FOURTH QUARTER 2015 REPORT

"Our mission is to be a leader in the creation of renewable energy, delivering complete solutions, working as a vertically integrated team to drive performance throughout the value chain while continuously delivering both commercial and utility scale power plants worldwide"

Building Energy at a glance

Building Energy is a global integrated independent renewable energy producer.

Building Energy's value proposition is to drive performance throughout the whole renewable energy downstream value chain, such as development, financing, construction and operation as well as owning and managing Solar PV, Wind, Biomass and Hydroelectric plants over the asset lifetime.

Founded in 2010, Building Energy is one of most prominent Italian's independent renewable energy power producers selling energy from 91MW of green power generation assets in South Africa, United States of America and Italy. Building Energy secured the construction of additional 263MW net capacity in four different technologies that are expected to reach the notice to proceed by the end of next year.

Building Energy has in-house development, initial plant design, financing and operations capabilities and a perfect record of on time on budget project delivery; with a consolidated presence in Africa, America and Middle East the company has a significant number of generating assets for more than 2,500MW currently under development.

www.buildingenergy.it

Contents

Disclaimer

- These *pro porma* interim consolidated financial statements are prepared in accordance with international accounting standard (IAS/IFRS), and are not different from the those used in the preparation of the annual consolidated financial statement as mentioned in the Group's explanatory notes for the 2014 Consolidated Financial statement (pages 8-26), to which therefore please refer.

- With regards of the consolidation perimeter as of December 31st 2014, as shown at pages 48-50 of group's explanatory notes for the 2014 Consolidated Financial statement, the following changes has occurred: (i) Be Renewable SRL and Be. Ro. Solar 1 have been liquidated and therefore excluded from the consolidation perimeter; (ii) Building Energy Development Latino America is fully consolidated since 100% controlled by Building Energy S.p.A. from June 2015; iii) new North & Latin America and South Africa operating subsidiaries have been consolidated.

- The preparation of the interim consolidated financial statements in conformity with international accounting standard requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

- All the figures are expressed in €/000, excepted where noted otherwise.

- These *pro forma* interim consolidated financial reports have not been audited.

Highlights

- Consolidated revenues and income for 4Q2015 of k€ 7.682, EBITDA of k€ 925 and net profit of k€ 114.
- The construction of the Cornell Geneva 2.8MWp solar plant is almost completed.
- Start of construction of a 30MW wind farm in Iowa, immediately North East of Des Moines.
- The second tranche (€10mln) of the €30mln bond listed on the MTF managed by Borsa Italiana, ExtraMot Pro professional segment has been subscribed in November 2015.
- In November 358MW have been submitted in different technologies in Round 4.5 of the South African REIPPP.
- In the last quarter of 2015, the Group took part in some pre-qualifications tender in North Africa for the construction photovoltaic plants. The Group has been also included in the short list for the construction of the following projects: Masen (Morocco, 175 Mw) Comombo (Egypt, 200 Mw) and Abu Dhabi (350 Mw); for all these tenders, the next *bid* phase is planned by the end of 2016.

KEY FIGURES

Q4 2014		Q3 2015	Q4 2015	variation (Q4 2015 vs Q3 2015) k€	%	variation (Q4 2015 vs Q4 2014) k€	%
5.095	Revenues and other income	4.457	7.682	3.226	72%	2.587	51%
876	EBITDA	(777)	925	1.705	-219%	49	6%
(524)	Operating Profit	(1.863)	(937)	926	-50%	(413)	79%
(2.867)	Profit/(loss) before income tax	(4.396)	(3.099)	1.296	-29%	(232)	8%
(2.421)	Profit/(loss) for the period	(4.387)	(3.163)	1.224	-28%	(742)	31%
(2.420)	**Building Energy Group profit/(loss)**	**(4.365)**	**(3.277)**	**1.088**	**-25%**	**(857)**	**35%**
(1)	Profit/(loss) to non conrolling interest	(22)	114	136	-618%	115	-10895%
	EBITDA by segment						
688	Power production	795	854	59	7%	166	24%
116	Operation & Maintenance	227	(87)	(314)	-138%	(202)	-175%
(1.909)	Development & EPC	(1.246)	55	1.301	-104%	1.965	-103%
1.982	Corporate	(556)	102	658	-118%	(1.879)	-95%
876	**Total**	**(779)**	**925**	1.705		49	6%
68.452	**Total assets**	**94.295**	**103.842**	**9.547**	**10%**	**35.389**	**52%**
36.704	Equity book value	31.826	28.440	(3.386)	-11%	(8.264)	-23%
1.788	Net financial position	36.390	29.763	(6.627)	-18%	27.975	1565%
n/a	Net asset value (3)	143.032	184.603	41.571	29%	N/A	N&/A

