M&A Advisory

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OVERVIEW OF THE 2017 FRENCH TENDER RESULTS

Photovoltaic solar calls for tender in Metropolitan France and Non Interconnected Zones (NIZ)

Year 2017

March 8, 2018

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GOING BACK ON THE 2017 CALLS FOR TENDER

2017 was a particularly dynamic year for the French solar sector. Following the pace of the CRE tenders, the French photovoltaic market experiences a significant growth and benefits from a stable and favorable regulatory framework.

In 2017, Finergreen pursued its analytical work of tender results so as to provide a better visibility to the actors of the sector. **All in all, results of 8 sessions of calls for tender were examined closely and published during the year.**

In what follows, we're going back on the main results of these calls for tender, and **propose a screening of the Top 10 prize-winners identified,** along with a breakdown by tender category.

OVERVIEW OF THE 2017 CALLS FOR TENDER

Mach 2017

CRE 4.1 ground mounted
- ✓ **Type:** Ground mounted & shadehouses
- ✓ **Jurisdiction:** Metropolitan
- ✓ **Allocated Volume:** 535 MWp
- ✓ **Average tariff:** € 70.6/MWh

Self-consumption 2016
1st Tranche
- ✓ **Type:** Self-consumption
- ✓ **Jurisdiction:** Metropolitan
- ✓ **Allocated Volume:** 20 MWp
- ✓ **Average premium:** € 19.4/MWh

June 2017

CRE 4.1 rooftops
- ✓ **Type:** Rooftops
- ✓ **Jurisdiction:** Metropolitan
- ✓ **Allocated Volume:** 150 MWp
- ✓ **Average tariff:** € 106.7/MWh

July 2017

CRE 4.2 ground mounted
- ✓ **Type:** Ground mounted & shadehouses
- ✓ **Jurisdiction:** Metropolitan
- ✓ **Allocated Volume:** 508 MWp
- ✓ **Average tariff:** € 63.9/MWh

August 2017

Self-consumption NIZ
- ✓ **Type:** Self-consumption
- ✓ **Jurisdiction:** NIZ
- ✓ **Allocated Volume:** 12 MWp
- ✓ **Average premium:** € 24.2/MWh

Storage NIZ
- ✓ **Type:** Plants with storage
- ✓ **Jurisdiction:** NIZ
- ✓ **Allocated Volume:** 63 MWp
- ✓ **Average tariff:** € 113.6/MWh

