



ALBIOMA

PRESS RELEASE

PARIS LA DÉFENSE, 30 MAY 2016

SIGNATURE OF A THIRD PROJECT IN BRAZIL

80% of long-term electricity sales secured, at a high price

Operations to start in 2021 (48 MW)

Albioma has announced the signature on 20 May 2016, of a joint-venture agreement with Vale do Paraná in order to develop a new cogeneration operation in the State of São Paulo, Brazil. Vale do Paraná is a mill whose annual crushing capacity is 2 million tonnes of sugar cane, and is a subsidiary of the Pantaleon Group, Central America's leading producer (crushing capacity of 13 million tonnes of sugar cane) based in Guatemala, and Manuelita, a diversified agro-industrial producer based in Colombia (crushing capacity of 4.5 million tonnes of sugar cane in Colombia and Peru).

Together, Albioma and Vale do Paraná will create a project company which will be the owner/operator of the Vale do Paraná cogeneration plant. This entity will build an extension raising the facility's power from 16 to 48 MW, 30 MW of which will be exported to the power grid.

Albioma will hold 40% of the project company, and will act as technical partner during the construction and operation phases, providing its expertise as a global specialist in the high-efficiency cogeneration of bagasse.

Vale do Paraná successfully participated in the last call for tenders (leilão A-5), securing the sale on the regulated market of 80% of expected electricity production. In this way, 120 GWh/year was sold over 25 years from 1 January 2021, at a record price of BRL245.2/MWh (2016 basis) linked to inflation, guaranteeing the profitability of the project.

The investment, which is estimated at BRL100 million (2016 basis), is eligible for a BNDES (the Brazil National Bank for Development) long-term loan. This project remains subject to a number of conditions precedent being satisfied (including obtaining financing and all the authorisations necessary for the construction and for cogeneration grid connection).

Jacques Pétry, Chairman and Chief Executive Officer of Albioma, said, *"This project is perfectly in line with Albioma's development strategy in Brazil. The selection criteria which we have set for our new investments have been met: quality of the counterparty, sale of energy on the regulated market and long-term financing under good conditions.*

With this third facility, our objective is to develop one of the most efficient cogeneration plants in Brazil.

We are delighted with the partnership with Vale do Paraná, whose shareholders are two strong family-owned groups, and have been active in sugar production in Latin America for more than 150 years. We wholeheartedly share their vision and values in terms of social responsibility and operational excellence."



Next on the agenda: release of 2016 half-year results, on 26 July 2016 (after trading).

ABOUT ALBIOMA

Albioma is an independent energy producer and world leader in the conversion of biomass into a highly-effective source of energy, in collaboration with its agri-business partners. For more than 20 years, Albioma has operated power plants recovering bagasse, a fibrous by-product of sugar cane, replaced by coal outside the sugar cane harvest. Its unique expertise has enabled Albioma to establish itself as an indispensable partner in the sugar and ethanol industry in the French overseas territories and Mauritius. Albioma is now developing power plants using only biomass, which recover, in addition to bagasse, green waste and wood industry residue. The Group also operates a highly-efficient photovoltaic installation and agricultural anaerobic digestion units. In 2014, the Group, which already had a presence in mainland France, the French overseas territories and Mauritius, began operating in Brazil, the world's leading sugar cane producer.

For further information, please visit www.albioma.com

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