

FY 2016 Results

10 March 2017



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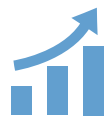
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FY 2016 HIGHLIGHTS



2016 Highlights



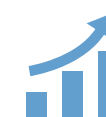
Delivered full year results ahead of expectations; cost improvements and better than expected wind conditions in Italy offset by

- Lower than expected wind production in UK, France and Spain (~ -100 GWh)
- Lower sales prices in Italy, UK and Spain (2016 vs 2015)
- Negative impact on P&L from GBP/€ exchange rate (-11,4% YoY)

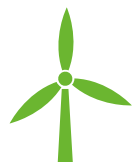


Strengthened balance sheet and enhanced financial flexibility

- Completed 5 financing and re-financing for ~€200M
- Stable NFP/EBITDA after € 92M 2016 Capex



Loss energy factor* 4,0% 2016 vs 4,3% in 2015 and G&A/MW 29.4K 2016 vs 30.5K in 2015



Progress on growth in wind installed capacity

- Completed on track construction program in the UK
- Reached 2016 guidance on total installed capacity (MW)



Expanded Vector Cuatro's presence and services

- Reached over 1.6 GW under management
- Ebitda + €1,0M YoY
- +220MW of wind assets under management in 2016 vs 2015



Energy Management activities



- Signed 17 PPAs in Italy and in the UK and reduced fees paid by 20%

Falck Renewables' 2016 performance provides a strong financial and operational foundation for the successful execution of the 2021 Roadmap

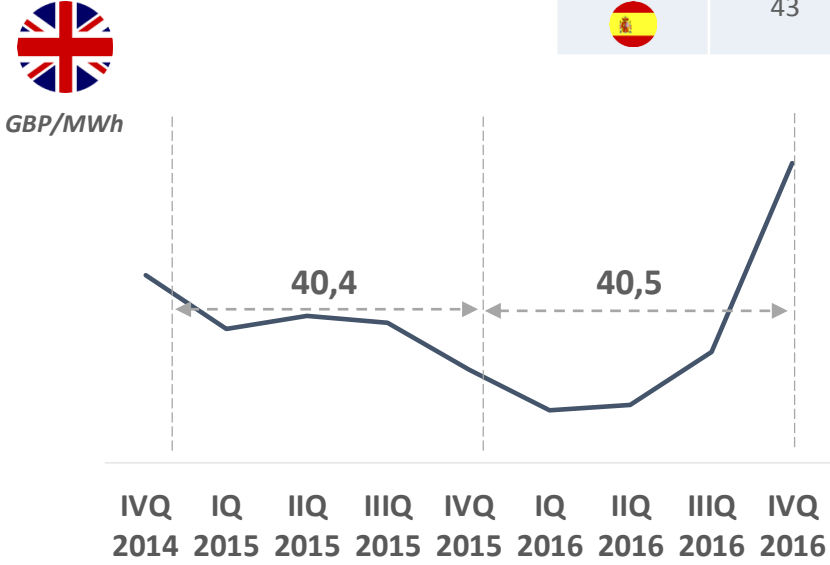
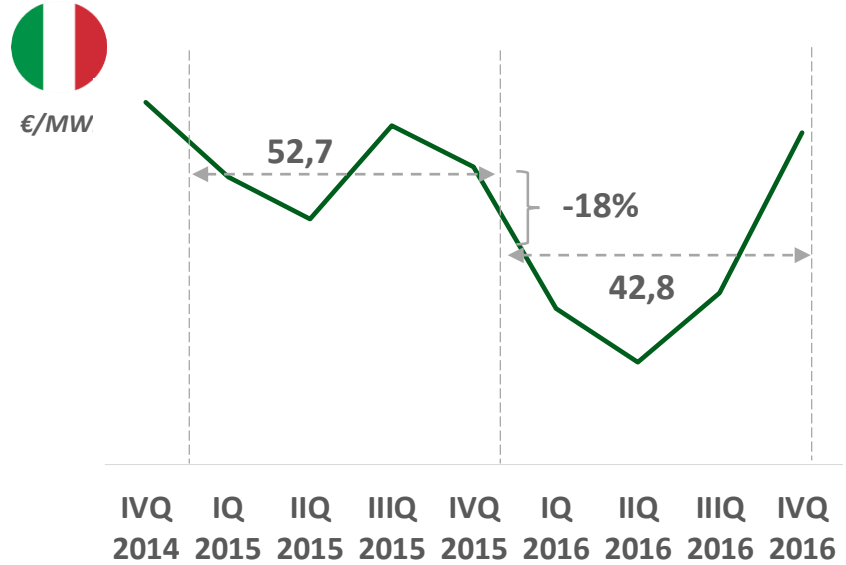
Achieved Financial Targets (€M)

	FY 2016	FY 2016E	Change	FY 2015	YoY Change
EBITDA	136.3	126.1 – 132.6	10.2 – 3.7	152.4	(16.1)
NFP	(562.0)	(618.0)	56.0	(629.9)	67.9
NFP/EBITDA	4.1x	4.8x	0.7x	4.1x	0.0x
Proposed Dividend Per Share	4.9 c€	4.9 c€	Confirmed	4.5 c€	0.4 c€

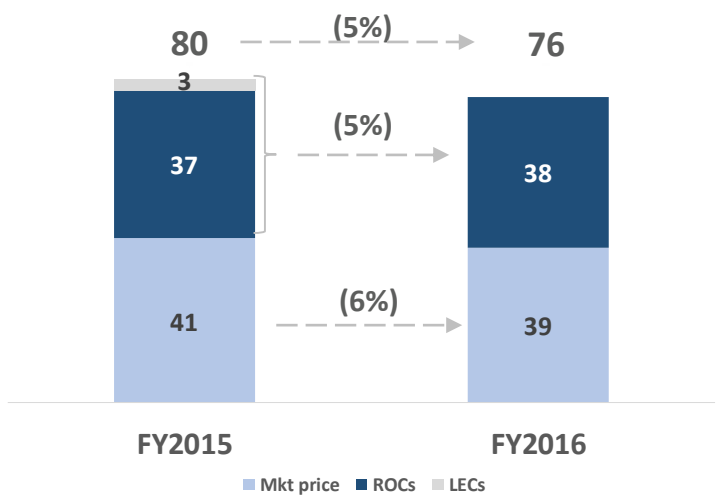
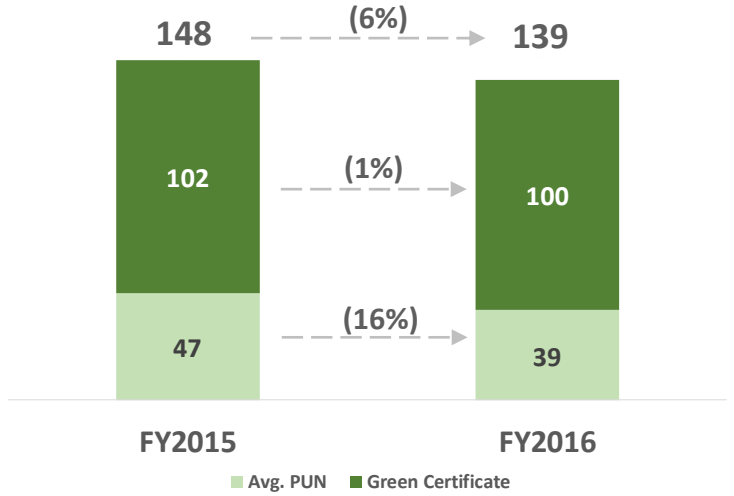
Market Average Price

Euro/MWh	FY2015	FY2016	Δ %
	91	91	-
	43	40	(29%)