September 2017

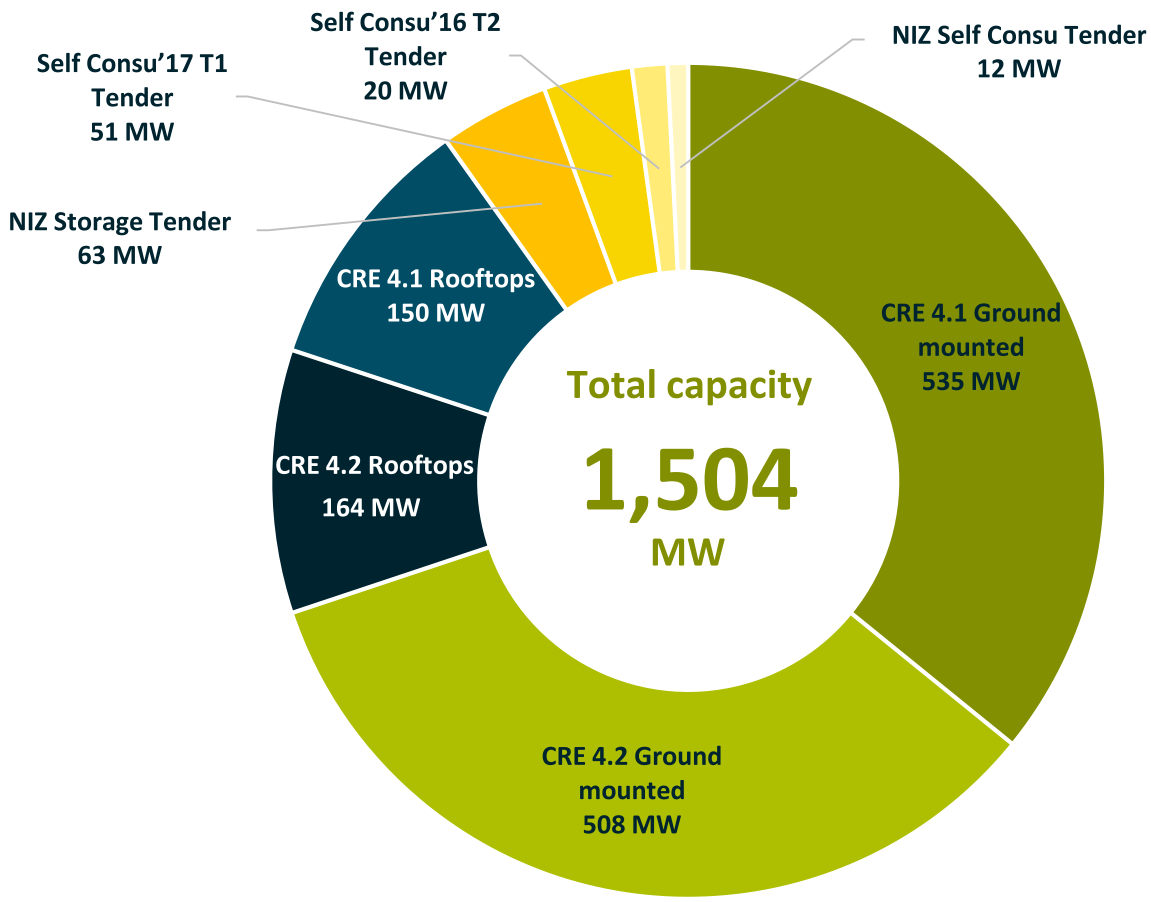
CRE 4.2 rooftops
- ✓ **Type:** Rooftops
- ✓ **Jurisdiction:** Metropolitan
- ✓ **Allocated Volume:** 164 MWp
- ✓ **Average tariff:** € 93.4/MWh

December 2017

Self-consumption 2017
2nd Tranche
- ✓ **Type:** Self-consumption
- ✓ **Jurisdiction:** Metropolitan
- ✓ **Allocated Volume:** 51 MWp
- ✓ **Average premium:** € 7.9/MWh

