
REGISTRATION DOCUMENT

2015



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**Improving the global environment
by promoting local development**

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Société anonyme (public limited company)
with registered capital of € 149,405,909.10
Registered office: 28, rue de Mogador - 75009 Paris
Paris Register of Commerce and Companies 485 182 448

REGISTRATION DOCUMENT 2015

Containing the
Annual Financial Report
and the Management Report



Pursuant to its general regulations, particularly Article 212-13, the French Financial Markets Authority (Autorité des marchés financiers- AMF) registered this registration document under the number R.16-017 on 5 April 2015. This document may not be used in connection with any financial transactions unless it is accompanied by a transaction note approved by the AMF. The issuer prepared this document and the signatories are responsible for the information herein.

Registration according to the provisions of Article L. 621-8-1-I of the French Monetary and Financial Code was carried out after the AMF verified that the document is complete and understandable, and that the information it contains is consistent. It does not imply validation on the part the AMF of the accounting and financial information presented.

Copies of the Registration Document are available free of charge at the registered office of the company. The Registration Document is also available on the company's website (www.voltage.com) and on the website of the French Financial Markets Authority (www.amf-france.org).

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COMPARISON TABLES

The comparison table below identifies in this registration document:

The information constituting the annual financial report (Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF General Regulations),

The information constituting the management report (Article L. 225-100 et seq. of the French Commercial Code);

Annual Financial Report	Registration Document:
1. Certification of the person responsible	1.2
2. Company financial statements - French GAAP	Erreur ! Source du renvoi introuvable.
3. Consolidated financial statements - IFRS	Erreur ! Source du renvoi introuvable.
4. Annual Management Report	See box below
5. Chairman's report on internal control and corporate governance	Appendix A.1
6. Communication relating to the statutory auditors' fees	2.3 & 20.1
7. Statutory auditors' report on the annual financial statements under French GAAP and IFRS	20.2
8. Statutory auditors' report on the Chairman's report	Appendix A.2

Annual Management Report	Registration Document:
1. Position of the Company and activities during the past financial year	6.1 & 6.2
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Annual Management Report

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GENERAL REMARKS

Definitions

In this registration document (the “Registration Document”), unless otherwise indicated

- “Voltalia” means the company Voltalia SA;
- “Company” means the company Voltalia SA;
- “Group” means the group of companies comprising the company Voltalia SA and its subsidiaries.

Pursuant to Article 28 of Commission Regulation 809/2004/EC, the following information is incorporated by reference into the Registration Document:

- the consolidated statements of FY 2014 and the corresponding statutory auditors' report contained in sections **Erreur ! Source du renvoi introuvable.** and 20.2 of the reference document, registered with the Financial Markets Authority on 30 April 2015 under the number R.15-029; and
- the consolidated financial statements for FY 2013 and the statutory auditors' report on the corresponding financial statements included in sections 20.1.1 and 20.3.1 of the first part of the prospectus registered with the French Financial Markets Authority on 23 June 2014 under number 14-315;
- the elements of the management report relating to the accounts for the years 2014 and 2013, included in section 9.2 of the reference document registered with the French Financial Markets Authority on 30 April 2014 under number R.15-029.

The information included in the Registration Document, along with the information mentioned above, is replaced and/or updated, as necessary, by the information included in this Registration Document.

Market Information

The Registration Document contains information relating to the contracts of the Company and its competitors, particularly in Section 6 “Summary of Activities”. This information comes from studies carried out by external sources. However, publicly available information, which the Company believes to be reliable, has not been verified by an independent expert and the Company cannot

guarantee that a third party using different methods to gather, analyse or calculate the market data would obtain the same results. The Company, the direct and indirect shareholders of the Company and the investment service providers neither make any commitment nor provide any warranty as to the accuracy of such information.

Risk Factors

Investors should carefully consider the risk factors described in Section 4 “Risk Factors” of the Registration Document before making their investment decision. The realisation of any or all of these risks may have a negative effect on the activities, the position, the financial results of the

Company or its objectives. Furthermore, other risks not yet identified or considered immaterial by the Company at the date of the Registration Document could have the same negative effect and investors could lose all or part of their investment.

Forward-looking Information

The Registration Document contains forward-looking statements and information about the Group’s objectives, particularly in Sections 6 “Overview of Activities” and 12 “Trends”, which are sometimes identified by the use of future or conditional tense and terms of a prospective nature, such as “estimate”, “consider”, “aim”, “expect”, “intend”, “should”, “hope”, “could”, in their affirmative or the negative forms, or any similar terminology. This information is based on data, assumptions and estimates considered

reasonable by the Company. The forward-looking statements and objectives contained in the Registration Document may be affected by known and unknown risks, uncertainties related in particular to the regulatory, economic, financial and competitive environment, and other factors that could cause the future results, performance and achievements of the Company to differ materially from the expressed or implied goals. These factors may include, in particular, the factors described in Chapter 4 “Risk Factors”

1. PARTIES RESPONSIBLE FOR THE REGISTRATION DOCUMENT

1.1. PERSON RESPONSIBLE FOR INFORMATION

Sébastien Clerc, CEO of Volitalia

1.2. CERTIFICATION OF THE PERSON RESPONSIBLE

I declare that, having taken all reasonable care to ensure that such is the case, the information contained in the Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its scope.

I declare that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and that they present fairly the assets, financial position and results of the Company and the consolidated Group, and that the management report in Section 9 of the Registration Document accurately presents the changes in business, results and financial position of the Company and the consolidated Group, as well as a description of their principal risks and contingencies.

I obtained a statement from the statutory auditors at the end of their engagement affirming that they had reviewed the entire Registration Document and examined the information about the financial position and the financial statements contained therein.

The historical financial information for the year ended 31 December 2015, presented in the Registration Document was the subject of a statutory auditors' report appearing in Sections 20.2 and 20.4 of the Registration Document and contains the following observation: "without questioning the opinion expressed below, we draw your attention to NOTE 3 in the appendix to the consolidated financial

statements "Key events and events subsequent to closing", paragraph "Completion of the construction of the Sao Miguel Do Gostoso site in Brazil", which details the conditions of recognition of the income and the absence of amortisation expenses of the capital assets of this park in FY 2015 also described in NOTE 9 of the appendix to the consolidated financial statements "Provisions for amortisation and depreciation".

The historical financial information for the year ended 31 December 2014, presented in the Registration Document was the subject of statutory auditors' reports appearing in pages 207 to 209 of the Registration Document registered with the Financial Markets Authority on 30 April 2015 under the number R. 15-029 and contains no comments.

The historical financial information for the years ended 31 December 2013 incorporated for reference in the Registration Document was the subject of a statutory auditors' report appearing in Section 20.1.1 and 20.3.1 of the prospectus registered with the French Financial Markets Authority on 23 June 2014 under number 14-315, which contains the following observation: "without calling into question the opinion expressed above, we draw your attention to the following matters set out in Note 8.1 "Depreciation and Amortisation" of the consolidated financial statements, which describes the changes in estimates of the useful lives of the operating assets and the corresponding impact.

Paris, 5 April 2016

Sébastien Clerc

CEO

1.3. PERSON RESPONSIBLE FOR FINANCIAL INFORMATION

Anne Borfiga

Administration and Finance Director

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2. STATUTORY AUDITORS OF THE FINANCIAL STATEMENTS

2.1. PRIMARY AUDITORS

Cabinet Mazars

Member of the Paris Auditors' Association

Tour Exaltis

61, rue Henri Regnault

92075 Paris La Défense Cedex

Represented by Mrs Juliette Decoux

Appointed by decision of the ordinary shareholders' meeting of 9 November 2011 for a term of six fiscal years that will expire at the close of the ordinary shareholders' meeting held to approve the financial statements for the financial year ending 31 December 2016.

H3P Audit & Conseil

30 rue des Mathurins

75008 Paris

Represented by Mr Jean-Benoît Monnais

Appointed by decision of the ordinary shareholders' meeting of 13 June 2014 for a term of six financial years that will expire at the close of the ordinary shareholders' meeting held to approve the financial statements for the fiscal year ending 31 December 2019.

2.2. SUBSTITUTE STATUTORY AUDITORS

Mr David Chaudat

Tour Exaltis

61, rue Henri Regnault

92075 Paris La Défense Cedex

Appointed by decision of the ordinary shareholders' meeting of 9 November 2011 for a term of six financial years that will expire at the close of the ordinary shareholders' meeting held to approve the financial statements for the year ending 31 December 2016.

Auditeurs & Conseils Associé

31 Rue Henri Rochefort – 75017 Paris

Represented by Mr Eric Chapus

Appointed by decision of the ordinary shareholders' meeting of 13 June 2014 for a term of six financial years that will expire at the close of the ordinary shareholders' meeting held to approve the financial statements for the fiscal year ending 31 December 2019.

During the period covered by the historical financial information, there was no resignation or dismissal of the statutory auditors.

2.3. CERTIFICATE OF FEES PAID TO THE STATUTORY AUDITORS

The statement of fees paid to the Group's statutory auditors is included in Note 37 of the appendix to the consolidated accounts at 31/12/2015 in NOTE 37-of section **Erreur ! Source du renvoi introuvable.** of the Registration Document.

3. SELECTED FINANCIAL INFORMATION

The financial information selected and presented below is extracted from the Company consolidated financial statements established under IFRS for the years ended 31 December 2013, 2014 and 2015 detailed in sections 20.1 respectively of the first part of the prospectus approved by the AMF on 23 June 2014 under number 14-315 and the registration document registered with the AMF on 30 April 2015 under number R.15-029 and the Registration Document¹.

These accounting and operational data selected below should be read in relation with the information contained in the sections 1 "Examination of the financial position and result" and 0 "Cash and capital" of the Registration Document.

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Revenue – energy sales	57,435	26,748	17,135
<i>Of which biomass</i>	<i>2,854</i>	<i>3,783</i>	<i>4,233</i>
<i>Of which wind</i>	<i>44,074</i>	<i>12,709</i>	<i>3,969</i>
<i>Of which solar</i>	<i>7,404</i>	<i>7,359</i>	<i>6,758</i>
<i>Of which hydroelectric</i>	<i>1,601</i>	<i>2,896</i>	<i>2,175</i>
<i>Of which hybrid</i>	<i>1,503</i>	<i>0</i>	<i>0</i>
<i>Of which France</i>	<i>11,296</i>	<i>7,796</i>	<i>6,480</i>
<i>Of which French Guiana</i>	<i>6,925</i>	<i>8,269</i>	<i>7,912</i>
<i>Of which Greece</i>	<i>2,292</i>	<i>2,301</i>	<i>2,743</i>
<i>Of which Brazil</i>	<i>36,925</i>	<i>8,382</i>	<i>-</i>
Provision of services and development activity	1,046	844	1,452
Other operating income	83	18	54
EBITDA ⁽¹⁾	30,042	12,536	5,322
Depreciation and amortisation	(10,714)	(5,018)	(4,776)
Net depreciation, amortisation and provisions	2,789	(1,556)	(3,558)
Net depreciation from other operating income and charges	180	0	535
Current operating income	22,629	6,736	214
Operating income	22,298	5,962	(2,477)
Net income	4,550	4,896	(5,664)
Net income Group share	3,888	4,495	(5,466)
Cash generated from operations before financial income and income tax ⁽²⁾	31,684	13,226	(1,057)
Group equity	211,165	210,741	75,498
Cash and cash equivalents	43,591	58,779	30,721
Gross financial debt ⁽³⁾	308,038	244,974	102,484
Installed power ⁽⁴⁾	376.1 MW	133.1 MW	52.2 MW

¹ Readers are invited to consult the Company's annual financial statements established on 31 December 2015 in section 20.3 of the Reference Document.

- (1) EBITDA is the English language equivalent of Excédent Brut d'Exploitation. It is calculated by reprocessing the operating income from net amortisation and depreciation and provisions appearing in the current income and in the other operating income and expenses.
- (2) Cash flow from operating activities is the cash flow from consolidated companies before the cost of financial debt, in accordance with Section 10.2.1 of the Registration Document.
- (3) As of 31 December 2014, gross financial debt increased to finance power plants under construction.
- (4) Installed power corresponds to the consolidated power of the power plants in operation on 31 December of that year.

This financial information has been taken from the consolidated financial statements of the Company for the years ended 31 December 2013 and 31 December 2014, prepared under current IFRS standards, presented in Section **Erreur ! Source du renvoi introuvable.** of the Registration Document.

4. RISK FACTORS

Investors are invited to take into consideration all the information included in the Reference Document, including the risk factors described in the present section before deciding to acquire or subscribe to the Company's shares. The Company has conducted a review of the risks that could have a material adverse effect on its activities, financial position or results and considers that there are no significant risks other than those presented.

Investors' attention is nonetheless drawn to the fact that other risks which are unknown or the realisation of which is not considered, at the date of the Registration Document, as likely to have a significant unfavourable effect on the Group, its activity, its financial position, its results or prospects may exist.

4.1. Group Risks

4.1.1 Risks relating to the market in which the company operates

4.1.1.1 *Risks related to energy yield forecasts and climatic conditions*

The Group operates in the production of electricity on the basis of four renewable energies: wind energy, solar energy, hydropower and biomass energy.

Although the Company has adopted a strategy for the distribution of its risks, both in terms of the number of power plants owned or under development, energy sources (multi-source renewable energy production) and geography (locations in France, Greece, Brazil and French Guiana) on 31 December 2014, the majority of the Group's production capacity is now concentrated in the municipality of Areia Branca in Brazil.

Except for biomass, the production of which is ensured at all times except during periods of non-availability, wind, solar and hydropower depend on weather conditions that require forecasting.

To overcome this uncertainty, budgets generally established over more than 20 years take into account average production values drawn up from

historical weather data for the longest possible periods or to the extent economically desirable, obtained on site, at nearby weather stations and/or via satellite.

In addition, even when the very long-term potential has been estimated accurately, climatic conditions vary and may be below the average for the very long term during a given period (quarter, year, etc.) but also cumulatively over the useful life of the power plants.

A sustained decline in wind conditions at all or part of the installation sites of the Group's wind power plants, unfavourable water availability conditions at its hydropower plants or luminosity at its photovoltaic plants, or the occurrence of natural disasters resulting from exceptional climatic conditions could lead to a reduction in the volume of electricity produced by the Group. Such events could have a material adverse effect on the activities, financial position or results of the Group, or its ability to achieve its objectives.

4.1.1.2 *Risks related to national and international policies in support of renewable energy*

The development of renewable energies depends in part on national and international policies in support of these energy sources. Certain countries such as France and Greece, and to a small extent other countries such as Brazil have pursued, for several years, a general policy of active support for renewable energies, notably by way of purchase obligations or obligatory renewable energy quotas imposed on historical producers and/or distributors (such as EDF in France), favourable electricity purchasing tariffs, privileged access to the electricity network and tax incentives. The implementation of these general policies of support has changed in various ways in recent years, depending on developments in the applicable regulatory framework and in accordance with the country and sectors concerned. The Group cannot guarantee that this general policy of support will continue, in particular that the electricity produced by its future production sites will benefit from a statutory purchase obligation on the part of historical producers and/or distributors, favourable purchase prices for electricity, privileged access to the electric grid, tax incentives or other measures to support the production of electricity from renewable energy sources, or that the arrangements will not be cut back in the future. A drop in support for renewable energies, all other things being equal, would result in a slowdown in the growth of the Group as certain projects do not have the profitability required for their implementation.

In France, the regulations with respect to solar energy production have been amended and the Decree of 9 December 2010, provided for a suspension of three months of EDF's obligation to purchase photovoltaic solar electricity, prior to a downward revision of the corresponding prices decided by the government order of March 4, 2011. If international bodies (including the EU) and national governments abandon or reduce their

support for the development of renewable energies, taking into consideration, for example, the cost of support measures or in order not to interfere with the market for other energy sources, this could have an adverse effect on the profitability of the planned projects. The regulatory change with respect to electricity purchase tariffs in France has had the following impact on the Group: halting the development of most new solar photovoltaic projects in France and suspending most of the French photovoltaic projects under development.

With respect to French wind power, following the appeal on procedural grounds filed by the association Vent de Colère, the decree of November 17, 2008, which sets the tariffs for the purchase of wind power applicable throughout the French territory, was cancelled by the Council of State of May 28, 2014. A new government order on tariffs was signed on 5 June 2014. It should be clarified that electricity has been purchased by EDF throughout the proceedings.

In addition, on October 14, 2014, the National Assembly adopted the Energy Transition Bill. This bill, which sets new goals in terms of share of renewables in energy consumption (32% in 2030 versus 23% by 2020) and reduction of nuclear power in the electricity mix for the 2025/2050 horizon, has as the main innovation for the Company the appearance of so-called contracts "for difference": this new contracts structure is based on a system of premium completed by the market price.

Regulatory changes with respect to the support of renewable energies that occurred in Greece in 2013 and 2014 had the following impact on the Group: stopping or slowing the development of solar photovoltaic and wind projects in Greece. Regulatory developments may lead the Group to reconsider its position.

4.1.1.3 *Risks related to public acceptance of wind power projects*

Wind power is currently one of the Group's principal sources of income: 77% of the Company's sales at 31 December 2015. Certain individuals, associations or other groups of people oppose the installation of wind projects, citing a deterioration of the landscape, noise disturbances, injuries to birds, or more generally, an attack on their environment.

Among the countries where the Group is present, this risk is principally concentrated in France. While development of a wind project usually requires that an impact study on the environment be carried out and that a public inquiry be organised prior to obtaining building permits, no guarantee can be given by the Group that a wind farm under development or in operation will generate a favourable opinion or be accepted by the populations concerned. Moreover, even if there are already various regulations in place intended to restrict the sites for the location of wind farms, especially near houses, the opposition of the local population could lead to the adoption of new, more restrictive regulations. The mobilisation of part of the population against the installation of a wind farm can make obtaining licenses more difficult. In France, for example, some associations are mobilising against these types of projects, including engaging in appeals against decisions that issue construction permits; these appeals can lead to cancellation of the licence and in some cases, the decommissioning of the farm. Although these procedures are rarely successful, construction

permits obtained by the Group in France are regularly the object of an administrative appeal.

Projects using alternative energy sources (solar, biomass, hydroelectric) may also be subject to rejection on the part of the public.

The Group is currently involved in litigation on construction permits or other necessary permits for seven projects under development that represent less than 5% of the volume of projects under development and one operating project that represents approximately 3% of the power plants in operation. Development costs were depreciated at 100% on these projects. The power plant in operation was not depreciated because of the litigation, the financial impact of which in the event of a decision that is unfavourable to Voltalia will represent less than 0.2% of the cost of the plant.

Lower levels of acceptance by the local populations with respect to the installation of power plants, an increase in the number of appeals or an unfavourable change in their outcomes could have an adverse effect on the profitability of proposed projects as well as on the prospects and financial performance of the Group. Nevertheless, acceptance by the local populations may prove to be positive in the future, with the Group favouring installations on land with low agricultural value and taking care to limit the visual impact of its power plants on the landscape.

4.1.1.4 *Risks related to regulations and regulatory changes*

The Group operates in a highly regulated environment. The Group and each of its production sites (wind farms, hydropower plants, solar power plants, biomass plants) must comply with numerous laws and regulations, which differ depending on the country of operation. In particular, the Group and its production sites are subject to international regulations and strict national and local regulations concerning the construction of power plants (land acquisition, obtaining construction permits and other authorisations) and their operation, particularly as regards protection of the environment (landscape regulations, noise regulations, biodiversity, etc.). If the Group is unable

to ensure that its production sites comply with the applicable provisions, they could face withdrawals of operating authorisations or authorisations to connect to local transmission and distribution networks, or also be subject to fines.

A stronger regulatory framework or its implementation could lead to new conditions for carrying out the Group's activities, which may increase its capital expenditure (for example, in relation to the adaptation of its power plants), or operating charges (including through the establishment of procedures or additional controls

and monitoring), or act as a brake on the Group's development.

However, more generally, the Group cannot guarantee that rapid and/or significant changes in the current regulations will not occur in the future,

either at the initiative of the competent authorities, or as a result of an action brought by a third party seeking to invalidate the regulations, which could adversely affect the activities, financial position and results of the Group.

4.1.1.5 *Risks related to taxation and tax changes*

Investment, in general or specifically in the production of electricity from renewable energy sources, is the subject of various support measures or tax incentives in some countries. For example, the Group benefits from tax exemption mechanisms put in place by France for its Overseas Territories (including the "Girardin Act", which is applicable in French Guiana). These aid measures or tax incentives play an important role in the profitability of the projects developed by the Group.

In addition, the Group's activity is subject to the general and specific tax framework in each country,

which may be subject to changes that, as in France with the replacement of the business tax by the territorial economic contribution (Law No. 2009-1673 of 30 December 2009), may impact the profitability of the Group's production sites. The rules governing corporate tax and its equivalents in Brazil and Greece may also change.

No assurance can be given as to whether these arrangements will be maintained in the future, or that they will not change, which could have an adverse effect on the activities, financial position and results of the Group.

4.1.1.6 *Risks related to obtaining, renewing or maintaining operating licences and construction permits*

The construction of a power plant requires obtaining operating licenses and building permits. These formalities must be conducted with various national and local authorities; the multiplicity of competent administrative authorities can make obtaining the relevant licences and permits a long and complex process. The Company cannot guarantee that construction permits and operating licenses will be obtained for the sites that are currently under development or under construction.

The procedures for obtaining construction permits and operating licenses differ from one country to another. Historically, in France, renewable energy projects are regularly subject to appeals before the launch of their construction. This is also sometimes the case with projects being pursued outside

France, which constitutes a significant risk for projects that are under development.

In addition, for existing production sites, although the Group pays careful attention to their operating conditions, the renewal or maintenance of the necessary operating authorisations could be challenged, in particular if the Group does not comply with the provisions of such authorisations.

The failure to obtain construction permits or operating licenses for sites under development and construction or the lack of renewal or maintenance of such permits and authorisations obtained for its existing sites could have a material adverse impact on the activities, financial position or results of the Group.

4.1.1.7 *Risks related to the availability of installation sites*

The installation of the Group's power plants must take into account various constraints, including topographical constraints, various easements (including rights of way), connection capacities at the local electrical grid or various environmental

constraints, in particular with respect to the proximity of housing or sensitive or protected sites pursuant to local legal and regulatory provisions. In addition, power plants can only be constructed in areas with favourable climatic conditions. As a

result, the number of sites available for these installations is necessarily limited. Moreover, in the specific case of wind turbines, growth in the number of wind farms installed correspondingly tends to restrict the number of sites available for installation, and the increase in the number of players in the wind energy market increases competition for these

available sites. If the constraints on installation should be increased and/or if the Group is not able to find the available sites needed to develop its electric power plants, this could have a material adverse effect on its activities, its financial position and its results.

4.1.1.8 *Risks related to technical and technological developments*

The wind, biomass and especially solar power sectors are seeing their technology develop rapidly. Electricity production techniques from renewable energy sources are constantly improving; in parallel they may become more complex. The solar photovoltaic industry faces challenges such as the development of new production channels, the search for alternatives to “silicon technologies” and production cost reduction objectives. The Group may have to rely on new technologies, such as solar trackers or concentrated photovoltaic solar systems (CPVs). The Group may also be called upon to equip itself with electricity storage capacities

(batteries) the technology of which is new for the Company.

The Group cannot guarantee that these technologies will have the expected performance and life. To maintain and increase its level of activity, the Group must be able to track and adapt to these technological advances. The difficulty or impossibility of the Group coping with technological developments in the sector, present and future, or having access to the most competitive equipment could have a material adverse effect on its activities and financial position.

4.1.1.9 *Risks related to changes in electricity sales prices*

The electricity produced by the Group is generally sold via long-term contracts (usually 15-20 years), the price of which is fixed or indexed to inflation for the entire contract period. Once signed, prices can therefore normally not decrease. These fixed or indexed prices over the long term are the result either of a decision by the regulatory authorities in the form of tariffs or of calls for tender issued by the same authorities.

There is a primary risk that contracts could be called into question following administrative appeals or legislative decisions. In France, for example, following a complaint by several associations, the wind tariff decree of 2008 was cancelled by the Council of State on 28 May 2014. A new government order, at the same tariff level, was nonetheless passed on 5 June 2014, thereby providing security for the wind energy sector. In Greece, the parliament passed a law in April 2014 which aims to reduce the tariff paid on existing solar photovoltaic contracts, along with the cancellation of taxes by an amount which is also higher.

There is a secondary risk of lower prices applicable to future contracts for projects under development by the Group. In the French solar photovoltaic sector, for example, in December 2010, a decree provided for a suspension of three months of EDF's obligation to sign new long-term contracts for the purchase of solar photovoltaic electricity, prior to a downward revision of the corresponding prices decided by the decree of 4 March 2011 for contracts signed as from that date.

There is a third risk with respect to the formula for calls for tenders. In this case, it is possible that electricity sales prices offered by competitors of the Group are lower than those that would allow the Group to cover its expected costs while generating sufficient profitability. In Brazil, for example, the Group did not submit a bid because of the too low prices of its competitors between early 2012 and late 2013, when the Group won new contracts at higher prices.

Finally, there is a fourth risk when the Group sells electricity on the market without a long-term sales

contract. The Group sells part of its electricity on the Brazilian free market or at prices indexed on the free Brazilian market. For example, the Group signed an electricity sales contract for 60 MW, associated with two of the three power plants at the Areia Branca site in Brazil, over a period from the reception of the power plants through 1 January 2016, when long-term sales contracts concluded in the framework of the calls for tenders issued by the Brazilian authorities were activated.

Lastly there is a risk of revision of tariffs if the production volumes are impacted by the meteorological conditions. In order to take account of these interruptions and seasonality, the electricity sale contracts concluded by the Group in Brazil provide for a penalisation adjustment mechanism (i) in the event that the objectives are not met or (ii) a bonus mechanism in the event of overproduction on the basis of the volume initially provided for in the said contracts. The bonus is calculated by valuing the production surplus at the contractual tariff less a discount.

The changes with respect to the electricity sales tariffs in France and Greece have had the following impacts on the Group: slowing the start of development of new solar photovoltaic projects in

France; slowdown in most of the French photovoltaic projects under development; halting the start of development of new solar photovoltaic projects in Greece; suspension of Greek photovoltaic projects under development; decline in the sales price of solar photovoltaic electricity in Greece and a parallel tax decrease.

While regulated tariffs or tariffs resulting from calls for tenders may change favourably for the Group and for its power plants in operation, and while the Group has a solid contractual framework, including for tariffs, which are fixed in the long term in most of the countries in which it operates, it cannot guarantee that long-term rates and market prices in the short and long term will always be at a level that allows it to improve or maintain its profit margins and its rates of return on investments. This could have a material adverse effect on the development of new projects and on the activities, financial position or results of the Group, or its ability to achieve its objectives.

4.1.1.10 *Risks related to the profitability of production sites*

The economic model of the production sites is based on a long-term financial plan (generally 20 to 25 years) that is highly sensitive to the income generated, which may notably vary in accordance with weather conditions, tariff levels (subject to specific contractual provisions), resource availability, the supply of wood and heat for biomass cogeneration plants, tax incentives, subsidies and aid granted by certain authorities.

Although the Group pays careful attention to each of these elements and makes every effort, where applicable, to cover the corresponding risks via

contract, no assurance can be given by the Group as to installation reliability, client creditworthiness, changes in the costs of construction, operation or maintenance, changes in borrowing costs and interest rates, the temporary or permanent cessation of operations at production sites or any other event that might result in lower production site profitability. The occurrence of any such event would affect the Group's ability to meet the maturities of the financing plans for its production sites and could have a material adverse effect on the activities, financial position or results of the Group or on its ability to achieve its objectives.

4.1.1.11 *Risks related to the cost of electricity from renewable energies compared to the cost of electricity from other energy sources*

Demand for power plants generating electricity from renewable energies depends on factors such as the cost of electricity produced from this type of energy compared to electricity generated from other energy sources. The cost of electricity produced from renewable energy sources, especially wind and solar photovoltaic power, primarily varies in line with the cost of construction, financing and maintenance of the production site concerned and according to climatic conditions. The conditions of access to a supply of oil, coal, gas and other fossil fuels as well as uranium are key factors that determine interest in the use of energies other than renewable energies. However, the development outlook for renewable energies is not exclusively related to their economic competitiveness compared to other energy sources. The main energy sources that compete with renewable energies are oil, coal, gas and nuclear. The competition between the various renewable energies (notably between wind and

hydroelectricity in Brazil) also affects the development potential of each energy. The Group cannot, however, guarantee that the improvement in the competitiveness of the price of electricity from renewable energy sources will continue in the future. Furthermore, competition between different energy sources could increase in the event of any stagnation or decline in demand for electricity. Any deterioration in the competitiveness of electricity from renewable energy sources in terms of production prices (especially in the event of increases in the price of turbines or a slowdown or halt in the decline of the price of solar panels), or technological advances with other energy sources, the discovery of large new deposits of oil, gas or coal, or a decline in the price of oil, gas and coal, could nevertheless cause a slowdown or even a decline in the demand for renewable energy, which could have a material adverse effect on the activities, financial position and results of the Group and its ability to achieve its objectives.

4.1.1.12 *Risks related to the economic situation in Brazil*

Brazil, where the Group achieved 64.2% of its 2015 revenue, is experiencing a recession with GDP set to fall by 1% in 2015². Against this background, the Brazilian currency, the *real*, fell by 34% in 2015; inflation, against which the Group's electricity sale contracts are indexed, stood at 10.7%³ and interest rates rose to 7% on 31 December 2015⁴ for long-term rates (the "TJLP" rate from the BNDES national bank) and 14.25%⁵ for short-term rates (the "SELIC" rate used as the basis for short-term loans from commercial banks).

The Brazilian crisis is slowing access to credit. Although the Group has obtained and put in place

new credit agreements (bridging loans and long-term loans) amounting to a total of 620 million *reals* in 2015, it is not certain that this access to credit will not be slowed further or halted, which would affect liquidity and consequently its ability to achieve its objectives. Moreover, the increase in interest rates, although moderate in comparison with inflation (with long-term rates even being negative), is affecting the income statement of the operational power plants.

² Source: International Monetary Fund (IMF), *World Economic Outlook 2015*

³ Source: *Banco Central do Brasil*

⁴ Source: *Banco Nacional do Desenvolvimento BNDES*

⁵ Source: *Banco Central do Brasil*

Further increases, especially without a parallel increase in interest rates, could have a significant unfavourable effect on the Group's financial position and results. The fall of the *real* has an effect on all the Group's cash flows in Brazil: investments and loans during the construction period, followed by revenue, operating expenses and debt servicing during the production period. Inflation, which is generally correlated in the long term to the

exchange rate, positively affects the Group's income throughout the duration of long-term electricity sale contracts. However, in the short term, a sudden fall in the Brazilian *real* would have a significant unfavourable effect on the Group's results. Finally, a serious crisis, for example with galloping inflation of currency controls, could have a significant adverse effect on the financial position and results of the Group and on its ability to achieve its objectives

4.1.1.13 *Risks related to the situation in Greece*

In Greece, where the Group achieved 4% of its sales in 2015, the macroeconomic and political conditions (debt crisis, increase in taxes, foreign exchange control, regulatory reforms, etc.) place significant risks on the feasibility and subsequently the operation of power plants over and above traditional risks. As a result, all assets related to projects under development have been impaired. In addition, the Greek financial crisis in general, the financial fragility of Greek renewable electricity purchasers, potential increases in taxes and potential sector reforms covering Greek renewable energies pose a risk regarding the revenues from electricity of the power plants in operation, which go beyond the traditional risks. The passing of Law no. 4152/2013 in 2013 embodied this risk in part by introducing a significant tax on revenue of up to

40% for solar, commencing in FY 2013. In April 2014 the law known as the "New Deal" was passed. With effect from 1 January 2013 it introduced a significant decrease in electricity purchase tariffs, including for power plants in operation, in exchange for the elimination of the previously applicable tax on revenue. This decrease ranging from 10% to 37.5% has a positive effect on activity in Greece, with a lesser impact on the profitability of projects than the changes introduced in 2013. Moreover, in June 2015 Greece introduced a mechanism similar to foreign exchange control, which does not permit cash flows generated locally to be moved outside Greece. Finally, it cannot be ruled out that Greece will exit the eurozone, which would probably be accompanied by a sharp devaluation and strict foreign exchange controls.

Uncertainties remain concerning economic and financial developments in Greece, which could result in regulatory and tax developments that adversely affect the activities, financial position and outlook of Voltalia Greece, the subsidiary that controls the Group's activities in the country.

In view of the current difficulties and uncertainties in Greece, the Group has decided to decelerate its development effort in the country. The Group currently has 4.7 MW of capacity in production in Greece, i.e. 1.2% of the total installed capacity of

the Group as of 31 December 2015. This proportion is expected to decrease automatically when power plants currently under construction in other countries come on line.

The net value of the assets in Greece within Voltalia's consolidated financial statements at 31 December 2015 is the net value of the property, plant and equipment and intangible assets of operational projects. The intangible assets of projects under development have been 100% depreciated.

4.1.2 Risks related to the activities of the company

4.1.2.1 *Risks associated with supplier dependency and the availability of equipment and raw materials*

The Group uses various suppliers for the construction and maintenance of its electricity power plants. This requires the delivery and assembly of a large amount of technical equipment such as solar panels, turbines and masts, which only a limited number of suppliers can supply to the Group. Although the Group issues tenders for each project to most leading suppliers, studies the bids received with great care in terms of the qualitative and quantitative criteria and to date supply has broadly covered demand in a market characterised by supply overcapacity, the Group cannot guarantee that some providers will not encounter difficulties in the future in meeting the Group's demands or that they will not prefer some other market, including the Group's direct competitors.

For wind power, as turbines account for the majority of investments, it is important that long-term supply contracts are secured with partners. Certain contracts concluded by the Group, including turbine supply contracts for the construction of the Vila Para site, contain clauses providing for cancellation in the event of contractual obligations not being fulfilled. Should the defaulting party not remedy the failure to execute within 60 days, the contract may be declared terminated. Termination of a contract to supply turbines would affect the group and its operational and financial performance.

Any price increase, or delay by the Group's main suppliers to meet their commitments or any failure

to meet their obligations (including operational guarantees and obligations related to operation/maintenance activities), or any situation where it is not possible to order the components and equipment required for the construction or maintenance of power plants or the non-conformity of such components and equipment with Group requirements, could affect the project schedule and economic profitability and therefore have a material adverse impact on its activity, financial position or results and on its ability to achieve its objectives. At 31 December 2015, the largest supplier accounted for 48.4% of investment flows in 2015, the top five accounted for 58.5% and the top ten 60.7%.

In the event of a significant increase in turbine prices, the Group may well decide to delay some construction projects or not to commence construction, with an adverse effect on the growth of the installed capacity of the Group or on the profitability of the projects already launched.

Moreover, in the particular case of thermal power plants (biomass and diesel plants), no assurance can be given for the continued and sufficient availability of raw material supplies (wood and other organic products and diesel, respectively).

4.1.2.2 *Risks related to connection to the electricity transmission and distribution grids*

The construction of a power plant requires connection to the national electricity transmission or distribution grid to route and deliver the electricity produced. Whether it is possible to construct a production site at a specific location is therefore highly dependent on its potential connections to transmission and distribution grids. As available power plant construction sites are sometimes located some distance from transmission or distribution grids, the Group can

give no assurance that it will obtain sufficient grid connections within the time frame and cost structure planned for its future power plants. Furthermore, transmission and distribution grids could experience congestion, incidents or operational interruptions and the managers of these grids may not meet their contractual transmission or distribution obligations, or may terminate the associated contracts.

4.1.2.3 *Risks related to commitments provided*

The Group may conclude completion undertakings, implementation of which may have a material adverse effect on the activities, financial position or results of the Group, or on its ability to achieve its

objectives. Power plant completion and electricity supply volume undertakings have been provided in Brazil and France. Any failure by the Group to meet these commitments could, depending on the

circumstances, give rise to a penalty representing a charge of €11.4 million as of 31 December 2015.

The Group may enter into promises to purchase with its partners. For example, promises to purchase land for hydroelectric projects have been made in Brazil. However, these agreements do not constitute firm undertakings for Voltalia (no significant penalty if the promises are not kept).

Finally, some of the Group's contracts include price levels based on minimum production obligations. This is notably the case with contracts for wind power plants in Brazil. Non-compliance by the Group with its contractual obligations may have an unfavourable effect on the Group's activity, financial situation or results, such as the obligation to financially compensate its clients or to cancel electricity sale contracts.

4.1.2.4 *Risks related to the construction and commissioning of power plants*

Notably in the light of uncertainties related to the geology of the land, to the weather during construction and to the complexity of the equipment and components, during the power plant construction and commissioning phase the Group may face various constraints such as delays and construction cost overruns, difficulties connecting to the power grid, construction defects, delivery failures on the part of suppliers, longer than expected delays in obtaining authorisations, a lengthy configuration phase requiring technical adjustments, contractor difficulties operating the equipment, or legal action instigated by third parties. Such events can be a source of significant delays in plant construction and commissioning;

they may also give rise to additional construction and operating costs, to operating losses and even the loss of certain electricity sale contracts should the circumstances persist. In addition, the Group may provide its clients with financial guarantees that could be exercised if the plants are not brought into service before specified target dates. At the date of the Registration Document, the plants under construction are not facing any significant delays. However, the occurrence of any such delays or cost overruns in connection with the construction and commissioning of future plants by the Group could have a material adverse impact on its activity, financial position, results of operations or the ability to achieve its objectives.

4.1.2.5 *Risks related to decommissioning obligations for installations and turbines at the end of contract*

In France the "ICPE" regulation requires financial guarantees to be constituted of €50,000 per wind plant and €30,000 per installed megawatt for certain solar plants. At the date of the Registration Document, and notably following the implementation of the ICPE regulations for wind farms, the refurbishment and dismantling costs for wind and solar sites are covered by provisions in the financial statements at 31 December 2015 in the amount of K€1,244. This provision is included in the

overall cost of the relevant projects. It should be noted, however, that in view of the known factors and the work undertaken by the Group, it is estimated that the refurbishment and dismantling costs of sites currently in operation could be covered by the proceeds from the sale of the equipment. No legal or contractual obligation requires the Group to establish provisions for dismantling its plants, except for its French wind plants and certain solar plants.

4.1.2.6 *Risks relating to partnerships*

For some of its power plants, the Group operates with the support of financial or local partners. Where such partnerships are implemented through the creation of joint entities, the Group does not

always exercise control, either economically or legally. The Group is also dependent on the financial capacity of the parties to supply their share of financing if the subsidiary performs a capital

increase. The occurrence of any disagreement with its partners or incapacity on the part of the latter

could have a material adverse impact on its activity, financial position and results.

4.1.2.7 *Risks related to competition from other producers of electricity from renewable energies*

The Group faces significant competition which could intensify in the future. In the sector of renewable energies, competition is mainly encountered in the following areas:

- Access to available installation sites that can be connected to the electricity grid;
- Prices offered by competitors when access to the electricity market is via tender;
- Access to high-performance and low-cost equipment and services from manufacturers and contractors.

Although the Group pays close attention to these various parameters, some of its competitors have much greater financial, technical or human resources than the Group. While the Group is working hard to maintain its competitiveness and to expand its installed capacity, no assurance can be given that the Group will be able to meet this current or future competition. Increased competition in the renewable energies sector could have a material adverse effect on the activities, financial position or results of the Group.

4.1.2.8 *Risks relating to insurance*

The Group's activities are subject to the risks inherent to the construction and operation of power plants, such as the risk of interruption of operation, manufacturing defects or natural disasters. More generally, the Group is also exposed to environmental risk, particularly with biomass facilities. The Group's policy is to cover the principal risks related to its operations. However, no guarantee can be given as to whether the Group's insurance policies are or will be sufficient to cover any losses resulting from a significant interruption in the operation of the Group's production sites, the cost of repair or replacement of damaged sites, or the consequences of legal action instigated by third parties. If the Group were to face a serious

uninsured event or an event significantly exceeding the limits of its insurance policies, the corresponding costs could have a material adverse effect on the activities, financial position or results of the Group. Furthermore, the Group's insurance policies are subject to annual revision by its insurers. If the level of premiums were to increase, the Group may not be in a position to maintain insurance coverage at current levels, or could only maintain such cover at significantly higher costs. Should it not be possible to pass on any such premium increases to Group company clients, the additional costs could have a material adverse impact on its activity, financial position or results.

4.1.2.9 *Risks relating to non-payment by clients and the implementation of certain contractual provisions*

The contracts between the Group and its electricity purchase clients are usually long-term, in the order of 15, 20 or more years. Although most of its clients are well-established incumbent producers and distributors, no guarantee can be given that the

Group's clients will comply with their contractual obligations or that they will not be the subject of recovery or liquidation proceedings. Exposure to this risk must be considered in Greece in particular, where the electricity buyer pays invoices several

months late. The delay observed is two months at 31 December 2015 (unpaid due debt of €0.367 million). No provision has been recognised because payment is always received, although late. In France, the client company of the Bio-Bar heating plant operated by the Group is in financial difficulties, which has given rise to payment delays. At 31 December 2015, the amount of the unpaid due receivables was €0.5 million, fully written down.

Finally, the Group receives undertakings from third parties such as the undertaking to connect the Group's plants to the electricity grid, to transport the electricity produced by the Group or to make land available. Were any of these undertakings not to be fulfilled, this could affect the Group's activity, its capacity to meet its objectives, its financial position or its results.

4.1.2.10 *Risks related to client dependency*

Within the framework of its electricity production activities, the Company's subsidiaries generally sell the electricity they produce to major incumbent producers and/or distributors or to public authorities. For the year ended 31 December 2015, the revenue achieved with EDF (or the equivalent in Greece) accounted for nearly 35% of the Group's consolidated energy sales (against 63% at 31 December 2014). In 2015, 21% of consolidated sales were achieved with a private-sector player following the signing in 2013 of a 12-month contract for the electricity produced by two Brazilian power plants of 30 MW each. From 2016, the vast majority of sales will again be to major incumbent producers and/or distributors or public authorities. Although

the Group believes that the risk of loss (such as in the event of contract termination) or of client insolvency is limited, the occurrence of such an event could have a material adverse effect on the activities, financial position or results of the Group.

Furthermore, certain contracts entered into by the Group, including electricity sale contracts in Brazil, contain clauses providing for termination should contractual obligations not be fulfilled. The Group cannot guarantee that it will always meet its obligations and that the contracts concerned will not be terminated as a result. Furthermore, in the event of termination due to non-compliance with its obligations, the Group may be subject to financial sanction.

4.1.2.11 *Risks related to damage to the natural and human environment at the sites operated by the Group*

Regulatory constraints

Within the context of its activities, the Group operates energy production sites that can result in disturbances for the population, the fauna, flora and more generally the natural surroundings, or be the cause of accidents resulting in injury or which have an environmental or public health impact, such as the fall of a blade, injury to birds by wind turbines or a fire at a biomass plant. No guarantee can be given by the Group that its energy production facilities will not be the source of pollution, disturbance, environmental damage or personal injury. The

Group's assets are also subject to the local regulatory constraints of each country in which it is present. Compliance with laws and regulations relating to health, safety and the environment (and subsequent developments) is a critical factor enabling the Group to obtain the licences and authorisations it requires to perform its activities; any failure by the Group to comply with such obligations would therefore have an unfavourable effect on its operational and financial performance.

Site security

Any assault, malicious act, sabotage or act of terrorism committed at the Group's production sites

could have consequences similar to those of any of the incidents described in "Regulatory constraints"

above. Such incidents could have multiple consequences such as damage to people and property, pollution or operational interruption. The Group has implemented a series of measures to reduce such risks and to ensure the protection of the Group's assets. Accordingly, and notably in order to combat fire risk, the Group has installed sprinkler systems, excessive temperature detection systems and smoke detectors. In addition, retention tanks have been installed under the transformers at the power plants to prevent soil pollution. Finally, at all Group power plants, on-call technicians are alerted immediately in the event of any damage being caused to the plant's equipment. Should any

such event occur, the Group could incur liability for damages or injury caused by its power production sites. Should the Group be held liable for events notably impacting the environment, it could have a material adverse effect on the activities, financial position or results of the Group.

In view of the industrial character of its activities, the Group is exposed to a risk relating to the safety of persons present at its construction sites, installations and offices. The health and safety of the employees and subcontractors is of central concern for the Group, which has implemented its own health and safety policy.

4.1.2.12 *Risks related to the effect of acquisitions or investments*

In recent years, the Group has acquired power plant projects, project companies or companies whose activity is identical or similar to that of the Group. A proportion of these acquisitions or investments could be paid in shares of the Company, which could have a dilutive effect for existing shareholders. Such transactions also imply a certain number of risks relating to the integration of the acquired activities or personnel, to the impossibility of achieving the expected synergies, to maintaining

uniform standards, controls, procedures and policies, to the emergence of unanticipated liabilities or costs, or to the regulations applicable to such transactions. Such risks could therefore have a material adverse effect on the activities, financial position or results of the Group. In addition, the financing terms for such acquisitions or investments could have an adverse effect on the Group's financial position, especially in the event of leverage.

4.1.2.13 *Risks related to project development*

The projects developed by the Group have a duration of between two and eight years, between initial prospecting, impact studies, interactions with the various public authorities and industrial commissioning of the power plants. The Group may incur significant expenses with respect to these elements prior to the commencement of construction and/or the industrial commissioning of the plants.

The Group therefore estimates the costs of construction and operation of its installations and of the costs of project implementation (such as administrative authorisations and confirmation of the initial technical studies). All the projects are subject to review when decisions are issued by the

authorities, and development projects no longer meeting the activation criteria or which are abandoned are 100% written down.

To reduce these risks, the Group pursues a project management process that allows it to avoid committing to significant investments that are not transparent and to halt any project during the upstream phase of the development that no longer fully meets the profitability or risk criteria considered by the Group to be acceptable. At 31 December 2015, the maximum amount likely to be written down if the probability of obtaining authorisations for all projects under development or their forecast profitability were to be revised downwards, would be €8,203,000.

4.1.3 Risks associated with litigation

4.1.3.1 *Risks related to project development*

Group companies are likely to become involved in certain judicial, administrative or arbitral proceedings in the ordinary course of their business. By way of example, planning permission issued to the Group for wind farms in France is regularly contested in the courts. Such litigation may result in cancellation of the licence and, in some cases, in the

decommissioning of the facilities, although no such sanction has actually ever been imposed on the Group. Similarly, because of its power plant development activity, the Group may be party to proceedings involving the manufacturers of technical components for the plants.

4.1.3.2 *Other risks*

A detailed description of the proceedings in which the Group is involved that are likely to have a significant impact on its activities, financial position and results is included in Section 1.1 of the Registration Document. There are no other known governmental, judicial or arbitral proceedings

pending or by which the Company is threatened that are liable to have or, during the last 12 months, have had, any material effect on the financial position or profitability of the Company and/or the Group.

4.1.4 Financial risks

4.1.4.1 *Currency risk*

This risk relates to the Group's activities outside the eurozone. In 2015 it mainly related to the Brazilian *real*.

The balance sheet translation risk for the Brazilian subsidiaries

The Group is exposed to currency risk at its Brazilian subsidiaries (impact on translation reserves in equity). In the consolidated financial statements, the net worth of the Brazilian subsidiaries is valued at euro/Brazilian *real* parity at the closing date. The valuation comparison in euros of the net position of the Brazilian subsidiaries may therefore show translation differences. Its impact on equity at 31 December 2015 is (42,154) thousand euros in variation of the translation reserve against an amount of €211.165m in equity at the same date. All assets (plants under development, construction

or in operation and miscellaneous assets), all liabilities (financing of associated projects, operating liabilities and miscellaneous liabilities) and future income and expenses relating to operating the plants in Brazil are and will be denominated in Brazilian *reals*. Accordingly, with the asset and the corresponding financing (at 31 December 2015, the Group has a bank debt denominated in Brazilian *reals* in an amount equivalent to €201.965m excluding accrued interest) being expressed in the same currency, any distortion of the valuation of assets at closing is significantly offset.

The table below summarises the exposure to currency risk on the Group's balance sheet:

2015 (in euros)	Impact on pre-tax profit		Pre-tax impact on equity	
	10% increase	10% decrease	10% increase	10% decrease
MAD	(33)	33	(30)	30
Real	497	(497)	15,897	(15,897)
TOTAL	464	(464)	15,867	(15,867)

Currency risk related to equipment purchases

This risk results from the purchase of equipment in a currency other than the domestic accounting currency. A minority of the equipment purchases are denominated in foreign currency. At 31 December 2015 the Group is not exposed to this risk. Any exposure to a currency risk when

purchasing equipment is hedged by the Group in the form of forward currency purchases for periods lasting no longer than the construction period in order to provide protection against exchange rate volatility during the execution of contracts related to equipment purchases.

Currency risk related to operating revenues and expenses

Electricity sale contracts signed by the Brazilian subsidiaries are denominated in the Brazilian *real*. The operating expenses borne by the Group in Brazil will also mainly be denominated in the Brazilian *real*: the Group has local teams and local subcontractors who will operate the facilities who are paid in local currency; the bank debt taken on by the Group is in Brazilian *reals* and financial costs are consequently also in this currency; most spare parts needed for maintenance are locally manufactured and denominated in Brazilian *reals*.

Accordingly, because the operating revenues and expenses of Brazilian plants are for the most part

expressed in the same currency, the currency risk is greatly minimised. However, the net cash flows generated by the Brazilian plants depend on the level of the Brazilian *real*. Any fall in the Brazilian *real* has an effect on all of the Group's cash flows in Brazil: investments and loans during the construction period, income, operating expenses and servicing of the debt during the production period. Inflation, which is generally correlated in the long term to the exchange rate, positively affects the Group's income throughout the duration of long-term electricity sale contracts. However, in the short term a sudden fall in the Brazilian *real* would have an unfavourable effect on the Group's results.

4.1.4.2 *Interest rate risk*

Within the context of its activities, the Group is exposed to interest rate risk mainly through project financing and the financing of its day-to-day operations.

Project financing

In the financing of its projects, the Group enjoys significant leverage enabling it to limit its equity contribution, which typically ranges from 20% to 40% of total financing.

Project financing implemented by the Group therefore involves significant use of debt at operating company level. Under these conditions, any increase in interest rates could threaten the future profitability of operating companies if they are exposed to variable-rate debt.

In order to limit this risk, the Group has implemented a policy of hedging interest rate risks by encouraging the use of fixed-rate financing or of interest-rate swaps to hedge against adverse fluctuations in interest payable on variable-rate loans. This is generally the case in France but not in Greece, where it is difficult to obtain swaps for power plants.

In Brazil, the long-term rates of the public bank that finances the power sector (National Bank for Economic and Social Development) are regulated and subject to revision. Historically, the level of these adjustable Brazilian rates decided by the public authority is correlated with inflation, and

therefore with the revenue of the Group's power plants in Brazil. This correlation between the changes in revenue and changes in interest expenses provides a generally effective economic hedge of the interest-rate risk in Brazil, which is not recognised as a hedge. The Group cannot, however,

guarantee over the long term that changes in interest rates will continue to be correlated with inflation. Moreover, this historic correlation does not prevent lower Group results, while inflation affects the Group's income until expiry of the Group's long-term sale contracts.

The table below shows the situation of the Group's borrowings and interest-rate swaps at 31 December 2015:

Loans and interest-rate swaps position	31/12/2015
Fixed-rate loans	45,490
<i>of which project</i>	39,440
<i>of which corporate</i>	6,050
Variable-rate loans	57,193
<i>amount subject to interest-rate swap (financial lease of the La Faye wind project)</i>	35,884
<i>of which corporate</i>	14,775
Adjustable-rate loans	201,965
<i>of which BNDES loans</i>	191,513
Total loans	304,648
Maturity ≤ 1 year	43,515
Maturity 1 to 5 years	74,957
Maturity ≥ 5 years	186,176
Total by maturity	304,648

The table below summarises the net exposure to interest-rate risk before and after hedging:

31/12/2015	Financial assets		Financial liabilities		Net exposure before hedging		Interest rate hedging instruments		Net exposure after hedging	
	(a)		(b)		(c)=(a)-(b)		(d)		(e)=(c)+(d)	
	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Less than one year	-	-	4,065	39,450	(4,065)	(39,450)	(2,286)	2,286	(6,351)	(37,164)
From 1 to 5 years	-	-	20,578	54,379	(20,578)	(54,379)	(10,089)	10,089	(30,667)	(44,290)
More than 5 years	-	-	20,847	165,329	(20,847)	(165,329)	(23,509)	23,509	(44,356)	(141,820)
Total	-	-	45,490	259,158	(45,490)	(259,158)	(35,884)	35,884	(81,375)	(223,274)

At 31 December 2015, 26.71% of total debt related to project financing is at fixed rates, either directly or through interest rate swaps. In addition, financial liabilities due within one year amounting to €39.450m include a bridging loan of €10.451m obtained as part of the financing for construction of the SMG cluster in Brazil; this loan will be refinanced in 2016.

An increase of 100 basis points on loans taken out in Greece, France and Brazil (unhedged adjustable or

variable-rate loans) before 31 December 2016 represents approximately €2.233m of additional costs in 2016 and a cumulative amount of approximately €16.619m over the life of the loans.

Although the Group actively implements a policy of hedging interest rate risk, any significant increase in interest rates could have a material adverse effect on its activities, financial position, results or on its ability to successfully complete projects under development.

4.1.4.3 *Liquidity risk and risk related to access to financing*

Refer to Note 26 to the consolidated financial statements at 31 December 2015.

Risk related to access to capital and to project financing

The Group's growth model consists of developing power plant projects for the generation of electricity which are financed by successive capital increases, by project financing (bridging loans and long-term debt) and by "corporate" debt (generally subscribed by the Company directly) and, progressively, by some of the cash flows generated by the power plants in operation. To successfully complete its projects and to maintain them over the long term, the Group must find the necessary financing.

Furthermore, the Group cannot guarantee that it will have access to sufficient debt financing to carry out its projects or that market conditions (including

financing with or without recourse) will always favour the ability to raise the financing required for its development.

Virtually all project financing includes clauses limiting the payout of dividends or current account advances by the operating companies and/or provides for early repayment, notably in the event of non-compliance with a minimum level of coverage of debt servicing by the project company against its revenue, measured by a debt coverage ratio called "DSCR" (Debt Service Coverage Ratio) or a "Structure" ratio (debt/debt + equity). In FY 2015, all the covenants of the loans were complied with.

The table below shows the breakdown of financial liabilities by contractual maturity:

	Debt at 31/12/2015	31 Dec 16		31 Dec 17		31 Dec 18		31 Dec 19		31/12/2019 and beyond		TOTAL	
		Name	Int.	Name	Int.	Name	Int.	Name	Int.	Name	Int.	Name	Int.
Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank loans	289,041	42,057	20,048	16,501	19,781	16,745	17,573	16,801	14,756	196,937	185,400	289,041	257,558
Liabilities under finance leases	15,608	1,459	726	1,531	654	1,605	580	1,682	502	9,331	4,582	15,608	7,043
Overdrafts	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total financial liabilities	304,648	43,515	20,774	18,032	20,435	18,350	18,152	18,483	15,258	206,268	189,982	304,648	264,602

The longest maturity of these debts is 2032.

Cash surpluses

The Group has centralised the management of its cash surpluses, where permitted by legislation or the project financing contracts. It secures its financial investments by systematically favouring money market and/or bond instruments. These investments are made with leading counterparties in the countries concerned. At 31 December 2015, the Group had available cash of €43.454m.

The Company has carried out a specific review of its liquidity risk and considers that it is in a position to cover its future maturities. It considers that the

debts raised, and which the Group plans to raise, enable the ongoing construction projects in Brazil to be financed and to increase electrical production capacity by the end of 2016 by 26%, reaching 475 MW installed against 376 MW at the end of December 2015. These funds, plus the debt raised and planned to be raised, also enable development to be financed beyond these ongoing construction projects: construction of new power plants, activities in new countries and, where appropriate, external growth.

4.1.4.4 *Risk related to financing the development plan by equity*

The Company may have to reinforce its equity once again over the coming years to ensure the share of additional capital for debt financing. Although no particular difficulties are anticipated at this stage, the Company cannot exclude the possibility that the economic environment will make it more complex to raise financing. In the event of sustained

difficulties, the Company could be required to suspend and even to halt its long-term development of future power plants and consider strategic options, including the search for financial or industrial partners for its power plants currently under construction.

4.1.4.5 *Dilution risk and risks related to shareholding structure*

Within the context of its incentive policy for management and employees, the Company has issued and attributed company creator share subscription warrants (BSPCEs), free shares and share subscription options.

At 31 December 2015, the transferable securities that may give access to the Company's capital were as follows:

- 157,995 BSPCEs can be exercised providing entitlement to 15,799 shares;
- 21,667 free shares;
- 201,204 share subscription options providing entitlement to the same number of shares; and
- 978,000 share subscription warrants providing entitlement to the same number of shares in favour of Kepler Cheuvreux under an equity financing line.

The potential dilution caused by these instruments would be 4.4% (see Section 21.1.5).

In the future, the Company may continue issues and allocations of shares or of new financial instruments that are convertible into shares as part of its policy to incentivise managers and employees. Any complementary allocation or issue would result in additional dilution, potentially significant, for the shareholders of the Company.

4.1.4.6 *Risks related to off-balance sheet commitments*

Commitments given

Assets pledged as collateral for debts

Debts contracted by the Group in the context of project financing are guaranteed by collateral (mortgages, pledges on equipment, pledging of securities, receivables and reserve accounts) as security against repayment, totalling €283.8 million.

This amount corresponds to the outstanding due balance at 31 December 2015 of debts for projects that are operational or under construction and in receipt of bank financing. The longest maturity of these debts is 2032.

Financial guarantees given to third parties

Within the context of ensuring the safety of installations classified for the protection of the environment (ICPE), the Group companies concerned by this obligation benefit from an order of priority and took out surety insurance with a leading insurance firm in July 2015. The dismantling obligation is recognised as a dismantling asset. The amount of the dismantling financial guarantees is €1.2 million.

The Group has issued performance bonds related to the construction of wind power plants. These guarantees expire on completion of project construction. The longest maturity is in 2021. They amount to €11.4 million at 31 December 2015.

Moreover, payment guarantees have been issued to various suppliers until the end of 2016 totalling €22.9 million.

Within the context of the tender won by Vila Acre in Brazil, a submission guarantee (bid bond) has been constituted. The amount of the guarantee is €1 million Brazilian *reals* or €0.23 million until May 2016.

Commitments received

Commitments received in relation to subsidies

The Greek government has committed to pay the Group investment subsidies totalling €1.3 million. These subsidies enable early repayment of loans contracted for project construction. Given the estimated counterparty risk vis-à-vis the Greek state and the total amount received of €0.4 million in 2015, these subsidies are not recognised on the balance sheet.

Guarantees received from clients

On expiry of the contract (15 years) for the supply of heating by BIO BAR to CAUVAL, the latter is obliged to extend the contract under conditions to be agreed or to repurchase the facilities at net book value.

4.1.5 Risks related to the organisation of the Company

4.1.5.1 *Risks related to activities in Greece*

Against the background of the Greek crisis, the development potential of Voltalia Greece beyond the plants currently in production or under construction is very uncertain, both in solar and wind power. Voltalia Greece has reduced its development activity. Personnel has been downsized as a consequence, weakening the local organisation.

4.1.5.2 *Risks related to the development of activities in Brazil*

After having developed a significant number of projects since 2006, mainly wind power, the Group has moved to a new stage since the commissioning of wind farms in Brazil in 2014. Within a few quarters, the plants under construction and in operation have gone from zero to 303 MW at 31 December 2015. Local personnel has been increased as a consequence. They are supported in part by the Group's central teams. The increase in local personnel and coordination with the central teams involve risks.

4.1.5.3 *Risk of operational failures or inadequacies*

The activities of Voltalia are exposed to operational risks that can be of human, organisational or physical nature or the result of other events that are either internal or external to the Group.

Such operational risks may arise in different ways, notably as a result of interruptions and malfunctions of the IT systems used by the Group, errors, fraud or malicious intent on the part of employees and non-compliance with internal and external regulations.

Although the Group strives to manage any such operational risks in order to limit their potential impacts, they are likely to result in financial losses,

reduced liquidity, business interruption, regulatory sanctions or damage to the reputation of Voltalia.

Following an incident of fraud against the Chairman detected in January 2014, the financial impact of which was less than €500,000, Voltalia has sought to strengthen its means of control with respect to bank transfer arrangements. Subsequently, Voltalia has strengthened its expertise via external recruitment and raised the awareness of all personnel vis-à-vis this type of risk. A special audit was also conducted to verify procedures and implement action plans.

4.2. INSURANCE AND COVERING RISK

The Group has implemented a policy to cover the principal risks associated with its activities (see Sections 4.1.2 to 4.1.5 of the Registration Document) which are capable of being insured,

subject to the exclusions, coverage limits and deductibles usually imposed by companies in the insurance market. Insurance expenses for FY 2015 totalled 522 thousand euros.

4.2.1 Risk coverage policy

The Group has a dynamic risk management policy in place. In addition to ensuring adequate insurance cover, the Group pays close attention to the mitigation of risks related to its activities in all markets where it is present. The Group notably seeks to limit its exposure by spreading risk across all its operating regions. Its presence in four regions (France, French Guyana, Greece and Brazil) enables it to disperse the risks associated with regulatory developments, climatic conditions or development prospects, even though the increase in Brazilian wind power over 2014/2016 means that the majority of consolidated assets are located in that

country. For its investments, the Group subjects projects to a rigorous selection process, assessing prospects while taking care to limit development costs. The Group also seeks to limit its exposure vis-à-vis suppliers of components and other technical equipment. During the operation of its wind and solar farms, the Group continuously monitors performance in order to limit the frequency and duration of incidents, such as technical failures. The Group pays close attention to the environment in which its plants are located in order to limit potential impact.

4.2.2 Insurance

The policy with respect to insurance is implemented in each country where the Group operates. Given the specific regulatory characteristics of each country and its activity as a developer, the Group has taken out specific insurance policies for each of its projects. The only Group insurance policy relates to the liability of corporate officers which covers executives of the Group and all its subsidiaries. For each of its companies, the Group has notably taken out civil liability insurance, damage liability insurance and more specific policies. The Group

takes out specific project-related policies according to the particular risks identified. Such risk identification is notably carried out on the basis of the nature of the project (wind farm, photovoltaic power plant, biomass plant or other), its installation site (regions with difficult weather conditions) or its country of installation (specific regulatory environment). Two phases can be identified with respect to project insurance, namely the construction phase and the operational phase.

Insurance coverage for the construction phase

In general, during the construction period of the power plant, the company owning the project takes

out a "Construction Site All Risks" policy or benefits from a similar policy taken out by the constructor.

This policy covers material damage during the construction period of the power plant up to handover. Where banks finance construction by way of project financing, a component specific to operating losses is often included in the policy. This

component is usually requested by financial institutions involved in the project; it notably covers operating losses that could be incurred in the event of delays in completion of plant construction.

Insurance cover for the operational phase

As soon as the power plant is commissioned, the company owning the project takes out a general liability policy. It also takes out a policy that typically covers machinery breakdowns, fire and related risks, natural disasters and, in some cases, operating losses. The Group typically also holds contractual guarantees provided by the manufacturers of components and technical equipment of its power plants, covering damage that occurs in the event of the malfunction of such components and equipment. In particular, the Group typically

benefits from such guarantees from manufacturers of the turbines equipping its wind farms or from manufacturers of photovoltaic panels equipping its solar power plants; in practice, these are availability guarantees covering operating losses associated with the unavailability of broken parts. These guarantees, which usually cover periods of 2 to 5 years, can sometimes be extended to 10 or 12 years. The performance guarantee for solar panels typically lasts 25 years.

4.3. AUDIT AND INTERNAL CONTROL

The internal control and risk management procedures implemented by the Company and described below are an integral part of the Report of the Chairman of the Board of Directors prepared pursuant to Article L. 225-37 of the French Commercial Code (see details provided in Annex A2 of the Registration Document). For the preparation of this report the Company has drawn on the

implementation guide for the framework of risk management and internal control mechanisms for small and midcap companies, published by the *Autorité des marchés financiers* (AMF) on 22 July 2010. The Company's governance principles are based on the MiddleNext corporate governance guide.

4.3.1 Definition and objectives of internal control and risk management

Internal control is a mechanism that applies to the Company and all its consolidated subsidiaries and some of its subsidiaries consolidated under the equity method, the objectives of which are to ensure:

- compliance with the laws and regulations applicable to the Group's subsidiaries and establishments;
- the effective implementation of the strategic guidelines, directives, internal policies, procedures and best practices established by the Group's management;

- safeguarding of the Group's assets;
- the reliability and accuracy of the published financial information and financial statements provided to the corporate bodies;
- prevention and control of identified risks arising out of the Group's activity; and
- optimisation of operational activities.

The internal control system integrates risk management and has the following objectives:

- to create and preserve the value, assets and reputation of the Group;
- to enable secure decision-making processes to help achieve the Group's objectives;
- to promote actions that are consistent with the Group's values;
- to ensure employee ownership across the Group of a shared perception of the principal risks and to raise employee awareness of the risks inherent to their activities.

While contributing to the prevention and management of the risks faced by the Group during the implementation of its strategy, the internal control system contributes to the management of the Group's activities, the effectiveness of its operations and the efficient use of its resources.

4.3.2 Structure of the Group

The Group is structured geographically (France, French Guyana, Brazil, Greece and Morocco) for the development of its activities with the following divisions:

- France Division;
- French Guyana Division;
- Brazil Division;
- Greece Division;
- Morocco Division.

A Group functional organisation is in place for support functions within the following divisions:

- Operations Division, including the Construction Division and the Operating Division;
- Financial Engineering Division, which primarily covers raising project financing and acquisitions/disposals;
- Finance and Administration Division, which includes Accounts, Consolidation & Reporting and Management Control;
- General Secretariat, including Human Resources, Communications and Investor Relations, and IT.

4.3.3 Employees involved in control

The internal control system is based on a certain number of identified individuals, but remains the concern of all Group employees: raising the awareness of all staff with respect to the values of Volitalia is the first link in the internal control system. This vertical transmission of values is achieved both through seminars (Executive

Committee seminars, annual team seminars, etc.), regular team meetings and through regular communication on the life of the Group and its strategy. This makes it possible for all employees, whatever their position, to ensure at all times that their actions are consistent with the values and strategy of the Group.

The internal control system involves:

- the Board of Directors and the special committees of the Board, whose operating procedures and principal tasks are described in Section 0 of the Registration Document;
- the CEO and the Executive Committee;
- the Finance and Administration Division and the other functional departments.

The Board of Directors and special committees of the Board

Based on the work of its special committees, the Board of Directors exercises ultimate control over the implementation of the strategy by senior management. By authorising restructuring, it ensures continuity of implementation and verifies that activities are consistent with the levels of risk and profitability it has deemed to be acceptable with the support of senior management. The Board of Directors monitors operating results, the financial

position of the Group and project progress on an ongoing basis.

Together with the Audit Committee, the Board of Directors also plays a key role in monitoring the risk management system. The Audit Committee regularly reviews the effectiveness of internal control systems and risk mapping.

The CEO

The CEO implements the strategy defined by the Board of Directors and, within this context, is responsible for the effective operation of the internal control and risk management system, which are implemented progressively in the light of objectives set by the Board of Directors.

Board of Directors

In the short term, the CEO ensures operational performance, monitors the attainment of objectives, prescribes the necessary corrective action and verifies implementation within the

framework of action plans. In the longer term, the CEO also plays a key role in the dissemination of the strategic directions and values of the Group.

The Executive Committee

The Executive Committee meets on a weekly basis to monitor all the important events in the life of the Group in real time and responds as required. It also constitutes an entity for analysis, reflection and exchange on cross-functional topics with a view to

establishing action plans to be deployed across the functional departments.

The Executive Committee also meets three or four times a year for several days for in-depth discussions on the implementation of Group strategy.

The Finance and Administration Department and the other functional departments

The Finance and Administration, to which the Accounting Department, the Consolidation & Reporting Department and the Management Control Department report, is notably responsible for producing financial and accounting information and for guaranteeing the reliability, accuracy and faithfulness of the said information. It seeks to preserve separation between its production and supervision activities vis-à-vis the financial statements and calls on independent experts for the evaluation of complex accounting items, when making use of subjective assumptions and when preparing the consolidated financial statements.

The Company's tax affairs are entrusted to a chartered accountant.

The Finance and Administration Department also assumes responsibility for the production of monthly reports, which is shared with the Executive Committee and the Board of Directors, and is the basis for the ongoing monitoring of activities.

Finally, the Finance and Administration Department was instrumental in the establishment of a procedure for the delegation of authorisations and signatures for invoice payments and the signing of purchase orders.

The other functional departments are all involved in the implementation of the internal control system. The following departments in their day-to-day activities are more specifically involved in the internal control process:

- The Operations Division, by constantly ensuring the preservation of the value of Group assets and the safety of the person, while monitoring the environmental compliance of operations and the deployment of compliance action plans;
- The General Secretariat
 - by ensuring that the Group's operations relating to human resources are conducted in compliance with the laws, regulations and statutory provisions applicable to the Group, by ensuring

that human resources are regularly adapted to the Group's operational needs, by collaborating in the development of succession plans and by ensuring the suitability of the level of training that employees receive for the exercise of their functions;

- by ensuring that the Group's information systems provide a level of security that can guarantee the integrity and preservation of data;
- by monitoring stock market ethical issues;
- by managing both external financial reporting and internal and regulatory communication.

4.3.4 Risk management system

The Group is exposed to a series of risks during the course of its day-to-day activities. The primary risk factors faced by the Group are described in Section 4.

The Group places fundamental importance on the identification and on the fullest possible understanding of the various categories of risk to which it is exposed. This understanding enables it to determine the human, technical, legal and financial measures required to address them and prevent occurrence.

In 2014, the Group initiated a process to document its risk map, providing it with a standard framework matrix for identifying the risks it faces, for assessing the probability of occurrence and assessing the extent of impact. Based on the work of the Audit Committee, the Board of Directors regularly reviews the risk map to ensure its completeness and that the action plans implemented by the CEO are effective.

4.3.5 Control activities and procedures

Procedures related to managing activities

Standardised information collation and processing procedures notably contribute to the production of the monthly reports, which enable the different parties involved to monitor monthly developments in the operational and financial performance of the Group and to develop, implement and adapt the necessary action plans.

The Group is implementing a standardised information feedback procedure:

- in technical areas or those related to construction and operations (monthly production report, operations monitoring, reports on construction activities);
- in the area of finance, in connection with the procedures related to the production of financial and accounting information (see

below), but also to monitor budget and cash. expenditure and Group commitments, debt

Medium-term strategic planning is performed alongside budgetary control

Within the Finance and Administration Department, the management control unit (management controllers based at head office, in Brazil and in Greece) annually prepares the Group budget and business plan on the basis of the information reported by the operating entities and by each Division within the framework of a standardised process.

The medium-term plan, the annual budget and the liquidity plan developed by the Finance and Administration Department in collaboration with

the Financial Engineering Department and associated with the strategic direction established by senior management are presented to the Executive Committee and approved by the Board of Directors. The combination of the monthly reporting budget process enables monthly analysis to be performed of any variance between actual and budget by country and by activity (in operation, under construction or under development).

Procedures related to projects and the determination, implementation and monitoring of investments

Since 2011, the Company has been engaged in a process of continuous improvement of its procedures for the determination, implementation and monitoring of investments, designed to formalise the actions to be taken and the resources required at each project stage (development, construction or disposal, operation). This methodology gives rise to meetings being scheduled when projects progress from one stage to the next.

Investment decisions are made only after a standardised cycle interspersed with meetings of the Executive Committee and, ultimately, the Board of Directors. With respect to projects, a project risk control system helps anticipate the upstream impact of various risks on the forecast internal return rate, to ensure that it remains compliant with the standards approved by the Board of Directors.

Procedures related to the preparation of accounting and financial information

Organisation of the Finance and Administration Department

Under the responsibility of senior management, the Finance and Administration Department is responsible for supervising the accounting and financial processes resulting in the production of financial information. These processes involve the Accounts Department, the Consolidation & Reporting Department and Management Control, as well as the implementation of processes specific to

financial units and cash management (monitoring of financial debt, interest rate risk hedging, protecting cash flows planned for 2016). The consolidation process is partially outsourced. The Consolidation Department and Management Control Departments ensure the implementation of key controls at each stage of the preparation of the financial statements, both locally and centrally.

Accounting standards

The Group uses the same accounting practices for both general accounting of Group operations (general accounting plan) and for analysis (analytical accounting by business segment).

Management Tools

The monthly reports prepared by the Finance and Administration Department and the Operations Division are the main tools for managing the Group's activities, in terms of both operational performance of the production units and financial performance. They are the result of the monthly data collation and consolidation process performed in accordance with standard practices.

These key management tools are intimately related to the production of monthly, individual company and consolidated accounting reports; these processes contribute to the preparation of financial information. The Group's transactions are entered into the system by local accounts personnel under the control of the Accounts Department. The accounting data entry process is computerised and shared on a single and strictly regulated platform (restricted access). The Group produces a consolidated monthly report of the principal legal entities included within the scope of consolidation (holding companies, construction companies and operating companies). This monthly report is produced by the Accounts Department and Consolidation Department in accordance with a standardised process (monthly allocations of quarterly or annual items such as insurance, leases, depreciation of operating plants, GER and dismantling components, etc.) which are reviewed

by the Accounts Department. Under the responsibility of the Finance and Administration Department, the extraction of the monthly balances of the main companies within the scope of consolidation produces the monthly report, which is subject to checks for consistency carried out by Management Control and the Consolidation Department. Each month, checks are applied at several stages of the process to ensure that:

- intercompany transactions are correctly eliminated,
- the main consolidation adjustments are consistent,
- the consolidated data is consistent with the budget approved by the Board of Directors.

The production of annual company and consolidated financial statements and interim consolidated financial statements audited (in the case of the former) or revised (in the case of the latter) by the statutory auditors, is performed in accordance with the same process based on a detailed timetable forwarded to the various parties by the Finance and Administration Department.

Audit Committee

The role of the Audit Committee is described in detail in Section 16.3.2.1 of the Registration Document. This Committee notably reviews the individual company and consolidated financial

statements prepared on an annual and semi-annual basis prior to their approval by the Board of Directors, ensuring the effectiveness of the process for preparing the financial information.

Role of the Statutory Auditors

The financial and accounting information from subsidiaries included within the scope of consolidation, which is used in the preparation of the consolidated financial statements, is subject to limited review during the semi-annual closing and to an audit at year end by a panel of two independent Statutory Auditors. Within the context of these activities, the Finance and Administration Director and the legal representatives of all Group entities make formal undertakings to the Statutory Auditors

regarding the regularity, truthfulness and faithfulness of the financial and accounting information for which they are responsible. Audit assignments are conducted locally by a company or external Statutory Auditor who is a member of the College of Statutory Auditors. The financial statements of the subsidiaries are audited annually and then certified by the Statutory Auditors concerned. INFORMATION RELATING TO THE COMPANY

4.4. HISTORY AND DEVELOPMENT OF THE COMPANY

4.4.1 Registered name of the Company

The registered name of the Company is: Volitalia.

4.4.2 Place of registration and registration number of the Company

The Company has been registered with the Paris Trade and Companies Registry since 24 September 2014 under the number 485 182 448.

4.4.3 Date of incorporation and duration

The Company was incorporated for a period of 99 years ending on 28 November 2104 subject to early dissolution or extension.

4.4.4 Registered office of the Company, legal form, legislation governing its activities

The registered office of the Company is located at 28, rue de Mogador, 75009 Paris. The Company is a *société anonyme* (public limited company) incorporated under French law with a Board of Directors, governed by the particular provisions of the French Commercial Code.

The full contact details of the Company are:

Voltalia SA

28, rue de Mogador,

75009 Paris

Tel: +33 (0)1 44 63 14 40

Fax: +33 (0)1 44 63 14 50

4.4.5 Significant events in the development of the Company

2005 Creation of Voltalia by Robert Dardanne and Xavier Dejardins; the first historical development projects are located in French Guyana.

2006 Registration on the Marché Libre (Free Market) of NYSE-Euronext Paris to finance projects, especially in French Guyana.

Capital increases totalling €5.8 million.

First power plant in operation with the acquisition from the RWE Group of the BIO-BAR biomass cogeneration plant at Bar-sur-Aube with installed capacity of 7.5 MW.

Creation of Voltalia Do Brasil.

Start of construction of the first wind farms in France.

2007 Creation of Voltalia Greece (formerly Thegero) in Greece.

Start of development of solar activities in Greece and French Guyana.

Capital increase of €20 million subscribed by qualified investors.

2008 Start of construction of the first biomass plant at Kourou in French Guyana, with installed capacity of 1.7 MW, with a 0.2 MW solar roof.

Acceleration of wind power development activity in France and Greece and of solar activity in Greece and French Guyana.

Commissioning of the Saint-Félix-du-Lauragais wind power plants via the 3LEnergie and 3VDéveloppement companies, totalling 18 MW of installed capacity.

Start of construction of the Mana hydropower plant, French Guyana, with installed capacity of 4.5 MW.

Sale of a 20% stake in Voltalia Guyane to the Caisse des Dépôts.

2009 Commissioning of the biomass power plant at Kourou, French Guyana (1.7 MW of installed capacity).

Start of construction of the La Faye (79, Deux-Sèvres) wind farm totalling 12 MW of installed capacity.

Creation of the holding company Voltalia Investissement via the contribution of all Voltalia securities held by the corporate officer shareholders.

Minority stake in the capital of Voltalia Investissement taken by an investment company owned by the Mulliez family.

Capital increase of 28 million euros fully subscribed by Voltalia Investissement.

2010 Construction and commissioning of the Coco-Banane solar park in French Guyana, with installed capacity of 4.3 MW.

Start of construction of solar parks in Greece and commissioning of 0.5 MW.

80% stake in the company VOLTA INVESTISSEMENT, which develops solar projects in French Guyana through its subsidiary VOLTA GUYANE France métropolitaine.

Commissioning of the La Faye wind farm (12 MW of installed capacity).

2011 Commissioning of the hydropower plant at Mana, French Guyana (4.5 MW of installed capacity).

CREADEV, investment company controlled by the Mulliez family, acquires majority stake in Voltalia Investissement.

Voltalia awarded 150 MW in wind power via auctions held by the Brazilian authorities.

Governance developments at Voltalia: Bertrand Talhouët, representative of CREADEV, becomes Chairman of the Board of Directors of Voltalia; arrival of Sébastien Clerc as CEO.

In partnership with CHESF, subsidiary of the national electricity company Electrobras, Voltalia awarded 170 MW in wind power via auctions held by the Brazilian authorities.

Commissioning of solar parks in Greece totalling 1.2 MW.

2012 Development of the governance of the Voltalia Greece subsidiary, which controls the Group's activities in Greece, with control by Voltalia increased from 80% to 97.5%.

Voltalia awarded 4.5 MW in solar power via auctions held by the French authorities.

Signing of agreements covering the acquisition from Acciona of wind turbines for the Brazilian sites with a capacity of 210 MW.

Capital increase of €63 million, the majority subscribed by Voltalia Investissement.

2013 Development of the governance of the Voltalia Greece subsidiary, which controls the Group's activities in Greece, with control by Voltalia increased from 97.5% to 100%.

Commissioning of solar projects with capacity of 1.5 MW in Greece.

Commissioning of the Montmayon solar power plant with power of 2.8 MW.

Commissioning of the 4.5 MW Castellet solar power plant, following the "CRE 1" tender, which took place in 2012.

Initiation of work on the Brazilian Areia Branca wind farms with capacity of 90 MW.

Launch of the construction site of the 10 MW Adriers wind farm in France.

Disposal of two wind projects ready for construction with capacity of 10 MW and 4.5 MW respectively.

Voltalia awarded 120 MW in wind power via auctions held by the Brazilian authorities.

2014 Signing of all contracts required to commence work on the Brazilian Areia Branca wind farm with capacity of 93 MW.

Voltalia signs its first electricity sale contract on the open market in Brazil, covering the provision of 60 MW of power.

The Company wins 31.8 MW of electricity purchase contracts for solar projects via public tender launched by the CRE.

Governance developments at Voltalia: Laurence Mulliez becomes Chair of the Board of Directors of Voltalia. Philippe Joubert, representing The Green Option, joins the Board of Directors.

Initiation of work on the SMG wind farms with capacity of 108 MW.

Signing of a partnership with Brazilian Copel for 49% of the SMG project.

Transfer of Voltalia shares to Euronext and capital increase of 101.1 million euros.

Operation and maintenance service contract signed in Greece with a Chinese operator

First production of electricity in Brazil at Areia Branca

Successful tender bid in Brazil for the supply of electricity in the city of Oiapoque, thanks to a hydropower plant (7.5 MW) combined with a thermal power plant (12 MW)

Upgrade carried out at the hydropower plant at Mana (French Guyana)

Signing of a partnership with WWF France

Opening of the first wind farm at Areia Branca in Brazil

Commissioning of the Adriers wind farm (Vienne, France)

Commissioning of the Molinons wind farm (Yonne, France)

2015 Commissioning of the second wind farm (30 MW) at Areia Branca in Brazil.

Capital increase through private investment totalling €15.35 million

Commissioning of the third wind farm at Areia Branca, bringing the total installed capacity at Areia Branca to 90 MW

Award of ISO certification in Greece

Launch of the Voltalia business in Morocco

Governance developments on the Valtalia board of directors: (i) Bertrand de Talhouët resigns his directorship; (ii) the company Creadev, represented by Chantal Toulas, is appointed board director, and (iii) Vincent Vliebergh joins the Board.

Completion of the construction of the Sao Miguel do Gostoso power plant (SMG – Brazil)

Valtalia wins the *grand prix* of growing companies

Acquisition of a portfolio of wind power projects under development with capacity of 379 MW from Maïa Eolis (France)

All the plants on the SMG site are remunerated by the Brazilian regulator

Introduction of an equity finance line to increase share liquidity and expand the floating stock

Completion of the first construction phase of the Oiapoque site (Brazil)

The Company wins 27 MW of wind power in the national auctions held by ANEEL (Brazil)

Appointment of Michel Crémieux as Development Director

Commissioning of the thermal unit of the Oiapoque mixed plant (Brazil)

Valtalia wins two solar projects in the national CRE 3 tenders (France)

Commissioning of the first unit (12.5 MW) of the Oiapoque mixed plant (Brazil)

2016 Valtalia announces the commissioning of the Vamcruz wind power complex (93 MW) in Brazil and the development of the Serra Branca cluster with potential of approximately 1.2 GW in the state of Rio Grande do Norte.

5.INVESTMENTS

5.1. Principal investments made over the last three years

The total amount of investments made by the Group amounted to €179.5 million euros in 2015, versus €278 million in 2014 and €65.4 million in 2013.

The principal investments made over the last three years are as follows:

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Intangible assets	7,161	20,370	19,141
<i>Holding</i>	5,113	4,103	-
<i>Wind</i>	1,587	16,022	17,976
<i>Biomass</i>	0	0	-
<i>Hydroelectric</i>	0	145	(2,096)
<i>Solar</i>	101	100	3,261
<i>Hybrid</i>	354	0	0
Property, plant and equipment	172,378	257,659	46,236
<i>Holding</i>	269	637	123
<i>Wind</i>	170,273	254,831	35,798
<i>Biomass</i>	192	64	254
<i>Hydroelectric</i>	582	1,858	3,051
<i>Solar</i>	70	269	7,010
<i>Hybrid</i>	992	0	0
	179,539	278,030	65,377

5.2. Principal investments under construction

Constructions in progress within the Group are located in Brazil at the Vila Para cluster with a capacity of 99 MW at the date of the Registration Document. At 31 December 2015, the Group has already committed €41.7 million euros towards the investment required for completion of construction at the Vila Para cluster.

5.2.1 Principal investments planned

At the date of the Registration Document, the Group has a portfolio of development projects of 1,839 MW, including projects amounting to 118.2 MW that benefit from an electricity sale contract or the right to sign such a contract.

In France in March 2014 and October 2015, the Group won tenders held by the French energy regulation authorities. The tenders covered the purchase of solar electricity over 20 years. The sale

contract stipulates that the electricity supplies will start when planning permission has been obtained.

In Brazil in November 2015, the Group won a tender held by energy regulation authorities. The tender covered the purchase of wind power electricity over 20 years.

Excluding tenders, the Group is developing power plants for which it plans to commence construction, principally in French Guyana and in France.

5.2.2 Financing method

These investments will be financed by equity and debt. The capital required for power plants already under construction at 31/12/2015 is covered by the capital increase of January 2015. Additional amounts will be financed by bank debt. The companies that own the power plants usually bear the project financing debt. This is usually long-term debt with fixed-rate interest or, in the case of Brazil, at rates administered by the local authorities.

Development costs are financed by the holding company of each country through its operating cash flow and equity. For accounting purposes, they are capitalised when they are able to demonstrate a

certain level of progress (see Note 4.0. to the consolidated financial statements at 31/12/2015 in Section **Erreur ! Source du renvoi introuvable.** of the Registration Document). They are then charged out to the subsidiary in charge of each project once it has been completed and then incorporated into the investment costs of the project in question.

In order to pursue its profitable growth and geographical diversification strategy, the Group plans to strengthen its equity. The purpose of this transaction would be to expand the proportion of floating stock in the capital and would benefit from a new investment from the reference shareholder.

6. BUSINESS OVERVIEW

6.1. GENERAL PRESENTATION

Voltalia is an integrated and independent player in the renewable energy market and benefits from a strong growth. The Group develops, constructs and

operates medium-size renewable power plants, generally below 30 MW. Its mission:

To improve the global environment while promoting local development

The principal source of income for the Group comes from the sale of renewable electricity produced by its power plants. Such sales are predominantly governed by long-term contracts with full transparency of the volumes and prices of the electricity sold.

The Group is also able to generate income from the sale of projects developed in-house or of services, such as the operation and maintenance of power plants owned by third-party clients.

Voltalia is active in the main renewable energy sectors, namely wind, solar, small hydro and

biomass. At December 31, 2015, wind power accounted for 89% of the Group's installed capacity. With a presence in five different regions (Metropolitan France, Greece, Morocco, Brazil and French Guiana), Voltalia plans to gradually establish a presence in further countries.

At December 31, 2015, the Group boasted installed capacity of 376 MW (x 2.8 compared with December 31, 2014).

Revenue at December 31, 2015 breaks down by sector and region as follows:

By sector:

At December 31, 2015 (in € thousands)	Corporate	Wind	Biomass	Hydropower	Solar	Hybrid	Total
Revenue	1,046	44,074	2,854	1,601	7,404	1,503	58,482

By region:

At December 31, 2015 (in € thousands)	France	French Guiana	Brazil	Greece	Morocco	Total
Revenues	11,463	6,925	36,944	3,150	-	58,482

The global renewable energy sector is growing strongly: installed capacity increased by +21% per year between 2004 and 2014⁶.

Increasing global energy demand and the favourable development of the energy mix in favour of renewables are sustainable development factors. Accordingly, every year since 2013 over 50% of the installed capacity consisted in renewables⁷.

Renewable energy offers numerous advantages:

- It is faster and easier to build and to connect to the electricity grid when demand for electricity increases;
- It minimises imports, thus reducing the geostrategic dependence on energy sources imported from foreign countries (gas, coal, uranium, etc.);

⁶ Excluding hydropower. Source: REN 21

⁷ Source: Bloomberg.

- It benefits from support mechanisms in numerous countries which have introduced policies to fight global warming;
- Production costs are steadily falling. In Brazil, French Guiana and Morocco, for example, renewable energies generally have lower production costs than alternative sources of energy.

Based on the expertise of its teams and its strategic positioning, Voltalia is enjoying rapid organic

growth, with revenue increasing by a factor of 2.1 in 2015.

The Group's growth is well set to continue. The four wind farms in construction composing the Vila Para site (99 MW) will add +26% to Voltalia's current installed capacity at year-end 2016. Furthermore, the Group has a portfolio of projects in development phase totalling 1,839 MW, an increase of +31% over December 31, 2014.

6.2. COMPETITIVE ADVANTAGES

Based on an integrated developer-operator model in the renewable energy sector, Voltalia enjoys major advantages enabling it to consolidate its position in its historical markets, notably France and Brazil, and to pursue its development in new regions.

The Group considers that its principal competitive advantages are as follows:

- A unique profile as an integrated developer and operator of its own power plants with acknowledged industrial expertise in every stage of electricity production from renewable energies;
- A portfolio of high-quality and diversified assets based on a multi-country and multi-sector strategy;
- A historical presence and ongoing developments in differentiated regions with high development potential where renewable energies are generally the least expensive of energy sources;
- A flexible and effective industrial organisation operated by reliable and experienced personnel committed to local development;
- A sustainable financial plan combining consistent growth, high visibility and profitability.

6.2.1 A unique industrial profile as an integrated developer-operator



Founded in 2005, Voltalia has developed significant expertise in the production of electricity from renewable energies. Combined

with the high quality of its teams, Voltalia has defined its business model to position itself as an integrated industrial expert in the renewables

sector, controlling every stage of the development, construction and operation of power plants based on renewable energy sources.

The Group is therefore active throughout the process, from prospecting for new projects,

through to the development and construction of new power plants, right up to the operation and maintenance of its own plants.

Thanks to this recognised industrial expertise, the Group is regularly awarded complex projects by local authorities, notably in Brazil, including those at isolated sites that few players in the sector are able to deliver.

6.2.2 A portfolio of high-quality and diversified assets based on a multi-country and multi-sector model

The quality of the Group's assets spread out over various regions and sectors reflects the Group's industrial expertise and operational flexibility in the pursuit of its development.

A portfolio of high-quality assets

All projects developed by the Group are backed by long-term electricity purchase contracts secured at attractive electricity sale tariffs, generally for a 15 to 20-year period. Leading industrial groups are regularly associated with the projects developed by the Group in France, notably Caisse des Dépôts and 123Ventures, and in Brazil, with CHEFS (Eletrobras Group) and COPEL.

The Group also has a portfolio of projects in carefully selected geographical regions which are generally characterised by the significant growth potential of electricity demand, by a stable regulatory framework, access to debt in the local currency and the competitiveness of renewable energies. Over 82% of the Group's installed capacity supplies energy costing less than the alternatives (in Brazil and French Guiana, excluding solar).

The Group has also been able to select premium quality locations in the countries in which it operates. For example, the Group recently confirmed the pursuit of the development of one of the biggest Brazilian wind power clusters with a potential 1.2 GW capacity, 183 MW of which are in production, 99 MW are in construction and the balance in development or at the advanced planning stage. The site is located in the state of Rio Grande do Norte and benefits from wind conditions acknowledged to be exceptional. To connect this cluster to the network, Volitalia has already constructed its own 52km distribution line with 400 MVA capacity.

6.2.3 Multi-sector activity

The presence of the Group in the four main renewable energy sectors enables it to exploit the best sources of renewable energy in the areas in which it operates. Its local site strategy is based on matching and optimising local energy demand with the whole range of available energy sources.

This positioning takes into account the general factors applicable to each sector:

Advantages	Disadvantages

	Advantages	Disadvantages
Wind	High-performance technologies both available and easy to install Operations require little intervention Free resource	Increasing administrative constraints Useful life for wind turbines limited to approximately 25 years Production dependent on climatic conditions
Solar	Relatively simple and rapid construction Operations require little intervention Free resource	Strong competition Limited life of 25 years for panels Production dependent on climatic conditions
Hydroelectricity	Lifespan of the investment Operations require little intervention Free resource	High investment High administrative constraints Production may depend on climatic conditions
Biomass	Lifespan of the investment Limited administrative constraints Production possible 24 hours a day	Dependence on the availability and purchase prices of biomass resources Operation requires constant monitoring

The multi-sector positioning of Voltalia enables it to optimise exploitation of the natural resources available in its regions.

Since 2010, the Group has been producing electricity in all of its four sectors.

Among all of the Voltalia power plants, only one hybrid plant (19.5 MW in Brazil) does not solely operate from renewable energies: it combines a hydro plant with a thermal unit. After commissioning, the hydroelectric unit will produce 85% of the electricity produced by the site.

Complementary geographic locations

Present in Metropolitan France, French Guiana, Greece, Brazil and Morocco, Voltalia targets markets with high potential for renewable energies.

Thanks to its multi-country positioning combined with its multi-sector expertise, the Group is able to offset its activities between different segments in light of local regulations specific to each segment

and in response to local economic and financial developments, enabling it to optimise its growth rate.

The international character of Voltalia also enables it to diversify exposure to the specific macroeconomic and/or geopolitical risks in each country.

6.2.4 A flexible and effective industrial organisation operated by reliable and experienced teams committed to local development;

The development of renewable energy projects is a complex and lengthy process, particularly in the wind power sector where it can last between 4 and

8 years (for further details, see Section 6.7.4 of the Registration Document). The complexity and length of the process are not only due to technical matters;

they are also the result of the necessity of obtaining numerous administrative authorisations specific to each country and segment.

Voltalia masters the development, construction and operational phases thanks to teams who have been with the company since its creation in 2005: with a solid presence on the ground, highly competent and fully involved in all key phases, they have proved their abilities and have enabled the group to become a recognised player in every country (see section 1.1).

The industrial expertise and proven ability of its personnel to win tenders and meet deadlines for handing over power plants, or even delivering in

advance, are just some of the assets that will enable the Group to sustain its current growth dynamic.

Voltalia has a sound, international and dynamic senior management team, recently reinforced by the arrival of managers experienced in the renewable energy sector.

In line with its mission, Voltalia also participates in local development through its involvement with local populations, notably by means of social projects. This component of its mission enables the Group to ensure the support of local populations, thereby benefiting from a higher level of acceptance for its projects and easier access to the sites.

6.2.5 A sustainable financial plan combining consistent growth, high visibility and profitability.

Since Creadev took control in 2011, Voltalia has implemented a strategy of sustained growth, with total installed capacity increasing 7-fold since 2012.

The recent acceleration in the number of commissioned plants throughout 2015 confirmed the Group's ability to achieve its targets, with the objectives set out in the IPO in terms of installed capacity having been achieved, and even exceeded, some six months ahead of plan

Voltalia has also demonstrated the soundness of its financial model. In profit since 2014, the Group benefits from a high level of visibility over its income curve. At December 31, 2015, the residual duration of the Group's electricity sale contracts was 18.5 years. The Group continues to grow: four power plants, totalling 99 MW, are currently in construction and will be commissioned in 2016. Moreover, the portfolio of projects in development phase totalled 1,839 MW at December 31, 2015 (+31% over 12 months).

6.3. STRATEGY

Having successfully finalised its 350 MW construction programme initiated in 2012, Voltalia is pursuing its development.

Thanks to its significant portfolio of projects at the construction and advanced development phase, the Group's ambition is to have a 1 GW (1,000 MW) installed capacity by 2022.

Voltalia is implementing a four-cornered strategy to achieve this objective:

- Reinforcement of its multi-energy profile and the rebalancing of its asset portfolio;
- Confirmation of its status as an independent, integrated and international green electricity producer with a high degree of industrial control over the entire value chain;
- Pursuit of its organic growth strategy sustained by a high development capacity and a targeted external growth strategy;
- Long-term commitment to local populations in order to support its development.

6.3.1 Confirming its status as an independent and integrated green electricity producer

An integrated player

Voltalia has developed significant in-house expertise of all stages in the value chain, from prospecting for new projects to the commissioning and operation of electricity production sites. Voltalia therefore has all the necessary know-how to develop its business and maintains complete control over the entire value chain. This rigorous approach enables the Company to manage its development with strict control over costs and the delivery timetable; control of the execution risk is therefore optimised, as demonstrated by being ahead of schedule with several of its construction projects in 2015.

Moreover, thanks to its positioning in markets where renewable electricity is competitive ("grid parity") and to the ingenuity of its personnel, Voltalia has acquired rare expertise among renewable energy players, namely that of electricity sales on the free market, such as in Brazil, where Voltalia has signed contracts for approximately 100 MW since January 2014.

Competitive advantages originating from control over the value chain

Exploiting its experience, Voltalia recently developed service activities for third-party clients. This activity constitutes further evidence of Voltalia's industrial capabilities, it having been awarded maintenance contracts for assets operated by other players in the sector.

Voltalia's industrial expertise also enables it to deliver power plants located in complex environments due to their isolation, such as Oiapoque in the Amazon region. For this project, Voltalia was the only player to propose the construction of a hybrid power plant combining hydropower and diesel offering an electricity supply as reliable and effective as the previous facility, while emitting 85% less greenhouse gases.

Due to the numerous technical constraints related to the construction of this type of power plant, these projects constitute a genuine demonstration of the Group's operational capabilities.

6.3.2 Reinforcing its multi-energy and multi-country profile by rebalancing its asset portfolio

The multi-segment positioning in different regions provides the Group with the strategic freedom to promote value creation. Voltalia concentrates on high-potential and dynamic **market** segments offering the best development and profitability prospects.

Voltalia is therefore positioned in segments where growth is both strong and sustainable:

- In **Brazil**, Voltalia is principally positioned in the **wind power** segment where the market share is growing strongly compared to other sources of energy due to particularly favourable wind conditions thanks to the trade winds. The Company intends to pursue its development in wind power and to exploit the country's hydropower and solar power potential;
- In **French Guiana**⁸, Voltalia is the market leader and the leading private producer of electricity behind EDF. Its positioning principally covers **hydropower, biomass and solar power**. The Group is also planning to develop wind power projects in the country;
- In **Metropolitan France**, the success of Voltalia in the **solar and wind** segments validates its positioning in this sustainable growth market, confirms its ability to win tenders and consolidates its ambition to develop small hydro power plants over the coming years;
- In **Morocco**, where Voltalia established a subsidiary in April 2015, the Group plans to develop, construct and operate solar energy-based electricity projects exploiting the resources of the Sahara, wind power projects exploiting the trade winds and hydropower. Voltalia is positioned in the country for both public calls for tender and electricity sales on the free Moroccan market.

The Group therefore plans to pursue its multi-energy and multi-country strategy across all its markets. While Brazil will constitute the majority of the Group's electricity capacity due to its historical positioning, Voltalia aims to accelerate its development in its other priority regions, as well as in further countries in order to rebalance its portfolio.

⁸ Top private producer in terms of number of MWh sold. Source: Company, EDF website, Quadran website.

6.3.3 Pursuing its organic growth strategy sustained by a high development capacity and targeted external growth strategy;

Thanks to its locally-based personnel, the Group has a very significant development capacity, far in excess of its installed capacity objectives. In addition to the 99 MW currently in construction, the Group has a portfolio of development projects amounting to 1,839 MW.

Projects meeting the following four criteria are classified as being in development:

- Visibility regarding gaining site access, such as signed lease agreements and favourable environmental impact studies;
- Visibility regarding authorisations, such as the submission administrative applications and the high probability of receiving planning permission;
- Feasibility of connection to the grid;
- Acceptable project profitability.

Details of the Group's portfolio of projects in development at December 31, 2015

In MW	Metropolitan France	French Guiana	Greece	Brazil	Morocco	TOTAL
Construction	-	-	-	99	-	99
Wind	-	-	-	99	-	-
Development	405	49	58	1,180	147	1,839
Wind	276	9	52	1,044	105	
Solar	129	14	6	94	3	
Hydroelectric	0	20	-	42	39	
Biomass	0	5	-	-	-	
Grand total	405	49	58	1,279	147	1,938

By developing a large number of projects, the Group is in a position to decide which power plants warrant long-term investment, which enables it to sell all or part of certain developed projects once they are in the pre-construction phase. This freedom gives Voltalia the ability to focus on the power plants offering the best returns.

By offsetting its activities in favour of the most profitable projects and selling certain assets to third

parties on an opportunity basis, Voltalia is able to optimise the development of its portfolio and ensure maximum value creation.

This development and disposal strategy enables the Group to offset the various projects and regions in order to balance its project portfolio and reduce its exposure to local risks.

The Group has established a set of criteria to identify its future international installations, including:

- The ability to capitalise on its know-how;
- The multi-energy potential;
- The competitiveness of renewable energies;
- Strong growth in electricity consumption (or the replacement of an existing obsolete fleet);
- The possibility of procuring long-term debt in local currency;
- The indexing of contracts to inflation.

Pursuing a targeted external growth strategy

Although the Group's growth will be principally achieved organically, the Company has demonstrated that it is in a position to acquire new project portfolios in order to accelerate its development, as with the recent acquisition in July 2015 of the French wind power project portfolio from Maia Eolis, amounting to 379 MW. After acquisition, the projects are integrated into the Valtalia pipeline and its personnel drive development work forward.

On the strength of the unique ability to identify and integrate profitable projects, the Company will continue to study potential acquisitions presented to the market. New acquisitions enable Valtalia to reinforce its expertise over the various stages in the value chain, confirming its status as an integrated industrial player.

6.3.4 Commitment towards local populations in order to support its development

Wherever it has a presence, Valtalia commits to building sustainable relationships with its partners from civil society. To this end, the Group implements numerous initiatives to establish dialogue and awareness about sustainable development, and supports various socio-economic initiatives, as detailed in the Group's social and environmental responsibility report, available in Appendix A.2 to this document.

The alignment over time of the interests of all stakeholders, including the public authorities, regulators and local populations, is a key success factor that not only enables the Group to optimise

recruitment and retain skilled employees, but also to develop and construct more rapidly than its competitors.

Support from the Group's reference shareholder is decisive in the implementation of this strategy. It has already made it possible on several occasions to bring forward the start of plant construction by providing the provision of the necessary funds in the form of subscription to most of the Group's capital increases or in the form of current account advances in order to accelerate the development of the Company.

6.4. PRESENTATION OF THE GROUP'S MARKETS AND COMPETITIVE ENVIRONMENT

The Group has been able to develop its business thanks to the combination of the following market dynamics:

- Sustainable growth in global electricity consumption driven, to a great extent, by the sustained demand in emerging countries and, to a lesser extent, developed countries;
- Countries will reinforce their energy independence in the context of rising geopolitical tension and high volatility in fossil energy prices;
- Growing environmental concerns;
- Increased competitiveness of renewable energies.

6.4.1 A market driven by the increase of electricity production capacity from renewable sources

From 2004 to 2014, electricity production in the world increased at an annual rate of approximately +3% per year and at a rate of +6% per year in non-OECD countries⁹.

Breakdown of global electricity production in 2014

Renewable energies accounted for 22.8% of global electricity production at year-end 2014, of which 16.6% for hydropower alone (source: REN21, Renewables 2015 - Global Status Report).

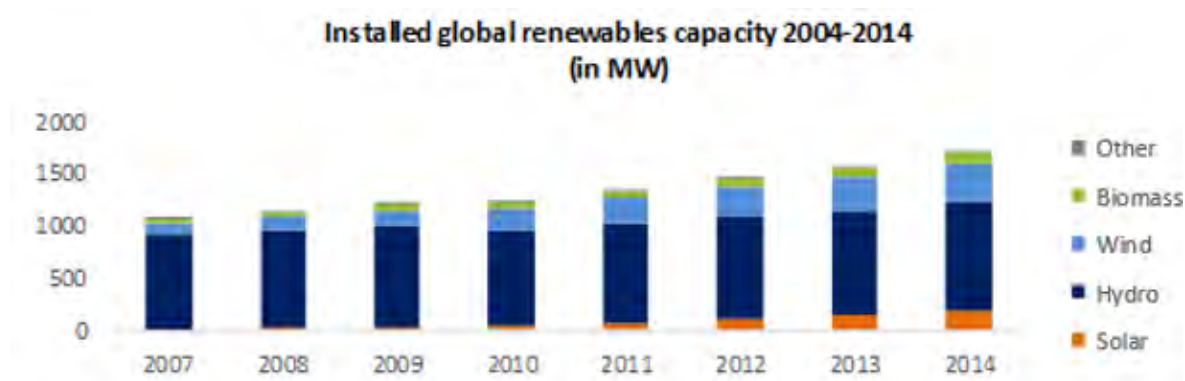
Sector:	Share
Fossil fuels and nuclear	77.2%
Hydro	16.6%
Wind	3.1%
Biomass	1.8%
Other renewable energies	1.3%

Source: REN21, Renewables 2015 - Global Status Report. 31

Renewable energy sources represented approximately 59% of the net new electrical production capacity in 2014. The total installed renewable energy capacity in 2014 was therefore 1,712 GW (+8.5% over 2013).

Source: REN21

⁹ Source: BP statistics 2015



Since 2007, electricity production capacity from renewables has increased on average by +22.7% per year (excluding hydropower), thereby quadrupling the number of megawatts installed worldwide. Furthermore, since 2013 the quantity of renewable megawatts installed has been greater than the production capacities from fossil fuels.

Breakdown of global renewable capacities installed in 2014

		2013	2014
Total renewable energy, including hydropower	GW	1,578	1,712
Hydroelectric power	GW	1,018	1,055
Total renewable energy, not including hydropower	GW	560	657
Wind power	GW	319	370
Solar PV energy	GW	138	177
Others	GW	103.5	110.2
Number of countries with government targets policies		144	164
Investment in new electricity generation capacity from renewable energies (\$ bn)		232	270

Source: REN21, *Renewables 2015 - Global Status Report*, p.19

¹⁰.

Development and outlook

In its latest report¹¹, the International Energy Agency (IEA) predicts that electricity will account for almost 70% of energy demand between 2015 and 2040 and that the global electricity mix will move in favour of renewable energies; the Agency estimates that in 2040, 50% of the electricity consumed by the EU will be renewable, that this share will be approximately 30% in China and Japan and 25% in the United States and India. This trend should be supported by increasing investment in the generation of clean electricity: the organisation considers that 60% of the investments in electricity generation made between 2015 and 2040¹² will go to renewable energies. These measures should enable an additional 3,600 gigawatts to be installed and the competitiveness of renewable energies to be considerably enhanced by 2040.

¹⁰ Source: Bloomberg

¹¹ World Energy Outlook (WEO) 2015

¹² The IAE estimates the volume of investments made in energy between 2015 and 2040 at 68 billion dollars, 29% of which is dedicated to the production of electricity.

6.4.2 Market structure and remuneration

The production of renewable electricity is generally structured around three remuneration mechanisms:

- Feed-in tariffs: benefiting from support from public authorities, these contracts impose an obligation on the historical operator (national electricity company) to purchase the production of electricity obtained from renewable sources. The tariff, generally above market prices, is guaranteed over a long period (between 15 and 20 years) and may be revised or decrease over time;
- Calls for tender: projects are selected by public authorities based on factors including the purchase price proposed by the candidates. The final purchase price corresponds to that offered by the candidate in its tender offer. The tender procedure therefore enables the quantity of projects and the volume of production benefiting from public support to be controlled;

- Sale of electricity on the free market: the operator of the renewable power plant sells on the electricity produced to a market operator at market prices, i.e. fluctuating on the basis of supply and demand.

Moreover, projects from renewable sources have lower construction times compared to projects based on conventional energy sources (coal, nuclear, etc.). From prospecting to final commissioning, the completion of a renewable project requires between two and eight years depending on the energy source. For conventional energy power plants these periods are generally longer, in the order of 10 or 20 years.

Consequently, in countries suffering from a structural lack of energy infrastructure, such as certain emerging countries and notably Brazil, the development priorities are generally granted to renewable projects which allow for a rapid response to be made to a real need.

6.4.3 Specific features of the various segments

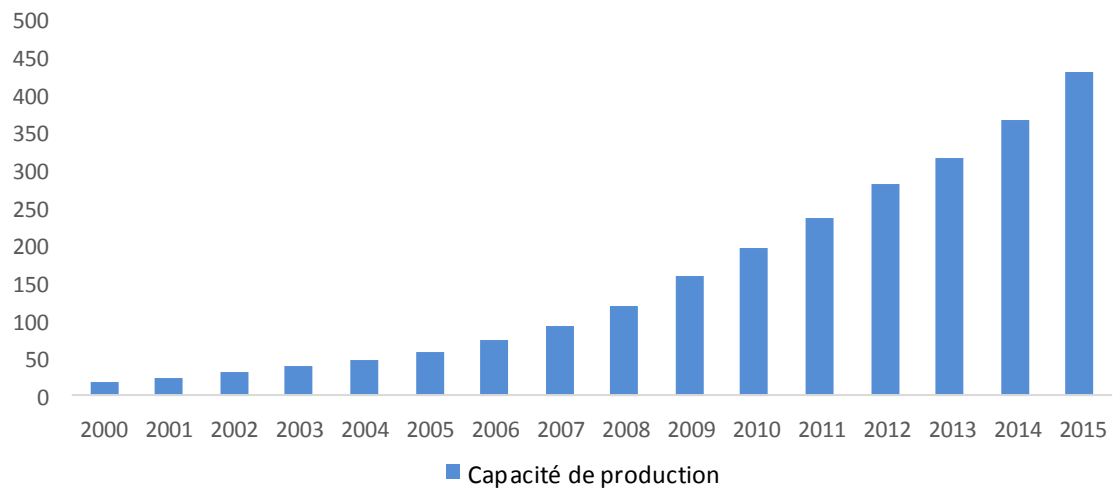
6.4.3.1 Wind power

Since 1993, wind power has grown exponentially throughout the world, from less than 3,000 MW cumulative global power to nearly 432 GW at year-end 2015.

This increase has been especially sustained since 1997 with the adoption of the Kyoto Protocol and the strengthening of measures to support the production of electricity from wind energy (in particular the European “Renewable Energy Directive”), but also thanks to technological advances that have made possible a significant increase in the size and performance of wind turbines.

The table below shows the evolution in the global cumulative wind power capacity and wind capacity installed annually since 2000.

Total wind power installed worldwide, in GW



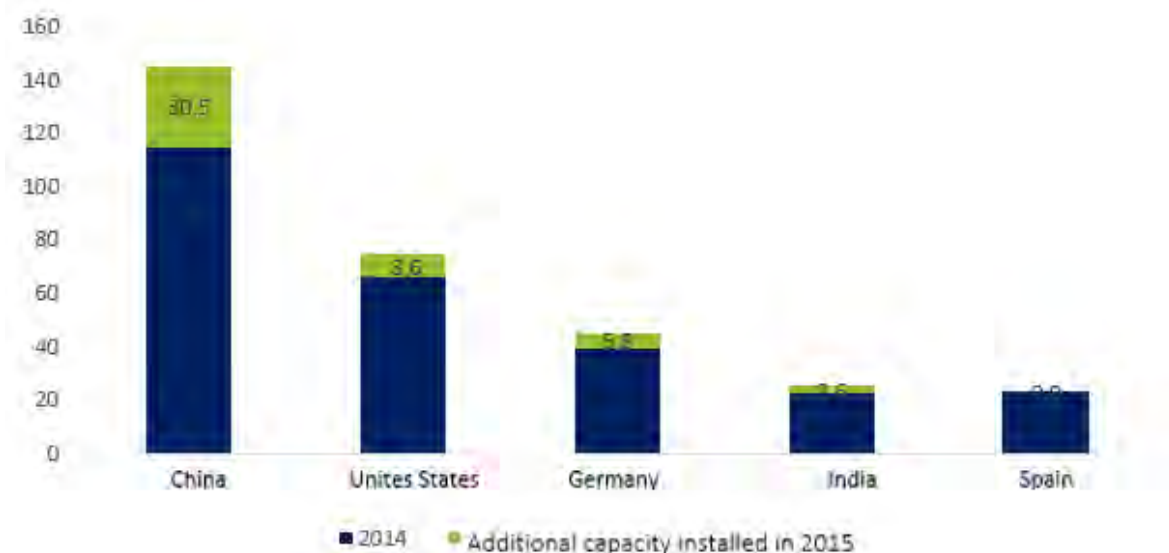
Source: GWEC, 2015 statistics

The annual capacity growth rate has remained strong despite a difficult financing environment and regulatory uncertainties in some markets; capacity rose sharply, with an estimated global growth of +17% in 2015 compared to +16% in 2014. The Chinese market confirms its position as the world's leading wind energy market with 30.5 GW newly

installed in 2015 (an increase of +32.6% compared to 2014) ahead of the United States (8.6 GW newly installed in 2015 compared with 4.9 in 2014).

In terms of cumulative installed capacity at year-end 2015, the five major wind power markets accounted for over 72.5% of the installed capacity in the world.

Installed capacity of the 5 major markets in 2015, in GW



Source: GWEC statistics 2015 - In 2015 Europe accounted for 34.2% of the wind capacity installed worldwide in 2015 (source: GWEC).

Under the moderate scenario outlined by the GWEC (*Global Wind Energy Council, The Global Wind Energy Outlook Scenarios 2014*), total cumulative installed wind capacity worldwide will reach 712 GW by 2020, more than double the current capacity.

