

INTERIM REPORT

JANUARY 1 –
JUNE 30, 2015

2015 Q2

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

	H1 2015
in € millions (IFRS)	
Revenues	30.9
EBITDA*	24.5
EBIT*	13.6
Profit for the period*	7.3
Equity	129.3
Total assets	500.9

*Adjusted for the previous expenses of the planned IPO.

INDEX

1	Business performance first half of 2015
3	Condensed Consolidated Interim Financial Statements
9	Selected Explanatory Notes to the Condensed Consolidated Interim Financial Statements
9	General Information
11	Disclosures regarding the Consolidated Interim Statements of Comprehensive Income/Loss
12	Disclosures regarding Financial Instruments
18	Other Disclosures
21	Imprint

BUSINESS PERFORMANCE

FIRST HALF OF 2015

MARKETS AND ENVIRONMENT

CHORUS focuses its activities on the European region. The geographical focus of the current portfolio is Germany. The market conditions in the renewable energy systems sector remained positive and did not change significantly within our target markets during the first half of 2015. According to the Fraunhofer Institute for Solar Energy Systems (ISE) in Freiburg, around 59.2 billion kilowatt-hours of electricity were produced by photovoltaic and wind energy plants and fed into the grid in Germany during the first six months of 2015. This is approximately 26 percent higher than the level reported for the first half of 2014. Overall, the share of Germany's net energy production occupied by renewable energies rose to approximately 34 percent during this period.

CONSOLIDATED REVENUES OF 30.9 MILLION EUROS

We generated consolidated revenues of 30.9 million euros¹ in the first half of 2015. Given that our portfolio consists primarily of solar parks, earnings for the first three months of the year are lower than those generated in the summer due to seasonal variations. With 18.5 million euros in the second quarter of 2015 compared to 12.4 million euros in the first quarter of 2015, the second quarter accordingly accounted for a higher proportion of the consolidated revenues. Furthermore, the portfolio of plants managed by us achieved a technical availability of more than 99 percent. This above-average performance and the outstanding electricity yield also had a positive impact on our revenues.

The earnings in the reporting period were largely generated by our own 62 solar and wind parks: the proceeds from power generation here amounted to 28.6 million euros. By contrast, the total proceeds from asset management amounted to 2.3 million euros.

Broken down by country, Germany contributed the largest share of the consolidated revenues with 61.1 percent, the rest was distributed between Italy, France and Austria.

The earnings situation for the first half of 2015 after adjustments for the non-recurring expenses of the planned IPO accumulated until June 30, 2015 was as follows: the total earnings before interest, taxes, depreciation and amortisation (EBITDA) in the first six months of 2015 amounted to 24.5 million euros. After deducting the scheduled depreciation and amortisation of 10.9 million euros, the company generated an operating profit (EBIT) of 13.6 million euros. The Group net income for the first half of 2015 amounted to 7.3 million euros.

¹ No previous year's figures, as the operative companies as well as the holding company with its solar and wind parks were brought into the CHORUS Clean Energy AG only by December 2014.

STABLE EQUITY RATIO OF 25.8 PERCENT

Our non-current assets totalled 445.4 million euros as of 30 June 2015. They were therefore slightly below the level reported as of 31 December 2014. These assets consist primarily of our solar and wind power plants.

The current assets amounted to 55.5 million euros at the end of the reporting period and were thus approximately seven percent higher than at the end of the financial year 2014. They mainly included cash and cash equivalents amounting to 30.0 million euros, accounts receivable of 11.3 million euros and current non-financial assets of 9.0 million euros.

Our equity totalled 129.3 million euros as of 30 June 2015, which equates to an increase of around four percent compared to 31 December 2014. Based on total assets, this results in an equity ratio of 25.8 percent (31 December 2014: 24.3 percent).

Our non-current liabilities fell to 333.6 million euros, equating to a reduction of almost five percent compared to the end of 2014. They mainly consisted of long-term financial liabilities of 324.3 million euros. The financial liabilities usually constitute non-recourse loans.

Our short-term liabilities as of 30 June 2015 amounted to 38.0 million euros. These primarily comprised current financial liabilities of 23.0 million euros, liabilities from income taxes amounting to 4.6 million euros, other current liabilities of 4.0 million euros and accounts payable of 3.8 million euros.

