

2008 annual results



Producteur indépendant d'énergie

Paris, Monday, March, 23rd, 2009

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Producteur indépendant d'énergie

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Introduction



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Solid 2008 annual results



- Very good performance of power plants in operation and positive impact of commissioning
- Solid results in a volatile environment

Revenues: € 304.5 million

EBITDA: € 121.7 million

EBIT: € 95.9 million

Net profit (Group share): € 61 million

Dividend: € 1.21 per share

Proposed payment option:

- *100% cash*
- *or 50% shares and 50% cash*

Achievement of our progress plan



- *Construction completed as of Dec 31st 2008: 38 MW*

- *Photovoltaic units** 16 MW
- *Wind farms* 22 MW

Total capacity in operation : 579 MW

- *Under construction as of Dec 31st 2008 : 40.5 MW*

- *Thermal* 38 MW
- *Photovoltaic units* 2.5 MW

- *Authorized projects to date: 94.5 MW*

- *Building permit obtained (wind and solar energies)* 57 MW
- *Operating licence granted (thermal)* 37.5 MW

Projects : 135 MW

A unique business model



Séchillienne-Sidec : Visibility and Growth

- A unique and integrated industrial expertise
 - *Specialized in managing small and medium-capacity projects*
 - *Strong expertise in conception, construction et operation*
- Highly resilient business in the current economic environment
 - *Long-term contracts with guaranteed prices*
 - *Good profitability*
 - *High level of cash flow visibility*
- A strong position on growing markets
- Significant and sound project portfolio



2008 operations

Good performance of existing power plants and new developments



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Thermal: High quality power plants



- 9 production units on 7 sites
- 529 MW in operation
- High availability rate
- Production: 2,866.2 GWh
- Bagasse consumption: 1.3 million tonnes
- Saving: 1.25 million tonnes of CO₂

	Installed capacity	Commissioned	% ownership	Availability rate
Indian Ocean	425 MW			
<i>Bois Rouge 1 (CTBR1)</i>	56	1992	100%	91.5%
<i>Bois Rouge 2 (CTBR2)</i>	52	2004		88.5%
<i>Gol A (CTGA)</i>	64	1995	65%	95.6%
<i>Gol B (CTGB)</i>	58	2006		94.2%
<i>Belle Vue (CTBV)</i>	70	2000	27%	91.2%
<i>Sud (CTDS)</i>	35	2005	25%	88.6%
<i>Savannah (CTSAV)</i>	90	2007	25%	94.4%
Caribbean	104 MW			
<i>Moule (CTM)</i>	64	1998	100%	92.6%
<i>Galion (CCG)</i>	40	2007	80%	85.0%
Total	529 MW			

Thermal: Developments in two major projects



- Granting of building permits
- Power plant features:
 - *Located in Guadeloupe*
 - *Power: 38 MW*
 - *Under construction by end 2008*
 - *Connection to the grid by end 2010*



- Granting of the operating licence for a bagasse-coal unit
- Power plant features:
 - *Located in Martinique*
 - *Power: 37.5 MW*
 - *Connection to the grid planned for 2012*



Photovoltaic: 18 MW achieved



- At the end of 2008
 - 8 MW in operation, of which 2.3 MW in Spain
 - 10,000 tonnes of CO₂ emissions in the atmosphere saved per year
 - 10 MW pending connection to the grid
- Continuing implementation of the progress plan
 - 2.5 MW under construction at end 2008
- Building permits granted and applied for: 105.9 MW*
- *including 4 permits totalling 41 MW granted*
 - 17 MW in Martinique (2 projects)
 - 12 MW in Mainland France
 - 12 MW on Reunion Island
- *10 MW additional on roofs under development*

Inauguration of the largest photovoltaic roof-based power station in France



- This production unit was awarded the European Union's "*RegioStars*" innovation award



- Site located on Reunion Island
- Total installed capacity: 4.4 MW
- Production equivalent to the annual consumption of 2,500 households
- Saving 4,700 tonnes per year of CO₂ emissions into the atmosphere
- In operation since January 2009
- 20,000 solar cell panels and 200 km of wiring laid down
- CAPEX: € 23 million

Photovoltaic: accelerated geographic expansion

Commissioning of a soil solar farm in Spain



- Focus on the development

- *Spain: 2.3 MW (in operation)*
- *France: 12 MW (building permits granted)*
- *Italy: 4 MW (projects)*

- Land secured in Europe : 232 MW

Orgiva: 1st Spanish unit

- *Located in Andalusia on a 6 hectare site*
- *Commissioned in October 2008*
- *Power: 2.3 MWh*
- *Estimated annual output: 3.5 GWh*
- *Benefiting from the former Spanish tariff, financially more favourable than the recently introduced price*

