

# Annual report 2016



## ABO Wind at a glance



Employees (without temporary staff)	<b>406</b>
International orientation	Subsidiaries in <b>8 countries</b> , Project development in additional countries
So far built and converted	<b>613</b> wind and <b>9</b> biogas plants with a rated output of around <b>1,300 Megawatt</b>
Climate Protection	The plants avoid the emission of around <b>2 million tons of carbon dioxide</b> every year
Energy supply	The plants produce <b>around 2.6 million megawatt hours</b> a year – that is what <b>2 million</b> people need in their houses and flats
Portfolio of future projects	Around <b>3,000 megawatt</b> in europe – of which the half in the final planning state. Almost another <b>1,000 megawatt</b> are in planning in south america, asia and africa.
Annual project volume	Around <b>300 million Euro</b>
Overall performance of the ABO Wind Group 2016	<b>144 million Euro</b>
Annual net profit of the ABO Wind group 2016	<b>16.5 million Euro</b>

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# Foreword by the Management Board

Wiesbaden, May 2017

## Dear shareholders,

2015 was a successful financial year for ABO Wind. This time last year we acknowledged that fact. Now we can announce that the 2016 financial year was a good deal better. You might say that there is nothing special about this, but we do not usually use superlatives. Stable, medium-sized businesses are reluctant to go wild celebrating their own successes.

## Praise of modesty

This short preface may serve to reassure everyone. There are companies that would find it difficult not to get carried away if they achieve a good annual profit one year and then manage to double it. That is what we have done in the 2016 financial year compared to 2015. Therefore, we cannot entirely avoid superlatives. This last financial year has been by far the most successful in the history of our company. An annual profit of 16.5 million euros is, in fact, outstanding. We are delighted by this success. At the same time, knowing that our business model is dependent on the regulatory environment, political goals, and changes in interest rates, we also value modesty.

## Favourable environment

We did not achieve this profit by accident. It is true that ABO Wind has benefited from several years of low interest rates, and the fact that investors have found it difficult to find high-yielding investments for their money. The low cost of borrowed capital, high demand, and the expectation of low returns have all increased the value of wind farms and, therefore, increased our margins. At the same time, however, we have continued to work on improving efficiency, keeping project development costs as low as possible and maintaining a lean corporate structure. The latter, in particular, is a difficult task. After all, ABO Wind now employs more than 400 staff at 20 sites, in eight countries, on three continents. As markets such as Argentina and Iran grow in significance, the more important coordination from Germany becomes.

## Across borders

Actual project development is managed locally by dedicated teams in the relevant countries. Specialist staff in Germany manage our international activity, project financing, sales, energy production assessments and the selection and purchase of wind farms. One of the keys to our success is the fact that ABO wind farm staff work together closely and efficiently across cultural and national boundaries.

## Changes in the domestic market

The conditions of our core business for developing wind power are currently undergoing fundamental changes in Germany. In the last year, the German government has decided that it will no longer guarantee fixed tariffs for wind power in the future. Most recently, it decided that projects that have already been approved must first go through a tender process. Only those wind farms that offer electricity at a particularly low price will receive remuneration and can be built. 2017 is a transitional year. Wind farms that were approved before the end of 2016 can be built in accordance with the old rules. This year, ABO Wind will supply the German grid with around 100 megawatts of additional wind power, charged in line with the old tariff. In 2018, we will then build those projects for which we won the tenders in 2017.

## Strengthened internationally

In recent years, we have been consistently expanding our international activities in order to prepare for the long-foreseeable changes in Germany. This is reflected in the 2016 annual accounts. In particular, success in Argentina and Finland has contributed to our exceptionally good earnings. We have also made considerable progress in Iran. There are now seven staff working in our newest foreign market. Based in Tehran, they are planning wind and solar farms. However, there are still a number of hurdles to overcome, particularly regarding financing, before we are ready for construction to begin in Iran.

## Argentina: positive surprise of the year

Striving for long-term planning: We had not expected success on this scale for Argentina in 2016. The tenders initiated by the government prompted a sudden increase in interest in wind farm projects that were ready for construction. Our colleagues in Buenos Aires had been persistently working on plans for many years - despite unfavourable regulatory conditions. ABO Wind was therefore instantly in a position to take advantage of the change in energy policy and was able to meet the sudden demand. Although it had been impossible to attract interest among investors to Argentinian wind farms in previous years,



Matthias Bockholt, Andreas Höllinger, Dr. Jochen Ahn

we have sold six construction-ready projects in the past year. The buyers were mainly national suppliers, who were involved in the tenders for the large projects (mostly between 50 and 100 megawatts). Given the high sureties involved, we did not enter the race ourselves.

ABO Wind is planning more projects in Argentina. Given that further tender processes are planned, there are prospects of further good business. In addition, opportunities are increasing for the dedicated team, in its capacity as a service provider, to drive wind farm expansion in Latin America.

#### Outstanding prospects

The excellent profits for the 2016 financial year also confirm the positive outlook for ABO Wind in the future, both in the international and domestic markets. Furthermore, our efficient cost structure and highly specialised and engaged employees should also enable ABO Wind to continue operating successfully, even in the increasingly competitive German environment. In addition, our international activities are increasingly bearing fruit. New business areas, such as the planning of solar farms, the expansion of our technical service offering for wind farms, and the development of innovative products, will also contribute to continuing the positive development of the business.

We are looking forward to the next few years and are glad to have you at our side.

Kind regards,

Dr. Jochen Ahn

Matthias Bockholt

Andreas Höllinger

The Executive Board of ABO Wind AG

## Preliminary notes

This management report contains statements about the future. We would like to point out that actual events may deviate from the expectations of forward-looking statements.

## 1. Summary 2016

The ABO Wind Group (ABO Wind) finished the 2016 financial year with a net profit for the year of 16.5 million euros (previous year: 7.8 million euros). Total operating performance (turnover plus changes in stock) amounted to 144.6 million euros (previous year: 101.1 million euros).

For the first time, the consolidated figures include the business activity of the Argentine subsidiary. A total of 13 companies are consolidated within the Group.

The results we have achieved have significantly exceeded expectations. In addition to projects in Germany and Finland,

which have made good progress as expected, the pleasing additional income is the result of good economies of scale in the construction of three large German projects, and the surprisingly quick pick-up of the Argentinian market, where a total of six projects have been sold.

Just as impressive as the financial success of the projects that have been realised is the fact that ABO Wind has achieved the ambitious goals set for new businesses. The number of building applications submitted and the number of permissions granted both reached record figures in the 2016 financial year. This is not least due to the successful entry into the Iranian market.

As planned, staffing levels were increased in the 2016 financial year, in particular in the service sector. Eight additional employees now look after maintenance, repairs, testing and other services for wind turbines. This department has therefore increased by about 50% compared to the previous year and, thanks to a healthy order book, is likely to be strengthened further in the future.



## 2. Foundations of the group

ABO Wind plans and constructs wind farms in Germany, France, Spain, Ireland, Argentina, Finland, the United Kingdom and Iran.

ABO Wind initiates projects, acquires sites, carries out all technical and commercial planning work, prepares financing from international banks and constructs turnkey facilities on its own account as well as in cooperation with regional energy suppliers. To date, ABO Wind has connected to the grid wind farms with a nominal output of around 1,300 megawatts. ABO Wind also develops repowering concepts to make more effective use of tried and tested sites.

The technical and commercial management of ABO Wind takes control when the operating phase of wind farms and biogas plants begins. It ensures that the facilities produce the optimum amount of energy by means of modern monitoring systems and forward-looking services.

The ABO Wind Service engineers provide maintenance, repairs, inspections, fault clearance services and replacement parts services throughout the entire operating stage.

## 3. Economic report

### 3.1 General conditions

In 2016, an additional 54,600 megawatts of wind power were supplied to the grid worldwide. This was the second highest volume of new power we have ever supplied. The previous year saw an even greater supply of additional power at 63,600 megawatts. Nearly 43 per cent of new wind turbines are in China. The USA and Germany are in second and third place with 15 and 10 per cent of market share. 6.6 per cent of new wind turbines are in India, 3.7 per cent in Brazil and 2.9 per cent in France.

“The global transformation of energy systems is now irreversible”, said the German newspaper Die Welt on 25 January 2017, in a report on the latest edition of the BP Energy Outlook, which outlines the ‘most likely’ path for global energy markets. “Global climate protection will make tremendous progress in the next few years.” According to the report, despite the extensive transformation of energy systems around the world, it is questionable whether we will succeed in limiting global warming to no more than two degrees. Experts expect that growth of CO<sub>2</sub> emissions will slow over the next 20 years – thanks to greater energy efficiency and the growing proportion of renewable energies. Nevertheless, oil, coal and gas will still account for 75 per cent of global energy by 2035.

### 3.1.1 Europe

The transformation of European energy supplies is progressing. In 2016, 86 per cent of power plants in the 28 Member States of the European Union used renewable energy. With a 51 per cent share, wind power is once again the most established technology - followed by solar power (27 per cent) and natural gas (13 per cent).

While renewable energy sources clearly dominate in new power plants, fossil fuels continue to play a major role in existing power plants. Nevertheless, in 2016 wind power replaced coal as the second greatest source of energy. Providing 154,000 megawatts of power, wind power now represents 17 per cent of installed capacity in Europe. Only natural gas has a higher power plant capacity. However, the volume of energy generated by gas has stagnated in the last six years, while the output from wind power is constantly increasing. Installed wind power capacity grew by 13,900 megawatts in Europe in 2016. 12,500 megawatts of this came from the 28 EU Member States. Of which almost 11,000 megawatts came from onshore wind farms and over 1,500 megawatts from offshore wind farms. In 2016, the capacity of coal and oil-fired power plants was reduced by more than it was extended, so their overall output fell.

Germany has the most installed capacity for wind power in Europe – both in terms of newly installed capacity and existing capacity. In the last year, five countries – France, Holland, Finland, Ireland and Lithuania – constructed more new wind power capacity than ever before. In 2016, Germany added around 5,400 megawatts of additional wind power capacity (of which 0.8 gigawatts was on the high seas), accounting for 44 per cent of total new wind power in the EU. In second place was France (1,600 additional megawatts), followed by Holland (890 megawatts), the United Kingdom (740 megawatts), Poland (680 megawatts) and Finland (570 megawatts).