Annual installed capacity is expected to reach nearly 65 GW in 2020. North America and the European Union are expected to experience significant growth, representing nearly half of the additional installed capacity worldwide between 2010 and

2020. Asia is also forecast to see significant growth, especially in China and, to a lesser extent, India.

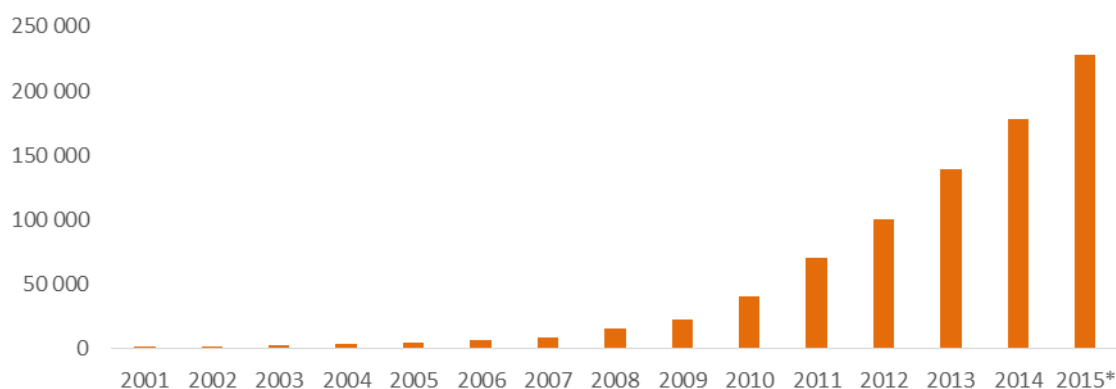
6.4.3.2 Solar power

Solar PV is the fastest growing sector in the world, with an +50.1 GW capacity increase in 2015 (*Source: Solar Power Europe*), up +25% on 2014, reaching a total of almost 228 GW.

On a global scale, China now occupies first place worldwide. The largest markets are located in Asia (China and Japan), while the United States rank third.

According to Solar Power Europe, the increase in solar power in Europe in 2015 comes essentially from the United Kingdom, Germany and France. For the second consecutive year, these three countries account for 75% of new solar capacity grid connections, totalling 5.3 GW. Solar power accounts for approximately 4% of electricity consumption in Europe and up to 8% in the most mature markets (Italy, Greece, Germany).

Installed global solar capacity, in MW



Source: Solar Power Europe

The European Union accounted for 49% of global installed capacity in 2014, driven by Germany, the leading country in the world with 26.0% of installed capacity at year-end 2014 (38.3 GW, up +2.6 GW) and Italy (18.5 GW, up +0.6 GW). Nevertheless, 2014 saw significant rises in Asia and the USA. In

Asia, the Chinese market created 10.6 GW of new capacity, versus 9.7 GW in Japan following the Fukushima disaster. The US ranks third in terms of new capacity with 6.2 GW installed in 2013. These three countries alone accounted for almost 62% of new capacity installed in 2013 and 2014.

Breakdown by country of photovoltaic solar capacity installed worldwide, in GW

Country	New installed capacity in 2014	Total installed capacity at year-end 2014	Share in global installed capacity
Germany	1.9	38.2	22%
China	10.6	28.2	16%
Japan	9.7	23.3	13%
Italy	0.4	18.5	10%
US	6.2	18.3	10%
France	0.9	5.7	3%

Country	New installed capacity in 2014	Total installed capacity at year-end 2014	Share in global installed capacity
Spain	0.1	5.4	3%
UK	2.4	5.2	3%
Australia	0.9	4.1	2%
India	0.7	3.2	2%
Rest of the world	5.5	17.6	15%

Sources: Eurobserv'ER, 2015 Photovoltaic Barometer; EPIA

Solar Power Europe estimates that by 2017 the global installed capacity will rise to 288 GW.

Forecast of global installed solar capacity by 2017, in GW

Country/Region	2012	2017	
		With retention of existing measures	With reinforcement of existing measures
MEA	0.6	7.8	18.8
China	8.3	47.3	66.3
America	8.7	53.8	70.4
APAC	12.4	53.6	85.8
Europe	70.0	123.6	179.6
Rest of the world	2.0	2.0	2.0

Source: Solar Power Europe

6.4.3.3 *Biomass*

Biomass enables electricity to be produced from agricultural or forestry plant matter. The particular technique of biomass combustion is a technique for electricity production providing optimum yield when it takes the form of cogeneration (i.e. the simultaneous production of heat and electricity). In many regions, this sector faces a risk of conflict through its exploitation of natural resources.

In 2013, electricity generation from biomass (all segments combined) totalled 405 TWh, 8% of world production of electricity from renewable sources. However, it is used to a much greater extent for heat production. In 2011, biomass accounted for

74.9% of global renewable energy (heat, electricity and fuel). There has been sustained growth in the biomass sector since 2002, with an annual average growth rate of +8.3%, and production has increased by +179 TWh, of which 82.6 TWh in Western Europe alone (*source: Observ'ER*).

According to national plans for renewable energies submitted by Member States to the European Commission, production of electricity from biomass is expected to reach nearly 155 TWh in 2010, versus 100 TWh in 2013 (*Source: Solid Biomass Barometer, January 2015, EurObserv'ER*).

6.4.3.4 *Hydropower*

Hydropower has historically been the largest renewable source of electricity in the world,

accounting for 62% of renewable energy capacity installed in 2014. It represents the second largest

source of electrical energy in the world, behind fossil fuels, contributing 16.6% of global electricity

Breakdown of global installed capacity

production in 2013 (source: *REN 21, GSR2015*).

Region	Share
Europe	16%
East Asia & Oceania	35%
North America	17%
South America	14%
Western Asia & Middle East	15%
Africa	3%

Source: International Hydropower Association – 2015 Hydropower status report, pp.72-73

Hydropower covers a variety of power ranges, from small hydro, i.e. capacity below 10 MW, to large hydro, which can reach several gigawatts. Despite its potential, growth in hydropower is the weakest among the electricity production sectors using renewable energy sources. Firstly, the large hydro sector is approaching its maximum potential in industrialised countries. Secondly, over the course of the past few years, the power figures for installed

small hydro capacity have changed very little since the new projects often face complex administrative and regulatory barriers. Nevertheless, there is high potential for renovation and increasing power and yields, as more than two thirds of current facilities have been in service for more than 40 years.

The table below shows the volume of electricity generated from hydropower in 2012 in countries with the greatest capacity:

	2012 production (TWh)	Share of global production
China	823.3	22.5%
Brazil	416.8	11.4%
Canada	380.1	10.4%
US	298.1	8.1%
Russia	164.8	4.5%
Norway	142.9	3.9%
India	114.8	3.1%
Japan	85.7	2.3%
Venezuela	82.4	2.2%
Sweden	78.6	2.1%
Rest of the world	1,075.9	29.4%
World	3,663.4	100.0%

6.4.1 Voltalia's markets

The Group has decided to be active in regions with ambitious objectives in terms of renewable energy and high installed capacity growth rates.

6.4.1.1 *Metropolitan France*

a) Electricity profile

In France, the production of electricity is still dominated by nuclear and hydroelectric, with hydroelectric having been regularly adversely affected by low levels of precipitation in recent years.

Sector	Share
Nuclear	77.1%
Hydroelectric	12.6%
Fossil fuel ¹³	5%
Wind	3.2%
Photovoltaic solar	1.1%
Other renewables	1%

Breakdown of electricity production in France in 2014

Source: Ministry of Ecology, Sustainable Development and Energy, *Panorama énergies-climat* 2015, p.75

b) Renewable energies in France

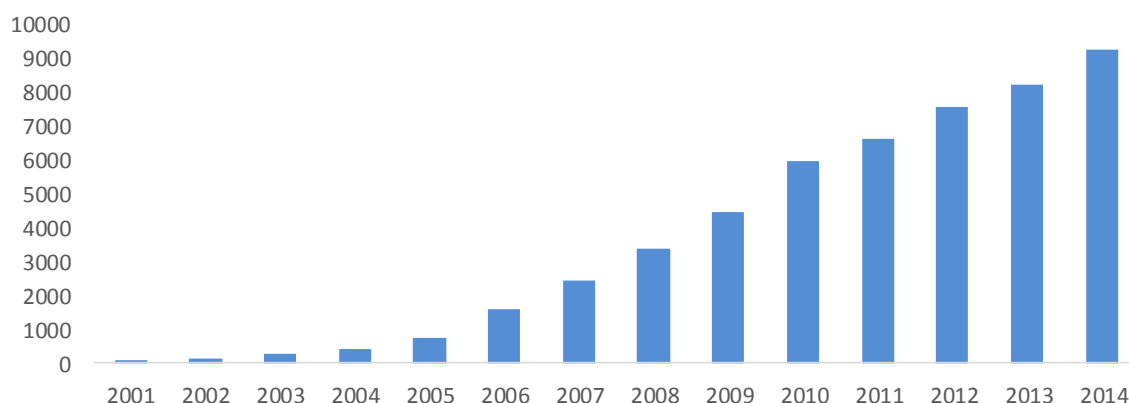
¹³ Includes: coal, gas, diesel

Wind power in France

With a 9,296 MW total cumulative installed capacity at year-end 2014 versus 8,254 MW at the end of 2013, France (overseas departments and territories included) has seen exponential growth since the mid-2000s. Growth remained strong in 2014 with an increase of +13% over 2013.

In France, growth is still expected to reach the high goals set by the Ministry of Ecology, Sustainable Development, Transport and Housing, which forecasts 19 GW installed onshore capacity in 2020, versus 8.2 GW at the end of 2013.

Installed wind power capacity in France, in MW



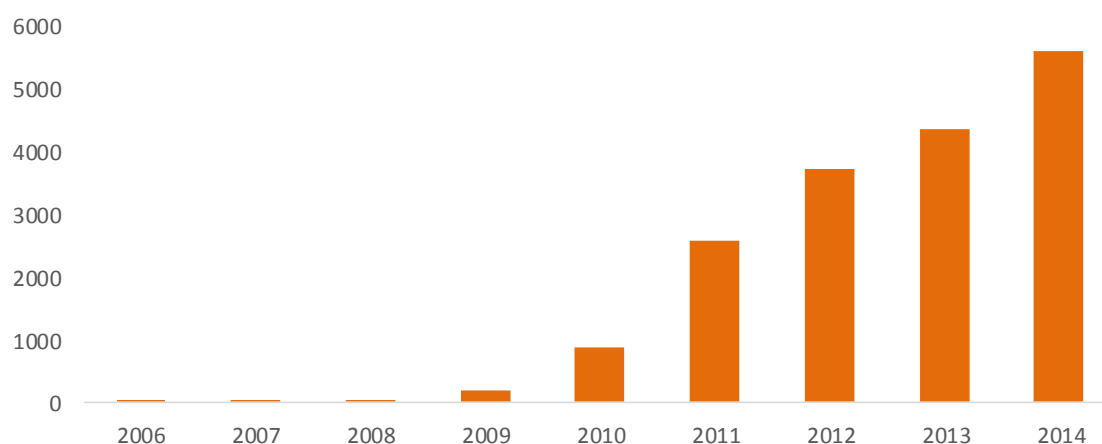
Source: The Wind Power

Photovoltaic solar

Since 2010, the French market has gone through many changes in the legal framework surrounding the electricity purchase price, which has fallen sharply. However, the number of connected farms continued to increase in 2014 thanks to contracts obtained prior to the moratorium and to the deployment of power plants benefiting from a

contract awarded under call for tender procedures. The *Grenelle de l'environnement* forum had set a target of 5.4 GW of installed capacity for 2020. This objective was achieved at year-end 2014. A new draft decree covering multi-annual energy planning sets an objective of 10,200 MWp for photovoltaic solar for 2018.

Installed solar capacity in France, in MW



Hydroelectricity

With high-output hydropower having reached its maximum potential in Europe, the sector is driven by the development of the small hydro segment which is, however, subject to significant administrative barriers. In this segment, Norway is the top European player with 30.3 GW capacity; France is in second place with 25.4 GW (Source: *International Hydropower Association – 2013 Activity Report*).

Biomass

France has become the second largest country in the EU, after Germany, to exceed the 10 Mtoe threshold. According to EurObserv'ER 2014, Metropolitan France produced about 10.8 Mtoe of primary energy from solid biomass in 2013, against just over 9.8 Mtoe in 2012, an increase of +10.2%.

Since late 2008, Ademe has managed the *fonds chaleur* (heat fund) with total grants of 1.12 billion euros to support projects involving wood-boilers and heat, geothermal, solar thermal and biogas networks, excluding private equipment and cogeneration. The *fonds chaleur* provides regional support for projects of more than 100 toe/year and grants through BCIAT (Biomass Heat Agriculture Industry Tertiary) calls for projects for production of more than 1,000 toe/year.

Although the biomass heat sector has shown great dynamism, this trend is not significant for the production of electricity.

While the French State has introduced a call for tender system managed by the CRE (Energy Regulatory Commission) for large-capacity biomass power plants operating in cogeneration mode, very few bids selected from the first three calls for tender have actually materialised.

The feed-in tariff system introduced for power plants of up to 12 MW has been particularly called into question. This system is heavily criticised by industry professionals because it does not promote the development of small cogeneration plants (less than 5 MW), as the tariff excludes de facto access to biomass cogeneration by the agri-food industry and medium-sized heating networks. These industries and heating networks cannot secure sufficient tonnage of biomass to feed their cogeneration plants of over 5 MW. The logic behind the French feed-in tariff system is the opposite of that of the German system, which has proven itself by focusing on installations of less than 5 MW.

6.4.1.2 *French Guiana*

a) Electricity profile

In French Guiana, a French department of 250,000 inhabitants, renewables account for just over 63% of the energy mix, mainly thanks to the Petit-Saut dam. Local energy consumption is experiencing sustained growth, driven by a population growing by over +2% per year and rapidly rising living standards. To meet its growing needs, French Guiana must reduce its dependence on imported oil by developing energy production from natural resources, especially biomass and hydropower.

b) Renewable energies in French Guiana

Photovoltaic solar

In French Guiana, the installed capacity increased from 0.9 MW at the end of 2009 to 34 MW at December 31, 2014.

Biomass

Significant wood energy resources are available over the long term in French Guiana. They come mainly from planned clearing for agricultural development and sustainable forest management for the production of wood for energy.

According to CIRAD (Center for International Cooperation in Agronomic Research for

Development) and the National Forestry Office, biomass deposits available over the next twenty years are estimated at 700,000 m³/year, some 840,000 t/year of green wood, while the requirements for biomass power plants with a total output of 40 MW power is about 480,000 t/year of green wood.

6.4.1.3 *Brazil*

a) Electricity profile

In Brazil, which is among the countries that have ratified the Kyoto Protocol, the dynamics driving renewable energies are less due to environmental policy, as in Europe, than to a need to meet growing demand for energy (+5% p.a.) in a country experiencing sustained growth and a need to provide coverage in many rural areas, which in 2001 experienced serious power shortages.

According to the UN report "Global Trends in Sustainable Energy Investment 2009", Brazil is the world's largest renewable energy market, with energy from hydropower historically representing over 70% of installed capacity (68% of 126 GW of installed capacity in 2013).

In 2015, Brazil had to face structural shortages of electricity marked by an increase of more than +50% in the electricity spot price in certain regions. In response to this phenomenon, in August 2015 the government announced a \$53 billion investment programme (186 billion reais) intended to modernise energy infrastructure and equip the country with an additional 25-31.5 GW by 2018.

The Brazilian market offers a framework favourable to the construction of renewable projects. The

BNDES, the Brazilian national development bank, is highly active in local currency financing of renewable energy projects. Moreover, objections to planning permit for Brazilian development projects are less frequent than in Europe, enabling the industry to commission power plants within short time frames.

The country needs to diversify its sources of electricity to meet its growing needs and to reduce imports of electricity (equivalent to 7% of consumption in 2011); the PDEE 2008-2017 (10-year energy expansion plan), introduced in 2008, provides for a +54 GW increase in Brazilian production capacity over the next 10 years. This accelerated growth is structured around auction mechanisms established by the government (according to PSR Inc., 30 GW of new capacity has been awarded at the auctions during the past five years), consisting primarily of major hydropower projects with a significant proportion of small hydro plants and the development of biomass and wind energy. Renewable energies currently only cover the increase in electricity needs.

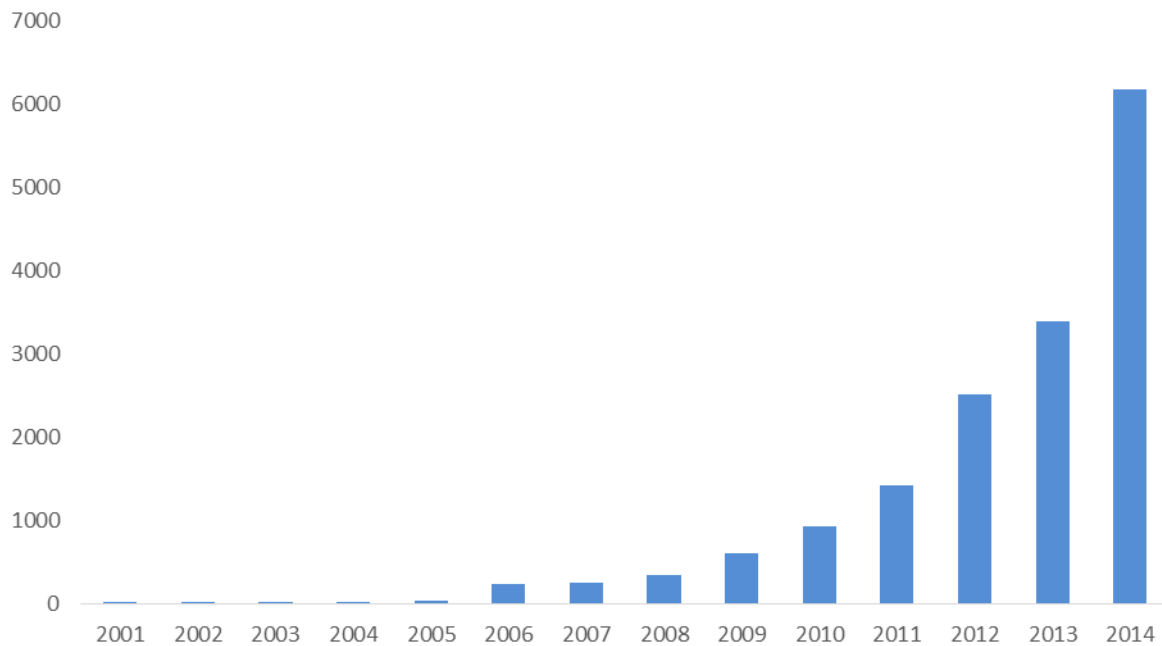
b) Renewable energies in Brazil

Wind energy in Brazil

Despite its low share in power generation, the wind energy sector in Brazil is a competitive industry with a solid base. The share of the wind sector in power generation is still relatively low (2.2% of total electricity production in 2014), but has been growing rapidly since 2005, notably thanks to).

government incentives. The growth of the sector has accelerated since the establishment of an auction system in 2009 that has led to the signature of 13,961 MW of contracts to buy/sell electricity since that date (sources: ABEEolica / EPE / CCEE

Installed wind capacity in Brazil, in MW



Source: The Wind Power.

In Brazil, a wind energy market particularly targeted by Voltaia, the introduction of the auction system in 2009 led to an immediate acceleration of growth.

Wind capacity in Brazil should reach a minimum 17 GW of installed capacity by 2022 (source: EPE).

Photovoltaic solar

The photovoltaic sector is underdeveloped in Brazil, its share in the national energy mix is marginal (less than 20 MW installed in early 2015), and was not. The Brazilian market for solar energy is therefore in its early beginning, but has great potential in view of the climate conditions (Brazil receives more than twice the solar potential of Germany, which has the largest amount of installed solar energy capacity in the world).

The first call for tender reserved for solar photovoltaic projects were held in October 2014. Thirty-one projects with a 1,050 MW total installed capacity were awarded and must be commissioned

integrated into the government's priorities before the energy crisis that began in late 2013.

by early 2017. The call for tender process was very competitive, with an average price of 215 BRL/MWh.

The government announced that calls for tender reserving part of the demand for solar will continue and that the objective would be 1 GW capacity per year.

In 2015 solar accounted for 32.5% of the MW covered by calls for tender in Brazil, at an average price of 299.5 BRL/MWh.

Hydroelectricity

Hydropower is the principal source of electricity in Brazil (about 80% of annual consumption), as well as the least expensive, with 1,164 power plants and a capacity of almost 89.6 GW at March 31, 2015. This historic predominance is partly explained by geography and partly by a distinct, but conducive, rainfall pattern. The rainy season in the south, north and north-east corresponds to the dry season in the central-west and south-east regions, and vice versa.

While the Government would like to diversify its energy mix, hydropower is the major focus of its power generation development programme because of its untapped potential; the potential total output of the sector is estimated at more than 260 GW (source: *Brazilian Committee on Dams*). In September 2012, however, in order to provide electricity at a more competitive price to the

population and to increase the competitiveness of the hydropower industry, the government proposed new conditions for the renewal of power plant concessions totalling 22,000 MW, resulting in a

lower purchase price for hydropower in return for financial compensation to operators owning power plants not yet fully depreciated.

Hydropower plants (at 31/12/2015)	Number	Capacity (MW)
In operation	1,164	89,632
In construction	51	15,699
Authorised	178	2,379

Source: ANEEL.

However, in addition to large projects, Brazil also favours small hydro (capacity below 30 MW) to improve local coverage of electricity needs and to promote the universal availability of energy. The measures adopted since 2007 have focused on establishing a simplified regulatory framework and, along the lines of the wind sector, the introduction of an auction system organised by ANEEL, the national agency for electricity.

In Brazil, the region of highest potential for Voltaia, the small hydro sector has potential capacity

exceeding 10 GW, according to the Ministry of Mines and Energy.

Overall, installed capacity is expected to reach 116.7 GW by 2019, according to the Brazilian Committee on Dams. This growth is primarily based on large projects; although some are in construction, they are often the subject of considerable controversy with regard to their environmental impact (including the main project of Belo Monte, with 11.2 GW total capacity).

Biomass

In 2014 Biomass accounted for 3.9% of Brazil's electricity production, at 21 TWh.

Currently, the main potential for biomass in Brazil is bagasse, the fibrous residue of sugar cane.

Brazil now has 434 sugar factories that are completely energy independent through the use of

bagasse burned in furnaces. But only 20% (88 units) sell their surplus electricity on the market.

The potential bioelectricity reserves from unused sugar cane is considerable. It is estimated that if the entire cane biomass available in the country were to be used, it would be possible to produce an average of 13,000 MW (source: Crebec & Brandao Consultores).

6.4.1.4 Greece

a) Electricity profile

In Greece, 83.8% of current electricity production comes from fossil fuels, whereas the country has great potential for renewable energies. Its solar potential is favourable to the development of solar industries and its islands and countless kilometres of coastline are excellent locations for the installation of wind turbines. Hydropower is the main source of

renewable electricity, with a 7.9% contribution to total production, followed by wind power.

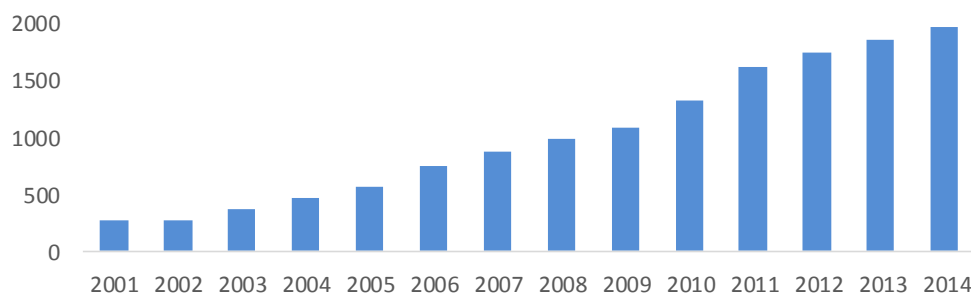
By 2020, the National Renewable Energy Plan anticipates production of 16 TWh, including 672 GWh from offshore wind. The country plans to develop offshore parks from 2016.

b) Renewable energy sources in Greece

Wind power in Greece

The second largest source of renewable energy after hydropower, wind power is of major economic interest in Greece as it seeks to reduce the high proportion of electricity generated from fossil fuels. With a 2 GW installed wind power capacity, the 2020 objective of 7.5 GW is still far from being achieved, despite the significant potential. The Greek government also intends to promote the development of offshore wind.

Installed wind power capacity in Greece, in MW



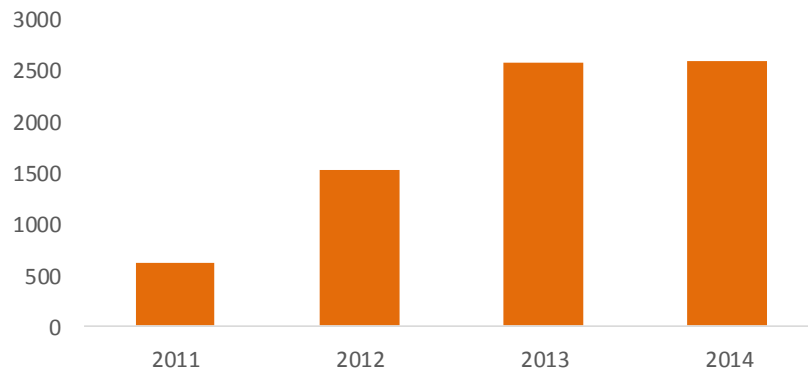
Source: The Wind Power

Photovoltaic solar

Despite very high potential, the photovoltaic sector has historically seen limited development in Greece. With a 2.5 GW installed photovoltaic capacity, the country has exceeded its 2020 objectives (2.2GW), due to the very strong growth in 2012 and 2013. This trend was halted in 2014 with only 16 MW of new capacity added during the year.

The Helios Project, announced in 2011 with the target of increasing the installed solar energy capacity to 10 GW by 2050 in order to supply Northern Europe with renewable energy, remains frozen for the time being due to lack of finance.

Installed solar capacity in Greece, in MW



Source: EPIA ; EurObserv'ER, Photovoltaic Barometer, April 2015

6.4.1.5 *Morocco*

a) Electricity profile

In Morocco, the energy mix is mainly based on the coal-fired plants of the Jorf Lasfar complex. Since the country does not have its own fossil resources for the production of electricity, all the required energy is imported. The country even needs to

import substantial amounts of electricity from Spain via a link off Gibraltar. Morocco enjoys a right to draw from a natural gas pipeline supplying Europe with Algerian gas.

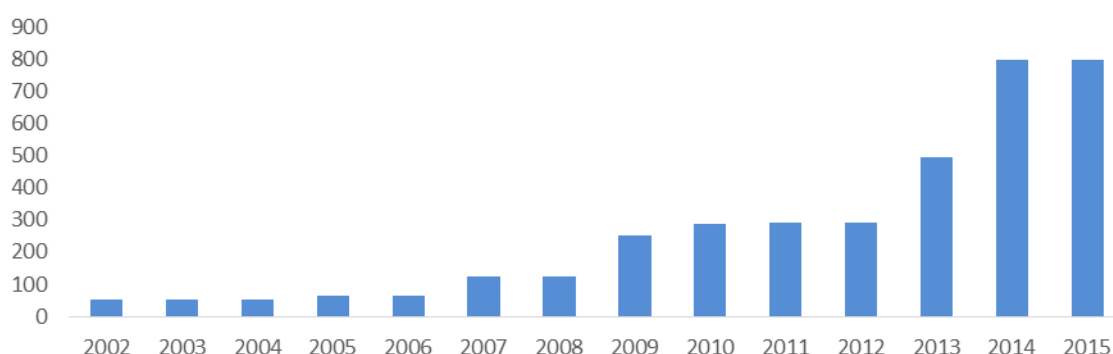
b) Renewable energies in Morocco.

Wind energy in Morocco

Morocco has very significant wind power potential with average speeds of up to 11 m/s. The opening up of the national electricity market to competition in 2010/2011 led to wind power being developed by the private sector.

The installed capacity has risen from 253 MW in 2009 to almost 800 MW in 2015 and looks set to rise further, notably with the start of the Integrated National Programme of 850 MW and the private Khaladi project (120 MW).

Installed wind capacity in Morocco, in MW



Source: The Wind Power & ONEE-Electricity Branch

The recent announcement at COP 21 of the new 2030 objectives for Morocco and the competitiveness of wind power in the country, notably thanks to the trade winds in its southern regions, suggest that a substantial proportion of renewables will come from wind power.

After becoming the second African country to announce its contribution to the fight against climate change under COP 21, Morocco will host the next Conference of Parties on climate in November 2016

Photovoltaic solar

The photovoltaic market in Morocco is in its infancy. The opening of the medium voltage market, a segment in which solar is competitive in Morocco, was being finalised at year-end 2015. Accordingly, there are currently only two live projects, a 2 MWp demonstrator in Kénitra owned by a Moroccan company and a 800 kWp constructed by ONEE. At the same time, two public calls for tender in PV are in progress in Morocco:

- Three plants totalling 170 MWp in the form of an IPP scheme supervised by MASEN, the Moroccan solar energy agency;
- Three EPC plants on behalf of ONEE totalling 75 MWp.

It should be noted that available solar resources in Morocco are very significant and suggest significant growth over the long term in this segment

Hydropower

Morocco benefits from numerous elevations (Atlas mountain range) and a uniform water situation between the northern and southern regions. Accordingly, in addition to the large dams constructed by Morocco to supply drinking and agricultural water, over 200 small and micro hydropower sites have been identified by ONEE and the various hydro basin agencies. The maximum capacity of the plants that can be constructed and operated by private operators is 30 MW, in line with

Volitalia's objectives. The first private plant was commissioned in early 2015 and several concessions have already been granted to operators.

The estimated technical potential for hydropower in Morocco is approximately 3,800 MW. In view of the installed capacity, the potential of the small hydro segment in Morocco is estimated at approximately 800 MW.

6.4.2 Competitive environment

6.4.2.1 *Competitive environment characteristics*

The renewable energy market remains extremely fragmented, composed in all countries of players of all sizes:

- Incumbent domestic operators;
- Global energy companies;
- Numerous medium-sized operators, usually positioned in a single sector and/or covering a limited geographical area;
- Countless small single-project operators.

The large number of small operators results in most countries in windfall profits thanks to the introduction of government incentives in support of renewable energies.

However, in most countries the presence of small players decreases due to regulations becoming more stringent (such as wind power projects in France becoming subject to ICPE regulations - see Section 6.5.3 of the Registration Document), or to the introduction by public authorities of new criteria for the admissibility of applications (such as the measures adopted in Brazil since 2008 - see Section 6.4.1.3 of the Registration Document), or the implementation of one-off measures (such as the moratorium on solar projects in France in late

2010). This trend is accompanied by a general move towards consolidation of the sector.

Overall, the development of the sector is favourable for groups such as Voltalia positioned on a significant number of medium-sized projects and which possess the adequate skills and resources (see Section 4.1.4.3).

Among medium-sized operators, few have Voltalia's ability to pursue projects across the four sectors in which the Group operates; only the historic domestic companies and the international operators are following such a strategy, while generally focusing on larger projects.

6.4.2.2 *Effects of competition*

In view of growing global energy demand and the abundance of natural resources and potential installation sites, the market for electricity generation from sources of renewable energy presents few barriers to entry. However, national

regulations in terms of environmental protection, administrative authorisation and tariffs are just some of the factors that generate variable constraints from one country to the next, impacting on the competitive environment.

In general, the competitiveness of players in the renewable energies market is measured at several levels:

- Project origination;
- Access to the financing required for project construction;
- Tariffs, for projects developed within the framework of calls for tender and auctions (in Brazil, and in solar in France).

6.4.2.3 *Competitive environment in Europe (France and Greece)*

Key players

In Europe, the Group's main competitors include photovoltaic project developers and wind power developers, as well as incumbent electricity producers and/or distributors. The most direct competitors are local players such as Albioma, Theolia and Solaire Direct in France, and PPC Renewables, a subsidiary of the national electricity company PPC (Public Power Corporation) in Greece, and major groups such as EDF, GDF-Suez and ENEL.

However, competition is limited to those groups in the context of calls for tenders; the projects originated by the Group and implemented under purchase obligations at fixed prices set by the government are not subject to effective competition because the number of potential sites is sufficiently high to allow different groups to manage their growth without competing in terms of origination.

Effects of competition

In France, the public policies of the European Union (for further details refer to Section 6.5 of the registration Document) are leading to calls for tender increasingly replacing the automatic tariffs. The administrative constraints, especially for wind power, are such that they favour the players already benefiting from critical mass.

In Greece, although project development is complex because of administrative complexity, fragmentation of land tenure and the economic problems in the country, guaranteed prices (except for solar) mean that the country remains attractive irrespective of the size of the players. Competition in the country is low-level.

6.4.2.4 *Competitive environment in Brazil*

Key players

The system of auctions introduced by the Brazilian government is accompanied by diversification of the players; accordingly, apart from the local players, the sector includes numerous foreign groups, such as Voltaia.

Summary of Brazilian calls for tender in 2015

Solar		Wind			
	1º LER	3º LER	3º LER	LFA	A-3
Total MW	834	929	548	90	539
Main winners	• Enel Green • Soltalio Brasil	• Soltalio Brasil • Sunedison	• Rio Energy • EDP Renovaveis	• Enel Green	• Ômega Ventos de São Vicente

Biomass			Low-power HEPP	HEPP/low-power HEPP	
	LFA	A-3	A-5	A-3	A-5
Total MW	389	65	111	66	346
Main winners	• Tropical Bioenergia • Biosev	• Clealco • Imetame Energia	• Bolt Energias • ERB Energias	• PCH Dorés de Guanhães	• Cemig Minas PCH

Gas-fired	
	A-5
Total MW	1,516
Main winners	• Genpower

Effects of competition

In Brazil, the auction mechanisms help to open up the market and therefore encourage competition.

The tables below detail the average and average weighted prices for each energy source resulting from the 2015 auctions:

	MW sold	Average weighted price (BRL)
Solar	1763	299.46
Wind	1177	191.16
Biomass	565	223.14
Hydro	413	200.72
Gas-fired	1516	279.00

6.4.2.5 Competitive environment in Morocco

Key players

Competition in Morocco is structured around two categories of players. Firstly, the major international

players (ENEL, International Power, etc.), which principally target highly competitive national calls

for tender, and secondly medium-sized players that principally target the private market, including Voltalia, one of the credible players given its *Effects of competition*

technical experience and financial solidity, notably vis-à-vis industrial counterparts.

In Morocco, the necessity of signing private electricity sale contracts with industrial concerns (excluding international calls for tender) creates a significant barrier to entry for smaller players.

Accordingly, although access to contracts is totally liberalised in the medium to very high voltage segments, the positioning of Voltalia is solid and credible.

6.5. LEGISLATIVE AND REGULATORY ENVIRONMENT

6.5.1 International context

In New York on May 9, 1992, many States adopted the United Nations Framework Convention on Climate Change. The purpose of this convention is to "stabilise the concentrations of greenhouse gas in the atmosphere at a level that would prevent dangerous entropic interference with the climate system." The Convention entered into force on March 21, 1994.

On December 11, 1997, the State Parties to the Convention adopted the Kyoto Protocol came into force on February 16, 2005. The Kyoto Protocol shares the same objective as the Convention, but significantly strengthens it through the introduction of individual and mandatory targets to be attained by the parties. For the 2008-2012 period, each party was assigned an individual target for reducing its greenhouse gas emissions leading to a global drop of at least -5% compared to 1990 levels.

On December 11, 2011, following the 17th UN Climate Conference, the 194 member countries of the UN climate convention signed an agreement to extend the Kyoto Protocol after its scheduled expiry at year-end 2012. This agreement provided for a global pact to reduce greenhouse gas to be

established by 2015, for implementation in 2020. It maintains the Kyoto "tools", prominent among which are the "clean development mechanisms" for developing projects based on low CO₂ emission technologies in southern countries. The agreement also provides for the creation of a Green Climate Fund to help poor countries cope with global warming.

While this agreement for the first time affects all the major CO₂ emitting countries, it will not, however, be "legally binding" and the signed text at this stage only commits the principal emitting countries (China, India and the USA, which account for over 50% of CO₂ emissions worldwide) to take measures to reduce their greenhouse gas emissions with no new undertakings in terms of emission reduction.

The Kyoto Protocol expired on December 31, 2012 and was not renewed, but has nevertheless been extended until 2020.

6.5.2 EU legislation

The Kyoto Protocol was ratified by the European Union and its Member States on May 31, 2002.

As a signatory, the EU has been assigned a target of reducing its greenhouse gas emissions by -8%. The promotion of electricity from renewable energy

sources is a top priority of the European Union, notably because this enables it to achieve its Kyoto targets more quickly. The European Union therefore set a target of 12% of gross national energy consumption and 21% of electricity consumption produced from renewable energy sources in 2010 (the 27-state EU). The strategy of the European Union in favour of renewable energies was notably translated into legislation by the 2001/77/EC European Parliament Directive and of the Council of September 27, 2001, covering the promotion of electricity produced from renewable energy sources in the internal market (known as the "Renewable Energy Directive"). The "Renewable Energy Directive" encourages the development of

electricity produced from renewable energy sources (namely renewable non-fossil energy sources such as wind, solar, hydropower, biomass, landfill gas, etc.). The directive sets national targets for Member States with respect to the share of electricity produced from renewable energy sources in gross electricity consumption in 2010. In addition, 2009/28/EC Directive of April 23, 2009, promoting the use of energy from renewable sources, extended the ambitious objectives of the "Renewable Energy Directive" by setting the objective of reaching a 20% share by 2020 of energy from renewable sources in final energy consumption in the European Union (27 countries).

Moreover, in October 2014 the European Council adopted a new framework for climate and energy up to 2030, in harmony with the 2020 Energy-Climate package. The Council set the following three objectives:

- A reduction of at least -40% in greenhouse gas emissions versus 1990 levels;
- An objective of 27% of renewable energy sources in energy consumption by 2030;
- An indicative objective of 27% energy efficiency on the basis of current criteria.

The Council also specified that the costs incurred under this new roadmap would be broadly similar to the investments required for the unavoidable renewal of current fossil energy capacity¹⁴.

On June 28, 2014, the European Commission adopted new guidelines governing State support for environmental protection and energy for the period 2014-2020. These rules notably target the elimination of feed-in tariff systems. From January 1, 2016, new support schemes should be based on sale in the market with additional premiums and, from January 1, 2017, technologically neutral calls for tender should be implemented.

Exemptions from the market sale obligation, the technological neutrality and the call for tender obligations are provided for in the guidelines.

Regarding the wind tariff notified to the European Commission before June 28, 2014, the French government has already announced that this sector can still benefit from the electricity sales contract beyond January 1, 2016, as implementing legislation will not be retroactive.

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¹⁴ European Council, cover note, Conclusions of the European Council of 23 and 24 October 2014

6.5.3 Regulation in France

6.5.3.1 *Before December 31, 2015*

The law on the modernisation and development of the public electricity service of February 10, 2000, and its implementing decree of December 6, 2000, provide that electricity generation plants using renewable energy sources will benefit from the purchasing obligation by Electricité de France (or other private distributors) at a rate determined by decree. Installations that use renewable energy or

that implement energy-efficient technologies, such as cogeneration, can benefit from this purchase obligation.

The Group benefits from the purchasing obligation contracts for its operational capacity in Metropolitan France and French Guiana over periods of 15 and 20 years. This provides the Group with predictable long-term revenue.

Overview of EDF's electricity purchase obligation

EDF is subject to electricity purchase obligations pursuant to the law of February 10, 2000.

Article 8 of the said Law provides that the Minister for Energy may issue calls for tender if capacity fails to meet the objectives of the multi-annual investment programme. Article 10 of the same law additionally provides that EDF and non-nationalised distributors in their own service areas are required at the request of producers to enter into contracts for the purchase of electricity produced:

- By installations processing household waste or which are designed to feed into a heat network;
- By installations with installed capacity not exceeding 12 MW and which use renewable energies (notably photovoltaic) or which exploit energy-efficient technologies, such as cogeneration;
- By installations that use mechanical wind energy;

- By installations that use recovered energy;
- In French overseas departments, by existing or new electrical installations that produce electricity from biomass, including biomass from sugar cane.

Such installations may qualify for a purchase obligation contract on only one occasion.

Decree no. 2001-410 of May 10, 2001 provided that any producer benefiting from the purchase obligation must sell all of its production to EDF, and that the indicative models for power sale contracts between EDF and the producers must be approved by the Minister of Energy. The conditions of sale, and notably the electricity sale tariffs, are determined by order of the Minister of Energy after consultation with the Higher Council for Energy and the CRE.

Special case of solar

Sale tariffs for electricity produced from photovoltaic systems were revised downwards by two government orders dated January 12, 2010, the scope of which was clarified by two government orders dated March 16, 2010 and by a decree dated August 31, 2010.

A decree dated December 9, 2010 suspended, for a three-months period from December 10, 2010, the obligation to conclude a contract for the sale of energy produced by photovoltaic installations. However, installations with capacity less than or equal to 3 kWp, installations where a contract is ongoing and projects that are already at a very advanced stage (where a Financial and Technical Proposal has been signed with ERDF) were excluded from the scope of the measure.

After this suspension period a new regulatory framework came into force, consisting mainly of two decrees. The first, dated March 4, 2011, repeals the aforementioned government order of August 31, 2010, while retaining some transitional provisions.

The second government order of the same date sets new tariff conditions: it establishes several tariff formulas that mainly take into account whether the installation is integrated (included in roof plans), its peak power and the peak power of all other

connected or planned installations in the same building or the same registered parcel and the use of the building on which the installation is located.

In addition, electricity sale tariffs are subject to quarterly review, depending on the total capacity of the installations able to benefit from the purchase obligation and which were the subject of completed connection applications during the previous quarter. It should be noted that some facilities, including onshore facilities, are subject to a gradual quarterly reduction, which does not take into account the volume of connection applications submitted to the relevant network operator.

In addition to this tariff structure for ground facilities and installations on large roofs, the government annually launches calls for projects to assign electricity sale contracts to the best projects at national level. To some extent, these calls for projects promote innovation and R&D.

Specific rules for the production of wind energy

Pursuant to Articles R. 421-1 and 421-2 of the Town Planning Code, the construction of wind installations is subject to obtaining planning permit for wind

turbines of a height equal to or greater than 12 metres.

Under the Environmental Code and the Town Planning Code:

- If the wind turbine is over 50 metres tall, planning permit, an impact study, a public inquiry and an ICPE operating licence are required;
- If the wind turbine measures between 12 and 50 metres high, planning permit, an ICPE operating notification (where installed capacity is less than or equal to 20 MW) or an ICPE operating licence (where installed capacity is 20 MW or greater) are required. With respect to the impact study, the project owner can work with the environmental authorities for a case-by-case analysis under Article R122-2 of the Environmental Code.

Pursuant to Section 2 of the Decree of August 26, 2011, concerning electricity generation facilities using mechanical wind energy within a facility

subject to authorisation under section 2980 of ICPE legislation governing installations classified for environmental protection, the issue of the operating

licence is dependent on the power plants being at a minimum distance of 500 metres from residential use buildings, inhabited buildings and areas

intended for housing as defined in town planning regulations in force on July 13, 2010.

Under electrical regulations, various licences are required:

- Under the operating licence, since the reform introduced by Decree no. 2011-1893 of December 14, 2011, amending Decree no. 2000-877 of September 7, 2000, which entered into force on January 1, 2012, wind farms with power capacity of below 30 MW are "deemed to be authorised".
- Regarding connection, the project owner must obtain a PTF (technical and financial proposal), a connection agreement and various other contracts from ERDF.
- Under the purchase obligation, the project owner must obtain a CODOA purchase obligation certificate from the local DREAL office and an electricity sale contract from EDF.

Law no. 2013-312 of April 15, 2013, known as the "Brottes Law", which came into force on April 17, 2013, has simplified some constraints introduced by the Grenelle II legislation. It has notably eliminated the Wind Power Development Zones and the 12 MW limit to qualify for the purchase obligation. These zones, proposed by the local authorities involved in the projects and subsequently defined by ministerial order, were the only ones in which

wind projects could be carried out. The definition and confirmation process for such zones was lengthy and slowed down projects in development for all players in the sector. The Brottes Law also eliminated the 5-turbine-rule limiting the maximum wind farm size. The amendments introduced by the Brottes Law are likely to revitalise the wind sector in France.

To ensure site restoration at the end of operations, two mechanisms have been introduced:

- Constitution of financial guarantees prior to project commissioning equating to €50,000 per wind turbine, an amount reviewed every 5 years.
- The liability of the parent company may be invoked in the event of any of its subsidiaries failing to comply with Article L512-17 of the Environmental Code.

Regulation of the electricity sector: The CRE (French energy regulator)

The CRE is an independent administrative authority established under Article 28 of the law dated February 10, 2000. Its role is to ensure the proper functioning of the markets for electricity and natural gas. It notably ensures that the conditions for access to electricity and natural gas transmission and distribution networks do not hinder the development of competition. For electricity and for natural gas, it monitors transactions between suppliers, traders and producers, transactions on organised markets and cross-border trading. It ensures that offers from suppliers, traders and producers are consistent with their economic and technical constraints.

The CRE has consultative powers (power of proposal and power to give an opinion), but also decision-making powers (power of approval and regulatory power).

The CRE therefore proposes to energy ministers tariffs for the use of public transmission and distribution networks, rates for public service assignments awarded to electricity producers and associated net contributions. Under the 2013 NOME law, the ARENH price of regulated access to incumbent nuclear electricity has been set in line with proposals issued by the CRE. The same law provides that the regulated tariffs and the sale price will be determined in line with proposals issued by the CRE after expiry of a 5-year period following publication. The CRE is also vested with significant powers of information and investigation as well as a power to settle disputes and impose sanctions, the exercise of which is entrusted under the law of 7 December 2006 to an ad hoc committee within the CRE, namely the CoRDIS (dispute resolution and sanctions committee), composed of members of the Council of State and the Court of Cassation.

6.5.3.2 *After January 1, 2016*

On July 22, 2015, the Energy Transition bill in support of green development was adopted. It establishes the new energy development framework in France.

- Reinforcement of objectives in terms of development of renewable energies and reduction of the proportion of nuclear power in the electricity mix.
 - Renewable energies must account for 40% of electricity production by 2030.
 - The proportion of nuclear energy in electricity production must be reduced to 50% by 2025.
- Introduction of a multi-annual energy schedule (PPE).
 - Established by decree, the PPE establishes the priorities for public authorities regarding the management of all forms of energy in France.
 - It notably contains regulations on the development of renewable energy sources and covers two successive periods of five years, except for an initial first period scheduled to end in 2018.
 - Consultation for preparation of the programme began before the end of 2015. Publication is scheduled for Q1 2016.

2/ Provisions relating to mechanisms for the support and progressive integration of renewable energies within the electricity market

- Implementation of a complementary remuneration mechanism alongside the purchase contract mechanism.
 - A list of the characteristics of facilities able to benefit from the mechanisms is determined by decree.
 - The ministerial orders planned for each of the renewable energy sectors setting out remuneration conditions may cause the implementation of the decree to be delayed. The Energy and Climate General Department has already provided for delayed implementation to on-shore wind power, contrary to the other renewable energy sectors which should see the mechanism enter into force on January 1, 2016.
- Transition period between the conclusion of the purchase tariff and the ability to benefit from additional remuneration.
 - Producers who have requested to benefit from the purchase obligation before the entry into force of the decree setting out the additional remuneration may ask to benefit from the purchase contract.
 - Benefit from the purchase obligation and purchase contract is subject to the facility being completed within eighteen months of the effective date of the decree for a given sector (delayed application for wind power).
 - This period may be extended by order of the Energy Minister if justified by the conditions for facility completion.
- Additional remuneration conditions
 - Notably established by taking into account the investments and operating expenses of high-performance facilities representative of each sector, the cost of integrating the facility into the electrical system and the facility's receipts, notably the valuation of the electricity produced, the valuation by the producers of guarantees of origin and the valuation of the capacity guarantees.

- o The level of the additional remuneration may not equal the total remuneration of the capital tied up, as calculated from the total of all of the facility's receipts and financial or fiscal support, exceeding a reasonable remuneration of the capital in light of the risks inherent to the activities of the beneficiary facility.
- o The additional remuneration conditions are subject to periodic revision in order to take into account of the costs of new and existing facilities benefiting from the remuneration.
- o Ability to benefit from the additional remuneration on expiry of the purchase contract subject to the implementation of an investment programme.
- o Ability to terminate the purchase contract to benefit from the additional remuneration for the remaining duration of the initial contract.
- o System of purchase of last resort in the event of market failure, when producers whose facilities benefiting from the additional remuneration are unable to find a market buyer.

3/ Provisions relating to calls for tender

- Modification of the calls for tender procedure to enable the selected candidate to benefit either from a purchase contract or from additional remuneration.

6.5.3.3 *Tax environment in French Guiana: the "Girardin Law" and the overseas tax credit*

Investment in renewable energy projects in French overseas territories, other than those using solar radiation, benefited from a tax scheme allowing operators to reduce the debt of projects through contributions by investors from mainland France. This mechanism was introduced by Law no. 2003-660 of July 21, 2003, referred to as the overseas programme or "Girardin Law"; it has been amended several times since.

Article 21 of the 2014 Finance Act reformed the tax exemption system for companies' overseas investments. Companies with turnover in excess of €20 million can now benefit from a tax credit. The reform applies to investments made on or after January 1, 2015, as codified in Article 244 quater W of the French General Tax Code. This new regime enables Voltalia to benefit from a tax credit amounting to 35% of eligible investments.

6.5.4 Regulations in Greece

6.5.4.1 *The regulatory framework*

The RES Act of June 2006, which transposed European Directive 2001/77 (the "Renewable Energy Directive"), sets out the general procedural framework for the granting of licences for renewable energy projects in Greece. This law was extensively amended and supplemented in January 2009 by Law 3734/2009 on the promotion of cogeneration (in accordance with related EU Directive 2004/8), subsequently in June 2010 by Law 3851/2010 on accelerating the development of renewable energy sources (by way of implementation of EU Directive 2009/28) and by recent regulatory changes introduced by the New Deal legislation.

The laws relating to renewable energy development and other provisions regulating matters falling under the jurisdiction of the Ministry for the Environment, Energy and Climate Change (MEECC) entered into force on June 4, 2010.

The principal objectives of the law are:

- A share of 20% of renewable energies in final energy consumption by 2020 (i.e. 2% higher than the level set by the associated European Directive 2009/28/EC of April 23, 2009);
- A share of 40% renewable energy in final electricity consumption, with goals by sector adjusted every two years depending on the progress made against targets.

The power generation sector in Greece is structured around several stakeholders:

- The Ministry for the Environment, Energy and Climate Change (MEECC), created in 2009, bringing together all state agencies involved in the procedures for granting licences to produce electricity from renewable energies.
- The Regulatory Authority for Energy (RAE), an independent administrative authority in charge of regulating tariffs for access to the electricity grid and involved in the settlement of disputes with power transmission and distribution operators.
- Suppliers of electricity to consumers, notably the Public Power Corporation (PPC), the historical operator, which operates on the mainland and on islands without a connection to the mainland. PPC is 51% owned by the Greek government.
- The Greek Electricity Transport System Operator (HTSO/ADMIE), which owns the electricity grid and distributes and balances electricity on the grid. ADMIE is a wholly-owned subsidiary of PPC.
- The distribution grid operator (HEDNO/DEDDIE), which operates, maintains and develops the electricity grid. DEDDIE is a wholly-owned subsidiary of PPC.
- The electricity market operator (EMO/LAGIE), which purchases electricity from producers and resells it to suppliers (it is an operator for the purchase/sale of electricity in Greece), 51% state-owned and 49% owned by the electricity generators.
- The local administrative units acting at municipal, prefectural and regional level in the granting of administrative authorisations (environmental authorisations, archaeological authorisations, permits, etc.).

Regulations

Law no. 3851/2010 on the "Acceleration of Renewable Energy Development" of June 2010 simplified a number of legislative provisions issued under the RES Act of June 2006 in order to regulate all aspects related to the licensing of power plants,

as well as technical and commercial details relating to the structure and functioning of the domestic electricity market, including the production of electricity from renewable energy sources.

For the construction and operation of photovoltaic projects with installed capacity of over 1 MWp, the main licences required are:

- The electricity production licence granted by the Regulatory Authority for Energy (RAE);
- The grid connection offer, obtained from the grid operator (HEDNO/DEDDIE) or from the Greek Electricity Transport System Operator (HTSO/ADMIE);
- The environmental approval (EPO), as applicable, obtained from the administrative authorities after review of the environmental impact;
- The installation licence granted with a 2-year validity and renewable for a further period of 2 years;

- Planning permit, granted for a period of four years, is required to construct the foundations and technical buildings of the electricity production facilities;
- The operating licence granted after commissioning and connection of the facility to the grid. It is valid for a period of twenty years, and renewable for an additional period of twenty years.

Photovoltaic projects with a maximum of 1 MWp installed capacity are exempt from the licensing requirements, with the exception of the environmental licence for projects of over 0.5 MWp installed capacity.

In addition, photovoltaic projects on mainland Greece of up to 1 MWp of installed capacity, which are exempt from the licences mentioned above, are sent directly to the network operator (PPC) for connection, and to the transmission system operator (TSO) for the implementation of the electricity sales contract, and are therefore outside the scope of responsibilities of the Regulatory Authority for Energy (RAE). They are supervised by and registered with the Ministry for the Environment, Energy and Climate Change (MEECC).

In light of the success of these measures and the financial difficulties faced by Greece, the Greek government introduced a moratorium from May 2013 to December 2013 during which no electricity sale or grid connection contracts could be signed. Moreover, law nos. 4093/2012 and 4152/2013 also introduced a turnover tax of between 34% and 40% for solar and 10% for other renewables, applicable from January 1, 2013.

Finally, the Greek law known as the New Deal, passed in April 2014, replaced the power plant turnover tax with a lower feed-in tariff of between 10% and 37.5%. This law is retroactive to January 1, 2013.

Subsidies

The Investment Incentives Act includes measures available to domestic and foreign investors, depending on the sector and the investment location. Law 3299/2004 provided for grants of up to 40% of the investment cost, subject to the investor contributing 25% of the subsidised investments.

This law has been suspended since January 29, 2010. After a process of open discussion between the relevant ministries, agencies and organisations from the main sectors of the economy, a reform of

this law will be implemented incorporating sustainable development as a priority area of focus.

Under the new regulatory regime for renewable energies that took effect on June 4, 2010, electricity generated by plants built without subsidy will benefit from a higher tariff:

- 20% for electricity from the wind, hydropower and geothermal sectors;
- 15% for electricity from biomass, biogas and gas.

6.5.5 Regulation in Brazil

The electricity sector is covered by a regulatory framework consisting of a broad spectrum of laws, decrees and articles, all based on the latest version of the Brazilian Constitution, promulgated in 1988. The current model was introduced in 2004 by Law no. 10.848 and amendments. Following the severe power shortages experienced by the country in 2001, in 2002 the Brazilian Government adopted the PROINFA programme, based on a feed-in tariff designed to stimulate the development of electricity generation from biomass, wind power and small

hydro. During the first phase (up to 2007), the programme guaranteed funding (70%) and electricity sale contracts up to 3,300 MW for projects using these technologies. This programme was halted in the late 2000s. Overall, the Brazilian electricity market is characterised by the use of reverse auction mechanisms, in which project developers are in competition and are selected on the lowest bidder in terms of the sale prices for the electricity produced.

6.5.5.1 *Structure of the electricity sales market*

Since the 2004 reform, the electricity market has been divided into two distribution systems: "Ambiente de Contratação Regulada" (ACR) and "Ambiente de Contratação Livre" (ACL). In ACR, an auction is organised by the electrical power sales company (CCEE). Prices are established on the principle of the lowest bidder and capacities are defined to meet the expressed needs of distribution companies.

In ACL, free consumers (consumers with demand exceeding 0.5 MW wishing to operate on the open market), producers and traders freely negotiate contracts and prices.

This system allows electricity producers to operate on a regulated market via an auction system and/or a deregulated market through direct contracts.

The ACR market

Contracts signed within the framework of ACR have been formalised by regulated bilateral agreements, called Electrical Energy Commercialisation Agreements in the Regulatory Framework (CCEAR – Contratos de Comercialização de Energia Elétrica no Ambiente Regulado), concluded between buyers and sellers and based on the results of tenders (auctions) determined by the MME and organised by ANEEL and CCEE.

In order to ensure the supply of their markets, electricity suppliers can acquire electrical power via various processes defined by Article 13 of Decree no. 5.163/2004, such as by public auction or through distributed production.

Auctions are held several times a year by the MME and may be open to the entire sector, with tranches sometimes reserved for a particular sector, or auctions reserved for one or more types of sector

(high-output hydropower planned by the government, thermal, or "Alternative Sources" grouping together wind, biomass, small hydro and solar).

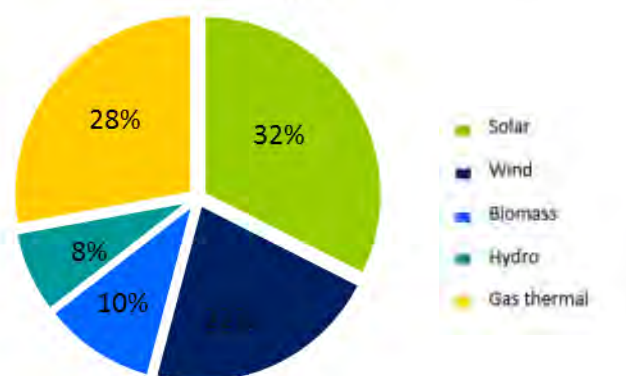
The auction process is as set out below, where N is the starting year for the provision of electricity acquired by the Distributor Agents at auction:

- The auctions covering electric power to be provided by new power plants occur in N-5 and N-3;
- The auctions covering electric power to be provided by existing power plants occur in N-1.

Other auctions relating to reserve energy may occasionally be held by the government and are often reserved for the purposes of promoting the development of one or more sectors: for example, wind in 2009 or solar at year-end 2014.

In 2015 solar and wind accounted for 54% of the MWs subject to calls for tender:

Total of MWs won by national tender in Brazil in 2015



The ACL market (open market)

Electricity supply agents, sellers, importers, exporters and free consumers are mostly members of the ACL (Ambiente de Contratação Livre) free market. In this context, they are free to set the purchase/sale of electric power in terms of volumes and prices, with transactions being conducted through bilateral agreements. Suppliers, whether state concession-holders, independent producers or

self-producers, are authorised to sell electricity within the ACL regulatory framework in order to maintain the competitiveness of production.

All agreements, whether established within the framework of ACR or ACL, are declared and registered in the CCEE and are used to offset variances in the short-term market.

6.5.6 Regulation in Morocco

Because of its high energy dependency background (over 93%) and sustained growth in domestic demand, Morocco has placed sustainable development at the heart of domestic energy policy through the promotion of renewable energy sources, in order to reinforce competition in the country's productive sectors and to preserve the environment.

The objective is to increase to 52% the proportion of renewable energy sources in the energy mix by 2030, which would correspond to 13,000 MW of installed capacity.

In order to act in synergy with this domestic policy, in 2009 Morocco introduced an institutional and legal framework for the energy sector which is constantly evolving.

6.5.6.1 *The institutional framework*

Within the framework of the country's new and integrated vision for the governance of the domestic energy sector, renewable energies including solar, wind and hydropower, are now managed by MASEN (Moroccan Agency for Solar Energy).

The structure is named in order to refocus the management of the sector and to firmly establish Morocco's ambitions in terms of renewable energy and to enhance the synergy between the various players.

6.5.6.2 *The regulatory framework*

A new body of legislative and regulatory texts has therefore been established to act as a foundation for the implementation of the new energy strategy:

- Finance law no. 40-08 creating the Energy Development Fund and the Energy Investment Company;
- Law no. 16-09 covering the National Agency for the Development of Renewable Energy and Energy Efficiency:
 - promotion of renewable energy projects;
 - reinforcement of energy efficiency;
- Law no. 57-09 covering the creation of the "Moroccan Agency for Solar Energy":
 - project research and design; promotion, investment, financing and implementation of
 - solar projects;
 - contribution to the development of expertise, research and the solar industry;
 - management and monitoring of the implementation of the solar programme;
- Law no. 47-09 on Energy Efficiency (promulgated on November 17, 2011):
 - increase in energy efficiency when using energy resources;
 - integration of sustainable energy efficiency techniques in all
 - development programmes in the sector;
 - encouraging industrial companies to rationalise the use of energy;
 - generalisation of the energy audits.
- Law no. 13-09 on renewable energies, amended by Law no. 58-15: progressive liberalisation of energy production to competition from private players;

Promulgated in 2009, Law no.13-09 on renewable energies constitutes the regulatory framework which notably offers private entities the prospect of constructing and operating electrical energy production facilities from renewable energy sources.

The major new features introduced by the said law are:

- Opening-up of renewable electricity production to competition;
- Access to the domestic high, low and medium voltage grid for any producer of electricity from renewable sources;
- Ability to export electricity from renewable sources by using the national grid and interconnections;
- Ability for developers to construct a direct transmission line in the event of insufficient grid capacity;
- Energy production facilities using renewable sources subjected to an authorisation or notification regime.

The new Law no. 58-15, amending Law no. 13-09, introduces three major new features:

- Installed hydroelectric power threshold increased from 12 to 30 MW;
- Opening-up of the low voltage electricity market;
- Ability to sell up surplus production to the public electricity grid and to distributors up to the level of 20%.

6.5.6.3 *The electricity market*

Two electricity markets coexist in Morocco, namely a regulated market which centres on the ONEE (National Electricity and Drinking Water Office) and the free market open to competition.

On the regulated market, the ONEE is positioned as the reference operator and therefore controls:

- Production by its own means
- Concessionary production
- Management of interconnections
- Dispatching
- Distribution (partially)

Under Law no. 13-09, the free market concerns consumers or groups of consumers connected to the high, low and medium voltage national grid under a contract by which the latter undertake to withdraw and consume the electricity so produced exclusively for their own use.

6.5.7 Summary of national measures in support of renewable energies

6.5.7.1 *Support schemes*

Wind and solar photovoltaic

Country	Wind and solar photovoltaic
France	Purchasing obligation (15-year contracts) for wind power concluded with EDF or a non-nationalised distributor at regulated prices. Calls for tender for solar power providing access to contracts for a 20-year purchasing obligation concluded with EDF or a non-nationalised distributor. Tax incentives (notably under the "Girardin Law" in French Guiana). New provisions from January 1, 2016: • For photovoltaic solar > 100 Kw, introduction of calls for tender (twice a year) to establish the additional remuneration. For wind power, purchasing obligation maintained until 2018.
Greece	Purchasing obligation (20-year contracts for wind and solar concluded with the transmission or distribution network operators).
Brazil	Calls for tender providing access to 20-year electricity sales contracts concluded with the companies responsible for electricity distribution and sales to captive consumers, and which notify their power purchase requirements for each call for tender. Some are part of the Eletrobras group, others are private. Calls for tender for reserve power providing access to 20-year electricity sales contracts with CCEE. Preferential financing terms from the National Bank for Economic and Social Development, conditional on the inclusion in the project of at least 60% (by value) of equipment manufactured in Brazil. Tax exemptions for the purchase of turbines and equipment, contract mechanisms for construction services for projects registered with the "REIDI" programme (guaranteed registration for winners of tenders and possible on the open market).
Morocco	N/A

6.5.7.2 *Electricity sales price-setting regimes*

Renewable energies are subject to complex laws and regulations specific to each country; they have experienced and, over the next few years, are likely to continue to experience major changes that may significantly affect the Group's business (see Section 4.1.1.4 of the Registration Document).

Country	Wind
France	Tariff applicable to installations commissioned from June 17, 2014: 8.20 euro cents per kWh for the first 10 years, corrected by the KC coefficient depending on the year of the application date (2014 = €8.43cts/KWh, 2015 = €8.25cts/KWh). For the following five years, tariff between 8.2 and 2.08 euro cents, depending on the number of full power equivalent hours recorded during the first 10 years of operation. For French overseas departments, Saint-Pierre-et-Miquelon and Mayotte, a single tariff was set at €11cts/kWh for 15 years. For installations located offshore, the applicable tariff is determined under the terms of CRE calls for tender. These tariffs are reassessed on an annual basis. These tariffs are also subject to annual indexing on November, 1, once the contract is in force.
Greece	Tariff of €107/MWh without subsidy (€86/MWh with subsidy) for installations connected to the transmission network. Tariff of €120/MWh without subsidy (€92/MWh with subsidy) for installations on islands not connected to the transmission network.
Brazil	Variable prices defined within the framework of reverse auctions or free market mechanisms.
Morocco	Prices negotiated privately with industrial companies

Country	Photovoltaic solar								
	Ministerial order of March 4, 2011 providing for the quarterly adjustment of tariffs based on the installed capacity over the year (prices in euro cents per kWh)								
	* in kWp								
	Connection request								
	Equipment	Installation type	Peak power*	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	
France	Integrated into building	Residential	0-9	28.51	27.94	27.38	26.97	26.57	
	Simplified integration into building	All buildings	0-36	14.54	14.16	13.95	13.74	13.47	
			36-100	13.81	13.45	13.25	13.05	12.79	
	Onshore power plant		All	7.36	7.17	6.98	6.80	6.62	
In addition, for solar installations > 250 kWp, the government has introduced calls for tender based on quotas and families of technologies. The winners of the third round of tenders were notified on 4/12/2015.									
Greece	Tariff applicable since February 2014, for projects with capacity in excess of 100 kW, €90/MWh								
Brazil	Variable prices defined within the framework of reverse auctions or free market mechanisms.								
Morocco	Prices negotiated privately with industrial companies								

Country	Biomass
France	Base tariff (42.98 euros/MWh in 2013), plus a premium for energy-efficient installations of more than 5 MW (between 76.4 euros/MWh and 105.2 euros/MWh depending on yields). Tariffs set in the "Biomass" calls for tender from the Ministry of the Environment.
Greece	Power plants less than 1 MW: €198/MWh without subsidy, €180/MWh with subsidy
	Power plants greater than 1 MW and less than 5 MW: €170/MWh without subsidy, €155/MWh with subsidy
	Power plants greater than 5 MW: €148/MWh without subsidy, €135/MWh with subsidy
Brazil	Variable prices defined within the framework of reverse auctions or free market mechanisms.

6.6. ENVIRONMENTAL POLICY

Through its activities as a producer of electricity from renewable energies, Voltalia actively participates in global sustainable development issues, such as the fight against the greenhouse effect and the security of energy supplies.

6.6.1 Environmental requirements

All the installations of the Group are designed and operated in compliance with applicable environmental regulations concerning the protection of the landscape, the elimination of atmospheric and liquid emissions and the control of

noise pollution. Similarly, the choice of location for these installations is the result of a lengthy consultation process with local authorities and residents and is carried out in compliance with the various local regulatory constraints.

6.6.2 Integration of environmental requirements

From the early stages of each project, particular attention is paid to compliance with the various environmental requirements, particularly in the wind sector. In accordance with current regulations, an environmental impact assessment (studies of plant life, birds, landscape, acoustic impact, etc.) is systematically carried out by an independent consultant during the Design/Development phase in order to optimise the design of the installation and

to establish which support measures are required. Subsequently, the individual environmental protection specifications are established for each contractor used during the construction stage.

Regarding risk management during the Operations phase, the Group implements a policy of systematic preventive maintenance of equipment that could have a negative impact or decrease power yields due to factors such as obsolescence.

6.6.3 Partnership with WWF France

As part of its initiative to enhance positive impact on the environment, at year-end 2014 Voltalia signed a partnership with the WWF, the leading global association for the protection of the environment. This partnership results from the natural complementarity of the objectives of WWF France and Voltalia. The WWF pursues the dual objective of halting environmental degradation and of building a future in which humans live in harmony with nature; to this end, WWF France links up with a select number of companies that share a commitment to the implementation of effective and sustainable solutions. Voltalia, a producer of electricity using renewable energies in France for 10 years now, has implemented environmental practices to reduce its

impact in the development and operation of its projects.

This partnership will also make it possible for WWF France to support ownership of renewable energy projects by the various local stakeholders and to participate in awareness campaigns devoted to renewable energies.

To mark the beginning of this partnership, Voltalia took the novel step of writing the WWF slogan "Seize Your Power" in 10m high letters, visible from the skies, at the top of the platforms of its wind farm at Areia Branca (Brazil). In 2015, the Group identified several areas of cooperation to develop this partnership, notably in French Guiana.

6.7. OVERVIEW OF THE GROUP'S PRINCIPAL ACTIVITIES

Voltaia is involved in the production of green electricity. In line with its strategy based on the development of projects using the four major renewable energy sectors, in 2010 the Group reached an important milestone when projects in operation first covered all of these sectors: solar, wind, biomass and hydropower.

The Group operates in Metropolitan France, French Guiana and Greece, where it already has projects in operation, and in Brazil, where the Group has commissioned new plants and doubled its capacity in comparison with 2014. In 2015 the Group created a subsidiary in Morocco.

On December 31, 2015 the Group had a 376 MW total installed capacity. Further afield, the Group also has 40% shareholding in 3LEnergies (a wind farm with a total capacity of 8.4 MW). It also has 99 MW in construction and a 1,839 MW portfolio of projects in development. During FY 2015 the Group's installed capacity increased by 243 MW.

While Metropolitan France has historically been the area where the Group has the largest operating capacity, this position is now occupied by Brazil, where a 243 MW additional wind generation capacity was commissioned in 2015 (of which 231 MW wind capacity) and an additional 99 MW is in construction

Installed capacity in operation at December 31, 2015:

By region	Number of sites	Capacity (MW)
Metropolitan France	7	56.8
French Guiana	3	11.6
Greece	5	4.7
Brazil	12	303
Total	27	376.1

By sector	Number of sites	Capacity (MW)
Wind	15	333.2
Biomass	2	9
Solar	8	16.5
Hydroelectric	1	5.4
Hybrid	1	12
Total	27	376.1

6.7.1 Economics of the projects developed by Volitalia

The implementation of the projects developed by the Group is structured around four main phases:

- Prospecting/Origination
- Design/Development
- Financing/Construction
- Operation/Maintenance

The standard schedules provided below are estimates; actual times of the different phases can vary substantially from one project to the next. In addition, moving from the Origination phase (control of land) to the launch of the Design/Development phase does not imply that a project will be brought to completion.

6.7.1.1 *Economics of a wind project*

The table below illustrates the typical schedule for a wind project:

Prospecting/Origination	Design/Development	Financing & Construction	Operation/Maintenance
12 to 24 months	12 to 48 months	6 to 24 months	15 to 25 years
• Site preselection • Control of land	• Environmental studies • Technical studies • Supplier selection • Administrative formalities • Planning permit	• Supply of turbines • Financing • Grid connection • Construction - Installation - Acceptance	• Performance monitoring • Maintenance

Prospecting/Origination

The development of a wind project begins with the search and subsequently the securing of land rights; the Group's local teams identify an installation site for a wind farm and conclude a lease agreement to

ensure availability. Such lease agreements are generally for a period of 3 to 5 years and do not include real estate indemnity.

Design/Development

After securing control of the land through a lease agreement, the Group initiates a wind measurement programme on site. To this end, one or more measurement masts are installed to gather all the necessary information to assess the level of wind for a minimum period of 12 months. This phase is essential as it enables assessment of the economic viability of the project.

A study of existing and potential constraints is also carried out on the proposed site, notably focussing on topographical constraints, any easements (such as rights of way), connection constraints with the local electricity grid, any environmental constraints related to wildlife and plants or to the proximity of housing, historic monuments or sensitive or protected sites resulting from local legal and regulatory provisions. Such constraints limit the number of sites available for the installation of wind

farms, particularly in areas where population density is high. In parallel with these technical studies, public meetings are regularly held to inform concerned residents and to promote acceptance of the project in line with formal procedures laid down by local authorities.

Construction

The projects require the delivery of various technical components, notably turbines. The choice between the different models and turbine manufacturers (including Acciona, General Electric, Vestas, REpower, Enercon and Nordex) is made according to the wind conditions of the installation site (sites with medium to high wind levels mainly use turbines of high power relative to the diameter of the rotor), the economic performance of the proposed turbines (measured in euros or dollars per megawatt-hour) and availability.

Although the turbine market is not experiencing any shortages, the Group continues to pay close attention to procurement.

After developing the wind energy project and obtaining finance, the project enters the construction phase, which lasts about 1-2 years. This phase begins with the signature of the turbine

Finally, all the steps involved in obtaining the operating licences and planning permits required for the project are completed; the procedure for obtaining the various authorisations typically lasts 6-18 months.

purchase order and the exercise of the lease option granted during the Prospecting/Origination phase. The construction phase includes engineering and project management work, groundworks and civil engineering works (including foundations, installation of the tower mounts, construction of access roads), electrical work (cable installation and network connection devices) and finally installation of the technical components of the wind turbine (towers, turbines, blades). Partner selection used for this work is conducted on the basis of availability, proven performance and the financial parameters of their bid.

The construction phase is completed by carrying out tests (duration, availability, ramp-up of power) over several months in order to check the proper functioning of the power plant before commissioning.

Operation/Maintenance

Once construction has been completed, the power plant is commissioned. The Group oversees the operations and maintenance provided by the wind turbine supplier or by a specialist company. The electricity generated by the plant is then sold by the

Group, mostly to producers and/or incumbent distributors (such as EDF) that have either a legal or contractual purchasing obligation under electricity sale contracts with an average term of 15-20 years.

6.7.1.2 Economics of a ground-based solar project

The table below illustrates the typical schedule for a ground-based solar project:

Prospecting/Origination	Design/Development	Financing & Construction	Operation/Maintenance
	24 to 36 months		20 to 30 years
- Feasibility study covering the proposed area - Site pre-selection - Control of land	- Administrative formalities - Planning permit	- Solar panel procurement - Financing - Grid connection - Construction - Installation - Acceptance	- Performance monitoring - Maintenance

Prospecting/Origination

Although the process of a ground-based solar project has many similarities to that of a wind project, notably the signing of a lease agreement to ensure the availability of the identified site, the search for and pre-selection of sites is preceded by preliminary technical studies covering the proposed installation area in which the search for available sites will be launched.

Feasibility and solar potential studies are then carried out to assess the current and potential constraints of the proposed site, including any

easements affecting the land under study, constraints of connecting to the local network and any environmental constraints, notably those relating to wildlife and plant life. The average annual solar potential of the proposed site is the most important selection criterion because it will determine the energy yield of the proposed photovoltaic power plant. The annual revenues per MWp of an installation can vary significantly depending on the solar potential in the regions where the Group operates.

Design/Development

The design phase of a solar project is relatively short, unlike that of a wind project.

The project requires no more in-depth solar potential studies than those conducted during the Prospecting/Origination phase; solar potential

statistics exhibit little variation between sites located in a given selected region.

During this phase, the Group conducts connection studies and completes the necessary administrative procedures.

Financing & Construction

In parallel with the administrative procedures, the Group requests quotes for connection to local distribution or transmission networks (such as ERDF and RTE in France) and examines the technical and financial proposals. The Group then concludes a connection and operating agreement with the electricity distributor or carrier defining arrangements for connection of the future photovoltaic power plant to the grid.

The photovoltaic power plant project then enters a construction phase generally lasting approximately three to six months, subject to the time frame for

connection to the network, which may be longer or shorter depending on the region concerned. This phase begins with the exercise of the lease option granted during the Prospecting/Origination phase.

The selection of equipment suppliers is made on the basis of product quality, delivery time and the financial parameters of the bid.

The construction phase is completed by carrying out performance tests over several weeks in order to verify the proper functioning of the power plant prior to operation.

Operation/Maintenance

After commissioning, the Group generally operates and maintains the facilities itself or subcontracts these services out to specialist operating companies, while monitoring the performance of panels and ensuring the performance of preventive and corrective maintenance.

6.7.1.3 *Economics of a biomass cogeneration project*

The table below illustrates the typical schedule for a biomass cogeneration project:

Prospecting/Origination	Design/Development	Financing & Construction	Operation/Maintenance
24 to 36 months*		12 to 24 months	20 to 40 years
- Feasibility study - Tender submissions	- Technical specifications of the plant - Operating licence application - Administrative formalities - Planning permit - Resource procurement contract - Heat supply contract	- Equipment procurement - Financing - Grid connection - Construction - Installation - Acceptance	- Management of operating teams - Performance monitoring - Maintenance

* Mainly in the case of tenders

The development of biomass cogeneration plants is primarily based on the economic viability of the project as measured by a feasibility study. The key criteria for this are:

- The availability of biomass resources and the ability to secure supplies and control costs;
- The existence of a sustainable market for the sale of heat from cogeneration.

While biomass cogeneration plants have the advantage of a long investment life, profitability is highly dependent on these two criteria.

depending on the seasonality of their own production activities).

Consequently, the origination of a biomass cogeneration plant project is more the result of the response to a local need or to a call for tender than it is of a search for sites.

The Design/Development and Construction stages do not present any particular difficulties; power plants use proven technologies implemented by contractors selected on the basis of their expertise and the financial terms of the bid.

The operation and maintenance of the sites, carried out by the Company, require the presence of qualified teams, as a biomass cogeneration plant, unlike wind or solar plants, is an industrial activity requiring constant monitoring, particularly with regard to the supply of heat because customer requirements are variable (especially in the case of industrial customers whose consumption may vary

6.7.1.4 *Economics of a hydropower project*

The table below illustrates the typical schedule for a hydropower project:

Prospecting/Origination	Design/Development	Financing & Construction	Operation/Maintenance
3 to 5 years		2 to 3 years	20 to 40 years
- Feasibility study - Negotiation prior to the concession	- Technical specifications of the installation - Administrative formalities - Finalisation of the concession - Planning permit	- Equipment procurement - Financing - Grid connection - Works/Installation/Acceptance*	- Performance monitoring - Maintenance

Prospecting/Origination

The development of hydropower projects depends on the ability of the Group's subsidiaries to obtain concessions from the relevant authorities. As of the date of the Registration Document, no concession contract has been signed.

Concession contracts give the developer exclusive rights to carry out the studies and to use river water

to develop, build and operate the hydroelectric power plant at a given location, subject to the required administrative authorisations being obtained. Such concessions are usually granted by the Government for a period of 20-40 years. On expiry of the concession, the developer is obliged to transfer the hydropower plant to the licensing authority in operational condition.

Design/Development

Concessions do not include administrative authorisations, notably the various environmental licences, technical and economic licences, or the land rights necessary for the construction of the power plant. This means that it is entirely possible to obtain a concession but not to be able to build due to the inability to obtain the other licenses or land rights.

The developer must therefore carry out on-the-ground investigations and detailed technical, economic and environmental studies. The study and investigation phase covers many areas: detailed topography, geological investigations, permeability studies, seismic studies and detailed hydrological and climatological surveys and studies. Such investigations are critical as they enable the data to be gathered which is used to determine the viability of the project. They also help to define the detailed characteristics of the power plant, notably the final capacity that can be installed.

In parallel with the investigations and studies, administrative procedures must be commenced or further pursued in order to obtain the necessary authorisations to start construction. The initially identified energy output may change between the receipt of final authorisations and the commencement of construction.

The results of the detailed field investigations (notably geological uncertainties and real estate issues) and of the studies or procedures for environmental authorisations, or even the emergence of new socio-environmental constraints, are just some of the factors that can affect the final characteristics of the power plant.

Regulatory changes, notably environmental, may also require the characteristics of the project to be amended and may give rise to administrative complications (the concession must then be revised and re-approved by the licensing authority). Depending on the project, and if there are no administrative setbacks, this phase lasts 24-60

months. Once the investigations and studies have been completed, the project has been technically approved by the licensing authority and all

administrative and environmental approvals and financing have been obtained, the construction of the installation can begin.

Construction

This phase begins with the definitive signing of the concession. Depending on the characteristics of the project, the construction phase can vary between 24 and 36 months. During construction, various constraints, particularly of a geological or

meteorological nature (including changes in water levels due to rainfall), may emerge and delay the completion of the power plant. The commissioning of the power plant is also subject to specific authorisations.

Operation/Maintenance

The Company operates and maintains the sites.

6.7.1.5 *Project supervision*

Project progress is the subject of reports from the management forwarded to the Board of Directors, which normally meets between eight and ten times a year.

6.7.2 Project financing

Whatever the sector of the plant, the design and development phase is conducted alongside the search for debt financing.

Each project is managed by a specially created Group subsidiary. The financing of power plants is usually in the form of project financing (without recourse or with limited recourse to the parent company); financing negotiations are conducted with the lending banks (usually based in the region in question) focussing on the share of equity provided to the subsidiary and the detailed conditions of the contracted debt (notably duration, interest rate and guarantees), accompanied by audits carried out by external service providers to meet the requirements of the lending banks.

In 2014, the Group observed a slight improvement in financing conditions for projects located in its operating regions, although the processing times for financing applications remain substantial. The great majority of the Group's operational projects benefit from project financing.

In French Guiana, the Group has also secured financing using the tax scheme under the "Girardin Law" (for details see Section 6.5.3.3 of the Registration Document).

6.7.3 Group activities in Metropolitan France

Voltalia's activities in France are mainly distributed among seven legal entities.

Voltaia is responsible for employees at head office and for project development costs. The production companies (Bio-Bar, 3V Développement, La Faye Energies, Parc Solaire De Montmayon, Parc Solaire du Castellet, Adriers Energies and Parc Eolien de Molinons) hold the assets, debt, costs and proceeds from operational projects.

Companies have also been created in preparation for projects in development going operational.

6.7.3.1 *Operational projects*

In Metropolitan France as of December 31, 2015, Voltaia operates a 36.8 MW consolidated installed capacity and holds a 40% stake in a wind power plant with a 8.35 MW capacity.

Sector	Site	Installed capacity	Date of commissioning	Ownership (%)
Biomass	Bar-sur Aube, Aube	1.5 MW	December 2006	100%
		+5.8 MWth		
Wind	La Faye, Charente	12 MW	June 2010	62.71%
Wind	Saint-Felix, Haute Garonne	10.2 MW	November 2008	100%
Solar	Castellet, Var	4.5 MW	July 2013	100%
Solar	Montmayon, Var	2.8 MW	April 2013	100%
Wind	Adriers, Vienne	10 MW	December 2014	100%
Wind	Molinons, Yonne	10 MW	December 2014	100%
Wind	Saint-Felix, Haute Garonne	8.35 MW	November 2008	40%

Wind

Voltaia has 5 wind farms in operation:

LA FAYE

La Faye has been operational since June 2010; the company is 62.71% owned by Voltaia and 37.29% by 123 Holding ISF. La Faye is a 12 MW project.

3VDéveloppement

Located in Saint-Félix-du-Lauragais in the region of Haute-Garonne, the 3VD wind farm became operational in November 2008; the company is 100% owned by Voltaia.

3VD is a 10.2 MW project.

ADRIERS

Located in the municipality of Adriers in the Vienne region, the 10 MW wind farm was commissioned in December 2014. The company is 100% owned by Voltaia.

MOLINONS

Located in the municipality of Molinons in the Yonne region, the 10 MW wind farm was commissioned in December 2014. The company is 100% owned by Voltalia.

3LEnergie

Also located in Saint-Félix-du-Lauragais, 3LE has been operational since November 2008. Due to its geographical proximity to the 3VD project and the regulatory constraints that consequently prevent Voltalia from controlling the project, 3LE is 40% owned by Voltalia and managed by a majority partner on the project; Voltalia subcontracts the maintenance services.

3LE is a 8.35 MW project.

Biomass

In biomass, Voltalia operates the BIO-BAR plant in Bar-sur-Aube, which was acquired from the RWE Group in 2006. BIO-BAR has installed capacity of 1.5 MW electric and 6 MW thermal power. The subsidiary is affected by the financial difficulties of its thermal customer which, according to BIO-BAR, is in default on some of its obligations; BIO-BAR has failed to obtain an improved feed-in tariff.

Against this background, and although on the date of issue of the Registration Document no final decision has been taken, the Group may reconsider discontinuing its BIO-BAR operation.

Solar

At December 31, 2015 Voltalia operated two solar projects in Metropolitan France:

PARC SOLAIRE DE MONTMAYON

Located in Montmayon, the Montmayon Solar Farm went operational in April 2013; the company is 100% owned by Voltalia.

The Montmayon Solar Farm is a 2.8 MW project benefiting from a pre-moratorium rate, i.e. an electricity feed-in tariff greater than €320/MWh.

PARC SOLAIRE DU CASTELLET

Located in Castellet, the Castellet Solar Farm went operational in July 2013; the company is 100% owned by Voltalia.

The Castellet Solar Farm is a 4.5 MW project.

6.7.3.2 *Projects in construction*

At the date of the Registration Document, Voltalia has no projects in construction in France.

6.7.3.3 *Projects in development*

In Metropolitan France Voltalia has a portfolio of projects in development totalling 405 MW, of which 46.2 MW of solar power projects benefit from an electricity sales contract, subsequent to calls for tender, and 276 MW benefit from the purchasing obligation system¹⁵:

<i>In MW</i>	Projects in development
Wind	276
Solar	129
Total	405

6.7.3.4 *Recent events*

Photovoltaic calls for tender in France

The solar tariff framework continues to be governed by the ministerial order on tariffs of March 4, 2011, which adjusts electricity sales tariffs each quarter based on the volumes of projects submitted to ERDF. This rate is slightly higher than 6.62 euro cents/kWh (for the period January-March 2015), a level at which it is extremely difficult to make a power plant profitable.

In parallel to this ministerial order, the Government issued a second call for tenders for photovoltaic and thermodynamic solar plants of more than 250 kW for a 400 MW maximum total capacity; submissions were made to the CRE on September 16, 2013. As part of this second call for tender, Voltalia was selected for a combined capacity of 31.8 MW of projects, of which 50% is based on an innovative concentrated solar technology.

For the third call for tender, launched in 2014, VOLTALIA won a 14.32 MWp total capacity with single-axis tracking technology

¹⁵ It should be noted that the solar purchasing obligation is coupled with a call for tender mechanism. Voltalia is developing its portfolio of solar projects in France through this calls for tender mechanism.

6.7.4 Group activities in French Guiana

Voltalia has been active in French Guiana since 2004.

The main holding company for Voltalia's activities in French Guiana is Voltalia Guyane SAS, based in Matoury, which is a 80% subsidiary of Voltalia SA and a 20% subsidiary of the CAISSE DES DEPÔTS ET CONSIGNATIONS (CDC).

Voltalia also directly holds 100% of VOLTA INVESTISSEMENT, whose subsidiary VOLTA GUYANE owns a solar farm, located in Coco-Banane, French Guiana, which was completed and commissioned at year-end 2010.

6.7.4.1 *Operational projects*

Since 2008 in French Guiana, Voltalia has commissioned a biomass plant with an integrated solar roof, a solar farm and a hydropower plant. At December 31, 2015, the Group operates a 11.6 MW installed capacity and is now the leading private operator in French Guiana after EDF.

Sector	Site	Installed capacity	Date of commissioning	Ownership (%)
Solar	Coco-Banane	4.3 MW	December 2010	100%*
Biomass and solar	Kourou	1.7 MW + 0.2 MW	September 2009	80%*
Hydroelectric	Mana	5.4 MW	September 2011 + upgrade in 2014	80%*

** The power plants are 100% owned by ad hoc SNCs (partnerships) owned by natural persons under the tax scheme introduced by the "Girardin Law"; in view of the existence of a firm promise to sell the power plants to Voltalia at the end of a five-year lease period, the power plants are 100% consolidated by the Group.*

Wind

As of the date of the Registration Document, Voltalia does not operate any wind projects in French Guiana.

Solar

VOLTA GUYANE operates a ground-based solar farm at Coco-Banane with a 4.3 MW installed capacity and commissioned in December 2010, with a 0.2 MW solar roof commissioned in December 2008.

The park was financed through SNC Montsinéry via the tax scheme introduced by the "Girardin Law" (for more details, refer to Section 6.5.3.3 of the Registration Document).

The litigation between Volta Guyane and a constructor of photovoltaic installations was settled in July 2015. After an initial judgement in favour of Voltalia in March 2012, confirmed by a ruling of the court of appeal in March 2015, the constructor was planning an appeal. The agreement signed by the parties in July 2015 put a definitive end to the dispute and resulted in a non-current net charge of (342) thousand euros..

Kourou biomass and solar power plant

The Kourou biomass plant is the first project run by Voltalia Guiana. It was entirely developed by Voltalia.

This power plant has a biomass power plant fuelled by sawmill waste and a photovoltaic power plant installed on the roof of the facility with installed capacity of 1.7 MW and 0.2 MW respectively.

This power plant was financed through SNC SIG Kourou via the tax scheme introduced under the "Girardin Law" (for further details, refer to Section 6.5.3.3 of the Registration Document).

This power plant is under two electricity sales contracts with EDF - one for the biomass plant and the other for the solar plant.

Hydroelectric

MANA is the first hydropower plant developed by the Group, with a 4.5 MW installed capacity. Improvement work including an upgrade to the weir was carried out in 2013 and 2014. In 2013 authorisation was received to increase output from 4.5 MW to 5.4 MW.

This power plant was financed through SNC SIG Mana via the tax scheme introduced under the "Girardin Law" (for further details, refer to Section 6.5.3.3 of the Registration Document).

6.7.4.2 *Projects in construction*

At the date of the Registration Document, Voltalia has no projects under construction in French Guiana.

6.7.4.3 *Projects in development*

In French Guiana, Voltalia has a portfolio of projects in development in the hydroelectric, solar, wind and biomass sectors representing a 49 MW total capacity, which may benefit from an electricity sales contract by mutual agreement with EDF SEI:¹⁶

<i>In MW</i>	Projects in development
Solar	14
Biomass	5
Wind	9
Hydroelectric	20

¹⁶ It should be noted that this system is coupled with a call for tender mechanism for solar projects. Voltalia is developing its portfolio of solar projects in Guiana through this call for tender mechanism.

6.7.5 Group activities in Greece

Voltalia has been operating in Greece since 2007 through its subsidiary Voltalia Greece.

Voltalia Greece is a 100% owned subsidiary of Voltalia.

The historical development of projects in Greece has been led by both organic growth and the acquisition of shareholdings in project companies. This development has now slowed in light of recent regulatory changes and the country's financial situation.

Voltalia Greece nevertheless continues to capitalise on its local presence by offering operating and maintenance services for third parties. This activity consists of assisting local operators with the running of their solar power plants (plant monitoring, periodic cleaning, inspection of the electrical system, thermal imaging of equipment, etc.) and with preventive and corrective maintenance.

6.7.5.1 *Operational projects*

In Greece as at December 31, 2015, Voltalia Greece, a 100% owned subsidiary of Voltalia, operated a 4.7 MW installed capacity, consisting entirely in solar power plants.

Sector	Site	Installed capacity	Date of commissioning	Ownership (%)
Solar	Achaia	0.5 MW	June 2010	100%
Solar	Katerini	0.2 MW	March 2011	100%
Solar	Kavala	0.2 MW	April 2011	100%
Solar	Katerini	0.9 MW	October 2011	100%
Solar	Kozani	1 MW	June 2012	100%
Solar	Kavala	0.1 MW	June 2012	100%
Solar	Drama	0.2 MW	June 2012	100%
Solar	Kastoria	0.2 MW	June 2012	100%
Solar	Agia Traidia	0.5 MW	Q1 2013	100%
Solar	Amaxolakka	0.5 MW	Q1 2013	100%
Solar	Vamvakia	0.5 MW	Q1 2013	100%

The ground-based solar farm Achaia consists of 5 tranches each of 0.1 MW, operated by four separate project companies.

On the Katerini site, the Group has commissioned two ground-based solar farms, the first consisting of two tranches each of 0.1 MW which are operated by two separate project companies; the second park, with six tranches each of 0.15 MW, is operated by four other project companies.

The Kavala ground-based solar farm consists of two tranches each of 0.1 MW, operated by a single project company.

The Kavala and Kozani projects are operated by Voltalia Greece, the holding company of the Group in Greece; the Drama, Kastoria, Agia Traida, Amaxolakka and Vamvakia projects are each operated by a dedicated structure. **Projects in construction**

At the date of the Registration Document, Voltalia has no projects in construction in Greece.

6.7.5.2 *Projects in development*

At the date of the Registration Document, Voltalia does not have any projects classified as new projects in development. Voltalia Greece, which has reduced its development efforts, is focused on a limited scope of projects representing 52 MW of wind power and 6 MW of solar.

<i>In MW</i>	Projects in development
Wind	52
Solar	6

6.7.5.3 *Recent events*

In April 2014, a new law introduced to develop renewable energies was promulgated in Greece; this law reduces the level of the feed-in tariffs for power plants, including those currently in operation, in return for the elimination of the tax on revenue applied since January 1, 2013. The impact of this new law on project revenues ranges from 10% to 37.5%. The impact of this decline on the project economics is less significant than the previous tax on the renewables industry in Greece.

Furthermore, an "interruption" tax is to be introduced on January 1, 2016. This tax will amount to:

- 1% of revenue for solar power plants with installed capacity of less than 100kWp
- 3.6% of revenue for plants with installed capacity greater than 100kWp
- 1.8% of revenue for wind power plants
- 0.9% of revenue for hydroelectric plants

In December 2015, the Greek Minister of the Environment and Energy signed a decision for the implementation of a so-called "interruption fee" from 2016 onwards, levied on the revenue of electricity production units based on renewables and amounting to 3.6% of the revenue of solar power plants, 1.8% of the revenue of wind power plants and 0.8% of the revenue of low-output hydroelectric plants.

To date, this decision has not yet been published in the official journal and therefore is not yet applicable.

Development of the operating and maintenance business

Voltalia is gradually developing its operating and maintenance services for solar plants located in Greece. After a first Chinese client in June 2014, a number of Greek clients signed new contracts in July 2015, notably for solar power plants fitted with

trackers (device which automatically tracks the movement of the sun in order to maximise production). At December 31, 2015, Voltalia operated 65 solar plants for third-party clients in Greece, totalling 31.8 MW.

6.7.6 Group activities in Brazil

Voltalia's representative in Brazil is Voltalia Do Brasil, a 100% owned subsidiary of Voltalia SA. Voltalia Do Brasil has the objective of developing a multi-energy production mix from renewables, mainly hydro and wind. The Group's development in Brazil is based on the development of project

clusters. Several medium-sized projects are developed in a single region. The Group creates an intermediate cluster holding company which owns the various project companies constituting the cluster.

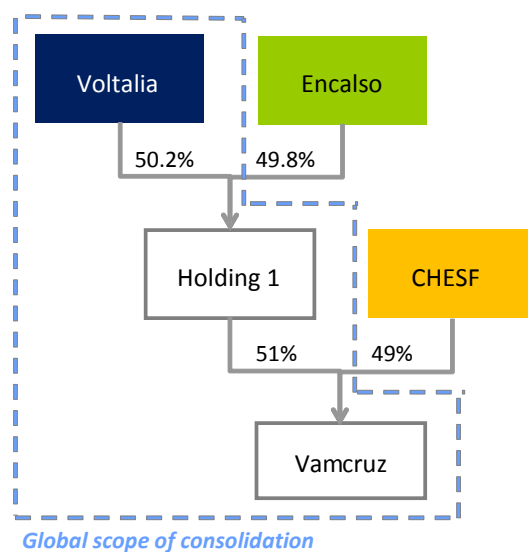
6.7.6.1 *Operational projects*

At December 31, 2015, the Group has 11 wind farms and a mixed power plant in operation.

Sector	Site (municipality)	Installed capacity	Date of commissioning	Ownership (%)
Wind	Carcara II (Areia Branca)	30 MW	November 2014	100%
Wind	Terral (Areia Branca)	30 MW	December 2014	100%
Wind	Carcara I (Areia Branca)	30 MW	February 2015	100%
Wind	Santo Cristo (Sao Miguel do Gostoso)	27 MW	Q2 2015	51%
Wind	São João (Sao Miguel do Gostoso)	27 MW	Q3 2015	51%
Wind	Carnaúbas (Sao Miguel do Gostoso)	27 MW	Q3 2015	51%
Wind	Reduto (Sao Miguel do Gostoso)	27 MW	Q3 2015	51%
Wind	Caiçara 1 Vamcruz Project (Areia Branca)	27 MW	Q4 2015	26%

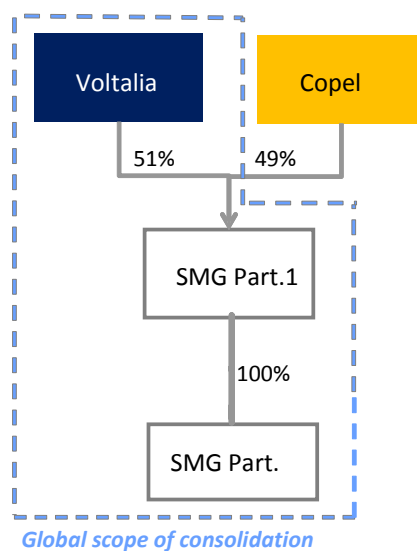
Sector	Site (municipality)	Installed capacity	Date of commissioning	Ownership (%)
Wind	Caiçara 1 Vamcruz Project (Areia Branca)	18 MW	Q4 2015	26%
Wind	Junco 1 Vamcruz Project (Areia Branca)	24 MW	Q4 2015	26%
Wind	Junco 1 Vamcruz Project (Areia Branca)	24 MW	Q4 2015	26%
Hybrid ¹⁷	Oiapoque	12 MW	Q4 2015	100%

During its development, the Vamcruz project was the object of a partnership with CHESF, a subsidiary of Eletrobras. Subsequently, Voltalia was joined by the Brazilian construction company Encalso in the holding company that owns its stake in the Vamcruz project. Consequently, although only holding a 26% economic interest in Vamcruz, the Group consolidates this project.



Similarly, Voltalia was joined by the listed Brazilian company Copel with a 49% stake in the holding company for the SMG project. Voltalia continues to 100% consolidate SMG.

¹⁷ The Oiapoque plant comprises two units: a 12 MW thermal power plant and a 7.5 MW hydroelectric power plant, construction of which will commence once the detailed technical studies have been completed, with commissioning by 2021 at the latest.



The Group is open to the same type of partnership approach in its other Brazilian projects.

6.7.6.2 *Projects in construction*

<i>In MW</i>	Projects in construction
Wind	99

6.7.6.3 *Projects in development*

Voltalia has a portfolio of 1,180 MW of projects under development in Brazil, of which 27 MW benefit from an electricity sales contract:

<i>In MW</i>	Projects in development
Wind	1,044
Solar	94
Hydroelectric	42

Projects with a purchase contract in the wind sector are the result of the N-5 auctions won by Voltalia in Brazil in December 2013, in two tranches in Rio Grande Do Norte. Voltalia reserves the right to

commence construction of these projects, in view of its available resources and the opportunities offered by the free market in Brazil allowing for early commissioning of certain power plants.

6.7.6.4 *Recent events*

On November 13, 2015, Voltalia won 27 MW of wind power in the national auctions held in Brazil by the regulator, ANEEL. The terms of the call for tender provide for production to start in November 2018 at the latest.

In December 2015, Voltalia announced the commissioning of the thermal unit (12 MW) of the Oiapoque mixed power plant in the state of Amapa, close to the border with French Guiana. The 7.5 MW

hydropower plant will come into service in 2021 at the latest.

On January 7, 2016, the Group announced the commissioning of the Vamcruz wind farm on December 22, 2015 and the development of the Serra Branca cluster with a potential of approximately 1.2 GW, located in the Rio Grande do Norte region.

6.7.7 *Group activities Morocco*

Voltalia has been present in Morocco since April 2015.

The principal holding company for Voltalia's activities in Morocco is Voltalia Maroc SAS, based in Rabat, a wholly-owned subsidiary of Voltalia SA.

6.7.7.1 *Operational projects*

At the date of the Registration Document, Voltalia has no operational projects in Morocco.

6.7.7.2 *Projects in construction*

At the date of the Registration Document, Voltalia has no projects in construction in Morocco.

6.7.7.3 *Projects in development*

Voltalia has a portfolio of projects in development in Morocco in the wind, solar and hydroelectric sectors, representing a 147 MW total capacity, which may benefit from an electricity sales contract by mutual agreement with industrial companies:

<i>In MW</i>	Projects in development
Wind	105
Solar	3
Hydroelectric	39

6.7.7.4 *Recent events*

There are no significant events to be reported.

6.8. OPERATIONAL STRUCTURE OF THE GROUP

6.8.1 Functional organisation chart of the Group

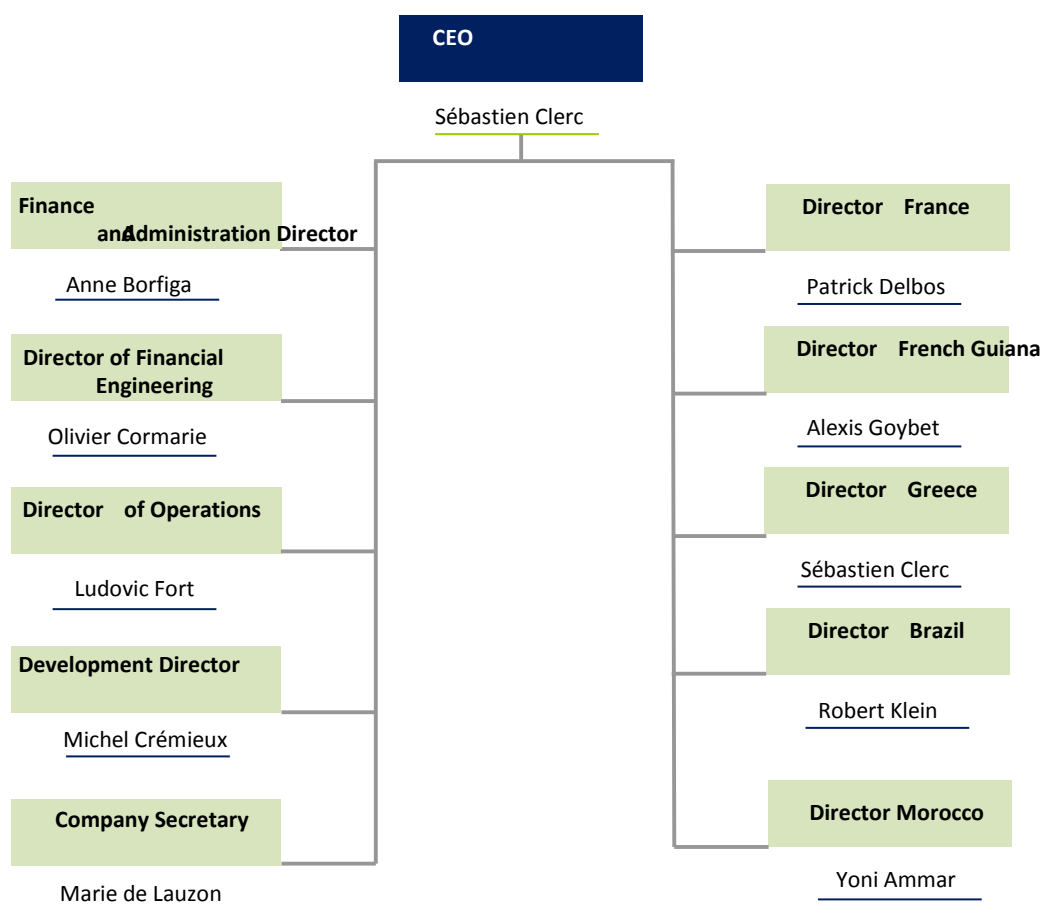
The operation of the Group is structured by geographical area, and the Group has a subsidiary with local project companies in each country, which report to the Group General Management.

The head office of Voltalia SA is responsible for general management, operational management,

administrative and finance support, general secretariat services and for arranging financing for all Group projects. Voltalia SA's teams are also responsible for all activities in Metropolitan France, while Voltalia Guyane, Voltalia Greece and Voltalia Do Brasil have their own teams, which report to the Group CEO.

Group general management, head office central services and country management are structured as follows:

The management of Voltalia is composed of high-level individuals with complementary backgrounds, enabling optimum performance within a matrix structure:



Anne Borfiga:

Anne Borfiga began her career as a financial auditor at Mazars. For eight years she performed legal and contractual audits within the industry and services department. In 2005, she joined the Acergy Group (now Subsea 7) to implement financial control of

offshore oil installations in the Africa-Mediterranean area. She joined Voltalia as Finance and Administration Director in 2008. Anne Borfiga is a graduate of the University of Paris IX Dauphine.

Olivier Cormarie:

Olivier Cormarie worked in structured finance at Société Générale and Dexia, primarily in New York, where his scope of responsibilities included Latin America, before becoming an entrepreneur in the photovoltaic sector in France. He also participated

in the formation of renewable energy investment portfolios for German closed-end funds. He joined Voltalia as Director of Financial Engineering in 2013. Olivier Cormarie is a graduate of Sciences-Po Paris.

Ludovic Fort:

Ludovic Fort worked for multinational groups in the energy sector for 16 years, including 10 years in renewable energies. Having successfully managed multiple electrical installation projects, mainly at Cegelec, Alstom and Areva in Europe and Africa, from 2004 he devoted himself to the development and construction of renewables power plants in Europe and South America. Before joining Voltalia, Ludovic Fort spent three-and-a-half years in the United States working for Areva Renewable, initially

in the biomass sector in partnership with a US electricity producer, Duke Energy, and subsequently in solar as Vice President for Operations at Areva Solar. He joined Voltalia in 2012. As Director of Operations, he is mainly responsible for the construction of new power plants in all of the countries covered by Voltalia, as well as for the optimisation of operations at existing power plants. Ludovic Fort is a graduate of the Ecole Supérieure d'Electricité, SUPELEC.

Michel Crémieux:

Michel Crémieux has over 35 years' experience in the energy sector, notably in renewable energy. After having founded and managed two energy management companies (Sinerg and Scet-Environnement), in the 1990s, Michel Crémieux joined the EDF group in 1999, managing the development division (where he was one of the initiators of EDF Energies Nouvelles) and

subsequently international operations. From 2005 to 2008 he worked for Edison, an Italian electricity and gas producer, as Chief Operating Officer. Since 2008 Michel Crémieux has managed Enel France, a French subsidiary of the largest Italian electricity producer. Michel Crémieux is a graduate of the Ecole Polytechnique and of ENSAE and holds a Master's from the University of Paris-Dauphine.

Marie de Lauzon:

Marie de Lauzon has extensive experience assisting companies and management teams with strategic financing and change management issues. After starting her career in commercial banking with Citigroup, where she spent seven years in London and Zurich, she subsequently spent three years at

PwC. More recently, Marie occupied positions as COO and CEO within a French asset management company. Marie de Lauzon is a graduate of HEC Paris (2002) and holds a Master's in International Management from the University of St. Gallen (Switzerland).

Patrick Delbos:

After experience at an electricity company, Patrick Delbos successively held positions over 18 years as

developer and operations manager in the areas of renewable energy in Europe and Southeast Asia. He

joined Voltalia in 2006 and helped to launch the multi-country and multi-energy strategy, notably with the Brazilian and Greek subsidiaries, in the wind and photovoltaic sectors. Since 2008 he has

structured and managed Group personnel in Metropolitan France. Patrick Delbos is an engineer by training and holds a Master's from ENSM.

Alexis Goybet:

Alexis Goybet has worked for 16 years in renewable energies, much of which in emerging countries such as India (where he worked for 4 years) and Sri Lanka (8 years), particularly in the area of hydropower, having commercialised and commissioned more than twenty hydroelectric plants. He joined Voltalia

in 2008. His main responsibilities were in the area of sector and geographic development, before taking charge of Voltalia's activities in French Guiana at year-end 2011. Alexis Goybet is a graduate of the Ecole de Commerce Solvay in Brussels.

Robert Klein:

After starting his career in offshore oil drilling in Brazil, Robert Klein participated in structuring and developing French companies, notably in the United States, the Middle East and Asia, mainly in the energy sectors. His last role before joining Voltalia was in international development for a subsidiary of

the Fives-Lille group. He joined Voltalia in 2006 when he participated in establishing Voltalia in Brazil, where he now occupies the post of Country Director. Robert Klein graduated from the Ecole Centrale Marseille and has an MBA from IAE in Aix-en-Provence.

Yoni Ammar:

After an initial experience in the renewable energy sector at Natixis Bank, from 2008 Yoni Ammar managed a company developing solar and wind projects in France, Poland and Morocco. Yoni Amar

joined Voltalia in 2015 as Director of the Voltalia Morocco subsidiary. He is an engineering graduate from the Ecole Centrale de Lyon (2003) and holds a Master's in Industrial Engineering (2003).

6.8.2 Committees reporting to the Board of Directors

As part of the supervision of the Group's operations, the Board of Directors of Voltalia has decided to establish the following committees:

6.8.2.1 *Strategic Orientation Committee for French Guiana*

On November 10, 2011, the Board of Directors of Voltalia decided to create a Strategic Orientation Committee for French Guiana with an advisory brief, whose mission is to develop the Group's operations in French Guiana.

The Strategic Orientation Committee for French Guiana is composed of the following members:

- Sébastien Clerc (Chairman of the Strategic Orientation Committee),
- Alexis Goybet,
- Stéphane Mauduit, representative of the Caisse des Dépôts et Consignations.

The existence of a specific committee for activities in French Guiana is part of the governance structure of Voltalia Guiane, 20% owned by the Caisse des Dépôts et Consignations.

6.8.2.2 *Executive Committee*

As part of a tightening of controls and commitment procedures, in July 2012 the Board of Directors was informed of the creation of an Executive Committee. The Committee is also called upon within the framework of the Group's operational activities and strategy implementation. The members of the Executive Committee are:

- Sébastien Clerc
- Anne Borfiga
- Olivier Cormarie
- Ludovic Fort
- Alexis Goybet
- Patrick Delbos
- Robert Klein
- Michel Crémieux
- Yoni Ammar

The Executive Committee meets as often as required for the proper functioning of Group, generally once a week.

6.8.2.3 *Audit Committee*

See Section 16.3.2.1

6.8.2.4 *Appointments and Remuneration Committee*

See Section 16.3.2.2

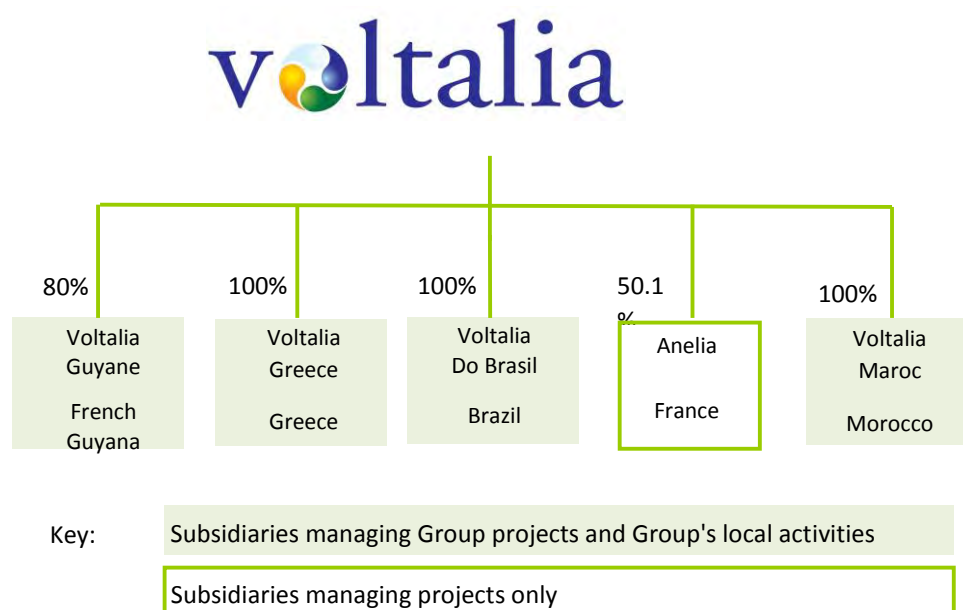
7. ORGANISATIONAL STRUCTURE

7.1. LEGAL STRUCTURE

As at 31 December 2015, Voltalia holds direct and indirect stakes in 107 companies, mainly project companies, operating companies, construction companies and finance companies.

	Brazil	Metropolitan France	Greece	French Guyana	Morocco
Holding company	11	2	1	1	1
Companies in operation	12	8	9	3	0
Companies under construction	4	0	0	0	0
Financing companies	0	0	0	7	0
Project/development companies	5	25	9	9	0

Voltalia is a shareholder in project companies, operating companies, construction companies and finance companies, either directly or through five subsidiaries:



- The remaining capital of Voltalia Guyane is held by the Caisse des Dépôts et Consignations.
- Sébastien Clerc holds one share in Voltalia Do Brasil.
- The remaining ANELIA capital is held by ANEMOS (no links with Voltalia officers or shareholders).
- Voltalia Investissement holds one share in Voltalia Maroc.

The activities of the Company and of subsidiaries that control the Group's local activities are described in Section 7.2 of the Registration Document.

The operational organisation of the Group and the main cross-divisional functions are presented in Section 1.1 of the Registration Document.

A breakdown of the Group's salaried workforce is presented in Section 17 of the Registration Document.

Document. The main financial flows between Group companies take place under the intra-group agreements described in Section 7.3 of the Registration Document.

7.2. OVERVIEW OF THE GROUP'S PRINCIPAL COMPANIES

7.2.1 Voltalia SA

With a workforce of 47 salaried employees as at 31 December 2015, Voltalia is primarily responsible for the Group's central services (16 people) and for the development, financing, construction and operational activities of the Group and/or in France

(31 people), providing technical support to Group subsidiaries involved in its activity. In addition, the Bio-Bar subsidiary, which operates a biomass cogeneration plant in France, employs 3 people.

