



theolia

General Meeting of Shareholders

June 19, 2015

Energy for the environment



Avertissement

This presentation includes forward-looking statements. Such forward-looking statements are not guarantees of future performance. These statements are based on management's current expectations or beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including the risks described in the documents filed by THEOLIA with the *Autorité des marchés financiers* (the "AMF") and available on the AMF website (www.amf-france.org) and THEOLIA website (www.theolia.com), to which investors are invited to refer. THEOLIA does not undertake, nor does it have any obligation, to provide updates or to revise any forward-looking statements.

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Agenda

- Highlights of the year 2014
- Strategic review
- 2014 annual results
- Statutory Auditors' reports
- Resolutions submitted to the vote



Highlights of the year 2014

- Success of the restructuring plan => healthier financial structure
 - Capital increase (59.8 million euros)
 - Early partial redemption of the convertible bonds (59.8 million euros)
 - Change in the terms and conditions of the convertible bonds: rescheduling of the redemption of the remaining debt over the next 5 years
- Further development
 - Construction of the Haute Borne project (21 MW in France): commissioning expected during the second half of 2015
 - A new building permit was obtained (21 MW in France)
 - Morocco (100 MW): turbine supplier under selection
- Withdrawal from non-wind activities
 - Disposal of Seres Environnement (IFRS 5)
 - Disposal of the solar park (“Non-wind activity”)



