

# 1Q 2019 Results

9 May 2019

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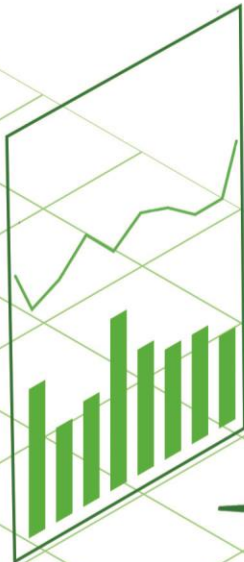
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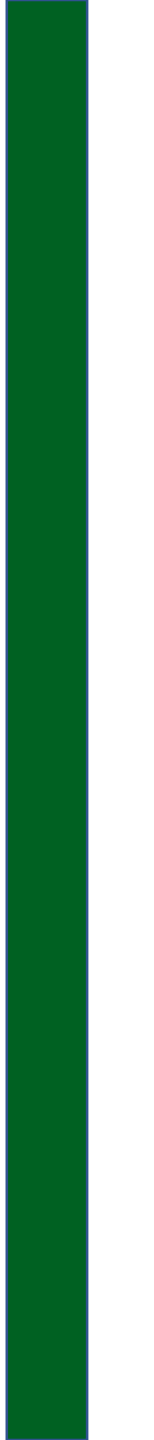
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# Agenda

|                         |  |    |
|-------------------------|--|----|
| 1Q 2019 Highlights      |  | 4  |
| 1Q 2019 Results         |  | 10 |
| Outlook and conclusions |  | 15 |
| Appendix                |  | 18 |



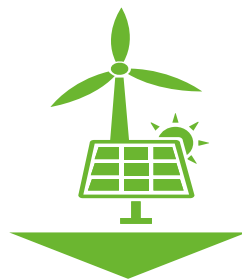
# 1Q 2019 Highlights



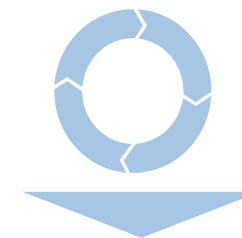
# 1Q 2019 Highlights – Solid Results on Strong Market Fundamentals



- **Higher Ebitda** at **€63.0M** vs €54.8 1Q 2018 above expectations. €61.6M net of IFRS 16 adoption
- **Earnings before Taxes** reaches **€35.3M** vs €29.8M in 1Q 2018. €35.9M net of IFRS 16 adoption
- **NFP** at **€675M** (€602M net of IFRS 16 adoption) higher than €547M end of 2018: increase driven by acquisition of French assets (56MW) and Capex for construction for €83M
- Positive impact from GBP **exchange ratio** (1.2% vs average 1Q 2018)



- **Better comprehensive captured\* prices** in the UK (+9%) and in Italy (+2%) vs 1Q 2018 in line with the industrial plan assumptions
- **Production** slightly below 1Q 2018 (-2%): **poor wind conditions** in Italy and **grid curtailments** (large portion compensated) in the UK.
- Projects under construction: activities **on schedule** and **COD confirmed** for all 5 projects (**+11%** progress vs end of 2018)
- Reached **1,026 MW** of total installed capacity (989.5 MW according to IFRS 11)
- Increase of Perimeter: **+56MW wind in France** consolidated starting from 1 March 2019
- Completed the **disposal** of Esposito Servizi Ecologici on 15 January 2019



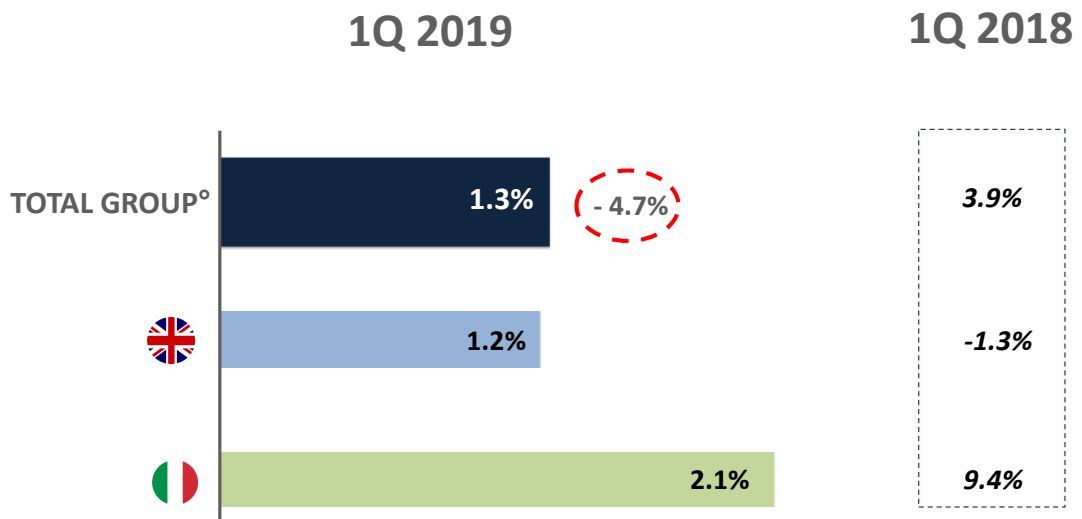
## Services

- **Energy Management** through Falck Renewables Energy (“FRE”): **265 GWh** dispatched in-house in Italy (**100% of energy produced**) vs 102 GWh in 1Q 2018 + Hedging + Fixing activities in Italy and the UK
- Reached **4.3MW UVAM** in Italy
- **NUO** digital asset management launched in beta testing from April

# Assets: 1Q 2019 Wind Portfolio Performance

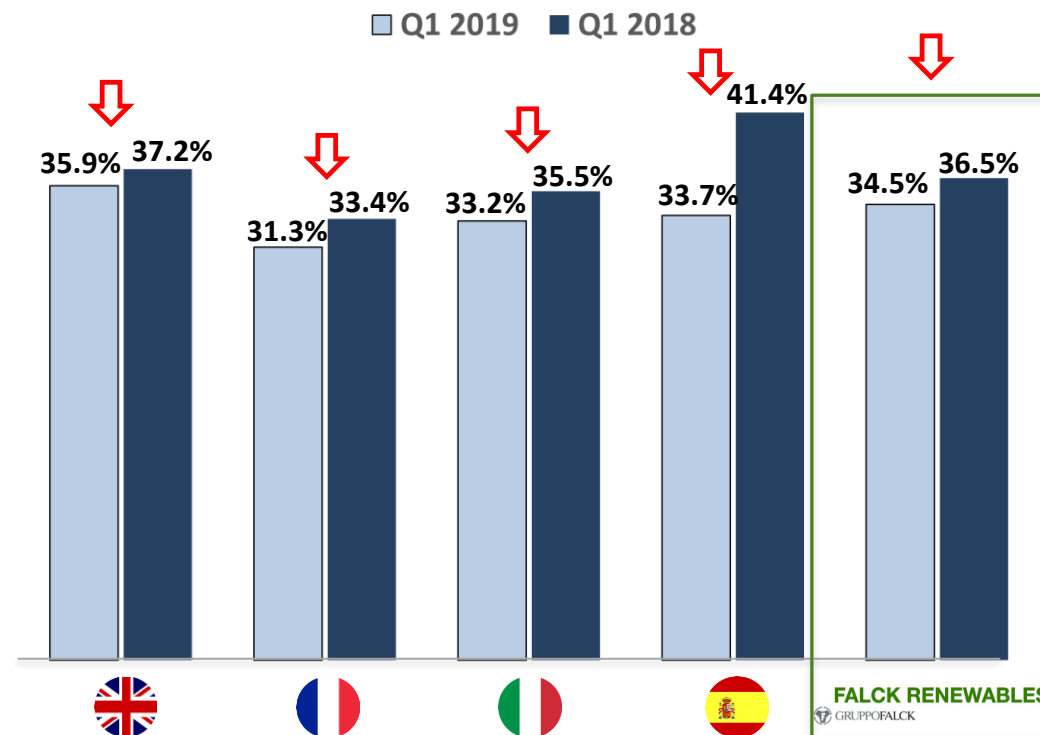


## UK & Italy: Evolution of Production\*



TOTAL GROUP (EXCLUDES REIMBURSED CURTAILMENT)

## 1Q 2019 vs. 1Q 2018: Load Factor\*\* by Country



\* variation % vs. internal Index of production

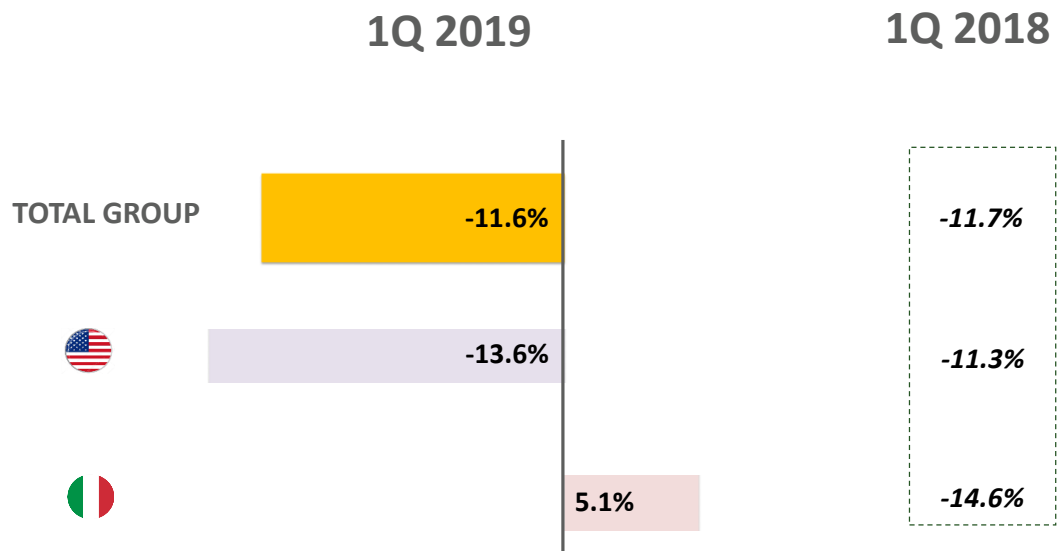
<sup>°</sup> excluding 56MW acquired and consolidated from 03/01/2019

