

Company Flash Note

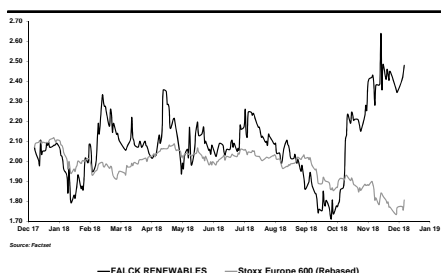
Reason: Company newsflow

7 January 2019

Accumulate			
Recommendation unchanged			
Share price: EUR	2.48		
closing price as of 04/01/2019			
Target price: EUR	2.90		
from Target Price: EUR 2.60			
Upside/Downside Potential	16.9%		
Reuters/Bloomberg	AA4.MI/FKR IM		
Market capitalisation (EURm)			
	723		
Current N° of shares (m)	291		
Free float			
	40%		
Daily avg. no. trad. sh. 12 mth	1,246		
Daily avg. trad. vol. 12 mth (m)	1,845.28		
Price high/low 12 months	1.71 / 2.64		
Abs Perfs 1/3/12 mths (%)	2.06/29.30/19.81		
Key financials (EUR)			
	12/17	12/18e	12/19e
Sales (m)	293	318	355
EBITDA (m)	149	183	189
EBITDA margin	51.0%	57.6%	53.4%
EBIT (m)	75	117	123
EBIT margin	25.7%	36.7%	34.6%
Net Profit (adj.)(m)	20	35	36
ROCE	5.0%	6.6%	6.3%
Net debt/(cash) (m)	584	554	714
Net Debt Equity	1.2	1.1	1.3
Net Debt/EBITDA	3.9	3.0	3.8
Int. cover(EBITDA/Fin.int)	4.2	4.7	4.5
EV/Sales	4.3	4.2	4.3
EV/EBITDA	8.4	7.2	8.1
EV/EBITDA (adj.)	8.4	7.5	8.1
EV/EBIT	16.7	11.4	12.5
P/E (adj.)	31.1	19.2	20.0
P/BV	1.4	1.5	1.5
OpFCF yield	-8.6%	11.6%	-20.2%
Dividend yield	2.1%	2.3%	2.5%
EPS (adj.)	0.07	0.12	0.12
BVPS	1.54	1.61	1.67
DPS	0.05	0.06	0.06

Shareholders

Falck SpA 60%;



Analyst(s)

Emanuele Oggioni
 emanuele.oggioni@bancaakros.it
 +39 0243 444 237

CMD provides more visibility on 2021 growth targets

FY18E expected results exceeded the previous guidance and our estimates. The visibility on 2021 targets has improved and the asset development targets have increased to 404 MW with COD by 21E (from 200 MW) and a pipeline of 700 MW with COD over 21E. We believe the management has been pretty conservative in terms of operating margins. We have updated the estimates and the SoP, including the present value of the improved net pipeline, with the commercial operation date by 2021. We confirm our positive stance on the equity story and increase our target price to EUR 2.9 from EUR 2.6.

