



ISSUER RATING
LongTerm

OUTLOOK
Negative

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Rating Action and Rationale

- EthiFinance Ratings initiates the long-term rating of Alerion Clean Power S.p.A, assigning a BBB- rating with a Negative outlook.
- The outlook reflects the negative operating dynamics observed in 1H25, which have led our full-year and forward-looking projections to show leverage metrics more consistent with a rating one notch lower (NFD/EBITDA >4x). The persistence of this leverage level, absent a recovery in operating performance or additional mitigating measures, could result in downward rating pressure in the short term.
- Alerion Clean Power S.p.A., together with its subsidiaries (hereinafter *Alerion*), is one of the leading Italian independent power producers (IPPs) specializing in renewable energy sources.
- The company's rating is supported by a solid business risk profile, driven primarily by an industry with sound fundamentals (high levels of profitability, low volatility levels and favorable growth perspectives) and a shareholder structure that benefits from being publicly listed. The rating is also supported by financial leverage metrics that are considered adequate for its business profile, specifically a current adjusted NFD/EBITDA ratio below 4x on average.
- Conversely, the rating is constrained by Alerion's modest competitive positioning, due to limited diversification and relatively small scale. From a financial standpoint, the rating is also limited by weak capitalisation (Equity/Total Financial Debt below 40%).
- It is worth noting that different volatility tables were applied to evaluate financial ratios: a *low volatility* table was used for energy sales activities (regulated + market mix), while a *standard* table was used for other revenue coming from the asset rotation.
- According to our methodology, the company operates in the renewable energy industry. This industry is well aligned with ESG factors (sector heatmap score between 1 and 2). This consideration results in a one category upgrade on the industry risk assessment. The industry contributes to pollution reduction and biodiversity protection as a substitute for highly-polluting traditional energy sources. However, related construction emits GHG and uses significant resources. The impact on consumers and communities is positive as clean energy contributes to good health and economic development. The impact on suppliers is medium as China, where ESG issues may exist, is involved in much of the supply chain.
- Modifiers: No issues have been identified regarding liquidity, country risk, or controversies

Issuer Description

Alerion is headquartered in Milan and has been listed on the Milan Stock Exchange since 2003. As of November 19, 2025, the company had a market capitalization of approximately €1bn.

In 2024, Alerion operated a total gross installed capacity of 811.4 MW, up from 803.2 MW in 2023. Its portfolio was composed of wind projects (80%) and solar PV projects (20%). By year-end, 89% of energy sales revenue was generated in Italy, compared to an average of 90% over the 2022–24 period.

For the full year 2024, the company reported revenues of €223.5m and an EBITDA of €188.4m, resulting in an EBITDA margin of 84.3%. The Net Financial Debt to EBITDA ratio stood at 2.8x (3.1x in 2023).

In the first half of 2025, the company reported revenues of €77.6m and an EBITDA of €57.3m, both down around 15% year-on-year due to exceptionally weak wind conditions and softer electricity prices. Despite the decline in production, profitability remained resilient, with an EBITDA margin close to 74%. The deterioration in operating performance was therefore primarily weather-driven rather than structural, and the company expects a partial recovery in the second half of the year.

Limitations

It is important to note that we have not had direct access to the company, which is particularly relevant given the scale and complexity of its 2025–28 business plan. In this context, we highlight the uncertainty arising from the limited guidance provided regarding the execution of this ambitious investment programme, the envisaged financing strategy and the potential implications for leverage. The manner in which this growth is implemented—including the timing of project development, the ability to execute asset rotation and the associated financial discipline— will be critical and could materially influence any future rating actions.

