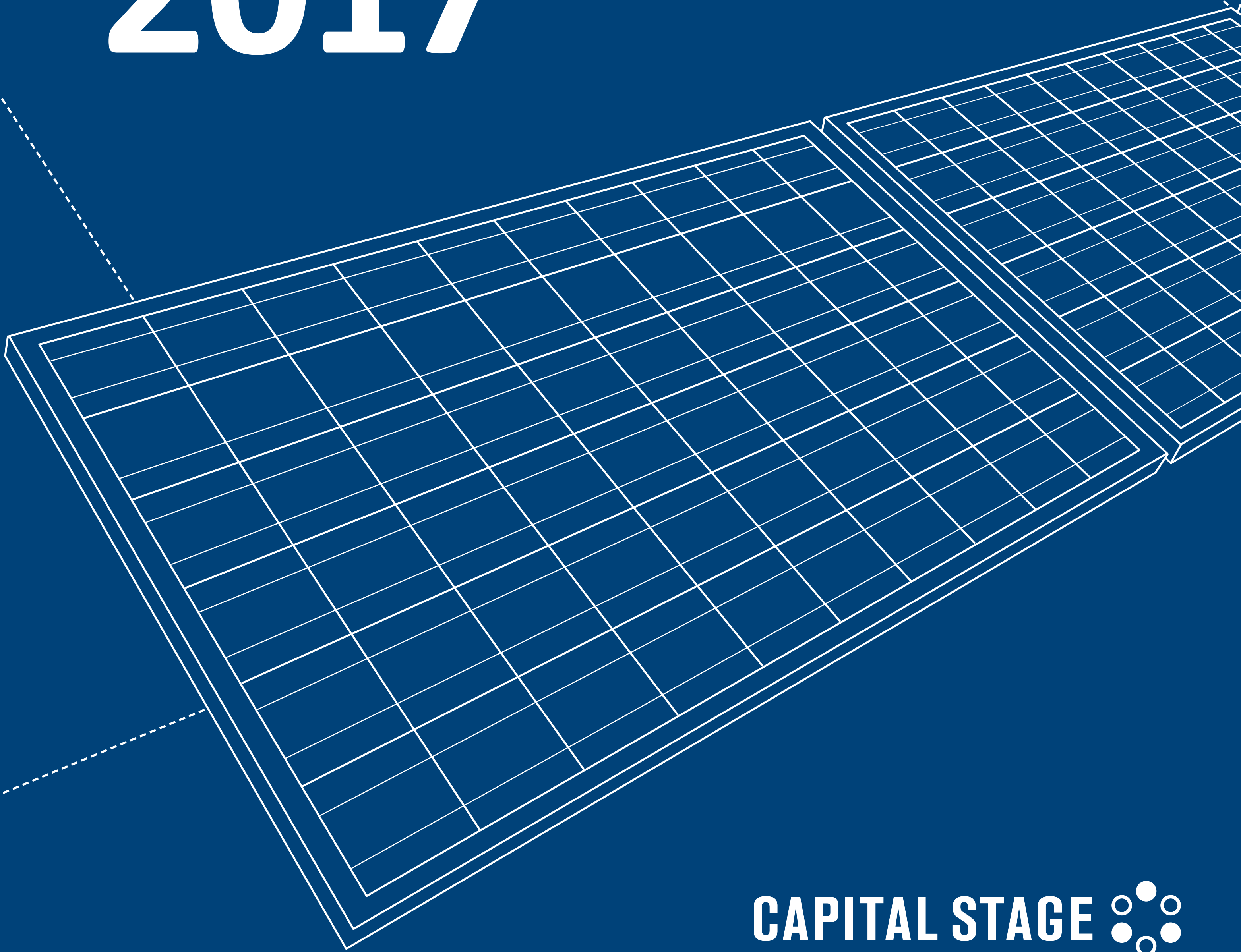
Half-Year Report 2017



CAPITAL STAGE
RENEWABLE ENERGIES

Foreword from the Management Board

Dear Shareholders, Ladies and Gentlemen,

We can look back on a successful first half to the 2017 financial year in which we were able to continue our course of growth as planned. On 22 June 2017, the Annual General Meeting of CHORUS Clean Energy AG agreed to our squeeze-out request, which marked the successful completion of our takeover of CHORUS announced in May 2016 and which took only a little more than a year. Today we are one of Europe's leading independent power producers in the renewable energies sector with a total generation capacity of some 1.3 gigawatts.

We also successfully expanded our portfolio of solar and wind parks in 2017. From January to August 2017, we acquired solar and wind parks with a total generation capacity of nearly 70 megawatts (MW). Of those, around ten megawatts fall under the PV Parks segment and 60 megawatts fall under the Wind Parks segment. Additionally, with our successful entry into the Danish market, we have further expanded the regional diversification of our portfolio. Today the Capital Stage Group is active in eight countries in Europe. During the reporting period in the Asset Management business segment, we were able to generate additional proceeds from institutional investors which enable the fund to make additional investments of EUR 50 million.

Correspondingly, our earnings also developed positively during the first half of 2017: we were able to record growth rates of more than 70 per cent in all significant operating earnings figures. As such, our revenue increased from EUR 64.6 million in the first half of 2016 to some EUR 113.8 million in the first half of 2017 (+75 per cent). In addition to the complete consolidation of CHORUS as well as the complete consolidation of the parks acquired in the previous year – in particular, the further acquisition of solar and wind parks in the current year and the increased amount of sunshine compared to the previous year – had positive effects. During the same period, wind was approximately the same as the previous year. During the first six months of 2017, our operating EBITDA also increased markedly by some 73 per cent to EUR 88.0 million (first half of 2016: EUR 50.8 million). We even managed to increase EBIT by 75 per cent to approximately EUR 55.9 million (first half of 2016: EUR 31.9 million).

We also want to share the success of the company with you, our honoured shareholders. As a result, we made the recommendation at the annual shareholders' meeting on 18 May 2017 to once again increase the dividend to now EUR 0.20 per dividend-entitled share (2015: EUR 0.18). This represents a year-on-year increase of approximately ten per cent. The Annual General Meeting approved the recommendation of the Supervisory Board and Management Board by a large majority. At the same time, the dividend was once again offered as an optional dividend. The majority of our major shareholders opted to receive the dividend in the form of shares, thereby expressing their renewed and significant trust in Capital Stage AG.

At the same time, with the publication of a dividend strategy, we have greatly increased transparency and the ability to plan: the aim of this strategy is for the dividend of Capital Stage AG to rise continuously so that a 50 per cent higher dividend (EUR 0.30) will be paid out for every dividend-entitled share in five years' time. The dividend strategy therefore reflects increasing cash flows from solar and wind parks in the portfolio.

Additionally, the Annual General Meeting of Capital Stage AG appointed former CEO Professor Klaus-Dieter Maubach to the Supervisory Board. Furthermore, the Supervisory Board announced in May 2017 that Dr Dierk Paskert would be named chairman of the Management Board (CEO) of Capital Stage AG from 1 September 2017. As a former management board member of E.ON Energie AG and a consultant for various companies in the field of decentralised energy storage, Dr Paskert has a high degree of expertise and is well networked within the industry. In light of these facts, we see plenty of opportunities for continued organic and inorganic growth for Capital Stage AG – both within and outside of the borders of the countries in which we are already active. Our goal is and will remain to play an active role in shaping the market consolidation which is already occurring.

The Capital Stage Group is excellently positioned to realise these plans.

On 24 August 2017, we increased our previous guidance for the 2017 financial year in light of the positive course of business during the first half of 2017, the successful acquisition of further solar and wind parks as well as the improved sunshine figures in the reporting period.

Based on the currently existing portfolio, we now expect revenue of more than EUR 215 million for the entire 2017 financial year. The operating earnings before interest, taxes, depreciation and amortisation (EBITDA) of the Group should increase to more than EUR 160 million. We expect operating earnings before interest and taxes (EBIT) of over EUR 97 million. Operating cash flow is expected to exceed the mark of EUR 150 million.

We ended the first half of 2017 on a very successful note! We are extremely confident that we will be able to continue this course in the second half of the 2017 financial year.

We would be very pleased if you continue with us along this path.

Hamburg, August 2017

Management Board

Dr Christoph Husmann
CFO

Holger Götze
COO

Group operating KPIs*

in EUR million	01.01.–30.06.2017	01.01.–30.06.2016
Revenue	113.8	64.9
EBITDA	88.0	50.8
EBIT	55.9	31.9
EBT	30.6	14.6
EAT	26.0	13.4
Operating cash flow**	69.9	44.9
Earnings per share (undiluted, in EUR)	0.20	0.17

	30.06.2017	31.12.2016
Equity***	615	609
Liabilities	1,780	1,745
Total assets	2,395	2,354
Equity ratio in %	25.7	25.9

* The Group operating KPIs are based solely on the company's operating profitability and do not take any IFRS-related valuation effects into account.
** As part of an adjustment to the accounting method used to calculate operating cash flow in the second half of 2016, the result from the first quarter of 2016 was adjusted for acquisition-related tax rebates relating to a park.
*** Including non-controlling interests in equity.

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The Capital Stage share

Key financial figures	
Listed since	28.07.1998
Subscribed capital	128,252,214 EUR
Number of shares	128.25 Mio.
Stock market segment	Prime Standard
Dividend 2014 per share	0.15 EUR
Dividend 2015 per share	0.18 EUR
Dividend 2016 per share	0.20 EUR
52-week high	7.10 EUR
52-week low	5.85 EUR
Share price (24.08.2017)	6.50 EUR
Market capitalisation (24.08.2017)	833.64 Mio. EUR
Indexes	SDAX, HASPAX, PPVX
Trading centres	Xetra, Frankfurt am Main, Hamburg
ISIN	DE 0006095003
Designated sponsor	ODDO SEYDLER BANK AG

The first half of 2017 on the stock market

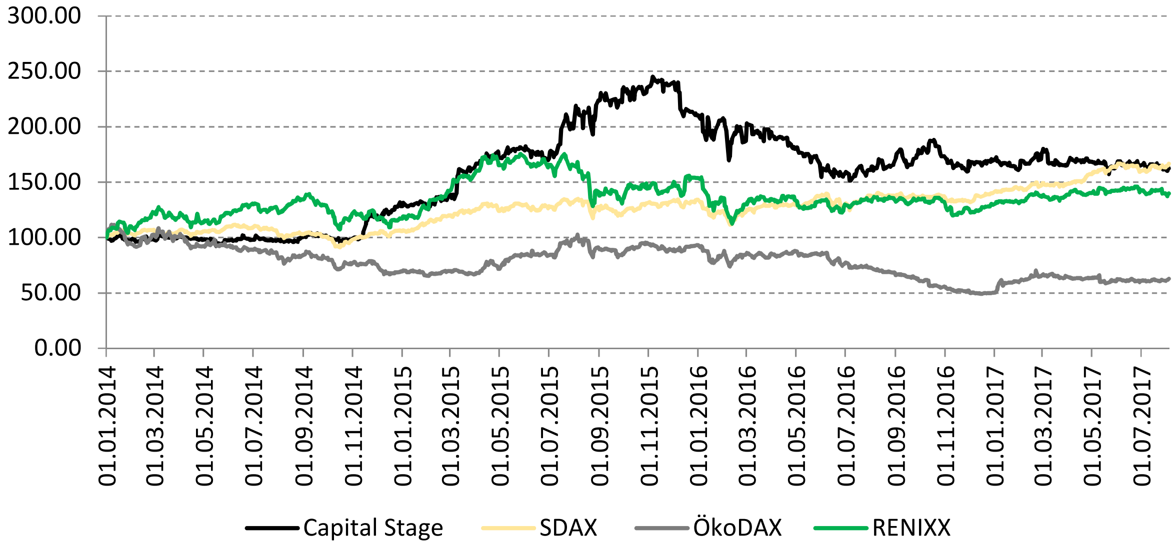
German shares were among the winners of the 2017 market year: positive data from the German economy and a positive reporting season overall for the companies powered the DAX through the first six months of the year. The market barometer peaked at a record high, nearly hitting the 13,000-point mark – growth of some seven per cent as of the end of June. The SDAX, the German index for small caps, also demonstrated positive development in the first half of 2017. By the end of the reporting period, it had made its way to 10,846 points, which represents growth of around 14 per cent.

In spite of its business model – which is nearly independent from economic fluctuations – and the very promising conditions, the Capital Stage share was unable to benefit from the positive markets trends on the whole. Special effects – for example, from the takeover process with CHORUS Clean Energy AG and various negative headlines such as the bankruptcy of a solar module manufacturer – were a burden on the Capital Stage share price.

The Capital Stage share began the new stock market year at EUR 6.42 and finished at EUR 6.19 at the end of the reporting period. The Capital Stage share reached its peak of EUR 6.75 on 2 March 2017.

In contrast to these developments, the liquidity of the share was increased significantly compared to the previous year. Whereas an average of 101,322 Capital Stage shares were traded per day on the electronic trading platform Xetra in the first six months of 2016, this number increased to 209,242 for the first half of 2017. The month with the heaviest trading was May 2017 with 5.3 million traded shares.

At the end of the first half-year of 2017, Capital Stage's market capitalisation reached around EUR 800 million. As of 30 June 2017, the share capital of the company was EUR 128,252,214.00, divided into 128,252,214 bearer shares.