\*\* Based on effective operating hours, excluding reimbursed curtailments

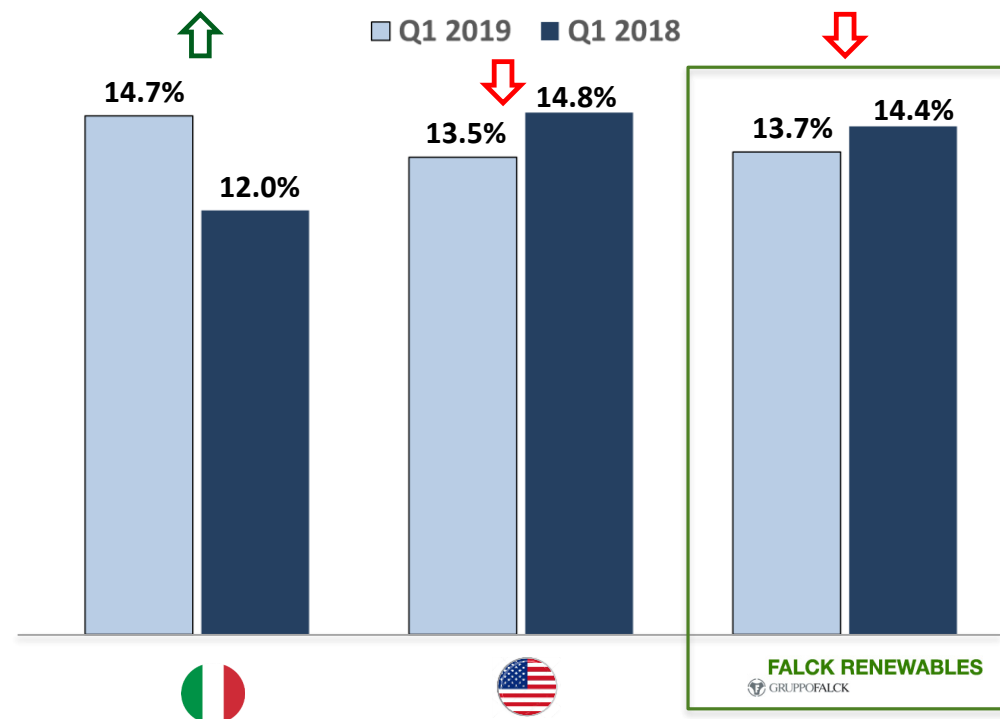
# Assets: 1Q 2019 Solar Portfolio Performance



US & Italy: Evolution of Production\*\*



1Q 2019 vs. 1Q 2018: Load Factor\* by Country



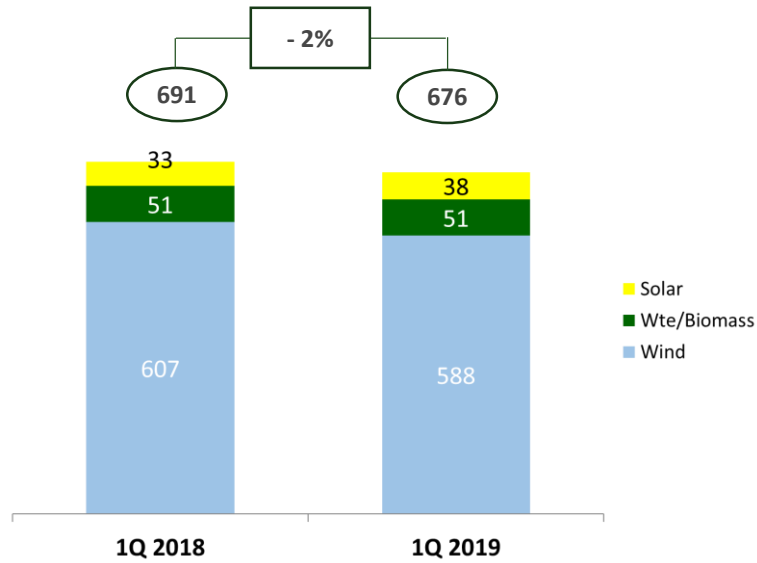
\*\* variation % vs. internal Index of production

\* Based on effective operating hours

# Assets: Electricity Production in 1Q 2019 (GWh)

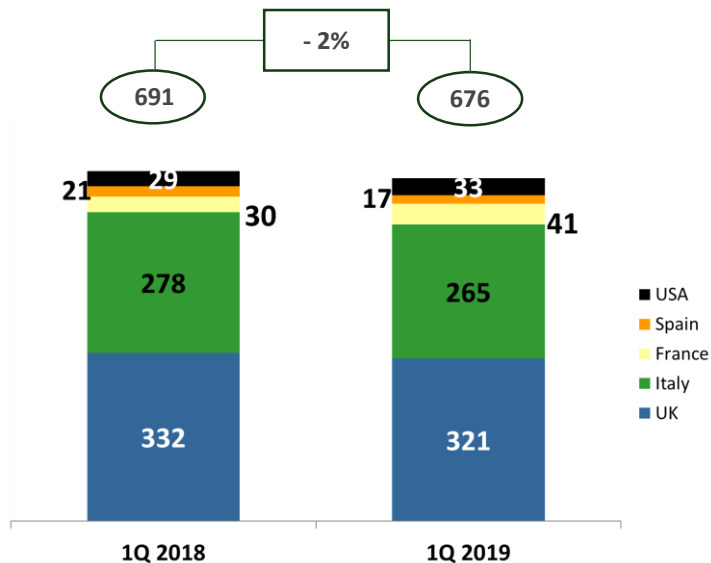


## By Technology



Lower production vs. 1Q 2018 due to significant grid curtailments at our Millennium, Kilbraur, Assel Valley and Auchrobert wind farms (36GWh compensated).

## By Country



- Lower wind production vs. 1Q 2018 (-6%). Better volumes for solar (+30%) due to a better irradiation.
- Energy from waste/biomass aligned to 1Q 2018: lower energy production at Trezzo WtE plant (planned maintenance works) compensated by better performance at Rende Biomass plant.



Higher productions vs 1Q 2018 due to new capacity additions in Massachusetts (20.5MWDC - Syncarpha and 6MWDC - Middleton) partially mitigated by a lower plant performance at solar plant in North Carolina



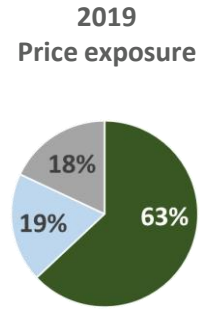
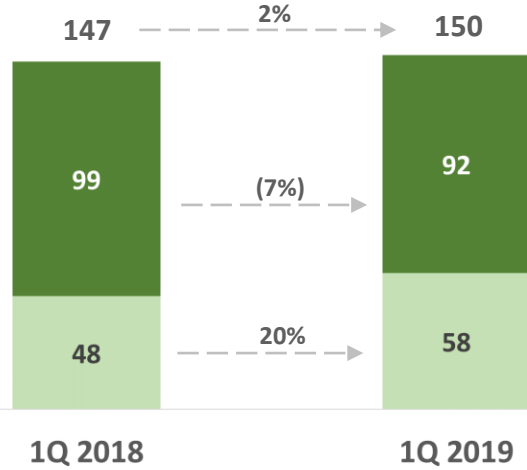
# Assets: Captured Price Overview



CAPTURED ENERGY + INCENTIVE PRICE

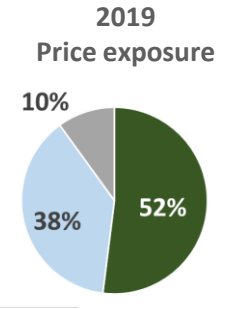
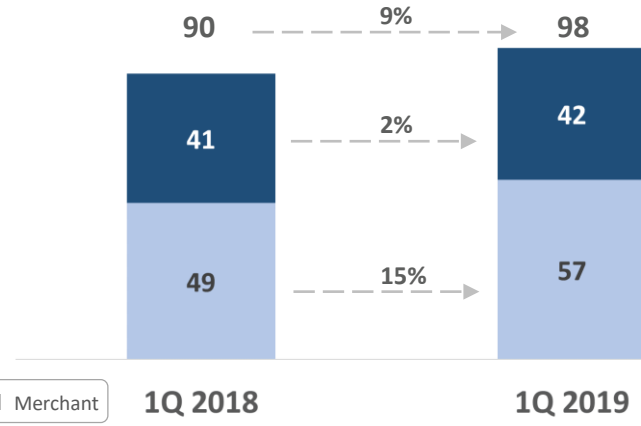