Electricity consumption in the 28 EU Member States increased by 0.5 per cent in 2016. At the same time, carbon dioxide emissions from power plants fell by 4.5 per cent. This was mainly due to the increased use of natural gas to generate electricity in place of coal-fired power, which is more damaging to the climate – in particular in the United Kingdom. These figures are taken from the survey *Energy Transition in the Power Sector in Europe: State of Affairs in 2016*. This survey was produced by the German and British think tanks Agora Energiewende and Sandbag. According to the survey, the proportion of the electricity mix generated by renewables grew from 29.2 to 29.6 per cent. Renewables are therefore the largest source of electricity – ahead of nuclear energy (26.3 per cent). The increase in power generated by renewable sources was less than in previous years, because there was a downward trend in solar and biomass power stations. Due to the reduced growth in renewables and somewhat unfavourable conditions for wind and solar power, wind and solar electricity production barely exceeded 2015 levels. The study's authors expect to see stronger growth in 2017 and beyond – due to lower costs, among other things. Both wind power and photovoltaic power are among the cheapest new sources of electricity in Europe.

The study's authors doubt that the shift from coal to gas observed in 2016 will be permanent. The coal-gas shift was due to several coal plant closures and very low gas prices in the second half of 2016. Gas power plants, which were previously at a disadvantage to coal power plants, temporarily became more competitive again. A similar situation will probably not arise again. The European Emissions Trading Scheme (ETS) did not support the shift from coal to gas. The number of emissions rights certificates issued in 2016 also by far exceeded the number of certificates handed in, increasing the excessive number of surplus certificates, which the ETS has been building for a few years now. "The combination of the enormous surplus in the ETS and the excessive number of unused certificates means that, without radical reform by the end of the 2020s, the European Emissions Trading Scheme will not be sending out signals for climate-friendly investment. Although that would be their true purpose," says Dr Patrick Graichen, Director of Agora Energiewende.

### 3.1.1.1 Germany

2016 was another successful year for the wind power sector in Germany. Over 4,600 megawatts of onshore wind power were added to the grid. A further 820 megawatts were added from offshore power. Onshore wind power was up by almost a quarter against 2015. This was not quite enough to match the level of 2014, which was a record year. In January 2017, a fundamental amendment to the German Renewable Energy Sources Act (EEG) entered into force. It introduced a competitive tendering system for most renewable energy sources, whereas remuneration was previously set by the state.

The Act provides for a first round of tenders on 1 May 2017. The German Federal Grid Agency (Bundesnetzagentur - BNetzA) will put 800 megawatts of wind power out to tender for installation. Bidders submit their bids for projects that have already been approved. The lowest bidder is awarded the tender. Bids are based on calculations for a reference benchmark location, known as "the 100 per cent site". Better sites will have a penalty (malus) applied to their bid and worse sites will have a bonus applied. With this method of adjustment for equalisation, the German government aims to continue achieving a regional spread of wind power, and to avoid an excessive concentration of wind farms in the north of Germany, which is particularly windy. This would only exacerbate the existing problems with delays in the expansion of the grid. According to the new Act, between 2017 and 2019, 2,800 megawatts of power should be put out to tender each year, increasing to 2,900 megawatts per year thereafter.

The wind power sector expects to see wind power capacity increase above the level allowed for in the 2017 and 2018 tenders because, during this transitional period, wind farms that were approved before the end of 2016 in accordance with the previous remuneration system – i.e. without a tender process – can be put into operation. However, the government has allowed for degression. Payments gradually melt away the later the power plants are connected to the grid.

By 31 December 2016, the German Federal Grid Agency had received approvals for 2,053 facilities providing 6,128 megawatts, which are awaiting construction. Industry associations therefore expect to see between 4,500 and 5,000 additional megawatts of energy added to the grid in 2017, and between 3,000 and 3,500 added in 2018. 2019 will be the first year in which only projects awarded through the tender process will go into construction.



### 3.1.1.2 France

Dependency on nuclear power poses increasing problems. France derives around 75 per cent of its electricity from nuclear power, which has been considered high-risk since the recent Fukushima disaster in Japan. During the very cold winter of 2016/2017, when the country's electric-powered heating systems were running at full blast, many of France's 58 nuclear reactors had to be disconnected from the grid because they needed maintenance and safety checks. The French government asked people to save energy. Paris turned off the lights illuminating the Notre Dame cathedral. The media speculated about the risk of a power cut.

In the beginning of February 2017, an explosion at the Flamanville nuclear power plant brought the issue to public attention. A newspaper article claimed that the French nuclear power industry is experiencing a severe economic crisis. EDF and the nuclear plants supplier Areva, both of which are state-owned, are said to be losing billions. The newspaper reported nuclear energy expert Mycle Schneider, who publishes the World Nuclear Status Report, as stating that "There are between 10,000 and 12,000 incidents at French nuclear plants each year". The Energy Transition for Green Growth Act, adopted in 2015, aims to reduce the proportion of electricity generated by nuclear power to 50 per cent by 2025 – by expanding renewable energy provision, among other things.

Even before the cold winter, which revealed the unreliability of a system that depends on nuclear power for its energy, there were already plans to restructure the energy supply in France. The official aim of the French government is to have constructed wind power capacity of 25,000 megawatts by 2020. Given that only 12,065 megawatts have been constructed so far – less than half the goal – this seems unlikely to be achieved. Nevertheless, in 2016, France achieved record levels for wind power by increasing it by a good 45 percent. In 2016, France installed new wind farms with a total capacity of 1,561 megawatts, putting it in second place in Europe in terms of increasing wind power capacity. The aim is to maintain the pace of capacity expansion over the coming years. The French wind power association France Energy Eolienne believes this boom is due to the stable legal framework surrounding the 2015 Energy Transition for Green Growth Act. The aim is to increase French wind power capacity to 15,000 MW by 2018. This corresponds to an increase of 1,500 MW per year in 2017 and 2018, i.e. the same level of expansion as in 2016.

### 3.1.1.3 United Kingdom

Following the closure of three large coal-fired power plants, wind power overtook coal power in the United Kingdom for the first time in 2016. Electricity generated by coal-fired power stations fell to 9.2 per cent. In Scotland, where the development of the renewable energy sector is particularly high on the political agenda, there were four consecutive days in December 2016 where wind farms produced more electricity than Scotland needed as a whole.

Conditions for wind power are excellent in the United Kingdom and, according to estimates by the International Energy Agency (IEA), it has approximately 40% of Europe's entire wind resources. The best conditions for wind energy within the United Kingdom can be found in Scotland and Northern Ireland. Scotland is pursuing its aim of getting its complete energy supply from renewable sources by 2020.

Since cuts were made to support onshore wind power in 2015, the UK market has been in reverse gear. The development of (onshore and offshore) wind power halved in 2015 compared to the previous year, to just 975 megawatts. In 2016, expansion continued to fall, with just 736 megawatts of new capacity added. The industry association WindEurope estimates wind energy capacity onshore to be 11,500 megawatts by 2020. At the end of 2015, capacity stood at 8,400 megawatts. According to forecasts, onshore wind energy is expected to reach a nominal power of 17,000 megawatts by 2030.

Nevertheless, the current government is committed to nuclear power. Hinkley Point nuclear power plant, in the county of Somerset in South West England, is to be expanded with two new reactors. In doing so, this will cause nuclear energy to become substantially more expensive than power generated from renewable energies. Regardless of the enormous subsidies that have been awarded, the construction and operation of the prestigious project harbour incalculable risks for all of the companies involved, as was highlighted by the resignation of the EDF finance director in March 2016. Despite this, the New York Times reported in astonishment that the British Government seems determined for the project to proceed "at any price". Observers now suspect that military considerations lie behind this barely comprehensible energy policy.

### 3.1.1.4 Spain

Spain ranks second in Europe in terms of wind power installed capacity. However, the market has been floundering since the abolition of feed-in tariffs in 2013. Although no new wind farms were installed in 2015, at least 49 megawatts were added to the grid in 2016. In 2016, the Spanish Government also put 500 megawatts out to tender in a reverse auction. Companies offered discounts on a performance-related investment allowance set by the government. The successful bidders achieved a 100% rebate, and will therefore sell the electricity generated at market prices without an investment allowance, provided, of course, that the projects are actually completed.

The Spanish government plans to contract out 3,000 megawatts of capacity in 2017 in a further renewable energy auction. Spain wants to achieve a target of 20% of end energy consumption from renewable sources by 2020. According to the Spanish Ministry of Energy, energy from renewables currently accounts for 17.3% of energy consumed. The European Wind Energy Association predicts that an additional increase of around 3,000 megawatts will be achieved in Spain by 2020. Wind power capacity could even almost double to 44,500 megawatts by 2030.

### 3.1.1.5 Republic of Ireland

384 megawatts of wind power capacity were added to the grid in the Republic of Ireland in 2016 – considerably more than the previous year (224 megawatts). On windy days, wind power covers over half the island's electricity demand. The record for supply was set on 11 January 2017, when wind power met 60 per cent of the electricity quota. By the end of 2016, 2,830 megawatts were installed. On average, wind power covers 27 per cent of Ireland's electricity requirements. That is the second highest value in Europe (Denmark is in first place with 36.8 per cent).

In principle, Ireland still has very high market potential and the political support for more wind farms. The creation of a large number of data centres in the country is also generating a high demand for green electricity. Companies such as Facebook and Google, which have offices located in Ireland, explicitly value sustainable electricity supplies from renewable energy sources. New wind farms are currently still remunerated under the "REFIT II" tariff system. However, this is subject to projects having received final planning permission before the end of 2016 and having sufficient grid capacity. The sector expects a new support scheme for further wind farms in the medium term.

