



**PROFIT AND LOSS REPORT  
FIRST QUARTER 2017  
January - March**



Red Pacto Mundial España  
WE SUPPORT



## Table of Contents

---

- **Executive Summary**
- **Key Figures**
- **Business Evolution**
- **Consolidated Income Statement**
- **Consolidated Balance Sheet**
- **Stock Exchange Information**
- **Companies of the Group**
- **Significant Events within the Period**
- **Legal Disclaimer**

## Executive Summary

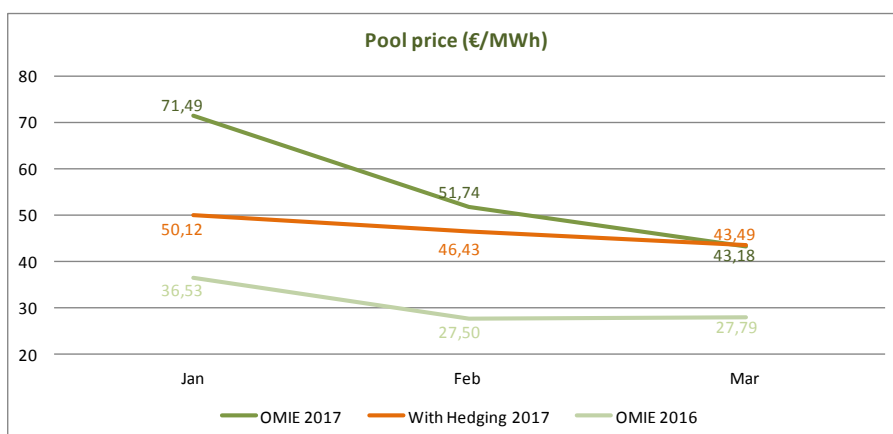
- Fersa ended the first quarter year 2017 with a profit of EUR 589 thousands, in contrast to the loss of EUR 983 thousands for the same period of the previous year, due to, mainly to a higher sale price of energy in the Spanish market (POOL).
- Specific remuneration of Fersa's facilities in Spain is higher than the previous regulatory half-period as a result of the updating of those parameters of the electric energy production facilities from renewable sources for the regulatory semi-period from 2017 to 2019 published by the Ministry of Energy, Tourism and Digital Agenda through Order ETU / 130/2017.
- The higher market price of energy in this first quarter increased revenues by 25% and EBITDA by 38%, once the effect of contracted price hedges has been impacted.
- On January 30, 2017, Fersa renewed the corporate debt agreement for EUR 4.6 million, extending the maturity date until January 31, 2018.

## Fersa in figures

Consolidated income statement	1Q2017	1Q2016	Var. (%)
Operating income	8,747	7,025	25
Operating expenses	-3,141	-2,972	6
<b>EBITDA</b>	<b>5,606</b>	<b>4,053</b>	<b>38</b>
<b>EBIT</b>	<b>2,656</b>	<b>1,027</b>	<b>n.a.</b>
<b>Financial profit / loss</b>	<b>-1,919</b>	<b>-2,124</b>	<b>-10</b>
<b>Net profit/loss attributable to the Parent Company</b>	<b>589</b>	<b>-983</b>	<b>n.a.</b>

EUR thousands

*Fersa ended the first quarter year 2017 with a profit of EUR 589 thousands. The higher market price in this first quarter in Spain increased revenues by 25% and EBITDA by 38% over the previous year.*



## Key Figures

- As at March 2017, the installed capacity breakdown by country is as follows:

Installed capacity (MW)	1H2017	%	1H2016	%
<b>Spain</b>	<b>139</b>	75%	<b>139</b>	75%
<b>France</b>	<b>12</b>	7%	<b>12</b>	7%
<b>Poland</b>	<b>34</b>	18%	<b>34</b>	18%
<b>Total</b>	<b>185</b>	100%	<b>185</b>	100%

- As at March 2017, the production breakdown by country is as follows:

GWh Production	1Q2017	%	1Q2016	%	% Var.
<b>Spain</b>	<b>76.2</b>	72%	<b>73.1</b>	71%	4%
<b>France</b>	<b>8.7</b>	9%	<b>7.4</b>	8%	17%
<b>Poland</b>	<b>20.4</b>	19%	<b>21.8</b>	21%	-6%
<b>Total</b>	<b>105.3</b>	100%	<b>102.3</b>	100%	3%

*The 3% increase in production in 2017 compared to the previous year is mainly due to larger wind resource in southern Spain wind farms and also to and improved use of it by enhancing the performance of the plants. Moreover, the good performance of the French wind farm that increased its production by 17% compared with the first quarter year 2016.*

**Key Figures**

- The Fersa’s portfolio breakdown by country as at March 2017 is as follows:

MW	Operating	Under development	Total portfolio	%
Spain	139	50	189	51%
France	12	0	12	3%
Poland	34	34	68	19%
Panama *	0	99	99	27%
<b>TOTAL</b>	<b>185</b>	<b>183</b>	<b>368</b>	<b>100%</b>

\* Attributable capacity (30% of 330 MW)



Hinojal



Postolin

## Business Evolution

---

### SPAIN

- Fersa currently owns 139 MW in operation in Spain, distributed in 138 MW wind power and 1 MW photovoltaic.
- It has a pipeline of 50 MW that plans to develop if market conditions are in line with the business model.