€/MWh

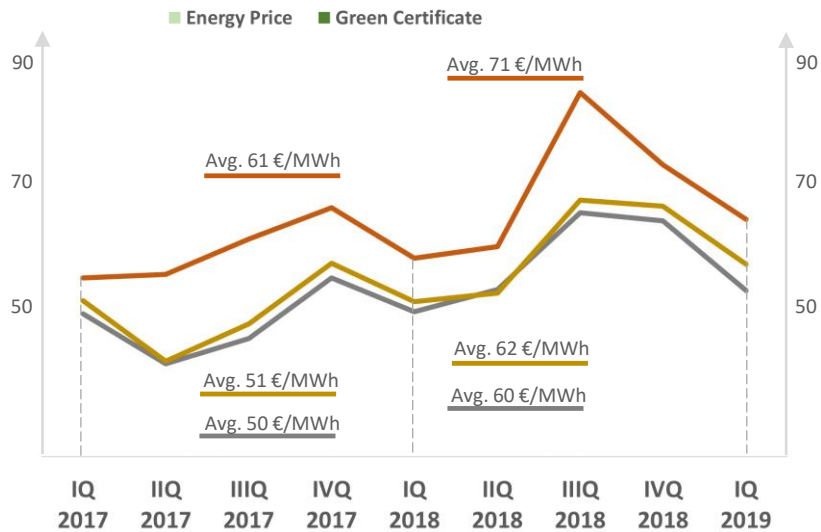


GBP/MWh

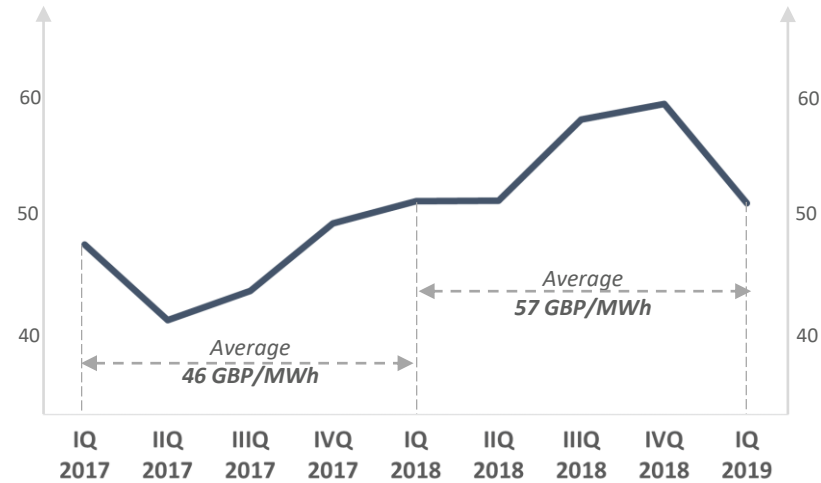
|            | 1Q 2019 | 1Q 2018 | Δ % |
|------------|---------|---------|-----|
| 🇫🇷 Eur/MWh | 94      | 92      | 1%  |
| 🇪🇸 Eur/MWh | 53      | 45      | 18% |



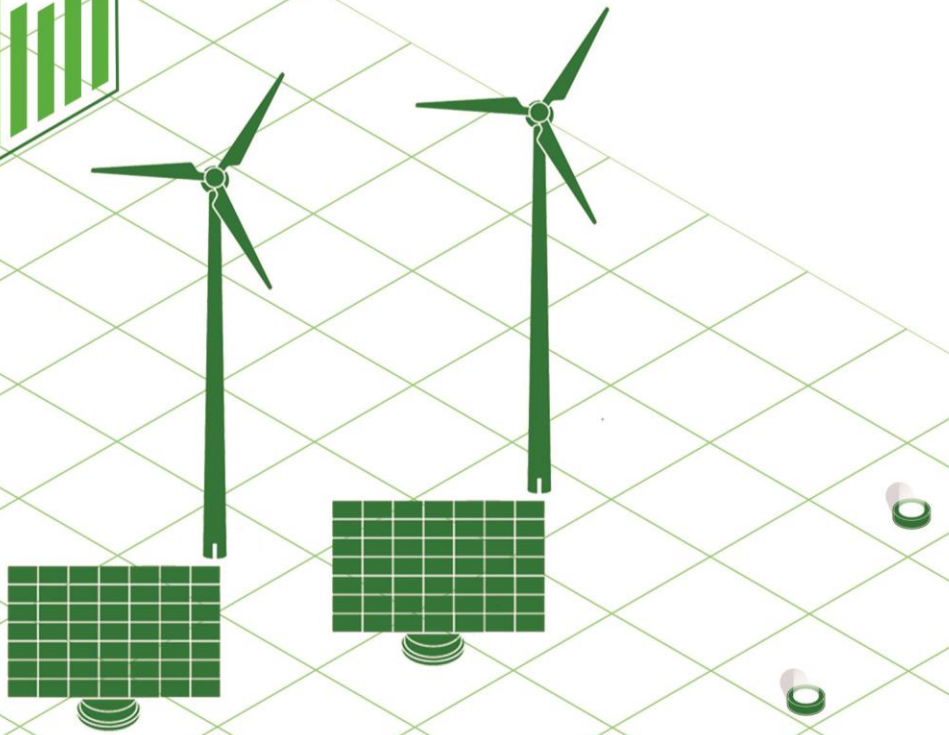
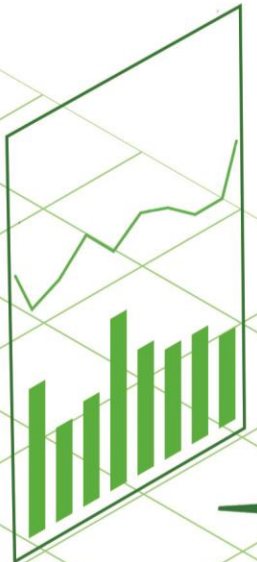
WHOLESALE PRICE\*



— Sicily — South Italy — Sardinia



# 1Q 2019 Results



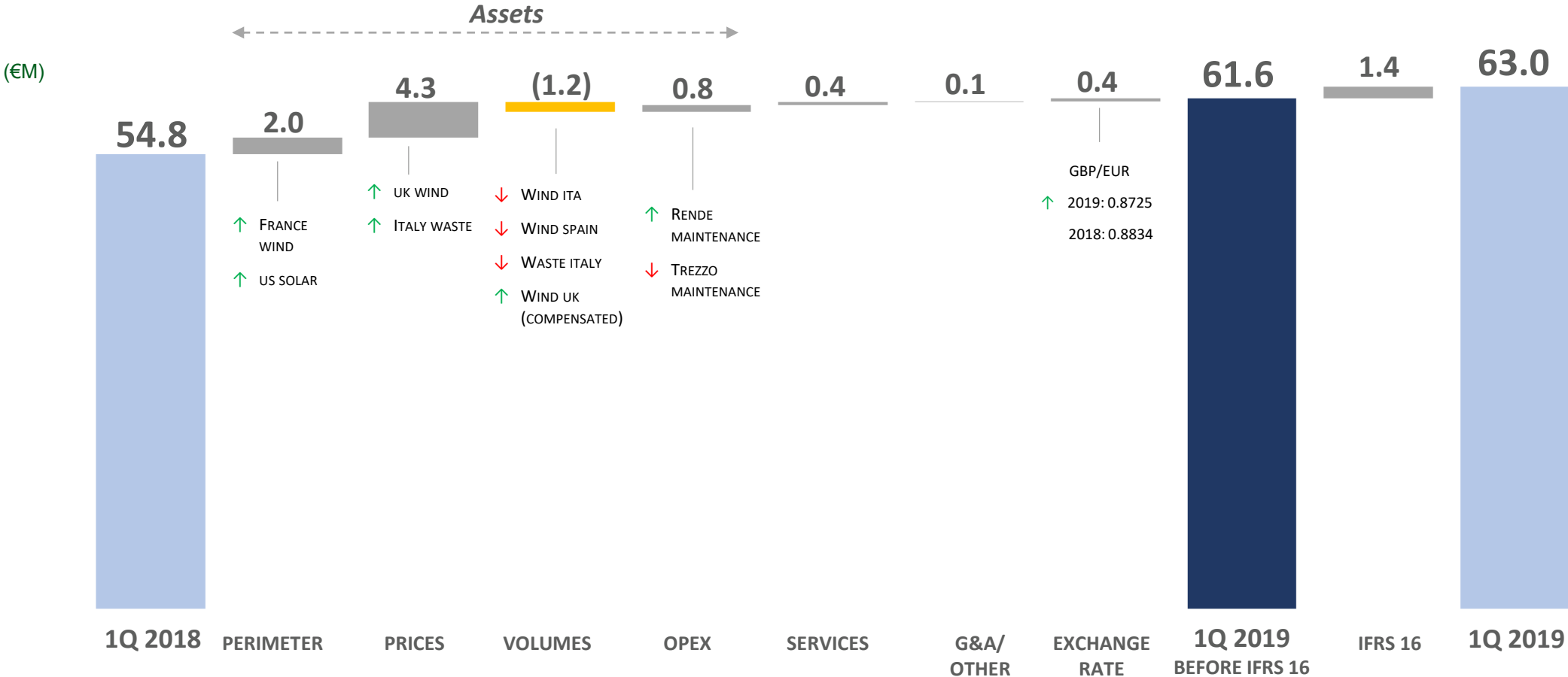
# 1Q 2019 Financial Highlights



| (€M)                                    | 1Q2019       | 1Q2018       |              | Before IFRS 16 | IFRS 16 Impact | Reported     |
|---|--------------|--------------|--------------|----------------|----------------|--------------|
| <b>Revenues and Other Income</b>        | <b>107.6</b> | <b>92.8</b>  | <b>16.0%</b> | <b>107.6</b>   |                | <b>107.6</b> |
| <b>Ebitda</b>                           | <b>63.0</b>  | <b>54.8</b>  | <b>14.9%</b> | <b>61.6</b>    | <b>1.4</b>     | <b>63.0</b>  |
| <i>% on Revenues and Other Income</i>   | <i>58.5%</i> | <i>59.1%</i> |              | <i>57.2%</i>   |                | <i>58.5%</i> |
| Depreciation - Amortization - Write Off | (19.1)       | (16.3)       |              | (17.8)         | (1.3)          | (19.1)       |
| <b>Operating result</b>                 | <b>43.9</b>  | <b>38.5</b>  | <b>14.1%</b> | <b>43.8</b>    | <b>0.1</b>     | <b>43.9</b>  |
| <i>% on Revenues and Other Income</i>   | <i>40.8%</i> | <i>41.5%</i> |              | <i>40.7%</i>   |                | <i>40.8%</i> |
| Financial income and charges            | (10.1)       | (9.8)        |              | (9.4)          | (0.7)          | (10.1)       |
| Equity investments                      | 1.5          | 1.1          |              | 1.5            |                | 1.5          |
| <b>Earnings Before Taxes</b>            | <b>35.3</b>  | <b>29.8</b>  | <b>18.6%</b> | <b>35.9</b>    | <b>(0.6)</b>   | <b>35.3</b>  |

| (€M)  | END OF 1Q2019 | END OF 2018  |  | Before IFRS 16 | IFRS 16 Impact | Reported     |
|---|---------------|--------------|--|----------------|----------------|--------------|
| <b>Net Financial Position</b>                   | <b>(675)</b>  | <b>(547)</b> |  | <b>(602)</b>   | <b>(73)</b>    | <b>(675)</b> |
| <i>of which: Proj. Fin. and MLT no recourse</i> | <i>(737)</i>  | <i>(700)</i> |  | <i>(737)</i>   | <i>-</i>       | <i>(737)</i> |
| <b>NFP excluding Derivatives Instruments</b>    | <b>(638)</b>  | <b>(490)</b> |  | <b>(564)</b>   | <b>(73)</b>    | <b>(638)</b> |

