

# 9M 2017 Results

9 November 2017



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# Agenda

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# 9M 2017 HIGHLIGHTS



# 9M 2017 Highlights



## Sound results vs same period 2016 (+8.0% EBITDA):

- Better production compared to 9M 2016 (+3.3% YoY), offset by lower than expected wind conditions in Italy, France and Spain
- Better prices in Italy (+13%), UK (+13%) and Spain (+74%)
- Stabilized impact of pound exchange ratio (- 8% YoY)
- NFP below FY 2016 levels primarily due to good cash flow generation



## Solid Q3 results vs same period 2016 (+10% EBIT)

- Higher quarterly production of Italian wind assets (+35%) partially lowered by poor wind conditions in the UK
- Confirmed positive trend in wholesale prices: Italy (+26%), UK (+12%) and Spain (+16%)
- Devex and other costs in line with the Industrial Plan



## Progress on growth in accordance with the industrial plan

- Closed project acquisition in Norway and Sweden
- Entered the US with signing Canadian Solar's 92MWp project in North Carolina
- Continuing to evaluate other opportunities for the growth

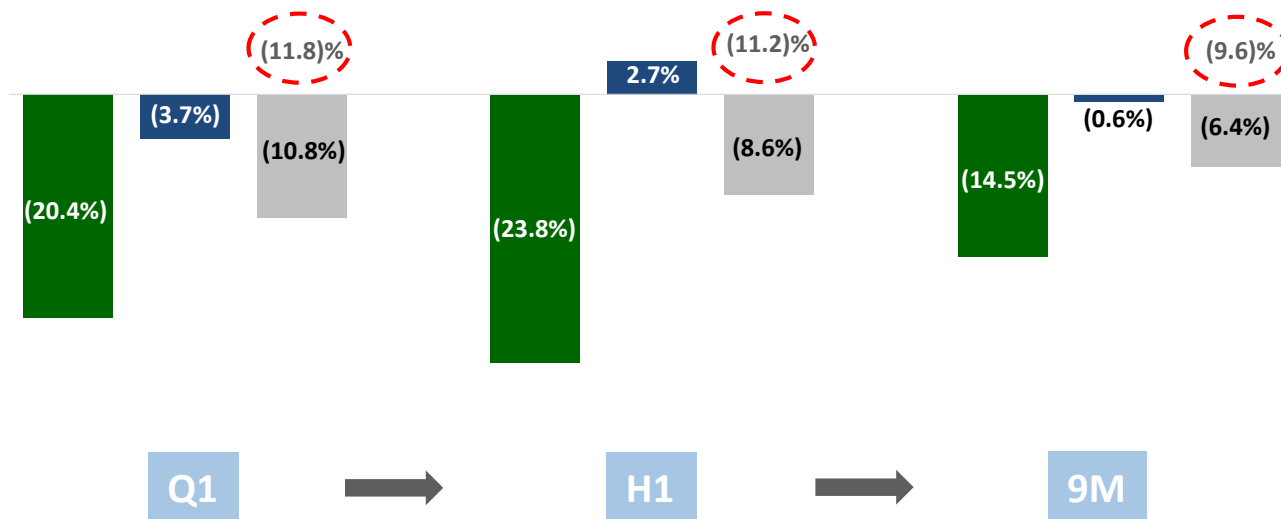
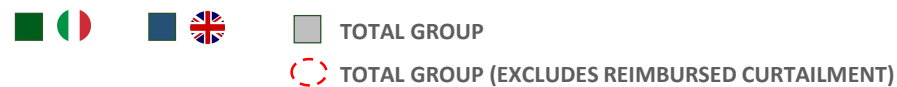
# 9M 2017 Results Ahead of Expectations (€M)

	9M 2017	9M 2016	YoY Change	Q3 2017	Q3 2016	Q3 Change
REVENUES	198.9	179.9	19.0	57.9	51.2	6.6
EBITDA <i>% on revenues</i>	103.6 <i>52.1%</i>	95.9 <i>53.3%</i>	7.7	25.4 <i>43.9%</i>	24.5 <i>47.9%</i>	0.9
EBIT	53.5	44.4	9.1	9.6	8.7	1.0
EARNINGS BEFORE TAXES	27.2	17.0	10.2	1.8	0.4	1.4
NFP	(524.4)	(562.0)*	37.5			
INSTALLED CAPACITY	821 MW	760 MW	61 MW			
ENERGY PRODUCTION	1,401 GWh	1,356 GWh	45 GWh			

