



ALBIOMA

PRESS RELEASE

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REVIEW OF OPERATIONS AT END-MAY

Revision of 2015 financial objectives after two operating incidents

Signature of an IED amendment to the contract for the sale of electricity for the B unit of the Albioma Le Gol power plant

Securing, through Codora Energia in Brazil, the long-term sale of 54 GWh per annum at a historically high price

Albioma reviews its operations at end-May.

Revision of 2015 financial objectives after two operating incidents

A major operating incident occurred at plant unit 1 of the Albioma Le Moule (ALM) thermal plant in Guadeloupe at the end of April. The malfunctioning of safety equipment during a scheduled maintenance shutdown led to an overspeed event on the turbine generator.

After inspection of the damaged equipment, the resulting downtime was estimated at 50 days.

In addition, on 25 May 2015, there was an incident involving the boiler of unit B of the Albioma Le Gol thermal power plant on Reunion Island. To avoid disruptions to the power grid, it was decided with EDF that the two other units, which were shut down for scheduled maintenance, should be returned to service earlier than planned. Urgent repair work is underway and the preventive replacement of the heat exchanger which is not available will be carried out during the shutdown scheduled for end-July 2015.

Following the unprecedented, isolated incident at Albioma Le Moule, the Group has decided to reinforce its safety procedures, modify some items of equipment and increase its stock of strategic parts. These steps, which will be carried out in 2015, will allow the Group to maintain the historically high level of availability of installations (90% to 92%) over the coming years.

On account of these technical incidents and the measures taken, the Group estimates that its 2015 targets for an EBITDA of between €126 and €130 million and a net income (Group share) of €34 to €37 million should be reduced by some 10%.

Signature of an IED amendment to the contract for the sale of electricity for the B unit of the Albioma Le Gol power plant

An amendment to the contract for the sale of electricity was signed between Albioma Le Gol and EDF with a view to the compliance of the B unit of the power plant with future environmental standards resulting from the European Industrial Emissions Directive (IED).

The €26 million investment will be remunerated at the usual rate for Group contracts in the French overseas departments. It will be commissioned in September 2016.

Albioma is therefore beginning the scheduled modernisation programme for its existing thermal installations in the French overseas departments. This will involve a total



investment of some €200 million by the end of 2019, remunerated under the same conditions.

Securing, through Codora Energia in Brazil, the long-term sale of 54 GWh per annum at a historically high price

In April, Albioma announced it had signed the final documentation with a view to acquiring 65% of the share capital of Codora Energia in Brazil, a company which owns a 48 MW bagasse cogeneration unit in the state of Goiás. The finalisation of the acquisition is subject to conditions precedent which should be lifted in the second half of 2015.

The terms of the agreement with the vendor provide for the installation of a new 20 MW turbine which will be commissioned in 2017. In this context, on 30 April 2015 and in close cooperation with Albioma's teams in Brazil, Codora Energia secured the sale on the regulated market of 54 GWh per year for 20 years from 2020, at a historically high price of BRL278/MWh, linked to inflation. This was part of a request for proposals (*leilão de energia nova A-5*).

In line with the Group's objectives, Rio Pardo Termoelétrica (Albioma's first project in Brazil) and Codora Energia have thereby secured the long-term sale on the regulated market of 60% of their expected production under excellent price conditions (average price around BRL220/MWh - 220 GWh/year secured).

Next on the agenda: Combined General Meeting of shareholders, 28 May 2015 at 3 pm, in the auditorium at Capital 8 conference centre, 32 rue de Monceau, 75008 Paris.

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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