





 **GRUPPO FALCK**
FALCK RENEWABLES

Star Conference, 2011 London

October, 4th 2011

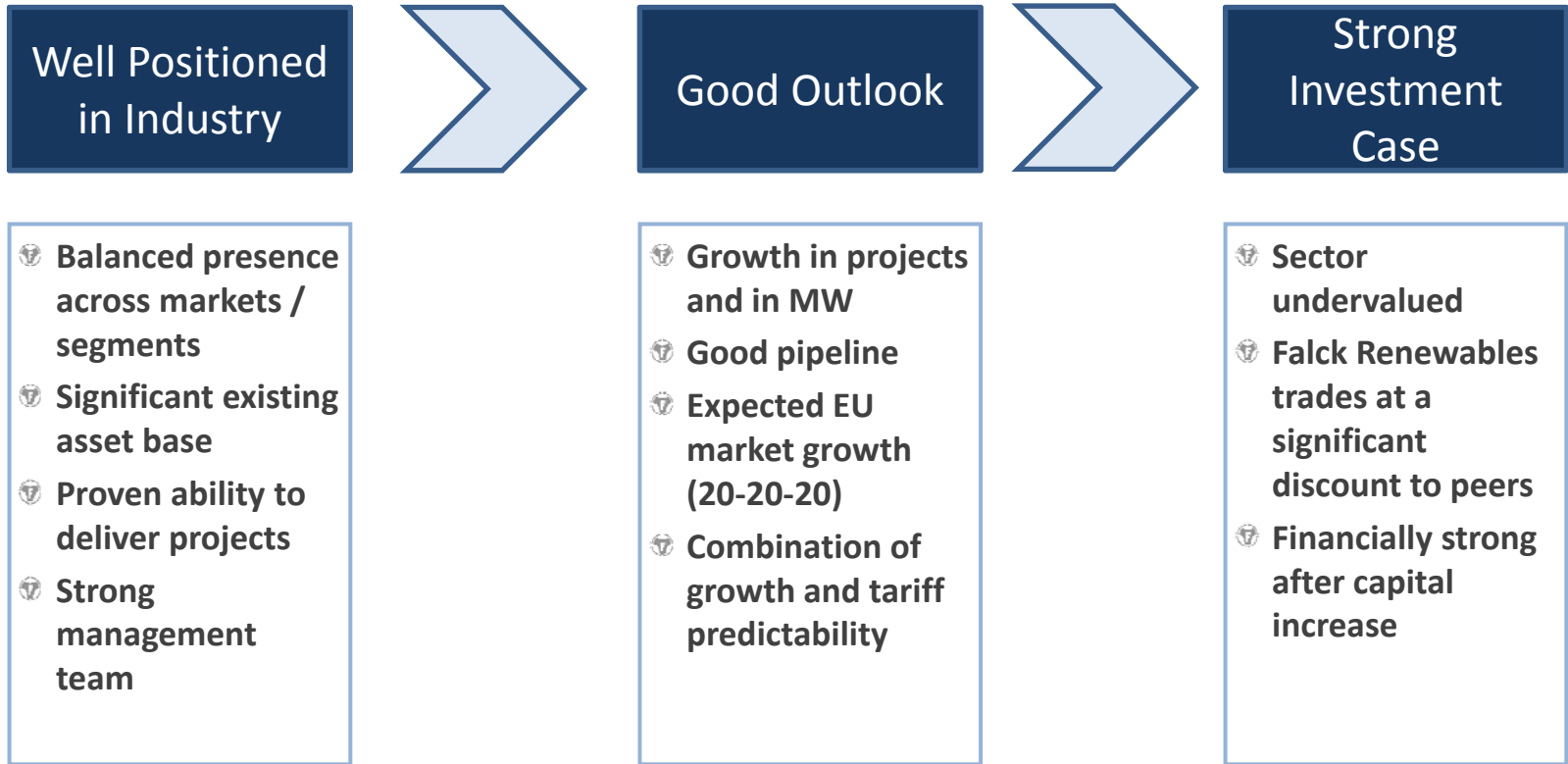
Falck Group & Falck Renewables

-  Group Overview
-  Financials
-  Strategy and Business Plan
-  Conclusions

FALCK GROUP HISTORY

	1833	Falck began its first activities in the steel industry
	1917	First hydro-electric plants built to supply steel works
	1963	Listing of Falck S.p.A. on the Milan Stock Exchange
	1983	Incorporation of Sondel (Falck Group) with 9 hydro-electric plants (330 MW)
	1986	Listing of Sondel S.p.A. on the Milan Stock Exchange
	90's	Sondel becomes Italy's second largest independent power producer through expansion into gas based cogeneration and district heating
	2002	De-merger of Falck (exit of Sondel) and Cmi. New focus on renewable energy. Listing of Actelios S.p.A. (today Falck Renewables S.p.A.) on the Milan stock exchange and incorporation of Falck Renewables Wind Ltd focused on development of wind energy
	2003/2008	Separate development of the Business Units WTE-Biomass-Solar (Actelios), Wind (Falck Ren. Wind) and Bionenergy (Falck Bioenergy)
	2010/2011	"Consolidation Project" within Falck Renewables of the BU WTE & Biomass and Wind & Solar; Capital Increase to strengthen the financial structure of the new Group; disposal of the non core BU Bioenergy

