FULL OF ENERGY
ANNUAL REPORT

2014

CHORUS
Clean Energy

PROFILE

CHORUS Clean Energy AG is an independent operator of solar and wind parks and a full service provider in the field of renewable energies. To date, we have realized approximately 70 solar and wind parks in five European countries, and we currently manage a portfolio of solar and wind parks with a total capacity of over 250 megawatts. We offer institutional investors attractive opportunities to invest in renewable energy.

Our range of services covers the entire value chain of a plant: From asset sourcing, through economic, technical and legal due diligence, commercial plant management and the control and monitoring of technical operations management to the sale of individual plants.

KEY FIGURES

€ in millions (IFRS)	2014*
Revenues	**55.0**
EBITDA	**43.4**
EBIT	**23.1**
EBT	**7.9**
Profit for the year	**4.9**
Equity	**123.8**
Total assets	**509.3**

* The information on the income statement relates to the pro forma financial information, page 26
The information on the financial position relates to the consolidated financial statements, page 31

2014 HIGHLIGHTS

- Acquisition of 5 wind parks with a nominal output of over 72 megawatts
- Launch of the CHORUS Infrastructure Fund S.A. SICAV-SIF, a regulated special fund as an investment platform under Luxembourg law
- Transfer of the existing portfolio of solar and wind parks to CHORUS Clean Energy AG

WE MANAGE CLEAN ENERGY

THE ENERGY INDUSTRY IS CHANGING.
THIS BRINGS NEW OPPORTUNITIES FOR US.

For almost ten years, the name CHORUS has been synonymous with successful investments in renewable energies. As experts, we are firmly convinced that the future belongs to clean energy. With our set-up, our shareholders benefit from attractive returns, making them the winners of the turnaround in energy policy. In 2015, we will consistently continue to follow the path we blazed – we are FULL OF ENERGY.

We use our passion to remain successful in the future. We see considerable potential for growth in our market – primarily driven by the ambitious target set by the European Commission that all EU member states shall obtain around 20 percent of their energy needs from renewable energy sources by 2020. Even if there is still some way to go, this target can only be achieved by realizing further photovoltaic and wind power plants. We will take our chances here.

CONTENTS

"IN THE FUTURE, WE WANT TO FURTHER EXPAND OUR PORTFOLIO OF OUR OWN RENEWABLE ENERGY PLANTS AND THOSE MANAGED FOR CLIENTS."

Holger Götze, Chairman of the Board (CEO)

DEAR LADIES AND GENTLEMEN,

The year 2014 was an exciting year for CHORUS Clean Energy AG. We managed to further expand our portfolio of photovoltaic and wind power plants. We have once again demonstrated our expertise in the purchasing process and ways of accessing high-quality and profitable renewable energy plants.

We now operate 67 solar and wind parks in Germany, Italy, France, Austria and Finland, with a nominal output of more than 250 megawatts and a total investment volume of over EUR 670 million. These renewable energy plants produce enough electricity to cover the annual electricity consumption of more than 84,000 average two-person households in Germany.

The year 2014 was also financially very successful. We generated revenues of EUR 55.0 million – 10.7 percent more than in the same period of the previous year. Income from electricity production of the 62 wind and solar parks we own made a major contribution to this. Earnings before interest, taxes, depreciation and amortization (EBITDA) reached EUR 43.4 million. Based on sales, this resulted in an EBITDA margin of about 79 percent. Overall, we were able to achieve pretax earnings of EUR 7.9 million.

During the year, we launched the Luxembourg special fund CHORUS Infrastructure Fund S.A. SICAV-SIF. Through this platform, institutional investors have the opportunity to invest in a diversified portfolio of renewable energy plants. In addition to Germany, the fund's target countries include other stable European core countries such as France and Finland. During fiscal year 2014, we acquired five wind parks with a nominal output of around 72 megawatts for the fund company.

For our investments, we focus on high-quality plants at profitable locations in selected European markets. According to the European Commission's targets, the member states of the European Union are supposed to cover around 20 percent of their electricity needs using renewable energy sources by 2020. Germany, as the most important market for CHORUS, has taken a pioneering role here. However, for many other countries in Europe, there is still a long way to go before they meet the targets. Without further construction of a significant number of renewable energy plants, this target cannot not be achieved. The funding for new solar and wind parks is increasingly being provided by professional investors. They know that it is possible to generate predictable and stable long-term returns with the plants. But the economic, legal and regulatory conditions must be right and the photovoltaic and wind power plants need to be professionally managed by way of comprehensive operational management.

With our business model, we have positioned ourselves in an optimal way to benefit from this development. This also includes the further expansion of our range of services for professional investors: We advise our institutional clients on building up a tailor-made portfolio of renewable energy plants, taking into account geographical aspects and technologies, investment horizon and expected return, and develop optimal structuring for the investment. Afterwards, we provide advice and support for our clients along the entire value chain of renewable energy plants.

We were able to reach another milestone in our corporate history at the end of 2014 when we completed the transfer of wind and solar parks that were previously held by limited partnerships to CHORUS Clean Energy AG. We are pleased with the high level of approval from our investors and, at the same time, see this as a sign of confidence in our efforts to successfully take CHORUS Clean Energy AG into the future.

Our goals for the current year and beyond are therefore clearly defined: In the future, we want to further expand our portfolio of our own renewable energy plants and those managed for clients. We will continue to focus primarily on the operation of solar and wind parks and strengthen our business with electricity production. In addition, we aim to strengthen our position as a full service provider in the field of renewable energy. We see significant growth potential here in the future. This particularly applies to our activities in the field of fund initiation and our range of services for professional investors. We can draw on an extensive pipeline of potential investment projects. It currently includes renewable energy plants with a total capacity of more than 600 megawatts. We want to implement some of these solar and wind park projects in the current year.

We also want to implement a completely different kind of project – flotation on the stock exchange. We will use the proceeds to strengthen our capital base and continue our further growth.

At this point I would like – on my own behalf and on behalf of my fellow Management Board members – to thank our investors for the confidence they have placed in us. At the same time, I would like to thank our employees for their tireless efforts. Their dedication makes us confident that we will master the tasks that lie ahead and make the current fiscal year a success.

Yours,

Holger Götze,
Chairman of the Board (CEO)

Heinz Jarothe, Member of the Board

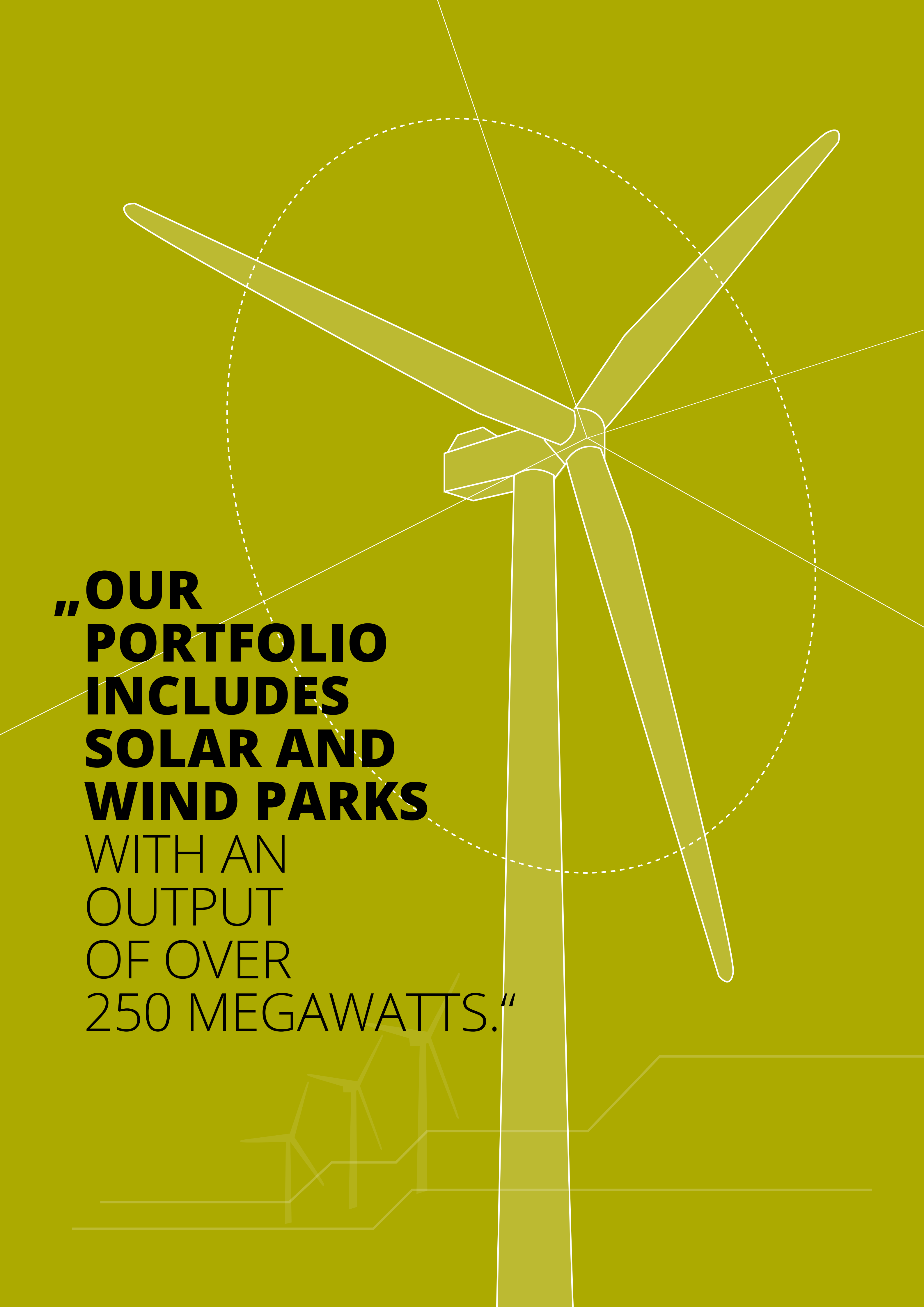
Responsible for:
Asset management, risk management, administration and human resources

Holger Götze, Chairman of the Board

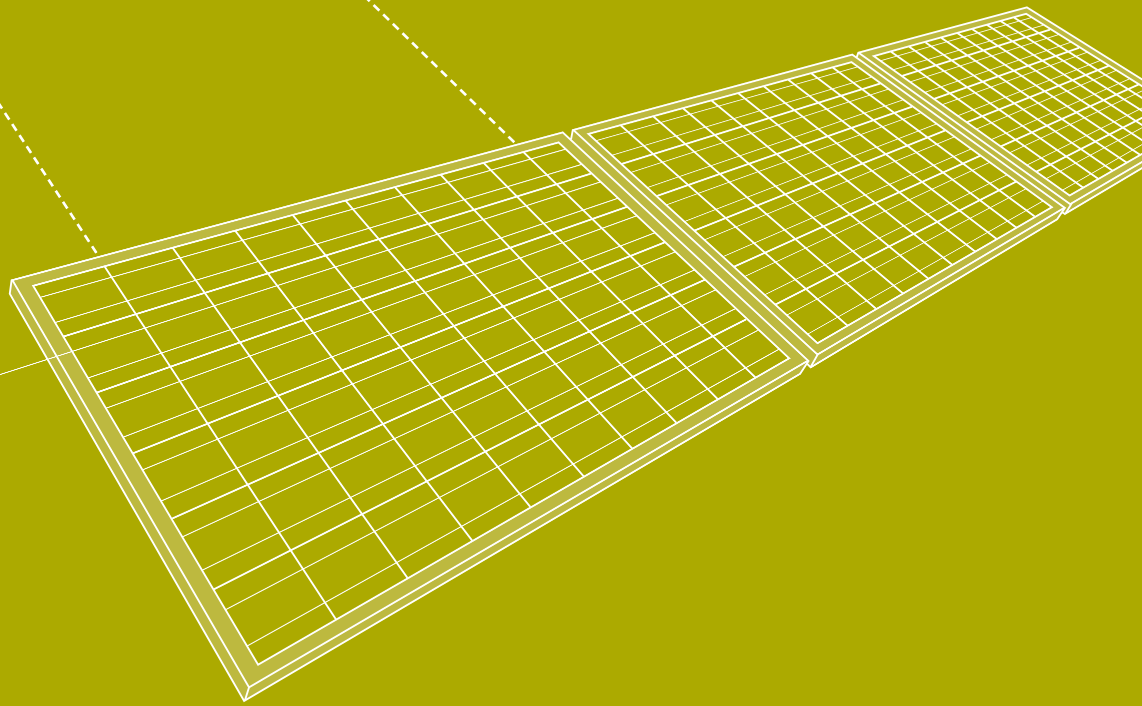
Responsible for:
Corporate strategy, investment, distribution and marketing, investor relations, legal affairs and compliance

Helmut Horst, Member of the Board

Responsible for:
Finance, taxes, accounting, treasury, controlling and corporate social responsibility (CSR)



„OUR PORTFOLIO INCLUDES SOLAR AND WIND PARKS WITH AN OUTPUT OF OVER 250 MEGAWATTS."



~70

SOLAR AND WIND PARKS

PROVIDE A TOTAL CAPACITY OF OVER

250 MEGAWATTS

FOR 84,000

AVERAGE TWO-PERSON HOUSEHOLDS IN GERMANY

SAVINGS: 250,400 TONS OF CO_2

OUR
BUSINESS MODEL

WE COMBINE STABLE RETURNS FROM THE OPERATION OF RENEWABLE ENERGY PLANTS WITH ATTRACTIVE INCOME FROM SERVICES FOR PROFESSIONAL INVESTORS.

CHORUS CLEAN ENERGY AG

BUSINESS LINES

ENERGY GENERATION | **ASSET MANAGEMENT**

BASIS OF OUR SUCCESS

EXTENSIVE EXPERIENCE IN THE ACQUISITION, REALIZATION AND MANAGEMENT OF RENEWABLE ENERGY PLANTS

“OUR MANY YEARS OF SPECIALIZATION ENABLE US TO ACT QUICKLY, COMPETENTLY AND IN A STRUCTURED MANNER BOTH DURING ACQUISITIONS AND IN ONGOING SUPPORT.”

Holger Götze, Chairman of the Board (CEO)

THE NEW CHORUS CLEAN ENERGY AG

Our future-oriented business model is based on two pillars. In the “Energy Production” business line, we generate stable and long-term returns by operating a large portfolio of renewable energy plants.

Through our broad “Asset Management” business line, we generate additional income. We structure investment opportunities for professional investors, support them in building up a portfolio of renewable energy plants and then take over the operations management of their plants.

Within the framework of that strategy, we are pursuing three objectives:
First, we want to expand our own plant portfolio, in particular by acquiring further solar and wind parks and thereby considerably increasing our returns from energy generation.
Second, we are planning to create further investment opportunities for professional investors.
Third, we intend to expand our range of services offered in the area of operations management of renewable energy plants.

STABLE RETURNS

In our Energy Production business area, we are currently concentrating on solar and wind energy. With a plethora of plants in different European countries with various technologies, we have built up a portfolio with widely spread risks.

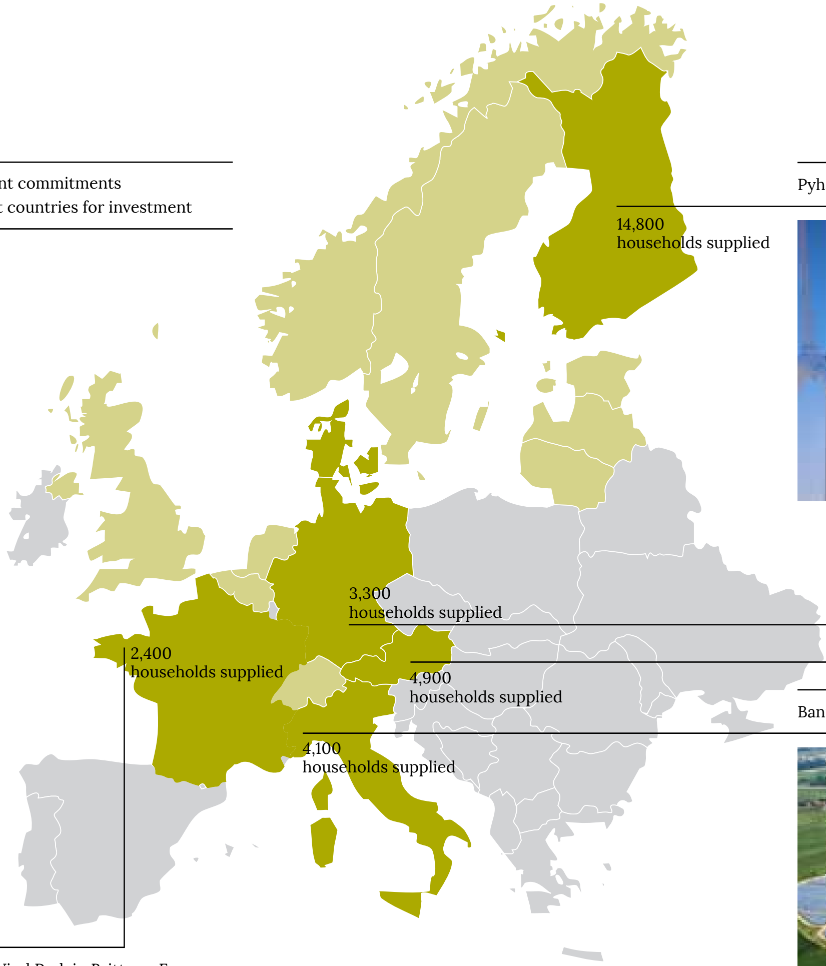
We only invest in regions with stable economic, regulatory and legal framework conditions. This takes place particularly in light of the fact that all systems within our portfolio benefit from legally guaranteed feed-in tariffs. We realize calculable and reliable returns throughout the life cycle of a renewable energy plant.

A UNIQUE COMBINATION

CHORUS not only operates a number of solar and wind parks, but also offers institutional investors a wide range of services. We perform management tasks for investors that already have renewable energy plants in their portfolio. In doing so, our customers can benefit from our extensive experience in the technical and commercial management of solar and wind parks across various markets.

We have given institutional investors various opportunities to invest in renewable energy plants. The CHORUS Infrastructure Fund S.A. SICAV-SIF, a regulated special fund under Luxembourg law, gives our customers an opportunity to invest alongside other institutional investors in a diversified portfolio of renewable energy plants. In addition to this, we use our Tailored Investment Solutions range of services to establish a tailored target portfolio consisting of renewable energy plants according to our clients’ own specifications and support our clients in finding the right structure for them.

Current commitments
Target countries for investment



Pyhänkoski Wind Park in Nordösterbotten, Finland

Banna Solar Park in Piedmont, Italy

St. Bihy Wind Park in Brittany, France

OUR PORTFOLIO

BROADLY POSITIONED

We have a widely diversified portfolio consisting of high-quality renewable energy plants. At the end of 2014, we managed 67 solar and wind parks with a total output of over 250 megawatts (MW) across five European countries – and those numbers are rising.

On December 31, 2014, we owned 62 solar and wind parks, which were also operated on our account. We manage five wind parks for the investors of our Luxembourg special fund, CHORUS Infrastructure Fund S.A. SICAV-SIF.

