

9M 2018 Results



7 November 2018

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9M 2018 HIGHLIGHTS



9M 2018 Highlights



9M

Best 9M results ever (+26% EBITDA):

- **Confirmed better production** compared to 9M2017 (+11.0%) mainly thanks to increase of **perimeter** (+112.5MW) and **wind in Italy** (+28 GWh)
- **Confirmed higher prices** in the UK (+13%). Progress in Spain (+2%) and **lower group captured prices** in Italy (-4%) vs 9M 2017
- Contained impact from GBP **exchange ratio** (-1,2% vs average 9M 2017)
- **NFP at €551M** significantly better than €585M end of 2017.



Q3

Solid Q3 results vs same period 2017 (+45% EBIT)

- **Higher energy production** (+19GWh) mainly due to increased solar capacity (US) and growth in UK productions (+8%), lowered by poor wind conditions in Italy (-28%), France and Spain.
- **Strong growth** in wholesale prices in Italy (+42%) and in the UK (+41%)
- Prosecution of **hedging** and **unbalancing costs** management



Progress of activities in line with the industrial plan

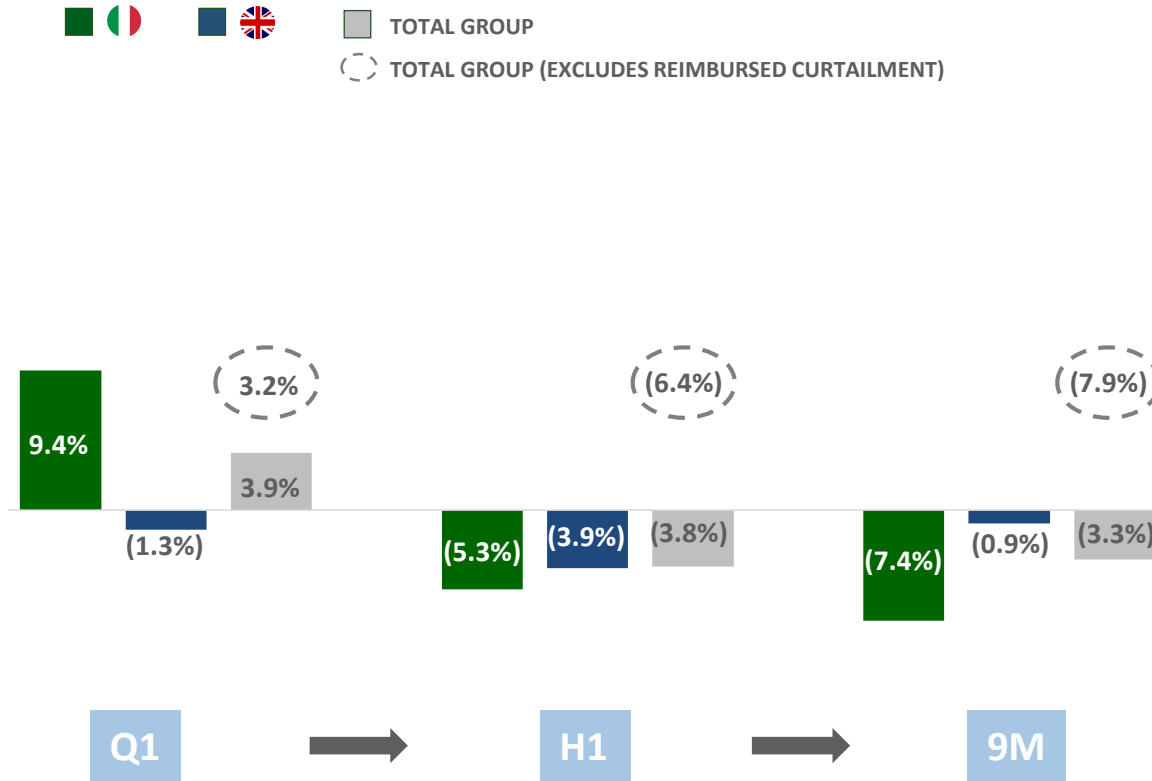
- Signed **agreement for O&M** with Nordex to cover **384MW** in operation in the UK, France and Italy.
- **Energy management** through Falck Renewables Energy ("FRE"): 261 GWh dispatched in-house in Italy (~ 44% of energy produced)
- Signed **disposal of non core assets** (Esposito)

9M 2018 results: a confirmed positive trend

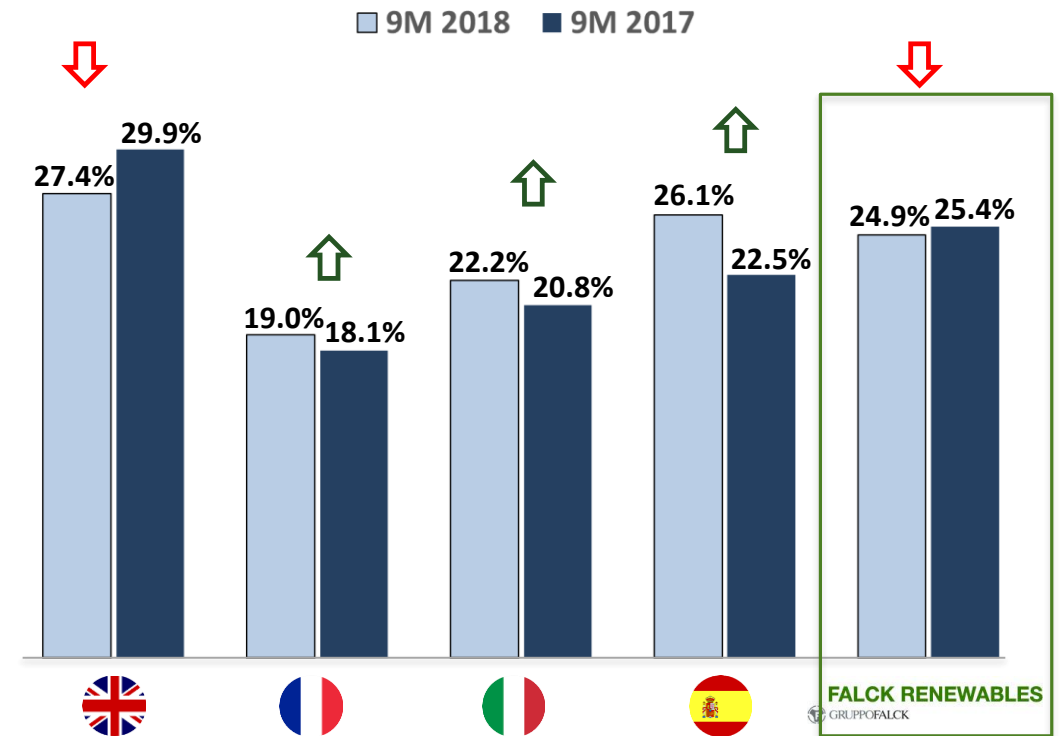
(€M)	9M 2018*	9M 2017	YoY Change	Q3 2018	Q3 2017	Q3 Change
REVENUES	231.6	198.9	32.7	66.6	57.9	8.7
EBITDA <i>% on revenues</i>	130.6 56.4%	103.6 52.1%	27.0	31.2 46.9%	25.4 43.9%	5.9
EBIT	76.7	53.5	23.2	13.9	9.6	4.3
EARNINGS BEFORE TAXES	47.8	27.2	20.7	3.6	1.8	1.9
NFP	(551.1)	(584.5) [°]	33.5			
INSTALLED CAPACITY	970 MW	858 MW	113 MW			
ENERGY PRODUCTION	1,548 GWh	1,401 GWh	148 GWh			