### 3.1.1.6 Finland

Finland is increasing wind power capacity at an impressive rate; from 180 megawatts in 2014 to 380 megawatts (2015), to 570 megawatts in 2016. This was the sixth-largest expansion of wind power capacity among the 28 EU Member States last year. A further increase in capacity is expected in 2017. Back in 2010, the Finnish government decided to support wind power with a total capacity of 2,500 megawatts. Approved projects could apply for this tariff up until 2016. The list has now been closed. The wind farms that had secured the tariff had to be connected to the grid by 2017. Otherwise, the commitment to a guaranteed feed-in tariff of 8.35 euro cents per kilowatt-hour over twelve years would expire. Wind power projects, which are in the planning stage and which have been unable to access the list, are now waiting for a successor scheme. The Finnish state is working on a tender process to govern the further expansion of wind power. The current difficulties involved in the financing and construction of nuclear power plants should favour the expansion of renewable energies. It is currently uncertain whether construction of a nuclear reactor will be allowed to go ahead in 2018 as planned.

### 3.1.2 Argentina

Argentina is considered the best location in the world for wind power. Patagonia, a region in the south of the country, has winds with speeds of up to twelve metres per second at just 60 metres above ground level.

There are large-scale sites further north, which are waiting to be used, with wind speeds of up to nine metres per second. Lack of access to international capital markets meant that, for a long time, the outlook for wind power projects was fairly poor. In 2015, only 8 MW of wind power capacity was added to the grid, increasing cumulative wind power capacity to 279 MW. According to statistics from the World Wind Energy Association, no new wind farms were connected to the grid in 2016. 60 per cent of Argentina's energy needs are met by fossil fuels, which are very expensive to import. Burning them is a huge threat to the global climate.

The agreement with hedge funds for repayment claims from bonds which was finalised at the start of 2016 has strengthened Argentina's credit rating on the international scene and has therefore fundamentally improved the possibility of obtaining financing for infrastructure projects. This boosted activity in the wind power industry. Under a law passed in October 2015 by the new Argentinian government, from 2018, large energy consumers will be required to obtain at least 8% of their energy mix from renewable sources. The law sets out ambitious targets and aims to increase the share of renewable energies in electricity production to 20 per cent by 2025. In 2016, it stood at around 2 per cent. In order to

promote the development of renewables, the Argentinian government issued calls to tender in 2016. In October, the government awarded contracts for projects with an output of over 1,100 megawatts. The vast majority of these projects were wind farms (700 megawatts). In the second round of tenders in November, contracts were again awarded to power plants with a total capacity of 600 megawatts, of which 400 megawatts was for wind power. It is likely that these projects will be built gradually in the coming months and years. The government has announced further rounds of bids.

### 3.1.3 Iran

Following the signing of the historic nuclear agreement, and the subsequent lifting of sanctions, Iran offers German companies good business opportunities. With a population of around 75 million, and an area of over 1.6 million square kilometres, Iran is one of the 20 most populous and largest countries in the world. Iran is very interested in the development of sustainable, renewable energies. The oil produced in Iran is primarily intended for exportation. In order to satisfy the increasing hunger for energy among Iran's growing population, the government is looking to renewable energies. According to information from Iran's Ministry of Energy, power plants using renewable energies currently supply only 350 megawatts of capacity to the grid. The government wants to increase capacity from renewables to 5,000 megawatts by 2020. The visit to Germany in January 2017 by an Iranian business delegation, headed by Dr. Mohammad Ali Shafieizadeh, General Director of the Iranian Ministry for Renewable Energies, also underlined the country's interest in the sector. Among other things, the delegates visited a wind farm constructed by ABO Wind.

## 3.2 Business performance

ABO Wind covers the entire value added chain in the development of wind farms – from site acquisition to turnkey construction. The company's own specialists carry out the vast majority of planning and organisational work.

ABO Wind uses key milestones, which have to be achieved as part of a project – alongside the financial performance indicators of sales and annual profit – as non-financial performance indicators to measure economic success. Some of the most meaningful non-financial performance indicators are the number of new projects, the number of building applications made, and approvals granted, in the financial year, and completed construction projects, which are measured in megawatts. The volume of successfully concluded project financing and sales, the scope of operational management activities, and the number of employees all shed yet more light on the performance of the business.

In the 2016 financial year, and in the first quarter of 2017, these indicators developed as follows:

### 3.2.1 New projects

The 2015 annual report predicted new business of more than 700 megawatts each year in the calendar years 2016 and 2017. In 2016, ABO Wind actually acquired new wind power projects with a total output of 730 megawatts across the Group. Of this, 320 megawatts are in Germany, 170 megawatts in Spain, 90 megawatts in France, 80 megawatts in Iran, 40 megawatts in Finland and 30 megawatts in the United Kingdom.

In the first quarter of 2017, more than 88 megawatts were acquired across the Group – 68 megawatts of which in Germany.

### 3.2.2 Building applications

In 2016, employees of the ABO Wind Group submitted building applications for 264 megawatts in Germany, 210 megawatts in Iran, 167 megawatts in France, 150 megawatts in Argentina, 80 megawatts in Finland and 53 megawatts in Spain.

In the first quarter of 2017, building applications were submitted for a total of 75 megawatts.

### 3.2.3 Approvals

The 2015 annual report predicted approvals for a total of around 500 megawatts in the calendar years 2016 and 2017. In 2016, ABO Wind actually obtained approvals for 384 megawatts of wind power capacity – 171 megawatts of which

are in Germany, 100 megawatts in Finland, 50 megawatts in Ireland, 35 megawatts in the United Kingdom, 20 megawatts in France and 8 megawatts in Spain.

Building applications were also submitted for a further 100 megawatts in Argentina.

In the first quarter of 2017, ABO Wind received approvals for 9 megawatts in Finland.

### 3.2.4 Construction

The 2015 annual report predicted that a total of around 400 megawatts of capacity would enter operation in the calendar years 2016 and 2017. ABO Wind did not quite manage to achieve this maximum target, constructing 156 megawatts of capacity in 2016. The wind farms which entered into operation were spread across four countries: 113 megawatts in Germany, 26 megawatts in Finland, 12 megawatts in France and 5 megawatts in Spain.

In the first quarter of 2017, a French wind farm with 10 megawatts was put into operation, as were three German wind farms with a total of 21 megawatts.

### 3.2.5 Project financing and sales

In 2016, long-term credit agreements totalling around 226 million euros were arranged for approximately 145 megawatts. Of this, around 135 megawatts are German projects with total lending of 209 million euros. Parallel to obtaining project financing, projects with a total of 141 megawatts were sold to investors in 2016. The project rights to 6 Argentinian projects for a total of 350 megawatts were also sold.

In the first quarter of 2017, financing for a total of 31 megawatts and total lending of 52 million euros was agreed, and projects with a total of 24 megawatts were sold to investors.

### 3.2.6 Management

As at 31 March 2017, ABO Wind now manages 460 wind power facilities in 106 projects with a total of 1,032 megawatts in Germany (730 megawatts), France (191 megawatts), Finland (33 megawatts), Ireland (70 megawatts) and the United Kingdom (8 megawatts).

### 3.2.7 Employee development

The average number of employees at ABO Wind increased in the calendar year from 417 to 453. Most of the new employees are working for the German parent company. The seven

employees of our Argentinian subsidiary are also included in employee figures for the first time this year. As in the previous year, the number of employees at other locations remained largely unchanged.

### 3.3 Turnover and profit

Of the total earnings of 144.6 million euros for the 2016 financial year mentioned at the beginning, 122.3 million euros was attributable to turnover and 22.3 million euros to increases in the stock or finished goods and work in progress. Turnover is comprised of 36.8 million euros from planning services and 79.4 million euros from the construction of projects. ABO Wind generated a total of 5.7 million euros of sales from its operational management and service contracts. Other revenue was achieved totalling 0.4 million euros through management activities and other services.

The ratio of material costs to sales increased to around 53 per cent (2015 financial year: 49 per cent), due to a higher proportion of constructed wind farms in the overall performance. Personnel costs include a special payment to employees.

Individual value adjustments on projects in development are shown alongside scheduled amortisation on fixed assets in the amortisation item. All projects for which there is no longer a realistic possibility of implementation are included in the overall position of 10.5 million euros (previous year: 6.0 million euros). 3.9 million euros is attributable to German projects, 1.1 million euros to French projects, 0.9 million euros to projects in the United Kingdom and 0.3 million euros to a project in Finland. The financial situation of some projects changed significantly during the planning process. For these projects, value adjustments were made in the financial year 2016 to the amount of 2.7 million euros – 2.3 million euros in the United Kingdom and 0.4 million euros in Germany.

Primarily due to successful project sales in Argentina, the partial value adjustments for country risks were reduced by a total of 1.3 million euros compared to the previous year. There are still partial value adjustments to the amount of 1.3 million euros.

Net interest income in the balance sheet shows that interest expense is slightly lower than last year at 1.5 million euros (previous year: 1.7 million euros). This reflects the lower than average use of credit lines and guarantees and the ongoing efforts to lower refinancing costs.

Overall, in the 2016 financial year, the company reported very encouraging results from ordinary activities of 22.4 million euros (previous year: 11.4 million euros) and an annual net profit of 16.5 million euros (previous year: 7.8 million euros).

### 3.4 Financial and assets situation

Fixed assets rose by 0.9 million euros to a total of 10.2 million euros during the financial year. Investments were chiefly made in wind measurement technology.

Of the 70.5 million euros of work in progress carried on the balance sheet, around 16.5 million euros was attributable to projects under construction as at the balance sheet date of 31 December 2016.

A German cable tray has been entered in the balance sheet to the value of 0.2 million euros as a finished product in 31 December 2016 on a pro-rata basis.

Advance payments received which were deducted from inventories totalling the amount of 28.9 million euros included 1.2 million euros for advance payments. The remaining amount relates to payments on account, which cover the costs of services performed or deliveries made.

