



With a net profit of 2.8 million euros in 2016, FUTUREN confirms its profitability and demonstrates the strength of its fundamentals

(in thousand euros)	2016	2015
Revenue	56,651	59,155
EBITDA ⁽¹⁾	27,956	34,500
Operating income	12,338	13,335
Financial income	(8,017)	(8,678)
Net income from continuing operations	2,795	3,285
Net income of the consolidated Group	2,822	3,373
Of which Group share	2,924	1,975

(1) Current operating income before amortization and non-operational risk provisions.

Commenting on the 2016 annual results, **Fady Khallouf, CEO of FUTUREN**, said:

"In a year that offered particularly light wind, FUTUREN recorded a new net profit. FUTUREN thus confirms the robustness of its model as efficient and profitable industrial group of the renewable energy sector. Our strategic vision, focusing on green electricity production in selected countries, demonstrates its relevance.

With the commissioning of three wind farms in France in fifteen months, in total 52 MW, FUTUREN is firmly committed to the completion of its planned growth. We will continue this sustained momentum in order to increase our renewable electricity production capacity.

Construction works for a new 21 MW wind farm in France have already started in March 2017 and others will follow."

1 Key highlights of the year 2016

Further development

FUTUREN is actively pursuing its development policy that aims at commissioning new wind farms for own account in order to strengthen its core business as electricity producer.

In 2016, FUTUREN finalized the construction of the Chemin Perré wind farm, located on the Nogentais community of communes, on the territory of the Montpothier and Villenauxe-la-Grande municipalities, in the Aube department, in France. This wind farm includes 9 wind turbines of 2 MW, for a total installed capacity of 18 MW. The wind farm has been commissioned in the beginning of October 2016.

In March 2016, after having secured a non-recourse long term bank loan, FUTUREN launched the construction works for Les Monts project, located on the territory of the Sainte-Maure and Saint-Benoît-sur-Seine municipalities, in the Aube department, in France. This wind farm includes 4 wind turbines of 3.3 MW, for a total installed capacity of 13.2 MW. The wind farm has been commissioned in January 2017.

In August 2016, FUTUREN concluded a turbine supply agreement for the purchase of 7 wind turbines for the Courant-Nachamps project, located on the territory of the Courant and Nachamps municipalities, in the Charente-Maritime department, in France. The selected turbine model will deliver a unit capacity of 3 MW and bring the total installed capacity of the wind farm to 21 MW. The contract also includes associated maintenance services, securing the costs of maintenance over fifteen years. FUTUREN started the construction works for the Courant-Nachamps project in March 2017, the commissioning being expected in the beginning of 2018.

Strengthening its portfolio of authorized projects, the Group also obtained, in 2016, two new authorizations, free of any third-party claim, to install 47 additional MW in France: the authorization to install 11 additional wind turbines on Les Monts wind farm, representing an expansion of about 35 MW, as well as the authorization to install 6 wind turbines on the territory of the Saint-Affrique municipality, in the Aveyron department, in France, for an estimated capacity of 12 MW.

These new authorizations secure additional growth for the Group. In France, FUTUREN holds 68 MW of projects having obtained all authorizations needed for their installation and operation.

Signing of an agreement between FUTUREN's main shareholders and change of control

On June 3, 2016, the main shareholders of FUTUREN, namely various funds managed by Boussard & Gavaudan on one hand, Pierre Salik, Michel Meeus and Brigitte Salik on the other hand, entered into a shareholders' agreement under which they act in concert and exercised all the stock warrants they were holding.

Holding the majority of the share capital and voting rights of the Company, the Concert has been controlling FUTUREN since June 3, 2016.

Exercise of stock warrants and definitive allocation of free shares

In 2016, 36,849,260 shares were created following the exercise of 110,547,780 stock warrants. The exercise of these stock warrants led to a cash inflow for FUTUREN of 22.1 million euros.

In December 2016, 2,775,620 free shares were created following their definitive allocation by the Board of Directors.

Simplified mandatory public offer on FUTUREN securities

On June 6, 2016, following the constitution of the above-mentioned Concert and the exercise of all the stock warrants held by its members, BG Select Investments (Ireland) Limited, a fund managed by Boussard & Gavaudan, filed with the French Financial Markets Authority ("AMF"), a project of simplified mandatory public offer on FUTUREN shares at a price of €0.70 per share and on FUTUREN convertible bonds at a price of €8.07 per convertible bond.

