

Energy and Environment: the Strength of a Group

KINEXIA Company Presentation

GREEN INVESTOR DAY
Milan, 9th May 2013





1. Overview



2. Core Business



3. Financials FY2012

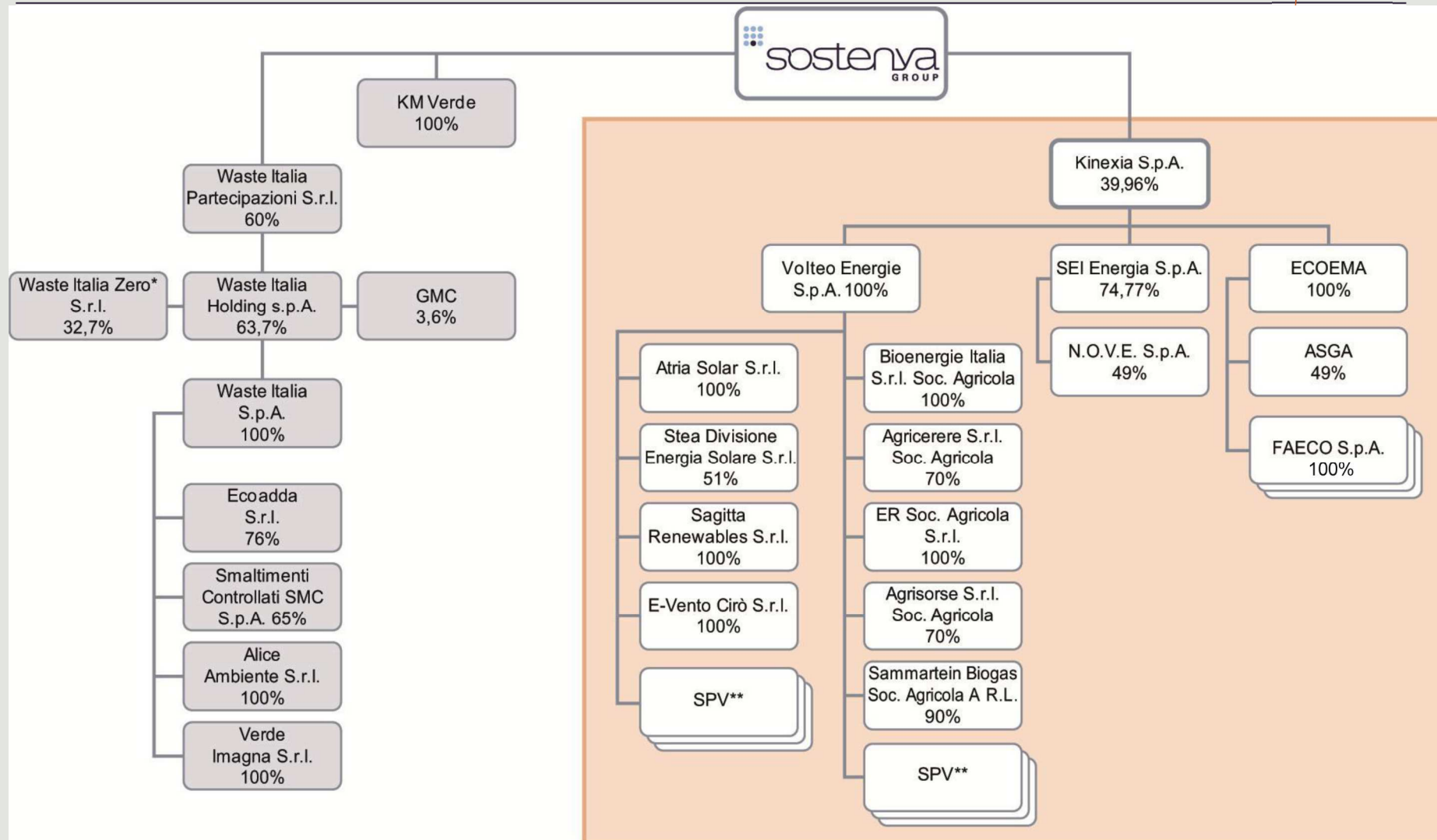


4. Business Plan 2013 - 2015



5. Investment Opportunities

OVERVIEW: COMPANY ORGANISATION



*Private Equity Synergo SGR Fund

**Special Purpose Vehicle, each company dedicated to the construction and management of a single plant in the environmental, photovoltaic, bioenergy and wind power sectors.



