CAPITAL STAGE
RENEWABLE ENERGIES

Annual Report

2013

Equity Story:

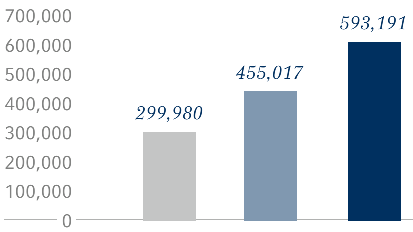
Capital Stage AG is Germany's largest independent operator of solar parks. The company focuses on solar and onshore-wind energy, which are currently the cheapest sources of renewable energy, in politically stable European countries that have a system of feed-in tariffs funded by levies. Solar parks and wind farms generate attractive returns and predictable cash flows. The company will continue to expand its generation portfolio in the existing markets of Germany, France and Italy, and diversify geographically by means of selective expansion into new markets.

Key-Figures

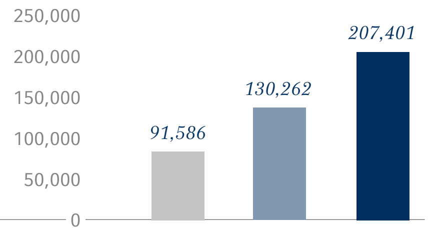
IFRS (in TEUR)	2010	2011	2012	2013	+/-	2014 (e)
Revenues	12,980	35,463	45,118	56,991	+26.32%	80,000
EBITDA	13,591	24,774	33,729	50,402	+49.43%	67,000
EBIT	7,023	13,308	20,546	31,669	+54.14%	40,000
EBT	1,772	5,212	9,495	15,833	+66.75%	23,000
EAT	1,653	2,497	9,142	14,044	+53.62%	n.a.
Balance sheet total	181,570	299,980	455,017	593,191	+30.37%	n.a.
Equity	63,083	91,586	130,262	207,401	+59.22%	n.a.
Cash flow from operating activities	10,518	14,387	27,108	36,018	+32.87%	n.a.
FFO* (in EUR mill.)	4.8	12.7	15.1	23.1	+52.98%	n.a.
FFOPS** (in EUR)	0.17	0.40	0.32	0.41	+28.13%	n.a.

* FFO: Funds From Operations | ** FFOPS: Funds From Operations Per Share

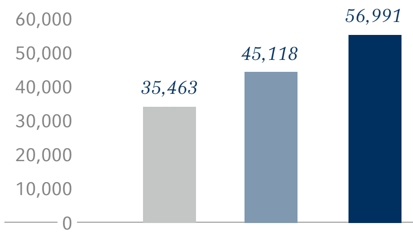
Balance sheet (in TEUR)



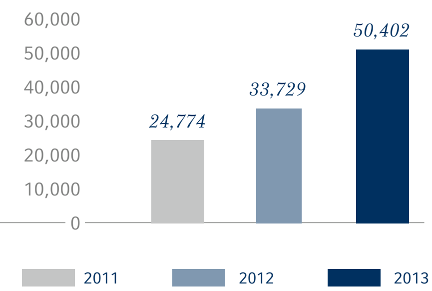
Equity (in TEUR)



Revenues (in TEUR)



EBITDA (in TEUR)



59%
Expansion of capacity

33%
Increase in cashflow from operating activities

26%
Increase in revenues

Highlights

59%
Increase in equity

54%
Increase in EAT

30%
Increase in total assets

EQUITY STORY AND GROUP FINANCIALS 02
FOREWORD BY THE MANAGEMENT BOARD 05
SOLAR PARKS AND WIND FARMS 06
CAPITAL STAGE SOLAR SERVICE GMBH – 100% AVAILABILITY IS THE TARGET 09
THE CAPITAL STAGE SHARE 13

SUPERVISORY BOARD REPORT 17

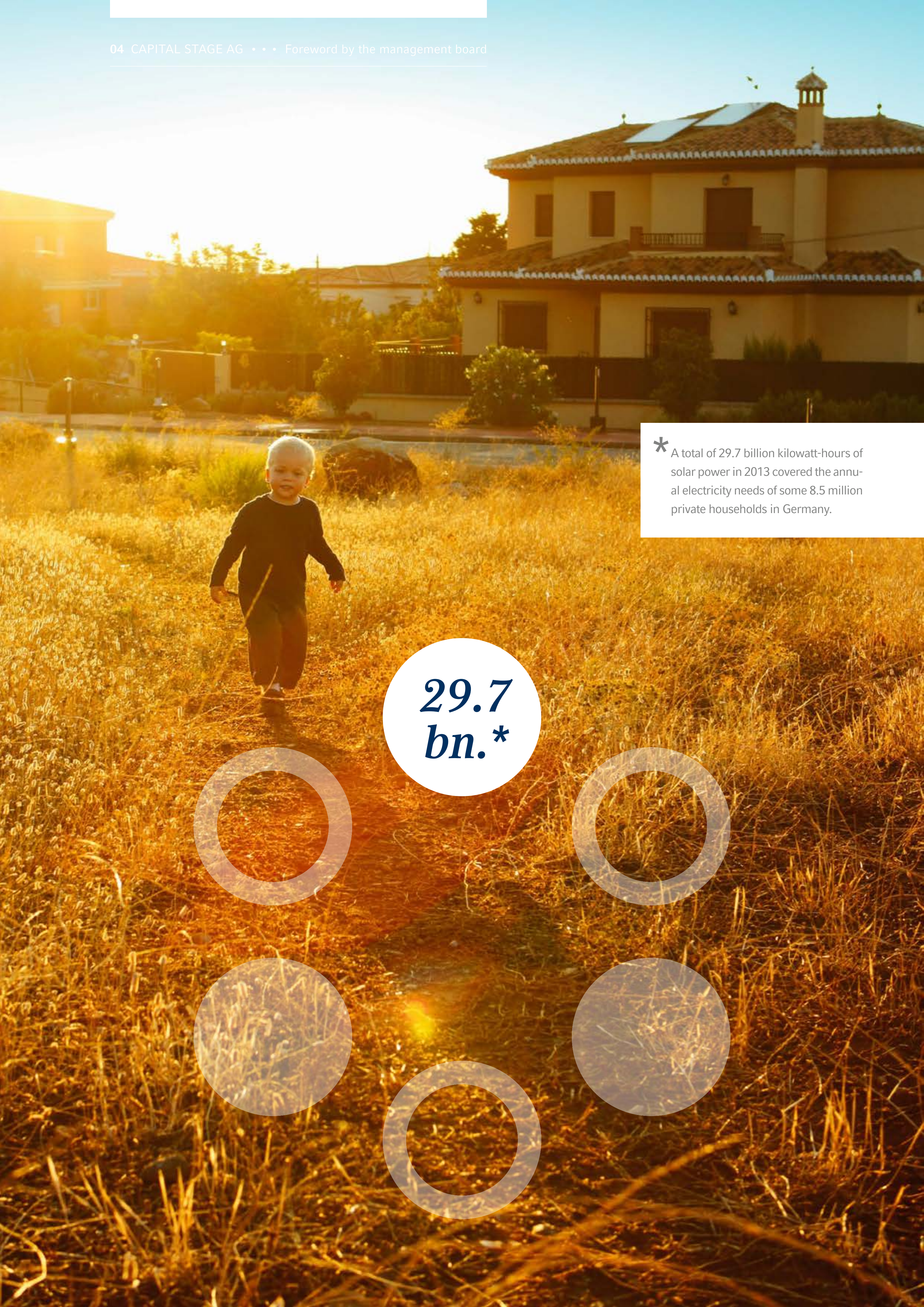
CORPORATE GOVERNANCE REPORT 20

COMBINED MANAGEMENT REPORT AND CONSOLIDATED MANAGEMENT REPORT 27

CONSOLIDATED FINANCIAL STATEMENT 54
Consolidated statement of comprehensive income 54
Consolidated balance sheet 55
Consolidated cash flow statement 56
Consolidated statement of changes in equity 58
Consolidated notes 61
Consolidated statement of changes in fixed assets 110
Consolidated segment reporting 112

INDEPENDENT AUDITORS' REPORT 114

ASSURANCE OF THE LEGAL REPRESENTATIVES 115



* A total of 29.7 billion kilowatt-hours of solar power in 2013 covered the annual electricity needs of some 8.5 million private households in Germany.

Felix Goedhart / CEO

Dr Zoltan Bognar
Member of the Board

Dear Shareholders, Ladies and Gentlemen,

The financial year 2013 went very well for Capital Stage AG. The portfolio now has a capacity of over 300 MW and delivers stable cash flows and predictable revenues as expected. The key financial indicators developed accordingly: revenues rose year on year by more than 26% to EUR 57 million; EBITDA and EBIT went up even faster by 49% and 54% respectively to EUR 50.4 million and EUR 31.7 million. We therefore surpassed our ambitious goals and even the earnings forecast that was revised upwards in autumn.

To finance our growth strategy, we completed the biggest capital increase in our history in October 2013. The gross issue proceeds of EUR 49.3 million were allocated swiftly and efficiently. By the end of December 2013, a further 51 MW had been added to the portfolio for a capital investment of some EUR 44 million. At the same time, the successful entry into the French market represented the next stage of our geographical diversification. The political environment in France is stable and the legal framework is comparable to that in Germany. In addition, southern France has large areas with above-average levels of sunshine, making investments in solar parks highly attractive. Including a further acquisition in March 2014, a portfolio of solar parks with a capacity of approximately 74 MW has been built up in France within just a few months.

The expansion of the energy generation portfolio is also reflected in the expectations for the financial year 2014. The recently published forecast assumes that Group revenues will continue to climb by 40% to over EUR 80 million. EBITDA will increase to over EUR 67 million (previous year: EUR 50.4 million). The Group expects EBIT to rise to over EUR 40 million (previous year: EUR 31.7 million). Forecast EBT will increase by 46% to over EUR 23 million (previous year: EUR 15.8 million). There are also plenty of attractive new investments in the pipeline. One important task for 2014 is therefore to boost financial firepower by exploiting alternative ways of raising capital.

The attractiveness of our equity story was confirmed by the admission of the Capital Stage share to the SDAX, as voted by the executive board of Deutsche Börse on 5 March 2014 – exactly one year after the company moved to the Prime Standard segment. The share joined the index, which comprises the 50 largest companies in terms of market capitalization and stock market turnover after those in the DAX and MDAX, on 24 March 2014. The Capital Stage share remains an attractive option for private and institutional investors alike, offering attractive returns combined with limited risk.

Hamburg, April 2014

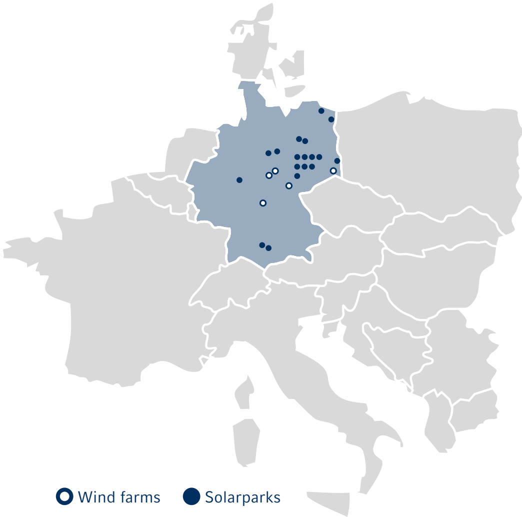
The management board

Felix Goedhart
CEO

Dr. Zoltan Bognar

*Source: BSW Solar

Solarparks and Wind farms in Germany



PV-Parks in Germany	Perfor-mance	Sufficient to Number of households	CO_2-savings p. a.	Share Capital Stage
	in MWp		in t	in %
Solarpark Brandenburg (Havel) GmbH	18.65	ca. 5,000	ca. 8,000	*51%
Asperg Sechste Solar GmbH (Köthen)	14.75	ca. 4,300	ca. 6,700	100%
Solarpark Roitzsch GmbH	12.67	ca. 4,000	ca. 6,100	100%
Solarpark Lettewitz GmbH	12.60	ca. 3,900	ca. 6,000	100%
Solarpark Neuhausen GmbH	10.60	ca. 3,000	ca. 4,700	100%
Asperg Fünfte Solar GmbH (Stedten)	9.09	ca. 2,500	ca. 4,000	100%
Solarpark Ramin GmbH & Co. KG	9.00	ca. 2,900	ca. 4,500	100%
PV-Projekt Pionierpark GmbH (Wolgast)**	8.00	ca. 2,570	ca. 4,000	100%
Solarpark Bad Endbach GmbH	7.27	ca. 2,100	ca. 3,400	100%
Solarpark Rassnitz GmbH	7.11	ca. 2,000	ca. 3,000	100%
Asperg Erste Solar GmbH (Rödgen)	6.82	ca. 2,000	ca. 3,000	100%
Solarpark Glebitzsch GmbH	3.91	ca. 1,250	ca. 1,900	100%
Asperg Zweite Solar GmbH (Halberstadt)	3.80	ca. 1,200	ca. 1,800	100%
Solarpark Lochau GmbH	3.30	ca. 1,200	ca. 1,800	100%
Krumbach Photovoltaik GmbH	3.08	ca. 950	ca. 1,400	100%
Krumbach Zwei Photovoltaik GmbH	2.02	ca. 650	ca. 1,000	100%
Solarpark Bad Harzburg GmbH	1.87	ca. 600	ca. 900	100%
Solarpark PVA GmbH	0.95	ca. 270	ca. 430	100%
Total	**135.49**	**ca. 40,390**	**ca. 62,630**	

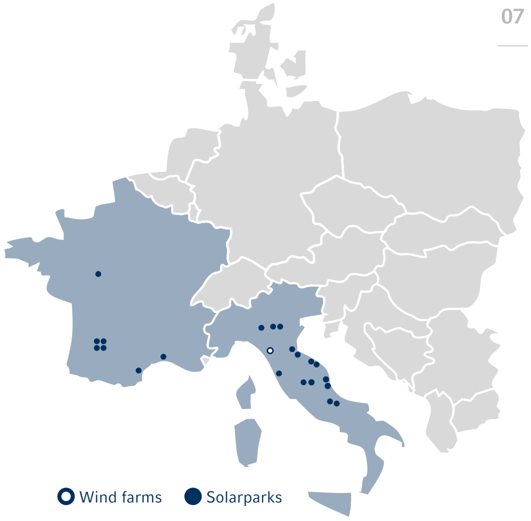
Wind Farms in Germany	Perfor-mance	Sufficient to Number of households	CO_2-savings p. a.	Share Capital Stage
	in MWp		in t	in %
Boreas Windfeld Greußen GmbH & Co. KG	22.00	ca. 13,000	ca. 23,090	71.4%
Windkraft Kirchheilingen IV GmbH & Co. KG.**	12.00	ca. 12,000	ca. 27,036	51.0%
Windkraft Olbersleben GmbH & Co. KG	8.00	ca. 6,000	ca. 17,202	74.9%
Windkraft Sohland GmbH & Co. KG	6.00	ca. 5,300	ca. 9,779	74.3%
Windpark Gauaschach GmbH & Co. KG	6.00	ca. 4,000	ca. 6,000	100%
Total	**54.00**	**ca. 40,300**	**ca. 83,107**	

* 49% owned by Google

** Final acquisition is still subject to conditions

As of April 2014

Solarparks and Wind farms in Italy and France



PV-Parks in Italy	Perfor-mance	Sufficient to Number of households	CO_2-savings p. a.	Share Capital Stage
	in MWp		in t	in %
DE Stern 10 S.r.l. (Parma)	6.24	ca. 2,200	ca. 3,300	100%
Solarpark Polesine S.r.l.	4.64	ca. 1,600	ca. 2,500	100%
MTS4 S.r.l. (Noceto)	4.50	ca. 2,150	ca. 3,230	100%
Solar Farm FC1 S.r.l. (Cesena)	3.97	ca. 1,400	ca. 2,300	100%
Notaresco Solar S.r.l.	2.00	ca. 1,100	ca. 1,540	100%
Casette S.r.l. (Fresa)	1.49	ca. 680	ca. 1,000	100%
Alameda S.r.l. (Suvereto)	1.46	ca. 700	ca. 1,100	100%
Fano Solar 1 S.r.l.	1.00	ca. 520	ca. 725	100%
Fano Solar 2 S.r.l.	1.00	ca. 520	ca. 725	100%
Sant' Omreo Solar S.r.l.	1.00	ca. 550	ca. 760	100%
Vallone S.r.l. (Cupello)	0.99	ca. 500	ca. 700	100%
Solar Farm FC3 S.r.l. (Forlí)	0.99	ca. 500	ca. 700	100%
Oetzi S.r.l. (Resina I)	0.89	ca. 450	ca. 635	100%
Solar Energy S.r.l. (Resina II)	0.83	ca. 400	ca. 665	100%
Total	**31.00**	**ca. 13,270**	**ca. 19,880**	

Wind farm in Italy	Perfor-mance	Sufficient to Number of households	CO_2-savings p. a.	Share Capital Stage
	in MWp		in t	in %
Parco Eolico Monte Vitalba S.r.l.	5.95	ca. 4,600	ca. 6,947	85%
Total	**5.95**	**ca. 4,600**	**ca. 6,947**	

PV-Parks in France	Perfor-mance	Sufficient to Number of households	CO_2-savings p. a.	Share Capital Stage
	in MWp		in t	in %
Le Communal Est Ouest S.A.R.L.	40.04	ca. 13,000	ca. 26,100	100%
Centrale Photovoltaique S-AU-S 06*	12.00	ca. 6,700	ca. 9,400	85%
Ille-sur-Têt S.A.R.L.*	11.09	ca. 6,200	ca. 8,700	85%
Centrale Photovoltaique d'Avon les Roches S.A.S.	10.79	ca. 4,800	ca. 6,900	100%
Total	**73.92**	**ca. 30,700**	**ca. 51,100**	
Total Germany, Italy, France	**300.36**	**ca. 129,260**	**ca. 223,664**	

* under construction

As of April 2014


50%*
HAL CS 164

Capital Stage Solar Service GmbH – 100% availability is the target

A solar power plant needs competent operational maintenance after commissioning. Capital Stage Solar Service GmbH, a 100% subsidiary of Capital Stage AG, is based in Halle (Saale) and provides both technical and commercial operational management services for nearly all the solar parks owned by Capital Stage AG in Germany, Italy and now in France with 12 employees. The results to date have been excellent and now the word has got around in the industry: our successful subsidiary is increasingly selling its services to companies outside the group as well.

However, the aim of getting the solar parks' availability close to the 100% mark is more complex than it seems at first sight. That is something Sascha Wirth knows a lot about: he is one of two managing directors of Capital Stage Solar Service GmbH and responsible for the technical management of the solar parks. 'Lots of people think solar park maintenance just means cutting the grass. That is an important element of technical operations, it's true, but not enough on its own. The keys to success are monitoring, data collection, reporting and analysis to find ways of optimizing the technology.'

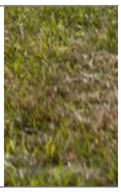
And indeed, at the control centre in Halle, the solar installations are monitored remotely, day and night, on behalf of all customers. The slightest deviation from plan is registered here, 365 days a year. 'When something goes wrong, we distinguish ourselves from the competition by not just alleviating the symptoms, but really tracking down the cause. That sounds obvious – and it should be too – but for many installations, the reality is very different, because other operations managers earn most of their money with repair work. Our clients appreciate our aim of permanently eliminating the reasons for malfunctions, because it ensures that the same error does not occur again, so the installation runs even more smoothly in the future,' is how Wirth explains his understanding of good service. The findings also benefit all the operators of solar power plants who get Capital Stage Solar Service to manage their parks. 'For instance, we had a case where the cooler for a certain type of inverter was not big enough and this occasionally caused malfunctions. We developed a solution for the problem with the manufacturer and then proactively applied it to all the parks under our management with this inverter.'

Customers of Capital Stage Solar Service benefit from the company's broad experience with many different module manufacturers. One challenge that crops up often is that certain components are no longer on the market. Several manufacturers have ceased production in the last few years, and the lack of availability means the team sometimes has to take an alternative approach to the management of spare parts. 'When I started working for Capital Stage Solar Service, I often spent a lot of time researching the solar modules and other spare parts that were available so that we could offer our customers replacements at short notice,' recalls Peter Kazior, a master electrician who has been with the company since 2012. 'Of course, as service technicians, we are particularly pleased when all the spare parts we carry in our vehicles enable us to carry out same-day repairs,' he adds.

Creativity and an eye for details are in demand elsewhere in the company, too. Marco Gebes, who works in the maintenance department, is proud of his idea to fit gutters to the frame supporting the solar modules. The rain water they collect is then used as drinking water for all the four-legged seasonal workers: there are now roughly 1,000 sheep taking care of the lawns in many parks, from springtime right through to the autumn. Wherever necessary, the team helps as well, of course. The right tools are on hand to deal with every situation – from scythes to lawn mowers, as well as a whole fleet of tractors and Unimogs, which are responsible for mowing over 300 hectares of grass.

*

Generation costs for power from photovoltaic installations have fallen by over 50% since 2010.



*Source: HSBC

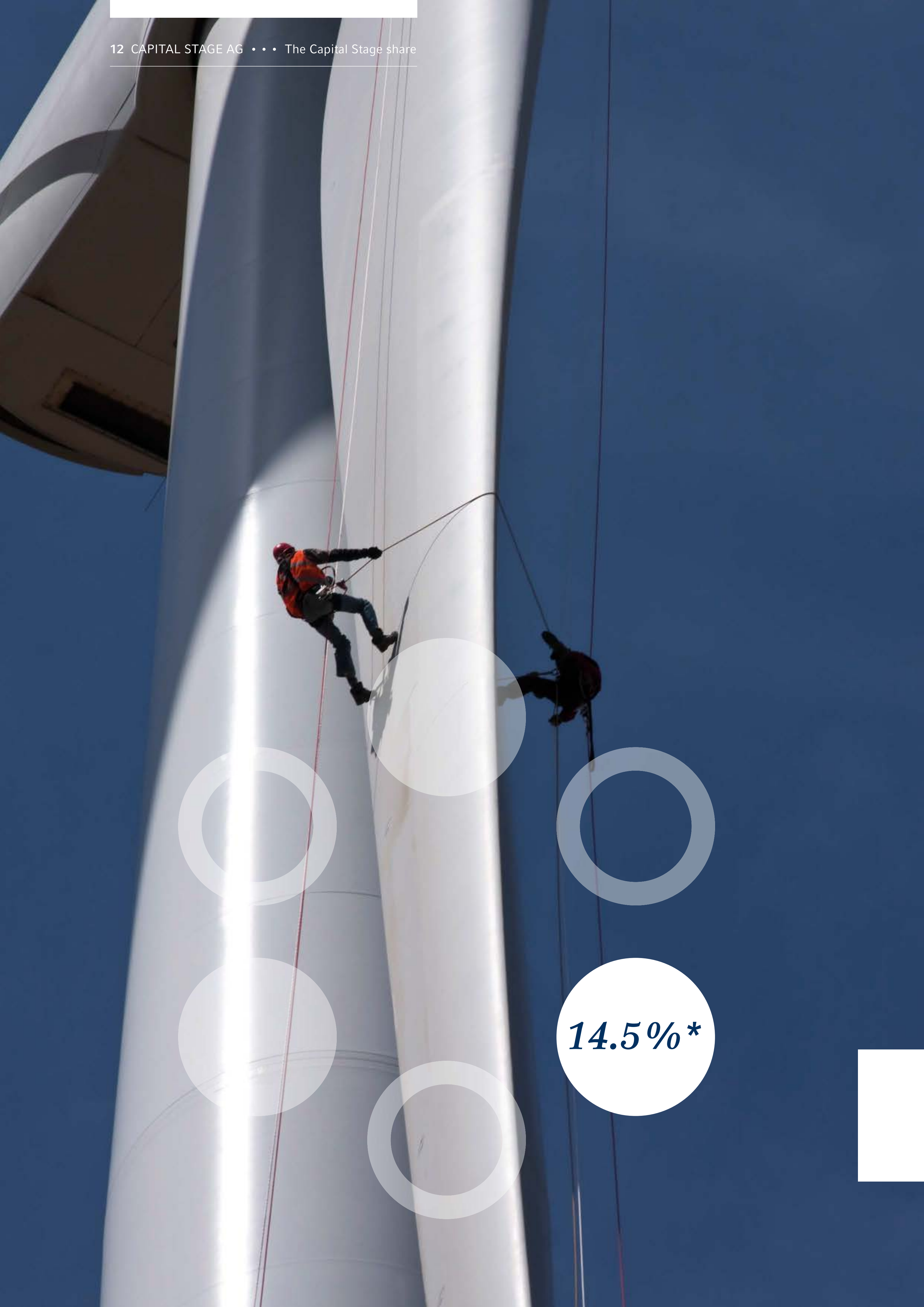
Thanks to regular training and professional staff qualifications, Capital Stage Solar Service can now offer one-stop shopping for all these services – carrying out the maintenance work recommended by the manufacturers or required by law, as well as most repair work, in-house. To ensure that warranties remain valid, some manufacturers demand special training or certification, especially for the sensitive components at the heart of a photovoltaic plant. If the worst comes to the worst, claiming under these warranties is one of the responsibilities of commercial solar park management, which is managed by Marian Raschke, the second managing director of Capital Stage Solar Service GmbH. 'When it comes to making claims under warranties or insurance contracts, it is a real advantage to have a neutral, independent service provider,' he explains. 'With us, the operator of the installation can be sure that we come to an objective assessment of the damages. In combination with our years of experience and good relationships with the manufacturers, this represents real added value.' Being certified for all the major inverter manufacturers ensures rapid response times and therefore a high availability.

Capital Stage AG also profits from the expertise and know-how of its subsidiary. Not only because it ensures the smooth operation of the existing parks, but also because it carries out the technical due diligence for the acquisition of additional solar installations. An in-house solution for technical opinions is not only cheaper, but also more closely aligned with the Group's requirements than appointing an external service provider. This makes the due diligence process for an investment decision much faster and more efficient at the same time.

In the future, the managing directors want to expand the area of third-party operations management, such as for Mainz Solar GmbH, and make it even more professional. Capital Stage Solar Service GmbH already offers all the services from a single source. Its comprehensive knowledge of technologies and manufacturers boosts availability significantly, often to more than 99%. The company is shortly to become one of the first in its segment to obtain certification in accordance with ISO 9001. 'Implementing ISO 9001 helps us to keep optimizing our processes and so to distinguish ourselves more keenly from our competitors. It gives our customers the certainty that their facilities are in good hands and are getting the best possible service,' explains Marian Raschke.

Commercial management
• Accounting / financial statements
• Reporting to investors and lenders (high transparency of financial reporting by entry of the parent company in the Prime Standard segment of the German stock exchange)
• Liquidity management
• Insurance management and optimization
• Communication with investors and banks
• Warranty Management

Technical management
• System monitoring through monitoring of the own control center
• Processing of error messages and elimination of faults 365 days
• Error analysis and on-site repair
• Service Partner of various inverter manufacturers
• Regular inspection / regular maintenance according to manufacturer's specifications by certified staff, including to obtain warranty claims (PV generator and the sub-structure, fences and gates, vegetation, inverter cooling, inverters, DC and AC components, medium-voltage equipment, inverter buildings, alarm systems)
• Irradiation adjusted earnings analyzes
• Thermographic investigations
• Areas and grounds maintenance: Mulching working under and between the rows of modules
• Alternative: grazing with appropriate breeds of sheep
• Care at the fence and gate systems
• Maintenance of mitigation and compensation measures


14.5%*

The Capital Stage share

Key information	
Listed since	28.07.1998
Share capital	72,439,406 EUR
Number of shares	72,439,406
Stock exchange segment	Prime Standard
2011 dividend per share	0.05 EUR
2012 dividend per share	0.08 EUR
52-week high	4.32 EUR
52-week low	3.30 EUR
Share price (April 04, 2014)	3.76 EUR
Market capitalisation (April 04, 2014)	272.37 EUR
Indices	SDAX, HASPAX, PPVX
Trading centres	XEXTRA, Frankfurt/Main, Hamburg
ISIN	DE 0006095003
Designated Sponsor	Close Brothers Seydler Bank AG

New highs for DAX and SDAX

Share prices climbed to new highs in Europe and the USA in 2013. They were buoyed by increasing signs of an economic recovery in Europe and the related hope that the global economy would stabilize, as well as by the persistently loose monetary policies pursued by central banks. On 27 December 2013, the DAX closed at 9,589 points, its high point for the reporting period and a new all-time high. The SDAX also performed well over the course of the year, reaching a high of 6,859 points on 2 December 2013. At the end of 2013, the DAX and SDAX stood at 9,552 and 6,788 respectively – an increase of 22.8% and 27.2% over the year.

Trading volume of Capital Stage shares more than quadrupled

In a volatile year overall, the Capital Stage AG share rose moderately by around 2% to EUR 3.75. It reached its high for the year at EUR 4.32 on 7 October 2013, with a low of EUR 3.30 on 12 and 17 December 2013. Particularly pleasing was the improvement in trading volumes: the increase from an average of 10,119 shares a day to 43,290 a day on the electronic trading platform Xetra shows how sharply interest in Capital Stage has grown.

Share capital and market capitalization up

Three capital increases from authorized capital led to an increase in share capital to EUR 67,741,248.00 (31 December 2012: EUR 48,400,000.00). Based on the closing price for the year on 30 December 2013, the market capitalization therefore came to EUR 254.03 million compared with EUR 183.44 million at the end of the previous year – an increase of around 38.5%.

* In 2013, the number of newly installed wind turbines grew by 14.5% compared to 2012. Overall, 53.4 billion kWh of electricity generated by wind power in Germany.

Source: BWE

Largest capital increase in the company's history oversubscribed

Greater interest in the shares of Capital Stage AG was also visible during fundraising, so the largest capital increase in the company's history that Capital Stage completed successfully in October 2013 was considerably oversubscribed. In the course of this rights issue, a total of 13,516,249 shares were sold at EUR 3.65 per share. This resulted in gross issue proceeds for the company of EUR 49.3 million.

Further capital increase for subscription in cash in February 2014

On 27 February 2014, acting on the basis of the authorization resolution of the annual general meeting on 18 June 2013, and with the approval of the supervisory board, the management board of Capital Stage AG decided on a further capital increase. This increased the company's share capital by EUR 4,698,158.00, from EUR 67,741,248.00 to EUR 72,439,406.00. The new shares were offered for sale to institutional investors in a private placement by means of an accelerated book-building process. They were not offered for sale to the general public. The issue price was EUR 3.65. The new shares are entitled to receive dividends from 1 January 2013 and were included for trading in the existing listing. The company received gross issue proceeds of EUR 17.1 million from the transaction, which were used directly afterwards to add some 40 MW to the energy generation portfolio by acquiring a portfolio of solar parks in France.

Free float of around 57%

In the context of capital market transactions, Capital Stage AG increased its free float to around 57 percent. At the same time the company has managed to win a number of national and international institutional investors as shareholders. This ensures a better liquidity of the share.

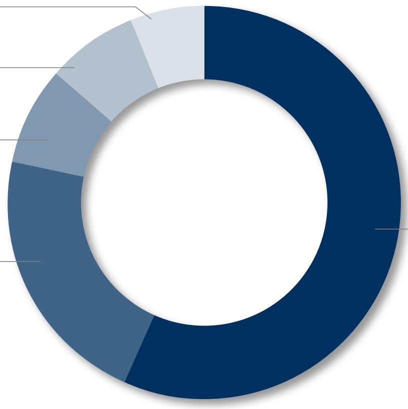
SDAX entry in March 2014

Greater liquidity and the rise in market capitalization improved the position of the Capital Stage share in the Deutsche Börse statistics index significantly. At year end it was in 100th place by market capitalization of the free float, which is relevant for inclusion in the index, and in 106th place in the statistics for stock market turnover. With the switch to the most strictly regulated Prime Standard segment in March 2013 and these rankings in the statistics index, the Capital Stage share met all the formal conditions for admission to the SDAX index as of year end. On 5 March 2014, the executive board of Deutsche Börse voted to admit the Capital Stage share to the SDAX on the recommendation of the share indices working group. Admission took place as of the next chaining date on 24 March 2014.

Investor relations activities reflect greater information requirements

Last year, Capital Stage further intensified its dialogue with capital market participants, particularly institutional investors, private shareholders and financial analysts. The management board presented the company at national and international

The Capital Stage shareholder structure is as follows:



roadshows, investor conferences such as the German Equity Forum in Frankfurt and specialist events, as well as in one-on-one meetings. Warburg Research and WGZ were joined in their coverage of the Capital Stage share by Berenberg Bank in 2013. All the studies recommend the share as a buy. The reports can be downloaded from the Investor Relations section of the website www.capitalstage.com. Potential and future investors will also find current company news, financial reports, presentations and information about the share and the company's annual general meeting. Our Investor Relations team is also happy to take questions, suggestions and comments from all market participants at any time on +49 (0)40 3785 620.

Annual general meeting 2013

The Capital Stage AG Annual General Meeting took place on 18 June 2013 in Hamburg. A total of 37,779,333 shares were represented. In terms of the relevant share capital at the time of EUR 53,073,158, divided into the same number of shares, this corresponds to 71.18% – six percentage points more than the previous year.

All the items on the agenda were approved by large majorities of 95% to 99%. Individual resolutions passed at the annual general meeting concerned the dividend increase of EUR 0.05 to EUR 0.08 per share, the discharge of the management board and supervisory board, the new remuneration for supervisory board members and the appointment of Deloitte & Touche GmbH to audit the financial statements. Furthermore, shareholders voted to create new authorized capital, authorized the issue of convertible bonds, warrants and profit-linked bonds, authorized the purchase and use of treasury shares and amendments to the articles of association, particularly relating to the company purpose.

