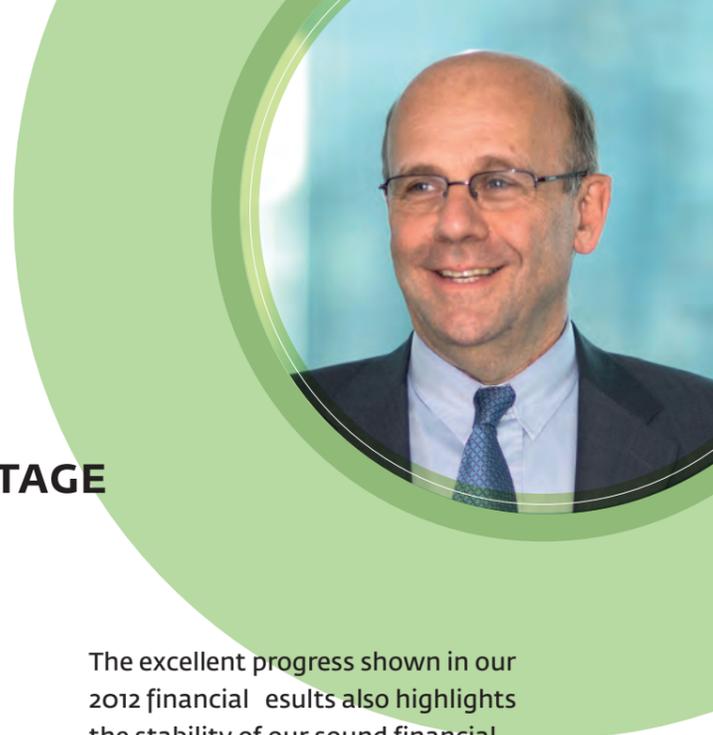




ALBIOMA

OUR NATURE IS FULL OF ENERGY

JUNE 2013



A NEW IDENTITY TO MARK A NEW STAGE IN OUR HISTORY

For more than 20 years, our Group has established itself as a unique force in energy generation. With a tradition of innovation inherited from Charbonnages de France and Air Liquide, it has successfully developed a unique body of expertise in the generation of electricity from combustion of a sugar cane residue called bagasse. In 2012, the company took the decision to embark on a new phase of its development by prioritising the recovery of energy from all forms of biomass (bagasse, wood by-products) to generate electricity, as well as the production of biogas by methanation of livestock and plant waste, whilst continuing to offer so ar-generated power as a complement.

Writing this new page in our history also demanded a new and internationally recognisable identity: hence the new name of the Group – Albioma – was born, embodying our unique position in biomass resource recovery. Our new name is now associated with a logo inspired by the sugar cane plant that is integral to our history, and whose residue – bagasse – offers a substantial and valuable source of biomass which is yet to be fully exploited for energy recovery.

The excellent progress shown in our 2012 financial results also highlights the stability of our sound financial model, which is underpinned by the expertise of our teams and our very long-term electricity supply contracts. Our ambition is to continue our development in French overseas territories by building plants that generate power from bagasse and other forms of biomass: that is the goal of the Galion 2 project in Martinique, which is scheduled to go live in 2015. Working through our subsidiary company Methaneo, we also intend to become one of the leading biomethanation market players in mainland France. Lastly, we have identified Brazil – the world's leading producer of sugar cane – as our international priority.

Ours is a rational and responsible approach to recovering what nature has to offer, whilst respecting the regions in which we operate and the people who live there. We are proud of being able to combine our efforts to offer cleaner, more efficient energy. More than ever, our nature is full of energy!