POSITIVE OUTLOOK FOR 2015

Our outlook has not changed compared to the statements in the 2014 Annual Report. We continue to expect positive performance for the market and the Group in the financial 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 develop more market opportunities. The German Renewable Energy Federation confirms this assessment: in its latest forecast for 2015 as a whole, the organisation anticipates a net increase of at least 4,000 megawatts for onshore wind energy plants in Germany. Analysts at the research institution IHS predict that the photovoltaic market will also experience further growth in Europe in 2015. They anticipate that this increase will amount to 9.4 gigawatts.

We also remain committed to our plans for our IPO. With this in mind, CHORUS will be keeping a close eye on the developments in the capital markets as the financial year progresses. With our plans to raise additional equity, we want to drive further growth and implement a number of projects from our extensive pipeline, which currently comprises of more than 800 megawatts. In addition, the Management Board is optimistic that further funding rounds for the three current Luxembourg special funds will be completed in the second half of the year. The funds are to be invested in further renewable energy plants. The company accordingly expects growth in the financial year 2015.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED JUNE 30

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30 AND THE THREE MONTHS ENDED JUNE 30

	Note	1. HY 2015	1. HY 2014	Q2 2015	Q2 2014
in € thousands					
Revenues	2.2	30,855	1,282	18,490	1,015
Other income		527	457	22	374
Personnel expenses		-1,020	-989	-461	-485
Other expenses		-8,075	-856	-3,608	-678
Profit (Loss) before interest, tax, depreciation and amortization (EBITDA)		22,287	-106	14,443	226
Depreciation and amortization		-10,940	-32	-5,461	-17
Profit (Loss) before interest and tax (EBIT)		11,347	-138	8,982	209
Finance income		91	2	54	1
Finance expenses		-4,748	-129	-2,608	-63
Valuation of interest-rate swaps		2,018	-	2,210	-
Net financial result		-2,639	-127	-344	-62
Profit (Loss) before tax		8,708	-265	8,638	147
Income tax		-3,066	81	-2,568	-26
Profit/Loss for the period		5,642	-184	6,070	121
Other comprehensive income					
Items that are or may be reclassified subsequently to profit or loss					
Available-for-Sale assets- net change in fair value		391	-	198	-
related tax		-100	-	-51	-
Other comprehensive income, net of tax		291	-	147	-
Total comprehensive income/loss		5,933	-184	6,217	121
Profit/Loss attributable to					
owners of CHORUS Clean Energy AG		5,642	-189	6,070	-117
Non-controlling interests		0	5	0	4
Total comprehensive income/loss attributable to		5,933	-184	6,217	121
owners of CHORUS Clean Energy AG		5,933	-189	6,217	-117
Non-controlling interests		0	5	0	4
Earnings per share					
Basic earnings per share	4.4	0.32	n/a	0.35	n/a
Diluted earnings per share	4.4	0.32	n/a	0.35	n/a

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

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2015

Assets	Note	June 30, 2015	Dec. 31, 2014
in € thousands			
A) Non-current assets		445,446	457,343
Intangible assets and goodwill		175,898	181,149
Property, plant and equipment		246,722	252,521
Financial investments at equity		541	480
Non-current financial assets		4,933	4,374
Deferred tax assets		17,352	18,819
B) Current assets		55,476	51,961
Trade and other receivables		11,287	6,420
Income taxes receivable		365	826
Current financial assets		4,801	1,327
Current non-financial assets		8,992	6,098
Liquid funds:	4.2	30,031	37,290
Cash and cash equivalents	4.2	15,036	21,199
Restricted cash and cash equivalents	4.2	14,995	16,091
Total assets		500,922	509,304