Financial calendar 2014	
Date	Financial Event
31 March	Annual financial statements and consolidated financial statements online
19 May	Annual report
30 May	Quarterly financial report
26 June	Annual General Meeting
29 August	Half-yearly financial report
24–26 November	German Equity Forum in Frankfurt am Main
28 November	Quarterly financial report


90 %*

Supervisory board report

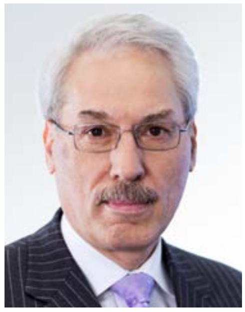

Dr Manfred Krüper
Chairman


Alexander Stuhlmann
Deputy chairman


Albert Büll


Dr Cornelius Liedtke


Dr Jörn Kreke


Professor Fritz Vahrenholt

Dear Shareholders,

In 2013, the supervisory board carried out the duties and tasks defined by statute, the company's articles of incorporation and its rules of procedure as well as advised and monitored the management board on the governance of the company on a continuous basis. The supervisory board was directly involved in all decisions of fundamental importance. The supervisory board passed judgement, after in-depth assessment and consultation, on decisions it is required to give its approval of. This requirement is laid down in the law, the Articles of Association and rules of procedure.

The management board informed the supervisory board regularly and fully about the company's performance throughout the financial year. Reports were made both in writing and orally. The supervisory board was therefore permanently informed of the course of business, the economic and financial situation and planned capital expenditure. The supervisory board had sufficient opportunity to discuss the reports and proposals from the management board actively, in full session and in the staff committee. The management board also kept the supervisory board informed about the Group's risk management and compliance activities. The chairman of the supervisory board and the chairman of the management board also exchanged information regularly outside the meetings. The chairman of the supervisory board was kept apprised of important topics at all times. The chairman of the supervisory board also maintained contact with the supervisory board members outside the meetings. Thus the supervisory board was always well informed about the Group's current operational development, principal business occurrences, changes in the key financial figures and significant upcoming decisions. The management board and supervisory board regularly consult each other concerning the Group's strategic alignment and progress.

One extraordinary and four ordinary meetings were held in 2013. Before each supervisory board meeting, the management board furnished the supervisory board's members with comprehensive reports. Where the decisions to be made required supervisory board consent, the documents included extensive decision-making presentations. In addition, four decisions were made in writing via circular resolutions on the basis of discussions held at the meetings plus comprehensive documentation.

*Around 90% of the population believes the energy revolution is important. Higher monthly costs of up to €5 are acceptable for 23% of them; 48% would even be prepared to pay more, whereas 27% do not want any additional costs.

*Source: Bundesverband der Energie- und Wasserwirtschaft; Scholz & Friends, TNS Infratest

Focus of discussions

The supervisory board and management board discussed the company's performance and business development intensively. Discussions focused on developing the PV Parks and Wind Farms segments. Another major topic of discussion was the financing of the corresponding capital expenditure. The management board gave a report at every supervisory board meeting regarding investment opportunities and the current status of the investment process. In the case of projects where completion was impending, the management board furnished the supervisory board with comprehensive details of the due diligence process. The management board also provided information about the financing of investment projects. At each of its meetings, the supervisory board received explanations of all developments concerning the Group companies and had the opportunity to engage in in-depth discussions about the Group's current position. At all meetings, the management board also reported on developments in relevant markets, on the resulting risks and opportunities and their effects on the Group's investment strategy.

Discussions were held and decisions made on the following principal issues:

- The expansion of our international business activities via the acquisition of solar parks in Italy
- Entering the French market via the acquisition of one solar park and two solar park projects
- The expansion of the PV Parks segment through the acquisition of 13 further parks and projects
- The expansion of the Wind Farms segment through the acquisition of one wind farm
- Three capital increases

None of the supervisory board members attended less than half the meetings.

Staff committee meetings

The staff committee comprises Albert Büll, Dr Manfred Krüper and Alexander Stuhlmann. Last year, the committee discussed the development of the management board and its members, the performance of management board members and the issue of share options to management board members and key executives of Capital Stage AG.

Corporate governance

The declaration in accordance with section 161 of the German stock corporation act (Aktiengesetz – AktG) on compliance with the German Corporate Governance Code was adapted in the supervisory board meeting held on 18 June 2013. On 11 December 2013, the supervisory board also discussed the German Corporate Governance Code as amended in May 2013 and updated its declaration. Said declaration forms part of the corporate governance statement and can be viewed online at www.capitalstage.com.

The supervisory board had no indication that members of the supervisory and management boards were faced with conflicts of interests.

The routine efficiency audit passed a positive verdict on the supervisory board's performance.

Audit and adoption of the financial statements, approval of the consolidated balance sheet

The financial statements of Capital Stage AG and the combined management report for Capital Stage AG and the Group for 2013 were audited by Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Munich, and given an unqualified audit opinion. The same applies to the consolidated balance sheet for 2013 prepared in accordance with IFRS. The supervisory board also decided on the central issues to be addressed by the audit.

The auditors also examined Capital Stage AG's internal control and early risk detection system. This examination determined that the management board had taken suitable steps to meet the demands of risk monitoring and that the early risk detection system fulfilled its purpose.

The financial statements under commercial law, the consolidated balance sheet and the combined management report for Capital Stage AG and the management board's proposal for the use of distributable profits were discussed by the supervisory board at the financial statements meeting held on 31 March 2014 in the presence of the auditors. To prepare for the meeting, the members of the supervisory board could draw on extensive documentation, including the audit report from Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft with the consolidated balance sheet in accordance with IFRS, the combined management report for Capital Stage AG and the Group as well as the financial statements for Capital Stage AG. The supervisory board discussed these documents in detail. The auditors reported on the main results of their audit and were available to answer questions and provide further information. As the conclusive result of its own review, the supervisory board concurred with the result of the audit and determined that no objections were to be made. Accordingly the supervisory board duly acknowledged and expressed its agreement with the auditor's report.

The supervisory board has scrutinized and duly approved the Capital Stage AG annual financial statements, the consolidated balance sheet and the combined management report and consolidated management report, as well as the proposal for the appropriation of the distributable profit in conformity with statutory provisions. Pursuant to section 172 of the AktG, the annual financial statements have therefore been duly adopted, while the consolidated balance sheet was cleared for publication on 31 March 2014. Finally, the supervisory board has endorsed the management board's proposal for the use of distributable profit of the financial year 2013, which provides the distribution of a dividend of EUR 0.10 per dividend-entitled share.
The dividend will be paid in cash or in the form of shares in Capital Stage AG. Details of the cash distribution and how shareholders can choose the share option are explained in a document that will be sent to shareholders along with the invitation to the annual general meeting. It includes information on the number and type of shares and the reasons for and details of the offer.
The dividend and the remaining amount to be carried forward as mentioned in the proposal for the use of profit are based on share capital with dividend entitlement of EUR 72,439,406.00, divided into 72,439,406 shares, as of 30 April 2014.

The number of dividend-entitled shares may change before the date of the resolution on the use of distributable profit. In this case the management board and supervisory board will put forward a corresponding modification to the proposal on the use of profits at the annual general meeting, which will provide for a distribution of EUR 0.10 per dividend-entitled share, as before. This does not affect the offer to receive the dividend in the form of shares rather than in cash. The modification is to be made as follows: If the number of dividend-entitled shares and therefore the total dividend goes down, the amount to be carried forward to new account goes up accordingly. If the number of dividend-entitled shares and therefore the total dividend goes up, the amount to be carried forward to new account goes down accordingly.

The supervisory board would like to take this opportunity to thank the management board and all of the Capital Stage Group's employees for their commitment and their personal contribution to a successful 2013.

Hamburg, 31 March 2014

On behalf of the supervisory board

Dr Manfred Krüper

Corporate governance report

The principles of corporate governance are an integral part of our responsible, value-oriented approach to management and internal control at the Capital Stage Group. The management board and supervisory board work in an efficient relationship based on trust with the aim to achieve a sustainable increase in corporate value, building the confidence of shareholders, employees and business partners in the way the organisation is managed and supervised. Transparent reporting and a close consideration of shareholders' interests are two expressions of the responsibility embraced by the management board and supervisory board.

Directors' dealings

Transactions involving securities by those in a managerial position (directors' dealings) must be disclosed under § 15a of the German Securities Trading Act (WpHG). In 2013, the members of the management board and supervisory board and other senior executives adhered to applicable reporting requirements of the Securities Trading Act with respect to transactions involving shares in Capital Stage. We have published the relevant notifications about these transactions in 2013 online at www.capitalstage.com under 'Investor Relations/Directors' Dealings'.

Based on the transactions notified pursuant to § 15a WpHG, on 31 December 2013 the management board was in possession of notifiable assets under Item 6.3 of the German Corporate Governance Code. On this date, the management board was entitled to voting rights consisting of 2.5% of the shares of Capital Stage AG.

The notifiable holdings of members of the supervisory board under Item 6.3 of the German Corporate Governance Code amounted to 6.7% on 31 December 2013 based on the transactions notified pursuant to § 15a WpHG. The increase in supervisory board members' holdings requiring disclosure as compared with 2012 is the result of the corporate restructuring during the year of the supervisory board members' companies and consequent changes in allocations pursuant to the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

No conflicts of interest

There were no conflicts of interest between members of the management board and the supervisory board, and there is a policy in place whereby any such conflict is immediately made known to the supervisory board. In the opinion of the supervisory board, the same body has a sufficient number of independent members. As a result of a scheduled efficiency audit, the supervisory board determined that its work is organised efficiently and the cooperation between the management board and the supervisory board is very good. No contracts were made between a member of the supervisory board and the company during the reporting period for consulting, other services, or employment.

Remuneration report

To create long-term incentives, management board members are granted share options under the share option programme. The last tranche of the share-based payment programme AOP2007 was issued in the financial year 2012. The first tranche of the share-based payment programme AOP2012 was issued in 2013. The subscription rights attached to the share options may only be exercised after a two-year waiting period. There is a vesting period of two years for the share-based payment programme AOP2007 and of four years for the share-based payment programme AOP2012. The subscription price (exercise price) is the arithmetic mean of the closing price of Capital Stage AG shares in Xetra trading on the Frankfurt Stock Exchange (or a comparable successor system) on the last five trading days preceding the date on which the options are granted. A condition for the exercise of subscription rights is that the performance target has been met. The performance target at the AOP2007 has been achieved if the price of shares in Capital Stage AG in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange exceeds the exercise price by at least 25% during the ten trading days preceding the date on which the subscription rights are exercised. The performance target for the AOP2012 has been achieved if the price of shares in Capital Stage AG in Xetra trading (or a comparable successor system) on the Frankfurt

Stock Exchange exceeds the exercise price by at least 30% during the ten trading days preceding the date on which the subscription rights are exercised. The applicable exercise period shall be that period in which the relevant subscription rights may first be exercised, having reached or exceeded the performance target.

Full details of the share based payment programmes and the valuation process can be found in the notes to the consolidated financial statements.

Management board members receive a gross annual salary for their services. They also receive a variable remuneration package depending on results and performance (annual bonus). The annual bonus for Mr Goedhart is 3% of consolidated profit for the year. Gross annual salary and annual bonus together should not exceed TEUR 800. Dr Bognar receives an annual bonus for the last financial year as defined by the supervisory board, taking the company's earnings and financial position as well as the performance of Dr Bognar into account. This is calculated and awarded by the supervisory board based on a proposed figure by the staff committee for the previous financial year, taking into account company profit, the financial position of the company and the performance of the management board. The annual bonus becomes due for payment immediately after the supervisory board meeting in which the corresponding annual financial statements are approved and the bonus is fixed.

No substantially different compensation payments will be made in case employment of the board members is terminated.

The management board remuneration during 2013 came to TEUR 1,215. This amount breaks down as follows:

in EUR	Fixed remuneration	Performance-related Remuneration	Components with long-term incentive character
Felix Goedhart	341,864.78	421,309.83	9,800.41
Dr Zoltan Bognar	282,447.98	150,000.00	9,800.41

The performance-related payments consist of a bonus for Dr Bognar for 2012 and a provision for the performance-related bonus for 2013 for Mr Felix Goedhart. The provision is necessary because Felix Goedhart's employment contract since 1 November 2012 provides for the calculation of the performance-related remuneration on the basis of the IFRS consolidated results.

The components with long-term incentive character are made up of the fair value at the time they were granted of 300,000 (previous year: 360,000) share options granted to the management board by the supervisory board.

The total remuneration earmarked for the activities of the supervisory board in the financial year amount to TEUR 223. According to § 15 paragraph 1 of the Articles of Association, the supervisory board members receive a level of remuneration determined by the annual general meeting that should not fall below TEUR 15 for each member, or TEUR 30 for the chairperson and TEUR 22,5 for the deputy chairperson. The sums set aside are based on the remuneration assigned by the annual general meeting for the financial years 2011 and 2012.

Independence of the auditor

Prior to the submission of a proposal to the AGM for the appointment of an auditor for the 2014 annual accounts, the supervisory board obtained a declaration of an auditing company. The declaration includes a statement that no relationships of a business, financial, personal or any other nature that may cast doubt on the independence of the auditor exist between the auditing company, its institutions and the chief auditors on the one hand, and between the company and its institution members on the other hand. The declaration also includes a statement to confirm that no consulting services were provided by this auditing company in the previous financial year, and that no such services had been agreed for the 2014 financial year.

Declaration on corporate governance pursuant to § 289a
Description of the work of the management board and supervisory board and their composition

Management board

The management board of Capital Stage AG has consisted of two members since the 2010 fiscal year, and there is one chairman. By-laws govern the various responsibilities and cooperation within the board. When appointing management board members and other leadership roles, effort is made to represent women adequately.

The additional appointments of the board members are shown in the notes to the company financial statements and the consolidated financial statements.

Supervisory board

The supervisory board monitors the activities of the management board and offers advice in accordance with the provisions of company law and internal by-laws. The supervisory board of Capital Stage AG consists of six professionally qualified members who represent the shareholders of Capital Stage AG. As chairman of the supervisory board, Dr Manfred Krüper coordinates its work, leads supervisory board meetings and attends to the affairs of the supervisory board externally. Each member of the supervisory board is independent and has many years of business experience. The members were duly elected by the shareholders at the annual general meeting. The chairman of the supervisory board is not a former member of the management board at Capital Stage AG.

The supervisory board has established rules of procedure.

The supervisory board has not set any specific goals to optimise its composition. Since 2007, the supervisory board has operated in a composition that is exceptionally well suited to the specific situation of Capital Stage AG. There is therefore no need to optimise the composition of its members.

The supervisory board members are required to disclose any existing conflicts of interest to the chairman of the supervisory board regarding individual decisions. The supervisory board sets out in its report to the annual general meeting whether any conflicts of interest arose and how they were treated. If a supervisory board member has a substantial and not merely temporary conflict of interest, this should result in the termination of the mandate.

The supervisory board members have no business or personal relationship to Capital Stage AG that could represent a conflict of interest and therefore a limited level of independence.
Contracts for consulting, other services or employment between a member of the supervisory board and the company are subject to the approval of the supervisory board.

Specific information about the work of the supervisory board can be found in the supervisory board's report on the relevant pages of the annual report.

Capital Stage AG has arranged D and O insurance for members of the supervisory board which, in line with international standards, does not include an excess. Furthermore, Capital Stage is of the opinion that an agreement to pay an excess would not be appropriate to improve the sense of responsibility with which the members of the supervisory board perform their assigned tasks and functions.

The additional appointments of the board members are shown in the notes to the company financial statements and the consolidated financial statements.

Staff committee

The central task of the staff committee is to prepare matters relating to personnel that are to be decided by the supervisory board. These include, in particular, managing the selection process for the management board, appointing members, compiling and negotiating executive employment contracts, and granting share options to management board members and high-performance staff at Capital Stage AG. As a rule, the decisions of the supervisory board are made collectively by the entire supervisory board; the committee has an advisory role only.

The supervisory board has decided not to form additional committees. Operating as a complete body, the supervisory board ensures the efficiency of its work and the successful handling of complex issues. The creation of an audit committee, nomination committee or a committee for any other topic would result in increased organisational costs for both the supervisory board members and the company. Furthermore, due to the company's size and the number of supervisory board members, it has proved a practical solution for the entire supervisory board to work together.

Cooperation between the management board and supervisory board

In accordance with statutory requirements, there is a dual management system at Capital Stage AG with a clear separation between management and supervisory functions. The management board has sole responsibility for running the company. The supervisory board of Capital Stage AG is composed of members elected by the AGM and is active in a supervisory and advisory capacity. The two bodies are strictly separated in terms of membership and with respect to their responsibilities.

The management board and supervisory boards work closely together in a trusting relationship for the benefit of Capital Stage. The management board develops the strategic direction of Capital Stage, discusses it with the supervisory board and ensures it is implemented in the company. The management board provides a prompt and continuous stream of information to the supervisory board covering all aspects of business development, strategy, planning and risk management at Capital Stage. In particular, the chairman of the management board is in regular contact with the chairman of the supervisory board. Whenever there is an event of major significance for an assessment of the current situation, future developments or general management of the company, the chairman of the management board informs the chairman of the supervisory board without delay. For dealings of fundamental importance, approval requirements are set out in the Articles of Association or by the supervisory board. Such dealings include decisions or measures that fundamentally change the financial position or profitability of the company.

Due to the close cooperation between the management board and supervisory board, the supervisory board has waived the requirement for an additional discussion about biannual and quarterly financial reports prior to publication. Such a requirement would not provide any additional information to serve the board, yet it would result in increased organisational costs for the supervisory board members and the company.

Relevant information about corporate governance practices

The corporate governance principles are based on the German Corporate Governance Code. The management board and supervisory board constantly focus on the recommendations and suggestions of the code and monitor its implementation, taking into account the annual declaration of compliance that has to be submitted by the management board and supervisory board.

The shareholders of Capital Stage AG are regularly kept up to date regarding the company situation and any significant changes on the business side. To provide comprehensive and timely information that is accessible to all, Capital Stage mainly uses the Internet. Shareholders are informed about important dates with a financial calendar. This is included in the annual report and can be found online at www.capitalstage.com under 'Investor Relations/Financial Calendar'.

Reports on the financial situation and business results of Capital Stage AG are presented in the annual report, the half-year financial report and quarterly financial reports.

Any events that occur at Capital Stage AG outside the regular reporting intervals and that are likely to have a significant effect on the price of company shares will be announced in ad hoc reports.

Under § 10 of the German Securities Prospectus Act, Capital Stage AG is required to publish a document each year (an 'annual document') that summarises all publications from the preceding twelve months that relate to corporate and capital market law.

The financial calendar and the annual document are available online at www.capitalstage.com under 'Investor Relations'. Ad hoc notifications and press releases can be found under 'Press/Ad hoc' on the same website.

Good corporate governance also involves a responsible approach to risks. The management board ensures there is an appropriate risk management system in place and controls the overall risk position of the company. The supervisory board is frequently told about existing risks and their development by the management board. Details about risk management can be found in the combined report under the 'Risk Report' section.

Annual general meeting

The shareholders of Capital Stage AG exercise their rights at the annual general meeting and use their voting rights.

Shareholders have the opportunity to cast their votes at the annual general meeting either in person, by nominating a proxy of their choice, or by sending an authorised representative of the company bound by written instructions. However, there are no provisions for postal voting in the Articles of Association.

Accounting and auditing

An auditor is selected by the AGM in accordance with the statutory provisions. A detailed explanation of the rules for Group accounting can be found in the notes to the consolidated financial statements.

Declaration by the management board and supervisory board of Capital Stage AG on the recommendations of the governmental commission on the German Corporate Governance Codeas per § 161 of the German Companies Act (AktG)

Capital Stage AG complies with the recommendations of the new version of the Corporate Governance Code revised on 13 May 2013 and published in the official section of the electronic Bundesanzeiger newspaper on 10 June 2013 with the following exceptions (numbers in parentheses correspond to the numbering of the Corporate Governance Code):

- The directors and officers liability insurance for the supervisory board does not include an excess (Item 3.8).

For members of the supervisory board, there is D and O insurance that does not include an excess, and this conforms to international standards. Furthermore, Capital Stage is of the opinion that an agreement to pay an excess would not be appropriate to improve the sense of responsibility with which the members of the supervisory board perform their assigned tasks and functions.

- The supervisory board has not appointed an audit committee or a nomination committee (Items 5.3.2 and 5.3.3)

The supervisory board has decided not to form an audit committee or a nomination committee. Operating as a complete body, the supervisory board ensures the efficiency of its work and the successful handling of complex issues. The formation of an audit committee and nomination committee would result in increased organisational costs for both the supervisory board members and the company. Furthermore, due to the company's size and the number of supervisory board members, it has proved a practical solution for the entire supervisory board to work together.

- The supervisory board has named no specific targets for its composition (Item 5.4.1).

Since 2007, the supervisory board of Capital Stage AG has operated as a team in a composition that is well adapted to the specific situation of the company. There is no need to optimise the composition. For this reason, the supervisory board has not defined any targets in this regard.

- The supervisory board or its audit committee should discuss biannual financial reports and any quarterly financial reports with the management board before they are published (Item 7.1.2).

At all times, the management board takes prompt action to ensure that the supervisory board is kept fully informed of the latest developments regarding net assets, financial status and profitability.

Due to the close cooperation between the management board and supervisory board, the supervisory board has waived the requirement for an additional discussion about biannual and quarterly financial reports. Such a requirement would result in increased organisational costs for the supervisory board members and the company, but it would not provide any additional information to serve the board.

- The consolidated balance sheet should be publicly available within 90 days after the end of the financial year, and the interim financial reports within 45 days after the end of the reporting period. (7.1.2)

In accordance with statutory regulations, the consolidated balance sheet is published within the first four months after the end of the financial year and within eight weeks after the end of the quarter. In view of the considerable difference between these deadlines and the additional expense and work that would be required, the company's management board and supervisory board do not consider that reducing the deadlines any further would be reasonable.

This declaration replaces the declaration of June 2013. Since June 2013, Capital Stage AG has conformed to the recommendations of the Corporate Governance Code as amended on 12 May 2012 with the exceptions set out in the declaration of compliance of June 2013. (Declaration as of December 2013)

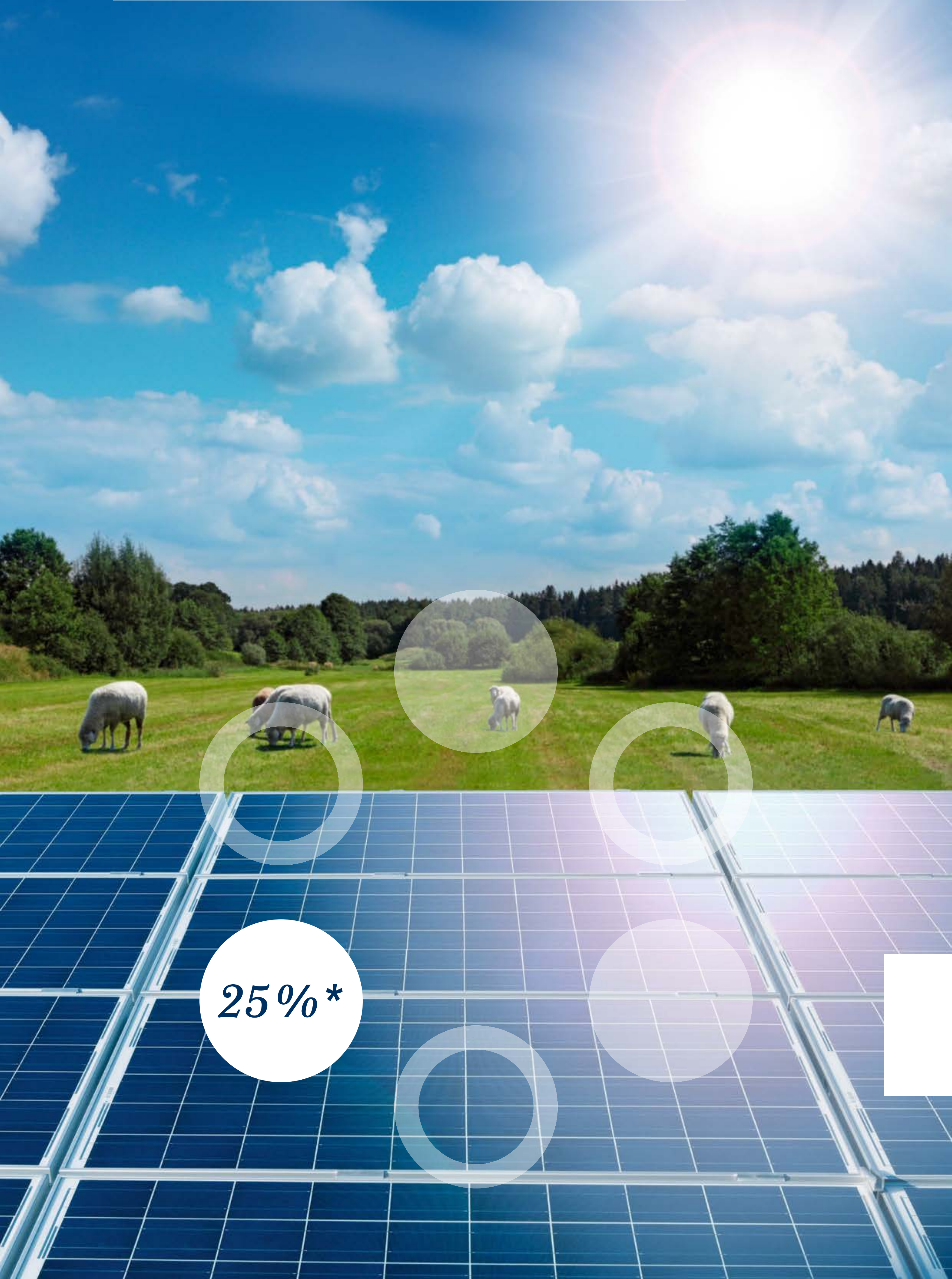
Hamburg, April 2014

On behalf of the supervisory board

Dr Manfred Krüper

On behalf of the management board

Felix Goedhart


25%*

Combined management report and consolidated management report for Capital Stage AG, Hamburg for the financial year 2013

GERNERAL INFORMATION	28
OPERATING PRINCIPLES OF THE GROUP	28
INTERNAL MANAGEMENT SYSTEM AT CAPITAL STAGE	29
MACROECONOMIC FRAMEWORK	30
COURSE OF BUISINESS	33
PORTFOLIO DEVELOPMENTS	35
RESULTS OF OPERATIONS, FINANCIAL AND ASSET POSITION CAPITAL STAGE GROUP	37
FINANCIAL POSITION AND CASH FLOW	39
NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR CAPITAL STAGE AG (HGB)	41
EVENTS AFTER THE REPROTING DATE	42
PERSONNEL	43
SUPERVISORY BOARD	43
REMUNERATION REPORT	43
OTHER INFORMATION	44
OPPORTUNITY REPORT	46
RISK MANAGEMENT SYSTEM	46
FORECAST	51
CORPORATE GOVERNANCE STATEMENT	53

*Renewable energies accounted for 25% of electricity consumption in 2013. By 2020, renewables are intended to cover 47% of Germany's electricity needs.

*Source: Bundesverband Erneuerbare Energie e.V.

Combined management report and consolidated management report for Capital Stage AG, Hamburg for the financial year 2013

General information

The combined management report covers the Capital Stage Group (hereafter known as 'the Group' or 'Capital Stage') and the parent company, Capital Stage AG, which is based in Hamburg, Germany. It has been prepared according to the German Commercial Code (Handelsgesetzbuch – HGB) and German Accounting Standard (GAS) No. 20.

Capital Stage AG prepares its separate financial statements according to German Commercial Code accounting principles and the consolidated balance sheet according to IFRS accounting principles. The management report and consolidated management report have been combined, whereas the assets position, financial position and results of operations are each disclosed separately.

Unless stated otherwise, all disclosures in this report relate to 31 December 2013 or to the financial year from 1 January to 31 December 2013.

Operating principles of the Group

Business model

Capital Stage is Germany's largest independent solar park operator: the Group's core business is the purchase and operation of solar parks and wind farms. Due to their stable, predictable revenue, solar parks and wind farms offer a good risk–return ratio. The 38 solar parks and five wind farms in Germany, Italy and France have a capacity of some 281 MWp and fed altogether 216,299,165 kWh into the power grid in 2013. The Group thus makes a contribution to protecting the climate and increasing our independence from expensive energy imports from politically unstable regions.

The Group pursues a growth strategy, which means it will continue to expand its portfolio systematically. The solar park and wind farm acquisition pipeline contains projects totalling over 200 MWp in Germany and abroad. Our focus is on OECD countries, where feed-in tariff systems are in place whereby the state guarantees the rates of remuneration per kilowatt-hour over a period of 15 to 25 years. Further investment criteria are a good location, a stable political system, experienced project developers or general contractors, the use of first-class components, sound financial backing and, last but not least, attractive returns.

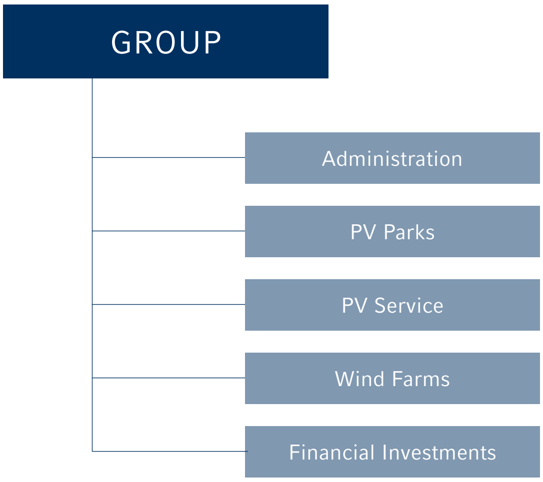
As well as the acquisition and operation of turnkey solar parks, the Capital Stage Group is also active at other stages along the value chain, most significantly in the technical and commercial management of existing parks, a field which offers attractive margins. The wholly owned subsidiary Capital Stage Solar Service GmbH provides these technical services. It is also increasingly responsible for operating parks not owned by the Capital Stage Group.

The Group also invests in two companies active as solar thermal and photovoltaic service providers. In the medium term, the aim is to optimize the value of these assets and to realize the investments.

Group structure

Capital Stage AG is the parent company of the Capital Stage Group. In addition to Capital Stage AG, a total of 45 subsidiaries (previous year: 35) are included directly or indirectly in the consolidated balance sheet as of 31 December 2013.

This diagram shows the Group's segments as of 31 December 2013:



Administration	This segment comprises the Group's parent company Capital Stage AG.
PV Parks	The segment PV Parks comprises all our German, French and Italian photovoltaic parks as well as any holding companies.
PV Services	This segment comprises Capital Stage Solar Service GmbH and the investment in Eneri PV Service S.r.l. (Group stake: 49%).
Wind Farms	This includes all the wind farms in Germany and Italy as well as the holding companies Capital Stage Wind IPP GmbH and Capital Stage Windpark Betriebs- und Verwaltungs GmbH.
Financial Investments:	This segment comprises Helvetic Energy GmbH and Calmatopo Holding AG and as well as the shareholding in BlueTec GmbH & Co. KG.

Internal management system at Capital Stage

Capital Stage's main objective is sustainable growth and therefore to increase the enterprise value. The management board is notified on a weekly basis about current developments affecting the implementation and monitoring of targets. These include technical and commercial aspects of the portfolio assets, such as cumulative power production, availability of facilities and the integration of newly acquired solar parks or wind farms into the Capital Stage Group. Potential investment opportunities are also discussed with the management board and the free liquidity available for investment purposes is determined. The liquidity of the operational solar parks and wind farms is monitored continuously. This permanent, forthright dialogue enables the management board to respond quickly to events and to take action accordingly.

A forecast for the following financial year is published along with the annual report. It is based on detailed bottom-up planning by the individual Group companies. The published forecast is reviewed every quarter and adjusted as necessary by the management board.

The key financial indicators used in the Group are aligned with the interests and demands of shareholders and include in particular:

- Revenues
- EBITDA
- EBIT
- EBT
- EAT

Investment decisions focus particularly on the internal rate of return (IRR), which indicates the return on capital employed and the return on the investment over a period of several years. Return on equity (ROE) is also an important performance indicator for investment decisions. It shows the relationship between earnings after interest and tax (EAT) and invested capital. Qualitative and strategic criteria such as stable feed-in systems, high-quality components and attractive financing terms are also taken into consideration.

Macroeconomic framework

The economy

Growth in Germany, slight decline in eurozone

Global economic output rose steadily over the course of 2013. In the USA the economy also expanded moderately; in the first quarter by 1.1% and in the second by 2.5%. Growth rates for the first half year were nonetheless lower than expected due to the uncertainty caused by fiscal and budgetary topics. The third quarter saw surprisingly positive growth of 3.6%. This is the fastest increase since early 2012. The Federal Reserve's meeting in September brought no change in monetary policy. Markets reacted to the continued supply of cheap money with relief. At its December meeting, the Federal Reserve kept the prime rate at its historically low level of 0–0.25%, but also announced that its monthly purchases of government bonds and mortgages would be reduced from USD 85 billion to USD 75 billion from January 2014. Initial forecasts put growth in the fourth quarter of the year at 1.9%.

At the start of the year, the European Central Bank announced that the debt crisis in Europe was abating, but that if needed it would nonetheless take unlimited monetary action to support the development of the economy in the eurozone. France's impending slide into recession, the outcome of the elections in Italy, the Cyprus crisis and the difficult situation in Portugal also had an adverse effect on the European economic environment. At the European Central Bank's meeting in September, the downside risks continued to dominate, prompting ECB president Mario Draghi to announce that the money market rate would initially stay low under all circumstances. Despite a modest upturn at the beginning of the second half year, initial forecasts for the full year 2013 put the growth rate in the eurozone at a rather disappointing -0.4%.