Mudéfer



Hinojal



Gestora Fotovoltaica

## Business Evolution

---

### FRANCE

- Fersa currently operates 12 MW wind farm in France.

### POLAND

- Fersa owns 34 MW wind farm in Poland (Postolin), which was commissioned on 15<sup>th</sup> December 2015; and with Warblewo wind farm (34 MW) that it is under development phase.



*Pedregoso*



*Postolin*

### PANAMA

- Fersa holds a 30% stake in Parque Eólico Toabré, S.A., owner of two wind farms under development (Toabré and Antón) with a total of 330 MW with definitive license in Panama (99 MW attributable). In January 2014, the “Empresa Estatal de Transmisión Eléctrica, S.A.” awarded a contract to sell energy for 15 years to the Toabré project for 66 MW.

## Consolidated Income Statement

Consolidated Profit and Loss	1Q2017	1Q2016	Var. (%)
Net turnover	8,658	6,940	25
Other income	89	85	5
<b>Operating income</b>	<b>8,747</b>	<b>7,025</b>	<b>25</b>
Operating expenses	-3,141	-2,972	6
<b>EBITDA</b>	<b>5,606</b>	<b>4,053</b>	<b>38</b>
Amortisation, depreciation and impairment	-3,020	-3,221	-6
Impairment and profit/loss from disposal of fixed assets	70	195	-64
<b>EBIT</b>	<b>2,656</b>	<b>1,027</b>	<b>n.a.</b>
Financial income	30	5	n.a.
Financial expenses	-1,977	-2,226	-11
Exchange differences	28	97	-71
<b>Financial profit/loss</b>	<b>-1,919</b>	<b>-2,124</b>	<b>-10</b>
Share in the profit/loss of associated companies	-41	-12	n.a.
<b>Profit/loss before tax</b>	<b>696</b>	<b>-1,109</b>	<b>n.a.</b>
Corporate Income Tax	-40	79	n.a.
<b>Consolidated profit/loss for the year</b>	<b>656</b>	<b>-1,030</b>	<b>n.a.</b>
Profit/loss attributed to minority interests	-67	47	n.a.
<b>Net profit/loss attributed to the Parent Company</b>	<b>589</b>	<b>-983</b>	<b>n.a.</b>

EUR thousands

### Analysis of the Results

- The Net turnover, including the effect of the price hedging contracts, has amounted to EUR 8,658 thousands, which implies an increase of 32% compared to the same period of 2016 (EUR 6,940 thousands), primarily due to higher price of the energy market (pool) in Spain in this first quarter.
- Operating expenses, without taking into consideration the effect of the 7% tax increase in electricity generation and other items affected by higher turnover, decrease due to the company's costs containment policy.
- Financial expenses have decreased by 11% compared to the same period of the previous year, due to the lower financial burden on wind farms project finance loans.
- Fersa ends the first quarter year 2017 with a Net Profit Attributable to the Parent Company amounting to EUR 589 thousands, against loss of EUR 983 thousands for the same period of the previous year.