Equity and liabilities	Note	June 30, 2015	Dec. 31, 2014
in € thousands			
A) Total equity		129,339	123,844
Share Capital	4.3	17,449	50
Capital Reserve	4.3	103,663	-
Fair Value Reserve		291	-
Retained Earnings	4.3	7,911	2,269
Contributions in-cash not yet registered	4.3	-	5,855
Contributions in-kind not yet registered	4.3	-	115,645
Equity attributable to the owners of CHORUS Clean Energy AG		129,314	123,819
Non-controlling interests		25	25
B) Non-current liabilities		333,598	350,108
Liabilities to limited partners		4,369	4,034
Non-current provisions		3,218	3,358
Non-current financial liabilities		324,299	341,057
Deferred tax liabilities		1,712	1,659
C) Current liabilities		37,985	35,352
Current provisions		2,263	1,382
Trade payables		3,837	4,716
Income taxes payable		4,611	3,537
Current financial liabilities		22,967	21,446
Other current liabilities		4,015	3,431
Deferred income		292	840
Total equity and liabilities		500,922	509,304

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

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2014 AND 2015

	attributable to the owners of CHORUS Clean Energy AG		
	Share capital	Capital reserve	Retained earnings
in € thousands			
Balance as of January 1, 2014	250	25	3,873
Loss for the period/Total comprehensive Loss	-	-	-189
Total comprehensive Loss	-	-	-189
Balance as of June 30, 2014	250	25	3,684

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

	attributable to the owners of CHORUS Clean Energy AG			
	Share capital	Capital reserve	Fair value reserve	Retained earnings
in € thousands				
Balance as of January 1, 2015	50	-	-	2,269
Total comprehensive income / profit for the period				
Profit for the period	-	-	-	5,642
Other comprehensive income	-	-	291	-
Total comprehensive income	-	-	291	5,642
Transactions with owners of the company				
Contributions and distributions				
Issue of shares	17,399	104,103	-	-
Costs incurred to issue equity, net of tax	-	-440	-	-
Total contributions and distributions	17,399	103,663	-	-
Total transactions with owners of the company	17,399	103,663	-	-
Balance as of June 30, 2015	17,449	103,663	291	7,911

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

	Equity attributable to the owners of CHORUS Clean Energy AG	Non-controlling interests	Total equity
	4,148	11	4,159
	-189	5	-184
	-189	5	-184
	3,959	16	3,975

	Contribution in cash not yet registered	Contribution in-kind not yet registered	Equity attributable to the owners of CHORUS Clean Energy AG	Non-controlling interests	Total equity
	5,855	115,645	123,819	25	123,844
	-	-	5,642	0	5,642
	-	-	291	-	291
	-	-	5,933	0	5,933
	-5,855	-115,645	-	-	-
	-	-	-440	-	-440
	-5,855	-115,645	-440	-	-440
	-5,855	-115,645	-440	-	-440
	-	-	129,314	25	129,339

CONSOLIDATED INTERIM STATEMENT OF CASHFLOW

FOR THE SIX MONTHS PERIOD ENDED JUNE 30

in € thousands	1. HY 2015	1. HY 2014
Results for the year	5,642	-184
Net finance result	2,639	127
Net income tax result	3,066	-81
Earnings before Interest and Tax (EBIT)	11,347	-138
Tax paid (-)/Tax received (+)	304	9
Depreciation and amortization	10,940	32
Other non-cash income/expenses	-116	-129
Increase/decrease in other assets not attributable to investment and financing activities	-8,187	-337
Increase/decrease in other liabilities not attributable to investment and financing activities	1,555	62
Cash Flow from Operating Activities	15,843	-500
Proceeds on disposals of financial assets	244	0
Payments on investments in equity and debt instruments	-3,949	-86
Payments on investments in property, plant and equipment and intangible assets	-45	-51
Interest received	27	1
Cash Flow from Investing Activities	-3,722	-136
Proceeds from borrowing/debt	0	228
Repayment of borrowing/debt	-10,375	0
Payments in connection with raising equity	-1,503	0
Change in restricted cash	1,096	0
Repayments of lease commitments	-605	0
Interest paid	-6,895	0
Cash Flow from Financing Activities	-18,283	228
Net decrease/increase in cash and cash equivalents	-6,162	-408
Cash and cash equivalents at beginning of period	21,199	866
Cash and cash equivalents at end of period	15,036	459

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

SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (IFRS)

AS AT JUNE 30, 2015

1 GENERAL INFORMATION

1.1 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 reporting entity 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.

The condensed consolidated interim financial statements of the CHORUS AG as at June 30, 2015 comprise the Company and its subsidiaries (together referred to as “CHORUS Group” or the “Group” and individually as “Group entities”).

