

## PRESS RELEASE

### Falck Renewables SpA

#### The Board of Directors approves the draft financial statements and consolidated financial statements at December 31, 2014<sup>1</sup>:

#### Ebitda<sup>2</sup> above expectations and net debt sharply down Dividends doubled

- Total of revenues and other income at Euro 257.7 million, slightly above the Euro 256.1 million booked in FY 2013;
- EBITDA at Euro 135.3 million exceeds expectations and guidance provided to the market during 2014;
- Net financial debt, excluding the fair value of derivatives, fell sharply to Euro 560.0 million with respect to Euro 673.8 million at December 31, 2013;
- Net result stands at Euro 9.0 million as compared with Euro 15.0 million for FY 2013;
- Dividend of Euro 0.062 per share proposed, with yield of approximately 5.5%.

Milan, March 13, 2015 – The Board of Directors of Falck Renewables SpA met yesterday and approved the draft and consolidated financial statements as at December 31, 2014.

Piero Manzoni, CEO, commented: *“We are particularly pleased to announce that the Group achieved good results in 2014: total revenues and other income increased compared with the previous year, Ebitda exceeded expectations and guidance already provided to the market, and net financial debt sharply decreased. In 2014 we also realized all extraordinary operations planned two years ago, especially the operation concerning the sale of a minority interest in the UK wind farm assets, which will allow us both future strategic developments and to distribute a far greater dividend than in the past.*

<sup>1</sup> The accounting principles and valuation criteria used in preparing the financial statements as at December 31, 2014 consider the introduction on January 01, 2014 of IFRS 11, which removes the option to account for jointly controlled entities using the proportionate consolidation method. Jointly controlled entities that meet the definition of joint venture must now be accounted using the equity method only. Group companies subject to this change in accounting method include Frullo Energia Ambiente Srl (of which we own 49%), Nuevos Parque Eolicos La Muela AIE, Parque Eolico La Carracha SL, Parque Eolico Plana de Jarreta SL (of which we own 26%), and Palermo Energia Ambiente S.c.p.a. in liq. (held 23.27%). These companies, which were consolidated proportionately in previous period reports, are consolidated using the equity method in these financial statements, and therefore the data at December 31, 2013 have been adjusted by retroactive application of the new accounting principle, as if it had been applied in FY 2013. In this way, the data for the periods under examination are consistent and comparable.

<sup>2</sup> The Falck Renewables Group measures EBITDA as earnings before income and expense from investments, net financial income/expense, amortization, depreciation, impairment, provisions for risks and income taxes.

## FALCK RENEWABLES

The financial statements we have approved is related to a year packed with critical structural issues, to which the management promptly reacted -Manzoni said- Scarse summer wind, an incident at our Trezzo sull'Adda plant, now been solved, (partially mitigated by the insurance indemnity received), the decline in electricity prices with respect to 2013 and the cut of incentives in Spain, have all been offset by increased installed production capacity in some plants (ahead of schedule) the renegotiation of existing contracts, the improved performances of operating plants, the enhancement of structural efficiency, the favorable impact of the sterling/euro exchange rate and the removal of certain regulatory restrictions that had instead weighed heavily in the preceding year".

"The Group is now ready to pursue the development lines indicated in the Business Plan" - Mr. Manzoni continued - relating to the increase in installed capacity, particularly abroad, the development of the service sector following the acquisition of the Vector Cuatro Group, which has been consolidated in October into our accounts, and the optimization of plants performances. It is worth pointing out the recent GSE recognition of incentives for Europe's first ever hybrid solar thermodynamic/biomass plant, installed in Rende(CS), in Calabria ; by itself, in fact, this plant can satisfy the energy requirements of around 40,000 local families. This just goes to show how innovation and investments remain a firm cornerstone for our capacity to develop in a market that can still express extensive margins for growth knowing how to invest in the future".