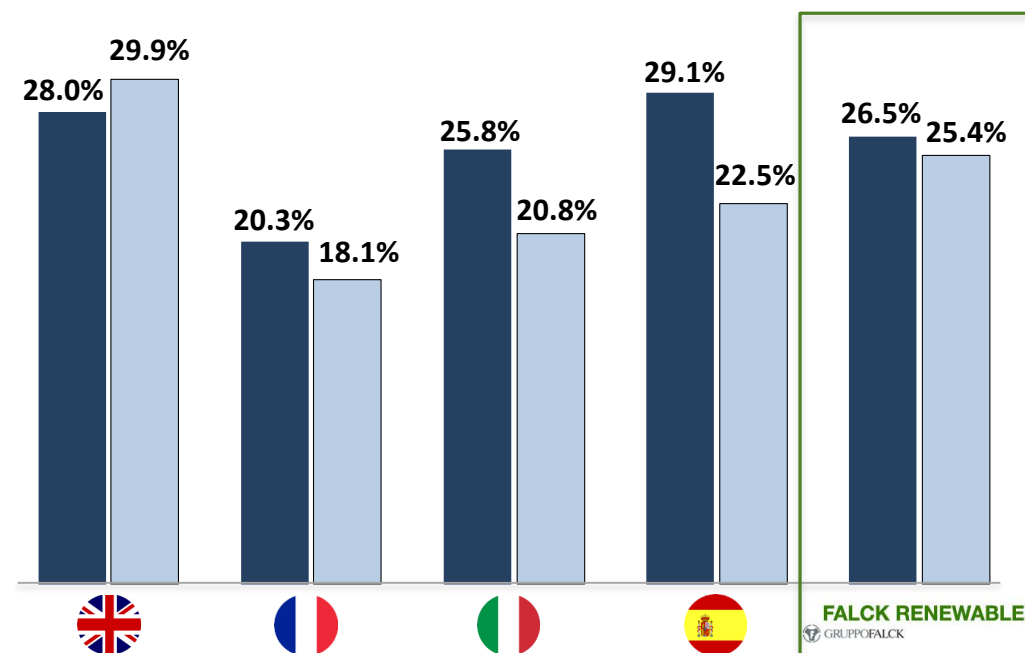
\* As of 31 December 2016

# 9M 2017 Wind Portfolio Performance

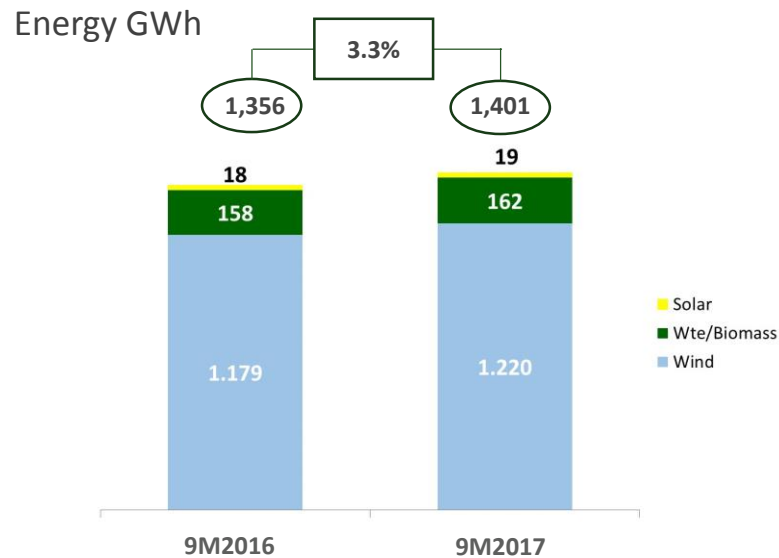
## UK & Italy: Evolution of Production\*\*



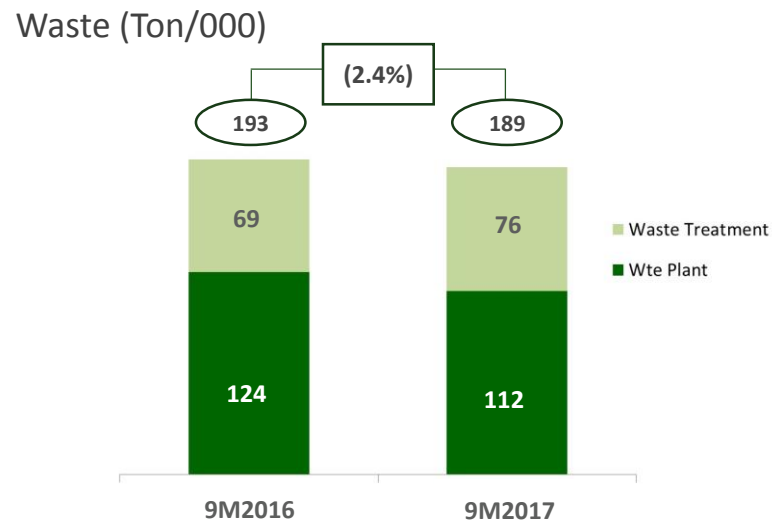
## 9M 2017 vs 9M 2016: Load Factor\* by Country



# Production in 9M 2017 (Electricity & Waste)





Higher production vs same period 2016 (+26%) – mainly due to new capacity added - notwithstanding poor wind conditions in Q3.



- Lower production vs same period 2016 partially offset by strong performance of wind assets in Q3
- Energy from waste/biomass better than year ago period primarily due to Biomass performance
- Increase in Waste treatment volumes