The Corporate of Management of CHORUS AG authorized the consolidated interim statements for presentation to the Supervisory Board on August 13, 2015.

1.2 DESCRIPTION OF OPERATIONS

CHORUS is an independent power producer and a full-service asset manager with a long-standing focus on investments in renewable energy power facilities. In addition, CHORUS provides advisory and asset management services to professional investors in the renewable energy sector. Since its specialization in the renewable energy field in 2006, CHORUS has initiated 21 German limited partnerships (Kommanditgesellschaften) and three Luxembourg special investment funds focused on the renewable energy sector, which, advised by CHORUS, executed total investments in 67 solar and wind parks located in Germany and other European countries with a total capacity of 254 MW (solar parks: 151 MW; wind parks: 103 MW), representing a total investment volume of approximately EUR 673 million. Between 2009 and 2014, the total electricity generated per year by the solar and wind parks managed and operated by CHORUS grew from 1.3 MWh in 2009 to 252,843 MWh in 2014. CHORUS owns and operates 62 of these parks and manages and operates five wind parks for the Luxembourg special investment funds initiated by it. Following the acquisition of a solar or wind park for its own portfolio or for professional funds and investors, CHORUS provides asset management services to the legal entities owning the solar and wind parks.

From January 1 until June 30, 2015 our own renewable energy plants produced a total of 125,022 MWh.

1.3 BASIS OF PREPARATION

These condensed consolidated interim financial statements were prepared in accordance with the International Standard IAS 34 'Interim Financial Reporting'. It does not include all information required by IFRS for year-end consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements as of 31 December, 2014.

The comparability of the consolidated interim statement of profit or loss and other comprehensive income, the consolidated interim statement of cashflow and the consolidated interim statement of changes in equity is limited since the 74 holding and operating companies including the solar parks and wind parks were contributed in December 2014. Therefore, they are not reflected in the group's results of operation and cashflow for the six-month period ended June 30, 2014. For this period in 2014, the financial information only includes the financial information of CHORUS GmbH and its subsidiaries. We refer to the consolidated financial statements as of December 31, 2014, note 7.10 Equity.

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.

1.4 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In addition to the standards and interpretations applied as at December 31, 2014, the following standards were applicable for the first time, but had no impact on the consolidated financial statements:

- IFRIC 21 "Levies" (2013)
- Annual Improvements to IFRSs 2011–2013 Cycle

CHORUS AG is in process of analyzing the effects of the IFRS standards not yet effective on CHORUS Groups results of operations, financial position and cash flows.

1.5 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 in the notes to the consolidated financial statements as of 31 December, 2014.

There have been no significant changes in the amount of changes in estimates since preparation of the consolidated financial statements for the year ended December 31, 2014.

1.6 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended December 31, 2014. A detailed description of the policies is included in the notes to the consolidated financial statements for 2014.

2 DISCLOSURES REGARDING THE CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME/LOSS

2.1 EXTRAORDINARY EFFECTS

Our business is occasionally affected by one-time events, which lead to extraordinary effects in the financial statements. To ensure a better comparability of our financial informations over several periods, these effects are eliminated in this section. In the first six month of 2015 extraordinary expenses occurred, which relate to the planned IPO and did not qualify for direct deduction from capital reserve in preparation for the IPO.

The extraordinary effects had the following impact on the consolidated interim statement of comprehensive income:

	EBITDA	EBIT	Income/Loss for the period	Earnings per share
in € thousands				
Earnings June 30, 2015 adjusted	24,544	13,604	7,321	0.42
IPO expenses	2,257	2,257	1,679	0.10
Earnings June 30, 2015 according to IFRS	22,287	11,347	5,642	0.32

2.2 REVENUES

Revenues can be broken down as follows:

	1. HY 2015	1. HY 2014
in € thousands		
Energy Generation	28,571	-
Asset Management	2,284	1,282
Revenues	30,855	1,282

The analysis of revenues by country is as follows:

	Germany	Italy	France	Austria	1. HY 2015
in € thousands					
Energy Generation	16,580	10,787	360	845	28,571
Asset Management	2,284	-	-	-	2,284
Total	18,863	10,787	360	845	30,855

	Germany	Italy	France	Austria	1. HY 2014
in € thousands					
Energy Generation	-	-	-	-	-
Asset Management	1,282	-	-	-	1,282
Total	1,282	-	-	-	1,282

3 DISCLOSURES REGARDING FINANCIAL INSTRUMENTS

The table below shows the carrying amounts, stated values, and fair values based on the measurement categories of financial instruments as of December 31, 2014 and as of June 30, 2015.