- ✓ **FY18E expected results exceeded the previous guidance** and our estimates: consolidated EBITDA is forecast at EUR 184m, above the consensus (EUR 176m) and also slightly above our previous estimate (EUR 181m); consolidated group net earnings are forecast higher than EUR 30m and the NFP (including the fair value of derivatives) of around EUR 555m is in line with our estimate, which includes the acquisition in France. The FY18 result is mainly due to higher power price compared to expectations.
- ✓ **The visibility on 2021 targets has improved:** installed capacity increases by 4% to 1.430 MW (our estimates were 1.226 MW); consolidated EBITDA 21E is forecast at EUR 213m vs. our estimates of EUR 209m. Falck has grown mainly through acquisitions during the last two years; the management is now eager to invest in direct development, in order to retain more value, to support a portfolio of projects without incentives and to be ready to compete in the free market and in the PPA arena. **The asset development targets have increased to 404 MW (from 200 MW) with commercial operation date (COD) by 21E (with 50% of the assets already under construction and 90% net pipeline coverage).** The management included conservative energy prices in the business plan, compared to current values, and increased the pipeline by 700 MW with COD over 21E from 275 MW. According to CEO Mr. Volpe, the group has excess pipeline capacity (some 200 MW compared to BP targets), which could be partially disposed of in order to maximise the portfolio's return.
- ✓ Relative to our calculations, the management has been very conservative in terms of margins. As far as the assets under construction are concerned (258 MW), we estimate an EBITDA contribution of EUR 26.5m per year at full steam. If we include the remaining 202 MW to be secured (covered by 90% in the net pipeline), we should add an incremental EBITDA of EUR 20.7m per year at full steam (pipeline with commercial operation date by 21E). **On the assumption the assets in the pipeline will be at full steam in 2021, we have up to some 10% upside risk compared to the management's target.**
- ✓ NFP 21E has improved to EUR 804m from EUR 813m, with an NFP/EBITDA below 4x, even though the 2019-2021 capex plan has been increased to EUR 506m from EUR 408m. The **better FCF generation** is supporting a more generous **dividend policy**, which is the maximum between a fixed floor (EUR 6.5 cents to be paid in 2019, EUR 6.7c in 2020 and EUR 6.9c in 2021) and a pay-out ratio of 40% on yearly group net earnings. The buyback ended in July 18 and is in stand-by; the management is more focused on core business investments in order to support organic growth.
- ✓ Falck is going to benefit from a greater contribution **by increasing the services business**, in particular in energy management and energy efficiency, which will reach EUR 43m in terms of revenues and EUR 9m EBITDA, in 21E from EUR 3m in 19E, thanks to the growth in dispatched and managed TWh. Asset management and advisory have an EBITDA margin of 10-15% while energy management and energy efficiency could reach a 22-24% EBITDA margin, also thanks to acquisitions.
- ✓ CFO Mr Rundeddu disclosed the **hedging policy** in terms of **market price exposure** (25% in 2019) and explained that the expected lower financial charges are due to a better mix (less project financing and more committed credit lines). The minorities (EUR 18m in 18E) is going to be reduced by 21E. The management didn't include in the figures the possible benefits from the introduction of IFRS16 on corporate leases. The new accounting standard considers operating leases as debt; the management expects a positive contribution to EBITDA and an increase in the NFP.



CONTENTS

In-depth investments analysis	3
Valuation	5

In-depth investment analysis

Falck has grown mainly through acquisitions during the last two years; the management is now eager to invest in direct development, in order to: 1) retain more value, 2) to support a portfolio of projects without incentives and 3) to be ready to compete in the free market and in the PPA arena. Accordingly, the 2019-2021 capex plan has been increased to EUR 506m from EUR 408m as of the old plan.

Falck is going to benefit from a greater contribution by increasing the services business (capex is up to EUR 81m from EUR 40), in particular in energy management and energy efficiency, which will reach EUR 43m in terms of revenues and EUR 9m EBITDA, in 21E from EUR 3m in 19E, thanks to the growth in dispatched and managed TWh. Asset management and advisory have an EBITDA margin of 10-15% while energy management and energy efficiency could reach a 22-24% EBITDA margin, also thanks to acquisitions.

Capital allocation 2018-2021

BALANCING RISKS AND REWARDS	New Plan* (€M) (%)	Old Plan* (€M) (%)	Returns (New Plan)
Owned Assets	489 77%	506 87%	MW added 18-21: + 480 MW Incremental EBITDA 18-21: €64M IRR → Wacc + 150 – 200 bps
Services (Energy Management, Energy Efficiency, Asset Management & Technical Advisory)	81 13%	40 7%	Incremental EBITDA 18-21: €17M IRR ~10%
Asset Development	56 8.5%	31 4.5%	IRR > 15%
Digitalization	9 1.5%	2 0.5%	IRR ~ 10%