Vilseck Solar Park in Bavaria, Germany

Pongratzer Kogel Wind Park in Styria, Austria

Measured in terms of the nominal capacity, around 70 percent of our portfolio is located in Germany, with 30 percent in Italy, France, Austria and Finland.

MULTIPLE-STAGE SELECTION PROCESS ENSURES HIGH-QUALITY PLANTS

We only invest in plants that have gone through a multiple-stage selection process. This way, we ensure that our solar and wind parks are of a particularly high quality. As part of this selection process, we place the greatest emphasis on the performance of technical components, as well as the reputation of suppliers. This primarily relates to solar modules, inverters and wind turbines. In this way, we ensure a fault-free operation, thereby ensuring a continuously high level of energy production and making a significant contribution to fulfill the calculated return forecasts.

INVESTMENT STRATEGY FOR 2015

In the area of energy production using renewable sources, CHORUS plans to continue to invest primarily in solar and wind wind power plants in high-yield locations. In the future, we will also continue to concentrate on selected countries within Europe with a stable regulatory environment. In addition, we regularly review investment alternatives in the area of renewable energies. This includes, for example, energy generation from hydro power or energy accumulators.

DEVELOPMENT OF OWN PORTFOLIO OF PLANTS

In the course of fiscal year 2014, CHORUS's own renewable energy plants produced a total of 219,249 MWh. The output of these plants is sufficient to cover the annual energy needs of around 73,000 average German two-person households.

At the end of 2014, the CHORUS portfolio consisted of a total of 57 solar parks with a total capacity of over 150 MW and five wind parks with a capacity of more than 30 MW.

The focus of the investment activity in the past fiscal year 2014 was on wind turbines, which have been purchased for CHORUS Infrastructure Fund S.A. SICAV-SIF.

- Wind park in Kappel (Hunsrück), Rhineland-Palatinate, with seven plants, capacity of 16.1 MW
- Kernberg III wind park with four plants, with a total nominal capacity of 9.6 MW
- Sontra wind park with five plants and a total nominal capacity of 12 MW
- Wind park in Nordösterbotten (Finland) with four plants and a total capacity of 13.2 MW
- Freiensteinau wind park with seven plants and a total nominal capacity of 21 MW

RIGHT MARKET, RIGHT TIME

The market for solar and wind energy is characterized by persistently high growth. The global installed capacity of wind turbines rose by just under 23 percent annually between 2005 and 2014, and in late 2014 amounted to 369.6 gigawatts (GW). The expansion of solar plants was even more dynamic. Between late 2011 and 2013, global capacity rose from 71 GW to around 139 GW – almost doubling in that period.

Based on forecasts from the International Energy Agency (IEA), in 2035 around 18 percent of global energy demand will be covered by electricity from regenerative sources. The member states of the European Union continue to set even more ambitious targets and intend to cover around 20 percent of their electricity needs using renewable energy sources as early as 2020. There is still some way to go before that target is reached, rendering a need for considerable expansion in the form of the construction of new plants.

Within the EU, an average of 15 percent of total energy consumption was covered by renewable energy sources in 2013. Fluctuations within member states were considerable. Whereas around 28.8 percent of gross electricity in Germany in 2014 was generated from renewable energies, in the UK that figure was just 5.1 percent in late 2013.

SHARE OF RENEWABLE ENERGY IN DIFFERENT COUNTRIES (2011–2013) WITH EU TARGETS FOR 2020 (IN %)

Source: Eurostat, "Share of renewable energy in gross final energy consumption"
* EU targets for 2020

SUNNY OUTLOOK FOR SOLAR PLANTS IN EUROPE

The European market for photovoltaic systems has developed rapidly over the last ten years. While the annual expansion of solar plants in 2006 did not even amount to 1 GW, it rose to 13.7 GW by late 2010, followed by 22.3 GW in 2011. In late 2013, photovoltaic systems across Europe were installed with a nominal output of 81.5 GW. After around 43 percent of these were installed in Germany and Italy alone, new markets are now increasingly catching the attention of investors. For example, in light of its existing need for expansion, new photovoltaic systems with a nominal output of just under 1.6 GW were established in the UK in 2013. In the same period, France established solar plants, bringing a further nominal capacity of 613 MW to the grid. As of late 2013, the installed photovoltaic capacity in France amounted to just 4.7 GW, whereas in Germany that figure was 35.7 GW.

WIND POWER BOOMING

According to the EU Commission, it is the production of wind energy on land that will play the most important role in achieving the ambitious targets of the energy mix by 2020. As of late 2014, wind power plants with a total capacity of 128.8 GW were installed across Europe, covering around 10.2 percent of electricity demands within the European Union. With an installed capacity of 39.2 GW, in 2014 Germany had the largest market for wind energy, and at 5.3 GW also represented the largest expansion within Europe. An increasing number of countries are relying on wind power, with smaller markets also offering attractive investment opportunities. For example, Finland covered around 29 percent of its energy demand using renewable energy sources in 2014. Wind energy is playing an increasingly important role here. The installed wind capacity of 627 MW in late 2014, whereof an installed capacity of 184 MW was connected to the grid in 2014, shall be expanded to 2.5 GW by 2020 according to the government's efforts.

SAFETY FIRST

Our investments focus on markets where the economic, legal and regulatory framework conditions allow for the generation of forecasted returns that are stable in the long term.

Countries use different systems to promote the expansion of renewable energies and create incentives to invest.

For example, on the German market – which CHORUS deems the most important – operators of renewable energy plants receive a guaranteed fee for the fed-in electricity (feed-in tariff) normally over a period of 20 years from the commissioning of the plant. According to the new version of the German Renewable Energies Act (EEG) of August 2014, the starting tariff in future will be around 8.9 euro cents per kilowatt hour fed in by wind turbines. Greenfield plants in the area of solar power with an installed capacity of up to 10 MW are also subsidized at around 9 euro cents per kilowatt hour, electricity produced from renewable energy sources is given priority in terms of feed-in.

In 2005, Italy created its own feed-in tariff system to create an incentive for investments to expand the production of renewable energies. The concept for new plants has since been revised several times. In 2014, however, Italian legislature reduced the subsidy for photovoltaic systems with retroactive effect for already commissioned plants.

Moreover, in other European countries, there are different systems in order to promote the expansion of renewable energies under secure and attractive conditions.

France also promotes the expansion of renewable energies, largely via feed-in tariffs. The aim is to create incentives for investment and to enable the expansion target for renewable energy plants set by the EU Commission. By 2020, France plans to increase the proportion of solar energy from all renewable sources to five percent and to increase the installed wind power to 19 gigawatts.

Finland has established incentives for domestic and foreign investors by providing a guaranteed subsidy for the respective investment over a period of twelve years. The target tariff in the amount of 8.35 euro cents per kilowatt hour is comprised of the market price and a state subsidy in the amount of the difference between the target tariff and the market price. In order to establish short-term investment incentives for wind turbines, the government is offering an increased tariff of 10.53 euro cents per kilowatt hour up to the end of 2015.

ASSET MANAGEMENT

WIDE RANGE OF SERVICES

CHORUS is one of Germany's largest independent operators of solar and wind parks, offering a full-service package for institutional investors. Our range of services covers the entire value chain of a renewable energy plant: From asset sourcing and transaction processing, through operations management to the sale of single plants.

ACCESS TO PROJECTS THROUGH A DEVELOPED NETWORK

Our customers benefit not only from our expertise that we have built up over the past years – they can also access our contacts. In the past few years, we have established a tight network of project developers, wind and solar power companies and banks, as well as lawyers and tax consultants. Every year, we are offered over 1,000 projects from our industry network and external parties. They all go through a multistage test process, which accurately highlights economic, technical and legal aspects, among other things. As a result, we have a project pipeline filled to the brim and can quickly react and benefit from investment opportunities as they arise.

SICAV SPECIAL FUND FOR INSTITUTIONAL INVESTORS

The CHORUS Infrastructure Fund S.A. SICAV-SIF, a regulated special fund under Luxembourg law, gives our customers an opportunity to invest alongside other institutional investors in a diversified portfolio of renewable energy plants in selected countries across Europe.

Following the start of sales of the first two sub-funds in June 2014, we had already invested all of the initially raised capital in four German and one Finnish wind parks by late 2014.

PORTFOLIO EXPANSION ACCORDING TO CLIENT WISHES

Our clients, including insurance companies, pension schemes and pension funds, banks, companies, foundations and family offices, have different requirements, ideas and needs.

We use our tailored investment solutions services to build up a tailored target portfolio consisting of renewable energy plants for our customers according to their own specifications. This applies in terms of the type of energy generation, the location, duration and the expected returns.

STABLE RETURNS FOR PROFESSIONAL INVESTORS

FUND ADVISORY	TAILORED INVESTMENT SOLUTIONS	OPERATIONS

OUR SERVICES

ASSET SOURCING
TRANSACTION PROCESSING / DUE DILIGENCE
OPERATIONAL MANAGEMENT
DOCUMENTATION / REPORTING
REALISING EXIT OPPORTUNITIES

CHORUS CLEAN ENERGY AG

In addition, we help our customers to find the right structure for them. Whether based on equity capital or debt capital, designed as a fund solution or direct investment, we will devise the optimal concept for them.

We then take over the operations management of the plants for our clients.

COMPREHENSIVE PLANT MANAGEMENT

We offer extensive plant management services as a separate service for institutional customers who already have their own plant portfolio. To that end, our project managers continuously monitor each individual plant in terms of economic and technical aspects, create detailed comparisons between target and actual performance and provide extensive reports on the earnings situation.

In addition to the continuous control of revenues and costs, our plant management services include managing warranties and insurance, cooperating with partners, network operators, property owners and the authorities, as well as managing and supervising technical service providers on site. These services are vital to produce high returns from renewable energy plants in the long term.

Through continuous and detailed monitoring, we are able to create a high degree of transparency, ensuring that our customers are regularly informed of the technical and economic performance of the plant in a timely manner, as well as the value of their plants.

BUSINESS **PERFORMANCE 2014**

PRELIMINARY REMARK

Information on the revenue and earnings situation constitutes financial information as it results from the company's pro-forma financial information that was prepared for the fiscal year ending on December 31, 2014, in order to represent the material impact on the revenues and earnings position if the CHORUS Group had existed in its present structure since January 1, 2014; this pro-forma financial information is therefore of a hypothetical nature. To the extent that comparisons to the previous business year are made, the financial information for the previous year refers to the audited combined financial statements of the company for fiscal year 2013, which were prepared under the International Financial Reporting Standards ("IFRS"). The preparation of pro-forma financial information for fiscal year 2013 was not permitted. The operational activities are reflected in the combined financial statements, which were summarized at CHORUS at the end of 2014. The information on the balance sheet situation comes from the company's audited IFRS consolidated financial statements for the fiscal year ending on December 31, 2014.

MARKETS AND ENVIRONMENT

We focus on our activities on Europe, and particularly on Germany. In Europe, we continue to see a high demand for the expansion of renewable energies. The main reasons include the politically desired energy transition, the attractive regulatory conditions and the legal stability. For more information, please refer to the section "Our portfolio".

CONSOLIDATED REVENUE UP ALMOST 11 PERCENT

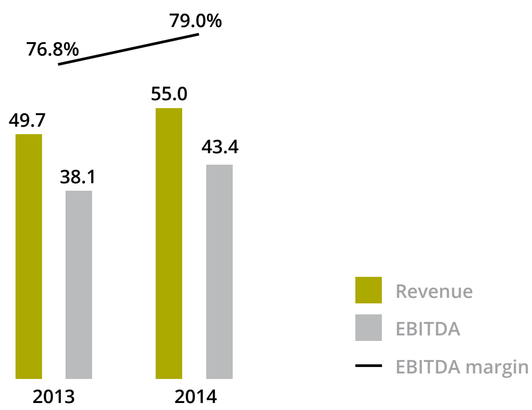
Our consolidated revenue increased by 10.7 percent to EUR 55.0 million in fiscal year 2014. Income from electricity generation from the portfolio of the 62 wind and solar parks owned by CHORUS made a major contribution to this. Income from asset management reached EUR 1.0 million. This represents a substantial increase compared to the previous year and is linked to the expansion of asset management services for institutional investors.

EBITDA GROWTH OF AROUND 14 PERCENT TO EUR 43.4 MILLION

It was possible to increase earnings before interest, taxes, depreciation and amortization (EBITDA) by around 14 percent to EUR 43.4 million in fiscal year 2014. Based on sales, this resulted in an EBITDA margin of 79 percent. In addition, our operating profit (EBIT) in 2014 reached EUR 23.1 million. Based on revenue, this resulted in an EBIT margin of 42 percent. Earnings before tax reached EUR 7.9 million. Our net income for fiscal year 2014 was EUR 4.9 million.

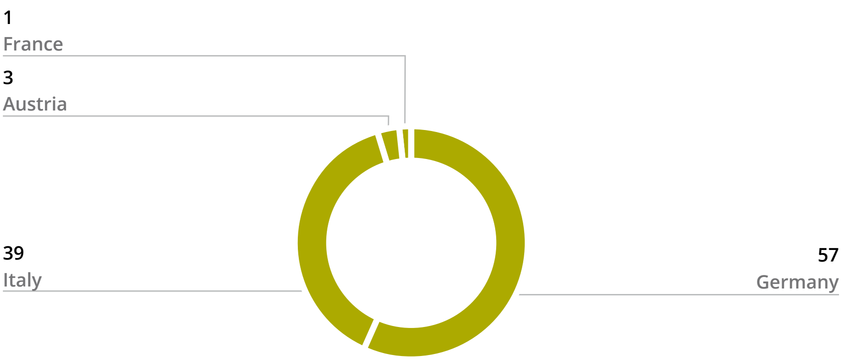
DEVELOPMENT OF REVENUE AND OPERATING PROFIT (EBITDA)

€ in millions



REVENUE BY COUNTRY

in %



EQUITY RATIO OF 24.3 PERCENT

Our non-current assets consist largely of solar and wind power plants and amounted to EUR 457.3 million as of December 31, 2014.

Current assets amounted to EUR 52.0 million at the balance sheet date. These mainly include cash and cash equivalents amounting to EUR 37.3 million. Accounts receivable reached a figure of EUR 6.4 million at the end of the fiscal year.

Our equity was EUR 123.8 million as of December 31, 2014. Based on total assets, this results in an equity ratio of 24.3 percent.

Our non-current liabilities amounted to EUR 350.1 million as of December 31, 2014. These mainly comprised financial liabilities amounting to EUR 341.1 million. The financial liabilities usually constitute non-recourse loans.

We had non-current liabilities of EUR 35.4 million as of the balance sheet date. These primarily comprised current financial liabilities of EUR 21.4 million and accounts payable.

We did not use any off-balance sheet instruments in 2014 that may currently, or could in the future, have an impact on our financial performance, cash flows or financial position.

POSITIVE OUTLOOK FOR 2015

CHORUS gives a positive outlook for fiscal year 2015: In the company's view, the market environment for investments in the field of renewable energies will develop dynamically in the current year and create more market opportunities. CHORUS is well positioned and expects to successfully implement a number of projects from its extensive pipeline in 2015. In addition, the Management Board is optimistic that further funding rounds for the three current Luxembourg special funds will be completed. The funds are to be invested in further renewable energy plants. The company accordingly expects growth in fiscal year 2015.

FINANCIAL STATEMENTS SUBINDEX

PRELIMINARY REMARK

COMBINED AND CONSOLIDATED FINANCIAL INFORMATION

The Combined Financial Statements and the Consolidated Financial Statements 2014 have been prepared in accordance with IFRS. The Combined Financial Statements and the Consolidated Financial Statements 2014 have been audited in accordance with Section 317 of the German Commercial Code (Handelsgesetzbuch) and German generally accepted standards for the audit of financial statements, which are promulgated by the Institute of Public Auditors in Germany, by KPMG, who issued on each an unqualified audit opinion. The Combined Financial Statements and the Consolidated Financial Statements 2014 were prepared on the basis of the nature of expense method.

The Combined Financial Statements were prepared on the basis of the "common management" approach in accordance with the working paper of the Fédération des Experts Comptables Européens (FEE) dated February 2013. Common management ceased to exist upon the first contribution of the holding and operating entities to the Company becoming effective on December 17, 2014. Therefore, the Combined Financial Statements for the financial year 2014 do not reflect a twelve-month period ending on December 31, and the comparability of the Combined Financial Statements for the financial years 2013 and 2014 may be somewhat limited. In addition, the Consolidated Financial Statements 2014 only present financial information on the Issuer, CHORUS GmbH and CHORUS GmbH's subsidiaries but do not include the net assets, results of operations and cash flows of the 74 contributed holding and operating entities holding the solar and wind parks until the contribution occurred in December 2014. As the consolidated financial position of the Company is based on the book value of the assets in the Combined Financial Statements, a comparison with the consolidated financial position as set forth in the Consolidated Financial Statements may be of limited value.

PRO FORMA FINANCIAL INFORMATION

The selected key pro forma consolidated financial information was taken from the pro forma consolidated financial information, comprising a pro forma consolidated income statement for the year ended December 31, 2014 and pro forma notes (together, the "Pro Forma Consolidated Financial Information").

The purpose of the Pro Forma Consolidated Financial Information is to show the material effects that the acquisition and integration of CHORUS GmbH and its direct and indirect subsidiaries and a further 74 holding and operating entities into CHORUS Clean Energy AG would have had on the results of operations of CHORUS Clean Energy AG if CHORUS Clean Energy AG had already existed in the structure created by such acquisitions as of January 1, 2014.

The presentation of the Pro Forma Consolidated Financial Information is based on certain pro forma assumptions and is intended for illustrative purposes only. The Pro Forma Consolidated Income Statement assumes, in particular, that the contributions had taken place on January 1, 2014 for purposes of the pro forma consolidated income statement of the Company for the period from January 1, 2014 to December 31, 2014.

Therefore, the Pro Forma Consolidated Financial Information describes a hypothetical situation and thus, due to its nature, the presentation does not reflect the results of operations of CHORUS Clean Energy AG after closing of the various acquisitions. In addition, the Pro Forma Consolidated Financial Information does not represent a forecast of the results of operations of CHORUS Clean Energy AG at a future time. The Pro Forma Consolidated Financial Information is only meaningful in conjunction with the Consolidated Financial Statements 2014 and the Combined Financial Statements for 2014.

COMBINED FINANCIAL INFORMATION

COMBINED INCOME STATEMENT*

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SHORT REPORTING PERIOD FROM JANUARY 1 TO DECEMBER 17, 2014 AND THE YEARS ENDED DECEMBER 31, 2013 AND DECEMBER 31, 2012

in € thousands	Note	2014	2013	2012
Revenues	**6.1**	**54,983**	**49,657**	**43,748**
Other income	6.2	**1,932**	3,417	5,206
Personnel expenses	6.3	**–2,149**	–2,117	–2,382
Other expenses	6.4	**–12,036**	–12,828	–12,915
Profit before interest, tax, depreciation and amortization (EBITDA)		**42,730**	**38,129**	**33,657**
Depreciation and amortization	6.5	**–17,752**	–21,110	–13,673
Profit before interest and tax (EBIT)		**24,978**	**17,019**	**19,984**
Results of financial investments accounted for at equity		**–**	–30	–30
Finance income	6.6	**570**	202	318
Finance expenses	6.6	**–15,546**	–17,292	–16,035
Valuation of interest-rate swaps	6.6	**–5,660**	2,443	–3,452
Net financial result	**6.6**	**–20,636**	**–14,677**	**–19,199**
Profit before tax		**4,342**	**2,342**	**785**
Income tax expense	6.7	**–612**	–1,435	–121
Profit for the year/Total comprehensive income		**3,730**	**907**	**664**
Profit attributable to the owners of the Combined Group		**3,722**	**907**	**664**
Profit attributable to non-controlling interests		**8**	**0**	**0**

* As well as the combined statement of comprehensive income, the audited combined financial statements for the short fiscal year ending on 17 December 2014 and fiscal years 2013 and 2012 also include a combined balance sheet, a combined statement of changes in equity, a combined statement of cash flows and explanatory notes. At this point, only an excerpt of the combined financial statements has been presented with the combined statement of comprehensive income in order to facilitate a multi-year comparison of the statement of comprehensive income – including to the pro forma financial information for the 2014 fiscal year. The complete combined financial statements have not been included in this annual report..