Coverage – Capital Stage share a "100 per cent 'buy' recommendation"

As of August 2017, the Capital Stage share is covered by eight banks and equities analysts. These are Macquarie, M.M. Warburg & CO, WGZ Bank, Metzler Bank, quirin bank, Baader Bank, ODDO SEYDLER BANK and Bankhaus Lampe. All of those banks and analysts recommend the share as a "buy" and estimate that it will outperform expectations. On average, the share's price target is given by the above-mentioned institutions as EUR 8.18. The lowest target price is EUR 7.15 and the highest EUR 9.00.

Capital Stage publishes the latest target share prices issued by analysts and institutions in the Investor Relations section of its website under "Research".

Stable shareholder structure

As of 30 June 2017, the make-up of shareholders with at least three per cent is as follows:

- AMCO Service GmbH & Albert Büll Beteiligungsgesellschaft mbH (the Büll family), 18.62 per cent
- Dr. Liedtke Vermögensverwaltung GmbH, 6.85 per cent
- Dr Kreke family (Lobelia Beteiligungsgesellschaft, among others), 3.57 per cent
- PELABA Group (Mr Peter Heidecker), 4.96 per cent
- Free float, 66.00 per cent

Annual shareholders' meeting on 18 May 2017

Capital Stage AG's annual shareholders' meeting was held on 18 May 2017 in Hamburg. The Management Board provided shareholders with information and answers to their questions. The shareholders approved all items listed on the agenda in the invitation by a large majority.

In addition to the formal approval of the Management Board and Supervisory Board for the financial year concluded, all members of the Supervisory Board up for re-appointment were confirmed. Dr Henning Kreke was appointed to the Supervisory Board to replace Dr Jörn Kreke. Furthermore, Professor Klaus-Dieter Maubach, former CEO of Capital Stage AG, was newly appointed to the Supervisory Board.

Information on the Annual General Meetings of Capital Stage can be found in the Investor Relations section of the company website under "Annual shareholders' meeting".

Questions and information

In line with our ethos of transparent capital market communication, all relevant information pertaining to Capital Stage AG is published and made available in the Investor Relations section of the company website www.capitalstage.com. Furthermore, the Investor Relations division is always happy to receive any further questions and suggestions you may have.

We look forward to hearing from you!

Capital Stage AG

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Capital Stage AG financial calendar 2017

Date	Financial Event
30 August 2017	Commerzbank Sector Conference, Frankfurt/Main
19 to 20 September 2017	Fifth Annual German Corporate Conference hosted by Berenberg and Goldman Sachs, Munich
21 September 2017	Baader Bank Investment Conference, Munich
22 September 2017	Macquarie’s 10th Annual Alternative Energy Conference, London
27 to 29 November 2017	German Equity Forum, Frankfurt/Main
30 November 2017	Interim report for the third quarter of 2017

Interim Group management report

General information

The Capital Stage Group (hereafter known as "the Group" or "Capital Stage") prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The interim consolidated financial statements were prepared in accordance with IAS 34. The parent company is Capital Stage AG, whose place of business is Hamburg. It is responsible for corporate strategy, portfolio and risk management and financing. The company's share capital is EUR 128,252,214.00, divided into 128,252,214 shares with no par value.

The average number of shares in circulation (undiluted) in the reporting period was 126,904,431 (previous year: 78,270,217).

Business activities

Business model

Capital Stage AG is listed in the SDAX segment of Deutsche Börse and makes use of the various opportunities offered by the generation of power from renewable energy sources. As an independent operator of environmentally friendly and emission-free power plant capacities, Capital Stage has continued to expand its generation portfolio since 2009 and is one of Europe's largest independent power producers (IPP) in the renewable energy sector. The Group's core business is the acquisition and operation of solar parks and (onshore) wind parks. When acquiring new installations, the Group generally focuses on turnkey projects or existing installations with guaranteed feed-in tariffs or long-term power purchase agreements and which are built in geographical regions that stand out due to a stable economic environment and reliable investment and operating conditions. Solar parks and wind parks can therefore generate reliable returns and predictable cash flows.

Moreover, since the takeover of CHORUS Clean Energy AG (hereinafter also referred to as "CHORUS") in October 2016, Capital Stage has offered attractive opportunities for institutional investors to invest in facilities for the production of renewable energies. Asset Management includes all services in this business segment – that is, the initiation of funds and/or the individual design and structuring of other investments for professional investors within the renewable energies sector as well as the operation of the facilities owned by these investors.

Capital Stage currently operates a total of 161 solar parks and 51 wind parks with a capacity of nearly 1.3 gigawatts in Germany, Italy, France, the United Kingdom, Austria, Finland, Sweden and Denmark. Of those, the Group manages seven solar parks and 22 wind parks as part of their third-party Asset Management segment.

Underlying economic conditions

Global economy on the road to recovery

Global economic growth snowballed in the first six months of 2017. At the same time, however, geopolitical tensions and structural problems held growth in check. Current discussions surrounding the future direction of economic policies and increased risk due to protectionism from the leading industrialised nations are also risk factors with regard to future economic development. The International Monetary Fund (IMF) used its World Economic Outlook from July 2016 to slightly raise its forecast for global economic growth in 2017 once again. The IMF is now expecting a global growth rate for 2017 of around 3.5 per cent (2016: 3.4 per cent). As far as the European economy is concerned, the IMF is predicting a growth rate of 1.8 per cent for the current financial year (2016: 2.0 per cent).

During the reporting period, the US Federal Reserve continued its policy of moderate interest rate increases. In June 2017, it increased the prime rate by 0.25 per cent from 1.0 to 1.25 per cent. Additionally, the Fed indicated a potential further increase in the prime rate for this year. In contrast, the European Central Bank (ECB) left the prime rate for the eurozone at the record low of 0 per cent as of July 2017. The penalty rate for commercial banks that deposit their funds with the ECB rather than lending it to companies remains at 0.4 per cent. Furthermore, the ECB has indicated that, through the end of December at least, it will invest some EUR 60 billion monthly in the purchase of government and corporate bonds.

Euro back on solid ground at end of first half-year of 2017

During the first six months of 2017, the exchange rate for one euro once again eclipsed the 1.12-dollar mark. The euro initially weakened vis-à-vis the US dollar following the interest rate increase in the United States, but the euro recovered as the year progressed. At the end of the reporting period on 30 June 2017, one euro was worth 1.14 US dollars.

Around the middle of the year, in particular, the euro significantly gained in value compared to the British pound following the early parliamentary elections in the United Kingdom. At the end of the first half-year of 2017, one euro was worth more than 0.90 British pounds. As of 30 June 2017, the exchange rate for euros to British pounds was 0.88 pounds per euro.

Capital Stage has been active in the Danish energy market since May 2017. Due to the close trade relationships with the eurozone, the Danish krone is pegged to the euro with a maximum fluctuation of 2.25 per cent. At the end of the reporting period, one euro was worth 7.44 Danish kroner.

Stock markets on the rise

Positive economic data and seemingly contagious global growth bolstered the stock markets in the first six months of 2017. The main German index, the DAX, closed the first half of 2017 with an increase of some 7 per cent. The DAX was well above the 12,000-point mark at the end of the reporting period, closing the first half of 2017 at 12,325 points. The SDAX, the German index for small caps, also demonstrated positive development in the first half of 2017. By the end of the reporting period, it had made its way to 10,846 points, which represents growth of around 14 per cent.

The Dow Jones benefited from the positive economic data from the United States and reached a plus of nearly eight per cent in the first half of 2017. At times, the Dow Jones even breeched the 21,500-point mark and finished the reporting period at 21,348 points.

Underlying conditions on the renewable energy market

Renewable energies: a growth market

Global expansion of renewable energies continued during the first half of 2017. With the Paris climate agreement, which was ratified by nearly 200 countries, in coming into effect in November 2016, along with numerous national and supranational programmes for the creation of a low-carbon economy, the expansion and subsidisation of renewable energies remains a global megatrend.

In 2016, solar parks with a total generation capacity of around 75 gigawatts were built worldwide (2015: 51 gigawatts). Therefore, the total capacity of all photovoltaic installations installed worldwide increased to more than 300 gigawatts (2015: 230 gigawatts). In the wind energy sector, facilities with a total generation capacity of more than 54 gigawatts were installed worldwide in 2016 (2015: 63 gigawatts). The total output of all installed wind energy facilities around the world therefore totals more than 480 gigawatts (2015: 433 gigawatts). The structural transformation with relation to energy and environmental policies going on around the globe is also reflected in the reduced expansion in traditional forms of energy production. For example, the number of new coal-burning power plants scheduled to be built decreased by nearly 50 per cent from January 2016 to January 2017.

Investment in the expansion of renewable energies continued in the first six months of 2017. According to Bloomberg New Energy Finance, more than USD 110 billion had already been invested in renewable energies in the first half of 2017 (first half of 2016: USD 138.2 billion); the difference compared to the same period in the previous year also reflects the continued decrease in prices for the technologies used to generate renewable energies. Continued significant expansion of the global total generation capacities can therefore be expected for 2017.

Developments in core markets: Germany, Denmark, France, Italy and the United Kingdom

During the reporting period, there were no material changes to the legislative framework for renewable energies that adversely affect the business model of Capital Stage.

When acquiring new installations, Capital Stage generally focuses on turnkey projects or existing installations with guaranteed feed-in tariffs or long-term power purchase agreements. Any changes to the future structuring of subsidy systems and mechanisms for renewable energies are accounted for within the return calculations for new investments and have no influence on the company’s existing portfolio. Furthermore, as part of its Asset Management division, the Capital Stage Group offers institutional investors – both via various investment vehicles as well as direct investments – the opportunity to invest in attractive renewable energy installations.

Germany

In Germany, the 2017 Renewable Energy Sources Act (EEG 2017) went into effect on 1 January 2017. The objective, among other things, is to increase the share of renewable energies in the gross electricity consumption from 30 to 45 per cent by the year 2025. In particular, the new EEG will rely on more competition to accomplish this; for all significant technologies in the renewable energies sector, the subsidy amounts will be determined through tendering processes in future.

This tendering method has been used for the subsidisation of ground-mounted solar parks since 2015. The winning bid in the tendering process determines the resulting subsidy amount, which is then also fixed for a period of 20 years. Since the introduction of this tendering model, there have been seven tendering processes in the solar sector. Throughout the process, the average subsidy amount sank from EUR 0.0658 per kilowatt-hour in the first round of tenders to EUR 0.0566 per kilowatt-hour in the seventh and final round of tenders in 2017.

This tendering model has also been used for onshore wind parks since 2017, with the first two rounds of tenders coming to an end in May 2017 and August 2017, respectively. Across all accepted bids, the Bundesnetzagentur has determined an average volume-weighted subsidy amount of EUR 0.0571 and EUR 0.0428 per kilowatt-hour.

France

New French President Emmanuel Macron is sticking to the transition of France’s environmental and energy policies to more environmentally friendly and sustainable models. To do so, he is primarily relying on continuity with the laws relating to the energy transformation which came into effect under President Françoise Hollande. Additionally, Macron has announced his intention to make investments of some EUR 15 billion available for the transition in the energy sector. By the year 2020, his goal is to increase the share of renewable energies in France to 30 per cent and to completely move away from coal within the next five years. The framework conditions for renewable energies in France are therefore very attractive on the whole.

Denmark

Denmark introduced its first law governing the feeding in of electricity in 1981. The Danish government is pursuing the long-term strategic objective of Denmark’s independence from fossil fuels by 2050. Some 50 per cent of Denmark’s electricity will come from renewable sources by 2020 – and more than 80 per cent by 2035. Similar to the German EEG, the Danish government provides a fixed feed-in tariff for onshore wind parks of EUR 0.0335 (DKK 0.25) per kilowatt-hour. What is more, all revenue generated beyond EUR 0.0335 per kilowatt-hour by electricity sold in the open market represents additional turnover. Unlike with the German EEG, the feed-in tariff is not valid for a fixed period, but rather for the first 22,000 full-load hours per megawatt.

Expansion of renewable energies will continue to be subsidised in future in line with the Danish government’s climate change policies. According to figures from the World Wind Energy Association, new wind parks were installed in Denmark with a total generation capacity of approximately 220 megawatts in 2016 alone.

United Kingdom

The United Kingdom’s decision to leave the European Union could certainly mean a setback for the renewable energies sector as well, as the United Kingdom is no longer bound to adhere to European expansion goals and target values. The uncertainty therefore remains in light of the latest reforms in the renewable energies sector. At the same time, following the Brexit referendum, the continued construction of the Hinkley Point nuclear power plant is uncertain. The expansion of renewable energies as an alternative to nuclear power would therefore not be out of the question. The weakness of the British pound, and the associated lower prices, is helping to bring in foreign investment in particular. To date, the United Kingdom has maintained its objective of lowering its levels of CO_2 emissions compared to 1990 levels by 50 per cent by the year 2025. How this is to be achieved, however, remains undecided – either through the completion of the nuclear power plant and/or through the expansion of renewable energies. There is an assumption of traditional reliance on prior legislation, which would mean that amendments primarily affect the expansion and the feed-in tariffs of future installations.