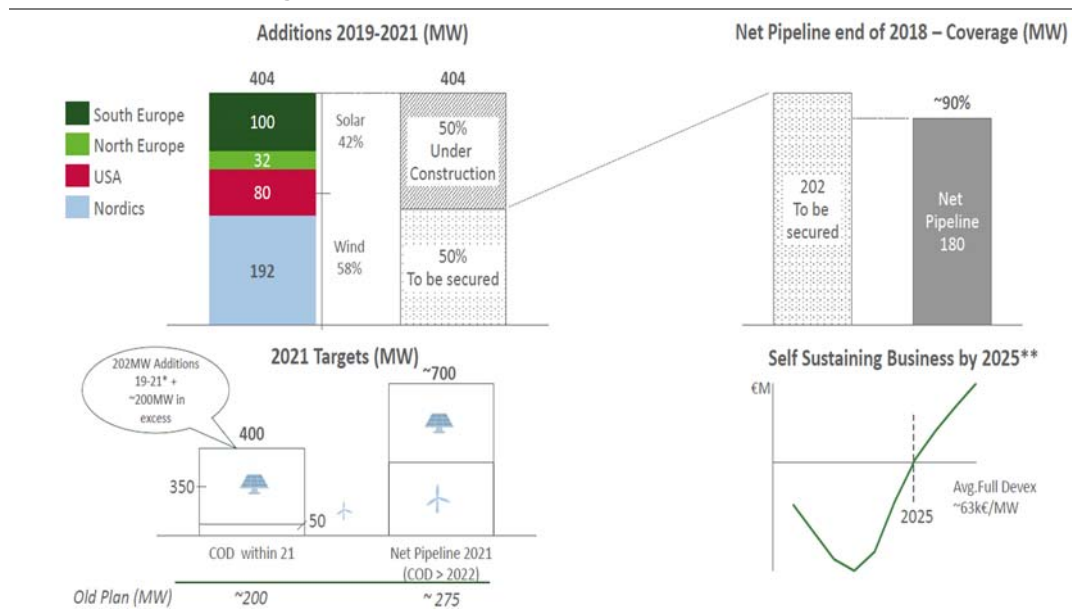
Source: Company Data

The visibility on investments has improved: the asset development targets have increased to 404 MW from 200 MW with COD by 21E (with 50% of the assets already under construction and 90% net pipeline coverage). The management included conservative energy prices in the business plan, compared to current values, and increased the pipeline by 700 MW with COD over 21E from 275 MW.

As regards the 700 MW pipeline, the management provided qualitative features such as the geography (the focus is mainly in existing countries) and the technology (solar has a higher contribution compared to wind due to quicker and less risky execution).

According to CEO Mr. Volpe, the group has excess pipeline capacity (some 200 MW compared to BP targets), which could be partially disposed of in order to maximise the return. The asset re-powering is not included in the BP as the assets are young.

Assets development targets



Source: Company Data

The visibility on 2021 targets has improved: installed capacity increases by 4% to 1,430 MW (our estimates were 1,226 MW); consolidated EBITDA 21E is forecast at EUR 213m (vs. our estimates of EUR 209m). Relative to our calculations, the management has been very conservative in terms of margins, as shown in the following table:

Assets in the pipeline analysis

	Additional MW	EBITDA 19-21
Norway	71	12.7
Sweden	121	13.4
France	56	19.8
Spain	10	2.0
Total	258	48.0
BP Target	460	60.1
Difference	202	12.1
Incremental EBITDA in 21E (only asset under construction)		26.5
Incremental EBITDA per year at full steam (pipeline with COD by 21E)		20.7
Business plan target 21E		213
EBITDA 21E with full pipeline at full steam		233.7
Banca Akros upside estimates vs BP company target		9.7%

Source: Banca Akros

As far as the assets under construction are concerned (258 MW), we estimate an EBITDA contribution of EUR 26.5m per year at full steam. If we include the remaining 202 MW to be secured (covered by 90% in the net pipeline), we should add an incremental EBITDA of EUR 20.7m per year at full steam (pipeline with commercial operation date by 21E). **In the assumption the assets in the pipeline will be at full steam in 2021, we have up to some 10% upside risk compared to the management's target.**

Valuation: we improve our TP to EUR 2.9 (+11%)

We update our sum-of-the-parts (SoP) 2019, including the present value of the improved net pipeline, with the commercial operation date by 2021). We use 1.3x EURm per MW multiple which is in line with the overall implied valuation of the whole group (1.28x EURm per MW).

