

## PRESS RELEASE

Luxemburg, 28<sup>th</sup> May 2014

### VELCAN ENERGY: FINALIZATION OF ANNOUNCED MERGER WITH SUBSIDIARY

The Shareholders' General Meetings of Velcan Energy and of its subsidiary Velcan (formerly called Velcan Energy Luxembourg) have approved, on 13<sup>th</sup> and 14<sup>th</sup> May 2014 respectively, the proposed merger, allowing for the implementation of the internal reorganization announced on 24<sup>th</sup> March 2014.

On 2<sup>nd</sup> June 2014, shareholders of Velcan Energy will receive on their accounts one share of Velcan for each share of Velcan Energy owned. Shares in Velcan will be listed on Alternext Paris market of Nyse Euronext on the very same day, i.e. 2<sup>nd</sup> June 2014, when Velcan Energy will also be delisted.

The ISIN code for Velcan will remain unchanged (FR0010245803), as will the ticker symbol: ALVEL.

Once the listing of Velcan complete, the legal steps currently being taken will result in the dissolution without liquidation of Velcan Energy in favor of Velcan.

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## **About Velcan Energy:**

Velcan Energy (ALVEL FP) develops and operates hydro power concessions in emerging markets. The Company's strategy is to become a market leader in up to 200 MW hydro power concessions in India, Brazil, Laos and Indonesia.

Hydro power is attractive and can be an important contributor to the economic development of these countries:

- Chronic electricity shortages are an impediment to social and economic development. For instance, an estimated 650 million people do not have regular access to electricity in India.
- Under-capacity has led both the Indian and Brazilian national governments to liberalize their national electricity market to allow increased private and foreign competition.
- Laos has a strategic position in South-East Asia and can export electricity to growing countries such as Thailand, Vietnam, Cambodia and China. Indonesia is one of the largest emerging economies in the world with stable economic growth rates and good conditions for hydro power.
- Velcan Energy is active in countries with huge untapped hydroelectric potential; 84 GW in India, 180 GW in Brazil, 75 GW in Indonesia and 26, GW in Laos.

As of May 2014, Velcan Energy:

- finished building and has put into operation its first hydroelectric concession in Brazil (15 MW),
- owns rights related to hydroelectric concessions projects amounting to over 860 MW in India, Brazil, Indonesia and Laos,
- has two pre-concessions in the Lao PDR for a total of 93 MW,
- Develops, through a consortium with a subsidiary of PLN and a local partner, a 59 MW hydroelectric project in Indonesia.

Velcan Energy employs over 50 people in its offices (New Delhi, Singapore, Vientiane, Jakarta and São Paulo) and its concession sites.

Velcan Energy is listed on the Paris Stock Market (Euronext Alternext ALVEL-FR0010245803). The Company never performed any Public Offer as under the meaning of Articles L 411-2, II-4° and D 411-1 of the French monetary and Financial code.

### *Disclaimer*

*This press release contains prospective information about the potential of the projects in progress and/or of the projects of which the development has begun. This information constitutes objectives attached to projects and shall not be construed as direct or indirect net income forecast of the concerned year. Reader's attention is also drawn on the fact that the performance of these objectives depends on future circumstances and that it could be affected and/or delayed by risks, known or unknown, uncertainties, and various factors of any nature, notably related to economic, commercial or regulatory conjuncture, which occurrence could be likely to have a negative impact on future activity and performances of the Group.*

*This announcement does not constitute a public offering ("offre au public") nor an invitation to the public or to any qualified investor in connection with any offering. This announcement is not an offer of securities in the United States of America or in any other jurisdiction/country.*