Of the receivables from affiliated companies totalling 54.5 million euros (previous year: 36.0 million euros), around 26.7 million euros are attributable to German projects which had not yet been sold as at 31 December 2016, and 24.0 million euros are attributable to Finnish projects which had not yet been sold as at 31 December 2016. The remaining amount relates almost exclusively to non-consolidated foreign subsidiaries of ABO Wind AG, which use these funds to provide interim financing for project costs. 9.8 million euros of receivables from affiliated companies were received in the first quarter of 2017.

Shares in affiliated companies included in current assets have increased by 1.6 million euros to 2.3 million euros. This is mainly due to the acquisition of shares in an Irish wind farm and in a German substation.

Under current assets, the item 'securities' includes shares in ABO Invest AG to the value of 2.9 million euros and shares in ABO Kraft und Wärme AG to the value of 2.1 million euros.

The equity ratio including mezzanine debt increased in the 2016 financial year due to the excellent results, without the need for capital increases, and despite the balance sheet total increasing to 146.6 million euros (previous year: 125.4 million euros) or 55 percent (previous year: 52 per cent). The equity ratio not including mezzanine debt is 46 per cent (previous year: 41 per cent).

In terms of loan capital, ABO Wind took out amortising loans with terms of 5 years and with a total loan value of 6.0 million euros. Credit lines and guarantees were extended by a total of 3.0 million euros.

In the 2016 financial year, as in the preceding year, amounts owed to credit institutions were kept lower than anticipated due to high cash inflows at the end of the year. On 31 December 2016, the amounts owed to credit institutions stood at a total of 33.3 million euros, comprising 29.3 million euros

in low-interest loans and only 4.0 million euros in additional credit lines and guarantees. The unused credit lines and guarantees amounted to a total of 27.3 million euros on 31 December 2016.

Liquid assets, defined as cash in hand and cash in banks, were recorded at 3.8 million euros on 31 December 2016, around 5.7 million euros lower than in the previous year.

Liquid assets were chiefly used for operational activities. The cash flow statement shows a corresponding negative cash flow for operational activities to the amount of 3.4 million euros in the 2016 financial year.

Liquid assets were also used to invest in fixed assets, primarily in wind measurement technology. The negative cash flow from these investment activities therefore amounts to 2.5 million euros.

Financial operations had no substantial effects on the balance in the financial year 2016. Inflows and outflows more or less offset each other and produced a slightly positive cash flow to the value of 0.2 million euros.

The limits agreed with credit institutions, which relate to selected key financial indicators – so-called covenants – were all observed in the reporting period.

## 4. Remuneration report

The remuneration report includes a summary of the principles which are used to determine the total remuneration for the members of the Executive Board at ABO Wind AG. It also describes the structure and amount of remuneration for the members of the Executive Board. Furthermore, the principles and amount of remuneration for the members of the Supervisory Board are also detailed.

### 4.1 Main features of the remuneration system for the Executive Board

The total remuneration of the Executive Board is made up of a fixed basic salary, a profit-based bonus and other benefits and takes into account the respective level of responsibility of each member of the Executive Board. The structure of the remuneration system for the Executive Board is discussed by the Supervisory Board and scrutinised on a regular basis. The fixed basic salary is paid as a remuneration component which is not performance related on a monthly basis. The profit-based bonus is calculated according to the profit of the company and is paid out after being determined in the consolidated financial statements of ABO Wind AG. Entitlement to the profit-based bonus is regulated in a standardised fashion in the contracts for the Executive Board. The annual bonus is limited to a maximum in each case. A negative business performance results in the complete loss of entitlement to the profit-based bonus. The minimum remuneration from the profit-based bonus is therefore 0 (zero) euros. In addition to the fixed basic salary and the profit-based bonus, two members of the Executive Board receive additional benefits in the form of benefits in kind.

Please see below for the full details of the remuneration sums paid to the members of the Executive Board:

<b>Dr. Jochen Ahn</b> Chairman since 2000				
Granted benefits (p.r.n. differing inflows) in kEUR	FY 2015	<b>FY 2016</b>	FY 2016 (Min)	FY 2016 (Max)
Fixed salary	145	<b>145</b>	145	145
Fringe benefits	8	<b>8</b>	8	8
<b>Total</b>	153	<b>153</b>	153	153
Management bonus	60	<b>70</b>	0	70
<b>Total compensation</b>	213	<b>223</b>	153	223

<b>Matthias Bockholt</b> Chairman since 2000				
Granted benefits (p.r.n. differing inflows) in kEUR	FY 2015	<b>FY 2016</b>	FY 2016 (Min)	FY 2016 (Max)
Fixed salary	175	<b>175</b>	175	175
Fringe benefits	2	<b>5</b>	5	5
<b>Total</b>	177	<b>180</b>	180	180
Management bonus	60	<b>70</b>	0	70
<b>Total compensation</b>	237	<b>250</b>	180	250

<b>Andreas Höllinger</b> Chairman since 2010				
Granted benefits (p.r.n. differing inflows) in kEUR	FY 2015	<b>FY 2016</b>	FY 2016 (Min)	FY 2016 (Max)
Fixed salary	135	<b>141</b>	141	141
Fringe benefits	0	<b>0</b>	0	0
<b>Total</b>	135	<b>141</b>	141	141
Management bonus	60	<b>60</b>	0	60
<b>Total compensation</b>	195	<b>201</b>	141	201

There are no further remuneration components with longterm incentivising effects, pension obligations or third-party benefit obligations.

### 4.1 Remuneration of the Supervisory Board

The remuneration of the Supervisory Board was determined at the Annual General Meeting of shareholders and is defined under the Articles of Association. The remuneration relates to the duties and responsibilities of the members of the Supervisory Board. Supervisory Board members who were only on the Supervisory Board for part of the financial year receive remuneration on a pro rata basis.

Please see below for the full details of the remuneration sums paid to the members of the Supervisory Board in the reporting year (previous year):

Granted benefits (in kEUR)	Fixed salary	
	FY 2015	<b>FY 2016</b>
Jörg Lukowsky (chairman)	30	30
Prof. Dr. Uwe Leprich	10	5
Dr. Ing. Joachim Nitsch	10	10
Norbert Breidenbach	10	10
Jürgen Koppmann (deputy)	10	10
Josef Werum	10	10
<b>Total</b>	80	<b>75</b>

There are no further remuneration components for committee activities or attendance fees.

## 5. Opportunities and risks

### 5.1 Liquidity risks

The project development of renewable energies is characterised by high lead costs for small unit numbers. Inflows from project financing and project sales need to be very carefully coordinated with the outflows for planning and construction. Short and medium-term liquidity is constantly managed across the entire Group. Incoming payments are pooled and outgoing payments approved across the Group via a manual cash pooling system at ABO Wind AG. The long-term demand is regularly reviewed by means of a multi-year business plan. Suitable capital measures are initiated and seen through centrally by ABO Wind AG where necessary.

### 5.2 Currency risks

ABO Wind AG is exposed to foreign exchange risks through its operations in South America, Iran and the United Kingdom. Currently, foreign exchange risks are of minor importance at ABO Wind. Most of its business is conducted in the euro zone.

### 5.3 Interest rate risk

Rising interest rates represent a risk to the profitability of projects. Interest rate hedges may counteract these risks in the short to medium term. In the medium-to-long term, rising interest rates may need to be offset by lower investment and operating costs, as well as adjusted compensation rates. At this moment in time, no interest rate hedges have been agreed to any substantial extent.

### 5.4 Regulatory risks

Wind energy facilities are, by nature, unable to generate revenue "on tap" whilst in operation. On the other hand, the most substantial parts of ongoing costs are determined by the original investment costs and from long-term credit and lease agreements. As a result of volatile electricity yields – due to the dependence on the weather – and long-term fixed costs, the economic viability of wind energy projects depends heavily on the framework conditions underpinning the sale of the energy produced. It is critical that the rules governing remuneration are clear and reliable. This applies in line with the protection of legitimate expectations for the investment period and in line with grandfathering for the economic lifespan.

Additional risks to renewable energy projects exist in the approval process, and in the conditions for connection to

the grid and the feeding-in of electricity. Time delays and regulatory requirements for operating facilities and connecting them to the grid can have a significant impact on economic viability.

Overall, the greatest risk for planning wind energy projects lies in the political and administrative design and implementation of the framework conditions.

### 5.5 Opportunities and strategy

In general, policymakers at European level agree that it is desirable and necessary for the use of renewable energies to be increased. It is indisputable that onshore wind power is by far the most cost-effective way to generate environmentally friendly electricity. Any reform of energy policy, which leads to a cost-sensitive increase in the use of renewable energies, should boost these technologies.

Project developers play a key role in carrying out the energy transition. Only by harnessing their expertise and their abilities during the planning and construction phases is it possible to implement projects to the extent intended.

This means working solidly, like in any industry. Our business philosophy to ensure long-term success has been to treat our partners fairly and openly – from landowners and suppliers to banks and investors.

Consistent diversification cushions against the risks that are typical of this sector: a high number of projects with various types of turbines, spread across different wind regions and countries, reduces the importance of individual risk factors.

With this in mind, ABO Wind will continue to expand and develop in areas such as the servicing and maintenance of wind energy facilities and by providing additional services. These business sectors, which are independent of our core business area of project development, will generate a solid contribution to our total earnings.

Like wind power, photovoltaic energy has made enormous technological progress in recent years. In regions with strong sunlight, photovoltaic energy is now the most efficient way of generating electricity. Market researchers predict that it has great potential for growth around the world. Meaningful projects to generate energy from photovoltaics represent a welcome opportunity for ABO Wind to focus on another form of technology in addition to wind power, in the interests of climate protection and spreading risk. With knowledge gained in over 20 years in the renewables sector, ABO Wind now also plans and constructs turnkey photovoltaic systems and takes responsibility for all stages of the project.

## 6. Forecast

The 2015 Annual Report predicted that overall performance would increase by up to 20 per cent in the financial year 2016. Total operating performance for 2016 actually increased by more than 40 per cent. In particular, unexpectedly high sales involving Argentinian project rights during the 2016 financial year contributed to the clear increase compared to the forecast made on 31 March 2016. These additional sales - which are allocated to planning activities - also ensured that the cost of materials ratio only increased slightly, from 49 per cent in the 2015 financial year to 53 per cent in 2016, rather than to the predicted level of 55 per cent or more. Both these developments had a positive effect on gross profit. Gross profit was predicted to grow by a moderate single-digit percentage. Instead, it increased by an impressive 34 per cent.