➤ Strategic review



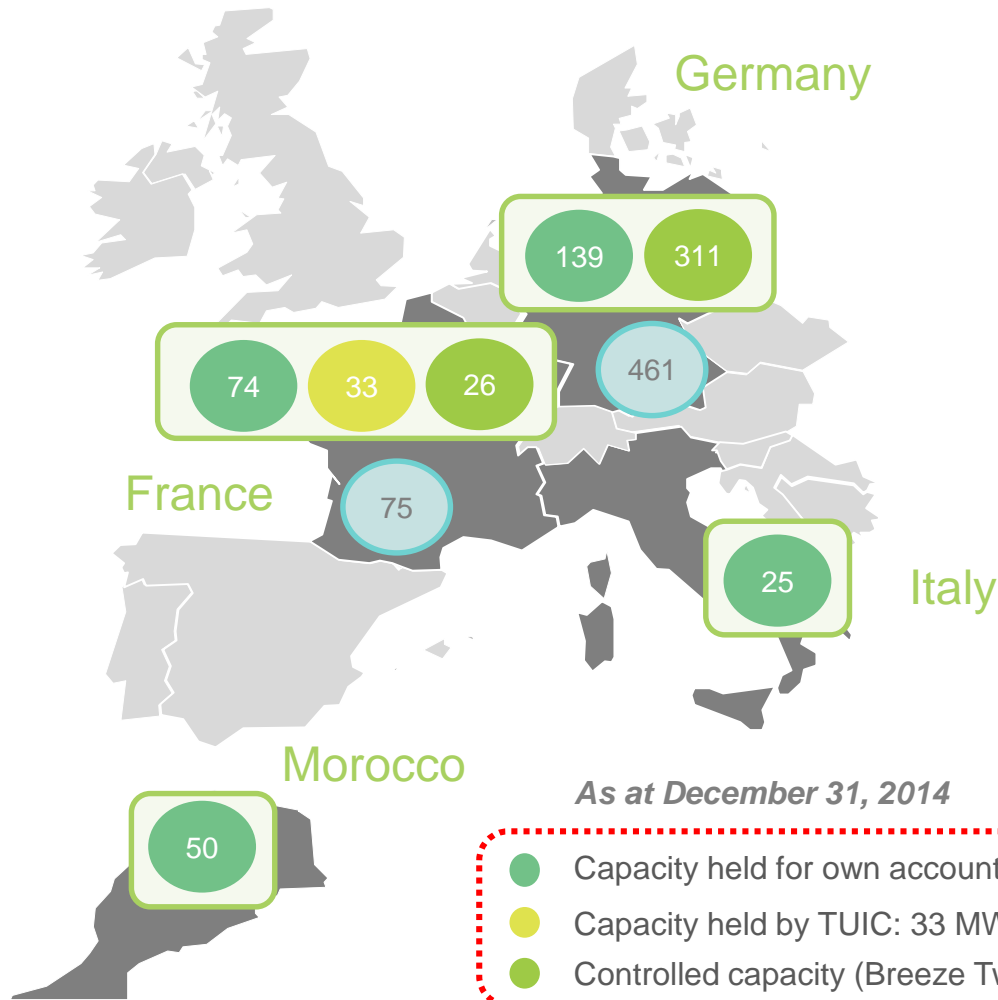
A recurring activity with high margins

- 15- to 20-year electricity buy-back contracts [protection against market volatility – risk reduction]
- Guaranteed feed-in tariffs
- Operational profitability ranking between 65 and 75% depending on wind conditions
- Regular cash flows [activity without major changes]
- Risk-free project financing [repayments guaranteed by the wind farms' cash flows]

**Secure and profitable activity
= 86% of the consolidated revenue in 2014**



A significant operating asset base



As at December 31, 2014

- Capacity held for own account: 288 MW
- Capacity held by TUIC: 33 MW
- Controlled capacity (Breeze Two Energy): 337 MW
- Installed capacity for third parties: 536 MW

658 MW



Towards significant development

Commissioning
during H2 2015

<i>As at December 31, 2014</i>	Development	Permits applied	Permits obtained	Under construction
France	102	59	88	21
Morocco	200	-	100	-
Germany	-	-	10	-
Total projects	302	59	198	21

Aim of doubling the installed capacity in France and Morocco

219 MW which obtained all authorizations



Co-investment against capital intensity

- Investment vehicle with two utilities in Europe (IWB in Switzerland and Badenova in Germany)
- 2 operating wind farms (33 MW)
- 1 wind farm under construction (21 MW – commissioning during the second half of 2015)
- Reduction of the equity locked in projects
- Further development [reallocation of margins to investments]
- Additional services [additional revenue and margins]

- 1) Development with a reduced share of equity**
- 2) Balanced cash position**



Conclusion

- Electricity generation activity, secured over the long term, similar to infrastructures
- Mature and reliable technology, accessible at a competitive price
- A business model fitted to the energy sector
- An improved balance sheet, in line with our development ambitions

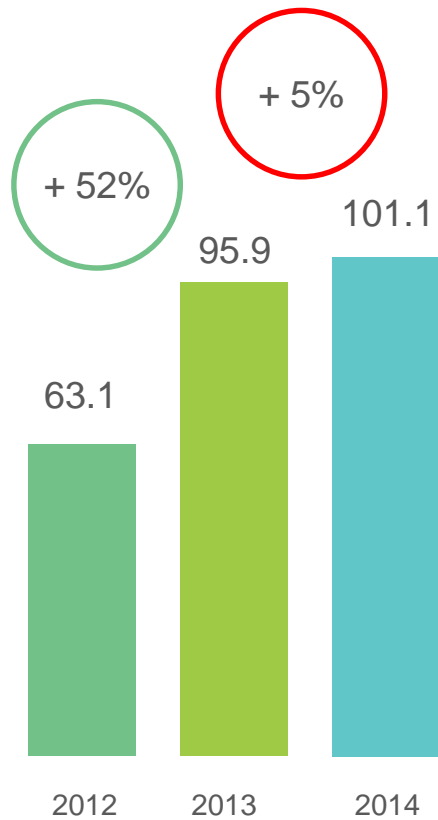
The Group is ready to grow
Objective to develop a sustainable activity base to ensure profitability over the long term



