



FY2016 annual results

- Consolidated revenues doubled
- +28% increase in installed capacity to 481 MW
- Integration of Martifer Solar activities
- EBITDA increase to +67%
- Confirmation of 2019 targets

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Voltalia (Euronext Paris, ISIN code: FR0011995588), an international renewable energy company, announces its 2016 results today.

"We reached a new milestone in 2016. First, the acquisition of Martifer Solar allowed us to accelerate in solar and acquire additional expertise in services provision. Second, we raised €170 million to finance our next power plants and reach our 1 GW installed capacity target for the end of 2019. I extend my warmest thanks to all Voltalia teams for their commitment throughout the year", congratulates Sébastien Clerc, Chief Executive Officer of Voltalia.

This press release presents the consolidated results prepared in accordance with IFRS, approved by the Board of Directors of Voltalia on 31 March 2017 and now being audited by the Statutory Auditors.

For a better understanding of the business activity, Voltalia recalls that following its acquisition, Martifer Solar was integrated in the consolidated accounts from 1 August 2016.

Consolidated revenues statement

In € million IFRS – non audited data	Voltaia 2015	Voltaia 2016 historical scope	Change	Martifer Solar (5 months)*	Voltaia new scope 2016
Energy sales	57.4	101.9	+78%	0.3	102.1
Development, construction and procurement	0	6.0	nm	12.3	18.3
Operation and maintenance	1.0	1.3	+30%	5.1	6.5
Revenues	58.5	109.2	+87%	17.7	127.0
Operating expenses excluding depreciation, amortisation and provisions	(28.5)	(53.1)	+86%	(23.8)	(77.0)
EBITDA	30.0	56.1	+87%	(6.1)	50.0
<i>EBITDA margin</i>	51.3%	51.3%	-	nm	39.4%
Depreciation, amortisation and provisions	(7.7)	(16.2)	x2.1	3.0	(13.2)
Exceptional income and charges	-	(3.0)	x3.0	0.4	(2.6)
Operating result	22.3	36.9	+65%	(2.7)	34.2
Net financial profit (loss)	(14.8)	(27.6)	+86%	(1.5)	(29.0)
Taxes and other minority interests	(3.6)	(3.5)	nm	0	(3.5)
Net result (Group share)	3.9	5.9	+51%	(4.2)	1.6

* Starting on 1 August 2016

An excellent 2016 for Voltaia's historical activity

Own-account electricity production showing major growth

The year 2016 was highlighted by a strong performance of the IPP activity.

Energy sales for the year 2016 thus show growth of +77.5%, benefiting from the full effect of the power plants commissioned at year-end 2015 in Brazil (Vamcruz 93 MW and Oiapoque 12 MW) and the first revenues generated by the Vila Para power plant (99 MW in Brazil) which gradually started production during Q3 2016¹. The continued growth of the Serra Branca cluster thus greatly contributed to the performance of this business in 2016.

Regarding its services activity, the Group recorded very good results due to the sale of a solar power plant in France and the growth of the third-party O&M business in Greece (+30%).

New EBITDA growth

The +86% increase in operating charges is explained by the additional costs incurred by the operation of the new power plants over a full year. EBITDA reaches €56.1 million, for an EBITDA margin of 51.3%, at the same level as that of FY 2015.

Net result (group share) strongly up in spite of increased financial costs

The increase in financial costs in 2016 is explained by three factors:

- New commissionings in Brazil
They mechanically lead to an increase in interest expenses that will go down as debt is repaid;

¹ See press release dated 1 September 2016.

- The interest expense of the Vila Para power plant commissioned in Q3 2016
 In 2016, this power plant was still financed by short-term debt at reference interest rates above those of the long-term BNDES debt that replaced it in February 2017;
- Brazilian interest rates at historically high levels
 After increasing by 5.5% to 7% in 2015, the long-term BNDES interest rate remained at 7.5% throughout 2016. The interest rate was brought down to 7% from April 1, 2017.

In sum, the group share net result at constant scope grew by +51%.

Marketing dynamic relaunched for the services activities from Martifer Solar

On August 18, 2016, Voltalia closed the acquisition of Martifer Solar. The acquired activities have been integrated in Voltalia's consolidation scope from August 1, 2016.

Over 5 months, the provision of services resulting from the venture with Martifer Solar generated revenues of €17.7 million and a -4.2 million euros net result because of a slowdown in business due to the difficulties of the former parent company in 2014-2016.

The relaunch of the marketing dynamic, initiated in September 2016, is still ongoing in order to reach the 2019 targets. It has already bore its first fruits at the end of 2016 and early 2017, with the signing of an EPC contract in Tanzania (5 MW) and several O&M contracts in Japan (50 MW).

Financial structure: continued increase in investments to maintain the growth dynamic

The Group maintains its strong investment strategy: in 2016, it invested a total of €133.9 million for the construction of new production capacities.

The Group's financial structure is robust. All operating power plants are financed to date by long-term project finance debt in local currency, which represented 96% of the total financial debt of Voltalia at 31 December 2016.