WHOLESALE PRICE*

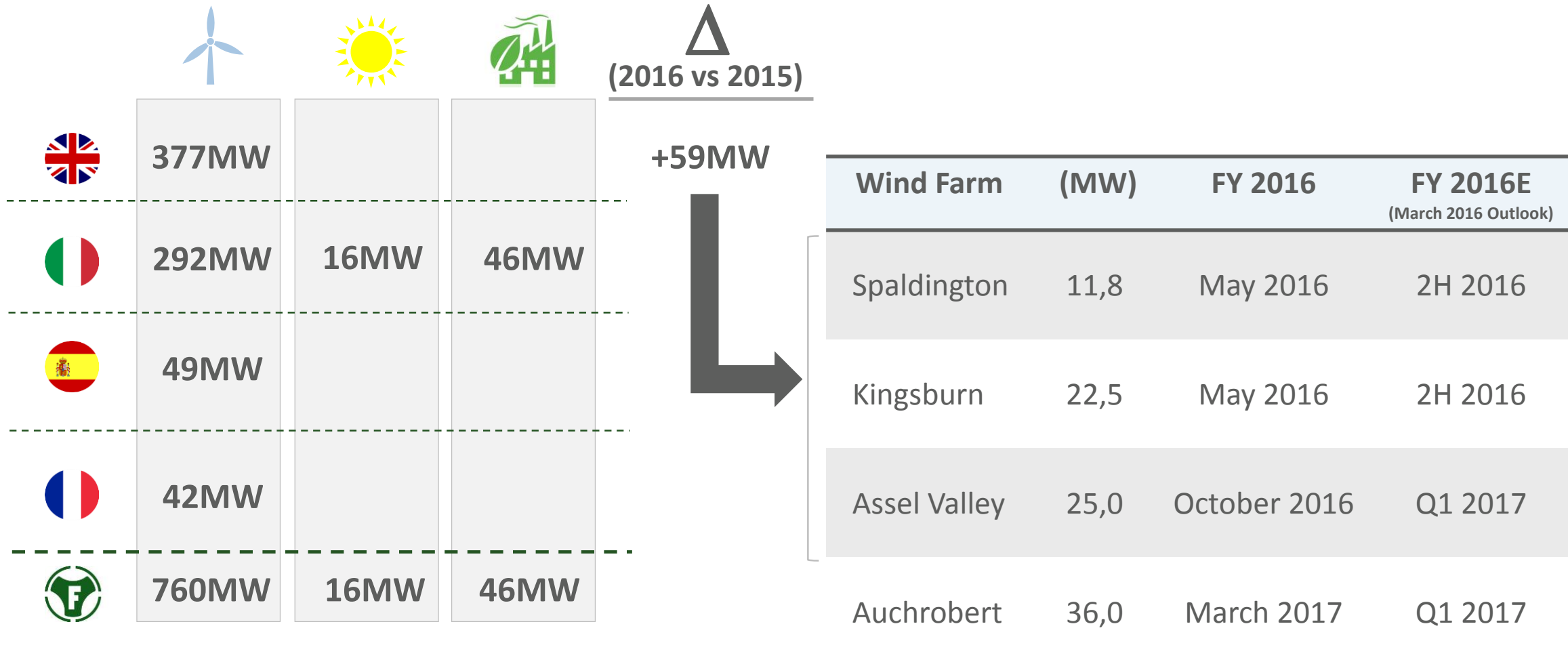


«GROUP» PRICE



* Source: GME, Heren

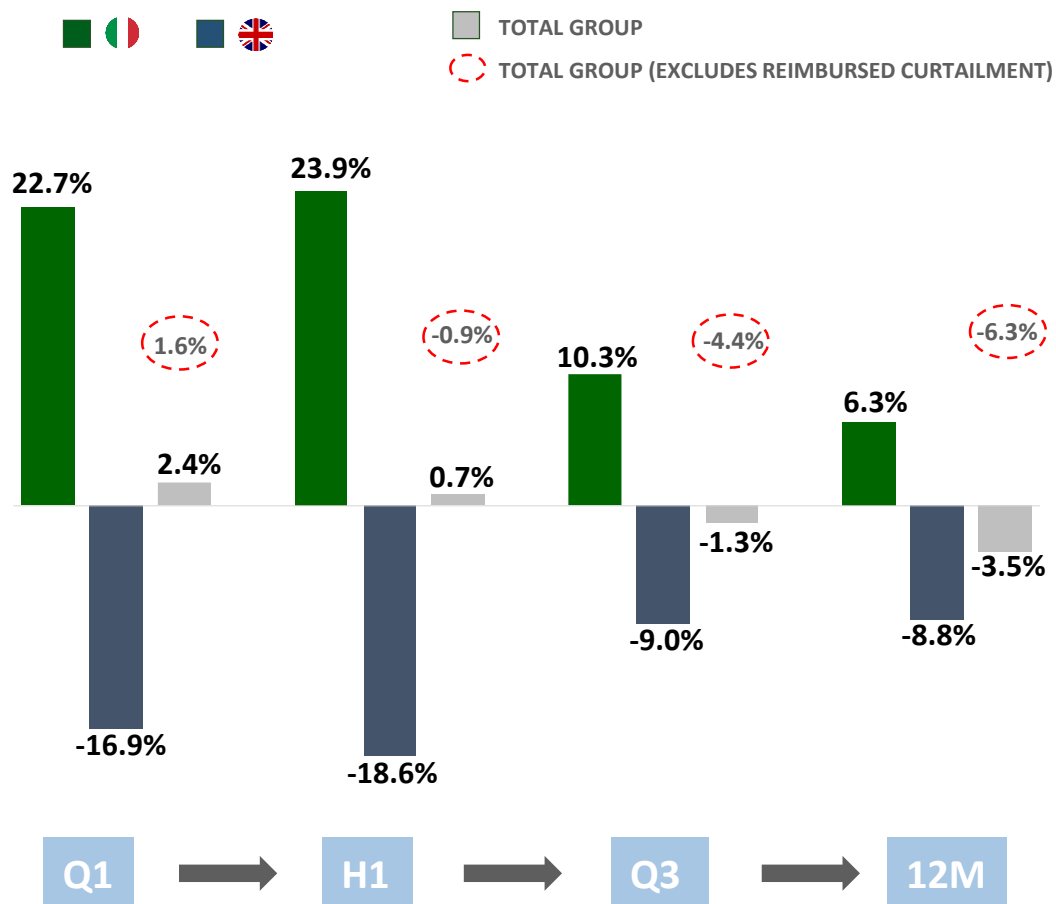
Increased Installed Capacity – 822MW*



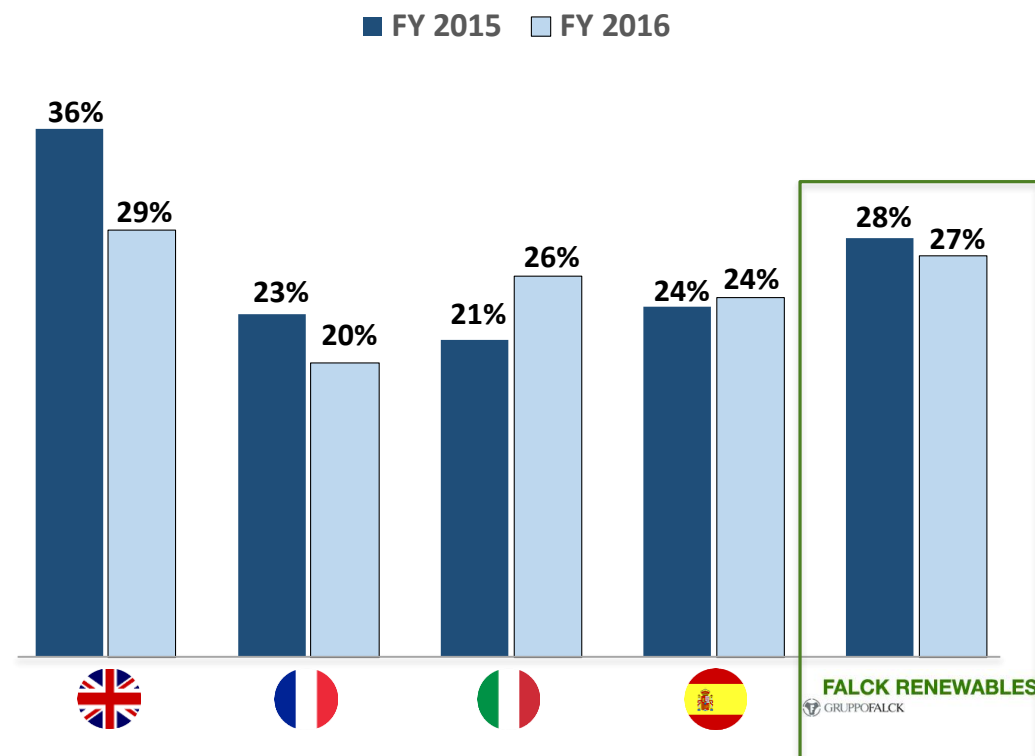
Increased average installed capacity by +8% YoY, attributable to wind farms in operation in the UK (59MW)

