



FUTUREN's revenue, EBITDA and net income are up in 2018.
The net income is still slightly negative.

(in thousand euros)	2018	2017 restated ⁽¹⁾
Revenue	67,492	65,151
EBITDA	36,523	35,377
Operating income	2,026	6,561
Financial income	(3,798)	(8,186)
Income tax	1,582	(3,541)
Net income of the consolidated Group	(188)	(5,166)
Of which Group share	(814)	(5,325)

(1) For comparison purposes, restatement of the impacts related to the reintegration of Ecoval 30 (end of IFRS 5) and the application of the new IFRS 15 standard. For more information, please refer to the press release published by the Company on July 31, 2018.

Thanks in particular to the commissioning of two new wind farms in France in 2018, FUTUREN's consolidated revenue increased by + 3.6% and its consolidated EBITDA by + 3.2% in 2018. The operating income was affected by several non-recurring items, including impairment losses. The net income improved significantly to approach the breakeven.

1 Key highlights of the year 2018

With the support of its reference shareholder, FUTUREN pursued its development policy in 2018, that aims at commissioning new wind farms for own account in order to strengthen its core business as electricity producer.

- **41 MW commissioned in 2018**

In May, FUTUREN commissioned the Courant-Nachamps wind farm, located on the territory of the eponymous municipalities, in the Charente-Maritime department, in France. The wind farm comprises 7 wind turbines delivering a unit capacity of 3 MW, for a total capacity of 21 MW.

In August, FUTUREN commissioned the Demange wind farm, located on the territory of the Demange-aux-Eaux municipality, in the Meuse department, in France. The wind farm comprises 9 wind turbines with a unit capacity of 2.2 MW, for a total capacity of 19.8 MW.

The commissioning of these two wind farms brought to 428 MW the gross installed capacity operated by FUTUREN for its own account, of which 200 MW are managed in France.

- **58 MW put in construction in 2018**

FUTUREN also started the construction works of 3 new wind farms in France: the Faydunes, Joncels and Coteaux wind farms, respectively located in the departments of Aveyron, Hérault and Aube, for a cumulative capacity of 58 MW.

2 2018 annual results

The Board of Directors, during its meeting of April 16, 2019, approved the 2018 parent-company financial statements and the 2018 consolidated financial statements, in the presence of the Statutory Auditors. The audit procedures have been performed and the auditors' certification reports are in the process of being issued.

CONSOLIDATED INCOME STATEMENT

- **Revenue**

The consolidated revenue reached 67.5 million euros in 2018, compared to 65.2 million euros in 2017, up by + 3.6%.

<i>(in thousand euros)</i>	Sales of electricity	Development and management of wind farms	Other activities	Consolidated total
2018	58,076	4,161	5,256	67,492
2017 restated ⁽¹⁾	55,131	4,846	5,174	65,151

(1) For comparison purposes, restatement of the impacts related to the reintegration of Ecoval 30 (end of IFRS 5) and the application of the new IFRS 15 standard. For more information, please refer to the press release published by the Company on July 31, 2018.

The **Sales of electricity** activity registered a revenue of 58.1 million euros in 2018, up by + 5.3% compared to 2017. The activity benefited in particular from more favorable wind conditions in France in 2018 than in 2017, as well as from the commissioning of the two wind farms since May and August 2018. On the contrary, the activity was penalized by less favorable wind conditions in Germany in 2018 than in 2017.

The **Development and management of wind farms** activity registered a revenue of 4.2 million euros in 2018, down by 14.1% compared to 2017, mainly because of the termination of some contracts of management for third parties in Germany.

The revenue of the **Other Activities** amounted to 5.3 million euros in 2018, up by + 1.6% compared to 2017.

- **EBITDA**

Consolidated EBITDA amounted to 36.5 million euros in 2018, compared to 35.4 million euros in 2017, up by + 3.2%. The EBITDA margin on consolidated revenue reached 54.1% in 2018, compared to 54.3% in 2017.

<i>(in thousand euros)</i>	Sales of electricity	Development and management of wind farms	Other activities	Consolidated total
2018	41,198	(5,388)	713	36,523
2017 restated ⁽¹⁾	40,483	(5,886)	780	35,377

(1) For comparison purposes, restatement of the impacts related to the reintegration of Ecoval 30 (end of IFRS 5) and the application of the new IFRS 15 standard. For more information, please refer to the press release published by the Company on July 31, 2018.