Sum-of-the-parts valuation

SOTP (EURm)		2019
Wind UK	DCF	605
Wind Italy	DCF	420
Wind France	DCF	125
Wind Spain	DCF	16
Wind Norway	DCF	96
Wind Sweden	DCF	150
Solar USA	DCF	107
Solar Italy	DCF	50
WTE Italy	DCF	42
Biomass Italy	DCF	29
Services	EV/EBITDA @ 5x	25
Holding costs adj.	EV/EBITDA @ 5x	-63
Additional pipeline COD by 2021	DCF	222
EV		1,825
NFP 2018 (including assets under constr. capex)	NFP	(806)
Minorities (estimated value)	1.5x P/BV	(90)
Provisions	BV	(83)
Equity value		846
Shares (m)		291.4
Equity per share (EUR)		2.90

Source: Banca Akros

Our SOTP valuation is based on a DCF model for every single business unit, considering the residual useful asset life of each plant, with no terminal value and with a different WACC calculated on the basis of the plants' geographical area/tariff/financing conditions.

We confirm our positive stance on the equity story and increase our target price to EUR 2.9 from EUR 2.6.

Falck Renewables : Summary tables

PROFIT & LOSS (EURm)	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
Sales	277	257	293	318	355	355
Cost of Sales & Operating Costs	-125	-120	-144	-135	-165	-162
Non Recurrent Expenses/Income	0.0	0.0	0.0	7.1	0.0	0.0
EBITDA	152	136	149	183	189	193
EBITDA (adj.)*	152	136	149	176	189	193
Depreciation	-66.0	-64.9	-59.4	-61.7	-66.7	-77.5
EBITA	86.4	71.4	90.0	122	123	116
EBITA (adj)*	86.4	71.4	90.0	115	123	116
Amortisations and Write Downs	-20.1	-11.8	-14.7	-5.0	0.0	0.0
EBIT	66.3	59.6	75.3	117	123	116
EBIT (adj.)*	66.3	59.6	75.3	110	123	116
Net Financial Interest	-45.1	-41.5	-35.2	-38.7	-41.8	-43.1
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	2.0	0.6	1.8	0.2	-0.5	0.4
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	23.2	18.8	41.9	78.3	80.2	72.8
Tax	-5.1	-17.5	-10.4	-25.2	-25.8	-23.5
<i>Tax rate</i>	<i>21.9%</i>	<i>93.2%</i>	<i>24.7%</i>	<i>32.2%</i>	<i>32.2%</i>	<i>32.2%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	-13.4	-5.7	-11.7	-18.0	-18.7	-19.3
Net Profit (reported)	4.7	-4.4	19.8	35.1	35.7	30.1
Net Profit (adj.)	4.7	-4.4	19.8	35.1	35.7	30.1
CASH FLOW (EURm)	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
Cash Flow from Operations before change in NWC	104	78.0	106	120	121	127
Change in Net Working Capital	40.0	65.0	-5.0	10.0	-15.0	-10.0
Cash Flow from Operations	144	143	101	130	106	117
Capex	-100	-92.5	-155	-50.4	-252	-18.5
Net Financial Investments	0.5	0.5	0.5	-49.5	0.5	0.5
Free Cash Flow	44.7	51.0	-53.8	29.8	-145	98.9
Dividends	-18.1	-13.1	-14.3	-15.4	-16.9	-18.4
Other (incl. Capital Increase & share buy backs)	-30.3	30.1	46.3	20.0	2.5	-11.2
Change in Net Debt	-3.6	67.9	-21.8	34.4	-160	69.3
NOPLAT	51.8	4.1	56.7	74.3	83.1	78.3
BALANCE SHEET & OTHER ITEMS (EURm)	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
Net Tangible Assets	881	866	918	906	1,092	1,051
Net Intangible Assets (incl. Goodwill)	201	188	204	204	204	204
Net Financial Assets & Other	20.9	20.5	21.9	71.9	71.9	71.9
Total Fixed Assets	1,103	1,075	1,143	1,182	1,367	1,326
Inventories	4.9	4.5	4.9	4.4	5.1	5.7
Trade receivables	135	84.7	103	91.5	108	120
Other current assets	37.9	42.9	25.6	22.6	26.6	29.7
Cash (-)	-129	-257	-262	-268	-229	-243
Total Current Assets	307	389	395	387	369	398
Total Assets	1,410	1,463	1,539	1,569	1,736	1,725
Shareholders Equity	472	440	448	468	488	518
Minority	46.5	35.9	49.5	59.0	68.2	75.9
Total Equity	519	476	498	527	556	594
Long term interest bearing debt	684	752	758	737	845	795
Provisions	3.8	3.9	4.0	3.9	4.0	4.1
Other long term liabilities	43.3	65.8	76.3	105	117	117
Total Long Term Liabilities	732	821	838	846	966	916
Short term interest bearing debt	74.3	67.0	87.7	85.4	97.9	92.1
Trade payables	45.2	62.2	80.8	71.6	84.2	93.9
Other current liabilities	40.3	37.0	34.5	38.5	31.7	28.1
Total Current Liabilities	160	166	203	195	214	214
Total Liabilities and Shareholders' Equity	1,410	1,463	1,539	1,569	1,736	1,725
Net Capital Employed	1,196	1,108	1,162	1,190	1,391	1,360
Net Working Capital	92.5	32.9	18.4	8.4	23.4	33.4
GROWTH & MARGINS	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
<i>Sales growth</i>	<i>11.5%</i>	<i>-7.3%</i>	<i>14.2%</i>	<i>8.6%</i>	<i>11.4%</i>	<i>0.2%</i>
EBITDA (adj.)* growth	12.6%	-10.6%	9.6%	18.0%	7.3%	2.0%
<i>EBITA (adj.)* growth</i>	<i>22.0%</i>	<i>-17.4%</i>	<i>26.1%</i>	<i>27.4%</i>	<i>6.9%</i>	<i>-5.7%</i>
<i>EBIT (adj.)* growth</i>	<i>-6.4%</i>	<i>-10.1%</i>	<i>26.4%</i>	<i>45.6%</i>	<i>11.7%</i>	<i>-5.7%</i>