Italy

Compared to the previous year, there were no significant changes in the reporting period to the subsidies of renewable energies in Italy.

Asset Management segment

With its Asset Management segment, the Capital Stage Group offers institutional investors the opportunity to invest in assets in the renewable energy sector through various investment vehicles. In addition to funds and bespoke direct investments, Asset Management enables institutional investors – through the use of funds structured in accordance with Luxembourg law – to invest in a highly diversified portfolio of wind and solar parks.

Renewable energy installations provide institutional investors with attractive returns on investment and stable cash flows which are in large part government-guaranteed. With their long terms and a low correlation to other asset classes or to economic fluctuations, these types of investment are particularly suited for pension funds and insurance products, for example, which invest over the long term and must diversify very large portfolios. According to the Renewable Global Status Report, institutional investors invested approximately USD 2.8 billion in renewable energies in 2016, which is about ten times the amount invested in 2010.

Course of business

Acquisition of an Italian solar park portfolio

In February 2016, Capital Stage signed a contract for the acquisition of a portfolio of Italian solar parks in the Piedmont region. The seller of the solar park portfolio is a project developer and operational management company based in Spain. The solar park portfolio consists of four solar parks and has a capacity of 16.9 MWp. The transaction for two of the four solar parks was completed on 13 July 2016. The transaction for the remaining two solar parks was completed in February 2017.

Capital Stage acquires share package from institutional investor in CHORUS Clean Energy AG in exchange for the issue of new shares in Capital Stage AG

In February 2017, Capital Stage AG acquired an additional 54,999 shares in CHORUS Clean Energy AG – which amounts to some 0.2 per cent of the share capital in CHORUS – from an institutional investor in CHORUS Clean Energy AG.

The acquisition of the additional shares in CHORUS is structured as a share exchange where five (5) shares in Capital Stage are granted for every three (3) shares in CHORUS. This rate of exchange therefore corresponds to the rate which was used for the voluntary public takeover offer made by Capital Stage AG in October 2016.

In order to create the new Capital Stage shares, the company carried out a capital increase of EUR 91,665.00 in return for stock, which involved the partial utilisation of its authorised capital and excluded the subscription rights of its shareholders. The capital increase was entered into the commercial register on 21 March 2017.

Capital Stage’s participating interest in CHORUS comes to approximately 95.0037 per cent as of 30 June 2017 following Capital Stage’s acquisition via the market of an additional 105,735 shares in CHORUS.

Acquisition of a 5.0 MWp solar park portfolio in Italy

On 8 March 2017, Capital Stage acquired five solar parks in the Italian region of Apulia with a total generation capacity of nearly 5.0 MWp. The total investment volume, including loans taken on in relation to projects, is approximately EUR 19.5 million. The five solar parks are located in the sunny Apulia region in south-eastern Italy. The five parks were connected to the grid in 2010 and 2011 and have been in continuous operation since that time. The sellers in the transaction were Energiequelle GmbH, De Energy S.r.l. (Dextella Group) and Stern Energy S.p.A. Each of the parks has a capacity of between 0.93 and 0.99 megawatts. The parks benefit from guaranteed feed-in tariffs averaging EUR 0.3054 per kilowatt-hour. Capital Stage expects the solar parks to make revenue contributions of some EUR 2.6 million from their first full year of operation.

Acquisition of a wind park for an institutional investor in the Asset Management segment

In April 2017, CHORUS Clean Energy AG – the Capital Stage Group’s specialist for managing institutional investors – acquired the Clementine wind park in the French region of Picardy on behalf of a renowned German pension fund. The wind park comprises five Enercon E-82 turbines, each of which has a hub height of 78.3 metres and a nominal capacity of 2.3 megawatts. The turbines have been connected to the power grid since February 2015. Therefore, the wind park receives a guaranteed initial feed-in tariff of EUR 0.0852 per fed-in kilowatt-hour (kWh). In every full year of operation, it is planned that the turbines will produce more than 24,000 megawatt-hours of green electricity and therefore eliminate almost 15,000 tonnes of harmful CO_2.

Further capital commitment from an institutional client

On 20 April 2017, CHORUS Clean Energy AG announced that it will be able to invest a further EUR 50 million, including borrowing, via one of its Luxembourg SICAV special funds. A German-based financial institution, which already has an investment in the partial fund CHORUS Infrastructure Fund S.A. SICAV-SIF Renewables Europe I (“CHORUS Renewables Europe I”), has stepped up its commitment considerably. With the increased funds, the portfolio, which comprises renewable energy facilities in various European countries, is set to be expanded even further.

Acquisition of a further wind park for institutional investors in Germany

In May 2017, the Asset Management division of CHORUS Clean Energy AG acquired a further German wind park – in Jerichow, Saxony-Anhalt – on behalf of the institutional investors in the special fund CHORUS Renewables Germany I. The seller of the park – which features two turbines with a total capacity of 4.6 megawatts – is the renowned Papenburg-based project development company JOHANN BUNTE Bauunternehmung, from whom CHORUS had previously acquired a wind park in the rural district of Jerichower Land in the state of Saxony-Anhalt. The two Enercon E-82 E2 turbines each feature a hub height of more than 108 metres and a nominal capacity of 2.3 megawatts. The park commenced operations in February 2017 and thus benefits from a guaranteed average feed-in tariff of EUR 83.80 per fed-in megawatt-hour (MWh). In every full year of operation, it is planned that the turbines will produce more than 8,300 megawatt-hours of green electricity and therefore eliminate over 5,000 tonnes of harmful CO_2.

Changes of personnel in the Capital Stage AG Management Board

On 16 May 2017, Capital Stage announced that the Supervisory Board had appointed Dr Dierk Paskert (56) as a Management Board member and the new chief executive officer of the company as of 1 September 2017. As of 1 September 2017, the Management Board of Capital Stage will therefore comprise Dr Dierk Paskert (CEO), Holger Götze (COO) and Dr Christoph Husmann (CFO). Dr Paskert can look back on many years of leadership experience in a variety of sectors, including the energy industry and the field of mergers and acquisitions. Having previously served on the management board of E.ON Energie AG and acted as an adviser to various firms in the area of decentralised energy storage, Dr Paskert possesses the skills and operational experience to further build on Capital Stage’s position as one of the largest independent power producers in the European renewable energies sector and to continue the company’s successful growth trajectory in the years ahead.

Changes in the Supervisory Board

Following the end of his ordinary term of office, Dr Jörn Kreke stepped down from the Supervisory Board on 18 May 2017. At the Annual General Meeting held on 18 May 2017, Dr Henning Kreke was appointed to the Supervisory Board to replace Dr Jörn Kreke. Furthermore, Professor Klaus-Dieter Maubach, former chief executive officer of Capital Stage AG, was also elected to serve on the Supervisory Board.

Capital Stage acquires its first wind park in Denmark

On 23 May, Capital Stage announced the acquisition of a wind park in Denmark. The park features a total generation capacity of 15 megawatts and a guaranteed government feed-in tariff per megawatt for a set quantity of full-load hours. The takeover of the first two – of a total of five – wind energy installations was contractually agreed on 18 May 2017. The takeover of the remaining three wind installations is planned for the near future. The wind installations are already in operation and have been connected to the power grid since the start of 2016. The total investment volume, including loans in relation to projects, will be approximately EUR 19 million. The wind park is located in a windy region close to the North Sea, roughly five kilometres north-west of Ringkøbing. It comprises a total of five V90 turbines made by Danish manufacturer Vestas, each of which generates around 3 megawatts. The wind park benefits from a government-guaranteed feed-in tariff of approximately EUR 33.5 per megawatt-hour, which is granted per megawatt for the first 22,000 full-load hours in Denmark. Capital Stage expects the wind park to make revenue contributions of more than EUR 2 million in its first year of full operation. The acquisition is still subject to standard conditions precedent.

Acquisition of an additional solar park in the United Kingdom

On 31 May 2017, Capital Stage acquired an additional solar park in the United Kingdom. The park has a total generation capacity of 4.5 megawatts (MW) and has been connected to the British power grid since March 2017. The park lies in north-western England in the county of Lancashire near the city of Blackpool. Seller of the park is SPI China (HK) Limited (SPI), a subsidiary of Nasdaq-listed project development company SPI Energy Co., Ltd. In the long term, the electricity generated there will be marketed via power purchase agreements (PPA). Additionally, the park fulfils the regulatory criteria for the Renewable Obligation Certificates (ROCs) with a 1.2 multiplier. Capital Stage expects the park to make revenue contributions of approximately EUR 470,000 (GBP 410,000) annually from its first full year of operation. The total investment volume, including debt, is approximately EUR 5.4 million (GBP 4.7 million). Technical management of the park will be carried out by the general contractor responsible for the project, Solea AG from Plattling in Bavaria. Afterwards, technical management of the park will be transferred to Capital Stage Solar Service GmbH, a wholly owned subsidiary of Capital Stage AG. Capital Stage will assume responsibility for commercial management with the acquisition of the park. The purchase of the solar park was initially financed from the company’s own funds. It is later planned to be refinanced by means of typical financing on a project level. The acquisition results in an increase in total generation capacity of all Capital Stage solar parks in the United Kingdom to more than 90 megawatts.

Annual General Meeting of CHORUS Clean Energy AG agrees to squeeze-out

Capital Stage has been given the green light to acquire the remaining shares attributable to minority shareholders in CHORUS Clean Energy AG ("CHORUS") based in Neubiberg near Munich. These shares account for around five per cent of issued share capital in CHORUS. At the Annual General Meeting of CHORUS on 22 June 2017, shareholders with more than 99 per cent of share capital represented approved the squeeze-out request submitted by Capital Stage AG. In exchange for transferring their shares to Capital Stage AG, the minority shareholders will receive an appropriate cash settlement of EUR 11.92 per dividend-entitled share. Furthermore, two members of the Capital Stage AG Management Board – Dr Christoph Husmann and Holger Götze – were confirmed as members of the CHORUS supervisory board at the CHORUS Annual General Meeting. As a result, Capital Stage will have successfully concluded its takeover of CHORUS, which it announced in May 2016, within just 16 months. Once the shares have been transferred in exchange for payment of the cash settlement, Capital Stage AG will be the sole shareholder of CHORUS Clean Energy AG, and CHORUS will cease to be listed on the stock exchange.

Planned change of company name to ENCAVIS AG

At the Annual General Meeting held on 18 May 2017, a resolution was passed with a clear majority to change the name of the company to ENCAVIS AG. This aim had already been stated by the company and CHORUS Clean Energy AG in the business combination agreement concluded last year. The goal of the renaming measure is to support communication of the joint company's new direction by means of a new name. The change is expected to become legally effective at the end of September 2017, once the various organisational and marketing-related measures have been concluded.

Segment development

PV Parks segment

The business activities of the Group are subject to seasonal influences, leading to fluctuations in revenue and results throughout the course of the year. In terms of the PV Parks segment, the months from April to September tend to generate more revenue than the autumn and winter months.

Following the first half of 2016 with below-average sunshine, the first half of 2017 was above the long-term average in regards to sunshine. Therefore, the Italian solar park portfolio in particular came in at more than nine per cent above plan. The French and German portfolios also exceeded plans by some eight and five per cent respectively. Only the British solar park portfolio was below plan.

Actual fed-in power in the first half of 2017 came to 391,885 megawatt-hours (previous year: 259,752 megawatt-hours). This represents an increase of more than 50 per cent. Of the power fed in, around 36 per cent (previous year: 31 per cent) is attributable to solar parks in Germany, 24 per cent (previous year: 33 per cent) to solar parks in France, 29 per cent (previous year: 21 per cent) to solar parks in Italy and 11 per cent (previous year: 15 per cent) to solar parks in the United Kingdom.

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

Solar parks acquired in the first half of the 2017 financial year:

- Solarpark Piemonte Eguzki 2 S.r.l., Italy, Group share: 100 %
- Solarpark Piemonte Eguzki 6 S.r.l., Italy, Group share: 100 %
- Solarpark De-Stern 1 S.r.l., Italy, Group share: 100 %
- Solarpark De-Stern 4 S.r.l., Italy, Group share: 100 %
- Solarpark De-Stern 15 S.r.l., Italy, Group share: 100 %
- Solarpark Todderstaffe Solar Ltd., United Kingdom, Group share: 100 %

Wind Parks segment

As of 30 June 2017, the wind park portfolio of Capital Stage comprised a total of 25 wind parks with a total generation capacity of 270 megawatts, with parks located in the countries of Germany, Italy, France and Austria.

The wind parks generate more revenue in the autumn and winter months than they do in summer.

The wind park portfolio was below plan in the first half of 2017. The Italian wind park and a few wind parks in Germany and Austria, on the other hand, outperformed their targets.

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

Wind parks acquired in the first half of the 2017 financial year:

- Energiepark Passow WP Briest III GmbH & Co. KG, Germany, Group share: 49 %

PV Service segment

Capital Stage Solar Service GmbH, Group share: 100 %

Earnings after taxes came in at TEUR 715 in the first half of the 2017 financial year and were therefore TEUR 236 above the previous year's level (TEUR 479). While revenue and other income recorded an increase of TEUR 68, depreciation and amortisation as well as expenses for materials and personnel and other expenses decreased in total by TEUR 173. This decrease is primarily the result of lower personnel expenses. The financial result in the first half of 2017 totalled TEUR -11 (previous year: TEUR -6). The company has assumed responsibility for the technical management of many German and Italian solar parks of the Capital Stage Group. The volume of Group assets under management amounts to 201 MWp as of 30 June 2017.

