



2013 annual results

<i>(in thousand euros)</i>	FY 2013	FY 2012
Revenue	95,447	67,736
EBITDA ⁽¹⁾	50,575	32,877
Current operating income ⁽²⁾	15,616	18,763
Operating income	(4,458)	(545)
Financial income	(39,421)	(31,990)
Net income	(45,286)	(34,238)
of which Group share	(41,210)	(34,206)

Commenting on the 2013 annual results, **Fady Khallouf, THEOLIA's CEO**, said:

"The year 2013 was particularly intense. In terms of operations, taking control over Breeze Two Energy enabled us to strengthen our presence in the German market and to optimize the new Group's cost structure. We were awarded three new building permits in France, and we are carrying on the development of our major Moroccan project in partnership with the ONEE. These advances confirm the relevance of our business model centered on a Germany-France-Morocco axis which serves as a platform for our future development. Last week, the strength of our operational performance enabled us to secure a long-term non-recourse loan on THEOLIA for a new farm, the construction of which began in the first quarter of 2014. On the financial side, the consolidation of Breeze Two Energy had a positive impact on operational indicators and a moderate impact on the net result, with a non-recourse debt on THEOLIA. Our investment vehicle, THEOLIA Utilities Investment Company, today shows the consistency of the original strategy in providing financial flexibility and optimizing the use of our equity.

Unfortunately, despite our efforts, extraordinary factors linked to THEOLIA's past investments and commitments have again penalized our performance. The Italian situation in particular remains tense and has once again led to significant depreciation.

Since the failure of the bid launched to take over our Group during summer 2013 - a missed opportunity for the Company and its shareholders - our main challenge remains the early repayment of our convertible bond on January 1, 2015. We are working on this and will certainly address this subject in the coming weeks".

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

⁽²⁾ Operating income before non-current provisions, other non-current income and expenses, the share of income in companies consolidated according to the equity method and impairments.

1 Key highlights of the year 2013

THEOLIA took control of Breeze Two Energy

At the end of January 2013, THEOLIA took control of Breeze Two Energy GmbH and Co. KG (“Breeze Two Energy”), a German company which holds and operates wind farms for its own account for a total of 337 MW, of which 311 MW are located in Germany and 26 MW in France. Almost all of those farms were commissioned between 2005 and 2008. They all benefit from long-term electricity purchase agreements (20-year contracts in Germany and 15-year contracts in France). Taking control of new wind farms in operation in Germany and France enables THEOLIA to significantly enhance its operational position in its two historical countries.

Breeze Two Energy is a limited partnership controlled by its General Partner, Breeze Two GmbH. Breeze Two Energy’s wind farms were financed through a bond issue, performed in 2006 and divided into three categories: A, B and C, the Class A bond debt being the senior debt.

BGE Investment S.à.r.l. (“BGEI”), a subsidiary wholly owned by THEOLIA, purchased 70% of the Class C bonds, as well as various rights including the right to indirectly appoint Breeze Two GmbH’s Managing Director. Fady Khallouf, THEOLIA’s CEO, was also appointed Managing Director of Breeze Two GmbH. These new functions grant him the power to manage Breeze Two Energy. Breeze Two Energy has therefore been consolidated in THEOLIA’s financial statements using the global integration method since February 1, 2013.

This transaction amounts to 35.5 million euros, mostly financed by a vendor loan amounting to 34 million euros, due in 2026, and by cash for 1.5 million euros. This loan was taken out by BGEI and is without recourse towards the parent-company, THEOLIA. A part of that debt could nevertheless be guaranteed by THEOLIA in the future, according to the levels of cash-flows generated by Breeze Two Energy which will be available to THEOLIA.

THEOLIA took control of Breeze Two Energy in order to create significant operational synergies between THEOLIA and Breeze Two Energy, in particular with THEOLIA’s teams taking over the future management of Breeze Two Energy’s wind farms, which used to be subcontracted to third parties.