Staff costs were as expected. Given the strong growth in total operating performance, this means there was a difference between forecast and actual staff costs. Staff costs were projected to be 20 per cent of total operating performance, but actually amounted to a comparatively low 18 per cent.

Total depreciation and amortisation and other expenses was in line with projections. With growth of around 23 per cent, the proportion of the balance sheet total and other reserves remained broadly constant.

In March 2016, the Management Board predicted that earnings in the 2016 financial year would be as good as in 2015. In fact, all the positive developments outlined above, throughout the course of the year, resulted in a significant increase in earnings. Annual net profit rose by 8.7 million euros to 16.5 million euros.

Looking ahead to 2017 and 2018 we are anticipating new business in the region of 750 megawatts each year. Over the same period, we are also expecting approvals for a total of 600 megawatts from projects that are currently in the pipeline.

We expect to put a total of up to 400 megawatts into operation in 2017 and 2018, mainly from projects in Germany, Finland, Ireland and France.

The 2017 financial year is currently developing in line with forecasts. In the first quarter, we had the greatest ever number of wind farms in the construction phase. Some 20 projects in Germany and abroad are expected to be ready to launch sometime this year, and four of them have already entered operation. Construction plans for all the other wind farms are also running to schedule. By contrast, planning activities in the first weeks of the year were characterised by slow processing on the part of the authorities. Experience shows that this will balance out during the course of the year, and we expect construction to start on several wind farms during the rest

of the year, in particular in Germany, France and Finland. This year may also reward our protracted efforts in the United Kingdom and Republic of Ireland with a wind farm reaching the construction phase.

Given the numerous construction projects planned for the current year, we expect total operating performance to more or less equal that of the exceptional financial year of 2016. The cost of materials ratio will change depending on how planning activities develop in the course of the remainder of the financial year. It is expected to be slightly higher than in the 2016 financial year, and gross profit is correspondingly expected to track sideways.

Staff costs as a proportion of total operating performance will shift back towards 20 per cent. Depreciation, amortisation and other expenses are not expected to deviate significantly from historic patterns either.

To conclude, taking all factors into account, although the Management Board does not quite expect 2017 to match the earnings of the 2016 financial year, which were shaped by the extraordinary successes in Argentina, it does hope to achieve very good results in the double-digit millions.

Wiesbaden, 31 March 2017

ABO Wind AG  
The Executive Board





## Consolidated balance sheet

### Assets

	As of 31.12. / in kEUR	2016	previous year
<b>A.</b>	<b>Fixed Assets</b>	10,479	9,666
I.	Intangible assets	273	326
II.	Tangible assets	4,782	4,201
1.	Land, similar rights and buildings	354	361
2.	Technical equipment and machinery	174	0
3.	Other equipment, factory and office equipment	4,254	3,840
III.	Financial assets	5,424	5,139
1.	Shares in group undertakings	105	164
2.	Loans to affiliated companies	751	811
3.	Participating interests	3,710	3,250
4.	Loans to companies in which the company has a participating interest	858	914
<b>B.</b>	<b>Current assets</b>	134,344	114,190
I.	Stocks	45,883	36,443
1.	Work in progress	70,496	56,970
2.	Finished goods and goods for resale	352	337
3.	Payments of account	3,980	4,205
4.	Received payments for orders	-28,945	-25,068
II.	Debtors and other assets	77,395	53,587
1.	Trade debtors	17,278	10,317
2.	Amounts owed by group undertakings	54,468	35,984
3.	Amounts owed by undertakings in which the company has a participating interest	139	1,385
4.	Other assets	5,510	5,901
III.	Securities	7,270	14,655
1.	Shares in group undertakings	2,304	753
2.	Other securities	4,966	13,903
IV.	Cheques, Cash in hand, Central Bank and postal giro balances, bank balances	3,797	9,505
<b>C.</b>	<b>Prepaid expenses</b>	64	125
<b>D.</b>	<b>Deferred taxes</b>	1,666	1,423
	<b>Total assets</b>	<b>146,552</b>	<b>125,404</b>



## Consolidated income statement

	From 1.1. to 31.12. / in kEUR	2016	previous year
1.	Turnover	122,292	80,220
2.	Change in finished goods and work in progress	22,320	20,906
<b>3.</b>	<b>Total output</b>	<b>144,612</b>	<b>101,126</b>
4.	Other operating income	2,495	1,686
5.	Cost of materials	-76,198	-50,029
a)	Cost of raw materials, consumables and goods for resale	-1,107	-773
b)	Cost of purchased services	-75,091	-49,256
6.	Staff Cost	-27,095	-23,463
a)	Wages and Salaries	-22,552	-19,447
b)	Social security, pension and other benefits	-4,543	-4,016
7.	Depreciation and amortisation	-10,532	-5,959
a)	of fixed intangibles and tangible assets	-1,575	-1,438
b)	Exceptional amounts written off current assets	-8,957	-4,521
8.	Other operating expenses	-9,392	-9,209
9.	Earnings from participations	0	118
10.	Other interest receivables and similar income	314	396
11.	Depreciation of financial assets and of securities held as current assets	0	-1,224
12.	Interest payable and other similar charges	-1,849	-2,057
<b>13.</b>	<b>Profit on ordinary activities</b>	<b>22,353</b>	<b>11,386</b>
14.	Tax on profit	-5,675	-3,542
15.	Other taxes	-135	-71
<b>16.</b>	<b>Net profit</b>	<b>16,543</b>	<b>7,773</b>
17.	Non-controlling interests	-24	0
<b>18.</b>	<b>Consolidated balance sheet profit</b>	<b>16,519</b>	<b>7,773</b>
19.	Allocations to other revenue reserves	-9,559	-3,736
<b>20.</b>	<b>Net profit</b>	<b>6,960</b>	<b>4,038</b>

## Consolidated statement of changes in equity

In kEUR	Subscribed capital	Capital reserve	Equity earned by the group	Foreign currency translation differences	Other neutral transactions	Non-controlling interests	Group equity
As of 31.12.2014	7,646	13,542	24,723	-26	37	-	<b>45,922</b>
Dividends paid	-	-	-1,682	-	-	-	<b>-1,682</b>
Changes in the scope of consolidation	-	-	-	-	15	-	<b>15</b>
Exchange rate effects	-	-	-	-37	-	-	<b>-37</b>
Allocations to revenue reserves	-	-	3,736	-	-	-	<b>3,736</b>
Net profits	-	-	4,038	-	-	-	<b>4,038</b>
Change of the year	-	-	6,091	-37	15	-	<b>6,068</b>
As of 31.12.2015	7,646	13,542	30,814	-63	51	-	<b>51,990</b>
Dividends paid	-	-	-1,911	-	-	-	<b>-1,911</b>
Changes in the scope of consolidation	-	-	-	-	56	8	<b>64</b>
Exchange rate effects	-	-	-	52	-	-	<b>52</b>
Annual net profit	-	-	-	-	-	24	<b>24</b>
Allocations to revenue reserves	-	-	9,559	-	-	-	<b>9,559</b>
Net profits	-	-	6,960	-	-	-	<b>6,960</b>
Change of the year	-	-	14,608	52	56	32	<b>14,748</b>
As of 31.12.2016	7,646	13,542	45,422	-11	107	32	<b>66,738</b>

## Consolidated cash-flow statement

	in kEUR	2016
<b>Current operating activities</b>		
	Net profit or loss for the period	16,543
+/-	Depreciation / Write-up of fixed assets	1,575
+/-	Change in provisions	2,575
-/+	Change in stock	-9,430
-/+	Change in debtors and other assets that cannot be attributed to investment and financing activities	-15,916
+/-	Change in trade payables and other liabilities that cannot be attributed to investment and financing activities	-2,094
-/+	Profit / Loss from the disposal of fixed assets	113
+	Interest expense	1,766
-	Interest income	-95
+/-	Income tax expense and income	5,675
-/+	Income tax payments	-4,102
=	<b>Cash flows from current operating activities</b>	<b>-3,390</b>
<b>Investment activities</b>		
+	Cash received on disposal of tangible assets	224
-	Investments in tangible fixed assets	-2,279
-	Investments in intangible assets	-145
+	Cash received on disposal of financial assets	117
-	Cash paid for the purchase of financial assets	-472
+	Interest received	95
=	<b>Cash flows from investing activities</b>	<b>-2,461</b>
<b>Financing activities</b>		
-	Cash payments to owners and minority shareholders (dividends, purchase of own shares, equity capital payback, other disbursements)	-1,911
+	Cash proceeds from issuance of bonds and from short- or long-term borrowings	11,447
+	Outgoing payments for the settlement of loans and (financial) credits	-7,611
-	Interest paid	-1,766
=	<b>Cash flow from financing activities</b>	<b>158</b>
=	<b>Net change in cash and cash equivalents</b>	<b>-5,692</b>
<b>Change in cash funds from exchange rate movements, changes in group structure and in valuation procedures for cash funds</b>		<b>-16</b>
<b>Cash funds</b>		
	At the start of the period	9,505
	<b>At the end of the period</b>	<b>3,797</b>

## I. General information

The consolidated financial statements of ABO Wind AG are prepared in accordance with the accounting regulations applicable for corporations of the German Commercial Code (Handelsgesetzbuch; HGB), with due consideration being given to the law relating to corporations (Aktiengesetz; AktG). The consolidated financial statements 2016 have been prepared in compliance with the accounting directive implementation act (BilRUG) for the first time.

The profit and loss account has been prepared in accordance with the cost summary method set out in Section 275 (2) HGB.

The financial year corresponds to the calendar year.

Due to the provisions of §§ 290 et seq. HGB, as the parent company ABO Wind AG is obliged to prepare consolidated financial statements.

The financial statements comply with § 246 para. 3 HGB and §252 para. 1 no. 6 HGB.