(1) Consolidate revenues and other income are mainly driven by Power Production and capitalization for internal work. Revenues from other activities such as Development & EPC, are mainly related to the subsidiaries of the parent company and therefore eliminated in the consolidated financial statements.

(2) Corporate costs including eliminations for consolidation purposes.

(3) Net Asset Value calculated on the basis of the calculation methodology set out in the Terms and Conditions of the Bond issued as of July 31st, 2015. The Net Asset Value will be updated on a quarterly basis.

Financial Statement Q4 2015

BALANCE SHEET

€ Thousand	Notes	YTD	Q3 2015	H1 2015	FY 2014
Property, plants and equipment	1	24.793	20.782	19.396	19.577
Intangible assets	2	31.387	24.807	18.752	14.105
Goodwill		400	400	400	400
Investments valued by the equity method		15.301	14.850	13.285	13.959
Deferred taxes		1.735	1.549	1.524	1.428
Other non-current assets		10.466	11.712	11.187	8.891
Total non-current assets		**84.081**	**74.100**	**64.544**	**58.360**
Inventories		96	96	96	96
Trade and other receivables		5.730	1.631	1.856	991
Current financial assets		51	52	52	204
Other current assets		819	2.156	1.210	1.182
Accruals and prepayments		538	2.275	2.507	1.903
Tax receivables		2.350	2.149	1.771	2.208
Cash and cash equivalents	3	10.176	11.836	1.048	3.555
Total current assets		**19.761**	**20.195**	**8.540**	**10.139**
TOTAL ASSETS		**103.842**	**94.295**	**73.084**	**68.499**
TOTAL EQUITY		**28.440**	**31.826**	**35.953**	**36.704**
Debt towards banks and other lenders > 1	4	51.672	42.103	17.118	14.743
Deferred tax		163	109	73	0
Staff related funds		537	642	553	514
Provisions for risks		175	145	166	223
Total non-current liabilities		**52.547**	**42.999**	**17.910**	**15.480**
Trade and other payables		12.179	8.124	6.831	6.645
Tax liabilities		2.030	1.429	2.460	1.746
Debits towards banks and other lenders < 1	4	4.022	6.014	7.139	5.014
Accruals and deferrals		323	498	365	434
Other current liabilities		4.301	3.405	2.425	2.476
Total current liabilities		**22.855**	**19.470**	**19.220**	**16.315**
TOTAL LIABILITIES		**75.402**	**62.469**	**37.130**	**31.795**
TOTAL LIBILITIES AND EQUITY		**103.842**	**94.295**	**73.084**	**68.499**

PROFIT & LOSS

	quarter					
variation	Q3 2015	Q4 2015	€ Thousand	Notes	YTD	30/09/2015
3.873	1.162	5.035	Revenues	5	8.306	3.271
1.156	(126)	1.030	Other operating revenues		1.263	233
(1.805)	3.421	1.617	Increase in intangible assets for internal work	6	9.150	7.533
3.224	**4.457**	**7.682**	**Total revenues and other income**		**18.719**	**11.037**
28	(12)	16	Raw materials, semi-finished and finished products		(21)	(38)
(996)	(3.039)	(4.035)	Services	7	(11.379)	(7.344)
(578)	(1.754)	(2.332)	Personnel		(7.177)	(4.845)
22	(430)	(407)	Other operating costs		(1.002)	(595)
(776)	(1.086)	(1.862)	Depreciation, amortization and provisions	8	(3.550)	(1.688)
925	**(1.863)**	**(938)**	**Operating profit (EBIT)**		**(4.411)**	**(3.473)**
(207)	(2.635)	(2.842)	Financial income and charges	9	(4.868)	(2.026)
577	103	680	Share of profit from participating interest valued by the equity method		720	40
1.295	**(4.395)**	**(3.100)**	**Profit/(loss) before tax**		**(8.559)**	**(5.459)**
(72)	8	(63)	Income tax		(417)	(352)
1.224	**(4.387)**	**(3.163)**	**Profit/(loss) for the period**		**(8.976)**	**(5.812)**