9M 2018 Wind Portfolio Performance

UK & Italy: Evolution of Production**

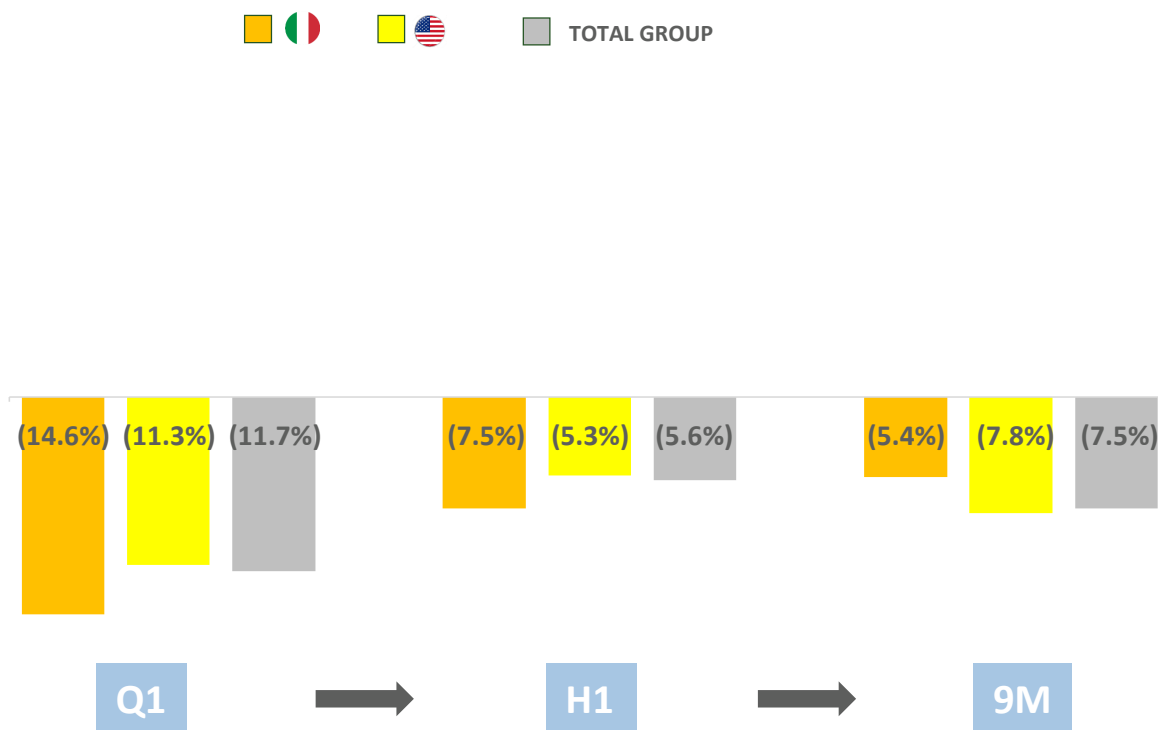


9M 2018 vs. 9M 2017: Load Factor* by Country

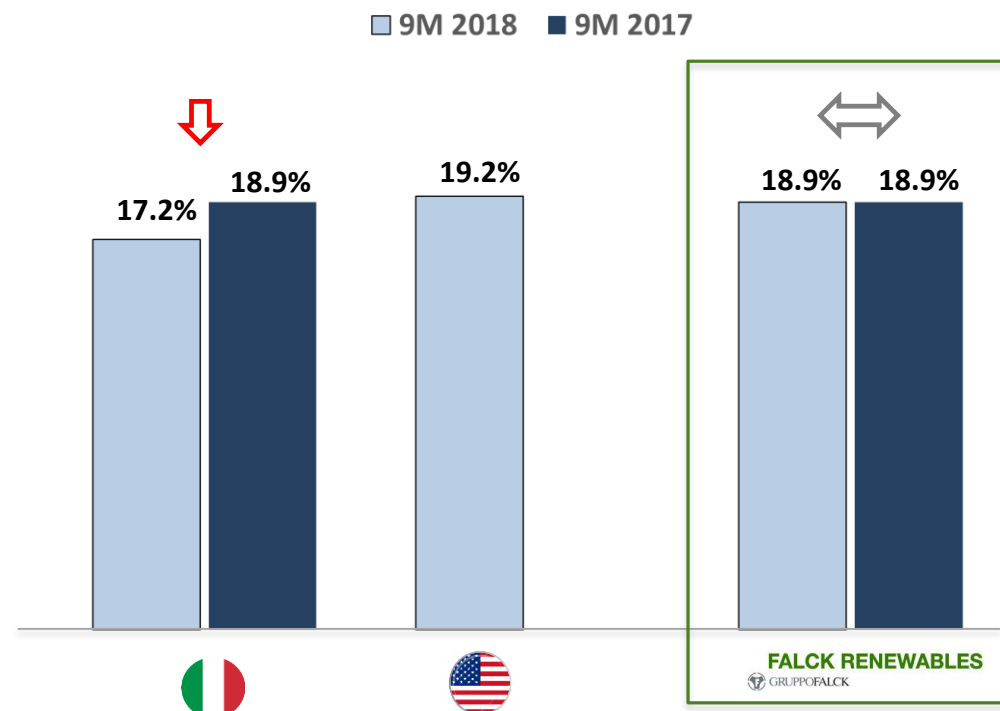


9M 2018 Solar PV Portfolio Performance

US & Italy: Evolution of Production**



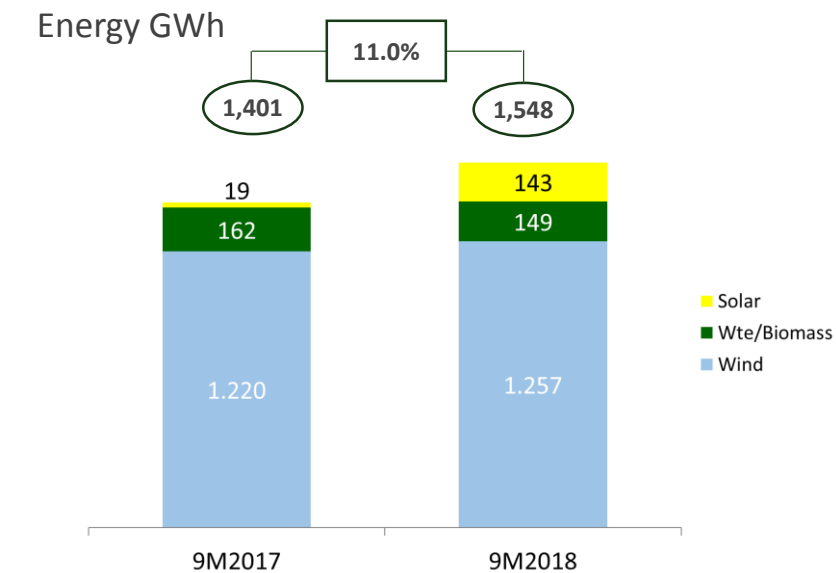
9M 2018 vs. 9M 2017: Load Factor* by Country