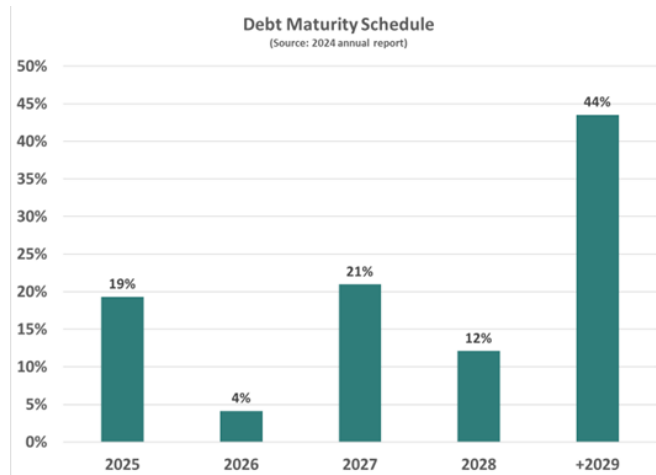
Main Financial Figures

Main financial figures. thousands of EUR						
	FY23	FY24	FY25e	FY26e	FY27e	24vs23
Turnover	163,921	223,474	213,622	252,518	344,984	36.3%
EBITDA	152,206	188,397	168,761	196,964	281,162	23.8%
EBITDA Margin	92.9%	84.3%	79.0%	78.0%	81.5%	-8.5pp
EBIT	75,772	135,491	115,575	118,405	172,230	78.8%
EBIT Margin	46.2%	60.6%	54.1%	46.9%	49.9%	14.4pp
EBT	82,479	111,131	71,655	68,541	115,930	34.7%
Total Assets	1,434,873	1,692,117	1,806,653	2,163,859	2,354,238	17.9%
Equity	326,725	372,658	434,748	494,140	594,594	14.1%
Total Financial Debt	880,235	1,108,540	1,132,708	1,413,377	1,462,768	25.9%
Net Financial Debt	470,073	527,714	680,676	853,513	1,024,536	12.3%
Equity/TFD	37.1%	33.6%	38.4%	35.0%	40.6%	-3.5pp
NFD/EBITDA	3.1x	2.8x	4.0x	4.3x	3.6x	-0.3x
Funds From Operations	92,542	107,053	112,881	134,957	205,645	15.7%
FFO/NFD	19.7%	20.3%	16.6%	15.8%	20.1%	0.6pp
EBITDA/Interest	5.3x	4.6x	3.8x	4.0x	5.0x	-0.7x

Profitability. thousands of EUR				
	FY22	FY23	FY24	24vs23
Turnover	263,308	163,921	223,474	36.3%
Gross Mg	104.0%	123.1%	109.0%	-14.0pp
EBITDA	232,811	152,206	188,397	23.8%
EBITDA Mg	88.4%	92.9%	84.3%	-8.5pp
EBIT	189,826	75,772	135,491	78.8%
EBIT Mg	72.1%	46.2%	60.6%	14.4pp
Financial expenses	-20,861	-28,749	-40,854	-42.1%
EBT	171,451	82,479	111,131	34.7%

NFD/EBITDA calculation. thousands of EUR.

	FY23	FY24
Banks Loans and borrowings	176,645	177,251
Bonds issued	667,962	899,820
Lease liabilities	16,687	13,662
Others	17,903	23,324
Accounting TFD	879,197	1,114,057
Employee benefits	1,390	1,565
Derivatives	-352	-7,082
TFD	880,235	1,108,540
Cash	343,162	515,871
Liquid current financial assets	67,000	64,955
NFD	470,073	527,714
EBITDA	152,206	188,397
NFD/EBITDA	3.1x	2.8x



Credit Rating

Credit Rating	
Business Risk Profile	BBB+
<i>Industry risk assessment</i>	AA
<i>Industry's ESG</i>	Positive
<i>Competitive Positioning</i>	BB
<i>Governance</i>	BB+
Financial Risk Profile	BB
<i>Cash flow and leverage</i>	BB+
<i>Solvency</i>	B
Anchor Rating	BBB-
<i>Modifiers</i>	-
Rating	BBB-

Rating Sensitivity

- Long-term rating positive factors (↑)

An upgrade in the rating is not expected, however it would now require substantial progress in both diversification and the overall growth of the group. Likewise, a scenario of reduced leverage — as reflected by an adjusted average EBITDA/interest ratio above 6.5x or an NFD/EBITDA ratio below 1.5x (or a combination of both) — could also support an improvement in the rating.

- Long-term rating negative factors (↓)

Conversely, a shift toward a scenario of higher financial leverage—with an adjusted average NFD/EBITDA exceeding 4x or EBITDA/interest coverage falling below 4.5x—could signal downward pressure on the rating. Likewise, a decline in the share of revenues derived from energy sales at secured prices, in favor of more volatile or market-based revenues, could also lead to a potential rating downgrade.

Sources of information

The credit rating issued in this report is unsolicited. The credit rating is based exclusively on public information, being the main sources the following:

1. Annual Audit Report.
2. Corporate Governance Report.
3. Corporate Website.
4. Information published in the Official Bulletins.

The information was thoroughly reviewed to ensure that it is valid and consistent, and is considered satisfactory. Nevertheless, EthiFinance Ratings assumes no responsibility for the accuracy of the information and the conclusions drawn from it.

Level of the rated entity participation in the rating process

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	NO
With Access to Internal Documents	NO
With Access to Management	NO

Additional information

- The rating was carried out in accordance with Regulation (EC) N°1060/2009 of the European Parliament and the Council of 16 September 2009, on credit rating agencies. Principal methodology used in this research are :
 - Corporate Rating Methodology - General : <https://www.ethifinance.com/download/corporate-rating-methodology-general/?wpdmdl=35203>
- The rating scale used in this report is available at <https://www.ethifinance.com/en/ratings/ratingScale>.
- EthiFinance Ratings publishes data on the historical default rates of the rating categories, which are located in the central statistics repository CEREP, of the European Securities and Markets Authority (ESMA).
- In accordance with Article 6 (2), in conjunction with Annex I, section B (4) of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009, it is reported that during the last 12 months EthiFinance Ratings has not provided ancillary services to the rated entity or its related third parties.
- The issued credit rating has been notified to the rated entity, and has not been modified since.

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