In the interests of better clarity and transparency, the information to be provided in accordance with the legal regulations for the items of the balance sheet and profit and loss account and also the information to be provided either in the balance sheet or in the profit and loss account respectively or in the notes is to a large extent set out in the notes to the consolidated financial statements.

## II. Scope of consolidation

Aside from the parent company ABO Wind AG, twelve (previous year: eleven) subsidiaries are included in the consolidated financial statements over which ABO Wind AG can exercise a direct, indirect or majority influence as defined by Section 290 of the German Commercial Code (HGB).

During the reporting period, ABO Wind Energias Renovables S.A. has been consolidated for the first time, effective as of January 1st, 2016.

The following companies were fully consolidated in the reporting year:

Company	Capital Share
ABO Wind Betriebs GmbH, Wiesbaden, Germany	100%
ABO Wind Biogas GmbH, Heidesheim, Germany	100%
ABO Wind Service GmbH, Heidesheim, Germany	100%
ABO Wind Biogas-Mezzanine GmbH & Co. KG, Wiesbaden, Germany	100%
ABO Wind Mezzanine GmbH & Co. KG, Wiesbaden, Germany	100%
ABO Wind Mezzanine II GmbH & Co. KG, Wiesbaden, Germany	100%
ABO Wind Energias Renovables S.A., Buenos Aires, Argentina	94%
ABO Wind España S.A.U., Valencia, Spain	100%
ABO Wind Ireland Ltd., Dublin, Ireland	100%
ABO Wind Oy, Helsinki, Finland	100%
ABO Wind SARL, Toulouse, France	100%
ABO Wind UK Ltd., Livingston, Great Britain	100%

**Not included within the consolidation scope** were shares in group undertakings which are being held with the sole purpose of resale (§296 par. 1 Nr. 3 of the HGB) along with group undertakings which are of minor importance regarding the appropriate presentation of a true and fair view of the net assets, financial position and results of operations of the group (§296 par. 2 of the HGB).

### III. Consolidation principles

#### General information

Financial statements included in the consolidation are prepared in accordance with accounting policies. The conversion of financial statements in foreign currency is carried out following the modified closing rate method.

#### Capital consolidation

Capital consolidation for those entities already fully consolidated in the previous year, continues to follow the book value method, according to §66 par. 3 p. 4 of the EGHGB, through offsetting acquisition costs of investment with the (prorated) equity of the group undertaking.

The revaluation method is applied for companies newly entering the consolidation scope for the reporting year. In the process, acquisition costs of shares in subsidiaries are offset by equity, valued for the present value at the moment of first consolidation, allotted to the particular group undertaking. Active balances stemming from capital consolidation are in principle – after consideration of disclosed hidden reserves/ hidden liabilities as well as deferred taxes apportioned to each – capitalized as goodwill. For the ABO Wind Group, such differences in calculation do not occur.

#### Debt consolidation

In the scope of debt consolidation, all amounts owed by and owed to group undertakings that are included in the consolidated financial statement are offset in accordance with §303 par. 1 of the HGB.

#### Cost and income consolidation

Within the scope of cost and income consolidation in accordance with §305 par. 1 of the HGB, income from services rendered and other income between the consolidated companies were consolidated with the corresponding costs. The same principle applies for other interests and similar income, which were offset with the corresponding expenditures.

#### Intercompany profit elimination

In accordance with §304 par. 1 of the HGB, unrealised gains on transactions between group undertakings are eliminated.

### IV. Balancing and evaluation methods

#### 1. Balancing and evaluation of assets

**Intangible assets** acquired from third parties for a monetary consideration are capitalized at cost of purchase, and are depreciated using the straight-line method over their probable useful life; depreciation is recognized on a pro-rata basis in the year of acquisition. EDP programs acquired for a monetary consideration are written down over a standard useful life of three years. One exception in this respect are EDP programs with costs of purchase of less than EUR 410; these are recognized immediately and in full in the profit and loss account. If the fair values of individual intangible assets are lower than their corresponding carrying amounts, additional impairments are recognized if the reduction in value is probably of a permanent nature.

**Tangible assets** are measured with cost of purchase or cost of production less straight-line depreciation over a period of 3 – 15 years. Depreciation in relation to additions to tangible assets are recognized on a pro-rata basis. If the fair values of individual assets are lower than their corresponding carrying amounts, additional impairments are recognized if the reduction in value is probably of a permanent nature.

With regard to the recognition of **minor-value assets**, the tax law regulation of Section 6 (2) and (2a) EStG has been used. The costs of purchase or production of depreciable moveable fixed assets which are capable of being used independently are recognized in full as business expenses in the financial year in which the assets are purchased, produced or contributed if the costs of purchase or production, less any amount of VAT included in the amount, of the individual asset do not exceed EUR 410.

Under **financial assets**, the shares in group undertakings and the equity participations are measured at cost of purchase. Insofar as the fair values of individual assets go below its book value, special depreciation with an ongoing reduction in value is recognized.

**Loans** are always recognized at their nominal value.

**Work in progress and unfinished goods** are measured at cost of production. The costs of production contain the components of Section 255 (2) HGB which have to be capitalized. Furthermore, reasonable amounts of administrative costs as well as reasonable costs of social facilities of the operation and for voluntary social services are also included in the costs of production if they are attributable to the period of production. Moreover, in accordance with §255 par. 3 of the HGB, interest on borrowed capital were capitalized - as long as they are attributable to the period of production. In all cases,



inventories are measured at the lower of cost or market value, i.e. if the probable selling prices minus the costs incurred up to the point at which the inventories are sold result in a lower fair value, corresponding impairments have been recognized.

**Payments in advance** for inventories are stated at nominal value.

**Payments received** are stated at nominal value, in accordance with § 268 Section 5 HGB openly set off against inventories and reduced by the included value added tax (so-called net method).

**Debtors and other assets** are shown at the lower of nominal value or fair value as of the balance sheet date. Reasonable impairments are recognized in the case of receivables if a recognizable level of risk is associated with the recoverability of such receivables; irrecoverable receivables are written off.

The **marketable securities** are shown with the lower of cost of purchase or fair value.

**Liquid assets** are shown with their nominal value on the balance sheet date.

**Prepaid expenses** show expenditure incurred before the reporting date if such expenditure relates to a period after that date.

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## 2. Recognition and valuation of liabilities and equity

**Subscribed capital** is shown with its nominal value.

The group recognized **Mezzanine capital** as an item between equity and loans, exercising its option from §265 par. 5 of the HGB. Mezzanine capital is shown with its nominal value.

The **provisions** were recognized with the settlement amount necessary in the opinion of a prudent businessman. Provisions with a remaining term of more than one year are discounted using the average market interest rate of the past seven years corresponding to the remaining term of the provisions.

**Liabilities** are recognized with their settlement amount.

## Conversion of foreign currency

Foreign currency transactions are in principle translated into the group currency using the exchange rates prevailing at the dates of transactions. Balances from such transactions at the balance sheet date are recognized as follows:

**Short-term foreign currency** (debtors with a remaining term of one year or less) as well as liquid assets or other short-term assets in foreign currency are converted using the spot midrate applicable on the balance sheet date. **Short-term foreign currency liabilities** (with a remaining term of one year or less) are translated using the spot mid-rate on the balance sheet date.

For group undertakings included in the consolidated financial statements and whose currency is not equal to that of the group, the following applies:

**Assets and liabilities** for each balance sheet presented are translated at the closing rate at the date of the balance sheet, costs and income are converted at average exchange rates and equity using the historic exchange rate. A resulting currency gap from the conversion is recognized in equity as the item "equity gap from currency conversion".

## Deferred taxes

**Deferred taxes** are recognized in relation to the differences between the figures shown in the commercial accounts and the tax accounts if such differences will probably be reversed in subsequent financial years.

Expenses and income of movements in recognized deferred income taxes is designated in the item „Taxes on income and profit“ in the profit and loss account and declared separately in the annex.

The deferred taxes are calculated using an effective tax rate which will probably be applicable at the point at which the differences are reversed.

## V. Information on balance sheet

Unless otherwise mentioned, the previous year's figures relate to the balance sheet as at 31st December 2015.

### Fixed assets

The development of the individual items of fixed assets is shown in the schedule of assets, with details of depreciation recognized in the financial year. The schedule of assets is enclosed as an exhibit to the notes.

Shares in group undertakings and equity participations shown under financial assets – meaning companies of which ABO Wind directly or indirectly owns at least 20 percent of the shares – are further considered in the list of shareholdings in the appendix. Referring to § 313 Section 3 Sentence 1 HGB, participating interests are omitted.

### Debtors and other assets

Information on debtors and other assets can be obtained from the following claims analysis:

	31.12.2016	Residual maturity	
	in kEUR	< 1 year	1-5 years
Trade debtors (previous year)	17,278 (10,317)	17,147 (10,152)	131 (165)
Amounts owned by group undertakings (previous year)	54,468 (35,984)	54,468 (35,684)	0 (300)
Amounts owed by undertakings in which the company has a participating interest (previous year)	139 (1,385)	139 (1,385)	0 (0)
Other assets (previous year)	5,510 (5,901)	5,441 (5,831)	69 (70)
Total (previous year)	77,395 (53,587)	77,195 (53,052)	199 (535)

Amounts owed by group undertakings are mainly the result of deliveries and services exchanged.

### Deferred taxes

The unbalanced and separately recognized item "deferred taxes" in the balance sheet mainly results from the following temporary differences and/or tax loss carry-forwards.

The evaluation of deferred tax assets and liabilities is carried out using the following, company individual tax rates:

- Argentina 35%
- Spain 25%
- UK 20%
- Finland 20%
- Germany 30%
- Ireland 12,5%
- France 33%

### Shareholders' capital

The subscribed capital for ABO Wind AG is divided into 7,645,700 shares valued at one euro per share and with a corresponding share of the capital stock.

The Executive Board has the power to increase the issued capital on one or more occasions with the agreement of the Supervisory Board by 31 May 2017 by issuing new shares in exchange for cash and/or material deposits, however by no more than a maximum nominal amount of EUR 524 thousand. In doing so, it shall determine the details of the shares and the terms of issue (authorised capital 2012/II).

