

PRESS RELEASE

Q2 2019 financial information

July 17, 2019



Q2 2019 revenues: services-led growth

+16% at constant exchange rates

- Services doubling again: fast-growing contribution of Construction, new Development sales
- Energy sales slowdown due to normalized pricing in Brazil
- 2020 guidance confirmed, 2023 capacity roadmap financed through successful capital increase

“The impressive growth of our Services business, which is doubling compared with last year, more than compensates the expected normalized pricing levels in Energy Sales in Brazil. This proves once again the value of being both a power producer and a service provider. The dense news flow of the past few months illustrates our capacity to handle large volumes of construction sites and to sell projects at different stages of development, while securing new projects. These are key success factors to deliver on our new set of ambitions by 2023, which we were thrilled to share early June: after doubling capacity by 2020 to reach 1 GW, we are now looking to reach 2.6 GW in operation or construction by 2023”, declares Sébastien Clerc, CEO of Voltaia.

Voltaia (Euronext Paris, ISIN code: FR0011995588), an international player in renewable energies, announces today its revenues of 2019 second quarter (Q2 2019).

Q2 2019 and HY 2019 revenues

In € million	Q2 2019	Q2 2018 ¹	Change	Change at constant currency ²	H1 2019	H1 2018	Change	Change at constant currency ²
Energy sales	24.1	28.9	-17%	-15%	45.5	55.7	-18%	-15%
Services	50.2	20.1	x2.5	x2.5	85.8	39.1	x2.2	x2.2
Total revenues (internal and external)	74.3	49.1	+51%	+52%	131.4	94.8	+39%	+40%
Eliminations ³	(32.3)	(12.3)	x2.6	x2.6	(62.5)	(20.1)	x3.1	x3.1
Consolidated revenues	41.9	36.7	+14%	+16%	68.8	74.7	-8%	-6%

Other key data

Production (in GWh)	410.0	404.4	+1%	+1%	756.6	804.4	-6%	-6%
Installed capacity (in MW, end of period)					529	519	+2%	+2%

¹ Quarterly figures calculated by difference between H1 and Q1

² 2019 revenues calculated at 2018 exchange rates

³ Eliminations: services provided by the Services business for Group-owned power plants are eliminated upon financial consolidation

Business review

Energy sales

Q2 2019 revenues total €24.1 million, down by 15% at constant exchange rates compared with Q2 2018, which had benefited from the positive but non-recurring impact of the contract suspension strategy in Brazil:

- In Brazil, production was back to historical levels in Q2, following a Q1 which recorded lower than average wind speeds. As expected, prices are back to the regular long-term contract prices indexed to inflation, resulting in a decrease of power sales revenues in Brazil. In 2018, Voltalia had demonstrated the benefit of its non-subsidized approach by seizing opportunities to suspend contracts on part of its Brazilian wind parks. This strategy was the driver behind a positive non-recurring pricing effect in Brazil of around €25 million over the year.
- In the other countries, production and revenues increased overall thanks to the contribution of new power plants in France as well as favourable weather conditions throughout the quarter.

Services

Q2 2019 revenues reach €50.2 million, doubling against the same period of the prior year for the 4th quarter in a row:

- Development, Construction & Procurement revenues grew by a factor of 2.8x, benefiting from (i) fast-growing contribution of Construction in line with intense activity for Voltalia's own plants (472 MW under construction) and (ii) revenues from Development sales in France and Brazil as well as from the sale of 60% of the Coco-Banane solar plant in French Guiana (4.3 MW), which will be deconsolidated going forward.
- Operation & Maintenance revenues grew by around 40%, including non-recurrent revenues in French Guiana related to the repowering of the Coco-Banane plant. The portfolio of assets under O&M remained broadly stable at c. 1 GW.

Strong activity of Services for the Group's own assets translates into higher eliminations, with 64% of the revenues of the Service business realised internally.

Recent developments

Early June Voltalia gathered the financial community for a capital market presentation⁴ and announced that, after securing 1 GW by 2020, Voltalia is targeting further expansion to reach more than 2.6 GW capacity in operation or construction by end of 2023.

In Q2, good progress was made for the construction of projects due before end 2020, with construction works starting for the following projects:

Country	Region / City	Project	MW	Energy	Contract duration	Expected commissioning
France	Sud, Provence-Alpes-Côte d'Azur	Talagard	5	Solar	20 years	H2 2019
France	Sud, Provence-Alpes-Côte d'Azur	Jonquières	4	Solar	20 years	H2 2020
France	French Guiana	Mana Stockage	10	Storage	10 years	H1 2020
France	Nouvelle Aquitaine	Vergné	16	Wind	15 years	H2 2020
France	Nouvelle Aquitaine	Covert	11	Wind	15 years	H2 2020
Kenya	Nandi County / Songhor	Kopere	50	Solar	20 years	H2 2020
		Total	96			

⁴ Press release of June 6, 2019: [voltalia.com/\[...\]2023 Ambitions](https://www.voltalia.com/fr/actualites/2019/06/06/voltalia-annonce-ses-ambitions-2023)