Commissioning of two wind farms in France



- 42.5 MW in operation over 4 sites in France
 - 2008 output of 54.1 GWh (limited impact of Clamanges (2.7 GWh))
 - 48,000 tonnes of CO₂ emissions in the atmosphere saved per year
- 22 MW commissioned in 2008
 - Niederviesse wind farm: 12 MW (June 2008)
 - Clamanges wind farm: 10 MW (December 2008)



• Development:

- 2 new building permits granted for 16 MW
 - Porte de France wind farm (Moselle): 10 MW
 - Parc de Croisilles wind farm (Pas de Calais): 6 MW
- Portfolio of permits granted and applied for: 29 MW

Impact of strikes in French overseas departments (Dom)



- Impact limited to the Le Moule power station in Guadeloupe
 - *Power station stopped since 20 January 2009*
 - *Cost of the strike estimated at € 4 million to date. This impact could be reduced if the “force majeure” clause was to apply*



2008 key figures:

Good results and satisfactory financing



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Revenues: Increase of 32.5%



Thermal

- Impact of effect of raw material price increases
- Full-year impact of the Galion power station commissioned in 2007
- Favourable operating terms and conditions

2007	2008	Var.
211.4	278.2	+ 66.8 M€

Solar

- Panel revenues of € 14.6 million
- Contribution of 2007 & 2008 commissioning: up to € 4.4 million

1.5	20.5	+ 19.0 M€
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Wind

- Contribution of 2007 and 2008 commissioning

1.4	4.2	+ 2.8 M€
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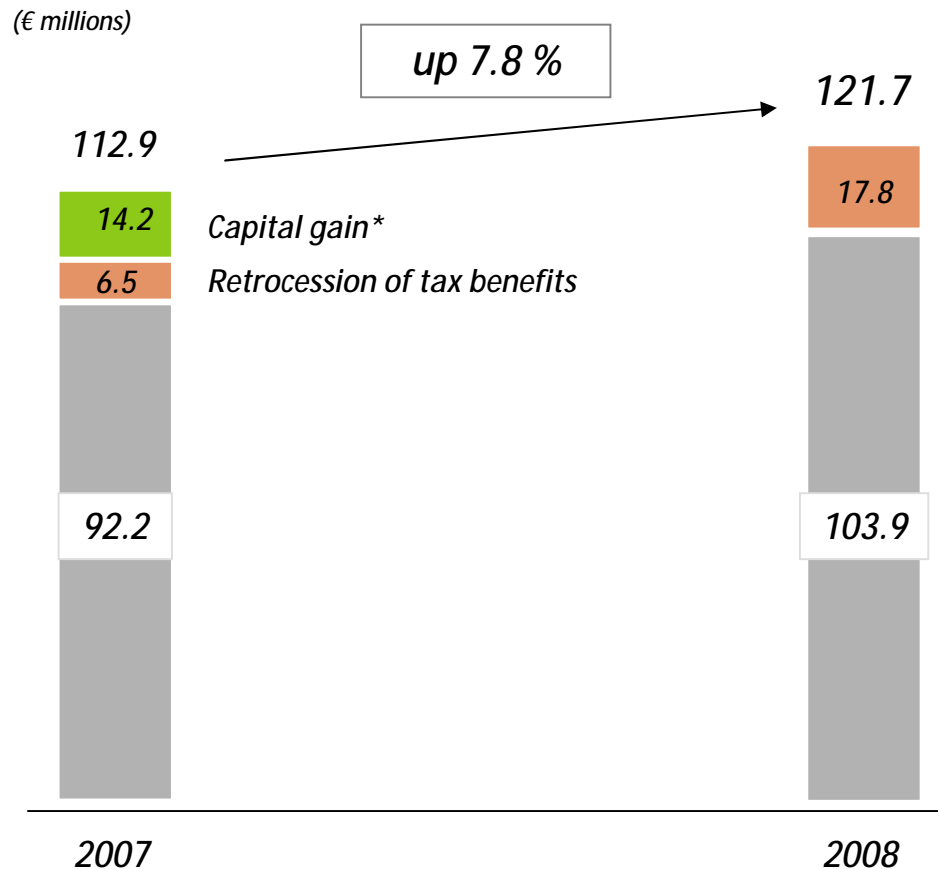
Holding

- Expiration of the Rhodia-Péage du Roussillon contract: (€ 8.5 million)
- Reclassification of capitalised production: (€ 4.5 million)