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CORE BUSINESS

CORE BUSINESS: SOSTENYA GROUP

A diversified Group in the Renewable Energy and Environmental Sectors

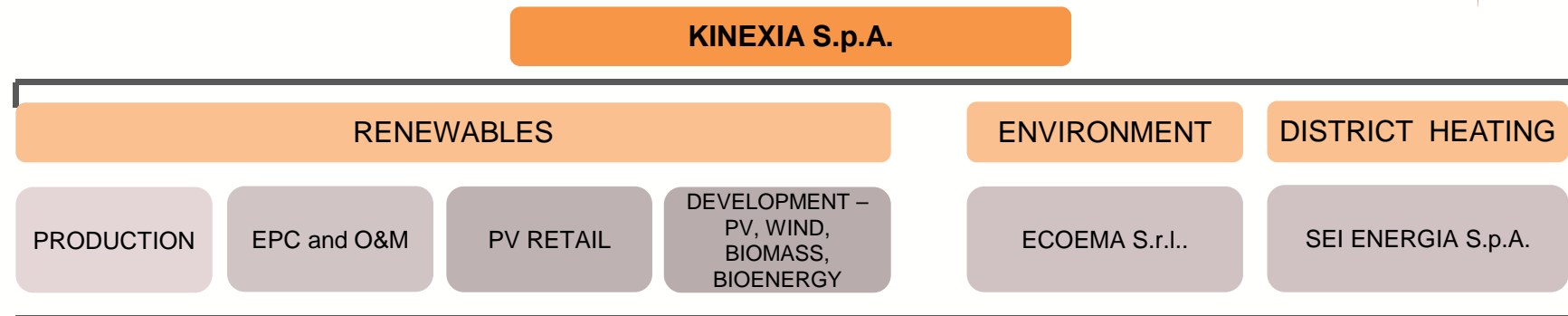


Strong expertise in the renewables and 30 years in waste and environmental businesses

2012 FIGURES (mn€)	2012
VALUE OF PRODUCTION	145
EBITDA	41
PRE - TAX RESULTS	4*

* Before goodwill amortisations and depreciations

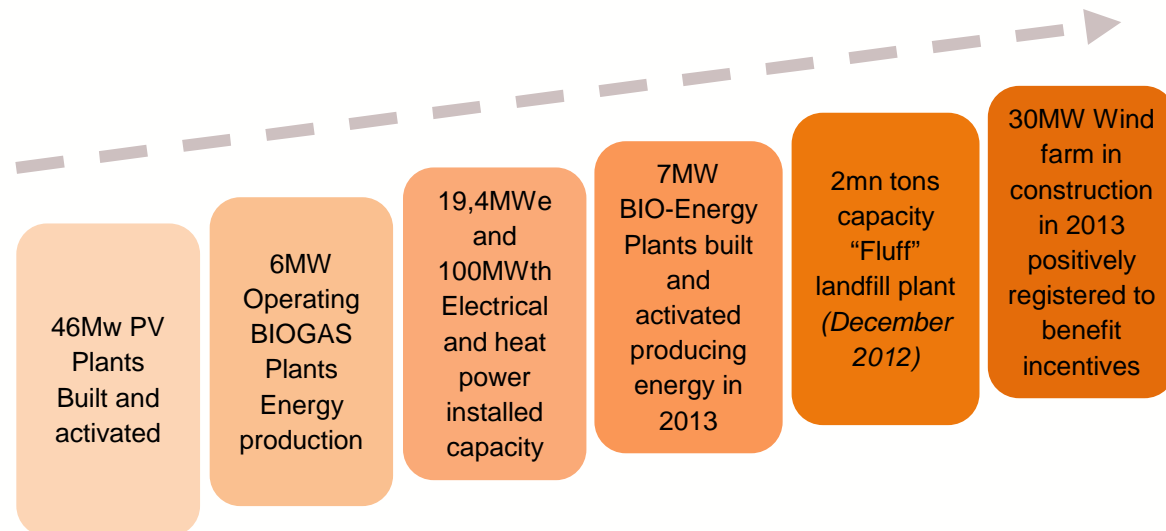
CORE BUSINESS



Achievements

Kinexia is a holding company operating in the renewable energy and environmental sector.

Kinexia fosters the development of technological solutions integrating the production of energy from renewable sources and environmental services.