Jacques Pétry
Chairman and Chief Executive Officer

KEY FIGURES

639 MW

OF INSTALLED
CAPACITY

€383.3 M

IN CONSOLIDATED
REVENUE FOR 2012

567 MW

FROM THERMAL
BIOMASS

€127.2 M

IN CONSOLIDATED
EBITDA FOR 2012

70 MW

FROM SOLAR POWER

€33.5 M

IN CONSOLIDATED
NET INCOME (GROUP
SHARE) FOR 2012

2 MW

FROM
BIOMETHANATION

323

EXPERT EMPLOYEES

3,500 GWH

OF ELECTRICITY
GENERATED: THAT'S
ENOUGH TO SUPPLY
3 MILLION RESIDENTS

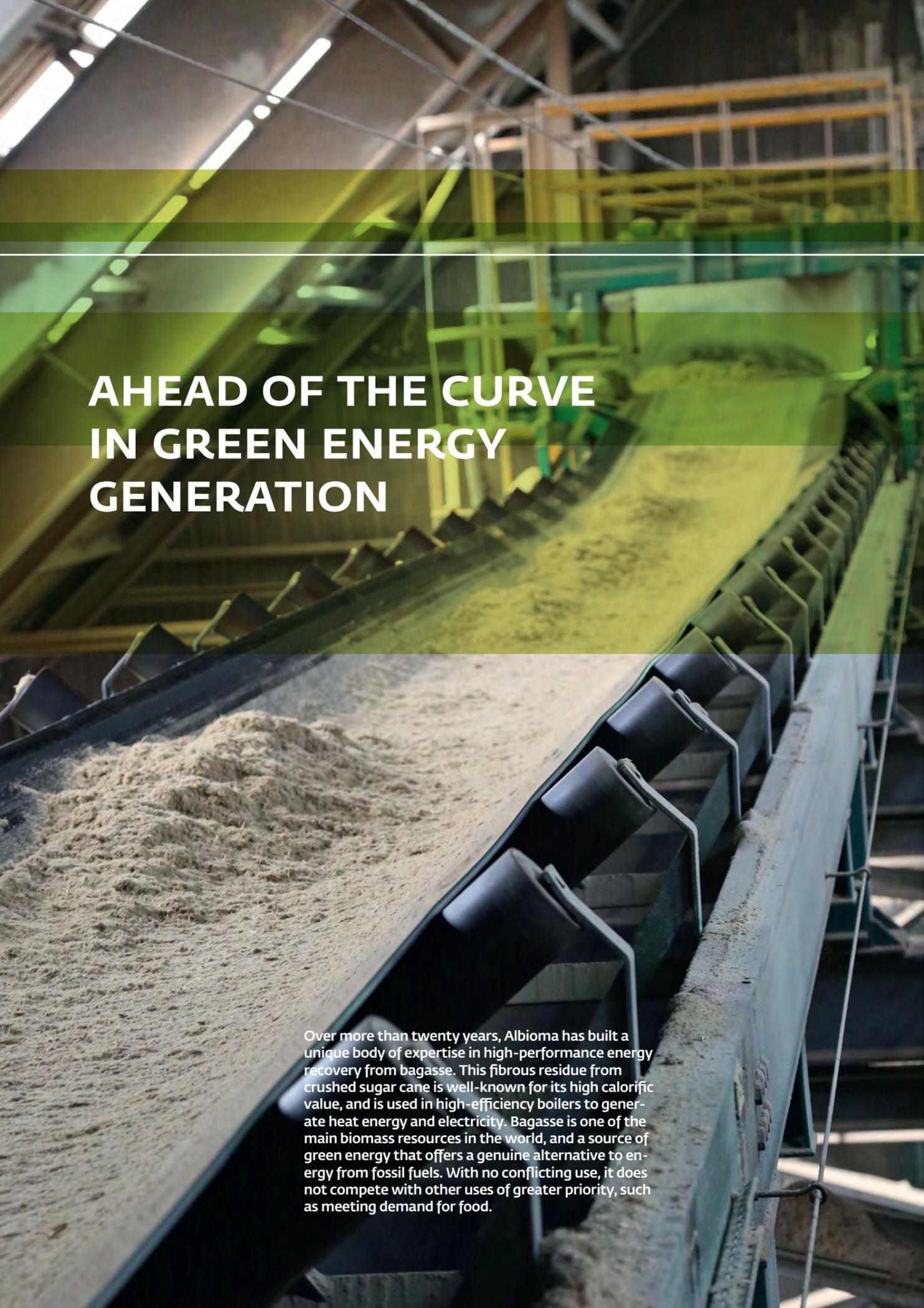
1.4 MILLION

TONNES OF BAGASSE
RECOVERED FOR ENERGY
GENERATION. BAGASSE
IS THE FIBROUS RESIDUE
THAT REMAINS AFTER
SUGAR CANE STALKS
HAVE BEEN CRUSHED TO
EXTRACT THEIR SUGAR.

Albioma is an independent energy producer, a leader in energy recovery from biomass and a key player in solar-generated power. Its unique expertise in renewable energy is focused on three promising sectors: thermal biomass, biomethanation and solar power.

As a longstanding partner of agribusiness companies, the Group develops, builds, funds and operates midsize power generating plants under secure long-term contracts. Operating in tomorrow's markets, Albioma is backed by a sound and stable financial model to export its expertise and seize new opportunities for growth.

ALBIOMA IS LISTED ON COMPARTMENT B
OF THE NYSE EURONEXT REGULATED
MARKET IN PARIS



AHEAD OF THE CURVE IN GREEN ENERGY GENERATION

Over more than twenty years, Albioma has built a unique body of expertise in high-performance energy recovery from bagasse. This fibrous residue from crushed sugar cane is well-known for its high calorific value, and is used in high-efficiency boilers to generate heat energy and electricity. Bagasse is one of the main biomass resources in the world, and a source of green energy that offers a genuine alternative to energy from fossil fuels. With no conflicting use, it does not compete with other uses of greater priority, such as meeting demand for food.

AN INDUSTRIAL ADVENTURE FOCUSED ON INNOVATION

The Group was formed in 2001 out of the merger between Séchilienne and Sidec, which were previously subsidiary companies of Air Liquide and Charbonnages de France respectively. Since then, it has drawn successfully on its industrial heritage to make innovation one of its key drivers.

It is now more than 20 years since some visionary entrepreneurs on the island of La Réunion first had the idea of using bagasse to generate electricity. Previously considered as waste, this natural resource was burned to generate steam for sugar refinery heating systems and electricity to power refinery equipment.

Against the background of increasing demand for electricity in the French overseas departments, an historic partnership was formed with sugar producers to develop the world's first bagasse/coal power generating plant in the district of Bois-Rouge on the island of La Réunion.

With an installed power generating capacity of 60 MW, this facility was distinctive for being able to use both fuels to generate not only the heat and electricity required for refinery

operation, but also to supply year-round electrical power to all the island's residents.

This initial success paved the way for others in French cane sugar-producing regions, and then on the island of Mauritius, which became the Group's first international venture.

