ALBIOMA

PRESS RELEASE
PARIS LA DÉFENSE, 26 JULY 2017

FIRST-HALF 2017 RESULTS

Growth in EBITDA (5%) and net income, Group share (12%)

Good performance for all plants

Albioma's Board of Directors met on 26 July 2017 and approved the Group's consolidated financial statements for the six months ended 30 June 2017.

KEY FIGURES AS AT 30 JUNE 2017

In millions of euros	**First half 2017**	**First half 2016**	**Change**
Revenue	196.9	177.1	11%
EBITDA	68.4	65.4	5%
Net income (Group share)	16.2	14.5	12%

The sound performance of the thermal power plants in France and the contribution of the riders to the contracts for the purchase of electricity has resulted in an 11% rise in revenues in the period (€196.9 million) compared with the first half of 2016 (+2% excluding the impact of changes in fuel prices). EBITDA is up 5% compared with the first half of 2016, reaching €68.4 million. Net income, Group share, amounted to €16.2 million over the period, up 12% compared with the first half of 2016.

FIRST-HALF 2017 HIGHLIGHTS

FRANCE

Good performances from the thermal power plants

The power plants have had a good level of availability, at 89.7% over the period, compared with 91.1% in the first half of 2016. The fall in the availability rate stems from the exceptional outage (offset contractually) of the ALG-A unit on Reunion Island, to carry out the industrial emissions compliance work (IED) unit, and the scheduled maintenance operations of the Albioma Caraïbes plant, which take place every 18 months.

The duty rate at the combustion turbine facility at Le Galion in Martinique remained high in the first half of 2017, at 28.8%, compared with 31.5% in the first half of 2016.

Electricity produced by the power plants reached 1,031 GWh over the period, compared with 1,047 GWh in the first half of 2016.

The results of the Thermal Biomass activity in France benefit from the contribution of the rider to the electricity purchase agreement for the Albioma Caraïbes power plant, signed in the first half year, which compensated for the extra costs associated with managing combustion by-products and processing liquid waste at the plant. The rider also enabled the investment necessary to bring the plant into line with the regulations relative to industrial emissions.

EBITDA for the business reached €52.7 million in the first half of 2017, up 6% on the first half of 2016 (€49.8 million).

Stability of the Solar Power business

The performance of the photovoltaic plants was stable over the first-half 2017. The favourable sunshine conditions in the Indian Ocean region and in Southern Europe offset the impact of abundant rain in the West Indies-French Guyana region.

Electricity production was stable, at 46 GWh, excluding the effects of changes in the scope of consolidation (disposal by the Group of its 50% share of a 1 MWp plant).

EBITDA for the business totalled €15.5 million, compared with €15.6 million in the first half of 2016.

Ongoing project development

The IED investment programme to modernise the plants (bringing the fume treatment systems into compliance) is well underway with €213 million in contractual investments for the plants on Reunion Island and for Albioma Caraïbes in Guadeloupe. The negotiation of a rider to the electricity sale contract at the Albioma Le Moule plant in Guadeloupe with a view to the remuneration of the investment required for the modernisation of the plant is underway. The new equipment will be commissioned by the end of 2019.

The construction of the Galion 2 bagasse/biomass plant in Martinique (40 MW, around €205 million in investment given the latest project contingencies) is continuing. The Administrative Court of Appeal in Bordeaux confirmed that the licence to operate the plant was fully valid on 13 April 2017. An appeal, the eligibility of which is being examined, was filed with the Conseil d'État, without any incidence on the commissioning of the plant, which is confirmed for the 4th quarter 2017.

The construction works for the bioethanol combustion turbine plant in Saint-Pierre on Reunion Island (41 MW) are underway as expected, with the commissioning target now being set for the 1st quarter of 2018.

The development of the three photovoltaic power stations with storage facilities (5.9 MWp) awarded to the Group in June 2016, is progressing, with the financing arrangements completed for the installation on the rooftop of the Grand Port Maritime on Reunion Island, and the corresponding first orders have been made. The commissioning of the three plants will take place between 2018 to 2019.

To reinforce its position of leader in solar power overseas, the Group participates actively in the calls for tender launched by the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie*) for the construction of new photovoltaic installations with storage capability.

MAURITIUS: EXCELLENT PERFORMANCES FROM THE INSTALLATIONS

The Mauritius-based plants have recorded excellent performances over the period, with availability of 91.4%, at the same level as in the first half of 2016, and electricity production up (609 GWh, compared with 590 GWh in the first half of 2016).

EBITDA came to €1.5 million, a 16% increase compared with the first half of 2016 (share of income from associates).

BRAZIL

Sugar harvest began late for the two plants

The Albioma Rio Pardo Termoelétrica and Albioma Codora Energia plants have suffered from a late sugar harvest (one month delay for the two plants) due to the unfavourable weather conditions. In this context, the volumes of bagasse provided by the Group's sugar-refining partners are down at this stage of the year.

