

PRESS RELEASE

Paris La Défense, March 8th, 2012

SECHILIENNE SIDEC Annual 2011 results

Solid performance in 2011. Strong growth expected in EBITDA and Net Income group share for 2012. Séchilienne Sidec focused on the growth potential of biomass and photovoltaic energy.

- **Production capacity in 2011: +11%**
- **2011 Ebitda¹ (excluding overseas tax incentives): +17%**
- **2012 targets (excluding overseas tax incentives): + 7% in Ebitda and +25% in Net Income group share**
- **2011 proposed dividend of €0.57 per share**

At its meeting of March 7th 2012, the Board of directors of Séchilienne-Sidec under the chairmanship of Mr. Jacques Petry approved the Group's consolidated accounts ² for financial year 2011.

Key figures

M€	2011	2010	Var %
Revenues	361.6	304.8	+ 18.6%
EBITDA*	111.0	94.9	+16.9%
Net income group share	32.2	40.5	- 20.6%
Net Income group*	24.6	27.4	- 10.3%

* excluding overseas tax incentives

«The strong increase in EBITDA shows how Séchilienne Sidec creates profitable growth – irrespective of the tax incentives that expired in 2011. The company is focused on the huge potential held out by the use of biomass and solar energy to produce electricity» said Chairman Jacques Petry. “Séchilienne Sidec’s business model generates high and regular cash flows. The company continues its rapid and profitable growth in the production of green energy.”

¹ EBITDA: operating income before depreciation, amortization and provisions for contingencies and losses.

² Audit of consolidated accounts has been carried out. The certified report will be released after the management report has been verified and requisite procedures for registering the document of reference have been finalized.

In 2011, Séchilienne Sidec generated 3.5 TWh of electricity, equivalent to the annual energy needs of 4 million people. Capacity installed reached 693 MW, up 11% on 2010.

Revenues totaled €361.3 million, up 18.7% from 2010 (up 12% without the effect of coal price changes).

Solar and wind power business have been growing solidly in the past two years. In 2011, it accounted for almost 12% of consolidated turnover.

Growth in thermal business and high availability rate

The commissioning of the Caraibes Energie plant in Guadeloupe caused the capacity of the group's thermal plants to grow by 38 MW in 2011 to reach a total of 567 MW.

The availability rate at base-load thermal power plants managed 24/24 by the group stood at 89.4% at end-2011. This very satisfactory performance is the result of continuous efforts to improve service quality and safety.

The rise in the purchase price of coal (in € per tonne) accounted for almost a third of the overall increase in turnover, but the impact on EBITDA and net group profit was limited.

As called for in the contracts, a drop in fixed premiums was applied for two plants (CTBR-1 and CTG-A) on January 1, 2011, for an overall amount of circa €9 million per year.

Solar business records a very good performance

In 2011, several plants, including Kourou (12 MW) and Matoury (4 MW) in Guyane, and Bethléem (5.4 MW) in La Réunion, were built and connected to the power grid within very tight time frames.

The generating capacity of the group's solar power assets thus increased by 60%, to reach a total of 70 MW. The power plants located in French overseas territories benefit from a high number of hours of irradiation and a contractually guaranteed purchase price for electricity that averages 436€/MWh. This price is 36% higher than the prices prevailing in mainland France (€ 326/MWh).

The group's wind-power business benefited from the installation of 6 MW of extra capacity but weather conditions for wind-power operators were poor in France in general in 2011.

End of overseas tax incentives

The impact of the end of the '1/3 tax rebate' on taxable profits and the loss of tax incentives for solar-power investments in French overseas territories are leading the group to present figures « excluding overseas tax incentives » from now on.

Strong increase in EBITDA excluding overseas tax incentives

In 2011, EBITDA excluding overseas tax incentives rose by 16.9%, to €111 million.

The new generating plants that came on stream contributed significantly to this increase in spite of a drop in fixed premiums amounting to around €9 million.

Net Income group share (excluding overseas tax incentives) slightly down

Depreciation and financial charges rose substantially, reflecting the commencement of work on new thermal and solar power plants in 2011.

The fall in the fixed premiums had an impact of € 4.8, bringing the Net Income group share slightly down to €24.6 million.

A solid financial position

Thanks to the company's sturdy business model, net cash flow from operations (excluding working capital needs) rose by 10% in 2011, to €113.8 million.

Taking into account the Caraibes Energie plant and solar power plants built and linked to the electricity grid in 2011, net investments came to €84 million.

Total debts linked to existing projects came to €564 million, 90% of which was at a fixed rate or hedged. Debt linked to existing projects is set to fall by 30% between now and 2015.

Corporate debt came to €95 million at end 2011. The group's cash position at end 2011 was €75 million.

Solid Growth Outlook

The group capitalizes on its unique expertise in producing electricity from biomass in complex environments.

Supported by an economic model that generates high and contractually guaranteed cash flows, Séchilienne Sidec will apply very stringent criteria when selecting projects with partners such as sugar producers and other industrial partners.

The group's solar business will remain a pertinent complement to its main business of exploiting the energy potential of biomass.

Visibility and financial solidity mean that the group is well placed to hit its ambitious 2012 and 2016 EBITDA and Net Income group share.

	2011*		2012	2016
EBITDA*	M€ 111.0		+7%	+50%
Net Income group share *	M€ 24.6		+25%	+50%

*excluding overseas tax incentives

Dividend Distribution Proposal

In keeping with stated policy to distribute 50% of group net profits, the Board of directors will propose the payment of a dividend of €0.57 per share (either 100% in cash, or 100% in stock, or 50-50%, as shareholder chooses). This proposal will be put up for approval at the group's general meeting on May 31, 2012.

About Séchilienne Sidec

Séchilienne Sidec is an independent energy producer with 20 years of experience in producing electricity from biomass. The group specializes in medium-sized power stations located in complex environments and requiring close cooperation with producers of biomass resources. Séchilienne Sidec is also a major producer of solar-power-generated electricity.

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