### Consolidated results at December 31, 2014 and December 31, 2013

(thousands of euros)

A	Revenues	248,325	253,797
	Direct payroll costs	(7,169)	(6,800)
	Direct costs and expenses	(142,875)	(143,542)
B	Total cost of goods sold	(150,044)	(150,342)
<b>C</b>	<b>Gross industrial profit</b>	<b>98,281</b>	<b>103,455</b>
	Other income	9,365	2,321
	Structure payroll costs	(15,240)	(13,623)
	General and administrative expenses	(21,628)	(18,192)
	Adjustments to non-current assets		
<b>D</b>	<b>EBIT</b>	<b>70,778</b>	<b>73,961</b>
	Financial income and expense	(49,820)	(47,408)
	Income and expense from investments	213	
	Income and expense from equity investments	409	2,088
<b>E</b>	<b>Pre-tax result</b>	<b>21,580</b>	<b>28,641</b>
	Income tax	(12,616)	(13,687)
<b>F</b>	<b>Net result</b>	<b>8,964</b>	<b>14,954</b>
G	Minority result	5,612	(135)
<b>H</b>	<b>Group result</b>	<b>3,352</b>	<b>15,089</b>
	<b>EBITDA</b>	<b>135,292</b>	<b>145,275</b>

The 2013 figures have been restated to reflect the adjustments made following application of IFRS 11 - Joint arrangements.

### **Introduction**

The accounting principles and valuation criteria used in preparing the financial statements as at December 31, 2014 consider the introduction on January 01, 2014 of IFRS 11, as explained in note 1.

### **Economic results as at December 31, 2014**

**Consolidated revenues** stand at Euro 248.3 million, down 2.15% on Euro 253.8 million as at December 31, 2013: this trend reflects both the generalized reduction of electricity prices on 2013 in the countries in which the Group operates (apart from France) and the temporary suspension of electricity production in the Trezzo sull'Adda plant, as a result of an alternator failure. This downturn was, however, more than offset by the insurance indemnity received for the Trezzo sull'Adda plant downtime (Euro 3.5 million net of the excess charge of Euro 1.5 million) and the contingent assets relating to unbalancing charges accrued in 2013 (approximately Euro 2.9 million), booked as "other income".

Considering the aggregated data related to the items **revenues and other income** it increases compared to 2013 (Euro 257.7 million compared to Euro 256.1 million).

Below are the main changes in consolidated revenues according to sector.

**Wind power:** the revenues generated by the Wind power sector, increasing by Euro 3.6 million to Euro 187.0 million, have suffered the poor wind levels that characterized summer 2014, along with the elimination of incentives and the reduction in average energy prices in Spain and in average energy sale prices in Italy and, in sterling, in the United Kingdom. This impact is more than offset, however, by the greater production capacity installed deriving from the early start-up, ahead of schedule, of the wind power plant in West Browncastle (30 MW), the complete operation, for the whole of 2014, of the Nutberry wind power plant, the revaluation of the sterling against the euro, at average annual exchange rates, of 5.4% and the improved conditions of some power purchase contracts in UK.

**Waste to Energy, Biomass and Photovoltaic:** revenues of this sector stand at Euro 59.2 million, in reduction of approximately Euro 11.2 million, mainly as a result of the lesser revenues from the waste-to-energy plant in Trezzo sull'Adda, which, following the downtime due to the alternator failure, did not produce electricity for approximately five and a half months, through to end April 2014. To this end, the same plant has also suffered the reduction (that had been forecast by the Group) of average electricity sale prices, with specific reference to the fuel avoidance cost of CIP 6/92 and the expiry of the "avoided cost" incentive for 17 MW in August 2014. The downtime for maintenance work on the Rende plant and the expiry of the O&M contract on the Fusina plant, whose business was carried out by the subsidiary Ecosesto SpA, should also be considered.

**Services:** the sector consists of the Vector Cuatro Group, acquired on September 15, 2014 and consolidated as from October 1, 2014. The Group operates in services and in the management of plants for renewable energy production, with a solid international presence. The impact on revenues generated by the acquisition was approximately Euro 2 million for the three months of consolidation relating to the last quarter of 2014.

**Consolidated EBITDA** comes to Euro 135.3 million, down on last year (Euro 145.3 million) but better than the Group's forecasts and the guidance already provided to the market. This trend is due to the above mentioned elements. EBITDA stands at 54.5% of revenues from sales as compared with the 57.2% of December 31, 2013. The Group has successfully shown an efficient reaction to the above critical issues and to the reduction of market prices, obtaining EBITDA that is slightly higher than the guidance range (Euro 130-135 million) declared to the market in 2014.

