Brazil.

March 2014: first acquisition in Brazil

In March 2014, Albioma bought the Rio Pardo (Brazil) sugar refinery's bagasse cogeneration unit for €43 million. This first-ever outsourcing of bagasse cogeneration in Brazil provides a launching pad for Albioma, recognised for its expertise in energy efficient bagasse recovery, to develop new projects in Brazil.

December 2014: signature of the bagasse/biomass contract with EDF for the Galion 2 power plant in Martinique

The facility (40 MW, €170 million investment) will recover bagasse produced by the Galion sugar refinery, which it will supply with process steam. Additionally, the Group will develop new processes enabling the use of other forms of biomass. The plant is due to in the first half of 2017. This innovative project will be the largest 100% biomass plant in overseas France.

January 2015: signature with EDF of a 25-year contract for the purchase of electricity to be produced by the combustion turbine of Saint-Pierre, Reunion Island

This innovative plant, with capacity of 40 MW, will be the first French peaking plant to operate mainly with bio-ethanol from distillation of sugar cane molasses, produced by the Rivière du Mât distillery (COFEPP group) in Reunion Island and by Omnicane in Mauritius. The plant is scheduled to come into service in the second half of 2016. The corresponding investment, of around €50 million, will be borne by Albioma Saint-Pierre, which is 51%-owned by Albioma and 49%-owned by its long-standing sugar industry partners, COFEPP and Tereos.

2015 AND LONG-TERM OUTLOOK

Given the Group's good 2014 results and growth prospects, the Board of Directors will submit to the General Meeting of Shareholder a proposal for the payment of a dividend of €0.64 per share, up by 7%, with the option of payment of 50% of the dividend in new shares.

The Group's guidance for 2015 is for EBITDA of between €126 million and €130 million and net income Group share of €34 million to €37 million.

The Group confirms its objective of sustained expansion. Over the 2013-2023 decade, its investment programme, of around €1 billion, will be dedicated mainly to new renewable energy projects, resulting in the doubling of invested capital which is expected to result in the doubling of net income, Group share.

Next on the agenda: revenue figures for the first quarter of the 2015 financial year, on 29 April 2015 (before trading).

ABOUT ALBIOMA

Albioma is an independent energy producer and world leader in the conversion of biomass into a highly-effective source of energy, in collaboration with its agri-business partners. For more than 20 years, Albioma has operated power plants recovering bagasse, a fibrous by-product of sugar cane, replaced by coal outside the sugar cane harvest. Its unique expertise has enabled Albioma to establish itself as an indispensable partner in the sugar and ethanol industry in the French overseas territories and Mauritius. Albioma is now developing power plants using only biomass, which recover, in addition to bagasse, green waste and wood industry residue. The Group also operates a highly-efficient photovoltaic installation and agricultural anaerobic digestion units. In 2014, the Group, which already had a presence in mainland France, the French overseas territories and Mauritius, began operating in Brazil, the world's leading sugar cane producer.

For further information, please visit www.albioma.com

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ALBIOMA SHARES ARE LISTED ON NYSE EURONEXT PARIS (SUB B) AND ELIGIBLE
FOR THE DEFERRED SETTLEMENT SERVICE (SRD) AND PEA-PME PLANS
ISIN FR0000060402 – TICKER: ABIO

APPENDICES

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

In € millions	**2014**	**2013 reported**	***Change 2014 vs. 2013***
Revenue	354.0	364.3	*-3%*
EBITDA[1]	**129.0**	**136.3**	***-5%***
Depreciation/amortization[2]	(54.1)	(47.3)	*-14%*
Operating income[1,3]	74.9	89.0	*-16%*
Financial income	(23.8)	(23.5)	*-1%*
Tax	(19.4)	(23.2)	*+16%*
Tax rate excluding asset impairment	*26.2%*	*36.5%*	
Effective tax rate	*40.1%*	*37.0%*	
Net income	31.7	42.3	*-25%*
Net income attributable to non-controlling interests	*(6.3)*	*5.3*	
Net income, Group share from continuing operations	**38.0**	**37.0**	***+3%***
Gain on disposal of the Wind Power business	-	5.6	
Net income, Group share	**38.0**	**42.6**	***-11%***
Net earnings per share, consolidated Group	*1.28*	*1.46*	*+12%*
Net earnings per share from continuing operations	*1.28*	*1.27*	*+1%*

Notes

1. 2013 EBITDA and operating income include the share of earnings of equity associates.
2. Including impairments of assets.
3. Operating income includes a non-recurring charge of €7.8 million in 2014 and a non-recurring income of €9.8 million in 2013. Recurring operating income amounted to €82.8 million in 2014 versus €79.2 million in 2013.

CONDENSED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2014

In € millions	**31/12/2014**	**31/12/2013 reported**
ASSETS		
Goodwill	10.6	11.3
Intangible assets & property, plant & equipment	880.8	854.2
Other non-current assets	42.9	45.0
Total non-current assets	**934.3**	**910.5**
Current assets	113.4	110.6
Cash and cash equivalents	103.1	104.9
Total assets	**1,150.8**	**1,126.0**
LIABILITIES		
Equity, Group share	342.9	329.0
Non-controlling interests	52.6	64.6
Total equity	**395.5**	**393.6**
Current and non-current financial debt	539.5	523.6
Other non-current liabilities	129.1	117.4
Current liabilities	86.7	91.4
Total liabilities	**1,150.8**	**1,126.0**

CONDENSED CASH FLOW STATEMENT AS AT 31 DECEMBER 2014

In € millions	**2014**	**2013 reported**
Cash flow from operations	132.0	135.5
Change in WCR	(3.4)	16.8
Tax paid	(25.5)	(22.4)
Net cash-flow from operating activities	**103.1**	**130.0**
Maintenance capex	(20.9)	(13.3)
Free cash flow from operating activities	**82.2**	**116.7**
Development capex	(13.0)	(20.1)
Other / Acquisitions / Disposals	(37.3)	23.3
Cash flow from investing activities	**(50.3)**	**3.2**
Dividends paid to Albioma SA shareholders	(11.1)	(10.3)
Borrowings (drawn down)	99.0	53.4
Borrowings (repaid)	(90.4)	(114.1)
Cost of debt	(24.8)	(23.5)
Other	(4.3)	0.3
Cash-flow (net) from financing activities	**(31.7)**	**(94.1)**
Currency effect on cash	(1.4)	-
Net change in cash and cash equivalents	**(1.2)**	**25.7**
Opening cash and cash equivalents[1]	104.3	79.2
Closing cash and cash equivalents	**103.1**	**104.9**

Notes

1. Opening cash has been restated to take into account the impact of application of IFRS 10 "Consolidated financial statements" and IFRS 11 "Partnerships".