PRO FORMA FINANCIAL INFORMATION

OVERVIEW

The following pro forma financial information of CHORUS has been prepared in accordance with Annex I and Annex II of Commission Regulation (EC) No. 809/2004, as amended.

The purpose of the pro forma financial information is to present CHORUS' consolidated income statement for the year ended December 31, 2014, as if the contribution of the Operating and Holding SPVs had occurred on January 1, 2014.

On December 4, 2014, the Issuer, the Fund KGs, the shareholders of CHORUS GmbH, REGIS (as trustee for one investor not affiliated with the CHORUS Group), Heinz Jarothe, Holger Götze and Helmut Horst entered – with the approval of the Operating and Holding SPVs – into contribution agreements (as amended on December 29, 2014 and January 7, 2015), pursuant to which inter alia the shares held in the Operating SPVs as well as the Contributed Loans were contributed with effective date of December 31, 2014. In CHORUS' Audited Consolidated Financial Statements as of and for the year ended December 31, 2014, the contribution of the Operating and Holding SPVs and the Contributed Loans was accounted as a linked transaction in accordance with IFRS 3 with the acquisition date of December 31, 2014.

The Issuer has prepared pro forma financial information for the year ending December 31, 2014, presenting its operations as if the contribution of the Operating and Holding SPVs and the contributed loans had already been completed on January 1, 2014. In the preparation of the pro forma financial information, the following assumptions were applied:

- The contribution of the Operating and Holding SPVs and the Contributed Loans occurred on January 1, 2014.
- Therefore, it is assumed that the business combinations for the Operating and Holding SPVs occurred on January 1, 2014.
- The income-tax effects of the pro forma adjustments recognized in the pro forma consolidated income statement were calculated at a weighted average tax rate using the effective tax rates in the individual tax jurisdictions in which the contributed entities are domiciled.

Based on these assumptions, in the Company's pro forma consolidated income statement, certain line items have been adjusted to present the result of operations of the Operating and Holding SPVs and the Contributed Loans, as further described below.

The presentation of the pro forma financial information is provided for illustrative purposes only. Because of its nature, the pro forma financial information describes only a hypothetical situation and does not indicate the future development of the Group's results of operations. The pro forma financial information of the Group is only meaningful if read in conjunction with the Audited IFRS Consolidated Financial Statements as of and for the fiscal year ended December 31, 2014.

PRO FORMA CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2014

€ in thousands	CHORUS Group	Operating and Holding SPVs	Sum	Note	Pro forma adjustments	Pro forma
Revenues	3,349	54,075	57,424	(1)	–2,441	**54,983**
Other income	930	1,490	2,420	(1)	–489	**1,931**
Personnel expenses	–2,149	0	–2,149		0	**–2,149**
Other expenses				(1) (2)	2,850 715	
	–3,419	–11,467	–14,886		3,565	**–11,321**
Depreciation and amortization	–74	–17,678	–17,752	(3)	–2,607	**–20,359**
Operating income/Loss	**–1,363**	**26,420**	**25,057**		**–1,972**	**23,085**
Finance income	273	2,082	2,355	(1)	–1,785	**570**
Finance costs				(1) (4)	193 5,419	
	–141	–21,257	–21,398		5,612	**–15,786**
Net financial income/(expense)	**132**	**–19,175**	**–19,043**		**3,827**	**–15,216**
Profit/(loss) before tax	**–1,231**	**7,245**	**6,014**		**1,855**	**7,869**
Income tax	–359	–732	–1,091	(5)	–1,840	**–2,931**
Profit/(loss) after taxes for the year	**–1,590**	**6,513**	**4,923**		**15**	**4,938**

NOTES TO THE PRO FORMA FINANCIAL INFORMATION

1 INTRODUCTION

On December 4, 2014, the Issuer, the Fund KGs, the shareholders of CHORUS GmbH, REGIS (as trustee for one investor not affiliated with the CHORUS Group), Heinz Jarothe, Holger Götze and Helmut Horst entered – with the approval of the Operating and Holding SPVs – into contribution agreements (as amended on December 29, 2014 and January 7, 2015), pursuant to which inter alia the shares held in the Operating and Holding SPVs as well as the Contributed Loans were contributed with effective date of December 31, 2014.

The Pro Forma Financial Information of CHORUS Group ("Pro Forma Financial Information"), comprising the pro forma consolidated income statement for the financial year ended December 31, 2014 and the notes thereon, were prepared in connection with the prospectus of CHORUS Clean Energy AG in accordance with the requirements in Appendix I No. 20.2 in connection with Appendix II of the Commission Regulation (EC) No. 809/2004 under application of IDW Accounting Practice Statement: Preparation of Pro Forma Financial Information (IDW AcPS AAB 1,004).

Under consideration of the pro forma assumptions described below, the Pro Forma Financial Information was prepared on the basis of the International Financial Reporting Standards (IFRS) as adopted by the European Union. For the accounting policies relevant for the Pro Forma Financial Information of CHORUS Group, please refer in particular to Section 4 of the notes to the Audited IFRS Consolidated Financial Statements of CHORUS Clean Energy AG as of and for the financial year ended December 31, 2014. The Pro Forma Financial Information should be read in conjunction with the Audited IFRS Consolidated Financial Statements as of December 31, 2014.

The historical financial information of the Operating and Holding SPVs was prepared in accordance with IFRS as adopted by the European Union. It was prepared in connection with the inclusion of the Operating and Holding SPVs in the Combined Financial Statements based on uniform accounting principles.

Due to rounding, it is possible that individual figures in this Pro Forma Financial Information do not add exactly to the totals shown and that the percentage figures presented do not reflect exactly the absolute figures they relate to.

2 PRESENTATION OF PRO FORMA FINANCIAL INFORMATION

A) PRO FORMA ASSUMPTIONS

In the Issuer's Audited IFRS Consolidated Financial Statements as of and for the financial year ended December 31, 2014, the contribution of the Operating and Holding SPVs and Loans was accounted for a linked transaction in accordance with IFRS 3. The Operating and Holding SPVs had been fully consolidated from the date of acquisition which was determined at December 31, 2014 in accordance with IFRS 3. On the date of acquisition, the Issuer obtained control over the Operating and Holding SPVs.

The contribution of the Operating and Holding SPVs and the Contributed Loans represent a material change as defined in Appendix I No. 20.2 of the Commission Regulation (EC) No. 809/2004, triggering the presentation of the Pro Forma Financial Information.

The Pro Forma Financial Information is prepared based on the following pro forma assumptions:

- The contribution of the Operating and Holding SPVs and the Contributed Loans occurred on January 1, 2014.
- Therefore, it is assumed that the business combinations for the Operating and Holding SPVs occurred on January 1, 2014.
- The income-tax effects of the pro forma adjustments recognized in the pro forma income statements were calculated using the tax rates effective in the individual tax jurisdictions in which the contributed entities are domiciled.

B) EFFECTS OF PRO FORMA PRESENTATION

The preparation of the Pro Forma Financial Information, comprising the pro forma consolidated income statement for the financial year ended December 31, 2014, and the notes thereon, is exclusively performed to demonstrate the effects of the contribution of the Operating and Holding SPVs and the Contributed Loans on the results of operations of the CHORUS Group in the financial year 2014.

Therefore, the Pro Forma Financial Information for the financial year 2014 represents the results of operations of the CHORUS Group including the results of operations of the Operating and Holding SPVs.

The Pro Forma Financial Information is based on a hypothetical situation and, accordingly, allows only limited conclusions with respect to the results of operations that would have resulted if the pro forma assumptions used for the Pro Forma Financial Information had existed in the periods presented in the Pro Forma Financial Information.

The Pro Forma Financial Information does not include a consolidated statement of financial position since the effects of the contribution of the Operating SPVs and the Contributed Loans on the net assets of the group have already been included in the IFRS consolidated statement of financial position as of December 31, 2014.

3 NOTES TO THE PRO FORMA CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2014

1) INTERCOMPANY ELIMINATIONS BETWEEN CHORUS GROUP AND OPERATING AND HOLDING SPVS

Service and financing relationships between entities of the CHORUS Group and the Operating and Holding SPVs were eliminated. The revenues resulted mainly from service and administration fees charged by the CHORUS Group to the Operating and Holding SPVs. Finance income resulted from intra-group dividends and partly from intra-group interest on loans.

2) REDUCTION IN OTHER EXPENSES

Expenses for legal and consulting, accounting and auditing, and similar fees and expenses totalling € 715 thousand which were incurred in connection with the transaction have been eliminated in the pro forma consolidated income statement for the period from January 1, 2014 to December 31, 2014.

3) REDUCED DEPRECIATION AND ADDITIONAL AMORTIZATION

The intangible assets recognized for favorable solar and wind energy contracts made in connection with the purchase price allocation of the Operating SPVs resulted in additional amortization expenses of € 8,752 thousand based on estimated remaining useful lives of approximately 17.8 years. In addition the fair value adjustments for plant and machinery made in connection with the purchase price allocation of the Operating SPVs results in a decline of depreciation expenses of € 6,144 thousand based on estimated remaining useful lives of approximately 22.8 years.

4) REDUCTION IN INTEREST CHARGES

The fair value adjustments for financial liabilities recognized at fair value in connection with the purchase price allocation of the Operating and Holding SPVs resulted in a reduction of interest expenses by € 5,419 thousand.

5) INCOME TAX EFFECTS ON THE RELATED PRO FORMA ADJUSTMENTS

As a result of the above pro forma adjustments, and as a result of the application of the group tax rate on the results of the Operating and Holding SPVs, which are almost exclusively organized as limited partnerships and in which CHORUS AG is the limited partner after the contribution, additional income tax expenses in the amount of € 1,840 thousand were recognized in the pro forma consolidated income statement for the period from January 1, 2014 to December 31, 2014, based on weighted average of statutory tax rates for each country resulting in an hypothetical overall rate of CHORUS Clean Energy AG of 28.26%.

AUDITOR'S REPORT

To CHORUS Clean Energy AG, Neubiberg

We have examined whether the pro forma financial information as of 31 December 2014 of CHORUS Clean Energy AG, Neubiberg, has been properly compiled on the basis stated in the pro forma notes and whether this basis is consistent with the accounting policies of the company. The pro forma financial information comprises a pro forma income statement for the period from 1 January to 31 December 2014 as well as pro forma notes.

The purpose of the pro forma financial information is to present the material effects of the transaction described in the pro forma notes would have had on the historical financial statements if the group had existed in the structure created by the transaction throughout the entire reporting period. As pro forma financial information reflects a hypothetical situation it is not entirely consistent with the presentation that would have resulted had the relevant events actually occurred at the beginning of the reporting period.

The compilation of pro forma financial information is the responsibility of the company's management.

Our responsibility is to express an opinion, based on our examination, whether the pro forma financial information has been properly compiled on the basis stated in the pro forma notes and whether this basis is consistent with the accounting policies of the company. The subject matter of this engagement does neither include an examination of the basic figures including their adjustment to the accounting policies of the company, nor of the pro forma assumptions stated in the pro forma notes.

We have planned and performed our examination in accordance with the IDW Auditing Practice Statement: Audit of Pro Forma Financial Information (IDW AuPS 9.960.1) promulgated by the Institut der Wirtschaftsprüfer in Deutschland e.V. (IDW) in such a way that material errors in the compilation of the pro forma financial information on the basis stated in the pro forma notes and in the compilation of this basis consistent with the accounting policies of the company are detected with reasonable assurance.

In our opinion, the pro forma financial information has been properly compiled on the basis stated in the pro forma notes. This basis is consistent with the accounting policies of the company.

Munich, 21 April 2015

KPMG AG
Wirtschaftsprüfungsgesellschaft

Möhring	Bergler
Wirtschaftsprüferin	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDING DECEMBER 31, 2014

CONSOLIDATED INCOME STATEMENT

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2014

in € thousands	Note	2014	2013
Revenues	6.1	**3,349**	**3,574**
Other income	6.2	**930**	294
Personnel expenses	6.3	**–2,149**	–2,117
Other expenses	6.4	**–3,419**	–951
Profit (Loss) before interest, tax, depreciation and amortization (EBITDA)		**–1,289**	**800**
Depreciation and amortization	6.5	**–74**	–47
Profit (Loss) before interest and tax (EBIT)		**–1,363**	**753**
Results of financial investments accounted for at equity		**4**	0
Finance income		**269**	110
Finance expenses		**–141**	–80
Net financial result	6.6	**132**	**30**
Profit (Loss) before tax		**–1,231**	**783**
Income tax	6.7	**–359**	–188
Profit (Loss) for the year/Total comprehensive income (Loss)		**–1,590**	**595**
Profit (Loss) attributable to the owners of CHORUS Clean Energy AG		**–1,598**	**595**
Profit attributable to non-controlling interests		**8**	**0**

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2014

Assets in € thousands	Note	Dec. 31, 2014	Dec. 31, 2013	Jan. 1, 2013
A) Non-current assets		**457,343**	260	104
Intangible assets and goodwill	7.1	**181,149**	173	15
Property, plant and equipment	7.2	**252,521**	23	32
Financial investments at equity	7.3	**480**	–	–
Non-current financial assets	7.4	**4,374**	58	34
Deferred tax assets	7.5	**18,819**	6	23
B) Current assets		**51,961**	9,390	5,862
Trade and other receivables	7.6	**6,420**	1,974	1,645
Income taxes receivable	6.7	**826**	654	324
Current financial assets	7.7	**1,327**	5,896	702
Current non-financial assets	7.8	**6,098**	–	–
Liquid funds:	7.8	**37,290**	866	3,191
Cash and cash equivalents		**21,199**	866	3,191
Restricted cash and cash equivalents	7.9	**16,091**	–	–
Total assets		**509,304**	9,650	5,966

Equity and liabilities	Note	Dec. 31, 2014	Dec. 31, 2013	Jan. 1, 2013
in € thousands				
A) Total equity		**123,844**	**4,159**	**3,575**
Share Capital	7.10	**50**	250	250
Capital Reserve	7.10	**–**	25	25
Retained Earnings	7.10	**2,269**	3,873	3,300
Contributions in-cash not yet registered	7.10	**5,855**	–	–
Contributions in-kind not yet registered	7.10	**115,645**	–	–
Equity attributable to the owners of CHORUS Clean Energy AG		**123,819**	**4,148**	**3,575**
Non-controlling interests		**25**	**11**	**–**
B) Non-current liabilities		**350,108**	**4**	**4**
Liabilities to limited partners	7.11	**4,034**	–	–
Non-current provisions	7.12	**3,358**	4	4
Non-current financial liabilities	7.13	**341,057**	–	–
Deferred tax liabilities	7.5	**1,659**	–	–
C) Current liabilities		**35,352**	**5,487**	**2,387**
Current provisions	7.12	**1,382**	86	104
Trade payables	7.14	**4,716**	5,205	1,244
Income taxes payable	6.7	**3,537**	196	372
Current financial liabilities	7.13	**21,446**	–	–
Other current liabilities	7.16	**3,431**	–	658
Deferred income	7.17	**840**	–	9
Total equity and liabilities		**509,304**	**9,650**	**5,966**

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2014 and 2013

		attributable to the owners of Cl			
in € thousands	Note	Share capital	Capital reserve	Retained earnings	
Balance as of January 1, 2014	10	250	25	3,873	
Profit (Loss) for the year/Total comprehensive income (Loss)		–	–	–1,598	
Total comprehensive income (Loss)		–	–	–1,598	
Transactions with owners of the company					
Contributions and distributions					
Reclassification due to change in legal structure		–250	–25	–	
Foundation of CHORUS Clean Energy AG		50	–	–	
Contributions		–	–	–	
Total contributions and distributions	10	–200	–25	–	
Changes in ownership interests	10				
Changes in ownership without a change in control		–	–	–6	
Total changes in ownership interests	10	–	–	–6	
Total transactions with owners of the company		–200	–25	–6	
Balance as of December 31, 2014		50	–	2,269	

		attributable to the owners of CHORUS Clean Energy AG			
in € thousands	Note	Share capital	Capital reserve	Retained earnings	
Balance as of January 1, 2013	10	250	25	3,300	
Profit (Loss) for the year/Total comprehensive income (Loss)		–	–	595	
Total comprehensive income (Loss)		–	–	595	
Transactions with owners of the company					
Contributions and distributions					
Distribution		–	–	–11	
Total contributions and distributions	10	–	–	–11	
Changes in ownership interests	10				
Changes in ownership without a change in control		–	–	–11	
Total changes in ownership interests	10	–	–	–11	
Total transactions with owners of the company		–	–	–22	
Balance as of December 31, 2013		250	25	3,873	

The accompanying notes are an integral part of these Consolidated Financial Statements.

HORUS Clean Energy AG					
	Contribution in cash not yet registered	Contirbution in kind not yet registered	Equity attributable to the owners of CHORUS Clean Energy AG	Non-controlling-interests	Total equity
	–	–	4,148	11	4,159
	–	–	–1,598	8	–1,590
	–	–	–1,598	8	–1,590
	–	275	–	–	–
	–	–	50	–	50
	5,855	115,370	121,225	–	121,225
	5,855	115,645	121,275	–	121,275
	–	–	–6	6	–
	–	–	–6	6	–
	5,855	115,645	121,269	6	121,275
	5,855	115,645	123,819	25	123,844

	Equity attributable to the owners of CHORUS Clean Energy AG	Non-controlling-interests	Total equity
	3,575	–	3,575
	595	–	595
	595	–	595
	–11	–	–11
	–11	–	–11
	–11	11	–
	–11	11	–
	–22	11	–11
	4,148	11	4,159

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31 2014

in € thousands	2014	2013
Profit (Loss) for the year	–1,590	595
Net finance result	–132	–30
Net income tax result	359	188
Profit (Loss) before interest and tax (EBIT)	–1,363	753
Tax paid	–422	–188
Depreciation and amortization	74	47
Other non-cash income	0	–16
Increase/decrease in other assets not attributable to investment and financing activities	4,111	–5,817
Increase/decrease in other liabilities not attributable to investment and financing activities	2,128	–1,387
Cash Flow from Operating Activities	4,528	–6,608
Proceeds on disposals of financial assets	2	0
Cash acquired in business combination	14,778	68
Payments on investments of financial assets	–280	0
Payments on investments in property, plant and equipment and intangible assets	–131	–196
Payments on investments in companies, net of cash and cash equivalents acquired	0	–38
Interest received	269	26
Cash Flow from Investing Activities	14,638	–140
Proceeds from shareholders	5,855	0
Proceeds from shareholder loans	0	4,500
Repayments of shareholder loans	–4,500	0
Distributions	0	–11
Interest paid	–187	–67
Cash Flow from Financing Activities	1,168	4,422
Net increase/decrease in cash and cash equivalents	20,333	–2,325
Cash and cash equivalents at beginning of period	866	3,191
Cash and cash equivalents at end of period	21,199	866

The accompanying notes are an integral part of these Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING DECEMBER 31, 2014 (IFRS)

1 GENERAL INFORMATION

The reporting entity

CHORUS Clean Energy AG ("CHORUS AG" or "the reporting entity") was founded in July 2014 and was entered in the commercial register of the Munich Local Court (Amtsgericht München) under number HRB 213342 in August 2014. The registered office is located at 85579 Neubiberg near Munich, Prof.-Messerschmitt-Str. 3, Germany.