7.2.2 Voltalia Guyane

With a workforce of 5 employees, Voltalia Guyane is responsible for all of the Group's development and operational activities in French Guyana, providing technical support to Group subsidiaries active in its

field. In addition, the subsidiary Voltalia Kourou employs 5 people and the hydropower plant at Saut Maman Valentin has 1 employee.

7.2.3 Voltalia Greece

With a workforce of 9 employees, Voltalia Greece is responsible for all of the Group's operational and

support activities in Greece, providing technical support to Group subsidiaries active in its field.

7.2.4 Voltalia Do Brasil

With a workforce of 57 salaried employees, Voltalia Do Brasil is responsible for all development, construction and operational activities of the Group

in Brazil, of which 29 are specifically dedicated to development. This company provides technical support for Group subsidiaries active in its field.

7.2.5 Voltalia Maroc

Founded in April 2015, Voltalia Maroc is in charge of the Group's development activities in Morocco, with

a workforce of 5 salaried employees, 4 of whom are specifically dedicated to development.

7.2.6 SPVs

The Group has created special purpose vehicles (SPVs) which generally carry plants under construction and in operation. These SPVs are either owned directly by the Company through country subsidiaries, or through intermediate holding companies.

The companies included in the scope of consolidation of the Group at 31 December 2015

are listed in Note 5 to the Company's consolidated financial statements for the year ended 31 December 2015, featuring in Chapter 20 "Financial information concerning the assets, financial position and results of the issuer" of the Registration Document.

7.2.7 Others

As stated in Section 7.1 above, Voltalia is a shareholder in project, operating and finance companies, either directly or through subsidiaries that control the Group's local activities, as described above, or through four subsidiaries the sole purpose of which is to carry project companies, notably through co-development activities:

- ANELIA: owned by Voltalia (50.1%) and ANEMOS, ANELIA is a co-development company that manages wind energy projects in France. None of these projects are in operation at the date of the Registration Document.
- ENVOLVER: owned by Voltalia (50.2%) and Encalso (49.8%), a state-owned civil engineering company based in São Paulo, the Envolver holding company owns 51% of the shares of subsidiaries in charge of the construction (and ultimately the operation)

of the Vamcruz wind farms; CHESF, another major player in the Brazilian power sector, holds 49% of Vamcruz subsidiary shares.

- SMG Participacoes 1: owned by Voltalia and Voltalia do Brasil (51%) and COPEL (49%), the sole activity of SMG Participacoes 1 is to hold shares in SMG Participacoes, which itself holds 100% of the shares in the subsidiaries in charge of the construction (and ultimately the operation) of the Sao Miguel do Gostoso wind farms.

7.2.8 Summary

In thousands of euros	France	French Guyana	Brazil	Greece	Morocco	Total
Goodwill and assets	69,823	42,989	356,210	12,661	317	482,000
Non-current assets	5,612	3	122	8	6	5,751
Current assets	10,190	3,832	45,399	3,248	237	62,906
Non-current liabilities	62,024	19,376	181,538	2,171	(0)	265,108
Current liabilities	25,361	6,004	39,887	2,240	212	73,704

7.3. MAIN INTRA-GROUP TRANSACTIONS

In terms of managing transactions within the Group, based on cash flow forecasts (e.g., financing of working capital requirements or bridging loans), the Company provides the funds required by the various subsidiaries by way of cash supply agreements.

Regarding the financing of power plant construction, via current account advances and/or capital advances, Volitalia SA offers its subsidiaries the funds they require to make the equity contributions to the project companies in which

they hold an interest. Regarding bank financing, this is arranged by the project companies.

Volitalia re-invoices project development costs and administrative expenses to certain subsidiaries. Finally, there are currently no intra-group flows in respect of dividend payments or loan repayments (see Section 19.2 of the Registration Document).

8.PROPERTY, PLANT AND EQUIPMENT

8.1. PROPERTY, PLANT AND EQUIPMENT

8.1.1 Significant property, plant and equipment - existing or planned

In 2014, the Group entered into a commercial lease for the premises located at 28, rue de Mogador, 75009 Paris, the new registered office of the Company. Its details are as follows:

Surface area	555m ²
Start date	23 June 2014
Term	9 years

In its decision dated 25 July 2014, the Company's Board of Directors decided to transfer the registered office of the Company, originally located at 28, rue Blaise Pascal, 92200 Neuilly sur Seine, to 28, rue de Mogador, 75009 Paris, with effect from

28 August 2014. This decision was approved by the Company's Annual General Meeting on 11 June 2015.

The equipment owned by Group companies consists of wind farm installations, photovoltaic power plants, biomass power plants and hydropower plants. The main fixed assets held by the Company is described in NOTE 16- of the Notes to the consolidated financial statements for the year ended 31 December 2015, contained in Section 20.1.6 of the Registration Document.

The Group also consolidates the companies set up under the Girardin Law that hold assets in French Guyana (see Section 3 of the Registration Document).

8.1.2 Other property, plant and equipment

Other property, plant and equipment held by the Company is described in NOTE 16- of the Notes to the consolidated financial statements for 2015, contained in Section 20.1.6 of the Registration Document.

The Group owns all the assets necessary for its operations, except for assets held under finance

leases and those financed within the framework of mechanisms similar to those provided under the Girardin Law. The Group will become the owner of the assets under finance leases on exercise of the purchase option under the lease agreement and after a period of five years for assets with financing of the type provided for under the Girardin Law.

8.2. INTANGIBLE ASSETS

The main intangible assets held by the Company are described in NOTE 15- of the Notes to the consolidated financial statements for the year ended 31 December 2015, contained in Section 20.1.6 of the Registration Document.

8.3. ENVIRONMENTAL CONSTRAINTS THAT MAY AFFECT THE GROUP'S UTILISATION OF ITS PROPERTY, PLANT AND EQUIPMENT

Environmental issues that could have an influence on the various facilities owned or used by the Group are described in Sections 4.1.2.11 and 6.5 and in Note A.3 of the Registration Document.

9. REVIEW OF RESULTS AND FINANCIAL POSITION

The reader is invited to read the following information relating to the financial position and results of the Group in conjunction with the Registration Document in its entirety and, in particular, the Group's consolidated financial statements prepared under IFRS for the years ended 31 December 2013, 2014 and 2015 contained in Sections **Erreur ! Source du renvoi introuvable.** respectively of the first part of the prospectus filed with the AMF on 23 June 2014 under number the 14-315-029, of the registration document filed with the AMF on 30 April 2015 under number R. 15-029 and of the Registration Document¹⁸.

9.1. GENERAL PRESENTATION

9.1.1 Financial statements

In accordance with Regulation (EC) no. 1606/2002 of 19 July 2002, the consolidated financial statements of Voltalia, approved by the Board of Directors on 19 February 2016, were prepared in accordance with IFRS as adopted by the European Union.

9.1.2 Principal factors affecting activities and results

At the date of the Registration Document, the Group considers that the main factors having a significant influence on its financial performance are as follows:

Pace of commissioning of the Group's power plants

The increase in revenue from production activities from one year to the next is linked to the pace at which power plants reaching the end of the construction phase are commissioned. The Group does not begin to generate revenue from power plants until this phase has been completed, with the Group subsequently benefiting from a long-term electricity sales contract (15 to 25 years) or from contracts of varying maturities contracted on the open market. If the power plant is handed over at year end, revenue is recognized for the amount of production during the year, the first year of production rarely constituting a full year. The handover schedule is therefore likely to affect the comparability of fiscal years and profitability calculations for invested capital.

¹⁸ The reader is also invited to consult the Company's annual financial statements as at 31 December 2015 contained in Section 20.3 of the Registration Document.

Financing policy

The Group's growth model consists of developing and financing electrical power plant projects before entering the production phase. The Group must therefore arrange specific financing for each project in the form of both debt and equity. For this reason, the construction of several power plants during the year may result in a significant increase in the Group's debt and larger equity commitments compared to the previous year.

Differences in regulatory frameworks and tariff conditions

Regulatory frameworks, tariff conditions and incentive schemes vary significantly between different regions and sectors, leading to different levels of profitability. The Group's results may notably vary in accordance with direct or indirect subsidy mechanisms, tax exemption mechanisms, or any delays in obtaining the planning permission and authorisations required for project development. However, once the electricity sales contract has been concluded on power plant commissioning or when a tariff is awarded under a tender, the Group enjoys a stable long-term framework (see § 4.1.1.2 on the risks of national and international policies in support of renewable energy).

Change in climatic conditions

The Group's business activity is the production of electricity from renewable energy sources. These energies are, however, highly dependent on climatic conditions. Although the electricity sale contracts usually specify a purchase obligation irrespective of the level of electricity production, output is directly linked to climatic conditions, particularly wind conditions for wind farms and sunshine for photovoltaic plants. Despite the geographical diversification of sites, weather conditions therefore affect the financial performance of the Group from one year to the next, notably revenue, and therefore also operating results (see § 4.1.1.1 on risks related to energy yield forecasts and climatic conditions).

Exchange rate effects

The Group carries out part of its activities in Brazil (Brazilian *real*). All assets (electricity generating plants), liabilities (related project financing) and revenues related to the operation of the plants are, and will continue to be, denominated in the domestic currency of the country concerned. Accordingly, as the assets and the corresponding debt financing are expressed in the same currency, valuation distortions on the balance sheet are minimised. However, any appreciation or depreciation of the Brazilian *real* against the euro would affect the Group's financial performance (see § 4.1.4.1 on currency risks).

9.2. COMPARISON OF THE LAST THREE FISCAL YEARS

9.2.1 Income statement - comparative figures between 31 December 2013, 31 December 2014 and 31 December 2015

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
IFRS			
Revenue	58,482	27,592	18,587
Other operating income	83	18	54
EBITDA*	30,042	12,536	5,322
Current operating income	22,629	6,736	214
Operating income	22,298	5,962	(2,477)
Net income	4,550	4,896	(5,664)
Net income Group share	3,888	4,495	(5,466)

*EBITDA: "Earnings Before Interest, Taxes, Depreciation, and Amortization"

9.2.2 Structure of operating income

9.2.2.1 Sales, revenue from development activities and operating income

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Production of electricity / biomass heat	2,854	3,783	4,233
Electricity production from wind power	44,074	12,709	3,969
Electricity production from solar power	7,404	7,359	6,758
Electricity production from hydropower	1,601	2,896	2,175
Hybrid power production	1,503	-	-

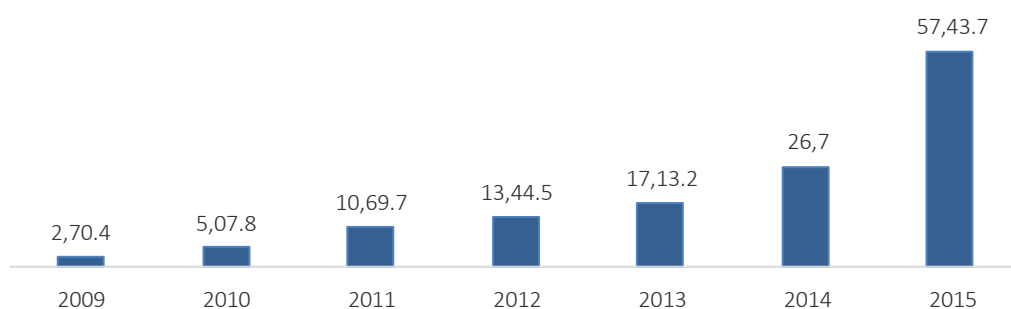
In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Provision of services and development activity	1,046	844	1,452
Total revenue from energy production and provision of services	58,482	27,592	18,587
Other operating income	83	18	54
Total other operating income	83	18	54
Total	58,565	27,610	18,641

Revenue

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Production of electricity / biomass heat	2,854	3,783	4,233
Electricity production from wind power	44,074	12,709	3,969
Electricity production from solar power	7,404	7,359	6,758
Electricity production from hydropower	1,601	2,896	2,175
Hybrid power production	1,503	-	-
Provision of services and development activity	1,046	844	1,452
Total revenue from energy production and provision of services	58,482	27,592	18,587
Other operating income	83	18	54
Total other operating income	83	18	54
Total	58,565	27,610	18,641

Voltaia has confirmed its dynamic growth through the two-fold increase (x 2.1) in energy sales to 57,435 thousand euros at the end of 2015, against 26,748 thousand euros in 2014. At constant exchange rates, business levels are 2.3 times higher. The currency impact linked to variation in the Brazilian *real* against the euro amounted to 6.2 million euros for 2015.

Growth in annual energy sales (in € millions)



The growth in energy sales was driven by high levels of production at the Brazilian wind farms and, to a

lesser extent, the full-year impact of the French farms at Molinons and Adriers, while technical

incidents impacted production at the Mana hydropower plant in French Guyana. These energy sales figures include contractual revenue from contractual production at the Sao Miguel do Gostoso wind farm complex which is waiting to be able to inject electricity into the grid. This confirmed revenue was recognised in Q2 in the amount of 8.231 million euros.

Similarly, Voltalia's revenue from the provision of services and development sales increased by 24.2% in 2015 (1.047 million euros as at 31 December 2015 compared to 844 thousand euros at 31 December 2014). This increase is primarily due to the rise in operating and maintenance service contracts in Greece (858 thousand euros at 31 December 2015 compared to 439 thousand euros at 31 December 2014, representing growth of 95.4%).

9.2.2.2 *Operating expenses*

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Other purchases and external expenses	19,555	8,253	7,433
Taxes other than on income	3,046	3,411	1,744
Payroll	4,930	2,559	1,364
Other operating income and expenses	481	76	(449)
Income from disposal of investments	(79)	0	10
Other non-current operating income and expenses	589	774	3,216
Net reversal of impairment of other operating income and expenses	(180)	-	(535)
Net depreciation, amortisation and provisions	7,924	6,574	8,334
Total operating expenses	36,267	21,647	21,117

The significant changes in operating expenses break down as follows:

- The increase in current operating expenses is due to the increased capacity of plants that became operational or had a full-year effect in 2015.
- Personnel expenses allocated to project development and construction are recognised as assets. Other personnel expenses are included in the income statement.
- The increase in personnel expenses is related to the necessary recruitment of support teams and to lower personnel allocations to project construction.
- Depreciation and amortisation in the amount of 10.714 million euros (versus 5.018 million euros at 31 December 2014) reflects the amortisation of plants in operation. The increase is in line with the new farms commissioned in 2015 combined with the full-year effect of the depreciation and amortisation of plants commissioned in 2014. This depreciation also includes amortisation calculated using the unit of production method with a value of nil for the Sao Miguel de Gostoso wind farm (methods of revenue recognition and lack of depreciation expense explained in Note 9 to the consolidated financial statements for 2015 contained in Section 20 of the Registration Document).
- The net reversal of impairment and provisions amounted to 2.789 million euros (compared to net provisions of 1.556 million euros at 31 December 2014). This primarily covers the net reversals of provisions to cover the feasibility risks of projects in the amount of 984 thousand euros, the net reversal of provisions for the impairment of trade receivables in the amount of 1.221 million euros, corresponding to payments actually received. The net reversals of provisions in the amount of 630 thousand euros relate to certain provisions initially recorded in the French Guyana region with a view to meeting regulatory obligations no longer applicable under the revised amortisation plan.
- Accordingly, operating income amounted to -2.477 million euros, 5.962 million euros and 22.298 million euros for the years ended 31 December 2013, 2014 and 2015 respectively.

Analysis of the operating margin by sector:

At 31 December 2015 (in thousands of euros)	Corporate	Wind	Biomass	Hydropower	Solar	Hybrid
Operating margin	N/A	55%	42%	-17%	51%	27%

In the absence of exceptional technical difficulties experienced by the Mana plant in 2015, which impacted activity by 1.3 million euros, the operating

margin of the hydropower activity would have been 35% for 2015.

9.2.2.3 *EBITDA*

EBITDA is the Anglo-Saxon equivalent of Excédent Brut d'Exploitation (Gross Operating Profit).

appearing in the current income and in operating income and expenses.

It is calculated by restating the operating income and depreciation, amortisation and provisions

EBITDA

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Operating income	22,298	5,962	(2,477)
Net depreciation, amortisation and provisions	7,924	6,574	8,334
Reversal of impairment of other operating income and expenses	(180)	-	(535)
EBITDA	30,042	12,536	5,322

EBITDA was positive at 30.042 million euros at 31 December 2015 (versus 12.536 million euros at 31 December 2014), the result of enhanced cash flows from developments. The operating performance for 2015 was marked by an increase in EBITDA (2.4

times higher than in 2014) that was greater than the increase in revenue (2.1 times higher). This growth was accompanied by a 6-point increase in the EBITDA margin, reflecting the effective control of current operating expenses.

9.2.2.4 *Other non-current operating income and expenses*

Other non-current operating income and expenses amounted to (409) thousand euros at 31 December 2015. These include the (342) thousand euros

settlement of litigation between Volitalia Guyane and a supplier in French Guyana.

9.2.2.5 *Financial income*

Financial income amounted to -2.307 million euros, -577 thousand euros and -14.843 million euros for the years ended 31 December 2013, 2014 and 2015 respectively.

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Cost of net financial debt	(14,237)	(999)	(2,728)
Other financial income and expenses	(606)	422	421
Net financial income	(14,843)	(577)	(2,307)

The sharp rise in the Group's cost of net financial debt is directly linked to the higher activity levels in Brazil. The increase in interest expenses for 2015 is the result of the full-year effect of the loans for new projects commissioned at the end of 2014 (60 MW at Areia Branca, Adriers and Molinons) and projects commissioned in 2015 (30 MW at Areia Branca and SMG).

The other financial income and expenses in 2015 reflect the currency gains and losses on the liquidation of receivables amounting to -731 thousand euros. It should also be noted that, due to the launch of construction projects demonstrating the Group's long-term investment in its Brazilian subsidiaries, the currency effects on loans to Brazilian subsidiaries have been incorporated into other items in total net income (equity reserves) since the end of 2013.

9.2.2.6 *Taxes and net income*

The tax expense for 2015 corresponds to deferred taxes of (67) thousand euros and due taxes of (2.928) million euros relating to the increased capacity of operational plants in Brazil.

Accordingly, consolidated net income for the period amounted to -5.664 million euros, 4.896 million euros and 4.550 million euros for the years ended 31 December 2013, 2014 and 2015 respectively.

9.3. BALANCE SHEET ANALYSIS

9.3.1 Non-current assets

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Goodwill	1,056	1,068	1,069
Intangible assets	35,043	38,521	27,844
Property, plant and equipment	445,622	369,430	122,953
Investments in associates	278	187	121

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Deferred taxes	339	1,155	660
Non-current financial assets	5,411	5,209	4,326
Other non-current assets	0	10	824
Total non-current assets	487,750	415,582	157,797

Non-current assets mainly include:

- the property, plant and equipment at power plants in operation and those under construction: the notable increase in property, plant and equipment is largely explained by the construction of the Sao Miguel do Gostoso and Vamcruz plants in Brazil which were commissioned in 2015, as well as the launch of the Vila Para construction projects;
- the net intangible assets at power plants in operation and the assets arising from the development of projects: the steady increase in intangible assets corresponds to the growth in both volume and maturity of the Company's portfolio of projects under development.

9.3.2 Current assets

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Inventories and work in progress	596	107	201
Customers	16,361	15,663	10,969
Current tax assets	379	2	1
Other receivables and accruals	1,979	2,191	1,914
Financial assets	43,591	58,779	30,721
Assets held for sale	500	1,557	-
Total current assets	63,406	78,299	43,805

The item "current assets" includes:

- Trade receivables, notably December 2015 production;
- Several guarantee deposits for the purposes of call for tender for 1.1 million euros.
- The free cash flow of 43.591 million euros enables the financing requirements of all ongoing construction projects to be met.

9.3.3 Equity

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Capital	149,406	139,107	72,761
Issue premium	61,325	56,267	23,570
Reserves	(30,296)	(10,573)	103
Retained earnings	(30,919)	(26,897)	(23,562)
Earnings	3,888	4,495	(5,466)
Non-controlling interests	57,761	48,342	8,093
Total equity	211,165	210,741	75,498

The apparent equity stability at 31 December 2015 is predominantly due to the following:

- Capital increases totalling 41.042 million euros: 15.350 million euros of funds raised in January 2015, the balance of 25.692 million euros arising from capital

increases subscribed by minority shareholders in Brazil;

- Profits for the year of 4.550 million euros;
- Currency translation adjustments from the conversion of assets abroad amounting to 45.707 million euros.

9.3.4 Non-current liabilities

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Long-term provisions	1,335	2,552	5,521
Loans and other debt	263,673	152,602	59,335
Other long-term liabilities	102	115	1,112
Other non-current liabilities	(1)	-	-
Total non-current liabilities	265,108	155,268	65,969

9.3.5 Current liabilities

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Short-term portion of loans	44,365	92,371	43,149
Other current liabilities	28,630	32,992	16,123
Current tax liabilities	702	586	123
Other current liabilities	7	519	741
Liabilities held for sale	1,179	1,403	-
Total current liabilities	74,883	127,872	60,136

Short-term borrowings primarily consist of bridging loans in the amount of 10 million euros obtained as pre-financing for the construction of the SMG wind farms in Brazil, and the portion of less than one year of other operating subsidiaries' long-term loans.

Other current liabilities notably include:

- Trade payables amounting to 13.855 million euros,
- Social and tax liabilities in the amount of 5.333 million euros,
- Advances received from minority shareholders in the amount of 9.401 million euros.

10. CASH AND SHAREHOLDERS' EQUITY

The reader is invited to refer to Notes [21] to [23] in the consolidated financial statements for the year ended 31 December 2015, contained in Section **Erreur ! Source du renvoi introuvable.** of the Registration Document.

10.1. INFORMATION ON THE GROUP'S CAPITAL, LIQUIDITY AND SOURCES OF FINANCING

At 31 December 2015, the amount of cash and cash equivalents held by the Company amounted to 43.6 million euros, versus 58.8 million euros at 31 December 2014 and 30.7 million euros at 31 December 2013.

10.1.1 Capital financing

The Company received a total of 238.9 million euros (before deducting expenses related to the capital increases) through capital increases between 2005 and 2015. The table below summarises the main capital increases in terms of value between the Company's creation date and the date of the Registration Document:

Date	Amount raised	Transaction
30/11/2005	€37,000	Creation of the Company
13/1/2006	€1,054,053	Capital increase
8/3/2006	€416,908	Capital increase
5/5/2006	€2,204,502	Capital increase
20/12/2006	€2,105,250	Capital increase
15/3/2007	€1,751,143	Capital increase
19/4/2007	€19,999,999	Capital increase
29/11/2007	€474,281	Exercise of BSA warrants
11/6/2008	€2,951,520	Capital increase
20/6/2008	€851,682	Capital increase
20/10/2009	€57,120	Exercise of BSPCE founders' warrants
17/12/2009	€28,000,000	Capital increase
17/12/2009	€23,800	Exercise of BSPCE founders' warrants
15/6/2010	€19,040	Exercise of BSPCE founders' warrants
10/8/2012	€63,262,703	Capital increase
5/5/2014	€60	Exercise of BSPCE founders' warrants
10/7/2014	€100,101,076	Capital increase
23/1/2015	€15,350,020	Capital increase
30/11/2015	€97,750	Exercise of BSA warrants (equity line)
31/12/2015	115,490	Exercise of BSA warrants (equity line)
Total	€238,873,397	

10.1.2 Financing through project disposals

In 2014, the sale of 49% of the SMG holding company to the Brazilian partner Copel, for the sum of 17.3 million euros, made it possible to repay the cash advances made by the Company in connection

with the construction of the SMG wind farms and to achieve a capital gain on disposal.

No significant disposals were carried out in 2015.

10.1.3 Debt financing

Beyond the current cash flow generated by its activities, the Group finances its investments through bank loans taken out at project company level.

Such bank loans, which may take the form of finance leases, are taken out for terms generally of between 10 and 18 years, with no recourse, limited recourse or benefiting from guarantees from the parent company, and secured against the project company and its assets (pledging of project company shares, mortgage on land, assignment of insurance payments, assignment of trade receivables, 3-6 month cash guarantee of loan instalments, etc.). In order to meet the construction schedule, bridging loans can be set up and then repaid through a long-term loan, as with the financing of the Vamcruz wind farm in Brazil, the

bridging loan for which was taken out in early 2015 and repaid in full when a long-term loan was put in place in December 2015.

Operating companies that have taken out loans to finance their assets must comply with bank covenants. Depending on the terms of the financing agreement, failure to comply with these ratios may primarily constitute a default event that could require the full repayment of a loan and/or a restriction on dividends or current account payments by the operating companies. All commitments relating to these loans were complied with in 2015.

The "corporate" debt taken out at head office level does not include any obligation to comply with financial ratios.

Tables showing the breakdown of bank debt 1 year / 1-5 years / > 5 years:

In thousands of euros	Total	Maturity ≤ 1 year (*)	Maturity 1 to 5 years	Maturity ≥ 5 years
Corporate	20,825	15,375	3,950	1,500
Projects	268,215	26,681	64,426	177,108
Finance leases	15,608	1,459	6,581	7,568
Net debt at 31/12/2015	304,648	43,515	74,957	186,176

(*) maturity of less than one year includes a bridging loan of 10.5 million euros renewed for the construction of the SMG wind farm. This will be repaid on drawdown of the final tranche of a long-term loan in March 2016.

The table below shows the statement of Group borrowings and interest rate swaps at 31 December 2015 (including liabilities held for sale):

Statement of loans and interest-rate swaps (<i>in thousands of euros</i>)	31/12/2015
Fixed-rate loans	45,490
of which project	39,440
of which corporate	6,050
Variable-rate loans	57,193
of which amount subject to an interest rate swap	35,884
of which corporate	14,775
Adjustable-rate loans	201,965
of which BNDES loans	191,513
Total loans	304,648
Maturity ≤ 1 year	43,515
Maturity 1 to 5 years	74,957
Maturity ≥ 5 years	186,176
Total by maturity	304,648

During 2015, the main variations were due to the establishment of long-term loans for the construction of the SMG and Vamcruz wind farms in Brazil and, to a lesser extent, for the Adriers and Molinons farms in France, as well as the increase in corporate debt obtained to finance the ongoing

development of the Group and the financing of certain projects, notably in Brazil, while awaiting long-term refinancing.

On 31 December 2015, the debt structure includes 34% of borrowings in euros and 66% in Brazilian reals.

10.1.4 Off-balance sheet commitments

10.1.4.1 *Commitments given:*

- **Assets pledged as collateral for debts**

Debts incurred by the Group in relation to project financing are guaranteed by security interests (mortgages, pledges on equipment, securities, receivables and reserve accounts) given as collateral against repayment amounting to 283.8 million

euros. This amount represents the outstanding balance at 31 December 2015 of debts for projects that are in operation, under construction and in receipt of bank financing. The longest maturity of these debts is 2032.

- **Financial guarantees given to third parties**

In order to safeguard the ICPE facilities classified for environmental protection, Group companies affected by this obligation benefit from priority

provisions and, in July 2015, took out surety bonds with a leading insurance company. The decommissioning obligation is recognised as a

decommissioning asset. The sum of decommissioning financial guarantees amounts to 1.2 million euros.

A bid bond was established as part of the successful Vila Acre tender in Brazil. This bond is for 1 million *reals*, some 0.23 million euros, valid until May 2016.

The Group has issued performance bonds associated with the construction of wind power plants. These bonds expire once construction work has been completed. The longest maturity is 2021.

At 31 December 2015 they amount to 11.4 million euros.

Furthermore, payment guarantees totalling 22.9 million euros in favour of various suppliers have been issued until the end of 2016.

Commitments received

- **Commitments received in relation to subsidies**

The Greek government has committed to pay the Group investment subsidies totalling 1.3 million euros. These subsidies enable early repayment of loans contracted for the construction of projects.

Given the estimated counterparty risk vis-à-vis the Greek state and the total amount received of 0.4 million euros in 2015, these subsidies are not recognised in the balance sheet.

- **Guarantees received from customers**

At the end of the contract (15 years) for the supply of heating by Bio-Bar to Cauval, the latter is obliged to extend the contract under conditions to be agreed, or to repurchase the facilities at net book value.

See Note 35 to the financial statements as at 31 December 2015, contained in Section 20.1 of the Registration Document.

10.2. CASH FLOWS

10.2.1 Cash flows from operating activities

Cash flows from operating activities for the years ended 31 December 2013, 2014 and 2015 amounted to - 4.365 million euros, 2.472 million euros and 45.378 million euros respectively.

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
TOTAL NET CONSOLIDATED INCOME	4,550	4,896	(5,664)

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Elimination of expenses and income not affecting cash or not related to activities	-	-	-
Depreciation, amortization and provisions	9,286	5,967	(146)
Change in deferred taxes	-	-	-
Gains on disposals, net of taxes	544	861	1,145
Elimination of share of results of associates	(91)	(66)	(89)
Other income and expenses not affecting cash	162	14	-
GROSS CASH FLOW FROM INTEGRATED COMPANIES	14,451	11,672	(4,755)
Elimination of tax expense (income)	2,996	555	970
Cost of net financial debt	14,237	999	2,728
GROSS CASH FLOW FROM INTEGRATED COMPANIES BEFORE COST OF FINANCIAL DEBT	31,684	13,226	(1,057)
Tax paid	(2,607)	(381)	(228)
CHANGE IN WORKING CAPITAL RELATED TO ACTIVITIES	16,300	(10,373)	(3,080)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	45,378	2,472	(4,365)

The worsening of the working capital requirement in 2016 is largely due to an increase in trade payables (20.499 million euros) which exceeds the increase in trade receivables (3.675 million euros).

10.2.2 Cash flows from investments

Cash outflows from investments for the years ended 31 December 2013, 2014 and 2015 amounted to 64.061 million euros, 260.990 million euros and 194.430 million euros respectively.

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Acquisition of assets	(193,229)	(261,842)	(65,698)
Intangible assets	(19,157)	(6,689)	(19,102)
Property, plant and equipment	(173,183)	(254,428)	(44,511)
Financial assets	(889)	(725)	(2,085)
			-
Disposal of assets, net of taxes	664	746	1,772

Disposals of property, plant and equipment (net of variation in receivables)	3	35	(29)
Decrease in other financial assets	661	711	1,801
Changes in loans and advances granted	718	106	119
Impact of changes in the scope of consolidation	(2,583)	-	(254)
NET CASH FLOWS FROM INVESTMENT TRANSACTIONS	(194,430)	(260,990)	(64,061)

The 2015 cash flows from investments totalling 194 million euros mainly comprise those made in Brazilian construction projects (wind power and hybrid), which account for approximately 95% of the 2015 investment flows.

10.2.3 Cash flows from financing activities

Cash inflows from financing activities for the years ended 31 December 2013, 2014 and 2015 amounted to 62.533 million euros, 287.160 million euros and 143.371 million euros respectively.

In thousands of euros	31/12/2015	31/12/2014	31/12/2013
Capital increases (reductions)	40,763	126,077	10,884
Partial disposal without loss of control	-	17,352	-
Net disposal of treasury shares	(10)	(242)	(78)
Loans issued	194,140	188,994	61,000
Financing via bank overdrafts	4,775		
Loans repaid	(82,287)	(44,498)	(6,610)
Net interest paid	(13,930)	(523)	(2,664)
Dividends paid to minority shareholders	(80)	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	143,371	287,160	62,533

For the purposes of financing construction projects in Brazil, the Group used a mix of equity financing through capital increases (11 million euros in 2013, 126 million euros in 2014 and 41 million euros in 2015), sales to minority partners (17.3 million euros in 2014) and debt raised from credit institutions (61 million euros in 2013, 189 million euros in 2014 and 194 million euros in 2015).

10.3. INFORMATION ON TERMS OF BORROWING AND FINANCING STRUCTURE

See Note 26 to the financial statements contained in Section 20.1 of the Registration Document.

10.4. RESTRICTIONS ON THE USE OF CAPITAL

Bank financing without recourse or with limited recourse includes restrictive clauses on project companies transferring cash to shareholders based on financial ratios for the fiscal year. Such financing also provides for a cash security equal to three to six months of loan instalments to be frozen until the loan matures.

Some of the credit agreements signed by the Group have restrictive clauses on project companies transferring cash to their shareholders. They usually provide for a restriction on cash transfers until an annual certificate of compliance with financial ratios has been issued (within 6 months of the end of the fiscal year), notably the Debt Service Coverage Ratio (after-tax operating cash flow over debt service) and

the capital structure ratio (equity or quasi-equity over total investment).

In addition, banks generally require the creation of a reserve account, generally covering one or two debt service instalments. On a case-by-case basis, such reserve accounts can be funded either on commissioning of the project via equity or bank debt, or during the first months or years of operation via the operating cash flows from the power plants. Cash transfers to shareholders are restricted until the reserve account has been fully constituted.

10.5. SOURCES OF FINANCING FOR FUTURE DEVELOPMENT

Buoyed by the success of its new plants commissioned in 2014 and 2015, the Group has brought forward the target date to achieve its objective of one Gigawatt of installed capacity, now set for 2022. In this context, in order to pursue its strategy of profitable growth the Group plans to

reinforce its equity. The purpose of such a transaction would be to increase the percentage of free float of the share capital and to benefit from additional investment from the reference shareholder.

11. RESEARCH AND DEVELOPMENT, PATENTS, LICENCES, TRADEMARKS AND DOMAIN NAMES

11.1. TRADEMARKS

The Company is the owner of the French trademarks:

- "VOLTALIA" in classes 9, 35, 37, 39, 40, 41, 42;
- "VOLTALIA" in class 40;
- "v^oltalia" in classes 9, 35, 37, 39, 40, 41, 42.

The Company is also the owner of the EU trademarks:

- "VOLTALIA" in classes 9, 35, 37, 39, 40, 41, 42;
- "v^oltalia" in classes 9, 35, 37, 39, 40, 41, 42.

The Company also owns the international trademark "VOLTALIA" in classes 9, 35, 37, 39, 40, 41, 42 in the following countries: China, India, Morocco, Mexico, Tunisia, Turkey, United States and Vietnam.

11.2. DOMAIN NAMES

The domain names registered by the Company are:

- voltaia.at
- voltaia.be
- voltaia.cl
- voltaia.cn
- voltaia.co.uk
- voltaia.com
- voltaia.com.br
- voltaia.es
- voltaia.eu
- voltaia.gr
- voltaia.gy
- voltaia.ie
- voltaia.it
- voltaia.ma
- voltaia.mx
- voltaia.pe
- voltaia.pt
- voltaia.us

12. INFORMATION ON TRENDS

12.1. TRENDS

The main trends relating to and/or affecting the Company's activities are described in Chapters 0 and 1 above, and in the Group's management report.

The targets and trends presented below are based on data, assumptions and estimates deemed reasonable by the Company as of the date of the Registration Document.

These targets, based on the Group's strategic plan, should not be taken as Group forecasts or profit data. The data and assumptions on which these targets are based are subject to change in response to economic, financial, competitive, regulatory and fiscal developments and/or other factors of which

the Company is not aware as at the date of the Registration Document.

In addition, should certain risks materialise as described in Chapter 4 of the Registration Document entitled "Risk Factors", they could have an impact on the activities, financial position, results and outlook of the Group and thereby affect its ability to meet the targets presented below.

Furthermore, the attainment of objectives presupposes the success of the Group's strategy; the Group therefore makes no commitment or guarantee regarding the attainment of the objectives presented in this section.

Plants in operation

Plants currently under construction planned for completion in 2016 will automatically increase the installed capacity of the Group during the year.

Installed capacity should therefore increase from 376.1 MW to 475.1 MW following the completion of the four Vila Para wind farms.

Plants under construction

In addition to the current projects at Vila Para, the Group plans to launch a number of new construction projects.

In March 2014 and October 2015 in France, the Group was awarded tender contracts by the energy regulators. The tender contracts relate to the supply of solar power over a 20-year period. Under the sales contract, the supply of electricity will begin once planning permission has been obtained.

In November 2015 in Brazil, the Group was awarded a tender contract by the energy regulators. This

covers the supply of wind power over a 20-year period. Under the sales contract, the supply of electricity will begin on 1 November 2018.

Excluding tender contracts, the Group will be developing and constructing other power plants, mainly in French Guyana and in France.

These plants could be constructed by Group subsidiaries, or may be wholly or partially sold, in accordance with the Group's strategy to sell a proportion of its plants either before or during construction.

Plants under development

The Group is pursuing its development strategy with new plants in France, Morocco, Brazil and French

Guyana. The plants under development continue to be developed, while new projects are also being launched.

In Greece, the Group's subsidiary is pursuing certain projects for which development has already begun, but will not be launching any new developments.

Target of 475 MW of installed capacity in 2016 and 1,000 MW in 2022

At the time of publication of its half-year results in September 2015, Voltalia had brought forward its installed capacity target of 1 gigawatt (1,000 MW) to 2022, three years earlier than stated in the original schedule. The Group confirms this target

and expects to achieve installed capacity of 475 MW in 2016 (26% more than in 2015), incorporating the commissioning later this year of the Vila Para wind farms in Brazil (99 MW).

Other developments

In 2015, the Group began to develop its operating and maintenance services for ground-based solar farms in Greece on behalf of third-party clients. Following the first contract signed in 2014, Group personnel in Greece signed further contracts in July 2015.

In addition to researching other facilities abroad, the Group remains open to new partnership and/or acquisition opportunities that may arise on the market.

Cash flow outlook

Through its subsidiaries Voltalia will continue to invest heavily in the construction of power plants, spending approximately 150 million euros in the 12 months from January 2016 on projects with the greatest potential.

The amount of equity to be contributed by Voltalia to its subsidiaries, net of existing or future minority contributions and after Voltalia operating costs have been taken into account, is estimated at 44.2 million euros by the end of 2016.

Such investments are generally made with Voltalia subsidiaries. They must be predominantly financed by debt (generally 60% to 80% of the investment amount, depending on the project), with the remainder coming from Voltalia or minority shareholders of the subsidiary concerned.

In order to pursue its growth and regional diversification strategy, the Company plans to reinforce its equity. The aim would be to increase the percentage of free float of the share capital and to benefit from additional investment from the reference shareholder.

Disposal of power plant projects

Voltalia plans to dispose of certain power plants under development or under construction in 2016.

Such disposals may be partial (entry of minority or majority shareholders) or total.

Signing of a €35m syndicated loan agreement

On 29 March 2016, the Company concluded a revolving credit agreement with the banks of the BPCE group, totalling 35 million euros over a 5-year term.

12.2. MAIN TRENDS SINCE THE END OF THE LAST FISCAL YEAR ENDED 31 DECEMBER 2015

None.

12.3. KNOWN TRENDS, UNCERTAINTIES, REQUESTS FOR COMMITMENT OR EVENTS REASONABLY LIKELY TO AFFECT THE PROSPECTS OF THE COMPANY

None.

13. EARNINGS FORECASTS AND ESTIMATES

The Company does not intend to make any earnings forecasts or estimates.

14. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

14.1. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Company is incorporated as a French *société anonyme à conseil d'administration* (public limited company with a board of directors).

A summary of the key provisions of the Articles of Association and rules of procedure for the special committees is featured in Sections 21.2 and 16.4 of the Registration Document respectively.

14.1.1 OFFICERS AND DIRECTORS

14.1.1.1 *Officers*

Sébastien Clerc, as CEO, is responsible for the management of the Company.

Name	Age	Nationality	Position in the Company	Date appointed	Year of renewal	Number of shares held
Sébastien Clerc	51	French	CEO	10/11/2011	2017	5,814

Sébastien Clerc's management expertise and experience are the result of the variety of posts and management positions previously held (see Section 14.1.1.5 of the Registration Document).

14.1.1.2 *Composition of the Board of Directors*

As at 31 December 2015, the composition of the Company's Board of Directors is as follows:

Name	Age	Nationality	Position in the Company	Date of appointment or renewal	Year of renewal ⁽⁴⁾	Number of shares held	Independent member
Laurence Mulliez	49	French	Chairman Director	11/06/2015	2018	(1)	No
Creadev represented by Chantal Toulas	44	French	Director	11/06/2015	2018	-	No
Robert Dardanne	60	French	Director	11/06/2015	2016 ⁽⁵⁾	(2)	No
André-Paul Leclercq	51	French	Director	11/06/2015	2018	(3)	No
The Green Option represented by Philippe Joubert	61	French	Director	11/06/2015	2018	3.488	Yes
Vincent Vliebergh	52	Belgian	Director	11/06/2015	2018	-	No

(1) The investment by Laurence Mulliez was made under the conditions of the 2014 Voltalia capital increase through a special purpose vehicle (Soparvoltalia), the sole asset of which is approximately 0.70% of the share capital/securities of Voltalia Investissement, which in turn holds securities of Voltalia as its only asset.

(2) Robert Dardanne holds indirect interests amounting to 0.1% of the capital of the Company through Voltalia Investissement and FIDEXI.

(3) The investment by André-Paul Leclercq was made under market conditions through a special purpose vehicle (Soparvoltalia), the sole asset of which is approximately 0.70% of the share capital of Voltalia Investissement SA, which in turn holds securities of Voltalia, listed on Euronext, as its only asset.

(4) The Combined General Meeting of 11 June 2015 reduced the term of office of directors from 4 years to 3 years (15th resolution).

(5) The Combined General Meeting of 11 June 2015 renewed the directorship of Robert Dardanne for an exceptional period of one year (14th resolution).

The management expertise and experience of these individuals are the result of the variety of posts and management positions previously held (see Section 14.1.1.5 of the Registration Document).

It should be noted that Sébastien Clerc, in his capacity as CEO of the Company, attends most Board meetings.

On the date of the Registration Document, 33.3% of the members of the Board of Directors are female. The Board of Directors' target is to increase its rate of female representation in accordance with Article L.225-18-1 of the French Commercial Code.

14.1.1.3 *Other directorships*

Other current directorships

Name	Office held	Company
Laurence Mulliez	President, CEO and Director	Voltalia Investissement SA
	Director	Aperam Green Investment Bank SBM offshore
Creadev	Director	Voltalis SA Helexia Developpement SA Helexia SA Voltalia Investissement SA Abilways SAD Tradholding SAD
	Member of the Supervisory Board	Crea-Five SC
	Manager	
	Vice Chairman and Member of the Supervisory Committee	Groupe Maisons de Famille SAS
Chantal Toulas	Permanent representative of Creadev SAS, Director	Voltalia Investissement SA Abilways
Robert Dardanne	Member of the Supervisory Board	TTI SA
	Chairman of the Board of Directors and Director	Eurofinance Travel SA
	Director	Voltalia Investissement SA Le Noble Age SA DRC SA KD Développement Antillaise de Participations Aéronautiques SA (KD subsidiary)
		Fidexi SAS
	Chairman	
	Manager	GERINVEST

Name	Office held	Company
		FGD S.P.R.L
André-Paul Leclercq	Member of the Board of Directors	Business Promotion
	Manager	SCI BERAND SCI Ancre
	Director	Auchan Romania Auchan Polska Mobilis Banque
The Green Option or its representative Philippe Joubert	Director	Nexans Eneo Electricity of Cameroon
Vincent Vliebergh	Chairman of the Board of Directors and Director	Eurowatt SA
	Director	Parkwind NV Korys Capital SARL
	Observer	Vendis Capital NV
	Deputy Director (as part of his duties with the Korys/DHAM Group)	Kory management DHAM NV
	Director (as part of his duties with the Korys/DHAM Group)	COFIN CVBA Stonefund NV Stonefund2 NV Stonefund3 NV
Sébastien Clerc	Deputy CEO	Voltaia Investissement SA

Directorships held during the past five fiscal years but not currently held

Name	Office held	Company
Laurence Mulliez	Director	Leroy Merlin Groupe
		Eoxis BV
		Eoxis Holding SA
		Eoxis Asia
		Eoxis BV
		Eoxis India
		Resource Power
		Sunborne Gujarat One
		Moron Fotovoltaica
		Parque solar Mesa de Ocana

Name	Office held	Company
		Tagoro Energias Renovables
		Anemia Energias Fotovoltaicas
		Cantillana 1 photovoltaic
		Cantillana 2 photovoltaic
		Cantillana 3 photovoltaic
		Cantillana 4 photovoltaic
		Cantillana 5 photovoltaic
		Cantillana 6 photovoltaic
		Cantillana 7 photovoltaic
		Cantillana 8 photovoltaic
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		Cantillana 14 photovoltaic
		Cantillana 15 photovoltaic
		Cantillana 16 photovoltaic
		Cantillana 17 photovoltaic
		Cantillana 18 photovoltaic
		Cantillana 19 photovoltaic
		Anecua Cantillana
		Adeo Services
		Groupe Adeo
		Sunedison Mediterraneo 06 Srl
		Starquattro Srl
		Agrosei Srl
		Fotostar Srl
Creadev	Director	Mauna Kea Technologies SA
		Greenland SA
		Groupe Acticall
	Member of the Supervisory Board	
Chantal Toulas	Permanent representative of Creadev SAS, Director	N/A
Robert Dardanne	Manager	E.Genius SARL
		SNC Guadev
		Elda SARL

Name	Office held	Company
André-Paul Leclercq	Member of the Supervisory Board	Business Promotion Mobilis SAS
The Green Option or its representative Philippe Joubert	None	
Vincent Vliebergh	Director	Biocartis
Sébastien Clerc ¹⁹	Chairman and Member of the Supervisory Committee	Natixis Environnement et Infrastructures
	Chairman of the Supervisory Committee	ICMOS France
	CEO and Director	Natixis Alternative Assets
	Chairman of the Board of Directors and Director	Natixis Environnement et Infrastructures Luxembourg
	Director	Cube Infrastructure Fund
		Pentelia Capital Management Pentelia Diamond Natixis Capital Partners Natixis Alternative Investments

14.1.1.4 *Statements regarding the officers and directors*

Two directors have family ties and are sixth-degree cousins:

- Laurence Mulliez (by marriage); and
- André-Paul Leclercq.

Apart from the above, there is no other relationship between the corporate officers.

To the best knowledge of the Company, during the past five years none of these individuals has been:

- convicted of fraud;
- associated in their capacity as an officer or director in a bankruptcy, receivership or liquidation;
- prohibited from holding the office of director;
- subject to an official public indictments or sanction by a statutory or regulatory authority;
- disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or running of the affairs of an issuer.

¹⁹ All positions held in the past five years by Sébastien Clerc were in companies linked to NATIXIS.

14.1.1.5 *Biographies of the officers and directors*

- **CEO**

Sébastien Clerc:

51 years old, Sébastien has specialised in the infrastructure sector, and notably renewable energies, for over 20 years. He also has proven experience in change management and in company creation and development. After 10 years in project financing at Crédit Lyonnais in Canada and New York, he returned to France in 1999 to work for Ixis, then a subsidiary of Caisse des Dépôts, where he created and developed three activities: project financing advisory, management of infrastructure

investment funds and project financing. In 2007 he actively participated in the merger of Ixis and Natexis, notably by managing the fusion of the two banks' project financing teams in France and abroad. Sébastien Clerc was President of Natixis Environnement & Infrastructures (formerly IXIS Environnement & Infrastructures) from 2000 to 2011. He also headed Natixis Alternative Assets from September 2009. He is a graduate of IEP Paris and the University of Paris X.

- **Chairman of the Board of Directors**

Laurence Mulliez:

50 years old, Laurence has an Economics & Finance degree from ESC Rouen and an MBA from the University of Chicago Booth (US), majoring in finance and strategy. Laurence's professional career began at BNP Paribas and, after her MBA, she was briefly with M&M Mars in Chicago (US) and subsequently held various roles, mainly in general management, over 16 years with Amoco and BP in the US, Switzerland and the UK. Her areas of expertise include strategy and M&A, but mainly in employee management and enhancing financial performance as a CEO in Chemicals, Gas, Electricity, Renewable Energies and Industrial Lubricants. Her last role at BP was Global CEO for Castrol Industrial

Lubricants. From January 2010 to November 2013 she was CEO of Eoxis, an independent electricity producer owned by Platina Partners and active in the renewable energies sector (wind and solar) in Spain, Italy and India. She has also spent 10 years on the Board of Directors of the Leroy Merlin Group (until 2010), following which she has also been a director at Aperam, the independent stainless steel group listed on the Luxembourg, Amsterdam and Paris stock exchanges (and formerly a subsidiary of the Arcelor Mittal Group). Laurence was elected Chairwoman of the Company's Board of Directors on 5 May 2014. This appointment was renewed on 11 June 2015.

- **Directors**

Chantal Toulas:

A graduate of ESSEC and SFAF, Chantal joined Creadev at the end of 2013, bringing with her 18 years of experience in M&A. Chantal began her career at KPMG Corporate Finance where she

specialised in medium-sized cross-border transactions and was co-director of M&A. She then moved to Gimar & Cie, a Parisian firm specialising in bank insurance. Passionate about entrepreneurship

and the human elements of her work, she is also a certified coach.

Robert Dardanne:

60 years old, founder and former Chairman of Voltalia, co-founder of Fidexi and Travel Technology Interactive, a subsidiary of Eurofinance Travel and director of the Le Noble Age group.

André-Paul Leclercq:

51 years old, a graduate of IESEG, served as financial consolidator and management controller for Decathlon in Asia and France, financial officer of Immochan France and CEO of Immochan Poland. André-Paul is currently a regional councillor for the Nord-Pas-de-Calais-Picardie region.

Philippe Joubert:

61 years old, a French-Brazilian and a graduate of ESSEC, Philippe has worked for almost 25 years in Brazil, mainly within the Alstom Group. He then returned to France in 2000 to assume management of Alstom T&D and later Alstom Power. He was Deputy CEO of Alstom until 2012. Philippe is now Senior Advisor to the World Business Council on Sustainable Development and Executive Chair of the Global Electricity Initiative with the World Energy Council.

Vincent Vliebergh:

51 years old, Vincent founded and directed the development of Korys, of which he has been CEO since its creation in 2011. Previously he was actively involved in the investment strategy of the Colruyt family through Mazerine Partners, a financial advisory company founded by him in 2003. Vincent's professional career began in 1987. He has held positions in management, strategic consultancy and investment management in both the United States and Europe, for companies including Solvay, Arthur D. Little, Putnam Investments and Goldman Sachs. Vincent gained his MBA from the Yale School of Management (USA) and his Masters in Engineering from the Université Catholique de Louvain (Belgium).

14.2. CONFLICTS OF INTEREST AMONG MEMBERS OF ADMINISTRATIVE AND MANAGEMENT BODIES

Some Directors are shareholders in the Company, either directly or indirectly (see Sections 14.1.1.2 and 21.1.4 of the Registration Document).

Some related-party agreements are in place. These are described in Sections 16.2 and 19.2 of the Registration Document, specifically:

- monthly remuneration of 2,500 euros (excluding VAT) under a service contract with a company managed by Mr Robert Dardanne;
- quarterly fixed remuneration of 5,000 euros (excluding VAT) under the service agreement with The Green Option SAS, represented by Mr Philippe Joubert;

- unemployment insurance taken out in favour of Sébastien Clerc, the cost of which was 10,662 euros in 2015.

With the exception of the above, the Company is not aware of any potential conflicts of interest within the administrative and management bodies.

15. COMPENSATION AND BENEFITS

15.1. COMPENSATION OF DIRECTORS AND MANAGERS

Compensation received by the managers and by all company officers of the Company was as follows:

Table 1: Summary of compensation paid to each corporate officer

Corporate officer	2014 fiscal year	2015 fiscal year
Laurence Mulliez – Chairwoman of the Board of Directors (1)		
Compensation for the fiscal year	32,816	80,000
Attendance fees	5,100	0
Other compensation		
Bertrand de Talhouët – Chairman of the Board of Directors (2)		
Compensation for the fiscal year	-	-
Attendance fees	-	-
Other compensation		
Sébastien Clerc – Chief Executive Officer (3)		
Compensation for the fiscal year	305,000	334,500
Attendance fees		
Other compensation	11,350	10,662
Total in euros	354,266	425,162

(1) Laurence Mulliez was appointed Chairwoman of the Company's Board of Directors on 6 May 2014. This appointment was renewed on 11 June 2015. Following this appointment, Ms Mulliez's annual salary compensation was increased to 80,000 euros (with effect from the 2015 fiscal year). She was previously a Company Director, and as such received attendance fees.

(2) Bertrand de Talhouët was Chairman of the Company's Board of Directors from November 2011 to 5 May 2014. His directorship concluded on 11 June 2015.

(3) The Board of Directors meeting on 12 March 2015 decided to increase the compensation of Sébastien Clerc, CEO, which had not been reviewed for three years. In remuneration of his functions, Sébastien Clerc will receive annual compensation comprised of gross annual fixed compensation of 207,000 euros and variable compensation, determined in accordance with the results of the Company, up to a maximum of 150,000 euros gross per year. This compensation shall apply for the next three years.

The compensation of the CEO is comprised of fixed and variable compensation. The variable compensation amount varies between 0 and 150,000 euros gross, depending on the achievement of qualitative objectives (success of the Brazilian subsidiary, optimisation of internal processes, employee satisfaction, etc.) and quantitative objectives (launch of a number of MW under construction or commissioned, optimisation of

operating margins, etc.) predetermined annually by the Company's Board of Directors. It is paid on or before 31 March of the following year.

The benefits in kind of the CEO correspond to unemployment insurance for company managers and executives.

Table 2: Summary of compensation of each executive corporate officer

Executive corporate officer	2014 fiscal year		2015 fiscal year	
	Amounts due (*)	Amounts paid (*)	Amounts due (*)	Amounts paid (*)
Laurence Mulliez – Chairwoman of the Board of Directors (1)				
Fixed compensation	32,816	32,816	80,000	80,000
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Attendance fees	5,100	19,975	0	5,100
Benefits in kind				
Bertrand de Talhouët – Chairman of the Board of Directors (2)				
Fixed compensation	-	-	-	-
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind				
Sébastien Clerc – Chief Executive Officer				
Fixed compensation	180,000	180,000	207,000	207,000
Variable compensation (3)	125,000	112,301	127,500	125,000
Exceptional compensation	-	-	-	-
Attendance fees				
Benefits in kind (4)	11,350	11,350	10,662	10,662
Total in euros	354,266	356,442	425,162	427,762

(*) attendance fees and variable compensation due for fiscal year N are paid during fiscal year N+1

(1) Laurence Mulliez was appointed Chairwoman of the Company's Board of Directors on 6 May 2014. Previously she was a director of the Company. Having received attendance fees when she was a director, Laurence Mulliez received fixed compensation of 50,000 euros p.a. from 6 May 2014. This amount was increased to 80,000 euros p.a. from 1 January 2015.

(2) Bertrand de Talhouët was Chairman of the Company's Board of Directors from November 2011 until May 2014. His directorship concluded on 11 June 2015.

- (3) By decision of the Board of Directors on 12 March 2015, the gross annual fixed compensation of Sébastien Clerc, with effect from 1 January 2015, is 207,000 euros. The variable compensation of Sébastien Clerc is set at the maximum amount of 150,000 euros, determined in accordance with the attainment of qualitative objectives (success of the Brazilian subsidiary, optimisation of internal processes, employee satisfaction, etc.) and quantitative objectives (launch of a number of MW under construction or commissioned, optimisation of operating margins, etc.) predetermined annually by the Company's Board of Directors. It is paid on or before 31 March of the following year. The attainment of the 2015 objectives was confirmed by the Board of Directors on 19 February 2016. This compensation shall apply for the next three years.
- (4) The benefits in kind for Sébastien Clerc correspond to unemployment insurance for company managers and executives (see Sections 1.1 and 16.2).

Table 3: Attendance fees and other compensation received by non-executive corporate officers

Corporate officer	2014 fiscal year		2015 fiscal year	
	Amounts due (*)	Amounts paid (*)	Amounts due (*)	Amounts paid (*)
André-Paul Leclercq - Director				
Attendance fees	7,650	13,950	15,875	7,650
Other compensation				
Robert Dardanne (1) - Director				
Attendance fees	-	-	-	-
Other compensation	30,000	30,000	30,000	30,000
The Green Option (2) - Director				
Attendance fees	12,000	-	30,000	12,000
Other compensation	25,000	25,000	40,000	25,000
Creadev (3) - Director				
Attendance fees	-	-	-	-
Other compensation	-	-	-	-
Vincent Vliebergh (4) - Director				
Attendance fees	-	-	-	-
Other compensation	-	-	-	-
Total in euros	74,650	68,950	115,875	89,650

(*) The attendance fees for fiscal year N are paid during fiscal year N+1

- (1) Robert Dardanne indirectly receives compensation in his capacity as director of FGD S.P.R.L. under the terms of a service agreement.
- (2) Philippe Joubert indirectly receives compensation in his capacity as director of The Green Option under the terms of a service agreement between The Green Option and the Company (see Section 16.2 of the Registration Document). In addition to this agreement, Philippe Joubert has received a special one-off

compensation of 40,000 euros in relation to an increase in activity between the months of September 2014 and June 2015 (20,000 euros for 2014 and 20,000 euros for 2015).

(3) The company Creadev SAS, represented by Chantal Toulas, was appointed director of the Company on 11 June 2015.

(4) Vincent Vliebergh was appointed director of the Company on 11 June 2015.

In accordance with the 6th resolution of the General Meeting of 12 July 2012, the annual budget for attendance fees is set at 50,000 euros. The allocation is decided by the Board based on the attendance of the directors and the time they devote to their duties.

Table 4: Company founder warrants (BSPCEs), share warrants (BSAs) and stock options allocated to each corporate officer by the Company or any Group companies during the fiscal years ended 31 December 2014 and 2015

None.

Table 5: Company founder warrants (BSPCEs), share warrants (BSAs) and stock options exercised by each corporate officer during the fiscal years ended 31 December 2014 and 2015

None.

Table 6: Free shares allocated to each company officer

None.

Table 7: Free shares allocated to each company officer now vested

None.

Table 8: History of allocations of company founder warrants (BSPCEs), share warrants (BSAs) and stock options to corporate officers

Regarding the Company, see the table in Section 21.1.4 of the Registration Document.

Regarding Voltalia Investissement, the company controlling the Company within the meaning of Article L. 233-16 of the French Commercial Code, see the table below:

	BSAs	Options
Date of General Meeting	29/6/2012	29/6/2012
Date of the Board of Directors' Meeting	29/6/2012	29/6/2012
Number of BSAs/Options authorised	1,086,957	6,111,112
Total number of BSAs/Options awarded	1,086,957	6,111,112
Total number of Voltalia Investissement shares that can be subscribed	1,086,957	6,111,112
of which the total number that may be subscribed by corporate officers	1,086,957	6,111,112
<i>Officers concerned:</i>		
<i>Sébastien Clerc</i>	1,086,957	6,111,112
<i>Number of non-officer beneficiaries</i>	0	0
Starting date of BSAs/Options exercise period	30 June 2016	30 June 2016
BSA/option expiration date	30 July 2020	30 July 2020
Single share option price	€0.18	€0.18
Conditions of exercise	(1)	(2)
Number of Voltalia Investissement shares subscribed at the date of the Registration Document	0	0
Cumulative number of BSAs/Options cancelled or exercised	0	0
Remaining BSAs/Options at the date of the Registration Document	1,086,957	6,111,112
Total number of Voltalia Investissement shares that may be subscribed at the date of the Registration Document	1,086,957	6,111,112

(1) Stock warrants (BSAs) in force on the date of the Registration Document are exercisable from 30 June 2016.

(2) Stock options (Options) in force on the date of the Registration Document are exercisable from 30 June 2016.

Table 9: Company founder warrants (BSPCEs), stock warrants (BSAs) and stock options granted to, and exercised by, the top 10 non-corporate officer employee beneficiaries

	BSPCE April 2009	BSPCE August 2009
Number of BSPCEs granted by the Company and other Group companies to the ten employees who are not corporate officers of the Company or of any Group company with the highest number of BSPCEs granted, valid at the date of the Registration Document	150,000	154,054
Total number of shares that may be subscribed on exercise of the BSPCEs at the date of the Registration Document	10,789 ⁽¹⁾	5,010 ⁽¹⁾
Single share option price (in euros)	€2.38	€3.11
Number of BSPCEs exercised during the last fiscal year	105 ⁽²⁾	0

(1) The number of shares takes into account the share consolidation of the Company at the rate of 10 old shares for one new share decided by the Combined Annual General Meeting on 13 June 2014.

(2) Company founder warrants (BSPCE) exercised on 31 May 2014, prior to the reverse stock split decision.

	Stock Options
Number of Options granted by the Company and other Group companies to ten employees who are not corporate officers of the Company or any Group company with the highest number of Options granted, valid at the date of the Registration Document	201,204
<i>of which the total number granted to corporate officers of subsidiaries</i>	<i>72,289</i>
Total number of shares that may be subscribed upon exercise of the Options at the date of the Registration Document	201,204
Single share option price (in euros)	€9.03
Number of Options exercised during the last fiscal year	0

Table 10: History of bonus shares allocated

	AGA
Date of the meeting that authorised the allocation	13 June 2014
Date of allocation by the Board of Directors	25 July 2014
Number of shares that can be allocated	26,000
Total number of shares allocated	21,667
of which the total number of shares granted to directors and officers	0
Number of non-officer beneficiaries	3
Number of shares being vested	21,667
Vesting date	25 July 2014
Vesting terms ⁽¹⁾	-
Number of shares vested at the date of the Registration Document	0
Number of shares cancelled or void	0
Length of holding period	0

(1) The shares will vest at the end of a 4-year period.

Table 11: Clarification of the terms of compensation and other benefits granted to the corporate officers

Corporate officers	Employment contract	Supplementary pension plan	Compensation or benefits due or likely to be due on termination or change of function	Compensation due under a non-competition clause
Laurence Mulliez (1)				
Chairman of the Board of Directors	No	No	No	No
Start of mandate	5 May 2014			
End of term of office	Ordinary General Meeting held to approve the financial statements for the year ended 31 December 2018			
Sébastien Clerc				
CEO	No	No	No	Yes ⁽²⁾
Start of term of office	10 November 2011			
End of term of office	Ordinary General Meeting held to approve the financial statements for			

Corporate officers	Employment contract	Supplementary pension plan	Compensation or benefits due or likely to be due on termination or change of function	Compensation due under a non-competition clause

the year ended 31 December 2016

(1) By decision dated 5 May 2014, the Company's Board of Directors appointed Laurence Mulliez as Chairwoman of the Board. Her term of office was renewed by the Combined General Meeting held on 11 June 2015.

(2) See Section 16.2 of the Registration Document.

In addition, Sébastien Clerc benefits from unemployment insurance for managers and company executives; see Sections 1.1 and 16.2 of the Registration Document.

15.2. PENSIONS AND OTHER BENEFITS

There is no contract between the members of the Board of Directors and the Company or its subsidiaries providing for benefits or allowances due or likely to be due on the termination or change of functions within the Company or its subsidiaries, other than the unemployment insurance of the CEO and collective supplementary pension plans.

15.3. STATEMENT OF TRADES DURING THE PAST FISCAL YEAR INVOLVING SHARES IN THE COMPANY PERFORMED BY OFFICERS AND PERSONS REFERRED TO IN ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

Person concerned	Transaction type	Transaction date	Transaction amount (in euros)
Sébastien Clerc	Subscription	10 July 2014	50,000.40
The Green Option	Subscription	10 July 2014	29,996.80
Laurence Mulliez	Other*	25 July 2014	40,274.87
André-Paul Leclercq	Other*	25 July 2014	8,369.95

* Investments made under the terms of the capital increase of July 2014 through a special purpose vehicle whose only asset is Voltalia Investissement SA securities, which in turn holds Voltalia securities as its only asset.

16. BOARD PRACTICES

16.1. MANAGEMENT OF THE COMPANY

The company is a French *société anonyme à conseil d'administration* (public limited company with a board of directors).

The Company is represented vis-à-vis third parties by Laurence Mulliez as Chairwoman of the Board and Sébastien Clerc as CEO.

16.2. SERVICE CONTRACTS LINKING THE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BOARD WITH THE ISSUER

Sébastien Clerc concluded a corporate officer agreement with the Company dated 10 November 2011. Under this agreement, Sébastien Clerc undertakes not to compete with the Company on conclusion of his term. In such an event he would benefit from a monthly allowance corresponding to his compensation during the period of non-competition, for a maximum period of six months. However, the Company has reserved the right to waive this clause. Under the said agreement, Sébastien Clerc also benefits from unemployment insurance.

FGD S.P.R.L., represented by Robert Dardanne as director, has an agreement for the provision of services with the Company under which it undertakes to provide the Company with assistance and advice for the transactions required for authorisations and the construction of electrical power plants in the department of French Guyana.

This agreement was renewed by the Board of Directors at its meeting on 19 February 2016 for a period of one year. Under this agreement, FGD S.P.R.L. receives monthly fixed compensation of 2,500 euros (excluding VAT).

The Green Option SAS, represented by Philippe Joubert as Chairman, has an agreement for the provision of services with the Company under which it undertakes to provide the Company with assistance and advice in the development of Group activities in Brazil and other countries.

This agreement was approved by the Board of Directors on 19 February 2016. Under this agreement, The Green Option SAS receives quarterly fixed compensation of 5,000 euros (excluding VAT).

The agreements signed with FGC S.P.R.L. and The Green Option are referred to in the special report by the Statutory Auditors (see Section 19.2).

16.3. BOARD OF DIRECTORS AND SPECIAL COMMITTEES

16.3.1 Board of Directors

The composition and information about members of the administrative and management bodies are the subject of the developments presented in Section 14 "Administrative, management, supervisory and general management bodies" and Section 21.2 "Memorandum and Articles of Association" of the Registration Document.

Following an amendment to the Articles of Association decided by the Extraordinary General Meeting held on 11 June 2015, all directors have been appointed for a period of 3 years ending on the date of the Company's General Meeting to approve the financial statements for the year ending 31 December 2017. However, by way of exception the term of office of Robert Dardanne was renewed by the Company's General Meeting on 11 June 2015 for a period of one year.

The independent directors may be remunerated by means of attendance fees based on their attendance at meetings of the Board of Directors and their participation in special committees.

The Board of Directors adopted new rules of procedure at its meeting of 13 June 2014.

These rules of procedure notably include the principles of conduct and the obligations of the members of the Board of Directors of the Company. Each member of the Board of Directors undertakes to maintain their independence of analysis, judgement and action and to actively participate in the activities of the Board of Directors. They shall inform the Board of Directors of any conflict of interests they may face. In addition, the rules of procedure reiterate applicable regulations concerning the dissemination and exploitation of insider information and specify that its members must refrain from trading in the securities of the Company when they have access to insider information. Each member of the Board of Directors must notify the Company and the AMF of any direct

or indirect transactions they perform in the Company's securities.

The Board of Directors believes that it has in The Green Option and in its permanent representative, Philippe Joubert, an independent member under the provisions of the Corporate Governance Code for small and midcap companies, as published in December 2009 by MiddleNext and approved as a reference code by the AMF, since neither The Green Option nor its permanent representative, Mr. Philippe Joubert:

- have been employees or executive corporate officers of the Company or of Group companies within the last three years;
- are significant customers, suppliers or bankers of the Company, or for which the Company or the Group account for a significant share of business;
- are major shareholders of the Company;
- have close family ties with a corporate officer or major shareholder;
- have been auditors of the Company during the past three years.

The number of meetings held by the Board of Directors is a function of the various events that mark the life of the Company. Consequently, the Board of Directors meets as frequently as warranted by the Company's current situation.

In accordance with its rules of procedure, the Board of Directors reviews its mode of operation and the preparation of its output once a year; at least every three years it conducts a formal assessment with the assistance, as necessary, of an external consultant.

During the year ended 31 December 2015, the Company's Board of Directors met 15 times and the attendance rate of the members of the Board of Directors was 81%.

16.3.2 Special committees

By decision of the Board of Directors meeting of 13 June 2014, the Company established an audit committee for an open-ended period. During the Board meeting, the newly appointed members of

the Audit Committee specified the functioning of the committee via rules of procedure which were subsequently approved by the Board of Directors.

16.3.2.1 *Audit Committee*

The main provisions of the rules of procedure of the Audit Committee are set out below.

Composition

The Audit Committee comprises a minimum of two members appointed by the Board of Directors on recommendation of the Appointments and Compensation Committee. The members of the Audit Committee are selected from the members of the Board of Directors, excluding those performing executive functions. At least one member of the committee must be an independent member with special expertise in finance or accounting, it being specified that all members must have at least a certain minimum level of expertise in finance and accounting.

It is specifically stated that no member of the Board of Directors with executive functions within the Company may be a member of the Audit Committee.

As of the date of the Registration Document and further to a decision taken by the Board of Directors on 22 July 2015, the members of the Audit Committee are:

- André-Paul Leclercq (Chairman),
- The company Creadev, represented by Chantal Toulas, and
- The company The Green Option, represented by Philippe Joubert, independent member.

André-Paul Leclercq has specific expertise in finance and accounting.

Responsibilities

The Audit Committee is notably responsible for:

- monitoring the process of preparing financial information;
- monitoring the effectiveness of the internal control and risk management systems;
- monitoring the statutory audit of the annual accounts and consolidated financial statements by the statutory auditors;
- issuing a recommendation on the proposed appointment of the statutory auditors as put forward by general meeting and reviewing their terms of compensation;
- monitoring the independence of the statutory auditors;
- reviewing the conditions for using derivatives;
- periodically reviewing the status of significant litigation; and

- more generally, providing any advice and making appropriate recommendations in the aforementioned areas.

Functioning

The Audit Committee meets at least twice a year, in the presence of its statutory auditors if its Chairman deems it to be necessary, in accordance with a schedule defined by its Chairman, in order to discuss, inter alia, the annual, semi-annual and, where applicable, quarterly consolidated financial statements, with the agenda drawn up by its Chairman and sent to the members of the Audit Committee at least seven days before the date of the meeting. It shall sit prior to the annual accounts being closed by the Board of Directors in order to review the accounts. It shall also meet at the request of its Chairman, or of two of its members or of the Chairman of the Board of Directors of the Company.

The Audit Committee may interview any director of the Company and carry out any internal or external audit on any subject it deems appropriate to its mission. The Chairman of the Audit Committee shall inform the Board of Directors in advance of any such requirement. The Audit Committee is notably empowered to interview those involved in preparing and verifying the financial statements (Finance & Administration Director and senior managers of the department).

The audit Committee shall interview the statutory auditors. Such interviews may be held in the absence of any representative of the Company.

Reports

The Chairman of the Audit Committee shall ensure that the minutes of the committee, forwarded to the Board of Directors, enable it to be kept fully informed in support of its deliberations.

The annual report shall include a presentation on the activities of the committee during the year.

Should the Audit Committee detect a material risk which does not appear to be adequately addressed

during the course of its work, its Chairman shall immediately alert the Chairman of the Board.

By decision of the Board of Directors on 13 June 2014, the Company also established an appointments and compensation committee. The members of this committee have specified the rules of operation by way of rules of procedure approved by the Board of Directors.

16.3.2.2 *Appointments and Compensation Committee*

The main provisions of the rules of procedure of the Appointments and Compensation Committee are set out below.

Composition

Whenever possible, the Appointments and Compensation Committee shall consist of at least two members of the Board of Directors designated by the Board itself.

As of the date of the Registration Document and further to a decision taken by the Board of Directors on 22 July 2015, the members of the Appointments and Compensation Committee are:

- The company Creadev, represented by Chantal Toulas (as Chairwoman), and
- André-Paul Leclercq.

Responsibilities

The Appointments and Compensation Committee is notably responsible for:

- vis-à-vis appointments:
- presenting recommendations to the Board of Directors on the composition the Board of Directors and its committees;
- each year, proposing to the Board of Directors a list of its members who may be classified as "independent members" under the criteria defined by the Corporate Governance Code for small and midcap companies as published in December 2009 by MiddleNext and approved as a reference code by the AMF;
- establishing a succession plan for executives of the Company and assisting the Board of Directors in the selection and evaluation of members of the Board of Directors;
- preparing a list of persons whose appointment to the Board of Directors may be recommended; and
- preparing a list of members of the Board of Directors whose appointment as a member of a special committee of the Board of Directors may be recommended.
- vis-à-vis salaries:
- reviewing the main objectives proposed by management for the compensation of non-executive corporate officers of the Company, including bonus share plans and stock options or warrants;
- reviewing the compensation of non-executive corporate officers, including bonus

share plans and stock options or warrants, pension and insurance plans and benefits in kind;

- establishing recommendations and proposals for the Board of Directors concerning:
- compensation, pension and insurance plans, benefits in kind, other pecuniary entitlements, including in the event of cessation of functions, for corporate officers. The committee proposes remuneration amounts structures, notably the rules for calculating the variable element taking into account the strategy, objectives and results of the Company and market practices, and
- plans for bonus shares, stock options or warrants and other similar profit-sharing mechanisms and, in particular, individual allocations to the corporate officers eligible for such mechanisms,
- examining the total amount of attendance fees and the system of allocation between the directors, including the conditions for reimbursement of any expenses incurred by members of the Board of Directors,
- preparing and submitting any reports required under the rules of procedure of the Board of Directors, and
- preparing any other recommendations as may be requested by the Board of Directors with regard to compensation.

More generally, the Appointments and Compensation Committee may provide any advice and make appropriate recommendations related to the aforementioned areas.

Functioning

The Appointments and Compensation Committee shall meet at least twice a year in accordance with a schedule defined by its Chairman, with the agenda being prepared by its Chairman and forwarded to the members of the Appointments and Compensation Committee at least seven days before the date of the meeting. It shall also meet at the request of its Chairman, or two of its members or the Chairman of the Board of Directors.

Non-executive directors who are not members of the Appointments and Compensation Committee may freely participate in its meetings.

The Chairman of the Company's Board of Directors, if not a committee member, may be invited to

attend meetings of the committee. The committee invites the Chairman of the Board of Directors to submit proposals. The Chairman of the Board of Directors may not vote or attend deliberations concerning their own situation.

The Appointments and Compensation Committee may ask the Chairman of the Board of Directors for the assistance of any senior executive of the Company whose expertise could help to further discussions on an agenda item. The Chairman of the Appointments and Compensation Committee or the chairman of the meeting shall draw the attention of anyone participating in discussions that they are bound by confidentiality obligations.

Reports

The Chairman of the Appointments and Compensation Committee shall ensure that the minutes of the committee, forwarded to the Board of Directors, enable it to be kept fully informed in support of its deliberations.

The annual report shall include a presentation on the activities of the committee during the year.

The Compensation Committee shall notably examine the Company's draft report on executive compensation.

16.4. CORPORATE GOVERNANCE

In the interests of transparency and public information, especially since the admission of its shares to trading on Euronext, the Company has undertaken a comprehensive review of corporate governance practices.

In order to comply with the requirements of Article L. 225-37 of the French Commercial Code, the Company has designated the Corporate Governance Code for small and midcap companies as published in December 2009 by MiddleNext as a reference code, which shall be used for reference purposes once its shares have been admitted for trading on Euronext.

The Company seeks to comply with all recommendations of the Corporate Governance Code for small and midcap companies. At its

meeting of 13 June 2014, the Company's Board of Directors considered the items presented in "Points to be watched" of the Corporate Governance Code for small and midcap companies.

However, as of the date of the Registration Document, the Company has not complied with all recommendations prescribed by the Corporate Governance Code. With the exception of the recommendation cited below, the Company believes that, as of the date of the Registration Document, it is compliant with all the recommendations of the Corporate Governance Code for small and midcap companies:

The report by the Chairman of the Board of Directors on internal control is available in Annex A.1 of this document.

Composition of the Board - Independent members of the Board

As of the date of the Registration Document, the Board of Directors considers that it has only one independent member, namely Philippe Joubert, the permanent representative of the company The Green Option, and that, accordingly, the Company is not compliant with the recommendations of the MiddleNext Code.

An independent review was carried out in February 2016 by the Board, in accordance with the criteria

of the MiddleNext Corporate Governance Code. Three directors meet the independence criteria set by MiddleNext. However, the Board has chosen not to consider two of the three as independent: Robert Dardanne, due to his former status as manager of the company, having renounced any executive function in 2011, and Vincent Vliebergh, due to the stake (7.9%) held by the investment company Korys, of which he is director.

17. EMPLOYEES – HUMAN RESOURCES

17.1. HUMAN RESOURCES

17.1.1 Organisation chart as at 31 December 2015

The organisational structure of the Group is presented in Section 6.8 of the Registration Document.

Sébastien Clerc has been responsible for the general management of the Group since 10 November 2011.

Sébastien Clerc: 51 years old, he has specialised in the infrastructure sector, renewable energies in particular, for over 20 years. He also has proven expertise in change management and in company creation and development. After 10 years in project financing at Crédit Lyonnais in Canada and New

York, he returned to France in 1999 to work for Ixis, then a subsidiary of Caisse des Dépôts, where he created and led the development of three activities: project financing advisory, management of infrastructure investment funds and project financing. In 2007 he actively participated in the merger of Ixis and Natexis, notably by managing the fusion of the two banks' project financing teams in France and abroad. Sébastien Clerc was president of Natixis Environnement & Infrastructures (formerly IXIS Environnement & Infrastructures) from 2000 to 2011. From September 2009 he also managed Natixis Alternative Assets. He is a graduate of IEP Paris and the University of Paris X.

17.1.2 Number and distribution of employees

The Group's headcount as at 31 December 2015 breaks down as follows:

	France	French Guyana	Greece	Brazil	Morocco	TOTAL
Administrative and financial support	18	1	3	18	1	41
Development	21	4	-	29	4	58
Construction	3	-	-	7	-	10
Operations	6	8	6	3	-	23
Total	48	13	9	57	5	132
<i>of which breakdown by energy of operating personnel</i>						
Multi-energy	6	2	-	6	3	17
Biomass	3	2	-	-	-	5
Wind	7	-	-	9	1	17
Solar	4	-	1	4	-	9
Hydroelectric	2	-	-	-	1	6

17.2. INTERESTS AND STOCK OPTIONS OF DIRECTORS AND OFFICERS

As at 31 December 2015, the direct and indirect interests of the members of the Board of Directors are set out in Section 15.1 of the Registration Document.

17.3. PARTICIPATION OF EMPLOYEES IN THE CAPITAL OF THE COMPANY

At 31 December 2015, no employees of the Company hold shares in the capital of the Company within the framework of collective management.

The General Meeting of 2 April 2008 authorised the Board of Directors to grant 312,454 BSPCE warrants with rights to the subscription of the same number of Company shares. The Board of Directors approved the allocation of 150,000 BSPCE warrants on 1 April 2009 and the allocation of the remainder (162,454 BSPCE warrants) was approved by the Board of Directors on 3 August 2009.

In total, 42,105 BSPCE warrants were exercised and 112,354 BSPCE warrants expired, bringing the number of BSPCE warrants exercisable at 31 December 2015 to 157,995. Taking into account the consolidation of shares decided by the AGM of 31 June 2014, the number of BSPCE warrants exercisable at 31 December 2015 stood at 157,995, giving rights to 15,999 shares.

The general meeting of 13 June 2014 authorised the allocation of free shares, subject to a maximum limit, to the salaried personnel of the Company or to certain categories thereof, and/or its corporate officers who meet the conditions established by law. On 25 July 2014 the Board of Directors made use of this delegation and awarded 21,667 free shares to salaried employees.

The General Meeting of 11 June 2015 authorised the allocation of stock options and share purchase options, subject to a maximum limit, to the salaried personnel and/or corporate officers of the Company and of companies and EIGs affiliated to the Company under conditions established by law. The Board of Directors made use of this delegation on 6 August 2015 and allocated 201,204 stock options to salaried employees of the Company and to a corporate officer of a subsidiary of the Company.

17.4. INCENTIVE AND PROFIT-SHARING AGREEMENTS

As at 31 December 2015, there is no Group employee savings scheme.

18. MAJOR SHAREHOLDERS

18.1. DISTRIBUTION OF CAPITAL AND VOTING RIGHTS

The table below shows the shareholding structure of the Company as at 31 December 2015:

Shareholders	Number of shares	% of capital	Number of theoretical voting rights (1)	% of theoretical voting rights	Number of voting rights exercisable at the General Meeting (2)	% of voting rights exercisable at the General Meeting
Voltalia Investissement	22,337,988	85.22%	34,175,975	89.70%	34,175,975	89.77%
DHAM	2,093,023	7.99%	2,093,023	5.49%	2,093,023	5.50%
Subtotal of other shareholders holding more than 5% of the capital	-	-	-	-	-	-
Treasury shares	31,354	0.12%	31,354	0.08%	0	N/A
Free float	1,749,198	6.67%	1,799,858	4.72%	1,799,856	4.73%
Total	26,211,563	100%	38,100,210	100%	38,068,854	100%

(1) Including 2 theoretical voting rights arising from the merger of 21 old shares (pre-consolidation) with double voting rights.

(2) Number of theoretical voting rights, less the voting rights attached to 31,354 treasury shares held under the terms of a liquidity contract and the 2 voting rights referred to in (1).

To the best knowledge of the Company, there is no action in concert between shareholders.

To the best knowledge of the Company, no other shareholder, directly or indirectly, alone or in concert, holds more than 5% of the share capital and voting rights.

Furthermore, at 31 December 2015, four corporate officers directly hold shares in the Company (see Section 1.1 of the Registration Document).

Changes in shareholder structure

Shareholder	31/12/2013	31/12/2014	31/12/2015
Voltalia Investissement (1)	92.7%	91.53%	85.22%
DHAM (2)	0.0%	1.43%	7.99%
Subtotal of other shareholders holding more than 5% of the capital	0.0%	0.0%	0.0%
Subtotal of other shareholders holding less than 5% of the capital	7.3%	7.04%	6.79%
Total	100%	100%	100%

(1) Voltalia Investissement, a company governed by French law, is owned by investment holding companies controlled by the Mulliez family.

(2) DHAM, a Belgian company, is controlled by the investment company Korys NV.

Changes in the distribution of voting rights

Shareholder	31/12/2013	31/12/2014	31/12/2015
Voltalia Investissement	92.92%	94.22%	89.77%
DHAM	0.0%	0.096%	5.50%
Subtotal of other shareholders holding more than 5% of the capital	0.0%	0.0%	0.0%
Subtotal of other shareholders holding less than 5% of the capital	7.08%	4.82%	4.73%
Total	100%	100%	100%

During the year ended 31 December 2015, the Company was not aware of any supervisory limits being exceeded.

18.2. VOTING RIGHTS OF THE MAJOR SHAREHOLDERS

Article 9 of the Articles of Association of the Company provides that each share of the Company corresponds to the right to one vote. However, double voting rights compared to those conferred on other shares, taking into consideration the

proportion of share capital they represent, are granted to all fully-paid shares which can be demonstrated to have been registered for at least two consecutive years to the same shareholder.

18.3. CONTROL OF THE COMPANY

At 31 December 2015, Voltalia Investissement (a French *société anonyme* 98.03% owned by investment holding companies of the Mulliez

family and 1.27% owned by Robert Dardanne) held 85.22% of the share capital and 89.77% of the voting rights of the Company.

Changes in the shareholder structure of Voltalia Investissement

Shareholder	31/12/2012	31/12/2013	31/12/2014	31/12/2015
CREADEV SA	63.13%	88.74%	98.03%	98.03%
HOLINALL SAS (1)	22.33%	5.60%	N/A	N/A
Subtotal Mulliez Family	85.46%	94.34%	98.03%	98.03%
Robert Dardanne	14.54%	3.65%	1.27%	1.27%
SOPARVOLTALIA	-	2.01%	0.7%	0.7%
Total	100%	100%	100%	100%

(1) Creadev and Holinall SAS merged in 2014.

The Company is controlled as described above; however, the Company believes that there is no risk of control being exercised in an abusive manner and has therefore not implemented measures to limit any such risk.

18.4. AGREEMENT WHICH MAY RESULT IN CHANGE OF CONTROL

No particular element of the Company's memorandum, articles of association, charter or bylaws could have the effect of delaying, deferring or preventing a change in control.

To the best knowledge of the Company, there is no action in concert between the shareholders of the Company.

18.5. STATEMENT OF PLEDGES OF COMPANY SHARES

None.

19. RELATED-PARTY TRANSACTIONS

19.1. INTRA-GROUP TRANSACTIONS

Intra-group transactions are described in Section 7.3 of the Registration Document.

19.2. RELATED-PARTY TRANSACTIONS

Related-party transactions are described in NOTE [34]- of the Notes to the consolidated financial statements for the year ended 31 December 2015, contained in Section 20.1 of the Registration Document.

The current related-party agreements are referred to in the special reports by the Statutory Auditors, presented in Section 19.2.1 below. In addition, pursuant to the provisions of Article L. 225-102-1 of

the French Commercial Code, it is specified that no agreement has been concluded between a subsidiary of the Company and a manager or major shareholder thereof during the year ended 31 December 2015.

Since the issue of the special report of the statutory auditor for fiscal year 2015, no new related-party agreements have been submitted to the Board of Directors for approval.

19.2.1 Statutory Auditors' special report on regulated agreements and commitments

To the Shareholders,

In our capacity as statutory auditors of your company, we hereby present our report on regulated agreements and commitments. Based on the information provided to us, our responsibility is to report on the main features and conditions of the agreements and commitments that have been disclosed to us or that we have discovered during the course of our work, and on the nature of the Company's interest therein, without commenting on their relevance or appropriateness or researching the existence of other agreements and commitments. In accordance with Article R. 225-31 of the French Commercial Code, it is your responsibility to determine whether these agreements and commitments are appropriate and should be approved.

Furthermore, it is our responsibility, where applicable, to inform you of the information set out in Article R. 225-31 of the French Commercial Code pertaining to the performance during the past year of agreements and commitments already approved by General Meeting.

We have performed the verifications we considered to be necessary in order to comply with the professional standards covering our assignment issued by the Compagnie nationale des commissaires aux comptes (French national institute of statutory auditors). This process consisted of verifying that the information provided to us is consistent with the documentation from which it has been extracted.

19.2.1.1 *Agreements and commitments submitted to General Meeting for approval*

Agreements and commitments without prior authorisation

Pursuant to Articles L. 225-42 and L. 823-12 of the French Commercial Code, we inform you that the following agreements did not receive prior approval from your Board of Directors.

It is our responsibility to communicate to you the circumstances in which the authorisation procedure was not followed.

19.2.1.1.1 *Debt waiver agreement*

<i>Contracting party:</i>	Parc solaire du pays de Jalès
<i>Date of Board of Directors meeting:</i>	24 July 2015
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Debt waiver agreement under which VOLTALIA granted to Parc solaire du Pays de Jalès a waiver of the current account that it holds in the company Parc solaire du Pays de Jalès.
<i>Terms and conditions:</i>	On 31 December 2015, the amount of debt waived by VOLTALIA was 39,366.34 euros.
<i>Grounds:</i>	This debt waiver was in the Company's interests insofar as it enabled the completion of the sale of the debtor company.

This agreement should have been approved by the Board of Directors prior to the completion of the waiver on 30 April 2015, however a material error resulted in it being signed without prior authorisation.

We bring to your attention the fact that, at its meeting of 24 July 2015, your Board of Directors decided to authorise this agreement retroactively.

19.2.1.1.2 *Debt waiver agreement*

<i>Contracting party:</i>	Parc solaire de Saint Marcel de Careiret
<i>Date of Board of Directors meeting:</i>	24 July 2015
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Debt waiver agreement under the terms of which VOLTALIA granted to Parc solaire de Saint Marcel de Careiret a waiver of the current account that it holds in the company Parc solaire de Saint Marcel de Careiret.
<i>Terms and conditions:</i>	On 31 December 2015, the amount of debt waived by VOLTALIA was

26,502.55 euros.

Grounds: This debt waiver was in the Company's interest insofar as it enabled the completion of the sale of the debtor company.

This agreement should have been approved by the Board of Directors prior to the completion of the waiver on 30 April 2015, however a material error resulted in it being signed without prior authorisation.

We bring to your attention the fact that, at its meeting of 24 July 2015, your Board of Directors decided to authorise this agreement retroactively.

19.2.1.1.3 [Current account advance agreement](#)

Contracting party: Volta Maroc

Date of Board of Directors meeting: 24 July 2015 and 19 February 2016

Director concerned: Voltalia SA

Nature and purpose: Current account advance agreement under which VOLTALIA granted to Volta Maroc an interest-bearing advance of a maximum amount of 1,000,000 euros with an annual interest rate equal to the maximum deductible interest rate approved annually by the Moroccan Ministry of Finance, i.e. 2.97% as at 31 December 2015.

Terms and conditions: On 31 December 2015, the advance granted by VOLTALIA amounted to 640,475 euros. On 31 December 2015, the associated financial income recognised in the accounts stood at 8,330 euros.

Grounds: To finance the significant cash requirements of this subsidiary launching its operations.

This agreement, entered into on 15 May 2015, should have been approved by the Board of Directors, however a material error resulted in it being signed without prior authorisation.

We bring to your attention the fact that, at its meeting of 24 July 2015, your Board of Directors decided to approve this agreement retroactively at a rate of 10%, whereas in reality it was entered into at a rate of 2.97%. On 19 February 2016, your Board of Directors formally noted this material error and approved this agreement at a rate of 2.97%.

19.2.1.1.4 [Loan Agreement](#)

Contracting party: Envolver

Date of Board of Directors meeting: 19 February 2019

Director concerned: Voltalia SA

Nature and purpose: Loan agreement entered into with the company Envolver under which your Company granted a loan to said company in the amount of 13,500,000 euros, to be repaid no

later than August 2016, and at an interest rate of 16%.

Terms and conditions: On 31 December 2015, the associated income recognised in the accounts stood at 776,577 euros.

This agreement, entered into on 17 August 2015, should have been approved by the Board of Directors, however a material error resulted in it being signed without prior authorisation.

We bring to your attention the fact that, at its meeting of 19 February 2016, your Board of Directors decided to authorise this agreement retroactively, however this authorisation does not include details of why this agreement is in the interests of the Company, as required under Article L. 225-38 of the French Commercial Code.

19.2.1.1.5 [Loan Agreement](#)

Contracting party: SMG Participacoes

*Date of Board
of Directors meeting:* 19 February 2016

*Director
concerned:* Voltalia SA

Nature and purpose: Loan agreement entered into with SMG Participacoes under which your Company granted a variable rate loan to said company in the amount of 2,020,145 euros, to be repaid no later than June 2016.

Terms and conditions: On 31 December 2015, the associated income recognised in the accounts stood at 136,361 euros.

This agreement, entered into on 27 May 2015, should have been approved by the Board of Directors, however a material error resulted in it being signed without prior authorisation.

We bring to your attention the fact that, at its meeting of 19 February 2016, your Board of Directors decided to authorise this agreement retroactively, however this authorisation does not include details of why this agreement is in the interests of the Company, as required under Article L. 225-38 of the French Commercial Code.

19.2.1.1.6 [Service agreement](#)

Contracting party: F.D.G. SPRL, represented by Robert Dardanne

*Date of Board
of Directors meeting:* 19 February 2016

Director

<i>concerned:</i>	Robert Dardanne, director of F.D.G. SPRL and Director of VOLTALIA SA
<i>Nature and purpose:</i>	On 10 November 2011, the Board of Directors of VOLTALIA SA authorised the signing of a service agreement with F.D.G. SPRL under which F.D.G. SPRL undertakes to provide VOLTALIA SA with assistance and advice in relation to the necessary authorisations and the construction of electricity generation plants in French Guyana. This service agreement was the subject of a one-year extension amendment signed on 10 January 2014 and authorised by the Board of Directors on 19 December 2014, followed by a further one-year extension amendment signed on 10 January 2015.
<i>Terms and conditions:</i>	The amount of the services, excluding taxes, invoiced under this agreement to VOLTALIA SA during the year ended 31 December 2015 totalled 30,000 euros.

This new amendment should have been approved by the Board of Directors, however a material error resulted in it being signed without prior authorisation.

We bring to your attention the fact that, at its meeting of 19 February 2016, your Board of Directors decided to authorise this service agreement retroactively, however this authorisation does not include details of why this agreement is in the interests of the Company, as required under Article L. 225-38 of the French Commercial Code.

19.2.1.2 *Agreements and commitments already approved by General Meeting*

Agreements and commitments approved in previous years and which continued to produce their effects during the past fiscal year

In accordance with Article R. 225-30 of the French Commercial Code, we have been advised that the following agreements and commitments, approved by the General Meeting in previous years, continued to produce their effects during the past fiscal year.

19.2.1.2.1 *Current account advance agreement*

<i>Contracting party:</i>	VOLTALIA GUYANE
<i>Date of Board of Directors meeting:</i>	19 December 2014
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Current account advance agreement under which VOLTALIA SA granted an advance at an interest rate of 5% to VOLTALIA GUYANE.
<i>Terms and conditions:</i>	On 31 December 2015, the advance granted by the company VOLTALIA SA amounted to 9,066,028 euros. On 31 December 2015, the associated income recognised in the accounts stood at 458,461 euros.

19.2.1.2.2 *Short-term current account advance agreement*

<i>Contracting party:</i>	VOLTALIA GUYANE
<i>Date of Board of Directors meeting:</i>	19 December 2014
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Current account advance agreement with a ceiling of 200,000 euros under which VOLTALIA SA granted an advance at an interest rate of 5% to VOLTALIA GUYANE.
<i>Terms and conditions:</i>	On 31 December 2015, the advance granted by VOLTALIA SA amounted to 198,926 euros. On 31 December 2015, the associated financial income recognised in the accounts stood at 9,263 euros.

19.2.1.2.3 *Assistance agreement for development in French Guyana*

<i>Contracting party:</i>	VOLTALIA GUYANE
<i>Date of Board of Directors meeting:</i>	19 December 2014
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Assistance agreement for development in French Guiana signed on 23 December 2014, with retroactive effect from 1 July 2014, entered into with VOLTALIA GUYANE, under which VOLTALIA SA undertakes to bear all the development costs and risks of projects in French Guyana.
<i>Terms and conditions:</i>	As at 31 December 2015, the amount of development costs invoiced by VOLTALIA GUYANE to VOLTALIA SA totalled 289,623 euros.

19.2.1.2.4 [Administrative services agreement](#)

<i>Contracting party:</i>	VOLTALIA KOUROU
<i>Date of Board of Directors meeting:</i>	19 December 2014
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Service agreement signed on 19 December 2014 with the company VOLTALIA KOUROU. Under the terms of this agreement, VOLTALIA SA undertakes to provide administrative services to VOLTALIA KOUROU in the following areas: • Accounting • Personnel management • Legal and tax monitoring • IT maintenance
<i>Terms and conditions:</i>	The amount of services, excluding taxes, invoiced by VOLTALIA SA to VOLTALIA KOUROU for the year ended 31 December 2015 totalled 105,959 euros.

19.2.1.2.6 Administrative services agreement

<i>Contracting party:</i>	Centrale Hydroélectrique de Saut Maman Valentin (CHSMV)
<i>Date of Board of Directors meeting:</i>	19 December 2014
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Service agreement signed on 19 December 2014 with the company CHSMV. Under this agreement, VOLTALIA SA undertakes to provide administrative services to CHSMV in the following areas: • Accounting • Personnel management • Legal and tax monitoring • IT maintenance
<i>Terms and conditions:</i>	The amount of services, excluding taxes, invoiced by VOLTALIA SA to CHSMV for the year ended 31 December 2015 totalled 141,365 euros.

19.2.1.2.7 Service contract

<i>Contracting party:</i>	Brazilian subsidiaries (Reduto, Carnauba, Sao Joao, Santo Cristo)
<i>Date of Board of Directors meeting:</i>	19 December 2014
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Service contract entered into on 19 December 2014 with the subsidiaries of the SMG cluster (Reduto, Carnauba, Sao Joao, Santo Cristo). Under this contract, VOLTALIA SA invoices the SPEs of SMG for the amount of financial expenses corresponding to currency hedging contracts on behalf of the subsidiaries of SMG.
<i>Terms and conditions:</i>	The amount of services, excluding taxes, invoiced by VOLTALIA SA to the subsidiaries Reduto, Carnauba, Sao Joao and Santo Cristo for the year ended 31 December 2015 totalled (309,251) euros. This situation is due to assets that are offset against the 2014 invoices and the issuance of new invoices of lower amounts.

19.2.1.2.8 [Service contract](#)

<i>Contracting party:</i>	THE GREEN OPTION
<i>Date of Board of Directors meeting:</i>	19 December 2014
<i>Director concerned:</i>	Philippe Joubert, Chairman of THE GREEN OPTION and Director of VOLTALIA SA
<i>Nature and purpose:</i>	Service contract signed on 19 December 2014 for a period of one year with the Company THE GREEN OPTION, represented by Philippe Joubert, Director of VOLTALIA SA. Under this contract, the company THE GREEN OPTION is responsible for strategic watch and for initiating targeted relationships in new countries.
<i>Terms and conditions:</i>	The amount of services, excluding taxes, invoiced by THE GREEN OPTION to VOLTALIA SA for the year ended 31 December 2015 totalled 40,000 euros.

19.2.1.2.9 [Service agreement](#)

<i>Contracting party:</i>	3L ENERGIES
<i>Date of Board of Directors meeting:</i>	21 June 2012
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	VOLTALIA SA authorised the signing of an assistance, operations monitoring and maintenance agreement pertaining to the ST FELIX LAURAGAIS wind power plant.
<i>Terms and conditions:</i>	The amount of services, excluding taxes, invoiced in relation thereto by VOLTALIA SA during the fiscal year ended 31 December 2015 totalled 34,316 euros.

<i>Contracting party:</i>	VOLTALIA INVESTISSEMENT
<i>Date of Board of Directors meeting:</i>	Authorised on 27 June 2011 and 29 July 2011, extended on 21 June 2012
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Current account advance agreement under which VOLTALIA INVESTISSEMENT granted your company two current account advances. These advances accrued interest at 5%.
<i>Terms and conditions:</i>	VOLTALIA INVESTISSEMENT offers your company a maximum amount of 40 million euros. At 31 December 2015, the amount of advances granted to your company by VOLTALIA INVESTISSEMENT totalled 305,739 euros. At 31 December 2015, the associated financial expenses recognised in the accounts stood at 15,287 euros.

19.2.1.2.10 [Service agreement](#)

<i>Contracting party:</i>	LA FAYE ENERGIES SAS
<i>Date of Board of Directors meeting:</i>	8 June 2010
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	On 8 June 2010, the Board of Directors of VOLTALIA SA authorised the signing of a service agreement with LA FAYE ENERGIES SAS under which VOLTALIA SA undertakes to provide LA FAYE ENERGIES SAS with operations services.
<i>Terms and conditions:</i>	The amount of associated income, excluding taxes, during the fiscal year ended 31 December 2015 totalled 10,752 euros.

19.2.1.2.11 [Administrative services agreement](#)

<i>Contracting party:</i>	LA FAYE ENERGIES SAS
<i>Date of Board of Directors meeting:</i>	8 June 2010
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Administrative services agreement signed on 8 June 2010, with the company LA FAYE ENERGIES SAS. Under the terms of this agreement, VOLTALIA SA invoices LA FAYE ENERGIES SAS for administrative, accounting, social, legal and tax services necessary for the operation of its subsidiary LA FAYE ENERGIES SAS.
<i>Terms and conditions:</i>	The amount of services, excluding taxes, invoiced by VOLTALIA SA to LA FAYE ENERGIES SAS for the year ended 31 December 2015 totalled 4,301 euros.

19.2.1.2.12 [Administrative services agreement](#)

<i>Contracting party:</i>	VOLTALIA GUYANE
<i>Date of Board of Directors meeting:</i>	1 October 2008
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Service agreement signed on 1 October 2008 with the company VOLTALIA GUYANE. Under this agreement, VOLTALIA SA undertakes to provide administrative services to VOLTALIA GUYANE in the following areas: ● Accounting ● Personnel management

- Legal and tax monitoring
- IT maintenance

Terms and conditions: The amount of services, excluding taxes, invoiced by VOLTALIA SA to VOLTALIA GUYANE for the year ended 31 December 2015 totalled 15,025 euros.

19.2.1.2.13 [Intra-group billing agreement for project development and execution](#)

Contracting party: VOLTALIA GREECE

Date of Board of Directors meeting: 15 October 2008

Director concerned: VOLTALIA SA, as shareholder holding more than 10% of the capital.

Nature and purpose: Intra-group billing agreement for project development and execution, concluded on 15 October 2008 with the company VOLTALIA GREECE.

Under this agreement, your Company undertakes to charge back to VOLTALIA GREECE the expenses related to projects developed by VOLTALIA GREECE, and vice versa: VOLTALIA GREECE charges back to VOLTALIA SA the expenses it incurs on projects developed by various Group companies.

Terms and conditions: The amount of associated income recognised in the accounts by VOLTALIA SA during the fiscal year ended 31 December 2015 totalled 202,015 euros. VOLTALIA GREECE did not invoice VOLTALIA SA for any expenses during the fiscal year.

19.2.1.2.14 [Cash management agreement signed with the subsidiaries of your Company](#)

[a. Framework agreement of 8 January 2007](#)

Contracting parties: ANELIA SAS, SNC SIG CACAO, VOLTALIA KOUROU, LES 4 TERMES 1, LES 4 TERMES 2, LE FANGAS 1, LE FANGAS 2, VOLTALIA KOUROU

Date of Board of Directors meeting: 8 January 2007

Director concerned: VOLTALIA SA, as shareholder holding more than 10% of the capital.

Nature and purpose: Cash management agreement entered into on 8 January 2007 with the companies ANELIA SAS, SNC SIG CACAO, VOLTALIA KOUROU, LES 4 TERMES 1, LES 4 TERMES 2, LE FANGAS 1, LE FANGAS 2, VOLTALIA KOUROU. This agreement relates to the organisation, coordination and optimisation of the cash transactions of the VOLTALIA Group. Interest accruing on the centralising bank account opened in the name of VOLTALIA SA is charged to the subsidiary companies based on the credit lines used.

Terms and conditions: Financial interest accruing on the centralising bank account opened in the name of VOLTALIA SA is charged in accordance with the credit lines used at the rate of 2.15%:

Filiales concernées	Intérêts financiers en €
VOLTALIA KOUROU	574
ANELIA SAS	33 406
SNC SIG CACAO	2 477
LES 4 TERMES 1	326
LES 4 TERMES 2	281
LE FANGAS 1	239
LE FANGAS 2	271

Subsidiaries	Financial interest in €
VOLTALIA KOUROU	574
ANELIA SAS	33,406
SNC SIG CACAO	2,477
LES 4 TERMES 1	326
LES 4 TERMES 2	281
LE FANGAS 1	239
LE FANGAS 2	271

b. Agreement of 26 February 2007

Contracting parties: LA FAYE ENERGIES SAS

*Date of Board
of Directors meeting:* 26 February 2007

*Director
Concerned:* VOLTALIA SA, as shareholder holding more than 10% of the capital

Nature and Purpose: Cash management agreement entered into on 26 February 2007 with LA FAYE ENERGIES SAS. This agreement, appended to the framework agreement of 8 January 2007, relates to the organisation, coordination and optimisation of the cash transactions of the VOLTALIA Group. Interest accruing on the centralising bank account opened in the name of VOLTALIA SA is charged to the subsidiary companies in accordance with the credit lines used.

Terms and conditions: The financial income recognised by VOLTALIA SA during the year ended 31 December 2015 amounted to 44,711 euros.

19.2.1.2.15 Current account advance agreement

Contracting party: SARL 3L ENERGIES

*Date of Board
of Directors meeting:* 9 October 2007

*Director
concerned:* Voltalia SA, as shareholder holding more than 10% of the capital.

<i>Nature and purpose:</i>	Current account advance agreement entered into with 3L ENERGIES under which your Company granted a loan to 3L ENERGIES in the amount of 2,245,000 euros. This loan was granted for a maximum period of twelve years from the commissioning of the six wind turbines financed by a leasing agreement dated 26 October 2007, expiring on or before 31 December 2020, and bearing interest at a rate equivalent to the annual average of the average effective rates applied to variable rate loans to companies, i.e. 2.15% for 2015.
<i>Terms and conditions:</i>	The balance of the loan at 31 December 2015 stood at 1,269,995 euros. The associated financial income recognised in the accounts during the fiscal year amounted to 30,933 euros.

19.2.1.2.16 Unemployment insurance for the CEO

<i>Date of Board of Directors meeting:</i>	10 November 2011
<i>Chief Executive Officer</i>	Sébastien Clerc, CEO of VOLTALIA SA
<i>Nature and purpose:</i>	Your Board of Directors authorised the purchase of unemployment insurance for Sébastien Clerc, CEO.
<i>Terms and conditions:</i>	As at 31 December 2015, the amount paid for the unemployment insurance stood at 10,662 euros.

19.2.1.3 Agreements and commitments approved in previous years, not exercised during the past fiscal year

We have also been informed of the continuation of the following agreements and commitments, already approved by General Meeting during previous years, which did not produce their effects during the past fiscal year.

19.2.1.3.1 Current account advance agreement

<i>Contracting party:</i>	VOLTALIA GREECE
<i>Date of Board of Directors meeting:</i>	9 October 2007
<i>Director concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital.
<i>Nature and purpose:</i>	Current account advance agreement entered into with VOLTALIA GREECE under which your company granted a loan to VOLTALIA GREECE in the amount of 4,100,000 euros; this loan was originally to be repaid no later than 30 June 2014 and accrued interest at 2.15%. During 2014, the amount of advances to VOLTALIA GREECE increased to 13,277,149 euros.

Terms and conditions: VOLTALIA SA did not recognise any financial income during the year ended 31 December 2015.

19.2.1.3.2 [Current account advance agreement](#)

Contracting party: Valtalia Greece

*Date of Board
of Directors meeting:* 9 October 2007

*Director
concerned:* Valtalia SA

Nature and purpose: Current account advance agreement entered into with VOLTALIA GREECE under which your Company granted current account advances. During the 2015 fiscal year, the amount of advances granted to VOLTALIA GREECE increased to 2,227,819.01 euros.

Terms and conditions: VOLTALIA did not recognise any financial income during the year ended 31 December 2015.

19.2.1.3.3 [Service agreement concluded with the company ANELIA](#)

Contracting party: SAS ANELIA

*Director
concerned:* VOLTALIA SA, as shareholder holding more than 10% of the capital.

Nature and purpose: Under this agreement concluded during the 2007 fiscal year, VOLTALIA undertook to provide administrative services to ANELIA in the following areas:

- Accounting
- Personnel management
- Purchases
- Cash flows
- Technical services

Terms and conditions: VOLTALIA SA has not invoiced ANELIA for the fiscal year ended 31 December 2015.

19.2.1.3.4 [Development agreement for French Guiana](#)

Contracting party: Subsidiaries of VOLTALIA GUYANE

*Date of Board
of Directors meeting:* 19 December 2014

*Director
concerned:* VOLTALIA SA, as shareholder holding more than 10% of the capital.

<i>Nature and purpose:</i>	Development agreement for French Guyana signed on 23 December 2014, with retroactive effect from 1 July 2014, with the subsidiaries of VOLTALIA GUYANE; under the terms of this agreement, VOLTALIA SA agrees to bear all development costs for projects in French Guyana.
<i>Terms and conditions:</i>	No development costs were invoiced by the subsidiaries of VOLTALIA GUYANE to VOLTALIA SA for the fiscal year ended 31 December 2015.
<i>Grounds:</i>	Development costs borne by Voltalia SA for projects in French Guyana re-invoiced to the project companies designated to manage construction.

19.2.1.3.5 [Cash management agreement signed with the subsidiaries of your Company](#)

a. [Agreement of 30 April 2007](#)

<i>Contracting parties:</i>	VOLTALIA GREECE (formerly THEGERO)
<i>Date of Board of Directors meeting:</i>	30 April 2007
<i>Director Concerned:</i>	VOLTALIA SA, as shareholder holding more than 10% of the capital
<i>Nature and Purpose</i>	Cash management agreement signed on 30 April 2007 with VOLTALIA GREECE. This agreement, appended to the framework agreement of 8 January 2007, relates to the organisation, coordination and optimisation of the cash transactions of the VOLTALIA Group. Interest accruing on the centralising bank account opened in the name of VOLTALIA SA is charged to the subsidiaries in accordance with the credit lines used.
<i>Terms and conditions:</i>	VOLTALIA did not recognise any financial income during the year ended 31 December 2015.

Courbevoie and Paris, 25 March 2016

The Statutory Auditors

MAZARS
Juliette DECOUX

H3P Audit & Conseil
Jean-Benoît MONNAIS

20. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS, FINANCIAL POSITION AND RESULTS

20.1. 2015 CONSOLIDATED FINANCIAL STATEMENT

20.1.1 STATEMENT OF COMPREHENSIVE PROFIT OR LOSS

(I N THOUSANDS OF EUROS)	12/31/2015	12/31/2014	CHANGE	CHANGE %	NOTE NO.
Revenue	58,482	27,592	30,890	+112%	7
Other operating income	83	18	66	x 4.7	
Purchases consumed	(8,570)	(2,257)	(6,313)	x 3.8	8
External expenses	(10,985)	(5,996)	(4,989)	+83%	8
Payroll expenses	(4,930)	(2,559)	(2,370)	+93%	8
Income and other taxes	(3,046)	(3,411)	365	-11%	
Depreciation and amortization	(10,714)	(5,018)	(5,696)	+114%	9
Depreciation, amortization and provisions	2,789	(1,556)	4,345	N/A	9
Other operating income and expenses	(481)	(76)	(405)	x 6.3	8
Current operating income	22,629	6,736	15,892	x 3.4	
Income from disposal of consolidated investments	79	(0)	79	N/A	
Other operating income and expenses	(409)	(774)	365	-47%	10
OPERATING INCOME	22,298	5,962	16,336	x 3.7	
Income from cash and cash equivalents	3,493	2,897	596	+21%	
Cost of net financial debt	(17,730)	(3,896)	(13,835)	x 4.6	
Cost of net financial debt	(14,237)	(999)	(13,238)	x 14.3	11
Other financial income and expenses	(606)	422	(1,027)	N/A	11
EARNINGS BEFORE TAXES	7,455	5,385	2,070	+38%	
Income tax and other taxes	(2,996)	(555)	(2,441)	N/A	12
Deferred taxes	(67)	552	(619)	N/A	
Taxes due	(559)	(287)	(273)	+95%	
Lucro Presumido	(2,369)	(821)	(1,548)	x 1.9	
EARNINGS AFTER TAXES	4,459	4,830	(371)	-8%	
Share of income of associates	91	66	25	+37%	
TOTAL NET INCOME	4,550	4,896	(346)	-7%	
GROUP SHARE	3,888	4,495	(607)	-13.5%	
Non-controlling interests	662	401	261	+65%	
Group share of earnings per share - in euros					25
before dilution	0.149	0.246			
after dilution	0.143	0.245			

20.1.2 OTHER ELEMENTS OF COMPREHENSIVE INCOME

(IN THOUSANDS OF EUROS)	12/31/2015	12/31/2014
TOTAL NET CONSOLIDATED INCOME	4,550	4,896
Items of comprehensive income that will not be recycled as income	-	-
Items of comprehensive income that may be recycled as income		
Currency conversion adjustments resulting from the conversion of foreign operations	(45,707)	(9,757)
Change in value of hedging instruments	562	(2,357)
Deferred taxes related to changes in value of hedging instruments	(88)	179
COMPREHENSIVE INCOME OR LOSS	(40,683)	(7,039)
Share attributed to owners of the Company	(24,847)	(7,161)
Share attributed to non-controlling shareholders	(15,836)	123

The 33% devaluation of the Real in 2015, for the reasons previously explained, had the significant effect of lowering the value in euros of the assets and liabilities held by the Brazilian entities. With respect to production tools and long-term financial instruments, the counterpart to these technical fluctuations due to the necessary Real-Euro translations to date is recognized as "Other elements of comprehensive income". The volatility thus recognized represents a total of 45 million euros for fiscal 2015. This decline in value is therefore already recognized in the balance sheet.