By contrast, the German economy was back on a growth track in 2013, which was partly due to the fact that its companies are particularly competitive and innovative. Furthermore, private spending also made a major contribution to overall economic growth in Germany. In the first quarter there was no change year on year, but between April and June the economy picked up by 0.7%. It rose by 0.6% in the third quarter and growth accelerated to 1.5% in the fourth quarter of the year.

Euro stays strong despite economic uncertainty

The euro started the year as strongly as it had ended 2012, trading at USD 1.3193 in the new year. In September, investors were initially uncertain about the Federal Reserve's future monetary policy, the inscrutable situation in eastern Asia and the government crisis in Italy. Over the third quarter, the euro rose to a high for the year of USD 1.383 on 24 October 2013. At the end of the year, the euro remained strong at USD 1.378.

Stock markets anticipate economic recovery

The Dow Jones Industrial Average started the year at 13,104.30. This also marked the low point for the reporting year. The Dow Jones closed the year at a high of 16,588.25 points.

The main German index DAX started the year 2013 at 7,689.46. It reached its high for the year on 30 December at 9,594.35 points, which also represented its all-time high. The low point for the DAX in the year under review was 7,418.36.

The SDAX also performed well over the course of the year, reaching a high of 6,859 points on 2 December 2013. It closed the year 2013 at 6,788, a year-on-year increase of 27.2%.

Renewable energies dominate electricity market in Europe

According to an analysis by the European Wind Energy Association (EWEA), new generation capacity of 35 GW was added within the EU in 2013. Of the total, renewable energy accounted for more than 70%, or 25 GW. Wind and photovoltaic were main energy sources within the renewable energies, each with newly installed capacities of around 11 GW.

The global boom in photovoltaics continued. According to figures from Bloomberg New Energy Finance, the number of new installations grew by 28% compared with 2012 to 39 GW. China, Japan and the USA were the main drivers of global growth. The number of new installations declined in Europe, however. Germany was the largest market, adding around 3.3 GW to capacity.

Germany also reported the fastest growth in Europe for wind energy, expanding by nearly 3.3 GW in the period under review. Newly installed capacity in the company's other markets came to 631 MW for France and 444 MW for Italy.

Legal and political environment supports expansion of renewable energies

The fundamental social and political desire for greater use of renewable energy in Europe is subsidized by means of several mechanisms. In addition to the dominant system of payments by means of long-term feed-in tariffs, as exists in Germany, France and Italy, there are also bonus models which provide incentives by paying a premium over the current market price for electricity. This model is established in Denmark and the Netherlands, for example. The quota model applied in the United Kingdom and Sweden, for example, obliges power companies to include a fixed quota of electricity from renewable sources in their supply. How they meet this quota – whether they produce the renewable power themselves or buy it on the market – is generally left up to them. Certificates document that the obligation has been met. The level of subsidies is partly determined by auctions, especially with the bonus and quota models. In some cases, the mechanisms are combined with investment grants or tax incentives.

The Renewable Energy Sources Act (EEG) applicable in Germany has proven to be the most effective instrument for promoting electricity from renewable sources, and its basic structure has been adopted by a large number of other countries. With the EEG, the main subsidy consists of a guaranteed fixed feed-in payment or, since 2012, an optional market premium, which is more or less equivalent to the fixed payment. The system's volume management, which had often been criticized as insufficient, was integrated into the EEG in 2012 for solar power by means of adjustments to subsidy rates depending on the pace of new installations. The system now features a flexible cap which defines expansion corridors. Over performance or underperformance has a direct effect on subsidy rates. According to a White Paper published by the federal government, this system is also to be applied to the subsidies for onshore wind energy when the EEG is reformed in 2014. The ministerial draft for the EEG 2.0 includes the following amendments:

Renewable energies as a proportion of electricity sales should increase to 40–45% by 2025 and by 55–60% by 2035. The sliding market premium will be made binding. It will be phased in gradually, so that all market participants can adjust to it. The current draft states that all new facilities with capacity over 500 kW will have to market their power directly once the new EEG comes into force. It also aims to reduce the number of exceptions for power-intensive companies that are currently exempt from paying the EEG levy. It maintains the principle, but the aim is to bring the regulation into line with applicable EU directives. The 'green-power privilege', which guarantees energy utilities a steep cut in the EEG levy if they purchase at least 50% of their electricity from domestic producers of power from renewable sources, is to be abolished altogether.

Existing facilities, whatever their technology, can continue to rely on existing legislation. Subject to certain conditions, the same applies to projects completed by August 2014. This means that the provisions of the EEG that apply to these facilities will remain in force. Amendments to the law will therefore have no retroactive effect.

Additional annual capacity of 2,500 MW is planned for solar energy. The flexible cap is to be maintained.

Additional annual capacity of up to 2,500 MW is also planned for onshore wind energy. A flexible cap with automatic adjustment of subsidy rates is intended to ensure that new installations actually follow the planned expansion curve and are not permanently above or below it. Subsidy rates for onshore wind energy are to be reduced. The repowering bonus is to be abolished for new installations and the system services bonus will not be extended beyond its scheduled expiry date of year end 2014. Subsidies are to be reduced faster for high-wind locations. All in all, payments for high-yield sites in 2015 are meant to be 10–20% below the level of 2013.

Subsidies in France and Italy

The system of subsidies in France is characterized by fixed feed-in tariffs, as in Germany. The feed-in rates are guaranteed for a period of 15 to 20 years, depending on the technology used. Under certain circumstances, the minimum payment for power produced from renewable energies can be increased by premiums, e.g. for solar energy by using modules manufactured in the EU. The expansion schedule is also subsidized by means of auctions.

In France, the feed-in tariffs are passed on to final consumers by means of a distribution mechanism. This makes subsequent or retroactive changes unlikely, because the levy procedure means they would have no impact on the government's budget.

The Italian government has abolished the guaranteed minimum prices for the sale of solar power to the relevant feed-in authority, "Gestore dei Servici Energetici" (GSE), as of 1 January 2014. Until now, PV installations in Italy have received a feed-in rate determined by Conto Energia and generate additional income from selling the electricity. It can be sold on the open market or to GSE via what is known as the Ritiro Dedicato. GSE pays producers a price as determined by the market, which in Italy varies from one region to another. Overall, GSE paid (or pays) a higher price to producers than it received from market sales. The loss is passed on to consumers via the electricity price. As in Germany and France, retroactive amendments would not reduce the government's current budgetary expenses and thus are unlikely.

Following the abolition of the minimum price, the operators of new facilities now have to sell their solar power at market prices outside the Conto Energia. Alternatively, operators can market their electricity directly. Although there are no more minimum prices for new projects, the Italian market remains of interest to Capital Stage because of the large number of existing farms with guaranteed payments.

Course of business

Acquisitions: successful market entry in France

Capital Stage successfully entered the French market last year by acquiring three solar parks. Its regional diversification also continued with further acquisitions in Germany and Italy:

Highlights of the financial year 2013:	
15 January	First-time consolidation of a 12.6 MWp solar park in Saxony-Anhalt acquired in 2012. The closing was subject to conditions precedent.
17 January	First-time consolidation of two Italian solar parks acquired in 2012, over which Capital Stage only gained control in January 2013.
9 April	Signing of contract for the acquisition of Solarpark Ramin GmbH & Co. KG (9 MWp) in Mecklenburg-West Pomerania. It was consolidated for the first time on 17 May 2013 when the contract was closed.
23 May	Signing of contract for the acquisition of an 8 MWp wind farm in Thuringia. The contracts were completed on 30 June 2013.
14 November	Signing of contract for the acquisition of an 8 MWp solar park in Mecklenburg-West Pomerania. The contract is subject to conditions precedent, which had not been met as of the reporting date 31 December 2013. The park was therefore not included in the consolidated balance sheet.
13 December	Signing of a contract for a portfolio of solar parks in Italy with an installed capacity of 5 MWp.
16 December	Market entry in France. Contract signed for the acquisition of two solar projects with around 23 MWp in France.
19 December	Acquisition of a solar park with a capacity of 10.8 MWp in the Centre region of France, around 300 km south-west of Paris.
20 December	Contract signed for the acquisition of a fully equity-funded solar park (4.5 MWp) in Italy. The contract was executed in January 2014.

The Group raised the funds necessary for the expansion of our business activities by means of the capital increases carried out in February, June and October 2013. Gross issue proceeds came to a total of EUR 67.7 million and were recognized as shareholders' equity.

On top of that, Capital Stage Solar Service GmbH succeeded in acquiring service contracts for third-party parks. The Group has thus built up an overall in-house and external operational management volume of around 165 MWp (previous year: 134 MWp).

Other highlights of the financial year 2013:	
26 February	Capital Stage decision to increase capital by 4,163,158 shares with no subscription rights.
28 February	Successful completion of capital increase; gross issue proceeds come to EUR 15.82 million.
5 March	Move to the Frankfurt Stock Exchange Prime Standard index.
21 May	Commencement of Berenberg Equity Research's coverage of Capital Stage.
18 June	Capital Stage decision to increase capital by 676,841 shares with no subscription rights.
20 June	Successful completion of the capital increase; gross issue proceeds come to EUR 2.57 million.
8 October	Capital Stage decision to increase capital by 13,516,249 shares with no subscription rights.
24 October	Successful completion of capital increase; gross issue proceeds come to EUR 49.3 million.

Gross issue proceeds from capital increases are recognized as shareholders' equity. The share capital of Capital Stage went up from TEUR 48,400 the previous year to TEUR 67,741 as of 31 December 2013 following the issue of 18,356,248 new bearer shares. This represents an increase of around 40%. Almost all the issue proceeds of EUR 49.3 million from the capital increase in late October 2013 were invested within just two months.

The average number of shares issued in the reporting period was 55,912,956 (previous year: 46,793,849).

In June 2013, Capital Stage distributed a dividend of EUR 0.08 per share (previous year: EUR 0.05 per share). This represents an increase of 60% compared with the previous year.

Performance against targets in 2013

In the forecast for the Capital Stage Group as of 21 March 2013, which was published in the 2012 annual report, the management board assumed that the positive revenue development would continue and that consolidated earnings would improve again. Based on the successful course of business in the first nine months of the 2013 financial year, on 29 November 2013 the management board revised the forecast for EBITDA up to more than EUR 48 million and for EBIT up to more than EUR 30 million.

Group	Forecast 2012	2013	2012	% to previous year
in EUR mill.				
Revenues	>60	57.0	45.1	+26.4
EBITDA	>44	50.4	33.7	+49.6
EBIT	>26	31.7	20.5	+54.6
EBT	>14	15.8	9.5	+66.3

The revenue forecasts were not achieved in full. This is mainly due to the performance of Helvetic Energy GmbH, which was below expectations. Helvetic Energy GmbH is a leading supplier of roof-mounted solar thermal energy and photovoltaic systems in Switzerland. Although the PV installations segment performed to plan, the solar thermal segment reported a fall in revenue. A significant reason is competition from increasing numbers of PV installations and new heating systems. On an aggregate basis, Capital Stage's solar park and wind farm portfolio is only around 1.9% below budget. The largest solar park, Solarpark Brandenburg, in which Google holds a 49% stake, even beat expectations for 2013 by around 8%.

EBITDA and EBIT are not only influenced by the operating income from power generation, but also by bad will of TEUR 11,112 resulting from the provisional purchase price allocations (PPA), which was recognized through profit or loss as other income in the financial year 2013. Other income also includes TEUR 2,727 from adjustments to the provisional purchase price allocation for two wind farms. The cost of materials at Helvetic Energy GmbH also declined as a result of lower revenue. Other expenses went down from TEUR 14,516 the previous year to TEUR 8,808 in the reporting year. The decline stems largely from a nonrecurring effect recognized the previous year from the sale of a financial investment. This was offset by increases in costs for the construction and operation of solar parks and wind farms and in depreciation and amortization, which comes primarily from new acquisitions of solar parks and wind farms and from those only consolidated pro rata temporis the previous year.

Financial expenses include an impairment loss of TEUR 3,351 from the fair value measurement of a financial investment. The forecast did not take this impairment into account, because management still assumed that its business performance would improve. Updated plans prompted a fair value measurement as of 30 June 2013, which already revealed an impairment loss of TEUR 1,589. In the second half of 2013, the cash flow situation at the investee company became increasingly tight, causing Capital Stage to write off the investment in full as of 31 December 2013.

Portfolio developments

Photovoltaic Parks segment

The PV Parks segment performed well in 2013. As of the reporting date 31 December 2013, the solar park portfolio was less than 1% below plan on a cumulative basis. One positive highlight was the largest solar park in Brandenburg with an installed capacity of 18.65 MWp, in which the Group holds a 51% interest and which was 8% above plan on a cumulative basis. Solarpark Rassnitz GmbH, Solarpark Lochau GmbH and Asperg Erste Solar GmbH (Rödgen) were each around 4% above plan on a cumulative basis.

Actual power fed into the grid in 2013 came to 141,392 MWh (previous year: 100,829 MWh). This represents an increase of 40% compared with the previous year. Solar parks in Italy accounted for around 19% of the feed-in power (previous year: 23%).

In almost all cases, operation of the installations ran smoothly.

Solar parks acquired in 2013

Solarpark Lettewitz, Group share: 100%

On 18 June 2012, the contracts for the acquisition of Solarpark Lettewitz GmbH in Saxony-Anhalt were signed, although this was under conditions precedent. As a result, the transaction was eventually completed on 15 January 2013. The solar park, which has a capacity of 12.6 MWp, came online at the end of 2012. The park was built on land belonging to the operating company.

Solarpark Polesine Energy 1 and 2, Group share: 100%

On 21 December 2012, the contracts were signed for the acquisition of two solar parks in the Parma region of Italy. Because the transfer of the shares did not come into effect until 17 January 2013, the parks have been included in the consolidated balance sheet since January 2013. The parks will be operated by our subsidiary Capital Stage Solar Service GmbH, Halle.

The parks were completed in March 2012 and have been feeding electricity into the national grid since then. The solar parks are located in the province of Parma in the Emilia-Romagna region, close to another solar park acquired in 2012 by Capital Stage. Furthermore, thanks to 100% equity financing, it has yielded a generous cash flow right from the initial stages.

Solarpark Ramin, Group share: 100%

On 9 April 2013, the Group acquired the solar park in Ramin in Mecklenburg-West Pomerania. The 9 MWp park was completed and commenced operations within the meaning of the EEG in March 2013. The park was built on a 25-hectare open-field site in Mecklenburg-Western Pomerania by an experienced general contractor, using inverters and polycrystalline modules produced by top-class manufacturers. The non-recourse financing was provided by a reputable German bank. The park generates annual revenues of over EUR 1 million and an average return on equity of approximately 15%. Capital Stage Solar Service GmbH, a Group subsidiary, will be responsible for the park's operational management. Completion of the contract was subject to various conditions precedent, and its conclusion took place on 17 May 2013.

Solarpark Wolgast, Group share: 100%

On 14 November 2013, the Group acquired the solar park in Wolgast in Mecklenburg-West Pomerania. The park was built on a 13.2-hectare site and has a capacity of 8 MWp. It commenced operations within the meaning of the EEG in November 2013. Grid connection is planned for April 2014. The non-recourse financing was provided by a reputable German bank. Completion of these transactions is also subject to various conditions precedent.

Solar park portfolio in Italy, Group share 100%

Capital Stage added another 5 MWp to its installed capacity in Italy with the purchase of four solar parks on 13 December 2013. The parks in the sunny regions of Marche and its southern neighbour Abruzzi went into the grid in 2011. In future, Capital Stage Solar Service GmbH, a Group subsidiary, will be responsible for the park's technical and commercial management.

Solarpark Ille-sur-Têt and Solarpark Murles in France, Group share: 85% each

Capital Stage made a successful entry into the French market with the purchase of two solar projects with a total capacity of some 23 MWp on 16 December 2013. Only high-quality solar modules produced in the EU will be used for these ready-to-build solar projects in the Languedoc-Roussillon region of southern France. In accordance with the legislative framework for solar power in France, this means the operators will receive a bonus of up to 10% on the current feed-in tariff. Construction on the first project with a capacity of 11 MWp is expected to start in March 2014. The second project with a capacity of 12 MWp will follow in the second half of 2014. They are due to commence operations and go on stream in the course of the third and fourth quarters of 2014 respectively.

Solarpark Avon les Roches, France, Group share: 100%

The contract to purchase this solar park in the Centre region of France was signed on 19 December 2013. It has a capacity of 10.8 MWp and went into operation in February 2012. The solar park was purchased from the Hamburg-based investment company Aquila Capital. Capital Stage Solar Service GmbH will be responsible for the park's operational management from 2017.

Solarpark Noceto, Group share: 100%

On 20 December 2013, the Group acquired the solar park in Noceto in the province of Parma, which is part of the northern Italian region Emilia-Romagna. It was bought from the international photovoltaic specialist Martifer Solar from Portugal. The park has a capacity of 4.5 MWp, stands on a site of some ten hectares and has been feeding power into the public grid since December 2012. Capital Stage Solar Service GmbH will be responsible for the park's operational management from 2018. The park is fully equity financed, which means that free cash flow is high right from the beginning.

Wind Farms segment

As of 31 December 2013, the Capital Stage wind farm portfolio consisted of four wind farms in Germany with a total capacity of 42 MWp and one wind farm in Italy with a capacity of 6 MWp. Wind speeds were below the long-term average due to adverse weather conditions, so on a cumulative basis the wind farm portfolio was around 6% below plan as of 31 December 2013.

In almost all cases, operation of the installations ran smoothly.

Wind park acquired in 2013

Windkraft Olbersleben II GmbH & Co. KG, Group share: 74.9%

On 23 May 2013, the 8 MW wind farm in Olbersleben, Thuringia, was acquired. It commenced operations in December 2012. The seller of this installation is Boreas Energie GmbH, from which the Group had already acquired wind farms in Greußen and Sohland. Boreas Energie GmbH is a highly experienced project planner which has constructed over 300 wind installations. The wind turbines and installations were manufactured by market leader Vestas. The non-recourse financing was provided by a reputable German bank. Completion of the contracts was subject to various conditions precedent, and the installation was included in the consolidated balance sheet with effect from 30 June 2013. Revenue is therefore only recognized as of July 2013.

Photovoltaic Services segment

Capital Stage Solar Service GmbH, Group share: 100%

Capital Stage Solar Service GmbH (hereinafter 'Solar Service') has assumed responsibility for the technical operation of nearly all the Capital Stage Group solar parks in Germany as well as the Italian parks acquired in 2012. The service contracts with Eneri PV S.r.l. were terminated in the third quarter of 2013. The five solar parks owned by the Capital Stage Group in Tuscany, Umbria and Abruzzi have also been managed by Solar Service since August 2013. From 1 January 2014, Solar Service is also responsible for the technical and commercial management of the solar park portfolio in Italy acquired by Capital Stage in December 2013. The volume of Group assets under management amounts to over 142 MWp as of 31 December 2013 (previous year: 125 MWp).

From 2012, Capital Stage Solar Service GmbH also took over contracts for the technical operation of parks not belonging to the Capital Stage Group. The parks in question are located in Saxony-Anhalt, Thuringia, Brandenburg and northern Italy. The volume of non-Group assets under management currently amounts to around 23 MWp (previous year: 9 MWp), and technical operations for external third parties are to be further increased.

The company's business performance in 2013 was highly satisfactory. The after-tax result as of 31 December 2013 came to TEUR 1,078 (previous year: TEUR 608). A control and profit transfer agreement has been in place between Solar Service and Capital Stage AG since 2012.

Financial Investments segment

Helvetic Energy GmbH, Group share: 100%

Helvetic Energy GmbH (hereinafter 'Helvetic') is a leading supplier of roof-mounted solar thermal energy and photovoltaic systems in Switzerland. As a developer and supplier of solar energy systems for hot water, heating and electricity, Helvetic Energy GmbH offers a comprehensive range of products and complete systems. It sells its systems via installation and retail partners throughout Switzerland.

Helvetic did not perform as well as expected in 2013. This was largely due to declining revenue in the solar thermal division as a result of competition from PV installations and replacement heating systems.

The investment in BlueTec GmbH & Co. KG was written off following an impairment loss of TEUR 3,351 recognized as of 31 December 2013.

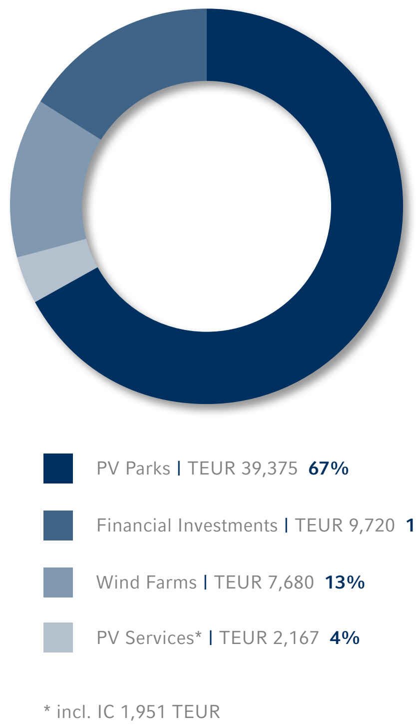
Capital Stage still holds an interest of 49% in Eneri PV Service S.r.l., Italy, but the company has no ongoing business operations.

Results of operations, financial and assets position Capital Stage Group

Results of operations

The Group generated revenues of TEUR 56,991 in 2013 (previous year: TEUR 45,118). The increase of 26.3% is principally due to the acquisition of new solar parks and wind farms. Revenues from parks acquired during the course of 2012 was also only recognized pro rata temporis, but was recognized in full in the financial year 2013. Sales revenues comprise feed-in revenues, income from the operational management of third-party parks and proceeds from the sale of solar thermal energy and photovoltaic plants by the subsidiary Helvetic Energy GmbH. The solar parks generated around 45% of their revenues in the sunny months of June, July and August.

Revenues by segment is as follows:



* Revenues for the PV Services segment includes TEUR 1,951 in revenues from affiliated companies, which is eliminated in the consolidated balance sheet. This relates to technical and commercial management services which Capital Stage Solar Service GmbH provides for the Group's own solar parks and wind farms.

In 2013, the cost of materials came to TEUR 6,463 (previous year: TEUR 6,870) and was mainly incurred by Helvetic Energy GmbH.

The Group registered other income totalling TEUR 14,981 (previous year: TEUR 15,907). In accordance with IFRS 3, the Capital Stage Group carried out a provisional purchase price allocation as of the acquisition dates for the solar parks and wind farms in order to incorporate the assets acquired and debts assumed into the consolidated balance sheet. In the course of the purchase price allocation, all the assets acquired and debts assumed of which the Group was aware at this time were identified and measured at fair value. This resulted in a difference of TEUR 11,112 (previous year: TEUR 15,122), which was recognized in profit or loss for the 2013 financial year. The PPAs for the parks acquired in December are provisional, because the closing balance sheets have not yet been finalized. The technical reviews and the related final budgets, which form the basis for valuing the intangible assets, have also not yet been completed.

Other income also includes TEUR 2,727 from the amendment of the preliminary purchase price allocation for Windpark Greußen and Windkraft Sohland GmbH & Co. KG. Additional revenue was also generated by the reversal of provisions and charging expenses to third parties outside the Group.

Personnel expenses were TEUR 6,299 (previous year: TEUR 5,910). This increase was primarily attributable to the expansion of the teams at Capital Stage AG and Capital Stage Solar Service GmbH. In 2013, TEUR 60 from the share-based payment scheme was recognized as personnel expenses (previous year: TEUR 34). This item results from the fair value measurement of the options on their respective dates of issue; it covers the fifth tranche of the 2007 programme, the first tranche of the 2012 programme and the fourth tranche of the 2007 programme pro rata temporis until 30 June 2013.

As of 31 December 2013, the Capital Stage Group employed 70 people excluding the management board (previous year: 61).

Other expenses in 2013 came to TEUR 8,808 (previous year: TEUR 14,516). The decline stems mainly from a nonrecurring effect recognized the previous year from the sale of a financial investment. The costs for constructing and operating solar parks and wind farms rose to TEUR 4,435 in the reporting year. This is mainly due to the newly acquired parks and those only consolidated pro rata temporis the previous year. Other expenses also include TEUR 1,700 in costs of current operations. They include costs for marketing and advertising, IT and telecommunications, as well as the costs of vehicles and the remuneration of supervisory board members.

In 2013, the Group reported earnings before interest, taxes, depreciation and amortization (EBITDA) of TEUR 50,402 (previous year: TEUR 33,729).

Depreciation and amortization of TEUR 18,733 (previous year: TEUR 13,183) mainly comprises depreciation of the photovoltaic plants and wind power installations as well as amortization of intangible assets (electricity feed-in contracts and exclusive licences). The increase stems almost exclusively from the newly acquired solar and wind parks and those only consolidated pro rata temporis the previous year.

Earnings before interest and taxes (EBIT) went up from TEUR 20,546 the previous year to TEUR 31,669 in 2013.

Financial income rose from TEUR 696 the previous year to TEUR 1,083 in the reporting year. The increase is due to the market value measurement of interest rate swaps. The financial expenses totalling TEUR 16,919 (previous year: TEUR 11,747) mainly relate to the interest costs payable on nonrecourse loans to finance the solar park companies' photovoltaic plants and expenses relating to the measurement of the effective interest. Interest costs for the non-current loans used to finance the solar parks and wind farms purchased in 2013 were partly responsible for the increase, as was the fair value measurement of a financial investment as of 30 June 2013 and 31 December 2013. The ensuing impairment charge of TEUR 3,351 was recognized through profit or loss in financial expenses.

Earnings before taxes (EBT) came to TEUR 15,833 (previous year: TEUR 9,495).

Tax expenses recognized in the consolidated income statement amounted to TEUR 1,789 in 2013 (previous year: TEUR 353) and relate primarily to the German and Italian solar parks. Tax expenses are made up of current tax expenses of TEUR 1,064 (previous year: TEUR 1,019) and deferred tax expenses of TEUR 725 (previous year: deferred tax income of TEUR 666). The latter includes deferred tax expenses of TEUR 391 relating to an adjustment to the preliminary purchase price allocation carried out in 2012 for the Greußen and Sohland wind farms and the period from the acquisition until 30 June 2013. The tax ratio for 2013 was 11.3% and therefore below the forecast tax ratio of 30%, largely due to tax-free other income.

Total consolidated net profit came to TEUR 14,044 (previous year: TEUR 9,142).

Consolidated net profit is made up of earnings attributable to shareholders of the parent company of TEUR 13,368 (previous year: TEUR 8,579) and earnings attributable to non-controlling interests of TEUR 676 (previous year: TEUR 563).

Currency translation differences carried in the balance sheet of TEUR 53 (previous year: TEUR -48) were taken into account when calculating consolidated comprehensive income. Consolidated comprehensive income thus stood at TEUR 14,097 (previous year: TEUR 9,094).

Basic earnings per share (after non-controlling interests) came to EUR 0.24 (previous year: EUR 0.18). An average of 55,912,956 shares were issued in the reporting period.
The diluted earnings per share were EUR 0.24 (previous year: EUR 0.18).

Financial position and cash flow

The change in cash and cash equivalents in the year under review came to TEUR 21,427 (previous year: TEUR 2,452). This broke down as follows:

Cash flow from operating activities came to TEUR 36,018 (previous year: TEUR 27,108) and stemmed mainly from the operating solar park and wind farm business and the resulting cash inflows. Also included here are changes in assets and liabilities not attributable to investing or financing activities.

Cash flow from investing activities came to TEUR -46,630 (previous year: TEUR -53,660), a figure mainly made up of payments for the acquisition of solar parks and wind farms in Germany, Italy and France. It also includes payments for an acquisition in Italy completed in 2014.

Cash flow from financing activities was TEUR 32,039 (previous year: TEUR 29,004). Two capital increases for subscription in cash and without subscription rights were completed in 2013 from authorized capital, and in October 2013, a further capital increase was completed from authorized capital with subscription rights. Stock options were also exercised. The resulting proceeds totalled TEUR 69,750 (previous year: TEUR 30,855). Expenses of TEUR 2,216 (previous year: TEUR 118) were incurred for the capital increases. These capital increases broadened Capital Stage's shareholder base and made it more international.

Non-current loans of TEUR 2,738 were taken out to finance solar parks (previous year: TEUR 37,650). Last year, only solar parks and wind farms were acquired which were fully financed by equity or for which existing financing arrangements were taken over by Capital Stage as part of the first-time consolidation. Total interest payments and repayments for the Group's loans resulted in a cash outflow of TEUR 34,486 in 2013 (previous year: TEUR: 37,992).

Dividends of TEUR 3,913 were paid out to the shareholders of Capital Stage AG. One solar park and two wind farms also distributed dividends, of which TEUR 460 was attributable to non-controlling interests.

Assets position

Shareholders' equity amounted to TEUR 207,401 as of 31 December 2013 (31 December 2012: TEUR 130,262). The increase of TEUR 77,139, or 59.22%, is principally due to the capital increases carried out in 2013 and to the net profit for the year. The equity ratio was 34.96% (previous year: 28.63%).

The balance sheet total rose from TEUR 455,017 to TEUR 593,191.

As of 31 December 2013, the Group held intangible assets worth TEUR 91,426 (31 December 2012: TEUR 69,323). During the preliminary purchase price allocation process for the German, Italian and French solar parks and wind farms acquired or consolidated for the first time in the financial year, the electricity feed-in contracts and the exclusive licenses between the parks and the energy supply companies were measured, leading to the capitalization of intangible assets worth TEUR 25,664 (31 December 2012: TEUR 37,421). These assets will be amortized over the lifetime of the parks (between 15 and 30 years).

As in the previous year, goodwill shows a positive pro rata difference arising from capital consolidation in prior years.

The increase in the value of property, plant and equipment to TEUR 408,120 (31 December 2012: TEUR 317,127) results mainly from newly acquired or installed photovoltaic and wind power plants (EUR 105,148).

The investment in other companies carried under financial investments relates to Eneri PV S.r.l. The investment in BlueTec GmbH & Co. KG was carried at its fair value. As of 31 December 2013, its fair value was zero and it was therefore written off in full.

Deferred tax assets were recognized on tax loss carry-forwards. Assets in the parks are also subject to accelerated depreciation in accordance with section 7 of the German income tax act (Einkommensteuergesetz – EStG). The resulting losses can be carried forward and set off against taxes.

Current assets increased from TEUR 53,898 the previous year to TEUR 68,946 as of 31 December 2013. This is largely due to an increase in cash and cash equivalents. On 31 December 2013, the Group held liquid assets worth TEUR 55,659 (31 December 2012: TEUR 34,238). This includes TEUR 20,006 that was received from the capital increase in October 2013 but has not yet been used.

Liquid funds also include the solar parks' debt servicing and project reserves of TEUR 18,635 (previous year: 15,773), which are not freely available to the Group.

As of 31 December 2013, the Group had bank and leasing liabilities of TEUR 326,934 (previous year: TEUR 280,743). These comprise the loans and leases used to finance the solar parks and wind farms. The increase stems primarily from the bank debt for the solar parks and wind farms acquired or consolidated for the first time in the financial year. In all loans, non-recourse financing agreements ensure that the liability risk is limited to the parks in question.

The rise in deferred tax liabilities relates to the capitalized intangible assets as well as the recognition of property, plant and equipment at fair value in connection with the purchase price allocation undertaken in the financial year.

The trade payables of TEUR 2,119 (previous year: TEUR 2,107) mainly comprise invoices for the installation of solar parks and invoices from Helvetic Energy GmbH's suppliers.

Segment reporting

Inter-segmental expenses and revenue mainly arise in connection with technical operation and commercial management services, as well as interest income and expenses in relation to Group-internal loans. These loans are normally granted for VAT and investment pre-financing purposes in relation to solar park projects.

Administration

Earnings for the Administration segment totalled TEUR 8,066 (previous year: TEUR -1,443). Higher personnel costs were offset by higher income from profits transferred by Capital Stage Solar Service GmbH and higher interest income from affiliated companies.

PV Parks

Sales revenues and other income of TEUR 49,973 (previous year: TEUR 44,323) were offset by park operation expenses of TEUR 6,076 (previous year: TEUR 3,760), depreciation of photovoltaic installations of TEUR 15,567 (previous year: TEUR 11,816) and interest expenses on the loans to finance the parks of TEUR 12,935 (previous year: TEUR 11,090). The increase in expenses and depreciation is mainly due to the solar parks that were acquired in 2013 or only consolidated pro rata temporis the previous year.

PV Services

The result for the PV Services segment improved substantially. Sales revenue (less cost of materials) and other income of TEUR 2,123 (previous year:

TEUR 1,426) was reduced by personnel expenses and other expenses amounting to TEUR 1,016 (previous year: TEUR 734). After deducting depreciation and amortization, the financial result and taxes, net profit came to TEUR 1,078 (previous year: TEUR 608).

Wind Farms

In 2013, the Wind Farms segment registered sales revenue and other income of TEUR 12,043 (previous year: TEUR 4,233). The increase is mainly due to the wind farms only consolidated pro rata temporis the previous year. Expenses for operating and managing the parks came to TEUR 2,131 (previous year: TEUR 649). Depreciation and amortization of wind farm installations came to TEUR 2,956 (previous year: TEUR 1,218). Interest costs were TEUR 1,900 (previous year: TEUR 918). Overall, the segment generated earnings of TEUR 4,598 (previous year: TEUR 1,527). With an increase of TEUR 3,071 (> 200%), the result could be more than doubled.

Financial Investments

The Financial Investments segment includes revenues from Helvetic Energy GmbH. These declined year on year, essentially due to increasing competition in the solar thermal division from PV installations and replacement heating systems. Other expenses the previous year included a loss incurred on the sale of a financial investment. An impairment loss for BlueTec GmbH & Co. KG was recognized in the financial result in 2013. Overall earnings came to TEUR -4,082 (previous year: -8,414).