15.5	1.6	- 13.9 M€
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229.8	304.5	+ 32.5 %
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EBITDA of € 121.7 million

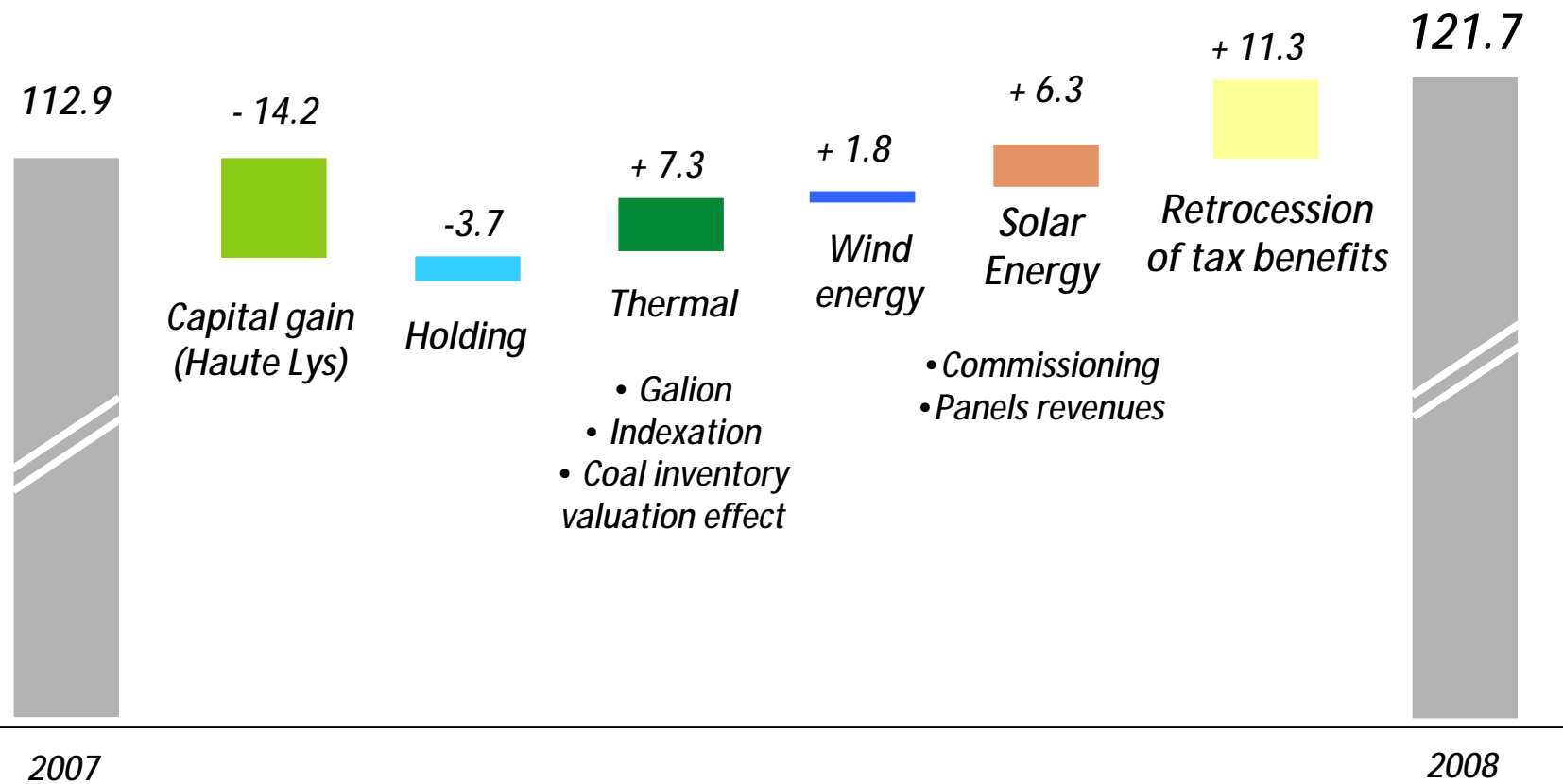


- EBITDA excluding capital gains up 23.3 %
- € 17.8 million in retrocession of tax benefits, corresponding to the 10 MW that are pending connection

EBITDA: Year on year change details



(€ millions)