Going back on the 2017 calls for tender

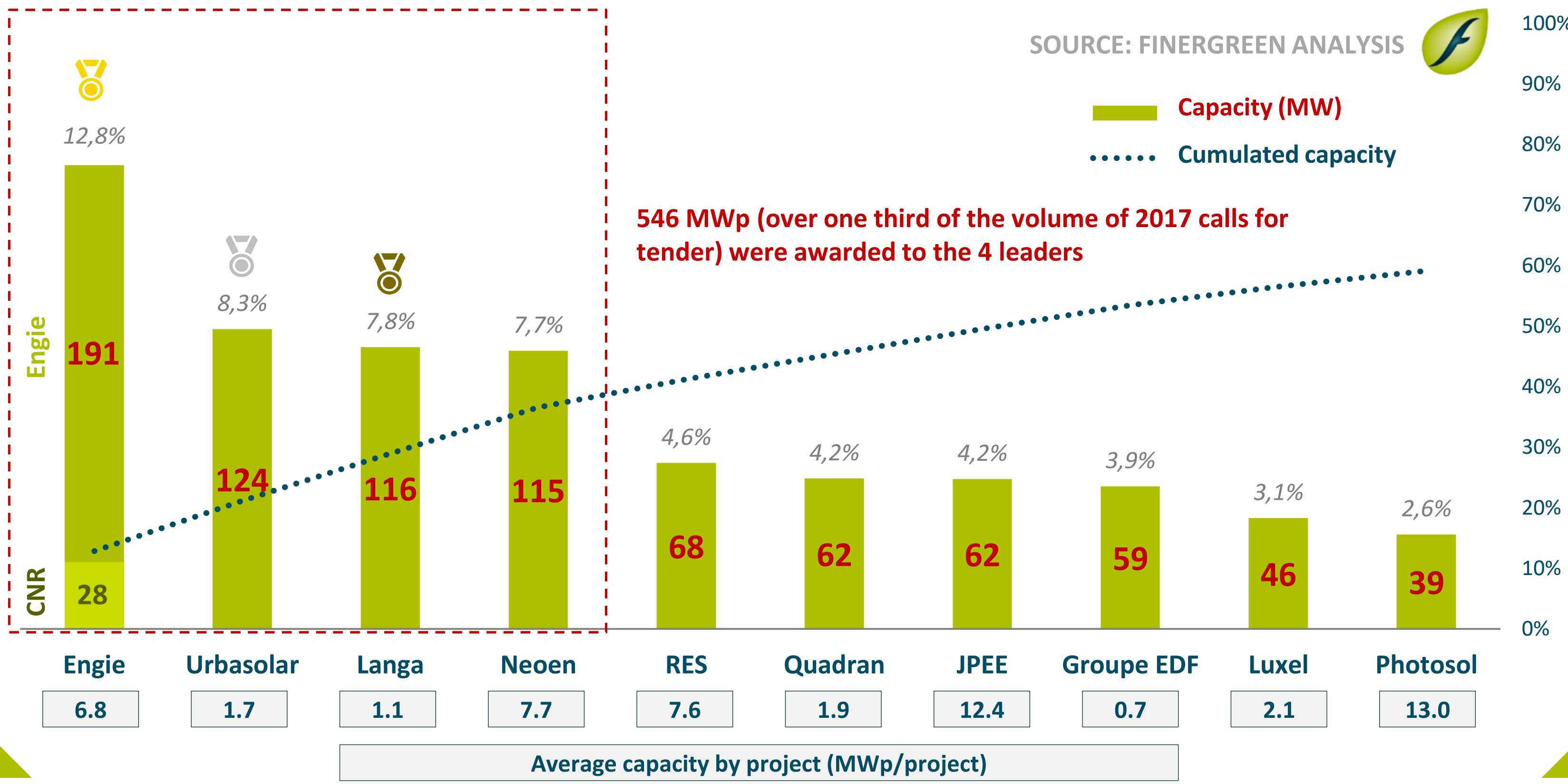
About 70% of the capacity awarded in the 2017 tenders were granted during the “CRE 4 ground mounted” tenders (high capacity plants, both ground mounted and on shadehouses), i.e. 1,042 MW. This partly explains the excellent results over the year of actors who chose to focus mainly on the segment of ground mounted power plants.



Overview of 2017 tender results

Leading the 2017 tenders, the Engie Group gathers a total of 191 MWp through its 2 subsidiaries Solairedirect & La Compagnie du Vent (Engie Green), and its participation in CNR. This capacity was mostly obtained during ground mounted sessions.