** variation % vs internal Index of production

* Based on effective operating hours

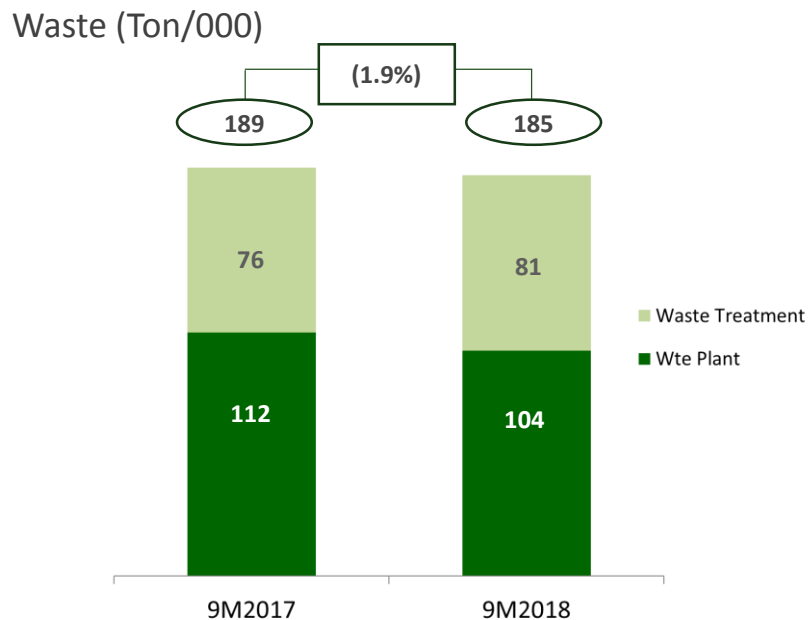
Production in 9M 2018 (Electricity & Waste)



Production aligned vs. 9M 2017 – mainly due to poor wind conditions end of Spring, recovered by better conditions during late Summer time.



- Higher wind production vs. 9M 2017 (+7%) mainly due to better conditions in H1
- Energy from waste/biomass lower than year ago primarily due to Biomass maintenance works and unplanned outage at Trezzo WtE plant.
- Confirmed higher volumes in Waste treatment



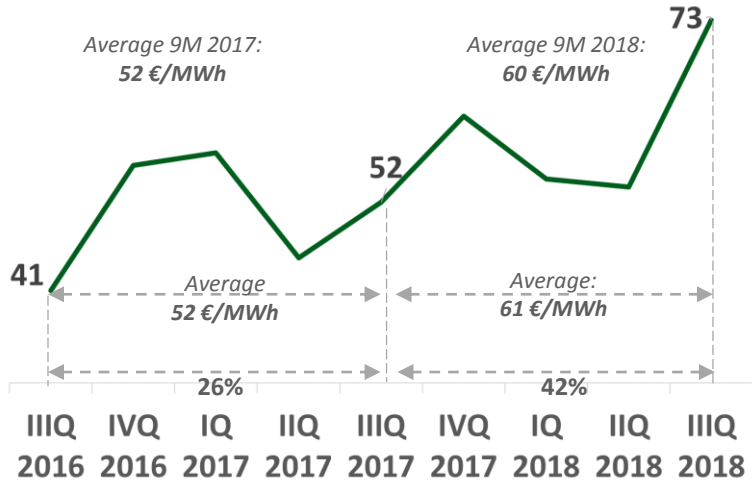
Higher productions vs 9M 2017 due to new capacity additions in North Carolina (92MW - with irradiation below expectations) and Massachusetts (20.5MW - Syncarpha and Middleton).

Market Average Price

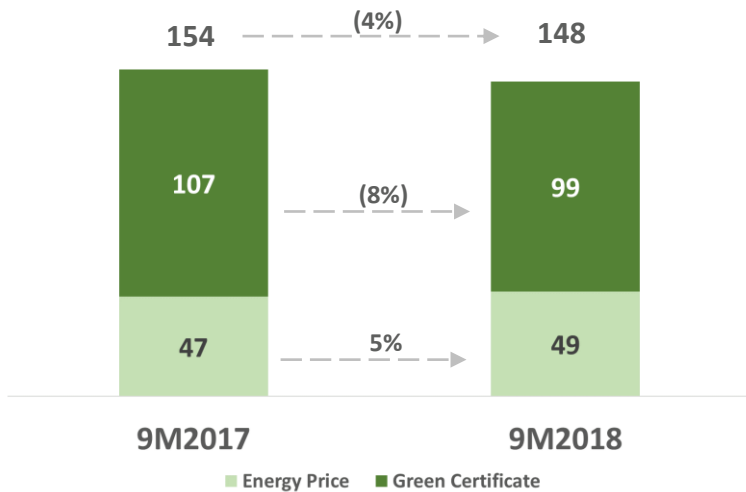
WHOLESALE PRICE*



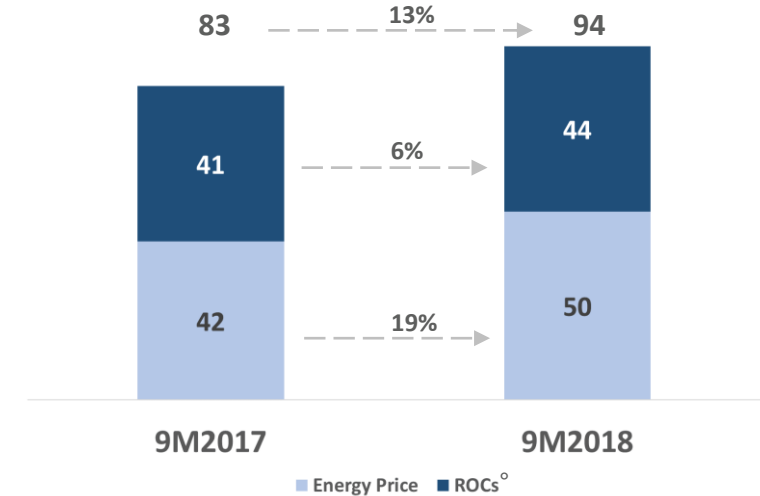
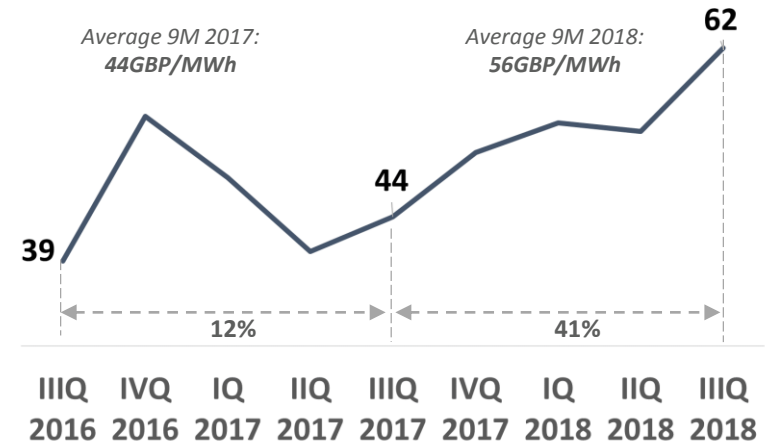
€/MWh