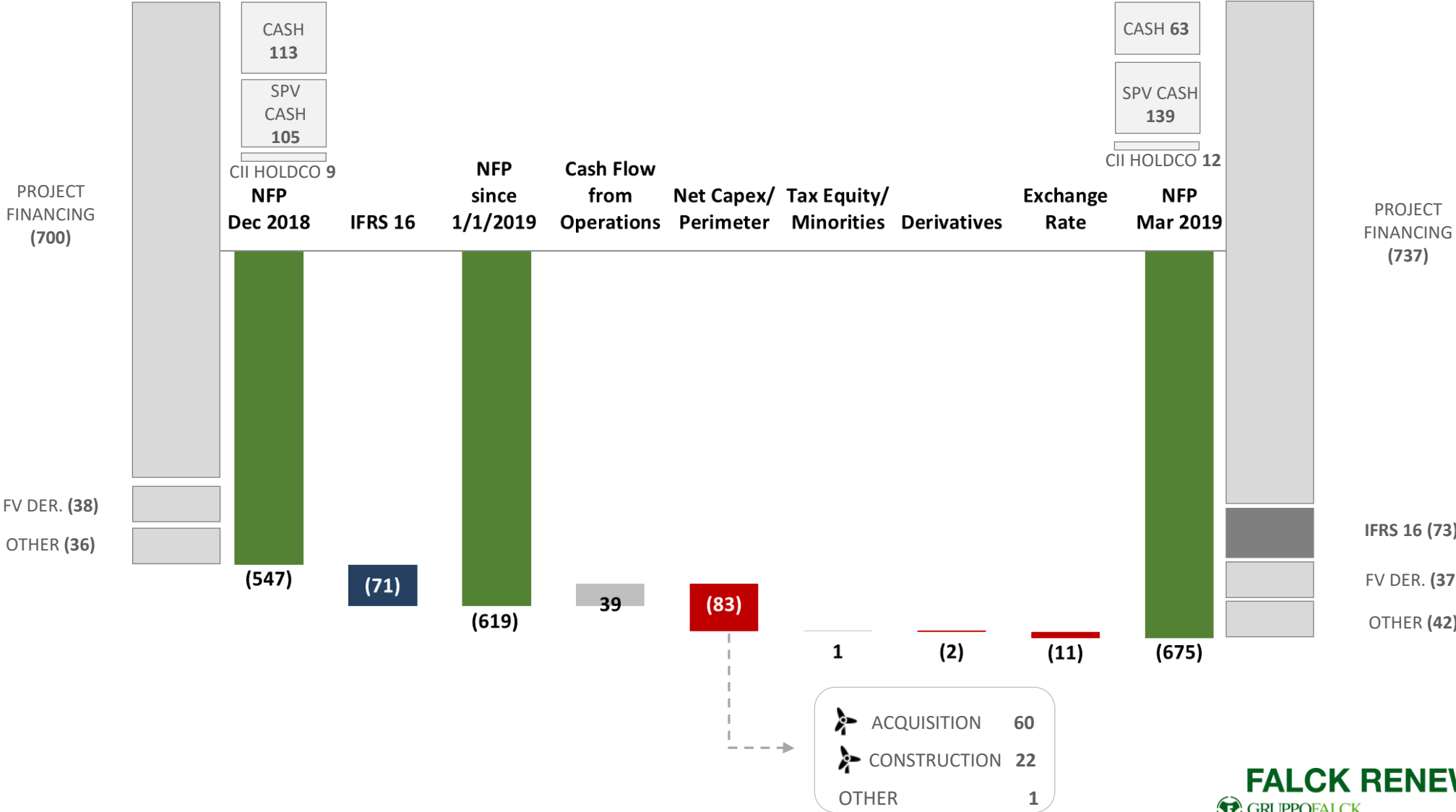
# 1Q 2019 EBITDA Bridge



# 1Q 2019 Cash Flow



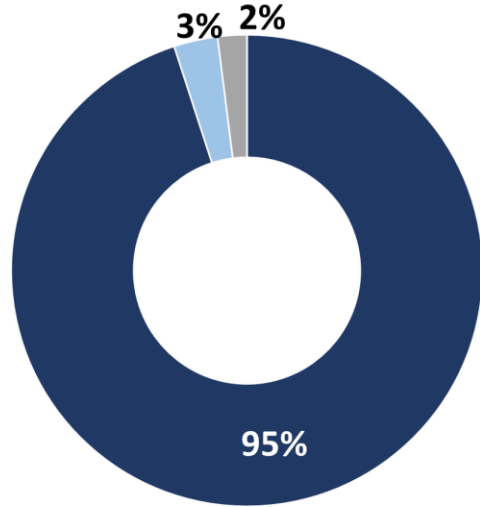
(€M)



# 1Q 2019 Debt Breakdown



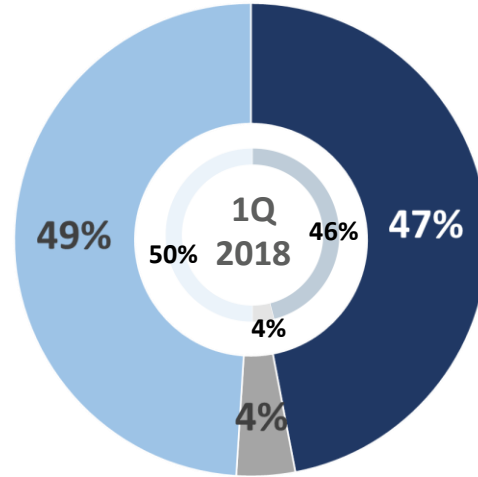
Gross Debt Nature Without Derivatives and Leases



€778M

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

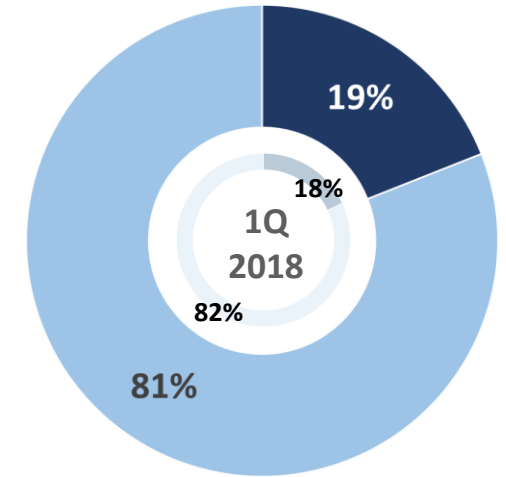
Gross Debt by Currency Without Derivatives and Leases



€778M

- GBP
- EUR
- USD

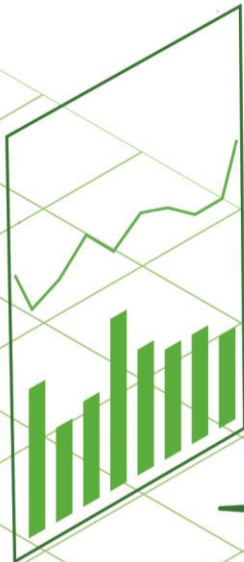
Gross Debt Without Derivatives and Leases Hedged



