




FY 2019 consolidated results

March 25, 2020

Disclaimer

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1. Neoen at a glance

2. FY 2019 highlights

3. FY 2019 results

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Neoen at a glance

Founded in 2008

A 100% green IPP (PV, onshore wind and storage)

An impressive track record of landmark large-scale projects

A clear positioning

- We design and implement facilities generating the most cost-competitive renewable electricity, sustainably and on a large scale everywhere we operate
- > 80% in OECD countries

A unique business model

- Develop-to-own
- Multi-local leadership approach

Profitable since 2011




Neoen's expertise covers the entire project life cycle



Development

1


Strong project sourcing
and established development
know-how



Procurement
& financing

2

Procurement,
optimized structuring, financing
and de-risking



Construction
supervision

3

Monitoring of operations,
high-quality EPCs⁽¹⁾,
bankable technology



Operations
& optimization

4

Operational management
and cost control, optimization
throughout asset life

Neoen controls the entire process and pursues a long-term « develop to own » strategy
Neoen's average asset ownership rate stands at 89%⁽²⁾

(1) Engineering Procurement and Construction

(2) Assets in operation and under construction (including co-investments) by MW, as of December 31, 2019

Long-term, predictable and de-risked cash flows

Long-term visibility

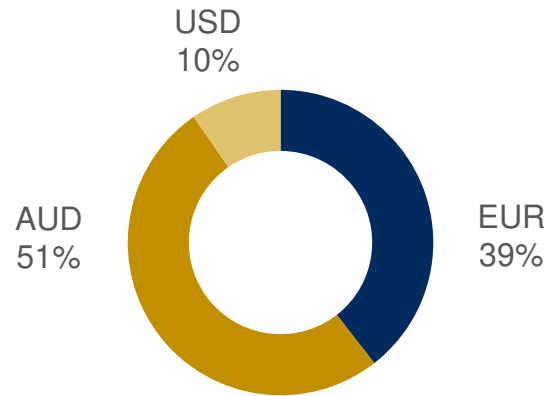
>14 years
average remaining term of PPAs⁽¹⁾

2.9 years
average asset age⁽²⁾

ca. 50 years
land control⁽³⁾

23%
land owned⁽⁴⁾

Strong currencies




FY 2019 revenues

Contracted revenues

c.6.0 B€ Contracted revenues⁽⁵⁾ **VS** **1.8 B€** Net debt⁽⁵⁾

- Strength and creditworthiness of counterparties in OECD countries
- Over 80% of 2019 revenues generated in OECD countries
- >80% of Neoen's clients have investment grade ratings⁽⁶⁾

(1) Weighted average residual PPA duration by MW in operation as of December 31, 2019 | (2) Weighted average age of assets in operation as of December 31, 2019 | (3) Weighted average lease duration (by MW) for assets in operation and projects under construction | (4) Capacity installed on owned land (for projects in operation and under construction as a % of total MW) | (5) As of December 31, 2019 | (6) Weighted average investment grade off-takers for projects in operation, under construction and awarded



1. Neoen at a glance

2. FY 2019 highlights

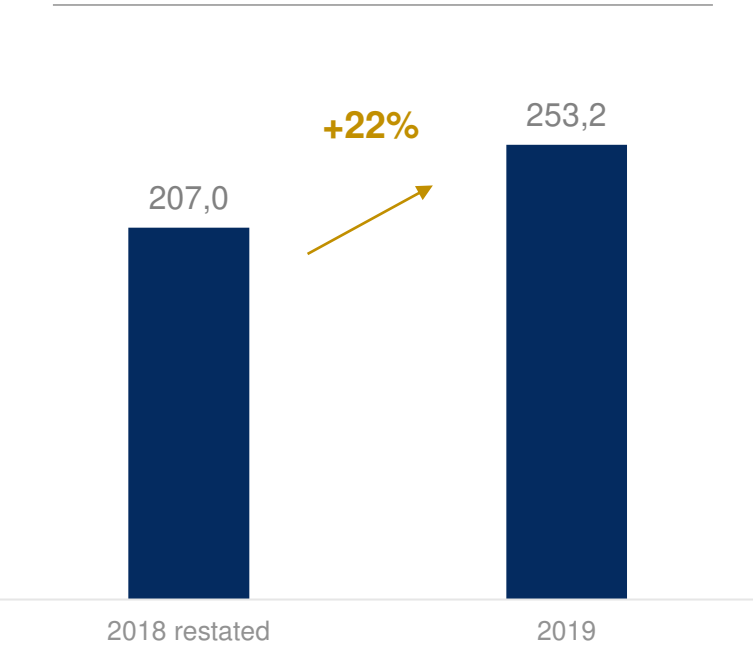
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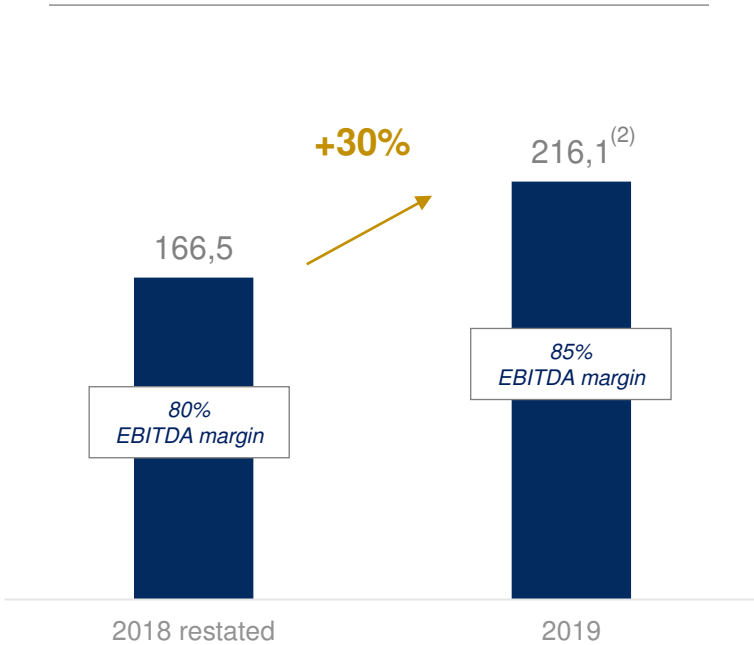
2019 EBITDA target achieved

Revenue⁽¹⁾ (M€)



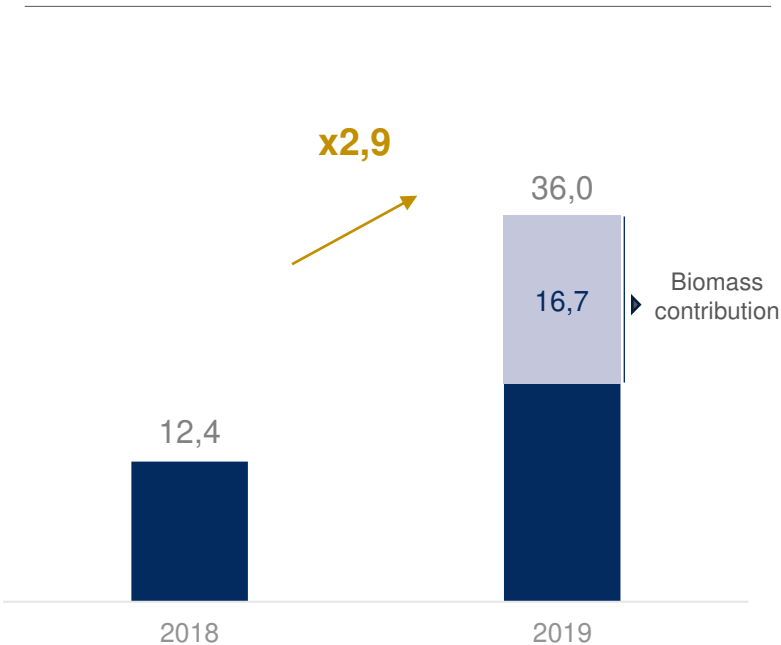
- Growth driven by all Neoen’s business segments and regions

EBITDA⁽¹⁾ (M€)