FALCK RENEWABLES AT A GLANCE



 Falck Group & Falck Renewables

 **Group Overview**

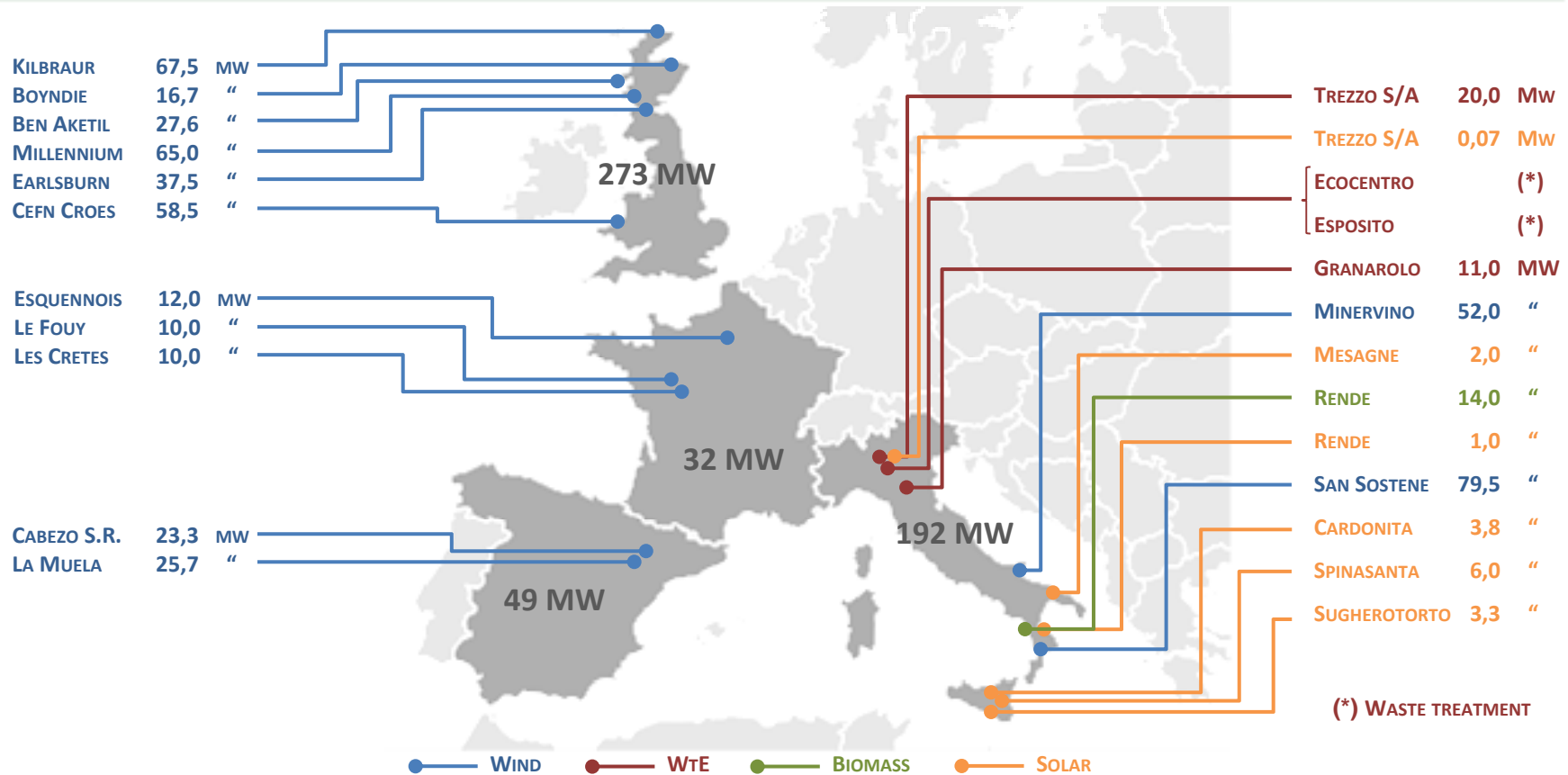
 Financials

 Strategy and Business Plan

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EUROPEAN PRESENCE

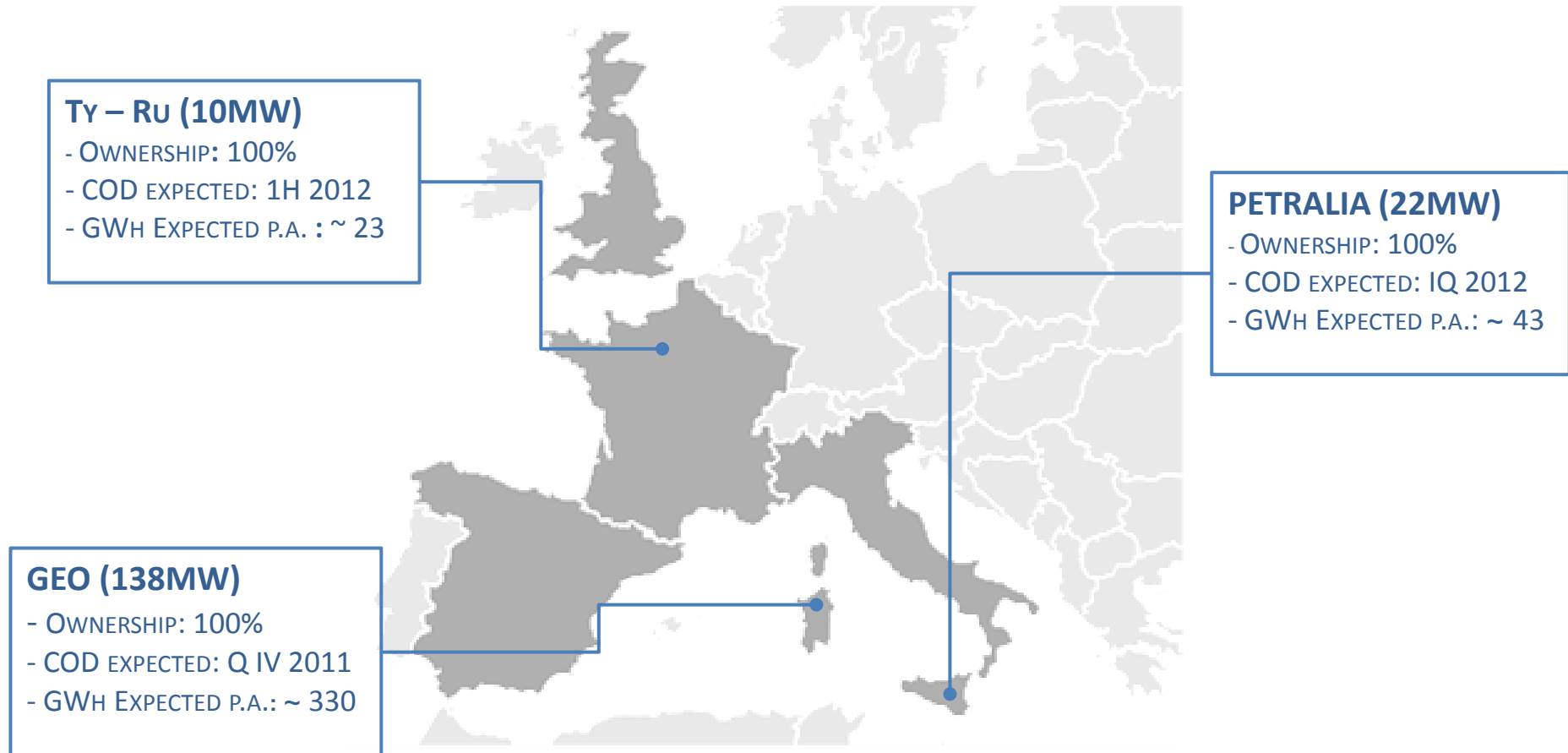
25 OPERATING PLANTS AS OF SEPTEMBER 2011