IN THOUSANDS OF EUROS	12/31/2015	12/31/2014	CHANGE	CHANGE %	NOTE NO.
Non-current assets	487,750	415,582	72,168	+17%	
Goodwill	1,056	1,068	(12)	-1%	13
Intangible assets	35,043	38,521	(3,478)	-9%	15
Property, plant and equipment	445,622	369,430	76,192	+21%	16
Share of equity associates	278	187	91	+48%	14
Non-current financial assets	5,411	5,209	202	+4%	17
Other non-current assets	0	10	(10)	N/A	17
Deferred tax assets	339	1,155	(816)	-71%	
Current assets	63,406	78,299	(14,893)	-19%	
Inventories	596	107	489	x 5.6	
Trade payables and related accounts	16,361	15,663	698	+4%	19
Tax assets payable	379	2	377	N/A	
Other current assets	1,979	2,191	(213)	-10%	20
Cash and cash equivalents	43,591	58,779	(15,187)	-26%	21
Assets held for sale	500	1,557	(1,057)	-68%	22
TOTAL ASSETS	551,157	493,881	57,276	+12%	
IN THOUSANDS OF EUROS	12/31/2015	12/31/2014	CHANGE	CHANGE %	NOTE NO.
Equity of controlling interests	153,404	162,399	(8,995)	-6%	23
Share capital	149,406	139,107	10,299	+7%	
Additional paid-in capital	61,325	56,267	5,058	+9%	
Treasury shares	(29,966)	(10,253)	(19,713)	+192%	
Other reserves	(330)	(320)	(10)	+3%	
Reserves	(30,296)	(10,573)	(19,723)	187%	
Retained earnings	(30,919)	(26,897)	(4,022)	+15%	
Consolidated reserves	(61,215)	(37,470)	(23,745)	+63%	
Income for the year	3,888	4,495	(607)	-14%	
Non-controlling interests	57,761	48,342	9,419	+19%	
Group equity	211,165	210,741	424	+0%	
				N/A	
Non-current liabilities	265,108	155,268	109,840	+71%	
Borrowings and financial debt	263,673	152,602	111,071	+73%	26
Provisions	1,335	2,552	(1,217)	-48%	28
Deferred tax liabilities	102	115	(13)	-11%	
Non-current liabilities	(1)	-	(1)	N/A	
Current liabilities	74,883	127,872	(52,989)	-41%	
Trade and other payables	28,630	32,992	(4,362)	-13%	29
Borrowings and financial debt	44,365	92,371	(48,006)	-52%	26
Current tax liabilities	702	586	117	+20%	29
Other current liabilities	7	519	(513)	-99%	29
Liabilities held for sale	1,179	1,403	(224)	-16%	22

TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	551,157	493,881	57,276	+12%	-

20.1.4 STATEMENT OF CASH FLOWS

(IN THOUSANDS OF EUROS)	12/31/2015	12/31/2014
TOTAL NET CONSOLIDATED INCOME	4,550	4,896
Elimination of expenses and income not affecting cash or not related to activities		
Depreciation, amortization and provisions	9,286	5,967
Gains on disposals	544	861
Elimination of share of results of associates	(91)	(66)
Calculated expenses and income related to share-based payments	162	14
CASH FLOW FROM OPERATING ACTIVITIES OF CONSOLIDATED COMPANIES	14,451	11,672
Tax liability	2,996	555
Cost of net financial debt	14,237	999
CASH FLOW FROM OPERATING ACTIVITIES OF CONSOLIDATED COMPANIES BEFORE COST OF FINANCIAL DEBT	31,684	13,226
Tax paid	(2,607)	(381)
Change in working capital requirement for operating activity	16,300	(10,373)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	45,378	2,472
Acquisition of non-current assets	(193,229)	(261,842)
Disposal of non-current assets	664	746
Investment subsidies received	718	106
Acquisitions of subsidiaries net of cash	(2,583)	0
NET CASH FLOWS FROM INVESTING ACTIVITIES	(194,430)	(260,990)
Capital increase	40,763	126,077
Partial disposal without loss of control	-	17,352
Bonds and borrowings with credit institutions	194,140	188,994
Financing of non-controlling interests	-	-
Financing by bank overdrafts	4,775	-
Loan repayments to credit institutions	(82,287)	(44,498)
Net financial interest paid	(13,930)	(523)
Treasury share purchases	(10)	(242)
Dividends paid to non-controlling interests	(80)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	143,371	287,160
Impact of changes in accounting principles	-	(22)
Impact of changes in currency prices	(9,555)	(564)
CHANGE IN CASH	(15,236)	28,057

Cash at beginning of period	58,690	30,633
Cash at end of period	43,454	58,690

20.1.5 STATEMENT OF CHANGE IN CONSOLIDATED EQUITY

	SHARE CAPITAL	ADDITIONAL PAID-IN CAPITAL	GROUP CONSOLIDATED RESERVES	CONVERSION RESERVES	INCOME FOR THE YEAR	SHAREHOLDER S' EQUITY - GROUP SHARE	NON- CONTROLLING INTERESTS	EQUITY UNDER IFRS
Total at 12/31/2013	72,761	23,570	(20,061)	(3,399)	(5,466)	67,405	8,093	75,498
Appropriation of earnings			(5,466)		5,466	0		0
Income for the period					4,495	4,495	401	4,896
Change in currency conversion adjustments				(9,613)		(9,613)	(145)	(9,757)
Change in value of hedging instruments			(2,043)			(2,043)	(134)	(2,177)
Total comprehensive income			(7,510)	(9,613)	9,961	(7,161)	123	(7,038)
Changes in consolidated entity			3,340			3,340	(86)	3,254
Capital increase	66,346	32,697				99,043	40,213	139,256
Other (including stock options, treasury shares, etc.)			(228)			(228)		(228)
Total at 12/31/2014	139,107	56,267	(24,459)	(13,011)	4,495	162,399	48,342	210,741
Appropriation of earnings			4,495		(4,495)	0		0
Income for the period					3,888	3,888	662	4,550
Change in currency conversion adjustments				(29,142)		(29,142)	(16,564)	(45,707)

	SHARE CAPITAL	ADDITIONAL PAID-IN CAPITAL	GROUP CONSOLIDATED RESERVES	CONVERSION RESERVES	INCOME FOR THE YEAR	SHAREHOLDER S' EQUITY - GROUP SHARE	NON- CONTROLLING INTERESTS	EQUITY UNDER IFRS
Change in value of hedging instruments			407			407	66	473
Total comprehensive income			4,903	(29,142)	(607)	(24,847)	(15,836)	(40,683)
Changes in Consolidated entity			667			667	1	668
Distributions paid to non- controlling interests							(260)	(260)
Capital increase	10,299	5,058				15,357	25,684	41,042
Other (including stock options, treasury shares, etc.) (*)			(172)			(172)	(171)	(342)
Capital reduction	(0)				(0)	(0)		(0)
Total at 12/31/2015	149,406	61,325	(19,061)	(42,154)	3,888	153,404	57,761	211,165

(*) Including -488,000 euros for the cancellation of the IDA recognized for the companies subject to the “Lucro Presumido” tax treatment, which does not fall within the scope of application of IAS12.

NOTE 1- FORMATION AND DEVELOPMENT OF THE GROUP

The Voltalia company was founded on November 28, 2005. Its corporate headquarters are in Paris, France. Its development, initiated in French Guiana in 2003, continued in Brazil, France, Greece, and recently in Morocco.

Listed on the free market of Euronext Paris from May 2005 to June 2014, the company was transferred to compartment B of Euronext in July 2014.

The attached annual consolidated financial statements as of December 31, 2015 report the operations of Voltalia and its subsidiaries (together referred to as the "Group") and the Group's proportionate share in associates and joint ventures.

NOTE 2- ACTIVITIES OF THE GROUP

The activities of the Voltalia Group fall within the framework of sustainable development, with respect for the environment and for future generations.

The Voltalia Group is a producer of electricity from renewable energy sources in France, French Guiana, Brazil, Greece and Morocco. The Group designs, develops and operates power plants using a multi-energy approach. It uses the best suited source for the geographic region: wind, solar, hydraulic or biomass.

Throughout its history, Voltalia has established lasting relationships with many partners.

The Caisse des Dépôts has been a shareholder of Voltalia Guiana since 2008. COPEL and CHESF, the Brazilian leaders in power production, and Encalso, a leading civil engineering company in Brazil, are shareholders in major Voltalia power plants in Brazil. Other partners in the areas of capital, banking, and operations, as well as public partners, have also contributed to the development of Voltalia since its inception.

Voltalia has also been a partner of the WWF since November 21, 2014.

NOTE 3- HIGHLIGHTS AND SUBSEQUENT EVENTS**HIGHLIGHTS OF 2015****GOVERNANCE AND FINANCING****Capital increase of 15.4 million euros**

In January 2015, the Company carried out a capital increase through a private placement in the amount of 15,350,019 euros through the issue of 1,784,886 new shares at a price of 8.60 euros per share. The transaction was supported by the investment

company Korys, already a shareholder of the Company in the amount of 1.43% of the capital since July 2014, and which as of January 23, 2015, held 7.99% of the shares of Voltalia.

Governance developments at Voltalia

At the Shareholders' Meeting of June 11, 2015, the Voltalia shareholders adopted the new governance team for the Group, with the departure of Bertrand de Talhouët from the Board of Directors, replaced by the Creadev company represented by Chantal Toulas. Vincent Vliebergh also joined the Board.

The other Board members were also re-elected at the Meeting of June 11, 2015, and Laurence Mulliez was named Chair of the Board of Directors.

The Voltalia bylaws were also amended to shorten the term of office of directors from 4 to 3 years.

Establishment of an equity financing line to expand the float and increase the liquidity of the stock

In October 2015, the Company issued a total of 1,000,000 warrants giving the right to subscribe to the same number of shares to Kepler Cheuvreux which, provided that the conditions defined by the parties are met, agreed to exercise them over the next 36

months, including at least 250,000 warrants in the first 12 months. If all these warrants are exercised, the share of the minority shareholders of the Company would increase from 14.7% to 17.8%.

Debt raised to finance the construction of new power plants

In Brazil, in order to finance the construction of its SMG and Vamcruz wind projects, the Group in 2015 signed long-term financing agreements for a total of 500 million Brazilian reais (around 115 million euros) with Banco Nacional de Desenvolvimento Econômico e Social (BNDES), which benefits during construction from bank guarantees underwritten by Banco

Santander, Itaú and Bradesco for SMG and by Banco Santander and ING for Vamcruz.

Two of the SMG power plants also benefit from a bridge loan of 45.2 million Brazilian reais (approximately 10 million euros) from Banco Santander, which will be refinanced over the long term in the first quarter of 2016.

COMMISSIONINGS IN 2015

Commissioning of the last tranche of the Areia Branca wind site in Brazil

In February 2015, the Company announced the start of production of the final tranche (30 MW) of the Areia Branca power plants (90 MW total) in Brazil.

Completion of the construction of the Sao Miguel do Gostoso site in Brazil (108 MW)

In July 2015, the Company announced the completion of construction of the São Miguel do Gostoso wind farm, which contains four farms of 27 MW each. However, the farms have not come online because of a delay in the connection line to the grid, which is the responsibility of the regulator and electricity buyer.

Thus, the Group has been receiving since July the contractual revenues corresponding to the contractual production while waiting to be able to

inject electricity into the electric grid. These revenues, which are definitively acquired, were recognized for the amount of 8,231,000 in the second half of 2015.

As long as the connection has not been made, the turbines are idle, in a preservation position. As a result, they receive little or no stress from the wind conditions. All the rotating parts and wear parts are shut down. Conservation maintenance keeps the turbine in new condition until connection and the

start-up of power production. In order to better represent the consumption of the economic benefits of this farm, amortization is equal to zero until the

farm is connected to the grid. If the plants had been in production, amortization would have been 2,600,000 euros.

Commissioning of the first unit of the Oiapoque combined power plant in Brazil (12 MW)

Following the bid tender process won by Votalia in the fourth quarter of 2014, the Group commissioned the thermal unit of the Oiapoque power plant in October 2015. The site consists of a 12 MW thermal plant and a 7.5 MW hydropower plant located near Saut Cafesoca on the Oiapoque River. Construction of the hydropower plant will be launched once the

detailed technical designs have been completed, with commissioning scheduled no later than 2021. As of that date, the hydro plant will produce first and the thermal power plant will provide the additional power during peak periods, the dry season and maintenance periods.

Commissioning of the Vamcruz wind farm (93 MW) in Brazil

In January 2016, the Group announced the start of production in late 2015 of the entire Vamcruz site, following the progressive commissioning of the 31 turbines in the farm.

The Group's installed capacity rose to 376.1 MW at December 31, 2015, up from 271.1 MW at June 30, 2015 and 133.1 MW at December 31, 2014.

CONSTRUCTIONS in 2015

Purchase of turbines and construction start for Vila Pará power plants with a capacity of 99 MW

This complex, which consists of four wind farms near the Areia Branca and VamCruz farms, is located in the State of Rio Grande do Norte in Brazil. The Vila Pará complex holds electricity sales contracts won during the bid tender of December 2013. The contracts run for 20 years as of January 2018.

Votalia took a new step by signing a contract to purchase 33 turbines which will equip the wind plant at Vila Pará, and then by launching the construction work at the end of 2015.

Commissioning of the farms is scheduled for the final quarter of 2016.

2015 BIDDING SUCCESSES

French solar bid tender: 2 projects won for 14.3 MW

In November 2015, the Group won two solar projects with a total capacity of 14.3 MW in the third bid tender process organized by the French Energy Regulatory Commission (CRE). The two projects won by Voltalia are located in the Var: the Canadel project

(10.5 MW) in Brignoles and the Castellet II projects (3.8 MW) in the municipality of Le Castellet. This second project is adjacent to the first farm with the same name, commissioned by Voltalia in 2013 following the CRE I bid round won in 2012.

Brazilian bid tender: a 27 MW wind project won

Voltalia won a 27 MW project in the national electronic auctions organized by the Brazilian federal authorities on November 13, 2015. The 27 MW project is located in Vila Acre, in the Serra Branca cluster, which already has existing power plants (the Areia Branca and VamCruz plants) and plants under

construction (Vila Pará). The new 27 MW project will benefit from synergies with these plants: construction continues the projects now under construction and the new plant will use the same transmission line built by Voltalia in 2014

OTHER DEVELOPMENTS

Acquisition of a portfolio of projects in the second half of 2015

Voltalia acquired a portfolio of 379 MW in wind projects in France from Maïa Eolis along with the land rights to projects now in the upstream study phase. Construction could begin within the next two years. This transaction increases Voltalia's global pipeline of

projects in development, while rebalancing the pipeline geographically. As of December 31, 2015, the French projects in development represented 22% of the global pipeline of projects in development.

VOLTALIA SIGNS NEW OPERATING AND MAINTENANCE SERVICE CONTRACTS

Voltalia is progressively developing operating and maintenance services for solar power plants located in Greece. After its first Chinese customer in June 2014, Greek customers then signed new contracts in July 2015, including contracts for solar plants equipped

with trackers (a device for automatic tracking of the sun's path to maximize production). Today, Voltalia operates 65 solar power plants for third-party customers in Greece for a total of 31.5 MW.

NEW GROUP SITE: MOROCCO

In April 2015, Voltalia opened a subsidiary in Morocco, based in Rabat.

Deploying its strategy to Morocco, Voltalia is establishing operations in the country to develop, build and operate electricity projects. Voltalia is positioned in both competitive bid tenders launched by the public authorities and in the sale of electricity on the Moroccan free market.

After forming its team, Voltalia has already filed applications for authorizations for four hydraulic projects (a total of 39 MW) and one solar project (3 MW). Thanks to this rapid start-up, Moroccan projects in development at December 31, 2015 already represented 9% of the global pipeline of projects in development.

RESOLUTION OF THE VOLTA GUIANA DISPUTE

The dispute between Volta Guiana and a photovoltaic installation builder was resolved in July 2015. After an

initial judgment in Voltalia's favor in March 2012, upheld by the ruling of the Court of Appeals in March

2015, the builder was planning an appeal to the Court of Cassation. The agreement signed by the parties non-current charge of (342) thousand euros.

early in July 2015 definitively ended the dispute with a net

PRIZES AND AWARDS

Award of ISO 90001:2008 certification in Greece

The Greek subsidiary Voltalia Greece earned ISO 9001:2008 certification in March 2015 for its services to operate, manage and maintain photovoltaic solar

power plants. This certification is the result of an in-depth audit conducted by an accredited agency.

2015 Grand Prize for Growth Companies

In July 2015, the Group won the Grand Prize for Growth Companies in the Greentech & Energies category for companies with annual revenues of between 20 and 100 million euros. This prize recognizes businesses from all sectors and of all sizes that demonstrate remarkable growth by innovating,

creating jobs, and developing corporate, social and environmental programs.

SUBSEQUENT EVENTS

RECENT MACROECONOMIC AND ENERGY CHANGES

Brazil is suffering from recession, high inflation, rising interest rates and the decline of its currency. The BNDES, the principal Brazilian infrastructure bank, has slowed the granting of long-term loans. In this context, Voltalia has negotiated the extension of some of its Brazilian bridge loans. In addition, the very low rainfall in recent years until the beginning of 2016 made electricity rare and exceptionally expensive in the spot market. Voltalia has benefited from this trend since 2015 by selling on the spot market the quantities exceeding the production level stipulated in the long-term contracts, the rates for which are indexed to inflation. The Brazilian public authorities continue to launch bid tenders for very high volumes (5.4 GW in contracts awarded in 2015) in order to improve the balance between supply and demand.

In France, the site of the COP 21 conference on climate, and the country which passed the Act on the Energy Transition, the public authorities on September 1, 2015 modified France's target for capacities in solar energy by 2020, raising it from 5,400 MW to 8,000 MW.

The Greek public authorities negotiated an agreement with their principal creditors on July 13, 2015 that allowed the resumption of the service on their debt. The foreign currency control implemented on June 29, 2015 is still in place today. This process did not have a significant impact on the Group's financial position as Greece has installed capacity of 4.7 MW, which represented 1.25% of the Group's installed capacity at December 31, 2015.

NOTE 4- ACCOUNTING RULES AND METHODS

a. Statement of compliance

The Voltalia Group's consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union and applicable at the closing date of the accounts, i.e. December 31, 2015.

http://ec.europa.eu/internal_market/accounting/ias/index_fr.html

The consolidated financial statements of the Voltalia Group were approved by the Board of Directors of Voltalia SA on February 19, 2016.

b. Financial statements

The Group presents the income statement by type, including revenue, current operating income, other operating income and expense, financial income, income from equity affiliates and net income from consolidated companies.

Following the recommendation of the Accounting Standards Authority No. 2013-03 of November 7, 2013, relating in particular to the income statement format under IFRS, the Voltalia Group decided to include in its income statement the item "Current operating income", calculated as the difference between "Operating income" and "Other operating income and expenses", the latter corresponding to unusual, abnormal and infrequent events of a significant material nature.

Non-current operations of material amounts that could make current operating performance more difficult to interpret are classified in "other operating income and expenses". This may include the following:

- Gains or losses on disposal or significant and unusual impairment of non-current tangible or intangible assets,
- Certain restructuring charges: These are solely restructuring costs that would be likely to make the interpretation of recurring operating income more difficult to interpret as a result of their unusual nature and importance.
- Other operating income and expenses, such as a provision for litigation, are of very significant materiality.

For the presentation of the statement of financial position, the distinction between current and non-current items required by IAS 1 corresponds essentially to the division of assets (fixed/circulating) and liabilities (long term/short term).

c. Functional and presentation currency

The consolidated financial statements are presented in thousands of euros, the reporting currency and functional currency of the parent company.

d. Valuation basis of the financial statements

In the consolidated financial statements for the year ended December 31, 2015, the Group applied the same accounting principles and valuation methods as those used on December 31, 2014.

At December 31, 2015, the financial statements were prepared in accordance with the principles of operational continuity and historical cost, with the exception of financial items held for trading valued at fair value. The methods used to measure fair value are discussed in Note 31.

e. Use of estimates

As part of the process of drawing up the consolidated financial statements, the valuation of certain balance sheet items requires the use of assumptions, estimates and assessments. This includes the valuation of the intangible assets and, in particular, the assets related to projects in development, the determination of provisions, the recognition of revenues, impairment tests, and the valuation of financial instruments. These assumptions, estimates or assessments are made based on information or situations existing at the financial statement preparation date and that may differ from the actual situation in the future.

In addition, at each reporting date the Group identifies assets whose sale is in progress and assesses whether the sale is highly probable as

specified in IFRS 5, which requires an entity to classify a non-current asset (or group held for sale) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Finally, most of the Group's operating entities have multi-year contracts with significant clients. During the course of these contracts and on the occasion of their termination and/or renewal, discussions may take place between these entities and their clients about the conditions, including financial, from the past performance of these contracts.

f. New standards

NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS OF MANDATORY STANDARDS IN THE EUROPEAN UNION AS OF DECEMBER 31, 2015

As of December 31, 2015, the Voltalia Group applied the standards, interpretations, principles and accounting policies in force in the financial statements for the year 2014, with the exception of the changes required by the IFRS mentioned below, applicable from January 1, 2015; these changes have no significant impact on the accounts:

- IFRIC 21 "Taxes (Levies)" is applicable retrospectively to fiscal years opened on or after June 17, 2014. This standard now leads to the recognition on January 1 of all taxes due (IFER, property tax, C3S, etc.) on this same date.

TEXTS THAT CAN BE EXPECTED BY PUBLIC TRADED EUROPEAN COMPANIES OVER THE YEAR

As of December 31, 2015, these texts are applicable only on an optional basis, provided the interpretations of the texts in force and already approved by Europe and are not in conflict. The Voltalia Group has opted not to apply these provisions early.

TEXTS AND INTERPRETATIONS PUBLISHED BY THE IASB, BUT WHICH CANNOT BE ANTICIPATED BY PUBLICLY TRADED EUROPEAN COMPANIES OVER THE YEAR

The Group is currently studying the impacts of the application of IFRS 15 “Revenue from contracts with customers”, which would apply to the Group as of the year opening January 1, 2018, subject to adoption by the European Union.

g. Consolidation and equity accounting methods

FULL CONSOLIDATION

In accordance with IFRS 10 “Consolidated Financial Statements”, the consolidated financial statements include the accounts of all entities that the Group controls directly or indirectly, whatever their level of participation in the equity of these entities. An entity is controlled when the Group has power over this entity, when it is exposed to or has rights to variable returns because of its involvement in this entity, and when it has the ability to use its power over the entity to influence the amount of these returns. The determination of control takes into account the existence of potential voting rights if they are significant, i.e. if they can be exercised on a timely

basis when decisions about the relevant activities of the entity must be taken.

The consolidated entities of the Group are classified as “affiliates”. The entities that the Group controls by means other than voting rights are described as “unconsolidated structured entities.”

Reciprocal receivables and liabilities, as well as reciprocal income and expenses related to fully consolidated companies, are eliminated in full. The internal margins between these companies are eliminated.

JOINT ACTIVITIES AND COMPANIES AT EQUITY

IFRS 11 supersedes IAS 31 “Interests in Joint Ventures” and SIC 13 “Jointly Controlled Entities - Non-Monetary Contributions by Venturers”. This new standard defines how a joint arrangement is to be treated.

Under this new standard, partnerships through which two or more parties have joint control are accounted for on the basis of rights and obligations of each party to the partnership, taking particular account of the structure, the legal form of the agreements, the rights granted to each party by the agreements, as well as the facts and circumstances, as appropriate:

- Assets and liabilities (income and expenses) of joint activities that give each of the co-participants direct rights in the assets and obligations reported as liabilities shall be recognized using the interest in the joint activity.
- Joint ventures that confer rights in the net assets should be accounted for using the

equity method, because the proportional consolidation method is no longer permitted.

In addition to the case of joint ventures (see above), and pursuant to IAS 28 R, the equity method is applied to associates in which the Group has significant influence (generally over 20%), i.e., when it has the power to participate in financial and operating policy decisions, but cannot control or exercise exclusive or joint control over those policies.

This method of consolidation consists of retaining the net assets and net income of a company in proportion to the interest held by the parent company in the capital and the goodwill relating thereto, as appropriate.

Receivables and payables to associates are considered outside of the Group and therefore not eliminated.

Consequently, IFRS standards require consolidation under the equity method of the following:

- Associates, companies over which the Voltalia Group has significant influence;
- Joint ventures, companies over which the Voltalia Group has joint control.

As at December 31, 2015, the Voltalia Group has not identified any companies classified as joint ventures.

h. Foreign currency transactions

Foreign currency transactions are translated into euros using the exchange rate in effect on the transaction date. For practical purposes, an annual average price is generally used. Monetary items and, where appropriate, non-monetary items measured at fair value in a foreign currency are translated using the closing price. The general principle is that translation differences relating to these items are recognized in income over the period.

Translation differences relating to intragroup assets and liabilities are also recognized in income. On an exceptional basis, such translation differences are temporarily recognized in other comprehensive income when the monetary asset or liability forms an integral part of the net investment in a foreign company. This is the case for loans and receivables for activities in Brazil and for which settlement is neither planned nor likely in the foreseeable future.

i. Financial statements denominated in foreign currencies

The functional currency of the foreign subsidiaries of the Voltalia Group always corresponds to the local currency of these entities. On this basis, the assets and liabilities of the companies included in the scope of consolidation and denominated in foreign

currencies are translated into euros using the exchange rate at the balance sheet date.

The income and expenses of these subsidiaries are translated into euros at an average exchange rate over the period.

Exchange rates used within the Group are as follows:

	Closing rates 12 31 2015	Closing rate 2015	Average rate 2014	Opening rate 01 01 2015
MAD Moroccan Dirham	0.0918	0.0918		0.0908
BRL Brazilian Real	0.2313	0.2741	0.3202	0.3061

All currency translation differences arising from the conversion of these financial statements are recognized in other comprehensive income.

i. Earnings per share

The information presented is calculated using the following principles:

Basic earnings per share: the result for the period (Group share) is the weighted average number of common shares outstanding during the period,

excluding treasury shares held during the period. The average number of ordinary shares in circulation is an adjusted annual weighted average of the number of ordinary shares bought back or issued during the period and calculated based on the date of issue of shares during the period.

Diluted earnings per share: The result of the period (Group share) and the weighted average number of shares outstanding used to calculate the basic

earnings per share are adjusted for the effects of all potentially diluting common shares: stock options, bonus shares and other diluting instruments (BSPCE).

j. Revenue recognition

The Group's revenue primarily comprises the supply of electricity (and heat) from the Group's production units. To a very minor extent, the Group's revenue includes the provision of operational and maintenance services for power plants and the disposals of renewable electricity power plant projects before construction has been started.

Income from ordinary activities refers to the fair value of the consideration received or receivable for goods and services sold in the normal course of the Group's

activities. Income from ordinary activities is recognized net of discounts and rebates, and net of intragroup sales. No revenue is recognized if there is significant uncertainty as to the recoverability of the consideration due.

Indemnities for late payments received on plant construction are recorded as revenue from the supply of electricity. These indemnities are used to offset revenue not invoiced by the Group due to the delay of the launch of electricity production.

k. Cost of net financial debt

The cost of net financial debt includes interest payable on borrowings calculated using the effective interest rate method, net of interest receivable on investments and other financial income.

Income from interest is recognized in the income statement as it accrues, using the effective interest rate method.

l. Taxes on income

Income tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). Tax is recognized in the income statement unless it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current tax is (i) the estimated amount of tax payable on the taxable income of a period, determined using tax rates that have been enacted or substantively

enacted by the balance sheet date, and (ii) any adjustment to the amount of tax payable in respect of previous periods.

Tax consolidation scopes have been established within the Group. Each of the areas is treated as a taxable entity under IAS 12 and is accordingly the subject of a corresponding deferred taxation compensation.

Deferred tax: see Note 18 in this report.

m. Segment reporting

Segment reporting is presented in accordance with the internal reporting system of the Group, which is used by the General Management to measure performance and allocate resources. Risks and returns

are also specific to each of the sectors. Geographical areas are defined according to their specific economic environment and are subject to different risks and returns.

n. Goodwill

Business combinations are accounted for under IFRS 3R. Under this method, assets acquired, liabilities and contingent liabilities are measured at fair value in accordance with the requirements of this standard.

The valuation differences arising on consolidation are allocated to the assets and liabilities concerned, including the share attributable to non-controlling interests.

Goodwill corresponds to the difference between the purchase price paid during a business combination

and the amount of assets and liabilities acquired, net of the liabilities and contingent liabilities assumed.

The positive difference between the acquisition cost and the proportionate share of the acquirer in the fair value of identifiable assets and liabilities acquired is recognized as goodwill in the balance sheet. If this difference is negative, it is recognized directly in income at the date of acquisition.

Goodwill is not amortized and is subject to impairment tests at each balance sheet.

o. Intangible assets

Intangible assets are initially recognized at their cost or fair value if they are acquired in the context of a business combination.

Development costs correspond to the capitalized costs of projects under development. Expenses for each project are capitalized as soon as all of the following criteria are met:

- Visibility with respect to access to land, such as obtaining a lease agreement and favorable environmental impact studies.

- Visibility of authorizations, e.g., filing of administrative records and high probability of obtaining permits.
- Feasibility of the grid connection.
- Sufficient profitability of the project.

Capitalized costs include the internal and external costs recorded for each project:

- External costs correspond to commitments to outside vendors or service providers (invoices, invoices receivable, status reports, etc.)
- Internal costs are measured based on the time allocated to these projects.

All projects are reviewed at each closing, and projects in development that no longer meet the activation criteria or which are abandoned are fully depreciated.

Projects under consideration continue to be recognized in expenses.

Depreciation is recognized in expense using the straight line method over the useful lives of the intangible assets, unless such lives are indefinite. Intangible assets with finite useful lives are amortized as soon as they are brought into service. Intangible assets with an indefinite useful life and intangible assets not yet in service are subject to an annual impairment test and each time there is an index of impairment.

Please note that projects held for sale whose value is less than the carrying amount will be impaired in the amount of the price specified in the sales agreements.

p. Property, plant and equipment

Property, plant and equipment consist mainly of steam and electricity generation facilities. They are recognized at cost (purchase price plus ancillary costs).

When the components of an asset have different useful lives, they are accounted for separately and depreciated over their own useful lives. Significant spare parts are capitalized and depreciated over the useful life of power plants.

The straight line amortization method, which leads to a constant expense over the useful life of the assets, is normally used by the Group. The Group may opt for amortization using production units in the specific

case where the power plants in production face technical, operations or regulatory constraints. In the absence of connection to the power grid, and therefore an absence of production, amortization is zero. This is the case for the SMG wind farm, operational since June 30, 2015, which is not connected to the grid because of the delay in the connection work which is the government's responsibility. For information, the annual allocation using the straight line method that would have been recognized would have been 2.5 million euros.

The useful lives used for the main components are the following:

- For wind energy: 25 years
- For solar energy: 25 years
- For hydraulic energy: infrastructure from 5 to 40 years; equipment from 8 to 20 years
- For biomass: infrastructure 15 to 30 years; equipment from 5 to 30 years.

Other fixed assets are amortized on a straight-line basis over periods of between 2 and 10 years. The Group conducts an annual review of useful lives.

Land is not depreciated.

Decommissioning obligations were recognized as an asset component against a provision in the same amount. Decommissioning obligations are amortized based on the life of the underlying assets concerned.

In the absence of multi-year maintenance expenses, expenses for routine maintenance of power plants to keep them in good working order are recorded as expenses as they arise.

Residual values and useful lives of assets are reviewed and, if necessary, adjusted at each balance sheet date. This was in particular the case at December 31, 2015, the date on which the Group draws the accounting consequences from the operating experience acquired in very specific geographic regions. It shows, in fact, that at the end of several years of operation the Guiana local environment (very humid climate and high wood density) significantly increases wear on

certain components. Power plant operators are now convinced that it was therefore more useful to replace these components more frequently.

The carrying amount of an asset is written down immediately to its recoverable amount when the carrying amount of the asset exceeds its estimated recoverable amount.

Production facilities are amortized on a straight line basis over their estimated useful lives, or actual use if a contract provides for a transfer of ownership, as of the date on which the asset is put into use, i.e., once it is in place and in the condition necessary to be capable of operating in the manner intended by management.

q. *Impairment of goodwill, intangible assets and property, plant and equipment*

The Group uses estimates and must use certain assumptions designed to (i) assess the expected useful life of the assets in order to determine their amortization period; and (ii) recognize impairment, if necessary, on the balance sheet value of any asset.

In order to ensure the correct valuation of its assets on the balance sheet, the Group regularly reviews certain indicators that would lead to the performance of an impairment test, if necessary.

Impairment tests are based on the use of assumptions concerning:

- The determination of future operating cash flows (weather conditions, inflation, operating costs, CAPEX of projects in development or in construction).
- The determination of the discount rates on future cash flows.

The assumptions used by the Group to calculate the recoverable value of its assets is based on past experience and on external data. CGUs correspond to homogeneous sets of assets, the continued use of which generates cash flows.

The Group's activities, primarily composed of electricity sales, are classified in the following categories:

- The activity located in Brazil, which corresponds to the sale of electricity produced primarily by wind farms held and controlled by the Group.
- The activity in Greece, which corresponds to the sale of electricity produced by solar farms held and controlled by the Group.
- The activity located in France and Guiana, which corresponds to the sale of electricity produced by solar, wind, biomass and hydraulic farms held and controlled by the Group.

It should be noted that all these activities are subdivided into as many CGUs as farms or *clusters* of farms in operation or development.

Discount rates are determined from the weighted average cost of capital (WACC). They are calculated by geographic region and are adjusted on the basis of the state of progress of the projects (development, construction and operation). At December 31, 2015, the discount rates used were as follows:

- Between 9.3% and 10.2% for the CGUs in Brazil.
- Between 11.9% and 13.6% for the CGUs in Greece.
- Between 4.6% and 5.1% for the CGUs in France and Guiana.

An impairment test is performed:

- at least once a year for assets with an indefinite life span (goodwill and assets in progress or under construction); or
- in the presence of an index of impairment for assets that can be depreciated (property, plant and equipment).

Impairment is recognized, if applicable, in the amount of the potential recoverable loss of value of the asset. The recoverable value is the higher of the fair value of the assets (defined by the CGU) and its useful value. The useful value is exclusively determined from the discounted future cash flows expected from the CGU. These flows are determined on the basis of electricity sale contracts.

The tangible and intangible assets of the farms and clusters in operation present no index of impairment at December 31, 2015.

While the macro-economic situation is still uncertain in Greece, it has been improving since June 30, 2015. No specific difficulty is encountered on the farms in operation. In this context, no test of impairment was performed. The cash flows as determined were discounted on the basis of an average rate of 11.9%. On the basis of these tests, no impairment was recognized. An impairment test of the value of these assets at the discount rate was performed: a change of 100 basis points upward in the rate would have a negative impact on the value of the assets tested of 0.6 million euros.

The non-amortizable assets (goodwill, projects in development and power plants under construction) were tested for impairment. The Greek non-amortizable assets have been depreciated entirely since 2011. Non-amortizable assets in Morocco were activated over the year and are not significant at year-end 2015. The non-amortizable assets in Brazil and France were tested for impairment, which did not result in the recognition of depreciation.

Analysis of the sensitivity of the impairment tests was performed for the CGUs in Brazil and France on a change of +/- 1 point in the discount rates cited above. It would not lead to any potential depreciation

r. Government Grants IAS 20

Government grants are recognized when there is reasonable assurance that the Group will fulfill the conditions attached to the grant and that the grant will be received.

Grants attached to assets (investment grants) are presented as a decrease of the asset and depreciated over the lifetime of the asset for which

the grant was made through a reduction in the depreciation expense.

Operating grants are presented as a credit in the income statement over the periods necessary to connect them with the costs they are intended to compensate.

s. Payments made under operating leases

Payments made under operating leases are recognized as an expense on a straight-line basis over the lease term.

Benefits received are part of the total net lease expense and are recognized in income according to the same rule.

t. Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental thereto. These finance lease contracts are then recognized at the lower of the fair value of the asset and the present value of the minimum payments under the lease. Lease payments are apportioned

between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to the various periods during the lease term so as to produce a constant periodic effective rate of interest on the remaining balance of the liability under each period.

u. Handling of "Girardin" transactions

These transactions are specific to France to develop and foster certain transactions on predefined territories. The main steps of a "Girardin" transaction are as follows:

Step 1: Production of an asset by the Voltalia Group

Step 2: Transfer of the asset to a company of "Investors"

Step 3: Lease of the property by the Voltalia Group from the company of "Investors"

Step 4: Acquisition of the asset or project by the Voltalia Group from the company of "Investors" after 5 years.

The implementation of this arrangement can have different legal forms (sale/acquisition of shares and/or shares in a company holding the asset). Whatever the method used, the consolidation of Girardin transactions remains unchanged from the options already used by the Valtalia Group last year. The delivery of the production facilities that correspond to the contributions made by investors

to make commissioning possible is the trigger event of the emergence of an operating company, of which the Group takes control. This event generates the recognition of operational income up to the capital increase granted by investors, net of any losses accrued during the period between the entry of investors until the date of their exit.

v. *Deferred taxes*

Deferred taxes are recognized in the income statement and statement of financial position to reflect the temporary differences between the carrying amounts and tax bases of assets and liabilities.

Deferred taxes are accounted for using the balance sheet approach of the liability method. Deferred taxes are measured taking into account known changes in tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. The impact of possible changes in tax rates on deferred taxes previously recognized on the income statement or in equity is recognized on the income statement or in equity during the year in which these rate changes become effective.

Deferred taxes are recognized in the statement of net income or in other comprehensive income or in equity during the year in which they relate to the items themselves recognized in profit or loss or in equity.

Deferred tax assets are recognized if and only if it is probable that taxable profits will be available against which the deferred tax asset can be utilized. In the absence of a high degree of probability, such assets are not recognized. The carrying amount of deferred tax assets is reviewed at each balance sheet date to determine whether this value should be reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. Conversely, any such reduction must be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are not discounted.

w. *Inventories*

Replacement part inventories are valued at historical cost and in application of the FIFO method. Impairment exists when the fair value is below the purchase cost.

x. *Trade and other receivables*

Trade receivables are initially recognized at their nominal value and subsequently measured at amortized cost. An impairment of trade receivables is established when objective evidence exists that the Group will be unable to collect all amounts due according to the original contractual terms. Significant financial difficulties of the debtor, probability that the

debtor will enter bankruptcy or financial restructuring and default or delinquency in payment are indicators of impairment of a receivable. The amount of the impairment represents the difference between the carrying amount of the asset and the value of the estimated future cash flows.

y. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits. They also include UCITS that meet the definition of IAS 7. UCITS that do not meet the definition of cash and cash equivalents are classified as other current financial assets.

Any bank overdrafts repayable on demand that are an integral part of the Group's cash management are a component of cash and cash equivalents for purposes of the statement of cash flow.

The concept of net cash used by the Group corresponds to the total of cash and cash equivalents less bank overdrafts.

An instrument is classified as an investment at fair value through profit or loss if it is held for trading or designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value. On initial recognition, directly attributable transaction costs are recognized in income as incurred. Financial instruments at fair value through profit or loss are measured at fair value and any resulting change is recognized in income.

z. Share-based compensation expense

Stock options granted to corporate officers and certain key executives are measured at fair value at the grant date by the Board of Directors. This measurement is not subsequently revised. Based on the estimated number of options that will vest at the end of the vesting period, the Group recognizes the overall charge spread equally across this period. These expenses are offset by charges in equity under reserves.

aa. Financial assets and liabilities

Financial assets consist of accounts receivable, term deposits, loans, non-consolidated investments, investments and cash equivalents and derivative instruments with a positive value.

Sufficiently liquid investments are considered to be trading assets and are classified as "assets at fair value through profit or loss".

Non-consolidated investments and other assets available for sale are recognized at fair value, and the consideration for these variations is included in other comprehensive income.

Trade receivables, guarantee deposits and term deposits are recorded using the amortized cost method at the effective interest rate. This method does not result in significant differences with the nominal value of receivables that is used. In case of difficulties in debt recovery, impairments are recognized on the basis of collection estimates.

Despite the possible negative value of financial instruments, financial liabilities recognized by the Group are recognized using the amortized cost method at the effective interest rate.

bb. Share capital

Ordinary shares are classified as equity instruments. Supplementary costs directly attributable to the issue of new shares or options are recognized in equity as a reduction of income from the issue.

cc. Assets and liabilities held for sale

In accordance with IFRS 5, when the Group has decided to sell an asset or group of assets, it classifies it as an asset held for sale if:

- the asset or group of assets is available for immediate sale in its present condition subject only to the conditions that are usual and customary for sales of such assets;
- and its sale is likely within one year.

Furthermore, an activity is classified under “discontinued operations” when:

- all the criteria for classification as non-current assets held for sale or discontinuation are met, and if
- one of the additional criteria described below is also satisfied:
 - it represents a separate major line of business or geographical area of operations;
 - it forms an integral part of a unique plan to dispose of a business line or of the activities in a geographic area;
 - it is a subsidiary acquired in order to be sold or abandoned.

dd. Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to interest rate risks arising from its operating, financing and investment activities. In accordance with its cash management policy, the Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are measured at fair value. The fair value of interest rate swaps is the estimated amount that the Group would receive or would settle to terminate the swap at the balance sheet date, taking into account the current level of interest rates and the credit risk of the counterparties to the swap.

The gain or loss arising from the fair value remeasurement is recognized immediately in income, except when a derivative financial instrument is designated as a hedging instrument for the cash flow variations of a highly probable forecast transaction. The effective portion of the gain or loss on the derivative financial instrument is recognized in other comprehensive income and transferred to profit or loss when the hedged item affects the result itself. The ineffective portion (non-existent on December 31, 2015) is recognized immediately in income.

ee. Employee benefits

These benefits may be offered through defined contribution plans or defined benefit plans. Within the framework of defined contribution plans, the Group has no obligation other than to pay contributions; the

charge corresponding to the contributions paid is recognized directly in income for the year.

Post-employment benefits

Defined benefit plans are subject to actuarial measurement using the projected unit credit method. Under this method, each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to measure the final obligation. This final obligation is then discounted.

These actuarial calculations include demographic and financial assumptions defined across each of the entities concerned and taking into consideration their local macro-economic environment.

All actuarial differences are recognized under other comprehensive income.

Termination benefits

Where necessary, employment contract termination benefits may be reviewed, and provisions are made up to the amount of the resulting commitment. Benefits that fall due more than 12 months after the balance sheet date are discounted.

Short-term benefits

Short-term obligations are measured on an undiscounted basis and recognized when the related service is provided.

ff. Provisions

The Group recognizes provisions when:

- it has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- it can reliably estimate the amount of the obligation.

For the wind energy sector and in application of Decree No. 2011-985 mentioned in the highlights of the year, the Voltalia Group has a decommissioning and reclamation obligation after the production period. This obligation includes the decommissioning of production installations, excavation of part of the foundations, restoration of the land unless the owner wants to maintain it in its current condition, and recovery or disposal of waste materials resulting from demolition or decommissioning.

A provision for decommissioning the farm is established with an offsetting entry for decommissioning the asset, the cost of which is the subject of an estimate each year and which is amortized on a straight-line basis over the useful life of the asset. In case of a change in estimate that leads to an increase in the provision, the net value of the

asset being decommissioned will be increased accordingly. Conversely, if the change in estimate leads to a decrease in the provision, the asset being decommissioned will be depreciated.

For the photovoltaic sector, decommissioning costs are not considered significant.

In rare cases, maintenance obligations assumed by the Group that meet the provisioning requirements summarized above have been recorded as a liability. As with all reserves, the Group regularly reviews these provisions, which must in any case reflect the best estimate at the close of the period.

In this context, operating experience has led the Group to break down these assets with more granularity and to revise the depreciation schedule of the most vulnerable components of the production units accordingly; some provisions are thus no longer applicable.

gg. Trade and other payables

All these liabilities are initially recognized at nominal value and subsequently at amortized cost.

NOTE 5- SCOPE OF CONSOLIDATION

ENTITY	CORE BUSINESS	PERCENTAGE INTEREST AT 12/31/2015	PERCENTAGE INTEREST AT 12/31/2014	CONSOLIDATION METHOD
Parent Company				
Voltalia SA	Holding/Engineering		Consolidating entity	
Subsidiaries				
France				
3VD	Wind	100.00%	100.00%	FC
3LE	Wind	40.00%	40.00%	EM
Biobar	Biomass	100.00%	100.00%	FC
Anelia	Holding/Engineering	50.10%	50.10%	FC
Parc Eolien Argenteuil	Wind	50.10%	50.10%	FC
Parc Eolien Coulmier	Wind	50.10%	50.10%	FC
Parc Eolien Laignes	Wind	50.10%	50.10%	FC
Parc Eolien Sarry	Wind	50.10%	50.10%	FC
Adriers Energies	Wind	100.00%	100.00%	FC
La Faye Energies	Wind	62.71%	62.71%	FC
Echauffour Energies	Wind	100.00%	100.00%	FC
Meje Energies	Solar	100.00%	100.00%	FC
Montmayon	Solar	100.00%	100.00%	FC
Parc éolien de Molinons	Wind	100.00%	100.00%	FC
Parc solaire de Montclar	Solar	100.00%	100.00%	FC
Parc solaire du Castellet	Solar	100.00%	100.00%	FC
St Marcel de Careiret	Solar		100.00%	-
Parc solaire de Piboulon	Solar	100.00%	100.00%	FC
Parc Solaire Puy Madame I	Solar	100.00%	100.00%	FC
Parc Solaire Puy Madame II	Solar	100.00%	100.00%	FC
Parc Solaire Puy Madame III	Solar	100.00%	100.00%	FC
Parc Solaire Puy Madame IV	Solar	100.00%	100.00%	FC
4 Termes 1	Solar	40.00%	40.00%	EM
4 Termes 2	Solar	40.00%	40.00%	EM
Fangas 1	Solar	40.00%	40.00%	EM
Fangas 2	Solar	40.00%	40.00%	EM
Parc solaire Carrière des plaines	Solar	100.00%	100.00%	FC
Parc solaire de Tresques	Solar	100.00%	100.00%	FC
Parc solaire Pays de Jales	Solar		100.00%	-
Parc solaire de Grignan	Solar	100.00%	100.00%	FC
Parc solaire du Castellet 2	Solar	100.00%	100.00%	FC

ENTITY	CORE BUSINESS	PERCENTAGE INTEREST AT 12/31/2015	PERCENTAGE INTEREST AT 12/31/2014	CONSOLIDATI ON METHOD
Overseas departments and territories				
Voltalia Caraïbes	Holding/Engineering	100.00%	100.00%	FC
Brazil				
Voltalia Do Brasil	Holding/Engineering	100.00%	100.00%	FC
Paracatu Energia	Hydropower	51.00%	51.00%	FC
Sapeel	Hydropower	95.00%	95.00%	FC
Junco 1	Wind	25.60% *	25.60%	FC
Junco 2	Wind	25.60% *	25.60%	FC
Caiçara 1	Wind	25.60% *	25.60%	FC
Caiçara 2	Wind	25.60% *	25.60%	FC
Terral	Wind	100.00%	100.00%	FC
Carcara 1	Wind	100.00%	100.00%	FC
Carcara 2	Wind	100.00%	100.00%	FC
Reduto	Wind	51.00%	51.00%	FC
Santo Cristo	Wind	51.00%	51.00%	FC
Carnauba	Wind	51.00%	51.00%	FC
Sao Joao	Wind	51.00%	51.00%	FC
Envolver	Holding/Engineering	50.20%	50.20%	FC
Areia Branca I	Holding/Engineering	100.00%	100.00%	FC
Areia Branca II	Holding/Engineering	100.00%	100.00%	FC
Tourinho I	Wind	100.00%	100.00%	FC
Tourinho II	Wind	100.00%	100.00%	FC
Vila Para I	Wind	100.00%	100.00%	FC
Vila Para II	Wind	100.00%	100.00%	FC
Vila Para III	Wind	100.00%	100.00%	FC
Vila Amazonas V	Wind	100.00%	100.00%	FC
Voltalia Sao Miguel Do Gostoso	Holding/Engineering			
Participacoes S.A		51.00%	51.00%	FC
Oiapoque Energia	Hydropower	100.00%		FC
Voltalia SMG I	Holding/Engineering	51.00%	51.00%	FC
Vamcruz Participacoes SA	Holding/Engineering	25.60% *		FC
Vamcruz 1 Participacoes SA	Holding/Engineering	25.60% *		FC
Serra Pará Participações S.A	Holding/Engineering	100.00% *		FC
Serra Pará I Participações S.A	Holding/Engineering	100.00% *		FC

*

These companies are controlled by the Group.

ENTITY	CORE BUSINESS	PERCENTAGE INTEREST AT 12/31/2015	PERCENTAGE INTEREST AT 12/31/2014	CONSOLIDATION METHOD
Greece				
Voltalia Greece	Holding/Engineering	100.00%	100.00%	FC
Energiaki Aguelokastrou	Solar	100.00%	100.00%	FC
Energiaki Sesklou Magnisias	Solar	100.00%	100.00%	FC
Energiaki Sesklou 1 Ltd	Solar	100.00%	100.00%	FC
Greek Wind Power	Wind	45.00%	45.00%	EM
Cluster Holding SA	Wind	80.00%	80.00%	FC
Rougero Holding SA	Wind	51.00%	51.00%	FC
Gerovolt Ltd	Solar	100.00%	100.00%	FC
Energen SA	Solar	100.00%	100.00%	FC
Forgero Holding SA	Wind	65.00%	65.00%	FC
Energiaki Agionoriou	Solar	100.00%	100.00%	FC
Sarafadis SNC	Solar	100.00%	100.00%	FC
Kalaitzidis St - Ofidis AR	Solar	100.00%	100.00%	FC
Fotovoltaiki Systimata Katerin	Solar	100.00%	100.00%	FC
Fotovoltaiki Parka Pieras	Solar	100.00%	100.00%	FC
Fotovoltaiki Katerinis SNC	Solar	100.00%	100.00%	FC
Lakka Kokkini Aioliki SARL	Wind	100.00%	100.00%	FC
GSolar Energiaki	Solar	64.00%	64.00%	FC
Xenakis Yorgos SCS	Solar	98.00%	98.00%	FC

ENTITY	CORE BUSINESS	PERCENTAGE INTEREST AT 12/31/2015	PERCENTAGE INTEREST AT 12/31/2014	CONSOLIDATI ON METHOD
French Guiana				
Voltalia Guyane	Holding	80.00%	80.00%	FC
SIG Mana	Hydropower	80.00%	80.00%	FC
SIG Cacao	Hydropower	80.00%	80.00%	FC
SIG Kourou - gérant = Gerinves	Biomass and solar	80.07%	80.07%	FC
Voltalia Kourou	Biomass and solar	80.07%	80.07%	FC
Centrale Hydroélectrique de Saut Maman Valentin (CHSMV)	Hydropower	80.00%	80.00%	FC
Voltalia Organabo Investissement	Solar	80.00%	80.00%	FC
Belle Etoile energie Guyane	Solar	80.00%	80.00%	FC
Tamanoir energie Guyane	Hydropower	80.00%	80.00%	FC
Voltalia Saut Mapaou Exploitation	Hydropower	80.00%	80.00%	FC
VLT saut Mapaou Investissement	Hydropower	80.00%	80.00%	FC
Solaire Kourou In	Solar	80.00%	80.00%	FC
Bon Espoir energie Guyane	Biomass	80.00%	80.00%	FC
Voltalia Biomasse Amazone Investissement	Biomass	80.00%	80.00%	FC

Volta Guyane	Solar	100.00%	100.00%	FC
Montsinery SNC (Volta G holding)	Solar	100.00%	100.00%	FC
Voltalia Investissement	Holding		100.00%	-
Saut Dalles Energie Guyane	Hydropower	80.00%	80.00%	FC
Maripasoula Energie Guyane	Hydropower	80.00%		FC

Entity	Core business	Percentage interest at 12/31/2015	Percentage interest at 12/31/2014	Consolidation method
Morocco				
Voltalia Maroc	Holding	99.97%		FC

Changes in scope, and/or restructuring operations for the year 2015, are as follows:

In Brazil:

- Creation of Vamcruz Participacoes SA and Vamcruz 1 Participacoes SA.
The Group created the company Vamcruz Participacoes through contributions of equity securities from the companies Junco 1, Junco 2, Caiçara 1 and Caiçara 2, which were previously held by Envolver (51%) and CHESF (49%).
- Creation of a company to build the Oiapoque thermal power plant and Cafesoca hydropower plant following the successful tender of September 2014.
This resulted in the creation of the Oiapoque Energia project company, which is 100% controlled and fully consolidated.

In metropolitan France:

Companies Saint Marcel de Careiret and Pays de Jalès were sold in the first half of 2015.

In French Guiana:

- Universal transfer of assets and liabilities of Volta Investissement:
Volta Investissement was dissolved by a universal transfer of assets and liabilities in the second half of 2015.
- Creation of Maripasoula Energie Guyane:
The Group created the company Maripasoula Energie Guyane, wholly owned by Voltalia Guyane and fully consolidated.

In Morocco:

- Creation of Voltalia Maroc
The Group incorporated Voltalia Maroc in 2015.
At December 31, 2015, the following entities were wholly-owned but not consolidated by the Group:
- France:
 - Parc Solaire du Canadel
 - GEP Energie France
 - PEP Energie France

- ECM Energie France
 - SVNC Energie France
- French Guiana:
 - Roura Biomasse Energie
 - Cr'Eole
- Brazil:
 - Vila Acre 1
 - Volitalia Energia Do Brasil e Consultoria e Participacoes.

NOTE 6- OPERATING SEGMENTS

Segment reporting is presented on the basis of the internal organization of the Group, which reflects the different levels of risk and returns in which the Group operates.

Segment reporting by business segment is favored, because risks and returns of different types depend mainly on the Group's activities rather than their geographical location.

The segmentation used by the management of the Group is as follows:

Electricity production (by energy source):

- Wind power: This activity includes our wind farm, which provides electricity production pursuant to contracts with a term of at least 15 years from their commissioning.
- Solar power: This activity includes our solar parks on the ground or solar roofs, which provide electricity production in accordance with contracts with a term of 20 years from their commissioning.
- Hydropower: This activity includes our hydropower plants along the river, which provide electricity production to national distribution companies in accordance with contracts with a term of at least 20 years from their commissioning.
- Biomass: This activity includes our biomass-fueled thermal power stations, which provide either electricity production or co-generation of electricity and heat for domestic or private companies in accordance with contracts of 20 to 25 years from their commissioning.
- Hybrid: This activity includes power plants that provide electricity from a hydro/thermal mix. During times of peak demand, maintenance, and the dry season, hydropower generation is supplemented by thermal power to meet the demand for electricity.

Corporate:

- Income from the provision of services: Group companies develop projects and carry out tasks in order to obtain construction and production permits. These services can be managed by the services of the Group or delegated and supervised by service providers that the Group partners with. This activity generates operational income when projects are sold. The Group can also perform operations and maintenance services for renewable power plants owned by third parties.
- Corporate/Engineering and unallocated: The Corporate segment includes the operating and financial activities of the Group and the newly established companies that have made any significant investment.

As at December 31, 2015, the operating breakdown by market is as follows:

Assets and liabilities in 2015 allocated according to activity:

BALANCE SHEET ITEMS 12/31/2015	Holding	Wind	Biomass	Hydropower	Solar	Hybrid	Total
Goodwill and assets	4,578	408,05	8,680	22,464	37,071	1,131	482,000
Non-current assets	2,215	2,850	0	12	673	1	5,751
Current assets	9,435	44,961	692	224	5,860	1,722	62,895
Equity	199,368	4,453	613	3,239	3,256	235	211,165
Non-current liabilities	6,532	224,79	3,833	9,563	20,440	-	265,108
Current liabilities	31,048	34,757	1,062	1,899	3,752	1,187	73,706

Excluding assets and liabilities held for sale.

Assets and liabilities in 2015 allocated according to region:

BALANCE SHEET ITEMS 12/31/2015	FRANCE	FRENCH GUIANA	BRAZIL	GREECE	MOROCCO	Total
Goodwill and assets	69,823	42,989	356,210	12,661	317	482,000
Non-current assets	5,612	3	122	8	6	5,751
Current assets	10,190	3,832	45,399	3,248	237	62,906
Equity	199,768	9,800	17,517	(15,589)	(331)	211,165
Non-current liabilities	62,024	19,376	181,538	2,171	(0)	265,108
Current liabilities	25,361	6,004	39,887	2,240	212	73,704

Excluding assets and liabilities held for sale.

Assets and liabilities in 2014 allocated according to activity:

BALANCE SHEET ITEMS 12/31/2014	Holding	Wind	Biomass	Hydropower	Solar	Total

Goodwill and assets	2,904	334,386	9,311	23,280	39,326	409,207
Non-current assets	2,291	3,080	0	75	930	6,375
Current assets	18,570	47,927	1,359	2,320	6,566	76,742
Non-current liabilities	2,303	114,794	4,924	11,023	22,223	155,268
Current liabilities	10,923	106,889	939	3,625	4,093	126,469

Excluding assets and liabilities held for sale.

Assets and liabilities in 2014 allocated according to region:

BALANCE SHEET ITEMS 12/31/2014	FRANCE	FRENCH GUIANA	BRAZIL	GREECE	Total
Goodwill and assets	69,538	44,885	280,813	13,971	409,207
Non-current assets	5,050	21	836	468	6,375
Current assets	33,021	7,189	33,689	2,843	76,742
Non-current liabilities	57,345	24,073	71,277	2,573	155,268
Current liabilities	18,304	5,745	99,722	2,698	126,469

Excluding assets and liabilities held for sale.

Components of results as at December 31, 2015 based on activity:

INCOME STATEMENT ITEMS 12/31/2015	Corporate	Wind	Biomass	Hydro- power	Solar	Hybrid	Total
Revenue	1,046	44,074	2,854	1,601	7,404	1,503	58,482
Other operating income	30	3	0	27	23		83
Consumables	(1,138)	(6,064)	(383)	(69)	(180)	(736)	(8,570)
External expenses	(3,073)	(4,404)	(1,357)	(856)	(995)	(300)	(10,985)
Payroll expenses	(3,904)	(267)	(355)	(148)	(255)	-	(4,930)
Taxes other than on income	(436)	(2,002)	(305)	(5)	(244)	(55)	(3,046)
Depreciation and amortization	(391)	(7,265)	(653)	(892)	(1,507)	(6)	(10,714)
Depreciation, amortization and provisions	312	374	1,577	257	269	-	2,789
Changes in inventories of finished goods and work in progress	-	-	-	-	-	-	-
Other financial income and expenses	300	(85)	(160)	(194)	(342)	-	(481)
Current operating income	(7,254)	24,364	1,217	(278)	4,173	407	22,629
Income from disposal of consolidated assets	79	-	-	-	-	-	79
Other non-current operating income and expenses	(42)	(46)	(5)	1	(317)	-	(409)
EBITDA	(7,138)	31,209	288	357	4,914	412	30,043
% EBITDA margin	N/A	71%	10%	22%	66%	27%	51%
OPERATING INCOME	(7,217)	24,318	1,212	(277)	3,855	407	22,298

INCOME STATEMENT ITEMS 12/31/2015	Corporate	Wind	Biomass	Hydro- power	Solar	Hybrid	Total
% Operating margin	<i>N/A</i>	55%	42%	-17%	52%	27%	38%
Income from cash and cash equivalents	416	3,047	-	-	30	0	3,493
Cost of gross financial debt	(817)	(14,720)	(338)	(565)	(1,291)	(0)	(17,730)
Cost of net financial debt	(401)	(11,673)	(338)	(565)	(1,260)	0	(14,237)
Other financial income and expenses	1,960	(1,730)	(512)	(115)	(213)	5	(606)
PROFIT BEFORE INCOME TAXES	(5,658)	10,914	362	(957)	2,382	412	7,455
Taxes on income	(298)	(2,496)	0	(0)	(155)	(46)	(2,996)
AFTER TAX INCOME	(5,956)	8,418	362	(957)	2,227	365	4,459
Income from companies at equity	-	101	-	-	(10)	-	91
TOTAL NET INCOME	(5,956)	8,519	362	(957)	2,217	365	4,550

Components of results as at December 31, 2015 based on geographical area:

INCOME STATEMENT ITEMS 12/31/2015	FRANCE	FRENCH GUIANA	BRAZIL	GREECE	MOROCC O	Total
Revenue	11,463	6,925	36,944	3,150	-	58,482
Other operating income	0	27	30	26	-	83
Income from ordinary activities	11,464	6,952	36,974	3,176	-	58,565
Income from ordinary activities	11,464	6,952	36,974	3,176	-	58,565
Current operating income	1,091	2,256	18,734	863	(317)	22,629
EBITDA	2,857	2,939	23,323	1,417	(313)	30,042
% EBITDA margin	25%	42%	63%	45%	N/A	51%
OPERATING INCOME	1,149	1,923	18,711	832	(317)	22,298
% Operating margin	10%	28%	51%	26%	N/A	38%
NET FINANCIAL INCOME	(1,580)	(1,813)	(11,043)	(398)	(8)	(14,843)
PROFIT BEFORE INCOME TAXES	(431)	110	7,668	433	(325)	7,455
Taxes on income	(174)	(155)	(2,667)	0	-	(2,996)

AFTER TAX INCOME	(604)	(45)	5,000	433	(325)	4,459
Income from companies at equity	99	-	-	(8)	-	91
TOTAL NET INCOME	(506)	(45)	5,000	425	(325)	4,550

Components of results as at December 31, 2014 based on activity:

INCOME STATEMENT ITEMS	Corporate	Wind	Biomass	Hydropower	Solar	Total
12/31/2014 (12 months)						
Revenue	344	12,709	3,783	2,896	7,858	27,592
Other operating income	7	0	0	-	10	18
Consumables	(621)	(179)	(976)	(83)	(398)	(2,257)
External expenses	(2,113)	(1,131)	(1,424)	(417)	(911)	(5,996)
Payroll expenses	(1,524)	(188)	(544)	(98)	(205)	(2,559)
Taxes on other than income	(2,211)	(632)	(93)	(6)	(468)	(3,409)
Depreciation and amortization	(275)	(1,768)	(889)	(449)	(1,638)	(5,020)
Depreciation, amortization and provisions	(414)	359	(949)	(408)	(144)	(1,556)
Changes in inventories of finished goods and work in progress	-	-	-	-	-	-
Other financial income and expenses	249	(115)	(8)	(95)	(108)	(76)
Intra-group transactions	-	-	-	72	74	146
Current operating income	(6,557)	9,055	(1,098)	1,340	3,997	6,736
Income from disposal of consolidated assets	-	-	-	-	-	-
Other non-current operating income and expenses	(870)	(17)	1	10	101	(774)
OPERATING INCOME	(7,427)	9,038	(1,097)	1,350	4,098	5,962
Income from cash and cash equivalents	766	2,101	-	-	30	2,897
Cost of gross financial debt	(466)	(901)	(379)	(592)	(1,558)	(3,896)
Cost of net financial debt	299	1,200	(379)	(592)	(1,528)	(999)
Other financial income and expenses	792	(1,301)	1,386	(152)	(303)	422
PROFIT BEFORE INCOME TAXES	(6,335)	8,937	(90)	606	2,267	5,385
Taxes on income	(36)	(282)	212	(241)	(208)	(555)
AFTER TAX INCOME	(6,371)	8,655	122	365	2,059	4,830
Income from companies at equity	-	78	-	-	(12)	66
TOTAL NET INCOME	(6,371)	8,733	122	365	2,048	4,898

Components of results as at December 31, 2014 based on geographical area:

INCOME STATEMENT ITEMS 12/31/2014	FRANCE	FRENCH GUIANA	BRAZIL	GREECE	Total
Revenue	7,900	8,269	8,682	2,740	27,592
Other operating income	0	1	2	14	18
Income from ordinary activities	7,900	8,271	8,684	2,754	27,609
Income from ordinary activities	7,900	8,271	8,684	2,754	27,609
Current operating income	(1,428)	2,181	5,828	156	6,736
EBITDA	318	5,151	6,188	879	12,536
OPERATING INCOME	(2,284)	2,198	5,828	221	5,962
NET FINANCIAL INCOME	(1,502)	(1,778)	3,137	(435)	(577)
PROFIT BEFORE INCOME TAXES	(3,786)	420	8,965	(214)	5,385
Taxes on income	69	(447)	(177)	(0)	(555)
AFTER TAX INCOME	(3,717)	(27)	8,788	(215)	4,830
Income from companies at equity	74	-	-	(8)	66
TOTAL NET INCOME	(3,642)	(27)	8,788	(223)	4,896

NOTE 7- REVENUE

Revenues generated by the Group break down as follows:

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014	Chge	% Chge
Revenue - energy sales	57,435	26,748	30,687	+115%
Revenue - development activities and services	1,046	844	202	+24%
Total revenue	58,482	27,592	30,890	+112%

On December 31, 2015, [revenues from energy sales](#), the core activity of Voltalia with very long-term visibility, totaled 57,435,000 euros, up 115% compared to December 31, 2014.

The exceptional growth of +30,687,000 euros in energy sales for the year is mainly based on:

- o new revenues in Brazil (8,232,000 euros) from the Sao Miguel do Gostoso wind farms commissioned at the end of June 2015, but not yet connected to the grid;
- o the full-year impact of revenues generated from the Areia Branca wind farms in Brazil (24,275,000 euros) and the Adriers and Molinons wind farms in France (4,729,000 euros).

Revenue from service provision activities and the sale of developed projects rose to 1,046,000 euros in 2015, from 844,000 euros in 2014. This increase is related to revenues from operating and maintenance service contracts in Greece, a new activity for the Group.

The table below provides details on the key customers contributing to revenue:

<i>(In thousands of euros)</i>	12/31/2015	%	12/31/2014	%
EDF	18,147	31%	15,184	55%
Private customer (Brazil)	12,299	21%	-	0%
CCEE (Brazil)	11,849	20%	-	0%
Spot market (Brazil)	11,273	19%	8,382	30%
DESMIE (Greece)	2,292	4%	2,301	8%
Others	2,622	4%	1,725	6%
TOTAL	58,482	100%	27,592	100%

NOTE 8- OPERATING EXPENSES

The increase in current operating expenses is due to the load increase at plants that came online as well as the costs of purchasing energy for resale in Brazil.

Personnel expenses allocated to development and construction projects are recorded as assets. Other

personnel expenses are included in the income statement.

The increase in personnel expenses is related to the necessary recruitments of support teams and lower allocations of personnel to project construction.

NOTE 9- DEPRECIATION, AMORTIZATION AND PROVISIONS

Depreciation and amortization in the amount of 10,714,000 euros (versus 5,018,000 euros as of December 31, 2014) reflects the depreciation of plants in operation. This increase is in line with the new wind farms commissioned late in 2014 and in 2015 (110 MW mainly from Areia Branca, Adriers and Molinons).

These provisions also include depreciation calculated according to the units-of-output method (amount nil) for the Sao Miguel de Gostoso wind farm. This wind farm has been operational since June 30, 2015, but is not generating energy due to the delay in building the

transmission line (construction is the responsibility of the French government). During this period before connection to the electrical grid, the wind turbines in question are locked into a protective position. In this way they are subject to little to no wind conditions. Similarly, all rotating and wear-prone parts are kept stationary until the start of electrical generation, that date being the effective start date of depreciation, using the straight-line method, over 25 years. This will lead to a depreciation charge of about 5,200,000 euros per year (at constant exchange rates).

At December 31, 2015, the net reversal of impairment losses and provisions came to 2,789,000 euros.

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014
Reversals of impairment losses	3,818	-
Impairment charges	(1,029)	(1,556)
Total	2,789	(1,556)

It mainly covers:

- net provisions to cover the feasibility risks of projects in development in the amount of 984,000 euros;
- the net reversal of a provision for the impairment of trade receivables in the amount of 1,221,000 euros, which corresponds to payments actually collected.
- Net reversals of provisions amounting to 630,000 euros concerns certain provisions originally recorded for the French Guiana region in response to regulatory obligations. These have become irrelevant under the revised depreciation schedule.

NOTE 10- OTHER OPERATING INCOME AND EXPENSES

Other income and expenses mainly reflects the unwinding of litigation (342,000 euros) between Volta Guyane and a supplier in French Guiana.

NOTE 11- NET FINANCIAL INCOME

Net financial income includes both the cost of debt and other financial income and expenses.

<i>In thousands of euros</i>	12/31/2015	12/31/2014
Income from cash and cash equivalents	3,493	2,897
Interest expenses on bank loans and overdrafts	(17,730)	(3,896)
Cost of net financial debt	(14,237)	(999)
Translation gains	424	(0)
Translation losses	(1,155)	(0)
Other financial income and expenses	126	422
Other financial income and expenses	(606)	422
Total net financial income	(14,843)	(577)

The change in financial income mainly includes the following:

- The sharp increase in the Group's **cost of net financial debt**, directly related to strong business development in Brazil. In effect, in 2015, the increase in interest expense is due to the full-year impact of loans on new projects commissioned in late 2014 (Terral, Carcara 2, Adriers and Molinons) and projects commissioned in 2015 (and Carcara1 and SMG), in a context where the main Brazilian interest rate applied to Group borrowings (the TJLP) increased from 5.5% to 7% between January 1 and December 31 of 2015.
- Investment income recorded mainly in Brazil (3,493,000 euros at end 2015).
- The balance of translation gains and losses of (731,000 euros) from the liquidation of debts.

NOTE 12- INCOME TAX EXPENSE AND RELATED LIABILITIES

Income tax expense and related liabilities of (3,000,000 euros) mainly includes current taxes of Brazilian subsidiaries under the "lucro presumido" tax regime and, to a lesser degree, corporate income taxes on two French operating companies that are not consolidated.

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014
Current tax	(559)	(287)
Taxes other than on income	(2,369)	(821)
Deferred taxes	(67)	552
Total	(2,996)	(555)

The tax rationalization is shown in the following table:

<i>(In thousands of euros)</i>	12/31/2015
Net income from consolidated companies, before tax	4,550
Share of companies at equity	91
Net income from consolidated companies excluding companies at equity	4,459
Net income from entities outside the scope of IAS 12 - Income Taxes	6,817
Net income from consolidated companies excluding companies at equity and entities outside the scope of IAS 12 - Income Taxes	(2,357)
Income tax expense	(627)
Profit before income taxes	(1,731)
Theoretical tax rate	33.33%
Theoretical tax	577
Reconciliation	
Permanent differences	(1,100)
Tax losses on the year not recognized as deferred tax assets	(855)
Use of prior period tax losses not recognized as deferred tax assets	714
Difference between the tax rate of the parent company and that of its subsidiaries	38
Taxes recognized	(627)

NOTE 13- GOODWILL

<i>(In thousands of euros)</i>	12/31/2014	Increase	Decrease	Translation reserve	12/31/2015
Gross values					
Voltalia Greece	435	-	-	-	435
3VD	1,019	-	-	-	1,019
Paracatu (161 KBRE)	49	-	-	(12)	37
Sapeel	624	-	-	(153)	472
Energen	11	-	-	-	11
Total	2,139	-	-	(165)	1,974
Impairment					
Voltalia Greece	(435)	-	-	-	(435)
3VD	-	-	-	-	-
Paracatu (161 KBRE)	-	-	-	-	-
Sapeel	(624)	-	-	153	(472)
Energen	(11)	-	-	-	(11)
Total	(1,071)	-	-	153	(918)
Net values					
Voltalia Greece	-	-	-	-	-
3VD	1,019	-	-	-	1,019
Paracatu (161 KBRE)	49	-	-	(12)	37
Sapeel	-	-	-	-	-
Energen	-	-	-	-	-
Total	1,068	-	-	(12)	1,056

NOTE 14- INVESTMENTS IN ASSOCIATES

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014
3LE	379	278
Fangas 1	(20)	(20)
Fangas 2	(20)	(20)
4 Termes 1	(21)	(20)
4 Termes 2	(20)	(20)
Greek Wind Power	(19)	(11)
Total	278	187

NOTE 15- INTANGIBLE ASSETS

<i>(In thousands of euros)</i>	12/31/2014	Increase	Decrease	Changes in scope	Change in translation differences	Other changes	12/31/2015
Gross values							
Lease rights	279	-	(220)	-	-	-	59
Research and development expenses	2,216	-	-	-	-	-	2,216
Concessions, patents, licenses	425	26	-	-	-	-	451
Other intangible assets	13,640	1,186	(21)	(0)	(1,695)	9,889	22,999
Intangible assets in progress	37,535	5,946	(6)	(65)	(3,154)	(16,023)	24,233
Prepaid expenses	54	2	-	-	(0)	-	56
Total gross values	54,148	7,161	(247)	(65)	(4,850)	(6,134)	50,013
Depreciation and amortization/impairment							
Lease rights	(25)	(4)	-	-	-	-	(29)
Research and development expenses	(482)	(117)	-	-	-	-	(599)
Concessions, patents, licenses	(396)	(13)	-	-	-	-	(410)
Other intangible assets	(2,189)	(613)	-	-	14	(50)	(2,839)
Intangible assets in progress	(12,534)	(697)	1,685	-	87	366	(11,093)
Prepaid expenses	-	-	-	-	-	-	-
Total depreciation and amortization/impairment	(15,627)	(1,445)	1,685	-	101	316	(14,970)
Net carrying amounts							
Lease rights	254	(4)	(220)	-	-	-	30
Research and development expenses	1,734	(117)	-	-	-	-	1,616
Concessions, patents, licenses	29	13	-	-	-	-	41
Other intangible assets	11,450	573	(21)	(0)	(1,682)	9,838	20,159
Intangible assets in progress	25,000	5,250	1,679	(65)	(3,067)	(15,657)	13,141
Prepaid expenses	54	2	-	-	(0)	-	56
Total net values	38,521	5,716	1,438	(65)	(4,749)	(5,818)	35,043

Intangible investments at December 31, 2015 of 35,043,000 euros, net of impairment and amortization charges, relate mainly to the construction of the Areia Branca, Sao Miguel do Gostoso and VamCruz wind farms in Brazil, and to the construction of the Molinons and Adriers wind farms in mainland France. This amount includes "Other intangible assets" for 22,999,000 euros, representing design and engineering expenses on power plants in operation.

The "Other" column mainly presents:

- The reclassification of property, plant and equipment as well as depreciation and impairment charges is related to both of the following:
 - Reclassification of a Group subsidiary under "Assets held for sale" as required under IFRS 5.
 - The reclassification of assets under development to intangible assets and property, plant and equipment following the commissioning of the SMG and Carcara 1 wind farms in the first half of 2015, and that of VamCruz in the second half.

NOTE 16- PROPERTY, PLANT AND EQUIPMENT

<i>(In thousands of euros)</i>	12/31/2014	Increase	Decrease	Changes in scope	Change in translation differences	Other changes	12/31/2015
Gross values							
Land	321	-	-	-	(19)	-	302
GER component	-	-	-	-	-	541	541
Buildings	35,693	129,255	-	-	(57,441)	243,762	351,269
Leased buildings	11,160	-	-	-	-	-	11,160
Facilities and equip.	59,699	1,141	(4)	-	(216)	(195)	60,425
Facilities and equip. under finance lease	13,125	-	-	-	-	-	13,125
Other property, plant and equipment	4,032	156	(5)	-	(109)	12	4,086
Assets under construction	81,584	2,088	-	-	(8,249)	(74,028)	1,396
Prepaid expenses	184,322	39,739	(45)	-	(25,401)	(165,000)	33,615
Total	389,935	172,378	(54)	-	(91,435)	5,093	475,917
Depreciation, amortization and impairment losses							
GER component	-	(229)	-	-	27	(323)	(525)
Buildings	(4,919)	(6,018)	-	-	803	(515)	(10,649)
Leased buildings	(2,966)	(418)	-	-	-	-	(3,384)
Facilities and equip.	(6,816)	(2,648)	4	-	10	21	(9,429)
Facilities and equip. under finance leases	(2,716)	(525)	-	-	-	-	(3,241)
Other property, plant and equipment	(2,517)	(567)	1	-	27	(4)	(3,059)
Assets under construction	(571)	(4)	11	-	58	497	(9)
Total	(20,505)	(10,409)	16	-	926	(324)	(30,295)
Net carrying amounts							
Land	321	-	-	-	(19)	-	302
GER component	-	(229)	-	-	27	218	16
Buildings	30,774	123,236	-	-	(56,638)	243,247	340,620
Leased buildings	8,194	(418)	-	-	-	-	7,776
Installations techniques, mat. & out.	52,882	(1,507)	-	-	(206)	(174)	50,996
Facilities and equip. under finance lease	10,409	(525)	-	-	-	-	9,884
Other property, plant and equipment	1,515	(410)	(4)	-	(82)	8	1,027
Assets under construction	81,014	2,084	11	-	(8,191)	(73,531)	1,387
Prepaid expenses	184,322	39,739	(45)	-	(25,401)	(165,000)	33,615
Total	369,430	161,970	(38)	-	(90,509)	4,769	445,622

At December 31, 2015, the increase in property, plant and equipment of 161,969,000 euros, net of depreciation and impairment charges, was mainly due to the construction of the Sao Miguel do Gostoso and VamCruz wind farms in Brazil, commissioned in 2015, and the launch of construction of Vila Para.

In addition, the "Other" column primarily reflects the reclassification of assets under construction to intangible assets and property, plant and equipment, following the commissioning of the SMG and Carcara 1 wind farms in 2015.

Due to changes in the operating mode, a set of provisions previously recognized on the French Guiana region is no longer classified as a liability. This amount was nevertheless reclassified under depreciation and amortization in order to account for the obsolescence of the assets in question.

NOTE 17- NON-CURRENT FINANCIAL ASSETS

<i>(In thousands of euros)</i>	12/31/2014	Increase	Decrease	Scope changes	Translation adjustments	Other changes	12/31/2015
Non-current assets	11	(24)	(0)	260	4	491	742
Other receivables related to equity investments	1,545	-	(275)	-	-	-	1,270
Loans, security deposits and other receivables	3,653	623	(368)	-	(46)	(463)	3,399
Total non-current financial assets	5,209	600	(643)	260	(42)	28	5,411

Non-current financial assets mainly reflect loans and guarantees. These are mainly guarantee deposits payable to banks as part of financing arrangements, and loans to non-controlling interests. These assets are not depreciated.

NOTE 18- DEFERRED TAXES

A deferred tax asset is recognized for tax losses if and only if it is likely that there will be taxable profits in the near future against which these tax losses and unused tax credits can be utilized.

Deferred tax assets, deferred liabilities and deferred tax payments, as shown in the Group's statement of financial position and income statement, relate exclusively to French subsidiaries outside the tax consolidation arrangement.

Recognized Group deferred tax assets and liabilities have a total net value of zero. They

relate to 5,237,000 euros in deferred tax liabilities and 4,079,000 euros in deferred tax assets and other temporary differences amounting to 1,158,000 euros. Taxes are mainly on the value of assets (projects in development or in operation) and related financial instruments, as shown in the statement of financial position.

Available deferrable losses amount to 52,490,000 euros as such and 23,940,000 euros under the tax consolidation arrangement. The corresponding tax assets are respectively 16,520,000 euros and 7,980,000 euros.

NOTE 19- TRADE AND OTHER RECEIVABLES

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014
Trade & other receivables	11,834	7,793
Employee benefit receivables	91	32
Tax receivables - excl income tax	1,796	6,858
Current accounts	76	94
Other receivables	2,563	885
Total Trade Receivables	16,361	15,663

Trade and other receivables, recognized in the amount of 16,361,000 euros, reflect the following main elements:

- Trade receivables and other receivables related to energy production in December 2015 and to advances paid to suppliers
- Other receivables including acquired rights at Maia Eolis when purchasing a 378 MW wind farm portfolio
- Tax receivables in the amount of 1,796,000 euros consisting mainly of VAT receivables

Trade receivables includes impairment amounting to 1,785,000 euros as of December 31, 2015.

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014
Trade receivables - gross	13,619	9,575
Other receivables	4,527	7,870
Impairment	-1,785	-1,782
Net receivables	16,361	15,663

The change in impairment of trade receivables is as follows:

<i>(In thousands of euros)</i>	Balance at 01/01/2015	Addition	Reversal	Other (*)	Balance at 12/31/2015
Impairment - trade receivables	(1,782)	(1)	1,221	(1,222)	(1,785)

(*) reclassification of impairment of assets held for sale

Receivables by maturity are as follows:

Year	Gross value	Past due	Past due and written down	Maturity of receivables past due		
				< 1 month	1 > 6 months	> 6 months
2015	13,619	1,796	502	198	367	1,231
2014	9,575	4,593	1,782	713	1,300	2,580

NOTE 20- OTHER CURRENT ASSETS

Other receivables break down as follows:

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014
Prepaid expenses	706	1,009
Receivables related to equity investments - < 1 year	(0)	(0)
Loans, guarant. & other recv < 1 year	1,246	1,156
Accrued interest on receivables and loans	27	26
Total Other Current Assets	1,979	2,191

NOTE 21- NET CASH

The change in cash and cash equivalents resulted primarily from the investment needs of the wind farms in Brazil and France.

<i>(In thousands of euros)</i>	12/31/2014	Changes linked to activities	Scope changes	Translation adjustments	Other changes	12/31/2015
Financial and short-term investment receivables	32,411	3,824	-	(7,992)	(501)	27,742
Cash assets	26,368	(9,198)	(181)	(1,530)	390	15,849
Cash and cash equivalents	58,779	(5,374)	(181)	(9,521)	(111)	43,591
Bank overdrafts	(89)	(49)	0	-	-	(138)
Cash inflow (outflow)	(89)	(49)	0	-	-	(138)
Total Net Cash	58,690	(5,423)	(180)	(9,521)	(111)	43,454

NOTE 22- ACTIVITIES INTENDED FOR SALE

Group assets held for sale, despite being insignificant, were recognized in the financial statements as of December 31, 2014 following the signing of a memorandum of understanding in February 2015 which should complete in 2016. This group of assets is therefore kept under activities intended for sale in the sense of IFRS 5 as of December 31, 2015.

These assets held for sale amounting to 500,000 euros mainly included current assets (trade and tax receivables) of a Voltalia subsidiary. The fixed assets of that subsidiary, less depreciation, were exceptionally written down to zero.

NOTE 23- EQUITY

a. Share capital

During fiscal year 2015, the capital evolved as follows:

Date	Transaction	Initial number of shares	Issued shares	Total shares	Value per share	Capital in euros
Jan 1/15	Number of shares	24,404,677		24,404,677	5.70	139,106,659
Jan 23/15	Capital increase		1,784,886	26,189,563	5.70	149,280,509
Nov 5/15	Exercise of 5,000 BSA - equity line		5,000	26,194,563	5.70	149,309,009
Nov 13/15	Exercise of 5,000 BSA - equity line		5,000	26,199,563	5.70	149,337,509
Dec 3/15	Exercise of 5,000 BSA - equity line		5,000	26,204,563	5.70	149,366,009
Dec 22/15	Exercise of 7,000 BSA - equity line		7,000	26,211,563	5.70	149,405,909
	Capital at December 31, 2015			26,211,563	-	149,405,909

b. Stock option plan

The General Meeting of April 2, 2008, gave permission to the Board of Directors to grant 312,454 BSPCE warrants with rights to the subscription of that same number of shares. The Board of Directors approved the allocation of 150,000 BSPCE warrants on April 1, 2009, and the allocation of the remainder (162,454 BSPCE warrants) was approved by the Board of Directors on August 3, 2009.

In total 42,105 BSPCEs were exercised and 112,354 BSPCEs expired resulting in 157,995 exercisable BSPCEs at December 31, 2015. Taking into account share consolidation decided by the AGM of June 31, 2014, there were 157,995 exercisable BSPCEs as of December 31, 2015 giving rights to 15,799 shares.

c. Bonus share plan

The general meeting of June 13, 2014 authorized the allocation of bonus shares, subject to a ceiling, to Company employees or certain categories of them and/or Company officers who meet the conditions established

by law. The Board of Directors on July 25, 2014, used this authorization to award 21,667 bonus shares to employees. This amount was unchanged at December 31, 2015.

d. Stock option plan for key managers

The general meeting of June 11, 2015 gave permission to the Board to allocate share subscription or purchase options, subject to a ceiling, to key managers who meet the conditions established by law. The Board of Directors used this

authorization on August 6, 2015 to allocate 201,204 subscription options to certain employees and one corporate officer. The exercise price is 9.03 euros. The validity period of the plan is 7 years. The options will be exercisable until August 6, 2022.

e. The stock option plan as part of a share-based credit facility

In October 2015, a contract was signed between Volitalia SA and Kepler Cheuvreux to issue stock options to increase the number of floating shares and have a higher reserve of liquidity.

The Company issued a total of 1,000,000 warrants to subscribe to that same number of shares to the benefit of Kepler Cheuvreux which, subject to the conditions agreed by the contracting parties, is committed to exercising

them over the next 36 months, including at least 250,000 warrants during the first 12 months. If these warrants are exercised in full, it would increase the Company's floating component from 14.7% to 17.8% of the share capital.

As of December 31, 2015, 22,000 warrants had been exercised reducing the number of exercisable warrants to 978,000.

f. Dividends

No dividends have been paid since the Company's creation.

NOTE 24- EARNINGS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

At December 31, 2015, the earnings from non-controlling interests amounted to 73,000 euros.

NOTE 25- EARNINGS PER SHARE

a. Basic earnings per share:

<i>In euros</i>	12/31/2015	12/31/2014
Net earnings attributable to the parent company in the period	3,887,632	4,495,104
Net earnings taken into account to calculate earnings per share	3,887,632	4,495,104
Weighted average number of outstanding shares	26,052,668	18,281,893
Earnings per share in euros	0.1492	0.2459
Retrospective adjustment		
Weighted average number of outstanding shares	26,052,668	26,052,668
Basic earnings per share (in €)	0.1492	0.1725

It is calculated by dividing the earnings attributable to the Group by the weighted average number of common shares outstanding during the period, less any treasury shares. The weighted average number of common shares is an average calculated from the date of issue or redemption of shares during the period.

b. Diluted earnings per share

<i>In euros</i>	12/31/2015	12/31/2014
Net earnings attributable to the parent company in the period	3,887,632	4,495,104
Net earnings taken into account to calculate diluted earnings per share	3,887,632	4,495,104
Weighted average number of outstanding shares	26,052,668	18,281,893
Number of shares resulting from the conversion of dilutive instruments	1,216,670	37,666
Weighted average number of outstanding shares used to calculate diluted earnings per share	27,269,338	18,319,559
Diluted earnings per share in euros - after consolidation	0.1426	0.2454
Retrospective adjustment		
Weighted average number of outstanding shares	27,269,338	27,269,338
Basic earnings per share (in €)	0.1426	0.1648

Diluted earnings per share takes into account the dilutive instruments outstanding at the end of the period.

As of December 31, 2015, dilutive instruments included:

- 157,995 exercisable BSPCEs giving rights to 15,799 shares;
- 21,667 bonus shares;
- 201,204 share subscription warrants (to the benefit of employees) giving rights to that same number of shares;
- 978,000 share subscription warrants (equity line), giving rights to that same number of shares,

NOTE 26- BORROWINGS AND FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT)

Financial liabilities are as follows:

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014	Chge	Chge %
Borrowings from credit establishments	260,775	149,153	111,623	+75%
Other borrowings and similar debts	2,897	3,450	(553)	-16%
NON CURRENT	263,673	152,603	111,070	+73%
			-	
Bank overdrafts (cash liability)	40	1	39	
Accrued interest not due - liabilities	97	88	10	+11%
Borrowings from credit establishments < 1 year	38,528	91,488	(52,960)	-58%
Bank overdrafts (debts)	4,775	-	4,775	N/A
Accrued interest on borrowings	924	795	129	+16%
			-	
CURRENT	44,365	92,373	(48,007)	-52%
TOTAL FINANCIAL DEBT	308,038	244,976	63,063	+26%

Current and non-current borrowings and financial liabilities mainly correspond to:

- Long-term borrowings for wind farm operation and construction in the amount of 260,775,000 euros. The 111,623,000-euro increase mainly reflects the long-term refinancing at Banque Nationale de Développement Economique et Sociale (BNDES) of bridge financing (current liabilities) raised in late 2014 and early 2015 to finance the construction of the SMG and VamCruz wind farms in Brazil.
- Short-term borrowing. This consists of: (i) bridge financing, down significantly, at 10,451,000 euros, obtained to finance the construction of the SMG wind farms in Brazil, which will be repaid by drawing down a final tranche from BNDES in early 2016; and (ii) long-term borrowing maturing within a year.
- Corporate financing in the amount of 19,209,000 euros of which 4,409,000 euros is long term. These lines of credit set up in 2015 are mainly to finance the Group's development and build projects in Brazil while awaiting long-term refinancing.

The change in the Group's consolidated borrowing (+ 63,063,000 euros) reflects the major investments under way, particularly in Brazil, and our continuing development in other Group operating regions.

a. Analysis by maturity

<i>(In thousands of euros)</i>	12/31/2015	< 1 year	1 > 5 years	> 5 years
Bonds	-	-	-	-
Borrowings and liabilities at credit establishments	284,620	37,989	68,408	178,224
Leases	15,608	1,463	6,576	7,568
Bank overdrafts	4,913	4,913	-	-
Other borrowings and similar debts	2,897	-	-	2,897
Total	308,038	44,365	74,984	188,689

b. Analysis by interest rates

<i>(In thousands of euros)</i>	12/31/2015	Fixed rate	Variable rate
Borrowings and liabilities at credit establishments	284,620	38,884	245,736
Leases	15,608	6,186	9,422
Bank overdrafts	4,913	39	4,874
Other borrowings and similar debts	2,897	2,897	-
Total	308,038	48,007	260,032

Variable rate loans include, in the amount of 202,670,000 euros, debt raised in Brazil. The majority of these borrowings carry interest at an adjustable rate ("TJLP") applicable to borrowings from the public bank BNDES. These Brazilian adjustable rates decided by the public authority are generally correlated with inflation, and therefore with the revenue of the Group's power plants in Brazil. This correlation between changes in interest expenses and changes in revenues makes possible a generally effective economic hedge of long-term interest rate risk in Brazil.

c. Analysis by currency

<i>(In thousands of euros)</i>	12/31/2015	Euros	Real	US dollars	Pounds sterling
Borrowings and liabilities at credit establishments	284,620	81,950	202,670	-	-
Leases	15,608	15,608	-	-	-
Bank overdrafts	4,913	4,913	-	-	-
Other borrowings and similar debts	2,897	2,897	-	-	-
Total	308,038	105,368	202,670	-	-

d. Change in borrowings and financial liabilities

(In thousands of euros)	12/31/2014	Increase	Decrease	Translation adjustments	Other changes	12/31/2015
Borrowings from credit establishments	134,113	179,843	(339)	(41,043)	(25,568)	247,006
Finance leases	15,039	-	-	-	(1,270)	13,770
Other borrowings and similar debts	3,450	9	-	-	(562)	2,897
NON CURRENT	152,603	179,852	(339)	(41,043)	(27,400)	263,673
Bank overdrafts (cash liability)	1	39	-	-	-	40
Bank overdrafts (debts)	-	4,775	-	-	-	4,775
Accrued interest not due - liabilities	88	10	-	-	(0)	97
Borrowings from credit establishments	90,277	14,288	(80,555)	(12,320)	25,568	37,258
Finance leases	1,211	-	(1,393)	-	1,452	1,270
Accrued interest on borrowings	795	798	(489)	(183)	3	924
CURRENT	92,373	19,911	(82,437)	(12,503)	27,022	44,365
Total Financial Debt	244,976	199,762	(82,777)	(53,546)	(377)	308,038

NOTE 27- EMPLOYEE BENEFITS

Since 2014, the Group has measured the post-employment benefits for all of its employees. A provision for severance benefits at retirement in the amount of 40,000 euros was recognized as of December 31, 2015.

NOTE 28- NON-CURRENT PROVISIONS

(In thousands of euros)	12/31/2014	Additions	Reversals used	Reversals not used	Others	12/31/2015
Provisions for post-employment benefits	75	1	(37)	-	1	40
Provisions for litigation	230	-	(180)	-	-	50
Provisions for contingencies	-	-	-	-	-	-
Provisions for expenses	2,247	43	-	(630)	(415)	1,244
Total Provisions	2,552	44	(217)	(630)	(415)	1,335

Non-current provisions are composed of the following main elements:

- Provisions for decommissioning wind and solar parks were recognized in the amount of 1,244,000 euros.
- Provisions for litigation amounted to 50,000 euros. During the period, a reversal of 180,000 euros reflects the resolution of legal proceedings between Volta Guyane and a supplier.

- Unused reversals relate to certain provisions, initially set up in the Guyane region to meet certain regulatory obligations of certain specific components. As the operating conditions have changed, the Group has now decided to replace the large components. This resulted in the reversal of 630,000 euros, partially offset by the revision of the depreciation plan for the most exposed components of the power production sites.
- The flow of "Other" provisions for expenses mainly reflects a provision of 323,000 euros as at December 31, 2015 which was adjusted and reclassified as depreciation of the assets concerned, in order to improve the presentation of the valuation of the assets concerned.

NOTE 29- TRADE PAYABLES, CURRENT TAX LIABILITIES AND OTHER CURRENT LIABILITIES

At December 31, 2015, the main components of trade payables and other liabilities are as follows:

- Trade payables amounting to 13,855,000 euros.
- Social and tax liabilities in the amount of 5,333,000 euros.
- Advances received from minority shareholders in the amount of 9,401,000 euros.

<i>(In thousands of euros)</i>	12/31/2015	12/31/2014
Trade and other payables	28,630	32,992
Tax liabilities	702	586
Other current liabilities	7	518
Total current liabilities	29,339	34,096

NOTE 30- DERIVATIVE FINANCIAL INSTRUMENTS

<i>Hedge Counterparty/Company In thousands of euros</i>	Notional	Start date	Duration (yrs)	Expiry	Fair value 12/31/14	Fair value 12/31/15	Change in fair value Impact on earnings	Change in fair value Impact on equity
La Faye énergies	12,964	08/09/2011	14	06/30/2025	(1,632)	(1,367)	-	265
Molinons wind farm	13,996	10/02/2014	15	10/15/2029	(1,323)	(1,119)	-	204
Adriers énergies	12,060	10/02/2014	15	09/28/2029	(496)	(403)	-	93
Total	39,020				(3,450)	(2,889)	-	561

In order to hedge against exposure to rising interest rates that impact interest flows related to the variable rate financing of the La Faye, Molinons and Adriers wind farms, Voltalia subsidiaries concluded an interest rate swap whose characteristics in terms of nominal and dates of fixings correspond exactly to the characteristics of the hedged item. Consequently, this financial instrument is accounted for as fully effective.

The Group opted to apply hedge accounting on this derivative financial instrument in order to reduce the effect of its change in value on results. The main features of this interest rate hedge are described in the Registration Document under “interest rate risk”.

NOTE 31- HIERARCHY OF FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

12/31/2015 (In thousands of euros)	Prices listed on an active market for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non- observable data (level 3)
Non-current assets			
Other non-current financial assets	-	-	-
Other non-current assets	-	-	-
Current assets			
Cash and cash equivalents	-	-	-
12/31/2015 (In thousands of euros)	Prices listed on an active market for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non- observable data (level 3)
Non-current liabilities			
Non-current bank borrowings			

Non-current current accounts of associates		
Other non-current financial liabilities	2,889	2,889

Current liabilities

Trade and other payables		
Current borrowings and overdrafts at banks		
Current current accounts of associates		
Other current liabilities	0	0

12/31/2014 (In thousands of euros)	Prices listed on an active market for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non-observable data (level 3)

Non-current assets

Other non-current financial assets
Other non-current assets

Current assets

Cash and cash equivalents

12/31/2014 (In thousands of euros)	Prices listed on an active market for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non-observable data (level 3)

Non-current liabilities

Non-current bank borrowings	3,450	3,450
Non-current current accounts of associates		
Other non-current financial liabilities		

Current liabilities

Trade and other payables
Current borrowings and overdrafts at banks
Current current accounts of associates
Other current liabilities

The Volitalia Group distinguishes three categories of financial instruments based on the two valuation methods used (listed prices and valuation techniques), and uses this classification, in accordance with international accounting standards, to present the characteristics of recognized financial instruments on the balance sheet at fair value through income or other comprehensive income at the reporting date:

Category level 1: Financial instruments listed on an active market.

Category level 2: Financial instruments measured at fair value using valuation techniques based on observable market parameters.

Category level 3: Financial instruments measured at fair value using valuation techniques based on unobservable parameters (parameters whose value results from assumptions not based on observable transaction prices in markets in the same instrument or observable market data available at closing) or which are only partially observable.

NOTE 32- CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

At December 31, 2015, the measurement principles used for financial instruments and their market value are as follows:

At December 31, 2014, the measurement principles used for financial instruments and their market value were as follows:

<i>At Dec 31, 2015 (In thousands of euros)</i>	<i>Fair value through income</i>	<i>Available- for-sale assets</i>	<i>Loans and receivables</i>	<i>Debt at amortized cost</i>	<i>Derivative instruments</i>	<i>Balance sheet value</i>	<i>Fair value</i>
Non-current assets							
Non-current financial assets			5,411			5,411	5,411
Other non-current assets			0			0	0
Current assets							
Inventories			596			596	596
Trade and other receivables			16,361			16,361	16,361
Other current assets			1,979			1,979	1,979
Cash and cash equivalents	43,591					43,591	43,591
TOTAL ASSETS	43,591	-	24,347	-	-	67,938	67,938
Non-current liabilities							
Borrowings and financial liabilities				261,160	2,889	264,049	264,179
Other non-current liabilities				-1		-1	-1
Current liabilities							
Trade and other payables				28,630		28,630	28,630
Borrowings and financial liabilities				44,365		44,365	44,388
Other current liabilities				7	0	7	7
TOTAL LIABILITIES	-	-	-	334,161	2,889	337,050	337,202

<i>At Dec 31, 2014 (In thousands of euros)</i>	<i>Fair value through income</i>	<i>Available-for- sale assets</i>	<i>Loans and receivable s</i>	<i>Debt at amortized cost</i>	<i>Derivative instrument s</i>	<i>Balance sheet value</i>	<i>Fair value</i>
Non-current assets							
Non-current financial assets			5,209			5,209	5,209
Other non-current assets			10			10	10
Current assets							
Inventories			107			107	107
Trade and other receivables			15,663			15,663	15,663
Other current assets			2,191			2,191	2,191
Cash and cash equivalents	58,779					58,779	58,779
TOTAL ASSETS	58,779	-	23,180	-	-	81,959	81,959
Non-current liabilities							
Borrowings and financial liabilities				149,152	3,450	152,602	152,743
Other non-current liabilities				0		0	0
Current liabilities							
Trade and other payables				32,992		32,992	32,992
Borrowings and financial liabilities				92,371		92,371	92,395
Other current liabilities				519		519	519
TOTAL LIABILITIES	-	-	-	275,035	3,450	278,485	278,649

NOTE 33- INFORMATION ON INTERESTS IN OTHER ENTITIES

- Structured entities

The Voltaia Group does not hold any entity referred to as a structured entity that would justify inclusion in the scope of consolidation.

A structured entity is an entity designed so that voting rights are not the determining factor in control.

- Subsidiaries with significant minority interests

At Dec 31, 2015 (In thousands of euros)	Junco 1	Junco 2	Caiçara 1	Caiçara 2
Main activity	Wind	Wind	Wind	Wind
Place of operations (and registered office if different)	Brazil	Brazil	Brazil	Brazil
Percentage interest	25.60	25.60	25.60	25.60
Percentage of voting rights held (percentage of control)	51.00	51.00	51.00	51.00
Summary - Statement of Financial Position				
Current assets	3,338	8,462	11,599	7,097
Non-current assets	36,717	27,828	29,631	19,471
	-	-	-	-
Current liabilities	8,575	7,354	1,449	4,683
Non-current liabilities	15,623	13,131	16,526	10,760
	-	-	-	-
Non-controlling interests (aggregate at end N)	139	271	356	184
	-	-	-	-
Summary - Income Statement				
	-	-	-	-
Revenue	809	621	935	551
Net earnings attributable to shareholders of the Group	82	142	182	102
	-	-	-	-
	-	-	-	-
Net earnings attributable to NCI	237	413	529	295
	-	-	-	-
Net earnings - Total	319	554	711	397
	-	-	-	-
Other items of comprehensive income (OCI) attributable to the Group	2	28	-	22
	-	-	-	9
Other items of comprehensive income (OCI) attributable to NCI	-	-	-	-
	652	684	-	746
	-	-	-	493
Other items of comprehensive income (OCI) - Total	-	-	-	-
	650	711	-	769
	-	-	-	-
Comprehensive income attributable to shareholders of the Group	84	114	160	92
	-	-	-	-
Comprehensive income attributable to NCI	-	-	-	-
	415	271	-	217
	-	-	-	198
Comprehensive income - Total	-	-	-	-
	331	157	-	58
	-	-	-	-
Summary - Cash flow statement				
	-	-	-	-
	-	-	-	-
Dividends paid to NCI	-	-	-	-

At Dec 31, 2015 (In thousands of euros)	Junco 1	Junco 2	Caiçara 1	Caiçara 2
	-	-	-	-
Net cash flow from operating activities	230	1,646	- 3,790	6,874
	-	-	-	-
Net cash flow from investing activities	-	-	-	-
	24,358	24,806	- 26,934	17,225
	-	-	-	-
Net cash flow from financing activities	27,289	23,989	35,672	18,156
	-	-	-	-
Net cash flow - Total	3,161	829	4,949	7,804

At Dec 31, 2015 (In thousands of euros)	Envolver	Voltalia Sao Miguel Do Gostoso Participacoes S.A	Voltalia Sao Miguel Do Gostoso I Participacoes S.A	Vamcruz Participacoes SA	Vamcruz 1 Participacoes SA	Others	Total
Main activity	Holding	Holding	Holding	Holding	Holding		
Place of operations (and registered office if different)	Brazil	Brazil	Brazil	Brazil	Brazil		
Percentage interest	50.20	51.00	51.00	100.00	51.00		
Percentage of voting rights held (percentage of control)	50.20	51.00	51.00	25.60	25.60		
Summary - Statement of Financial Position							
Current assets	239	11,880	263	1,281	447	18,990	63,595
Non-current assets	34,447	33,978	33,900	66,299	67,419	138,716	488,406
	-	-	-	-	-	-	-
Current liabilities	14,037	11,858	179	325	320	60,019	108,799
Non-current liabilities	-	-	-	-	-	70,348	126,388
	-	-	-	-	-	-	-
Non-controlling interests (aggregate at end N)	9,854	- 848	16,680	- 40	32,432	- 1,291	57,736
	-	-	-	-	-	-	-
Summary - Income Statement							
	-	-	-	-	-	-	-
Revenue	-	-	-	-	-	14,937	17,852
Net earnings attributable to shareholders of the Group	- 406	- 199	- 11	4	- 3	- 628	- 736
	-	-	-	-	-	-	-
Net earnings attributable to NCI	- 403	- 191	- 11	11	- 8	- 210	- 662
	-	-	-	-	-	-	-
Net earnings - Total	- 809	- 391	- 22	15	- 11	- 838	- 74
	-	-	-	-	-	-	-
Other items of comprehensive income (OCI) attributable to the Group	- 3,608	- 31	- 2,801	4	4	416	- 6,074
Other items comprehensive income (OCI) attributable to NCI	- 3,579	- 30	- 4,336	6	- 6,005	- 58	- 16,578
Other items of comprehensive income (OCI) - Total	- 7,187	- 61	- 7,137	10	- 6,001	357	- 22,652
	-	-	-	-	-	-	-
Comprehensive income attributable to	- 4,014	- 230	- 2,812	8	2	- 213	- 6,810

At Dec 31, 2015 (In thousands of euros)	Envolver	Voltalia Sao Miguel Do Gostoso Participacoes S.A	Voltalia Sao Miguel Do Gostoso I Participacoes S.A	Vamcruz Participacoes SA	Vamcruz 1 Participacoes SA	Others	Total		
shareholders of the Group									
Comprehensive income	-	-	-	4,347	17	-	6,013	-	-
attributable to NCI	3,982	221	-	4,347	17	-	6,013	268	15,916
Comprehensive income -	-	-	-	7,159	24	-	6,012	-	-
Total	7,996	452	-	7,159	24	-	6,012	481	22,726
	-	-	-	-	-	-	-	-	-
Summary - Cash flow statement	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Dividends paid to NCI	-	-	-	41	-	-	-	39	80
	-	-	-	-	-	-	-	-	-
Net cash flow from operating activities	14,251	-	-	69	60	-	-	17,056	35,725
	-	512	-	69	-	160	-	-	-
Net cash flow from investing activities	41,623	-	-	-	-	-	-	-	-
	-	428	-	0	40,892	41,034	-	35,921	169,119
Net cash flow from financing activities	-	-	-	-	-	-	-	-	-
	55,849	274	-	142	42,037	41,083	-	11,709	144,503
	-	-	-	-	-	-	-	-	-
Net cash flow - Total	25	190	-	211	1,204	-	-	7,157	11,108
	-	-	-	-	-	-	-	-	-

- Associates

At Dec 31, 2015 (In thousands of euros)	3LE
Main activity	Wind
Place of operations (and registered office if different)	France
Percentage interest	40%
And if different, percentage of voting rights held (percentage of control)	
Valuation method: Fair value or percentage equity	Percentage equity

Summary - Statement of Financial Position

Current assets	967
Non-current assets	1,064
Current liabilities	1,973
Non-current liabilities	263

Summary - Income Statement

Dividends received during the year	0
Revenue	1,308
Net earnings from continuing activities	64

At Dec 31, 2015 (In thousands of euros)	3LE
IFRS 5 Earnings	0
Other items of comprehensive income (OCI)	0
Comprehensive income	64
Type of risks associated with interests held	
The type and scope of major restrictions on the transfer of funds (in the form of dividends or other) to the entity presenting the consolidated statements (contractual or regulatory constraints)	
Contractual liabilities to equity associates	Pledge of 150 shares in 3L Energies to the Unifergie, Natixis Energeco and OSEO Financement banking pool until full repayment of the finance lease concluded by 3L Energies. Pledge of a loan to the lessee of 1,745,000 euros in favor of Unifergie, Natixis Energeco and OSEO Financement until expiry of the lease agreement.
Reconciliation between the summarized information and the equity associates interests line	
Net assets of the equity associate	351
Percentage held by the Group	0
Goodwill	238
Other adjustments	0
	0
Net carrying amount of equity interests	379

NOTE 34- RELATED PARTY DISCLOSURES

- Compensation and benefits paid to corporate officers

Summary of compensation paid to each corporate officer

Corporate officer	2014 fiscal year	2015 fiscal year
Laurence Mulliez – Chair of the Board of Directors (1)		
Compensation for the fiscal year	32,816	80,000
Attendance fees	5,100	0
Other compensation		
Bertrand de Talhouët – Chair of the Board of Directors (2)		
Compensation for the fiscal year	-	-
Attendance fees	-	-
Other compensation		
Sébastien Clerc – Chief Executive Officer		
Compensation for the fiscal year	305,000	334,500
Attendance fees		
Other compensation	11,350	10,662
Total in euros	354,266	425,162

- (1) Laurence Mulliez was appointed Chair of the Company's Board of Directors on May 6, 2014 and was renewed in that capacity on June 11, 2015. Her fixed annual compensation of 50,000 euros paid in the form of salary (32,800 euros paid for 2014 from May 6, 2014) for fiscal year 2014 was increased to 80,000 euros for fiscal year 2015. Prior to that she was a Director of the Company and as such received attendance fees.
- (2) Bertrand de Talhouët was Chairman of the Company's Board of Directors from November 2011 to May 5, 2014. He has not been a Director of the Company since June 11, 2015.

Summary of compensation of each executive corporate officer

Executive corporate officer	2014 fiscal year		2015 fiscal year	
	Amounts payable(*)	Amounts paid(*)	Amounts payable(*)	Amounts paid(*)
Laurence Mulliez – Chair of the Board of Directors (1)				
Fixed compensation	32,816	32,816	80,000	80,000
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Attendance fees	5,100	19,975	0	5,100
Benefits in kind				
Bertrand de Talhouët – Chair of the Board of Directors (2)				
Fixed compensation	-	-	-	-
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind				
Sébastien Clerc – Chief Executive Officer				
Fixed compensation	180,000	180,000	207,000	207,000
Variable compensation (3)	125,000	112,301	127,500	125,000
Exceptional compensation	-	-	-	-
Attendance fees				
Benefits in kind(4)	11,350	11,350	10,662	10,662
Total in euros	354,266	356,442	425,162	427,762

(*) Attendance fees and variable compensation payable for year N are paid in year N+1

(1) Laurence Mulliez was appointed Chair of the Company's Board of Directors on May 6, 2014. Prior to that she was a Director of the Company. Compensated as a Director in the form of attendance fees, Laurence Mulliez received fixed compensation in the amount of 50,000 euros per year from May 6, 2014, which was increased to 80,000 euros per year from January 1, 2015.

(2) Bertrand de Talhouët was Chairman of the Company's Board of Directors from November 2011 to May 2014. He has not been a Director of the Company since June 11, 2015.

(3) The variable compensation paid to Sébastien Clerc was the maximum amount of 150,000 euros, conditional on achieving qualitative objectives (success of the Brazilian subsidiary, optimization of internal processes, employee satisfaction, etc.) and quantitative objectives (launch of a number of MW under construction or commissioned, optimization of operating margins, etc.) predetermined annually by the Board of Directors of the Company. It is paid on or before January 31 of the following year. The achievement of the 2015 objectives was confirmed by the Board of Directors on February 19, 2016.

(4) The benefits in kind paid to Sébastien Clerc correspond to the assumption of a social guarantee for managers and company executives (see Section 19.3).

Attendance fees and other compensation received by non-executive directors

Corporate officer	2014 fiscal year		2015 fiscal year	
	Amounts payable(*)	Amounts paid(*)	Amounts payable(*)	Amounts paid(*)
André-Paul Leclercq - Director				
Attendance fees	7,650	13,950	15,875	7,650
Other compensation				
Robert Dardanne (1) - Director				
Attendance fees	-	-	-	-
Other compensation	30,000	30,000	30,000	30,000
The Green Option (2) - Director				
Attendance fees	12,000	-	30,000	12,000
Other compensation	25,000	25,000	40,000	40,000
Créadev (3) - Director				
Attendance fees	-	-	-	-
Other compensation	-	-	-	-
Vliebergh Vincent (4) - Director				
Attendance fees	-	-	-	-
Other compensation	-	-	-	-
Total in euros	74,650	68,950	115,875	89,650

(*) Attendance fees payable for year N are paid in year N+1

(1) Robert Dardanne indirectly receives compensation in his capacity as manager of FGD S.P.R.L. pursuant to a services agreement.

(2) Philippe Joubert indirectly receives compensation in his capacity as director of The Green Option pursuant to a services agreement between The Green Option and the Company (see Section 16.2 of the Registration Document).

(3) Creadev SAS, a company represented by Chantal Toulas, was appointed Director of the Company on June 11, 2015.

(4) Vincent Vliebergh was appointed Director of the Company on June 11, 2015.

- Loans to associates

At December 31, 2015, there were no loans to key Group executives.

- Related party transactions

The transactions made by the Volitalia Group with its non-consolidated or equity participations are included in the consolidated accounts.

At December 31, 2015, the Company had no significant balance sheet commitments vis-à-vis related parties.

NOTE 35- COMMITMENTS GIVEN OR RECEIVED

Commitments given

- **Assets pledged as collateral for debts**

Debts contracted by the Group in the framework of project financing are guaranteed by collateral (mortgages, pledge on equipment, pledge of securities and receivables, and reserve accounts) as collateral for their repayment, in the amount of 283.8 million

euros. This amount represents the outstanding balance on December 31, 2015, of debts for projects that are in operation or under construction or receiving bank financing. The latest maturity of these debts is in 2032.

- **Financial guarantees given to third parties**

As part of the remediation guarantee for facilities classified for environmental protection, the Group companies affected by this obligation benefit from a grandfather provision and took out surety insurance with a top-tier insurer in July 2015. The dismantling obligation is recognized as a dismantling asset. The dismantling insurance coverage is 1.2 million euros.

As part of the tender won by Vila Acre in Brazil, a bid bond was put in place. The bond is for 1 million reais (0.23 million euros) until May 2016.

The Group has issued bank guarantees of completion in the form of a performance bond relating to the wind farm construction projects. These guarantees expire upon the completion of the construction. The most distant completion date is in 2021. As of December 31, 2015, they amounted to 11.4 million euros.

Other payment guarantees to various suppliers have been issued totaling 22.9 million euros, covering up to the end of 2016.

Commitments received

- **Commitments received in relation to subsidies**

The Greek government has committed to pay the Group investment subsidies totaling 1.3 million euros. These subsidies enable early repayment of loans contracted for the construction of projects. Given the

estimated counterparty risk vis-à-vis the Greek state and the total amount received of 0.4 million euros in 2015, these subsidies are not recognized in the balance sheet.

- **Guarantees received from customers**

At the end of the contract (15 years) for the supply of heating by BIO BAR to Cauval, the latter shall extend the contract under conditions to be agreed, or repurchase the facilities at net book value

NOTE 36- HEADCOUNT BY CATEGORY OF PERSONNEL

The average total headcount on December 31, 2015 was 120 persons, mainly distributed across 6 locations (Paris, Aix en Provence, Athens, Cayenne, Rabat and Rio de Janeiro).

The effective headcount on December 31, 2015, was 132, versus 102 on December 31, 2014, with an increase in the numbers of executives and non-executives in connection with the start of construction of new power plants and then the commissioning of those plants in Metropolitan France and in Brazil.

Actual workforce 12/31/2015	Brazil	France	Greece	Guiana	Morocco	TOTAL	Total 12/31/2014
Management	30	28	3	6	1	68	50
Executive management	2	7	1		1	11	10
Employees	25	13	5	7	3	53	42
Total 12/31/2015	57	48	9	13	5	132	102
Total 12/31/2014	47	37	7	11	0	102	

Average workforce 2015	Brazil	France	Greece	Guiana	Morocco	TOTAL	Total 2014
Management	26.6	22.7	3.0	5.8	0.5	58.7	42.5
Executive management	2.0	7.0	1.0		0.8	10.8	10.8
Temps				0.8		0.8	0.7
Employees	23.1	13.0	5.3	6.8	1.8	49.8	37.3
Total 2015	50.9	42.6	9.3	13.4	3.1	120.1	91.3
Total 2014	40.8	32.4	7.0	11.1	0.0	91.3	

NOTE 37- STATUTORY AUDITORS' FEES

At December 31, 2015:

<i>IN THOUSANDS OF EUROS</i>	MAZARS	H3P	CONCEPT AUDIT ET ASSOCIÉS	VINCENT RUSÉ CONSEIL	KPMG	CONTROLLER AUDITORES ASSOCIADOS	TOTAL
STATUTORY AUDIT	509	122	22	5	10	26	694
ANCILLARY ASSIGNMENTS	17	5	0				22
TOTAL	526	127	22	5	10	26	716

At December 2014:

<i>IN THOUSANDS OF EUROS</i>	MAZARS	H3P	CONCEPT AUDIT ET ASSOCIÉS	VINCENT RUSÉ CONSEIL	KPMG	CONTROLLER AUDITORES ASSOCIADOS	TOTAL
STATUTORY AUDIT	385	103	32	8	10	14	553
ANCILLARY ASSIGNMENTS	75	19	2				96
TOTAL	460	122	33	8	10	14	648

20.2. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures.