- EBITDA target of between 212 M€ and 219 M€⁽³⁾ in 2019 with an EBITDA margin of around 85% achieved

Net income Group share (M€)



- Net income from continued operations up 48% year-on-year

(1) Excluding the biomass business sold in September 2019

(2) 217,2 M€ at constant exchange rates

(3) At constant exchange rates compared to 2018

Strong operating momentum in 2019

- **Capacity in operation: 369 MW added across our three regions**

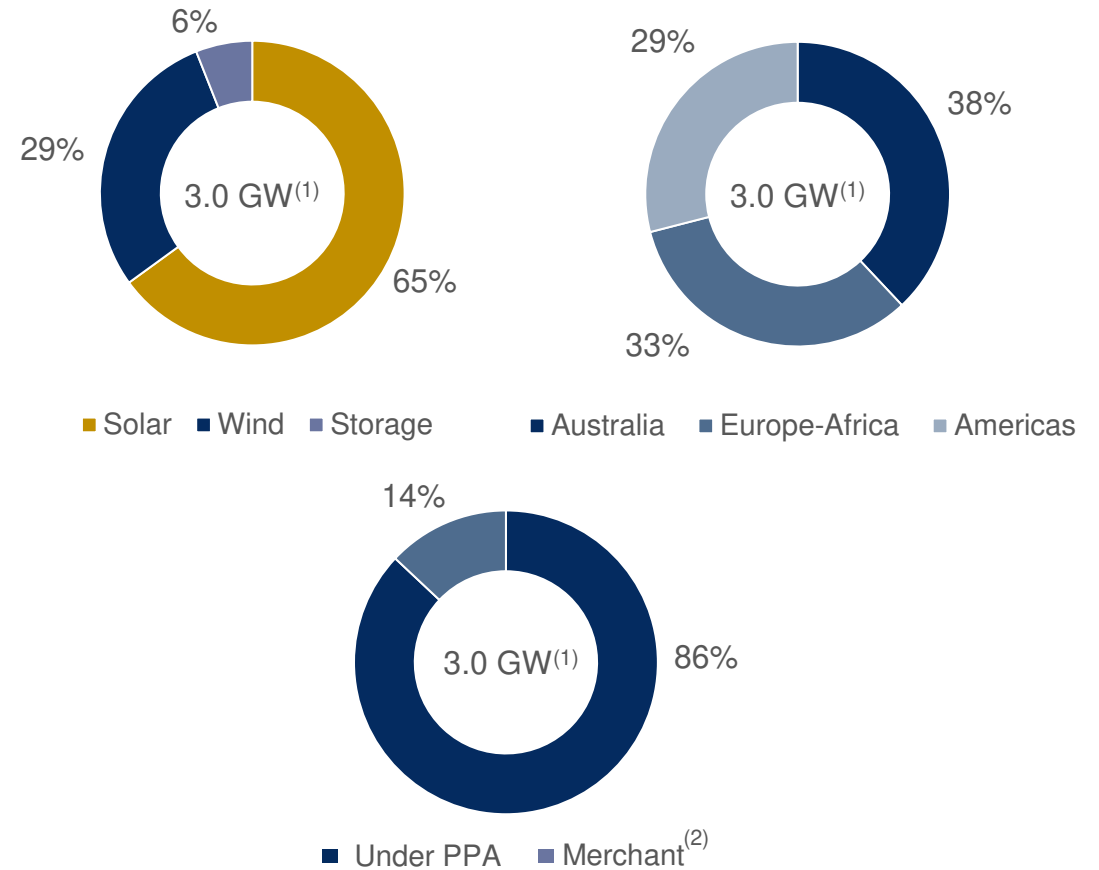
- 316 MW commissioned in Australia, France, Zambia and Jamaica
- Acquisition of 8 wind farms in Ireland (53 MWp)

- **Launch of construction of 745 MW during the year**

- In Americas: Mexico and Argentina
- In Europe-Africa: France and Mozambique
- In Australia

- **Contracts awarded for close to 1 GW in new projects in 2019**

Breakdown of assets in operation or under construction



(1) Capacity in operation or under construction as of December 31, 2019, restated for the biomass business sold in September 2019

(2) Weighted average by MW for assets in operation or projects under construction as of December 31, 2019

Major projects awarded in 2019

Government tenders

Awarded 10 ground-mounted PV projects



45 MWp

Awarded capacity at the CRE 4.5 (March 2019)



43 MWp

Awarded capacity at the CRE 4.6 (August 2019)

Mutkalampi

PPA with Google



130 MW

PPA capacity (September 2019)

HPRX

Expansion of the HPR battery



**50 MW
64,5 MWh**

Tore Bella

Government tender



~ 65 MWp

Awarded capacity (August 2019)

Metoro

PPA with EDM⁽¹⁾



41 MWp

PPA capacity (December 2019)

PPA with a utility⁽²⁾



352 MWp

PPA capacity

Rio Maior

Acquisition of 49% of a solar project with a government PPA



180 MWp

Total capacity

MW awarded in Q4 2019 and announced on February 18




HPR - Australia

Notes: non-exhaustive list

(1) Electricidade de Moçambique (EDM), the state electricity generation and distribution company of Mozambique

(2) Further communication to follow in April



1. Neoen at a glance

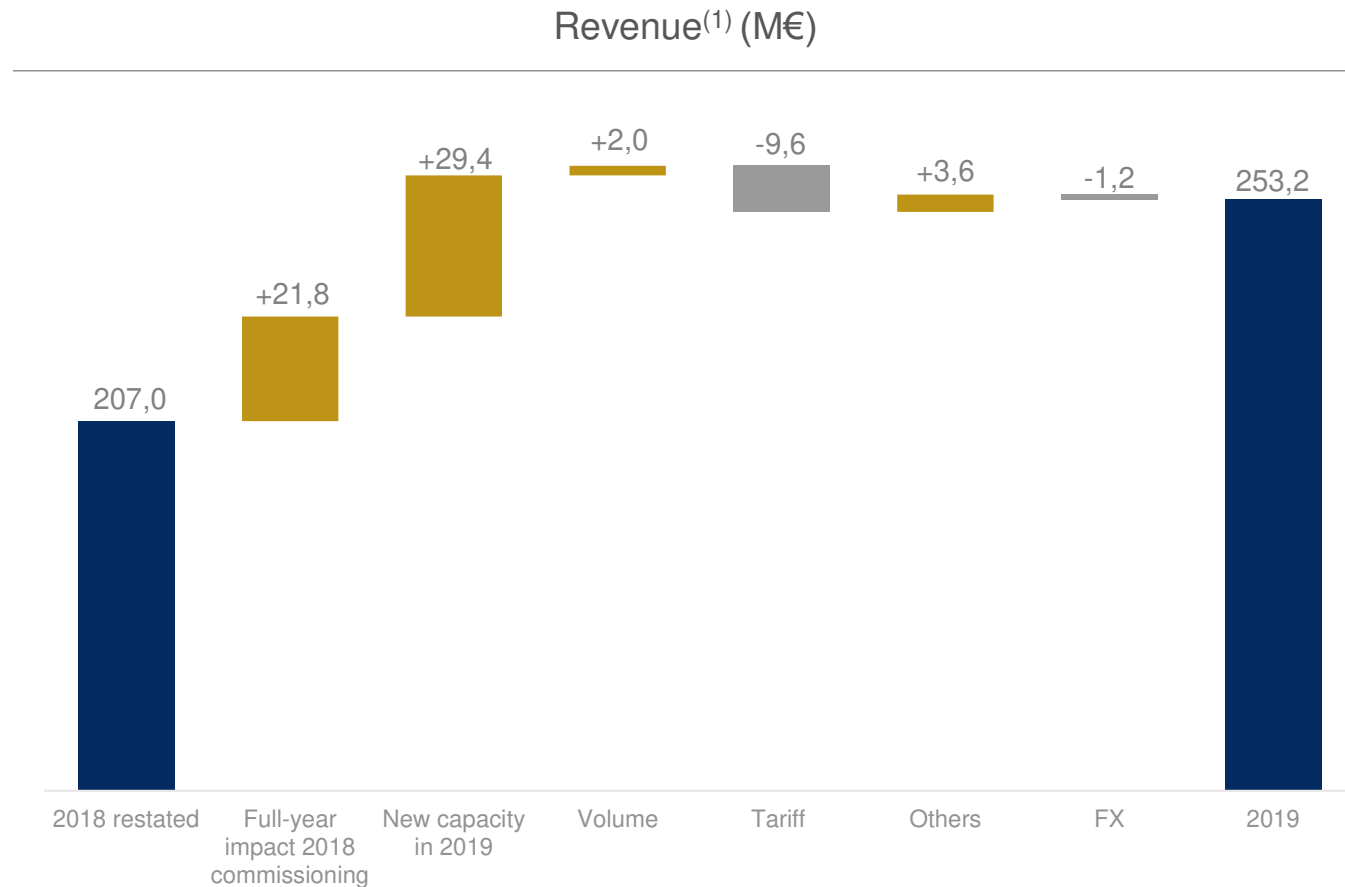
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Strong increase in revenue



