ALBIOMA

PRESS RELEASE
PARIS LA DÉFENSE, 8 MARCH 2018

2017 ANNUAL RESULTS

Results exceed targets

Very good performance by the plants in France and Brazil

Albioma's Board of Directors, chaired by Jacques Pétry, met on 5 March 2018 and approved the Group's consolidated financial statements for the 2017 financial year.

Frédéric Moyne, Chief Executive Officer, said: *"Our very good results in 2017 are a testament to the know-how of our staff, the robustness of our model and the quality of service that we provide to our customers and partners: supplying reliable renewable energy and doing so throughout the year. For the first time in our history, we exceeded the 50% renewable energy threshold in our mix. Our position as a major player in the energy transition in Overseas France strengthened in 2017 and, in Brazil, where we signed our fourth investment deal in four years at the end of the year, we demonstrated that our industrial expertise is recognised internationally. "*

CONSOLIDATED KEY FIGURES FOR 2017

In millions of euros[1]	**2017**	**2016**	***% change***
Revenue	403.2	367.8	*+10%*
EBITDA	138.3	131.4	*+5%*
Net income	44.3	42.1	*+5%*
Net income (Group share)	37.4	33.0	*+13%*

1. Audited data.

Sales rose by 10% to €403 million (4% excluding the impact of changes in fuel prices) thanks to the increase in fixed premiums linked to contractual indexation and recent riders to contracts signed with EDF, and under the effect of the very good operational performance of the thermal biomass plants in France and Brazil.

Due to the same effects, the EBITDA for the financial year increased by 5% to €138.3 million and net income, Group share, increased sharply by 13% to €37.4 million; this aggregate includes exceptional items related to the change in deferred taxes (lowering of the corporation tax rate) and the reimbursement of the additional contribution on dividends made by the State.

FRANCE

Very good performance of thermal power plants overseas

The availability of thermal power plants in France was 89.6% in 2017 (compared with 89.2% in 2016), demonstrating the Group's ability to manage maintenance outages and those linked to the implementation of the IED investments.

Total electricity production of the French overseas thermal power plants was down very slightly (2,043 GWh compared with 2,053 GWh in 2016) due to a reduced call rate in Guadeloupe.

EBITDA for the business, supported by the contribution from riders signed with EDF by the Albioma Caraïbes and Albioma Le Moule plants in the West Indies amounted to €102.1 million for 2017, up by 6% compared with 2016 (€96.0 million).

Strike action, notice of which was issued on 2 November 2017, is still underway. The social context remains tense.

Galion 2 and Saint-Pierre combustion turbine: commissioning in the 2nd quarter 2018

The operating tests at the Galion 2 bagasse/biomass plant in Martinique (40MW, €205 million in investment) are being finalised. The first coupling of the installation to the grid will take place at the end of the month.

The construction works on the bioethanol combustion turbine at Saint-Pierre on Reunion Island (41MW, €60 million in investment), will be completed during the next few weeks with a view to starting the test phase.

The two plants are due to be commissioned in the second quarter of 2018.

IED investment programme: signature of riders for all the thermal plants

Thanks to the signature, in 2017, of riders to the contracts with EDF for the Albioma Caraïbes and Albioma Le Moule plants, the IED investment programme to modernise the fume treatment systems is now secured for all the Group's overseas thermal plants. Equipment will be commissioned at the end of 2019 for all plants.

As part of the implementation of this programme, the Group carried out work on certain units at the Le Gol and Bois-Rouge sites during scheduled shutdowns.

Solar Power: solid performance

Despite less favourable sun conditions, the production of electricity by the Solar Power business remained high (95 GWh), stable in relation to 2016 at constant scope.

EBITDA for the business amounted to €32.0 million in 2017, up by 2% compared with 2016 (€31.4 million).

New Solar projects with energy storage

The Group has continued to grow with almost 10 MWp of new projects with energy storage won in 2016 and 2017 in the context of invitations to tender initiated by the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie*). The commissioning of projects will be staggered from 2018 to 2020, with the construction of the Grand Port Maritime power plant on Reunion Island (1.4 MWp) and Sainte-Rose in Guadeloupe (3.3 MWp installed in a waste storage centre) already initiated.

MAURITIUS

Excellent performance from the plants

Facilities in Mauritius reported a high availability rate of 93.8%, compared with 93.4% in 2016. Electricity production grew from 1,151 GWh in 2016 to 1,173 GWh in 2017.

EBITDA for the business was €3.5 million (corresponding to the share of net income of equity-accounted companies) in 2017 (compared with €3.2 million in 2016).

BRAZIL

Good performance by the Rio Pardo and Codora Energia power plants

The two Brazilian power plants achieved good performance with an increase in production in 2017 (248 GWh compared to 238 GWh in 2016) maintaining a high yield, despite a late start to the sugar harvest due to particularly unfavourable weather conditions.

EBITDA grew by 7% to €7.7 million for 2017 (as against €7.2 million in 2016), supported by a higher average selling price than in 2016.