The **consolidated operating result** stands at Euro 70.8 million compared to Euro 74 million for FY 2013 partially recovering the negative differential recorded at the EBITDA level. This recovery is mainly due to the results of the impairment test on goodwill, on tangible and intangible fixed assets that has led writedowns for about Euro 1.9 million (of which approximately Euro 1.3 million for the wind power plant of Eolica Cabezo San Roque and approximately Euro 0.6 million for the photovoltaic plant of Mesagne) significantly less than Euro 13.2 million booked in 2013. However it should be noted the greater value of amortization/depreciation linked with the increased average capacity installed in FY 2014.

Net financial expense stands at Euro 49.8 million, slightly up (+2.4 million) on FY 2013.

Despite the reduction in average net debt, net financial expense has increased on 2013: (i) for late payment interest deriving from the Tifeo/Gulino Group sentence (Euro 1,034 thousand); (ii) for the cost of bank waivers in relation to the Borea Operation (Euro 670 thousand); and (iii) for the greater interest expense recognized on shareholder loans received from CII Holdco, mainly in the medium-term with respect to interest expense saved with reference to the corporate loan and interest income obtained on liquid funds used in the short-term.

Tax comes to Euro 12.6 million, down Euro 1.1 million on the previous year, suffering the 2013 reduction of the limit (from Euro 10 million to Euro 3 million) in revenues and (from Euro 1 million to Euro 300,000) taxable income and the additional IRES tax rate of 6.5% (the "Robin Tax"). The Group companies subject to this addition are: Prima Srl, Frullo Energia Ambiente Srl, Eolica Sud Srl, Eolo 3W Minervino Murge Srl, Ecosesto SpA, Geopower Sardegna Srl, Eolica Petralia Srl and Actelios Solar SpA.

With sentence filed on February 11, 2015, the Constitutional Court has declared that the Robin Tax is effectively anti-constitutional, but only starting from the publication of the sentence. For this reason current taxes of year 2014 will not benefit of the Robin Tax reduction, while the referred taxes assets are reduced of about Euro 0.6 million as a result of the sentence. The reduction in taxes as compared with FY 2013 is mainly due to the lesser pre-tax result, partially offset by the aforesaid variation of deferred tax assets. The forthcoming years will instead benefit from the lesser tax burden following the application of the sentence.

As a result of the above illustrated developments, the **consolidated net result** therefore stands at Euro 9 million as compared with Euro 15 million for FY 2013. As a result of the minorities deriving from the Borea Operation whereby 49% of six wind power plants in the United Kingdom was sold off, the Group Result comes to Euro 3.4 million (Euro 15.1 million in 2013).

The distribution of an increased dividend compared to the one distributed the previous year is due to the positive result of the operation concerning the sale of 49% of their interests in the share capital in the UK wind farm assets.

### ***Net financial debt***

**Net financial debt, without considering the fair value of derivatives on rates**, amounts to Euro 560 million, showing a significant improvement on Euro 673.8 million at December 31, 2013. The reduction in debt is substantially due to the sale of the minority interests in the UK wind projects to the Danish infrastructural fund Copenhagen Infrastructure I K/S, which brought proceeds of Euro 186.1 million, of which Euro 139.4 million had a positive impact on the net financial debt, while Euro 46.7 million were applied to the takeover of the subordinated debts of the fund shareholders.

Part of these liquid funds was used to make a partial repayment of the Corporate Loan, which as at December 31, 2014 therefore had a balance of approximately Euro 23 million, as compared with Euro 74

million at end 2013; the remainder (deposited in short-term bank accounts) should help support the Group's growth over the next few years.

Investments made during the year (Euro 55.9 million) and dividends distributed in the amount of Euro 17.2 million, were partly offset by the Group's cash generation, which came to Euro 65.0 million.

Non-recourse loans amount to Euro 673.9 million (Euro 690.8 million at December 31, 2013).

Net financial debt includes net financial liabilities of Euro 24.2 million relating to projects under construction that, at December 31, 2014, had not yet begun generating revenue. Not including this amount and the fair value of derivatives, net financial debt would have been Euro 535.9 million.

As of December 31, 2014, **net financial debt, inclusive of the fair value of derivatives**<sup>3</sup>, was Euro 638.1 million (Euro 728.1 million at December 31, 2013).

### ***Installed production capacity***

The following table illustrates installed capacity analyzed by technology type (taking into account some limitations of production/grid) showing an increase on December 31, 2013<sup>4</sup>.