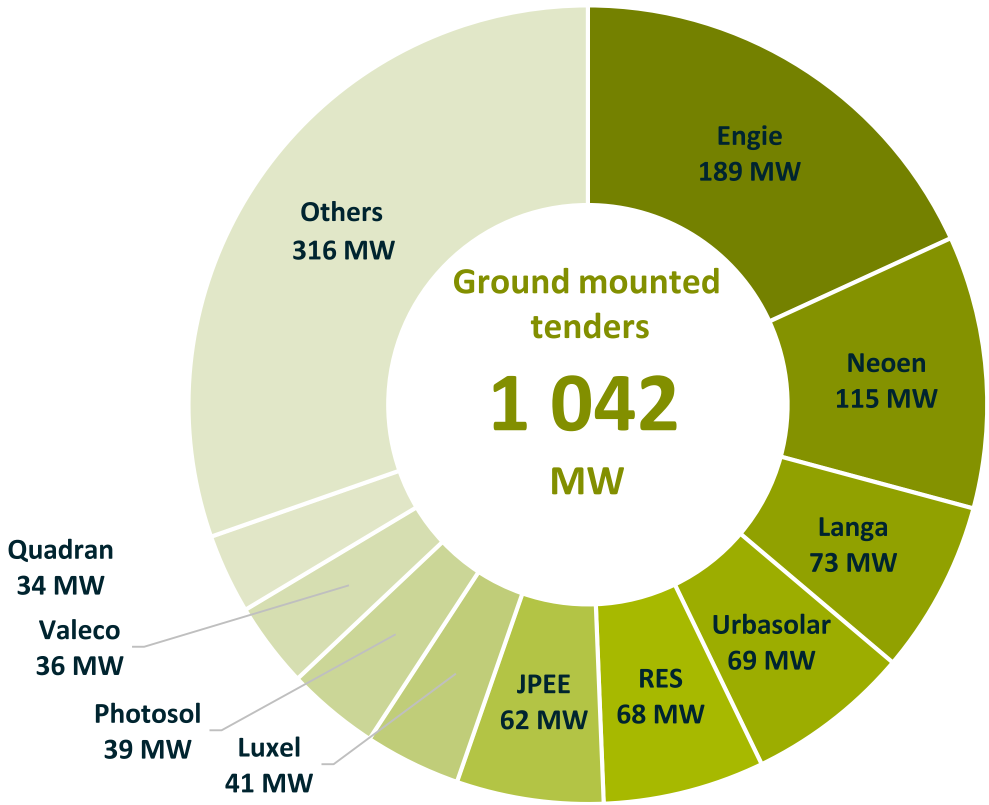
The podium is completed by the company Urbasolar, which puts up a faultless performance and wins projects in each of the eight calls for tender, as well as by the Group Langa. These two companies regularly obtained excellent results both during ground mounted and rooftops sessions as well as during self-consumption calls for tender.



TOP 10 – GROUND MOUNTED TENDERS

The Engie Group, Neoen and Langa are ahead of both ground mounted sessions (CRE 4.1 and CRE 4.2 for ground mounted plants & shadehouses). The Top 10 on these two calls for tender managed to get more than two thirds of the overall volume awarded, i.e. 724 MWp out of a total of 1,042 MWp.

Key takeaway from these sessions: the top 5 secures about 50% of the awarded capacity.



