



# ALBIOMA

## *First-half 2019 results*

Continued strong rise in revenue (+19%) and EBITDA (+17%)

Growth in all thermal and solar power activities

2019 objectives confirmed

Albioma's Board of Directors, chaired by Frédéric Moyne, met on 24 July 2019 and approved the Group's consolidated financial statements for the six months ended 30 June 2019.

### *Key figures as at 30 June 2019*

<i>In millions of euros</i>	<b>First half 2019</b>	<b>First half 2018</b>	<b>Change</b>
Revenue	241.0	202.3	19%
EBITDA	84.5	72.0	17%
Net income, Group share	18.2	20.6 <sup>1</sup>	-12%
Net income, Group share excl. non-recurring items	18.2	17.2	+6%

1. Including €3.5 million in non-recurring items in the first half of 2018.

The first half-year confirms the continued growth in revenue (+19%) and EBITDA (+17%). Excluding exceptional items, net income, Group share, increased by 6%. All business lines recorded growth in their EBITDA: Thermal France (+15%), Solar Power France (+31%) and Brazil (+90%).

Frédéric Moyne, Chairman and Chief Executive Officer of Albioma, said, "With a rise in revenue and EBITDA in the first half of 2019, the results confirm an acceleration of the Group's growth. All our thermal and solar power activities, in all geographic regions, recorded solid performances, with very good beginnings for our three new power plants: Galion 2 (Martinique), the Saint-Pierre combustion turbine (Reunion Island) and Esplanada (Brazil). In line with our objectives, these results demonstrate the strength of Albioma's strategy, contributing to the energy transition of the territories."

### *First-half 2019 highlights*

- The commissioning of two photovoltaic plants with storage: Sainte-Rose in Guadeloupe and Port Ouest in Reunion Island
- 5.2 MWp of solar projects won in mainland France
- Modernisation investments: two sections of work carried out on Reunion Island and Guadeloupe
- Significant funds raised: signature of a €61 million financing agreement for Albioma Solaire France to refinance assets and accelerate development in mainland France, and signature of €68 million in financing for the 100% biomass conversion of the Albioma Caraïbes power plant



## *France*

### Thermal Biomass

#### **Satisfactory availability of the thermal power plants**

The plants had a level of availability of 85.0% over the period, compared with 86.9% in the first half of 2018. This availability includes the scheduled shutdowns related to the compliance works on the fume treatment systems (IED) in Reunion Island and Guadeloupe and some unscheduled shutdowns in Reunion Island. The Group's two new plants, Galion 2 in Martinique and the Saint-Pierre combustion turbine in Reunion Island, posted very good performances during the half-year.

In this context, the total output of the Overseas thermal installations amounts to 975 GWh, up compared to the first half of 2018 (910 GWh).

EBITDA for the business amounted to €64.5 million in the first half of 2019, up by 15% compared with the first half of 2018 (€56.2 million).

#### **Construction and development of projects**

Work related to the modernisation investments in existing installations (fume treatment) is ongoing. Annual maintenance outages, during which the Reunion Island and Guadeloupe plants continued the programme of works to make their fume treatment systems compliant with the European Industrial Emissions Directive (IED), took place under good conditions. In the second half of 2019, a final plant shutdown is scheduled in Guadeloupe.

Conversion work on the Albioma Caraïbes plant began in 2019 so that it can operate exclusively on biomass before the end of 2020. This work will reduce emissions by more than 265,000 tonnes of CO<sub>2</sub> equivalent (a net decrease of around 87% compared with current coal operation), and will thereby increase the renewable portion of Guadeloupe's energy mix from 20% to 35%. This work is financed by a new long-term loan (19 years) of €68 million, without recourse to shareholders, in addition to the existing debt, which will also be used to finance the work needed to bring fume treatment systems at the plant into compliance.

### Solar Power

#### **Significant rise in production**

The performance of the photovoltaic plants is up over the first-half 2019. Photovoltaic power generation for the period reached 61 GWh, a strong increase (+39%) compared to the first half of 2018 (44 GWh), due to the integration of Eneco's French subsidiary (Albioma Solaire France) in December 2018, favourable sunlight conditions in the Indian Ocean and mainland France, as well as the commissioning of new facilities in Reunion Island and Mayotte. Electricity production excluding the "Eneco" scope is 47 GWh, up 7% compared to the first half of 2018.