- Significant contribution of new assets commissioned in 2018 and in 2019
- Favorable weather conditions in Europe offsetting unfavorable wind levels in Australia particularly in Q3
- Lower average price on certain assets in Australia with the transition from early generation revenues⁽²⁾ to PPA
- Higher revenue from storage and services to third parties
- Limited FX impact

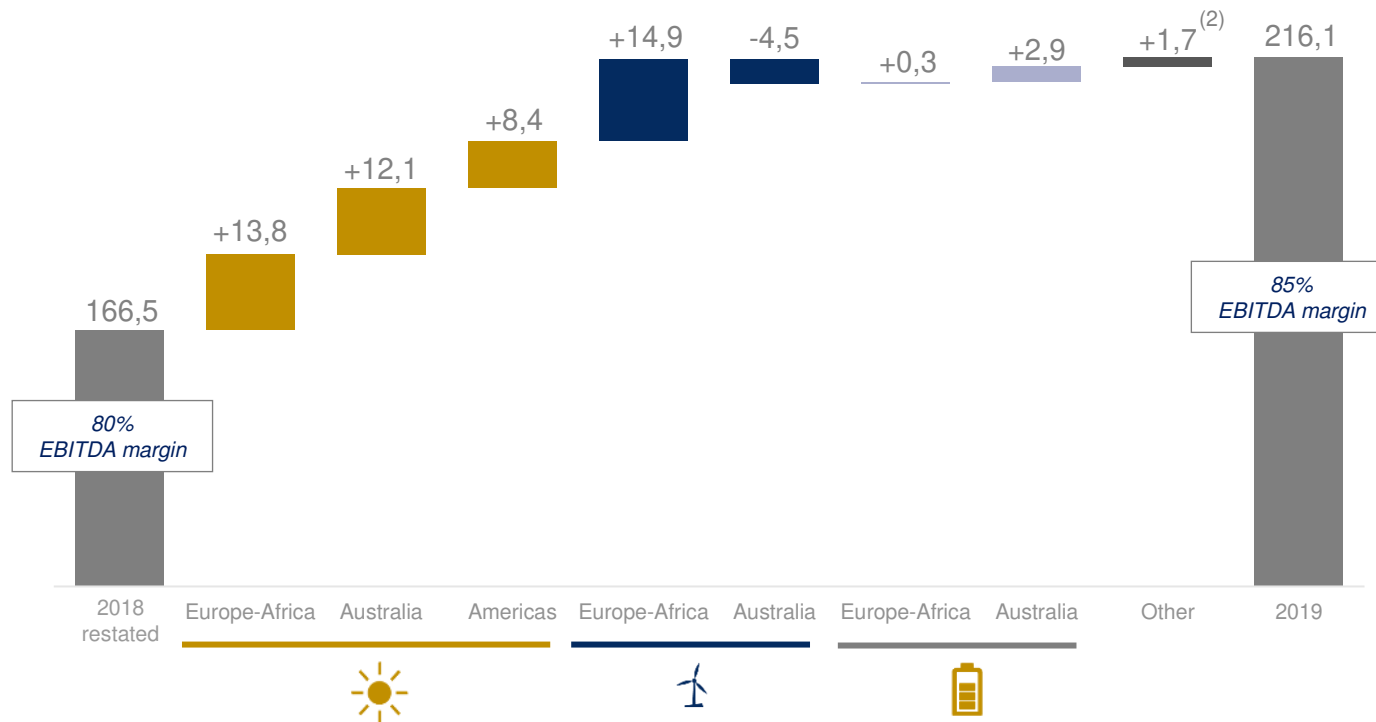
2019 revenue up 22% year-on-year

(1) Revenue excluding the biomass business sold in September 2019

(2) Short-term energy revenues prior to the implementation of a long-term contract

2019 EBITDA target achieved

EBITDA⁽¹⁾ (M€)



- **EBITDA** up 30% year-on-year driven by the growth in Solar in our three regions and in Wind in Europe-Africa
- **EBITDA margin** of 85%, up 5 bp year-on-year due to liquidated damages⁽³⁾ covering revenue shortfalls related to the delayed commissioning of certain wind and solar projects

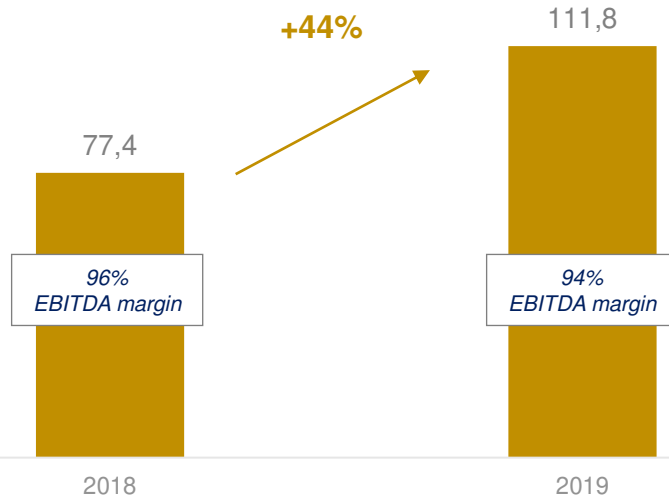
(1) EBITDA excluding the biomass business sold in September 2019

(2) Services to third parties

(3) Indemnities recognized in other current operating income, partly offsetting the revenue shortfall, thereby automatically improving the EBITDA margin

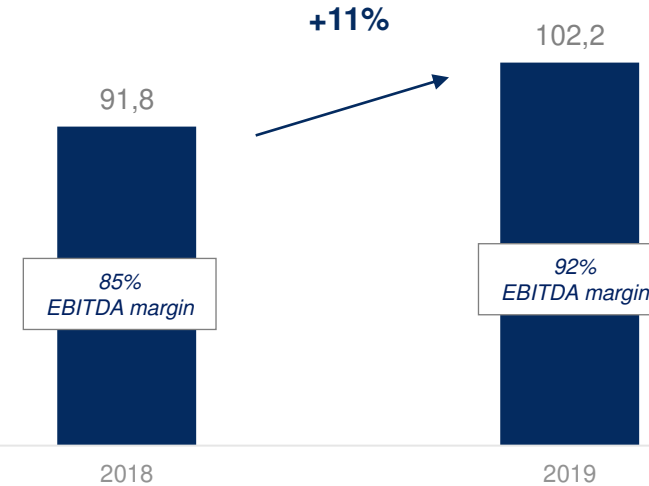
EBITDA by segment

Solar EBITDA⁽¹⁾ (M€)



- **Strong growth in EBITDA across our three regions** reflecting significant capacity commissioned in 2018 and 2019
- **Slight decrease in EBITDA margin** due to lower relative contribution from liquidated damages in 2019 versus 2018

Wind EBITDA⁽¹⁾ (M€)