Notes to the separate financial statements for Capital Stage AG (HGB)

The financial statements of Capital Stage AG for the 2013 financial year have been drawn up in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch – HGB), as amended by the accounting modernization act (Bilanzrechtsmodernisierungsgesetz – BilMoG) dated 28 May 2009 and the stock corporation act (Aktiengesetz – AktG).

Results of operations

Capital Stage AG generated revenue of TEUR 11 in the reporting year (previous year: TEUR 135). This includes income from reversals of provisions.

Personnel expenses were TEUR 2,379 (previous year: TEUR 1,900). The increase compared with the previous year is mainly due to new recruitment.

Other expenses came to TEUR 3,744 (previous year: TEUR 9,973). The decline stems mainly from a loss recognized the previous year on the sale of a financial investment. Costs of TEUR 2,216 were incurred in 2013 for carrying out capital increases. Other expenses also include the costs of the stock market listing (annual report, annual general meeting, investor relations, statutory publications), office space, legal expenses and audit fees.

Financial income rose to TEUR 12,126 (previous year: TEUR 1,680) in 2013. This includes a distribution of the Capital Stage IPP GmbH in the amount of TEUR 9,500 (previous year: EUR 0 thousand) and interest income from loans to affiliated companies in the amount of TEUR 1,236 (previous year: TEUR 617). Capital Stage AG received income of TEUR 1,078 (previous year: TEUR 608) from the control and profit transfer agreement between Capital Stage AG and Capital Stage Solar Service GmbH signed in 2012.

Capital Stage AG carried out a fair value measurement on a financial investment as of 30 June 2013 and as of the reporting date 31 December 2013. As of the reporting date, the fair value of the investment was zero, so the carrying amount of TEUR 3,351 was written off and recognized through profit and loss as an impairment charge in financial expenses.

The net income of the Capital Stage AG amounts to TEUR 2,560 (previous year: net loss EUR 10,078 thousand). This corresponds to earnings per share of EUR 0.05 (previous year: EUR -0.21).

Financial position and cash flow

Shareholders' equity increased from TEUR 95,762 the previous year to TEUR 164,159 as of 31 December 2013. The increase is mainly due to the capital increases carried out in February, June and October 2013. The equity ratio on the balance sheet date stood at 99.0% (previous year: 99.0%).

The balance sheet total rose by TEUR 69,081, from TEUR 96,746 to TEUR 165,827. The increase was principally due to granting loans to subsidiaries and providing them with short-term liquidity for the acquisition of further solar parks and wind farms. Shares were also acquired in five solar parks presented as financial investments.

In 2013, cash flow from operating activities was negative at TEUR -4,425 (previous year: TEUR -1,471). The costs of TEUR 2,216 for the capital increases were the main reason for the decline.

Investing activities yielded a cash flow of TEUR -19,116 (previous year: TEUR -33,450). This includes payments for the acquisition of solar parks in Italy and France.

The capital increases carried out in 2013 resulted in an inflow of proceeds totalling TEUR 69,750 (previous year: TEUR 30,855). In 2013, a dividend of TEUR 3,913 (previous year: TEUR 1,906) was distributed to the shareholders of Capital Stage AG.

Events after the reporting date

Apart from the matters mentioned below, there have been no significant changes in the operating environment for the Capital Stage Group in the period between the reporting date 31 December 2013 and the time the 2013 annual report was drawn up.

Planned reform of the Renewable Energy Sources Act (EEG)

According to the federal government's current timetable, the draft of the amended EEG should be adopted by the cabinet shortly, and the new EEG should come into force in the second half of 2014. The amendments to the EEG are intended to increase renewable energies as a proportion of total electricity sales to 40–45% by 2025, and to 55–60% by 2035, while curbing price increases at the same time. A draft of the new legislation was presented after the reporting period had come to an end; it aims in particular for a concentration on photovoltaic and onshore wind energy as the cheaper sources of renewable energy. An 'expansion corridor' is also intended to manage the additional capacity installed every year more precisely.

First-time consolidation of Solarpark Noceto in Italy

On 20 December 2013, the Group signed the contracts for Solarpark Noceto in the province of Parma, which is part of the northern Italian region Emilia-Romagna. It was bought from the international photovoltaic specialist Martifer Solar from Portugal. The park has a capacity of 4.5 MWp, stands on a site of some ten hectares and has been feeding power into the public grid since December 2012. Capital Stage Solar Service GmbH will be responsible for the park's operational management from 2018. The park is fully equity financed, which means that free cash flow is high right from the beginning. The park was first included in the consolidated balance sheet in January 2014 because the transfer of the shares and of effective control did not take place until then.

Capital increase for subscription in cash

On 27 February 2014, the management board of Capital Stage AG, with the approval of the supervisory board and based on the authorization given at the annual general meeting held on 18 June 2013, decided to increase the company's share capital by EUR 4,698,158.00, from EUR 67,741,248.00 to EUR 72,439,406.00, by issuing new no-par-value bearer shares from authorized capital without subscription rights for shareholders by issuance of 4,698,158 new no-par-value bearer shares. The new shares were offered for sale to institutional investors in a private placement by means of an accelerated book-building process. They were not offered for sale to the general public. The issue price was EUR 3.65. The new shares are entitled to receive dividends from 1 January 2013 and were included for trading in the existing listing.

Acquisition of a 40 MW solar park portfolio in France

The issue proceeds of EUR 17.1 million from the capital increase carried out in February 2014 served as one element of the financing structure for the acquisition of a portfolio of solar parks in France with a total capacity of some 40 MWp. The portfolio consists of four solar parks in the Aquitaine region of south-west France. They have been in operation since March 2012. Annual power generation represents the consumption of more than 13,000 average households. The portfolio receives the 2012 feed-in tariff. It will therefore contribute around EUR 15 million to annual Group revenue and meet the Group's return expectations at the same time. The transaction boosts the Capital Stage power generation portfolio to a total of some

281 MW. The total value of the acquisition is more than EUR 140 million, including the debt assumed from the project company. At the same time, the acquisition represents the largest single investment in the company's history. The signing took place on 6 March 2014.

Capital Stage admitted to SDAX

Capital Stage AG will be included in the Deutsche Börse SDAX index with effect from 24 March 2014. This was announced by the indices working group on 5 March 2014 after its regular meeting. The SDAX consists of 50 companies from classical sectors which come after the companies listed in the MDAX index in terms of market capitalization and stock market turnover. The composition of the SDAX is reviewed every quarter by the share indices working group. One condition for inclusion in the SDAX is a listing in the Prime Standard, the Deutsche Börse market segment in which companies must comply with defined international transparency requirements. Capital Stage switched to the Prime Standard on 5 March 2013.

There were no other significant events after the end of the 2013 financial year.

Personnel

In 2013, there were an average of 67 employees at the Group (previous year: 57), of which 15 were employed at Capital Stage AG, 9 at Capital Stage Solar Service GmbH and 43 at Helvetic Energy GmbH.

The majority of new recruitment took place at Capital Stage AG. As of 31 December 2013, Capital Stage AG had 21 employees and two managing directors. Six employees work in the investments department, seven in finance and controlling, two in asset management, one in IR/PR and five in administration. The team of Capital Stage Solar Service GmbH also grew in the reporting year. Seven technicians and one administrative employee currently work at the company, in addition to one technical and one commercial managing director.

Supervisory board

There have been no changes in the composition of the supervisory board of Capital Stage AG in the reporting year.

Since the close of the annual general meeting on 20 June 2012, the supervisory board consists of Dr Manfred Krüper (chairman), Alexander Stuhlmann (deputy chairman), Albert Büll, Dr Cornelius Liedtke, Dr Jörn Kreke and Professor Fritz Vahrenholt.

Remuneration report

To create long-term incentives, management board members are granted share options under the share-based payment programme. The last tranche of the share-based payment programme AOP2007 was issued in the financial year 2012. The first tranche of the share-based payment programme AOP2012 was issued in 2013. The subscription rights attached to the share options may only be exercised after a waiting period. There is a vesting period of two years for the share-based payment programme AOP2007 and of four years for the share-based payment programme AOP2012. The subscription price (exercise price) for both programmes is the arithmetic mean of the closing price of Capital Stage AG shares in Xetra trading on the Frankfurt Stock Exchange (or a comparable successor system) on the last five trading days preceding the date on which the options are granted. A condition for the exercise of subscription rights is that the performance target has been met. The performance target for the AOP2007 has been achieved if the price of shares in Capital Stage AG in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange exceeds the exercise price by at least 25% during the ten trading days preceding the date on which the subscription rights are exercised. The performance target for the AOP2012 has been achieved if the price of shares in Capital Stage AG in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange exceeds the exercise price by at least 30% during the ten trading days preceding the date on which the subscription rights are exercised. The applicable exercise period is deemed to be the period in which the relevant subscription rights may first be exercised, the performance target having been reached or exceeded.

Full details of the share-based payment programmes and the valuation process can be found in the notes to the consolidated balance sheet.

Management board members receive a gross annual salary for their services. They also receive an annual performance-related bonus. The annual bonus for Mr Goedhart is 3% of consolidated profit for the year. Gross annual salary and annual bonus together should not exceed TEUR 800. Dr Bognar receives an annual bonus for the last financial year as defined by the supervisory board, taking the company's earnings and financial position as well as the performance of Dr Bognar into account. The annual bonus becomes due for payment immediately after the supervisory board meeting in which the corresponding annual financial statements are approved and the bonus is fixed.

No substantially different compensation payments will be made in case employment of the board members is terminated.

Management board remuneration during 2013 came to TEUR 1,215. This amount breaks down as follows:

in EUR	Fixed remuneration	Performance-related remuneration	Components with long-term incentive character
Felix Goedhart	341,864.78	421,309.83	9,800.41
Dr Zoltan Bognar	282,447.98	150,000.00	9,800.41

The performance-related payments consist of a bonus for Dr Bognar for 2012 and a provision for the performance-related bonus for 2013 for Mr Felix Goedhart. The provision is necessary because Felix Goedhart's employment contract since 1 November 2012 provides for the calculation of the performance-related remuneration on the basis of the IFRS consolidated results.

The components with long-term incentive character are made up of the fair value at the time they were granted of 300,000 (previous year: 360,000) share options granted to the management board by the supervisory board.

Total provisions for remuneration for the supervisory board's activities during 2013 amounted to TEUR 223. Pursuant to section 15 paragraph 1 of the Articles of Association, the remuneration paid to supervisory board members will be set by the annual general meeting at amounts not less than TEUR 15 for each member, TEUR 30 for the chairman and TEUR 22.5 for the deputy chairman. The provisions are based on the remuneration defined by the annual general meeting for the 2011 and 2012 financial years.

Other information

Disclosure of barriers to takeovers pursuant to section 289 paragraph 4 and section 315 paragraph 4 of the HGB

- On 31 December 2013, the Company's subscribed capital was EUR 67,741,248 (in words: sixty-seven million seven hundred and forty-one thousand, two hundred and forty-eight), divided into 67,741,248 no-par-value bearer shares.

- There are no restrictions on voting rights or carry-overs.

- Pursuant to section 21 paragraph 1 or paragraph 1a of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG), Capital Stage AG has been notified of the following direct or indirect capital shares which exceed 10% of the voting rights:

- Pursuant to section 21 paragraph 1 of the WpHG, AMCO Service GmbH, Hamburg, Germany, notified us in a letter dated 17 October 2013 that its share of the voting rights in Capital Stage AG, Hamburg, Germany, on 11 October 2013 fell below the 25% voting rights threshold, on that date amounting to 22.56% (15,247,719 voting rights).

- There are no shares with special rights.
- There are no voting right controls of any kind whatsoever.
- The management board is appointed and dismissed in accordance with the provisions of the German stock corporations act (Aktiengesetz – AktG) (section 84 ff.).
- All changes to the Articles of Association require a resolution of the annual general meeting. Rights to make changes which only concern the wording may be granted to the extent laid down in the Articles of Association.
- Any authorization to increase the equity capital and issue shares granted to the management board by the annual general meeting is governed by the provisions of sections 4 and 6 of the Articles of Association. For further details, we refer the reader to the detailed account of the equity capital set out in the notes to the financial statements.
- The annual general meeting held on 18 June 2013 authorized the management board to purchase treasury shares until 17 June 2018. Pursuant to section 53a of the AktG, said acquisition is to take place at the management board's choice and with due observance of the equal treatment principle (1) on the stock exchange, (2) via a public offer of purchase made to the company shareholders or via a demand made to company shareholders to submit offers of sale or (3) via a public offer to make an exchange against the shares of a listed company within the meaning of section 3 paragraph 2 of the AktG, or via a public demand to make such an offer.
- There are no significant company agreements which are subject to the condition of a change of control in consequence of a takeover bid.
- No arrangements are in place to pay compensation to members of the management board or other employees in the event of a takeover bid.

Principle characteristics of the internal control system with respect to the financial accounting process

The management board of Capital Stage is responsible for preparing the financial statements and the management report for Capital Stage AG according to the German Commercial Code (HGB) and the German stock corporation act (Aktiengesetz – AktG). The consolidated balance sheet is also prepared in accordance with International Financial Reporting Standards (IFRS) and a consolidated management report in accordance with German Accounting Standard (GAS) No. 20.

To ensure the accuracy and completeness of the details given in the reporting as well as the correctness of the financial accounting methods employed, the management board has established a suitable internal control system.

The internal control system has been designed to ensure the prompt, uniform and accurate recording in accounts of all business processes and transactions, as well as to guarantee compliance with statutory requirements and financial accounting regulations. Changes to laws, financial accounting standards and other pronouncements are analysed continuously for their relevance to and impact on the separate financial statement and consolidated balance sheet. Furthermore, the internal auditing system is based on a series of monitoring activities integrated into our business processes. These integrated monitoring activities include organizational safeguards and ongoing automatic measures such as separation of functions, restriction of access and organizational instructions regarding matters such as powers of representation, as well as checks built into working processes. The efficacy of these internal control systems is further secured through process-independent monitoring activities.

The accounting for all our fully consolidated companies, with the exception of the companies in Italy, France and Switzerland and three of the wind farms, is carried out centrally, as are the consolidation activities. Systemic controls are monitored by our employees and supplemented by manual checks. The consolidation measures are carried out with the aid of a standardized consolidation system.

The personnel involved in our financial accounting processes also receive regular training.

The supervisory board of Capital Stage is responsible for regularly monitoring the efficacy of the control and supervision systems. It receives regular reports from the management board on the subject.

Opportunity report

Opportunity management aims for a balance between risk and return

As a provider of power generation from renewable energy sources, Capital Stage AG is active in a dynamic market environment in which new opportunities arise all the time. Systematically identifying and exploiting these opportunities while avoiding unnecessary risks plays a vital role in the company's sustainable growth.

Opportunities may consist of potential inside or outside the company. Market and competitive analyses and the all-round expertise of highly specialized staff form the basis for identifying geographic potential and aligning the portfolio with the technological opportunities for diversification. Specific market opportunities are then identified which the management board agrees with operational management in the course of company planning and target agreements. Capital Stage strives for a balance between opportunity and risk with the aim of increasing shareholder value.

Opportunities from economic development

The economic environment only has an indirect impact on the company's business, financial and earnings position and cash flow. A weak economy may sometimes give rise to opportunities for acquisitions on the secondary market for solar parks and wind farms, as this generally increases pressure on some market participants to sell. Low interest rates are also often a feature of a weak economy, which makes the terms for financing wind farms and solar parks more attractive.

Opportunities from meteorological developments

The performance of wind and solar farms depends on meteorological conditions. A positive deviation from forecast hours of sunshine and/or wind power has a direct short-term impact on the company's financial and earnings position and on its cash flow. As the quality of forecasts is improving all the time, however, the scope for deviations – both negative and positive – is generally small.

Regulatory opportunities

In order to meet national and international expansion targets for electricity from renewable sources, it may become necessary to support the market to a greater extent than currently expected by means of changes to the regulatory framework. In the medium to long term, this could have a positive effect on the company's investment opportunities.

Opportunities from innovation

The renewable-energy sector is still young and the pace of innovation is high. Increasing the efficiency of existing technologies and developing new technologies may boost the profitability of new projects. If research and development work by manufacturers should cause individual technologies to progress faster than currently expected, this may make new and improved products available or make them available earlier than is currently expected.

Opportunities from business relations and partnerships

Capital Stage has operated wind and solar parks since 2009 and has established itself in the industry as a serious market participant. The company has mature business relationships which may result in follow-on business. Furthermore, the company is responsible for the technical and commercial management of its parks and also offers these services to third parties. These services may also make it possible to expand business relationships. Capital Stage has partners abroad which are responsible for operating the solar parks and wind farms. As these service companies are established in their respective regions and have good networks, this may give rise to additional business opportunities.

Risk management system

The risk management system at the Capital Stage Group is an element of all planning, controlling and reporting systems in the individual companies and at Group level. It comprises the systematic identification, measurement, management, documentation and monitoring of risks. The structure of the Capital Stage Group means that the risks in the solar parks and wind farms are very homogeneous.

Risk measurement

The risks identified are measured according to their probability of occurrence and significance and then assigned to risk classes (1 to 4). Risk classes 1 (high probability and significant impact on the Group) and 2 (lower probability but significant impact on the Group) are given particular attention. Accordingly, the bandwidth of risk classes 1 and 2 is very narrow, and the basic principle applied is to assign the risks involved to a higher risk class rather than a lower one.

Risk management

The Capital Stage Group has various strategies to reduce and avoid risk by taking appropriate countermeasures. The Group focuses on existing parks in order to reduce the risk of the project phase. It has warranties from manufacturers for the unlikely event of a decline in performance and insurance contracts to cover the loss of income. Furthermore, project reserves for the solar parks and wind farms have been set aside from current cash flow and can be drawn on if components need replacing. Downtime is minimized by real-time online monitoring. Monitoring is carried out either by the Capital Stage Group itself or by respected partners. To minimize financing risks, the Group ensures that the financing banks do not have any recourse to companies other than the respective borrowers. All financing arrangements are on a non-recourse basis, in which the collateral for the bank is limited to the park in question. Meteorological risks are factored into the calculations for the wind farms in the form of safety margins, as wind power can fluctuate widely from year to year. Long-term statistical analyses show that, on average, years with less sunshine are balanced by sunnier years. Independent yield surveys are also obtained in most cases. Interest rate swaps may be used to hedge interest rate risks and enable reliable calculation and planning.

Risk controlling

The identified risks are reviewed in weekly deal meetings. Meetings are attended by the managing directors, the investment team, the asset management team and the commercial department of the Capital Stage Group. The asset management team presents all the technical and commercial aspects of the parks' current operations. These include the availability of the facilities and cumulative power production. The investment team provides information about new investment opportunities and the progress made on integrating investments already made.

Every solar park and wind farm is discussed individually, so that specific countermeasures can be taken at short notice.

Risk report

Risk management for the Capital Stage Group and the Capital Stage AG entails defining the following risks, evaluating them according to their probability of occurrence and impact and then dividing them into risk classes.

Risk class 1

This class includes risks with a high probability of occurrence and a significant impact on the Group.

Risk class 2

This class includes risks with a low probability of occurrence but with a significant impact on the Group, should they occur.

Risk class 3

This class includes risks with a high probability of occurrence but minimal impact on the Group.

Risk class 4

This class includes risks with a low probability of occurrence and minimal impact on the Group.

Risk class 1

Risks associated with the procurement of capital to finance projects

Continuing to grow our Photovoltaic Park and Wind Farm lines of business through the erection or acquisition of further parks and farms requires the ongoing procurement of project financing in the form of loans or equity capital. In this field, it is customary to obtain the bulk of the sum invested, up to 80%, in the form of loans, and it is possible that the project companies, or rather Capital Stage AG, could in future be unable to obtain further such loans.

However, the nature of its existing portfolio means that the Group's income is very secure, and moreover, we already have an intimate business relationship with banks which specialize in project financing and therefore have many years of experience in this field. Thanks to their predictable and secure cash flows, financing photovoltaic and wind energy projects is a field which has been attracting the interest of increasing numbers of banks. Against the background of the high risks inherent in more speculative lines of business, banks are attaching ever greater importance to investing in low-risk fields.

The Group also evaluates projects which are 100% equity financed. Since these projects do not generate any loan servicing costs, they are significantly more profitable. The lack of loan finance thus offers the opportunity to boost our free cash flow.

Solar park and wind farm planning and construction risks

Planning and construction of solar parks are subject to the risks inherent in obtaining regulatory approval and permission for the construction and operation of new parks. In the case of wind farms, this applies particularly in relation to the allocation of new sites.

The Group therefore concentrates on purchasing existing parks. Project developments or investments during the construction phase are the exception. Thanks to its existing portfolio and to isolated development projects in the past, the Group can draw on extensive knowledge, experience and contacts. The Group's investment focus is nonetheless on existing parks.

Risk class 2

Risks associated with the Group's capital procurement

In recent years, the Group has predominantly generated the funds used for the expansion of its overall portfolio from Capital Stage AG capital increases.

Should we be unable to raise funds by means of capital increases in future, this could have a negative impact on the Group's growth. However, all the capital increases in recent years have been either fully subscribed or oversubscribed. Furthermore, Capital Stage AG's shareholder structure is very stable and entrepreneurially minded.

The inclusion of Capital Stage in the Deutsche Börse SDAX index as of 24 March 2014 means the Group will attract even greater attention on capital markets. In terms of market capitalization, the Group is one of Germany's largest listed renewable-energy enterprises, and as such will continue to attract the interest of international groups of investors. This increasingly provides opportunities for financing further growth internally by means of higher free cash flows.

Technical risks and loss of capacity

The technical risks faced by fixed-installation solar parks are manageable and limited to a small number of components in view of the fact that hardly any moving parts are involved. These risks are a good deal greater in the case of wind farms, since the moving parts are subject to wear and fatigue.

When selecting solar parks and wind farms, the Capital Stage Group takes great care with its choice of partners. The Group only considers projects or parks manufactured by large, reputable project planners and manufacturers who have been established in the industry for many years. In the unlikely event of a loss of capacity or the failure of technical components, we are covered by manufacturers' warranties or general contractor guarantees, and we also have insurance contracts covering damages and loss of revenue. Furthermore, capital is set aside in a project reserve for the solar parks and wind farms, and this can be drawn on if components need replacing. The project reserves are saved out of the parks' ongoing cash flow and maintained at amounts based on long-term experience.

Downtime

Solar parks and wind farms may break down due to technical faults in the park's installations or in the power substation, or may be disconnected from the grid temporarily by the energy provider to enable maintenance work. There is a risk that this downtime may be prolonged if the faults are not noticed promptly.

We are able to take prompt countermeasures in relation to the risk of solar park and wind power plant downtime thanks to the fact that the installations are operated and monitored either by the Capital Stage Group itself or by reputable partners, and any downtime or technical problems are detected via a real-time online monitoring system. In addition to these measures, all our plants are insured against the risk of operational interruptions, and the Group has also appropriate insurance against risks arising from third-party operations – for instance, faulty maintenance or repair work – and is covered for any loss or damage or consequential loss suffered as a result. Manufacturers generally give an availability guarantee for the wind turbines. There is also insurance coverage against other damage to the plants.

Erroneous investment and income calculations
Valuations of solar parks and wind farms are based on long-term investment plans that are sensitive to changes in capital costs, operating costs and revenue. Various factors could lead to a park becoming unprofitable.

The calculations made in connection with the due diligence process take into account fluctuations of all parameters. Furthermore, the expenses involved in operating solar parks and wind farms comprise a small number of items whose range of fluctuation is narrow.

Meteorological risk (solar)
The output of regenerative solar parks and wind farms is dependent in the short to medium term on meteorological circumstances that could have a significant impact on results. A regional concentration of parks, either in Germany, France or in Italy, could be disadvantageous if forecast sunshine figures turn out to be incorrect or if climatic changes mean that the expected weather conditions fail to materialize. However, long-term statistical evidence shows that, in the long run, years in which sunshine is in short supply and years of above-average sunshine will balance out.

Credit risk
Banks are customarily entitled to terminate loans or demand instalment payments ahead of schedule if a borrower breaches the contractually agreed credit terms or in the event of significant changes in a loan's profitability. Where participating interests or projects such as solar parks and wind farms are largely financed through loans, the termination of loan contracts by the financing bank could have a detrimental impact on both individual companies and on the Group's financial and assets position. The same applies to the requirement of security and guarantees with which banks have to be furnished before granting loans.

To avoid credit risk, the Group ensures that the financing banks do not have any recourse to companies other than the respective borrowers and opt exclusively for non-recourse financing. This means that, for each individual loan, our liability to the bank in question is limited to the assets of the operating company taking out that specific loan.

Financial asset risk
The performance and value of financial assets depends on economic developments and, in particular, on the performance of the market segment concerned. Among the other factors that could be of sustained detriment to the company result are product development errors, late marketing and tardy distribution.

Furthermore, it cannot be ruled out that the managerial personnel of the financial asset may cease to be available either wholly or in part during the course of the participating interest, be guilty of misconduct or make poor business decisions to the detriment of the business performance of the participating interests concerned.

The Group's focus is on expanding its Photovoltaic Park, Wind Farm and Photovoltaic Services segments, as a result of which financial assets have an increasingly minimal affect on the Group's financial and asset positions.

Tax risk
The solar park and wind farm companies possess small VAT and corporation tax loss carry-overs deriving from project start-up phases, as well as further tax loss carry-overs generated by the parks' use of accelerated depreciation in accordance with section 7 of the German income tax act (Einkommensteuergesetz – EStG). After using these loss carry-overs, the Group has the option of using Capital Stage AG and Capital Stage Solar IPP GmbH's existing loss carry-overs via profit transfer agreements with various subsidiaries. No income tax burden can be expected to accrue until these various structuring options have been exhausted.

Under certain circumstances, the profits and losses from the sale of financial assets are tax-exempt. However, with respect to the portion that is not tax-exempt, it cannot be ruled out that alternative interpretations of tax law terminology of uncertain meaning could be arrived at by the tax authorities, or that backdated transfer tax or excise duty demands may be made. Despite the existing loss carry-overs, this could lead to income tax expenses and liquidity outflows in line with minimum taxation regulations. There is no specific action which the Group can take against this possibility. However, the Group ensures that tax issues are discussed exhaustively with our tax consultants at regular intervals. In view of this, the Group will have the opportunity to prepare itself at an early stage for any impending changes in tax regulations, allowing us for instance to assess the disposability of financial assets.

The income taxes incurred by the Italian and French companies and the Swiss company Helvetic Energy GmbH, and any possible changes therein, were already assessed during the due diligence and investment calculation processes in consultation with experts, and the impact of these factors was discussed in detail with experts and taken into account before arriving at the investment decision.

Currency risk

The investments in solar parks and wind farms are made exclusively in euros since our regional focus is on Europe. However, it cannot be ruled out that future investments could be in foreign currencies – for instance the acquisition of Helvetic Energy GmbH, Switzerland – thus giving rise to currency risk. Fluctuations in the exchange rates of different currencies such as the Swiss franc and the euro could lead to exchange losses. An unfavourable long-term change in the exchange rate could be to the detriment of the company's assets and financial position and results, despite engaging in currency hedging transactions. The question of whether such currency hedging transactions are desirable is continuously monitored.

In the event of potential investments in foreign currencies, the Group will carefully appraise the stability and performance of the currency in question and weigh the associated risk before arriving at the corresponding investment decisions.

Risk class 3

Dependence on national programmes to promote renewable energy

The success of solar power generation and power generation from wind energy is intimately linked with national programmes for the promotion of renewable energy. In Germany, remuneration for regenerative electricity is governed by the Renewable Energy Sources Act (EEG), which prescribes guaranteed remuneration for a 20-year period from the commissioning of the installation. The Photovoltaic Park and Wind Farm segments are therefore exposed to the risk of changes to the EEG. The biggest risk is retroactive intervention, but the government has ruled this out.

In some cases, the amendments to the EEG had a considerable impact on subsidy volumes and remuneration rates and classes. Although the cuts were planned when the EEG was enacted, the pace of them has been greatly increased. Furthermore, the amendments provide that support for new photovoltaic installations runs out once they reach a total installed capacity of 52,000 MWp.

The consequences for the acquisition of new parks that will receive lower tariffs can readily be calculated by the Group when it invests in existing facilities or projects. In addition, the system costs of installations have fallen markedly, and this trend is set to continue. Because of this, the dependence of photovoltaic parks and wind farms on subsidies will continue to diminish or even disappear altogether. All in all, then, the impact of these changes on the Group is of minor importance.

For solar heating installations, too, there have been repeated cuts in subsidies, which could have direct consequences for our participating interests in the field of solar thermal energy. Due to a budget cut in the market incentive programme (Marktanreizprogramm – MAP) for the promotion of eco-heating, one of them was even temporarily halted in 2010.

The Group operates via its financial assets in the field of solar thermal energy, and accordingly the risks are covered by the evaluation of the financial asset risks. Viewed in isolation, they are of minor significance for the Group as a whole.

Meteorological risk (wind)
Wind strengths can fluctuate by up to 20% per year. When making the calculations for wind farms, this risk is countered by incorporating relevant worst-case scenarios into the wind reports. It can nonetheless not be ruled out that the performance of individual wind farms remains permanently below plan.

Dependence on qualified personnel
Along with the two directors, the Group currently has 70 permanent employees. It cannot be ruled out that the departure of an employee could have a negative impact on the company's performance. It is also not certain that the Group will succeed in future in attracting the qualified personnel it needs, and this state of affairs could have negative consequences for the Group's results, financial position and assets.

Economic and sectoral risk
German, European and worldwide economic progress depend upon a great many different factors and thus cannot be precisely forecast. In the past, the sub-market for renewable energies on which the Group focuses has been a growth sector worldwide. In the past, however, renewable energy has been a steadily growing sector and, due to the legally guaranteed feed-in tariffs (FIT), solar parks and wind farms are not exposed to economic volatility.

To nevertheless respond swiftly and appropriately to economic and sectoral risk, the Group keeps the relevant markets under observation. This entails studying a variety of trade publications and attending congresses, trade fairs and specialist conferences, as well as maintaining close contact and engaging in regular exchanges of views with experts from the Group's network.

Risk class 4

Interest risk
The solar parks and wind farms are largely financed by loan capital at fixed interest rates and with terms ranging from ten to 17 years. Significant interest rate increases cutting in after the end of interest rate lock-in periods are allowed for in our calculations. However, if interest rates rise after such periods by greater amounts than allowed for in the calculations, this could be detrimental to the parks' profitability and/or the performance of the Group's portfolio of assets and the potential dividends payable by Capital Stage AG.

In the case of variable interest rate loans, the Group considers the use of interest rate hedging instruments to permit reliable long-term calculations and planning.

Other class 4 risks include general ones such as contractual risks, operational risks, etc. which are recorded and monitored by our internal control and risk management system (ICRM). The ICRM also takes technical and organizational steps to combat such risks.

The management board of Capital Stage AG is not currently aware of any risks which could jeopardize the continued existence of the company or the Group.

Forecast

Macroeconomic developments

The International Monetary Fund (IMF) predicts that the global economy will grow much faster than before in the years ahead. For 2014, the IMF is forecasting global growth of 3.7%, followed by an increase of 3.9% in 2015. This growth should be driven by much better figures from industrialized economies, it says. After two years of recession, the eurozone is forecast to grow by 1.0% in 2014. Growth of 1.4% is expected in 2015. The World Bank also thinks the prospects for the global economy are better than they have been for a long time. After rising by 2.4% last year, it predicts an increase of 3.2% in gross domestic product in 2014. Global growth in 2015 should reach 3.4% according to the World Bank. For the eurozone, the World Bank's growth forecast is similar to the IMF's: 1.1% in 2014 and 1.4% in 2015.

The IMF has raised its forecast for Germany slightly compared with the last estimate. Gross domestic product is now predicted to increase by 1.6% (instead of 1.4%) this year and by 1.4% (instead of 1.3%) next year. The German federal government is also expecting a significant upturn in 2014. In its latest annual economic report, the government raised its growth forecast slightly from 1.7% to 1.8%.

Expansion of global wind and solar power capacity

The German energy industry is in the middle of a transformation process. In the past, the aim of energy policy was to boost the development of renewable energies by means of appropriate subsidies. Following the signing of a coalition agreement in late 2013, the German government now intends to pursue a controlled expansion of renewable energies while at the same time limiting the economic costs for consumers. Instruments such as direct marketing and auction models are also to play a greater role in the market in future. The draft EEG reform presented at the start of the year takes these aspects into account, while ensuring that capacities can continue to expand. The main variables for achieving this are a greater focus on renewable energies with what is currently seen as the greatest potential for progress: onshore wind and solar.

Binding climate targets in the EU and ambitious expansion plans around the world will promote global growth in renewable energy sources. Economic as well as ecological aspects are increasingly a major argument for continued expansion, because steady cost reductions over recent years have already made some technologies competitive and brought others to a point where competition on price is a realistic prospect. This applies particularly to the areas of onshore wind and photovoltaics. Experts and forecasters are therefore predicting that the rapid growth will continue.

According to estimates by the German Wind Energy Association (BWE), the global market for wind turbines will reach a record 45 GW this year, after declining by nearly 15% in 2013. A study by Make Consulting, a market research institute, indicates that this growth will come mostly from higher demand in the USA. The institute is expecting newly installed capacity in Europe to stay flat. Make Consulting again sees Germany as the largest single market in Europe, with a forecast increase in new installations to around 4.8 GW, of which some 3.5 GW in onshore wind.

Growth in global photovoltaic installations is expected to be of the same magnitude. A Deutsche Bank study from January 2014 predicts global PV installations of around 46 GW. The main driver of future growth in the solar sector is said to be the increasing competitiveness of power generation from photovoltaic plants. According to the experts from Deutsche Bank, solar power has already achieved grid parity in 19 countries (i.e. the costs there are below those for household electricity).