Technology	(MW)	
	As at 12.31.2014	As at 12.31.2013
Wind power	674.6	644.6
WtE	20.0	20.0
Biomass	15.0	14.0
Photovoltaic	16.1	16.1
<b>Total</b>	<b>725.7</b>	<b>694.7</b>

In absolute terms, the Group's installed capacity has increased for the wind farm of West Browncastle (30 MW) and for the hybrid plant of Rende (1 MW).

During the year, the Group **produced energy in the amount of 1,694 GWh**, down 5.2% on FY 2013 as a result of the lesser production in the Wind power sector and the fault involving the Trezzo waste-to-energy plant; it **processed 224,620 tonnes of waste**, in line with FY 2013.

### ***Investments***

In 2014, investments in property, plant and equipment and intangible fixed assets came to Euro 55.9 million, mainly concerning:

- Wind power sector: Euro 40.6 million for the construction of wind parks in West Browncastle (Euro 15.7 million), Spaldington (Euro 3.2 million), Nutberry (Euro 5.9 million), Kingsburn (Euro 7.3 million), Assal Valley (Euro 7.0 million) and Auchrobert (Euro 1.3 million);
- WtE, Biomass and Photovoltaic sector: Euro 6.4 million, of which Euro 4.5 million for improvements made to production plants and approximately Euro 1.8 million for the plant and start-up of Verus Energy Oak in the UK;

<sup>3</sup> The total net financial debt is calculated as the sum of cash and cash equivalents, current financial assets including securities available for sale, financial liabilities, the fair value of hedging instruments and other non-current financial assets.

<sup>4</sup> It should be noted that IFRS 11 introduced on January 01, 2014, is also applicable to installed capacity; therefore, once the new accounting standard was retroactively applied to data as at December 31, 2013, as if it had always been applied, the installed capacity of the WtE, Biomass and Photovoltaic sector decreased by 11 MW, and those of the Wind power sector decreased by 26 MW for both periods.

- Services sector: Euro 8.6 million against the higher price paid with respect to book values for the acquisition of the Vector Cuatro Group on September 15, 2014.

### ***Economic-financial trend of Falck Renewables SpA***

FY 2014 closes with profits of Euro 30 million as compared with Euro 6 million as at December 31, 2013. This result has been considerably influenced (in the amount of Euro 39.4 million) by the dividends received on investments in subsidiaries and associates.

### ***Most important management events during FY 2014***

On March 17, 2014 Falck Renewables SpA, Falck Renewables Wind Ltd and some of their UK subsidiaries finalized the transfer of 49% of shareholdings and subordinated shareholder loans in UK special purpose companies operating in the Wind power sector, which own six wind power plants already in operation in the United Kingdom for a total installed capacity of 272.8 MW (calculated at 100%), to the Danish infrastructural fund Copenhagen Infrastructure I K/S ("CIP").

On April 24, 2014, the WtE plant of Trezzo sull'Adda experienced an alternator failure. The plant downtime lasted for around five months, during which electricity production ceased and the only activity that took place involved the disposal of waste, which accounts for approximately half the plant's total revenues. The insurance reimbursement, which the Group has already obtained, came to Euro 3.5 million, covering both direct damages (the repair of the alternator and related expenses) net of the excess charge (Euro 0.2 million) and damages for lack of production, again net of the excess charge (approximately Euro 1.3 million).

In April 2014, authorization was obtained to construct the wind farm of Auchrobert, localized in Scotland, with a total installed power of a maximum of 36 MW and the French wind farm of Illois, with a total maximum capacity of 12 MW.

On April 30, 2014, the company entered into a project financing agreement amounting to approximately 23 million British pounds with Unicredit Bank AG London Branch for the wind farm of Nutberry, UK, having an installed capacity of 15 MW.

On July 30, 2014, Falck Renewables Wind Ltd acquired 51% of Verus Energy Oak Limited for an amount of Euro 821 thousand. This company owns the authorization to build and manage a waste-to-energy plant with a power of 16.2 MW in West Bromwich (UK), based on the use of innovative boiling type fluid bed stage gasification technology.

On September 15, 2014, Falck Renewables entered into an agreement for the acquisition of the entire share capital of Vector Cuatro SLU including the indirect acquisition of its subsidiaries. The Vector Cuatro Group manages and services renewable energy production facilities. It also provides engineering and consultancy services for generating electricity from renewable sources.