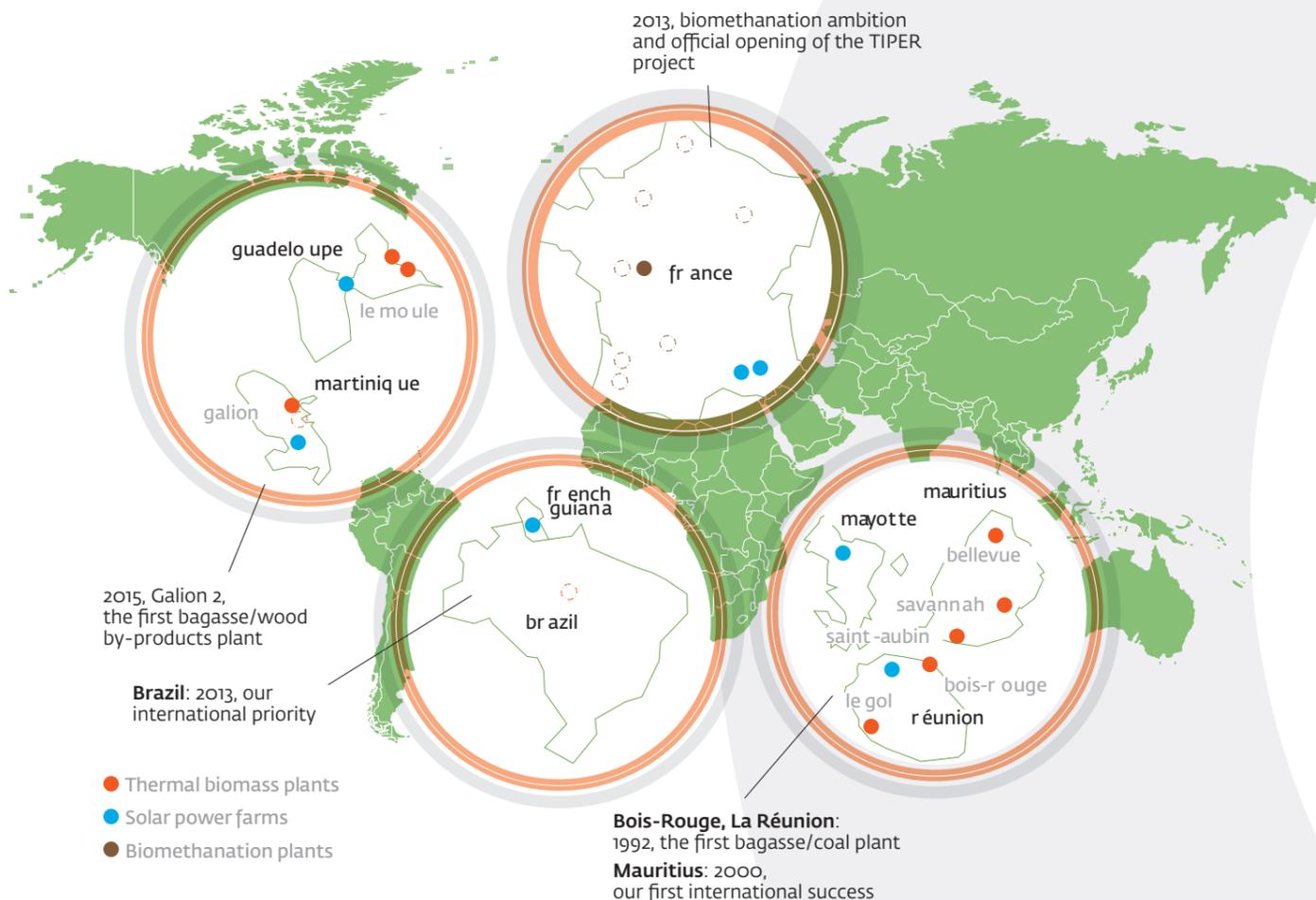
As a pioneer in renewable energy, the company, which adopted the name Albioma in 2013, has successfully extended the scope of its business by exploiting the exceptionally high levels of sunlight in its traditional operating regions to develop into the solar photovoltaic market.

Our proven model for generating energy from biomass is now being applied to a new opportunity for growth: the recovery of energy from biogas generated by the agricultural industry and agribusiness. The successful integration of Methaneo, the French biomethanation pioneer, fuels the ambition of Albioma to achieve recognition as the preferred long-term partner of agribusiness companies for high-efficiency energy recovery from biomass with no conflicting use

An expert in energy recovery

As fossil fuels become depleted and energy prices rise, Albioma has built its growth strategy on extracting value from biomass, a resource that remains largely underexploited, and by exporting its model internationally.

From biomass to electricity: 20 years of innovation and accumulated expertise



57%
RÉUNION ISLAND

43%
MAURITIUS

35%
GUADELOUPE

proportion of electricity generation carried out by the Albioma group in 2012

▶ AN ESSENTIAL PLAYER IN ENERGY GENERATION FOR THE FRENCH OVERSEAS DEPARTMENTS

Working alongside EDF, Albioma is the leading electricity generator in the French overseas departments. The Group has strategically positioned itself as a partner of the grid operator in all energy generation sectors. Our bagasse/coal plants provide year-round 24/7 generation of base load electricity. In 2012, they generated 57% of all electricity used on the island of La Réunion, and 35% of the total for Guadeloupe. On the island of Mauritius, the contribution was 43%. Albioma has also established strong positions in two complementary markets: solar power generation (intermittent renewable energy) and peak-load generation using combustion turbines.

Three expert core businesses

Albioma is an independent energy producer developing projects in thermal biomass, solar power and biomethanation. This unique market positioning was consolidated when the Group began to recover energy from bagasse in the French overseas departments. As the leading player in bagasse-fuelled cogeneration in these territories, it has used this opportunity to enhance its expertise and consolidate its market positions by entering the solar power generating market. Now a major photovoltaic power generator in the French overseas departments, our Group has achieved critical mass with a high-quality, profitable installed base. Consistent with its growth strategy, Albioma has now entered the market for energy generation via methanation of agricultural and agribusiness by-products, with the stated aim of becoming the industry market leader in mainland France.

Efficient industrial resources

We are essentially a project developer and operator. We maintain complete control of the value creation chain, from design to operation, including development, funding and construction. Over the years, the Group has built a substantial asset base of high-performance midsize power generating plants ranging from 30 MW to 100 MW, capable of providing year-round 24/7 base load electricity reliably and competitively. As a dynamic driver of growth for local economies, Albioma can rely on responsive teams of experts in energy recovery from agricultural by-products and the management of complex island environments.