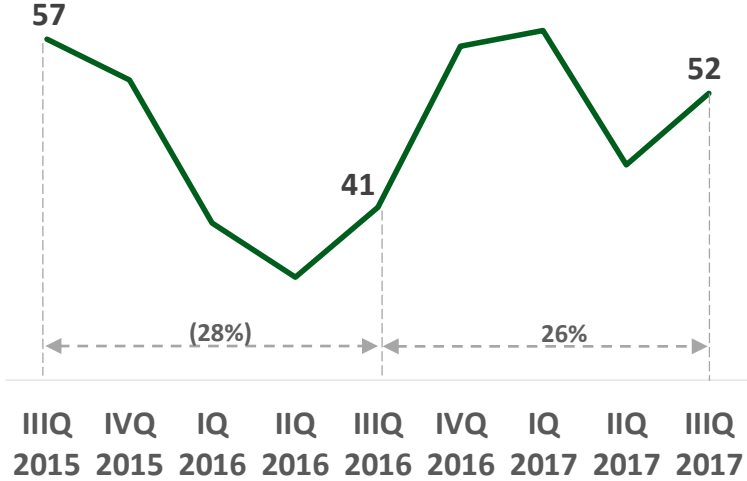
# Market Average Price

Euro/MWh	9M2016	9M2017	Δ %
	91	92	-
	28	49	74%

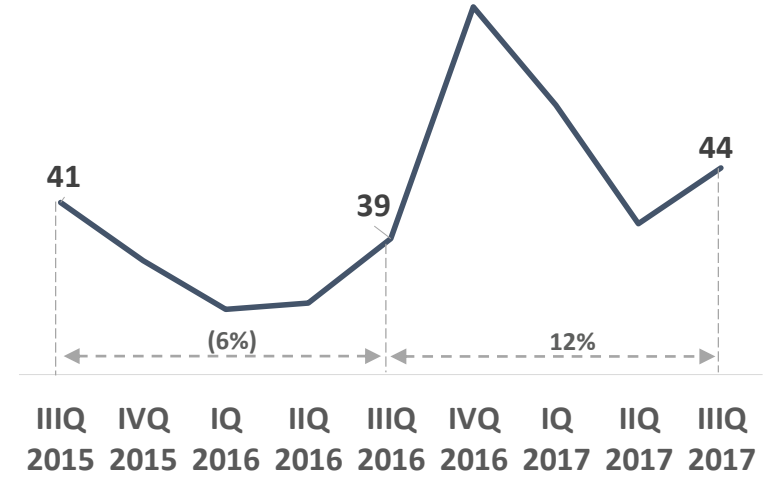
WHOLESALE PRICE\*



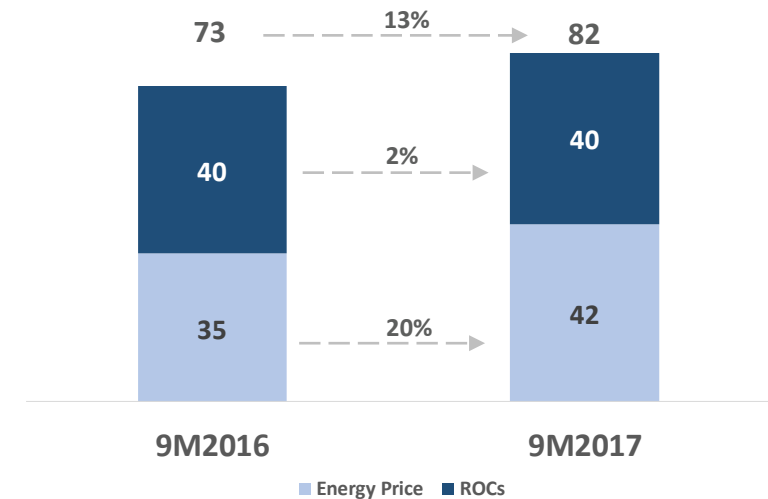
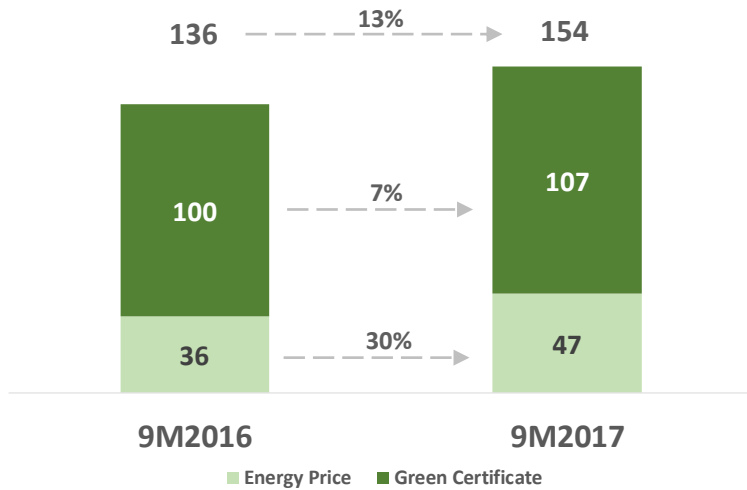
€/MWh



GBP/MWh



«GROUP» PRICE



# 9M 2017 RESULTS



# 9M 2017 Financial Highlights

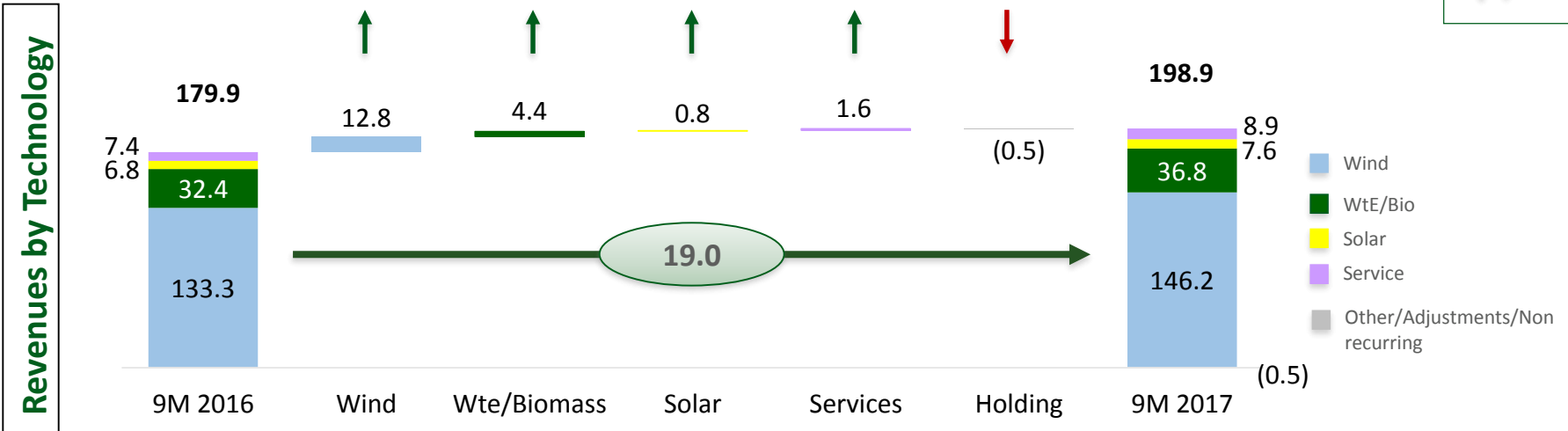
(€M)	9M2017	9M2016	
<b>Revenues</b>	<b>198.9</b>	<b>179.9</b>	<b>10.6%</b>
Other income	4.0	2.9	
Operating costs	(99.3)	(86.9)	
<b>Ebitda</b>	<b>103.6</b>	<b>95.9</b>	<b>8.1%</b>
<i>% on Revenues</i>	<i>52.1%</i>	<i>53.3%</i>	
Depreciation - Amortization - Write Off	(50.1)	(51.5)	
<b>Operating result</b>	<b>53.5</b>	<b>44.4</b>	<b>20.6%</b>
<i>% on Revenues</i>	<i>26.9%</i>	<i>24.7%</i>	
Financial income and charges	(28.4)	(29.4)	
Equity investments	2.1	2.0	
<b>Earnings Before Taxes</b>	<b>27.2</b>	<b>17.0</b>	<b>60.0%</b>

Breakdown (€M)	9M 2017	9M 2016
Depreciation	(44.0)	(48.2)
Provision	(5.7)	(3.3)
Write – off / Revaluation	(0.4)	

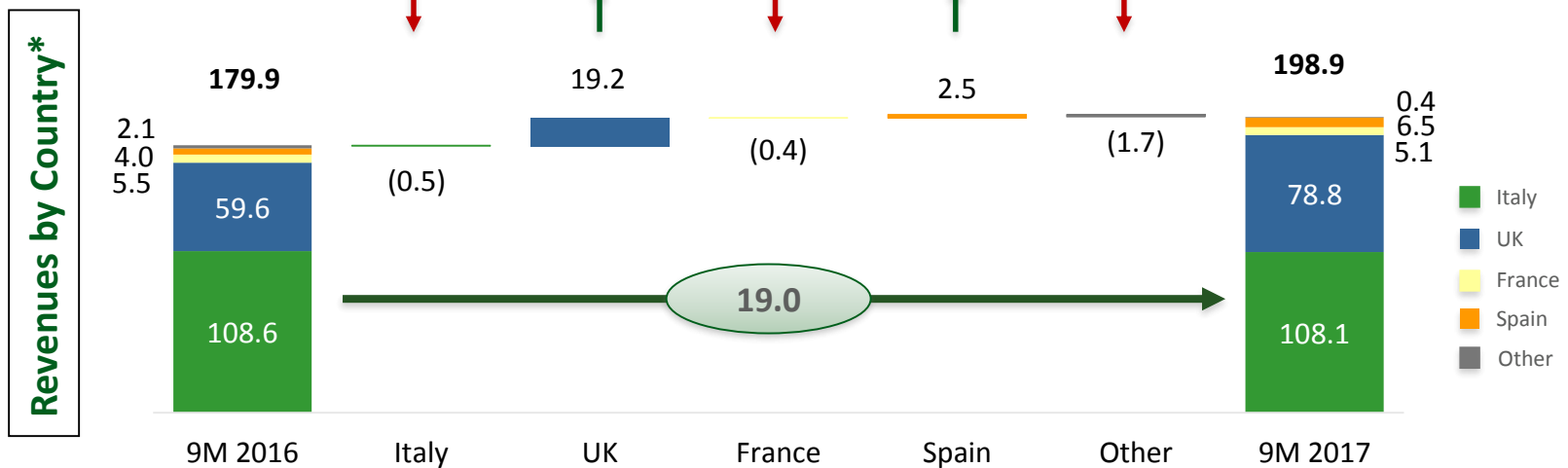
(€M)	END OF 9M2017	END OF 2016
<b>Net Financial Position</b>	<b>(524)</b>	<b>(562)</b>
<i>of which: Proj. Fin. and MLT no recourse</i>	<i>(715)</i>	<i>(735)</i>
<b>NFP excluding Derivatives Instruments</b>	<b>(476)</b>	<b>(503)</b>