This report also includes information relating to the specific verification of information given in the Group's management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended 31 December 2015, on:

- the audit of the accompanying consolidated financial statements of Volitalia SA;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I – OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether

the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2016 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matter set out in note 3 “Highlight and subsequent events” of the consolidated financial statements and to the paragraph “Completion of construction of the Sao Miguel Do Gostoso site in Brazil”, which sets out the bases of revenue recognition and of the absence of any depreciation charge for 2015 as equally described in note 9 “Depreciation, amortization and provisions” to the consolidated financial statements.

II – JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we bring to your attention the following matter:

- For the preparation of its consolidated financial statements, Volitalia makes estimates and assumptions on several issues, the most significant of which are identified in Note 4.e “Accounting policies - Use of estimates” of the consolidated financial statements. For all of these issues, we examined the available documentation and verified the translation into figures of the assumptions used. We also carried out an assessment of the consistency of these assumptions and verified the reasonableness of the estimates used.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – SPECIFIC VERIFICATION

As required by law, we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris and Courbevoie, 23 February 2016

The statutory auditors

French original signed by

MAZARS

JULIETTE DECOUX

H3P AUDIT & CONSEIL

JEAN-BENOÎT MONNAIS

20.3. Company financial statements

Manque le scan des comptes de volitalia

20.3.1 HIGHLIGHTS

HIGHLIGHTS OF THE 2015 FISCAL YEAR

GOVERNANCE AND FINANCING

Capital increase of €15.4 million

In January 2015, the Company carried out a capital increase by private placement in the amount of 15,350,019 euros through the issue of 1,784,886 new shares at a price per share of 8.60 euros. The transaction was supported by the investment

company Korys, which has owned 1.43% of the Company's share capital since July 2014, and which now holds 7.99% of Voltalia shares, as of 23 January 2015.

Governance developments at Voltalia

At the General Meeting held on 11 June 2015, the Voltalia shareholders adopted the new Group governance following the departure of Bertrand de Talhouët from the Board of Directors. He was replaced by the company Creadev, represented by Chantal Toulas. Vincent Vliebergh also joined the Board as director.

The terms of the other directors were also renewed at the Meeting of 11 June 2015, as was the appointment of Laurence Mulliez as Chairwoman of the Board of Directors.

Voltalia's Articles of Association were also amended to reflect the reduction in the term of office of the directors from 4 to 3 years.

Introduction of an equity financing facility for the purposes of increasing the free float and boosting the liquidity of the security

In October 2015 the Company issued a total of 1,000,000 warrants with rights to subscribe the same number of shares in favour of Kepler Cheuvreux which, subject to the fulfilment of the conditions defined by the parties, undertook to

exercise the warrants within 36 months, including at least 250,000 warrants to be exercised within the first 12 months. The exercise in full of these warrants would increase the free float of the Company from 14.7% to 17.8%.

SUCCESSFUL TENDERS IN 2015 AND THE DEVELOPMENT OF FRENCH WIND POWER

French solar power tender: 2 projects selected totalling 14.3 MW

In December 2015, the Group won two solar power contracts with a total capacity of 14.3 MW as part of the third tender held by the French energy regulator. The two winning Voltalia projects are located in the Var: the Canadel project (10.5 MW) in

Brignoles and the Castellet II project (3.8 MW) in the commune of Castellet. The latter borders the first solar park of the same name, commissioned by Voltalia in 2013 following an ERC I tender awarded in 2012.

Acquisition of a portfolio of projects in the Q2 2015

Voltalia acquired a portfolio of wind projects totalling 379 MW in France from Maïa Eolis, as well as land rights for projects currently at the early planning stage. Construction could begin on the first project within the next two years.

During the 2015 fiscal year, Voltalia raised 20 million euros of corporate financing, of which 15 million is repayable in the short-term.

This transaction strengthens the global pipeline of Voltalia's development projects and also re-establishes its geographical balance. As at 31 December 2015, development projects in France accounted for 22% of the global pipeline of development projects.

RETURN TO BETTER FORTUNES FOR BIO-BAR

Voltalia SA has benefited from the return to better fortunes of its subsidiary Bio-Bar, the financial health of which improved in 2015.

RAISING CORPORATE DEBT

VOLTA GUYANE LITIGATION RESOLUTION

The litigation between Volta Guyane and a constructor of photovoltaic installations was resolved in July 2015. After an initial judgement in Voltalia's favour in March 2012, confirmed by a court of appeal ruling in March 2015, the constructor planned a further appeal. The agreement signed by the parties in early July 2015 put a definitive end to the litigation.

Post-balance sheet events

None

Change in accounting policy

There was no change during the period.

20.3.2 SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with accounting principles generally accepted in France and notably the provisions of the Accounting Plan approved in September 2014 by Regulation 2014-03 of the French Accounting Regulation Committee and

incorporating the provisions of the new regulations of the Accounting Regulation Committee, including Regulation 2002-10 relating to the depreciation and amortisation of assets and Regulation 2004-06 concerning the definition, recognition and measurement of assets.

20.3.2.1 *Basis for preparation of the financial statements*

In the separate financial statements to 31 December 2015, the Company applied the following rules:

- Going concern
- Consistency of methods
- Independence of fiscal years

20.3.2.2 *Use of estimates*

The preparation of the financial statements requires management to make assumptions and estimates affecting the financial statements. The main estimates made by the Group notably relate to the assumptions used to:

- value and depreciate property, plant and equipment and intangible assets
- value investments
- constitute provisions

These estimates are based on the best information available to the management on the date of the financial statements. They include, for example, the

assessment on that date of the state of the markets in which the company operates. Considering the uncertainties inherent to the sector, the countries and the economic and financial conditions that impact the business of Voltalia SA and its subsidiaries, these estimates may need to be revised if the circumstances on which they were based change or as a result of new information. Actual results may therefore differ from these assumptions and estimates.

20.3.2.3 *Intangible assets*

Purchased software is recognised as an intangible asset and is amortised over its useful life of between

3 and 5 years. Tax derogations allowing accelerated amortisation of such software may also be applied.

In the specific case of mergers, the accounting cost of assets received under the merger is the contribution value.

Technical losses on mergers represent the negative difference between the value of the net asset received and the book value of securities held by the acquiring company.

Recognition of losses after the merger: technical losses are not depreciable because the duration of their future economic benefit may not be reliably determined. Depreciation will be recorded when the value in use of the underlying asset to which the losses are allocated falls below the book value of the same asset. The valuation is based on the present value of future cash flows.

20.3.2.4 *Property, plant and equipment*

The gross amount of property, plant and equipment corresponds to its historical acquisition cost. This cost includes expenses directly attributable to bringing the asset to the location and the cost of enabling to be operated in the manner intended by management. Amortisation of fixed assets is calculated on a straight-line basis over the estimated useful life.

Table of estimated useful lives:

Type of asset	Method	Duration
Concessions and similar rights	L	3 years
Fixtures and fittings	L	8 to 10 years
Vehicles	L	4 years
Office and computer equipment	L	3 years
Office equipment	L	10 years

20.3.2.5 *Equity investments and other financial assets*

The gross value of financial assets corresponds to their acquisition cost excluding ancillary costs. Impairment exists when the value in use is less than the book value. Different methods are used for assessing the value in use of equity securities held. The valuation methods used are the present value of future cash flows and proportional share of net assets, applied according to the situation and the nature of the company.

20.3.2.6 *Inventories and work in progress*

Production costs correspond to the capitalised costs of projects under development. Expenses for each power plant project are capitalised as soon as the following criteria are met:

- Visibility with respect to access to land, such as obtaining a lease agreement and favourable environmental impact studies
- Visibility of authorisations, e.g. submission of administrative

documents and high probability of obtaining permission

- Feasibility of connection to the grid
- Sufficient project profitability

Costs capitalised as a result include the internal and external costs recorded for each power plant project:

- External costs correspond to commitments to suppliers or external service providers

(invoices, invoices receivable, status reports, etc.), and

- Internal costs are measured on the basis of overhead expenses applicable to the projects and the time allocated to these projects.

All projects are reviewed at each reporting date, with the implementation of individual impairment tests. If an indication of impairment is identified, the projects under development in question are fully impaired. It should be noted that Voltalia initially opted for fixed impairment charges calculated

according to project type. This change was made possible by the progressive structural development of the company which has improved the data collection processes.

It should also be noted that projects undergoing disposal whose value is less than the book value will be impaired in the amount of the price specified in the contract of sale.

Power plant projects under consideration continue to be recognised in expenses.

Abandoned projects are recognised as losses.

20.3.2.7 *Accounts receivable*

Accounts receivable are recognised at face value. They are depreciated according to the risk of non-recovery, assessed on a case-by-case basis.

20.3.2.8 *Investment securities*

Investment securities are valued at the lower of acquisition value and market value.

20.3.2.9 *Tax-regulated provisions*

Regulated provisions consist of excess depreciation and amortisation; associated provisions and reversals are constituted in accordance with the tax rules.

20.3.2.11 *Foreign currency transactions*

The accounts are prepared in euros. Income and expenses denominated in foreign currencies are recognised at their equivalent value in euros at the transaction date. Liabilities, receivables and cash in foreign currencies are recognised at their equivalent value in euros on the basis of the exchange rates prevailing on the balance sheet date. The translation

adjustment resulting from the valuation of foreign currency liabilities and receivables is recognised in accrued income in assets if it is an unrealised loss and in liabilities in the case of an unrealised gain. A provision for risks is made for unhedged unrealised losses.

20.3.2.12 *Litigation and provisions*

In general, each of the known legal cases in which the company is involved has been reviewed by management as at the balance sheet date and, where applicable, on the advice of outside counsel, any provisions deemed necessary have been made to cover the estimated risks.

20.3.2.13 *Retirement benefits*

Under French law, Voltalia SA is obliged to pay a pension to employees on retirement. The corresponding liabilities are calculated annually using the projected unit credit method based on final salary. Such calculations are made in accordance with the applicable collective agreement.

Contingent liabilities are calculated and recognised in provisions. Any differences resulting from changes in actuarial assumptions are immediately recognised in profit and loss. Retirement benefits are recognised as an expense when actually incurred.

20.3.2.14 *Revenue*

The revenue of Voltalia SA mainly consists of:

- Project development and management services for projects in the development phase on behalf of its various subsidiaries: services are recognised as revenue as and when they are provided.
- Services related to the construction of power plants on behalf of its various subsidiaries: revenue in progress is recognised and corresponds to the technical progress of the construction site, along with construction management services, which are recognised as revenue in accordance with the stage of completion.
- Services associated with the operation of power plants on behalf of its various subsidiaries: services are recognised as revenue as and when they are provided.
- Administrative and miscellaneous services on behalf of its various subsidiaries: services are recognised as revenue as and when they are provided.*

20.3.3 NOTES TO THE BALANCE SHEET

20.3.3.1 *Fixed assets*

Intangible and tangible fixed assets

Intangible and tangible assets are recognised at acquisition cost (purchase price plus ancillary costs).

Gross value (in € thousands)	Gross value 01/01/2015	Acquisition s	Disposals	Transfers between items	Gross value 31/12/2015
Licenses and similar rights	57	11	-	-	68
Volta Investissement merger losses	-	3,796	-	-	3,796
Subtotal intangible assets	57	3,807	-	-	3,864
Equipment and tools	3	-	-	-	3
Fixtures and fittings	-	4	-	283	287
Office and IT equipment	147	26	-	-	173
Office furniture	40	3	-	9	52
Subtotal property, plant and equipment	190	33	-	292	515
Property, plant and equipment in progress	180	90	-	270	-
Intangible assets in progress	-	0	-	-	0
Advance payments/assets under development	-	22	-	22	-
Total Gross Value	428	3,952	-	0	4,379

The main variation in assets relates to technical merger losses incurred following the complete transfer of assets between Voltalia SA and its subsidiary Volta Investissement, completed on 23 September 2015, effective from 1 January 2015. This transaction resulted in technical merger losses of €3.796m. These losses correspond to the difference between the Voltalia Investissement net asset value transferred (€1.356m) and the book value of the Volta Investissement securities held by Voltalia (€5.152m).

To a lesser extent, the fixtures and fittings correspond to the development of the new registered office premises in Paris.

Depreciation

Amortisation (in € thousands)	Amort. 01/01/2015	+	-	Transfers between items	Amort. 31/12/2015
Licenses and similar rights	32	12	-	-	44
Total intangible assets	32	12	-	-	44
Equipment and tools	3	0	-	-	3
Fixtures and fittings	0	19	-	-	19
Office and IT equipment	107	26	-	-	133
Office furniture	27	4	-	-	31
Total property, plant and equipment	137	49	-	-	186
Total amortisation	169	61	-	-	230

Financial assets

Financial assets (in € thousands)	Gross value at 01/01/2015	+	-	Gross value at 31/12/2015	Depreciation at 01/01/2015	+	-	Depreciation at 31/12/2015	Net book value at 31/12/2015
Equity investments	112,819	121,238	79,494	154,563	-11,779	47	0	-11,732	142,832
Acquisition cost of equity investments	308	29	99	238	0	0	0	0	238
Loans to subsidiaries	34,982	1,022	4,555	31,449	-6,945	-249	1,333	-5,861	25,588
Other investment- related receivables	951	5,944	5,860	1,035	0	0	0	0	1,035
Accrued interest on loans	806	928	533	1,202	0	0	0	0	1,202
Subtotal Investments & related receivables (I)	149,867	129,161	90,541	188,488	-18,724	-202	1,333	-17,593	170,895
Deposits	1,143	25	0	1,168	0	0	0	0	1,168
Oséo loan guarantee	150	0	0	150	0	0	0	0	150
BPI loan holdback	0	250	0	250	0	0	0		250
Other long-term receivables	258	248	258	248	0	0	0	0	248
Interest accrued not yet due on the OSEO deposit	22	5	0	27	0	0	0	0	27
Treasury shares	243	1,538	1,468	313	0	0	0	0	313
Subtotal Loans (II)	1,816	2,066	1,726	2,156	0	0	0	0	2,156
Total (I + II)	151,683	131,228	92,266	190,643	-18,724	-202	1,333	-17,593	173,051

The main changes to Voltalia's investments and related receivables during 2015 are broken down into the following items:

- The net increase in equity investments in the amount of €41.746m is primarily linked to the capital increases of the Brazilian subsidiaries SMG1, Serra Para1 and Envolver totalling €41.503m to meet the cash requirements of ongoing construction projects.
- The disposal of Volta Investissement securities following the full transfer of assets which generated a technical merger loss in the amount of €3.796m. This loss was transferred to intangible assets.
- The partial repayments received on the Voltalia Guyane and Bio-Bar loans in the amounts of -€1.794m and -€1.805m respectively, thanks to the cash transfers made possible by the agreement signed in February 2015 between Bio-Bar and its client Valco.

Furthermore, the changes in securities during 2015 include an internal transfer of Brazilian subsidiary securities which took place in September 2015 in relation to the Brazilian wind farm cluster of Vila Para: as part of the construction of 99 MW at Vila Para, Voltalia created the two holding companies known as Serra Para and Serra Para 1, the capitalisation of which was carried out by assigning to Serra Para the securities held by Voltalia in the four subsidiaries Vila Para 1, Vila Para 2, Vila Para 3 and Vila Amazonas.

In the second phase, Voltalia SA subscribed to the Serra Para 1 capital increase through the contribution of Serra Para securities.

The reversal of the depreciation of the Bio-Bar loan -€1.333m recognised in FY 2015 reflects the company's improved economic position.

Subsidiaries and investments

Financial information on subsidiaries and investments at 31/12/2015 (in euros)	Capital	Reserves, issue premiums and retained earnings prior to allocation of earnings	Capital share held in %	Book value of securities	Book value of securities - unpaid capital	Loans granted by the company - to 31/12/2015	Current account advances/debts at 31/12/2015	Non-Group revenue before tax - to 31/12/2015	Dividends received in 2015	Profit (loss) at 31/12/2015
France										
Anelia Holding	40,000	-1,251,383	50.10%	20,040			1,626,305	0		-184,587
Bio-Bar	50,000	-50,000	100.00%	50,000		1,466,014		127,921		0
La Faye Energies	59,000	1,985,900	62.71%	29,601		893,585	12	2,160,884	65,018	151,174
Adriers Energies	336,380	24,625	100.00%	582,680			3,697,395	2,329,298		391,639
Echauffour Energies	37,000	-502,147	100.00%	37,000			468,749	0		390,181
3V Développement	39,000	-366,803	100.00%	1,050,000		2,189,506		1,761,995		120,046
3L Energies	3,000	-271,236	40.00%	1,200		1,269,995		1,307,985		108,541
Meije Energie Renouv.	37,000	-145,624	100.00%	37,000			113,225	0		-5,491
Parc solaire de Montmayon	37,000	3,700	100.00%	37,000			1,366,435	1,424,947	289,611	390,833
Parc éolien de Molinons	37,000	-8,477	100.00%	37,000			3,317,931	2,399,544		510,557
Parc solaire de Montclar	37,000	-334,833	100.00%	37,000				0		-2,845
Parc solaire du Castellet	37,000	3,701	100.00%	37,000			1,280,127	1,089,818	10,938	-21,750
Parc solaire de Piboulon	5,000	-26,711	100.00%	5,000			26,515	0		-3,416
Parc solaire Puy Madame I	5,000	-274,902	100.00%	5,000			38,988	0		-3,632
Parc solaire Puy Madame II	5,000	-276,553	100.00%	5,000			101,087	0		-4,967
Parc solaire Puy Madame III	5,000	-275,885	100.00%	5,000			40,103	0		-3,702
Parc solaire Puy Madame IV	5,000	-277,036	100.00%	5,000			104,537	0		-4,287
Argenteuil	37,000	-358,272	0.03%	10				0		-45,229
Parc éolien de Laignes	37,000	-413,265	0.03%	10				0		-44,691
Parc éolien de Coulmier	37,000	-374,240	0.03%	10				0		-17,557
Parc éolien de Sarry	37,000	-238,448	0.03%	10				0		-15,946
Parc solaire de Carrière des plaines	10,000	-22,381	100.00%	10,000			55,622	0		-3,847
Parc solaire de Tresques	10,000	-124,637	100.00%	10,000			134,357	0		-5,732
Parc solaire de Grignan	10,000	-34,433	100.00%	10,000			31,083	0		-3,734
Parc solaire Castellet 2	10,000	-33,630	100.00%	10,000			31,754	0		-5,390
Parc Solaire du Canadel	10,000	0	100.00%	10,000				0		-327
Parc Solaire du Pech Redondel	10,000	0	100.00%	10,000				0		-603
Parc Solaire de Pont d'As	10,000	0	100.00%	10,000				0		-605
ECM Energie France	10,000	0	100.00%	10,000				0		-426
SVNC	10,000	0	100.00%	10,000				0		-573
Parc solaire Le Fangas 1	5,000	-334,567	40.00%	2,000			10,730	0		-1,044
Parc solaire Le Fangas 2	5,000	-335,931	40.00%	2,000			12,094	0		-1,076
Parc solaire Les 4 Termes 1	5,000	-336,697	40.00%	2,000			14,484	0		-1,287
Parc solaire Les 4 Termes 2	5,000	-337,153	40.00%	2,000			12,511	0		-1,241
FRENCH GUYANA										
Volitalia Caraibes	37,000	-28,291	100.00%	37,000			0	0		-2,606
Volitalia Guyane	1,043,841	-7,189,315	80.00%	835,051		9,066,028	198,926	0		674,949
Volta Guyane	1,325	133	100.00%	795,212				2,455,044		331,988
SIG Cacao	1,000	-1,187,366	100.00%	1,000			116,335	0		-5,451
Volitalia Kourou	300,000	-435,213	0.33%	1,000			138,039	2,868,865		5,359
Roura Bois Energie	10,000	0	100.00%	10,000			68	0		0
Cr'Eole	174,000		100.00%	200,100			1,578	0		-17,441
GREECE										
Volitalia Greece	8,061,002	-9,362,391	99.04%	11,480,242		13,277,149	2,227,819	1,773,725		72,418
BRAZIL										
Volitalia Do Brasil	12,188,025	-5,708,408	100.00%	19,789,843		3,209,333		18,808		-25,893
Envolver	21,688,565	-62,781	50.20%	14,377,538			13,500,000	0		-1,137,509
Volitalia Areia Branca I Participações	36,954,625	2,333,408	99.00%	51,300,533				0	699,722	4,900,485
Usina de Energia Eolica Tourinho I	231	-2,506	95.00%	292				0		-6,878
Usina de Energia Eolica Tourinho II	231	-528	95.00%	292				0		-9,968
Oiapoque Energia	1,226,121	0	0.01%	16				1,503,176		365,393
Volitalia Sao Miguel Do Gostoso I Particip.	33,748,778	179,769	30.23%	12,681,048				0		-55,827
Serra Para I	35,799,490	0	96.10%	40,947,442				0		-38,211
Vila Acre I	23	0	60.00%	25				0		0
Volitalia Energia Do Brasil Consultoria	23	0	5.00%	1				0		0

MOROCCO										
Voltalia Maroc Interest on loans and advances 2015	27,540	0	99.97%	28,235		1,201,957	640,475	2,011,495	0	-325,288
TOTAL				154,563,432	0	32,573,567	31,318,778	21,222,012	1,065,288	6,404,503

During the 2015 fiscal year, Voltalia acquired the company Cr'éol outright. This company is managing the development of a wind project in French Guyana.

- **Receivables related to equity investments**

Receivables related to equity investments represent current account advances that have a maturity greater than one year.

Investment-related receivables (€ thousands)	Gross value at 01/01/2015	+	-	Transfers between items	Gross value at 31/12/2015	Depreciation	Net value at 31/12/2015
Voltalia Guyane loan	10,860	0	1,794	0	9,066	0	9,066
3VD loan	2,585	79	475	0	2,189	0	2,189
3LE loan	1,545	0	275	0	1,270	0	1,270
La Faye shareholder loan	997	79	182	0	894	0	894
Bio-Bar loan	2,762	587	1,805	0	1,544	1,429	115
Voltalia Greece loan	13,277	0	0	0	13,277	4,433	8,844
Voltalia Do Brasil loan	2,956	277	24	0	3,209	0	3,209
Other investment-related receivables	951	5,944	5,860		1,035	0	1,035
Accrued interest on loans	806	928	533	0	1,202	0	1,202
TOTAL	36,739	7,894	10,948	0	33,686	5,862	27,824

- **Schedule of receivables related to equity investments**

Maturity schedule of investment-related receivables	Gross amount at 31/12/2015	Less than one year	More than one year
Voltalia Guyane loan	9,066	0	9,066
3VD loan	2,189	0	2,189
3LE loan	1,270	0	1,270
La Faye shareholder loan	894	0	894
Bio-Bar loan	1,544	0	1,544
Voltalia Greece loan	13,277	0	13,277
Voltalia Do Brasil loan	3,209	0	3,209
Other investment-related receivables	1,035	1,035	0
Accrued interest on loans	1,202	1,202	0
TOTAL	33,686	2,237	31,449

- **Other financial assets**

Financial assets (in € thousands)	Gross value at 01/01/2015	+	-	Gross value at 31/12/2015
Deposits	1,143	25	0	1,168
Oséo loan guarantee	150	0	0	150
BPI loan holdback	0	250	0	250
Other long-term receivables	258	248	258	248
Interest accrued not yet due on the OSEO deposit	22	5	0	27
Treasury shares	243	1,538	1,468	313
Total	1,816	2,066	1,726	2,156

20.3.3.2 *Current assets*

Under construction

In € thousands	31/12/2014	31/12/2015	Var.
Outstanding costs of development projects	4,722	8,002	3,280
Depreciation	-1,767	-2,168	-401
Net outstanding costs	2,955	5,834	2,879

At 31 December 2015, 44 projects are recognised in the accounts of Voltalia SA as being under construction. They are at different stages of development and have differing development costs. They have been individually analysed.

These projects under development have a high probability of success, which justifies their capitalisation.

At the balance sheet date, projects under development are reviewed and, where applicable, are fully impaired.

3.2.2 Schedule of current receivables

Statement of receivables (in € thousands)	Gross amount	Gross with less than one year	Gross with more than one year	Depreciation	Net
Trade and other receivables	3,763	3,763	0	2,530	1,233
Employee-related liabilities	51	51	0		51
Value Added Tax	151	151	0		151
Group and associates	31,319		31,319	1,438	29,881
Miscellaneous receivables	5,242	4,508	734	721	4,521
Subtotal current receivables	40,526	8,473	32,053	4,689	35,837
Prepaid expenses	176	176	0		176
TOTAL	40,702	8,649	32,053	4,689	36,014

- Trade receivables

Trade receivables are mainly composed of internal invoices for development and maintenance costs to special purpose vehicle (SPV) subsidiaries.

- **Group and associates**

The amount recognised under current accounts includes cash contributions made by Voltalia SA to its subsidiaries. These current accounts were written down in the amount of €1.438m to reflect the negative net assets of subsidiaries.

- **Miscellaneous receivables**

The "Miscellaneous receivables" item primarily includes the short-term advances paid to Brazilian subsidiaries, the interest incurred on these advances, the rights acquired from Maia Eolis under the repurchase of a wind power portfolio of 379 MW, as well as the option to purchase shares in La Faye Energies in the amount of €721,000, now fully impaired.

20.3.3.3 *Cash and cash equivalents*

In € thousands	31/12/2014	31/12/2015
Marketable securities	5,033	1
Carbon credit quotas	0	0
Term deposits	4,000	0
Cash in interest-bearing a/c	915	0
Cash assets	1,853	92
Accrued interest	0	0
TOTAL	11,801	93

Free cash flow amounting to €93,000 at 31 December 2015 is mainly used to finance the equity required for ongoing construction projects (Paravam in Brazil) and the development costs of projects.

20.3.3.4 *Equity*

Changes in equity

In € thousands	31/12/2014	Allocation of earnings 2014	+	-	31/12/2015
Capital	139,107		10,299		149,406
Issue premium	56,267		5,270	-212	61,325
Stock warrants			1		1
Legal reserve	58				58
Retained loss	-14,834	-2,758			-17,592
Profit (loss) for the financial year	-2,758	2,758		-750	-750
Special depreciation allowances	284		27	-99	211
Total	178,124		15,596	-1,061	192,658

In January 2015, the Company carried out a capital increase through a private placement in the amount of 15,350,019 euros through the issue of 1,784,886 new shares at a price of 8.60 euros per share. The transaction was supported by the investment company Korys, already a shareholder of the Company in the amount of 1.43% of the capital since July 2014, and which now holds 7.99% of the shares of Voltalia as of 23 January 2015.

On 19 October 2015, a contract to issue 1,000,000 stock warrants was signed between Voltalia SA and Kepler Cheuvreux for the purposes of increasing the free float and creating a liquidity cushion. The exercise in full of these warrants would increase the free float of the Company from 14.7% to 17.8%. As at 31 December 2015, 22,000 warrants had been exercised (generating a capital increase of 125,400 euros), bringing the number of exercisable warrants to 978,000.

On 31 December 2015, the share capital of Voltalia SA totalled 149,405,909.10 euros, consisting of 26,211,563 shares of 5.70 euros each.

Liquidity contract

As part of its share repurchase programme, the Company has entrusted Invest Securities with the implementation of a liquidity contract, to which 500,000 euros were allocated in July 2014.

On 31 December 2015, the following assets appeared in the liquidity account:

- 31,354 securities representing a value of 317,616.02 euros.
- Liquidities in the amount of 248,058.58 euros

Change in share capital

Date	Event	Original number of securities	Securities issued	Total securities	Unit value	Amount
30/11/2005	Company formation	0	37,000	37,000	1.00	37,000
13/01/2006	First capital increase	37,000	3,900	40,900	1.00	40,900
13/01/2006	Capitalisation of issue premium	40,900	0	40,900	25.00	1,022,500
03/02/2006	Bonus issue	40,900	4,049,100	4,090,000	0.25	1,022,500
08/03/2006	Second capital increase	4,090,000	154,410	4,244,410	0.25	1,061,103
08/03/2006	Capitalisation of issue premium	4,244,410	1,695,590	5,940,000	0.25	1,485,000
05/05/2006	Third capital increase	5,940,000	436,535	6,376,535	0.25	1,594,134
05/05/2006	Capitalisation of issue premium	6,376,535	0	6,376,535	0.50	3,188,268
20/12/2006	Fourth capital increase	6,376,535	525,000	6,901,535	0.50	3,450,768
15/03/2007	Fifth capital increase	6,901,535	436,694	7,338,229	0.50	3,669,115
19/04/2007	Sixth capital increase	7,338,229	3,076,923	10,415,152	0.50	5,207,576
29/06/2007	Capitalisation of issue premium	10,415,152	0	10,415,152	2.00	20,830,304
29/11/2007	Stock warrant exercise of 17/01/2007	10,415,152	118,125	10,533,277	2.00	21,066,554
11/06/2008	Seventh capital increase	10,533,277	378,400	10,911,677	2.00	21,823,354
20/06/2008	Eighth capital increase	10,911,677	109,190	11,020,867	2.00	22,041,734
17/12/2009	Ninth capital increase	11,020,867	5,600,000	16,620,867	2.00	33,241,734
31/12/2009	BSPCE exercise in 2009	16,620,867	34,000	16,654,867	2.00	33,309,734
17/06/2010	BSPC exercise in 2010	16,654,867	8,000	16,662,867	2.00	33,325,734
12/07/2012	Capital reduction	16,662,867	0	16,662,867	0.57	9,497,834
10/08/2012	Tenth capital increase	16,662,867	110,987,198	127,650,065	0.57	72,760,537
05/05/2014	BSPCE exercise in 2014	127,650,065	105	127,650,170	0.57	72,760,597
10/07/2014	Eleventh capital increase	12,765,017	11,639,660	24,404,677	5.70	139,106,659
23/01/2015	Capital increase	24,404,677	1,784,886	26,189,563	5.70	149,280,509
05/11/2015	Exercise of 5,000 stock warrants-equity line	26,189,563	5,000	26,194,563	5.70	149,309,009
13/11/2015	Exercise of 5,000 stock warrants-equity line	26,194,563	5,000	26,199,563	5.70	149,337,509
03/12/2015	Exercise of 5,000 stock warrants-equity line	26,199,563	5,000	26,204,563	5.70	149,366,009
22/12/2015	Exercise of 7,000 stock warrant-equity line	26,204,563	7,000	26,211,563	5.7	149,405,909
31/12/2015	Year end			26,211,563	5.70	149,405,909,10

Change in issue premium

Date	Event	Opening balance	Incoming	Outgoing	Balance
13/01/2006	First capital increase		1,050,153		1,050,153
13/01/2006	Capitalised premiums	1,050,153		981,600	68,553
08/03/2006	Second capital increase	68,553	378,305		446,858
08/03/2006	Capitalised premiums	446,858		423,898	22,960
05/05/2006	Third capital increase	22,960	2,095,368		2,118,328
05/05/2006	Capitalised premiums	2,118,328		1,594,134	524,194
05/05/2006	Gross introduction costs	524,194		396,028	128,166
05/05/2006	Gross capital increase costs	128,166		12,154	116,013
20/12/2006	Fourth capital increase	116,013	1,842,750		1,958,763
20/12/2006	Capital increase costs	1,958,763		285,724	1,673,039
02/03/2007	Heartstream costs	1,673,039		25,000	1,648,039
15/03/2007	Fifth capital increase	1,648,039	1,532,796		3,180,835
20/03/2007	Caplyptus asset	3,180,835		-2,000	3,182,835
15/03/2007	Capital increase costs	3,182,835		39,000	3,143,835
23/04/2007	Sixth capital increase	3,143,835	18,461,538		21,605,373
23/04/2007	Capital increase costs	21,605,373		775,450	20,829,923
29/06/2007	Capitalised premiums	20,829,923		15,622,728	5,207,195
29/11/2007	Heartstream warrant exercise	5,207,195	238,031		5,445,226
31/12/2007	Capitalised premiums	5,445,226		136,586	5,308,640
01/01/2008	Capitalised premiums	5,308,640		-5,600	5,314,240
31/03/2009	Capitalised premiums	5,314,240		85,200	5,229,040
11/06/2008	Seventh capital increase	5,229,040	2,194,720		7,423,760
11/06/2008	Capital increase costs	7,423,760		114,096	7,309,664
20/06/2008	Eighth capital increase	7,309,664	633,302		7,942,966
17/12/2009	Ninth capital increase	7,942,966	16,800,000		24,742,966
17/12/2009	Capital increase costs	24,742,966		1,189,064	23,553,902
31/12/2009	Issue premiums on BSPCE exercise	23,553,902	12,920		23,566,822
17/06/2010	Issue premiums on BSPCE exercise	23,566,822	3,040		23,569,862
05/05/2014	Capital increase	23,569,862	190		23,570,052
10/07/2014	Eleventh capital increase	23,570,052	33,755,014		57,325,066
01/10/2014	Capital increase costs	57,325,066		1,057,910	56,267,156
01/01/2015	Capital increase costs	56,267,156	2,374		56,269,530
23/01/2015	Twelfth capital increase	56,269,530	5,176,169		61,445,699
25/01/2015	Capital increase costs	61,445,699		1,622	61,444,077
27/01/2015	Capital increase costs	61,444,077		2,802	61,441,275
01/06/2015	Capital increase costs	61,441,275		204,247	61,237,029
05/11/2015	Exercise of 5,000 stock warrants - equity line	61,237,029	19,850		61,256,879
13/11/2015	Exercise of 5,000 stock warrants - equity line	61,256,879	20,900		61,277,779
03/12/2015	Exercise of 5,000 stock warrants - equity line	61,277,779	20,000		61,297,779
22/12/2015	Exercise of 7,000 stock warrants - equity line	61,297,779	27,090		61,324,869
31/12/2015	Year end				61,324,869

20.3.3.5 Provisions

Provisions for risks break down as follows:

In € thousands	Amount at 01/01/2015	Charges during the year	Reversals during the year	Balance at 31/12/2015
Provision for subsidiary risk	2	-	-	2
Provision for foreign exchange losses	-	578	-	578
Provision for pensions and similar obligations	70	-	36	34
Other provisions for risk	50	-	-	50
TOTAL	122	578	36	664

The provision for currency losses of €578,000 reflects the risk of foreign exchange losses recognised at 31 December 2015 on the foreign currency bank accounts and the short-term advances in Brazilian *reals* paid to the Brazilian subsidiaries.

At 31 December 2015, the provision for retirement benefits was adjusted downwards (reversal of €36,000) to reflect the reduction in turnover.

20.3.3.6 Financial and operating liabilities

- Change in debts

Changes in liabilities (in € thousands)	31/12/2014	31/12/2015	Var.
Loans, debts and credit with an original term of <1 year	0	10,000	10,000
Loans, debts and credit with an original term of >1 year	1,650	6,050	4,400
Other loans and borrowings	0	9	9
Group and associates	341	907	566
Trade payables related accounts	954	1,557	603
Fixed asset liabilities and related accounts	1,697	73	-1,624
Employee-related liabilities	769	910	141
Social security payables	548	788	240
Tax payables	1,056	645	-411
Bank overdrafts	2	4,793	4,791
Other liabilities	96	84	-12
Deferred income	42	106	64
TOTAL	7,155	25,922	18,766

- Borrowings

The 3 million euros equity loan taken out with OSEO in 2010 had a balance of 1,050,000 euros at 31 December 2015. During 2015, a loan was obtained from the BPI in the amount of 5 million euros, as well as two short-term lines of credit for a cumulative amount of 15 million euros, usable in the form of a 10 million euro drawdown from Santander and a 5 million euro overdraft from BNP PARIBAS.

These new bilateral lines of credit established in 2015 will mainly be used to finance the Group's continued development, including projects in Brazil held in abeyance pending long-term refinancing.

- **Group and associates**

The amount of €907,000 corresponds to the current account advances of Voltalia SA subsidiaries.

- **Tax and employee-related expenses**

This mainly includes:

- VAT collected in the amount of €562,000 corresponding to the invoices issued to SPVs for construction development and management costs;
- employee-related debts in the amount of €910,000 and €788,000 owed in respect of social security payments.

- **Fixed asset liabilities and related accounts**

Fixed asset liabilities which stood at €1,697,000 at 31 December 2014 include an earnout of 1.6 million euros associated with the acquisition of Volta Investissement. The payment of this earnout was suspended by the definitive resolution of litigation in July 2015 (see "Highlights of the year"). The balance of fixed asset liabilities, as at 31 December 2015, stands at €73,000.

- **Schedule of debts at 31/12/2015**

Statement of liabilities at 31/12/2015 (in € thousands)	Gross amount	Within 1 year	1 to 5 years	Within more than 5 years
Loans, debts and credit with an original term of <1 year	10,000	10,000		
Loans, debts and credit with an original term of >1 year	6,050	600	5,450	
Other loans and borrowings				
Group and associates	907	907		
Trade payables and related accounts	1,557	1,557		
Fixed asset liabilities and related accounts	73	73		
Employee-related liabilities	910	910		
Social security payables	788	788		
Tax payables	645	645		
Other liabilities	84	84		
Bank overdrafts	4,793	4,793		
Deferred income	106	106		
TOTAL	25,913	20,463	5,450	-
Loans subscribed during the year	15,000			
Loans repaid	600			

20.3.3.7 *Accrued expenses*

Accrued expenses included in the following balance sheet items	In € thousands
Loans and borrowings from credit institutions	40
Trade payables and related accounts	499
Tax and social security liabilities	2,344
TOTAL	2,883

Accrued expenses mainly include employee-related provisions (paid holidays and bonuses).

20.3.3.8 *Taxes and tax consolidation scope*

The €1.762m tax deficit for the 2015 fiscal year was added to the losses carried forward from 2014 which stood at -€34.037m.

The table below presents the tax consolidation of the Group as at 31 December 2015 and the option start dates:

Tax consolidation scope France at 31/12/2015	Option start date
Voltalia SA (lead manager)	1 Jan 2012
3V Développement	1 Jan 2012
Parc solaire de Montmayon	1 Jan 2012
Parc éolien de Molinons	1 Jan 2012
Parc solaire du Castellet	1 Jan 2013
Adriers Energies	1 Jan 2014

For the entire tax group, tax savings as at 31 December 2015 stood at 675,850 euros.

The CICE tax credit for competitiveness and employment creation stood at €40,000 at 31 December 2015.

20.3.4 NOTES TO THE INCOME STATEMENT

20.3.4.1 *Operating profit/loss*

Breakdown of revenue by energy and region

Voltalia SA invoices its various subsidiaries for amounts corresponding to the sale of goods and services related to the development, construction and operation of power plants and miscellaneous services. Voltalia may also charge third parties, for example, in connection with transfers of rights relating to power plant projects under development.

Energy (in € thousands)	2014	2015	Var.
Biomass	63	21	-67%
Wind	1,266	1,002	-21%
Solar	208	77	-63%
Hydro	147	0	-100%
Administrative services	283	402	42%
Total	1,968	1,502	-24%

Geographical area (in € thousands)	2014	2015	Var.
France	1,473	176	-88%
Brazil	0	907	n/a
Greece	20	20	1%
French Guyana	476	398	-16%
Total	1,968	1,502	-24%

Production transferred to inventory

The production transferred to inventory of €3.280m reflects the capitalisation of project development costs, less decapitalisation of the development costs of projects sold in 2015: Saint Marcel de Careiret and Pays de Jalès.

Other operating income

Other operating income in the amount of €816,000 primarily includes:

- regularisation of chargebacks issued in 2014 to Brazilian subsidiaries in the amount of -€306,000;
- the return to better fortunes of Bio-Bar in the amount of €492,000;
- reversals of provisions for impairment of assets under construction in the amount of €287,000;
- reversals of provisions for impairment of receivables in the amount of €201,000;
- the expense transfers include the invoicing of rental payments on the subleased registered office premises as well as personnel-related payments (CPAM reimbursements, benefits in kind, training costs).

Purchases and external expenses

Other purchases and external expenses mainly correspond to outsourcing costs related to project development, advertising costs, accountants' fees, auditors' fees, legal expenses and expenses related to personnel costs.

Other operating expenses

Other operating expenses in the amount of -€6.099m primarily include:

- Taxes -€294,000
- Personnel costs -€4.956m
- Depreciation related to the impairment of assets under construction -€689,000
- Depreciation on assets -€61,000
- Other expenses -€58,000

The financial income in the amount of €4.313m mainly consists of the following elements:

• Net interest income on current accounts.....	€3.237m
• Dividends received	€1.370m
• Income from investment securities.....	€97,000
• Net reversal on impairment of securities and current accounts (*)	€1.131m
• Net reversal on provisions for financial risk (*)	€108,000
• Net foreign exchange losses.....	-€1.472m
• Cost of interest on loans and bank interest.....	-€179,000

(*) These impairments primarily reflect changes in the proportional shares of the net negative position of Voltalia SA subsidiaries.

20.3.4.3 *Non-recurring income (expense)*

The non-recurring income of €318,000 primarily relates to the gains on the sale of an interest in Brazil.

20.3.4.4 *Net profit (loss)*

The loss for the year stands at -€750,000 compared to -€2.758m as at 31 December 2014.

20.3.6 OTHER INFORMATION

20.3.6.1 *Identity of the companies fully consolidated with Voltalia SA:*

VOLTALIA Investissement SA, 28 rue de Mogador 75009 Paris. Siret no: 517 684 791 00059.

Créadev SAS: 64 bd de Cambrai 59100 ROUBAIX - SIRET no.: 441 681 889 RCS Roubaix - Tourcoing

20.3.6.2 *Information on personnel*

Average and actual headcount

Actual headcount	31/12/2014	31/12/2015
Managers	19.0	30.0
Non-managerial staff	8.0	10.0
Senior executives	7.0	7.0
Total by category	34.0	47.0

Average headcount	31/12/2014	31/12/2015
Managers	15.4	24.7

Non-managerial staff	7.4	10.0
Temporary workers	0.5	0.0
Senior executives	6.7	7.0
Total by category	30.0	41.6

20.3.6.3 *Related companies*

<i>In € thousands</i>	Proceeds	Expenses	Accounts receivable	Borrowings
Voltalia Brésil	301		3,510	
Terral	140			
Carcara 1	111			
Carcara 2	94			
Reduto	-202			
Santo Cristo	-129			
Carnauba	118			
SaoJoao	-97			
Envolver	777		14,277	
Areia ranca 1	1,885		1,014	
Voltalia SMG Participacoes	136		1,795	
Voltalia SMG 1	27		48	
Parc éolien Coulmier				0
Parc éolien de Sarry			38	
Adriers Energies	505		4,252	29
La Faye Energies	103		969	11
Echauffour Energies	10		479	
Meije (ex. Cheval Blanc)	3		116	
Montmayon	443		1,525	13
Molinons	339		3,697	28
Voltalia Investissement		15		321
Montclar		0	364	1
Castellet	167		1,441	19
St. Marcel de Careiret	-49			
Piboulon (ex. Vauvert)	1		27	
Puy Madame I	1		322	
Puy Madame II	2		386	
Puy Madame III	1		323	
Puy Madame IV	2		389	
3VD	90		2,265	
Volta Investissement	3	-19		
Volta Guyane	136	26	71	537
PS Carrière des Plaines (ex. Lescure Jaoul)	1		57	
Tresques	3		137	
3LE	65		1,304	0

Pays de Jalès	-22			
PS de Grignan (ex. St. Michel de Chaillol)	1		32	
PS Castellet II (ex. Treves)	1		32	
Fangas 1	0		392	
Fangas 2	0		393	
4 Termes 1	0		396	
4 Termes 2	0		394	
Canadel		0		9
Pech Redondel		0		8
Pont d'As		0		8
SVNC		0		8
ECM		0		9
Bio-Bar	553		1,596	
Anelia	33		1,660	
Voltalia Greece	20		15,537	
Voltalia Caraïbes		0		6
Voltalia Guyane	483		10,177	140
SIG Mana				
SIG Cacao	2		119	
SIG Kourou				
Voltalia Kourou	107		191	
Chsmv	141		146	
Voltalia Organabo Invest.	0		1	
Belle Etoile Energie (ex. Organabo exploit)		1		37
Voltalia Saut Mapaou Inv.	0		1	
Hydro Régina 2		0		2
Bon Espoir Energie (ex. Biomasse Amazone Expl.)		0		2
Roura			0	
Cr'Eole			2	
Voltalia Maroc	8		647	
Total	6,315	24	70,522	1,188

20.3.6.4 *Off-balance sheet commitments*

Commitments given

Commitments given in relation to the financing of projects:

1. Pledge of 100% of shares held in its French subsidiaries in favour of a bank or a banking pool until the full and final repayment of the financing received; the subsidiaries in question are 3V Développement, 3L Energies, Bio-Bar, La Faye Energies, Parc Solaire de Montmayon, Parc Solaire du Castellet, Parc Eolien de Molinons and Volta Guyane.

2. Joint and several guarantee

- In favour of Financière OCEOR as collateral for the obligations of the borrower SNC SIG Kourou for 2 long-term credit facilities (a plant credit facility of €6,159,147 and a Photovoltaic Modules credit facility of €739,082);
- In favour of Oseo and Auxifip as collateral for the obligations of the borrower Bio-Bar for a long-term credit facility of €2,400,000;
- In favour of Banque de Pirée as collateral for the obligations of the borrower Voltalia Greece for a long-term credit facility of €315,000 (financing for the construction of the Raiglezi solar park);
- In favour of BPCE International et Outre-Mer, Caisse Régionale de Crédit Agricole Mutuel de la Martinique et de la Guyane and Banque Des Antilles Françaises as collateral for the obligations of the borrower Centrale Hydroélectrique de Saut Maman Valentin for a total amount of €15,000,000 (principal, interest, late payment penalties, commission and incidentals);
- In favour of Santander, ING, Itau and Bradesco as collateral for loans granted to Brazilian entities in relation to collateral agreements totalling R\$181,912,000 (equal to €42,076,246), until 31 May 2017 at the latest.

Commitments given in relation to our current operations

1. Performance bonds

- In favour of the French Republic in relation to the ERC III call for tenders on behalf of Parc Solaire du Castellet II and Parc Solaire de Canadel in the amount of €716,000, maturing in December 2017;
- In favour of ANEEL for construction work at the SMG and Oiapoque plants for a total amount of R\$3,264,161 (equates to €755,000);
- In favour of CCEE for construction work at the Vila Para and Vamcruz plants for a total amount of R\$20,585,506 (equates to €4,761,427).

2. Payment guarantee

- In favour of Acciona Windpower Brasil in relation to the purchase of wind turbines on behalf of Vila Amazonas and Vila Para I for a total amount of R\$27,000,000, maturing in June and October 2016 respectively;
- In favour of CHESF in the amount of R\$1,664,808 (equates to €385,070) for the use of power lines.

Other commitments given

- Pledge of two loans to the lessee of 2,184,598 euros in favour of Unifergie, Natixis Energieco and Oséo Financement until expiry of the 3V Développement and 3L Energies lease agreement;
- Debt waiver agreements with clawback clause granted in favour of Bio-Bar in the amount of €4,885,000 to cover the losses of the years 2006 to 2014. These debt waiver agreements all have a clawback clause.

Commitments received

- At the end of the contract (15 years) for the supply of heating by BIO BAR to CAUVAL, the latter shall:
 - either extend the contract under conditions to be agreed,
 - or repurchase the facilities at net book value.

20.3.6.5 *Compensation of executives and corporate officers*

Summary of compensation paid to each corporate officer

Corporate officer	2014 fiscal year	2015 fiscal year
Laurence Mulliez – Chairwoman of the Board of Directors (1)		
Compensation for the fiscal year	32,816	80,000
Attendance fees	5,100	0
Other compensation		
Bertrand de Talhouët – Chairman of the Board of Directors (2)		
Compensation for the fiscal year	-	-
Attendance fees	-	-
Other compensation		
Sébastien Clerc – Chief Executive Officer		
Compensation for the fiscal year	305,000	334,500
Attendance fees		
Other compensation	11,350	10,662
Total in euros	354,266	425,162

(1) Laurence Mulliez was appointed Chairwoman of the Company's Board of Directors on 6 May 2014. This appointment was renewed on 11 June 2015. Her annual compensation of 50,000 euros paid in the form of a salary (32,800 euros paid in 2014 from 6 May 2014) for the 2014 fiscal year, was increased to 80,000 euros for the 2015 fiscal year. She was previously director of the Company, and as such received attendance fees.

(2) Bertrand de Talhouët was Chairman of the Company's Board of Directors from November 2011 to 5 May 2014. His directorship ended on 11 June 2015.

Summary of compensation of each corporate officer

Corporate officer	2014 fiscal year		2015 fiscal year	
	Amounts due (*)	Amounts paid (*)	Amounts due (*)	Amounts paid (*)
Laurence Mulliez – Chairwoman of the Board of Directors (1)				
Fixed compensation	32,816	32,816	80,000	80,000
Variable compensation	-	-	-	-

Exceptional compensation	-	-	-	-
Attendance fees	5,100	19,975	0	5,100
Benefits in kind				
Bertrand de Talhouët – Chairman of the Board of Directors (2)				
Fixed compensation	-	-	-	-
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind				
Sébastien Clerc – Chief Executive Officer				
Fixed compensation	180,000	180,000	207,000	207,000
Variable compensation (3)	125,000	112,301	127,500	125,000
Exceptional compensation	-	-	-	-
Attendance fees				
Benefits in kind (4)	11,350	11,350	10,662	10,662
Total in euros	354,266	356,442	425,162	427,762

(*) attendance fees and variable compensation due for year N are paid during year N+1

- (1) Laurence Mulliez was appointed Chairwoman of the Company's Board of Directors on 6 May 2014. Previously she was a director of the Company. Having received attendance fees when she was a director, Laurence Mulliez received fixed compensation of 50,000 euros p.a. from 6 May 2014. This amount was increased to 80,000 euros p.a. as of 1 January 2015.
- (2) Bertrand de Talhouët was Chairman of the Company's Board of Directors from November 2011 until May 2014. His directorship at the Company ended on 11 June 2015.
- (3) The variable compensation of Sébastien Clerc is a maximum amount of 150,000 euros, determined in accordance with the attainment of qualitative objectives (success of the Brazilian subsidiary, optimisation of internal processes, employee satisfaction, etc.) and quantitative objectives (launch of a number of MW under construction or commissioned, optimisation of operating margins, etc.) predetermined annually by the Company's Board of Directors. It is paid on or before January 31 of the following year. The attainment of the 2015 objectives was confirmed by the Board of Directors on 19 February 2016.
- (4) The benefits in kind for Sébastien Clerc correspond to unemployment insurance for managers and company executives (see Sections 1.1 and 16.2 of the Registration Document).

Attendance fees and other compensation received by non-executive directors

Company officers	2014 fiscal year		2015 fiscal year	
	Amounts due (*)	Amounts paid (*)	Amounts due (*)	Amounts paid (*)
André-Paul Leclercq - Director				
Attendance fees	7,650	13,950	13,675	7,650
Other compensation				
Robert Dardanne (1) - Director				
Attendance fees	-	-	-	-
Other compensation	30,000	30,000	30,000	30,000
The Green Option (2) - Director				
Attendance fees	12,000	-	24,375	12,000
Other compensation	25,000	25,000	40,000	40,000
Creadev (3) - Director				
Attendance fees	-	-	-	-
Other compensation	-	-	-	-
Vincent Vliebergh (4) - Director				
Attendance fees	-	-	-	-
Other compensation	-	-	-	-
Total in euros	74,650	68,950	108,050	89,650

(*) attendance fees due for year N are paid during year N+1

- (1) Robert Dardanne indirectly receives compensation in his capacity as manager of FGD S.P.R.L under the terms of a service agreement
- (2) Philippe Joubert indirectly receives compensation in his capacity as manager of The Green Option under the terms of a service agreement between The Green Option and the Company (see Section 16.2 of the Registration Document).
- (3) The company Creadev SAS, represented by Chantal Toulas, was appointed director of the Company on 11 June 2015.
- (4) Vincent Vliebergh was appointed director of the Company on 11 June 2015.

20.4. STATUTORY AUDITORS' REPORT ON THE COMPANY FINANCIAL STATEMENTS

Statutory Auditors' report on the annual financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended 31 December 2015, on:

- the audit of the annual financial statements of VOLTALIA SA, as attached hereto,
- the justification of our assessments;
- the specific verifications and information required by law.

The annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I – Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; these standards require us to perform the necessary verifications in order to obtain reasonable assurance that the annual financial statements are free of material misstatements. An audit is a process that uses sampling techniques or other selection methods to obtain evidence about the figures and information contained in the annual financial statements. It also includes an assessment of the accounting principles applied, of any significant estimates made and of the

overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the annual financial statements give a true and fair view of the results of the financial year in question and of the financial position and asset base of the company at the end of the fiscal year, in accordance with French accounting rules and principles.

II – Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

- Note 2.5 "Equity investments and other financial assets" to the financial statements describes the rules and accounting principles applied to value financial assets. The Company recognises provisions for impairment whenever the value in use of equity is less than the gross book value. Within the context of our assessment of the accounting rules and principles as set out above, on the basis of available evidence, we have verified the appropriateness of the valuation approaches adopted and are assured that they have been correctly applied.

- Note 2.6 "Inventories and assets under construction" describes the accounting rules and principles applied for the valuation of assets under construction. The Company recognises provisions for impairment when an indicator of impairment is identified for a power plant project under development. Within the context of our assessment of the accounting rules and principles as set out above, on the basis of information made available to us, our work consisted of reviewing the calculations made and of ensuring the reasonableness of estimates made by management.

These assessments were made as part of our audit of the annual financial statements taken as a whole, and therefore contributed to the forming of our opinion, as expressed in the first part of this report.

III – Specific verifications and information

In accordance with professional standards applicable in France, we have also performed the specific verifications required by law.

We have no matters to report as to the fair presentation and consistency with the financial statements of the information provided in the board of directors' management report and in the documents addressed to the shareholders covering the financial position and the financial statements.

Concerning the information provided in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code relating to compensation and benefits received by corporate officers and any other commitments

made in their favour, we have verified their consistency with the financial statements or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we certify that this information is accurate and has been fairly presented.

In accordance with the law, we have verified that the required information concerning the acquisition of equity participations and controlling interests and the identity of the shareholders and holders of the voting rights has been duly disclosed in the management report.

Courbevoie and Paris, 25 March 2016

The statutory auditors

MAZARS

JULIETTE DECOUX

H3P AUDIT & CONSEIL

JEAN-BENOÎT MONNAIS

20.5. RESULTS OF THE LAST FIVE FISCAL YEARS

Fiscal years (<i>in euros</i>)	2015	2014	2013	2012	2011
Financial position at year end					
Share capital	149,405,909	139,106,659	72,760,537	72,760,537	33,325,734
Number of shares issued	26,211,563	24,404,677	127,650,065	127,650,065	16,662,867
Total income from current operations					
Revenue excl. taxes	1,195,429	4,457,267	6,495,416	3,600,003	827,151
Earnings before taxes, depreciation and provisions	40,799	(2,264,523)	(2,369,043)	(3,146,324)	(17,711,938)
Income taxes		0	0	0	0
Earnings after taxes, depreciation and provisions	(749,639)	(2,758,008)	(2,878,327)	(11,855,389)	(22,743,192)
Amount of profits distributed		0	0	0	0
Earnings per share					
Earnings before taxes, depreciation and provisions	0.00	(0.09)	(0.10)	(0.13)	(0.73)
Earnings after taxes, depreciation and provisions	(0.03)	(0.11)	(0.12)	(0.49)	(0.93)
Dividends paid per share	0	0	0	0	0
Personnel					
Number of employees	47	34	27	26	35
Total payroll	3,431,389	2,321,007	2,295,623	1,953,903	2,247,609
Amount paid in employee benefits	1,525,503	1,060,905	977,519	787,722	959,073

20.6. VOLTALIA SA SUPPLIER PAYMENT TERMS

Pursuant to Article L. 441-6-1 paragraph 1 of the French Commercial Code, a breakdown must be provided of trade accounts payable, by due date, at the end of the past two fiscal years:

In € thousands	31/12/2015	31/12/2014
Not invoiced	499	400
Less than 30 days	759	544
30 – 60 days	306	31
60 – 90 days	0	3
More than 90 days	91	1,680
Total trade payables	1,655	2,658

20.7. DIVIDEND DISTRIBUTION POLICY

20.7.1 Dividends paid over the last three years

None.

20.7.2 Dividend distribution policy

Voltaia plans to implement a distribution policy in line with its growth trajectory and financial profile. In the light of its financial structure and outlook, the Company plans to pay dividends in 2018 for the

2017 fiscal year and to gradually increase its rate of distribution to 30% of the net income group share. The Company may offer its shareholders the option of receiving the payment of dividends in shares.

20.8. LEGAL AND ARBITRAL PROCEEDINGS

As of the date of the Registration Document, the principal legal proceedings identified by the Company are:

- 3VD litigation – project in operation: members of the public have sued the company 3VD for devaluation of their property, as well as for noise and visual pollution. An expert report indicating minor noise pollution was submitted to the court in December 2012.
- Volta Guyane litigation: A photovoltaic farms installation company has sued Volta Guyane for damages in the sum of €5,418,584. This amount is claimed to correspond to the loss of earnings suffered by the company due to the allegedly wrongful termination of a fixed-price contract, which it claims had been entered into by Volta Guyane for the installation of a photovoltaic power plant, whereas no contract had been signed. Volta Guyane submitted their defence on 14 September

2011. Voltalia recognised a provision of (180) thousand euros for the litigation to reflect the probability of non-repayment of a portion of the advance paid. The company has a liability guarantee that it considers sufficient to cover any unfavourable judgement. In March 2012, the Cayenne Commercial Court in its ruling of first instance confirmed the risk analysis issued by Voltalia by dismissing the service provider's suit, although it subsequently appealed the decision. The court of appeal issued its ruling on 23 March 2015, confirming the decision of the lower court. The construction company planned to lodge a further appeal. The agreement signed by the parties on 19 June 2015 drew a line under the dispute and was settled with a non-recurring net charge of (342) thousand euros, each party having agreed to make concessions (see Section **Erreur ! Source du renvoi introuvable.** NOTE 3)Voltalia Greece litigation: A partner in a development company issued 600,000 euros of unsubstantiated invoices, for which it is demanding payment from Voltalia Greece. In its ruling of first instance, the court dismissed the suit; the plaintiff has appealed the decision. On the date of the Registration Document, no provision has been made for this litigation.

- Litigation with the lawyer acting for Voltalia Greece: The latter claims unpaid invoices in the amount of €60,800. Voltalia Greece has all the payment receipts for these invoices.
- Bio-Bar litigation: The heating customer for the Bio-Bar project is in financial difficulties and is behind with payments. On the date of the Registration Document, 1 million euros of invoices remain unpaid by the heating customer, LOGIBAR, and have been fully written down.

o Post-balance sheet events

On Thursday 29 February 2016 the Cauval group, a major client of the wholly-owned Voltalia subsidiary Bio-Bar, declared itself insolvent and filed for bankruptcy with the Commercial Court of Meaux (Seine-et-Marne). Official receivers have been appointed to manage the affairs of Valco, Cauval, C.I. and Logibar.http://www.lesechos.fr/finance-marches/vernimmen/definition_procedure-de-redressement-judiciaire.html - xtor=SEC-3168 The companies have one month to decide on a continuation plan or to begin liquidation proceedings (with the option to request a 2-month extension from the bankruptcy judge). The Bio-Bar annual financial statements to 31 December 2015 have been approved assuming that activity will continue. In the event of the directors voting in favour of the liquidation of Valco, the approval of the Bio-Bar annual financial statements to 31 December 2015 could be challenged. The effects of the liquidation could result in an asset shortfall of 0.7 million euros in the Voltalia SA parent company financial statements.

- LAGIE litigation: LAGIE, the electricity buyer in Greece, settles its invoices several months late. On the date of the Registration Document, late payment of invoices stood at 2 months. These invoices total 433 thousand euros. No provision for impairment of trade receivables was recognised in the accounts as invoices have always been settled in the past. The Company has initiated proceedings against LAGIE in order to obtain payment on the outstanding receivables as soon as possible.

The Company is not aware of any other pending or potential governmental, judicial or arbitral proceedings that have had during the past 12 months, or are likely to have, a material effect on the financial position or profitability of the Company and/or the Group.

20.9. SIGNIFICANT CHANGE IN THE ISSUER'S FINANCIAL OR TRADING POSITION

To the best knowledge of the Company, there have been no significant changes in the financial or trading position of the Group since 31 December 2015.

21. ADDITIONAL INFORMATION CONCERNING THE SHARE CAPITAL

21.1. SHARE CAPITAL

21.1.1 Amount of share capital

On the date of the Registration Document, the Company's share capital totalled 149,405,909.10 euros, consisting of 26,211,563 shares, each with a par value of 5.70 euros, fully paid up.

21.1.2 Non-equity securities

None.

21.1.3 Acquisition by the Company of its own shares

The Combined General Meeting of the Company held on 14 June 2013 authorised the Board of Directors, for a period of eighteen months from the date of the meeting, to implement a Company share repurchase programme in accordance with the provisions of Article L. 225-209 of the French Commercial Code, with the General Regulations of the AMF and with the conditions set out below:

Maximum number of shares that can be purchased: 10% of the share capital as of the share repurchase date. Where shares are acquired in order to promote trading and liquidity, the number of shares taken into account for calculating the 10% limit shall correspond to the number of shares purchased minus the number of shares resold during the term of the authorisation.

Objectives of share repurchases:

- to maintain a liquid market in the Company's shares through a liquidity agreement with an investment services provider, in accordance with a code of ethics recognised by the AMF;
- to honour obligations related to share purchase option programmes, free share allocation programmes, employee savings schemes or other allocations of shares to Company employees and managers or those of related companies;
- to issue shares on the exercise of rights attached to securities giving access to the capital;

- to purchase shares for retention and subsequent use in exchange or as payment for any external growth transactions; or
- to cancel all or part of the repurchased shares.

Maximum purchase price: 25 euros per share, excluding fees and commissions and any adjustments to take account of transactions concerning the capital.

It is stipulated that the number of shares acquired by the Company to be retained and subsequently delivered in payment or exchange in connection with a merger, demerger or contribution may not exceed 5% of the share capital.

Maximum amount of funds that may be allocated to purchase shares: 15 million euros

Repurchased shares may be cancelled.

The Company is required to make the following disclosures with respect to share repurchases:

- *Prior to the implementation of the share repurchase programme authorised by the General Meeting of 11 June 2015:*
 - Publication of a description of the share repurchase programme (full and effective dissemination via electronic means by a primary information provider and posted on the Company's website).
- *During the repurchase programme:*
 - Publication of transactions on D+7 via posting on the Company's website (excluding transactions in the context of a liquidity contract); and
 - Monthly statements forwarded by the Company to the AMF.
- *Every year:*
 - Summary of the implementation of the repurchase programme and of the use of shares acquired in the Board of Directors' report to General Meeting.

In the context of the aforementioned share repurchase programme, the Company has engaged Invest Securities to implement a liquidity contract to which 500,000 euros was allocated in July 2014.

On 31 December 2015, the following assets featured in the liquidity account:

- 31,354 shares with a par value of 5.70 euros per share (book value of these shares on the Company's balance sheet: 317,616.02 euros),
- 248,058.58 euros.

21.1.4 Securities conferring entitlement to a share in the capital in the Company

21.1.4.1 *BSPCEs*

	BSPCE April 2009	BSPCE August 2009
Date of General Meeting	2 April 2008	2 April 2008
Date of the Board of Directors' meeting	1 April 2009	3 August 2009
Number of BSPCE warrants authorised	312,454	312,454
Total number of BSPCE warrants awarded	150,000	162,454
Total number of Voltalia shares that can be subscribed	150,000	162,454
of which the total number that may be subscribed by corporate officers	0	0
<i>Number of non-officer beneficiaries</i>	2	18
Starting date of the BSPCE warrant exercise period	1 May 2009	(1)
BSPCE warrant expiration date	1 April 2019	3 August 2019
Single Voltalia share option price	€2.38	€3.11
Conditions of exercise	(2)	(2)
Number of Voltalia shares subscribed at the date of the Registration Document	42,105	-
Cumulative number of BSPCE warrants cancelled or lapsed	-	112,354
Remaining BSPCE warrants at the date of the Registration Document	107,895	50,100
Total number of Voltalia shares that may be subscribed at the date of the Registration Document	10,789 ⁽³⁾	5,010 ⁽³⁾

(1) The starting date for the exercise of BSPCE warrants depends on the identity of the recipient of said BSPCE warrants, no later than 1 June 2013.

(2) The BSPCE warrants in circulation on the date of the Registration Document are all exercisable. Their exercise is not conditional on any performance criteria.

(3) The number of shares takes into account the consolidation of Company shares at a rate of 10 old shares for one new share, as decided by the Combined Annual General Meeting on 13 June 2014.

21.1.4.2 *Free share allocation*

Free share allocation	
Date of the meeting that authorised the allocation	13 June 2014
Date of allocation by the Board of Directors	25 July 2014
Number of shares that can be allocated	26,000
Total number of shares allocated	21,667
of which the total number of shares granted to company officers	0
Number of non-officer beneficiaries	3
Number of shares being vested	21,667
Vesting date	25 July 2014
Vesting conditions	(1)
Number of shares vested at the date of the Registration Document	0
Number of shares cancelled or lapsed	0
Length of holding period	0

(1) The shares will vest at the end of a 4-year period.

21.1.4.3 *Stock warrants allocated in connection with an equity financing facility*

By decision dated 9 October 2015, the Board of Directors²⁰ implemented an equity financing facility with the aim of increasing the free float and boosting the liquidity of the security. In this context the Company issued a total of 1 million stock warrants granting entitlement to the subscription of the same number of shares for the exclusive benefit of Kepler Cheuvreux. Kepler Cheuvreux does not intend to keep the shares subscribed through the exercise of the stock warrants, these shares will be sold on the market or to investors. The features of the stock warrants are described in the table below:

Stock warrants	
Date of the General Meeting	11 June 2015
Date of the Board of Directors' Meeting	9 October 2015
Total number of stock warrants awarded	1,000,000
Total number of Volitalia shares that can be subscribed	1,000,000
Starting date of stock warrant exercise period	23 October 2015

²⁰ Making use of the authorisation granted by the nineteenth resolution adopted by the Combined General Meeting on 11 June 2015.

Stock warrants

Final date of stock warrant exercise period	23 October 2018
Exercise price per new share	95% of the average daily price of one Voltalia share, weighted by the volumes of the two trading days prior to the date of exercise
Conditions of exercise	(1)
Total number of stock warrants exercised at the date of the Registration Document	22,000
Number of Voltalia shares subscribed at the date of the Registration Document	22,000
Total number of stock warrants cancelled or lapsed	0
Remaining stock warrants at the date of the Registration Document	978,000
Total number of Voltalia shares that may be subscribed at the date of the Registration Document	978,000

- (1) Subject to the conditions defined by the parties being met, Kepler Cheuvreux undertakes to exercise the stock warrants within 36 months of their date of issue. One of said conditions refers to the maximum number of new shares that may be issued when exercising stock warrants: the cumulative number of new shares issued on the exercise of stock warrants must be less than or equal to 25% of the number of Voltalia shares exchanged on the regulated Euronext market in Paris, excluding block trading, from the date of implementation of the financing facility. The Company may terminate the contract at any time.

	Stock options
Date of the General Meeting	11 June 2015
Date of the Board of Directors' meeting	6 August 2015
Maximum authorised number of shares that can be issued	800,000
Total number of options allocated	201,204
Total number of Voltalia shares that may be subscribed	201,204
<i>of which the total number that may be subscribed by corporate officers of the Company</i>	0
<i>of which the total number that may be subscribed by corporate officers of Group subsidiaries</i>	72,289
<i>Number of non-officer beneficiaries</i>	0
Starting date of Option exercise period	7 August 2017
Option expiry date	7 August 2022
Single share option price	€9.03
Number of Voltalia shares that may be subscribed at the date of the Registration Document	201,204
Cumulative number of Options cancelled or lapsed	0
Remaining Options at the date of the Registration Document	201,204
Total number of Voltalia shares that may be subscribed at the date of the Registration Document	0

The exercise of Options is subject to Group performance conditions and conditions of employment within the Group.

21.1.5 Summary of dilutive instruments

On the date of the Registration Document, the total number of ordinary shares that may be created through the full exercise of all rights convertible into shares of the Company amounts to 1,216,670 shares, representing a maximum dilution of 4.44% based on the diluted capital. The dilution of voting rights itself stands at 3.09% on the basis of theoretical voting rights and at 3.10% on the basis of exercisable voting rights.

21.1.6 Authorised capital

The issue resolutions approved by the General Meeting of 13 June 2014, ruling on an extraordinary basis, are summarised below:

Subject of the resolutions adopted by the General Shareholders' Meetings of the Company on 13 June 2014	Resolution number	Authorisation duration and expiry date	Maximum nominal amount (in euros)	Date and conditions of use by the Board of Directors
Delegation of authority to the Board of Directors to immediately (or in the future) increase the share capital by issuing ordinary shares or securities convertible into shares with preferential subscription rights	Thirteenth resolution	This delegation expired on 11 June 2015 - A new delegation with the same purpose was approved by the Meeting held on 11 June 2015	130,000,000	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority to the Board of Directors to increase the share capital by issuing ordinary shares or securities convertible into shares without preferential subscription rights, by way of public offering	Fourteenth resolution	This delegation expired on 11 June 2015 - A new delegation with the same purpose was approved by the Meeting held on 11 June 2015	-	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority to the Board of Directors to increase the share capital by issuing ordinary shares or securities convertible into shares without preferential subscription rights, within the framework of an offer for the benefit of qualified investors or a restricted circle of investors referred to in Section II of Article L. 411-2 of the French Monetary and Financial Code	Fifteenth resolution	This delegation expired on 11 June 2015 - A new delegation with the same purpose was approved by the Meeting held on 11 June 2015	30,000,000 up to a maximum of 20% per year	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority to the Board of Directors to immediately (or in the future) increase the share capital by issuing ordinary shares or securities convertible into shares without preferential subscription rights for the benefit of an initial category of persons who meet	Sixteenth resolution	13 December 2015 (18 months)	30,000,000	The Board of Directors did not make use of this delegation during the past fiscal year

Subject of the resolutions adopted by the General Shareholders' Meetings of the Company on 13 June 2014	Resolution number	Authorisation duration and expiry date	Maximum nominal amount (in euros)	Date and conditions of use by the Board of Directors
determined characteristics				
Delegation of authority to the Board of Directors to immediately (or in the future) increase the share capital by issuing ordinary shares or securities convertible into shares without preferential subscription rights for the benefit of a second category of persons who meet determined characteristics	Seventeenth resolution	13 December 2015 (18 months)	30,000,000	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority granted to the Board of Directors with the effect of increasing the share capital by capitalising premiums, reserves, earnings or other accounting items	Twentieth resolution	13 August 2016 (26 months)	300,000	The Board of Directors did not make use of this delegation during the past fiscal year
Authorisation given to the Board of Directors to grant stock options or share purchase options of the Company	Twenty-first resolution	This authorisation expired on 11 June 2015 - A new authorisation with the same purpose was approved by the Meeting held on 11 June 2015	361,950 corresponding to the issue of a maximum number of 63,500 shares with a par value of 5.70 euros each	The Board of Directors did not make use of this delegation during the past fiscal year
Authorisation given to the Board of Directors to make bonus allocations of existing or new shares	Twenty-second resolution	This authorisation expired on 11 June 2015 - A new authorisation with the same purpose was approved by the Meeting held on 11 June 2015	148,200 corresponding to the issue of a maximum number of 26,000 shares with a par value of 5.70 euros each	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority granted to the Board of Directors to issue and allocate stock warrants without preferential subscription rights in favour of (i) members and non-	Twenty-third resolution	This authorisation expired on 11 June 2015 - A new authorisation with the same purpose was approved by	91,200 corresponding to the issue of a maximum	The Board of Directors did not make use of this delegation during the past

Subject of the resolutions adopted by the General Shareholders' Meetings of the Company on 13 June 2014	Resolution number	Authorisation duration and expiry date	Maximum nominal amount (in euros)	Date and conditions of use by the Board of Directors
voting directors of the Board of Directors of the Company, who, on the grant date, are not employees or managers of the Company or one of its subsidiaries or (ii) members of any committee that the Board of Directors has or would set up without the status of employees or managers of the Company or one of its subsidiaries		the Meeting held on 11 June 2015	number of 16,000 shares with a par value of 5.70 euros each	fiscal year
Delegation of authority granted to the Board of Directors to issue stock warrants and / or redeemable equity warrants (BSAAR warrants) or share warrants - without preferential subscription right, in favour of the following category of beneficiaries: employees and officers of the Company and its subsidiaries	Twenty-fourth resolution	This authorisation expired on 11 June 2015 - A new authorisation with the same purpose was approved by the Meeting held on 11 June 2015	361,950 corresponding to the issue of a maximum number of 63,500 shares with a par value of 5.70 euros each	The Board of Directors did not make use of this delegation during the past fiscal year

The issue resolutions approved by the General Meeting of 11 June 2015, ruling on an extraordinary basis, are summarised below:

Subject of the resolutions adopted by the General Shareholders' Meetings of the Company on 11 June 2015	Resolution number	Authorisation duration and expiry date	Maximum nominal amount (in euros)	Date and conditions of use by the Board of Directors
Delegation of authority to the Board of Directors to increase the share capital by issuing ordinary shares or securities convertible into shares with preferential subscription rights	Sixteenth resolution	11 August 2017 (26 months)	130,000,000 (1)	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority to the Board of Directors to increase the share capital by issuing ordinary shares or securities convertible into shares without preferential subscription	Seventeenth resolution	11 August 2017 (26 months)	130,000,000 (1)	The Board of Directors did not make use of this delegation during the past fiscal year

Subject of the resolutions adopted by the General Shareholders' Meetings of the Company on 11 June 2015	Resolution number	Authorisation duration and expiry date	Maximum nominal amount (in euros)	Date and conditions of use by the Board of Directors
rights, by way of public offering,				
Delegation of authority to the Board of Directors to increase the share capital by issuing ordinary shares or securities convertible into shares without preferential subscription rights, within the framework of an offer for the benefit of qualified investors or a restricted circle of investors referred to in Section II of Article L. 411-2 of the French Monetary and Financial Code	Eighteenth resolution	11 August 2017 (26 months)	90,000,000 (1)	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority to the Board of Directors to increase the share capital by issuing ordinary shares or securities convertible into shares without preferential subscription rights, in favour of a class of persons ensuring the underwriting of equity securities of the Company which may arise in connection with an equity financing facility	Nineteenth resolution	11 December 2016 (18 months)	90,000,000 (1)	The Board of Directors made use of this delegation on 9 October 2015 and issued a total of 1,000,000 stock warrants in favour of KeplerCapital Markets SA (see accompanying reports of the Board and the Statutory Auditors)
Delegation of authority granted to the Board of Directors to increase the number of shares to be issued in case of a capital increase with or without preferential subscription rights	Twenty-first resolution	11 August 2017 (26 months)	(1)	The Board of Directors did not make use of this delegation during the past fiscal year

Subject of the resolutions adopted by the General Shareholders' Meetings of the Company on 11 June 2015	Resolution number	Authorisation duration and expiry date	Maximum nominal amount (in euros)	Date and conditions of use by the Board of Directors
Delegation of authority granted to the Board of Directors to issue ordinary shares and securities convertible into shares of the Company, in case of public offer with an exchange component initiated by the Company	Twenty-second resolution	11 August 2017 (26 months)	130,000,000 (1)	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of powers granted to the Board of Directors to increase the share capital up to a maximum of 10% of the share capital to remunerate contributions in kind of equity securities or securities giving access to third-party capital outside of a public exchange offer	Twenty-third resolution	11 August 2017 (26 months)	130,000,000 (1)	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority granted to the Board of Directors in order to increase the share capital by capitalising premiums, reserves, earnings or other accounting items	Twenty-fifth resolution	11 August 2017	1,000,000	The Board of Directors did not make use of this delegation during the past fiscal year
Authorisation given to the Board of Directors to grant stock options or share purchase options of the Company	Twenty-sixth resolution	11 August 2018 (38 months)	4,560,000 corresponding to the issue of a maximum number of 800,000 shares with a par value of 5.70 euros each (2)	The Board of Directors made use of this authorisation on 6 August 2015 (see special report by the Board of Directors on the granting of options)

Subject of the resolutions adopted by the General Shareholders' Meetings of the Company on 11 June 2015	Resolution number	Authorisation duration and expiry date	Maximum nominal amount (in euros)	Date and conditions of use by the Board of Directors
Authorisation given to the Board of Directors to make bonus allocations of existing or new shares	Twenty-seventh resolution	11 August 2018 (38 months)	4,560,000 corresponding to the issue of a maximum number of 800,000 shares with a par value of 5.70 euros each, up to a maximum of 10% of the share capital of the Company (2)	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority granted to the Board of Directors to issue and allocate stock warrants in favour of (i) members and non-voting directors of the Board of Directors of the Company, who, on the grant date, are not employees or managers of the Company or one of its subsidiaries or (ii) members of any committee that the Board of Directors has or would set up without the status of employees or managers of the Company or one of its subsidiaries	Twenty-eighth resolution	11 December 2016 (18 months)	285,000 corresponding to the issue of a maximum number of 50,000 shares with a par value of 5.70 euros each (2)	The Board of Directors did not make use of this delegation during the past fiscal year
Delegation of authority granted to the Board of Directors to issue stock warrants and / or redeemable equity warrants (BSAAR warrants) or share warrants - without preferential subscription right - in favour of the following category of beneficiaries: employees and officers of the Company and its subsidiaries	Twenty-ninth resolution		2,850,000 corresponding to the issue of a maximum number of 500,000 shares with a par value of 5.70 euros each (2)	The Board of Directors did not make use of this delegation during the past fiscal year

(1) The total maximum nominal amount of capital increases that may be carried out under the delegations conferred pursuant to the sixteenth to nineteenth resolutions above and the twenty-first to the twenty-third resolutions above, is set at 200,000,000 euros; it should be noted that to this ceiling will be added the additional amount of shares to be issued in order to maintain, in accordance with legal and regulatory

provisions and, where applicable, the relevant contractual provisions, the rights of holders of securities or other rights providing access to shares.

- (2) The sum of (i) shares that may be issued or vested upon exercise of the options granted under the twenty-sixth resolution, (ii) free shares granted under the twenty-seventh resolution above, (iii) shares that may be issued upon exercise of stock warrants allocated under the twenty-eighth resolution, and (iv) shares that may be issued upon exercise of the stock warrants and / or warrants for the acquisition of ordinary puttable shares and / or share subscription warrants to be allocated under the twenty-ninth resolution above, may not exceed 1,500,000 shares with a par value of 5.70 euros per share, it being understood that to this ceiling will be added the additional amount of shares to be issued in order to maintain, in accordance with applicable contractual provisions, the rights of holders of securities and other rights giving entitlement to shares.

21.1.7 Information on the share capital of any member of the Group subject to an option or to a conditional or unconditional agreement to be put under option

To the best knowledge of the Company, there is no option to buy or sell or other commitments in favour of shareholders of the Company or made by them involving shares of the Company.

21.1.8 Share capital history

21.1.8.1 *Changes in share capital since the creation of the Company*

Date	Type of transaction	Amount of share capital increase	Amount of increase in issue premium	Number of shares issued	Number of shares comprising the share capital	Nominal value	Share capital
30/11/2005	Creation	€37,000	-	37,000	37,000	€1.00	€37,000.00
13/01/2006	Capital increase	€3,900	€1,050,153	3,900	40,900	€1.00	€40,900.00
13/01/2006	Incorporation of issue premium	-	-	-	40,900	€25.00	€1,022,500.00
03/02/2006	Division of the nominal values of the shares	-	-	4,049,100	4,090,000	€0.25	€1,022,500.00
08/03/2006	Capital increase	€38,603	€378,305	154,410	4,244,410	€0.25	€1,061,102.50
08/03/2006	Incorporation of issue premium	-	-	1,695,590	5,940,000	€0.25	€1,485,000.00
05/05/2006	Capital increase	€109,134	€2,095,368	436,535	6,376,535	€0.25	€1,594,133.75
05/05/2006	Incorporation of issue premium	-	-	-	6,376,535	€0.50	€3,188,267.50
20/12/2006	Capital increase	€262,500	€1,842,750	525,000	6,901,535	€0.50	€3,450,767.50
15/03/2007	Capital increase	€218,347	€1,532,796	436,694	7,338,229	€0.50	€3,669,114.50
19/04/2007	Capital increase	€1,538,461	€18,461,538	3,076,923	10,415,152	€0.50	€5,207,576.00
26/06/2007	Incorporation of issue premium	-	-	-	10,415,152	€2.00	€20,830,304.00
29/11/2007	Exercise of warrants	€236,250	€238,031	118,125	10,533,277	€2.00	€21,066,554.00
11/06/2008	Capital increase	€756,800	€2,194,720	378,400	10,911,677	€2.00	€21,823,354.00
20/06/2008	Capital increase	€218,380	€633,302	109,190	11,020,867	€2.00	€22,041,734.00
26/10/2009	Exercise of BSPCEs	€48,000	€9,120	24,000	11,044,867	€2.00	€22,089,734.00
17/12/2009	Capital increase	€11,200,000	€16,800,000	5,600,000	16,644,867	€2.00	€33,289,734.00
20/04/2010	Exercise of BSPCEs	€20,000	€3,800	10,000	16,654,867	€2.00	€33,309,734.00
18/05/2011	Exercise of BSPCEs	€16,000	€3,040	8,000	16,662,867	€2.00	€33,325,734.00
12/07/2012	Reduction of nominal value	-	-	-	16,662,867	€0.57	€9,497,834.19
10/08/2012	Capital increase	€63,262,703	-	110,987,198	127,650,065	€0.57	€72,760,537.05
05/05/2014	Exercise of BSPCEs	€60	€211	105	127,650,170	€0.57	€72,760,596.90
13/06/2014	Reverse stock split by 10*	-	-	-	12,765,017	€5.70	€72,760,596.90
10/07/2014	Capital increase	€66,346,062	€33,755,014	11,639,660	24,404,677	€5.70	€139,106,658.90
23/01/2015	Capital increase	€10,173,850.20	€5,176,169	1,784,886	26,189,563	€5.70	€149,280,509.10

Date	Type of transaction	Amount of share capital increase	Amount of increase in issue premium	Number of shares issued	Number of shares comprising the share capital	Nominal value	Share capital
03/11/2015	Exercise of stock warrants by Kepler Cheuvreux	€28,500	€19,850	5,000	26,204,563	€5.70	€149,309,009.10
10/11/2015	Exercise of stock warrants by Kepler Cheuvreux	€28,500	€20,900	5,000	26,201,563	€5.70	€149,337,509.10
24/11/2015	Exercise of stock warrants by Kepler Cheuvreux	€28,500	€20,000	5,000	26,204,563	€5.70	€149,366,009.10
02/12/2015	Exercise of stock warrants by Kepler Cheuvreux	€39,900	€27,090	7,000	26,211,563	€5.70	€149,405,909.10

* The reverse stock split transactions took place as of 7 July 2014.

21.1.8.2 *Distribution of capital and voting rights since 1 January 2012*

Changes in shareholder structure

Shareholders	31/12/2012	31/12/2013	31/12/2014	31/12/2015
Voltalia Investissement (1)	92.7%	92.7%	91.53%	85.22%
DHAM (2)	0.0%	0.0%	1.43%	7.99%
Subtotal other shareholders holding more than 5% of the capital	0.0%	0.0%	0.0%	0.0%
Subtotal other shareholders holding less than 5% of the capital	7.3%	7.3%	7.04%	6.67%
Total	100%	100%	100%	100%

(1) Voltalia Investissement, a company governed under French law, is owned by investment holding companies controlled by the Mulliez family.

(2) DHAM is a company controlled by the investment company Korys NV.

The changes in capital mainly result from capital investments by Voltalia Investissement during the 2012 and 2014 capital increases and from the entry into the capital and further holdings acquired by DHAM.

Changes in the distribution of voting rights

Shareholders	31/12/2012	31/12/2013	31/12/2014	31/12/2015
Voltalia Investissement	92.92%	92.92%	94.22%	89.77%
DHAM	0.0%	0.0%	0.96%	5.50%

Shareholders	31/12/2012	31/12/2013	31/12/2014	31/12/2015
Subtotal other shareholders holding more than 5% of the capital	0.0%	0.0%	0.0%	0.0%
Subtotal other shareholders holding less than 5% of the capital	7.08%	7.08%	4.82%	4.73%
Total	100%	100%	100%	100%

Volitalia Investissement has had double voting rights since February 2012.

To the best knowledge of the Company, no other shareholder holds more than 5% of the share capital and voting rights.

21.1.8.3 *Distribution of share capital and voting rights on the date of the Registration Document*

See Section 18.1 of the Registration Document.

21.2. MEMORANDUM AND ARTICLES OF ASSOCIATION

21.2.1 Company purpose

In accordance with Article 3 of its Articles of Association, the purpose of the company in France and all other countries is:

All operations relating to energy in the broadest sense and including, but without being limited to, the acquisition and sale and the promotion/construction/operation of wind farms, biomass plants, hydropower stations and any power plants that use renewable energies,

All transactions in the acquisition, sale and promotion/construction/ operation of plants that process, treat, recover and dispose of waste, whether or not associated with the production of energy,

The production, trading or transactions of any kind relating to energy in the broadest sense of the term, to the treatment of waste and, more generally, all activities related to the environment,

All operations involving the study, design, development, construction, implementation and execution, direct or indirect operation, maintenance and training, and all consulting services provided for third parties,

All transactions relating to acquiring direct or indirect interests in any form whatsoever in any French or foreign companies as well as the administration, management and development of such investments and related interventions,

All uses of funds for the creation, management and development of a portfolio that may consist of equity securities of any company, patents, licences of all origins and transferable securities which the company may hold by way of sale, transfer, contribution or options and all other legally permissible interventions, all of which may take place directly or indirectly on its own behalf or on behalf of third parties and, more generally, all

transactions of any kind, whether economic, legal, financial, civil or commercial, which may relate

directly or indirectly to its corporate purpose or to any similar, related or complementary purposes.

21.2.2 Provisions under the Articles of Association and other stipulations relating to members of administrative and management bodies

21.2.2.1 *Board of Directors (Articles 11, 12 and 13 of the Articles of Association)*

Composition

The company is managed by a Board composed of natural or legal persons whose number is set within the limits of the law.

Any legal person shall, upon appointment, designate a natural person as permanent representative to the Board. The term of office of the permanent representative shall be the same as that of the legal person represented as director. Should the legal person dismiss its permanent representative, it must immediately provide a replacement. The same applies in the event of the death or resignation of the permanent representative.

Directors are appointed for three-year terms. The term of a Director shall end at the close of the Ordinary General Shareholders' Meeting called to approve the previous year's financial statements and held in the year during which the appointment expires.

Directors may be re-elected indefinitely; their appointment may be revoked at any time by the General Shareholders' Meeting.

In the event of a vacancy caused by the death or resignation of one or more directors, the Board of Directors may make appointments on a provisional basis between two general meetings.

Appointments made by the Board of Directors under the previous paragraph are subject to approval by the next Ordinary General Meeting.

If such appointments are not approved, the deliberations and acts previously carried out by the Board shall nevertheless remain valid.

When the number of directors falls below the legal minimum, the remaining directors must immediately convene the Ordinary General Meeting in order to complement the number of directors.

A company employee may be appointed director. His/her employment contract must, however, correspond to an actual job. In such cases he/she will retain the benefit of their employment contract.

The number of directors who are tied to the company by an employment contract may not exceed one third of the directors in office.

The number of directors who are over 70 years of age may not exceed one third of the directors in office. When this limit is exceeded during a term, the oldest director shall be deemed to have resigned from office after the next General Shareholders' Meeting.

Chairman

The Board of Directors shall elect from among its members a chairman, who must be a natural person. It determines his/her term of office, which may not exceed their term as director, and may revoke it at any time. The Board determines any compensation.

The Chairman organizes and directs the work of the Board, on which he/she shall report to the General Meeting. He/she ensures the smooth functioning of the Company's management and governance bodies and notably ensures that the directors are able to fulfil their responsibilities.

The Chairman of the Board may not be more than 70 years of age. If the Chairman reaches this age limit during their term as Chairman, they will be deemed to have resigned. However, their term of

office shall extend to the next meeting of the Board of Directors, during which a successor will be appointed. Subject to this provision, the Chairman may be re-elected indefinitely.

Observers

The Board of Directors may at any time appoint one or more observers (up to a maximum of three) who may be natural or legal persons and are chosen from outside the members of the Board of Directors.

Observers are appointed for a maximum of three years. The term of observers shall end on conclusion of the Ordinary Annual General Meeting called to approve the previous year's financial statements and held in the year during which their appointments expire. They are eligible for re-election and may be removed from office at any time by decision of the Board of Directors.

Observers are not corporate officers. They may make any observations they deem to be necessary during meetings of the Board of Directors. They are at the disposal of Board and its Chairman to provide their opinions on matters of all types submitted to them, including technical, commercial, administrative or financial matters.

The observers role is solely advisory and they do not vote at meetings of the Board of Directors, which they are invited to attend, in accordance with applicable regulations and, where applicable, the rules of procedure of the Board of Directors and/or any other agreement adopted by its members. Their interventions are limited to a purely consultative

role. They may not intervene in the management of the Company. Their opinions are not binding on the directors or senior management, who are free to determine the course of action to take. They may not, therefore, be entrusted with any management, supervision or control duties and may not, under any circumstances, replace the Company's statutory bodies or functions (Board of Directors, Chairman, senior managers or statutory auditors). The observers may be charged with investigating issues submitted by the Board of Directors or Chairman.

Directors have the option of remunerating observers by passing on part of the attendance fees allocated to them by General Meeting. Observers may obtain reimbursement from the company for expenses incurred during the performance of their mission against production of receipts.

Meetings of the Board of Directors

The Board of Directors meets as frequently as warranted by the interests of the Company.

Directors are called to meetings of the Board of Directors by the Chairman. The meeting may be convened by any means, whether in writing or orally.

The Chief Executive Officer may also demand a meeting to be called by the Chairman to discuss a particular agenda.

Where a works council has been established, its representatives, appointed in accordance with the

provisions of the French Labour Code, shall be invited to all meetings of the Board of Directors.

The meetings of the Board are held at the registered office or at any other place in France or abroad.

For the decisions of the Board to be valid, the number of members present must be at least half the members.

Decisions of the Board shall be taken by majority vote; in the event of a tie, the Chairman shall have the casting vote.

A rule of procedure may be adopted by the Board of Directors that directors participating in a Board meeting by video conference or other telecommunications system that complies with regulations will be considered present for the purposes of quorum and majority. This provision is not applicable to the adoption of decisions referred to in Articles L. 232-1 and L. 233-16 of the French Commercial Code.

Each director receives the information necessary for the accomplishment of his/her mission and

mandate, and may request any documents deemed to be useful.

Any director may, even by letter, telegram, telex or facsimile, authorise another director to represent him/her at a Board meeting, but each director may only have one proxy during a given meeting.

Copies or extracts of the deliberations of the Board may be validly certified by the Chairman, the CEO, a director acting as Chairman or any person duly authorised to this effect.

Powers of the Board of Directors

The Board of Directors shall determine the strategy of the company and oversee its implementation. Subject to the powers expressly conferred to shareholders' meetings and within the limit of the company purpose, it shall deal with any issue affecting the Company's efficient operation and make business decisions within its remit.

In dealing with third parties, the Company is bound by acts of the Board of Directors that fall outside the company purpose, unless it is able to prove that the

third party knew that the act exceeded the said purpose or could not have been unaware thereof given the circumstances; the mere publication of the Articles of Association are not sufficient to constitute such proof.

The Board of Directors shall undertake any controls and verifications that it considers appropriate.

In addition, the Board of Directors shall exercise the special powers conferred upon it by law.

21.2.2.2 *Management (extracts from Article 14 of the Articles of Association)*

Conditions of exercise

The Company shall be managed either under the authority of the Chairman of the Board of Directors or of another individual appointed by the Board of Directors and having the title of Chief Executive Officer.

The CEO may not be more than 70 years of age. If the CEO reaches this age limit, he/she will be deemed to have resigned. However, his/her term of office shall extend to the next meeting of the Board of Directors, during which the new CEO will be appointed.

When the CEO is also a director, his/her term of office may not exceed their term as director.

The Board of Directors may dismiss the CEO at any time. The CEO may be entitled to damages if he/she is dismissed without just cause, except when the CEO assumes the functions of Chairman of the Board of Directors.

On deliberation by a majority vote of the directors present or represented, the Board of Directors

chooses between the two methods of exercising general management. Shareholders and third parties shall be notified of the Board's decision in accordance with the applicable statutory and regulatory conditions.

The choice of the Board of Directors remains in force until otherwise determined by the Board or, at the option of the Board, for the term of office of the CEO.

If the general management of the company is assumed by the Chairman of the Board of Directors, the provisions applicable to the CEO shall apply to the Chairman.

Pursuant to the provisions of Article 706-43 of the French Code of Criminal Procedure, the CEO may validly delegate to any person of their choice the power to represent the company in the context of any criminal proceedings that may be instigated against it.

Powers of the Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act in the Company's name in all circumstances. The CEO exercises these powers within the limits of the corporate purpose and to the exclusion of those matters which are expressly reserved by law to the shareholders at Shareholders' Meetings or to the Board of Directors.

The CEO shall represent the company in its dealings with third parties. The Company is bound by acts undertaken by the CEO that fall outside of the

corporate purpose, unless it proves that the third party knew that the act went beyond this purpose or could not have been unaware thereof given the circumstances; the mere publication of the Articles of Association are not sufficient to constitute such proof.

At the date of the Registration Document, Sébastien Clerc is CEO of the company, by virtue of his appointment by the Board of Directors on 10 November 2011.

21.2.2.3 *Deputy Chief Executive Officer (extracts of Article 14 of the Articles of Association)*

On the proposal of the CEO, the Board of Directors may appoint one or more natural persons to assist the CEO as Deputy CEO.

In agreement with the Chief Executive Officer, the Board of Directors determines the extent and duration of the powers delegated to any Deputy CEO. The Board of Directors shall determine any compensation of the Deputy CEOs. When a Deputy CEO is also a director, their term of office may not exceed their term as director.

With respect to third parties, Deputy CEOs shall have the same powers as the CEO; Deputy CEOs shall notably have the power to instigate legal proceedings.

There may be no more than five Deputy CEOs.

The Deputy CEO(s) may be dismissed at any time by the Board of Directors, at the proposal of the CEO. A Deputy CEO may be entitled to damages if he/she is dismissed without just cause.

A Deputy CEO may not be more than 70 years of age. If an active Deputy CEO reaches this age limit, he/she will be deemed to have resigned. However, their term of office shall extend to the next meeting of the Board of Directors, during which a new Deputy CEO may be appointed.

If the Chief Executive Officer ceases or is unable to perform their duties, the Deputy CEOs will retain their functions and powers until the nomination of the new CEO, unless the Board of Directors decides otherwise.

As of the date of the Registration Document, the Company does not have any Deputy CEOs.

21.2.3 Rights, privileges and restrictions attached to shares of the Company

21.2.3.1 *Voting rights*

Subject to applicable legal and regulatory provisions, and except for the double voting rights provided for in Article 9 of the Articles of

Association, the right to vote attached to the shares is proportional to the amount of capital they

represent, and each share is entitled to at least one vote.

Double voting rights were established by decision of the Extraordinary General Meeting of 20 February 2006. Article 9 of the Articles of Association provides for double voting rights compared to those conferred on other shares, taking into consideration the proportion of share capital they represent, to be granted to all fully-paid shares which can be demonstrated to have been registered for at least two consecutive years to the same shareholder.

In the event of a capital increase by capitalisation of reserves, earnings or issue premiums, this right is also conferred on issue to registered shares allocated to a shareholder who already holds the said right in respect of existing shares.

The shares are stripped of their double voting rights if they are converted into bearer shares or transferred, except in the case of the transfer between registered shareholders as part of an inheritance, family gift or liquidation of community property between spouses.

Finally, double voting rights may also be removed by a decision of the Extraordinary General Meeting after ratification by a Special Shareholders' Meeting of beneficiaries benefiting from double voting rights.

21.2.3.2 *Rights to dividends and profits*

Each share confers rights to a share in the ownership of the Company's assets and to a share in the profits. This share is in proportion to the number of shares in existence, taking into account the nominal value of the shares.

21.2.3.3 *Period of limitation for dividends*

Dividends not claimed within 5 years from the date of payment will be forfeited to the State (Article L. 1126-1 of the French General Code on the Property of Public Entities).

21.2.3.4 *Right to liquidation proceeds*

Each share confers rights to a share in the liquidation proceeds. This share is in proportion to the number of shares in existence, taking into account the nominal value of the shares and rights to shares in different classes.

21.2.3.5 *Preferential subscription rights*

Shares of the Company all have a preferential right to subscribe to capital increases.

21.2.3.6 *Limitation of voting rights*

None.

21.2.3.8 *Identifiable bearer shares*

Shareholders may choose to hold their shares in registered or bearer form. When shares are in registered form, an entry is made in an individual account under the conditions and in the manner prescribed by the laws and regulations in force.

Under the conditions prescribed by applicable laws and regulations, at any time the Company may, at its own expense, request the central depository responsible for maintaining its securities issue account to provide information relating to shareholders with immediate or future voting rights at Shareholders' Meetings and the number of shares held by each of them and, if applicable, any restrictions applicable to such securities.

21.2.3.9 *Repurchase by the Company of its own shares*

See Section 21.1.3 of the Registration Document.

21.2.4 Changes to the rights of shareholders

Shareholder rights as set out in the Articles of Association of the Company may be amended only by the Extraordinary General Meeting of shareholders of the Company.

21.2.6 General Shareholders' Meetings

The General Meeting consists of all shareholders, regardless of the number of shares they own.

General Meetings, whether ordinary, extraordinary or special depending on the purpose of the proposed resolutions, may also be held at any time of year.

General Meetings are convened under the formal requirements and time limits established by law.

The meetings are held at the registered office or any other address stated in the notice of meeting.

All shareholders have the right to obtain the necessary documentation to enable them to make an informed decision and judgement on the management and operations of the Company.

Regardless of the number of shares they hold, all shareholders may attend General Meetings in person or via a representative by issuing a proxy to another shareholder or their spouse, or to the Company without stipulating the direction of their vote, or by postal vote according to the legal and regulatory conditions in force.

An Ordinary General Meeting is a meeting called to make all decisions that do not amend the Articles of Association.

Only an Extraordinary General Meeting is authorised to amend the Articles of Association and all of the provisions contained therein. Unless unanimously approved by the shareholders, it may not, however, increase the commitments of the shareholders, with the exception of transactions resulting from an exchange or a reverse stock split that has been decided and carried out in a due and proper manner.

Special Meetings ratify the decisions of General Meetings that amend the rights attached to a class of shares.

Ordinary, Extraordinary and Special General Meetings deliberate under the conditions of quorum and majority required under the respective legal provisions by which they are governed.

21.2.7 Provisions for delaying, deferring or preventing a change in control

The Articles of Association of the Company do not contain any provisions for delaying, deferring or preventing a change in control.

21.2.8 Specific provisions governing changes in share capital

There is no particular stipulation in the Articles of Association of the Company governing changes to its share capital.

22. MATERIAL CONTRACTS

Through the project company developing the asset, for each project the Group signs multiple contracts on which the profitability of the project is based.

22.1. Turbine supply contracts in Brazil

The Group has entered into several contracts for the supply of turbines and for construction with the Spanish group Acciona to provide turbines for the Group's projects in Brazil. The signing of these contracts secures the supply of the Group's wind

farm construction programme in Brazil for 2015 and 2016.

The contracts notably define the equipment types, prices (including a significant portion denominated in the Brazilian *real*) and delivery schedules.

22.2. Electricity sales contracts

22.2.1 Brazil

The Group has entered into a number of electricity sales contracts, awarded via public auction, of two distinct types:

- Reserve Energy Contracts (CER);
- Electricity Purchase Contracts in a Regulated Environment (CCEAR).

The plants affected by CER contracts are:

- Carcara I (Areia Branca);
- the 4 plants located between São Miguel do Gostoso and Touros: Reduto, Carnauba, Santo Cristo and São João;

All having won auctions on 18 August 2011 and signed contracts on 8 August 2012.

The plants affected by CCEAR contracts are:

- Carcara II (Areia Branca), (ii) Terral (Areia Branca), and the 4 plants located at Serra do Mel (iii) Caiçara I, (iv) Caiçara II (Cruz), (v) Junco I and (vi) Junco II.

For plants (i) and (ii), the tender took place on 20 November 2011 and the contracts were

signed on 23 and 24 September 2013, with an operation start date of 1 January 2016.

- (a) Vila Para I (Serra do Mel), (b) Vila Para II (Serra do Mel) and (c) Vila Para III (Serra do Mel), Vila Amazonas V (Serra do Mel), auctions won on 13 December 2013, contracts were signed on 1 December 2014 with an initial electricity supply date of 1 January 2018.

Nature of the sale contracts and the counterparties

The CER and CCEAR contracts include an irrevocable commitment from the purchasers to purchase a defined volume of electricity over a period of 20 years.

These two contract types include well-defined tolerance and adjustment mechanisms for the volumes and prices of electricity sold, taking account of the intermittency of wind power production.

Special features of the CER contracts

The aim of these contracts is to secure the electricity supply by assigning a specific volume to

this reserve. The contract is signed with the CCEE (Chamber of Commerce for Electrical Energy) which manages a reserve fund designed to regulate the reserve supply of electricity.

Special features of CCEAR contracts

The aim of these contracts is to supply electricity to a group of distributors that have pooled their requirements for the auctions in question. Depending on the auction, the number of distributors may vary but generally ranges between 25 and 35 distributors from a variety of regions. Multiple bilateral contracts are therefore signed

with the distributors in relation to each site and the contracts are administered by the CCEE.

Short-term sale contracts

The Group has also entered into contracts with a private distributor for the sale of electricity from the early commissioning of the Carcara II and Terral plants (total of 60 MW) in 2015. As of 1 January 2016, these two plants are considered long-term contracts (see above).

22.2.2 France

During the establishment of each project in France, EDF and the Group sign an electricity purchase contract for a period of 15 to 20 years, depending on the energy source in question. The Group has concluded a contract with EDF for each of its projects in operation in France and French Guyana, covering all energy sources.

Voltaia has signed electricity sale contracts for all of its plants in France and French Guyana (see Section 6.7.3.1 and 6.7.4.1).

Under these contracts, the Group undertakes to supply EDF with the entire output from the facility. EDF is the purchaser of the energy. The electricity

purchase price is indexed using an inflation-linked review formula.

EDF may terminate the electricity purchase contract (i) in the event of cancellation of the operating licence by court ruling, (ii) in the event of cancellation by court ruling of the certificate establishing the obligation to purchase, (iii) in the event of the abandonment of the project, or (iv) in the event of a permanent cessation of activities or the decommissioning of the production facility.

23. INFORMATION FROM THIRD PARTIES, EXPERT OPINIONS AND DECLARATIONS OF INTEREST

None.

24. DOCUMENTS AVAILABLE TO THE PUBLIC

The press releases of the Company and the annual registration documents (including historical financial information on the Company submitted to the AMF and any revisions) are available on the website of the Company at the following address: www.voltaia.com; a copy may also be obtained from the registered office of the Company located at 28, rue de Mogador, 75009 Paris.

All information published and made public by the Company during the last twelve months in France is available on the website of the Company at the

address stated above and on the AMF website at the following address: www.amf-france.org.

Finally, the Articles of Association of the Company, the minutes of the general meetings, the statutory auditors' reports and all other corporate documents may be consulted at the registered office of the Company.

25. INFORMATION ON HOLDINGS

Information on companies in which the Company holds a proportion of the capital likely to have a significant impact on the valuation of its assets, its financial position or its results is found in Sections 7, 8, and 9 of the Registration Document.

A. APPENDICES

A.1. Report of the Chairman of the Board of Directors pursuant to Article L. 225-37 of the French Commercial Code

The purpose of this report by the Chairman of the Board of Directors of Voltalia is to report on the composition of the Board, the application of the principle of balanced gender representation on the Board, the conditions for the preparation and organisation of the work of the Board and the

internal control and risk management procedures implemented by the Group, in accordance with Article L. 225-37 of the French Commercial Code.

The report was approved by the Board of Directors at its meeting of 22 January 2016.

A.1.1 Corporate governance

The following items are an integral part of the Corporate Governance section of the report of the Chairman of the Board of Directors:

- Governance rules: Section 16.4 of the Registration Document.
- Organisation of governance at Voltalia: Section 14.1 of the Registration Document
- Composition of the Board of Directors: Section 14.1.1.2 of the Registration Document
- Independence of the members of the Board: Section 16.4 of the Registration Document
- Conditions for the preparation and organisation of the Board's work: Section 16.4 of the Registration Document
- Assessment of the composition and functioning of the Board of Directors: section 16.4 of the Registration Document
- Principles and rules for determining the remuneration and benefits granted to the Chairman and CEO: Section 15 of the Registration Document
- Principles and rules for the payment of attendance fees to directors: Section 15 of the Registration Document
- Terms for the participation of the shareholders in the Annual General Meeting: Section 0 of the Registration Document
- Disclosure of information required in accordance with Article L.225-100-3 of the French Commercial Code: Section 22 of the Registration Document.

A.1.2 Risk management and internal control procedures

For the preparation of this section, the Company has drawn on the application guide issued by the AMF on 22 July 2010 covering the reference framework for risk management and internal control within small and midcap companies.

A.1.3 Definition and objectives of internal control and risk management

Internal control is a system that applies to the Company, its consolidated subsidiaries and some of its subsidiaries consolidated under the equity method. The objectives are to ensure:

- compliance with the laws and regulations applicable to the Group's subsidiaries and establishments;
- effective implementation of the strategy, directives, policies, procedures and best practices established by Group senior management;
- safeguarding of the Group's assets;
- reliability and accuracy of the published financial information and accounts provided for the corporate bodies;
- prevention and control of identified risks resulting from the Group's activity; and
- optimisation of operational activities.

The internal control system incorporates risk management, the objectives of which are to:

- create and preserve the Group's value, assets and reputation;
- provide for secure Group decision-making and processes in pursuit of the objectives;
- ensure that the Group's actions are consistent with its values;
- mobilise the Group's employees around a shared perception of the principal risks and raise awareness of the risks inherent to their activity.

While contributing to the prevention and management of the risks faced by the Group during the implementation of its strategy, the internal control system contributes to the management of the Group's activities, the effectiveness of its operations and efficiency in the use of its resources.

A.1.4 Organisation of the Group

The Group is structured by region (France, French Guyana, Brazil, Greece and Morocco) for the development of its activities, with the following divisions:

- France Division;
- French Guyana Division;
- Brazil Division;
- Greece Division;
- Morocco Division

A Group functional organisation has been established for support functions broken down into the following divisions:

- Operations Division, including the Construction Division and Operations Division;
- Financial Engineering Division, which primarily covers raising project financing and acquisitions/disposals;
- Finance and Administration Division, incorporating Accounts, Cash Management, Consolidation & Reporting and Management Control;
- General Secretariat, incorporating Human Resources, Communications & Investor Relations and IT.

A.1.5 Employees involved in control

The internal control system is based on a certain number of identified individuals yet remains the concern of all within the Group: raising the awareness among all staff regarding the values of Volitalia is the first link in the internal control mechanism. This vertical transmission of values is achieved through seminars (Executive Committee

seminars, annual team seminars, etc.), regular team meetings and regular communication on the life of the Group and its strategy. This makes it possible for all employees, whatever their position, to ensure at all times that their actions are consistent with the values and strategy of the Group.

The internal control system involves:

- the Board of Directors and the Special Committees of the Board of Directors, the operating modes and principal tasks of which are described in Section 16.4 of the Registration Document;
- the CEO and the Executive Committee;
- the Finance and Administration Division and the other functional divisions.

a. The Board of Directors and Special Committees of the Board of Directors

Based on the work of its Special Committees, the Board of Directors exerts ultimate control over the strategy implemented by senior management. By authorising structural projects, it ensures the continuity of strategy implementation and verifies that it complies with the levels of risk and profitability that it has deemed to be acceptable in collaboration with senior management. The Board of Directors monitors the Group's operating

performance, financial position and project progress on an ongoing basis.

Together with the Audit Committee, the Board of Directors also plays a decisive role in the monitoring of the risk management system. The Audit Committee regularly reviews the risk mapping process and the effectiveness of internal control systems.

b. CEO

The CEO ensures implementation of the strategy defined by the Board of Directors and, in this context, is responsible for the proper functioning of the internal control and risk management system, which is progressively implemented in line with the objectives set by the Board of Directors. Over the short term, the CEO ensures operational

performance, monitors the attainment of objectives and prescribes any necessary corrective action, verifying implementation within the framework of the action plans. Over the longer term, the CEO also plays a key role in the dissemination of the Group's strategy and values.

c. Executive Committee

The Executive Committee meets on a weekly basis to monitor all the important events in the life of the Group in real time and, if necessary, to take prompt action. It also constitutes an entity for analysis, reflection and exchange on cross-departmental subjects with a view to establishing action plans for deployment at divisional level.

The Executive Committee also meets three or four times a year over several days for in-depth discussions on the implementation of the Group's strategy.

d. Finance and Administration Division and other functional divisions

Within the context of its activity of producing financial and accounting information, the Finance and Administration Division, incorporating Accounts, Cash Management, Consolidation & Reporting and Management Control, is notably the guarantor of

the reliability, accuracy and faithfulness of the said information. It makes every effort to maintain separation between its activities of production and of supervision of the financial statements, calling on independent experts for valuing complex accounting

items and/or items that draw on subjective assumptions and for preparing the consolidated financial statements. A chartered accountant is engaged to perform the Company's tax audit activities.

The Finance and Administration Division is also responsible for the production of monthly reports forwarded to the Executive Committee and the Board of Directors forming the basis for the ongoing monitoring of activities.

Finally, the Finance and Administration Division was instrumental in the establishment of a procedure for the delegation of powers and signatures (notably verification covering compliance with signed contracts, double signatures, ex-post audits, etc.), ensuring effective control over payments and the validation of purchase orders.

The other functional divisions are all involved in the implementation of the internal control system. As a result of their day-to-day activities, the following divisions are most closely involved in the internal control process:

- Operations Division, by constantly ensuring the preservation of the value of the Group's assets and the safety of property

and people, while monitoring the environmental compliance of operations and the implementation of compliance action plans;

- General Secretariat
 - o by ensuring that the Group's operations relating to human resources are conducted in compliance with the laws, regulations and statutory provisions applicable to the Group, by ensuring that human resources are continually in line with the Group's actual requirements, by collaborating in the production of succession plans and by ensuring that the level of employee training complies with operational demands;
 - o by ensuring that the Group's information systems provide a level of security that guarantees the integrity, confidentiality and preservation of data, including access to the said data;
 - o by monitoring issues associated with stock market ethics;
 - o by managing financial, internal and regulatory communication.

A.1.6 Risk management system

The Group is exposed to a number of risks during the exercise of its day-to-day activities. The primary risk factors faced by the Group are described in Section 4 of the Registration Document.

The Group attaches fundamental importance to the identification and to the fullest possible appreciation of the various categories of risk to which it is exposed. This understanding enables it to determine the human, technical, legal and financial measures required to address them and prevent occurrence.

In 2014 the Group introduced a formal risk mapping process providing it with a standardised framework for identifying the risks it encounters, enabling it to assess the probability of occurrence and the extent of impact in matrix form. Based on the work of the Audit Committee, the Board of Directors regularly reviews the risk map to ensure completeness, including the effectiveness of the resultant action plans implemented by the CEO.

A.1.7 Control activities and procedures

a. Procedures related to managing activities

Standardised information collation and processing notably underpins the preparation of the monthly reports which enable the parties concerned to monitor developments in the Group's operational and financial performance on a month-by-month basis and to develop, implement and adapt any necessary action plans.

The Group has implemented a standardised data provision approach applicable to:

- technical areas and those related to construction and operations (monthly production report, operations monitoring, reports on construction activities);
- financial matters, covering procedures related to the production of financial and accounting information (see below) and also to monitor budget expenditure and the Group's commitments, debt and cash.

Medium-term strategic planning is performed alongside the budgetary processes.

Within the Finance and Administration Division, a management control unit (management controllers based at the registered office, in Brazil and in Greece) annually prepares the Group budget and the business plan based on the elements produced by the operating entities and by each Division within the framework of a standard process.