CASH FLOW REPORT

	YTD	FY 2014
Profit/(loss) for the period	(8.976)	(2.420)
Adjustment to reconcile the result of the period to net cash used in operating activities		
Depreciation, amortization and provision	3.550	1.089
Tax provision	417	362
Investments evaluated with the equity method	(720)	3.649
Dividend from investment for using the equity method	842	-
Changes of net working capital	(1.006)	(20)
Cash flow used in operating activity	**(5.893)**	**2.660**
cash flow in investing activity		
Net investment in Power Production Plants	(6.222)	(3.532)
Net investment in Development activities	(20.378)	(7.395)
Net investment in other tangible and intangible assets	842	-
Cash flow in investing activity	**(25.758)**	**(10.927)**
cash flow from financing activity		
Capital increase	0	8.466
Change in project financing	0	462
Cash in borrowing from banks	1.668	
Loan facility agreement Futuregrowth Asset Management	8.098	-
Change in other debts towards other lender	559	-
Bond issued as of 31st July 2015	28.967	-
Repayment to project financing	(482)	-
Financial expenses payment	(538)	(885)
Cash flow from financing activities	**38.272**	**8.043**
Net cash flow for the period (A+B+C)	**6.621**	**(224)**

PROJECTS STATUS

This section is intended to represent Building Energy's main projects under construction. The aim is to provide a high level insight on Group's future outlook in the renewable energy market.

Projects under development depending on their status are categorized as in Operation, Near Notice to Proceed, Backlog and Pipeline.

Minimum requirements for a project to be included in the Near Notice to Proceed are: (i) in public tender markets, projects reached the awarding of preferred bidder status and/or secured financing; (ii) in regulated markets, projects needs to have obtained main permits (i.e. EIA) and/or secured PPAs agreements and/or secured financing. Near Notice to Proceed projects with a secured offtake agreement and financing have a probability of realization higher than 90%.

To be included in Backlog, projects needs to have reached bid awaiting status and/or have be shortlisted in case of public tender markets; while in regulated and merchant markets, Backlog projects needs to have obtained a positive outcome from the connection identification and/or have undertaken the land optioning and/or the financial model can assure the return threshold. The remaining part of the projects under development are included in the Pipeline in case of a positive result from a preliminary resource availability screening and/or have initiated the obtaining permitting process.

PROJECT STATUS

MW	31/12/2015	30/09/2015	H1 2015	H1 2014
In operation	91	91	91	89
Near Notice to proceed	263	257	255	200
Backlog	533	195	183	
Pipeline	1.753	2.082	1.638	2.236
Net Asset Value (k€)	184.603	143.032	145.786	91.465

Brief description of Near Notice to Proceed projects

As of December 31st 2015, the Company has identified eight projects to be classified as Near Notice to Proceed, for a total capacity of 263 MW of which 183 MW in the Africa region, 30 MW in the North America region, 45 MW in the Central and Latin America region and 5 MW in Eurasia region.

Africa

The financial close of the Mkuze Biomass project (16Mw) expected by the end of Q4 has been postponed and will take place in March 2016.

During the Round 4.5 of the REIPPP Building Energy submitted 358MW of projects in different technologies. The awarding of the preferred bid status by the Department of Energy is expected by the end of Q2.