June 30, 2015				
Statement of financial position value in accordance with IAS 39				
	Measurement category in accordance with IAS 39	Carrying amount	Amortized cost	At cost
in € thousands				
Assets				
Non-current financial assets	AfS	4,933	-	75
Trade and other receivables	LaR	11,287	11,287	-
Current financial assets	LaR	3,983	3,983	-
Current financial assets	AfS	818	-	-
Liquid funds:				
Cash and cash equivalents	LaR	15,036	15,036	-
Restricted cash and cash equivalents	LaR	14,995	14,995	-
Liabilities				
Liabilities to limited partners	FLAC	4,369	4,369	-
Financial liabilities		347,266	308,601	-
of which Bank loans	FLAC	308,601	308,601	-
of which leasing liabilities	n/a	31,075	-	-
of which interest rate swaps with neg. FV	HfT	7,590	-	-
Trade payables	FLAC	3,837	3,837	-

June 30, 2015				
Statement of financial position value in accordance with IAS 39				
	Measurement category in accordance with IAS 39	Carrying amount	Amortized cost	At cost
in € thousands				
Loans and receivables (LAR)	LaR	45,301	45,301	-
Available-for-sale financial assets	AfS	5,751	-	75
Financial liabilities at amortised cost	FLAC	316,807	316,807	-
Financial Liability at Fair Value through P&L	FLVP&L	7,590	-	-

		Measurement in accordance with IAS 17	Fair Value			Total	
Fair value recognized directly in equity	Fair value recognized through profit or loss		Level 1	Level 2	Level 3		
	4,859	-	-	-	4,859	4,859	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	818	-	-	-	818	818	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	7,590	31,075	-	7,590	308,601	347,266
	-	-	-	-	-	308,601	308,601
	-	-	31,075	-	-	-	31,075
	-	7,590	-	-	7,590	-	7,590
	-	-	-	-	-	-	-

Fair value recognized directly in equity	Fair value recognized through profit or loss	Fair Value
-	-	-
5,677	-	5,677
-	-	308,601
-	7,590	7,590

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

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

The group does not disclose separately the fair values for financial instruments such as short-term trade receivables and payables, because their carrying amounts are a reasonable approximation of fair values.

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

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

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 (Level 3)	The investments are valued using one or a combination of the following methods: <ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • Risk premium 	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> • The risk premium was lower (higher)
Interest rate swaps (Level 2)	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.	<ul style="list-style-type: none"> • Not applicable 	<ul style="list-style-type: none"> • Not applicable

No reclassifications of financial instruments were made in comparison to December 31, 2014.

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 4,859 thousand as of June 30, 2015 (EUR 4,299 thousand as of December 31, 2014) all of which were acquired in the business combination in December 2014, and sundry other available-for-sale equity investments totaling EUR 75 as of June 30, 2015 (EUR 75 thousand as of December 31, 2014).

Sundry other available-for-sale equity investments totaling EUR 75 thousand as of June 30, 2015 (EUR 75 thousand as of December 31, 2014) 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.

RECONCILIATION OF LEVEL 3 FAIR VALUES

The following table shows a reconciliation from the opening balances to the closing balances for available-for-sale values:

	Available-for-sale
in € thousands	
Balance at January 1, 2015	4,299
Gain/Loss included in Finance Income	-
Net change in fair value (unrealized)	-
Net change in fair value (realized)	-
Gain included in OCI	392
Net change in fair value (unrealized)	392
Purchases	986
Transfer out of level 3	-
Balance at June 30, 2015	5,677

INTEREST RATE RISK (SWAP)

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.