The EBITDA of the **Sales of electricity** activity reached 41.2 million euros in 2018, up + 1.8% compared to 2017, driven by the positive impact of the recent commissioning of two wind farms in France. As most of the operating expenses of this activity are fixed, unfavorable wind conditions in Germany directly impacted the EBITDA of the activity and hampered its growth.

The EBITDA of the **Development and management of wind farms** activity was a loss of (5.4) million euros in 2018, compared with a loss of (5.9) million euros in 2017. The improvement between the two fiscal years is mainly the result of the reduction in headquarters costs, whose significance in 2017 was mainly related to the departure of the Chief Executive Officer at the end of the year.

• Operating income

FUTUREN's consolidated operating income reached 2.0 million euros in 2018, compared to 6.6 million euros in 2017. The 2018 financial year has notably been impacted by several non-recurring expenses for a cumulative amount of (11.3) million euros.

<i>(in thousand euros)</i>	2018	2017 restated ⁽¹⁾
EBITDA	36,523	35,377
Amortization	(22,602)	(22,500)
Impairment	(8,805)	(1,789)
Other non-current income and expenses	(1,342)	(4,687)
Provisions	(1,747)	164
Share in income of joint ventures and associates	-	(2)
Operating income	2,026	6,561

(1) For comparison purposes, restatement of the impacts related to the reintegration of Ecoval 30 (end of IFRS 5) and the application of the new IFRS 15 standard. For more information, please refer to the press release published by the Company on July 31, 2018.

The vast majority of amortization is related to wind farms held and controlled by the Group.

The operating income for the 2018 financial year was impacted by several non-recurring items, mainly (in million euros):

- impairment losses (as detailed below) (8.8)
- depreciation of an old receivable (0.9)
- the negative consequences of a dispute with a third-party management client in Germany (0.8)
- the revision of the calculation of the provision for future losses on contracts with performance guarantees (0.8)

representing a cumulative negative impact of (11.3) million euros on the operating income.

Impairment losses concerned (in million euros):

- the depreciation of historic costs activated for the old repowering project in Morocco (4.8)
- the depreciation of goodwill and fixed assets of certain operating wind farms in France and Germany (2.5)
- the adjustment of the net value of Ecoval 30 (1.5)

It is reminded that the operating income for the 2017 financial year was also impacted by several non-recurring items that had a cumulative negative impact of (5.6) million euros.

• Financial income

FUTUREN's financial income significantly improved and represented a net cost of (3.8) million euros in 2018, compared to a net cost of (8.2) million euros in 2017.

<i>(in thousand euros)</i>	2018	2017 restated ⁽¹⁾
Interest cost related to the convertible bond	(3)	(1,175)
Net interest cost related to operating wind farms	(7,458)	(7,237)
Other	3,663	226
Financial income	(3,798)	(8,186)

(1) For comparison purposes, restatement of the impacts related to the reintegration of Ecoval 30 (end of IFRS 5) and the application of the new IFRS 15 standard. For more information, please refer to the press release published by the Company on July 31, 2018.

The conversion of almost all outstanding OCEANEs during the months of July and August 2017 made the interest cost related to the convertible bond negligible in 2018.

Net interest cost related to bank loans of operating wind farms increased slightly in 2018, due to the last debt drawdowns carried out for the Courant-Nachamps wind farm, commissioned in May 2018.

Net income recorded in "Other" mainly includes (in million euros):

- the proceed of the sale of the shares in a non-consolidated subsidiary 1.0
- interest on loans and receivables granted to companies accounted for by the equity method 1.3
- the positive impact of the eligibility of an old swap to hedge accounting following the new IFRS 9 standard 0.8

• **Income tax**

The income tax was a profit of 1.6 million euros in 2018, compared to a net cost of (3.5) million euros in 2017. The corporate tax owed for the 2018 financial year was offset by the reversal of deferred tax assets depreciation related to companies that integrated the French tax consolidation scope during the year. The Group's rule is to equalize deferred tax assets and liabilities for companies included in the French tax consolidation scope.

• **Net income**

The net income of the consolidated Group improved significantly between 2017 and 2018. For the 2018 financial year, it represented a loss of (0.2) million euros, mainly impacted by impairment losses. Net income of the consolidated Group for the 2017 financial year was a loss of (5.2) million euros.

DEBT AND CASH POSITION

The Group's net financial debt reached 130.0 million euros as at December 31, 2018, recording an increase of 25.5 million euros over the year, mainly reflecting investments made in ongoing construction works, financed through cash advances granted by the majority shareholder.