North America

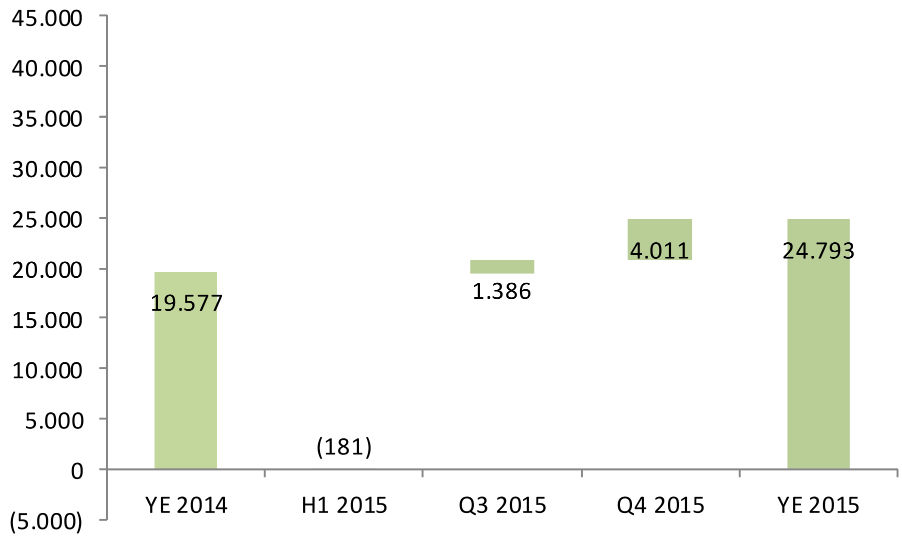
The development phase of Optimum Wind project has been completed. The Optimum Wind Project consists of 10 one-turbine sites in Iowa, immediately North East of Des Moines. The Project has secured a PPA with a subsidiary of Alliant Energy (NYSE: LNT, Rating: A-/A3) for a term of 10 years, renewable for additional 10 years. Acciona S.A. is the EPC contractor, the financing of the project is provided by Capital One Financial Services (Tax Equity Investor) and Hannon Armstrong (construction financing and back leverage). Main terms and conditions of the relevant contracts have been signed in February 2016 and Commercial Operation Date is expected by the end of November 2016.

Notes to the Financial Statements Q4 2015

Balance sheet (YTD compared to FY 2014)

		YTD	FY 2014	variation
Note 1	Property, plants and equipment	24.793	19.577	5.216

Capital expenditure in property plant & equipment



The increase of k€ 5.216 compared to the FY2014 is mainly due to change of status for the Cornell Geneva project solar pv plant, that has been moved from the intangible into the fixed asset (still "under construction"), since in July the construction started. The geographical distribution of the plants is the following:

- Italy: 5 plants for an overall book value of k€ 14.313 (total power: 7,5 Mw);
- America: 1 operating plant and 1 in construction, for an overall book value of k€ 9.283 (total power: 4,9 Mw).

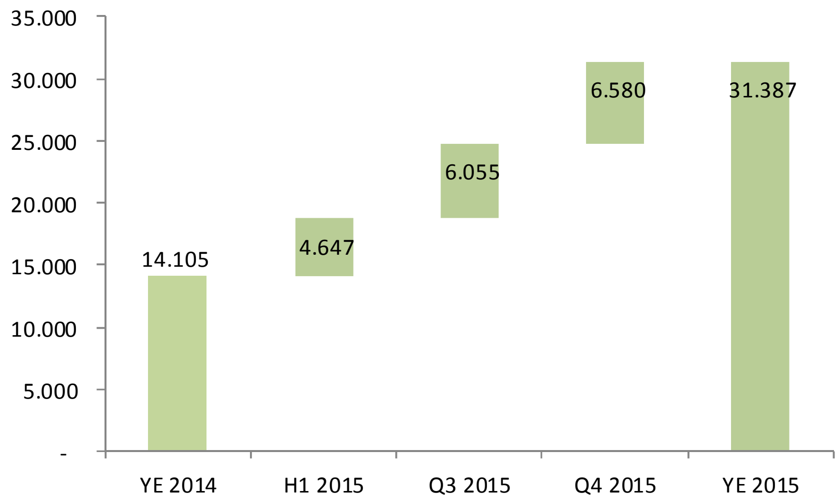
Detail of the plants in operation and under construction:

		net book value (k€)		in operation (Mw)		under construction	
Region	variation	YTD 2015	FY 2014	YTD 2015	FY 2014	YTD 2015	FY 2014
Sub Saharan Africa	0	0	0	81 (1)	81 (1)	-	-
Eastern Europe	0	0	0	-	-	-	-
Western Europe	(1.085)	14.313	15.398	7,5	7,5	-	-
North America	5.691	9.283	3.592	2,5	2,5	3	-
Other fixed asset	609	1.196	587				
total	**5.215**	**24.793**	**19.577**	**91**	**91**	**3**	**0**