JUNE 30, 2015:

Outstanding "Receive-Floating Pay-Fixed" swaps	Contractually agreed fixed interest rates	Notional amount	Fair value
in € thousands			
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%	68,642	-7,590
Total		68,642	-7,590

DECEMBER 31, 2014:

Outstanding "Receive-Floating Pay-Fixed" swaps	Contractually agreed fixed interest rates	Notional amount	Fair value
in € thousands			
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

4 OTHER DISCLOSURES

4.1 ACQUISITION OF INTERESTS IN OTHER COMPANIES

In March 2015, CHORUS Group acquired 35% of the shares in a limited partnership for a consideration of EUR 818 thousand and 35% of the shareholder loan for a consideration of EUR 2,830 thousand. The consideration maybe subject to future adjustments depending on the achievements of contractual agreed requirements. The acquisition of the shares and shareholder loan is shown within current financial assets. The 35% of the shares are accounted for as available-for-sale investments. The 35% of the shareholder loan are accounted for at amortized costs.

4.2 LIQUID FUNDS

The liquid funds of EUR 30,031 thousand consist of cash and cash equivalents in the amount of EUR 15,036 thousand and restricted cash and cash equivalents amounting to EUR 14,995 thousand. Both refer to cash and bank balances. The restricted cash and cash equivalents relate to debt servicing and project reserves which serve as collateral for the solar and wind parks' lending banks and can only be used in agreement with the banks for the respective entities.

4.3 EQUITY

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 in three steps to EUR 17,449 thousand against one cash contribution and two contributions in-kind. The share capital increase by EUR 17,399 thousand was entered in the commercial register as of February 23, 2015. At this date, the amounts previously recognized under the items "Contribution in cash not yet registered" and "Contribution in-kind not yet registered" were reclassified into share capital and capital reserve. Costs incurred to issue equity amount to EUR 440 thousand are deducted directly from capital reserve.

4.4 EARNINGS PER SHARE

In accordance with IAS 33, earnings per share is determined by dividing profit/loss attributable to the owners of CHORUS Clean Energy AG by the weighted average number of shares outstanding during the fiscal year.

The share capital increase in course of the legal acquisition of CHORUS GmbH on February 23, 2015 has to be taken into account retrospectively and therefore from January 1, 2015 onwards. Also the shares issued by the other capital increases are considered in full beginning 1st of January 2015 since the acquisition date for the companies acquired as well as the entitlement to contribution was prior to 1st of January 2015 (see note 7.10 Equity in the consolidated financial statements as of December 31, 2015).

The consolidated net result for the first six months of 2015 was EUR 5,642 thousand. The average number of shares in the first six months of 2015 was, under consideration of the mentioned facts above, 17,449 thousand. This results in basic earnings per share of EUR 0.32.

	1. HY 2015	1. HY 2014
in € thousands		
Profit/Loss attributable to the owners of CHORUS Clean Energy AG	5,642	n/a
Weighted average number of shares outstanding	17,449	n/a
Total compensation recognized for key management personnel	0.32	n/a

There were no shares outstanding that could have diluted earnings per share as of June 30, 2015.

Due to the fact that the CHORUS Clean Energy AG was founded in July 2014, the disclosure for earnings per share for the previous year is obsolete. For the predecessor CHORUS GmbH (see note 1 "Description of operation" in the notes to the consolidated financial statements for the financial year ending December 31, 2014) a presentation of earnings per share is not possible.

4.5 CONTINGENT LIABILITIES

There have been no significant changes in the contingent liabilities since preparation of the consolidated financial statements for the year ended December 31, 2014.

4.6 TRANSACTIONS WITH RELATED PARTIES

In the course of its ordinary business activities, the parent company CHORUS AG maintains relationships both with the subsidiaries, associates, related entities and individuals (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:

in € thousands	1. HY 2015	1. HY 2014
Short-term employee benefits	328	243
thereof supervisory board benefits	43	-
Total compensation recognized for key management personnel	328	243

in € thousands	1. HY 2015	1. HY 2014
Short-term employee benefits	355	246
thereof supervisory board benefits	21	-
Total compensation paid to key management personnel	355	246

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	1. HY 2015	1. HY 2014
Transactions		
- services	2,274	471
Total transactions	2,274	471

in € thousands	30.06.15	31.12.14
Balances	820	634
Total balances	820	634

CONSULTING AGREEMENT WITH PELABA CONSULT GMBH

On March 2, 2015 the Company entered into a consulting agreement based on standard market terms with PELABA Consulting GmbH, a company controlled by the chairman of the Supervisory Board, Peter Heidecker. Pursuant to this agreement, PELABA Consulting GmbH provides consulting services relating to the identification of potential targets for future investments as well as – in coordination with the Management Board – the support of the Company regarding distribution initiatives and measures.