Top 10

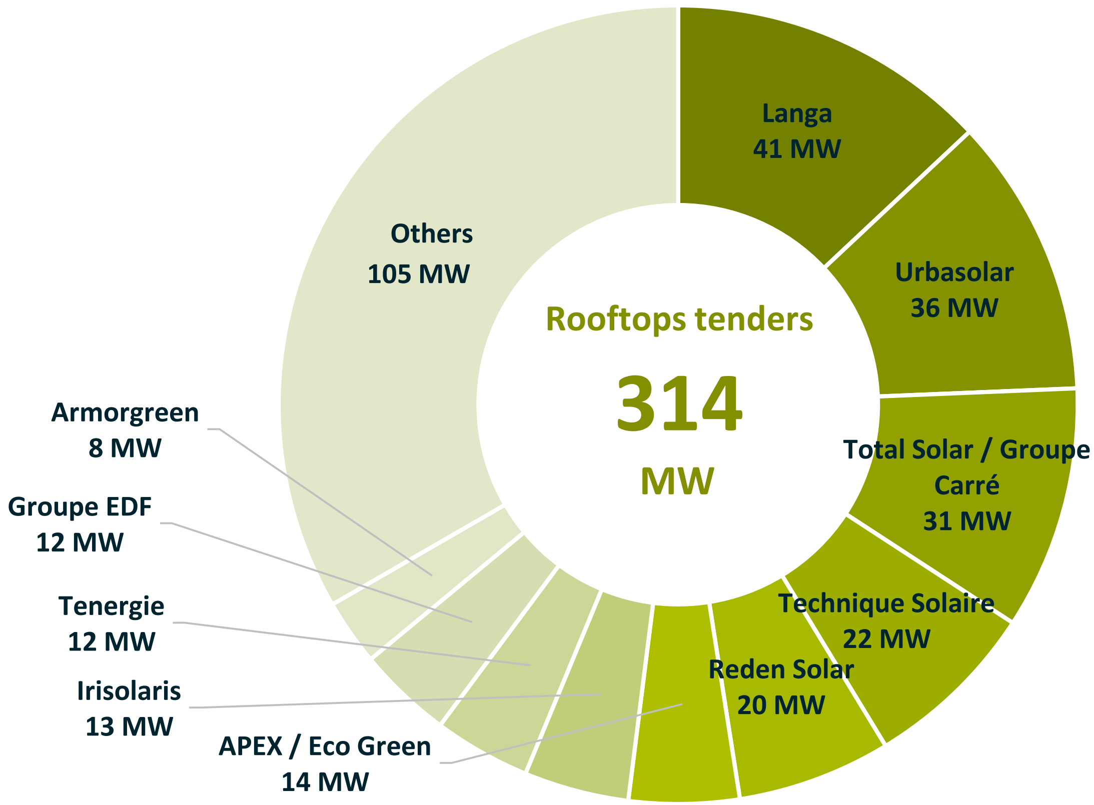
69.5%

of the total capacity

Top 10 – Rooftop mounted tenders

Both sessions on rooftops (CRE 4.1 and CRE 4.2 for rooftop mounted plants) awarded a total of 314 MWp. Among the Top 3: Langa, Urbasolar, as well as the duo Total Solar/Groupe Carré. The concentration of the awarded capacity is as important as for the ground mounted tenders: the Top 10 also manages to secure two thirds of the total capacity.

It can be noted that on these two sessions as well, 5 players concentrate close to 50% of the total capacity.