With an installed capacity of **546 MW** Falck Renewables is one of the biggest “pure players” in Europe and the second listed player in Italy in the Renewable Energies field

EUROPEAN PRESENCE

PLANTS UNDER CONSTRUCTION



 Falck Group & Falck Renewables

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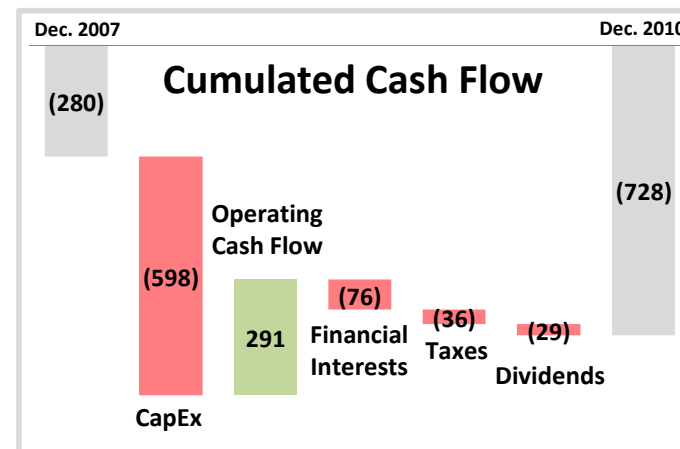
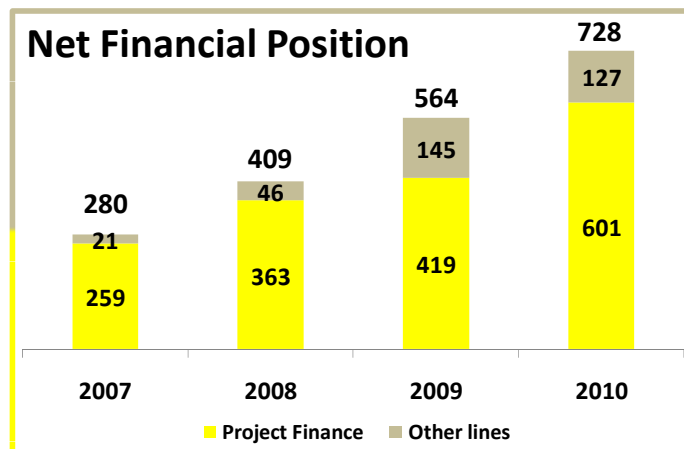
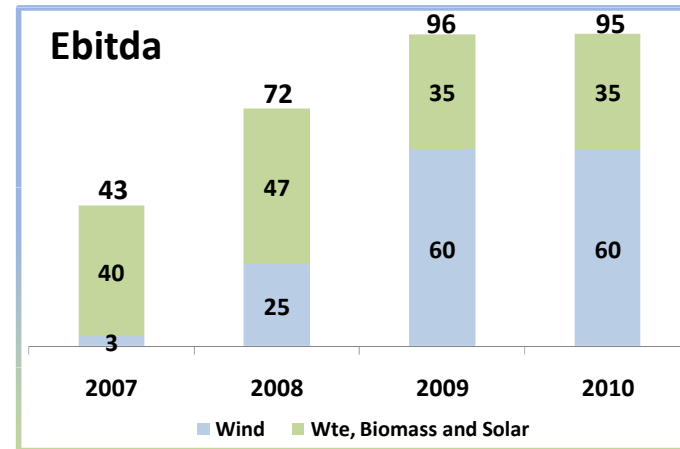
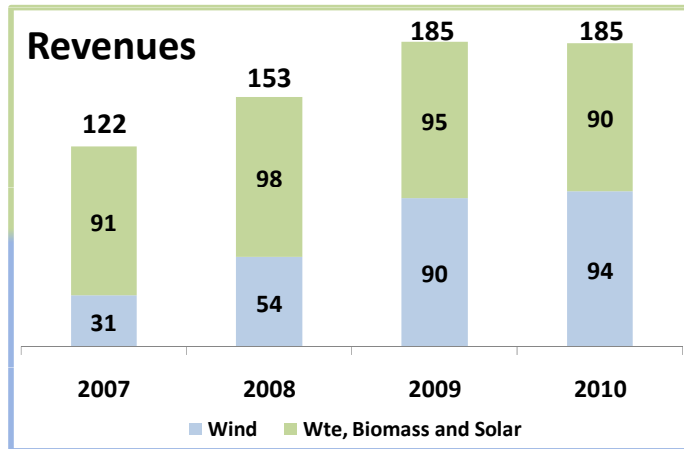
 **Financials**