Focus on 2016 Wind Portfolio Performance

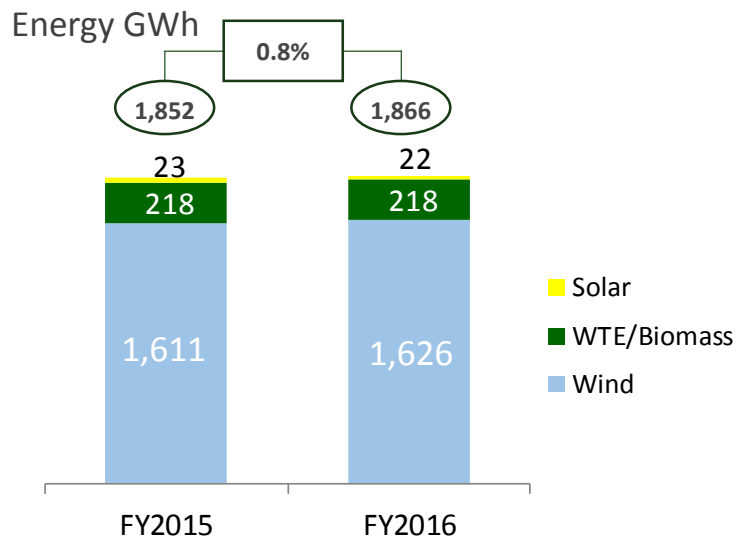
UK & Italy: Evolution of Production**



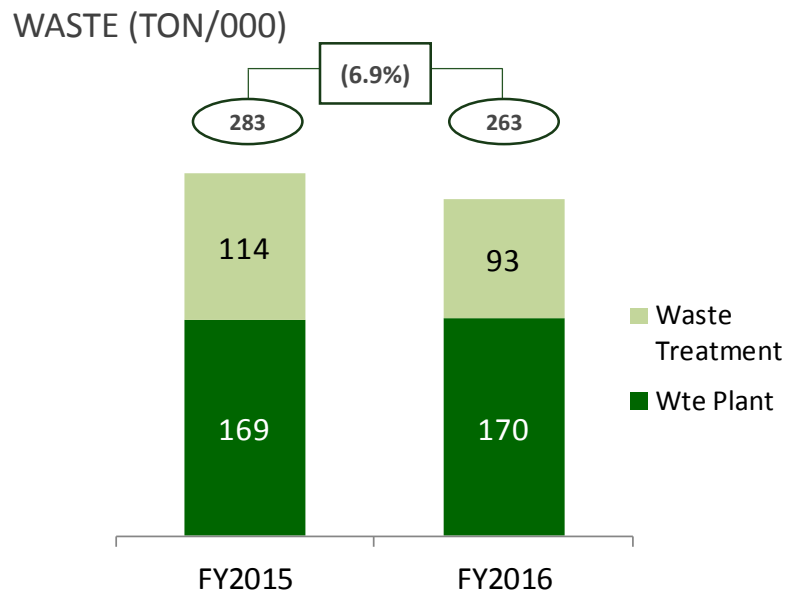
FY 2016 vs FY 2015: Load Factor * by Country



Production in 2016 (Electricity & Waste)



Negatively impacted by lower wind conditions, partially mitigated by COD of Kingsburn, Spaldington and Assel Valley wind farms



- Good performance of wind assets: +5% YoY.
- Energy from waste/biomass on target, notwithstanding bi-yearly maintenance works at Rende hybrid plant
- Waste treatment performed below expectations primarily due to persistent economic stagnation

FY 2016 RESULTS



FY 2016 Financial Highlights

millions of euro	FY 2016	FY 2015	
Revenues	249.6	270.7	(7.8%)
Other income	7.1	6.2	
Operating costs	(120.4)	(124.6)	
Ebitda	136.3	152.4	(10.6%)
% on Revenues	54.6%	56.3%	
Depreciation - Amortization - Write Off	(76.6)	(86.1)	
Operating Result	59.6	66.3	(10.1%)
% on Revenues	23.9%	24.5%	
Financial income and charges	(41.4)	(45.1)	
Equity investments	1.1	2.6	
Earnings Before Taxes	19.4	23.8	(18.7%)
Taxes	(17.5)	(5.1)	
Net Earnings	1.9	18.7	(90.0%)
Minorities	(5.8)	(13.3)	
Group Net Earnings	(3.9)	5.3	n.a.

millions of euro	FY 2016	FY2015
Net Invested Capital	1,037.8	1,148.8
Equity	475.9	519.0
Net Financial Position	(562.0)	(629.9)
of which: Proj. Fin. and MLT no recourse	(734.9)	(634.7)
NFP excluding Derivatives Instruments	(503.3)	(566.6)
NFP/ Equity	1,18x	1,21x

- Net Earnings without dispute resolution with Agenzia delle Entrate: €16.9M
- Net Group Earnings without dispute resolution with Agenzia delle Entrate: €11.1M

Breakdown (€m)	FY 2016	FY 2015
Depreciation	(64.9)	(65.9)
Provision	(12.0)	(10.2)
Write – off / Revaluation	0.3	(9.9)

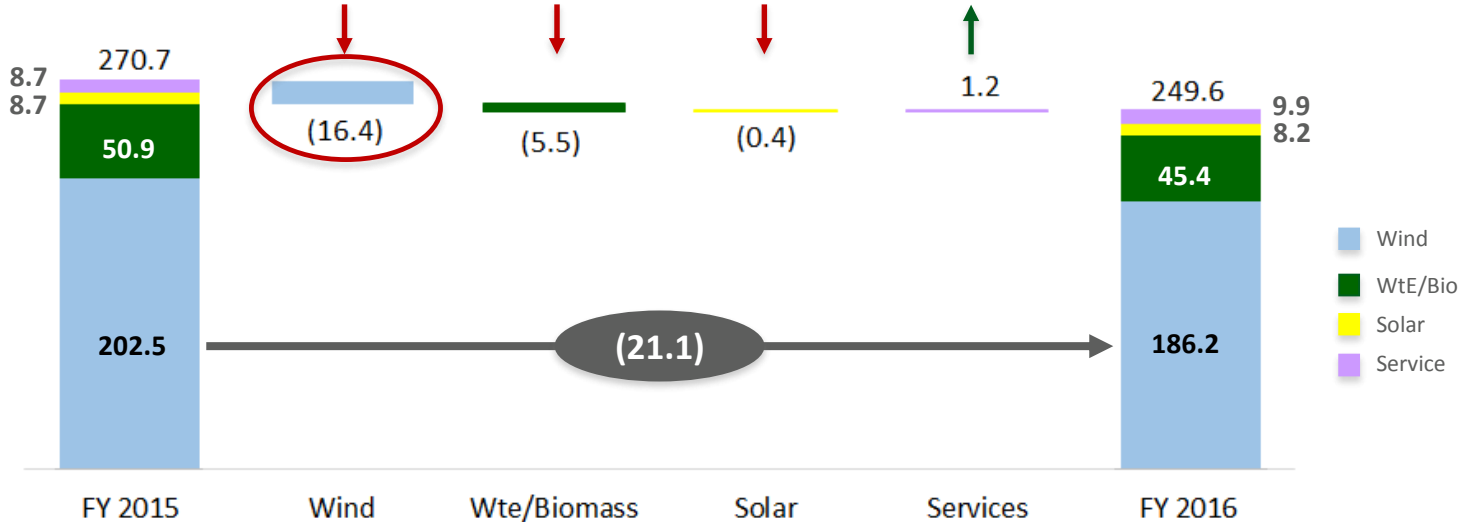
Breakdown (€m)	FY 2016	FY 2015
Dispute resolution with Agenzia delle Entrate	(2.5)	
Other	(0.5)	(0.9)
Financial charges	(38.5)	(44.2)

Breakdown (€m)	FY 2016	FY 2015
Dispute resolution with Agenzia delle Entrate	(12.6)	
Current taxes on retained losses previously not recognized	4.9	3.4
Change in Tax rate	1.4	3.5
Taxes on Group Net Earnings	(11.2)	(12.0)

FY 2016 Revenues

(€M)