EBITDA for the business totalled €18.0 million, compared with €13.8 million in the first half of 2018, i.e. an increase of 31%.

#### **Project development**

The Group continued the construction of photovoltaic projects with storage (Port Ouest, Reunion Island, commissioned in February 2019, Sainte-Rose, Guadeloupe, commissioned in June 2019 and Stade de l'Est, Reunion Island, whose commissioning is scheduled for the second half of 2019) and the development of rooftop projects in Reunion Island, Mayotte and mainland France.



Albioma Solaire France has signed a €61 million financing agreement to refinance Eneco assets and accelerate its development in mainland France. This non-recourse project financing allows the refinancing of existing assets and includes a portion to finance the construction of a portfolio of projects for small and medium power photovoltaic plants. This financing secures the Group's growth in mainland France in solar power under very attractive conditions.

Furthermore, Albioma won 5.2 MWp of solar power projects in France in June 2019 during the seventh session of the invitation to tender for solar rooftop installations (AO CRE4 "Power plants on buildings, greenhouses and agricultural facilities and parking shadehouses of between 100 kWp and 8 MWp") held last March. The four winning projects are located in mainland France, in a broad south-east corner as well as in the south-west, and will be commissioned at the end of 2020.

## *Mauritius*

### Excellent operational performance at all facilities

All plants had excellent performances over the period. Availability stood at 87.9% in the first half, compared with 76.4% in the first half of 2018, during which time the plant OTEO La Baraque suffered a failure of one of the alternators after its annual maintenance shutdown.

In this context, electricity production for the region rose to 608 GWh, compared with 506 GWh in the first half of 2018.

The share of EBITDA in the consolidated activity accounted for by the equity method amounted to €0.8 million.

## *Brazil*

### Significant increase in production

In a stable macroeconomic context, Brazilian thermal power plants achieved very good operational performances.

Power generation rose sharply to 130 GWh from 88 GWh in the first half of 2018, an increase of more than 48% over the period, thanks to the consolidation of the Esplanada power plant acquired at the end of December 2018.

EBITDA for the business totalled €3.0 million over the period, compared with €1.6 million in the first half of 2018.

### Development in line with the business plan

Construction continued on the Vale do Paraná plant, held 40% by the Group, during the first half, with the first phase of works carried out on the boiler. This project, which represents capital expenditure totalling around BRL 100 million, aims to increase the generating capacity of an existing cogeneration plant to 48 MW by 2021.

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 resources adapted to continued development*

Gross financial debt excluding IFRS 16 increased slightly to €858 million, compared to €846 million at 31 December 2018. As at 30 June 2019, it includes €764 million in project debt, compared with €708 million as at 31 December 2018, an increase following the refinancing of existing assets of Albioma Solaire France.

Consolidated cash flow, including guarantee deposits, amounted to €53 million, down compared to 31 December 2018, following the delayed payment of some trade receivables in July.

Consolidated net borrowings stood at €805 million, up 8% compared 31 December 2018 (€747 million).

The Group has retained resources adapted to its continued development. A €60 million bank facility signed in June 2019, with an additional €20 million compared to the previous one, reflects the Group's growth momentum and will provide it with greater financial flexibility, particularly in view of acquisitions or specific cash flow requirements.

## *2019 targets*

The Group confirms its 2019 guidance for EBITDA (€168 to €178 million) and net income, Group share (€38 to €44 million).

Next on the agenda: revenue for the third quarter of 2019 on 24 October 2019 (before trading).

### *About Albioma*

Albioma is an independent renewable energy producer, supporting the energy transition with biomass and photovoltaic power.

The Group operates in Overseas France, mainland France, Mauritius and Brazil. It has developed a unique partnership for 25 years with the sugar industry to produce renewable energy from bagasse, a fibrous residue from sugar cane.

Albioma is also the leading producer of photovoltaic energy in Overseas France, where it builds and operates innovative projects with storage; Albioma has recently strengthened its position in mainland France.