## Consolidated Balance Sheet

ASSETS	mar-17	dic-16	var.'17-'16	var. (%)
Property, plant and equipment	171,308	172,478	-1,170	-0.7
Goodwill	1,494	1,494	0	n.a.
Other intangible assets	32,151	32,673	-522	-1.6
Non-current financial assets	5,682	5,704	-22	-0.4
Investments as per equity accounting	7,358	7,442	-84	-1.1
Deferred tax assets	5,515	5,847	-332	-5.7
<b>Non-current assets</b>	<b>223,508</b>	<b>225,638</b>	<b>-2,130</b>	<b>-0.9</b>
Trade and other receivables	6,241	5,892	349	5.9
Other current financial assets	3,797	3,636	161	4.4
Other current assets	450	115	335	n.a.
Cash and cash equivalents	12,298	15,668	-3,370	-21.5
<b>Current assets</b>	<b>22,786</b>	<b>25,311</b>	<b>-2,525</b>	<b>-10.0</b>
<b>Total Assets</b>	<b>246,294</b>	<b>250,949</b>	<b>-4,655</b>	<b>-1.9</b>
LIABILITIES AND NET EQUITY	mar-17	dic-16	var.'17-'16	var. (%)
Capital	98,003	98,003	0	n.a.
Other reserves	-11,131	20,476	-31,607	n.a.
Profit/loss for the year	589	-31,608	32,197	n.a.
Translation differences	-6,068	-6,099	31	-0.5
Hedging	-9,126	-10,115	989	-9.8
Minority interests	615	502	113	22.5
<b>Net Equity</b>	<b>72,882</b>	<b>71,159</b>	<b>1,723</b>	<b>2.4</b>
Bank loans	114,485	117,87	-3,385	-2.9
Other non-current liabilities	33,290	34,213	-923	-2.7
<b>Non-current liabilities</b>	<b>147,775</b>	<b>152,083</b>	<b>-4,308</b>	<b>-2.8</b>
Bank loans	17,272	18,554	-1,282	-6.9
Trade and other payables	7,378	8,001	-623	-7.8
Other current financial liabilities	332	488	-156	-32.0
Other current liabilities	655	664	-9	-1.4
<b>Current liabilities</b>	<b>25,637</b>	<b>27,707</b>	<b>-2,070</b>	<b>-7.5</b>
<b>Total Liabilities</b>	<b>246,294</b>	<b>250,949</b>	<b>-4,655</b>	<b>-1.9</b>

EUR thousands

*The consolidated balance sheet for the first quarter year 2017 shows a decrease in the “Bank loans” and “Cash and cash equivalents” accounts, mainly due to the repayments of the project finance loans related to the operating projects during the period.*

## Consolidated Balance Sheet

### Net Financial Debt

- As at 31 March 2017 the net financial debt amounts to EUR 129 millions and corresponds almost entirely to financing of investments in property, plant and equipment of the wind farms (“Project Finance” modality), with a maturity period between 12 and 15 years. The principal of the bank loans of Fersa (corporate debt) as at 31 March 2017 amounts to EUR 4.6 millions.
- This debt implies a financial leverage of 63.9% as shown in the table below.

Net Financial Debt	Mar-17	Dec-17	Var.	%
Bank loans	131,757	136,424	-4,667	-3.4%
Other liabilities (derivatives)	13,142	14,604	-1,462	-10.0%
Cash and other current financial assets	-16,095	-19,304	3,209	-16.6%
<b>Net Financial Debt</b>	<b>128,805</b>	<b>131,724</b>	<b>-2,920</b>	<b>-2.2%</b>
<b>Leverage*</b>	<b>63.9%</b>	<b>64.9%</b>		

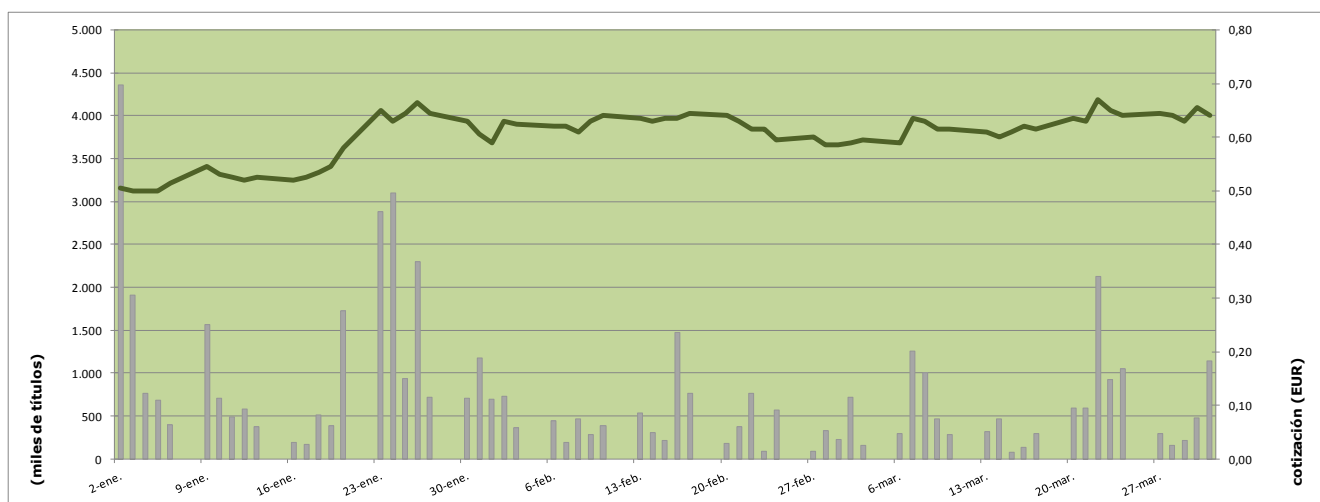
EUR thousands

\* Leverage = Net Financial Debt / (Net Financial Debt + Net Equity)