The consolidated financial statements of the CHORUS AG as at and for the financial year ended December 31, 2014 comprise the Company and its subsidiaries (together referred to as "CHORUS Group" or the "Group" and individually as "Group entities").

The Corporate Board of Management of CHORUS Clean Energy AG authorized the consolidated financial statements for presentation to the Supervisory Board on April 15, 2015.

Description of operations

CHORUS AG was founded in July 2014. On December 4, 2014, CHORUS Clean Energy AG, 20 limited partnerships, the shareholders of CHORUS GmbH, REGIS Treuhand & Verwaltung GmbH für Beteiligungen (as trustee for one investor not affiliated with the CHORUS Group) ("REGIS"), Heinz Jarothe, Holger Götze and Helmut Horst entered into contribution agreements pursuant to which inter alia the shares held in the holding and operating companies as well as respective loans were contributed with effective date of December 31, 2014 (acquisition date).

"Holding and operating companies" or "CHORUS entities" means 74 companies, which hold the 57 solar parks and 5 wind parks. Through its holding and operating companies CHORUS acquires and operates solar and wind parks in Europe, with a focus on Germany. The CHORUS Portfolio produced a total of 219,249 MWh in the financial year 2014. CHORUS' 57 solar parks generated 164,034 MWh and its five wind parks 55,215 MWh in 2014.

"CHORUS GmbH Group" comprises CHORUS GmbH and its 9 subsidiaries which are specialized on asset management and advisory services in the renewable energy industry. CHORUS' fee-based advisory services consist of the initiation of funds for professional investors and the tailoring and structuring of investments for these groups of investors in the field of renewable energy ("customized investment structuring"). Subsequent to such structuring work, CHORUS typically provides asset management services ("Asset Management") to such institutional funds and other investment vehicles of professional investors and the operating companies held by these.

"Fund-KGs" comprise 20 limited partnerships which held directly the shares in the holding or operating companies.

In the consolidated financial statements for accounting purposes CHORUS GmbH was treated as the accounting acquirer in accordance with IFRS 3. Consequently, predecessor accounting was applied for the CHORUS GmbH and its subsidiaries.

In the consolidated financial statements as of and for the year ended December 31, 2014, the contribution of the holding and operating companies (together "CHORUS entities") and the contributed loans were accounted for as a single business combination, following the linked-transaction approach, in accordance with IFRS 3 at the acquisition date. Therefore, the results of operations of the holding and operating companies and the effects of the contributed loans on the results of operations of the CHORUS Group were included from the acquisition date (December 31, 2014) in these consolidated financial statements. Since the acquisition date December 31, 2014, no effect on the consolidated statement of comprehensive income/loss is shown in the consolidated financial statements.

The CHORUS Group is engaged in the acquisition and management of investments in other entities which operate wind or solar parks in Europe and whose activities include the generation, storage, or distribution of renewable energy along with all associated activities for the generation of renewable energy, including design, conceptual support, and long-term consultation and coordination of investment products in the renewable energy sector.

Basis of preparation

The consolidated financial statements have been prepared for the first time in accordance and in conformity with all International Financial Reporting Standards (IFRS) and the publications of the International Financial Reporting Interpretations Committee (IFRIC), as endorsed by the EU.

The consolidated financial statements cover the financial year from January 1, 2014 to December 31, 2014 with a comparative period from January 1, 2013 to December 31, 2013.

Subsidiaries are fully consolidated from the date on which control is obtained by CHORUS AG and are de-consolidated from the date that control ceases. Intercompany transactions, balances, income and expenses, and profits and losses are eliminated. A list of consolidated entities is presented in Appendix 1.

The statement of financial position is classified in accordance with IAS 1 on the basis of the current/non-current distinction. The consolidated income statement is prepared based on the nature of expense method.

The consolidated financial statements have been prepared in Euro (EUR). Unless stipulated otherwise, all values are rounded up or down to nearest thousand Euro (EUR thousand) in accordance with the commercial rounding practices. Differences can result from the use of rounded amounts and percentages.

First-time Adoption

In preparation for an initial public offering planned in 2015, CHORUS Group has voluntarily prepared the consolidated financial statements in accordance with IFRS 1 for the financial year January 1, 2014 to December 31, 2014 with comparative financial information for the period from January 1, 2013 to December 31, 2013. In accordance with IFRS 1 the reporting entity has prepared its opening balance sheet as of January 1, 2013. Due to the business combination as of December 31, 2014 the comparative financial information include only CHORUS GmbH and its 9 subsidiaries.

The consolidated financial statements have been prepared for all periods in conformity with the standards and interpretations promulgated by the IASB and the IFRIC that are effective as of December 31, 2014 and endorsed by the European Union.

The transition date is as at January 1, 2013. The conversion to IFRS is regulated in IFRS 1 “First-time Adoption of International Financial Reporting Standards”. The standard permits first-time adopters to use simplifications and exceptions from the principle of retrospective application for certain issues. The CHORUS AG has not used any exemptions.

The company has consistently applied the accounting policies used in the preparation of its opening IFRS statement of financial position at January 1, 2013 throughout all periods presented, as if these policies had always been in effect.

CHORUS Group

The Group’s consolidated financial statements as of December 31, 2014 include, besides CHORUS Clean Energy AG, a total of 84 subsidiaries (2013: CHORUS GmbH and its 9 subsidiaries). The companies which were fully consolidated as of December 31, 2014 can be found in Appendix 1.

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

The CHORUS AG has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Standard	Issued IASB	Effective date	Endorsement EU	Changes
IAS 1 Presentation of Financial Statements	December 14	January 16	pending	Clarifies that information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply; clarification that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss; additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in paragraph 114 of IAS 1.
IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets	June 14	January 16	pending	Clarifies that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.
IAS 19 Employee Benefits	November 13	February 15	December 14	Amends IAS 19 Employee Benefits to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service, in that contributions can, but are not required, to be recognised as a reduction in the service cost in the period in which the related service is rendered.
IAS 27 Separate Financial Statements	August 14	January 16	pending	Amends IAS 27 Separate Financial Statements to permit investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.
IAS 41 IAS 16 Agriculture: Bearer Plants Property, Plant and Equipment	June 14	January 16	pending	Includes 'bearer plants' within the scope of IAS 16 rather than IAS 41, allowing such assets to be accounted for a property, plant and equipment and measured after initial recognition on a cost or revaluation basis in accordance with IAS 16 introduce a definition of 'bearer plants' as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales clarify that produce growing on bearer plants remains within the scope of IAS 41.

Standard	Issued IASB	Effective date	Endorsement EU	Changes
IFRS 10 IAS 28 Consolidated Financial Statements Investments in Associates and Joint Ventures	September 14	January 16	pending	Amends IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows: • require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations) require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognised only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.
IFRS 9 Financial Instruments	July 14	January 18	pending	A revised version of IFRS 9 incorporating revised requirements for the classification and measurement of financial liabilities, and carrying over the existing derecognition requirements from IAS 39 Financial Instruments: Recognition and Measurement. The revised financial liability provisions maintain the existing amortised cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss. Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
IFRS 10 IFRS 12 IAS 28 Investment Entities: Applying the Consolidation Exception	December 14	January 16	pending	Amends IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures (2011) to address issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points: The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value. A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity. When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries. An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by IFRS 12.
IFRS 10/IAS 28	September 14	January 16	pending	Amendments to IAS 28: The requirements on gains and losses resulting from transactions between an entity and its associate or joint venture have been amended to relate only to assets that do not constitute a business. A new requirement has been introduced that gains or losses from downstream transactions involving assets that constitute a business between an entity and its associate or joint venture must be recognised in full in the investor's financial statements. A requirement has been added that an entity needs to consider whether assets that are sold or contributed in separate transactions constitute a business and should be accounted for as a single transaction. Amendments to IFRS 10: An exception from the general requirement of full gain or loss recognition has been introduced into IFRS 10 for the loss control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method. New guidance has been introduced requiring that gains or losses resulting from those transactions are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement at fair value of investments retained in any former subsidiary that has become an associate or a joint venture that is accounted for using the equity method are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

Standard	Issued IASB	Effective date	Endorsement EU	Changes
IFRS 11 Accounting for Acquisitions of Interests in Joint Operations	May 14	January 16	pending	Amends IFRS 11 Joint Arrangements to require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 Business Combinations) to: apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11 disclose the information required by IFRS 3 and other IFRSs for business combinations. The amendments apply both to the initial acquisition of an interest in joint operation, and the acquisition of an additional interest in a joint operation (in the latter case, previously held interests are not remeasured).
IFRS 14 Regulatory Deferral Accounts	January 14	January 16	pending	IFRS 14 permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.
IFRS 15 Revenue from Contracts with Customers	May 14	January 17	pending	IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows: Identify the contract with the customer Identify the performance obligations in the contract Determine the transaction price Allocate the transaction price to the performance obligations in the contracts Recognise revenue when (or as) the entity satisfies a performance obligation. Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.
Annual Improvements 2010–2012 Cycle	December 13	February 2015	December 2014	The amendment is part of the IASB's annual improvements project.
Annual Improvements 2011–2013 Cycle	December 13	January 15	December 2014	The amendment is part of the IASB's annual improvements project.
Annual Improvements to IFRSs 2012–2014 Cycle	September 14	January 16	pending	The amendment is part of the IASB's annual improvements project.

CHORUS AG is in process of analyzing the effects of these not yet applicable standards on CHORUS AG's accounting. The impact on CHORUS AG's accounting cannot yet finally be determined.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future economic situation and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Accounting treatment of business combinations

Goodwill is disclosed in the statement of financial position in connection with business combinations. This constitutes the excess of the aggregate of the consideration transferred and the amount of any non-controlling interest over the assets acquired and the liabilities assumed. All identifiable assets and liabilities are recognized at fair value upon first-time consolidation. The fair values recognized constitute a significant estimate. If intangible assets are identified, the fair value is determined using appropriate valuation methods taking their nature into account. These measurements are based on various input factors and are partially associated with assumptions of management about the future development of the value of the respective asset and the discount rates used.

Goodwill from the business combinations recognized in fiscal year 2014 amounted to EUR 17,723 thousand.

Management exercises judgment especially regarding the treatment of solar- and wind parks as businesses in accordance with IFRS 3.

Additional explanations are presented in the notes on business combinations.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill is tested for impairment annually and at any other time when triggering events for impairment exist. Other non-financial assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. Specific fundamental assumptions were made to determine the recoverable amount when assessing the recoverability of intangible assets and property, plant and equipment of the Group. In this context, the expected cash flows used in impairment testing are derived from budgets from medium-term planning for each respective CGU. Management assumes that the assumptions and estimates underlying the discounted cash flows are appropriate. However, changes in the economic environment and the industry-specific growth assumptions can have consequences for impairment testing resulting in the need to recognize additional impairment losses or to reverse impairment losses in the future.

For further details refer to note 7.1 Intangible assets and 7.2 Property, plant and equipment.

Taxation

The Company and its subsidiaries are subject to routine tax audits and also a process whereby tax computations are discussed and agreed with the respective authorities. Whilst the ultimate outcome of such tax audits and discussions cannot be determined with certainty, management estimates the level of provisions required for both current and deferred tax on the basis of professional advice and the nature of current discussions with the tax authority concerned.

Deferred tax assets are recognized on unused tax losses to the extent that it is probable that taxable profits will be available in the future against which the unused tax losses can be utilized. In this regard, management exercises judgment as to the expected timing and the amount of the taxable profits and measures deferred tax assets on unused tax losses accordingly.

For further details refer to note 6.7 Income taxes and 4.9 Income taxes.

Economic useful lives of property, plant and equipment and intangible assets

The applied economic lives of non-current assets are based on estimates of the management. The Group reviews the estimated economic useful lives of property, plant and equipment and intangible assets at the end of every financial year. For further details refer to note 4.5 and note 4.6.

Provisions for asset retirement obligations relating to solar and wind parks

Such provisions are recognized when it is considered probable that economical, legal, ecological and asset retirement obligations will result in future outflows of economic benefits, when the costs can be estimated reliably and the measures in question are not expected to result in future inflows of economic benefits. The estimate of future costs is subject to many uncertainties, including legal uncertainties based on the applicable laws and regulations and with uncertainties regarding to the actual conditions in the different countries and operating locations. In particular, estimates of costs are based on industry experiences in similar cases, current costs and new developments that have an impact on the costs. Any changes to these estimates could have an impact on the future results of the Group.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 BASIS OF CONSOLIDATION

Business combinations are accounted for using the acquisition method in accordance with IFRS 3 (revised). Accordingly, the consideration transferred to the seller plus any non-controlling interest and the fair value of the previously held equity interest in the acquiree are offset against the fair value of the acquired assets and liabilities as at the acquisition date. The goodwill resulting from a business combination is thus the excess between the consideration transferred and the amount of any non-controlling interest on the one hand and the assets acquired and liabilities assumed on the other. If the consideration is lower than the fair value of the net assets of the acquiree, the difference is reassessed and then recognized in profit or loss.

A change in the parent's ownership interest in a subsidiary that does not result in a loss of control is accounted for within equity.

Companies in which CHORUS AG has the power directly or indirectly exercise a significant influence on financial and operating policy decisions (associates) are accounted for using the equity method, as are joint ventures over which common control is exercised together with other companies. A joint arrangement is classified as joint venture, if the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Changes in the share of the associate's/joint venture's equity that are not to be recognized in profit or loss are recognized directly in equity in the consolidated financial statements. The same accounting policies are used to determine CHORUS AG's share in equity of all companies accounted for using the equity method.

Receivables and liabilities between the consolidated entities are netted. Intercompany profits are eliminated in the consolidated statement of comprehensive income. Intercompany sales and other intercompany income are netted against the corresponding expense.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement is accounted for as following:

CHORUS AG recognizes in relation to its interest in a joint operation:

- its assets, including its share of any assets hold jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the sale of the output by the joint operation;
- its expenses including its share of any expenses incurred jointly.

4.2 FOREIGN CURRENCY TRANSLATION

The consolidated financial statements are prepared in Euro (EUR), which is the presentation currency of the CHORUS Group as well as CHORUS AG's functional currency. For each entity the functional currency is determined and items included in the financial statements of each entity are measured using that functional currency.

Two group companies acquired in December 2014 have exposure to U.S. dollar, because of their investments in available-for-sale investment funds. The exchange rates applicable were as follows:

EUR/USD	December 31, 2014
Period end rate	1.22
Average rate	1.33

4.3 REVENUES

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer rebates and other similar allowances.

Revenues from the sales of services are to be recognized if the services for administration, asset management and consulting advice, planning, design or conceptual support were delivered.

FINANCE INCOME

Dividend income from shares is recognized when the shareholder's claim to payment arises (provided that it is likely that the economic benefit will flow to the Group and the amount of the income can be measured reliably).

Interest income attributable to the period is to be recognized based on the outstanding notional amount using the relevant effective interest rate. The effective interest rate is the interest rate with which the expected future payments are discounted over the term of the financial asset precisely to the net carrying amount of the asset upon initial recognition.

FINANCE EXPENSES

Finance expenses include only interest expenses.

Interest expenses are recorded using the effective interest rate method.

4.4 LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

CHORUS Group has financed Italian solar plants through lease agreements under which the significant risks and rewards are transferred to the CHORUS Group. These lease agreements were treated as finance leases in accordance with IAS 17. The solar plants of the respective solar park represent collateral for the respective liability. CHORUS Group is only engaged as lessee.

Assets held under a finance lease are recognized initially as assets of the CHORUS Group at their fair value at the inception of the lease or – if it is lower – at the present value of the minimum lease payments. The corresponding liability to the lessor is to be shown in the consolidated statement of financial position as a finance lease obligation. The lease payments are broken down into interest expense and repayment of the lease obligation such that the remaining liability bears interest at a constant rate. Interest expense is recognized directly in the statement of profit and loss.

Lease payments under operating leases are recognized as expense using a straight-line approach over the lease term. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

4.5 INTANGIBLE ASSETS AND GOODWILL

Purchased intangible assets are recognized at cost or, if acquired in a business combination, at their respective fair values. They are amortized on a straight-line basis over their useful lives. With the exception of goodwill no intangible asset with indefinite useful life is recognized. Intangible assets with indefinite useful lives are subject to an annual impairment test and not to scheduled amortization.

Amortization of intangible assets is based on the following useful life periods:

Goodwill	n/a
Computer software	5 years
Beneficial electricity feed-in rights	13 – 20 years

GOODWILL

Goodwill represents the excess of the consideration transferred over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative it is recognized in profit or loss. Goodwill is not subject to amortization. It is assessed annually for impairment and can be assessed more frequently, if there might be any indication for impairment during the year.

BENEFICIAL ELECTRICITY FEED-IN RIGHTS
Beneficial electricity feed-in rights acquired in the Business Combination (see note 5) embody the beneficial rights of feed-in tariffs under the German Renewable Energy Act (Erneuerbare-Energien-Gesetz, EEG) and the Italian Renewable Energy Act, or similar entitlements in the Austrian and French markets, respectively.

For further details refer to note 7.1.

The estimated useful life and amortization method is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

4.6 PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition or production of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use and the costs of dismantling and removing the items.

If parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income or other expenses in profit or loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item, if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the leased asset under finance lease shall be fully depreciated over the shorter of the lease term and its useful life. Land is not depreciated. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

The estimated useful lives for the current and comparative periods are as follows:

Land	n/a
Wind and solar parks	25 years
Other operating and office equipment	2 – 13 years
Leased assets under finance lease	25 years
Assets under construction	n/a

4.7 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS AND GOODWILL

The carrying amounts of the Group's intangible assets and items of property, plant and equipment are reviewed at least at each reporting date to determine whether there is any indication of impairment. If any such indication (triggering event) exists, the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated at least once in a year at the same time.

The recoverable amount of an asset is defined as the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the carrying amount exceeds the recoverable amount, the difference is recognized as an impairment loss in the income statement. For the impairment test, assets are reflected at the lowest level for which cash flows are separately identifiable. If the cash flow for an asset is not separately identifiable, the impairment test is conducted on the basis of the cash-generating units (CGUs) to which the asset belongs. Goodwill is allocated to CGUs to perform an annual impairment test on goodwill. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed even in case of subsequent increase in value. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Detailed information is reported within note 7.1 Intangible assets and goodwill and note 7.2 Property, plant and equipment.

4.8 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are included in the consolidated statement of financial position beginning on the date on which the Group becomes a contractual party of the financial instrument. Financial assets that are acquired or sold the regular way are generally recognized at the settlement date. All financial instruments are measured at fair value at initial recognition plus, in the case of financial assets or financial liability not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability.