# 9M 2017 Revenues

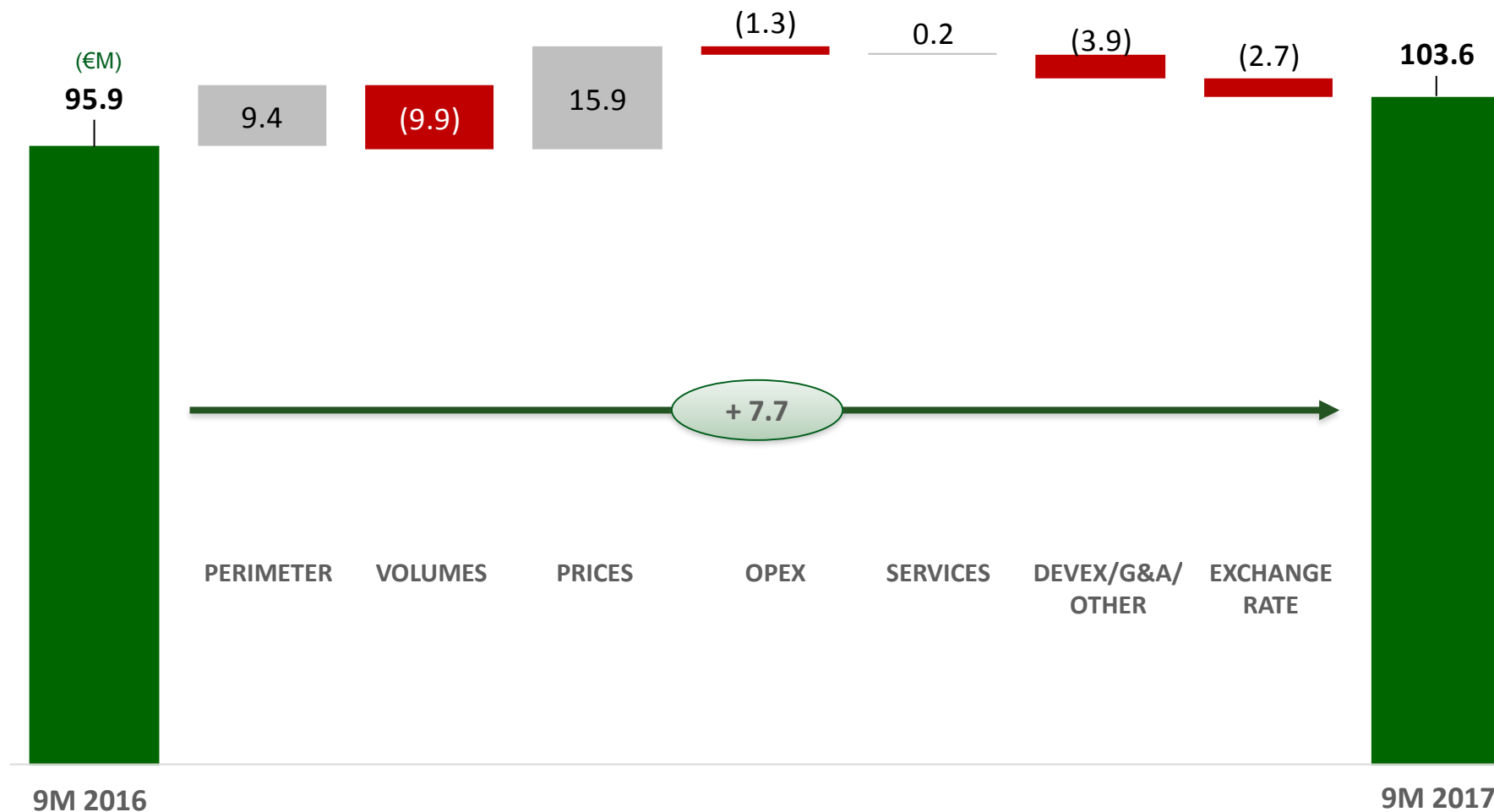
(€M)



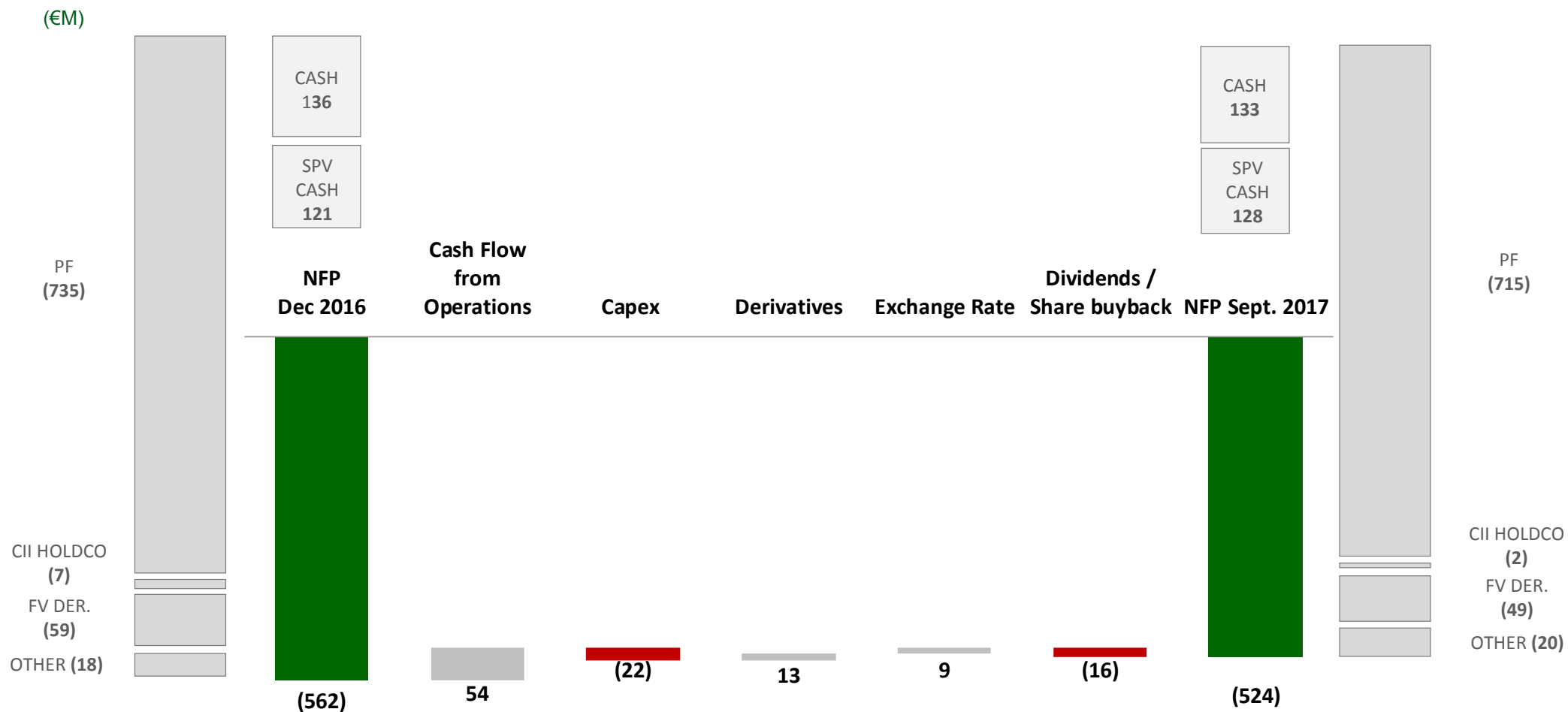
(€M)