Beyond 2020, growth will mainly come from successfully building new renewable energy plants coming from Voltalia's vast pipeline of projects of 6.2 GW as of end 2018. Within this pipeline, 0.6 GW have already been secured, including the following projects which were already announced during Q2:

Country	Region / Cluster	Project	MW	Energy	Contract duration	Expected commissioning
France	TBA	Boulangier ⁵ corporate PPA	5	Solar	25 years	2022
France	Occitanie and Sud, Provence-Alpes-Côte d'Azur	SNCF ⁶ corporate PPA	143	Solar	25 years	2022 - 2023
Brazil	Rio Grande do Norte / Serra Branca	VSM3 ⁷ corporate PPA	63	Wind	10 years	H2 2022
Brazil	Rio Grande do Norte / Serra Branca	VSM3 ⁷ auction	7	Wind	20 years	H2 2022
		Total	218			

Exclusive negotiations with Helexia

In May 2019, Voltalia entered into exclusive negotiations for the acquisition of Helexia⁸ to accelerate its deployment in solar energy and broaden the direct offering to corporate clients. With Helexia, Voltalia would become a reference partner for corporate clients, capable of offering one-stop-shop solutions encompassing corporate PPAs, large photovoltaic rooftops, energy efficiency and energy management.

With over 222 photovoltaic rooftop assets in 4 countries (France, Belgium, Italy and Portugal), Helexia owns 51.4 MW of installed capacity and 7.5 MW under construction. Helexia enjoys an average electricity price of €211/MWh and, as of 31 December 2018, a residual life for its electricity sale contracts of 15.8 years.

2019 trends

For Energy sales, Voltalia expects the usual seasonality in production to translate into higher production in H2 compared with H1. In the absence of contract suspensions in 2019 in Brazil, prices will remain within the regular long-term power sales framework of set tariff fully indexed to inflation. The contribution of new plants in France and Egypt is expected to positively impact volumes, mostly in Q4.

In Services, work with third-party clients is currently limited, as most teams are mobilized on Voltalia's own plants and delivering on the 1 GW objective. Business opportunities with external clients are numerous and third-party projects in Kenya, Burundi, Italy, Albania and Greece are now being launched.

Mid-and long-term objectives confirmed and financed

	2020	2023
Capacity	1 GW in operation	>2.6 GW in operation or construction
EBITDA	€160-€180 million ⁹	€275-€300 million

To finance its post-2020 growth, Voltalia raised €376 million of equity during the successful rights issue closed on July 2019.

⁵ Press release of May 21, 2019: [votalia.com/fr/Boulangier](https://www.votalia.com/fr/Boulangier)

⁶ Press release of June 26, 2019: [votalia.com/fr/SNCF_PPA](https://www.votalia.com/fr/SNCF_PPA)

⁷ Press release of July 1st, 2019: [votalia.com/fr/Brazil-PPA](https://www.votalia.com/fr/Brazil-PPA): project initially referred to as Vila Alagoas

⁸ Press release of May 23, 2019: [votalia.com/fr/Acquisition-Helexia](https://www.votalia.com/fr/Acquisition-Helexia)

⁹ Exchange rate: 1 EUR = 4.3 BRL

Next on the agenda: H1 2019 results on September 25, 2019

About Voltalia (www.voltalia.com)

Voltalia is an international player in the renewable energy sector. The Group produces and sells electricity generated from wind, solar, hydraulic, biomass and storage facilities that it owns and operates.

Voltalia is also a service provider and supports its investor clients in renewable energy projects during all phases, from design to operation and maintenance.

Voltalia has generating capacity in operation and under construction of more than 1 GW and a portfolio of projects under development representing total capacity of 6.2 GW, of which 0.6 GW is secured.

The Group has 591 employees and is present in 18 countries on 4 continents and is able to act worldwide on behalf of its clients.

Voltalia is listed on the regulated market of Euronext Paris, compartment B (FR0011995588 – VLTSA) and is part of the Euronext Tech 40 and CAC Mid & Small indices. The Group is also included in the Gaia-Index, an index for socially responsible midcaps.

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APPENDIX

Report on electricity production

Total production by area and by energy in GWh	Wind	Solar	Biomass	Hydro	Hybrid	H1 2019 Total
Brazil	634.6				20.5	655.1
France	55.5	21.0				76.6
French Guiana		2.1	4.8	9.8		16.6
United Kingdom		4.0				4.0
Greece		3.6				3.6
Portugal		0.7				0.7
Total	690.1	31.4	4.8	9.8	20.5	756.6

* includes the production of Oiapoque solar

Installed capacity by area and by energy in MW	Wind	Solar	Biomass	Hydro	Hybrid	As of 06/30/2019
Brazil	417.3				16.0*	433.3
France	52.2	23.7				75.9
French Guiana**		0.2	1.7	5.4		7.3
United Kingdom		7.3				7.3
Greece		4.7				4.7
Portugal		1.0				1.0
Total	469.5	36.9	1.7	5.4	16.0	529.5

*4 MW of solar and 12 MW thermal

** Installed capacity in French Guiana no longer encompasses Coco-Banane (4.3 MW) since 60% of the plant has been sold