 Strategy and Business Plan

 Conclusions

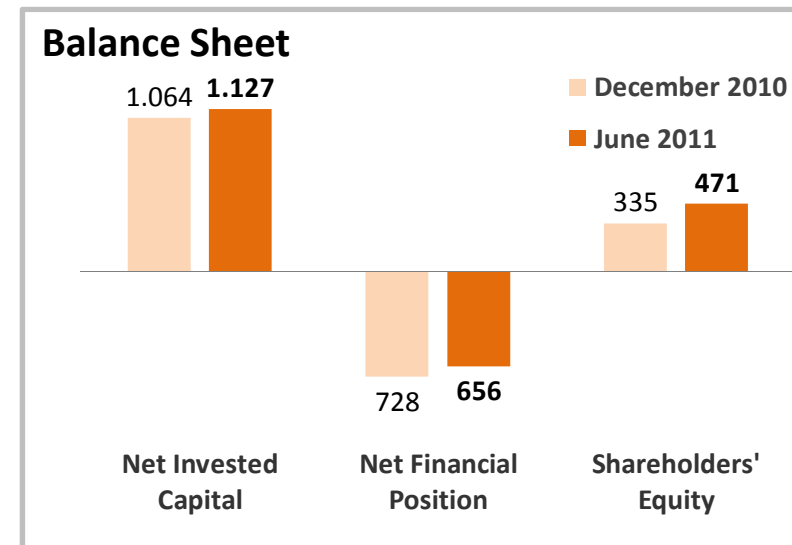
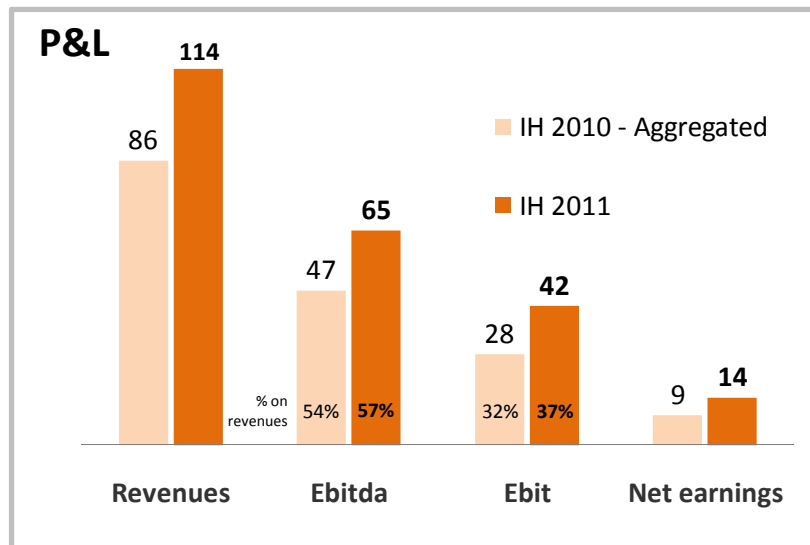
FINANCIAL HIGHLIGHTS 2007 – 2010