From EBITDA to EBIT



<i>(€ millions)</i>	31.12.07	31.12.08	% change
EBITDA	112.9	121.7	+ 7.8%
<i>Property, plant and equipment depreciation</i>	<i>(14.4)</i>	<i>(16.6)</i>	<ul style="list-style-type: none"> • Impact of the year's commissioning on depreciation charges
<i>Intangible asset amortisation</i>	<i>(4.3)</i>	<i>(4.3)</i>	
<i>Provisions and writedowns</i>	<i>1.1</i>	<i>(4.7)</i>	<ul style="list-style-type: none"> • Provisions related to : <ul style="list-style-type: none"> - <i>Projects contingency</i> - <i>CTBR1 breakdown</i> - <i>Asset disposal</i> - <i>Other operational provisions</i>
Operating profit	95.3	95.9	

From operating profit to net profit (Group share)



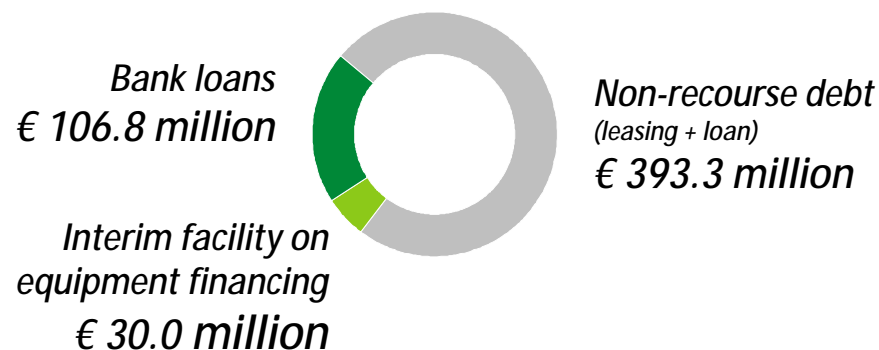
(€ millions)	31.12.07	31.12.08	% change	
Operating profit	95.3	95.9	0.6%	
<i>Net finance expense</i>	(18.5)	(19.6)	5.9%] • Modest increase in financial expenses
<i>Share of profit from associates</i>	3.8	4.1	7,9%	
Profit before tax	80.6	80.5	-] • A stable effective taxation rate • Tax relief for subscriptions to the share capital of: - <i>Caraibes Energie</i> , for € 17 million - <i>QEH</i> , a solar power subsidiary in the Caribbean, for € 3.5 million
<i>Income tax</i>	(9.4)	(9.7)	3.2%	
<i>Effective taxation rate</i>	12.3%	12.7%		
Net profit	71.2	70.8	(0,6%)	
<i>Minority interests</i>	7.7	9.7	28.3%] • Rise in the share attributable to minority interests
Net profit (Group share)	63.5	61.0	(3.9%)	

A solid financial structure

Net debt at December 31st 2008

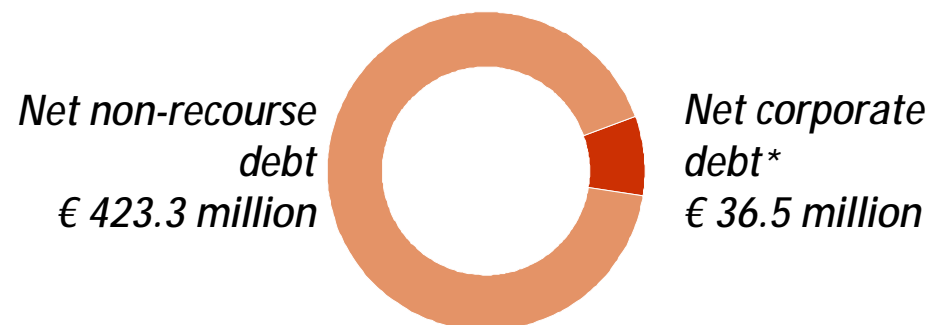


"Total" debt: € 530.1 million



Cash : € 70.3 million

Net debt: € 459.8 million



- Shareholder's equity: € 298.2 million
- Total Debt: € 530.1 million, including 80% non-recourse debt
- Corporate net debt ratio: 38.6%

Financing conditions



- Corporate debt refinanced in July 2008
 - *Maturity: 7 years*
 - *Amount: € 100 million (€ 20 million revolving and € 80 million redeemable debt)*
 - *Terms and conditions: Euribor 6 months + 80 pbs*
- Debt obtained in 2008 to finance new projects: € 90 million
- Access to credit taking longer but finance terms remain acceptable
 - *Increase in banking margins partly offset by the decrease in long-term rates*
 - *Only "club deal" financing*
 - *But the quality of the projects ensured that the debt to equity ratio remained unchanged (about 80%) and the maturity of the debt corresponds to the life of the projects (15 to 18 years)*

