



ALBIOMA

Press release

Paris La Défense, 25 July 2018

First-half 2018 results

Growth in EBITDA (5%) and net income, Group share (28%)

Albioma's Board of Directors, which met on 25 July 2018, approved the Group's first-half consolidated financial statements at 30 June 2018.

Key figures as at 30 June 2018

<i>In millions of euros</i>	First half 2018	First half 2017	Change
Revenue	202.3	196.9	3%
EBITDA	72.0	68.4	5%
Net income (Group share)	20.6	16.2	28%

The good availability of thermal installations in France and the contribution of the riders to contracts for the purchase of electricity have resulted in a 3% rise in revenue over the period (€202.3 million) compared with the first half of 2017 (+1% excluding the impact of changes in fuel prices). EBITDA is up 5% compared with the first half of 2018 to €72.0 million. Net income, Group share, amounted to €20.6 million over the period, up 28% compared with the first half of the previous year, including €3.5 million of non-recurring items, related in particular to the refinancing of existing debt in the Indian Ocean area.

First-half 2018 highlights

France

Satisfactory performance of thermal power plants and continuation of the programme to bring the plants into compliance with standards

The installations recorded an availability rate of 86.9% over the period, compared with 89.7% in the first half of 2017. This availability is mainly affected by the scheduled shutdowns related to the compliance of the fume treatment systems (IED) of unit 1 of the Le Gol plant and unit 1 of the Bois-Rouge plant, each contractually compensated for a duration of six weeks by EDF.

The restated availability stood at 90.5% in the first half of the year, as the excellent performance of the plants in the West Indies compensated for some unforeseen unavailability of facilities on Reunion Island.

In Martinique, the EDF duty rate of the Galion combustion turbine remained very high at 27.4% (28.8% in the first half of 2017).

In this context and given the fall in the duty rate of the base-load plants in the Overseas departments, the total output of the Overseas thermal installations amounts to 910 GWh, down compared to the first half of 2017 (1,031 GWh).



EBITDA for the business amounted to €56.2 million in the first half of 2018, up by 7% compared with the first half of 2017 (€52.7 million). In 2017, it included non-recurring items amounting to €4.5 million mainly corresponding to the contractual compensation for additional costs borne by Albioma Caraïbes since 2013 for the management of its combustion by-products.

Solar Power: performance slightly down due to unfavourable sunshine conditions

The performance of the photovoltaic plants is slightly down in the first half of 2018. The photovoltaic electricity production for the period reached 44 GWh, down 4% compared to the first half of 2017 (46 GWh) following the intense rainfall that hit Reunion Island during the first months of the year and unfavourable sunshine conditions in the other regions.

EBITDA for the business totalled €13.8 million, compared with €15.5 million in the first half of 2017.

Continued development of projects

Thermal Biomass

During the first half of the year, the Galion 2 bagasse/biomass plant was energised. The facility was connected to the sugar refinery and was able to supply it with steam continuously throughout the sugar season. Electricity production has started (6 GWh) and the full commissioning of the plant should take place by the end of September, following compliance tests with the EDF standard. This 40 MW plant will be the first 100% biomass cogeneration plant in Martinique and it will supply, over a full year, 15% of the island's total electricity consumption. Based on a virtuous exchange with the Galion sugar refinery, it aims to ensure the future of the refinery by making it more efficient and by increasing the share of renewable energy in Martinique from 7% to 22%, thus promoting the energy transition of the island in compliance with the strictest environmental standards.

The Saint-Pierre combustion turbine on Reunion Island is due to be brought into service in the second half of 2018. This 41 MW plant will be the first French peaking plant to operate essentially using bioethanol produced by distilling sugar cane molasses.

Solar Power

The Group continued the construction of photovoltaic power plants with energy storage, and was awarded the latest calls for tenders initiated by the French Energy Regulatory Commission in 2015 and 2016, consolidating its position as the leader in Solar Power Overseas. Albioma is planning to commission the Grand Port Maritime power plant on Reunion Island (1.3 MWp on the rooftop) during the summer of 2018 and the Sainte-Rose plant in Guadeloupe (3.3 MWp on the ground at a non-hazardous waste storage facility) is to be commissioned in 2019.

On 26 April 2018, Albioma entered into a strategic partnership with the SHLMR (low-income housing rental company on Reunion Island), to build 51 photovoltaic power plants on the roofs of residences, across all municipalities of Reunion. The construction works will begin in the second half of 2019, with full commissioning at the end of 2019, for a capacity of 4.8 MWp.

Lastly, on 15 May 2018, Albioma carried out the refinancing of the portfolio of photovoltaic projects in the Indian Ocean and established credit facilities to finance the Group's new projects in the same area for the next 18 months. The financing, amounting to €110 million, will enable the Group to optimise the financing of its existing projects and extend the maturity of the current debt while securing the future financing of projects won under recent invitations to tender launched by the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie* - CRE) or under a purchasing obligation.



Mauritius

Excellent performance of Terragen and OTEO Saint-Aubin - accidental outage of OTEO La Baraque

Terragen and OTEO Saint-Aubin achieved excellent performances over the period. Following the annual maintenance shutdown of the OTEO La Baraque plant, the failure of one of the generators resulted in a drop in average availability from 91.4% to 76.4% in the first half year. Repair work was completed on 23 June and the three plants are fully operational again. In this context, the production for the region is down to 506 GWh over the period, compared to 609 GWh in the first half of 2017.