The medium-term plan, the annual budget and the liquidity plan drawn up by the Finance and Administration Division in conjunction with the Financial Engineering Division, covering the strategy proposed by senior management, are presented to the Executive Committee and Board of Directors, which validates the medium-term plan and the budget. The combination of the monthly reporting and budgetary processes enables month-by-month analysis to be performed of the variances between actual and budget by country and by business (in operation, under construction or under development).

b. Procedures related to projects and to the definition, implementation and monitoring of investments

Since 2011 the Company has been engaged in a process of continuous improvement of its procedures covering the definition, implementation and monitoring of investments. It is designed to formalise the actions and resources required at each project stage (development, construction or disposal, operation). This methodology includes milestone meetings as projects progress from one stage to the next. Investment decisions are made

only after a standard decision-making cycle interspersed with meetings of the Executive Committee and, ultimately, the Board of Directors. With respect to projects, a project risk control system helps to anticipate any upstream impact of the various risks on the forecast internal rate of return to ensure that it continues to meet the objectives set by the Board of Directors.

- d. Procedures related to the preparation of accounting and financial information

Organisation of the Finance and Administration Division

The Finance and Administration Division is responsible, under the responsibility of General Management, for monitoring the accounting and financial processes resulting in the production of financial information. These processes involve Accounts, Consolidation & Reporting, Management Control and the implementation of systems specific to financial services and cash management, such as

the monitoring of financial debt, interest rate risk hedging and centralisation of cash flows (scheduled for 2015). The consolidation process is partially outsourced. Both locally and centrally, the Consolidation and Management Control units implement key controls at each stage of the preparation of the financial statements.

Accounting standards

The Group has a single accounting framework covering both general accounting of the Group's operations (general chart of accounts) and associated analysis (analytical accounting by business segment).

Management Tools

The monthly reports prepared by Finance and Administration and Operations are the main tools used to manage the Group's activities, in terms of both operational performance of the production units and financial performance. They are the result of the monthly data collation and consolidation process performed in a standardised manner.

This key management tool is intimately related to the production of monthly accounting statements at individual company and consolidated level; these processes contribute to the preparation of financial information. The Group's operational data is entered by the teams in charge of accounting at local level under the control of Accounts. The accounts data provisioning process is computerised and shared on a single and specifically regulated platform (restricted access).

The Group produces a consolidated monthly report for the principal legal entities included in the scope of consolidation (holding companies, companies carrying projects under construction and in operation). The monthly report is produced by the Accounts and Consolidation units via a standardised process (monthly allocations for quarterly or annual items such as insurance, rents, operating plant depreciation, GER and decommissioning provisions, etc.) which is subject to review by the Accounts unit. Under the responsibility of the Finance and Administration Division, extraction of the monthly balances of the main consolidated scope of companies produces the monthly report, which is subject to consistency checks carried out by the Management Control and Consolidation units.

Monthly checks are applied at several stages of the process in order to ensure that:

- intra-Group transactions are correctly eliminated,
- the main consolidation adjustments are consistent,
- the consolidated data is consistent with the budget approved by the Board of Directors,
- consolidated cash balances are verified via bank reconciliations (cash reporting).

The annual company and consolidated financial statements and interim consolidated financial statements are audited (in the case of the former) or revised (in the case of the latter) by the statutory

auditors and are produced via the same process in accordance with a detailed timetable communicated to the various stakeholders by the Finance and Administration Division.

Audit Committee

The role of the Audit Committee is described in detail in Section 16.4 of the Registration Document. This Committee notably reviews the Company's individual and consolidated financial statements

prepared on an annual and semi-annual basis prior to their approval by the Board of Directors, while ensuring the effectiveness of the financial data preparation process.

Role of the Statutory Auditors

The financial and accounting information from subsidiaries included within the scope of consolidation used in the preparation of the consolidated financial statements is subject to a limited review at half-year closing and to an audit at year-end closing by a panel of two independent Statutory Auditors. Within the framework of these procedures, the Finance and Administration Director and the legal representatives of all Group

entities provide the Statutory Auditors with a formal undertaking regarding the regularity, accuracy and faithfulness of the financial and accounting information for which they are responsible. Audit assignments are conducted locally by a Statutory Auditor who may or may not be a member of the Company's auditor panel. The financial statements of the subsidiaries are audited annually and then certified by the Statutory Auditors concerned.

A.2. Statutory Auditors' Report, prepared in compliance with Article L. 225-235 of the French Commercial Code, on the report prepared by the Chairman of the Board of Directors of Voltalia

To the Shareholders,

In our capacity as statutory auditors of VOLTALIA SA and in application of the provisions of Article L. 225-235 of the Commercial Code, we hereby present our report on the report drawn up by the Chairman of your company in compliance with the provisions of Article L. 225-37 of the Commercial Code for the financial year ended 31 December 2015.

It is the Chairman's responsibility to prepare and submit, for the Board of Directors' approval, a report on the internal control and risk management procedures implemented by the company and to provide the other information required under Article L. 225-37 of the French Commercial Code, notably relating to corporate governance.

Our role is to:

- report to you any observations raised by the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and
- certify that the report also includes further disclosures required under Article L. 225-37 of the French Commercial Code, it being specified that it is not our role to verify the fairness of this further information.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

Professional standards require that we perform the necessary due diligence procedures to assess the accuracy of the information relating to internal control and risk management procedures on the preparation and processing of the accounting and financial information in the Chairman's report.

This due diligence consists mainly of:

- examining the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and examining existing documentation;
- examining the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information, and identified by us during the course of our work, are properly disclosed in the Chairman's report.

On the basis of our work, we have no comment to make on the information relating to the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report by the Chairman of the Board of Directors prepared in accordance with Article L. 225-37 of the French Commercial Code.

Other information

We certify that the report prepared by the Chairman of the Board of Directors also contains the further information required under Article L. 225-37 of the French Commercial Code.

Paris and Courbevoie, 25 March 2016
The statutory auditors

H 3 P A U D I T & C O N S E I L

JEAN-BENOÎT MONNAIS

M A Z A R S

JULIETTE DECOUX

A.3. Report on social, environmental and societal information

Due to its new status as a listed company, the Company is required to publish a CSR (Corporate Social Responsibility) report. This report meets the new regulatory requirements in terms of communication of social and environmental information resulting from Law no. 2010-788 of 12 July 2010 on the national commitment to the

environment ("Grenelle 2" law) codified in Articles L. 225-102-1, R. 225-104 and R. 225-105 of the French Commercial Code. Its objective is to meet the requirements of the implementing decree on the transparency of company obligations regarding social, environmental and societal matters.

It consists of three distinct parts:

- Social information - Note 17.1
- Environmental information - Note 17.2
- Societal information - Note 17.3

At the time of drafting of this report, Voltalia lacked certain information covering the entire scope of the Group. The scope of this report will be extended in future publications.

A.3.1 Social information

Voltalia places its staff at the heart of its priorities. Since its performance depends on its personnel, the Group places utmost importance on structured personnel management and development that is consistent with the Group's strategy.

Having created a Group Human Resources Division in September 2014, Voltalia has pursued its structured policy of human resources management: in 2015 the Brazilian subsidiary recruited a human resources manager in order to supervise the rapidly expanding workforce.

A.3.1.1 *Employment*

Total workforce and breakdown of employees by gender, age and geographical region

The workforce numbers stated in this section take into account the number of employees on permanent contracts (CDI) and those on fixed-term contracts (CDD). They exclude fixed-term replacement contracts, temporary workers and trainees.

Present in France, French Guyana, Greece and Brazil, at 31 December 2015 Voltalia had 132 employees. The Company's workforce grew by 29.4% between 2014 and 2015. This increase is mainly a function of the number of employees in the French and Brazilian regions, which are recording the highest growth levels, and the creation of the Moroccan subsidiary.

At the end of 2015, Voltalia's total workforce was 32.6% female and 67.4% male.

Workforce numbers and trend by gender

Gender	2015		2014		Change
	Workforce	Proportion	Workforce	Proportion	
Women	43	33%	37	36%	+16.2%
Men	89	67%	65	64%	+36.9%
Total	132		102		+29.4%

Workforce numbers and trend by age

Age bracket	2015		2014		Change
	Workforce	Proportion	Workforce	Proportion	
20 to 29	27	20%	30	29%	-10%
30 to 39	67	51%	37	36%	+81%
40 to 49	24	18%	23	23%	+4.3%
50 to 58	13	10%	12	12%	+8.3%
60	1	1%			
Total	132		102		+29.4%

Half of the Group's workforce is between 30 and 39 years of age; the strong increase in this category can be explained to a large extent by the integration of the Brazilian teams within the scope, and underlines Voltalia's desire to recruit young but experienced profiles to accompany and structure its strong growth.

Workforce numbers and trend by geographical region

Geographical region	2015		2014		Change
	Workforce	Proportion	Workforce	Proportion	
France	48	36%	37	36%	+29.7%
French Guyana	13	10%	11	11%	+18.2%
Greece	9	7%	7	7%	+28.6%
Brazil	57	43%	47	46%	+21.3%
Morocco	5	4%	N/A	N/A	N/A
Total	132		102		+29.4%

In 2015, the Group reinforced its workforce in each of the regions in which it is present, most notably in France and in Brazil to support its strong growth and strengthen support teams.

A.3.1.2 *Recruitments and dismissals*

Movements by region

<i>Geographical region</i>	2015		2014	
	<i>Arrivals</i>	<i>Departures</i>	<i>Arrivals</i>	<i>Departures</i>
France	24	12	14	6
French Guyana	3	2	1	1
Greece	3	2	0	0
Brazil	20	10	20	6
Morocco	5	0	N/A	N/A
Total	55	26	35	13
<i>Change</i>	<i>x1.5</i>	<i>x2</i>		

In France, 20 people were recruited on permanent contracts in 2015, versus four on fixed-term contracts over the same period. The 12 departures recorded include the conclusion of six fixed-term contracts, the termination of two trial periods at the employer's initiative, two resignations and two negotiated departures.

In French Guyana one person was hired on a permanent contract (two recruitments on fixed-

term contracts); the two exits comprised one dismissal and one conclusion of a fixed-term contract.

In Brazil 19 persons were hired on permanent contract and one on fixed-term contract, while four employees resigned and six were dismissed.

In Greece three people were hired and two employees resigned.

A.3.1.3 *Remuneration figures and trends*

The Group develops its remuneration policy based on the conditions of the local labour market, on internal consistency and on applicable legislation. Voltalia therefore practices a remuneration policy that is consistent with individual responsibilities and

results, with the performance of the teams and the Group's financial results. The average gross monthly salary of Voltalia employees is stable: €4,548 in 2015 against €4,625 in 2014.

A.3.1.4 *Organisation of working time [*]*

Organisation of working time

At Voltalia's subsidiaries, work is organised within the framework of legal or contractual periods, which vary from one country to another. In 2015 the number of hours worked in France and French Guyana was 212,536.5.

The Group's production sites operate continuously; certain employees are required to work atypical working hours. At the French sites certain technicians are subject to on-call or joint on-call

periods. Depending on the circumstances, these on-call duties are remunerated on a monthly or weekly basis. In the event of an incident, when an alarm is triggered at a production site technicians may need to respond from their homes using remote maintenance techniques, or directly on site. The response time is paid as actual working time, including required travel time.

Absenteeism

In 2015, 570.6 days worked were recorded under absence in France, French Guyana and Brazil. In 2015 the absenteeism rate was 2.3%.

Days' absence and trend broken down by reason (number of days worked)

Reason	2015		2014	
	France + French Guyana	Brazil	France + French Guyana	Brazil
Illness	150	13	323	N/A
Workplace accident	246	0	26	N/A
Family events	23.6	0	29	N/A
Maternity/paternity	124	13	114	N/A
Parental leave	0	1	38	N/A
Total	543.6	27	530	N/A

In 2014 the absenteeism rate principally increased due to one case of part-time hours for health reasons. In 2015 this part-time post became total cessation of activity and was requalified as a workplace accident. It accounts for 211 hours of the 246 hours stated above.

A.3.1.5 *Labour relations* [*]

Organisation of employee dialogue

Voltalia strives to sustain respectful and constructive labour relations for the benefit of its employees. At Voltalia SA level, two personnel representatives are responsible for representing and defending the interests of employees to management. The Group currently has only one personnel representative following the departure of one of the two delegates and the lack of candidates at the subsequent elections.

Following the work carried out by Voltalia in 2014 on its values, in 2015 the Group continued to analyse its mission by including all employees in the process. At the anniversary seminar organised in November, for example, employees were given the opportunity to portray the Group's values by writing, shooting and producing short films.

Review of collective bargaining agreements

Only Voltalia SA (more than 20 employees) is subject to the obligation to have employee

representative bodies. No collective bargaining agreement has been signed. Executive-grade

employees of French companies are bound by the *Convention collective nationale des ingénieurs et cadres de la métallurgie* (collective bargaining agreement for executives and engineers in the metallurgy industries). Non-executive grade employees are covered by regional versions of the *Convention collective des ouvriers employés techniciens agents de maîtrise de la métallurgie* (collective bargaining agreement for non-executive grades in the metallurgy industries).

Voltalia do Brasil (VDB) signed a collective bargaining agreement in September 2015 with the Brazilian energy trades' union. The main provisions include: a salary adjustment, an undertaking to provide employees with health and dental insurance cover and actions aimed at promoting the development of employees within the company (training, career planning, bonus system).

A.3.1.6 *Health and safety* [*]

Workplace health and safety conditions

The prevention of occupational risks and issues associated with health and safety at work are of central concern at all of the Group's sites. Having organised multiple training and awareness sessions at its subsidiaries in 2014, in 2015 Voltalia reinforced its HSE policy.

In the second half of 2015 an HSE audit was carried out covering all Group activities (development, construction, operations, O&M, support). Its findings will enable its health and safety policy to be improved Group-wide from 2016 onwards.

Construction:

In 2015, Voltalia implemented a number of initiatives designed to improve the health and safety of employees working on the construction sites in Brazil. Standard regulations covering HSE procedures to be complied with at all construction sites were drafted and have now been implemented. In addition to employees, subcontractors are also obliged to comply with the HSE regulations; compliance with this plan is an integral part of the contract signed between the Group and the subcontractor and any failure to meet this obligation exposes the contracting party to financial penalties.

These measures have been applied at the São Miguel do Gostoso, Vamcruz and Oiapoque sites and are currently being applied at the Vila Pará site. These standards will be reviewed and further enhanced in 2016, and subsequently deployed at all new construction sites.

In 2015 the indicators monitoring construction site workplace accidents in Brazil were extended to subcontractors and are monitored on a monthly basis.

Operations:

At all operating sites, employees are reminded about mandatory health and safety instructions during weekly meetings.

Employees not based at construction or operating sites:

New recruits are requested to provide contact information for a person who can respond quickly in the event of unexpected absence or a problem at the workplace. An assistance programme has also been set up for the protection of personnel required to travel abroad.

Review of agreements signed with unions or personnel representatives regarding health and safety at the workplace

No agreement was signed with respect to health and safety at the workplace in 2015. However, as explained above, multiple initiatives have been deployed at Voltalia's subsidiaries in order to maintain employees' health and safety.

On each site, an Audit Unit is responsible for ensuring workers' health and safety. During the

upstream phase of the project, a joint site inspection is carried out by the Audit Unit and the company in question. Health and safety rules are then defined, and compliance is verified by the Audit Unit throughout the duration of the work.

Work accidents, notably frequency and severity, and occupational illnesses

The monitoring of workplace accidents was introduced in 2014 for France and French Guyana and extended to Brazil in 2015. The Group outsources the construction of its power plants; subcontractor workplace accidents are therefore not recorded in this report. Voltalia has also extended its HSE policy to all contractors at its construction sites.

In total, three workplace accidents were recorded in France and three workplace accidents in French Guyana. The frequency rate for this population in

2015 was 28.64 (a high rate due to the small reference population), with a severity rate of 2.35. The latter can be explained by one case of sick leave lasting almost the entire year.

At Group level the frequency rate was 14.12 and the severity rate 1.16 (see methodology in 4.2). No occupational illnesses were reported.

In 2015, the monitoring of workplace accidents at construction sites in Brazil was extended to subcontractors working during the construction phase.

A.3.1.7 *Training*

Training policies implemented

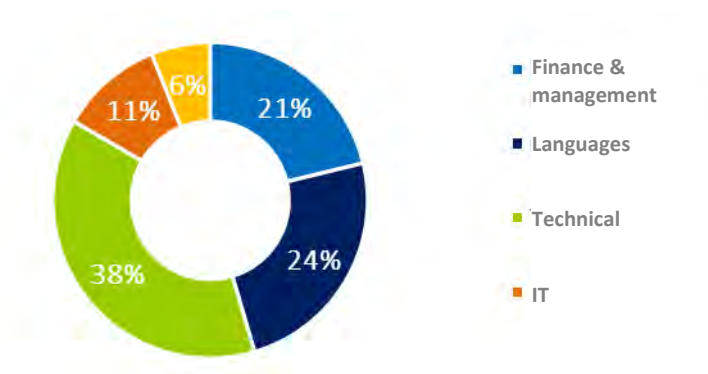
Voltalia believes that the professional and personal development of each employee is an essential prerequisite for its growth. The annual performance review is an opportunity for each employee to review their training requirements in the light of their past performance against set objectives. The career development review, which complements the annual performance review, was introduced in 2015 in France, in compliance with the provisions of training reform legislation (Law no. 2014-288,

Article L.6315-1). As this approach meets Voltalia's objective of encouraging intra-Group development, it enables Human Resources to offer employees training courses adapted to their performance and to their professional and personal aspirations.

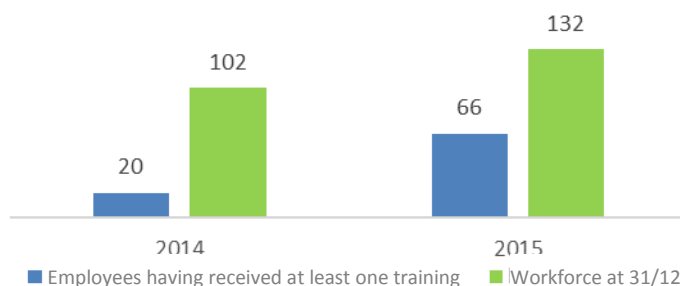
In 2015, Voltalia set itself the objective of increasing the number of people receiving training in order to promote the professional and personal development of a larger number of employees.

Total number of training hours

In 2015, some 2,388 hours were dedicated to training Voltalia's employees. Languages and technical topics accounted for half of the training sessions given:



Foreign language training (English and French) introduced in France and Brazil in 2014 was continued in 2015; these courses are partly designed to enhance inter-team communication. Additional courses in Portuguese will be introduced in 2016.



Number of training hours in 2015 by category

In 2015, 66 Group employees benefited from at least one training course, compared with 20 in 2014, tripling of the number of courses and increasing the percentage of employees receiving training.

Category	Number of hours	Proportion
Finance & management	802	34%
Languages	651	27%
Technical	572	24%
IT	274	11%
Personal development	89	4%
Total	2,388	100%

A.3.1.8 *Equality of treatment*

Measures taken to promote gender equality

Gender equality is a high-profile issue at Voltalia. The Group is committed to advancing diversity in its workforce. Between 2014 and 2015 the percentage of women among new recruits decreased slightly from 42% to 31%. This is partially due to the over-

representation of male candidates for technician or engineer positions.

The proportion of female executive grade staff nevertheless increased to almost one-third.

Gender equality

	2015	2014
Percentage of women in the total workforce	33%	32%
Percentage of female executive grade staff	28%	19%
Percentage of women among new recruits	30.9%	42%

Measures taken to favour the employment and inclusion of the disabled

In order to compensate for the low number of disabled candidates applying for Group vacancies, Voltalia has decided to instigate a programme of outsourcing services to companies in the protected

and adapted sectors. Voltalia SA will transfer part of the training tax calculated for 2015 to a training association for the disabled.

Anti-discrimination policy

Voltalia is committed to combating all forms of discrimination and sees diversity as a source of dynamism and creativity - competitive assets it will require to support its development. The Company strives to promote the integration of young people

and older workers into the labour market. In 2015 the Company recruited three of its trainees on permanent contracts, two in Brazil and one in France.

	2015	2014
20-29	20%	29%
50-59	10%	12%
60	1%	N/A
Total workforce	132	102

A.3.1.10 *Promotion and compliance with the provisions of conventions*

Respect for the freedom of association and the right to collective bargaining

As mentioned in Section A.3.1.5 of this document, Voltalia strives to sustain respectful and constructive labour relations for the benefit of its employees.

At its registered office in Paris, one delegate is responsible for representing and defending the interests of employees to management.

Elimination of discrimination in employment and occupation

Voltalia encourages diversity and equity in employment and occupation. The Company offers equal employment opportunities without discrimination based on age, sex, sexual orientation, disability, race, religion, citizenship, marital status, family status, country of origin or other factors, in accordance with the laws and regulations of each country in which it operates.

Eradication of forced or compulsory labour

Voltalia condemns forced or compulsory labour, and such labour is not used in any of its activities. In this regard, the Company complies with all laws that apply in the countries in which it operates.

Abolition of child labour

Voltalia does not employ children, and no children work in any of its operations. In this regard, the Company complies with all laws that apply in the countries in which it operates.

A.3.2 Environmental information

A.3.2.1 *General environmental policy*

Organisation of the Company to take into account environmental issues and, as required, environmental assessment and certification requirements

Over and above the production of electricity from renewable energy, Voltalia places its activities within a much broader framework. As defined by its employees, the Group's mission consists of improving the global environment while promoting local development. This mission was formulated during a process involving all employees in 2014. The employees revealed that Voltalia was content not only to minimise its negative impact on the environment but that, by developing renewable energies, the Company participated in combating

global warming by contributing to the reduction of greenhouse gas emissions. The sources of renewable energy used by the Group for the production of electricity are flow energies emitting very little CO₂, contrary to fossil resources which are available in limited quantities across the planet and emit particularly high levels of CO₂.

The Oiapoque project in particular illustrates this mission and Voltalia's undertaking to promote access to clean energy in isolated and complex environments. In 2014 Voltalia won a 15-year

contract to supply Oiapoque, a remote Brazilian town of 23,000 inhabitants not connected to the national power grid. By proposing a hybrid solution combining a hydropower plant with a thermal unit,

the new facility will enable 85% of the greenhouse gas emissions of the previous facility to be eliminated.

Training and environmental awareness

For Voltalia's technicians, training and environmental awareness are an integral part of the programme of meetings held at the sites. At these meetings, regulatory obligations and the required action plans are discussed with employees.

Environmental awareness sessions are also provided by external organisations during on-site audits. These audits are designed to help Voltalia's subsidiaries improve the monitoring of their installations' compliance with environmental regulations. Topics covered during these audits

include waste management, atmospheric emissions, analysis of discharged ash and liquid discharges.

Finally, in addition to the employees working on construction sites, Voltalia raises the awareness of all other employees regarding the preservation of the environment. For example, convinced that every little effort counts, the Group took advantage of the COP21 being held in Paris to issue its employees with phone app suggestions aimed at adopting behaviour more respectful of the environment on a day-to-day basis.

Prevention of environmental risk and pollution

The Group's business of renewable energy production is not likely to generate significant environmental risks or substantial pollution. Nevertheless, due to its commitment and in order to meet the applicable regulatory requirements in the countries in which it operates, Voltalia ensures that it adopts a proactive approach in the

prevention of environmental risks and pollution by taking as much action as possible upstream of the commissioning of its power plants, such as environmental impact studies, waste monitoring programmes during the construction and operation phases and the monitoring of atmospheric emissions.

Provisions and guarantees for environmental risks

In France, "ICPE" regulations require the provision of financial guarantees of €50,000 per wind plant and €30,000 per installed megawatt for certain solar plants. At the date of the Registration Document, and notably following implementation of ICPE regulations for wind farms, the rehabilitation and dismantling costs at wind and solar sites are covered by provision in the financial statements as at 31/12/2015 in the amount of 1,244 thousand euros. This provision is included in the overall cost of planned projects. It should be noted, however, that in view of the known elements and the work undertaken by the Group, it is estimated that the cost of rehabilitating and dismantling sites currently

in operation could be covered by the proceeds from the sale of equipment.

For its French solar projects, the Group's leases include a commitment to dismantle and rehabilitate the land it rents.

The future photovoltaic projects developed by the Group in France will provide for a solar panel recycling system in accordance with the transposition into French law of the European WEEE Directive 2002/96/EC covering electrical and electronic equipment waste. This provision does not call on the Company to make particular provisions.

Prevention, reduction and remediation of emissions into the air, water and soil

Total emissions into the air, water and soil are monitored by Voltalia technicians in charge of operating the plants and by the competent authorities. This monitoring helps to anticipate risk and to implement all necessary measures to avoid or minimise accidental pollution during the construction phase.

Water discharges relate only to biomass plants. The water discharged from these plants is treated in a hydrocarbon separator before being routed to the local waste water system. In France, such discharges are monitored on a daily basis by a report that is also forwarded to DREAL, the environmental,

planning and housing authority. The biomass power plants also produce ash that is removed by an external service provider.

With installed power of less than 10 MW thermal, Voltalia's biomass power plants are not subject to the obligation of annual analysis of atmospheric emissions imposed by French law. Detailed controls and investigations are carried out at the request of DREAL. In 2015 the competent authorities did not carry out any control tests on the Group's biomass plants. However, Voltalia fits sensors to its biomass plants and monitors combustion and emissions on an ongoing basis in order to optimise production.

Waste management and recycling

The ash discharges are regularly shipped to one of Voltalia's service providers in Germany. Depending on the pollutant levels measured, they are then reprocessed and used in agriculture. In French Guyana, regulations allow it to be sprayed on agricultural land. Consequently, the ash discharged by Voltalia plants in this region is systematically sprayed on land by local farmers.

The other main waste products produced by Voltalia plants are used oils, soiled materials and rags and maintenance parts. Voltalia makes every effort on an ongoing basis to limit the production of this waste, to sort it, to ensure traceability using waste

monitoring vouchers and, finally, to recycle it into resources.

Throughout the life cycle of a project, each business unit is responsible for its own waste (i.e. participating companies, subcontractors and suppliers). Subcontractors are contractually obliged to manage their waste throughout the service period. In this regard, Voltalia may demand their waste monitoring vouchers in order to ensure it is correctly managed.

Noise pollution

Committed to the efficient integration of its power plants into the local environment, the Group pays particular attention to noise pollution from its wind farms.

In France, Voltalia complies with the various regulations (such as planning restrictions and ICPE regulations) combating noise pollution and pollution of any type that may disrupt the lives of local residents and local populations. The applicable regulations mainly concern the new wind farms. Such farms must notably be located at a minimum distance from homes, in addition to meeting a variety of noise standards. Consequently, starting

from the design phase of its wind farms, Voltalia now defines protection areas and undertakes acoustic studies to determine the measures to be put in place in order to minimise noise pollution, as was the case for the Molinons wind farm (France). During the commissioning of its new wind farms, the Company also carries out compliance measurements that it submits to the public authorities.

In addition, for those of Voltalia's wind farms in service before the entry into force of new regulations, noise level measurements have been taken under the ICPE standard NFS 31-114. These

studies confirmed that the Group's wind farms already complied with the new acoustic limits, including neighbourhood noise, in addition to the existing ICPE standards.

In Brazil the Group's approach is similar to that applied in France: wind farms are located in

sparsely-populated areas and at least 500 metres from homes in line with good practice. Preliminary studies carried out by Volitalia for the construction of its wind farms in Brazil include a protection perimeter and acoustic measurements taken before and after construction to verify the absence of any significant impact.

A.3.2.3 *Sustainable use of resources*

Volitalia's concern to minimise as far as possible its environmental impact leads it to seek the best solutions to minimise and optimise its use of natural resources. The Group is therefore committed not

only to complying with applicable environmental regulations but also to enhancing its impact reduction systems.

Water consumption and water supply depending on local constraints

Industrial water consumption only concerns the biomass business, i.e. 2.4% of the Group's installed capacity at 31 December 2015.

At the power plants in operation, consumption is monitored on a daily basis to detect any leakage likely to cause excessive consumption.

In 2015 water consumption from biomass plants was 9,279 m³.

In the context of developing biomass projects, the parameters for optimising water consumption and reusing water are integrated into site design.

Consumption of raw materials and measures to improve efficient use

The consumption of industrial commodities relates only to biomass plants. The main raw materials used in these plants are wood waste, such as sawdust and pallets. In 2015 the Group consumed 25,375,540 kilogrammes of wood in the operation of its biomass plants.

Every year the power plants shut down for two to three weeks for maintenance and servicing. In addition to the ongoing control of plant hydrometry and combustion, these operations are an

opportunity to further improve processes in order to optimise and manage wood waste consumption.

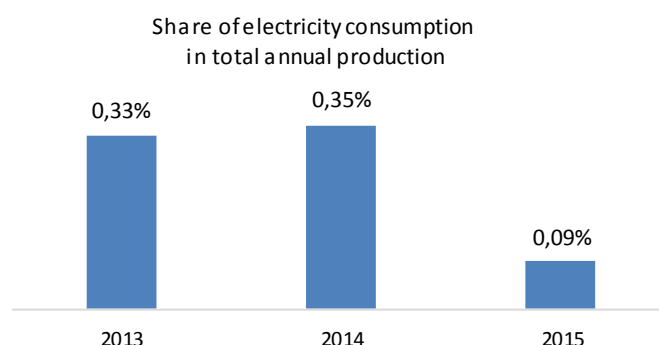
Based on the rationale of a circular economy, the majority of the fuel used by the Bio-Bar plant in France originates from the recovery of waste wood from a local furniture manufacturer. The heat produced is then sold in part to the furniture maker to heat the premises of its production unit and to dry its paints and varnishes.

Energy consumption, measures to improve energy efficiency and use of renewable energy

Volitalia's power plants generally operate in self-production mode, where the energy required for their operation is drawn from production. The additional electricity consumption corresponds to the plants' shutdown periods. In 2015 the Group

increased its electricity production five-fold while consumption only rose by a factor of 1.5, which explains the reduction in the ratio between 2014 and 2015.

In 2015 the Group consumed 592.36 MWh, compared with 406.94 MWh in 2014.



Land use

The question of the use of land is particularly relevant for the installation of ground-based solar panels.

In France, during the panel installation design phase, Voltalia ensures that the use of land is minimised. The Group ensures that panels are selected offering a good surface yield and plan the layout of supporting structures that optimise the surface area used. For example, the CRE III call for tenders included a criterion relating to using abandoned land; Voltalia therefore paid particular attention to the land it selected by choosing to rehabilitate an old quarry which had ceased operations in 2000.

In Brazil, any wind, solar or small hydropower production infrastructure is subject to two constraints: firstly, the legal requirement to preserve untouched land (between 30% and 90% of the land depending on the state and the owner), and the Permanent Protection Areas (APP), which make it obligatory to respect a distance between the site and an area to be preserved. In compliance with local Brazilian requirements, the Group also ensures that a minimum of land is cleared and replants the areas cleared for site construction purposes only. In this respect Voltalia systematically replants temporarily cleared areas; in the event of the land being cleared permanently, the Group replants in another area in order to compensate for the damage to the site used.

A.3.2.4 *Climate change*

The production of renewable electricity contributes to a large extent to combating climate change since it contributes to the reduction of greenhouse gases and aims to reduce the use of fossil resources (coal, gas, diesel). Only the operation of biomass power plants is likely to have an impact on the climate due to atmospheric emissions from the burning of waste

wood. At 31 December 2015, these power plants accounted for 2.4% of the Group's installed capacity.

The Group's efforts are principally focused on reducing its CO₂ emissions and on adapting its infrastructure to the consequences of climate change.

Greenhouse gas emissions

Because it produces green energy, Voltalia helps reduce greenhouse gas emissions. Yet the fact remains that Voltalia emits greenhouse gases resulting from the business trips made by its employees.

Business travel

Voltalia measures CO₂ generated by its employees' business trips. In 2015 these emissions increased to 310,803 kg of CO₂ for France, Brazil and Greece.

Recognising the effects of increased greenhouse gases on climate change, Voltalia seeks to control and reduce its CO2 emissions on an ongoing basis. Employees are notably encouraged to restrict their journeys by car and, wherever possible, to opt for

public or shared transport, such as trains and carpooling. No parking is available to employees at Voltalia's head office: all employees come to the office by public transport, by bike or on foot.

Adaptation to the impact of climate change

Voltalia incorporates measures into its projects in order to adapt to the consequences of climate change, such as extreme weather conditions.

All the wind turbines used by the company are designed to withstand high winds. In order to prevent the risk of rising water, hydropower plants are rated to cope with exceptional floods. The

biomass power plants incorporate the adaptation measures imposed by the regulations of the building code and related ICPE regulations. The solar panels used by Voltalia are certified to IEC 61215: this standard certifies their resistance to changing meteorological conditions (moisture, hail, frost), and particular attention is paid to installation in order to guarantee resistance in the event of violent winds.

A.3.2.5 *Protection of biodiversity*

Measures taken to preserve or develop biodiversity

Voltalia's activities operate over long cycles and directly impact the natural environment. In order to ensure its preservation, the Group vigilantly applies regulations requiring biodiversity to be taken into account, incorporating such factors from the project design phase. Specific studies on the local environment are therefore an integral part of the project validation process, including:

- plant and wildlife studies;
- bird studies;
- bat studies;
- reptile and amphibian studies;
- insect studies.

Thanks to these upstream studies, Voltalia applies the principles of the "avoid, reduce, compensate" approach. Action implemented to prevent and reduce impact on the natural environment and measures to offset the impact of waste are analysed and implemented in partnership with the main

stakeholders, notably in terms of the project, site, species and ecosystems concerned.

Offsetting measures implemented during the construction and operational phases of Voltalia's projects can take many forms, including:

- prohibiting the movement of construction vehicles within certain protected areas;
- demarcation and physical protection for certain sensitive species;
- periods of prohibition on construction works in order to respect nesting and/or reproductive periods;
- replanting hedgerows to create ecological corridors;
- installing permeable fences for species with low dispersal capabilities;
- creation of fallow land to open hunting areas favourable to the species;
- scientific monitoring of habitats or protected species.

The biodiversity protection measures are regularly monitored by the competent authorities in both France and Brazil.

A.3.3 Societal information

Wherever it is present, Voltalia commits to constructing sustainable relationships with its partners from civil society. To this end, the Group maintains regular dialogue with stakeholders, seeks to raise awareness about sustainable development and offers its support for various socio-economical initiatives.

A.3.3.1 *Local, economic and social impact* [*]

Regional employment and development

Voltalia employs personnel in each country where the Group develops new power plants, thereby contributing to creating local jobs of high value.

During the development phase of its projects, Voltalia generally works in partnership with local design offices, architects and environmental experts. At every one of its construction sites Voltalia prioritises local suppliers and service providers, all other things being equal. For the maintenance and operation of its wind and solar parks, Voltalia generally hires people from surrounding regions.

For example, at the site of the La Faye wind farm in France, local farmers are engaged to cut the grass and plough land adjacent to access roads. In Brazil, in order to prioritise the hiring of local labour at construction sites, Voltalia forwards recruitment instructions to the construction and assembly companies with which it works. The construction of the Areia Branca site therefore generated approximately 80 local jobs.

Local populations

Considering the nature of its activities, Voltalia plays a leading role in supplying energy to the regions in which it operates, thereby contributing to their development. In total in 2016, the Group is set to supply green electricity to almost three million consumers²¹ spread across the geographical areas in which it is present.

Voltalia also contributes to the efforts of French local government in the area of energy transition, helping the various authorities to achieve their renewable energy development targets.

In Brazil, Voltalia plays a decisive role in the day-to-day lives of the surrounding populations by

promoting the creation of a sustainable local economy, not only thanks to the activities generated by the construction sites and by the operation of the power plants, but also by developing sustainable access to clean energy.

The Group also illustrates its commitment to enhance the environment while promoting local development thanks to projects such as the Oiapoque project, the mixed power plant supplying electricity to a town not connected to the national electricity grid.

The Oiapoque mixed power plant project is composed of a diesel-fired thermal power plant of 12 MW and a hydroelectric power plant of 7.5 MW. The commissioning of the thermal part, completed

²¹ Calculation base using 2015 production data plus a full year of production of the SMG power plant and Vamcruz production on a pro rata basis at the Areia Branca site.

in October 2015, was requested by the client in November 2015.

The hydropower unit will be commissioned by 2021.

This project aims to provide the entire electricity consumption of the town of Oiapoque (approximately 23,000 inhabitants) over the next 15 years. It is the result of the tender won by Valtalia in Q4 2014 held by the CEA (Companhia de Electricidade do Amapa) under the supervision of

ANEEL, the Brazilian regulatory agency. Valtalia set itself apart by being the only competitor to propose renewable energy.

Oiapoque is an isolated site not connected to the Brazilian national grid; until now all electricity consumed by the town was produced using diesel generators. Cleaner, the new facility will enable greenhouse gases to be reduced by at least 85% thanks to the new hydroelectric power station located on the Oiapoque river.

A.3.3.2 *Relations with stakeholders* [*]

Dialogue with stakeholders [**]

Wherever Valtalia is present, the establishment of durable relationships with stakeholders based on mutual trust is central to priorities. The stakeholders concerned by the Group's power plants cover a broad spectrum:

- local authorities;
- landowners;
- local populations;
- appraisal bodies;
- environmental protection associations;
- electricity distribution networks;
- employees;
- suppliers;
- service providers;
- design offices;
- local administrations and institutions;
- investors.

Group initiatives to establish dialogue are designed to listen to and understand the expectations of the interested parties in order to propose solutions that satisfy all parties. This approach enables the project and its challenges to be better understood by all parties involved and requires significant work disseminating information from the initial development phases through to construction and operation.

In France, the information phase takes the form of open days with schools, site visits for local associations and one or more public meetings with local residents in order to discuss the issues.

In addition to informing stakeholders, the Valtalia teams in Brazil implement important socio-economic development initiatives within the framework of each of their projects. These initiatives, detailed below, contribute to establishing durable relationships based on trust between the

Group and the local communities. At the Vamcruz site, the Group has developed well-drilling and water desalination projects to facilitate access to water in this notoriously arid area, as well as fish farming projects. These actions help to create a sustainable local economy for populations of modest means. Valtalia also implements community-based initiatives. For example, when constructing the São Miguel do Gostoso wind farm, Valtalia organised cooking classes for the inhabitants, several school events (tennis, football) and contributed to the enhancement of the local health service by purchasing an ultrasound scanner for the rural clinic.

Valtalia also actively promotes renewable energies. In France, Valtalia leads initiatives in the field of photovoltaic solar via a number of professional networks. This enables the company to offer its expertise and work hand-in-hand with the various

players in the sector to ensure the long-term development of solar energy, in France and subsequently abroad. Voltalia is particularly active in

SOLER and ENERPLAN, two of France's professional associations for the solar energy sector.

Partnership and sponsorship activities

Voltalia makes every effort to establish deep and sustainable roots within the communities with which it collaborates. The Company is therefore active in the economic and social development of the regions in which it is present and adapts its contribution to the individual context.

Initiatives in countries where Voltalia has a presence

In France, every year since 2009 Voltalia has participated in the Bol d'Air Barbenais race. Over and above its financial contribution, Voltalia team members take part in the race and share this sporting event with all participants. Since 2012 the Group has also sponsored classical music and opera alongside Castellet town council.

Voltalia is also active in the economic and social development of the communities hosting its power plants in Brazil. The Brazilian subsidiary has therefore established a department devoted to social projects accompanying the development and operation of the power plants. In exchange for its participation in the financing of a project, the BNDES (Brazilian development bank) requires the company to devote 1% of the sum allotted to social projects. To ensure maximum pertinence of the initiatives, the requirements of the local populations are gathered via questionnaire, through which they are able to express the difficulties they encounter on a daily basis. The Brazilian institutions then determine the themes on which Voltalia's social initiatives are to be focused (access to water, education, training, etc.).

Partnerships

To complement its commitments on the ground, in 2014 Voltalia signed a partnership agreement with the WWF with the objective of supporting the development of renewable energy. The commencement of this partnership was marked by

These initiatives cover multiple fields:

Sanitary conditions

As part of the planned wind farm in the municipality of Areia Branca, Voltalia has invested almost €930,000 (three million Brazilian *reals*) towards the construction of a drinking water supply station for areas around the site. The station will also be used for fish farming operations and local plantations.

Cultural activities

In Brazil between 2014 and 2015, the Group implemented several initiatives in support of culture, notably cinema and opera. In the municipality of São Miguel do Gostoso, Voltalia lent its support to an open-air cinema festival. These initiatives complement the company's commitment and financial support to protect the reproduction beaches of sea turtles.

Health

In 2016 Voltalia and the BNDES, the Brazilian national development bank, will subsidise almost 500 operations for young children suffering from a cleft lip or palate.

a unique event: Voltalia inscribed the 2015 WWF slogan "Seize Your Power" on the top of the nacelles of its Areia Branca wind farm in Brazil, in 10-metre high letters visible from the sky.

A.3.3.3 *Subcontracting and suppliers* [*]

Incorporation of social and environmental issues within the Company's purchasing policy

Voltalia makes every effort to run its business in a sustainable, ethical and responsible manner; in 2015, therefore, the Group introduced standard HSE rules to be complied with at all construction sites. Compliance with these rules is an integral part of new contracts signed by the Group and its suppliers and subcontractors. Any failure to comply with this obligation exposes the contracting party to financial penalties.

These measures have been applied at the São Miguel do Gostoso, Oiapoque and Vamcruz construction sites and are currently being applied at the Vilá Para site.

In order to strengthen its approach, the Group intends to improve these standards even further in 2016, after which they will be rolled out at all its new sites. Currently applied to construction sites in

Brazil, it is planned to extend these measures to all Group activities.

Importance of subcontracting and integration of social and environmental responsibility within supplier and subcontractor relationships

Voltalia takes health, safety and environmental (HSE) criteria into account in the selection of its suppliers. Voltalia requires some suppliers to complete carbon assessments in addition to providing information on their innovation policy and on the performance of the technologies they use. In

addition to the measures detailed in paragraph 3.3.1, subcontractors are responsible for collecting and managing their own waste. Waste management clauses are therefore generally included in construction and maintenance contracts.

A.3.3.4 *Fair practices*

The Group and its staff are committed to going beyond regulatory requirements in terms of combating corruption. Since integrity and transparency have been identified as two values

with which Voltalia's employees associate themselves, their work ethic contributes to making the Group a trusted partner.

Anti-corruption initiatives

The Company strives to promote rules of conduct among its employees to ensure that business ethics are respected on a day-to-day basis throughout its subsidiaries. To this end, all Voltalia do Brasil employees (43% of the total workforce at 31 December 2015) signed a code of ethics in November 2015. The Group's employees based in Brazil received a day's training on the topics

developed in the document (transparency, conflicts of interests, non-discrimination, collective responsibility, equality of treatment, corruption, etc.). The partners and suppliers of Voltalia in Brazil are encouraged to sign the code of ethics in order to establish the foundations for transparent collaboration. This approach is to be extended to the other Group subsidiaries.

Consumer safety measures

Safety is a central concern for the Group. Before wind farms are commissioned, hazard studies are carried out by Voltalia's teams to evaluate the risk of accidents for the surrounding populations. Means of prevention and crisis management plans have been put in place for each risk identified (e.g.

collapse of a wind turbine, fire, etc.). In France for example, information signs stating the safety measures to be observed in order to prevent accidents have been placed along the roads leading to the plants.

Human rights initiatives

For Voltalia, the respect for and protection of human rights is an ethical and business imperative. Protecting the rights of all persons in connection with the Company, whether they are its employees, customers, suppliers' employees or members of its community, enables it to be acknowledged as a responsible, transparent and, therefore, reliable partner.

This policy enables the Group to attract and keep the best talent and to retain the best business partners.

Voltalia therefore strives to promote respect for human rights among its employees and all its stakeholders on a day-to-day basis.

A.3.4 Note on methodology

The social, environmental and societal reporting process at Valtalia is carried out pursuant to the provisions of Articles L. 225-102-1, R. 225-104, and R. 225-105 of the French Commercial Code.

A.3.4.1 *SCOPE*

The social, environmental and societal disclosures in this report concern the consolidated perimeter of Valtalia, in accordance with the requirements of Decree no. 2012-557 of 24 April 2012 covering transparency obligations in social and environmental matters.

Committed to a process of continuous improvement, Valtalia structured its non-financial reporting process for FY 2015 in order to extend the scope of publication for social, societal and environmental information in comparison with FY 2014. For the purposes of exhaustiveness and pertinence, the Group firstly extended its scope of environmental reporting to Brazil, as this is where all

the sites under construction and the year's main developments are concentrated.

- All of the social and societal information covers 100% of the scope, with the exception of certain social and societal information identified by asterisk [*], which covers only France, French Guyana and Brazil, accounting for 89% of the workforce;
- All of the environmental information only covers the power plants located in France, French Guyana and Brazil, covering 98.8% of the Group's installed capacity at 31 December 2015.

A.3.4.2 *METHODOLOGICAL LIMITATIONS AND CLARIFICATION*

The methodologies used for certain social, environmental and societal indicators may have limits due to:

- variations in definitions between France and other countries. Valtalia continuously seeks to harmonise its reporting;
- particularities of social legislation in Greece and Brazil;
- changes in definition that could affect comparability;
- information gathering and recording methods.

Employees taken into consideration within the social indicators published are those with permanent contracts (CDI) and fixed-term contracts (CDD), excluding apprenticeship contracts, fixed-term replacement contracts, temporary staff and trainees.

An error in the 2014 headcount has been identified (the Valtalia workforce in Greece at the end of 2014 included one more person than the data published in the Group's various publications). Checks have been reinforced this year to avoid any repeat of this type of error.

The absenteeism rate was calculated by dividing the total number of hours of absence by the total number of theoretical hours worked over the year. Employees taken into consideration are those with permanent contracts and fixed-term contracts, excluding apprenticeship contracts, fixed-term replacement contracts, temporary staff and trainees.

The workplace accident severity rate was calculated by multiplying the total number of days of lost work following an industrial accident by 1,000, and then dividing the result by the total number of actual hours worked during the year.

The workplace accident frequency rate was calculated by multiplying the total number of workplace accidents (followed by sick leave) by 1,000,000, and then dividing the result by the total number of actual hours worked during the year.

Travel accidents are not included in the calculation of the severity and frequency rates.

Water and electricity consumption is calculated on a rolling 12-month basis from December 2014 to November 2015.

Voltalia has seven facilities classified for the protection of the environment (ICPE) in France and

French Guyana. These sites are included in the scope of Voltalia Group reports.

It has not been possible to record the CO₂ emissions generated by the business travel of the Moroccan operating entities in 2015. The scope of this indicator concerns only the operating entities in France, French Guyana, Greece and Brazil.

A.3.4.3 *CONSOLIDATION AND INTERNAL CONTROL*

The 2015 data and indicators were used and consolidated by Human Resources, the local teams, the various Group divisions and the General Secretariat.

Voltalia also engaged a third-party organisation to verify the inclusion and faithfulness of the information contained in this report.

A.4. Report of the independent third-party organisation on the consolidated social, environmental and societal information contained in the management report

To the Shareholders,

In our capacity as an independent third-party organisation, member of the Mazars network, statutory auditors of the Voltalia Group and accredited by COFRAC under the number 3-1058²², we hereby present you with our report on the consolidated social, environmental and societal information presented in the management report prepared for the year ended 31 December 2015 (hereinafter the "CSR Information"), pursuant to Article L.225-102-1 of the French Commercial Code.

²² Scope available on the website www.cofrac.fr

Responsibility of the Company

The Board of Directors is responsible for preparing a management report, including the CSR Information provided for under Article R. 225-105-1 of the French Commercial Code, prepared in accordance with the guidelines used by the Company

(hereinafter the "Guidelines"), which are summarised in the management report and are available on request from the Company's registered office.

Independence and quality control

Our independence is defined by regulatory requirements, by the code of ethics of the profession and by the provisions of Article L. 822-11 of the French Commercial Code. Furthermore, we have introduced a quality control system including

documented policies and procedures in order to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the Independent Third-party Organisation

It is our role, based on our work:

- to certify whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Certification of the presence of CSR Information);
- to express a conclusion of reasonable assurance whether, taken as a whole, the CSR Information is presented faithfully, in all material aspects, in accordance with the adopted Guidelines (reasoned opinion on the faithfulness of the CSR Information);

Our work was carried out by a team of three persons between January and February and lasted approximately two weeks.

We conducted the work described below in accordance with the professional standards applicable in France and the ministerial order of 13 May 2013 determining the conditions under which an independent third-party organisation conducts its mission and, in relation to the reasoned opinion of faithfulness, in accordance with the international standard ISAE 3000²³.

²³ ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

I - Certification of presence of CSR Information

Based on interviews with the management of the relevant divisions, we obtained an understanding of the strategy on sustainable development based on the social and environmental consequences linked to the activities of the Company and to its societal commitments and, where applicable, to the resulting actions or programmes.

We have compared the CSR Information with the list provided for under Article R. 225-105-1 of the French Commercial Code.

In the event of the absence of certain consolidated information, we have verified that explanations have been provided in accordance with the provisions of Article R. 225-105, paragraph 3, of the French Commercial Code.

We have verified that the CSR Information covered the consolidated scope, i.e. the company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code, subject to the limitations set out in the note on methodology presented in the "social, environmental and societal information" section of the management report.

Based on this work, and given the limitations mentioned above, we confirm the presence in the management report of the required CSR information.

II - Reasoned opinion on the faithfulness of the CSR Information

Nature and scope of the work

We held six interviews with the people responsible for the preparation of the CSR Information employed by the departments responsible for the process of gathering the information and, where applicable, the people responsible for internal control procedures and risk management, in order to:

- assess the suitability of the Guidelines in relation to their relevance, completeness,

reliability, neutrality, and understandability, taking into consideration, where applicable, industry good practice;

- verify the implementation of a process for the gathering, compilation, processing and control for completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information in relation to the characteristics of the Company, the social and

environmental issues connected with its activities, its strategy in relation to sustainable development and industry best practice.

Concerning the CSR Information that we deemed to be the most important²⁴:

- at the consolidated entity and departmental level, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), we implemented analytical procedures on the quantitative information and verified, on a sample basis, the calculations and consolidation of the data and verified their coherence and consistency with the other information presented in the management report;
- at the level of the representative sample of subsidiaries selected by us²⁵ based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we held interviews to verify the correct application of the procedures and performed detailed testing on the basis of samples, consisting of verifying the calculations made and reconciling them with supporting documentation.

The sample selected represented on average 46% of the total workforce and 89 % of the quantitative environmental information.

As regards the other consolidated CSR Information, we assessed its consistency in relation to our knowledge of the Company.

Finally, we assessed the relevance of the explanations given in the event of the total or partial absence of certain information.

We consider that the sample methods and sizes used by us by exercising our professional judgement allow us to express a conclusion of reasonable assurance; any assurance of a higher level would have required more extensive verification work. Due to the use of sampling and other techniques, non-detection of a significant anomaly in the CSR Information cannot be entirely ruled out.

²⁴ **Social information:** Proportion of employees between 20 and 29 and between 50 and 59 years of age, % of women in total workforce, % of female managers and % of women hired and dismissed, number of accidents, accident frequency and severity rate, absenteeism rate, number of training hours

Environmental information: Electricity consumption, water consumption, land use

Societal information: Subcontracting and suppliers

²⁵ Voltalia in France and French Guyana

Conclusion

Based on our work, we have not identified any significant anomaly that causes us to believe that the CSR Information, as a whole, has not been fairly presented, in compliance with the Guidelines.

Paris La Défense, 23 February 2016

The third-party organisation

MAZARS SAS

Emmanuelle Rigaudias

Partner, CSR & Sustainable Development

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A French *société anonyme* with a share capital of €149,451,509.10

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UPDATE TO THE 2015 REGISTRATION DOCUMENT

INCLUDING THE INTERIM FINANCIAL REPORT AS OF 30 JUNE 2016



This update (the "Update") was filed with the French Financial Markets Authority (the "AMF") on 14 October 2016 under number D 16-0090-A01. It supplements the 2015 registration document filed by Voltalia with the AMF on 5 April 2016 under number R.16-0017 (the "Registration Document").

The Registration Document and the Update thereof can only be used as a basis for a financial transaction if supplemented by a securities note approved by the AMF. This document was prepared by the issuer and its signatories are liable for the content thereof.

Copies of the Registration Document and the Update thereof are available free of charge from Voltalia (28, rue de Mogador - 75009 Paris, France), and on the company's website (www.voltalia.com) and the AMF website (www.amf-france.org).

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NOTE

In this Update, and unless indicated otherwise:

- "Voltalia" means the company Voltalia SA;
- "Company" means the company Voltalia SA;
- "Group" means the group of companies comprising Voltalia SA and its subsidiaries.

NOTICE

Market Information

The Update contains market information on the Group and its competitors, in particular in Chapter 2.2 of the Update which completes Chapter 6 "Business Overview" of the Registration Document. This information derives in particular from studies conducted by outside sources. However, this publicly available information, which the Company believes to be reliable, has not been verified by an independent expert and the Company cannot guarantee that a third party using different methods to collect, analyse or compute market data would obtain the same results. The Company and its direct and indirect shareholders make no commitments nor guarantee the accuracy of such information.

Risk factors

Investors are advised to carefully consider the risk factors described in Chapter 4 "Risk factors" of the Registration Document and in Chapter 3.1 of the Update before making an investment decision. The materialisation of any or all of these risks may have a negative impact on the business, position and/or financial results of the Company or its objectives. In addition, other risks not yet identified or considered immaterial by the Company on the date hereof, could produce the same negative impact and investors could lose all or part of their investment.

Forward-looking statements

The Update contains forward-looking statements and information concerning the Group's objectives which are sometimes identified by the use of the future or conditional tense and forward-looking terms such as "estimate", "consider", "aim", "expect", "intend", "should", "hope", "could", in the affirmative or negative form thereof or similar terminology. This information is based on data, assumptions and estimates considered reasonable by the Company. Forward-looking statements and objectives contained in the Update may be affected by known and unknown risks, uncertainties related to the regulatory environment, more specifically economic, financial, competitive, and other factors that could cause future results, performance and achievements of the Company to differ materially from stated or implied objectives. These factors may include those described in Chapter 4 "Risk factors" of the Registration Document and Chapter 3.1 of the Update.

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1 PERSONS RESPONSIBLE

1.1 PERSON RESPONSIBLE FOR THE UPDATE

Sébastien Clerc, Chief Executive Officer of Voltalia

1.2 STATEMENT OF THE PERSON RESPONSIBLE

I certify that, after having taken all reasonable measures to this effect, that the information contained in the Update is, to my knowledge, consistent with reality and contains no omission likely to affect its import.

I certify, to the best of my knowledge, that the summary financial statements for the first half year have been produced in accordance with the applicable accounting standards and give a true picture of the assets, financial situation and the net income of the Company and all the companies within its consolidated scope, and that the interim management report attached to the Update shows a fair presentation of the significant events which have occurred over the first six months of the fiscal year and their impact on the financial statements, the principal related-party transactions and a description of the main risks and uncertainties for the remaining six months of the fiscal year.

I have obtained a letter of completion from the Statutory Auditors, which states that they have verified the information relating to the financial position and financial statements as presented in the Update and that they have read the entire Update. This letter does not contain any observation.

The historical financial information for the period 1 January 2016 to 30 June 2016 were the subject of a report of the statutory auditors included in section 8.1 of the Update containing the following observation: "Without qualifying the conclusion, we draw your attention to the matter set out in note 7 "Operating profit data" to the consolidated half-yearly financial statements, and to the paragraphs devoted to "Income" and " Allowances for depreciation, impairment and provisions", which set out the basis of revenue recognition and the absence of any depreciation charge for the period for the São Miguel Do Gostoso site in Brazil, as equally described in note 10 to the consolidated half-yearly financial statements dealing with ""Tangible assets".

The pro forma financial information presented in the Update were the subject of statutory auditors' reports, issued without any observation.

Paris,
on 14 October 2016

Sébastien Clerc
Chief Executive Officer

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2 GROUP ACTIVITIES

2.1 RECENT DEVELOPMENTS

Significant press releases published by the Group since the filing of the Registration Document and available on the Company's website (www.voltalia.com) are listed below (it being specified that the information relating to the acquisition of the Martifer Solar group and the interim financial information are detailed in Sections 2.1.10, 5.2.1 and 5.2.2 of the Update respectively):

Press release date	Press release
06/04/2016	Reaffirmation of the Group's ambitions
28/04/2016	Sharp growth in Q1 revenues 2016
10/05/2016	Consolidation of Voltalia's ambitions in wind project development in France
13/06/2016	Voltalia's solar project in French Guiana selected in a national call for tender dedicated to non-interconnected territories
17/06/2016	Voltalia expands its project portfolio in Morocco
20/06/2016	Advanced talks for the acquisition of the Martifer Solar group, top tier player in the global solar PV market
05/07/2016	Marie-Odile Lavenant appointed Chief Financial Officer of Voltalia
21/07/2016	Turbine purchase for the Vila Acre wind facility in Brazil
29/07/2016	Q2 2016 financial information: a confirmed growth dynamic
19/08/2016	Voltalia finalises the acquisition of the Martifer Solar group
01/09/2016	Thanks to Voltalia, Brazil achieves a historic milestone exceeding 10 GW of installed wind capacity
08/09/2016	Voltalia wins its first hydropower project in metropolitan France
19/09/2016	2016 interim results and new objectives
28/09/2016	Sale of a solar plant
11/10/2016	Continued expansion of the Serra Branca cluster

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2.1.1 Press release dated 6 April 2016

06/04/2016: Reaffirmation of the Group's ambitions - Availability of the 2015 reference document

"The excellent performance recorded in recent years in terms of both growth and profitability augur well for Voltalia's ability to achieve its objectives. We are very positive about the Group's growth prospects: over the coming years, the significant positions we are planning to take in the sector will enable us to rank among the key international renewable energy players. Our next steps also include to initiate a dividend distribution policy", is delighted to announce Sébastien Clerc, CEO of Voltalia.

Voltalia (Euronext Paris, ISIN code: FR0011995588), an independent international renewable energy producer, reaffirms its growth targets and announces the launch of a dividend distribution policy.

Installed capacity objective of 475 MW in 2016, with a 1,000 MW target in 2022

On publication of its half-year results in September 2015, Voltalia put forward its objective for installed capacity of 1 gigawatt (1,000 MW) in 2022, three years ahead of the initial schedule. The Group confirms this target and forecasts installed capacity of 475 MW as soon as 2016 (+26% over 2015) by commissioning its wind farms in Vila Para in Brazil (99 MW).

Signature of a €35m syndicated credit agreement

In support of its growth strategy, the company signed on March 29, 2016 a revolving credit agreement with banking institutions of the BPCE group totalling 35 million euros over 5 years.

Implementation of a dividend distribution policy

Voltalia intends to implement a dividend distribution policy in line with its development plans and financial profile. Considering its financial structure and its growth outlook, the company now plans to pay a dividend in 2018 for FY 2017 and to progressively increase its distribution rate up to 30% of the Group share net result. If appropriate, the Company might offer its shareholders the possibility to opt for a dividend payment in shares.

Publication of the reference document

The reference document for 2015 was registered with the *Autorité des Marchés Financiers* (AMF) on April 5, 2016 under the number R.16-017. It is available for consultation on the AMF website (www.amf-france.org) and on the company's website (www.voltalia.com). Copies of the reference document are also available at no charge from the company's registered office."

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2.1.2 Press release dated 28 April 2016

28/04/2016: Sharp growth in Q1 revenues 2016

"Q1 consolidated revenues show a +41% increase to 18.0 million euros compared to 12.8 million euros in Q1 2015. At constant exchange rates, without considering the negative exchange rate euro/real over the period, the growth climbs to +72%.

Energy sales

Q1 2016 energy sales amount to 17.8 million euros vs. 12.6 million euros in Q1 2015. This strong dynamic is driven by the revenues from the new plants commissioned in 2015, in particular:

- The new São Miguel do Gostoso (Brazil) wind farm, completed in June 2015. Pending its connection to the Brazilian national network, Voltalia has received compensation revenues from ANEEL since the end of June 2015;
- The first electricity sales from the Oiapoque hybrid plant (Brazil), for which the first unit was commissioned in December 2015;
- Long-term revenues from the Vamcruz wind farm (Brazil), commissioned in December 2015.

Simultaneously, the three Areia Branca power plants (90 MW) have now entered into their twenty-year long-term electricity sales contracts. In Q1 2015, two of them (60 MW) benefited from more favourable prices under a private sales contract in the free market (February 5, 2014 press release). Lastly, the strong performance of Adriers (Vienne department) and Molinons (Yonne department) French wind farms and that of the Mana hydroelectric plant (French Guiana) have contributed to the revenue growth at constant scope.

Revenues from development activities and O&M services

Q1 2016 revenues from development activities and O&M services remain stable at 0.2 million euros. It results from the operation and maintenance services for third-party clients' solar plants located in Greece.

Recent development: new certifications

After receiving the ISO 9001:2008 certification for its O&M services for third-party clients the performance of Voltalia's team in Greece is once again recognized. On March 27, 2016, Voltalia Greece was awarded the OHSAS 18001:2007 certification, rewarding the performance of its health and safety risk prevention system, in line with the Group's."

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2.1.3 Press release dated 10 May 2016

10/05/2016: Consolidation of Voltalia's ambitions in wind project development in France

"Voltalia (Euronext Paris, ISIN code: FR0011995588), renewable energy based electricity producer, announces the acquisition from a long-standing partner of the minority part (49.9%) of a four wind project portfolio in France.

These projects are located in the Bourgogne Franche-Comté region, where Voltalia already operates the Molinons plant (10 MW), commissioned in December 2014.

These projects, at various development stages, represent a total potential capacity of 76 MW. The first construction could start within the next eighteen months.

The partner will still contribute its expertise to Voltalia as a service provider to develop these projects and will remain a partner of choice for future projects.

This transaction enables the Company to strengthen its position in France, which has set ambitious targets regarding additional renewable energy capacity.

"We are glad to confirm our ambitions in France, and particularly this acquisition, which supports our commitment in a region which possesses plentiful wind resources", said Sébastien Clerc, Voltalia CEO.

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2.1.4 Press release dated 13 June 2016

13/06/2016: Voltalia's solar project in French Guiana selected in a national call for tender dedicated to non-interconnected territories

"Voltalia (Euronext Paris, ISIN code: FR0011995588), renewable energy based electricity producer, announces that its 4 MW solar project has been selected on 11 June by French Ministry of Ecology, Sustainable Development and Energy in the national call for tender dedicated to non-interconnected territories.

The winning 4 MW project, called Savane des Pères, is located in French Guiana, near Sinnamary. Particular attention was paid to the choice of the site: the project will thus rehabilitate a former landfill.

This tender was launched in 2015 by the MEDDE in order to "develop, in areas with no interconnections, photovoltaic systems coupled with energy storage devices". The French law on energy transition and green growth has indeed set up as a target for overseas departments to reach energy self-sufficiency.

To improve the level of predictability and stability of the solar plant's production, Voltalia's project will combine a forecasting tool with an energy storage unit (batteries). The plant is expected to be commissioned in June 2019 at the latest.

"This is our first solar project with electricity storage and we are looking forward to developing a new technical know-how in a region where we are already well established", says Sébastien Clerc, Voltalia CEO.

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2.1.5 Press release dated 17 June 2016

17/06/2016: Voltalia expands its project portfolio in Morocco

"Voltalia (Euronext Paris, ISIN code: FR0011995588), renewable energy based electricity producer, announces the acquisition of Alterrya Maroc, a renewable energy project development company in Morocco. This transaction enables Voltalia to acquire a portfolio of projects representing a total potential capacity of 185 MW of wind power and 100 MW of solar power. The projects acquired are at various development stages, from the most preliminary to most advanced; first construction works could start within the next two years.

This transaction follows the filing of applications earlier this year for the authorisation of four hydroelectric projects (40 MW in total), one solar project (2 MW) and one wind project (105 MW), thus confirming Voltalia's ambitions in Morocco. *"With COP 22 being held in Marrakech this year, we are very happy to expand our project portfolio in the Kingdom of Morocco", says Sébastien Clerc, CEO of Voltalia.*

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2.1.6 Press release dated 20 June 2016

20/06/2016: Advanced talks for the acquisition of the Martifer Solar group, top tier player in the global solar PV market

"Multi-country multi-energy diversification strategy boosted by speeding up in the international solar market"

"Since 2012, we have multiplied by 9 our installed capacity. A milestone in our strategy, this operation is a great opportunity to accelerate in solar energy, to expand our global reach in new markets and to extend our expertise as a service provider for third-party clients, with more than one gigawatt operated by the new group as soon as 2016", says Sébastien Clerc, CEO of Voltalia."

Voltalia (Euronext Paris, code ISIN: FR0011995588), renewable energy based electricity producer, announces to be in exclusive negotiations with Martifer Solar's shareholders with a view to acquire this company. The acquisition price, amounting to 9 million euros, would be entirely self-financed in cash.

With this transaction, Voltalia would acquire Martifer Solar's development, construction and operation and maintenance activities. Apart from the usual waiver of conditions precedent, this external growth transaction is subject to the sale by Martifer Solar of its US assets, considered non-strategic. The signing of the final agreement and the effective transaction should be closed in Q3 2016.

Martifer Solar, a global leader in a booming sector

Created ten years ago, Martifer Solar has supported the impressive growth of the solar sector. Today an industrial group with an established reputation, Martifer Solar develops, builds and operates solar PV plants for third-party clients all over the world:

- Since its creation, Martifer Solar has developed projects representing a total of 757 MW, all sold to investors. At year-end 2015 its portfolio of projects in development includes 1,343 MW. The projects are intended to be sold to third parties, but Martifer Solar can also be in charge of their construction and operation according to investors' needs;
- Martifer Solar also builds solar farms for its clients, with 599 MW of solar PV power plants commissioned over the past ten years and 85 MW currently in construction;
- Operation and maintenance (O&M) for third-party clients is a fast growing business for Martifer Solar: as of today, the company operates 585 MW. In FY2015, Martifer Solar registered 142.2 million euros of revenues and 2.1 million euros of EBITDA.

A business with low capital content, based on expertise already mastered by Voltalia

Just like Voltalia, Martifer Solar develops, builds and operates renewable power plants. However, Martifer Solar has positioned itself as a service provider: its business model is therefore complementary to Voltalia's. Martifer Solar does indeed not own any of the power plants, which are held, thus financed, by third-party clients. As a result, Martifer Solar's activity has a low capital content, compared to electricity production, Voltalia's core business.

An opportunity to take a major leap forward to create a global renewables champion

Teaming up with Martifer Solar would enable Voltalia to speed up the diversification of both its international footprint and its energy mix. While solar energy is the fastest growing renewable energy in the world, this transaction aims at building up the share of solar in Voltalia's business portfolio. Covering four continents (Europe, Africa, Asia and Latin America), with a team of 265 people spread worldwide, Martifer Solar also offers Voltalia the possibility to diversify its international footprint.

Significant value-creation ahead

Holding a significant portfolio of operating power plants exceeding 1 GW as soon as 2016, the new Group can immediately benefit from economies of scale, particularly on procurement. In addition, combining Voltalia's recognized know-how in wind energy and Martifer Solar's expertise as a service provider, the management of the two companies has already identified relevant synergies such as the introduction of a new offer for the operation and maintenance of wind power plants for third-party clients.

A common vision and a project supported by both teams

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Preliminary works for the merger have confirmed the cultural fit between the two companies. *"Martifer Solar's teams and myself are eager to join Voltalia"* says Henrique Rodrigues, CEO and founder of Martifer Solar. *"In ten years we managed to turn Martifer Solar into a global player in the solar industry. We will continue fuelling this entrepreneurial spirit we have in common with Voltalia".* . *"Once merged, our two companies form an international group integrated throughout the renewable energy value chain with a double positioning as renewable power producer and as service provider for third-party clients"*, welcomes Sébastien Clerc, CEO of Voltalia.

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2.1.7 Press release dated 5 July 2016

05/07/2016: Marie-Odile Lavenant appointed Chief Financial Officer of Voltalia

"Voltalia (Euronext Paris, ISIN code: FR0011995588), international renewable energy based electricity producer, announces the appointment of Marie-Odile Lavenant as Chief Financial Officer, thus succeeding to Anne Borfiga, who will take up new responsibilities within the Group.

With the recent news of the advanced talks for the acquisition of the Martifer Solar group, Anne Borfiga's new responsibilities will include the supervision of the two companies' integration, thus contributing to generate the expected value creation.

Marie-Odile Lavenant, 50 years old, is the former Chief Financial Officer of DCNS' services division, a French industrial group specialized in naval military industry, nuclear power and marine infrastructures. She began her career in operational functions, to become financial controller and then financial director within international industrial groups, particularly in the electricity sector, such as Cegelec, Honeywell, Areva T&D and Cockerill Maintenance & Engineering.

"I am very glad to welcome Marie-Odile within Voltalia. We will benefit from her significant experience, acquired in major international industrial groups, and will be a decisive asset to the change in dimension which the group is currently undertaking" says Sébastien Clerc, Voltalia's CEO". He adds: "On behalf of the Group's Board of Directors and all the teams, I want to thank Anne warmly for her commitment within Voltalia and her key contribution to the transformation of the company, from a start-up to a listed international group. We are very glad to have her with us to ensure the success of the merger with Martifer Solar" Sébastien Clerc, CEO of Voltalia.

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2.1.8 Press release dated 21 July 2016

21/07/2016: Turbine purchase for the Vila Acre wind facility in Brazil

"Votalia (Euronext Paris, ISIN code: FR0011995588), an international independent renewable energy power producer, has announced the signing of a supply contract for 13 turbines to equip the Vila Acre wind facility (27 MW) in Brazil.

The contract signed with Gamesa, one of the global leaders in wind turbine construction, covers the supply, transport, installation and commissioning of 13 turbines (2.1 MW each).

These turbines will equip the Vila Acre facility, a project won during the auctions organised by the Brazilian federal authorities in November 2015. The plant will be located in the Serra Branca cluster, which has a 1.2 GW potential, including the Areia Branca (90 MW) and Vamcruz (93 MW) operating facilities and the Vila Para site (99 MW) currently in construction. The new wind power plant will benefit from the 52-kilometer transmission line built in 2014, and from the other connection facilities also owned by Votalia.

The construction will begin in October 2016 and the commissioning is expected in Q3 2017, over one year ahead of the start of the long-term electricity sales contract. Benefiting from the cluster's transmission line, the Vila Acre wind power plant will thus be able to sell its power production on the free market as soon as it is commissioned."

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2.1.9 Press release dated 29 July 2016

See Section 5.2.1 of the Update.

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2.1.10 Press release dated 19 August 2016

19/08/2016: Voltalia finalises the acquisition of the Martifer Solar group - Birth of a global renewables champion

"It is with great pleasure that we confirm the acquisition of the Martifer Solar group. Over the past three years, the exceptional work carried out by our teams has seen our installed capacity multiply nine-fold and this new addition to the group will strengthen our position in the solar energy sector, the fastest growing of all renewable energy sectors. I would like to wish a warm welcome to the 266 talented team members who are joining us at Voltalia" says Sébastien Clerc, CEO of Voltalia.

"We are very excited about this transaction: in addition to ensuring a continued service to Martifer Solar clients, this merger with Voltalia is an opportunity for us to join a fast-growing group with strong prospects and high ambitions" adds Henrique Rodrigues, CEO and co-founder of Martifer Solar.

Voltalia (Euronext Paris, ISIN code: FR0011995588), renewable energy based electricity producer, successfully finalises the acquisition of the Martifer Solar group, a key player in the global solar power market. First announced on 20 June 2016, this transaction is part of Voltalia's continued plan to grow through the diversification of its energy mix and its geographic footprint. By incorporating Martifer Solar's expertise in development, construction, operation and maintenance, Voltalia confirms its positioning as an integrated industrial company. Ambitions of this new group will be presented at the upcoming meeting to announce 2016 first half-year results.

Birth of a global renewables champion

The group's skills have now expanded from the production of electricity from renewable energy to include the provision of development, construction, and operation and maintenance services on behalf of third-party clients. The group's operating capacity has thus multiplied by 2.4, from 418 MW to over 1,000 MW (1 GW), of which 376 MW installed capacity and 627 MW in operation on behalf of third-party clients. Consolidated turnover has more than tripled, growing from 58 million euros to 198 million euros, while the workforce has increased from 157 staff (at 30 June 2016) to 423.

Accelerated growth strategy

This acquisition will enable Voltalia to accelerate its development strategy through the diversification of its international presence, its energy mix and also its business model:

- Voltalia is extending its international reach and now has teams spread out over 17 countries (compared to 4 prior) and active in 29 countries;
- The rebalancing of the projects portfolio in favour of solar energy (50% now compared to 13% prior) represents an incredible opportunity, as solar power is currently the fastest growing renewable energy in the world;
- • By adding the provision of development, construction, operation and maintenance services to its existing activity of producing electricity from renewable energy, Voltalia is strengthening its industrial expertise and adding a new less capital-intensive business. This, combined with its own activity, further increases growth prospects for this new group.

Numerous synergies and opportunities to create value

In a fast-growing renewable energies sector, the synergies identified between the two groups will allow Voltalia to pursue its initiated strategy for profitable growth. Having started preliminary work as soon as negotiations began, Martifer Solar and Voltalia teams have already started the process of integrating, hence implementing a number of synergies arising from the merger. This integration work will be presented along with the new group's ambitions at the meeting to announce the first half-year results. In accordance with the announcements presented in the last press release, the sale by Martifer Solar of its US assets, considered non-strategic, has been completed. This sale was a condition to the finalisation of the acquisition. The Martifer Solar accounts will be consolidated within the Voltalia accounts from 18 August 2016."

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2.1.11 Press release dated 1 September 2016

01/09/2016: Thanks to Voltalia, Brazil achieves a historic milestone exceeding 10 GW of installed wind capacity

"Brazil exceeds the threshold of 10 GW installed wind capacity. This 10 GW turning point was reached thanks to the commissioning of Voltalia's Vila Pará II wind facility in the city of Serra do Mel (RN)", congratulated the national association of wind power in Brazil in the press release they issued yesterday.

Voltalia (Euronext Paris, code ISIN: FR0011995588), an international renewable energy company, announces the commissioning of almost half the wind turbines of the Vila Pará wind farm in Brazil, with a total 99 MW capacity. This step allows the country to cross the historic threshold of 10 GW installed wind capacity. The electricity generated will be sold on the free market at attractive prices before the beginning of the long-term sales contracts.

With 15 turbines (45 MW) already in production, the construction of the Vila Pará wind farm progresses ahead of the initial schedule, which planned the full commissioning in Q4 2016. The progressive commissioning of the remaining 18 turbines is expected to happen over the coming weeks.

This advance was achieved thanks to the excellent project management at the Serra Branca cluster, an area gathering contiguous projects with a total potential of 1.2 GW developed by Voltalia. The Vila Pará wind facility (99 MW) benefits from the infrastructure built by Voltalia for its cluster as soon as 2014 for the first Areia Branca wind farm, including a 52-kilometer high voltage transmission line with a 400 MVA capacity, owned by Voltalia.

The anticipation of the Vila Pará commissioning will enable Voltalia to sell its electricity production on the free market starting as soon as in Q4 2016 (vs. 2017 year-end in the initial schedule), over one year ahead of the effective start of the long-term sales contract in January 2018. During this anticipatory period of more than 16 months, Voltalia will sell the generated electricity through private contracts, at higher sales price than the one secured in the 20-year long-term sales contract, the balance being sold on the spot market.

"We are very proud to enable Brazil to reach this historic milestone of 10 GW installed wind capacity. With almost 10 years of presence in Rio as well as in the Rio Grande do Norte and Amapa States, Voltalia is today amongst the main renewable energy players in the country. The Brazilian wind energy sector benefits from a strong and sustainable growth: thanks to the most favourable wind conditions in the world, wind energy is generally the most competitive of all other energy sources," congratulates Sébastien Clerc, CEO of Voltalia.

Considering all energy sources, today Voltalia has a total 421 MW installed capacity across all its geographies, which will increase to 475 MW once the entire Vila Pará complex is commissioned.

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2.1.12 Press release dated 8 September 2016

08/09/2016: Voltalia wins its first hydropower project in metropolitan France

“Voltalia (Euronext Paris, ISIN code: FR0011995588), international renewable energy player, announces it has been selected by the municipalities of Chamonix-Mont Blanc and les Houches for the construction and operation of a 4.5 MW run of the river hydropower plant, on the Tacconnaz torrent. The electricity sales contract of the won project runs over a 20-year period.

The Tacconnaz hydropower project follows the call for proposals launched on 12 August 2015 by the Chamonix-Mont Blanc and Les Houches municipalities. It is part of the Haute-Savoie Territorial Energy Climate Plan, which has set a 20% target of renewable energy in the region’s final energy consumption in 2020. The plant is expected to cover the annual electrical consumption of about 4,800 households, close to 90% of both communes’ population. The hydropower plant should be commissioned in 2019, and the energy sales contract secured runs over a 20-year period.

The Tacconnaz torrent rises under the Mont Blanc glacier of the same name. Featuring one of the best hydro potentials in the valley, the selected waterfall was identified by Voltalia long before the call for projects. The site is already extensively developed and features a snow fence; therefore, Voltalia can benefit from existing infrastructures.

In addition to the particular care paid to the selection of this excellent and anthropized site, Voltalia has demonstrated the virtues of its local and collaborative approach. In order to make the most of the project’s local economic benefits, the company teamed with renowned local partners: the civil engineering company Benedetti-Guelpa, a regional leader in the sector, and the engineering firm Girus. Furthermore, Voltalia’s hydropower plant provides the municipalities two types of revenues: not only will they receive royalties throughout the project’s life, but they will also have the option to buy into the capital of Voltalia’s dedicated project company.

"We are very proud that our project has been selected and that our local and collaborative approach as well as our technical expertise were distinguished by both municipalities", congratulates Sébastien Clerc, CEO of Voltalia.

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2.1.13 Press release dated 19 September 2016

See Section 5.2.2 of the Update.

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2.1.14 Press release dated 28 September 2016

28/09/2016: Sale of a solar power station - Generation of a profit before tax of 5 million euros in 2016 - Conclusion of a 16-year operation and maintenance contract

"Voltalia (Euronext Paris, ISIN code: FR0011995588), an international player in renewable energies, announces that it has sold 100% of a French solar power station to a financial investor.

Located in the Provence-Alpes-Côtes d'Azur region, the solar power station of approximately 3 MW was developed, constructed and then commissioned by Voltalia. Equipped with 9,360 solar panels, the power station supplies the equivalent of the annual electricity consumption of almost 1400 households¹.

This sale to an international financial investor, which is already a customer of Martifer Solar, illustrates Voltalia's capacity to enhance the value of its assets and its development skills, whilst deploying its service activities on behalf of third parties. In fact, the Group remains the operator of the power station thanks to a 16-year operation-maintenance contract.

In addition to the operation-maintenance contract, this sale will have a very positive effect on the financial statements for the second half of 2016. It will generate a net income before tax of at least €5 million."

¹ Based on INSEE figures according to which a French household is equivalent to 2.2 persons; based on the calculation methods used by the ADEME for annual household electricity consumption.

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2.1.15 Press release dated 11 October 2016

11/10/2016: Continued expansion of the Serra Branca cluster- Vila Acre (27 MW): start of construction works- Vila Para (99 MW): 32 turbines out of 33 completed

"Voltaia (Euronext Paris, ISIN code: FR0011995588), an international renewable energies company, takes another step forward on its Brazilian roadmap with the start of construction of the Vila Acre wind farm, while 97% of the Vila Para wind farm is already in production.

Start of construction at the Vila Acre power plant

Voltaia announces the start of the construction works on the Vila Acre wind power plant in Brazil. Totalling a 27 MW installed capacity, the plant will be equipped with Gamesa² turbines. For this construction site, Voltaia has resorted to local partners: the SIMM company for other electrical works and the Mercurius group for civil engineering. The power plant will benefit from the Serra Branca cluster's transmission line, which has been in operation since built by Voltaia in 2014.

The Vila Acre power plant is expected to be commissioned in Q3 2017, more than a year before the 20-year electricity sales contract takes effect³. In the meantime, between the commissioning and the start of the long-term electricity sales contract in November 2018, Voltaia will sell the electricity at the same price as the one specified in the long-term sales contract.

Commissioning of the Vila Para power plant

Voltaia announces the early commissioning of 32 turbines (96 MW) out of a total of 33 turbines (99 MW) at the Vila Para power plant. The last turbine is expected to be commissioned very soon. Voltaia therefore confirms that it is ahead of its schedule since the initial commissioning date was in Q4 2016.

After the first 15 turbines (45MW) started producing electricity in July and August⁴, 17 additional ones have been gradually commissioned since 1st September.

Since July, the electricity production has been sold on the free market at average prices higher than those specified in the long-term electricity sale contracts⁵.

Until the long-term electricity sale contracts take effect in November 2018, the Vila Para production will be sold on the free market, mainly under private contracts already signed and at selling prices higher than those stipulated in the long-term contracts. The balance will be sold on the spot market⁶.

"Having commissioned Vila Para earlier than expected, Voltaia has increased its installed capacity by over 25% since July 1st. This new power plant and the Vila Acre project, both located in the Serra Branca cluster, highlight Voltaia's industrial approach", says Sébastien Clerc, CEO of Voltaia.

The Serra Branca cluster

With the Vila Para and Vila Acre projects, Voltaia pursues the expansion of its largest cluster, Serra Branca, with a total 1.2 GW potential output. The cluster encompasses contiguous projects sharing common infrastructures:

- Power plants in production: 279 MW
Areia Branca (90 MW), Vamcruz (93 MW), Vila Para (96 MW to date)
- Power plants under construction: 30 MW
Vila Para (3 MW to date), Vila Acre (27 MW)
- Projects currently in development or prospection: about 900 MW

² Press release dated 21 July 2016

³ Press release dated 7 July 2015

⁴ Press release dated 1 September 2016

⁵ The spot price per MWh increased from BRL107 in July 2016 to BRL217 at date. Source: CCEE

⁶ See press release dated 28 July 2016

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Voltalia's installed capacity: 477 MW

With Vila Para commissioned, Voltalia's installed capacity (all energies included) now amounts to 477 MW. This number takes into account the recent sale of a solar power plant in France⁶ and the addition, following the acquisition of Martifer Solar, of a 7.3 MW solar power plant in the United Kingdom (to be sold) and of 0.6 MW in Portugal.

Next date: Q3 2016 revenues, on 17 November 2016 (*post trading*).

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2.2 UPDATE OF CHAPTER 6 "BUSINESS OVERVIEW"

Chapter 6 of the Registration Document "Business Overview" has been supplemented with the following information:

2.2.1 Acquisition of the Martifer Solar group

2.2.1.1 Presentation of the Martifer Solar group

Overview of the Martifer Solar group

Founded in 2006, the Martifer Solar group is a subsidiary of the Portuguese Group Martifer S.G.P.S., a multinational company specialising in the area of steel construction. With the expertise of its parent company, the Martifer Solar group has become a leading international player in the global photovoltaic market by specialising in the development, construction, and operation and maintenance of photovoltaic power plants on behalf of third parties.

Positioning of the Martifer Solar group

According to a study conducted by GTM in September 2014, the Martifer Solar group was the tenth-largest player in terms of megawatts operated worldwide in the solar power industry, supplying operating-maintenance solutions

- In Europe, the Martifer Solar group was ranked tenth
- On the American continent, the Group was ranked twelfth
- In Asia, the Martifer Solar group was the fourth-largest player, behind SunEdison, Schneider Electric and Belectric Services International
- In Africa and the Middle East, the Company ranked fifth worldwide behind Gransolar, ABB, Integeam Service and SunPower

GTM Research - Global Top O&M Providers and Cumulative Megawatts Operated					
Sept. 2014, Nos. 1-25					
Company	Global	Europe	Americas	Asia	MEA
First Solar	3,160	13	3,120	13	14
SunEdison	2,239	548	1,460	200	31
EDF Renewables Services	1,232	517	685	30	-
SunPower	1,213	176	1,004	-	33
Schneider Electric	1,171	891	71	179	29
Belectric Services Int	934	765	76	93	-
Juwi	813	674	89	46	4
Enerparc	804	800	2	2	-
Integeam Service	741	470	196	-	75
Martifer Solar	597	469	42	53	33
Lightsource Renewable Energy	500	500	-	-	-
Meteocontrol	470	470	-	-	-
ABB	453	355	10	-	88
Greentech	543	452	-	1	-

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Swinerton Renewable Energy	425	-	425	-	-
NRG Renew	423	-	423	-	-
SMA	390	190	200	-	-
BayWa Operation Services	374	374	-	-	-
Global Energy Services	284	249	35	-	-
Gestamp Solar	274	234	40	-	-
Bester Generacion	272	272	-	-	-
Solaire Direct	266	250	-	-	16
Enel Green Power	261	221	40	-	-
Enovos	260	260	-	-	-
Gransolar	258	103	5		150

The Martifer Solar group proposes a comprehensive service offering covering the entire value chain: it provides its customers with services ranging from project development (prospecting, survey/engineering, obtaining licences and permits) to power plant construction (engineering, procurement and purchasing, project management, construction, commissioning), to operation and maintenance of power plants already in service (operations management, preventive and corrective maintenance management, expert contribution and support).

The Martifer Solar is therefore able to propose one or more of these services to its customers: for example, it can undertake the construction and then operation of a project that it has developed and then sold to a customer, or simply the operation and maintenance of a power plant that it has neither developed nor built, etc. This comprehensive offering of additional services allows the Martifer Solar group to develop long-term relationships of trust with its customers.

The duration of the contracts varies according to the type of service: Construction contracts generally cover a period ranging from three months to one year, while operation and maintenance service contracts can cover a period from two to 20 years. Details of contracts between the Martifer Solar group and its customers is available in section 3.5 of the Update.

The Martifer Solar group's customers include financial funds, national operators and companies in other sectors, such as distribution and industry.

Geographical presence

Based in Portugal, the Martifer Solar group has an extensive international footprint through its employees present in over 20 countries. In 2016, the Martifer Solar group had teams in the following countries:

- Europe:
 - Portugal (headquarters);
 - offices in France, Spain, UK, Italy, Slovakia, Ukraine, Belgium, Greece;
 - activities in Poland and Hungary.
- Americas:
 - offices in Mexico, Brazil and Chile.
- Africa and Middle East:
 - offices in Jordan and UAE;
 - activities in Senegal, Egypt, Kenya, Namibia, Rwanda, Zambia, Malawi, Tanzania, Mozambique.
- Asia:
 - offices in Japan, India;
 - activities in Pakistan.

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2.2.1.2 Terms of the acquisition

The information on the terms of the acquisition is presented in Section 5.3 “Pro forma financial information”.

2.2.2 Presentation of the Group's main activities

2.2.2.1 Presentation of the Group's markets and the competitive environment

Third-party operation and maintenance

The market for operation-maintenance of renewable energy facilities will expand significantly in the coming years, taking advantage of the steady growth of the renewable energy market (22% average annual growth globally between 2009 and 2015)⁷. In addition to the potential growth linked to the increase of additional renewable energy capacities, the operation-maintenance sector will benefit from two important growth drivers: on the one hand, the renewal of operation-maintenance contracts of first-generation power plants, and secondly, the marked expansion of the renewable energy sector seen over the last ten years, which promotes the technological advances of the power plants and will require further monitoring

According to Global Data⁸, the value of the global operations-maintenance market for wind farms will increase from \$10 billion in 2015 to \$17 billion in 2020, representing an average annual growth of 11.2% of the sector over the period. *"The operation and maintenance of the wind farms is essential because it helps to create value, increases turbine availability by slowing their absorption and increases the profitability of wind farms,"* said Ankit Mathur, Head of Global Data's Energy Service on 16 August 2016.

Similarly, a study by GTM Research (Boston, Massachusetts, US)⁹ estimates that the global market for operations-maintenance services for solar power plants and asset management could more than triple between 2015 and 2020, from 133 GW to 488 GW under management.

New geographical areas

The acquisition of the Martifer Solar group allows Voltalia to extend its international presence by accessing those countries where Martifer has developed a service activity for third parties. This new decisive competitive advantage is an important breeding ground for expansion opportunities in high growth markets.

- Europe
 - In Portugal, operation-maintenance requirements are high because of the high number of installed renewable capacities;
 - In Spain, the third largest producer of wind power in the world in 2013, the objectives in terms of installed capacity are for 35 GW¹⁰ in 2020, compared to the 23 GW¹¹ existing now. The photovoltaic sector should experience similar growth, from 4.9 GW¹² in 2015 to 7.3 GW¹³ installed in 2020;
 - In Italy, the government plans to increase its installed photovoltaic capacity by 4.4 GW¹⁴ by 2017, and by 3.8 GW¹⁵ for wind power (offshore included) by 2020;
- Latin America

⁷ REN21 Renewables 2016 Global Status Report

⁸ Ecofin Agency article dated 16/08/2016: The operation and maintenance market for wind farms will reach \$17 billion in 2020

⁹ Megawatt-Scale PV O&M and Asset Management 2015-2020: Services, Markets and Competitors

¹⁰ REN21, Global Status Report 2016, pg. 174

¹¹ EurObserv'ER, Wind Energy Barometer 2015, February 2016, pg. 3

¹² EurObserv'ER, Photovoltaic Barometer 2015, April 2016

¹³ REN21, Global Status Report 2016, pg. 174

¹⁴ REN21, Global Status Report 2016, pg. 172; EurObserv'ER, Photovoltaic Barometer 2015, April 2016

¹⁵ EurObserv'ER, Wind Energy Barometer 2015, February 2016, pg. 3; REN21, Global Status Report 2016, pg. 172

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- In Mexico the government has set an ambitious target of 6 GW¹⁶ of installed solar capacity by 2020, compared to the 0.2 GW¹⁷ existing now. The same applies to wind power, with installed capacity expected to grow from the 3.1 GW¹⁸ existing today to 10 GW¹⁹ in 2020.
- In Chile, the photovoltaic installed capacity has quadrupled since 2013, today reaching 770 MW²⁰.
- Africa and Middle East
 - In Jordan, electricity production is almost exclusively of fossil origin (99.6%²¹ in 2012); the law of 2012 on renewable energy has set ambitious targets, planning to install 1.2 GW²² of wind power and 300 MW²³ of solar photovoltaic capacity by 2020.
 - In Egypt, the installed wind power capacity should be multiplied by 12 by 2020 from 0.6 GW to²⁴ 7.2 GW²⁵, according to the stated objectives.
- Asia (India, Japan, Pakistan)
 - In India, the potential for renewable energy development is particularly significant: by 2022, India intends to acquire an installed capacity of 100 GW²⁶ in photovoltaic and solar thermal capacity, compared to the 5.2 GW²⁷ existing now. Regarding the wind power sector, an additional 35 GW are expected by 2022, bringing the installed wind power capacity to 60 GW²⁸ in total.

The integration of the Martifer Solar group accordingly makes Voltalia a leading player in renewable energy and, in particular, solar power, across a large number of geographies.

2.2.2.2 Environmental policy

In the first six months of 2016, the Company commissioned a study from the Carbone 4 firm on the emissions of greenhouse gases that its activity as a renewable electricity producer helped to avoid in 2015. The avoided emissions are calculated from an emission baseline in each country of operation, according to the CDM (Clean Development Method). The results of the study demonstrated that production by the Group in 2015 has avoided 288,000 tonnes of CO₂, or the equivalent of 200,000 round trip flights from Paris to New York for a single passenger.

2.2.3 Voltalia taking on a new dimension: birth of a leader in renewable energy

The acquisition of the Martifer Solar group is a major milestone in the Group's development, thus creating a global leader in renewables²⁹. This business combination enables the Group to strengthen its geographical, financial and operating position. By adding the Martifer Solar group's income³⁰ to Voltalia's as of 31 December 2015, the pro forma income of the new entity has more than tripled, from 58 million euros to 204 million euros, generated in some 30 countries. The capacity operated by the Group has increased by 2.4x, from 418 MW to over 1,000 MW, including 376 MW in installed capacity held for its own account and 627 MW operated on behalf of third-party customers.

¹⁶ Blog Réseau Energie – 04/04/2016

¹⁷ IRENA Capacity Statistics 2016, pg. 38

¹⁸ IRENA Capacity Statistics 2016, pg. 31

¹⁹ REN21, Global Status Report 2016, pg. 173

²⁰ Article at les-smartgrids.fr: *Chili, pourquoi l'électricité est gratuite* (Smart grids, Chile, why electricity is free), 03/06/2016

²¹ EurObserv'ER - Fifteenth inventory, 2013 edition;

²² /²¹ REN21 Renewables 2016 Global Status Report, pg. 172

²³ REN21 Renewables 2016 Global Status Report, pg. 172

²⁴ IRENA Capacity Statistics 2016, pg. 29

²⁵ REN21 Renewables 2016 Global Status Report, pg. 171

²⁶ REN21 Renewables 2016 Global Status Report, pg. 172

²⁷ IRENA Capacity Statistics 2016, pg. 36

²⁸ IRENA Capacity Statistics 2016, pg. 29; REN21 Renewables 2016 - Global Status Report, pg. 172

²⁹ See 2.2.1.1

³⁰ Unaudited data; figures announced at the presentation of the proposed acquisition on 23 June 2016.

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Voltalia's excellent results to date have been achieved on the back of solid organic growth. The acquisition of the Martifer Solar group allows Voltalia to significantly transform its business and accelerate the achievement of its objectives.

Finally, the Group had 423 employees, as of 30 June 2016, to support the development of the business on four continents compared to a workforce of 132 people at 31 December 2015.

A strong asset portfolio that is expanding

With its multi-country and multi-energy model, Voltalia has a diversified portfolio of efficient assets, reflecting the industry expertise and operational agility of the Group.

Assets held on its own account

Voltalia presented a high availability rate³¹ of 97% in 2015. This rate measures the ratio of the actual operation time and duration of ideal operation of a power plant.

The Group's power plants are among the best performing in the regions in which they operate. The capacity factors³² below are calculated based on the production of Voltalia's power plants in 2015:

- In France, these amounted to 27% in wind power and 18% in solar power;
- In Brazil³³, these amounted to 54% in wind power and 33% in hybrid power;
- In French Guiana, these amounted to 14% in solar power, 32%³⁴ in hydroelectricity and 77% in biomass
- In Greece, these amounted to 18% in solar power.

Voltalia assets in mainland France at 30 June 2016

ENERGY	SITE	CAPACITY (MW)	% OF HOLDING	START OF PPA	RESIDUAL TERM OF THE PPA (years)	PPA PRICE AT 30/6/2016 (€/MWh)	2015 PRODUCTION (MWh)
Biomass	Bar-sur-Aube	7.3 MW	100%	February 2008	7	n/a	969 ³⁵
Wind power	La Faye	12 MW	62.7%	July 2010	9	93	97,634
Wind power	Adriers	10 MW	100%	December 2014	13	86	
Wind power	Molinons	10 MW	100%	December 2014	13	86	
Wind power	Saint-Felix	10.2 MW	100%	January 2009	8	92	
Solar power	Montmayon ³⁶	2.8 MW	100%	April 2013	17	329	11,520
Solar power	Castellet	4.5 MW	100%	July 2013	17	n/a	

TOTAL

Voltalia's assets in French Guiana at 30 June 2016

³¹ The availability rate is the ratio expressed as a percentage, between the amount of time the power generating facility is operated and the amount of time it should have been ideally in operation. For intermittent power sources, the rate depends on the availability of the resource.

³² The load factor of a power production unit is the ratio between the amount of energy it produces over a specified period of time and the amount of energy that it could have produced during said period if it had been operating at full capacity.

³³ The load factors of the São Miguel do Gostoso and Oiapoque power plants were calculated *prorata temporis* from their commissioning date. Due to seasonality, the Vamcruz power plant is excluded from the scope.

³⁴ The performance of the hydropower plant in Mana, Guiana was badly affected by an operating incident which occurred in the third quarter of 2015.

³⁵ Production ended in 2015 with the suspension of operations related to a legal dispute with the customer.

³⁶ Project sold as at the date of this Update – see press release of 28 September 2016.

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ENERGY	SITE	CAPACITY (MW)	% OF HOLDING	START OF PPA	RESIDUAL MATURITY OF PPA (years)	PPA PRICE AT 30/06/2016 (€/MWh)	2015 PRODUCTION (MWh)
Biomass	Kourou	1.7 MW	80%	January 2010	13	n/a	11,523
Solar power	Kourou	0.2 MW	80%	July 2009	19	n/a	
Solar power	Coco-Banane	4.3 MW	100%	December 2010	9	462	5,554
Hydro	Mana	5.4 MW	80%	September 2011	14	n/a	15,026

TOTAL

Voltalia's assets in Brazil at 30 June 2016

ENERGY	SITE	CAPACITY (MW)	% OF HOLDING	START OF PPA	RESIDUAL MATURITY OF PPA (years)	PPA PRICE AT 30/06/2016 (€/MWh)	2015 PRODUCTION (MWh)
Wind power	Carcara II (Areia Branca)	30 MW	100%	January 2016 ³⁷	20	144	
Wind power	Terral (Areia Branca)	30 MW	100%	January 2016 ³⁸	20	144	
Wind power	Carcara I (Areia Branca)	30 MW	100%	July 2014	18	129	
Wind power	Caiçara 1 (Vamcruz)	27 MW	26%	January 2016	20	146	471,249
Wind power	Caiçara 2 (Vamcruz)	18 MW	26%	January 2016	20	146	
Wind power	Junco 1 (Vamcruz)	24 MW	26%	January 2016	20	147	
Wind power	Junco 2 (Vamcruz)	24 MW	26%	January 2016	20	147	
Wind power	Santo Cristo	27 MW	51%	April 2015	19	128	n/a ³⁹

³⁷ Carcara II and Terral benefit from short-term private contracts pending the start of the long-term PPA.

³⁸ Ibid.

³⁹ The Vamcruz power plant was commissioned in December 2015

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ENERGY	SITE	CAPACITY (MW)	% OF HOLDING	START OF PPA	RESIDUAL MATURITY OF PPA (years)	PPA PRICE AT 30/06/2016 (€/MWh)	2015 PRODUCTION (MWh)
	(SMG)						
Wind power	São João (SMG)	27 MW	51%	April 2015	19	128	
Wind power	Carnaubas (SMG)	27 MW	51%	April 2015	19	128	
Wind power	Reduto (SMG)	27 MW	51%	April 2015	19	128	
Hybrid	Oiapoque I	12 MW	100%	November 2015	14	1,789	3,209

TOTAL

Assets operated on behalf of third parties

	Development	Construction	Operation and maintenance
Balance sheet at 30 June 2016	897 MW	976 MW	1,003 MW

2.2.4 Group's Strategy

Synergies expected from the acquisition of the Martifer Solar group

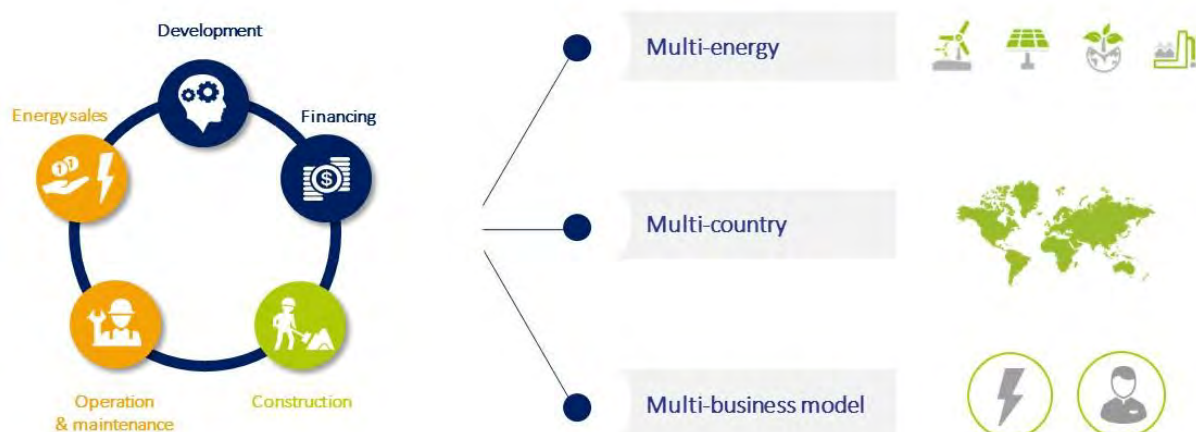
The merger between the Martifer Solar group and Valtalia will produce many synergies that will accelerate its growth.

With a wider range of international opportunities and the experience and reputation of the Martifer Solar group in the solar power industry, Valtalia has increased selectivity in its investment choices. The combined expertise of the Martifer Solar group and Valtalia allows the new entity to enter new markets while keeping its full flexibility: service delivery activities facilitate the Group's ability to capture the potential of the local market at lower costs and to choose to continue the service provider's and/or electricity producer's activities.

Significant cost synergies can be realised, including operation-maintenance through the Martifer Solar group's Global Monitoring centre dedicated to this activity. Economies of scale are also being considered for the Group's supply strategy.

Valtalia's 3M strategy

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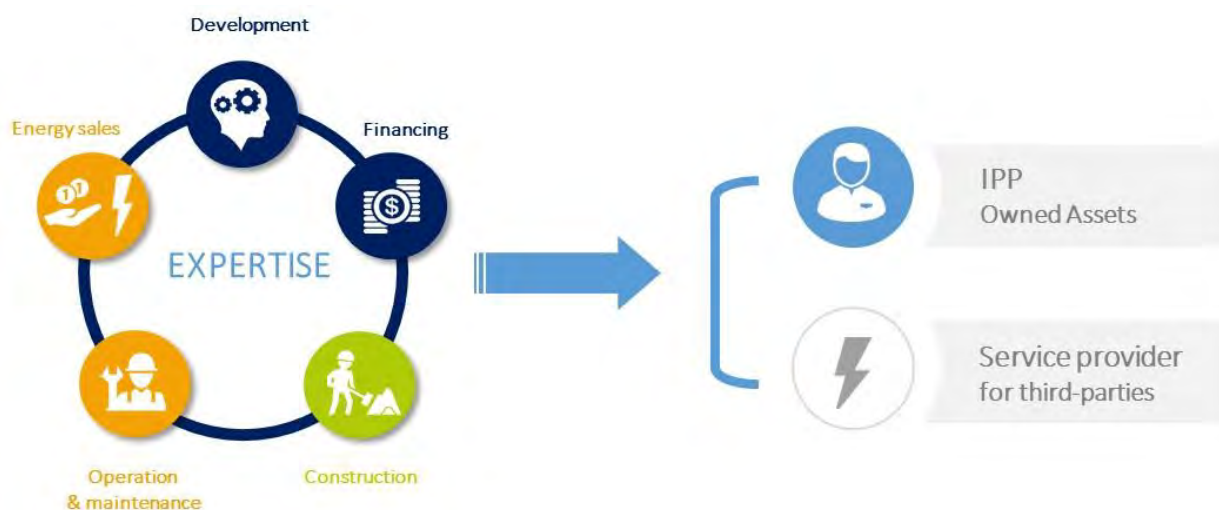
Following the merger with the Martifer Solar group, Voltalia is entering a new growth phase with the aim to accelerate its development. To achieve this goal, Voltalia is now supplementing its development model in three dimensions: multi-energy, multi-country and multi-business model.

This growth model aims to enhance the Group's operational flexibility and offer great freedom of choice for future developments.

- The multi-energy and multi-country positioning allows Voltalia to further diversify its asset base, a vector for long-term growth. In addition, this approach also provides the Group with a local footprint allowing it to identify market trends and anticipate opportunities for growth;
- The multi- business model approach enhances Voltalia's capacity for decision-making in its development choices: the Martifer Solar group's established reputation and its ability to capture opportunities facilitates constant feeding of a substantial pipeline (portfolio of projects in development). Thus, Voltalia can identify and select upstream projects that meet its strict investment criteria and choose to allocate the capital and teams required to develop them for its own account.

Concerning the activity of services provided on behalf of third parties, Voltalia intends to develop its strategy in the following areas:

- Develop projects in dedicated subsidiaries enabling it to have freedom of choice in developing strategies for each project company: the signing of construction and/or operations-maintenance contracts with the subsidiary, or the sale of the subsidiary to investors;
- Adopt an opportunistic approach to the construction activities in order to select the most profitable contracts and markets;
- Continue the operations-maintenance activity on behalf of customers in the wind industry by capitalising on the expertise of Martifer and Voltalia's historical expertise



Other updates to the Group's strategy

Following the merger with the Martifer Solar group, the Company confirmed its strategy of:

- Maintaining control and industrial expertise of all the projects developed by the Group for its own account;
- Positioning itself on intermediate size power projects in order to minimise competition from major players in the sector and ensure the Group's profitability target requirements;
- Increasing the Group's selectivity in development choices through opportunities coming from the pipeline.

The Group also completed its development strategy and affirmed its will to:

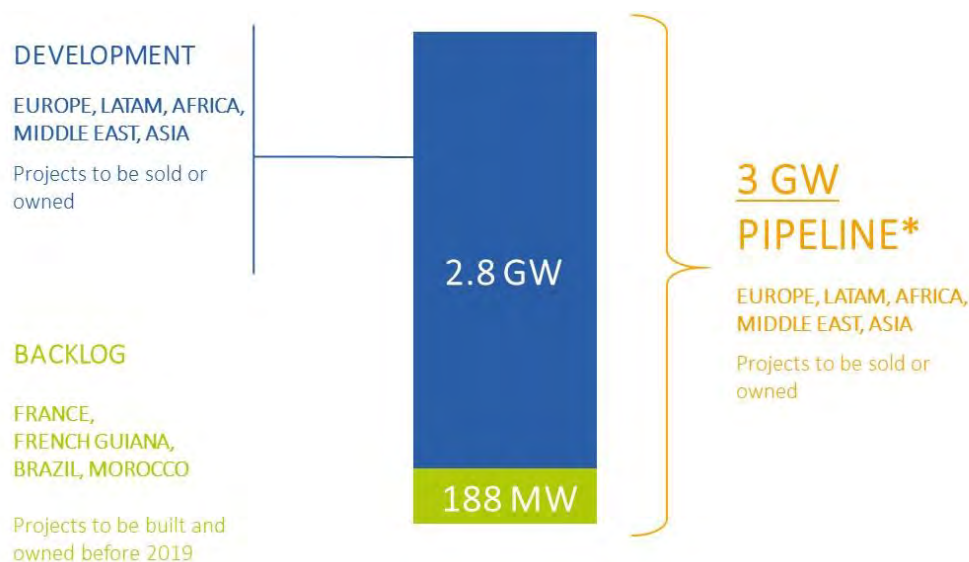
- Continue to be a long-term partner with a low asset turnover;
- Geographically diversify its cash flow base and secure financing, in the local currency, of projects developed by the Group;
- Maintain the entrepreneurial spirit so as to promote flexibility in the business and value creation.

2.2.5 Objectives of the new group

On 19 September 2016, the Group announced new growth targets, in line with the potential of the new entity formed by Voltaia and the Martifer Solar group.

Electricity generation: 1 GW consolidated in 2019

The Group expects to reach the symbolic threshold of 1 GW (1,000 MW) fully owned by 2019 compared to 2022 as announced in 2015 or 2025 as announced in 2014 as part of the IPO. With a pipeline of projects in development now expanded to 2.8 GW thanks to the acquisition of the Martifer Solar group, Voltaia should reach 480 MW⁴⁰ of installed capacity at the end of 2016.



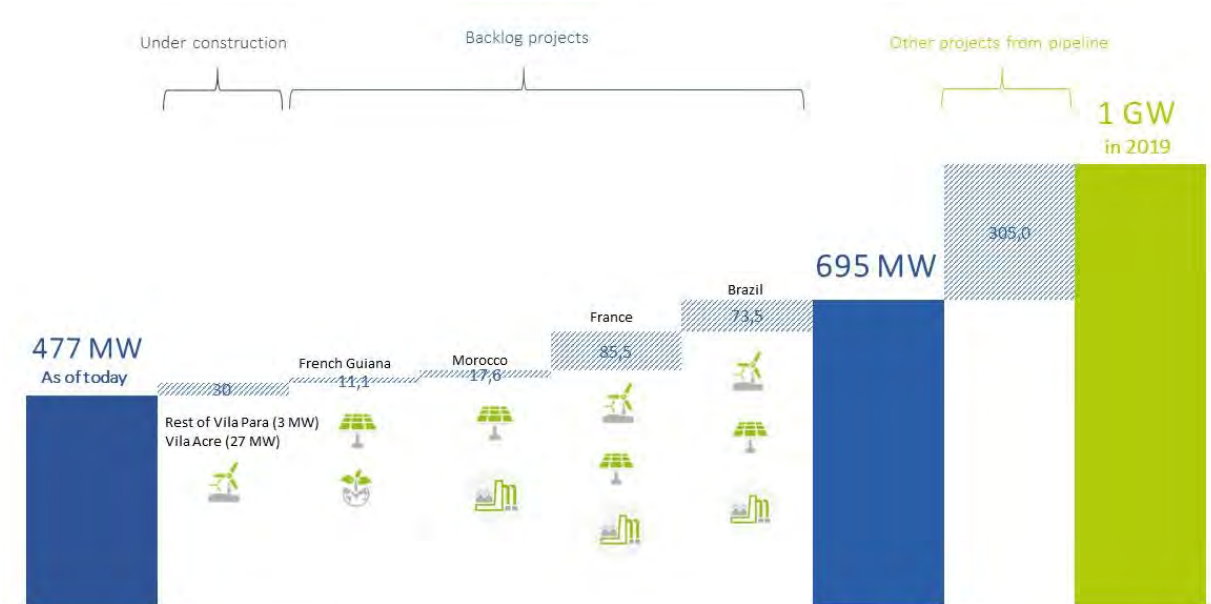
* The 3 GW of projects have been lowered from 27 MW corresponding to the beginning of the construction of Vila Para plant announced 11 October 2016. Consequently, the value of the backlog has decreased from 215 MW to 188 MW.

⁴⁰ Installed capacity of 477 MW as of 11 October (see press release of the same day), to which will be added the 3MW of the Vila Para plant, currently in construction (see press release of 11 October 2016).

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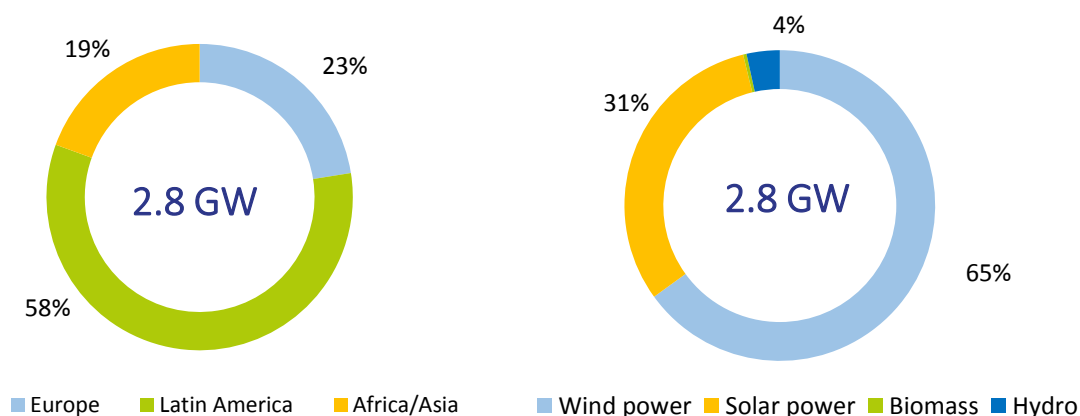
Its backlog (portfolio of projects in very advanced stages of development) of 188 MW spread over France, French Guiana, Brazil and Morocco should enable it to reach an installed capacity of 690 MW.

The detail of the backlog is available in the Group's interim management report in Chapter 8 of the Update.



The backlog will continue to increase through the progress of projects in development that make up Voltalia's pipeline. The Company's development portfolio (pipeline) includes projects with construction permits, which can be connected to the network and have a feed-in tariff (regulated or not).

Distribution of Voltalia's pipeline following the acquisition of the Martifer Solar group



2 GW operated for third parties in 2019

With over 1 GW in renewable electricity production power plants, Voltalia is seeking to operate a capacity of 2 GW for third parties by 2019. To achieve this, the Group will build on its 2.8 GW portfolio of projects in development. In addition to the operation of solar power plants, Voltalia wishes to expand its service provider business to other energy sources such as wind, thanks to the expected synergies achieved after the acquisition.

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2.2.6 Update on the integration process

Integration into Voltalia

The acquisition of the Martifer Solar group was completed on 19 August 2016. Since then, the Martifer Solar group has become a new entity within the Voltalia Group

Voltalia wished to merge Voltalia and the Martifer Solar group by combining the teams into a single organisation chart so as to benefit as quickly as possible from the significant synergies expected.

As early as July 2016, working groups were launched to define, for each job, each geography, and each support function:

- The strategic priorities
- The organisation to be implemented
- The immediate actions to be taken

Furthermore, governance for the new group has been defined and will be composed of an Executive Committee and Commitment Committees in order to optimise decision-making and promote the delegation of commitment authority.

Each of these tasks has resulted in a full organisational and governance chart being achieved at the end of September; their implementation is planned for early October so that the Company is able to fulfil its objectives as soon as possible.