1) Kathu plant, owned by REISA PTY, consolidated with the equity method

	YTD	FY 2014	variation
Note 2 Intangible assets	31.387	14.105	17.282

Expenditure in intangible assets and cost capitalization



Increase of the intangible asset during the 2nd half 2015 mainly due to the investment in the Iowa wind project (30 MW) among the others.

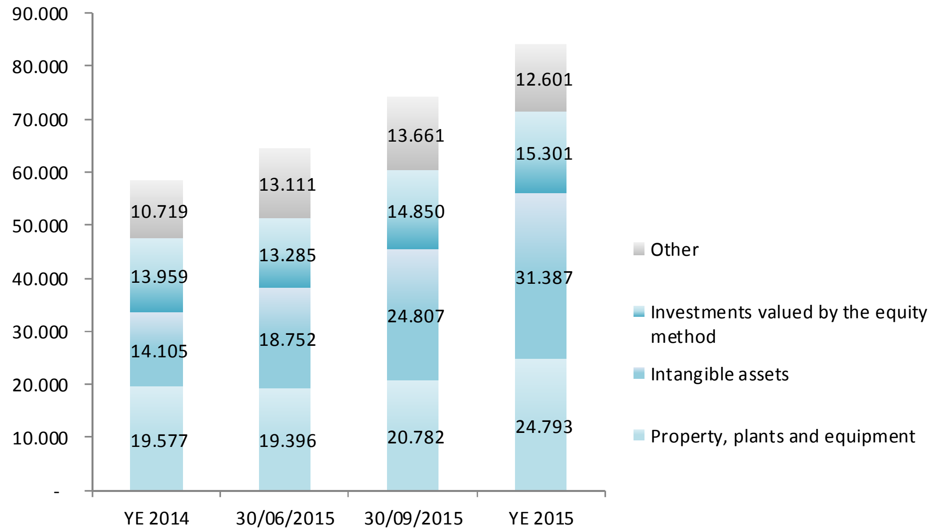
Detail of projects under development:

		net book value (k€)		near NTP (Mw) (1)		backlog (Mw) (1)		development (Mw)	
Region	variation	YTD 2015	FY 2014	YTD 2015	FY 2014	YTD 2015	FY 2014	YTD 2015	FY 2014
Sub Saharan Africa	5.625	12.850	7.225	183	-	462	46	1.137	1.394
Eastern Europe	1.139	1.984	844	5	-	-	4	79	112
Western Europe	-	0	-	-	-	-	-	-	-
North America	10.340	14.847	4.506	30	-	3	42	33	58
Latin America	1.109	1.511	401	45	-		45	70	120
South America	1	1	-	-	-	3	-	-	-
Asia & Far East	(143)	76	219	-	-	-	-		84
Mena	(510)	381	891	-	-	65	-	435	331
Cross Area	607	607	-	-	-	-	-	-	-
Other and margin elimination	(868)	(868)	18						
total	**17.282**	**31.387**	**14.105**	**263**	**-**	**533**	**137**	**1.753**	**2.099**

(1) Projects in "backlog" and "near notice to proceed" considered together in 2014 report

Intangible asset are mainly composed by project under development located as follow: 41% in Africa; 43% in USA; 6% in Serbia.