«GROUP» PRICE



GBP/MWh



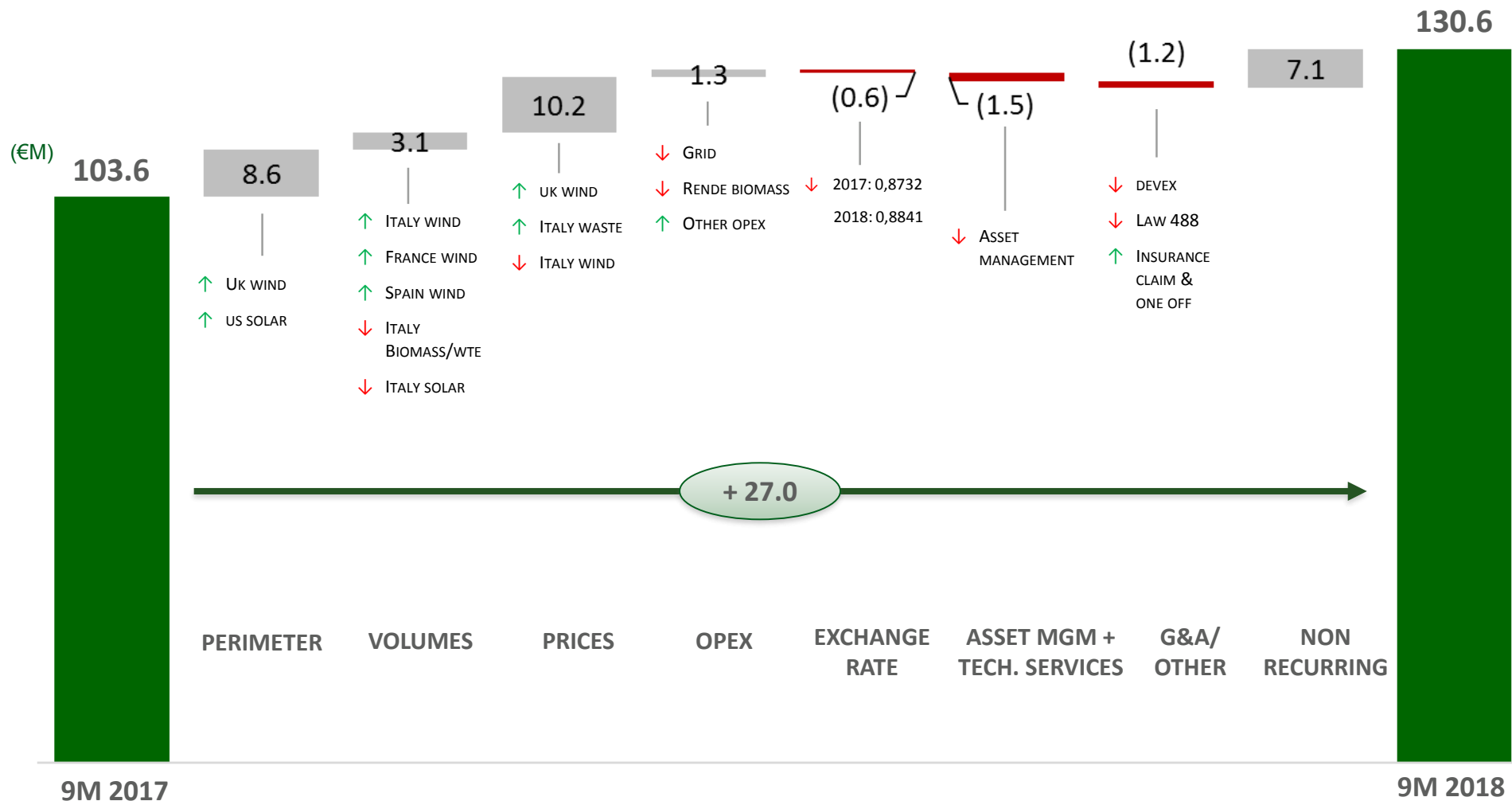
	9M2017	9M2018	Δ %
Eur/MWh	92	93	1%
Eur/MWh	49	50	2%



9M 2018 RESULTS



9M 2018 EBITDA Bridge



9M 2018 Financial Highlights

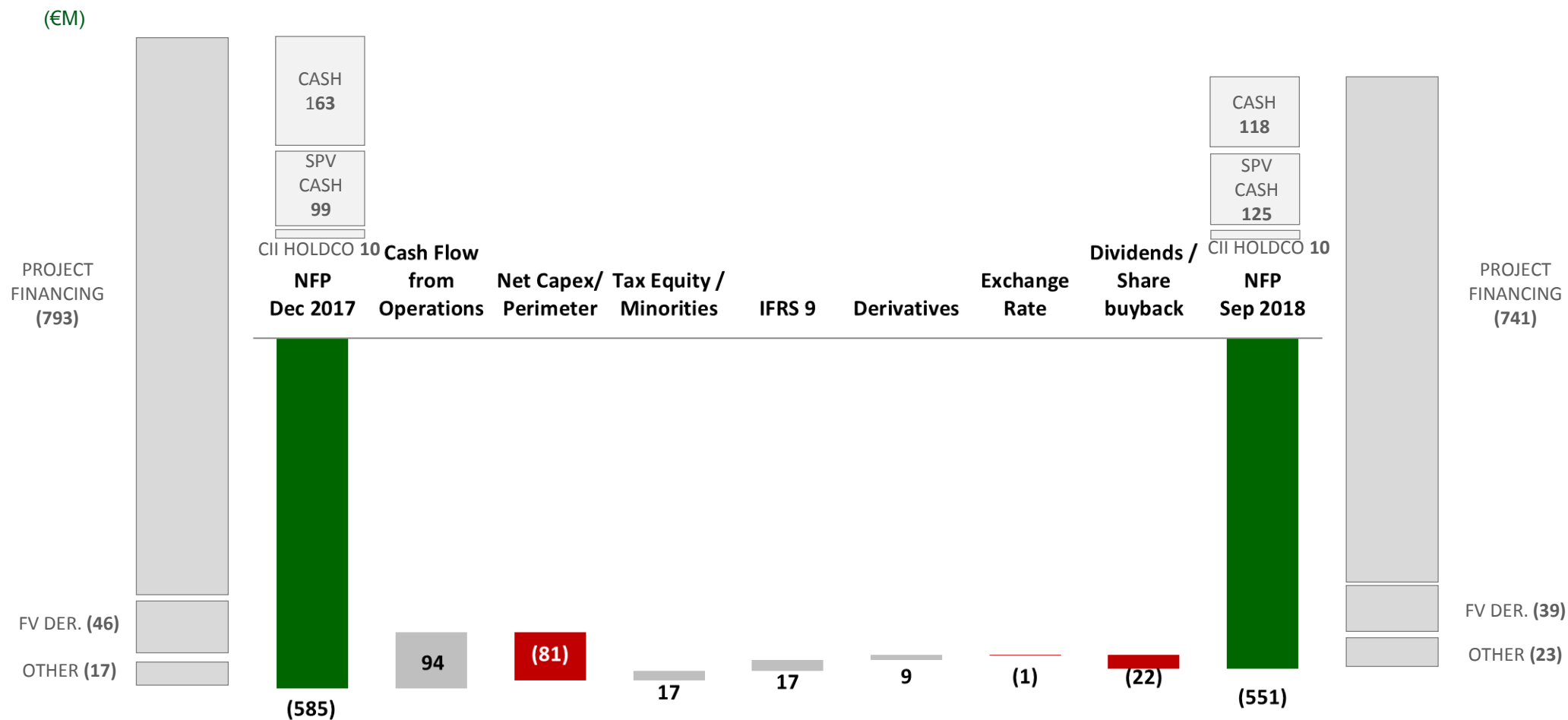
(€M)	9M2018 *	9M2018	
Revenues and Other Income	243.8	202.9	20.2%
Ebitda	130.6	103.6	26.1%
<i>% on Revenues and Other Income</i>	53.6%	51.1%	
Depreciation - Amortization - Write Off	(53.9)	(50.1)	
Operating result	76.7	53.5	43.3%
<i>% on Revenues and Other Income</i>	31.4%	26.4%	
Financial income and charges	(29.6)	(28.4)	
Equity investments	0.7	2.1	
Earnings Before Taxes	47.8	27.2	76.1%

