



ALBIOMA

PRESS RELEASE

PARIS LA DÉFENSE, 26 OCTOBER 2016

QUARTERLY INFORMATION AT 30 SEPTEMBER 2016

Revenues up 5% over the first nine months of the year

THIRD QUARTER 2016 REVENUE

€ millions	Q3 2016 ¹			9-month total at 30/09/2016 ¹		
	Q3 2016	Q3 2015	Change in %	2016 (9 months)	2015 (9 months)	Change in %
France - Thermal Biomass	71.6	72.3	-1%	218.2	209.1	4%
France Solar Power ²	11.2	11.5	-3%	31.7	32.1	-1%
Brazil ³	6.3	4.7	34%	13.3	8.8	51%
Holding company and other	1.4	1.2	8%	4.2	3.7	14%
Total	90.5	89.8	1%	267.6	253.7	5%

Notes

1. Unaudited figures.
2. Including Italy and Spain.
3. In 2015, the Albioma Codora Energia plant contributed to revenues from the date of its acquisition, on 4 August 2015.

Revenue for the third quarter 2016 (from 1 July to 30 September) totalled €90.5 million, compared with €89.8 million in the third quarter of 2015. Over the first nine months of the year, it reached €267.6 million, up 5% on the same period of the previous year (€253.7 million). Stripping out the impact of changes in raw materials prices, revenue at 30 September 2016 was up 10% compared with 30 September 2015.

Total electricity production (including Mauritian plants, consolidated using the equity method and therefore not contributing to Group revenue) totalled 2,689 GWh over the first nine months of 2016, compared with 2,478 GWh over the same period of the previous year. The overall availability rate of the plants over the same period has risen to 90.5% compared with 87.1% from January to September 2015.



THERMAL BIOMASS FRANCE

4% rise in revenue in the first nine months of 2016

Revenue for the Thermal Biomass France business totalled €71.6 million in the third quarter of 2016, compared with €72.3 million in the third quarter of 2015. Over the first nine months of the year, it reached €218.2 million, up 4% on the same period of 2015 (€209.1 million).

It benefited from the positive effect of riders to the electricity sale agreements for the Albioma Le Gol and Albioma Bois-Rouge plants signed with EDF, which offset the costs generated by managing combustion by-products and processing liquid waste.

Raw materials prices, which have been constantly falling since the beginning of the year, have had a €10 million impact on revenues, but have not directly affected profit margins, as electricity sale prices are contractually indexed to fuel costs.

The availability of the Thermal Biomass France plants amounted to 88.9% over the first nine months of the year, compared with 84.7% from January to September 2015. Penalised by the strike in Guadeloupe and the technical incident which affected the Le Moule thermal power plant in the first half of 2015, business recovered with good levels of performance in 2016. However, it was affected, during the third quarter of 2016, by the extension of the annual shutdown of the Le Gol plant (restart on 2 October 2016) following the industrial commissioning of the IED installations of unit B. The other installations maintained an excellent availability rate during the first nine months of the year.

Calls on the Galion peaking power plant in Martinique remained high with a duty rate of 32.8% over the first nine months of the year, compared with 32.0% over the same period in 2015.

Electricity produced by the French Overseas thermal installations amounted to 1,531 GWh over the first nine months of 2016, compared with 1,467 GWh in the same period last year.

Continued development of Overseas projects

In Martinique, the construction of the Galion 2 thermal power plant (investment of €185 million) is continuing as scheduled; the decision by the Administrative Court of Fort-de-France on 4 October 2016 to cancel the authorisation for operation of the plant has not affected the building permit, the legitimacy of which has not been contested. As the authorisation for operation is not necessary until the initial combustion trials (second quarter 2017), Albioma has announced its intention to appeal to the Administrative Court of Appeal in Bordeaux and take all necessary measures to ensure that the industrial commissioning of the project is not delayed.

Construction work on the Saint-Pierre combustion turbine plant on Reunion Island (investment of €60 million) is continuing since Albioma Saint-Pierre (51% owned by Albioma alongside its partners COPEPP and Tereos) raised bank financing of €45 million with a maturity of 22 years.

On Reunion Island, the Le Gol power plant carried out work on unit B, to bring it into compliance with IED regulations, and commissioned facilities during the third quarter of 2016. The fume treatment systems in place are fully functional and are already confirming their efficiency. Work to bring unit A of the plant into compliance also began during the third quarter of 2016. The total investment amounted to €80 million for the power plant, financed in full by a long-term bank loan raised during the first half of 2016 under excellent market conditions and which enabled existing debt to be refinanced (total financing of €135 million with a maturity of 12 years). The first orders related to works to make the Bois-Rouge plant compliant were placed during the third quarter of 2016; works are scheduled to start before the end of the year.



Stable performance of the photovoltaic power plants

Revenue for the Solar Power business totalled €11.2 million in the third quarter of 2016, slightly down (-3%) on the third quarter of 2015 (€11.5 million). Over the first nine months of the year, revenue fell 1% to €31.7 million, compared with €32.1 million from January to September 2015.

Production remained stable over the first nine months, at 73 GWh.

Albioma continues to develop three projects for photovoltaic plants with integrated storage (5.9 MWp, investment of around €13 million) on Reunion Island and in Guadeloupe which it was awarded as part of a call for tenders launched by the French Energy Regulatory Commission (Commission de Régulation de l'Énergie) on 18 May 2015 in areas that are not interconnected. Commissioning of the projects is scheduled for 2018/2019.

Stable production of the Anaerobic Digestion business

Production of the three plants operated amounted to 15 GWh over the first nine months of the year, the same level as in 2015.

MAURITIUS

The Mauritian plants (consolidated using the equity method and therefore not contributing to Group revenue) posted excellent performances, with production seeing a considerable rise over the first nine months of 2016 (868 GWh compared with 834 GWh over the same period of 2015).

BRAZIL

Very good operating performances from the plants over the first nine months of 2016

Revenue for the plants in Brazil reached €6.3 million over the quarter, up 34% compared with the first quarter of 2015. During the first nine months of the year, the business generated revenue growth of 54%, reaching €13.3 million compared with €8.8 million from January to September 2015.

Since the beginning of the year, total net production sold amounted to 204 GWh, compared with 90 GWh during the same period in 2015, due to the very good performances of the two plants and the contribution over nine months of the Albioma Codora Energia plant, acquired on 4 August 2015.

The Group continued to implement its policy for managing the risk of exposure to changes in spot prices. At the end of the first nine months of the year, the Group had secured the sale of around 70% of its electricity production at an average price greater than BRL210/MWh (2016 basis) for the 2017-2019 period.

The 2016 sugar harvest turned out shorter than expected, impacted by unfavourable weather conditions. Since the end of the harvest (30 September 2016 in Codora and 20 October 2016 in Rio Pardo), the two plants have been operating using their bagasse stock. Production in the fourth quarter of 2016 is expected to fall sharply compared with the previous year, given the low volume of sugar cane crushed.



Ongoing development efforts

After having announced, in the first half year, the signature of a cooperation agreement with Vale do Paraná, a distillery in the State of São Paulo, with a view to operating its cogeneration plant and building an extension to raise its power output from 16 MW to 48 MW, 30 MW of which will be exported to the electricity grid (investment of BRL100 million subject to a number of conditions precedent being satisfied), the Group is pursuing its business development efforts.

CONFIRMATION OF ANNUAL GUIDANCE

The Group confirms its 2016 guidance for EBITDA (€122-130 million) and net income, Group share (€25-30 million).

Next on the agenda: 2016 annual results, 1 March 2017 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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