# 9M 2017 EBITDA Bridge

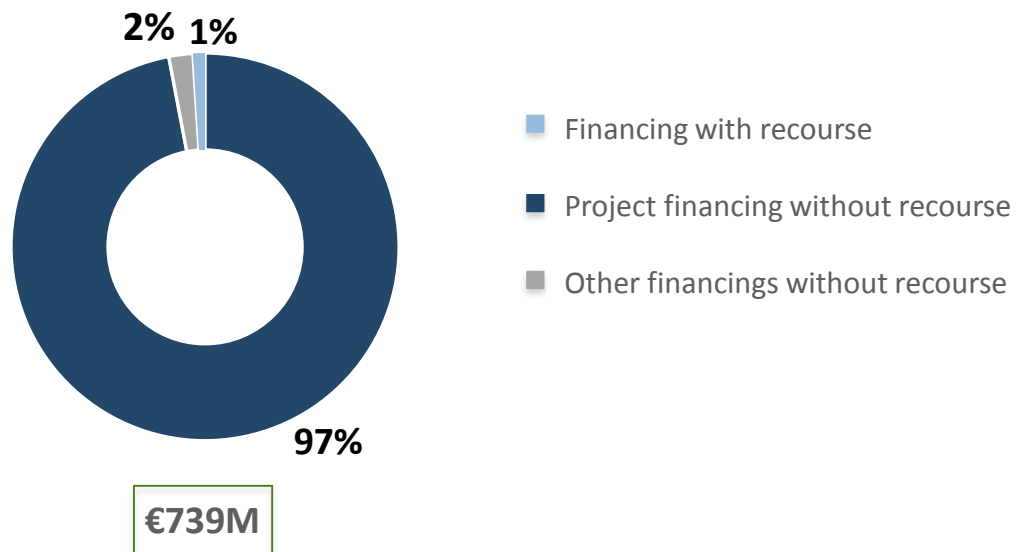


# 9M 2017 Cash Flow

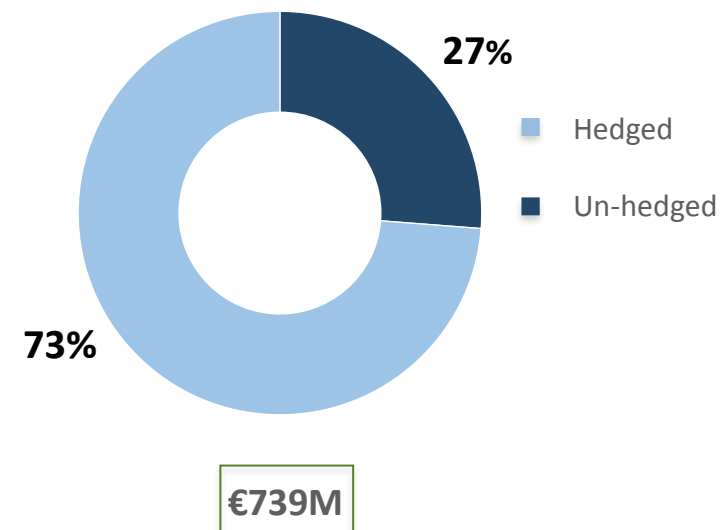


# 9M 2017 Debt Breakdown

Gross Debt Nature Without Derivatives



% Gross Debt Without Derivatives Hedged



Average interest rate of **3.85%** (including interest rate swap)