Breakdown (€M)	9M 2018	9M 2017
Depreciation	(48.5)	(44.0)
Provision	(5.2)	(5.7)
Write – off / Revaluation	(0.3)	(0.4)

(€M)	END OF 9M2018	END OF 2017
Net Financial Position	(551)	(585)
<i>of which: Proj. Fin. and MLT no recourse</i>	(741)	(793)
NFP excluding Derivatives Instruments	(512)	(537)

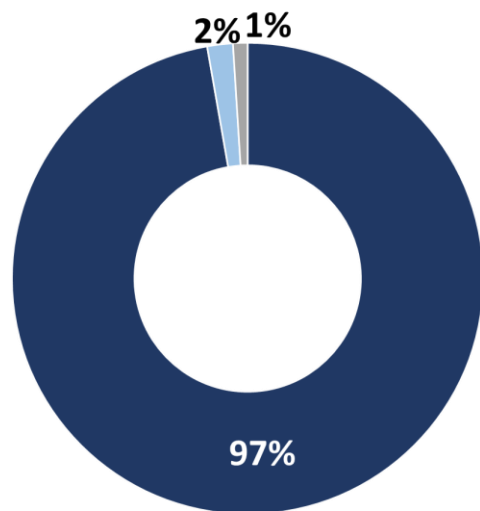
* It includes the impact of non-recurring transactions of €7.1M

9M 2018 Cash Flow



9M 2018 Debt Breakdown

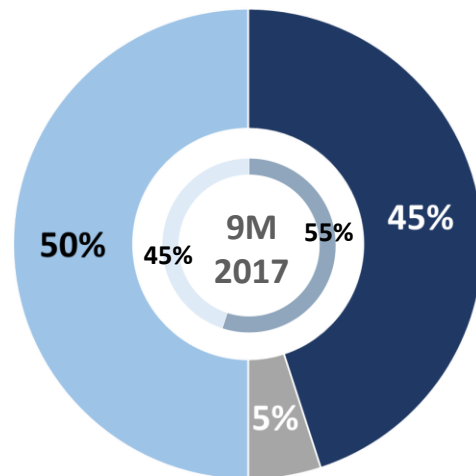
Gross Debt Nature Without Derivatives



€767M

- Financing with recourse
- Project financing without recourse
- Other financings without recourse

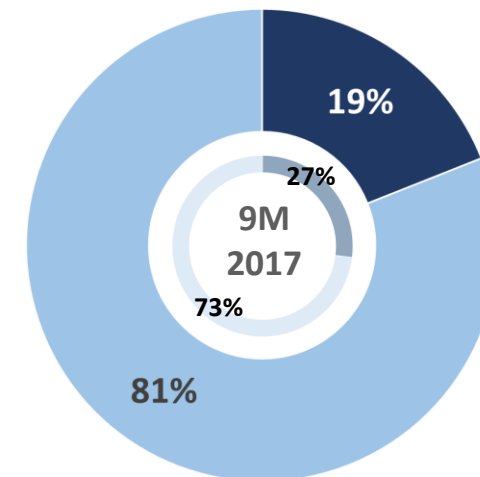
Gross Debt by Currency Without Derivatives



€767M

- GBP
- EUR
- USD

Gross Debt Without Derivatives Hedged



€767M

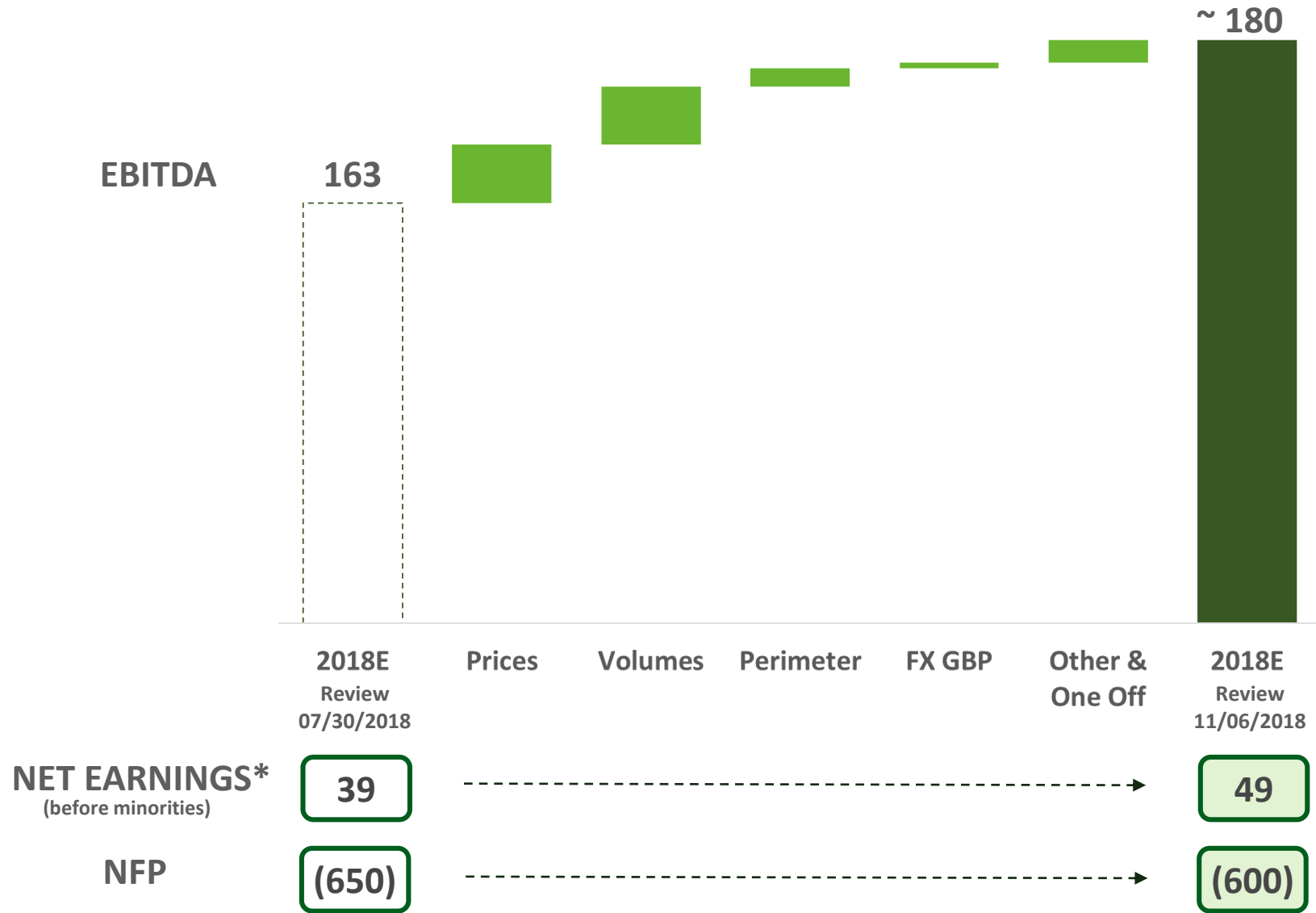
- Hedged
- Un-hedged

Average interest rate (including interest rate swap) of **3.69%***

OUTLOOK AND CONCLUSIONS



2018 Guidance: sound 9M performance with higher expectations












* Ordinary (before impairments and provisions)