The project of offer received the approval from the AMF on July 26, 2016. The offer was open from July 29, 2016 to August 11, 2016 inclusive.

As at the close of the simplified public offer, BG Select Investments (Ireland) Limited held 82,426,006 FUTUREN shares, representing 37.0% of the share capital and 35.9% of the theoretical voting rights, as well as 5,789,525 convertible bonds, representing 93.4% of the outstanding convertible bonds. As at the same date, the Concert held 139,775,132 FUTUREN shares, representing 62.7% of the share capital and 63.7% of the theoretical voting rights, as well as 5,844,425 convertible bonds, representing 94.2% of the outstanding convertible bonds.

Conversion of OCEANEs

Following the change of control of the Company that took place on June 3, 2016 and the AMF approval on the simplified mandatory public offer that occurred on July 26, 2016, the conversion ratio of FUTUREN OCEANEs into shares was temporarily modified. From July 29, 2016 to September 2, 2016 inclusive, the conversion ratio of FUTUREN OCEANEs into shares was 10.781 shares per OCEANE (instead of 9.222 shares per OCEANE without temporary adjustment).

In this context, the holders of 115,933 convertible bonds requested the conversion of their bonds and received 1,249,871 FUTUREN shares.

Early redemption of a part of the convertible bonds

As a consequence of the change of control that took place on June 3, 2016, bondholders had the possibility to request the early redemption of all or some of their bonds between July 13, 2016 and July 27, 2016.

In this context, the holders of 2,019,737 convertible bonds requested the early redemption of their bonds.

Therefore, FUTUREN redeemed these 2,019,737 bond at a unit price of 8.024 euros, i.e. a total of 16.2 million euros, and canceled the corresponding bonds. This led to the decrease in FUTUREN's debt by 16.2 million euros.

2 2016 annual results

The Board of Directors, during its meeting of March 24, 2017, approved the 2016 parent-company financial statements and the 2016 consolidated financial statements. The audit procedures have been performed and the auditors' certification reports are in the process of being issued.

CONSOLIDATED INCOME STATEMENT

- Revenue**

In a context of globally unfavorable wind conditions that affected the sector in 2016, FUTUREN's consolidated revenue reached 56.7 million euros in 2016, recording a decrease of 4.2% compared with 2015.

<i>(in thousand euros)</i>	Sales of electricity	Development and management of wind farms	Consolidated total
2016	49,422	7,230	56,651
2015	51,105	8,049	59,155

The Sales of electricity activity, FUTUREN's core business, registered a revenue of 49.4 million euros in 2016. During the year, FUTUREN benefited from the commissioning of a 21 MW wind farm in November 2015 and an 18 MW wind farm in September 2016. However, unfavorable wind conditions in the second, third and fourth quarters of 2016 resulted in a 3% decrease in the revenue compared to 2015.

The Sales of electricity activity relies on long term electricity buyback contracts (15 to 20 years depending on the country) with guaranteed tariffs. This secure activity accounted for 87.2% of the consolidated revenue in 2016.

The Development and management of wind farms activity registered a revenue of 7.2 million euros in 2016, also impacted by unfavorable wind conditions.

- EBITDA**

Unfavorable wind conditions in 2016 impacted the EBITDA of the Group's two businesses. Consolidated EBITDA amounted to 28.0 million euros in 2016, compared to 34.5 million euros in 2015.

<i>(in thousand euros)</i>	Sales of electricity	Development and management of wind farms	Consolidated total
2016	33,408	(5,452)	27,956
2015	37,402	(2,902)	34,500

Since most of the costs related to the sale of electricity are fixed, wind conditions that were globally unfavorable in 2016 directly impacted the EBITDA of the activity. Despite the positive contribution of wind farms recently commissioned in France, the EBITDA of **the Sales of electricity activity** amounted to 33.4 million euros, compared to 37.4 million euros in 2015.

In 2016, the Development activity registered additional development services related to two wind projects sold in 2015 in France. On the contrary, the Management activity was impacted by a negative scope effect in Germany and unfavorable wind conditions throughout the year.

It should be noted that the EBITDA of this activity benefited in 2015 from the punctual effect of an indemnity received as a result of the early termination of management contracts for wind farms on behalf of third parties in Germany.

In total, **the Development and management of wind farms activity** recorded a loss of 5.5 million euros in 2016, compared to a loss of 2.9 million euros in 2015.