EBITDA came to €1.1 million, down 23% compared with the first half of 2017 (share of income from associates).

Brazil

Very good start to the sugar harvest

Against a relatively stable macro-economic backdrop, the Group's Brazilian thermal power plants have delivered excellent operational performance.

The volume of milled cane is up by 16% compared to the previous year. The good start of the sugar campaign, together with the bagasse stock built up at the end of the previous year and additional biomass inputs, enable electricity production to increase significantly and take advantage of supported electricity prices during the months of May and June 2018. It stood at 88 GWh against 65 GWh in the first half of 2017, an increase of more than 35% over the period.

The EBITDA for the business reached €1.6 million over the period, compared with €(0.3) million in the first half of 2017.

Development according to the operating plan

The last conditions precedent for the finalisation of the acquisition of 60% of the bagasse cogeneration unit of the Jalles Machado group located in Goianésia should be lifted during the second half of the year. The arrangement of long-term financing, which will cover 60% of the investment, is underway. The agreement signed with Jalles Machado on 18 December 2017 provides for the renovation of the existing boilers as well as the installation of a new 25 MW turbine, bringing the site's total capacity to 65 MW.

BNDES financing of the Vale do Paraná project is also under negotiation. The capital expenditure for this project will total around BRL 100 million. The aim is to increase to 48 MW the generating capacity of an existing cogeneration plant. The Group will have a 40% stake in this project which will be consolidated using the equity method. The first orders are scheduled for the second half of 2018.

The Group is continuing to examine new development opportunities and confirms its goal of a project every 12 to 18 months.

Strong balance sheet and rising cash

As a result of new drawdowns to finance projects under construction, gross financial debt increased by 6% to €751 million, compared with €707 million at 31 December 2017. It includes €666 million in project debt at 30 June 2018, compared to €622 million as at 31 December 2017.



Consolidated cash and cash equivalents amounted to €98 million, up €4 million compared to 31 December 2017 (+4% excluding guarantee deposits).

Consolidated net borrowings amounted to €653 million, up by 7% compared 31 December 2017 (€613 million).

2018 targets

The Group confirms its 2018 guidance for EBITDA (€158 to €166 million) and net income, Group share (€37 to €42 million).

Next on the agenda: revenue for the third quarter of 2018 on 25 October 2018 before trading.

About Albioma

An independent renewable energy producer, Albioma is committed to the energy transition thanks to biomass and photovoltaics.

The Group, which is established in Overseas France, Mauritius and Brazil, has developed a unique partnership for 20 years with the sugar industry, to produce renewable energy from bagasse, a fibrous residue from sugar cane.

Albioma is also the leading generator of photovoltaic power overseas where it constructs and operates innovative projects with integrated storage capabilities.

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).

Contacts

Investor

Julien Gauthier
+33 (0)1 47 76 67 00

Media

Charlotte Neuvy
+33 (0)1 47 76 66 65
presse@albioma.com

www.albioma.com





Appendices

Simplified consolidated income statement for the first-half ended 30 June 2018

<i>In millions of euros</i>	H1 2018	H1 2017	% change
Revenue	202.3	196.9	3%
EBITDA	72.0	68.4	5%
Impairment, depreciation and provisions	(26.5)	(25.0)	-6%
Operating profit	45.5	43.4	+5%
Net financial income	(7.9)	(12.3)	36%
Income taxes	(13.5)	(12.7)	-6%
<i>Effective tax rate</i>	<i>37.0%</i>	<i>43.2%</i>	
Consolidated net income	24.1	18.4	31%
Net income, Group share	20.6	16.2	28%
Consolidated earnings per share (in euros)	0.68	0.54	26%

Consolidated income statement as at 30 June 2018

<i>In millions of euros</i>	30/06/2018	31/12/2017
Assets		
Goodwill	12	12
Intangible assets and property, plant and equipment	1,170	1,141
Other non-current assets	33	34
Total non-current assets	1,215	1,186
Current assets	162	140
Cash and cash equivalents	96	92
Total assets	1,473	1,419
Equity and liabilities		
Shareholders' equity, Group share	386	389
Non-controlling interests	75	78
Total shareholders' equity	461	467
Current and non-current financial liabilities	751	707
Other non-current liabilities	117	119
Current liabilities	143	125
Total equity and liabilities	1,473	1,419



Simplified statement of consolidated cash flows as at 30 June 2018

<i>In millions of euros</i>	H1 2018	H1 2017
Cash flow from operations	73.9	70.4
Change in the working capital requirement	(30.0) ¹	(8.1)
Tax paid	(13.5)	(9.4)
Net cash flow from operating activities	30.4	52.9
Operating capex	(5.6)	(11.8)
Free cash-flow from operating activities	24.8	41.0
Development capex	(59.1)	(67.2)
Other/Acquisitions/Disposals	(0.2)	1.4
Cash flow from investing activities	(59.3)	(65.9)
Dividends paid to Albioma SA shareholders	-	-
Borrowings (drawn down)	73.5	79.5
Borrowings (repaid)	(22.9)	(28.0)
Cost of debt	(11.4)	(12.0)
Other	(0.1)	3.5
Net cash flow from financing activities	39.1	43.0
Currency effect on cash	(1.0)	(0.7)
Net change in cash and cash equivalents	3.6	17.5
Opening cash and cash equivalents	92.1	96.0
Closing cash and cash equivalents	95.7	113.5

Notes

1. Of which €25.7 million receivables from EDF paid on 2 July 2018.