Effects on the company

Capital Stage is an operator of wind farms and solar parks, so its business performance does not depend directly on the future expansion of renewable energies. As its growth strategy focuses on acquiring existing parks, the company nonetheless benefits from a rapid and large-scale expansion of capacity because this generates a wide range of investment opportunities. Both existing conditions and forecast developments guarantee a high level of investment security and enable attractive returns to be earned. The expansion of the energy generation portfolio will continue to focus on photovoltaics and onshore wind. The Group is currently working to develop its portfolio in Germany, France and Italy. Further growth opportunities will arise in the medium term from expanding business to other regions and in the medium to long term from technological advancements.

Overview of expected development

In its forecast for 2014, the management board expects the Capital Stage Group to continue its positive revenue and earnings trend. Taking the investments made in the reporting period and the purchases described in the section 'Events after the reporting date' into account, the Group is expecting sales revenue to rise by more than 40% to around EUR 80 million. EBITDA is forecast to rise to over EUR 67 million. Deducting depreciation and amortization, the Group expects EBIT to increase to more than EUR 40 million. EBT is projected to go up by 46% to over EUR 23 million.

This outlook is based on the following assumptions:

- No regulatory intervention
- No significant deviation from long-term weather projections

The Capital Stage Group expects its cost of materials and personnel costs to go up by less than revenues. Depreciation and amortization will be higher as a result of past investments.

No proceeds from exits or sales of financial investments have been included in the planning. This is because the timing and amount of realized income is difficult to predict, it being subject to a range of external factors.

Capital Stage can meet the liquidity requirements of its operating business and other planned short-term investments from its available cash reserves together with the cash flow from operating activities forecast for 2014. Other funding options also exist, such as borrowing at company level, refinancing the solar parks in Italy, which are currently debt-free, and collaboration with institutional investors. If market conditions are favourable, and concrete, attractive acquisition opportunities have been identified, management does not rule out raising further equity capi-tal – to the extent that this is economically advantageous.

The absence of nonrecurring factors means that the management board expects an improvement in the earnings of Capital Stage AG in 2014, which as the holding company bears the administrative costs of the Group. In the reporting period, its result was particularly depressed by impairment losses of EUR 3.4 million on financial investments. Given the increase in the size of the workforce, personnel expenses will go up by around 25% to some EUR 3.0 million. Other operating expenses for 2013 included costs of EUR 2.2 million for capital increases. How this item develops in 2014 depends on whether and to what extent the company raises equity capital in the current year. The remaining other operating expenses should be on par with the previous year.

Corporate governance statement pursuant to section 289a of the HGB

The corporate governance statement contains the annual declaration of conformity, the corporate governance report, details of corporate governance practices and a description of the working practices of the management board and supervisory board. It is permanently available for inspection by shareholders on the company's website at http://www.capitalstage.com. Accordingly, we have refrained from repeating it in the management report.

Hamburg, 20 March 2014

Capital Stage AG

Management board

Felix Goedhart
CEO

Dr Zoltan Bognar

Consolidated statement of comprehensive income

of Capital Stage AG for the period from 1 January to 31 December 2013
according to International Financial Reporting Standards (IFRS)

in TEUR	Notes	2013	2012
Sales	3.25; 4.1	56,991	45,118
Other income	4.2	14,981	15,907
Cost of Materials	4.3	-6,463	-6,870
Personnel expenses of which TEUR 60 (previous year: TEUR 34) in share-based remuneration	4.4	-6,299	-5,910
Other expenses	4.5	-8,808	-14,516
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**50,402**	**33,729**
Depreciation or amortisation	4.6	-18,733	-13,183
Earnings before interest and taxes (EBIT)		**31,669**	**20,546**
Financial income	4.7; 4.8	1,083	696
Financial expenses	4.7; 4.8	-16,919	-11,747
Earnings before taxes on income (EBT)		**15,833**	**9,495**
Taxes on income	4.9	-1,789	-353
Consolidated profit for the year (EAT)		**14,044**	**9,142**
Currency translation differences	4.10	53	-48
Consolidated comprehensive income		**14,097**	**9,094**
Consolidated profit for the year, of which attributable to:			
Shareholders of Capital Stage AG		13,368	8,579
Minority shareholders		676	563
Comprehensive income, of which attributable to:			
Shareholders of Capital Stage AG		13,421	8,531
Minority shareholders		676	563
Earnings per share	3.28		
Average shares issued during reporting period (basic/diluted)		55,912,956/ 55,924,078	46,793,849/ 46,928,948
Earnings per share in EUR, basic		0.24	0.18
Earnings per share in EUR, diluted		0.24	0.18

Consolidated balance sheet

as of 31 December 2013
according to International Financial Reporting Standards (IFRS)

Assets in TEUR	Notes	31 December 2013	31 December 2012
Intangible assets	3.5; 5.1; 18	91,426	69,323
Goodwill	5.2; 18	6,827	6,888
Property, plant and equipment	3.6; 5.3; 18	408,120	317,127
Financial assets	3.7; 5.4; 18	7,785	3,049
Other accounts receivable	5.5	4,523	1,983
Deferred tax assets	3.20; 4.9	5,564	2,750
Non-current assets, total		**524,245**	**401,120**
Inventories	3.19; 5.6	2,055	2,451
Trade receivables	3.21; 5.7	4,517	3,150
Non-financial assets	3.22; 5.8	3,084	1,355
Other current receivables	3.22; 5.8	3,631	12,703
Cash and cash equivalents	3.23; 5.9	55,659	34,238
Total current assets		**68,946**	**53,897**
Total assets		**593,191**	**455,017**

Equity and liabilities in TEUR	Notes	31 December 2013	31 December 2012
Share capital		67,741	48,400
Capital reserve		85,680	37,666
Reserve for equity settled employee remuneration	3.26; 5.11	179	119
Currency translation reserve		-106	-159
Retained earnings		0	3,705
Distributable profit/loss		45,548	32,388
Minority shareholders		8,359	8,143
Total equity	5.10	**207,401**	**130,262**
Minority shareholders (KG)	3.24; 5.12	4,027	2,649
Non-current financial liabilities	3.24; 5.12	286,145	243,772
Non-current leasing liabilities	3.27; 5.12	17,873	17,871
Provisions for restoration obligations	3.24; 5.12	2,752	1,694
Other non-current liabilities	3.24; 5.12	1,758	0
Deferred tax liabilities	3.20; 4.9	42,161	32,010
Total non-current liabilities		**354,716**	**297,996**
Tax provisions	3.24; 5.12	904	913
Current financial liabilities	3.24; 5.12	22,028	17,354
Current leasing liabilities	3.27; 5.12	888	1,746
Trade payables	3.24; 5.12	2,119	2,107
Other current debt	3.24; 5.12	5,135	4,639
Total current liabilities		**31,074**	**26,759**
Total equity and liabilities		**593,191**	**455,017**

Consolidated cash flow statement

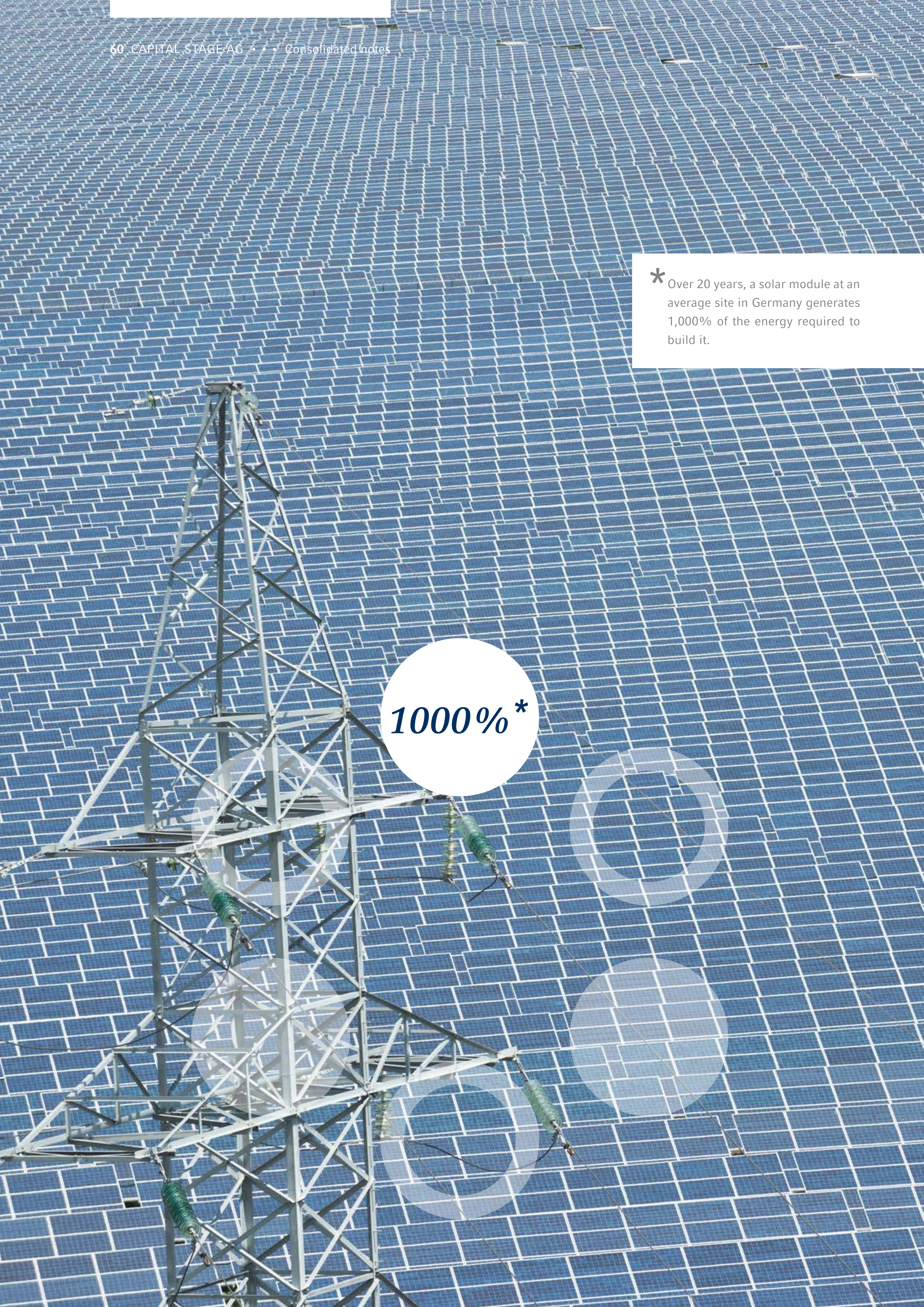
of Capital Stage AG, Hamburg,
for the period from 1 January to 31 December 2013

in TEUR	Notes	2013	2012
Net profit/loss for the period		**14,044**	**9,142**
Depreciation and amortisation of fixed assets	4.6	18,733	13,183
Loss from disposal of financial assets		0	8,540
Other non-cash expenses		192	34
Other non-cash income		-14,345	-15,122
Financial income	4.7; 4.8	-1,083	-696
Financial expenses	4.7; 4.8	16,919	11,747
Taxes on income (recognized in income statement)	4.9	1,789	353
Taxes on income (cash effective)		-398	-1,019
Increase/decrease in other assets not attributable to investment or financing activities		2,043	-102,104
Increase/decrease in other liabilities not attributable to investment or financing activitie		-1,882	103,003
Dividends received		6	47
Cash flow from operating activities		**36,018**	**27,108**
Payments for the acquisition of consolidated companies less acquired cash	3.2	-35,723	-19,152
Payments for the acquisition of companies to be consolidated in the previous/following year		-9,948	-10,701
Proceeds from the sale of consolidated companies		0	114
Payments for investments in property, plant and equipment		-500	-23,819
Proceeds from disposals of tangible fixed assets		21	0
Payments for investments in intangible assets		-173	-102
Payments for investments in financial assets		-307	0
Cash flow from investment activities		**-46,630**	**-53,660**
Loans proceeds		2,738	37,650
Loan repayments		-21,836	-27,490
Interest received		625	518
Interest paid		-12,649	-10,502
Proceeds from capital increases		69,750	30,855
Payment for issue costs		-2,216	-118
Dividends paid		-4,373	-1,909
Cash flow from financing activities		**32,039**	**29,004**
Changes in cash due to exchange rate changes		**-8**	**1**
Changes in cash and cash equivalents			
Cash and cash equivalents		21,427	2,452
As of 1 January 2013 (1 January 2012)	5.9	34,238	31,785
As of 31 December 2013 (31 December 2012)	5.9	55,657	34,238

Capital Stage AG consolidated statement of changes in equity

in TEUR	Subscribed Capital	Capital reserve	Currency reserve
As of 1 January 2012	**38,115**	**17,179**	**-111**
Consolidated comprehensive income for the period	0	0	-48
Dividend paid	0	0	0
Income and expenses recorded directly in equity	0	0	0
Receipts from corporate actions	10,285	20,570	0
Issuance costs	0	-118	0
Withdrawl from retained erarnings	0	0	0
Taxes on items recorded directly in equity	0	35	0
Attributable to Minority Shareholders	0	0	0
As of 31 December 2012	**48,400**	**37,666**	**-159**
Consolidated comprehensive income for the period	0	0	53
Dividend paid	0	0	0
Income and expenses recorded directly in equity	0	0	0
Receipts from corporate actions	19,341	50,409	0
Issuance costs	0	-2,216	0
Withdrawl from retained erarnings	0	0	0
Taxes on items recorded directly in equity	0	-179	0
As of 31 December 2013	**67,741**	**85,680**	**-106**

Retained earnings	Reserve for equity-based employee remuneration	Distributable profit/loss	Minority shareholders	Total
13,705	**85**	**15,718**	**6,896**	**91,587**
0	0	8,579	563	9,094
0	0	-1,909	0	-1,909
0	34		0	34
0	0	0	0	30,855
0	0	0	0	-118
-10,000	0	10,000	0	0
0	0	0	0	35
0	0	0	684	684
3,705	**119**	**32,388**	**8,143**	**130,262**
0	0	13,368	676	14,097
0	0	-3,913	-460	-4,373
0	60	0	0	60
0	0	0	0	69,750
0	**0**	**0**	**0**	-2,216
-3,705	0	3,705	0	0
0	0	0	0	-179
0	**179**	**45,548**	**8,359**	**207,401**



* Over 20 years, a solar module at an average site in Germany generates 1,000% of the energy required to build it.

Consolidated notes of Capital Stage AG, Hamburg, according to International Financial Reporting Standards (IFRS) to 31 December 2013

1	Company purpose	62
2	The reporting company	62
3	Significant accounting policies and consolidation principles	62
3.1	Consolidation principles	65
3.2	Business combinations	67
3.3	Foreign currency translation	74
3.4	Critical accounting judgements and key sources of estimation uncertainties	74
3.5	Intangible assets	75
3.6	Property, plant and equipment	75
3.7	Financial instruments	75
3.8	Financial assets	75
3.9	Financial assets at FVTPL	76
3.10	Fair value measurement of financial instruments	76
3.11	Loans and receivables	77
3.12	Impairment of financial assets	77
3.13	Derecognition of financial assets	77
3.14	Financial liabilities and equity instruments	78
3.15	Other financial liabilities	78
3.16	Derecognition of financial liabilities	78
3.17	Derivative financial instruments	78
3.18	Collateral	78
3.19	Inventories	79
3.20	Deferred taxes	79
3.21	Trade receivables	79
3.22	Other assets: non-financial assets & other receivables	79
3.23	Cash and cash equivalents	79
3.24	Liabilities, provisions and financial liabilities	79
3.25	Revenues	79
3.26	Share-based payment	80
3.27	Leasing	80
3.28	Earnings per share	80
3.29	Segment reporting	81
3.30	Risk management	82
4	Notes to the consolidated statement of comprehensive income	83
4.1	Revenues	83
4.2	Other income	83
4.3	Cost of materials	83
4.4	Personnel expenses	83
4.5	Other expenses	84
4.6	Depreciation and amortisation	84
4.7	Financial result	85
4.8	Income from financial investments	85
4.9	Taxes on income	85
4.10	Other comprehensive income	86
5	Notes to the consolidated balance sheet	86
5.1	Intangible assets	86
5.2	Goodwill	87
5.3	Property, plant and equipment	87
5.4	Financial assets	88
5.5	Other receivables	88
5.6	Inventories	88
5.7	Trade receivables	88
5.8	Other current assets	88
5.9	Cash and cash equivalents	89
5.10	Equity	89
5.11	Share-based payment	92
5.12	Liabilities, provisions and financial liabilities	94
6	Additional disclosure related to financial assets and liabilities	95
7	Notes to the consolidated cash flow Statement	98
8	Contingent liabilities and other obligations	98
9	Events after the balance sheet date	99
10	Transactions with related parties	100
11	Earnings per share	100
12	Management board	100
13	Supervisory board	102
14	Corporate governance	103
15	Auditor's fee	103
16	Notification Requirements	103
17	Approval for submission to the supervisory board	108
18	Consolidated statement of changes in fixed assets	110
19	Consolidated segment reporting	112

*Source: Fraunhofer ISE

Consolidated notes of Capital Stage AG, Hamburg, according to International Financial Reporting Standards (IFRS) to 31 December 2013

1. Company purpose

As defined in its articles of association, the business of Capital Stage AG comprises the independent operation of power generation facilities from renewable energy sources in Germany and abroad, by the company itself or by its subsidiaries.

Furthermore, the business of Capital Stage AG includes the provision of commercial, technical or other services not subject to regulation or authorization in connection with the acquisition, installation and operation of power generation facilities from renewable energy sources in Germany and abroad by the company itself or by its subsidiaries, and the acquisition, holding, management and sale of equity investments in companies.

The company is entitled to take any action and engage in any transactions that serve the company purpose. It may establish subsidiaries both in Germany and abroad, found other companies and acquire or invest in existing ones, as well as conclude inter-company agreements. It may purchase, use and transfer patents, trademarks, licences, distribution rights and other objects and rights. The purpose of subsidiaries and other financial investments may differ from the company purpose of Capital Stage AG as long as it is appropriate for the company's business objectives.

2. The reporting company

Subject to the consolidated balance sheet is Capital Stage AG and its affiliates. A list of the consolidated entities is given in note 3.1.

The Group's parent company Capital Stage AG was entered in the lower court company register on 18 January 2002 with the register number HRB 63197.

Intra-Group business transactions are conducted on the same conditions as transactions with external third parties.

3. Significant accounting policies and consolidation principles

The consolidated balance sheet of Capital Stage AG, Hamburg, Germany has been prepared according to the International Financial Reporting Standards (IFRS) promulgated by the International Accounting Standards Board (IASB), applying the going-concern principle in relation to all the consolidated entities.

The consolidated balance sheet applies the version of the IFRS in force as of the balance sheet date, as endorsed by the EU. The IFRS include standards newly issued by the International Accounting Standard Board (IASB), the International Accounting Standards (IAS), the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC). The provisions of section 315a of the German Commercial Code (Handelsgesetzbuch – HGB) were also applied.

In 2013, the Group applied the following new and revised IFRS standards and interpretations:

Obligatory as of 31 December 2013			
New and amended standards		Application obligatory in financial years beginning on or after the date mentioned	Status of EU endorsements (as of 31.12.2013)
IFRS 13	Fair Value Measurement	01.01.2013	Adopted
IAS 19	Employee Benefits	01.01.2013	Adopted
IAS 1	Amendment – Presentation of Items Other Comprehensive Income	01.07.2012	Adopted
IFRS 1	Amendment – Government Loans	01.01.2013	Adopted
IFRS 7	Amendment – Disclosures: Offsetting Financial Assets and Financial Liabilities	01.01.2013	Adopted
AIP	Annual improvement programme for IFRS, 2009–2011 cycle	01.01.2013	Adopted
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	01.01.2013	Adopted

Standards, interpretations and amendments to standards and interpretations applicable for the first time in the reporting period which affect reported amounts and disclosures in the reporting period

IFRS 13: Fair Value Measurement

The Group applied IFRS 13 for the first time in the current year. IFRS 13 defines standard rules for fair value measurement and related disclosures in a single IFRS. The scope of IFRS 13 is broad and applies both to financial and non-financial assets if another IFRS requires or permits measurement at fair value or requires disclosures on fair value measurement, with the exception of share-based payments within the scope of IFRS 2 ‘Share-based Payments’, leasing transactions within the scope of IAS 17 ‘Leases’ and measurements which have some resemblance to fair value but are not fair value, such as net realisable value in IAS 2 ‘Inventories’ or value in use in IAS 36 ‘Impairment of Assets’.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the main or most advantageous market at the measurement date. Fair value as defined in IFRS 13 is an exit price. It is irrelevant whether this price can be observed directly or is estimated using another valuation technique. IFRS 13 also defines extensive disclosure obligations.

IFRS 13 is to be applied prospectively from 1 January 2013. It also defines certain transitional rules for reporting entities, whereby comparative information need not be disclosed for periods before initial application. For the first time, the standard requires that a company’s own credit risk is included in the valuation process for derivative financial instruments (debt valuation adjustment, or DVA). This procedure has no significant effect on the value of the Group’s derivative financial instruments, however. Apart from the additional disclosure obligations, the application of IFRS 13 had no significant effect on the amounts presented in the consolidated balance sheet.

Amendments to IAS 1: Presentation of Financial Statements

On 16 June 2011, the International Accounting Standards Board (IASB) issued the following amendments to IAS 1. The amendments introduce new rules for the presentation of other comprehensive income. They give individual reporting entities a choice of presenting a single statement or two statements. Only the presentation of other comprehensive income has been changed so that subtotals are now required for the line items that may be reclassified to profit and loss in subsequent periods and items for which this is not the case. The amendments are effective for reporting periods beginning on or after 1 July 2012. They have some effects on the presentation of consolidated comprehensive income.

The other amendments have no effect on the annual report for Capital Stage AG.

The IASB and IFRIC also published the following new or amended standards and interpretations which will either not be applicable until a later date or which have not yet been endorsed by the European Commission. Capital Stage AG will not apply these standards earlier than required.

New and amended standards and interpretations		Application obligatory in financial years beginning on or after the date mentioned	Status of EU endorsements (as of 31.12.2013)
IFRS 10	Consolidated Financial Statements	01.01.2013 (EU: 01.01.2014**)	Adopted
IFRS 11	Joint Arrangements	01.01.2013 (EU: 01.01.2014**)	Adopted
IFRS 12	Disclosure of Interests in Other Entities	01.01.2013 (EU: 01.01.2014**)	Adopted
IAS 27	Separate Financial Statements	01.01.2013 (EU: 01.01.2014**)	Adopted
IAS 28	Investments in Associates and Joint Ventures	01.01.2013 (EU: 01.01.2014**)	Adopted
IAS 32	Amendment – Offsetting Financial Assets and Financial Liabilities	01.01.2014	Adopted
IAS 39	Amendment – Novation of Derivatives and Continuation of Hedge Accounting	01.01.2014 (EU: 01.01.2014)	Adopted
IFRS 10, IFRS 12, IFRS 12	Amendment – Consolidated Financial Statements, Joint Agreements and Disclosures of Interests in Other Entities	01.01.2013 (EU: 01.01.2014**)	Adopted
IFRS 10, IFRS 12, IAS 27	Amendment – Investment Entities	01.01.2014	Adopted
IFRS 9, IFRS 7	Amendment – Mandatory Effective Date and Transition Disclosures	01.01.2017*	Not yet adopted
IFRS 9	New standard – Financial Instruments: Classification and Measurement of Financial Instruments	01.01.2017*	Not yet adopted
IAS 19	Amendment – Defined Benefit Plans: Employee Contributions	01.07.2014	Not yet adopted
IAS 36	Amendment – Recoverable Amount Disclosures for Non-Financial Assets	01.01.2014	Not yet adopted
IFRS 9, IFRS 7, IAS 39	Hedge Accounting	01.01.2017*	Not yet adopted
IFRIC 21	New interpretation – Levies	01.01.2014	Not yet adopted
AIP	Annual improvement programme for IFRS 2010–2012 cycle	01.07.2014	Not yet adopted
AIP	Annual improvement programme for IFRS 2011–2013 cycle	01.07.2014	Not yet adopted

* At its meeting in November 2013, the IASB decided provisionally that the mandatory effective date of IFRS 9 would be no earlier than annual periods beginning on or after 1 January 2017.

** Voluntary early application possible.

The adoption of these IASB accounting standards is not expected to have any material impact on Capital Stage AG's financial accounting.

In accordance with IAS 7, the cash flow statement has been prepared using the indirect method.

To improve clarity, various income statement and balance sheet items have been combined. These items are shown separately and explained in the notes. The income statement has been prepared according to the nature-of-expense method. The reporting currency as well as the functional currency for all consolidated companies is the euro, with the exceptions of Helvetic Energy GmbH and Calmatopo Holding AG, for whom the reporting currency is the Swiss franc. The figures in the notes are given in euros (EUR), thousands of euros (TEUR) or millions of euros (EUR mill.).

The balance sheet date is 31 December 2013.

3.1 Consolidation principles

The consolidated balance sheet includes Capital Stage AG and all significant subsidiaries controlled by Capital Stage AG both in Germany and abroad. Control exists if the company has the power to determine an entity's financial and business policies and can derive economic benefit from so doing. Such a controlling interest generally derives from holding a majority of the voting rights.

In conformity with IAS 28.1, due to their designation as well as the portfolio management within the Group, shares in associates are not measured according to the equity method but rather at fair value through profit or loss in accordance with IAS 39.

Resulting adjustments to fair value are recognized through profit or loss in the financial result.

Financial investments are also measured at fair value in line with IAS 39. The resulting changes are recognized through profit or loss in the financial result.

Loans and other receivables as well as liabilities between consolidated entities are offset. In the consolidated income statement, income between consolidated entities is offset against corresponding expenses.

Intra-Group liabilities and contingent liabilities are offset, and intra-Group profits and losses, expenses and income are eliminated.

The Group is comprised of Capital Stage AG and the following fully consolidated entities:

	Subscribed capital in EUR	Shares in %
Capital Stage Solar IPP GmbH, Hamburg	100,000.00	100
Capital Stage Wind IPP GmbH, Hamburg	26,650.00	100
Krumbach Photovoltaik GmbH, Hamburg	25,000.00	100
Krumbach Zwei Photovoltaik GmbH, Hamburg	25,000.00	100
Capital Stage Solar Service GmbH, Halle	25,000.00	100
Solarparks Asperg GmbH, Halle	25,000.00	100
Asperg Erste Solar GmbH, Halle	25,000.00	100
Asperg Zweite Solar GmbH, Halle	25,000.00	100
Asperg Fünfte Solar GmbH, Halle	25,000.00	100
Asperg Sechste Solar GmbH, Halle	25,000.00	100
Capital Stage Windpark Betriebs- und Verwaltungs GmbH, Hamburg	25,000.00	100
Windpark Gauaschach GmbH & Co. KG, Hamburg	1,000.00	100
Solarpark Brandenburg (Havel) GmbH, Halle	25,000.00	51
Solarpark PVA GmbH, Halle	25,000.00	100
Solarpark Lochau GmbH, Halle	25,000.00	100
Solarpark Rassnitz GmbH, Halle	25,000.00	100

	Subscribed capital in EUR	Shares in %
Solarpark Roitzsch GmbH, Halle	25,000.00	100
Solarpark Glebitzsch GmbH, Halle	25,000.00	100
Solarpark Bad Harzburg GmbH, Halle	25,000.00	100
Capital Stage Göttingen Photovoltaik GmbH, Halle	25,000.00	100
Alameda S.r.l., Bolzano, Italy	10,000.00	100
Casette S.r.l., Bolzano, Italy	10,200.00	100
Vallone S.r.l., Bolzano, Italy	10,200.00	100
Solar Energy S.r.l., Bolzano, Italy	10,000.00	100
Oetzi S.r.l., Bolzano, Italy	10,000.00	100
DE Stern 10 S.r.l., Bolzano, Italy	10,000.00	100
Solar Farm FC1 S.r.l., Bolzano, Italy	10,000.00	100
Solar Farm FC3 S.r.l, Bolzano, Italy	10,000.00	100
Windkraft Sohland GmbH & Co. KG, Sohland	89,999.76	74.3
Boreas Windfeld Greußen GmbH & Co. KG, Greußen	0.00	71.4
Parco Eolico Monte Vitalba S.r.l., Bolzano, Italy	10,000.00	85
Solarpark Neuhausen GmbH, Neuhausen	25,000.00	100
Helvetic Energy GmbH, Flurlingen, Switzerland	67,884.05	100
Calmatopo Holding AG, Flurlingen, Switzerland	38,446.75	100
Solarpark Lettewitz GmbH, Halle [1)]	25,000.00	100
Polesine Energy 1 S.r.l., Bolzano, Italy [2)]	10,000.00	100
Polesine Energy 2 S.r.l., Bolzano, Italy [2)]	10,000.00	100
Capital Stage Solarpark Betriebs- und Verwaltung GmbH, Hamburg [3)]	25,000.00	100
Solarpark Ramin GmbH & Co. KG, Halle [4) 5)]	500.00	100
Windkraft Olbersleben II GmbH & Co. KG, Olbersleben [6)]	1,700,000.00	74.9
Société Centrale Photovoltaïque d'Avon les Roches SAS, Paris, France [7)]	5,000.00	100
Fano Solar 1 S.r.l., Bolzano, Italy[8)]	10,000.00	100
Fano Solar 2 S.r.l., Bolzano, Italy [8)]	10,000.00	100
Notaresco Solar S.r.l., Bolzano, Italy [8)]	10,000.00	100
Sant' Omero Solar S.r.l., Bolzano, Italy [8)]	10,000.00	100

1) Acquisition via notarized contract dated 18 June 2012 by Capital Stage Solar IPP GmbH (signing), closing on 15 January 2013

2) Acquisition via notarized contract dated 21 December 2012 by Capital Stage Solar IPP GmbH (signing), closing on 17 January 2013

3) Acquisition via purchase contract dated 26 March 2013 by Capital Stage Solar IPP GmbH

4) Formerly Energiepark Solar GmbH & Co. SP Ramin KG, renamed by shareholder resolution on 15 July 2013

5) Acquisition via share purchase contract dated 9 April 2013 by Capital Stage Solar IPP GmbH (signing), closing on 17 May 2013

6) Acquisition via share purchase contract dated 23 May 2013 by Capital Stage Solar IPP GmbH (signing), closing on 30 June 2013

7) Acquisition via share purchase contract dated 18 December 2013 by Capital Stage AG (signing), closing on 19 December 2013

8) Acquisition via share purchase contract dated 13 December 2013 by Capital Stage AG (signing), closing on 31 December 2013

Grit 63. Vermögensverwaltungs GmbH is no longer shown separately in the group of consolidated companies because it was merged retroactively with Capital Stage Solar IPP GmbH as of 1 January 2013.

The financial year for all companies included in the consolidated balance sheet ended on 31 December 2013.

3.2 Business combinations

The acquisition of a business is accounted for using the partial goodwill method. The consideration received at the time of the business combination is carried at its fair value, which is determined by the sum of the fair values of the assets transferred at the time of exchange, the liabilities assumed from the former owners of the acquired entity and the equity instruments issued by the Group in exchange for gaining control of the acquired entity. The expenses associated with the business combination must be immediately recognized in the statement of comprehensive income.

The identifiable assets acquired and debt assumed are carried at fair value, with the following exceptions:

- Deferred tax assets and liabilities as well as assets or liabilities in connection with employee benefit agreements must be recognized and measured pursuant to IAS 12 (Income Taxes) and IAS 19 (Employee Benefits).

- Debt or equity instruments arising from share-based remuneration or the replacement of share-based remuneration by the Group must be measured at the time of acquisition and pursuant to IFRS 2 (Share-based payment).

- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets held for sale and discontinued operations are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the debt assumed. If, after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The measurement option is made on a transaction-by-transaction basis. Other components of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value on the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts resulting from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

The PPA used for first-time consolidation are provisional in some cases, because circumstances may come to light after the PPA has been carried out that may result in adjustments being made up to one year after the acquisition. The PPAs for the parks acquired in December are provisional, because the closing balance sheets have not yet been finalized. The technical reviews and the related final budgets, which form the basis for valueing the intangible assets, have also not yet been completed.

In 2013, the group of consolidated companies grew as a result of the contracts closed for the following solar parks acquired in 2012: Lettewitz GmbH, Polesine Energy 1 S.r.l. and Polesine Energy 2 S.r.l. The group of consolidated companies now also includes Capital Stage Solarpark Betriebs- und Verwaltungs GmbH, Solarpark Ramin GmbH & Co. KG (formerly Energiepark Solar

GmbH & Co. SP Ramin KG), Windkraft Olbersleben II GmbH & Co. KG, Société Centrale Photovoltaïque d'Avon les Roches SAS, Fano Solar 1 S.r.l., Fano Solar 2 S.r.l., Notaresco Solar S.r.l. and Sant' Omero Solar S.r.l.

We have refrained from providing specific details of the purchase prices due to a contractual confidentiality agreement.

The negative difference (badwill) for the business combinations and adjustments to provisional purchase price allocations made in the financial year 2013 comes to TEUR 13,839 in total.

This badwill was largely generated by the advantages that Capital Stage has over other potential pur-chasers. These advantages include in particular very strong liquidity and therefore the possibility of re-paying the sellers' existing debt financing arrangements smoothly.

Its many years of experience and competent staff enable Capital Stage to review and execute business combinations in a very short space of time. As the business relationships go back a long way in some cases, the sellers also have a high degree of trust in Capital Stage.

Another significant aspect for the generation of badwill is the discount that can be obtained when a portfolio of assets is acquired. This block discount reflects the greater speed of sale and associated savings in personnel, administration and transaction costs achieved through a portfolio sale rather than individual sales of the assets concerned.