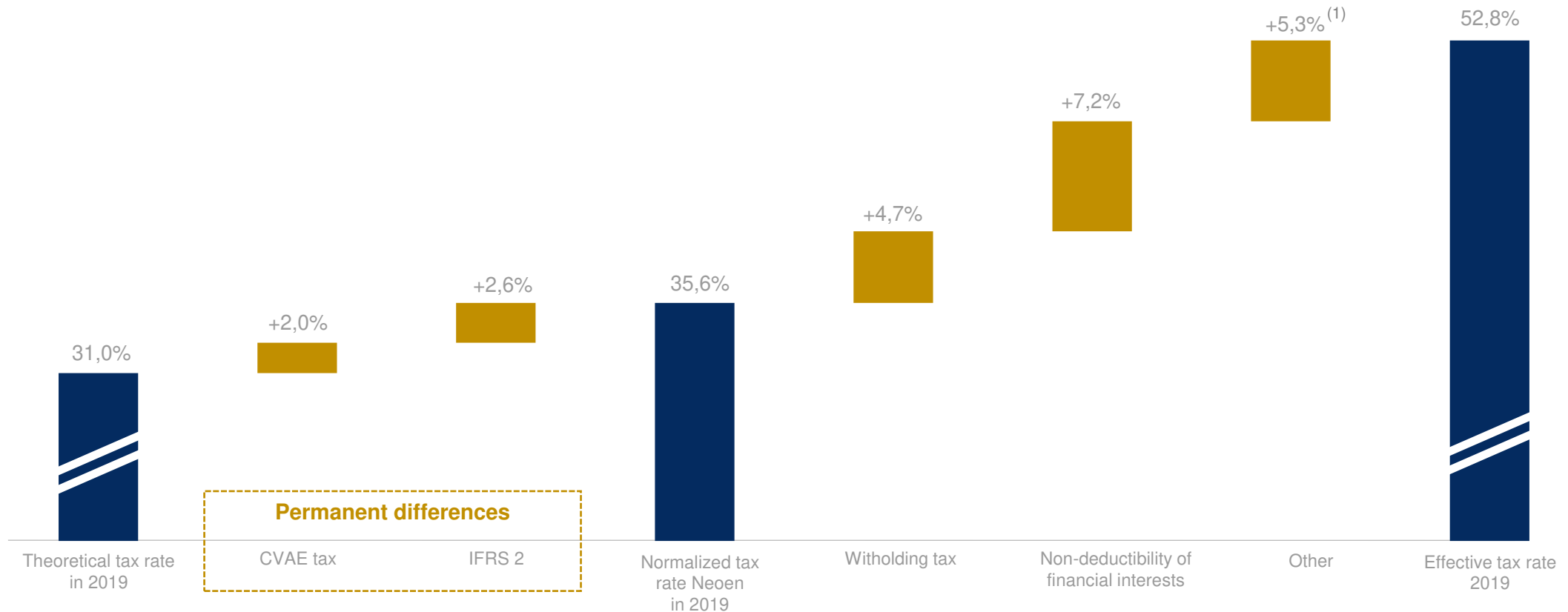
- **Growth in Europe-Africa offsetting lower EBITDA in Australia** due to unfavorable wind conditions in Q3 2019 and the transition from early generation revenues to PPAs for certain wind assets
- **EBITDA margin positively impacted** by liquidated damages recognized in 2019

(1) Excluding eliminations

Profit & Loss – strong increase in net income

	2019	2018 restated	Change	
EBITDA	216,1	166,5	+30%	
Current operating income	135,9	106,0	+28%	
Operating income	131,9	99,9	+32%	
Cost of financial debt	(79,0)	(62,4)	-26%	Cost of financial debt increased as a result of the commissioning of additional wind and solar assets (+369 MW in operation)
Other financial income and expenses	(8,0)	(7,4)	-9%	Other financial income and expenses largely reflected discounting effects (acceleration of the contractual repayment schedule of some differed capex as a consequence of strong operational performance)
Net financial expense	(87,0)	(69,8)	-25%	Positive impact of the refinancing of a portfolio of Australian projects in H1 2019 offset the early redemptions costs and penalties related to the refinancing of French assets in H2 2019
Income tax	(23,7)	(15,8)	-50%	Effective tax rate of 53% vs 52% in 2018
Net income from continuing operations	21,2	14,3	+48%	
Net income from discontinued operations	15,8	(0,8)	n/a	Positive impact from the capital gain on the disposal of the biomass business
Net income of the consolidated group	37,0	13,5	x2,7	
Net income Group share	36,0	12,4	x2,9	Net income Group share almost tripled thanks to the improvement in current operating income and to the capital gain on the sale of the biomass business

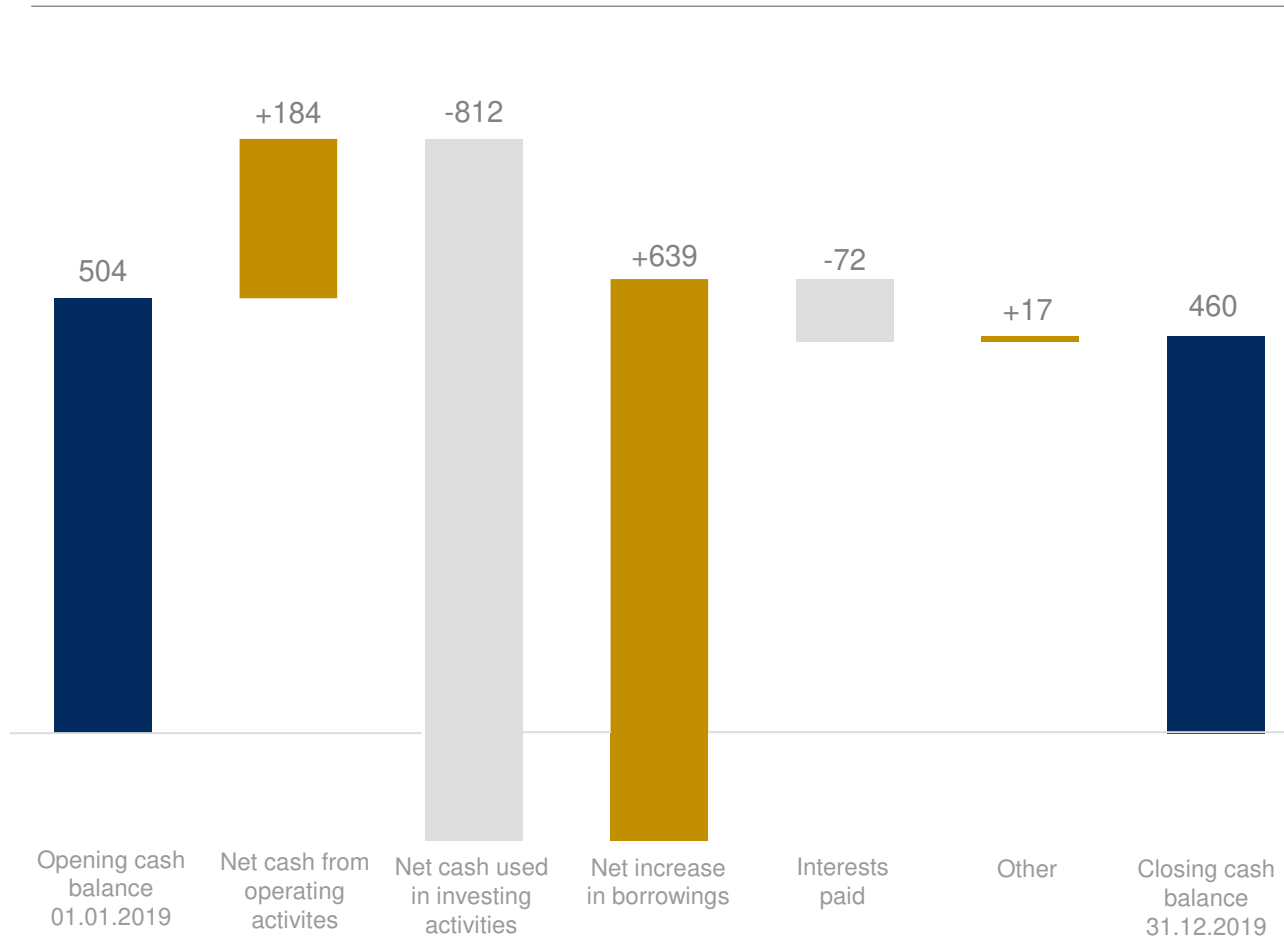
From theoretical tax rate to effective tax rate in 2019