The Executive Board has the power to increase the issued capital on one or more occasions with the agreement of the Supervisory Board by 19.06.2018 by issuing new shares in exchange for cash and/or material deposits, however by no more than a maximum nominal amount of EUR 3,185,000. In doing so, it shall determine the details of the shares and the terms of issue (authorised capital 2013).

The mother company earned a net profit of kEUR 19,118 thousand for the financial year 2016, of which kEUR 9,559 thousand are fed to the revenue reserves. The remaining kEUR 9,559 thousand will be carried forward to new account.

### Mezzanine capital

Participation certificates in the amount of EUR 14,494 thousand (previous year: EUR 13,735 thousand) were issued as at the balance sheet date. Each of the emitted participation certificates represents a theoretical share of 1. Of this amount, EUR 7,586 thousand (previous year: EUR 6,765 thousand) is attributable to ABO Wind Mezzanine GmbH & Co. KG, EUR 5,173 thousand (previous year: EUR 5,367 thousand) to ABO Wind Mezzanine II GmbH & Co. KG and EUR 1,736 thousand (previous year: EUR 1,603 thousand) to ABO Wind Biogas-Mezzanine GmbH & Co. KG.

### Provisions

Tax provision are comprised as follows:

Tax provisions	31.12.16 in kEUR	31.12.15 in kEUR
Corporate tax provisions	2,108	1,044

Trade tax provisions	1,579	539
<b>Total</b>	<b>3,687</b>	<b>1,583</b>

Other provisions are compromised as follows:

Other provisions	31.12.16 in kEUR	31.12.15 in kEUR
Provisions for production costs without final invoices	6,850	5,083
Provisions for various project risks	650	281
Provisions for financial statements and auditing costs	142	143
Provisions for warranties	88	89
Provisions for the storage of business documents	25	25
Other provisions	4,709	4,272
<b>Total</b>	<b>12,464</b>	<b>9,893</b>

## Creditors

The breakdown of creditors according to their remaining terms can be taken from the following creditors analysis:

As at 31.12.16 in kEUR	Total	Residual maturity	
		< 1 year	1 - 5 years
Bank loans and overdrafts (previous year)	33,283 (31,010)	4,346 (2,000)	28,937 (29,010)
Trade creditors (previous year)	6,864 (6,234)	6,864 (6,234)	0 (0)
Liabilities towards affiliated companies (previous year)	948 (576)	948 (576)	0 (0)
Other liabilities (previous year)	8,073 (10,382)	7,962 (10,264)	112 (118)
-of which taxes (previous year)	5,171 (6,830)	5,171 (6,830)	
-of which relating to social security (previous year)	196 (192)	196 (192)	
<b>(previous year)</b>	<b>49,169 (48,202)</b>	<b>20,120 (19,074)</b>	<b>29,049 (29,128)</b>

Amounts owed to group undertakings mainly include deliveries and services exchanged.

## VI. Information on the profit and loss calculation

### Turnover

Turnover is broken down as follows by areas of activities:

	2016		2015	
	kEUR	%	kEUR	%
Planning, development and construction	116,162	95.0	73,720	91.9
Operational management	5,719	4.7	5,579	7.0
Other revenues	410	0.3	921	1.1
	<b>122,291</b>	<b>100.0</b>	<b>80,220</b>	<b>100.0</b>

Structuring according to specific regional markets results follow below:

	2016		2015	
	kEUR	%	kEUR	%
Germany	91,422	74.8	56,271	70.1
Finland	13,200	10.8	7,714	9.6
Argentina	9,785	8.0	0	0.0
France	6,975	5.7	16,081	20.0
Spain	709	0.6	0	0.0
Ireland	133	0.1	146	0.2
UK	67	0.1	8	0.0
	<b>122,291</b>	<b>100.0</b>	<b>80,220</b>	<b>100.0</b>

### Depreciation

Depreciation includes unscheduled depreciation on projects that cannot be realized amounting to kEUR 8,957 (previous year: kEUR 4,521).

### Tax on profit

Taxes on profits includes amounts from the recognition of deferred tax assets of kEUR 266 (previous year: kEUR 267) and deferred tax liabilities of kEUR 42 (previous year: kEUR 76).

## VII. Other disclosures

### Guarantees and commitments

ABO Wind AG has given a capped guarantee of payment to holders of profit-share certificates in Eurowind AG for interest and repayment claims in the amount of up to EUR 125,000 respectively. This guarantee of a total of EUR 3,250 thousand enables the profit-share certificate holders to make a direct claim to the guarantor in the event that Eurowind AG is at least 60 days in arrears with its payments. In 2016 the portfolio of participation certificates of the Eurowind AG has been reduced to 10,400. This results in a maximum amount guaranteed of kEUR 1,300. Interest on participation certificates are already distributed for 2016.

Associated with the project rights, purchased from the French subsidiaries, ABO Wind AG accepts liability for the French subsidiaries in relation to the agreed profit participation with the seller in case of the realization of the acquired projects in a maximum compensation of kEUR 1,730 as of 31st December 2019 plus a maximum compensation of kEUR 700 as of 31st December 2020.

The company accepts liability in the amount of kEUR 2,180 for credit account limits, provided by French banks CREDIT AGRICOLE (Toulouse), Société Générale (Paris), La Banque CIC SUD OUEST (Bordeaux) and Crédit Lyonnais (Toulouse) for its French subsidiary ABO Wind SARL.

Furthermore ABO Wind AG has issued a guarantee in connection with the purchase of project rights on the part of an Irish project corporation in the amount of kEUR 7,200 as of 31.12.2020.

ABO Wind AG also signed a memorandum for a guarantee bond to secure the financing of an electricity supply contract of a planned solar project in Canada in the amount of TCAD 2,500 to a Canadian associate company. The memorandum is to be replaced if the tendering for the realization of a photovoltaic system is won and an electricity supply contract is signed. The memorandum dissolves, if the tendering should not be won.

Furthermore ABO Wind AG paid kEUR 144,514 to secure the payment claims which resulted from the contracts for delivery, mounting and commissioning of wind turbines for several project guarantees towards suppliers.

Moreover guarantees and sureties in the amount of kEUR 13,624 exist on the balance sheet date.

For the shown, to nominal values estimated contingent liabilities, no other reserves were made. This is because the company does not anticipate that the guarantee will be utilized.

### Other financial obligations and off-balance sheet transactions

The Group continues to have obligations arising out of fixed-term rental and lease agreements amounting to EUR 4,214 thousand (previous year: EUR 4,250 thousand). These obligations relate primarily to the rental of space and car leasing contracts.

### Cash flow statement

The development of cash and cash equivalents is shown in detail in the cash flow statement. Cash and cash equivalents at the balance sheet date correspond to the item "Cash in hand and bank balances".

### Auditor's fee

The separate and consolidated financial statements of the parent company as at 31 December 2015 were audited by Rödl & Partner GmbH, Köln, Germany. The fees for services relating to the audit of the financial statements came to EUR 60 thousand (previous year: EUR 54 thousand); EUR 0 thousand was paid for opinions (previous year: EUR 45 thousand).

### Employees

In the 2016 financial year, an average of 453 people (previous year: 417) were employed and which can be broken down into the following groups:

Employee group	31.12.16	31.12.15
Executives	11	9
Fulltime employees	303	282
Parttime employees	139	126
Total	453	417

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## Board

Members of the board during the 2016 business year consisted of the following:

Dr. Jochen Ahn, Dipl. chemist, Wiesbaden, responsible for project acquisition and administration

Dipl. Ing. Matthias Bockholt, Dipl. Ing. for electrical engineering, Heidesheim, responsible for technology and operational management

Andreas Höllinger, Dipl. Kaufmann, Dipl. ESC Lyon, Frankfurt am Main, responsible for financing and sales

Reference to the compensation of the board members is made in the compensation report which is a part of the status report.

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## Supervisory board

Members of the supervisory board during the business year 2016:

### Chairman

Attorney Jörg Lukowsky, specialized lawyer for tax and employment law, employed by the chambers of FUHRMANN WALLENFELS Wiesbaden attorney partnership, Wiesbaden

### Other members

Dr. Ing. Joachim Nitsch, scientist, Stuttgart

Jürgen Koopmann, director of Stadtbau GmbH, Nürnberg

Josef Werum, director of In.Power GmbH, Mainz

Norbert Breidenbach, board member of Mainova AG, Frankfurt

Prof. Dr. Uwe Leprich, chair of energy economics at the Saarland College of Economy, Saarbrücken, (until 08.07.2016)

Compensation of the supervisory board amounted to kEUR 75 (previous year kEUR 80).

## VIII. Supplementary report

A five year amortizing loan in the amount of kEUR 3,000 has been agreed with the house bank. In return a credit line of kEUR 2,000 has been agreed. In addition to that another credit line of kEUR 1,500 has been agreed with a leading credit insurance.

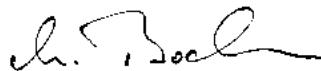
Apart from this, no events with considerable importance that could change the evaluation of business trends, asset-, financial- or profit situation, occurred after 31st December 2016.