# CONCLUSIONS





# Guidance 2017 and Conclusions

- ➔ PRICES EVOLUTION IN Q4
- ➔ VOLUMES (WIND AND SOLAR)
- ➔ GBP/€ @ 0.91 RATIO
- ➔ DEVEX PLAN

**EBITDA 2017E**

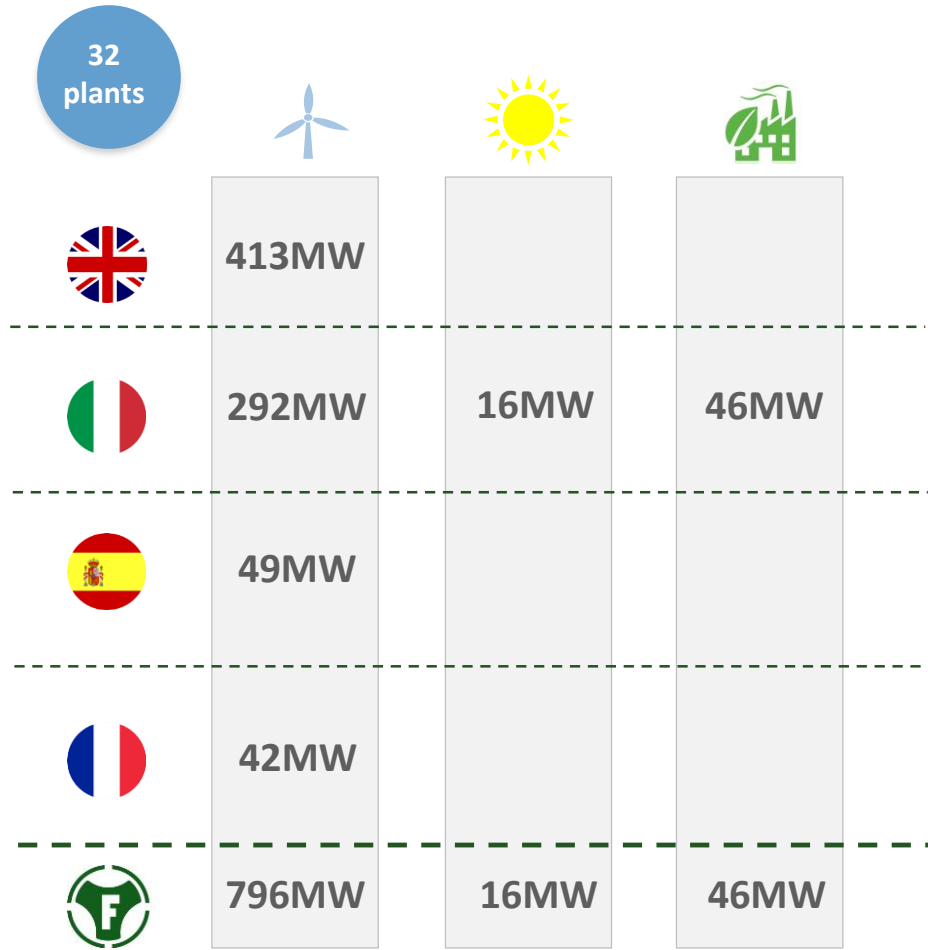
**≥ €138M**

*(from €132M - €136M)*

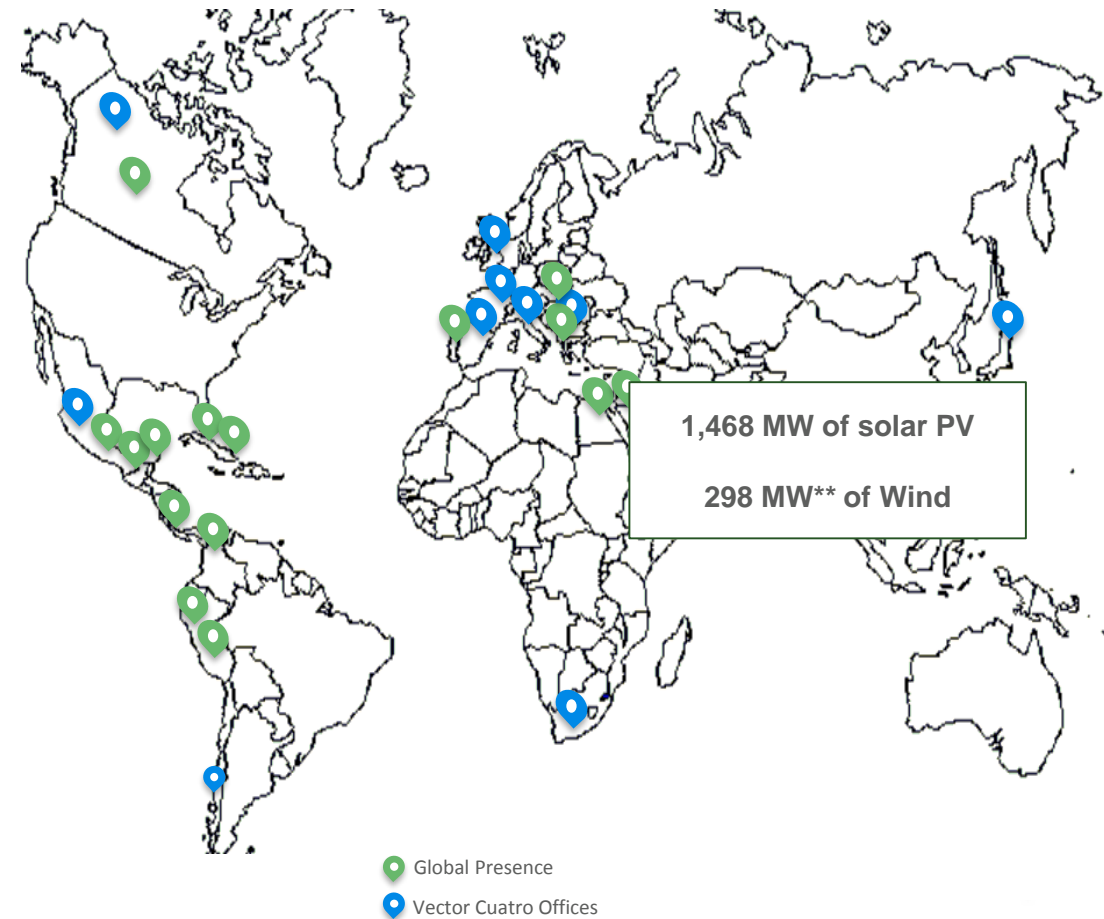
# Appendix

# Group Overview as of 30 September 2017

858\* MW Across Europe



1,766 MW under Management by Vector Cuatro



\* 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)

# Installed Capacity and Production by Plants in 9M 2017



Plants	MW	Energy produced 9M 2017 (GWh)
Cefn Croes (Wales)	58.5	95
Boyndie (Scotland)	16.7	29
Earlsburn (Scotland)	37.5	75
Ben Aketil (Scotland)	27.6	54
Millennium (Scotland)	65.0	113
Kilbraur (Scotland)	67.5	120
Nutberry (Scotland)	15.0	39
West Browncastle (Scotland)	30.0	51
Spaldington (England)	11.8	18
Kingsburn (Scotland)	22.5	56
Assel Valley (Scotland)	25.0	49
Auchrobert (Scotland)	36.0	39
San Sostene (Italy)	79.5	107
Minervino Murge (Italy)	52.0	57
Buddusò – Alà dei Sardi (Italy)*	138.0	210
Petralia Sottana (Italy)	22.1	23
Ty Ru (France)	10.0	14
Fouy (France)	10.0	11
Cretes (France)	10.0	12
Esquennois (France)	12.0	13
Cabezo San Roque (Spain)	23.3	34