Dividend



- The Board will propose to the Annual General Meeting planned on June 16th 2009:
 - *The payment of a dividend of € 1.21 per share*
 - *A dividend payment option, according to the following provisions:*
 - *Payment of the dividend in shares (50%) with a 10% discount* and cash (50%)*
 - *Full payment of the dividend in cash*

	2008	2007
Net profit (Group share) (€ millions)	61.0	63,5
Dividend (€/share)	1.21	1.21
Distributed amount (€ millions)	33.7	33.7

- *Financière Hélios, which owns 43.1% of the Group's share capital, indicated to the Board its support for Payment of the dividend in shares and cash*



Developments



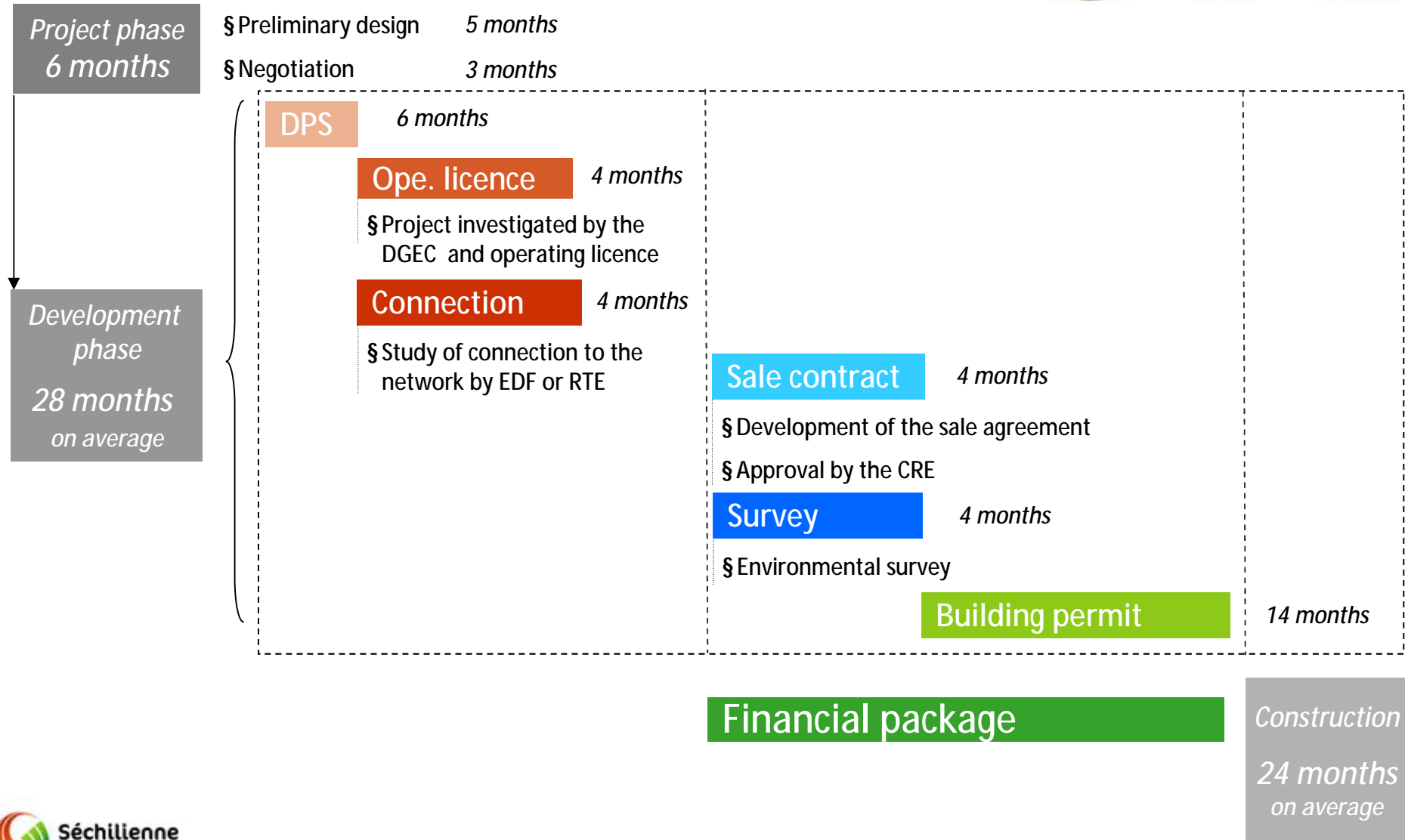
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Thermal: Terms and conditions of contracts