A sound financial model

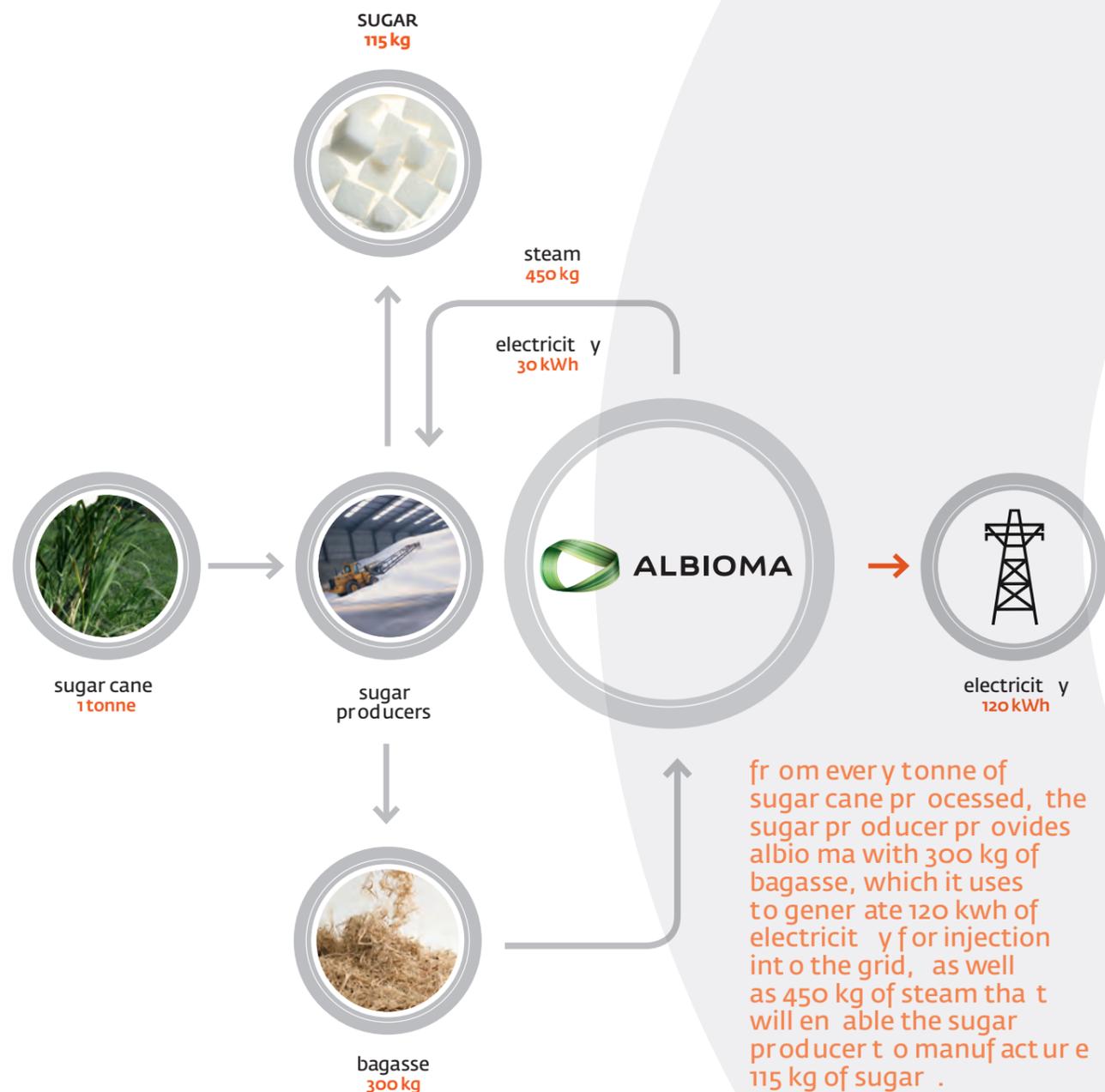
The growth of Albioma is underpinned by an effective value creation model. On the upstream side, biomass supplies are secured through fair and balanced partnerships with agribusiness operators and farmers. On the downstream side, the injection of electricity into the power supply grid is guaranteed by very long-term contracts ranging from 15 to 35 years, most of which are signed with EDF, and all of which are based on a sale price indexed against fuel purchasing costs. Albioma therefore maintains control over all the risks involved in supply volumes, sales prices and counterparties. With a presold stock of 25 years of electricity and an asset base that generates recurring cash flows, the Group has the sound financial base required to fund its own growth in France and internationally.

Excellent prospects for growth

In an energy environment marked by the rising cost of fossil fuels, Albioma targets those markets with excellent prospects for growth, convinced that biomass without conflict of use will play a major role in the generation of green, competitively-priced base load electricity. The Group intends to consolidate its position in the French overseas departments by developing a bagasse/biomass model that will progressively replace the bagasse/coal model, and by using solar technology to generate energy that delivers high economic and environmental performance. In mainland France, Albioma is focused on the development of biogas production based on methanation of agricultural by-products. In international markets, the decision to focus on Brazil, with its powerful agricultural economy and emphasis on maximising the use of renewable energy in its energy mix, opens the door to a sustained pace of new project development in the short and medium terms.

Thermal biomass, the core business of the Group

Albioma provides its industrial partners with a unique level of expertise in energy generation from the hybrid combustion of biomass. Historically, this process has been based on recovering energy from bagasse.