Classes in accordance with IFRS 7
The CHORUS Group groups financial instruments into the following classes:

- Current financial assets
- Non-current financial assets
- Trade and other receivables
- Cash and cash equivalents
- Restricted cash and cash equivalents
- Liabilities to limited partners
- Financial liabilities
- Trade payables

Non-current financial assets comprises only available-for-sale investments as described under note 7.4.

Financial liabilities are further split into the following classes:

- Bank loans
- Leasing liabilities
- Interest rate swaps with negative fair value

4.8.1 FINANCIAL ASSETS

Categories of financial assets
Financial assets as defined under IAS 39 are classified in the following categories:

- financial assets measured at fair value through profit or loss (FAHfT)
- loans and receivables (LaR)
- available-for-sale financial assets (AfS)

Financial assets are categorized at acquisition based on their type and intended use at the time of initial recognition. Financial assets are recognized and derecognized at the settlement date if they are non-current financial assets to be delivered within the normal time frame for the relevant market.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

The Company's financial instruments mainly comprise cash and cash equivalents, restricted cash and cash equivalents (for further details please refer to note 4.10), trade and other receivables and other financial assets.

Financial assets measured at fair value through profit or loss
Financial assets are classified as at fair value through profit and loss when the financial asset is either held for trading or it is designated as at fair value through profit and loss.

The Group's financial instruments measured at fair value through profit and loss as of December 31, 2014 represent interest rate swaps that were classified as derivatives held for trading. Those interest rate swaps are derivatives that are not designated as hedging instruments in accordance with IAS 39.

Loans and receivables

Loans and receivables are non-derivative financial assets with payments that are fixed or can be otherwise determined that are not listed in an active market. Loans and receivables are measured at amortized cost. Loans and receivables (including loans, trade receivables, other receivables, cash held at banks) are measured based on the effective interest method at amortized cost less any impairment losses. Cash are measured at its nominal amount.

With the exception of current receivables, for which the effect from discounting would be immaterial, interest income is recognized based on the effective interest method.

Available-for-sale financial assets

AfS financial assets are non-derivative equity instruments that are either designated as AfS or are not classified as LaR or FAHfT. AfS financial assets are stated at fair value at the end of each reporting period. Investments in unlisted shares that are not traded in an active market are also classified as AfS financial assets and stated at fair value at the end of each reporting period. AfS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period. Changes – other than changes in foreign currency rates and dividends on AfS equity investments which are recognized in profit or loss – in the carrying amount of AfS financial assets are recognized in other comprehensive income. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in other comprehensive income is reclassified to profit or loss. Dividends on AfS equity instruments are recognized in profit or loss when the Group‘s right to receive the dividends is established.

For further details please refer to note 7.4

Impairment of financial assets

On each reporting date, financial assets – with the exception of financial assets measured at fair value through profit or loss – are examined for indications of impairment. Financial assets are regarded as impaired when there are objective indications as a consequence of one or more events that there are negative changes to expected future cash flows associated with the financial asset which occurred after initial recognition of the asset.

In the case of AfS equity investments, an objective evidence of impairment is assumed when there is a significant or prolonged decline in the fair value of the security below its cost.

With respect to all other financial assets, objective indications of impairment can include the following:

Financial difficulties on the part of the issuer or the counterparty, a breach of contract such as a default or the late payment of interest or principal or an elevated probability that the borrower becomes insolvent or otherwise begins a restructuring process or the disappearance of an active market for that financial asset because of financial difficulties.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset‘s original effective interest rate. With respect to financial assets measured at cost, the impairment loss corresponds to the difference between the carrying amount of the asset and the present value of the expected future cash flow calculated with the current market yield of a comparable financial asset. Any impairment losses caused by the present value of the future cash flow being lower than the carrying amount are recognized in profit or loss.

If the amount of impairment of a financial asset measured at amortized cost decreases in a subsequent financial year and this decrease can be objectively attributed to an event that occurred after the impairment was recognized, the previously recognized impairment is reversed over the statement of profit or loss, whereby the impairment is reversed to an amount not to exceed the carrying amount that would have resulted if an impairment loss had not been recognized.

4.8.2 FINANCIAL LIABILITIES

Financial liabilities are classified either as financial liabilities measured at fair value through profit or loss (FLHfT) or as other financial liabilities at amortized cost (FLAC). Financial liabilities are classified as FLHfT when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

Financial liabilities are measured at fair value on initial recognition. For all financial liabilities not subsequently measured at fair value through profit or loss, the transaction costs directly attributable to the acquisition are also recognized. Trade payables and other non-derivative financial liabilities are generally measured at amortized cost using the effective interest method.

Liabilities to limited partners

Partly, subsidiaries are organized as a limited partnership (Personenhandelsgesellschaft) under German law. Its limited partners have a statutory right of cancellation that cannot be precluded by the partnership agreement and may therefore require the company to repay capital contributions, and a related share of profits.

Profits allocated to limited partners in accordance with the provisions of the bylaws of the limited partnerships are reclassified to liabilities since the limited partners are able to withdraw the amounts once they have been allocated.

Liabilities to limited partners are recorded initially at fair values at the balance sheet date. Changes in these fair values during a reporting period as well as their respective share in profit (loss) of the year are recorded through finance income or finance expenses in the income statement.

Other financial liabilities

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

The effective interest method is a method of calculating the amortized cost of a financial liability and the allocation of interest expenses to the respective periods. The effective interest rate is the interest rate used to discount the estimated future payments (including all fees and amounts paid or received that are an integral component of the effective interest rate, transaction costs, and other premiums or discounts) are discounted to the net carrying amount from the initial recognition over the expected term of the financial instrument or a shorter applicable period.

Derecognition of financial liabilities

The Group derecognizes a financial liability if the Group's corresponding obligation(s) is/are discharged, cancelled or expired. The difference between the carrying amount of the derecognized financial liability and the consideration received or to be received is to be recognized in profit or loss.

4.8.3 MEASUREMENT OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value for both financial instruments and non-financial assets and liabilities. When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4.8.4 COLLATERAL

Financial liabilities represent “non-recourse borrowings”. The entities included in the CHORUS Group have provided the financing banks or creditors with collateral for these financial liabilities and also any applicable contingent liabilities. As is typical with this type of financing, the property, plant and equipment, all rights as well as all actual and future receivables are pledged to the banks. Consequently, the current amount of the collateral provided corresponds to the carrying amounts of the current assets (without cash and cash equivalents) and the non-current assets or it is intangible (e.g. right to enter into feed-in contracts). This collateral in all loan contracts mostly takes the form of:

- executable land charges (property, plant and equipment)
- pledging of debt service and project reserve accounts (restricted cash and cash equivalent)
- assignment of the claim to payment from the feed-in of electricity on the part of the respective grid company (revenues and receivables)
- assignment of payment and compensation claims against third parties from any direct marketing agreements in connection with direct marketing (revenues)
- pledging of tangible fixed assets (property, plant and equipment)
- pledging of shares in Group entities
- pledging of other receivables

The counterparties have an obligation to release the securities at the repayment date of the loan.

4.9 INCOME TAX

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the asset-liability-method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill – if goodwill is not tax-deductible.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The tax reconciliation and additional information are reported within the note 6.7.

4.10 (RESTRICTED) CASH AND CASH EQUIVALENTS

Deposits at banks are presented as cash. The carrying amounts of cash correspond to the fair value as a result of their highly liquid nature.

The debt service and project reserve accounts serving as collateral for the lending banks for the solar and wind parks can only be used in coordination with the lending banks for the respective company (for further information please refer to section 4.8.4 and section 6.7). They are classified as restricted cash and cash equivalents but not as cash and cash equivalents in the meaning of IAS 7.

4.11 PROVISIONS

Provisions are recognized if the Group has a current (constructive or legal) obligation based on a past event, the outflow of resources with economic benefits to fulfill the obligation is probable (more likely than not) and the amount of the obligation can be reliably estimated. If the impact of the time value of money is material, provisions are discounted at a risk-free interest rate. The risk inherent in the present obligation is considered in determining the respective cash flows. If provisions are discounted, the increase in the carrying amount over time is recognized as interest expense. Provisions are classified based on the expected due dates; consequently, provisions due within up to one year are regarded as current and provisions due in more than one year are regarded as non-current.

Current provisions are recognized at the expected settlement amount without discounting and reflect all obligations identifiable on the reporting date based on past transactions or events preceding the reporting date and their amount or due date is uncertain, whereby the amount recognized for a single obligation is the most likely settlement amount. In case of large numbers of obligations within the same class all possible outcomes are weighed by their associated probabilities (concept of the expected value).

Present obligations arising under onerous contracts are recognized and measured as provisions. This is the case, if the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Contingent liabilities are not recognized on the statement of financial positions. They are disclosed if the possibility of an outflow of resources is not remote.

Provisions mainly comprise identifiable asset retirement obligations for solar and wind parks.

4.12 RELATED PARTY TRANSACTIONS

Trading transactions

During the year Group companies entered into the transactions with related parties who are not members of the Group.

Details of related party transactions and directors' remuneration are given in note 11.2.

The Group has not made any allowance for bad or doubtful accounts in respect of related party debtors nor has any guarantee been given or received during 2014 or 2013 regarding related party transactions.

5 BUSINESS COMBINATIONS

The CHORUS Group's current structure was created by CHORUS AG´s acquisition of the other CHORUS entities at December 31, 2014, thereby obtaining control of these entities.

The principal reason for these acquisitions was the combination of the existing asset management and advisory services business with the energy generation business.

In December 2014, the Group acquired by contributions in kind the voting equity instruments of the following 74 holding companies and operating companies whose principal activities are producing renewable energy by solar and wind parks.

Acquired companies	Share
Atlantis Energy di Chorus Solar Italia Centrale 5. Srl & Co. SAS	100.0%
Cagli Solar di Chorus Solar Italia Centrale 5. Srl & Co. SAS	100.0%
Centrale Eolienne de Bihy SARL	100.0%
CHORUS CleanTech 1. Fonds Invest GmbH	100.0%
CHORUS CleanTech 2. Fonds Invest GmbH	100.0%
CHORUS CleanTech GmbH & Co. Burgheim KG	100.0%
CHORUS CleanTech GmbH & Co. Solardach Betze KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Bitterfeld KG	36.0%
CHORUS CleanTech GmbH & Co. Solarpark Bockelwitz KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Denkendorf KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Eisleben KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Gardelegen KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Greiz KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Gut Werchau KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Kemating KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Neuenhagen KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Pasewalk KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Richelbach KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Rietschen KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Rüdersdorf KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Ruhland KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Scheibenberg KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Vilseck KG	100.0%
CHORUS CleanTech GmbH & Co. Solarpark Warrenzin KG	88.6%
CHORUS CleanTech GmbH & Co. Solarparks Niederbayern KG	100.0%
CHORUS CleanTech GmbH & Co. Windpark Hellberge KG	100.0%
CHORUS CleanTech GmbH & Co. Windpark Ruhlkirchen KG	100.0%
CHORUS CleanTech GmbH & Co. Windpark Stolzenhain KG	100.0%
CHORUS CleanTech Portfolio Alpha GmbH	100.0%
CHORUS CleanTech Solarinvest 7. GmbH	100.0%
CHORUS Solar 3. Srl	100.0%
CHORUS Solar 3. Srl & Co. SAS	100.0%
CHORUS Solar 3. Srl & Co. SAS 2	100.0%
CHORUS Solar 5. Srl	100.0%
CHORUS Solar 5. Srl & Co. SAS Alpha	100.0%
CHORUS Solar Banna 3. Srl	100.0%
CHORUS Solar Banna 3. Srl & Co. Torino Due SAS	100.0%

Acquired companies	Share
CHORUS Solar Banna 5. Srl	100.0%
CHORUS Solar Banna 5. Srl & Co. PP4 SAS	100.0%
CHORUS Solar Banna 5. Srl & Co. SAS Beta	100.0%
CHORUS Solar Banna 5. Srl & Co. Torino Uno SAS	100.0%
CHORUS Solar GmbH	100.0%
CHORUS Solar Italia Centrale 5. Srl	100.0%
CHORUS Solar Puglia 3. Srl	100.0%
CHORUS Solar Puglia 3. Srl & Co. Casarano SAS	100.0%
CHORUS Solar Puglia 3. Srl & Co. Matino SAS	100.0%
CHORUS Solar Puglia 3. Srl & Co. Nardò SAS	100.0%
CHORUS Solar Srl & Co. Foggia Cinque SAS	100.0%
CHORUS Solar Srl & Co. Foggia Due SAS	100.0%
CHORUS Solar Srl & Co. Foggia Nove SAS	100.0%
CHORUS Solar Srl & Co. Foggia Otto SAS	100.0%
CHORUS Solar Srl & Co. Foggia Quattro SAS	100.0%
CHORUS Solar Srl & Co. Foggia Sei SAS	100.0%
CHORUS Solar Srl & Co. Foggia Sette SAS	100.0%
CHORUS Solar Srl & Co. Foggia Tre SAS	100.0%
CHORUS Solar Srl & Co. SAS	100.0%
CHORUS Solar Toscana 5. Srl	100.0%
CHORUS Solar Toscana 5. Srl & Co. Ternavasso Due SAS	100.0%
CHORUS Solar Toscana 5. Srl & Co. Ternavasso Uno SAS	100.0%
Collechio Energy di Chorus Solar 5. Srl & Co. SAS	100.0%
Energia & Sviluppo di Chorus Solar 5. Srl & Co. SAS	100.0%
Idea Energy SAS di Chorus Solar Toscana 5. Srl & C.	100.0%
La Rocca Energy di Chorus Solar 3. Srl & Co. SAS)	100.0%
Le Lame SAS di Chorus Solar Toscana 5. Srl & Co. SAS	100.0%
Lux Energy di Chorus Solar 5. Srl & Co. SAS	100.0%
Rasena Solare SAS di Chorus Solar Toscana 5. Srl & C.	100.0%
San Giuliano Energy di Chorus Solar Toscana 5. Srl & Co. SAS	100.0%
San Martino Energy di Chorus Solar 5. Srl & Co. SAS	100.0%
Solarpark Gelchsheim GmbH & Co. KG	100.0%
Solarpark Gnannenweiler GmbH & Co. KG	56.8%
Solarpark Staig GmbH & Co. KG	75.7%
Sun Time Renewable Energy di CHORUS Solar 3. Srl & Co. SAS	100.0%
Treponti di Chorus Solar 3. Srl & Co. SAS	100.0%
Windpark Pongratzer Kogel GmbH	100.0%

CHORUS AG controls CHORUS CleanTech GmbH & Co. Solarpark Bitterfeld KG with a share of 36.0% by exercising the management of the company and about the company controlling, the residual value of 64.0%. CHORUS AG controls Solarpark Gnannenweiler GmbH & Co. KG with a share of 56.8% by having contractual rights to exercise control. CHORUS AG controls CHORUS CleanTech GmbH & Co. Solarpark Warrenzin KG and Solarpark Staig GmbH & Co. KG with a share of 88.6% and 75.7% by having power to govern the relevant activities of these companies.

The fair value of identifiable assets and liabilities of the 74 holding and operating companies acquired are as follows:

in € thousands	Fair value
Intangible assets	163,197
Property, plant and equipment	252,498
Financial investments at equity	200
Non-current financial assets	4,351
Shareholder loan receivables	31,993
Deferred tax assets	18,818
Trade and other receivables	3,670
Income taxes receivable	425
Current financial assets	1,170
Current non-financial assets	4,522
Cash and cash equivalents	14,778
Restricted cash and cash equivalents	16,091
Liabilities to limited partners	4,034
Non-current provisions	3,358
Non-current financial liabilities	341,057
Shareholder loans	31,993
Deferred tax liabilities	1,409
Current provisions	1,371
Trade payables	1,706
Income taxes payable	3,389
Current financial liabilities	21,446
Other current liabilities	2,761
Deferred income	780
Total net assets/liabilities	**98,408**

The fair value of the receivables acquired corresponds to their contractual gross amount.

The fair value of the ordinary shares issued was based on a Discounted-Cash-Flow value of the company at December 31, 2014 of EUR 116,131 thousand which was derived from a cash flow computation at December 31, 2014.

The composition of the Group as at December 31, 2014 can be found in Appendix 1. The equity consolidation was carried out using the acquisition method in accordance with IFRS 3 Business Combinations.

Since acquisition date is December 31, 2014 no effect on the consolidated statement of comprehensive income/loss is shown in the consolidated financial statements. If the group had consolidated the 74 holding and operating companies on January 1, 2014, consolidated sales revenues for 2014 would have been higher by EUR 51,634 thousand and consolidated profit (loss) would have improved by EUR 5,735 thousand. CHORUS Group sales revenues in total would have been approximately EUR 54,983 thousand and profit for the year would have been approximately EUR 4,145 thousand for the financial year from January 1 to December 31, 2014.

The acquisition of the entities is accounted for using the partial goodwill method.

No non-controlling interests are shown in equity. We refer to section 7.10.

Goodwill arising from the acquisition of the holding and operating entities has been recognized as follows:

Fair Value of consideration transferred	Fair value
in € thousands	
12.9 million shares	116,131
Total consideration	**116,131**
Consideration transferred	116,131
Fair value of identifiable net assets	98,408
Goodwill	**17,723**

The Goodwill is attributable mainly to the synergies (i.e. cost reduction, reputation gains and increase of fungibility) expected to be achieved from integrating the 74 holding- and operating companies into the Group's existing business. None of the goodwill recognized is expected to be deductible for tax purposes.

Since the contribution is not yet registered, an amount of EUR 440 thousand (net of tax) related to the business combination was deferred as capital issuance costs and is reflected within other current non-financial assets. The issuance costs (net of tax) will be deducted directly from capital reserve when the contribution is finally registered.

6 DISCLOSURES REGARDING THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/LOSS

6.1 REVENUES

Revenues only comprise revenues from rendering of services.

Service revenues mainly represent fees for conceptional work and marketing services, as well as managerial services and remuneration of CHORUS GmbH companies in their role as general partner of funds in the legal form of limited partnerships.

6.2 OTHER INCOME

Other income	2014	2013
in € thousands		
Income from release of accruals/compensation from insurance companies and others	2	16
Benefits in kind	37	13
Out of period income	43	0
Recharges	234	175
Other	614	90
Total	**930**	**294**

6.3 PERSONNEL EXPENSES

Personnel expenses recognized in the statement of comprehensive income/loss are as follows:

Personnel expenses	2014	2013
in € thousands		
Salaries	1,831	1,803
Social security costs	318	314
Total	**2,149**	**2,117**

In 2014, the Group had an average of 28 employees (2013: 27 employees), all of whom worked in management and administration at CHORUS GmbH, respectively at CHORUS AG.

Salaries include expenses for employee bonuses and other payments. In 2014 EUR 498 thousand was spent on director's fees (2013: EUR 609 thousand).