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2011 FINANCIALS

	2011	2010	Change
Value of Production	89.0	97.9	-9%
EBITDA	15.6	9.9	+57%
Pre – Tax Results*	5.8	3.9	+49%
Net Profit*	3.2	2.6	+23%.
Net Profit	(2.8)	0.6	n.m.
Net Financial Debt	(56.1)	(96.6)	+42%
Net Invested Capital	112,7	150,2	-25%

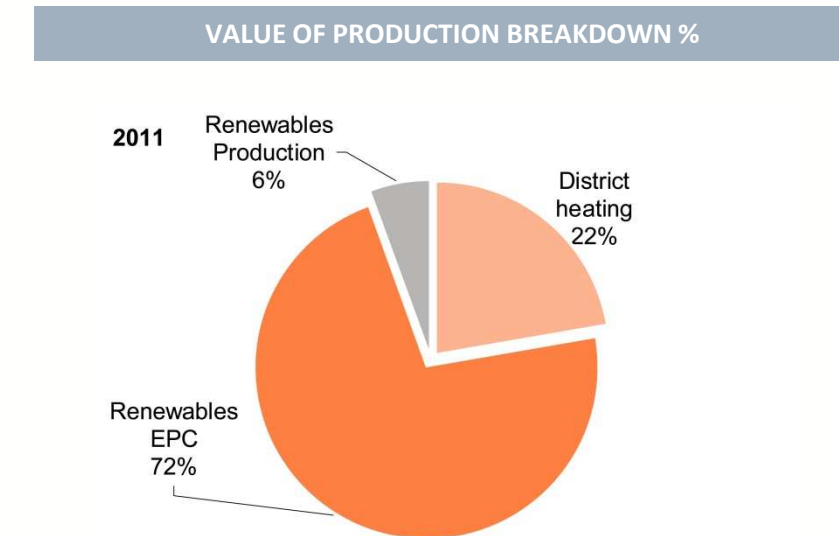
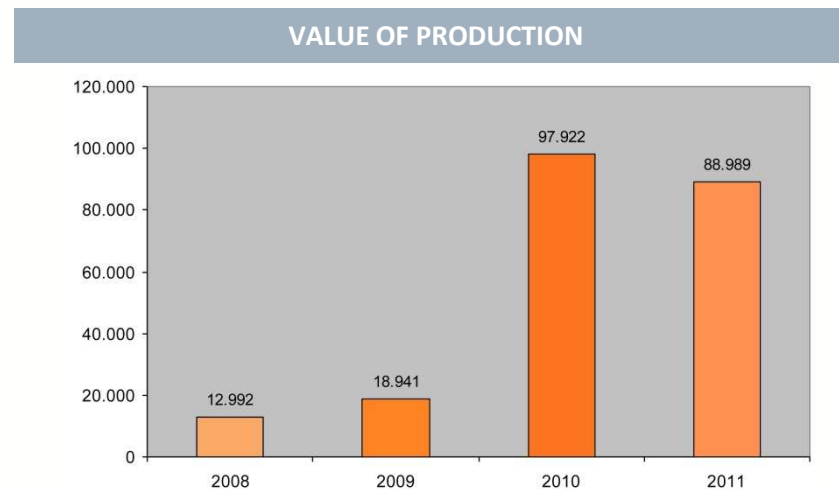
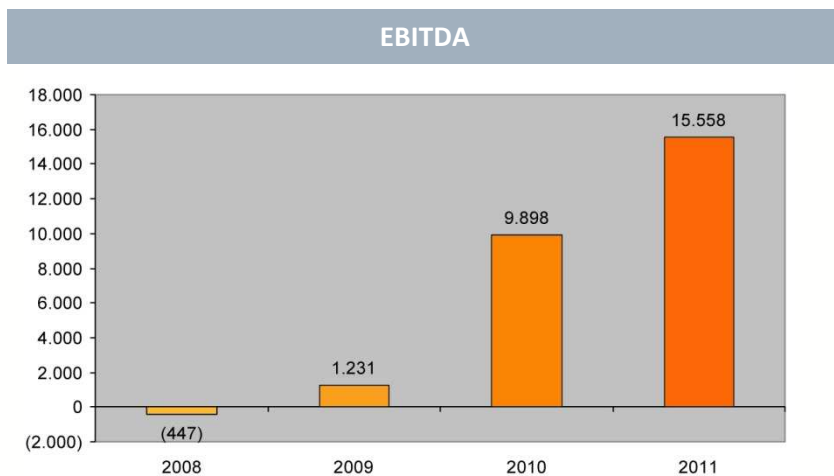
* Net of non-recurring €6mn depreciations