From every tonne of sugar cane processed, the sugar producer provides Albioma with 300 kg of bagasse, which it uses to generate 120 kWh of electricity for injection into the grid, as well as 450 kg of steam that will enable the sugar producer to manufacture 115 kg of sugar.

Bagasse, an abundant resource
Sugar cane is one of the most widely cultivated crops in the world. In the French overseas departments, it is the prime agricultural resource. Currently, less than 10% of all the bagasse produced by cane processing worldwide is recovered in the form of energy. It is a natural resource and a clean fuel whose combustion ash can be recovered for use as fertiliser. There are more than 100 sugar cane producing countries worldwide feeding a dynamic market for sugar.

Expertise in dual combustion technology
Constructed close to sugar refineries, our power generating plants are designed to recover energy from all the bagasse produced. The plants operated by the Group lead the way in the expert control of dual combustion technology to generate electricity and heat from bagasse and coal. During the sugar harvesting campaign, which

may run for five to seven months a year depending on the region of the world concerned, these plants operate as cogeneration facilities using bagasse as their main fuel. For the remainder of the year, they operate on the basis of condensation in the same way as a standard conventional power generating plant. The choice of coal as the complementary fuel is justified by its availability in the market at an affordable price and its ease of transport to the islands concerned. This use of hybrid combustion technology means that competitively-priced energy can be provided all year round in full compliance with European atmospheric discharge regulations.

A strategic partnership with sugar producers
Our substantial experience in energy recovery from bagasse has established us as the preferred partner for sugar producers. The provision of bagasse as fuel for power generating plants in return for the supply of steam and electricity to sugar refineries is a sustainable long-term model that offers these producers a decisive competitive edge. Similarly, the high levels of energy performance delivered by its power generating plants enable Albioma to market the electricity it generates to power supply companies, helping them to meet the increasing demand for electricity.

► BIOMASS... WHAT EXACTLY IS IT?

Biomass is the term used to describe all organic matter originating from plants and animals that can be used as a source of energy via combustion or methanation (biogas). There are many different sources of biomass: forestry residues, agricultural residues, livestock residues, wastewater, industrial residues and solid household waste. Our specialist commitment is to position ourselves only in that area of the biomass market where the materials concerned originate in agriculture and have no conflicting calls upon their use (forestry, livestock and crop residues) by transforming what would otherwise be wasted into a valuable energy resource.

450 M TONNES
OF BAGASSE PRODUCED
WORLDWIDE EVERY YEAR

90%
OF THE BAGASSE PRODUCED
WORLDWIDE IS NOT RECOVERED

120 KWH
THAT'S THE AMOUNT
OF ELECTRICITY WE EXPORT
TO THE GRID FROM ONE TONNE
OF SUGAR CANE

92%
THAT'S THE AVAILABILITY OF OUR
FACILITIES: ONE OF THE HIGHEST
RATES IN THE INDUSTRY

A promising substitute for fossil fuels

As a major generator of base load electricity in the French overseas departments, Albioma is exploring other biomass resources to accelerate the replacement of fossil fuels and diversify its geographic presence.

Underexploited reserves

Agricultural biomass is still greatly underexploited worldwide, in the same way as wood residues, where the resource is estimated at 1,250 million tonnes per year, or green waste. However, its potential for industrial-scale energy recovery is well identified. According to World Energy Outlook Council estimates, electricity generation from all sources of biomass combined is set to double worldwide over the next 10 years. A storable energy that is well accepted by local populations, and represents a new source of revenue for agribusiness and farms.

Moving towards the gradual replacement of coal

Anticipating future trends in the energy sector, Albioma invests in research to identify solutions that will enable coal to be replaced by biomass. As a result, the Group has begun to convert its bagasse/coal power generating plants to a bagasse/wood model. The development of supply chains capable of delivering a secure flow of wood residues in the form of

pellets is one of the preconditions for making this fuel source a dependable replacement. In Martinique, Albioma innovation is behind the development of the Galion 2 power generating plant: the world's first plant designed specifically to be fuelled by bagasse and wood residues. The basic principle here is to use as much locally produced biomass as possible, with the balance being imported from continental America. Coal is used here only as a secure backup resource. As a result, this plant has a considerably better carbon balance, with a corresponding significant environmental benefit. Supported by local authorities and residents keen to benefit from competitively-priced green energy, this project will consolidate the leadership of Albioma in base load electricity generation in the French overseas departments.

With an installed capacity of 38 MW, the Galion 2 power generating plant will be the first of its type in the world, and will eventually provide a 100% biomass solution. Work on the new plant is scheduled to begin in 2014, with commissioning at the end of 2015. This power generating plant will provide base load generation under the terms of a 30-year electricity supply contract, and will enable Martinique to meet most of its requirement for additional base load capacity.

Our lever for conquering the Brazilian market

As the world's leading producer of sugar cane, Brazil meets all our international development criteria. This country is an operating base for major agribusiness companies and papermakers, and produces enormous quantities of biomass, including bagasse and wood residues. As it strives to meet a steeply rising demand for electricity, the country needs to build the equivalent of the entire French power generating plant network in the next eight years, its current installed capacity being equivalent to that of France with a three times larger population to serve. With twenty years of expertise in energy recovery from bagasse, Albioma wishes to export its model by forming partnerships with agribusiness to optimise the energy performance of existing electricity generating facilities, before moving on to contribute to the construction of new generating capacity. Albioma has opened an office in Brazil staffed by five dedicated experts.



A leader in agricultural biomethanation in mainland France

In May 2012, Albioma became the majority shareholder in Methaneo, the company that has pioneered agricultural methanation in France. This acquisition gives the Group a foothold in the promising biogas market.