€ millions

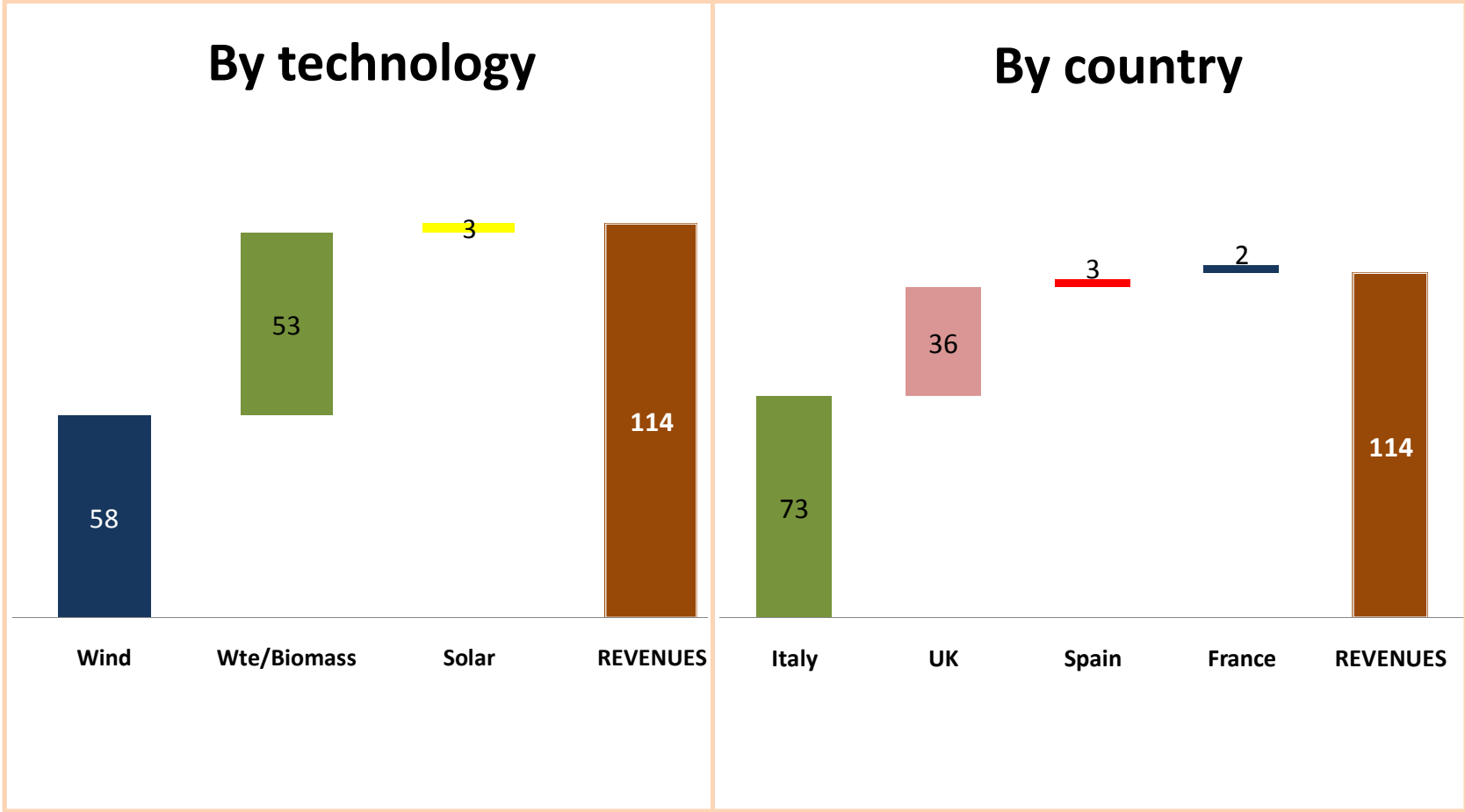


FINANCIAL HIGHLIGHTS - 1H 2011

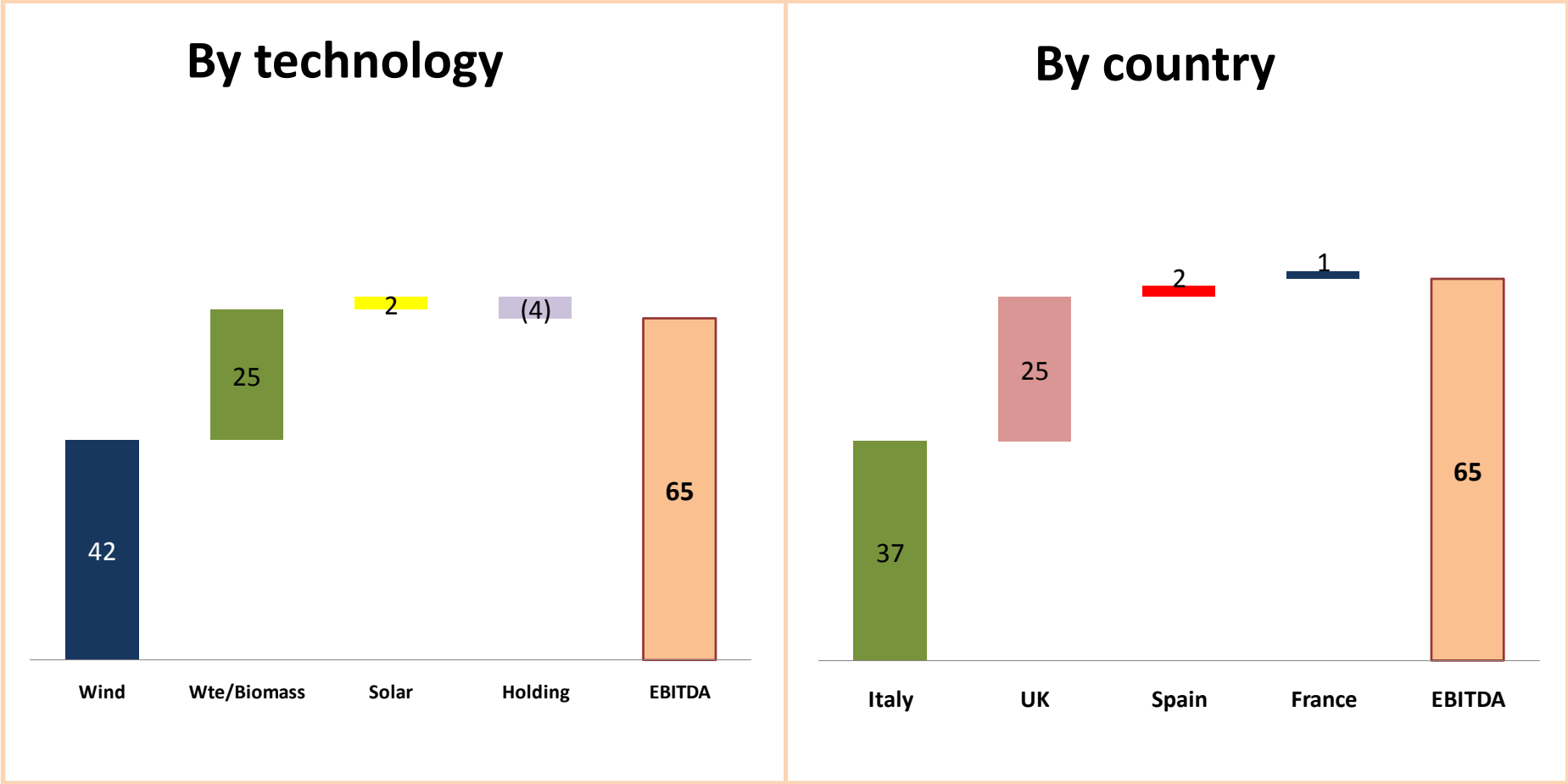
€ millions



1H 2011: REVENUES BREAK DOWN



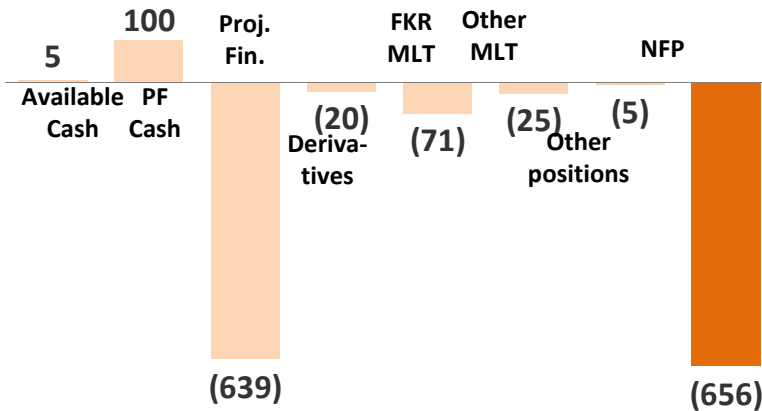
1H 2011: EBITDA BREAK DOWN



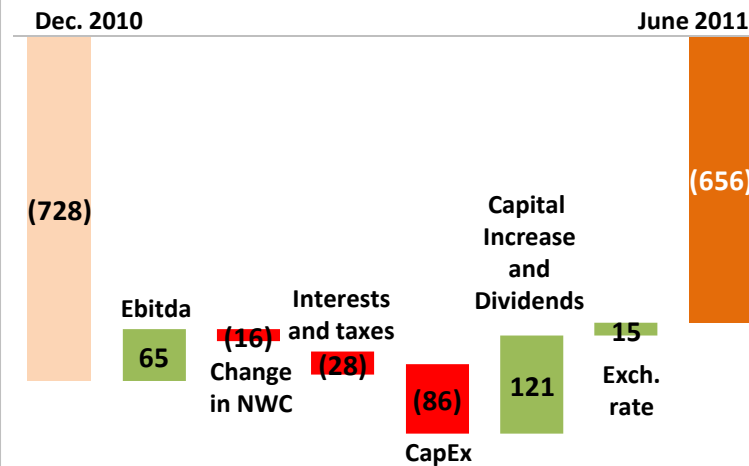
FINANCIAL HIGHLIGHTS - 1H 2011

€ millions

Breakdown of Net Financial Position

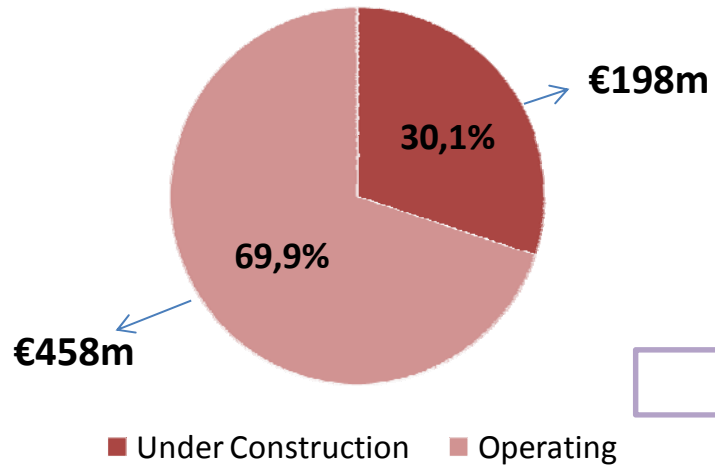


Cash Flow

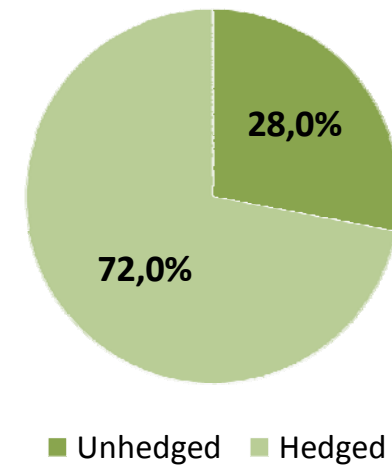


NET FINANCIAL POSITION – KEY POINTS 1H 2011