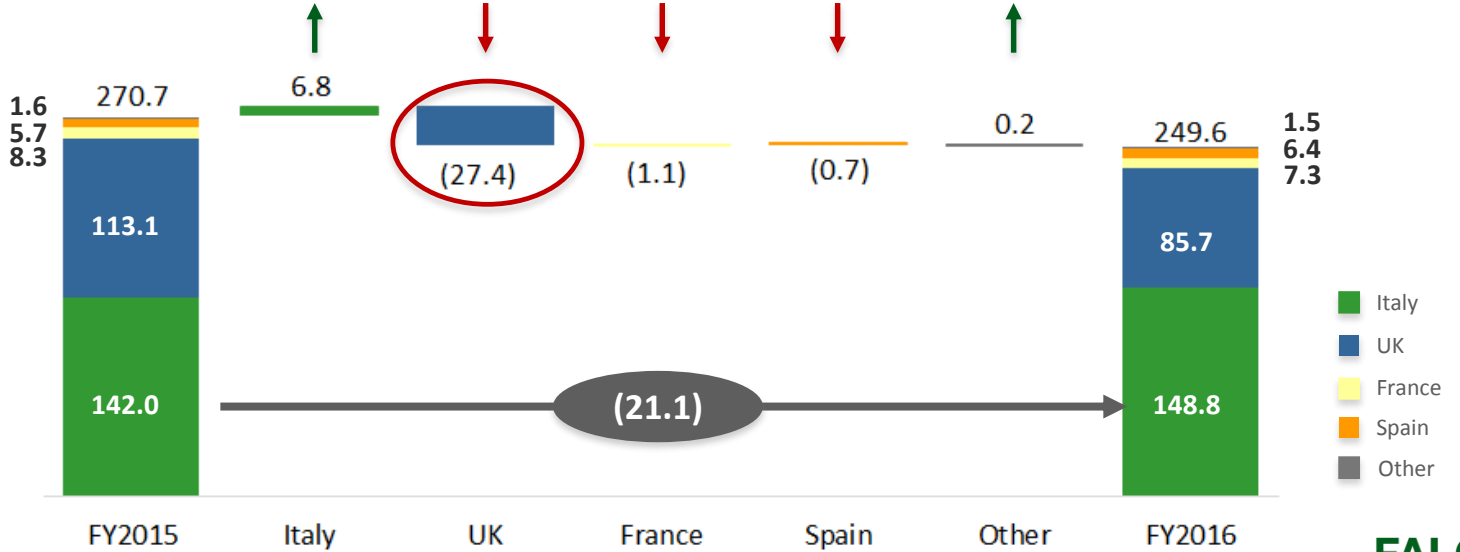
Revenues by Technology



↑ ↓ Trend vs FY2015

(€M)

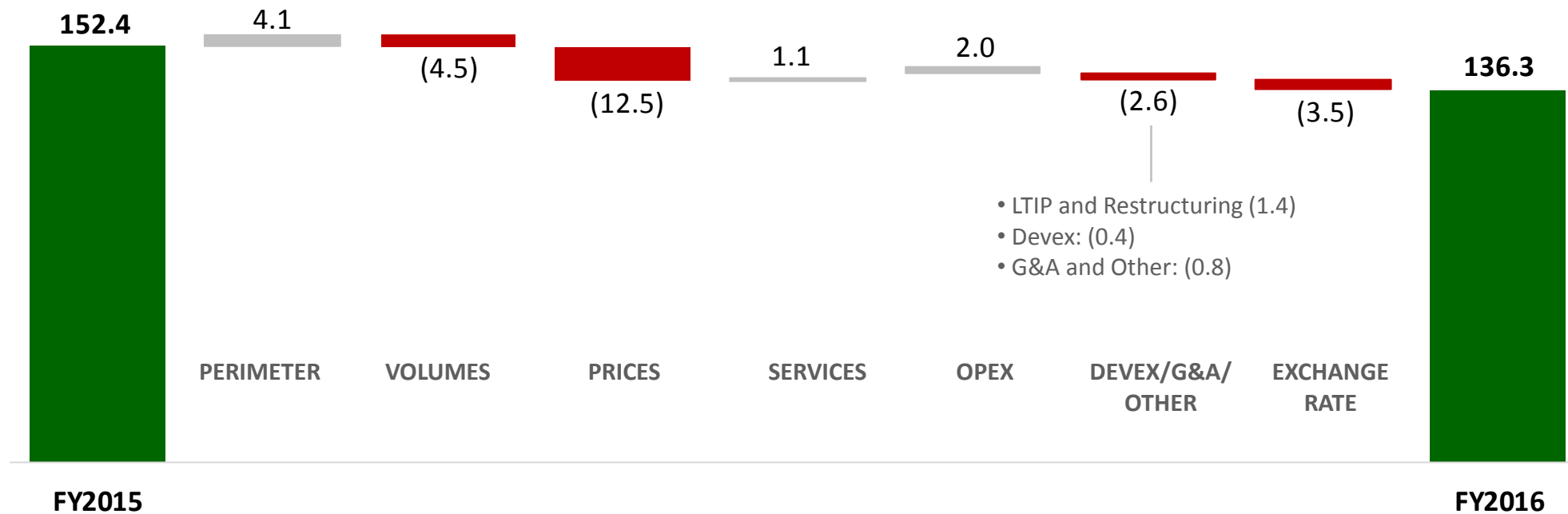
Revenues by Country*



- Italy
- UK
- France
- Spain
- Other

* By origination

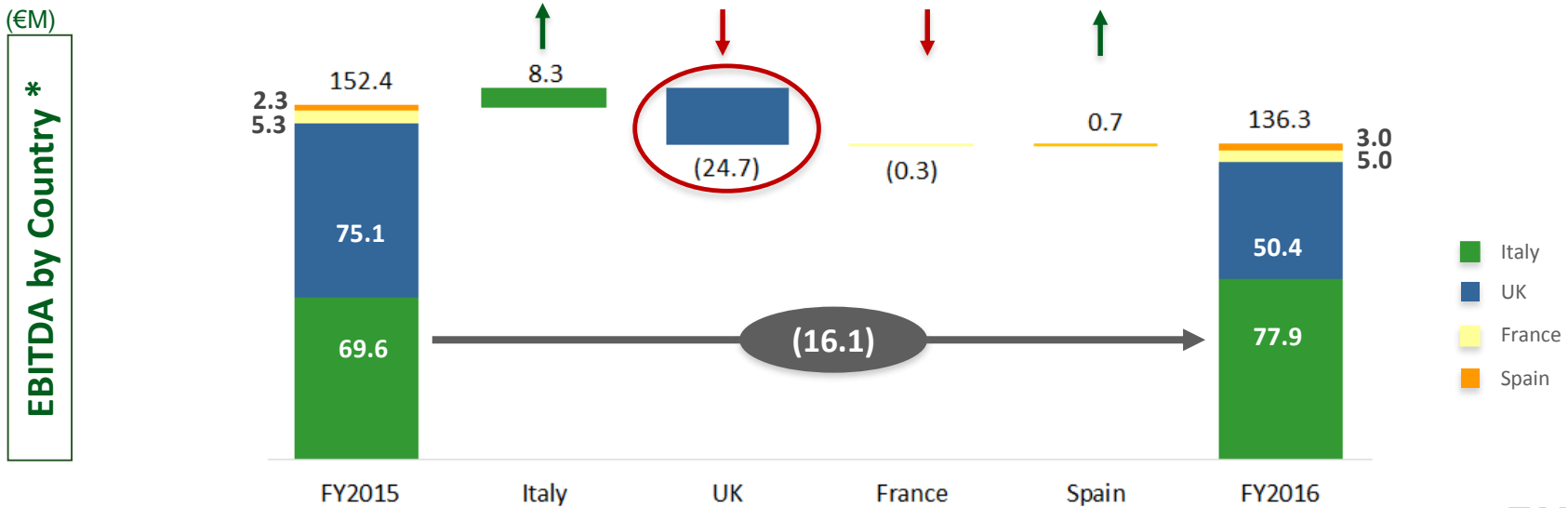
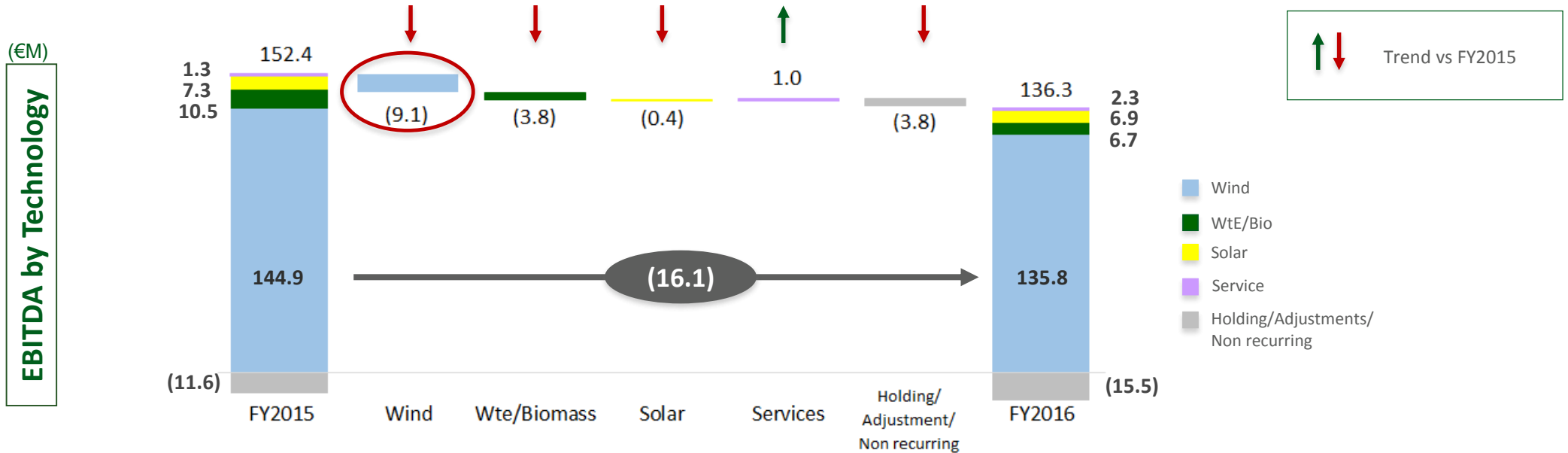
FY 2016 EBITDA Bridge