Electricity production amounted to 64 GWh, down compared with the first half of 2016 (109 GWh). However, the yield (65 KWh/tonne of cane) and availability with regard to the sugar-refining partners (97.05 %) are nevertheless comparable to those observed in 2016.

EBITDA for the business, structurally weak during the first six months of the year, during which time the annual maintenance of the plants took place, fell at €(0.3) million, compared with €1.4 million in the first half of 2016.

The average sale price of electricity over the period is up 6% compared with the first half of 2016, at BRL 224/MWh compared with BRL 212/MWh in the first half of 2016. In line with its objectives to secure electricity sales, around 75% of the Group's energy sales were, at the end of the first half, contractually secured for the 2017-2019 period, at an average price of BRL 241/MWh.

Development in line with business plan

On 20 May 2016, the Group announced the signing of a joint-venture agreement with Vale do Paraná, with the aim of operating its cogeneration plant and building an extension, from 2021, increasing the generating capacity from 16 MW to 48 MW.

The grid connection permit was granted in February 2017, in line with the business plan.

The Group continues to examine new development opportunities and confirms its objective to carry out a project every 12 to 18 months.

A STRONG BALANCE SHEET AND RISING CASH FLOW

Due to new drawdowns aimed at financing the construction projects, gross financial debt is up 7% to €696 million, compared with €648 million at 31 December 2016. It includes, at 30 June 2017, €611 million of project debt, compared with €563 million as at 31 December 2016.

Consolidated cash flow, including security deposits, amounted to €116 million, up €17 million compared with 31 December 2016 (+18% excluding security deposits).

Consolidated net borrowings stood at €580 million, up 6% compared with €549 million at 31 December 2016.

OBJECTIVES FOR 2017

The Group confirms its objectives of EBITDA of €130-138 million and net income, Group share, of €30-35 million for 2017.

Next on the agenda: Q3 2017 revenue, on 25 October 2017 before market opening.

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. 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

INVESTOR CONTACTS

JULIEN GAUTHIER
julien.gauthier@albioma.com
+33 (0)1 47 76 67 00

MEDIA CONTACTS – LPM STRATEGIC COMMUNICATIONS

LUC PERINET-MARQUET
lperinet@lpm-corporate.com
+33 (0)1 44 50 40 35

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

SIMPLIFIED CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 30 JUNE 2017

In millions of euros	**First half 2017**	**First half 2016**	**% change**
Revenue	196.9	177.1	11%
EBITDA	**68.4**	**65.4**	**5%**
Impairment, depreciation and provisions	(25.0)	(24.8)	-1%
Operating profit	43.4	40.5	7%
Net financial income	(12.3)	(13.6)	10%
Income taxes	(12.7)	(11.3)	-13%
Effective tax rate	*43.2%*	*44.1%*	
Consolidated net income	18.4	15.7	17%
Net income, Group share	**16.2**	**14.5**	12%
Consolidated earnings per share (in euros)	0.54	0.49	10%

CONSOLIDATED INCOME STATEMENT AS AT 30 JUNE 2017

In millions of euros	**30/06/2017**	**31/12/2016**
Assets		
Goodwill	12	12
Intangible assets and property, plant and equipment	1,094	1,048
Other non-current assets	34	36
Total non-current assets	**1,140**	**1,096**
Current assets	124	136
Cash and cash equivalents	113	96
Total assets	**1,378**	**1,329**
Equity and liabilities		
Shareholders' equity, Group share	365	365
Non-controlling interests	74	74
Total shareholders' equity	**438**	**438**
Current and non-current financial liabilities	696	648
Other non-current liabilities	119	124
Current liabilities	124	118
Total equity and liabilities	**1,378**	**1,329**

SIMPLIFIED STATEMENT OF CONSOLIDATED CASH FLOWS AS AT 30 JUNE 2017

In millions of euros	**First half 2017**	**First half 2016**
Cash flow from operations	70.4	67.4
Change in the working capital requirement	(8.1)	7.5
Tax paid	(9.4)	(16.9)
Net cash flow from operating activities	**52.9**	**58.0**
Operating capex	(11.8)	(5.6)
Free cash-flow from operating activities	**41.0**	**52.4**
Development capex	(67.2)	(38.2)
Other/Acquisitions/Disposals	1.4	(0.2)
Cash flow from investing activities	**(65.9)**	**(38.4)**
Dividends paid to Albioma SA shareholders	-	-
Borrowings (drawn down)	79.5	67.5
Borrowings (repaid)	(28.0)	(18.5)
Cost of debt	(12.0)	(13.8)
Other	3.5	(1.3)
Net cash flow from financing activities	**43.0**	**33.9**
Currency effect on cash	(0.7)	0.8
Net change in cash and cash equivalents	**17.5**	**48.8**
Opening cash and cash equivalents	96.0	48.2
Closing cash and cash equivalents	**113.5**	**97.0**