Business combinations often require participation in a public sale process whereby the purchase price is significantly influenced by the bids made by competitors. However, the Group's business combinations result solely from exclusive negotiations with the various sellers.

Solarpark Lettewitz GmbH, Polesine Energy 1 S.r.l. and Polesine Energy 2 S.r.l. were acquired at a price below the net market value of the individual assets and debt.

The holdings of non-controlling shareholders were measured proportionately to their overall share of the values of the identifiable net assets.

The following acquisitions were included in the consolidated balance sheet for the first time:

- Solarpark Lettewitz GmbH, Halle
- Polesine Energy 1 S.r.l., Bolzano, Italy
- Polesine Energy 2 S.r.l., Bolzano, Italy
- Capital Stage Solarpark Betriebs- und Verwaltungs GmbH, Hamburg
- Solarpark Ramin GmbH & Co. KG, Halle (formerly Energiepark Solar GmbH & Co. SP Ramin KG)
- Windkraft Olbersleben II GmbH & Co. KG, Olbersleben
- Société Centrale Photovoltaïque d'Avon les Roches SAS, Paris, France
- Fano Solar 1 S.r.l., Bolzano, Italy
- Fano Solar 2 S.r.l., Bolzano, Italy
- Notaresco Solar S.r.l., Bolzano, Italy
- Sant' Omero Solar S.r.l., Bolzano, Italy

The identified assets and assumed debt of the initially consolidated companies are as follows:

Solarpark Lettewitz GmbH, Halle	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	0	5,488
Property, plant and equipment	19,168	19,226
Current assets	274	274
Cash and cash equivalents	60	60
Debt and provisions	18,297	18,298
Deferred tax assets	0	15
Deferred tax liabilities	0	1,627

The transaction involved the acquisition of a solar park in Lettewitz in the German state of Saxony-Anhalt. The park's initial consolidation took place on 15 January 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 5,281. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 229. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 16. Since the date of initial consolidation of Solarpark Lettewitz GmbH, sales of TEUR 2,224 and a profit of TEUR 399 have been made by the entity acquired.

Polesine Energy 1 S.r.l., Bolzano, Italy	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	91	3,637
Property, plant and equipment	4,385	4,768
Other non-current receivables	287	287
Current assets	531	531
Cash and cash equivalents	90	90
Debt and provisions	5,276	5,314
Deferred tax assets	0	11
Deferred tax liabilities	0	1,056

The transaction involved the acquisition of an Italian solar park in Parma, in the Emilia-Romagna region. The park's initial consolidation took place on 17 January 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 2,666. The receivables acquired as a result of the transaction, mainly comprising tax and trade receivables, have a fair value of TEUR 531. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 40. Since the date of initial consolidation of the solar park, sales of TEUR 589 and a loss of TEUR 98 have been made by the entity acquired.

Polesine Energy 2 S.r.l., Bolzano, Italy	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	4	3,517
Property, plant and equipment	4,207	4,348
Other non-current receivables	283	283
Current assets	490	490
Cash and cash equivalents	105	105
Debt and provisions	4,939	4,977
Deferred tax assets	0	11
Deferred tax liabilities	0	1,060

The transaction involved the acquisition of an Italian solar park in Parma, in the Emilia-Romagna region. The park's initial consolidation took place on 17 January 2013. The business combination was carried out by applying the partial goodwill method. The amount of the revalued equity on the date of initial consolidation came to TEUR 2,715. The fair value of the receivables acquired as a result of the transaction, mainly comprising tax and trade receivables, was TEUR 490. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 40. Since the date of initial consolidation of the solar park, sales of TEUR 587 and a loss of TEUR 76 have been made by the entity acquired.

Solarpark Ramin GmbH & Co. KG, Halle (before Energiepark Solar GmbH & Co. SP Ramin KG)	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	0	2,253
Property, plant and equipment	9,905	9,978
Current assets	572	492
Cash and cash equivalents	10	10
Debt and provisions	10,780	10,773
Deferred tax assets	0	21
Deferred tax liabilities	0	674

The transaction involved the acquisition of a solar park in Ramin in Mecklenburg-West Pomerania. The park's initial consolidation took place on 31 May 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 1,306. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 492. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 14. Since the date of initial consolidation of Solarpark Ramin GmbH & Co. KG, sales of TEUR 708 and a profit of TEUR 162 have been made by the entity acquired. Had the entity been part of the Group since the beginning of 2013, it would have contributed sales of TEUR 723 and a loss of TEUR 154 to the consolidated balance sheet.

Windkraft Olbersleben II GmbH & Co. KG, Olbersleben	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	0	3,002
Property, plant and equipment	12,686	13,089
Current assets	475	399
Cash and cash equivalents	584	584
Debt and provisions	12,389	12,489
Deferred tax assets	0	51
Deferred tax liabilities	0	807

The transaction involved the acquisition of a wind farm in Olbersleben in Thuringia. The park's initial consolidation took place on 30 June 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 3,905. The newly measured shareholders' equity attributable to minority shareholders was TEUR 859. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 108. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 24. Since the date of initial consolidation of Windkraft Olbersleben II GmbH & Co. KG, sales of TEUR 844 and a loss of TEUR 128 have been registered by the entity acquired. Had the entity been part of the Group since the beginning of 2013, it would have contributed sales of TEUR 1,592 and a loss of TEUR 275 to the consolidated balance sheet.

Société Centrale Photovoltaïque d'Avon les Roches SAS, Paris, France	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	0	7,578
Property, plant and equipment	36,627	36,042
Current assets	1,073	331
Cash and cash equivalents	2,200	2,200
Debt and provisions	39,488	38,756
Deferred tax assets	0	78
Deferred tax liabilities	0	3,638

The transaction entailed the purchase of a solar park in Avon les Roches in France (Centre). The park's initial consolidation took place on 31 December 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 3,834. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 305. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 0. Since the date of initial consolidation of Solarpark Avon les Roches, sales of TEUR 0 and a profit of TEUR 0 have been made by the entity acquired. Had the entity been part of the Group since the beginning of 2013, it would have contributed sales of TEUR 4,049 and a profit of TEUR 800 to the consolidated balance sheet.

Fano Solar 1 S.r.l., Bolzano, Italy	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	0	158
Property, plant and equipment	3,304	3,525
Other non-current receivables	265	265
Current assets	287	287
Cash and cash equivalents	143	143
Debt and provisions	2,597	2,656
Deferred tax assets	0	17
Deferred tax liabilities	0	110

The transaction involved the acquisition of a solar park in Fano, Italy (Marche). The park's initial consolidation took place on 31 December 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 1,630. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 180. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 0. Since the date of initial consolidation of Fano Solar 1 S.r.l., sales of TEUR 0 and a profit of TEUR 0 have been made by the entity acquired. Had the entity been part of the Group since the beginning of 2013, it would have contributed sales of TEUR 558 and a profit of TEUR 238 to the consolidated balance sheet.

Fano Solar 2 S.r.l., Bolzano, Italy	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	0	0
Property, plant and equipment	3,288	3,591
Other non-current receivables	348	348
Current assets	279	279
Cash and cash equivalents	116	116
Debt and provisions	2,614	2,673
Deferred tax assets	0	17
Deferred tax liabilities	0	88

The transaction involved the acquisition of a solar park in Fano, Italy (Marche). The park's initial consolidation took place on 31 December 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 1,591. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 180. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 0. Since the date of initial consolidation of Fano Solar 2 S.r.l., sales of TEUR 0 and a profit of TEUR 0 have been made by the entity acquired. Had the entity been part of the Group since the beginning of 2013, it would have contributed sales of TEUR 574 and a profit of TEUR 217 to the consolidated balance sheet.

Notaresco Solar S.r.l., Bolzano, Italy	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	1	127
Property, plant and equipment	6,573	7,036
Other non-current receivables	531	531
Current assets	631	631
Cash and cash equivalents	203	203
Debt and provisions	4,801	4,903
Deferred tax assets	0	30
Deferred tax liabilities	0	171

The transaction involved the acquisition of two solar parks in Notaresco, Italy (Abruzzi). The park's initial consolidation took place on 31 December 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 3,483. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 438. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 0. Since the date of initial consolidation of Notaresco Solar S.r.l., sales of TEUR 0 and a profit of TEUR 0 have been made by the entity acquired. Had the entity been part of the Group since the beginning of 2013, it would have contributed sales of TEUR 1,192 and a profit of TEUR 541 to the consolidated balance sheet.

Sant' Omero Solar S.r.l., Bolzano, Italy	Carrying amount before purchase price allocation in TEUR	Fair value according to PPA in TEUR
Intangible assets	0	0
Property, plant and equipment	3,298	3,832
Other non-current receivables	585	585
Current assets	329	329
Cash and cash equivalents	121	121
Debt and provisions	2,774	2,825
Deferred tax assets	0	15
Deferred tax liabilities	0	155

The transaction involved the acquisition of a solar park in Sant' Omero, Italy (Abruzzi). The park's initial consolidation took place on 31 December 2013. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 1,902. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 219. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 0. Since the date of initial consolidation of Sant' Omero Solar S.r.l., sales of TEUR 0 and a profit of TEUR 0 have been made by the entity acquired. Had the entity been part of the Group since the beginning of 2013, it would have contributed sales of TEUR 580 and a profit of TEUR 241 to the consolidated balance sheet.

No purchase price allocation was undertaken with respect to the acquisition of Capital Stage Solarpark Betriebs- und Verwaltungs GmbH since the prerequisites for an existing business operation were not met. Thus no material changes to the consolidated balance sheet were involved.

During the measurement period within the meaning of IFRS 3.45, the company received new information concerning facts and circumstances which would have influenced the measurement of the assets and debt regarding the financial investments in Windkraft Sohland GmbH & Co. and Boreas Windfeld Greußen GmbH & Co. KG on the date of initial consolidation. These adjustments were made in response to new information on the tax situation which occasioned retroactive changes to the measurement of the assets and debt in connection with the purchase price allocation. These involved an increase in other operating income (badwill) of TEUR 2,727, a reduction in deferred tax liabilities of TEUR 2,440 and adjustments in minority interests totalling TEUR 287.

Overall impact of the acquisitions on the Group's results

The net profit for the period from 1 January to 31 December 2013 includes gains of TEUR 255 from the companies included in the consolidated balance sheet for the first time during this period. The sales revenues recognized as of 31 December 2013 include TEUR 4,952 from the newly consolidated solar parks. If the business combinations had taken place on 1 January 2013, Group revenues in these divisions to 31 December 2013 would have been TEUR 7,715 greater and the net profit would have been TEUR 1,575 higher.

Sale of subsidiaries

No subsidiaries were sold in 2013.

Business combinations after the balance sheet date

On 14 November 2013, Capital Stage AG acquired a solar park in Wolgast in Mecklenburg-West Pomerania. The park was built on a 13.2-hectare site and has a capacity of 8 MWp. It commenced operations within the meaning of the EEG in November 2013. However, as the transaction is still subject to conditions precedent, the park has not yet been included in the consolidated balance sheet.

On 20 December 2013, Capital Stage AG acquired the solar park in Noceto in the province of Parma, which is part of the northern Italian region Emilia-

Romagna. It was bought from the international photovoltaic specialist Martifer Solar from Portugal. The park has a capacity of 4.5 MWp, stands on a site of some ten hectares and has been feeding power into the public grid since December 2012. Capital Stage Solar Service GmbH will be responsible for the park's operational management from 2018. The park is fully equity financed, which means that free cash flow is high right from the beginning. As the transfer of the shares did not come into effect until January 2014, since the transition of the economic control has taken place only in January 2014, the park was first included in the consolidated balance sheet in January 2014.

The issue proceeds of EUR 17.1 million from the capital increase carried out in February 2014 served as one element of the financing structure for the acquisition of a portfolio of solar parks in France with a total capacity of some 40 MWp. The portfolio consists of four solar parks in the Aquitaine region of south-west France. They have been in operation since March 2012. The total value of the acquisition is more than EUR 140 million, including the debt assumed from the project company. At the same time, the acquisition represents the largest single investment in the company's history.

3.3 Foreign currency translation

Differences arising from the translation of the functional currency of foreign operations into the Group's reporting currency (the euro) are recorded in the consolidated balance sheet directly under 'other comprehensive income' and cumulatively in the line item 'foreign currency translation reserve'. Currency translation differences previously recorded in the foreign currency translation reserve are transferred to the income statement if part or all of the foreign operation is sold.

The foreign currency translation was performed at the historical exchange rate in the case of shareholders' equity, at the exchange rate on the balance sheet date in the case of other balance sheet items and at the mean exchange rate for the year in the case of revenue and expenses as well as the consolidated result. Pursuant to IAS 21, currency translation differences were recognized directly in equity. As of 31 December 2013, the exchange rate between the Swiss franc and the euro was CHF/EUR 1.22760 (31 December 2012: CHF/EUR 1.21360), while the mean exchange rate for 2013 was CHF/EUR 1.22446 (mean rate in 2012: CHF/EUR 1.21115).

3.4 Critical accounting judgements and key sources of estimation uncertainties

The company's only significant area of accounting judgement is the recognition of potential goodwill through the use of either the partial goodwill method or the full goodwill method. In other respects, there is no significant discretionary leeway.

Below, we discuss the most important future-related assumptions as well as the other principal sources of estimation uncertainties as of the end of the reporting period that could give rise to a substantial risk within the coming financial year that a significant adjustment of the reported assets and liabilities be required.

In some cases, the consolidated balance sheet includes estimates and assumptions which have consequences for the amount of the recognized assets, debt, revenue, expenses and contingent liabilities. The actual amounts may differ from these estimates. Any amendments will be recognized in the income statement once we have better knowledge of the items in question.

When measuring property, plant and equipment and intangible assets, the expected useful life of the assets must be estimated; in doing so, we take into account contractual agreements, knowledge of the industry and management estimates.

The intangible assets recorded during the purchase price allocation process form the basis for the company's planning, which also takes into account contractual agreements and management estimates. The discounting rate (WACC) applied in connection with the measurement of intangible assets was between 3.95% and 4.56%.

The reader is referred to the discussion in note 3.7 for details of the assumptions made when determining the fair value of financial assets.

In calculating the present values of lease liabilities and financial liabilities, the contractually agreed interest rates were applied.

At the end of the period, the interest rate swaps used for hedging purposes were revalued. The revaluation yielded interest income of TEUR 712.

3.5 Intangible assets

With the exception of the goodwill, all the intangible assets have limited useful lives and are measured at their acquisition costs less scheduled straight-line amortization. They are amortized on the basis of their useful economic lives.

If the fair value is below the carrying amount, the assets are impaired. If the reasons for impairments recognized in the past cease to apply, the impairments are reversed.

Electricity feed-in contracts and project rights are amortized over 15 to 30 years, in line with the useful lives of photovoltaic installations and the existing leases, while other intangible assets are amortized over prospective useful lives of three to five years.

Goodwill resulting from a business combination is recognized at its amortized cost less any necessary impairments and is shown separately in the consolidated balance sheet.

For impairment test purposes, the goodwill must be divided among all of the Group's cash-generating units (or groups thereof) which are expected to draw benefit from the synergy created by the business combination.

Cash-generating units to which a portion of the goodwill is allocated must be subjected to annual impairment tests. However, if there are indications that a unit has lost value, it will be tested more frequently. If the recoverable amount which a cash-generating unit can earn is lower than its carrying amount, the corresponding impairment loss must first be assigned to the carrying amount of any goodwill allocated to that unit and thereafter pro rata to the unit's other assets on the basis of their respective values. Any impairment of the goodwill will be recognized directly in the income statement. Any impairment of goodwill may not be recovered in future periods.

When selling a cash-generating unit, the portion of the goodwill attributable to it will be taken into account in determining the profit or loss on the disposal.

3.6 Property, plant and equipment

Property, plant and equipment are measured at their amortized cost less cumulative depreciation. Profits or losses from the disposal of assets are recognized as other income or expenses. The depreciation period and method are reviewed at the end of each financial year.

Property, plant and equipment are depreciated over their prospective useful economic lives pro rata temporis. During the reporting period, the useful lives recognized for property, plant and equipment were adjusted to reflect the lease terms actually agreed, and now range from three to 30 years. The range for photovoltaic and wind power installations is 18 to 30 years, and three to five years for other office and business equipment.

3.7 Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

3.8 Financial assets

Financial assets are classified in the following categories:

- Financial assets measured at fair value through profit or loss
- Financial investments held to maturity
- Available-for-sale financial assets (AFS)
- Loans and receivables

The classification depends on the nature and purpose of the financial assets and is determined at purchase. The recognition and derecognition of financial assets is carried on the trade date, if the supply is within the usual time frame for the affected market.

3.9 Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- It has been acquired principally for the purpose of selling it in the near term
- On initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking
- It is a derivative that is not designated and effective as a hedging instrument

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise
- The financial asset forms part of a group of financial assets or financial liabilities or both which is managed and its performance is evaluated on a fair value basis in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basi
- The asset is part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item.

3.10 Fair value measurement of financial instruments

The financial instruments held at fair value through profit or loss by the Group as of 31 December 2013 comprise shares assigned, pursuant to IAS 39, to the category 'at fair value through profit or loss' (the fair value option), as well as interest rate swaps, which are classified as derivatives held for trading purposes.

Fair value is not always available as a market price. Often it must be determined on the basis of various valuation parameters. Depending on the availability of observable parameters and the significance of these parameters for measuring fair value as a whole, the fair value measurement is assigned to level 1, 2 or 3. This fair value hierarchy is defined as follows:

- Input parameters for level 1 are quoted prices (unadjusted) on active markets for identical assets or debts that the company can access on the measurement date.
- Input parameters for level 2 are listed prices other than those used for level 1, which can either be observed for the asset or debt directly or indirectly, or which can be derived indirectly from other prices.
- Input parameters for level 3 are unobservable inputs for the asset or debt.

Assets and debts consistently measured at fair value are reclassified from one level to another if necessary, e.g. if an asset is no longer traded on an active market or is traded for the first time.

31.12.2013 (31.12.2012) in TEUR	Level		
	1	2	3
Assets Consistently measured at fair value Financial assets	6 (3,050)		6 (3,050)
Liabilities Consistently measured at fair value Derivative financial instruments (interest rate swaps)	-1,652 (-2,129)	-1,652 (-2,129)	

TEUR	2013	2012
1 January	3,050	11,600
Additions	307	0
Change in market value through profit or loss	-3,351	0
Disposals	0	-8,550
Reclassified to level 3	0	0
31 December	6	3,050

3.11 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including loans, trade and other receivables, bank balances and cash, and others) are measured at amortized cost using the effective interest method, less any impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

3.12 Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, the following are deemed to be objective evidence of impairment:

- Substantial financial difficulties on the part of the issuer or counterparty
- Breach of contract, such as default or delayed interest or principal payments
- Increased probability that the borrower will become insolvent or enter restructuring proceedings

For financial assets that are carried at amortized cost, the amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not be reversed in subsequent periods.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease is objectively related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

3.13 Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and opportunities of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and opportunities of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and opportunities of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a secured loan for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received or receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

3.14 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified in accordance with the substance of the contractual arrangements and the definitions as financial liability or equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its debt. Equity instruments issued by a Group entity are recognized at the proceeds received, net of direct issue costs. Issue costs are those costs that would not have occurred if the equity instrument had not been issued.

Repurchase of the company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or retirement of the company's own equity instruments.

Financial liabilities

Financial liabilities are categorized either as financial liabilities measured at fair value through profit or loss or as other financial liabilities.

3.15 Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses to the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including any fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.16 Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

3.17 Derivative financial instruments

The Group enters into derivative financial instruments to manage interest rate risk. Among them are exclusively interest swaps.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

3.18 Collateral

The financial liabilities are non-recourse loans. The entities included in the group of consolidated companies have for the most part furnished the financing banks or other creditors with collateral for their financial liabilities and, where applicable, contingent liabilities. As is customary with this kind of financing, the property, plant and equipment as well as all rights and future receivables have been assigned to the banks. The current value of the collateral furnished thus corresponds with the carrying amount of the assets or the size of the reserves formed (see subsection 5.9), or are immaterial (e.g. a right of subrogation in regards to the feed-in contracts). The entities included in the group of consolidated companies have for the most part furnished the financing banks or other creditors with collateral for their financial liabilities and, where applicable, contingent liabilities.

These primarily consist of:

- Enforceable land charges (property, plant and equipment)
- Pledging of capital servicing and project reserve accounts (cash)
- Assignment of the various companies' rights to payment of the electricity feed-in tariff (sales)
- Assignment of payment and remuneration claims against third parties arising from direct marketing contracts (sales)
- Assignment of goods stored in a specific place (SAV)
- Pledging of shareholdings (group of consolidated companies)

3.19 Inventories

The inventories mainly comprise merchandise. They are carried at their amortized cost or their net realizable value if lower (the likely realizable sale price less costs incurred prior to sale). The moving average price is applied in determining the amortized cost.

3.20 Deferred taxes

Pursuant to IFRS financial accounting standard IAS 12, deferred taxes must be recognized in relation to temporary differences between the IFRS carrying amount of an asset or debt and its tax base. Under IFRS, the resulting differences may entail corresponding tax credits or tax losses, and the resulting deferred tax assets or liabilities must be recognized. Anticipated tax reductions resulting from the possible use of existing loss carry-forwards must also be recognized if it is likely that taxable income will be generated over the coming five years against which unused tax loss carry-forwards can be offset. However, the statutory limitation on the offsetting of tax loss carry-forwards against profits made during the planning period must be borne in mind.

Under current German tax law, sales of financial investments in limited companies are tax exempt except for a minimum tax rate of 5% on profits from the sale of shares in limited companies and on dividend income.

Deferred tax assets from the use of tax loss carry-forwards must be recognized if it is likely that there will be taxable profits against which existing loss carry-forwards can be offset.

3.21 Trade receivables

Trade receivables are carried at their amortized cost. Impairments are recognized on the basis of past experience through the classification of receivables and other assets according to their age and other objective information relating to their value.

3.22 Other assets: non-financial assets and other receivables

Other assets are carried at their amortized cost. In the case of the other short-term receivables, this was generally their fair value, since the time value of the money is negligible and there is no significant credit risk. The other non-current receivables are made up of prepayments and accrued income.

3.23 Cash and cash equivalents

The cash and cash equivalents comprise bank balances and time deposits which have a high degree of liquidity and a total term of up to three months, as well as cash in hand. These items are not subject to interest rate change risk and are carried at their nominal values. The exception is the capital servicing and project reserve accounts which are used only in consultation with the lending banks for the solar parks' creditor banks and thus are not freely available.

3.24 Liabilities, provisions and financial liabilities

When first recognized on the balance sheet, financial liabilities are carried at fair value. Subsequent measurement is at amortized cost, applying the effective interest method. Other liabilities are carried at their settlement value if, due to their short-term nature, the time value of the money is negligible. The loan capital involves non-recourse loans whereby the solar and wind installations at the various solar parks and wind farms constitute the sole collateral for each corresponding loan.

Other non-current provisions are carried at their prospective settlement value with no discounting; they cover all recognizable obligations at the balance sheet date which are based on business transactions or events occurring before the balance sheet date and whose extent or due date is uncertain. The settlement values calculated are those with the highest likelihood of occurrence.

Non-current provisions are discounted at a suitable risk-free interest rate.

Provisions are only recognized if there is a corresponding legal or constructive obligation towards third parties and the associated probability of occurrence is greater than 50%.

3.25 Revenues

Revenue is measured at the fair value of the consideration received or receivable. Revenues from the sale of goods and electricity are recognized if the following conditions are met:

- The significant risks and opportunities arising from ownership of the goods are transferred to the buyer.

- Neither the right of disposal normally associated with ownership nor effective control over the purchased goods and products is withheld.
- The amount of the sales revenues can be reliably determined.
- It is likely that economic benefit will be derived from the transaction.
- The costs incurred or yet to be incurred in connection with the purchase can be reliably determined.

Essentially, revenues from the sale of goods and electricity are recognized once the goods and electricity have been supplied and the legal transfer of ownership has transpired.

Section 33g of the German Renewable Energy Sources Act (Erneuerbare-Energien-Gesetz – EEG) provided for the introduction of the so-called market premium on 1 January 2012. The market premium is paid by the grid operator to operators of installations producing electricity from renewable sources who opt to sell their electricity directly on the energy markets rather than following the EEG remuneration model. On the energy markets, installation operators receive the regular market price, which is lower than the remuneration guaranteed under the EEG. The difference between the EEG remuneration and the mean monthly market price on the energy markets is then evened out by the market premium. The actual volume of directly marketed electricity is measured via meter readings.

The market premium and the flexibility premium paid by the grid operator to installation operators pursuant to sections 33g and 33i of the EEG constitute genuine subsidies and, as such, are not subject to VAT.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income must be recognized if it is likely that the economic benefit will flow to the Group and the amount of the revenue can be reliably determined. Interest income must be accrued or deferred on the basis of the outstanding nominal amount via the applicable effective interest rate. The effective interest rate is the exact rate by which the expected future payments over the lifetime of the financial asset will be discounted from the net carrying value of that asset on initial recognition.

3.26 Share-based payment

Share options (equity-settled share-based payment transactions) are measured at their fair value at the time they are granted. The fair value of the obligation is recognized as personnel expenses over the vesting period, and a capital reserve is formed at the same time (reserve for employee remuneration to be met through equity instruments). The options issued are measured via a binomial option price model.

3.27 Leasing

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability towards the lessor must be shown on the consolidated balance sheet as a liability arising from finance leases. The lease payments are thus divided into interest expenses and payment of lease liabilities in such a way as to ensure a constant rate of repayment of the outstanding liability. Interest expenses are recognized directly in the income statement.

Rental payments on operating leases are recognized as expenses in straight-line fashion over the lease term.

The Group has financed solar installations via leasing agreements whereby the material risks and opportunities are transferred to Capital Stage, thus establishing finance leases. The solar installations in the various solar parks are used as a collateral for the corresponding liabilities.

3.28 Earnings per share

Basic earnings per share are calculated by dividing the earnings attributable to shareholders by the weighted average number of shares in circulation during the period. Diluted earnings per share are calculated by dividing the earnings attributable to shareholders by the weighted average number of shares in circulation during the period, plus the number of exercisable options. The options are taken into consideration from the date on which the performance target is permanently reached or exceeded.

3.29 Segment reporting

During the reporting period, the focus of the Capital Stage Group's business activities had not changed substantially since the previous year, remaining on the operation and development of solar parks and wind farms. Accordingly, the allocation of the consolidated assets and debts to the various segments remained unaltered. The Group's segments are administration, PV Parks, PV Service, Wind Farms and Financial Investments.

The PV Parks segment comprises the German, French and Italian solar parks plus any holding companies. During 2013, the following companies were included for the first time: Solarpark Lettewitz GmbH, Polesine Energy 1 S.r.l., Polesine Energy 2 S.r.l., Solarpark Ramin GmbH & Co. KG (formerly Energiepark Solar GmbH & Co. SP Ramin KG), Société Centrale Photovoltaïque d'Avon les Roches SAS, Fano Solar 1 S.r.l., Fano Solar 2 S.r.l., Notaresco Solar S.r.l. and Sant' Omero Solar S.r.l.

Capital Stage Solarpark Betriebs- und Verwaltungs GmbH was acquired as the general partner for Solarpark Ramin GmbH & Co. KG and is also allocated to this segment. The segment's principal business activity is electricity production. The segment's sales revenues come chiefly from either the feed-in tariffs paid by the various local providers or the market premium paid for direct marketing of electricity on the energy markets. However, last year the revenues came exclusively from feed-in tariffs paid by the various local providers.

The PV Service segment comprises the development of the plant operations company Capital Stage Solar Service GmbH and the Group's financial investment in Eneri PV Service S.r.l. The principal business activities of the segment are the technical and commercial operation of both the Group's and external solar park installations. The sales revenues earned by this segment chiefly come from plant operation charges.

The Wind Farms and the associated general partner are included in the wind farms segment. Windkraft Olbersleben II GmbH & Co. KG was added in the year under review. The segment's principal business activity is electricity production. The segment's sales revenues come chiefly from either the feed-in tariffs paid by the various local providers or the market premium paid for direct marketing of electricity on the energy markets. However, last year the revenues came exclusively from feed-in tariffs paid by the various local providers.

The financial investments segment contains the shareholdings in the companies Helvetic Energy GmbH, Calmatopo Holding AG, BlueTec GmbH & Co. KG. The segment's principal business activity is the acquisition, holding and selling of these investments. The segment's revenues mainly consist of the revenue generated by Helvetic Energy GmbH.

The activities carried out by Capital Stage AG for the whole Group are shown in the administration segment, which consists solely of Capital Stage AG.

The segment reporting is done in accordance with the accounting methods applied in the consolidated balance sheet and is based on the internal reporting system.

The assets, provisions and liabilities presented in the consolidated balance sheet have been allocated to the appropriate segments. The investments presented in the segment reporting relate to acquisitions of property, plant and equipment and financial assets.

Inter-segment business transactions are conducted on the same conditions as ones with external third parties.

The Group sales of TEUR 47,055 generated from feeding electricity into the national grid are paid directly to the various solar parks and wind farms by the local power companies. However, this does not create any dependency on these entities, given that the tariffs are guaranteed by the respective countries.

The various segments' sales to third parties were as follows: TEUR 39,375 in the PV Parks segment, TEUR 7,680 in the Wind Farms segment and TEUR 9,720 in the Financial Investments segment and TEUR 215 in the PV Service segment. Around 63% of the sales revenues were generated in Germany (previous year: 56%), 17% in Switzerland (previous year: 27%) and the remainder in Italy. The bulk of the assets, totalling TEUR 408,120 (previous year: TEUR 317,127) were situated in Germany (TEUR 288,143; previous year: TEUR 256,564), in Italy (TEUR 83,825; previous year: TEUR 60,377) and in France (TEUR 36,042; previous year: TEUR 0).

The reconciliation of revenues between the segments and overall Group revenue is mainly attributable to the elimination of plant operation charges for the Group's own parks.

The difference between the overall value of the various segments' assets and the total value of the Group's assets is largely attributable to debt consolidation.

3.30 Risk management

The Capital Stage Group's risk management system is designed to detect potential risks at an early stage and evaluate them precisely. Risk identification is therefore of great importance for the Capital Stage Group. The Capital Stage Group is exposed to the financial-asset risks discussed below.

Solar park and wind farm risks

When selecting solar parks and wind farms, Capital Stage Group takes great care with its choice of partners. The Group only considers projects or parks manufactured by large, reputable project planners and manufacturers who have been established in the industry for many years. In the unlikely event of a loss of capacity, the Group is covered by long-term manufacturers' warranties. Furthermore, material defects in the facilities are covered by guarantee agreements with the project planners.

We are able to take prompt countermeasures in relation to the risk of solar park and wind farm downtime thanks to the fact that the installations are operated and monitored either by the Capital Stage Group itself or by reputable partners. In addition to these measures, all our installations are insured against the risk of operational interruptions, and the Group has also appropriate insurance against risks arising from third-party operations – for instance, faulty maintenance or repair work – and is covered for any loss, damage or consequential loss suffered as a result. There is also insurance cover against other damage to the installations.

Valuations of solar parks and wind farms are based on long-term investment plans that are sensitive to changes in capital costs, operating costs and revenue. Various factors could lead to a park becoming unprofitable, and this would also have a negative impact on the Group's financial position and assets. However, the risks which could lead to adverse developments result from meteorological and technical risks inherent in the sector and to a lesser extent from our investments.

Financial investment risks

The valuation risk is accounted for by exercising special care before any investment decision. The due diligence process involves an in-depth analysis of the factors determining the company's success, for which external experts are used on a case-by-case basis.

Clearly arranged and relevant figures on the results, financial position and liquidity, as well as target–actual comparisons for different periods and aspects of the company's business, are analysed in order to reveal any noteworthy features or inconsistencies in the operation of financial investments.

Financial investments are valued every six months using the discounted cash flow method (DCF). For further details, we refer to the financial investments section.

Interest risk

The solar parks and wind farms are largely financed by loans at fixed interest rates and with terms ranging from ten to 18 years. Accordingly, there is no risk of any change in interest rates during that period.

Due to the long-term nature of the financing of non-current assets, we have refrained from undertaking a sensitivity analysis of the interest risk.

The risk inherent in interest rate swaps is based on the fact that the interest rate secured by the interest rate swaps may be higher than the interest rate agreed in the loan contracts.

4. Notes to the consolidated statement of comprehensive income

4.1 Revenues

TEUR	56,991
previous year TEUR	45,118

Sales are recorded whenever work or services are performed and a price has been agreed or is determinable and payment thereof appears probable. The invoicing for and payment of the feed-in tariffs for December 2013 takes place the following year. The breakdown of revenue is shown in the segment reporting.

4.2 Other income

TEUR	14,981
previous year TEUR	15,907

Other income mainly consists of income recognized through profit or loss of TEUR 13,839 from the initial consolidation of solar parks and wind farms in Italy, France and Germany (previous year: TEUR 15,122). In the course of the provisional purchase price allocation process, all acquired assets and debts were identified and their fair value determined. This resulted in differences which were recognized in the 2013 income statement.

4.3 Cost of materials

TEUR	6,463
previous year TEUR	6,870

This consists mainly of expenses of TEUR 5,920 incurred by Helvetic Energy GmbH (previous year: TEUR 6,523) for the purchase of merchandise, as well as expenses of TEUR 543 (previous year: TEUR 347) for externally supplied electricity and other articles for operating solar and wind parks.

4.4 Personnel expenses

TEUR	6,299
previous year TEUR	5,910

In 2013, the Group employed an average of 67 people (previous year: 57), of whom 15 worked for Capital Stage AG, nine for Capital Stage Solar Service GmbH and 43 for Helvetic Energy GmbH.