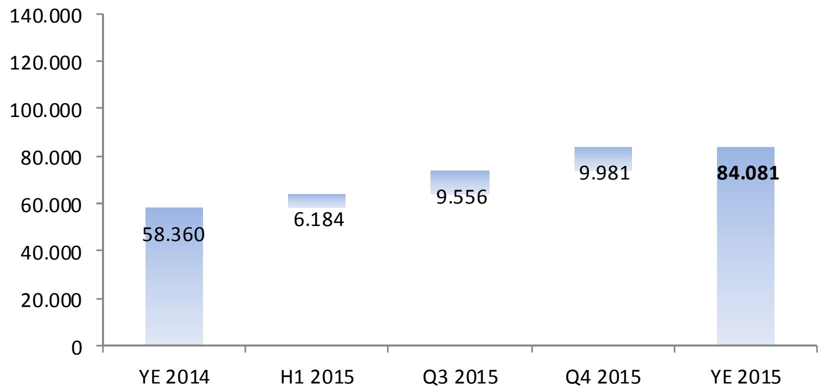
Non Current assets



The increase of the investments valued at equity method is mainly due to:

1) acquisition of two Egyptian companies holding the 130Mw of projects under development in the country;
2) The profit generated during the period by WBHO-BE and REISA.

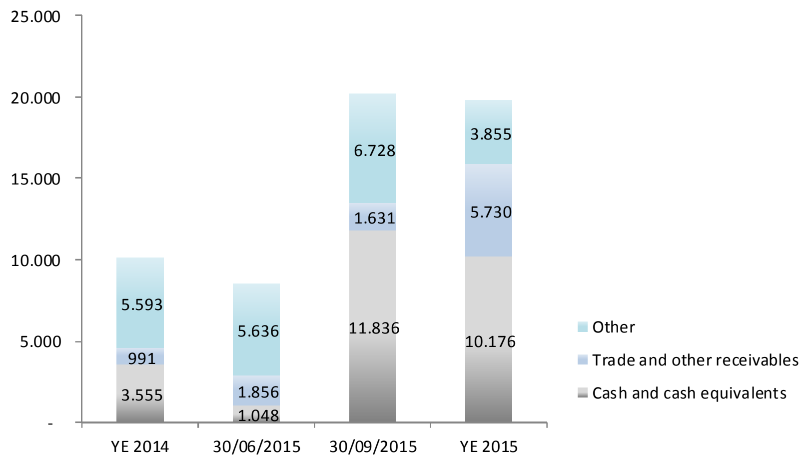
Investments in non current assets



The funding from THCP through the subscription of the Bond issued by Building Energy Spa as of July 31, 2015 and the Loan Facility provided by FutureGrowth has been almost totally invested in the equity of the vehicles holding plants under construction (i.e Iowa wind farm) and projects under development.

	YTD	FY 2014	variation
Note 3 Cash and cash equivalents	10.176	3.555	6.621

Current assets



The increase of cash and cash equivalent mainly due to the Loan facility from Future Growth (Rand 122 mnl).

The receivable are increased for the REISA management fees which has been cashed in February 2016.

Other current asset decreased mainly for the release in the profit and loss of some development cost occurred in previous year and related to REISA plant.

	YTD	FY 2014	variation
Note 4 Debt towards banks and other lenders	55.694	19.757	35.937

The geographical composition of most of debts toward banks and other lender is the following:

- Italy: € 46,203 mln (of which, € 1,933 mln within 1Y), mainly composed of:
  - debts towards leasing companies are *"non recourse",* and are subscribed in Italy to fund the construction of 5 solar pv plants: the outstanding YTD 2015 is K€ 13.658 (of which K€ 0,5 within 1Y).
  - bond entirely subscribed by THCP for nominal k€ 30.000 on 31st of July 2015 has an annual interest rate of 9% (of which, 4% to be paid semi-annually, and 5% to be paid at the end of the 5 years of duration of the bond, together with the principal amount);
- SSA: € 7,694 mln (of which, € 0,687 within 1 year and € 7,007 mln over 1Y): this debt comes from the loans granted by FutureGrowth (original amount: 125 mln Rand) on 31st of July, 2015 for a duration of 16 years with a 8% of interest rate + Jibar (three months).