(1) The other items mainly include 1.8% for tax losses not giving rise to the recognition of deferred tax assets, 1.2% of intragroup dividend and disposal adjustments, 1.2% of other permanent differences and 1.0% for differences in tax rates and changes in rates

Cash flow reflecting delivery of Neoen's investment plan

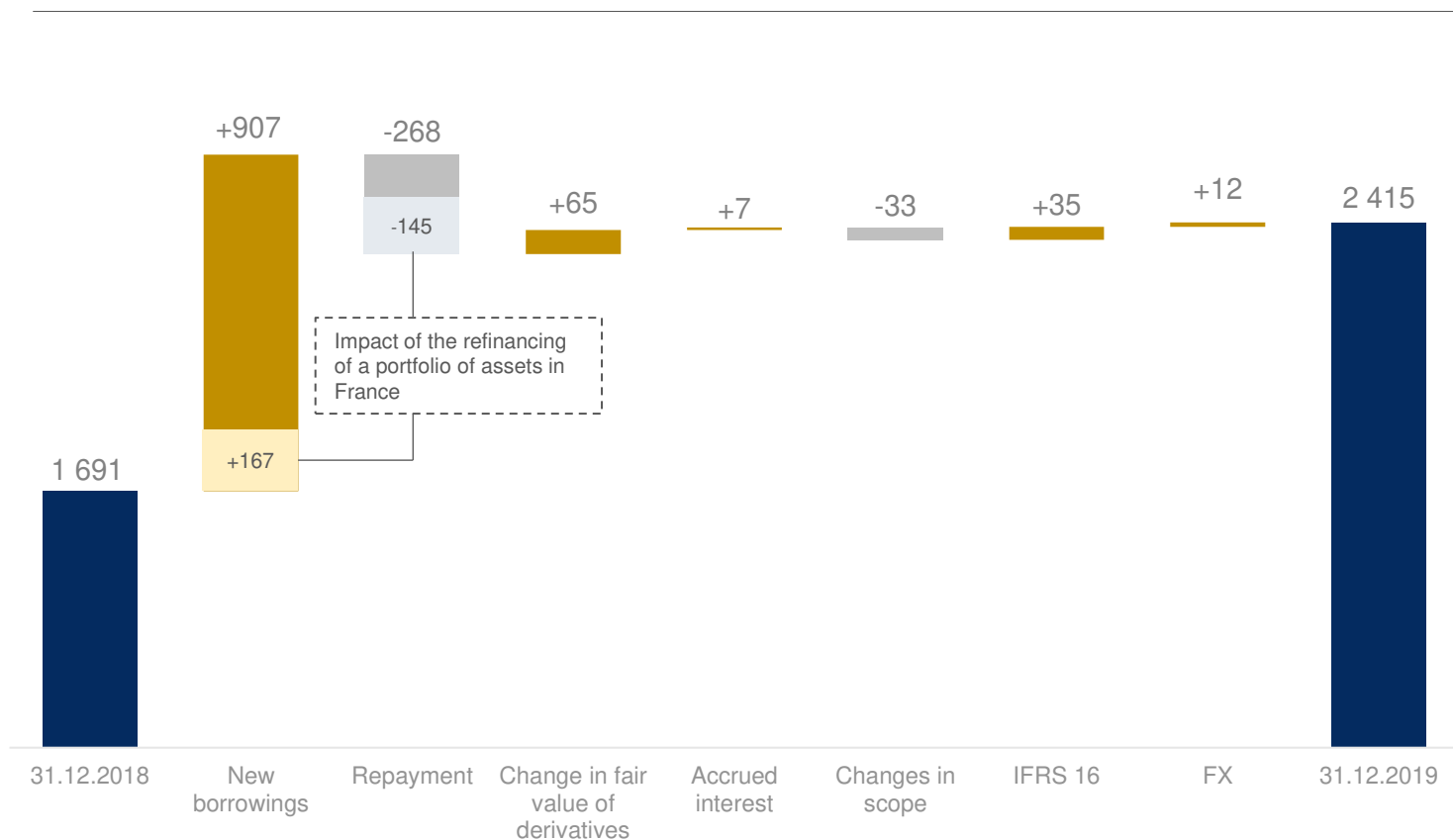
Change in total cash balance (M€)



- **Net cash flows from operating activities** amounted to 184 M€ up 28 M€ y-o-y
 - Increase in EBITDA (+50 M€ y-o-y)
 - Negative change in WC (-38 M€ y-o-y) mainly reflecting the increase in VAT credits on assets under constructions (Argentina and Mexico)
- **Net cash flows from investing activities** reached -812 M€, up -280 M€ largely driven by investments in new projects
 - In Australia: Bulgana and Numurkah
 - In Americas: El Llano, Altiplano, Paradise Park and Capella
 - In Europe: Hedet, Mutkalampi, Les Hauts Chemins, Irish acquisition
- **Net cash flows from financing activities** reached 582 M€ reflecting
 - Increase in borrowings
 - Growth in net interest paid with the ramp up in net debt
 - Net impact of the refinancing of a portfolio of French assets

Gross debt increasing with the construction of new assets

Change in gross debt (M€)

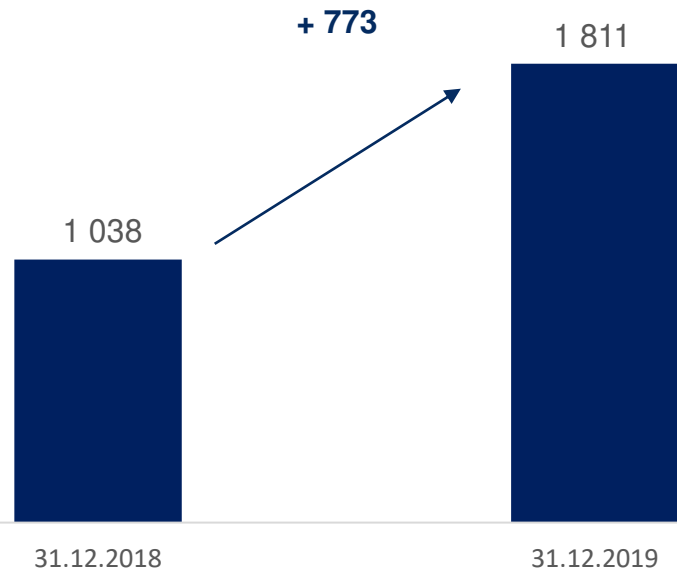


- **Net Increase in borrowings of 639 M€**
 - Additional project financing raised with the construction of new assets
 - Issuance of a 200 M€ convertible bond (180 M€ recognized as debt)
 - Net impact of the refinancing of a 104 MW portfolio of wind and solar assets in France
- **Change in fair value of derivatives** derived from decrease in market interest rates in 2019
- **Changes in scope (33) M€:** disposal of the biomass business more than offsetting the acquisition of Irish wind farms
- **Average cost of project finance debt: 3,7%** (vs 4,2% at end-2018) due to low interest rates environment and two refinancing operations
- **Average Group cost of debt: 4,2%** (vs 4,6% at-end 2018) due to lower cost of project finance debt and the issue of a convertible bond at a nominal rate of 1,875%⁽¹⁾

(1) The effective interest rate of the debt component of this convertible bond stands at 4.27%

Net debt increasing in line with growth in new assets

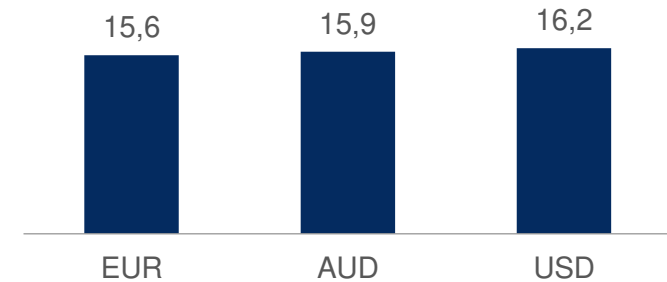
Net debt (M€)