Headline driven by constructions in renewables

Double digit growth in 2011 EBITDA: +57% vs 2010; After 20 years...

shareholders dividend of € 0.04 per share (48% pay out ratio)

Reduction of 2011 NFP at €56mn (€97 mn end 2010)



2012 FINANCIALS

	2012	2011	Change
Value of Production	62.2	89.0	-30%
EBITDA	8.8	15.6	-43%
Net Profit	0.7	(2.8)	>100%
Net Financial Debt	(65.6)	(56.1)	-17%
Net Invested Capital	120.6	112.7	7%

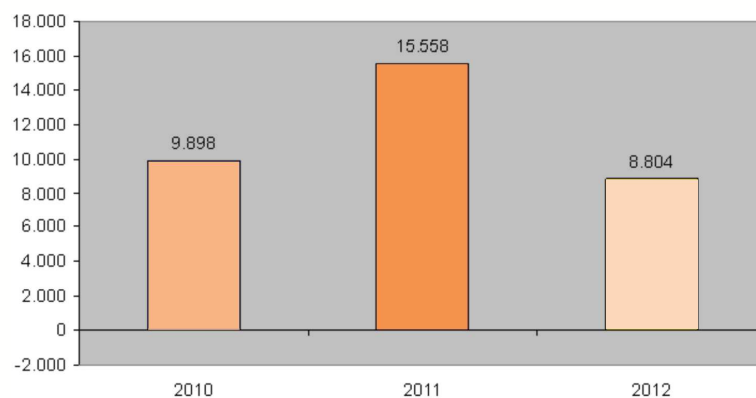
Decrease of renewable construction sector due to Italian regulation uncertainties in the period as well as the worsening of the general macroeconomic and credit conditions, partially offset by a continuous improvement of district heating business.

Net profit at €0.7mn benefits the sale of 15MWp PV plants to Antin.

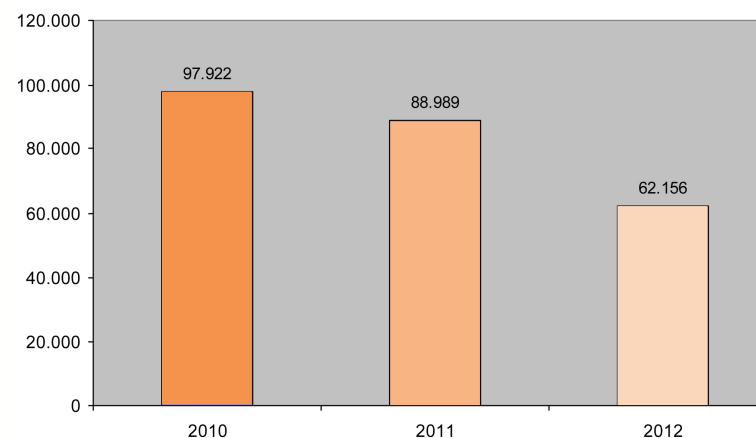
Focus in the environmental sector as stated in the new BP 2013-2015: Kinexia acquired in December 2012 Faeco S.p.A. for €26.2mn (Car fluff and special waste landfill) of which €10.8mn payables in 2013-2017.

Debt increase mainly due to new built *in-house* 7MW biogas plants *project financing* and Faeco acquisition partially offset by the 'Antin deal' benefits.

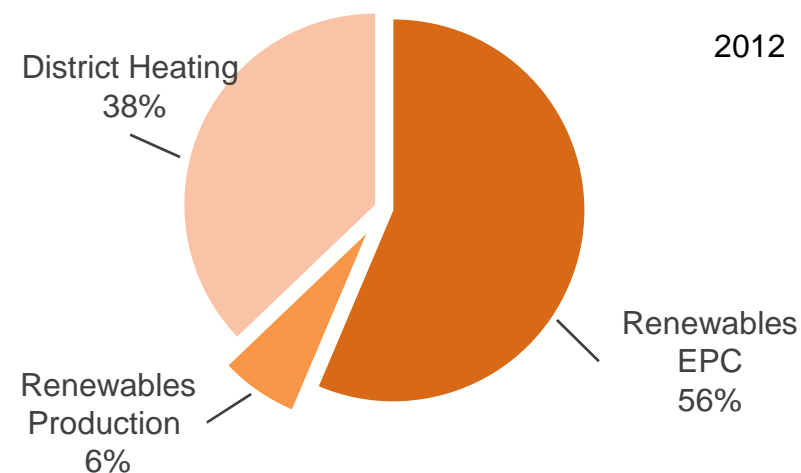
EBITDA



VALUE OF PRODUCTION



VALUE OF PRODUCTION BREAKDOWN %





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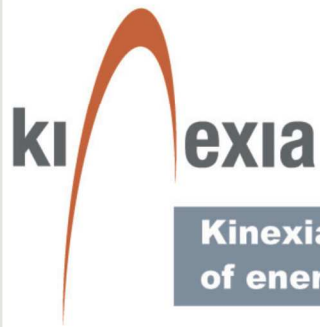