Income Statement (Q4 2015 compared to Q3 2015)

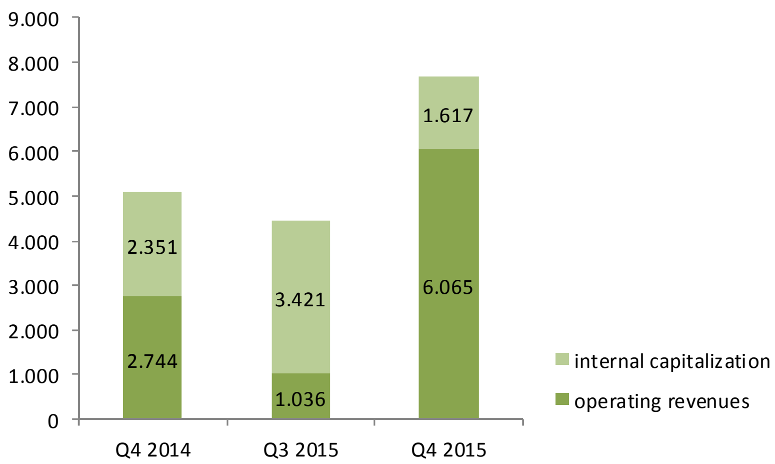
		Q4 2015	Q3 2015	variation
Note 5	Revenues	5.035	1.162	3.873

The increase is mainly due to the management fees from REISA (€ 3,6 mln): as mentioned above, this is the final fees related to the Kathu pv plant construction, owned by REISA Ltd.

		Q4 2015	Q3 2015	variation
Note 6	Increase in intangible asstes for internal work	1.617	3.421	(1.805)

The increase in int. asset for internal work is mitigated by some development that have been dismissed, and therefore expensed to p/l.

Revenues and other income



The 72% increase in operating revenues is mainly due an anticipation of to REISA management fees occurred in December 2015.

		Q4 2015	Q3 2015	variation
Note 7	Services	(4.035)	(3.039)	(996)

The external cost structure is almost constant during the quarters: the main difference is due to deferred costs expensed during the year related the Kathu project (k€ 1.354) suspended in previous years and related to a management fee which has been recognized in 2015.

		Q4 2015	Q3 2015	variation
Note 8	Depreciation, amortization and provisions	(1.862)	(1.086)	(776)

Depreciation, amortization and provision are increased respect 3Q2015: the main reason is due to depreciations made during the period in South Saharan Africa, for k€ 759.

		Q4 2015	Q3 2015	variation
Note 9	Financial income and charges	(2.842)	(2.635)	(207)

The increase of the financial charges is due to the unfavorable exchange rate fluctuation.

Pre-closing YTD Income Statement

INCOME STATEMENT

€ Thousand	Notes	YTD	30/09/2015	FY 2014
Revenues	1	8.306	3.271	5.972
Other operating revenues		1.263	233	1.459
Increase in intangible assets for internal work	2	9.150	7.533	8.376
Total revenues and other income		**18.719**	**11.037**	**15.807**
Raw materials, semi-finished and finished products		(21)	(38)	(147)
Services	3	(11.379)	(7.344)	(9.380)
Personnel		(7.177)	(4.845)	(5.900)
Other operating costs		(1.002)	(595)	(987)
EBITDA		**(860)**	**(1.785)**	**(607)**
Depreciation, amortization and provisions	4	(3.550)	(1.688)	(2.746)
Operating profit (EBIT)		**(4.411)**	**(3.473)**	**(3.353)**

Notes to the pre-closing YTD Income Statement

		YTD 2015	YE 2014	variation
Note 1	Revenues	8.306	5.972	2.334

Year to date main revenues from third parties:

- Energy sales: k€ 3.226 (YTD2014: k€ 2.555). As of December 31st, 2015 the Group has 6 solar pv plants in operation for a total of 10MW – 7.5MW in Italy and 2.5MW at the Cornell University. The contribution of the 2.5MW solar pv plant at Cornell University - connected in October 2014 – of k€ 706 has been offset by the reduction of the incentives to the Italian. The so called "decreto spalma-incentivi" reduced the incentives by 8% starting from January 1st , in addition to the reduction of the energy sale price (RID);
- O&M revenues: k€ 1.214 (YTD 2014: K€ 767). As of December st, 2015 the Group has contract with third parties for approx. 103.5 MW (81MW in South Africa, 20MW in Europe and 2,5MW in the USA): the increase is mainly due to o&m management services rendered to the jv Building Energy Guma, which is the o&m service provider for the 81 Mw Kathu solar plant;
- EPC & Development: k€ 3.851 (YTD2014: k€ 2.651). the breakdown by nature is the following:
  - success fees related to the Kathu project agreement (k€ 3.600);
  - Scylla project EPC (k€ 251).