	FY 2016	FY 2015
O&M per MW*	33.5	34.1
G&A per MW	29.4	30.5

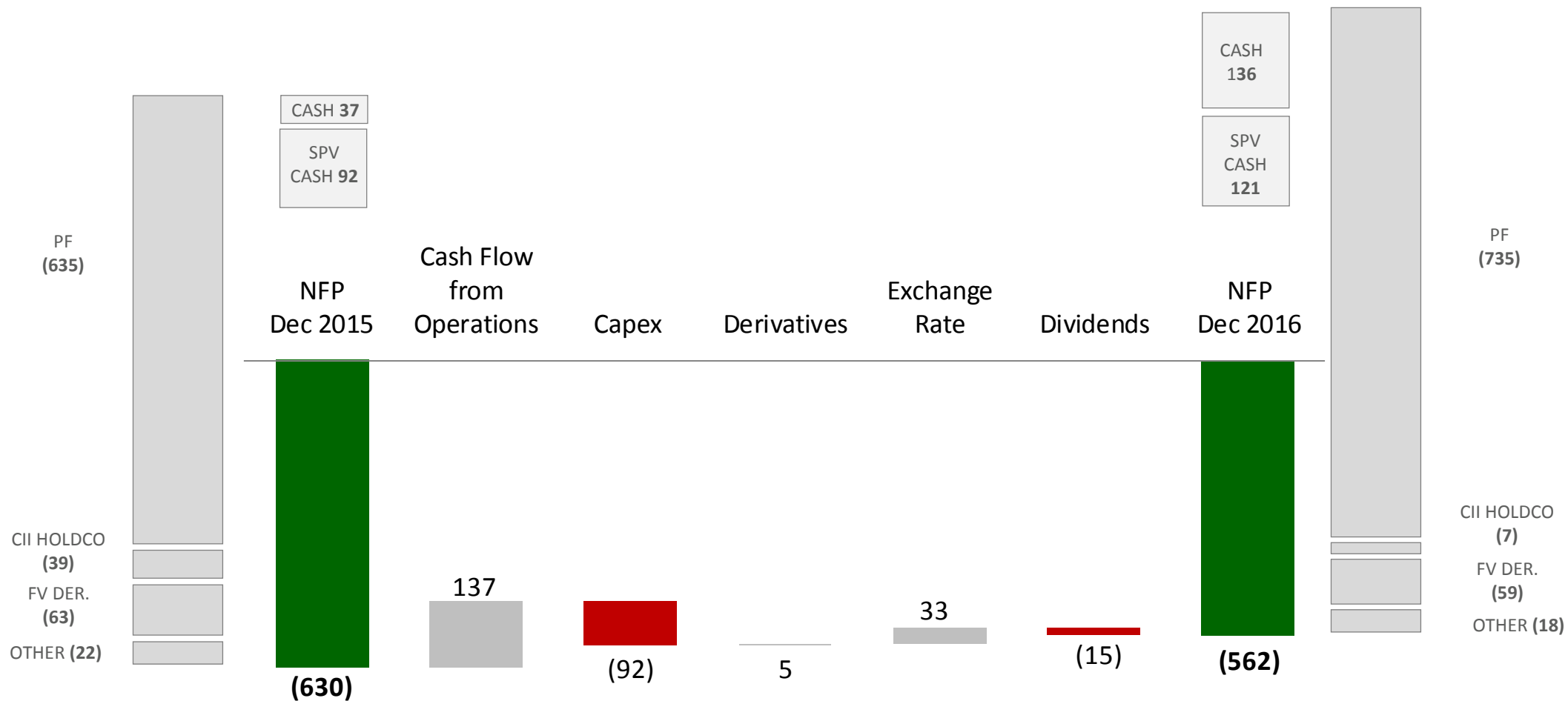
* Wind and solar

FY 2016 EBITDA



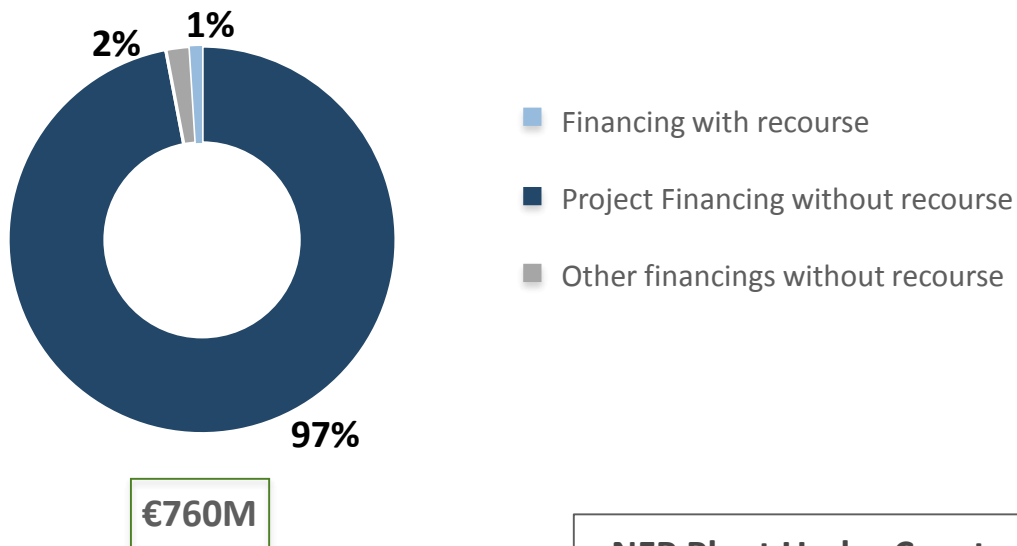
* By origination

FY 2016 Cash Flow

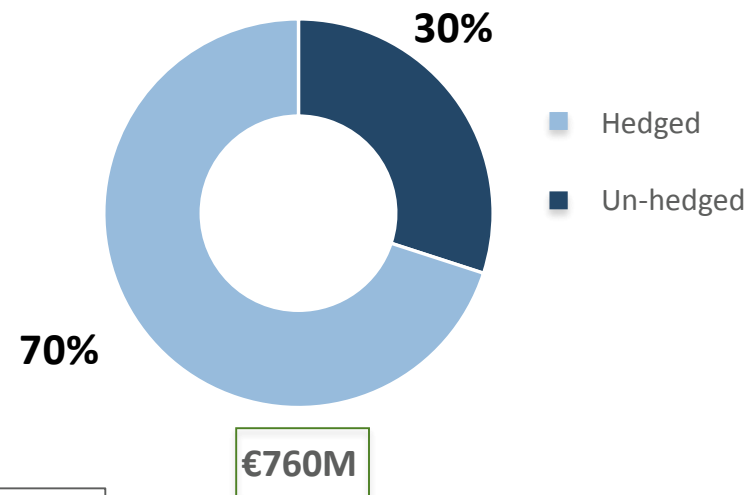


FY 2016 Debt Breakdown

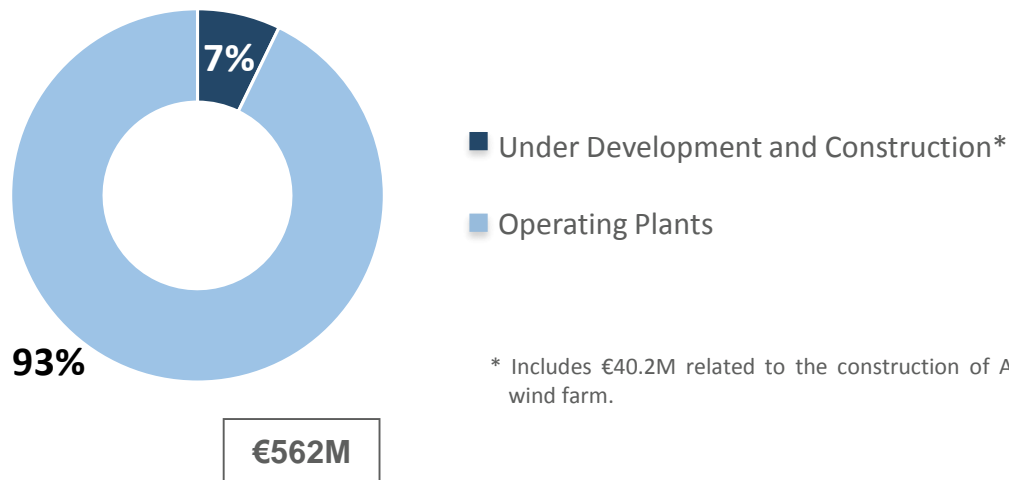