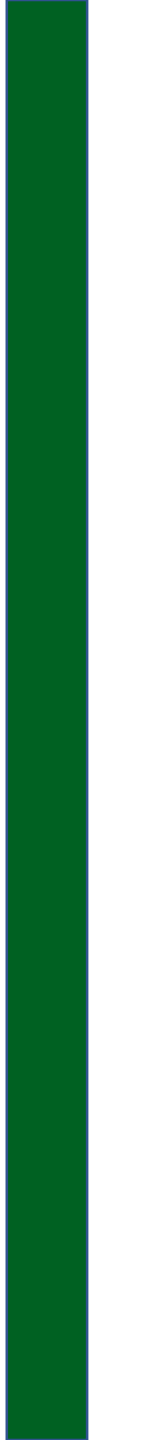
€778M

- Hedged
- Un-hedged

Average interest rate (including interest rate swap) of **3.76%\***



# Outlook & Conclusions



# 2019 Guidance (€M)



EBITDA

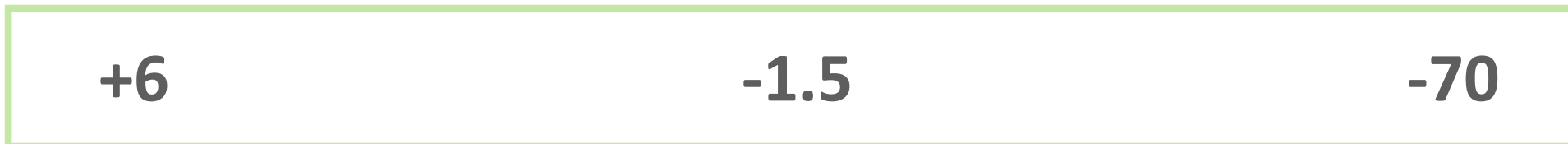


Group Net Earnings



Net Financial Position

**IFRS 16**  
EXPECTED\*  
YEARLY IMPACT

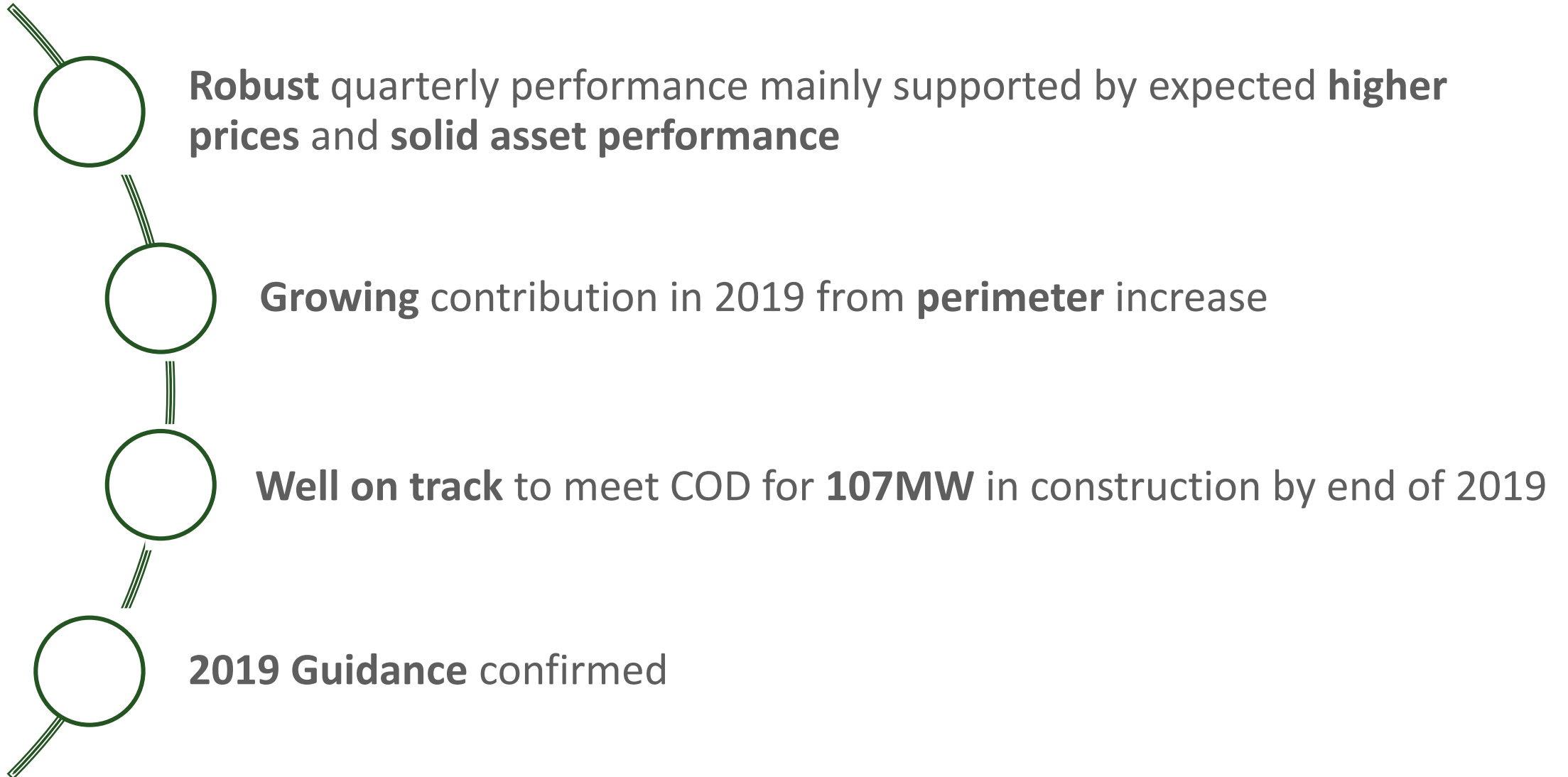


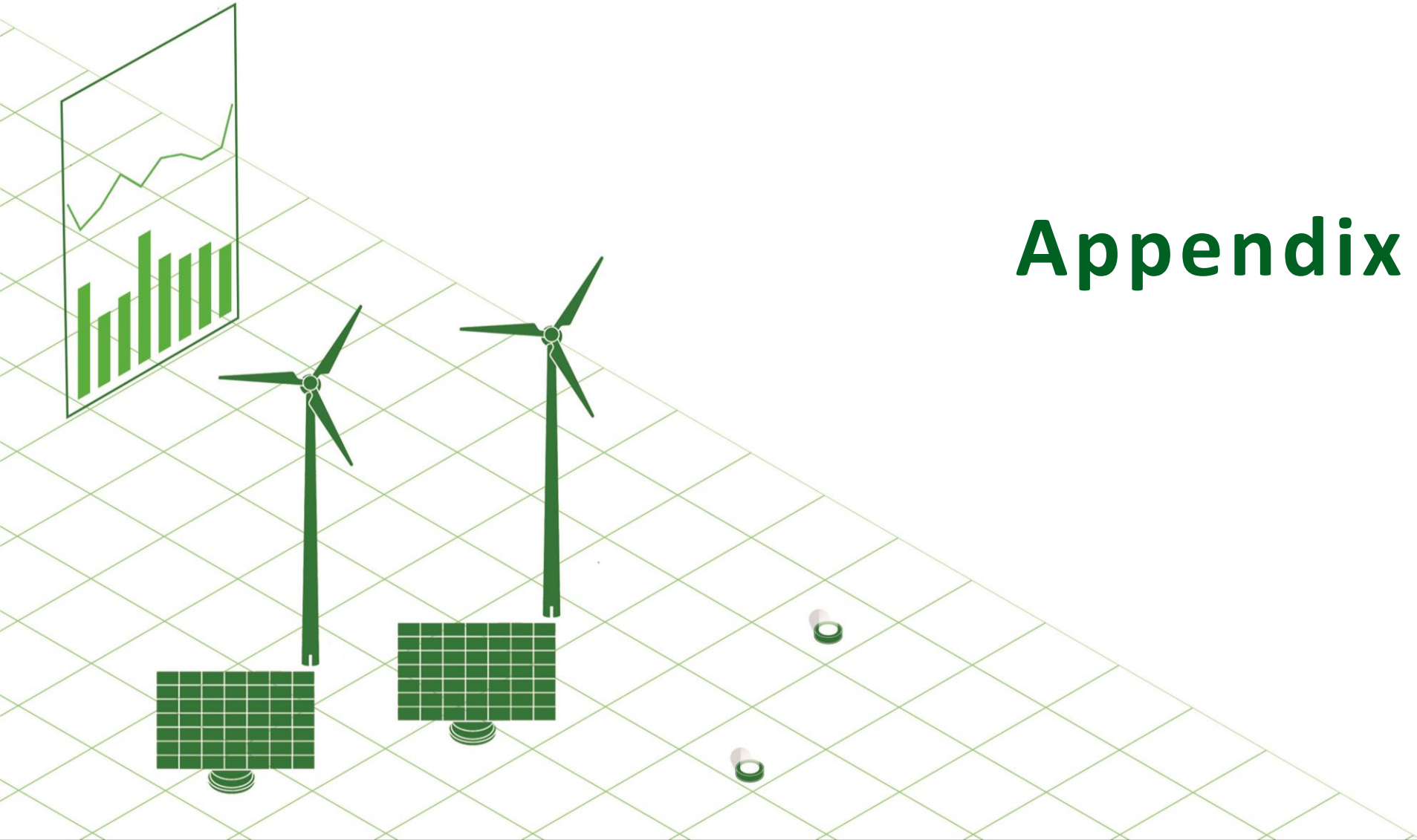
ON FINAL FIGURES  
FOR WHOLE 2019  
FINANCIAL YEAR

Guidance, referred to figures without IFRS 16 impact, unchanged

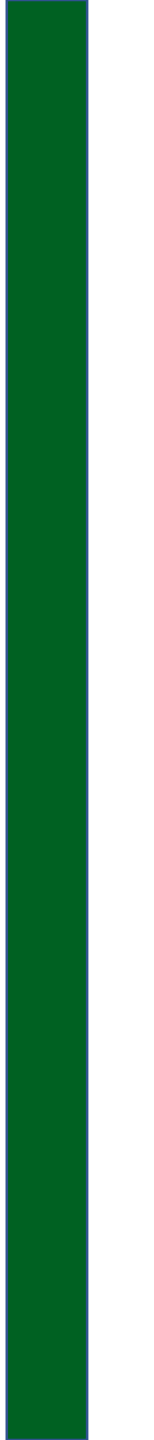


# Conclusions





# Appendix



# 1Q 2019 Highlights

| (€M)                           | 1Q 2019               | 1Q 2018              | YoY Change |
|--------------------------------|-----------------------|----------------------|------------|
| REVENUES                       | 105.9                 | 92.1                 | 13.8       |
| EBITDA<br><i>% on revenues</i> | 63.0<br><i>59.5%</i>  | 54.8<br><i>59.5%</i> | 8.2        |
| EBIT                           | 43.9                  | 38.5                 | 5.4        |
| EARNINGS BEFORE TAXES          | 35.3                  | 29.8                 | 5.5        |
| NFP                            | (675.1)               | (547.2)*             | (127.9)    |
| INSTALLED CAPACITY             | 1,026 MW <sup>o</sup> | 950 MW               | 77 MW      |
| ENERGY PRODUCTION              | 676 GWh               | 691 GWh              | (14 GWh)   |

\* End of 2018

\* Includes minority stake in La Muela (26%) wind farm and Frullo Energia Ambiente (49%) for a total amount of 37MW

