

## Press release

Paris, 31 October 2017

### **Direct Energie completes the acquisition of Quadran and strengthens its position as a major player in the French energy market**

Direct Energie announces the completion, in accordance with the agreement signed with Lucia Holding, of the acquisition of 100% of Quadran's share capital, a key player in renewable energies. The transaction covers the onshore wind farms, solar farms, hydropower and biogas plants in mainland France, and the French overseas renewable activities.

This transaction is in line with Direct Energie's vertical integration strategy, and reinforces its presence in power generation. It contributes to the Group's target of building an integrated player with a diversified and balanced production mix in line with the energy transition objectives.

With more than 200 employees, Quadran is a global player with a recognised know-how ranging from development to operation of renewable assets. The installed capacity at end-2016 totalled more than 360 MW gross and should be increased to approximately 800 MW by the end of 2018.

#### **Main financial terms**

The acquisition price for Quadran amounts to €303 million and comes with an earn-out of €113 million related mainly to the pace of new commissioning until mid-2019. Given the new projects put in service in 2017, amounting to approximately 185 MW, part of the earn-out is recognised at closing (€41 million), bringing the transaction amount to €344 million.

This amount is paid in cash for €328 million, of which €25 million will be paid in the first half of 2018. It is combined with the issuance of 327,428 new Direct Energie shares at the unit price of €49.205(\*), around 0.79% of the share capital after issue, fully paid up in favour of Lucia Holding for €16 million. This issuance will compensate the contribution of part of Quadran's shares whose valuation has been confirmed by the shares auditors.

*(\*) Weighted average share price during the twenty trading days preceding the announcement of the opening of exclusive negotiations on 15 June 2017.*

The residual earn-out, for a maximum amount of €72 million, will be paid in cash up to €13 million and by the exercise of share warrants (BSA) attached to the new shares up to €59 million. Their exercise, at the unit price of €49.205, would lead to the creation of 1,196,807 shares, representing a dilution of around 2.65% of the share capital after issue.

Quadran will be consolidated in Direct Energie's financial statements from 1 November 2017, with no major impact expected on EBITDA, current operating income, and the Group's 2017 annual targets.

Xavier Caïtucoli, Chairman and CEO of Direct Energie, announced: *"All employees of Direct Energie are delighted to welcome Quadran's teams. This acquisition demonstrates the Group's ability to carry out ambitious growth projects. In an increasingly competitive market, the Group has all the required strengths to continue its development along the whole value chain, and to establish itself as the leading alternative player with the aim of delivering 4 million customer sites by 2020."*

### **Next publication:**

Revenue for the 3rd quarter of 2017 on 7 November 2017 after the market

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### **About Direct Energie**

Third-largest French electricity and gas provider, the Direct Energie Group supplies more than 2.3 million residential and non-residential customer sites in France and Belgium (under the Poweo brand). Direct Energie is an integrated operator which produces power, supplies electricity and gas, as well as selling energy services to its customers. The Group's success has been underpinned for more than fourteen years by its technical expertise, excellent customer relations and capacity for innovation. In 2016, the Group generated consolidated revenue of €1,692.4 million, and delivered 19.8 TWh of energy. For more information, visit our website [www.direct-energie.com](http://www.direct-energie.com)

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