



## THEOLIA reports its full year 2010 revenue

- Rebalancing of revenue among different business segments
- Progress in backlog projects
- New bond conversions

### Full year 2010 revenue

THEOLIA's consolidated full year revenue amounts to 187.8 million euros for 2010, compared to 328.6 million euros for 2009. This decrease reflects the change in the Group's situation.

In fact, the large disposal program carried out in 2009 to rebuild the Group's cash position had generated significant revenue in the segment **Development, construction, sale**.

Due to the capital increase and the significant reduction of its debt, following the financial restructuring completed in July 2010, the Group has been able to reduce the pace of disposals over the second half of 2010 and thus favor recurring revenue generated by the sale of electricity. As a result, the consolidated revenue is down in 2010 but already illustrates a certain rebalancing of the relative share of revenue from each business segment. This trend should continue with the future commissioning of wind farms.

(in € thousands)	Wind activities						Non-wind activity <sup>(1)</sup>	Consolidated total
	Sale of electricity for own account	% <sup>(2)</sup>	Development, construction, sale	% <sup>(2)</sup>	Operation	% <sup>(2)</sup>		
2010	37,537	20%	110,640	59%	38,217	20%	1,403	187,796
2009	51,918	16%	236,465	72%	38,499	12%	1,710	328,593
<i>Change</i>	- 28%		- 53%		-		- 18%	- 43%

(1) Excluding Environment activities.

(2) Percentage of total consolidated revenue.

Revenue from **Sale of electricity for own account** amounts to 37.5 million euros, declining by 28% versus 2009. This decrease is essentially the result of disposals of wind farms held for own account during 2009 and the beginning of 2010.

The Group's installed capacity for own account changed from 322 MW as of December 31, 2009 to 283 MW as of December 31, 2010. During 2010, the Group sold 72 MW of operating capacity in Germany, mainly during the first half of the year. In October 2010, THEOLIA commissioned the *Giunchetto* wind farm located in Italy with a net capacity for the Group of 15 MW.

The revenue from **Development, construction, sale** is 110.6 million euros in 2010, a decrease of 53%. In 2009, the Group had sold 234 MW of wind farms and projects, versus only 72 MW in 2010. Please note that the revenue from this activity in 2010 also includes the sale of an inventory of turbines for 4.3 million euros and third party construction services invoiced in France for 3.6 million euros.

The revenue from **Operation** amounts to 38.2 million euros, at the same level as in 2009. The increase in the volume of management fees for third party wind farms was offset by weather conditions that proved less favorable than in 2009.

The installed capacity managed for third parties went from 458 MW as of December 31, 2009 to 586 MW as of December 31, 2010, due to the commissioning of three wind farms for third parties in France for a cumulative capacity of 49 MW, as well as the continuation of operation of wind farms sold to third parties in Germany. For the wind farms sold to institutional buyers in 2010, the Group records the wind farm management fees as revenue.

**Non-wind activity** recorded revenue of 1.4 million euros in 2010, generated by the solar park located in Germany.

## **Operational update**

The total installed wind capacity operated by THEOLIA amounts to 869 MW as of December 31, 2010, 283 MW for own account and 586 MW managed for third parties.

As of December 31, 2010, the Group's backlog includes 25 MW in construction located in France and in Germany, and 126 MW having obtained construction permits in France and in Italy.

In addition, the operational teams are focused on the progress of the projects in development, notably by the regular filing of requests for construction permits.

### **Project financing for an 18 MW project in France**

At the end of January 2011, THEOLIA arranged the financing for its *Gargouilles* wind farm project. Located in the towns of Gommerville, Oysonville and Pussay, in the *Eure et Loir* department in France, this 18.4 MW project entered the construction phase in September 2010. Its commissioning is planned for the end of 2011.

### **Progress of a 6 wind turbine project in France**

The *Magremont* project, located in the towns of Naours and Beauval, in the *Somme* department in France, has a construction permit free of third party claims for 6 wind turbines. The nominal capacity planned for each turbine is 2.5 MW for a wind farm with a total capacity of 15 MW. The turbine negotiations are underway and the project will soon enter the construction phase.

The Group is reinforcing the basis of its strategy for growth: streamlining of the organization and cost reduction continue with the aim of transforming THEOLIA into a profitable industrial Group; investments in wind projects are increasing in order to reinforce the Group's operational positions in the four countries where it operates; the Group pursues the development of its co-investment strategy.

### **New bond conversions**

On February 9, 2011, the Company acknowledged the late conversion of 115,000 OCEANEs (convertible bonds), resulting in the creation of 993,600 new shares.

Since July 20, 2010, the effective date of the modification of the terms of the OCEANEs, 1,217,070 OCEANEs have been converted, resulting in the creation of 10,514,616 new shares.

The conversion of these 1,217,070 OCEANEs into shares reduces by 18.6 million euros the maximum amount to be reimbursed on January 1, 2015 in case of request.

### **Next publication**

The Group will publish its full year 2010 results on April 14, 2010 after market.

### **About THEOLIA**

THEOLIA is an independent international developer, builder and operator of wind energy projects. THEOLIA is active primarily in France, Germany, Morocco and Italy, and also in emerging markets, notably Brazil. THEOLIA trades on the compartment C of Euronext Paris, regulated market of NYSE Euronext, under the symbol TEO. The THEOLIA stock is part of the CAC Small 90 index.

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