## Stock Exchange Information

Stock Exchange Data	1Q2017	Units
Number of shares admitted to trading	140,003,778	Num.
Share price at the beginning of the period (2 Jan. 2017)	0.505	€ / share
Share price at the end of the period (31 Mar. 2017)	0.640	€ / share
Maximum trading price	0.670	€ / share
Minimum trading price	0.500	€ / share
Trading price fluctuation during the period	26.73%	%
Capitalisation at the end of the period	89,602,418	€
Number of traded shares (from 2 Jan. to 31 Mar.)	49,209,150	Num.
Effective volume (from 2 Jan. to 31 Mar.)	29,531,993	€
Daily volume of traded shares (average)	757,064	Num.
Effective daily volume (average)	454,338	€



*Audax Energía, S.A. owns 70.86% of the shares of Audax Renovables, S.A. after the acquisition completed in August 2016 at the price of EUR 0.50 per share.*

## Companies of the Group

---

Company	Holding direct + indirect
Eólica El Pedregoso, S.L	80%
Eólica Del Pino, S.L	80%
Parc Eòlic Mudefer, S.L.	100%
Parque Eólico Hinojal , S.L	100%
Gestora Fotovoltaica de Castellón, S.L. (and subsidiaries)	76%
Fercom Eólica, S.L.	100%
Fersa Asesoramiento y Gestión, S.L.	100%
Parc Eòlic Coll De Som, S.L.	100%
Explotación Eólica La Pedrera S.L.	100%
Castellwind 03 S.L	60%
Entreyeltes 1, S.L.	51%
Berta Energies Renovables, S.L.	26%
Ferrolterra Renovables, S.L.	37%
Fersa-Aventalia, S.L.	80%
Eoliennes de Beausemblant, SAS	80%
Eólica Postolin Sp. z o.o.	100%
Eólica Warblewo Sp. z o.o.	65%
Eólica Cieplowody Sp. z o.o.	100%
Parque Eólico Toabré, S.A. (formerly Fersa Panamá, S.A.)	30%
A.I.E. Subestación y Línea 2004	30%
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	16%
Aprofitament d'Energies Renovables de L'Ebre S.L.	15%

---



## Significant Events within the Period

---

### SE: Company

Date	# Registration	Description
30/01/2017	247635	The Company announces the conclusion of a modificatory and non-extinctive novation of the Financing Agreement signed on 31 January 2012. The Novation fundamentally consists in extending the maturity date of said agreement till 31 January 2018 for the overdue amount of EUR 4.6 million.

### SE: Economic Reports

Date	# Registration	Description
21/02/2017	248338	The Company submits the information on the profit and loss for the second half year 2016.
21/02/2017	248339	The Company issues the Press Release on profit and loss for the year 2016.
21/02/2017	248340	The Company submits the Consolidated Profit and Loss Statement for the second half year 2016.
21/02/2017	248342	The Company submits the Annual Corporate Governance Report for the year 2016.
23/02/2017	248486	The Company submits the Annual Report on directors' remuneration for the year 2016.

**Legal Disclaimer:** This presentation has been drawn up by FERSA ENERGÍAS RENOVABLES, S.A. ("FERSA" or the "Company") for the purpose of issuing this Profit and Loss Report. This document is not a brochure nor is it an offer to purchase, sell or subscribe or a request for an offer to purchase, sell or subscribe to the FERSA's shares. This presentation must not be indirectly or directly published, announced, publicly communicated or distributed in the United States of America, Canada, Japan or Australia, or any other jurisdiction where distribution of this information is legally restricted.

Any statements included in this presentation that does not reflect historic information, including, *inter alia*, statements about the Company's financial situation, commercial strategy, management or business plans, targets or future transactions and clients, are future estimates. These future estimates imply and involve risks, uncertainties and other known or unknown factors that could mean that the results, business evolution or profits and losses of the Company or of the sector may be significantly different to those specified in or obtained from such future estimates. These future estimates are based on numerous presumptions about the present and future commercial strategy of the Company and the business environment in which the Company expects to operate in the future. The future estimates are only related to the date of this presentation and the Company expressly states that it does not accept any obligation or commitment to update or keep up to date the information included in this document nor to make any changes to the expectations or events, conditions or circumstances on which the future estimates are based. The market information used in this presentation which is not stated to have been obtained from a specific source, is an estimate made by the Company and has not been independently verified.

Certain financial and statistical information included in this document has been subject to adjustments by rounding. Therefore, any discrepancy between the total amounts and the sum to which such amounts or total value refer is due to such rounding. Some of the financial management figures included in this document have not been audited. In addition, some figures contained in this document are proforma figures that have not been audited either.



Red Pacto Mundial España  
WE SUPPORT