In 2013, measures were taken to optimize the management of Breeze Two Energy. In particular, the agreement with the service provider performing the company’s administrative management was terminated. As from March 1, 2014, these duties are performed by THEOLIA. Likewise, the operational management of Breeze Two Energy’s wind farms located in France was taken over by THEOLIA’s operating teams in France. The operational management of Breeze Two Energy’s wind farms located in Germany will be gradually taken over by THEOLIA’s German teams as from 2014.

Takeover offer initiated by Macquarie

On July 8, 2013, MEIF 4 AX Holdings SAS (the “Offeror”), which is controlled by Macquarie European Infrastructure Fund 4, an investment fund dedicated to long-term infrastructure investment with extensive experience in the renewable energy sector in Europe, filed a friendly takeover offer for THEOLIA.

This offer was approved on July 23, 2013 by the French Stock Exchange Authority (“AMF”).

The financial conditions of the offer, as described hereunder, had been considered as fair from a financial standpoint by the Board-appointed independent expert. THEOLIA’s Board of Directors considered the offer to be in the interest of the THEOLIA Group, its shareholders, the holders of convertible bonds and stock warrants, and its employees.

The offer was open from July 26, 2013 to September 6, 2013 inclusive. The offer included all existing shares of THEOLIA (consolidated and non-consolidated shares) and all outstanding convertible bonds and stock warrants. The prices offered for all the securities targeted by the offer were as follows:

- 1.70 euro per consolidated share;
- 0.85 euro per non-consolidated share;
- 15.29 euros per OCEANE, plus the accrued coupon; and
- 0.002 euro per stock warrant.

On September 13, 2013, the AMF and THEOLIA published the results of the takeover offer. The Offeror received 64.49% of the share capital and 64.79% of the voting rights of the Company on a non-diluted basis, according to the calculation method presented in the offer note. The majority of THEOLIA's shareholders tendered their shares. However, the conditional threshold of 2/3 of the voting rights on a non-diluted basis, set by the Offeror, was not reached. The takeover offer thus lapsed.

Three new building permits obtained in France

Having obtained a building permit without recourse since November 2012, the Chemin Perré project was still on hold pending the creation of a wind power development zone ("Zone de développement éolien", ZDE), in order to benefit from the regulatory feed-in tariff. Adopted in April 2013, the Brottes Act cancelled the ZDE procedure and therefore removed the last administrative obstacle to the implementation of this project.

The Chemin Perré project is located on the Nogentais community of communes, on the territory of the towns of Montpothier and Villenauxe-la-Grande, in the Aube French department. It will include 9 wind turbines, for a total estimated capacity of 22.5 MW.

Also in the Aube French department, THEOLIA obtained a second building permit to install 4 wind turbines on the territory of the towns of Mergey, Saint-Benoît-sur-Seine and Sainte-Maure. Pending the choice of the turbine type, the total capacity for the future wind farm is estimated to 13.2 MW.

Finally, THEOLIA obtained a third building permit to install 3 wind turbines in the Moselle French department, on the territory of the town of Coume. The total capacity for the wind farm is estimated to 7.5 MW.

These building permits are free from any recourse from third parties.

As at December 31, 2013, THEOLIA holds 206 MW in its pipeline which already received all necessary authorizations.

Escrow of the Giunchetto wind farm in Italy

The Nicosia Italian public prosecutor led investigations against some executives of the Aerochetto S.r.l. company, a 51% subsidiary of THEOLIA, for infringements related to the acoustic impact and to the construction of the Giunchetto wind farm in 2009. The decision to preventively put the wind farm in escrow was made on April 24, 2013 and implemented on May 3, 2013.

On August 8, 2013, the Aerochetto S.r.l. company obtained the release of escrow of 25 wind turbines (over the 35 wind turbines composing the wind farm).

On November 3, 2013, the public prosecutor authorized 8 additional wind turbines to operate partially again.

On March 18, 2014, the public prosecutor released of escrow the remaining 10 wind turbines.

Progress of the Moroccan wind farm

In North Morocco, THEOLIA develops, jointly with the *Office National de l'Électricité et de l'Eau potable* ("ONEE"), a 300 MW project which is made up of two phases:

- a first phase of 100 MW to be installed in lieu of the 50 MW of the Koudia Al Baïda wind farm, currently operated by THEOLIA (repowering operation, i.e. replacing the existing turbines with higher powered turbines); and
- a second phase of 200 MW to be installed on sites adjacent to the wind farm (wind farm extension).