Biomethanation, a new source of energy

Methanation is a process used to recover energy from organic waste (particularly agricultural waste) for two purposes: firstly, the generation of biogas from biological decomposition of organic matter in a confined oxygen-free environment, which can then be converted to electricity and heat or injected into the gas supply network after purification, and secondly, the production of digestate that can be used as fertiliser either in its natural state or following treatment.

Agricultural biomethanation involves recovering energy from farm and agribusiness by-products, including solid and liquid manure, plant by-products and food processing industrial waste. It accounts for 52% of biogas production resources in Europe, and is the driving force behind the French biogas market.

A fast-growing market

The French market for agricultural biogas is potentially very significant. As Europe's leading agricultural economy, the country has considerable resources, although these remain highly underexploited in terms of their energy-generating potential. The current installed capacity of 20 MW represents only a tiny proportion of European installed capacity. Biomethanation is now central to a series of major

economic and environmental challenges. Not only does it generate additional income for farmers and provide a source of natural fertilisers, but it also contributes to reducing the discharge of nitrates into watercourses and groundwater resources. The French government's environmental roundtable initiative known as the *Grenelle de l'Environnement* has set the highly ambitious development target of achieving 625 MW* of installed capacity by 2020. To support this challenging level of growth, changes to the

* Expressed in terms of electrical power from all sources of biogas combined.

regulatory framework have been made to encourage the necessary transition, including a revised scale of electricity feed-in tariffs introduced in 2011, and the introduction of a feed-in tariff for biogas injected into the gas supply system. In March 2013, the French government unveiled its EMAA Methane Energy and Nitrogen Autonomy Plan, one aspect of which is to accelerate the development of this type of energy-generating plant.

Methaneo, the ambitions of a trailblazer

Formed in 2007, Methaneo is a pioneer in methanation technology in France, specialised in developing local, regional and agricultural methanation units. Its portfolio of projects under development – ranging from 500 kW to 2 MW – covers the whole of France. At Thouars in the Department of Deux-Sèvres, Methaneo officially opened the first of the Group's biomethanation plants in April 2013. With a generating capacity of 2 MW, TIPER will generate renewable energy from 75,000 tonnes of livestock effluent, crop by-products and organic waste from food processing industries. The electricity generated is equivalent to the annual electricity consumption (excluding heating) of 12,000 residents. The heat recovered from the process will be sold to a neighbouring agribusiness. This new plant confirms our commitment to becoming the leader of the agricultural biomethanation market in France. Our goal is to build and operate power generating plants with a combined total capacity of 20 MW by 2017.

► CONSISTENT DEVELOPMENT MODELS

Methaneo develops, builds, funds and operates power generating plants owned by dedicated companies in which farmers and agribusiness operators are partners. The arable and livestock farmers provide the generating plant with organic biomass. In return, they receive fertiliser in the form of digestate. Agribusiness operators can supply residues from their own production processes and receive the heat generated by the bioreactor. As with sugar producers, this is a long-term partnership designed to provide security of local biomass supply with no conflict of use, and is therefore totally consistent with the strategic consolidation policy of the Group.

TIPER

75,000 tonnes
OF AGRICULTURAL AND FOOD PROCESSING
INDUSTRY BY-PRODUCTS

16,000 mwh / year OF ELECTRICITY

16,000 mwh / year OF HEAT

22 projects
IN PROGRESS BY 2017 (2 IN 2013, 4 IN 2014)

40-50 MW OF INSTALLED CAPACITY
IN THE NEXT 10 YEARS

A complementary offer in solar power

Albioma has a competitive advantage in the solar power markets of the French overseas departments. This business sector complements biomass as a source of recurring revenue for the Group.

High-efficiency solar power resources

It was in 2006 that the Group seized the opportunity to become involved in solar power generation. Working in synergy with our bagasse/coal cogeneration activities, the construction of an asset base of solar power resources increases the proportion of renewable energy in our overall power generating capacity by complementing the green energy generated from bagasse. In 2012 – the first full year of operation for its 70 MW solar portfolio – Albioma became one of the leading players in solar power generation in France, with a balanced asset base split equally between ground-level solar farms and rooftop installations.

A highly profitable business focused on the French overseas departments

The terms of the secure long-term contracts negotiated with EDF and tariffs 30% higher on average than those paid in mainland France make this solar business extremely profitable. 80% of the Group's solar power facilities are located in the French overseas departments, where the exceptional levels of sunlight are more than 20% greater than the average received by installations in mainland France. These facilities offer a complementary source of electricity which is very useful for the islands concerned.

New technological developments

Albioma wishes to continue the process of extracting maximum value from its ability to integrate successfully with power supply grids by developing its storage expertise. The proportion of electricity generated in the French overseas departments using intermittent energy sources – wind and solar – is limited to 30%. Now that this threshold has been achieved, the French Energy Regulatory Commission (CRE) is including the development of storage capacity in the tender invitations it issues for those renewable energy projects it wishes to support. In 2012, we were awarded contracts for two projects of this type. The first, rated at 2 MW, relates to a ground-level solar power generating plant in French Guiana, whilst the second 1 MW project is linked with a shopping centre rooftop solar power installation on the island of La Réunion. Both are scheduled to go live in 2014.