From 2012 onwards, 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 comes to around 18 MWp.

Asset Management segment

The successful business combination between Capital Stage AG and CHORUS Clean Energy AG has resulted in the acquisition of a new segment for the Group. Asset Management includes all services for third-party investors – that is, the initiation of funds and/or the individual design and structuring of other investments for professional investors within the renewable energies sector as well as the operation of the facilities owned by these investors. As of 30 June 2017, the portfolio comprises a total of seven solar parks and 22 wind parks in the countries of Germany, Italy, France, the United Kingdom, Finland and Sweden.

In the first half of 2017, earnings after taxes (EAT) amounted to TEUR 1,086. Revenue and other income totalling TEUR 1,644 were offset by other expenses, cost of materials and depreciation and amortisation totalling TEUR 399.

Earnings, net assets and financial position

Operating earnings (non-IFRS)

In the first half of the 2017 financial year, the Group generated revenue of TEUR 113,775 (previous year: TEUR 64,850). This represents an increase of some 75 per cent. The growth is due to the expansion of both the solar park portfolio as well as the wind park portfolio. This increase in revenue results, on the one hand, from the newly acquired solar and wind parks as part of the operating business. On the other hand, the solar and wind parks acquired as part of the takeover of CHORUS Clean Energy AG generated revenue in the amount of TEUR 25,197 and TEUR 9,472 respectively, thereby contributing to the increase. What is more, greater sunshine compared to the previous year had a positive impact on the development of revenue.

The Group generated other operating income of TEUR 3,035 (previous year: TEUR 1,863). This includes non-period income of TEUR 1,814 (previous year: TEUR 1,212).

Operating personnel expenses came to TEUR 4,542 (previous year: TEUR 2,700). This increase is to a lesser extent due to the expansion of the team of Capital Stage AG brought on by growth and primarily the personnel increase associated with the takeover of CHORUS Clean Energy AG in October 2016.

Other operating expenses of TEUR 23,613 were incurred (previous year: TEUR 12,778). This mainly consists of costs of TEUR 18,315 for operating solar parks and wind parks (previous year: TEUR 10,336). Other expenses also include TEUR 5,237 in costs of current operations (previous year: TEUR 2,298). The increase is primarily due to the solar parks and wind parks newly acquired in 2016 and the first half of 2017 as well as various legal and consulting expenses.

Operating earnings before interest, taxes, depreciation and amortisation (EBITDA) were TEUR 87,951 in the first half of the 2017 financial year (previous year: TEUR 50,828). This represents an increase of some 73 per cent. The EBITDA margin was around 77 per cent. Depreciation and amortisation of TEUR 32,076 (previous year: TEUR 18,944) are primarily depreciation and amortisation on solar and wind parks. The increase stems almost exclusively from the solar and wind parks acquired in 2016 and in the first half of 2017.

Operating earnings before interest and taxes (EBIT) increased from TEUR 31,883 in the same period last year to TEUR 55,875 in the reporting period. This increase is mainly attributable to expansion of the energy generation portfolio. This represents an EBIT margin of around 49 per cent.

Operating financial result totalled TEUR -25,280 (previous year: TEUR -17,288). The increase stems mainly from the interest on the non-recourse loans for the solar and wind parks acquired in 2016 and in the first half of 2017.

Operating earnings before taxes (EBT) therefore came to TEUR 30,595 (previous year: TEUR 14,595). The EBT margin is approximately 27 per cent, which is around four percentage points above the previous year’s level. The EBT doubled due to the expansion of the portfolio on the one hand and, on the other hand, due to the greater amount of sunshine compared to the previous year.

The consolidated operating income statement shows operating tax expenses for the first half of the 2017 financial year of TEUR 4,592 (previous year: TEUR 1,173), mainly for effective tax payments in connection with solar and wind parks.

Altogether, this resulted in consolidated operating net income of TEUR 26,003 (previous year: TEUR 13,421). The EAT margin was approximately 23 per cent.

Operating cash flow came in at TEUR 69,927 in the first half of 2017, compared with TEUR 50,165 in the first half of 2016. The increase in the earnings for the period, in particular, are responsible for this rise. In the first half of 2016, tax receivables settled for the solar and wind parks currently under construction and a subsequent refund of capital gains tax had positive effects on operating cash flow in the amount of EUR 12.9 million and EUR 2.5 million respectively.

Determining the operating KPIs (adjusted for IFRS effects)

As outlined in the “Internal management system at Capital Stage” section of the 2016 annual report, Group IFRS accounting is influenced by non-cash measurement effects and the resulting write-downs. In addition, non-cash interest effects and deferred taxes impair a transparent view of the operating earnings situation as per IFRS.

in TEUR	01.01.–30.06.2017	01.01.–30.06.2016
Revenue	113,775	64,850
Other income	17,309	5,458
Cost of materials	-703	-408
Personnel expenses, of which TEUR -67 (previous year: TEUR -81) in share-based remuneration	-4,609	-2,781
Other expenses	-24,011	-13,186
Adjusted for the following effects:		
Income from the disposal of financial investments and other non-operating income	-12	0
Other non-cash income (primarily profit from business combinations [badwill] and the reversal of interest rate advantages from subsidised loans [government grants] as well as non-cash non-period income)	-14,262	-3,595
Other non-operating expenses	399	408
Share-based remuneration	67	81
Adjusted operating EBITDA	**87,951**	**50,828**
Depreciation and amortisation	-49,776	-25,219
Adjusted for the following effects:		
Amortisation of intangible assets (electricity feed-in contracts) acquired as part of business combinations	21,212	5,372
Subsequent measurement of uncovered hidden reserves and liabilities on step-ups for property, plant and equipment acquired as part of business combinations	-3,512	903
Adjusted operating EBIT	**55,875**	**31,883**
Financial result	-23,364	-28,027
Adjusted for the following effects:		
Other non-cash interest and similar expenses and income (primarily arising from effects of currency translation, effective interest rate calculation, swap valuation and interest cost from subsidised loans [government grants])	-1,916	10,739
Adjusted operating EBT	**30,595**	**14,595**
Tax expenses	-8,396	-1,352
Adjusted for the following effects:		
Deferred taxes (non-cash items)	3,804	179
Adjusted operating EAT	**26,003**	**13,421**

The following IFRS KPIs deviate from the operating earnings position:

The Group generated other income of TEUR 17,309 (previous year: TEUR 5,458). In relation to the provisional purchase price allocations pursuant to IFRS 3, a difference was recognised in the amount of TEUR 12,579 (previous year: TEUR 941) through profit or loss in the reporting period.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were TEUR 101,760 in the first half of the 2017 financial year (previous year: TEUR 53,933). This represents an increase of some 89 per cent. The EBITDA margin was around 89 per cent.

Depreciation and amortisation of TEUR 49,776 (previous year: TEUR 25,219) consists principally of depreciation of photovoltaic systems and wind turbines and amortisation of intangible assets (electricity feed-in contracts and exclusive licences). The increase stems mainly from the newly acquired solar and wind parks and those only consolidated *pro rata temporis* the previous year.

Earnings before interest and taxes (EBIT) rose from TEUR 28,714 in the same period last year to TEUR 51,984. The EBIT margin was around 46 per cent.

Operating financial result totalled TEUR -23,364 (previous year: TEUR -28,027). The decrease in the amount of TEUR 4,663 results, on the one hand, from an increase in financial income from TEUR 451 in the first half of 2016 to TEUR 5,204 in the first half of 2017, which is primarily based on higher income in connection with the changes in market values of interest rate swaps as well as on income from the liquidation of step-ups of the loans assumed as part of the takeover of CHORUS Clean Energy AG. On the other hand, financial expenses are nearly at the same level as the previous year (TEUR 28,478), coming in at TEUR 28,567. The interest cost for the non-recourse loans increased due to the solar and wind parks acquired in the 2016 financial year and in the first half of 2017; however, non-cash expenses from currency translation had an opposite effect. These currency translation costs in the previous year were associated with a loss in value of the British pound and affected company loans issued in foreign currency to the locally based subsidiaries.

Earnings before taxes (EBT) therefore came to TEUR 28,621 (previous year: TEUR 688).

The consolidated income statement shows tax expenses for the first half of the 2017 financial year of TEUR 8,396 (previous year: TEUR 1,352) and is comprised of effective tax payments and deferred taxes. Quarterly taxes are calculated in accordance with IAS 34.

Altogether, this results in Group earnings after taxes (EAT) of TEUR 20,225 (previous year: TEUR -665).

Consolidated earnings are made up of earnings attributable to shareholders of the parent company of TEUR 19,551 (previous year: TEUR -1,256) and earnings attributable to non-controlling interests of TEUR 674 (previous year: TEUR 591). Comprehensive income for the Group of TEUR 22,401 (previous year: TEUR -5,383) is made up of consolidated net income and changes in other reserves shown in equity. In addition to the currency translation reserve in the amount of TEUR 153 (previous year: TEUR 728), other reserves also contain hedging reserves in the amount of TEUR 3,028 (previous year: TEUR -7,671), which also contain amounts to be recognised in profit or loss in future over the remaining term of the respective underlying items for interest rate swaps previously held in a hedging relationship, as well as the effects from the valuation of available-for-sale financial assets with no effect on profit or loss in the amount of TEUR -176 (previous year: TEUR 0). Furthermore, other reserves contain corresponding deferred tax effects in the amount of TEUR -829 (previous year: TEUR 2.225) Basic earnings per share (after non-controlling interests) were 0.15 Euro (previous year: EUR -0.02). The average number of shares in circulation in the reporting period was 126,904,431 (previous year: 78,270,217). Diluted earnings per share were 0.15 Euro (previous year: EUR -0.02).

Financial position and cash flow

The change in cash and cash equivalents in the reporting period was TEUR -11,912 (previous year: TEUR 26,261) and is made up as follows:

Cash flow from operating activities amounts to TEUR 69,927 (previous year: TEUR 50,165). This consists largely of cash inflows from the operating business of the solar and wind parks. Also included here are changes in assets and liabilities not attributable to investing or financing activities. In the same period in the previous year, tax receivables settled for the solar and wind parks currently under construction had a positive effect on operating cash flow in the amount of EUR 12.9 million.

Cash flow from investing activities of TEUR -42,006 (previous year: TEUR -24,618) consisted mainly of payments for the acquisition of solar parks in Italy and the United Kingdom. This item still includes payments related to investments in property, plant and equipment for the construction of solar and wind parks in Austria and France. The collection of the outstanding purchase price in the amount of EUR 7.7 million for a French wind park sold to utility company in December 2016 had the opposite effect.

Cash flow from financing activities of TEUR -39,833 (previous year: TEUR 714) results primarily from the regular loan repayments and interest paid less the loans for newly acquired solar and wind parks paid out after the dates of initial consolidation. This also includes the working capital loan taken out in the amount of TEUR 20,000. In the first half of 2016, a capital increase from authorised capital for subscription in cash in the amount of TEUR 48,898 had an effect on the cash flow from financing activities.

As of 30 June 2017, under consideration of the current account liabilities in the amount of TEUR 4,299 (previous year: TEUR 24), the Group has cash and cash equivalents amounting to TEUR 113,537 (30 June 2016: TEUR 76,439).

Assets position

As at 30 June 2017, equity amounted to TEUR 615,243 (31 December 2016: TEUR 608,556). The increase in the amount of TEUR 6,687, or 1.1 per cent, results primarily from capital increases relating to the share dividends and the earnings for the period. The payment of dividends had the opposite effect. Share capital increased by TEUR 1,820 due to a capital increase for the share dividend and through the exchange of shares associated with the acquisition of CHORUS shares from an institutional investor. The equity ratio is 25.7 per cent (31 December 2016: 25.9 per cent).

Total assets increased from TEUR 2,353,797 as of 31 December 2016 to TEUR 2,394,766.

Goodwill stood at TEUR 22,292 as of 30 June 2017 (31 December 2016: TEUR 22,292).

As of 30 June 2017, the Group has bank and leasing liabilities amounting to TEUR 1,460,896 (31 December 2016: TEUR 1,429,362). These loans and leases relate to funding for solar parks and wind parks and the mezzanine capital provided by Gothaer Versicherungen in November 2014. This also includes liabilities from listed notes for the Grid Essence portfolio including accrued interest in the amount of TEUR 42,448 as well as liabilities from debenture bonds in the amount of TEUR 23,000. This does not include amounts recognised under other liabilities totalling TEUR 11,544, which comprises interest advantages from low-interest government loans (KfW) and is to be accounted for in accordance with IAS 20 and shown separately.

Events after the balance sheet date

Acquisition of additional wind parks in Germany with a generation capacity of nearly 17 megawatts

At the beginning of August, Capital Stage acquired five additional wind parks in Brandenburg and Mecklenburg-West Pomerania with a total generation capacity of nearly 17 megawatts (MW). All five installations have already been connected to the grid and benefit from a guaranteed feed-in tariff for a period of 20 years respectively. The guaranteed tariff ranges from EUR 0.0808 and EUR 0.0890 per kilowatt-hour. The wind parks are equipped with turbines from manufacturers Vestas and General Electric. The total investment volume for the wind parks, including project-related debt financing, amounts to approximately EUR 39.6 million. Capital Stage expects the wind parks to generate revenue of approximately EUR 3.65 million from the first year of full operation onwards.