5. Investment Opportunities

Confirmation of current Kinexia businesses

Focus on environment

Internationalization



- Agro-energy
- District heating
- Wind / Small wind energy
- Energy efficiency
- Photovoltaic in building integration





- Production of energy from anaerobic digestion of waste
- Valorization of energy from non-conventional fuels
- Plants for disposal and treatment of asbestos also deriving from PV installations
- Material recovery



- Development of the business throughout Middle & Far East and EMEA
- Strategic Joint Venture for realizing integrated solutions both in the energy and in the environmental field

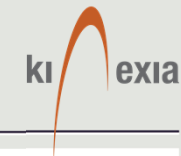
Kinexia fosters the development of technological solutions integrating the production of energy from renewable sources and the environmental services.

BUSINESS PLAN 2013-2015: POSITIONING AND AREAS OF BUSINESS

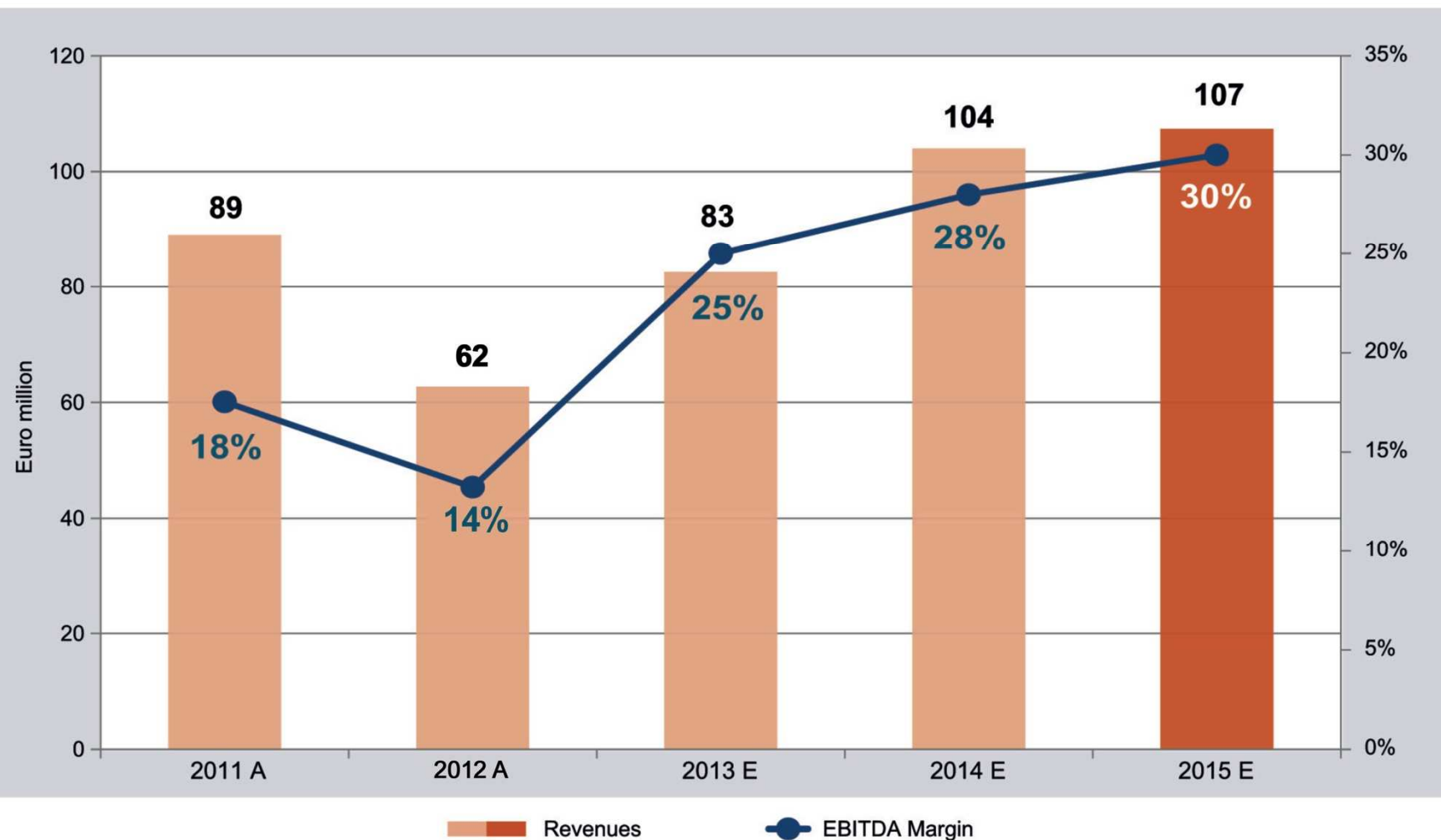
		Wind Solar Small Wind Small Hydro	Biogas			Cogeneration	Energy Efficiency	Fluff	Asbestos
			From waste	From agriculture and animal livestock waste	Anaerobic digestion/ OFMSW *				
RENEWABLE ENERGIES	Technology Production								
	Project Planning and General Contracting	✓	✓	✓	✓	✓	✓	✓	✓
	Production of EE and heat	✓	✓	✓	✓	✓	✓		
	Maintenance and management	✓	✓	✓	✓	✓	✓	✓	✓
ENVIRONMENT	Collection								
	Selection			✓				✓	
	Treatment			✓				✓	✓
	Recovery and Valorization		✓	✓	✓			✓	
	Disposal			✓	✓			✓	✓