Appendix

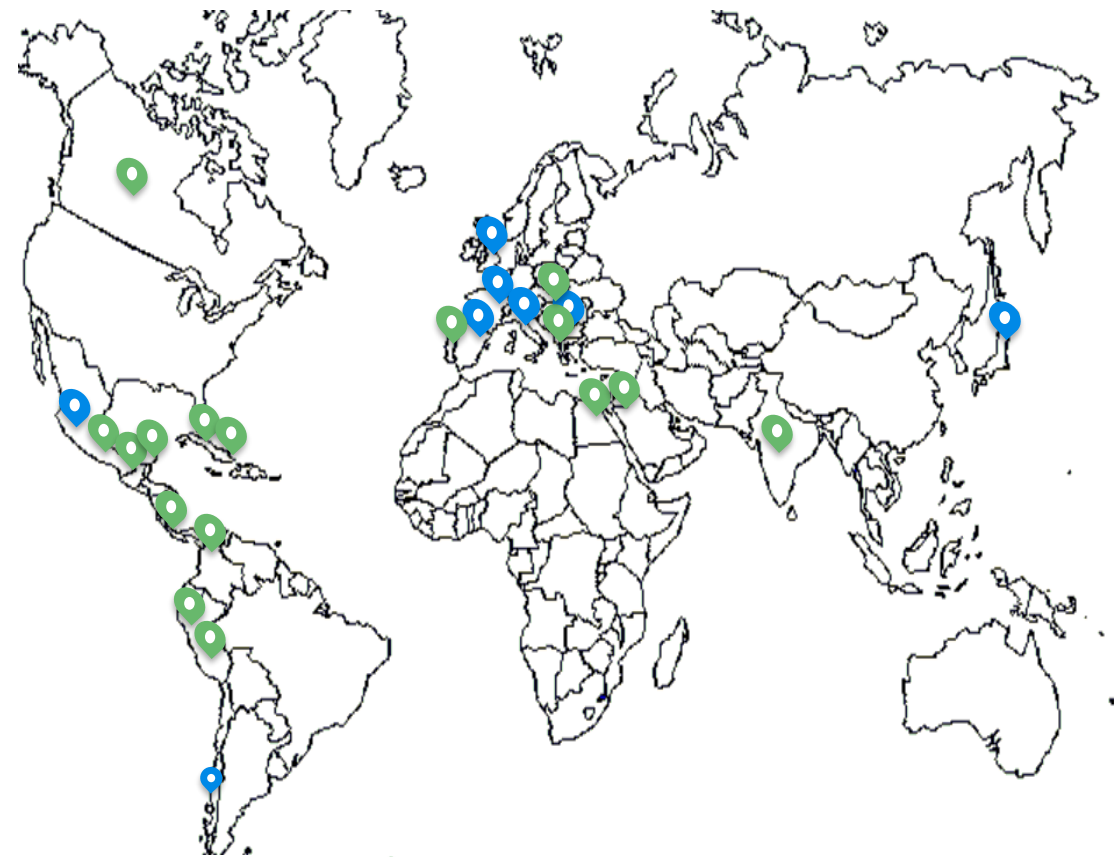
Group Overview as of 30 September 2018



37 plants

970* MW

			
	413MW		
	292MW	16MW	46MW
		113MW	
	49MW		
	42MW		
	796MW	129MW	46MW

2,400 MW under Management by Vector Cuatro



 Global Presence
 Vector Cuatro Offices

* 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 2018



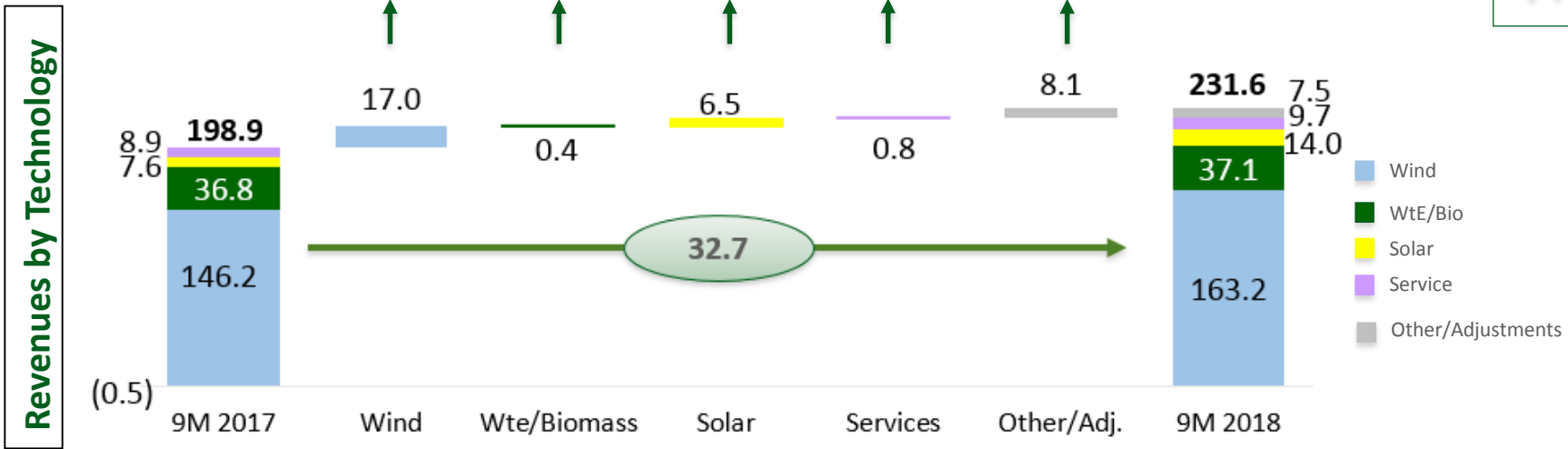
MINORITIES

Plants	MW	Energy produced 9M 2018 (GWh)
Cefn Croes (Wales)	58.5	92
Boyndie (Scotland)	16.7	25
Earlsburn (Scotland)	37.5	75
Ben Aketil (Scotland)	27.6	45
Millennium (Scotland)	65.0	115
Kilbraur (Scotland)	67.5	110
Nutberry (Scotland)	15.0	36
West Browncastle (Scotland)	30.0	52
Spaldington (England)	11.8	18
Kingsburn (Scotland)	22.5	55
Assel Valley (Scotland)	25.0	50
Auchrobert (Scotland)	36.0	68
San Sostene (Italy)	79.5	115
Minervino Murge (Italy)	52.0	64
Buddusò – Alà dei Sardi (Italy)*	138.0	216
Petralia Sottana (Italy)	22.1	30
Ty Ru (France)	10.0	14
Fouy (France)	10.0	12
Cretes (France)	10.0	12
Esquennois (France)	12.0	15
Cabezo San Roque (Spain)	23.3	40
Rende (Italy)	1.0	1
Sicily (Italy)	13.1	15
Mesagne (Italy)	2.0	2
North Carolina (USA)	92.0	115
Syncarpha - Massachusets (USA)	14.5	8
Middleton – Massachusets (USA)	6.0	3
WTE Trezzo (Italy)	20.0	69
BIO Rende (Italy)	15.0	78
La Muela (Wind - Spain)	26.0	
Frullo Energia Ambiente (WtE - Italy)	11.0	
TOTAL	970.2	1.548