Acquisition of additional wind parks in Denmark with a generation capacity of nearly ten megawatts

In August, Capital Stage signed an agreement for the acquisition of three additional wind parks in Denmark. The turbines are part of the existing wind park Nordhede I, not far from Ringkøbing on the North Sea coast of Denmark. The total generation capacity of the Vestas V 112 turbines is 9.9 megawatts (MW). The wind installations have been connected to the power grid since the start of 2014. The wind park benefits from a government feed-in rate which is granted per megawatt for the first 22,000 full-load hours in Denmark. Capital Stage expects the wind park to generate revenue contributions in excess of EUR 1.4 million per year. The total investment volume for the wind parks, including project-related debt financing, will amount to approximately EUR 12.0 million.

Optional dividend once again well received

The optional dividend offered by Capital Stage AG was once again very well received with an acceptance rate of more than 50 per cent. As a result, every other shareholder decided to increase their investment in the company. The new shares were added to shareholders' securities accounts at the beginning of July 2017.

Takeover of CHORUS Clean Energy AG successfully and completely concluded

After the entry of the transfer decision by the Annual General Meeting of CHORUS Clean Energy AG into the trade register in Neubiberg on 24 August 2017, Capital Stage AG holds all shares in CHORUS Clean Energy AG (ISIN DE000A12UL56/ISIN DE000A2BPKL6) from this point forward. On 22 June 2017, the annual shareholders' meeting of CHORUS Clean Energy AG approved by a large majority the transfer of the shares of minority shareholders to Capital Stage AG in exchange for payment of an appropriate cash payment in the amount of EUR 11.92 per share. Capital Stage AG has thus successfully concluded the takeover of CHORUS Clean Energy AG on schedule. The listing of CHORUS Clean Energy AG shares in the General Standard index of the Deutsche Börse will be officially ceased shortly.

Opportunities and risks

There were no material changes in the reporting period to the opportunities and risks outlined in the consolidated financial statements for the 2016 financial year.

Furthermore, the Management Board of Capital Stage AG is, at the time of preparing the 2017 half-year financial report, not aware of any risks that would jeopardise the continued existence of the company or the Group.

Forecast

The following statements include forecasts and assumptions that are not certain to materialise. If one or more of these forecasts or assumptions do not materialise, actual results and developments may differ substantially from those outlined.

Underlying economic conditions

Global economy set for moderate growth

The International Monetary Fund (IMF) expects the global economy to continue on its road to recovery in the coming year. This means that economic growth in emerging and developing countries should continue, while industrialised nations are expected to continue at approximately the same rate as the previous year. Following 3.5 per cent for the 2017 financial year, the IMF predicts global economic growth of 3.6 per cent for 2018.

The European Central Bank will continue its expansive monetary policy over the medium term and will, at least until the end of 2017, also provide the market with liquidity via the purchase of government and corporate bonds. In the United States, in light of the healthy economic figures, the Fed will likely tap the brakes with regard to its interest rate policy. However, a significant change in interest rates should not be expected, even in the medium term.

While the US dollar is gaining ground on the euro thanks to the increasing interest rate gap and the more dynamic economic momentum in the United States, uncertainty is still high with regard to the British pound. Stability in this regard should not be expected until the terms of the Brexit deal have been determined over the medium term.

Underlying conditions on the renewable energy market

The future belongs to renewable energy

The expansion of renewable energies continues to go from strength to strength around the world – the aim being to achieve a secure, sustainable and climate-friendly energy supply.

Additionally, various international agreements and national expansion targets provide benchmarks for the further development of renewable energies. The Paris climate agreement, which was signed by some 200 countries and has been in effect since 4 November, is one of the most important of these international agreements. All of the countries that signed the agreement are committed to taking the necessary measures to limit the acceleration of global warming. A significant blow to the Paris climate agreement came when US President Donald Trump announced that the United States would be withdrawing from the agreement, but the withdrawal process will most likely last until the year 2020. The elections in France and in the Netherlands provided the populist movements in Europe with no further momentum, however. The universal objective amongst society and politicians for a low-carbon economy and the expansion of renewable energies thus remains unchanged. The expansion of renewable energies is continuing rapidly in emerging and developing countries as well; China in particular is relying more and more on renewable energies, not least due to massive economic, environmental and health-related effects from environmental pollution. From 2016 to 2020, the Chinese government will provide the equivalent of more than EUR 340 billion for investments in these areas.

Solar Power Europe (SPE), the successor of the European Photovoltaic Industry Association (EPIA), expects that overall global photovoltaic generation capacity will increase sharply over the next few years. In its optimistic scenario, SPE anticipates that global generation capacity will climb to more than 930 gigawatts by 2021; in its pessimistic scenario, it predicts that this figure will rise to just under 620 gigawatts. By way of comparison, global installed capacity totalled more than 300 gigawatts in 2016.

The wind power sector will also witness significant expansion over the next few years. According to forecasts of the Global Wind Energy Council, wind energy installations with a total generation capacity of more than 480 gigawatts were installed around the world in 2016. In an optimistic scenario, the forecasts of the Wind Energy Outlook expect a further increase in capacities to nearly 800 gigawatts or to some 880 gigawatts by the year 2020.

Overview of expected development

Capital Stage invests in turnkey or existing (onshore) solar and wind parks and takes over their commercial and technical management. The company’s course of business is therefore not directly linked to the future expansion of renewable energies. However, the company does benefit in the medium term from a major and rapid expansion of capacity, since this increases the available investment opportunities. Furthermore, there continues to be great demand for investment opportunities – in particular, amongst pension funds and insurance companies. With their long-term and stable cash flows and attractive returns on investment, renewable energy installations offer suitable alternatives. As part of the Asset Management segment, Capital Stage offers institutional investors a wide variety of opportunities to invest in renewable energies or renewable energy installations. Capital Stage is therefore confident that its Asset Management segment will be able to acquire new clients in the second half of 2017 as well.

Both the existing and future expectations surrounding the underlying economic conditions as well as the financing conditions provide Capital Stage with the ideal environment for further qualitative growth.

Additional solar parks and wind parks were acquired in the core regions during the first half of 2017. This takes the generation capacity of the complete portfolio to nearly 1.3 gigawatts. During the reporting period, the company successfully entered the Danish market, a new core region, thereby further increasing the regional diversification of the existing portfolio. At the same time, the squeeze-out process and the corresponding approval decision at the annual shareholders’ meeting of CHORUS Clean Energy AG (“CHORUS”) helped to further drive collaboration and integration within the Capital Stage Group. Annual savings of more than EUR 1 million will be achieved merely through no longer listing CHORUS on the stock markets.

All of this makes the Capital Stage Group one of Europe’s largest independent operators of solar and wind parks and puts it in an excellent strategic position for further growth. Within the Capital Stage Group, CHORUS will manage and expand the Asset Management segment in particular in future. Capital Stage AG will continue to manage its own business activities. In addition to a comprehensive investment pipeline in the core regions, Capital Stage also reviews further regions on an ongoing basis for potential attractive market entry opportunities.

Increase of the guidance for 2017

In light of the acquisition of further solar and wind parks already completed as well as improved sunshine figures during the reporting period compared to the previous year, the Management Board of Capital Stage AG has increased its guidance for 2017 from December 2016.

Based on the existing portfolio as of 24 August 2017, the Management Board of Capital Stage AG expects the following results:

in EUR million	2017
Revenue	>215
Operating EBITDA*	>160
Operating EBIT*	>97
Operating cash flow*	>150

* Operating; contains no IFRS-related, non-cash valuation effects

Dividend policy

The Management and Supervisory Boards of Capital Stage AG want the shareholders to share in the success of the company to an appropriate extent. At the annual shareholders' meeting on 18 May 2017, they therefore proposed the payment of a dividend in the amount of EUR 0.20 for each dividend-entitled share. This represents a nominal year-on-year increase of approximately ten per cent (dividend for the financial year 2015: EUR 0.18). The Annual General Meeting approved the recommendation of the company by a large majority. The dividend was also once again offered as an optional dividend which provides the shareholders with the greatest possible freedom to choose. A portion of the balance sheet profit of EUR 25,286,399.00 for the 2016 financial year was used to pay out the dividend – which was carried out on 27 June 2017 – in accordance with the resolution passed at the Annual General Meeting of Capital Stage AG. With an acceptance rate of more than 50 per cent, the optional dividend was once again well received. In total, 1,728,554 new bearer shares were issued.

The Management and Supervisory Boards of Capital Stage AG have also agreed upon a dividend strategy for the next five years. The aim of this strategy is for the dividend of Capital Stage AG to rise continuously so that a 50 per cent higher dividend (EUR 0.30) will be paid out for every dividend-entitled share in five years' time. The dividend strategy reflects increasing cash flows from solar and wind parks. The associated interest cost will decrease from year to year on the basis of a set repayment plan and result in corresponding steady earnings increases.

Hamburg, August 2017

Management Board

Dr Christoph Husmann	**Holger Götze**
CFO	COO

Condensed consolidated statement of comprehensive income (IFRS)

in TEUR	01.01.–30.06.2017	01.01.–30.06.2016	Q2/2017	Q2/2016
Revenue	113,775	64,850	71,836	42,499
Other income	17,309	5,458	4,520	3,989
Cost of materials	-703	-408	-420	-135
Personnel expenses	-4,609	-2,781	-2,875	-1,579
of which in share-based remuneration	-67	*-81*	-33	-34
Other expenses	-24,011	-13,186	-13,945	-7,020
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**101,760**	**53,933**	**59,116**	**37,752**
Depreciation and amortisation	-49,776	-25,219	-25,108	-12,646
Earnings before interest and taxes (EBIT)	**51,984**	**28,714**	**34,007**	**25,107**
Financial income	5,204	451	2,637	408
Financial expenses	-28,567	-28,478	-14,901	-12,642
Earnings before taxes on income (EBT)	**28,621**	**688**	**21,744**	**12,873**
Taxes on income	-8,396	-1,352	-6,012	-4,698
Consolidated profit for the period (EAT)	**20,225**	**-665**	**15,732**	**8,176**
Items which can be reclassified to profit or loss				
Currency translation differences	153	728	189	229
Hedging of cash flows – effective part of the change in fair value	3,028	-7,671	1,860	-1,900
Change in the market value of available-for-sale financial assets	-176	0	-194	0
Income taxes on items which can be reclassified to profit or loss	-829	2,225	-461	539
Consolidated comprehensive income	**22,401**	**-5,383**	**17,125**	**7,043**
Additions to earnings for the period				
Shareholders of Capital Stage AG	19,551	-1,256	14,781	7,440
Non-controlling interests	674	591	950	735
Additions to Group comprehensive income for the period				
Shareholders of Capital Stage AG	21,727	-5,974	16,175	6,308
Non-controlling interests	674	591	950	735
Earnings per share				
Average number of shares in circulation in the reporting period				
Undiluted	126,904,431	78,270,217	127,340,449	81,056,923
Diluted	126,924,654	78,232,183	127,360,529	80,979,624
Earnings per share (undiluted, in EUR)	0.15	-0.02	0.12	0.09
Earnings per share (diluted, in EUR)	0.15	-0.02	0.12	0.09

Condensed consolidated financial statements (IFRS)

Assets in TEUR	30.06.2017	31.12.2016
Intangible assets	618,120	593,270
Goodwill	22,292	22,292
Property, plant and equipment	1,348,623	1,331,845
Financial investments recognised using the equity method	730	730
Financial investments	7,335	7,334
Other accounts receivable	14,000	14,178
Deferred tax assets	115,270	118,588
Total non-current assets	**2,126,371**	**2,088,237**
Inventories	320	327
Trade receivables	49,223	31,352
Non-financial assets	9,770	17,025
Receivables from income taxes	12,595	10,289
Other current receivables	11,553	17,588
Cash and cash equivalents	184,933	188,979
Cash and cash equivalents	*117,836*	*125,802*
Restricted cash and cash equivalents	*67,098*	*63,177*
Total current assets	**268,395**	**265,560**
Total assets	**2,394,766**	**2,353,797**

Liabilities in TEUR	30.06.2017	31.12.2016
Subscribed capital	128,252	126,432
Capital reserve	408,212	399,559
Reserve for equity-settled employee remuneration	410	344
Other reserves	-1,792	-3,967
Distributable profit	57,607	63,342
Non-controlling interests	22,554	22,846
Total equity	**615,243**	**608,556**
Non-current liabilities to non-controlling shareholders	6,144	5,997
Non-current financial liabilities	1,264,917	1,251,964
Non-current leasing liabilities	82,783	71,976
Provisions for restoration obligations	22,845	22,251
Other non-current liabilities	11,925	13,081
Deferred tax liabilities	224,591	217,951
Total non-current liabilities	**1,613,206**	**1,583,220**
Current liabilities to non-controlling shareholders	13,011	12,573
Liabilities from income taxes	4,497	3,906
Current financial liabilities	108,769	102,771
Current leasing liabilities	7,657	5,688
Trade payables	19,927	23,693
Other current debt	12,456	13,390
Total current liabilities	**166,317**	**162,021**
Total equity and liabilities	**2,394,766**	**2,353,797**