Late December 2014, the subsidiary Eolica Petralia Srl concluded the redefinition of the debt of the Petralia Sottana wind farm. UBI Banca S.c.p.a., Banca Popolare dell'Emilia Romagna Soc. Coop. e Banca Popolare di Milano S.c.a.r.l., with equal shares, stipulated the project refinance agreement for the total amount of approximately Euro 24 million and with a term of 12.5 years.

### ***Events relating to the Sicilian projects***

*Court of Cassation*

As concerns the Second Regulation of jurisdiction, after various deferrals, the petition will be discussed by the Board at the hearings of April 28, 2015.

### *Administrative proceedings*

As to the administrative proceedings pending on appeal before the Sicilian Regional Administrative Justice Board (CGARS), in a ruling dated February 06, 2014 the CGARS suspended the cases pending the Court of Cassation's decision on the Second Determination.

### *Civil proceedings*

With regard to the civil proceeding, by decision dated January 07, 2014 (amended on January 08, 2014), the Court of Milan, acknowledging the resumption of the proceedings, declared the dispute "mature for a decision on the basis of records and documents" already filed by the parties, and confirmed the hearing of April 22, 2014 "to commence the adversarial proceeding". Thereafter, some deferrals were ruled and the case is now called to the hearing of March 27, 2015.

### *Tender documents release from seizure*

Please note that by the final deed of January 2015, the documentation relating to the participation in the tender published in 2002 and which had been delivered to the Financial Police Force in May 2010, was released from seizure.

### *Notices of the Energy and Public Service Councilor of the Region of Sicily*

By letter of notice sent on April 04 and 08, 2014, the Councilor notified to Falck Renewables SpA, as (then) member of the Temporary Association of Companies (ATI) of which Pea was the successor, to Elettroambiente SpA in liquidation, as (then) member of the ATI of which Platani and Tifeo were the successors, as well as to the other companies (then) participating in the ATIs, an invitation to perform and notice of default, claiming that the recipients allegedly had non-contractual liability (mentioned there for the first time) for failure to implement the integrated systems. The Group companies replied to the notices challenging all liability as well as the Authority's request for damages (Euro 500 million for ATI) which they believe to be manifestly groundless. At present, these letters of notice have not been followed by any further initiative on the part of the Councilor.

Litigation with the Sicilian Regional authorities is currently continuing in order to protect the Group companies' rights (to be awarded compensation for damages and loss of profit) and to defend itself from the Councilor's claim.

Considering the events recalled in the financial statements as at December 31, 2013, which stressed the complexity and uncertainty of the litigations in question, the liquidators of the companies Tifeo, Platani, Pea and Elettroambiente and the directors of Falck Renewables SpA, supported by the opinions of their lawyers, have confirmed the impairment and adjustments applied to the asset items in the 2012 financial statements. They believe that the risk of losing is remote both in terms of the counterclaim made by the Councilor in the Civil Proceedings being upheld and as concerns the claim of non-contractual compensation made by the Councilor on April 04-08, 2014.

It is confirmed that no deferred tax assets have been booked in the consolidated financial statements against the previously named *provisions made for risks to adjust assets*, insofar as they would only be able to be recovered: (i) under the scope of the tax consolidation; (ii) if the Group had sufficient taxable income; and (iii) once the conditions for their deductibility had been realized, namely following settlement of the litigation that, considering the complexity of the matter, cannot currently be forecast.

### ***Subsequent events***

#### **Anti-constitutional nature of the Robin Tax**

By sentence filed on February 11, 2015, the Constitutional Court declared that the Robin Tax, an additional form of income tax applied in certain conditions to energy businesses, was anti-constitutional. The ruling

shall, however, take effect the day after that on which the sentence is published in the Official Journal, therefore as from February 12, 2015.

Considering the importance of the sentence and its effects on deferred tax, the financial statements as at December 31, 2014 considers the effects of this ruling.

### **Sale of Ezse Elektrik Uretim Ltd Şti**

On February 25, 2015, the company Ezse Elektrik Uretim Ltd Şti, with registered office in Turkey, was sold for Euro 200 thousand.

