

8% increase in 9-month turnover to €6.2 million
Production volumes at the best levels
Lower gas prices in the context of the economic crisis

In €K	2019/2020*	2018/2019	Variation %
H1 sales (Jul-Dec)	4 180	3 283	+27%
Q3 sales (Jan-Mar)	2 043	2 481	-18%
Sales year to date (9 months)	6 223	5 764	+8%

* unaudited numbers

Forbach, France, April 20, 2020 –La Française de l'Énergie (Euronext: LFDE - ISIN: FR0013030152) leader in industrial ecology, reports sales of €6.2M for the first nine months of 2019/2020. During the period, the Group increased its volumes of gas production by +5% and electricity production by +51% (France and Belgium). Despite a drop in gas prices that accelerated sharply in the 3rd quarter, the Group improved its sales by +8% over the first 9 months of the financial year, confirming the resilience of its economic model.

32% increase in revenues from green electricity production in the first 9 months of the 2019/2020 financial year

Revenues from the production of green electricity from abandoned mine gas amounted to €4.6 million at the end of March 2020, an 32% year-on-year increase. This performance is explained by an optimal production at the Avion site (more than 94.5% average availability rate) and the additional contribution from the Anderlues site (€ 626k) commissioned at the end of April 2019. The economic crisis is weighing on electricity prices in Belgium but has had no impact on its power production activity in France, where the Group benefits from a guaranteed rate with feed-in-tariff which represent 86% of its revenues.

Strong increase in gas production limiting the negative price effect

Over the first 9 months of the financial year, the turnover of the gas activity reached €1.7M, down 28% mainly due to the ongoing fall in gas prices. Indeed, the shutdown of industrial activity in Asia at the beginning of January resulted in a reallocation of gas volumes to Europe, leading to a mechanical drop in sales prices which accelerated with the drastic reduction in demand following the lockdown measures implemented in

Europe. The average selling price thus fell from €22.16 per MWh in 2019 to €12.67 per MWh in 2020 and reached €11.66 per MWh in the third quarter of 2019/2020. This downward trend continued in April until the gradual recovery of economic activity in Europe kicks in later on this year.

However, the Group still recorded an increase of +35% in its gas production volumes over the first 9 months of its financial year, and at the same time reached its highest historic levels. This good performance thus allows LFDE to maintain a solid revenue base.

Outlook for the 2019/2020 and 2020/2021 fiscal years

The Group's production is not affected by the lockdown measures and continues to function optimally. Actually, production volumes of gas and electricity continue to grow and reached this quarter the highest recorded number. However, the ongoing effects of the crisis risks keeping the selling prices of gas and electricity in Belgium at low levels during the 4th quarter of the financial year.

In accordance with its development plan, LFDE confirms the installation of at least 5 new 1.5 MW cogeneration plants by the end of 2020, including 2 cogenerations on the new Bethune site, which will be in production on January 1, 2021.

LFDE also notes that the lockdown measures imposed on the administrative authorities lead to a delay in the processing and delivery of the authorizations necessary for the establishment of new production sites. The Group will provide a full update on the deployment schedule for its new facilities when there is more visibility on the crisis recovery process.

Solid financial structure and strengthening of investment capacities

The cash and balance sheet situation of LFDE remain very solid and should be further strengthened with the expected completion of a bank loan for a total amount of over €40 million dedicated to the installation of 25 cogenerations in Hauts-de-France and in Belgium. Even if the Group is still awaiting certain administrative authorizations for certain new sites, its nimbleness and execution capacity will enable it to rapidly deploy these new installations as soon as this financing and the necessary administrative authorizations are obtained.

In an uncertain economic environment, La Française de l'Energie continues to progress on its profitable growth plan highlighting the resilience of its business model.

*Next announcement:
July 21, 2020 - Full Year Revenues*



Reuters code: LFDE.PA

Press

contact@francaisedelenergie.fr

+ 33 3 87 04 34 51



Bloomberg code: LFDE.FP

Investor Relations

skennis@aelium.fr

+33 1 75 77 54 65

About La Française de l'Énergie

La Française de l'Énergie is a Lorraine SME, leader in industrial ecology, specializing in producing the gas present directly in the coal and in the former coal mines of France and Belgium. Thanks to its recognised know-how in geology and engineering combined to its local positioning, La Française de l'Énergie supplies gas, green electricity and heat to regional players, replacing imported energy by energy local and cleaner energy. La Française de l'Énergie is on a significant growth path and aims to become a major player in the energy sector in Europe. The company is labelled as a young innovative company by Bpifrance.

More information available on www.francaisedelenergie.fr

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