• Operating income

In a context of current activity impacted by unfavorable wind conditions, the Group benefited from several positive effects, notably related to the continued cleaning of its situation in Italy. Overall, the Group's operating income decreased slightly, recording a profit of 12.3 million euros in 2016, compared to a profit of 13.3 million euros in 2015.

<i>(in thousand euros)</i>	2016	2015
EBITDA ⁽¹⁾	27,956	34,500
Amortization	(20,301)	(19,945)
Share in income of joint ventures and associates	13,478	(1,421)
Impairment	(6,500)	(772)
Net reversals of provisions	6,816	108
Other non-current income and expenses	(9,111)	865
Operating income	12,338	13,334

(1) *Current operating income before amortization and non-operational risk provisions.*

The vast majority of amortization is related to wind farms held and controlled by the Group. The increase in 2016 is linked to wind farms that have been recently commissioned by FUTUREN.

As part of a process of rationalization of the Group's subsidiaries, a debt waiver was granted by a shareholder to a subsidiary consolidated under the equity method. This improvement in the situation of this company and its subsidiary, also accounted for by the equity method, resulted in the reversal of the corresponding provisions, for an amount of 13.6 million euros, recorded in the income of joint ventures and associates.

In 2016, le Groupe recorded impairment for an amount of 6.5 million euros, related to:

- the goodwill of the German holding for 3.5 million euro; and
- an additional depreciation of the value of wind turbines purchased in 2008, not yet installed, reflecting their growing aging.

The reversals of provisions mainly concerned Italian subsidiaries for which disputes were settled during the second half of 2016. The corresponding expenses are recorded under "Other non-current income and expenses".

New provisions were recorded for an amount of 3.0 million euros related to the German business.

- **Financial income**

The Group's financial income represented a net cost of 8.0 million euros in 2016, compared to a net cost of 8.7 million euros in 2015.

<i>(in thousand euros)</i>	2016	2015
Net interest cost related to the convertible bond	(3,725)	(4,014)
Net interest cost related to operating wind farms	(6,577)	(5,860)
Other	2,285	1,196
Financial income	(8,017)	(8,678)

The annual interest cost related to the convertible bond amounted to 3.7 million euros in 2016, recording a slight decrease compared to 2015, mainly due to the early redemption of part of the OCEANEs in August 2016.

Net interest cost related to bank loans of operating wind farms increased over the year, mainly due to the new debt drawn down for recently commissioned wind farms.

Net income recorded under "Other" mainly includes interests on loans and receivables granted to companies accounted for under the equity method.

- **Net income**

After taking into account the impact of discontinued operations, the consolidated net profit amounted to 2.8 million euros in 2016, compared to a profit of 3.4 million euros in 2015.

Recording a new net profit in 2016, FUTUREN confirms its profitability and demonstrates the strength of its fundamentals, even in a context of particularly unfavorable wind conditions.

DEBT AND CASH POSITION

The Group's net financial debt reached 132.8 million euros as at December 31, 2016, a decrease of 9.5 million euros over the year.

<i>(in thousand euros)</i>	2016	2015
Convertible bond (OCEANEs)	(49,937)	(67,224)
Operating wind farm bank financing	(149,101)	(139,338)
Other financial liabilities	(28,275)	(25,048)
Financial debt	(227,313)	(231,612)
Cash and cash equivalents	74,748	71,335
Other financial assets (loans and receivables)	19,782	17,954
Net financial debt	(132,783)	(142,323)

Convertible bond (OCEANEs)

The debt related to convertible bonds decreased by 17.3 million euros in 2016, mainly due to the partial repayment made at the request of certain bondholders. As at December 31, 2016, 6,084,905 OCEANEs were outstanding.

Operating wind farm bank financing

As at December 31, 2016, bank project financing loans amounted to 149.1 million euros, compared to 139.3 million euros as at December 31, 2015. This expected increase in bank debt illustrates the dynamism of the Group's progress in implementing its project portfolio: a wind farm was commissioned in 2016 and construction works began for a second wind farm.

It is reminded that FUTUREN's project financing debt is non-recourse or with limited recourse against the parent company. Each special purpose vehicle holding a wind farm directly takes out financing with the bank and ensures reimbursement through the cash flows generated by the operation of the wind farm.

Other financial liabilities

The fair value of interest rate hedging instruments (swaps) is evaluated at each closing of the accounts and included in the "Other financial liabilities" item, for an amount of 8.4 million euros as at December 31, 2016, decreasing by 0.6 million euros over the fiscal year.