Condensed consolidated cash flow statement (IFRS)

in TEUR	01.01.–30.06.2017	01.01.–30.06.2016
Net profit/loss for the period	20,225	-665
Depreciation and amortisation of fixed assets	49,776	25,219
Other non-cash income and expenses	-13,203	-1,401
Financial income/financial expenses	23,364	26,937
Taxes on income	3,423	3,004
Increase/decrease in other assets/liabilities not attributable to investment or financing activities	-13,658	-2,930
Cash flow from operating activities	**69,927**	**50,165**
Payments made for acquisition of consolidated companies less acquired cash/proceeds from the sale of consolidated companies	-10,718	-11,387
Payments related to investments in property, plant and equipment/proceeds from the disposal of assets in property, plant and equipment	-29,983	-10,936
Payments for investments in intangible assets	-420	-295
Payments related to investments in financial assets/proceeds from the sale of financial assets	-993	-2,000
Dividends received	109	0
Cash flow from investing activities	**-42,006**	**-24,618**
Loans proceeds and repayments	5,044	-14,216
Interest received/paid (cash items)	-23,949	-17,314
Proceeds from capital increases and payment for issue costs	-72	47,984
Change in cash and cash equivalents with limited availability	-2,819	-1,380
Dividends paid	-18,037	-14,359
Cash flow from financing activities	**-39,833**	**714**
Change in cash and cash equivalents	-11,912	26,261
Changes in cash due to exchange rate changes	-249	-1,451
Cash and cash equivalents		
As of 01.01.2017 (01.01.2016)	125,698	51,629
As of 30.06.2017 (30.06.2016)	113,537	76,439

Condensed consolidated statement of changes in equity (IFRS)

in TEUR	Subscribed capital	Capital reserve	Currency translation reserve	Hedge reserve	Reserves from changes in fair value
As of 01.01.2016[1]	**75,484**	**108,651**	**71**	**-2,265**	
Consolidated comprehensive income for the period			728	-5,447	
Dividends					
Income and expenses recorded directly in equity					
Changes from capital measures	7,349	42,207			
Issue costs		-914			
As of 30.06.2016	**82,832**	**149,944**	**799**	**-7,712**	
As of 01.01.2017	**126,432**	**399,559**	**1,062**	**-4,887**	**-142**
Consolidated comprehensive income for the period			153	2,153	-131
Dividends					
Income and expenses recorded directly in equity					
Changes from capital measures	1,820	8,973			
Transactions with shareholders recognised directly in equity		-248			
Issue costs		-72			
Acquisition of shares from non-controlling interests					
As of 30.06.2017	**128,252**	**408,212**	**1,215**	**-2,733**	**-273**

in TEUR		Reserve for equity-based employee remuneration	Distributable profit/loss	Non-controlling interests	Total
As of 01.01.2016[1]		**425**	**66,834**	**7,794**	**256,994**
Consolidated comprehensive income for the period			-1,256	591	-5,384
Dividends			-14,891		-14,891
Income and expenses recorded directly in equity		81			81
Changes from capital measures					49,555
Issue costs					-914
As of 30.06.2016		**507**	**50,687**	**8,386**	**285,441**
As of 01.01.2017		**344**	**63,342**	**22,846**	**608,556**
Consolidated comprehensive income for the period			19,551	674	22,401
Dividends			-25,286		-25,286
Income and expenses recorded directly in equity		67			67
Changes from capital measures					10,793
Transactions with shareholders recognised directly in equity					-248
Issue costs					-72
Acquisition of shares from non-controlling interests				-966	-966
As of 30.06.2017		**410**	**57,607**	**22,554**	**615,243**

[1] Some of the disclosures are not comparable with the disclosures made in the half-yearly financial report as at 30 June 2016, as the previous year's figures were amended in accordance with IAS 8 during the 2016 financial year. The reason for the amendment lay in the adjustment of purchase price allocations previously made in respect of French parks and the accounting of an Italian park. Detailed information was published in the annual report for 2016.

Selected notes and disclosures in the notes

General remarks

These condensed and unaudited interim consolidated financial statements have been prepared in accordance with section 37w, paragraph 3, of the German Securities Trading Act (*Wertpapierhandelsgesetz* – WpHG) and with IAS 34 "Interim Financial Reporting". They do not include all the information that is required under IFRS for the consolidated financial statements as of the end of a financial year and should therefore only be read in conjunction with the consolidated financial statements as of 31 December 2016.

The interim financial statements and the interim management report have not been audited in accordance with section 317 of the German Commercial Code (*Handelsgesetzbuch* – HGB) nor reviewed by an auditor.

The condensed consolidated statement of comprehensive income and the condensed consolidated cash flow statement contain comparative figures for the first half of the previous year. The condensed consolidated financial statements include comparative figures as of the end of the previous financial year.

The interim financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS) as applicable within the European Union.

The accounting policies applied are the same as those used for the last year-end consolidated financial statements. We published a detailed description of the methods applied in the notes to the consolidated financial statements for 2016. If there are any amendments to accounting policies, they will be explained in the individual notes.

The reporting company

Capital Stage AG (hereafter known as "company" or together with its subsidiaries as "Group") is a German joint stock company based in Hamburg. The Group's main areas of activity are described in chapter 1 of the notes to the consolidated financial statements for the financial year ended 31 December 2016.

Subject to the interim consolidated financial statements are Capital Stage AG and its affiliates. For the group of consolidated companies, the reader is referred to section 17 of the notes to the consolidated financial statements as of 31 December 2016 and, with regard to the amendments in the first half of 2017, to the notes in the following section. The parent company of the Group, Capital Stage AG, was entered in the commercial register of Hamburg district court on 18 January 2002 under HRB 63197 and has its place of business in Grosse Elbstrasse 59, 22767 Hamburg.

Intra-Group transactions are conducted on arm's-length terms.

Significant accounting policies and consolidation principles

Seasonal influences

The business activities of the Group are subject to seasonal influences, leading to fluctuations in revenue and results throughout the course of the year. Due to seasonal influences, revenue from the PV Parks segment is usually higher in the second and third quarters of a financial year than in the first and fourth quarters, whereas revenue and results from the Wind Parks segment tend to be higher in the first and fourth quarters of a financial year than in the second and third quarters.

New standards and amendments to standards and interpretations

The Group did not apply any new and revised IFRS standards and interpretations in the first two quarters of 2017. There are therefore no significant effects on the consolidated interim report presented here.

Status of IFRS and interpretations which are not yet obligatory and which the Group has not applied before the effective date

There is no new significant information relating to the standards IFRS 9 "Financial Instruments" (2014) and IFRS 15 "Revenue from Contracts with Customers" – which have received the EU endorsement – which is why the reader is referred to the information contained in the consolidated financial statements as of 31 December 2016.

The same applies to the standard IFRS 16 “Leases” – which has not yet been accepted and endorsed by the EU – so the consolidated financial statements as of 31 December 2016 should be used as a basis for the information.

Group of consolidated companies

In the first six months of 2017, the following companies were included in the consolidated financial statements in addition to those mentioned in note 17 to the consolidated financial statements as of 31 December 2016.

Name and location of the company	% share
Fully consolidated Group companies	
De-Stern 1 S.r.l., Bolzano, Italy	100.00
De-Stern 4 S.r.l., Bolzano, Italy	100.00
De-Stern 15 S.r.l., Bolzano, Italy	100.00
Piemonte Eguzki 2 S.r.l., Bolzano, Italy	100.00
Piemonte Eguzki 6 S.r.l., Bolzano, Italy	100.00
Todderstaffe Solar Ltd., London, United Kingdom	100.00
Affiliates	
Energiepark Passow WP Briest III GmbH & Co. KG, Bremerhaven, Germany	49.00

The equity interests are equal to the share of voting rights.

The following Italian private companies were converted into corporations in the first half of 2017:

Company name before conversion	Company name after conversion
CHORUS Solar Banna 3. S.r.l. & Co. Torino Due S.a.s.	CHORUS Solar Torino Due S.r.l.
CHORUS Solar Banna 5. S.r.l. & Co. Torino Uno S.a.s.	CHORUS Solar Torino Uno S.r.l.
CHORUS Solar Puglia 3. S.r.l. & Co. Casarano S.a.s.	CHORUS Solar Casarano S.r.l.
CHORUS Solar Puglia 3. S.r.l. & Co. Matino S.a.s.	CHORUS Solar Matino S.r.l.
CHORUS Solar Puglia 3. S.r.l. & Co. Nardò S.a.s.	CHORUS Solar Nardò S.r.l.
CHORUS Solar Toscana 5. S.r.l. & Co. Ternavasso Due S.a.s.	CHORUS Solar Ternavasso Due S.r.l.
CHORUS Solar Toscana 5. S.r.l. & Co. Ternavasso Uno S.a.s.	CHORUS Solar Ternavasso Uno S.r.l.
Collechio Energy di CHORUS Solar 5. S.r.l. & Co. S.a.s.	Collechio Energy S.r.l.
Energia & Sviluppo di CHORUS Solar 5. S.r.l. & Co. S.a.s.	Energia & Sviluppo S.r.l.
Le Lame di CHORUS Solar Toscana 5. S.r.l. & Co. S.a.s.	Le Lame S.r.l.
Lux Energy di CHORUS Solar 5. S.r.l. & Co. S.a.s.	Lux Energy S.r.l.
San Giuliano Energy di CHORUS Solar Toscana 5. S.r.l. & Co. S.a.s.	San Giuliano Energy S.r.l.
San Martino Energy di CHORUS Solar 5. S.r.l. & Co. S.a.s.	San Martino S.r.l.

Effective from 1 January 2017, the following eight Italian holding companies were merged into CHORUS Solar Italia Centrale 5. S.r.l.:

- CHORUS Solar 5. S.r.l.
- CHORUS Solar 5. S.r.l. & Co. S.a.s. Alpha
- CHORUS Solar Banna 3. S.r.l.
- CHORUS Solar Banna 5. S.r.l.
- CHORUS Solar Banna 5. S.r.l. & Co. PP4 S.a.s.
- CHORUS Solar Banna 5. S.r.l. & Co. S.a.s. Beta
- CHORUS Solar Puglia 3. S.r.l.
- CHORUS Solar Toscana 5. S.r.l.

Business combinations

Business combinations are accounted for as described in the notes to the consolidated financial statements as of 31 December 2016.

The purchase price allocations (PPA) used for initial consolidation are only provisional, because in some cases facts may come to light after the PPA has been completed that result in subsequent changes up to one year after the acquisition. All PPAs are still provisional, because the technical reviews and the related final budgets, which form the basis for the valuation of the intangible assets, have also not yet been completed.

In addition to the operation of installations, the acquisition of existing solar parks and wind parks, as well as those currently under construction, is part of the business activities of the Group and therefore represents the primary reason for the acquisitions.

Business combinations in the first half of 2017

Piemonte Eguzki 2 S.r.l. and Piemonte Eguzki 6 S.r.l.

in TEUR	Carrying amount before PPA	Fair value according to preliminiary PPA
Intangible assets	0	25,709
Property, plant and equipment	56	8,132
Current assets	8,463	2,563
Cash and cash equivalents	1,503	1,503
Debt and provisions	7,887	23,889
Deferred tax assets	178	6,189
Deferred tax liabilities	0	9,182
Identified acquired net assets	**2,313**	**11,025**
Determining the amount of the difference		
Purchase price for acquired shares		4,229
Purchase price for acquired financial liabilities		7,108
Total purchase price		**11,337**
Identified acquired net assets		11,025
Acquired financial liabilities (company loans)		7,108
Badwill (-)		**-6,796**
Net outflow of cash from the acquisition		9,834

This transaction concerns the 100 per cent acquisition of two solar parks in the Italian region of Piedmont, situated between Turin and Genoa. The parks' initial consolidation was on 3 February 2017. The business combination was carried out by applying the purchase (partial goodwill) method. The revaluated shareholders' equity at the time of initial consolidation was TEUR 11,025. The current receivables assumed as a result of the transaction, mainly comprising trade receivables and tax receivables, have a fair value of TEUR 1,696. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0. There were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 38. Revenue of TEUR 1,683 and a profit of TEUR 432 have been recognised from the acquired company since the date of first consolidation. Had the companies been consolidated since the beginning of 2017, projections show that the consolidated financial statements would have reflected additional revenue of TEUR 1,883 and a profit of TEUR 402 from these companies. The purchase price for the shares and assumed company loans amounted to TEUR 11,337 and was fully discharged in cash.