	Terms and conditions	Advantages
Duration	25 to 35 years	- <i>Contracts: long-term visibility and commitments</i>
Volume	Production based on network demand	- <i>No volume risk</i>
Price	Set by contract with pass-through mechanism	- <i>Guaranteed price, comprising:</i> <ul style="list-style-type: none"> • <i>a fixed share, that includes the producers' margin, indexed and based on the availability rate of power stations</i> • <i>a variable share, pro rata to production, indexed on variable costs (primarily raw materials)</i>
Asset ownership	Retention at end of contracts	- <i>Creation of own asset portfolio</i>

Schedule for the development of a thermal plant



Thermal project portfolio

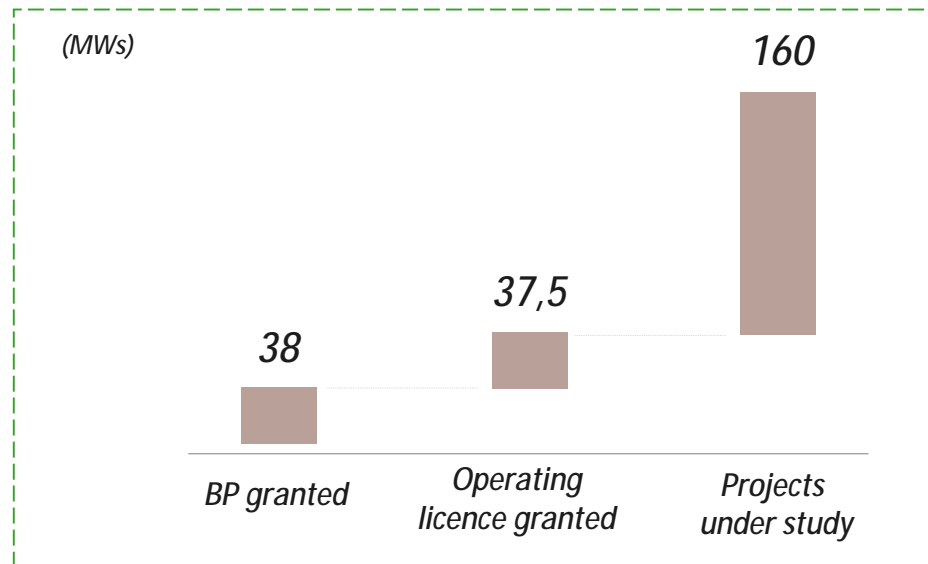


Installed power
at end 2008

529 MW



A 235.5 MW thermal portfolio



- By 2012: 75 additional MW
 - 1 new power plant in operation: *Caraibes Energie*
 - 1 plant connected to the power supply network: *CCG2*
- 160 MW under study :
 - *Réunion (50 MW), 2 x 50 MW Mauritius and 10 MW Marie Galante*