# Installed Capacity and Production by Plants in 1Q 2019

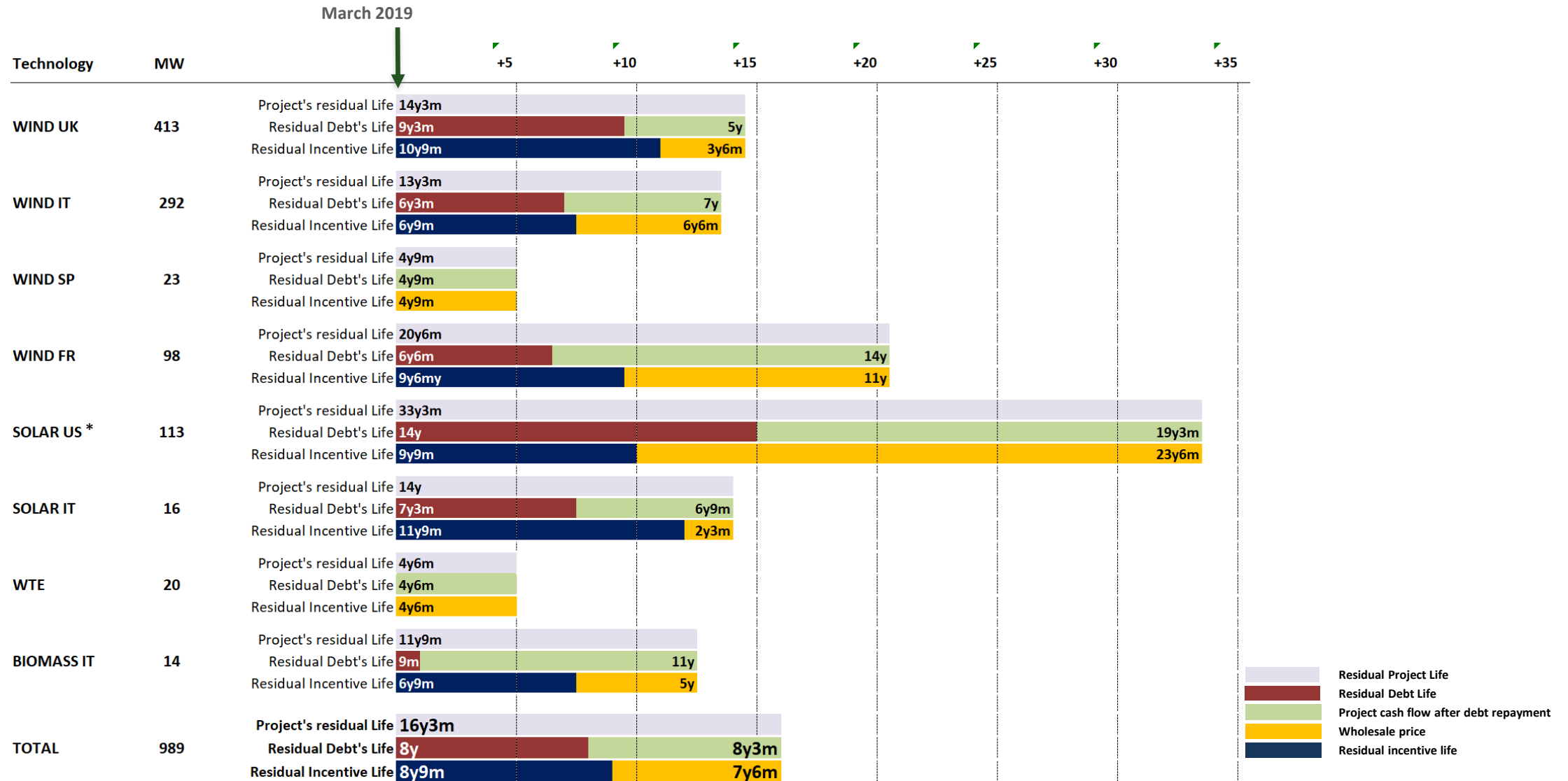


**MINORITIES**

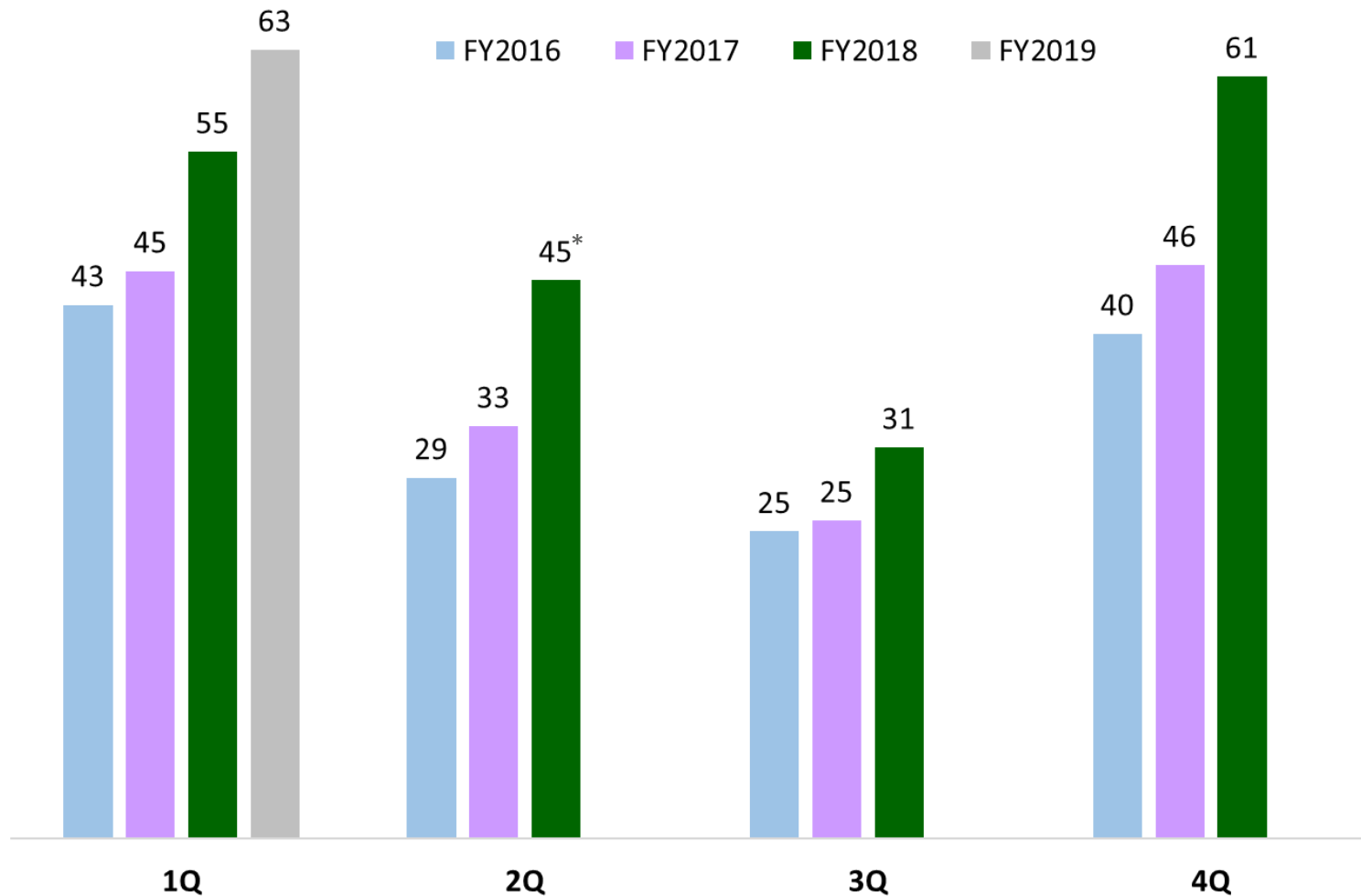
| Plants                                | MW           | Energy produced 1Q 2019 (GWh) |
|---------------------------------------|--------------|-------------------------------|
| Cefn Croes (Wales )                   | 58.5         | 48                            |
| Boyndie (Scotland )                   | 16.7         | 12                            |
| Earlsburn (Scotland)                  | 37.5         | 33                            |
| Ben Aketil (Scotland)                 | 27.6         | 23                            |
| Millennium (Scotland)                 | 65.0         | 44                            |
| Kilbraur (Scotland)                   | 67.5         | 39                            |
| Nutberry (Scotland)                   | 15.0         | 15                            |
| West Browncastle (Scotland)           | 30.0         | 21                            |
| Kingsburn (Scotland)                  | 22.5         | 23                            |
| Assel Valley (Scotland)               | 25.0         | 25                            |
| Auchrobert (Scotland)                 | 36.0         | 30                            |
| Spaldington (England)                 | 11.8         | 8                             |
| San Sostene (Italy)                   | 79.5         | 54                            |
| Minervino Murge (Italy)               | 52.0         | 31                            |
| Buddusò – Alà dei Sardi (Italy)*      | 138.0        | 111                           |
| Petralia Sottana (Italy)              | 22.1         | 13                            |
| Ty Ru (France)                        | 10.0         | 6                             |
| Fouy (France)                         | 10.0         | 5                             |
| Cretes (France)                       | 10.0         | 5                             |
| Esquennois (France)                   | 12.0         | 8                             |
| Eol Team (France)                     | 12.0         | 4                             |
| Noyales (France)                      | 10.0         | 3                             |
| Bois (France)                         | 12.0         | 4                             |
| Mazeray (France)                      | 12.0         | 3                             |
| Coudray (France)                      | 10.0         | 3                             |
| Cabezo San Roque (Spain)              | 23.3         | 17                            |
| Rende (Italy)                         | 1.0          | 0.3                           |
| Sicily (Italy)                        | 13.1         | 4                             |
| Mesagne (Italy)                       | 2.0          | 1                             |
| North Carolina (USA)                  | 92.0         | 27                            |
| Syncarpha - Massachussets (USA)       | 14.5         | 4                             |
| Middleton – Massachussets (USA)       | 6.0          | 2                             |
| WTE Trezzo (Italy)                    | 20.0         | 25                            |
| BIO Rende (Italy)                     | 15.0         | 25                            |
| La Muela (Wind - Spain)               | 26.0         |                               |
| Frullo Energia Ambiente (WtE - Italy) | 11.0         |                               |
| <b>TOTAL</b>                          | <b>1,026</b> | <b>676</b>                    |