Top 10

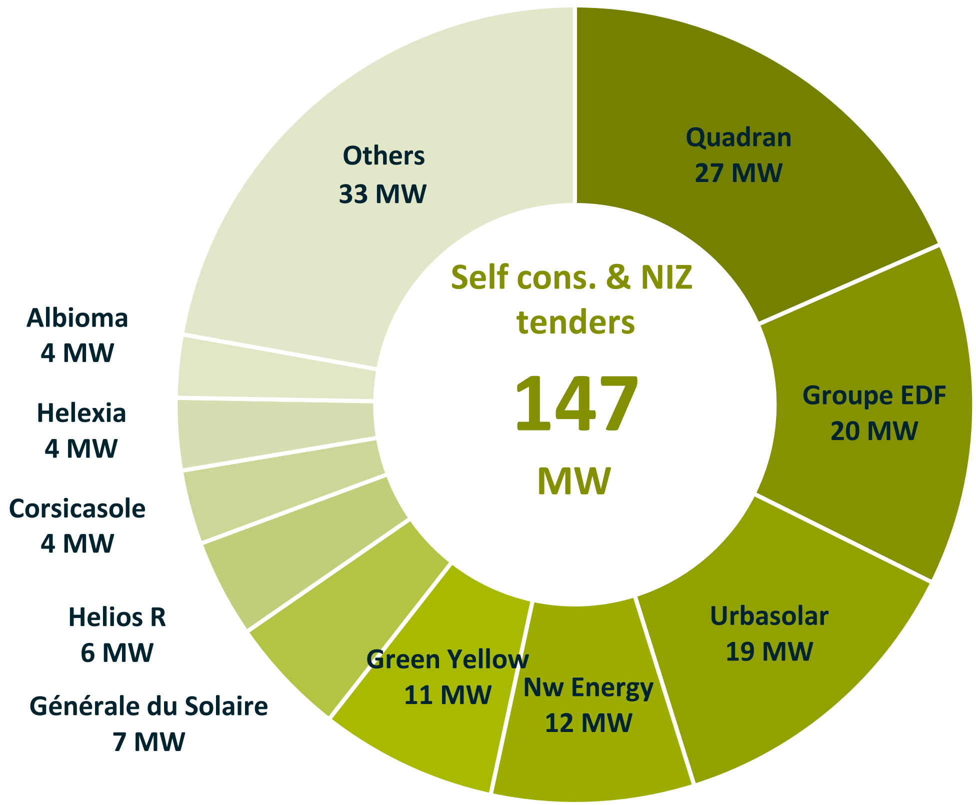
66.6%

of the total capacity

Top 10 – Self-consumption tenders & NIZ

Both sessions for self-consumption plants in Metropolitan France as well as tenders in NIZ (self-consumption and storage in Non Interconnected Zones) represented a total of 147 MWp in 2017. The Top 10 concentrates about 78% of this total, led by Quadran, the EDF Group and Urbasolar.

4 players concentrate over 50% of the awarded capacity of these 4 tenders.