2019 leverage: 8.4x

>90% non-recourse debt, with long tenor

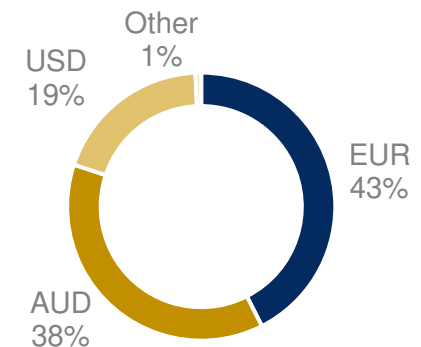
Average residual tenor of project finance debt⁽¹⁾



15,8 years

Weighted average residual tenor⁽²⁾⁽³⁾


Gross debt by currency⁽²⁾



(1) Senior debt (excluding junior debt)

(2) Excluding lease liabilities and minority interests. As of December 31, 2019

(3) For all the Group's projects in operation as of December 31, 2019



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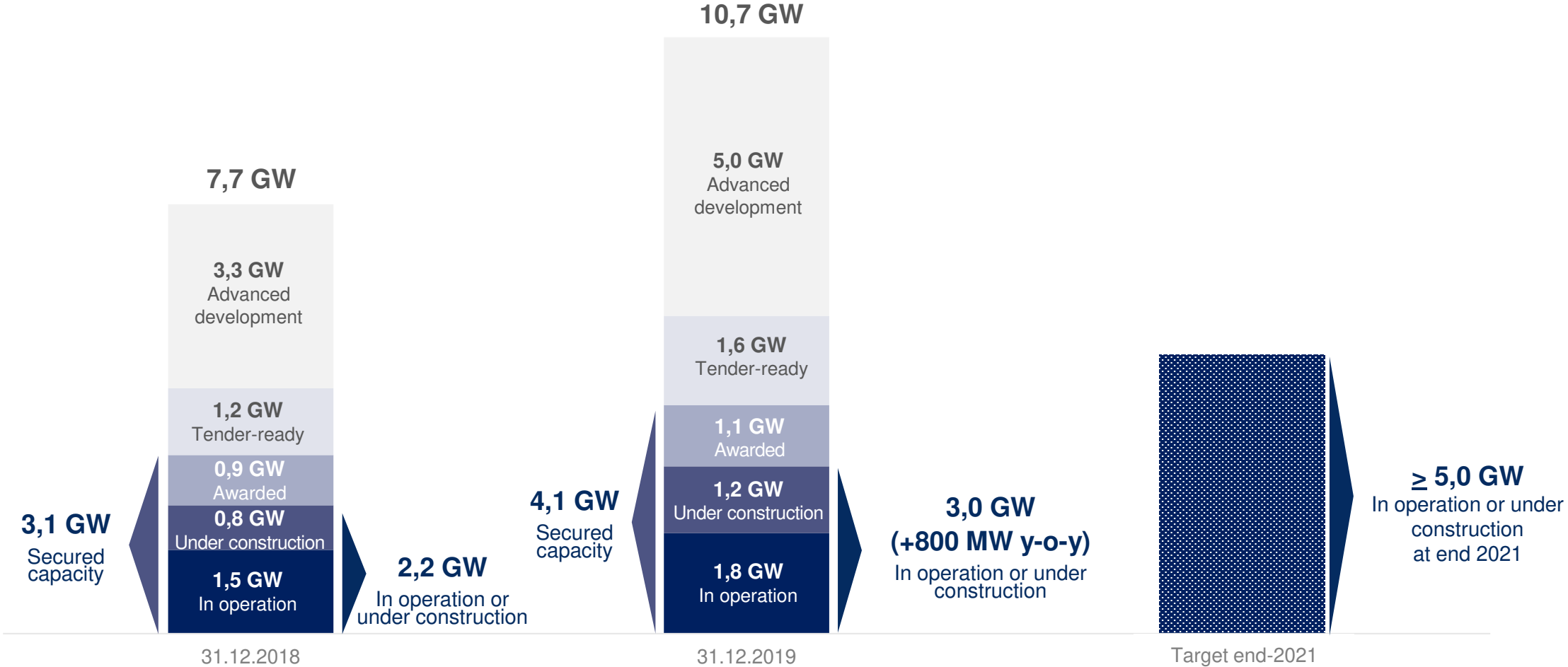
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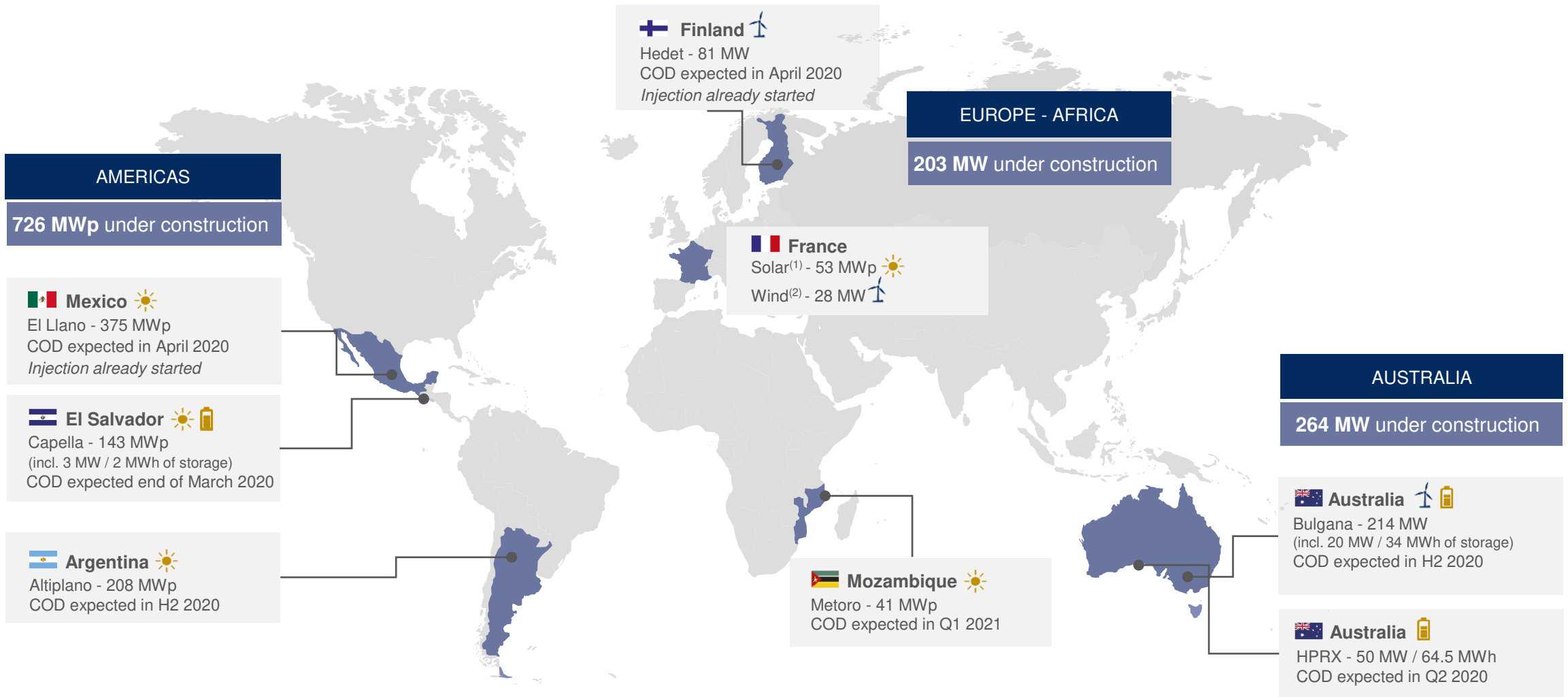
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A constantly expanding pipeline, in line with our 2021 target