A breakdown of management board remuneration is given in section 12 of the notes.

The wages and salaries include employee bonus expenses. Management bonus payments for the serving management board totalled TEUR 571 (previous year: TEUR 625).

Personnel expenses of TEUR 60 (previous year: TEUR 34) were recognized in the 2013 income statement (section 5.11) in connection with the share-based payment programme.

TEUR	2013	2012
Salaries	5,805	5,474
Personnel expenses, share-based payment	60	34
Other personnel expenses	10	0
Social security expenses	424	402
Total	6,299	5,910

4.5 Other expenses

TEUR	8,808
previous year TEUR	14,516

Type of expense in TEUR	2013	2012
Due diligence and expert advice	771	274
Legal and tax advice	264	108
Expenses for the valuation and sale of financial investments (from 2013 in financial result)	0	8,527
Drawing up and auditing financial statements	198	116
Publications and annual general meeting	183	149
Investor relations and designated sponsoring	121	123
Premises costs	633	414
Costs of solar parks and wind farms	4,435	2,622
Costs of ongoing business operations	1,700	2,059
Land taxes and motor vehicle taxes	34	35
Local property tax	278	8
Miscellaneous	191	81
Total	8,808	14,516

The other operating expenses mainly comprise the costs of operating the parks; acquisition and administration costs; stock exchange listing costs; legal, tax consultation and auditing costs; and general administration costs such as premises costs, travel costs, insurance, advertising costs, telecommunications, vehicle costs and supervisory board remuneration. The solar and wind park costs include incidental acquisition costs incurred during the acquisition of the parks which cannot be capitalized and general costs of constructing the plants, as well as insurance and lease expenses. The costs of ongoing business operations include items such as the other operating expenses of Helvetic Energy.

4.6 Depreciation and amortization

TEUR	18,733
previous year TEUR	13,183

This item includes amortization of intangible assets (TEUR 3,896; previous year: TEUR 2,515) and depreciation of property, plant and equipment (TEUR 14,837; previous year: TEUR 10,668). The amortization of intangible assets (TEUR 3,812; previous year: TEUR 2,394) is mainly attributable to the amortization of electricity feed-in contracts and project rights. The depreciation of property, plant and equipment mainly relates to energy generating systems (TEUR 14,666; previous year: TEUR 10,552).

No impairment losses were recorded in either 2013 or 2012.

4.7 Financial result

	TEUR	15,836
previous year	TEUR	11,051

This amount breaks down as follows:

TEUR	2013	2012
Income from financial investments	6	46
Interest income, time deposits and bank balances	1,034	629
Interest expense	-13,285	-11.728
Expenses for the valuation and sale of financial investments (until 2012 in other operating expenses)	-3,351	0
Earnings attributable to minority shareholders	-240	2
	-15,836	-11,051

4.8 Income from financial investments

The income from financial investments was generated by our holding in BlueTec GmbH & Co. KG. Earnings attributable to minority shareholders relate to the minority shareholders of Windkraft Sohland GmbH & Co. KG, Boreas Windfeld Greußen GmbH & Co. KG. and Windkraft Olbersleben II GmbH & Co. KG.

4.9 Taxes on income

	TEUR	-1,789
previous year	TEUR	-353

This ammount breaks down as follows:

TEUR	2013	2012
Earnings before taxes on income (EBT)	15,833	9,495
Expected taxes on income (30%)	-4,750	-2,848
Differences due to local tax rates and changes in tax rates	436	-10
Increase/reduction in corporation tax	130	n/a
Taxes from other periods	-97	-23
Effects of tax-free income	4,155	4,537
Tax effects of non-deductible operating expenses	-707	-2,502
Effects due to the use or impairment of loss carryforwards	-454	99
Other and compensatory tax effects	125	n/a
Other valuation differences	586	394
Other permanent differences	-963	n/a
Income taxes	-1,789	-353

With a current tax liability of TEUR 1,064 (previous year: TEUR 1,019) and a deferred tax liability of TEUR 725 (previous year: deferred tax asset of TEUR 666), the total tax expense recognized in the statement of comprehensive income was TEUR 1,789 (previous year: TEUR 353).

The recognition of deferred tax assets and liabilities within the Group takes into account the various different tax rates applying to individual Group companies, which include trade tax, corporation tax and the solidarity surcharge.

Under current German tax law, income from financial investments and proceeds from the sale of financial investments are tax exempt under certain circumstances. Thus the business activities of Capital Stage AG, to wit the holding and selling of financial investments in limited companies, are tax exempt except for a minimum tax rate of 5% on profits from the sale of shares in limited companies and on dividend income.

Deferred tax assets arising from the use of tax loss carry-forwards must be recognized if it is probable that existing loss carry-forwards may be offset against income.

The Group's provisional loss carry-forwards as of 31 December 2013 are TEUR 43,608 (previous year: TEUR 45,300) (trade tax) and TEUR 42,090 (previous year: TEUR 43,970) (corporation tax). Of these, TEUR 34,693 (previous year: TEUR 39,107) (trade tax) and TEUR 26,601 (previous year: TEUR 36,652) (corporation tax) will probably not be used within a reasonable period. Accordingly, no deferred tax assets have been recognized for these amounts.

Deferred tax assets and liabilities arise due to valuation differences in relation to the following balance sheet items:

Deferred taxes	2013		2012	
	Asset TEUR	Liability TEUR	Asset TEUR	Liability TEUR
Fixed assets	954	41,426	553	32,010
Liabilities	826	735	0	0
Tax loss carry-forwards	3,493		2,018	
Capital procurement costs			179	
Interest carry-forward	291			
Total	**5,564**	**42,161**	**2,750**	**32,010**
Offsetting	0	0	0	0
Balance sheet figures	**5,564**	**42,161**	**2,750**	**32,010**

4.10 Other comprehensive income

TEUR 53
previous year TEUR -48

Other comprehensive income relates exclusively to currency translation differences at the end of the period. They are reclassified to the income statement if part or all of the foreign operation is sold.

5. Notes to the consolidated balance sheet

5.1 Intangible assets

TEUR 91,426
previous year TEUR 69,323

Intangible asset developments are set out in the statement of changes in fixed assets. The intangible as-sets mainly comprise project rights as well as rights deriving from the electricity feed-in contracts amounting to TEUR 90,687 (previous year: TEUR 68,901). Electricity feed-in contracts are amortized over 15 to 30 years, in line with the useful lives of photovoltaic plants and the existing land leases. Project rights are amortized over 20 years.

No impairment losses were recognized on intangible assets in either 2013 or 2012. Details of assets provided as collateral are given in subsection 3.18. There are no contractual obligations to acquire intangible assets, nor have any significant non-current assets been sold.

During the current financial year, research and development costs of TEUR 29 are recognized as expenses.

5.2 Goodwill

TEUR	6,827
previous year TEUR	6,888

The goodwill mainly derives from the acquisition of a 100% shareholding in Helvetic Energy GmbH and Capital Stage Solar Service GmbH respectively. The goodwill is subject to regular (at least annual) impairment testing.

Impairment testing of the acquired goodwill is performed on the basis of the prospective free cash flow of the respective cash-generating units (CGUs). The CGUs are identical to the corresponding legal units. The payments anticipated on the basis either of long-term contracts or expectations based on past business performance are discounted by using a risk-weighted interest rate (WACC). For the value-in-use calculation, the discount rate for the five-year detail planning period up to 31 December 2013 was between 5.15% and 8.75% (previous year: between 5.40% and 8.37%).

A growth rate of 1% was assumed for the perpetual annuity.

The cash inflows determined by this method are compared with the carrying amounts, including goodwill, of the respective CGUs. There were no indications of impairment losses in either 2013 or 2012.

Since the discounted cash inflows of CGU Helvetic and CGU Capital Stage Solar Service GmbH show a surplus of TEUR 32,690 over their total carrying amounts, including goodwill, we did not perform a sensitivity analysis. However, neither a 0.5% increase in the WACC nor a 10% reduction in the forecast discounted cash flows would result in an impairment of goodwill.

5.3 Property, plant and equipment

TEUR	408,120
previous year TEUR	317,127

Developments in property, plant and equipment are set out in the statement of changes in non-current assets. Property, plant and equipment consist of energy generation installations (TEUR 407,703; previous year: TEUR 314,829), installations under construction (TEUR 9; previous year: TEUR 1,794) and other equipment (TEUR 408; previous year: 504).

Developments in property, plant and equipment under finance leases are as follows:

TEUR	2013	2012
Costs of acquisition		
As of 1 January	22,278	22,278
Additions	0	0
Disposals	0	0
As of 31 December	**22,278**	**22,278**
Depreciation and amortisation		
As of 1 January	2,372	1,135
Additions	1,238	1,237
Disposals	0	0
As of 31 December	**3,610**	**2,372**
Book value 31 December	**18,668**	**19,906**

No impairment losses were recognized on property, plant and equipment in either 2013 or 2012. Details of assets provided as collateral are given in subsection 3.18. There are no contractual obligations to acquire property, plant or equipment, nor have any significant non-current property, plant and equipment assets been sold.

5.4 Financial assets

TEUR	7,785
previous year TEUR	3,049

Financial investments consist mainly of loans and interest to a solar park in Italy, which was only acquired effectively in 2014 (TEUR 7,778). The financial investments also include equity interests in BlueTec GmbH & Co. KG (15.0% shareholding) and Eneri PV Service S.r.l., Bolzano, Italy, (49% shareholding; equity as of 31 December 2012: TEUR 25; 2013 earnings: TEUR 23).

The financial investment in BlueTec GmbH & Co. KG was written down to a residual value of EUR 1.00 as of the reporting date following an impairment test.

The financial investments changed as follows:

TEUR	2013	2012
As of 1 January	3,049	11,600
Additions	8,087	0
Disposals	0	-8,551
Valuation changes	-3,351	0
As of 31 December	7,785	3,049

5.5 Other receivables (non-current)

TEUR	4,523
previous year TEUR	1,983

This item includes long-term encroachment easements (Überbaurechte) and advance payments for leases. TEUR 1,116 (previous year: TEUR 456) of the total has remaining terms of between two and five years and TEUR 3,406 (previous year: TEUR 1,385) has remaining terms of over five years.

5.6 Inventories

TEUR	2,055
previous year TEUR	2,451

The inventories consist of goods. During the reporting year, impairment losses of TEUR 10 (previous year: TEUR 4) were recognized. In the financial year, the cost of materials for inventories came to TEUR 6,463 (previous year: TEUR 6,870). No collateral was provided.

5.7 Trade receivables

TEUR	4,517
previous year TEUR	3,150

The receivables are recoverable and due in the short term. No impairments were required as of the balance sheet date, and there were no overdue receivables on that date.

5.8 Other current assets

TEUR	6,715
previous year TEUR	14,058

Other current assets break down as follows:

TEUR	2013	2012
Non-financial assets	3,084	1,355
Other curent receivables	3,631	12,703
	6,715	14,058

Other current assets are carried at their fair values. No impairments were required as of the balance sheet date.

The non-financial assets of TEUR 3,084 mainly comprise transaction tax reimbursement claims of TEUR 2,675 (previous year: TEUR 1,055) and VAT tax credits not yet received or not yet due for payment. The corresponding VAT tax credits of TEUR 409 have been paid in 2014.

The other current receivables mainly comprise advance payments for the acquisition of additional solar parks of TEUR 871 (previous year: TEUR 10,780) and prepaid expenses of TEUR 2,370 (previous year: TEUR 1,749).

5.9 Cash and cash equivalents

	TEUR	55,659
previous year	TEUR	34,238

The cash and cash equivalents consist exclusively of cash and bank balances. They include TEUR 18,635 (previous year: TEUR 15,773) in capital servicing and project reserves which serve as collateral for the solar parks' lending banks and can only be used in agreement with the lending banks for the respective companies. Pursuant to IAS 7, movements in cash and cash equivalents are shown in the cash flow statement. Details of assets provided as collateral are given in subsection 3.18.

5.10 Equity

	TEUR	207,401
previous year	TEUR	130,262

Developments in equity are detailed in the consolidated statement of changes in equity.

On 26 February 2013, acting on the basis of the authorization granted by the annual general meeting on 20 June 2012 and with the approval of the supervisory board, the management board of Capital Stage AG decided on a capital increase with no shareholders' subscription rights, using part of Authorized Capital 2012. The company's equity was thereby increased from EUR 48,810,000.00 by EUR 4,163,158.00 to EUR 52,973,158.00 via the issue of 4,163,158 new no-par-value bearer shares each representing a EUR 1.00 share of the equity, in return for cash contributions based on an issue price of EUR 3.80 per share. The capital increase was entered in the Company Register on 27 February 2013.

In the period from 1 February 2013 to 18 June 2013, a total of 510,000 shares were issued on the basis of the increase in conditional capital (Conditional Capital I) voted at the shareholders' meeting held on 31 May 2007.

On 18 June 2013, acting on the basis of the authorization granted by the annual general meeting on 20 June 2012 and with the approval of the supervisory board, the management board of Capital Stage AG decided on a further capital increase with no shareholders' subscription rights, using part of Authorized Capital 2012. The company's equity capital was thereby increased, utilizing part of the authorized capital, by EUR 676,841.00 from EUR 53,073,158.00 to EUR 53,749,999.00 via the issue of 676,841 new no-par-value bearer shares, each representing a EUR 1.00 share of the equity capital, in return for cash contributions based on an issue price of EUR 3.80 per share. The capital increase was entered in the Company Register on 20 June 2013.

In the period of 1 July 2013 to 31 August 2013, a total of 315,000 shares were issued on the basis of the increase in conditional capital (Conditional Capital I) voted at the shareholders' meeting held on 31 May 2007.

On 8 October 2013, the management board voted with the approval of the supervisory board to carry out a capital increase from authorized capital for subscription in cash. New bearer shares totalling 13,516,249 were issued on the basis of the authorization given by the shareholders' meeting of Capital Stage AG held on 18 June 2013. Share capital was increased to EUR 67,581,248.00.

The capital increase was entered in the Company Register on 11 October 2013.

Altogether, the company received gross proceeds of some EUR 49.3 million from the issue.

In the period of 1 November 2013 to 31 December 2013, a total of 160,000 shares were issued on the basis of the increase in conditional capital (Conditional Capital I) voted at the shareholders' meeting held on 31 May 2007.

All new shares are entitled to participate in the profits from 1 January 2013 onwards.

Authorized capital

As of the reporting date 31 December 2013 and following the partial use of the authorization granted at the shareholders' meeting held on 18 June 2013, the management board was still authorized, subject to the approval of the supervisory board, to increase the equity capital of the company by up to EUR 13,020,330.00 on or before 17 June 2018 through the single or multiple issue of up to 13,020,330 new no-par-value bearer shares for subscription in cash and/or in kind (Authorized Capital 2013). All shareholders are entitled to subscription rights. The new shares may also be issued to one or more credit institutes or other companies named under section 186 paragraph 5 sentence 1 of the AktG with the obligation that they be offered to shareholders (indirect subscription right) or partly by way of a direct subscription right (for instance, to eligible shareholders who have previously given an irrevocable subscription guarantee) and in any case by way of indirect subscription rights pursuant to section 186 paragraph 5 of the AktG.

The management board is authorized, subject to the consent of the supervisory board and to further conditions, to exclude the subscription rights of shareholders.

The supervisory board is authorized to amend the wording of section 4 paragraphs 1 and 6 of the Articles of Association as appropriate to reflect the use of Authorized Capital 2013 either after the full or partial execution of the increase in share capital or, if some or all of Authorized Capital 2013 has not been used by 17 June 2018, after the expiry of the authorization period.

Conditional capital

In 2013, subscription rights were exercised for 985,000 company shares. Share capital is therefore now conditionally increased by up to EUR 1,535,000.00 from the issue of up to 1,535,000 no-par bearer shares (Conditional Capital I). However, the conditional capital increase will only be executed to the extent that holders of the share options granted by Capital Stage AG in the period up to 30 May 2012 pursuant to the enabling resolution passed by the annual general meeting on 31 May 2007 in connection with the 2007 share-based payment programme exercise their options to acquire company shares, and the company does not issue its own shares in fulfilment of options. The new company shares created through the exercise of these options participate in the profit from the start of the financial year for which, at the time of exercising the option, no AGM resolution had yet been passed concerning the appropriation of the distributable profit. The supervisory board is authorized to amend the wording of section 4 paragraphs 1 and 3 of the Articles of Association as appropriate to reflect the issue of option shares.

The share capital is conditionally increased by up to EUR 22,206,579.00 through the issue of up to 22,206,579 new no-par-value bearer shares, each representing EUR 1.00 of share capital (Conditional Capital II).

The conditional capital increase will only be implemented to the extent that holders of bonds with warrants or convertible bonds and parties who have conversion/option obligations from bonds with warrants or convertible bonds issued or guaranteed by the company or a direct or indirect 100% owned affiliate of the company before 17 June 2018, based on the resolution of the annual general meeting on 18 June 2013, exercise their option or conversion rights or, in the case of those obliged to exercise option or conversion rights, duly fulfil said obligation. The issue of new shares shall be made in accordance with the respective option or conversion price to be decided in accordance with the above resolution. The new shares participate in profits from the beginning of the financial year in which they are created through the exercise of option or conversion rights or the fulfilment of option or conversion obligations. The bonds with warrants or convertible bonds shall be offered to the shareholders for subscription. They can also be underwritten by a bank or a syndicate of banks with the obligation to offer them for subscription to shareholders. The management board is authorized, subject to the consent of the supervisory board and further conditions, to exclude the statutory subscription rights of shareholders.

The management board is authorized, subject to the consent of the supervisory board, to specify further details regarding the execution of a conditional capital increase. The supervisory board is authorized to amend the wording of section 4 paragraphs 1 and 4 of the Articles of Association as appropriate to reflect the degree of utilization of the Conditional Capital II either after the full or partial execution of the equity capital increase or, if some or all of the Conditional Capital II has not been drawn on by 17 June 2018, after the expiry of the authorization period.

Furthermore, the share capital is conditionally increased by up to EUR 2,320,000.00 through the issue of up to 2,320,000 no-par-value bearer shares (Conditional Capital III). With the consent of the supervisory board, the management board is authorized by 19 June 2017 (inclusive), pursuant to the specific provisions laid down in AOP 2012, to grant up to 2,320,000 share options on company shares with a term of up to seven years, whereby each share option confers the right to acquire one share in the company.

These share options are designated exclusively for members of the management board, as well as selected senior management personnel and other high-performing company personnel. With respect to members of the company's management board, the supervisory board has the sole right to grant share options. The share options may also be assigned to a bank, on the proviso that the bank is required on the company's instructions to transfer the options to their designated beneficiaries, who are the sole parties entitled to exercise the options in question. Shareholders do not have any option rights (with respect to Conditional Capital III). The conditional capital increase will only be executed to the extent that holders of the options to acquire company shares duly exercise their option rights, and the company does not furnish its own shares in fulfilment of said options. The new shares participate in profits from the beginning of the financial year in which they are created through exercise of the option. The supervisory board is authorized to amend the wording of section 4 paragraphs 1 and 5 of the Articles of Association as appropriate to reflect the issue of option shares.

The consolidated distributable profit is determined as follows:

TEUR	31.12.2013	31.12.2012
Consolidated profit for the year after third-party holdings	13,368	8,579
Profit carried forward	32,388	15,718
Withdrawal from retained earnings	3,705	10,000
Dividend distribution	-3,913	-1,909
Consolidated distributable profit	45,548	32,388

The capital reserve of TEUR 85,680 stems from the increase in share capital of TEUR 2,520 entered in the Company Register on 28 January 2002 and from the share premium received on the capital increases carried out in 2010 (TEUR 2,464), 2011 (TEUR 12,194), 2012 (TEUR 20,488) and 2013 (TEUR 48,014).

In the reporting period, the management board of Capital Stage AG withdrew TEUR 3,705 from retained earnings. Retained earnings correspond to other retained earnings in the financial statements of the Capital Stage AG and ammount to the balance sheet date TEUR 0 (previous year: TEUR 3,705).

The currency adjustment item of TEUR -106 relates exclusively to currency translation from Swiss francs to euros in relation to the Swiss subsidiaries. The minority interests relate to third-party shareholdings in Solarpark Brandenburg GmbH and Parco Eolico Monte Vitalba S.r.l.

Capital management

The aim of our capital management is to ensure that the Group can meet its financial obligations. The Group's long-term goal is to increase the value of our enterprise. On the balance sheet date, the Group had an equity ratio of 34.96% (previous year: 28.63%).

The following table shows the Group's equity, equity ratio and cash and cash equivalents.

	31.12.2013	31.12.2012
Equity in TEUR	207,401	130,262
Equity ratio in %	34.96	28.63
Cash and cash equivalents in TEUR	55,659	34,238

5.11 Share-based payment

To enable Capital Stage AG to grant share options as remuneration components with a long-term incentive effect, on 31 May 2007, the annual general meeting of Capital Stage AG decided to conditionally increase the company's equity capital by up to EUR 2,520,000.00 through the issue of up to 2,520,000 no-par-value bearer shares (Conditional Capital I). The purpose of Conditional Capital I is to safeguard the subscription rights attached to the share options issued during the period from 1 June 2007 to 30 May 2012 pursuant to the authorization resolution of the Capital Stage AG annual general meeting on 31 May 2007 in connection with the share-based payment programme 2007 (AOP2007). The parties entitled to subscribe are the members of the Capital Stage AG management board, selected senior management personnel and other high-performing company personnel.

When the AOP2007 expired, a new share-based payment programme (AOP2012) was adopted and Conditional Capital III was created at the shareholders' meeting held on 20 June 2012.

Options were offered in 2008, 2009, 2010, 2011, 2012 and 2013. One option entitles its holder to subscribe to one Capital Stage AG no-par-value bearer share with voting rights. The option holder is entitled to exercise these options either individually or as a whole.

In 2013, 985,000 options were exercised, of which 540,000 by management board members. In the reporting period, 200,000 options expired, all of which were options held by management board members. As of the reporting date, the number of outstanding options had therefore gone down from 2,045,000 the previous year to 860,000, of which 620,000 are for members of the management board. As of the reporting date 31 December 2013 and as of the publication date, only 175,000 options from the AOP2007 can be exercised, because the vesting period for the final tranche runs until 31 March 2014.

To create long-term incentives, the subscription rights attached to the share options cannot be exercised until after the expiry of a vesting period. There is a vesting period of two years for the AOP2007 and of four years for the AOP2012. The subscription price (exercise price) for both programmes is the arithmetic mean of the closing price of Capital Stage AG shares in Xetra trading on the Frankfurt Stock Exchange (or a comparable successor system) on the last five trading days preceding the date on which the options are granted. A condition for the exercise of subscription rights is that the performance target has been met. The performance target for the AOP 2007 has been achieved if the price of shares in Capital Stage AG in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange exceeds the exercise price by at least 25% during the ten trading days preceding the date on which the subscription rights are exercised. The performance target for the AOP 2012 has been achieved if the price of shares in Capital Stage AG in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange exceeds the exercise price by at least 30% during the ten trading days preceding the date on which the subscription rights are exercised. The applicable exercise period is deemed to be the period in which the relevant subscription rights may first be exercised, the performance target having been reached or exceeded.

Share-based payment programme 2007 (AOP2007)

On 1 April 2008, 24 June 2009, 1 April 2010, 17 June 2011 and 1 April 2012, the following share options were granted under the share-based payment programme for 2007:

Year of distribution	2012	2011	2010	2009	2008
No. of shares on 1 Jan. (of the respective fiscal year)	1,360,000	1,010,000	1,085,000	1,010,000	0
Exercise period	01.04.2014 – 31.03.2017	17.06.2013 – 16.06.2016	01.04.2012 – 31.03.2015	24.06.2011 – 23.06.2014	01.04.2010 – 31.03.2013
Base price (employees)	EUR 3.08	EUR 2.22	EUR 1.96	EUR 1.97	EUR 1.87
Base price (board members)	EUR 3.08	EUR 2.22	EUR 1.96	EUR 1.97	EUR 2.20
Exercise price on issue (employees)	EUR 3.85	EUR 2.78	EUR 2.45	EUR 2.46	EUR 2.34
Exercise price on issue (board members)	EUR 3.85	EUR 2.78	EUR 2.45	EUR 2.46	EUR 2.75
Options offered	685,000	350,000	150,000	450,000	1,010,000
Offers accepted	685,000	350,000	150,000	450,000	1,010,000
Lapsed options	0	0	225,000	375,000	0
No. of shares on 31 Dec. (of the respective fiscal year)	2,045,000	1,360,000	1,010,000	1,085,000	1,010,000
Exercisable as of 31 Dec. (of the respective fiscal year)	1,010,000	860,000	0	0	0

Share-based payment programme 2012 (AOP2012)

On 21 March 2013, a total of 600,000 share options were issued as part of the AOP2012, of which 300,000 were for management board members:

Year of distribution	2013
No. of shares on 1 Jan. (of the respective fiscal year)	0
Exercise period	22.03.2017-21.03.2020
Base price (employees)	EUR 3.81
Base price (board members)	EUR 3.81
Exercise price on issue (employees)	EUR 4.95
Exercise price on issue (board members)	EUR 4.95
Offers accepted	600,000
Lapsed options	0
No, of shares on 31 Dec. (of the respective fiscal year)	600,000
Exercisable as of 31 Dec. (of the respective fiscal year)	0

Pursuant to IFRS 2, the share options are recognized in the balance sheet at their fair value, whereby fair value is then recognized as personnel expenses over the vesting period. Accordingly, the options must be valued on their issue through the use of a suitable model which takes into account the capital-market-oriented characteristics of the options. Non-capital-market-oriented characteristics, such as the vesting period, must be reflected by taking into account anticipated fluctuations in employee numbers. The total value arrived at on the basis of the option's value and the estimated number of options still exercisable at the end of the vesting period must be distributed pro rata over the vesting period and recognized in the income statement as personnel expenses. The anticipated fluctuation rates are based on those experienced over recent years.

The options issued in 2013 were valued using a binomial option price model on the basis of a price per share of EUR 3.81 on the date of issue. Where relevant, the expected option period applied by the model was adjusted on the basis of the management's best estimates in respect of the effect of their non-transferability, exercise restrictions and the probability of the market conditions connected to the options actually transpiring, as well as assumptions relating to the beneficiaries' exercise behaviour. The calculations are based on anticipated volatility of 30.0%, an assumption based on the historic volatility one year prior to issue.

Further assumptions made were a risk-free interest rate of 1.00% p.a. as well as an exercise price on issue of EUR 4.95. The liquidity inherent in the Capital Stage AG share was compared with the liquidity within the peer group of Capital Stage AG. Due to the substantially lower liquidity of the shares, a discount of the option value was applied.

Personnel expenses of TEUR 39 (previous year: TEUR 0) from the AOP2012 and of TEUR 21 (previous year: TEUR 5) from the AOP2007 were recognized in the income statement for 2013. In subsequent years the programme is expected to entail recognition of personnel expenses of a further TEUR 172, with the actual amount depending on fluctuations in the number of beneficiaries between now and the end of the vesting period. The weighted mean fair value on the balance sheet date of the share options granted in 2013 was EUR 0.93 (previous year: EUR 0.85). The weighted mean fair value of all share options in existence on 31 December 2013 was EUR 0.07 (previous year: EUR 0.01).

5.12 Liabilities, provisions and financial liabilities

TEUR	343,630
previous year TEUR	292,745

Type of liability	Total amount	Remaining term up to one year	Remaining term one to five years	Remaining term over five years
	TEUR	TEUR	TEUR	TEUR
Trade payables (previous year)	2,119 (2,107)	2,119 (2,107)	0 (0)	0 (0)
Other current debt (previous year)	5,135 (4,639)	5,135 (4,639)	0 (0)	0 (0)
Other non-current debt (previous year)	1,758 (0)	0 (0)	727 (0)	1,031 (0)
Financial liabilities (previous year)	312,200 (263,775)	22,028 (17,354)	90,984 (50,932)	199,188 (195,489)
Leasing liabilities (previous year)	18,761 (19,617)	888 (1,746)	3,884 (5,484)	13,989 (12,387)
Tax provisions (previous year)	904 (913)	904 (913)	0 (0)	0 (0)
Other provisions for restoration obligations (previous year)	2,752 (1,694)	0 (0)	0 (0)	2,752 (1,694)
Total liabilities (previous year)	343,629 (292,745)	31,074 (26,759)	95,595 (56,416)	216,960 (209,570)

The trade payables mainly relate to invoices from suppliers received by individual solar parks and wind farms. These invoices are paid at the beginning of the following year.

Neither during the current nor the previous financial year were any conditional lease payments made (e.g. stepped rent). No options are in place to extend existing contracts.

The carrying amounts of current financial liabilities and other liabilities reflect their market value.

In assessing the extent of our restoration obligations, there is a small degree of uncertainty which relates exclusively to the amount of the corresponding provision. This results from the fact that the date of the required restoration work on the energy generation installation is fixed by the term of the lease. In determining the actual restoration costs, an average inflation rate of 2% has been assumed. The provisions are accreted to their present value on an annual basis. No provisions for restoration were reversed or used in 2013. The expenses for accrued interest on the provisions were TEUR 68 in 2013 (previous year: TEUR 4).

Other current liabilities break down as follows:

TEUR	31.12.2013	31.12.2012
Personnel and social security liabilities	4	1
Outstanding invoices	2,248	1,742
Other taxes	1,243	266
Accruals and deferred income	1,175	1,284
Miscellaneous	465	1,346
Total	5,135	4,639

The finance lease liabilities break down as follows:

	Minimum lease payments		Present value of minimum lease payments	
	31.12.2013 TEUR	31.12.2012 TEUR	31.12.2013 TEUR	31.12.2012 TEUR
Remaining term up to one year	1,552	1,552	888	1,746
Remaining term one to five years	6,207	6,207	3,884	5,484
Remaining term over five years	17,020	18,572	13,989	12,387
	24,779	26,331	18,761	19,617
Less financing costs	-6,018	-6,714		
Present value of minimum lease payments	18,761	19,617	18,761	19,617
Of which current liabilities			888	1,746
Of which non-current liabilities			17,873	17,871

6. Additional disclosures related to financial assets and liabilities

Category of financial instrument	Level Input	31.12.2013 in TEUR	31.12.2012 in TEUR
Financial assets			
Cash, cash equivalents and bank balances (including cash, cash equivalents and bank balances consisting in a disposal group held for sale)	2	55,659	34,238
Held for trading purposes (interest rate swaps)	2	-1,652	-2,129
Designated to be carried at fair value	3	6	3,050
Loans and receivables	2	12,301	35,159
Financial liabilities			
Financial liabilities measured at their amortized cost	3	330,178	288,402

The fair values of the designated financial assets and liabilities shown, for which only fair value is shown in the table, are measured in levels 2 and 3 in accordance with generally acknowledged valuation methods based on discounted cash flow analyses. The main input parameter is the discount rate, which also reflects the credit risk of the counterparty.

The financial instruments held are assigned to the following category on the basis of their risk structure, term and recoverability, as well as their treatment for risk management purposes and the nature of their measurement.

Carried at fair value (designated financial investments)

The financial investments measured at fair value through profit or loss comprise the investments in BlueTec GmbH & Co. KG and Eneri PV Service S.r.l. The financial investments were assigned to the IAS 39 category 'measured at fair value through profit or loss' due to the unified monitoring of the financial instruments via the risk management system and the appraisal of their performance on the basis of fair value.

With the exception of the interest rates, the financial investments carried at fair value in the consolidated balance sheet (and the disclosures on the fair values of financial instruments) are based on the level-three information and input factors referred to section 3.10. Changes in fair value are recognized through profit or loss in the financial result. Non-observable input factors are described below (in particular WACC and cash flows).

To counteract the estimation uncertainty in the WACC, sensitivity analysis was performed. The aim of the sensitivity analysis was to examine the effect of a 0.5% increase or decrease in the WACC on the measurement of company value.

Reducing the WACC by 0.5% would have had no effect on the fair value recognized through profit or loss. An increase in the WACC of 0.5% would also have had no effect, because the valuation has already been adjusted.

The value of the investments is measured every six months using the discounted cash flow method (DCF). In the DCF analysis, the forecast free cash flows are discounted by a weighted interest rate (WACC) and net debt (interest-bearing liabilities less freely available cash and cash equivalents) is then deducted. The resulting figure reflects the economically justified value of the company.

The forecast free cash flows can be taken from the budgeted balance sheets and income statements, and their plausibility can then be checked against available sources of objective information, such as market, industry and sectoral studies, before making any necessary adjustments.

The application of the above-mentioned measurement methods resulted in one impairment in fair value as of 31 December 2013, amounting to TEUR 3,351 (previous year: TEUR 0). An amount of TEUR 6 remains for the financial investment in Eneri PV Services S.r.l.

Essentially, the maximum risk associated with the financial instruments corresponds with their balance sheet carrying amounts. The maximum risk generally results from the financial assets, since the investments are not assets which can readily be disposed of at short notice.

The financial investments are companies operating in the renewable energy sector. However, this does not give rise to a concentration of risk in this sector, given that the renewable energy/environmental technology industry is composed of several sub-sectors, and the Group's financial investments are not concentrated in a single one of these. The sector's development is discussed in detail in the management report, and the associated risks are detailed in the risk report.

The following table shows the net profits and losses from the financial instruments recognized in the consolidated statement of comprehensive income:

	31.12.2013 EUR	31.12.2012 EUR
Financial assets measured at fair value	-3,345	46
Interest swaps held for trading purposes	712	-416
Total net profits	**-2,633**	**-370**

The net losses on financial assets held at fair value through profit or loss include market-related changes in value (TEUR -2,639; previous year: TEUR-416) and current income (TEUR 6; previous year: TEUR 46).