Five tenderers submitted bids to the call for tenders to choose the general contractor who will supply, install and technically maintain the wind turbines for the first 100 MW phase. Negotiations are still underway in order to make the final choice for the general contractor.

2 2013 annual results

The consolidated financial statements for fiscal year 2013 were approved by the Board of Directors during its meeting of April 22, 2014. Audit procedures relating to the financial statements' certification were performed and the financial statements were audited. The Auditors' certification report was issued and includes a comment on the going concern of the Company (refer to section 5.2 of the 2013 Registration Document).

On February 1, 2013, Breeze Two Energy was integrated in the consolidated scope, which has an impact on the Group's financial statements. The main consequences are described in the following sections.

CONSOLIDATED INCOME STATEMENT

• Revenue

THEOLIA's consolidated annual revenue amounted to 95.4 million euros in 2013, showing an increase of + 41% compared to 2012. The Sales of electricity for own account activity includes Breeze Two Energy's revenue in the amount of 38.5 million euros over 11 months.

(in thousand euros)	Wind activities			Non-wind activity	Consolidated total ⁽¹⁾
	Sales of electricity for own account	Operation	Development, construction, sale		
2013	85,340	6,320	2,677	1,110	95,447
2012	49,314	6,260	10,786	1,376	67,736
Variation	+ 73%	+ 1%	- 75%	- 19%	+ 41%

⁽¹⁾ The Corporate activity does not generate revenue and is therefore not shown in this table.

The revenue from the **Sales of electricity for own account** activity reached 85.3 million euros in 2013, including Breeze Two Energy since February 1, 2013, increasing by + 73% compared to 2012. Whereas the first and third quarters of 2013 were penalized by less favorable wind conditions than in 2012, the Sales of electricity for own account activity recorded a strong growth during the fourth quarter of 2013.

The Sales of electricity for own account is a secure activity, relying on 15- to 20-year electricity buy-back contracts, which benefits from a recurring revenue and significant margins over the long term.

The revenue from the **Operation** activity amounted to 6.3 million euros for fiscal year 2013, at the same level as in 2012, despite the reduction of capacities managed for third parties.

The revenue from the **Development, construction, sale** activity amounted to 2.7 million euros for 2013, decreasing, in line with the Group's strategy to reduce the pace of wind farm and project disposals. In 2012, THEOLIA had sold 5.2 MW of operating wind farms in Germany.

In 2013, the **Non-wind activity** registered a revenue of 1.1 million euros, produced by the solar park in Germany.

Including Breeze Two Energy over 11 months, and despite less favorable wind conditions in 2013 than in 2012, the consolidated revenue increased by + 41% in 2013 and the **Sales of electricity for own account** activity stood for 89.4% of the consolidated revenue for the fiscal year.

• EBITDA

The consolidated EBITDA showed a strong growth of + 54% between 2012 and 2013. It reached 50.6 million euros for fiscal year 2013, compared to 32.9 million euros for fiscal year 2012. The consolidated EBITDA/consolidated revenue margin again significantly improved, going from 49% in 2012 to 53% in 2013.

<i>(in thousand euros)</i>	Wind activity			Non-wind activity	Corporate	Consolidated total
	Sales of electricity for own account	Operation	Development, construction, sale			
2013	58,148	1,957	(9,339)	1,377	(1,568)	50,575
2012	35,374	3,368	(5,927)	1,248	(1,185)	32,877

The EBITDA from the **Sales of electricity for own account** activity amounted to 58.1 million euros in 2013, compared to 35.4 million euros in 2012, up by 64%. This performance is linked to the consolidation of Breeze Two Energy over 11 months, which contributed to the EBITDA for this activity in the amount of 25.7 million euros.

The EBITDA/revenue margin for the Sales of electricity for own account activity decreased in 2013, compared to the two preceding years, penalized by less favorable wind conditions which have a direct impact on the margin and by the integration of Breeze Two Energy, which recorded EBITDA margins lower than the Group's standards.