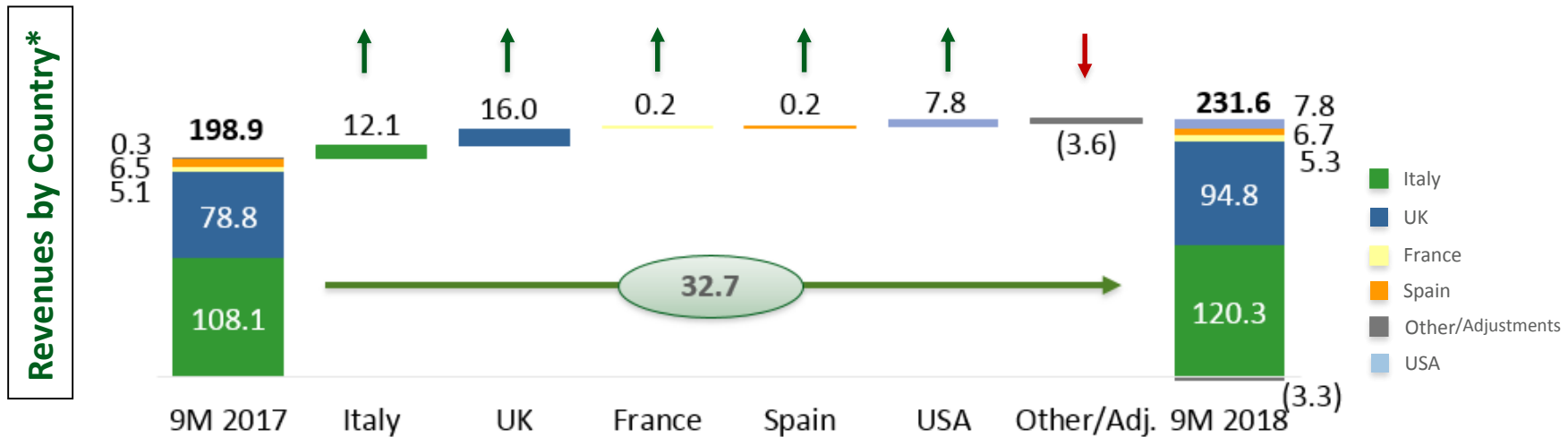
* The installed capacity is 159 MW, production limit at 138 MW

9M 2018 Revenues

(€M)

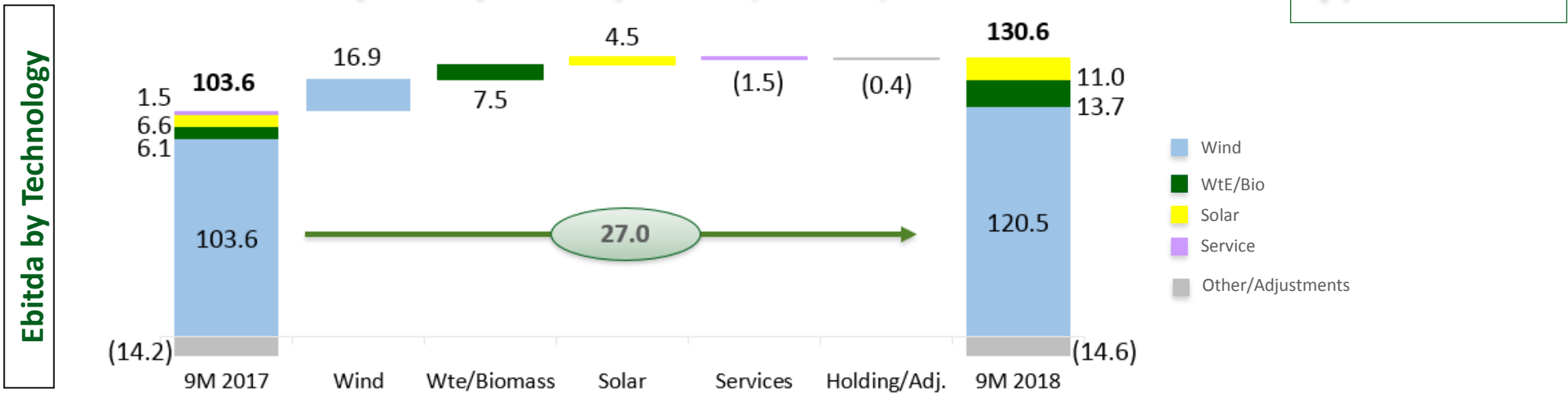


(€M)