A total portfolio capacity up 3 GW year-on-year



1,2 GW under construction across our three geographies




Notes: Capacity under construction at 31 December 2019. Current best estimate of the timetable for commissioning of assets under construction given the expansion of covid-19 outbreak

(1) Mer (15 MWp), Vermenton (14 MWp), Azur Sud (5 MWp), Saint-Eloy (5 MWp), Fossat (5 MWp), Bregues d'Or (2 MWp), Antugnac (7 MWp)

(2) Viersat (18 MW), La Garenne (10 MW)

Neoen expands storage integration capacity



DeGrussa 2015
Hybrid solar + storage power plant 



6 MW / 1,4 MWh **SAMSUNG**




Hornsdale Power Reserve 2017
Largest lithium-ion battery worldwide 



100 MW / 129 MWh **TESLA**



Azur storage 2018
Grid battery storage facility 



6 MW / 6 MWh **Nidec**




Albireo Power Reserve 2020 – First
storage power plant in Central America 



3 MW / 2 MWh **Nidec**



Hornsdale Expansion (HPRX)
Should be commissioned in Q2 2020 



50 MW / 64,5 MWh **TESLA**



Bulgana
Should be commissioned in H2 2020 



20 MW / 34 MWh **TESLA**



2 projects won in Q1 2020
as part of the RTE tender 



13 MW (6 MW + 7 MW)

2020 guidance

2020

€ EBITDA

Between 270 M€ and 300 M€
at constant exchange rates⁽¹⁾

EBITDA margin of around 80%

- This forecast takes into account
 - Current **best estimate of the timetable for commissioning of assets under construction** given the expansion of covid-19 outbreak
 - The **current level of market prices** impacting early generation revenue anticipated and electricity sales not covered by long-term contracts (<14% of revenue in 2019)

(1) At constant exchange rates compared to 2019

Outlook for 2021 and 2022

2021 & 2022

 Capacity

More than 5.0 GW of capacity under construction or in operation by the end of **2021**,
with a **lower proportion of assets in operation** than previously expected

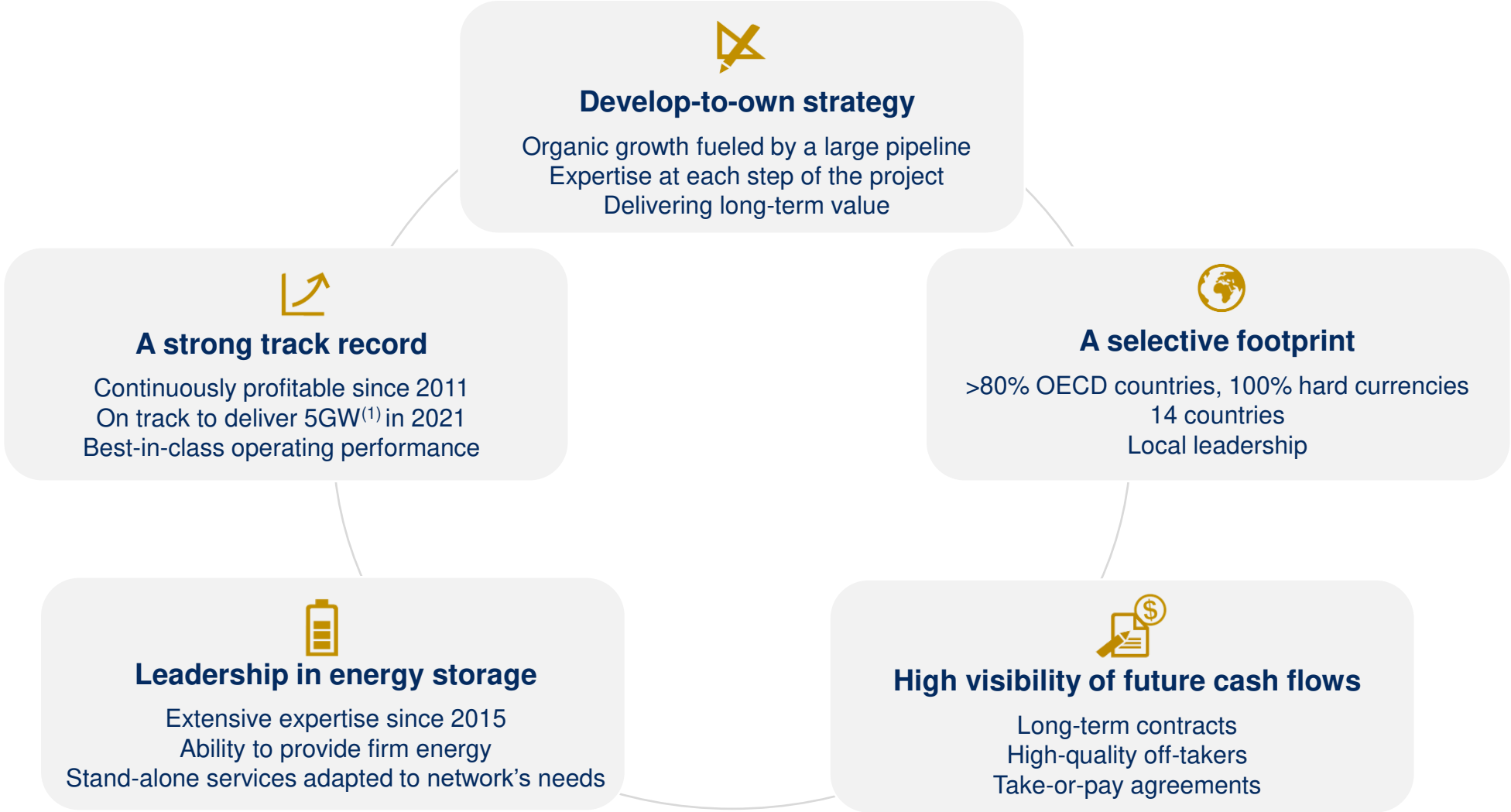
Fully operational by end of 2022

 EBITDA


Above 400 M€ at constant exchange rates⁽¹⁾ **in 2022**
vs close to 400 M€ in 2021 initially anticipated

(1) At constant exchange rates compared to 2019

A high growth company with a robust business model



(1) In operation or under construction



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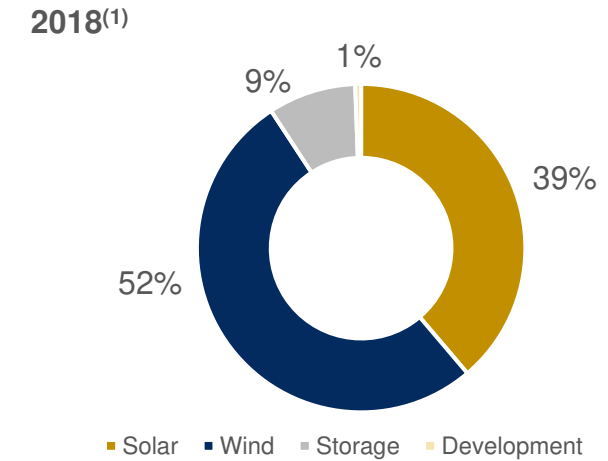
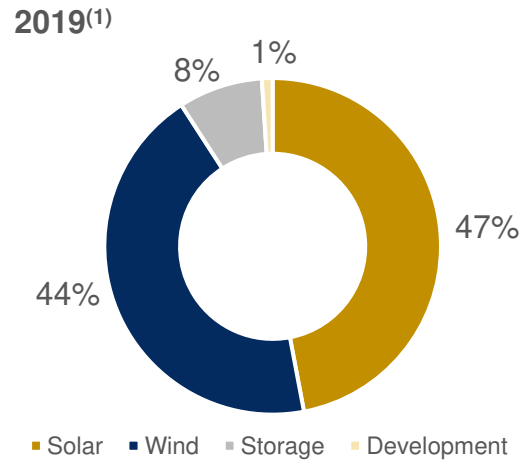
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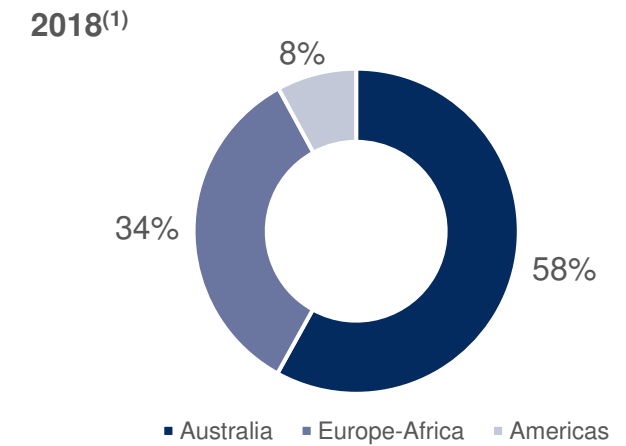
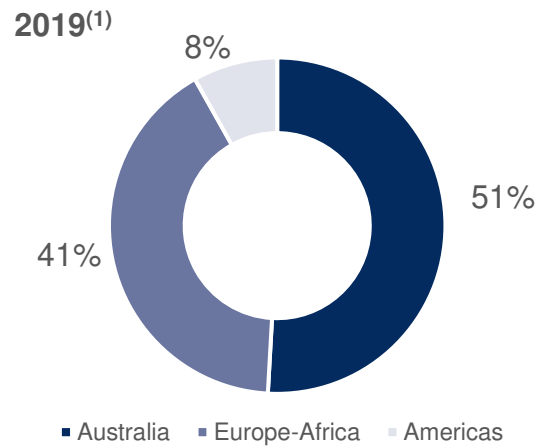
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Revenue by technology and geography