However, Breeze Two Energy began implementing, as soon as 2013, a process to improve its operational performance, with a drop in revenue considering the less favorable wind conditions, but with an EBITDA which declined less sharply.

The EBITDA from the **Operation** activity gained momentum again in 2013, reaching 2.0 million euros, including a net provision reversal on waived long-outstanding receivables of 0.7 million euros. In 2012, the EBITDA from this activity amounted to 3.4 million euros, including a net provision reversal on waived long-outstanding receivables of 2.6 million euros.

The EBITDA from the **Development, construction, sale** activity recorded a 9.3 million euro loss in 2013, compared to a loss of 5.9 million euros in 2012. The level of EBITDA from this activity is directly related to the performance or the absence of disposals and development and construction services for third parties over the period. Therefore, it varies sometimes greatly from one fiscal year to another.

The decrease recorded between 2012 and 2013 is the result of three main factors:

- the absence of wind farm or project disposal to the investment vehicle THEOLIA Utilities Investment Company (one 18.4 MW operating wind farm had been sold to the vehicle in 2012);
- the decrease in development and construction services, directly related to the previous paragraph; and
- the absence of operating wind farm disposal to third parties, whereas 5.2 operating MW had been sold in Germany in 2012.

In 2013, the **Non-wind activity** registered an EBITDA of 1.4 million euros, a figure higher than its revenue, due to a reversal of long-outstanding provision in the amount of 0.4 million euros.

In 2013, the EBITDA from the **Corporate activity** decreased compared to 2012, due to:

- the full-year impact of expenses relating to free shares under acquisition for 0.5 million euros; and
- a receivable depreciation related to a subsidiary under liquidation for 0.5 million euros.

Including Breeze Two Energy over 11 months, and despite less favorable wind conditions in 2013 than in 2012, the consolidated EBITDA increased by + 54% in 2013 and the EBITDA/revenue margin reached 53%.

• Operating income

<i>(in thousand euros)</i>	2013	2012
EBITDA	50,575	32,877
Amortization	(35,300)	(16,048)
Impairments	(16,004)	(23,262)
Other	(3,729)	5,888
Operating income	(4,458)	(545)

The Group's operating income is a loss of 4.5 million euros in 2013, compared to a loss of 0.5 million euros in 2012.

Amortization registered a strong increase in 2013. Amortization of wind farms held by THEOLIA increased by 3.4 million euros, due to the amortization of new wind farms commissioned in late 2012 and to the changes in assumptions related to some operating wind farms. Amortization of wind farms held by Breeze Two Energy, after restatement, is recognized according to a straight-line method, over 20 years in Germany and 15 years in France. From February 1, 2013 to December 31, 2013, Breeze Two Energy's wind farm amortization amounted to 15.3 million euros.

Impairments recorded in 2013 are down compared to 2012, going from 23.3 million euros in 2012 to 16.0 million euros. They are related to investment decisions made prior to 2009 and mainly involve:

- a 4.0 million euro depreciation on the value of wind turbines purchased in 2008, currently stored because they were not yet installed, reflecting their growing dilapidation; and
- a 10.0 million euro depreciation on the value of two Italian projects in the portfolio, currently under litigation with the initial developers.

The other impairments recorded in 2013 result from the modification of some operational assumptions.

During fiscal year 2013, the Group also recorded a 2.2 million euro non-current provision, related to an Italian project abandoned in 2012, under litigation with the initial developer.

It is reminded that in 2012, the Group benefited from a provision reversal of 1.8 million euros and an occasional positive impact of 3.6 million euros on the “Share in income of associates” item.

- **Financial income**

The Group's financial income represented a net cost of 39.4 million euros in 2013, compared to a net cost of 32.0 million euros in 2012. The deterioration of the financial income mainly reflects the strong increase in the interest cost related to loans held by operating wind farms, including the interest cost related to Breeze Two Energy's wind farms in the amount of 16.4 million euros.