Many integration projects will continue throughout the second half of 2016: integration of computer tools, selection and installation of a joint ERP⁴¹, unifying human resources policies, and harmonisation of brands.

Voltalia's aim is to have completed this unification during the course of 2017.

⁴¹ Enterprise Resource Planning

3 GENERAL INFORMATION ON THE GROUP

3.1 UPDATE OF CHAPTER 4 "RISK FACTORS"

In respect of its electricity production business, the Group does not expect any significant change in its risks as set out in Chapter 4 of the 2015 Registration Document.

Furthermore, the risks related to the acquisition of the Martifer Solar group were identified in the section "Main risks and changes" in the interim financial report issued on 19 September 2016, on page 68 of Chapter 8 of the Update.

Sections 4.1.1.12 and 4.1.1.13 concerning the risks relating to the economic situations in Brazil and Greece have been replaced by the following update:

3.1.1 Economic situation in Brazil

Brazil, where the Group has achieved 73% of its energy sales in the first half of 2016, is experiencing recession for the second year now: According to the World Bank⁴², its GDP is expected to fall by 2.5% in 2016 compared with 2015. In this context, at the date of the Update, the Brazilian currency had depreciated by 16.4%⁴³ against the euro since January 1, 2016, interest rates had risen (the "TJLP" long-term rate of the BNDES (Brazilian National Development Bank) was 7.5%⁴⁴ and the "SELIC" short-term rate used as a base for the short-term loans of commercial banks stood at 14.25%⁴⁵) and inflation, to which the prices in the Group's power purchase agreements are indexed, was at 9.45%⁴⁶ on an annualized basis since January 1, 2016.

The decline in the real against the euro has an impact on all of the Group's Brazilian cash flows: investments and loans during the construction period, as well as income, operating expenses, and the debt service during the production period. The Brazilian currency appreciated in 2015, which affected the income statements of the operating plants. Although interest rates stabilized in 2016, further rises may occur, with a consequent significant adverse effect on the Group's financial position and results. Inflation, which is generally correlated over the long term with the exchange rate, has a positive effect on the Group's income, across the whole duration of long-term power purchase agreements. However, in the short term, a sharp drop in the Brazilian real would have a significant adverse effect on the Group's results.

Furthermore, the Brazilian economic crisis is slowing down access to credit. Although the Group has obtained and set up new credit agreements (corporate loans, bridging loans and long-term loans), of which 319 million reals⁴⁷ was drawn between January 1, 2016 and the date of the Update, which added to the 823 million reals of outstanding loans⁴⁸ with the BNDES, the Company cannot guarantee that this access to credit does not slow down further, which would affect the Group's capacity to finance its projects at an acceptable cost and, thereby, to achieve its objectives.

Lastly, the Brazilian political crisis could drag on. Nevertheless, the recent political troubles have not disrupted Voltaia's activities in the country. Despite the impeachment of the President, Dilma Rousseff, the political continuity ensured by the current government and the economic outlook, although fragile, do not pose a risk for the Group's business.

3.1.2 Economic situation in Greece

In Greece, where the Group realized 3% of its revenues in the first half of 2016, the macroeconomic and political conditions (debt crisis, recession, higher taxes, exchange controls, regulatory reforms, etc.) pose significant risks on the feasibility and then operation of power plants, in addition to the traditional risks. Moreover, the Greek financial crisis in general, the financial fragility of the buyer of Greek renewable electricity, potential increases in levies and

⁴² Le Moci, perspectives de croissance 2016, 15/01/2016

⁴³ www.oanda.com

⁴⁴ Investing.com, 29/09/2016

⁴⁵ Global Rates, Brazilian Central Bank interest rate

⁴⁶ Inflation.eu, historic inflation Brazil 2016

⁴⁷ As at the date of the Update

⁴⁸ At 31/07/2016

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taxes, and even potential reforms covering the Greek renewable energy sector, all pose risks to operating power plants' revenues from electricity, in addition to the traditional risks.

Act 4152/2013, passed in 2013, has led to this risk being realized in part, by introducing from the 2013 fiscal year, a significant tax on revenues, which can be as high as 40% for solar power. In April 2014, the so-called 'New Deal' Act was passed. This introduced, on January 1, 2013, a significant reduction in the electricity repurchase price, including for plants in operation, in return for the removal of the tax on revenue introduced previously. For information purposes, Act L. 4414/2016, passed in August 2016, puts renewable energy under the regime of additional compensation, demonstrating the government's desire to gradually bring renewable energy into the electricity market.

Furthermore, in June 2015, Greece set up an exchange control mechanism. This mechanism oversees the transfer of currency outside of Greece and restricts the amounts. It applies to income generated by activities prior to the date of its introduction, but does not apply to the cash flows generated by new investment into the country from abroad.

Lastly, after a year marked in 2015 by a new plan to rescue the country, with the danger that Greece would be excluded from the Euro zone, the economic situation appears to be gradually improving. Thus, the OECD is forecasting a return to growth in the second half of 2016 and in 2017. However, uncertainties remain regarding the general state of the country, in particular its financial fragility, which could lead to regulatory and tax changes with an adverse effect on activity, the financial statements or the outlook for Voltalia Greece, the subsidiary managing the Group's activities in Greece.

The net asset value in Greece recorded in Voltalia's consolidated financial statements at June 30, 2016, corresponds to the net value of the property, plant and equipment and intangible assets of projects in operation. The intangible assets of projects in development were 100% depreciated.

3.1.3 Risks related to the inclusion of the acquired business in the Group's consolidated financial statements

The accounting integration of the Martifer Solar group and its consolidation could present several challenges for the group, including relative to the harmonization of reporting and accounting procedures. This could increase the amount of time required following the fiscal year end and thus have an impact on the Company's ability to provide financial information on the planned dates.

The Update contains unaudited condensed consolidated pro forma information in Section 5.3 of the Update and in the interim financial report set out in Section 8 of the Update. These have been provided to allow the investor to understand what the Group's results and financial position would have been like if the acquisition of the Martifer Solar group had taken place in the first half of 2016.

The Martifer S.G.P.S. group prepares audited consolidated financial statements each year. The Martifer Solar group also draws up audited consolidated financial statements each year. For the purposes of the operation, condensed consolidated financial statements to 31 July 2016 were drawn up and were subject to a limited review by PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda, the Martifer Solar group's Statutory Auditors. These financial statements present the results and financial position of the Martifer Solar group as a sub-group of the Martifer S.G.P.S. group and not as though the Martifer Solar group had exercised its activity distinctly from the Martifer Solar S.G.P.S. group. In addition, the Martifer Solar group's past results do not necessarily reflect its future results as a Group entity.

Lastly, as part of the preparatory work for the pro forma financial information, the Company made some adjustments, as set out in section 5.3.3 of the Update, due to the reservations formulated by the Statutory Auditors of the Martifer Solar group. The preparation of the opening balance sheet could result in additional changes, other than those identified during the preparatory work for the pro forma financial information. Furthermore, if the future results of the Martifer Solar group, acquired by the Group, prove insufficient to justify the value of its assets, the Group may be obliged to recognise asset impairments, which would affect the Group's income and shareholders' equity.

All of these elements could have an adverse effect on the Group's financial statements.

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3.2 UPDATE OF CHAPTER 5 "CAPITAL EXPENDITURE"

Section 5.2 "Capital expenditure" of the Registration Document has been entirely replaced by the following information:

3.2.1 Major capital expenditure projects under construction

The constructions currently in progress for the Group are located in Brazil, at the Villa Pará site, representing an installed capacity of 99 MW, 75 MW of which have already been commissioned as of the date of the Update. As of 30 June 2016, the Group had already capitalised 115.8 million euros of the expenditures required for achieving the construction of the Vila Pará cluster, which is due to be finished in the fourth quarter of 2016. In addition, the Group announced this summer that it had acquired the turbines for the Vila Acre power plant, whose construction will start in October 2016. The agreement signed with Gamesa, a global leading wind turbine manufacturer, covers the provision, transportation, installation and commissioning of 13 turbines with a unit capacity of 2.1 MW each (see further details in Section 2.1.8 of the Update).

3.2.2 Major capital expenditure projects under consideration

As of 30 July 2016, the Group had a 3 GW portfolio of projects under development consisting of:

- A backlog of 188 MW (projects at an advanced stage of development whose construction will be finished by 2019);
- 2.8 GW in other projects under development on four continents and across some 23 countries. Approximately 300 MW will be finished by 2019, mostly initially developed by the Martifer Solar group.

Since the filing of the Registration Document on 5 April 2016, the Group announced the achievement of new milestones in projects under development:

- In Guiana, the Group won a solar project as part of a call for tenders for solar power in areas with no interconnections. With a capacity of 4 MW, the solar power plant, named Savane des Pères, will house an electricity storage unit. It is due to be commissioned in June 2019 at the latest (see further details in Section 2.1.4 of the Update);
- In Haute Savoie, France, the Group won its first hydropower project, with a capacity of 4.5 MW in Tacconnaz. The power purchase agreement will have a term of 20 years (see Section 2.1.12 of the Update) and commissioning is expected in 2019;
- The Group also stepped up its expansion in wind power in France by acquiring the non-controlling interest (49.9%) a long-date partner had in a portfolio consisting of four wind power projects.

3.2.3 Financing sources

These CAPEX are funded through equity and bonds. The Group may also occasionally call upon corporate loans to finance additional expenditures.

The companies that own the power plants are usually those that support the debt in project financing. It is usually long-term debt, bearing fixed interest, or at rates which are regulated by local authorities, as is the case in Brazil. Development costs are financed at country level by each holding company, through operating cash flows and equity.

Thanks to the recent acquisition of the Martifer Solar group, a company specialising in service provision (development, construction, operation and maintenance) in the solar power market, the Group has gained in financial flexibility: as a low capital intensive business, service provision activities generate considerable cash flows, part of which the Group will be able to use to fund its CAPEX by its own means.

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3.3 UPDATE OF CHAPTER 18 "PRINCIPAL SHAREHOLDERS"

The information on the Company's shareholder structure included in Section 18.1 "Breakdown of share capital and voting rights" has been amended as follows:

The table shows the breakdown of the Company's shareholder structure as of 30 September 2016:

Shareholders	Number of shares	% of capital	Number of theoretical voting rights ⁽¹⁾	% of theoretical voting rights	Number of exercisable voting rights at General Shareholders' Meetings ⁽²⁾	% of exercisable voting rights at General Shareholders' Meetings
Voltalia Investissement	22,337,988	85.20 %	44,675,975 ⁽³⁾	91.26%	44,675,975	91.32%
DHAM	2,093,023	7.98%	2,441,860	4.99%	2,441,860	4.99%
Subtotal of other shareholders holding more than 5% of the share capital	-	-	-	-	-	-
Treasury shares	33,809	0.13%	33,809	0.07%	0	0.00%
Free float	754,743	6.69%	1,804,843	3.69%	804,843	3.69%
Total	26,219,563	100%	48,956,487	100%	48,922,678	100%

(1) A double voting right is granted to all fully paid-up shares which have been registered in the name of the same shareholder for at least two consecutive years.

(2) Number of theoretical voting rights, less the voting rights attached to the 31,024 treasury shares of the liquidity provider agreement.

(3) In August 2016, a double voting right was granted to 10,500,000 shares held in registered form by Voltalia Investissement for more than two consecutive years.

In August 2016, Voltalia Investissement acquired 10,500,000 double voting rights on account of its presence in the Company's capital for more than two years.

3.4 UPDATE OF CHAPTER 21 "ADDITIONAL INFORMATION ON THE SHARE CAPITAL"

Sections 21.1.1 and 21.1.3 to 21.1.6 of the Registration Document have been entirely replaced by the following information:

3.4.1 Share capital amount

As of this Update, the Company's share capital amounted to 149,451,509.10 euros, divided into 26,219,563 shares, with a nominal value of 5.70 euros each, fully paid up.

3.4.2 Acquisition by the Company of its own shares

At its meeting on 12 May 2016, the Combined General Shareholders' Meeting authorised the Board of Directors, for a period of 18 months as from the General Shareholders' Meeting, to carry out a Company share buyback programme, in accordance with the provisions set out in Article L. 225-209 of the French Commercial Code and the AMF General Regulation, under the following conditions:

Maximum number of shares which can be purchased: 10% of the share capital as of the share buyback date. When the shares are acquired with a view to enhancing share liquidity, the number of shares factored into the calculation of the 10% limit described above, corresponds to the number of shares purchased, less the number of shares sold during the authorised period.

Objectives of share buybacks:

- guarantee the Company's share liquidity under the liquidity provider agreement to be signed with an investment services provider, in line with an ethics charter recognised by the AMF.
- perform obligations in connection with stock option, bonus share and Company savings plans, or other share allocations intended for employees and corporate officers of the Company or associates;
- allocate shares following the exercise of rights attached to securities giving access to the share capital;
- purchase shares with a view to keeping them for tendering at a later date within the framework of potential external growth transactions; or
- cancel all or part of the repurchased shares.

Maximum purchase price: 25 euros per share, excluding fees and commissions or potential adjustments to take account of capital transactions.

It shall be stated that the number of shares purchased by the Company with a view to keeping them and subsequently delivering them in payment, or in an exchange for the purpose of any merger, de-merger, or capital contribution, may not exceed 5% of its share capital.

Maximum amount that can be dedicated to share buybacks: €15 million.

In this context, the repurchased shares may be cancelled.

It shall be noted that the Company must comply with the following reporting requirements in connection with share buybacks:

- Before carrying out the buyback programme authorised by the General Shareholders' Meeting of 11 June 2015:
 - Publication of a description of the share buyback programme (disseminated effectively and in full via email by a professional distributor and available on the Company's website);
- During the buyback programme:

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- Online publication of the transactions 7 days later on the Company's website (excluding transactions performed under the liquidity provider agreement),
- Monthly reports of the Company to the AMF;
- Each year:
 - Presentation of the results of the buyback programme and the use of proceeds in the Board of Directors' report at the General Shareholders' Meeting.

As part of the share buyback programme mentioned above, the Company entrusted Invest Securities with the implementation of a liquidity provider agreement to which 500,000 euros was allocated in July 2014.

As of 30 June 2016, the liquidity account comprised the following assets:

- 33,263 shares with a nominal value of 5.70 euros each (in the Company's balance sheet, these shares have a book value of 319,324.80 euros);
- €231,114.54.

3.4.3 Securities giving right to a fraction of share capital

3.4.3.1 Founders' warrants

	Founders' warrants April 2009	Founders' warrants August 2009
Date of Meeting	2 April 2008	2 April 2008
Date of Board of Directors' Meeting	1 April 2009	3 August 2009
Number of founders' warrants authorised	312,454	312,454
Total number of founders warrants allocated	150,000	162,454
Total number of Voltalia shares that can be subscribed	150,000	162,454
<i>of which total number that can be subscribed by corporate officers</i>	<i>0</i>	<i>0</i>
Number of non-corporate-officer beneficiaries	2	18
Beginning of the exercise period for the founders' warrants	1 May 2009	(1)
Expiry date of the founders' warrants	1 April 2019	3 August 2019
Subscription price of a Voltalia share	€2.38 ⁽³⁾	€3.11 ⁽³⁾
Exercise terms	(2)	(2)
Number of Voltalia shares subscribed as of the Update	42,105	-
Total number of cancelled or void founders' warrants	-	112,354
Founders warrants outstanding as of the Update	107,895	50,100
Total number of Voltalia shares that can be subscribed as of the Update	10,789 ^{(3) (4)}	5,010 ^{(3) (4)}

(1) The beginning of the exercise period of the founders' warrants depends on the identity of the beneficiaries of said founders' warrants,

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it being specified that, in any case it will start no later than 1 June 2013.

- (2) The founders' warrants that are valid as of the Update can all be exercised as their exercise is not subject to any performance criteria.
- (3) Following the reverse stock split in June 2014, each warrant holder must exercise 10 founders' warrants for one Voltalia share.
- (4) The number of shares takes account of the Company's 1 for 10 reverse stock split decided by the Combined General Shareholders' Meeting of 13 June 2014.

3.4.3.2 Free allocation of shares

	Free allocation of shares
Date of General Shareholders' Meeting authorising the allocation	13 June 2014
Date of General Shareholders' Meeting authorising the allocation	13 June 2014
Date of allocation by the Board of Directors	25 July 2014
Number of shares that can be allocated	26,000
Total number of shares allocated	21,667
<i>of which total number of shares allocated to corporate officers</i>	0
Number of non-corporate-officer beneficiaries	3
Date of the Assembly having authorized the allocation	13/06/2014
Number of shares to vest	21,667
Vesting date	25 July 2014
Vesting conditions	(1)
Number of shares vested as of the Update	0
Number of cancelled or void shares	0
Lock-in period	0

(1) The beneficiaries' shares will vest after a four-year period.

3.4.3.3 Warrants allocated under equity financing

As per its decision of 9 October 2015, the Board of Directors⁴⁹ set up an equity financing line with a view to extending the free float and increasing share liquidity. In this context, the Company issued a total of one million warrants (the "Warrants"), giving the right to subscribe to an equal number of shares solely to Kepler Cheuvreux. The latter does not intend to keep the shares it subscribed following the exercise of the Warrants but will subsequently put them on the market or sell them to investors. The characteristics of the Warrants are

⁴⁹ Making use of an authorisation granted by the nineteenth resolution adopted by the Combined General Shareholders' Meeting of 11 June 2015.

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shown in the table below:

	Warrants
Date of General Shareholders' Meeting	11 June 2015
Date of Board of Directors' Meeting	9 October 2015
Number of Warrants allocated	1,000,000
Total number of Voltalia shares that can be subscribed	1,000,000
Beginning of the exercise period for Warrants	23 October 2015
End of exercise period for the Warrants	23 October 2018
Exercise price per new share	95% of Voltalia's volume weighted average share price during the two trading days prior to
Exercise terms	(1)
Total number of Warrants exercised as of the Update(2)	30,000
Number of Voltalia shares subscribed as of the Update	30,000
Number of cancelled or void Warrants	0
Warrants outstanding as of the Update	970,000
Total number of Voltalia shares that can be subscribed as of the Update	970,000

- (1) Subject to the conditions defined by the parties being met, Kepler Cheuvreux undertook to exercise the Warrants over the next 36 months following their issue. One of these conditions provides for a limit in the number of new shares that can be issued following the exercise of Warrants: The total number of new shares issued following the exercise of Warrants will be lower or equal to 25% of the number of Voltalia shares traded on the Euronext Market in Paris, excluding block trading, as from the implementation of the equity financing line. The Company may terminate the agreement at any time.
- (2) Including 22,000 Warrants exercised between 3 November and 2 December 2015 (see section 21.1.8.1 of the Registration Document) and 8,000 Warrants exercised on 2 August 2016.

3.4.3.4 Stock Options

	Stock options
Date of General Shareholders' Meeting	11 June 2015
Date of Board of Directors' Meeting	6 August 2015
Maximum number of shares that can be issued	800,000
Total number of stock options allocated	201,204

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Total number of Voltalia shares that can be subscribed	201,204
<i>of which total number that can be subscribed by corporate officers of the Company</i>	0
<i>of which total number that can be subscribed by corporate officers of Group subsidiaries</i>	72,289
Number of non-corporate-officer beneficiaries	3
Beginning of the exercise period for stock options	7 August 2017
Expiry date of the stock options	7 August 2022
Subscription price of a Voltalia share	€9.03
Number of Voltalia shares that can be subscribed as of the Update	201,204
Total number of cancelled or void stock options	0
Stock options outstanding as of the Update	201,204
Total number of Voltalia shares that can be subscribed as of the Update	0

The exercise of stock options is subject to continued employment within the Group and Group performance.

3.4.3.5 Summary of dilutive instruments

As of this Update, the total number of ordinary shares likely to be issued following the exercise of all the rights giving access to the Company's share capital, amounted to 1,208,670 shares, and did not exceed 4.6% of the diluted share capital. Dilution of the voting rights came to 2.46% of the theoretical voting rights and 2.46% of the exercisable voting rights.

3.4.3.6 Authorised share capital

The resolutions in connection with the issue approved by the Extraordinary General Shareholders' Meeting of 11 June 2015 are summarised below:

Purpose of the resolutions adopted by the Company's General Shareholders' Meeting of 11 June 2015	Resolution number	Term of authorisation and expiry	Maximum nominal amount (in euros)	Date and terms of use by the Board of Directors
Delegation of authority granted to the Board of Directors with a view to increasing the share capital by issuing ordinary shares or any other securities giving access to the share capital with preferential subscription rights for shareholders	Sixteenth resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	130,000,000	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority granted to the Board of Directors with a view to increasing the share capital by issuing ordinary shares or any other securities giving access to the share capital without preferential	Seventeenth resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at	130,000,000	The Board of Directors did not make use of this authorisation

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Purpose of the resolutions adopted by the Company's General Shareholders' Meeting of 11 June 2015	Resolution number	Term of authorisation and expiry	Maximum nominal amount (in euros)	Date and terms of use by the Board of Directors
subscription rights for shareholders and public offering		the Meeting of 12 May 2016		during the past fiscal year
Delegation of authority granted to the Board of Directors with a view to increasing the share capital by issuing ordinary shares or any other securities giving access to the share capital without preferential subscription rights for shareholders through an offer to qualified investors or a limited circle of investors referred to in Article L. 411-2 II of the French Monetary and Financial Code	Eighteenth resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	90,000,000	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority granted to the Board of Directors with a view to increasing the share capital by issuing ordinary shares or any other securities giving access to the share capital without preferential subscription rights for shareholders, in favour of a class of persons that shall ensure the underwriting of the Company's equity securities that may come about as part of an equity financing line	Nineteenth resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	90,000,000	The Board of Directors used this authorisation on 9 October 2015 and carried out an issue totalling 1,000,000 warrants in favour of Kepler Capital Markets SA (see additional Board of Directors' and Statutory Auditors' reports)
Delegation of authority granted to the Board of Directors to increase the number of shares to be issued in the event of a capital increase, with or without preferential subscription rights	Twenty-first resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	-	The Board of Directors did not make use of this authorisation during the past fiscal year

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Purpose of the resolutions adopted by the Company's General Shareholders' Meeting of 11 June 2015	Resolution number	Term of authorisation and expiry	Maximum nominal amount (in euros)	Date and terms of use by the Board of Directors
Delegation of authority granted to the Board of Directors to issue ordinary shares and securities giving access to the Company's share capital in the event of a tender offer comprising a share exchange offer launched by the Company	Twenty-second resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	130,000,000	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority granted to the Board of Directors with a view to increasing the share capital up to 10%, to remunerate contributions in kind from third-party companies made up of shares or securities giving access to the share capital, except in the event of an exchange offer.	Twenty-third resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	65,000	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority granted to the Board of Directors with a view to increasing the share capital through the capitalisation of premiums, reserves, profits or other funds	Twenty-fifth resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	1,000,000	The Board of Directors did not make use of this authorisation during the past fiscal year
Authorisation to be granted to the Board of Directors for the allocation of Company stock options	Twenty-sixth resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	4,560,000, corresponding to the issue of a maximum of 800,000 shares with a nominal value of €5.70 each	The Board used this authorisation on 6 August 2015 (see Board of Directors' special report on stock option allocations)
Authorisation to be given to the Board of Directors to carry out free allocations of existing shares or shares to be issued	Twenty-seventh resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016	4,560,000, corresponding to the issue of a maximum of 800,000 shares with a nominal value of €5.70 each, without exceeding 10% of the	The Board of Directors did not make use of this authorisation during the past fiscal year

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Purpose of the resolutions adopted by the Company's General Shareholders' Meeting of 11 June 2015	Resolution number	Term authorisation and expiry	of	Maximum nominal amount (in euros)	Date and terms of use by the Board of Directors
				Company's share capital (2)	
Delegation of authority to be granted to the Board of Directors to issue and allocate Warrants to (i) members and non-voting members of the Company's Board of Directors in office as of the allocation of the Warrants, who are not employees or corporate officers of the Company or one of its subsidiaries or (ii) members of any Committee set up by the Board of Directors or which could be set up by the Board of Directors who are not employees or corporate officers of the Company or one of its subsidiaries	Twenty-eighth resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016		285,000, corresponding to the issue of a maximum of 50,000 shares with a nominal value of €5.70 each (2)	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority to be granted to the Board of Directors to issue redeemable warrants or warrants without preferential subscription rights in favour of the following class of beneficiaries: employees and corporate officers of the Company or its subsidiaries	Twenty-ninth resolution	This authorisation expired on 12 May 2016, a new authorisation was granted for the same purpose at the Meeting of 12 May 2016		2,850,000, corresponding to the issue of a maximum of 500,000 shares with a nominal value of €5.70 each (2)	The Board of Directors did not make use of this authorisation during the past fiscal year

The resolutions in connection with the issue approved by the Extraordinary General Shareholders' Meeting of 12 May 2016 are summarised below:

Purpose of the resolutions adopted by the Company's General Shareholders' Meeting of 12 May 2016	Resolution number	Term authorisation and expiry	of	Maximum nominal amount (in euros)	Date and terms of use by the Board of Directors
Delegation of powers granted to the Board of Directors to increase the share capital through the issue of	Thirteenth resolution	12 July 2018 (26 months)		130,000,000 (1)	The Board of Directors did not make use of

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Purpose of the resolutions adopted by the Company's General Shareholders' Meeting of 12 May 2016	Resolution number	Term of authorisation and expiry	Maximum nominal amount (in euros)	Date and terms of use by the Board of Directors
ordinary shares and/or any other securities which are equity securities giving access to other equity securities or giving entitlement to debt securities, and/or securities giving access to future equity securities, with preferential subscription rights for shareholders				this authorisation during the past fiscal year
Delegation of authority granted to the Board of Directors with a view to increasing the share capital, immediately or in the future, through the issue of ordinary shares and/or any other securities which are equity securities giving access to other equity securities or giving entitlement to debt securities, without preferential subscription rights for shareholders and public offering	Fourteenth resolution	12 July 2018 (26 months)	130,000,000 (1)	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of powers granted to the Board of Directors to increase the share capital through the issue of ordinary shares and/or any other securities which are equity securities giving access to other equity securities or giving entitlement to debt securities, and/or securities giving access to future equity securities without preferential subscription rights for shareholders, to be issued through an offer to qualified investors or a limited circle of investors referred to in Article L. 411-2 II of the French Monetary and Financial Code	Fifteenth resolution	12 July 2018 (26 months)	90,000,000 (1)	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority to be granted to the Board of Directors with a view to increasing the share capital through the issue of ordinary shares or any other securities without preferential subscription rights for shareholders in favour of a class of persons as part of an equity financing line	Sixteenth resolution	12 November 2017 (18 months)	90,000,000 (1)	The Board of Directors did not make use of this authorisation during the past fiscal year

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Purpose of the resolutions adopted by the Company's General Shareholders' Meeting of 12 May 2016	Resolution number	Term of authorisation and expiry	Maximum nominal amount (in euros)	Date and terms of use by the Board of Directors
Delegation of authority granted to the Board of Directors to increase the number of shares to be issued in the event of a capital increase, with or without preferential subscription rights	Eighteenth resolution	12 July 2018 (26 months)	(1)	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority granted to the Board of Directors to issue ordinary shares and securities giving access to the Company's share capital in the event of a tender offer comprising a share exchange offer launched by the Company	Nineteenth resolution	12 July 2018 (26 months)	130,000,000 (1)	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority granted to the Board of Directors with a view to increasing the share capital up to 10%, to remunerate contributions in kind from third-party companies made up of shares or securities giving access to the share capital, except in the event of an exchange offer.	Twentieth resolution	12 July 2018 (26 months)	90,000,000 (1)	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority granted to the Board of Directors with a view to increasing the share capital through the capitalisation of premiums, reserves, profits or other funds	Twenty-second resolution	12 July 2018 (26 months)	1,000,000	The Board of Directors did not make use of this authorisation during the past fiscal year
Authorisation to be granted to the Board of Directors for the allocation of Company stock options	Twenty-third resolution	12 July 2019 (38 months)	4,560,000 corresponding to the issue of a maximum of 800,000 shares with a nominal value of €5.70 each (2)	The Board of Directors did not make use of this authorisation during the past fiscal year
Authorisation to be given to the Board of Directors to carry out free allocations of existing shares or shares to be issued	Twenty-fourth resolution	12 July 2019 (38 months)	6,840,000 corresponding to the issue of a maximum of 1,200,000 shares with a nominal value	The Board of Directors did not make use of this authorisation during the past fiscal year

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Purpose of the resolutions adopted by the Company's General Shareholders' Meeting of 12 May 2016	Resolution number	Term authorisation and expiry	of	Maximum nominal amount (in euros)	Date and terms of use by the Board of Directors
				of €5.70 each, without exceeding 10% of the Company's share capital (2)	
Delegation of authority to be granted to the Board of Directors to issue and allocate Warrants to (i) members and non-voting members of the Company's Board of Directors in office as of the allocation of the warrants, who are not employees or corporate officers of the Company or one of its subsidiaries or (ii) members of any Committee set up by the Board of Directors or which could be set up by the Board of Directors who are not employees or corporate officers of the Company or one of its subsidiaries or (iii) natural persons or legal entities connected to the Company or one of its subsidiaries through a service or consulting contract	Twenty-fifth resolution	12 November 2017 (18 months)		285,000, corresponding to the issue of a maximum of 50,000 shares with a nominal value of €5.70 each (2)	The Board of Directors did not make use of this authorisation during the past fiscal year
Delegation of authority to be granted to the Board of Directors to issue redeemable warrants or warrants without preferential subscription rights in favour of the following class of beneficiaries: employees and corporate officers of the Company or its subsidiaries	Twenty-sixth resolution	12 November 2017 (18 months)		2,850,000 corresponding to the issue of a maximum of 500,000 shares with a nominal value of €5.70 each (2)	The Board of Directors did not make use of this authorisation during the past fiscal year

- (1) The maximum nominal overall amount of the capital increases that may result from the powers delegated by resolutions 13 to 16 and resolutions 18 to 20 above, is set at 200,000,000 euros, it being specified however that this amount may be increased by the amount of any additional shares to be issued in order to protect the interests of holders of securities and other rights giving access to shares, in accordance with the law or regulations or any applicable contractual requirements,
- (2) The total number of shares likely to be issued or acquired following the exercise of stock options granted under the twenty-third resolution, (ii) shares that may be granted under the twenty-fourth resolution above, (iii) shares likely to be issued following the exercise of warrants granted under the twenty-fifth resolution, and (iv) shares likely to be issued following the exercise of redeemable warrants or warrants granted under the twenty-sixth resolution above, may not exceed 1,500,000 shares, with a nominal value of 5.70 euros each, it being specified however that this amount may be increased by the amount of any additional shares to be issued in order to protect the interests of holders of securities and other rights giving access to shares, in accordance with the law or regulations or any applicable contractual requirements.

3.5 UPDATE OF CHAPTER 22 "MATERIAL CONTRACTS"

Chapter 22 of the Registration Document has been supplemented by the following information:

3.5.1 Service provision agreements

3.5.1.1 Construction services contracts

At the date of the Update, the services the Group proposes to its customers include in particular construction services for solar power plants on behalf of third parties. Construction takes place when the project is ready, following completion of the development stage. Construction of solar power plants, which lasts an average of one year, commits the group, as a service provider, to deliver turnkey plants at a specified date set out in the service provision agreement. Construction generally includes the following stages: equipment purchasing, engineering project, management of subcontractors and machinery assembly. The plant is considered to be delivered when the operating tests have been carried out and it is ready to enter the production phase. If delivery dates are not met, the customer generally benefits from a performance bond, for an amount specified in the contract, which can be called upon by the customer as compensation if deadlines are not respected.

As a construction group, Voltalia is also liable for performance (including liability for hidden defects), which is generally covered by the equipment supplier.

Solar power plant construction contracts are signed either with the purchasers of projects developed by the Group or directly with third-party customers requesting a construction-only offering.

At the date of the Update, the main construction contracts underway relate to projects in Jordan and France. Both these projects are in the reception phase.

3.5.1.2 Operation and maintenance services contracts

The Group also provides services related to the operation and maintenance of power plants already in service. In this respect, the Group has signed operating and maintenance contracts for photovoltaic power plants, for a usual duration of between 2 and 20 years. As part of these contracts, the Group provides preventive maintenance and corrective maintenance services. Depending on the terms of these contracts, the Group can be required to guarantee a minimum level of plant availability to the customer.

At the date of the Update, the main operating and maintenance contracts signed by the Martifer Solar group related to photovoltaic power plants in the following countries:

- Portugal;
- Jordan;
- Italy;
- Spain;
- United Kingdom;
- France;
- Belgium;
- Slovakia.

4 TRENDS AND FORECASTS

4.1 INFORMATION ON TRENDS

The objectives presented in this chapter were prepared on the basis of data, assumptions and estimates considered to be reasonable by the Group's management. These data, assumptions and estimates are liable to change or to be modified as a result of uncertainties related in particular to the economic, financial, accounting, competitive and regulatory environment or as a result of other factors of which the Group is unaware on the date of the Update. In addition, the realisation of certain risks described in chapter 4 of the Registration Document or in chapter 3.1 of the Update could have an impact on the activity, the financial situation or the results of the Group and hence on its capacity to achieve its objectives. The Group makes no commitment and offers no guarantee concerning the achievement of the objectives appearing in this chapter.

Chapter 12 "Information on trends" of the Registration Document has been entirely replaced by the following information:

At the time of its transfer onto the regulated Euronext Paris market in 2014, the Company announced an objective of 1 GW of installed capacity by 2025; this objective was moved up to 2022 during the presentation of the 2015 annual results on 24 February 2016. It has now been advanced to 2019.

Backed by the development prospects in connection with the acquisition of the Martifer Solar group, Voltalia is planning on pursuing and stepping up its profitable growth and geographical and energy diversification strategy in the coming years.

This growth will hinge on pursuing a multi-country and multi-business development model, on its own account or on behalf of third parties, by leveraging the key priority areas of the Group's strategy, as described in Section 2.2.4 of the Update.

To fuel this ambition, the Group established a set of medium-term operational and financial objectives which are described below:

Operational objectives of the "Development-Construction-Operation" activity

Backed by an expected installed capacity of 480 MW⁵⁰ by the end of 2016, the Group is now planning to achieve 1 GW of installed capacity in 2019, three years earlier than its original objective.

To achieve this, the Company intends to leverage its project pipeline which is broken down into two different stages of advancement as of the date of the Update:

- A project backlog of 188 MW in four countries (France, French Guiana, Brazil and Morocco) which is further described in Section 2.2.5 of the Update
- 2.8 GW in projects under development on four continents in 23 countries

With this new ambition, the Group is also planning to accelerate the diversification of its energy and geographic asset portfolio.

Operating segment shift

The Martifer Solar group's expertise in the photovoltaic industry, together with the combined geographical anchorage of the two groups in almost 30 countries will fuel this dynamic.

In the near term, the commissioning of backlog projects should bring the share of solar power up to 10% of installed MW compared with 4% as of the date of the Registration Document. As for the contribution from wind

⁵⁰ Installed capacity of 477 MW as of 11 October (see press release of the same day), to which will be added the 3MW of the Vila Para plant, currently in construction (see press release of 11 October 2016).

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power, it should only represent 82% of the installed MW, compared with 90% as of 19 September 2016 (i.e. the date of the publication of the results for the first half of 2016).

Geographical shift

Europe should represent 23% of the future installed capacity of the Group, compared with the current 14%. The contribution from Latin America will decrease from 86% at end-2016 to 71%.

Information concerning Voltalia's pipeline can be found in Section 2.2.5 of the Update.

Operational objectives of the "services on behalf of third parties" activity

Leveraging the Martifer Solar group's expertise and reputation, Voltalia plans to operate a portfolio of 2 GW on behalf of third-party customers of the industry by 2019.

In addition to the GW of power plants owned and operated by the Group for its own account, this objective represents 3x the number of MW currently managed as of the integration date of the Martifer Solar group.

To supplement the Group's operating objectives, Voltalia has also set new financial objectives, as presented below.

Financial objectives of the Group

The Group set an objective to deliver consolidated *EBITDA of €180 million in 2019, broken down as follows:

Sales of electricity produced by the Group's own assets	Operation and maintenance on behalf of third parties	Construction and project sales on behalf of third parties	Associated corporate expenses
165 million euros	10 million euros	30 million euros	(25 million euros)

*This EBITDA objective was determined using an assumed constant exchange rate of EUR1 = BRL4, in line with the average exchange rate observed since the start of 2016

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5 FINANCIAL AND ACCOUNTING INFORMATION

The table below allows us to assess how the two business models have been complementing each other in terms of Group revenue generation since the acquisition of the Martifer Solar group completed on 19 August 2016.

	ASSETS OWNED	SERVICE PROVIDER	
	Electricity production	Operation maintenance and	Development construction and
INCOME MODEL	• Energy sales • Growth in line with capital expenditure rate	• Medium- and long-term agreements • Average term of agreements: 6 years	• Development cycle between 2 and 3 years • Construction cycle of one year • Identification of non-linear income
BUSINESS PROFILE	• No fuel cost • Very high EBITDA margin	• Lower EBITDA margin	• Lower EBITDA margin (significant income but construction costs)
LEVEL OF CAPITAL INTENSITY	• Capital intensive market • Predictable market with long-term income generation	• Low capital-intensive market based on workforce	• Low-capital intensive business

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5.1 SELECTED FINANCIAL INFORMATION

Chapter 3 of the Registration Document has been supplemented by the following information:

The selected financial information provided in this chapter was taken from the interim financial statements as of 30 June 2016 (having been the subject of a limited review by the Company statutory auditors) included in the interim financial report as of 30 June 2016 in Chapter 8 of the Update.

In € thousands	30/06/2016	31/12/2015	31/12/2014
Revenues - energy sales	41,536	57,435	26,748
Of which biomass	1,366	2,854	3,783
Of which wind power	27,287	44,074	12,709
Of which solar power	3,524	7,404	7,359
Of which hydropower	1,504	1,601	2,896
Of which hybrid	7,856	1,503	0
Of which France	6,223	11,296	7,796
Of which Guiana	3,976	6,925	8,269
Of which Greece	1,144	2,292	2,301
Of which Brazil	30,193	36,925	8,382
Service provision and development business	445	1,046	844
Other operating income	2,748	83	18
EBITDA (1)	24,031	30,042	12,536
Amortisation	(7,419)	(10,714)	(5,018)
Allowances for/reversals on impairments and provisions	482	2,789	(1,556)
Net allowances for depreciation of other operating income and expenses	0	180	0
Current operating income	17,168	22,629	6,736
Operating net loss	17,094	22,298	5,962
Total net loss	3,692	4,550	4,896
Net income attributable to owners of the parent	3,024	3,888	4,495
Gross cash flow (2)	10,976	31,684	13,226
Group shareholders' equity	247,746	211,165	210,741
Cash and cash equivalents	57,656	43,591	58,779
Gross financial debt (3)	437,357	308,038	244,974
Installed capacity (4)	376.1 MW	376.1 MW	133.1 MW

*The interim financial statements were subject to a limited review by the Statutory Auditors.

(1) EBITDA is the English-language equivalent of gross operating surplus. It is calculated by restating earnings before depreciation, amortisation and provisions included in recurring income and in other operating income and expenses.

(2) Gross cash flow corresponds to gross cash flow from consolidated companies before borrowing costs, in accordance with section 10.2.1 of the Registration Document.

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(3) At 31 December 2014, gross financial debt increased in order to ensure the financing of plants under construction.

(4) Installed power corresponds to the consolidated power of the plants in operation at 31 December of the year in question.

Key pro forma financial information following the acquisition of the Martifer Solar group

In € thousands	30/06/2016	31/12/2015
Income ⁵¹	86,915	204,073
Revenues	83,301	194,357
Operating net loss	609	12,235
EBITDA	14,768	25,748

⁵¹ Income includes the revenue (or income from ordinary activities) of the Group and other income related to the business.

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5.2 2016 INTERIM FINANCIAL INFORMATION

5.2.1 Press release dated 29 July 2016

A CONFIRMED GROWTH DYNAMIC

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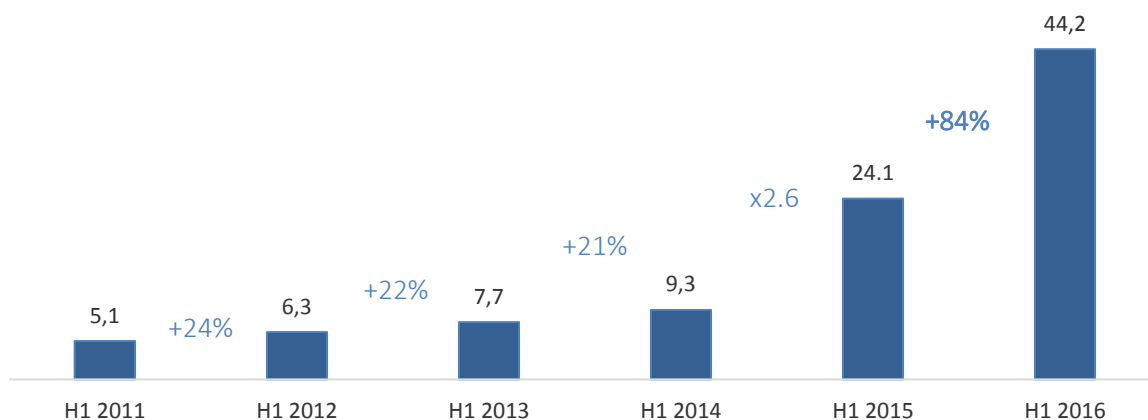
Revenues multiplied by 2.6⁵² in Q2 2016

Voltaia (Euronext Paris, ISIN code: FR0011995588), an international independent renewable energy power producer, announces its Q2 2016 and H1 2016 revenues.

"The performance of this second quarter reflects the relevance of our organic growth strategy, relying on successful operational teams and a high selectivity regarding the power plants we decide to build. Encouraged by these successes, we will soon take a decisive step with the acquisition of the Martifer Solar group. This external growth operation will confirm our positioning as an industrial integrated player, expand our global reach and boost our development in solar", congratulates Sébastien Clerc, CEO of Voltaia.

Progression of H1 energy sales since 2011⁵³ (in € millions)

Note: non-euro revenues are accounted for at the average EUR/BRL exchange rate over the considered period.



Revenues by business line (in € millions)	Q2 2016	Q2 2015	Variation	H1 2016	H1 2015	Variation
Energy sales	25.9 ⁵⁴	9.7 ⁵⁵	x2.7 ⁵⁶	44.2 ⁵⁷	24.1 ⁵⁸	+83.7% ⁵⁹
Revenues from development activities and O&M services	0.3	0.4	-28.2%	0.4	0.6	-21.5%
Consolidated revenues	26.1⁶⁰	10.1⁶¹	x2.6⁶²	44.7⁶³	24.7⁶⁴	+81.2%⁶⁵

⁵² Figure corrected to 2.4

⁵³ The figures for H1 2015 and H1 2016 have been corrected respectively to 23.9 and 41.5

⁵⁴ Figure corrected to €23.2 M: €2.7 M of other income related to the business having been transferred to revenues.

⁵⁵ Figure corrected to €9.5 M: €0.2 M of other income related to the business having been transferred to revenues.

⁵⁶ Figure corrected to 2.4

⁵⁷ Figure corrected to €41.5 M: €2.7 M of other income related to the business having been transferred to revenues.

⁵⁸ Figure corrected to €23.9 M: €0.2 M of other income related to the business having been transferred to revenues.

⁵⁹ Figure corrected to 73.6%

⁶⁰ Figure corrected to €23.5 M: €2.7 M of other income related to the business having been transferred to revenues.

⁶¹ Figure corrected to €9.9 M: €0.2 M of other income related to the business having been transferred to revenues.

⁶² Figure corrected to 2.4

⁶³ Figure corrected to €42 M: €2.7 M of other income related to the business having been transferred to revenues.

⁶⁴ Figure corrected to €24.5 M: €0.2 M of other income related to the business having been transferred to revenues.

⁶⁵ Figure corrected to 71.5%

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Q2 2016 consolidated revenues are multiplied by 2.6⁶⁶, reaching 26.1 million euros⁶⁷ compared to 10.1 million euros⁶⁸ in Q2 2015. At constant exchange rates⁶⁹, without considering the negative euro/real exchange rate over the period, Q2 2016 revenues triple⁷⁰.

Cumulated over the first half-year, consolidated revenues climb +81%⁷¹ to 44.7 million euros⁷² vs. 24.7 million euros⁷³ in H1 2015. At constant exchange rate, H1 2016 revenues are multiplied by 2.2⁷⁴.

Energy sales growth in Q2 2016 mainly driven by Brazil

The outstanding progression of energy sales (x2.7)⁷⁵ in Q2 2016 is mainly driven by the good performances of the Brazilian power plants: in addition to the Areia Branca wind power plant (90 MW), which had already generated revenues in Q2 2015, come the contributions of the São Miguel do Gostoso (108 MW), Oiapoque (12 MW) and Vamcruz (93 MW) power plants, achieved since then.

Metropolitan France revenues slightly decline (-2.3%) due to less favourable climatic conditions.

In French Guiana, the resolution of the technical issues encountered in 2015 at the Mana hydropower plant lead to a +33.4% increase.

Because the Group did not sell developed projects over the period, revenues from development activities and O&M services decreased by 0.1 million euros. However, revenues from O&M services for solar power plants in Greece for third-party clients increased a little. As of June 30 2016, Voltalia operates 33.8 MW in Greece for third-party clients.

Q2 2016 highlights

Further organic growth

Voltalia Guyane teams won a public tender in June 2016 for a photovoltaic solar project with a 4 MW total capacity⁷⁶. This is Voltalia's first project including an electricity storage system relying on batteries (2.4 MW⁷⁷).

In metropolitan France, the group bought out a long-time partner's minority share (49.9%) in a portfolio of four wind farm projects in development in France, for a 76 MW⁷⁸ total potential capacity. This operation highlights the Group's ambitions in metropolitan France.

In June, Voltalia acquired Alterrya Maroc, a renewable projects development company in Morocco, thus integrating a portfolio of projects in development and study phase for a total potential capacity of 185 MW in wind energy and 100 MW in solar⁷⁹. These projects boost Voltalia's development in Morocco, already well underway with authorisations filed for a total 275 MW capacity.

⁶⁶ Figure corrected to 2.4

⁶⁷ Figure corrected to 23.5

⁶⁸ Figure corrected to 9.9

⁶⁹ The currency effect in connection with the depreciation of the Brazilian real in the second quarter of 2016, amounted to €5.1 million.

⁷⁰ Figure corrected to 2.8

⁷¹ Figure corrected to 71.5%

⁷² Figure corrected to 42

⁷³ Figure corrected to 24.5

⁷⁴ Figure corrected to 2. Impact due to the depreciation of the Brazilian real by 20% between the first half of 2015 and the first half of 2016.

⁷⁵ Figure corrected to 2.4.

⁷⁶ See press release dated 13 June 2016.

⁷⁷ See press release dated 13 June 2016

⁷⁸ See press release dated 1 May 2016

⁷⁹ See press release dated 17 June 2016.

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Finally, Voltalia recently announced the signing with Gamesa of the purchase contract for the Vila Acre wind turbines in Brazil. The 27 MW site, which construction will begin in October 2016, will be commissioned in Q3 2017, more than a year ahead of the beginning of the long-term electricity sales contract. During this period, the electricity produced will be sold at the same price as the one stipulated in the long-term sales contract⁸⁰.

Advanced talks with Martifer Solar

On 20 June 2016, Voltalia announced it was in advanced talks for the acquisition of the Martifer Solar group, a key player of the global solar PV market⁸¹. Covering more than 25 countries over four continents, Martifer Solar develops, builds and operates solar PV plants for third-party clients.

This strategic operation would accelerate the diversification of Voltalia's energy mix and significantly expand its global reach.

Perspectives

New steps forward in Brazil

The second half-year will see the commissioning of the Vila Pará wind farm in Brazil (99 MW), which construction began in autumn 2015. This new site will increase the Group's total installed capacity to 475 MW, in line with the target announced.

Closing of the Martifer Solar group's acquisition

Following the news published on 20 June 2016, the acquisition of the Martifer Solar group should be finalised in Q3 2016. A press release introducing the new organisation and the terms of the operation will then be issued.

Revenue breakdown – energy sales

Note: non-euro revenues are accounted for at the average EUR/BRL exchange rate over the considered period.

Energy sales by geography (in € millions)	Q2 2016	Q2 2015	Variation	H1 2016	H1 2015	Variation
Metropolitan France	2.5	2.6	-2.3%	6.2	5.9	+6.4%
French Guiana	2.1	1.6	+33.4%	4.0	3.3	+20.6%
Greece	0.7	0.7	nm	1.1	1.1	Nm
Brazil	20.6 ⁸²	4.8 ⁸³	x4.3 ⁸⁴	32.9 ⁸⁵	13.8 ⁸⁶	x 2.4 ⁸⁷

⁸⁰ Correction made to the press release dated 21 July 2016.

⁸¹ See press release dated 20 June 2016.

⁸² Figure corrected to 17.9

⁸³ Figure corrected to 4.6

⁸⁴ Figure corrected to 3.9

⁸⁵ Figure corrected to 30.2

⁸⁶ Figure corrected to 13.6

⁸⁷ Figure corrected to 2.2

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Energy sales by geography (in € millions)	Q2 2016	Q2 2015	Variation	H1 2016	H1 2015	Variation
Total energy sales	25.9 ⁸⁸	9.7 ⁸⁹	x2.7 ⁹⁰	44.2 ⁹¹	24.1 ⁹²	+83.7% ⁹³

Energy sales by energy source (in € millions)	Q2 2016	Q2 2015	Variation	H1 2016	H1 2015	Variation
Solar power	2.1	2.1	nm	3.6	3.5	+1.5%
Wind power	18.3 ⁹⁴	6.6 ⁹⁵	x2.8 ⁹⁶	30 ⁹⁷	18.3 ⁹⁸	+64.2% ⁹⁹
Hydro	0.9	0.4	x 2.3	1.5	0.9	+70.3%
Hybrid	4.0	n/a	n/a	7.9	n/a	n/a
Biomass	0.6	0.6	nm	1.3	1.4	-7.4%
Total energy sales	25.9 ¹⁰⁰	9.7 ¹⁰¹	x2.7 ¹⁰²	44.2 ¹⁰³	24.1 ¹⁰⁴	+83.7% ¹⁰⁵

H1 2016 production report

Along with the publication of its results, in April 2016 Voltalia initiated the release of its power production reporting.

Total energy production by area and by energy in GWh	Wind power	Solar power	Biomass	Hydro	Hybrid	Total
Brazil	365.1	n/a	n/a	n/a	3.1	368.2
Metropolitan France	55.8	5.9	n/a	n/a	n/a	61.7
French Guiana	n/a	2.4	5.8	13.1	n/a	21.3

⁸⁸ Figure corrected to 23.2

⁸⁹ Figure corrected to 9.5

⁹⁰ Figure corrected to 2.4

⁹¹ Figure corrected to 41.5

⁹² Figure corrected to 23.9

⁹³ Figure corrected to 73.7%

⁹⁴ Figure corrected to 15.6

⁹⁵ Figure corrected to 6.4

⁹⁶ Figure corrected to 2.4

⁹⁷ Figure corrected to 27.3

⁹⁸ Figure corrected to 18.1

⁹⁹ Figure corrected to 50.8%

¹⁰⁰ Figure corrected to 23.2

¹⁰¹ Figure corrected to 9.5

¹⁰² Figure corrected to 2.4

¹⁰³ Figure corrected to 41.5

¹⁰⁴ Figure corrected to 23.9

¹⁰⁵ Figure corrected to 73.7%

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Total energy production by area and by energy in GWh	Wind power	Solar power	Biomass	Hydro	Hybrid	Total
Greece	n/a	3.7	n/a	n/a	n/a	3.7
Total	420.9	12.0	5.8	13.1	3.1	455.0

* Note: no production was recorded for the de São Miguel do Gostoso plant (108 MW). Pending its connection to the Brazilian national grid, Voltaia has received compensatory revenues from ANEEL since the end of June 2015.

Figures in this press release are unaudited.

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5.2.2. Press Release dated 19 September 2016

“2016 interim results and new objectives

- In the first half of 2016, growth of +82% in income to €44.7 million, and an 8.5 point increase in the EBITDA margin to 53.7% of income;
- Since 1 July 2016, start of production of 75 MW at the Vila Pará site;
- New ambitious objectives by 2019 following the Martifer Solar acquisition.

* * *

Voltaia (Euronext Paris, ISIN Code: FR0011995588), an international renewable energy player, today announces its 2016 interim results, marked by new strong growth in business and profitability.

This press release provides information on the consolidated results, produced according to IFRS, which were subject to a limited review by the Statutory Auditors, then examined by the Voltaia Audit Committee, and approved by the Board of Directors.

Financial statements - H1 2016

CONSOLIDATED INCOME STATEMENT

(in € millions)	30/06/2016	30/06/2015	Change
IFRS - non audited data			
Revenues	42.0	24.5	+71%
Other income	2.7	n/a	n/a
Income¹⁰⁶	44.7	24.5	+82%
Operating expenses excluding depreciation, amortisation and provisions	(20.7) ¹⁰⁷	(13.4) ¹⁰⁸	+55%
EBITDA¹⁰⁹	24.0	11.1	x 2.2
<i>EBITDA margin</i>	53.7%	45.2%	+8.5 pts
Depreciation, amortisation and provisions	(6.9)	(3.7)	+87%
Operating profit (loss)	17.1	7.5	x 2.3
Financial profit (loss)	(11.4)	(3.0)	Ns
Tax and levies and other minority interests	(2.0)	(1.3)	Ns
Net profit (loss)	3.7	3.2	+15%¹¹⁰

¹⁰⁶ Income includes the revenue (or income from ordinary activities) of the Group and other income related to the business.

¹⁰⁷ Figure corrected to 20.6.

¹⁰⁸ Figure corrected to 12.8.

¹⁰⁹ EBITDA is calculated by restating operating profit before depreciation, amortisation, impairment and provisions included in recurring income and in operating income and expenses.

¹¹⁰ Figure corrected to 16%.

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(in € millions)	30/06/2016	30/06/2015	Change
IFRS - non audited data			
Of which net profit (loss) attributable to owners of the parent	3.0	3.2	-6%
Gross cash flow	11.0	7.3	+50%

Strong growth in business: +82%

Driven mainly by remarkable progress in energy sales in the second quarter, income from business in the first six months of the year increased by 82%. At constant exchange rates, income doubled during the first half of 2016. Valtalia notably benefited from excellent income from its power plants in Brazil, both for those that were already generating revenues in the first half of 2015 (Areia Branca) and those that have been commissioned since then (São Miguel do Gostoso, Oiapoque and Vamcruz: a total of 213 MW).

Doubling of EBITDA with a margin of 53.7%: up +8.5 points

Income growth along with controlled operating expenses supported strong growth of the EBITDA margin that increased by 8.5 points, to reach 53.7%, compared to 45.2% in the first half of 2015. EBITDA thus amounted to 24 million euros (x 2.1)¹¹¹. At constant exchange rates, EBITDA was multiplied by 2.6 compared to the first six months of 2015.

Net profit up: 3.7 million euros

After depreciation, amortisation and provisions of 6.9 million euros, up following the commissioning of new production capacity, operating profit posted significant growth at 17.1 million euros (x 2.3).

Valtalia recorded a financial loss of -11.4 million euros, also up sharply due to the commissioning of large power plants in Brazil. Long-term interest rates in Brazil, administered by the BNDES, have been raised since 2015¹¹², in response to the high level of inflation¹¹³, as the prices of long-term electricity sales contracts are indexed to inflation. The interest expense of a power plant, at its highest at the time of commissioning, will lower mechanically as the debt is repaid, while the benefit from the sales price increase is permanent.

Net profit amounted to 3.7 million euros, up by +15%¹¹⁴. At constant exchange rates, net profit increased by +44% compared to the first half of 2015.

CONSOLIDATED BALANCE SHEET

(in € millions)	30/06/2016	31/12/2015	Change
IFRS - non audited data			
Equity, group share	177.2	153.4	+16%
Minority interests	70.5	57.8	+22%
Current liabilities	178.2	74.9	x2.4
Non-current liabilities	305.3	265.1	+15%
Fixed assets	639.1	487.8	+31%

¹¹¹ Figure corrected to 2.2.

¹¹² 7.5% in the first half of 2016, compared with 5.5-6% in the first half of 2015.

¹¹³ The consumer price index increased by 8.97% between August 2015 and August 2016 (source: Instituto Brasileiro de Geografia e Estatística (IBGE)).

¹¹⁴ Figure corrected to 16%.

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(in € millions) IFRS - non audited data	30/06/2016	31/12/2015	Change
Current assets excl. net cash	34.5	19.8	+74%
Cash and cash equivalents	57.7	43.6	+32%
Balance sheet total	731.3	551.2	+33%

Reinforced financial and cash structure

The Group's financial structure is solid, with equity, Group share, amounting to 177.2 million euros at 30 June 2016.

Amounting to nearly 58 million euros, cash grew by 14.1 million euros, with 15 million euros¹¹⁵ in cash generated by operations over the period.

Financial liabilities, for their part, amounted to 437 million euros at 30 June 2016, 89% of the total consisting of financing in local currencies backed by power plants that are in operation or under construction.

Recent developments

Current installed capacity of 451 MW: +20% since 1 July 2016

After almost tripling its installed capacity between 1 January 2015 and 30 June 2016, Voltalia has continued to grow since 1 July. It is ahead of its initial schedule, having commissioned the first part of the Vila Pará power plant (25 turbines out of a total of 33) that represents an installed capacity of 75 MW out of a total of 99 MW. Thus, Voltalia's total installed capacity to date is 451 MW.

Acquisition of the Martifer Solar group

On 19 August, Voltalia announced that it had finalised its acquisition of the Martifer Solar group, a major player on the global solar power market that is a specialist in the development, construction and operation of photovoltaic power plants on behalf of third-party customers.

Integration is well advanced and started as soon as the exclusive negotiations were under way. The organisation of the new group and its management team has already been established.

The rapid organic growth of the last few years, along with the Martifer Solar acquisition, have combined to make Voltalia an international leader in renewable energy.

Voltalia is now active in 29 countries, with 423 employees. The company continues its industrial strategy as an integrated producer of renewable energy, while also providing its expertise to third-party clients as a service provider.

45 million euros in revolving credit obtained

After obtaining, in March 2016, 35 million euros in revolving credit from the BPCE Group (Banques Populaires – Caisses d'Epargne) for a five-year term, Voltalia announced that in August it had opened credit facilities, also for a five-year term, for an additional 10 million euros with Bpifrance. Voltalia also has access to bank credit lines with a maturity of under one year. The interest rate of these short- and medium-term credit lines is between 0.8% and 2%.

These sources of financing, opened by the Group's parent company alongside very long-term project financing that are backed by power plants in operation, give Voltalia reinforced financial flexibility for the implementation of its strategy. Nonetheless, the company is still considering options to strengthen its equity base, subject to favourable market conditions, and with due respect to all shareholders.

France: Voltalia prepares for new calls for tender in solar energy

The French energy transition law (Loi de Transition Énergétique) aims to increase the share of renewable energy in the overall energy mix to 32% by 2030. It plans for future power plants to market the electricity they produce in the wholesale market or directly with end-use consumers. Moreover, the French government implemented a regular call for tender for a volume of 1,500 MW per year for the first three-year period. In order to prepare for the new regulations, and in its role as an integrated player, Voltalia recently obtained a 'balancing actor' status and was authorised to operate in the purchase of electricity for resale to end-use consumers.

¹¹⁵ Figure corrected to 18 million euros.

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Definition of new objectives up to 2019

The acquisition of the Martifer Solar group gives Voltalia the means to implement a 3M strategy, in other words multi-energy, multi-country, and multi-business models. This latter dimension gives the Group greater options, by allowing it to develop business in new geographic areas for third-party customers.

During Voltalia's IPO in 2014, it announced its objectives, and it has reached them all ahead of schedule. Building on this success, the company is announcing new financial and operating objectives.

Installed capacity increased to 1 GW by 2019¹¹⁶; x 2.2

The Group's objective is to reach 1 GW of consolidated installed capacity by end-2019, moving ahead of its previous target by three years. This objective builds on the strong foundation of its 451 MW of currently installed capacity¹¹⁷, including the 24 MW which are in the final construction phase at the Vila Pará site, and on the increased development capacity provided by the integration of the Martifer Solar group.

In order to reach this objective, Voltalia is relying on 3 GW of projects under development, made up of:

- 215 MW of backlog, individually identified projects¹¹⁸ in advanced development stage, which will be built by 2019, and
- 2.8 GW of other projects currently under development on four continents in approximately 23 countries. Approximately 300 MW will be built by 2019, mainly those developed by Martifer Solar.

As well as reaching this capacity, there will be a larger energy and geographic diversification of the portfolio of power plants in operation, with an increase in solar power and the arrival of new geographical areas in the 29 countries where Voltalia is now doing business. Moreover, this installed capacity will give Voltalia the long-term means to finance its own strong growth.

Tripling operating capacity to 3 GW

After integrating the Martifer Solar power plant operations as a service provider for third-party clients, Voltalia currently operates 1 GW of generating capacity¹¹⁹.

Voltalia's objective is to increase this capacity in operation to 3 GW by 2019, with 1 GW operated on its own behalf, and 2 GW on behalf of third-party customers.

EBITDA objective of 180 million euros by 2019

With the Group benefitting from gradually reaching these objectives of installed capacity, as well as from its new activities as a service provider, it will seek to increase its consolidated EBITDA to €180 million¹²⁰ by the end of the 2019 financial year.

Confirming the dividend distribution policy from 2018

Voltalia confirms it intends to implement a dividend distribution policy from 2018 for the 2017 financial year, with a distribution rate growing up to 30% of the net profit, Group share.

"We are very proud to have reached all the objectives that we announced during the IPO. Supported by growing financial performance resulting from our organic growth, we today enter into a new phase of development, following our recent acquisition. Solar energy will represent a larger part of our activity, and we will grow our asset base in new countries. In a global sector that has been growing by 20% per year for over 15 years, Voltalia will continue to grow faster than the market," rejoices Sébastien Clerc, CEO of Voltalia.

¹¹⁶ Objectives previously announced for 2022 in the presentation of the 2015 interim results.

¹¹⁷ Owned capacity, consolidated scope

¹¹⁸ The breakdown is included in the business review which can be found on the Company's website.

¹¹⁹ Total installed capacity owned in addition to capacities operated on behalf of third parties.

¹²⁰ Based on an exchange rate of EUR1 = BRL4.

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The full interim financial report for the first six months of 2016 has been made public today, and has been submitted to the French Financial Markets Authority (AMF). It is available on the company website (www.voltalia.com).

The 2016 interim results will be available on our website (www.voltalia.com) on 20 September 2016 at 8.30am.”

5.2.3 Interim financial report

The half-year financial report as of 30 June 2016 can be found in Appendix 8.1 of the Update.

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5.3 PRO FORMA FINANCIAL INFORMATION

5.3.1 Pro forma financial information related to the acquisition of the Martifer Solar group

The unaudited pro forma balance sheet items at 30 June 2016 and the unaudited pro forma income statement items for the twelve-month period ended 31 December 2015 and for the six-month period ended 30 June 2016 ("unaudited pro forma information"), are presented in thousands of euros, and have been prepared in order to show the impact that the acquisition of the Martifer Solar group ("MTS") would have had on the balance sheet and income statement items if it had taken place on 1 January 2015.

Pro forma financial information has been prepared in accordance with the accounting principles used by Voltalia to draw up the Group's financial statements.

UNAUDITED PRO FORMA INCOME STATEMENT ITEMS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

In € thousands	Voltalia's historical unaudited financial statements at 30 June 2016	MTS's historical unaudited financial statements at 30 June 2016 <i>Note 1</i>	Reclassifications and other	Adjustments related to PWC reserves <i>Note 1</i>	MTS's adjusted financial statements for the six-month period ended 30 June 2016	Adjustments related to the acquisition	Unaudited pro forma balance sheet items at 30 June 2016
Fixed assets	639,129	32,922	0	(398)	32,524	37,338	708,990
Current assets excl. cash	34,480	50,574	0	(4,416)	46,158	0	80,637
Cash	57,656	928	0	0	928	(22,225)	36,359
Shareholders' equity	247,746	(31,028)	0	2,690	(28,338)	26,874	246,282
Current and non-current liabilities (excl. financial liabilities)	52,477	76,194	(207)	(7,504)	68,483	(11,761)	109,198
Financial liabilities	431,041	39,258	207	0	39,465	0	470,506
BALANCE SHEET TOTAL	731,264	84,424	0	(4,814)	79,610	15,113	825,987

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(in € thousands)	Volitalia's historical unaudited financial statements for the six-month period ended at 30 June 2016	MTS's historical unaudited financial statements for the six-month period ended at 30 June 2016 <i>Note 1</i>	Reclassifications and other	Adjustments related to PWC reserves <i>Note 1</i>	MTS's adjusted financial statements for the six-month period ended 30 June 2016	Adjustments related to the acquisition	Pro forma income statement items for the six-month period ended at 30 June 2016
Income	44,729	42,466	(781)	500	42,186	0	86,915
Revenues	41,981	41,059	(91)	352	41,320	0	83,301
Operating profit (loss)	17,094	(32,805)	3,745	11,939	(17,122)	636	609
EBITDA	24,031	(21,612)	3,192	8,521	(9,899)	636	14,768

UNAUDITED PRO FORMA INCOME STATEMENT ITEMS FOR THE TWELVE MONTH PERIOD ENDED 31 DECEMBER 2015

(in € thousands)	Volitalia's historical audited financial statements for the 12-month period ended 31 December 2015	MTS's historical audited financial statements for the 12-month period ended 31 December 2015 <i>Note 1</i>	Reclassifications and other	Adjustments related to PWC reserves <i>Note 1</i>	MTS's adjusted financial statements for the 12-month period ended 31 December 2015	Adjustments related to the acquisition	Pro forma income statement items for the twelve-month period ended 31 December 2015
Income	58,565	142,562	(2,569)	5,515	145,508		204,073
Revenues	58,482	127,856	0	8,018	135,875		194,357
Operating profit (loss)	22,298	(370)	(4,164)	(3,529)	(8,063)	(2,100)	12,135
EBITDA	30,042	3,765	(3,611)	(2,347)	(2,194)	(2,100)	25,748

The unaudited information presented in MTS's historical financial statements for the 12-month period ended 31 December 2015 was taken from the audited historical financial statements of the MTS group (see note 1).

The unaudited historical information for the six-month period ended 30 June 2016 was taken from the unaudited condensed financial statements of the MTS group at 31 July 2016 restated for activity during the month of July 2016. The financial statements as of 31 July 2016 were prepared for the purpose of the acquisition and were subject to a limited review by the Statutory Auditors of the MTS group (see note 1).

The business in the United States, outside of the scope of the acquisition, has been restated in the historical financial items shown below. The sale, legally finalised in July 2016, was considered as having taken place on 1 January 2015 for the income statement and on 30 June 2016 for the balance sheet.

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5.3.1.1 Note 1 – Description of the transaction and principles of preparation

- Acquisition of the Martifer Solar group excl. US

On 20 June 2016, Voltalia announced that it had entered into exclusive negotiations with the Martifer group with a view to acquiring the entire Martifer Solar sub-group, excluding the entities based in the United States.

Created ten years ago, MTS is a leading player in the solar power market. MTS develops, builds and operates photovoltaic solar power plants for third-party clients. It has carried out projects in more than 20 countries on four continents.

The acquisition was completed on 18 August 2016. It includes all the shares of the MTS parent company and therefore indirectly covers all the subsidiaries, partnerships and associates included in MTS's scope of consolidation. The only exception concerns the US subsidiaries, which were not part of the transaction and were sold by MTS to the Martifer group before the takeover.

Voltalia acquired the shares of the MTS group parent company for the total amount of €9 million, paid in cash to the shareholders of this company. The share purchase agreement does not include an earn out clause.

Voltalia also guaranteed to refund the current account amounts due to shareholders (representing a total of €9,000 thousand at 18 August 2016) on the date the agreement was signed, together with all the operating payables due to shareholders, at their nominal value, i.e. €4,336 thousand.

- Acquisition financing

The acquisition is financed entirely through equity.

It therefore resulted in a cash reduction of €22,225 thousand paid to MTS shareholders in the amount of €9 million for the shares, €8,889 thousand in respect of the current accounts and €4,336 thousand for trade debts.

- Principles of preparation

The unaudited pro forma financial information at 30 June 2016, for the six-month period ended 30 June 2016 and the twelve-month period ended 31 December 2016, includes the acquisitions according to the acquisition method, in accordance with IFRS 3, Business Combinations ("IFRS 3"), using the best information held by Voltalia at the date of preparation.

Unaudited pro forma adjustments are based on the information available and on certain assumptions that we consider reasonable, in particular those related to knowledge acquired during the pre-acquisition due diligence, but which have not been audited or subject to a limited review.

As a general rule, pro forma financial information and pro forma financial adjustments remain compliant with AMF recommendation No. 2013-08 as amended on 15 April 2016. In this respect, notably, the unaudited pro forma financial information does not include cost savings or other synergies that could result from the business combination. Nor does it include exceptional items, restructuring costs and/or consolidation costs that could be incurred post acquisition.

Given the timing of the acquisition, no allocation of fair value to potentially identifiable assets acquired and liabilities assumed was made for the preparation of the unaudited pro forma financial information. Only the reservations expressed by MTS's auditors were taken into account in pro forma adjustments (see below)

Furthermore, there is no outstanding balance and/or significant transaction between Voltalia and MTS that could or should have required elimination in the unaudited pro forma financial statements. The difference recorded between the price paid and MTS's equity after pro forma adjustment was recognised in full in goodwill.

Unaudited pro forma financial information is not an indicator of profitability or any future financial position whatsoever. Moreover, it does not reflect any restructuring costs likely to be incurred post acquisition and/or as part of the future integration. On the contrary, any restructuring costs, as well as non-recurring items

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previously recorded in the financial statements of Voltalia or MTS, have been retained in the preparation of the unaudited pro forma income statement items presented.

- Historical financial statements

Unaudited pro forma financial information was prepared on the basis of:

- Voltalia's audited annual consolidated financial statements for the twelve month period ended 31 December 2015, prepared in accordance with international ("IFRS") accounting standards, as adopted by the European Union. They are included in the 2015 Registration Document for the financial year ended 31 December 2015.
- MTS's audited consolidated financial statements for the twelve month period ended 31 December 2015, also prepared in accordance with international accounting standards as adopted by the European Union. These financial statements were audited by PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lta ("PWC"), which, in September 2016, issued a qualified opinion with four reserves. The reserves relate to:

- 1) The recognition in income in 2015 of a sale in the amount of 2,700 thousand euros, which was eliminated in profit or loss in the first half of 2016 due to the non-fulfilment of the conditions precedent. The information available does not allow a conclusion to be drawn on the accounting treatment: change in estimate or error correction.

Taking into account the reserves expressed by the Statutory Auditors, Voltalia considers that this elimination should be recognised in the financial year, since the proceeds of the sale were recognised in 2015. Accordingly, an adjustment of -2,503 thousand euros was recorded in 2015 income, operating profit and EBITDA for this reserve (unaudited amount discounted using information provided by MTS). MTS recorded the elimination by a negative impact on 2016 EBITDA and 2016 operating profit. These negative impacts were offset by a pro forma adjustment of +2,503 thousand euros on 2016 EBITDA and operating profit.

- 2) The lack of justification for the recoverability of certain assets in the total amount of 2,484 thousand euros. This amount corresponds to:
 - a. Doubtful receivables in the amount of 2,137 thousand euros. This was impaired in the pro forma adjustments, with an impact on 2015 EBITDA and 2015 operating profit. The impact on 2016 pro forma Shareholders' equity and 2016 current assets excluding cash is 2,083 thousand euros at 2016 exchange rates.
 - b. A total loss in the value of goodwill of 347 thousand euros. This amount was also impaired in the pro forma adjustments under 2015 operating profit. The corresponding impact on 2016 shareholders' equity and 2016 non-current assets amounting to -398 thousand euros at 2016 exchange rates.
- 3) A disagreement over the assessment of the progress of projects in the UK in 2014, which resulted in an overvaluation of revenues for 8,400 thousand euros, expenses for 3,800 thousand euros and taxes for 1,100 thousand euros.

These items have been restated pro forma, leading to an increase in 2015 revenues of 8 400 thousand euros, and in 2015 EBITDA and 2015 operating profit of 4,600 thousand euros.

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- 4) Adjustments put forward by MTS's Statutory Auditors have not been recorded by Voltalia and have led to an overestimation of the net income for the 2015 financial year of 2,530 thousand euros.
 - a. They correspond mainly to doubtful receivables and provisions for litigation in various subsidiaries of the MTS group.
 - b. These items have been restated pro forma, leading to a fall in 2015 revenues of 382 thousand euros, a decrease of 2,308 thousand euros in 2015 operating profit and a drop of 1,473 thousand euros in 2015 EBITDA. The difference between the 2015 and 2016 amounts relates to exchange rate differences.

The observations referred to in the audit report on MTS's 2015 consolidated financial statements were made in the context of the process of selling MTS, which was concluded in August 2016 MTS's negative net position made continuity of operations conditional on debt restructuring (carried out by Voltalia as part of the acquisition of MTS) and the support of the new shareholder.

Voltalia's unaudited condensed consolidated financial statements for the six months ended 30 June 2016, also prepared in accordance with international accounting standards as adopted by the European Union. These condensed financial statements were subject to a limited review by Voltalia's Statutory Auditors. They are included in the half-year financial report as of 30 June 2016 (six months).

- MTS's unaudited condensed consolidated financial statements for the seven months ended 31 July 2016, also prepared in accordance with international accounting standards as adopted by the European Union. These condensed financial statements were prepared for the purpose of the acquisition and were subject to a limited review by the Statutory Auditors of MTS. They have been restated for activity during the month of July 2016. The report of the limited review, issued in September 2016, contained five reserves relating to:

- 1) The lack of justification for the recoverability of certain assets in the total amount of 4,804 thousand euros.

This amount corresponds to the sum of:

- a. the items mentioned above in the second reserve of the 2015 report, to which are added 136 thousand euros in doubtful receivables. This additional amount was restated in the pro forma adjustments, with an impact on 2016 EBITDA and 2016 operating profit of -136 thousand euros. The impact on 2016 shareholders' equity and current assets excluding cash, amounting to 2,219 thousand euros at 2016 exchange rates.
- b. Other assets amounting to 2,197 thousand euros corresponding to capitalised development costs, deferred taxes and the cost of debt. Impairment of these assets was restated in the pro forma adjustments, with an impact on 2015 EBITDA of -837 thousand euros (impairment of development costs) and 2015 net income of -1,222 thousand euros (impairment of development costs and deferred tax) and of -975 thousand euros on 2016 net income (deferred tax and cost of debt).

The impact on 2016 shareholders' equity is -4,814 thousand euros and -4,416 thousand euros on 2016 current assets excluding cash, at 2016 exchange rates.

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- 2) The lack of justification, given the change in the shareholding, of provisions recognised for 7,500 thousand euros,

These provisions relate to potential penalties on two projects. These penalties were the subject of debt waivers at the time of the acquisition. A pro-forma restatement was therefore recognised, with an impact on EBITDA of 4,800 thousand euros and on operating profit of 7,500 thousand euros.

- 3) The lack of adequate documentation to justify the recognition of various provisions for contractual penalties, risks and impairments for a total amount of 4,350 thousand euros.

No pro forma restatement was recognised, given the information provided by management, which Volitalia considers to be sufficient to justify recognition of said provisions.

- 4) The recognition in 2015 of a sale in the amount of 2,700 thousand euros, which was eliminated in profit or loss in the first half of 2016. The information available does not allow a conclusion to be drawn on the accounting treatment: change in estimate or error correction.

This reserve corresponds to the first reserve in the 2015 report. A pro-forma restatement was recognised in 2016 to reallocate the cancellation of the sale to the 2015 financial year.

- 5) The recognition in 2016 of the adjustments put forward by MTS's Statutory Auditors, not recognised in 2015, in the total amount of 2,530 thousand euros that led to an underestimation in the same amount of net income for the 2016 financial year.

This reserve corresponds to the fourth reserve in the 2015 report and was subject to pro forma restatement in 2015 (§ above). A pro forma restatement was recognised in 2016 to reallocate these adjustments to the 2015 financial year, which had impacts of +352 thousand euros on 2016 revenues, +2,068 thousand euros on 2016 operating profit and +1,354 thousand euros on 2016 EBITDA. The difference between the 2015 and 2016 amounts relates to exchange rate differences.

The observations referred to in the report on the limited review of MTS's condensed consolidated financial statements at 31 July 2016 were made in the context of the process of selling MTS, which was concluded in August 2016. The MTS group's negative net position made continuity of operations conditional on debt restructuring (carried out by Volitalia as part of the acquisition of MTS) and the support of the new shareholder.

The reserves to the audited consolidated financial statements of MTS at 31 December 2015 and at 31 July 2016 were grouped into a single column "Adjustments related to PWC reserves". In order to facilitate reconciliation with the items described above, the column "Adjustments related to PWC reserves" is presented by reserve for 2015 and 2016

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Breakdown of the adjustments related to PWC reserves (In € thousands)	2015 res-3	2015 res-2 and § 2 2016 res-1	2016 res-1 and § 2 2015 res-2	2016 Res-2	2015 res-1 2016 res-4	2015 res-4 2016 res-5	Adjust. related to PWC reserves

30/06/2016

Non-current assets			(398)				(398)
Current assets excl. cash			(4,416)				(4,416)
Cash							
Shareholders' equity			(4,814)	7,504			2,690
Current and non-current liabilities				(7,504)			(7,504)
Financial liabilities							
Balance sheet total							(4,814)

30/06/2016

Income			148			352	500
Revenues						352	352
Operating profit (loss)			(136)	7,504	2,503	2,068	11,939
EBITDA			(136)	4,800	2,503	1,354	8,521

31/12/2015

Income	8,400				(2,503)	(382)	5,515
Revenues	8,400					(382)	8,018
Operating profit (loss)	4,600	(3,318)			(2,503)	(2,308)	(3,529)
EBITDA	4,600	(2,971)			(2,503)	(1,473)	(2,347)

5.3.1.2 Note 2 – MTS historical adjustments for the preparation of the unaudited pro forma financial information: accounting principles and reclassifications

a) Adjustments to the historical financial statements of MTS relating to accounting principles

Both groups, Volitalia and MTS, apply the same accounting guidelines namely IFRS.

Volitalia conducted a preliminary review of the accounting principles used by MTS, based on the pre-acquisition due diligence and discussions with the MTS finance teams, as well as on information available and published by the MTS group.

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The aim of this review was to identify any adjustments that might be needed to ensure the comparability of the unaudited pro forma financial information. To date, Voltalia has not identified any differences between the standards applied by Voltalia and MTS such as to require adjustment of the historical financial statements of MTS.

Accordingly, the unaudited financial information does not include any significant adjustments relating to MTS's historical financial statements reflecting differences in the application of IFRS.

(b) Reclassification of certain specific items within MTS's business activities and other restatements.

Three types of reclassifications have been made to align the presentation of the historical financial statements of MTS with that of the financial statements of Voltalia:

- Exchange rate impact: gains related to revaluations of balance sheet items were recognized in other income at MTS, while at Voltalia the impact of revaluations is recorded in net. Net revaluations of working capital requirement items are recorded as operating expenses/income, with other items recorded under financial profit (loss).
- Revaluation of current assets: all revaluation is recognized as operating expenses in Voltalia's financial statements, while reversals of provisions are recorded in income in MTS's financial statements.
- Capitalised production: this is credited to operating expenses in Voltalia's financial statements, while it is recorded in operating income for MTS.

The impact of these three reclassifications is a reduction in income of 781 thousand euros in 2016 and 2,569 thousand euros in 2015, a decline in revenues of 91 thousand euros in 2016, and a decrease in EBITDA and operating profit (loss) of 420 thousand euros in 2015.

Moreover, following an initial analysis with management, impairment of assets recognised in 2016 whose recoverability was not certain in 2016, amounting to 2,692 thousand euros, and provisions recognised in 2016 but relating to 2015 risks, in the amount of 1,053 thousand euros, were reallocated to the 2015 financial year, in the amounts of 3,192 thousand euros for EBITDA and 3,745 thousand euros for operating profit.

These adjustments are presented together in the column "Reclassifications and other".

5.3.1.3 Note 3- Unaudited pro forma adjustments to the income statement for the twelve month period ended 31 December 2015, and for the six month period ended 30 June 2016

This part deals with adjustments to be taken into account, in addition to the pro forma income statements of the two groups, to achieve a pertinent overall picture.

In addition to the adjustments described previously, Voltalia has accordingly identified all the assumptions and information available in order to increase the relevance of the unaudited pro forma financial information. The pro forma information given in this Update has been prepared in order to present to the reader the impact that the acquisition of MTS would have had on the historical income statement items if this operation had taken place on 1 January 2015.

In conclusion to this identification, the unaudited pro forma financial information does not include any significant adjustments other than those previously presented, that is, directly relating to MTS's historical financial statements.

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In the course of this identification, Voltalia paid particular attention to the following items:

- Cost of support functions:

MTS operated more like a separate business segment of the Martifer group to which it belonged. Accordingly, Martifer rebilled its subsidiary MTS for a limited number of services and it was not apparent, given the amounts involved and the information available, that a comprehensive review of these services was called for, in order to assess any necessary adjustment to MTS's cost structure, in a normative post-acquisition approach.

- Borrowing costs related to acquisition financing

The acquisition was financed from equity. This method of funding is not such as to substantially increase the financial cost related to interest expenses.

Since at this stage Voltalia did not expect a restructuring of its financial liabilities leading to any significant change in the conditions and costs, the effects of a financing scheme that was theoretically retroactive to 1 January 2015 appear neutral on the income statement items presented. Voltalia did not therefore make any restatements in this respect in its pro forma information,

- MTS group acquisition costs

The acquisition of the MTS group was considered to have taken place on 1 January 2015 for the purposes of the unaudited pro forma income statement items and on 30 June 2016 for the unaudited pro forma balance sheet items. Acquisition costs amounting to 636 thousand euros recognised at 30 June 2016 were reallocated in 2015 and an additional 1,464 thousand euros were recognised in the 2015 pro forma adjustments. Accordingly, acquisition costs amounted to 2,100 thousand euros at 31 December 2015.

- Deferred taxes in respect of the pro forma adjustments made

In view of the methods historically used to treat deferred taxes and the nature of the pro forma adjustments made, that is, mainly reclassifications, no deferred tax has been determined and recognised, insofar as it is not possible to know whether the Company is likely to be able to use the tax loss carryforwards in the future.

- Disputes and contingent liabilities

Given the timing of the acquisition, no procedures were carried out to identify or assess disputes and contingent or existing liabilities for the preparation of the unaudited pro forma financial information.

5.3.1.4 Note 4- Adjustments to the unaudited pro forma balance sheet at 30 June 2016

As mentioned in note 1, allocation of the purchase price was not undertaken. Furthermore, to be consistent with a pro forma approach at 30 June, goodwill was calculated on the basis of the MTS pro forma shareholders' equity at 30 June, without taking into account minority interests, which are not significant. Goodwill therefore amounts to 37,338 thousand euros, given MTS shareholders' equity in the amount of 28,338 thousand euros and the cost of acquiring the securities of 9 million euros.

The acquisition was financed from equity. It is assumed that payment of the price of the securities (9 million euros) and the reimbursement of the current accounts to the former shareholders of MTS (8,889 thousand euros), as well as the reimbursement of operating liabilities to these same shareholders in the amount of 4,336 thousand euros resulted in a reduction in cash of 22,225 thousand euros. Current and non-current

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liabilities fell by 11,761 thousand euros after taking into account the balance of the acquisition cost of 1,464 thousand euros.

Pro forma consolidated shareholders' equity at June 30, 2016 is reduced by acquisition costs not yet recognised by Voltalia at June 30, 2016, in the amount of 1,464 thousand euros.

5.3.1.5 Differences between "the pro forma information reported in the half-year financial statements" and the figures included in the "adjusted financial statements of MTS"

The pro forma financial information included in the annex to the condensed consolidated financial statement for the six months ended 30 June 2016 and approved by the Board of Directors on 19 September 2016 (see Note 3 of the Annex to the H1 2016 consolidated financial statement) was drawn up using information available at that date and in particular, draft reports by Martifer Solar's Statutory Auditors' on both the consolidated financial statements at 31 December 2015 and the condensed financial statements at 31 July 2016, as well as items identified during the acquisition due diligence.

In preparing the Update to this document, the information was supplemented, in particular, by the signed reports from MTS's Statutory Auditors. The main non-exhaustive information at the date of publication of the Notes taken into account in drawing up the pro forma financial statements is:

- the reserves from the reports as at 31 December 2015 and 30 June 2016 referred to above
- additional provisions relating to project penalties in the amount of 4 million euros.
- the absence of information on interest on borrowings recognised for the United States in the amount of 971 thousand euros
- a foreign exchange translation error on an item for 595 thousand euros.

This resulted in the pro forma items not being the same, with a difference between the prospectus and the Notes

Differences for 2016: negative in the amount of 5,200 thousand euros in EBITDA, negative for 400 thousand euros on fixed assets, negative for 5,400 thousand euros on current assets and negative in the amount of 5,200 thousand euros on current and non-current liabilities.

And for 2015: positive in the amount of 5,900 thousand euros in income, positive for 8,400 thousand euros in revenues, and negative in the amount of 4,100 thousand euros in EBITDA.

5.3.2 Statutory Auditors' report on the pro forma financial information

VOLTALIA

Statutory Auditors' report on the pro forma financial information for the year ended 31 December 2015 and the half-year ended 30 June 2016

Statutory Auditors' report on the pro forma financial information for the year ended 31 December 2015 and the half-year ended 30 June 2016

This is a free translation into English of the auditors' report issued in the French language and is provided solely for the convenience of English speaking readers.

This report should be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France

To the Chief Executive Officer,

In our capacity as Statutory Auditors of your Company and in accordance with Commission Regulation (EC) No. 809/2004, we hereby report to you on the pro forma financial information of VOLTALIA (hereafter the 'Company') for the year ended 31 December 2015 and the six months ended 30 June 2016 included in section 5.3 of the Update to the registration document of your Company.

The pro forma financial information has been prepared for the sole purpose of illustrating the impact that the acquisition of the Martifer Solar group might have had on the consolidated statement of the Company's consolidated statement of financial position as at 30 June 2016 as if the transaction had taken place as of that date and on selected financial information related to the consolidated income statement for the period from 1 January 2016 to 30 June 2016 and the year ended 31 December 2015 if the transaction had taken place with effect on 1 January 2015. By its very nature, this information is based on a hypothetical situation and does not represent the financial position or performance that would have been reported, had the acquisition taken place at an earlier date than the actual or contemplated date.

It is your responsibility to prepare the pro forma financial information in accordance with the provisions of Commission Regulation (EC) No. 809/2004 and the ESMA's recommendations on pro forma financial information.

It is our responsibility to express an opinion, based on our work, in accordance with Annex II, point 7 of Commission Regulation (EC) No. 809/2004, as to the proper compilation of the pro forma financial information.

We performed those procedures that we deemed necessary in accordance with the professional auditing standards applicable in France to such engagements. These procedures, which do not include audit or review of the financial information used basis to prepare to prepare the pro forma financial information, mainly consisted in ensuring that the information used to prepare the pro forma financial information, reviewing the evidence supporting the pro forma adjustments and conducting interviews with the Company's management to obtain the information and explanations we deemed necessary.

In our opinion:

- the pro forma financial information has been properly compiled on the basis stated; and
- that basis is consistent with the accounting policies of the issuer.

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This report has been issued solely for the purposes of:

- filing the Update of the Registration Document with the French financial markets authority (*Autorité des marchés financiers* - AMF) ,
- and admission to trading on a regulated market, and/or an offer of the Voltalia's securities to the public in France and in other European Union member states in which the prospectus approved by the AMF may be notified,

and cannot be used in any other purpose.

VOLTALIA

Statutory Auditors' report on the pro forma financial information for the year ended 31 December 2015 and the half-year ended 30 June 2016

Paris and Paris la Défense, 14 October 2016

The statutory auditors

French original signed by

H 3 P A U D I T & C O N S E I L

JEAN-BENOIT MONNAIS

MAZARS

JULIETTE DECOUX

6 CORRECTIONS MADE TO THE REGISTRATION DOCUMENT

The corrections below are made to the information appearing in the Registration Document registered with the AMF on 5 April 2016 under the number R.16-017:

- Section 3 "Selected financial information"
 - In the table appearing on page 5, the sales revenues generated by the Group's energy sales at 31 December 2013 are 17.132 million euros (and not 17.135 million euros);
 - In the table appearing on page 5, the sales revenues generated by the Group's services and development activities at 31 December 2013 are 1.450 million euros (and not 1.452 million euros);
 - In the table appearing on page 5, the Group's gross financial indebtedness at 31 December 2014 is 244.976 million euros (and not 244.974 million euros);
- Section 4.4 "History and development of the company"
 - In the history of the company during 2014 appearing on page 40:
 - The percentage of interest held by Voltalia in Voltalia Greece indicated in 2013 is indeed 100%, but the percentage of control is 99.04%;
 - The capital increase completed in 2014 is of an amount of 100.1 million euros (and not 101.1 million euros);
- Section 5.1 "Principal investments"
 - In the table appearing on page 42, the tangible fixed assets related to the holding activity for the 2015 year are -158 thousand euros (and not 269 thousand euros);
 - In the table appearing on page 42, the tangible fixed assets related to the wind turbine activity for the 2015 year are 170.7 million euros (and not 170.273 million euros);
 - In the table appearing on page 42, the total intangible fixed assets for the 2014 year amount to 20.556 million euros (and not 20.370 million euros);
 - As a result, in the table appearing on page 42, the total amount of the tangible and intangible fixed assets for the 2014 year is 278.215 million euros (and not 278.030 million euros);
 - In the table appearing on page 42, intangible fixed assets related to the holding activity for the 2013 year are -2,301 thousand euros (and not €0 thousand euros);
 - In the table appearing on page 42, intangible fixed assets related to the hydropower activity for the 2013 year are 205 thousand euros (and not -€2,096 thousand euros);
 - In the table appearing on page 42, intangible fixed assets related to the solar power activity for the 2013 year are 7,010 thousand euros (and not 6,951 thousand euros);
 - In the table appearing on page 42, tangible fixed assets related to the holding activity for the 2013 year are 183 thousand euros (and not 123 thousand euros);
- Section 6 "Overview of activities"

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- In section 6.7.1 "Group activities in Guyana", appearing on page 101, the company VOLTA INVESTISSEMENT was integrated in 2015 into the perimeter of Voltalia, the parent company, and not 100%-held by Voltalia);
 - In section 6.7.4 "Group activities in Morocco", appearing on page 109, Voltalia holds 99.97% of its Moroccan subsidiary, Voltalia Maroc SAS (and not 100%);
- Section 7.1 "Legal organisation chart"
 - In the organisation chart appearing on page 114, Voltalia holds 99.97% of its Moroccan subsidiary, Voltalia Maroc (and not 100%);
- Section 9 "Examination of the financial situation and the earnings"
 - In section 9.2.2.1 "Sales revenues, income from development activities and operating income, appearing on pages 122 and 123, the 2013 sales revenue from the provision of services and the development activity is 1.450 million euros (and not 1.452 million euros);
 - In section 9.2.2.1 "Sales revenues, income from development activities and operating income, appearing on pages 122 and 123, the 2014 sales revenue from the production of solar electricity is 7.858 million euros (and not 7.359 million euros);
 - In section 9.2.2.1 "Sales revenues, income from development activities and operating income, in the paragraph appearing on page 124, the 2015 sales revenue from the provision of services and the development activity is 1.046 million euros, as indicated in the table on page 123 (and not 1.047 million euros);
 - In section 9.2.2.2 "Operating expenses", in the table of operating margins by sector appearing on page 125, the operating margin for the solar sector is 52% (and not 51%);
 - In section 9.3.2 "Current assets", the item "Current assets" includes several guarantee deposits as part of the response to calls for tenders in the amount of 1.1 million euros";
- Section 15.1 "Remuneration of the directors and managers"
 - In table 3, appearing on page 156, the amounts paid in respect of other remuneration to the Green Option for the 2015 financial year are 40,000 euros (and not 25,000 euros);
- Section 17.3 "Employees' participation in the capital of the company"
 - In the paragraph corresponding to subsection 17.3, appearing on page 170, the number of founder warrants ("BSPCEs") available for exercise on 31 December 2015 amounted to 157,995, giving the right to 15,799 shares (and not 15,999 shares);
- Section 20 "Financial information concerning the assets, financial situation and results of the issuer"
 - In subsection 20.5 "Net income for the last five financial years", in the table appearing on page 290, the tax-exclusive sales revenues for the 2014 financial year are 1,968,209 euros (and not 4,457,207 euros);
 - In subsection 20.5 "Net income for the last five financial years", in the table appearing on page 290, earnings before taxes, depreciation and provisions is -0.19 (and not -0.10);
 - In subsection 20.5 "Net income for the last five financial years", in the table appearing on page 290, the amount of profit after tax, amortisation and provisions is -0.02 (and not -0.12 million in euros);
 - In subsection 20.8 "Legal and arbitration proceedings", receivables related to the LAGIE litigation amount to 549 thousand euros (and not 433 thousand euros);

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- Section 21.1.8
 - In sub-section 21.1.8.1 "Change in the capital of the Company since its creation":
 - o The number of shares comprising the capital at 3 November 2015 is 26,194,563 shares at 5 November 2015 (and not 26,204,563 at 3 November 2015);
 - o The number of shares comprising the capital at 10 November 2015 is 26,199,563 shares at 13 November (and not 26,201,563 shares at 10 November 2015).
 - o The amount of the increase in the issue premium upon exercise of the BSPCEs on 05/05/2014 is 190 euros (and not 211 euros).

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7 CROSS-REFERENCE TABLE

The cross-reference table below shows the sections of the Company's Registration Document (as required under Appendix 1 of regulation (EC) 809/2004 of 29 April 2004) that are concerned by this Update.

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8 APPENDIX

8.1 INTERIM FINANCIAL REPORT



INTERIM FINANCIAL REPORT

1ST HALF-YEAR 2016

CONTENTS

Preliminary notes:

All the information given in the condensed consolidated financial statements is expressed in € thousands.

In this report, and unless otherwise stated:

- "Voltalia" refers to Voltalia SA;
- "Company" refers to Voltalia SA;
- "Group" refers to the group of companies comprised of Voltalia SA and its subsidiaries.

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INTERIM BUSINESS REVIEW

1ST HALF-YEAR 2016

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1 BUSINESS OVERVIEW

Voltalia is an integrated and independent player on the fast growing renewable energy market. The Group designs, builds and operates medium-capacity renewable power plants (mostly under 30 MW). As of 30 June 2016, the Group had a total installed capacity of 376.1 MW.

As of 30 June 2016, the Group's primary source of income resulted from the sale of electricity produced by its power plants. These sales are mainly governed by long-term agreements which allows for a clear view of both volumes and prices of the electricity sold. The Group can also generate revenues by selling projects developed by its teams, or by providing services such as operation and maintenance contracts for power plants owned by third-party customers.

Voltalia operates in the main segments of the renewable energy market: wind power, solar power, small hydropower and biomass and in four countries: France (Metropolitan and French Guiana), Greece, Brazil and Morocco. Voltalia's selective choice regarding its operating locations allows for competitive electricity production. As of the date of this report, 85% of Voltalia's installed capacity produced electricity that was not subject to regulatory prices.

1.1 A strong asset portfolio

Voltalia has a strong, diversified asset portfolio, reflecting the Group's industrial expertise and operating agility. The Group's operating performance is illustrated in particular by its outstanding project management and the commissioning of power plants, often ahead of schedule:

Year	Country	Site	Capacity (MW)	Technology	Ahead/late on schedule (in months)
2014	France	Adriers	10	Wind power	0
2014	France	Molinons	10	Wind power	0
2014	Brazil	Areia Branca (tranches 1 and 2)	60	Wind power	0
2015	Brazil	Areia Branca (tranche 3)	30	Wind power	-1.5
2015	Brazil	São Miguel do Gostoso	108	Wind power	+1
2015	Brazil	Oiapoque	12	Hybrid (thermal unit)	+5
2015	Brazil	Vamcruz	93	Wind power	+6
2016	Brazil	Vila Pará (First tranches)	75	Wind power	+4

Voltalia presented an excellent availability rate¹²¹ of 97% in 2015.

¹²¹ The availability rate is the ratio expressed as a percentage, between the amount of time the power generating facility is operated and the amount of time it should have been ideally in operation. For intermittent power sources, the rate depends on the availability of the resource.

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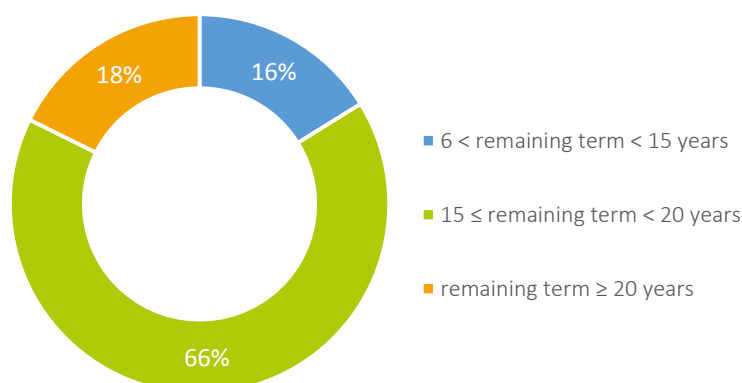
The Group's plants are amongst the most efficient in their operating areas. The annual average capacity factor for the plants owned and operated by Voltalia stood at 46% as of 31 December 2015. The capacity factors¹²² below are calculated based on the production of Voltalia's plants in 2015:

- In France, these came to 27% in wind power and 18% in solar power;
- In Brazil¹²³, these came to 54% in wind power and 33% in hybrid;
- In French Guiana, these came to 14% in solar power, 32%¹²⁴ in hydropower and 77% in biomass;
- In Greece, these came to 18% in solar power.

1.2 Long-term visibility

As of the date of this report, Voltalia's agreements had an average remaining term of 18 years, thus securing the Group's income in the long term. This visibility is increased by the fact that all the plants owned by Voltalia have long-term electricity sales agreements.

Breakdown of Voltalia's installed capacity by remaining contractual term as of 19 September 2016



¹²² The load factor of a power production unit is the ratio between the amount of energy it produces over a specified time period and the amount of energy it could have produced during said period if it had been operating at full capacity.

¹²³ The load factors of the São Miguel do Gostoso and Oiapoque plants were calculated *prorata temporis* from their commissioning date.

Due to seasonality, the Vamcruz power plant is not included in the scope.

¹²⁴ The performance of the hydropower plant in Mana, Guiana, was badly affected by an operating incident which occurred in the third quarter of 2015.

2 KEY FIGURES

2.1 Condensed income statement

<i>(in € thousands)</i>	30/06/2016	30/06/2015	Change	%
Total Income	44,729	24,512	20,217	+82%
Including energy sales	41,536	23,912	17,624	+74%
EBITDA	24,031	11,068	12,964	x 2.2
Current operating income	17,168	7,808	9,359	x 2.2
Financial Income/Loss	(11,384)	(3,039)	(8,345)	n/a
Net income – Group share	3,024	3,227	(202)	-6%

2.2 Installed capacity (in MW) and energy production (in MWh)

Energy	MW in operation				Production in MWh			
	30/06/2016	30/06/2015	Change	%	30/06/2016	30/06/2015	Change	%
Biomass	9.0	9.0	+0.0	+0.0%	5,768	6,277	-509	-8.1%
Solar	16.5	16.5	+0.0	+0.0%	12,037	11,859	178	+1.5%
Wind Power (*)	333.2	240.2	+93.0	x 1.4	405,897	241,375	164,522	x 1.7
Hydroelectric	5.4	5.4	+0.0	+0.0%	13,112	7,747	5,365	+69.3%
Hybrid	12.0	0.0	+12.0	N/A	18,139	0	18,139	N/A
TOTAL	376.1	271.1	105.0	x 1.4	454,953	267,258	187,695	x 1.7

(*) Due to the fact that the turbines of the SMG cluster were not connected, these are not included in the wind power production in MWh.

2.3 Information on gross financial debt

<i>(in € thousands)</i>	30/06/2016	31/12/2015	Change	%
Gross financial debt	437,357	308,038	129,319	+42%
Shareholders' equity	247,746	211,165	36,581	+17%

3 SIGNIFICANT EVENTS IN THE FIRST HALF OF 2016

3.1 Governance and financing

Signing of a syndicated loan of €35 million

In order to implement its strategy in a sustainable manner, on 29 March 2016, the Company signed a revolving credit facility agreement with financial institutions belonging to the BPCE Group, for an amount of €35 million over 5 years.

Implementation of a dividend policy

Volitalia intends to establish a dividend policy in line with its growth plan and financial profile. Considering its financial structure and outlook, the Company is currently planning to pay a dividend as from 2018 with respect to the 2017 fiscal year and to gradually increase its distribution ratio up to 30% of the Group's share of net income.

The Company may, if applicable, grant each shareholder the option to receive their dividend in shares.

3.2 Call for tenders won in 2016

Call for tenders in solar power: one project won for 4 MW

On 11 June, the French Ministry of the Environment, Sustainable Development and Energy selected one of the Group's solar power projects (4 MW) as part of the call for tenders for solar power in areas with no interconnections.

The winning project, called Savane de Pères, has a capacity of 4 MW. It is located in French Guiana, just outside Sinnamary. The site was chosen with great care: hence the project will give a new life to an old landfill.

Volitalia's project will combine a production forecast tool and a battery storage unit which will allow for more accurate predictability and stability for the solar power plant. It is due to be commissioned in June 2019 at the latest.

3.3 Other developments

Repurchase of shares held by a minority investor in a controlled portfolio of wind farm projects

Volitalia bought back the non-controlling interest (49.9%) that a long-time partner had in a portfolio comprising four wind farm projects. The projects acquired, at various stages of advancement, represent a total potential capacity of 76 MW. The first construction works could start within the coming eighteen months. This transaction strengthens the Group's exposure in France, a country with ambitious objectives in terms of new capacity installation for the production of renewable electricity.

Acquisition of a project development company in Morocco

Volitalia acquired Alterrya Maroc, a project development company specialising in renewables in Morocco.

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This transaction enabled Votalia to acquire a prospect and development project portfolio with a total potential capacity of 185 MW in wind power and 100 MW in solar power.

The projects acquired are at various stages of advancement, and the first construction works could start within the next two years.

4 REVIEW OF THE CONSOLIDATED FINANCIAL STATEMENTS

4.1 Statement of comprehensive income

<i>(in € thousands)</i>	30/06/2016	30/06/2015	Change	%
Total Income	44,729	24,512	20,217	+82%
Including energy sales	41,536	23,912	17,624	+74%
EBITDA	24,031	11,068	12,964	x 2.2
Current operating income	17,168	7,808	9,359	x 2.2
Financial Income/Loss	(11,384)	(3,039)	(8,345)	n/a
Net income – Group share	3,024	3,227	(202)	-6%

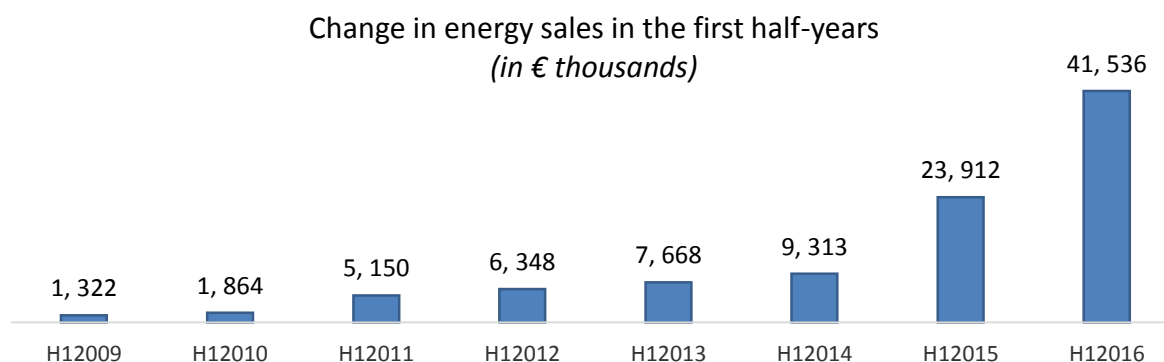
INCOME

Voltaia confirms its growth momentum with energy sales of €41,536 thousand in the first half of 2016, a strong increase (+ 74%) from €23,912 thousand recorded in the first half of 2015.

The growth in energy sales was driven by the excellent production figures posted by the wind farms in Brazil, whose commissioning started at the end of June 2015 in São Miguel do Gostoso, and at the end of 2015 in Vamcruz.

However, revenues in services and project development sales came to €445 thousand as of 30 June 2016, compared with €568 thousand as of 30 June 2015. This decrease is due to the lack of project development sales during the first half of 2016.

Revenues also include compensation received for operating losses.



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EBITDA

As of 30 June 2016, EBITDA came to €24,031 thousand, compared with €11,068 thousand as of 30 June 2015. This solid growth is directly linked to the growth in revenues from energy sales and to the effective control of operating expenses.

FINANCIAL INCOME/LOSS

The change in the Group's financial income was mainly due to a sharp increase in the Group's borrowing costs, in connection with operations in Brazil.

Between June 2015 and June 2016, the increase stemmed from the interest expenses of loans taken out for projects commissioned in the second half of 2015 (SMG and Vamcruz), in the amount of €7,169 thousand, and an increase of €781 thousand for the wind farms Areia Branca, on the back of a higher main interest rate applicable to the Group's loans, the TJLP, which is indexed to inflation and grew from 6 to 7.5% over one year. However, as the contractual prices are also indexed to inflation, the impact on the Group's net income was negligible.

NET INCOME

The outstanding operational performance in the first half of 2016 (€17,094 thousand in the first half of 2016, compared with €7,523 thousand in the first half of 2015) was affected by the financial loss and the increased income tax expense of €2.1 million, mainly in Brazil, due to the commissioning of new wind farms.

The Group thus posted net income of 3.7 million in the first half of 2016.

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4.2 Cash flows

<i>(in € thousands)</i>	30/06/2016	30/06/2015
NET INCOME OF THE CONSOLIDATED GROUP	3,692	3,182
GROSS CASH FLOW FROM CONSOLIDATED COMPANIES	10,976	7,290
GROSS CASH FLOW FROM CONSOLIDATED COMPANIES BEFORE COST OF FINANCIAL DEBT	24,963	11,869
NET CASH FLOW FROM OPERATIONS	17,775	15,287
CASH FLOW GENERATED FROM INVESTING ACTIVITIES	(80,996)	(110,686)
CASH FLOW GENERATED FROM FINANCING ACTIVITIES	68,980	114,534
CHANGE IN CASH	13,954	17,059
Cash – Beginning of period	43,454	58,690
Cash – End of period	57,408	75,749

Cash flows from operations

Net cash flows from operations were generated by the power plants commissioned in the second half of 2015.

Cash flows from investing activities

The construction of wind power plants, primarily in Brazil, explains the level of investments during the first half of 2016.

Cash flows from financing activities

The Group funds its investments with bonds, primarily in project financing.

4.3 Financial structure

As of 30 June 2016, the Group's shareholders' equity amounted to €247,746 thousand, compared with €211,165 thousand as of 31 December 2015.

<i>(in € thousands)</i>	30/06/2016	31/12/2015	Change	%
Gross financial debt	437,357	308,038	129,319	+42%
Shareholders' equity	247,746	211,165	36,581	+17%

Gross debt totalled €437,357 thousand, compared to €308,038 thousand as of 31 December 2015. More than half of this increase was for continued investments by the Group after the inflow worth €65,786 thousand from new loans to finance the ongoing construction works at the power plants in Brazil.

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In addition, the Group took out a corporate loan in the amount of €29,646 thousand to fund part of its power plants in Brazil and also for its international expansion.

The increased level of debt is due to the revaluation of loans denominated in Brazilian reais (€51,130 thousand) in connection with the sharp rise of the currency in the order of 20%, compared with the euro in the first half of the year.

5 RELATED-PARTY TRANSACTIONS

Related-party transactions are described in the note "Information on related-party transactions" to the consolidated financial statements at 30 June 2016.

6 MAIN RISKS AND CHANGES

With respect to its electricity production operations, Voltalia does not anticipate any changes in the risks, as described in Chapter 4 of the Registration Document, filed with the AMF on 5 April 2016 under number R. 16-017 (the "**Registration Document**"), likely to affect the rest of the financial year. Furthermore, Voltalia has identified new risks related to the acquisition of Martifer Solar on 19 August 2016. These risks are described below:

6.1 Risks related to the acquisition of Martifer Solar

6.1.1 Risks regarding the acquisition of Martifer Solar, in connection with a limited due diligence report on Martifer Solar's business

The Group cannot guarantee that the due diligence procedure performed enabled it to identify all the difficulties or significant liabilities in connection with Martifer Solar, or that other factors, outside the control of Martifer Solar or the Group, will not occur in future. Should the Group have failed to identify significant difficulties, it may be obliged to recognise asset impairments or fully impaired assets, restructure its business, or bear other costs and incur losses which may not be covered by the compensation undertakings negotiated as part of the acquisition.

Together, these elements could have an adverse effect on the Group's financial position and outlook.

The assumptions used in Martifer Solar's business plan may prove incorrect, particularly in terms of business development and financial results.

The expected synergies are assessed based on assumptions, in particular, the Group's capacity to introduce the appropriate action at the right time, and are therefore likely to be affected by their implementation costs. The capacity to perform them depends on many factors outside the Group's control (changes in regulations, converging IT systems, increased competition, etc.)

If one or more assumptions regarding the measures to be implemented prove incorrect, the associated costs could be significantly higher than expected, and the Group might not be able to fully benefit from these synergies, or at least not in the original time frame. Also, cost reductions in connection with the expected gains in terms of operational efficiency may not last if the Group experiences difficulties in the consolidation of the Martifer Solar acquisition, or experiences other operational, legal, regulatory, contractual, labour-related issues or any other kind of problem which was not expected as of the date of this report.

Together, these elements could have an adverse effect on the Group's financial position and outlook.

6.1.2 Risks related to the integration of Martifer Solar's workforce within the Group

Whilst Voltalia and Martifer Solar share the same core values, difficulties may be experienced while rolling out the business consolidation plan, particularly with respect to the implementation of synergies. These complications could result in additional costs and/or delays, and/or lower gains than those originally expected by Voltalia.

The difficulties experienced while introducing a mutual corporate culture may also result in employee departures. Such departures could result in a loss of know-how, a lack of technical expertise and, in the long term, the weakening of certain activities. This would have a direct effect on the Company's capacity to meet its operating and profitability objectives.

Furthermore, the Group might not be able to retain its key personnel, or attract a new one under acceptable conditions from an economic perspective. The risks related to the introduction of a new decision making process and a new line organisation within the Company could slow down the feedback during the adaptation period of the teams. This could affect the Company's operating and financial performance.

Lastly, the risks related to a delay in the convergence of the IT systems could slow down the integration of Martifer Solar within Voltalia.

Together, these elements could have an adverse effect on the Group's financial position and outlook.

6.1.3 Risks related to the consolidation of the business acquired in the Group's consolidated financial statements

The Group could face several problems with the accounting consolidation of Martifer Solar, and also with the harmonisation of the reporting and cost accounting processes. This could affect the Group's capacity to produce the financial information at the expected dates, due to the time spent on the year-end closings.

This report includes unaudited condensed consolidated pro forma information which was prepared to allow investors to consider what the Group's results and financial position would have been if the acquisition of Martifer Solar had taken place during the first half of 2016. Because it was formerly part of the Martifer S.G.P.S. group, Martifer Solar has never prepared any consolidated financial statements for any period whatsoever. The financial information regarding Martifer Solar used to prepare the Group's unaudited consolidated pro forma financial information included in this report for the half-year ended 30 June 2016, is pro forma information which presents Martifer Solar's results and financial position as if Martifer Solar's business was not part of the Martifer S.G.P.S. group during this period. This information was not subject to any audit or verification by the Company's Statutory Auditors. Furthermore, the past results of Martifer Solar do not necessarily reflect the future results of Martifer Solar as a Group company.

6.1.4 Risks related to the expansion of the geographical scope

Economic risks

The Company enlarged its geographical footprint to 17 countries, compared with 4 before the acquisition of Martifer Solar.

The macro-economic and political climate of each of these countries could entail significant risks regarding the feasibility of projects under development or future projects, as well as the operation of the Group's facilities on its own account or on behalf of third parties.

The Group also uses more and more foreign currencies in its billing process, its purchases and the commitments it must give to fund its projects. The Group is thus exposed to a more significant currency risk, particularly in case of highly volatile exchange rates.

With operations in many emerging economies, the Group must now pay increased attention to political risks and to macro-economic stability.

Regulatory risks

The regulatory environment of the new countries in which the Group operates could put significant pressure on the Group's business and complicate its development.

In addition, the applicable tax in these countries, both the general regimes and those specific to the Group's business, could have a significant effect on the Group's investments, the profitability of its projects and production plants as well as on incoming dividends.