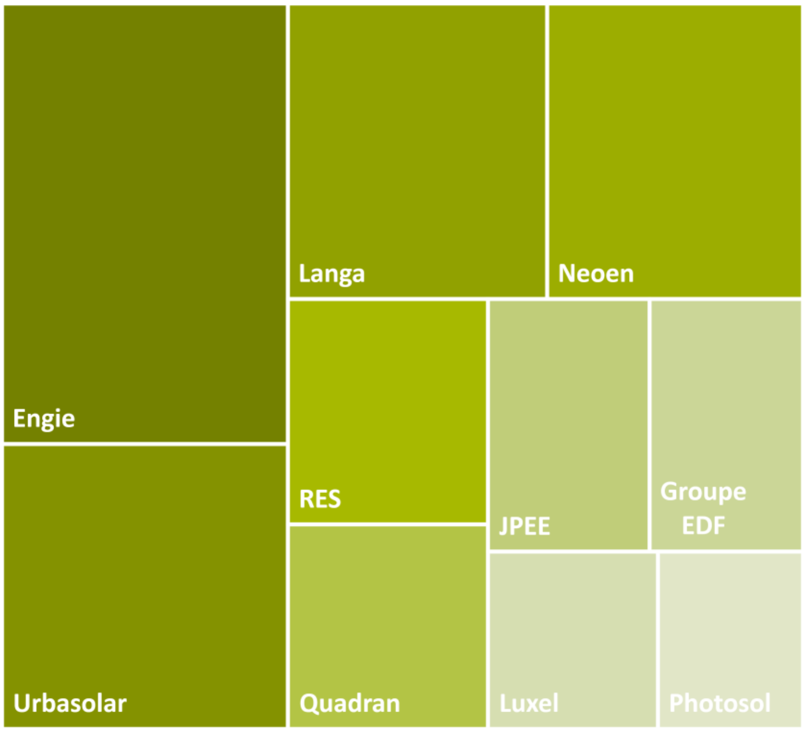
Top 10

77.8%

of the total capacity

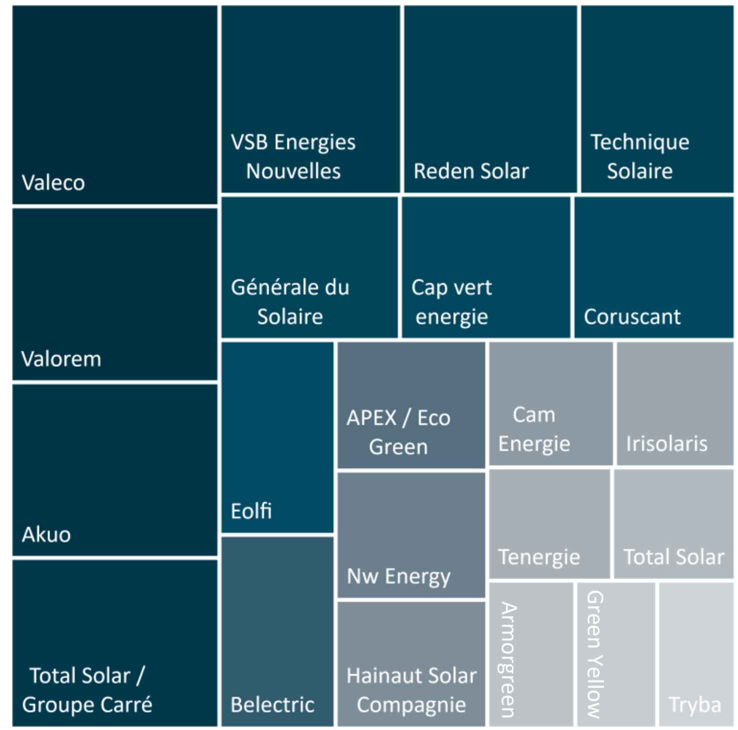
PANORAMA OF KEY PLAYERS

TOP 10 – 59%



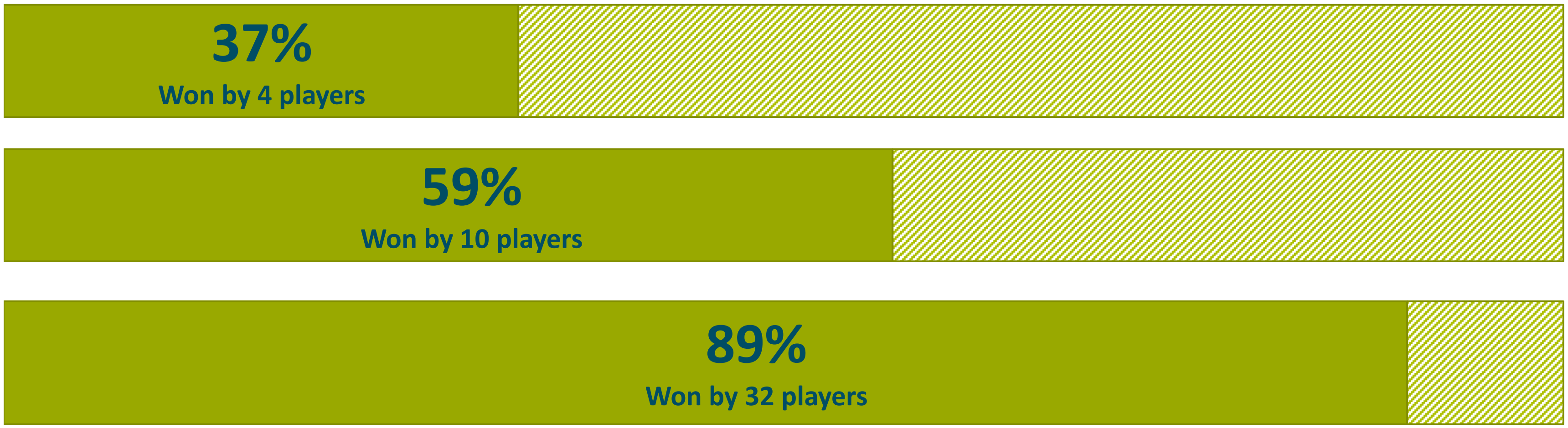
The Top 10 of the 2017 tenders gathers 882 MWp. That is more than 59% of the overall 1,500 MW awarded during the 8 calls for tender of 2017.

22 players – 30%



The above 22 players share 458 MWp, i.e. approximately 30% of the total capacity.
All in all these 32 companies, each granted with 10 MWp or more, secure about 1,340 MWp and represent 89% of the total volume awarded during the 2017 tenders.

KEY TAKEWAYS



Ground mounted and rooftop tenders

50%

Of the capacity of each category is secured by the Top 5

2/3

Of the capacity of each category is secured by the Top 10

These markets are individually more concentrated than the average market.

Self-consumption tenders & NIZ

4/5

Of the capacity is secured by the Top 10

These still rising markets constitute for now markets essentially occupied by specialists.

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