<i>(in thousand euros)</i>	2013	2012
Interest cost related to the convertible bond (actual interest rate)	(13,903)	(12,504)
Net interest cost related to loans held by operating wind farms	(23,989)	(8,701)
Restatement of interests of Breeze Two Energy's bond debt	5,232	-
Other non-recurring items	(6,411)	(9,764)
Other	(350)	(1,021)
Financial income	(39,421)	(31,990)

In compliance with IFRS standards, the net annual interest cost related to the convertible bond increased again in 2013. This interest cost included, in 2013, interests accrued as at December 31, 2013 and paid in January 2014 for 4.2 million euros, as well as an additional interest cost of 9.7 million euros registered due to the convertible nature of the bond. It is reminded that this additional interest cost has no impact on the Group's cash position.

The net interest cost related to loans held by operating wind farms recorded a strong increase in 2013 as it integrated, in addition to the net bank interests on project financing taken out with credit institutions, the net interests on Breeze Two Energy's bond debt over 11 months.

The “Other” item integrates the positive impact of 1.1 million euros related to the unwinding of the swap contract relating to the convertible bonds, including the provision reversal registered in 2012, as well as the registered added value and interests.

Non-recurring items also had an impact on the 2013 financial income, including:

- the positive impact of the restatement of interests of Breeze Two Energy's bond debt for 5.2 million euros;
- depreciations of financial assets related to investment decisions made prior to 2009:
 - the depreciation of non-consolidated securities considering the litigations currently ongoing with deconsolidated subsidiaries (5.0 million euros); and
 - the depreciation of other non-consolidated securities and trade receivables on subsidiaries consolidated using the proportionate consolidation method (1.4 million euros).

- **Net income**

The net income, Group share, for 2013 is a loss of 41.2 million euros, compared to a loss of 34.2 million euros in 2012.

In 2013, the Group was again penalized by various non-recurring items related to investment decisions made prior to 2009, for an aggregated amount of 24.6 million euros.

The consolidation of Breeze Two Energy over 11 months had an adverse effect on the net income of the consolidated group in the amount of 4.0 million euros.

NET FINANCIAL DEBT

The consolidated net financial debt increased by 199.2 million euros between the end of 2012 and the end of 2013, mainly due to the consolidation of Breeze Two Energy's net financial debt since February 1, 2013. As at the closing of the fiscal year, the consolidation of Breeze Two Energy resulted in an additional net financial debt of 201.7 million euros.

<i>(in thousand euros)</i>	2013/12/31	2012/12/31
Project financing	(152,695)	(172,647)
Convertible bond	(119,010)	(109,358)
Breeze Two Energy's bonds	(223,519)	-
Other financial liabilities of which:	(13,612)	(16,445)
<i>Derivative financial instruments (interest rate swap)</i>	(7,925)	(11,192)
<i>Other (current accounts)</i>	(5,687)	(5,253)
Bank overdrafts	(23)	-
Financial debt	(508,859)	(298,450)
Cash and cash equivalents	84,722	69,171
Current financial assets	205	4,569
Net financial debt	(423,932)	(224,710)

- **Financial debt**

Financial debt amounted to 508.9 million euros as at December 31, 2013, compared to 298.5 million euros as at December 31, 2012, i.e. an increase of 210.4 million euros, mainly due to the consolidation of Breeze Two Energy since February 1, 2013.

Project financing debt decreased by 20.0 million euros over the year, mainly reflecting the normal amortization of this financing, which amounted to 19.0 million euros over the year.

It is reminded that THEOLIA's project financing is without recourse or with limited recourse against the parent company. Each special purpose vehicle holding a wind farm directly takes out financing and ensures repayment of the installments through cash flows from the wind farm's operation.

It is also reminded that Breeze Two Energy's bonds are only guaranteed by the cash flows generated by the operation of Breeze Two Energy's wind farms and are without recourse on THEOLIA.

The convertible bond amounted to 119.0 million euros as at December 31, 2013, compared to 109.4 million euros as at December 31, 2012. That increase is mainly due to the registration of a non-cash interest cost due to the convertible nature of the bond for 9.7 million euros.