Growth: acquisition of a new power plant from Jalles Machado and ongoing development of the Vale do Paraná project

On 18 December 2017 the Group announced the signature of an agreement for the acquisition by Albioma of 60% of the bagasse cogeneration power plant adjacent to the Jalles Machado sugar refinery (annual capacity of 2.8 million tonnes of sugar cane). This project, which is part of a second partnership with the Jalles Machado group, plans to renovate the existing boilers and install a new 25 MW turbine to bring the total capacity of the power station up to 65 MW. The final conditions precedent for the completion of the acquisition are expected to be satisfied in 2018.

In 2016, the Group also announced the signing of a cooperation agreement with Vale do Paraná, a distillery in the State of São Paulo (annual capacity of 2 million tonnes of cane), for connection to the grid and the renovation and operation of its cogeneration plant, starting in 2021. The grid connection permit was granted in February 2017, in line with the business plan.

A STRONG BALANCE SHEET TO FINANCE GROWTH

Gross consolidated financial debt was up, particularly following the raising of debt to finance projects currently under construction (Galion 2, Saint-Pierre combustion turbine, IED). It amounted to €707 million at the end of 2017, as against €648 million at the end of 2016. Project debt is €622 million (as against €563 million at the end of 2016).

At the end of the 2017 financial year, marked by the commitment of nearly €147 million in development investment and good cash generation, the Group's cash position, including security deposits, amounted to €95 million, compared with €99 million at 31 December 2016. Consolidated net financial debt was €613 million (as against €549 million at the end of 2016).

DIVIDENDS

The Board of Directors will submit to the Shareholders' Meeting a proposal to distribute a dividend of €0.60 per share, up 5% compared with 2017, with an option for 50% to be paid in new shares (i.e. a distribution rate of 57% of net income, Group share, for 2017, excluding exceptional items).

OBJECTIVES

For 2018, the Group announced its targets for EBITDA of €158 million to €166 million and net income (Group share) of €37 million to €42 million.

Next on the agenda: revenue for the first quarter of 2018 on 25 April 2018 before trading.

INVESTOR CONTACTS

JULIEN GAUTHIER
+33 (0)1 47 76 67 00

MEDIA CONTACTS

CHARLOTTE NEUVY
+33 (0)1 47 76 67 24 - presse@albioma.com

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

€ millions	**2017**	**2016**	***% change***
Revenue	403.2	367.8	*+10%*
EBITDA	**138.3**	**131.4**	***+5%***
Depreciation, amortisation, provisions and other	(58.4)	(53.6)	*-9%*
Operating income	79.9	77.8	*+3%*
Net financial charges	(23.7)	(26.8)	*+11%*
Tax	(11.9)	(8.9)	*-34%*
Effective tax rate[1]	*22.6%*	*18.6%*	
Consolidated net income	44.3	42.1	*+5%*
Net income, Group share	**37.4**	**33.0**	***+13%***
Consolidated earnings per share (in euros)	1.24	1.10	*+12%*

1. The standard tax rate is 34.4% (effective tax rate restated for the effects of non-deductible impairment losses, excluding Brazil and excluding the effect of the change in the tax rate as from 2019). At 31 December 2016, the rate was 38.3%.

SIMPLIFIED CONSOLIDATED BALANCE SHEET

€ millions	**31/12/2017**	**31/12/2016**
Assets		
Goodwill	12	12
Intangible assets and property, plant and equipment	1,141	1,048
Other non-current assets	34	36
Total non-current assets	**1,186**	**1,096**
Current assets	140	136
Cash and cash equivalents	92	96
Total assets	**1,419**	**1,329**
Equity and liabilities		
Shareholders' equity, Group share	389	365
Non-controlling interests	78	74
Total equity	**467**	**438**
Current and non-current financial liabilities	707	648
Other non-current liabilities	119	124
Current liabilities	125	118
Total liabilities	**1,419**	**1,329**

SIMPLIFIED STATEMENT OF CONSOLIDATED CASH FLOWS

€ millions	**2017**	**2016**
Cash flow from operations	139.4	132.7
Change in the working capital requirement	(1.9)	8.1
Tax paid	(17.0)	(19.2)
Net cash flow from operating activities	**120.6**	**121.5**
Operating capex	(12.4)	(17.3)
Free cash-flow from operating activities	**108.1**	**104.2**
Development capex	(146.9)	(117.5)
Other/Acquisitions/Disposals	2.5	4.0
Cash flow from investing activities	**(144.4)**	**(113.5)**
Dividends paid to Albioma shareholders	(10.6)	(11.6)
Borrowings (increases)	105.6	169.5
Borrowings (repayments)	(41.4)	(74.4)
Cost of financial debt	(24.3)	(27.1)
Other	4.0	(0.8)
Net cash flow from financing activities	**33.3**	**55.7**
Currency effect on cash	(0.9)	1.4
Net change in cash and cash equivalents	**(3.9)**	**47.8**
Opening cash and cash equivalents	96.0	48.2
Closing cash and cash equivalents	**92.1**	**96.0**