6.4 OTHER EXPENSES

These mainly include the following operating expenses:

Other expenses in € thousands	2014	2013
Leasing	164	167
Insurances/Fees	212	293
Land and building occupancy and other operating costs incl. electricity supply	126	0
Occupancy costs	0	33
Administrative expenses	1,969	124
Sales & service, warranty and liability expenses	11	59
Advertising & gifts/entertainment expenses/travelling and vehicle expenses	312	206
Others	625	69
Total	3,419	951

6.5 DEPRECIATION AND AMORTIZATION/ IMPAIRMENTS

Amortization charges on intangible assets (EUR 57 thousand; 2013: EUR 33 thousand) and depreciation charges on property, plant and equipment (EUR 17 thousand; 2013: 14 thousand) are reported under this line item. Amortization charges on intangible assets are attributable to computer software. Depreciation charges on property, plant and equipment can be attributed mainly to the other operating and office equipment. No impairment expense was recorded in the financial year 2014 and 2013.

6.6 NET FINANCIAL RESULT

The net financial result comprises mainly interest income and expenses.

6.7 INCOME TAXES

Income taxes can be broken down as follows:

in € thousands	2014	2013
Current tax expense (income)		
Germany	71	194
(of which income unrelated to the accounting period)		
Deferred tax expense (income)		
Germany	288	(6)
Total	359	188

Income from corporations in Germany is subject to a corporate income tax rate of 15.0% plus solidarity surcharge of 5.5% and trade tax of 9.8% (combined tax rate of 25.6%) in accordance with the tax laws applicable in financial year 2014 and 2013. For limited partnerships in Germany a weighted corporate income tax rate of 11.6% is used in 2014.

The applied tax rate for the financial year 2014 in Italy amounts to 30.5% for corporate entities and 3.0% for limited partnerships. The applied tax rate of companies in Austria amounts to 25.0% and the applied tax rate of companies in France amounts to 28.4% as per December 31, 2014. Deferred tax liabilities and deferred tax assets are calculated using the weighted tax rate for each country.

As the group consisted only of German corporations in the financial years 2013 to 2014 before the business combination occurred at the end of December, 2014, an expected tax rate of 25.6% is used for the tax reconciliation statement. The reconciliation of the expected income tax expense (+)/income (–) with respect to net profit before tax to the actual income tax expense can be broken down as follows:

in € thousands	2014	2013
Profit (loss) before tax	–1,231	783
Expected tax rate	25.6%	25.6%
Expected income tax expense (income)	–316	201
Non-deductible expenses	131	1
Income taxes from prior periods	–3	–7
Non-recognition of deferred tax assets on tax loss carry forwards	500	0
Other	46	–7
Actual income tax expense (income)	359	188
Effective tax rate	-29.2%	24.0%

7 NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

7.1 INTANGIBLE ASSETS AND GOODWILL

The development of intangible assets and goodwill can be broken down as follows for financial year 2013 to 2014:

	Historical cost					
in € thousands	January 1, 2014	Additions	Disposals	Reclassification	Acquisitions through business contributions	December 31, 2014
Goodwill	0	0	0	0	17,723	**17,723**
Beneficial lease contracts	0	0	0	0	7,418	**7,418**
Beneficial electricity feed-in rights	0	0	0	0	155,778	**155,778**
Computer software	252	114	0	0	0	**366**

	Amortization and impairment losses					
in € thousands	January 1, 2014	Additions	Disposals	Reclassification	Acquisitions through business contributions	December 31, 2014
Goodwill	0	0	0	0	0	**0**
Beneficial lease contracts	0	0	0	0	0	**0**
Beneficial electricity feed-in rights	0	0	0	0	0	**0**
Computer software	79	57	0	0	0	**136**
Net book values	**173**	**57**	**0**	**0**	**180,919**	**181,149**

	Historical cost					
in € thousands	January 1, 2013	Additions	Disposals	Reclassification	Acquisitions through business contributions	December 31, 2013
Computer software	61	191	0	0	0	**252**

	Amortization and impairment losses					
in € thousands	January 1, 2013	Additions	Disposals	Reclassification	Acquisitions through business contributions	December 31, 2013
Computer software	46	33	0	0	0	**79**
Net book values	**15**	**158**	**0**	**0**	**0**	**173**

The goodwill results from the acquisition of the 74 holding and operating entities. Goodwill is subject to regular (at least annual) impairment testing.

There are also beneficial electricity feed-in rights acquired at year end in the business combinations representing EUR 155,779 thousand (December 31, 2013: EUR 0 thousand/ January 1, 2013: EUR 0 thousand).

IMPAIRMENT TESTING FOR CGU´S CONTAINING GOODWILL

CGU Energy Generation:
CHORUS acquires renewable energy parks (either for its own CHORUS' Portfolio or for investments of professional third party investors) and operates such parks usually until the end of the operations. CHORUS' focus for its acquisitions so far has been on solar and wind parks in Germany and selected other European countries. CHORUS currently owns and operates 57 solar and five wind parks in Germany and other European countries.

CHORUS has concentrated its energy generation assets and activities, and accounts for the results of such assets and activities, in its group of CGUs "Energy Generation".

CGU Asset Management & Advisory Services:
CHORUS' asset management services provided for the CHORUS' Portfolio and the Managed Portfolio (or entities held by investment vehicles of professional third party investors) in general comprise commercial management services as well as the facility management. These services are assumed by CHORUS immediately after completion of the acquisition of the park (i.e., upon commencement of operations). The technical operation and maintenance of the facilities typically is outsourced to local third party providers.

CHORUS' fee-based advisory services consist of the initiation of funds for institutional investors and the tailoring and structuring of investments for professional investors in the field of renewable energy ("customized investment structuring"). Subsequent to such structuring work, CHORUS typically provides asset management services to such institutional funds and other investment vehicles of professional investors and the operating companies held by these.

CHORUS has concentrated its advisory services and asset management services, and accounts for the results of such activities, in its group of CGU´s "Asset Management & Advisory Services".

Goodwill is monitored by the management at the respective group of CGU´s level. For the purpose of impairment testing, goodwill has been allocated to the Group´s CGUs as follows:

in € thousands	Dec. 31, 2014
Energy Generation	8,205
Asset Management & Advisory Services	9,518
Total	17,723

Energy Generation:

The recoverable amount of the CGU was based on its value in use, determined by discounting the future cash flow to be generated from the continuing use of the CGU. The cash flow projections include specific estimates for the entire expected useful life of the wind and solar parks based on past experience and based on external appraisals. The key assumptions used in the estimation of value in use were as follows:

in %	Dec. 31, 2014
(Pre-tax) Discount rate (country specific weighted average)	5.9

The discount rate was based on relevant market data and in is stated in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

No impairment loss was recognized as of December 31, 2014.

Asset Management & Advisory Services:

The recoverable amount of the CGU was based on its value in use, determined by discounting the future cash flow to be generated from the continuing use of the CGU. The cash flow projections include specific estimates for four years based on past experience and a terminal value calculation thereafter. The key assumptions used in the estimation of value in use were as follows:

in %	Dec. 31, 2014
(Pre-tax) Discount rate	10.1
Budgeted placement volume growth rate	2.0
Terminal value growth rate	0.0

The discount rate was based on relevant market data and in is stated in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

No impairment loss was recognized as of December 31, 2014.

7.2 PROPERTY, PLANT AND EQUIPMENT

The development of property, plant and equipment can be broken down as follows for financial years 2013 to 2014:

	Historical cost					
in € thousands	January 1, 2014	Additions	Disposals	Reclassification	Acquisitions through business contributions	December 31, 2014
Land and buildings	0	0	0	0	779	**779**
Wind and solar parks	0	0	0	0	251,716	**251,716**
Other operating and office equipment	191	17	0	0	3	**211**

	Amortization and impairment losses					
in € thousands	January 1, 2014	Additions	Disposals	Reclassification	Acquisitions through business contributions	December 31, 2014
Land and buildings	0	0	0	0	0	**0**
Wind and solar parks	0	0	0	0	0	**0**
Other operating and office equipment	168	17	0	0	0	**185**
Net book value	**23**	**0**	**0**	**0**	252,498	**252,521**

	Historical cost					
in € thousands	January 1, 2013	Additions	Disposals	Reclassification	Acquisitions through business contributions	December 31, 2013
Other operating and office equipment	186	5	0	0	0	**191**

	Amortization and impairment losses					
in € thousands	January 1, 2013	Additions	Disposals	Reclassification	Acquisitions through business contributions	December 31, 2013
Other operating and office equipment	154	14	0	0	0	**168**
Net book value	**32**	**–9**	**0**	**0**	**0**	**23**

The carrying amount of the leased assets (solar plants Italy) shown under “Wind and solar parks” amounts to EUR 16,882 thousand (2013: EUR 0 thousand/January 1, 2013: EUR 0 thousand).

The collateral provided is described in Section 4.8.4.

7.3 FINANCIAL INVESTMENTS AT EQUITY

Non-current financial assets include the investments in the Gnannenweiler Windnetz GmbH & Co. KG of EUR 200 thousand as of December 31, 2014 and CHORUS Infrastructure Fund S.A. SICAV SIF of EUR 280 thousand as of December 31, 2014, both accounted for at equity:

in € thousands	January 1, 2014	Additions	At equity result	Acquisitions through business contributions	December 31, 2014
CHORUS Infrastructure Fund S.A. SICAV-SIF	0	280	0	0	**280**
Gnannenweiler Windnetz GmbH & Co. KG	0	0	0	200	**200**
	0	**280**	**0**	**200**	**480**

7.4 NON-CURRENT FINANCIAL ASSETS

AVAILABLE FOR SALE INVESTMENTS

Non-current financial assets comprise available-for-sale investments in four investment funds for the renewable energy sector, in the form of limited partnerships registered in the United Kingdom and in Cayman Islands: CleanTech Europe I L.P. ("Zouk I"), London/U.K.; CleanTech Europe II L.P., London/U.K. ("Zouk II"); Hudson Clean Energy Partners (Cayman) L.P., Teaneck ("Hudson"); and European Renewable Energy Fund I L.P. ("Platina") totaling EUR 4,299 thousand all of which were acquired in the business combination in December 2014, and sundry other available-for-sale equity investments totaling EUR 75 thousand as of December 31, 2014 (2013: EUR 58 thousand).

Sundry other available-for-sale equity investments totaling EUR 75 thousand as of December 31, 2014 (2013: EUR 58 thousand) are measured at cost because a fair value could not be determined reliably. Sundry other available-for-sale equity investments comprise investments in unlisted shares that are not traded in an active market. The Group has no intention to sell these investments as of the respective balance sheet date.

7.5 DEFERRED TAXES

Deferred tax assets and liabilities can be attributed to the following items in the statement of financial position:

	December 31, 2014		December 31, 2013		December 31, 2012	
in € thousands	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets and goodwill	6,850	-46,381	–	–	–	–
Property, plant and equipment	47,420	-14,521	–	–	–	–
Non-current financial assets	965	-280	–	–	–	–
Other non-current assets	0	-1,898	–	–	–	–
Other current assets	4,529	-724	–	–	–	–
Non-current provisions	820		–	–	–	–
Non-current financial liabilities	21,071	-850	–	–	–	–
Other non-current liabilities	43		–	–	–	–
Other current liabilities	438	-324	–	–	–	–
Deferred taxes on loss carry forwards	–	–	6	–	23	–
	82,136	-64,977	6	–	23	–
Offsetting	63,318	63,318	–	–	–	–
Sum	18,818	-1,659	6	–	23	–

The total amount of deferred tax assets (EUR 18,818 thousand) and deferred tax liabilities (EUR 1,659 thousand) as per December 31, 2014 relates to deferred tax assets (EUR 18,818 thousand) and deferred tax liabilities (EUR 1,409 thousand) resulting from the Business combination described under note 5 and is recognized in equity. A further portion of the total amount of deferred tax liabilities (EUR 250 thousand) relates to the balance sheet item “other-current assets” and is recognized in profit and loss.

There was an offsetting between deferred tax assets and deferred tax liabilities in accordance with IAS 12 in the consolidated statement of financial position.

No deferred tax liabilities for temporary differences in relation to investments in subsidiaries have been recognized as there are no retained profits from subsidiaries intended for distribution.

Management considers deferred tax assets to be recoverable based on the positive taxable results expected for the foreseeable future. Potential deferred tax assets on tax loss carry forwards which were not recorded at December 31, 2014 because they were considered not to be realizable amount to EUR 500 thousand (December 31, 2013 EUR 0 thousand)

7.6 TRADE AND OTHER RECEIVABLES

Trade receivables amount to EUR 6,420 thousand (2013: EUR 1,974 thousand/January 1, 2013: EUR 1,645 thousand) and were mainly acquired with the holding and operational entities. The receivables are unimpaired and due in the short term. Valuation allowances were not necessary as of the reporting dates. There were no overdue receivables as of the reporting date.

7.7 CURRENT FINANCIAL ASSETS

Current financial assets comprise other current receivables amounting to EUR 1,327 thousand as at December 31, 2014 mainly represent deposits. As at December 31, 2013 and January 1, 2013 (EUR 5,896 thousand and EUR 702 thousand) current financial assets consists predominantly of prepayments.

7.8 CURRENT NON-FINANCIAL ASSETS

Current non-financial assets mainly comprise other tax receivables in the amount of EUR 4,790 thousand (prior years: EUR 0 thousand).

7.9 RESTRICTED CASH AND CASH EQUIVALENTS

Restricted cash and cash equivalents includes EUR 16,091 thousand (December 31, 2013: EUR 0 thousand/January 1, 2013: EUR 0 thousand) in debt service and project reserves serving as the lending banks' collateral for the solar and wind parks and which can only be used in coordination with the lending banks for the respective company.

For further information on collateral, refer to Section 4.8.4.

7.10 EQUITY

The share capital represents the share capital of CHORUS AG at December 31, 2014 (prior year: CHORUS GmbH) and amounts to EUR 50 thousand as from the date of entry in the commercial register as of August 4, 2014 and is fully paid-in. It is comprised of 50,000 registered shares.

On December 4, 2014, the annual general meeting of CHORUS Clean Energy AG passed a resolution to increase the company's capital to be paid by cash contribution and by contributions in-kind of the former CHORUS GmbH Group and 74 holding and operating companies and contributed loans (see Note 5), by issuing 17,399 new ordinary no-par value shares of share capital. In December 2014, the new shares were subscribed, and the cash contributions and contributions in-kind were made. Since CHORUS AG is a newly founded shell company CHORUS GmbH is seen as the acquirer and predecessor accounting is applied for the CHORUS GmbH Group. Net assets of CHORUS GmbH Group are recognized at their carrying amounts in the consolidated financial statements.

Following the reorganization of the CHORUS Group the share capital of the newly founded parent company in the amount of EUR 50 thousand is reflected as share capital. Retained earnings reflect the retained earnings of the accounting acquirer (CHORUS GmbH). Profit (loss) of the year comprises profit (loss) of the year attributable to CHORUS GmbH Group until the business combination. Reclassification due to change in legal structure is reflected in contribution in-kind not yet registered. The cash contribution as well as the contribution in kind will be shown in share capital and capital reserve when the contributions are finally registered.

In more detail, on December 4, 2014 and January 7, 2015, respectively, the general shareholders' meetings (Hauptversammlungen) of the Issuer resolved to increase the share capital of the Issuer from EUR 50 thousand by EUR 586 thousand to EUR 636 thousand against cash contribution by the Fund KGs and from EUR 636 thousand by EUR 16,423 thousand to EUR 17,058 thousand and then from EUR 17,058 thousand by EUR 391 thousand to EUR 17,449 thousand against contributions in-kind (i) by the Fund KGs contributing their interests in the holding and operating companies and assigning the contributed loans between the Fund KGs and the holding and operating companies (Übertragung des Vertragsverhältnisses im Ganzen), including the claims for repayment of these loans against the holding and operating companies, (ii) by the shareholders of CHORUS GmbH contributing the shares in CHORUS GmbH (and thereby indirectly also of CHORUS GmbH's subsidiaries) and (iii) by REGIS (as trustee for one investor not affiliated with the CHORUS Group) and the members of the Management Board, i.e., by Heinz Jarothe, Holger Götze and Helmut Horst, contributing their interests held in Warrenzin KG, one of the holding and operating companies. The existing shareholders of the Issuer waived their subscription rights. The Fund KGs, the shareholders of CHORUS GmbH, REGIS, Holger Götze and Helmut Horst were admitted to subscribe for the new shares. In addition, on December 4, 2014, the general shareholders' meeting (Hauptversammlung) of the Issuer also formally approved the agreements pursuant to which PELABA Anlagenverwaltungs GmbH & Co. KG and Heinz Jarothe contributed their shares in CHORUS GmbH and Warrenzin KG to the Issuer pursuant to Section 52 of the German Stock Corporation Act (Aktiengesetz) (so-called "post formation acquisition" – Nachgründung).

Due to the fact that the capital increase by cash contribution and by contribution in-kind has not been entered in the commercial register until the balance sheet date, the entire contribution resulting in a total capital increase of EUR 121,500 thousand is reported as "Contribution in-kind not yet registered (EUR 115,645 thousand)" and "Contribution in-cash not yet registered (EUR 5,855 thousand)" within equity.

CAPITAL MANAGEMENT

The Group manages its capital with the goal of minimizing the Group's capital costs while maintaining a balance between cash flow volatility and financial flexibility. In order to achieve this goal, the ratio of equity to total capital, among other things, is monitored. Decisions regarding the financing structure are made by the Executive Board and are subject to the approval of the Supervisory Board. The equity ratio is defined as the percentage of equity to total capital.

As of December 31, 2014 the equity ratio is 24.3% (2013: 43.1%, 2012: 59.9%).

The Company is not subject to any external minimum capital requirements.

7.11 LIABILITIES TO LIMITED PARTNERS

The majority of holding and operating companies included in the Group are organized as a limited partnership (Personenhandelsgesellschaft) under German or Italian law. Its limited partners have a statutory right of cancellation that cannot be precluded by the partnership agreement and may therefore require the Company to repay capital contributions, and a related share of profits.

Profits allocated to limited partners (puttable non-controlling interests) in accordance with the provisions of the bylaws of the limited partnerships are reclassified to liabilities since the limited partners are able to withdraw the amounts once they have been allocated.

Liabilities to limited partners are recorded at fair values at the balance sheet date. Changes in these fair values during a reporting period are recorded as finance income or finance expenses.

7.12 PROVISIONS

The development of non-current and current provisions can be broken down as follows:

	Development for the period ended December 31, 2014					
in € thousands	January 1, 2014	Utilisation	Assumed in a business combination	Release	Additions	December 31, 2014
Asset retirement obligations for solar- and windparks	0	0	3,358	0	0	**3,358**
Archiving costs	4	4	14	0	4	**18**
Other	86	86	1,357	0	7	**1,364**
Total	**90**	**90**	**4,729**	**0**	**11**	**4,740**
of which:						
Non-current	**4**	**4**	**3,358**	**0**	**0**	**3,358**
Current	**86**	**86**	**1,371**	**0**	**11**	**1,382**

There are uncertainties with respect to the measurement of the amount of retirement obligations for solar and wind parks and relating to the ultimate timing of the dismantling of this electricity generation plant upon the end of the term of the property. The interest on provisions recorded at present values is compounded annually.

7.13 FINANCIAL LIABILITIES

Non-current financial liabilities:

in € thousands	December 31, 2014	December 31, 2013	January 1, 2013
Bank loans	**302,660**	0	0
Leasing liabilities	**28,789**	0	0
Interest rate swaps with negative FV	**9,608**	0	0
Non-current financial liabilities	**341,057**	**0**	**0**

Current financial liabilities:

in € thousands	December 31, 2014	December 31, 2013	January 1, 2013
Bank loans	**18,449**	0	0
Leasing liabilities	**2,997**	0	0
Interest rate swaps with negative FV	**0**	0	0
Current financial liabilities	**21,446**	**0**	**0**

All of the Group´s bank loans were secured at December 31, 2014. The loans contain covenants requiring that the respective borrowers (CHORUS operating companies) pay interest and repayment installments on a timely basis, and that they maintain minimum debt service coverage ratios (DSCR) ranging from at least 1,05 to 1,55.