De-Stern 1 S.r.l., De-Stern 4 S.r.l. and De-Stern 15 S.r.l.

in TEUR	Carrying amount before PPA	Fair value according to preliminiary PPA
Intangible assets	1,411	19,677
Property, plant and equipment	15,393	5,356
Current assets	1,082	649
Cash and cash equivalents	406	406
Restricted cash and cash equivalents	1,102	1,102
Debt and provisions	14,696	14,645
Deferred tax assets	0	3,443
Deferred tax liabilities	0	5,537
Identified acquired net assets	**4,698**	**10,451**
Determining the amount of the difference		
Purchase price for acquired shares		5,650
Total purchase price		**5,650**
Identified acquired net assets		10,451
Badwill (-)		**-4,801**
Net outflow of cash from the acquisition		5,244

This transaction refers to the 100 per cent acquisition of a solar park portfolio in the sunny region of Apulia in south-eastern Italy. The parks' initial consolidation was on 31 March 2017. The business combination was carried out by applying the purchase (partial goodwill) method. The revaluated shareholders' equity at the time of initial consolidation was TEUR 10,451. The current receivables assumed as a result of the transaction, mainly comprising trade receivables and tax receivables, have a fair value of TEUR 649. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0. There were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 8. Revenue of TEUR 848 and a profit of TEUR 247 have been recognised from the acquired company since the date of first consolidation. Had the companies been consolidated since the beginning of 2017, projections show that the consolidated financial statements would have reflected additional revenue of TEUR 1,346 and a profit of TEUR 208 from these companies. The purchase price for the shares amounted to TEUR 5,650 and was fully discharged in cash.

Todderstaffe Solar Ltd.

in TEUR	Carrying amount before PPA	Fair value according to preliminiary PPA
Intangible assets	0	1,130
Property, plant and equipment	5,150	5,116
Current assets	381	381
Cash and cash equivalents	0	0
Debt and provisions	5,531	5,643
Deferred tax assets	0	25
Deferred tax liabilities	0	226
Identified acquired net assets	**0**	**982**
Determining the amount of the difference		
Purchase price for acquired shares		259
Purchase price for acquired financial liabilities		5,105
Total purchase price		**5,364**
Identified acquired net assets		982
Acquired financial liabilities (company loans)		5,105
Badwill (-)		**-723**
Net outflow of cash from the acquisition		5,364

This transaction refers to the 100 per cent acquisition of a solar park in north-western England in the county of Lancashire, near the city of Blackpool. The parks' initial consolidation was on 31 May 2017. The business combination was carried out by applying the purchase (partial goodwill) method. The revaluated shareholders' equity at the time of initial consolidation was TEUR 982. The current receivables assumed as a result of the transaction, which are made up of tax receivables, have a fair value of TEUR 381. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0. There were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 126. Revenue of TEUR 128 and a profit of TEUR 78 have been recognised from the acquired company since the date of first consolidation. Had the companies been consolidated since the beginning of 2017, projections show that the consolidated financial statements would have reflected additional revenue of TEUR 128 and a profit of TEUR 654 from these companies. The purchase price for the acquired shares and assumed liabilities was TEUR 5,364. As of the reporting date, TEUR 3,068 of the purchase price had been paid in cash. Payment of the remainder of the purchase price will occur after reaching various milestones.

Finalisation of the purchase price allocation for the companies Ribaforada 3 S.r.l. and Ribaforada 7 S.r.l.

During the valuation period as per IFRS 3.45, the Company adjusted the purchase price allocation in the first half of 2017 due to the now finalised measurement of the liabilities from finance leases. The main changes to the provisional price allocation and the figures presented in the 2016 annual report are a decrease in liabilities from finance leases of TEUR 353 and a decrease in deferred tax assets of TEUR 94. This resulted in an increase in badwill of TEUR 259.

Overall impact of the business combinations on the Group's results

The interim financial statements for the period up to 30 June 2017 show profits of TEUR 763 from companies that were consolidated for the first time as a result of business combinations in the current financial year. The sales revenue recognised as of 30 June 2017 includes TEUR 2,659 from the newly consolidated companies. If the business combinations had taken place as of 1 January 2017, projections show that Group revenue as of 30 June 2017 would have been TEUR 698 greater and the earnings for the period TEUR 513 higher.

The negative difference (badwill) for the business acquisitions in the first six months of 2017 and adjustments to provisional purchase price allocations made in the 2016 financial year come to TEUR 12,579 in total and are shown in other income.

Reasons for the realisation of badwill

This badwill, which resulted from the three PPAs, was largely generated by the advantages that Capital Stage has over other potential purchasers. These advantages particularly include very strong liquidity and therefore the possibility of repaying the sellers' existing short-term loans smoothly.

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 acquisitions result only from exclusive negotiations with the seller, which has a significant influence on the realisation of badwill. Additionally, public and structured sale processes take longer than exclusive negotiations. Many sellers prefer the quick and predictable conclusion of the transaction with a very small time period from contract signing to closing – i.e. payment of the purchase price – over a time-consuming and structured sale process, because this frequently results in a highest-bidding buyer who is unknown and possibly unable to pay, which results in a timely closing not being possible.

Another 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.

Each year, Capital Stage receives around 200 solar and wind parks to analyse. During a clearly defined filtering process, these offers are reduced to approximately 30 which are deemed worthy of additional scrutiny in the short term. 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. This filtering process leads to between eight and ten acquisitions over the course of a year.

Critical accounting judgements and key sources of estimation uncertainties

In some cases during the preparation of the consolidated financial statements, estimates and assumptions are made which affect the use of accounting methods and the amount of the presented assets, liabilities, income and expenses. The actual amounts may differ from these estimates. The estimates, and the assumptions upon which they are based, are continuously evaluated. Adjustments to estimates are recognised prospectively.

Below, the most important forward-looking assumptions as well as the other principal sources of estimation uncertainties as of the end of the reporting period are discussed, which could give rise to a substantial risk within the coming financial year that a significant adjustment of the reported assets and liabilities will be required.

Economic life of property, plant and equipment and intangible assets

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. Further disclosures can be found in the notes to the consolidated financial statements as of 31 December 2016.

Impairment in goodwill

To determine the existence of an impairment in goodwill, the value in use of the group of cash-generating units to which the goodwill is allocated must be determined. The calculation of the value in use necessitates the estimation of future cash flows from the group of cash-generating units as well as an appropriate capitalisation interest rate for the cash value calculation. If the actual expected future cash flows are lower than previously estimated, this could result in a significant impairment.

Business combinations

As part of business combinations, all identifiable assets and liabilities are recognised at fair value during their initial consolidation. The recognised fair values are subject to estimation uncertainties. If intangible assets are identified, the fair values are determined using generally acknowledged valuation methods. The valuations form the basis for the company’s planning, which also takes into account contractual agreements and management estimates. The discount rate (WACC) applied in connection with the valuation of intangible assets was between 2.54 and 4.15 per cent (previous year: 4.42 to 5.08 per cent).

The acquisition of solar and wind parks already connected to the grid is treated like a business combination because, in the opinion of the Group, the requirements of an existing business operation exist.

The reader is referred to the discussion in note 7 of the notes to the consolidated financial statements as of 31 December 2016 for details of the assumptions made when determining the fair value of financial assets. The measurement methods and input factors applied have not changed since 31 December 2016.

Additional disclosures related to financial assets and liabilities

Carrying amounts, recognised amounts and fair value according to classes and valuation categories

Classes of financial instruments in TEUR	Measurement category*	Carrying amount as of 30.06.2017 (31.12.2016)	Carrying amount under IAS 39*: Amortised acquisition cost	Carrying amount under IAS 39*: Fair value without effect on profit or loss	Carrying amount under IAS 39*: Fair value recognised through profit or loss	Carrying amount under IAS 17	Fair value as of 30.06.2017 (31.12.2016)
Financial assets							
Non-current financial assets	AFS	6,335	87	6,248			6,335
(31.12.2016)		(7,334)	(70)	(7,265)			(7,334)
Trade receivables	L&R	49,223	49,223				49,223
(31.12.2016)		(31,352)	(31,352)				(31,352)
Other current receivables	L&R	3,129	3,129				3,129
(31.12.2016)		(3,202)	(3,202)				(3,202)
Loans to affiliates	L&R	1,000	1,000				1,000
(31.12.2016)		(0)	(0)				(0)
Cash and cash equivalents	L&R	184,933	184,933				184,933
(31.12.2016)		(188,979)	(188,979)				(188,979)
Derivative financial assets							
Derivatives in a hedging relationship	n.a.	842		842			842
(31.12.2016)		(770)		(770)			(770)
Derivatives not in a hedging relationship	FAHFT	769			769		769
(31.12.2016)		(667)			(667)		(667)
Financial liabilities							
Trade payables	AC	19,927	19,927				19,927
(31.12.2016)		(23,693)	(23,693)				(23,693)
Financial liabilities	AC	1,348,888	1,348,888				1,528,964
(31.12.2016)		(1,325,276)	(1,325,276)				(1,531,122)
Liabilities from finance leases	n.a.	90,440				90,440	89,301
(31.12.2016)		(77,665)				(77,665)	(79,212)
Liabilities to non-controlling shareholders	AC	19,155	19,155				19,155
(31.12.2016)		(18,570)	(18,570)				(18,570)
Liabilities from contingent consideration	n.a.	60			60		60
(31.12.2016)		(61)			(61)		(61)
Other financial liabilities	AC	3,171	3,171				3,171
(31.12.2016)		(2,976)	(2,976)				(2,976)
Derivative financial liabilities							
Derivatives in a hedging relationship	n.a.	16,301		16,301			16,301
(31.12.2016)		(13,788)		(13,788)			(13,788)
Derivatives not in a hedging relationship	FLHFT	5,267			5,267		5,267
(31.12.2016)		(12,633)			(12,633)		(12,633)

Classes of financial instruments in TEUR	Measurement category*	Carrying amount as of 30.06.2017 (31.12.2016)	Carrying amount under IAS 39*: Amortised aquisition cost	Carrying amount under IAS 39*: Fair value without effect on profit or loss	Carrying amount under IAS 39*: Fair value recognised through profit or loss	Carrying amount under IAS 17	Fair value as of 30.06.2017 (31.12.2016)
Of which: aggregated by valuation categories as per IAS 39							
Loans and receivables	L&R	238,286	238,286				238,286
(31.12.2016)		(223,533)	(223,533)				(223,533)
Available for sale	AFS	6,335	87	6,248			6,335
(31.12.2016)		(7,334)	(70)	(7,265)			(7,334)
Financial assets held for trading	FLHFT	769			769		769
(31.12.2016)		(667)			(667)		(667)
Financial liabilities at amortised acquisition cost	AC	1,391,141	1,391,141				1,571,217
(31.12.2016)		(1,370,515)	(1,370,515)				(1,576,361)
Financial liabilities held for trading	FLHFT	5,267			5,267		5,267
(31.12.2016)		(12,633)			(12,633)		(12,633)

* L&R: loans and receivables; FAHFT: financial assets held for trading; AC: amortised cost; FLHFT: financial liabilities held for trading.

Fair value hierarchy

Fair value hierarchy 30.06.2017 (31.12.2016) in TEUR	Level 1	Level 2	Level 3
Assets			
Non-current financial assets			6,248
(31.12.2016)			(7,265)
Derivative financial assets:			
Derivatives in a hedging relationship		842	
(31.12.2016)		(770)	
Derivatives not in a hedging relationship		769	
(31.12.2016)		(667)	
Liabilities			
Liabilities from contingent consideration			60
(31.12.2016)			(61)
Derivative financial liabilities:			
Derivatives in a hedging relationship		16,301	
(31.12.2016)		(13,788)	
Derivatives not in a hedging relationship		5,267	
(31.12.2016)		(12,633)	

Interest rate and currency hedges are measured using yield and foreign exchange (FX) forward curves and acknowledged mathematical models (present value calculation). The market values recognised in the balance sheet therefore correspond to level 2 of the fair value hierarchy defined in IFRS 13.

The financial liabilities from contingent considerations carried at fair value in the consolidated financial statements are based on level 3 information and input factors.

Changes between measurement levels occurred neither in the current nor in the previous reporting year.

For each class of assets and liabilities not measured at fair value in the balance sheet and for which fair value is not approximately equal to the carrying amount, the following table shows the level of the fair value hierarchy to which the measurement of fair value has been assigned overall.

Fair value hierarchy 30.06.2017 (31.12.2016) in TEUR	Level 1	Level 2	Level 3
Liabilities			
Financial liabilities at amortised acquisition cost			
Financial liabilities		1,528,964	
(31.12.2016)		(1,531,122)	
Liabilities from finance leases		89,301	
(31.12.2016)		(79,212)	

The following tables show the valuation methods that were used to determine fair values.

Financial instruments measured at fair value

Type	Valuation method	Important non-observable input factor
Financial investments available for sale	The financial investments are measured using one of the following methods or a combination of more than one of the following methods: Acquisition cost of the most recent financial investments, measurement criteria within the industry, currently received offers, contractual obligations The relative weighting of each measurement method reflects an assessment of the suitability of each measurement method for the respective non-realised financial investment.	Risk premium The estimated fair value of the financial investments available for sale would increase (decrease) if the risk premium were lower (higher).
Interest rate swaps	Discounted cash flows: The fair values are determined using the future expected cash flows discounted using the standard observable market data of the corresponding interest structure curves.	Not applicable
Liabilities from contingent consideration	Discounted cash flows based on contractually fixed mechanisms	Not applicable

Financial instruments not measured at fair value

Type	Valuation method	Important non-observable input factor
Financial debts and liabilities from finance leases	Discounted cash flows: The fair values are determined using the future expected cash flows discounted with equivalent terms using the standard observable market interest rates and taking an appropriate risk premium into account.	Not applicable

For financial instruments with short-term maturities – including cash and cash equivalents, trace receivables, trade liabilities and other current receivables and liabilities – the assumption is made that their fair values are approximately equal to their carrying amounts.