		YTD 2015	YE 2014	variation
Note 2	Increase in intangible asstes for internal work	9.150	8.376	774

The increase in intangible assets for capitalization of internal work respect the same period of 2014 is higher due to the fact that starting from December 2014 the rebill of internal costs (i.e., timesheet) is comprehensive also of a part of indirect costs, of which the rollover was not yet reflected in the final balance of YTD 2014; the increase comes from a larger amount of direct development activities (above all, external suppliers for bids and financial closes that are expected by the end of the year).

As for the breakdown by nature:

- k€ 8.100 are related to the capitalization of personnel and indirect costs;
- and k€ 1.050 to direct external development activities.

		YTD 2015	YE 2014	variation
Note 3	Services	(11.379)	(9.380)	(2.000)

The main difference is due to deferred costs expensed during the year related the Kathu project (k€ 1.354) suspended in previous years and related to a management fee which has been recognised in 2015.

Below is the breakdown of costs for services YTD 2015:

- O&M consultancy services: k€ (433);
- IPP costs: k€ (227);
- EPC costs: k€ (1.635);
- Development technical consultancy services: k€ (1.630);
- Long term car rental: k€ (380);
- Insurance for the personnel: k€ (187);
- Rent for Expat personnel apartments: k€ (198);
- Board of Directors: k€ (1.362);
- Facilities, Telecommunication & IT: k€ (733);
- Travel expenses: k€ (1.675);
- General and administrative expenses (incl. banking commission): k€ (849)
- Professional consultancy fees (incl. legal, accounting and audit): k€ (1.553)
- Marketing: k€ (517)

		YTD 2015	YE 2014	variation
Note 4	Depreciation, amortization and provisions	(3.550)	(2.746)	(804)

Depreciation, amortization and provision are increased respect YTD2014: the main reason is due to depreciations made during the period: in particular, following the decision to put into liquidation all the companies that are involved in developing solar pv projects in Santo Domingo, and due to some writes off of some projects in Middle East, North and South Africa Regions, the depreciations lead to K€ 2.265.

Pre-closing EBITDA YTD by segment

Building Energy is focus on the following business segments: Power Production, Operation and Maintenance (O&M), Development & EPC, and Corporate. The purpose of the segment report is to provide a comprehensive set of information on the profitability of the activities of the individual segments in order to present revenues and margins of development, construction, operation and maintenance services of controlling entities that are eliminated in the Group consolidation process.

SEGMENT FINANCIAL YTD 2015

€ Thousand	Power production	Operation & Maintenance	Development & EPC	Corporate	Total
Revenues	3.227	1.215	13.001	1.278	**18.721**
Costs of Sales	(474)	(664)	(12.415)	(5.273)	**(18.826)**
G&A expenses	0	0	0	(755)	**(755)**
EBITDA	**2.753**	**551**	**586**	**(4.750)**	**(860)**

SEGMENT FINANCIAL YTD 2014

€ Thousand	Power production	Operation & Maintenance	Development & EPC	Corporate	Total
Revenues	2.555	767	11.026	1.459	**15.808**
Costs of Sales	(113)	(479)	(10.702)	(4.133)	**(15.427)**
G&A expenses	0	0	0	(987)	**(987)**
EBITDA	**2.441**	**288**	**324**	**(3.661)**	**(607)**

During the year, the Group improved the EBITDA margin of the main significant segments: Power production (+ 12.7%), O&M (+90%) and Development and EPC (+80%) segment; such improvement has been offset by the EBITDA Margin attributable to the Corporate segment, mainly due to widening of corporate structure.

The Board of Directors of Building Energy S.p.A.

Milan, February 25th, 2016