A future breach of covenant may require the Group to repay the loans earlier than indicated under 9.3. Under the agreements, the covenants are monitored on a regular basis by the asset management department and regularly reported to the management to ensure compliance with the agreement. Management believes that the risk of the covenants being breached is low and that the Group will continue as a going concern for the foreseeable future.

Leasing liabilities, which represent finance lease contracts with duration of 18 years in respect of Italian solar power generation plant can be broken down as follows:

	Lease payments			Present value of payments		
in € thousands	December 31, 2014	December 31, 2013	January 1, 2013	December 31, 2014	December 31, 2013	January 1, 2013
With a remaining term of up to one year	3,055	0	0	2,997	0	0
With a remaining term of between one and five years	12,220	0	0	10,740	0	0
With a remaining term of more than five years	30,414	0	0	18,049	0	0
	45,688	0	0	31,786	0	0
Less financing costs	13,903	0	0	0	0	0
Present value of minimum lease payments	31,786	0	0	31,786	0	0
Of which current liabilities	2,997	0	0			
Of which non-current liabilities	28,789	0	0			

The lease contracts contain options, exercisable by the CHORUS Group, to purchase the related electricity generation plant upon the expiry of the leases, at a price representing one percent of the initial fair values.

Please refer to note 9 for further information regarding interest rate swaps with negative fair value.

7.14 TRADE PAYABLES

Trade payables result from the ordinary business activities.

7.15 OTHER CURRENT LIABILITIES

Other current liabilities consist mainly of other tax liabilities.

7.16 DEFERRED INCOME

Deferred income comprises mainly collected payments for which services have not yet been rendered.

8 ADDITIONAL DISCLOSURES REGARDING FINANCIAL INSTRUMENTS

The tables below show the carrying amounts and fair values based on the measurement categories of financial instruments:

		December 31, 2014			
		Statement of financial position value in accordance w			
in € thousands	Note	Measurement category in accordance with IAS 39	Carrying amount	Amortized cost	At cost
Assets					
Non-current financial assets	7.4	AfS	4,374	–	75
of which available for sale investments	7.4		4,374	75	
Trade and other receivables	7.6	LaR	6,420	6,420	–
Current financial assets	7.7	LaR	1,327	1,327	–
Liquid funds:					
Cash and cash equivalents		LaR	21,199	21,199	–
Restricted cash and cash equivalents	7.9	LaR	16,091	16,091	–
Liabilities					
Liabilities to limited partners	7.11	FLAC	4,034	4,034	–
Financial liabilities			362,503	321,109	–
of which Bank loans	7.11	FLAC	321,109	321,109	–
of which leasing liabilities	7.11	n/a	31,786	–	–
of which interest rate swaps with neg. FV	7.11	HfT	9,608	–	–
Trade payables		FLAC	4,716	4,716	–

		December 31, 2014			
		Statement of financial position value in accordance w			
in € thousands	Note	Measurement category in accordance with IAS 39	Carrying amount	Amortized cost	At cost
Of which aggregated based on measurement categories in accordance with IAS 39					
Loans and receivables (LAR)		LaR	45,037	45,037	–
Available-for-sale financial assets		AfS	4,374	0	75
Financial liabilities at amortised cost		FLAC	329,859	329,859	–
Financial Liability at Fair Value through P&L		FLVP&L	9,608	–	–

ith IAS 39			Measurement in accordance with IAS 17	Fair Value			
	Fair value recognized directly in equity	Fair value recognized through profit or loss		Level 1	Level 2	Level 3	Total
	4,299	–	–	–	–	4,299	**4,374**
	4,299	–	–	–	–	4,299	**4,374**
	–	–	–	–	–	–	**6,420**
	–	–	–	–	–	–	**1,327**
	–	–	–	–	–	–	**21,199**
	–	–	–	–	–	–	**16,091**
				–	–		
	–	–	–				**4,034**
	–	9,608	31,786	–	9,608	321,109	**362,503**
	–	–	–	–	–	321,109	**321,109**
	–	–	31,786	–		–	**31,786**
	–	9,608	–	–	9,608	–	**9,608**
	–	–	–	–	–	–	**4,716**

ith IAS 39			
	Fair value recognized directly in equity	Fair value recognized through profit or loss	Fair Value*
	–	–	45,037
	4,299	–	4,374
	–	–	329,859
	–	9,608	9,608

		December 31, 2013				
		Statement of financial position value in accordance w				
	Note	Measurement category in accordance with IAS 39	Carrying amount	Amortized cost	At cost	
in € thousands						
Assets						
Non-current financial assets	7.4	AfS	58	0	58	
Trade and other receivables	7.6	LaR	1,974	1,974		
Current financial assets	7.7	LaR	5,896	5,896		
Other current assets			0	–		
of which receivables from shareholders		LaR	–	–		
Liquid funds:						
Cash and cash equivalents	7.8	LaR	866	866		
Liabilities						
Trade payables		FLAC	5,205	5,205		

		December 31, 2013				
		Statement of financial position value in accordance w				
	Note	Measurement category in accordance with IAS 39	Carrying amount	Amortized cost	At cost	
in € thousands						
Of which aggregated based on measurement categories in accordance with IAS 39						
Loans and receivables (LAR)		LaR	8,736	8,736		
Available-for-sale financial assets		AfS	58	0	58	
Financial liabilities at amortised cost		FLAC	5,205	5,205		

ith IAS 39			Measurement in accordance with IAS 17	Fair Value			
	Fair value recognized directly in equity	Fair value recognized through profit or loss		Level 1	Level 2	Level 3	Total
	–	–	–	–	–	–	–
	–	–	–	–	–	–	–
	–	–	–	–	–	–	–
	–	–	–		–	–	–
	–	–	–		–	–	–
	–	–	–	–	–	–	–
	–	–	–	–	–	–	–

ith IAS 39			
	Fair value recognized directly in equity	Fair value recognized through profit or loss	Fair Value
	–	–	–
	–	–	–
	–	–	–

		January 1, 2013				
		Statement of financial position value in accordance w				
in € thousands	Note	Measurement category in accordance with IAS 39	Carrying amount	Amortized cost	At cost	
Assets						
Non-current financial assets	7.4	AfS	34	0	34	
Trade and other receivables	7.6	LaR	1,645	1,645		
Current financial assets	7.7	LaR	702	702		
Liquid funds:						
Cash and cash equivalents	7.8	LaR	3,191	3,191		
Liabilities						
Trade payables		FLAC	1,244	1,244		

		January 1, 2013				
		Statement of financial position value in accordance w				
in € thousands	Note	Measurement category in accordance with IAS 39	Carrying amount	Amortized cost	At cost	
Of which aggregated based on measurement categories in accordance with IAS 39						
Loans and receivables (LAR)		LaR	5,538	5,538		
Financial Assets at Fair Value through P&L		FAVP&L	–	–		
Available-for-sale financial assets		AfS	34	0	34	
Financial liabilities at amortised cost		FLAC	1,244	1,244		
Financial Liability at Fair Value through P&L		FLVP&L	–	–		

ith IAS 39			Measurement in accordance with IAS 17	Fair Value			
	Fair value recognized directly in equity	Fair value recognized through profit or loss		Level 1	Level 2	Level 3	Total
	–	–	–	–	–	–	–
	–	–	–	–	–	–	–
	–	–	–	–	–	–	–
	–	–	–	–	–	–	–
	–	–	–	–	–	–	–

ith IAS 39			
	Fair value recognized directly in equity	Fair value recognized through profit or loss	Fair Value
	–	–	–
	–	–	–
	–	–	–
	–	–	–
	–	–	–

8.1 FAIR VALUE HIERARCHY

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Available for sale investments	The investments are valued using one or a combination of the following methods: • The price or cost of recent investments; • Industry valuation benchmarks; • Recent offers received; and • Contractual commitments. The relative weightings applied to each valuation method reflect judgement as to the suitability of each valuation approach to the specific unrealized investment.	• Risk premium	The estimated fair value would increase (decrease) if: • The risk premium was lower (higher)
Interest rate swaps	Discounted cash flows: The fair values are determined using the expected future cash flows and discounted using generally observable market data of the respective reference rate curve.	• Not applicable	• Not applicable

FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Bank loan and leasing liabilities	Discounted cash flows: The valuation model considers the present value of future cash outflows, discounted using a risk-adjusted discount rate. The discount rate is determined using a benchmark-yield curve that is consistent with the timing and the estimated riskiness of the bank loan at the closing date of the contract. The discount rate used for the balance sheet date corresponds to the value of the Benchmark yield curve on that date. Discount rates for future due dates correspond to the values of the term-equivalent benchmark yield curve.	• Credit rating of CHORUS resp. the relevant project entity. • The applied spread is derived from the initial bank loan specific interest rate and a risk equivalent benchmark yield curve	The estimated fair value would increase (decrease) if: • The discount rate was lower (higher)

No reclassifications of financial instruments were made in the financial year 2014.

For financial instruments with current maturities including cash and cash equivalents, trade receivables and payables as well as other receivables and payables it is assumed that their carrying amounts approximate their fair values.

NON-FINANCIAL ASSETS MEASURED AT FAIR VALUE

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Intangible assets (beneficial electricity feed-in rights)	• The valuation model considers the present value of future cash outflows over the useful life of the respective wind and solar park, discounted using a country specific risk-adjusted discount rate. The discount rate is determined applying the incremental cash flow approach using the unlevered cost of equity. In determining the unlevered cost of equity; β-factor, specific peer group information, capital structure data, assets and country specific risk premiums and discounts are used.	• Risk free rate (rf) • Market risk premium (MRP) • Beta (β) Capital structure (debt (D) and equity (E)) • Other considerations	• The estimated fair value would increase (decrease) if: • The discount rate was lower (higher)
Intangible assets (Beneficial lease contract)	• Discounted value of the saved future rental payments discounted using a risk adjusted discount rate. The discount rate is determined applying the incremental cash flow approach using the unlevered cost of equity. In determining the unlevered cost of equity; β-factor, specific peer group information, capital structure data, assets and country specific risk premiums and discounts are used.	• Risk free rate (rf) • Market risk premium (MRP) • Beta (β) Capital structure (debt (D) and equity (E)) • Other considerations	• The estimated fair value would increase (decrease) if: • The discount rate was lower (higher)
Property, plant and equipment (wind and solar parks)	The valuation model considers the present value of future cash outflows over the useful life of the respective wind and solar park, discounted using a country specific risk-adjusted discount rate. The discount rate is determined applying the incremental cash flow approach using the unlevered cost of equity. In determining the unlevered cost of equity; β-factor, specific peer group information, capital structure data, assets and country specific risk premiums and discounts are used.	• Risk free rate (rf) • Market risk premium (MRP) • Beta (β) Capital structure (debt (D) and equity (E)) • Other considerations	• The estimated fair value would increase (decrease) if: • The discount rate was lower (higher)

8.2 NET GAINS OR LOSSES FOR EACH CATEGORY OF FINANCIAL INSTRUMENTS UNDER IFRS 7:

	December 31, 2014		
in € thousands	Impairment	Other net gains/losses	Total
Loans and receivables (LaR)	0	269	269
Available for Sale financial assets	0	0	0
Financial liabilities measured at amortized cost	0	141	141

	December 31, 2013		
in € thousands	Impairment	Other net gains/losses	Total
Loans and receivables (LaR)	0	110	110
Financial liabilities measured at amortized cost	0	80	80

Beside impairments, net gains or losses comprise for financial instruments measured

- **at fair value through profit or loss:**
  All changes in market values of interest rate swaps designated as held-for-trading instruments.
- **at fair value through equity:**
  All impairments, reversal of impairments and gains and loss from disposal or expiring of a financial instrument. No dividends or interest income are included in the net gains or losses.
- **at amortized cost:**
  All impairments, reversal of impairments and gains and loss from disposal or expiring of a financial instrument. No dividends or interest income are included in the net gains or losses.

Total interest income and expense for financial assets and liabilities not measured at fair value through profit or loss can be broken down as follows:

in € thousands	December 31, 2014	December 31, 2013
Interest income	269	110
Interest expenses	141	80
Net interest income/expense	128	30

Total interest income can be mainly attributed to time deposit investments and interest on deposits at banks.

9 RISK MANAGEMENT

9.1 PRINCIPLES OF FINANCIAL RISK MANAGEMENT

In the course of ordinary business some of the Group's liabilities, assets and transactions are exposed to risks arising from changes in interest rates and changes in the creditworthiness of its contractual parties.

The Group carries out financial risk management that includes all subsidiaries and is organized centrally at the Group level. The CHORUS Group's risk management aims to early identify potential risks and to measure them precisely. Therefore, risk identification is very important for the CHORUS Group.

Plain derivative financial instruments are used to limit the risks arising from financing requirements. These instruments are used in accordance with clearly defined, consistent, Group-wide guidelines. Transactions and cash investments are placed only with financial institutions that have first-class credit ratings.

The following statements discuss the Group's exposure to identified risks. Furthermore, the goals, strategies, and processes for risk management as well as the methods used to measure the risks are indicated.

If not otherwise stated the management of CHORUS Group assesses the concentration risk to be low and expect no complications.

The following risks from financial assets are identified:

9.2 CREDIT RISK

Credit risk is the risk of financial loss arising from counterparty's inability to repay or service debt in accordance with the contractual terms. Credit risk includes both the direct risk of default and the risk of a deterioration of creditworthiness as well as concentration risks.

The Group does business only with recognized, creditworthy third parties. The Group verifies the creditworthiness of customers who wish to do credit-based business with CHORUS Group.

(RESTRICTED) CASH AND CASH EQUIVALENTS

The credit risk related to financial institutions mainly results from the investment of (restricted) cash and cash equivalents as part of liquidity management, from any short-term bank deposits and from trading in derivative financial instruments.

With respect to financial instruments, the Group is exposed to a (bank) default risk in connection with the possible failure of a contractual party to meet its obligations. The maximum amount involved is therefore the positive fair value of the financial instrument in question. To minimize the risk of default, the Group generally only contracts financial instruments for financing activities with counterparties that are supervised by national financial authorities comparable to the German *Bundesanstalt für Finanzdienstleistungsaufsicht*. The Group assumes that the concentration of risk is low and perceives the probability of counterparty default to be unlikely with a minor financial impact.

TRADE AND OTHER RECEIVABLES

With respect to trade and other receivables, the Group is not exposed to a significant default risk. Main customers of the Group are the big energy suppliers and the Governments of Germany, Austria, Italy and France. The maximum risk of default is limited to the carrying amount of the trade and other receivables. There are no collaterals held for loans and receivables. The management regularly reviews the potential need for risk provisions. The maximum risk of default is expressed by the carrying amounts of the financial assets reported in the statement of financial position. It is assumed that future default rates will not change significantly. There were no overdue receivables as of the reporting dates.

9.3 LIQUIDITY RISK

To ensure that the Group can always meet its financial obligation, the Group has negotiated sufficient cash lines and credit facilities with its banking partners. The Group has total cash and cash equivalents in the amount of EUR 37,290 thousand, of which EUR 21,199 thousand is at its free disposal (December 31, 2013: EUR 866 thousand/January 1, 2013: EUR 3,191 thousand). In addition, cash inflows are expected with near certainty from the operation of solar and wind parks that can serve the payment of interest and principal amounts of financial liabilities with matching maturities. Ultimately, the responsibility for liquidity risk management lies with the Executive Board, which has established a concept for the management of short, medium, and long-term financing and liquidity requirements. The Group manages liquidity risk by holding sufficient reserves and by monitoring the forecasted and actual cash flows as well as coordinating the maturity profile of financial assets and liabilities.

In order to ensure solvency and financial flexibility within the Group, the CHORUS Group forecasts the financial funds it requires within a set planning period by means of a liquidity outlook and holds a corresponding liquidity reserve in the form of cash. The risk of insolvency is currently regarded as remote due to the portfolio of cash and cash equivalents within the Group as well as the overall financing structure.

The table below lists the undiscounted, contractually agreed cash outflows from financial instruments:

in € thousands	Carrying amount	December 31, 2014	Cash flows < 1 year	Cash flows 1 – 5 years	Cash flows > 5 years
Liabilities to limited partners	4,034	4,202	0	0	4,202
Financial liabilities	362,503	409,004	36,021	154,629	218,354
of which bank loans	321,109	353,723	31,138	137,013	185,572
of which leasing liabilities	31,786	45,070	3,055	12,220	29,795
of which interest rate swaps with neg. FV	9,608	10,211	1,828	5,396	2,987
- inflows		–61,500	–5,487	–20,469	–35,545
- outflows		71,711	7,314	25,865	38,532
Trade payables	4,716	4,716	4,716	0	0

In prior years cash outflows from financial instruments are equal to their carrying amount and are due within a year.

9.4 MARKET RISK

INTEREST RATE RISK

Interest rate risk is countered as part of overall financial risk management by regularly monitoring significant items and their inherent interest rate risk with the goal of limiting these risks if necessary.

The Group's solar and wind parks are mainly financed for the long-term at fixed rates of interest for periods extending until their maturities up to the year 2030. To the extent that variable interest-rate loans are used for financing, the Group has mostly entered into corresponding interest-rate swap agreements. The potential risk from a change in variable interest rates reflects the fact these could result in an effective interest rate above the contractual rates in the underlying loan agreements.

The interest rate swaps are recognized at fair value. They were classified as held for trading.

Under an interest rate swap, the CHORUS Group exchanges fixed and variable interest payments that were calculated on the basis of agreed notional amounts. Such agreements enable the CHORUS Group to reduce the risk of changing interest rates to the fair value of issued, fixed interest debt instruments and cash flow risks of issued variable interest debt instruments.

The fair value of interest rate swaps on the reporting date is determined by discounting future cash flows based on the yield curves as of the reporting date and the credit risk associated with the contracts. This present value is presented in the table below.

The following tables show the notional amounts and maturities of outstanding interest rate swaps at the end of each of the reporting periods.

DECEMBER 31, 2014:

Outstanding „Receive-Floating Pay-Fixed“ swaps in € thousands	Contractually agreed fixed interest rates	Notional amount	Fair value
Less than 1 year	0	0	0
1 to 2 years	0	0	0
2 to 5 years	0	0	0
More than 5 years	1.65% to 3.45%	81,475	–9,608
Total		**81,475**	**–9,608**

There are no derivatives in prior years.

The interest rate swaps mature in the years 2021 to 2027. The variable interest rate of the interest rate swaps corresponds mainly to the 3-month Euribor. The CHORUS Group pays a fixed interest rate.

The following assumptions are based on an interest rate sensitivity analysis: Changes in the market interest rates of primary financial instruments bearing fixed interest only have an impact on the result if they are measured at fair value. Accordingly, financial instruments bearing fixed interest and which are measured at amortized cost are not subject to interest rate risk as defined under IFRS 7.

As in the previous year, the Group does not hold any fixed-interest financial instruments that were measured at fair value in its portfolio as of the reporting date. Consequently, the Group is only exposed to interest rate risk resulting from variable-interest financial instruments.