As at December 31, 2013, 8,226,380 convertible bonds were still outstanding. Bondholders are entitled to ask for the early repayment of their bonds at a unit price of 15.29 euros as at January 1, 2015. If the bondholders of all the outstanding convertible bonds were to ask for early repayment, the maximum amount to repay as at January 1, 2015 would reach 125.8 million euros. The Company considers that it is highly likely that bondholders will choose to ask for the early repayment. The Company considers that, in its current situation, it would not be capable of paying this entire amount. As a consequence, THEOLIA is currently working on several scenarios, of which:

- implementing a capital increase;
- issuing a new debt with an extended maturity date;
- renegotiating the terms of its convertible bond;
- disposing assets; and
- being subject to another takeover offer.

Performing one or a combination of several of these options before December 31, 2014, until when the Group continues as a going concern, is crucial for the Group's durability and future development. In this respect, the Company is notably discussing with its main bondholders to implement a solution to enable it to continue as a going concern after January 1, 2015.

However, the Company cannot guarantee that it will be able to implement one or a combination of several of these options in a timely manner. In particular, due to the uncertainty related to market conditions and the approval of shareholders and/or bondholders, it is very difficult to predict if such an operation would succeed. The inability of the Company to implement one or a combination of several of these options could force the Company to consider all legal remedies available, notably those provided for in Book VI of the French Commercial Code, including safeguard procedures, judicial reorganization or judicial liquidation, which, as the case may be, could force it to stop operating (refer to section 4.4.3.2 on the "Liquidity risk", section 4.7 relating to "Events after year-end and prospects" and section 5.2 of the Company's 2013 Registration Document including the Auditors' certification report with an observation on the Company's ability to continue as a going concern). Any liquidation of assets that would result from it would cause a significant destruction of value.

None of the adjustments which would be necessary in this case were recognized in the consolidated financial statements as at December 31, 2013.

As at February 1, 2013, when Breeze Two Energy entered the Group's consolidated scope, the fair value of Breeze Two Energy's bonds, corresponding to 100% of the A debt, 100% of the B debt and 30% of the C debt, was valued at 241.7 million euros. The A and B debts are valued based on discounted future cash flows. The C debt is valued based on the transaction performed by the Group. Since February 1, 2013, Breeze Two Energy's bonds decreased by 18.2 million euros.

- **Cash, cash equivalents and current financial assets**

<i>(in thousand euros)</i>	2013/12/31	2012/12/31
Free cash	26,961	27,969
Cash reserved for special purpose vehicles	25,736	21,514
Pledged cash	32,025	19,688
Total cash and cash equivalents	84,722	69,171
Current financial assets	205	4,569
Total cash (excluding bank overdrafts)	84,927	73,740

The Group's total cash showed a net increase of 11.2 million euros between year-end 2012 and year-end 2013, mainly due to the integration of Breeze Two Energy's cash. It reached 84.9 million euros as at December 31, 2013, of which 27.0 million euros of free cash.

Further to the unwinding of the swap contract relating to the convertible bonds, the cash held to guarantee this mechanism, i.e. 5 million euros, and recognized as "Current financial assets", was reclassified as free cash.

CASH-FLOWS

<i>(in thousand euros)</i>	2013	2012
Cash flow from operating activities	57,625	40,602
Net cash flow generated by investment activities	20,519	(23,104)
Net cash flow generated financing activities	(62,574)	(36,150)
Impact of change in exchange rates	(41)	(8)
Change in cash and cash equivalents	15,529	(18,661)

In line with the strong growth of the consolidated EBITDA, the gross cash flow registered a strong increase in 2013, mainly due to the consolidation of Breeze Two Energy. The consolidated operating activities generated a gross cash flow of 49.4 million euro in 2013, compared to 29.0 million euros in 2012. The change in the working capital requirement showed a cash inflow of 6.9 million euros for fiscal year 2013, mainly related to the reduction of receivables and inventories. In total, operating activities generated cash inflows totaling 57.6 million euros in 2013, compared to 40.6 million euros in 2012.