The balance of the "Other financial liabilities" item, i.e. 19.8 million euros as at December 31, 2016, mainly corresponds to the equity brought by the investment vehicle Theolia Utilities Investment Company to its four wind farms. It is reminded that the wind farms held by Theolia Utilities Investment Company are consolidated using the global integration method and that their parent company, Theolia Utilities Investment Company, is consolidated using the equity method.

Overall, the "Other financial liabilities" item increased by 3.2 million euros in 2016, mainly due to the acquisition by Theolia Utilities Investment Company of its fourth wind project and the equity contributed to the project following this acquisition.

Cash and cash equivalents

The gross cash flow from operations amounted to 19.3 million euros in 2016. It was notably impacted by the exceptional losses related to the settlement of an old Italian dispute for 6.5 million euros. The change in working capital requirement showed a cash inflow of 4.3 million euros in 2016, mainly due to the decrease in trade receivables and other receivables.

In 2016, the Group mainly carried on the construction of the Chemin Perré and Les Monts wind farms in France. In total, the Group spent 29.4 million euros in its investments in 2016, compared to 26.4 million euros in 2015.

In 2016, the exercise of 110,547,780 stock warrants led to a cash inflow for FUTUREN of 22.1 million euros.

Loans and other debt increased by 37.0 million euros in 2016, mainly due to drawdowns on project financing related to two wind farms under construction in France.

In return, the Group repaid its loans and other debt in the amount of 41.3 million euros in 2016, corresponding, on one hand, to the normal repayments of project financing related to operating wind farms held and controlled by FUTUREN, for an amount of 25.1 million euros, and on the other hand, to the early repayment of part of the convertible bonds at the request of bondholders, for an amount of 16.2 million euros.

In 2016, the Group paid out interest in the amount of 8.9 million euros, regarding OCEANEs and project financing related to operating wind farms held and controlled by FUTUREN.

Overall, the cash position of the Group increased by 3.4 million euros in 2016.

Other financial assets

Financial assets presented as deducted from the financial debt mainly correspond to loans and receivables granted to subsidiaries accounted for using the equity method (Theolia Utilities Investment Company and the Aerochetto company that holds the Giunchetto wind farm). They increased by 1.8 million euros in 2016, mainly due to the new equity brought to Theolia Utilities Investment Company in order to complete the acquisition of its fourth wind project.

3 Events since December 31, 2016

Partial redemption of the convertible bonds

According to the effective terms of its convertible bonds, FUTUREN carried out, on January 2, 2017, the partial redemption of its convertible bonds in an amount of €1.702 per bond and the payment of the corresponding half-year interests.

Following the partial redemption, the maximum redemption amount associated with these bonds amounts to only 38.5 million euros.

Commissioning of Les Monts wind farm

At the beginning of January 2017, FUTUREN commissioned Les Mont wind farm. Located in the Aube department, in France, on the territory of the Sainte-Maure and Saint-Benoît-sur-Seine municipalities, Les Monts wind farm comprises 4 wind turbines of 3.3 MW, for a cumulative capacity of 13.2 MW.

Construction works started in March 2016 and ended successfully as planned.

This commissioning brings to 746 MW the installed capacity operated by FUTUREN, of which 374 MW are for own account.

Strategic analysis of the Group and its shareholding structure

FUTUREN is currently analyzing strategic options and possible changes for the Group and its shareholding structure. The Company notes, however, that this process may or may not result in a transaction.

4 Presentation meeting

A meeting to present the 2016 annual results will be held on **Monday March 27, 2017, at 3:00 pm, at Auditorium du centre de conférences Edouard VII**, 23 square Edouard VII, 75009 Paris, France.

The presentation will be available on the Group's website www.futuren-group.com, as from March 27, 2017 at 3:00 pm.

About FUTUREN

FUTUREN is an independent producer of wind energy, active over the entire wind value chain. The Group develops, builds and operates wind farms in four countries: Germany, France, Morocco and Italy. In total, the Group operates 746 MW for its own account and for third parties.

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The stock is listed on the compartment B of Euronext Paris, symbol: FTRN.