Falck Renewables : Summary tables

GROWTH & MARGINS	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
Net Profit growth	65.6%	n.m.	n.m.	76.9%	1.7%	-15.8%
EPS adj. growth	55.3%	n.m.	n.m.	75.3%	1.6%	-15.5%
DPS adj. growth	-27.4%	8.9%	8.2%	9.4%	8.6%	0.0%
EBITDA (adj)* margin	55.0%	53.1%	51.0%	55.4%	53.4%	54.3%
EBITA (adj)* margin	31.2%	27.8%	30.7%	36.0%	34.6%	32.5%
EBIT (adj)* margin	23.9%	23.2%	25.7%	34.4%	34.6%	32.5%
RATIOS	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
Net Debt/Equity	1.2	1.2	1.2	1.1	1.3	1.1
Net Debt/EBITDA	4.1	4.1	3.9	3.0	3.8	3.3
Interest cover (EBITDA/Fin.interest)	3.4	3.3	4.2	4.7	4.5	4.5
Capex/D&A	116.1%	120.6%	209.0%	75.6%	377.4%	23.9%
Capex/Sales	36.1%	36.0%	52.8%	15.8%	71.0%	5.2%
NWC/Sales	33.4%	12.8%	6.3%	2.6%	6.6%	9.4%
ROE (average)	1.0%	-1.0%	4.5%	7.7%	7.5%	6.0%
ROCE (adj.)	4.4%	0.4%	5.0%	6.6%	6.3%	6.1%
WACC	5.8%	5.8%	5.8%	5.8%		
ROCE (adj.)/WACC	0.8	0.1	0.9	1.1		
PER SHARE DATA (EUR)***	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
Average diluted number of shares	291.4	291.4	291.4	291.4	291.4	291.4
EPS (reported)	0.02	-0.01	0.07	0.12	0.12	0.10
EPS (adj.)	0.02	-0.01	0.07	0.12	0.12	0.10
BVPS	1.62	1.51	1.54	1.61	1.67	1.78
DPS	0.05	0.05	0.05	0.06	0.06	0.06
VALUATION	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
EV/Sales	3.6	3.4	4.3	4.2	4.3	4.1
EV/EBITDA	6.6	6.4	8.4	7.2	8.1	7.6
EV/EBITDA (adj.)*	6.6	6.4	8.4	7.5	8.1	7.6
EV/EBITA	11.7	12.2	14.0	10.9	12.5	12.7
EV/EBITA (adj.)*	11.7	12.2	14.0	11.6	12.5	12.7
EV/EBIT	15.2	14.6	16.7	11.4	12.5	12.7
EV/EBIT (adj.)*	15.2	14.6	16.7	12.1	12.5	12.7
P/E (adj.)	n.m.	n.m.	31.1	19.2	20.0	23.6
P/BV	0.7	0.6	1.4	1.5	1.5	1.4
Total Yield Ratio	4.1%	5.3%	2.1%	2.3%	2.5%	
EV/CE	0.9	0.8	1.1	1.2	1.2	1.1
OpFCF yield	13.7%	18.8%	-8.6%	11.6%	-20.2%	13.6%
OpFCF/EV	4.4%	5.8%	-4.3%	6.0%	-9.5%	6.7%
Payout ratio	n.m.	n.m.	76.0%	47.4%	50.7%	60.0%
Dividend yield (gross)	4.1%	5.3%	2.1%	2.3%	2.5%	2.5%
EV AND MKT CAP (EURm)	12/2015	12/2016	12/2017	12/2018e	12/2019e	12/2020e
Price** (EUR)	1.11	0.92	2.17	2.35	2.48	2.48
Outstanding number of shares for main stock	291.4	291.4	291.4	291.4	291.4	291.4
Total Market Cap	322	269	632	683	723	723
Net Debt	630	562	584	554	714	644
<i>o/w Cash & Marketable Securities (-)</i>	<i>-129</i>	<i>-257</i>	<i>-262</i>	<i>-268</i>	<i>-229</i>	<i>-243</i>
<i>o/w Gross Debt (+)</i>	<i>759</i>	<i>819</i>	<i>845</i>	<i>823</i>	<i>943</i>	<i>887</i>
Other EV components	56	38	41	90	100	105
Enterprise Value (EV adj.)	1,008	869	1,257	1,328	1,537	1,472