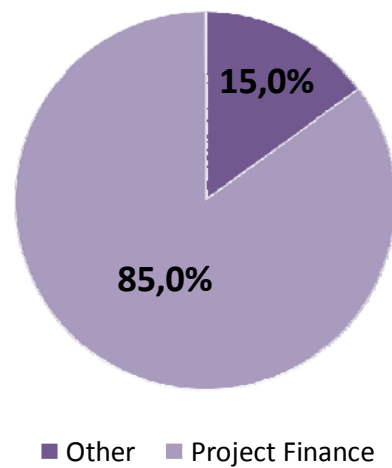
PLANT UNDER CONSTRUCTION/IN OPERATION



PROJECT FINANCE HEDGED



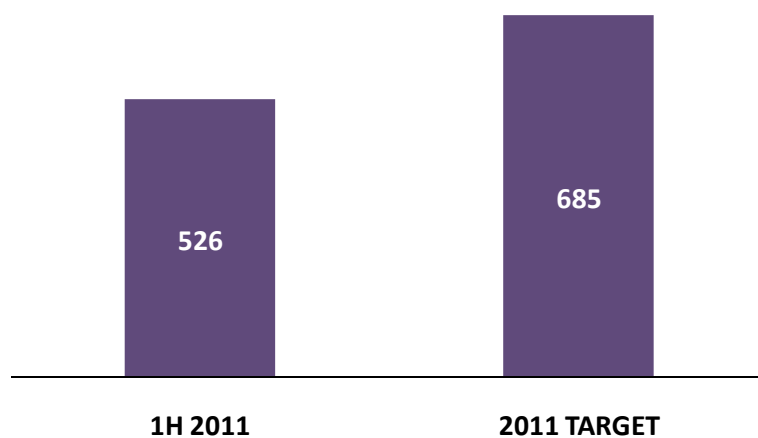
PROJECT FINANCE/NFP





END 2011 FORECAST

€ millions

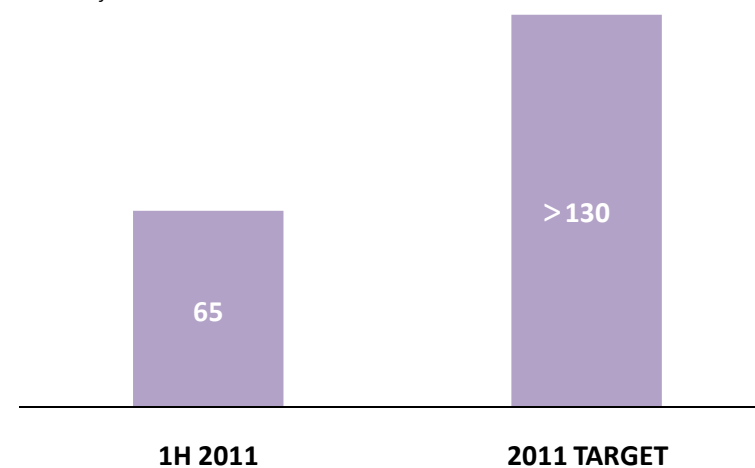
MW INSTALLED






-  1H 2011 in line with target
-  Geo will be completed in 2011

EBITDA

Millions of euro



-  1H 2011 in line with target
-  2H 2011 will benefit of the COD of Geo and Kilbraur
-  Trezzo power plant CIP6 Incentive lost in April 2011