### **Outlook**

The legislative and market context in which the Falck Renewables Group operates is experiencing some major changes as a result of the generalized revision of the incentive systems and the introduction of legislation aimed at increasing competitiveness of renewable sources in the more general context of the energy systems. These market changes, accompanied and often enhanced by the depression of electricity consumption brought about by the economic crisis, have led to a revision of the Group business model in order to guarantee medium to long-term stability. Planning, management and improved performance are the core features of the business model, to be achieved also through the development and implementation of innovative solutions and the development of services for third parties, using the acquisition of Vector Cuatro and the partnership with Copenhagen Infrastructure I K/S (sponsored by Pension Danmark) to help achieve this result.

The Group's results for FY 2015 will benefit from the entire year of production by the West Browncastle wind power plant for 30 MW and the consolidation of the Vector Cuatro Group, again for the whole year (in 2014, it only contributed towards Group results for three months). The as-yet weak economic outlook will, however, continue to have a negative impact on the demand for electricity and related prices, also following the recent considerable downturns to gas and oil prices. The Group forecasts:

1. electricity prices below the 2014 averages in Italy, Spain and the United Kingdom, although in Italy, the Group's wind power and biomass plants will benefit from mechanisms partially set to limit said effects (such as the Italian green certificates system), whilst in France the "feed in tariff" mechanism will provide a shield against such changes. It should instead be remembered that Spanish plants will no longer benefit from incentives following this new legislation;
2. the 8% reduction in the incentive tariff on the 16 MW solar plants held by the Group as from January 01, 2015, in accordance with Italian Law no. 116/2014;
3. the re-introduction after the suspension for 2013 and 2014 of the unbalancing charges;
4. the sale of energy by the Trezzo sull'Adda plant for a gross 17 MW, will be valued at market prices, given that in August 2014 the benefit deriving from the "avoided cost" incentive (CIP 6/92) was used up.

The Group's development through the construction and start-up of authorized plants in the United Kingdom of Spaldington Airfield (up to 12.5 MW), Kingsburn (up to 22.5 MW), Auchrobert (up to 36 MW) and Assel Valley (up to 30 MW), full operation of which is envisaged for the second half of 2016 for Spaldington and Kingsburn, whilst for Assel Valley, it should apply as from the start of the first quarter 2017 and Auchrobert at the end of the first quarter 2017.

Group's EBITDA for 2015 may continue to suffer the impact deriving from the weak outlook, with inevitable consequences on the demand for electricity and above all on the related sale prices: the indicator is therefore expected to fall within a range of between Euro 132 and 137 million.

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The Board of Directors will suggest to the Shareholders' Meeting scheduled for this coming April 29, 2015 (at first calling, or April 30, 2015 at second calling) that it distributes an ordinary unitary dividend, gross of legal withholdings, of Euro 0.062 per share, for a maximum amount of approximately Euro 18.0 million, with ex-dividend date no. 10 of May 11 (record date May 12) and payment as from May 13.

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*Attached are the statements of the Falck Renewables Group taken from the consolidated financial statements as at December 31, 2014, compared with the consolidated equity data as at December 31, 2013.*

*The Executive responsible for drawing up the company's accounting documents, Paolo Rundeddu, certifies – in accordance with paragraph 2, article 154 bis of the Financial Act (TUF) – that the accounting information contained in this document corresponds to documentary evidence, books and accounting records.*

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*The draft financial statements as at and for the year ended December 31, 2014, along with the directors' report, have been subject to audit, and the audit procedures are currently being completed.*

*The company's draft financial statements and the group's draft consolidated financial statements will be made available within the legal deadline at the registered office at Corso Venezia 16, Milan, with Borsa Italiana SpA and online in the Investor Relations section of the [www.falckrenewables.eu](http://www.falckrenewables.eu) website. In addition, they will be submitted for the shareholders' approval during the Shareholders' Meeting to be held on first call on April 29, 2015. The second call is scheduled for April 30, 2015.*

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Today at 10:00 am a conference call will be held for analysts, investors and banks to present the financial data as at December 31, 2014. Details on how to participate are available at [www.falckrenewables.eu](http://www.falckrenewables.eu), in the news section. Support material will be made available on-line in the investor relations section when the conference call begins.