The following analysis shows the carrying amounts of interest-bearing non-derivative financial instruments held in the Group's financing portfolio as reported to the management of the Group:

in € thousands	December 31, 2014	December 31, 2013	January 1, 2013
Variable-interest financial liabilities	82,839	0	0
Fixed-interest financial liabilities	270,056	0	0
Total interest-bearing liabilities	**352,895**	**0**	**0**
Effect of interest rate swaps	**9,608**	**0**	**0**

A reasonably possible change of 50 basis points in interest rates at the reporting date would have had the following effect on equity and profit or loss:

	Profit or loss		Equity	
in € thousands	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
December 31, 2014				
Variable-interest financial liabilities	424.61	–424.61	424.61	–424.61
interest rate swaps	2,388	–2,139	2,388	–2,139
Cash flow sensitivity (net)	**2,813**	**–2,564**	**2,813**	**–2,564**
December 31, 2013				
Variable-interest financial liabilities	378.42	–378.42	378.42	–378.42
interest rate swaps	2,306	–2,603	2,306	–2,603
Cash flow sensitivity (net)	**2,684**	**–2,981**	**2,684**	**–2,981**
December 31, 2012				
Variable-interest financial liabilities	281.59	–281.59	281.59	–281.59
interest rate swaps	2,313	–2,391	2,313	–2,391
Cash flow sensitivity (net)	**2,595**	**–2,672**	**2,595**	**–2,672**
January 1, 2012				
Variable-interest financial liabilities	216.62	–216.62	216.62	–216.62
interest rate swaps	2,313	–2,391	2,313	–2,391
Cash flow sensitivity (net)	**2,530**	**–2,607**	**2,530**	**–2,607**

There are no variable-interest financial liabilities and interest rate swaps in the previous years.

9.5 OTHER RISKS

RISKS IN THE SOLAR AND WIND PARKS

Close attention is paid to the selection of the partner when selecting solar and wind parks. Therefore, the CHORUS Group only examines the acquisition of projects or parks that were constructed by large, reputable project managers and producers. In the unlikely event of a decrease in output, the CHORUS Group can rely on the producers' long-term guarantees. In addition, there are warranty agreements with the project developers for material defects.

The risk of downtime for the solar and wind power plants can be countered on a timely basis, because the reputable partners or the CHORUS Group companies themselves are responsible for managing and monitoring the plants. In addition, all plants are insured against the risk of business interruptions. There is also corresponding insurance protection against damages to the plants according to market-standards.

The solar and wind parks are valued based on long-term investment plans that react to changes in capital costs and operating expenses as well as income. A park can become unprofitable due to various factors. This would also have a negative impact on the CHORUS Group's net assets, results of operations and cash flows. Impairment expense is recorded as appropriate where changes in circumstances result in a reduction of recoverable amounts below existing book values.

RISKS IN THE AREA OF FINANCIAL INVESTMENTS

CHORUS AG pays attention to the valuation risk when taking investment decisions. A comprehensive analysis of the parameters crucial to the Company's success is conducted as part of due diligence, for which in some cases external experts are brought in.

Clearly structured, relevant earnings, balance sheet, and liquidity ratios as well as target/actual comparisons of levels with various contents and timing uncover irregularities and inconsistencies in the financial investments.

10 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

The statement of cash flows shows the changes in cash within the CHORUS Group. Cash funds correspond to the definition of cash and cash equivalents that is provided in the notes regarding significant accounting policies. The statement of cash flows, prepared in accordance with IAS 7, breaks the changes in liquid funds down into cash flows from operating, investing, and financing activities. Cash flows from operating activities are presented using the indirect method. Cash and cash equivalents only include cash and deposits at banks.

Interest payments made are reported under cash flow from financing activities. In 2014, interest payments were made in the amount of EUR 187 thousand (2013: EUR 67 thousand). Cash flow from operating activities includes tax expenditures in the amount of EUR 422 thousand (2013: EUR 188 thousand).

11 OTHER DISCLOSURES

11.1 CONTINGENT LIABILITIES AND OTHER FINANCIAL COMMITMENTS

As of the reporting date, there are rental agreements for the Group classified as operating leases under IAS 17.8. The leased assets are capitalized by the lessor and not the lessee. No lease payments are incurred for more than five years. This information is provided in accordance with IAS 17.35.

in € thousands	1 year	1 – 5 years	> 5 years
Rental agreements, leases	1,184	3,915	11,292
Total	**1,184**	**3,915**	**11,292**

The expense from obligations under operate leases in the financial year amounted to EUR 164 thousand (previous year: EUR 167 thousand).

11.2 TRANSACTIONS WITH RELATED PARTIES

In the course of its ordinary business activities, the parent company CHORUS AG maintains relationships both with the subsidiaries listed in Appendix 1 to these consolidated financial statements and with other related entities (associates and entities with the same key personnel (Fund-KGs)) and individuals (major shareholders, members of the Supervisory Board and the Board of Management and relatives to these persons).

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

The following transactions with members of the board occur:

The total compensation paid to key management in 2014 amounts to EUR 607 thousand (2013: EUR 748 thousand (thereof EUR 100 thousand for termination benefits)).

Remuneration expenses in € thousands	2014	2013
Short-term employee benefits	498	609
Termination benefits	–	–
Total compensation recognized for key management personnel	**498**	**609**

Remuneration payments in € thousands	2014	2013
Short-term employee benefits	607	648
Termination benefits	–	100
Total compensation paid to key management personnel	**607**	**748**

Contributions to defined contribution pension schemes are charged to the income statement in the year to which they relate.

No post-employee benefits, long-term benefits and share-based payment transactions with key management occurred.

ASSOCIATED ENTITIES

The transactions with associated entities are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

in € thousands	2014	2013
Transactions		
- services	629	0
Total transactions	**629**	**0**
Balances	634	5
Total balances	**634**	**5**

OTHER RELATED PARTIES

The major shareholder has contributed shares of CHORUS GmbH into CHORUS AG (we refer to Note 1 General information). There have been no other transactions with major shareholder in the financial years 2014 and 2013.

The CHORUS Group served as in their role as general partner and provides conceptional work, marketing services as well as managerial services to the so called Fund-KGs. The compensation for the managerial services rendered (shown under revenues) amounted in the financial year 2014 to EUR 1,026 thousand (2013 EUR 1,054 thousand).

The contribution in-kind and contribution in-cash described under note 7.10 are completely contributed by other related parties.

The transactions with other related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

in € thousands	2014	2013
Transactions		
- Contributions in-kind	115,645	0
- Contributions in-cash	5,855	0
- services	1,633	1,305
- others	600	0
Total transactions	**123,733**	**1,305**
Balances	614	52
Total balances	**614**	**52**

On September 11, 2013 and December 23, 2013, a short-term loan of EUR 4,500 thousand was taken out on arm's-length terms from PELABA Verwaltungs GmbH, Neubiberg, as temporary bridge financing for the subsequent acquisition of CHORUS Wind Kappel GmbH & Co. KG. The loan was repaid in full on July 17, 2014.

11.3 JOINT ARRANGEMENTS

The investment in Richelbach Solar GbR of EUR 275 thousand as of December 31, 2014 (2013: EUR 0 thousand) is classified as a joint operation under IFRS 11. The CHORUS Group accounts for its interests in the joint operation by recognizing its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations. The CHORUS Group has a 60% interest in Richelbach Solar GbR.

11.4 AUDITOR REMUNERATION

The expenses incurred for remuneration of the Group auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, were as follows:

in € thousands	December 31, 2014	December 31, 2013	December 31, 2012
Audits	165	0	0
Other attestation engagements	33	0	0
Total	**198**	**0**	**0**

11.5 EVENTS AFTER THE REPORTING DATE

In March 2015, CHORUS AG acquired a 35% share in a limited partnership for a total consideration of EUR 3,648 thousand. The consideration is maybe subject to future adjustments depending on the achievements of contractual agreed requirements.

As at February 23, 2015, the capital increase has been entered in the commercial register of CHORUS AG.

APPENDIX 1

	Company name	Country	Registered office	December 31, 2014
	Parent entity			
1	CHORUS Clean Energy AG	Germany	Neubiberg	**100.0%**
	Consilidated companies			
2	Atlantis Energy di Chorus Solar Italia Centrale 5. Srl & Co. SAS	Italy	Bruneck	**100.0%**
3	Cagli Solar di Chorus Solar Italia Centrale 5. Srl & Co. SAS	Italy	Bruneck	**100.0%**
4	Centrale Eolienne de Bihy SARL	France	Ven sur Seiche	**100.0%**
5	CHORUS Clean Energy Advisor GmbH	Germany	Neubiberg	**100.0%**
6	CHORUS Clean Energy Assetmanagement GmbH	Germany	Neubiberg	**100.0%**
7	CHORUS Clean Energy Invest GmbH	Germany	Neubiberg	**100.0%**
8	CHORUS Clean Energy Verwaltungs GmbH	Germany	Neubiberg	**40.0%**
9	CHORUS CleanTech 1. Fonds Invest GmbH	Germany	Neubiberg	**100.0%**
10	CHORUS CleanTech 2. Fonds Invest GmbH	Germany	Neubiberg	**100.0%**
11	CHORUS CleanTech Energieanlagen Verwaltungs GmbH	Germany	Neubiberg	**100.0%**
12	CHORUS CleanTech Equity Verwaltungs GmbH	Germany	Neubiberg	**100.0%**
13	CHORUS CleanTech GmbH & Co. Burgheim KG	Germany	Neubiberg	**100.0%**
14	CHORUS CleanTech GmbH & Co. Solardach Betze KG	Germany	Neubiberg	**100.0%**
15	CHORUS CleanTech GmbH & Co. Solarpark Bitterfeld KG	Germany	Neubiberg	**36.0%**
16	CHORUS CleanTech GmbH & Co. Solarpark Bockelwitz KG	Germany	Neubiberg	**100.0%**
17	CHORUS CleanTech GmbH & Co. Solarpark Denkendorf KG	Germany	Neubiberg	**100.0%**
18	CHORUS CleanTech GmbH & Co. Solarpark Eisleben KG	Germany	Neubiberg	**100.0%**
19	CHORUS CleanTech GmbH & Co. Solarpark Gardelegen KG	Germany	Neubiberg	**100.0%**
20	CHORUS CleanTech GmbH & Co. Solarpark Greiz KG	Germany	Neubiberg	**100.0%**
21	CHORUS CleanTech GmbH & Co. Solarpark Gut Werchau KG	Germany	Neubiberg	**100.0%**
22	CHORUS CleanTech GmbH & Co. Solarpark Kemating KG	Germany	Neubiberg	**100.0%**
23	CHORUS CleanTech GmbH & Co. Solarpark Neuenhagen KG	Germany	Neubiberg	**100.0%**
24	CHORUS CleanTech GmbH & Co. Solarpark Pasewalk KG	Germany	Neubiberg	**100.0%**
25	CHORUS CleanTech GmbH & Co. Solarpark Richelbach KG	Germany	Neubiberg	**100.0%**
26	CHORUS CleanTech GmbH & Co. Solarpark Rietschen KG	Germany	Neubiberg	**100.0%**
27	CHORUS CleanTech GmbH & Co. Solarpark Rüdersdorf KG	Germany	Neubiberg	**100.0%**
28	CHORUS CleanTech GmbH & Co. Solarpark Ruhland KG	Germany	Neubiberg	**100.0%**
29	CHORUS CleanTech GmbH & Co. Solarpark Scheibenberg KG	Germany	Neubiberg	**100.0%**
30	CHORUS CleanTech GmbH & Co. Solarpark Vilseck KG	Germany	Neubiberg	**100.0%**
31	CHORUS CleanTech GmbH & Co. Solarpark Warrenzin KG	Germany	Neubiberg	**88.6%**
32	CHORUS CleanTech GmbH & Co. Solarparks Niederbayern KG	Germany	Neubiberg	**100.0%**
33	CHORUS CleanTech GmbH & Co. Windpark Hellberge KG	Germany	Neubiberg	**100.0%**
34	CHORUS CleanTech GmbH & Co. Windpark Ruhlkirchen KG	Germany	Neubiberg	**100.0%**

	Company name	Country	Registered office	December 31, 2014
35	CHORUS CleanTech GmbH & Co. Windpark Stolzenhain KG	Germany	Neubiberg	**100.0%**
36	CHORUS CleanTech Management GmbH	Germany	Neubiberg	**100.0%**
37	CHORUS CleanTech Portfolio Alpha GmbH	Germany	Neubiberg	**100.0%**
38	CHORUS CleanTech Solar Verwaltungs GmbH	Germany	Neubiberg	**100.0%**
39	CHORUS CleanTech Solarinvest 7. GmbH	Germany	Neubiberg	**100.0%**
40	CHORUS GmbH	Germany	Neubiberg	**100.0%**
41	CHORUS Solar 3. Srl	Italy	Bruneck	**100.0%**
42	CHORUS Solar 3. Srl & Co. SAS	Italy	Bruneck	**100.0%**
43	CHORUS Solar 3. Srl & Co. SAS 2	Italy	Bruneck	**100.0%**
44	CHORUS Solar 5. Srl	Italy	Bruneck	**100.0%**
45	CHORUS Solar 5. Srl & Co. SAS Alpha	Italy	Bruneck	**100.0%**
46	CHORUS Solar Banna 3. Srl	Italy	Bruneck	**100.0%**
47	CHORUS Solar Banna 3. Srl & Co. Torino Due SAS	Italy	Bruneck	**100.0%**
48	CHORUS Solar Banna 5. Srl	Italy	Bruneck	**100.0%**
49	CHORUS Solar Banna 5. Srl & Co. PP4 SAS	Italy	Bruneck	**100.0%**
50	CHORUS Solar Banna 5. Srl & Co. SAS Beta	Italy	Bruneck	**100.0%**
51	CHORUS Solar Banna 5. Srl & Co. Torino Uno SAS	Italy	Bruneck	**100.0%**
52	CHORUS Solar GmbH	Italy	Bruneck	**100.0%**
53	CHORUS Solar Italia Centrale 5. Srl	Italy	Bruneck	**100.0%**
54	CHORUS Solar Puglia 3. Srl	Italy	Bruneck	**100.0%**
55	CHORUS Solar Puglia 3. Srl & Co. Casarano SAS	Italy	Bruneck	**100.0%**
56	CHORUS Solar Puglia 3. Srl & Co. Matino SAS	Italy	Bruneck	**100.0%**
57	CHORUS Solar Puglia 3. Srl & Co. Nardò SAS	Italy	Bruneck	**100.0%**
58	CHORUS Solar Srl & Co. Foggia Cinque SAS	Italy	Bruneck	**100.0%**
59	CHORUS Solar Srl & Co. Foggia Due SAS	Italy	Bruneck	**100.0%**
60	CHORUS Solar Srl & Co. Foggia Nove SAS	Italy	Bruneck	**100.0%**
61	CHORUS Solar Srl & Co. Foggia Otto SAS	Italy	Bruneck	**100.0%**
62	CHORUS Solar Srl & Co. Foggia Quattro SAS	Italy	Bruneck	**100.0%**
63	CHORUS Solar Srl & Co. Foggia Sei SAS	Italy	Bruneck	**100.0%**
64	CHORUS Solar Srl & Co. Foggia Sette SAS	Italy	Bruneck	**100.0%**
65	CHORUS Solar Srl & Co. Foggia Tre SAS	Italy	Bruneck	**100.0%**
66	CHORUS Solar Srl & Co. SAS	Italy	Bruneck	**100.0%**
67	CHORUS Solar Toscana 5. Srl	Italy	Bruneck	**100.0%**
68	CHORUS Solar Toscana 5. Srl & Co. Ternavasso Due SAS	Italy	Bruneck	**100.0%**
69	CHORUS Solar Toscana 5. Srl & Co. Ternavasso Uno SAS	Italy	Bruneck	**100.0%**
70	CHORUS Vertriebs GmbH	Germany	Neubiberg	**100.0%**
71	Collechio Energy di Chorus Solar 5. Srl & Co. SAS	Italy	Bruneck	**100.0%**
72	Energia & Sviluppo di Chorus Solar 5. Srl & Co. SAS	Italy	Bruneck	**100.0%**
73	Idea Energy SAS di Chorus Solar Toscana 5. Srl & C.	Italy	Bruneck	**100.0%**

	Company name	Country	Registered office	December 31, 2014
74	La Rocca Energy di Chorus Solar 3. Srl & Co. SAS)	Italy	Bruneck	**100.0%**
75	Le Lame SAS di Chorus Solar Toscana 5. Srl & Co. SAS	Italy	Bruneck	**100.0%**
76	Lux Energy di Chorus Solar 5. Srl & Co. SAS	Italy	Bruneck	**100.0%**
77	Rasena Solare SAS di Chorus Solar Toscana 5. Srl & C.	Italy	Bruneck	**100.0%**
78	San Giuliano Energy di Chorus Solar Toscana 5. Srl & Co. SAS	Italy	Bruneck	**100.0%**
79	San Martino Energy di Chorus Solar 5. Srl & Co. SAS	Italy	Bruneck	**100.0%**
80	Solarpark Gelchsheim GmbH & Co. KG	Germany	Reußenköge	**100.0%**
81	Solarpark Gnannenweiler GmbH & Co. KG	Germany	Reußenköge	**56.8%**
82	Solarpark Staig GmbH & Co. KG	Germany	Reußenköge	**75.7%**
83	Sun Time Renewable Energy di Chorus Solar 3. Srl & Co. SAS	Italy	Bruneck	**100.0%**
84	Treponti di Chorus Solar 3. Srl & Co. SAS	Italy	Bruneck	**100.0%**
85	Windpark Pongratzer Kogel GmbH	Austria	Vienna	**100.0%**
	Joint Arrangements			
86	Richelbach Solar GbR	Germany	Reußenköge	**60.0%**
	Associated enterprises			
87	Gnannenweiler Windnetz GmbH & Co. KG	Germany	Bopfingen	**20.0%**
88	CHORUS Infrastructure Fund S.A. SICAV-SIF	Luxembourg	Luxembourg	**3.6%**

AUDITOR'S REPORT

To CHORUS Clean Energy AG, Neubiberg

We have audited the consolidated financial statements prepared by the CHORUS Clean Energy AG, Neubiberg, comprising the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cashflows and the notes, for the business year from 1 January to 31 December 2014. The preparation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, are the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements based on our audit.

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

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements give a true and fair view of the net assets, financial position and the results of operations of the Group in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

Munich, 15 April 2015

KPMG AG
Wirtschaftsprüfungsgesellschaft

Möhring	Bergler
Wirtschaftsprüferin	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

IMPRINT

Publisher
CHORUS Clean Energy AG
Prof.-Messerschmitt-Str. 3
85579 Neubiberg/Munich
Germany
Tel. +49 (0) 89/442 30 60 - 0
Fax +49 (0) 89/442 30 60 - 11
E-mail info@chorus.de
www.chorus.de

Concept and Layout
Kirchhoff Consult AG, Hamburg, Germany

Text
Kirchhoff Consult AG, Hamburg, Germany

Photography
CHORUS Clean Energy AG
iStock

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC® C106313

Note regarding the rounding of figures
Due to the commercial rounding of figures and percentages, small deviations may occur.

CHORUS Clean Energy AG
Prof.-Messerschmitt-Strasse 3
85579 Neubiberg / Munich
Germany