* Organic Fraction of Municipal Solid Waste

BUSINESS PLAN 2013-2015: REVENUES AND EBITDA TARGET

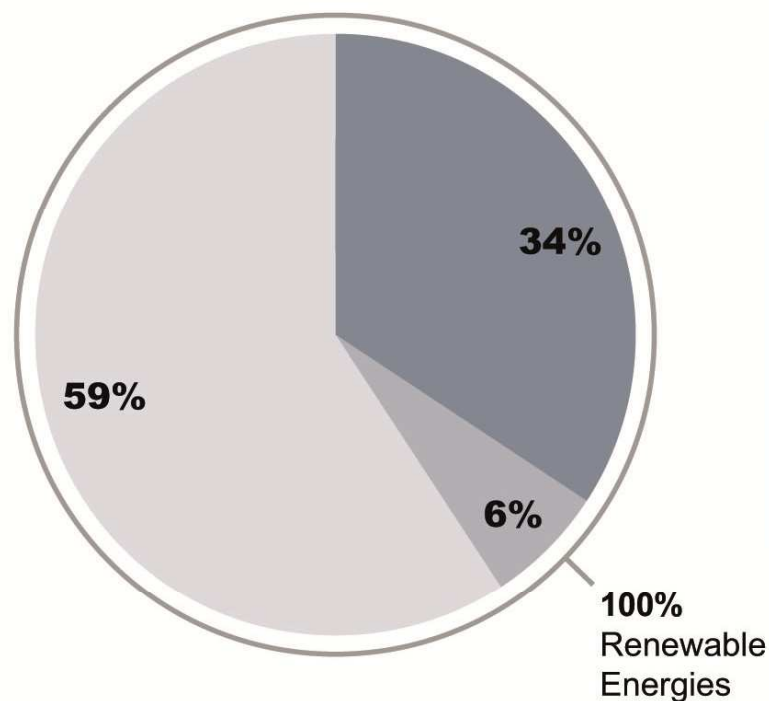


Value of production and income margins



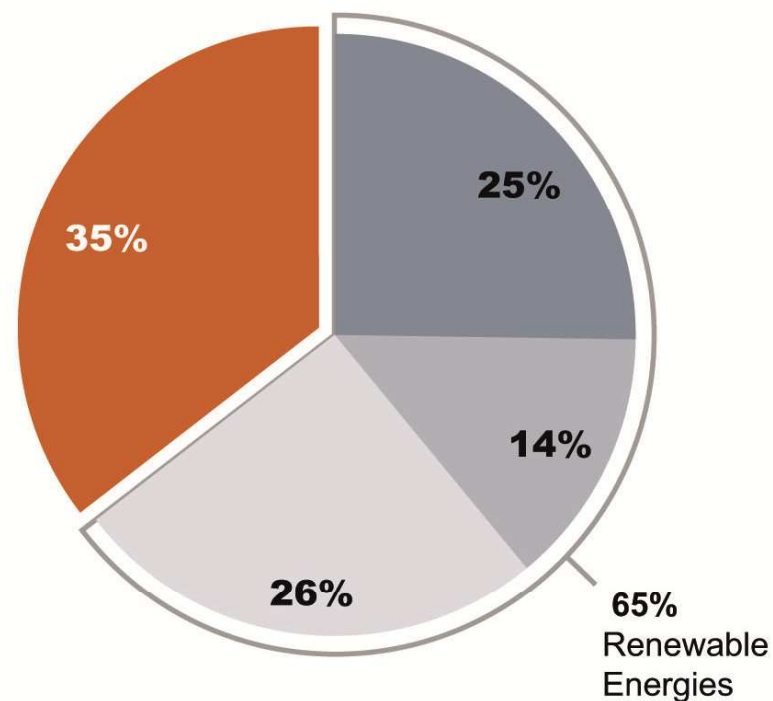
BUSINESS PLAN 2013-2015: BREAKDOWN OF REVENUES TARGET

2012 Income Breakdown F



100% Renewable Energies

2015 Income Breakdown E



**65% Renewable Energies
35% Environment**

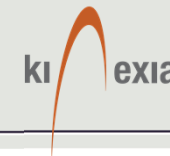
Sector-based actions



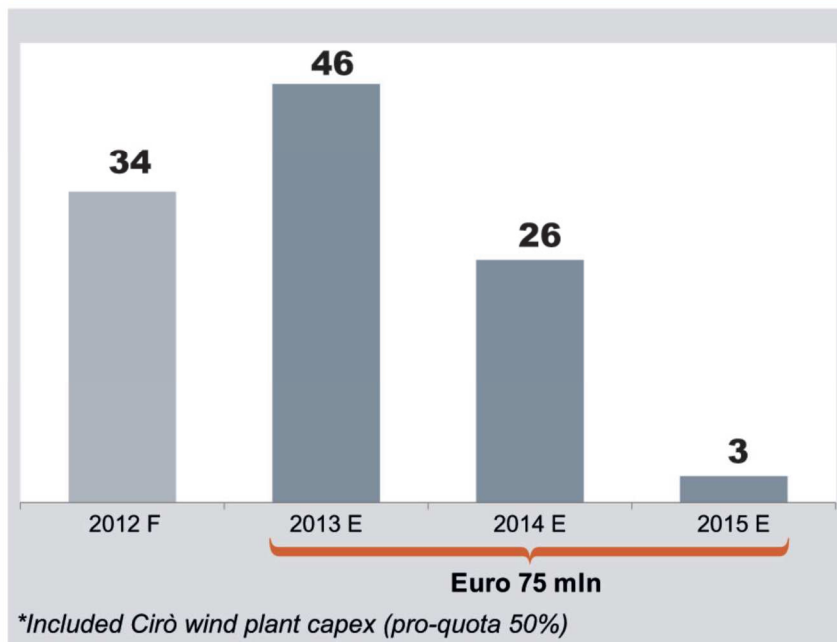
BUSINESS PLAN 2013 – 2015: ACTION PLAN - THE MAIN INDUSTRIAL TARGETS

		2012 F	2013 E	2014 E	2015 E
Renewable energies	Bioenergy	Bioenergy: 7 plants of 1 MW each (active since 2013)			
	PV	45 MW built to third parties. PV roof modules			
	Wind energy		30 MW plant (operating since 2014)		
	Co-generation	19 MWe and 100MWth SEI ENERGIA plants already active			
ENVIROMENT	Biogas	6 operating biogas plants from landfill totaling 6MW (ex Bioelektro)			
	Fluff/Special Waste		Landfill acquisition for the disposal of 190.000 ton/year of special waste + 90.000 ton/year of waste with a high specific gravity	Construction of a 100.000 ton/year Fluff treatment plant	
	Asbestos			Landfill acquisition for the disposal of 120.000 tons per year	
	Municipal Organic Waste		Construction of a 45.000 ton/year OFMSW treatment plant		