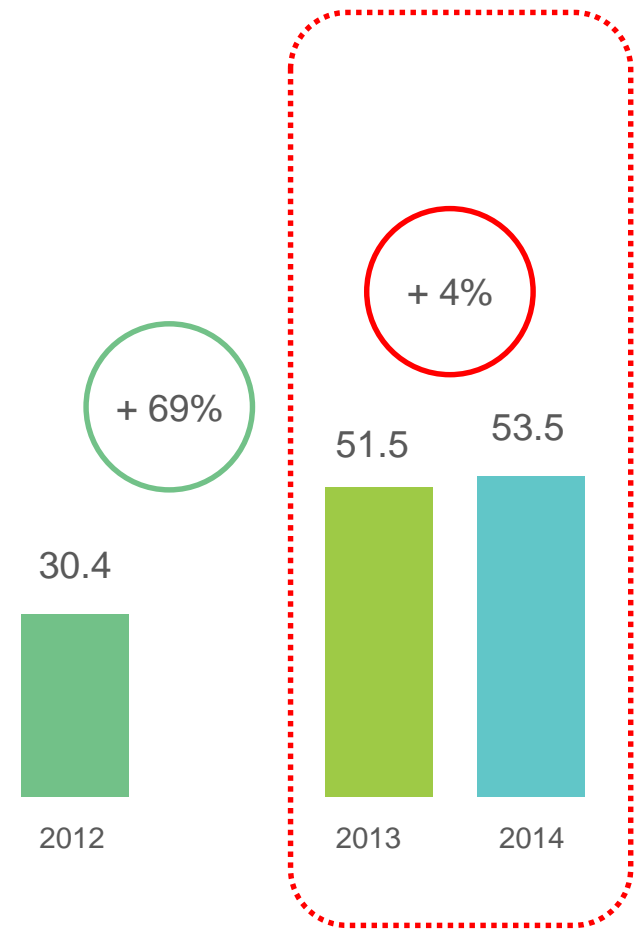
➤ 2014 annual results



Consolidated EBITDA



Consolidated revenue
(in million euros)




Consolidated EBITDA
(in million euros)



From EBITDA to operating income

(in million euros)

	FY 2014	FY 2013
EBITDA	53.5	51.5
Amortization	(37.3)	(36.1)
Impairment	(6.5)	(16.0)
Other	(2.1)	(5.4)
Operating income	7.6	(6.0)

 The operating income is strongly improving



Financial income

(in million euros)

	FY 2014	FY 2013
Current financial income	(27.7)	(32.5)
Interest cost related to the convertible bond	(14.7)	(13.9)
Interest cost related to operating wind farms	(13.7)	(19.1)
Other	1.0	0.5
Non-current financial income	(2.0)	(7.2)
Depreciations of financial assets	(2.0)	(7.2)
Financial income	(29.5)	(39.7)

- 2014 interest cost related to the convertible bond: €4.2 m of interest cost + €10.5 m of non-cash IFRS cost
- Net reduction of interest relating to Breeze Two Energy's bond debt
- Significant reduction of financial asset depreciations



Consolidated income statement

(in million euros)

	FY 2014	FY 2013
Revenue	101.1	95.9
EBITDA	53.5	51.5
Current operating income	16.4	15.7
Operating income	7.6	(6.0)
Financial income	(29.5)	(39.7)
Net income, Group share	(25.2)	(42.0)
Of which main non-recurring items	(8.5)	(24.6)
Of which additional IFRS cost for the convertible bond	(10.5)	(9.7)
Balance	(6.2)	(7.7)

- “Balance 2014” mainly affected by unfavorable wind conditions



Financial debt structure

<i>(in million euros)</i>	2014/12/31	2013/12/31
Convertible bond	(67.8)	(119.0)
Project financing ⁽¹⁾, of which:	(325.6)	(370.6)
<i>Bank loans –THEOLIA’s wind farms ⁽¹⁾</i>	<i>(123.4)</i>	<i>(147.1)</i>
<i>Bonds - Breeze Two Energy’s wind farms ⁽¹⁾</i>	<i>(202.2)</i>	<i>(223.5)</i>
Other financial liabilities, of which:	(26.6)	(16.2)
<i>Derivative financial instruments (swap)</i>	<i>(10.9)</i>	<i>(7.1)</i>
<i>Other ⁽²⁾</i>	<i>(15.7)</i>	<i>(9.1)</i>
TOTAL FINANCIAL DEBT	(419.9)	(505.9)
Cash and cash equivalents	77.9	84.8
Other financial assets ⁽³⁾	16.0	11.6
NET FINANCIAL DEBT	(326.1)	(409.5)

- €83.4 m

(1) Debt without recourse on THEOLIA.