<i>(in thousand euros)</i>	2018	2017 restated ⁽¹⁾
Bank loans of operating wind farms	(144,628)	(165,329)
Cash advances granted by the majority shareholder	(59,138)	(12,829)
Other financial liabilities	(28,218)	(29,560)
Financial debt	(231,985)	(207,718)
Cash and cash equivalents	80,720	82,865
Other financial assets (loans and receivables)	21,241	20,329
Net financial debt	(130,024)	(104,524)

(1) For comparison purposes, restatement of the impacts related to the reintegration of Ecoval 30 (end of IFRS 5).

Bank loans of operating wind farms

As at December 31, 2018, bank project financing loans amounted to 144.6 million euros, compared to 165.3 million euros as at December 31, 2017, a decrease of 20.7 million euros over the year: normal annual amortization of 26.3 million euros was compensated by drawdowns for a wind farm commissioned in France in 2018 for an amount of 5.6 million euros.

Cash advances granted by the majority shareholder

In 2018, the majority shareholder granted 46.3 million euros as new cash advances net of repayments, bringing to 59.1 million euros the total advances as at December 31, 2018. These advances finance the ongoing construction of wind farms.

Other financial liabilities

Other financial liabilities include mainly the fair value of the interest rate hedging instruments, the amount of equity provided by the investment vehicle Theolia Utilities Investment Company ("TUIC") to its four wind farms, as well as the bank loan related to Ecoval 30. It should be noted that since the conversion of almost all outstanding OCEANES during the months of July and August 2017, the debt related to the convertible bonds has become negligible.

The fair value of the interest rate hedging instruments (swaps) amounted to 5.0 million euros as at December 31, 2018, a decrease of 1.2 million euros over the financial year.

The equity provided by TUIC to its subsidiaries amounted to 22.0 million euros as at December 31, 2018, up by 0.3 million euros over the year, the yearly unpaid interest being offset by a refund from one of the subsidiaries.

The bank loan related to Ecoval 30 amounted to 0.8 million euros as at December 31, 2018.

Cash and cash equivalents

The gross cash flow from operations totaled 34.7 million euros in 2018. After a negative change in working capital requirements of (1.4) million euros and the payment of 2.1 million euros of corporate taxes, operating activities generated 31.2 million euros of cash in 2018, compared to 24.9 million euros in 2017.

In 2018, the Group finalized the construction of the Courant-Nachamps (21 MW) and Demange (19.8 MW) wind farms and started the construction works for the Faydunes, Joncels and Coteaux wind farms, for a cumulative capacity of 58 MW. Overall, the Group spent 54.8 million euros on its investments in 2018, compared with 27.9 million euros in 2017. During the year, the Group also sold its stake in a non-consolidated subsidiary and the turbines stored since 2007, for a cumulative amount of 2.3 million euros.

In 2018, the Group received advances from its majority shareholder for 46.3 million euros and made the last bank drawdowns for its Courant-Nachamps wind farm for 5.6 million euros, all funds having been devoted to the construction of wind farms. On the other hand, the Group repaid its borrowings and other debt in the amount of 28.1 million euros in 2018, mainly corresponding to repayments of normal amortization of bank loans related to operating wind farms. Finally, in 2018, the Group paid 5.8 million euros of interest, relating to bank loans of operating wind farms.

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 0.9 million euros in 2018, mainly due to yearly interest.

Events since December 31, 2018

Pursuing its development policy, FUTUREN obtained two new building permits, free of any third-party claim, to install 8 wind turbines in France.

The Mazurier wind project, located on the territory of the town of Chatillon-lès-Sons, in the Aisne French department, obtained all the authorizations, free of any third-party claim, for its construction and operation. The project will include 4 wind turbines with a unit capacity of 3.2 MW, for a total capacity of 12.8 MW. In line with the schedule, construction began in early January 2019.

The Antezant-Saint Pardoult wind project, located on the territory of the towns of Antezant-la-Chapelle and Saint-Pardoult, in the Charente-Maritime French department, also obtained all the necessary authorizations for its construction and operation. These are now free of any third-party claim. The project will include 4 wind turbines whose model is being selected.

These two new authorizations confirm the Group's growth. In France, FUTUREN now holds five wind projects which already received all necessary authorizations, free of any third-party claim, including:

- three projects that are currently under construction for a cumulative capacity of 58 MW; and now
- the Mazurier project, whose construction just began, and the Antezant-Saint Pardoult project.

About FUTUREN

FUTUREN is a group active in the field of wind energy, present throughout the entire wind value chain. The Group develops, builds and owns wind farms in four countries: France, Germany, Morocco and Italy. In total, the Group manages 648 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.