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

# Young Asset Base



# EBITDA Breakdown by Quarter

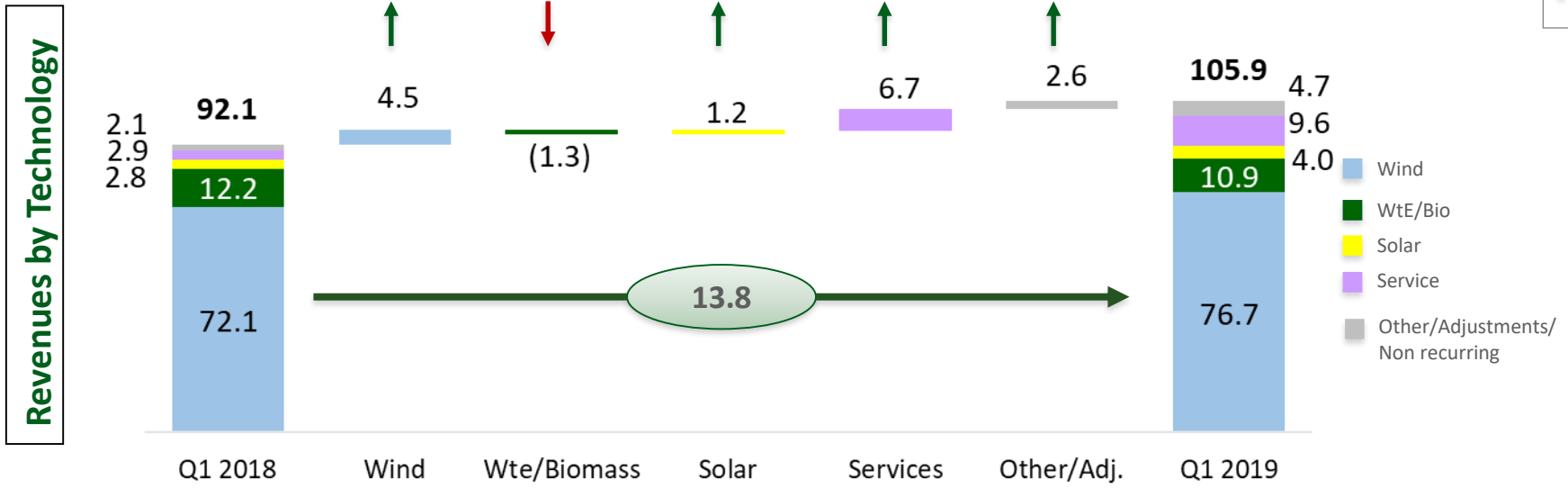


1Q 2019 EBITDA impacted by good prices and positive contribution from increase of perimeter

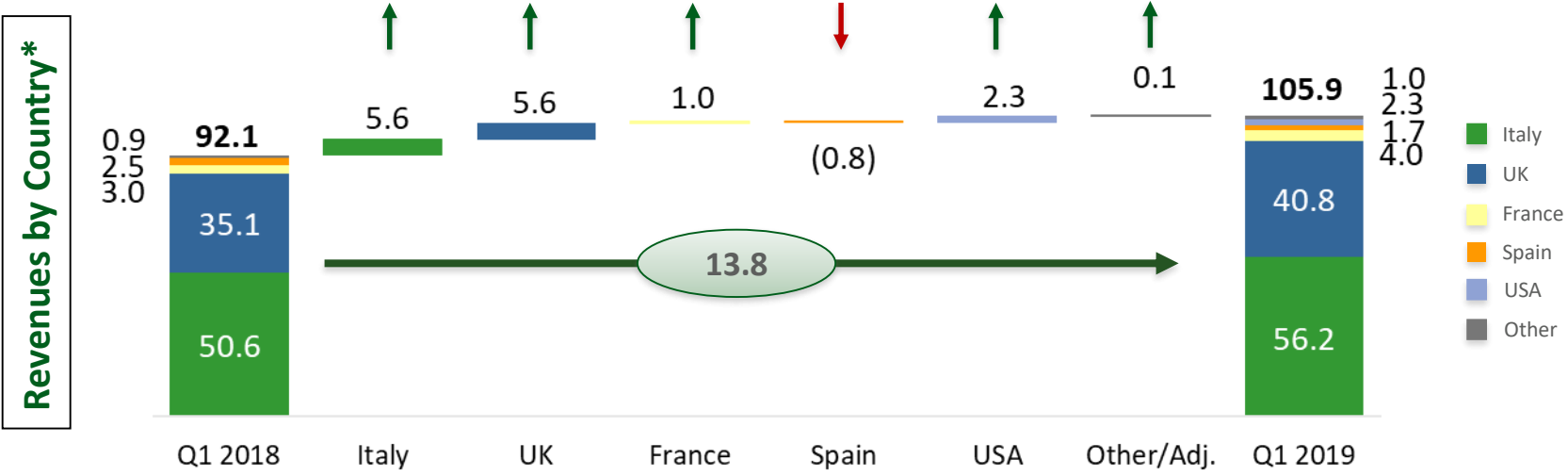
\* It includes the impact of non-recurring transactions of €7.1M

# 1Q 2019 Revenues

↑ ↓ Trend vs 1Q 2018



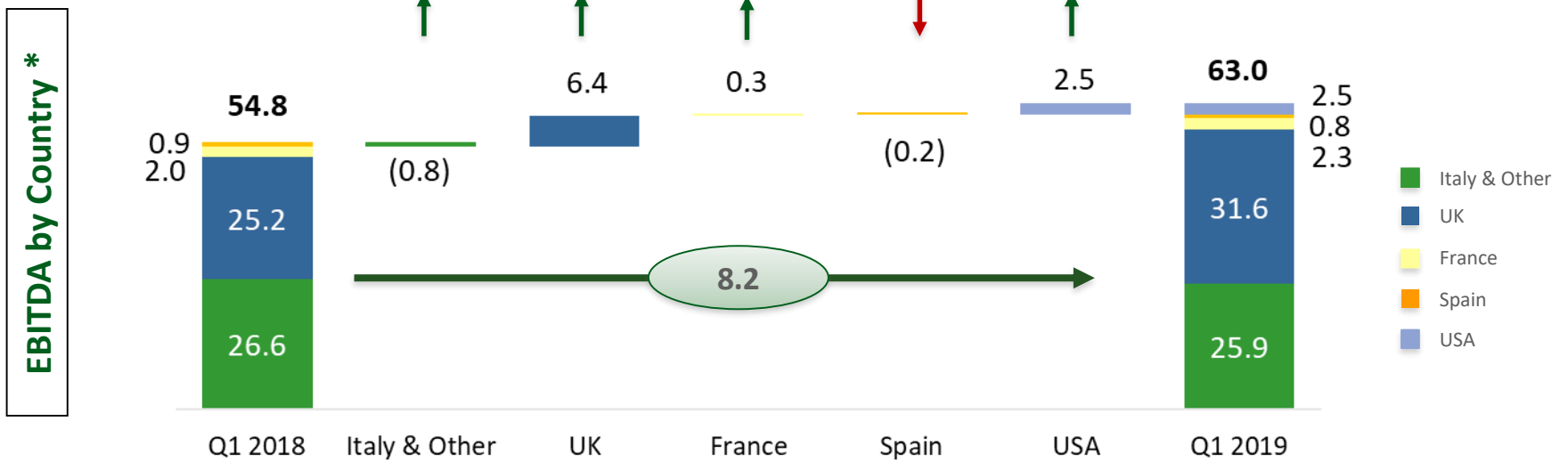
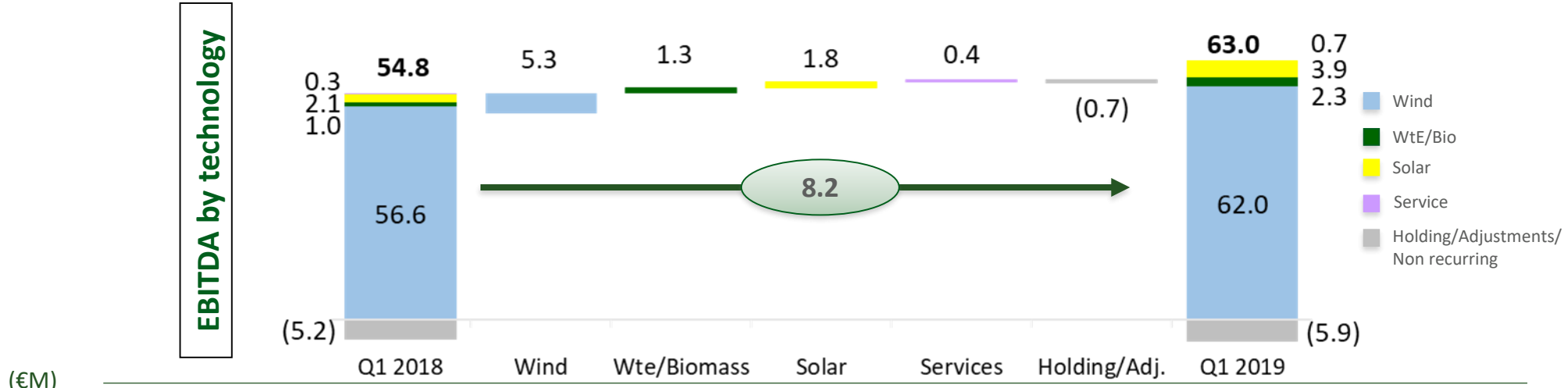
(€M)



\* By origination

# 1Q 2019 EBITDA

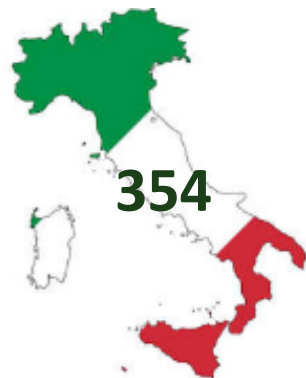
↑ ↓ Trend vs 1Q 2018













\* By origination



# Portfolio as of 31 March 2019 – 1,026 MW








| MW  |  |  |  |  |
|---|---|---|---|---|
|  | 292   | 16  | 46  | 354   |
|  | 413   |   |   | 413   |
|  |   | 113   |   | 113   |
|  | 98  |   |   | 98  |
|  | 49  |   |   | 49  |
|  | 852   | 129   | 46  | 1,026*  |