Wiesbaden, 31. March 2017

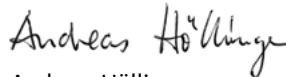
ABO Wind AG  
Executive Board



Dr. Jochen Ahn



Matthias Bockholt



Andreas Höllinger

An unconditional audit certificate was granted on 20th April 2017

## Asset analysis for the business year 2016

	In kEUR	Acquisition costs							Depreciation							Book value	
		01.01.2016	Consolidation Scope	Currency effect	Additions	Disposals	Transfers	As of 31.12.2016	01.01.2016	Consolidation scope	Currency effect	Additions	Disposals	As of 31.12.2016	31.12.2016	31.12.2015	
I.	Intangible assets																
1.	Acquired concessions, industrial property and similar rights	1,324	3	-	145	-	-	1,472	998	3	-	198	-	1,199	273	326	
	<b>Total intangible assets</b>	<b>1,324</b>	<b>3</b>	<b>-</b>	<b>145</b>	<b>-</b>	<b>-</b>	<b>1,472</b>	<b>998</b>	<b>3</b>	<b>-</b>	<b>198</b>	<b>-</b>	<b>1,199</b>	<b>273</b>	<b>326</b>	
II.	Tangible assets																
1.	Land, similar rights and buildings including buildings on third-party land	368		-	14	21	-	362	7		-	-	-	7	354	361	
2.	Technical equipment and machinery	-		-	177	-	3	181	-		-	6	-	7	174	-	
3.	Other equipment, factory and office equipment	7,617	213	-58	2,088	418	-3	9,439	3,776	175	-36	1,370	101	5,184	4,254	3,840	
	<b>Total tangible assets</b>	<b>7,985</b>	<b>213</b>	<b>-58</b>	<b>2,279</b>	<b>438</b>	<b>-</b>	<b>9,981</b>	<b>3,784</b>	<b>175</b>	<b>-36</b>	<b>1,377</b>	<b>101</b>	<b>5,199</b>	<b>4,782</b>	<b>4,201</b>	
III.	Financial assets																
1.	Shares in group undertakings	182	-71	-	12	-	-	123	19		-	-	-	19	105	164	
2.	Loans to group undertakings	811		-	-	60	-	751	-		-	-	-	-	751	811	
3.	Participations	3,757		-	460	-	-	4,217	506		-	-	-	506	3,710	3,250	
4.	Loans to affiliated companies	914		-	-	57	-	858	-		-	-	-	-	858	914	
	<b>Total financial assets</b>	<b>5,664</b>	<b>-71</b>	<b>-</b>	<b>472</b>	<b>117</b>	<b>-</b>	<b>5,949</b>	<b>525</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>525</b>	<b>5,424</b>	<b>5,139</b>	
	<b>Total fixed assets</b>	<b>14,973</b>	<b>145</b>	<b>-58</b>	<b>2,896</b>	<b>555</b>	<b>-</b>	<b>17,401</b>	<b>5,307</b>	<b>178</b>	<b>-36</b>	<b>1,575</b>	<b>101</b>	<b>6,923</b>	<b>10,478</b>	<b>9,666</b>	

## Significant holdings of ABO Wind AG

As of 31.12.2016	Share in %	Equity in thousands		Annual result in thousands	
<b>Germany</b>					
ABO Wind Biomasse GmbH, Heidesheim	100	EUR	55	EUR	2
ABO Wind Verwaltungs GmbH, Wiesbaden	100	EUR	168	EUR	4
ABO Wind Betriebs GmbH, Wiesbaden	100	EUR	627	EUR	3
WPE Hessische Windparkges. mbH, Wiesbaden	50.1	EUR	85	EUR	31
ABO Wind Biogas GmbH, Wiesbaden	100	EUR	52	EUR	47
ABO Wind Service GmbH, Heidesheim	100	EUR	24	EUR	1
ABO Wind Sachverständigen GmbH, Heidesheim	100	EUR	25*	EUR	0
ABO Invest AG, Wiesbaden	10.4	EUR	52,810*	EUR	-958*
ABO Kraft & Wärme AG, Wiesbaden	19.9	EUR	7,047*	EUR	-13*
ABO Wind Biogas- Mezzanine GmbH & Co. KG, Wiesbaden	100	EUR	37	EUR	2.5
ABO Wind Mezzanine GmbH & Co. KG, Wiesbaden	100	EUR	88	EUR	8
ABO Wind Mezzanine II GmbH & Co. KG, Wiesbaden	100	EUR	-5	EUR	6.6
<b>France</b>					
ABO Wind SARL, Toulouse	100	EUR	641	EUR	494
<b>Spain</b>					
ABO Wind Espana S.A., Valencia	100	EUR	479	EUR	115
<b>Finland</b>					
ABO Wind OY, Helsinki	100	EUR	2,266	EUR	386
<b>Iran</b>					
ABO Wind Iranian LLP, Teheran	95	IRR	475,000	IRR	0
<b>Ireland</b>					
ABO OMS Ltd., Dublin	100	EUR	37*	EUR	35*
ABO Wind Ireland Ltd., Dublin	100	EUR	-4,749	EUR	148
<b>United Kingdom</b>					
ABO Wind N.I. Ltd., Belfast	100	GBP	-139	GBP	50
ABO Wind UK Ltd., Livingston	100	GBR	-372	GBR	95
<b>Uruguay</b>					
ABO Uruguay S.A., Montevideo	99	UYU	-4,020**	UYU	-1,482**
<b>Argentina</b>					
ABO Wind Energias Renovables S.A, Buenos Aires	94	ARS	8,187	ARS	6,268

\* financial year 2015

\*\* financial year 2014

## Balance Sheet ABO Wind AG

### Assets

As of 31.12. / in kEUR	2016	Previous year
<b>A. Fixed assets</b>	<b>9,177</b>	<b>8,306</b>
I. Intangible assets	154	185
1. Concession and property rights and similar rights and assets, and licences in such rights and assets	154	185
II. Tangible assets	3,126	2,554
1. Land, similar rights and buildings	354	361
2. Other equipment, factory and office equipment	2,772	2,193
III. Financial assets	5,897	5,568
1. Shares in group undertakings	578	592
2. Loans to affiliated companies	751	811
3. Participating interests	3,710	3,250
4. Loans to companies in which the company has a participating interest	858	914
<b>B. Current assets</b>	<b>133,207</b>	<b>120,525</b>
I. Stocks	53,755	43,953
1. Work in progress	59,827	50,681
2. Finished goods and goods for resale	214	214
3. Payments of account	3,768	3,990
4. Received payments for orders	-10,055	-10,932
II. Debtors and other assets	72,072	51,697
1. Trade debtors	15,022	2,336
2. Amounts owed to group undertakings	53,409	45,516
3. Amounts to companies in which the company has a participating interest	139	793
4. Other assets -of which with a remaining term of more than one year EUR 68,520,27 (EUR 70.077,87)	3,502	3,052
III. Securities	6,857	16,165
1. Shares in group undertakings	752	144
2. Other securities	6,105	16,022
IV. Cheques, Cash in hand, Central Bank and postal giro balances, bank balances	523	8,710
<b>C. Prepaid expenses</b>	<b>36</b>	<b>53</b>
<b>Total assets</b>	<b>142,420</b>	<b>128,884</b>





## Profit and loss account ABO Wind AG

From 1.1. to 31.12. / in kEUR		2016	Previous year
1.	Turnover	111,103	61,336
2.	Change in finished goods and work in progress	18,103	18,624
<b>3.</b>	<b>Total output</b>	<b>129,205</b>	<b>79,960</b>
4.	Other operating income	1,996	1,463
5.	Cost of materials	-72,244	-44,064
a)	Cost of raw materials, consumables and goods for resale	-113	-125
b)	Cost of purchased services	-72,130	-43,940
6.	Staff costs	-21,192	-18,640
a)	Wages and salaries	-18,183	-15,921
b)	Social security, pension and other benefits	-3,010	-2,718
7.	Depreciation and amortisation	-9,563	-5,038
a)	Of fixed intangibles and tangible assets	-606	-517
b)	Exceptional amounts written off current assets	-8,957	-4,521
8.	Other operating expenses	-6,261	-6,195
9.	Income from participating interests of which from group undertakings -of which from affiliated companies EUR 3,300,000.00 (EUR 3,618,405.30)	3,300	3,618
10.	Other interest receivables and similar income (of which 396 from group undertakings, previous year: 616)	410	626
11.	Depreciation on financial assets and marketable securities	0	-885
12.	Interest payable and other similar charges (of which to group undertakings 518, previous year: 443)	-1,356	-1,472
<b>13.</b>	<b>Profit on ordinary activities</b>	<b>24,295</b>	<b>9,373</b>
14.	Tax on profit	-5,151	-1,878
15.	Other taxes	-25	-23
<b>16.</b>	<b>Net profit</b>	<b>19,118</b>	<b>7,471</b>
17.	Allocations to other reserves	9,559	3,736
<b>18.</b>	<b>Consolidated balance sheet profit</b>	<b>9,559</b>	<b>3,736</b>

Deviations through rounding differences.

# Organisation ABO Wind Group

## Executive Board and senior management

14 employees, Wiesbaden and Heidesheim

Project development germany	Project development international	Project Finance/Sales	Wind farm management and operational management biogas	Public relations and investor relations	Administration, secrateriat and IT	Biomass, contracting and future energy
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Wiesbaden planning 43 employees	Wiesbaden Project development international 8 employees	Wiesbaden 21 employees	Heidesheim 77 employees	Wiesbaden 7 employees	Wiesbaden 20 employees	Wiesbaden 14 employees
Wiesbaden Repowering 2 employees			Barleben (Biogas) 10 employees	Franc Toulouse 2 employees	Heidesheim 4 employees	
Wiesbaden construction, grid connection, technic, purchase 48 employees	France Toulouse 14 employees		France Toulouse 2 employees		France Toulouse 9 Employees	
Heidesheim Site appraisals 16 employees	Orléans 7 employees		Orléans 5 employees		Nantes 1 employe	
Berlin Planning 8 employees	Nantes 9 employees		Nantes 1 employe		Scotland Edinburgh 1 employe	
Hannover Planning 4 employees	Lyon 6 employees		Ireland Dublin 2 employe		Ireland Dublin 1 employe	
Saarbrücken Planning 1 employees	Scotland Edinburgh 3 employees				Northern Ireland Belfast 1 employe	
Rheine Planning 4 employees	Ireland Dublin 7 employees				Finland Helsinki 1 employe	
Dortmund Planning 4 employees	Northern Ireland Belfast 3 employees				Spain Valencia 1 employe	
	Finland Helsinki 6 employees				Argentina Buenos Aires 1 employe	
	Spain Valencia 4 employees				Iran Teheran 1 employe	
	Argentina Buenos Aires 5 employees					
	Iran Teheran 8 employees					

## Germany

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## Scotland

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