Thanks to the proceeds of the €170 million capital increase carried out in October, the Group repaid corporate debts. The first of these were revolving five-year lines held by Voltalia. In addition, the Group repaid lines held by Martifer Solar to finance its working capital requirements in order to eventually replace them with more competitive lines. Finally, Voltalia used its enhanced cash flow to finance most of the construction of the Vila Acre power plant (27 MW), thus postponing the use of debt until the start of the long-term debt project and thus save on financing costs.

At 31 December 2016, Voltalia thus had a €101.4 million cash balance and €62.5 million of unused corporate bank lines.

In € million IFRS – non audited data	31/12/2015	31/12/2016	Change
Voltalia's shareholders' equity	153.4	349.8	x2.3
Minority interests	57.8	74.9	x1.3
Non-current liabilities	265.1	352.1	x1.3
Current liabilities	74.9	190.0	x2.5
Fixed assets	487.8	797.7	x1.6
Current assets excluding net balance	19.8	67.8	x3.4
Cash balance	43.6	101.4	x2.3
Total balance sheet	551.2	966.9	x 1.8

Capital increase: financial resources to reach the 2019 targets

The success of the €170 million capital increase achieved during Q4 2016 provided Voltalia the financial means necessary to reach its targets, enlarge its shareholder base and welcome new investors. The operation benefited from a new investment from the reference shareholder Creadev (through Voltalia Investissement), whose equity stake now amounts to 70%.²

The capital increase also enabled Proparco to take an equity stake. Proparco is a subsidiary of the sovereign institution Agence Française de Développement (AFD) dedicated to the private sector, which has been working for over 40 years to support the development of emerging markets.

Finally, the free float has been significantly strengthened thanks to this operation.

Perspectives

Continued increase in owned installed capacity

The growth in the Group's own installed capacity will continue in 2017. In Brazil, the expected commissionings of the Vila Acre wind farm (27 MW)³ and of the Group's first solar power plant in Brazil in Oiapoque (4 MW)⁴ will contribute to increase Voltalia's owned installed capacity to more than 500 MW in 2017.

In addition, Voltalia has a solid 2.7 GW portfolio of projects in development, which displayed significant sector and geographical diversification.

Relaunch of the services activities

New construction and/or operation and maintenance contracts for solar power plants will be added. In addition to the new contracts announced in the Q4 2016 press release⁵, Voltalia plans to intensify its commercial efforts even more with the aim of acquiring new customers in its different business activities in 2017.

Achievement of Martifer Solar integration

Thanks to the upstream work carried out by the teams of the two companies, the new structure was put in place as soon as October 2016. The last stages include the harmonisation of the IT systems and the legal aspects related to intellectual property (name changes, subsidiary management, etc.), currently being processed.

Confirmation of 2019 ambitions

Emboldened by a determining 2016 and increased resources to pursue its profitable growth strategy, Voltalia reconfirms its 2019 ambitions, presented in September 2016:

- To cross the 1 GW threshold of owned installed capacity;
- To triple its operating capacity to operate 3 GW including 2 GW for third-party clients;
- To reach consolidated EBITDA of €180 million.

² See press release dated 4 November 2016.

³ See press release dated 1 September 2016.

⁴ See press release dated 23 January 2017.

⁵ See press release dated 25 January 2017.

Calendar: Q1 2017 revenues on 26 April 2017 (post trading)

About Voltalia (www.voltalia.com)

- Voltalia is an international renewable energies company producing electricity from many sources (wind and solar power, hydropower and biomass, with an installed capacity of 481 MW as of 12/31/2016). It also provides services to independent customers.
- Voltalia is established in 15 countries on 4 continents and has a global capacity that is at the service of its clients.
- Voltalia has been listed on the Euronext regulated market in Paris since July 2014 (FR0011995588 – VL TSA).

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Forward-looking statements - Voltalia

This press release contains forward-looking statements. Forward-looking statements are not historical fact. The statements contain forecasts and estimates, as well as assumptions on which they are based. They are statements concerning projects, objectives, intentions and expectations regarding the financial results, events, transactions, future services, product development and potential and future performance.

These statements are sometimes identified by the words "expect", "anticipate", "believe", "intend to", "estimate", or "plan to", and other similar terms. While Voltalia feels that these forward-looking statements are reasonable, investors are reminded of the fact that these statements are subject to numerous risks and uncertainties that are difficult to forecast, and in general are beyond Voltalia's control. This means that the results and the actual events that occur can differ significantly from those that are described, implied or expected in the forward-looking statements and information. These risks and uncertainties include inherent uncertainties linked to the decisions of regulatory authorities on whether or not to award operating permits and construction permits, and on what date, as well as the policies in support of renewable energies and other factors that could impact the production capacity or profitability of Voltalia's power generation sites as well as those developed or identified in the public documents filed by Voltalia with the French Financial Markets Authority (AMF), including those set out in Chapter 4 "Risk factors" of the 2014 Voltalia registration document filed with the AMF on 30 April 2015 under number R.15-026. Voltalia makes no commitment to update the forward-looking statements or information other than those required according to applicable regulations, including Articles 223-1 et seq. of the French Financial Markets Authority (AMF) General Regulation.