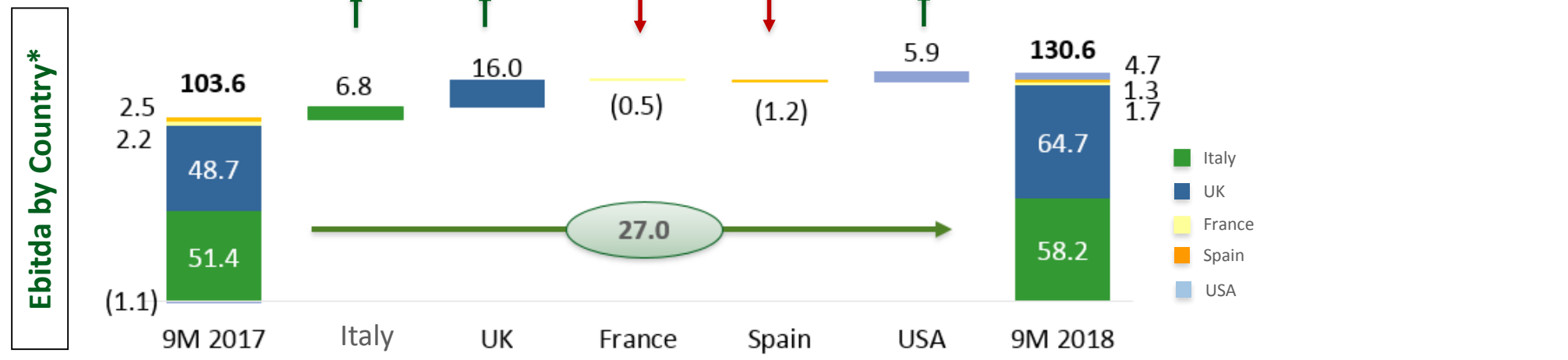


9M 2018 EBITDA

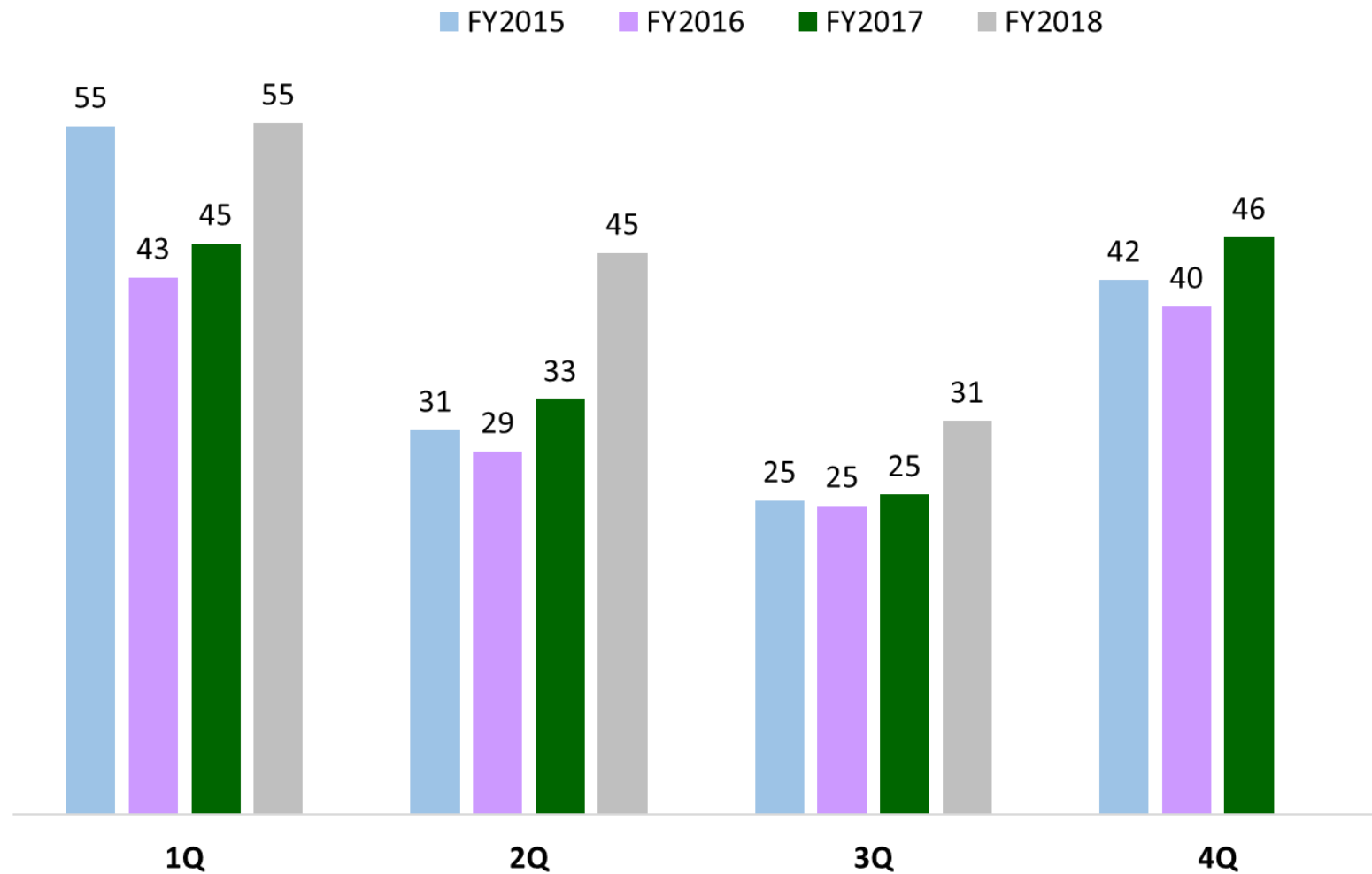
(€M)



(€M)

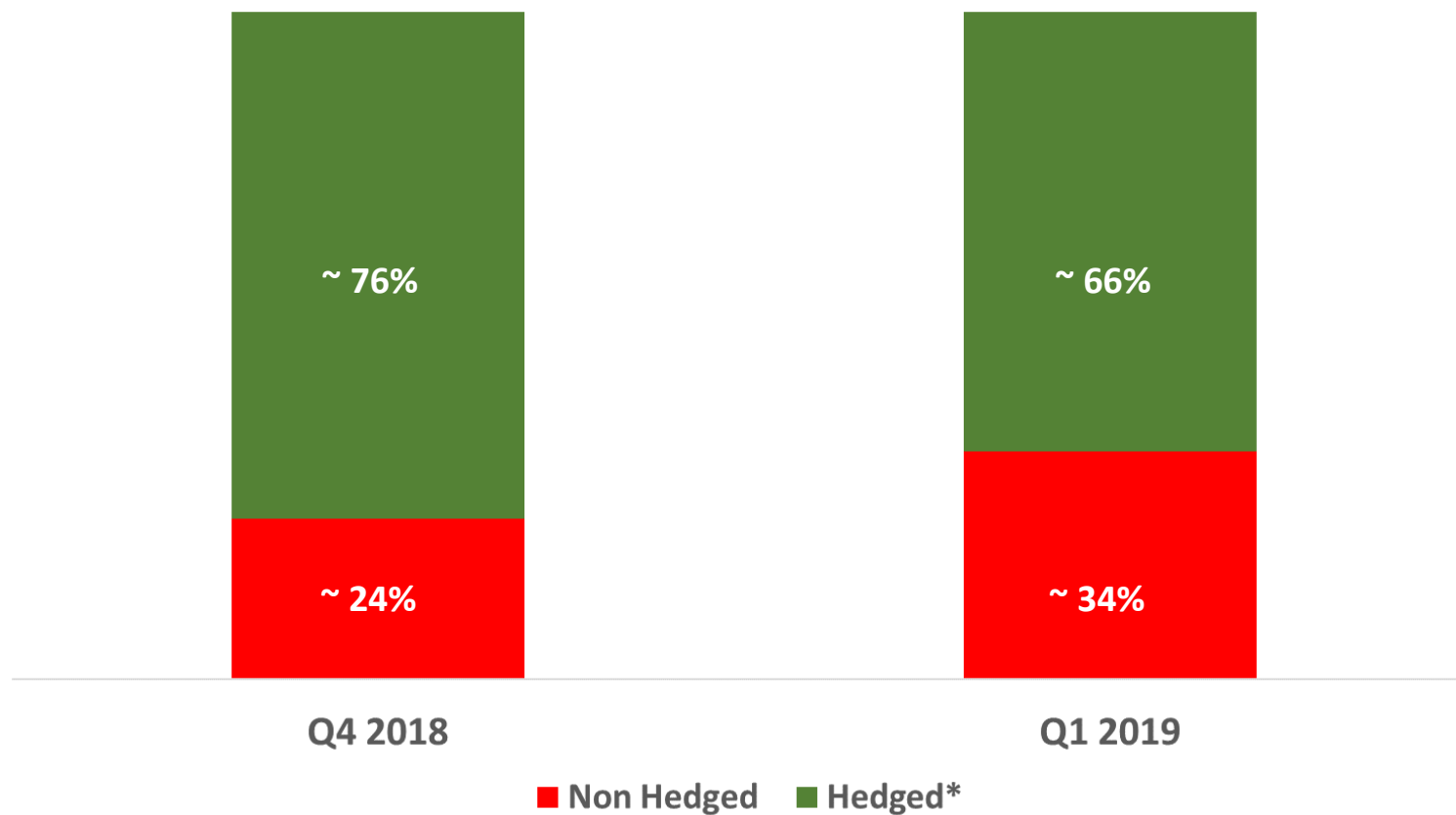


EBITDA Breakdown by Quarter



3Q 2018 EBITDA impacted by higher prices and positive contribution from US solar productions

Hedged Component of Revenues by Quarter



* Incentive (Green C., ROCs, Conto Energia, Feed in Tariff, SREC) + fixed component of PPA