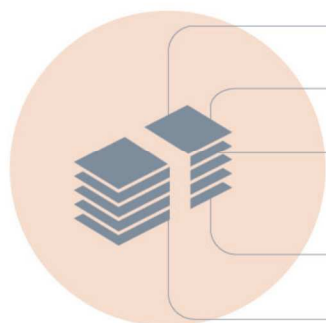
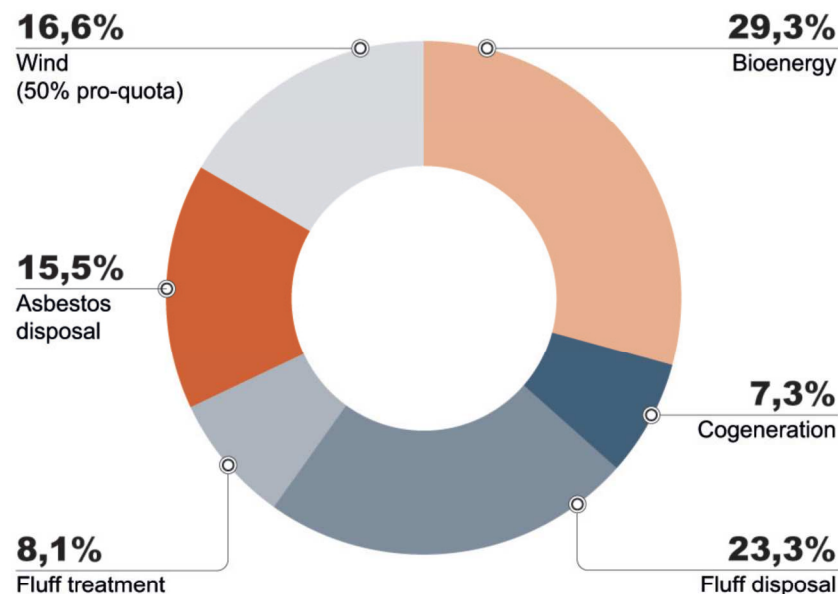
BUSINESS PLAN 2013 – 2015: ACTION PLAN - INVESTMENT PLAN AND FINANCIAL TARGETS



2012-2015 Capital expenditure (apx €109 mln*)



Capex breakdown (apx 109 mln*)



- € 75 million of investments planned during the business plan period (about € 109 million including 2012)
- Investments planned: apx 60% in 2013
- Investments in the renewable energies sector equal to apx 53% of the total investements during the period 2012-2015 (vs apx 47% of investements in the enviromental sector)
- Target 2015: PFN/EBTDA ~ 2,2x
- Target 2015: D/E ~ 1,1x



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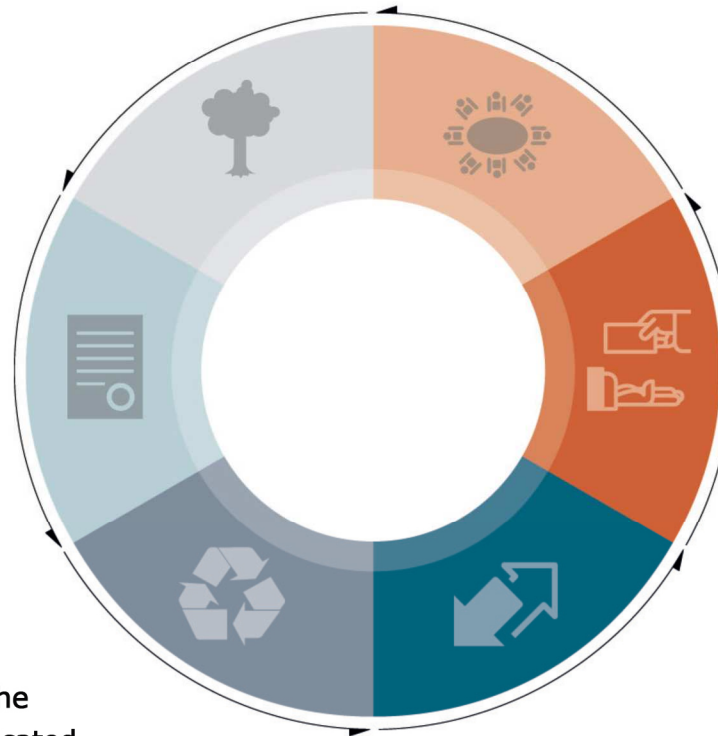
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INVESTMENT OPPORTUNITIES: INVESTMENT HIGHLIGHTS

Development plan
sustainability
and high consensus
worldwide in the Green
economy sector

Potential Kinexia
share market value
upside as consequence
of the development
plan

Higher Profit margins thanks to the
start-up of the business unit dedicated
to the waste management,
the business plan and the incremental
production generated by the renewable
energy power plants



A highly experienced
management team

Dividend yield
expected
over 6%

Exporting our long
experience in the production
of green energy
and waste management
to the developing Countries

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