70 MW of installed solar power generating capacity, of which:

WEST INDIES / FRENCH GUIANA **32 MW**

INDIAN OCEAN **26 MW**

MAINLAND FRANCE / SOUTHERN EUROPE **12 MW**





GIVING MEANING TO GROWTH

With its advanced expertise in energy recovery from biomass, Albioma puts social and environmental responsibility at the heart of its strategic decision-making. Our actions are guided by four key commitments: to protect and develop the company's human capital, to generate dependable and responsible energy, to be the long-term preferred partner of the agribusiness and agricultural industries, and to make a proactive contribution to local economies and communities. Our economic model is integrated as closely as possible with local needs and interests, and is designed to address a broad spectrum of environmental and social issues, from pollution reduction to waste recovery and local skills development. Our investments and our business activities are meaningful only

if they embody long-term commitments and are supported by equally long-term partnerships with local stakeholders. Lastly, we are actively involved in the great changes now taking place in the world, from the energy transition to the long-term safeguarding of the agricultural and agribusiness industries and dynamic regional development. We are committed to giving practical meaning to our future business growth. This commitment feeds through into our corporate governance choices: our policy in this area is guided by our Chairman and a Social and Environmental Responsibility Committee reporting directly to the Board of Directors, with a view to apply meticulous governance of these issues to benefit our performance and to create value we can share.

Protecting and developing our human capital

The extremely technical nature of Albioma's business demands high levels of expertise and permanent engagement from its employees. Their commitment is matched by that of the Group, which invests in safety and training initiatives, promotes diversity and encourages high-quality social dialogue.

Safety: zero accident target

The safety of all its people is an absolute priority for Albioma, regardless of job profile, job function or job location. This culture of safety flows through the entire value chain of the company, from the design and realisation of our investments through to their operational implementation. Our health and safety management system includes training, awareness, diagnostic, prevention, inspection and audit programmes as part of a policy of continual progress. At the start of 2013, 46.4% of Group power generation in France came from sites with QSE (Quality, Safety and Environment) certification.

Training and workplace integration

Career-long training of employees is also a major challenge addressed by Albioma. Under the terms of its Training Charter, the Group offers comprehensive training programmes designed to enable every individual to adapt, learn new skills and progress their careers. The Group is also involved in local socio-economic development by encouraging the workplace integration of young people through apprenticeship and work/study opportunities.

Our diversity is our strength

Albioma sees the multiplicity of its employees' backgrounds and cultures and the diversity of their age ranges as major benefits and great strengths. In its Diversity Charter, the Group sets out its commitment to combat all forms of discrimination, with the

emphasis on promoting equal opportunities for men and women and bringing disabled people into the workplace.

A dynamic social dialogue

The human dimension of the company is also a key factor in its social cohesion. Under the terms of its Social Dialogue Charter, the Group gives its commitment to maintaining and expanding a dynamic and constructive process of dialogue with employee representative bodies, enhanced by attentive listening and discussion at all levels. It has also strengthened its HR structures in order progressively to harmonise its human resources management policies across all its locations. In 2012, the Group launched an in-house newsletter to keep everyone up-to-date with the latest news from around the company.



AMBITIOUS TARGETS TO BE MET AS QUICKLY AS POSSIBLE

37%

REDUCTION IN THE RATE OF OCCUPATIONAL ACCIDENTS BETWEEN 2011 AND 2012

TARGET

0 accident

27.3 HOURS

OF TRAINING PER EMPLOYEE IN 2012

TARGET

35 hours

46%

OF EMPLOYEES RECEIVED SAFETY TRAINING IN 2012

TARGET

100%

13.3%

OF ALL EMPLOYEES ARE WOMEN (2012 FIGURE)

TARGET

to keep increasing the proportion of women in the workforce

2.5%

OF THE WORKFORCE WAS EMPLOYED UNDER TRAINING OR APPRENTICESHIP CONTRACTS IN 2012

TARGET

5%

▶ AN AMBITIOUS QUALITY, SAFETY AND ENVIRONMENT POLICY

In 2009, the Group introduced a QSE (Quality, Safety and Environment) policy with the aim of achieving certificated compliance with the following international standards: ISO 9001 for quality, ISO 14001 for the environment and ILO-OSH 2001 for occupational safety and health management. The Le Gol and Bois-Rouge generating plants on the island of La Réunion were awarded certification at the end of 2012 and the beginning of 2013. These highly structured policies deliver practical results, especially in terms of reducing the frequency and severity of occupational accidents.

▶ TRAINING... THE KEY TO ACCIDENT PREVENTION

In 2012, 46% of the Group's employees completed a safety training programme averaging 10.6 hours. For example, when the Le Gol and Bois-Rouge generating plants on the island of La Réunion introduced an initiative focused on working in confined spaces a training element was included not only for Albioma personnel, but also for those of external companies. This initiative also includes the provision of special equipment, including respirators and oxygen detectors.



Generating dependable, responsible energy

Fully aware of the energy and climate challenges now faced by companies, Albioma is committed to developing a top-quality, dependable, competitive and responsive range of low-carbon renewable energy services.

Targeting availability

Maintaining the quality and continuity of energy generation is a critical challenge and nowhere more so than in the islands on which the Group operates. Technological innovation, employee training, equipment inspection and maintenance and the sharing of good practices between operating sites: all of these elements combine with the responsiveness of our teams to keep unscheduled shutdowns at an exceptionally low level.

Reducing and controlling our environmental impact

In order to reduce the impact of its business activities on local people and ecosystems, Albioma develops upgrade plans for its installations and invests heavily in its industrial assets. This central commitment feeds through into implementation of the very latest advanced technologies, working practices and systems. Our power generating plants are therefore equipped with the most advanced technologies available for reducing emissions of nitrogen oxides (NO_x) and sulphur oxides (SO_x). At the Caraïbes Énergie plant in Guadeloupe, we have installed an air cooling system that reduces water consumption dramatically.

Making responsible use of resources

All the biomass resources used by Albioma for energy recovery (bagasse, wood residues and agricultural residues) are recognised as being free from any conflict of use, that is to say that they do not conflict with other higher priority uses, such as providing a source of food, ensuring the long-term future of ecosystems or protecting forests.