Solar: Terms and conditions of contracts



Terms and conditions

Advantages

Duration

20 to 25 years

- *Contracts: long-term visibility and commitments*

Volume

Discharge of all energy
produced on the
network

- *No volume risk*

Prices

France: € 320/MWh
FODs: € 430/MWh
Italy: € 440/MWh
Spain:€ 320/MWh

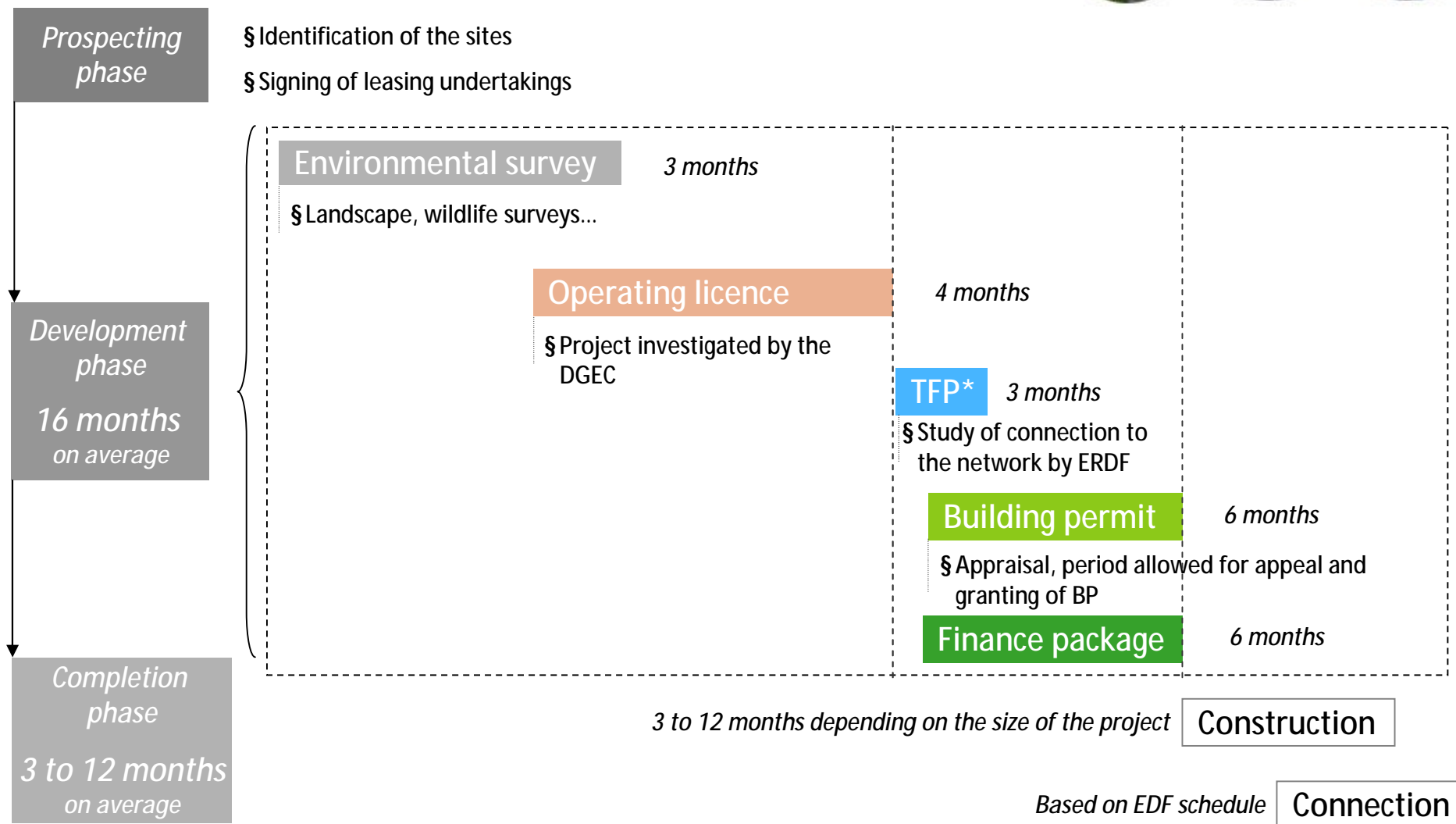
- *Guaranteed price for the full duration of the contract*