Rende (Italy)	1.0	1
Sicily (Italy)	13.1	16
Mesagne (Italy)	2.0	3



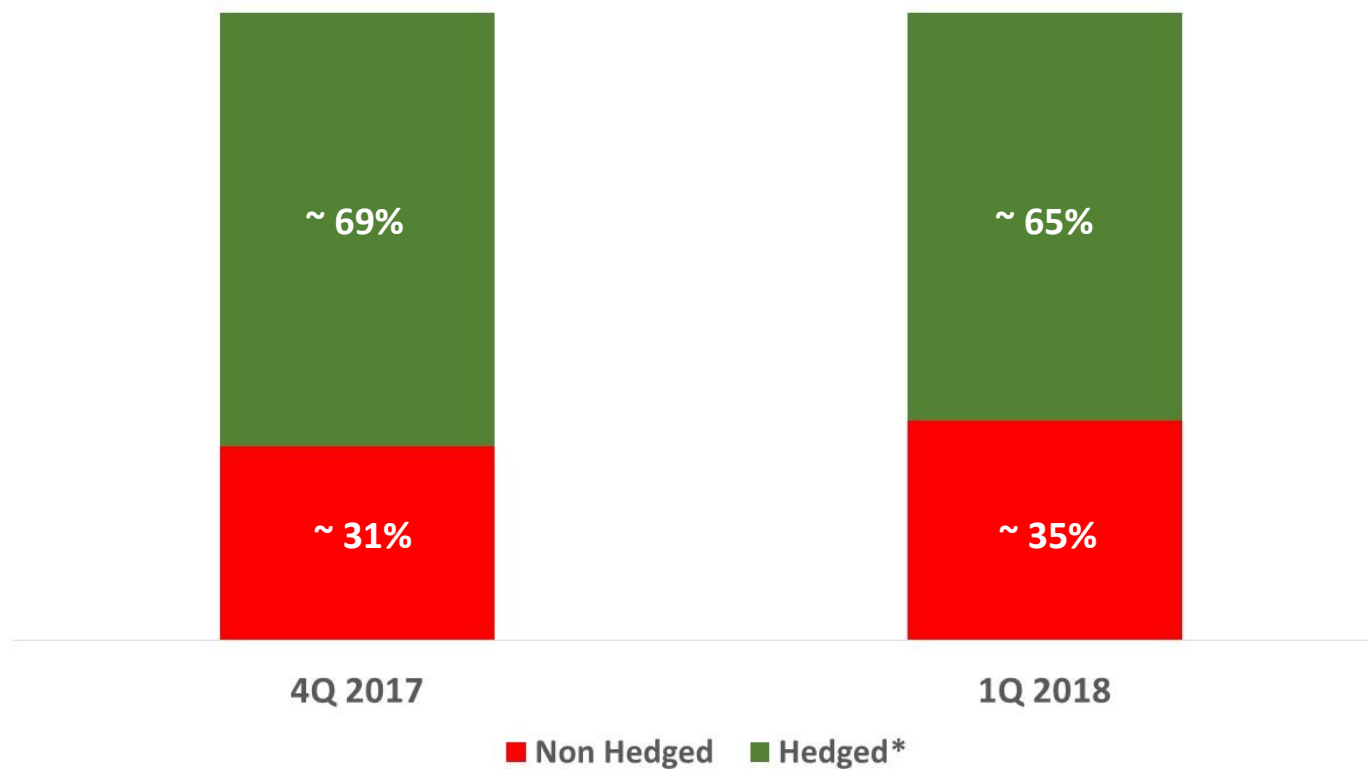
WTE Trezzo (Italy)	20.0	79
BIO Rende (Italy)	15.0	81

**TOTAL** **821.0** **1,401**

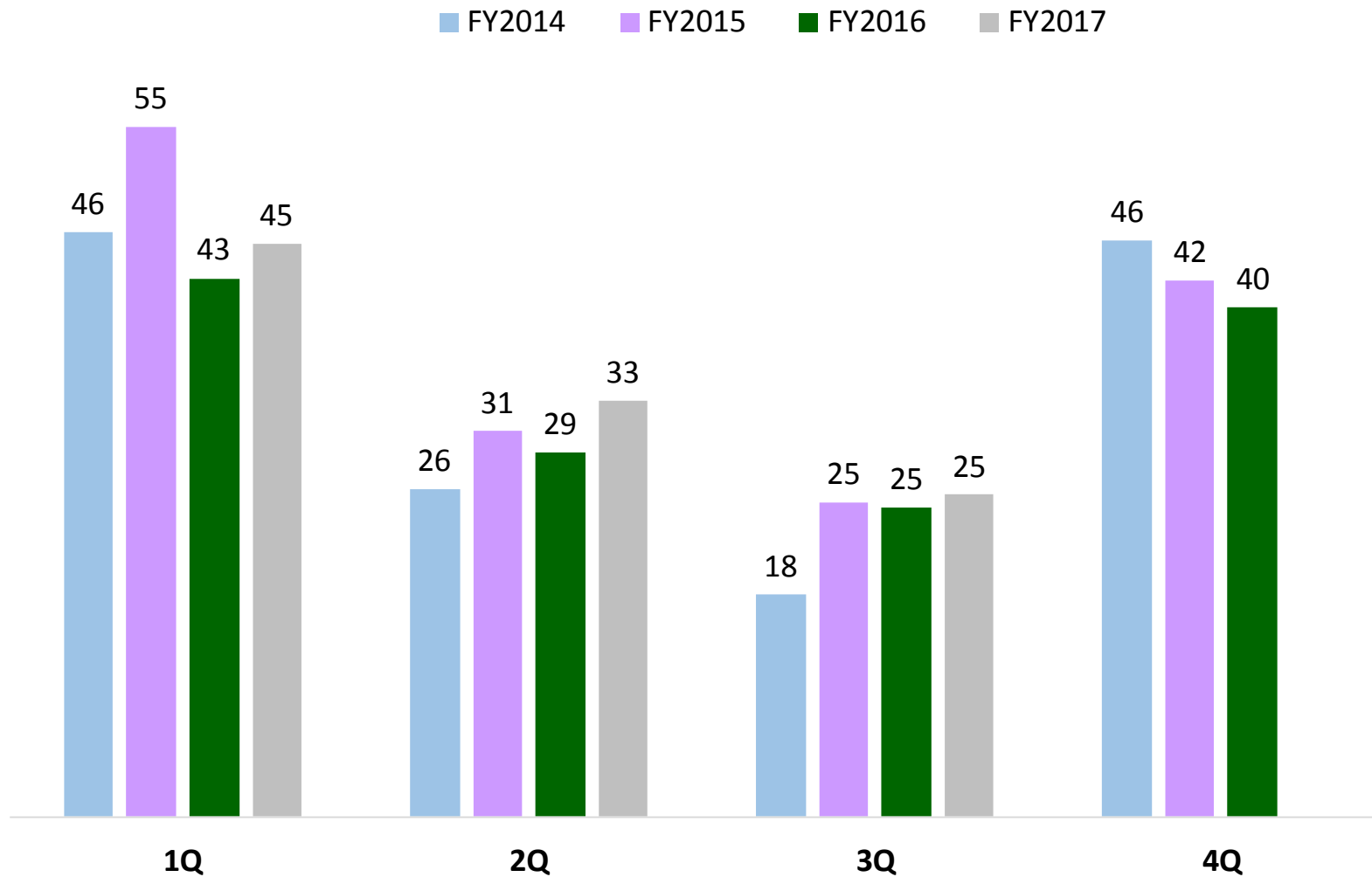
\* The installed capacity is 159 MW, production limit at 138 MW