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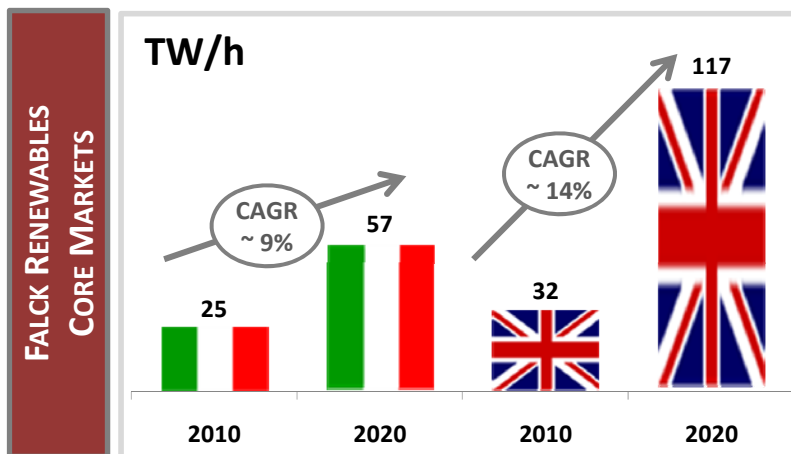
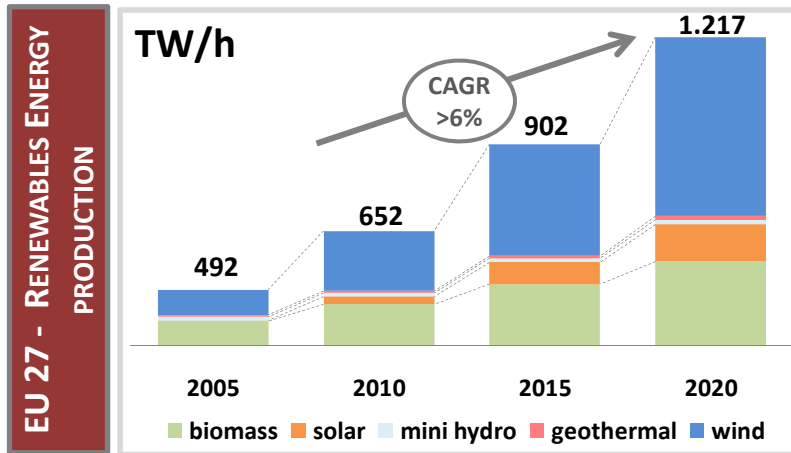
 Group Overview

 Financials

 **Strategy and Business Plan**

 Conclusions

EUROPEAN MARKET TRENDS



MAIN STRATEGIC DRIVERS

- Energy production from renewables sources is expected to double in 2010/2020 with a CAGR > 6%
- Falck Renewables core markets show a CAGR higher than the EU 27 average
- Significant growth available to renewables companies through own development and opportunistic acquisitions
- Geographic expansion will continue providing new opportunities and regulatory risk diversification

WELL BALANCED PORTFOLIO OF ACTIVITIES REPLICATING THE GLOBAL PLAYERS BUSINESS MODEL

SOURCE: ECN – RENEWABLES ENERGY PROJECTIONS AS PUBLISHED IN THE NATIONAL RENEWABLE ENERGY ACTION PLANS OF THE EUROPEAN MEMBER STATES: 1 FEBRUARY 2011

SOURCE: ALTHESIS – IREX ANNUAL REPORT 2011: SINTESI DEI RISULTATI

STRATEGY AND OBJECTIVES

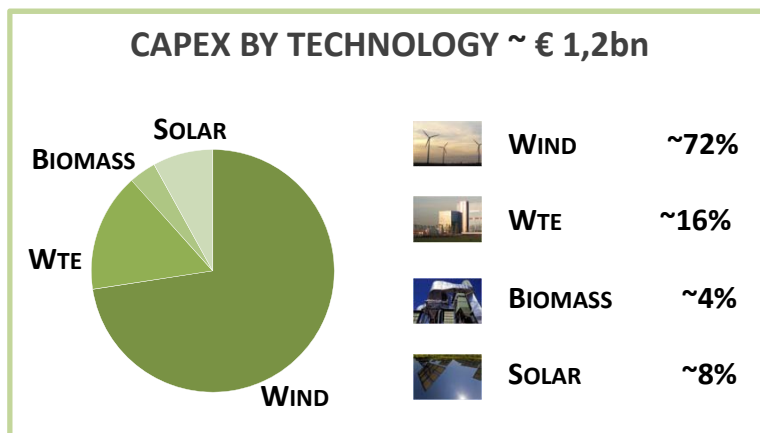
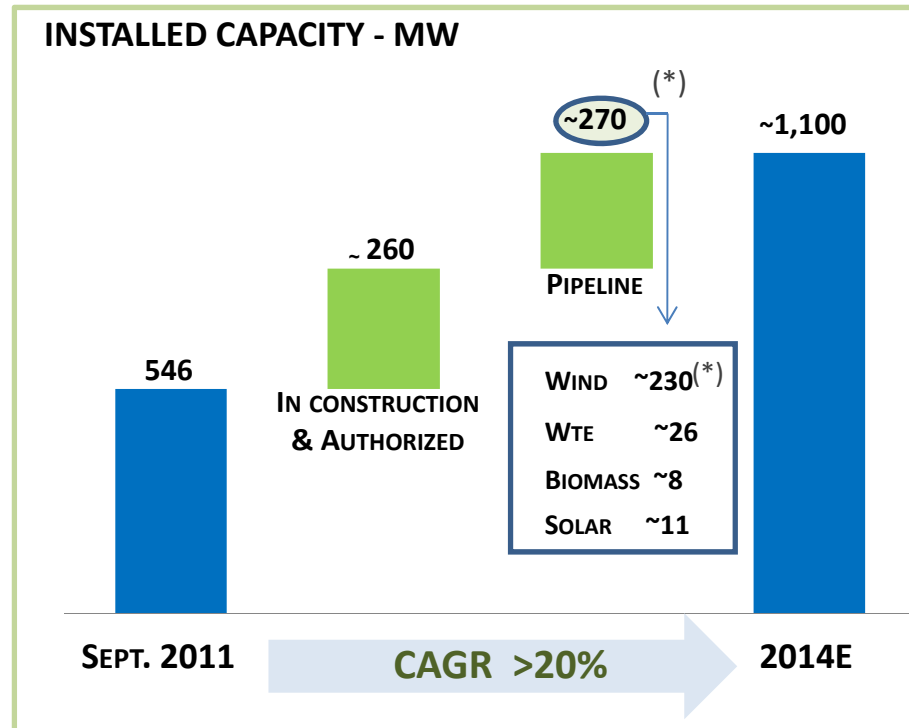
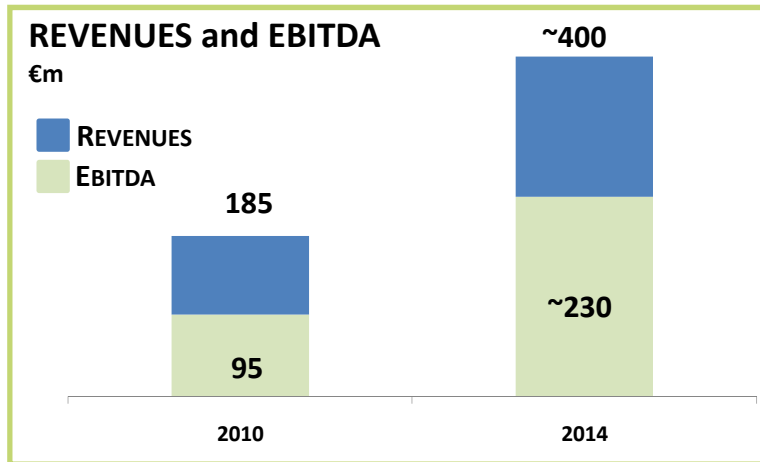
DEVELOPMENT GUIDELINES