Appendices

INCOME STATEMENT

<i>(in thousand euros)</i>	2016/12/31	2015/12/31
Revenue	56 651	59 155
Change in inventories of finished goods and work in progress	(3 722)	(3 435)
External expenses	(17 319)	(17 045)
Tax	(1 871)	(1 778)
Staff costs	(7 599)	(7 439)
Operating provisions	389	1 459
Other operating income and expenses	1 427	3 582
EBITDA	27 956	34 500
Amortization	(20 301)	(19 945)
Current provisions	146	(395)
Current operating income	7 801	14 160
Non-current provisions	6 670	503
Other non-current income and expenses	(9 111)	865
Share in income of joint ventures and associates	13 478	(1 421)
Operating income (before impairment)	18 838	14 107
Impairment	(6 500)	(772)
Operating income (after impairment)	12 338	13 335
Cost of net financial debt	(10 328)	(9 799)
Other financial income	4 640	3 797
Other financial expenses	(2 330)	(2 678)
Financial income	(8 017)	(8 678)
Income tax	(1 526)	(1 372)
Net income from continuing operations	2 795	3 285
Net income for the period from discontinued activities	27	88
NET INCOME OF THE CONSOLIDATED GROUP	2 822	3 373
of which Group share	2 924	1 975
of which non-controlling interests	(105)	1 398
Earnings per share of the consolidated Group (in euros)	0,01	0,01
Diluted earnings per share of the consolidated Group (in euros)	0,02	0,02

BALANCE SHEET

<i>(in thousand euros)</i>	2016/12/31	2015/12/31
Goodwill	33 120	36 620
Intangible assets	41 928	40 640
Tangible assets	265 835	252 619
Non-current financial assets	22 968	21 487
Deferred tax assets	3 994	5 297
Non-current assets	367 845	356 664
Inventories and work in progress	551	4 966
Trade and other receivables	14 022	15 643
Other current assets	13 294	14 606
Current financial assets	648	571
Cash and cash equivalents	74 748	71 335
Current assets	103 260	107 123
Assets classified as held for sale	4 408	9 589
TOTAL ASSETS	475 513	473 376

<i>(in thousand euros)</i>	2016/12/31	2015/12/31
Share capital	22 694	18 605
Share premiums	368 120	349 170
Retained earnings	(210 204)	(218 074)
Net income of the consolidated scope, Group share	2 924	1 975
Shareholders' equity, Group share	183 534	151 676
Non-controlling interests	(116)	(30)
Shareholders' equity	183 418	151 646
Non-current financial liabilities	196 573	205 353
Provisions - non-current share	17 020	44 833
Retirement benefit obligation	223	200
Deferred tax liabilities	12 840	14 083
Non-current liabilities	226 656	264 469
Current financial liabilities	30 741	26 259
Trade and other payables	24 201	21 926
Tax and social security liabilities	6 315	3 882
Current corporate tax liabilities	383	594
Current liabilities	61 640	52 661
Liabilities directly associated with assets classified as held for sale	3 799	4 600
TOTAL EQUITY AND LIABILITIES	475 513	473 376

CASH FLOW STATEMENT

<i>(in thousand euros)</i>	Notes	2016/12/31	2015/12/31
Net income of the consolidated Group		2,822	3,373
Net income from discontinued activities	3.3	(27)	88
Elimination of amortization, depreciation and provisions		18,374	19,218
Elimination of change in corporate tax	11.1	1,526	847
Elimination of capital gains/losses from disposals		(2,151)	135
Elimination of the share in income of joint ventures and associates	10.1	(13,478)	1,421
Financial expenses		8,646	8,711
Other income and expenses with no effect on cash		3,545	2,337
Gross cash flow		19,256	36,129
Change in working capital requirements	8.1	4,333	(4,189)
Corporate tax paid		(1,012)	(285)
Cash flows from discontinued activities		0	12,404
Net cash flow from operating activities		22,577	44,061
Acquisitions of fixed assets	5	(29,409)	(26,429)
Disposals of fixed assets	5	120	184
Change in loans granted		(513)	740
Net effect of change in scope of consolidation (acquisitions/disposals)		1,636	(19,809)
Net cash flow from investing activities		(28,166)	(45,315)
Treasury shares		-	217
Increase (decrease) in share capital		22,110	461
Loan and other debt subscriptions	6	36,978	44,240
Repayments of loans and other debt	6	(41,320)	(28,072)
Interest paid		(8,877)	(10,632)
Cash flows from discontinued activities		-	(12,748)
Net cash flow from financing activities		8,890	(6,533)
Effect of change in exchange rates		113	1,246
CHANGE IN CASH AND CASH EQUIVALENTS		3,413	(6,542)
Net cash and cash equivalents – opening balance	6.2	71,335	77,877
Net cash and cash equivalents – closing balance	6.2	74,748	71,335
CHANGE IN CASH AND CASH EQUIVALENTS		3,413	(6,542)