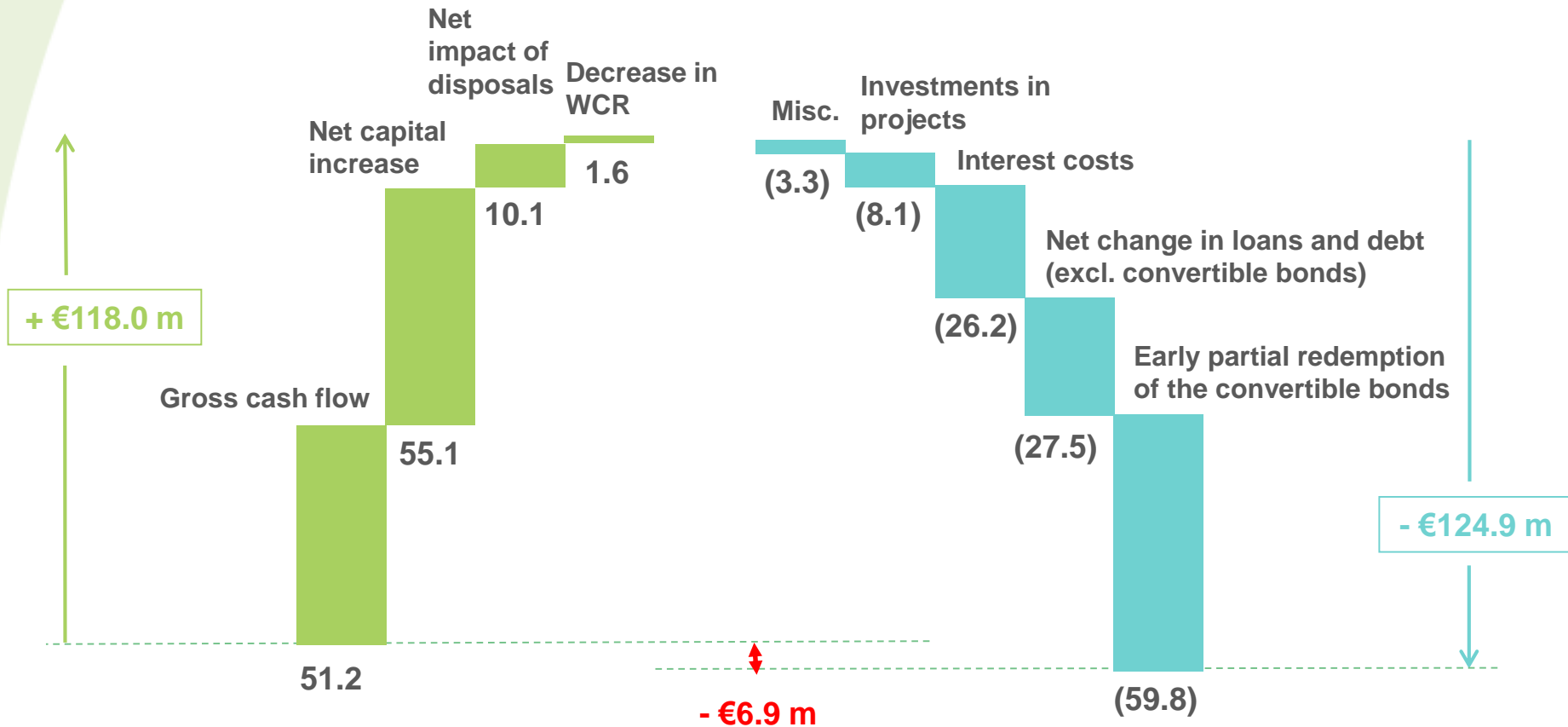
(2) Shareholders’ loans and current accounts.

(3) Loans and receivables granted to joint ventures accounted using the equity method.



Change in cash

(in million euros)



- 
- Statutory Auditors' reports

- 
- Resolutions submitted to the vote



1st resolution

Approval of the parent company financial statements for the fiscal year ended on December 31, 2014



2nd resolution

*Approval of the consolidated financial statements
for the fiscal year ended on December 31, 2014*



3rd resolution

Allocation of the net income for the fiscal year ended on December 31, 2014



4th resolution

Approval of the agreements and commitments referred to in Articles L.225-38 et seq. of the French Commercial Code



5th resolution

*Appointment of Mr. Jérôme Louvet
as Director of the Company*



6th resolution

*Ratification of the cooptation of Mr. Thibaut de Gaudemar
as Director of the Company*



7th resolution

*Renewal of the mandate of Mr. Thibaut de Gaudemar
as Director of the Company*



8th resolution

*Renewal of the mandate of Mrs. Lilia Jolibois
as Director of the Company*



9th resolution

Authorization to be given to the Board of Directors to make bonus allotments of existing shares or of shares to be issued to some or all salaried personnel and corporate officers of the Group, with a waiver by shareholders of their preemptive subscription rights



10th resolution

Powers to carry out formalities



Thank you for your attention