# Hedged Component of Revenues by Quarter

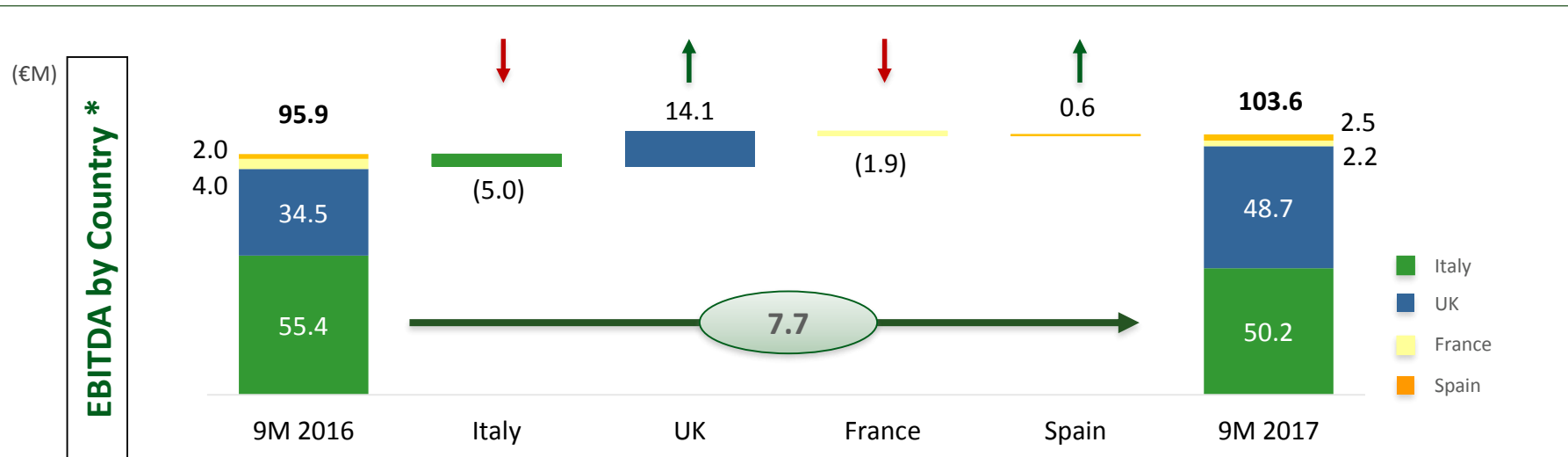
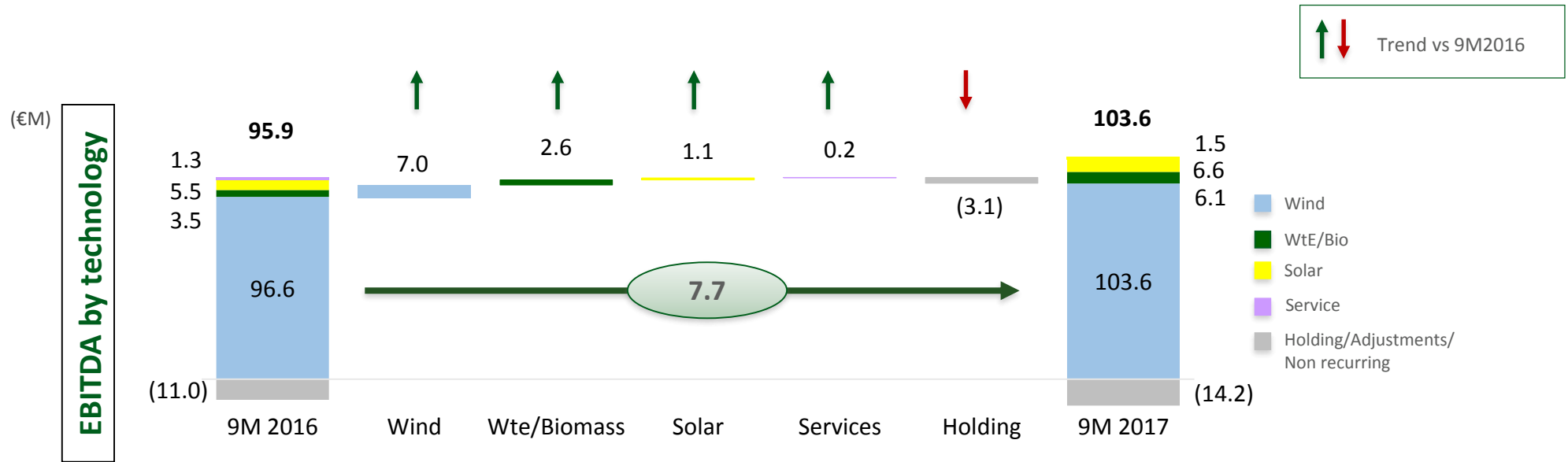


# EBITDA Breakdown by Quarter



9M 2017 EBITDA impacted by weak wind performance in Italy, France and Spain, offset by higher energy prices

# 9M 2017 EBITDA



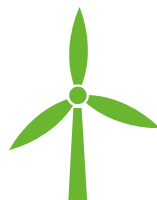


# 2021 Roadmap: Strategic Priorities to Drive Value Creation



## Growing in Mature Markets

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



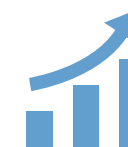
## Focus Portfolio and Expand Pipeline

- 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



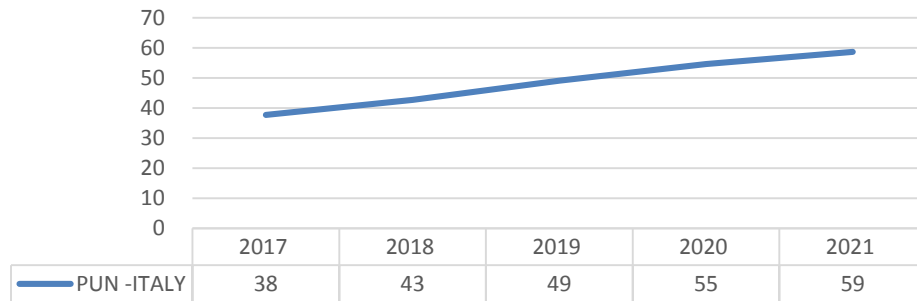
## Increase Profitability

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

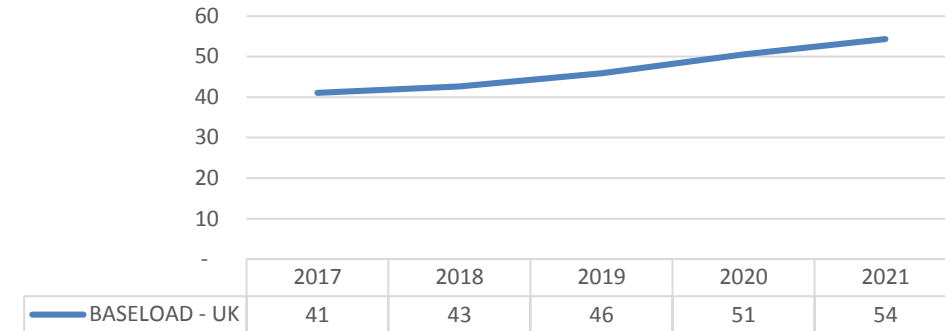
**Increase reach and optionality of our footprint**

# 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

## Capex Scenario

<i>Average Capex 2017-2019 (k€)</i>	
Wind	1.551
Solar	1.040