Source: Company, Banca Akros estimates.

Notes

* Where EBITDA (adj.) or EBITA (adj.)= EBITDA (or EBITA) +/- Non Recurrent Expenses/Income and where EBIT (adj.)= EBIT +/- Non Recurrent Expenses/Income - PPA amortisation

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

Sector: Utilities/Alternative Electricity

Company Description: Falck Renewables produces wind energy, solar energy, biomass energy, and waste-to-energy, taking place among the biggest "pure players" in the European renewables energies sector. Falck Renewables SpA was born from the Falck Group's decision to consolidate all of its renewable energy activities in a single company. Falck Renewables is currently present in Europe (Italy, UK, France and Spain) with an installed capacity of around 969 MW.



Blank page

Il presente documento è stato redatto da Emanuele Oggioni che svolge funzioni di analista presso Banca Akros SpA ("Banca Akros"), soggetto responsabile della produzione del documento stesso.

Banca Akros è una banca autorizzata anche alla prestazione di servizi di investimento appartenente al Gruppo Banco BPM (il "Gruppo"), ed è soggetta all'attività di direzione e coordinamento di Banco BPM (la "Capogruppo"). La banca è iscritta all'albo delle Banche al n. 5328 ed è soggetta alla regolamentazione e alla vigilanza di Banca d'Italia e Consob.

La banca ha prodotto il presente documento solo per i propri clienti professionali ai sensi della Direttiva 2016/65/CE, del Regolamento Delegato 2016/598 e dell'Allegato 3 del Regolamento Intermediari Consob (Risoluzione n. 16190).

Esso è prodotto e distribuito dal giorno 7 gennaio 2019, ore 09:19 italiane.

Ai sensi degli artt. 5 e 6 del Regolamento Delegato 2016/598, Banca Akros ha specifici interessi nei confronti della società oggetto di analisi nel presente documento, in quanto specialista del titolo Falck Renewables, quotato sul segmento Star.

L'analista di Banca Akros, che ha redatto il presente documento, ha maturato una significativa esperienza presso Banca Akros e altri intermediari.

Detto analista e i suoi familiari non detengono Strumenti Finanziari emessi dagli Emittenti oggetto di analisi, né svolgono ruoli di amministrazione, direzione o consulenza per gli Emittenti, né l'analista riceve bonus, stipendi o altre forme di retribuzione correlate, direttamente o indirettamente, al successo di operazioni di investment banking.

Banca Akros, nell'ultimo anno, ha pubblicato sulla società oggetto di analisi tre studi in data 12, 13 e 14 dicembre 2018.