Gross Debt Nature Without Derivatives



% Gross Debt Without Derivatives Hedged



NFP Plant Under Construction*/In-Operation



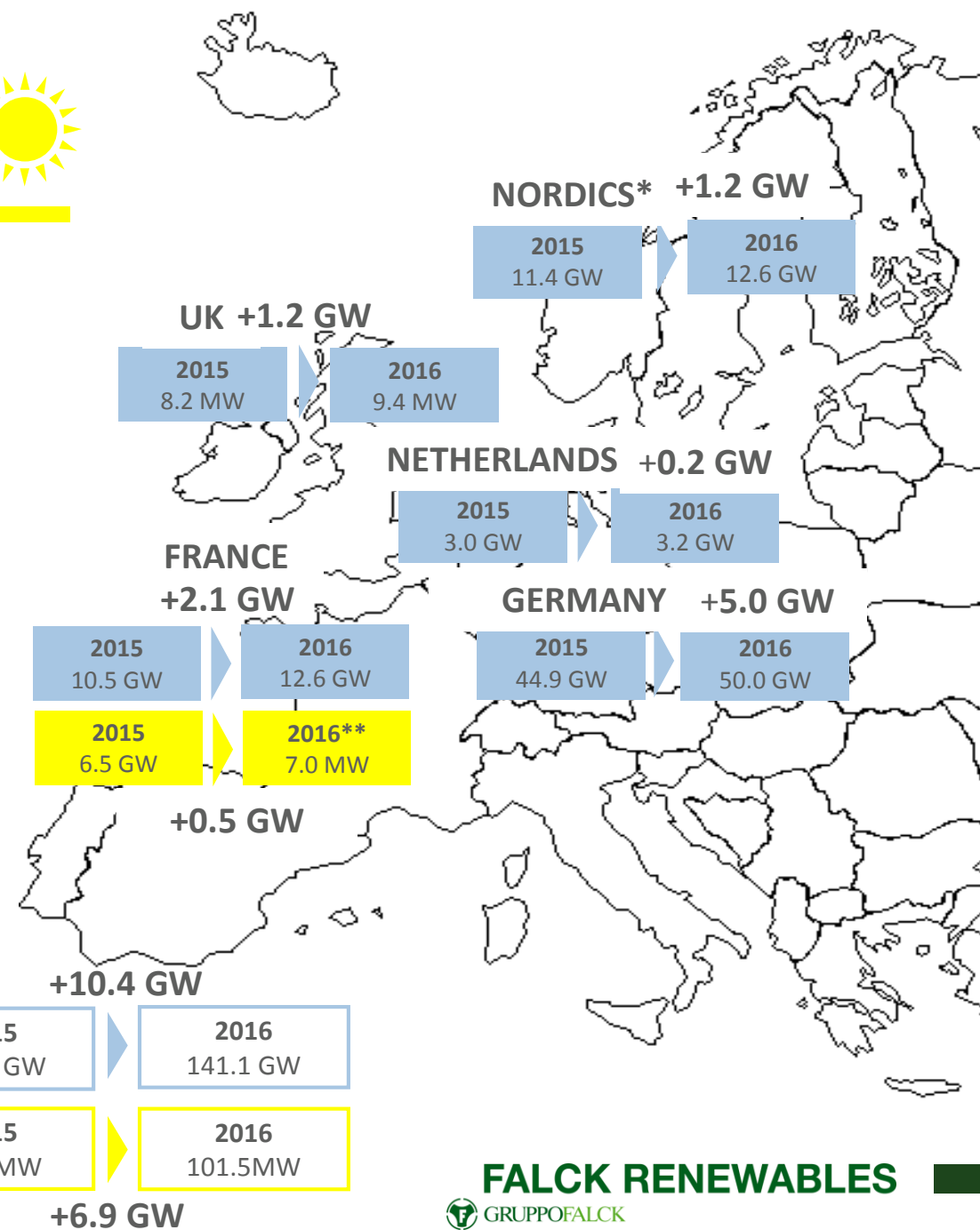
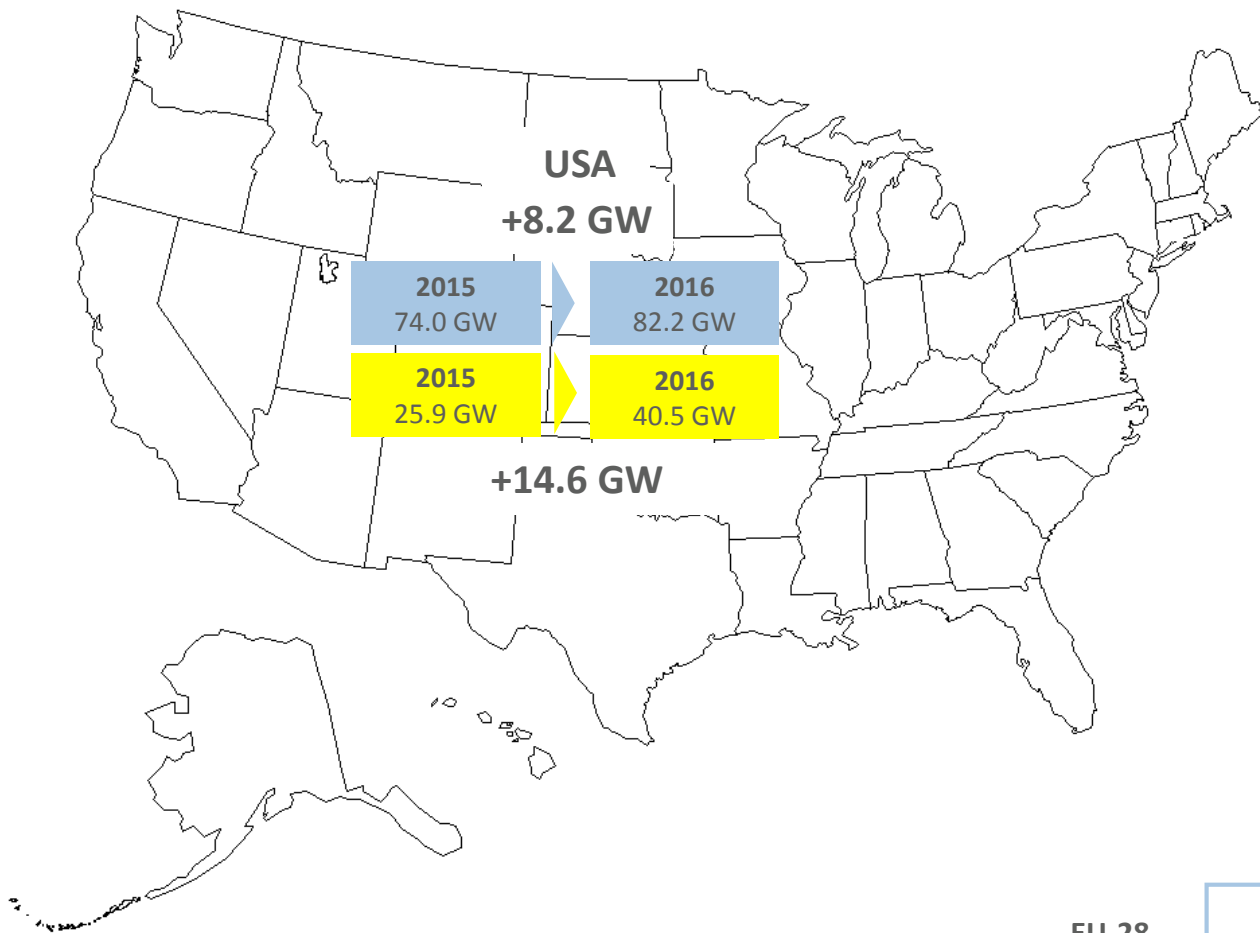
Average interest rate of 4.3% (including interest rate swap)

* Includes €40.2M related to the construction of Auchrobert wind farm.