In 2013, net cash flow related to investment activities resulted in a cash inflow of 20.5 million euros, compared to a cash outflow of 23.1 million euros in 2012. The integration of Breeze Two Energy in the Group's consolidated scope on February 1, 2013 had a net positive impact of 23.7 million euros, corresponding to the cash held by Breeze Two Energy as at February 1, 2013, excluding 1.5 million euros paid to control it. In 2013, the Group continued investing at a slower pace than in 2012, corresponding to the progress of its project portfolio. Finally, the unwinding of the swap contract relating to the convertible bonds generated, in late 2013, a receipt of 5.5 million euros.

Finally, financing activities used 62.6 million euros in 2013, distributed amongst 20.8 million euros of normal repayment of project financing related to THEOLIA's operating wind farms, 15.6 million euros of repayments of Breeze Two Energy's Class A and B bonds, and 27.3 million euros of interests paid.

In total, the Group's cash position increased by 15.5 million euros during fiscal year 2013, notably drawn by the positive effect of the integration of Breeze Two Energy in the consolidated scope. The cash generated in 2013 enabled to carry on investing in the ongoing wind projects and to face the financial deadlines of the fiscal year.

3 Events following December 31, 2013

Beginning of the construction and financing of the Haute Borne project in France

In April 2014, THEOLIA entered into a financing agreement for the Haute Borne wind project. This non-recourse long term loan is secured by the future cash-flows that will be generated by the wind farm.

The Haute Borne wind project is located on the territory of the towns of Languuevoisin-Quiquery, Breuil and Billancourt, in the Somme French department.

In order to carry out this project, THEOLIA selected wind turbines with a unit capacity of 3 MW, therefore bringing the total installed capacity of the future wind farm to 21 MW.

According to the planned schedule, construction works started during the first quarter of 2014.

The wind farm is planned to be commissioned during the second half of 2015.

In compliance with its strategy to maximize the use of its equity, THEOLIA started discussing the sale of this wind farm to the investment vehicle THEOLIA Utilities Investment Company.

Release of escrow of the Giunchetto wind farm in Italy

The escrow regarding 10 wind turbines of the Giunchetto wind farm (over the 35 wind turbines making up the wind farm) in effect as at the closing of the fiscal year was released on March 18, 2014.

A management plan, limiting wind turbines under specific conditions, is implemented for some wind turbines, and two wind turbines will remain inactive until the end of the remedial works currently ongoing.

The Aerochetto S.r.l. company makes its best efforts to finalize the works in a timely manner and to obtain the release of the management plan for the remaining turbines.

Disposal of Seres Environnement

On March 27, 2014, THEOLIA announced that it sold Seres Environnement, a company operating in the field of designing and manufacturing instruments to measure and analyze air and water quality.

This disposal is part of THEOLIA's strategy to withdraw from its non-wind activities.

After a restructuring initiated in 2010 in order to cope with a loss-making activity, Seres Environnement managed to significantly recover. The company is now ready to speed up its development.

Currently active in 80 countries, Seres Environnement aims to enhance its international footprint thanks to its expert teams and favorable regulations in the markets where it operates, notably emerging countries.

Publication of the 2013 Registration Document

THEOLIA's Registration Document for the year ended on December 31, 2013 was filed with the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF) on April 23, 2014.

It notably includes:

- the 2013 Annual financial report;
- the Report by the Chairman of the Board on corporate governance, internal control procedures and risk management; and
- the Statutory Auditors' reports and information related to their fees.

This document is available to the general public under the conditions provided by regulations in force and may be consulted in French on THEOLIA's Website (www.theolia.com) in the "Finance/Financial reports & presentations" section and on the *Autorité des Marchés Financiers*' Website (www.amf-france.org).

The English version of the Registration Document will soon be available on THEOLIA's Website.

A presentation on the 2013 annual results will also be available on the Group's website as from April 24, 2014 at 10 a.m.

About THEOLIA

THEOLIA is an independent producer of wind energy, active over the entire wind value chain. The Group develops, builds and operates wind farms in four countries: Germany, France, Morocco and Italy. In total, the Group operates 1,221 MW for its own account and for third parties.

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THEOLIA

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