Ai sensi delle disposizioni Consob di attuazione dell'art. 114, comma 8 del D.Lgs 58/98 (TUF) ed in particolare ai sensi degli artt. 5 e 6 del Regolamento Delegato 2016/598, Banca Akros rende disponibili ulteriori informazioni sul proprio sito web:

<http://www.bancaakros.it/menu-informativa/analisi-finanziaria-e-market-abuse.aspx>.

Le informazioni e le opinioni contenute in questo documento si basano su fonti ritenute attendibili. La provenienza di dette informazioni e il fatto che si tratti di informazioni già rese note al pubblico è stata oggetto di ogni ragionevole verifica da parte di Banca Akros. Banca Akros tuttavia, nonostante le suddette verifiche, non può garantire in alcun modo né potrà in nessun caso essere ritenuta responsabile qualora le informazioni alla stessa fornite, riprodotte nel presente documento, ovvero sulla base delle quali è stato redatto il presente documento, si rivelino non accurate, complete, veritiere ovvero corrette.

Il documento è fornito a solo scopo informativo; esso non costituisce proposta contrattuale, offerta o sollecitazione all'acquisto e/o alla vendita di strumenti finanziari o, in genere, all'investimento, né costituisce consulenza in materia di investimenti. Banca Akros non fornisce alcuna garanzia di raggiungimento di qualunque previsione e/o stima contenuto nel documento stesso. Inoltre Banca Akros non assume alcuna responsabilità in merito a qualsivoglia conseguenza e/o danno derivante dall'utilizzo del presente documento e/o delle informazioni in esso contenute. Le informazioni o le opinioni ivi contenute possono variare senza alcun conseguente obbligo di comunicazione in capo a Banca Akros, fermi restando eventuali obblighi di legge o regolamentari.

E' vietata la riproduzione e/o la redistribuzione, in tutto o in parte, direttamente o indirettamente, del presente documento, non espressamente autorizzata.

Recommendation history for FALCK RENEWABLES

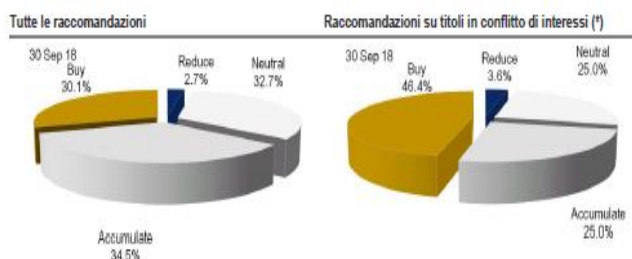
Date	Recommendation	Target price	Price at change date
07-Jan-19	Accumulate	2.90	2.48
28-Nov-18	Accumulate	2.60	2.26
11-Jun-18	Buy	2.25	2.06
20-Dec-17	Buy	2.00	1.90
13-Oct-17	Buy	1.75	1.49
07-Aug-17	Buy	1.60	1.40
11-Mar-16	Buy	1.40	1.02

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows Banca Akros continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Emanuele Oggioni (since 27/11/2018)



Percentuale delle raccomandazioni al 30 settembre 2018



(*) Si informa che la percentuale degli emittenti in potenziale conflitto di interessi con Banca Akros è pari al 25% del totale degli emittenti oggetto di copertura

ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a **total return**, measured by the upside potential (including dividends and capital reimbursement) over a **12 month time horizon**.



The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy (B)**, **Accumulate (A)**, **Neutral (N)**, **Reduce (R)** and **Sell (S)**.

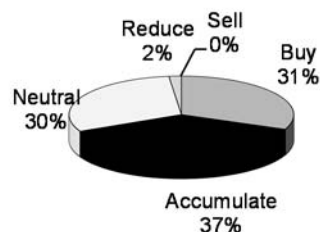
Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 15%** during the next 12 months time horizon
- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12 months time horizon
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months time horizon
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12 months time horizon
- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months time horizon
- **Rating Suspended:** the rating is suspended due to a change of analyst covering the stock or a capital operation (take-over bid, SPO, ...) where the issuer of the document (a partner of ESN) or a related party of the issuer is or could be involved
- **Not Rated:** there is no rating for a company being floated (IPO) by the issuer of the document (a partner of ESN) or a related party of the issuer

Certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

Banca Akros Ratings Breakdown



For full ESN Recommendation and Target price history (in the last 12 months) please see ESN Website [Link](#)

Date and time of production: **07 January 2019 – 09:10 AM CET**

First date and time of dissemination: **07 January 2019 – 09:15 AM CET**



Blank page

Disclaimer:

These reports have been prepared and issued by the Members of European Securities Network LLP ("ESN"). ESN, its Members and their affiliates (and any director, officer or employee thereof), are neither liable for the proper and complete transmission of these reports nor for any delay in their receipt. Any unauthorised use, disclosure, copying, distribution, or taking of any action in reliance on these reports is strictly prohibited. The views and expressions in the reports are expressions of opinion and are given in good faith, but are subject to change without notice. These reports may not be reproduced in whole or in part or passed to third parties without permission. The information herein was obtained from various sources. ESN, its Members and their affiliates (and any director, officer or employee thereof) do not guarantee their accuracy or completeness, and neither ESN, nor its Members, nor its Members' affiliates (nor any director, officer or employee thereof) shall be liable in respect of any errors or omissions or for any losses or consequential losses arising from such errors or omissions. Neither the information contained in these reports nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities or any options, futures or other derivatives related to such securities ("related investments"). These reports are prepared for the clients of the Members of ESN only. They do not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive any of these reports. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in these reports and should understand that statements regarding future prospects may not be realised. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in these reports. In addition, investors in securities such as ADRs, whose value are influenced by the currency of the underlying security, effectively assume currency risk. ESN, its Members and their affiliates may submit a pre-publication draft (without mentioning neither the recommendation nor the target price/fair value) of its reports for review to the Investor Relations Department of the issuer forming the subject of the report, solely for the purpose of correcting any inadvertent material inaccuracies. Like all members employees, analysts receive compensation that is impacted by overall firm profitability. For further details about the analyst certification, the specific risks of the company and about the valuation methods used to determine the price targets included in this report/note, please refer to the specific disclaimer pages prepared by the ESN Members. In the case of a short note please refer to the latest relevant published research on single stock or contact the analyst named on the front of the report/note for detailed information on the valuation methods, earning estimates and risks. A full description of all the organisational and administrative measures taken by the Members of ESN to manage interest and conflicts of interest are available on the website of the Members or in the local disclaimer of the Members or contacting directly the Members. Research is available through the ESN Members sales representative. ESN will provide periodic updates on companies or sectors based on company-specific developments or announcements, market conditions or any other publicly available information. Unless agreed in writing with an ESN Member, this research is intended solely for internal use by the recipient. Neither this document nor any copy of it may be taken or transmitted into Australia, Canada or Japan or distributed, directly or indirectly, in Australia, Canada or Japan or to any resident thereof. This document is for distribution in the U.K. Only to persons who have professional experience in matters relating to investments and fall within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (the "order") or (ii) are persons falling within article 49(2)(a) to (d) of the order, namely high net worth companies, unincorporated associations etc. (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied upon by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The distribution of this document in other jurisdictions or to residents of other jurisdictions may also be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. By accepting this report you agree to be bound by the foregoing instructions. You shall indemnify ESN, its Members and their affiliates (and any director, officer or employee thereof) against any damages, claims, losses, and detriments resulting from or in connection with the unauthorized use of this document. For disclosure upon "conflicts of interest" on the companies under coverage by all the ESN Members, on the "interests" and "conflicts" of the analysts and on each "company recommendation history", please visit the ESN website (http://www.esnpartnership.eu/research_and_database_access/insite), or refer to the local disclaimer of the Members, or contact directly the Members:

www.bancaakros.it regulated by the CONSOB - Commissione Nazionale per le Società e la Borsa

www.caixabi.pt regulated by the CMVM - Comissão do Mercado de Valores Mobiliários

www.cmcicms.com regulated by the AMF - Autorité des marchés financiers

www.ibg.gr regulated by the HCMC - Hellenic Capital Market Commission

www.op.fi regulated by the Financial Supervision Authority

www.valores.gvcgaesco.es regulated by CNMV - Comisión Nacional del Mercado de Valores

Members of ESN (European Securities Network LLP)