OUTLOOK AND CONCLUSIONS



2016 Market Update



Guidance 2017 (€M)

	TARGETS
EBITDA	132 - 136
NFP	(626)
NFP/EBITDA	4.6 - 4.7x
Proposed Dividend Per Share	5.3c€

STRATEGIC PRIORITIES



Falck Renewables is executing on the four strategic priorities to drive value creating as outlined in our 2021 Roadmap:

- (1) Growing in mature markets
- (2) Focusing the portfolio and expanding the pipeline
- (3) Extending core services
- (4) Increasing profitability

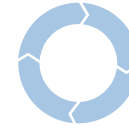
2017 Milestones



Vector Cuatro expansion in Chile, Dubai and Asia. Incorporation and start up in North America.



Significant business development effort and pipeline build up in Nordics, North Europe and North America



Extend core services:

- Ramping up activities for «in house» dispatching (Active Energy Management)
- Setting up energy efficiency team



Higher efficiency on existing assets and cost control to deliver sound results



Auchrobert new financing and re-negotiation of selected existing facilities



Dividend policy confirmed

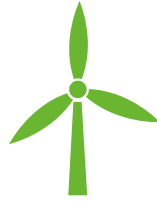
Appendix

2021 Roadmap: Strategic Priorities to Drive Value Creation



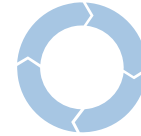
Growing in Mature Markets

- Capitalize on growth in core markets
- Enter select mature markets with strong fundamentals
- Monitor emerging markets for future entry



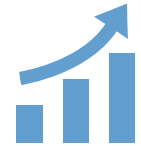
Focus Portfolio and Expand Pipeline

- Onshore wind and solar are core of growth strategy
- Explore opportunities in the customer centered clean energy web (distributed generation, storage, software)
- Evolve asset base and expand pipeline



Extend Core Services

- Continue business core service extension
- Enhance service offerings to asset owners and energy users



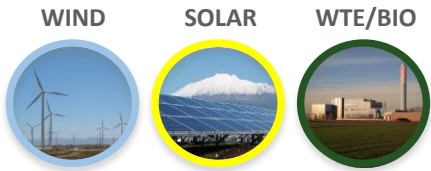
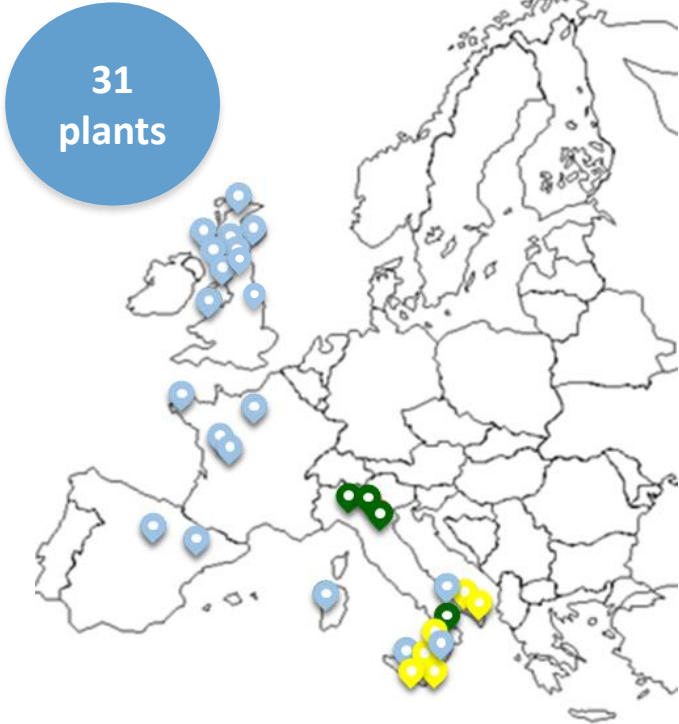
Increase Profitability

- Employ hands-on approach to maximize revenues and value from full life cycle approach
- Increase efficiencies and extract additional value from existing assets

Increase reach and optionality of our footprint

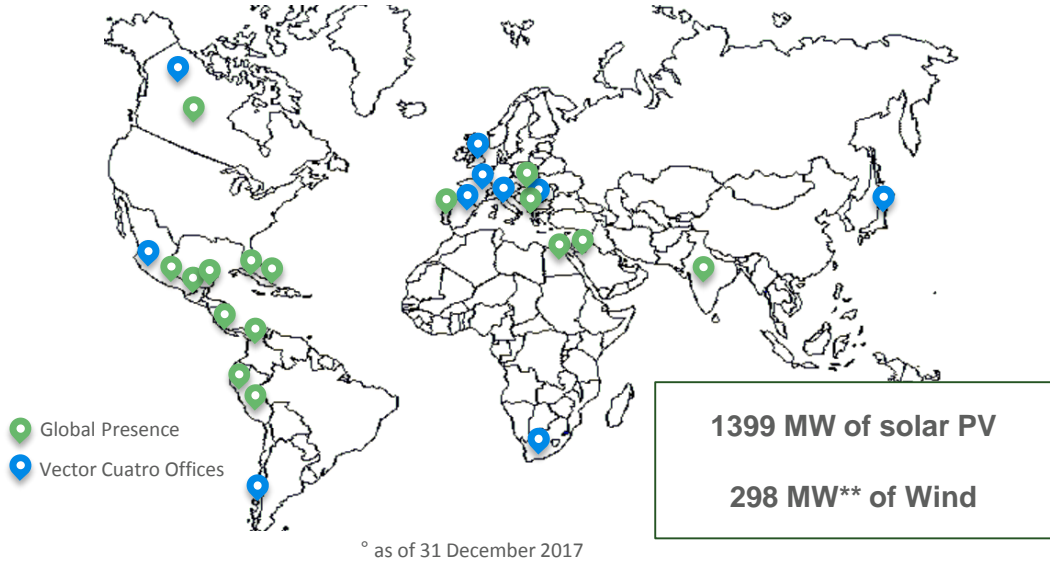
Group Overview

822* MW Across Europe



* Includes minority stake in La Muela (26%) wind farm and Frullo Energia Ambiente (49%) for a total amount of 37MW
 ** Includes Cabezo (23,2 MW) and France projects (42 MW)