To this end, readers are asked to pay close attention to the risks related to the market in which the Group operates, set out in section 4.1.1 of the Registration Document.

6.2 Risks related to new third-party business

Through the acquisition of Martifer Solar, Voltalia is capitalising on its existing expertise and expanding its business model to providing services on behalf of third parties. In addition to the existing risks related to development, construction, operating and maintenance of renewable power plants described in Chapter 4 of the Registration Document (and more specifically in section 4.1.2), the business model of the new activity exposes the Group to a certain number of additional risks.

6.2.1 Risks related to dependence on the Group's customers

The Group could be dependent on a customer whose insolvency may affect the Group's capacity to develop, build, maintain, and operate its facilities in a profitable manner and within reasonable time frames.

The Group could also be exposed to more external constraints on which it cannot take action due to its position as a service provider.

Furthermore, service provision activities result in income volatility: contrary to energy sales agreements that are secured over twenty years, development and construction contracts have shorter terms. Only operating and maintenance agreements are multi-annual.

Lastly, the Group could face pricing pressures from its customers, or increases in construction and/or operating costs without being able to pass these increases on to customers.

Together, these elements could have an adverse effect on the Group's financial position and outlook.

6.2.2 Risks related to construction activities on behalf of third parties

Acting as a power plant constructor for its customers, the Group is exposed to penalties in the event of late delivery or non-compliance with budgets. The amount of these penalties is governed by the service contract signed with the customer and the payment of such penalties could have a negative effect on the Group's financial position.

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Furthermore, possible operating issues experienced at plants built by the Group could result in additional expenses, in order to review the design and operation of these plants, and therefore reduce or block both technical and financial resources required for the development of other Group projects. In addition, the Group could also be liable, at a contractual level, or even at a legal level, in the event of damages incurred by its customers as a result of these design or operating problems. Such events could also adversely affect the Group's business reputation and result in the loss of customers.

Together, these elements could have an adverse effect on the Group's financial position and outlook.

7 SIGNIFICANT SUBSEQUENT EVENTS

7.1 Acquisition of the Martifer Solar group

On 18 August 2016, Voltalia completed the takeover of Martifer Solar, the main entity of the group of the same name. As the business combination was finalised after the half-year reporting period, it has no effect on the interim financial statements for the period ended 30 June 2016. The following data is therefore for informational purposes only.

Founded ten years ago by the Portuguese group Martifer, the Martifer Solar subgroup designs, builds and operates photovoltaic solar power plants on behalf of third-party customers. Martifer Solar is a major player in the global photovoltaic market.

The acquisition includes all the shares of the parent company, and therefore also indirectly involves all the subsidiaries, partnerships and associates included in Martifer Solar's scope of consolidation. The only exception concerns the US subsidiaries which were not part of the transaction and were sold by Martifer Solar to the Martifer group before the takeover.

This equity investment amounted to €9 million and was solely financed by way of equity. The share purchase agreement does not include any price adjustment clause. The costs associated with the acquisition are estimated at €2.1 million, €636 thousand of which have already been recognised in "Other operating income and expenses" as of 30 June 2016.

Through the acquisition of Martifer Solar's shares, Voltalia took over all the company's assets and liabilities, including the current account advance granted by the former shareholder. As of 18 August 2016, the balance of this current account stood at €8,889 thousand. It was acquired at its nominal value. The trade payables of the former shareholder represented €4,336 thousand and were acquired at their nominal value. In terms of business volumes, Martifer Solar has sold project developments to investors amounting to 757 MW since its creation. As of the end of 2015, the portfolio of projects under development amounted to 1,343 MW. In parallel, Martifer Solar has built solar farms for its customers representing 599 MW, which will be supplemented by an additional 85 MW under construction as of 30 June 2016. Lastly, operation and maintenance for third-party customers is the fastest growing business of Martifer Solar. It currently has 585 MW under management.

In terms of volumes and synergies in connection with the business segment, the production of renewable electricity historically managed by Voltalia is now supplemented with development, construction, operation and maintenance services for third-party customers. As Martifer Solar is not the owner of the power plants held, and therefore financed by third-party customers, it appears to be a low cash burn business. Following the acquisition of Martifer Solar, the capacity operated by the Group increased 2.4x, from 418 MW as of 30 June 2016 to over 1,000 MW (1 GW), including 376 MW in installed capacity and 627 MW operated on behalf of third-party customers.

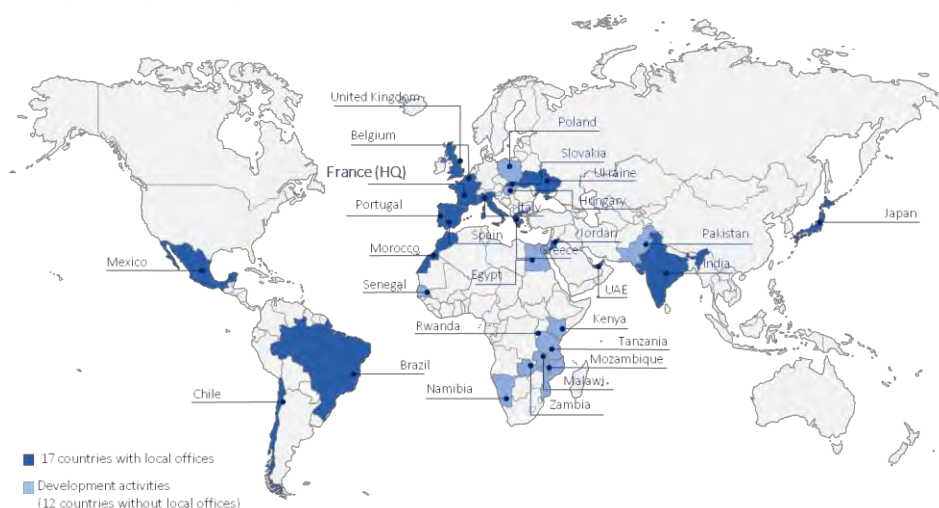
As of 30 June 2016, Voltalia's workforce totalled 157 employees. The new entity created now has 423 employees broken down as follows:

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Business line	Voltalia 30/06/2016	%	Martifer Solar 30/06/2016	%	New entity as of 30/06/2016	%
Development	63	40%	29	11%	92	22%
Construction	10	6%	55	21%	65	15%
Operation and maintenance	26	17%	119	45%	145	34%
Support	58	37%	63	24%	121	29%
Total	157	100%	266	100%	423	100%

In short, this business combination enables Voltalia to step up its development strategy based on diversifying its global footprint, energy mix and now its business model. To this end, it is worth noting that:

- Voltalia has strengthened its global footprint with teams located in 17 countries (vs. four before) and operating in 29 countries:



- The portfolio of projects under development in solar power rose from 13% to 50%. Solar power is the world's fastest growing renewable.
- By supplementing its historical renewable electricity production business with development, construction, operating and maintenance services, Voltalia extended its industrial expertise and has a new low capital intensive business.

Business segments of the new entity as of 30 June 2016:

Electricity production			Service provision		
Energy	Assets held	Total capacity as of 30/06/2016	MW developed and sold	MW built	MW operated

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	Electricity production		Service provision		
Wind power	11	333.2 MW	132 MW	342 MW	342 MW
Solar power	12	16.5 MW	764 MW	616 MW	635 MW
Hydro	1	5.4 MW	1 MW	5 MW	5 MW
Biomass	2	9 MW	0.4 MW	2 MW	9 MW
Hybrid	1	12 MW	N/A	12 MW	12 MW

7.2 Martifer Solar pro forma information

This pro forma information is based on Martifer Solar's data as of 30 June 2016 (unaudited). It also includes various adjustments with respect to the first half-year that were recognised in the financial statements as of 31 July 2016, which were subject to a limited review performed by the Statutory Auditors of the company acquired.

The US business, not included in the scope of the acquisition, was restated in the pro forma financial statements shown below. Its sale, completed from a legal perspective in July 2016, was considered as if it had been effective as of 1 January 2015.

Consolidated pro forma income statement of Martifer Solar in respect of 2015 and the first half of 2016

(in € thousands)	30/06/2016	31/12/2015*
IFRS - pro forma data		
Income	42,186	139,611
Revenues	41,320	127,475
EBITDA	(4,666)	1,872

*2015: unaudited data

Please note that as of 31 December 2015, the various activities of Martifer Solar were broken down as follows:

(in € thousands)	Electricity sales	Development, construction and purchasing	Operation and maintenance	Other	Total
Energy sales	0.3	114.2	12.9	0.0	127.5
Income	0.3	123.4	12.9	3.1	139.6
EBITDA	0.2	(2.6)	2.9	1.3*	1.9

*: disposal of a project company

Pro forma consolidated balance sheet of Martifer Solar in respect of the first half of 2016

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(in € thousands)	30/06/2016
IFRS - pro forma data	
Fixed assets	32,922
Current assets excl. net cash	51,545
Cash and cash equivalents	928
Shareholders' equity	(27,770)
Current and non-current liabilities	73,648
Financial liabilities	39,518
Balance sheet total	85,395

Current and non-current liabilities include the shareholders' current account showing a balance of €2,254 thousand.

As of 31 December 2015, Martifer Solar's borrowings were broken down as follows:

(in € thousands) (unaudited data)	30/06/2016
Borrowings in connection with the solar projects of Cañaverosa ¹ and Borox-Sesena I ²	26.5
Borrowings in connection with the plant ³	4.0
Borrowings in connection with the assembly line ³	1.4
Borrowings in connection with the solar roof <i>Greencoverage</i> ⁴	0.6
Total borrowings in connection with assets or projects under financing	32.5
Corporate loan ⁵	8.3
Total borrowings	40.8
Cash	12.0
Total net borrowings	28.8

Notes:

¹: For the brownfield project in Cañaverosa (installed capacity of 6.7 MW in Spain), Martifer Solar is the sole lender of the project company and will receive 75% of the income generated by the long-term power purchase agreement (PPA) received by the project company until the loan is paid back. The total amount of the loan granted by Martifer Solar to the project company is secured with 100% of the rights of the power plant and the PPA, and by its stake in the project company.

²: The Borox project (installed capacity of 5.4 MW in Spain) is funded by a project company owned at 37.48% by Martifer Solar. The project company has no senior debt, its shareholders are acting as lenders.

³: These assets do not generate any income but their market value is higher than the liability.

⁴: Martifer Solar owns 100% of this solar roof project (0.6 MW) in Portugal. This project company has no senior debt but was financed by its shareholders.

⁵: The corporate loan is mainly divided between the United Kingdom (€3 million), Italy (€3 million) and Portugal (€1.9 million).

8 OUTLOOK

The objectives set out in this chapter were prepared using data, assumptions and estimates which the Group's Senior Management considers to be reasonable. These data, assumptions and estimates are likely to change or could be modified due to some uncertainties, particularly in connection with the economic, financial, accounting, competitive and regulatory environment or depending on other factors of which the Group is unaware of as of the date of this report. Furthermore, the occurrence of certain risks set out in Chapter 4 of the Registration Document, filed with the AMF on 5 April 2016, under number R. 16-017, or in Chapter 6 of this report, could affect the Group's business, financial position and results, as well as its capacity to meet its objectives and forecasts. The Group does not undertake any commitments nor can it provide any assurances that the objectives included in this chapter will be met.

8.1 Update on the Group's activities following the acquisition of Martifer Solar

The acquisition of Martifer Solar is a major milestone in the Group's development, thus creating a global leader in renewables. Up until now, Voltalia's excellent results were achieved on the back of solid organic growth. The acquisition of Martifer Solar allows the Group to significantly transform its business and speed up the delivery of its objectives.

This business combination enables the Group to strengthen its geographical, financial and operating position. As of the date of this report, the acquisition of Martifer Solar enables the Group to establish the following track record:

- 897 MW developed and sold;
- 1,107 MW built;
- 1,078 MW operated.

By adding Martifer Solar's income¹²⁵ to Voltalia's as of 31 December 2015, the consolidated income of the new entity has more than tripled, from €58 million to €198 million generated in some 30 countries. The capacity operated by the Group has increased by 2.4x, from 418 MW to over 1,000 MW, including 376 MW in installed capacity and 627 MW operated on behalf of third-party customers.

8.2 New objectives

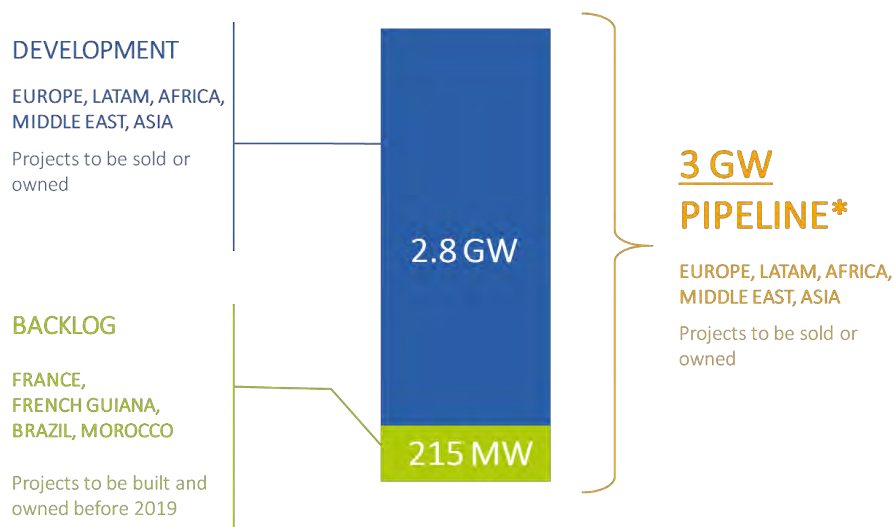
The Group announced new growth targets, in line with the potential of the new entity formed by Voltalia and Martifer Solar.

Electricity production: 1 GW consolidated in 2019

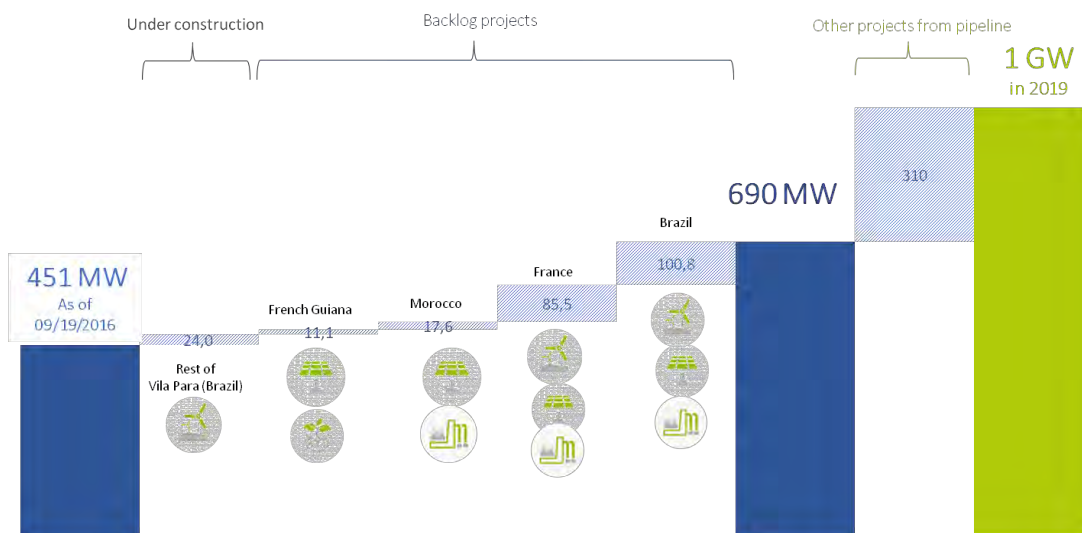
The Group expects to reach the symbolic milestone of 1 GW (1,000 MW) fully owned by 2019 instead of 2022 as announced in 2015 or 2025 as announced in 2014 as part of the IPO. Backed by an extensive portfolio of projects under development of 3 GW (of which 215 MW in projects under development at highly advanced stages and 2.8 GW in projects under development), following the acquisition of Martifer Solar, Voltalia will achieve an installed capacity of 475 MW by the end of 2016.

¹²⁵ Unaudited data; figures announced during the presentation of the acquisition project on 23 June 2016.

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Added to the last tranche under construction in Vila Pará, the 215 MW in projects at advanced stages of development in France, French Guiana, Brazil and Morocco already assure Voltalia it will reach an installed capacity of 690 MW.



The projects in highly advanced stages of development described in the press release issued for the 2016 interim results are as follows:

Metropolitan France:

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PROJECT	MW	ENERGY	ESTIMATED DATE OF COMMISSIONING	ADVANCEMENT IN JULY 2016
FR 1	8.2	Solar power	H2 2017	- Secured income (PPA signed or FiT¹²⁶) - Guaranteed connection to the grid
FR 2	3.8	Solar power	H2 2017	- Secured income (PPA signed or FiT) - Guaranteed connection to the grid - Application for the authorisation of the main permits submitted
FR 3	10.2	Solar power	H2 2017	- Secured income (PPA signed or FiT) - Guaranteed connection to the grid - Application for the authorisation of the main permits submitted
FR 4	8	Wind power	H2 2018	- FiT available - Connection in progress - Secured property - Appeal against the first decision regarding the main permit won
FR 5	14	Wind power	H2 2018	- FiT available - Guaranteed connection to the grid - Secured property - Appeal against the first decision regarding the main permit won
FR 6	10	Wind power	H2 2018	- FiT available - Appeal against the first decision regarding the main permit won
FR 7	12.5	Wind power	H2 2018	- FiT available - Secured property - Guaranteed connection to the grid - Appeal against the first decision regarding the main permit won
FR 8	14.3	Wind power	H2 2018	- FiT available - Secured property - Guaranteed connection to the grid - Appeal against the first decision regarding the main permit won
FR 10	4.5	Hydro	H2 2019	- FiT available - Secured property - Guaranteed connection to the grid - Appeal against the first decision regarding the main permit won
Projects total	85.5 MW			

French Guiana

PROJECT	MW	ENERGY	ESTIMATED DATE OF COMMISSIONING	ADVANCEMENT IN JULY 2016
GU 1	5.1	Biomass	H2 2018	- Approval of PPA underway - Secured property - Guaranteed connection to the grid - Approval of permits underway
GU 2	6	Solar power	H2 2018	- Application for the authorisation of the main permits submitted and approval of repurchase price underway - Secured property - Guaranteed connection to the grid
Projects total	11.1 MW			

Brazil

¹²⁶ FiT: Feed in tariff (regulated purchase price)

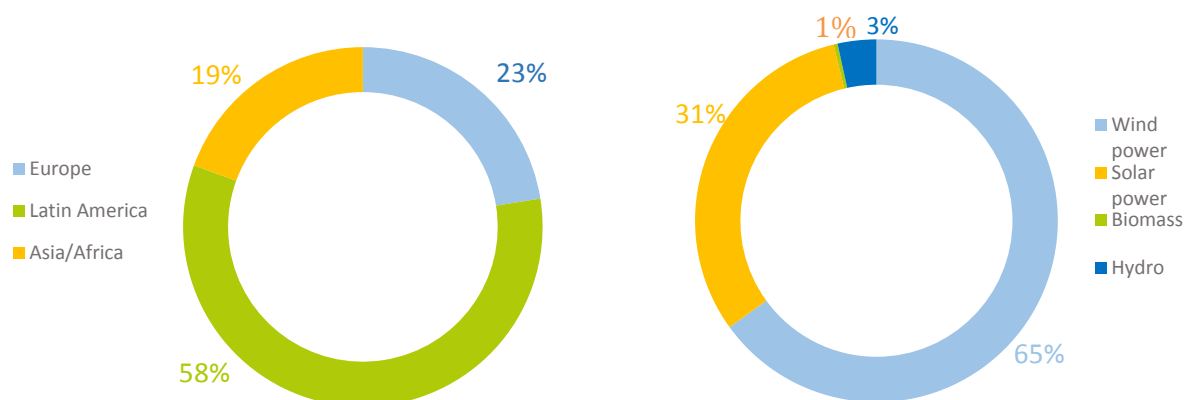
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PROJECT	MW	ENERGY	ESTIMATED DATE OF COMMISSIONING	ADVANCEMENT IN JULY 2016
BR1	16	Solar power	H2 2018	• Authorisation to take part in call for tenders/bids confirmed • Property and connection to the grid secured
BR2	50	Wind power	H2 2018	• Authorisation to take part in call for tenders/bids confirmed • Property and connection to the grid secured
BR3	27.3	Wind power	H2 2018	• Property and connection to the grid secured • PPA signed
BR4	7.5	Hydro	H2 2019	• Property and connection to the grid secured • PPA signed • Main permits need to be renewed
Projects total	100.8 MW			

Morocco

PROJECT	MW	ENERGY	ESTIMATED DATE OF COMMISSIONING	ADVANCEMENT IN JULY 2016
MA1	10.4	Solar power	H2 2018	• PPA in the process of being negotiated • Application for the authorisation of the main permits and connection to the grid submitted
MA2	7.2	Hydro	H2 2019	• PPA in the process of being negotiated • Application for the authorisation of the main permits and connection to the grid submitted
Projects total	17.6 MW			

In addition to these 215 MW in projects, Voltalia intends to leverage on its 2.8 GW portfolio of projects under development. This portfolio breaks down as follows:



3 GW operated in 2019

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With over 1 GW in renewable electricity production plants, Valtalia is seeking to operate a capacity of 2 GW for third parties by 2019. To this end, the Group will leverage on its 2.8 GW portfolio of projects under development. In addition to operating solar power plants, Valtalia intends to expand its service provision business to other energy sources, such as wind power, on the back of the synergies created following the acquisition of Martifer Solar.

Financial objective: EBITDA of €180 million in 2019 and the first dividends

By gradually achieving the objectives for installed capacity and launching the new service activities, the Group is targeting consolidated EBITDA of €180 million¹²⁷ in fiscal year 2019.

	Electricity sales	Operation and maintenance	Development and construction	Other**	Total
EBITDA 2019	€165 million	€10 million	€30 million	(€25 million)	€180 million
2015 EBITDA**	€30.3 million	€3.3 million	(€3.1 million)	€1.4 million	€31.9 million

*Pro forma consolidated EBITDA as of 31 December 2015

** : Corporate and eliminations

¹²⁷ Based on an exchange rate of EUR 1 = BRL 4



INTERIM CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2016

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Preliminary note: All the information given in the condensed consolidated financial statements are expressed in € thousands.

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9 STATUTORY AUDITORS' REPORT ON THE INTERIM FINANCIAL INFORMATION WITH RESPECT TO 2016

Statutory Auditors' Review Report on the Half-yearly Financial Information for the period from January 1st to June 30th, 2016

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France

To the Shareholders,

In compliance with the assignment entrusted to us by annual general meeting and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Voltalia SA, for the period from January 1st to June 30th, 2016,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying the conclusion, we draw your attention to the matter set out in note 7 "Operating profit data" to the consolidated half-yearly financial statements and to the paragraphs devoted to "Income" and "Allowances for depreciation, impairments and provisions", which set out the bases of

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revenue recognition and of the absence of any depreciation charge for the period for the Sao Miguel Do Gostoso site in Brazil, as equally described in note 10 to the consolidated half-yearly financial statements dealing with “Tangible assets”.

II - Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris and Courbevoie, 19 September 2016

French original signed by

The statutory auditors

MAZARS

JULIETTE DECOUX

H3P AUDIT & CONSEIL

JEAN-BENOIT MONNAIS

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CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2016

9.1 STATEMENT OF COMPREHENSIVE INCOME

<i>(in € thousands)</i>	30/06/2016	30/06/2015	Change	% Change	Note n°
Revenues	41,981	24,480	17,501	+71%	7
Other business-related income	2,748	33	2,716	n/a	
Consumables purchased	(8,245)	(3,956)	(4,289)	x 2.1	7
External expenses	(7,166)	(4,945)	(2,222)	+45%	7
Employee expenses	(2,932)	(2,067)	(865)	+42%	7
Taxes & levies	(2,279)	(1,794)	(485)	+27%	7
Net allowances for depreciation	(7,419)	(5,052)	(2,366)	+47%	7
Allowances for impairments and provisions	482	1,327	(846)	-64%	7
Change in unfinished and finished goods	-	-	-	n/a	
Other operating income and expenses	(3)	(218)	215	-99%	
Current operating income	17,168	7,808	9,359	x 2.2	
Income from disposal of consolidated stakes	-	79	(79)	n/a	
Other operating income and expenses	(73)	(364)	291	-80%	7
OPERATING INCOME	17,094	7,523	9,572	x 2.3	
Income from cash and cash equivalents	2,023	2,502	(479)	-19%	
Cost of gross financial debt	(13,872)	(5,706)	(8,166)	x 2.4	
Cost of net financial debt	(11,849)	(3,203)	(8,645)	x 3.7	12
Other financial income and expenses	465	164	301	+183%	12
EARNINGS BEFORE TAXES	5,711	4,484	1,227	+27%	
Income tax and equivalent	(2,138)	(1,375)	(763)	n/a	13
EARNINGS AFTER TAXES	3,572	3,108	464	+15%	

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<i>(in € thousands)</i>	30/06/2016	30/06/2015	Change	% Change	Note n°
Income of associates	120	74	46	+63%	
TOTAL NET INCOME	3,692	3,182	510	+16%	
GROUP SHARE	3,024	3,227	(202)	-6.3%	
Income from minority interests	668	(45)	712	n/a	
Earnings - Group share - per share - (in euros)					14
before dilution	0.116	0.124			
after dilution	0.110	0.124			

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9.2 OTHER COMPREHENSIVE INCOME

<i>(in € thousands)</i>	30/06/2016	30/06/2015
CONSOLIDATED GROUP INCOME	3,692	3,182
Comprehensive income items that will not be recycled as income	-	-
Comprehensive income items that may be recycled as income		
Translation differences resulting from the conversion of foreign operations	38,992	(9,709)
Change in value of hedging instruments	(3,068)	938
Deferred taxes related to changes in value of hedging instruments	42	(90)
COMPREHENSIVE INCOME	39,658	(5,678)
Including the share attributable to the Company's owners	25,646	(2,317)
Including the share attributable to minority interests	14,011	(3,441)

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9.3 STATEMENT OF FINANCIAL POSITION

<i>(in € thousands)</i>	30/06/2016	31/12/2015	Change	% Change	Note n°
Non-current assets	639,129	487,750	151,378	+31%	
Goodwill	45	1,056	(1,012)	-96%	10
Intangible fixed assets	44,035	35,043	8,992	+26%	10
Tangible assets	589,022	445,622	143,400	+32%	10
Stake in associate entities	398	278	120	+43%	5
Non-current financial assets	5,078	5,411	(333)	-6%	12
Deferred tax assets	550	339	211	+62%	
Current assets	92,136	63,406	28,730	+45%	
Inventories	750	596	155	+26%	
Trade receivables and related accounts	23,493	16,361	7,132	+44%	8
Current tax asset	1,429	379	1,050	x 3.8	
Other current assets	2,198	1,979	219	+11%	8
Cash and cash equivalents	57,656	43,591	14,065	+32%	15
Assets held for sale	6,610	500	6,109	x 13.2	5
TOTAL ASSETS	731,264	551,157	180,108	+33%	

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<i>(in € thousands)</i>	30/06/2016	31/12/2015	Change	% Change	Note n°
Equity of controlling interests	177,202	153,404	23,797	+16%	14
Share capital	149,406	149,406	-		
Additional paid-in capital	61,325	61,325	-		
Consolidated reserves	(36,554)	(61,215)	24,661	-40%	
Fiscal year income	3,024	3,888	(863)	-22%	
Non-controlling interests	70,545	57,761	12,783	+22%	
Group shareholders' equity	247,746	211,165	36,581	+17%	
Non-current liabilities	305,270	265,108	40,162	+15%	
Borrowings and financial liabilities	298,084	260,784	37,300	+14%	12
Provisions	1,308	1,335	(26)	-2%	11
Deferred tax liabilities	412	102	310	+304%	
Other non-current liabilities	1,269	(1)	1,270	n/a	
Derivative instrument liabilities	4,198	2,889	1,310	45%	12
Current liabilities	178,248	74,883	103,365	+138%	
Trade and other payables	32,475	28,630	3,845	+13%	8
Borrowings and financial liabilities	132,958	44,365	88,592	+200%	12
Current tax liabilities	1,985	702	1,282	+183%	8
Other current liabilities	0	7	(7)	-98%	
Derivative instrument liabilities	2,118	-	2,118	n/a	12
Liabilities held for sale	8,713	1,179	7,534	+639%	5
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	731,264	551,157	180,108	+33%	

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9.4 CASH FLOW STATEMENT

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<i>(in € thousands)</i>	30/06/2016	30/06/2015
NET INCOME OF THE CONSOLIDATED GROUP	3,692	3,182
Elimination of non-cash revenue and expense items and items unrelated to operations		
Amortisations and provisions	6,900	4,220
Gains on disposals	(0)	(55)
Elimination of the share of income of associates	(120)	(74)
Profits and losses on fair value revaluations	327	0
Calculated expenses and income related to share-based payments	177	16
GROSS CASH FLOW FROM CONSOLIDATED COMPANIES	10,976	7,290
Tax expense	2,138	1,375
Cost of net financial debt	11,849	3,203
GROSS CASH FLOW FROM CONSOLIDATED COMPANIES BEFORE COST OF FINANCIAL DEBT	24,963	11,869
Tax paid	(1,876)	(1,709)
Change in working capital requirement for operating activities	(5,311)	5,127
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	17,775	15,287
Acquisition of fixed assets	(81,288)	(110,811)
Disposal of fixed assets	292	665
Investment subsidies received	-	240
Acquisitions of subsidiaries net of cash	0	(781)
NET CASH FLOW FROM INVESTING ACTIVITIES	(80,996)	(110,686)
Capital increases	(72)	15,134
Partial disposal without loss of control	-	-
Bond issuances and borrowings from credit institutions	100,461	100,334
Financing of non-controlling interests	(1,004)	9,346
Financing by bank overdrafts	(2,164)	-
Loan repayments to credit institutions	(21,097)	(6,840)
Net financial interest paid	(7,098)	(3,385)
Treasury share purchases	(17)	(14)
Dividends paid to non-controlling interests	(28)	(41)
NET CASH FLOW FROM FINANCING ACTIVITIES	68,980	114,534
Impact of changes in accounting principles	(98)	-

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Impact of changes in foreign exchange rates	8,294	(2,076)
CHANGE IN CASH	13,954	17,059
Cash - Beginning of period	43,454	58,690
Cash - End of period	57,408	75,749

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9.5 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Additional paid-in capital	Consolidated reserves	Translation differences	Fiscal year income	Shareholders' equity - Group share	Income from minority interests	IFRS equity
Total as of 31/12/2014	139,107	56,267	(24,458)	(13,011)	4,495	162,400	48,352	210,752
Appropriation of earnings			4,495		(4,495)	(0)		(0)
Income for the period					3,227	3,227	(45)	3,182
Change in translation differences				(6,325)		(6,325)	(3,383)	(9,709)
Change in value of hedging instruments			782			782	67	848
Total Comprehensive Income			5,277	(6,325)	(1,268)	(2,317)	(3,361)	(5,678)
Changes in scope of consolidation								
Distributions paid to non-controlling interests			0			0	(80)	(80)
Capital increase	10,174	4,965				15,139		15,139
Other (including stock options, treasury shares, etc.)			14			14	65	79
Total as of 30/06/2015	149,281	61,232	(19,167)	(19,336)	3,227	175,236	44,976	220,212
Appropriation of earnings			(0)			(0)		(0)

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	Share capital	Additional paid-in capital	Consolidated reserves	Translation differences	Fiscal year income	Shareholders' equity - Group share	Income from minority interests	IFRS equity
Income for the period					661	661	707	1,368
Change in translation differences				(22,817)		(22,817)	(13,181)	(35,997)
Change in value of hedging instruments			(375)			(375)	(1)	(375)
Total Comprehensive Income			(375)	(22,817)	661	(22,530)	(12,475)	(35,005)
Changes in scope of consolidation			667			667	1	668
Distributions paid to non-controlling interests							(180)	(180)
Capital increase	125	93				218	25,684	25,902
Other (including stock options, treasury shares, etc.)			(186)			(186)	(245)	(431)
Total as of 31/12/2015	149,406	61,325	(19,061)	(42,153)	3,888	153,405	57,761	211,166
Appropriation of earnings			3,888		(3,888)			
Income for the period					3,024	3,024	668	3,692
Change in translation differences				25,618		25,618	13,374	38,992

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	Share capital	Additional paid-in capital	Consolidated reserves	Translation differences	Fiscal year income	Shareholders' equity - Group share	Income from minority interests	IFRS equity
Change in value of hedging instruments			(2,996)			(2,996)	(31)	(3,027)
Total Comprehensive Income			892	25,618	(864)	25,646	14,011	39,658
Changes in scope of consolidation			(1,888)			(1,888)	(1,164)	(3,052)
Distributions paid to non-controlling interests							(28)	(28)
Capital increase								
Other (including stock options, Treasury shares, etc.)			37			37	(36)	1
Total as of 30/06/2016	149,406	61,325	(20,019)	(16,535)	3,024	177,201	70,545	247,745

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1- INCORPORATION AND EXPANSION OF THE GROUP

Voltalia was incorporated on 28 November 2005. Its registered office is located in Paris, France. Its development started in 2003 in Guiana, continued in Brazil, France, Greece, and recently in Morocco.

Listed on the Euronext Paris Free Market from May 2005 to June 2014, the Company was transferred to Compartment B in July 2014.

The attached interim consolidated financial statements as of 30 June 2016 show the transactions of Voltalia and its subsidiaries (together referred to as the "Group") and the Group's share in associates or joint ventures.

NOTE 2- THE GROUP'S BUSINESS

The Voltalia Group conducts its business in a sustainable manner, taking responsibility towards the environment and future generations.

The Voltalia Group produces electricity from renewable resources in France, Guiana, Brazil, Greece and Morocco. The Groups designs, develops and operates power plants using a multi-energy approach. It uses the most appropriate source depending on the geographic context: wind power, solar power, hydraulic or biomass.

Throughout its history, Voltalia has developed deep, lasting ties with many partners. The Caisse

des Dépôts has been a Voltalia Guiana shareholder since 2008. In Brazil, COPEL and CHESF, leading players in the power production sector, and Enclaso, a benchmark civil engineering company, are shareholders of Voltalia's large power plants in the country. Ever since its creation, other partners such as investors, banks, other professionals in the industry or government agencies have also assisted Voltalia in its development. Voltalia has also been a partner of the WWF since 21 November 2014.

NOTE 3- SIGNIFICANT EVENTS AND SUBSEQUENT EVENTS

SIGNIFICANT EVENTS IN THE FIRST HALF OF 2016

GOVERNANCE AND FINANCING

Signing of a syndicated loan of €35 million

In order to implement its strategy in a sustainable manner, on 29 March 2016, the Company signed a revolving credit facility agreement with financial institutions belonging to the BPCE Group, for an amount of €35 million over 5 years.

CALL FOR TENDERS WON IN 2016

Call for tenders in solar power: 1 project won for 4 MW

On 11 June, the French Ministry of the Environment, Sustainable Development and Energy selected one of the Group's solar power projects (4 MW) as part of the call for tenders for solar power in areas with no interconnections. The winning project, called Savane de Pères, has a capacity of 4 MW, it is located in French Guiana, just outside Sinnamary. The site was chosen with great care: hence the project will give a new life to an old landfill. Voltalia's project will combine a production forecast tool and a 2.4 MW battery storage unit which will allow for more accurate predictability and stability for the solar power plant. It is due to be commissioned in June 2019 at the latest.

SIGNIFICANT SUBSEQUENT EVENT

Acquisition of the Martifer Solar group

On 18 August 2016, Voltalia completed the takeover of Martifer Solar, the main entity of the group of the same name. As the business combination was finalised after the half-year reporting period, it has no effect on the interim financial statements for the period ended 30 June 2016. The following data is therefore for informational purposes only.

Founded ten years ago by the Portuguese group Martifer, the Martifer Solar subgroup designs, builds and operates photovoltaic solar power plants on behalf of third-party customers.

OTHER DEVELOPMENTS

Repurchase of shares held by a minority investor in a controlled portfolio of wind farm projects.

Voltalia bought back the non-controlling interest (49.5%) that a long-time partner had in a portfolio comprising four wind farm projects. The projects acquired, at various stages of advancement, represent a total potential capacity of 76 MW. The first construction works could start within the coming eighteen months. This transaction strengthens the Group's exposure in France, a country with ambitious objectives in terms of new capacity installation for the production of renewables.

Acquisition of a project development company in Morocco

Voltalia acquired Alterrya Maroc, a project development company specialising in renewables in Morocco. This transaction enabled Voltalia to acquire a prospect and development project portfolio with a total potential capacity of 185 MW in wind power and 100 MW in solar power. The projects acquired are at various stages of advancement, and the first construction works could start within the next two years.

Martifer Solar is a major player in the global photovoltaic market.

The acquisition includes all the shares of the parent company, and therefore also indirectly involves all the subsidiaries, partnerships and associates included in Martifer Solar's scope of consolidation. The only exception concerns the US subsidiaries which were not part of the transaction and were sold by Martifer Solar to the Martifer Group before the takeover. This equity investment amounted to €9 million and was solely financed by way of equity. The share purchase agreement does not include any price adjustment clause. The costs associated with the acquisition are estimated at €2.1 million, €636 thousand of which have already

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been recognised in "Other operating income and expenses" as of 30 June 2016.

In addition to acquiring shares, Voltalia was also obliged to take over payables which were supported up until now by the former shareholder. As of 18 August 2016, the balance of this current account stood at €8,889 thousand. It was acquired at its nominal value. The trade payables of the former shareholder represented €4,336 thousand and were acquired at their nominal value.

In terms of business volumes, Martifer Solar has sold project developments to investors amounting to 757 MW since its creation. As of the end of 2015, the portfolio of projects under development amounted to 1,343 MW. In parallel, Martifer Solar has built solar farms for its customers representing 599 MW, which will be supplemented by an additional 85 MW currently under construction.

Lastly, operation and maintenance for third-party customers is the fastest growing business of Martifer Solar. It currently has 585 MW under management.

In terms of volumes and synergies in connection with the business segment, the production of renewable electricity historically managed by Voltalia is now supplemented with development, construction, operation and maintenance services for third-party customers. As Martifer Solar is not the owner of the power plants held, and therefore financed by third-party customers, it appears to be a low cash burn business.

Following the acquisition of Martifer Solar, the capacity operated by the Group increased 2.4x, from 418 MW as of 30 June 2016 to over 1,000 MW (1 GW), including 376 MW in installed capacity and 627 MW operated on behalf of third-party customers.

As of 30 June 2016, Voltalia's workforce totalled 157 employees. The new entity created now has 423 employees.

In short, this business combination enables Voltalia to step up its development strategy based on diversifying its global footprint, energy mix and now its business model. To this end, it is worth noting that:

- Voltalia has strengthened its global footprint with teams located in 17 countries (vs. four before) and operating in 29 countries.
- The portfolio of projects under development in solar power rose from 13% to 50%. Solar power is the world's fastest growing renewable.
- By supplementing its historical renewable electricity production business with development, construction, operating and maintenance services, Voltalia extended its industrial expertise and has a new low capital intensive business.

Martifer Solar pro forma information

This pro forma information is based on Martifer Solar's data as of 30 June 2016 (unaudited). It also includes various adjustments with respect to the first half-year that were recognised in the financial statements as of 31 July 2016, which were subject to a limited review performed by the Statutory Auditors of the company acquired.

The US business, not included in the scope of the acquisition, was restated in the pro forma financial statements shown below. Its sale, completed from a legal perspective in July 2016, was considered as if it had been effective as of 1 January 2015.

Consolidated pro forma income statement of Martifer Solar in respect of 2015 and the first half of 2016 (in € thousands)

	30/06/2016 31/12/2015*	
IFRS - pro forma data		
Income	42,186	139,611
Revenues	41,320	127,475
EBITDA	(4,666)	1,872

*2015: unaudited data

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Please note that as of 31 December 2015, the various activities of Martifer Solar were broken down as follows:

(in € thousands)	Electricity sales	Development, construction and O&M procurement	Other		Total
Sales	0.3	114.2	12.9	0.0	127.5
Income	0.3	123.4	12.9	3.1	139.6
EBITDA	0.2	(2.6)	2.9	1.3	1.9

Pro forma consolidated balance sheet of Martifer Solar in respect of the first half of 2016

(in € thousands)	30/06/2016
IFRS - pro forma data	
Fixed assets	32,922
Current assets excl. net cash	51,545
Cash and cash equivalents	928
Shareholders' equity	(27,770)
Current and non-current liabilities	73,648
Financial liabilities	39,518
Balance sheet total	85,395

NOTE 4- ACCOUNTING POLICIES AND METHODS

a. Statement of compliance

The financial statements of the Voltalia Group were drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable as of 30 June 2016. The standards applied can be found on the following website:

http://ec.europa.eu/finance/company-reporting/index_en.htm

The interim consolidated financial statements of the Voltalia Group were approved by the Board of Directors of Voltalia SA on 19 September 2016.

b. Basis of preparation

The interim financial statements of the Voltalia Group were drawn up in accordance with IAS 34 "Interim financial reporting" and therefore do not include all the information required by IFRS for the preparation of a full set of financial statements. They do however include a number of notes describing the significant events and transactions with a view to clarifying the changes in the company's financial position and results since the last consolidated financial statements for the year ended 31 December 2015.

Consequently, they should be read in conjunction with the consolidated financial statements for the year ended 31 December 2015.

c. New standards

New standards, amendments to standards and interpretations of the standards compulsory within the European Union as of 30 June 2016

As of 30 June 2016, the Voltalia Group applied the standards, interpretations, accounting principles and methods used in the fiscal year 2015 financial statements with the exception of the compulsory changes mandated by the IFRSs listed hereafter, applicable as of 1 January 2016; these changes have not had a significant impact on the accounts:

- Amendments to IAS 19: these narrow scope amendments apply to employee or third-party contributions to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions which are independent of the employee's number of years of service, for example, employee contributions which are calculated based on a fixed percentage of salary; at the European level, the amendments are applicable no later than fiscal years beginning on or after 1 February 2015;

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- The annual improvements 2010-2012; at the European level, the amendments are applicable no later than fiscal years beginning on or after 1 February 2015:
 - o The clarifications provided by these improvements are related to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16 and IAS 24;
- The annual improvements 2012-2014; at the European level, the amendments are applicable no later than fiscal years beginning on or after 1 January 2016:
 - o The clarifications provided by these improvements are related to IFRS 5, IFRS 7, IAS 19 and IAS 34;
- Amendments to IAS 16 and IAS 38; these amendments (compulsory application as of 1 January 2016) clarify acceptable depreciation methods;
- Amendments to IFRS 11 "Acquisition of interests in a joint operation"; the amendment published (compulsory application as of 1 January 2016) is intended to specify how to account for acquisitions of interests in a joint operation that constitutes a "business" within the meaning of IFRS 3 - Business Combinations;
- Amendments to IAS 16 and IAS 41; these amendments change the financial reporting for bearer plants such as grape vines, rubber trees and oil palms.

Texts that may be applied in advance to financial statements by listed European companies

As of 30 June 2016, these texts are only optionally applicable, and for so long as they concern interpretations of texts in force which are already approved in Europe and are not inconsistent with the latter.

- New standards and interpretations already adopted in Europe and applicable in advance as of 30 June 2016

No standard or interpretation allowing application in advance has been adopted in Europe as of 30 June 2016.

- New standards and interpretations not yet adopted by Europe but applicable in advance as of 30 June 2016
 - o Amendments to IFRS 10, IFRS 12 and IAS 28: consolidation exception for investment entities; these amendments (compulsory application as of 1 January 2016 if adopted by the EU) are intended to clarify the consolidation exception rules for investment entities and specify that if an entity which is not itself an investment entity holds a stake in an associate or a joint venture which is an investment entity, the entity can use, when it applies the equity method of consolidation, the fair value determined by the associate or joint venture for its stakes in its subsidiaries.
 - o Amendments to IFRS 10 and IAS 28; these amendments (compulsory application as of 1 January 2016 if adopted by the EU, date delayed by the decision of 17 December 2015) are intended to clarify the methods for a sale or contribution of assets between an investor and an associate or a joint venture. On 10 August 2015, the IASB published a survey report proposing to delay, to an indeterminate date, the effective date for

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these amendments, until it has produced the final version of the changes, if any, as a result of its research project on the equity method of consolidation.

Texts and interpretations published by the IASB but unable to be applied to financial statements in advance by listed European companies

As of 30 June 2016, the following texts are not applicable in advance because they are inconsistent with current rules:

- IFRS 9 "Financial Instruments" (compulsory application as of 1 January 2018 if adopted by the EU). The standard addresses the classification, valuation and derecognition of financial assets and liabilities;
- IFRS 14 "Regulatory Deferral Accounts" (compulsory application as of 1 January 2018 if adopted by the EU);
- IFRS 15 "Revenue from Contracts with Customers" and amendment to IFRS 15 (compulsory application as of 1 January 2018 if adopted by the EU);
- IFRS 15 "Amendments to IFRS 15";
- IFRS 15 "Clarifications of IFRS 15";
 - o The group is currently reviewing the potential impacts from application of the IFRS 15 standard;
- IFRS 16 "Leases".

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NOTE 5- SCOPE OF CONSOLIDATION

a. Consolidated companies

As of 30 June 2016, the consolidated companies are the following:

Entities	Main business	Percentage interest as of 30/06/2016	Percentage interest as of 31/12/2015	Consolidation method
Parent Company				
Voltalia SA	Holding/Engineering		Consolidating entity	
Subsidiaries				
France				
3VD	Wind power	100.00%	100.00%	IG
3LE	Wind power	40.00%	40.00%	MEE
Biobar	Biomass	100.00%	100.00%	IG
Anelia	Holding/Engineering	100.00%	50.10%	IG
Parc Eolien Argenteuil	Wind power	100.00%	50.10%	IG
Parc Eolien Coulmier	Wind power	100.00%	50.10%	IG
Parc Eolien Laignes	Wind power	100.00%	50.10%	IG
Parc Eolien Sarry	Wind power	100.00%	50.10%	IG
Adriers Energies	Wind power	100.00%	100.00%	IG
La Faye Energies	Wind power	62.71%	62.71%	IG
Echauffour Energies	Wind power	100.00%	100.00%	IG
Meje Energies	Solar power	100.00%	100.00%	IG
Montmayon	Solar power	100.00%	100.00%	IG
Parc Eolien de Molinons	Wind power	100.00%	100.00%	IG
Parc Solaire de Montclar	Solar power	100.00%	100.00%	IG
Parc Solaire du Castellet	Solar power	100.00%	100.00%	IG
Parc Solaire de Piboulon	Solar power	100.00%	100.00%	IG
Parc Solaire Puy Madame I	Solar power	100.00%	100.00%	IG
Parc Solaire Puy Madame II	Solar power	100.00%	100.00%	IG
Parc Solaire Puy Madame III	Solar power	100.00%	100.00%	IG
Parc Solaire Puy Madame IV	Solar power	100.00%	100.00%	IG
PEP Energy France	Wind power	100.00%		IG
GEP Energy France	Wind power	100.00%		IG
ECM Energy France	Wind power	100.00%		IG
SVNC Energy France	Wind power	100.00%		IG
Parc Solaire Carrière des plaines	Solar power	100.00%	100.00%	IG
4 Termes 1	Solar power	40.00%	40.00%	MEE

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Entities	Main business	Percentage interest as of 30/06/2016	Percentage interest as of 31/12/2015	Consolidation method
4 Termes 2	Solar power	40.00%	40.00%	MEE
Fangas 1	Solar power	40.00%	40.00%	MEE
Fangas 2	Solar power	40.00%	40.00%	MEE
Parc Solaire de Tresques	Solar power	100.00%	100.00%	IG
Parc Solaire de Grignan	Solar power	100.00%	100.00%	IG
Parc Solaire du Canadel	Solar power	100.00%		IG
Parc solaire du Castellet 2	Solar power	100.00%	100.00%	IG

Entities	Main business	Percentage interest as of 30/06/2016	Percentage interest as of 31/12/2015	Consolidation method

French overseas departments and territories

Voltalia Caribbean	Holding/Engineering	100.00%	100.00%	IG

Brazil

Voltalia Do Brazil	Holding/Engineering	100.00%	100.00%	IG
Paracatu Energia	Hydropower	51.00%	51.00%	IG
Sapeel	Hydropower	95.00%	95.00%	IG
Junco 1	Wind power	25.60% *	25.60%	IG
Junco 2	Wind power	25.60% *	25.60%	IG
Caiçara 1	Wind power	25.60% *	25.60%	IG
Caiçara 2	Wind power	25.60% *	25.60%	IG
Terral	Wind power	100.00%	100.00%	IG
Carcara 1	Wind power	100.00%	100.00%	IG
Carcara 2	Wind power	100.00%	100.00%	IG
Usina de Energia Eolica Reduto S.A	Wind power	51.00%	51.00%	IG
Usina de Energia Eolica Santo Cristo S.A	Wind power	51.00%	51.00%	IG
Usina de Energia Eolica Carnauba S.A	Wind power	51.00%	51.00%	IG
Usina de Energia Eolica Sao João S.A	Wind power	51.00%	51.00%	IG
Envolver	Holding/Engineering	50.20%	50.20%	IG
Areia Branca I	Holding/Engineering	100.00%	100.00%	IG
Areia Branca II	Holding/Engineering	100.00%	100.00%	IG
Tourinho I	Wind power	100.00%	100.00%	IG
Tourinho II	Wind power	100.00%	100.00%	IG
Vila Para I	Wind power	100.00%	100.00%	IG
Vila Para II	Wind power	100.00%	100.00%	IG
Vila Para III	Wind power	100.00%	100.00%	IG
Vila Amazonas V	Wind power	100.00%	100.00%	IG
Voltalia São Miguel do Gostoso Participacoes S.A	Holding/Engineering	51.00%	51.00%	IG

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Entities	Main business	Percentage interest as of 30/06/2016	Percentage interest as of 31/12/2015	Consolidation method
Oiapoque Energia	Hybrid	100.00%	100.00%	IG
Votalia SMG I	Holding/Engineering	51.00%	51.00%	IG
Vamcruz Participacoes SA	Holding/Engineering	25.60% *	25.60%	IG
Vamcruz 1 Participacoes SA	Holding/Engineering	25.60% *	25.60%	IG
Serra Pará Participações S.A	Holding/Engineering	100.00%	100.00%	IG
Serra Pará I Participações S.A	Holding/Engineering	100.00%	100.00%	IG
Usina de Energia Eólica Vila Acre I S.A	Wind power	100.00%		IG
Votalia Energia Do Brasil Consultoria e Participações S.A	Holding/Engineering	100.00%		IG
Alameda Acre Participações S.A	Holding/Engineering	100.00%		IG

* These companies are controlled by the Group.

Entities	Main business	Percentage interest as of 30/06/2016	Percentage interest as of 31/12/2015	Consolidation method
Guiana				
Votalia Guiana	Holding	80.00%	80.00%	IG
SIG Mana	Hydropower	80.00%	80.00%	IG
SIG Cacao	Hydropower	100.00%	100.00%	IG
SIG Kourou - manager = Gerinves	Biomass and Solar power	80.07%	80.07%	IG
Votalia Kourou	Biomass and Solar power	80.07%	80.07%	IG
Saut Maman Valentin Hydropower plant	Hydropower	80.00%	80.00%	IG
Votalia Organabo Investment	Solar power	80.00%	80.00%	IG
Belle Etoile Energy Guiana	Solar power	80.00%	80.00%	IG
Tamanoir Energy Guiana	Hydropower	80.00%	80.00%	IG
Votalia Saut Mapaou Exploitation	Hydropower	80.00%	80.00%	IG
VLT saut Mapaou Investment	Hydropower	80.00%	80.00%	IG
Hydro Régina 2 Investment	Solar power	80.00%	80.00%	IG
Bon Espoir Energy Guiana	Biomass	80.00%	80.00%	IG
Votalia Biomass Amazone Investment	Biomass	80.00%	80.00%	IG
Volta Guiana	Solar power	100.00%	100.00%	IG
Montsinery SNC (carrier for immo Volta G)	Solar power	100.00%	100.00%	IG
Saut Dalles Energy Guiana	Hydropower	80.00%	80.00%	IG
Maripasoula Energy Guiana	Hydropower	80.00%	80.00%	IG
Roura Bois Energy	Biomass	100.00%		IG
Cr'Eole	Wind power	100.00%		IG

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Entities	Main business	Percentage interest as of 30/06/2016	Percentage interest as of 31/12/2015	Consolidation method

Morocco				
Voltalia Morocco	Holding	99.97%	99.97%	IG

Entities	Main business	Percentage interest as of 30/06/2016	Percentage interest as of 31/12/2015	Consolidation method

Greece				
Voltalia Greece	Holding/Engineering	100.00%	100.00%	IG
Energiaki Aguelokastrou	Solar power	100.00%	100.00%	IG
Energiaki Sesklou Magnisias	Solar power	100.00%	100.00%	IG
Energiaki Sesklou 1 Ltd	Solar power	100.00%	100.00%	IG
Greek Wind Power	Wind power	45.00%	45.00%	MEE
Cluster Holding SA	Wind power	80.00%	80.00%	IG
Rougero Holding SA	Wind power	51.00%	51.00%	IG
Gerovolt Ltd	Solar power	100.00%	100.00%	IG
Energen SA	Solar power	100.00%	100.00%	IG
Forgero Holding SA	Wind power	65.00%	65.00%	IG
Energiaki Agionoriou	Solar power	100.00%	100.00%	IG
Sarafadis SNC	Solar power	100.00%	100.00%	IG
Kalaitzidis St - Ofidis AR	Solar power	100.00%	100.00%	IG
Fotovoltaiki Systimata Katerin	Solar power	100.00%	100.00%	IG
Fotovoltaiki Parka Pieras	Solar power	100.00%	100.00%	IG
Fotovoltaiki Katerinis SNC	Solar power	100.00%	100.00%	IG
Lakka Kokkini Aioliiki SARL	Wind power	100.00%	100.00%	IG
GSolar Energiaki	Solar power	64.00%	64.00%	IG
Xenakis Yorgos SCS	Solar power	98.00%	98.00%	IG

10.1.3.1

10.1.3.2

10.1.3.3

10.1.3.4 b) Non-consolidated companies

As of 30 June 2016, the following entities are held by the Group but not consolidated:

- France:
 - o Voltalia Energie

- Morocco:
 - o Alterrya Maroc
 - o VMA Sahara
 - o Alterrya Wind

10.1.3.5c) Change in the scope

The changes in scope, and/or the restructuring transactions occurring in the first half of 2016 are the following:

In Brazil:

- Formation of two holding companies:
 - o Voltalia Energia Do Brasil Consultoria e Participações S.A
 - o Alameda Acre Participações S.A

The Group created these two companies. They are wholly owned and fully consolidated.

The company Voltalia Energia Do Brasil Consultoria e Participações S.A has been formed to conduct new O&M business in Brazil over time.

The company Alameda Acre Participações S.A has been formed to eventually hold the equity investments in the company Usina de Energia Eólica Vila Acre I S.A.

- Formation of a company to construct the wind farm following the success in the Brazilian tender offer of November 2015. The project company Usina de Energia Eólica Vila Acre I S.A has therefore been formed. It is wholly owned and consolidated using the full consolidation method.

In mainland France:

- Formation of the company Parc solaire du Canadel following the success in the French tender offer of November 2015.

10.1.3.6d) Associates and partnerships

Investments in associates accounted for using the equity method concern the following entities:

- First consolidation of the companies comprising the portfolio of wind farm projects acquired during the second half of 2015.

The following companies have thus been consolidated:

- o PEP Energie France
- o GEP Energie France
- o ECM Energie France
- o SVNC Energie France.

They are wholly owned by Voltalia and consolidated using the full consolidation method.

In Guiana:

- Acquisition of the company Cr'Eole:
The company Cr'Eole was acquired at the end of 2015. It is wholly owned by Voltalia and consolidated using the full consolidation method.
- Formation of Roura Bois Energie
The Group created the company Roura Bois Energie, wholly owned by Voltalia and consolidated using the full integration method.

Roura Bois Energie is the biomass supply company whose sole activity is supplying a Group biomass power plant currently in an advanced stage of development.

3LE	506	379
Fangas 1	(21)	(20)
Fangas 2	(21)	(20)
4 Termes 1	(21)	(21)
4 Termes 2	(21)	(20)
Greek Wind Power	(23)	(19)
Total	398	278

10.1.3.7 e) Assets and liabilities held for sale

In accordance with IFRS 5, when the Group has decided to sell an asset or group of assets, it classifies it as an asset held for sale if:

- the asset or group of assets is available for immediate sale in its current state, only subject to the usual and customary conditions for the sale of such assets;
- and its sale is probable within a period of 1 year.

Furthermore, an activity is classified as a "discontinued operation" when:

- all the classification criteria for non-current assets held for sale or discontinuation are met; and if
- any of the supplementary criteria below are also met:
 - the activity represents a separate major business line or geographic region,
 - the activity is an integral part of a single plan to dispose of a

business line or operations in a geographic region,

- the activity is a subsidiary acquired with a view to resale or discontinuation.

Voltalia entered into negotiations to sell two groups of assets, one solar and the other biomass.

The biomass assets were already designated for sale as of 31 December 2015. Following a change in purchaser, the negotiations were restarted with a view to completion during the second half of 2016.

The solar assets should be sold during the second half of 2016 based on a letter of intent dated 20 June 2016.

These two groups of assets are therefore shown in the activities held for sale within the meaning of IFRS 5 as of 30 June 2016.

The group of biomass assets intended for sale for €297 thousand mainly comprises the current assets (customer receivables and tax receivables) of a Voltalia subsidiary. The fixed assets net of depreciation from this subsidiary are subject to an exceptional write-off bringing their value to 0. The group of solar assets for €6,312 thousand mainly comprises fixed assets and their corresponding liabilities, mainly long-term debt. Monetary items and, where applicable, non-monetary items, stated at their fair value in the foreign currency, are converted by using the exchange rate at the balance sheet date.

According to general principles, translation differences on these items are recognised in income over the period.

10.1.3.8 f) Foreign currency conversion

Transactions denominated in foreign currencies

Transactions in foreign currencies are converted into euros by applying the applicable exchange rate on the date of the transaction. For practical reasons, an average annual rate is generally

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Financial statements denominated in foreign currencies

The functional currency for foreign subsidiaries of the Voltalia Group is always the local currency of these entities. On this basis, the assets and liabilities of companies included in the scope of The currency rates used by the Group are the following:

consolidation and expressed in foreign currencies are converted into euros by using the exchange rate at the balance sheet date. The income and expenses of these companies are converted into euros by using the average exchange rate over the period.

	Closing rates 30/06/2016	Average rates 2016	Average rates 2015	Opening rates 01/01/2016
MAD Moroccan Dirham	0.0916	0.0912	0.0918	0.0918
BRL Brazilian Real	0.2784	0.2424	0.2741	0.2313

All translation differences resulting from the conversion of these financial statements are included in other comprehensive income.

Net investments in a foreign activity

Translation differences on intragroup assets and liabilities are also recognised in income. On an exceptional basis, these translation differences are temporarily recognised in other comprehensive income when the monetary asset or liability concerned forms an integral part of the net investment in a foreign company. This is indeed the case for the loans and receivables of the businesses in Brazil whose repayment is neither planned nor likely in the foreseeable future.

NOTE 6- OPERATING SEGMENTS

Segment information

The information by business segment is shown in accordance with the Group's internal reporting system used by management to measure financial performance and allocate resources. Furthermore, the risks and returns are specific to each business segment. The geographic areas are defined as a function of their specific economic environment and are subject to different risks and returns.

Segment information is shown on the basis of the Group's internal organisation that reflects the different risk and return levels in which the Group operates.

Breaking down information by business segment is preferred, as the risks and returns mainly depend on the different characteristics of the Group's businesses rather than their geographic location.

The segmentation thus used by Group management is the following:

- **Electricity production (by energy source):**
- **Wind power:** this activity includes our wind farms which supply electricity production according to contracts of at least 15 years starting from their commissioning.
- **Solar power:** this activity includes the ground-based solar parks or roof-based solar panels which supply electricity according to contracts of 20 years starting from their commissioning.
- **Hydroelectric:** this activity includes the run-of-river hydroelectric power plants which supply electricity production to

national distribution companies according to contracts of at least 20 years starting from their commissioning.

- **Biomass:** this activity includes the biomass-fired thermal power plants which supply either electricity production or co-generated electricity and heat production to national or private companies according to contracts of 20 to 25 years starting from their commissioning.
- **Hybrid:** this activity includes the power plants supplying electricity from a hydro/thermal mix. The hydraulic plants are the primary producers and the thermal power plants provide the balance during peak electricity demand periods, the dry season and maintenance periods.
- **Corporate:**
- **Income from service businesses:** the Group's companies develop projects and carry out work with a view to obtaining construction and production authorisations. The provision of these services can be managed by the Group or delegated and supervised by service partners. This business enables operating revenues to be generated when the projects are sold. In addition, the Group can carry out operation and maintenance services for renewable electricity power plants owned by third parties.
- **Engineering and non-allocated:** the Corporate segment includes the

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functional and financial activities of the Group and the newly-formed companies

which have not made any significant investment.

HALF YEAR 2016

By activity:

INCOME STATEMENT ITEMS 30/06/2016	Corporate	Wind power	Biomass	Hydropower	Solar power	Hybrid	Total
Income	470	29,981	1,352	1,523	3,547	7,856	44,729
Current operating income	(2,532)	16,251	(293)	732	1,352	1,657	17,168
EBITDA	(2,351)	21,466	(11)	1,135	2,107	1,685	24,031
% EBITDA margin	N/A	72%	-1%	75%	59%	21%	54%
OPERATING INCOME	(2,548)	16,181	(296)	749	1,352	1,657	17,094
% Operating margin	N/A	54%	-22%	49%	38%	21%	38%
FINANCIAL INCOME/LOSS	(242)	(10,339)	(134)	(259)	(676)	265	(11,384)
EARNINGS BEFORE TAXES	(2,789)	5,843	(430)	490	675	1,922	5,711
Income taxes	(320)	(1,504)	(0)	0	21	(336)	(2,138)
EARNINGS AFTER TAXES	(3,109)	4,339	(430)	490	697	1,586	3,572
Income of associates	-	126	-	-	(7)	-	120
TOTAL NET INCOME	(3,109)	4,466	(430)	490	690	1,586	3,692

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HALF YEAR 2015

By activity:

INCOME STATEMENT ITEMS 30/06/2015	Corporate	Wind power	Biomass	Hydropower	Solar power	Total
Income	1,033	18,097	1,457	884	3,042	24,512
Current operating income	(2,573)	8,609	474	(163)	1,462	7,808
EBITDA	(2,838)	12,112	54	193	1,546	11,068
% EBITDA margin	N/A	67%	4%	22%	51%	45%
OPERATING INCOME	(2,486)	8,578	474	(163)	(1,120)	7,523
% Operating margin	N/A	47%	33%	-18%	37%	31%
FINANCIAL INCOME/LOSS	701	(2,761)	(154)	(288)	(537)	(3,039)
EARNINGS BEFORE TAXES	(1,785)	5,817	320	(451)	582	4,484
Income taxes	(0)	(1,323)	(0)	(0)	(53)	(1,375)
EARNINGS AFTER TAXES	(1,785)	4,495	320	(451)	530	3,108
Income of associates	-	79	-	-	(5)	74
TOTAL NET INCOME	(1,785)*	4,574	320	(451)	525	3,182

* A non-material error has been corrected as of 30 June 2016.

NOTE 7- OPERATING PROFIT DATA

a. Income

Income recognition

Income includes the revenue (or income from ordinary activities) of the Group and other income related to the business.

The revenues of the Group include:

- mainly the supply of electricity (and heat) from the Group's Production Units; and
- to a lesser extent, the provision of power plant operation and maintenance services and the sale of renewable

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electricity power plant projects before their construction.

Income from ordinary activities (or revenue) corresponds to the fair value of the consideration received or to be received for goods and services sold as part of the usual activities of the Group. Income from ordinary activities is shown net of discounts

and rebates, and deductions made for intragroup sales. No income is recognised when there is significant uncertainty as to the recoverability of the consideration due.

Other income from ordinary activities includes in particular the late delivery indemnities received on the construction of power plants when they compensate for a loss of energy sales.

Income items in 2016

The revenue earned by the Group is broken down as follows:

<i>(in € thousands)</i>	30/06/2016	30/06/2015	Change	% Change
Energy sales	41,536	23,912	17,624	+74%
Revenue from development and service businesses	445	568	(123)	-22%
Total Revenues	41,981	24,480	17,501	+71%
Other business-related income	2,748	33	2,716	n/a
Total Income	44,729	24,512	20,217	+82%

As of 30 June 2016, revenue from energy sales, the core business of Voltalia with long-term visibility, reached €41,536 thousand, an increase of 74% compared to 30 June 2015.

The exceptional growth of +€17,624 thousand in energy sales for the year mainly derives from the new income generated in Brazil (€17,124 thousand) from the São Miguel do Gostoso (SMG) wind farms connected at the end of June 2015 and the Vamcruz wind farms connected at the end of 2015. SMG being unable to provide energy to the network, the Group receives income corresponding to the contractual

The table below details the main revenue-contributing customers:

production. For the first half of 2016, this income is €8,843 thousand.

Revenues from services and project development sales amounted to €445 thousand versus €568 thousand as of 30 June 2015. This decrease is due to the lack of project development during the first half of 2016. Other income related to the business mainly includes indemnities received for operating losses.

<i>(in € thousands)</i>	30/06/2016	%	30/06/2015	%
Open market (Brazil)	11,298	27%	7,575	31%
CCEE (Brazil)	11,039	26%	710	3%
EDF	10,199	24%	9,039	37%
CEA (Brazil)	7,856	19%	-	0%
LAGIE (Greece)	1,144	3%	1,135	5%
Other	445	1%	672	3%
Private customers (Brazil)	-	0%	5,349	22%
TOTAL	41,981	100%	24,480	100%

b. Operating expenses

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The increase in current operating expenses is explained by the higher load of the commissioned power plants which, in the first half of 2015, were still under construction.

c. Allowances for depreciation, impairments and provisions

The **depreciation allowances** of €7,419 thousand (versus €5,052 thousand as of 30 June 2015) reflect the amortisation of operating power plants. Their increase is in line with the newly connected wind farms at the end of December 2015 (93 MW of Vamcruz).

These allowances furthermore include a nil amount of depreciation calculated according to the unit of production method for the São Miguel de Gostoso wind farm. This wind farm, operational since 30 June 2015, does not produce energy because of delays in the construction of its transmission line (construction under the responsibility of the government). During this period prior to electric connection, the wind turbines are kept in a preservation position. They are therefore not or only marginally subject to windy conditions. Similarly, all rotating parts and parts subject to wear and tear are held in the stop position until the start of electric production, the effective date at which straight line depreciation over 25 years will commence and lead to a depreciation expense of approximately €4.5 million per year (at constant exchange rates).

As of 30 June 2016, the net reversal of impairments and provisions stood at €482 thousand.

<i>(in € thousands)</i>	30/06/2016	30/06/2015
Impairment reversals	521	1,509
Allowances for impairments	(39)	(181)
Total	482	1,327

It mainly includes a reversal of provisions to cover the feasibility risks of the projects in development for €521 thousand.

d. Other operational income and expenses

Other operational income and expenses break down as follows:

<i>(in € thousands)</i>	30/06/2016	30/06/2015
Other operating income	711	(1)
Other operating expenses	(784)	(363)
Total Other Operating Income and Expenses	(73)	(364)

Other operational income and expenses stood at €(73) thousand and mainly include:

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- Compensation to receive following a dispute with a supplier for €550 thousand (received during August);
- Costs incurred for work related to the acquisition of Martifer Solar.

NOTE 8- Working capital requirement

10.1.3.9a) Trade and other receivables

Trade receivables are initially recorded at their nominal value, then later valued at their amortised cost. A trade receivables impairment is recognised when there is an objective indicator of the Group's inability to recover the whole of the amounts due under the terms originally intended for the transaction. Significant financial difficulties encountered by the debtor, the probability of bankruptcy or financial restructuring of the debtor and a failure to pay or a default are indicators of receivable impairment. The amount of the impairment represents the difference between the book value of the asset and the value of the estimated future cash flows.

<i>(in € thousands)</i>	30/06/2016	31/12/2015
Trade receivables and related accounts	18,653	11,834
Employee advances and prepaid social security contributions	104	91
Tax receivables - excluding income taxes	1,551	1,796
Current accounts	97	76
Other receivables	3,088	2,563
Total Trade and Other Receivables	23,493	16,361

Trade and other receivables recorded at €23,493 thousand take into account the following main items:

- Trade receivables and related accounts regarding the production of energy from June 2016 and advances paid to suppliers;
- Other receivables including the rights acquired from Maia Eolis following the purchase of a 378 MW wind farm;
- Tax receivables of €1,551 thousand mainly comprised of VAT receivables.

The trade receivables amount includes impairments of €1,785 thousand as of 30 June 2016.

<i>(in € thousands)</i>	30/06/2016	31/12/2015
Gross Trade Receivables	20,438	13,619
Other receivables	4,840	4,527
Impairments	(1,785)	(1,785)
Net receivables	23,493	16,361

The status of receivables by age is shown as follows:

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Year	Gross value	Past due	Past due and impaired	Age of past due receivables		
				Less than one month	Between 1 and 6 months	More than 6 months
2016	20,438	7,442	934	1,239	4,389	1,815
2015	13,619	1,796	502*	198	367	1,231

* an impaired receivable in Greece for €432 thousand, over 6 months in age, was not deferred in 2015.

10.1.3.10 b) Other current assets

The miscellaneous receivables break down as follows:

(in € thousands)	30/06/2016	31/12/2015
Prepaid expenses	933	706
Receivables related to equity stakes - stake < 1 year	(0)	(0)
Loans, guarantees & other receivables - stake < 1 year	1,235	1,246
Accrued interest on receivables and loans	30	27
Total Other Current Assets	2,198	1,979

10.1.3.11 c) Trade and other payables

The total of these debts are initially recorded at their nominal value then at their amortised cost.

As of 30 June 2016, the main components of trade and other payables break down as follows:

- Trade payables of €16,552 thousand;
- Tax and social security liabilities of €5,748 thousand;
- Advances received from non-controlling shareholders of €9,072 thousand.

(in € thousands)	30/06/2016	31/12/2015
Trade and other payables	32,475	28,630
Tax liabilities	1,985	702
Other current liabilities	0	7
Total Current liabilities	34,460	29,339

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NOTE 9- EMPLOYEE BENEFITS EXPENSE

10.1.3.12

Actual workforce as of 30/06/2016	BRAZIL	FRANCE	GREECE	GUIANA	MOROCCO	General Total	Total 30/06/2015
Management	31	32	3	6	1	73	61
Executive management	1	7	1		1	10	11
Employees	39	14	9	7	5	74	49
General Total	71	53	13	13	7	157	121
Total 30/06/2015	50	47	8	12	4	121	

Average workforce as of 30/06/2016	BRAZIL	FRANCE	GREECE	GUIANA	MOROCCO	General Total	Total 30/06/2015
Management	30.2	29.1	3	6	1	69.2	54.2
Executive management	1.8	7	1		1	10.8	10.8
Employees	34.7	14	8.1	7.2	5	69.1	46.1
General total	66.7	50.1	12.1	13.2	7	149.1	111.1
Total 30/06/2015	48.9	40.9	8	11.2	2.1	111.1	

a. Workforce

The average total workforce as of 30 June 2016 was 149 employees broken down mainly into 6 locations (Paris, Aix en Provence, Athens, Cayenne, Rabat and Rio de Janeiro).

The actual workforce as of 30 June 2016 was 157 versus 121 employees as of 30 June 2015, with an increase in management and non-management employees in line with the construction of the new power plants and their later commissioning.

b. Employee benefits

These benefits are offered either through defined contribution plans or defined benefit pension plans. For defined contribution plans, the Group has no other obligation than the payment of contributions; the corresponding expense of contributions paid is shown directly in income for the fiscal year.

Short-term obligations are valued on an undiscounted basis and recognised when the corresponding service is performed.

Since 2014, the Group has carried out a valuation of the post-employment benefits for all its employees. The provision for retirement benefits stood at €46 thousand as of 30 June 2016.

Short-term benefits

The employee expenses allocated to the development and construction of the projects are recorded in assets. Other employee expenses are shown in the income statement and are broken down as follows:

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<i>(in € thousands)</i>	30/06/2016	30/06/2015
Employee compensation	(2,202)	(1,553)
Social security and pension expenses	(692)	(678)
Other employee expenses	(39)	164
Allowances/Provisions for post-employment commitments	-	-
Total Employee Expenses	(2,932)	(2,067)

Post-retirement benefits

Defined benefit pension plans are subject to an actuarial valuation according to the projected unit credit method. According to this method, each period of service gives rise to an additional unit of benefits entitlement, and each of these units is valued separately to calculate the final obligation. This final obligation is then discounted.

These actuarial calculations incorporate demographic and financial assumptions defined at the limits of each of the entities concerned and by considering their local macroeconomic context. All actuarial differences are recognised in other comprehensive income.

End of employment contract indemnities

If applicable, compensation for severance of the employment contract is subject to valuation and is provisioned up to the resulting obligation. If these indemnities are due more than 12 months after the closing date, they are discounted.

NOTE 10- TANGIBLE AND INTANGIBLE FIXED ASSETS

a. Goodwill

Business combinations are accounted for according to IFRS 3R. According to this method, the acquired assets, liabilities and contingent liabilities are valued at their fair value in accordance with the requirements of this standard.

The valuation differences resulting from the consolidation of companies are allocated to the assets and liabilities to which they relate, including for the share of non-controlling interests.

The goodwill corresponds to the difference between the purchase price paid at the time of the business combination and the amount of identifiable acquired assets and liabilities net of liabilities and contingent liabilities assumed.

The positive difference between the acquisition cost and the share of the purchaser in the fair value of the identifiable assets and liabilities acquired is recorded as Goodwill in balance sheet assets. If this difference is negative, it is recorded directly in profit or loss on the acquisition date.

Goodwill is not amortised and is subject to impairment tests at each balance sheet date.

Changes in goodwill are detailed below:

<i>(in € thousands)</i>	31/12/2015	Increase	Decrease	Translation differences	Other changes	30/06/2016
Gross values						
Voltalia Greece	435	-	-	-	-	435
3VD	1,019	-	-	-	(1,019)	-

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Paracatu	37	-	-	8	-	45
Sapeel	472	-	-	96	-	568
Energen	11	-	-	-	-	11
Total	1,974	-	-	104	(1,019)	1,059
Impairment						
Voltalia Greece	(435)	-	-	-	-	(435)
3VD	-	-	-	-	-	-
Paracatu	-	-	-	-	-	-
Sapeel	(472)	-	-	(96)	-	(568)
Energen	(11)	-	-	-	-	(11)
Total	(918)	-	-	(96)	-	(1,014)
Net values						
Voltalia Greece	-	-	-	-	-	-
3VD	1,019	-	-	-	(1,019)	-
Paracatu	37	-	-	8	-	45
Sapeel	-	-	-	-	-	-
Energen	-	-	-	-	-	-
Total	1,056	-	-	8	(1,019)	45

As of 30 June 2016, the goodwill of the company 3VD has been allocated to depreciable intangible assets.

b. Intangible fixed assets

Intangible fixed assets are initially recognised at their cost or fair value if they are acquired as part of a business combination.

Development fees correspond to the costs incurred on projects under development. Project expenses are capitalised if all of the following criteria are demonstrated:

- Visibility on the access to land, for example obtaining a promise to lease and favourable environmental impact studies;
- Visibility on authorisations, for example submitting administrative files and high probability of obtaining authorization;
- Feasibility of connection to the network; and
- Sufficient project profitability.

Capitalised costs include the external and internal costs recorded on each of the projects:

- The external costs correspond to the commitments taken with suppliers or

external service providers (invoices, invoices to receive, situation report, etc.);

- Internal costs are valued on the basis of imputed time on these projects.

All projects are subject to a review at the end of each accounting period, and the projects under development which no longer fulfil the criteria for capitalisation or which are discontinued are subject to 100% impairment.

Costs for projects under consideration continue to be expensed.

Depreciation is expensed according to the straight line method over the useful life of the intangible fixed assets unless this cannot be determined. Intangible fixed assets with a defined useful life are depreciated as soon as they are capitalised. Intangible fixed assets whose useful life cannot be determined and intangible fixed assets not yet capitalised are subject to an annual impairment test and any time there is an indication of loss of value.

Note that projects being sold whose recoverable value is less than book value are amortised at the price set in the sales agreements.

(in € thousands)	31/12/2015	Increase	Decrease	Changes in scope of consolidation	Change in translation differences	Other changes	30/06/2016
Gross values							
Leasehold rights	59	-	-	-	-	(5)	54
Research and development expenses	2,216	-	-	-	-	-	2,216
Concessions, patents, licenses	451	14	(19)	-	(0)	-	446
Other intangible assets	22,999	28	-	43	1,884	994	25,947
Intangible assets in progress	24,233	4,651	-	222	1,258	18	30,381
Advances and payments on account	56	-	-	-	0	(2)	54

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<i>(in € thousands)</i>	31/12/2015	Increase	Decrease	Changes in scope of consolidation	Change in translation differences	Other changes	30/06/2016
Total Gross Values	50,013	4,692	(19)	265	3,141	1,004	59,098
Depreciation/ Impairments							
Leasehold rights	(29)	(2)	-	-	-	-	(31)
Research and development expenses	(599)	(55)	-	-	-	0	(654)
Concessions, patents, licenses	(410)	(9)	23	-	(0)	(0)	(395)
Other intangible assets	(2,839)	(400)	-	-	(43)	3	(3,279)
Intangible assets in progress	(11,093)	(49)	521	(44)	(28)	(9)	(10,702)
Advances and payments on account	-	-	-	-	-	-	-
Total depreciation / Impairments	(14,970)	(515)	544	(44)	(71)	(6)	(15,062)
Net book Values							-
Leasehold rights	30	(2)	-	-	-	(5)	23
Research and development expenses	1,616	(55)	-	-	-	0	1,561
Concessions, patents, licenses	41	5	4	-	(0)	(0)	50
Other intangible assets	20,159	(373)	-	43	1,841	997	22,668
Intangible assets in progress	13,141	4,602	521	177	1,230	9	19,679
Advances and payments on account	56	-	-	-	0	(2)	54
Total Net values	35,043	4,178	525	220	3,071	999	44,035

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The increase in intangible fixed assets as of 30 June 2016, of €4,178 thousand net of impairment and depreciation, is mainly due to the capitalisation of project development costs.

c. Tangible assets

Tangible assets consist mainly of steam and electricity production facilities. They are recognised at their cost price (purchase price plus incidental expenses).

When the components of an asset have different useful lives, they are recognised separately and depreciated over their own useful lives. Significant spare parts are also capitalised and depreciated over the useful life of the power plants.

The Group usually uses straight line depreciation which leads to a constant expense over the useful life of the asset. The Group may choose the depreciation method according to the production units specifically when the power plants currently operating encounter operational or regulatory technical constraints. Without connection to the network and therefore production, there is no allowance for depreciation. This is the case for the SMG wind farm, operational since 30 June 2015, which is not connected to the network because of the delay in the connection works for which the government is responsible. For information purposes, the half yearly allowance based on the straight line method which would have been used would have been €2.3 million.

The useful lives used for the main components are the following:

- For wind power: 25 years;
- For solar power: 25 years;
- For hydraulic power: infrastructure from 5 to 40 years; equipment from 8 to 20 years;
- For biomass: infrastructure from 15 to 30 years; equipment from 5 to 30 years;

Other tangible assets are depreciated straight line over lives of between 2 and 10 years. The Group carries out a review of useful lives each year.

Land is not depreciated.

Decommissioning obligations have been recognised as a component asset with an offsetting provision for the same amount.

Decommissioning obligations are depreciated over the useful life of the underlying assets.

In the absence of multi-year maintenance expenses, routine maintenance expenses of the power plants intended to keep them in good working order are recognised as expenses when they occur.

The residual values and the useful lives of the assets are reviewed and, where necessary, adjusted at each balance sheet date. This is particularly the case as of 30 June 2016, when the group examined the accounting implications of the operating experience acquired in very specific geographic areas. Indeed, it appears after several years of operation that the local Guianese environment (very humid climate and high wood density in particular) substantially increases the wear and tear on some components. The power plant operators now believe that it is more useful to replace these components more frequently.

The book value of an asset is immediately amortised to reflect its recoverable value when the asset's book value is higher than its estimated recoverable value.

The production facilities are depreciated straight line over their estimated useful life, or over their period of use if a contract provides for a transfer of ownership, starting from the date on which the asset is commissioned, i.e., as soon as it is in the location and condition necessary for it to be capable of operating as intended by management.

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<i>(in € thousands)</i>	31/12/2015	Increase	Decrease	Changes in scope of consolidation	Change in translation differences	Other changes	30/06/2016
Gross values							
Land	302	-	-	-	12	-	313
GER component	541	-	-	-	-	-	541
Buildings	351,269	7,682	0	120	64,298	(353)	423,016
Leased buildings	11,160	-	-	-	-	-	11,160
Technical facilities, equipment & tools	60,425	428	-	-	282	(6,112)	55,023
Technical facilities, equipment & tools under finance lease	13,125	-	-	-	-	-	13,125
Other tangible assets	4,086	87	(111)	-	55	28	4,145
Tangible assets under construction	1,396	20,813	-	-	3,352	92	25,652
Advances and payments on account	33,615	47,026	-	-	13,727	(264)	94,104
Total	475,917	76,036	(111)	120	81,725	(6,609)	627,079

Depreciation & Impairments

GER component	(525)	(27)	-	-	(7)	154	(405)
Buildings	(10,649)	(5,146)	6	(120)	(1,570)	(160)	(17,639)
Leased buildings	(3,384)	(209)	-	-	-	-	(3,593)
Technical facilities, equipment & tools	(9,429)	(1,126)	-	-	(16)	768	(9,803)
Technical facilities, equipment & tools under finance lease	(3,241)	(263)	-	-	-	-	(3,503)
Other tangible assets	(3,059)	(144)	107	-	(19)	(0)	(3,114)

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<i>(in € thousands)</i>	31/12/2015	Increase	Decrease	Changes in scope of consolidation	Change in translation differences	Other changes	30/06/2016
Tangible assets under construction	(9)	-	-	-	-	9	-
Total	(30,295)	(6,914)	113	(120)	(1,612)	771	(38,058)
Net book Values					-	-	
Land	302	-	-	-	12	-	313
GER component	16	(27)	-	-	(7)	154	136
Buildings	340,620	2,536	6	-	62,727	(513)	405,377
Leased buildings	7,776	(209)	-	-	-	-	7,567
Technical facilities, equipment & tools	50,996	(698)	-	-	266	(5,344)	45,220
Technical facilities, equipment & tools under finance lease	9,884	(263)	-	-	-	-	9,622
Other tangible assets	1,027	(56)	(4)	-	37	28	1,031
Tangible assets under construction	1,387	20,813	-	-	3,352	101	25,652
Advances and payments on account	33,615	47,026	-	-	13,727	(264)	94,104
Total	445,622	69,122	2	-	80,114	(5,838)	589,022

As of 30 June 2016, the increase in tangible assets net of depreciation and impairment of €69,122 thousand is mainly due to the construction of the farms at Vila Pará.

Furthermore, the column "Other" mainly shows the reclassification of fixed assets of two Group subsidiaries in "Assets held for sale" as required by IFRS 5.

d. Goodwill, intangible fixed asset and tangible fixed asset impairments

The Group uses estimates and must make certain assumptions to (i) value the expected useful life of assets in order to determine their depreciation period and (ii) recognise, where applicable, an impairment of any fixed asset on the balance sheet.

With the goal of ensuring the correct balance sheet value of its assets, the Group regularly reviews certain indicators which could lead, where applicable, to an impairment test.

Impairment tests rely on the use of assumptions regarding:

- the calculation of future operating cash flows (climate conditions, inflation, operating costs, CAPEX of projects under development or construction);
- the calculation of discount rates for future cash flows.

The assumptions used by the Group to calculate the recoverable value of its assets draw on past experience as well as external data.

The CGUs correspond to groups of homogeneous assets whose continued use generates cash flows. The Group's businesses, mainly comprised of electricity sales, are classified into the following categories:

- the business located in Brazil, which corresponds mainly to the wind farms owned and controlled by the Group;
- the business located in Greece, which corresponds to sales of electricity produced by the solar parks owned and controlled by the Group;
- the business located in France and Guiana, which corresponds to sales of electricity produced by the solar, wind, biomass and hydraulic facilities owned and controlled by the Group.

Note that all these businesses are subdivided into as many CGUs as there are parks or clusters of parks, in use or under development.

Discount rates are based on the weighted average cost of capital (WACC). They are calculated by geographic area and are adjusted based on the project stage (development, construction and use).

An impairment test is performed:

- at least once per year for assets with an indefinite useful life (goodwill and fixed assets under development or construction); or
- when there is a loss of value indicator for depreciable assets (tangible assets).

An impairment is recognised, where applicable, for the amount of potential shortfall in the recoverable value of the asset. The recoverable value is the higher of the fair value of the asset (defined by the CGU) and its value in use. The value in use is exclusively based on the discounted future cash flows expected by the CGU. These cash flows are determined in particular on the basis of electricity sales contracts.

The tangible and intangible assets of the parks and clusters in operation show no indication of loss of value as of 30 June 2016.

Whilst the macroeconomic situation is still uncertain in Greece, it has improved since 30 June 2015. No specific difficulty was encountered at the parks in operation.

In the absence of any indication of loss of value, the non-depreciable assets (goodwill, projects under development and construction) have not been subject to an impairment test.

NOTE 11- NON-CURRENT PROVISIONS

Provisions are recognised when:

- the Group has a current obligation resulting from a past event;
- that it is likely an outflow of resources embodying economic benefits will be required to settle the obligation;
- the amount of the obligation may be reliably estimated.

items most exposed to the production units; some provisions have therefore not been used.

For the wind power segment and pursuant to decree no. 2011-985 listed in the significant events of the fiscal year, the Voltalia Group has a decommissioning and restoration obligation at the end of the production period. This obligation includes the decommissioning of the production facilities, excavation of a portion of the foundations, restoration of the land except if their owner wishes them to be maintained in their current state, recycling or removal of the wastes from demolition or decommissioning.

A provision for decommissioning the park is recorded as an offset to the decommissioning asset, whose cost is subject to an annual estimate and amortised straight line over the asset's useful life. Where a change in the estimate leads to an increase in the provision, the net value of the decommissioning asset will be increased as a consequence. However, if the change in estimate leads to a reduction in the provision, an amortisation of the decommissioning asset will be recognised.

For the photovoltaic segment, decommissioning costs are not deemed to be significant.

In rare cases, the maintenance obligations undertaken by the Group in compliance with the provisioning conditions summarised above are recorded as a liability. For these provisions, as for all provisions, the Group regularly reviews their measurement, in order to provide a best estimate at the end of the period.

In this context, operating experience led the group to break the assets down more precisely and as a result review the depreciation plan of the

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As of 30 June 2016, provisions break down as follows:

<i>(in € thousands)</i>	31/12/2015	Allowances	Reversals	Other	30/06/2016
Provisions for pensions and post-employment benefits	40	7	-	(1)	46
Provisions for litigation	50	23	-	-	73
Provisions for contingencies	-	-	-	-	-
Provisions for expenses	1,244	-	-	(55)	1,189
Total Provisions	1,335	30	-	(56)	1,308

Non-current provisions include the following items:

- Decommissioning provisions for the wind and solar farms of €1,189 thousand;
- Provisions for litigation of €73 thousand. Over the period, an allowance of €23 thousand has been made to recognise a litigation risk.

NOTE 12- FINANCING AND FINANCIAL INSTRUMENTS

a. Financial assets and liabilities

Financial assets are comprised of term deposits, loans, non-consolidated securities, investments and cash equivalents and derivative investments with positive value.

Investments which are sufficiently liquid are considered as assets held for trading and classified in the category "assets stated at fair value through profit and loss".

Non-consolidated securities and other assets available for sale are stated at fair value, the changes offset in other comprehensive income.

Guarantee deposits and term deposits are recognised according to the amortised cost method at the effective interest rate. This method does not result in significant differences with the nominal value of the receivables which is the value used. Where recovery of the receivables is difficult, impairments are recognised on the basis of cash collection forecasts.

Notwithstanding the potential for negative value financial instruments, the financial liabilities of the Group are recognised using the amortised cost method at the effective interest rate.

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<i>(in € thousands)</i>	31/12/2015	Increase	Decrease	Changes in scope of consolidation	Change in translation differences	Other changes	30/06/2016
Financial assets (non-current)	742	260	0	10	(1)	(239)	772
Other receivables related to equity investments	1,270	31	(31)	-	-	-	1,270
Loans, guarantees and other receivables	3,399	243	(252)	-	29	(382)	3,037
Total non-current financial assets	5,411	534	(283)	10	28	(622)	5,078

Non-current financial assets mainly comprise loans and collateral guarantees. These are mainly guarantee deposits in favour of banking institutions as part of financings and a loan to a non-controlling interest. These assets are not subject to any impairment.

b. LOANS AND FINANCIAL DEBT (NON-CURRENT AND CURRENT)

<i>(in € thousands)</i>	30/06/2016	31/12/2015	Change	% Change
Bond issues	14,820	-	14,820	n/a
Borrowings from credit institutions	283,256	260,775	22,480	+9%
Other borrowings and similar debts	9	9	-	
Derivative instrument liabilities	4,198	2,889	1,310	+45%
NON-CURRENT	302,282	263,673	38,609	+15%
			-	
Bond issues - portion less than 1 year	1,347	-	1,347	n/a
Borrowings from credit institutions - portion < 1 year	124,116	38,528	85,588	+222%
Derivative instrument liabilities - portion < 1 year	2,118	-	2,118	n/a
Bank lines (debt)	2,611	4,775	(2,164)	-45%
Accrued interest on borrowings	4,635	924	3,711	+402%
Bank overdrafts (cash liability)	157	40	117	+291%

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<i>(in € thousands)</i>	30/06/2016	31/12/2015	Change	% Change
Accrued interest not yet due - liabilities	92	97	(6)	-6%
CURRENT	135,075	44,365	90,710	+204%
TOTAL FINANCIAL DEBT	437,357	308,038	129,319	+42%

The increase in financial debt is explained by:

- An increase in loans from financial institutions mainly related to the revaluation of approximately €51,130 thousand of Brazilian loans as a result of appreciation on the order of 20% of the Brazilian real versus the euro in the first half of the year;
- A new bond issue of €16,167 thousand (i.e. 57,000 thousand Brazilian reals) placed with qualified investors as part of the financing of the São Miguel de Gostoso wind farms;
- An increase in financial loans under one year in maturity, mainly due to the implementation of a bridge loan of €65,786 thousand (i.e. 230,000 thousand Brazilian reals) to finance the Vila Pará wind farms and by raising new corporate debt to finance the continued development of the Group and the construction of projects (Vila Pará and Vila Acre) in Brazil pending long-term financing.

10.1.3.13 b1) Analysis by maturity

<i>(in € thousands)</i>	30/06/2016	Less than on year	Between 1 year and 5 years	Greater than 5 years
Bond issues	16,167	1,347	4,940	9,880
Borrowings and debt from credit institutions	397,121	127,257	75,780	194,084
Lease debt	14,886	1,495	9,285	4,106
Derivative instrument liabilities	6,316	2,118	-	4,198
Current bank overdrafts	2,860	2,860	-	-
Other borrowings and similar debts	9	-	-	9
Total	437,357	135,077	90,005	212,276

10.1.3.14 b2) Analysis by rate

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<i>(in € thousands)</i>	30/06/2016	Fixed rate	Variable rate
Bond issues	16,167	-	16,167
Borrowings and debt from credit institutions	397,121	29,630	367,491
Lease debt	14,886	5,854	9,031
Derivative instrument liabilities	6,316	6,316	-
Current bank overdrafts	2,860	103	2,757
Other borrowings and similar debts	9	9	-
Total	437,357	41,912	395,446

Variable rate loans include €320,341 thousand of debt raised in Brazil. The majority of these loans bear interest at a variable rate ("TJLP") applicable to loans from the government-sponsored public bank BNDES. These variable rates, set by the Brazilian public authority, are generally correlated to inflation and therefore to the revenues of the Group's power plants in Brazil. This correlation between changes in interest expenses and revenues enables the interest rate risk in Brazil to be hedged economically and efficiently.

10.1.3.15 b3) Analysis by currency(ies)

<i>(in € thousands)</i>	30/06/2016	Euro	Real	US dollar	Pound Sterling
Bond issues	16,167	-	16,167	-	-
Borrowings and debt from credit institutions	397,121	93,195	303,926	-	-
Lease debt	14,886	14,885	-	-	-
Derivative instrument liabilities	6,316	6,068	248	-	-
Current bank overdrafts	2,860	2,860	-	-	-
Other borrowings and similar debts	9	9	-	-	-
Total	437,357	117,017	320,341	-	-

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10.1.3.16 b4) Change in loans and financial debt

(in € thousands)	31/12/2015	Increase	Decrease	Change in translation differences	Other changes	30/06/2016
Bond issues	-	12,904	-	1,915	-	14,820
Borrowings from credit institutions	247,006	907	(189)	36,463	(7,143)	277,044
Lease	13,770	-	-	-	(7,558)	6,212
Other borrowings and similar debts	9	-	-	-	-	9
Derivative instrument liabilities	2,889	216		32	1,062	4,198
NON-CURRENT	263,673	14,027	(189)	38,410	(13,639)	302,282
Bond issues	-	1,173	-	174	-	1,347
Bank overdrafts (cash liability)	40	117	-	-	-	157
Bank lines (debt)	4,775	-	(2,164)	-	-	2,611
Accrued interest not yet due - liabilities	97	-	(6)	-	(0)	92
Borrowings from credit institutions	37,258	84,472	(19,182)	11,936	8,741	123,225
Lease	1,270	-	(722)	-	343	891
Other borrowings and similar debts	-	-	-	-	-	-
Accrued interest on borrowings	924	10,619	(5,866)	609	(1,652)	4,635
Derivative instrument liabilities	-	2,118	-	-	-	2,118
CURRENT	44,365	98,498	(27,940)	12,720	7,432	135,075
Total Financial Liabilities	308,038	112,526	(28,129)	51,130	(6,207)	437,357

The other changes mainly correspond to the reclassification of debts from non-current to current. The balance corresponds to the reclassification of liabilities intended for sale within the framework of IFRS 5.

c. Financial income/loss

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Cost of net financial debt

The cost of net financial debt includes interest payable on loans calculated using the effective interest rate net of interest receivable on investments and other financial products.

Interest income is recognised in the income statement as it accrues using the effective interest rate method.

The financial income/loss includes the cost of financial debt on one hand and the other financial income and expenses on the other.

<i>(in € thousands)</i>	30/06/2016	30/06/2015
Income from cash and cash equivalents	2,023	2,502
Interest expenses on borrowings and overdrafts	(13,872)	(5,706)
Cost of net financial debt	(11,849)	(3,203)
Currency gains	76	19
Currency losses	(46)	0
Other financial income and expenses	435	146
Other financial income and expenses	465	164
Total Net Financial Income/Loss	(11,384)	(3,039)

The change in financial income mainly comprises the following items:

- the strong growth in the Group's cost of financial debt is due to the growth in business in Brazil. In fact, between June 2015 and June 2016, the increase is explained by the interest expense of loans taken out for new projects commissioned in the second half of 2015 (SMG and Vamcruz), for approximately €7,169 thousand, and an increase of €781 thousand for the wind farms in Areia Branca, due to the higher main interest rate applicable to the Group's loans, the TJLP, which is indexed to inflation and moved from 6 to 7.5% over one year;
- investment income recognised mainly in Brazil (€2,023 thousand in the first half of 2016);
- the balance of currency gains and losses of €30 thousand from the liquidation of receivables.

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d. DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments to hedge its exposure to interest rate and foreign currency risks resulting from its operating, financial and investment activities. In accordance with its cash management policy, the Group does not hold, nor does it issue, derivative financial instruments for trading purposes.

Derivative financial instruments are stated at fair value. The fair value of interest rate and currency swaps is the estimated amount that the Group would receive or pay to terminate the swap on the balance sheet date, by taking into account the current level of interest rates, spot exchange rates and the swap counterparties' credit risk.

The profit or loss resulting from the revaluation to fair value is recognised immediately in net income, except where a financial derivative instrument is designated as a cash flow hedge of a highly probable transaction. The effective portion of the profit or loss on the derivative financial instrument is recognised in other comprehensive income and transferred to the income statement when the hedged item itself impacts net income. The ineffective portion (non-existent as of 30 June 2016) is immediately recorded in net income.

<i>Company/ Hedge counterparty</i>	Notional	Start date	Duration (years)	Maturity	Fair value 31/12/15	Fair value 30/06/2016	Change in fair value net income impact	Change in fair value Shareholders' equity impact
<i>In € thousands</i>								
La Faye Energies	12,964	09/08/2011	14	30/06/2025	(1,367)	(1,492)	-	(125)
Parc éolien de Molinons	13,996	02/10/2014	15	15/10/2029	(1,119)	(1,701)	-	(582)
Adriers Energies	12,060	02/10/2014	15	28/09/2029	(403)	(1,005)	-	(603)
Voltalia SA	30,000	17/03/2016	1	01/02/2017	-	(1,870)	(327)*	(1,543)
Voltalia Do Brazil	7,000	24/03/2016	1	24/03/2017	-	(248)	-	(248)
Total	76,020				2,889	6,316	(327)	(3,100)

* including €248 thousand which has been capitalised.

In order to hedge against the risk of an increase in interest rates impacting the interest paid on the La Faye, Molinons and Adriers wind farm floating rate financings, Voltalia subsidiaries have entered into an interest rate swap whose nominal amount and interest rate fixing date terms exactly match those of the hedged position. Consequently, this financial instrument is considered completely effective.

As part of the contract to purchase 13 turbines for the Vila Acre project, the Group entered into a Non-Deliverable Forward (NDF), a financial instrument intended to hedge the exchange rate risk of a portion of the supplies denominated in euros and in US dollars. A portion of the net income impact related to the change in fair value of this hedging instrument was capitalised for an amount of €248 thousand.

Finally, the Brazilian holding company, Voltalia Do Brasil, borrowed through a corporate loan denominated in euros and entered into a currency swap enabling it to simultaneously hedge its inherent exposure to exchange rates and interest rates.

The Group chose to apply hedge accounting to these derivative financial instruments to reduce the net income effect of changes in their value.

10.1.3.17 d1) FAIR VALUE HIERARCHY OF FINANCIAL ASSETS AND LIABILITIES

The Volitalia Group distinguishes three categories of financial instruments based on the two valuation methods used (quoted prices and valuation techniques) and relies on this classification, in accordance with international accounting standards, to show the nature of the financial instruments recognised on the balance sheet at fair value through net income or through other comprehensive income on the balance sheet date:

Level 1 Category: financial instruments quoted on an active market;

Level 2 Category: financial instruments whose fair valuation uses valuation techniques based on observable market parameters;

Level 3 Category: financial instruments whose fair valuation uses valuation techniques based on non-observable market parameters (parameters whose value comes from assumptions not based on observable transaction prices in markets for the same instrument or on available observable market data on the balance sheet date) or ones that are only partially observable.

31/12/2015 (in € thousands)	Prices quoted on an active market for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non-observable data (level 3)

Non-current assets

Other non-current financial assets

Other non-current assets

Current assets

Cash and cash equivalents

31/12/2015 (in € thousands)	Prices quoted on an active market for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non-observable data (level 3)

Non-current liabilities

Non-current bank borrowings

Non-current current accounts of associates

Other non-current financial liabilities

Derivative instrument liabilities

2,889

2,889

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Current liabilities

Trade and other payables

Current borrowings and bank overdrafts

Current current accounts of associates

Other current liabilities

Derivative instrument liabilities	0	0

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30/06/2016 (in € thousands)	Prices quoted on an active market for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non-observable data (level 3)

Non-current assets

Other non-current financial assets	-	-	-
Other non-current assets	-	-	-

Current assets

Cash and cash equivalents	-	-	-

30/06/2016 (in € thousands)	Prices quoted on an active market for identical assets (level 1)	Prices based on observable data (level 2)	Prices based on non-observable data (level 3)

Non-current liabilities

Non-current bank borrowings			
Non-current current accounts of associates			
Other non-current financial liabilities			
Derivative instrument liabilities		4,198	4,198

Current liabilities

Trade and other payables			
Current borrowings and bank overdrafts			
Current current accounts of associates			
Other current liabilities			
Derivative instrument liabilities		2,118	2,118

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10.1.3.18 d2) CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

As of 30 June 2016, the measurement principles of the financial instruments and their market value break down as follows:

<i>As of 30 June 2016 (in € thousands)</i>	Fair value through profit and loss	Available- for-sale assets	Loans and receivables	Debt at amortised cost	Derivative instruments	Balance sheet value	Fair value
Non-current assets							
Non-current financial assets			5,078			5,078	5,078
Other non-current assets			0			0	0
Current assets							
Inventories			750			750	750
Trade and other receivables			23,493			23,493	23,493
Other current assets			2,198			2,198	2,198
Cash and cash equivalents	57,656					57,656	57,656
TOTAL ASSETS	57,656	-	31,519	-	-	89,175	89,175
Non-current liabilities							
Borrowings and financial liabilities				298,084		298,084	298,213
Other non-current liabilities				1,269		1,269	1,269
Derivative instrument liabilities					4,198	4,198	4,198
Current liabilities							
Trade and other payables				32,475		32,475	32,475
Borrowings and financial liabilities				132,958		132,958	132,980
Other current liabilities				0	0	0	0
Derivative instrument liabilities					2,118	2,118	2,118
TOTAL LIABILITIES	-	-	-	464,785	6,316	471,101	471,253

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As of 31 December 2015, the measurement principles of the financial instruments and their market value break down as follows:

<i>As of 31 December 2015 (in € thousands)</i>	Fair value through profit and loss	Available-for-sale assets	Loans and receivables	Debt at amortised cost	Derivative instruments	Balance sheet value	Fair value
Non-current assets							
Non-current financial assets			5,411			5,411	5,411
Other non-current assets			0			0	0
Current assets							
Inventories			596			596	596
Trade and other receivables			16,361			16,361	16,361
Other current assets			1,979			1,979	1,979
Cash and cash equivalents	43,591					43,591	43,591
TOTAL ASSETS	43,591	-	24,347	-	-	67,938	67,938
Non-current liabilities							
Borrowings and financial liabilities				261,160	2,889	264,049	264,179
Other non-current liabilities				-1		-1	-1
Derivative instrument liabilities					0	0	0
Current liabilities							
Trade and other payables				28,630		28,630	28,630
Borrowings and financial liabilities				44,365		44,365	44,388
Other current liabilities				7		7	7
Derivative instrument liabilities						0	0
TOTAL LIABILITIES	-	-	-	334,161	2,889	337,050	337,202

NOTE 13- INCOME TAX

Income tax (expense or proceeds) includes the current tax expense (proceeds) and the deferred tax expense (proceeds). Tax is recognised in net income except where it relates to changes in shareholders' equity, in which case it is included in other comprehensive income.

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The tax payable is (i) the estimated amount of the tax due on taxable income over the period, determined using the tax rates which have been adopted or quasi-adopted on the balance sheet closing date, and (ii) any adjustment in the amount of tax payable from prior periods.

Tax consolidation groups are formed within the Group. Each of the groups is considered as a taxable entity within the meaning of IAS 12 and subject to offsetting deferred tax.

Income tax and similar of €(2,138) thousand mainly includes the current tax on the Brazilian subsidiaries, and to a lesser extent the tax on two French operating companies, which are not tax consolidated.

<i>(in € thousands)</i>	30/06/2016	30/06/2015
Current taxes	(548)	(759)
Taxes and equivalent levies	(1,481)	(821)
Deferred taxes	(110)	204
Total	(2,138)	(1,375)

NOTE 14- SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

a. Shareholders' equity

1.1.1.a.1 Share capital

The ordinary shares are classified as equity instruments. The additional costs directly attributable to the issuance of shares or new options are recognised in shareholders' equity as a deduction from issuance proceeds.

During the first half of 2016, shareholders' equity remained unchanged.

Date	Description	Initial number of shares	Shares issued	Total shares	Value per share	Capital amount in euros
1-Jan-16	Number of shares	26,211,563		26,211,563	5.70	149,405,909
	Capital as of 30 June 2016			26,211,563	5.70	149,405,909

1.1.1.a.2 Stock option plan

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The General Shareholders' Meeting of 2 April 2008 authorised the Board of Directors to allocate 312,454 founders' warrants giving the right to subscribe to shares. The Board of Directors agreed to allocate 150,000 BSPCE on 1 April 2009 and agreed to allocate the balance (162,454 BSPCE) on 3 August 2009.

In total 42,105 BSPCE have been exercised and 112,354 BSPCE have expired, leaving the number of exercisable BSPCE as of 30 June 2016 at 157,995. Taking into account the reverse stock split approved by the AGM of 13 June 2014, the number of exercisable BSPCE as of 30 June 2016 stands at 157,995 giving rights to 15,799 shares.

1.1.1.a.3 Free share plan

The General Shareholders' Meeting of 13 June 2014 authorised the allocation of free shares subject to a ceiling amount to the Company's salaried employees or to certain categories of employees, and/or its directors who meet the legal conditions. The Board of Directors meeting on 25 July 2014 used this authorisation and granted 21,667 free shares to some salaried employees. As of 30 June 2016, this amount is unchanged.

1.1.1.a.4 Stock option plan for key managers

The Board of Directors meeting on 11 June 2015 authorised the allocation of stock options up to a ceiling amount to key managers who meet the legal conditions. The Board of Directors used this authorisation on 6 August 2015 and granted 201,204 stock options to salaried employees and a director. The exercise price is €9.03. The validity period of the plan is 7 years. The options are exercisable until 6 August 2022. No option has been exercised as of 30 June 2016.

1.1.1.a.5 Stock option plan as part of an equity financing line

In October 2015, a warrant issuance contract was concluded between Voltalia SA and Kepler Cheuvreux to increase the free float and to have an additional liquidity reserve.

The Company issued a total of 1,000,000 warrants giving the right to subscribe to an equal number of shares to Kepler Cheuvreux who, subject to the conditions defined by the parties being met, undertook to exercise them over the next 36 months including a minimum of 250,000 warrants during the next 12 months. The exercise of all these warrants would bring the Company's free float from 14.7% to 17.8%.

As of 31 December 2015, 22,000 warrants have been exercised bringing the balance of the exercisable warrants to 978,000. As of 30 June 2016, this amount is unchanged.

1.1.1.a.6 Dividends

No dividend has been paid since the company's formation.

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b. NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

As of 30 June 2016, the net income from non-controlling interests stood at €668 thousand.

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c. EARNINGS PER SHARE

The information shown is calculated according to the following principles:

- Basic earnings per share: the earnings for the period (Group share) are divided by the weighted average number of ordinary shares outstanding during the period after deducting treasury shares held over the period. The average number of ordinary shares outstanding is an adjusted weighted annual average number of ordinary shares, redeemed or issued during the period and calculated based on the issue date of the shares during the fiscal year;
- Diluted earnings per share: the earnings for the period (Group share) as well as the weighted average number of shares outstanding, taken into account for the calculation of the basic earnings per share, are adjusted for the effects of all potentially dilutive ordinary shares: stock options, free shares and other dilutive instruments (BSPCE).

1.1.1.c.1 Basic earnings per share:

<i>In euros</i>	30/06/2016	30/06/2015
Net income attributable to the parent company for the period	3,024,495	3,226,836
Net income used to calculate earnings per share	3,024,495	3,226,836
Weighted average number of shares outstanding	26,178,300	25,940,226
Earnings in euros per share	0.1155	0.1244
Retrospective adjustment		
Weighted average number of shares outstanding	26,178,300	26,178,300
Basic earnings per share (in €)	0.1155	0.1233

The net earnings per share are obtained by dividing the Group's share of net income by the weighted average number of ordinary shares outstanding over the period, reduced if applicable by treasury shares. The weighted average number of ordinary shares is an annual average calculated based on the issuance or repurchase date of shares over the period.

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1.1.1.c.2 Diluted earnings per share

The diluted earnings per share take into account the dilutive instruments outstanding at the balance sheet closing date for the period.

<i>In euros</i>	30/06/2016	30/06/2015
Net income attributable to the parent company for the period	3,024,495	3,226,836
Net income used to calculate diluted earnings per share	3,024,495	3,226,836
Weighted average number of shares outstanding	26,178,300	25,940,226
Number of shares resulting from the conversion of dilutive instruments	1,216,670	37,466
Weighted average number of shares outstanding used to calculate diluted earnings per share	27,394,970	25,977,692
Diluted earnings in euros per share - after consolidation	0.1104	0.1242
Retrospective adjustment		
Weighted average number of shares outstanding	27,394,970	27,394,970
Basic earnings per share (in €)	0.1104	0.1178

As of 30 June 2016, the dilutive instruments include:

- 157,995 BSPCE exercisable giving the right to 15,799 shares;
- 21,667 free shares;
- 201,204 stock options (to employees) giving the right to as many shares;
- 978,000 warrants (equity line), giving the right to as many shares.

NOTE 15- NET CASH

Cash and cash equivalents include cash on hand and demand deposits. They also include the investment funds which meet the IAS 7 definition. Investment funds which do not meet the definition of cash and cash equivalents are classified as other current financial assets.

Any bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are included in cash and cash equivalents for the purposes of the cash flow statement. The notion of net cash used by the Group is the sum of cash and cash equivalents, reduced by bank overdrafts.

An instrument is classified as an investment at fair value through the income statement if it is held for trading purposes or designated as such when initially recognised. Financial instruments are designated at fair value through the income statement if the Group manages such investments and takes purchase and sale decisions based on their fair value. When initially recognised, directly attributable transaction costs are recognised through profit and loss when incurred. Financial instruments at fair value through the income statement are stated at fair value, and any change is recognised in profit and loss.

As of 30 June 2016, net cash is broken down as follows:

<i>(in € thousands)</i>	31/12/2015	Changes from operating activities	Change in translation differences	Other changes	30/06/2016
Financial receivables and short term investments	27,742	9,342	7,033	-	44,118
Liquid assets	15,849	(3,644)	1,432	(98)	13,539
Cash and cash equivalents	43,591	5,698	8,465	(98)	57,656
Bank overdrafts	(138)	(111)	-	-	(249)
Cash as defined in the cash flow statement	(138)	(111)	-	-	(249)
Total Net Cash	43,454	5,587	8,465	(98)	57,408

The change in cash and cash equivalents mainly results from the investment requirements of the wind power plants under construction in Brazil.

NOTE 16- OFF-BALANCE SHEET AND RELATED-PARTY COMMITMENTS

a. Commitments given

- Assets pledged as collateral for borrowings

Project financing debt incurred by the Group is covered by real guarantees (mortgages, equipment liens, pledge of securities and receivables and reserve accounts) as collateral against repayment of €378,745 thousand. This amount is equal to the principal outstanding as of 30 June 2016 of the bank debt financing projects that are currently operating or under construction. The longest maturity of these debts is in 2032.

- Financial guarantees given to third parties

As part of the safety compliance of the installations classified for environmental protection (ICPE), the Group companies covered by this requirement are grandfathered and have subscribed to surety bonds from a leading insurer in July 2016. The decommissioning obligation is recognised as a decommissioning asset. The amount of decommissioning financial guarantees stands at €1,244 thousand.

The Group issued banking completion guarantees or "performance bonds" related to the construction of the wind power plants. These guarantees expire at the end of the projects' construction. The longest maturity is in 2021. As of 30 June 2016, they stood at €7,936 thousand. In addition, payment guarantees from various suppliers have been issued up to June 2017 for a total of €37,646 thousand.

b. Commitments received

- Commitments received regarding subsidies

The Greek government has undertaken to pay the Group investment subsidies for a total of €1.3 million. These subsidies enable project construction loans to be repaid in advance. Given the counterparty risk assessment of the Greek government, these subsidies are not recognised on the balance sheet.

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c. Information on related-party transactions

- Loans granted to associates

As of 30 June 2016, there were no loans granted to key managers of the Group.

- Transactions with related parties

Transactions carried out by the Voltalia Group with companies in which it held non-controlling interests or which were consolidated are included in the consolidated financial statements.

As of 30 June 2016, the company had no significant balance sheet commitments vis-a-vis related parties.

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STATEMENT OF THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

I certify, to the best of my knowledge, that the summary consolidated financial statements for the half year have been produced in accordance with the applicable accounting standards and give a true picture of the assets, financial situation and net income of the Company and all the companies within its consolidated scope, and that the attached interim business review shows a fair presentation of the significant events which have occurred over the first six months of the fiscal year, their impact on the financial statements, the principal related party transactions and a description of the main risks and uncertainties for the remaining six months of the fiscal year.

Paris, 19 September 2016
Sébastien Clerc
Chief Executive Officer