The following overview provides a detailed reconciliation of the assets and liabilities regularly measured at fair value in level 3.

in TEUR	2017	2016
Non-current financial assets		
As of 01.01	7,266	1
Purchases (including additions)	5	0
Sales (including disposals and distributions)	-141	0
Profit/loss recognised in the financial result	-706	0
Profit/loss recognised in other comprehensive income	-176	0
As of 30.06	**6,248**	**1**
Liabilities from contingent consideration		
As of 01.01	61	65
Changes in value recognised in other comprehensive income	-1	0
As of 30.06	**60**	**65**

A deviation in the fair values of the available-for-sale financial assets by +/-200 basis points would respectively increase or decrease other comprehensive income after taxes by TEUR 80.

The following interest income and expenses originate from financial instruments not measured at fair value through profit or loss:

in TEUR	01.01.–30.06.2017	01.01.–30.06.2016
Interest income	3,034	116
Interest expenses	-24,678	-17,985
Total	**-21,644**	**-17,869**

Not included are, in particular, interest income and expenses from derivatives and interest income and expenses from assets and debt outside of the scope of IFRS 7.

Interest rate swaps

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 yield curves on the balance sheet date and the credit risk of the contracts.

As of the reporting date, the Group held a total of 83 (31 December 2016: 81) interest rates swaps under which the Group receives interest at a variable rate and pays interest at a fixed rate. These are what are known as amortising interest rate swaps, whose nominal volume is reduced at regular, defined intervals. The following table shows the nominal amounts as of the reporting date, the average (volume-weighted) fixed interest rates and the fair values. It distinguishes between interest rate swaps that are part of an effective hedging relationship pursuant to IAS 39 and those that are not.

	30.06.2017	31.12.2016
Nominal volume in TEUR	**338,538**	**344,791**
of which in a hedging relationship	*255,269*	*209,788*
of which not in a hedging relationship	*83,269*	*135,003*
Average interest rate in %	2.52	2.53
Fair value in TEUR	**-20,139**	**-25,222**
of which in a hedging relationship	*-15,459*	*-13,018*
of which not in a hedging relationship	*-4,680*	*-12,204*

The application of the rules for hedge accounting was discontinued within the reporting period for two of the interest rate swaps which were still in a hedging relationship as of 31 December 2016 because, as part of the effectiveness tests carried out on the respective reporting dates, no evidence of the hedging relationships' effectiveness could be provided. Effectiveness tests carried out as of 30 June 2017 showed an effectiveness level for the additional hedging relationships of 85.73 to 116.64 per cent, which is well within the permitted range.

The ineffective portion of the swaps in a hedging relationship was recognised as income of TEUR 628 through profit and loss (previous year: expenses in the amount of TEUR 272). The market value of swaps that are not in a hedging relationship was recognised as income of TEUR 1,422 through profit or loss (previous year: expenses in the amount of TEUR 602). The effective portion in the current financial year of TEUR 3,037 (previous year: TEUR -7,671) was adjusted for deferred tax effects in the amount of TEUR -877 (previous year: TEUR 2,225) and recognised in equity. For the interest rate swaps for which no more evidence of their effectiveness could be provided in the past, the changes in value formerly recognised in the hedge accounting reserves with no effect on profit or loss in the amount of TEUR 10 (previous year: TEUR 0), taking into account the deferred tax liabilities in the amount of TEUR -3 (previous year: TEUR 0), were amortised on schedule with effect on profit or loss.

Principles of risk management

The main risk for Capital Stage's financial assets and liabilities and its planned transactions is interest rate risk. Risk management aims to limit this risk by means of ongoing activities. Depending on the assessment of the risk, derivative hedging instruments are used to do so. To minimise default risk, only respected banks with good credit ratings are used as counterparties for interest rate hedges. Hedging is generally limited to risks that affect the Group's cash flow.

The risks facing the Capital Stage Group, as well as the extent of these risks, have either not changed or not changed significantly compared with the 2016 consolidated financial statements.

Equity

As at 30 June 2017, equity amounted to TEUR 615,243 (31 December 2016: TEUR 608,556). The increase in the amount of TEUR 6,687, or 1.1 per cent, results primarily from capital increases and the earnings for the period. The payment of dividends had the opposite effect. Share capital increased by TEUR 1,820 due to a capital increase in exchange for shares. The equity ratio is 25.7 per cent (31 December 2016: 25.9 per cent).

The Management and Supervisory Boards of Capital Stage AG want the shareholders to share in the success of the company to an appropriate extent. With this in mind, the Supervisory and Management Boards of Capital Stage AG proposed, at the annual shareholders' meeting on 18 May 2017, to pay out a dividend of EUR 0.20 for each dividend-entitled share. This represents a year-on-year increase of 11.1 per cent (2016: EUR 0.18). The proposal by the Management and Supervisory Boards was approved by a clear majority.

The Management and Supervisory Boards wish to give Capital Stage AG shareholders the greatest possible freedom of choice in connection with the dividend. As a result, the dividend issued by Capital Stage AG was once again structured as an optional dividend. As such, the company's shareholders had the choice of receiving the dividend entirely in cash or a portion of the dividend in cash for payment of the tax liability and the remaining portion of the dividend in the form of shares in the company. Furthermore, the dividend is partially tax-free in accordance with section 27, paragraph 1, of the German corporation tax act (*Körperschaftssteuergesetz* – KStG).

The dividend was paid on 27 June 2017. Capital Stage AG gave the option of receiving the dividend either wholly or partially in cash or in the form of shares. Shareholders once again expressed overwhelming approval of the optional dividend, as more than 50 per cent of shareholders opted for further investment in the company. In total, 1,728,554 new bearer shares were issued. The new shares have dividend rights from 1 January 2017 onwards. Share capital increased from EUR 126,523,660.00 to EUR 128,252,214.00.

As of the reporting date, share capital therefore comes to EUR 128,252,214.00, divided into 128,252,214 shares with a nominal value of EUR 1.00 per share.

Related-party disclosures

In the course of normal business, the parent company Capital Stage AG maintains relationships to subsidiaries and to other related companies (affiliates and companies with the same staff in key positions) and individuals (majority shareholders and members of the Supervisory Board and Management Board as well as their relatives).

Affiliates

Transactions with affiliates are carried out under the same conditions as those with independent business partners. Outstanding items as of the reporting date are unsecured and interest-free, and settlement is made in cash. No guarantees were made to or by related companies or individuals with regard to receivables or liabilities.

in TEUR	First half year 2017	First half year 2016
Transactions		
Services	639	0
Total transactions	**639**	**0**
Balances	599	0
Total balances	**599**	**0**

Moreover, in the second quarter of 2017, Capital Stage Wind IPP GmbH issued an interest-accruing loan in the amount of TEUR 1,000 to the affiliate Energiepark Passow WP Briest III GmbH & Co. KG.

Joint arrangements

The participating interest in Richelbach Solar GbR in the amount of TEUR 240 as of 30 June 2017 (previous year: TEUR 0) is classified as a joint arrangement pursuant to IFRS 11. Capital Stage accounts for its participating interest in the joint arrangement through the recognition of its share of the assets, liabilities, income and expenses pursuant to its contractually transferred rights and obligations. Capital Stage has a 57 per cent shareholding in Richelbach Solar GbR via the CHORUS Group.

Other related companies and individuals

As of the reporting date, rental contracts at arm’s-length terms exist with B&L Holzhafen West GmbH & Co. KG for office space for Capital Stage AG. The company is allocated to the two Supervisory Board members Mr Albert Büll and Dr Cornelius Liedtke. In the first half of 2017, the sum of the transactions with B&L Holzhafen West GmbH & Co. KG amounts to TEUR 263. An outstanding balance of TEUR 1 existed as of the reporting date.

As of the reporting date, rental and service contracts exist on arm’s-length terms with PELABA Vermögensverwaltungs GmbH & Co. KG and PELABA Consult GmbH. Both companies are allocated to Supervisory Board member Peter Heidecker. The total of transactions in the first half of 2017 amounts to TEUR 75. An outstanding balance of TEUR -40 existed as of the reporting date.

Other information

Employees

The Group had an average of 92 employees in the period from 1 January to 30 June 2017 (previous year: 44). The average figures were determined using the number of employees at the end of each quarter. On 30 June 2017, apart from the Management Board members, the Group had 52 employees (previous year: 34) at Capital Stage AG, 11 employees (previous year: 13) at Capital Stage Solar Service GmbH and 32 employees at CHORUS Clean Energy AG. The increase in employee numbers results from the takeover of CHORUS Clean Energy AG as well as the growth-induced expansion of the team at Capital Stage AG.

Events after the balance sheet date

For the significant events after the end of the reporting period, the reader is referred to the section "Events after the reporting date" in the interim Group management report.

Notification requirements

Notifications in accordance with section 21, paragraph 1 or paragraph 1a, of the Securities Trading Act (WpHG) are shown on the website of Capital Stage AG at http://www.capitalstage.com/investor-relations/stimmrechtsmitteilungen.html.

Forward-looking statements and forecasts

This report includes forward-looking statements based on current expectations, assumptions and forecasts by the Management Board and the information available to it. Known or unknown risks, uncertainties and influences may mean that the actual results, the financial position or the company's performance differ from the estimates provided here. We assume no obligation to update the forward-looking statements made in this report.

Differences may arise in percentages and figures quoted in this report due to rounding.

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Declaration by the legal representatives

We declare that, to the best of our knowledge and according to the applicable accounting standards, the half-yearly financial reporting as of 30 June 2017, in connection with the annual report for 2016, gives a true and fair view of the net assets and financial and earnings positions of the Group, and that the situation of the Group is presented in a true and fair way as to suitably describe the principal opportunities and risks associated with the expected development of the Group.

Hamburg, August 2017

Capital Stage AG

Management Board

Dr Christoph Husmann
CFO

Holger Götze
COO

Condensed Group segment reporting (IFRS)

in TEUR	Administration	PV Parks	PV Service	Asset Management
Revenue	**2,457**	**89,470**	**1,713**	**1,626**
(Previous year's figures)	(0)	(54,947)	(1,612)	(0)
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**-5,401**	**88,662**	**763**	**1,433**
(Previous year's figures)	(-3,550)	(49,070)	(526)	(0)
Earnings before interest and taxes (EBIT)	**-5,779**	**50,784**	**733**	**1,244**
(Previous year's figures)	(-3,605)	(28,247)	(500)	(0)
Financial result	**-1,229**	**-20,779**	**0**	**1**
(Previous year's figures)	(-195)	(-25,312)	0	(0)
Earnings before taxes on income (EBT)	**-7,009**	**30,004**	**733**	**1,245**
(Previous year's figures)	(-3,800)	(2,935)	(500)	(0)
Consolidated profit for the period (EAT)	**-7,143**	**22,672**	**611**	**1,086**
(Previous year's figures)	(-3,802)	(1,769)	(500)	(0)
Earnings per share, undiluted	**-0.06**	**0.17**	**0.00**	**0.01**
(Previous year's figures)	(-0.05)	(0.01)	(0.01)	(0.00)
Assets including investments	**519,720**	**1,945,393**	**3,945**	**19,948**
(as of 31.12.2016)	(513,597)	(1,908,457)	(4,933)	(20,929)
Capital expenditures (net)	**-441**	**-38,173**	**8**	**0**
(Previous year's figures)	(-1,590)	(-13,006)	(-29)	(0)
Debt	**96,927**	**1,543,364**	**835**	**3,515**
(as of 31.12.2016)	(51,800)	(1,554,500)	(1,855)	(4,917)

in TEUR		Wind Parks	Reconciliation	Total
Revenue		**22,529**	**-4,020**	**113,775**
(Previous year's figures)		(10,177)	(-1,886)	(64,850)
Earnings before interest, taxes, depreciation and amortization (EBITDA)		**17,008**	**-705**	**101,760**
(Previous year's figures)		(7,912)	(-24)	(53,933)
Earnings before interest and taxes (EBIT)		**5,699**	**-697**	**51,984**
(Previous year's figures)		(3,589)	(-17)	(28,714)
Financial result		**-2,421**	**1,065**	**-23,364**
(Previous year's figures)		(-2,126)	(-393)	(-28,027)
Earnings before taxes on income (EBT)		**3,278**	**368**	**28,621**
(Previous year's figures)		(1,463)	(-410)	(688)
Consolidated profit for the period (EAT)		**2,633**	**367**	**20,225**
(Previous year's figures)		(1,436)	(-569)	(-665)
Earnings per share, undiluted		**0.02**	**0.00**	**0.15**
(Previous year's figures)		(0.02)	(-0.01)	(-0.02)
Assets including investments		**686,570**	**-780,810**	**2,394,766**
(as of 31.12.2016)		(716,327)	(-810,446)	(2,353,797)
Capital expenditures (net)		**-3,795**	**395**	**-42,006**
(Previous year's figures)		(-10,017)	(25)	(-24,618)
Debt		**507,784**	**-372,902**	**1,779,523**
(as of 31.12.2016)		(535,302)	(-403,131)	(1,745,241)