1,642 MW° Under Management By Vector Cuatro

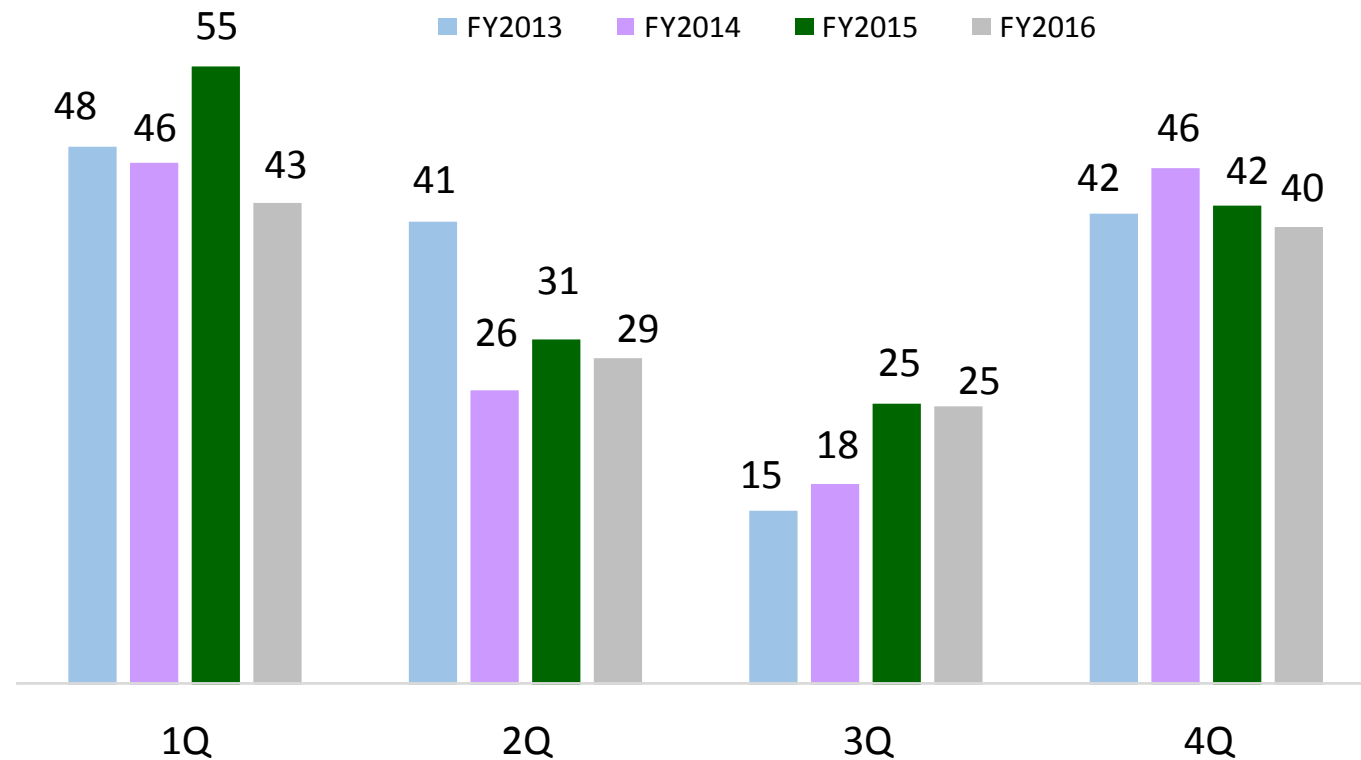


Wind On-shore Authorized

10 turbines

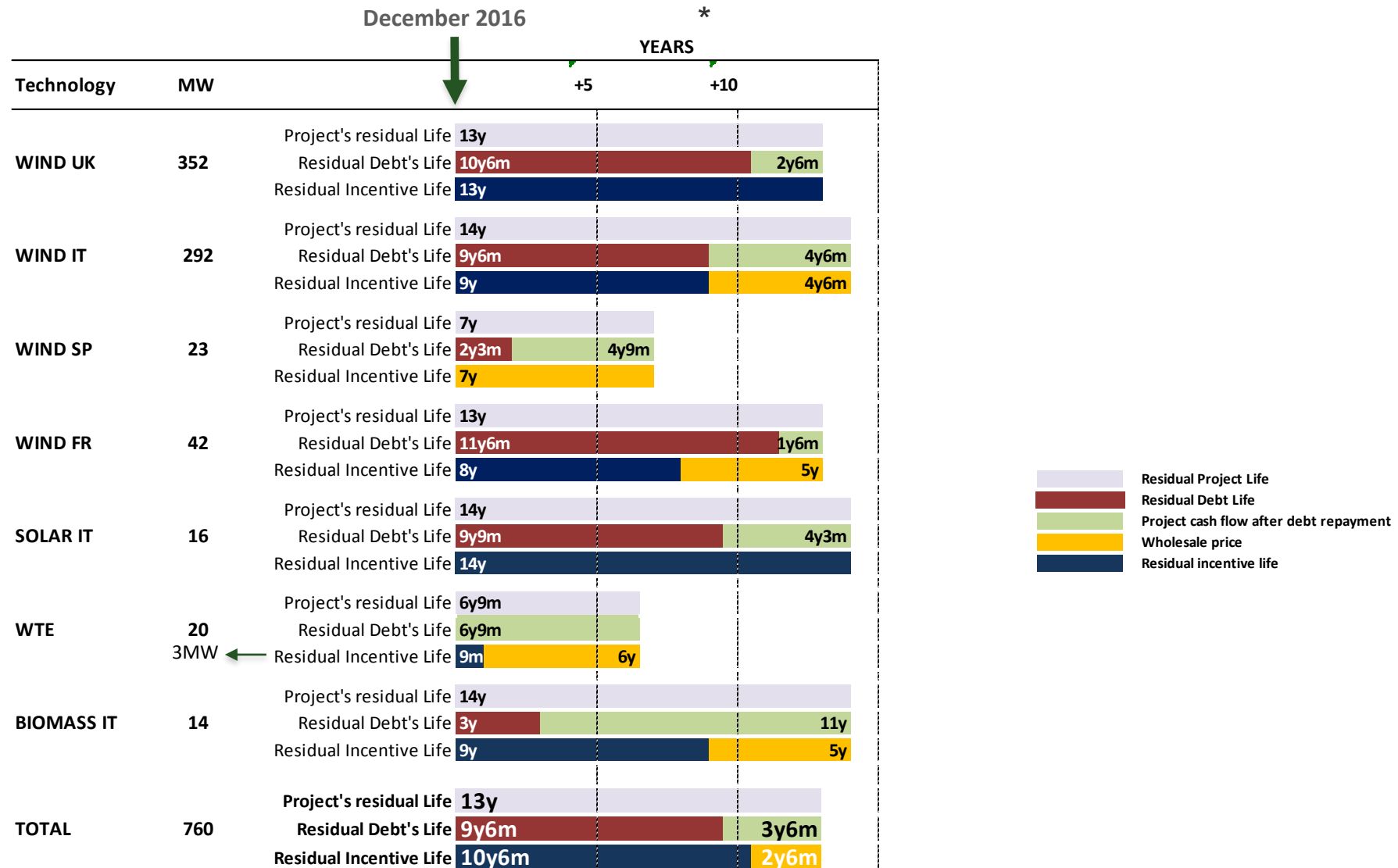


EBITDA Breakdown by Quarter



4Q EBITDA impacted by weak wind performance across Europe, partially offset by increasing prices and OpEx cost controls

Young Asset Base



Installed Capacity and Production by Plants in FY 2016



Plants	MW	Energy produced FY 2016 (GWh)
Cefn Croes (Wales)	58.5	148
Boyndie (Scotland)	16.7	37
Earlsburn (Scotland)	37.5	93
Ben Aketil (Scotland)	27.6	86
Millennium (Scotland)	65.0	137
Kilbraur (Scotland)	67.5	152
Nutberry (Scotland)	15.0	48
West Browncastle (Scotland)	30.0	68
Spaldington (England)	11.8	15
Kingsburn (Scotland)	22.5	35
Assel Valley (Scotland)	25.0	21
San Sostene (Italy)	79.5	169
Minervino Murge (Italy)	52.0	91
Buddusò – Alà dei Sardi (Italy)*	138.0	360
Petralia Sottana (Italy)	22.1	42
Ty Ru (France)	10.0	20
Fouy (France)	10.0	17
Cretes (France)	10.0	17
Esquennois (France)	12.0	21
Cabezo San Roque (Spain)	23.3	50



Rende (Italy)	1.0	1
Sicily (Italy)	13.1	18
Mesagne (Italy)	2.0	3



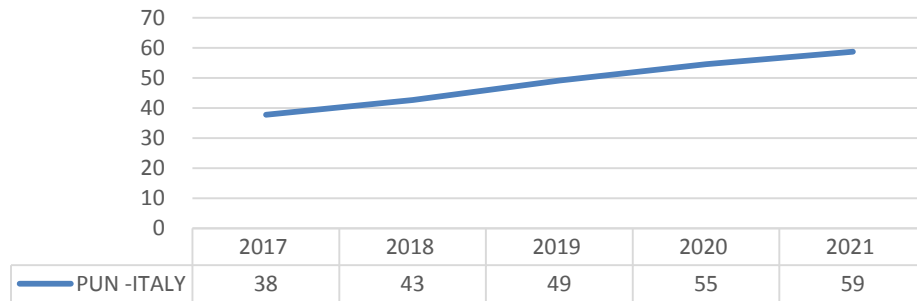
WTE Trezzo (Italy)	20.0	119
BIO Rende (Italy)	15.0	98

TOTAL **785.0** **1,866**

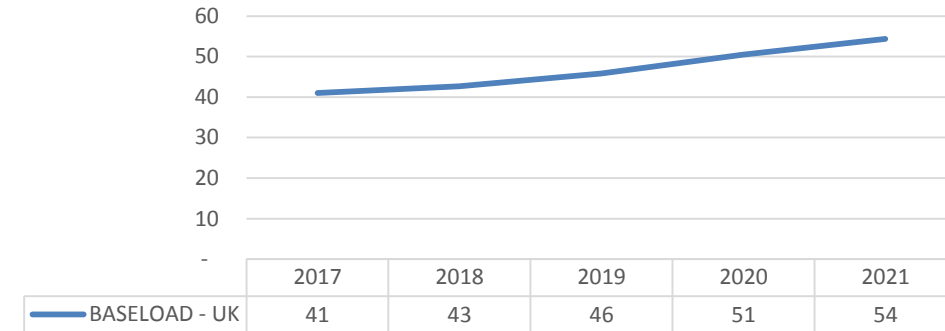
* The installed capacity is 159 MW, production limit at 138 MW

Scenario Assumptions

Energy Curve Italy Nominal



Energy Curve UK Nominal



Inflation Scenario

<i>Inflation</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
Eurozone	0,90%	1,30%	1,50%	1,70%	1,90%
UK	1,50%	1,75%	2,00%	2,00%	2,00%

Interest Rate Scenario

<i>Interest Rates</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
Euribor 6M	0,00%	0,00%	0,00%	0,00%	0,22%
Libor 6M	0,40%	0,50%	0,50%	0,60%	0,80%

Exchange Rate Scenario

<i>Exchange Rate</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
€/£	0,91	0,92	0,93	0,94	0,95
€//\$	1,10	1,10	1,10	1,10	1,10

Hedged Component of Revenues by Quarter