Held for trading purposes (interest rate swaps)

The interest rate swaps acquired along with the business combinations are carried at their fair values. They were classified as financial assets held for trading purposes, since they are derivatives which were not designed as hedging instruments but are effective as such and do not offer any financial guarantee.

The interest rate swaps carried in the consolidated balance sheet at their fair values, as well as the details of the fair values of financial instruments, are founded on the level-two information and input factors referred to section 3.10. Changes in fair value are recognized through profit or loss in the financial result.

In an interest rate swap, the Group exchanges fixed and floating interest payments calculated on the basis of agreed nominal amounts. Such agreements enable the Group to reduce the risk of changing interest rates on the fair value of issued fixed-interest debt instruments as well as the cash flow risk of issued variable-interest debt instruments.

The fair value of the interest rate swaps on the balance sheet date is determined by discounting future cash flows through application of both the interest structure curves on the balance sheet date and the credit risk of the contracts. This present value is given below.

The following table shows the nominal amounts and remaining terms of the interest rate swaps outstanding at the end of the reporting period:

Outstanding ‘receive floating/ pay fixed’ swaps	Weighted contracted fixed interest rates	Nominal amount	Fair value
	%	in TEUR	in TEUR
Less than one year			
One to two years	4.5	816	-61
Two to five years			
Over five years	2.61	36,810	-1,591
Total		37,626	-1,652

The interest rate swaps are settled semi-annually. The variable rate of the interest rate swaps is the six-month EURIBOR. The Group pays the fixed interest rate. A comparison with the previous year is not relevant, because some interest rate swaps were only consolidated for the first time in the reporting year. Two interest swaps also expired in the current year, and another interest rate swap was arranged with a different maturity.

Other financial assets

The other short-term financial assets recognized in the consolidated balance sheet have been assigned to the categories trade payables, cash and cash equivalents and other short-term receivables, as well as trade payables, financial liabilities and other short-term liabilities. The carrying values of the short-term financial assets or liabilities in question correspond to the amortized cost. These risk classes do not include any credit or default risks of significance for an appraisal of the Group’s assets and financial position, given that none of the receivables was either overdue or impaired, and indeed they were either already largely settled or securely invested (in the form of time deposits) at the time of drawing up the consolidated balance sheet. Accordingly, their carrying values essentially correspond to their fair values.

Loans and receivables

With the exception of the financial liabilities, the financial instruments measured at their amortized cost do not contain any hidden reserves or encumbrances, in view of which the carrying values of all other financial instruments shown in the balance sheet correspond to their fair values. There are no material credit or default risks, and no collateral is held for loans and receivables.

The total interest income and expenses for financial assets and liabilities carried at their amortized costs break down as follows:

	31.12.2013 TEUR	31.12.2012 TEUR
Interest income from financial assets measured at amortised cost (of which minority shares)	362 (43)	649 (20)
Interest expenses from financial assets measured at amortised cost (of which minority shares)	-13,565 (-283)	-11,330 (-18)
Net interest income or expenses	**-13,203**	**-10,681**

The total interest income primarily relate to fixed deposits and interest on bank balances.

Financial liabilities

The financial liabilities did not result in any liquidity risk since the Group holds cash or cash equivalents of TEUR 55,659 (previous year: TEUR 34,238), as well as ongoing cash flows from the solar parks and wind farms which can be expected to continue with a high degree of certainty, and which are ample to service the interest payments, principle repayments and financial liabilities as they fall due. The management board has final responsibility for liquidity risk management. To this end, it has established a suitable system for controlling short-, medium- and long-term financing and liquidity requirements. The Group manages liquidity risks by maintaining suitable reserves and through the ongoing monitoring of forecast and actual cash flows, as well as coordinating the maturity profiles of financial assets and liabilities.

The fair value of the financial liabilities and leasing liabilities amounts to EUR 344.1 million as of 31 December 2013 (previous year: EUR 280.7 million).

7. Notes to the consolidated cash flow statement

The cash flow statement is presented separately. The cash flow statement shows the changes in the Capital Stage Group's cash and cash equivalents. The cash funds meet the definition of cash and cash equivalents set out in the notes in relation to the main measurement principles. The cash flow statement has been prepared in conformity with IAS 7, classifying the changes in cash and cash equivalents into cash flows from operating, investing and financing activities. We are presenting the cash flow from operating activities using the indirect method.

The cash and cash equivalents consist exclusively of cash and bank balances. These include TEUR 18,635 (previous year: TEUR: 15,773) in capital servicing and project reserves which have been pledged as collateral to the solar parks' creditor banks and can only be used in agreement with the lending banks for the respective companies.

All interest payments are shown in the cash flow from financing activities. In 2013, interest payments of TEUR 12,648 (previous year: TEUR 10,502) were made. The cash flow from operating activities includes tax expenses of TEUR 398 (previous year: of TEUR 1,019).

8. Contingent liabilities and other obligations

Capital Stage Group had an obligation of TEUR 999 under rental agreements as of the reporting date.

Further obligations totalling TEUR 7 result from rental agreements for the Capital Stage Solar Service GmbH office premises and for office equipment rentals.

There are also standard leases which are classified pursuant to IAS 17.8 as operating leases. The leased items are capitalized by the lessor rather than the lessee. The sum of future minimum lease payments due to binding operating leases for the period from one year to five years amounts to TEUR 155. There are no lease payments presented in the category of over five years, because the longest contract expires by the end of March 2018. These disclosures are made in accordance with IAS 17.35.

	Other liabilities One year in TEUR	Other liabilities Two to five years in TEUR	Other liabilities Over five years in TEUR
Rental agreements	236	763	0
Leases	88	155	0
Commercial leases	767	3,345	17,066

Expenses of TEUR 95 (previous year: TEUR 84) were incurred in the reporting year from lease liabilities and of TEUR 947 (previous year: TEUR 594) for commercial leases and compensation for use.

9. Events after the balance sheet date

On 14 November 2013, Capital Stage AG acquired a solar park in Wolgast in Mecklenburg-West Pomerania. However, as the transaction is still subject to conditions precedent, the park has not yet been included in the consolidated balance sheet.

On 20 December 2013, Capital Stage AG acquired the solar park in Noceto in the province of Parma, which is part of the northern Italian region Emilia-Romagna. The park was first included in the consolidated balance sheet in January 2014, because the transfer of the shares and of effective control only took place in January 2014. Due to a lack of final information, no purchase price allocation could be made by the date of publication of the consolidated balance sheet, and as a result the, effect on the 2014 consolidated balance sheet cannot be foreseen.

On 27 and 28 February 2014, the management board of Capital Stage AG, with the approval of the supervisory board given the same day, decided to increase the company's share capital by EUR 4,698,158.00, from EUR 67,741,248.00 to EUR 72,439,406.00, by issuing 4,698,158 new bearer shares for subscription in cash without subscription rights for shareholders. The new shares have dividend rights from 1 January 2013 onwards. The capital increase was carried out in full at a price of EUR 3.65 per share. Share capital is now EUR 72,439,406.00, divided into 72,439,406 no-par shares. The capital increase was entered in the commercial register of the Hamburg district court on 3 March 2014.

On 6 March 2014, Capital Stage AG acquired a portfolio of solar parks with a capacity of around 40 MW from the Hamburg-based investment company Aquila Capital. The portfolio consists of four solar parks in the Aquitaine region of south-west France. They have been in operation since March 2012. Due to a lack of final information, no purchase price allocation could be made by the date of publication of the consolidated balance sheet, and as a result the, effect on the 2014 consolidated balance sheet cannot be foreseen. Total assets and earnings are expected to increase sharply, but the increase cannot yet be quantified.

Capital Stage AG will be included in the Deutsche Börse SDAX index with effect from 24 March 2014. This was announced by the indices working group on 5 March 2014 after its regular meeting. The SDAX consists of 50 companies from classical sectors which come after the companies listed in the MDAX index in terms of market capitalization and stock market turnover. The composition of the SDAX is reviewed every quarter by the share indices working group. One condition for inclusion in the SDAX is a listing in the Prime Standard, the Deutsche Börse market segment in which companies must comply with defined international transparency requirements. Capital Stage switched to the Prime Standard on 5 March 2013.

According to the federal government's current timetable, the draft of the amended EEG should be adopted by the cabinet shortly, and the new EEG should come into force in the second half of 2014. The amendments to the EEG are intended to increase renewable energies as a proportion of total electricity sales to 40–45% by 2025, and to 55–60% by 2035, while curbing price increases at the same time. A draft of the new legislation was presented after the reporting period had come to an end; it aims in particular for a concentration on photovoltaic and onshore wind energy as the cheaper sources of renewable energy. An 'expansion corridor' is also intended to manage the additional capacity installed every year more precisely.

There were no other significant events after the end of the 2013 financial year.

10. Transactions with related parties

The existing rental contract with Albert Büll, Dr. Cornelius Liedtke GbR in Holzhafen for office space for Capital Stage AG was extended in 2013 to include underground car parking spaces in the building where the offices are situated. The transactions were carried at market values.

11. Earnings per share

The weighted average number of ordinary shares used in calculating the diluted earnings per share was calculated as following from the weighted average number of ordinary shares used in calculating the basic earnings per share:

	31.12.2013 (pieces)	31.12.2012 (pieces)
Weighted average number of the calculation of the basic earnings per share	55,912,956	46,793,849
Shares assumed to have been issued for no consideration		
Employee options	11,122	135,100
Weighted average number of the calculation of the diluted earnings per share	55,924,078	46,928,949

12. Management board

The Capital Stage AG management board chairman is Felix Goedhart (Hamburg).
The other management board member is Dr Zoltan Bognar.

Details of their membership in other supervisory and advisory boards:

Felix Goedhart: Gottfried Schultz GmbH & Co. KG, Ratingen, administrative board member
Gottfried Schultz AG in Gründung, supervisory board member since October 2013
BlueTec GmbH & Co. KG, Trendelburg, advisory board member
Calmatopo Holding AG, Flurlingen, Switzerland, president of the administrative board

Management board remuneration during 2013 came to TEUR 1,215. This amount breaks down as follows:

in EUR	Fixed remuneration	Performance-related Remuneration	Components with long-term incentive character
Felix Goedhart	341,864.78	421,309.83	9,800.41
Dr Zoltan Bognar	282,447.98	150,000.00	9,800.41

The performance-related payments consist of a bonus for Dr Bognar for 2012 and a provision for the performance-related bonus for 2013 for Mr Felix Goedhart.

The components with long-term incentive character are made up of the fair value at the time they were granted of 300,000 (previous year: 360,000) share options granted to the management board by the supervisory board.

Previous year:

in EUR	Fixed remuneration	Performance-related Remuneration Financial years 2011 & 2012	Components with long-term incentive character
Felix Goedhart	281,308.18	200,000.00 275,000.00	1,431.54
Dr Zoltan Bognar	257,208.72	150,000.00	1,431.54

13. Supervisory board

Chairman:	Dr Manfred Krüper, independent management consultant, Essen
Deputy chairman:	Alexander Stuhlmann, independent management consultant, Hamburg
Other members:	Dr Cornelius Liedtke, a partner in the Büll & Liedtke Group, Hamburg Albert Büll, a partner in the Büll & Liedtke Group, Hamburg Dr Jörn Kreke, entrepreneur, Hagen Professor Fritz Vahrenholt, independent management consultant, Hamburg

Membership in other supervisory and advisory boards:

Dr Manfred Krüper:	Coal & Minerals GmbH, Düsseldorf, supervisory board chairman Power Plus Communication GmbH, Mannheim, supervisory board chairman Caterpillar Europe GmbH, Lünen, deputy supervisory board chairman until March 2013 Odewald & Cie, Berlin, advisory board member EQT Partners Beteiligungsberatung GmbH, Munich, Senior Advisor EEW Energy from Waste GmbH, Helmstedt, member of the supervisory board
Alexander Stuhlmann:	alstria office REIT AG, Hamburg, supervisory board chairman Euro-Aviation Versicherungs-AG, Hamburg, supervisory board chairman HCI Capital AG, Hamburg, chairman of the supervisory board since April 2013, member of the supervisory board until April 2013 LBS Bausparkasse Schleswig-Holstein-Hamburg AG, Hamburg, supervisory board member Otto Dörner GmbH & Co. KG, Hamburg, advisory board chairman, until 30 September 2012 Frank Beteiligungsgesellschaft mbH, Hamburg, advisory board chairman Siedlungsbaugesellschaft Hermann and Paul Frank mbH & Co. KG, Hamburg, advisory board chairman Studio Hamburg Berlin Brandenburg GmbH, Berlin, advisory board member Ludwig Görtz GmbH, Hamburg, administrative board member HASPA Finanzholding, Hamburg, member of the board of trustees
Dr Cornelius Liedtke:	GL Aktiengesellschaft, Hamburg, supervisory board member Dichtungstechnik G. BRUSS GmbH & Co. KG, Hoisdorf, advisory board member
Albert Büll:	Verwaltung URBANA Energietechnik AG, Hamburg, supervisory board member Verwaltung Kalorimeta AG, Hamburg, supervisory board member Kalorimeta AG & Co.KG, Hamburg, advisory board chairman URBANA Energietechnik AG & Co.KG, Hamburg, advisory board chairman Dichtungstechnik G. BRUSS GmbH & Co. KG, Hoisdorf, advisory board member HSBC Trinkaus & Burkhardt AG, Düsseldorf, administrative board member
Dr Jörn Kreke:	Douglas Holding AG, Hagen, Westphalia, supervisory board chairman Deutsche Euroshop AG, Hamburg, supervisory board member until June 2013 Kalorimeta AG & Co. KG, Hamburg, advisory board member URBANA Energietechnik AG & Co. KG, Hamburg, advisory board member
Professor Fritz Vahrenholt	RWE Innogy GmbH, Essen, supervisory board chairman RADAG, Laufenburg, supervisory board chairman until February 2013 Aurubis AG, Hamburg, supervisory board member Novatec Solar GmbH, Karlsruhe, supervisory board member Putz & Partner Unternehmensberatungs AG, Hamburg, supervisory board member Körber-Stiftung, Hamburg, advisory board member Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e.V., Munich, member of the senate Akademie der Technikwissenschaften, Berlin, member Bilfinger Venture Capital, Mannheim, advisory board member since March 2013

The total remuneration paid to supervisory board members for their activities was TEUR 223 (a figure equal to the remuneration approved by the 2013 annual general meeting for the 2012 financial year, plus value added tax).

14. Corporate governance

The declaration of conformity with the Corporate Governance Code pursuant to section 161 of the AktG has been made and is permanently available for inspection by shareholders on the company website.

15. Auditor's fee

The fee charged by the auditors for their services up to 31 December 2013 was TEUR 117. In addition to the audit of the financial statements mentioned above, further expenses of TEUR 294 are recognized in the financial statements for other certification services provided including expenditures incurred insurance premium by the auditors.

16. Notification requirements

During the period from 1 January 2013 to 20 March 2014, Capital Stage AG received the following disclosures pursuant to section 21 paragraph 1 or paragraph 1a of the WpHG.

Pursuant to section 21 paragraph 1 of the WpHG, WGZ BANK AG Westdeutsche Genossenschafts-Zentralbank has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by WGZ BANK AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, Germany, on 27 February 2013 exceeded the thresholds of 3% and 5%, on that date amounting to 7.859% (4,163,160 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, WGZ BANK AG Westdeutsche Genossenschafts-Zentralbank has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by WGZ BANK AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, Germany, on 7 March 2013 fell short of the thresholds of 5% and 3%, on that date amounting to 0.000% (2 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Dr. Liedtke Vermögensverwaltung GmbH has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Dr. Liedtke Vermögensverwaltung GmbH, Hamburg, Germany, on 7 March 2013 exceeded the 10% threshold, on that date amounting to 10.32% of the voting rights (5,469,186 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Beteiligungsgesellschaft mbH has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Beteiligungsgesellschaft, Hamburg, Germany, on 7 March 2013 fell short of the thresholds of 15%, 10% and 5%, on that date amounting to 4.61% of the voting rights (2,442,981 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Holding GmbH & Co. KG has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, on 7 March 2013 fell short of the 15%, 10% and 5% thresholds, on that date amounting to 4.61% of the voting rights (2,442,981 voting rights), with 4.61% of the voting rights being attributable pursuant to section 22 paragraph 1 no. 1 of the WpHG. Assigned voting rights were held by the following controlled company, whose share of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll GmbH has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll GmbH, Hamburg, Germany, on 7 March 2013 fell short of the 15%, 10% and 5% thresholds, on that date amounting to 4.61% of the voting rights (2,442,981 voting rights), with 4.61% of the voting rights being attributable pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, whose share of the voting rights in Capital Stage AG each comprises 3% or more: Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, in a letter dated 13 March 2013, Capital Stage AG was notified that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Mr Albert Büll, Hamburg, Germany, on 7 March 2013 fell short of the thresholds of 15%, 10% and 5% of the voting rights, on that date amounting to

4.61% of the voting rights (2,442,981 voting rights), with 4.61% of the voting rights being attributable pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, each of whose shares of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll GmbH, Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, AMCO Service GmbH has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by AMCO Service GmbH, Hamburg, Germany, on 7 March 2013 exceeded the 20% and 25% thresholds, on that date amounting to 27.19% of the voting rights (14,401,250 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, DJE Investment S.A. has notified us that the share of voting rights in Capital Stage AG, Hamburg, Germany, held by DJE Investment S.A., Luxembourg, Luxembourg, on 30 August 2013 fell below the 3% threshold, on that date amounting to 2.9994% (1,621,663 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, DJE Kapital AG has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by DJE Kapital AG, Pullach, Germany, on 30 August 2013 fell below the 3% threshold, on that date amounting to 2.9994% (1,621,663 voting rights). Pursuant to section 22 paragraph 1 sentence 1 no. 1 of the WpHG, 2.9994% (1,621,663 voting rights) are attributable to DJE Kapital AG via DJE Investment S.A.

Pursuant to section 21 paragraph 1 of the WpHG, Dr Jens Ehrhardt, Germany, notified us on 3 September 2013 that his share of the voting rights in Capital Stage AG, Hamburg, Germany, fell below the 3% threshold on 30 August 2013, on that date amounting to 2.9994% (1,621,663 voting rights). Pursuant to section 22 paragraph 1 sentence 1 no. 1 of the WpHG, 2.9994% (1,621,663 voting rights) are attributable to Dr Jens Ehrhardt.

Pursuant to section 21 paragraph 1 of the WpHG, Mr Albert Büll notified us on 24 September 2013 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, exceeded the threshold of 5% on 19 September 2013, on that date amounting to 5.15% of the voting rights (2,782,427 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Holding GmbH & Co. KG notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, exceeded the threshold of 5% on 19 September 2013, on that date amounting to 5.15% of the voting rights (2,782,427 voting rights).

Pursuant to section 22 paragraph 1 no. 1 of the WpHG, 5.15% of the voting rights (2,782,427 voting rights) were attributed. Attributed voting rights are held via the following controlled company, which has a share of the voting rights of Capital Stage AG of 5% or more: Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll GmbH notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll GmbH, Hamburg, Germany, exceeded the threshold of 5% on 19 September 2013, on that date amounting to 5.15% (2,782,427 voting rights), whereby 5.15% of the voting rights (2,782,427 voting rights) were attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, whose share of the voting rights in Capital Stage AG each comprises 5% or more: Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

In a letter dated 24 September 2013, Capital Stage AG was notified pursuant to section 21 paragraph 1 of the WpHG that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Mr Albert Büll, Germany, exceeded the threshold of 5% of the voting rights on 19 September 2013, on that date amounting to 5.15% of the voting rights (2,782,427 voting rights), with 5.15% of the

voting rights (2,782,427 voting rights) being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, each of whose shares of the voting rights in Capital Stage AG comprises 5% or more: Albert Büll GmbH, Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, on 11 October 2013 exceeded the thresholds of 3%, 5%, 10% and 15%, on that date amounting to 19.9999% (13,516,249 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, on 14 October 2013 fell below the threshold of 15%, on that date amounting to 10.81% (7,304,716 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, on 11 October 2013 fell below the threshold of 5%, on that date amounting to 4.47% of the voting rights (3,017,948 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, fell below the threshold of 5% on 11 October 2013, on that date amounting to 4.47% of the voting rights (3,017,948 voting rights), whereby 4.47% of the voting rights (3,017,948 voting rights) were attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled company, whose share of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll GmbH, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll GmbH, Hamburg, Germany, fell below the 5% threshold on 11 October 2013, on that date amounting to 4.47% of the voting rights (3,017,948 voting rights), with 4.47% (3,017,948 voting rights) of the voting rights being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, whose share of the voting rights in Capital Stage AG each comprises 3% or more: Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, in a letter dated 17 October 2013, Mr Albert Büll notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll, Germany, fell below the threshold of 5% on 11 October 2013, on that date amounting to 4.47% of the voting rights (3,017,948 voting rights), whereby 4.47% (3,017,948 voting rights) were attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, each of whose shares of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll GmbH, Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, AMCO Service GmbH, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by AMCO Service GmbH, Hamburg, Germany, fell below the 25% threshold on 11 October 2013, on that date amounting to 22.56% of the voting rights (15,247,719 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Dr. Liedtke Vermögensverwaltung GmbH, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Dr. Liedtke Vermögensverwaltung GmbH, Hamburg, Germany, on 11 October 2013 fell below the 10% threshold, on that date amounting to 8.09% of the voting rights (5,469,186 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, ETHENEA Independent Investors S.A., Munsbach, Luxembourg, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by ETHENEA Independent Investors S.A., Munsbach, Luxembourg, exceeded the 3% threshold on 24 October 2013, on that date amounting to 3.68% of the voting rights (2,485,667 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, fell below the thresholds of 10%, 5% and 3% on 28 October 2013, on that date amounting to 0% (0 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, on 24 October 2013 exceeded the threshold of 5%, on that date amounting to 5.02% of the voting rights (3,391,948 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, exceeded the 5% threshold on 24 October 2013, on that date amounting to 5.02% of the voting rights (3,391,948 voting rights), with 5.02% of the voting rights (3,391,948 voting rights) being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled company, whose share of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll GmbH, Hamburg, Germany, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll GmbH & Co. KG, Hamburg, Germany, exceeded the threshold of 5% on 24 October 2013, on that date amounting to 5.02% of the voting rights (3,391,948 voting rights), whereby 5.02% of the voting rights (3,391,948 voting rights) were attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, whose share of the voting rights in Capital Stage AG each comprises 3% or more: Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

In a letter dated 29 October 2013, Capital Stage AG was notified pursuant to section 21 paragraph 1 of the WpHG that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Mr Albert Büll, Germany, exceeded the threshold of 5% of the voting rights on 24 October 2013, on that date amounting to 5.02% of the voting rights (3,391,948 voting rights), with 5.02% of the voting rights (3,391,948 voting rights) being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, each of whose shares of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll GmbH, Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, notified us on 5 March 2014 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, on 3 March 2014 exceeded the thresholds of 3% and 5%, on that date amounting to 6.49% (4,698,158 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, notified us on 5 March 2014 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Joh. Berenberg Gossler & Co. KG, Hamburg, Germany, on 4 March 2014 fell below the thresholds of 3% and 5%, on that date amounting to 0% (0 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, notified us on 5 March 2014 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, on 3 March 2014 fell below the threshold of 5%, on that date amounting to 4.72% of the voting rights (3,419,948 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, notified us on 5 March 2014 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, fell below the 5% threshold on 3 March 2014, on that date amounting to 4.72% of the voting rights (3,419,948 voting rights), with 4.72% of the voting rights (3,419,948 voting rights) being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG. Assigned voting rights were held by the following controlled company, whose share of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll GmbH, Hamburg, Germany, notified us on 5 March 2014 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll GmbH, Hamburg, Germany, fell below the 5% threshold on 3 March 2014, on that date amounting to 4.72% of the voting rights (3,419,948 voting rights), with 4.72% of the voting rights being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, whose share of the voting rights in Capital Stage AG each comprises 3% or more: Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

In a letter dated 5 March 2014, Capital Stage AG was notified pursuant to section 21 paragraph 1 of the WpHG that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Mr Albert Büll, Germany, fell below the threshold of 5% of the voting rights on 3 March 2014, on that date amounting to 4.72% of the voting rights (3,419,948 voting rights), with 4.72% of the voting rights being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, each of whose shares of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll GmbH, Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, notified us on 5 March 2014 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Beteiligungsgesellschaft mbH, Hamburg, Germany, on 4 March 2014 exceeded the threshold of 5%, on that date amounting to 5.97% of the voting rights (4,322,448 voting rights).

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, notified us on 5 March 2014 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll Holding GmbH & Co. KG, Hamburg, Germany, exceeded the 5% threshold on 4 March 2014, on that date amounting to 5.97% of the voting rights (4,322,448 voting rights), with 5.97% of the voting rights (4,322,448 voting rights) being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG. Assigned voting rights were held by the following controlled company, whose share of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to section 21 paragraph 1 of the WpHG, Albert Büll GmbH, Hamburg, Germany, notified us on 5 March 2014 that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Albert Büll GmbH, Hamburg, Germany, exceeded the 5% threshold on 4 March 2014, on that date amounting to 5.97% of the voting rights (4,322,448 voting rights), with 5.97% of the voting rights being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, whose share of the voting rights in Capital Stage AG each comprises 3% or more: Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

In a letter dated 5 March 2014, Capital Stage AG was notified pursuant to section 21 paragraph 1 of the WpHG that the share of the voting rights in Capital Stage AG, Hamburg, Germany, held by Mr Albert Büll, Germany, exceeded the threshold of

5% of the voting rights on 4 March 2014, on that date amounting to 5.97% of the voting rights (4,322,448 voting rights), with 5.97% of the voting rights (4,322,448 voting rights) being attributed pursuant to section 22 paragraph 1 no. 1 of the WpHG.
Assigned voting rights were held by the following controlled companies, each of whose shares of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll GmbH, Albert Büll Holding GmbH & Co. KG and Albert Büll Beteiligungsgesellschaft mbH.

17. Approval for submission to the supervisory board

The consolidated balance sheet as of 31 December 2013 was approved by the management board for submission to the supervisory board on 20 March 2014.

18. Consolidated statement of changes in fixed assets

in TEUR	Other intangible assets	Electricity feed-in contracts/project rights goodwill	Goodwill
Costs of acquisition			
As of 1 January 2012	97	34,981	6,888
Additions	88	14	0
Changes in scope of consolidation	415	38,269	0
Disposals	0	0	0
Transfers	0	0	0
Currency translation	0	0	0
As of 31 December 2012	**600**	**73,264**	**6,888**
Depreciation and amortisation			
As of 1 January 2012	58	1,968	0
Additions	121	2,394	0
Disposals	0	0	0
As of 31 December 2012	**179**	**4,362**	**0**
Book value 31 December 2011	39	33,013	6,888
Book value 31 December 2012	**421**	**68,902**	**6,888**
Costs of acquisition			
As of 1 January 2013	600	73,264	6,888
Additions	175	22	0
Changes in scope of consolidation	96	25,664	0
Disposals	-53	-90	-61
Transfers	132	0	0
Currency translation	0	0	0
As of 31 December 2013	**950**	**98,860**	**6,827**
Depreciation and amortisation			
As of 1 January 2013	179	4,362	0
Additions	84	3,812	0
Disposals	-53	0	0
Changes due to fair value measurement	0	0	0
Currency translation	0	0	0
As of 31 December 2013	**210**	**8,174**	**0**
Book value 31 December 2011	39	33,013	6,888
Book value 31 December 2012	421	68,902	6,888
Book value 31 December 2013	**740**	**90,686**	**6,827**

Other property, plant and equipment	Assets under construction	Power generating systems	Financial assets	Total
553	5,439	213,901	19,368	281,227
78	18,050	5,691	0	23,921
196	4,261	96,222	0	139,363
4	0	403	8,551	8,958
0	-25,956	25,956	0	0
1	0	0	0	1
824	**1,794**	**341,367**	**10,817**	**435,554**
205	0	15,986	7,768	25,985,029
117	0	10,552	0	13,184
2	0	0	0	2
320	**0**	**26,538**	**7,768**	**39,167**
348	5,439	197,915	11,600	255,242
504	**1,794**	**314,829**	**3,049**	**396,387**
824	1,794	341,367	10,817	435,554
186	10	382	8,087	8,862
0	0	105,147	0	130,907
-15	0	-6	-443	-668
-136	-1,795	1,799	0	0
-4	0	0	0	-4
855	**9**	**448,689**	**18,461**	**574,651**
320	0	26,538	7,768	39,167
171	0	14,666	0	18,733
-42	0	-218	-443	-756
0	0	0	3,351	3,351
-2	0	0	0	-2
447	**0**	**40,986**	**10,676**	**60,493**
348	5,439	197,915	11,600	255,242
504	1,794	314,829	3,049	396,387
408	**9**	**407,703**	**7,785**	**514,158**

19. Consolidated segment reporting

for the consolidated statement of comprehensive income
from 1 January to 31 December 2013 (from 1 January to 31 December 2012)

in TEUR	Administration	PV Parks	PV Services
Sales	**0**	**39,375**	**2,167**
(previous year)	0	30,531	1,285
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**-3,954**	**43,897**	**1,107**
(previous year)	-3,103	40,563	692
Depreciation and amortisation	**-102**	**-15,567**	**-31**
(previous year)	-34	**-11,816**	**-26**
Earnings before interest and taxes (EBIT)	**-4,056**	**28,330**	**1,076**
(previous year)	-3,137	28,747	666
Financial result	**12,122**	**-12,017**	**-12**
(previous year)	1,678	-11,036	-35
Earnings before taxes on income (EBT)	**8,066**	**16,313**	**1,064**
(previous year)	-1,459	17,711	631
Taxes on income	**0**	**-1,345**	**14**
(previous year)	16	-239	-23
Earnings after taxes (EAT)	**8,066**	**14,968**	**1,078**
(previous year)	-1,443	17,472	608
Currency translation differences	**0**	**0**	**0**
(previous year)	0	0	0
Consolidated comprehensive income	**8,066**	**14,968**	**1,078**
(previous year)	-1,443	17,472	608
Earnings per share (basic)	**0.14**	**0.27**	**0.02**
(previous year)	**-0.03**	**0.37**	**0.01**
Assets including financial investments	**165,073**	**465,591**	**2,595**
(As of 31 December 2012)	93,740	363,974	1,731
Capital expenditures (net)	**-555**	**-43,921**	**-109**
(previous year)	-48	-45,203	-64
Debt	**1,667**	**414,317**	**1,810**
(As of 31 December 2012)	985	323,159	1,635

Hamburg, 20 March 2014

Capital Stage AG

Management board

Felix Goedhart
CEO

Dr. Zoltan Bognar

Windfarms	Financial investments	Reconciliation	Total
7,680	**9,720**	**-1,951**	**56,991**
2,461	12,120	-1,279	45,118
9,912	**-560**	**0**	**50,402**
3,584	-8,007	0	33,729
-2,956	**-77**	**0**	**-18,733**
-1,218	**-89**	**0**	**-13,183**
6,956	**-637**	**0**	**31,669**
2,366	-8,096	0	20,546
-1,769	**-3,575**	**-10,585**	**-15,836**
-839	-211	-608	-11,051
5,187	**-4,212**	**-10,585**	**15,833**
1,527	-8,307	-608	9,495
-588	**130**	**0**	**-1,789**
0	-107	0	-353
4,599	**-4,082**	**-10,585**	**14,044**
1,527	-8,414	-608	9,142
0	**53**	**0**	**53**
0	-48	0	-48
4,599	**-4,029**	**-10,585**	**14,097**
1,527	-8,462	-608	9,094
0.08	**-0.07**	**-0.20**	**0.24**
0.03	**-0.18**	**-0.02**	**0.18**
80,714	**8,199**	**-128,981**	**593,191**
65,553	14,271	-84,252	455,017
-2,040	**-5**	**0**	**-46,630**
-8,345	0	0	-53,660
72,372	**7,263**	**-111,639**	**385,790**
63,701	7,732	-72,457	324, 755

Independent auditor's report (translation)

We have audited the consolidated financial statements prepared by Capital Stage AG, Hamburg/Germany, – comprising the statement of financial position, the statement of comprehensive income, the cash flow statement, the statement of changes in equity and the notes to the consolidated financial statements – and the group management report combined with the management report for the business year from 1 January to 31 December 2013. The preparation of the consolidated financial statements and the combined group management report in accordance with IFRS, as adopted by the EU, as well as the regulations under German commercial law complementarily applicable under § 315a (1) German Commercial Code (HGB) are the responsibility of the parent company's Board of Management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB ("German Commercial Code") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements of Capital Stage AG, Hamburg/Germany, comply with IFRS, as adopted by the EU, as well as the regulations under German commercial law complementarily applicable under § 315a (1) German Commercial Code (HGB) and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development."

Hamburg/Germany, 20 March 2014

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Signed: Dinter
Wirtschaftsprüfer
[German Public Auditor]

Signed: p.p. Wendlandt
Wirtschaftsprüfer
[German Public Auditor]

Assurance of the legal representatives

To the best of our knowledge, in accordance with the applicable accounting principles, the financial statements and the consolidated financial statements give a true and fair view of the assets, financial position and results of the company and the group and the combined management report and group management report of the business including operating results and the position of the company and the group in such a way that a true and fair view is given of the principal opportunities and risks associated with the expected development of the company and the group.

Hamburg, March 20, 2014

Capital Stage AG

Management board

Felix Goedhart
CEO

Dr. Zoltan Bognar

CAPITAL STAGE
RENEWABLE ENERGIES

Große Elbstraße 45
D-22767 Hamburg

Fon: +49 (0) 40. 37 85 62-0
Fax: +49 (0) 40. 37 85 62-129

info@capitalstage.com
www.capitalstage.com

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC® C004867

Print CO2 compensated
Id-Nr. 1438265
www.bvdm-online.de

Photos: istock, Photocase, Capital Stage
Concept & Design: www.sop-hamburg.de