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*Active in Europe with installed capacity of roughly 762 MW in 2014 (726 MW according to IFRS 11 reclassification), **Falck Renewables SpA**, a Falck Group company that is listed on the stock exchange in the STAR segment ("FKR.MI"), develops, designs, builds and manages renewable source power production plants. Its mission is to contribute to meeting the energy needs of the population, in accordance with a specific integrated business plan based on the differentiation of production technologies and geographical areas. Thanks to this strategy, the Company is flexible in allocating investments, with the aim of mitigating risks and seizing market opportunities.*

*For information:*

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*Alessandra RUZZU – Head of Communications – Ph. 02.2433.2360*

**FALCK RENEWABLES CONSOLIDATED financial statements at 12.31.2014**

Income statement

		(thousands of euros)			
		31.12.2014		31.12.2013 (1)	
			<i>of which related parties</i>		<i>of which related parties</i>
<b>A</b>	Revenues	248.325		253.797	
	Direct payroll costs	(7.169)		(6.800)	
	Direct costs and expenses	(142.875)		(143.542)	
<b>B</b>	Total cost of goods sold	(150.044)		(150.342)	
<b>C</b>	<b>Gross industrial profit</b>	<b>98.281</b>		<b>103.455</b>	
	Other income	9.365		2.321	598
	Structure payroll costs	(15.240)		(13.623)	
	General and administrative expenses	(21.628)		(18.192)	(1.802)
<b>D</b>	<b>EBIT</b>	<b>70.778</b>		<b>73.961</b>	
	Financial income and expense	(49.820)		(47.408)	12
	Income and expense from investments	213			
	Income and expense from equity investments	409		2.088	2.088
<b>E</b>	<b>Pre-tax result</b>	<b>21.580</b>		<b>28.641</b>	
	Income tax	(12.616)		(13.687)	
<b>F</b>	<b>Net result</b>	<b>8.964</b>		<b>14.954</b>	
<b>G</b>	Minority result	5.612		(135)	
<b>H</b>	<b>Group result</b>	<b>3.352</b>		<b>15.089</b>	
	<i>Basic and diluted earnings per share attributable to the Group</i>	<i>0,013</i>		<i>0,052</i>	

**FALCK RENEWABLES CONSOLIDATED financial statements at 12.31.2014**

## Balance sheet

				(thousands of euros)	
		12.31.2014		12.31.2013 (1)	
				<i>of which related parties</i>	<i>of which related parties</i>
<b>Assets</b>					
<b>A Non-current assets</b>					
1	Intangible assets	104.206		88.468	
2	Property, plant and equipment	965.732		959.388	
3	Investments and financial assets			4	
4	Investments booked as equity	19.595		18.632	
5	Medium/long-term financial receivables	25	25	367	367
6	Deferred income tax assets	38.768		28.073	
7	Other receivables	9.601		2.771	
<b>Total</b>		<b>1.137.927</b>		<b>1.097.703</b>	
<b>B Current assets</b>					
1	Inventories	5.313		4.547	
2	Trade receivables	117.527	498	124.878	90
3	Other receivables	38.322	11.319	40.317	10.432
4	Financial assets	856		804	25
5	Investments				
6	Cash and cash equivalents	207.606		120.819	
<b>Total</b>		<b>369.624</b>		<b>291.365</b>	
<b>C Non-current assets held for sale</b>					
<b>Total assets</b>		<b>1.507.551</b>		<b>1.389.068</b>	
<b>Liabilities</b>					
<b>D Equity</b>					
1	Ordinary shares	291.414		291.414	
2	Reserves	80.641		65.802	
3	Retained earnings	93.238			
4	(Loss)/profit for the year	3.352		15.089	
<b>Equity attributable to owners of the parent</b>		<b>468.645</b>		<b>372.305</b>	
5	Non-controlling interests	31.115		6.527	
<b>Total equity</b>		<b>499.760</b>		<b>378.832</b>	
<b>E Non-current liabilities</b>					
1	Medium/long-term financial liabilities	758.640		790.818	
2	Trade payables	1.046			
3	Other payables				
4	Deferred tax	26.496		13.798	
5	Provisions for other liabilities and charges	37.214		38.691	
6	Staff leaving indemnity	3.820		3.769	
<b>Total</b>		<b>827.216</b>		<b>847.076</b>	
<b>F Current liabilities</b>					
1	Trade payables	50.774	445	63.115	891
2	Other payables	41.825	9.979	40.787	9.772
3	Short-term financial liabilities	87.976		59.258	
4	Provisions for other liabilities and charges				
<b>Total</b>		<b>180.575</b>		<b>163.160</b>	
<b>G Liabilities attributable to non-current assets held for sale</b>					
<b>Total liabilities</b>		<b>1.507.551</b>		<b>1.389.068</b>	