



ALBIOMA

PRESS RELEASE

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QUARTERLY FINANCIAL INFORMATION AT 30 SEPTEMBER 2015

All thermal and photovoltaic power plants had high availability during the third quarter of 2015

Successful takeover of Codora Energia in Brazil

Adoption in August 2015 of the French law on energy transition: opportunities for Albioma

REVENUE FOR THE THIRD QUARTER OF 2015

In millions of euros	3rd quarter 2015 ¹			9 months to 30/09/2015 ¹		
	Q3 2015	Q3 2014	Change %	2105 (9 months)	2014 (9 months)	Change %
France – Thermal Biomass	72.3	71.2	+2%	209.1	211.6	-1%
France – Solar Power ²	11.5	11.1	+4%	32.1	31.1	+3%
Brazil ³	4.7	6.9	-32%	8.8	12.3	-28%
Holding company, Anaerobic Digestion and others	1.2	1.0	+19%	3.7	1.9	+95%
Total	89.8	90.2	-	253.7	256.9	-1%

Notes

1. Unaudited figures.
2. Including Italy and Spain.
3. In 2014, the Thermal Biomass Brazil business contributed to the Group's revenue as from 31 March 2014, the date on which the Rio Pardo Termoelétrica plant was acquired. In 2015, the Codora Energia plant contributed to the Group's revenue as from its acquisition date of 4 August 2015.

Revenue for the third quarter of 2015 (from 1 July to 30 September) totalled €89.8 million, compared with €90.2 million for the third quarter of 2014. During the first nine months of the year it totalled €253.7 million, which was stable compared with the same period in 2014 or € 253 million excluding the effect of changes in exchange rates and raw material prices.

Jacques Pétry, Albioma's Chairman and Chief Executive Officer, commented: "The third quarter was characterised by good availability at all of our thermal and solar power plants in France, Mauritius and Brazil and, in particular, the successful takeover of our second plant, Codora Energia.

In the French overseas departments, we welcome the prospects set in August 2015 by the law on energy transition with the 2020 renewable energy target of 50%. Our current plants and our projects, like the Galion 2 project in Martinique, which recover bagasse and other forms of biomass, will make a significant contribution to the achievement of the targets set by the law in these territories.



In Brazil, the economic recession and the weakness of the currency are providing us with opportunities to acquire, under favourable economic conditions, high-quality bagasse plants that we select with great care.

Albioma is thus continuing to implement its strategy for sustained growth and efficient operations at all of its thermal and photovoltaic plants.”

FRANCE – THERMAL BIOMASS

Plants deliver good performance during the third quarter of 2015

The Thermal Biomass business in France generated revenue of €72.3 million in the third quarter of 2015, compared with €71.2 million in the third quarter of 2014. During the first nine months of the year, it totalled €209.1 million, compared with €211.6 million during the same period last year.

Raw material prices continued to fall, causing revenue to fall by €2.8 million since the start of the year.

During the first nine months of the year, the availability rate of the Group's plants was 84.7%, compared with 88.2% for the first nine months of 2014 and production totalled 1,467 GWh, compared with 1,522 GWh for the first nine months of 2014. Indeed, the business suffered as a result of the strike in Guadeloupe during the first two months of the year and of the technical incident that affected the Le Moule power plant in late April.

Production started again at this power plant on 5 August 2015 and has since then achieved high availability rates. The Group will be reimbursed for operating losses exceeding the excess under the terms of its insurance policies.

The duty rate at the Galion peaking plant in Martinique was at a high level (32% during the first nine months of the year compared with 18% during the same period in 2014).

Investments in connection with the energy transition in the French overseas departments

Adopted by Parliament in August 2015, the law on energy transition has set the renewable energy target in each of the French overseas departments at 50% by 2020. Albioma's existing plants and its new 100% biomass cogeneration projects will help it to achieve these targets.

The civil engineering work at the Galion 2 bagasse/biomass cogeneration plant in Martinique has begun. Commissioning of the plant is scheduled for the first half of 2017.

As regards the combustion turbine on Reunion Island, which will run on bioethanol, the Group anticipates that the work will take 12 months following the administrative phase, currently in progress, during which the building and operation permits will be obtained.

Lastly, work is continuing to modify tranche B of the Albioma Le Gol power plant so that it complies with future IED environmental standards.

Progress regarding compensation for the additional costs associated with managing combustion by-products from power plants

Since 2013, Albioma has borne additional logistical and environmental costs associated with changes in the standards applicable to the combustion by-products from its thermal power plants in France.



Albioma benefits, in its agreements with EDF, from so-called "safeguarding the economic balance" clauses. In this regard, Albioma presented EDF with amendments to its agreements in order to offset the additional costs associated with managing combustion by-products, with the aim of signing these amendments before the end of 2015.

At the same time, EDF applied to the Energy Regulation Board (*Commission de Régulation de l'Énergie*) for compensation for the impact resulting from the application of these amendments. The Energy Regulation Board did not accept this application for compensation.

The Group takes the necessary steps to ensure that the so-called "safeguarding the economic balance" clauses in its agreements are applied by EDF as quickly as possible.

FRANCE – SOLAR POWER

Strong performance

The Solar Power business in France generated revenue of €11.5 million in the third quarter of 2015, up 4% on the third quarter of 2014. During the first nine months of the year, revenue from the business increased by 3% to €32.1 million, compared with €31.1 million during the same period last year.

During the first nine months of the year, production totalled 73 GWh, which was stable compared with the same period in 2014.

The 14 photovoltaic power plants acquired in April 2015 on Reunion Island (installed capacity of 3 MWc) delivered good operating performances and contributed €1 million to the business's revenue.

BRAZIL

The business in Brazil generated revenue of €4.7 million in the third quarter of 2015, down 32% on the third quarter of last year. During the first nine months of the year, revenue totalled €8.8 million, 28% lower than in 2014.

Since the beginning of the year, production has totalled 89.7 GWh (compared with 69.6 GWh in the same period in 2014), including since 5 August 2015 the contribution from the Codora Energia thermal power plant: Albioma has taken over operations at the plant in line with forecasts.

Sales of electricity by Rio Pardo Termoelétrica in 2014 were made at exceptionally high price levels of BRL 538/MWh associated with the low level of filling of the hydroelectric reservoirs, compared with BRL 364/MWh during the first nine months of 2015.

To protect itself against changes in the spot price, Albioma has gradually secured the sale over the long term of more than 50% of its electricity production at an average tariff of BRL 226/MWh indexed to inflation.

The exchange rate effects associated with the fall in the real against the euro since the beginning of 2015 caused revenue to decrease by €1.2 million.

The economic recession in Brazil is continuing to affect the sugar sector whose borrowings are short-term (impact of the increase in interest rates) and in US dollars (impact of the rise in the dollar), although the devaluation of the real enabled Brazilian sugar to become the most competitive in the world.

This backdrop generates opportunities for Albioma, which continues to select its counterparties with the greatest care.



CONFIRMATION OF 2015 TARGETS

The Group confirmed its 2015 EBITDA and net income (Group share) targets, as revised on 28 May, on the assumption of the signing, in 2015, of amendments associated with the combustion by-products.

Next on the agenda: annual results for the 2015 financial year, on 2 March 2016 (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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