Albioma shares are listed on Euronext Paris (sub B) and eligible for the deferred settlement service (SRD) and PEA-PME plans (ISIN FR0000060402 - ticker: ABIO).

The Group is also included in the Gaia Index, an index of responsible medium-sized companies.

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## Appendices

### Simplified consolidated income statement for the half year ended 30 June 2019

<i>In millions of euros</i>	<b>First half 2019</b>	<b>First half 2018</b>	<b>Change %</b>
Revenue	241.0	202.3	+19%
<b>EBITDA<sup>1</sup></b>	<b>84.5</b>	<b>72.0</b>	<b>+17%</b>
Impairment, depreciation and provisions	(36.3)	(26.5)	-37%
Operating profit	<b>48.2</b>	<b>45.5</b>	<b>+6%</b>
Net financial income	(14.2)	(7.9)	-80%
Income taxes	(11.3)	(13.5)	+16%
<i>Effective tax rate</i>	<i>34.0%</i>	<i>37.0%</i>	
Consolidated net income	22.7	24.1	-6%
<b>Net income, Group share<sup>2</sup></b>	<b>18.2</b>	<b>20.6</b>	<b>-12%</b>
Consolidated earnings per share (in euros)	0.60	0.68	

#### Notes

1. Including the effect of the IFRS 16 restatement in 2019 of €1.5 million in the first half of 2019.
2. Including €3.5 million of non-recurring items in the first half of 2018.

### Consolidated income statement as at 30 June 2019

<i>In millions of euros</i>	<b>30/06/2019</b>	<b>31/12/2018</b>
<b>Assets</b>		
Goodwill	17	24
Intangible assets and property, plant and equipment <sup>1</sup>	1,335	1,263
Other non-current assets <sup>2</sup>	30	30
<b>Total non-current assets</b>	<b>1,382</b>	<b>1,317</b>
Current assets	211	188
Cash and cash equivalents	50	95
<b>Total assets</b>	<b>1,642</b>	<b>1,601</b>
<b>Equity and liabilities</b>		
Shareholders' equity, Group share	388	408
Non-controlling interests	91	84
<b>Total shareholders' equity</b>	<b>479</b>	<b>493</b>
Current and non-current financial liabilities	858	846
Debt IFRS 16	37	-
Other non-current liabilities	126	111
Current liabilities	143	151
<b>Total equity and liabilities</b>	<b>1,642</b>	<b>1,601</b>

#### Notes

1. Including €27.0 million in right of use (IFRS 16).
2. Including €2.2 million in deferred tax related to right of use (IFRS 16).



## Simplified statement of consolidated cash flows as at 30 June 2019

<i>In millions of euros</i>	<b>First half 2019</b>	<b>First half 2018</b>
Cash flow from operations	86.4	73.9
Change in the working capital requirement <sup>1</sup>	(32.0)	(30.0)
Tax paid	(25.0)	(13.5)
<b>Net cash flow from operating activities</b>	<b>29.4</b>	<b>30.4</b>
Operating capex	(10.4)	(5.6)
<b>Free cash-flow from operating activities</b>	<b>19.0</b>	<b>24.8</b>
Development capex	(60.8)	(59.1)
Other/Acquisitions/Disposals	(0.4)	(0.2)
<b>Cash flow from investing activities</b>	<b>(61.3)</b>	<b>(59.3)</b>
Dividends paid to Albioma SA shareholders	-	-
Borrowings (drawn down)	94.3	73.5
Borrowings (repaid)	(80.5)	(22.9)
Cost of debt	(14.2)	(11.4)
Other	(2.5)	(0.1)
<b>Net cash flow from financing activities</b>	<b>(2.9)</b>	<b>39.1</b>
Currency effect on cash	(0.5)	(1.0)
<b>Net change in cash and cash equivalents</b>	<b>(45.7)</b>	<b>3.6</b>
Opening cash and cash equivalents	95.3	92.1
<b>Closing cash and cash equivalents</b>	<b>49.6</b>	<b>95.7</b>

### Notes

1. Including €29.5 million in EDF receivables paid on 1 July 2019 in the first half of 2019 and €25.7 million in EDF receivables paid on 2 July 2018 in the first half of 2018.