\* Includes minority stake in La Muela (26%) wind farm and Frullo Energia Ambiente (49%) for a total amount of 37MW

# Assets: Construction Update

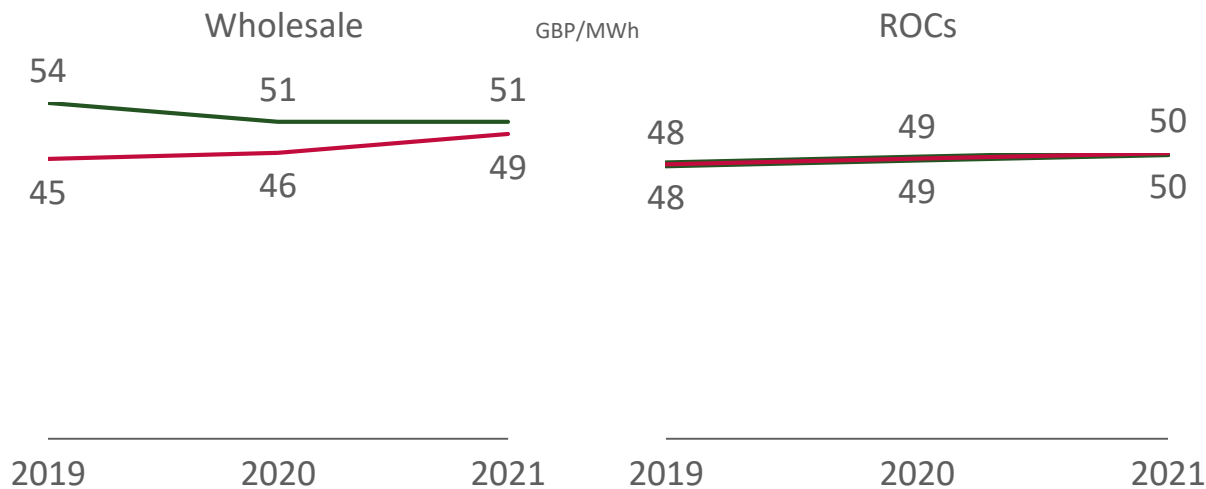
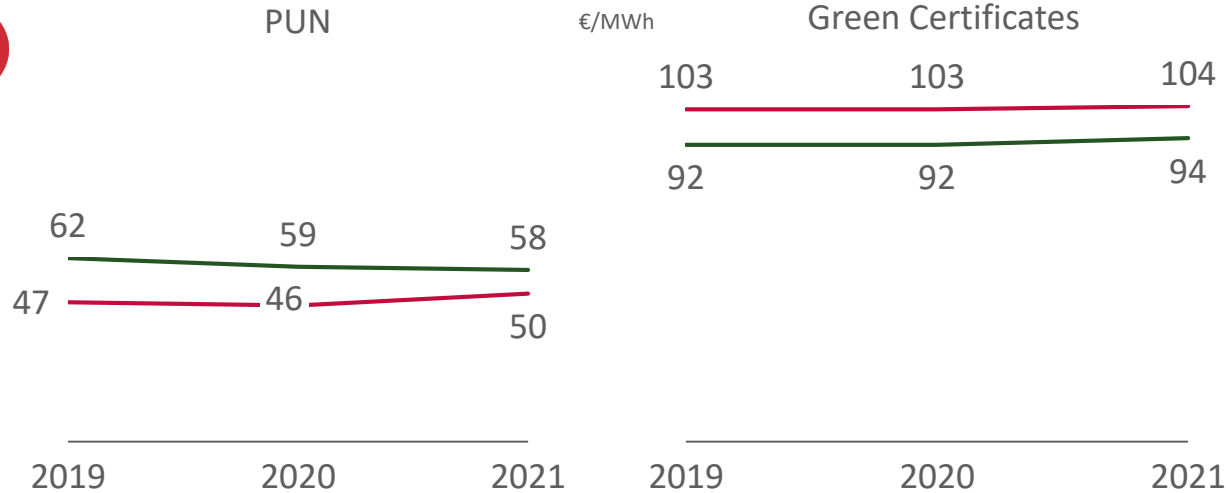


|  | Project              | MW   | Turbines   | % of Completion<br>(in value) | Contracts Signed            | Expected COD |
|--|----------------------|------|--|-------------------------------|-----------------------------|--------------|
|    | <b>Aliden</b>        | 46.8 | Nordex N131/3900<br>12 turbines of 3.9MW         | 62%                           | EPC Turnkey<br>and Grid     | Q4 2019      |
|    | <b>Brattmyrliden</b> | 74.1 | Nordex N131/3900<br>19 turbines of 3.9MW         | 12%                           | EPC Turnkey<br>and Grid     | Q4 2020      |
|    | <b>Hennoy</b>        | 50.0 | Vestas V136<br>12 turbines of 4.2MW              | 38%                           | TSA, BOP, E-BOP<br>and Grid | Q4 2019      |
|   | <b>Okla</b>          | 21.0 | Vestas V117<br>5 turbines of 4.2MW               | 11%                           | Grid, TSA                   | Q4 2020      |
|  | <b>Carreastro</b>    | 10.0 | Siemens Gamesa<br>SG 2.6-114<br>4 turbines 2.6MW | 23%                           | TSA, BOP<br>and Grid        | Q4 2019      |

**Total projects**

**30%**

# Scenario Assumptions (presented during 2018 CMD)



| Euribor & Libor          | 2019         | 2020         | 2021         |
|--------------------------|--------------|--------------|--------------|
| <i>Euribor Old Plan</i>  | 0.25%        | 0.50%        | 1.00%        |
| <b>Euribor New Plan</b>  | <b>0.00%</b> | <b>0.25%</b> | <b>0.50%</b> |
| <i>UK Libor Old Plan</i> | 1.20%        | 1.30%        | 1.40%        |
| <b>UK Libor New Plan</b> | <b>1.20%</b> | <b>1.30%</b> | <b>1.40%</b> |

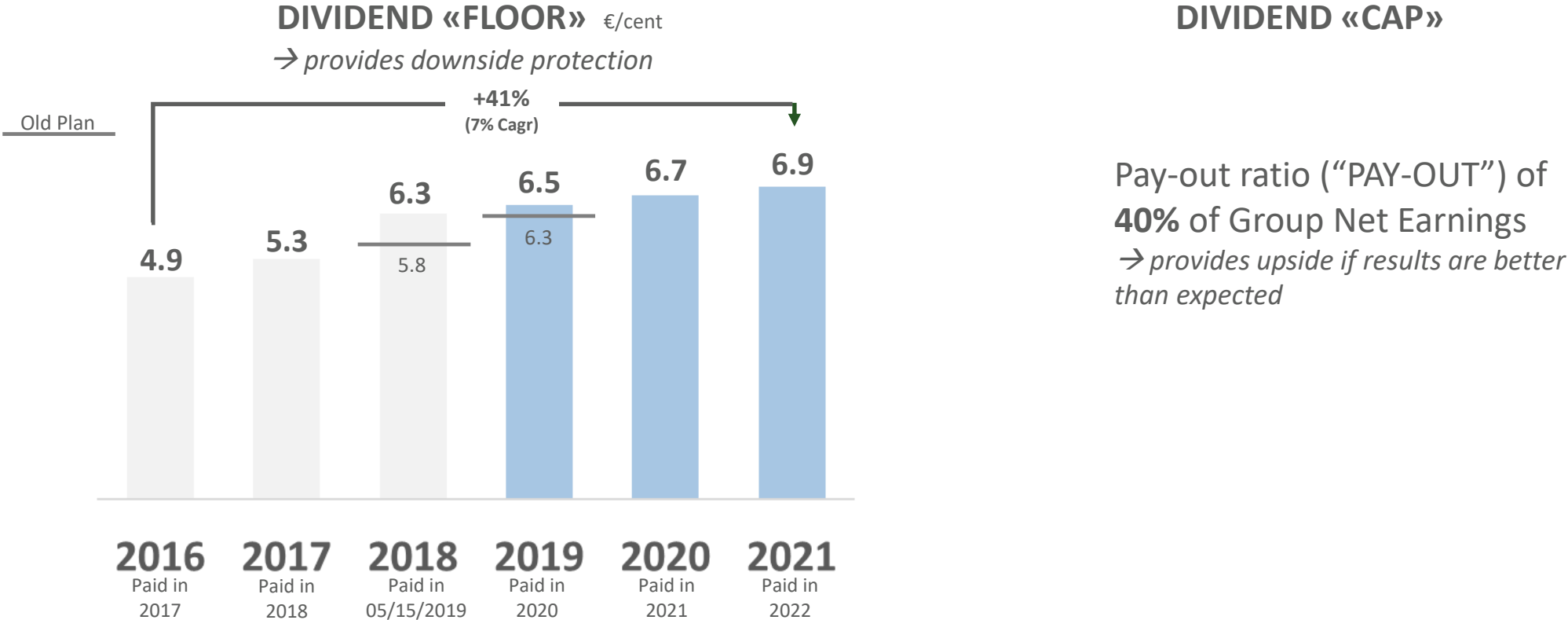
**FX 2019 – 2021**

EUR/GBP: 0.91  
 EUR/USD: 1.18

| Wind - Captured Prices                            | 2019 | 2020 | 2021 |
|---|------|------|------|
| Italy (Energy Price + Green Certificates) (€/MWh) | 149  | 148  | 148  |
| UK (Energy Price + ROCs) (GBP/MWh)                | 99   | 95   | 95   |

# Enhanced 2018-2021 Dividend Policy (presented during 2018 CMD)

**Dividend distribution: maximum between the CAP and the FLOOR**



**SUSTAINABLE POLICY WITH CLEAR 2021 VISIBILITY**