LEASE AGREEMENT WITH PELABA VERMÖGENSVERWALTUNGS GMBH & CO. KG

With effect from January 1, 2015 the Company entered into a lease agreement related to the Company's headquarters in Neubiberg with PELABA Vermögensverwaltungs GmbH & Co. KG, a company controlled by the chairman of the Supervisory Board, Peter Heidecker. The lease agreement has a fixed term until 2019 and thereafter is automatically extended for subsequent one year periods unless terminated by either party on six months' notice. The monthly rent is based on standard market terms.

SHORT-TERM LOAN WITH PELABA VERWALTUNGS GMBH

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 Verwaltungen 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. The interest payments are based on standard market terms.

4.7 SEASONALITY

Our business comprises the generation of electricity from solar systems and wind turbines. The profitability of a solar or wind energy project is dependent on solar or wind conditions at the location of the relevant park, which may vary over time and differ from solar and wind conditions observed during the project development stage. Based on historical statistical data, CHORUS believes that solar conditions are considerably more stable than wind conditions over longer periods of time (of 20 years or more). However, changing weather conditions may still affect our financial performance from one year to the next and directly affect our revenues and operating results.

The amount of electricity our solar power energy parks produce is dependent on the amount of sunlight, or irradiation, at the sites where the solar parks are located. Because shorter daylight hours in winter months result in less irradiation, the electricity generation of our solar parks will vary considerably depending on the season. Additionally, as all of our solar parks are located in the northern hemisphere, power generation of our solar park portfolio is impacted by seasonality. Consequently, total power generation of our solar park portfolio is at its highest during the second and third quarters of each year, when it is summer in the northern hemisphere and the days are longer. In contrast, energy generation from our wind parks is typically higher in the first and fourth quarters of each year.

The above mentioned description on seasonality is applicable starting with the contribution of the holding and operating companies as of December 31, 2014.

4.8 EMPLOYEES

For the period from January 1 to June 30, 2015, the Group had an average of 30 employees (for the period from January 1 to June 30, 2014: 28 employees) all of whom worked in management and administration of CHORUS AG, respectively at CHORUS GmbH.

4.9 PREPARATION FOR THE IPO

CHORUS Clean Energy AG seeks to list its shares on the regulated market (Prime Standard) of the Frankfurt Stock Exchange. On June 19, 2015, the securities prospectus has been approved by the German Federal Financial Supervisory Authority (BaFin).

The proceeds from the issuance of new shares will be used to finance further growth of CHORUS. In particular, CHORUS plans the acquisition of additional solar and wind parks as well as the expansion of Asset Management revenues.

4.10 SUBSEQUENT EVENT

Due to the sharpened economic situation in Greece and the impact on the global financial markets the Management Board decided on July 9, 2015, to postpone the planned initial public offering ("IPO") for the time being. In the capital market environment at that time the Management Board did not see any possibility to list the company on the stock exchange at an appropriate valuation.

The group is not aware of any other events after the balance sheet date affecting the course of business.

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

Note regarding the rounding of figures

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

Disclaimer

This Annual Report contains certain future-oriented statements. Future-oriented statements include all statements which do not relate to historical facts and events and contain future-oriented expressions such as “believe”, “estimate”, “assume”, “expect”, “forecast”, “intend”, “could” or “should” or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties since they relate to future events and are based on the Company’s current assumptions, which may not in the future take place or be fulfilled as expected. The Company points out that such future-oriented statements provide no guarantee for the future and that actual events including the financial position and profitability of CHORUS Clean Energy AG and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed or described in these statements. Even if the actual results for CHORUS Clean Energy AG, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this Annual Report, no guarantee can be given that this will continue to be the case in the future.

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