► GALION 2... A GREENER FUTURE

The Galion 2 power generating plant due to come on-stream in Martinique in 2015 will be fuelled by sugar cane bagasse during the cane harvesting campaign, as well as by other forms of biomass, including local green waste and wood residues imported from Northern Brazil or North America, with the ultimate aim of 100% biomass operation. This investment is absolutely consistent with the ambitions set out by France in the context of the EU Climate and Energy Package for 2020. It also delivers a partial response to the environmental and social needs of Martinique and, more generally, makes an active contribution to creating the basic dynamics for a circular economy.

IN 2012, ONLY
2.4%
OF GENERATION WAS LOST
AS A RESULT OF UNPLANNED
SHUTDOWNS

€10.5 M
WAS INVESTED IN
ENVIRONMENTAL RISK
PREVENTION IN 2012

33%
OF GENERATION CAME
FROM RENEWABLE
SOURCES IN 2012

Being the preferred partner of agribusiness

Our economic model is built on long-term partnerships with agribusiness operators. These strong local roots allow us to ensure long-term security of biomass supplies, at the same time as providing guaranteed outlets for our energy and by-products.

A win-win model

For agribusiness operators and farmers, a partnership with the Group is a win-win arrangement. Not only does it allow them to reduce their energy bills, but many also become shareholders in Albioma generating plants, thereby benefiting from additional income in the form of the dividends paid. In exchange for the bagasse they supply, sugar producers receive the low-pressure steam and

electricity they need to operate their installations, leaving them free to focus on their core business activities and achieve significant productivity gains. Individual planters are rewarded for the electricity produced from their sugar cane with a 'bagasse bonus' under a scheme that has helped to secure thousands of jobs. As partners in innovation, we also support research to increase agricultural productivity and enhance the energy-generating characteristics of sugar cane varieties without compromising their nutritional qualities.

Recovery of natural resources

Until recently, there was very little recovery of agricultural residues and by-products. They are now processed, and what was previously treated as waste, can be returned to the soil as fertiliser in the form of ash and digestates. Where methanation is concerned, experience shows that the resulting digestate has a nitrogen fertilisation effect between 20% and 25% greater than that of raw liquid manure. We are also working with our sugar-producing partners to develop new techniques (the mixing of ash with sugar refinery molasses, for example) to make it even easier for our by-products to be used in agriculture. In mainland France, the same commitment to innovation and dialogue is the basis for the TIPER biomethanation project, with long-term biomass/digestate trading contracts.

▶ THE VIRTUOUS CYCLES OF TIPER METHANATION IN THE DEPARTMENT OF DEUX-SÈVRES

In the French Department of Deux-Sèvres, some sixty local farms are involved in the TIPER (Innovative Technology for the Production of Renewable Energy) project through the supply of more than 75,000 tonnes of biomass for processing. TIPER incorporates a centralised methanation facility which reproduces two essential natural cycles: one energy-based, and the other agronomic.

As they grow, plants store solar energy and CO₂, which are ingested by animals when they eat those plants. By managing the decomposition of plant and animal products, methanation releases this stored energy (in the form of electricity and heat), as well as CO₂ which is then absorbed by other plants. There is therefore no net increase in atmospheric CO₂. Since all the by-products that decompose in the methanation process are reinstated by nature as part of an endless energy cycle, we can justifiably use terms such as 'renewable energy' and 'circular economy'. Growing plants also store essential soil fertilisation elements that animals also ingest. Methanation enables all these fertilising elements to be retained within digestates, which can then be spread on agricultural land.

2,065,000
TONNES OF STEAM
AND 130,000 MWH

OF ELECTRICITY SUPPLIED
TO SUGAR REFINERIES IN 2012



Making a proactive contribution to local economies and communities

Albioma contributes in many different ways to energising local economies by creating direct and indirect jobs that cannot be relocated, and by acting as a driving force for energy transition in the regions where it operates.

A permanent dialogue with local communities

Albioma engages in ongoing, proactive dialogue with its local stakeholders to identify opportunities for improvement, innovation and profitable partnership at all levels: local, regional and national. As part of promoting closer social links, the Bois-Rouge facility in La Réunion held an open day in 2012 to celebrate the plant's 20th anniversary. Bois-Rouge meets 30% of all electricity demand on the island. This key role undoubtedly explains the flood of visitors who attended this exceptional one-day event. In fact, more than 800 people donned hardhats and hi-viz

waistcoats for guided tours of the installation given by plant personnel, who also explained every step in the energy recovery process.

The aim of the day was to introduce local people to a power generating plant that is now part of the island's heritage, and raise awareness of the energy and environmental challenges addressed by our business.

Leading innovation and disseminating expertise

In accordance with its strategy of providing renewable resources that offer realistic alternatives to fossil fuels, Albioma signed a partnership agreement on 6 February 2013 with La Réunion-based company Bioalgastral and the semi-public company Nexa for the development of a complete

59%

OF OUR PURCHASES
(EXCLUDING RAW MATERIALS) WERE
MADE FROM REGIONAL
COMPANIES IN 2012

third-generation biofuel production sector based on the use of microalgae. For the Group, the partnership is an effective response to the significant demand for green energy, which is set to grow in its all operating territories, which include La Réunion, Guadeloupe, Martinique, French Guiana and Mauritius. An initial project to install a peak demand turbine project based on the successful industrial experience gained at the Galion plant in Martinique could be a reality on the island of La Réunion by 2015. This new facility will have the ability to generate electricity using microalgae-based biofuel in place of light fuel oil.

As part of our commitment to develop plant maintenance expertise in the local area around each of our generating plants, we organise active skills transfer projects in which major multinational construction companies make their expertise available to local businesses. In Martinique, for example, we encourage our suppliers to train local technicians in carrying out complex maintenance operations as part of the work they do in our facilities.



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