Asset ownership

Retention at end
of contracts

- *Creation of own asset portfolio*

Schedule for the development of a ground solar farm



Confirmed development strategy for solar power



Installed power at the end of 2008

20.5 MW



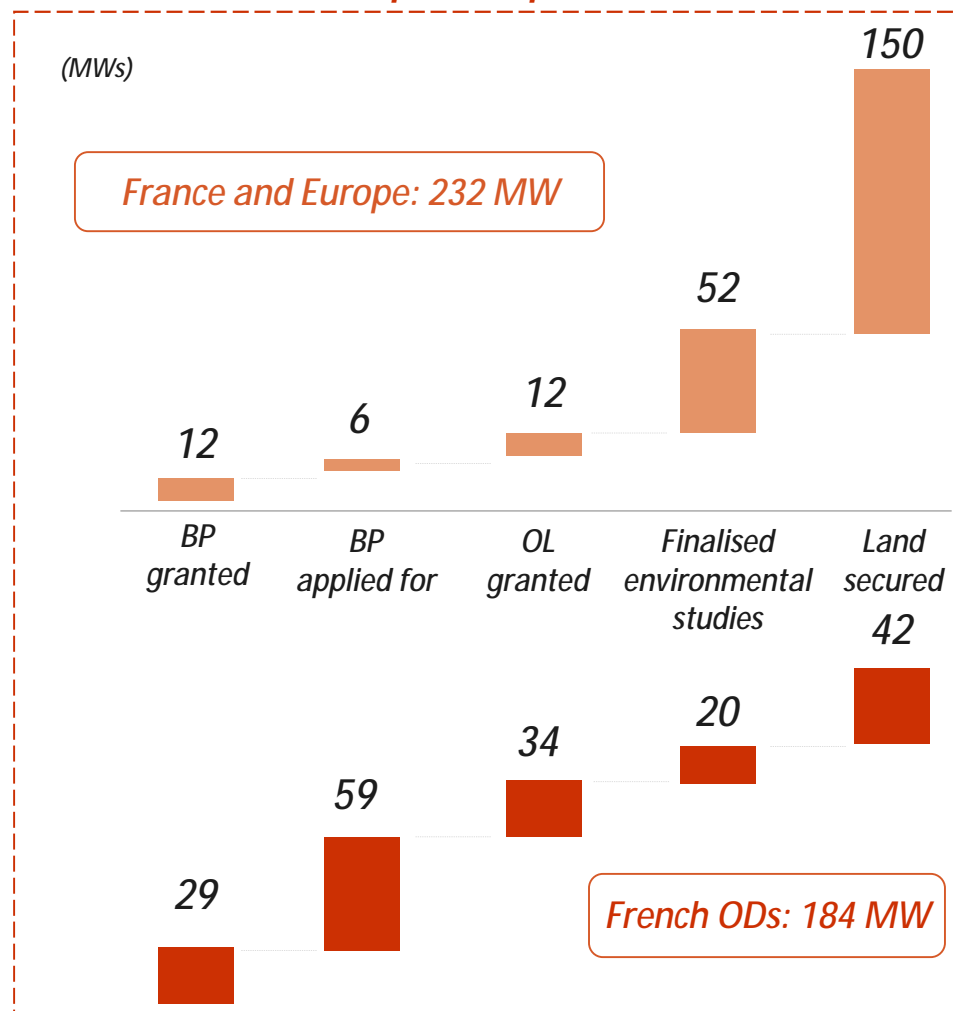
including

- 8 MW in operation
- 10 MW awaiting connection
- 2.5 MW under construction

• Objective for 2012:

- 200 MW completed

A 416 MW* solar power portfolio



* Excluding projects developed on roofs, 10 MW ongoing at the start of 2009

Wind: Terms and conditions of contracts



Terms and conditions

Advantages

Duration

15 years

- *Contracts: long-term visibility and commitments*

Volume

Discharge of all energy produced on the network

- *No volume risk*

Price

France: € 84/MWh

- *Guaranteed price for the full duration of the contract*

Asset ownership

Retention at end of contracts

- *Creation of own asset portfolio*

Measured expansion strategy for wind power



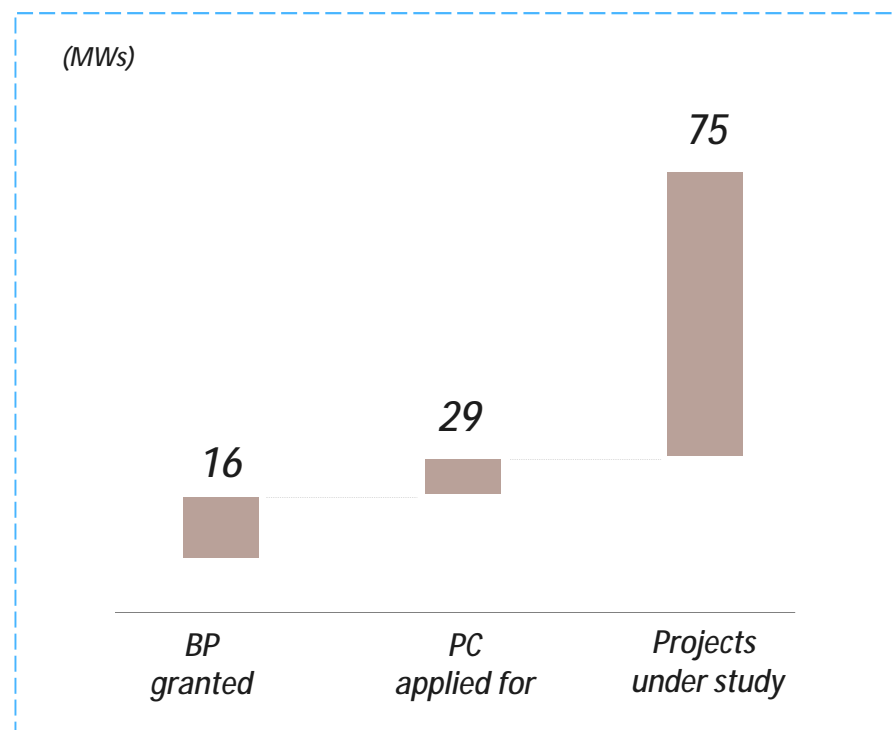
Installed power at the end of 2008

42.5 MW



- From 2008 to 2012
 - 42,5 MW already in operation
 - Approximately 30 MW to be constructed, according opportunities

A 120 MW wind portfolio





Conclusion



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- *The operation of our installed park has a very limited sensibility to the present financial environment and delivers solid results*
- *The market on which we are positioned is not called into question by the economic crisis*
- *A solid and quality project portfolio*

Confidence in our 2012 objectives