



Arpinge financial statements 2015

The 2015 **Financial Statements of Arpinge** (the "**Company**") refer to its second (13-month) financial year, after incorporation. The Company is still under **transition**, being in the midst of a **three-year** start-up cycle.

During the year, the **Company** received **direct revenues of Euro 2.05 million**, first, for Euro 1.74 million as positive interests from the financial management of cash assets; second in **capital gains and intercompany fees** from Arpinge's subsidiaries; third as participated companies' incomes, particularly significant because it signals the maturation of **the first intra-group revenues**.

In FY 2015, **the Arpinge subsidiaries earned "industrial" revenues of around Euro 3.17 million, not recognized in the Parent Company's accounts**, because the first year of consolidated results will be 2016. Overall, the Group's revenues would have been higher than Euro 5 million.

Specifically, the sole company DP Energia (owner of the PV plant in Abruzzo Region and entirely owned by the Arpinge Group) generated revenues of around Euro 1 million, before operating costs and depreciation/amortization, which enabled its Board, to deliberate the payment of the **first dividend to the Group: Euro 0.2 million**.

Thanks to these results, the loss for 2015 remained below Euro 1 million, 30% improved on the previous (and first) financial year in spite of the rise of the Company's overheads.

In parallel with the preparation of its financial statements, Arpinge asked a leading international consulting and auditing firm to verify the **fair value of its portfolio investments**. The fair value revealed a **net unrealized gain of approximately Euro 1 million (off-balance sheet)**, slightly higher than Arpinge's operating loss. Although the figure cannot be included in the financial statements, it is nevertheless important to confirm the Company's potential for value creation. It offers indirect proof that the projects realized so far are likely to meet and even exceed the expected returns.

In conclusion, one year on from the first investments (the equity stake in Ecosaving was acquired on 18 December 2014 and in DP Energia on 29 September 2015), Arpinge has already started to generate positive returns, and industrial revenues, as well as received its first dividends and demonstrated the potential of its investments to produce capital gains. Furthermore, it also succeeded in generating earnings on its cash management.