Maximize current asset value and grow portfolio with high return projects enhanced by Portfolio Management capabilities that can assure additional profit and reduce risk.

WIND	Maximize investments over the business plan horizon from a rich pipeline and opportunistic situations.	<p>Portfolio Management</p> <p>Leverage the asset portfolio by enhancing Portfolio Management capabilities to provide additional value and better risk management</p>
SOLAR	Use as opportunistically, taking advantage of “incentive windows” (e.g. current tariffs for small scale Italian projects)	
WTE	Develop current projects and start monitoring interesting markets (UK and Poland) for opportunities, exploiting development synergies with wind	
BIOMASS	<p>Develop medium size plants (7/15 MW) fed by solid biomass mainly coming from local residues or dedicated long term SRF⁽¹⁾</p> <p>(1) Short Rotation Forestry</p>	

DEVELOPMENT PLAN 2010-2014

MAIN TARGETS



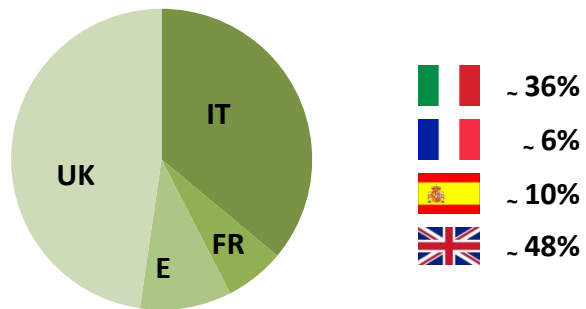
~685 MW cumulated installed by end 2011E

() pipeline does not include approx 70MW to be completed by 2015*

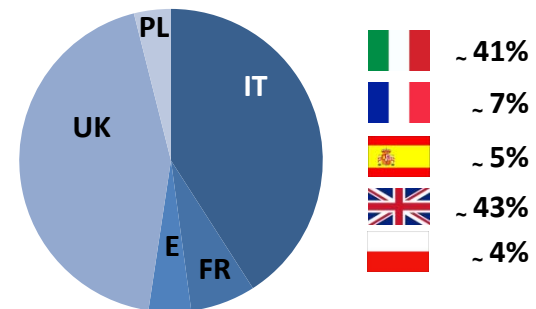
DEVELOPMENT PLAN 2010-2014

MW BY COUNTRY AND TECHNOLOGY

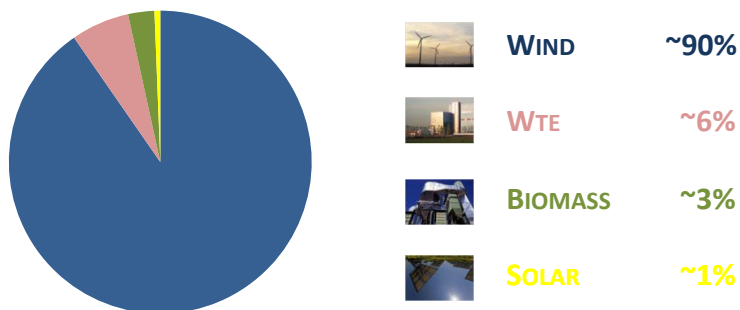
2010 – MW by Country



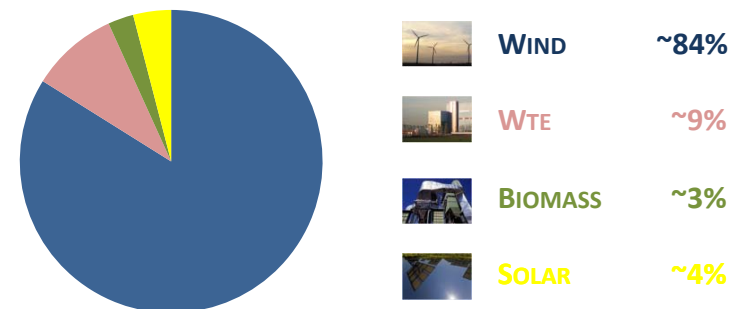
2014E – MW by Country



2010 – MW by Technology



2014E – MW by Technology



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STRONG INVESTMENT CASE

A SOUND INVESTMENT PROPOSITION

HIGH-GROWTH MARKET

- Renewables accounting for only 6% of global energy capacity in 2009 (excl. large hydro)
- High binding EU targets (“ 20-20-20”)

SIGNIFICANT SIZE

- With 546 MW of installed capacity, Falck Renewables is among the biggest “pure layers” in the European Renewable Energy field
- The largest private and the second listed player in Italy in the Renewable Energy field**

GEOGRAPHICAL DIVERSIFICATION

- Geographical diversification across Europe to improve the business risk / return profile and gain a foothold in high-potential new markets

TECHNOLOGICAL DIVERSIFICATION

- Diversification across renewable sources to combine high-growth with predictable technologies

EXPERIENCED MANAGEMENT TEAM

- Dynamic management team and skilled technical staff, with a consolidated know-how deriving from its long dated experience in the Renewable Energy sector

STRONG GROWTH TRACK-RECORD

- Revenues '07 – '10 CAGR: >15%
- EBITDA '07 – '10 CAGR: >30%
- MW installed '07 – '10 CAGR: > 30%