Revenue by technology



Revenue by geography



(1) Revenue excluding the biomass business sold in September 2019

Profit & loss – strong increase in revenue and EBITDA

<i>In millions of euros</i>	2019	2018 restated
Contracted energy revenue	214,7	173,9
Uncontracted energy revenue	32,7	27,8
Other income	5,9	5,3
Revenue	253,2	207,0
Purchase of goods and change in inventories	(0,7)	(0,4)
External charges and payroll expenses	(59,1)	(46,2)
Duties, taxes and similar payments	(5,4)	(4,6)
Share of net income of associates	0,7	0,8
Other current operating income and expenses	27,6	10,0
EBITDA	216,1	166,5

Balance sheet

<i>In millions of euros</i>	31.12.2019	31.12.2018
Goodwill	0,7	-
Intangible assets	183,3	121,7
Tangible assets	2 387,3	1 702,7
Investments in associates and joint ventures	6,9	6,7
Non-current derivative financial instruments	2,0	5,8
Financial assets	125,2	106,0
Deferred tax assets	55,6	39,1
Total non-current assets	2 761,0	1 982,0
Inventories	0,7	0,3
Trade accounts receivable	52,2	33,8
Other current assets	111,2	48,9
Cash and cash equivalent	460,5	503,8
Total current assets	624,7	586,9
Total assets	3 385,7	2 568,9

<i>In millions of euros</i>	31.12.2019	31.12.2018
Equity attributable to owners of the Company	661,0	645,1
Non-controlling interests	19,5	10,1
Total equity	680,5	655,3
Non-current provisions	13,8	10,6
Project financing - non-current	1 979,8	1 511,8
Corporate financing - non-current	190,6	13,9
Derivative financial instruments - non-current	83,8	33,3
Other liabilities – non current	34,1	-
Deferred tax liabilities	49,6	37,8
Total non-current liabilities	2 351,7	1 607,3
Project financing - current	144,8	122,5
Corporate financing - current	4,0	2,2
Derivative financial instruments - current	11,6	7,1
Trade accounts payable	126,3	136,5
Other current liabilities	66,8	37,9
Total current liabilities	353,5	306,3
Total equity and liabilities	3 385,7	2 568,9

Cash-flow statement

	2019	2018
<i>In millions of euros</i>		
Net income for the year	37,0	13,5
Elim. depreciation. amortisation and provisions	83,8	63,5
Elim. cost of net financial debt	79,0	65,6
Other non-cash income and expenses	39,6	22,4
Impact of changes in working capital	(44,5)	(6,0)
Taxes paid (received)	(10,4)	(2,7)
Net cash flow from operating activities	184,5	156,5
Acquisitions / (disposals) of subsidiaries, net of cash acquired / (disposed)	(25,9)	(18,0)
Acquisitions (disposals) of tangible and intangible assets	(763,9)	(483,5)
Change in financial assets	(23,2)	(31,4)
Dividends and investments grants received	0,8	0,8
Net cash flows used in investment activities	(812,3)	(532,1)
Capital increase	18,6	439,6
Proceeds (repayments) from borrowings	639,1	251,6
Interest paid	(72,0)	(62,6)
Dividends paid	(4,1)	(3,8)
Net cash flows from financing activities	581,6	624,8
Impact of foreign exchange rate fluctuation	2,8	(5,1)
Change in cash	(43,3)	244,1
Opening cash balance	503,8	259,7
Closing cash balance	460,5	503,8
Net cash flow as shown in the balance sheet	(43,3)	244,1

Capacity commissioned in 2018

Project	Technology	Capacity (MW)	Country	COD Date
Les Champs d'Amour	Wind	9	France	February 2018
Griffith	Solar	36	Australia	March 2018
Parkes	Solar	66	Australia	March 2018
Pays Chaumontais	Wind	14	France	May 2018
Dubbo	Solar	29	Australia	June 2018
Le Chassepain	Wind	20	France	July 2018
Lagarde d'Apt	Solar	7	France	October 2018
Coleambally	Solar	189	Australia	November 2018
Lugos	Solar	12	France	December 2018
Bram	Solar	5	France	December 2018
Cap Découverte 4bis	Solar	5	France	December 2018
		Total capacity: 391 MW		

Capacity added in 2019

Project	Technology	Capacity (MW)	Country	COD Date
Azur Est	Solar	9	France	March 2019
Corbas 3 & 4	Solar	8	France	March 2019
Bangweulu	Solar	54	Zambia	April 2019
Azur Stockage	Storage	6	France	May 2019
Corbas 1 & 2	Solar	8	France	May 2019
Auxois Sud 2	Wind	16	France	June 2019
Numurkah	Solar	128	Australia	August 2019
Irish wind farms ⁽¹⁾	Wind	53	Ireland	August 2019
Les Hauts Chemins	Wind	14	France	August 2019
Miremont	Solar	10	France	October 2019
Saint-Avit	Solar	11	France	October 2019
Paradise Park	Solar	51	Jamaïca	November 2019
		Total capacity: 369 MW		

(1) Acquired in August 2019 rates

Total portfolio capacity

<i>In MW</i>	31.12.2019	31.12.2018	Change
Assets in operation ⁽¹⁾	1 847	1 478	+369
Assets under construction	1 193	764	+429
<i>Subtotal, assets in operation or under construction⁽¹⁾</i>	3 040	2 241	+799
Projects awarded	1 082	899	+183
Total Secured capacity	4 122	3 141	+981
Tender ready projects	1 563	1 203	+360
Advanced development projects	4 966	3 321	+1 645
Total Advanced pipeline capacity	6 529	4 525	+2 004
Total Portfolio capacity	10 651	7 665	+2 986
Early stage projects	>4 GW	>4 GW	

A total portfolio capacity of 10,7 GW, up 3 GW compared to end-2018

(1) Restated for the biomass business sold in September

Secured portfolio

<i>In MW</i>	31.12.2019	31.12.2018	Change
MW in operation ⁽¹⁾	1 847	1 478	+369
Europe-Africa	813	624	+189
Australia	881	753	+128
Americas	152	101	+51
MW under construction	1 193	764	+429
Europe-Africa	203	227	-24
Australia	264	342	-78
Americas	726	195	+531
MW awarded	1 082	899	+183
Total Secured portfolio	4 122	3 141	+981

(1) Restated for the biomass business sold in September

Financial agenda and contact information

Next events

- 15.05.2020: Q1 2020 revenue and operational data
- 28.07.2020: H1 2020 revenue and operational data
- 23.09.2020: H1 2020 results
- 09.11.2020: 9M 2020 revenue and operational data

Investor relations

- communication@neoen.com



Thank you for listening



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